

California Auto Outlook™

Comprehensive Information on the California Vehicle Market

Volume 19, Number 2

Released May 2023

Covering First Quarter 2023

Publication Sponsored By:

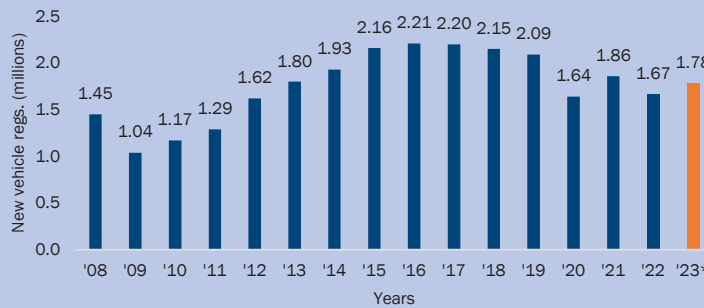


California New Vehicle Market Moved Higher in First Quarter 2023 vs. Year Earlier

ANNUAL TRENDS



California Annual New Light Vehicle Registrations - 2008 thru 2023



Historical Data sourced from Experian Automotive. *2023 forecast by Auto Outlook.

New vehicle registrations in California are predicted to approach 1.8 million units this year and increase 6.9 percent from 2022.

Following three years of below average sales, pent-up demand is at elevated levels as the volume of postponed purchases continues to grow. This will be the driving force for the market for the remainder of the year. Weakening consumer affordability will hold back the release of pent-up demand, but improving vehicle inventories should be sufficient to push sales above current levels.

California New Light Vehicle Registrations and U.S. New Vehicle Sales - YTD '22 and YTD '23 thru March

TWO YEAR PERSPECTIVE



	California			U.S.		
	YTD '22	YTD '23	Change	YTD '22	YTD '23	Change
Registrations						
TOTAL	425,216	450,000	5.8%	3,317,506	3,594,969	8.4%
Car	133,771	139,367	4.2%	681,132	768,851	12.9%
Light Truck	291,445	310,633	6.6%	2,636,374	2,826,118	7.2%
Domestic	151,781	169,612	11.7%	1,450,896	1,611,967	11.1%
European	61,015	66,490	9.0%	320,912	358,068	11.6%
Japanese	178,399	171,568	-3.8%	1,223,105	1,242,580	1.6%
Korean	34,021	42,330	24.4%	322,593	382,354	18.5%
Market Share						
Car	31.5	31.0	-0.5	20.5	21.4	0.9
Light Truck	68.5	69.0	0.5	79.5	78.6	-0.9
Domestic	35.7	37.7	2.0	43.7	44.8	1.1
European	14.3	14.8	0.5	9.7	10.0	0.3
Japanese	42.1	38.1	-4.0	36.9	34.6	-2.3
Korean	8.0	9.4	1.4	9.7	10.6	0.9

New light vehicle registrations in California increased 5.8 percent in the First Quarter of this year versus the year earlier, slightly below the 8.4 percent improvement in National sales.

After several years of steep declines, fleet purchases in the state have accelerated in 2023. Fleet registrations increased by 38.7 percent versus the slim 1 percent increase in retail registrations.

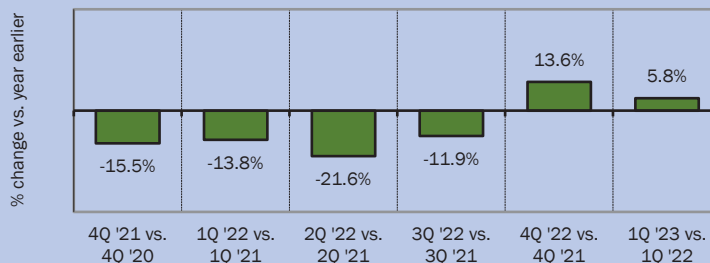
Source for California new vehicle registrations: Experian Automotive.

Source for U.S. sales: Automotive News.

QUARTERLY RESULTS



California Quarterly New Light Vehicle Registrations Percent Change vs. Year Earlier



Data sourced from Experian Automotive.

New vehicle registrations in the state increased for the second consecutive quarter in 1Q '23.

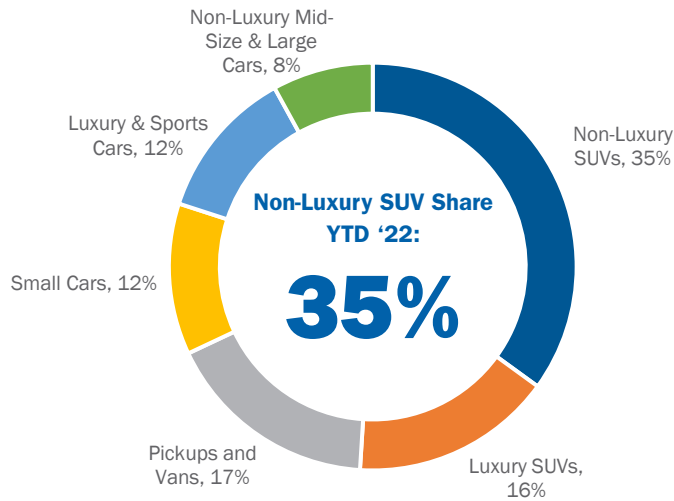
Prior to the fourth quarter of last year, the market declined by more than 10 percent for four consecutive quarters.

California's new vehicle market is predicted to increase higher than last year's results in the remaining three quarters of this year.

