

# READING THE METER

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



ALLIANCE FOR AUTOMOTIVE INNOVATION

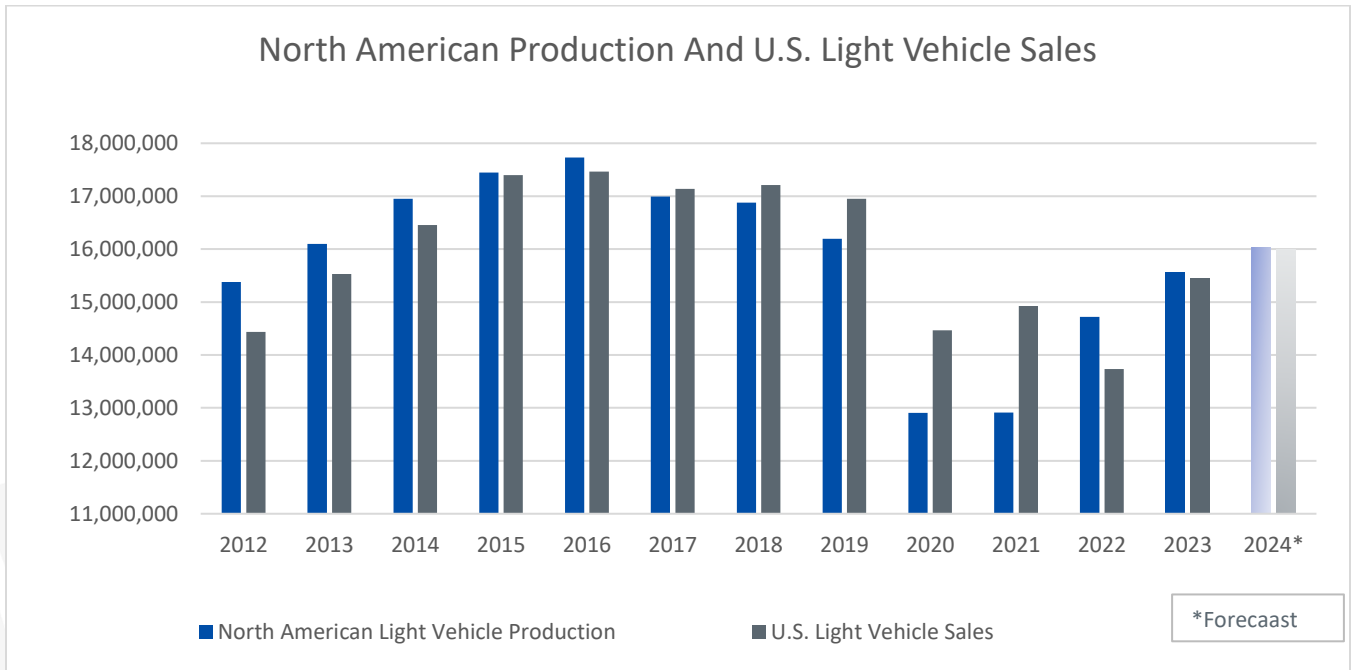
## Contents – June 5, 2024

Forecast Meter.....	2
Sales & Production Summary and Forecast (Updated 6/5).....	2
U.S. Light Vehicle Sales Outlook (Updated 6/5).....	3
North American Production & Inventory Outlook (Updated 6/5).....	4
Market Meter .....	4
U.S. Light Vehicle Sales (Updated 6/5).....	4
Segments vs. Gas Prices (Updated 6/5).....	6
EV Powertrain Sales (Updated 6/5).....	7
Seasonally Adjusted Annual Rates (Updated 6/5).....	8
Average Transaction Price (Updated 6/5).....	9
Auto Loan Financing (Updated 6/5).....	11
Crude Oil and Gas Prices (Updated 6/5).....	12
Production Meter.....	13
U.S. Light Vehicle Inventory and Days' Supply (Updated 6/5).....	13
North American Production (Updated 5/24).....	14
U.S. Light Vehicle Production (Updated 5/24).....	14
Global Meter .....	15
Global Light Vehicle Sales (Updated 6/5).....	15
Global Light Vehicle Production (Updated 4/24).....	16
Recovery Meter.....	18
Roadway Travel (Updated 6/5).....	18
Economic News (Updated 4/24).....	19
Consumer Confidence and Sales (Updated 6/5).....	19
Employment (Updated 5/3).....	20
Sources .....	22

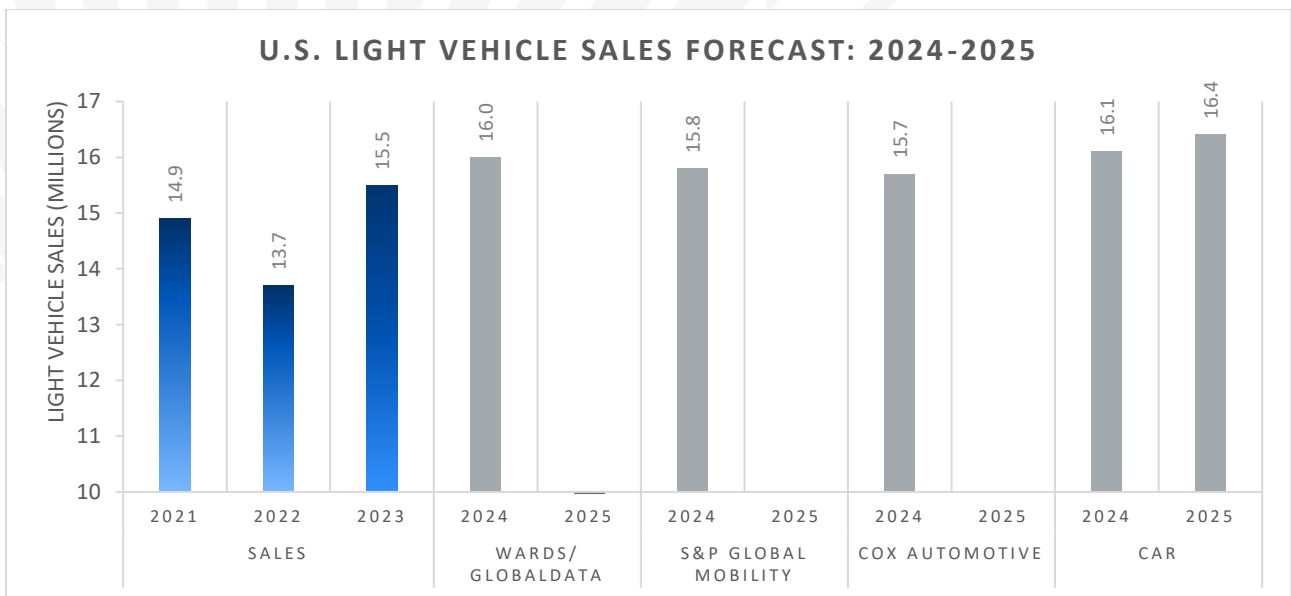
## Forecast Meter

### Sales & Production Summary and Forecast (Updated 6/5)

<b>2023-2024 Sales,<sup>1</sup> Extended Sales Forecast,<sup>2</sup> and Production Forecasts.<sup>3</sup></b>		
	<b>U.S. Sales &amp; Forecasts</b>	<b>North American Production</b>
<b>January '23</b>	1,033,002 (+4.2% YoY)	1,195,548 (+12.9% YoY)
<b>February '23</b>	1,136,332 (+8.7% YoY)	1,257,482 (+15% YoY)
<b>March '23</b>	1,365,966 (+8.6% YoY)	1,442,991 (+6.7% YoY)
<b>April '23</b>	1,347,159 (+13.1% YoY)	1,281,626 (+8.6% YoY)
<b>May '23</b>	1,362,019 (+18.0% YoY)	1,462,273 (+25.5% YoY)
<b>June '23</b>	1,370,976 (+19.9% YoY)	1,387,090 (+13.8% YoY)
<b>July '23</b>	1,299,199 (+19.9% YoY)	1,173,342 (+15.6 YoY)
<b>August '23</b>	1,328,526 (+12.8% YoY)	1,467,284 (+4.5% YoY)
<b>September '23</b>	1,331,952 (+13.9% YoY)	1,353,072 (+7.6% YoY)
<b>October '23</b>	1,200,286 (+5.7% YoY)	1,388,720 (+4.5% YoY)
<b>November '23</b>	1,218,647 (+7.3% YoY)	1,372,253 (+8.1 YoY)
<b>December '23</b>	1,433,266 (+17.3 YoY)	1,082,176 (-2.3% YoY)
<b>January '24</b>	1,076,047 (-1.3% YoY)	1,327,765 (+7.8% YoY)
<b>February '24</b>	1,247,516 (+5.2% YoY)	1,358,836 (+10% YoY)
<b>March '24</b>	1,438,012 (+4.6% YoY)	1,414,502 (-5.7% YoY)
<b>April '24</b>	1,313,512 (+0.6% YoY)	1,473,567 (+15.9% YoY)
<b>May '24</b>	1,429,028 (+0.8% YoY)	
<b>2023 Full Year</b>	15,457,447 (+12.4% YoY)	16,144,461 (+9.3% YoY) (U.S. 10,611,580)
<b>2024 Estimate</b>	16.1 Million	16,031,665



## U.S. Light Vehicle Sales Outlook (Updated 6/5)



**Wards Intelligence Outlook (6/5):** “Initial modeling projects light-vehicle sales in June to post a 16.0-million-unit seasonally adjusted annual rate, which would top May’s 15.9 million and April’s 15.8 million. The second quarter is forecast to total a 15.9-million SAAR, up from Q1’s 15.3 million and highest for any quarter since Q2-2021’s 16.9 million.

Excluding volume in their forecast for super luxury brands and battery-electric startups Wards Intelligence does not track, partner GlobalData forecasts sales in entire 2024 at 16.0 million units. Therefore, second-half 2024 is expected to post a 16.3 million SAAR, up from first-half 2024's 15.6 million."

**Cox Automotive Forecast (6/5):**<sup>5</sup> "The Cox Automotive full-year forecast for 2024 stands at 15.7 million and will be reviewed at the end of June. The broader market has been showing signs of slowing as consumers throttle back on spending, but the new-vehicle market continues to hold up well. Profitability is being squeezed, but sales volume continues to grow, keeping 2024 on track to be the best year for new-vehicles sales since 2019."

## North American Production & Inventory Outlook (Updated 6/5)

**Wards Intelligence Inventory Outlook (6/5):**<sup>6</sup> "Inventory is forecast to end Q2 at 2.75 million units, up 44.0% from June 2023 and highest for the month since 3.91 million in 2019."

**Wards Intelligence Production Outlook (5/24):**<sup>7</sup> "Second-quarter output is pegged at 4.393 million units, 4.2% above Q2-2023's 4.215 million. First-quarter 2024 totaled 4.164 million units, 3.8% above like-2023's 4.011 million. Thus, production in first-half 2024 is tracking to 8.557 million, 4.0% above January-June 2023's 8.226."

**S&P Global Mobility Outlook (4/23):**<sup>8</sup> "The outlook for North America light vehicle production was increased by 231,000 units and by 323,000 units for 2024 and 2025, respectively (and increased by 382,000 units for 2026). The outlook for North American light vehicle production for 2024 was revised higher by 1.5% to total 16.0 million units on demand resilience and more importantly on stronger production results indicating minimized impact of supply chain issues. The greatest concern surrounds where inventory levels will stabilize with the forecast built around keeping the industry at around 2.5 million units. Production may still move higher resulting in inventory levels returning closer to pre-COVID levels where in a 16.0 million-unit US sales environment, inventories would be over 3.0 million units. A notable exception to the short-term growth revisions is focused on Tesla which was revised lower between 2024 and 2027. Most of the reductions surround Cybertruck as demand expectations remain a challenge with additional concerns surrounding the development status of the NV92 C-CUV EV or Project Redwood, the affordable entry-level Tesla program. Despite news to the contrary, development of the entry-level Tesla is still believed to be underway, though a rescope and delay remain a possibility. Tesla production in 2024 was revised down 0.5% with 2025, 2026 and 2027 revised down 9.9%, 9.6% and 10.2%, respectively."

