

# READING THE METER

*A look inside a cleaner, safer,  
smarter auto industry.*



ALLIANCE FOR AUTOMOTIVE INNOVATION

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## Contents – May 20, 2025

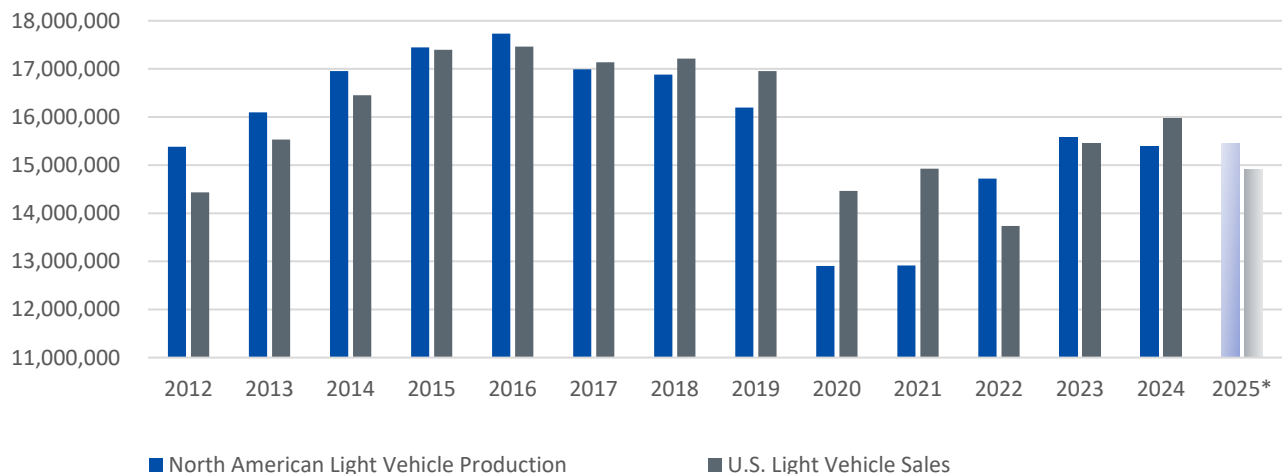
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## Forecast Meter

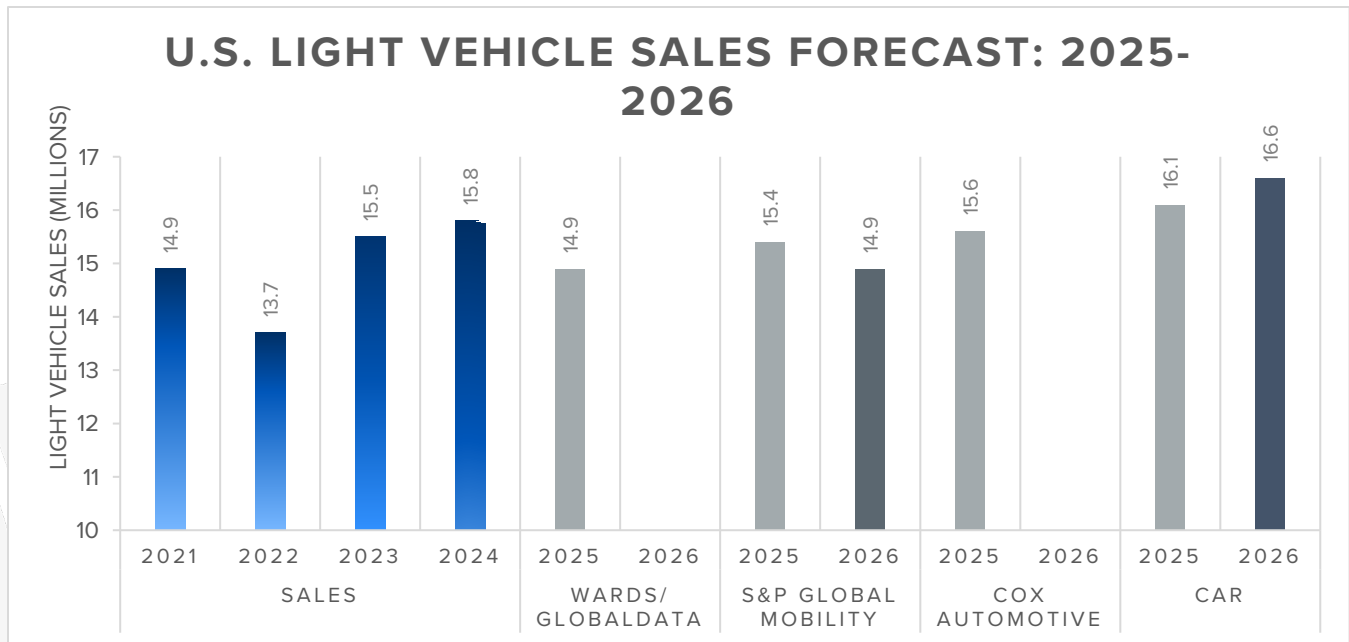
### Sales & Production Summary and Forecast (Updated 5/20)

2024-2025 Sales, <sup>1</sup> Extended Sales Forecast <sup>2</sup> and Production Forecasts <sup>3</sup>		
	U.S. Sales & Forecasts	North American Production
January '24	1,076,047 (-1.3% YoY)	1,327,765 (+7.8% YoY)
February '24	1,247,516 (+5.2% YoY)	1,358,836 (+10% YoY)
March '24	1,438,012 (+4.6% YoY)	1,414,502 (-5.7% YoY)
April '24	1,313,512 (+0.6% YoY)	1,473,567 (+15.9% YoY)
May '24	1,429,028 (+0.8% YoY)	1,485,373 (-1.7% YoY)
June '24	1,321,932 (-3.4% YoY)	1,346,584 (-6.1% YoY)
July '24	1,273,115 (-2.0% YoY)	1,117,833 (-4.4% YoY)
August '24	1,419,245 (+3.8% YoY)	1,428,177 (+32.6% YoY)
September '24	1,169,908 (-1.4% YoY)	1,399,608 (+0.8% YoY)
October '24	1,325,263 (+2.4% YoY)	1,506,154 (+7% YoY)
November '24	1,360,060 (+5.8% YoY)	1,331,155 (-3.1% YoY)
December '24	1,488,577 (+6.1% YoY)	972,571 (-11.2% YoY)
January '25	1,110,721 (+3.8% YoY)	1,194,682 (-7.1 YoY)
February '25	1,219,841 (+3.4% YoY)	1,290,302 (-8.7% YoY)
March '25	1,585,390 (+10.7% YoY)	1,424,691 (+1.5% YoY)
April '25	1,463,379 (+6.8% YoY)	1,338,714 (-8.2% YoY)
2024 Full Year	15,851,070 (+2.2% YoY)	15,972,369 (-1.3% YoY) (U.S. 10,561,234)
2025 Forecast	14,900,000	15,440,000

### North American Production And U.S. Light Vehicle Sales



## U.S. Light Vehicle Sales Outlook (Updated 5/20)



**Wards Intelligence Outlook (5/5)<sup>4</sup>:** “There remains enough inventory for May to see the continuation of the tariff-related sales surge of March and April, when the seasonally adjusted annual rates soared to 17.8 million and 17.3 million units, respectively, from January-February’s combined 15.8 million. Without the tariff effect, Wards Intelligence estimates March-April sales would have recorded roughly a 16.0-million SAAR.

“It’s hard to say how much the tariff-induced buying will continue in May, though price hikes, if they are significant, probably won’t show themselves until the third quarter. However, there could be some increases in May, with more in June. It’s also possible the Trump Administration further refines the overall level of automotive tariffs, even as soon as this month, with the likelihood changes would be to ease up more.

“May sales likely remain above WI’s baseline estimate of a 16.0 million SAAR but probably fall below 17 million. At the end of April there appeared some deceleration in tariff buying, plus inventory will continue to decline. In fact, May 31 inventory is projected to fall even further year-over-year from April’s 4.1% decline, possibly by double digits if sales top a 16-million SAAR.”

## North American Production & Inventory Outlook (Updated 5/20)

**Wards Intelligence Production Outlook (5/20)<sup>5</sup>:** “North America production fell marginally short of expectations in April, but projected output in both May and June was significantly cut, as the outlook for the economy, and its impact on sales, continues to deteriorate.

“U.S. tariffs and expectations of rising prices continue to sour the outlook for the North American economy, especially the U.S. - and lower sales volumes mean lower production. U.S. light-vehicle sales, at the beginning

of the year forecast to top 16 million units in 2025, are now forecast to total 14.9 million. Demand in both Canada and Mexico also has been downgraded.

“Furthermore, automakers themselves are predicting a major slowdown in demand and cuts to production related to the tariffs have already started.

“North America production of light vehicles and medium-/heavy-duty trucks in total is tracking to 3.91 million units in Q2-2025, 131,900 units lower than month-ago’s expectations for the period, and 6.0% below like-2024’s 4.22 million. It will be the fourth straight year-over-year downturn by quarter and lowest total for the period since 3.65 million in 2022.

“Including some estimates, production in April totaled 1.34 million units, 7.9% below same-month 2024’s 1.45 million. It was the eleventh decline in the past 14 months.

“Rounding out the quarter, production was lowered 39,300 units in May from month-ago’s forecast to 1.41 million – down 2.8% year-over-year – and June was slashed 76,700 to 1.22 million, down 7.5% from same-month 2024.

“Excluding medium-/heavy-duty trucks, light-vehicle production in Q2 is pegged at 3.84 million units, a downward revision from month-ago’s outlook of 129,900, and 6.2% below like-2024.”

**S&P Global Mobility Outlook (5/20)<sup>6</sup>:** “North America: The outlook for North America light vehicle production was increased by 163,000 units and reduced by 24,000 units for 2025 and 2026, respectively (and reduced by 23,000 units for 2027). Amid changing US tariff policies, the light vehicle production outlook for 2025 was revised higher by 1.2% to a total of 14.18 million units. Of note, May is not an update month for the light vehicle sales forecast, so our US sales forecast for 2025 remains at 15.42 million units. Most manufacturers continue to scramble to produce vehicles amid shifting tariff policies. Most of the increased volume in the May forecast release is concentrated in Q2-2025 which was revised higher by 3.7% or 137,000 units representing 84% of the full-year upward adjustment. Additional tariff relief could be supportive of a higher outlook for 2025 as this latest forecast continues to include a slowdown in vehicle production beginning from the third quarter onwards. With the impending ramifications of US trade policies still to be determined to the broader US economy, the outlook for 2026 and 2027 remains largely unchanged with 2026 revised down a nominal 0.2% and 2027 revised down a similar 0.2% totaling 14.48 and 15.45 million units, respectively. Longer range onshoring is still to be determined and potential exists, though that potential is undermined by the wavering state of US tariff policy.

**Wards Intelligence Inventory Outlook (5/5)<sup>7</sup>:** “U.S. light-vehicle inventory declined year-over-year in April, the first time in almost three years, since the start of the rebound from the depletion of dealer stock caused by the 2021/2022 global semiconductor shortage, it did not post growth. Furthermore, inventory is likely to decline even more in May.

