

Administrative record of the light vehicle automotive industry, March 2024

Next update: May 7, 2024

Production

The administrative record of the light vehicle automotive industry showed that, in March 2024, 301,976 vehicles were produced. This represented a 12.75% drop with compared to the same month of 2023, the biggest drop since November 2021. With this, March production is 13.87% below that observed in the same month of 2019 (pre-pandemic level). It is worth noting that February's production was 1.25% above that observed in February 2019. With March's decline, production is 18.70% below the peak reached in 2017 for this month.

In the accumulated first three months of the year, light vehicle production shows a growth of 0.61% with compared to the same period of 2023, with a total of 927,780 units (Figure 1). However, there is a lag of 7.19% with compared to the same period of 2019 (pre-pandemic).

In March, 94.71% of production was exported¹ (Figure 2), increasing 15.9 percentage points compared to the same month in 2023. On the other hand, March sales were equivalent to 41.19% of production, the highest level since March 2016.

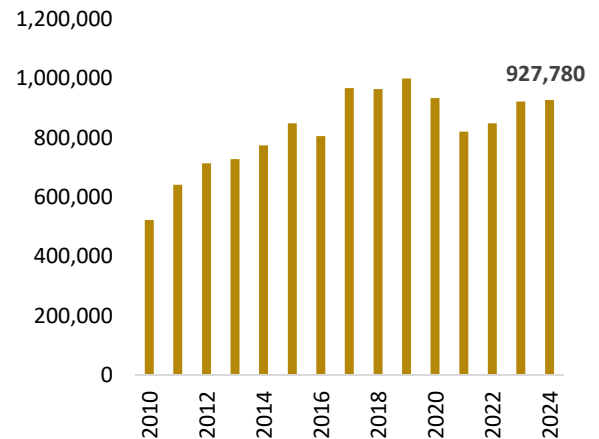
The main type of vehicle produced in March continued to be the SUV with 140,158 units. The preference for this type of vehicle has been dominant since 2017.

Looking inward, only 4 out of 13 brands showed an annual increase for the month of March. Given this, the brands with the biggest annual drop in March were:

1. Stellantis (-35.6%)
2. Audi (-25.9%)
3. Ford Motor (-24.7%)
4. Toyota (-20.9%)
5. Nissan (-12.2%)

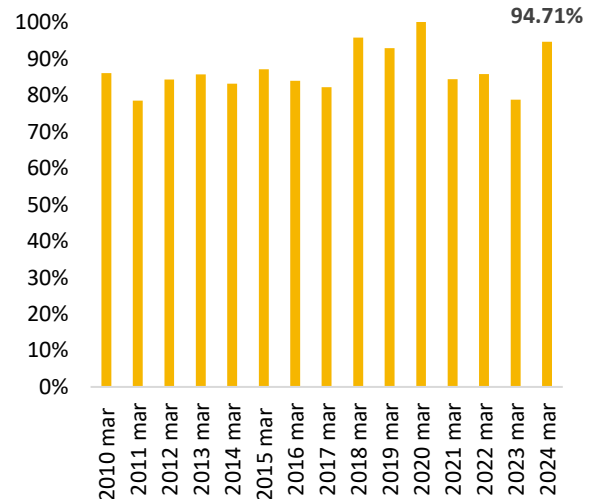
It is worth noting that General Motors, the leading brand in the production of light vehicles, produced 69,216 units, increasing only 7.4% compared to the same period in 2023.

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



Source: GF Base with information from INEGI.

Figure 2. Export-to-Production ratio



Source: GF Base with information from INEGI.

¹ The ratio of exports and sales in relation to production add up to more than 100% because inventory is taken into account.

According to the Monthly Manufacturing Industry Survey (EMIM), the plant capacity used for the manufacture of automobiles and light trucks in January 2024 increased 13.5 percentage points over the same period of the previous year, reaching 90.3%, an all-time high for this month.

Exports

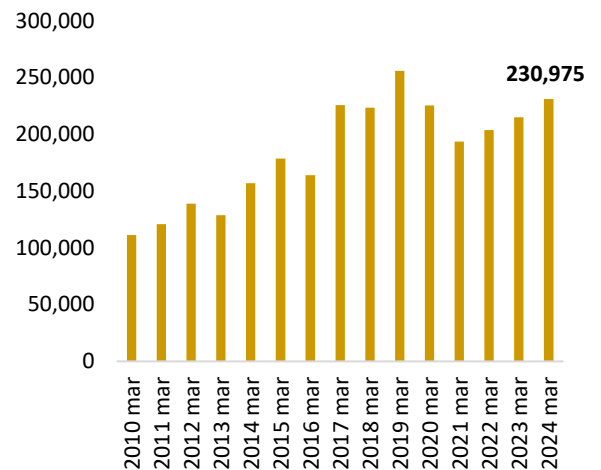
In March, a total of 286,002 vehicles were exported, increasing 4.88% over March of the previous year. Despite this, exports were 12.19% below those observed in March 2019 (pre-pandemic level), when they reached an all-time high. At a monthly rate, exports registered an increase of 1.20%.

In the first three months of 2024, vehicle exports totaled 822,977 units, showing an annual growth of 11.02%. Compared to the same period of 2019 (pre pandemic), accumulated exports showed a lag of 2.32%.

Meanwhile, the three leading light vehicle exporting brands in March were:

1. General Motors (65,797 units), up 15.6% at annual rate.
2. Nissan (47,825 units), increasing 21.9% at annual rate.
3. Stellantis (30,689 units), decreasing 14.2% at annual rate.