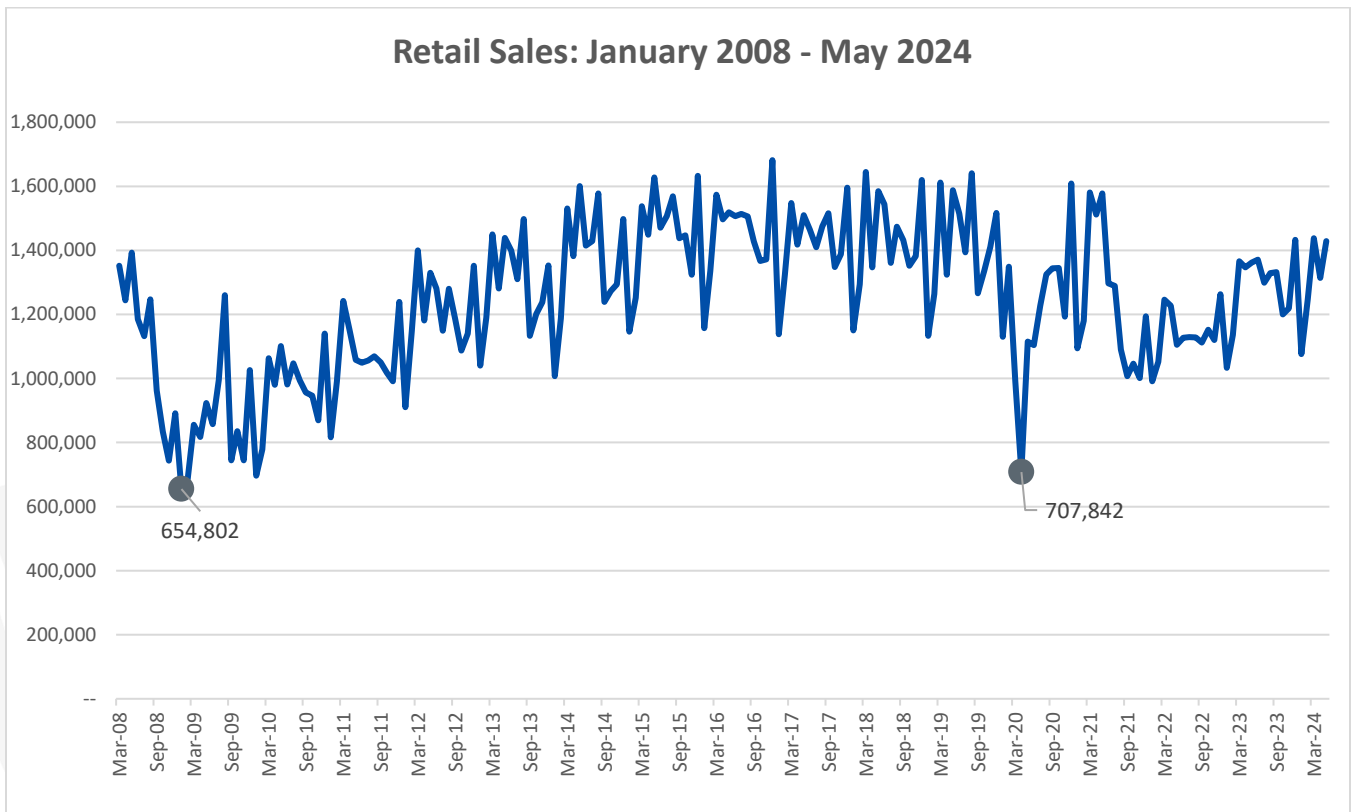
## Market Meter

---

### U.S. Light Vehicle Sales (Updated 6/5)

#### **Monthly Sales (Updated 6/5)**

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.



### **May Sales (Updated 6/5)**

**WardsIntelligence**<sup>9</sup>: “U.S. light-vehicle sales in May finished slightly above expectations for the month, as demand picked up slightly at the end of the month, perhaps helped by higher incentives and month-end holiday marketing, as well as a bump above expectations in fleet deliveries.

“Sales in May totaled a seasonally adjusted annual rate of 15.9 million units, a small increase from April’s 15.8 million and above like-2023’s 15.5 million.

“Raw volume totaled 1.429 million units, 4.8% above May 2023’s 1.364 million. The daily selling rate over the month’s 26 selling days was 54,963, 1% above the year-ago total of 54,553 – 25 selling days.

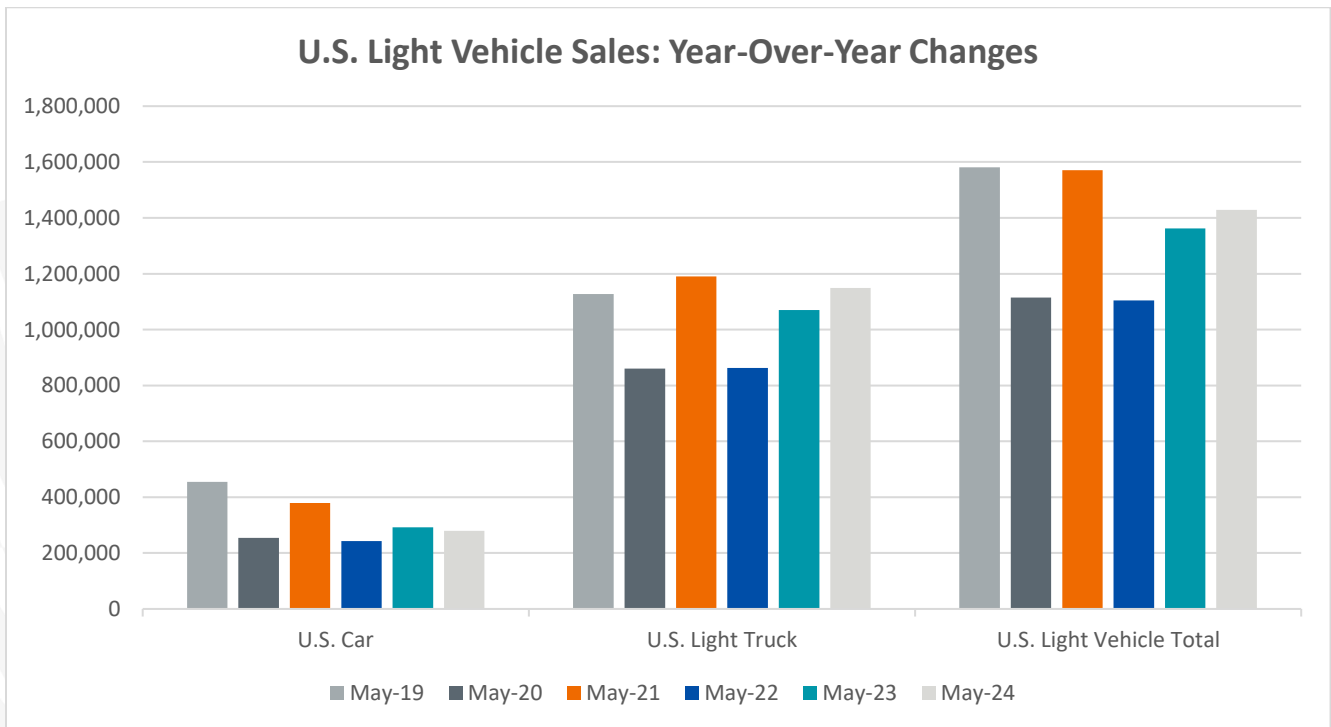
“Based on DSRs, retail volume in May was estimated to have increased 1% year-over-year and accounted for 82.1% of total sales. Fleet deliveries were up an estimated 0.2%.

“As has been the trend since in the latter half of 2023, sales of smaller, less-expensive vehicles showed the most strength.

“Sales in the non-luxury Small CUV segment increased 21.7% year-over-year – based on DSRs – and are up 16.8% year-to-date through May. The segment’s penetration rose to 10.2% in May from like-2023’s 8.5%.

“While car deliveries overall were down 4.9% year-over-year, sales in the Small Car segment rose 19.8% from like-2023 – up 19.9% year-to-date. Market share in May for the segment increased to 8.3% from same-month 2023’s 7.0%.

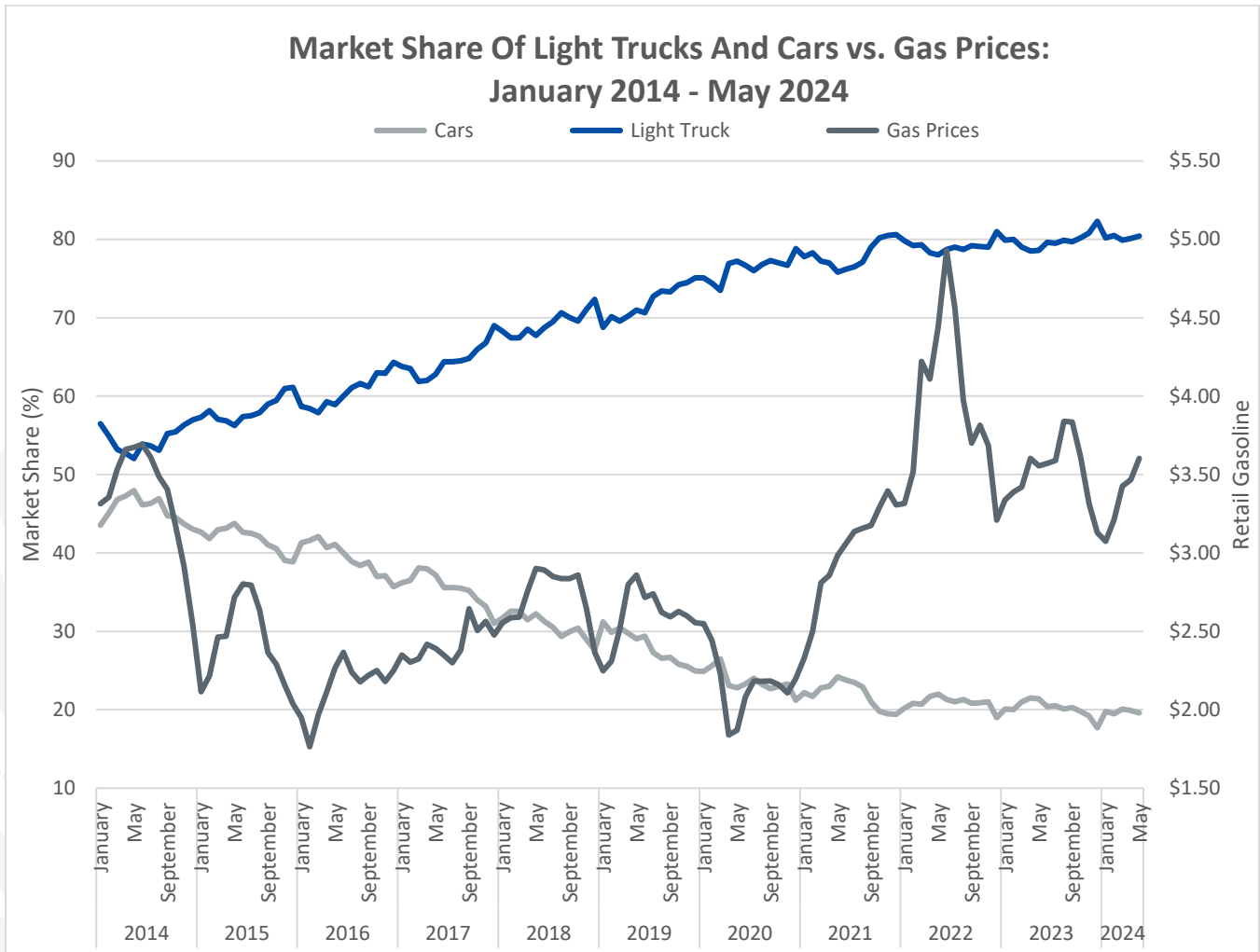
“Thus, Small CUV and Small Car, which host the most affordable light trucks and cars, accounted for 18.5% of the vehicles sold in May, nearly one in five. Most of the remainder of the CUV segments posted gains over the year-ago month. In total the CUV segment increased 4.3% from like-2023. The overall gain was dampened due to a 15.6% decline in Middle Luxury CUV.”



