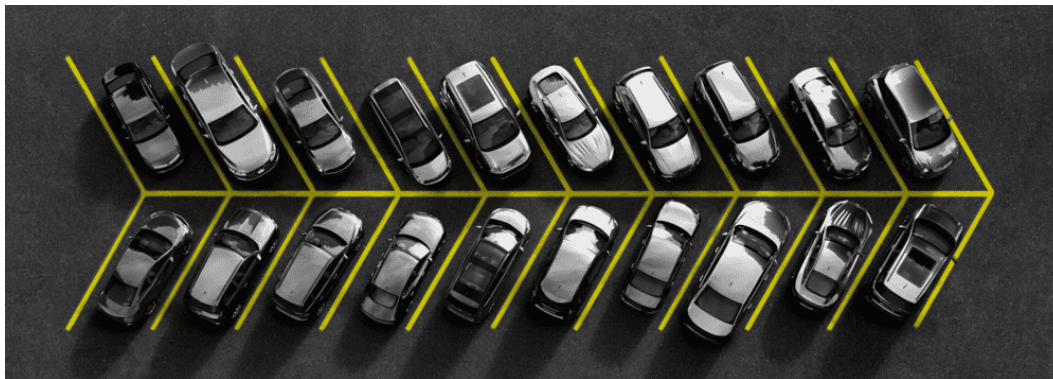


## Autos

### Cloudy skies loom over the auto industry

January 14, 2025

This report does not constitute a rating action



#### What's changed?

**Foreign carmakers are losing market share in China more quickly**, while suppliers face pressure to diversify with domestic OEMs, which may reduce returns as they compete with local leaders.

**Trump's second term as U.S. president** revives fears of new trade tariffs on imported vehicles from Europe, Mexico, and Canada, complicating the challenging market for OEMs and suppliers.

**Europe's slowing EV adoption** raises the risk of weaker margins for automakers due to uncertainty about government support for the transition through incentive schemes.

#### What are the key assumptions for 2025?

**Global demand for light vehicles remains stable**, although market shares are shifting to Chinese original equipment manufacturers (OEMs).

**Pricing is more resilient than expected**, helped by production discipline, but will likely weaken in the U.S. and Europe due to a very competitive market and price-sensitive consumers.

**Supplier ratings will be less resilient than OEMs** since ongoing restructuring has not significantly improved deleveraging or profitability.

#### What are the key risks around the baseline?

**Tariffs on U.S. imports of light vehicles and parts** would require price adjustments, changes to product strategy, and selective relocation, likely negatively affecting profitability and cash flow.

**A stronger-than-expected economic slowdown** fueled by low consumer confidence in the U.S. and Europe, decelerating growth in China and the risk of OEMs overproducing relative to demand.

**Delaying 2025 regulatory targets in Europe** would ease pressure on OEMs to push electric vehicles (EVs), helping to stabilize prices and lower the risk of fines at least temporarily.

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# Ratings Trends: Autos

Chart 1  
Ratings distribution

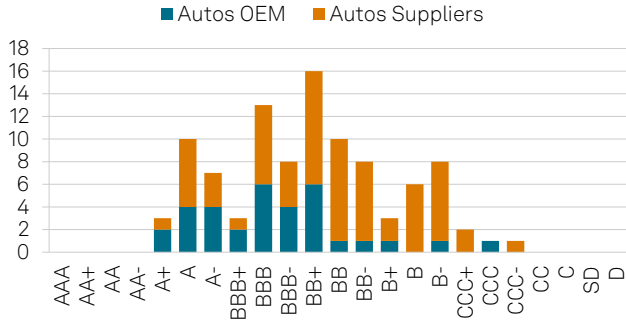


Chart 2  
Ratings distribution by region

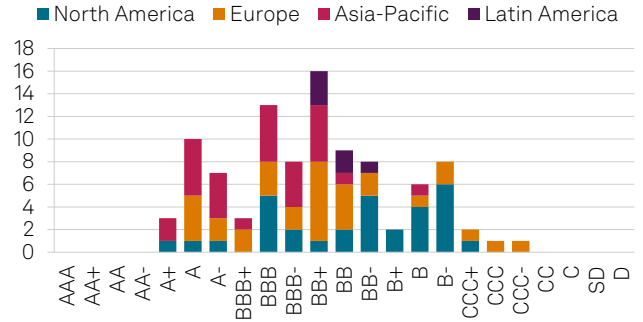


Chart 3  
Ratings outlooks

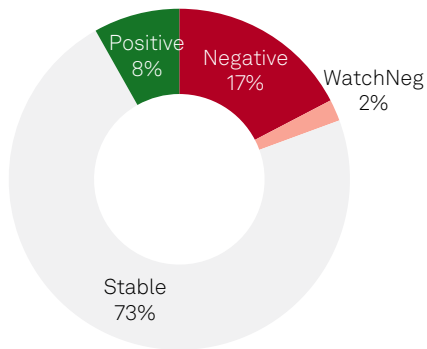


Chart 4  
Ratings outlooks by region

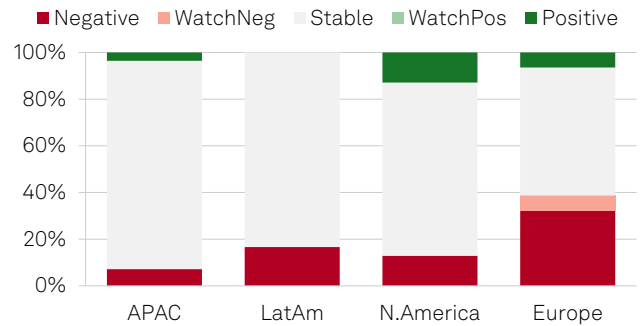


Chart 5  
Ratings outlook net bias

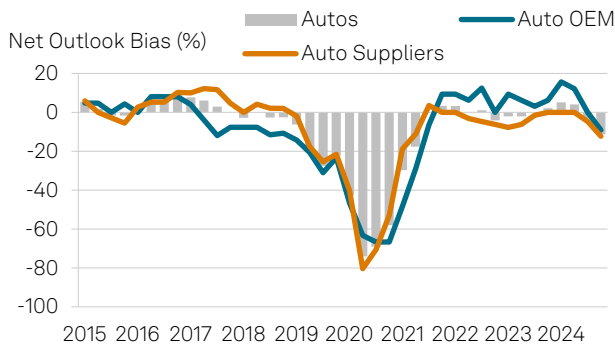
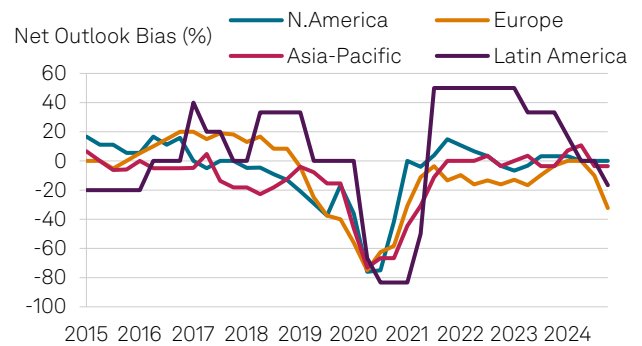


Chart 6  
Ratings net outlook bias by region



Source: S&P Global Ratings. Ratings data measured at quarter-end.

