

# Los Angeles Auto Outlook



Comprehensive information on the LA County new vehicle market

## FORECAST

### County New Vehicle Market Predicted to Improve by 4.0% in 2024

Below is a list of eight key trends and developments in the Los Angeles County new vehicle market:

- 1. Replenished inventories and pent-up demand helped the county new vehicle market in 2023. New retail registrations last year increased to 424,333 units, a 10.5% improvement from 2022. The uptick was higher than Auto Outlook’s 6.9% projection at the beginning of the year.
- 2. The county market should increase for the second consecutive year in ‘24. Auto Outlook is projecting that registrations this year will exceed 441,000, up 4.0% from ‘23. And there is a good chance that the increase could be higher (see below).
- 3. The shaded box on the right reviews the primary forecast determinants. Pent-up demand is still significant, the county labor market is strong, and consensus is for economic growth to remain positive. Vehicle affordability is still an issue, but should improve as the year progresses. As always there are some risks (geopolitical uncertainties and the presidential election, for example), but if interest rates ease, the market could post a larger increase than expected this year.
- 4. BEV market share was up last year (22.0% vs 16.9% in 2022), but the electric vehicle market cooled in the second half. BEV registrations declined 6% from the Third to the Fourth Quarter of last year. Hybrid registrations were up 12% during the same period.
- 5. Honda’s recovery from inventory shortages in ‘22 contributed to the 13.5% increase in Japanese brand registrations in ‘23. Domestic brand registrations were up 9.3% (see below).

- 6. Honda, Audi, Volvo, Tesla, and Lexus had the largest percentage gains among the top 20 selling brands last year. Volkswagen, BMW, Lexus, Toyota, and GMC moved higher from the Third to the Fourth Quarters of ‘23 (see page 4).
- 7. Based on a comparison to U.S. market share, Tesla, Honda, Mercedes, BMW, and Toyota were the top performing brands in the county market (see page 5).
- 8. Model Y, Model 3, RAV4, Civic, and Camry were top sellers last year. Honda CR-V and Lexus NX posted big gains (see page 5).

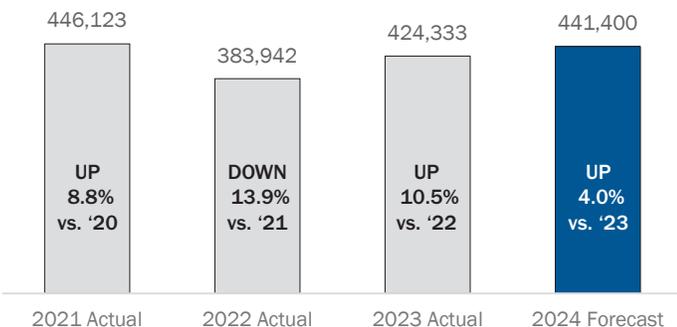


#### Primary Factors Driving the Los Angeles County New Vehicle Market

- » County unemployment rate was near 5% at the end of 2023, total employment increased, and household incomes have moved higher, all positive factors for the new vehicle market.
- » Rising interest rates and tight vehicle supplies resulting in higher prices put a squeeze on affordability in 2022 and the first half of last year, but the pendulum is swinging back. Interest rates are predicted to ease this year, transaction prices are drifting lower, and income growth has been positive.
- » Pent up demand is the biggest positive for the county market. Auto Outlook estimates that nearly 220,000 new vehicle purchases have been postponed since the onset of the pandemic and ensuing supply chain disruptions.

### Forecast for County New Retail Light Vehicle Registrations

### Market Summary



	2022 Annual	2023 Annual	% Chg. '22 to '23	Mkt. Share 2023
TOTAL	383,942	424,333	10.5%	
Car	136,552	145,567	6.6%	34.3%
Light Truck	247,390	278,766	12.7%	65.7%
Domestic	115,172	125,904	9.3%	29.7%
European	72,861	80,741	10.8%	19.0%
Japanese	156,043	177,109	13.5%	41.7%
Korean	39,866	40,579	1.8%	9.6%

The graph above shows annual new retail light vehicle registrations for 2021 thru 2023 and Auto Outlook’s projection for 2024. Historical data sourced from Experian Automotive.

Domestics consist of vehicles sold by GM, Ford, Stellantis (excluding Alfa Romeo and FIAT), Tesla, Rivian, and Lucid. Data sourced from Experian Automotive.

# KEY TRENDS IN LOS ANGELES COUNTY NEW VEHICLE MARKET



## COUNTY MARKET VS. U.S.

**% Change In  
New Retail Market  
2023 vs 2022**

**Los Angeles County  
UP 10.5%**

**U.S.  
UP 7.5%**

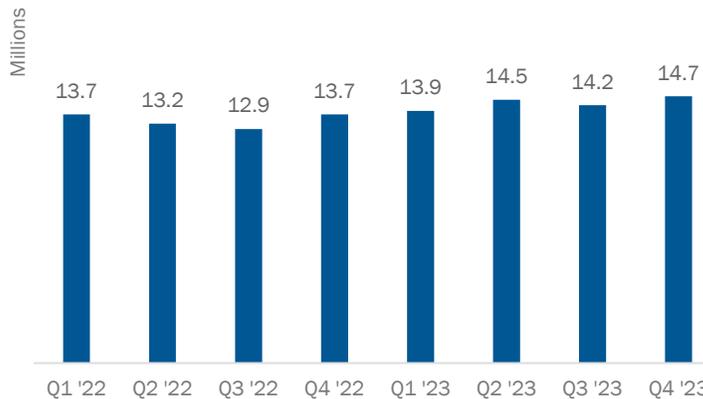
New retail light vehicle registrations in the county increased by **10.5%** from 2022 to 2023, above the **7.5%** improvement in the Nation.

