



CENTER FOR
AUTOMOTIVE
RESEARCH

Great Designs in Steel Symposium

AISI Conference 2026

Elizabeth Krear, President & CEO
May 20, 2026

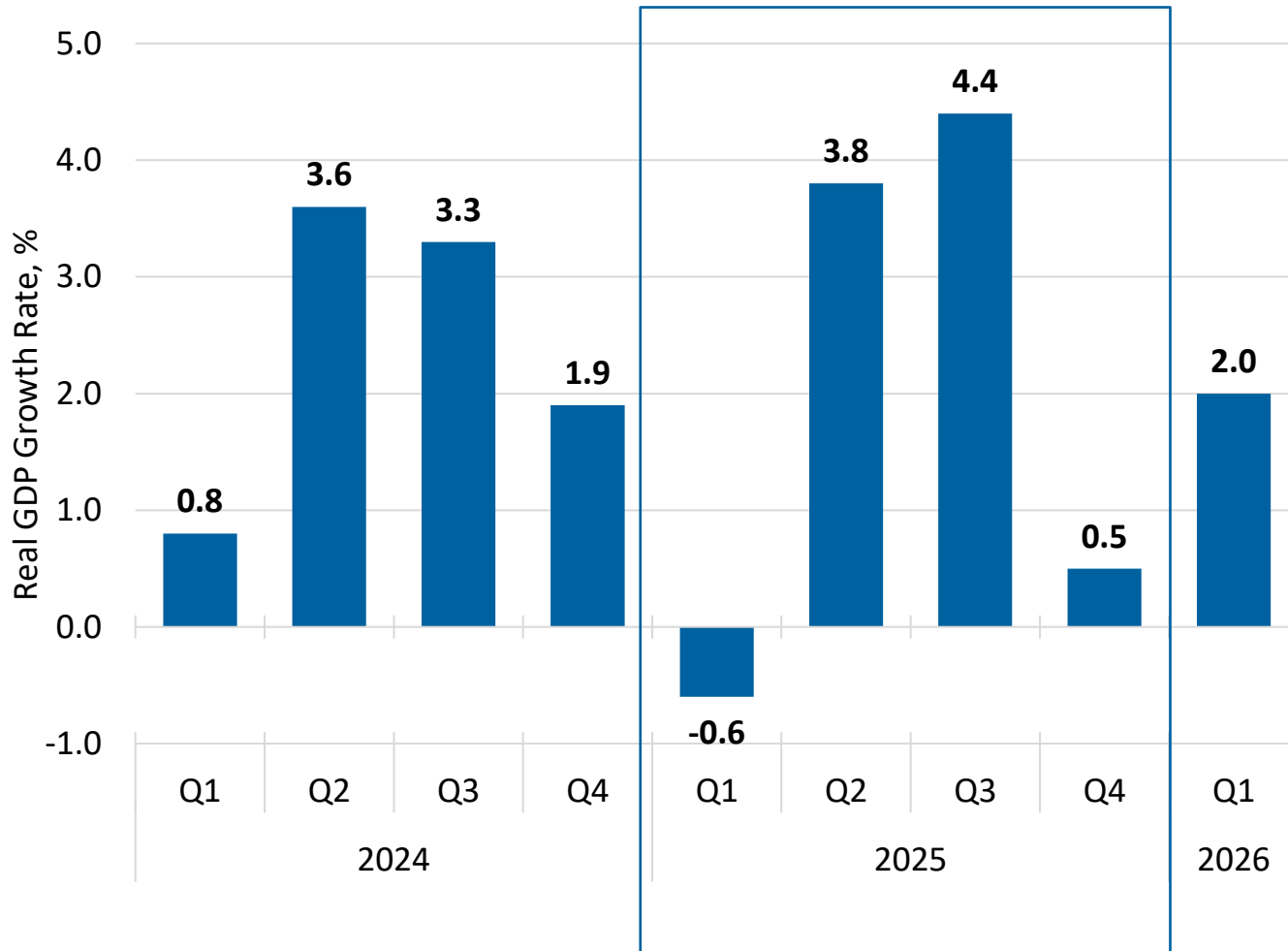


Industry Economics

Despite inflation and shifting trade policy, car-buying signals remain stable as consumer sentiment weakens and imports decline.



U.S. Gross Domestic Product



2025 GDP reflects volatility in trade and increased consumer spending

- Q1: Increased Imports
- Q2 & Q3: Decreased imports and accelerated consumer spending
- Q4: Government shutdown and inventory adjustment and production pullback.

2026 GDP

- Q1 at 2.0



What does this mean?

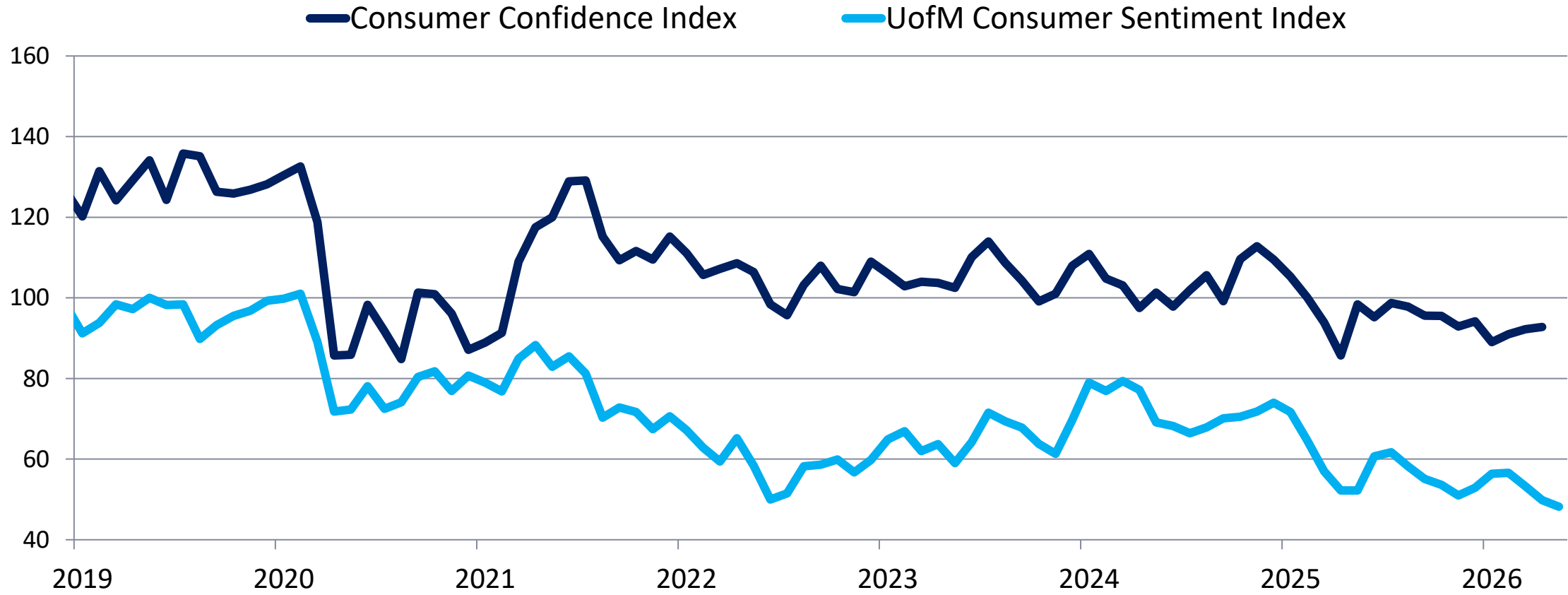
- 2025 Economy Grew 2.2%
- 2026 GDP Forecast:
 - Federal Open Market Committee: 2.4
 - University of Michigan: 2.3



Rule of Thumb: US GDP > 2% generally, indicates steady to increasing vehicle sales.



Consumer Confidence & Sentiment Declining



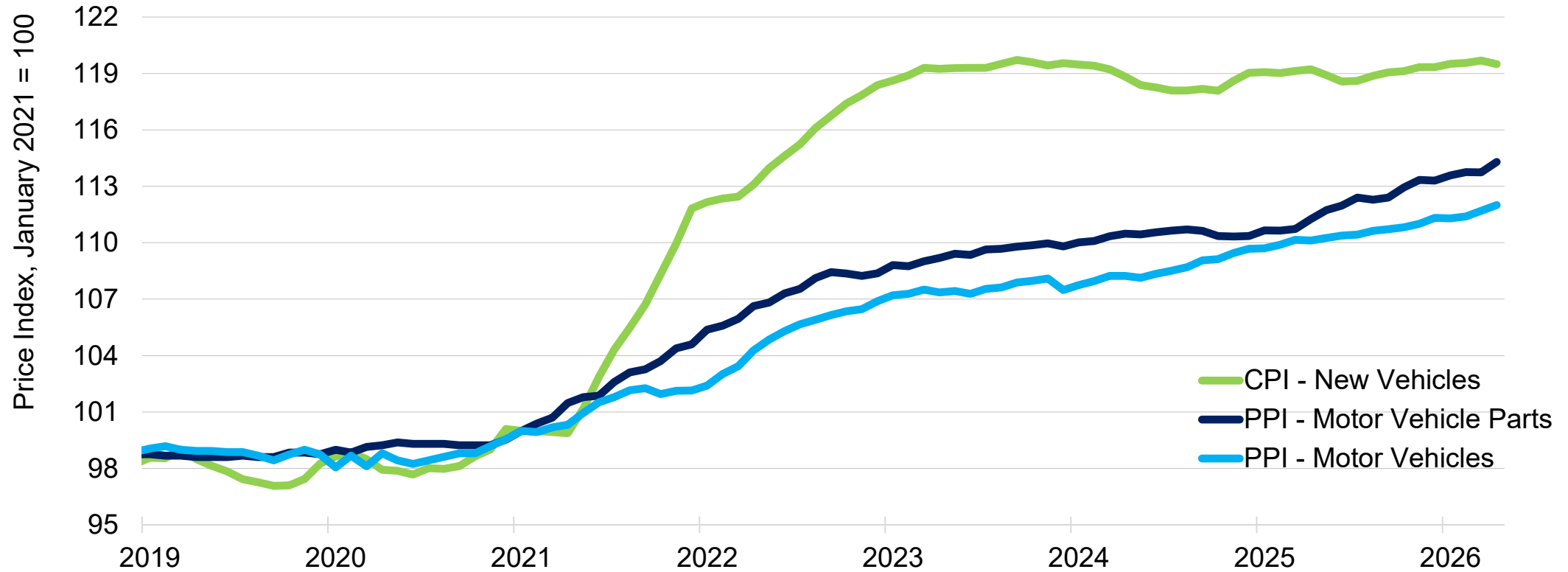
January 2019 – April 2026

Source: The Consumer Confidence Survey, conducted for the Conference Board; Federal Reserve Economic Data, University of Michigan



Tariff costs have been largely absorbed by the industry

Motor Vehicle and Parts PPI; New Vehicle CPI Producer Price and Consumer Price Indices

