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Automotive Production Trends and Insights, Global, 2026–2031

Rapidly Advancing Localization is Driving Transformational Growth Across Light Vehicle Production

Global Automotive & Transportation Research Team at Frost & Sullivan

M1H6-44
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KEY TAKEAWAYS

88.77 M

Units in 2025

Global light vehicle production grew **2.3%** year over year in 2025, indicating a continued industry recovery.

Global automotive production is forecast to increase modestly and hit a **100** million units production milestone by 2030.

In 2025, China housed **~37%** of global automotive production units.

In 2025, crossovers and sub-compact SUVs remained the dominant vehicle segment globally, with production expansion led primarily by APAC.

Hybrid vehicles (HEVs and PHEVs) gained production momentum in 2025. Among the top 10 models produced globally, nine have the hybrid option, while only one model is fully electric.

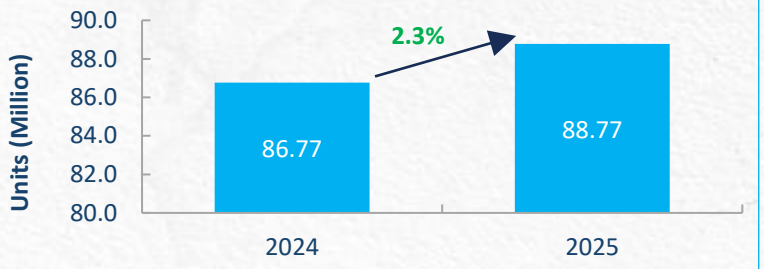
Toyota led global light vehicle production with about 10.4 million units in 2025, up **3.1%** year over year, and four of the world's top ten models, supported by its hybrid-focused strategy.

EV production slowed, but battery investments continued to cut costs and strengthen long-term competitiveness.

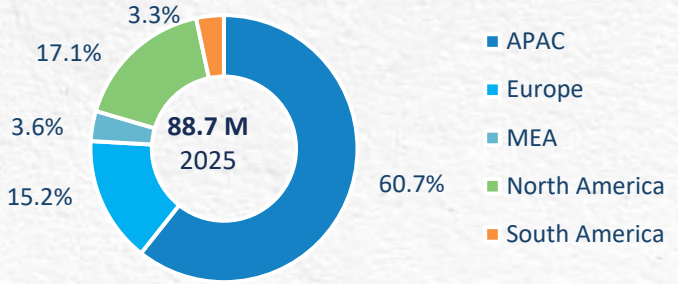
From 2024 to 2025, production in China grew the most, followed by South America, while other regions declined due to tariffs, high costs, and EV transition challenges.

GLOBAL LIGHT VEHICLE PRODUCTION

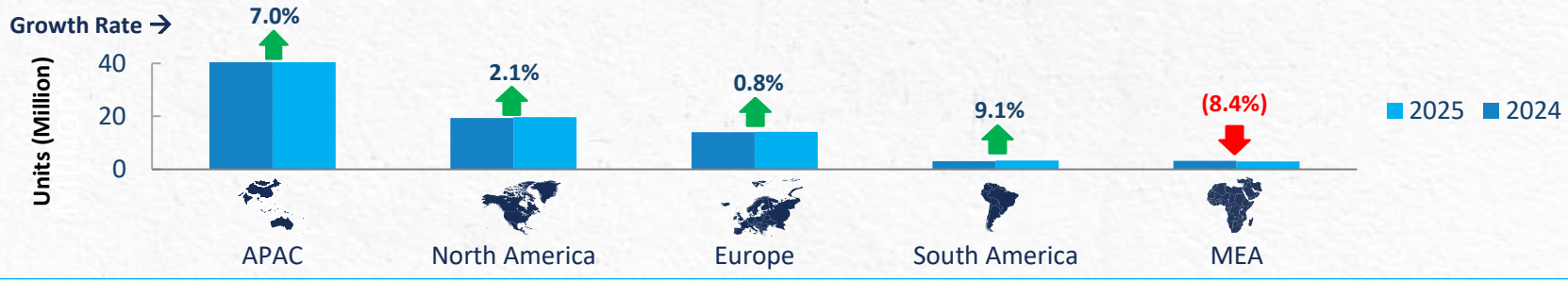
Light Vehicles: Production, Global, 2024 Versus 2025



