acea

April 2026

Economic and Market Report

Global and EU auto industry

Full year 2025

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KEY TAKEAWAYS

The **EU's economic outlook** is better than previously expected, as growth exceeded earlier projections in the first nine months of the year, with GDP rising by 1.5% in 2025 and expected to maintain a similar pace in 2026 and 2027. Headline inflation in the EU is also set to hover around the European Central Bank (ECB)'s 2% target in 2026. However, escalating tensions in the Middle East pose a clear downside risk to these macroeconomic projections.

Global car markets showed positive trends in 2025, though growth varied across regions. Worldwide registrations rose 3.5% to 77.6 million units, driven by a 5.5% increase in China, supported by scrappage incentives and new energy vehicle policies. North America recorded modest growth of 1%, reflecting an uncertain and volatile economic environment. After a subdued start to the year, Europe recorded an increase in its overall registrations of 1.4%.

The **EU's car production landscape** remained highly concentrated, with Germany producing 21% of cars sold in the EU, followed by Spain, Czechia, France, and Slovakia. Together, EU-based manufacturers supplied 73% of the market. Meanwhile, cars made in China now account for 7% of EU sales, underscoring the increasing competitiveness of Chinese brands and the expanding role of imports in the region.

Global car production grew by 4.2% to 78.7 million. Asia continued to dominate, accounting for 62.1% of total output, while the EU contributed 14.6%. European production remained relatively stable, hindered by persistently high energy costs and the impact of tariffs. In contrast, China's output soared by 10.4% on the back of strong policy support and expanding export volumes. Despite the challenges, EU-made cars continue to retain strong international demand, with over one-third sold outside the bloc. The United Kingdom, United States, and Türkiye remained leading destinations, while sales of EU-made cars in China continued to decline amid intensifying local competition.

Trade performance in the EU car sector faced significant headwinds. Imports fell by 3.2% and exports by 6.2%, adding further pressure to the trade surplus, which now stands at €76 billion. The imbalance with China was particularly stark: EU exports plunged by 43% whilst Chinese imports continued to rise – surpassing 1 million units for the first time. Amid these challenges, Türkiye stood out with export values rising by 27.9%, whereas exports to the United States declined by 21.4% as a direct effect of tariffs put in place last year.

Europe's commercial vehicle market faced a tough year in 2025, with registrations falling across several major markets, a clear sign of the complex industrial landscape. Except for buses (+7.5%), van and truck registrations declined by 8.8% and 6.2%, respectively. The downturn reflects both a normalisation toward long-term trends and ongoing challenges in fleet renewal and the transition to zero-emission powertrains.

Commercial vehicle production showed clear regional differences in 2025. Global van production grew by 2%, while Europe recorded a 3.6% decline, driven mainly by a 6.5% drop in the EU and a staggering 70.2% contraction in the UK. Conversely, truck production in the EU declined slightly by 0.8%, while bus production recorded a solid rebound of 8.9%.

Segment trade balances diverged notably. The van sector's trade surplus halved, the truck trade surplus narrowed by 9.5%, and the bus segment's trade deficit reached €2.9 billion.

EU ECONOMIC OUTLOOK

The EU economy grew by 1.5% in 2025, reflecting a stronger start to the year than previously anticipated. Growth during the first three quarters exceeded earlier projections, supported first by a temporary boost in exports ahead of expected United States tariff increases. Looking ahead, the EU is forecast to maintain a similar pace of 1.4% in 2026, with activity edging up to 1.5% in 2027, notwithstanding elevated global uncertainty and persisting trade frictions. Nonetheless, escalating Middle East tensions, pose a clear downside risk to the overall macroeconomic projections, with potential spillovers affecting trade, energy prices, inflation, and growth across the forecast horizon.

Headline inflation in the EU is set to hover around the ECB's 2% target in 2026. This overall stability conceals varying trends across inflation components. Services and food inflation are easing, while energy prices are projected to recover in 2027 if the new EU Emissions Trading System (ETS2) enters into force. In contrast, inflation in non-energy industrial goods should stay subdued throughout the forecast horizon, restrained by intensifying competitive pressures from imports and the appreciation of the euro.

The unemployment rate is projected to decline slightly from 5.9% in 2025–2026 to 5.8% in 2027, as the labour market remains tight and non-EU immigration continues to help meet labour demand. Slower employment growth alongside stronger economic activity indicates rising productivity, whilst wage growth is set to moderate from 4% in 2025 to 3.1% in 2027, leading to a significant slowdown in unit labour cost pressures.

The EU general government deficit, at 3.3% of GDP in 2025, is projected to edge up to 3.4% by 2026, driven by higher defence spending, rising interest costs, and some revenue shortfalls. The number of EU Member States exceeding the 3% threshold is set to increase to twelve in 2027, one more than in 2025[1]. Meanwhile, the EU debt-to-GDP ratio is expected to climb from 82% in 2024 to 85% in 2027, with five EU Member States expected to maintain debt levels above 100% of GDP[2].

Table 1. EU economic forecast – Key figures

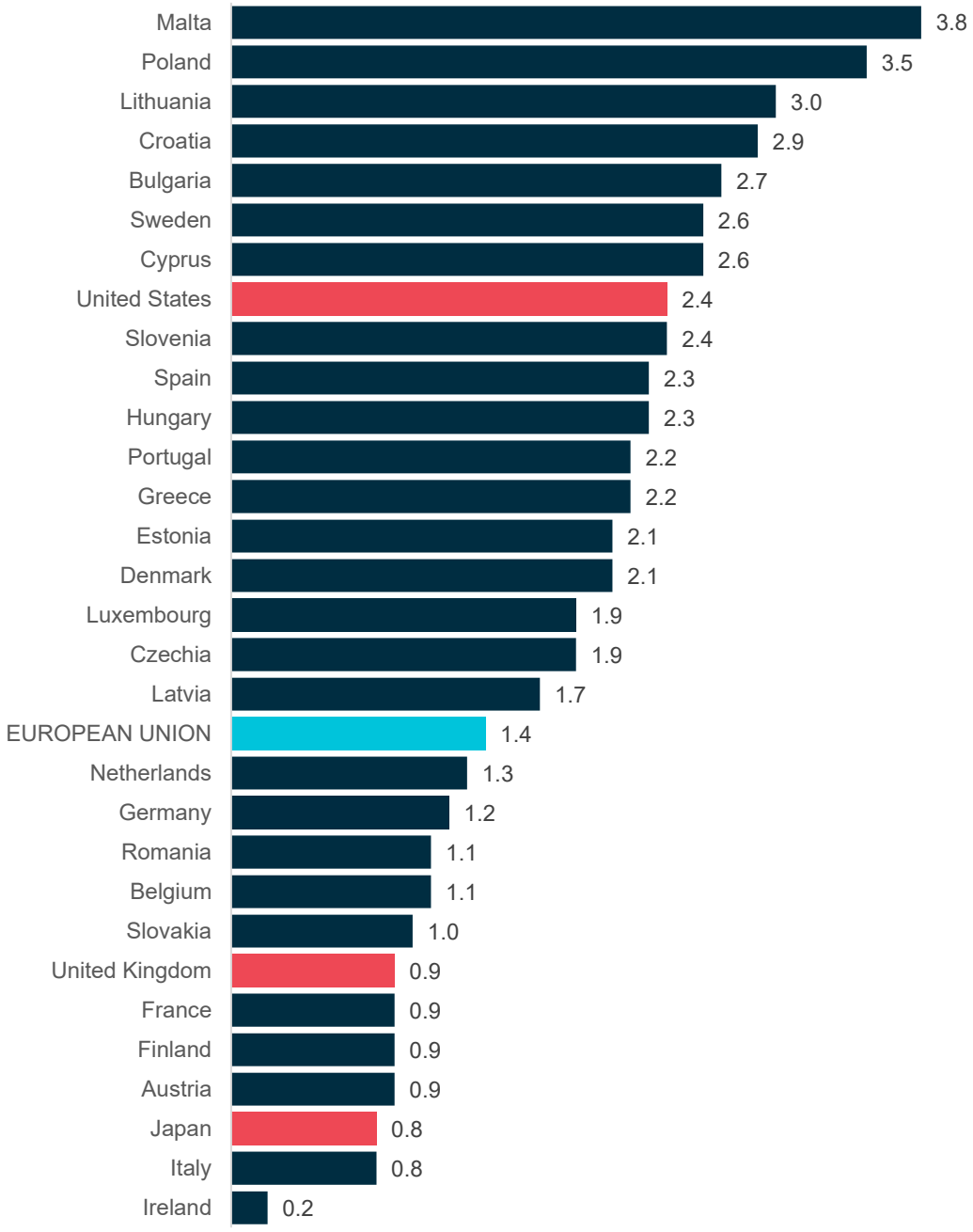
	2025	2026	2027
GDP (%)	1.5	1.4	1.5
Inflation (%)	2.5	2.1	2.2
Unemployment (%)	5.9	5.9	5.8
Deficit (%)	-3.3	-3.4	-3.4