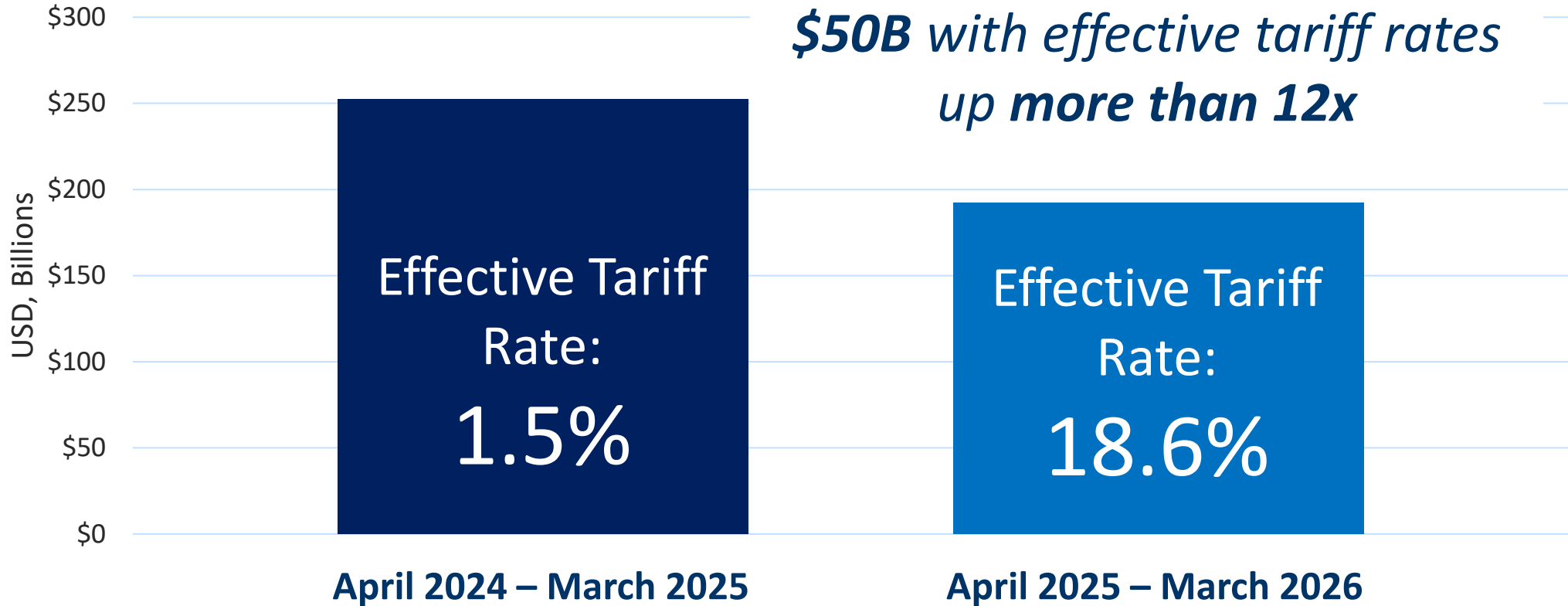


Source: Bureau of Labor Statistics; CAR Analysis



As tariff costs rise, vehicle imports decline

U.S. Light Vehicle Import by Value
World Imports, Customs Value

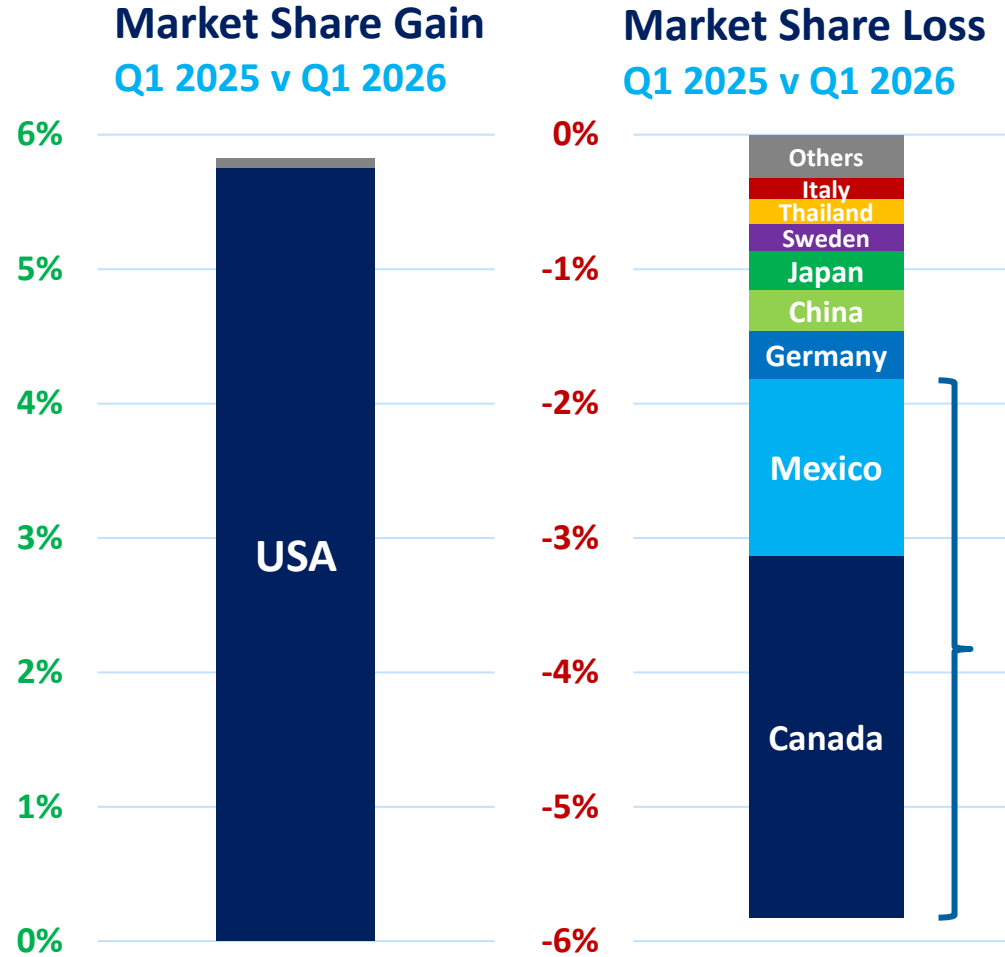


Source: CAR Analysis; U.S. Census, USITA, USITC



U.S. sales shift toward U.S. produced vehicles

+5.8%
market share gain in US
produced vehicles



Majority of US market
share gain at expense of
Canada and Mexico

Automotive Outlook

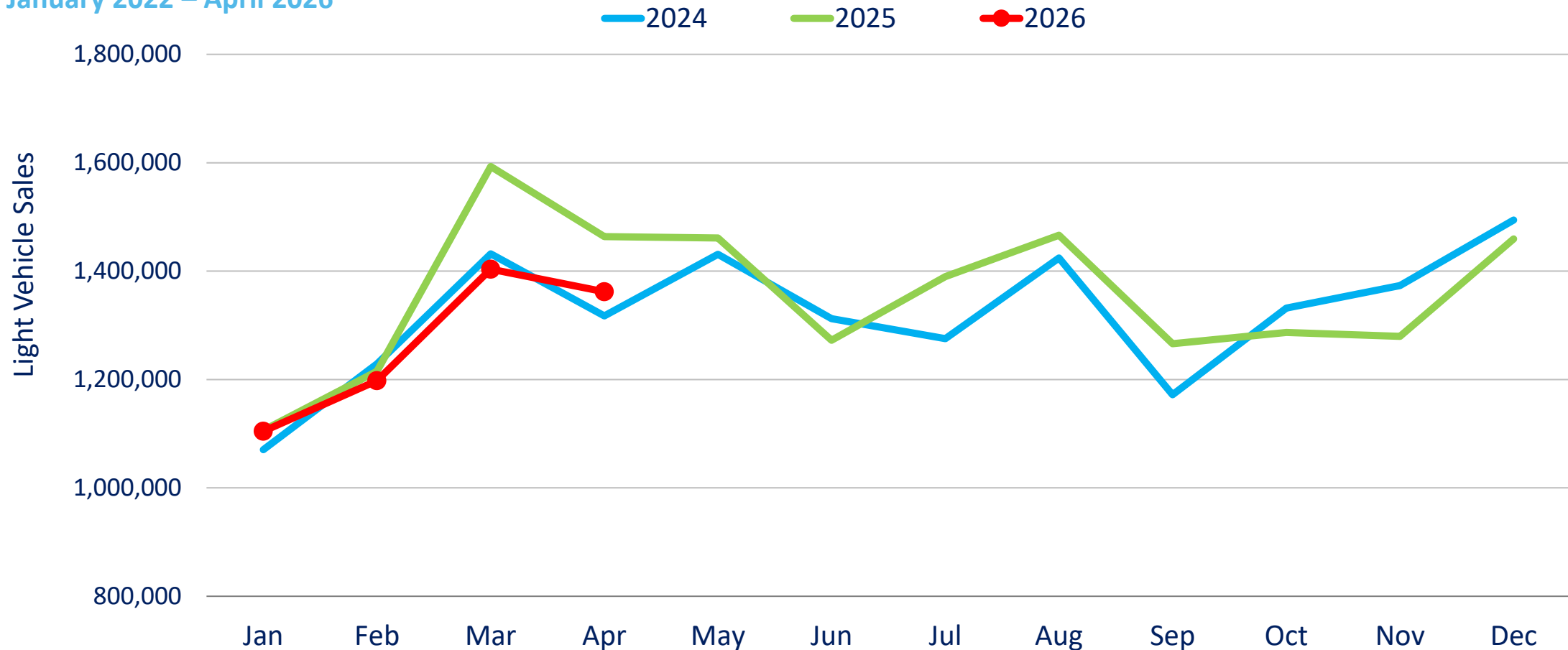
2026 Q1 U.S. sales normalize following tariff-driven pull-ahead demand last year, while some brands gain market share despite inflationary pressures.



U.S. auto sales decline for the 7th consecutive month in April, down 7% year over year

