

In car market durably affected by consecutive crises,  
**Electric motors catch up with Diesel**

Global brutal blow to automotive market in March! Hybrid cars are now also stalling while electric sales catch up to diesel. The used car market goes downhill and fall back to 2019 levels. The motorcycle market, which had so far escaped sales gloom, is now showings signs of slowing down.

The new passenger car market continues downward trend in March 2022 as registrations falls by 19% compared to the same month last year. This is the tenth month in a row, since 2021, the market hit reverse. The automotive industry has faced multiple and unprecedented challenges from Covid-19 Pandemic and the ensuing global lockdown, the shockwaves from the semiconductor crisis to current conflict in Ukraine. The war is currently affecting production and fuel prices soared to records high.

AAA DATA, augmented data leader expert, recorded 147 079 new car registrations over the past month, a figure down compared to March 2021 and 2019, where respectively 182 774 and 225 818 registrations were observed. 2019 was the last year of reference before the automotive industry experienced major upheaval due to the pandemic outbreak. With lockdown and shutdowns of global car dealerships, March 2020 marked the start of the automotive industry's groundbreaking collapse. With 365 361 cars registered since January 2022, sales plunged by 17,3% compared to first quarter 2021 and by 34% compared to 2019. After 3 years of impelling growth and records set in 2021, the used car market is declining at a fast pace as it fell by 14,3% in March.

“Only a few brands such as Kia, Hyundai or Tesla successfully navigated a struggling market in general and managed to mark a bright spot, reporting solid growth even compared to 2019 standards” says Marie-Laure Nivot, Head of Market Intelligence at AAA Data. “Dacia Sandero and Tesla Model 3 broke into the top best-selling chart for passenger cars. This perfectly encapsulates market polarization between models designed to address population with purchasing power issues and those that rely on technological features, thus at much higher prices”.

### **Electric car about to outshine Diesel!**

Could this be the result of soaring gasoline and diesel prices that are steering customer demand? Or the result of the strategy of certain brands for which it represents a significant share of sales? For instance, Dacia, which registered 17% of electric cars?

Kia (26%), Hyundai (21%), Fiat (48%) and Mini (22%) rely on a high proportion of electric sales to buck the trend. Electric sales increased to 27% and account for a market share of 13%, nearly as much as diesel, on a continued downhill spiral by 50% and at a milestone low level of 14%. However, hybrid sales plummet (-9%) is a major surprise, first time declining since lockdown during Spring 2020. A closer look holds plug-in hybrids and micro hybrids responsible whereas traditional hybrids (no plug-in) still are on a positive trajectory. Alternative fuels (LPG, bio ethanol) are still on the fast lane and attract a growing audience with a 152% sales leap. Yet, they only account for 6% of registrations, mostly Dacia (LPG) and Ford (Bio ethanol).

Region-wide, the market plummets overall and most specifically in Hauts-de-France, known to be the traditional territory for registrations of rental companies (-32%). Normandy is also declining strongly

by 26%. Against all odds, only Corsica is swimming against the tide, nearly doubling new car sales in March.

### **The end of an era of the used car market?**

After three solid years (albeit a small light recession in 2020) and hitting groundbreaking records in 2021, the used car market has fallen for the fourth consecutive month, at a faster pace, with a decline of 14,3% to 506 222 units, close to its 2019 standards (which accounted for 2 days less).

This downward trend now affects vehicles of all age and most specifically two categories: on the one hand, recent models of 5 years and younger (-19,4%) and on the other hand, models that are most likely to be excluded first from ZFE-m (Low Emissions Zone) nationwide program. It is currently being implemented throughout greater agglomerations in France. Vehicles entitled to Crit'Air 5 stickers and Crit'Air 4 experienced major slump, respectively -25,9% and -22,9%. Only electric vehicles (Crit'Air 0 sticker) are booming (+109,6%) but they still account for less than 2% of transactions.

### **The motorcycle market is running out of steam**

Spared so far, the motorcycle market also seems to suffer from the shortage crisis affecting supply and delivery delays stretches. Although, still in shape with solid overall growth of 3,7% in March (+2,1% since January 2022), some brands felt the heat and fell sharply, such as Kawasaki (-23,6%), Suzuki (-23%) and especially KTM, praised for its victory in Indonesia of the second round of the MotoGP World Championship, plunged by 40%.

More information or data available on request from the press service.

[aaadata@rumeurpublique.fr](mailto:aaadata@rumeurpublique.fr)

Stéphane Chevalier – 06 26 63 69 08