MARKET BEAT

Patrick Manzi, *NADA Chief Economist*

New light-vehicle sales in October 2023 totaled a SAAR of 15.5 million units, up 5.6% from October 2022's 14.7 million. Sales cooled at the end of October, finishing below expectations, but still marked the 14th straight month of year-over-year SAAR increases. According to Wards Intelligence, preliminary estimates of sales losses resulting from the UAW strikes totaled 35,000 units. Still, lost sales from strike- affected OEMs do not appear to have been made up by other OEMs, Wards Intelligence adds.

New light-vehicle sales continue to head toward a mix of 80% light trucks versus 20% cars, with light-truck sales accounting for 79.6% of total sales year to date through October 2023. The crossover segment continues to be the most popular, accounting for 47.2% of new vehicles sold so far this year. Sales of alternative-fuel vehicles—hybrids, plug-in hybrids and battery electric vehicles (BEVs)—represented 16.4% of all new vehicles sold year to date. BEVs sales alone accounted for 7.2% of alternative-fuel vehicle sales. Total annual BEV sales should top 1 million units for the first time, as 916,047 BEVs have been sold so far in 2023.

Although the strike's impact on production was significant, totaling roughly 200,000 units, total industry inventory was not significantly affected. New light-vehicle inventory on the ground and in transit at the beginning of October totaled 2.06 million units and October's month-end inventory totaled 2.15 million units, an increase of 4.4%. We believe that inventory levels will continue to build throughout the remaining two months of the year. Yet financial impacts of production stoppages at the strike-affected OEMs will be significant.

Now that all three strike-affected OEMs have tentative agreements in place, vehicle production should resume over coming days as union members learn about the new agreements and vote to ratify them. Even so, there is remains a risk that union members at one or more of those OEMs will vote down the proposed agreements and resume striking.

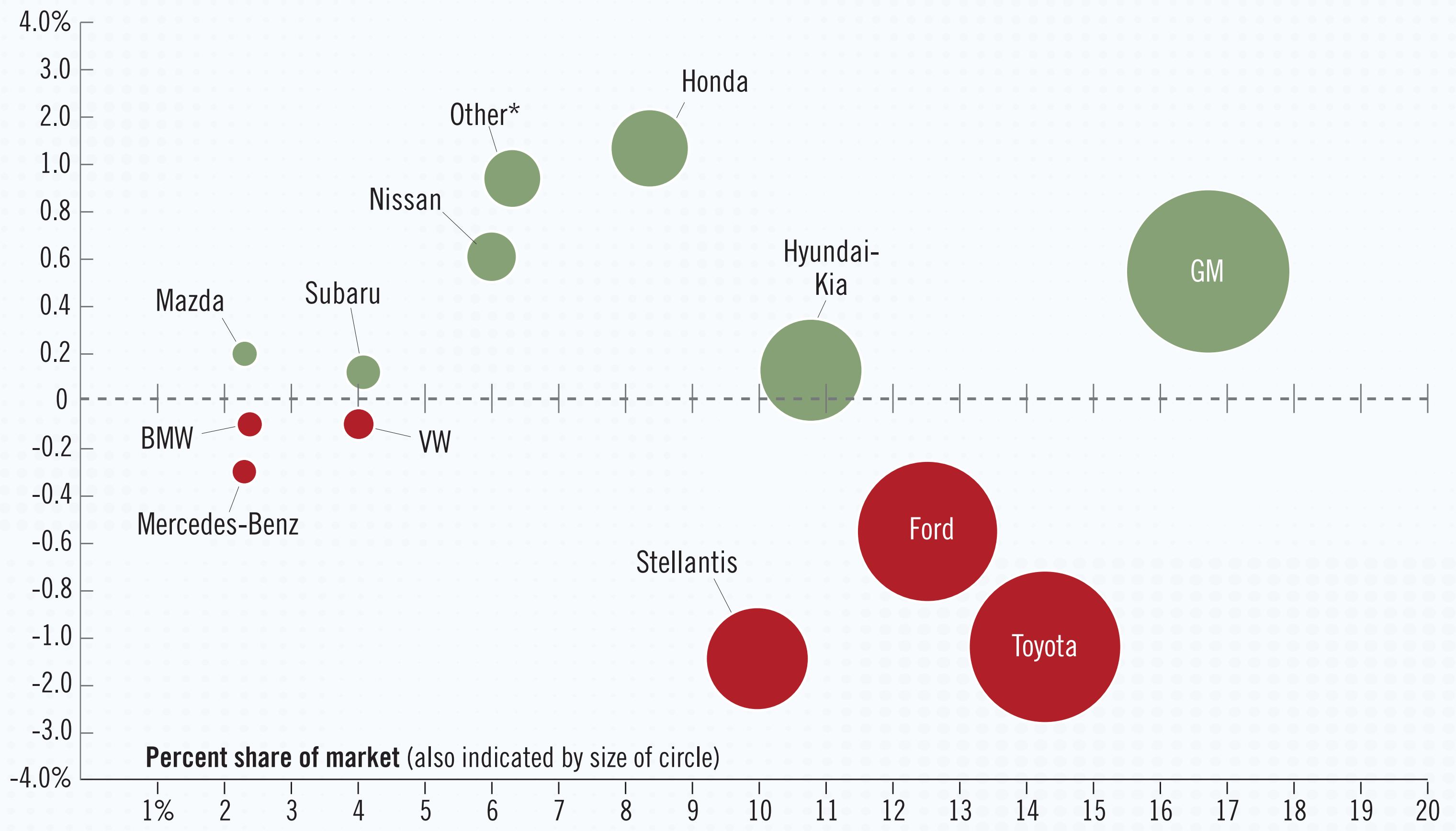
For full-year 2023, we expect new light-vehicle sales to total 15.4 million units.

