

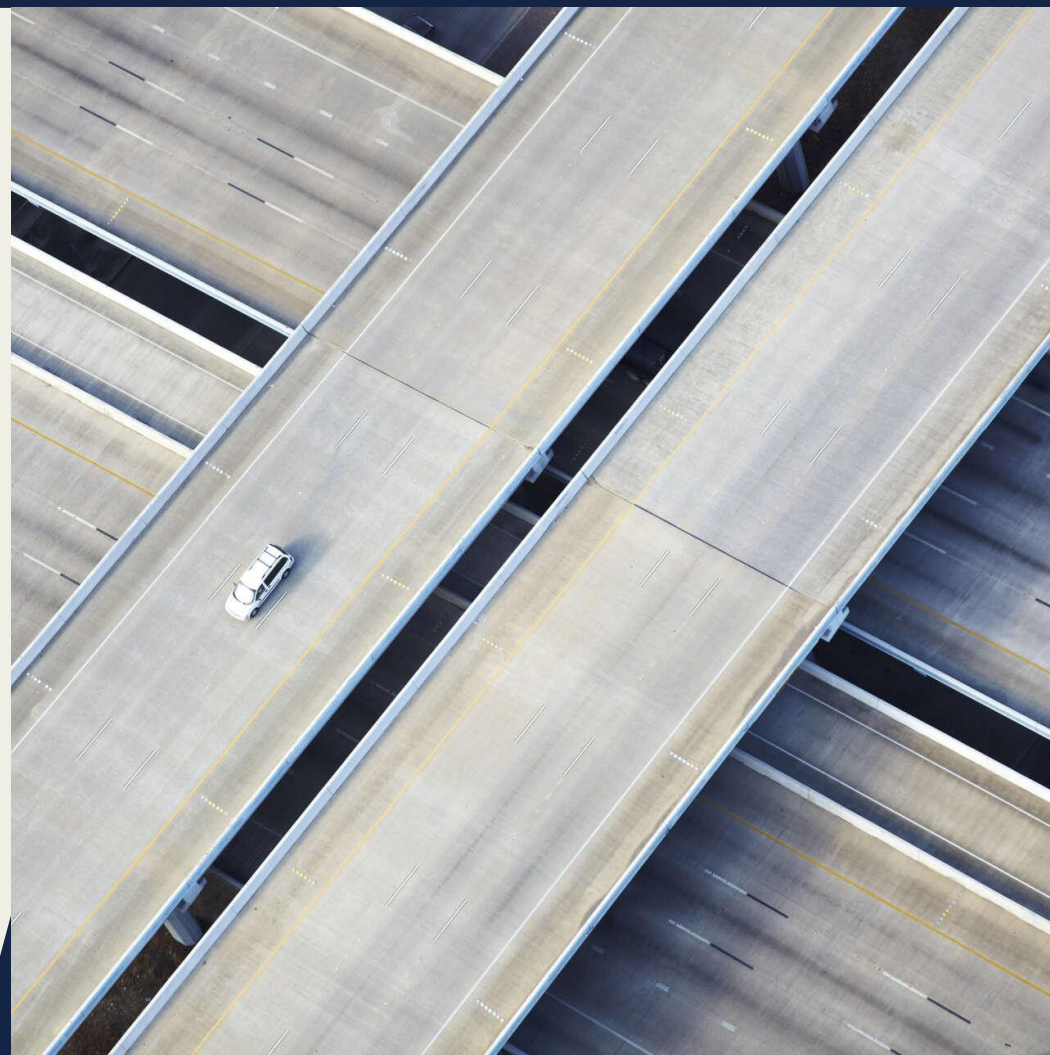
Beyond the Forecast: Global Automotive Outlook

Prepared exclusively for FOROAUTOMOTOR
AMDA 2026

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October, 2026



Mobility Global

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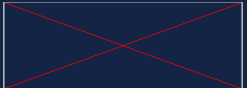
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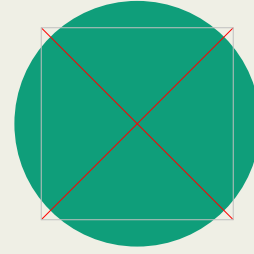
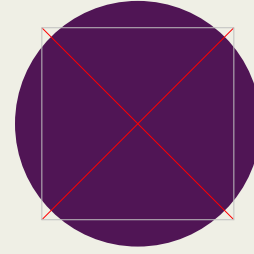
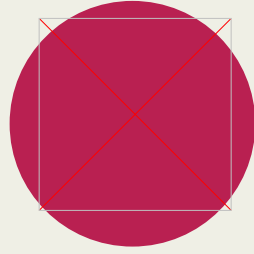
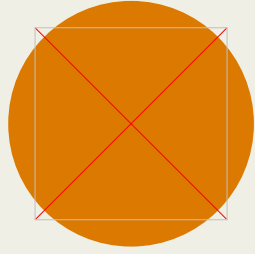
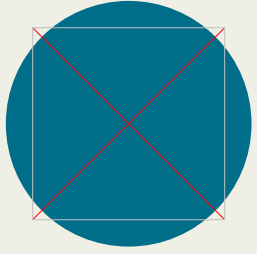
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Global



What we are watching



Renewed, broader-based upward pressure on energy prices	Pass-through to core consumer price inflation rates	Shift in futures market expectations of monetary tightening	Rising longer-term sovereign bond yields and spreads	Impact on Purchasing Managers Index™ (PMI®) data
• Supply disruption risks drive Brent crude back above US\$100/barrel • US diesel price at a record high; European wholesale gas prices increasing but still well below 2022 peaks	• Impact of higher energy prices on core inflation generally limited so far • The larger and more persistent the energy price shock, the higher the likelihood of broader price effects	• More US and eurozone policy rate rises by spring 2027 priced in • Increasing upside risk to our current base case of only limited tightening by major central banks	• Increased US Treasury buybacks not large enough to turn the tide • Governments to tackle poor public finances only if market pressure builds considerably	• August's global composite index rose for fifth straight month • September's rise in energy prices and tightening of financial conditions lean toward correction



Inflation forecasts for major economies

Our consumer price inflation forecasts for 2026 were increased across the board following the start of the US-Israel war with Iran in February, primarily reflecting higher energy prices.

The magnitude of the **revisions to national inflation forecasts varied**, reflecting differences in various factors, including:

- Energy weights in consumer price indexes
- Policy responses, including fiscal measures to mitigate the impact of higher energy prices on households and businesses
- Demand and labor market conditions, which influence the pass-through of higher energy costs to consumer prices

The larger and more persistent the commodity price shock, the higher the risk of **second-round effects** on inflation, i.e., impacts across a broader range of goods and services.

To date, **core inflation rates have not risen significantly** in most major economies relative to preconflict levels (see next slides).

Non-energy related **upside risks to inflation** include higher food prices due to climate-related factors, e.g., poor harvests due to summer heatwaves and El Niño-related effects.

Data compiled Sept. 15, 2026.

Source: S&P Global Market Intelligence.



Consumer prices (% change)

Region	2025	2026	2027	2028
World	3.2	3.8	3.1	2.6
United States	2.7	3.2	2.3	2.3
Canada	2.1	2.7	2.5	1.9
Brazil	5.0	4.4	4.6	3.5
Eurozone	2.1	2.9	2.6	2.0
United Kingdom	3.4	3.2	2.8	2.1
Russia	8.7	6.1	5.6	4.8
Mainland China	0.0	1.0	1.1	1.2
Japan	3.2	1.9	1.7	2.3
India	2.2	4.9	5.7	4.1

Mobility Global Risk Tracker* – Oct 2026

Top 10 Risks to LV Production output	Sep 2026	Oct 2026	In base case forecast	
Middle East conflict	▼	▼	✓	Gulf conflict impacts are primarily transmitted via oil/energy prices to global auto markets. Recent developments, broadening the conflict via the Houthi militia add more near-term pressure. To date, energy prices while inflated remain within our expected bandwidth
Recession risk, interest rates	▼	▼	✓	Higher energy prices prolong the expected inflationary phase and tighten interest rates hitting auto sales and raising the prospect of stronger inventory correction. Bond yields are climbing pushing auto financing rates higher
US threat of tariffs on Mexico/Canada	▼	▼	✓	Lack of clarity surrounding the process for renegotiation of USMCA has delayed our assumed step down in auto tariffs, from 25% to circa 12%, by end of 2026; possibility of more significant rework remains. We are not assuming the US threat of 50% tariffs on Canada are implemented
Commodity price pressures	▼	▼	✓	Jump in prices of precious metals: silver, platinum & palladium are already included. Steel and copper price trends are not favorable and more likely to push input prices higher. A surge in the cost of refined products notably diesel and jet fuel adds to inflationary pressures
Inventory rebuild profile	▼	▼	✓	Disruption to inventory management in response to tariffs, the threat from the Gulf and the surge in Chinese vehicle exports complicates broader alignment to sales, heightening the risk of more severe inventory correction if sales disappoint and credit conditions deteriorate
China domestic market slump	▼	▼	✓	Weakness in domestic sales in China has been masked by surging exports. Domestic sales continue to slump even given the known lower auto incentives. No evidence of a recovery yet
Tariff wars & trade restrictions	●	●	✓	Framework tariffs for autos unchanged. Section 122 general tariffs have now expired and have been replaced by section 301 tariffs. These broadly result in a slightly lower (non-autos) effective tariff rate than originally intended
Disruption of chips from Taiwan	▼	▼		Tensions remain and highlight the risk of critical semiconductor supply from the island. More generally, semiconductors could return as a risk primarily due to geopolitical tensions heightened by current events in the Middle East
Improvements in affordability	▲	▲	✓	Additional demand boost caused by downward pressure on global vehicle prices due primarily to China OEMs export drive intensifying competition in global markets
Potential Semiconductor shortage	▼	▼	✓	Increased demand from data centers may constrain automotive allocation, threatening shortages centered on DRAM. Initial impact on cost and pass through now included. Reported levels of investment in new capacity and commitment to wider specifications provides relief

As of Oct 2026.

