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[Sales Highlights] NEV sales in China to grow 40% annually over next five years – CAAM

Chinese new-energy vehicle (NEV) sales are anticipated to increase by more than 40% each year for the next five years, reports Reuters, citing a statement from the executive vice-chairman of the China Association of Automobile Manufacturers (CAAM), Fu Bingfeng. According to the estimate, NEV sales, including battery electric vehicles (BEVs), plug-in hybrid electric vehicles (PHEVs), and fuel-cell vehicles (FCVs), will reach 1.9 million units in 2021 and 2.7 million units in 2022. According to a high-ranking government industrial policy adviser, the country may extend tax exemptions on NEV purchases beyond 2022.

Outlook and implications

China has been aggressively pushing the use of NEVs in both the private and public transport domains. Despite the impact of the coronavirus disease 2019 (COVID-19) pandemic on vehicle sales, the NEV market continued to expand during 2020. Sales of NEVs increased 10.9% to 1.37 million units last year. In the first five months of 2021, total NEV sales stood at 950,000 units, up 224.2% year on year. As well as providing subsidies and increasing licence plate quotas in the private vehicle segment, the government is also focused on setting up a charging infrastructure network across the country. In February, the Ministry of Commerce once again urged local government authorities to support vehicle consumption in rural areas and to raise licence plate quotas to encourage consumers, especially car-less families, to purchase NEVs. With electric vehicles (EVs) gaining popularity in China, the country is also promoting hydrogen fuel-cell technology. In September last year, China announced new policies to support sales of hydrogen FCVs and the development of the industry’s supply chain and technologies. Under policy guidance announced last year, local governments are encouraged to provide subsidies to promote sales of FCVs and support the construction of hydrogen refuelling stations. Due to these favourable policies, global and local automakers have increased their focus on introducing new NEV models and making investments to increase their production capacity in China to accommodate rising demand. IHS Markit anticipates that combined production of EVs, full hybrids, and FCVs in China will total around 2.8 million units this year, rising to 4.254 million units in 2022.

[Sales Highlights] Ford says Q2 financial results will exceed expectations

Despite the ongoing semiconductor shortage, Ford believes that its second-quarter adjusted earnings before interest and taxes (EBIT) will be stronger than expected, without providing specifics. The second-quarter results will be released on 28 July. CEO Jim Farley delivered the news during a Deutsche Bank automotive conference.
The better-than-expected performance is a result of lower-than-expected costs and favourable market factors, according to a company statement ahead of the event. Another factor is that Ford Credit is seeing higher vehicle auction values. Although Ford expects adjusted EBIT to beat expectations, suggesting earnings rather than the loss the company had previously indicated, the company also notes that net income will be down substantially compared with the second quarter of 2020; in that quarter, Ford benefited from a USD3.5-billion gain on its Argo AI investment. In addition, Ford has confirmed that it has received more than 190,000 reservations (which include USD100 refundable deposits) for the all-new Bronco and that it has converted 125,000 of these into orders. For the F-150 Lightning electric pick-up, Ford says it has received 100,000 reservations, while it has received 20,000 for the all-electric E-Transit van. Furthermore, Ford says it has received 36,000 reservations for the all-new Maverick compact pick-up, revealed earlier this month. Farley’s appearance at the conference came shortly after Ford announced its Ford+ strategy, as well as continuing to make investment announcements.

Outlook and implications

When delivering its first-quarter financial results, Ford said it expected its performance during that quarter to be its best quarterly performance of 2021, and that the semiconductor situation would contribute to a loss in the second quarter, although it expected this loss to be recovered in the second half of the year. In April, Ford advised that it expected full-year adjusted EBIT to be between USD5.5 billion and USD6.5 billion, adjusted free cash flow to be between USD0.5 billion and USD1.5 billion, and capital spending to be between USD6.0 billion and USD6.5 billion. Also in April, Ford indicated that it expected to lose about 50% of planned production in the second quarter, and that for the full year the semiconductor situation could result in lowered adjusted EBIT by about USD2.5 billion.
[OEM Highlights] BYD, Xiaomi to develop intelligent EVs – report

BYD will reportedly assist smartphone maker Xiaomi in developing intelligent electric vehicles (EVs). BYD founder and chairman Wang Chuanfu, said, “BYD and Xiaomi are negotiating some projects for cooperation in the automotive field” at an auto industry forum in the southwest China municipality of Chongqing this week, reports Automotive News China.

Outlook and implications

The latest development marks an important move following Xiaomi’s formal announcement in March of plans to make EVs. The company plans to hire 20 engineers for autonomous technology and invest CNY10 billion (USD1.6 billion) in the initial phase of the development to support its EV business. Demand for BYD's EVs and plug-in hybrid electric vehicles (PHEVs) has been increasing in China. The automaker recently revealed the e-platform 3.0 for EVs at the 2021 Shanghai Motor Show. In China, BYD is also the second largest battery manufacturer after CATL.