“May 31 inventory is projected to fall even further year-over-year from April’s 4.1% decline, possibly by double digits if sales top a 16-million SAAR. The tariff sales surge, combined with slower production, was behind the steady decline in inventory, which in normal times would be rising along with growing sales.”

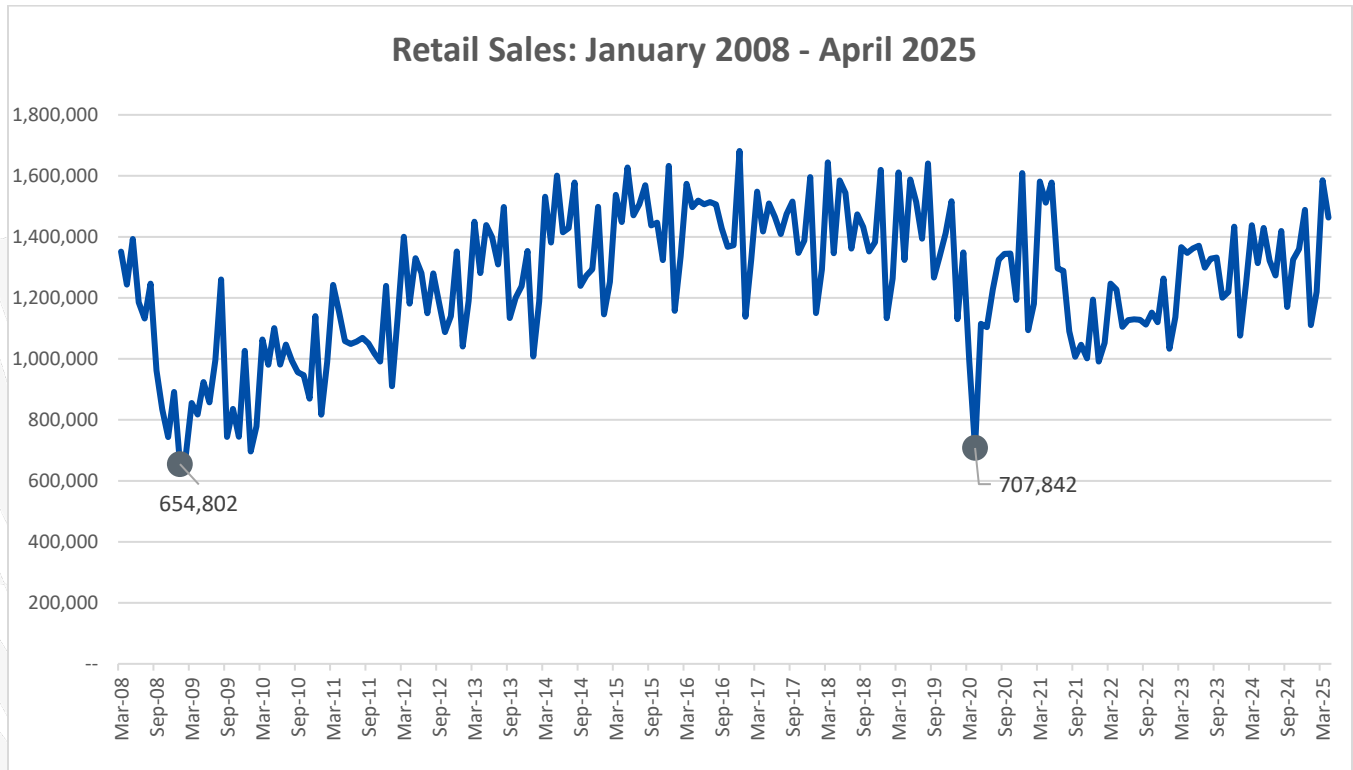
## Market Meter

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## U.S. Light Vehicle Sales (Updated 5/5)

### Monthly Sales (Updated 5/5)

This chart helps to put into context the monthly retail sales due to the COVID pandemic and showing the relative drop in sales compared to the 2008 financial crisis.



### Monthly Sales (Updated 5/5)

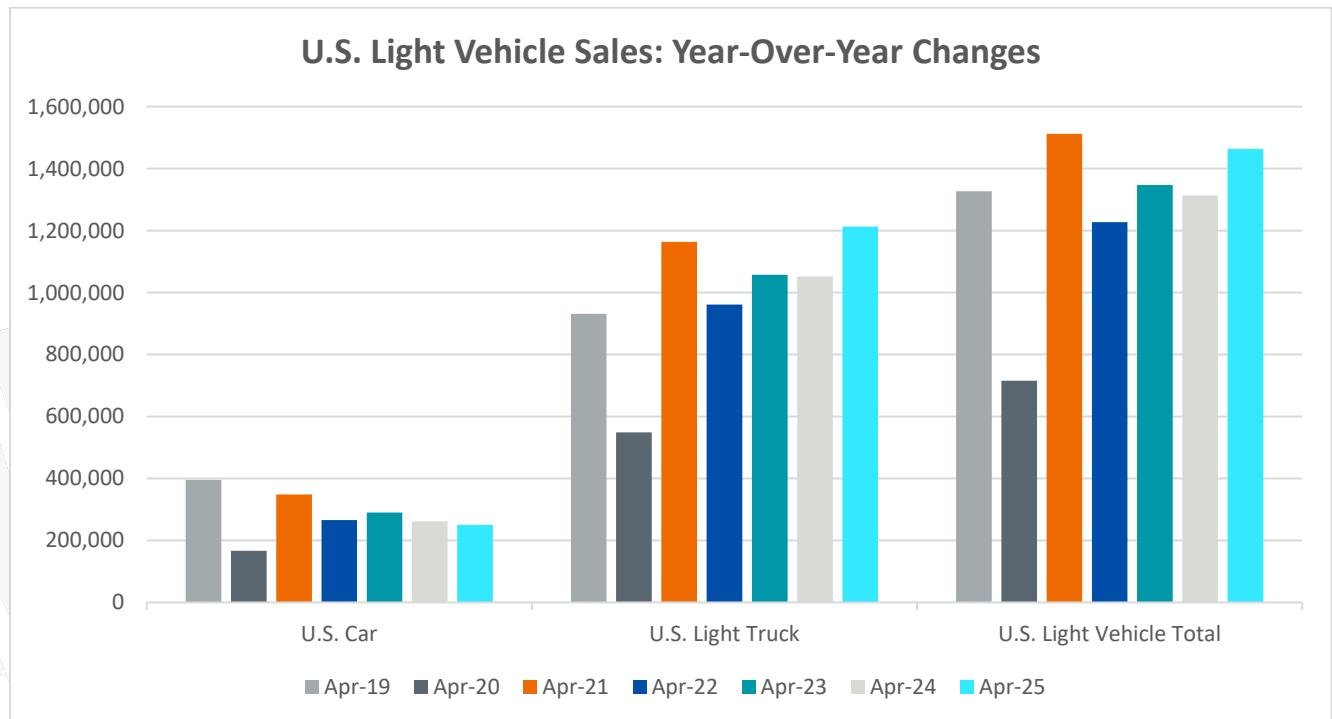
**WardsIntelligence<sup>®</sup>:** “Fear of tariff-related price hikes later in the year drove more consumers to dealer lots again in April, as sales surged well above base-line demand for the second straight month.

“April U.S. light-vehicle sales totaled 1.463 million units, 11.1% above April 2024. The total equaled a daily selling rate over the month’s 26 selling days of 56,284, 6.8% above the year-ago total of 52,699 – 25 selling days.

“April’s seasonally adjusted annual rate of 17.3 million units dropped from March’s 4-year any-month high of 17.8 million but was well above same-month 2024’s 16.0 million, which also is the total Wards Intelligence would have expected sales to have run at over the past two months if not for the tariff-induced buying.

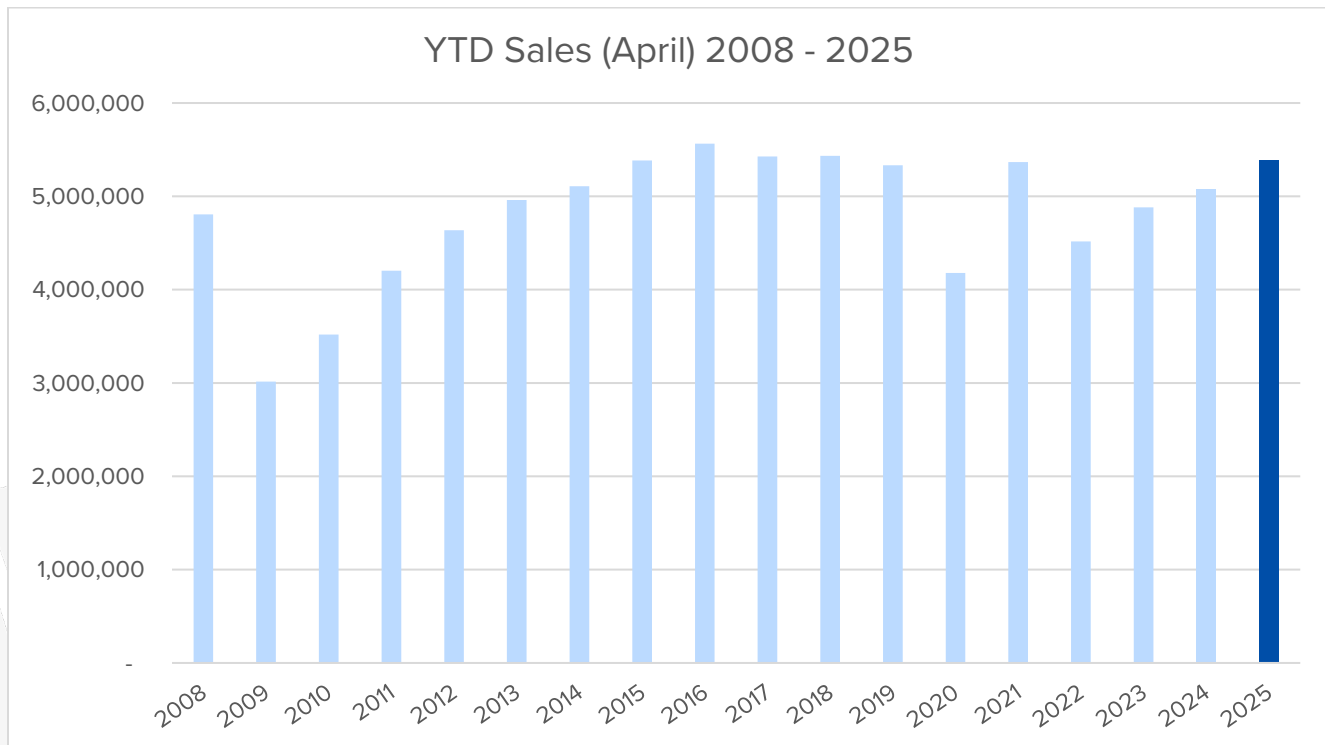
“Including January-February’s combined SAAR of 15.8 million, the 2025 year-to-date total through April is 16.7 million, compared with 4-month 2024’s 15.6 million. It’s the highest for that 4-month stretch since 17.1 million in 2021.

“There were indications sales weakened toward the end of the month. The final total came in slightly below WI’s forecast, which already assumed some late-month deceleration due to expectations inventory would start to fall, as well as the pre-tariff exuberance in general continuing a slow-but-steady decline from March.”