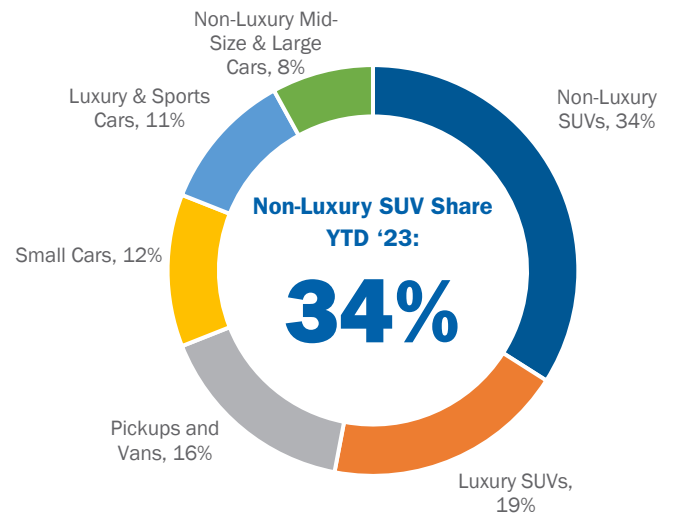
SEGMENT MARKET SHARE TRENDS

Luxury SUV Market Share Approaches 20 Percent

Segment Market Shares in California
YTD 2022 thru March



Segment Market Shares in California
YTD 2023 thru March



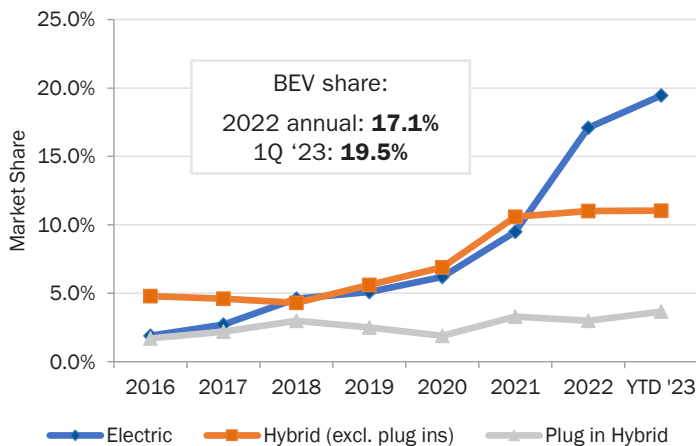
The two graphs above show market shares for primary segments in during the first three months of 2022 and 2023. Data sourced from Experian Automotive.

HYBRID AND ELECTRIC VEHICLES

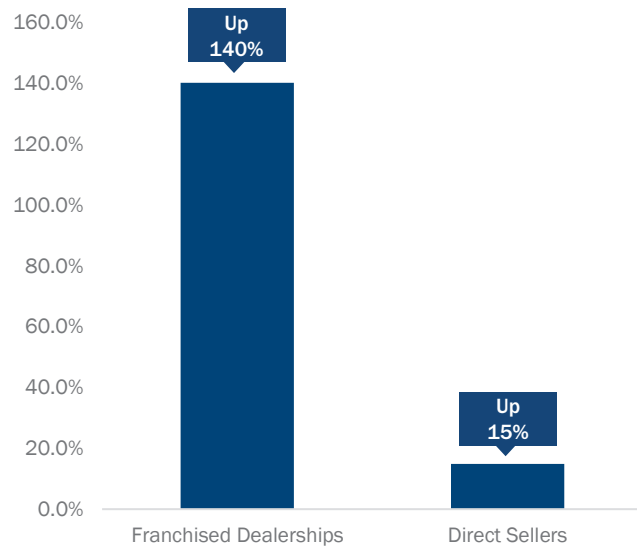
Estimated Electric Vehicle Market Share Approached 20 Percent in 1Q '23



Estimated Hybrid and Electric Vehicle Market Share



Percent Change in New Retail BEV Registrations for Vehicles Sold by Franchised Dealerships and Direct Sellers YTD 2023 thru March vs. YTD 2022



Estimated Hybrid and Electric New Vehicle Registrations and Market Share					
	2019	2020	2021	2022	YTD 2023
Electric registrations	106752	101628	176357	285199	87525
Electric share	5.1%	6.2%	9.5%	17.1%	19.5%
Hybrid regs. (excl. plug ins)	117218	113103	196777	183461	49680
Hybrid share (excl. plug ins)	5.6%	6.9%	10.6%	11.0%	11.0%
Plug in hybrid regs.	52329	31144	61261	50035	16470
Plug in hybrid share	2.5%	1.9%	3.3%	3.0%	3.7%

The graph and table above show estimated hybrid powertrain and electric vehicle market share in the state. Registrations by powertrain for vehicles equipped with multiple engine types were estimated by Auto Outlook. The estimates are based on model registrations compiled by Experian, and engine installation rates collected from other sources.

New retail registrations for battery electric vehicles sold at franchised dealerships increased by 140 percent during the first three months of this year versus the year earlier. New registrations for vehicles sold by direct sellers increased 14 percent. Franchised dealership share of the state's new retail BEV market increased from 19.0 percent in 1Q '22 to 32.9 percent this year. Data sourced from Experian Automotive.

MODEL RANKINGS

Tesla Model Y was Best-Seller in California New Vehicle Market

The table below shows the top five selling models during the first three months of 2023 in 18 segments. In addition to unit registrations, it also shows each model's market share in its respective segment. Sales results for many models are still being negatively impacted by supply chain issues and limited vehicle inventories.



