

Hawaii Auto Outlook™

Sponsored by: Hawaii Automobile Dealers Association

FORECAST

State New Vehicle Market Posted Small Decline in 1Q '24

Below is a review of key trends in the Hawaii new vehicle market.

Results during 1Q 2024

State new light vehicle registrations fell 2.1% during the first three months of 2024 vs. year-earlier levels. National retail market was up 6.9%. As shown on page 2, equivalent U.S. SAAR levels were below average at 14 million units, but improved from the Fourth Quarter of 2023, an indicator that the state market is strengthening somewhat.

2024 Forecast

According to Auto Outlook's forecast, registrations are expected to exceed 48,000 units this year and increase 3.7% from 2023. That projection is above the total in 2022 when the market was significantly impacted by product shortages, but is still well below the recent high of greater than 59,000 units in 2016.

Key determinants for the market

The shaded box on the right reviews the primary forecast determinants. Pent-up demand is still significant and the state labor market is recovering. Vehicle affordability is still a concern, but should improve as the

year progresses. Barring any unforeseen negative shocks, we think the new vehicle market should move higher in 2024.

Tracking alternative powertrain sales

State BEV registrations were up 11% in the First Quarter of this year versus a year earlier, and market share reached a record high of 15%. Hybrid registrations exceeded 1,200 units in 1Q '24 and improved 63% versus year earlier. Plug in hybrid market was up 30% (see page 6).

Brands that fared best in early 2024

Among the top 25 sellers in the Hawaii market, Volkswagen, Lexus, Land Rover, MINI, and Genesis had the largest percentage gains in the First Quarter of this year. Toyota, Honda, Tesla, Ford, and Nissan were market share leaders.

Top selling models in Hawaii

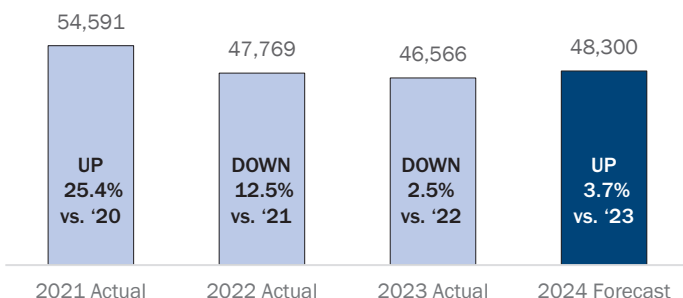
Toyota Tacoma, Tesla Model Y, Toyota 4Runner, Toyota RAV4, Toyota Corolla, Toyota Camry, Honda CR-V, Tesla Model 3, Honda Civic, and Subaru Crosstrek were the top 10 sellers so far this year.



Primary Factors Driving the State New Vehicle Market

- » State unemployment rate was near 3% early this year and total employment was just below pre-pandemic levels.
- » Residual impact from the Maui wildfires continued to impact the state's economy in the Fourth Quarter of 2023 and early this year.
- » High interest rates are putting a squeeze on affordability, but the possibility of lower rates later this year, falling vehicle prices, and strong wage gains should lead to improvement in the second half of 2024.
- » Pent up demand is the biggest positive for the state market. Auto Outlook estimates that nearly 23,000 new vehicle purchases have been postponed since the onset of the pandemic and ensuing supply chain issues.

Forecast for State New Retail Light Vehicle Registrations



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

Market Summary

	YTD '23 thru Mar.	YTD '24 thru Mar.	% Chg. '23 to '24	Mkt. Share YTD '24
TOTAL	11,682	11,441	-2.1%	
Car	2,872	2,742	-4.5%	24.0%
Light Truck	8,810	8,699	-1.3%	76.0%
Domestic	2,692	2,804	4.2%	24.5%
European	1,129	1,113	-1.4%	9.7%
Japanese	6,667	6,515	-2.3%	56.9%
Korean	1,194	1,009	-15.5%	8.8%

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 HAWAII NEW VEHICLE MARKET



STATE MARKET VS. U.S.

**% Change In
New Retail Market
YTD 2024 thru March
vs.
YTD 2023**

**Hawaii
DOWN 2.1%**

**U.S.
UP 6.9%**

New retail light vehicle registrations in the state declined 2.1% during the first three months of this year vs. year earlier versus the 6.9% improvement in the Nation.

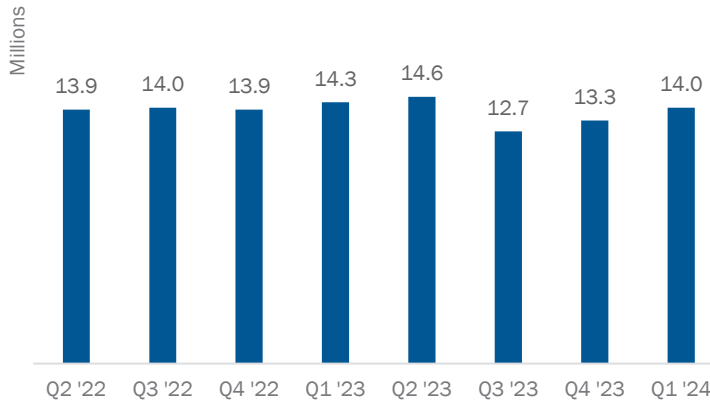
Data sourced from Experian Automotive.