# Industry Outlook

## Ratings trends and outlook

A downside rating risk is emerging in the auto industry, primarily affecting suppliers, since the sector faces a profound transformation in the competitive landscape coupled with low volume growth. For OEMs, volume, pricing, and mix will play a less supportive role for earnings compared to previous years. We identify three main risks for 2025: Chinese OEMs' aggressive domestic and international expansion, the high likelihood of new import trade tariffs into the U.S., and tightening regulation in Europe, and further down the road, in China.

We deem Chinese OEMs' aggressive expansion to be a game changer for the industry. China's weak economy relative to its industrial overcapacity is set to further intensify competition in the country and in international markets targeted for Chinese vehicle exports. This raises geopolitical tensions that have already triggered protectionist reactions. Protectionism distorts markets and at best delays necessary adjustments by foreign automakers to narrow competitive gaps, but it does not change the fundamental competitive advantage of Chinese OEMs and suppliers, which is their significantly lower cost base.

In the global race to lower total costs, auto suppliers will have to support OEMs in realigning production capacity to address market share losses to emerging Chinese manufactures, as well as in adjusting to the slower global transition to EVs. Unless there is a wave of market consolidation, residual headroom for cost reductions and deleveraging seems limited after the significant adjustments made post-pandemic, as well as the low likelihood of further compensation from OEMs. Even the Chinese EV champion BYD is seeking to negotiate with auto suppliers for an annual 10% price reduction, highlighting the challenge suppliers face to improve profitability. The momentum in negative outlooks for our global supplier portfolio in 2024 has risen to slightly below 20% from 10%, reflecting the accelerated loss of rating headroom for these issuers.

Weak market conditions, upcoming tougher carbon dioxide regulatory limits in Europe starting in 2025, and tighter fuel efficiency standards in China likely from 2026, will constrain light vehicle OEMs' options to manage the powertrain mix as they try to maintain profitability in a slower-than-expected EV adoption scenario. The prolonged use of internal combustion engine (ICE) vehicles will come with costs. In Europe, we expect the impact of lower EV margins will fully affect profits and cash flows in 2025.

The positive credit trends for OEMs such as Renault, GM, Hyundai, and Tesla over 2024 will be tested against these risks, making upward rating transitions less common. For all other light vehicle automakers, maintaining their ratings will depend on their capacity to reduce costs, manage regulatory risks, and stabilize their market shares (or eventually tie up with a better rated competitor).

Our rated portfolio of truck companies shows overall rating stability, even with more negative volume forecasts compared to light vehicles, especially in Europe. Rating headroom remains satisfactory thanks to lower exposure to Chinese companies in key profit areas, especially in Europe and North America, and because the transition toward lower-emission vehicles is still in its early stages. Currently, the non-ICE share represents less than 1% of units sold.

## Main assumptions about 2025 and beyond

### 1. Low volumes, low pricing power.

Global light vehicle sales growth will slow to 1%-3% per year in 2024-2026. Increased OEM incentives and lower dealer prices will reduce margins. There will also be weak demand for heavy-duty trucks, but the rating headroom can absorb it.

### 2. Market share erosion to Chinese automakers.

Intense competition rages on in the Chinese volume segment and is rapidly extending into the premium segment, posing displacement risks for traditional manufacturers and forcing suppliers to restructure operations in the region.

### 3. Moderate EV adoption growth globally.

EV losses and regulatory fines will offset the advantages of continued ICE use.

## Light vehicles

**Low volume growth and weaker pricing.** Most global OEMs will struggle to expand their profit margins over the next few years since the combination of low volume growth and weaker pricing will fail to support the earnings momentum observed over 2021-2023. We anticipate very moderate growth in light vehicle demand over the next two years (see table 1). We expect OEMs to maintain tight production levels and adjust capacity downward now that the prospect of volume growth is moving further away, in order to limit pricing downside and reduce fixed costs. We think the product mix could negatively impact revenues and earnings because consumers are more interested in affordable options than in recent years, as well as due to the higher share of EVs. Meanwhile, new OEMs will challenge legacy producers' previously successful value-over-volume strategies, likely leading to declining pricing power, which may manifest as either higher discounts or lower retail prices. This will increase the need for traditional OEMs to support profitability through ongoing, and perhaps additional, cost reductions.

Table 1

### Global light vehicle (LV) forecast (as of October 2024)

	Actual		New projections (as of October 2024)			Previous projections (as of April 2024)		
	2023	2023	2024e	2025e	2026e	2022e	2023e	2024e
	Mil. units	YOY%	YOY%	YOY%	YOY%	YOY%	YOY%	YOY%
<b>Global LV sales</b>	86.7	9.8	1-2	2-3	1-2	1-3	2-4	1-3
<b>China (mainland)</b>	25.5	5.6	0-2	0-2	1-3	2-4	2-3	1-3
<b>U.S.</b>	15.6	12.4	(1)-0	1-2	1-2	(1)-0	1-2	0-1
<b>Europe</b>	17.9	19.5	0-2	1-3	1-2	0-2	1-3	0-2
<b>South Korea</b>	1.7	3.3	(4)-(2)	0-2	0	0-2	0-1	0
<b>Japan</b>	4.7	13.7	(4)-(2)	1-3	0	(4)-(2)	0-2	0
<b>Rest of the world</b>	21.2	5.0	4-6	4-6	1-2	4-6	4-6	4-
<b>Global LV production</b>	90.5	9.9	(3)-(1)	0-1	0-1	0-1	0-2	0-2

e—Estimate. YOY—Year-on-year. All percentages are year-on-year changes. Sources: Actuals from S&P Global Mobility, forecasts by S&P Global Ratings.

**Foreign automakers are losing market share in China at an accelerated pace.** The decline in foreign OEMs' market share in China since the pandemic was initially a phenomenon mainly limited to the volume market (see chart 7). However, Chinese OEMs have also been expanding into the premium segment, and this trend gained momentum in 2024 (see chart 8). Emerging

Chinese OEMs will challenge traditional premium brands with vehicles that compete on technology, design, and price.