## Segments vs. Gas Prices (Updated 6/5)

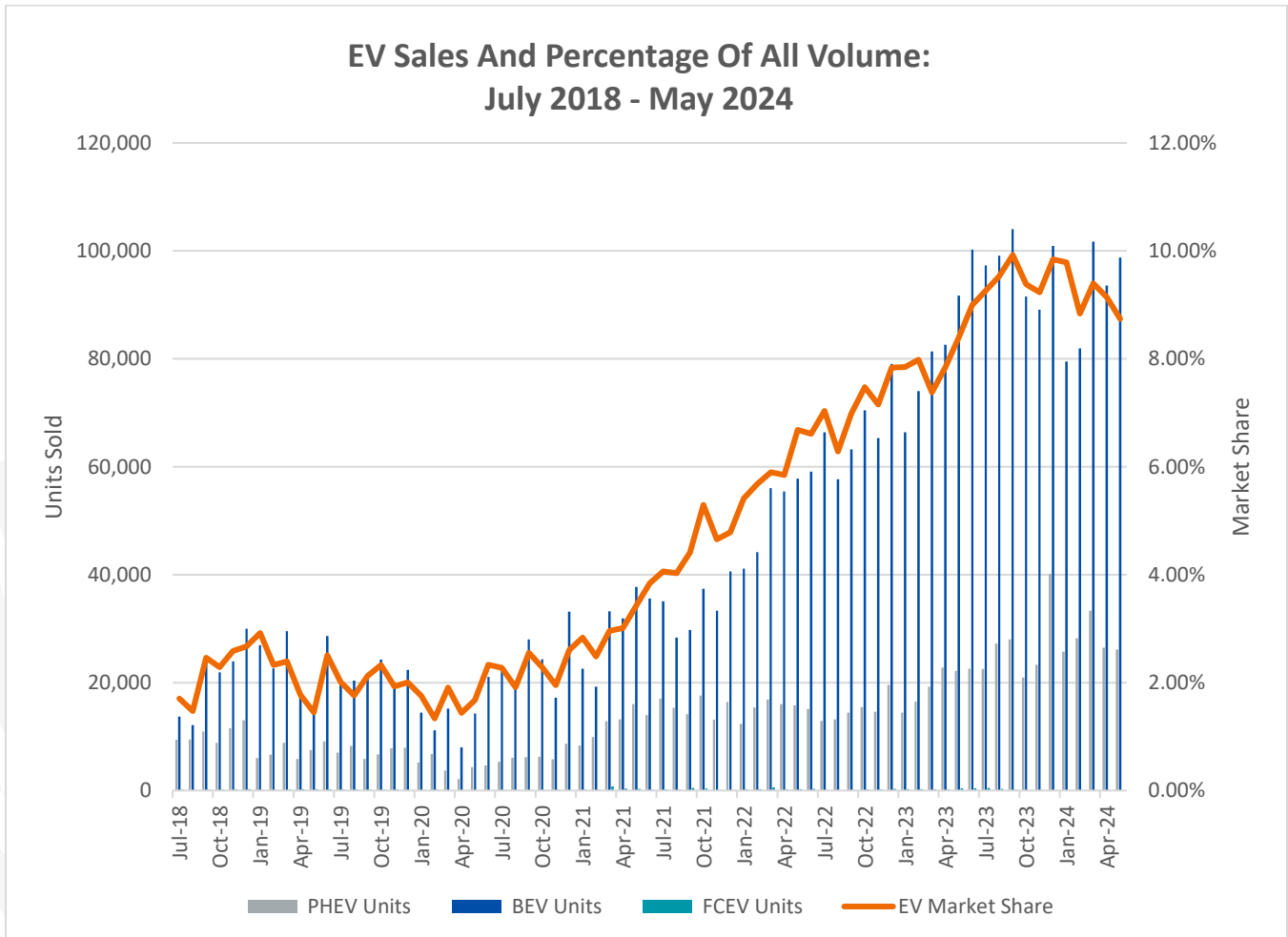
**Monthly Sales For May:** Light trucks accounted for 80 percent of sales in May, up slightly from the market share a year ago. Compared to the same period in 2023, sales of cars are down by 12,200 units, and down more than 174,000 from May 2019, when cars comprised 29% of the market as opposed to the 20 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 segments...<sup>10</sup> and gas was over \$3.00...<sup>11</sup> 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 \$2.81 a gallon (through March 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.<sup>12</sup>



## EV Powertrain Sales (Updated 6/5)

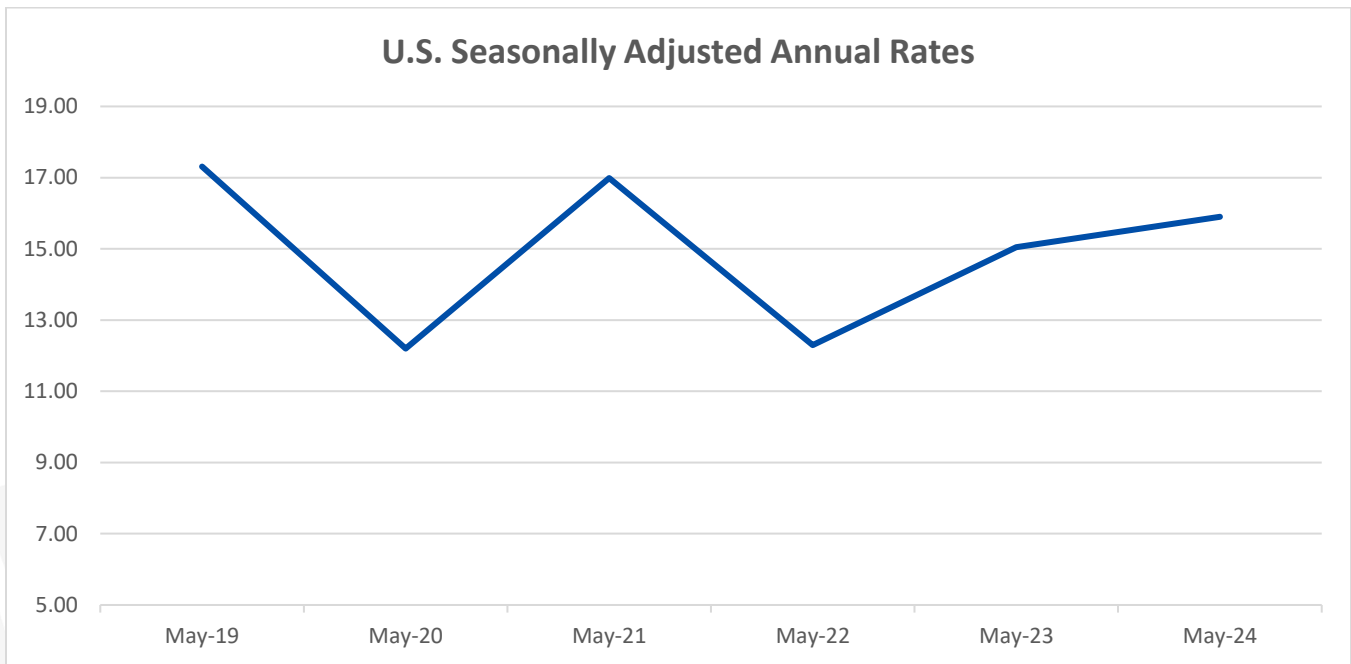
Sales of electric vehicles (BEV, PHEV, & Fuel Cell) accounted for 8.7 percent of total vehicle sales in May 2024 (124,945), per Wards estimates. Market share decreased 0.40 percentage points (pp) from April 2024. May's EV market share is up 0.35 pp from a year ago. Sales of battery electric vehicles led the way for EVs, accounting for 6.9 percent of total sales, up 0.18 pp from May 2023. Plug-in hybrids accounted for 1.8 percent, up 0.2 pp from the same time last year.<sup>13</sup>



## Seasonally Adjusted Annual Rates (Updated 6/5)

**WardsIntelligence<sup>14</sup>:** “Sales in May totaled a seasonally adjusted annual rate of 15.9 million units, a small increase from April’s 15.8 million and above like-2023’s 15.5 million.”





## Average Transaction Price (Updated 6/5)

**J.D. Power (Updated 6/5)**<sup>15</sup>: “The average new-vehicle retail transaction price is declining compared with a year ago as manufacturer incentives rise, retailer profit margins fall and availability of lower-priced vehicles increases. Transaction prices are trending towards \$45,033—down \$1,045 or 2.3%—from May 2023.”

**Kelley Blue Book (March) (Updated 4/24)**<sup>16</sup>: “New-vehicle transaction prices (ATP) in March 2024 held mostly steady, according to an analysis by Kelley Blue Book, down 1% from the revised February ATP. Last month, the average transaction price of a new vehicle in the U.S. was \$47,218, down 1% from March 2023 and down 5.4% from the market peak in December 2022. Still, new-vehicle prices in the U.S. remain higher by 15.5% compared to March 2021.