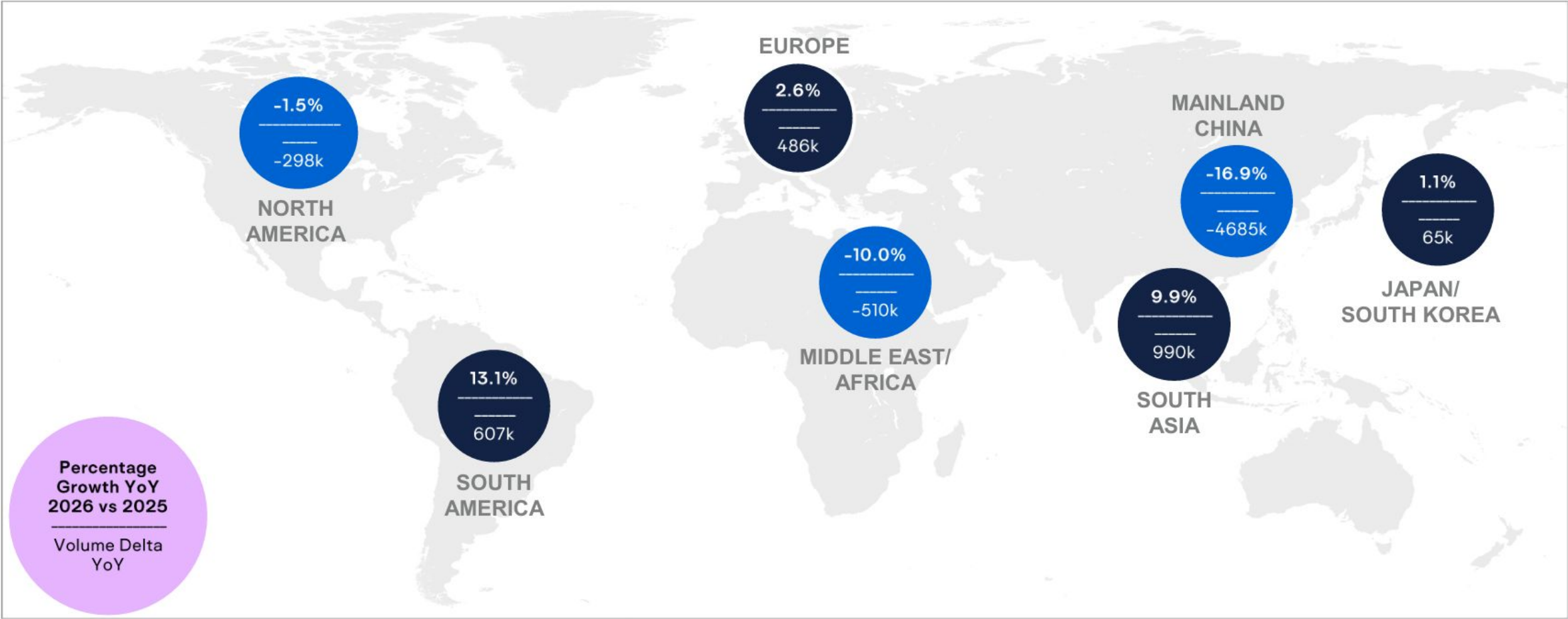
*The Mobility Global Risk Tracker provides an overview of key risks either included in the latest Light Vehicle Production Forecast or considered for possible future inclusion. This does not necessarily imply the future direction of the forecast, nor are the risks ordered by priority.

Source: Mobility Global.

		Upside	Downside	Neutral
Magnitude	L	▲	▼	
	M	▲	▼	●
	S	▲	▼	

Global sales overview

Mixed Global Outlook: Oil-Price Pressures vs. Regional Resilience vs. BEV Momentum

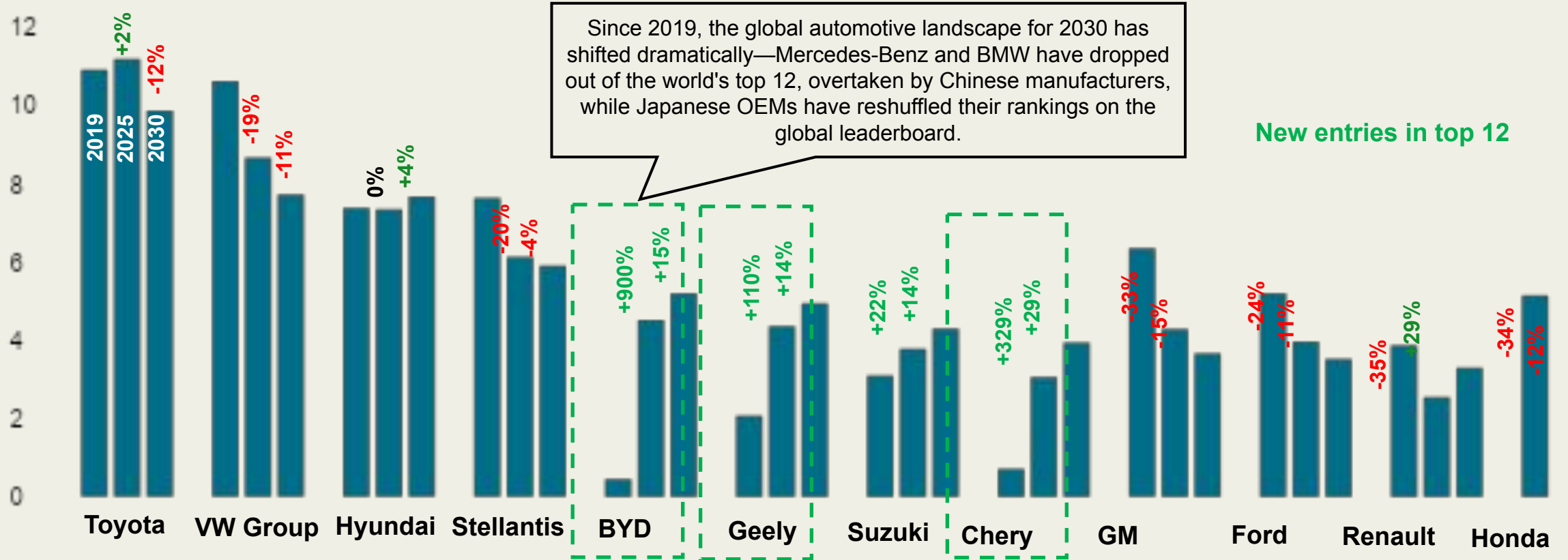


As of Sep 2026.
Source: Mobility Global.

A New Top OEM Order Emerges – by Design Parent

Legacy Western players bitten by EV leaders, declines in China share and regional consolidation

Top 12 carmakers volume ranking in CY 2030 and individual performance versus CY 2025 then CY 2019, by vehicle production (millions units)

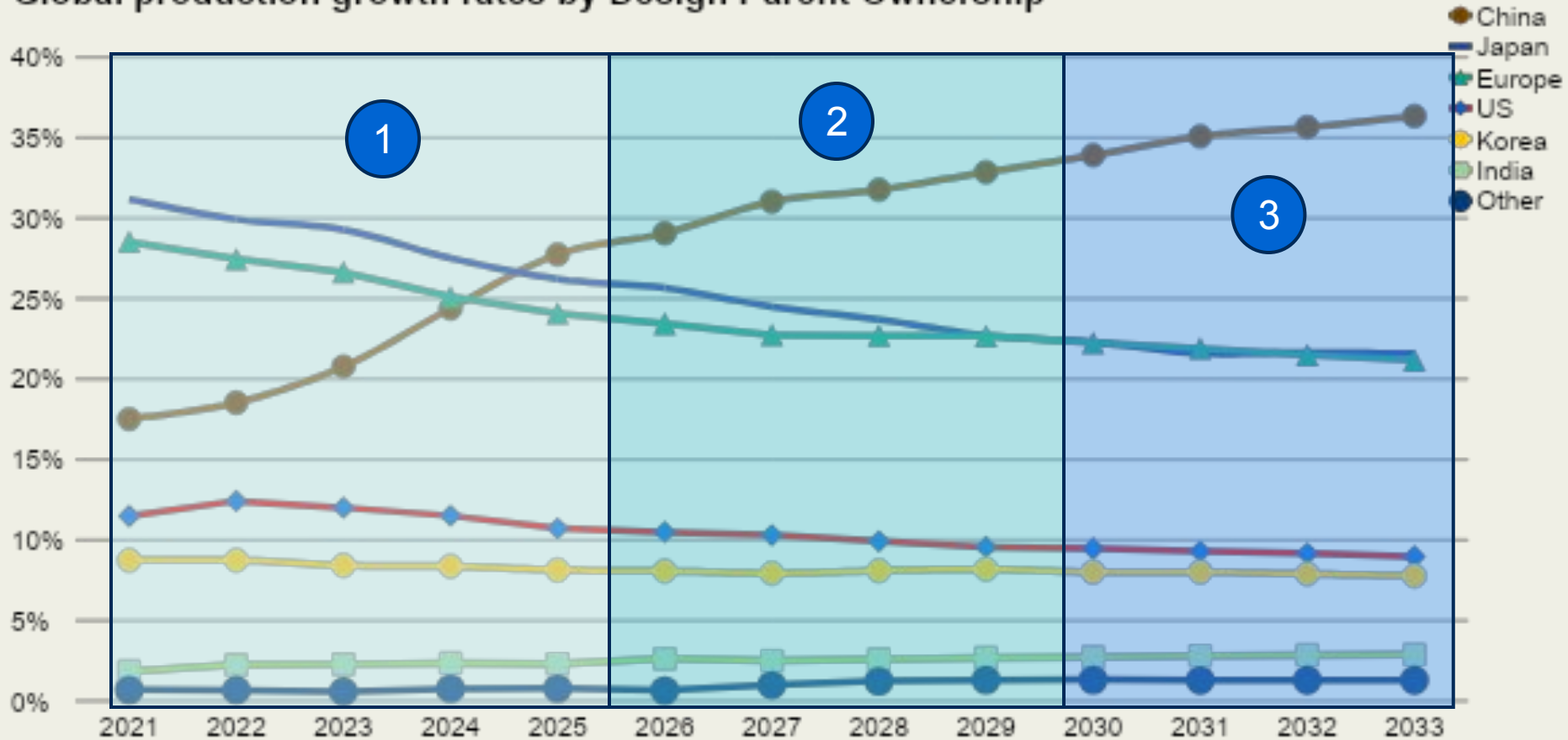


Data compiled June 2026.
Source: S&P Global Mobility

Chinese brands becoming dominant beyond just domestic appeal

Globalization of Chinese OEMs will follow development of regional specifics, 'in region, for region'

Global production growth rates by Design Parent Ownership



Growth of Chinese OEMs

- 1) Share growth in China pulled from GM, VW, Toyota, Honda, Hyundai and others Westerns.
- 2) COEM growth in key EU, SA and SEA markets pulls from VW, Stellantis & Japanese OEMs. Also share growth in smaller export markets impacts Japanese & European OEMs.
- 3) Chinese OEMs focus on C, C/D and D mass market first

then D & E premium
then B & A segments⁹

Data Compiled July 2026.
Source: S&P Global Mobility, July 2026 LV Production Forecast.