BEST SELLERS IN PRIMARY SEGMENTS

- Small Cars: Honda Civic
- Full Size Pickup: Ford F-Series
- Mid-Size and Large Cars: Toyota Camry
- Compact SUV: Toyota RAV4
- Near Luxury Cars: Tesla Model 3
- 3 Row Mid-Size SUV: Toyota Highlander
- Comp./Mid Size Pickup: Toyota Tacoma
- Luxury Compact SUV: Tesla Model Y

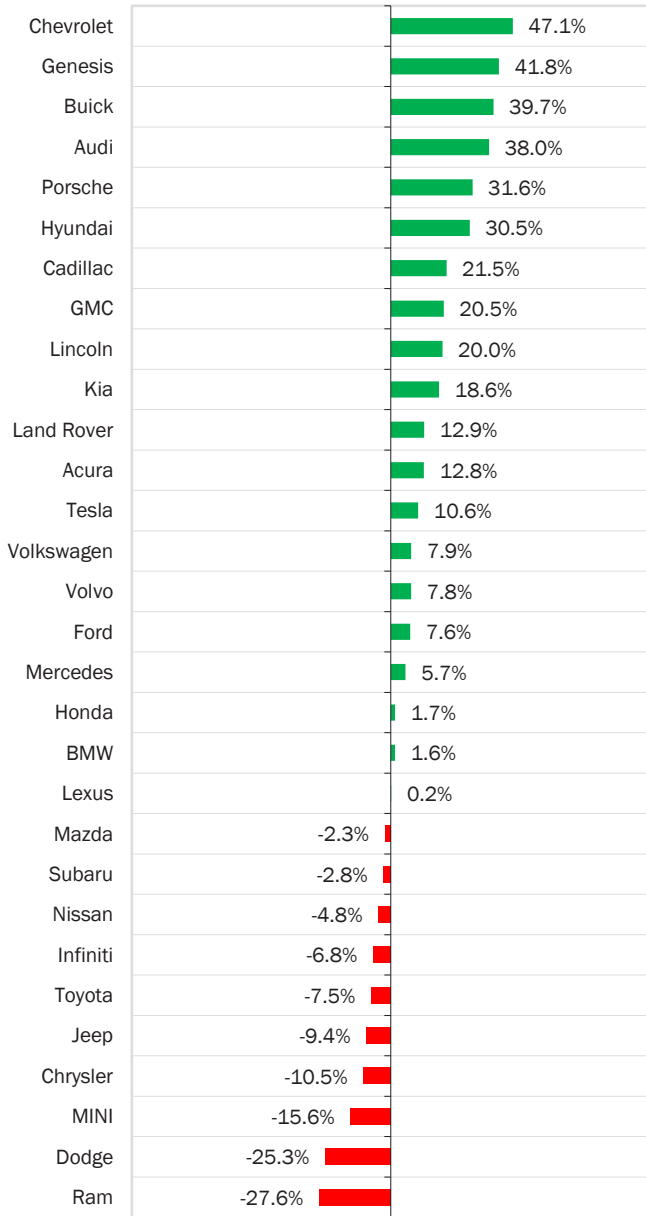
Top Selling Models in Each Segment - New Retail Light Vehicle Registrations (YTD 2023 thru March)											
Small Cars			Mid Size and Large Cars			Sports/Pony Cars			Near Luxury Cars		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Honda Civic	10375	20.7	Toyota Camry	13929	39.0	Ford Mustang	2301	42.8	Tesla Model 3	17715	48.9
Toyota Corolla	10100	20.2	Honda Accord	9879	27.7	Dodge Challenger	982	18.3	Mercedes C-Class	2495	6.9
Chevrolet Bolt	7296	14.6	Chevrolet Malibu	3792	10.6	Chevrolet Camaro	788	14.7	BMW 3-Series	2139	5.9
Kia Forte	7020	14.0	Nissan Altima	3565	10.0	Mazda MX5	453	8.4	Lexus ES	2021	5.6
Hyundai Elantra	3412	6.8	Dodge Charger	1465	4.1	Toyota 86	367	6.8	BMW i4	1631	4.5
Luxury and High End Sports Cars			Compact/Mid Size Pickup			Full Size Pickup			Mini Van		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
BMW 5-Series	2038	17.1	Toyota Tacoma	9543	48.1	Ford F-Series	12955	34.4	Honda Odyssey	2111	35.4
Mercedes EQS	1499	12.6	Ford Maverick	2490	12.5	Chevrolet Silverado	9527	25.3	Toyota Sienna	1909	32.0
Mercedes S-Class	1018	8.5	Nissan Frontier	1710	8.6	Ram Pickup	5973	15.9	Chrysler Pacifica	1447	24.2
Chevrolet Corvette	789	6.6	Chevrolet Colorado	1583	8.0	GMC Sierra	5355	14.2	Chrysler Voyager	292	4.9
BMW 7-Series	706	5.9	Ford Ranger	1517	7.6	Toyota Tundra	2610	6.9	Kia Carnival	212	3.6
Large Van			Subcompact SUV			Compact SUV			2 Row Mid Size SUV		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Ford Transit Connect	3117	37.3	Honda HR-V	5327	17.3	Toyota RAV4	13326	20.8	Subaru Outback	3587	18.6
Mercedes Sprinter	2045	24.5	Subaru Crosstrek	5260	17.1	Honda CR-V	6912	10.8	Ford Mustang Mach-E	2813	14.6
Ram Promaster	1911	22.9	Kia Niro	3555	11.6	Jeep Wrangler	5569	8.7	Hyundai Santa Fe	2261	11.7
Chevrolet Express	496	5.9	Hyundai Kona	2484	8.1	Nissan Rogue	5242	8.2	Toyota 4Runner	2225	11.5
Ford E-Series	356	4.3	Kia Soul	2367	7.7	Mazda CX-5	3955	6.2	Jeep Grand Cherokee	2205	11.4
3 Row Mid Size SUV			Large SUV			Luxury Subcompact SUV			Luxury Compact SUV		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Toyota Highlander	6218	20.7	Ford Bronco	3343	31.7	Mercedes GLA-Class	1060	20.5	Tesla Model Y	31940	64.5
Ford Explorer	4698	15.6	Chevrolet Tahoe	2105	20.0	Audi Q3	812	15.7	Audi Q5	3245	6.6
Honda Pilot	2896	9.6	Chevrolet Suburban	1235	11.7	Lexus UX	783	15.2	Lexus NX	2951	6.0
Kia Sorento	2329	7.7	Ford Expedition	1045	9.9	Volvo XC40	721	14.0	BMW X3	2146	4.3
Kia Telluride	2172	7.2	GMC Yukon	768	7.3	Audi Q4 E-Tron	625	12.1	Porsche Macan	1650	3.3
Luxury Mid Size SUV			Luxury Large SUV			Top Selling Passenger Cars			Top Selling Light Trucks		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Lexus RX	3820	16.2	Land Rover Range Rover	1106	19.7	Tesla Model 3	17715	12.7	Tesla Model Y	31940	10.3
Mercedes GLE-Class	3025	12.8	Cadillac Escalade	1042	18.6	Toyota Camry	13929	10.0	Toyota RAV4	13326	4.3
Tesla Model X	2806	11.9	BMW X7	884	15.8	Honda Civic	10375	7.4	Ford F-Series	12955	4.2
BMW X5	2575	10.9	Mercedes GLS-Class	828	14.8	Toyota Corolla	10100	7.3	Toyota Tacoma	9543	3.1
Acura MDX	1444	6.1	Mercedes G-Class	726	13.0	Honda Accord	9879	7.1	Chevrolet Silverado	9527	3.1