Chart 7

Foreign brands ceded market share in China's volume segments

Change in volume market share in China (YTD 2024 vs. 2019)

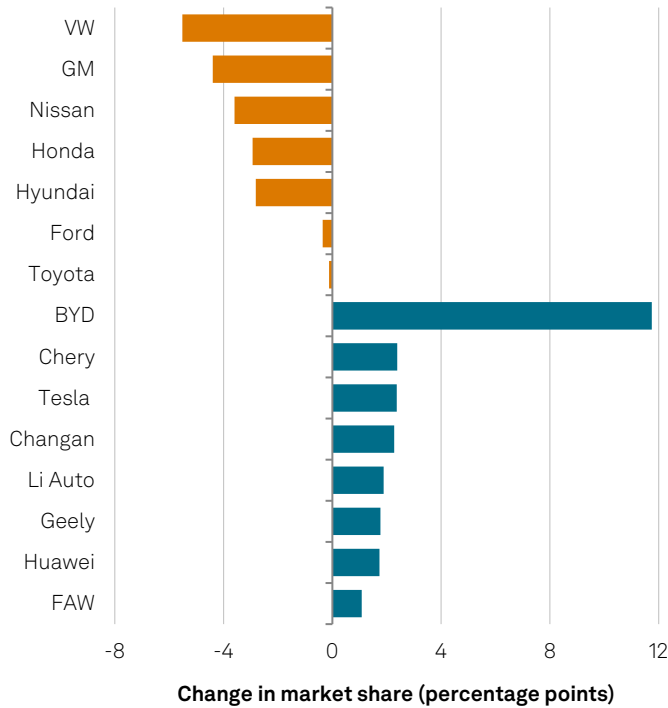
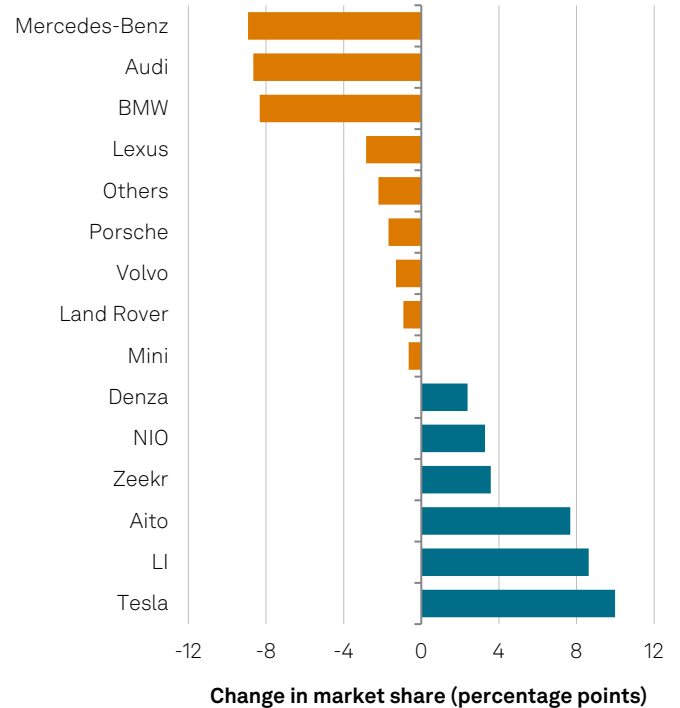


Chart 8

...as well as in premium segments

Change in premium market share in China (YTD 2024 vs. 2019)



YTD—Jan.-Sept. 2024. Sources: S&P Global Mobility, S&P Global Ratings.

YTD—Jan.-Sept. 2024. Sources: S&P Global Mobility, S&P Global Ratings.

In the premium market, foreign OEMs often lag their Chinese competitors in terms of technology. Despite significant investment in product innovation, European and Japanese brands have so far failed to persuade Chinese consumers with respect to infotainment and autonomous driving assistant features. That said, in the high-end premium space—i.e., vehicles priced over Renminbi (RMB) 1 million—a lack of confidence in electric vehicle technology is discouraging battery electric vehicle (BEV) adoption in favor of ICEs. However, the captive market for ICE-powered vehicles is declining in China and may shrink further with the new corporate average fuel consumption regulations starting in 2026.

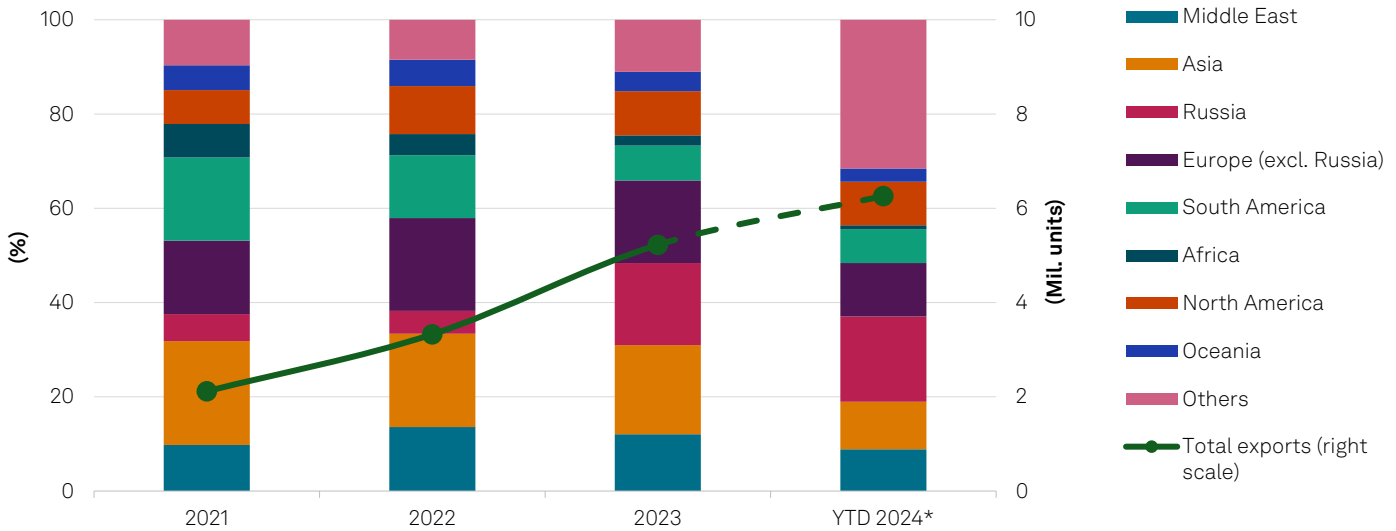
We deem the loss of market share a key risk for foreign OEMs in China in the coming years. In the premium segment, so far most of this market share loss is explained by the segment's growth as a share of the total market, which has been captured by local OEMs. While foreign OEMs' sales have been more stable in absolute terms, this may change in the context of an expanding and very competitive premium offering from local peers. We expect foreign OEMs to limit further significant share erosion in the medium term given their ongoing investments in technology, platforms, and partnerships (mostly through joint-ventures), and likely changes in strategy related to product segments, pricing and exports.