Light Vehicles: Production Share by Region, Global, 2025



Light Vehicles: Sales by Region, 2024 Versus 2025



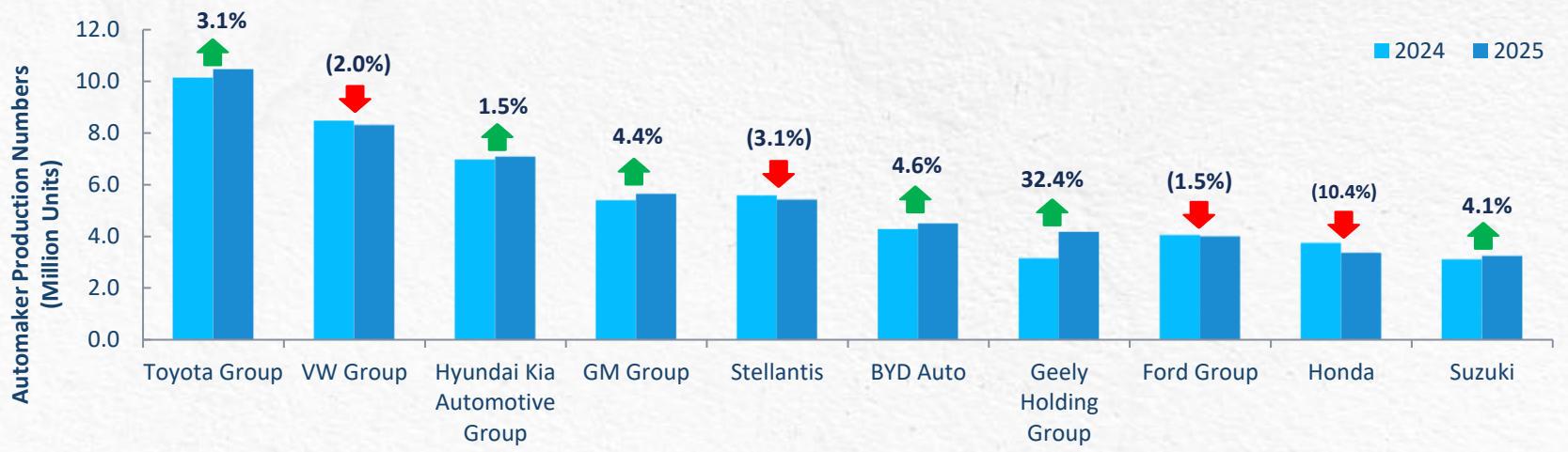
Note:

- Light vehicles include passenger vehicles (PVs) and light commercial vehicles (LCVs) with a gross vehicle weight rating (GVWR) of up to 7.5 metric tons (MT), depending on the region.
- The Middle East and Africa (MEA) is included only to show an overview. MEA includes Turkey. Regional analysis is not included as it is small compared to others.
- This slide includes China in APAC for better understanding, as it depicts regional analysis.