Data sourced from Experian Automotive. Figures for Prius include Prius Prime.

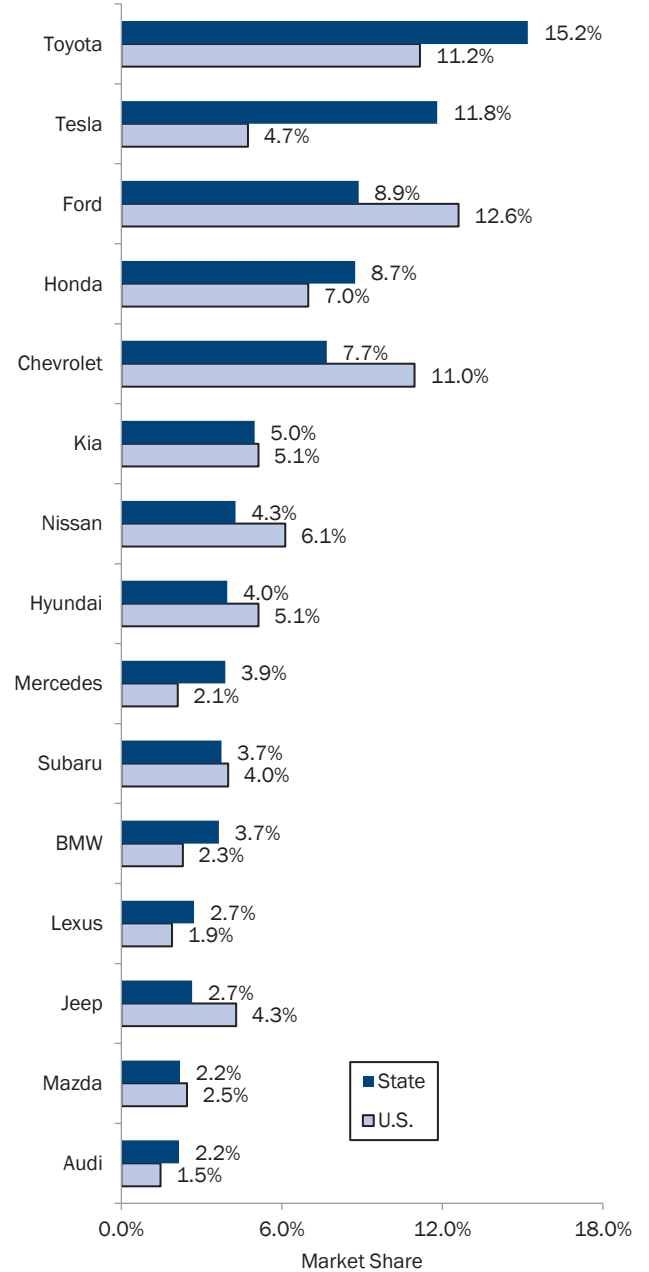
BRAND SUMMARY

Registrations Increased for Most Brands; Toyota Retains Title of Top Selling Brand in CA in 1Q '23

Percent Change in Brand Registrations
YTD 2023 thru March vs. YTD 2022
(Top 30 selling brands in CA)



California and U.S. Market Share - YTD 2023 thru March
(Top 15 selling brands in CA)



Registrations increased by more than 20 percent for Chevrolet, Genesis, Buick, Audi, Porsche, Hyundai, Cadillac, GMC, and Lincoln.



Toyota, Tesla, Ford, Honda, and Chevrolet were market share leaders in California during the First Quarter of this year.

Source for California new vehicle registrations: AutoCount data from Experian. Source for U.S. market share: Automotive News.

