

Administrative record of the light vehicle automotive industry, February 2024

Next update: April 5, 2024

Production

The administrative record of the light vehicle automotive industry showed that in February 2024, 318,735 vehicles were produced. This represented a growth of 7.76% with respect to the same month of 2023. It is worth mentioning that, production shows a full recovery after the pandemic crisis, as the figure is, 1.25% above that observed in the same month of 2019.

In the accumulated first two months of the year, light vehicle production shows a growth of 8.64% with respect to the same period of 2023, with a total of 625,804 units (Figure 1). However, a slight lag of 3.58% is observed with respect to the same period of 2019 (pre-pandemic). Therefore, a full recovery is not yet observed in the accumulated figures.

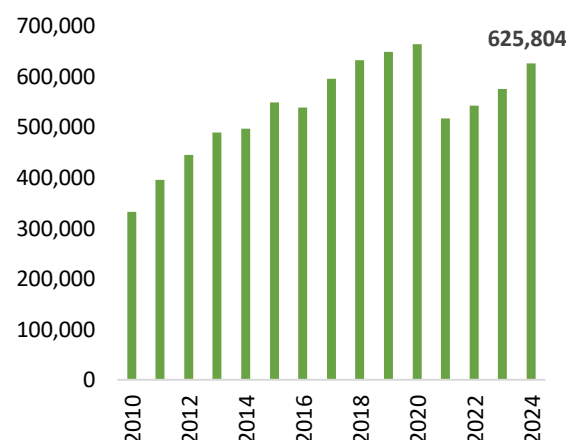
In February, 88.67% of what was produced in the month was exported (Figure 2), up 10.74 percentage points from the same month in 2023. On the other hand, February sales were equivalent to 35.53% of what was produced, the highest February level since February 2017.

The main vehicle type produced in February continued to be the SUV with 147,235 units. Preference for this type of vehicle has predominated since 2017.

Additionally, the three brands with the highest production of light vehicles in Mexico in February were:

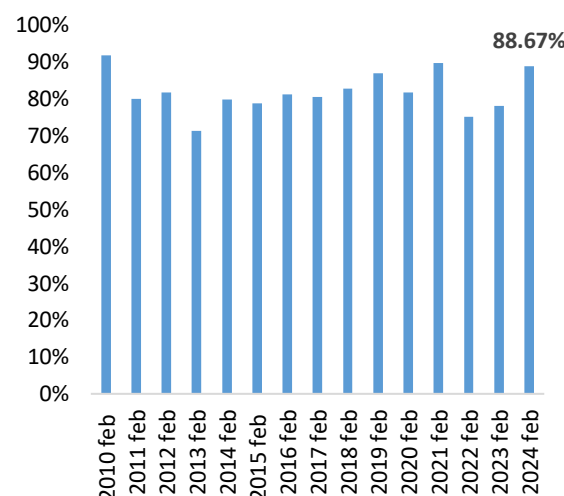
1. General Motors (71,923 units), increasing 6.2% compared to the same month of 2023.
2. Nissan (55,737 units), increasing 19.2% with respect to the same month in 2023.
3. Volkswagen (37,627 units), increasing 73.3% over the same month of 2023.

Figure 1. Production of light vehicles accumulated in the first two months of the year



Source: GF Base with information from INEGI

Figure 2. Export-to-Production ratio



Source: GF Base with information from INEGI

According to the Monthly Manufacturing Industry Survey (EMIM), plant capacity used for the manufacture of cars and light trucks for the month of December 2023 decreased 13.2 percentage points from the same period last year, standing at 82.6%, the lowest figure for this month since December 2019.

Exports

In February, a total of 282,608 vehicles were exported, the highest figure for the month of February since records have been kept (2005), increasing 22.62% compared to February of the previous year. With respect to the same month of 2019, an increase of 3.45% is observed, indicating a full recovery. At a monthly rate, exports registered an increase of 11.10%.