Chinese OEM Sales Expansion

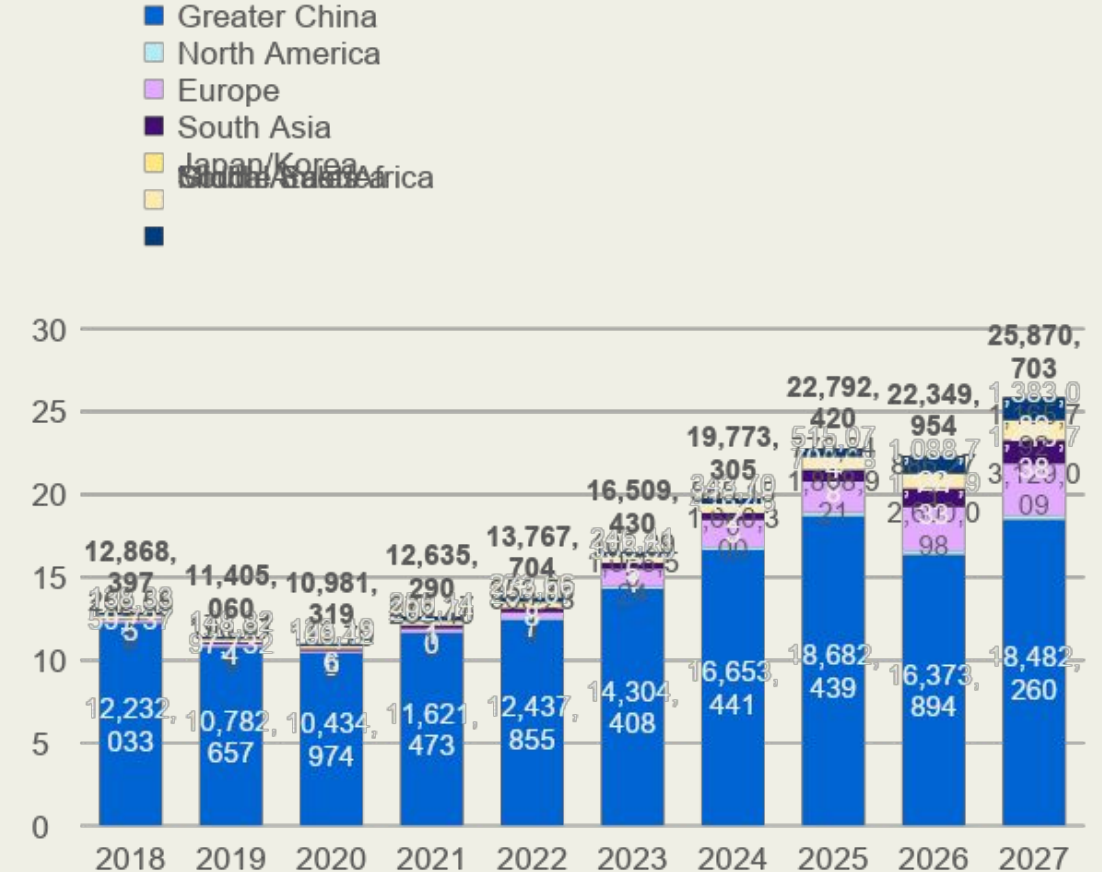
Light vehicle sales forecast

- **Unprecedented Growth:** Chinese OEMs are expanding production and exports at an extraordinary pace, demonstrating a rapid ability to pivot from domestic to global markets.
- **Global Reach:** Growth is widespread, with significant market penetration in ASEAN, Europe, South America, and Oceania.
- **Strategic Entry:** Chinese manufacturers typically target mass-market segments (C, C/D, and D) first, followed by premium (D/E) and entry-level (A/B) segments.
- **Western Response:** Western OEMs have been slow to react, frequently underestimating the speed and adaptability of Chinese competitors.

Source: Mobility Global - Light Vehicle Sales Forecast, Sep 2026



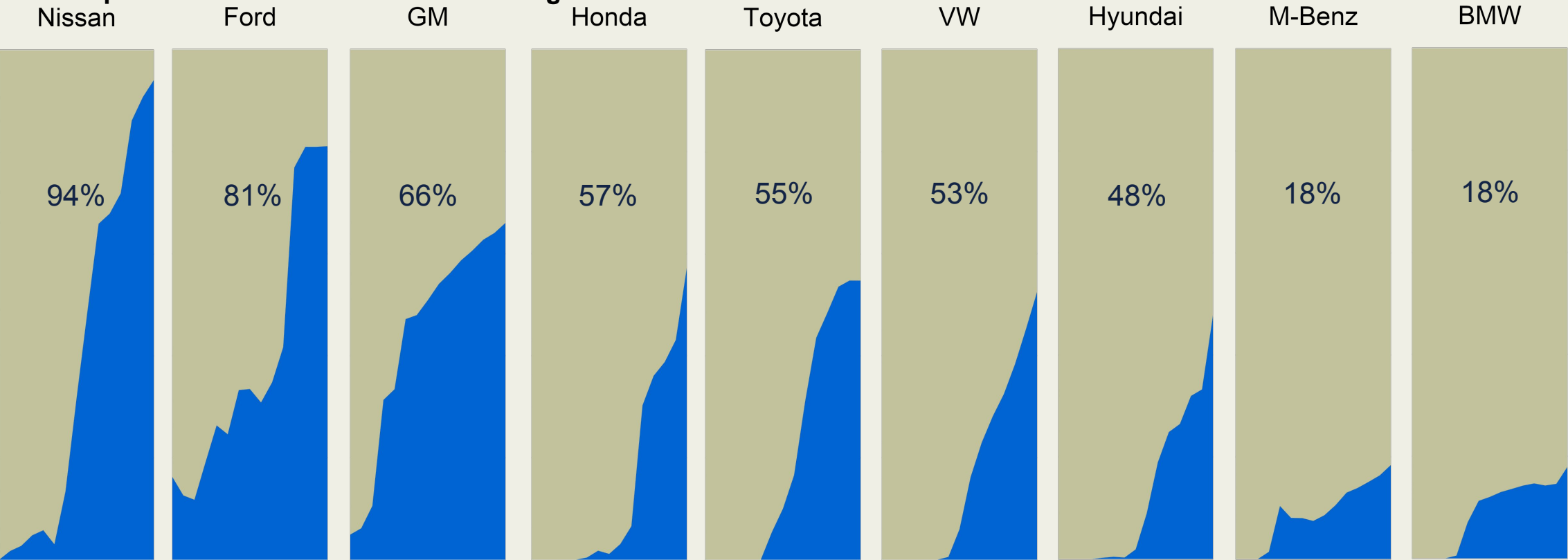
GLOBAL C-OEM LIGHT VEHICLE SALES FORECAST (MILLIONS)



Legacy OEMs move from localization to platform clients

To enhance competitiveness and gain technology access, enhanced collaboration with local partners grows

China led platform/architectures share at foreign OEMs 2033



Light Vehicle Production Forecast August 2026.
Source: S&P Global Mobility.



Material Behaviour: Near-Term Price Direction and Procurement Risk



PE

Polyethylene

RISK HIGH

- Higher crude/feedstock assumptions lifted Europe and Asia; Middle East disruption keeps upside risk.
- North America is softer: Q4 2026 is expected to fall 3% after a short export rally.
- Buy as needed in Q4 2026; 2027 pressure comes from weak exports and improving supply.



PP

Polypropylene

RISK MEDIUM

- North America weakened as US exports fell 22% in July; the soft pattern extended into August.
- Europe Q4 2026 is forecast down 1.5%, less severe than the prior 4.8% decline, as monomer costs support contracts.
- Buy as needed in US/Europe; wait in Asia. Global prices ease through 2027 with Middle East upside risk.



Al

Aluminum

RISK MEDIUM

- Restocking can recover recent slippage, but prices remain historically elevated, especially in the US.
- US tariff uncertainty is lifting the Midwest premium; GCC smelter repairs gradually improve supply.
- Buy as needed: softer demand and improving supply point to a gradual decline into 2027.

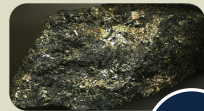


Cu

Copper

RISK HIGH

- Chile output fell 7.4% year-on-year in Q2 2026; mine disruptions reinforce structural tightness.
- Lower grades, limited new capacity and El Niño create further downside risk to mine supply.
- Buy as needed: prices remain rangebound, with the market tight to the point of deficit.



Ni

Nickel

RISK HIGH

- Improving supply and high inventories cap upside, but a cost floor supports prices above \$17,000/t.
- Indonesia's 2027 RKAB quota, ore availability and mining/export policy are the main volatility triggers.
- Buy as needed in Q4 2026; softer near term, but policy and operating-cost risk limit sustained declines.



SS

Stainless steel

RISK MEDIUM

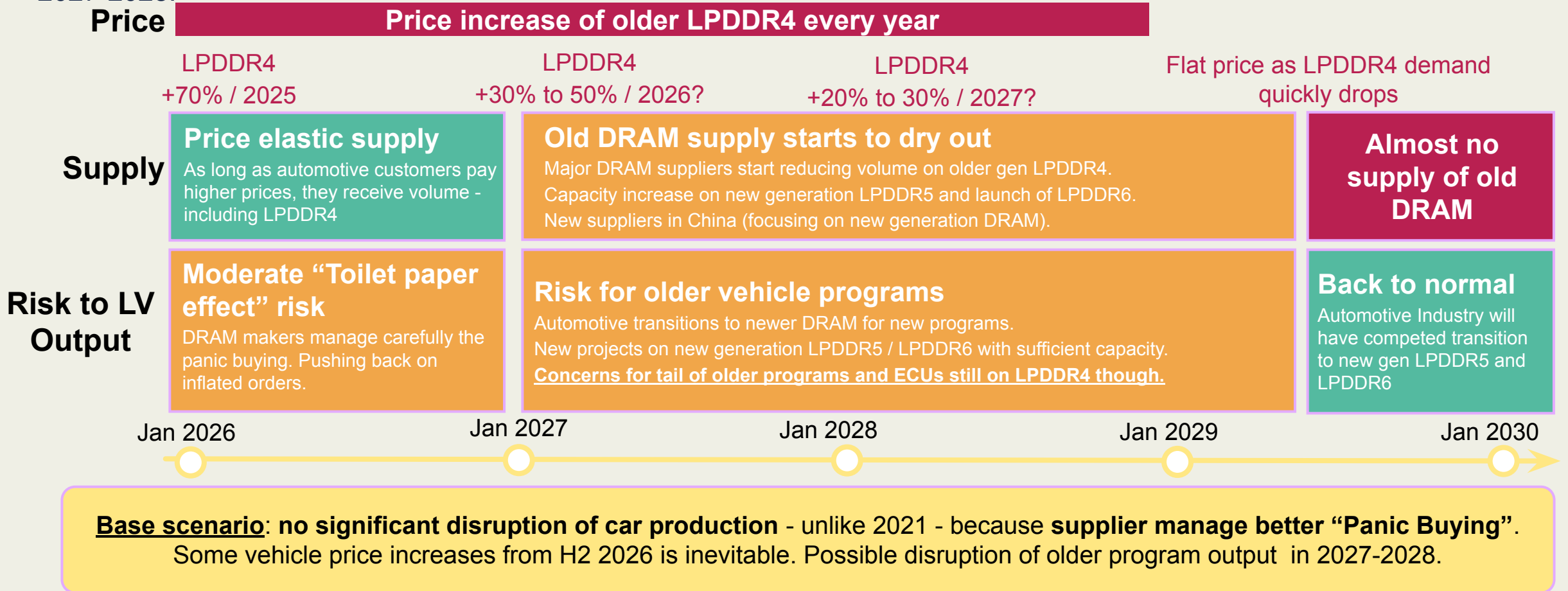
- North America and Europe were revised down through late 2026 as nickel eases and demand stays soft.
- Grade 316 retains firmer medium-term support from higher molybdenum; China prices remain cost-led.
- Buy as needed in US/Europe but buy now in Asia; US prices remain supported by the 50% Section 232 tariff.

Executive takeaway | Plastics remain feedstock- and conflict-sensitive; metals show softer demand but copper and nickel retain the highest structural supply-policy risk.

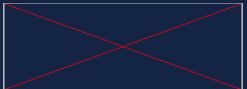


Automotive DRAM supply tension timeline through 2030

Significant price increase. Price-elastic supply in 2026. Risk for older vehicle programs in 2027-2028.