QUARTERLY RESULTS

**Hawaii
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 state 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 state market is strong, 15 million is about average, and below 13 million is weak. Equivalent SAAR levels in the state increased from 13.3 million in the Fourth Quarter of last year to 14.0 million in the First Quarter of this year.

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

**% Change in
registrations vs.
previous quarter
(1Q '24 vs. 4Q '23)**

**UP
5.2%**

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KEY TRENDS IN HAWAII NEW VEHICLE MARKET



COUNTY MARKETS

Observations and Key Facts

» The table on the right provides a summary of each of Hawaii's four retail light vehicle markets. The table is divided into four sections. Market Summary shows total new retail light vehicle registrations during the first three months of 2023 and 2024 and the percent change. The second and third sections show Light Truck and Domestic Brand market share. The fourth section shows market share figures for the top 10 selling light vehicle brands in the state. The top rated county in each category is shaded.

» Data sourced from Experian Automotive.

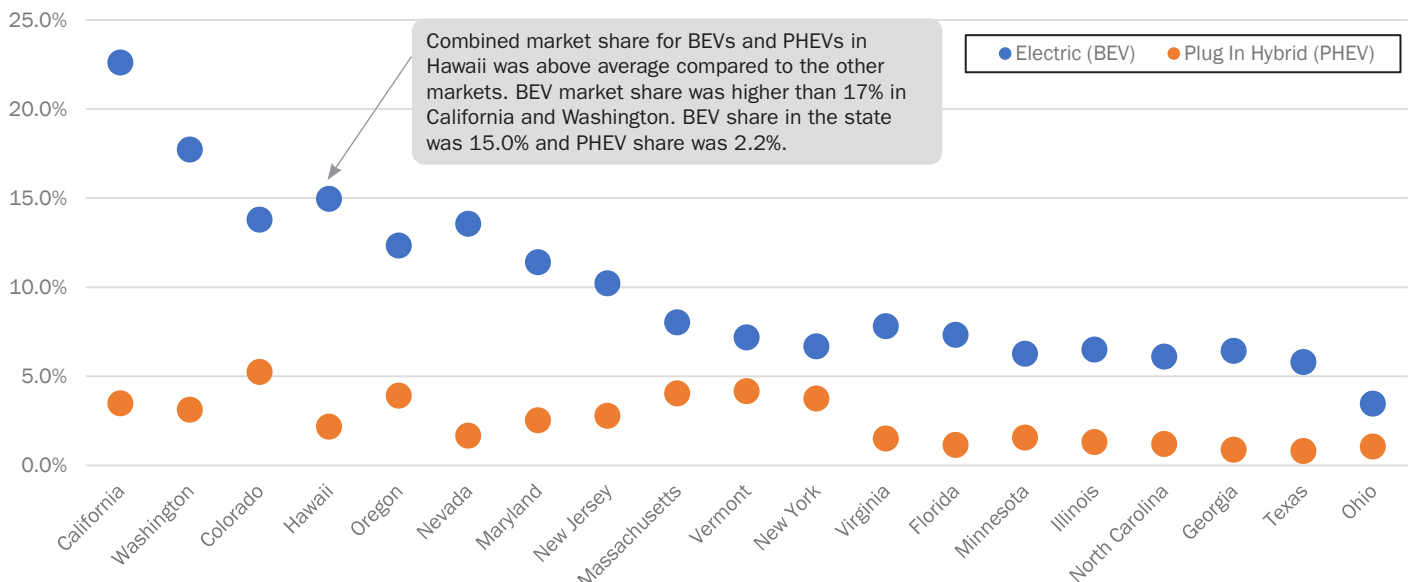
New Vehicle Markets Summary				
	Hawaii	Kauai	Maul	Oahu
Market Summary				
YTD '23 thru March	1792	690	1386	7814
YTD '24 thru March	1651	513	1428	7849
Percent change	-7.9%	-25.7%	3.0%	0.4%
Light Truck Market Share				
YTD '23 thru March	81.6%	86.5%	80.9%	72.0%
YTD '24 thru March	83.1%	88.7%	83.5%	72.4%
Change (share points)	1.5	2.2	2.6	0.3
Domestic Brand Market Share				
YTD '23 thru March	19.1%	24.9%	27.3%	23.0%
YTD '24 thru March	23.1%	32.7%	27.0%	23.8%
Change (share points)	4.0	7.8	-0.4	0.8
Market Share for Top 10 Selling Brands In State - YTD '24 thru March				
Toyota	33.1%	30.8%	28.4%	27.2%
Honda	9.0%	7.6%	12.5%	12.2%
Tesla	2.5%	4.1%	5.1%	11.5%
Ford	7.9%	15.6%	11.3%	5.3%
Nissan	5.0%	5.5%	5.2%	5.5%
Kia	7.6%	9.0%	4.8%	4.5%
Subaru	11.9%	8.2%	5.8%	3.3%
Lexus	1.1%	1.8%	3.0%	5.9%
Chevrolet	7.2%	6.4%	4.2%	3.5%
BMW	3.9%	0.2%	3.6%	3.8%



