S&P Global Mobility: January 2023 US Auto Sales Highlight Mixed Messaging

January 2023 US auto sales are expected to advance mildly from the year-ago level; seasonally adjusted annual rate (SAAR) will jump once again

SOUTHFIELD, Mich., Jan. 26, 2023 /PRNewswire/ -- With volume for January 2023 projected at 1.015 million units, US auto sales are estimated to translate to an estimated sales pace of 15.5 million units (seasonally adjusted annual rate: SAAR). While the SAAR reading would be the highest monthly level since May 2021, we've seen this pattern before and the underlying dynamics of the market remain in flux.

Uncertain purchase environment continues; interest rates remain high and economic headwinds persist.

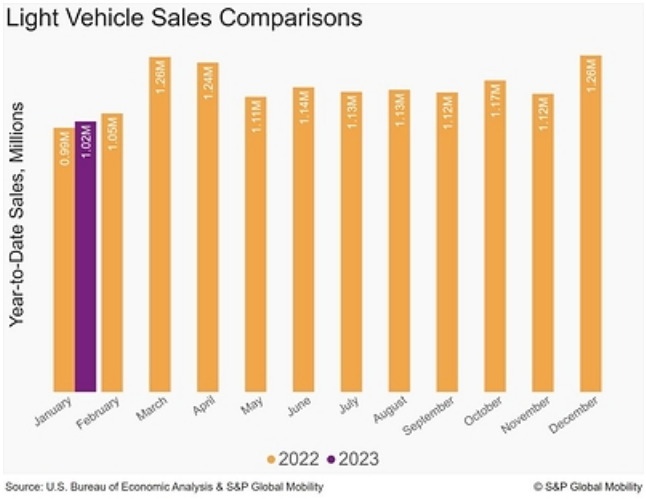
"Auto consumers continue to be impacted by an uncertain purchase environment. While positive developments regarding mildly retreating vehicle prices and rising pockets of inventory bode well, interest rates remain high and economic headwinds persist," said Chris Hopson, principal analyst at S&P Global Mobility. "None of these issues will be resolved quickly as we move through 2023. The January 2023 expected SAAR reading may have jumped from the month-prior reading of 13.3 million units, but the unsteady combination of consumers, inventory and economic conditions will dictate monthly new vehicle sales levels."

The S&P Global Mobility auto outlook for 2023 continues to carry a countercyclical narrative: We expect production levels to continue to develop even as economic conditions are expected to deteriorate through the early stages of next year. The advancing production levels, along with reports of sustained retail order books, recovering stock of vehicles, and a fleet sector that remains starved for product should provide some impetus to auto demand levels even as an economic recession looms. We project 2023 calendar year volume of 14.8 million units, a 7% increase from the estimated 2022 tally.

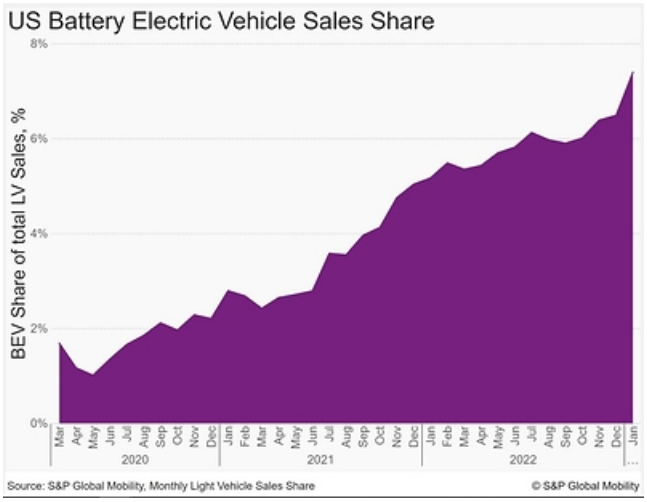
U.S. Light Vehicle Sales

		Jan 23 (Est)	Dec 22	Jan 22
Total Light Vehicle	Units, NSA	1,015,700	1,263,268	991,573
	In millions, SAAR	15.5	13.3	15.1
Light Truck	In millions, SAAR	12.2	10.5	12.1
Passenger Car	In millions, SAAR	3.3	2.8	3.0

Source: S&P Global Mobility (Est), U.S. Bureau of Economic Analysis



Sustained development of battery-electric vehicle (BEV) sales remains a constant assumption for 2023. BEV share is expected to reach 7.4% in January 2023, an all-time record mix level, pushed by the notable Tesla downward price adjustments. While this is the first shot in a BEV price war, the reaction of other auto companies will determine whether the January mix level will be a blip in the trend or a dynamic tipping point in the electrificaton progress of the market.



About S&P Global Mobility

At S&P Global Mobility, we provide invaluable insights derived from unmatched automotive data, enabling our customers to anticipate change and make decisions with conviction. Our expertise helps them to optimize their businesses, reach the right consumers, and shape the future of mobility. We open the door to automotive innovation, revealing the buying patterns of today and helping customers plan for the emerging technologies of tomorrow.

S&P Global Mobility is a division of S&P Global (NYSE: SPGI). S&P Global is the world's foremost provider of credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help many of the world's leading organizations navigate the economic landscape so they can plan for tomorrow, today. For more information, visit www.spglobal.com/mobility.

Media Contact:

Michelle Culver
S&P Global Mobility
248.728.7496 or 248.342.6211
Michelle.culver@spglobal.com

S&P Global
Mobility

SOURCE S&P Global Mobility

---

https://press.spglobal.com/2023-01-26-S-P-Global-Mobility-January-2023-US-Auto-Sales-Highlight-Mixed-Messaging