Hawaii Auto Outlook™

Sponsored by: Hawaii Automobile Dealers Association

FORECAST

State Market Likely to Decline Slightly for All of This Year

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

State market has under-performed the Nation so far this year
Hawaii new light vehicle registrations fell 4.8% during the first nine months of 2024 vs. year-earlier levels. National retail market was up 2.2%.

New vehicle registrations predicted to fall 2.4% for all of 2024; small increase expected in 2025
Registrations for all of this year are now predicted to decline slightly from 2023. The state market showed some signs of improvement as the year has progressed, however. After declining 7% in the first half of this year versus year earlier, new vehicle registrations were unchanged in the Third Quarter and have a chance to improve over weak results in the Fourth Quarter of '23.

State battery electric vehicle market share increased from 2Q to 3Q '24
Higher incentives have given a boost to Hawaii BEV sales. Electric vehicle market share increased from 13.1% in 2Q '24 to 14.3% in 3Q.

Franchised dealerships post gains in BEV market
Franchised dealership BEV sales increased 8.2% during the first nine months of this year versus year earlier. Sales by direct sellers were off 1.4%.

Hybrid and plug-In vehicle sales out-pace industry so far this year
Combined market share for hybrids and plug-in vehicles is 12.6% so far this year, up from 9.4% in 2023.

Volkswagen, Mazda, Lexus, Honda, Kia, and Chevrolet have gains in 2024
New vehicle registrations for each of the six brands were up by more than 5% in the first nine months of this year versus year earlier.

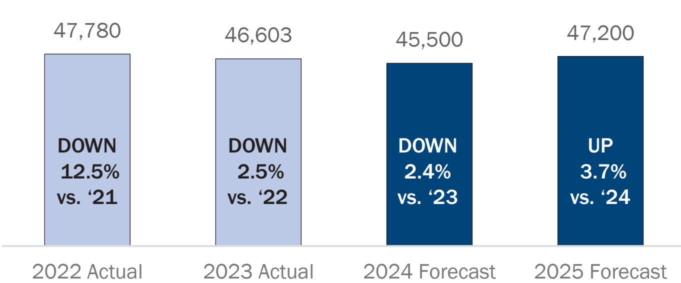
Tesla, Ford, and BMW are top sellers in BEV market; Toyota and Honda are hybrid leaders.
Tesla accounted for 57.5% of the state BEV market so far this year, Ford and BMW were second and third highest, but combined share was just 14.2%. Toyota and Honda accounted for 67% of the hybrid vehicle market (see page 7).

Hawaii new vehicle market is stuck in neutral

P R N D

- As shown on the following page, the Hawaii new vehicle market improved slightly from the Second to the Third Quarter of this year and was essentially unchanged versus year earlier.
- Lower interest rates, falling inflation, increasing employment, and rising incentives are helping with consumer affordability.
- As mentioned in the previous release, heightened anxiety due to the election and geopolitical unrest has impacted consumer confidence. This is keeping some new vehicle purchasers on the sidelines.
- Longer term determinants are positive. Pent up demand from five years of below average sales is significant and affordability will continue to improve, but the sales recovery will likely be gradual. Small increase is predicted in 2025 (see graph).

Forecast for State New Retail Light Vehicle Registrations



The graph above shows annual new retail light vehicle registrations in 2022 and 2023, and Auto Outlook's projections for all of 2024 and 2025. Historical data sourced from Experian Automotive.

Market Summary

	YTD '23 thru Sep.	YTD '24 thru Sep.	% Chg. '23 to '24	Mkt. Share YTD '24
TOTAL	35,708	33,993	-4.8%	
Car	8,520	7,747	-9.1%	22.8%
Light Truck	27,188	26,246	-3.5%	77.2%
Domestic	8,420	8,022	-4.7%	23.6%
European	3,394	3,066	-9.7%	9.0%
Japanese	20,456	19,716	-3.6%	58.0%
Korean	3,438	3,189	-7.2%	9.4%

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 September vs. YTD 2023	Hawaii	U.S.
	DOWN 4.8%	**UP 2.2%**

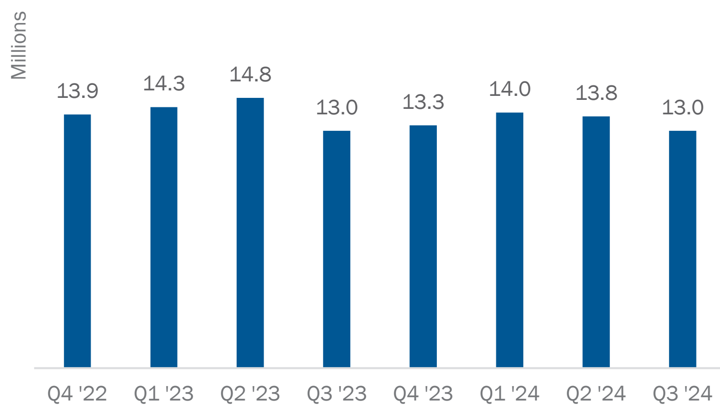
New retail light vehicle registrations in the state declined 4.8% during the first nine months of this year, versus the 2.2% improvement in the Nation.