SOURCE: **EUROPEAN COMMISSION ECONOMIC FORECAST – AUTUMN 2025, NAMA_10_GDP**

[1] Countries currently under an excessive deficit procedure include Austria, Belgium, Finland, France, Hungary, Italy, Malta, Poland, Romania, and Slovakia (see https://www.consilium.europa.eu/en/policies/excessive-deficit-procedure/)
[2] EU Member States with government debt exceeding 100% of GDP at the end of the third quarter of 2025 include Belgium, France, Greece, Italy, and Spain (see https://ec.europa.eu/eurostat/en/web/products-euro-indicators/w/2-22012026-ap)

Figure 1. Estimated GDP growth for 2026 by country

GDP growth 2026 (%)



SOURCE: **EUROPEAN COMMISSION ECONOMIC FORECAST – AUTUMN 2025, CONSENSUS FORECASTS**

PASSENGER CARS

REGISTRATIONS

Global

Global new car registrations reached 77.6 million units in 2025, representing a 3.5% increase compared with 2024. This growth was largely driven by government incentives, tax reforms, and a significant shift toward electrification in several key markets.

Europe's market grew, with overall new registrations up by 1.4%. EU's new car registrations rose by 1.8% after a slow start to the year, while EFTA countries (+13%) and Türkiye (+10.6%) recorded strong gains. The United Kingdom also posted growth of 3.5%. Despite the upturn, the EU market remains well below pre-pandemic levels, with registrations still 2.2 million units below 2019 levels – a 17% decline. On the other hand, Russia recorded a sharp 15.7% decline, following a strong rebound the previous year.

Accounting for nearly half of all new car registrations, Asia led global growth with an 4.8% increase. China drove much of this expansion, rising 5.5% to 24.2 million units. Growth was supported by scrappage and replacement incentives, tax benefits for new energy vehicle purchases, and an improving economic outlook despite the trade dispute with the United States. Japan also saw its new registrations increase (+3.2%) to reach nearly four million units, following delivery disruptions throughout 2024. Supported by renewed government focus on economic stimulus and the extension of the electric vehicle incentive programme until the end of 2025, South Korea contributed to the region's growth with a 4% increase. Furthermore, India's car registrations rose by 5%, supported by robust economic growth, political stability, new model launches, and, most notably, a major reduction in the goods and services tax that took effect in September 2025.

In 2025, new car registrations in North America grew by 1%, in line with the performance of the United States. While the market showed resilience, growth was constrained by consumer caution over potential price hikes. Market uncertainty was amplified by policy shifts, most notably the September 2025 removal of federal tax incentives for electric vehicles, which led to a sharp decline in electric vehicle demand in the fourth quarter.

South America stood out as the fastest-growing region, with registrations rising 11.3%, driven in part by Brazil's 2.2% increase, pushing total regional registrations above 3.3 million units. This growth reflected a favourable macroeconomic environment, including a low unemployment rate, alongside strong import activity driven by the aggressive expansion of Chinese brands, despite upward price pressures linked to currency depreciation. Other countries in the region also recorded robust growth in 2025, notably Argentina (+61.4%), followed by Colombia (+24.6%) and Chile (+17.8%).

Lastly, new car registrations in the Middle East and Africa region rose 4.4% to 4 million units. Strong momentum seen in the first quarter of the year slowed as economic instability and tensions between Israel and Iran weighed on the market. This deceleration was further driven by oil price volatility and high interest rates, which dampened demand in the Gulf region and offset recoveries in North African markets such as Egypt and Morocco.

Table 2. Global new car registrations

	2023	2024	2025[3]	% change	% share
EUROPE	15,496,684	16,099,179	16,317,613	+1.4	21.0
European Union	10,548,165	10,631,346	10,822,831	+1.8	14.0
United Kingdom	1,903,054	1,952,778	2,020,523	+3.5	2.6
Russia	1,027,985	1,521,549	1,282,153	-15.7	1.7
Türkiye	967,341	980,341	1,084,497	+10.6	1.4
EFTA	396,710	378,590	427,916	+13.0	0.6
Ukraine	60,710	67,392	74,136	+10.0	0.1
Others (Europe)[4]	592,719	567,183	605,557	+6.8	0.8
NORTH AMERICA[5]	14,721,187	15,410,461	15,571,250	+1.0	20.1
United States only	12,324,963	12,701,814	12,822,872	+1.0	16.5
SOUTH AMERICA	2,841,260	3,024,746	3,367,521	+11.3	4.3
Brazil only	1,718,898	1,947,125	1,990,832	+2.2	2.6
ASIA	36,093,004	36,512,607	38,267,322	+4.8	49.3
China	22,363,987	22,957,613	24,219,235	+5.5	31.2
India	4,161,939	4,362,578	4,579,369	+5.0	5.9
Japan	3,990,090	3,708,949	3,828,601	+3.2	4.9
South Korea	1,486,349	1,422,405	1,479,897	+4.0	1.9
Others (Asia)[6]	4,090,639	4,061,062	4,160,220	+2.4	5.4
MIDDLE EAST/AFRICA	3,655,130	3,861,789	4,031,213	+4.4	5.2
WORLD	72,807,265	74,908,782	77,554,919	+3.5	100.0

SOURCE: **ACEA, S&P GLOBAL MOBILITY**

[3] Provisional figures
[4] Includes Belarus, Bosnia-Herzegovina, Kazakhstan, North Macedonia, Serbia, and Uzbekistan
[5] Based on production type
[6] Includes Hong Kong, Taiwan, and all the other South Asian countries, excluding India

European Union (EU)

In 2025, new EU car registrations grew by 1.8% compared to 2024, driven by strong increases during the second half of the year. Despite this upturn, the EU market remains well below pre-pandemic levels, with registrations still 2.2 million units lower than in 2019 – a decline of 17%.

Performance, however, remained highly uneven across EU Member States. Spain emerged as a key growth driver, with registrations rising by 12.9%, supported by robust consumer demand, EU funding, and government incentives. Poland also contributed positively, recording an 8.3% increase and continuing the steady upward trend of recent months, partly supported by the "NaszEauto" programme launched in February 2025 to incentivise electric vehicle purchases.

Meanwhile, new car registrations rebounded in Germany, reaching approximately 2.9 million units (+1.4%) in 2025. By contrast, two of the largest markets – France (-5%) and Italy (-2.1%) – continued to experience declines, weighing on the overall EU result. Together, these five markets accounted for more than 70% of total EU car registrations.

Table 3. Top five – New EU car registrations

	2023	2024	2025	% change	% share
Germany	2,844,609	2,817,331	2,857,591	+1.4	26.4
France	1,774,722	1,718,416	1,632,152	-5.0	15.1
Italy	1,567,151	1,558,071	1,524,843	-2.1	14.1
Spain	949,362	1,016,963	1,148,650	+12.9	10.6
Poland	475,032	551,567	597,435	+8.3	5.5
EUROPEAN UNION	10,547,681	10,631,346	10,822,831	+1.8	100.0