COMPARE

COMPARISON OF STATE MARKETS

BEV and PHEV Share in Selected State Markets - YTD 2024 thru March



Markets are shown from left (highest) to right (lowest) based on combined BEV and PHEV market share. Data sourced from Experian Automotive.

BRANDS AND MODELS



TOP SELLING BRANDS IN 7 PRIMARY SEGMENTS

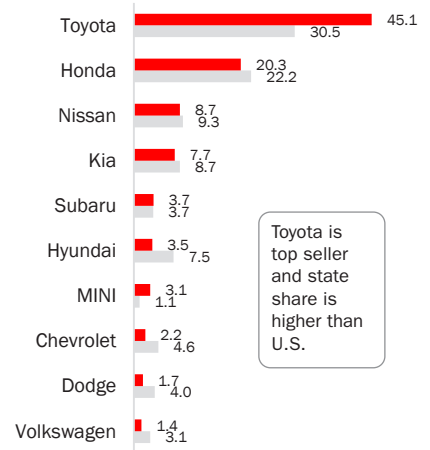
The seven graphs on this page show brand market share in seven key segments during the first three months of 2024 in both the Hawaii and U.S. markets. State percent share is depicted by the red bars, U.S. share is light gray. Top ten brands in each segment are ranked from top to bottom based on Hawaii share.

Segments were defined based on model classifications instead of overall brand positioning. For instance, Chevrolet appears on the Luxury and Sports cars graph because of the Corvette. Small SUVs consists of both Sub Compact and Compact models.