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 were below 15 million units in each of the past eight quarters.

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

% Change in quarterly registrations vs. year earlier (3Q '24 vs. 3Q '23) — **DOWN 0.2%**

% Change in registrations vs. previous quarter (3Q '24 vs. 2Q '24) — **UP 0.9%**

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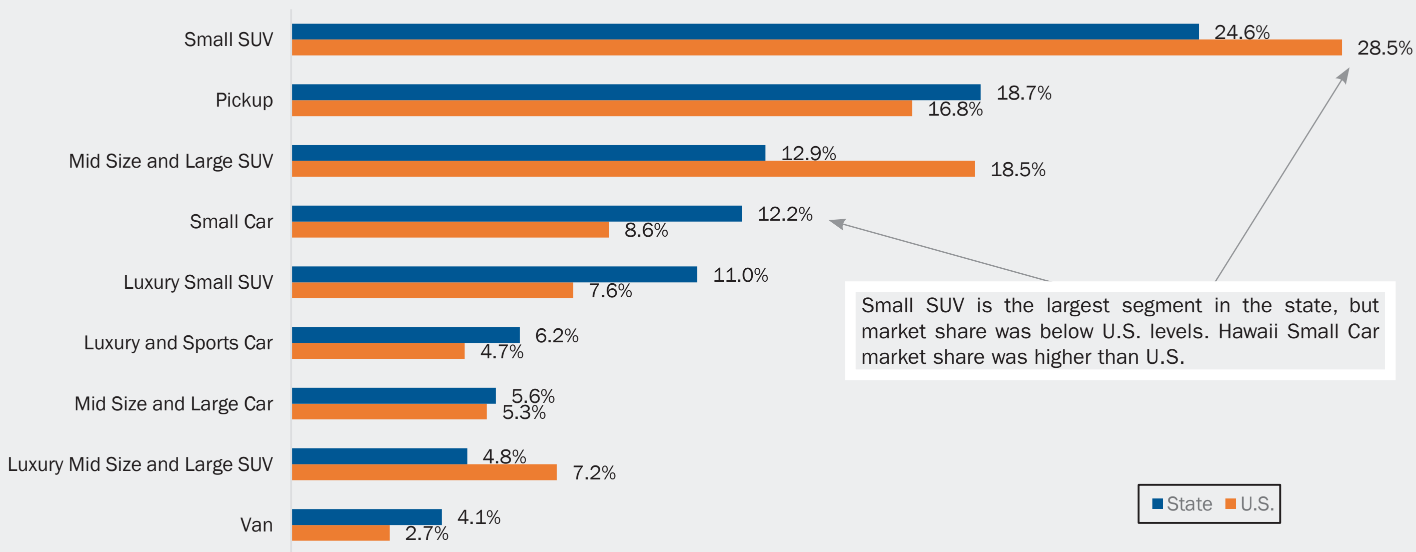
KEY TRENDS IN HAWAII NEW VEHICLE MARKET

PRIMARY MARKET SEGMENTS - STATE AND U.S.

Segment Market Shares in Hawaii and U.S. - YTD 2024 thru September



The graph above shows market shares for nine primary segments in both the Hawaii and U.S. markets. State market share is represented by the blue bars. Orange shaded bars show U.S. Data sourced from Experian Automotive.

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 nine months of 2023 and 2024. 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.