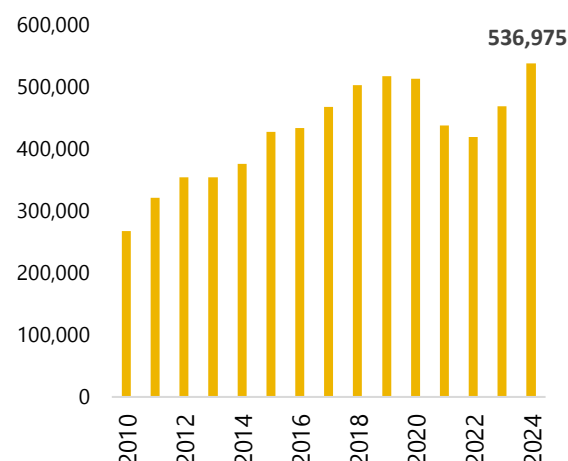
In the first two months of 2024, vehicle exports total 536,975 units (Figure 3), registering an annual growth of 14.59%. Compared to the same period of 2019 (pre-pandemic), cumulative exports show a growth of 3.90%.

The three major light-vehicle exporting brands in February were:

1. General Motors (68,949 units), up 35.9% YoY.
2. Nissan (41,632 units), up 30.1% YoY, up 30.1%.
3. Stellantis (33,124 units), decreasing 4.9% YoY.

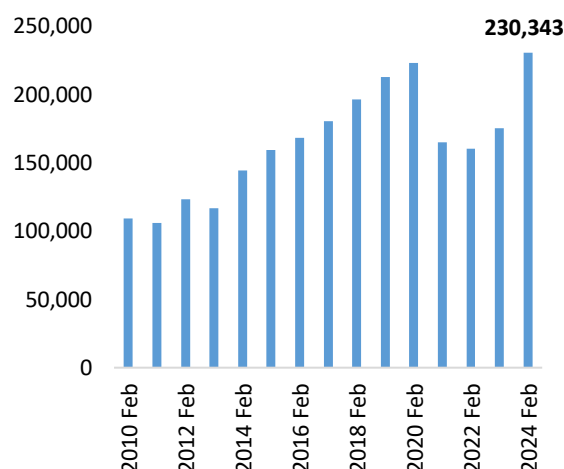
The United States has been the main destination for Mexico's light vehicle exports. In February, 230,343 vehicles were shipped (Figure 4), increasing 31.58% over the same month of the previous year and reaching an all-time high for the month of February. Furthermore, compared to the same month of 2019, it is 8.28% above the observed, indicating full recovery. It is important to mention that vehicles exported to this country represented 81.51% of total exports, with this, it has remained above 70% since September 2021.

Figure 3. Cumulative light vehicle exports in 2023



Source: GF Base with information from INEGI

Figure 4. Exports of light vehicles to the United States (units)



Source: GF Base with information from INEGI

Sales

In February, light vehicle sales in the domestic market were 113 258 units, showing a growth of 11.13% compared to the same month of 2023. Compared to the same month of 2019, an increase of 8.89% is observed. However, sales are still 4.18% below the peak recorded in February 2017.

In the accumulated first two months of the year, light vehicle sales total 225 357 units (Figure 5), showing a growth of 14.79% compared to the same period of 2023. Compared to the year-to-date of 2019, sales show a recovery of 4.56%. However, cumulative sales in 2024 are 6.74% below the peak reached in 2017.

The three brands with the highest sales of light vehicles in February were:

1. Nissan (18,328 units), decreasing 5.6% with respect to February 2023. It is worth mentioning that Nissan has held this position for 15 consecutive months.
2. General Motors (16,133 units), increasing 20.6% with respect to February 2023.
3. Volkswagen (10,645 units), increasing 22% with respect to February 2023.

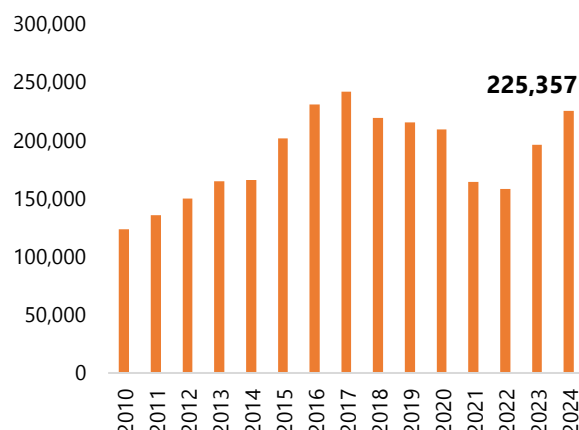
Imported vs. Domestic

In February, 67.93% of sales in Mexico were of imported automobiles with 76,941 units (Figure 6), mainly from China. Therefore, sales of domestic vehicles accounted for 32.07% of total sales.

