

# Demand in the Driver's Seat

The U.S. automotive industry enjoyed a strong 2025, sustained by resilient consumer demand that fueled the new vehicle market for the majority of the year. Q4 sales experienced a predicted slowdown due to inflation, tariffs, and dwindling EV incentives.

## New Light Vehicle Sales Stop and Go

### Seasonally Adjusted Annual Rate (SAAR) - Dec. 2025:

- ▼ 4.9% to 16 million units from Dec. 2024
- ▲ 2.6% from Nov. 2025

### SAAR by Light Vehicle Segment - Full-year 2025 vs. 2024:

- Cars: ▼ 7.7% to 2.8 million units
- Light Trucks: ▲ 4.5% to 13.5 million units
- Domestic: ▲ 3.0% to 12.6 million units
- Import: ▼ 0.5% to 3.7 million units

### Sales - Full-year 2025 vs. 2024:

- Retail: ▲ 4.0% to 13.6 million units
- Total new light vehicles: ▲ 2.2% to 16.2 million units
- Fleet: ▲ 4.8% to 2.2 million units



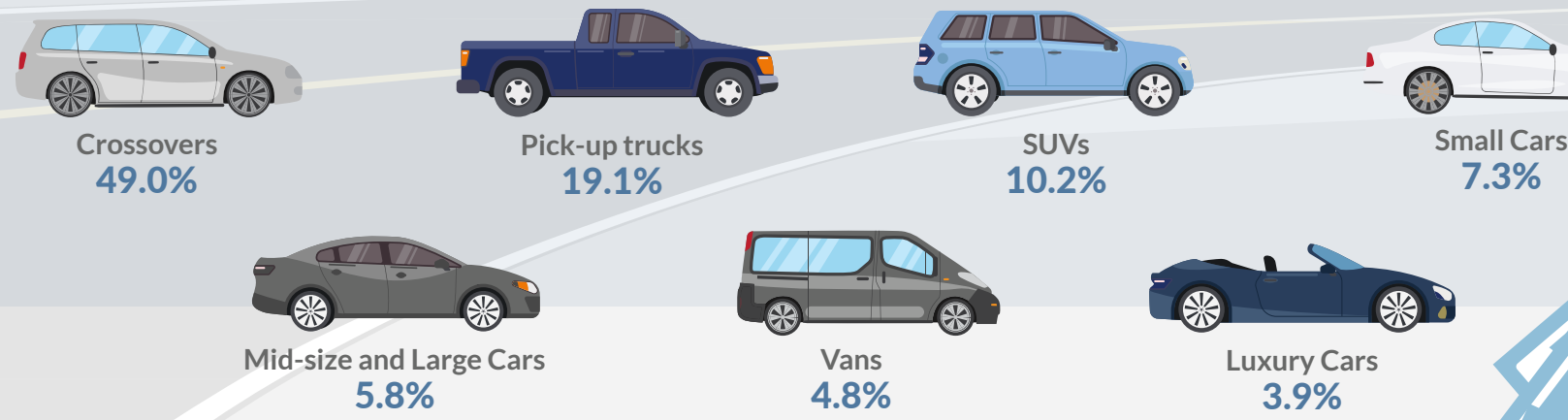
Sources: National Automobile Dealers Association (NADA), Cox Automotive, J.D. Power



## Light Truck Market Share Revs Up

Light trucks (crossovers, pick-up trucks, SUVs, and vans combined) accounted for **83.1%** of the market in 2025, **UP FROM 81.2%** in 2024, due to a rise in truck/SUV incentives and a decrease in interest rates. Crossovers remained the most popular segment.

### Market Share by Vehicle Segment - 2025:



### OEM Incentive Spending - Dec. 2025 vs. 2024:

- Overall: ▲ 2.3% (\$3,433 average per light vehicle)
- Cars: ▼ 7.8% (\$2,670 average per vehicle)
- Trucks/SUVs: ▲ 3.9% (\$3,584 average per vehicle)

### Average Interest Rate for New Vehicle Loans:

5.8% in December 2025 ▼ Down from 6.1% in December 2024

Sources: NADA, J.D. Power

## U.S. Automakers Make Inroads

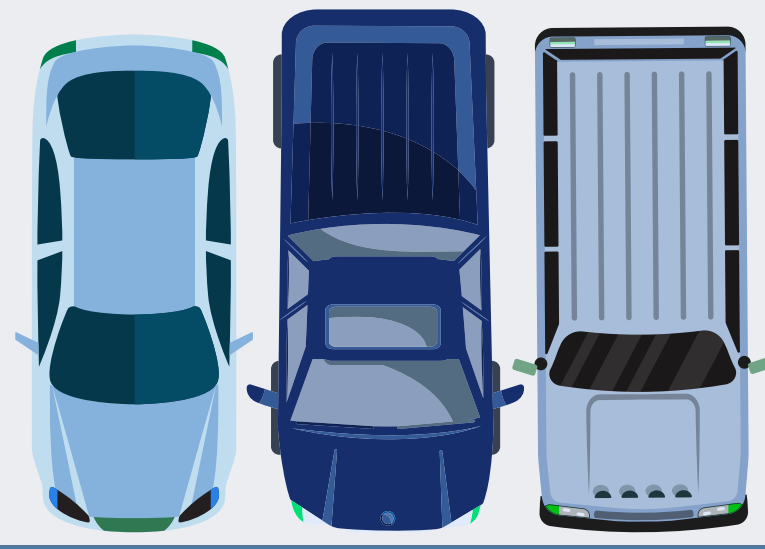
General Motors (GM) retained its crown as U.S. leader in new light vehicle sales and gained market share in 2025, bolstered by record-breaking small SUV sales and its sixth consecutive year in leading full-size pickup sales.

