

# California Auto Outlook™

Comprehensive Information on the California Vehicle Market

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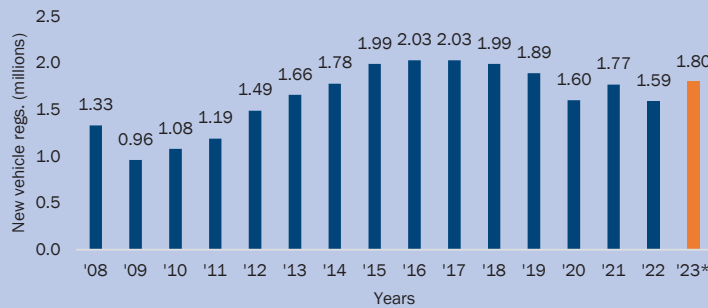


## Recovery Gains Momentum; 2Q '23 Registrations Up 16.8% vs. 2Q '22

### ANNUAL TRENDS



California Annual New Light Vehicle Registrations - 2008 thru 2023



Historical Data sourced from Experian Automotive. \*2023 forecast by Auto Outlook. Historical figures have been updated since the previous release.

New vehicle registrations in California are predicted to approach 1.8 million units this year and increase 13.4 percent from 2022. A significant number of new vehicle purchases have been postponed since the onset of the pandemic in 2020. Estimated pent-up demand in the state has reached 700,000 units, approximately 40% of average annual registrations. This “stored potential” should more than offset the drag on sales resulting from softening vehicle affordability. The market has enough gas in the tank to move higher this year, with recovery almost certainly lasting into 2024.

California and U.S. New Light Vehicle Registrations YTD '22 and YTD '23 thru June

	California			U.S.		
	YTD '22	YTD '23	Change	YTD '22	YTD '23	Change
<b>Registrations</b>						
TOTAL	811,318	905,752	11.6%	6,698,490	7,436,260	11.0%
Car	258,069	279,589	8.3%	1,395,833	1,542,396	10.5%
Light Truck	553,249	626,163	13.2%	5,302,657	5,893,864	11.1%
Domestic	283,227	340,180	20.1%	2,916,131	3,277,404	12.4%
European	121,326	135,719	11.9%	681,849	740,739	8.6%
Japanese	335,597	344,455	2.6%	2,433,536	2,617,976	7.6%
Korean	71,168	85,398	20.0%	666,974	800,141	20.0%
<b>Market Share</b>						
Car	31.8	30.9	-0.9	20.8	20.7	-0.1
Light Truck	68.2	69.1	0.9	79.2	79.3	0.1
Domestic	34.9	37.6	2.7	43.5	44.1	0.6
European	15.0	15.0	0.0	10.2	10.0	-0.2
Japanese	41.5	38.0	-3.5	36.3	35.2	-1.1
Korean	8.8	9.4	0.6	10.0	10.8	0.8

### TWO YEAR PERSPECTIVE



New light vehicle registrations in California increased 11.6 percent during the first six months of this year versus the year earlier, higher than the 11.0 percent improvement in the Nation.

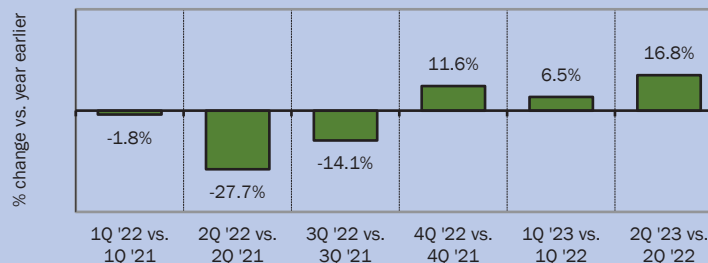
Light truck market share in the state reached 69.1 percent. However, the surge in light truck market share during the past several years can send a misleading signal regarding the apparent shift to bigger vehicles. The proliferation of small crossover SUVs, which are typically classified as light trucks, are in many ways more similar to traditional passenger cars (see page 7).

Data sourced from Experian Automotive.

### QUARTERLY RESULTS



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



Data sourced from Experian Automotive.

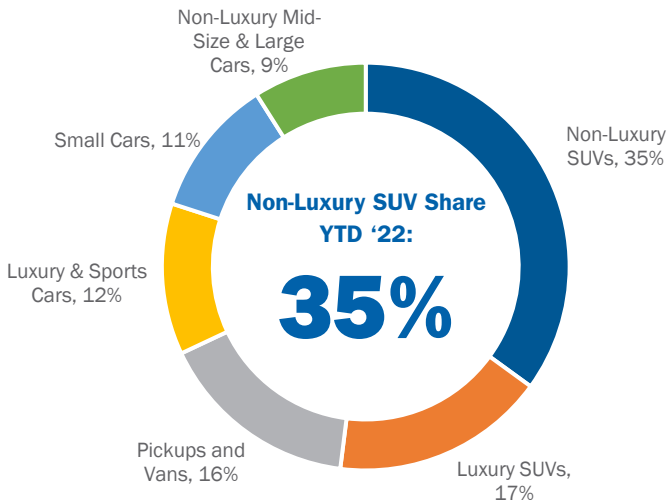
New vehicle registrations in the state increased for the third consecutive quarter in 2Q '23. The total exceeded 475,000 units, the highest total since 2Q '21.

