MARKET BEAT

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New light-vehicle sales in August 2026 were solid, recording a SAAR of 16.8 million units, an increase of 1.5% year over year. Raw sales volume in August 2026 was 1.38 million units, an increase of 1.3% compared to July 2026. Year to date through August 2026, new light-vehicle sales are tracking at a 16.1 million-unit SAAR, slightly above our forecast of 16.0 million units for all of 2026.

Last August was one of the final months where consumers could receive the federal EV tax credit, which has made for some interesting year-over-year comparisons. For example, battery electric vehicle (BEV) market share reached 10.1% in August 2025, and just one year later BEV market share has fallen nearly 4 percentage points to just 6.2% of all new-vehicle sales in August 2026. Conventional hybrid vehicles have picked up most of the market share lost in the BEV segment. In August 2026, hybrid vehicle sales accounted for 15.7% of all new vehicles sold, up 3.1 percentage points compared to August 2025. Looking ahead, in the absence of a federal EV tax credit, we expect hybrid sales to grow at a rapid pace, while BEV market share inches up slowly.

Despite the major market shifts we've seen over the past year, one trend remains — new vehicles continue to be more expensive. JD Power estimates that the average new-vehicle monthly payment in August 2026 will reach $812, an increase of 3.7% and the highest monthly payment on record for any August. Borrowing costs were roughly flat year over year in August 2026. JD Power estimates that the average interest rate on a new-vehicle finance contract will be 6.55% in August 2026, down only 6 basis points year over year.

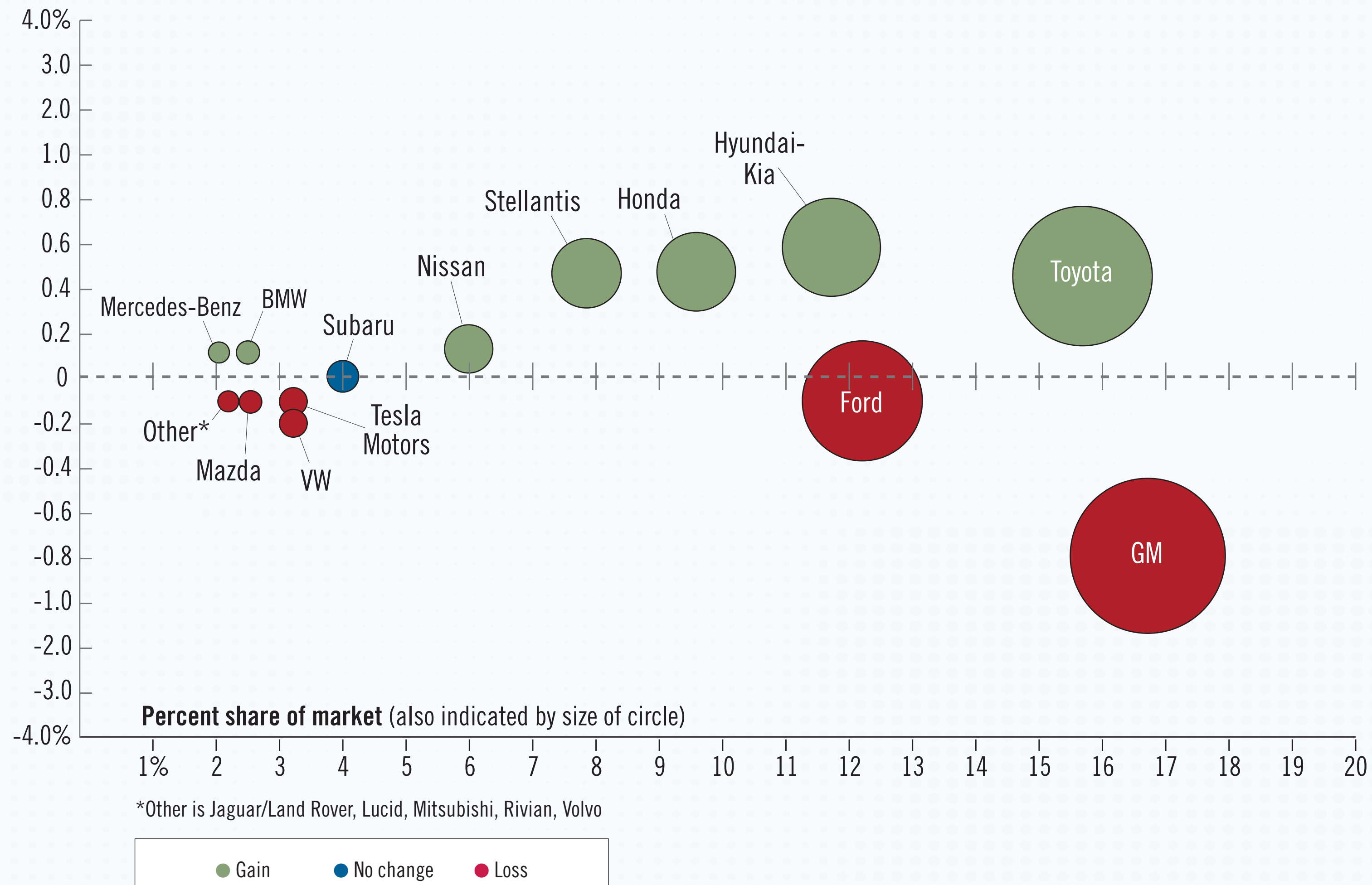
A strong equity market should be a tailwind for sales in the remaining months of 2026. While the ongoing war in Iran and its disruptions to global commodity flows — coupled with higher borrowing costs — will be headwinds for the industry. Looking ahead to the rest of the year we believe vehicle demand will remain solid, and industry sales should total at least 16.0 million units.