Calendar year-to-date sales through April totaled 5.4 million units, up 6% from 2024’s 5.1 million.

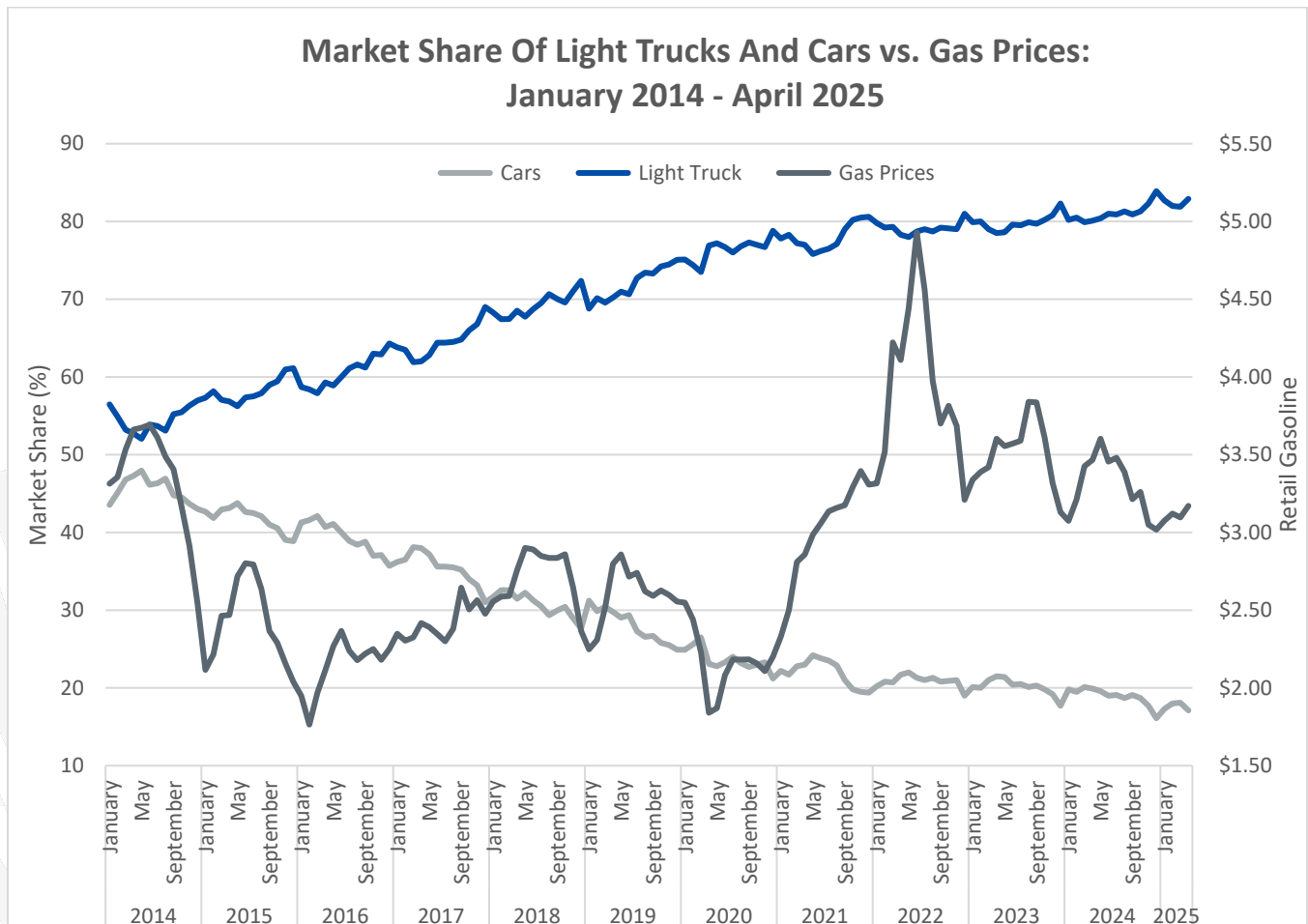




## Segments vs. Gas Prices (Updated 5/5)

**Monthly Sales:** Light trucks accounted for 82.9 percent of sales in April, up 2.8 percentage points from the market share a year ago. Compared to the same period in 2024, sales of cars are down 11,000 units, and down more than 144,000 from April 2019, when cars comprised 30% of the market as opposed to the 17 percent of the market passenger cars have now.

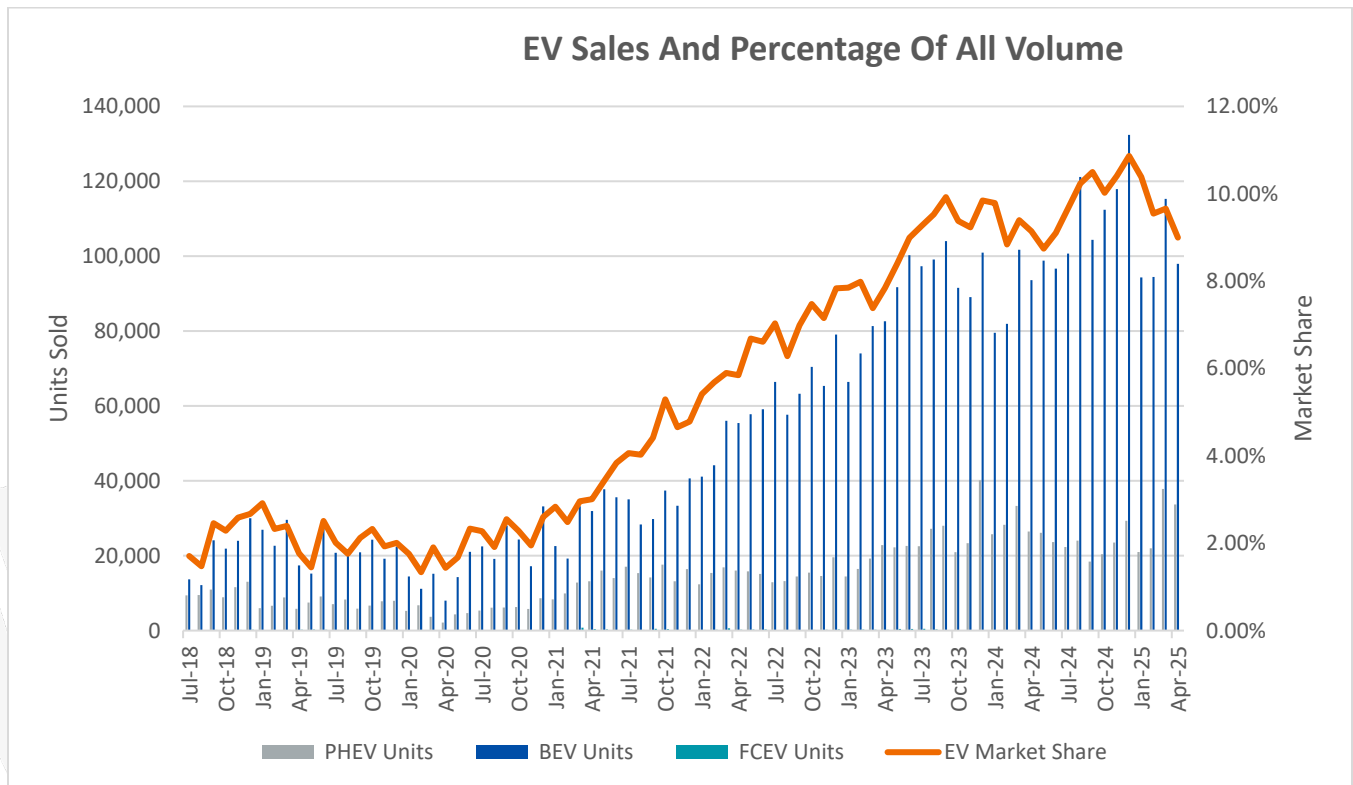
**Historic Perspective:** The upward trend in the popularity of light trucks over cars has been steady since 2013, when only 2% of annual market share separated the two segments.<sup>9</sup> and gas was over \$3.00.<sup>10</sup> a gallon. As fuel prices dropped below the \$3.00 mark in mid-September 2014, light truck sales began to take off. Gas prices since have averaged only \$2.83 a gallon (through April 2025) and when combined with increased fuel economy for light trucks, an increase of 4 mpg since 2013, the perfect conditions existed to continue fueling light truck market growth.<sup>11</sup>



## EV Powertrain Sales (Updated 5/5)

Sales of electric vehicles (BEV, PHEV, & Fuel Cell) accounted for 9.0 percent of total vehicle sales in April 2025 (131,661), per Wards estimates. Market share decrease 0.66 percentage points (pp) from March 2025. April's EV market share is down 0.1 pp from a year ago. Sales of battery electric vehicles led the way for EVs, accounting for 6.7 percent of total sales, down 0.43 pp from April 2024. Plug-in hybrids accounted for 2.3 percent, up 0.3 pp from the same time last year.





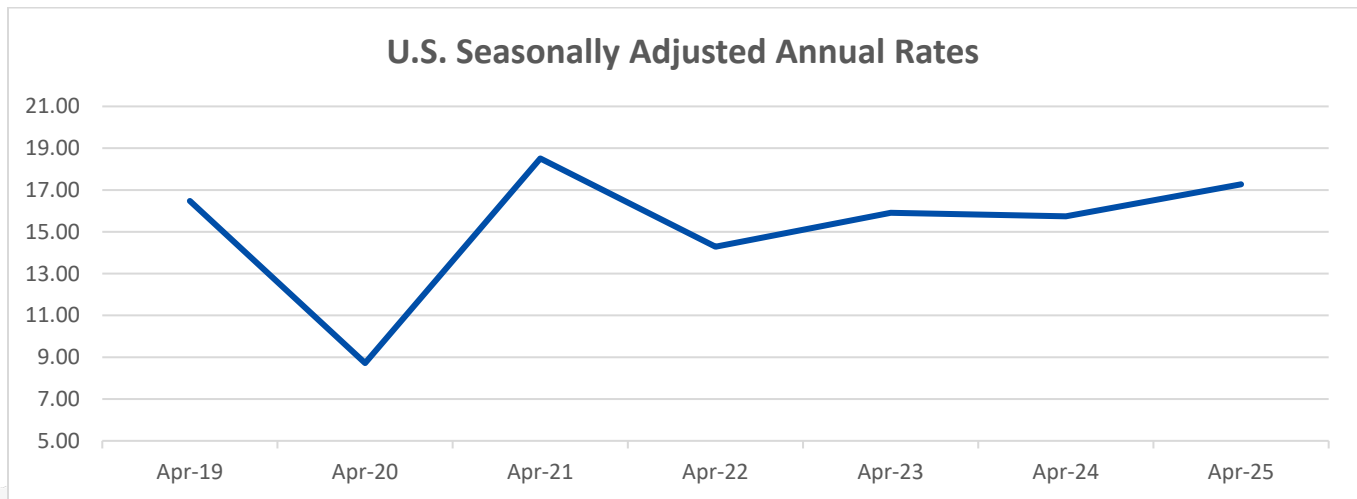
## Seasonally Adjusted Annual Rates (Updated 5/5)

**WardsIntelligence<sup>12</sup>:** “Fear of tariff-related price hikes later in the year drove more consumers to dealer lots again in April, as sales surged well above base-line demand for the second straight month.