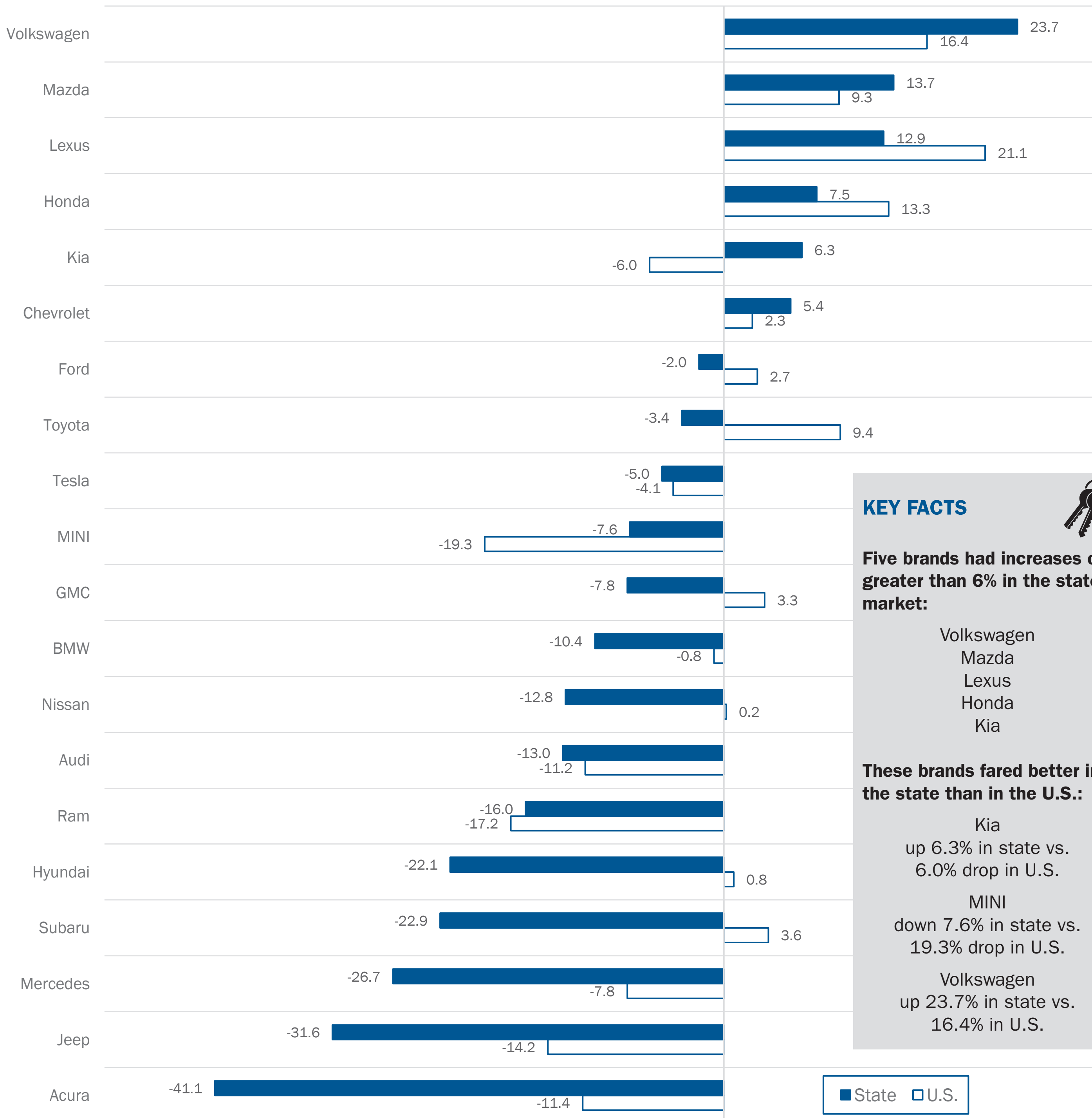
New Vehicle Markets Summary				
	Hawaii	Kauai	Maui	Oahu
Market Summary				
YTD '23 thru Sept.	5504	2000	4184	24019
YTD '24 thru Sept.	4931	1623	4085	23353
Percent change	-10.4%	-18.9%	-2.4%	-2.8%
Light Truck Market Share				
YTD '23 thru Sept.	81.3%	88.5%	81.5%	73.0%
YTD '24 thru Sept.	82.2%	88.7%	83.4%	74.3%
Change (share points)	0.9	0.2	1.9	1.3
Domestic Brand Market Share				
YTD '23 thru Sept.	19.9%	27.4%	25.3%	23.8%
YTD '24 thru Sept.	23.3%	27.7%	25.9%	23.0%
Change (share points)	3.4	0.3	0.7	-0.8
Market Share for Top 10 Selling Brands in State - YTD '24 thru Sept.				
Toyota	31.4%	33.1%	27.7%	27.3%
Honda	9.3%	9.2%	13.6%	12.9%
Tesla	2.1%	3.1%	4.4%	10.4%
Ford	8.5%	12.1%	9.7%	5.1%
Nissan	6.6%	6.0%	5.3%	6.0%
Kia	7.9%	8.7%	4.1%	4.8%
Subaru	12.3%	8.1%	5.2%	3.0%
Lexus	0.9%	1.3%	3.4%	5.4%
Chevrolet	5.9%	5.4%	4.6%	3.6%
Hyundai	3.7%	3.3%	2.5%	3.9%

BRANDS AND MODELS

WINNERS AND LOSERS

The graph below shows the percent change in new retail light vehicle registrations during the first nine months of this year versus the same period a year earlier in both the state (solid blue bars) and U.S. (blue outlined bars). Brands are shown from top to bottom based on the change in state registrations.