North America

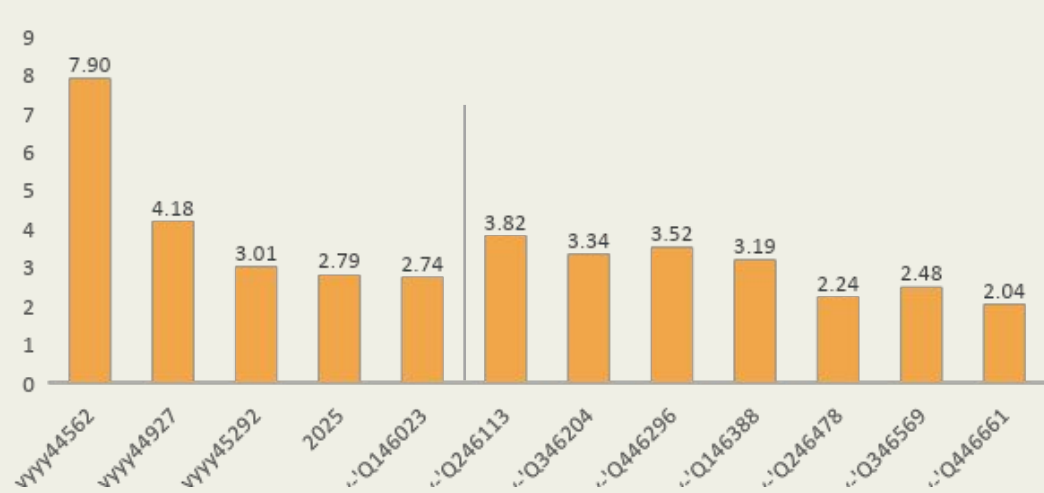


North America: Near-term Outlook

Real GDP growth (% , Quarters are YoY)



Consumer price inflation (% , Quarters are YoY)



Sales (SAAR)



Production (SAAR)



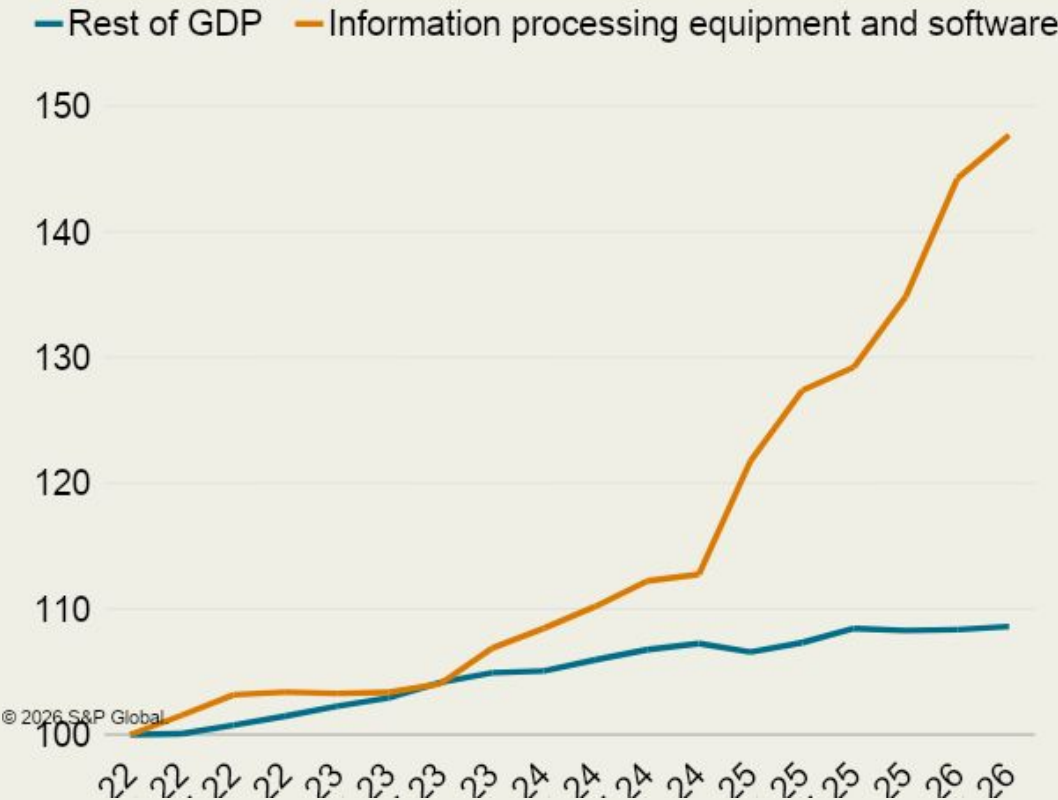
Data compiled August 14, 2026.
Source: S&P Global Market Intelligence, S&P Global Mobility

AI-related activity remains a key engine of US growth

Exceptionally strong AI-related US investment spending continued in the second quarter

Outperformance of US AI-related spending

Real, rebased (Q1 2022=100)



AI-related spending rising as a share of US GDP

US private investment in information processing equipment and software (% GDP, nominal)



As of the second quarter of 2026.
Source: S&P Global Market Intelligence.



USA sales overview

Auto sales continue to outperform expectations

Yearly sales

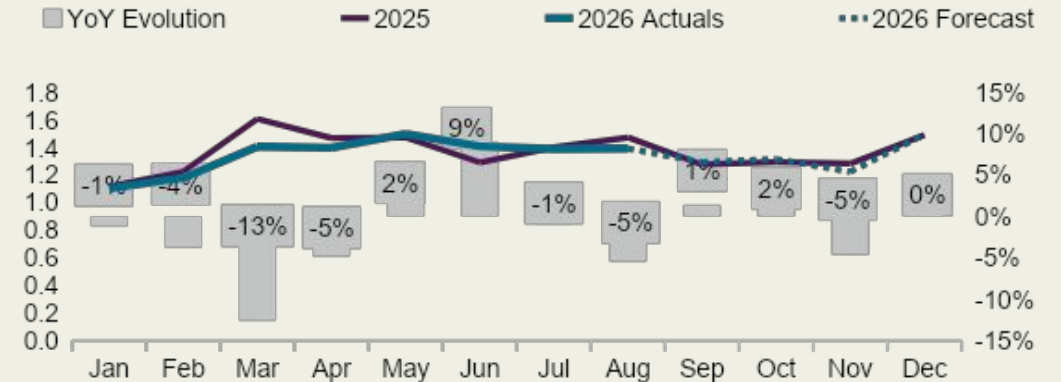


Positive

- ▲ On volume of approximately 1.39 million units, Aug 2026 US auto sales translated to a sales pace of 16.8 million units (SAAR), highest reading for SAAR metric in 2026
- ▲ Auto sales have progressed with muted enthusiasm, given heightened potential consumer pressures: low sentiment readings, sticky inflation and high fuel prices
- ▲ 2026 and 2027 volumes raised 252,000 and 135,000 units, respectively
- ▲ HEV sales continue to pace the market. YTD (July), HEV new registrations are up 23%. BEV and PHEV volume uneven despite the promise of savings in the face of high gas prices. BEV volume down 22% through July while PHEV volumes have collapsed 45%. Collective share of electrified vehicles has risen to an average of 24% sales since March, up from a level of 19% in February

As of Sep 2026.
Source: Mobility Global

Monthly sales evolution



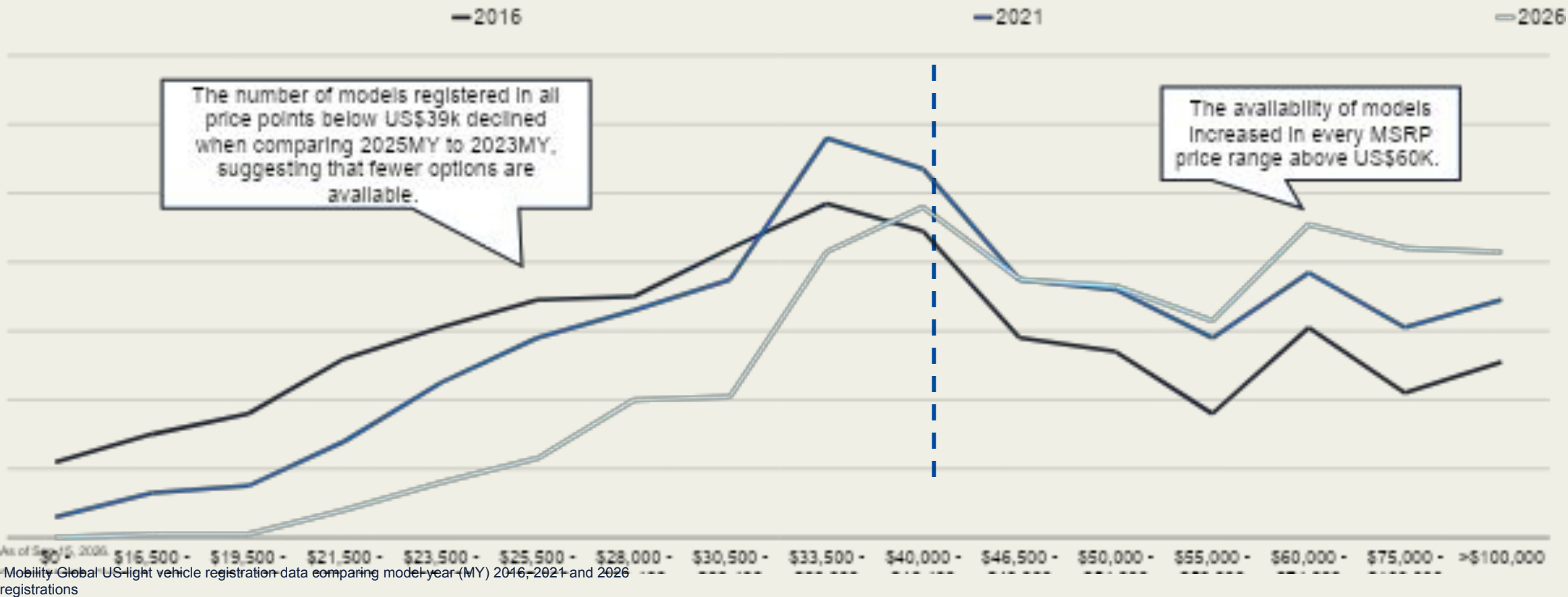
Negative

- ▼ While monthly results since March have reflected a measure of resiliency, difficult to see volume in the final quarter progressing further. Potential rising costs stemming from the war in the Middle East compounds already shaky consumer spending outlook
- ▼ Vehicle affordability still a large headwind to any dynamic growth movements for new vehicle market in immediate term forecast - is not something that can be corrected in a quick manner
- ▼ Vehicle prices slow to recede, interest rates still high, credit conditions tight. If fuel prices remain higher for longer, yet more pressure on households
- ▼ Inventory remains in focus with month-end Aug finishing the month with a light-vehicle inventory of 2.61 million units, down 43K from last month and up 57k from last year. Vehicle stock levels have remained in tight 2.6-2.7M unit range since December 2025

United States – Pricing Structure

The number of models available at each MSRP range in 2025 shows more models offered at higher MSRP ranges than in 2023. The change in the model count reflects higher vehicle pricing.