During February, 23,522 vehicles were imported from China (Figure 7), showing a growth of 18.45% with respect to the same month of 2023. It is worth mentioning that these units represented 30.57% of total light vehicle imports.

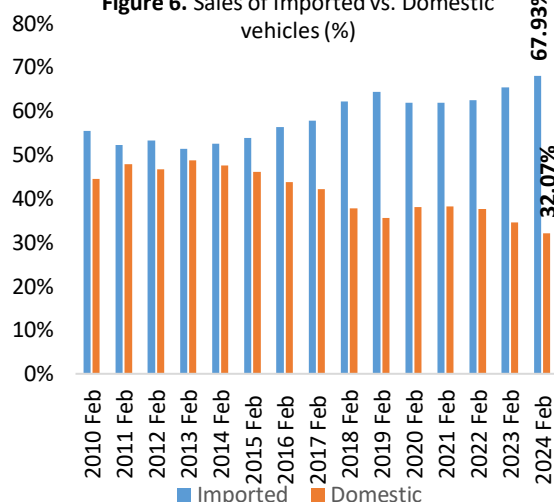
Finally, sales of hybrid and electric vehicles in December 2023 totaled 9,960 units, reaching an all-time high and increasing 72.53% with respect to the same month of 2022. Internally, 2,279 electric vehicles were sold, increasing 80.73% compared to the same period of the previous year and reaching an all-time high since records show (2016).

Figure 5. Cumulative light vehicle sales in 2023



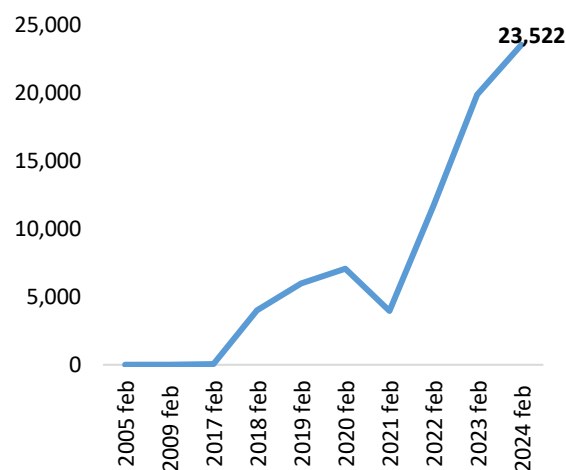
Source: GF Base with information from INEGI

Figure 6. Sales of Imported vs. Domestic vehicles (%)



Source: GF Base with information from INEGI

Figure 7. Imported vehicles from China for domestic sale



Source: GF Base with information from INEGI

Foreign Direct Investment (FDI)

Sector 3361: Manufacture of cars and trucks

In the year 2023, \$5,136.1 million dollars were invested in Mexico for the manufacture of cars and trucks, showing a significant growth of 71.88% with respect to 2022. The three main contributing countries were: the United States with 45.41%, Japan with 33.72% and Germany with 14.19%. It is worth noting that of the total FDI received in 2023, investment from the United States in this branch represented 6.47%. With this, the states that received most of this investment, with respect to the total of the branch, were Aguascalientes (23.49%), Mexico City (18.30%) and the State of Mexico (16.64%).

Sector: 3363 Manufacture of parts for automotive vehicles

In the year 2023, \$2,023.4 million dollars were invested in Mexico for the manufacture of parts for automotive vehicles, showing a growth of 44.14% with respect to the same period of the previous year. The three main contributing countries were: Germany with 38.46%, Japan with 37.35% and the United States with 22.53%. With this, the states that received the largest share of this investment, with respect to the branch's total, were Chihuahua (27.36%), Mexico City (15.24%) and Coahuila (13.42%).

Summary

1. Light vehicle production in February 2024 was 5.06% below the peak level reached in February 2020.
2. Exports of light vehicles reached an all-time high for the month of February.
3. Light vehicle sales stand 4.18% below the all-time high of February 2017.
4. 88.67% of Mexico's production is exported.
5. 81.51% of light vehicle exports are destined for the United States.
6. An annual increase of 18.45% in the sale of Chinese vehicles in Mexico has been observed.
7. The type of vehicle with the highest production in Mexico is the SUV.
8. Sales of hybrid and electric vehicles reached an all-time high in the month of December.

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