Percent Change in Hawaii and U.S. New Retail Light Vehicle Registrations (Top 20 Selling Brands in State)
YTD 2024 thru September vs. YTD 2023



KEY FACTS

Five brands had increases of greater than 6% in the state market:

Volkswagen
Mazda
Lexus
Honda
Kia

These brands fared better in the state than in the U.S.:

Kia
up 6.3% in state vs.
6.0% drop in U.S.

MINI
down 7.6% in state vs.
19.3% drop in U.S.

Volkswagen
up 23.7% in state vs.
16.4% in U.S.

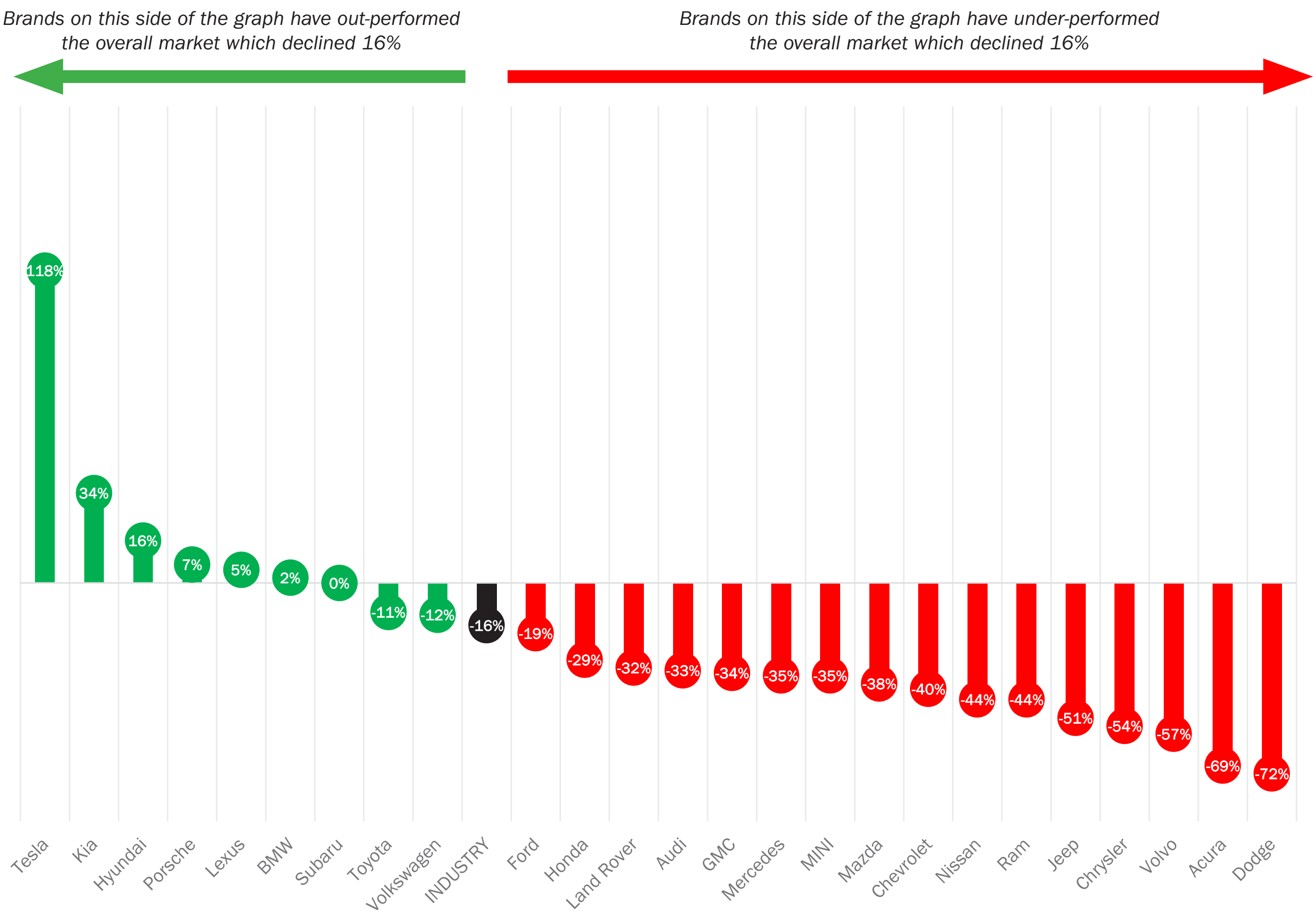
Data sourced from Experian Automotive.