Data sourced from Experian Automotive.



## QUARTERLY RESULTS

**Los Angeles County  
Quarterly Registrations  
Seasonally Adjusted  
Annual Rate, Converted  
to Equivalent U.S. New  
Vehicle Market SAAR  
(millions of units)**



The graph on the left provides an easily recognizable way to gauge the strength of the county market. It shows quarterly registrations based on a seasonally adjusted annual rate. These figures are then indexed to SAAR sales figures for the U.S. new vehicle market. So just like in the national market, when the quarterly SAAR is above 17 million units, the county market is strong, 15 million is about average, and below 13 million is weak. Equivalent SAAR levels in the county increased from **14.2 million** in the Third Quarter of last year to **14.7 million** in the Fourth Quarter.

Data sourced from Experian Automotive. SAAR estimates: Auto Outlook.

**% Change in quarterly  
registrations vs.  
year earlier  
(4Q '23 vs. 4Q '22)**

**UP  
6.9%**

**% Change in  
registrations vs.  
previous quarter  
(4Q '23 vs. 3Q '23)**

**DOWN  
4.2%**

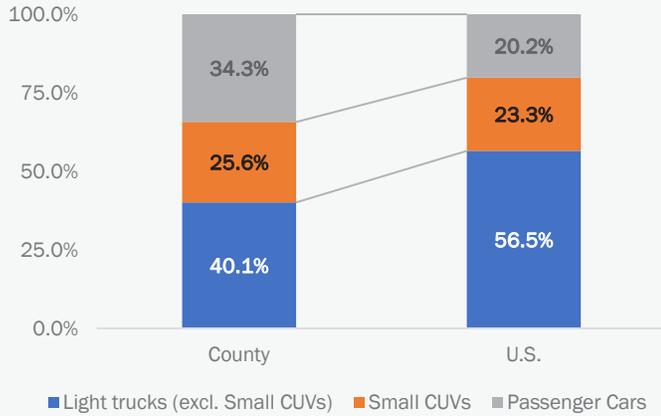
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# KEY TRENDS IN LOS ANGELES COUNTY NEW VEHICLE MARKET



## VEHICLE AND BRAND SEGMENTS - COUNTY AND U.S.

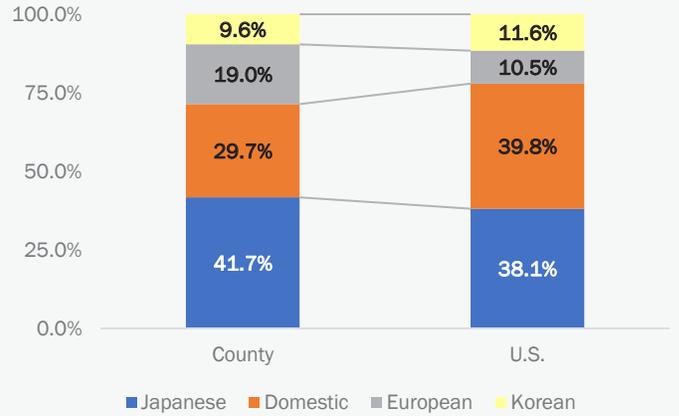
Market Share by Type of Vehicle



Combining the blue and orange sections in the graph above corresponds to the standard industry definition of light trucks. Small crossovers are broken out, however, since many are more similar to compact hatchbacks than to many trucks. Light truck share (excluding small CUVs) was **40.1%** last year, below the **56.5%** share in the U.S.

Data sourced from Experian Automotive.