The pace of improvement should continue in the second half of the year versus weak results in the second half of 2022 when supply chain interruptions significantly impacted sales.

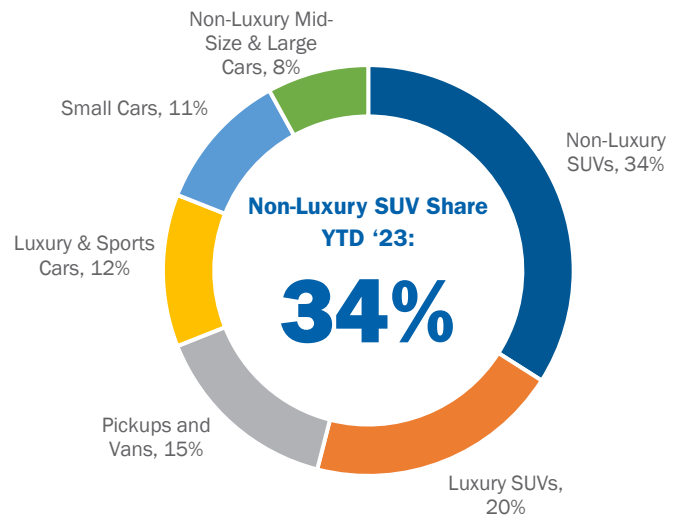
SEGMENT MARKET SHARE TRENDS

### Luxury SUV Market Share Hits 20 Percent

Segment Market Shares in California  
YTD 2022 thru June



Segment Market Shares in California  
YTD 2023 thru June



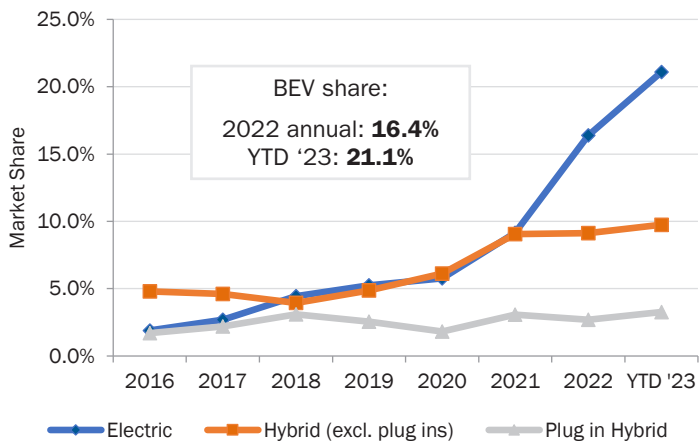
The two graphs above show market shares for primary segments during the first six months of 2022 and 2023. Data sourced from Experian Automotive.

HYBRID AND ELECTRIC VEHICLES

### Electric Vehicle Market Share Exceeded 21 Percent in First Half of 2023



Hybrid and Electric Vehicle Market Share

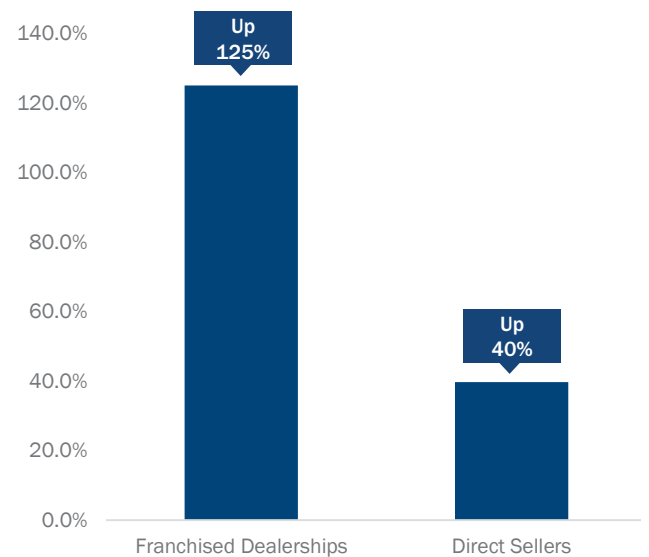


Data sourced from Experian Automotive. Hybrid vehicle market share excludes mild hybrids.

Hybrid and Electric New Vehicle Registrations and Market Share					
	2019	2020	2021	2022	YTD 2023
Electric registrations	99047	92398	161860	260233	191041
Electric share	5.2%	5.8%	9.1%	16.4%	21.1%
Hybrid regs. (excl. plug ins)	92285	97934	160192	144846	88309
Hybrid share (excl. plug ins)	4.9%	6.1%	9.0%	9.1%	9.7%
Plug in hybrid regs.	48359	29155	54414	42586	29583
Plug in hybrid share	2.6%	1.8%	3.1%	2.7%	3.3%

Data sourced from Experian Automotive.

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



New retail registrations for battery electric vehicles sold at franchised dealerships increased by 125 percent during the first six months of this year versus the year earlier. New registrations for vehicles sold by direct sellers increased 40 percent. Franchised dealership share of the state's new retail BEV market increased from 23.2 percent in the first half of 2022 to 32.8 percent this year. Data sourced from Experian Automotive.

