

READING THE METER

*A look inside a cleaner, safer,
smarter auto industry.*



ALLIANCE FOR AUTOMOTIVE INNOVATION

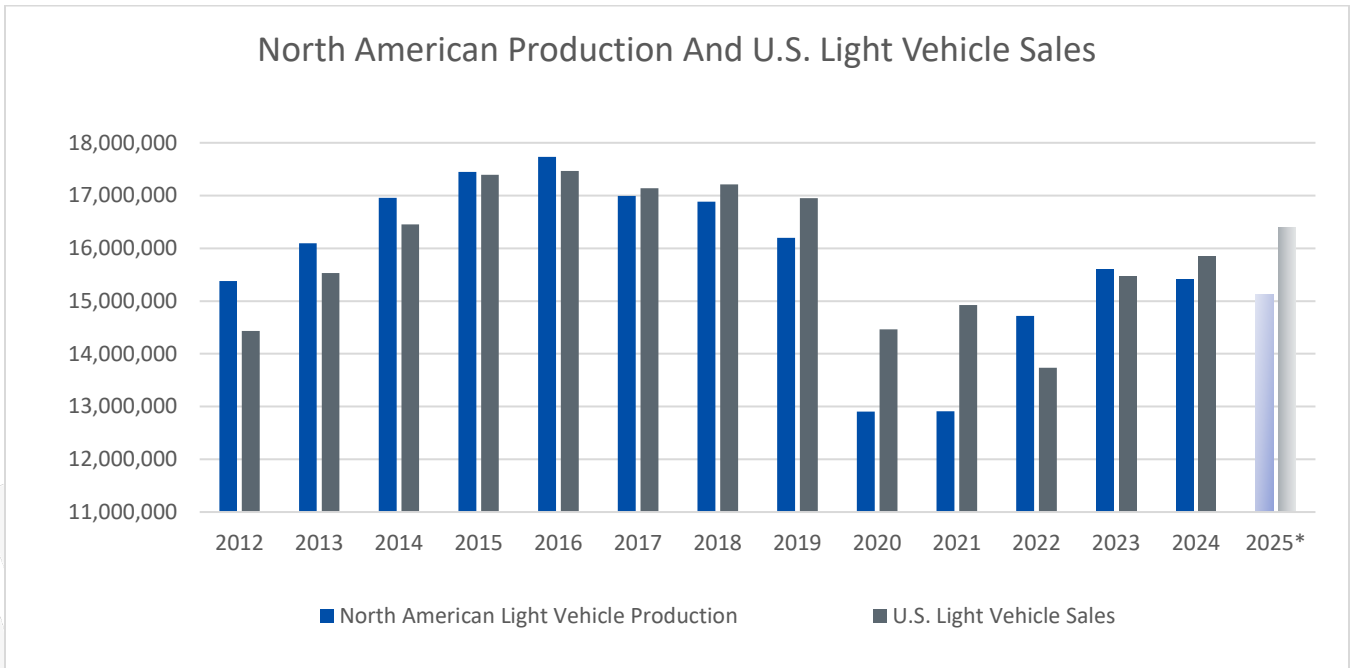
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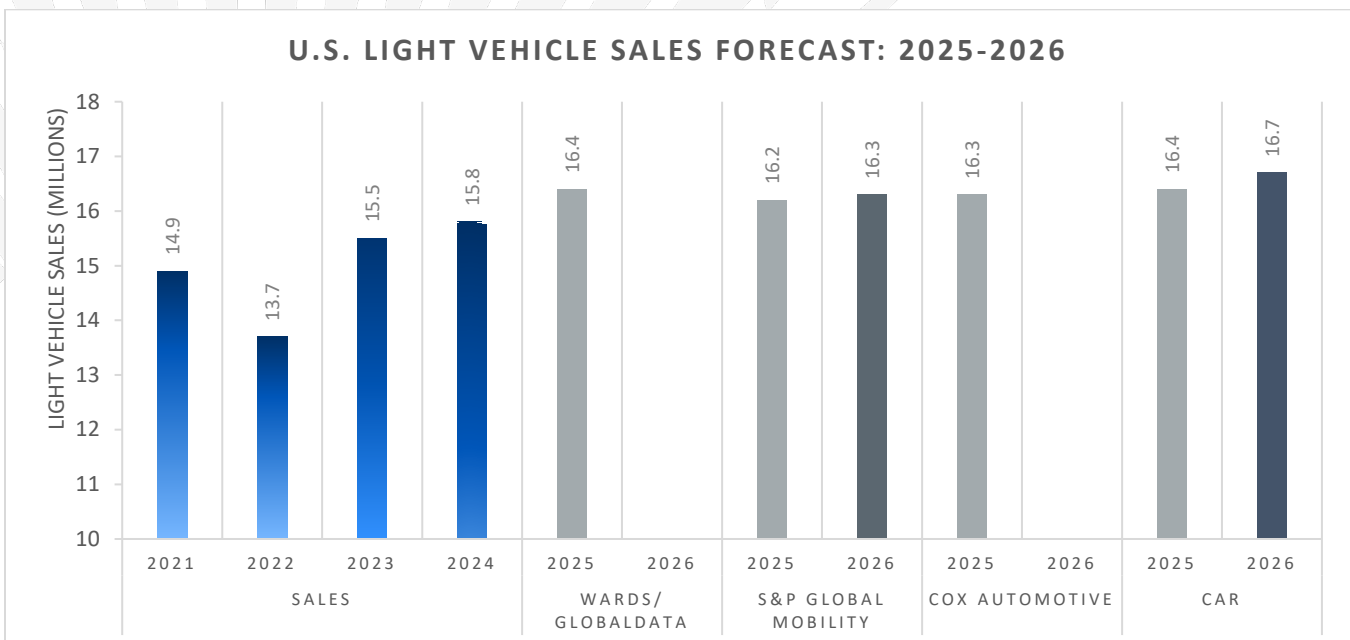
Forecast Meter

Sales & Production Summary and Forecast (Updated 1/24)

2023-2024 Sales, ¹ Extended Sales Forecast ² and Production Forecasts ³		
	U.S. Sales & Forecasts	North American Production
January '23	1,033,002 (+4.2% YoY)	1,195,548 (+12.9% YoY)
February '23	1,136,332 (+8.7% YoY)	1,257,482 (+15% YoY)
March '23	1,365,966 (+8.6% YoY)	1,442,991 (+6.7% YoY)
April '23	1,347,159 (+13.1% YoY)	1,281,626 (+8.6% YoY)
May '23	1,362,019 (+18.0% YoY)	1,462,273 (+25.5% YoY)
June '23	1,370,976 (+19.9% YoY)	1,387,090 (+13.8% YoY)
July '23	1,299,199 (+19.9% YoY)	1,173,342 (+15.6 YoY)
August '23	1,328,526 (+12.8% YoY)	1,467,284 (+4.5% YoY)
September '23	1,331,952 (+13.9% YoY)	1,353,072 (+7.6% YoY)
October '23	1,200,286 (+5.7% YoY)	1,388,720 (+4.5% YoY)
November '23	1,218,647 (+7.3% YoY)	1,372,253 (+8.1 YoY)
December '23	1,433,266 (+17.3 YoY)	1,082,176 (-2.3% YoY)
January '24	1,076,047 (-1.3% YoY)	1,327,765 (+7.8% YoY)
February '24	1,247,516 (+5.2% YoY)	1,358,836 (+10% YoY)
March '24	1,438,012 (+4.6% YoY)	1,414,502 (-5.7% YoY)
April '24	1,313,512 (+0.6% YoY)	1,473,567 (+15.9% YoY)
May '24	1,429,028 (+0.8% YoY)	1,485,373 (-1.7% YoY)
June '24	1,321,932 (-3.4% YoY)	1,346,584 (-6.1% YoY)
July '24	1,273,115 (-2.0% YoY)	1,117,833 (-4.4% YoY)
August '24	1,419,245 (+3.8% YoY)	1,428,177 (+32.6% YoY)
September '24	1,169,908 (-1.4% YoY)	1,399,608 (+0.8% YoY)
October '24	1,325,263 (+2.4% YoY)	1,506,154 (+7% YoY)
November '24	1,360,060 (+5.8% YoY)	1,331,155 (-3.1% YoY)
December '24	1,488,577 (+6.1% YoY)	972,571 (-11.2% YoY)
2023 Full Year	15,457,447 (+12.4% YoY)	16,144,461 (+9.3% YoY) (U.S. 10,611,580)
2024 Full Year	15,851,070 (+2.2% YoY)	15,972,369 (-1.3% YoY) (U.S. 10,561,234)



U.S. Light Vehicle Sales Outlook (Updated 1/24)



Wards Intelligence Outlook (1/24)⁴: “U.S. light-vehicle sales will start 2025 continuing the string of year-over-year growth in deliveries that began in Q4-2024, though the seasonally adjusted annual rate will record a precipitous drop from December.

“January sales are forecast to total 1.11 million units, 3.9% above like-2024. The daily selling rate equates to 44,470 units, vs. year-ago’s 42,821 – 25 selling days both periods. The month’s results will mark the fourth consecutive year-over-year gain.

“The SAAR works out to 15.6 million units, a big decline from December’s 16.9 million, but above year-ago’s 15.0 million. However, if the forecast holds firm, it will be the lowest total since 15.1 million in August.

“While demand in the middle of the month was negatively impacted by extreme weather conditions across most of the country – and to a smaller extent, fires in California, which will continue to impact demand - with a week remaining in January there is upside to the outlook.

“Also, though there is nothing indicating a significant boost, there could be some pull-ahead volume in the last few days of the month as some consumers could jump into the market because of the possibility that the newly installed Trump Administration will impose tariffs that put upward pressure on prices later in the year.

“On the flipside, uncertainty from changes and possible changes coming in regulations and policies, and how consumers are digesting what looks like the revamping of several federal agencies and functions by the new administration, could cause some pause in buying big-ticket items, such as cars and trucks.

“Retail volume is estimated at 927,000 units, 8% above year-ago’s total. Fleet deliveries, pegged at 185,000, are 12% below January 2024.”

North American Production & Inventory Outlook (Updated 1/24)

Wards Intelligence Production Outlook (1/24)⁵: “The North America production outlook for Q1-2025 was trimmed from month-ago’s first look at the period, and this follows downward revisions to each month in Q4-2024. . . . Production in Q1-2025 is tracking to fall 3.7% year-over-year, marking the third straight quarterly decline. The Q1 projection was trimmed 28,900 units from December’s outlook for the quarter, mostly in trucks.”

Wards Intelligence Inventory Outlook (1/24)⁶: “Forecast inventory at the end of the month is 2.89 million units, a 3.5% rise from the prior month and 20.0% above January 2024. Days’ supply is expected to total 65, up from December’s 43 and year-ago’s 56, and the highest for the month since 76 in 2020.