Source: Frost & Sullivan

GLOBAL VEHICLE MANUFACTURER PRODUCTION NUMBERS

Light Vehicles: Top 10 OEM Production Numbers, Global, 2024 Versus 2025



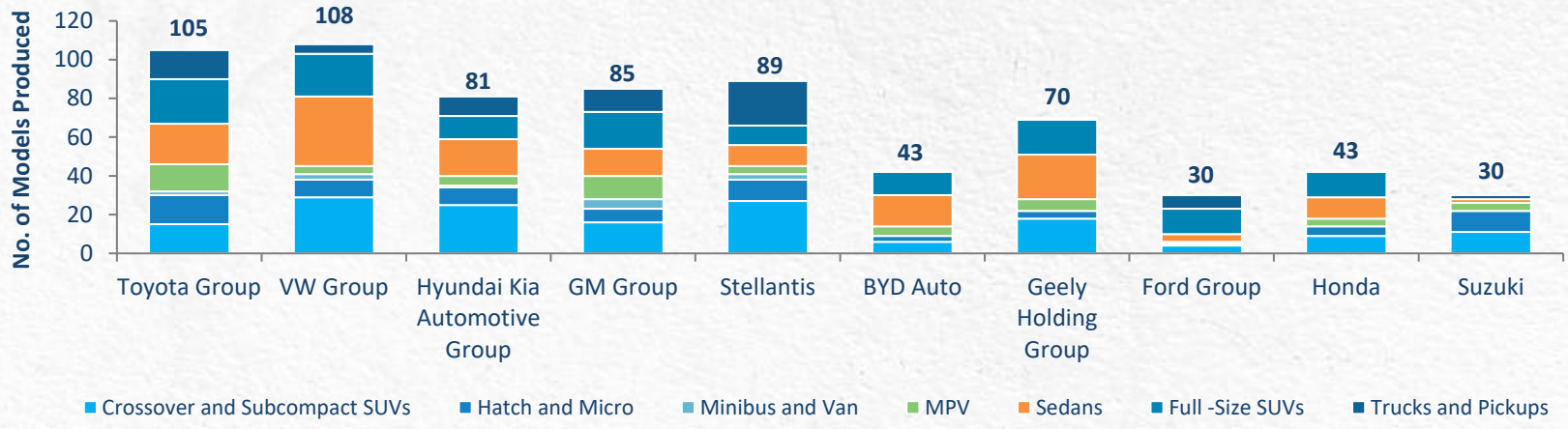
Insights

- With BEV adoption slowing, Toyota leads as the largest hybrid producer, while Volkswagen, supported by multiple high-volume brands, remains the largest ICE producer—keeping both as top global vehicle producers in 2024–2025.
- Honda's 10.4% drop stems from chip shortages caused by China's Nexperia export ban, yet its future growth is likely to be stalled by the massive threat of dominant Chinese EV makers.
- Geely Group increased production by 32.4%, disrupting BYD's 4.6% growth, as EV volumes scaled across all sub-brands in China, with multiple new models entering mass production simultaneously.

Source: Frost & Sullivan

NUMBER OF MODELS PRODUCED BY OEM GROUP

Light Vehicles: Number of Models Produced by OEM Group, Global, 2025



Insights

- Across the top 10 OEMs, SUVs account for the largest average production share at 24%, followed closely by sedans at 23%, while hatchbacks and microcars together represent 11% of total models produced.
- Toyota and Volkswagen show the broadest model portfolios, each exceeding 100 models globally, reflecting their strategy of covering nearly all major light vehicle body types across regions rather than concentrating on a single segment.
- Ford is largely exiting hatchback production as it shifts manufacturing focus toward the United States, prioritizing SUVs, pickups, and higher-margin vehicles aligned with domestic demand and profitability goals.

