

## Operation of Auto Industry in January 2023

As China's epidemic prevention and control has entered a new stage, production and life order has been gradually restored, and China's economy has continued to recover and is on the rebound.

In January, influenced by the Spring Festival holiday and the early overdraft of some consumer demands, combined with the withdrawal of the purchase tax incentives for traditional fuel vehicles and the subsidy policies for new energy vehicles, automobile production and sales showed a double-digit decline from the previous month and year on year.

Among them, the production and sales of passenger cars have declined significantly, commercial vehicles are still running at a low level, and new energy vehicles and automobile exports continue to perform well.

### 1. Double-digit decline of automobile production and sales

In January, the production and sales of automobiles were 1.594 million and 1.649 million, down 33.1% and 35.5% month-on-month, and down 34.3% and 35% year-on-year respectively. Compared with the Spring Festival in February of 2022, the production and sales volume decreased by 12.1% and 5.1%; compared with the Spring Festival in February of 2019 (before the epidemic), the production and sales volume increased by 13% and 11.3%, respectively.

### 2. Significant decline of passenger cars

In January, the production and sales of passenger cars respectively completed 1.397 million and 1.469 million, down 34.3% and 35.2% month-on-month, and both down 32.9% year-on-year.

In January, the sales volume of domestically produced high-end brand passenger cars reached 284,000 units, down 26.7% year-on-year.

### 3. Commercial vehicles still at a low level

Overall demand for commercial vehicles slowed in 2022 due to multiple adverse factors. In January, the production and sales of commercial vehicles were 197,000 and 180,000, respectively, down 23.9% and 38.1% month-on-month, and down 43.1% and

47.7% year-on-year, respectively. Commercial vehicle enterprises generally resumed work and production late during the Spring Festival, and market demand still needs time to recover after the epidemic, the low operation situation of commercial vehicle production and sales has not been significantly improved.

#### **4. New energy vehicles slightly fell year-on-year**

In January, the production and sales of new energy vehicles reached 425,000 and 408,000, respectively, down 46.6% and 49.9% month-on-month and 6.9% and 6.3% year on year respectively, with a market share of 24.7%. Compared with the 2022 Spring Festival month in February, the production and sales increased by 15.4% and 22.2% respectively.