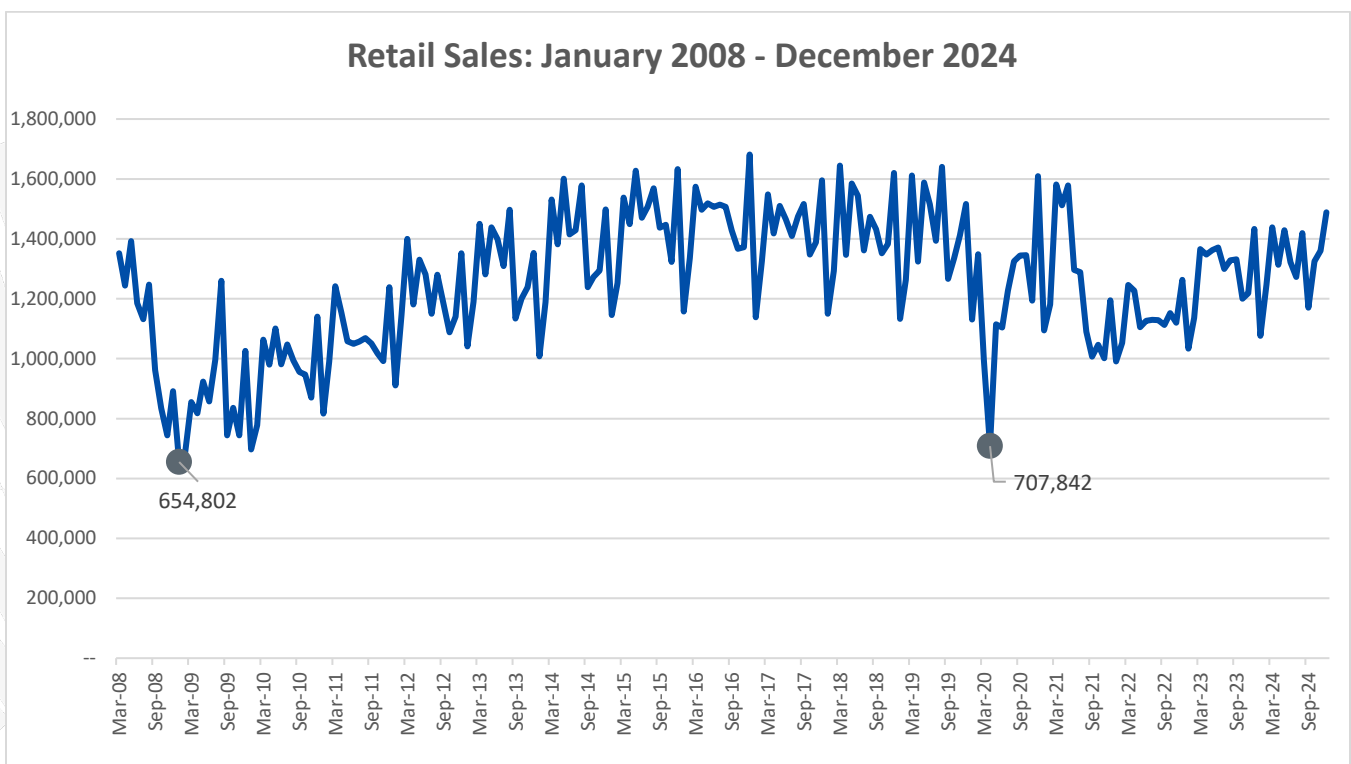
S&P Global Mobility Outlook (1/24)⁷: “North America: The outlook for North America light vehicle production was increased by 7,000 units for both 2025 and 2026 (and increased by 2,000 units for 2027). The outlook for light vehicle production in North America over the short-term between 2025 and 2027 remains mostly unchanged with marginal increases each year amid the incoming Trump administration that is expected to mark a return to the predictably unpredictable with policies that are expected to impact overall demand and challenge vehicle mix assumptions. The impact is expected to be less intrusive in the short term with greater risks to the mid- and long-term forecasts with higher inflation resulting in interest rates remaining elevated for a longer period. Proposed relief offered by reducing fuel economy standards will likely be challenged in courts. Any increase in domestic production combined with a more affordable product mix that supports higher forecasted demand levels will come at the expense of previous electric vehicle targets. Between 2025 and 2032, over 1.7 million units of dedicated BEV nameplate production have been removed from the forecast shifting most of the volume to ICE-based offerings. This follows the removal of over 3.1 million units of dedicated BEV nameplate volume between 2025 and 2031 in the previous December 2024 forecast owing to expected changes to regulations.”

Market Meter

U.S. Light Vehicle Sales (Updated 1/7)

Monthly Sales (Updated 1/7)

This chart helps to put into context the monthly retail sales due to the COVID pandemic and showing the relative drop in sales compared to the 2008 financial crisis.



December Sales (Updated 1/7)

WardsIntelligence®: “U.S. light-vehicle sales ended 2024 on a comparatively strong note, with the seasonally adjusted annual rate totaling 16.8 million units, highest since 17.0 million in May 2021.

“Although there are some results still estimated for all or part of the fourth quarter, sales in 2024 totaled 15.851 million units, up 2.2% from 2023’s 15.502 million, and highest for any year since 16.961 million in 2019.

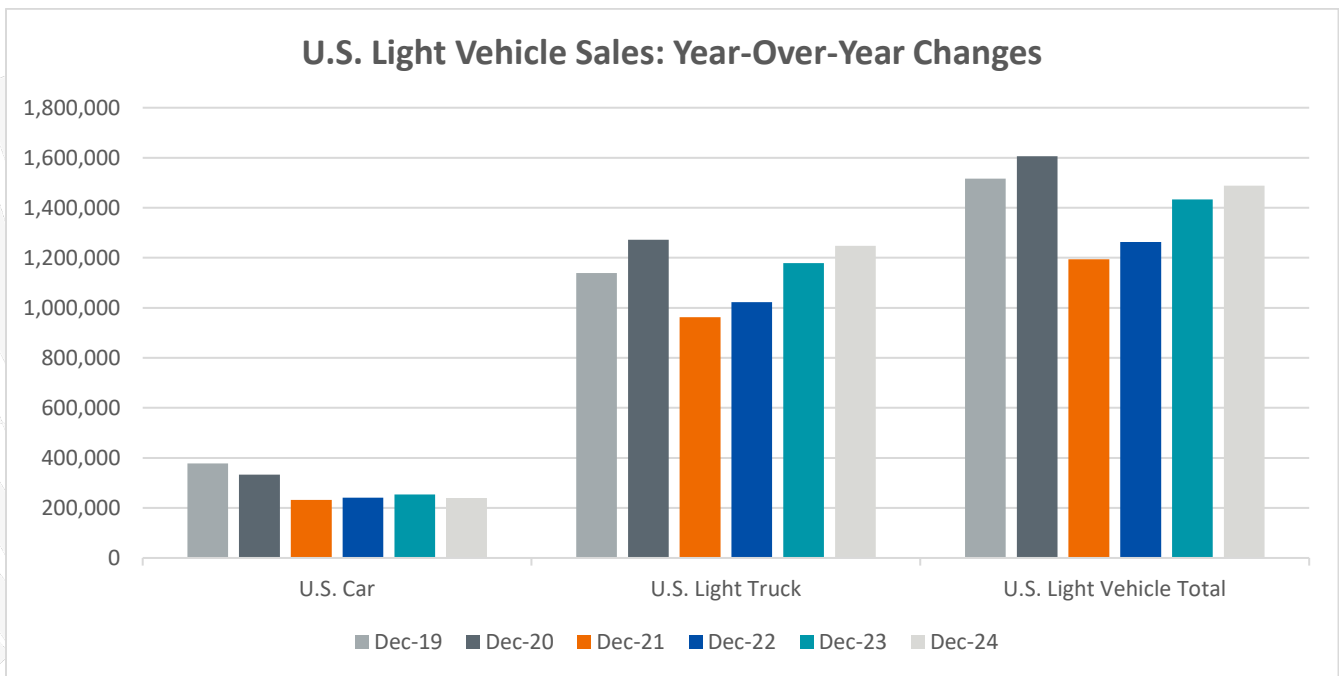
“Fourth-quarter volume totaled 4.193 million units, 7.7% above Q4-2023. The Q4 increase, plus a 4.8% gain in Q1-2024, more than offset declines of 0.8% in Q2 and 2.3% in Q3. The Q4 SAAR was 16.5 million, well above the 15.6 million posted in both the prior period and October-December 2023, and the highest for any quarter since 16.9 million in Q2-2021.

“Generally, the Q4 rebound was due to rising inventory, increased retail incentives and lower interest rates.

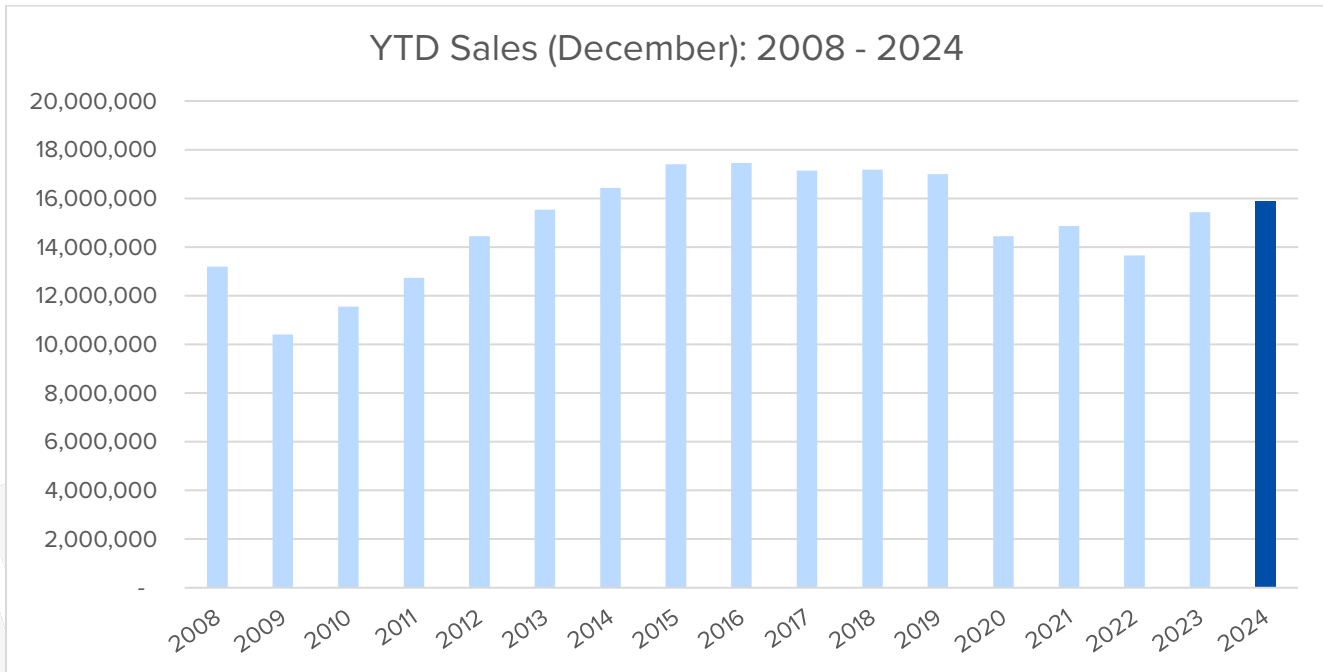
“There also could have been some pull-ahead volume of electric vehicles due to the threat that government retail inducements will be eliminated, or reduced, in 2025 by the incoming Administration. Sales of battery-electric vehicles in December rose 13.2% year-over-year based on DSRs, which was higher than the 6.8% gain they recorded over the entire year – 1.244 million units vs. 1.164 million in 2023.

“Retail sales in December were estimated at 1.30 million units, up 13.1% (based on DSRs) from like-2023. Fleet deliveries were estimated at 191,000, down 25% from the year-ago month.

“For entire 2024, retail is pegged at 13.3 million units, 4.6% above 2023’s 12.7 million, while fleet was estimated at 2.6 million, 8.2% below the prior year’s 2.8 million.