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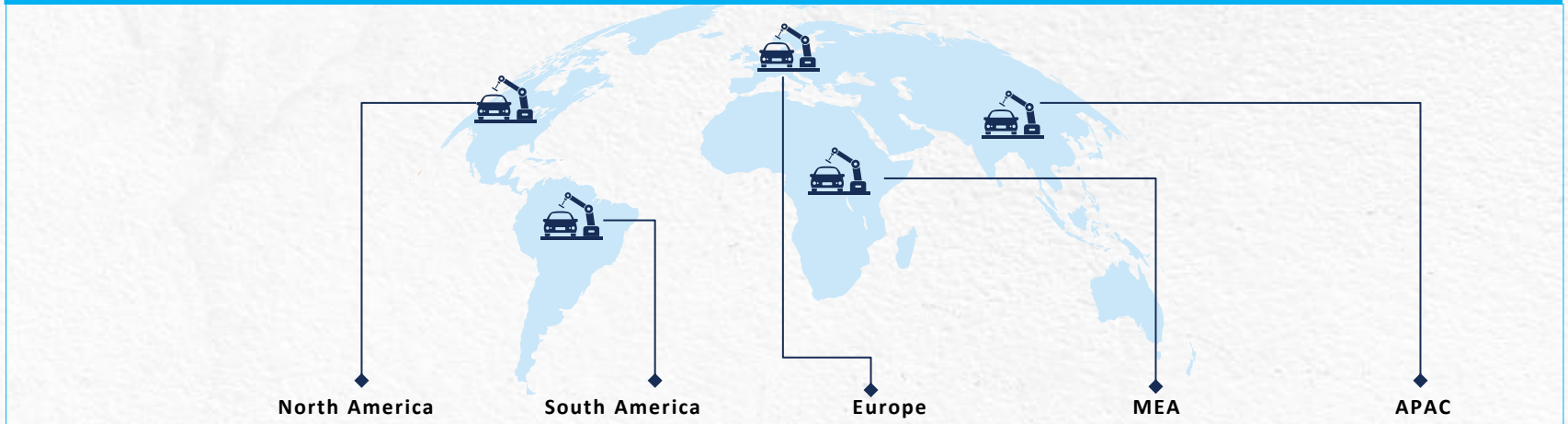
Note:
Vehicle segments in this analysis have been consolidated based on **overall exterior form and visual body configuration** to support a consistent, high-level comparison. As a result, market sub-classifications such as compact SUVs, crossover SUVs, coupe-style SUVs, and liftback variants are grouped under broader body-type categories. This approach prioritizes clarity and comparability over detailed market sub-segmentation.

Source: Frost & Sullivan

LIGHT VEHICLE PRODUCTION BY REGION

Light Vehicles: Production by Region, Global, January 2025–October 2025



	North America	South America	Europe	MEA	APAC
Number of Production Plants	76	40	129	34	353
Top OEMs	Ford, GM, Toyota	Volkswagen, GM, Stellantis, Toyota	VW, Stellantis, BMW	Renault, Stellantis, Ford, IKCO	Toyota, BYD, Hyundai Kia Group
Major Production Regions	US, Canada, Mexico	Brazil, Argentina	Germany, Spain, Czech Republic	Turkey, Iran, South Africa	China, Japan, India, South Korea
Production Volume 2025	15.2 million units	3.0 million units	13.5 million units	3.2 million units	53.9 million units

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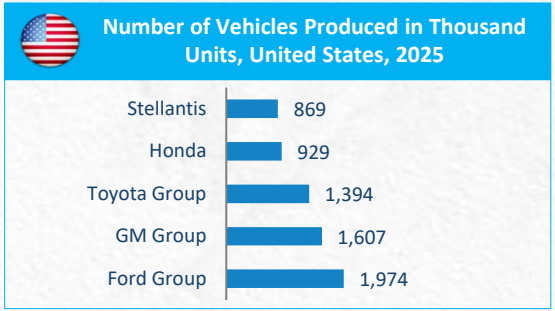
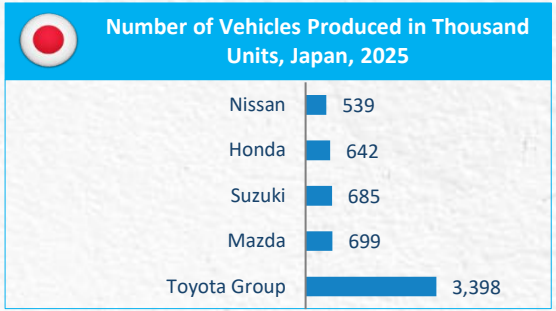
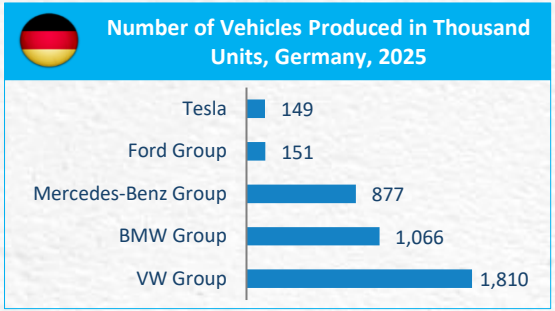
Note:
- MEA is included only to show an overview. Regional analysis is not included as it is small compared to others.
- This slide includes China in APAC for better understanding, as it depicts regional analysis.