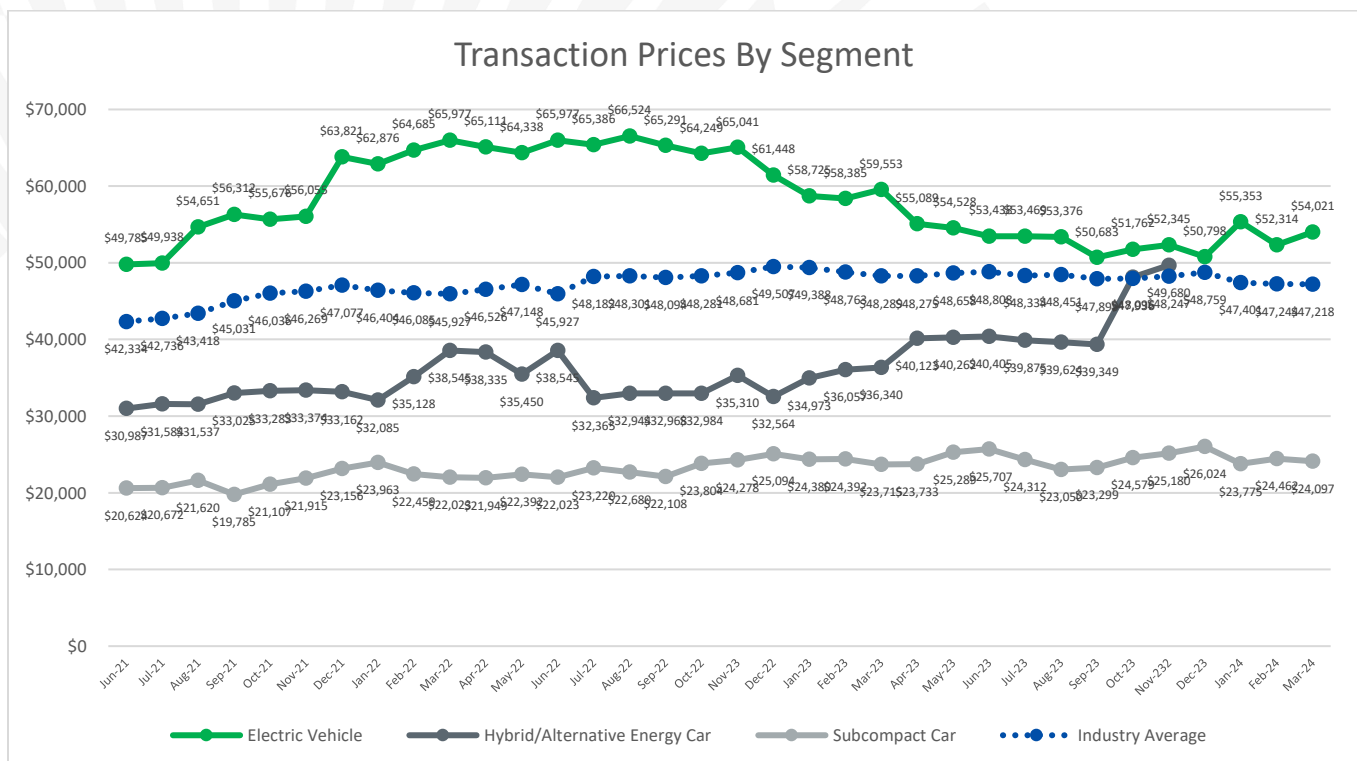
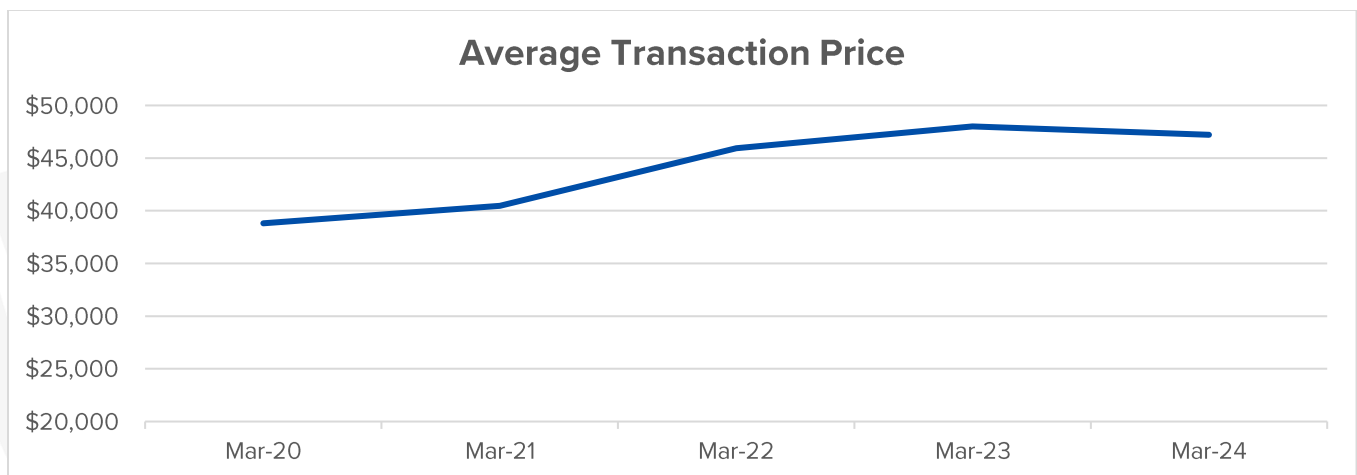
“The supply recovery was the most important contributor to recent sales results compared to last year. At the start of March, new-vehicle inventory in the U.S. stood near 2.74 million units, a 52% increase from one year earlier. Sales were down month over month in March, but with a seasonally adjusted annual rate (SAAR) of sales of 15.5 million, 2024 remains on track to be the best new-vehicle sales year since 2019.

“The average incentive spend from manufacturers increased 11% to \$3,121, which was up 102% year over year. Reaching the highest level since May 2021, incentives as a percentage of average transaction price increased to 6.6%, up from 5.9% in February and more than double the average of 3.2% recorded in March one year ago. After hitting a low of 2.1% of ATP in September 2022, incentives have steadily increased along with inventory.

“The industry’s vehicle mix and focus on luxury continue to make affording a new vehicle more difficult for the average consumer. In March, of the roughly 275 new-vehicle models available in the U.S. market, only eight had average transaction prices below \$25,000 and only two transacted for less than \$20,000. The discontinued Kia Rio and Mitsubishi Mirage remained the two most affordable vehicles in the U.S. last month.

In March 2021, more than 20 vehicles had transaction prices routinely below \$25,000, including seven different models transacting below \$20,000.

“According to electric vehicle (EV) transaction price data, the average price Americans paid for an electric vehicle in March was \$54,021, up from a revised \$53,707 in February, according to Cox Automotive and Kelley Blue Book estimates. EV transaction prices in March were lower year over year by 9.7%, compared to February, when prices were lower by 10.5% year over year. . . . High incentives and discounts on most EV models continue to play a role in lower EV prices.”

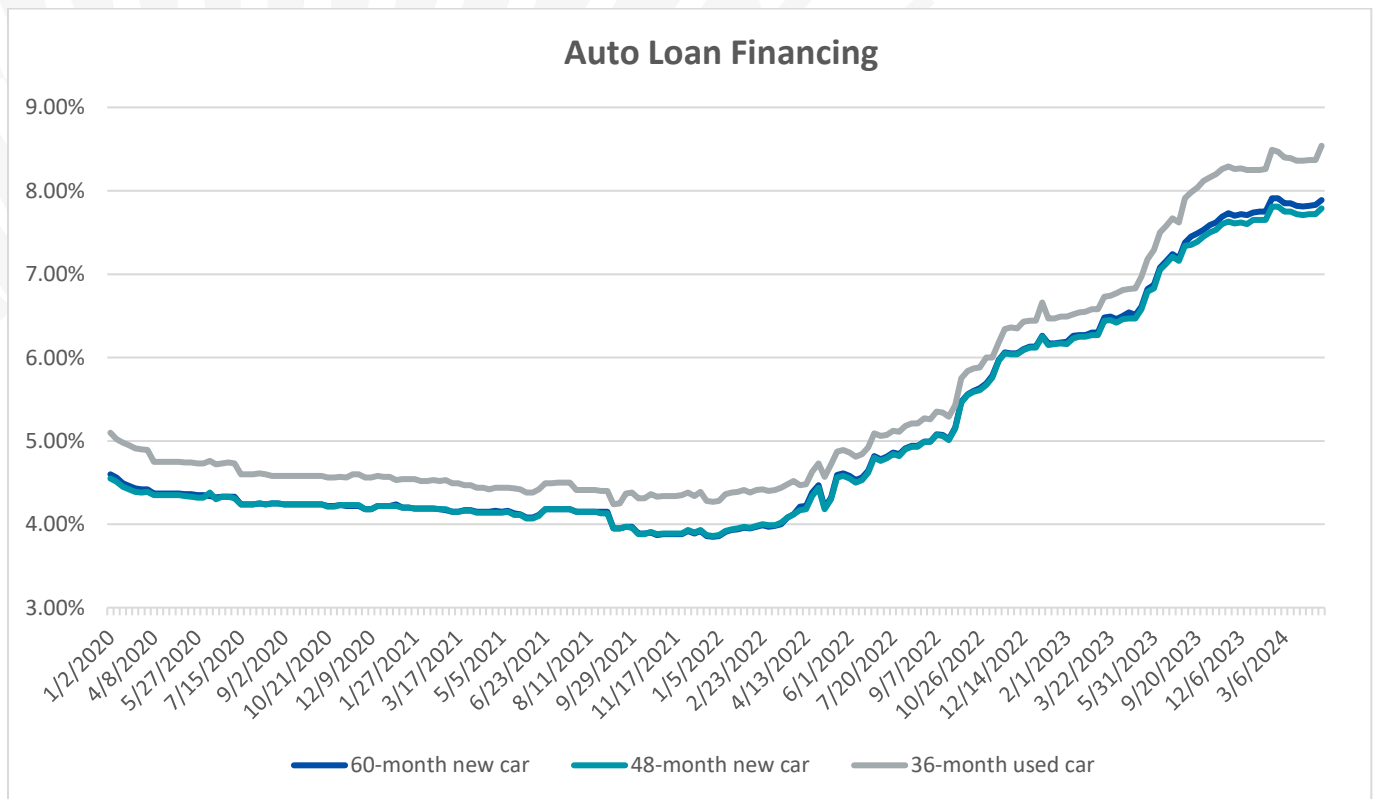


## Auto Loan Financing (Updated 6/5)

**Interest Rates (updated 6/5):** Interest rates increased slightly on the 60-month, 48-month and 36-month used car loans over the past two weeks. Rates now stand at 7.89%, 7.79%, and 8.37%, respectively. Since the beginning of 2020, 60-month rates are up 3.29 pp, and are up 1.07 pp since the same time a year ago.<sup>17</sup>

**JD Power (6/5)<sup>18</sup>:** “After rising consistently during the past few years, average monthly loan payments are stabilizing. The average monthly finance payment this month is on pace to be \$727, down \$3 from May 2023. The average interest rate for new-vehicle loans is expected to be 7.1%, an increase of 17 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%
5/17/2023	6.82%	6.79%	7.18%
5/8/2024	7.83%	7.72%	8.37%
5/22/2024	7.89%	7.79%	8.54%
Two Week Change	0.06%	0.07%	0.17%
Change since 1/3/20	3.29%	3.24%	3.44%
One Year Change	1.07%	1.00%	1.36%

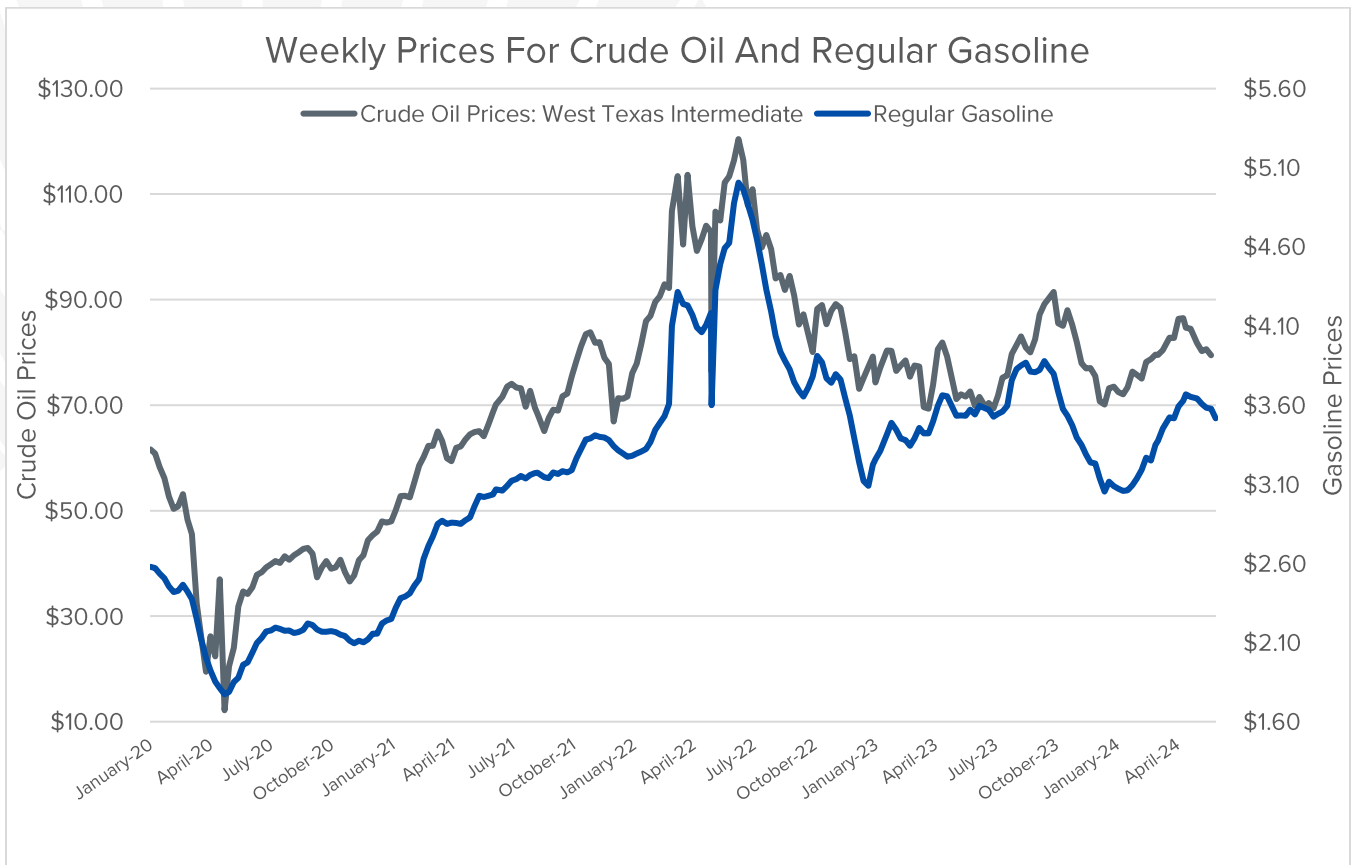


## Crude Oil and Gas Prices (Updated 6/5)

**Gas And Oil Remain Elevated (6/5):** Oil prices, as benchmarked at West Texas Intermediate decreased \$1.18 to \$79.43 a barrel. Since election day 2020, oil prices are \$43 a barrel higher. Gas decreased \$0.06 a gallon to \$3.52. Gas is 39% higher than the beginning of 2020 and has not been below \$3 a gallon since May 2021.<sup>19</sup>

**EIA Outlook For Gasoline (6/5)<sup>20</sup>:** “U.S. retail gasoline prices. Across the United States, we forecast that retail gasoline prices will average near \$3.70 per gallon from April through September, which is similar to prices during the same period last year. Refinery operations are a source of uncertainty for gasoline markets this summer. An upcoming Perspectives supplement looks in more depth at the effect refinery operations could have on retail gasoline prices.