BRAND REGISTRATIONS

Detailed Results for All Brands in California Market

California New Car and Light Truck Registrations												
	First Quarter						Annual Totals					
	Registrations			Market Share (%)			Registrations			Market Share (%)		
	1Q '22	1Q '23	% Change	1Q '22	1Q '23	Change	2021	2022	% Change	2021	2022	Change
TOTAL	425,216	450,000	5.8				1,856,391	1,667,831	-10.2			
Acura	3,155	3,560	12.8	0.7	0.8	0.1	18,455	12,008	-34.9	1.0	0.7	-0.3
Alfa Romeo	590	327	-44.6	0.1	0.1	0.0	3,159	2,150	-31.9	0.2	0.1	-0.1
Audi	7,042	9,719	38.0	1.7	2.2	0.5	37,524	32,308	-13.9	2.0	1.9	-0.1
BMW	16,168	16,425	1.6	3.8	3.7	-0.1	65,310	61,718	-5.5	3.5	3.7	0.2
Buick	958	1,338	39.7	0.2	0.3	0.1	6,816	3,230	-52.6	0.4	0.2	-0.2
Cadillac	2,619	3,183	21.5	0.6	0.7	0.1	10,295	10,676	3.7	0.6	0.6	0.0
Chevrolet	23,469	34,524	47.1	5.5	7.7	2.2	123,006	112,826	-8.3	6.6	6.8	0.2
Chrysler	2,204	1,972	-10.5	0.5	0.4	-0.1	10,760	9,812	-8.8	0.6	0.6	0.0
Dodge	4,413	3,295	-25.3	1.0	0.7	-0.3	23,108	19,181	-17.0	1.2	1.2	0.0
Ford	37,106	39,913	7.6	8.7	8.9	0.2	146,486	140,881	-3.8	7.9	8.4	0.5
Genesis	1,490	2,113	41.8	0.4	0.5	0.1	5,952	7,528	26.5	0.3	0.5	0.2
GMC	7,717	9,301	20.5	1.8	2.1	0.3	32,879	32,313	-1.7	1.8	1.9	0.1
Honda	38,706	39,345	1.7	9.1	8.7	-0.4	201,196	131,793	-34.5	10.8	7.9	-2.9
Hyundai	13,638	17,804	30.5	3.2	4.0	0.8	71,271	65,149	-8.6	3.8	3.9	0.1
Infiniti	1,301	1,213	-6.8	0.3	0.3	0.0	7,813	4,519	-42.2	0.4	0.3	-0.1
Jaguar	436	356	-18.3	0.1	0.1	0.0	2,755	1,449	-47.4	0.1	0.1	0.0
Jeep	13,161	11,926	-9.4	3.1	2.7	-0.4	56,216	45,492	-19.1	3.0	2.7	-0.3
Kia	18,893	22,413	18.6	4.4	5.0	0.6	78,715	80,626	2.4	4.2	4.8	0.6
Land Rover	2,936	3,314	12.9	0.7	0.7	0.0	16,167	10,365	-35.9	0.9	0.6	-0.3
Lexus	12,228	12,247	0.2	2.9	2.7	-0.2	57,005	48,726	-14.5	3.1	2.9	-0.2
Lincoln	969	1,163	20.0	0.2	0.3	0.1	4,853	4,071	-16.1	0.3	0.2	-0.1
Maserati	367	189	-48.5	0.1	0.0	-0.1	1,291	1,178	-8.8	0.1	0.1	0.0
Mazda	10,095	9,866	-2.3	2.4	2.2	-0.2	45,286	34,388	-24.1	2.4	2.1	-0.3
Mercedes	16,520	17,465	5.7	3.9	3.9	0.0	70,453	72,879	3.4	3.8	4.4	0.6
MINI	1,446	1,221	-15.6	0.3	0.3	0.0	5,294	5,199	-1.8	0.3	0.3	0.0
Mitsubishi	1,515	929	-38.7	0.4	0.2	-0.2	6,301	4,321	-31.4	0.3	0.3	0.0
Nissan	20,156	19,194	-4.8	4.7	4.3	-0.4	95,650	70,075	-26.7	5.2	4.2	-1.0
Other	985	2,701	174.2	0.2	0.6	0.4	3,517	5,491	56.1	0.2	0.3	0.1
Porsche	3,463	4,558	31.6	0.8	1.0	0.2	17,130	14,940	-12.8	0.9	0.9	0.0
Ram	10,888	7,880	-27.6	2.6	1.8	-0.8	49,343	37,794	-23.4	2.7	2.3	-0.4
Subaru	17,302	16,826	-2.8	4.1	3.7	-0.4	66,700	63,799	-4.3	3.6	3.8	0.2
Tesla	48,038	53,141	10.6	11.3	11.8	0.5	121,080	186,711	54.2	6.5	11.2	4.7
Toyota	73,941	68,388	-7.5	17.4	15.2	-2.2	335,587	289,304	-13.8	18.1	17.3	-0.8
Volkswagen	8,388	9,050	7.9	2.0	2.0	0.0	44,471	33,537	-24.6	2.4	2.0	-0.4
Volvo	2,913	3,141	7.8	0.7	0.7	0.0	14,547	11,394	-21.7	0.8	0.7	-0.1

Source: AutoCount data from Experian.

The table above shows new light vehicle (car and light truck) registrations in California. Figures are shown for the First Quarters of 2022 and 2023, and annual totals for 2021 and 2022. Vehicle registrations are recorded based on when the vehicle title information is processed by the state, which typically occurs after the vehicle is sold. The top ten ranked brands in each category are shaded yellow.

California Auto Outlook

Published by: Auto Outlook, Inc., PO Box 390 Exton, PA 19341 Phone 610-640-1233 Email: jfoltz@autooutlook.com