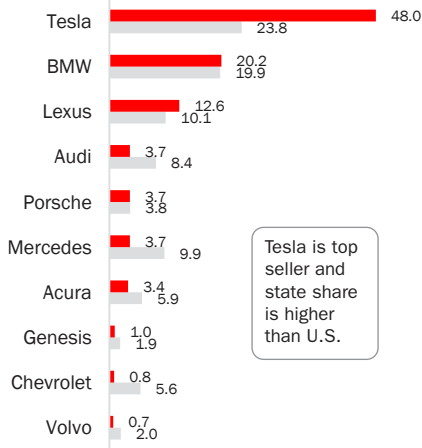
Legend for all graphs



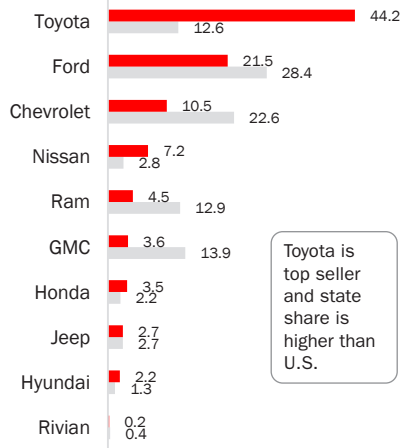
Non Luxury Cars



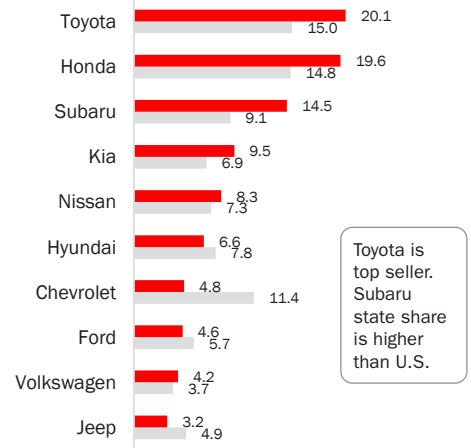
Luxury and Sports Cars



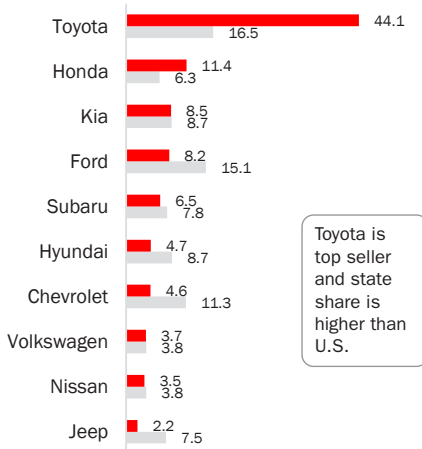
Pickups



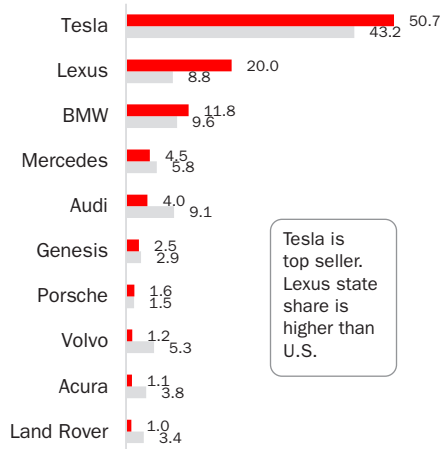
Small Non Luxury SUVs



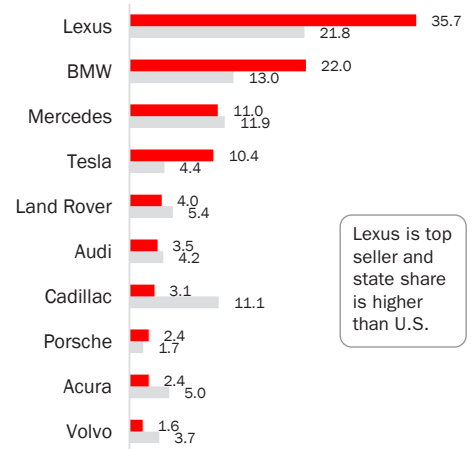
Mid and Full Size Non Luxury SUVs



Small Luxury SUVs



Mid and Full Size Luxury SUVs



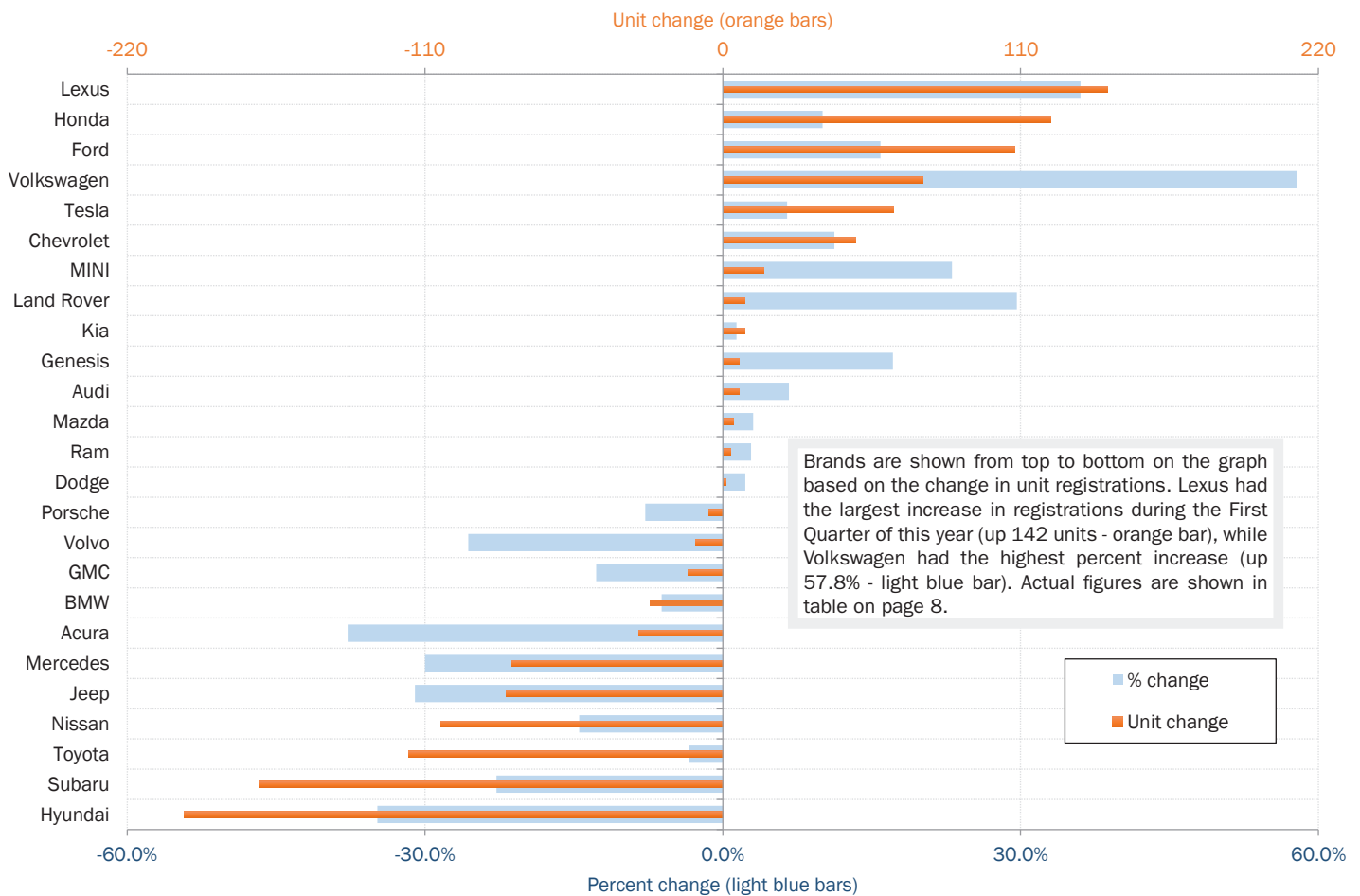
BRANDS AND MODELS



WINNERS AND LOSERS

The graph below shows both the percent and unit change in registrations during the First Quarter of this year versus year earlier. Comparing the percent change in registrations is helpful for establishing the relative change in results, but it can be misleading since it doesn't take into account the absolute level of registrations. As shown below, Land Rover posted a big percentage improvement in the First Quarter (up 29.6%, blue bar) but the unit increase was just 8 units. The percentage increase for Lexus was smaller than Land Rover (up 36%), but the unit total improved by 142 units.

Percent and Unit Change in New Retail Light Vehicle Registrations for Top 25 Selling Brands - YTD '24 thru Mar. vs. YTD '23



Data sourced from Experian Automotive.



TOP SELLING MODELS

Top 20 Selling Models during YTD '24 thru March - Market Share and % Change in Registrations vs. YTD '23