[OEM Highlights] GM launches all-new Envision Plus SUV in China

General Motors (GM) has launched the all-new Envision Plus, a mid-size sport utility vehicle (SUV) from Buick, in China at a price range of between CNY229,900 (USD35,565) and CNY309,900. According to a company statement, the model is 4,845 mm long, 1,883 mm wide, and 1,695 mm tall, with an extended wheelbase of 2,833 mm. The SUV has a trunk capacity of 1,712 litres and comes with five-seat and seven-seat options. The all-new Envision Plus is powered by a 2.0-litre turbocharged engine with a maximum output of 174 kW and 350 Nm of peak torque. It is paired with a 9-speed automatic transmission and has a 48-volt mild hybrid system. The model features advanced safety and technology systems such as automated parking assist, Lane Keeping Assist, Adaptive Cruise Control, Front Collision Assist, High-Beam Assist, and Pedestrian Detection.
Outlook and implications

The launch of the Buick Envision Plus helps GM broaden the Envision SUV family, which currently consists of the Envision SUV and Envision S. It is a D-segment mid-size SUV based on VSS-F B/C platform. The Buick Envision Plus is produced at the Yantai plant in China and total output is expected to be around 1,000 units this year and about 1,400 units in 2022, according to IHS Markit's light-vehicle production forecast data. With the Envision Plus positioned at the top end of the Envision family, the Envision product line covers an even wider price range starting from CNY160,000 to over CNY300,000. Meanwhile, according to media reports last year, GM plans to import a range of models from overseas markets into China to improve its brand image and support sales. The Chevrolet Tahoe, Suburban, and Cadillac Escalade are named as a few possible models to be launched in China through GM's import channels.
**Semiconductor Highlights** VW maintains 2021 profit forecast despite semiconductor issue

The Volkswagen (VW) Group and the company’s main passenger car brand are maintaining their previous profit margin forecasts for 2021 despite indications that the global semiconductor shortage is not easing, according to a Reuters report. The news agency asked VW for clarification after the Business Insider publication claimed that it had seen internal VW documents showing that it expected production losses of up to 800,000 units across the Group during the year. The Group said in a statement that it still expects to achieve a 2021 operating profit margin of between 5.5% and 7% for the Group and between 3% and 4% for its main brand. A company spokesperson said, “Fortunately, we have been able to notably limit the negative impact on our customers and thus on delivery figures so far, for example by selling off inventories and other measures.”

**Outlook and implications**

VW’s spokesperson said in their comments to Reuters that it “was not possible to reliably forecast the impact of the semiconductor shortage on production and deliveries by the end of the year”. Although it is true that it is a constantly changing situation and therefore very difficult to forecast, VW, like other major OEMs, will be working hard behind the scenes to quantify the impact of the semiconductor shortage as accurately as possible. IHS Markit is currently forecasting full-year 2021 light-vehicle output for the VW Group of 9.83 million units, up from the pandemic-affected figure of 8.99 million units in 2020. A better base of comparison for the 2021 forecast is the figure of 10.71 million units the company manufactured in 2019.
Middle East/Africa sales

April 2021: +196.7%; 203,000 units vs. 68,000 units
YTD 2021: +20.1%; 1.086 million units vs. 0.904 million units

Light vehicle demand in the Middle East and Africa region sharply rebounded in April, similar to March, posting growth of 196.7% compared with April 2020. March and April 2020 marked the beginning of the COVID-19 pandemic, and vehicle sales results sharply declined owing to lockdown measures. Therefore, the comparison for April 2021 versus the unusual circumstances for April 2020 should be noted. The following months of May 2021 and June 2021 are also expected to report extremely high growth for the same reason. First quarter 2021 registered 5.6% growth, which is on a par with first quarter 2019 (pre-pandemic), thus signaling that a recovery is on the way, as consumers begin to look beyond quarantines and economic lockdowns. Overall, in the 12 months of the COVID-19 crisis from March 2020 to February 2021, demand had collapsed 20.5%, with 740,000 fewer vehicles registered. The results of March and April 2021 have now begun to lower this trend, signaling that a sales recovery is underway.

In recent years, regional economies were already very fragile, and further negative effects to business and consumers from the COVID-19 pandemic have deeply worsened the economic development and the near-term outlook. In addition, record-low crude oil prices have further depressed countries that heavily depend on export revenues, as supply heavily overshadows global demand. Key industry sectors in developed countries, such as airlines, cruises, cargo shipping, fuel stations, and manufacturing plants, have significantly lowered demand for oil, resulting from government-imposed lockdowns, forcing consumers to stay at home. As a result, tourism revenues have crashed across the region. A turnaround is expected to gather pace in the second half of 2021.

January–December 2020 estimated full–year volumes were down 18.1%. The negative trend that has developed in the past few years will likely continue in the near term. The full–year 2021 forecast for the Middle East and Africa is set at 3.181 million units (revised up 25,000 units versus last month), representing a 9.3% year-on-year (y/y) increase, which still holds total regional volumes back to levels reached 16 years ago (in 2005). Moreover, falling demand in six consecutive years highlights the economic instability across the region and consumers’ cautiousness to commit to a new vehicle purchase.