Domestic, European, Japanese, & Korean Brand Share



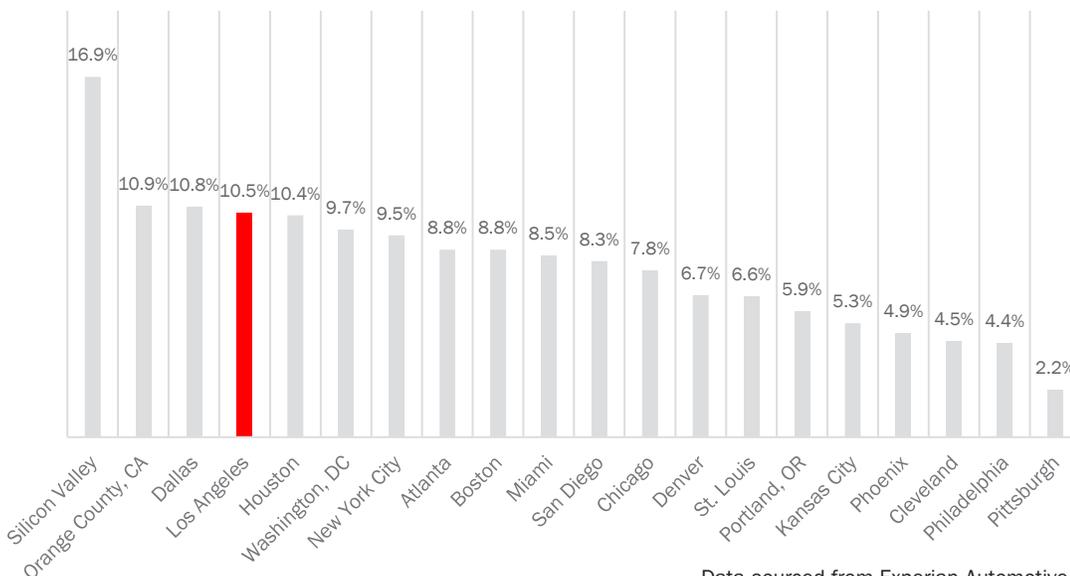
Japanese brand market share in the county was higher than U.S. levels: **41.7%** vs. **38.1%**. Los Angeles County Domestic brand share (which includes Tesla and Rivian) was **29.7%** in 2023. European brands accounted for a higher share of the county market last year than in the Nation.

Data sourced from Experian Automotive.



## COMPARISON OF METRO AREA MARKETS

Percent Change in New Retail Light Vehicle Registrations - 2023 vs. 2022



Data sourced from Experian Automotive.

### Observations and Key Facts

- Los Angeles County registrations increased **10.5%** last year, higher than most other markets. The Silicon Valley market improved by **16.9%**.
- BEV market share in the county last year was **22.0%** vs. **8.2%** in the Nation. BEV penetration was highest in Silicon Valley - **39.1%**
- Toyota was the best-selling brand in the county in 2023 and was also the leader in 11 out of the other 20 markets. Highest share for Toyota was in Portland, OR (**21.0%**).

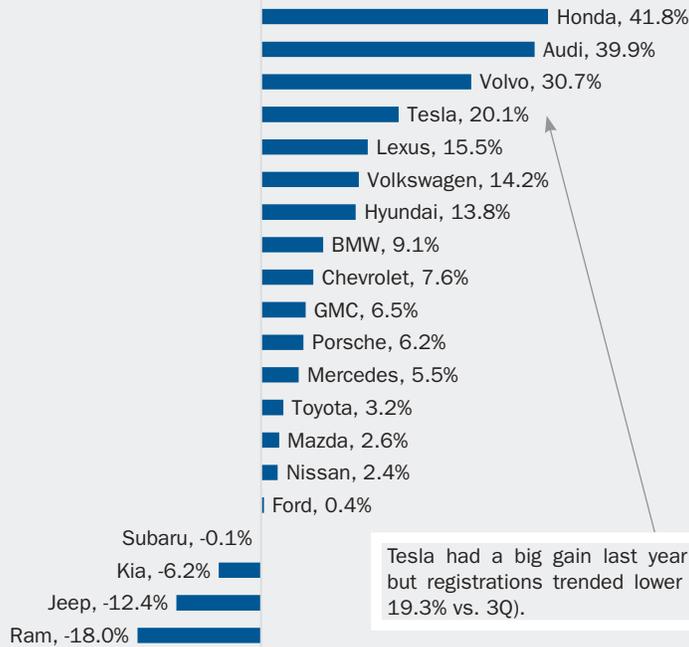
# BRANDS AND MODELS



## WINNERS AND LOSERS

The primary metric used to identify winning and losing brands is the annual (or year-to-date) percent change in registrations. Honda and Audi were the biggest gainers in the county market last year among top 20 brands. BUT this snapshot picture skips over another important piece of evidence that can shed light on brand sales performance - what is the shorter term trend in sales? This matters! Registrations for a brand may have posted a big increase for all of last year (definitely a positive), but if growth stalled as the year progressed, that's significant. Tesla is a good example (see text box next to graph below).

### % Change in County Registrations for Top 20 Brands- 2023 (annual) vs. 2022



Tesla had a big gain last year (up 20.1%), but registrations trended lower in 4Q (down 19.3% vs. 3Q).