Rank	Model	State Share %	% chg. '23 to '24	Rank	Model	State Share %	% chg. '23 to '24
1	Toyota Tacoma	7.3	-20.8	11	Lexus NX	1.9	79.5
2	Tesla Model Y	5.6	21.0	12	Honda HR-V	1.9	0.9
3	Toyota 4Runner	4.5	-5.0	13	Chevrolet Silverado	1.7	7.3
4	Toyota RAV4	4.3	9.5	14	Ford F-Series	1.5	2.4
5	Toyota Corolla	3.9	-4.9	15	Toyota Sienna	1.5	69.7
6	Toyota Camry	3.0	1.8	16	Subaru Forester	1.4	-32.7
7	Honda CR-V	2.9	8.0	17	Ford Maverick	1.3	78.6
8	Tesla Model 3	2.9	-12.0	18	Nissan Frontier	1.3	-22.4
9	Honda Civic	2.3	26.5	19	Honda Accord	1.3	-16.2
10	Subaru Crosstrek	2.0	-12.2	20	Nissan Rogue	1.2	-22.7

Table on the left presents the top 20 selling models in the state during the first three months of this year. Share of industry registrations and the percent change versus the same period a year earlier is also shown. Models with the five largest percentage increase are shaded blue.

Data sourced from Experian Automotive.

ALTERNATIVE POWERTRAIN MARKET

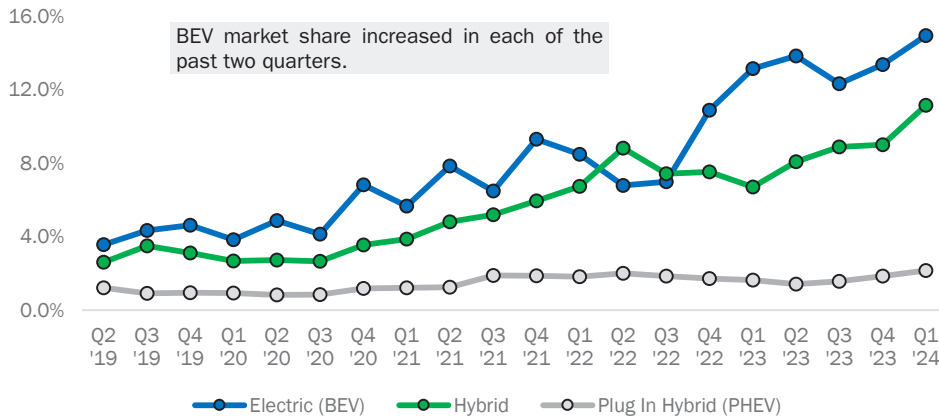
FIVE KEY TRENDS

- 1.** BEV share increased from 13.1% in 1Q '23 to 15.0% in 1Q '24.
- 2.** BEV registrations increased by 18% from 4Q '23 to 1Q '24.
- 3.** Franchised dealer share of BEV market was 39.8% in 1Q '24 vs. 36.3% a year earlier.
- 4.** Hybrid registrations increased 63% so far this year. Plug ins were up 30%.
- 5.** Hybrid registrations were up for each of the top five selling brands.