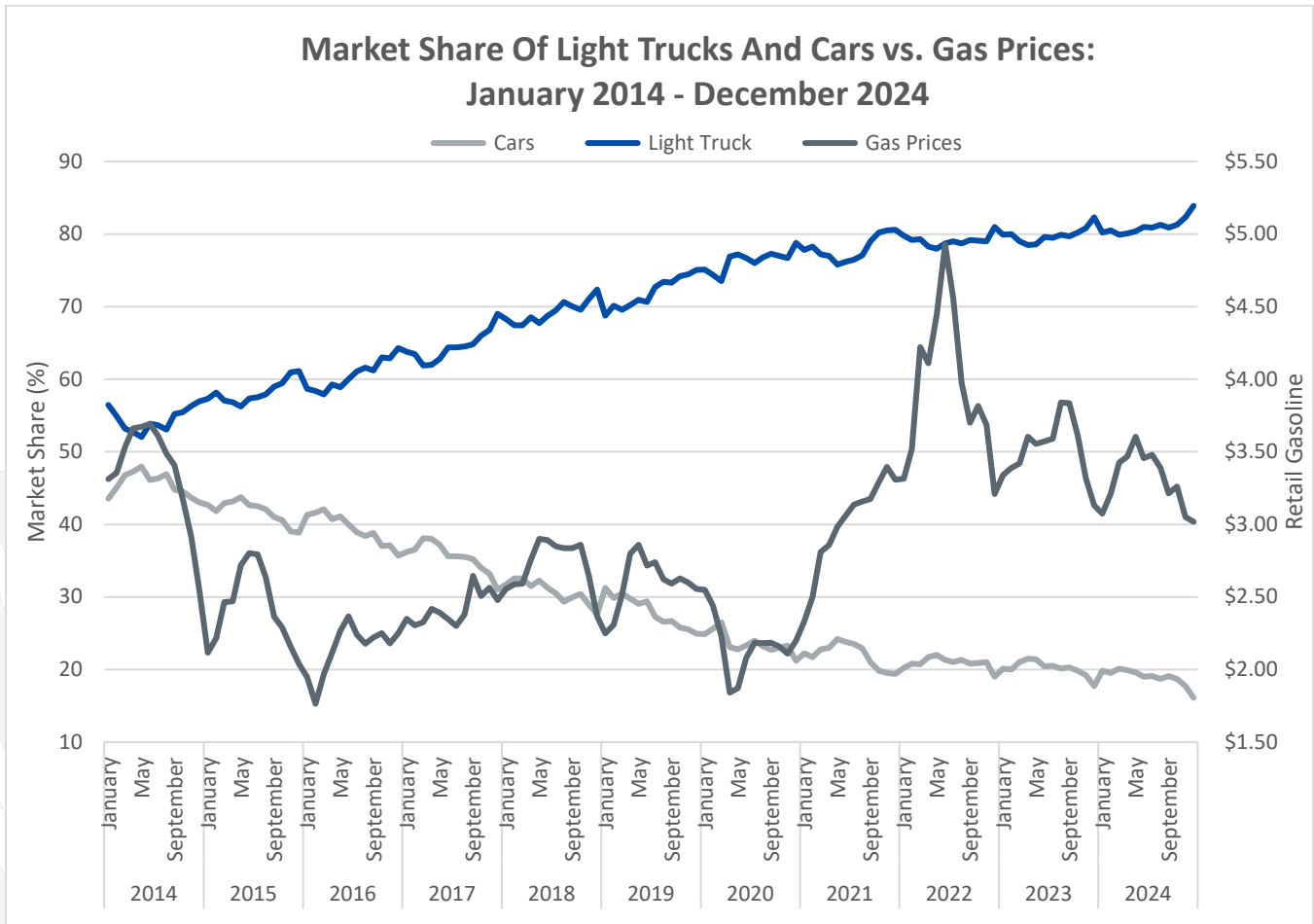
Calendar year-to-date sales through totaled 15.85 million units, up 2.2% from 2023’s 15.5 million.



Segments vs. Gas Prices (Updated 1/7)

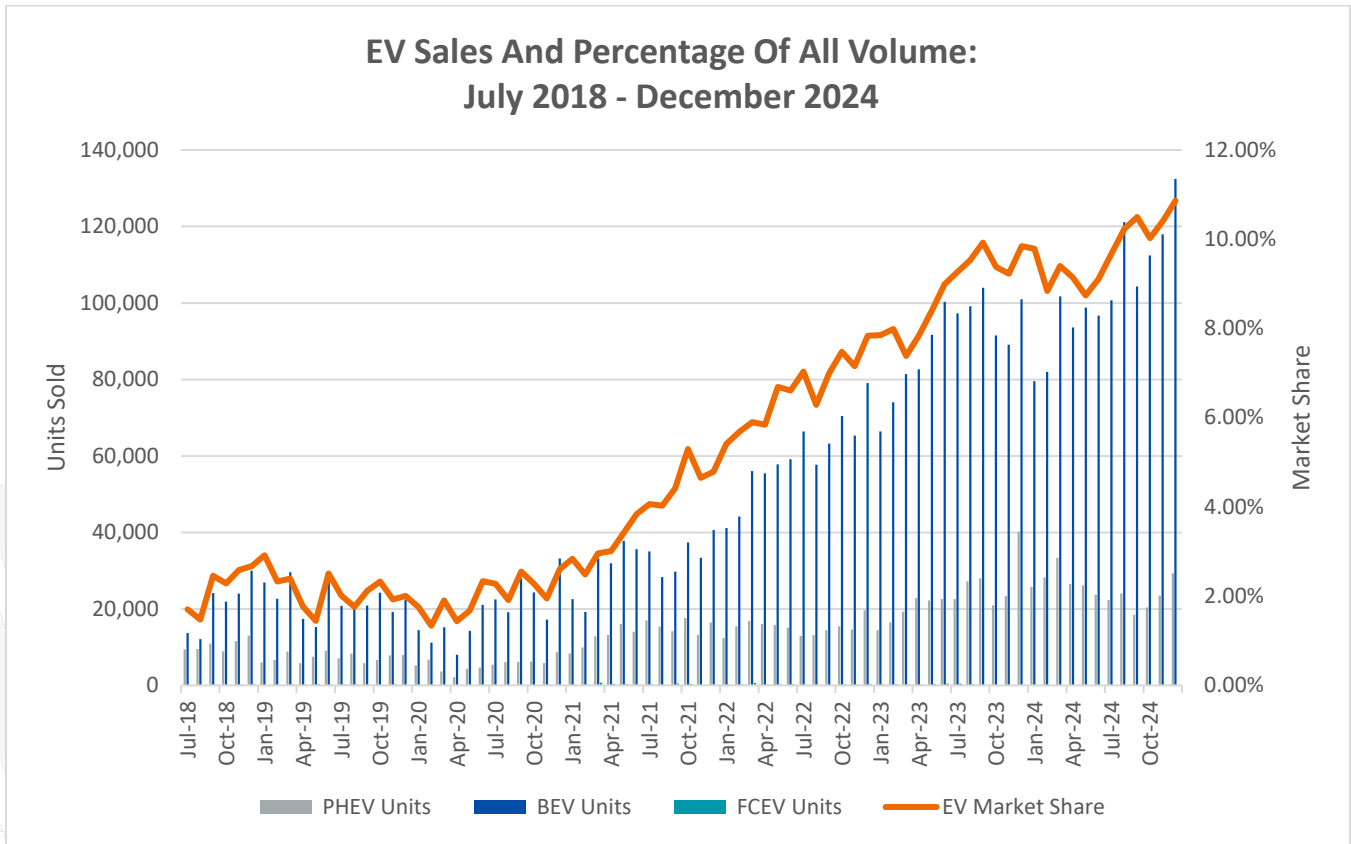
Monthly Sales For December: Light trucks accounted for 84 percent of sales in December, up more than 1 percentage points from the market share a year ago and the highest on record. Compared to the same period in 2023, sales of cars are down 14,000 units, and down more than 137,000 from December 2019, when cars comprised 25% of the market as opposed to the 16 percent of the market passenger cars have now.

Historic Perspective: The upward trend in the popularity of light trucks over cars has been steady since 2013, when only 2% of annual market share separated the two segments⁹ and gas was over \$3.00¹⁰ a gallon. As fuel prices dropped below the \$3.00 mark in mid-September 2014, light truck sales began to take off. Gas prices since have averaged only \$2.92 a gallon (through July 2024) and when combined with increased fuel economy for light trucks, an increase of 4 mpg since 2013, the perfect conditions existed to continue fueling light truck market growth.¹¹



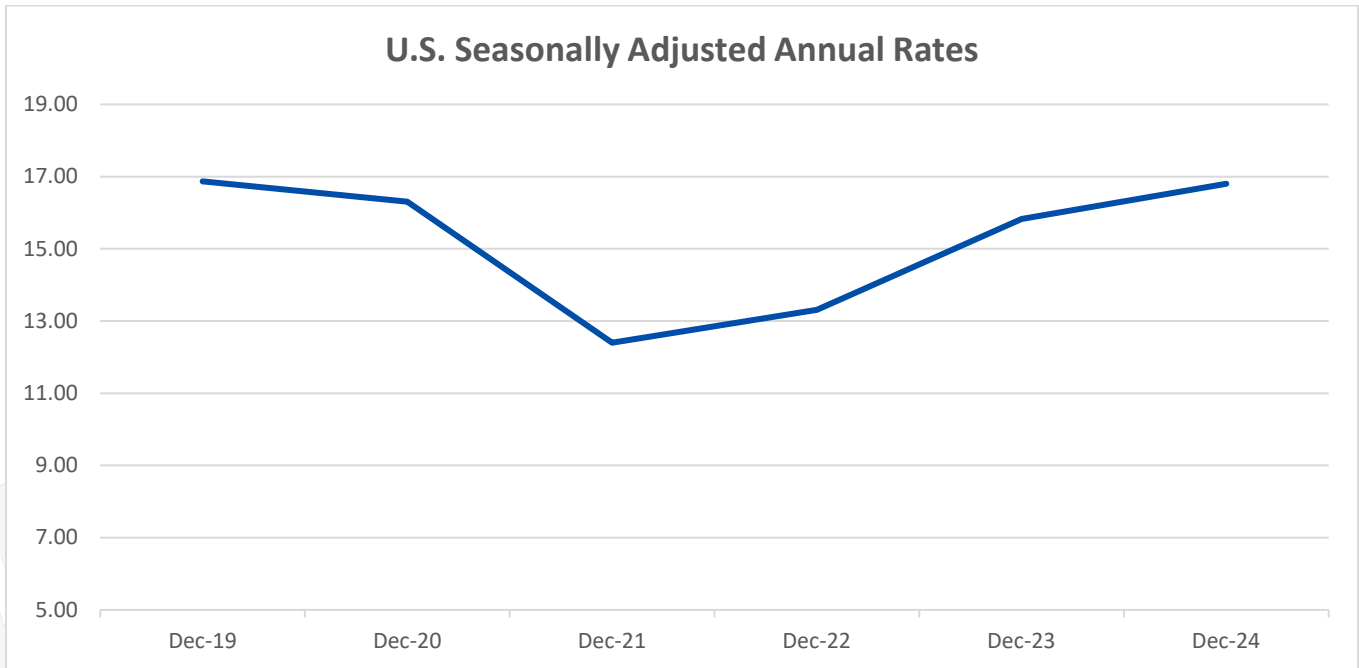
EV Powertrain Sales (Updated 1/7)

Sales of electric vehicles (BEV, PHEV, & Fuel Cell) accounted for 10.9 percent of total vehicle sales in December 2024 (161,742), per Wards estimates. The market share and volume are all time highs. Market share increased 0.46 percentage points (pp) from November 2024. December's EV market share is up 1.0 pp from a year ago. Sales of battery electric vehicles led the way for EVs, accounting for 8.9 percent of total sales, up 1.9 pp from December 2023. Plug-in hybrids accounted for 2.0 percent, down 0.8 pp from the same time last year.¹²



Seasonally Adjusted Annual Rates (Updated 1/7)

WardsIntelligence¹³: “U.S. light-vehicle sales ended 2024 on a comparatively strong note, with the seasonally adjusted annual rate totaling 16.8 million units, highest since 17.0 million in May 2021.”