Model count, by MSRP range. Total Industry



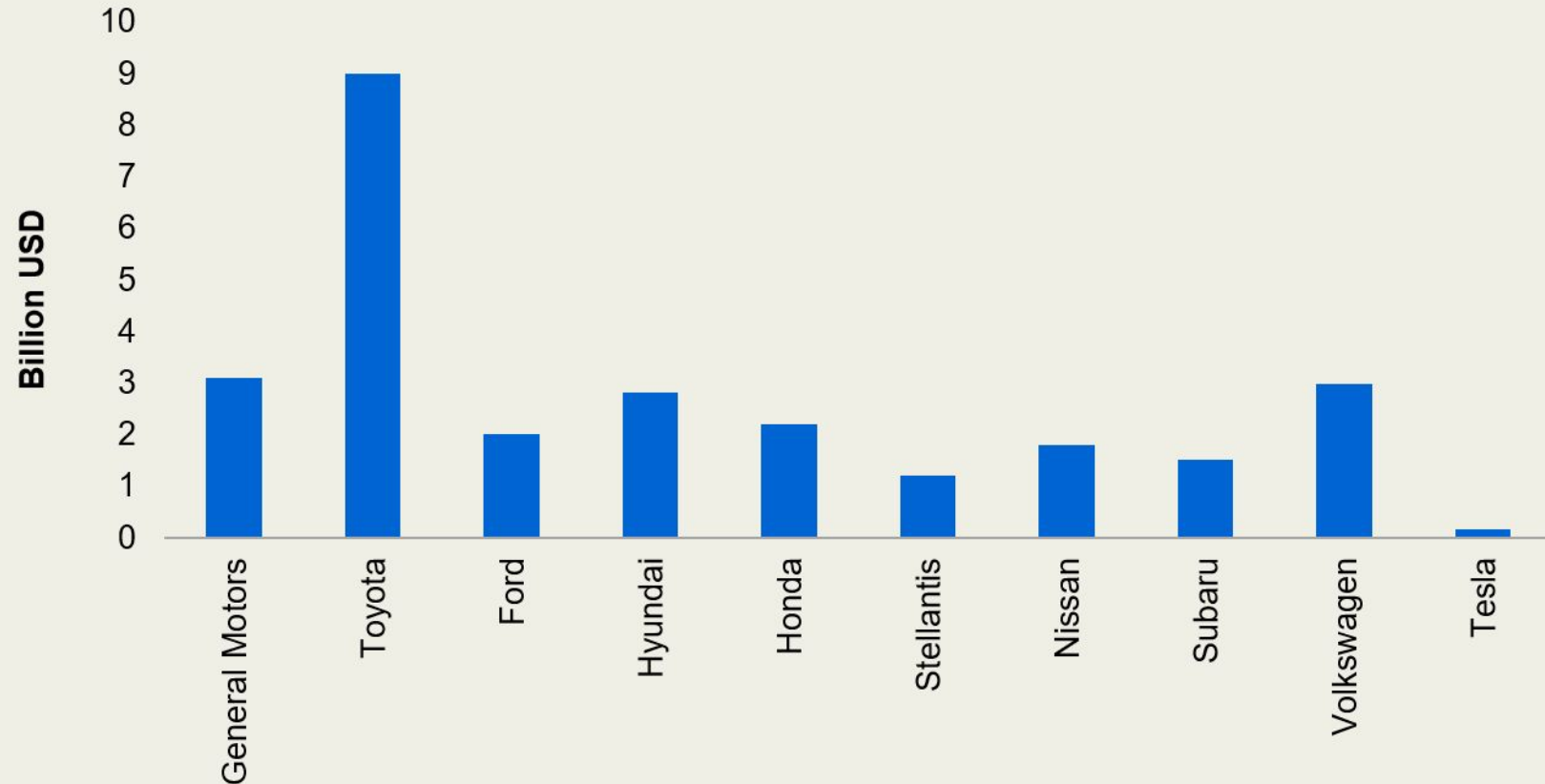
As of Sep 15, 2026.
*Mobility Global US light vehicle registration data comparing model year (MY) 2016, 2021 and 2026 registrations



Impact of US tariffs on global OEMs

Cost of tariffs for 2025FY, based on OEM reporting

2025 Tariff Costs



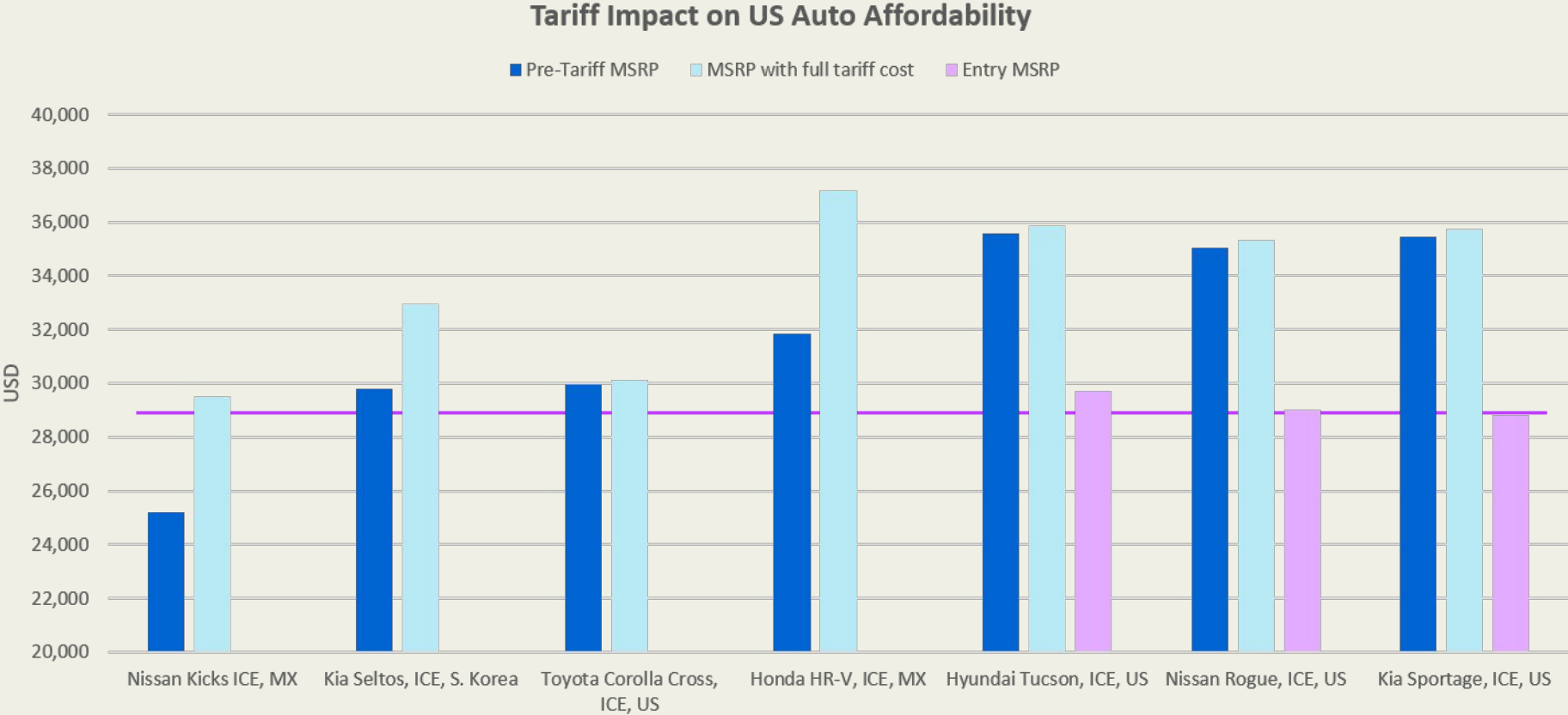
Source: Mobility Global
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- The White House had an ultimate goal of making tariffs substantial enough (~15%) to force OEMs to bring manufacturing to the US
- The Trump administration is providing a temporary break via the application of the “Offset”
- Thus, OEMs either build in the US or build in Mexico/Canada with **HIGH** US content (as of 6/15/26)
- Exposes OEMs that are not US centric on their manufacturing



Impact of US tariffs on affordability

The entry segment is under extreme pressure



Tariffs pushing Subcompact SUV prices above entry Compact SUV



Mobility as a Service Demand Snapshot

Ride hail demand: US national numbers (2025)

~25-30 Mn regular users

UBER holds an estimated 75% market share of ride hail market, with Lyft as the only prominent competitor
Ride hail demand bounced back since the pandemic drop

~5-6 bn trips

Estimated average of 4 trips per week with trip length of 4-10 miles results in **~35 bn active miles (~75 bn incl. dead miles)**

~1.4-1.6 Mn drivers

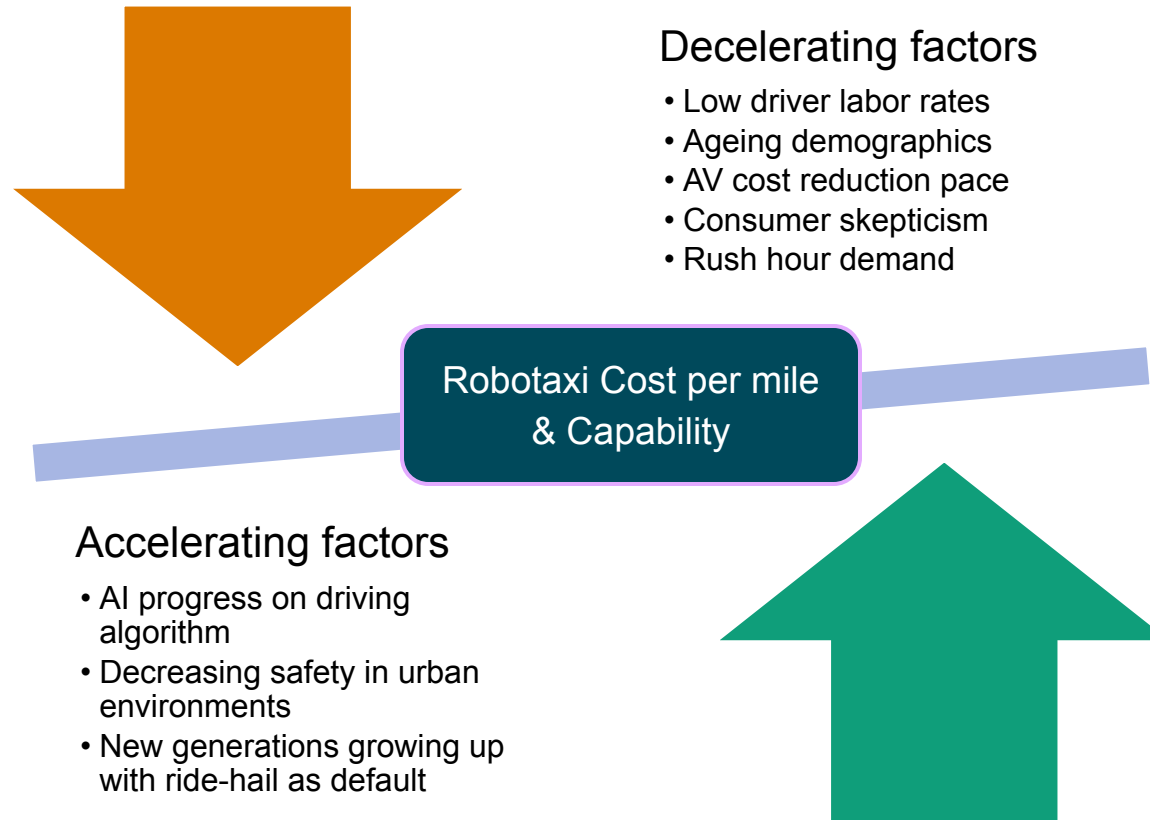
Estimated 1.25 Mn UBER drivers
60-70% of rideshare drivers work on several platforms with most using UBER

Source: SPGM Consulting, public reports.