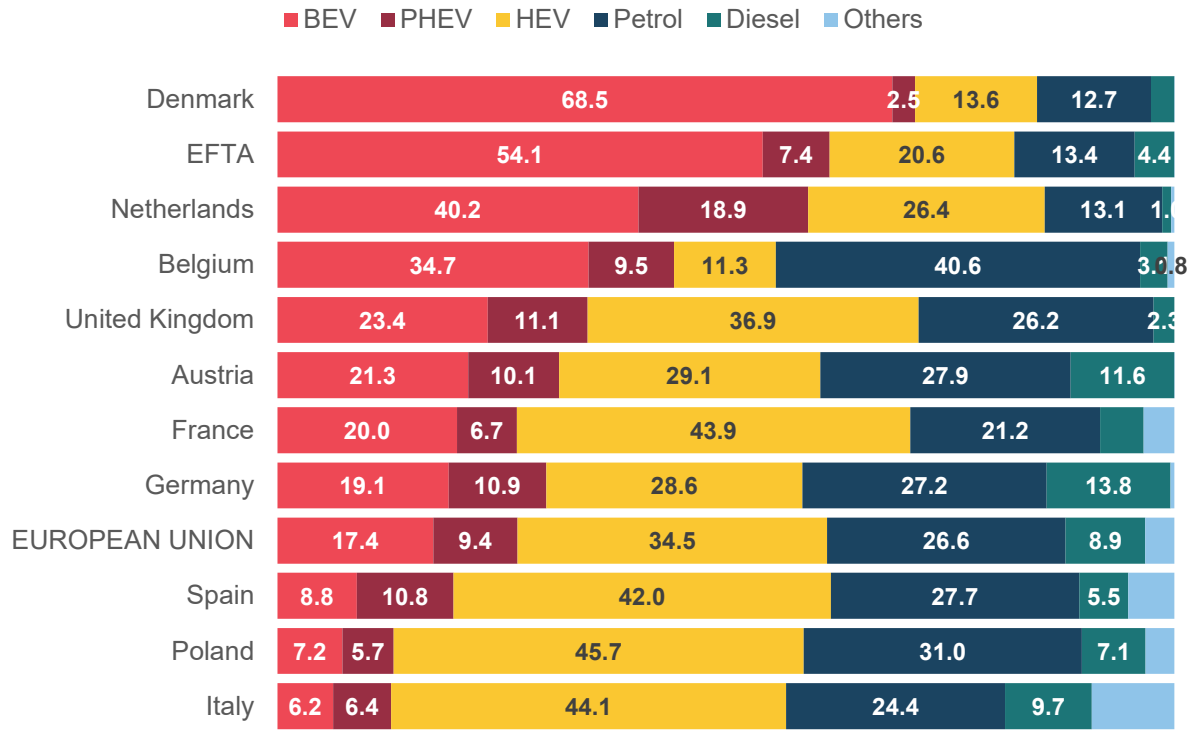
SOURCE: **ACEA**

In 2025, battery-electric cars accounted for 17.4% of the EU market share, an increase from the low baseline of 13.6% the previous year. Hybrid-electric car registrations continued to rise, albeit at a slower pace, capturing 34.5% of the market and remaining the preferred choice among EU consumers. Plug-in hybrid sales also surged by 33.4%, reaching 9.4% of the market and surpassing diesel car registrations. Meanwhile, the combined market share of petrol and diesel cars fell to 35.5%, down from 45.2% in 2024.

Looking at the countries below, Denmark led with a 68.5% share of battery-electric cars in 2025, while Poland and Italy topped hybrid adoption at 45.7% and 44.1% respectively, highlighting diverse regional trends in power source preferences. The Netherlands stood out with a 40.2% share of battery-electric cars, followed by Belgium with 34.7%, indicating a growing shift towards electrification. Austria and Germany showed a balanced adoption of both hybrid-electric (29.1% and 28.6%) and battery-electric cars (21.3% and 19.1%). France also contributed significantly to the hybridisation trend, with 43.9% of its new registrations being hybrid electric, alongside a 20% share for battery-electric cars.

Figure 2. New EU car registrations by power source for selected countries

2025 share (%)

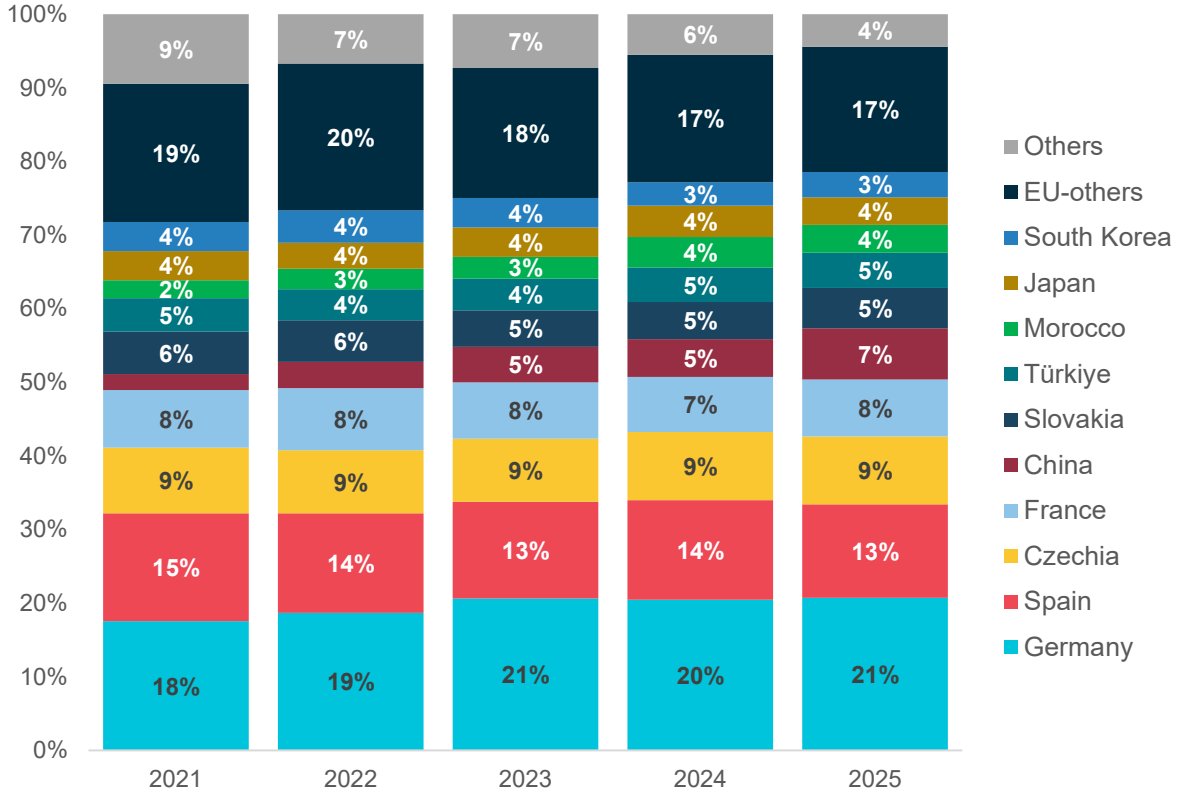


SOURCE: **ACEA**

During 2025, the production structure of cars sold in the EU highlighted a continued rebalancing between domestic and third manufacturing countries. Germany consolidated its role as the largest production hub, once again accounting for 21% of total EU sales. Spain followed with 13%, while Czechia (9%), France (8%), and Slovakia (5%) also retained significant positions. Together with other EU production countries[7], they represented 73% of the total EU car sales. This distribution underscores the ongoing importance of intra-EU production, even as competition from non-EU countries gradually reshapes the market landscape.

In the meantime, the share of China-manufactured cars in EU sales rose to 7% in 2025, up from 5% in 2024, highlighting the growing presence of Chinese-owned brands in the automotive market and its exports to the European market. Türkiye and Morocco accounted for 5% and 4% respectively, while Japan and South Korea held a stable share of 4% and 3%. The “Others” category, covering smaller production countries, continued its gradual decline, falling from 9% in 2021 to 4% in 2025, pointing to an increasing concentration of EU car sales among a narrower group of key production countries.

Figure 3. Production countries of EU car sales



SOURCE: **S&P GLOBAL MOBILITY**

[7] Includes Austria, Belgium, Finland, Hungary, Italy, the Netherlands, Poland, Portugal, Romania, Slovenia, and Sweden

PRODUCTION

Global

Global car production rose by 4.2% in 2025 to reach 78.7 million units. Asia drove this growth, accounting for 62.1% of total global output, while the EU represented 14.6% of worldwide production.

China's output continued its strong surge (up 10.4% to nearly 30 million units), driven by government trade-in subsidies and scrappage incentives, alongside record-high exports. India (+8.6%) benefited from a robust recovery in consumer demand, partly supported by the recent goods and services tax cut. Despite structurally weak domestic demand and tightening loan approvals, Thailand reached 3.7% growth, while Japan (+0.9%) remained stable. On the other hand, South Korea (-1.2%) lagged amid declines in exports, especially of electric vehicles to the United States, and Indonesia (-6.1%) saw its production weakened by a domestic demand increasingly shifted towards imported electric vehicles.