BEV, PHEV, AND HYBRID MARKET SHARE

Percent Share of Industry Registrations by Powertrain Type



YTD thru March		
	YTD '23	YTD '24
Electric (BEV)	13.1%	15.0% ↑
Hybrid	6.7%	11.2% ↑
Plug In Hybrid (PHEV)	1.6%	2.2% ↑

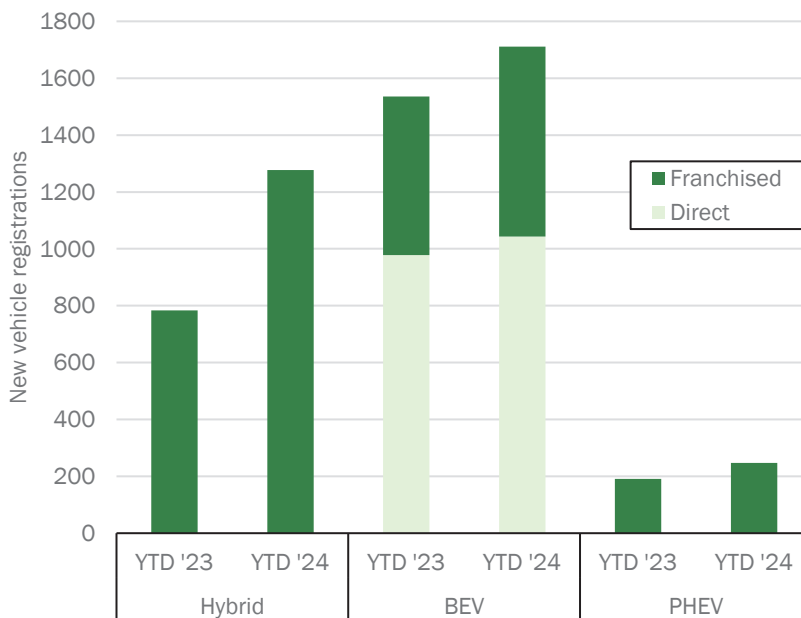
Quarterly		
	4Q '23	1Q '24
Electric (BEV)	13.4%	15.0% ↑
Hybrid	9.0%	11.2% ↑
Plug In Hybrid (PHEV)	1.9%	2.2% ↑

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



FRANCHISED DEALERSHIPS AND DIRECT SELLERS

New Hybrid, BEV, and PHEV Registrations in Hawaii by Type of Selling Dealership



BEV Registrations and Market Share		
	Franchised Dealerships	Direct Sellers
YTD '23 thru Mar.	558	978
YTD '24 thru Mar.	668	1043
% change	19.7%	6.6%
YTD '23 mkt. share %	36.3	63.7
YTD '24 mkt. share %	39.0	61.0
change	2.7	-2.7
4Q '23 registrations	642	813
1Q '24 registrations	668	1,043
% change	4.0%	28.3%
4Q '23 registrations	44.1	55.9
1Q '24 registrations	39.0	61.0
change	-5.1	5.1

As illustrated on the graph, franchised dealerships accounted for 68% of the combined Hybrid, BEV, and PHEV market. Franchised dealer share of the BEV market increased from 36.3% in 1Q '23 to 39.0% in 1Q '24.

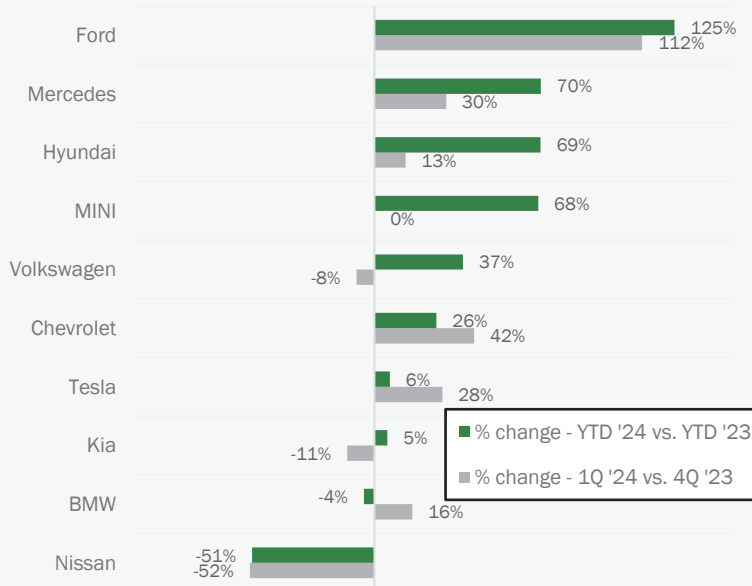
Data sourced from Experian Automotive. Hybrid registrations exclude mild hybrids.