BRANDS AND MODELS

LONG TERM TRENDS

The graph below shows the percent change in new vehicle registrations during a five year period (ytd '24 thru September vs. the same period in 2019). This five year stretch was one of the most tumultuous periods the industry has ever faced. A global pandemic ensued in early 2020, followed by a sharp economic downturn, a contentious presidential election, a surge in new vehicle sales, microchip shortage and supply chain issues which slashed production, and finally, rising inflation and high interest rates that dented affordability and restricted sales. In addition, the industry entered the beginning stages of the powertrain transformation to BEVs and Tesla became a high-volume selling brand. The challenges were formidable, and as demonstrated below, some brands weathered the storm better than others. Data sourced from Experian Automotive.

Five Year Percent Change in State New Retail Light Vehicle Registrations for Top 25 Selling Brands - YTD '24 thru Sep. vs. YTD '19



TOP SELLING MODELS

Top 20 Selling Models during YTD '24 thru Sept. - 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	7.1	-22.6	11	Tesla Model 3	1.9	-36.5
2	Tesla Model Y	5.6	13.1	12	Chevrolet Silverado	1.6	4.3
3	Toyota 4Runner	4.7	-11.1	13	Nissan Frontier	1.6	-3.4
4	Toyota RAV4	4.3	8.4	14	Subaru Forester	1.5	-31.0
5	Toyota Corolla	3.5	16.5	15	Lexus NX	1.4	45.1
6	Honda CR-V	3.1	16.1	16	Ford F-Series	1.4	-17.6
7	Toyota Camry	3.0	1.2	17	Toyota Sienna	1.2	70.1
8	Honda Civic	2.7	15.2	18	Nissan Rogue	1.2	-28.3
9	Honda HR-V	2.4	8.4	19	Honda Accord	1.2	-24.1
10	Subaru Crosstrek	2.0	-10.0	20	Lexus RX	1.2	-18.4

Table on the left presents the top 20 selling models in the state during the first nine 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.

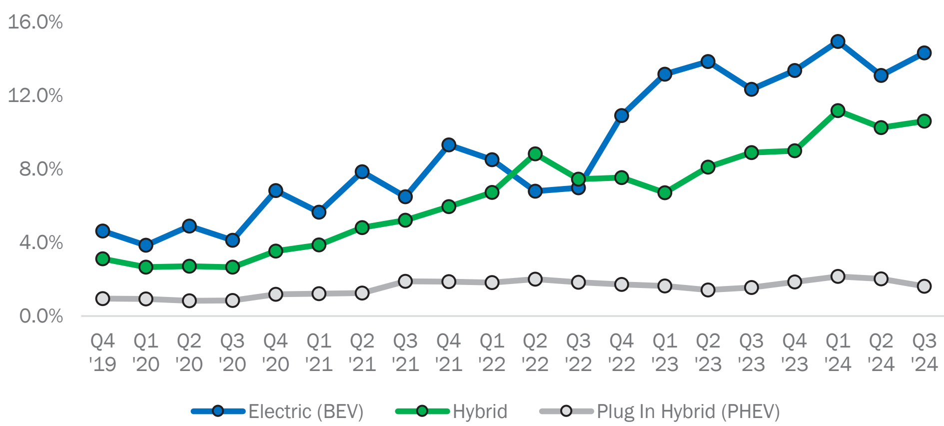
ALTERNATIVE POWERTRAIN MARKET

FIVE KEY TRENDS

1. Boosted by incentives, BEV share increased from 13.1% in 2Q '24 to 14.3% in 3Q.
2. BEV market share increased by one point during the first nine months of this year vs. year earlier.
3. BEV sales by franchised dealers increased 8.2% so far this year vs. 1.4% drop for direct sellers.
4. Hybrid share was 10.7% during the first nine months of 2024 vs. 7.9% a year earlier.
5. Toyota and Honda combined accounted for more than 67% of hybrid vehicle registrations