Average Transaction Price (Updated 1/24)

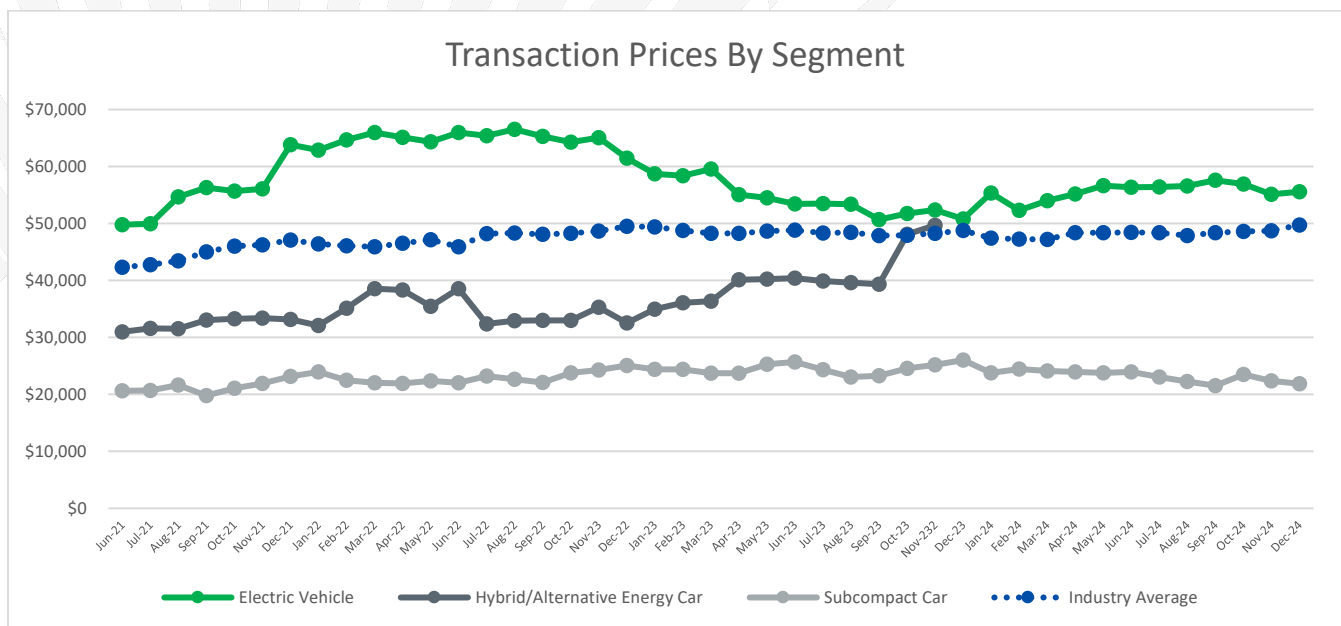
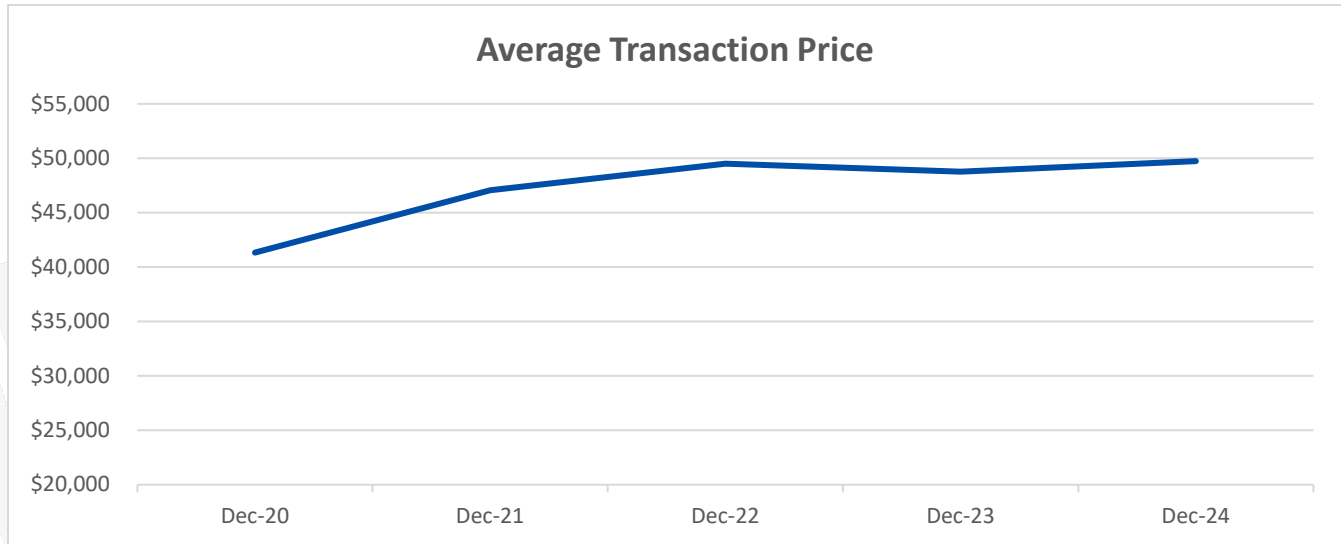
J.D. Power (Updated 1/24)¹⁴: “The average new-vehicle retail transaction price in January is expected to reach \$44,636, down \$238 from January 2024. The highest for any month—\$47,329—was set in December 2022. Average incentive spending per unit in January is expected to reach \$3,226, up \$730 from January 2024. Spending as a percentage of the average MSRP is expected to increase to 6.5%, up 1.3 percentage points from January 2024. Average incentive spending per unit on trucks/SUVs in January is expected to be \$3,410, up \$751 from a year ago, while the average spending on cars is expected to be \$2,383, up \$546 from a year ago.”

Kelley Blue Book (December)¹⁵: “New-vehicle prices in December climbed higher for the fourth consecutive month and were close to the all-time high marked in December 2022. Average transaction prices (ATPs), as measured by Cox Automotive’s Kelley Blue Book, typically peak in December, as high-priced models from luxury makers often sell well in the final month of the year. New-vehicle ATPs were \$49,740 last month, an increase of 1.3% year over year and higher by 1.5% compared to November 2024.

“New-vehicle sales incentives in December were mostly unchanged from November, holding steady at 8.0% of ATP or approximately \$3,958. The average incentive package on a new vehicle was higher by 44% compared to December 2023, when incentives equaled approximately 5.5% of ATP. Among large segments, incentives in December were highest for Entry-Level Luxury Cars (10.0%), Compact SUVs (9.7%) and Luxury Compact SUVs (9.4%) and lowest for Luxury Full-Size SUVs, Sports Cars, and Small/Mid-size Pickup Trucks. Volkswagen, Ram and Nissan offered the largest incentives among volume automakers, with all of them being above 13% of ATP. Toyota, Land Rover and Porsche incentives were among the lowest in the industry.

“Sales of EVs were strong in December as well and, with an average transaction price of \$55,544, helped push the industry-wide ATP higher. The December ATP for an EV was higher year over year by 0.8%, slightly below the industry average, and higher month over month by 1.1%.

“Incentives for EVs remained elevated in December, although they were lower month over month at 14.3% of ATP, down from 14.7% in November. EV incentives were higher by 41% year over year and have been above 12% of ATP for six straight months. Strong sales incentives, which averaged more than \$6,700 per sale in 2024, were one reason EV sales surpassed 1.3 million units last year, a new record for volume and share.”

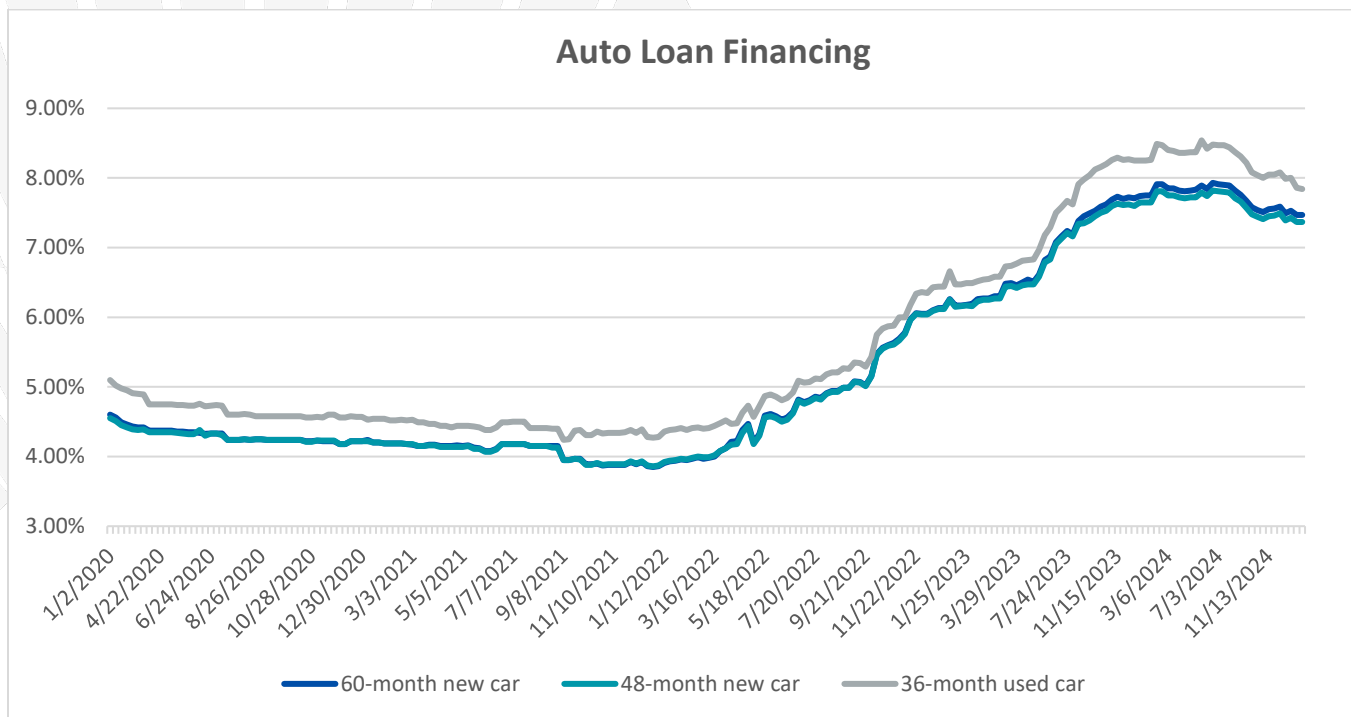


Auto Loan Financing (Updated 1/24)

Interest Rates (updated 1/24) Interest rates were flat on the 60-month and 48-month and down slightly on the 36-month used car loans over the past two weeks. Rates now stand at 7.47%, 7.37%, and 7.84%, respectively. Since the beginning of 2020, 60-month rates are up 2.87 pp, and are down 0.28 pp since the same time a year ago.¹⁶

JD Power (1/24)¹⁷: “Average interest rates for new-vehicle loans are expected to be 6.7%, down 16 basis points from a year ago.”