ALTERNATIVE POWERTRAIN MARKET

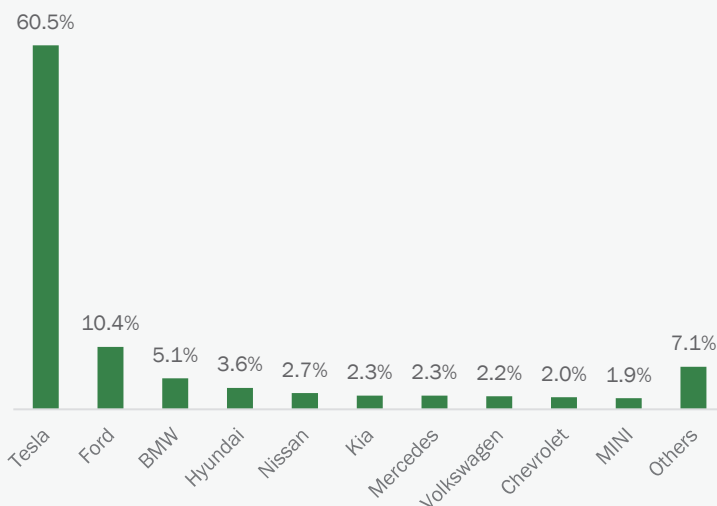


MAKES AND MODELS

**% Change in BEV Registrations for Top 10 Brands
YTD '24 thru Mar. vs. YTD '23 and 1Q '24 vs. 4Q '23**



**Brand Share of Hawaii BEV Market (%)
YTD '24 thru March**



Observations

- » Ford had the largest % increase in BEV registrations in the First Quarter of this year versus year earlier (up 125%).
- » BEV registrations declined from 4Q '23 to 1Q '24 for three of the top 10 selling brands.
- » Tesla share of the BEV market was 60.5% in 1Q '24.

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

**Top Five Brands by type of Powertrain
Registrations for YTD '23 and '24 thru March**

	Rank	Brand	YTD '23 Regs.	YTD '24 Regs.	% chg.	YTD '24 Share
BEV	1	Tesla	973	1,036	6.5%	60.5%
	2	Ford	79	178	125.3%	10.4%
	3	BMW	92	88	-4.3%	5.1%
	4	Hyundai	36	61	69.4%	3.6%
	5	Nissan	94	46	-51.1%	2.7%
PHEV	1	Lexus	3	82		33.2%
	2	Toyota	17	49	188.2%	19.8%
	3	Jeep	57	31	-45.6%	12.6%
	4	BMW	48	23	-52.1%	9.3%
	5	Kia	19	23	21.1%	9.3%
HYBRID	1	Toyota	320	584	82.5%	45.7%
	2	Honda	119	262	120.2%	20.5%
	3	Lexus	65	155	138.5%	12.1%
	4	Ford	58	121	108.6%	9.5%
	5	Kia	129	85	-34.1%	6.7%

**Market Share for Top 15 Selling
BEVs, PHEVs, and Hybrids - YTD '24 thru March**

Rank	Model	Type	YTD '24 Share
1	Tesla Model Y	BEV	19.8%
2	Tesla Model 3	BEV	10.2%
3	Honda CR-V	Hybrid	5.7%
4	Toyota Sienna	Hybrid	5.2%
5	Ford F-Series Lightning	BEV	4.2%
6	Toyota RAV4	Hybrid	4.0%
7	Ford Maverick	Hybrid	3.2%
8	Honda Accord	Hybrid	2.3%
9	Lexus NX	Hybrid	2.2%
10	Toyota Prius	Hybrid	2.1%
11	Lexus NX	PHEV	1.8%
12	Tesla Model X	BEV	1.8%
13	Toyota Corolla	Hybrid	1.4%
14	Toyota Camry	Hybrid	1.2%
15	Toyota RAV4	PHEV	1.2%