Europe's production remained stable (-0.3%), totalling 14.4 million units in 2025. The EU's output recorded a slight increase of 0.3%, indicating a modest improvement despite overall stagnation at the regional level. Post-backlog normalisation, weaker industry sentiment, and the United States auto tariffs negatively impacted exports. Moreover, production remained constrained by elevated production costs and slow recovery in key markets. Although the introduction of a three-year averaging mechanism for emissions compliance[8], reduced battery prices, and new model launches provided some relief, market growth was still hindered by consumer preferences.

North American car production declined by 0.9% to 11.2 million units in 2025, with output in the United States decreasing by 0.5%. The contraction reflected a combination of elevated vehicle prices, inventory adjustments, and tighter credit conditions. In addition, the expiration of electric vehicle tax credits further dampened production momentum.

South America's production grew by 3.2% to over 2.2 million units, with Brazil leading with a 5% growth. This was driven by fleet renewals, new tax incentives promoting efficient vehicles, and the start of local assembly by Chinese manufacturers. Strong exports supported by Argentina's sales rebound added momentum. Additionally, the introduction of local manufacturing by Chinese automakers is expected to reduce reliance on imports while signalling continued investment and capacity expansion across the region.

The Middle East and Africa region expanded by 2.6% to over 1.9 million units, as Iran's production rose by 5.1% to meet increasing domestic demand in the first half of the year. Conversely, Morocco experienced a strong 6.2% decline due to laggard sales in Europe, where about 90% of the country's car production is exported to.

Electrification, trade policy, and regulation shaped car production in 2025. Asia, led by China, drove growth in new energy vehicles, while Europe and North America adapted to tariffs and emissions compliance amidst geopolitical and supply-chain challenges.

[8] See https://www.acea.auto/press-release/acea-welcomes-co2-relief-long-term-strategy-now-essential/

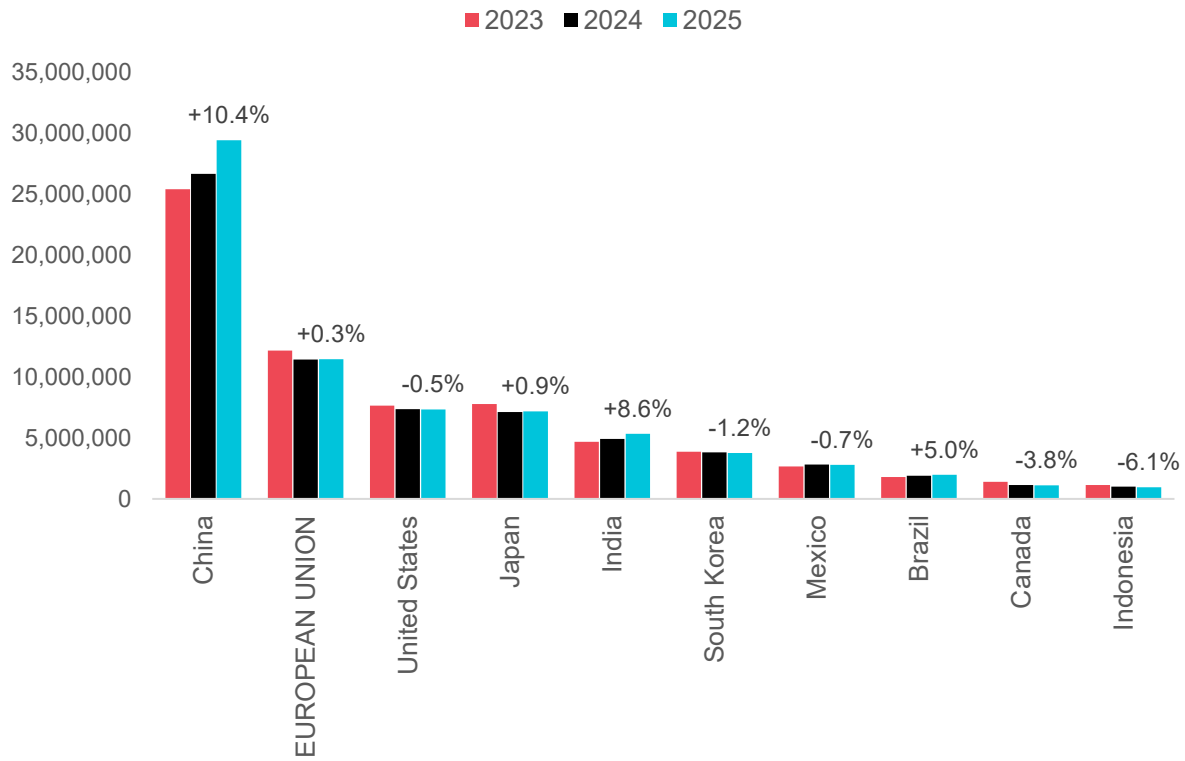
Table 4. Global car production

	2023	2024	2025[9]	% change	% share
EUROPE	15,086,144	14,419,136	14,377,017	-0.3	18.3
European Union	12,158,666	11,440,621	11,470,235	+0.3	14.6
Türkiye	971,178	934,616	912,012	-2.4	1.2
United Kingdom	907,551	778,385	713,079	-8.4	0.9
Russia	526,886	756,130	673,367	-10.9	0.9
Ukraine	2,670	1,562	1,157	-25.9	0.0
Others (Europe)[10]	519,193	507,822	607,167	+19.6	0.8
NORTH AMERICA	11,721,656	11,335,523	11,238,689	-0.9	14.3
United States only	7,660,070	7,371,426	7,338,071	-0.5	9.3
SOUTH AMERICA	2,130,921	2,163,809	2,232,041	+3.2	2.8
Brazil only	1,782,079	1,894,966	1,990,031	+5.0	2.5
ASIA	45,063,680	45,681,519	48,870,175	+7.0	62.1
China	25,418,971	26,664,393	29,426,897	+10.4	37.4
Japan	7,793,789	7,123,421	7,188,563	+0.9	9.1
India	4,688,798	4,913,084	5,334,547	+8.6	6.8
South Korea	3,861,419	3,819,043	3,772,407	-1.2	4.8
Indonesia	1,142,542	1,007,489	945,591	-6.1	1.2
Thailand	834,122	703,474	729,666	+3.7	0.9
Others (Asia)[11]	1,324,039	1,450,615	1,472,504	+1.5	1.9
MIDDLE EAST/AFRICA	1,837,722	1,894,249	1,944,004	+2.6	2.5
Iran	1,012,386	1,007,065	1,058,442	+5.1	1.3
Morocco	451,910	508,705	477,391	-6.2	0.6
Others (Middle East/Africa)[12]	373,426	378,479	408,171	+7.8	0.5
WORLD	75,840,123	75,494,236	78,661,926	+4.2	100.0

SOURCE: **S&P GLOBAL MOBILITY**

[9] Provisional figures
[10] Includes Belarus, Kazakhstan, Serbia, and Uzbekistan
[11] Includes Malaysia, Pakistan, Philippines, Taiwan, and Vietnam
[12] Includes Algeria, Egypt, Saudi Arabia, and South Africa

Figure 4. Top 10 global car producers



SOURCE: **S&P GLOBAL MOBILITY**

European Union (EU)

In 2025, EU car production rose by 0.3% year-on-year, reaching just under 11.5 million units. This stagnation reflects a combination of weaker external demand and sustained cost pressures, which weighed on output across major manufacturing hubs.

Despite the challenging environment, Germany, by far the EU's largest producer with a 35.2% share of total EU output, achieved a 2.3% increase in production, exceeding 4 million units and further strengthening its leading position within the region. France also posted robust growth of 15.5%, while Slovakia recorded an 8.1% rise in output.

By contrast, several countries continued to experience steep contractions. Italy posted the sharpest decline, with production down by 22.9%, followed by Sweden (-12.8%), Spain (-5.7%), and Hungary (-5.6%). Czechia and Romania also registered more moderate declines of between 0.5% and 5%.

Notwithstanding the varied performances across Member States, the EU's production landscape remained concentrated, with Germany and Spain alone accounting for more than half of all passenger car manufacturing in the EU.