**EIA Outlook For Oil (6/5)<sup>21</sup>:** “Global oil prices. We expect voluntary OPEC+ crude oil production cuts and ongoing geopolitical risks will keep the Brent crude oil spot price near \$90 per barrel (b) for the remainder of 2024 before falling to an average of \$85/b in 2025 as global oil production growth picks up.”



## Production Meter

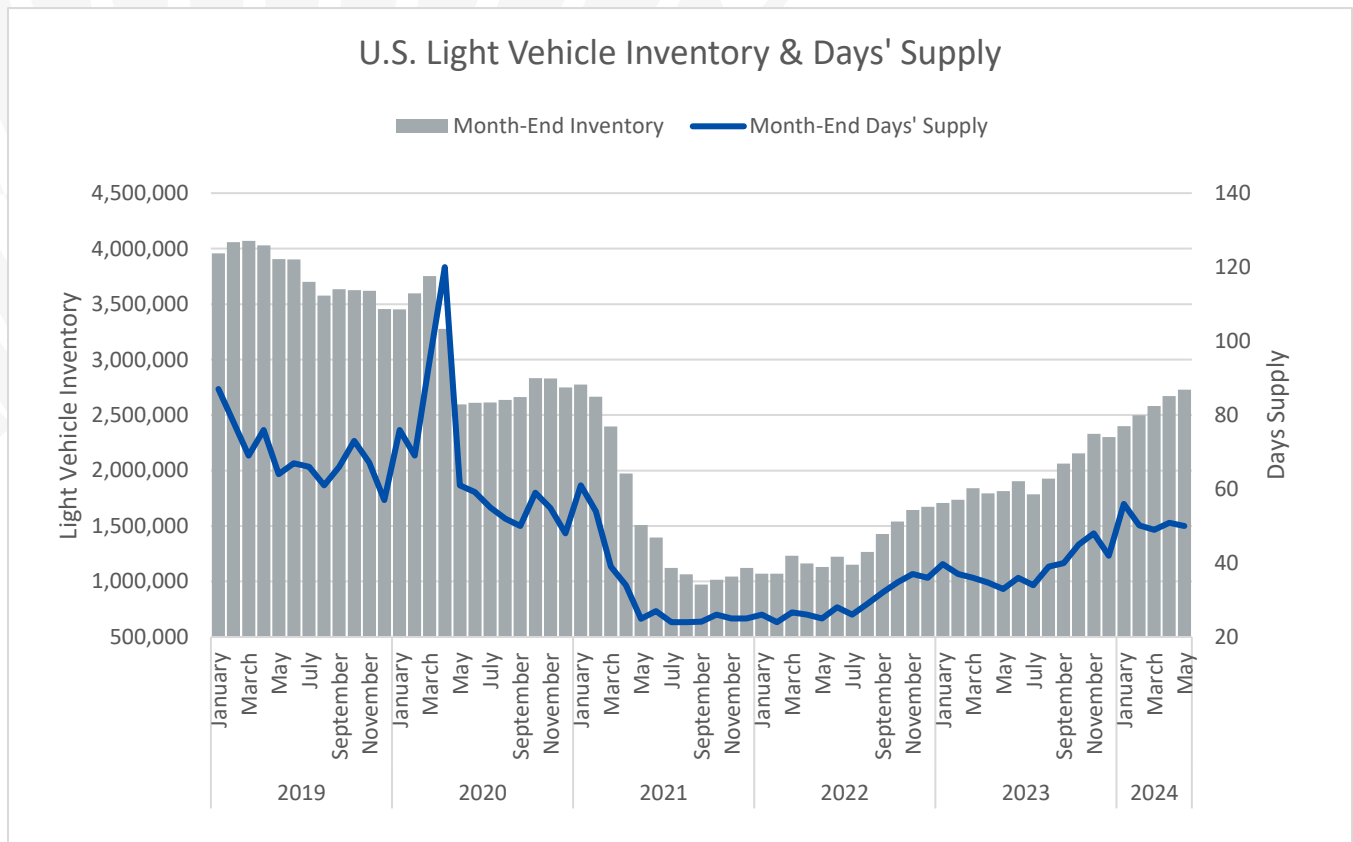
### U.S. Light Vehicle Inventory and Days' Supply (Updated 6/5)

**WardsIntelligence Inventory Update (3/7)<sup>22</sup>:** “As expected, U.S. light-vehicle inventory declined slightly at the end of May from April, dropping a negligible 0.3% to 2.728 million units from 2.735 million.

The April-to-May decline is a typical seasonal trend and not an indication that a two-year rise availability is stalling. In fact, inventory, though there will be a couple more month-to-month seasonal downturns, is forecast to continue rising through the end of 2024, eventually topping 3 million units for the first time since in first-half 2020.

The May 31 total is 50.3% above same-month 2024, and along with April, the highest for any month since 2.774 million units in January 2021, just before the global semiconductor shortage started impacting the North America market by slashing production and, consequently, inventory.

May 31 days' supply totaled 50, down from the prior month's 52 but well above like-2023's 33. It also was the highest for the month since 61 in 2020.”



## North American Production (Updated 5/24)

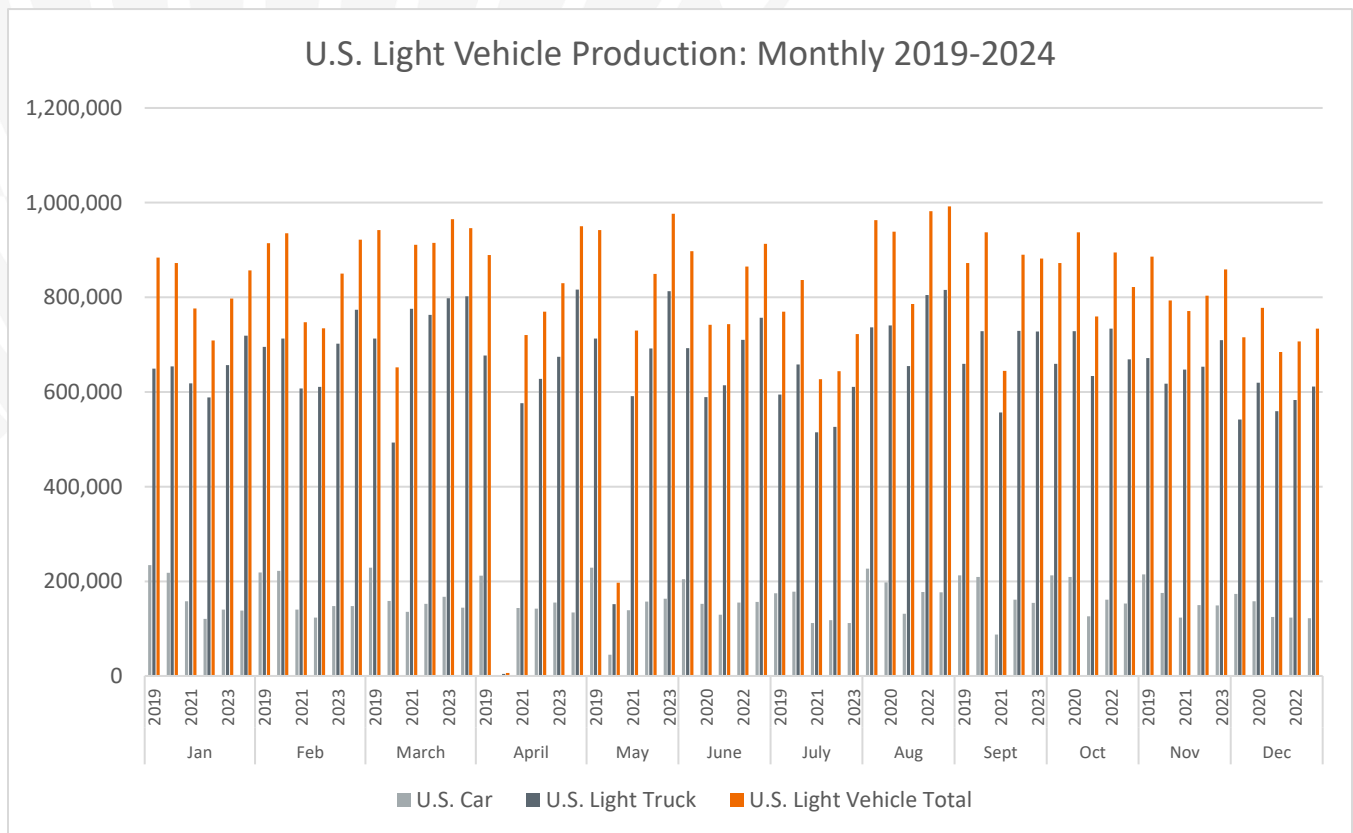
**Wards Intelligence**<sup>23</sup>: “Production of light vehicles and medium- and heavy-duty trucks rebounded to a 15.9% year-over-year gain in April after falling 5.2% in March. April production totaled 1.474 million units, up from March’s 1.422 million and like-2023’s 1.271 million.