MODEL RANKINGS

# Tesla Model Y is Best-Seller in California New Vehicle Market

The table below shows the top five selling models during the first six 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
- Mid-Size and Large Cars: Toyota Camry
- Near Luxury Cars: Tesla Model 3
- Comp./Mid Size Pickup: Toyota Tacoma
- Full Size Pickup: Ford F-Series
- Compact SUV: Toyota RAV4
- 3 Row Mid-Size SUV: Toyota Highlander
- Luxury Compact SUV: Tesla Model Y

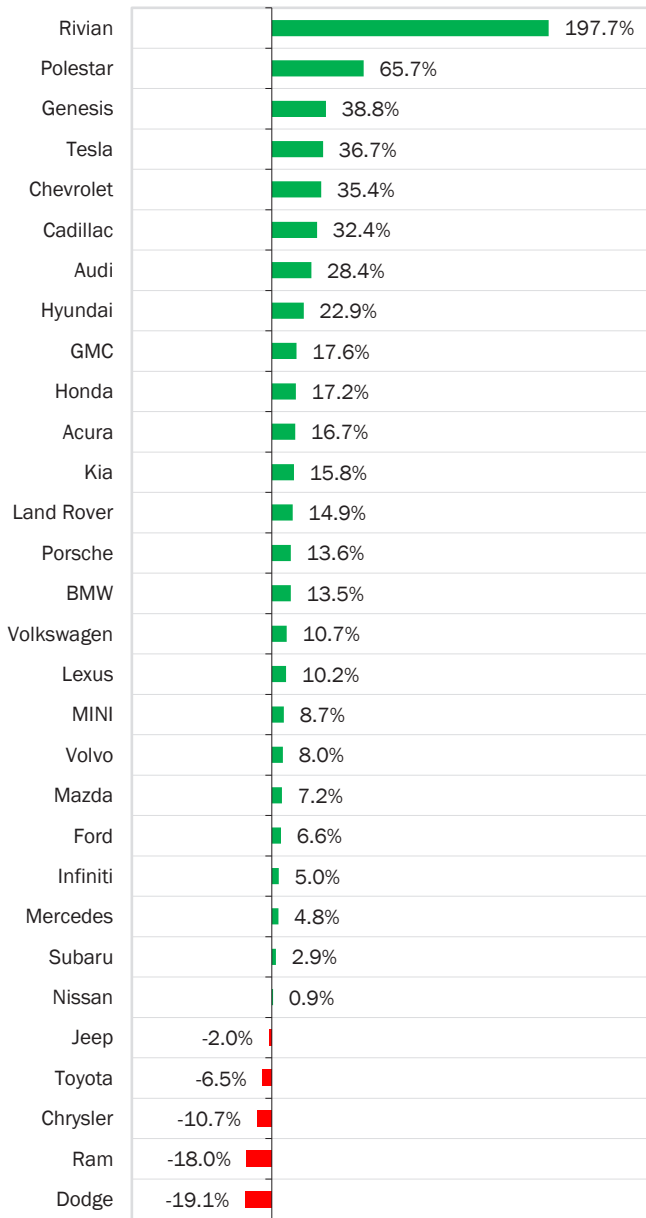
Top Selling Models in Each Segment - New Retail Light Vehicle Registrations (YTD 2023 thru June)											
Small Cars			Mid Size and Large Cars			Sports/Pony Cars			Near Luxury Cars		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Honda Civic	20358	22.1	Toyota Camry	27169	38.4	Ford Mustang	3965	37.7	Tesla Model 3	41718	50.8
Toyota Corolla	16539	18.0	Honda Accord	20934	29.6	Dodge Challenger	1843	17.5	Lexus ES	4422	5.4
Kia Forte	12052	13.1	Chevrolet Malibu	5975	8.4	Chevrolet Camaro	1669	15.9	BMW i4	4324	5.3
Chevrolet Bolt	10868	11.8	Nissan Altima	5298	7.5	Toyota 86	1073	10.2	Mercedes C-Class	4142	5.0
Hyundai Elantra	7350	8.0	Hyundai Sonata	3538	5.0	Mazda MX5	937	8.9	BMW 3-Series	3536	4.3
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	3809	15.7	Toyota Tacoma	19186	50.1	Ford F-Series	21288	29.9	Honda Odyssey	4099	34.8
Mercedes EQS Sedan	2140	8.8	Ford Maverick	4724	12.3	Chevrolet Silverado	18731	26.3	Toyota Sienna	4021	34.2
Tesla Model S	1900	7.9	Nissan Frontier	3270	8.5	Ram Pickup	11153	15.6	Chrysler Pacifica	2632	22.4
Mercedes S-Class	1755	7.3	Ford Ranger	2451	6.4	GMC Sierra	10411	14.6	Kia Carnival	798	6.8
Chevrolet Corvette	1510	6.2	Chevrolet Colorado	2442	6.4	Toyota Tundra	5754	8.1	Chrysler Voyager	213	1.8
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	5053	35.1	Honda HR-V	10134	17.4	Toyota RAV4	26032	19.9	Subaru Outback	8223	21.7
Mercedes Sprinter	3763	26.1	Subaru Crosstrek	8659	14.9	Honda CR-V	18680	14.3	Toyota 4Runner	4801	12.7
Ram Promaster	3216	22.3	Kia Niro	6137	10.5	Jeep Wrangler	10802	8.3	Ford Mustang Mach-E	4789	12.6
Chevrolet Express	792	5.5	Kia Soul	4642	8.0	Nissan Rogue	9179	7.0	Jeep Grand Cherokee	4455	11.8
Ford E-Series	681	4.7	Hyundai Kona	4600	7.9	Hyundai Tucson	8059	6.2	Hyundai Santa Fe	4141	10.9
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	12677	21.0	Ford Bronco	5975	30.9	Mercedes GLA-Class	2002	17.6	Tesla Model Y	74765	68.2
Ford Explorer	9329	15.4	Chevrolet Tahoe	3853	19.9	Audi Q3	1981	17.4	Audi Q5	6104	5.6
Honda Pilot	6151	10.2	Chevrolet Suburban	2372	12.3	Lexus UX	1813	15.9	Lexus NX	6083	5.6
Kia Sorento	4605	7.6	Ford Expedition	1756	9.1	Volvo XC40	1407	12.4	BMW X3	3886	3.5
Chevrolet Traverse	4575	7.6	GMC Yukon	1644	8.5	Audi Q4 E-Tron	1274	11.2	Porsche Macan	3363	3.1
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	8891	18.8	Mercedes EQS SUV	2309	14.9	Tesla Model 3	41718	14.9	Tesla Model Y	74765	11.9
Mercedes GLE-Class	5317	11.3	Cadillac Escalade	2273	14.6	Toyota Camry	27169	9.7	Toyota RAV4	26032	4.2
BMW X5	5246	11.1	Land Rover Range Rover	2171	14.0	Honda Accord	20934	7.5	Ford F-Series	21288	3.4
Tesla Model X	5099	10.8	BMW X7	1941	12.5	Honda Civic	20358	7.3	Toyota Tacoma	19186	3.1
Acura MDX	3134	6.6	Rivian R1S	1807	11.6	Toyota Corolla	16539	5.9	Chevrolet Silverado	18731	3.0