Dates	60-month new car	48-month new car	36-month used car
1/2/2020	4.60%	4.55%	5.10%
1/31/2024	7.75%	7.65%	8.26%
1/8/2025	7.47%	7.37%	7.86%
1/22/2025	7.47%	7.37%	7.84%
Two Week Change	0.00%	0.00%	-0.02%
Change since 1/3/20	2.87%	2.82%	2.74%
One Year Change	-0.28%	-0.28%	-0.42%

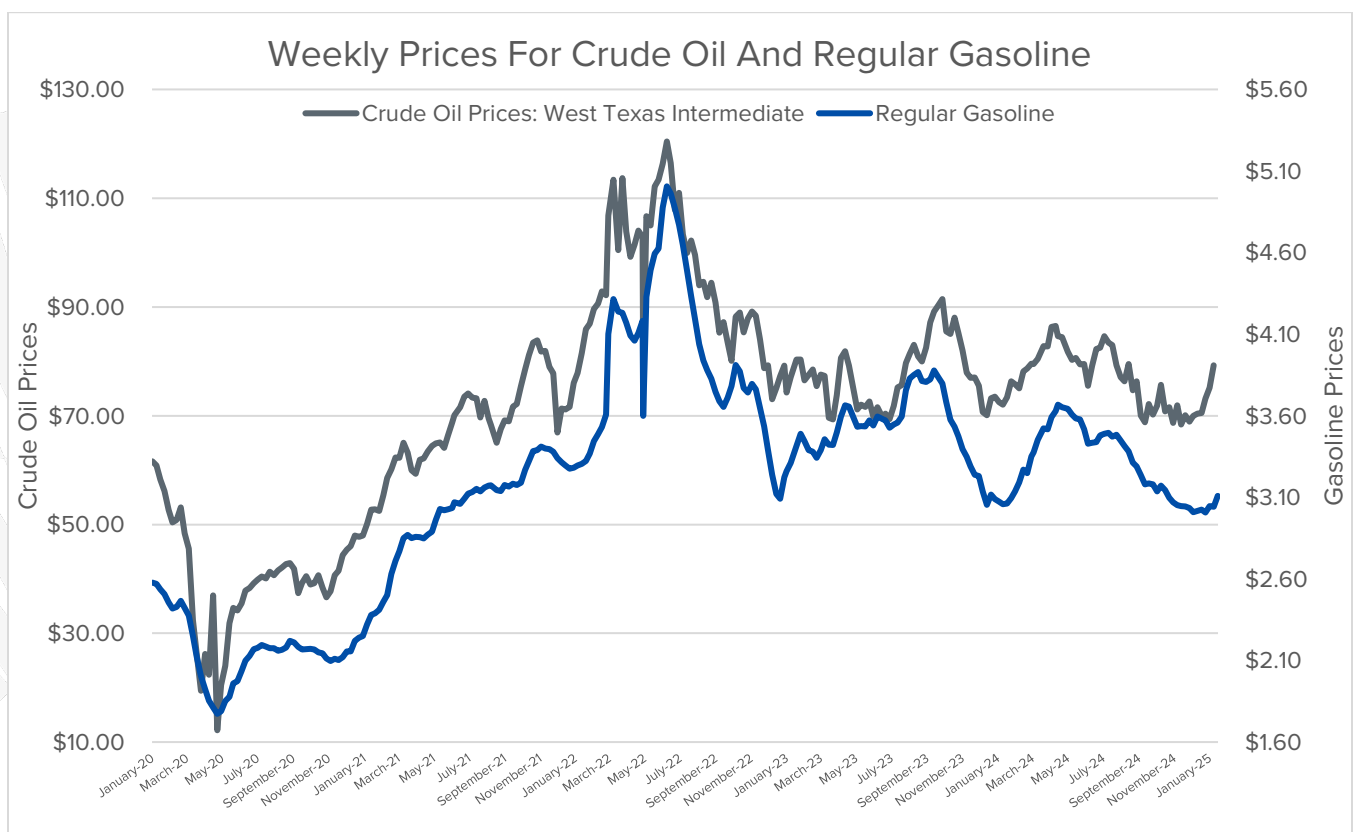


Crude Oil and Gas Prices (Updated 1/24)

Gas And Oil Remain Elevated, but Falling (1/24): Oil prices, as benchmarked at West Texas Intermediate were \$79.28 at the middle of January, up \$4 from the prior week. Since election day 2024, oil prices are \$10 a barrel higher. Gas is up slightly from a week ago at \$3.11. Gas is 21% higher than the beginning of 2020 and has not been below \$3 a gallon since May 2021 (though it did hit \$3.01 at the end of December 2024).¹⁸

EIA Outlook For Oil (1/7):¹⁹ “In our forecast, a combination of increasing domestic crude oil production and decreasing U.S. refinery runs means reduced net imports of crude oil next year. We forecast that net imports of crude oil into the United States will fall to 1.9 million barrels per day (b/d) in 2025, down from 2.5 million b/d this year, and the least crude oil net imports in a year since 1971. Total U.S. crude oil production in our forecast increases by 0.3 million b/d in 2025. At the same time, we expect U.S. refineries will process 0.2 million b/d less crude oil next year, down to 16.0 million b/d.”

EIA Outlook For Gasoline (11/6):²⁰ “We now expect the U.S. retail gasoline price to average \$3.20 per gallon (gal) in 2025, down 10 cents/gal from the September forecast. We also expect the \$3.20/gal average next year to be down 10 cents/gal from the 2024 average retail gasoline price.”



Production Meter

U.S. Light Vehicle Inventory and Days' Supply (Updated 1/7)

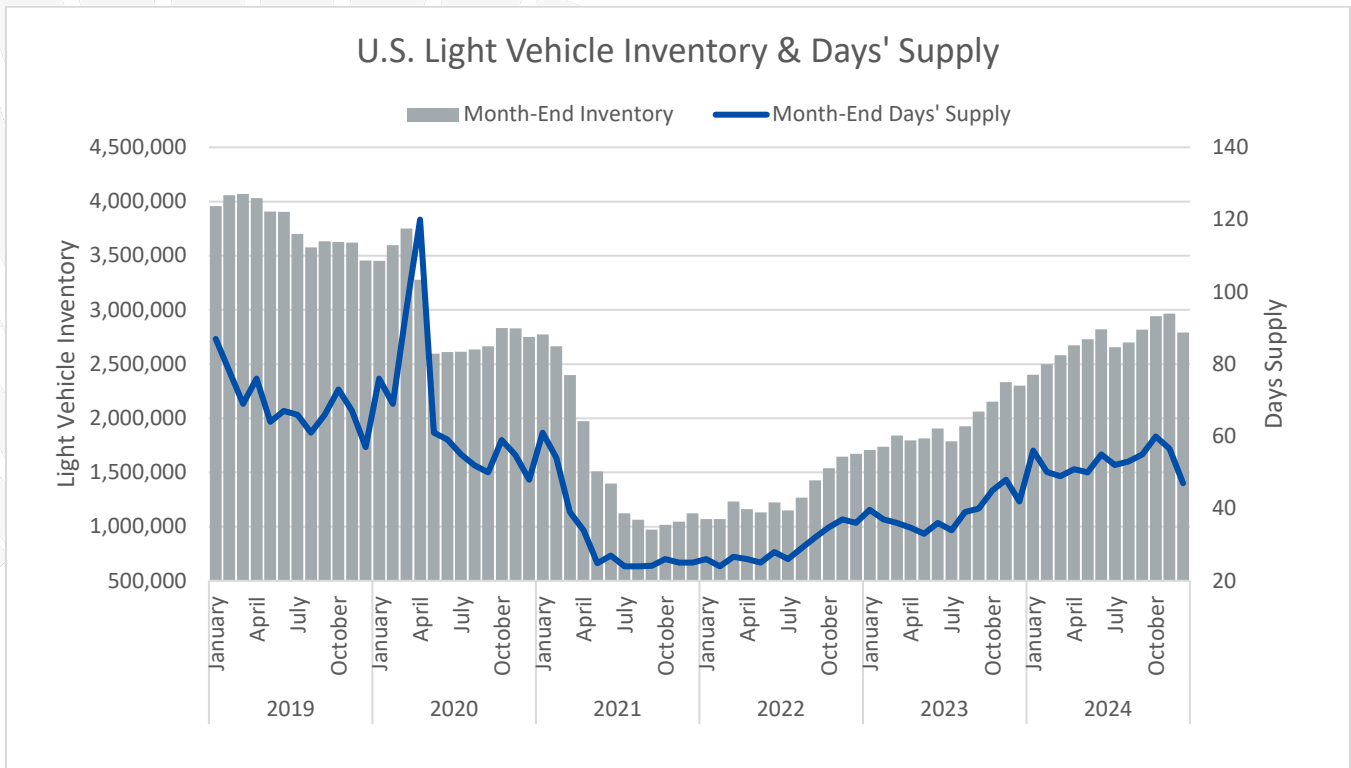
WardsIntelligence Inventory Update (1/7):²¹ “U.S. light-vehicle inventory fell 5.9% at the end of December from the prior month, totaling 2.79 million units, but was 21.0% above the same year-ago period.”

“Inventory growth continues to slow, as the decline was more than the historically typical 4.0% November-to-December drop. Also, the year-over-year gap has fallen every month since 48.9% in July and is the smallest since August 2022, when inventory was 18.8% above the year-ago period.

“Dec. 31 days’ supply fell to 47 from the prior month’s 56 but was above like-2023’s 41 and highest for the period since 48 in 2020. Historically, a typical December days’ supply is 60.

“Inventory control management through production slowdowns mainly explains the above-average drop in inventory from the prior month. (December inventory always falls from November because of end-of-year holiday-related production shutdowns at most assembly plants, plus December tends to be a much stronger month for raw sales volume than November, pulling more stock off dealer lots.)

“Production slowdowns for the U.S. market are expected to continue in Q1-2025, further slowing inventory growth, which in turn could cap sales gains.”



North American Production (Updated 1/24)

Wards Intelligence²²: “Although there remain some manufacturers that are estimated for the period, final Q4-2024 production of light vehicles and medium-/heavy-duty trucks totaled 3.745 million units, 3.4% below Q4-2023, and 90,500 below month-ago’s expectations for the period.

“The Q4-2024 totals included reductions of 30,800 units in October, 29,300 in November and 30,400 in December, almost entirely due to revisions in Nissan’s Mexico output.

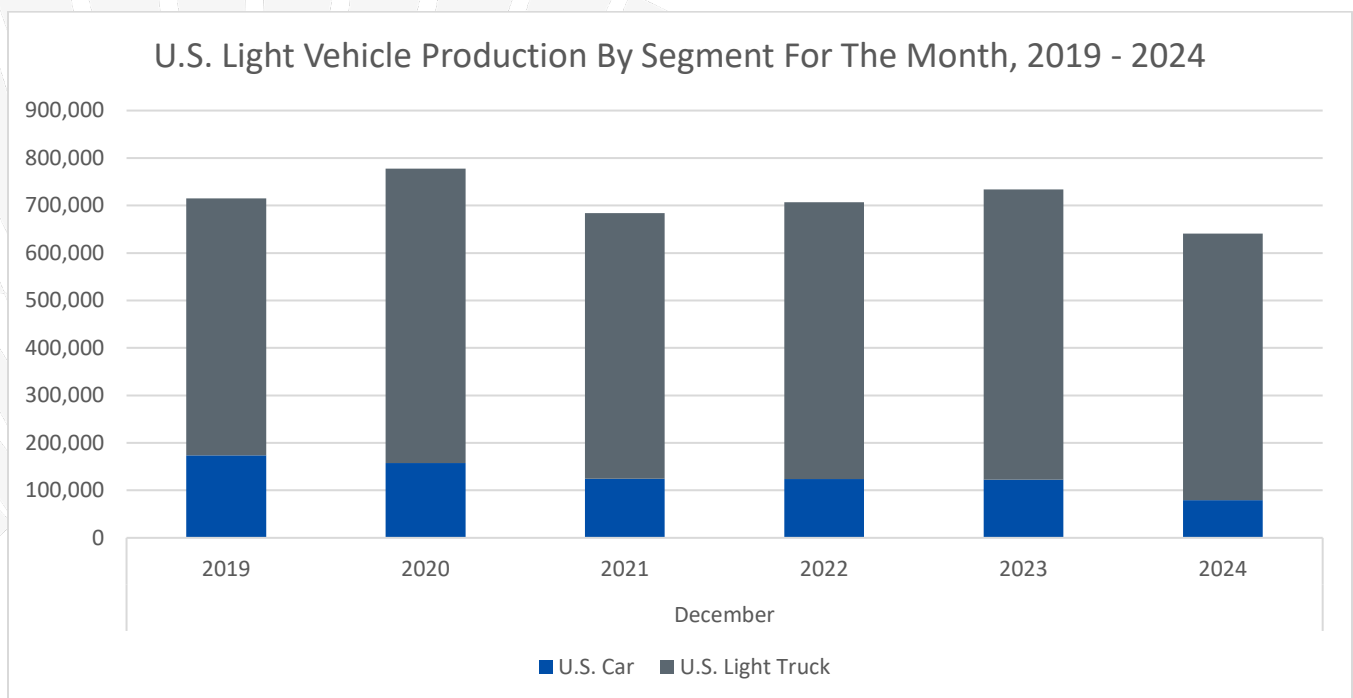
“December’s production totaled 972,571 units, 11.2% below like-2023’s 1.095 million. Excluding medium-/heavy-duty trucks, light-vehicle output in December totaled 936,068, 10.7% below the year-ago month.