Figure 3. Exports of light vehicles to the United States (units)



Source: GF Base with information from INEGI.

The United States has consistently ranked as the leading destination for Mexico's light vehicle exports. In March, 230,975 vehicles were shipped (Figure 3), increasing 7.46% over the same month of the previous year. However, compared to the same month of 2019, it is 9.70% below the observed figure. It is important to mention that, vehicles exported to this country represented 80.76% of total exports.

Sales

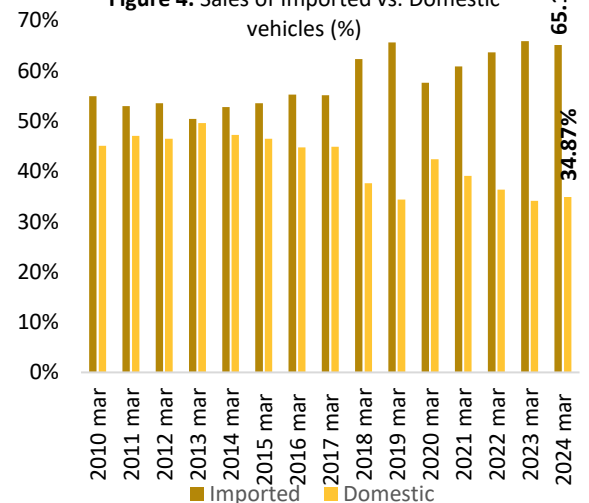
In March, light vehicle sales in the domestic market were 124,395 units, growing by 4.71% compared to the same month of 2023. Compared to the same month of 2019, an increase of 5.84% is observed. However, sales are still 9.36% below the peak recorded in March 2017.

On a cumulative basis for the first three months of the year, light vehicle sales total 349,752 units, showing a growth of 10.99% compared to the same period of 2023. Compared to the accumulated for 2019, sales show a recovery of 5.01%. However, cumulative sales in 2024 are 7.69% below the peak reached in 2017.

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

1. Nissan (23,531 units), increasing 4.0% over March 2023. It is worth mentioning that Nissan has held this position for 15 consecutive months.

Figure 4. Sales of Imported vs. Domestic vehicles (%)



Source: GF Base with information from INEGI.

2. General Motors (17,541 units), increasing 14.0% with regard to March 2023.
3. Volkswagen (10,436 units), increasing 22.2% compared to March 2023

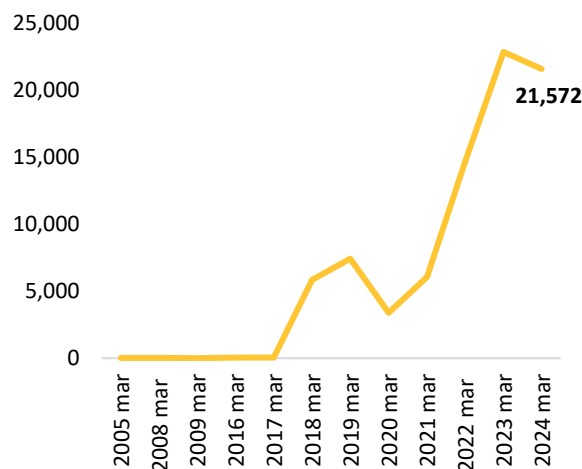
Imported vs. Domestic

In the month of March, 65.13% of sales in Mexico were of imported cars with 81,024 units (Figure 4). Therefore, sales of domestic vehicles accounted for 34.87% of total sales.

In March, 21,572 vehicles were imported from China (Figure 5), decreasing by 5.55% with compared to the same month of 2023. It is worth mentioning that these units represented 26.62% of total imports of light vehicles.

Lastly, sales of hybrid and electric vehicles in January² 2024 stood at 7,442 units, reaching an all-time high for this month and increasing 74.57% compared to the same month of 2023. Inside, for the month of January, 1,241 electric vehicles were sold, increasing 123.60% compared to the same period of the prior year and reaching, as well as the previous one, an all-time high for the month of January.

Figure 5. Imported vehicles from China for domestic sale



Source: GF Base with information from INEGI.

Relevant information

On March 16, 2024, U.S. presidential candidate Donald Trump said during a speech that, if he wins, he would apply a 100% tariff on Chinese vehicles produced in Mexico. Currently, only JAC brand cars (from China) are produced in Mexico. However, Chinese brands such as Jetour and Chirey plan to invest in production/assembly plants in Mexico. According to the Administrative Registry of the Automotive Industry, the JAC car brand produced 22,519 in 2023 vehicles in Mexico, increasing 31.89% compared to 2022. In addition, it represented 0.60% of the total production of light vehicles in Mexico in 2023. It is worth mentioning that the exports section does not take into account any brand from China.

Summary

1. Light vehicle production in March 2024 was 18.70% below the peak level reached in March 2017.
2. Light vehicle exports were 12.19% below those observed in March 2019 (pre-pandemic), when they reached an all-time high.
3. Light vehicle sales were 9.36% below the all-time high of March 2017.
4. 94.71% of production in Mexico is exported.
5. 80.76% of light vehicle exports are destined for the United States.
6. There has been a 5.55% annual decrease in the sale of Chinese vehicles in Mexico.
7. The type of vehicle with the highest production in Mexico is the SUV.
8. General Motors, the main producer of light vehicles, had an annual increase of only 7.4%.
9. Sales of hybrid and electric vehicles reached an all-time high for the month of January.

² Reports on the sale of hybrid and electric vehicles are presented with a two-month lag.

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