If foreign OEMs succeed in bridging the cost competitiveness gap in China, they will be better equipped to counter Chinese OEMs' aggressive expansion in Europe, Asia-Pacific (APAC) excluding China, Africa, and South America (see chart 9).

Chart 9

China’s light vehicle exports have nearly tripled in the last three years

China’s auto exports by destination (2019 – YTD 2024)



\*YTD-2024—Jan.-Sept. 2024. Total exports for YTD-2024 has been annualized. Sources: China Passenger Car Association, China Customs, S&P Global Ratings.

**A less predictable EV transition.** The transition to electrified mobility is highly likely, but the process is exposed to political influence. China is leading the shift away from traditional gasoline and diesel engines, with the share of EVs (BEVs + PHEVs) exceeding 40% of new vehicle sales in the 12 months to October 2024. We think this transition will keep momentum since the government plans to tighten fuel consumption thresholds starting in 2026, further discouraging sales of traditional engines.

In Europe, low visibility on a stable incentive scheme, coupled with unclear total cost of ownership advantages, has slowed EV adoption in 2024 (see chart 10). Political uncertainty in two of Europe’s largest auto markets—Germany and France—does not favor any bold political initiatives supporting EV transition in 2025. This leaves OEMs in Europe exposed to margin dilution because they will have to sell EVs at low margins, purchase carbon dioxide credits, and face regulatory fines next year, or any combination of these.

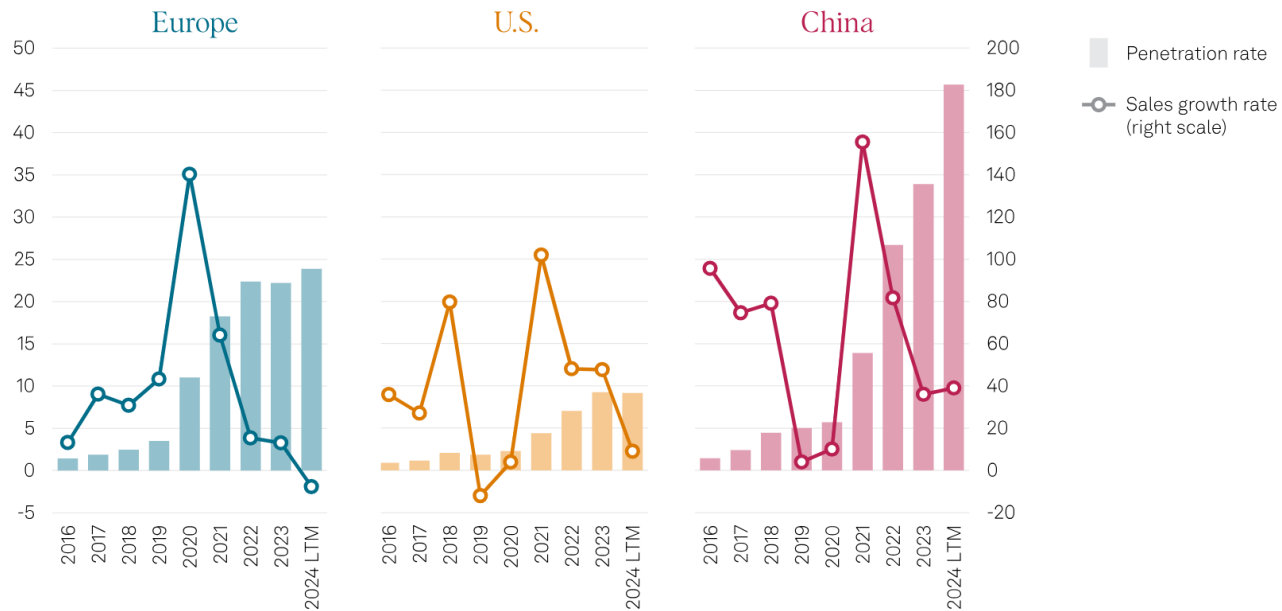
The newly appointed European Commission will need to assess whether regulatory ambitions should be realigned to accommodate a hesitant market. The consensus is not in favor of postponing near-term company-specific carbon dioxide limits, but instead of mitigating regulatory penalties, which represent a burden on already strained 2025 earnings forecasts. This is, however, not included in our base case for 2025. To meet the carbon dioxide emissions targets for 2025, approximately 20%-22% of vehicles sold in the overall market would need to be EVs. As of October 2024, EVs represented a 20.2% market share, down from 21.6% in the previous year (source: European Automobile Manufacturers' Association; ACEA).

The combination of pushing margin-dilutive EVs into the market, along with the pooling costs among car manufacturers currently weighs on the earnings forecasts of most traditional automakers with sizeable operations in the EU. Furthermore, additional costs may arise from adjusting investments in new battery technology and managing contracted battery volumes. Even if there is a possibility of reduced regulatory fines in the short term, we do not expect major changes in the level of EV penetration in Europe by the end of this decade.

Chart 10

EV penetration is pausing in Europe and the U.S., while still rising in China

EV penetration rate and sales growth rate (%)



LTM—Last 12 months. Source: S&P Global Ratings.

The outlook for EV demand in the U.S. could face some downside pressure during Donald Trump's second presidential term. This will depend on the timing and magnitude of changes to consumer and production tax credits under the Inflation Reduction Act, as well as investments in charging infrastructure under the Bipartisan Infrastructure Law. We expect significant competitive pressure for all automakers in 2025 and 2026. Following a slowdown in market share gains for EVs and rising inventories for several models, we think the next wave of buyers will be more price-sensitive and depend on significant battery range improvements, charging infrastructure, and technology. This is evident from the 7% year-over-year growth for EVs in 2024, which is much slower compared to a 37% growth in hybrids. Therefore, any removal of tax subsidies or charging infrastructure will skew estimates toward the lower end of the range in our base case (see table 2) and take longer to close the U.S. EV market share gap with Europe and China. For now, our global electrification scenario remains unchanged.

Table 2

Global electrification scenario

Share of BEVs + PHEVs as a percentage of total sales

	2021	2022	2023	2024e	2025e	2026e	2030e*
<b>Europe 10</b>	18%	22.4%	22.2%	<20%	20%-25%	20%-25%	55-60%
<b>China (Mainland)</b>	14.0%	27.0%	32.9%	Approx. 40%	44%-48%	48%-52%	70%-75%
<b>U.S.</b>	4.50%	7.1%	9.2%	10%-11%	13%-16%	16%-22%	30%-35%
<b>Global</b>	8.3%	13.0%	16.5%	18%-19%	19%-20%	20%-22%	45%-50%

Europe 10—Germany, France, U.K., Italy, Spain, Belgium, Austria, Netherlands, Sweden, and Norway. e—Estimate. BEVs—Battery electric vehicles. PHEVs—Plug-in hybrid electric vehicle. \*2030 production projections by S&P Global Mobility. Source: 2019-2023 EV Volumes, 2025 estimates by S&P Global Ratings.