### Brands Gaining Ground

**Largest % increases from 3Q '23 to 4Q '23**

Brand	Change	%
Volkswagen	Up	15.0%
BMW	Up	11.4%
Lexus	Up	10.0%
Toyota	Up	8.6%
GMC	Up	2.9%

### Brands Losing Ground

**Largest % declines from 3Q '23 to 4Q '23**

Brand	Change	%
Tesla	Down	-19.3%
Volvo	Down	-19.0%
Kia	Down	-15.8%
Mazda	Down	-14.8%
Chevrolet	Down	-12.0%

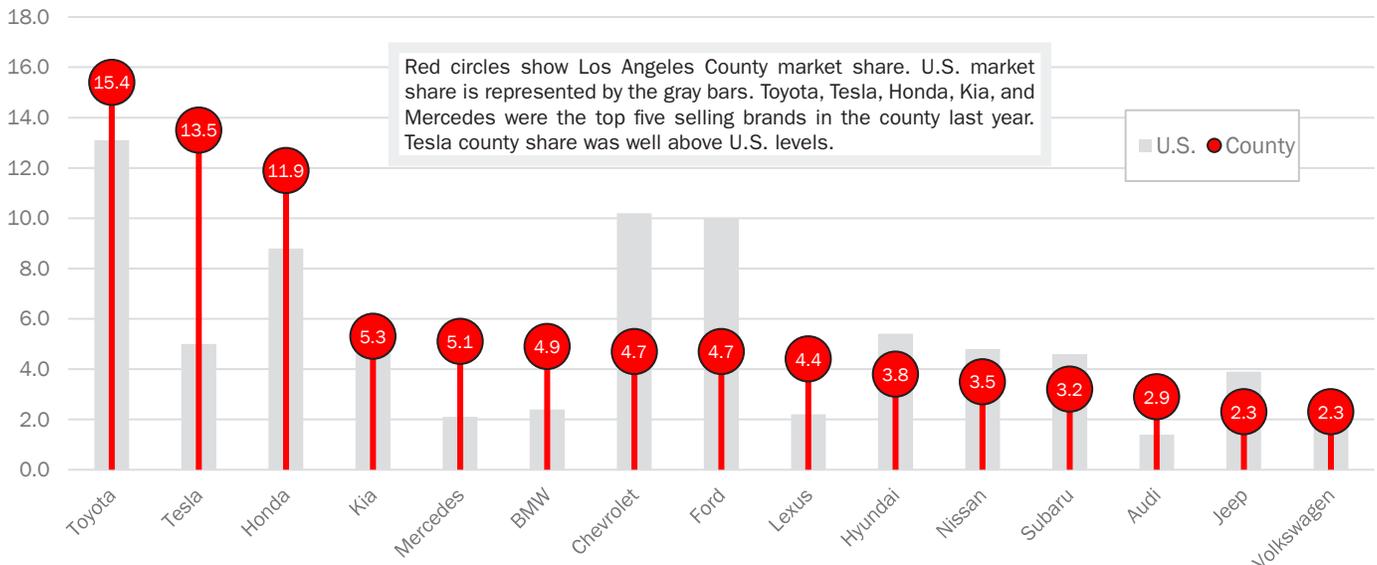
**Largest % increases in '23 vs. '22:** Honda, Audi, Volvo, Tesla, and Lexus.  
**Largest % increases in 4Q '23 vs. 3Q '23:** Volkswagen, BMW, Lexus, Toyota, and GMC.

Data sourced from Experian Automotive.



## TOP SELLING BRANDS

### Los Angeles County and U.S. Market Shares for Top 15 Brands in County - 2023



Red circles show Los Angeles County market share. U.S. market share is represented by the gray bars. Toyota, Tesla, Honda, Kia, and Mercedes were the top five selling brands in the county last year. Tesla county share was well above U.S. levels.

Data sourced from Experian Automotive.

