

S&P Global Mobility: February 2024 US auto sales to bounce mildly

S&P Global Mobility projects that February 2024 will realize a slight rebound from the slow January result, but new vehicle sales levels remain tepid.

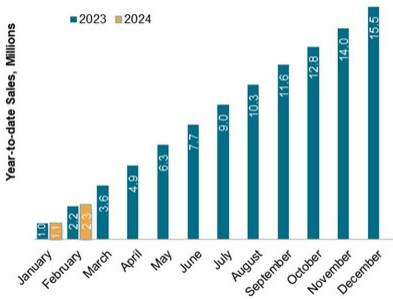
SOUTHFIELD, Mich., Feb. 27, 2024 /PRNewswire/ -- With volume for the month projected at 1.22 million units, February 2024 U.S. auto sales are estimated to translate to an estimated sales pace of 15.5 million units (seasonally adjusted annual rate: SAAR). This would be a step up from the chilly 15.0 million unit pace of January 2024 and reflective of the volatile nature of the current auto demand environment.

Auto sales in February should recover mildly from the January 2024 result, but sustained momentum seems tough to come by

"We expect that auto sales in February should recover mildly from the January 2024 result, but sustained momentum seems tough to come by, given the current purchase environment facing auto consumers," said Chris Hopson, principal analyst at S&P Global Mobility. "While pricing, inventory and incentive trends are seemingly moving in the correct directions, respectively, to promote new vehicle sales growth, high interest rates and uncertain economic conditions continue to push against any consistent upshift for demand levels."

The S&P Global Mobility US auto outlook for 2024 reflects sustained, but more moderate growth levels for light vehicle sales. We expect production levels to continue to develop, especially early in the year as some automakers look to continue to restock in wake of production shutdowns late in 2023 and decent December 2023 sales volume. The advancing production levels sets the stage for incentives and inventory to continue to develop, potentially enticing new vehicle buyers who remain on the sidelines due to higher interest rates. S&P Global Mobility projects calendar-year 2024 light vehicle sales volume of 15.9 million units, a 3% increase from the 2023 tally.

Light Vehicle Sales Comparisons



Source: US Bureau of Economic Analysis and S&P Global Mobility.
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U.S. Light Vehicle Sales

		Feb 24 (Est)	Jan 24	Feb 23
Total Light Vehicle	Units, NSA	1,220,787	1,076,047	1,138,756
	In millions, SAAR	15.5	15.0	14.9
Light Truck	In millions, SAAR	12.4	12.0	11.9
Passenger Car	In millions, SAAR	3.1	3.0	3.0

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

Continued development of battery-electric vehicle (BEV) sales remains an assumption in the longer term S&P Global Mobility light vehicle sales forecast. In the immediate term, some month-to-month volatility is anticipated. February BEV share is expected to reach 8.0%, similar to the month prior reading as automakers, dealers and consumers continue to digest the changes to IRA Federal tax credits to begin the new year. BEV share is expected to advance over the next several periods, pending the roll outs of vehicles such as the Chevrolet Equinox EV, Honda Prologue and Fiat 500e, all scheduled for market introductions over the first half of 2024.

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.

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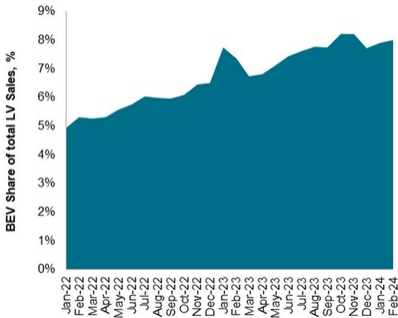
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US Battery Electric Vehicle Sales Share



Source: S&P Global Mobility.
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