### Heavy duty commercial vehicles

We forecast that global sales of heavy-duty trucks (HDTs) will increase by low single digits to about 1.95 million units in 2025, up from 1.93 million units expected in 2024 (see table 3). In Europe, the market continues to normalize but with a declining trend, recovering moderately in North America and APAC. Supply chain issues and widespread component shortages have eased further in 2024, but intensifying U.S.-China trade tensions, and the extent of President-elect Trump's proposed trade tariffs could lead to a deterioration over 2025-2026, impacting both units sold and profit margins. In Europe, we expect up to a 5% decline owing to weak macroeconomic conditions, political uncertainty in its largest markets (Germany and France), and little hope that the neighboring Russia-Ukraine and Middle East conflicts will de-escalate. For further details, see "[2025 Global Outlook For Heavy-Duty Trucks Isn't Rosy](#)," published Dec. 11, 2024.

Table 3

#### HDT growth forecast – unit sales

(%)	2019	2020	2021	2022	2023	2024e	2025e	Units sold in 2023
<b>EU27+3</b>	(0.1)	(28.7)	20.5	6	15.5	(15.0) - (10.0)	(5.0) - 0.0	350,213
<b>APAC</b>	0.3	18.1	(2)	(48.2)	19.9	(7.5) - (2.5)	0.0 - 5.0	1,091,549
<b>North America</b>	7.3	(25.1)	13.4	7.8	7.8	(15.0) - (10.0)	0.0 - 5.0	295,385
<b>South America</b>	18.4	(9.4)	49	(0.5)	(15.7)	7.5 - 12.5	0.0 - 5.0	116,419
<b>Total</b>	1.8	3.5	5.1	(31.4)	16.3	(10.0) - (5.0)	0.0 - 5.0	2,074,678

HDT—Heavy-duty truck. e—Estimate. Sources: S&P Global Mobility, S&P Global Ratings.

### Credit metrics and financial policy

#### Light vehicles

Over the next two years, we expect moderate revenue growth for OEMs in line with the weak momentum of light vehicle sales and increasing pricing pressure. Cost reduction will remain crucial to accommodate headwinds generated by trade tensions, inflation, regulatory commitments, intense competition in China and other markets, and expenses linked to new model launches. In addition, the widespread need to reduce idle capacity to cut fixed costs will likely add to ongoing restructuring measures that will weigh on margins and cash flows. In a very competitive market, investments—such as capitalized research and development (R&D) and capital expenditure (capex)—may offer little flexibility to improve free cash flow generation. Slower adoption of EVs will not provide significant support because the benefits of longer lifespans for ICE worldwide may not sufficiently balance decreasing margins on EV sales.

Given that most OEMs have strong balance sheets, they will likely maintain financial policies that benefit shareholders to support equity valuations. With sales and pricing facing challenges, some OEMs might lower their underwriting standards at their proprietary captive finance businesses to compete, which could increase credit risk.

Auto suppliers will face increasing pressure from OEMs to share their cost reduction efforts in the event demand remains flat. Volume shortfall could have been somewhat mitigated by the anticipated rise in product content and value for suppliers; however, this is likely to be undermined by the slower EV transition and more cost-conscious consumers. These factors will make it harder for suppliers to deleverage through EBITDA growth, leaving them with limited options, such as selling assets, tightening financial policies, and cutting capex spending.



## Heavy duty commercial vehicles

We publicly rate four truck OEMs that primarily operate in Europe, the U.S., and South America. For 2025, we anticipate overall muted revenue growth and margins in line with 2024 levels. Capex will remain sustained as truck makers prepare for the energy transition that may now take longer than expected. Tariffs represent a short-term risk that could lead to lower demand and increased supply chain issues. However, most of the companies we rate have strong balance sheets, which could help sustain less favorable free operating cash flow generation in their industrial businesses. We also anticipate the loss ratio for captive finance businesses could increase over 2024-2025 as logistic companies struggle with their cost base.

## Key risks or opportunities around the baseline

### 1. New tariffs on U. S. imports of vehicles and parts.

The risk of tariffs is high, but their impact remains uncertain and depends on tariff levels, whether (and which) parts are included, and sourcing locations. Thus, specific tariff scenarios are not included in our issuers' 2025 base cases but are noted as potential additional headwinds. Mitigation strategies will differ among OEMs, and should be evaluated individually.