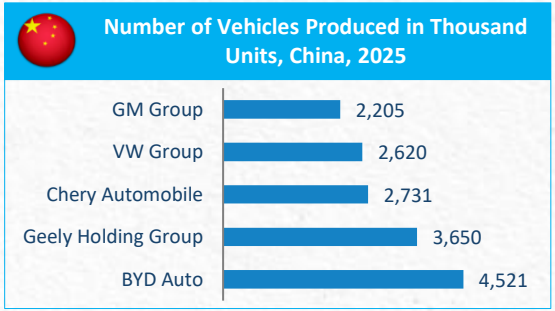
Source: MarkLines, Frost & Sullivan

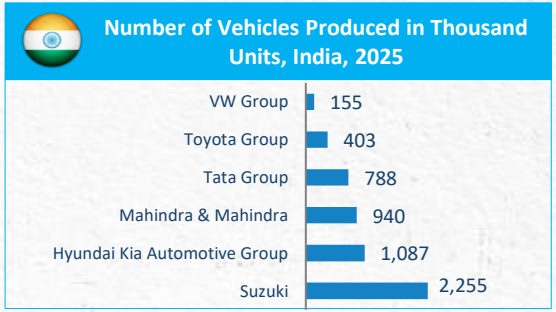
TOP SIX COUNTRIES AND KEY OEMS IN LIGHT VEHICLE PRODUCTION

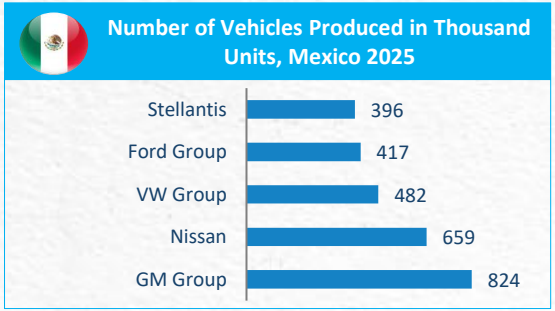












Insights

- China leads the global light vehicle production market, accounting for 36.8% of total output, followed by the United States at 11.3% and Japan at 8.2%. China also dominates the export market, with Chinese companies exporting more than 8 million vehicles in 2025, representing a 30% YoY jump.
- Volkswagen is the only automaker to rank among the top five in production across four out of six key regions, underscoring its strong global presence.

Source: MarkLines, Frost & Sullivan

GLOBAL EV BATTERY PRODUCTION PARTNERSHIPS

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Source: Frost & Sullivan

GLOBAL PRODUCTION OF TOP 10 LIGHT VEHICLE MODELS

Unit Sales (Thousand Units)	Maker	Major Production Countries	Powertrain	Body Type
Model Y	Tesla	US, China, Germany	EV	SUV
RAV4	Toyota	Japan, Canada, China	ICE/PHEV	SUV
Ford F-Series	Ford	US	ICE/HEV/EV	Pickup
Corolla	Toyota	Japan, US, China, UK	ICE/HEV/PHEV	Sedan, Hatchback
CR-V	Honda	US, Canada, China	ICE/HEC/FCEV	SUV
Camry	Toyota	China, Japan, US, Thailand	ICE/PHEV	Sedan
Corolla Cross	Toyota	China, Japan, US, Brazil	ICE/HEV/PHEV	SUV
Silverado	Chevrolet	US, Mexico, Canada	ICE/EV	Pickup
Tiguan	Volkswagen	Germany, China, México	ICE/HEV/PHEV	SUV
Tucson (ix35)	Hyundai	US, South Korea, Czech Republic	ICE/HEV	SUV