Ride-hail vs Robotaxi Evolution

Robotaxi SWOT vs Ride-hail

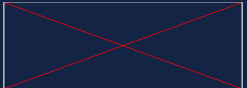


- Specific use cases will make robotaxi application more attractive due to the absence of human factor and therefore higher perceived personal safety. Examples likely to include tourists (new in the city), rides for teens arranged by parents. Therefore, a price premium would be warranted from a consumer's point of view.
- Rush hour use cases can also fit well due to "surge" pricing model by TNC companies, however overall penetration will be significantly lower than above mentioned used cases.
- Finally, demographics also plays a twofold role: older demographics expected to remain more skeptical, while younger people more open to Robotaxis as their formation years are/were exposed to different mobility frameworks

Source: SPGM Consulting

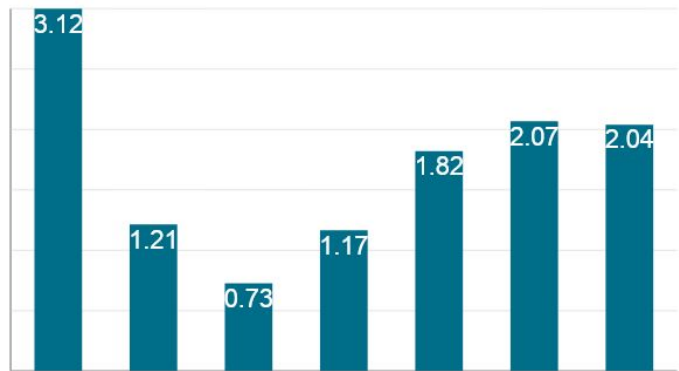


Mexico

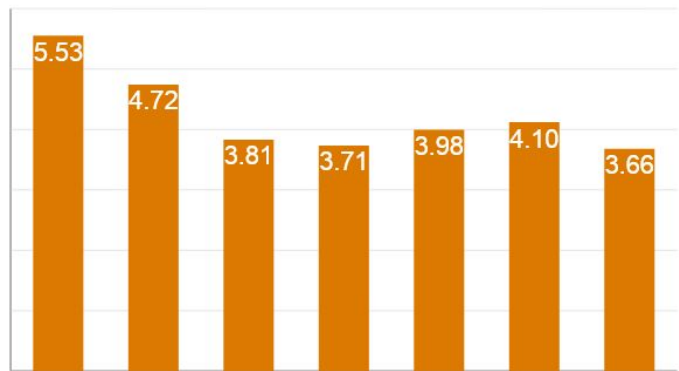


Mexico: Outlook summary

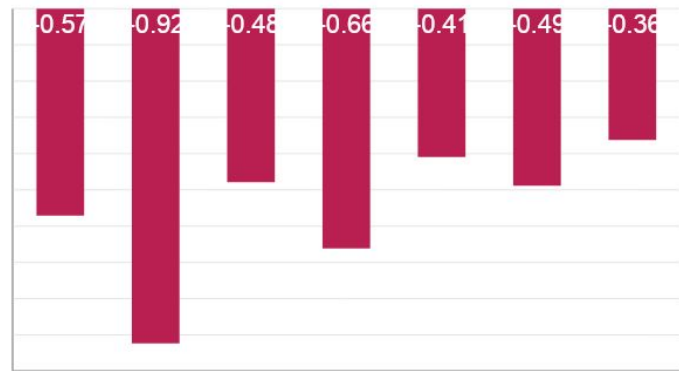
Real GDP growth (%)



Consumer price inflation (%)



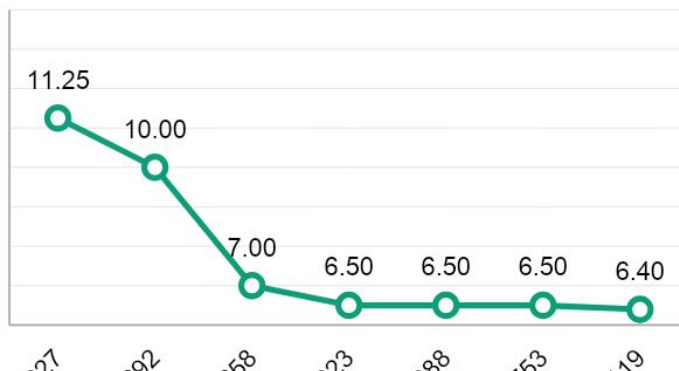
Current-account balance (% GDP)



Exchange rate per US\$ (year-end)



Policy interest rate (%)



Long-term interest rate (%)



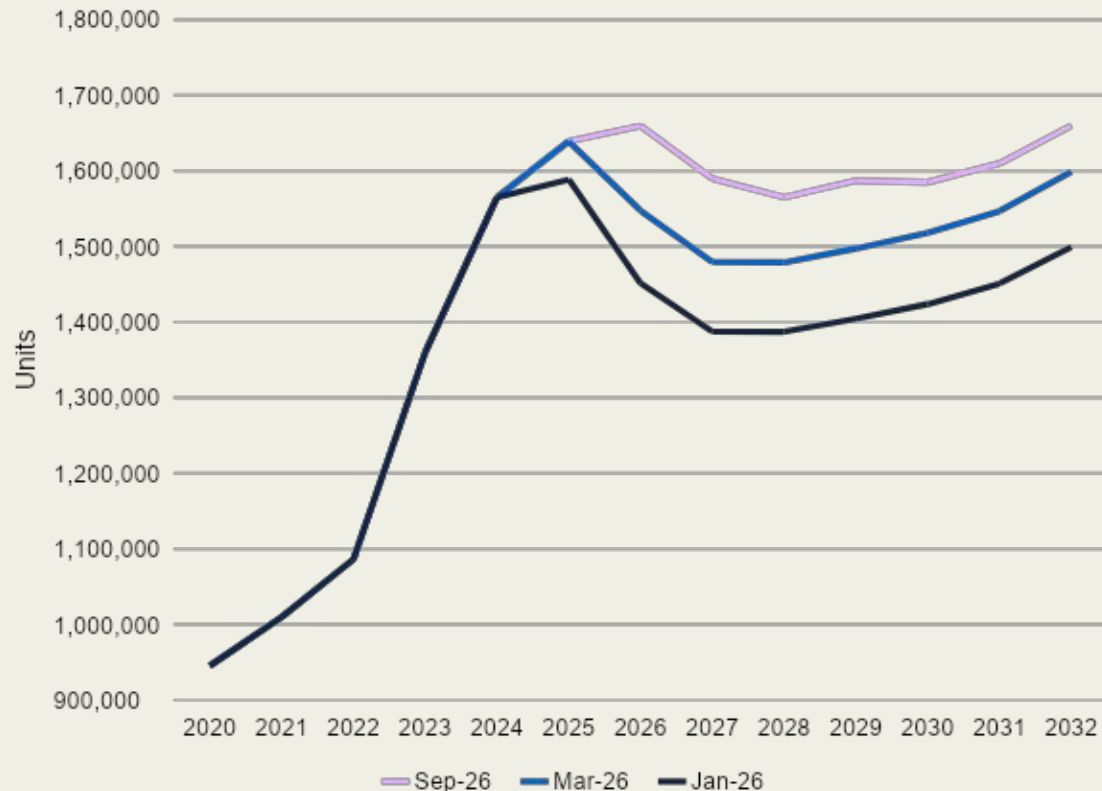
Data compiled Sept. 15, 2026.
Source: S&P Global Market Intelligence.



Mexico — Sales forecast

Forecast upgraded on Chinese-brand momentum, but a 2027 dip is expected before recovery

Mexico forecast evolution



As of Sept. 20, 2026.
Source: Mobility Global, Light Vehicle Sales Forecast.

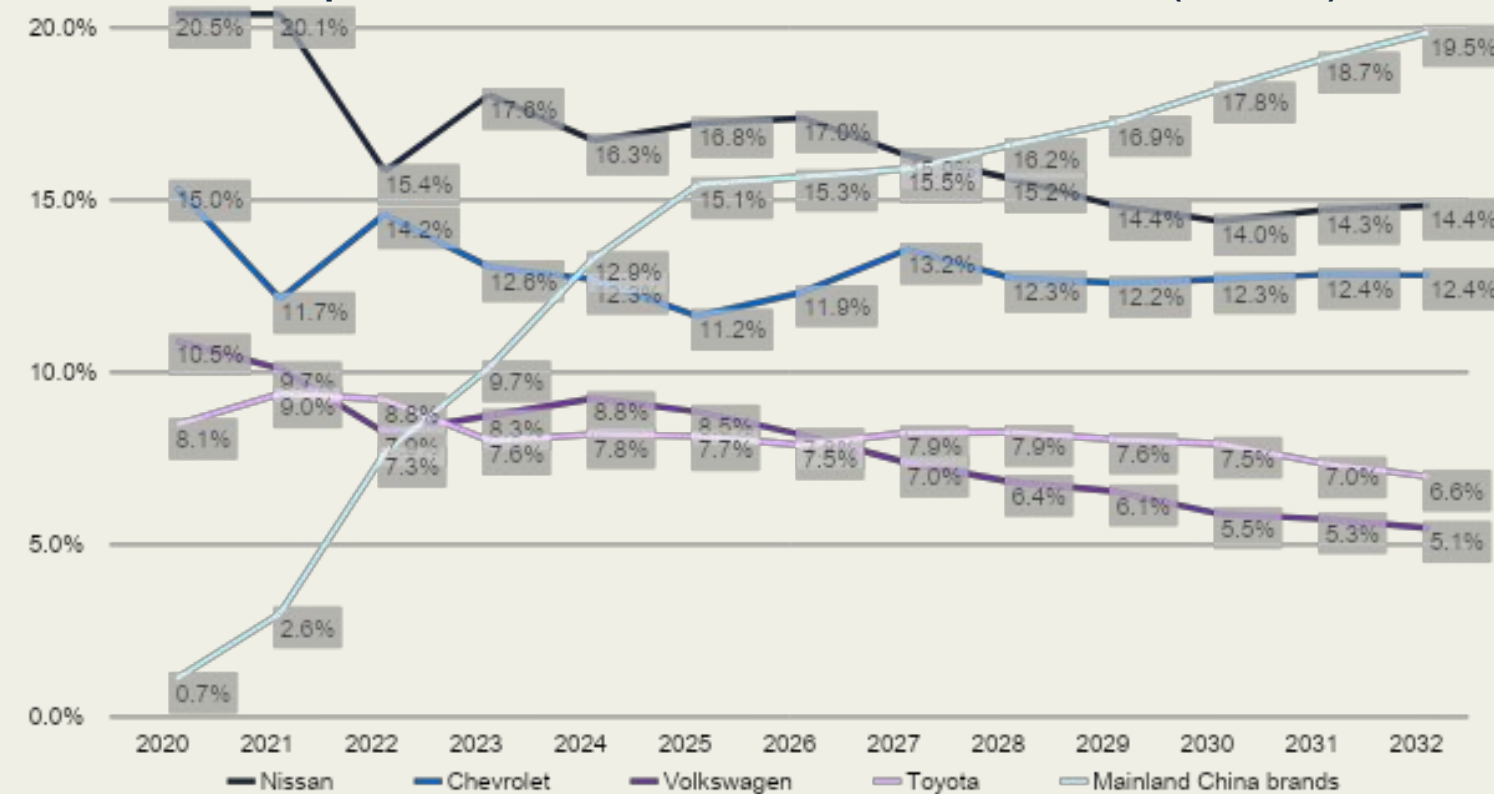
- ▲ Aug 2026 sales are estimated to have declined 5% YOY. Through August, Mexico has the best sales growth within the region (+3%). Slight deceleration with general weakness expected over remainder of year, but TIV upgraded compared to previous forecast – up 38k in both 2026 and 2027.
- ▲ The market maintained some momentum through the first half of 2026 due to sustained momentum from Chinese brands.
- ▲ Back in August 2025 release, non-reporting brands including Tesla, BYD, GAC, Chirey, Omoda and Jaecoo were added using S&P Maritime and Trade service data via Panjiva. These updates added more than 8k units.
- ▼ Weakened business sentiment due to high security and operational risks.
- ▼ Imposition of 14.7% tariffs on Mexican exports will affect the investment climate and economic growth.
- ▼ High financing rates despite the cut made by the central bank. Current rate at 6.50%.
- ▼ Mexican government has increased tariffs from 15%-20% to 50% on vehicles imported from Asian countries without a trade agreement (entered into force on Jan. 1st, 2026).
- ▼ We expect annual volumes to decline in 2027, with a recovery cycle beginning in 2028. TIV will reach an estimated 1.59 million units by 2029.