### 2. The recovery of the Chinese economy could benefit the auto industry.

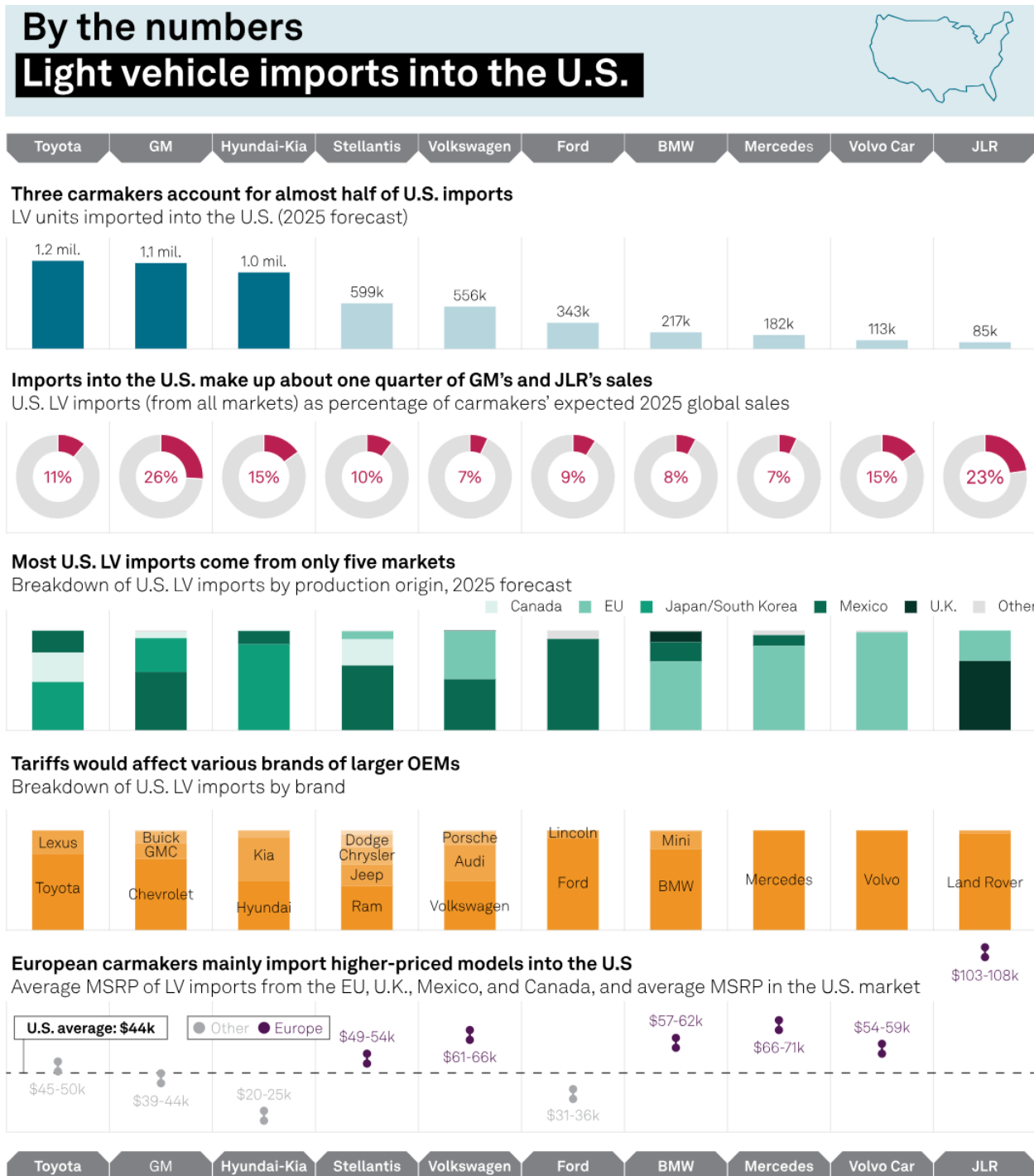
The hypercompetitive environment is magnified by a low-growth economy and weak consumer confidence, such that an earlier-than-expected recovery (2026-2027) could offer some relief for sales and pricing.

### 3. Regulatory pragmatism in Europe could create opportunities.

Near-term risks involve selling EVs at low margins, and costs for credit purchases, and penalties for not meeting 2025 carbon dioxide targets. If the new European Commission eases these risks, such as averaging fleet emissions over a longer period, OEMs with significant operations in Europe would see this source of earnings risk partly reduced.

**Tariffs on imports of vehicles and parts into the US.** The debate surrounding tariffs on the import value of parts and finished vehicles into the U.S. is a focal point in the global auto industry. To assess the maximum EBITDA at risk for OEMs, we developed a scenario analysis based on assumptions regarding tariff levels and the potentially affected sourcing area (see chart 11 and [“Auto Industry Buckles Up for Trump’s Proposed Tariffs on Car Imports,”](#) published Nov. 29, 2024). European premium carmakers Volvo Car and Jaguar-Land Rover are particularly exposed to tariffs on European imports, whereas General Motors and Stellantis would face the greatest risk in case of tariffs on imports from Mexico and Canada. Toyota and Hyundai-Kia have low exposure if no additional duties are applied to imports from Japan and Korea.

Chart 11



Note: Volumes represent the October 2024 forecast by S&P Global Mobility. MSRPs are from October 2024. GM—General Motors. JLR—Jaguar Land Rover. LV—Light vehicle. Mercedes—Mercedes-Benz. MSRP—Manufacturer Suggested Retail Price. Sources: S&P Global Ratings, S&P Global Mobility.

**The heavy-duty truck market is typically less exposed to exports from Europe to the U.S.** This is due to its more regional production. At the same time, the threat of tariffs imposed by President-elect Donald Trump's administration could challenge the profit margins of truck OEMs that rely on Mexican exports for U.S. domestic sales. According to S&P Global Mobility data, U.S. production accounted for about 55% of the total heavy-duty unit truck sales in the U.S. in 2023. Demand is primarily met by imports from Mexico, which represented about 98% of truck imports

in the U.S. in 2023. We understand global truck OEMs have used Mexico as a production hub to varying degrees. S&P Global Mobility data indicates that the companies most exposed to Mexican production for export to the U.S. are Daimler Truck, which represents about 70% of heavy-duty truck exports from Mexico to the U.S. (slightly more than 80,000 units), followed by Traton at about 30%, (slightly more than 34,000 units). Under a scenario of 25% tariffs on imports from Mexico, we anticipate these companies' profit margins could be challenged, particularly because it will be difficult to reallocate the production elsewhere in a timely manner.

**The light vehicle market in China could experience a revival.** A marked recovery of the Chinese auto market is not in our base case for 2025 or 2026 due to persistently weak consumer sentiment (despite an improvement observed towards the end of 2024). The prolonged property market downturn has negatively weighed on consumer confidence and dampened spending on non-essential high-cost items. The government's attempt to revive the market through a trade-in program stimulated passenger vehicle retail sales in the fourth quarter, potentially pulling forward demand for 2025.

However, a more consistent intervention next year should not be excluded. Our economists have already factored in a lift in U.S. tariffs on Chinese imports to 25% from the second quarter of 2025 onwards (from about 14%), which would hit the Chinese economy. To counter challenging macroeconomic conditions, further stimulus seems inevitable, though its magnitude remains uncertain. For the auto sector, in addition to extending the trade-in policy, some industry participants are advocating for a cut in purchase tax (10% for ICE vehicles), which has historically been the most effective measure to support auto purchases. If successful, this could create stronger market momentum and potentially alleviate pressure on volume and profitability.

That said, we remain cautious about the road ahead for auto OEMs. While stimulus policies could promote auto sales, the market is highly competitive, with continuous new model and brand launches. Cost leaders seeking market share may prolong the price war, especially if they can pass cost pressures onto suppliers. Market followers will need to adapt or risk losing volume. This also applies to premium OEMs, particularly in the entry-level premium segment.

The rating headroom for rated auto makers remains divergent but has generally decreased. For Geely entities, despite strong volume growth in 2024 due to improved product offerings, margin recovery could be complicated by the EV transition and trade tariffs. For latecomers to electrification, such as Beijing Automotive and China FAW, competitive pressures are increasing because of the lack of competitive EV models. The success of their EV strategy will determine their market position and rating trajectory in the next two to three years.