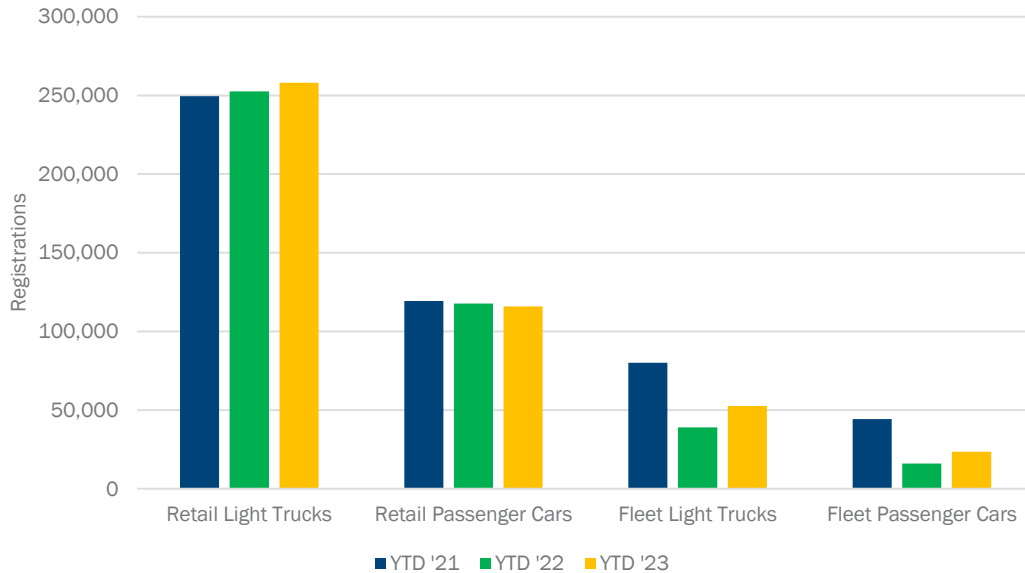
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BREAKDOWN OF RETAIL AND FLEET MARKETS

California Fleet Market Posted Big Increase in First Quarter of This Year

California New Car and Light Truck Retail and Fleet Registrations
YTD '21, '22, & '23 thru March



Data sourced from Experian Automotive.

PERCENT CHANGE:
YTD '23 thru Mar. vs. YTD '22

Retail cars: DOWN 1.7%

Retail light trucks: UP 2.2%

Fleet cars: UP 47.0%

Fleet light trucks: UP 35.3%

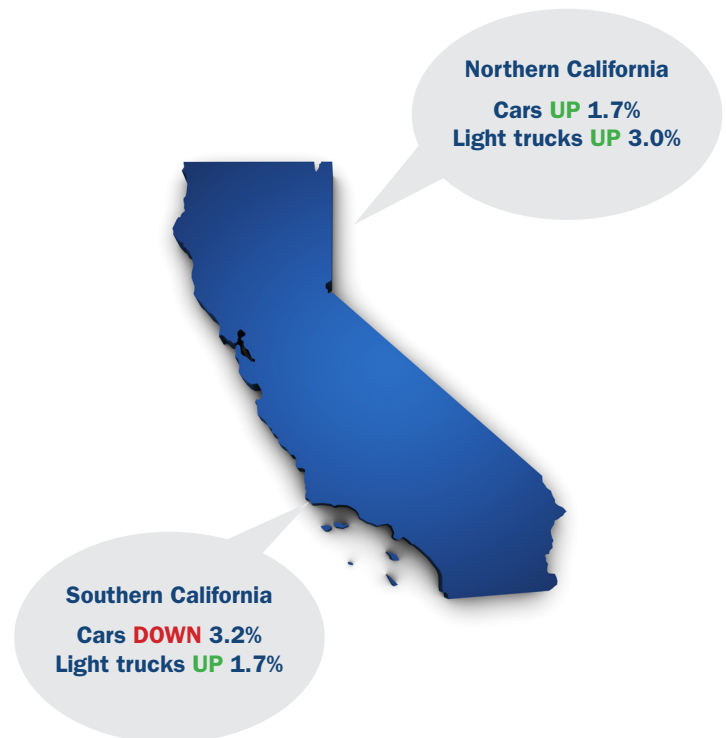
REGIONAL MARKETS IN CALIFORNIA

Northern California Market Posted Larger Increase During First Three Months of 2023 San Francisco Bay Area Retail Market was Up by Nearly 10 Percent

New Retail Light Vehicle Registrations (excluding fleets) YTD thru Mar.			
North and South California	YTD '22	YTD '23	% chg.
Statewide Total	370,232	373,752	1.0%
Cars	117,720	115,777	-1.7%
Light Trucks	252,512	257,975	2.2%
Northern California	126,601	129,940	2.6%
Cars	37,110	37,757	1.7%
Light Trucks	89,491	92,183	3.0%
Southern California	243,631	243,812	0.1%
Cars	80,610	78,020	-3.2%
Light Trucks	163,021	165,792	1.7%
Selected Regional Markets			
San Francisco Bay	67,624	74,219	9.8%
Cars	21,217	22,952	8.2%
Light Trucks	46,407	51,267	10.5%
LA and Orange Counties	138,357	140,892	1.8%
Cars	47,907	46,734	-2.4%
Light Trucks	90,450	94,158	4.1%
San Diego County	33,813	33,984	0.5%
Cars	9,859	9,586	-2.8%
Light Trucks	23,954	24,398	1.9%

Data sourced from Experian Automotive.