U.S. Light Vehicle Monthly Sales

January 2022 – April 2026

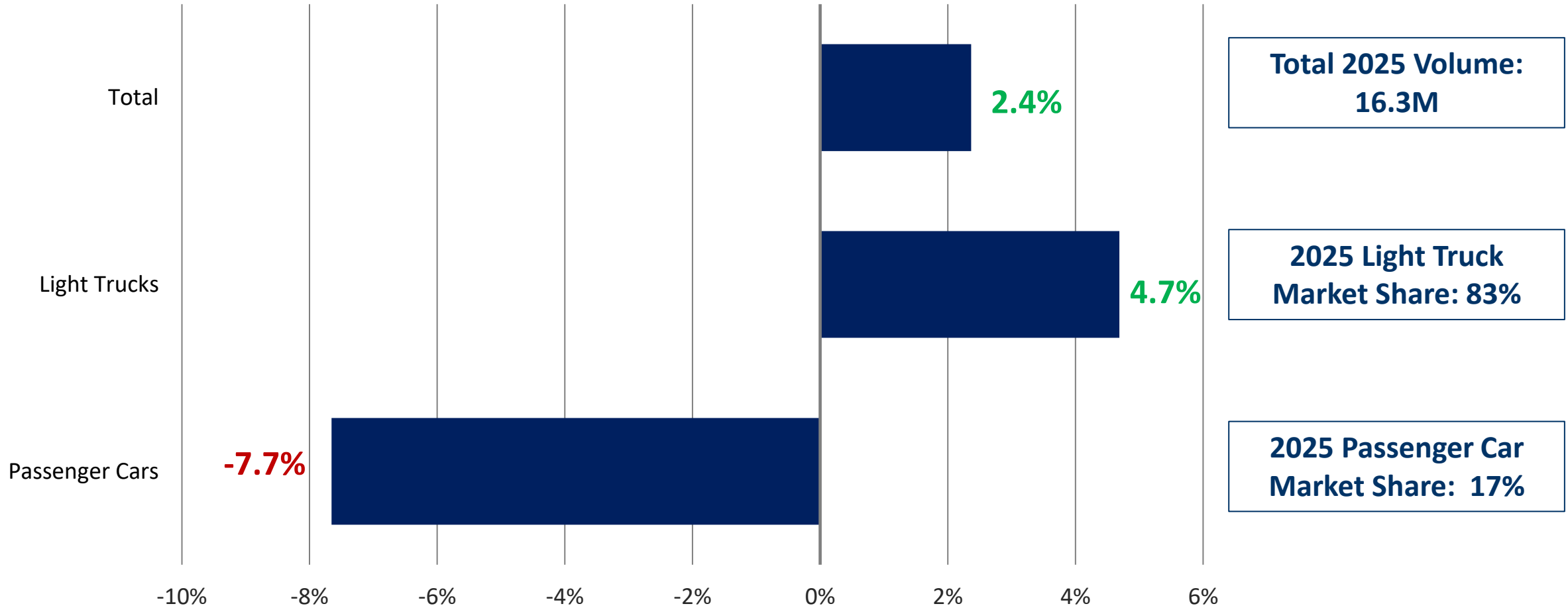




U.S. Light-Duty Vehicle Sales up 2.4% in 2025

U.S. Light-Duty Vehicle Sales

Percent Change: 2025 vs. 2024



Source: Wards Intelligence; CAR Research

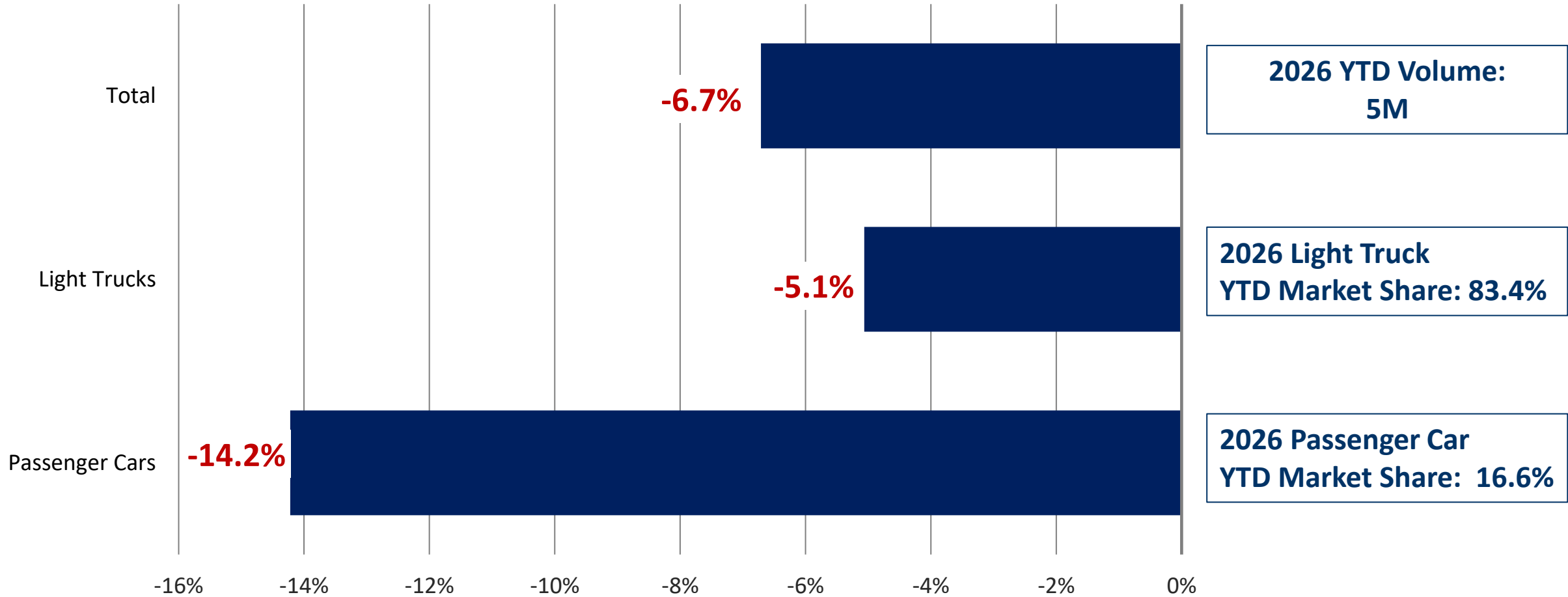
Note: Light Trucks consist of CUVs, SUVs, Vans, and Pickups



U.S. Light-Duty Vehicle Sales down 6.7% 2026 YTD

U.S. Light-Duty Vehicle Sales

Percent Change: Jan-Apr 2026 vs. Jan-Apr 2025



Source: Wards Intelligence; CAR Research

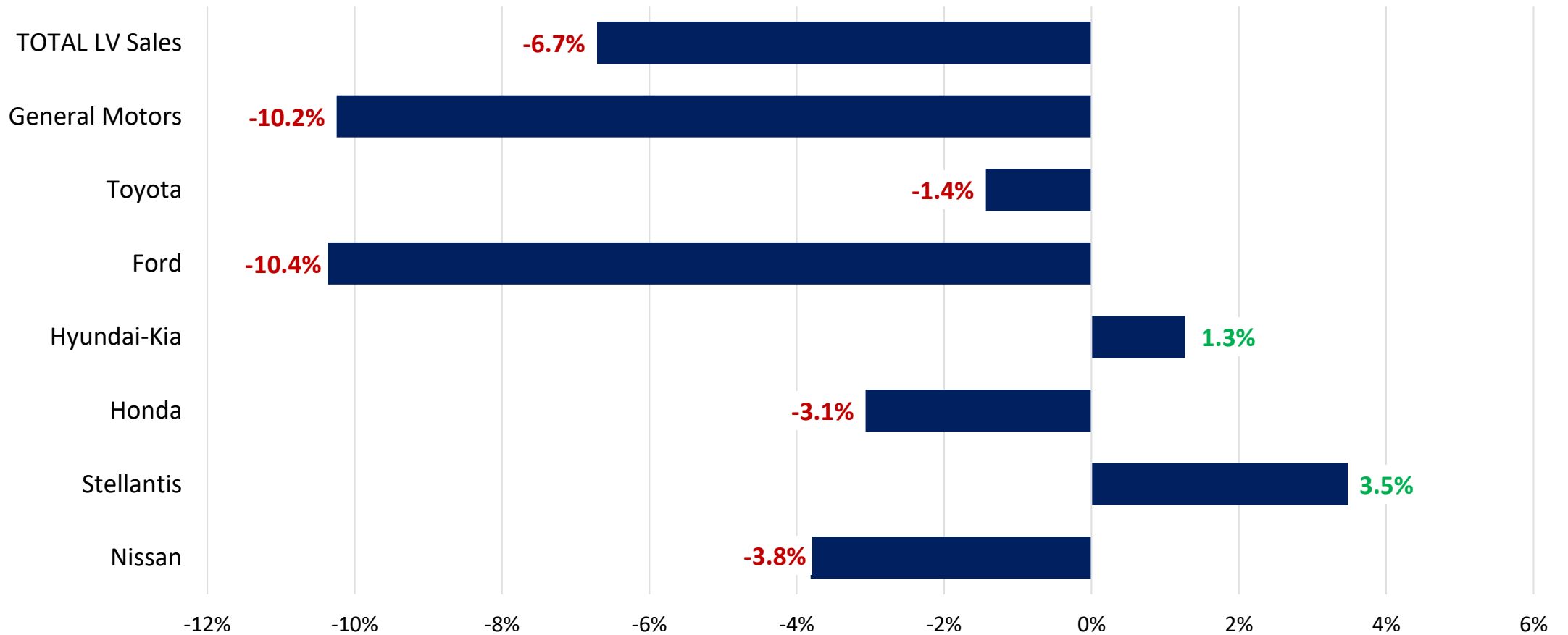
Note: Light Trucks consist of CUVs, SUVs, Vans, and Pickups



Percent Change in Sales of Light Vehicles by OEM 2026 YTD

Percent Change in Sales of Light Vehicles Per OEM

Jan-Apr 2026 vs. Jan-Apr 2025



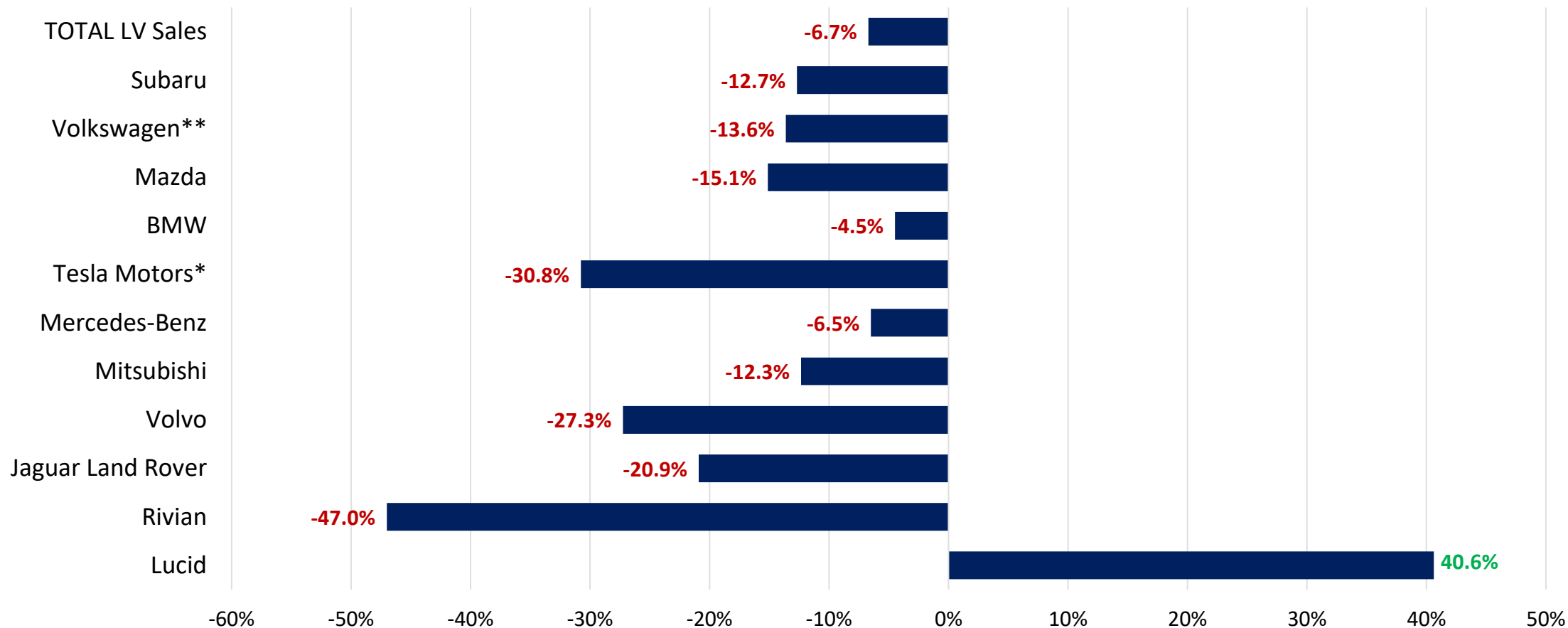


Percent Change in Sales of Light Vehicles by OEM 2026 YTD

Cont...

Percent Change in Sales of Light Vehicles Per OEM

Jan-Apr 2026 vs. Jan-Apr 2025



*Estimated. **Including Audi and Porsche.