Chinese brands are reshaping Mexico's automotive market

Mainland Chinese automakers continue to gain market share, while legacy OEMs increasingly rely on Chinese sourcing to remain competitive

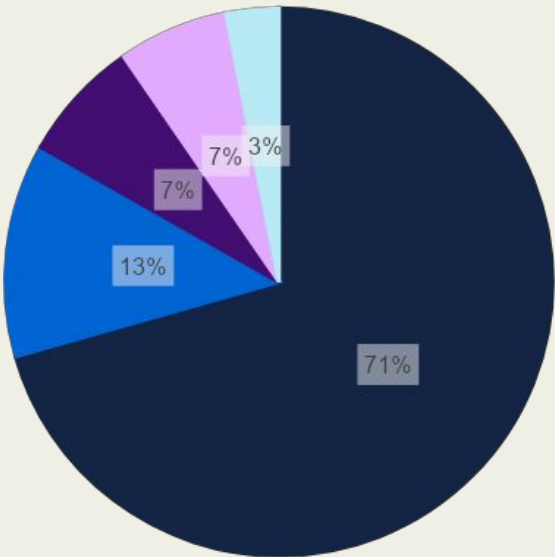
Market share of top 4 brands in sales and mainland China brands (2019–32)



Data compiled Sept. 20, 2026.
Source: Mobility Global.

2025 Mainland China sourcing from Non-Mainland Chinese automakers

General Motors Stellantis Ford Hyundai Tesla, BMW and MB



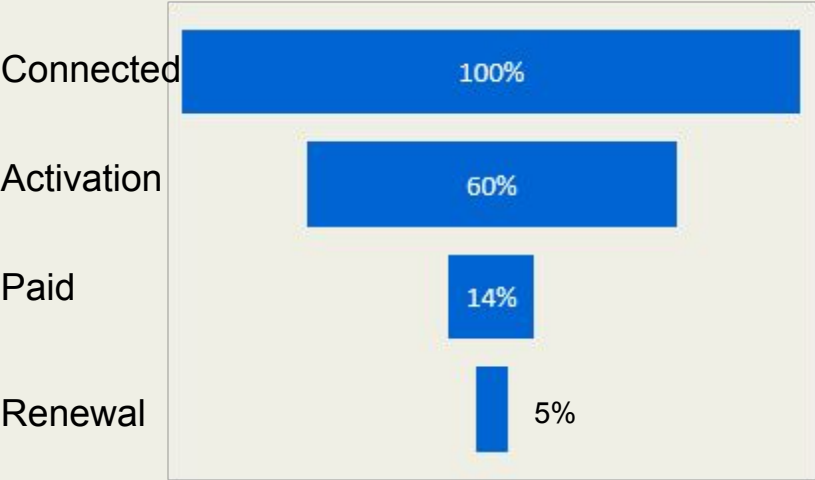
Data compiled Sept. 2, 2026.
Source: Mobility Global.



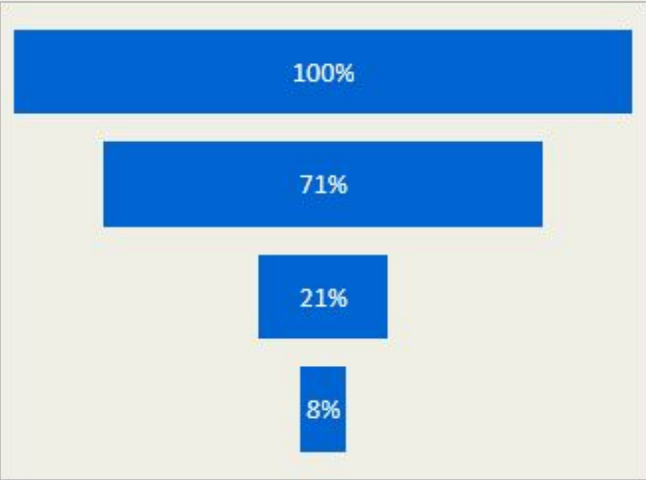
Connected Services funnel in US

US premium brands lead in connected services activation, but key challenges are paid conversion and renewal rate

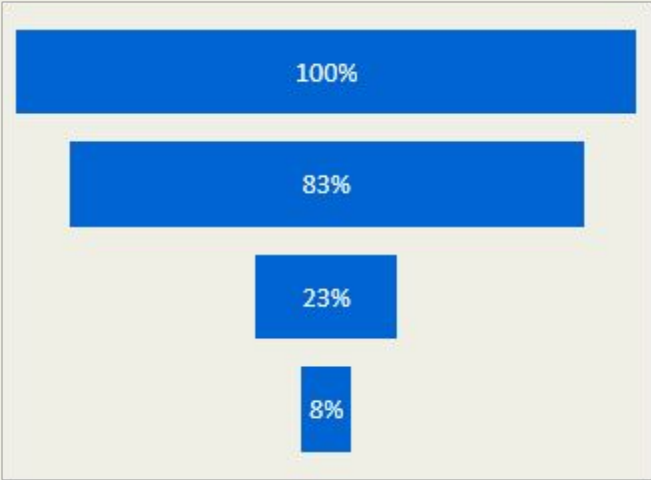
Connected services funnel, Global



Connected services funnel, US



Connected services funnel, US premium brands



Data compiled August 2026
Source: Mobility Global Connected Services and Paid Updates (CVIO) Forecast



How premium brands compare across every feature category

Where each brand's buyers differ from the premium norm

Desirability index by feature category, premium average = 100

Brand	n	Base signal	Safety & Driver Assist	Autonomy & Automated Driving	Connected & software	Display, Audio & Entertainment	Comfort, Convenience & Sustainability	Performance & Exterior	EV features
Premium overall	1,764	Benchmark	100	100	100	100	100	100	100
Audi	456	Large base	104	111	106	107	107	106	101
BMW	325	Large base	102	101	100	105	101	102	111
Tesla	283	Large base	95	109	96	93	92	93	99
Mercedes-Benz	164	Large base	99	97	102	100	101	98	92
Acura	150	Large base	97	92	96	101	100	105	97
Lexus	140	Large base	99	83	99	90	95	98	89
Cadillac	107	Large base	95	83	94	91	97	86	113
Infiniti	50	Directional	109	113	105	109	105	99	113
Lincoln	26*	Highly directional	102	73	97	97	90	109	—
Volvo	25*	Highly directional	103	77	95	77	86	78	97
Jaguar	10*	Highly directional	100	88	95	94	92	66	97
Genesis	10*	Highly directional	110	86	109	80	98	119	129
Mini	9*	Highly directional	69	46	59	55	61	66	—
Land Rover	4*	Highly directional	110	127	104	76	104	132	—
Porsche	3*	Highly directional	44	40	73	72	32	66	—
Rivian	2*	Highly directional	92	139	109	97	108	132	129

- Audi leads six core categories, from 104 on safety and driver assistance to 111 on autonomy — the broadest advantage in the set
- Tesla’s strength is narrow: 109 on autonomy but at or below the premium average everywhere else. BMW peaks on display, audio & entertainment (105) and leads EV at 111

As of April 2026, Only large-base brands are shaded; below n=30, extremes such as Rivian at 139 or Porsche at 44 are base artifacts, not findings

6,590 US respondents who purchased a vehicle within the last 3 years; Premium n=1,764

*Base under 30 — directional only; shaded heat map applied to large-base brands (n≥100) only, directional brands shown in gray. EV indices shown

only for brands with eligible EV owner bases.

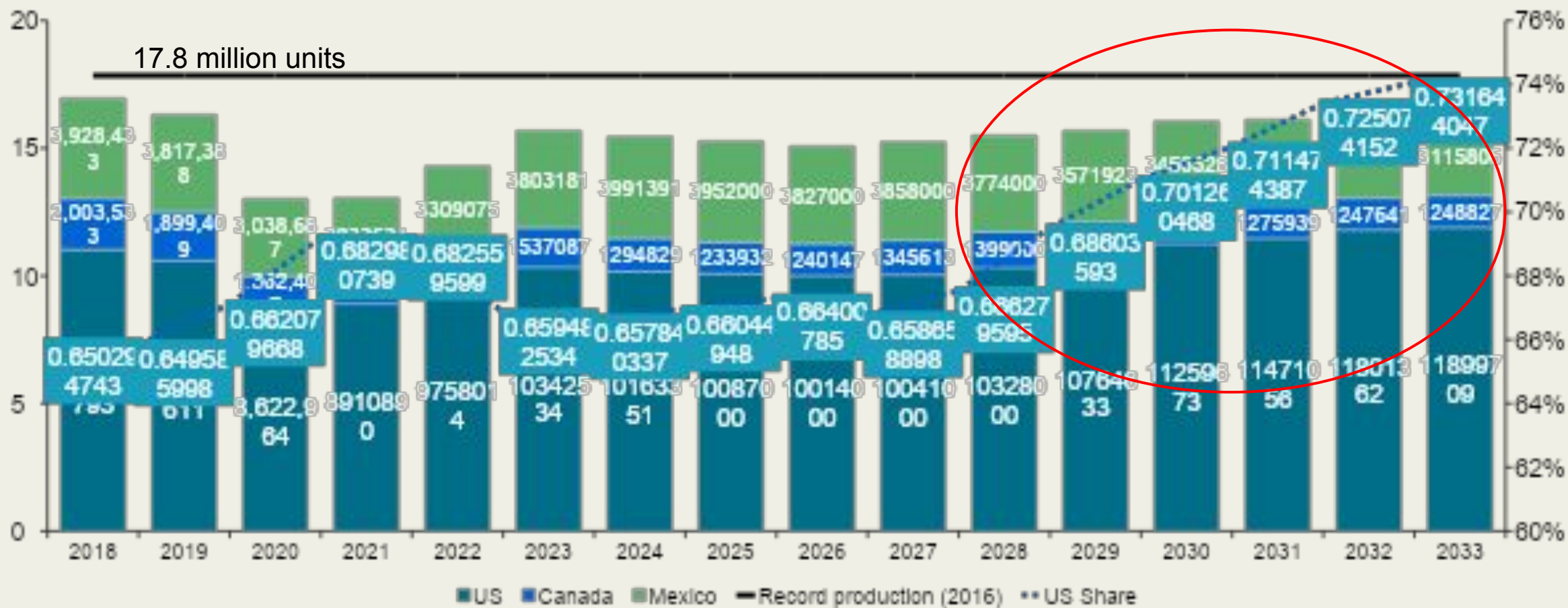
Source: Mobility Global

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North America: Light Vehicle Production