“April U.S. light-vehicle sales totaled 1.463 million units, 11.1% above April 2024. The total equaled a daily selling rate over the month’s 26 selling days of 56,284, 6.8% above the year-ago total of 52,699 – 25 selling days.

“April’s seasonally adjusted annual rate of 17.3 million units dropped from March’s 4-year any-month high of 17.8 million but was well above same-month 2024’s 16.0 million, which also is the total Wards Intelligence would have expected sales to have run at over the past two months if not for the tariff-induced buying.

“Including January-February’s combined SAAR of 15.8 million, the 2025 year-to-date total through April is 16.7 million, compared with 4-month 2024’s 15.6 million. It’s the highest for that 4-month stretch since 17.1 million in 2021.”



## Average Transaction Price (Updated 5/20)

**J.D. Power (Updated 5/5)<sup>13</sup>:** “The moderation of discounting from manufacturers and dealers means the average transaction price for new vehicles has risen. The average new-vehicle retail transaction price in April is expected to reach \$45,764, up \$887 from April 2024, and up \$975 from March.”

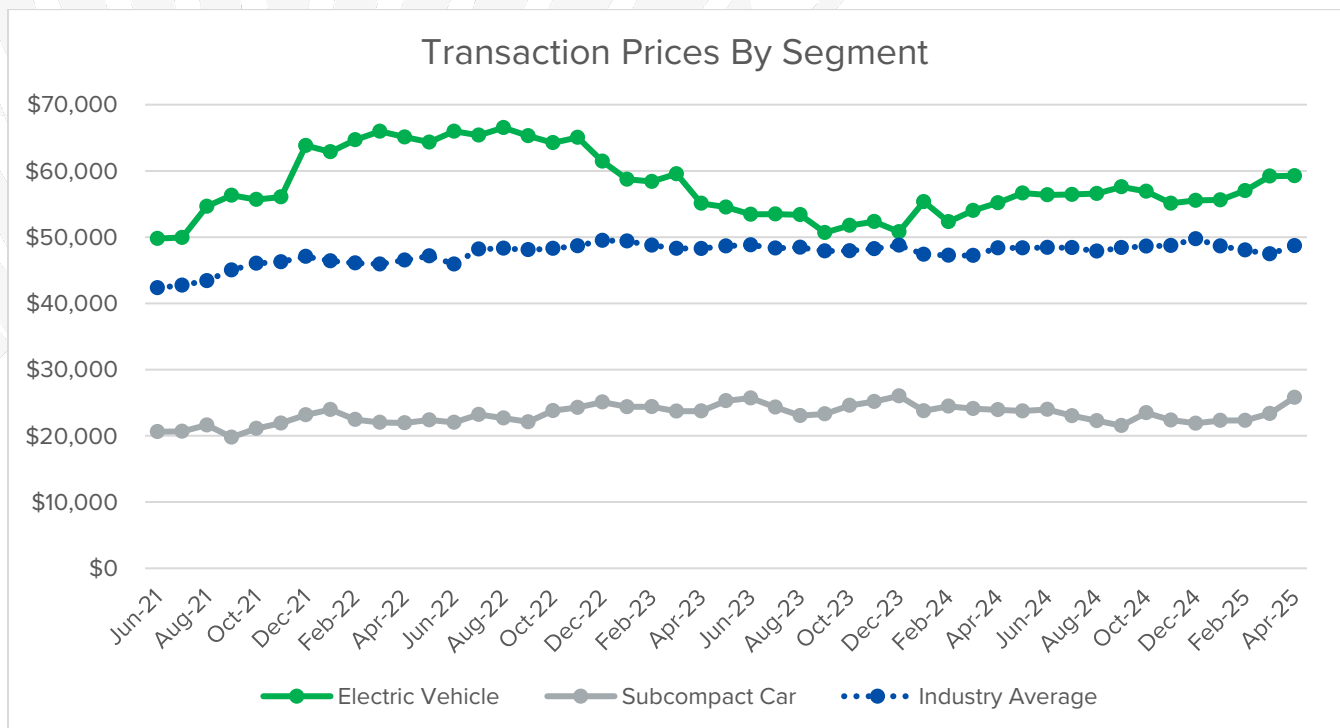
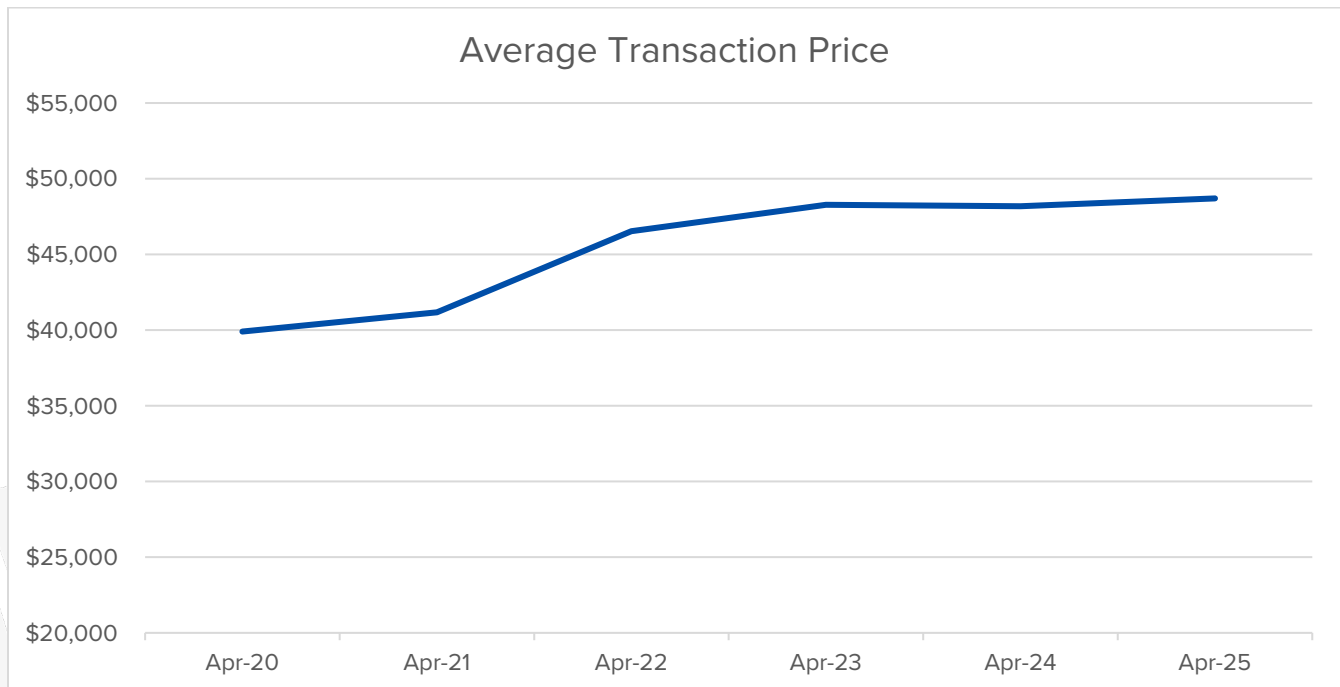
**Kelley Blue Book (April) (5/20)<sup>14</sup>:** “New-vehicle ATP increased in April to \$48,699. The month-over-month ATP increase of 2.5% was sharp, as April typically delivers a monthly increase of 1.1%. In the past decade, only April 2020 produced a larger month-over-month increase, at 2.7%.

“New-vehicle prices in April were higher year over year by 1.1%, an increase below long-term averages but higher than in recent months. According to Kelley Blue Book estimates, over the long term, new-vehicle prices typically rise more than 3% year over year. Since April 2023, however, as new-vehicle inventory recovered from the COVID-era shortage, new-vehicle prices have been mostly flat year over year.

“The new-vehicle sales pace in April was 17.3 million. The sales pace was lower than March but the strongest April since 2021. Amid the buying frenzy, new-vehicle sales incentives fell to 6.7% of ATP, down from 7.0% in March and at the lowest point since the summer of 2024. Prior to April, the six-month average was 7.4% of ATP.”

“The Kelley Blue Book team initially estimates new EV prices in April to be \$59,255, higher year over year by 3.7% and higher than March by 0.2%. The March EV ATP was revised lower to \$59,132.

“EV incentives declined for the second consecutive month in April, dropping to 11.6% of ATP. EV incentives peaked in November 2024 at 13.9% of ATP.”

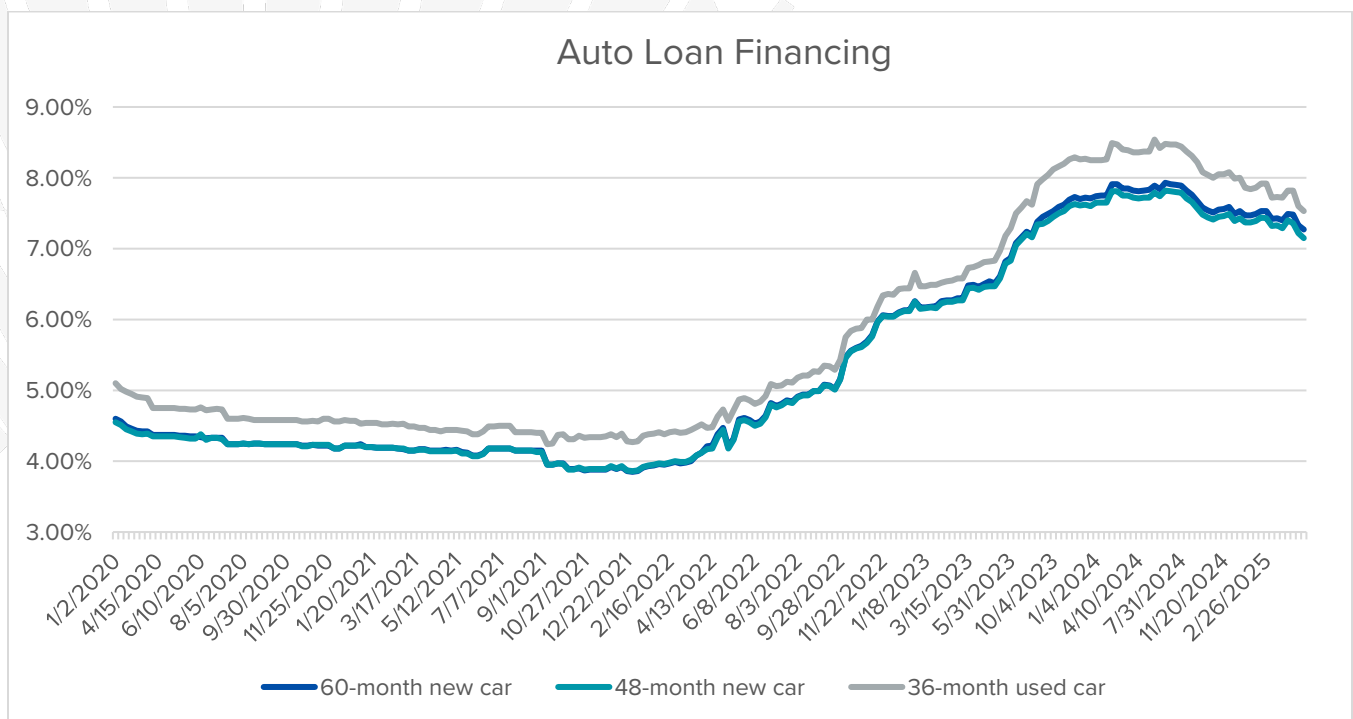


Auto Loan Financing (Updated 5/20)

**JD Power (5/5)<sup>15</sup>:** “Average monthly finance payments in April are on track to reach \$742, an increase of \$19 from April 2024, and the highest on record for the month of April. The average interest rate for new-vehicle loans is 6.80%, a nominal 18 basis point decrease from a year ago.”