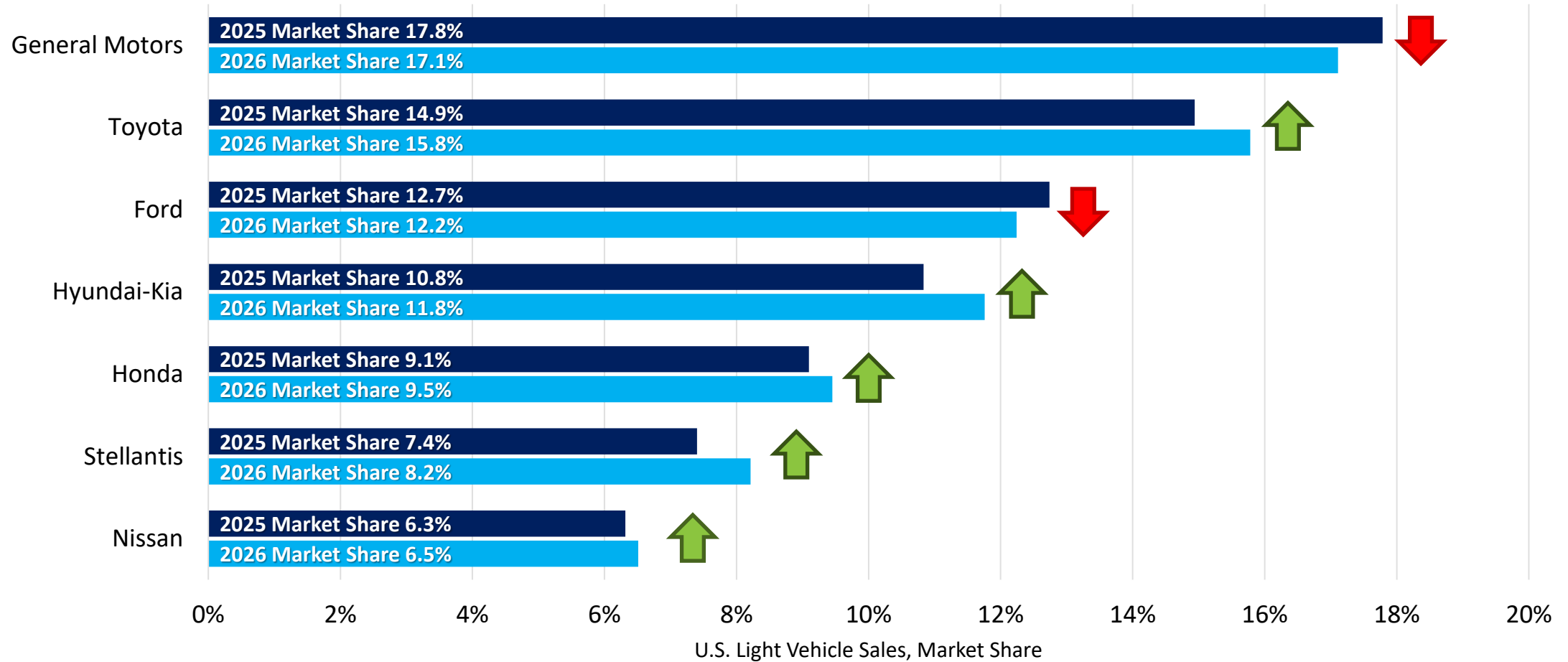
Source: Wards Intelligence; CAR Research



Toyota, Hyundai-Kia, Honda, Stellantis and Nissan gain share

U.S. Light Vehicle Sales, Market Share

Jan-Apr 2026 vs. Jan-Apr 2025







Source: Wards Intelligence; CAR Research



2026 U.S. Sales Forecasts: (2025 Sales: 16.3 million)

Units in Millions

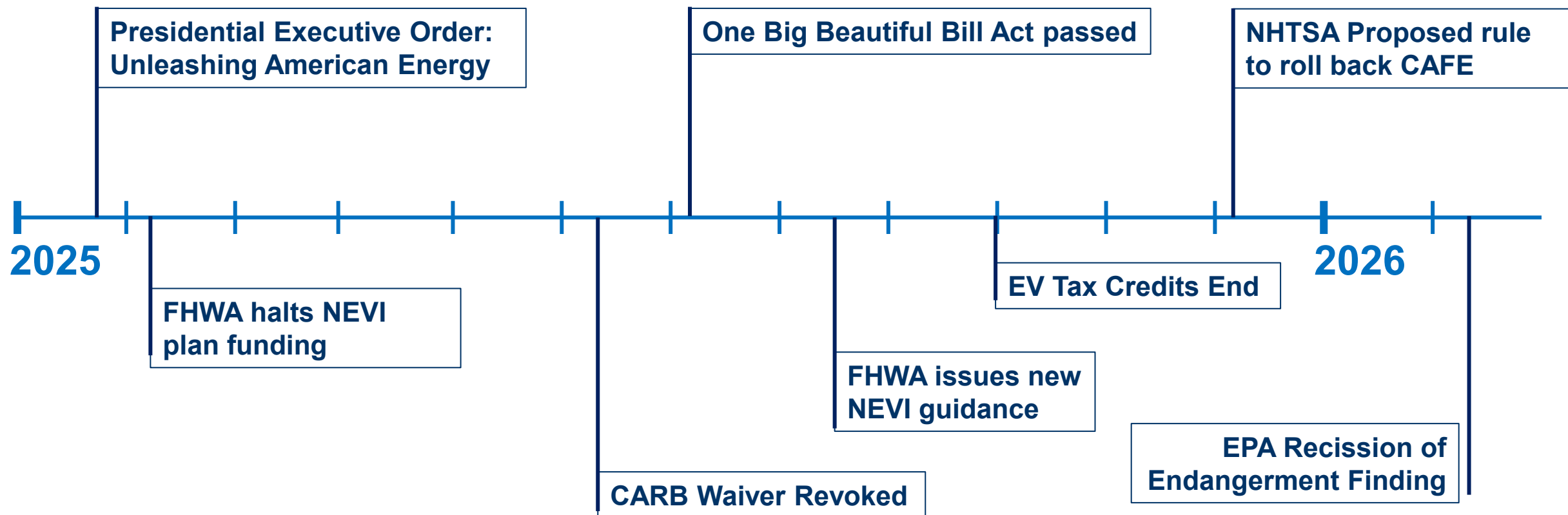
 CENTER FOR AUTOMOTIVE RESEARCH	15.9		16.3
 edmunds	16.0		16.0
COX AUTOMOTIVE™	15.8	<hr/> S&P Global Mobility	15.9
	15.8	 GlobalData.	16.1

EV Transition

Full battery electric and plug in hybrid momentum slows as hybrid demand surges. Are policy shifts following consumers or shaping them?

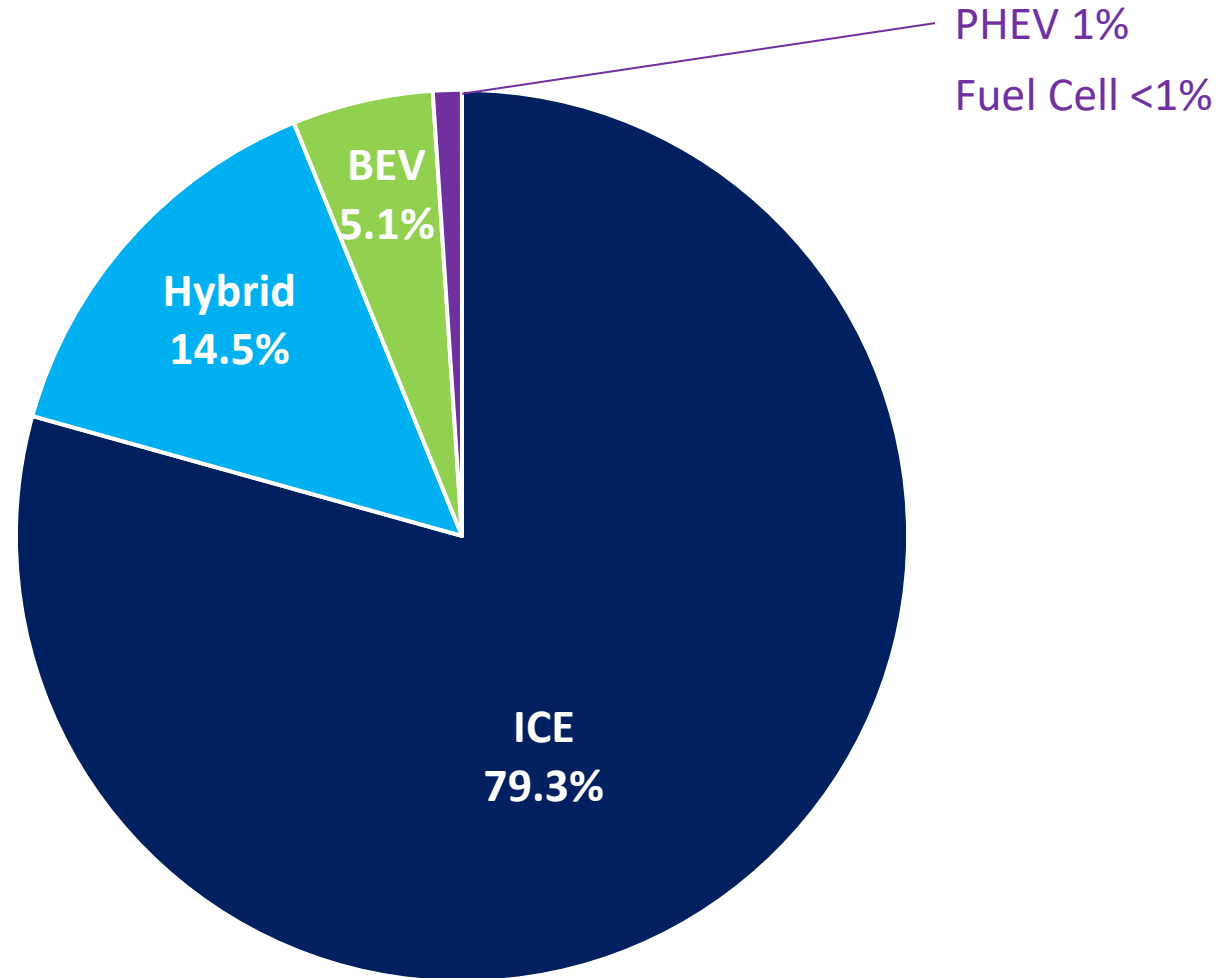


Regulatory pressure eases on EVs in 2nd Trump administration





Electrified vehicles account for 20% of US sales share (April 2026 YTD)

