

Appraiser Blog

US EV Market Share Jumps in January 2023



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The number of electric cars in the United States increased significantly in January 2023, according to the latest reports.

Some 87,708 or 7.1 percent of the 1.24 million new light vehicles registered in January were all-electric, according to registration data. The 7.1 percent share is also a step change from 5.6 percent in the 12 months of 2022 and represents a 74 percent increase year over year.

Clearly, the battery electric vehicle (BEV) segment is booming, partly due to organic growth and partly due to the Inflation Reduction Act of 2022 (IRA), which reinstated the \$7,500 federal tax credit for Tesla and General Motors.

Imported models, which are no longer eligible for the \$7,500 federal tax credit, have been negatively affected and are not selling as well as they used to (especially mainstream models like Kia and Hyundai since premium imported BEVs exceed the incentive price cap anyway).

A price cut introduced by some manufacturers also boosted the market.



EV registrations in Jan 2023:

- Tesla (57% share): 49,917 (up 34% from 37,128)
- Non-Tesla (43% share): 37,791 (up 186% from 13,210)
- Total: 87,708 (up 74% from 50,338) and 7.1% share (up from 4.3%)

Tesla still stands out as the US BEV leader, selling nearly 50,000 units in January and boasting a 57% market share - despite the growth rate which is around 34%, lower than the segment average. It's important to remember that a year ago, in January 2022, Tesla had a 74% share, so this change was significant.

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The two most popular brands were Chevrolet (8.5% share) and Ford (7.7% share). Volkswagen significantly increased its market presence (4.6 percent share) due to local production of the ID.4, while brands such as Kia and Hyundai faced declines.

EVs registration share in Jan 2023 by brand:

- Tesla - 57% share
- Chevrolet - 8.5% share
- Ford - 7.7% share
- Volkswagen - 4.6% share
- Hyundai - 3% share
- BMW - 2,558 and 2.9% share
- Rivian - 2.6% share
- Mercedes-Benz - 2.4% share

There are two Tesla cars at the top of the sales list (Model Y and Model 3); eight of the ten top-selling BEVs are now produced locally.

Number of EV registrations in Jan 2023 by model:

- Tesla Model Y - 28,833
- Tesla Model 3 - 17,526
- Chevrolet Bolt EUV - 4,928
- Volkswagen ID.4 - 4,049
- Ford Mustang Mach-E - 3,286
- Ford F-150 Lightning - 2,918
- Tesla Model S or Model X - N/A
- Chevrolet Bolt EV - 2,526
- Hyundai Ioniq 5 - N/A
- BMW i4 - 1,650