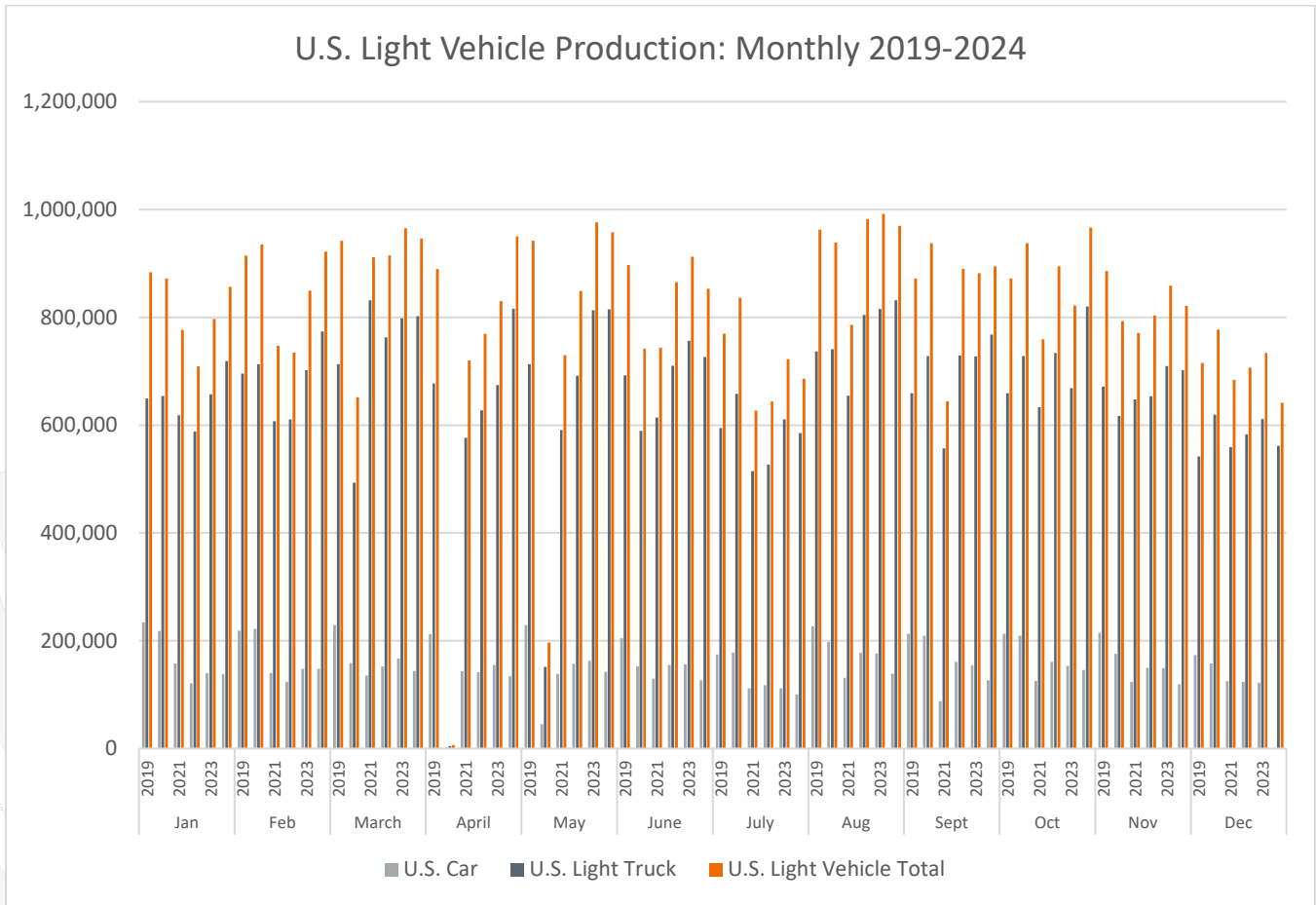
“Production of all vehicles in calendar-year 2024 totaled 15.97 million units, 1.3% below 2023’s 16.17 million. Light-vehicle output totaled 15.40 million, 1.2% below 2023’s 15.59 million.”

U.S. Light Vehicle Production (Updated 1/24)

U.S. Monthly Production (Updated 1/24)

U.S. Light vehicle production for December was down 21 percent month-over-month, totaling 641,099 vehicles (79,739 cars, 561,360 light trucks), year-over-year, production is down 13.6 percent from 2023.²³





Global Meter

Global Light Vehicle Sales (Updated 1/7)

Wards Intelligence²⁴: “Global vehicles sales in November continued the rebound started in October and expected for entire fourth-quarter 2024 when final results for the period are reported.

Including some estimates that will be revised later this year, November sales of light vehicles and medium-/heavy-duty trucks combined totaled 8.70 million units, 6.3% above like-2023. It was the second straight increase after volume slipped below year ago levels in Q3.

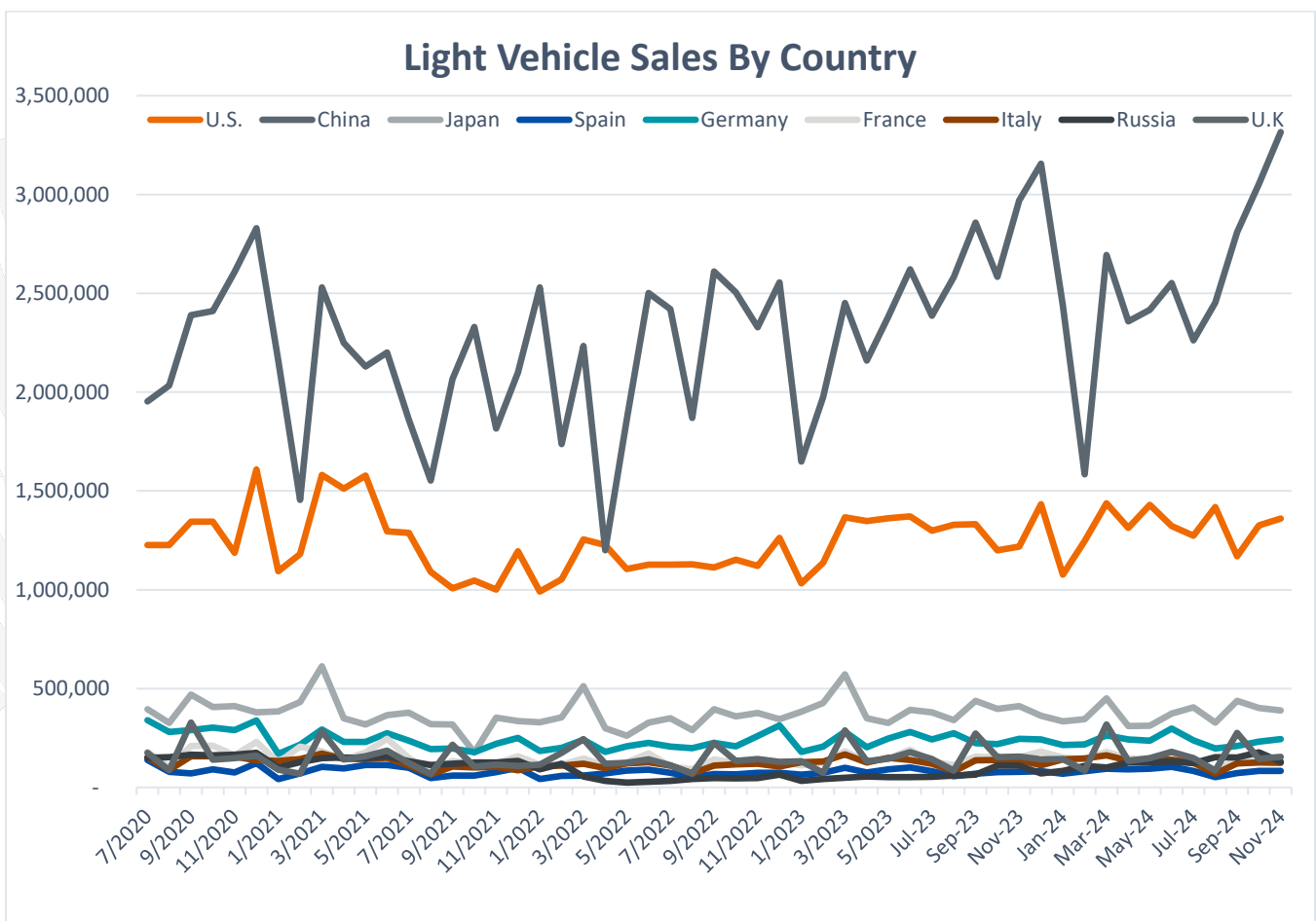
“Excluding medium- and heavy-duty trucks, light-vehicle deliveries totaled 8.42 million units, up 6.5% from November 2023.

“November’s results for total vehicle sales were up year-over-year in all major regions, except Europe where demand fell 1.4%.

“Calendar year-to-date global volume through November totaled 85.8 million units, up 2.4% from like-2023. Excluding big trucks, light-vehicle volume year-to-date totaled 82.6 million, also 2.4% above the year-ago period.

“Wards Intelligence partner GlobalData pegged November’s annualized rate for light vehicles at 95.0 million units, well above October’s 93.0 million.

“GlobalData expects global light-vehicle sales for entire-2024 to total 88.7 million units, up 2% from 2023. Although there is a lot of uncertainty heading into this year, sales in 2025 also are forecast to rise 2% year-over-year, totaling 90.8 million.”