BEV, PHEV, AND HYBRID MARKET SHARE

Percent Share of Industry Registrations by Powertrain Type



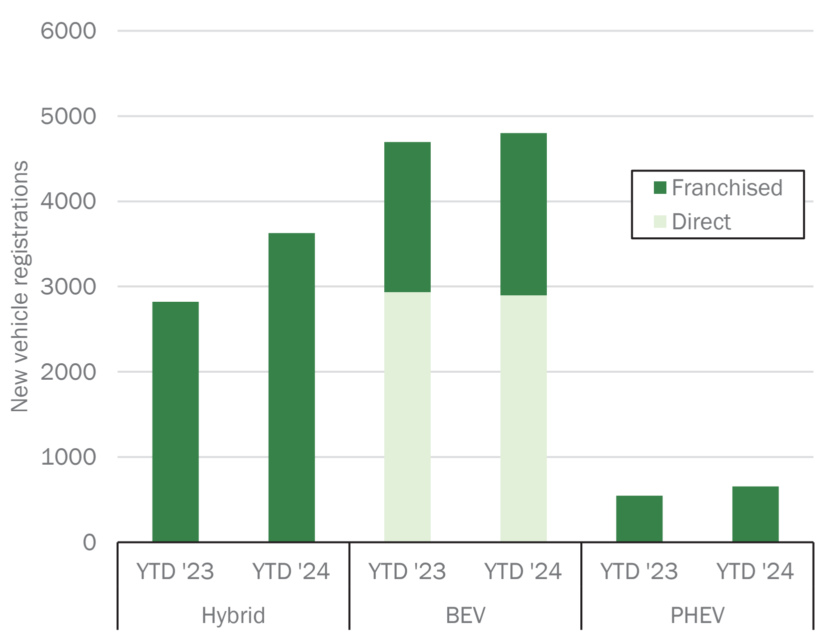
Data sourced from Experian Automotive. Hybrid registrations exclude mild hybrids.

YTD thru September	YTD '23	YTD '24	
Electric (BEV)	13.1%	14.1%	↑
Hybrid	7.9%	10.7%	↑
Plug In Hybrid (PHEV)	1.5%	1.9%	↑

Quarterly	2Q '24	3Q '24	
Electric (BEV)	13.1%	14.3%	↑
Hybrid	10.2%	10.6%	↑
Plug In Hybrid (PHEV)	2.0%	1.6%	↓

FRANCHISED DEALERSHIPS AND DIRECT SELLERS

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



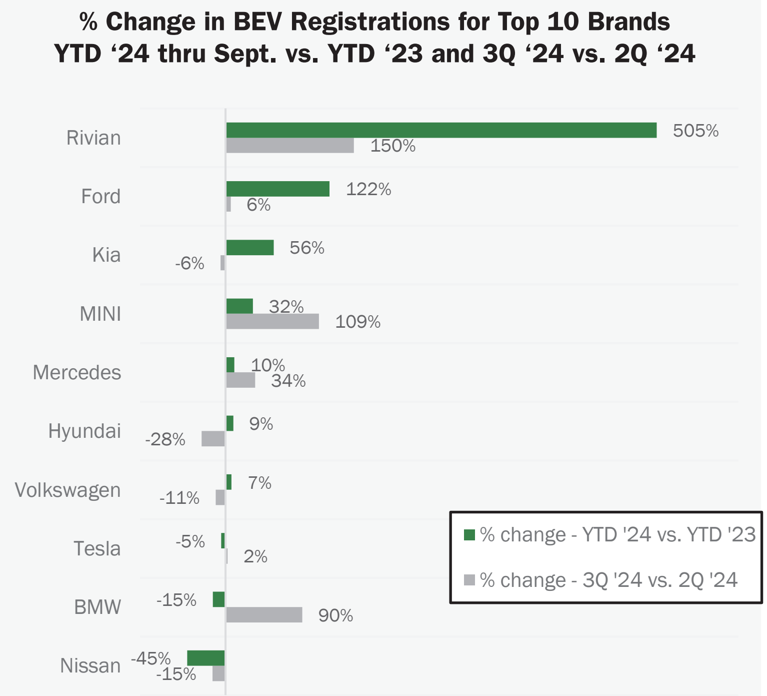
Data sourced from Experian Automotive. Hybrid registrations exclude mild hybrids.

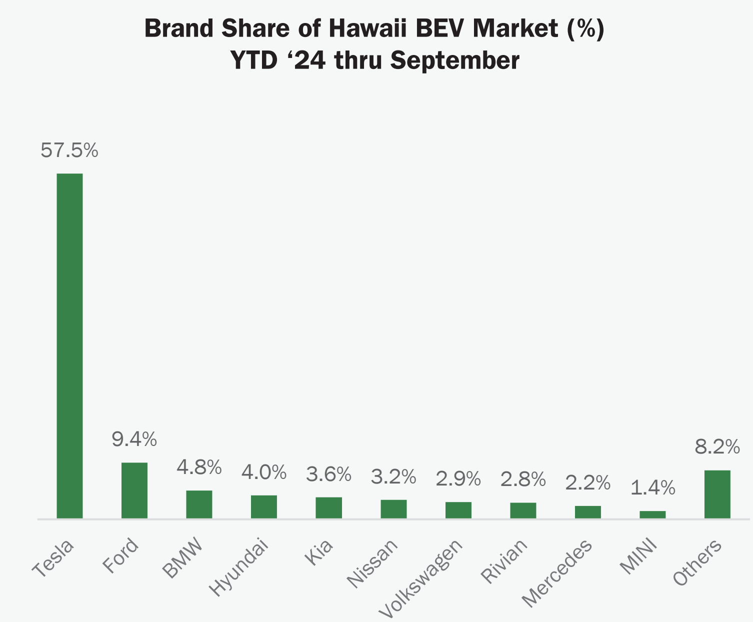
BEV Registrations and Market Share	Franchised Dealerships	Direct Sellers
YTD '23 thru Sep. regs.	1,759	2,935
YTD '24 thru Sep. regs.	1,904	2,895
% change	8.2%	-1.4%
YTD '23 mkt. share %	37.5	62.5
YTD '24 mkt. share %	39.7	60.3
change	2.2	-2.2
2Q '24 regs.	577	890
3Q '24 regs.	657	962
% change	13.9%	8.1%
2Q '24 mkt. share %	39.3	60.7
3Q '24 mkt. share %	40.6	59.4
change	1.3	-1.3