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

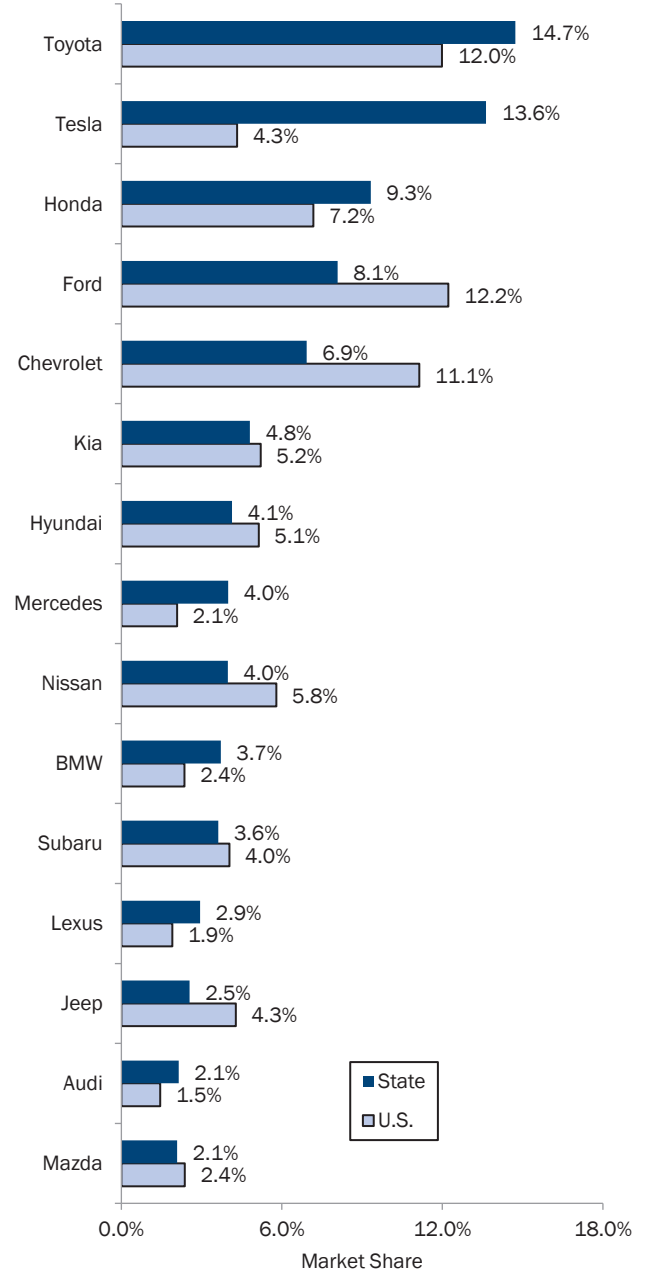
BRAND SUMMARY

# Registrations Increased for 25 of Top 30 Selling Brands in First Half of 2023; Toyota is Best-Selling Brand

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



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



**Registrations increased by more than 22 percent for Rivian, Polestar, Genesis, Tesla, Chevrolet, Cadillac, Audi, and Hyundai.**