2024 2025

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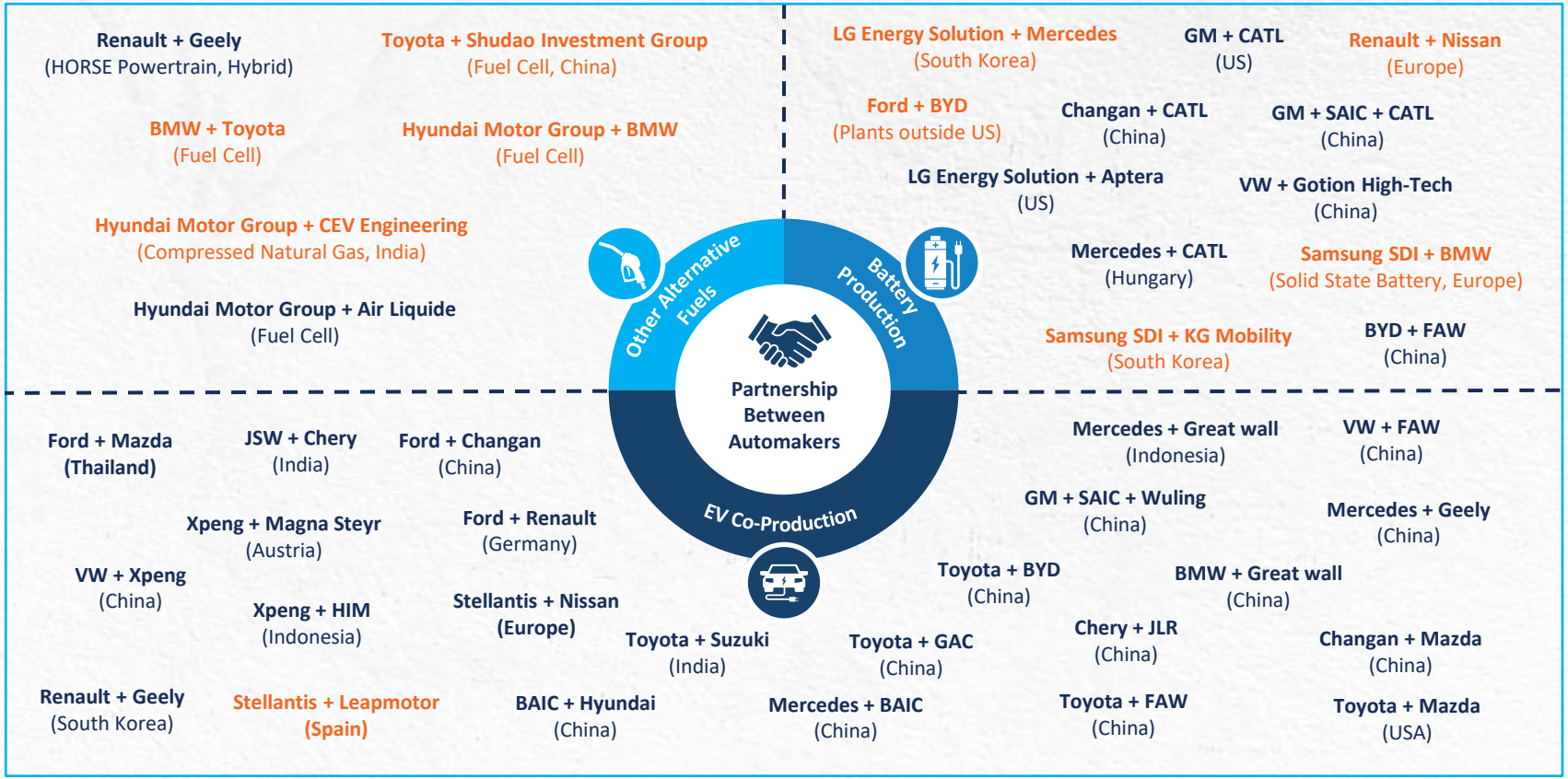
Source: Frost & Sullivan