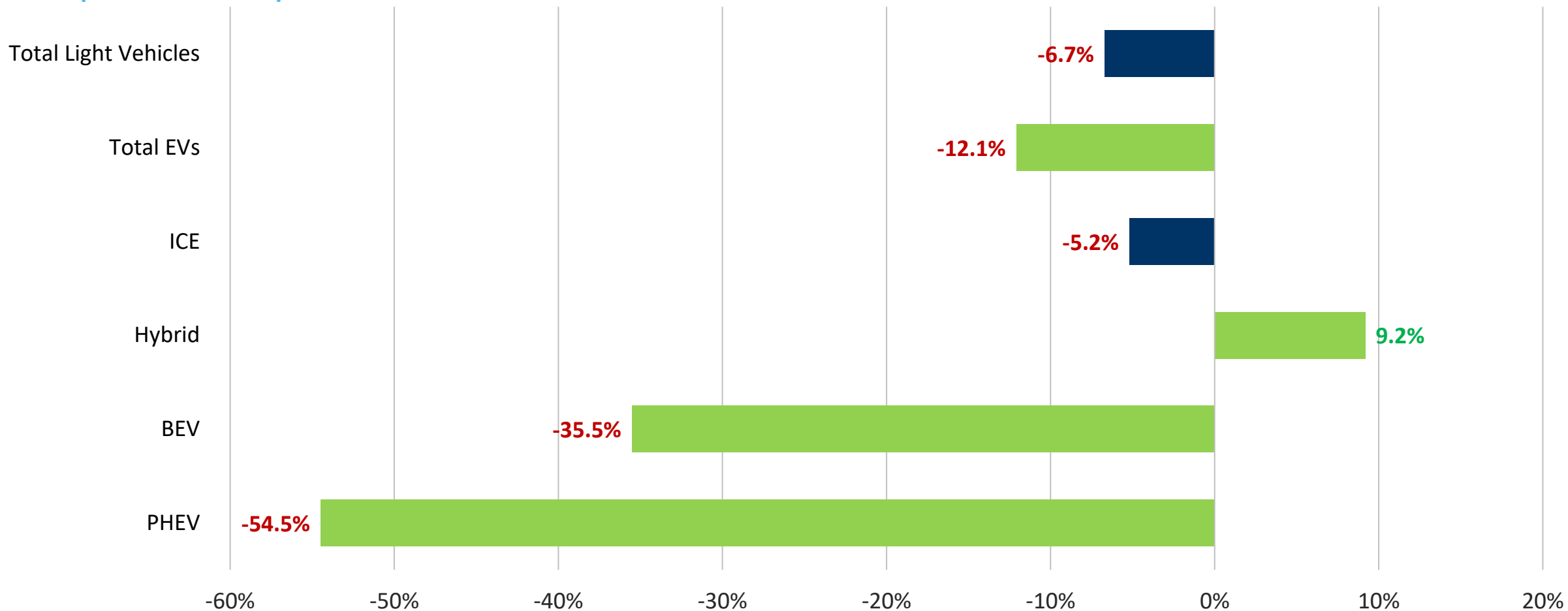




Hybrid sales drive market growth

Segment Breakdown: U.S. Light Vehicles Sales Percent Change

Jan-Apr 2026 vs. Jan-Apr 2025



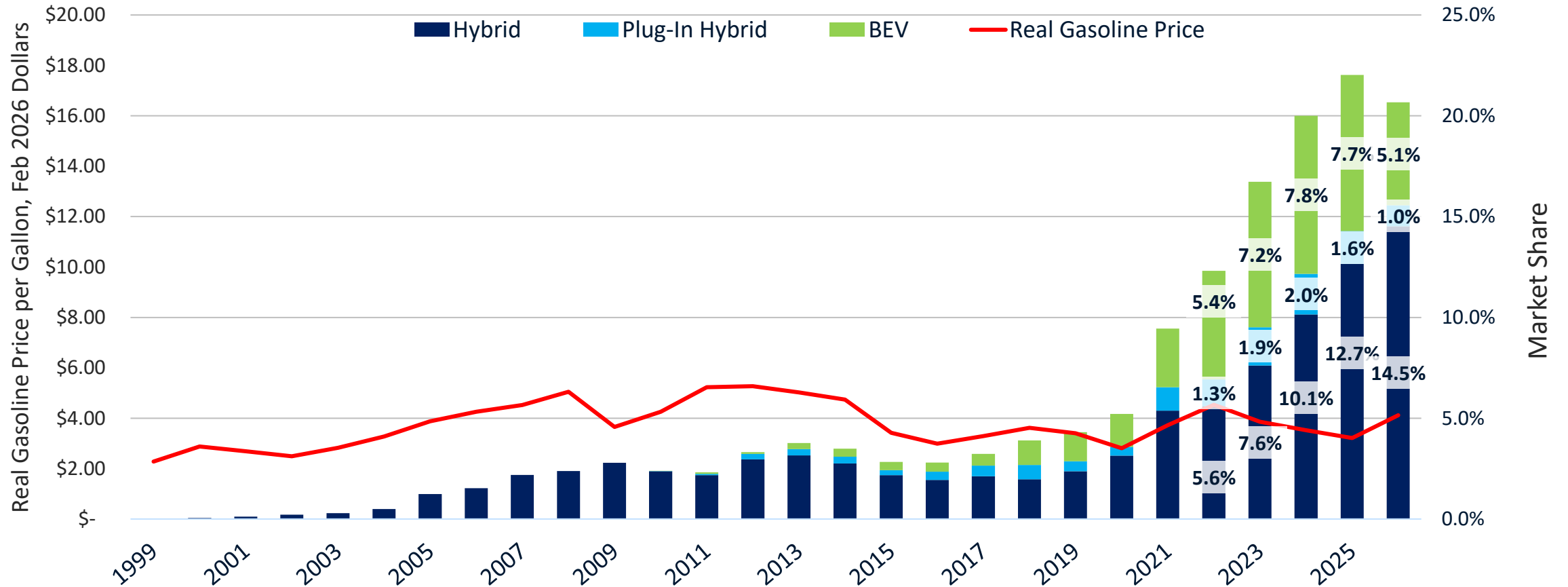
Source: Wards Intelligence; CAR Research



Hybrids reach 14.5% market share; BEVs fall to 5.1%

U.S. Electrified Light Vehicle Sales by Propulsion Technologies

1999 (annual) – 2026 YTD (April)



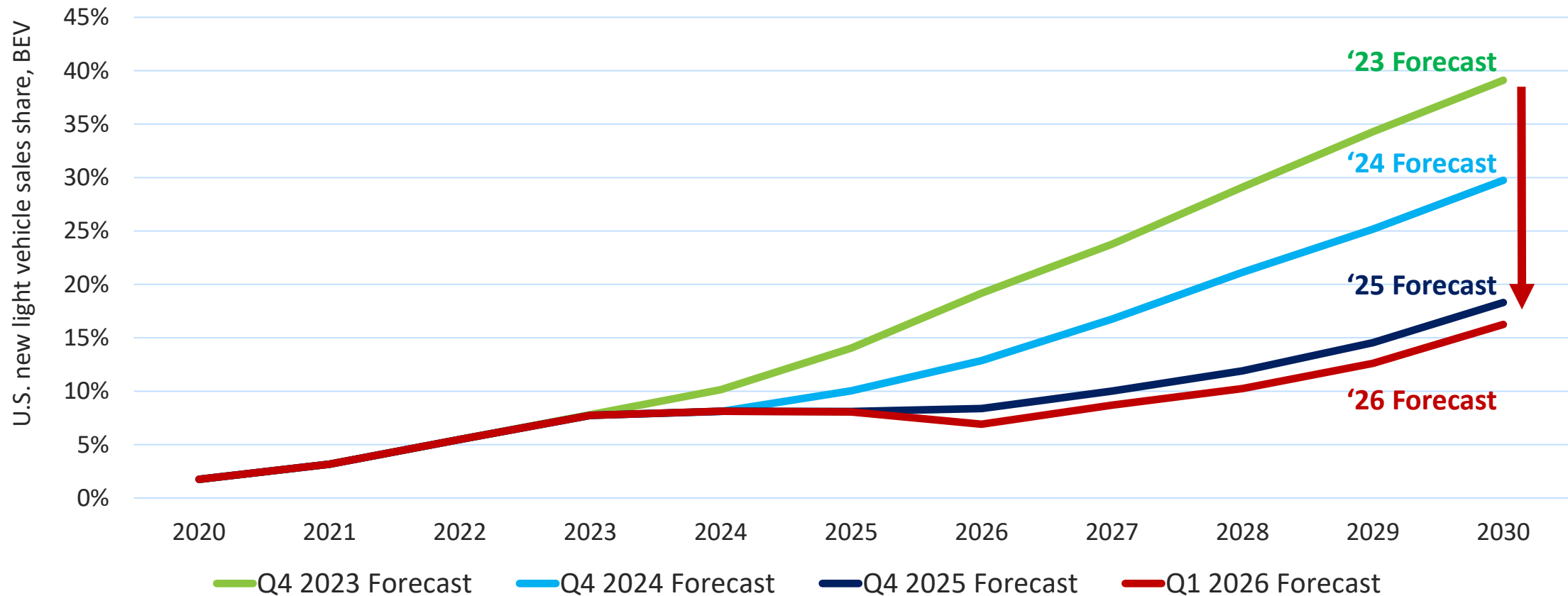
Note: Electrified vehicles consist of BEV, HEV and PHEV
 Source: Ward's Automotive Reports (from 2010 and on), HybridCars.com and CAR Research; EIA



U.S. BEV sales outlook slows

U.S. BEV Market Share

'23 v. '24 v. '25 v. '26 forecast



Investments CAR Book of Deals

*Investments shifts toward the U.S., southern states
and internal combustion engine technologies.*

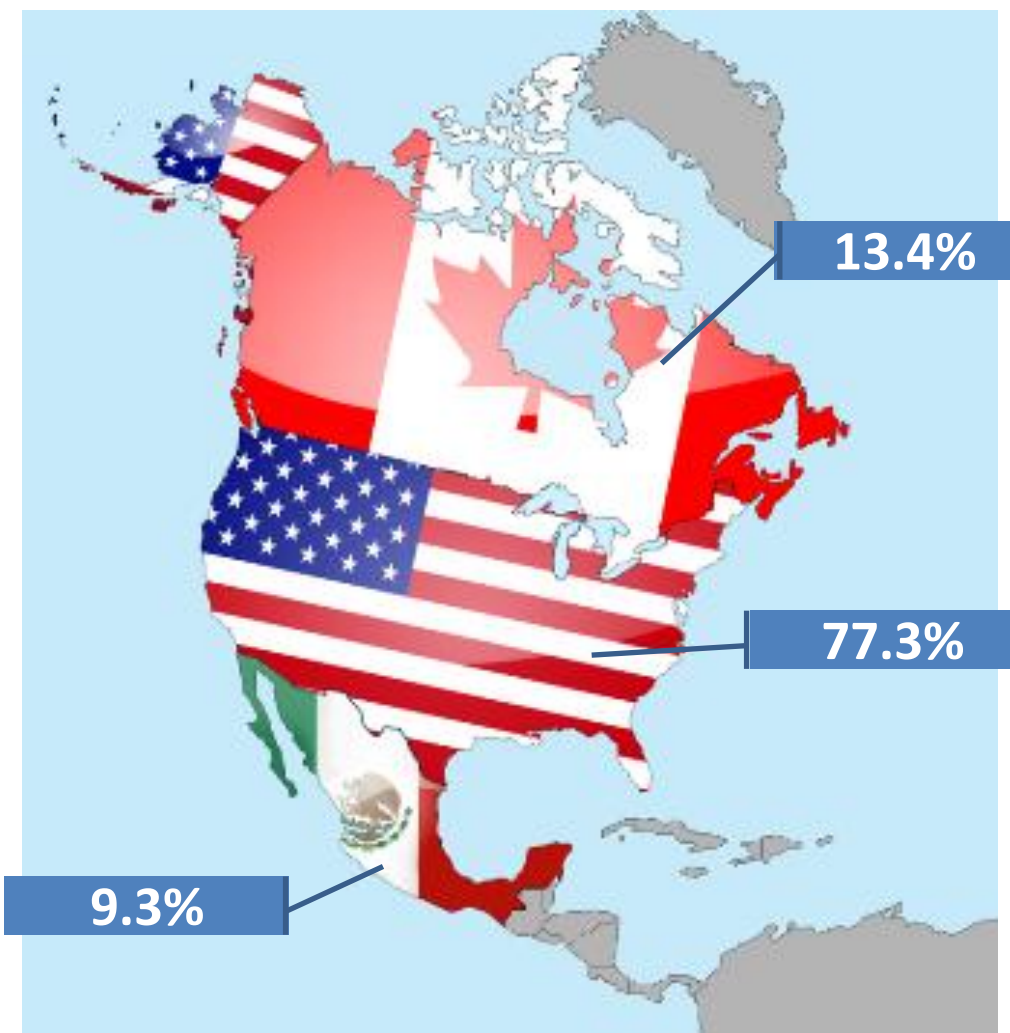


Automaker Announced Investment in North America

North America, 2020 – Q1 2026

Region	Investment Amount (\$USD)
Canada	\$31.4B
United States	\$181.0B
<i>U.S. Great Lakes</i>	\$68.6B
<i>U.S. South</i>	\$84.0B
<i>U.S. Other</i>	\$28.4B
Mexico	\$21.7B
Total	\$234.1B

Note: U.S. Great Lakes includes: IL, IN, KY, MI, MO, and OH
 U.S. South includes: AL, FL, GA, MS, NC, SC, TN, and TX