**Toyota, Tesla, Honda, Ford, and Chevrolet were market share leaders in California during the first half of this year.**

BRAND REGISTRATIONS

Detailed Results for All Brands in California Market

California New Car and Light Truck Registrations												
	Second Quarter						Year to date thru June					
	Registrations			Market Share (%)			Registrations			Market Share (%)		
	2Q '22	2Q '23	% Change	2Q '22	2Q '23	Change	YTD '22	YTD '23	% Change	YTD '22	YTD '23	Change
TOTAL	407,120	475,480	16.8				811,318	905,752	11.6			
Acura	3,660	4,300	17.5	0.9	0.9	0.0	6,756	7,887	16.7	0.8	0.9	0.1
Alfa Romeo	405	338	-16.5	0.1	0.1	0.0	940	637	-32.2	0.1	0.1	0.0
Audi	8,229	10,401	26.4	2.0	2.2	0.2	15,110	19,395	28.4	1.9	2.1	0.2
BMW	13,594	17,551	29.1	3.3	3.7	0.4	29,641	33,654	13.5	3.7	3.7	0.0
Buick	784	1,041	32.8	0.2	0.2	0.0	1,689	2,324	37.6	0.2	0.3	0.1
Cadillac	2,242	3,197	42.6	0.6	0.7	0.1	4,675	6,191	32.4	0.6	0.7	0.1
Chevrolet	25,753	31,225	21.2	6.3	6.6	0.3	46,377	62,785	35.4	5.7	6.9	1.2
Chrysler	1,952	1,696	-13.1	0.5	0.4	-0.1	3,596	3,211	-10.7	0.4	0.4	0.0
Dodge	3,974	3,632	-8.6	1.0	0.8	-0.2	7,979	6,456	-19.1	1.0	0.7	-0.3
Ford	33,881	37,593	11.0	8.3	7.9	-0.4	68,621	73,168	6.6	8.5	8.1	-0.4
Genesis	1,581	2,151	36.1	0.4	0.5	0.1	3,079	4,273	38.8	0.4	0.5	0.1
GMC	7,914	9,100	15.0	1.9	1.9	0.0	15,202	17,873	17.6	1.9	2.0	0.1
Honda	34,032	46,161	35.6	8.4	9.7	1.3	72,065	84,428	17.2	8.9	9.3	0.4
Hyundai	17,508	20,084	14.7	4.3	4.2	-0.1	30,498	37,471	22.9	3.8	4.1	0.3
Infiniti	1,212	1,436	18.5	0.3	0.3	0.0	2,547	2,675	5.0	0.3	0.3	0.0
Jaguar	348	293	-15.8	0.1	0.1	0.0	760	641	-15.7	0.1	0.1	0.0
Jeep	10,987	11,959	8.8	2.7	2.5	-0.2	23,508	23,046	-2.0	2.9	2.5	-0.4
Kia	19,587	22,552	15.1	4.8	4.7	-0.1	37,591	43,526	15.8	4.6	4.8	0.2
Land Rover	2,524	2,907	15.2	0.6	0.6	0.0	5,386	6,188	14.9	0.7	0.7	0.0
Lexus	12,334	14,799	20.0	3.0	3.1	0.1	24,184	26,643	10.2	3.0	2.9	-0.1
Lincoln	1,045	1,109	6.1	0.3	0.2	-0.1	1,999	2,217	10.9	0.2	0.2	0.0
Maserati	316	240	-24.1	0.1	0.1	0.0	649	422	-35.0	0.1	0.0	-0.1
Mazda	7,888	10,135	28.5	1.9	2.1	0.2	17,564	18,837	7.2	2.2	2.1	-0.1
Mercedes	18,542	18,800	1.4	4.6	4.0	-0.6	34,464	36,109	4.8	4.2	4.0	-0.2
MINI	853	1,229	44.1	0.2	0.3	0.1	2,296	2,496	8.7	0.3	0.3	0.0
Mitsubishi	1,145	905	-21.0	0.3	0.2	-0.1	2,288	1,807	-21.0	0.3	0.2	-0.1
Nissan	18,171	19,669	8.2	4.5	4.1	-0.4	35,691	36,010	0.9	4.4	4.0	-0.4
Other	1,071	1,362	27.2	0.3	0.3	0.0	1,859	2,610	40.4	0.2	0.3	0.1
Polestar	838	508	-39.4	0.2	0.1	-0.1	1,544	2,559	65.7	0.2	0.3	0.1
Porsche	4,237	4,433	4.6	1.0	0.9	-0.1	7,652	8,695	13.6	0.9	1.0	0.1
Ram	8,223	7,470	-9.2	2.0	1.6	-0.4	17,514	14,369	-18.0	2.2	1.6	-0.6
Rivian	870	2,225	155.7	0.2	0.5	0.3	1,316	3,918	197.7	0.2	0.4	0.2
Subaru	14,848	16,285	9.7	3.6	3.4	-0.2	31,872	32,793	2.9	3.9	3.6	-0.3
Tesla	42,647	69,212	62.3	10.5	14.6	4.1	90,320	123,482	36.7	11.1	13.6	2.5
Toyota	73,593	67,482	-8.3	18.1	14.2	-3.9	142,630	133,375	-6.5	17.6	14.7	-2.9
Volkswagen	7,129	8,459	18.7	1.8	1.8	0.0	15,364	17,004	10.7	1.9	1.9	0.0
Volvo	3,203	3,541	10.6	0.8	0.7	-0.1	6,092	6,577	8.0	0.8	0.7	-0.1

Data sourced from Experian Automotive.