The dark green areas in the graph show sales by powertrain type for franchised dealerships. Sum of the green areas is 6,190 registrations, 68% of the overall total.

ALTERNATIVE POWERTRAIN MARKET

MAKES AND MODELS





Observations

- Rivian had the largest % increase in BEV registrations during the first nine months of this year versus year earlier (up 505%).
- BEV registrations increased from 2Q '24 to 3Q '24 for six of the top 10 selling brands.
- Tesla share of the BEV market was 57.5% so far this year.

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

Top Five Brands by type of Powertrain Registrations for YTD '23 and '24 thru Sept.

	Rank	Brand	YTD '23 Regs.	YTD '24 Regs.	% chg.	YTD '24 Share
BEV	1	Tesla	2,906	2,760	-5.0%	57.5%
	2	Ford	204	452	121.6%	9.4%
	3	BMW	270	230	-14.8%	4.8%
	4	Hyundai	176	192	9.1%	4.0%
	5	Kia	112	175	56.3%	3.6%
PHEV	1	Lexus	11	190	1627.3%	28.9%
	2	Toyota	87	163	87.4%	24.8%
	3	Kia	79	72	-8.9%	11.0%
	4	Jeep	154	68	-55.8%	10.4%
	5	BMW	84	40	-52.4%	6.1%
HYBRID	1	Toyota	952	1,625	70.7%	44.8%
	2	Honda	661	806	21.9%	22.2%
	3	Lexus	283	410	44.9%	11.3%
	4	Ford	256	296	15.6%	8.2%
	5	Kia	368	263	-28.5%	7.2%

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

Rank	Model	Type	YTD '24 Share
1	Tesla Model Y	BEV	21.1%
2	Tesla Model 3	BEV	7.2%
3	Honda CR-V	Hybrid	6.5%
4	Toyota Sienna	Hybrid	4.5%
5	Ford F-Series Lightning	BEV	3.2%
6	Toyota RAV4	Hybrid	3.2%
7	Ford Maverick	Hybrid	2.5%
8	Honda Accord	Hybrid	2.4%
9	Volkswagen ID.4	BEV	1.5%
10	Lexus UX	Hybrid	1.5%
11	Toyota RAV4	PHEV	1.5%
12	Toyota Corolla	Hybrid	1.5%
13	Toyota Prius	Hybrid	1.5%
14	Lexus NX	Hybrid	1.5%
15	Ford Mustang Mach-E	BEV	1.4%