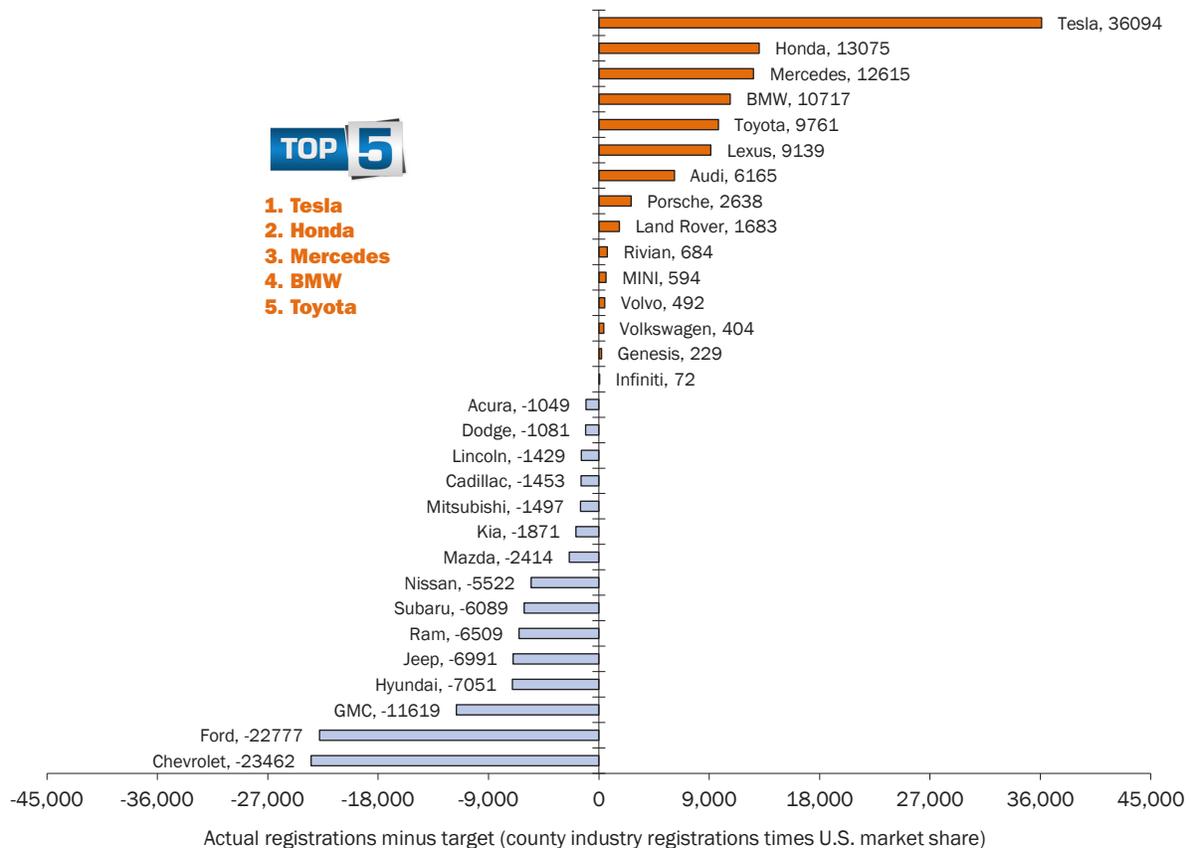
# BRANDS AND MODELS



## BRAND SALES PERFORMANCE

The graph below provides an indicator of brands that are popular in Los Angeles County (relative to the National standard), and those that are not. Here's how it works: For the top 30 selling brands, each brand's share of the U.S. market is multiplied by industry retail registrations in the county during 2023. This yields a "target" for the county market. Target registrations are subtracted from actual registrations to derive the measurement of sales performance. Brands at the top of the graph (i.e., Tesla, Honda, Mercedes, BMW, and Toyota) are relatively strong sellers in the county, with actual registrations exceeding calculated targets by large margins. For instance, Tesla registrations exceeded the target by 36,094 units.

**Los Angeles County Retail Market Performance based on registrations during 2023**  
**Actual registrations minus target (county industry registrations times U.S. market share)**



1. Tesla
2. Honda
3. Mercedes
4. BMW
5. Toyota

Data sourced from Experian Automotive.



## TOP SELLING MODELS

**Top 20 Selling Models - 2023 Annual Market Share and % Change in Registrations vs. 2022**

Rank	Model	Area Share %	% chg. '22 to '23	Rank	Model	Area Share %	% chg. '22 to '23
1	Tesla Model Y	7.4	45.4	11	Kia Forte	1.5	-8.8
2	Tesla Model 3	5.2	8.5	12	Lexus NX	1.3	66.5
3	Toyota RAV4	3.3	3.8	13	Chevrolet Silverado	1.2	-5.8
4	Honda Civic	3.1	38.7	14	Lexus RX	1.2	3.0
5	Toyota Camry	2.9	-1.7	15	Jeep Wrangler	1.2	-3.6
6	Honda Accord	2.8	36.9	16	Ford F-Series	1.0	18.8
7	Honda CR-V	2.7	74.0	17	Subaru Crosstrek	1.0	-12.0
8	Toyota Corolla	2.3	-1.1	18	Toyota Highlander	0.9	-22.2
9	Toyota Tacoma	1.8	-0.7	19	Audi Q5	0.9	44.1
10	Honda HR-V	1.6	41.6	20	Hyundai Tucson	0.8	19.3

Table on the left presents the top 20 selling models in Los Angeles County during 2023. Share of industry registrations and the percent change versus 2022 is also shown. Models with the five largest percentage increase are shaded blue.

Data sourced from Experian Automotive.

# ALTERNATIVE POWERTRAIN MARKET

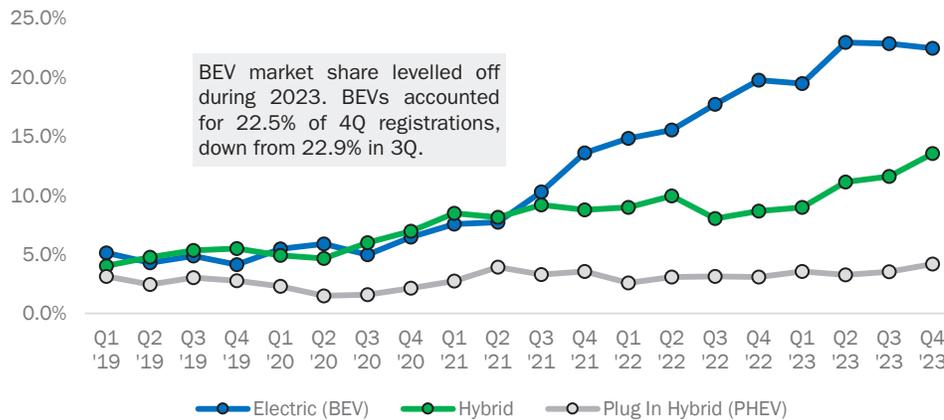
## FIVE KEY TRENDS

- 1.** BEV share increased from 16.9% in '22 to 22.0% in '23
- 2.** BEV share declined by 0.4 points from 3Q '23 to 4Q.
- 3.** Franchised dealer share of BEV market was 35.9% in '23 vs. 25.5% in '22.
- 4.** Hybrid registrations increased 28% last year. Plug ins were up 26%.
- 5.** Hyundai hybrid registrations were up 128% last year.