Global Light Vehicle Production (Updated 1/24)

S&P Global Mobility Forecast (1/24)²⁵: “With a new year upon us, the outlook for the global auto industry reflects a mix of both opportunities and threats. Market participants are navigating mixed demand dynamics and lingering inventory concerns in select markets. Further, new political considerations are coming into view for some countries and for others they are yet to be fully determined. Propulsion mix developments continue to vary by region as some markets face slower EV adoption growth rates while other areas continue to see

rather encouraging results. Given likely revisions to US emissions requirements by the incoming Trump administration, we expect material reductions in BEV volumes/market share and adjustments in electrification mix. The January forecast update reflects a mix of primarily upgrades of varying magnitudes in the near-term. The recent extension of the vehicle scrappage and replacement policy in China is a major factor in the boost to 2025 production in particular. The more noteworthy regional adjustments with the latest forecast update are detailed below:

“Europe: The outlook for Europe light vehicle production was increased by 34,000 units and by 47,000 units for 2025 and 2026, respectively (and reduced by 73,000 units for 2027). With the January forecast update, we are finalizing the figures for 2024, resulting in a positive adjustment of 86,000 units for Western and Central Europe, including Turkey. This increase is primarily driven by November's performance, which accounted for 74,000 units. The key contributors to this upgrade include Volkswagen, Stellantis and Toyota. Notably, production of major B and C segment ICE models exceeded expectations ahead of regulatory changes set to take effect in 2025. However, it is important to note that Q4-2024 output should decline by 10.5% year-on-year, with total output for 2024 projected to be 6.4% lower compared to 2023. In terms of total output across Europe, the CIS region also reported positive results in November, with an increase of 10,000 units. Despite this overall increase of 97,000 units relative to the prior update, total output is expected to decrease by 4.7% year-on-year. With regard to 2025, the forecast reflects a modest increase, primarily for Western and Central Europe. This adjustment aligns with the trends observed in 2024. Nonetheless, we anticipate a continued decrease of 3.0% year-on-year for overall regional output, followed by a projected growth of 2.5% in 2026.

“Greater China: The outlook for Greater China light vehicle production was increased by 319,000 units and by 86,000 for 2025 and 2026, respectively (and reduced by 17,000 units for 2027). Driven by domestic demand and exports, December light vehicle output in mainland China slowed somewhat from the November peak but still maintained momentum totaling 3.3 million units, resulting in 9% year-over-year growth. Motivated by scrappage incentives and seasonal purchasing before the Chinese New Year, nearly three million passenger vehicles were built, achieving 12% year-over-year growth in December. According to the CDCA, passenger vehicle inventory levels remained at a fairly rational level with an index of 1.14, slightly increased from November. Supported by the scrapping and replacement subsidy policy, NEVs continued to gain share from ICE market. Having accelerated to over 50% market share every month in H2-2024, over 10 million NEVs were sold, leading to an overall annual penetration rate of 47.6% according to the CPCA. Driven by the effective scrappage stimulus policy, full year 2024 output was upgraded and is expected to total 30.1 million units for the broader Greater China region, resulting in 3.8% year-over-year growth. Further, given the scrapping subsidy has been extended, the production outlook for 2025 was upgraded to reflect expected additional support for domestic demand.

“Japan/Korea: The short-term volume for Japan in the 2025-2026 timeframe was reduced by around 30,000 units per year. This was primarily related to the negative impact expected US tariff hikes will have on domestic demand. The longer-term outlook for Japan production was upgraded by 140,000 units per year. ICE models such as the Mazda CX-5 and CX-30, the Subaru Outback, and the Lexus RX, NX and ES will benefit from expected stronger ICE vehicle demand in the US. Considering that South Korean domestic demand is expected to shrink somewhat in the first quarter of 2025 due to the martial law incident last month and the subsequent impeachment of the president, the production forecast for 2025 was reduced by about 20,000 units. The following years of 2026 and 2027 were not materially changed.

“North America: The outlook for North America light vehicle production was increased by 7,000 units for both 2025 and 2026 (and increased by 2,000 units for 2027). The outlook for light vehicle production in North America over the short-term between 2025 and 2027 remains mostly unchanged with marginal increases each year amid the incoming Trump administration that is expected to mark a return to the

predictably unpredictable with policies that are expected to impact overall demand and challenge vehicle mix assumptions. The impact is expected to be less intrusive in the short term with greater risks to the mid- and long-term forecasts with higher inflation resulting in interest rates remaining elevated for a longer period. Proposed relief offered by reducing fuel economy standards will likely be challenged in courts. Any increase in domestic production combined with a more affordable product mix that supports higher forecasted demand levels will come at the expense of previous electric vehicle targets. Between 2025 and 2032, over 1.7 million units of dedicated BEV nameplate production have been removed from the forecast shifting most of the volume to ICE-based offerings. This follows the removal of over 3.1 million units of dedicated BEV nameplate volume between 2025 and 2031 in the previous December 2024 forecast owing to expected changes to regulations.

“South America: The outlook for South America light vehicle production was reduced by 2,000 units and by 9,000 units for 2025 and 2026, respectively (and increased by 2,000 units for 2027). The outlook for 2025 remains fairly stable with only minor adjustments at the regional level generally aligned with changes on the demand front. The production outlook for South America through the near-term forecast horizon remains essentially intact with changes largely related to launch/ramp-up effects. In the longer-term, production volumes have been revised down modestly by 1.1% over the period (an average of 49,000/year) which aligns with the evolution on the demand side.

“South Asia: The outlook for South Asia light vehicle production was increased by 70,000 units and by 67,000 units for 2025 and 2026, respectively (and reduced by 18,000 units for 2027). The light vehicle production outlook for the ASEAN market remains challenged due to tougher auto loan policies in Thailand, a weakened automotive market in Indonesia and a general slowdown in completely built-up (CBU) exports. Looking to 2025, we generally maintain the previous forecast outlook with a slight downgrade by 20,000 units, reflecting automakers’ revised production targets in the short-term amid ongoing sluggish domestic demand in Indonesia and Thailand. In the meantime, concerns over slower economic growth exacerbated by global trade tensions linked to the incoming Trump administration's implementation of universal tariffs will challenge regional economic expansion. The 2026 outlook was revised down by 23,000 units driven by an adjusted recovery pace that may take longer than previously expected. Regarding the India market, analysts have revised the forecast upward in the near-term, in part, due to the inclusion of estimated and projected volumes for MG EVs. The outlook for 2027 was reduced primarily due to a Toyota program delay from 2027 to 2028.”

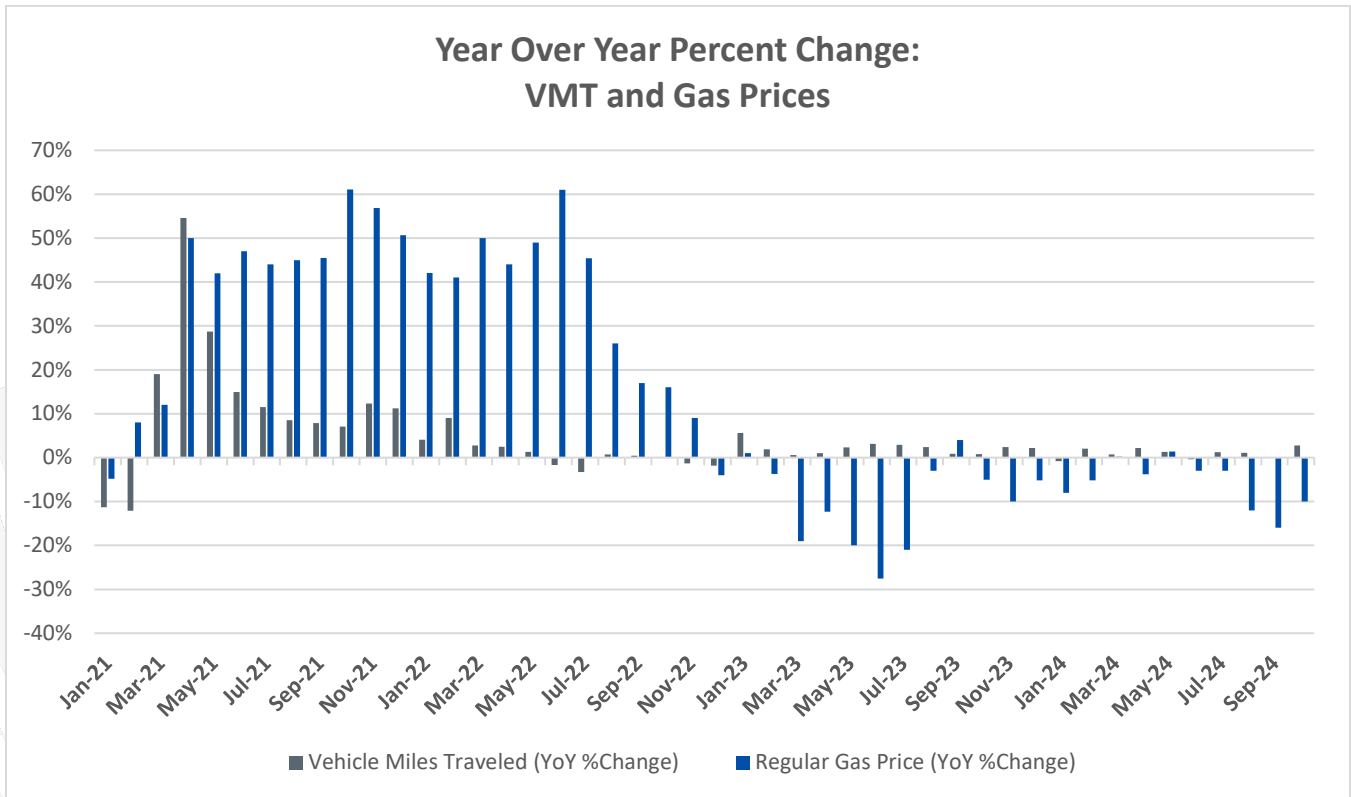
Economy Meter

Roadway Travel (Updated 1/7)

According to the U.S. Department of Transportation, seasonally-adjusted vehicle miles traveled in October increased by 2.3 percent from the same time a year ago. The cumulative travel estimate for 2024 is 2,762 billion vehicle miles.²⁶

- Travel on all roads and streets changed by +2.8% (+7.9 billion vehicle miles) for October 2024 as compared with October 2023. Travel for the month is estimated to be 291.9 billion vehicle miles.
- The seasonally adjusted vehicle miles traveled for October 2024 is 277.4 billion miles, a +2.3% (6.2 billion vehicle miles) change over October 2023. It also represents a 0.9% change (2.4 billion vehicle miles) compared with September 2024.