The table above shows new light vehicle (car and light truck) registrations in California. Figures are shown for the Second Quarters of 2022 and 2023, and year to date totals. 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. Historical figures have been updated since the previous release.

California Auto Outlook

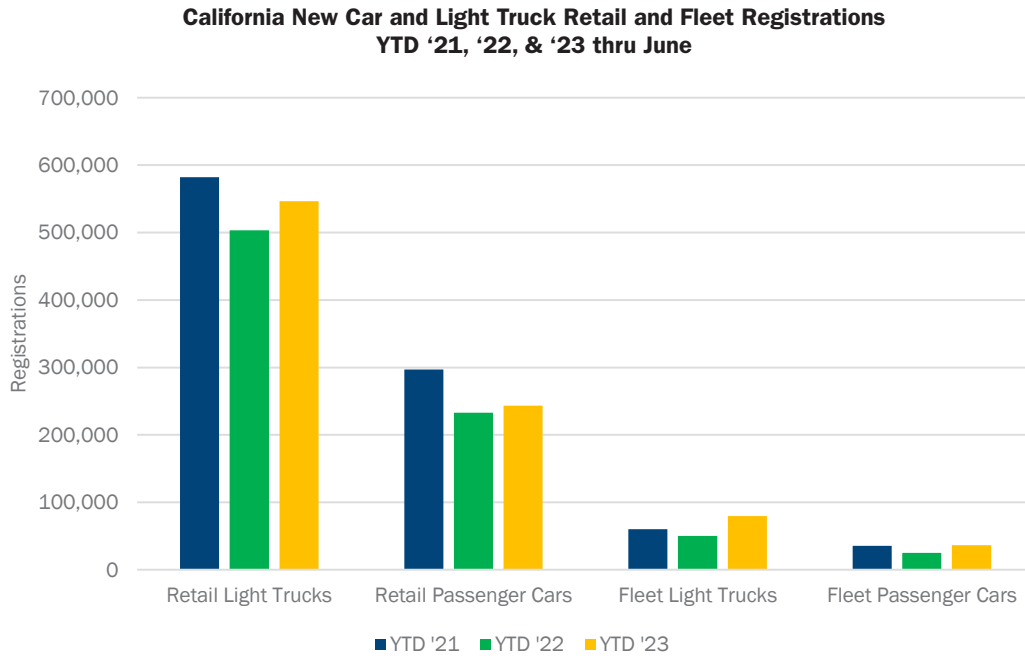
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BREAKDOWN OF RETAIL AND FLEET MARKETS

### Fleet Registrations Increased by 53.5 Percent in First Half of 2023



Data sourced from Experian Automotive.

**PERCENT CHANGE:**  
YTD '23 thru June vs. YTD '22

Retail cars: **UP 4.5%**

Retail light trucks: **UP 8.7%**

Fleet cars: **UP 43.4%**

Fleet light trucks: **UP 58.6%**

REGIONAL MARKETS IN CALIFORNIA

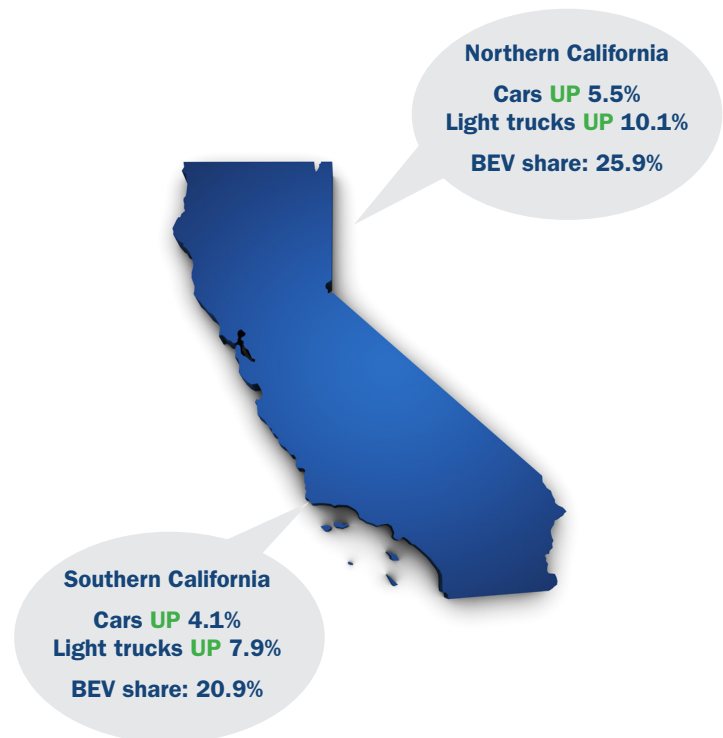
### Northern California Market Posted Larger Increase During First Six Months of 2023