## BEV, PHEV, AND HYBRID MARKET SHARE

Percent Share of Industry Registrations by Powertrain Type



	Annual		
	2022	2023	
Electric (BEV)	16.9%	22.0%	↑
Hybrid	8.9%	11.3%	↑
Plug In Hybrid (PHEV)	3.0%	3.6%	↑

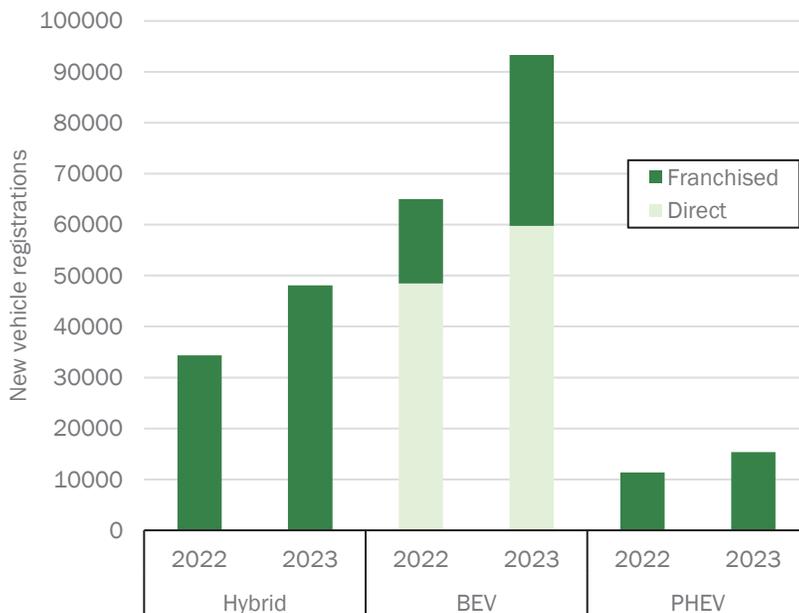
	Quarterly		
	3Q '23	4Q '23	
Electric (BEV)	22.9%	22.5%	↓
Hybrid	11.6%	13.5%	↑
Plug In Hybrid (PHEV)	3.5%	4.2%	↑

Data sourced from Experian Automotive. Hybrid registrations exclude mild hybrids.



## FRANCHISED DEALERSHIPS AND DIRECT SELLERS

New Hybrid, BEV, and PHEV Registrations in Los Angeles County by Type of Selling Dealership



BEV Registrations and Market Share		
	Franchised Dealerships	Direct Sellers
2022 registrations	16,561	48,466
2023 registrations	33,500	59,795
% change	102.3%	23.4%
2022 market share %	25.5	74.5
2023 market share %	35.9	64.1
change	10.4	-10.4
3Q '23 registrations	8,995	15,637
4Q '23 registrations	10,176	13,014
% change	13.1%	-16.8%
3Q '23 market share %	36.5	63.5
4Q '23 market share %	43.9	56.1
change	7.4	-7.4

As depicted on the graph, franchised dealerships accounted for 63% of the combined Hybrid, BEV, and PHEV market. Franchised dealer share of the BEV market increased from 36.5% in 3Q '23 to 43.9% in 4Q.

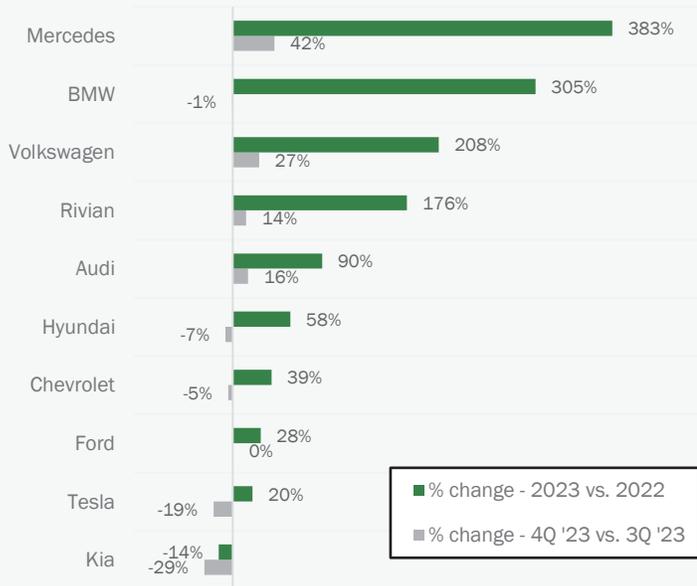
Data sourced from Experian Automotive. Hybrid registrations exclude mild hybrids.