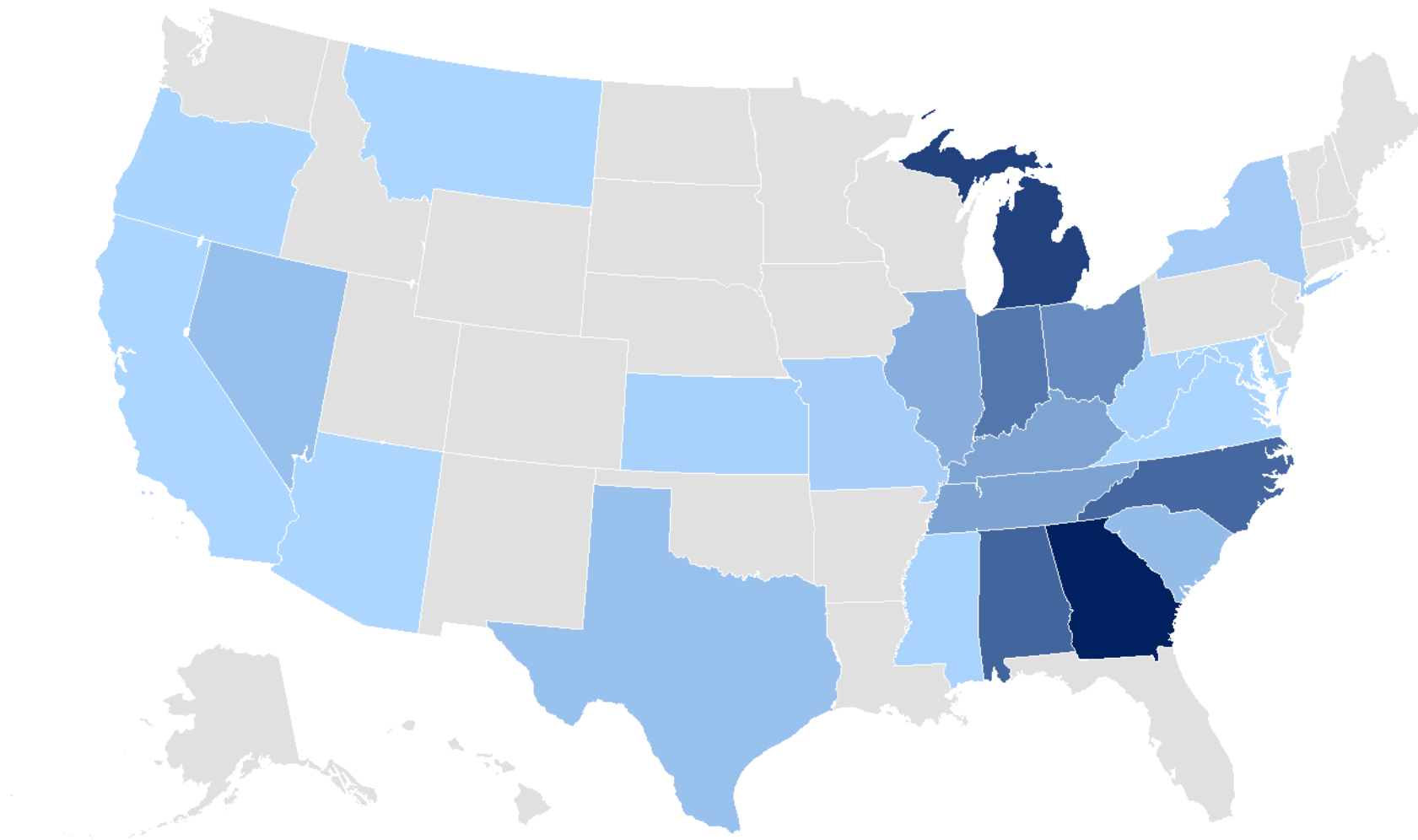
Automaker Announced Investment in the U.S.

2020 – Q1 2026: \$181B announced

State	% Investment Captured
GA	16.6%
MI	13.5%
AL	10.3%
NC	10.1%
IN	8.6%
OH	6.8%
TN	4.7%
KY	4.6%
IL	3.7%
SC	2.4%
Other States	21.0%

Announced Investment, USD,
Millions

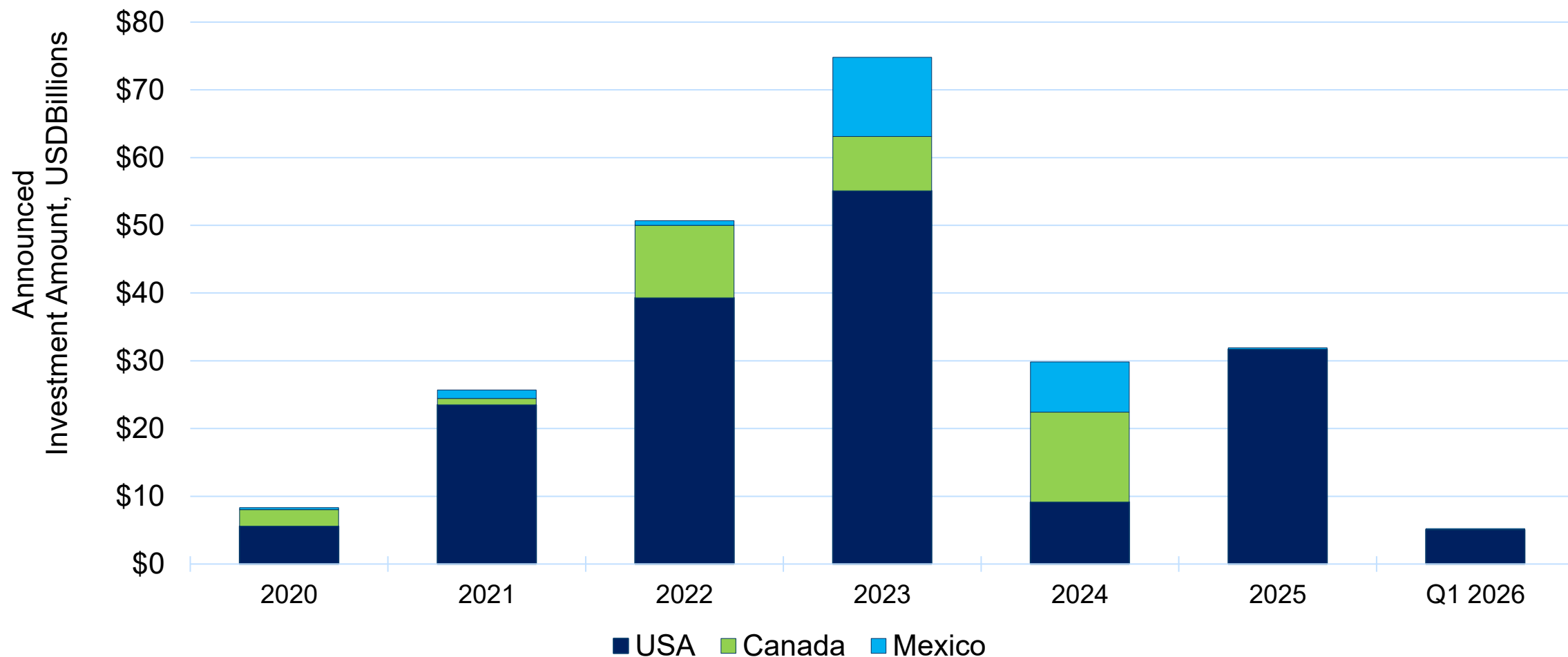
\$8  \$30,100





Automaker announced investment shifts to US in 2025

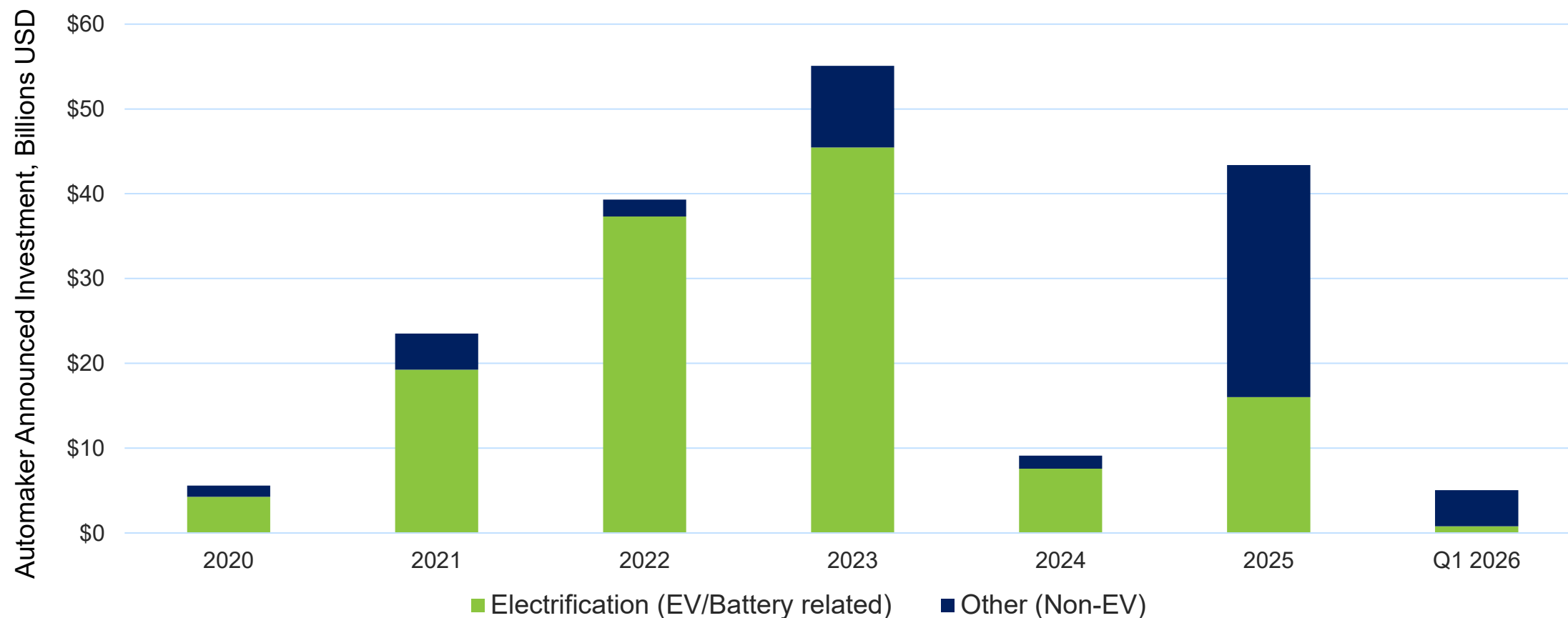
North America, 2009 – Q1 2026





Propulsion announced investments shift to ICE in 2025

Automaker Announced Investment United States, 2009 – Q1 2026



Source: CAR Book of Deals, 2026

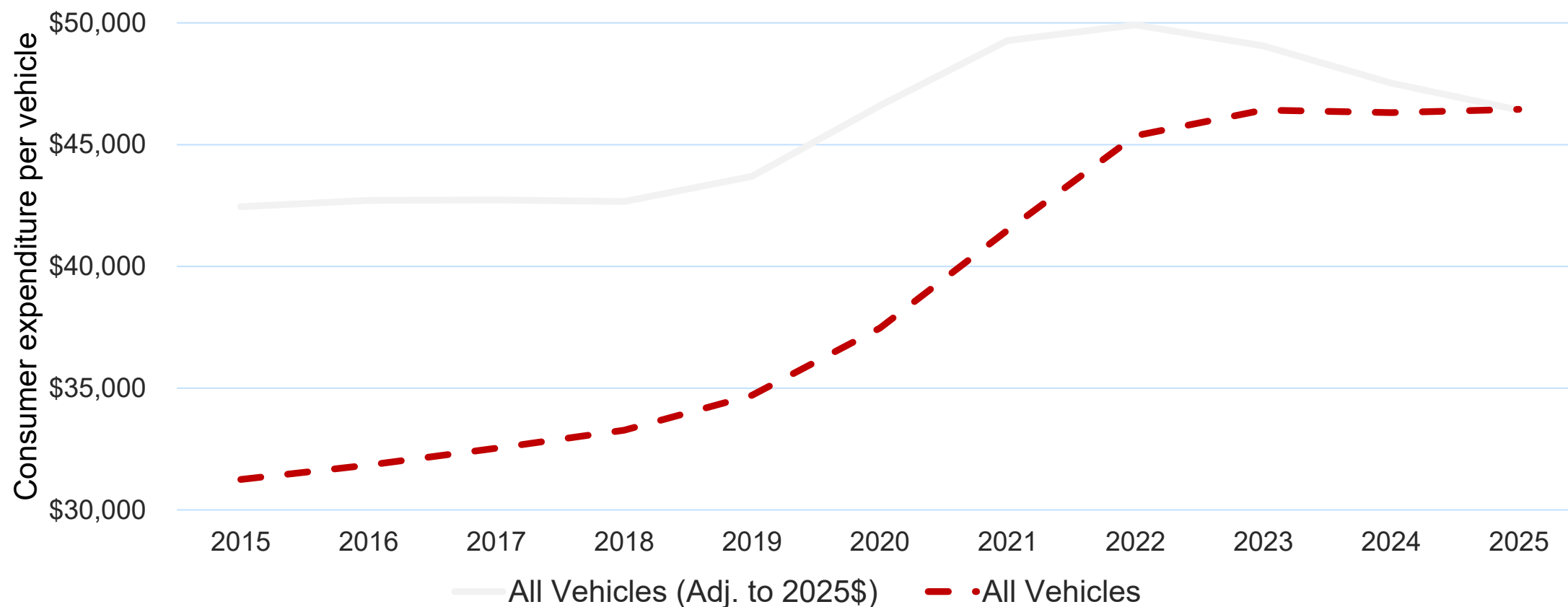
Affordability

New vehicle transactions prices increased \$15,000 over the past ten years, but affordability is more nuanced with inflation, consumer preference and technology shifts.