Table 5. Top ten EU car producers

	2023	2024	2025[13]	% change	% share
Germany	3,957,061	3,941,457	4,032,756	+2.3	35.2
Spain	1,859,355	1,872,580	1,766,325	-5.7	15.4
Czechia	1,397,631	1,448,908	1,440,985	-0.5	12.6
Slovakia	1,075,379	993,088	1,073,050	+8.1	9.4
France	970,183	854,254	986,275	+15.5	8.6
Romania	506,099	475,808	452,255	-5.0	3.9
Hungary	508,734	436,273	411,943	-5.6	3.6
Sweden	285,310	284,301	247,972	-12.8	2.2
Portugal	220,100	236,023	240,400	+1.9	2.1
Italy	546,440	308,822	237,975	-22.9	2.1
EUROPEAN UNION	12,158,666	11,440,621	11,470,235	+0.3	100.0

SOURCE: **S&P GLOBAL MOBILITY**

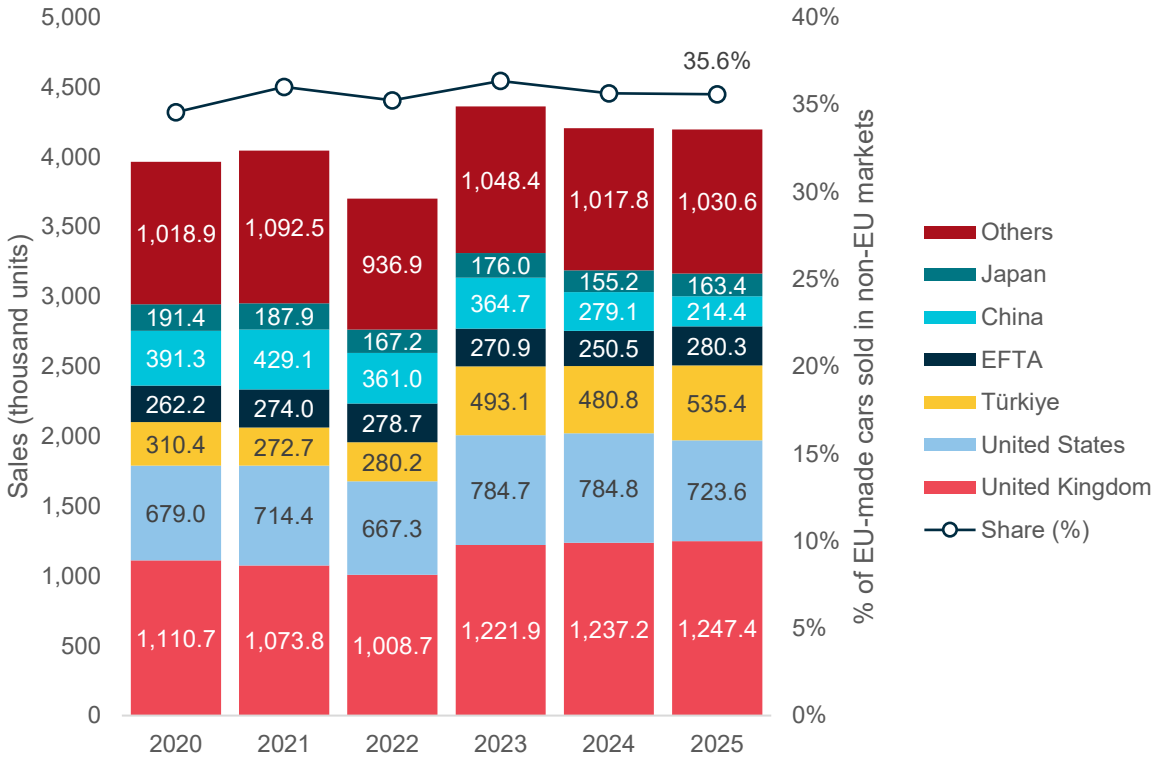
[13] Provisional figures

The share of EU-made cars sold in third countries has consistently remained above one-third, underscoring the industry's strong international orientation and sustained demand beyond the single market. Despite a challenging global environment and trade headwinds in recent months, the ratio held steady at 35.6% in 2025, showing continued resilience.

The United Kingdom remained the largest third-country market for EU-made cars, accounting for more than 1.2 million units in 2025, followed by the United States (723,633 units) and Türkiye (535,401 units). While sales of EU-made cars in China continued their downward trend, contracting to 214,444 units, the market remained an important outlet for EU manufacturers, despite increasing domestic competition from Chinese car producers. Meanwhile, sales in Japan (163,406 units) and EFTA countries (280,259 units) rebounded, reflecting more mature and stable market conditions. Other markets[14] continue to account for over 1 million units in 2025.

Overall, the data point out the importance of maintaining diversified export markets. Whilst growth across key third-country destinations remains uneven, the fact that more than one-third of EU car production is consistently sold outside the bloc points to the sector's enduring export orientation in an increasingly volatile and competitive global environment.

Figure 5. EU-made cars sold in non-EU markets[15]



SOURCE: **S&P GLOBAL MOBILITY**

[14] Of these, the top markets are South Korea (14%), Canada (11%), Australia (10%), Morocco (9%), and Israel (8%)
[15] Based on production type for North American region, including the United States

TRADE

By the end of 2025, the EU's trade in new passenger cars exhibited a mixed performance. In value terms, both imports and exports declined by respectively 3.2% and 6.2% year-on-year. Imports amounted to €71.9 billion and exports to €147.9 billion. As a result, the EU's trade surplus narrowed to €76 billion, its lowest level since 2021.

In contrast, trade volumes showed a diverging trend. Imports increased by 3.4%, reaching almost 3.6 million units, whereas exports contracted by 4.3% to nearly 4.5 million units. This development points to a weakening of external demand for EU-made vehicles, coupled with sustained inflows of imported cars, particularly from China and Türkiye.

Table 6. EU new car trade[16]

Trade in value (in million €)	2023	2024	2025	% change
Imports	80,266	74,231	71,872	-3.2
Exports	169,802	157,731	147,901	-6.2
Trade balance	89,536	83,500	76,028	-8.9
Trade in volume (in units)	**2023**	**2024**	**2025**	**% change**
Imports	3,612,470	3,463,699	3,581,522	+3.4
Exports	4,957,307	4,687,261	4,486,102	-4.3

SOURCE: **EUROSTAT**

[16] Covers new and unspecified motor cars and other motor vehicles principally designed for the transport of persons (under HS 8703), excluding motor vehicles for the transport of ten or more persons, including the driver (under HS 8702)

Imports

In 2025, China remained the EU's leading source of new car imports, accounting for 19.1% of the total value, with imports climbing by 4% to €13.7 billion. Japan and Türkiye trailed behind, holding respective market shares of 14.8% and 13.8%, with contrasting results as Japan recorded a 11.4% decline, while Türkiye showed a substantial 8.9% growth. By contrast, imports originating from the United Kingdom plummeted by 11.2% to €9.3 billion, making it the fourth-largest supplier. South Korea rounded out this top five, recording double-digit growth (+10.1%) and representing 12.1% of the EU import market. Together, these five countries accounted for almost 73% of the EU's imports from third countries in value.

In terms of volume, imports from China rose sharply by 30.7%, reaching more than one million units and representing over a quarter of total EU car imports from third countries. Furthermore, Türkiye recorded growth (+3.5%), consolidating its position as the second-largest supplier by volume. South Korea followed the same trend, with a 4.9% increase. By contrast, Morocco experienced a notable contraction of 15.6%, while imports from Japan also declined (-15%).

Table 7. EU new car imports, main countries of origin

Trade in value (in million €)	2023	2024	2025	% change	% share
China	14,362	13,195	13,724	+4.0	19.1
Japan	11,015	11,968	10,605	-11.4	14.8
Türkiye	7,921	9,112	9,919	+8.9	13.8
United Kingdom	12,495	10,473	9,297	-11.2	12.9
South Korea	10,073	7,895	8,696	+10.1	12.1

SOURCE: **EUROSTAT**

Table 8. EU new car imports, main countries of origin

Trade in volume (in units)	2023	2024	2025	% change	% share
China	745,535	769,935	1,006,188	+30.7	28.1
Türkiye	524,022	547,752	566,823	+3.5	15.8
Japan	480,481	508,163	432,144	-15.0	12.1
Morocco	389,437	447,888	377,889	-15.6	10.6
South Korea	436,882	358,235	375,643	+4.9	10.5

SOURCE: **EUROSTAT**

Exports

In 2025, the export value of EU-produced cars showed significant shifts across major destinations. Exports to the United States fell by 21.4% to €30.9 billion, reflecting the impact of rising tariffs, while the United Kingdom grew by 5% to €35.8 billion. Türkiye recorded a strong rebound, surging 27.9% to €15.6 billion and reversing 2024 decline. By contrast, exports to China plunged by 43% to €8.3 billion amid intensifying competition from domestic manufacturers and shifting demand toward new energy models, while Switzerland registered a modest 2.4% increase to €7.1 billion. Despite these variations, the United States and the United Kingdom together accounted for more than 45% of total EU export value, underlining their continued importance as strategic destinations for the European automotive industry.

