

Administrative record of the light vehicle automotive industry, Abril 2024

Next update: June 6, 2024

Production

The administrative record of the light vehicle automotive industry showed that, in April 2024, 358,575 vehicles were produced, reaching an all-time high for this month. This represented an increase of 21.74% compared to the same month of 2023.

In the accumulated first four months of the year, light vehicle production showed a growth of 5.72% compared to the same period of 2023, with a total of 1,286,355 units (Figure 1). However, there is a lag of 1.32% with compared to the same period of 2019 (pre-pandemic) when the historical maximum for this period was reached.

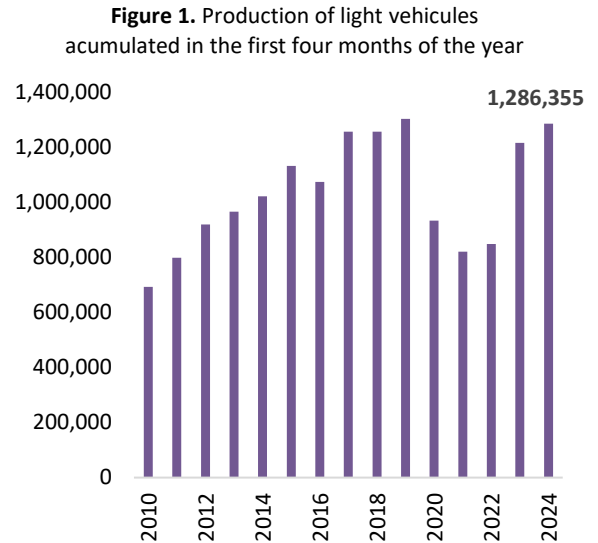
In April, 80.81% of production was exported¹ (Figure 2), increasing 5.20 percentage points compared to the same month in 2023. On the other hand, April sales were equivalent to 31.25% of production.

The main type of vehicle produced in April continued to be the SUV with 161,490 units. The preference for this type of vehicle has been dominant since 2017.

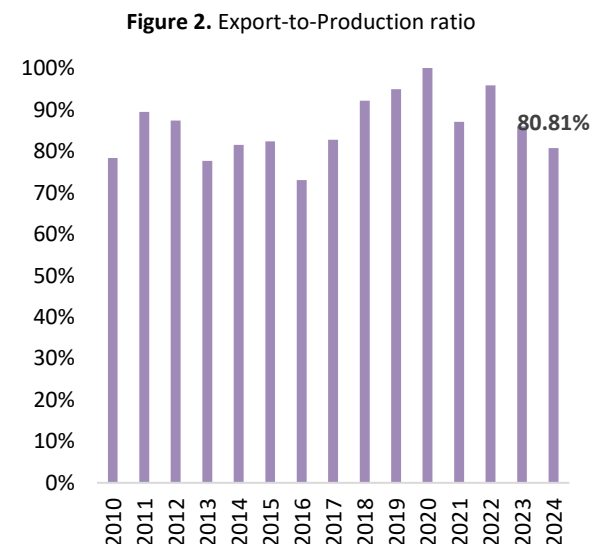
Looking inward, the three leading light vehicle production brands in April were:

1. General Motors (60,102 units), increasing 36.50% compared to the same month of 2023.
2. Nissan (55,892 units), increasing 51.94% compared to the same period in 2023.
3. Stellantis (39,507 units), falling 2.05% over the same month of 2023.

According to the Monthly Manufacturing Industry Survey (EMIM), the plant capacity used for the manufacture of automobiles and light trucks in February 2024 decreased 2.2 percentage points over the same period of the previous year, reaching 88.1%.



Source: GF Base with information from INEGI.



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.

Exports

In Abril, a total of 289,756 vehicles were exported, increasing 14.38% over Abril of the previous year, reaching an all-time high for this month. Due to this, exports were 0.35% above those observed in Abril 2019 (pre-pandemic level). At a monthly rate, exports registered an increase of 1.31%.

In the first four months of 2024, vehicle exports totaled 1,112,733 units, showing an annual growth of 11.87%. Compared to the same period in 2019 (pre-pandemic) when it reached an all-time high, cumulative exports show a lag of 1.64%.

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

1. General Motors (70,283 units), up 27.22% at annual rate.
2. Volkswagen (34,390 units), increasing 97.48% at annual rate.
3. Ford Motor (31,594 units), increasing 17.35% at annual rate.

The United States has consistently ranked as the leading destination for Mexico's light vehicle exports. In Abril, 232,873 vehicles were shipped (Figure 3), increasing 16.48% over the same month of the previous year and reaching an all-time high of vehicles shipped to the United States for this month. It is important to mention that, vehicles exported to this country represented 80.37% of total exports, the market share of the company has remained above 80% for the fourth month in a row.