BEV share in Northern California hits 25.9 percent

New Retail Light Vehicle Registrations (excluding fleets) YTD thru June			
North and South California	YTD '22	YTD '23	% chg.
Statewide Total	736,021	790,180	7.4%
Cars	232,851	243,419	4.5%
Light Trucks	503,170	546,761	8.7%
Northern California	251,134	273,116	8.8%
Cars	74,135	78,229	5.5%
Light Trucks	176,999	194,887	10.1%
Southern California	484,887	517,064	6.6%
Cars	158,716	165,190	4.1%
Light Trucks	326,171	351,874	7.9%
Selected Regional Markets			
San Francisco Bay	135,146	154,242	14.1%
Cars	42,382	46,683	10.1%
Light Trucks	92,764	107,559	15.9%
LA and Orange Counties	274,443	298,880	8.9%
Cars	94,021	98,820	5.1%
Light Trucks	180,422	200,060	10.9%
San Diego County	67,696	71,367	5.4%
Cars	19,337	20,004	3.4%
Light Trucks	48,359	51,363	6.2%

Data sourced from Experian Automotive.

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



MARKET SEGMENTS

### “True Truck” Share of State Retail Market is Below 40%

In the first half of 2023, light trucks accounted for 69.1 percent of the state market, up sharply during the past several years. But due to the sometimes fuzzy standards the industry has used to classify vehicles, these frequently cited light truck market share figures can send a misleading signal regarding an apparent shift to bigger vehicles.

For example, many small SUVs (i.e., Tesla Model Y and Honda CR-V) are essentially passenger cars with a hatchback, a higher center of gravity, and slightly more ground

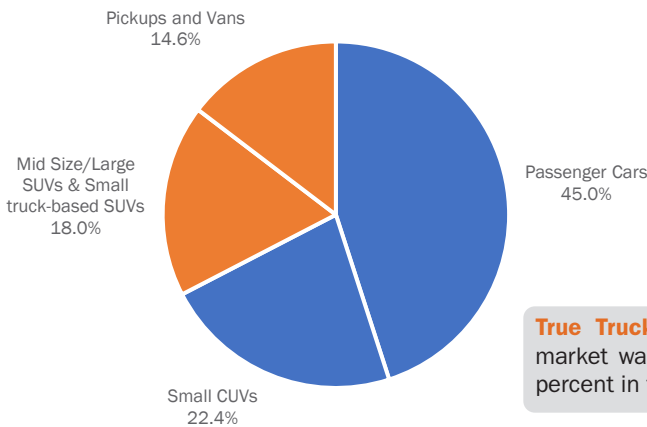
clearance. But these vehicles are traditionally classified as light trucks and are included in the same broad segment category as full size pickups and large SUVs. In many ways, small CUVs are more similar to compact cars than to 6,000 pound trucks.

The analysis below presents an alternative picture of truck market share in California by re-mapping these traditional breakdowns. The two orange shaded regions comprise what we are calling True Trucks - mid size and full size SUVs, truck-based small SUVs,

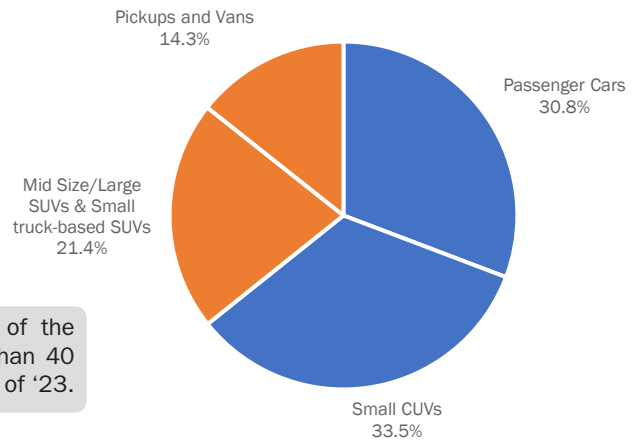
pickups, and vans. The two blue circles consist of passenger cars and small crossover SUVs.

By removing small CUVs from light trucks, true truck market share in the state during the first half of 2023 was well below half of the market - 35.7 percent. It’s increasing, up by 3.1 points over the past five years, but the combined total for passenger cars and small CUVs accounts for the dominant share of the market.

Segment Shares in State New Retail Market - YTD ‘18 (June)



Segment Shares in State New Retail Market - YTD ‘23 (June)



**True Truck** share of the market was less than 40 percent in first half of ‘23.

Data sourced from Experian Automotive.