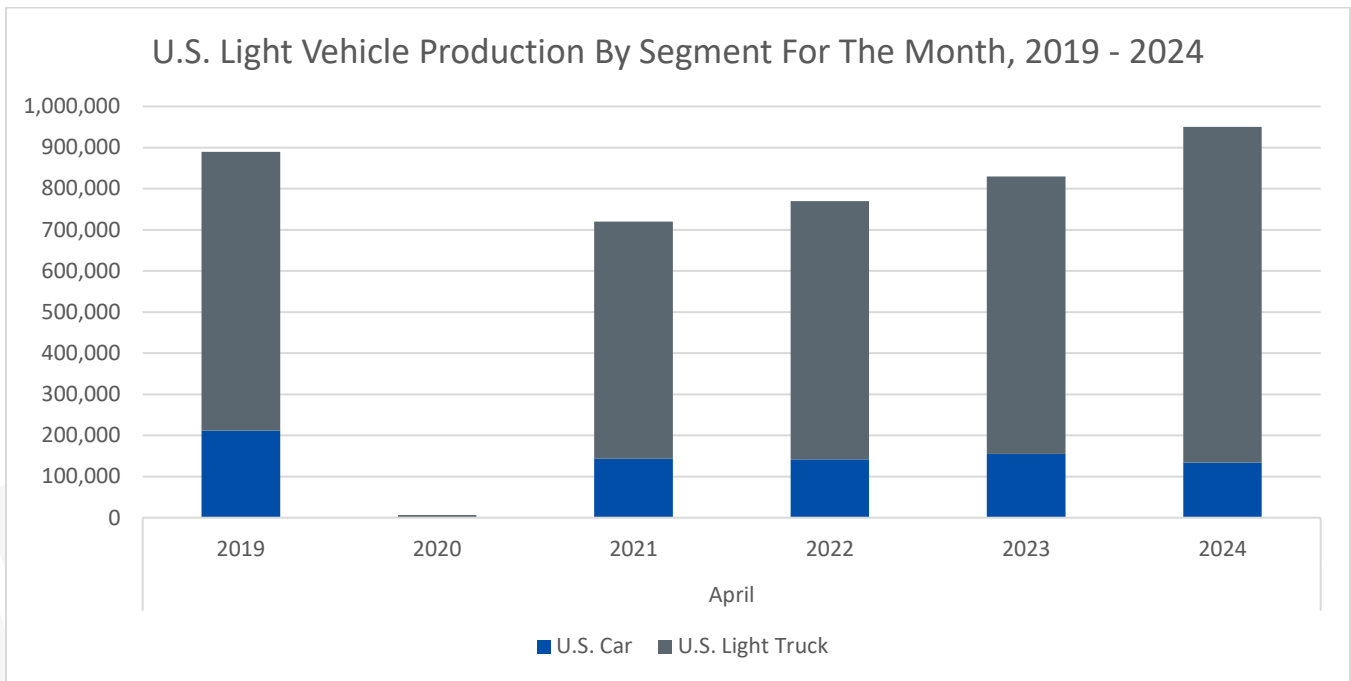
“April’s total was 26,700 units above month-ago’s outlook for the month, and spurred by overbuilds at Ford and General Motors. Including increased production outlooks in May and June of 11,700 and 10,800 units, respectively, entire-Q2 was raised 49,200 from the month-ago tracker.”

## U.S. Light Vehicle Production (Updated 5/24)

### U.S. Monthly Production (Updated 5/24)

U.S. Light vehicle production for April 2024 was flat month-over-month, totaling 950,332 vehicles (134,077 cars, 816,255 light trucks), year-over-year, production is up 15.9 percent from 2023.<sup>24</sup>





## Global Meter

### Global Light Vehicle Sales (Updated 6/5)

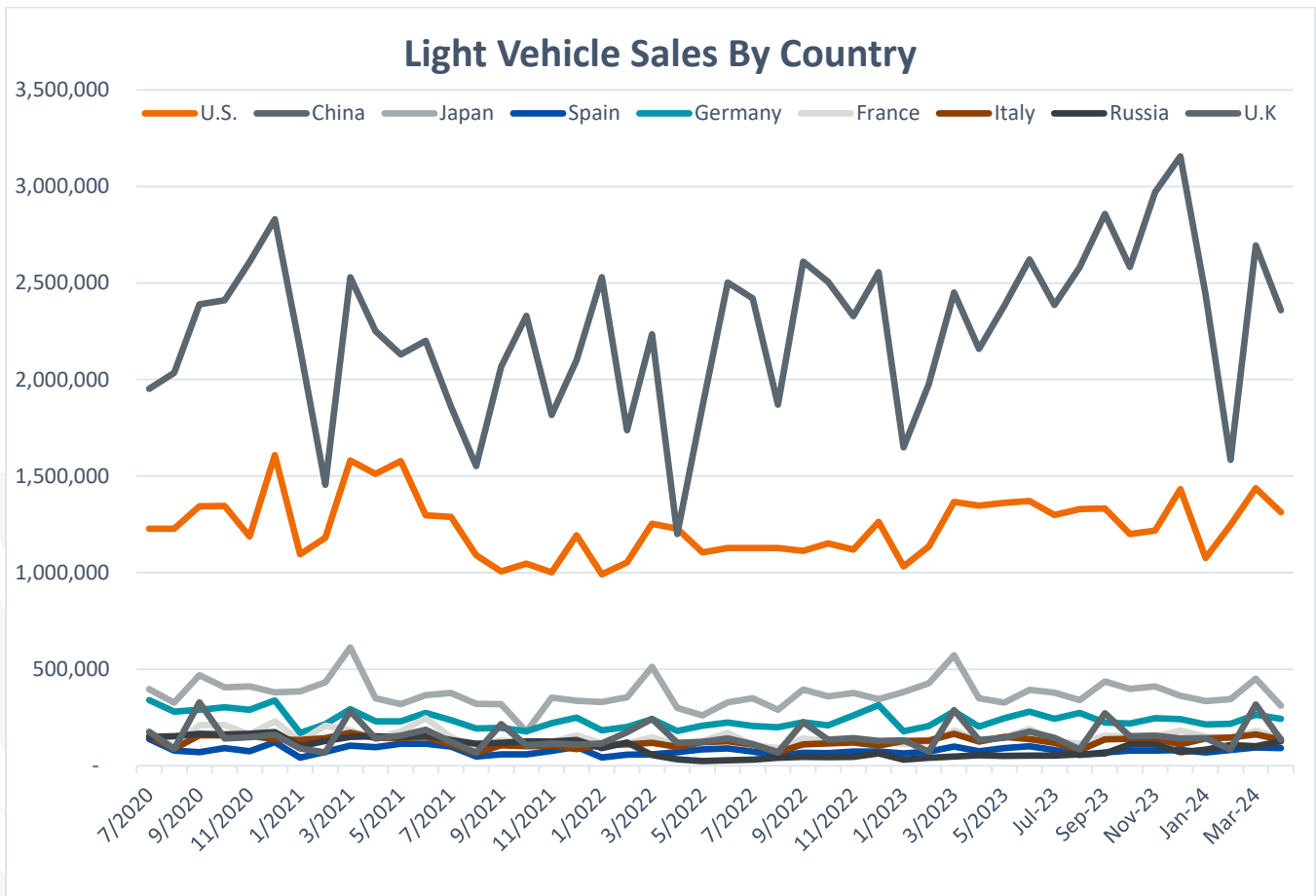
**Wards Intelligence**<sup>25</sup>: “Global vehicle sales rebounded in April after some weakness in the first quarter, as estimated volume for light vehicles and medium-/heavy-duty trucks totaled 7.403 million units, 5.7% above same-month 2023’s 7.004 million.

“April’s results lifted the year-to-date volume to 29.649 million units, 4.3% above four-month 2023’s 28.414 million.

“Excluding the big trucks, light-vehicle sales totaled 7.113 million in April, 5.6% above like-2023’s 6.737 million. The year-to-date total through April was 28.474 million, 4.3% above same-period 2023’s 27.293 million.

“Wards Intelligence partner GlobalData pegged April’s global light-vehicle seasonally adjusted annual rate at 85.9 million units, up from March’s 84.3 million. GD expects May light-vehicle sales to post an even higher SAAR of 89.0 million.

“For entire-2024, GD is forecasting light-vehicle sales of 89.1 million units, 3% above 2023.”



## Global Light Vehicle Production (Updated 4/24)

**S&P Global Mobility Forecast (4/24)**<sup>26</sup>: “The global auto industry continues to exhibit relative strength with the overall outlook seeing a modest upgrade for the month. Vehicle production has shifted to a more traditional demand-driven model in the context of a still-elevated interest rate environment and vehicle affordability concerns, among other influences. The state of consumer demand remains a critical factor and is being monitored very closely. Beneath the topline performance, propulsion mix developments vary by region as certain markets face somewhat slower EV adoption growth rates while other areas continue to see rather encouraging results. The April 2024 forecast update reflects rather modest net upgrades through the near-term, with the primary focus on a generally improved outlook with volume increases primarily distributed among North America, Europe and Japan/South Korea, among other regions. In the intermediate-term, production in regions such as Greater China and North America has been boosted to support improved demand expectations and/or allow for further inventory alignment where needed. The more noteworthy regional adjustments with the latest forecast update are detailed below:

**“Europe:** The outlook for Europe light vehicle production was increased by 72,000 units and reduced by 2,000 units for 2024 and 2025, respectively (and increased by 88,000 units for 2026). The European production forecast has been boosted in the near-term primarily due to upgrades in West Europe, Central



Europe & Turkey (+35,000 units) and in CIS countries (+37,000 units). This increase was most noticeable in Q1-2024, driven by stronger than expected actuals in February. Volkswagen's Martorell plant, which increased H1-2024 production, was also a noteworthy contributor to the upgrade. However, the Martorell plant has been downgraded for H2-2024 due to line modifications. In 2025, volume was largely unchanged, with upgrades in the outlook for CIS countries (+36,000 units) offset by downgrades in West Europe, Central Europe & Turkey (-37,000 units). While production in Russia is recovering, slow BEV demand is influencing automaker activities in West Europe and Central Europe. The halt of Fisker Ocean production and its removal from forecast was one of the major negative factors in 2025 (-23,000 in 2025 and -36,000 units per year on average after 2026). Long-term forecasts show a roughly +70,000 unit per year upgrade in Russia's production.

**“Greater China:** The outlook for Greater China light vehicle production was increased by 5,000 units and by 177,000 for 2024 and 2025, respectively (and increased by 28,000 units for 2026). After Lunar New Year weakness in January and February, mainland China passenger vehicle sales started to recover in March. According to the CPCA, 1.7 million passenger vehicles were registered through retail channels resulting in 6% year-on-year growth for the month. In addition to robust export activity supporting production, incentive programs such as subsidies for ICE vehicle replacement and vehicle financing programs look to support the domestic market. The outlook for 2025 has been upgraded to support an improved demand outlook and based on expected continued recovery in private consumption. Electrification in mainland China will continue to accelerate as many Chinese brands launch entry-level PHEVs to replace entry-level ICE cars, especially for price-sensitive consumers. In addition, Range-Extended Electric Vehicles (REEV) are expected to further penetrate the premium market by offering a compelling product and longer driving range. In the longer term, we upgraded the market by around 100,000 units annually, reflecting sustained domestic consumption resilience and strong export activity.

**“Japan/Korea:** Full-year 2024 and 2025 production in Japan was increased by 25,000 units and 15,000 units, respectively relative to last month's forecast. Forecast revisions were primarily related to an upgraded outlook for both the Toyota Land Cruiser Prado and the Toyota Prius. The full-year 2026 outlook was also upgraded due to advanced production timing for the Toyota bZ Compact SUV. The long-term production outlook for Japan was reduced by around 35,000 units per year. We continue to see risks to the BEV projects for Mazda and Subaru. Much is still not known about those programs as even the concept models have not yet been revealed. Full-year 2024 production in South Korea was increased by 28,000 units. As global demand continues to reckon with the aftermath of higher-for-longer interest rates and credit tightening, it is expected that there will be an inventory adjustment impacting South Korea's production. However, the production correction has been less than expected resulting in the upgraded outlook for the month. Additionally, the recent increase in global demand for hybrid vehicles is a positive signal for Korea's exports. Accordingly, production in 2025 and 2026 was re-balanced up by 48,000 units and 50,000 units, respectively. In the long term, there were fluctuations in annual production volume for South Korea primarily due to the delay in the Genesis BEV programs and the Kia EV8, but there were no significant changes overall. Meanwhile, in order to maintain the balance between production and demand, output was increased by approximately 100,000 units per year from 2034 to 2036.