# ALTERNATIVE POWERTRAIN MARKET

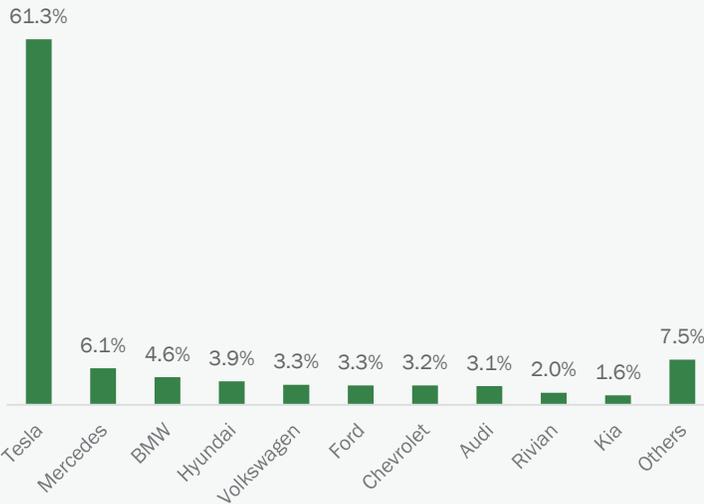


## MAKES AND MODELS

**% Change in Brand BEV Registrations for Top 10 Brands 2023 (annual) vs. 2022 and 4Q '23 vs. 3Q '23**



**Brand Share of Los Angeles County BEV Market (%) 2023 Annual**



**Observations**

- Mercedes had the largest % increase in BEV registrations from 2022 to 2023 (up 383%).
- BEV registrations declined from 3Q '23 to 4Q '23 for five of the top 10 selling brands.
- Tesla share of the BEV market was 61.3% in 2023.

Data sourced from Experian Automotive. Hybrid registrations exclude mild hybrids.

**Top Five Brands by type of Powertrain 2022 and 2023 Annual Registrations**

	Rank	Brand	2022 Regs.	2023 Regs.	% chg.	2023 Share
<b>BEV</b>	1	Tesla	47,597	57,145	20.1%	61.3%
	2	Mercedes	1,185	5,723	383.0%	6.1%
	3	BMW	1,061	4,302	305.5%	4.6%
	4	Hyundai	2,324	3,678	58.3%	3.9%
	5	Volkswagen	1,012	3,116	207.9%	3.3%
<b>PHEV</b>	1	Jeep	2,592	4,796	85.0%	31.2%
	2	Toyota	2,214	2,690	21.5%	17.5%
	3	BMW	2,054	1,997	-2.8%	13.0%
	4	Volvo	1,416	1,237	-12.6%	8.0%
	5	Kia	600	985	64.2%	6.4%
<b>HYBRID</b>	1	Toyota	16,913	19,887	17.6%	41.3%
	2	Honda	5,419	12,294	126.9%	25.6%
	3	Lexus	5,468	6,426	17.5%	13.4%
	4	Kia	3,405	4,133	21.4%	8.6%
	5	Hyundai	1,403	3,204	128.4%	6.7%

**Market Share for Top 15 Selling BEVs, PHEVs, and Hybrids - 2023 Annual**

Rank	Model	Type	2023 Share
1	Tesla Model Y	BEV	19.9%
2	Tesla Model 3	BEV	14.0%
3	Honda CR-V	Hybrid	4.2%
4	Honda Accord	Hybrid	3.6%
5	Toyota RAV4	Hybrid	3.4%
6	Jeep Wrangler	PHEV	2.4%
7	Toyota Corolla	Hybrid	2.4%
8	Volkswagen ID.4	BEV	2.0%
9	Chevrolet Bolt	BEV	1.9%
10	Tesla Model X	BEV	1.8%
11	BMW i4	BEV	1.5%
12	Ford Mustang Mach-E	BEV	1.5%
13	Hyundai Ioniq 5	BEV	1.4%
14	Toyota Sienna	Hybrid	1.3%
15	Toyota Camry	Hybrid	1.2%