### Market Share by Manufacturer 2025 vs. 2024:

### Sales by Manufacturer Q4 and Full-year 2025 vs. 2024:

Manufacturer	Market Share 2025 vs. 2024	Q4 Sales 2025 vs. 2024	Full Year Sales 2025 vs. 2024
GM	▲ 17.3% (UP from 16.8%)	▼ 6.9% (Q4 - 703,001 vehicles)	▲ 5.5% (Full Year - 2,853,299 vehicles)
TOYOTA	▲ 15.5% (UP from 14.5%)	▲ 8.1% (Q4 - 652,195 vehicles)	▲ 8.0% (Full Year - 2,518,071 vehicles)
Ford	▲ 13.4% (UP from 12.9%)	▲ 2.7% (Q4 - 545,216 vehicles)	▲ 6.0% (Full Year - 2,204,124 vehicles)
HYUNDAI	▲ 11.3% (UP from 10.7%)	▲ 0.2% (Q4 - 462,845 vehicles)	▲ 7.5% (Full Year - 1,836,172 vehicles)
HONDA	▼ 8.8% (DOWN from 8.9%)	▼ 9.5% (Q4 - 332,578 vehicles)	▲ 0.5% (Full Year - 1,430,577 vehicles)
STELLANTIS	▼ 7.6% (DOWN from 8.1%)	▲ 3.6% (Q4 - 332,321 vehicles)	▼ 3.3% (Full Year - 1,260,344 vehicles)

Source: Cox Automotive



## Wear and Tear

Aging vehicles on the road benefit the aftermarket automotive industry, as older and heavily driven vehicles tend to require more frequent repairs and replacement parts.

### Average Age of Vehicles on U.S. Roads in 2025:

**12.8 Years**, the highest age ever

### Travel on All Roads and Streets:

- Dec. 2025 - 265.8 billion vehicle miles ▲ 0.6% or 1.6 billion vehicle miles from Dec. 2024
- Total 2025 - 3.3 trillion vehicle miles ▲ 0.9% or 29.8 billion vehicle miles year-over-year

Sources: S&P Global, U.S. DOT Federal Highway Administration

## U.S. EV Market Shifts Gears

Despite the expected sharp decline in Q4 sales following the expiration of federal tax credits, the U.S. EV market enjoyed another robust year in 2025 as sales transitioned from policy-driven demand to market-driven adoption.

- EV Sales: 1,276,000 units in 2025, ▼ 2.0% vs. 2024
- 234,171 units in Q4 2025, ▼ 36.0% vs. Q4 2024
- EVs represented 7.8% of all new vehicle sales in the U.S. in 2025, ▼ from 8.1% in 2024



Average Transaction Price (ATP) of New EVs - Dec. 2025: \$58,034, ▲ 2.4% vs. Dec. 2024

GM enjoyed the largest increase in EV sales in 2025, selling more than **150,000 EVs, UP 48.0% vs 2024**, driven by its popular Chevrolet and Cadillac EV models.

While Tesla remained the dominant EV player, declines in sales left Tesla with **46% of the U.S. EV market in 2025, DOWN from 49% in 2024**, as GM, Ford, Hyundai, and other automakers continued to close the gap with new product launches.

### Market Share by Powertrain - 2025 vs. 2024:

Fully Electric	Hybrid
▼ 7.7% (DOWN from 7.8%)	▲ 12.7% (UP from 10.1%)
Plug-in Hybrid	Internal Combustion Engine
▼ 1.6% (DOWN from 2.0%)	▼ 78.0% (DOWN from 80.0%)

Sources: NADA, Kelley Blue Book, Cox Automotive

## Used Vehicles Gain Traction

The U.S. used vehicle market ended on a high note in 2025 as more consumers spring for affordable used rides amid improving credit conditions.

- Certified Pre-Owned (CPO) Sales: 2025 - 2.6 million units ▲ 2.1% vs. 2024
- Used Retail Sales in 2025: ▲ 2.9% vs. 2024
- ATP - Dec. 2025: Used vehicles: \$25,730, ▲ 0.6% vs. Dec. 2024
- New vehicles: \$50,326, ▲ 0.8% vs. Dec. 2024 and highest new vehicle ATP ever
- 14.8% Share of Used Retail Market in 2025



Sources: Cox Automotive, Kelley Blue Book

## Yellow Light Ahead

The U.S. automotive industry is expected to see a modest cooling of new vehicle sales in 2026, as already indicated by lower year-over-year SAARs of 14.8 million units and 15.6 million units for January and February, respectively. New vehicle demand will likely be tempered by ongoing economic uncertainty, inflation, and shifts in federal policy regarding tariffs and EV adoption.