**“North America:** The outlook for North America light vehicle production was increased by 231,000 units and by 323,000 units for 2024 and 2025, respectively (and increased by 382,000 units for 2026). The outlook for North American light vehicle production for 2024 was revised higher by 1.5% to total 16.0 million units on demand resilience and more importantly on stronger production results indicating minimized impact of supply chain issues. The greatest concern surrounds where inventory levels will stabilize with the forecast built around keeping the industry at around 2.5 million units. Production may still move higher resulting in inventory levels returning closer to pre-COVID levels where in a 16.0 million-unit US sales environment, inventories would be over 3.0 million units. A notable exception to the short-term growth revisions is focused

on Tesla which was revised lower between 2024 and 2027. Most of the reductions surround Cybertruck as demand expectations remain a challenge with additional concerns surrounding the development status of the NV92 C-CUV EV or Project Redwood, the affordable entry-level Tesla program. Despite news to the contrary, development of the entry-level Tesla is still believed to be underway, though a rescope and delay remain a possibility. Tesla production in 2024 was revised down 0.5% with 2025, 2026 and 2027 revised down 9.9%, 9.6% and 10.2%, respectively.

**“South America:** The outlook for South America light vehicle production was increased by 5,000 units and reduced by 21,000 units for 2024 and 2025, respectively (and increased by 11,000 units for 2026). The outlook for 2024 was increased slightly due, in part, to modestly stronger actual production results posted for March for both Brazil and Argentina. Of note, demand for the region has been adjusted to better fit patterns that have been observed on the production side including a stronger mix of demand in favor of Argentina relative to Brazil. The overall production outlook for the remainder of the short-term horizon remains fairly stable. Production revisions are focused primarily launch dynamics and ramp-up effects of renewed/new models starting within the period.

**South Asia:** The outlook for South Asia light vehicle production was reduced by 40,000 units and increased by 36,000 units for 2024 and 2025, respectively (and increased by 11,000 units for 2026). In the extreme near-term, output for the region was downgraded for 2024 primarily on lower actualized production in select countries as well as weaker domestic demand for the ASEAN market, particularly Thailand, Vietnam and New Zealand. Looking to the intermediate-term, the broader region was upgraded with the focus primarily on India and Malaysia and only partially offset by lingering weakness in Thailand. Thailand continues to adjust to demand headwinds both domestically and for products such as mid-size pickups serving export markets. With regard to Malaysia, the production outlook particularly benefits from an upgraded demand outlook for the country through the intermediate to longer term, including continued strong performance for Perodua and Proton, among others.

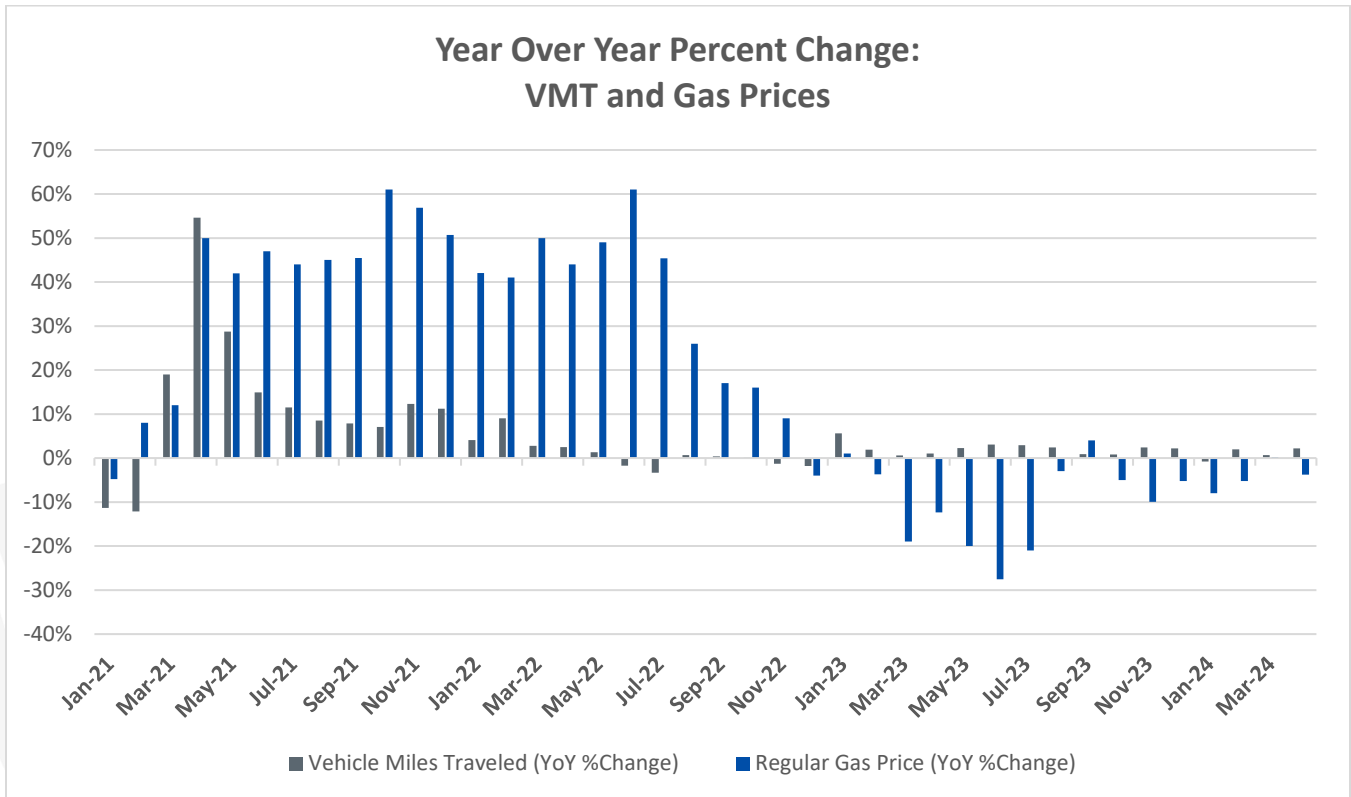
## Recovery Meter

---

### Roadway Travel (Updated 6/5)

According to the U.S. Department of Transportation, seasonally-adjusted vehicle miles traveled in April increased 1.4 percent from the same time a year ago. The cumulative travel estimate for 2024 is 1,026.6 billion vehicle miles.<sup>27</sup>

- Travel on all roads and streets changed by +2.2% (+5.7 billion vehicle miles) for April 2024 as compared with April 2023. Travel for the month is estimated to be 263.9 billion vehicle miles.
- The seasonally adjusted vehicle miles traveled for April 2024 is 273.5 billion miles, a +1.4% (+3.9 billion vehicle miles) change over April 2023. It also represents a 0.02% change (0.05 billion vehicle miles) compared with March 2024.
- Cumulative Travel for 2024 changed by +1.0% (+10.3 billion vehicle miles). The cumulative estimate for the year is 1,026.6 billion vehicle miles of travel.



## Economic News (Updated 4/24)

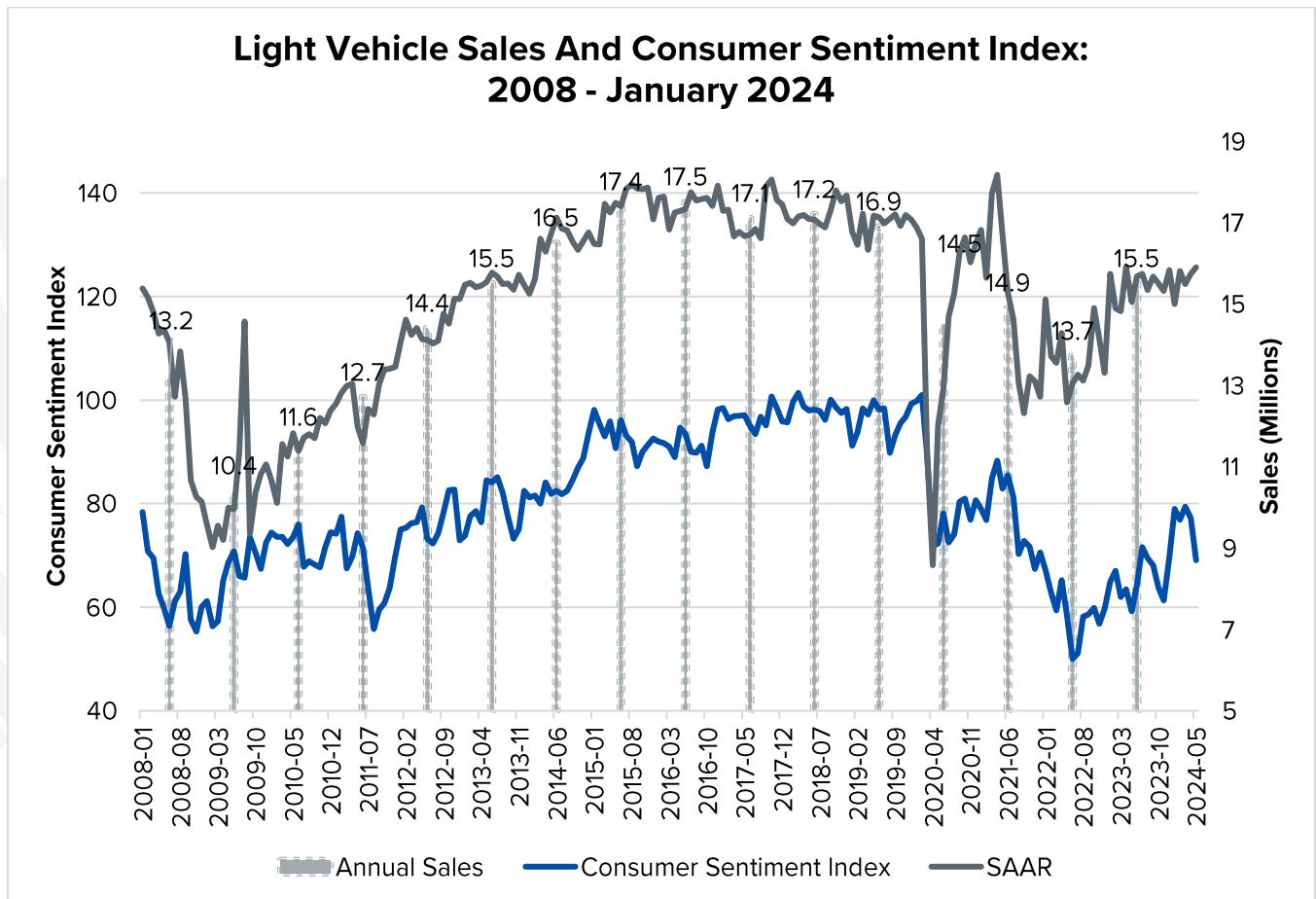
**ISM Index Moves Into Expansion Territory For the First Time Since September 2022.**<sup>28</sup> “Economic activity in the manufacturing sector expanded in March after 16 months of contraction, with demand improving and output surging, the Manufacturing Institute for Supply Management (ISM) reported Monday. ISM recorded a manufacturing PMI of 50.3% in March, crossing the 50% threshold into growth territory for the first time since September 2022. “We are highly likely in our next growth cycle,” Timothy Fiore, chair of the ISM Manufacturing Business Survey Committee, said in a teleconference.”

## Consumer Confidence and Sales (Updated 6/5)

**Surveys of Consumers Director Joanne Hsu**<sup>29</sup>: “Consumer sentiment fell back about 10% this May following three consecutive months of very little change. This 8.1 index-point decrease is statistically significant and brings sentiment to its lowest reading in about five months. The year-ahead outlook for business conditions saw a particularly notable decline, while views about personal finances were little changed. Consumers expressed particular concern over labor markets; they expect unemployment rates to rise and income growth to slow. The prospect of continued high interest rates also weighed down consumer views. These deteriorating expectations suggest that multiple factors pose downside risk for consumer spending. Still, sentiment remains almost 20% above a year ago and about 40% above the all-time historic low in June 2022, reflecting how much consumer views have improved as inflation eased.

Year-ahead inflation expectations edged up from 3.2% last month to 3.3% this month, remaining above the 2.3-3.0% range seen in the two years prior to the pandemic. Long-run inflation expectations held steady at 3.0% for the second straight month. Although they have been within the narrow 2.9-3.1% range for 30 of the last 34 months, long-run inflation expectations remain elevated relative to the 2.2-2.6% range seen in the two years pre-pandemic.