In terms of volumes, the United Kingdom remained the top destination with 1,290,748 units, up by 1.2% and representing 28.8% of the total. Türkiye rose sharply by 19.9% to 717,204 units, while exports to the United States slipped by 13.5% to 667,694 units. China saw volumes collapse by 42.8% to 159,743 units, leaving the top five destinations for EU car exports and making way for Japan that saw a substantial increase of 12.9% to 163,277 units.

Table 9. EU new car exports, main destinations

Trade in value (in million €)	2023	2024	2025	% change	% share
United Kingdom	33,375	34,106	35,822	+5.0	24.2
United States	41,275	39,272	30,887	-21.4	20.9
Türkiye	13,128	12,232	15,640	+27.9	10.6
China	19,481	14,627	8,342	-43.0	5.6
Switzerland	7,710	6,942	7,107	+2.4	4.8

SOURCE: **EUROSTAT**

Table 10. EU new car exports, main destinations

Trade in volume (in units)	2023	2024	2025	% change	% share
United Kingdom	1,304,825	1,275,778	1,290,748	+1.2	28.8
Türkiye	617,326	598,220	717,204	+19.9	16.0
United States	823,674	771,838	667,694	-13.5	14.9
Switzerland	204,596	180,004	180,312	+0.2	4.0
Japan	194,406	144,682	163,277	+12.9	3.6

SOURCE: **EUROSTAT**

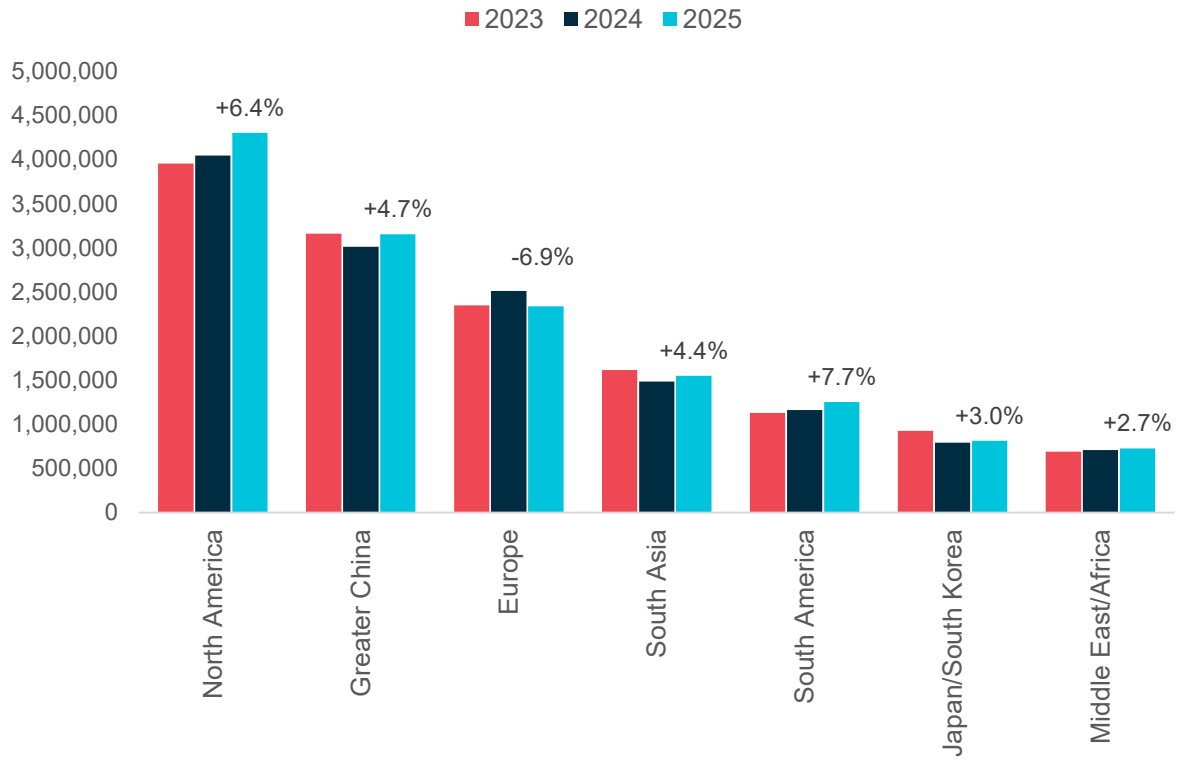
COMMERCIAL VEHICLES

REGISTRATIONS

Global (only for vans)

In 2025, North America consolidated its position as the largest van market, expanding by 6.4% to surpass 4.3 million units and capturing 30.4% of global sales. Greater China[17] trailed behind with a 4.7% increase to 3.2 million units, holding a 22.3% share. Europe, by contrast, registered a sharp 6.9% decline to 2.3 million units, reducing its market share to 16.5% from 18.3% in 2024. South America posted the fastest growth at 7.7%, reaching about 1.3 million units and an 8.9% share. Japan and South Korea together rose by 3% to more than 815,000 units. South Asia remained a significant player with 11% of the global market, increasing its sales by 4.4%, while the Middle East and Africa gained 2.7% compared to 2024.

Figure 6. Global van sales[18]



SOURCE: **S&P GLOBAL MOBILITY**

[17] Includes mainland China, Taiwan, and Hong Kong

[18] Based on production type for North America region. Europe includes the EU, EFTA, the United Kingdom, and other countries, notably Belarus, Bosnia-Herzegovina, Kazakhstan, North Macedonia, Russia, Serbia, Türkiye, Ukraine, and Uzbekistan

European Union (EU)

2025 proved challenging for Europe's commercial vehicle market shaped by a complex industrial landscape. The sharp decline in registrations reflected both a normalisation towards the long-term trend and the persistent hurdles the industry faces in promoting fleet renewal and advancing the transition to zero-emission power sources.

New EU van registrations fell by 8.8%, with the three largest markets contributing to the downturn. France recorded the steepest drop with a 5.6% decline, followed by Germany (-5.4%) and Italy (-5%). Conversely, Spain saw an increase in registrations, rising by 11.7%.

New EU truck registrations also fell by 6.2%, totalling 307,460 units. This decline was mainly driven by a 5.4% drop in heavy-truck registrations, alongside a 9.9% decrease in medium-truck registrations. Three out of the four major markets recorded declines, with Germany (-12.2%), France (-9%), and Spain (-3.6%) experiencing notable reductions. On the other hand, Poland witnessed a 6.7% increase with almost 30,000 new trucks registered.

Unlike the other two segments, new EU bus registrations saw their demand grow compared to 2024, totalling 38,238 units, primarily pulled up by Germany (+28%). While France remained somewhat stable (-0.1%), Italy (-15.9%) and Spain (-4%) saw sharp declines.