Brand Registrations Report												
Los Angeles County New Retail Car and Light Truck Registrations												
	Fourth Quarter						Annual Totals					
	Registrations			Market Share (%)			Registrations			Market Share (%)		
	4Q '22	4Q '23	% change	4Q '22	4Q '23	Change	2022	2023	% change	2022	2023	Change
TOTAL	96,613	103,231	6.9				383,942	424,333	10.5			
Cars	34,618	33,638	-2.8	35.8	32.6	-3.2	136,552	145,567	6.6	35.6	34.3	-1.3
Light Trucks	61,995	69,593	12.3	64.2	67.4	3.2	247,390	278,766	12.7	64.4	65.7	1.3
Domestic Brands	30,456	28,642	-6.0	31.5	27.7	-3.8	115,172	125,904	9.3	30.0	29.7	-0.3
European Brands	17,658	19,739	11.8	18.3	19.1	0.8	72,861	80,741	10.8	19.0	19.0	0.0
Japanese Brands	38,668	45,220	16.9	40.0	43.8	3.8	156,043	177,109	13.5	40.6	41.7	1.1
Korean Brands	9,831	9,630	-2.0	10.2	9.3	-0.9	39,866	40,579	1.8	10.4	9.6	-0.8
Acura	624	725	16.2	0.6	0.7	0.1	2,665	3,360	26.1	0.7	0.8	0.1
Alfa Romeo	230	150	-34.8	0.2	0.1	-0.1	1,024	603	-41.1	0.3	0.1	-0.2
Audi	2,166	3,101	43.2	2.2	3.0	0.8	8,736	12,220	39.9	2.3	2.9	0.6
BMW	4,673	5,136	9.9	4.8	5.0	0.2	19,209	20,949	9.1	5.0	4.9	-0.1
Buick	122	230	88.5	0.1	0.2	0.1	500	715	43.0	0.1	0.2	0.1
Cadillac	625	660	5.6	0.6	0.6	0.0	2,546	2,825	11.0	0.7	0.7	0.0
Chevrolet	5,010	4,552	-9.1	5.2	4.4	-0.8	18,490	19,893	7.6	4.8	4.7	-0.1
Chrysler	211	262	24.2	0.2	0.3	0.1	607	839	38.2	0.2	0.2	0.0
Dodge	837	597	-28.7	0.9	0.6	-0.3	3,623	2,777	-23.4	0.9	0.7	-0.2
Ford	4,507	4,590	1.8	4.7	4.4	-0.3	19,729	19,809	0.4	5.1	4.7	-0.4
Genesis	521	539	3.5	0.5	0.5	0.0	1,956	2,155	10.2	0.5	0.5	0.0
GMC	1,088	1,141	4.9	1.1	1.1	0.0	4,262	4,538	6.5	1.1	1.1	0.0
Honda	9,258	12,455	34.5	9.6	12.1	2.5	35,594	50,483	41.8	9.3	11.9	2.6
Hyundai	3,243	4,060	25.2	3.4	3.9	0.5	14,057	15,992	13.8	3.7	3.8	0.1
Infiniti	305	439	43.9	0.3	0.4	0.1	1,537	1,912	24.4	0.4	0.5	0.1
Jaguar	67	49	-26.9	0.1	0.0	-0.1	319	225	-29.5	0.1	0.1	0.0
Jeep	2,273	2,401	5.6	2.4	2.3	-0.1	11,094	9,723	-12.4	2.9	2.3	-0.6
Kia	6,067	5,024	-17.2	6.3	4.9	-1.4	23,853	22,382	-6.2	6.2	5.3	-0.9
Land Rover	977	843	-13.7	1.0	0.8	-0.2	3,418	3,884	13.6	0.9	0.9	0.0
Lexus	3,676	5,133	39.6	3.8	5.0	1.2	16,137	18,645	15.5	4.2	4.4	0.2
Lincoln	208	266	27.9	0.2	0.3	0.1	900	982	9.1	0.2	0.2	0.0
Maserati	72	95	31.9	0.1	0.1	0.0	409	315	-23.0	0.1	0.1	0.0
Mazda	1,866	1,721	-7.8	1.9	1.7	-0.2	7,813	8,019	2.6	2.0	1.9	-0.1
Mercedes	5,027	4,920	-2.1	5.2	4.8	-0.4	20,400	21,516	5.5	5.3	5.1	-0.2
MINI	418	454	8.6	0.4	0.4	0.0	1,683	1,570	-6.7	0.4	0.4	0.0
Mitsubishi	211	246	16.6	0.2	0.2	0.0	1,056	1,055	-0.1	0.3	0.2	-0.1
Nissan	3,475	3,351	-3.6	3.6	3.2	-0.4	14,492	14,841	2.4	3.8	3.5	-0.3
Other	282	520	84.4	0.3	0.5	0.2	1,247	1,679	34.6	0.3	0.4	0.1
Polestar	154	84	-45.5	0.2	0.1	-0.1	729	286	-60.8	0.2	0.1	-0.1
Porsche	897	1,059	18.1	0.9	1.0	0.1	4,461	4,737	6.2	1.2	1.1	-0.1
Ram	1,062	936	-11.9	1.1	0.9	-0.2	4,950	4,058	-18.0	1.3	1.0	-0.3
Rivian	244	625	156.1	0.3	0.6	0.3	677	1,866	175.6	0.2	0.4	0.2
Subaru	3,268	3,262	-0.2	3.4	3.2	-0.2	13,456	13,448	-0.1	3.5	3.2	-0.3
Tesla	14,191	12,053	-15.1	14.7	11.7	-3.0	47,597	57,145	20.1	12.4	13.5	1.1
Toyota	15,985	17,888	11.9	16.5	17.3	0.8	63,293	65,346	3.2	16.5	15.4	-1.1
Volkswagen	2,063	2,719	31.8	2.1	2.6	0.5	8,429	9,629	14.2	2.2	2.3	0.1
Volvo	710	945	33.1	0.7	0.9	0.2	2,994	3,912	30.7	0.8	0.9	0.1

Data sourced from Experian Automotive. Top 10 in percent change are shaded yellow.

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