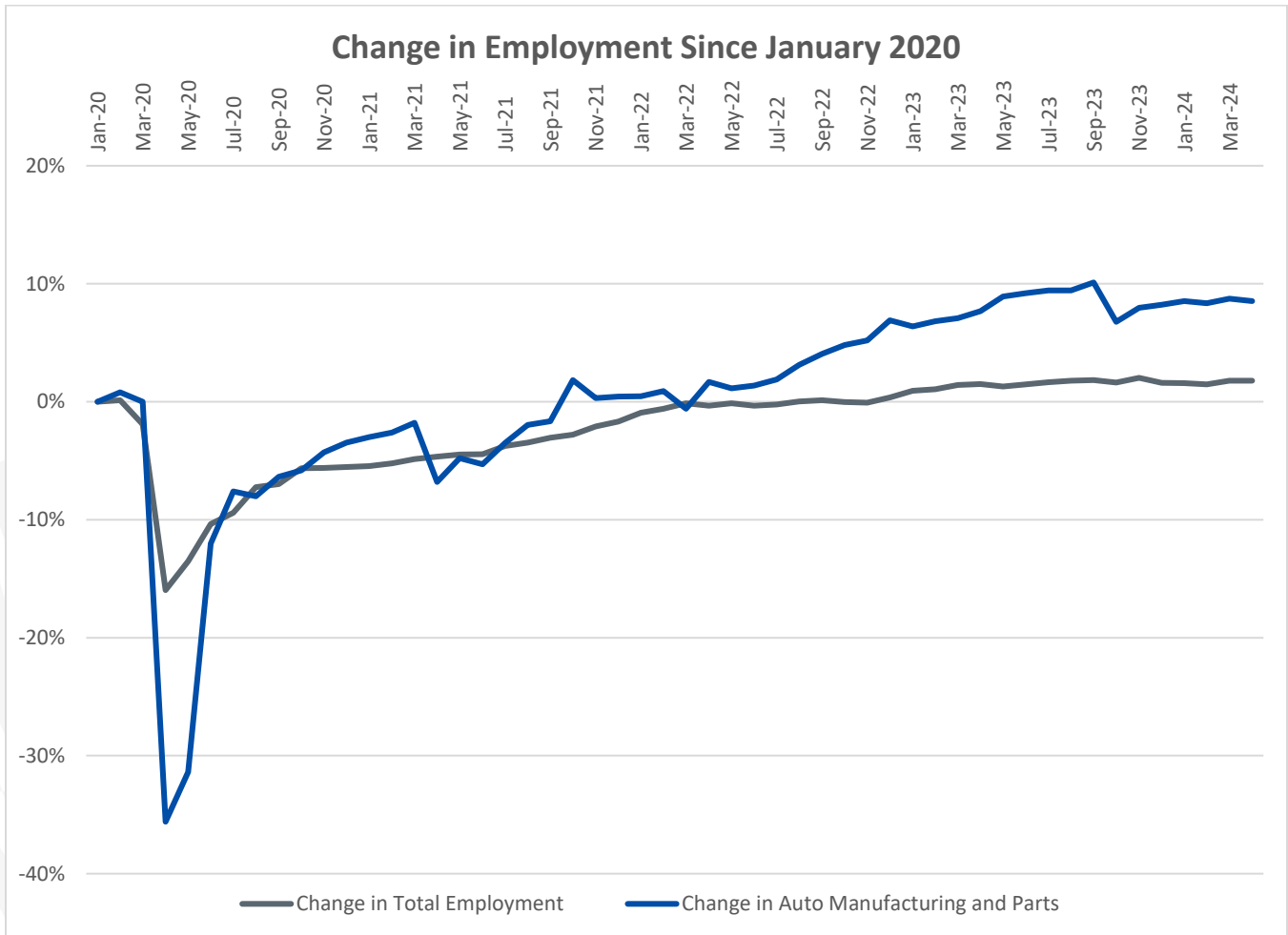
All of these patterns are visible when looking at trends within phone interviews alone or web interviews alone, and thus they are not artifacts of the survey's methodological transition.”



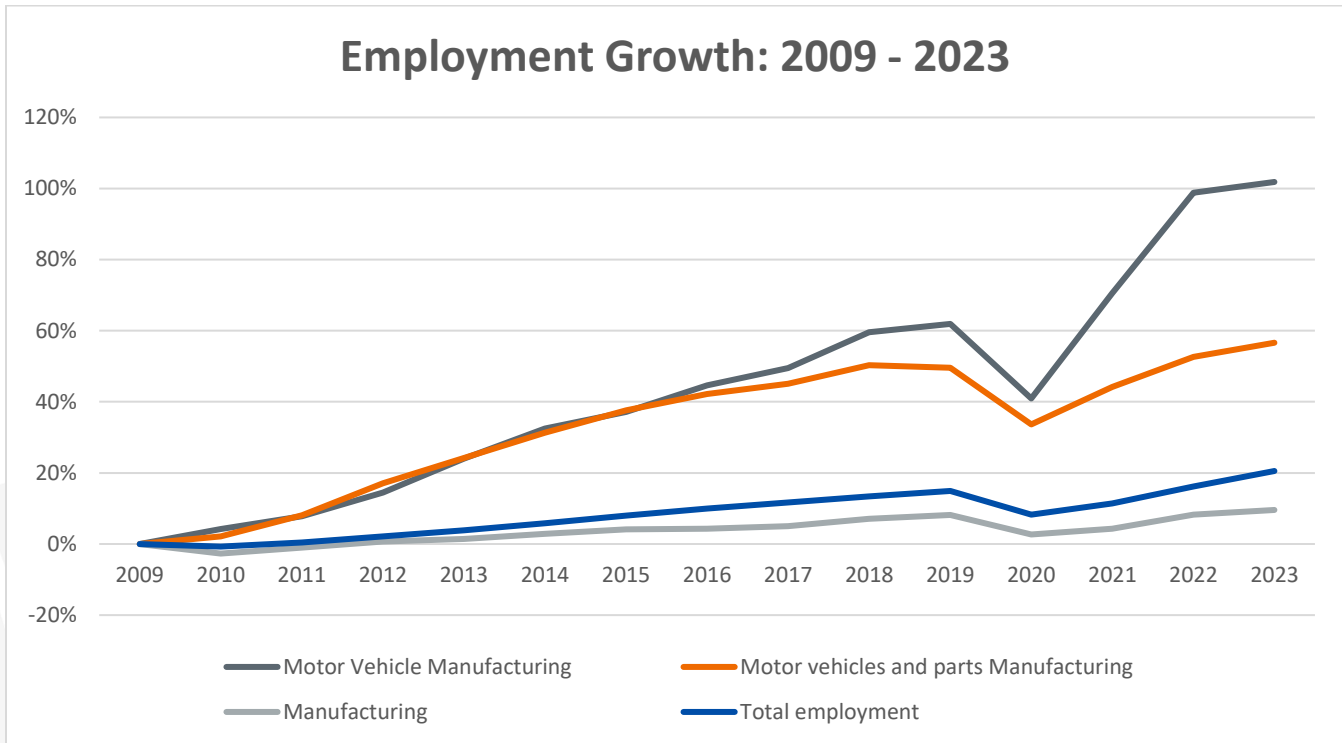
## Employment (Updated 5/3)

### Motor Vehicle And Parts Manufacturing lost 2,100 Jobs in April.

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...<sup>30</sup>



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.<sup>31</sup> 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.



## Sources

- <sup>1</sup> WardsIntelligence, U.S. Light Vehicle Sales, January 2021 – June 2023
- <sup>2</sup> WardsIntelligence, North America Production, January 2021 – June 2023
- <sup>3</sup> WardsIntelligence, North America Platform by Plant Production Forecast, Q1
- <sup>4</sup> Haig Stoddard, "May U.S. Light-Vehicle Inventory Dips Slightly from April," WardsIntelligence, 6/4/2024
- <sup>5</sup> Cox Automotive, Press Release, "Cox Automotive Forecast: Despite Higher Incentives and Improved Inventory, New-Vehicle Sales Growth Remains Modest in May" 6/4/24
- <sup>6</sup> Haig Stoddard, "May U.S. Light-Vehicle Inventory Dips Slightly from April," WardsIntelligence, 6/4/2024
- <sup>7</sup> Haig Stoddard, "First-Half 2024 North America Production on Pace for 4.0% Growth," 5/21/2024
- <sup>8</sup> S&P Global Mobility, email, "S&P Global Mobility Monthly Automotive Update – April 2024," 4/16/2024
- <sup>9</sup> Haig Stoddard, "Tags: Market Analysis Markets  
May U.S. Light-Vehicle Sales Continue 2024 Trend of Slow, Steady Growth," WardsIntelligence, 6/3/2024
- <sup>10</sup> WardsIntelligence, U.S. Light Vehicle Sales, January 2013 – April 2024
- <sup>11</sup> U.S. Energy Information Administration, Weekly Retail Gasoline and Diesel Prices, Regular price per gallon, including taxes
- <sup>12</sup> WardsIntelligence, Fuel Economy Index, December 2013 & 2019
- <sup>13</sup> WardsIntelligence, U.S. Light Vehicle Sales, April 2022 - 2024
- <sup>14</sup> Haig Stoddard, "U.S. Light-Vehicle Sales Trudge Along with Tepid Growth in April," WardsIntelligence, 5/1/2024
- <sup>15</sup> J.D. Power, Press Release, "May Sales Pace Forecast to Exceed 16 Million Units for First Time This Year," 5/23/2024
- <sup>16</sup> Kelley Blue Book, Press Release, "New-Vehicle Average Transaction Prices Drop to Lowest Level in nearly Two Years, According to Latest Kelley Blue Book Estimates," 4/15/2024
- <sup>17</sup> Bankrate, "[Current Car Loan Interest Rates](#)," Accessed 5/3/2024
- <sup>18</sup> J.D. Power, Press Release, "May Sales Pace Forecast to Exceed 16 Million Units for First Time This Year," 5/23/2024
- <sup>19</sup> U.S. Energy Information Administration, Regular Gasoline, [www.eia.gov](http://www.eia.gov), Accessed 5/3/2024; U.S. Energy Information Administration, Weekly Cushing, OK WTI Spot Price, [www.eia.gov](http://www.eia.gov), Accessed 5/3/2024
- <sup>20</sup> EIA, "[Short-Term Energy Outlook](#)," 5/3/2024
- <sup>21</sup> EIA, "[Short-Term Energy Outlook](#)," 5/3/2024
- <sup>22</sup> Haig Stoddard, "April U.S. Light-Vehicle Inventory Rises 3.5% from March," WardsIntelligence, 5/2/2024
- <sup>23</sup> Haig Stoddard, "First-Half 2024 North America Production on Pace for 4.0% Growth," WardsIntelligence, 5/21/2024
- <sup>24</sup> WardsIntelligence, "North America Production, December," 2019, 2020, 2021, 2022
- <sup>25</sup> Haig Stoddard, "Global Vehicle Sales Record Solid Growth in April," WardsIntelligence, 3/28/2024



- 
- <sup>26</sup> S&P Global Mobility, email, "S&P Global Mobility Monthly Automotive Update – May 2024," 3/15/2021  
<sup>27</sup> U.S Department of Transportation, [https://www.fhwa.dot.gov/policyinformation/travel\\_monitoring/21septvt/](https://www.fhwa.dot.gov/policyinformation/travel_monitoring/21septvt/), Accessed 5/3//2024  
<sup>28</sup> Cameron Kerkau, "Manufacturing Economy Expands in March," SME, 4/1/2024  
<sup>29</sup> University of Michigan, Survey of Consumers, <http://www.sca.isr.umich.edu/>, Accessed 5/3/2024  
<sup>30</sup> Bureau of Labor Statistics, Current Employment Statistics, Accessed 5/3/2024  
<sup>31</sup> Jerry Hirsch, "[Auto Industry Has Soared Since 2010, Leading Economic Recovery](#)," *Los Angeles Times*, 1/3/14