**Interest Rates (updated 5/20):** Interest rates dropped on the 60-month, 48-month new car and 36-month used vehicle loans over the past two weeks. Rates now stand at 7.27%, 7.15%, and 7.53%, respectively. Since the beginning of 2020, 60-month rates are up 2.67 pp, and are down 0.62 pp since the same time a year ago. This is the lowest rate for loans since August 2023.<sup>16</sup>

Dates	60-month new car	48-month new car	36-month used car
1/2/2020	4.60%	4.55%	5.10%
5/22/2024	7.89%	7.79%	8.54%
4/30/2025	7.33%	7.22%	7.60%
5/14/2025	7.27%	7.15%	7.53%
Two Week Change	-0.06%	-0.07%	-0.07%
Change since 1/3/20	2.67%	2.60%	2.43%
One Year Change	-0.62%	-0.64%	-1.01%



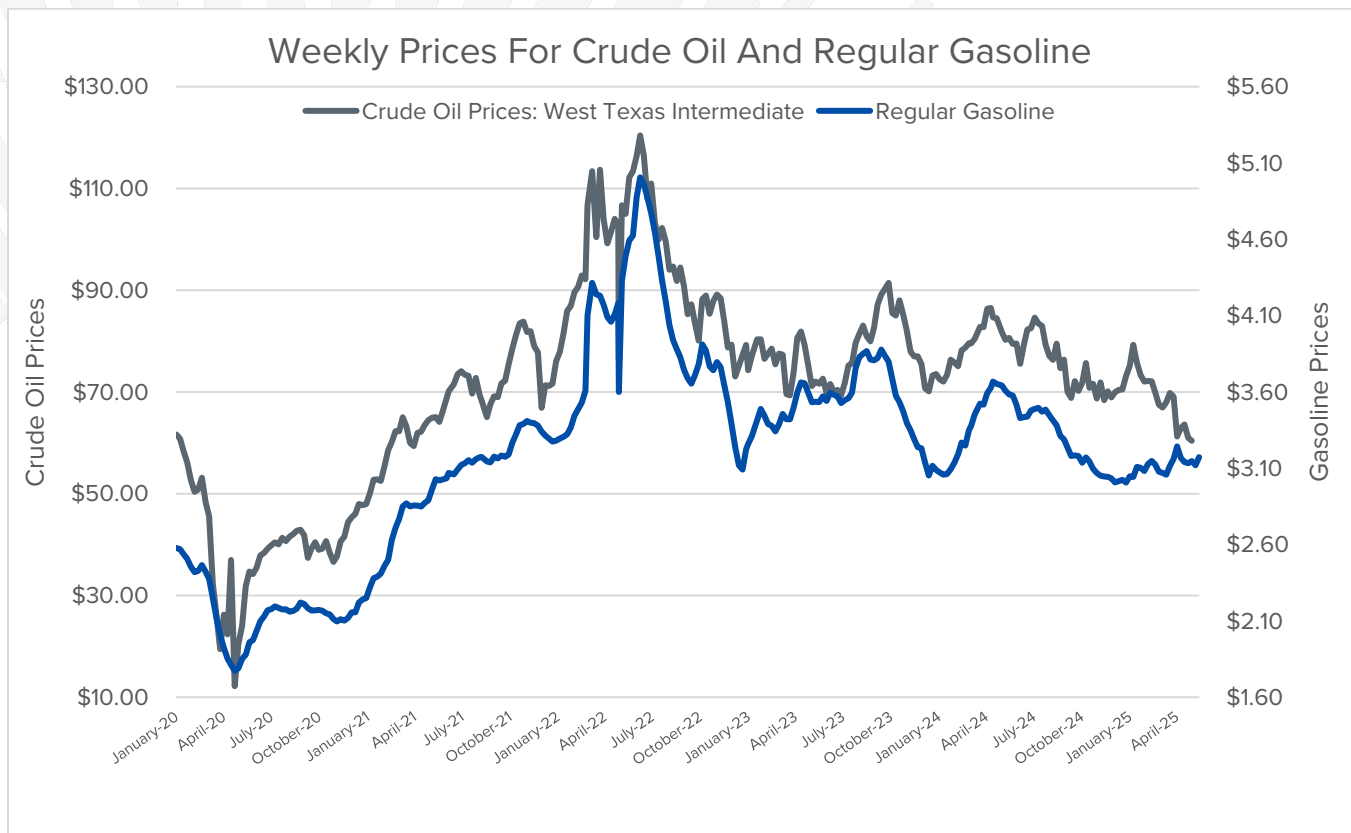
## Crude Oil and Gas Prices (Updated 5/20)

**Oil Falls to Four Year Low (5/20):** Oil prices, as benchmarked at West Texas Intermediate were \$60 at the beginning of May, down nearly \$21 from the same time a year ago and down \$1 with the same period last

month. Since election day 2024, oil prices are down \$8.30 a barrel. Gas is up slightly from a week ago at \$3.17. Gas is 23% higher than the beginning of 2020 and has not been below \$3 a gallon since May 2021 (though it did hit \$3.01 at the end of December 2024).<sup>17</sup>

**EIA Outlook For Oil (5/5):**<sup>18</sup> “We completed modeling and analysis for this report on April 7. More recent policy changes are not incorporated. Recent developments in trade policy and oil production led to a significant drop in oil prices during the first week of April. On April 2, President Donald J. Trump signed an Executive Order announcing 10% tariffs on imports from all countries, with higher tariffs initially imposed on some countries. On April 4, China responded by imposing 34% tariffs on imports from the United States. Amidst the tariff announcements, OPEC+ members announced on April 3 that some countries will start production increases in May that were originally set for July. Following these announcements, the Brent crude oil spot price fell by 14% from April 2 to \$66 per barrel (b) on April 7. We expect that prices for crude oil and other commodities will continue to experience significant volatility as market participants assess the effects of trade policies”

**EIA Outlook For Gasoline (5/5):**<sup>19</sup> “We forecast that this summer’s inflation-adjusted U.S. average regular gasoline price will be the lowest since 2020. The 2025 forecast summer average of about \$3.10 per gallon (gal) is based on the average of the 2Q25 and 3Q25 U.S. regular gasoline price, when increased travel during the warmer months of the year puts upward pressure on gasoline prices. We expect gasoline prices will average near \$3.20/gal in the summer of 2026. Compared with recent years, lower forecasted U.S. gasoline prices in 2025 and 2026 are mainly a result of lower crude oil prices. Although we expect crude oil prices will continue to fall in 2026, creating a downward effect on gasoline prices, that effect is offset by refinery closures and lower gasoline inventories, which cause refining margins for gasoline to rise.”



## Production Meter

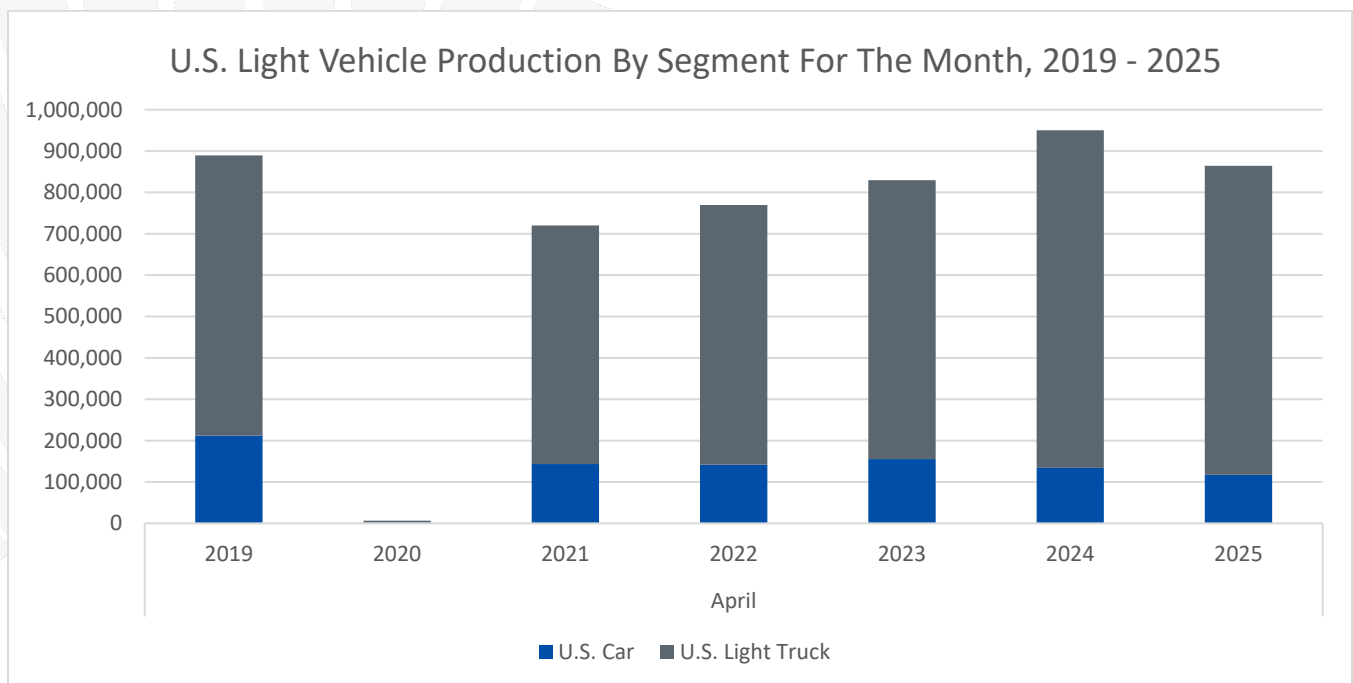
### North American Production (Updated 5/20)