GLOBAL KEY PRODUCTION-RELATED PARTNERSHIPS, 2025



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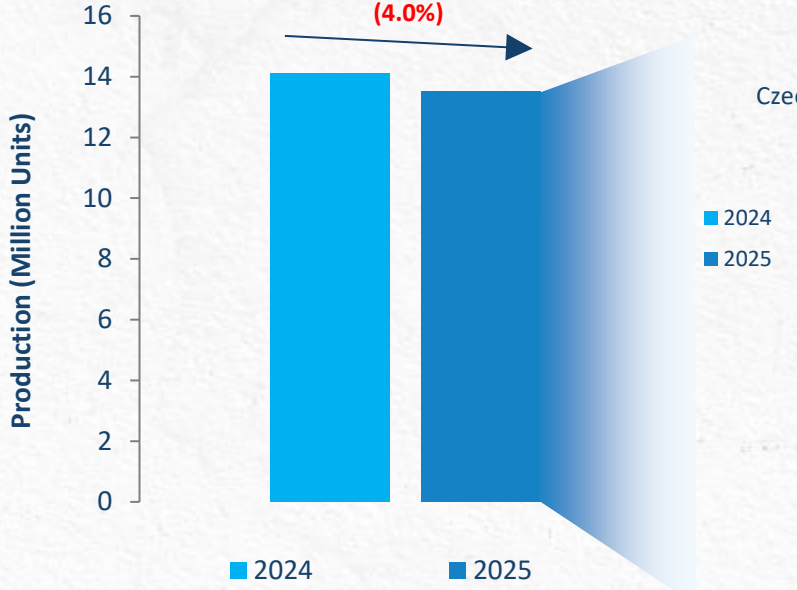
Denotes production commenced already

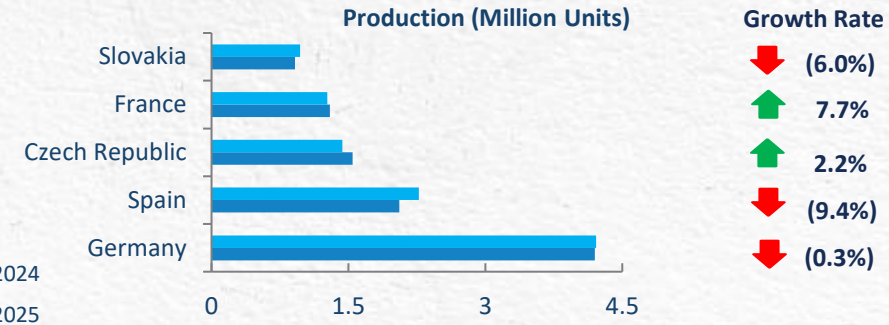
Denotes production yet to commence

Source: Frost & Sullivan

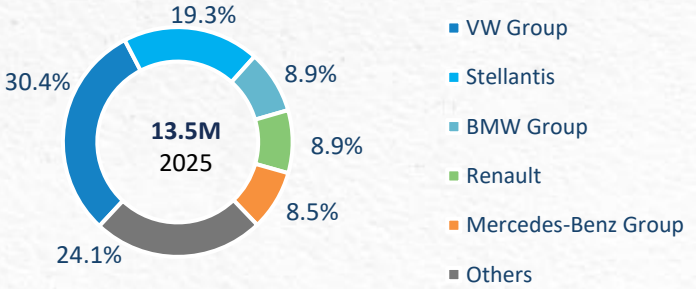
LIGHT VEHICLE PRODUCTION LANDSCAPE-EUROPE

Light Vehicles: Production, Europe, 2024 Versus 2025





Light Vehicles: Production by Major OEMs, Europe, 2025



Note:
- The production numbers include 17 EU countries, including the United Kingdom.
- Others refer to automakers in the next set of positions in the region.