U.S. Light-Vehicle Sales

(Seasonally Adjusted at Annual Rates)

	October 2023	Y/Y %	Jan - October 2023	YTD/YTD %
Total Car	3.10	2.0%	3.12	9.9%
Total Light Truck	12.40	6.4%	12.34	13.5%
Domestic Light Vehicle	11.98	3.1%	12.14	12.1%
Import Light Vehicle	3.51	14.7%	3.32	15.3%
Total Light Vehicle SAAR	15.50	5.6%	15.46	12.8%

Market Share, by manufacturer

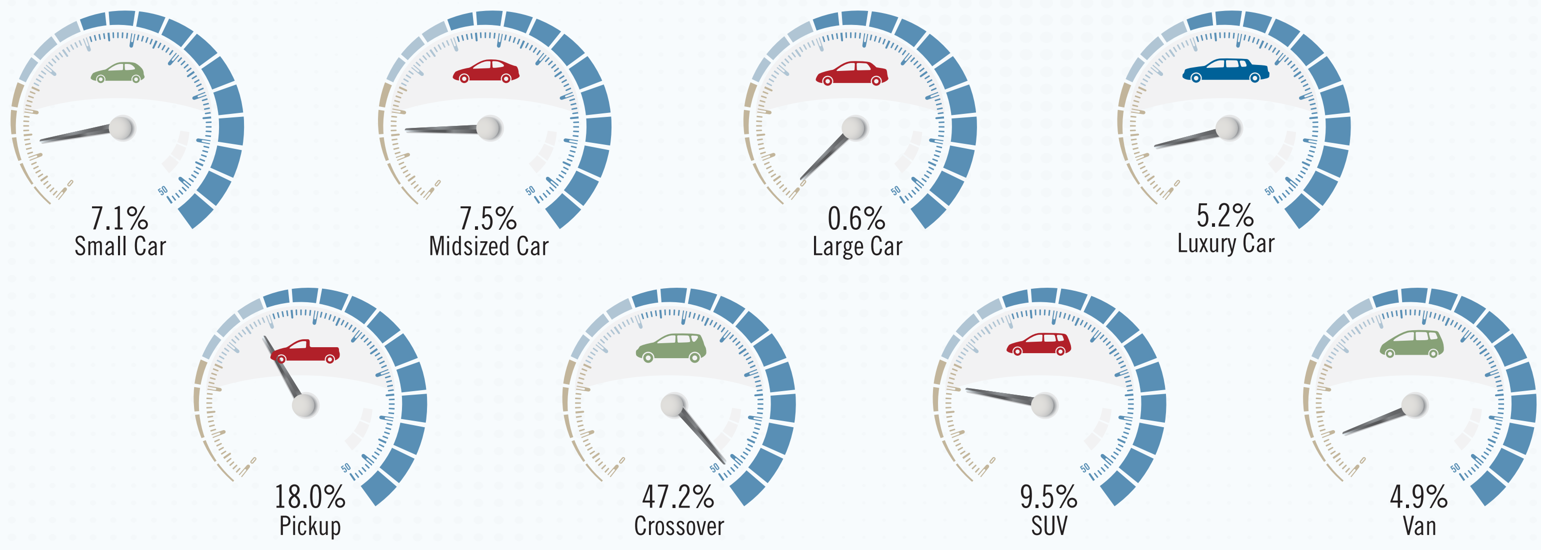


*Other is Jaguar/Land Rover, Lucid, Mitsubishi, Rivian, Tesla, Volvo

Gain · No change · Loss

All figures are year to date/year-to-date changes.

Market Share, by segment



Market Share, by powertrain