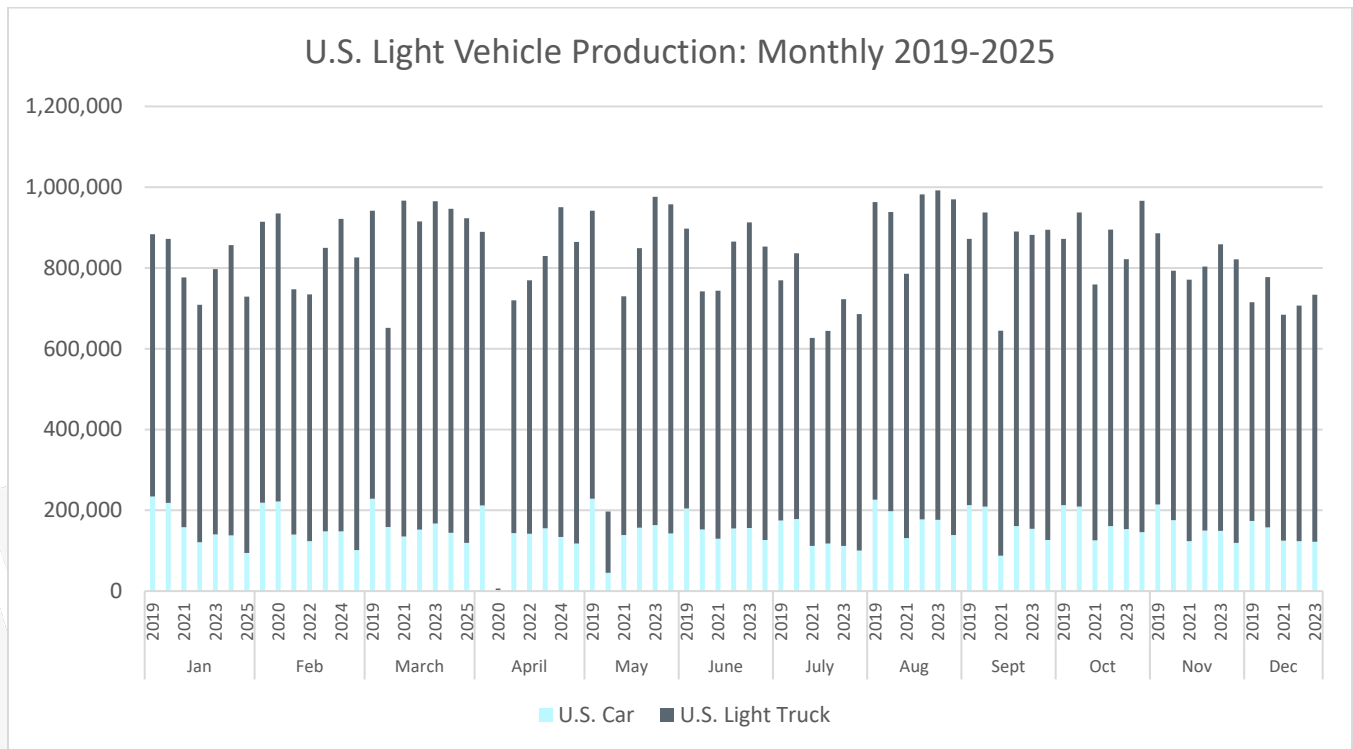
**Wards Intelligence**<sup>20</sup>: “Including some estimates, production in April totaled 1.34 million units, 7.9% below same-month 2024's 1.45 million. It was the eleventh decline in the past 14 months.”

### U.S. Light Vehicle Production (Updated 5/20)

#### U.S. Monthly Production

U.S. Light vehicle production for April was down 6.4 percent month-over-month, totaling 864,353 vehicles (117,590 cars, 746,763 light trucks), year-over-year, production is down 7.2 percent from 2024.<sup>21</sup>





## U.S. Light Vehicle Inventory and Days' Supply (Updated 5/5)

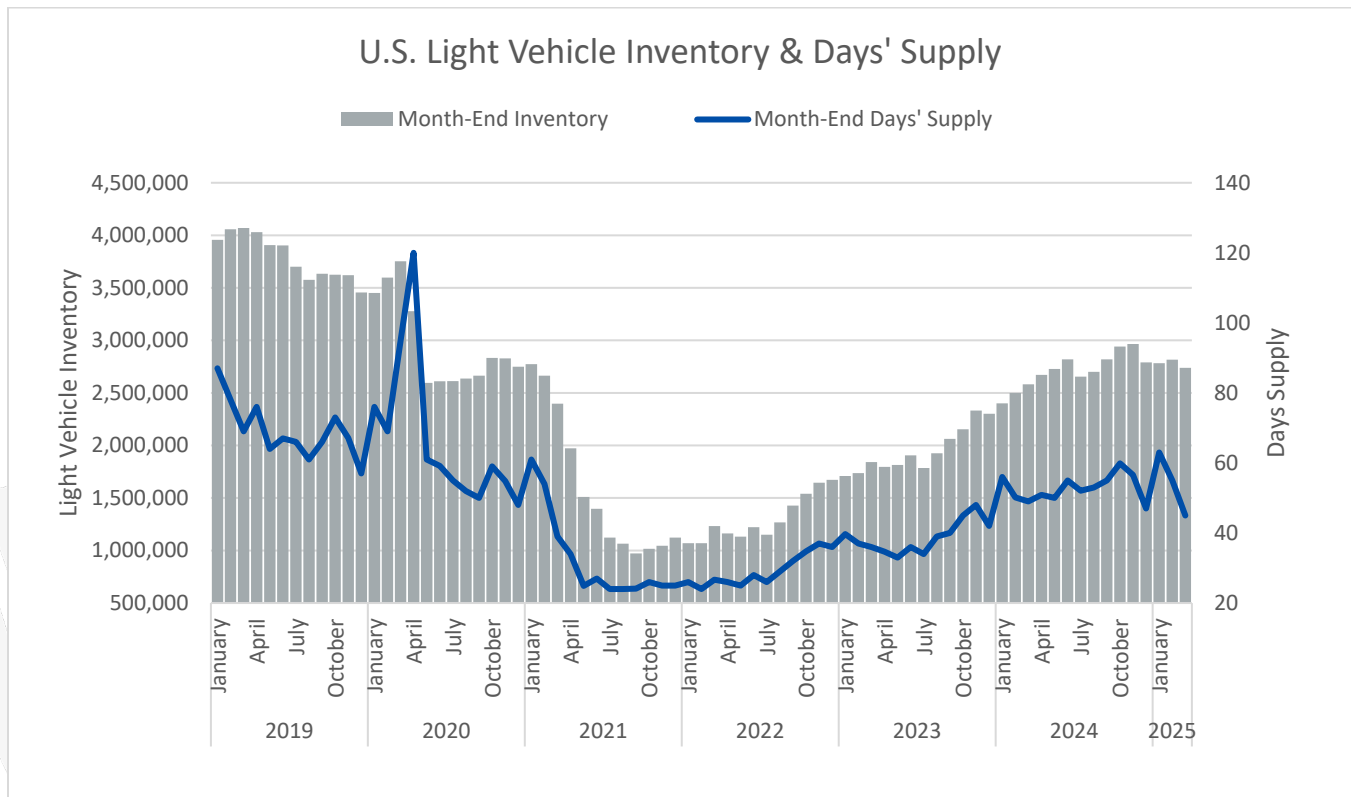
**WardsIntelligence Inventory Update (5/5)<sup>22</sup>:** “U.S. light-vehicle inventory declined year-over-year in April, the first time in almost three years, since the start of the rebound from the depletion of dealer stock caused by the 2021/2022 global semiconductor shortage, it did not post growth.

“Furthermore, inventory is likely to decline even more in May.

“April inventory totaled 2.621 million units, 4.1% below same-month 2024’s 2,732 million. Days’ supply was 47, up from the prior month’s 45, but a decline from April 2024’s 52. A typical April days’ supply in the pre-2020, or pre-pandemic, era was around 70.

“Most automakers ended with inventory below their year-ago totals, with exceptions among the high-volume sellers being Honda (up 17.5%), Hyundai (37.1%) and Kia (16.4%), while Ford was down just 1.0%.”





## Global Meter

### Global Light Vehicle Sales (Updated 5/20)

**Wards Intelligence<sup>23</sup>:** “Global sales of light vehicles and medium- and heavy-duty trucks totaled 9.011 million units in March, 4.9% above the year-ago month.

“First-quarter 2025 volume totaled 23.469 million units, 4.9% above January-March 2024’s 22.366 million.

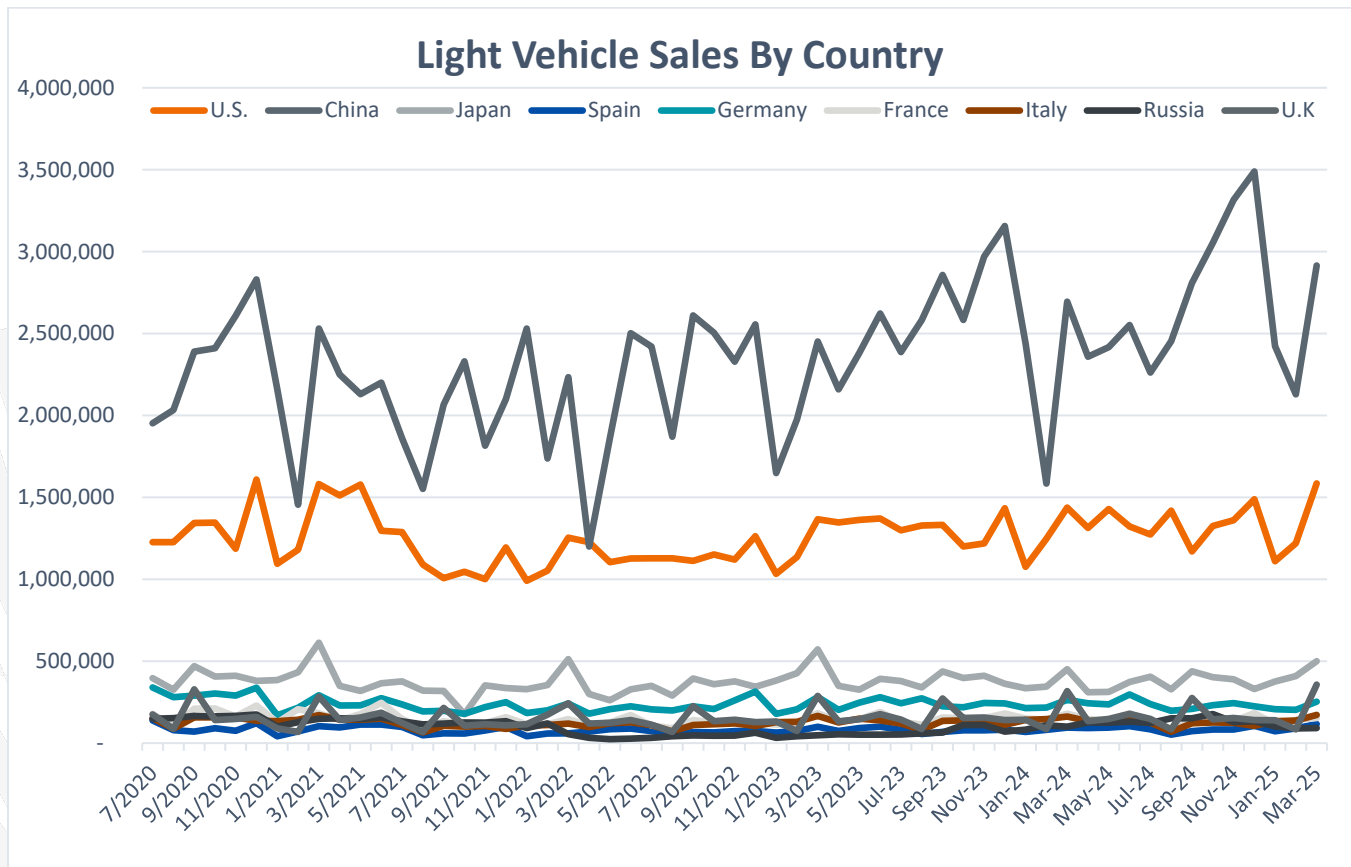
“The good news is that the gains were the sixth straight year-over-year increase by month and the second consecutive gain by quarter, and that when sales are tallied for April, a gain also is expected. However, the rest of the year is problematic, largely because of the trade conflicts started by the U.S.