Sales

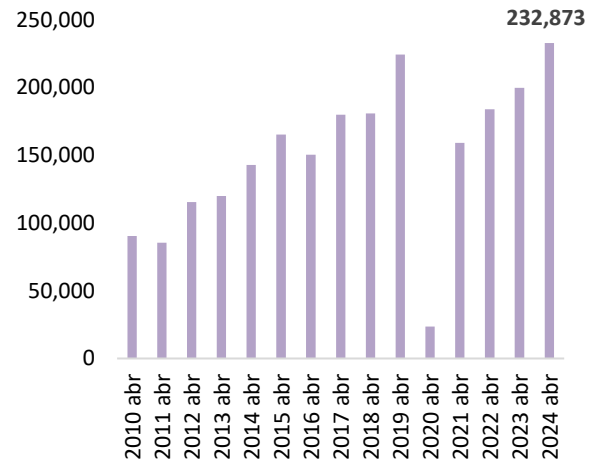
In Abril, light vehicle sales in the domestic market were 112,048 units, growing by 14.79% compared to the same month of 2023. Compared to the same month of 2019, an increase of 13.91% is observed. However, sales are still 5.65% below the peak recorded in Abril 2016.

On a cumulative basis for the first four months of the year, light vehicle sales total 461,800 units, showing a growth of 11.89% compared to the same period of 2023. Compared to the accumulated for 2019, sales show a recovery of 7.04%. However, cumulative sales in 2024 are 6.48% below the peak reached in 2017.

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

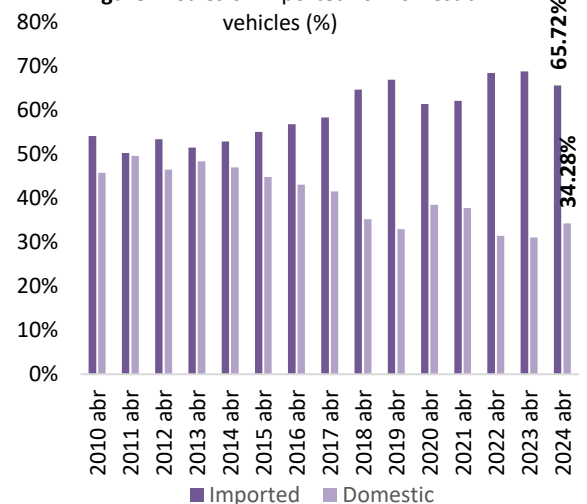
1. Nissan (18,079 units), increasing 20.33% over Abril 2023. It is worth mentioning that Nissan has held this position for 17 consecutive months.
2. General Motors (17,325 units), increasing 18.43% with regard to Abril 2023.
3. Volkswagen (10,522 units), increasing 17.11% compared to Abril 2023

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



Source: GF Base with information from INEGI.

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



Source: GF Base with information from INEGI.

Imported vs. Domestic

In the month of Abril, 65.72% of sales in Mexico were of imported cars with 73,633 units (Figure 4). Therefore, sales of domestic vehicles accounted for 34.28% of total sales.

In Abril, 20,286 vehicles were imported from China (Figure 5), increasing by 1.03% compared to the same month of 2023. In the first four months of 2024, vehicle imports from China totaled 87,577 units, showing a growth of 12.96% compared to the same period of 2023, growth that was mainly due to the months of January and February, since in March imports fell 5.55% year-over-year. It is worth mentioning that these units represented 18.10% of total imports of light vehicles.

Lastly, sales of hybrid and electric vehicles in February² 2024 stood at 7,248 units, reaching an all-time high for this month and increasing 58.05% compared to the same month of 2023. Inside, for the month of February, 1,405 electric vehicles were sold, increasing 154.07% compared to the same period of the prior year and reaching, as in the previous year, an all-time high for the month of February.

Auto loan interest rate

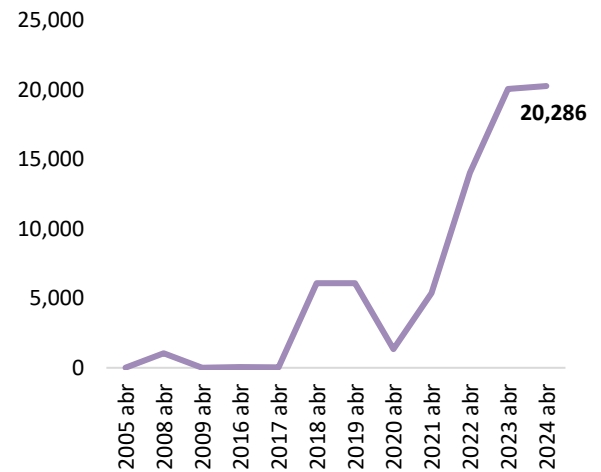
The average interest rate applied to automotive loans (which considers comparable loans in operation at the cut-off date) is presented in bimonthly intervals. During the November-December 2023 period, the interest rate reached an all-time high at 14.16%, showing a growth of 0.5639 percentage points with relation to the same period of the previous year. It is worth noting that, for the fourth consecutive two-month period, it is above 14% after oscillating around 13% since July-August 2018.

Although it could be expected that the increase in the interest rate would decrease the demand for automotive loans, thus exerting a negative pressure on domestic sales and, therefore, on production, it is observed that this factor has not had a significant effect, as sales have presented an upward behavior, as has production.

Summary

1. Light vehicle production in April 2024 reached record high for the month.
2. Exports of light vehicles reached an all-time high for the month of April.
3. Light vehicle sales are 5.65% below the historical maximum level of April 2016.
4. 80.81% of Mexico's production is exported.
5. 80.37% of light vehicle exports are destined for the United States.
6. There has been an annual increase of 1.03% 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 36.50%.
9. The sale of hybrid and electric vehicles reached an all-time high for the month of February.

Figure 5. Imported vehicles from China for domestic sale



Source: GF Base with information from INEGI.

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

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