Table 11. EU new commercial vehicle and bus registrations

	2023	2024	2025[19]	% change	% share
Vans[20]	1,465,769	1,586,761	1,447,273	-8.8	80.7
France	375,510	379,740	358,299	-5.6	24.8
Germany	259,376	281,078	265,801	-5.4	18.4
Italy	196,732	198,219	188,373	-5.0	13.0
Spain	146,144	166,111	185,559	+11.7	12.8
Trucks[21]	349,792	327,775	307,460	-6.2	17.1
Germany	94,820	88,240	77,431	-12.2	25.2
France	52,143	50,641	46,079	-9.0	15.0
Spain	28,688	32,142	30,989	-3.6	10.1
Poland	35,482	28,076	29,946	+6.7	9.7
Buses[22]	32,567	35,583	38,238	+7.5	2.1
Germany	5,493	5,382	6,890	+28.0	18.0
France	6,125	6,263	6,258	-0.1	16.4
Italy	5,205	6,551	5,508	-15.9	14.4
Spain	3,679	4,060	3,897	-4.0	10.2
TOTAL	**1,848,128**	**1,950,119**	**1,792,971**	**-8.1**	**100.0**

SOURCE: **ACEA**

[19] Provisional figures
[20] Light commercial vehicles up to 3.5t
[21] Medium and heavy commercial vehicles over 3.5t
[22] Buses and coaches over 3.5t

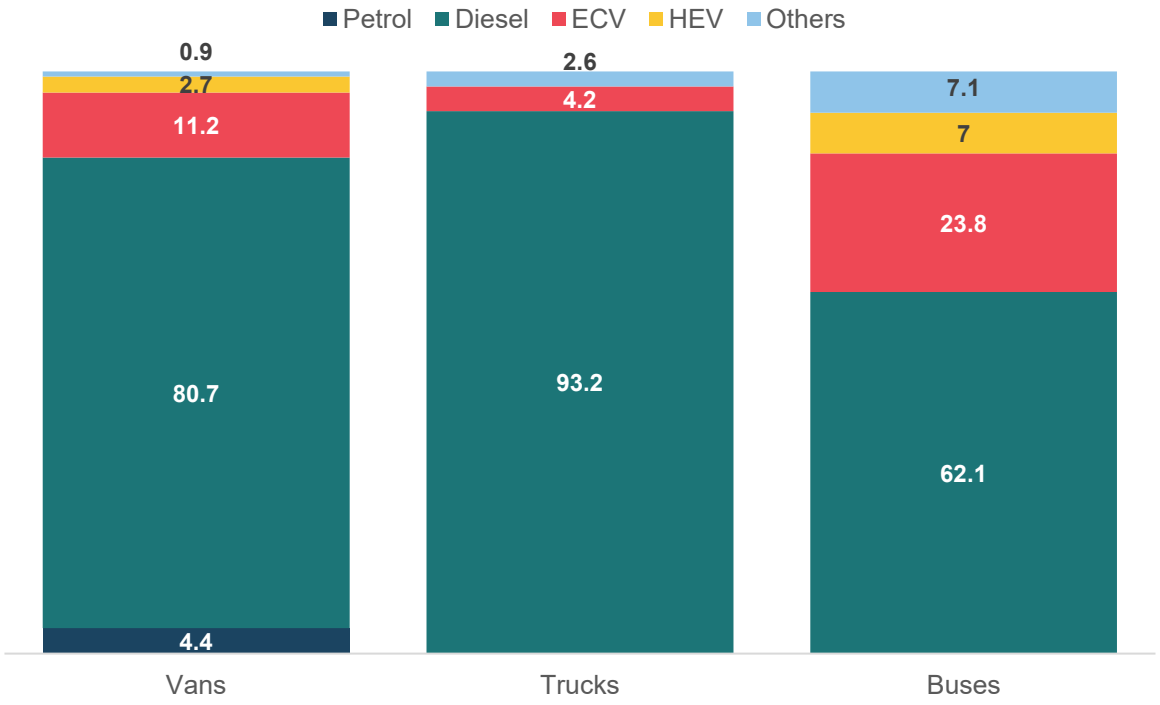
As regards to registrations by power source, diesel remained the preferred choice for new van buyers in the EU in 2025. However, diesel registrations declined by 12.8%, resulting in an 80.7% market share (a decrease from 84.4% in 2024). Petrol models decreased by 31.9%, accounting for a 4.4% share. Electrically-chargeable[23] vans now capture a 11.2% market share, an increase from 6.1% in 2024. Hybrid van registrations grew by 21.4%, while only accounting for a 2.7% of the market share.

Diesel maintained its dominance in the truck market in 2025. Diesel trucks accounted for 93.2% of new EU registrations, despite a significant 8% drop compared to 2024. Electrically-chargeable (medium- and heavy-duty) trucks now secure 4.2% of the market share, up from 2.3% the previous year. The Netherlands led this expansion with a 205.4% growth in 2025, accounting now for 16% of the EU's electrically-chargeable truck registrations.

The share of EU electrically-chargeable bus registrations increased from 18.4% in 2024 to 23.8%. Hybrid-electric bus registrations experienced a double-digit decline of 24.9%, accounting for 7% of the market. Diesel bus registrations increased by 5.7%, now holding a 62.1% market share, down from 63.2% one year before.

Figure 7. New commercial vehicles registrations by power source[24]

2025 share (%)



SOURCE: **ACEA**

[23] Including battery-electric vehicles (BEVs), which accounted for a 9.4% market share, and plug-in hybrid-electric vehicles (PHEVs) with a 1.8% market share

[24] Hybrid-electric vehicle (HEV) includes full and mild hybrids, whilst others include fuel-cell electric vehicles (FCEVs) and vehicles powered by natural gas, liquefied petroleum gas (LPG), E85/ethanol, and other fuels

PRODUCTION

Global

In 2025, global van production increased by 2%. Europe experienced a 3.6% decline, mainly due to a 6.5% decrease in the EU and a sharp 70.2% drop in the United Kingdom. North America saw output fall 2.1%, featuring a 1.8% decrease in the United States. South America posted a 3.2% rise, driven by Brazil's 3.4% growth. In Asia, overall production rose by 7%, supported by increases in China (+9%), Japan (+6.1%), and India (+6.4%), while Thailand saw a 3.7% reduction. The Middle East and Africa region registered a 5.6% increase, with South Africa recording a 9.2% rise in van production.

Table 12. Global van[25] production

	2023	2024	2025[26]	% change	% share
EUROPE	2,879,657	2,753,794	2,654,012	-3.6	18.5
European Union	2,137,466	2,033,166	1,901,296	-6.5	13.2
Türkiye	447,994	405,769	494,793	+21.9	3.4
United Kingdom	93,488	105,554	31,471	-70.2	0.2
Russia	98,109	99,828	77,960	-21.9	0.5
Others (Europe)[27]	102,600	109,477	148,492	+35.6	1.0
NORTH AMERICA	3,961,146	4,114,048	4,027,837	-2.1	28.0
United States only	2,682,464	2,791,925	2,741,890	-1.8	19.1
SOUTH AMERICA	779,679	798,278	823,516	+3.2	5.7
Brazil only	422,679	486,333	502,819	+3.4	3.5
ASIA	6,561,774	5,975,958	6,396,815	+7.0	44.5
China	3,345,481	3,153,073	3,437,963	+9.0	23.9
Japan	829,408	775,287	822,538	+6.1	5.7
India	757,004	742,300	789,516	+6.4	5.5
Thailand	984,046	757,247	729,174	-3.7	5.1
Others (Asia)[28]	645,835	548,051	617,624	+12.7	4.3
MIDDLE EAST/AFRICA	463,707	455,760	481,096	+5.6	3.3
South Africa only	262,551	243,050	265,366	+9.2	1.8
WORLD	14,645,963	14,097,838	14,383,276	+2.0	100.0

SOURCE: **S&P GLOBAL MOBILITY**

[25] Light commercial vehicles up to 6t
[26] Provisional figures
[27] Includes Kazakhstan and Uzbekistan
[28] Includes Indonesia, Malaysia, Pakistan, Philippines, Singapore, South Korea, Taiwan, and Vietnam.

Global truck production rose by 3.3% in 2025, reaching over 3 million units. Europe declined by 6.5%, weighed down by the EU's slight output decrease, together with Russia's (-35%) and Türkiye's (-2.1%) drops. The United Kingdom, however, saw a strong recovery with production rising by 6% last year. North America contracted sharply (-24.2%), with the United States output down by 17.7%. Driven by Brazil's 10.9% decline, South America truck production plunged by 11.1% compared to 2024. By contrast, Asia continues to dominate, accounting for 63% of global output. Led by China (+26.1), India (+8.4%), and Japan (+12.8%), truck production in that region of the world grew by 17.6%, while output in Indonesia (-16.6%) and other Asian producers (-8.1%) saw substantial declines. Truck production in the Middle East and Africa region recorded strong growth in 2025, increasing by 14.3% compared to the previous year.