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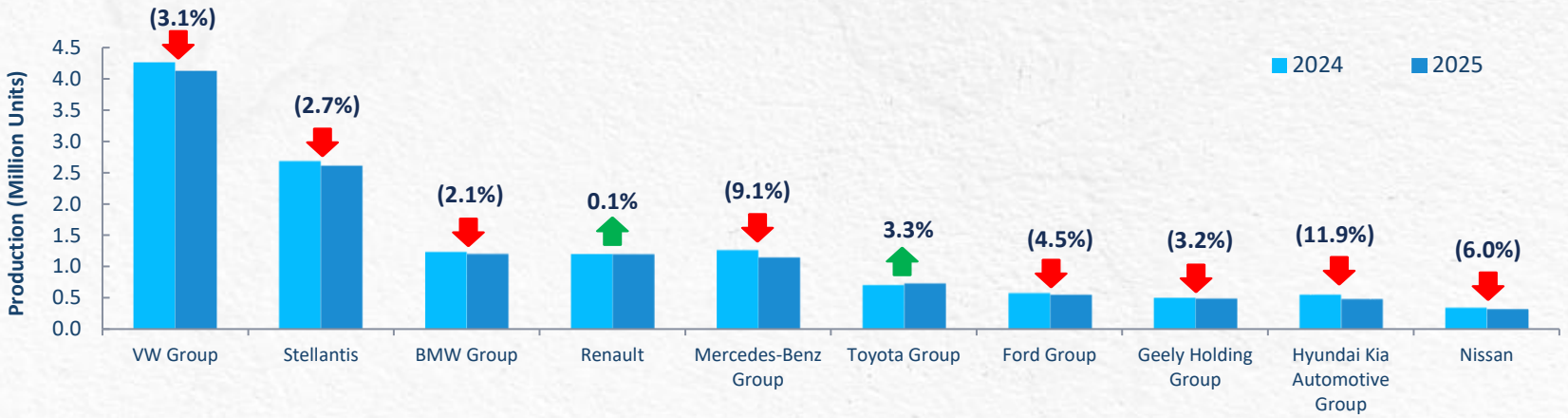
Source: MarkLines, Frost & Sullivan

PRODUCTION BY TOP 10 OEMS IN EUROPE

Light Vehicles: Production by Top 10 OEMs, Europe, 2024-2025



Key Events in 2025

- Renault's production grew 0.1% YoY, thanks to popular new models such as the Renault 5, as well as the French government's subsidies that boost sales of locally made cars over imports.
- Tata Group production dropped 25.4% YoY due to a major cyberattack halting UK factories in September 2025 and the decision to stop making gas-powered Jaguar models.
- Stellantis production numbers fell because they paused major Italian factories in late 2025 to clear a buildup of unsold Fiat 500e electric cars.
- Tesla's production fell 29.7% in 2025, the steepest decline among major OEMs, as sales weakened amid intensifying competition from Chinese EV makers expanding into Europe.
- Chery and XPeng further heightened competitive pressure by starting local manufacturing in Europe in 2025, accelerating their market entry and scale-up.

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Source: MarkLines, Frost & Sullivan
The production numbers include 17 EU countries, including the United Kingdom.

Automotive Production Trends and Insights, Global, 2026–2031

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Appendix

How does your organization identify and prioritize Growth Opportunities?

AGENDA

AGENDA (CONTINUED)

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