Tariff action impacts investment decisions: US share to increase from 66% to 73%

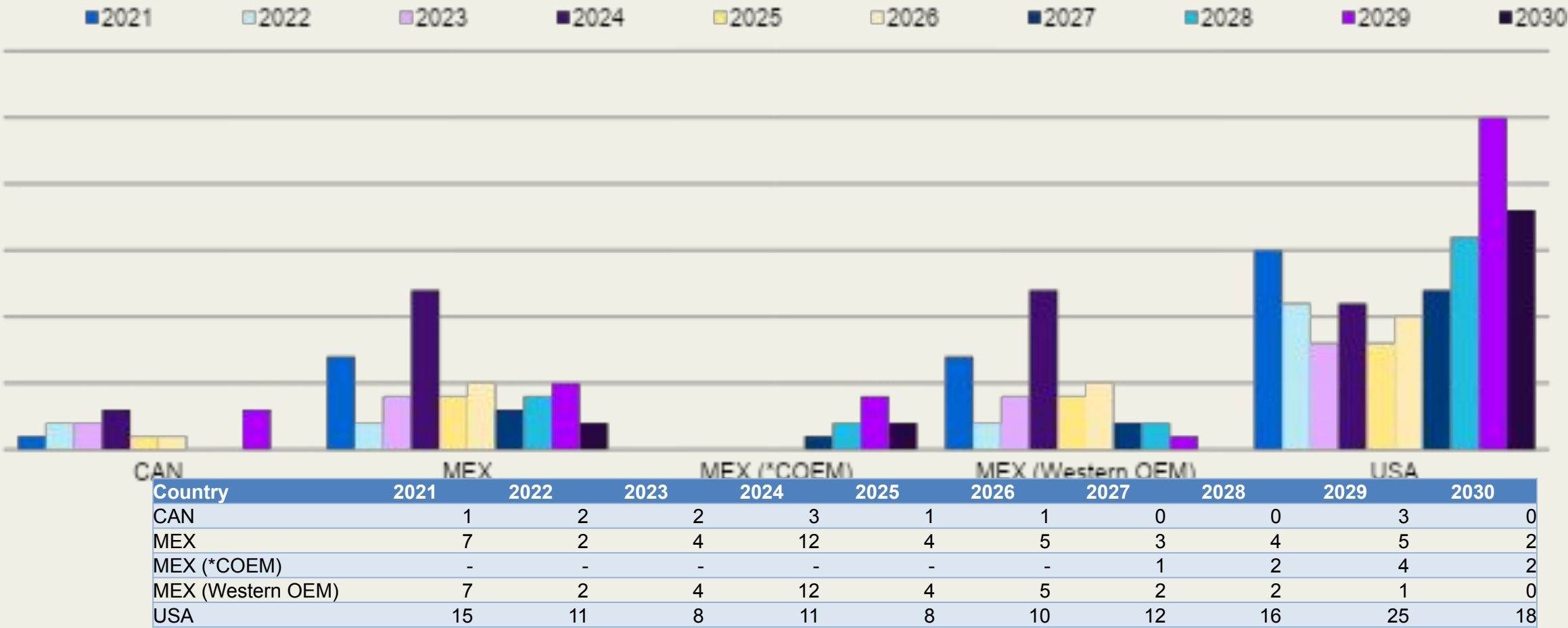


Data compiled Aug 14, 2026.
Source: S&P Global Mobility.

North America: Light Vehicle Production

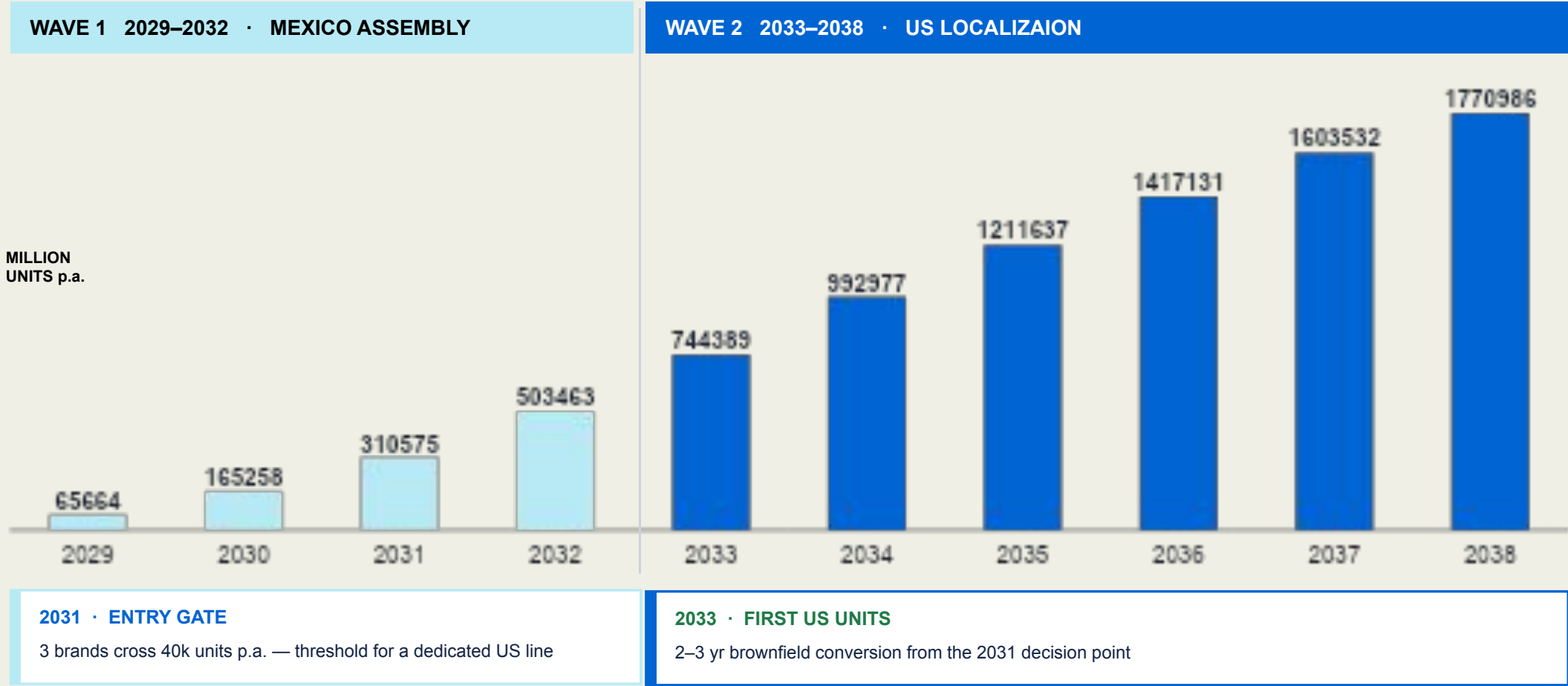
Model Launch by Country (September, 2026 forecast)

US is securing most future product with Mexico and Canada essentially drying out

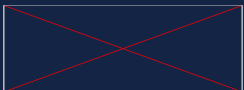


Chinese OEMs Re-draw the US Competitive Map

Impact Assessment



SUMMARY

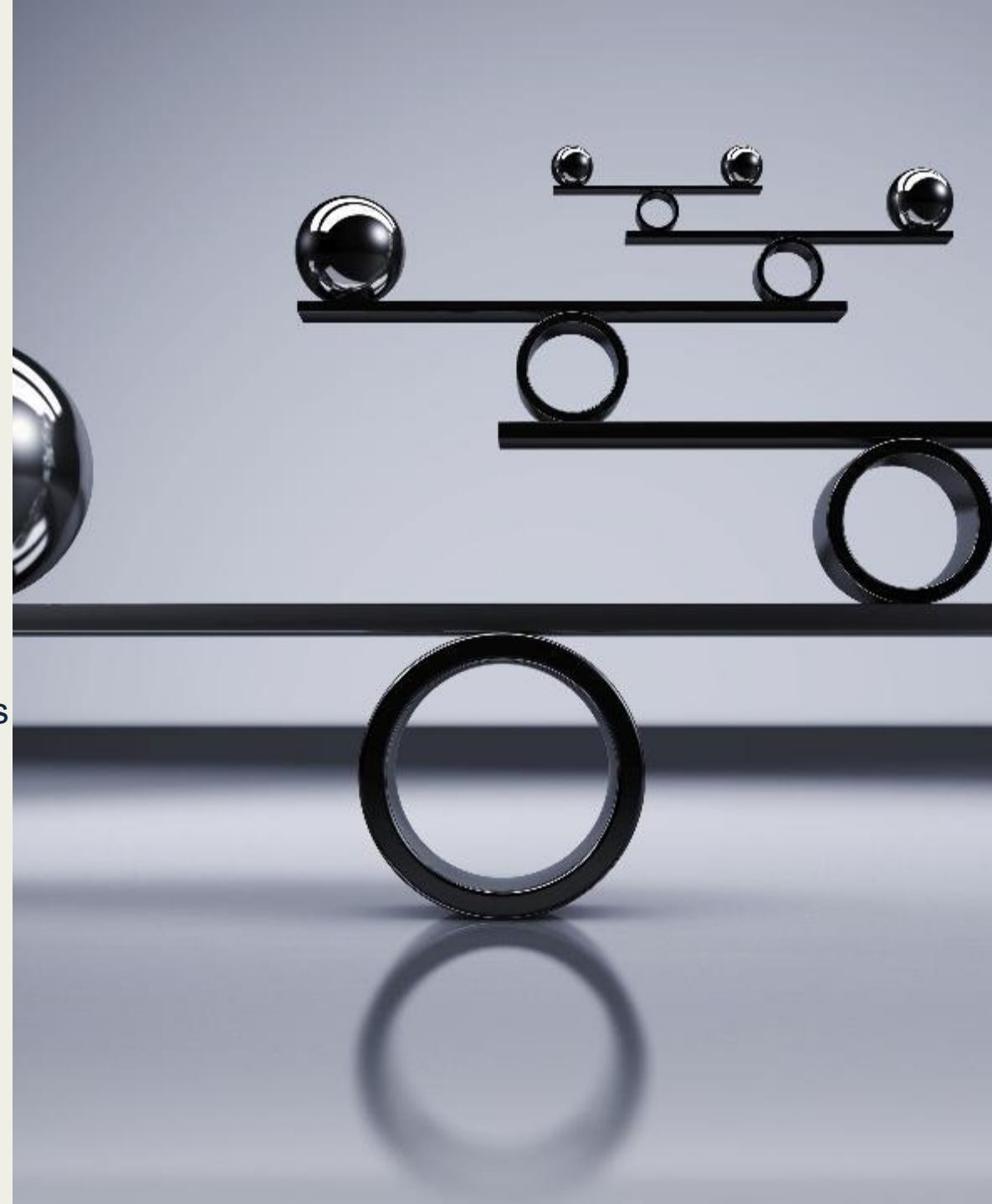


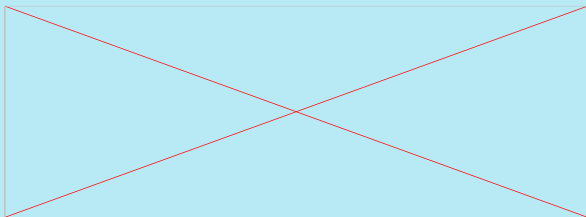
Executive summary

Shifting strategies required – Risk mitigation is essential

- Fewer real volume growth opportunities
 - OEM consolidation is quickly looming as Western OEMs retreat to stable home markets seeking segment expansion
 - A regional dynamic re-emerges – leaving global structures behind
- China OEM growth impacts from several fronts
 - China's scale, vision and critical mineral leverage are formidable
 - Western OEMs are slow to react, underestimating the impact, speed and ability for China OEMs to adapt to shifting structures
- The next differentiator for suppliers
 - Effective utilization, speed to RFQ & innovation, increased efficiency and cost containment
 - Smart and focused integration of AI
 - Longer lifecycles modifies the ROI math, supplier approach, technology integration and supplier competitive landscape
 - Shifting cadence & partnerships/JVs drive a capital “light”

focus.





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