Brand Registrations Report
Hawaii New Retail Car and Light Truck Registrations

	Third Quarter						Year to date thru September					
	Registrations			Market Share (%)			Registrations			Market Share (%)		
	3Q '23	3Q '24	% change	3Q '23	3Q '24	Change	YTD '23	YTD '24	% change	YTD '23	YTD '24	Change
TOTAL	11,341	11,314	-0.2				35,708	33,993	-4.8			
Cars	2,656	2,544	-4.2	23.4	22.5	-0.9	8,520	7,747	-9.1	23.9	22.8	-1.1
Light Trucks	8,685	8,770	1.0	76.6	77.5	0.9	27,188	26,246	-3.5	76.1	77.2	1.1
Domestic Brands	2,565	2,529	-1.4	22.6	22.4	-0.2	8,420	8,022	-4.7	23.6	23.6	0.0
European Brands	1,120	1,070	-4.5	9.9	9.5	-0.4	3,394	3,066	-9.7	9.5	9.0	-0.5
Japanese Brands	6,604	6,569	-0.5	58.2	58.1	-0.1	20,456	19,716	-3.6	57.3	58.0	0.7
Korean Brands	1,052	1,146	8.9	9.3	10.1	0.8	3,438	3,189	-7.2	9.6	9.4	-0.2
Acura	97	54	-44.3	0.9	0.5	-0.4	297	175	-41.1	0.8	0.5	-0.3
Audi	95	67	-29.5	0.8	0.6	-0.2	277	241	-13.0	0.8	0.7	-0.1
BMW	367	383	4.4	3.2	3.4	0.2	1,155	1,035	-10.4	3.2	3.0	-0.2
Buick	13	10	-23.1	0.1	0.1	0.0	54	56	3.7	0.2	0.2	0.0
Cadillac	34	21	-38.2	0.3	0.2	-0.1	91	62	-31.9	0.3	0.2	-0.1
Chevrolet	406	461	13.5	3.6	4.1	0.5	1,331	1,403	5.4	3.7	4.1	0.4
CDJR Total	486	272	-44.0	4.3	2.4	-1.9	1,390	1,046	-24.7	3.9	3.1	-0.8
Chrysler	37	25	-32.4	0.3	0.2	-0.1	90	76	-15.6	0.3	0.2	-0.1
Dodge	58	34	-41.4	0.5	0.3	-0.2	172	136	-20.9	0.5	0.4	-0.1
Jeep	246	120	-51.2	2.2	1.1	-1.1	727	497	-31.6	2.0	1.5	-0.5
Ram	145	93	-35.9	1.3	0.8	-0.5	401	337	-16.0	1.1	1.0	-0.1
Ford	725	688	-5.1	6.4	6.1	-0.3	2,254	2,210	-2.0	6.3	6.5	0.2
Genesis	38	39	2.6	0.3	0.3	0.0	113	109	-3.5	0.3	0.3	0.0
GMC	131	97	-26.0	1.2	0.9	-0.3	319	294	-7.8	0.9	0.9	0.0
Honda	1,243	1,337	7.6	11.0	11.8	0.8	3,897	4,188	7.5	10.9	12.3	1.4
Hyundai	491	424	-13.6	4.3	3.7	-0.6	1,603	1,249	-22.1	4.5	3.7	-0.8
Infiniti	19	14	-26.3	0.2	0.1	-0.1	63	54	-14.3	0.2	0.2	0.0
Jaguar	4	4	0.0	0.0	0.0	0.0	15	13	-13.3	0.0	0.0	0.0
Kia	523	683	30.6	4.6	6.0	1.4	1,722	1,831	6.3	4.8	5.4	0.6
Land Rover	22	31	40.9	0.2	0.3	0.1	86	93	8.1	0.2	0.3	0.1
Lexus	399	466	16.8	3.5	4.1	0.6	1,294	1,461	12.9	3.6	4.3	0.7
Lincoln	8	18	125.0	0.1	0.2	0.1	46	56	21.7	0.1	0.2	0.1
Maserati	6	2	-66.7	0.1	0.0	-0.1	13	11	-15.4	0.0	0.0	0.0
Mazda	155	190	22.6	1.4	1.7	0.3	439	499	13.7	1.2	1.5	0.3
Mercedes	245	185	-24.5	2.2	1.6	-0.6	749	549	-26.7	2.1	1.6	-0.5
MINI	76	65	-14.5	0.7	0.6	-0.1	211	195	-7.6	0.6	0.6	0.0
Mitsubishi	15	19	26.7	0.1	0.2	0.1	41	43	4.9	0.1	0.1	0.0
Nissan	766	725	-5.4	6.8	6.4	-0.4	2,344	2,045	-12.8	6.6	6.0	-0.6
Polestar	0	0		0.0	0.0	0.0	0	1		0.0	0.0	0.0
Porsche	62	74	19.4	0.5	0.7	0.2	212	163	-23.1	0.6	0.5	-0.1
Rivian	7	90	1185.7	0.1	0.8	0.7	22	133	504.5	0.1	0.4	0.3
Subaru	703	528	-24.9	6.2	4.7	-1.5	2,151	1,659	-22.9	6.0	4.9	-1.1
Tesla	751	872	16.1	6.6	7.7	1.1	2,906	2,760	-5.0	8.1	8.1	0.0
Toyota	3,207	3,236	0.9	28.3	28.6	0.3	9,930	9,592	-3.4	27.8	28.2	0.4
Volkswagen	192	207	7.8	1.7	1.8	0.1	532	658	23.7	1.5	1.9	0.4
Volvo	50	34	-32.0	0.4	0.3	-0.1	126	76	-39.7	0.4	0.2	-0.2
Other	5	18	260.0	0.0	0.2	0.2	25	33	32.0	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 Third Quarters of ‘23 and ‘24, and year to date totals. The top ten ranked brands in each change category are shaded yellow.