**Regulatory pragmatism in Europe could ease earnings pressure for affected OEMs.**

Manufacturers are integrating their regulatory commitments in Europe into their planning for 2025. This includes planning their mix of models and engine types—gasoline, hybrids, and EVs—as well as tweaking pricing, including potentially raising prices for ICE-powered vehicles, and preparing to buy credits from other manufacturers to meet company-specific targets or pay penalties. Meanwhile, the European People's Party is starting to acknowledge the challenges automakers face in the EU, which extend beyond light vehicles to include trucks and buses. The regulations mandate a 15% reduction in the average carbon dioxide emissions emitted per kilometer compared to 2021 levels. In the first 10 months of 2024, the market share of EVs in the EU fell to 20.2% from 21.6% last year. ACEA is calling for a two-year delay in the tightened carbon dioxide targets for 2025 to avoid fines of up to €15 billion, which represents approximately 25% of annual R&D spending in Europe. If successful, relaxing the 2025 targets and fines could alleviate one important earnings risk for 2025 for the affected OEMs in the region.

## Related Research

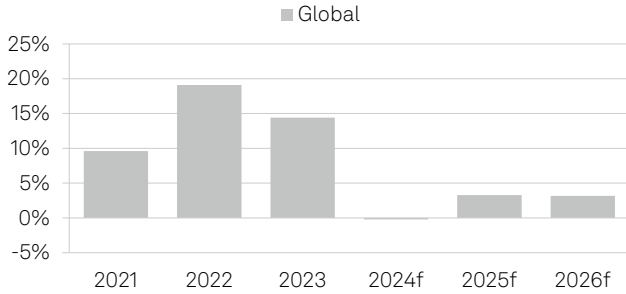
- [Auto Industry Buckles Up for Trump's Proposed Tariffs on Car Imports](#), Nov. 29, 2024
- [EV Makers To Bet \\$20 Billion On South And Southeast Asia](#), Oct 29, 2024
- [China Auto: Survival Of The Fittest](#), Oct. 17, 2024
- [Idling Auto Sales Limit Upside For U.S. Auto Sector Ratings](#), Oct 10, 2024
- [Global Auto Outlook: More Players, Less Profit](#), Oct. 9, 2024
- [Credit FAQ: Inflation, China, And EV Transition Risks Casts Long Shadow On North American Auto Suppliers](#), July 22, 2024
- [Industry Credit Outlook Update Asia-Pacific: Autos](#), July 18, 2024
- [Industry Credit Outlook Update Europe: Autos](#), July 18, 2024
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- [Asian Auto: Resiliency Over Adversity](#), May 23, 2024
- [Hybrids Prop Up Japanese Automakers](#), April 24, 2024

# Industry Forecasts

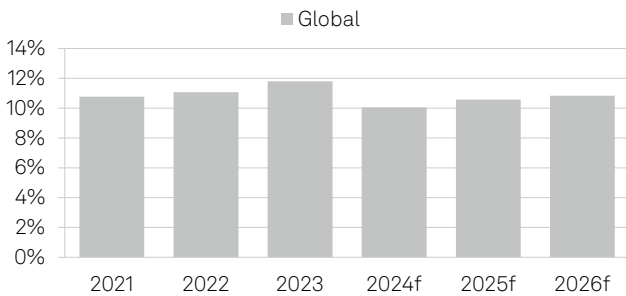
## Auto OEMs

Chart 12

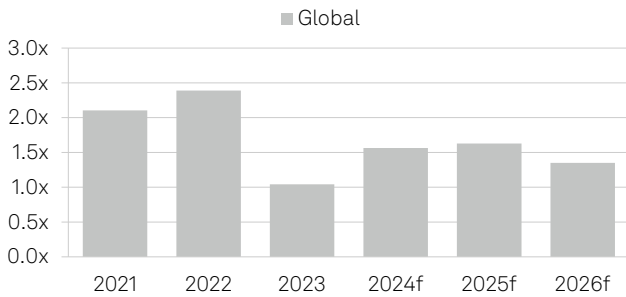
### a) Revenue growth (local currency)



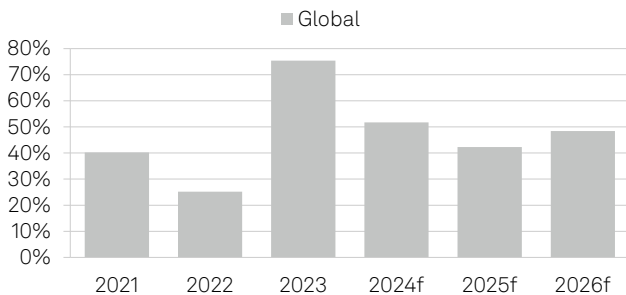
### b) EBITDA margin (adjusted)



### c) Debt / EBITDA (median, adjusted)



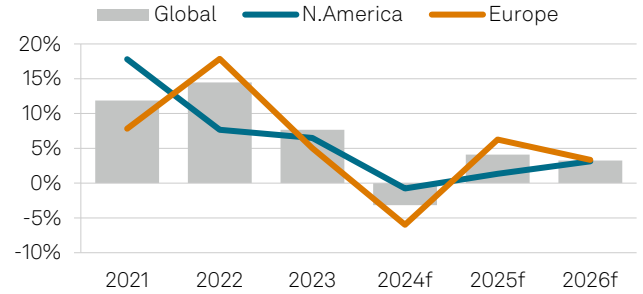
### d) FFO / Debt (median, adjusted)



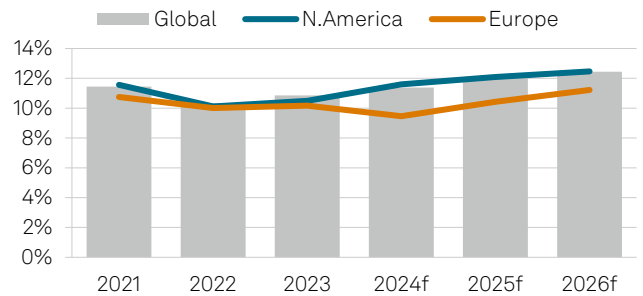
## Auto Suppliers

Chart 13

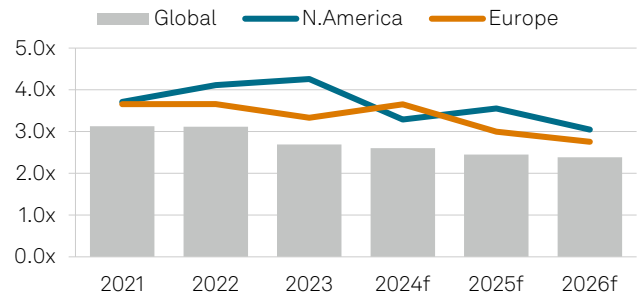
### a) Revenue growth (local currency)



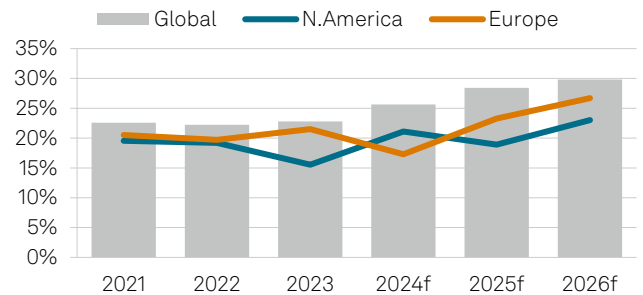
### b) EBITDA margin (adjusted)



### c) Debt / EBITDA (median, adjusted)



### d) FFO / Debt (median, adjusted)



Source: S&P Global Ratings.