New vehicle transaction prices increased 15K in ten years, but affordability is more nuanced

Average Consumer Expenditure per New Vehicle
Nominal vs Real (adjusted for inflation to 2025 dollars)



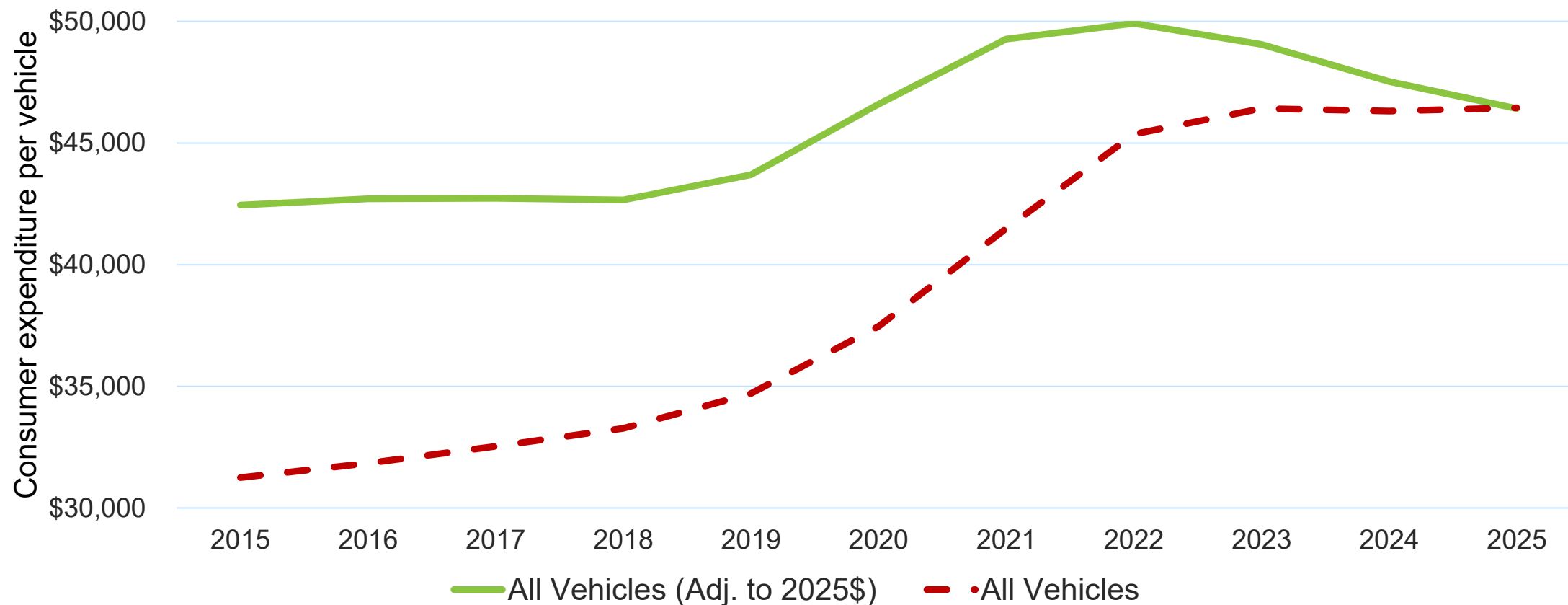
Note: All vehicles includes passenger cars and light trucks

Source: CAR analysis of BEA and BLS data; expenditure adjusted to 2025 dollars using CPI-U



Vehicle transaction prices increased less than 4K in real terms

Average Consumer Expenditure per New Vehicle
Nominal vs Real (adjusted for inflation to 2025 dollars)



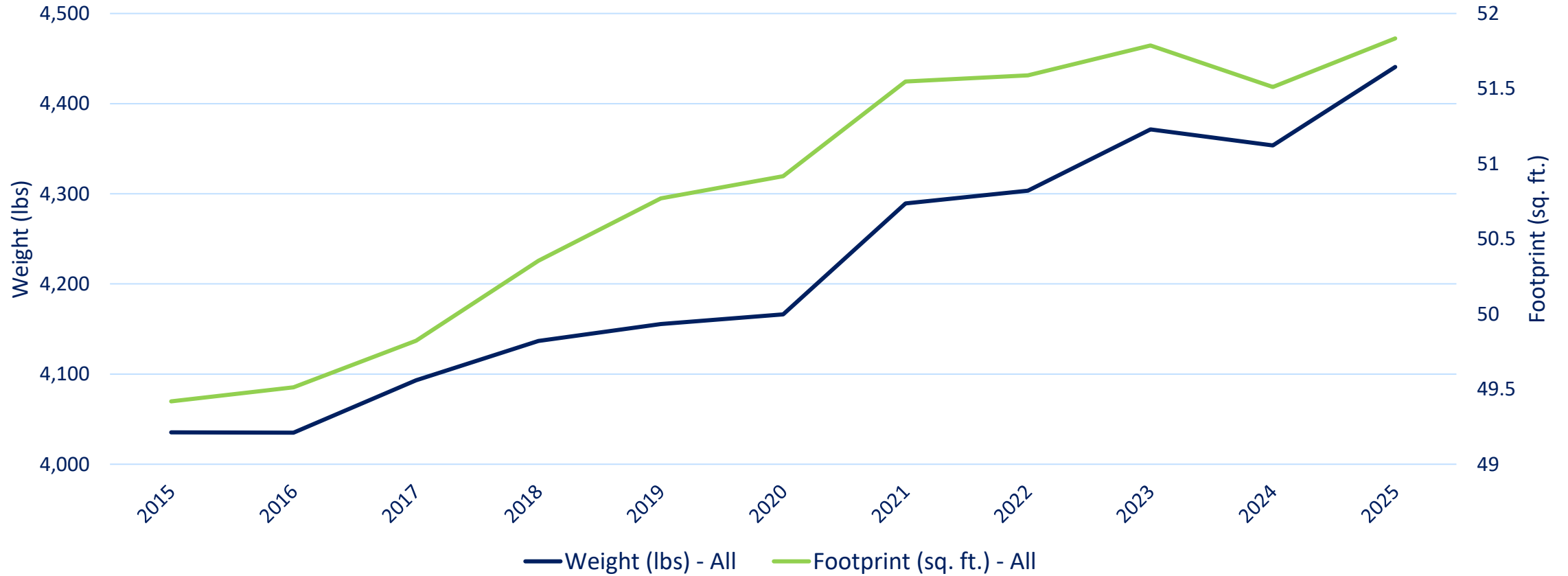
Note: All vehicles includes passenger cars and light trucks

Source: CAR analysis of BEA and BLS data; expenditure adjusted to 2025 dollars using CPI-U