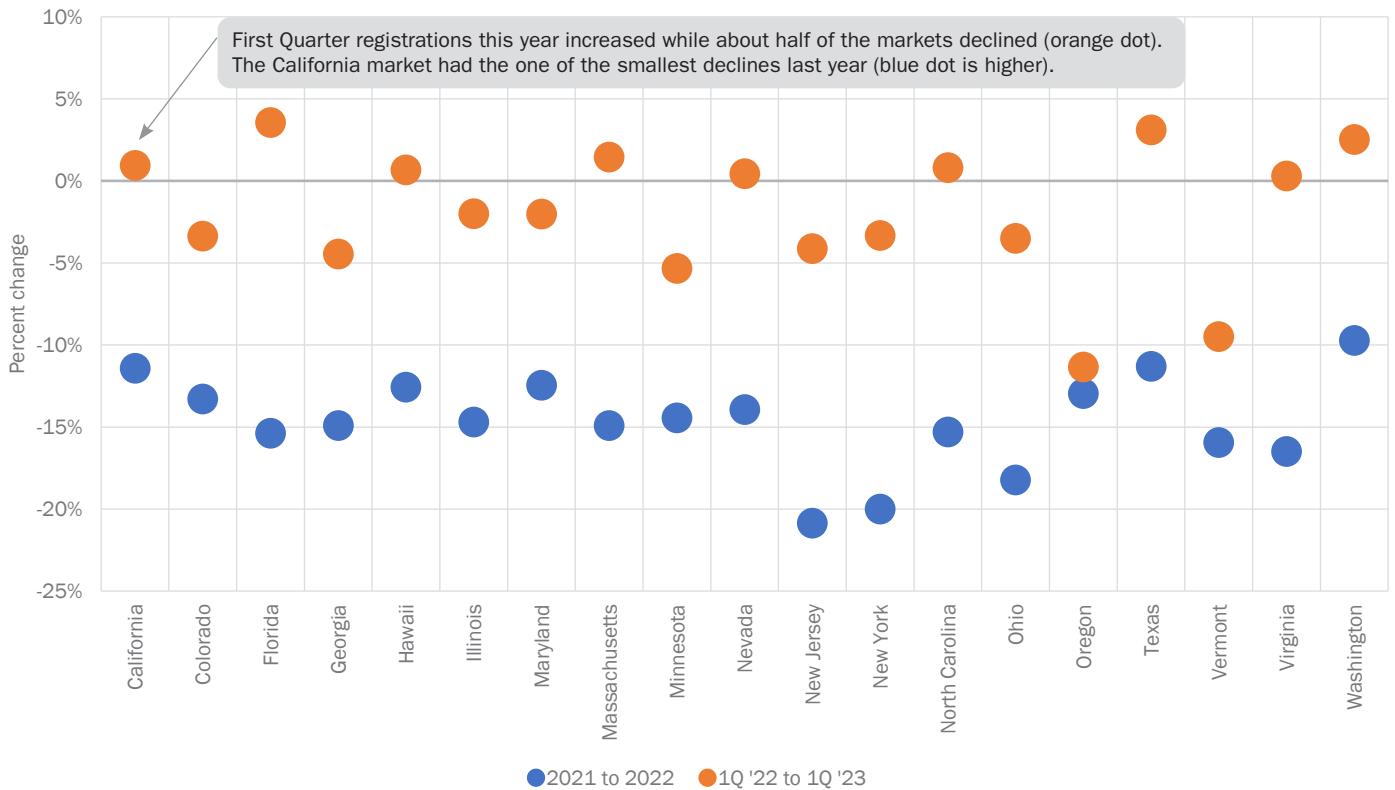
Percent Change in New Retail Registrations - YTD '23 vs. YTD '22



Comparison of Selected State New Retail Light Vehicle Markets



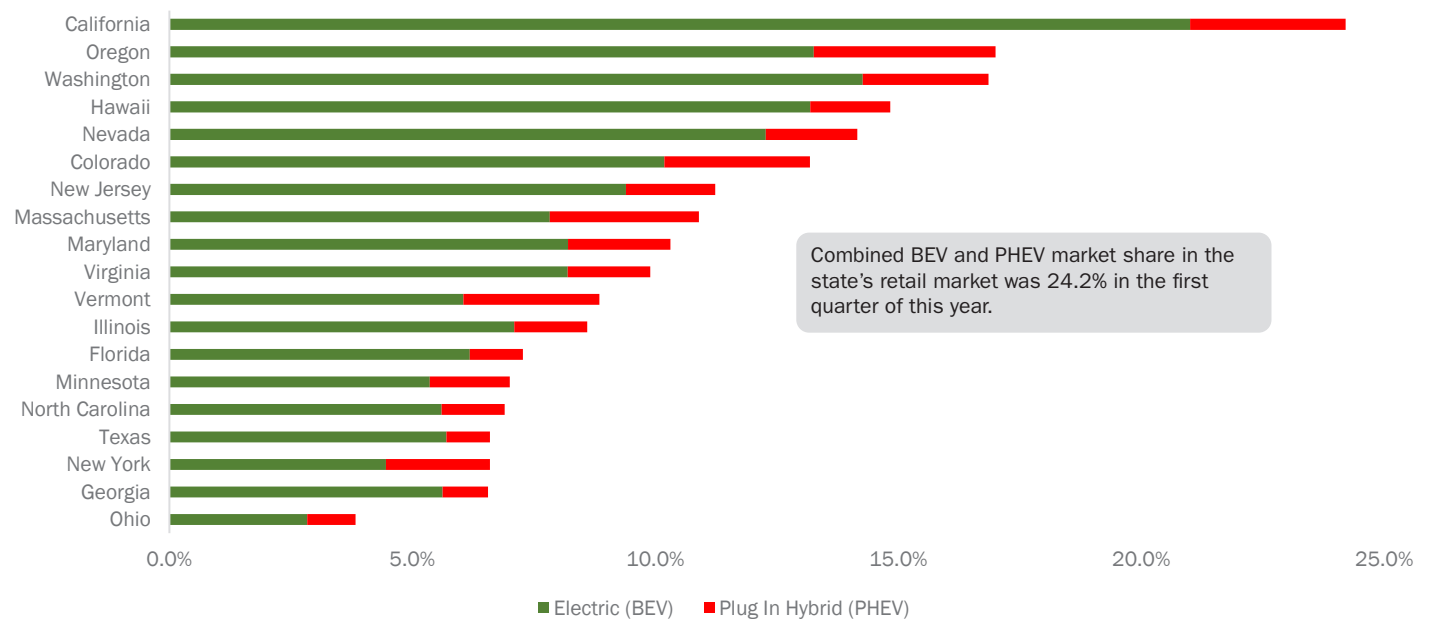
Percent Change in New Retail Vehicle Registrations from 2021 to 2022, and from 1Q 2022 to 1Q 2023



The graph above provides a comparison of how state new retail vehicle markets performed last year and in the First Quarter of this year. Orange dots show the change from the First Quarter of 2022 to the First Quarter of this year. Orange dots are higher for all markets, reflecting relative improvement in sales early this year compared to results last year. The blue dots on the graph represent the percent change in new vehicle registrations from 2021 to 2022. Data sourced from Experian Automotive.