U.S. Light-Vehicle Sales

(Seasonally Adjusted at Annual Rates)

	August 2026	Y/Y %	Jan - Aug 2026	YTD/YTD %
Total Car	2.74	1.1%	2.65	-5.7%
Total Light Truck	14.03	1.7%	13.48	-0.7%
Domestic Light Vehicle	12.75	-0.6%	12.43	-1.3%
Import Light Vehicle	4.02	9.2%	3.70	-2.9%
Total Light Vehicle SAAR	16.76	1.5%	16.13	-1.6%

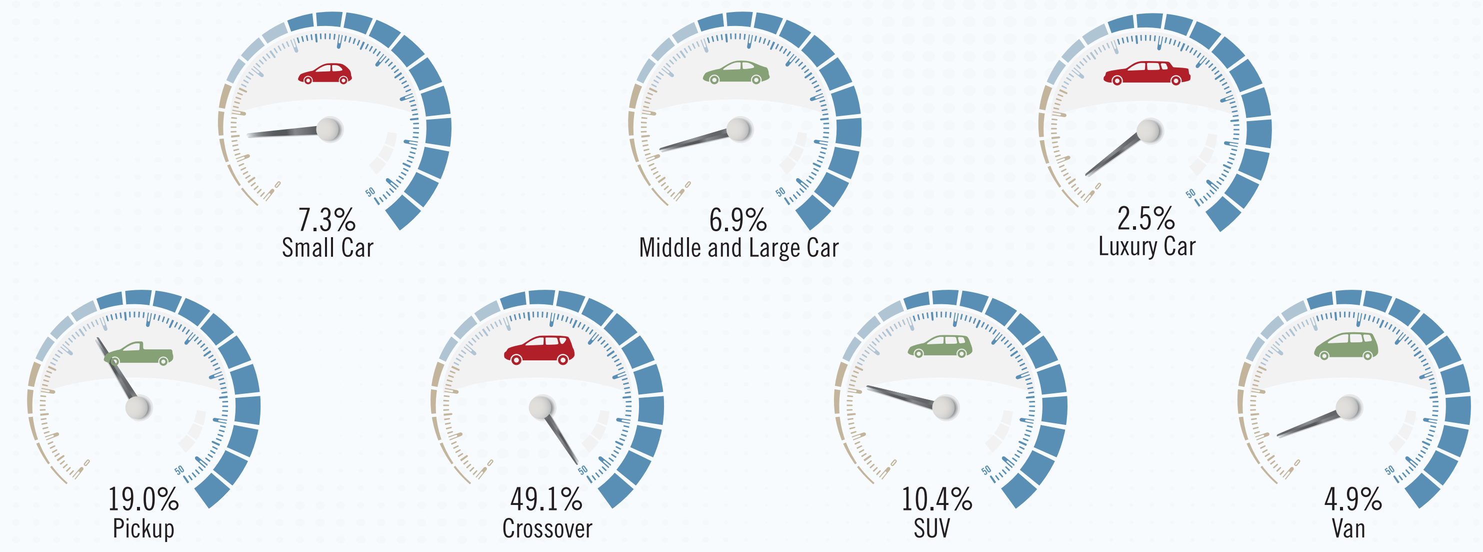
Market Share, by manufacturer



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

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

Market Share, by segment



Market Share, by powertrain