“Excluding medium-/heavy-duty trucks, global light-vehicle sales in March totaled 8.677 million units, 5.3% above like-2023’s 8.244 million. First-quarter deliveries totaled 22.597 million, 5.2% above January-March 2024’s 21.475 million.

“Wards Intelligence partner GlobalData pegged March’s annualized rate for light vehicles at 90.7 million units, up from February’s upwardly revised 87.5 million and January’s 88.9 million.

“In March, all major regions except Europe posted year-over-year increases.

“However, with the trade war’s potential to slow economic growth, GlobalData has lowered its outlook for entire 2025 to 89.5 million units, which remains above 2024 (by 0.8%) but is a cut of 2 million units from its month-ago forecast for the year.”



## Global Light Vehicle Production (Updated 5/20)

**S&P Global Mobility Forecast (5/20)<sup>24</sup>:** “The outlook for the global auto industry continues to be influenced by ongoing US tariff activity. Recent actions taken have provided some relief as near-term agreements have been reached with China and the United Kingdom while other negotiations remain in process. Further, it now appears USMCA-compliant parts will remain tariff-free, an important consideration, particularly for US vehicle production. Even with the exemption for USMCA-compliant parts and the announced two-year tariff adjustments for non-compliant parts, the situation remains in flux with uncertainty still in play. Nevertheless, recent tariff actions put the auto industry in a generally better position. We expect potential further adjustments to the outlook with the June update as the sales forecast factors in recent tariff changes and production also adjusts accordingly. The May forecast update reflects a mix of a couple notable upgrades and some modest downgrades as we adjust to reflect the impacts of tariff announcements and recent trade deals by the Trump administration. Of note, the upgrades are particularly concentrated in Greater China given the strength in vehicle sales as well as the recent trade agreement with the US. Also, North America was revised upward for 2025 reflecting adjustments made to account for changes in tariff policy which is more

accommodative to USMCA-compliant parts, especially supportive to US production, among other factors. The more noteworthy regional adjustments with the latest forecast update are detailed below:

**“Europe:** The outlook for Europe light vehicle production was reduced by 11,000 units and by 19,000 units for 2025 and 2026, respectively (and reduced by 46,000 units for 2027). This month’s forecast update reflects a more modest revision for Europe. Q1-2025 actual production continues to come in above expectations, although exclusively focused on ICE-based vehicles. Further, the announcement of the US-UK deal on tariffs did lead to a lift in the forecast for Land Rover specifically. Nevertheless, the over-arching trade/tariff situation between the US and the EU remains very much in flux and a key headwind to for production in the near-term. Looking to 2026 and 2027, we have made further, yet fairly modest, downward revisions reflective of the general uncertainty facing the broader region.

**“Greater China:** The outlook for Greater China light vehicle production was increased by 203,000 units and by 92,000 for 2025 and 2026, respectively (and increased by 35,000 units for 2027). The recent easing of the tariff war between China and US is expected to improve the economic prospects on both sides. Further, the Chinese government is expected to continue to promote a proactive fiscal policy and accommodative monetary policy in the coming months, aiming to boost domestic consumption and support export expansion. For the May forecast, full-year 2025 light vehicle production in Greater China region was upgraded to 30.7 million units, leading to 2.1% year-on-year growth (returning closer to levels of pre-tariff war in March). In the longer term, given no significant adjustments to the broader assumptions since the last round, we have maintained a steady development and the same general levels as the April forecast.

**“Japan/Korea:** Full-year 2025 Japan production was reduced by 26,000 units relative to the last forecast. The adjustment reflects continued fine tuning by Japanese OEMs factoring an export slowdown caused by US tariffs impacting their domestic production plans. In the longer term, Japan production volume was reduced by around 20,000 units per year. This is due primarily to expected plans by Toyota to transfer some production of the next-generation RAV4 to the US to avoid tariff impacts. Full-year 2025 South Korea production was upgraded by 33,000 units due to advance vehicle shipments before the US tariffs took effect. This is further influenced by Hyundai Motor Group’s plan to freeze vehicle prices until early June to stimulate more demand. There were no major changes in 2026 and 2027.

**“North America:** The outlook for North America light vehicle production was increased by 163,000 units and reduced by 24,000 units for 2025 and 2026, respectively (and reduced by 23,000 units for 2027). Amid changing US tariff policies, the light vehicle production outlook for 2025 was revised higher by 1.2% to a total of 14.18 million units. Of note, May is not an update month for the light vehicle sales forecast, so our US sales forecast for 2025 remains at 15.42 million units. Most manufacturers continue to scramble to produce vehicles amid shifting tariff policies. Most of the increased volume in the May forecast release is concentrated in Q2-2025 which was revised higher by 3.7% or 137,000 units representing 84% of the full-year upward adjustment. Additional tariff relief could be supportive of a higher outlook for 2025 as this latest forecast continues to include a slowdown in vehicle production beginning from the third quarter onwards. With the impending ramifications of US trade policies still to be determined to the broader US economy, the outlook for 2026 and 2027 remains largely unchanged with 2026 revised down a nominal 0.2% and 2027 revised down a similar 0.2% totaling 14.48 and 15.45 million units, respectively. Longer range onshoring is still to be determined and potential exists, though that potential is undermined by the wavering state of US tariff policy.

**“South America:** The outlook for South America light vehicle production was reduced by 13,000 units and by 8,000 units for 2025 and 2026, respectively (and reduced by 5,000 units for 2027). The outlook for 2025 was reduced due, in part, to modestly lower production actuals for Argentina. Also, while production for Brazil ended stronger than expected, we maintained a downward bias for the month given another increase in interest rates by the Central Bank of Brazil, making financing/credit more costly. Looking to 2026/2027,

regional volumes remained broadly stable for the period, only down an average of around 6,000 units per year. This is principally due to the removal of the Nissan C-Pickup in Argentina with no alternate vehicle to compensate for the removal. Of note, we have reversed part of the changes to VW's long-term strategy that we had applied in the April update. Essentially, we returned to more logical lifecycles with new generations of most models now happening around 2027/2029 (instead of 2035).

**“South Asia:** The outlook for South Asia light vehicle production was increased by 12,000 units for 2025 and by 48,000 units for 2026 (and increased by 16,000 units for 2027). The 2025 light vehicle production forecast for the ASEAN market remains largely unchanged. The outlook is somewhat mixed: while stronger-than-expected production in March/April offers some upside, persistent market challenges, weakening export momentum and trade volatility continue to weigh on the forecast. The temporary 90-day suspension of US reciprocal tariffs opens a window for negotiation, and the recent easing in US-China tensions could lead to more favorable trade terms for ASEAN, but short-term risks remain elevated. With the May 2025 update, we upgraded the production outlook for India by around 22,000 units for 2025 and by 49,000 for 2026 owing to continued momentum with new vehicle launches in the domestic market. Notwithstanding the aforementioned upgrades, the recent military conflict between India and Pakistan, triggered by a terrorist attack in India, has the potential to negatively impact both economies. As of the timing of this report, a ceasefire has been established between the two nations. We have adjusted our projections modestly upward for India in the extreme near-term while keeping the overall forecast generally stable. In contrast, the forecast for Pakistan has been slightly downgraded, as its economy is more fragile compared to that of India.”

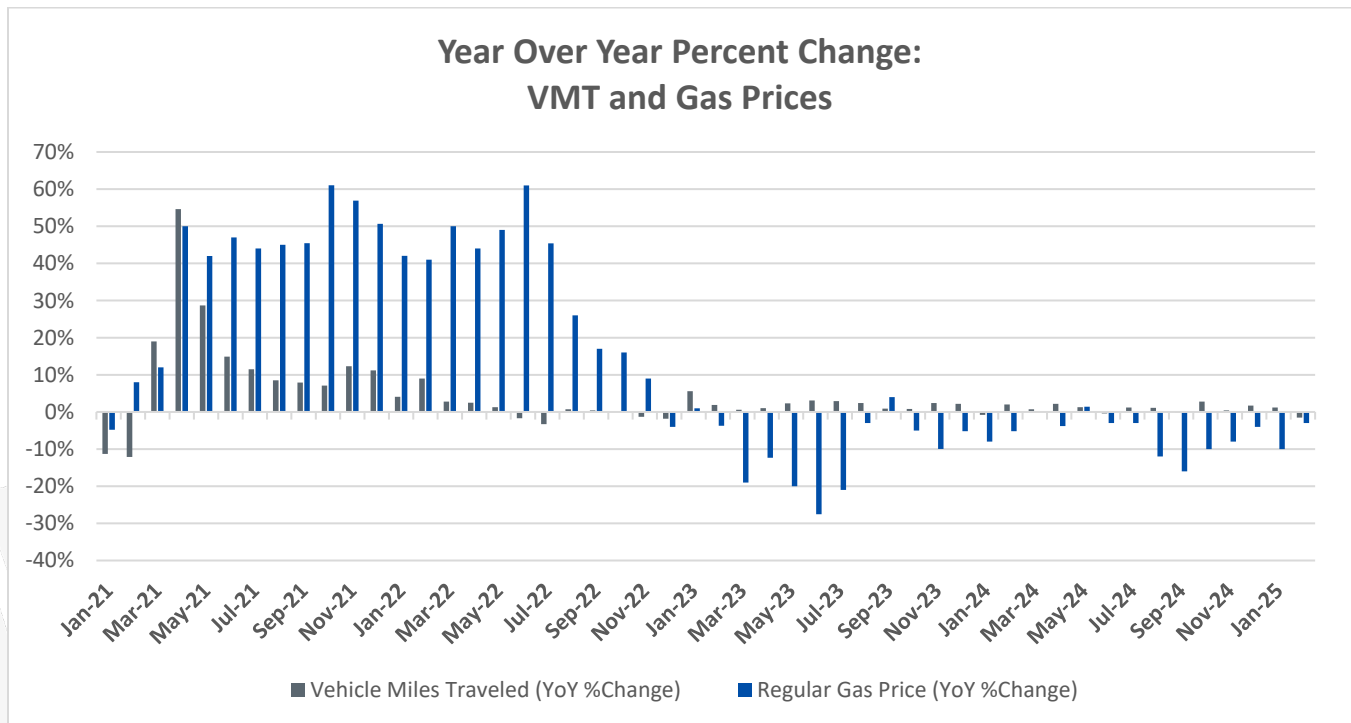
## Economy Meter

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### Roadway Travel (Updated 5/5)

According to the U.S. Department of Transportation, seasonally-adjusted vehicle miles traveled in February decreased by 1.2 percent from the same time a year ago. The cumulative travel estimate for 2025 is 488.5 billion vehicle miles.<sup>25</sup>

- Travel on all roads and streets changed by -1.5% (-3.7 billion vehicle miles) for February 2025 as compared with February 2024. Travel for the month is estimated to be 237.3 billion vehicle miles.
- The seasonally adjusted vehicle miles traveled for February 2025 is 271.9 billion miles, a -1.2% (-3.4 billion vehicle miles) change over February 2024. It also represents a -1% change (-2.7 billion vehicle miles) compared with January 2025.
- Cumulative Travel for 2025 changed by +0.2% (+1.1 billion vehicle miles). The cumulative estimate for the year is 488.5 billion vehicle miles of travel.