Revenue growth shows local currency growth weighted by prior-year common-currency revenue share. All other figures are converted into U.S. dollars using historic exchange rates. Forecasts are converted at the last financial year-end spot rate. OEMs--Original equipment manufacturers. FFO--Funds from operations.

## Cash, Debt, And Returns: Autos

Chart 14

### Cash flow and primary uses

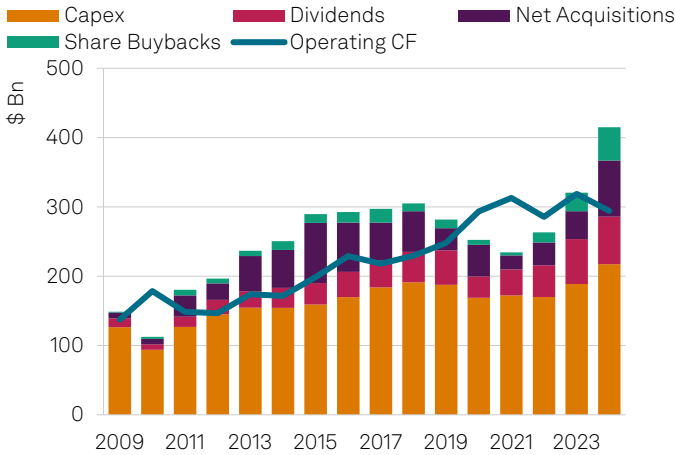


Chart 15

### Return on capital employed

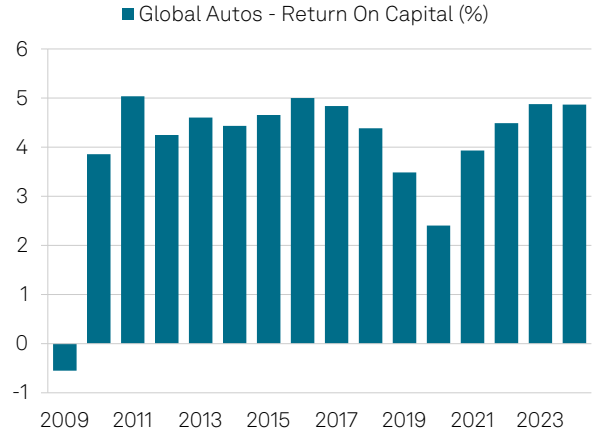


Chart 16

### Fixed- versus variable-rate exposure

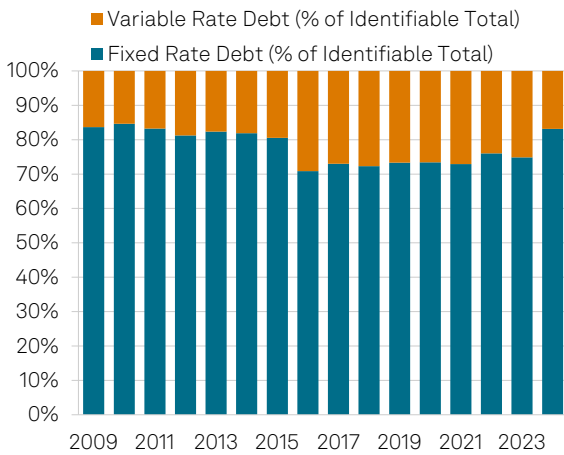


Chart 17

### Long-term debt term structure

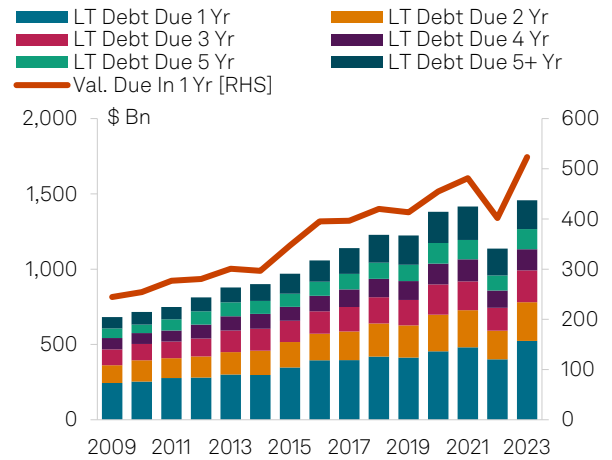


Chart 18

### Cash and equivalents / Total assets

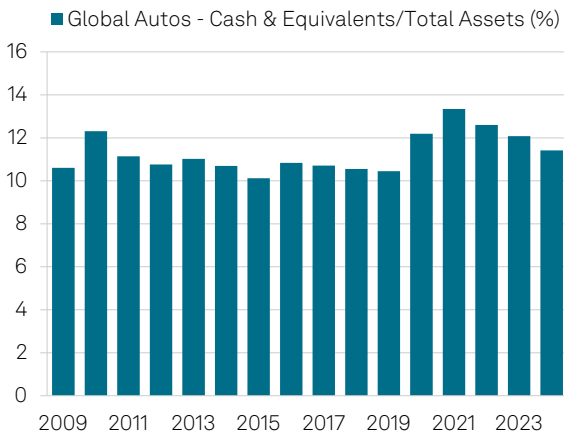
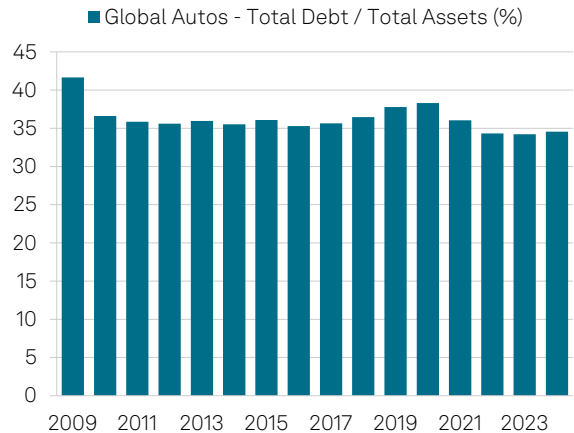


Chart 19

### Total debt / Total assets



Source: S&P Capital IQ, S&P Global Ratings calculations. Most recent (2024) figures use the last 12 months' data.

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