Electric (BEV) and Plug in Hybrid (PHEV) Share of New Retail Light Vehicle Registrations During 1Q '23

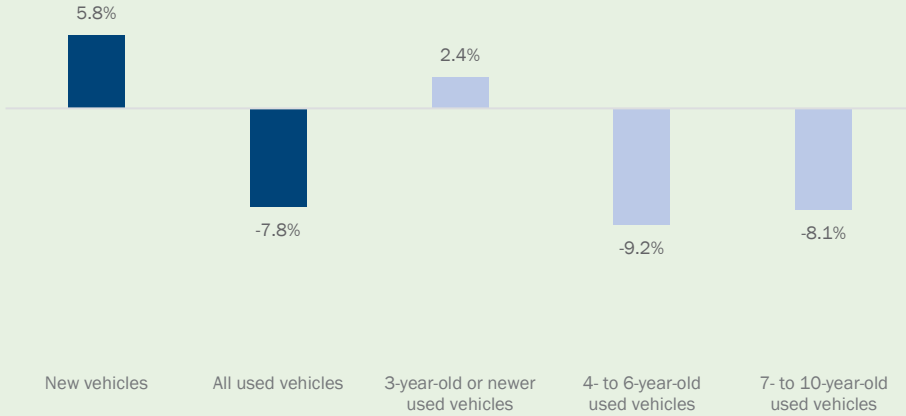


Data sourced from Experian Automotive.

CALIFORNIA USED VEHICLE MARKET

California Used Vehicle Market Declined in First Quarter of 2023

Percent Change in New and Used Vehicle Registrations
YTD '23 thru Mar. vs. YTD '22



Data sourced from Experian Automotive.

THREE KEY TRENDS IN USED VEHICLE MARKET



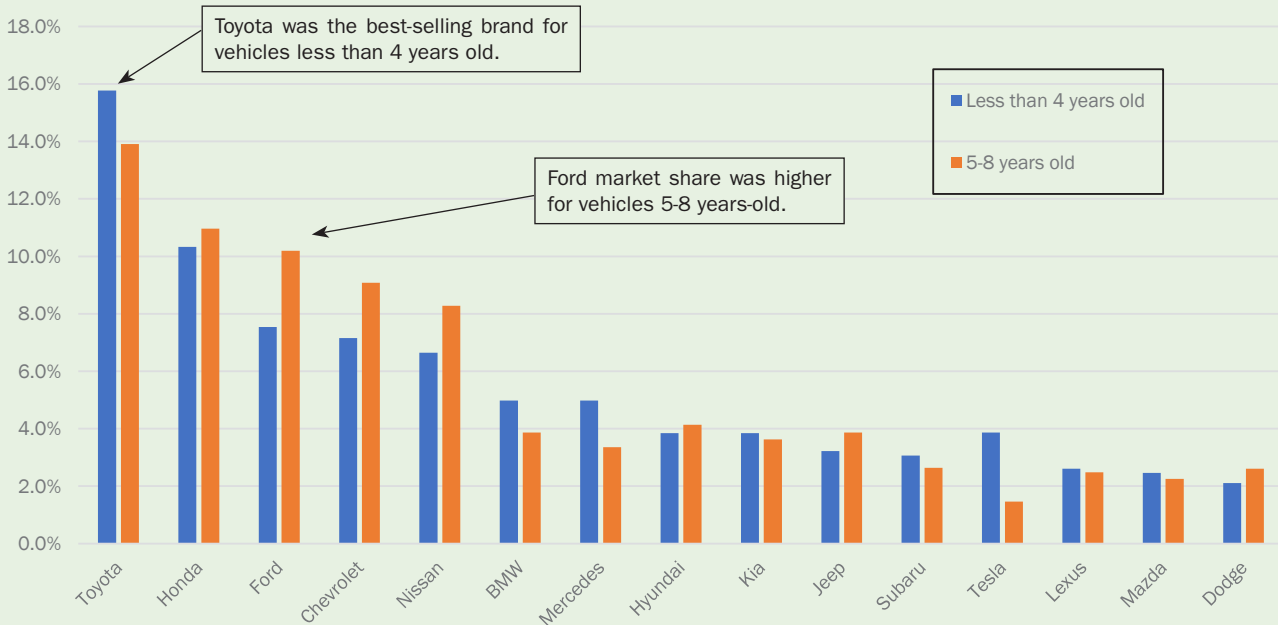
- 01.** The California used vehicle market declined by 7.8 percent in the first quarter of this year versus a year earlier, while the new vehicle market was up by nearly 6 percent.
- 02.** Used vehicle market should continue to under-perform the new vehicle market for the remainder of the year.
- 03.** As shown on the graph to the left, the 3-year-old or newer market held up relatively well early this year. Used registrations of 3-year-old or newer vehicles improved while registrations for older vehicles moved lower.

USED VEHICLE BRAND MARKET SHARE

Toyota is Top Seller in California Used Vehicle Market

The graph below shows used light vehicle registrations by brand for two age categories: vehicles less than 4 years old and vehicles 5-8 years old. Brands are positioned from left to right based on overall market share.

Brand Market Share for Top 15 Selling Brands, by Vehicle Age (YTD '23 thru March)



Data sourced from Experian Automotive.