BEST SELLERS IN MID SIZE SUV SEGMENT

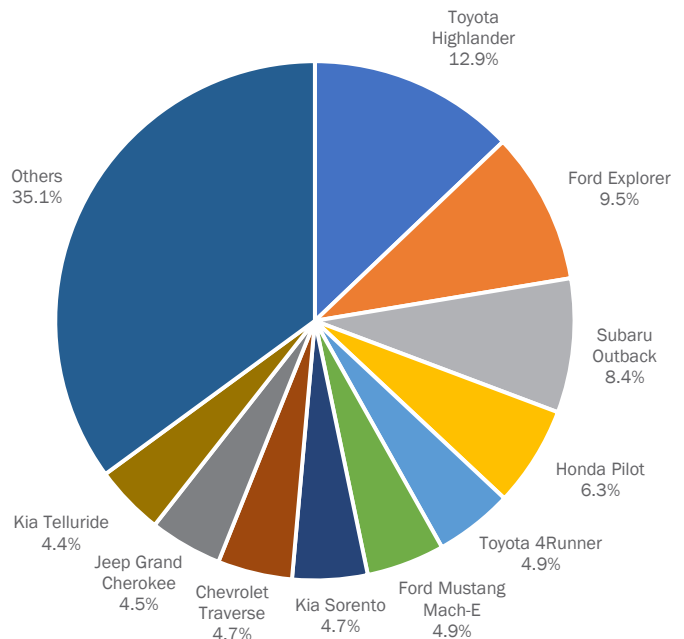
### Toyota Highlander and Ford Explorer Are Top Sellers in Mid Size SUV Segment

Share of California Non Luxury Mid Size SUV Segment - YTD ‘23 thru June



TOP SELLING MID SIZE SUVs

- Toyota Highlander**
- Ford Explorer**
- Subaru Outback**
- Honda Pilot**
- Toyota 4Runner**

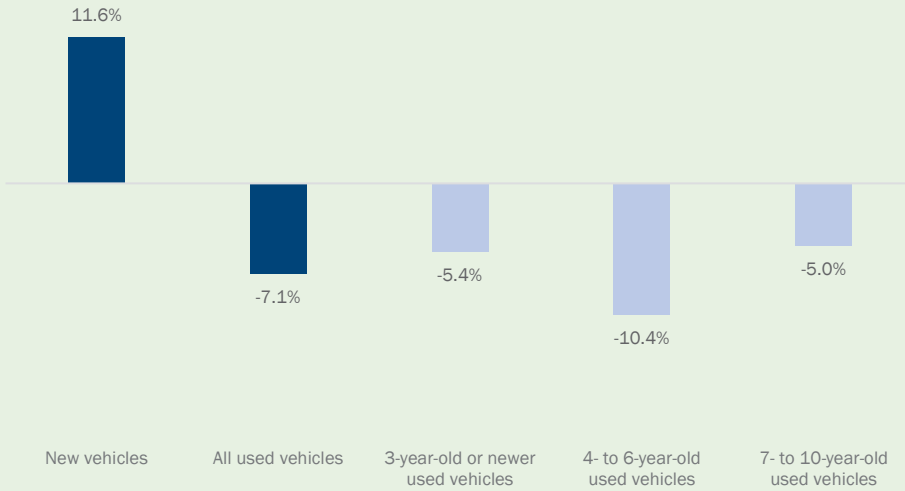


Data sourced from Experian Automotive.

CALIFORNIA USED VEHICLE MARKET

# California Used Vehicle Market Declined in First Half of 2023

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



Data sourced from Experian Automotive.

## THREE KEY TRENDS IN USED VEHICLE MARKET



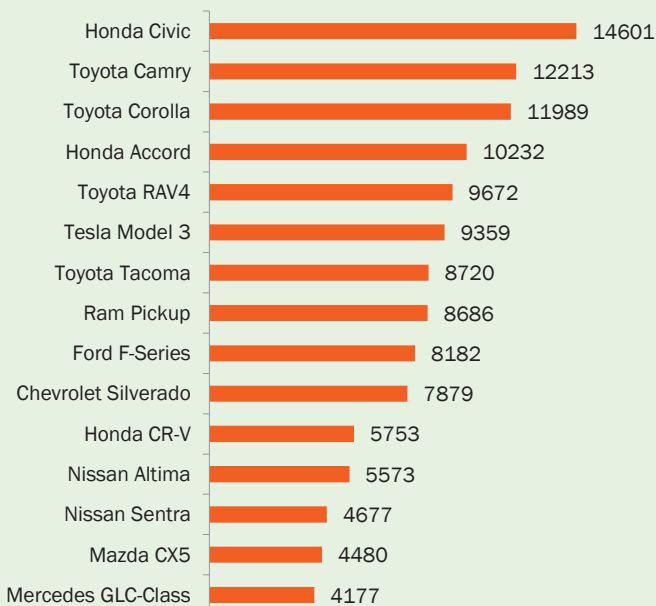
- 01.** The California used vehicle market declined 7.1 percent during the first six months of this year versus a year earlier, compared to the 11.6 percent increase in new vehicle registrations.
- 02.** As shown on the graph to the left, the 7- to 10-year-old market held up relatively well in the first half of this year. Used registrations of 7- to 10-year-old vehicles declined 5.0 percent. The 4- to 6-year-old market declined 10.4% and the 3-year-old or newer market fell 5.4 percent.
- 03.** Honda Civic was the top-seller in the California used vehicle market (see below).

TOP SELLING MODELS IN USED VEHICLE MARKET

## Honda Civic is Top Seller in Used Vehicle Market

The two graphs below show the top 15 selling models in California for two age classifications: vehicles 4-years-old or newer, and 5- to 8-year-old vehicles. Honda Civic was the leader in both categories.

Top 15 Selling Models for Vehicles 4-Years-Old or Newer  
YTD 2023 Registrations thru June



Data sourced from Experian Automotive.

Top 15 Selling Models for 5- to 8-Year-Old Vehicles  
YTD 2023 Registrations thru June