Brand Registrations Report												
Hawaii New Retail Car and Light Truck Registrations												
	First Quarter						Annual Totals					
	Registrations			Market Share (%)			Registrations			Market Share (%)		
	1Q '23	1Q '24	% change	1Q '23	1Q '24	Change	2022	2023	% change	2022	2023	Change
TOTAL	11,682	11,441	-2.1				47,769	46,566	-2.5			
Cars	2,872	2,742	-4.5	24.6	24.0	-0.6	10,695	11,179	4.5	22.4	24.0	1.6
Light Trucks	8,810	8,699	-1.3	75.4	76.0	0.6	37,074	35,387	-4.6	77.6	76.0	-1.6
Domestic Brands	2,692	2,804	4.2	23.0	24.5	1.5	10,953	10,957	0.0	22.9	23.5	0.6
European Brands	1,129	1,113	-1.4	9.7	9.7	0.0	4,513	4,416	-2.1	9.4	9.5	0.1
Japanese Brands	6,667	6,515	-2.3	57.1	56.9	-0.2	27,299	26,674	-2.3	57.1	57.3	0.2
Korean Brands	1,194	1,009	-15.5	10.2	8.8	-1.4	5,004	4,519	-9.7	10.5	9.7	-0.8
Acura	82	51	-37.8	0.7	0.4	-0.3	365	386	5.8	0.8	0.8	0.0
Audi	90	96	6.7	0.8	0.8	0.0	335	387	15.5	0.7	0.8	0.1
BMW	439	412	-6.2	3.8	3.6	-0.2	1,438	1,468	2.1	3.0	3.2	0.2
Buick	25	15	-40.0	0.2	0.1	-0.1	36	67	86.1	0.1	0.1	0.0
Cadillac	26	24	-7.7	0.2	0.2	0.0	113	112	-0.9	0.2	0.2	0.0
Chevrolet	436	485	11.2	3.7	4.2	0.5	1,796	1,817	1.2	3.8	3.9	0.1
CDJR Total	426	354	-16.9	3.6	3.1	-0.5	2,552	1,776	-30.4	5.3	3.8	-1.5
Chrysler	18	22	22.2	0.2	0.2	0.0	92	117	27.2	0.2	0.3	0.1
Dodge	44	45	2.3	0.4	0.4	0.0	245	213	-13.1	0.5	0.5	0.0
Jeep	258	178	-31.0	2.2	1.6	-0.6	1,534	917	-40.2	3.2	2.0	-1.2
Ram	106	109	2.8	0.9	1.0	0.1	681	529	-22.3	1.4	1.1	-0.3
Ford	680	788	15.9	5.8	6.9	1.1	3,398	2,949	-13.2	7.1	6.3	-0.8
Genesis	35	41	17.1	0.3	0.4	0.1	153	153	0.0	0.3	0.3	0.0
GMC	102	89	-12.7	0.9	0.8	-0.1	386	436	13.0	0.8	0.9	0.1
Honda	1,203	1,324	10.1	10.3	11.6	1.3	4,566	5,251	15.0	9.6	11.3	1.7
Hyundai	572	373	-34.8	4.9	3.3	-1.6	2,005	1,999	-0.3	4.2	4.3	0.1
Infiniti	19	21	10.5	0.2	0.2	0.0	102	83	-18.6	0.2	0.2	0.0
Jaguar	6	7	16.7	0.1	0.1	0.0	16	19	18.8	0.0	0.0	0.0
Kia	587	595	1.4	5.0	5.2	0.2	2,846	2,367	-16.8	6.0	5.1	-0.9
Land Rover	27	35	29.6	0.2	0.3	0.1	102	119	16.7	0.2	0.3	0.1
Lexus	394	536	36.0	3.4	4.7	1.3	1,908	1,654	-13.3	4.0	3.6	-0.4
Lincoln	19	6	-68.4	0.2	0.1	-0.1	63	53	-15.9	0.1	0.1	0.0
Maserati	3	5	66.7	0.0	0.0	0.0	23	19	-17.4	0.0	0.0	0.0
Mazda	131	135	3.1	1.1	1.2	0.1	418	584	39.7	0.9	1.3	0.4
Mercedes	260	182	-30.0	2.2	1.6	-0.6	1,031	947	-8.1	2.2	2.0	-0.2
MINI	65	80	23.1	0.6	0.7	0.1	323	286	-11.5	0.7	0.6	-0.1
Mitsubishi	9	10	11.1	0.1	0.1	0.0	35	56	60.0	0.1	0.1	0.0
Nissan	719	615	-14.5	6.2	5.4	-0.8	3,404	2,998	-11.9	7.1	6.4	-0.7
Polestar	0	0		0.0	0.0	0.0	2	0	-100.0	0.0	0.0	0.0
Porsche	64	59	-7.8	0.5	0.5	0.0	255	271	6.3	0.5	0.6	0.1
Rivian	4	7	75.0	0.0	0.1	0.1	2	28	1300.0	0.0	0.1	0.1
Subaru	750	579	-22.8	6.4	5.1	-1.3	2,738	2,754	0.6	5.7	5.9	0.2
Tesla	973	1,036	6.5	8.3	9.1	0.8	2,606	3,712	42.4	5.5	8.0	2.5
Toyota	3,360	3,244	-3.5	28.8	28.4	-0.4	13,763	12,908	-6.2	28.8	27.7	-1.1
Volkswagen	128	202	57.8	1.1	1.8	0.7	770	718	-6.8	1.6	1.5	-0.1
Volvo	39	29	-25.6	0.3	0.3	0.0	192	162	-15.6	0.4	0.3	-0.1
Other	9	6	-33.3	0.1	0.1	0.0	27	27	0.0	0.1	0.1	0.0

Data sourced from Experian Automotive.

The table shows new retail light vehicle (car and light truck) registrations in the Hawaii market. Figures are shown for the 1st Quarters of '23 and '24, and annual totals in 2022 and 2023. The top ten ranked brands in each change category are shaded yellow.