Vehicles today are heavier and larger

Average Weight and Footprint by Model Year

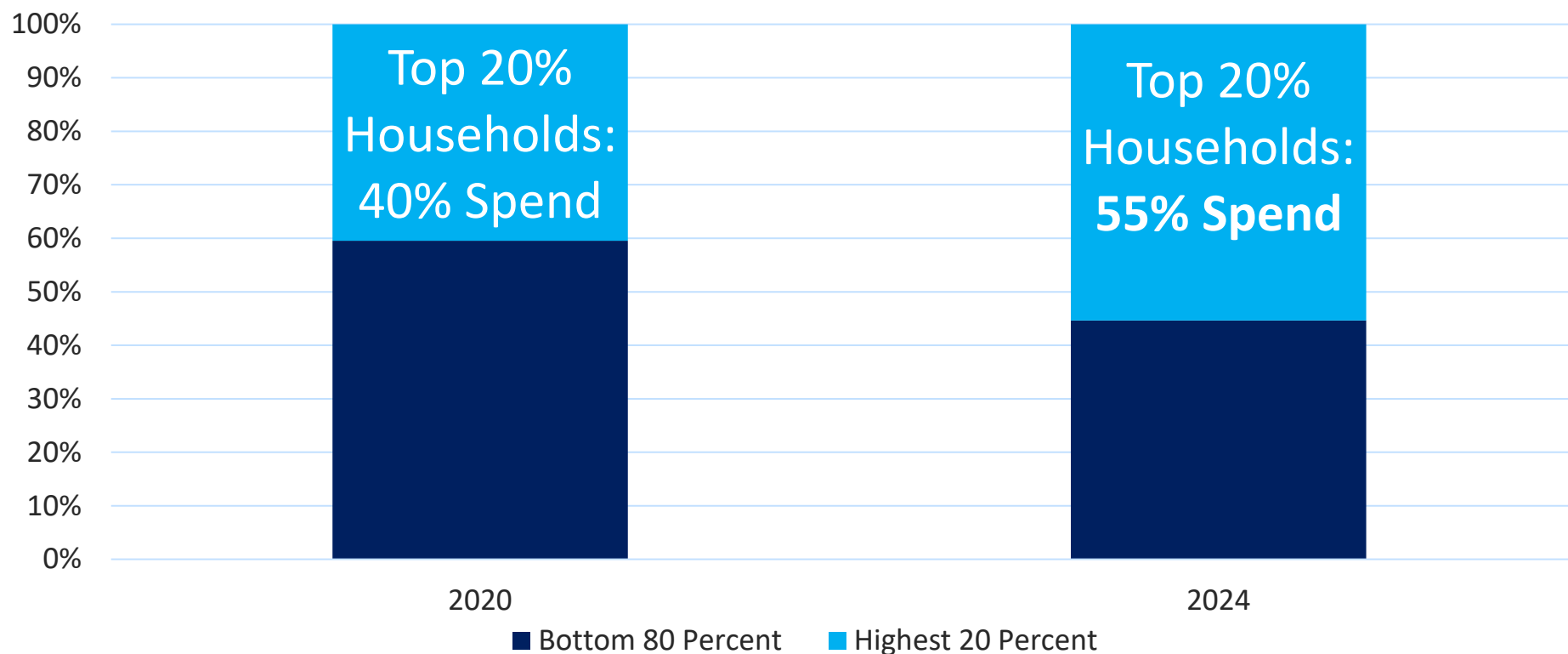


Source: EPA



Top 20% income households drive 55% of new vehicle spending

Expenditures by Household Income New Vehicle Purchases



China

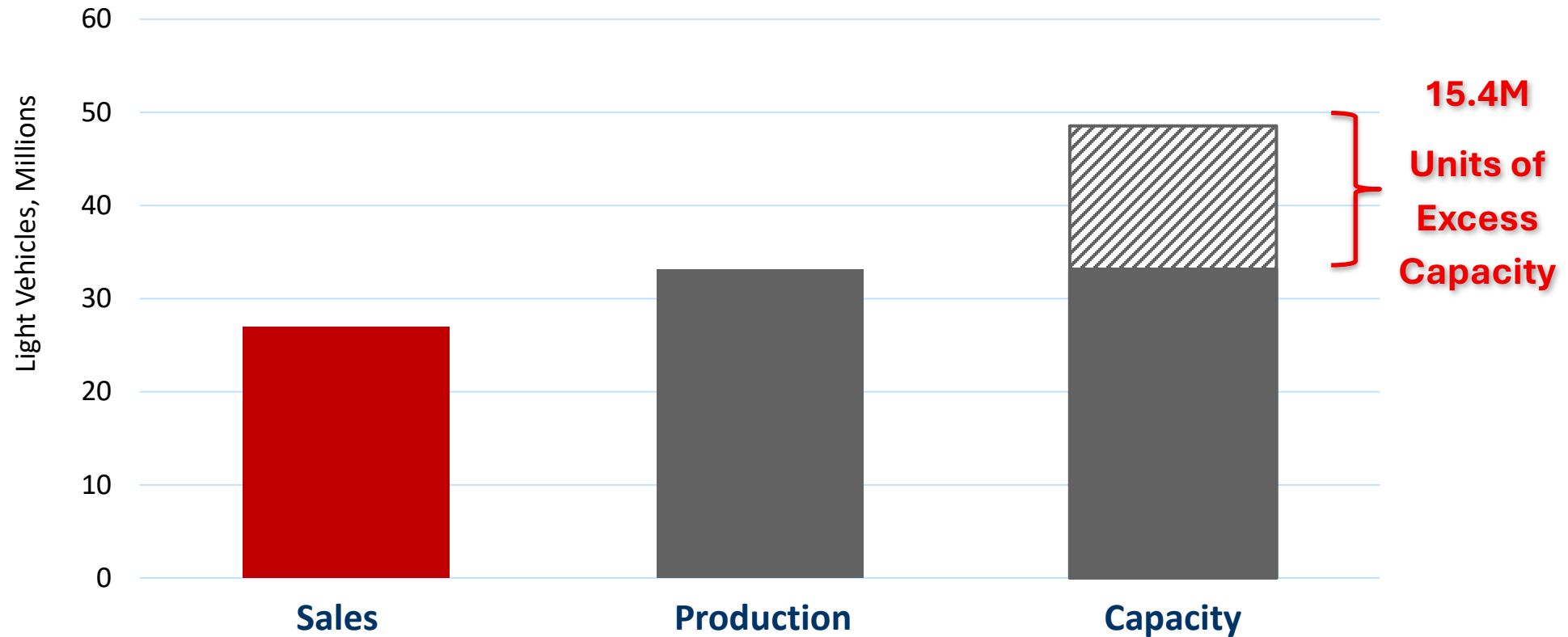
China's growing overcapacity is forcing global expansion as North American consumers show increasing acceptance of China-built vehicles.



China production outpaces Chinese demand

Chinese Light Vehicle Sales vs. Production vs. Capacity

2025



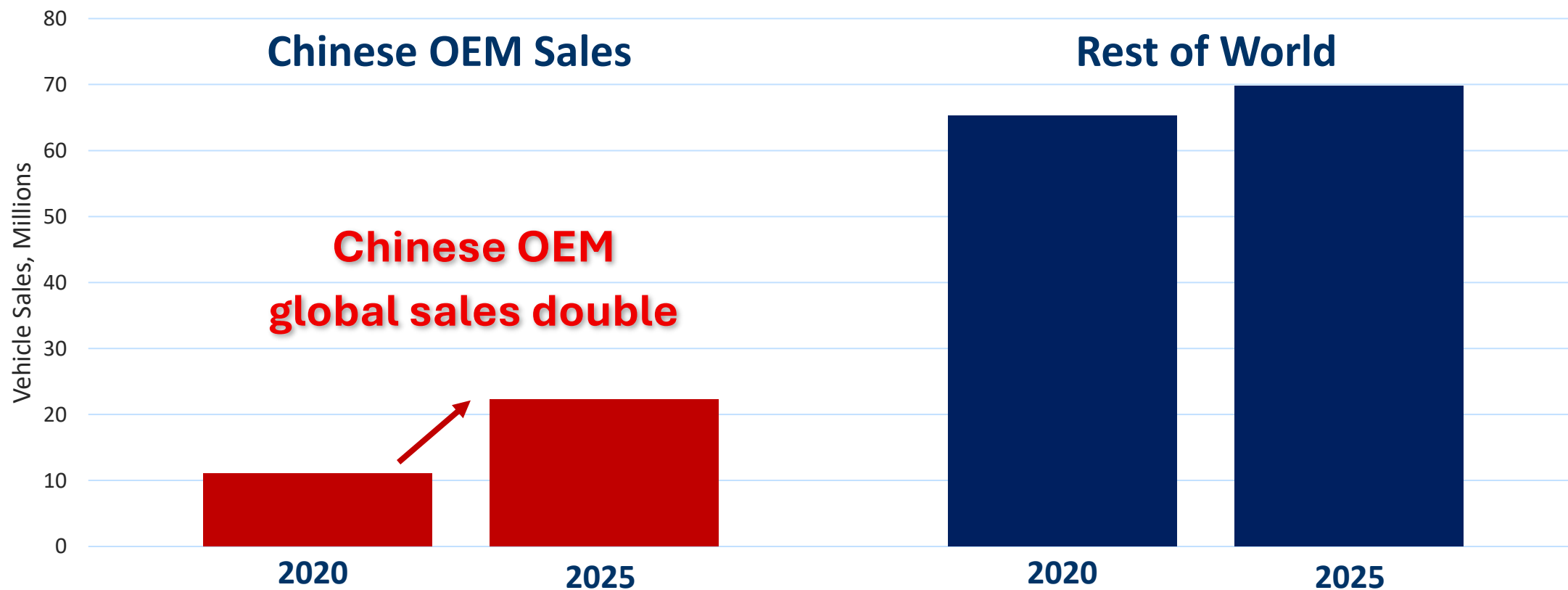


Chinese brand sales up 101% since 2020

Rest of World brand sales up only 7%

World Light Vehicle Sales

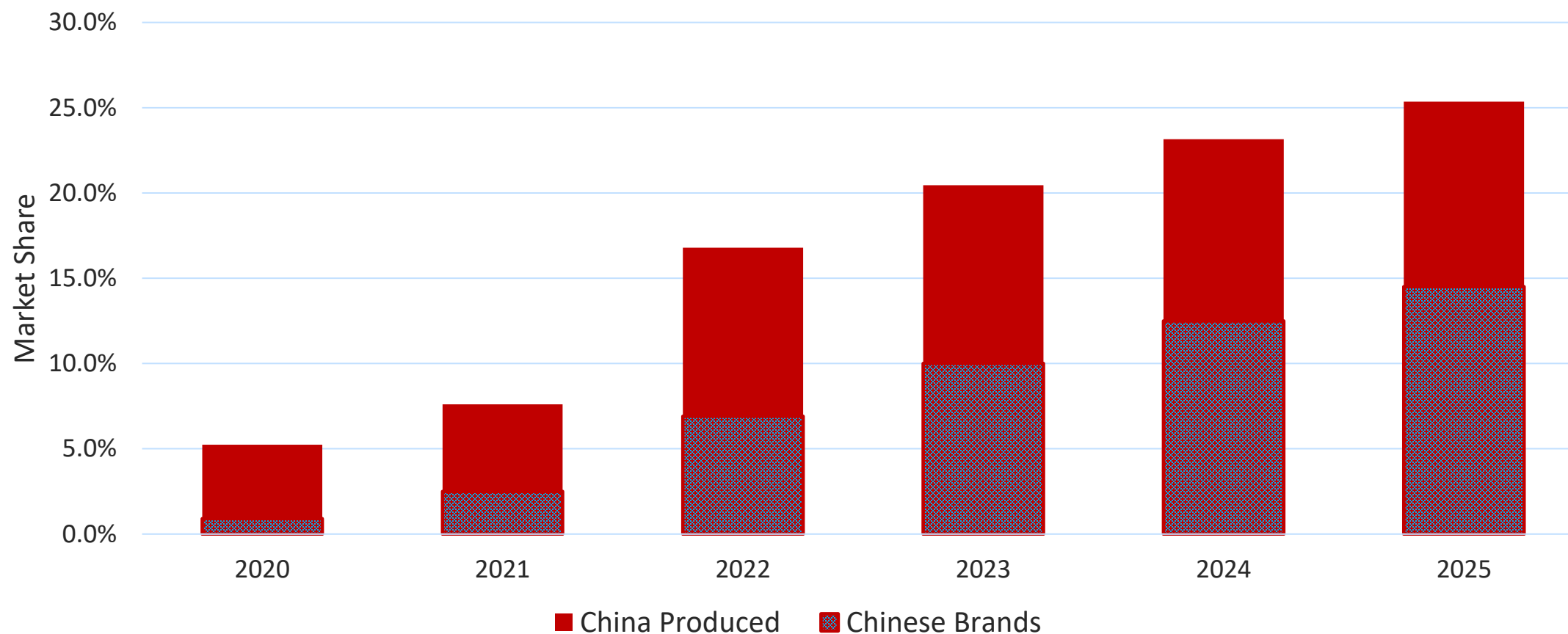
Chinese Brands v. Rest of World





Mexico: 1 of 4 vehicles sold in 2025 was produced in China

Mexico Light Vehicle Sales Share China Produced and Chinese Brand Sales

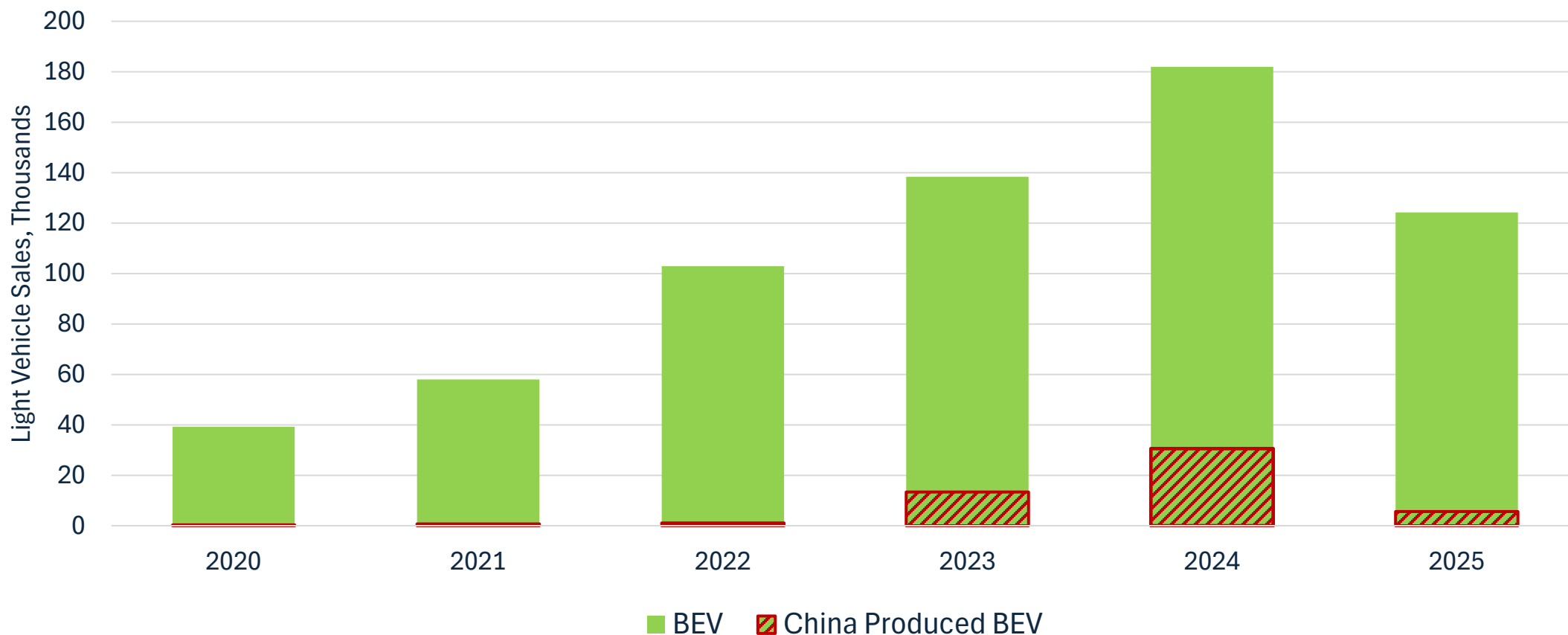




Canada-China EV deal: 49K EVs from China with plans to grow to 70K

Canada Light BEV Sales

BEV sales and China Produced BEV Volume





Policy impacts how fast China will grow in N.A.



Mexico:

Chinese investment growth → U.S. scrutiny → trade barriers



Canada:

Open trade → U.S. alignment → targeted tariffs



United States:

China supply chain dependence → de-risking → expanded tariffs



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Thank You

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Elizabeth Krear, President & CEO
May 20, 2026