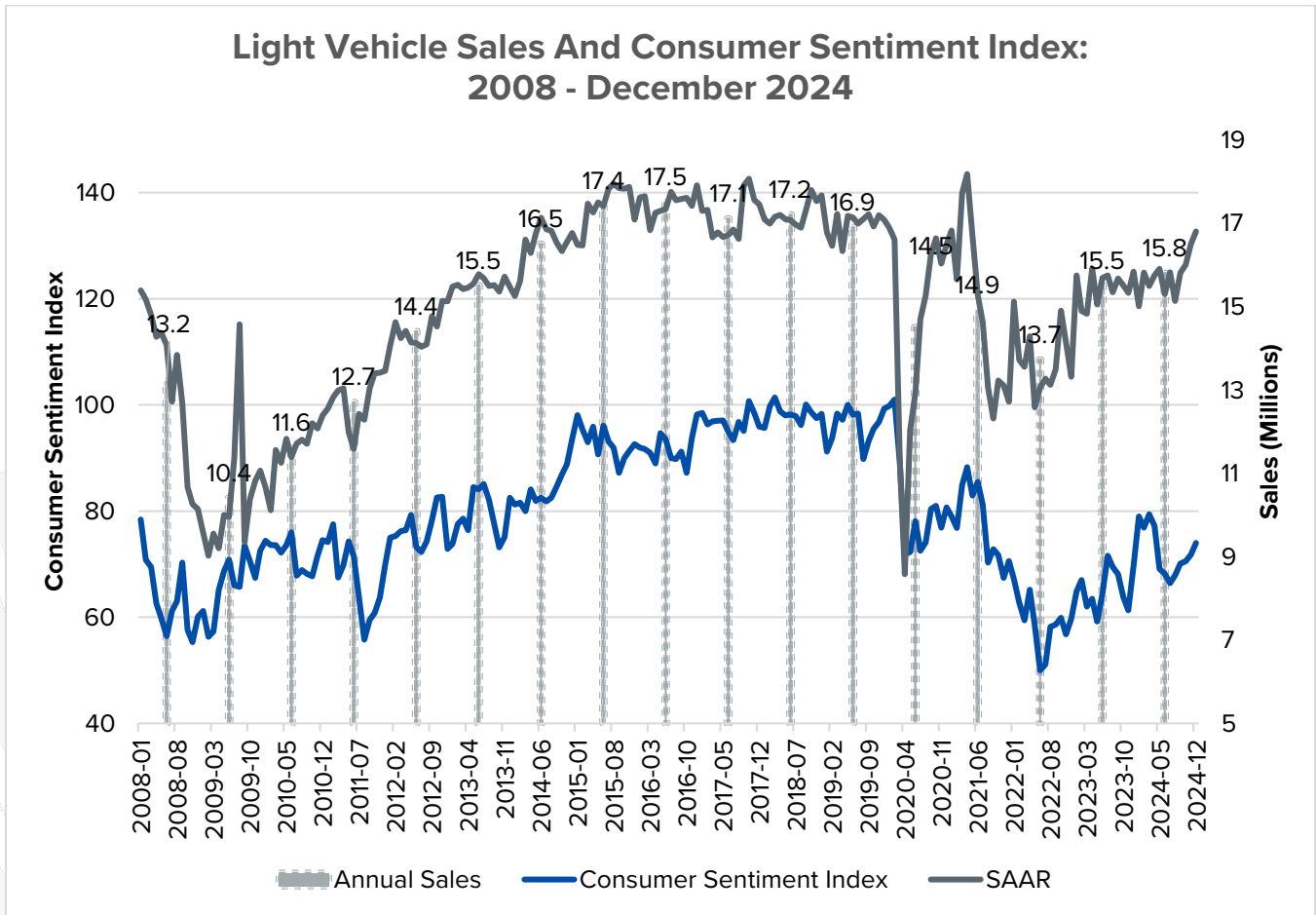
- Cumulative Travel for 2024 changed by +1.0% (+27.7 billion vehicle miles). The cumulative estimate for the year is 2,762.0 billion vehicle miles of travel.



Consumer Confidence and Sales (Updated 1/7)

Surveys of Consumers Director Joanne Hsu²⁷: “Consumer sentiment confirmed its early-month reading, rising for the fifth consecutive month and reaching its highest value since April 2024. Buying conditions exhibited a particularly strong 32% improvement, primarily due to a surge in consumers expecting future price increases for large purchases. The expectations index continued the post-election re-calibration that began last month, climbing for Republicans and declining for Democrats in December. Importantly, for Independents, expectations were essentially unchanged from the past month or so for personal finances, short-run business conditions, and long-run business conditions. Broadly speaking, consumers believe that the economy has improved considerably as inflation has slowed, but they do not feel that they are thriving; sentiment is currently about midway between the all-time low reached in June 2022 and pre-pandemic readings.

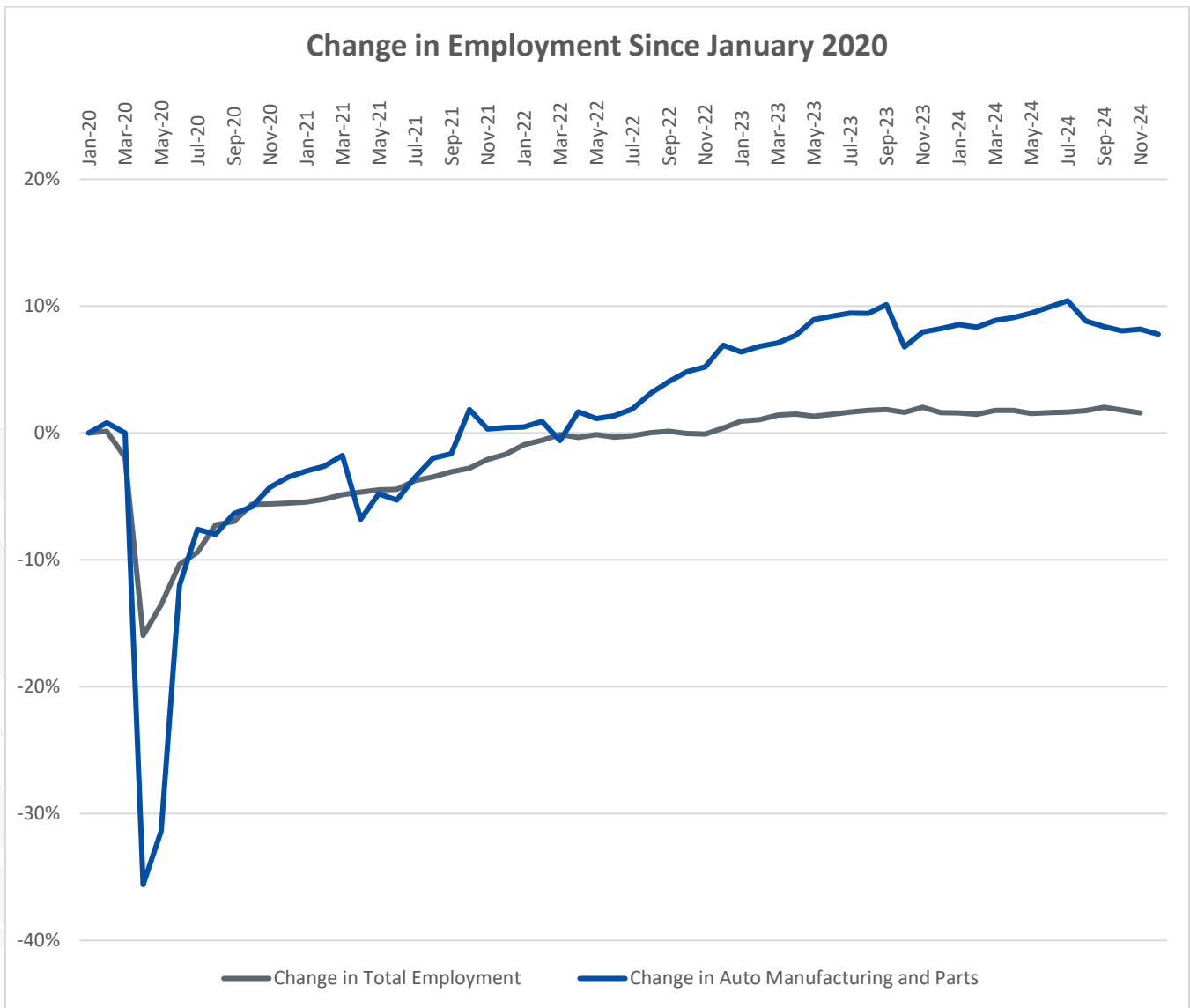
Year-ahead inflation expectations rose from 2.6% last month to 2.8% this month, the first month-over-month increase since May, but within the 2.3-3.0% range seen in the two years pre-pandemic. Long-run inflation expectations edged down from 3.2% last month to 3.0% this month, modestly elevated relative to the range of readings seen in the two years pre-pandemic.”



Employment (Updated 1/24)

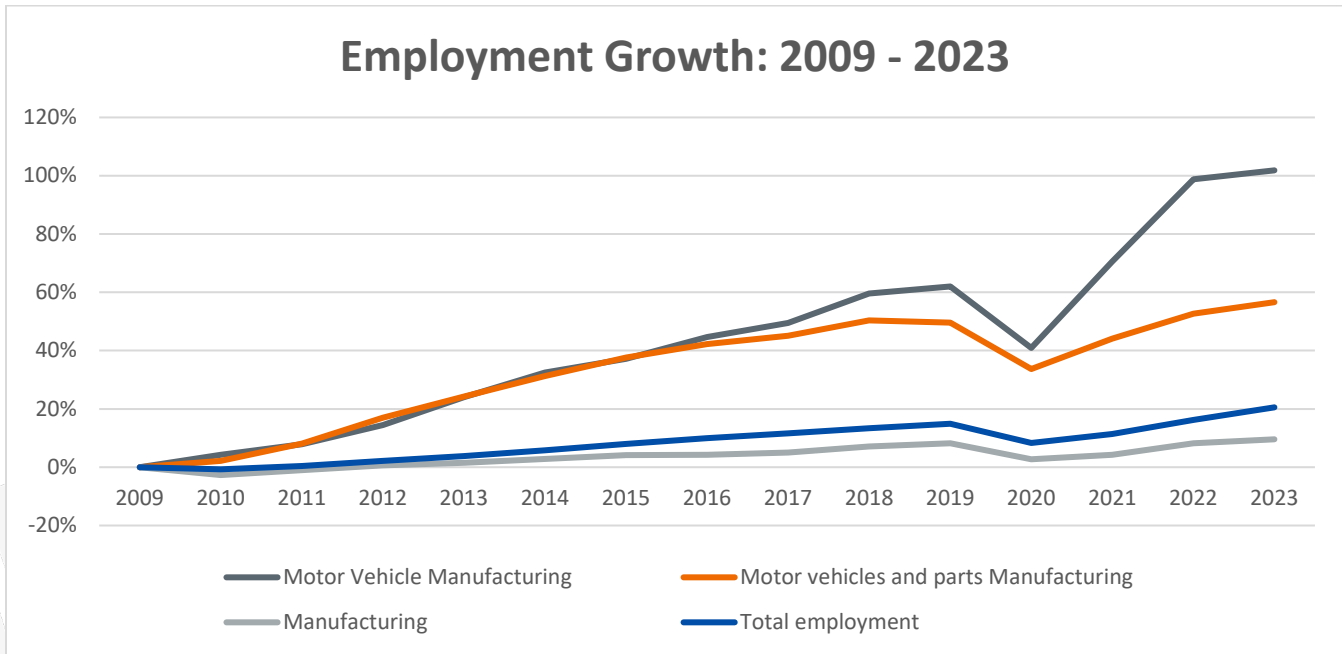
Motor Vehicle And Parts Manufacturing Lost 4,100 Jobs in December.

After a loss of nearly 350,000 employees (about 35% of the workforce) in the height of the pandemic, employment in the Automobile Manufacturing and Parts sectors raced back but is now fighting losses due to supply chain disruptions with semiconductors.²⁸



After the recession in 2009, the auto industry was credited with being on the leading edge of the recovery, which began a ripple effect through other parts of the country.²⁹ Additionally, the chart below shows how the recovery of jobs in motor vehicle manufacturing alone and motor vehicle and parts manufacturing far outpaced the recovery of manufacturing and total jobs.

Employment Growth: 2009 - 2023



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- ⁴ Haig Stoddard, "Some Letdown but January U.S. Light-Vehicle Sales Continue Q4-2024's Growth," WardsIntelligence, 1/24/2025
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- ¹⁴ Haig Stoddard, "U.S. Light-Vehicle Sales End 2024 With Long-Time High December, Q4 SAARs," WardsIntelligence, 1/3/2025
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- ¹⁹ U.S. Energy Information Administration, Regular Gasoline, www.eia.gov, Accessed 1/4/2025; U.S. Energy Information Administration, Weekly Cushing, OK WTI Spot Price, www.eia.gov, Accessed 1/7/2025
- ²⁰ EIA, "Short-Term Energy Outlook," 1/7/2025
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- ²² Haig Stoddard, "December U.S. Light-Vehicle Inventory Drops Unusually High 6% from November," WardsIntelligence, 1/6/2024
- ²³ Haig Stoddard, "North America Production Heading toward Downturns in Q4-2024, Q1-2025," WardsIntelligence, 12/19/2024
- ²⁴ WardsIntelligence, "North America Production, November," 2019, 2020, 2021, 2022, 2023, 2024
- ²⁵ Haig Stoddard, "Global Sales Rise Second Straight Month in November," WardsIntelligence, 1/2/2025
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