Table 13. Global truck[29] production

	2023	2024	2025[30]	% change	% share
EUROPE	658,548	518,943	485,280	-6.5	15.8
European Union	492,964	370,797	367,863	-0.8	12.0
Russia	70,819	76,348	49,664	-35.0	1.6
Türkiye	52,664	36,189	35,439	-2.1	1.2
United Kingdom	20,969	15,128	16,041	+6.0	0.5
Others (Europe)[31]	21,132	20,481	16,273	-20.5	0.5
NORTH AMERICA	627,296	608,135	461,171	-24.2	15.0
United States only	371,090	358,977	295,357	-17.7	9.6
SOUTH AMERICA	110,664	151,814	135,010	-11.1	4.4
Brazil only	98,312	140,551	125,196	-10.9	4.1
ASIA	1,762,739	1,647,144	1,936,792	+17.6	63.0
China	1,022,238	996,035	1,256,123	+26.1	40.9
India	420,647	370,832	401,868	+8.4	13.1
Japan	125,459	124,662	140,638	+12.8	4.6
Indonesia	74,834	57,188	47,710	-16.6	1.6
Others (Asia)[32]	119,561	98,427	90,453	-8.1	2.9
MIDDLE EAST/AFRICA	51,833	47,373	54,149	+14.3	1.8
WORLD	3,211,080	2,973,409	3,072,402	+3.3	100.0

SOURCE: **S&P GLOBAL MOBILITY**

[29] Medium and heavy commercial vehicles over 6t
[30] Provisional figures
[31] Includes Belarus, Kazakhstan, Ukraine, and Uzbekistan
[32] Includes Australia, Malaysia, New Zealand, Pakistan, Philippines, South Korea, Taiwan, Thailand, and Vietnam

Global bus production increased by 6.4% in 2025, reaching 396,197 units. In Europe, output declined by 1% overall. Although production rose strongly in Türkiye (+16.2%) and in the EU (+8.9%), these gains were more than offset by a sharp contraction in Russia (-31.9%) and declines in other European markets. In addition, output in North America decreased by 16.3%, while South America grew by 4.5%, led by Brazil's 3.8% increase. Asia, the world's largest bus-producing region, expanded output by 12.2%, accounting for nearly 65% of global production. Growth was particularly strong in India (+33.5%) and Japan (+32.1%), while production in China slowed down. Meanwhile, the Middle East and Africa region recorded a solid 12.8% increase.

Table 14. Global bus[33] production

	2023	2024	2025[34]	% change	% share
EUROPE	62,170	62,328	61,733	-1.0	15.9
European Union	28,010	25,945	28,266	+8.9	7.3
Türkiye	16,004	15,170	17,630	+16.2	4.5
Russia	12,554	14,970	10,190	-31.9	2.6
Others (Europe)[35]	5,602	6,243	5,647	-9.5	1.5
NORTH AMERICA	44,754	43,158	36,105	-16.3	9.3
United States only	35,069	33,730	31,894	-5.4	8.2
SOUTH AMERICA	22,979	28,875	30,181	+4.5	7.6
Brazil only	20,646	27,681	28,723	+3.8	7.2
ASIA	195,199	228,254	256,075	+12.2	64.6
China	93,853	119,436	118,416	-0.9	29.9
India	77,136	84,476	112,757	+33.5	28.5
South Korea	9,760	10,780	10,174	-5.6	2.6
Japan	3,347	4,299	5,677	+32.1	1.4
Others (Asia)[36]	11,103	9,263	9,051	-2.3	2.3
MIDDLE EAST/AFRICA	3,317	4,473	5,047	+12.8	1.3
WORLD	328,419	367,088	389,141	+6.0	100.0

SOURCE: **S&P GLOBAL MOBILITY**

[33] Buses over 6t
[34] Provisional figures
[35] Includes Belarus, Kazakhstan, North Macedonia, Switzerland, Ukraine, the United Kingdom, and Uzbekistan
[36] Includes Australia, Indonesia, Malaysia, New Zealand, Pakistan, Philippines, Taiwan, Thailand, and Vietnam

Trade

In 2025, the EU experienced a downturn in new van trade, as imports decreased by 1.7% and exports dropped more sharply by 15.2%. As a result, the EU's trade surplus in this segment contracted significantly, falling by 52.7%.

Table 15. EU new van trade[37]

Trade in value (in million €)	2023	2024	2025	% change
Imports	6,824	6,313	6,208	-1.7
Exports	9,299	8,585	7,284	-15.2
Trade balance	2,475	2,272	1,076	-52.7
Trade in volume (in units)	**2023**	**2024**	**2025**	**% change**
Imports	359,908	304,892	265,730	-12.8
Exports	461,087	405,004	352,361	-13.0

SOURCE: **EUROSTAT**

In terms of key trade partners, EU imports of new vans were primarily from:

- Türkiye: €4.2 billion (+28.1% yoy, 68% market share)
- South Africa: €1.2 billion (+15.2% yoy, 19.8% market share)
- Thailand: €255 million (+1.2 yoy, 4.1% market share)

EU exports of new vans were mainly to:

- the United Kingdom: €2.9 billion (-12.7% yoy, 39.7% market share)
- Türkiye: €1.5 billion (+17.3% yoy, 21.1% market share)
- Switzerland: €496 million (-17.7% yoy, 6.8% market share)

[37] Covers new and unspecified motor vehicles for the transport of goods of a gross vehicle weight not exceeding 5 tonnes (under HS 8704)

In 2025, EU truck trade showed opposite trends: exports fell by 4.9% while imports rose by 20.8%. This caused the EU's truck trade surplus to shrink by 9.5%, reflecting also continuous weaker demand for EU-made trucks abroad.

Table 16. EU new truck trade[38]

Trade in value (in million €)	2023	2024	2025	% change
Imports	3,162	2,107	2,545	+20.8
Exports	16,026	13,913	13,230	-4.9
Trade balance	12,864	11,805	10,684	-9.5
Trade in volume (in units)	**2023**	**2024**	**2025**	**% change**
Imports	116,415	136,669	162,432	+18.9
Exports	220,737	174,119	161,882	-7.0

SOURCE: **EUROSTAT**

In terms of key trade partners, EU imports of new trucks were primarily from:

- Türkiye: €1.5 billion (+39.7% yoy, 59.2% market share)
- the United Kingdom: €548 million (+3.9% yoy, 21.5% market share)
- China: €178 million (-5.1% yoy, 7% market share)

EU exports of new trucks were mainly to:

- the United Kingdom: €3.2 billion (-3.7% yoy, 24.1% market share)
- Türkiye: €1.7 billion (+11.7% yoy, 12.8% market share)
- Norway: €1.1 billion (+16.4% yoy, 8.5% market share)

[38] Covers new and unspecified road tractors for semi-trailers (under HS 8701), as well as new and unspecified motor vehicles for the transport of goods of a gross vehicle weight exceeding 5 tonnes (under HS 8704)

In 2025, the EU bus trade saw a major expansion as imports climbed by 40.4% and exports grew by 23.6%. Notably, imports from China exceeded €1 billion for the first time, a surge that helped push the sector's total trade deficit toward the €3 billion mark.

Table 17. EU new bus trade[39]

Trade in value (in million €)	2023	2024	2025	% change
Imports	2,487	2,727	3,830	+40.4
Exports	917	744	920	+23.6
Trade balance	-1,571	-1,983	-2,910	+46.8
Trade in volume (in units)	**2023**	**2024**	**2025**	**% change**
Imports	15,515	17,107	22,307	+30.4
Exports	13,509	6,796	23,144	+240.6

SOURCE: **EUROSTAT**

In terms of key trade partners, EU imports of new buses were primarily from:

- Türkiye: €2.5 billion (+36.9% yoy, 65.5% market share)
- China: €1 billion (+69.9% yoy, 26.5% market share)
- Morocco: €80 million (+133.7% yoy, 2.1% market share)

EU exports of new buses were mainly to:

- Switzerland: €282 million (+117.5% yoy, 30.7% market share)
- the United Kingdom: €210 million (-10.5% yoy, 22.9% market share)
- Norway: €100 million (+48.8% yoy, 10.9% market share)

[39] Covers new and unspecified motor vehicles for the transport of ten or more persons, including the driver (under HS 8702)

ABOUT THE EU AUTOMOBILE INDUSTRY

- 13.6 million Europeans work in the auto industry (directly and indirectly), accounting for 6.9% of all EU jobs
- 8.1% of EU manufacturing jobs – some 2.5 million – are in the automotive sector
- Motor vehicles are responsible for €414.7 billion of tax revenue for governments across key European markets
- The automobile industry generates a trade surplus of €93.9 billion for the European Union
- The turnover generated by the auto industry represents over 8% of the EU's GDP
- Investing €84.6 billion in R&D per year, automotive is Europe's largest private contributor to innovation, accounting for 34% of the EU total

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