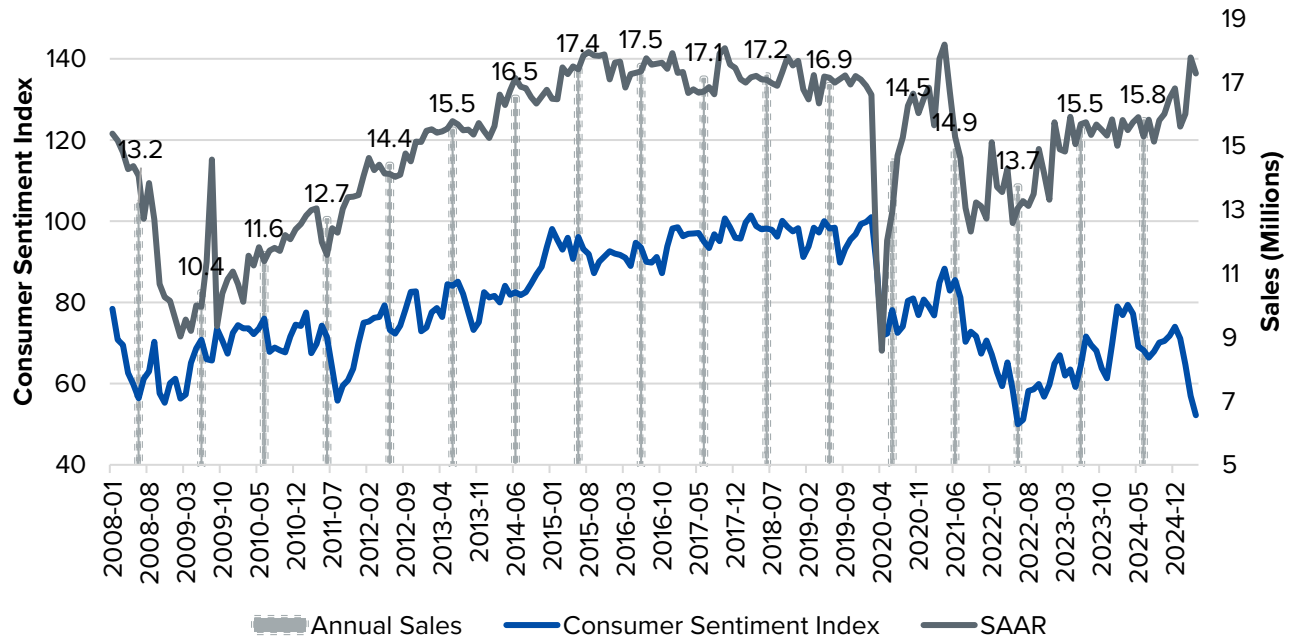
## Consumer Confidence and Sales (Updated 5/20)

**Surveys of Consumers Director Joanne Hsu<sup>26</sup>:** “Consumer sentiment was essentially unchanged this month, inching down a scant 1.4 index points following four consecutive months of steep declines. Sentiment is now down almost 30% since January 2025. Slight increases in sentiment this month for independents were offset by a 7% decline among Republicans. While most index components were little changed, current assessments of personal finances sank nearly 10% on the basis of weakening incomes. Tariffs were spontaneously mentioned by nearly three-quarters of consumers, up from almost 60% in April; uncertainty over trade policy continues to dominate consumers’ thinking about the economy. Note that interviews for this release were conducted between April 22 and May 13, closing two days after the announcement of a pause on some tariffs on imports from China. Many survey measures showed some signs of improvement following the temporary reduction of China tariffs, but these initial upticks were too small to alter the overall picture – consumers continue to express somber views about the economy. The initial reaction so far echoes the very minor increase in sentiment seen after the April 9 partial pause on tariffs, despite which sentiment continued its downward trend.

“Year-ahead inflation expectations surged from 6.5% last month to 7.3% this month. This month’s rise was seen among Democrats and Republicans alike. Long-run inflation expectations lifted from 4.4% in April to 4.6% in May, reflecting a particularly large monthly jump among Republicans. The final release for May will reveal the extent to which the May 12 pause on some China tariffs leads consumers to update their expectations.”



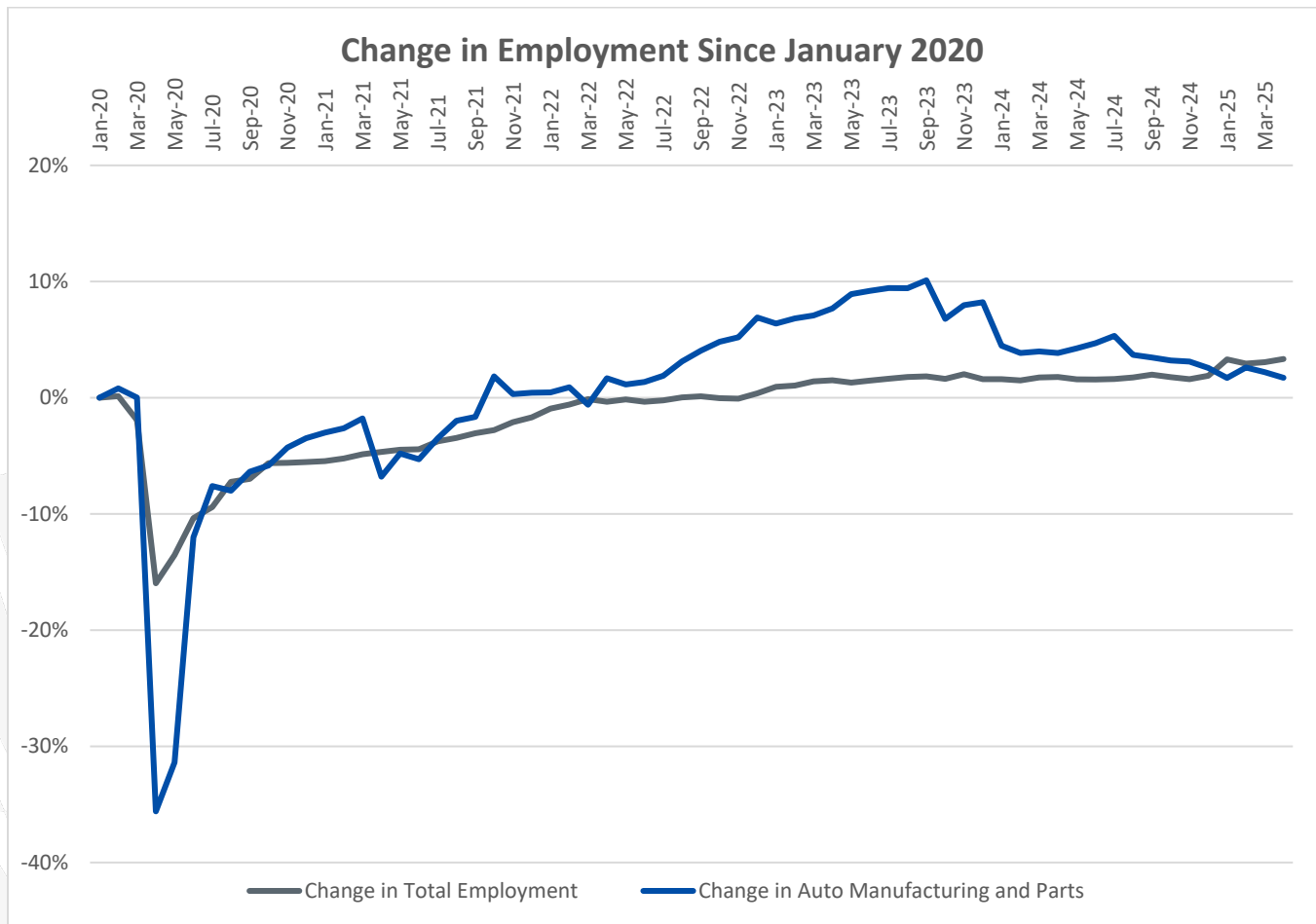
### Light Vehicle Sales And Consumer Sentiment Index: 2008 - April 2025



## Employment (Updated 5/5)

### Motor Vehicle And Parts Manufacturing Lost 4,700 Jobs in April.

After a loss of nearly 350,000 employees (about 35% of the workforce) in the height of the pandemic, employment in the Automobile Manufacturing and Parts sectors raced back but is now fighting losses due to supply chain disruptions with semiconductors.<sup>27</sup>



## Sources

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- <sup>3</sup> WardsIntelligence, North America Platform by Plant Production Forecast
- <sup>4</sup> Haig Stoddard, "Tariff Sales Surge Drains U.S. Light-Vehicle Inventory in April," WardsIntelligence, 5/2/2025
- <sup>5</sup> Haig Stoddard, "North America Q2 Production Outlook Slashed; April Down 8%," WardsIntelligence, 5/19/2025
- <sup>6</sup> S&P Global Mobility, email, "S&P Global Mobility Monthly Automotive Update – May 2025," 5/16/2025
- <sup>7</sup> Haig Stoddard, "Tariff Sales Surge Drains U.S. Light-Vehicle Inventory in April," WardsIntelligence, 5/2/2025
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- <sup>9</sup> WardsIntelligence, U.S. Light Vehicle Sales, January 2013 – April 2025
- <sup>10</sup> U.S. Energy Information Administration, Weekly Retail Gasoline and Diesel Prices, Regular price per gallon, including taxes
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- <sup>12</sup> Haig Stoddard, "Tariff-Induced Buying Pumps U.S. Light-Vehicle Sales for Second Month in April," WardsIntelligence, 5/1/2025
- <sup>13</sup> J.D. Power, Press Release, "New-Vehicle Retail Sales Rise 14.7% in April as Shoppers Buy in Advance of Potential Price Increases," 4/224/2025
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<sup>17</sup> U.S. Energy Information Administration, Regular Gasoline, [www.eia.gov](http://www.eia.gov), Accessed 5/20/2025; U.S. Energy Information Administration, Weekly Cushing, OK WTI Spot Price, [www.eia.gov](http://www.eia.gov), Accessed 5/20/2025

<sup>18</sup> EIA, "[Short-Term Energy Outlook](#)," 5/5/2025

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<sup>20</sup> Haig Stoddard, "North America Q2 Production Outlook Slashed; April Down 8%," WardsIntelligence, 5/19/2025

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<sup>22</sup> Haig Stoddard, "Tariff Sales Surge Drains U.S. Light-Vehicle Inventory in April; First Decline in Nearly 3 Years," WardsIntelligence, 5/2/2025

<sup>23</sup> Haig Stoddard, "Global Sales Remain Strong in March Ahead of Expected Weakness" *WardsIntelligence*, 4/30/2025

<sup>24</sup> S&P Global Mobility, email, "S S&P Global Mobility Monthly Automotive Update – May 2025," 4/16/2025

<sup>25</sup> U.S. Department of Transportation, [https://www.fhwa.dot.gov/policyinformation/travel\\_monitoring/21septvt/](https://www.fhwa.dot.gov/policyinformation/travel_monitoring/21septvt/), Accessed 12/5/2024

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