As previously forecast, the declining vehicle demand trend will likely persist throughout the first half of 2021. The market is experiencing a steep fall owing to the economic disruptions due to the COVID-19 pandemic and a slow recovery owing to the easing of economic restrictions and the chip shortage affecting vehicle production globally. Vehicle sales in April 2021 were affected by the distinct performances across the region, with specific economic developments affecting various markets and subregions in different ways. Vehicle demand during April in the
Middle East (excluding Iran) and the Gulf increased 273.2% compared with the same month of 2020. In contrast, vehicle demand in Iran dropped 53%, and that in the African continent soared 407.1%.

Sales of new vehicles in 2021 should increase 11.9% across the Middle East (excluding Iran) and the Gulf subregion. There may be some volatility in specific months as consumers pull forward vehicle purchases to avoid higher value-added tax (VAT) rates to be introduced in some countries (Oman, Kuwait, and Qatar) throughout the year. The Gulf nations of Bahrain, Saudi Arabia, and the United Arab Emirates (UAE) have already introduced a VAT. Recovery will likely be strong and positive in the second quarter of 2021 owing to the comparison with a dreadfully low result during the second quarter of 2020. The remaining third and fourth quarters of 2021 will possibly hit cautiously low growth, as the vaccine is rolled out and the economies reopen with fewer restrictions, allowing for consumer spending levels to begin to rise, in line with more positive confidence indicators.

Unfortunately, the African continent felt the full force of the COVID-19 pandemic in the second half of 2020, and this struggle will continue throughout 2021, as the global epicenter of the virus moves away from Europe and the United States. Unfortunately, this expectation has been confirmed as African leaders struggle to contain the virus from further spreading, and South Africa in particular has recorded a higher number of positive cases.

Demand for new vehicles in Africa increased by an estimated 407.1% in April and 30.7% in April YTD 2021, signaling the possibility of a turnaround, as substantial pent-up demand has significantly risen over the years. Since 2015, vehicle sales have considerably fallen from the highs of fewer than 2.0 million units to the current lows of fewer than 1.0 million units. The positive momentum during late 2018 and the first half of 2019 was short-lived, and the start of a turnaround is expected for late 2021. Countries in North Africa, such as Algeria and Morocco, fell into negative territory in 2020, joining South Africa and hurting the region’s overall demand levels. As a result of much weaker consumer demand, vehicle demand across Africa likely decreased 27.2% in full-year 2020, despite some relative support from the rise in commodity prices. Demand will also continue to be heavily affected by low levels of global crude oil demand, despite a trending recovery in prices as of late 2020. As a result, vehicle demand is falling back to levels achieved 17 years ago, in 2003. This scenario will lead to more hardship across Sub-Saharan countries, while North African countries also suffer from a slowdown in Western Europe. Sales of new vehicles in the African continent will increase 11.8% in 2021.

South Africa is the largest vehicle market in Africa, but the economic landscape has been extremely difficult during the past few years and further depressed owing to COVID-19. Demand for new vehicles continues to struggle owing to the political tension within the African National Congress (ANC), which in turn has led to economic policy stagnation. General elections were held in May 2019 and won by the ANC led by Cyril Ramaphosa, whose main task has been to provide greater stability, which is critical and necessary to turn around low consumer confidence levels. Big-ticket purchases, such as new vehicles, have been largely postponed and are expected to remain weak well into the second half of 2021. As a result of the government lockdown for 35 days from 27 March, which restricted movement and closed businesses, and successive restrictions that have been imposed over the months, the severe decrease in consumer spending will likely persist. Vehicle sales in April crashed 98.7% and contracted 68.2% in May, as car dealerships were forced to close under the government’s lockdown measures and only reopened during mid-May. Vehicle sales in the nine-month period from June 2020 through February 2021 decreased by an average of 25.6%, or 73,000 fewer units, compared with the same period of the previous year. The positive result in both March and April has lowered this trend toward 45,000 fewer units.
The Sub-Saharan region has also struggled in recent years owing to low global oil prices hurting oil revenues for exporting countries and low commodity prices hurting agricultural and mining revenues for other nations. Following the high volumes reached in 2014, vehicle demand has struggled to achieve any consistency trending downward in the past five years, and imports of used vehicles continue to flood the continent despite the government policy. Vehicle sales in 2021 are forecast to remain at the levels achieved 20 years ago. A stronger turnaround is projected for beyond 2022, as more governments implement growth strategies for the automotive sector.

North African countries have also been struggling to put their economies on the right path to economic growth. Demand for new vehicles heavily fell in the three-year period (2015–17) owing to the economic collapse in Algeria, Egypt, and Tunisia. Overall, North African vehicle sales have fallen to levels registered 15 years ago. In 2018, Algeria implemented a vehicle import quota system and has since continued to tank, with sales developments destined to be drastically lower than the normal market demand. In fact, new-vehicle registrations is estimated to have reached an all-time low in 2020 at 27,000 units, an abysmal gap from the highs of 500,000 in both 2012 and 2013 for Algeria. Egypt’s vehicle market had been struggling in the recent past and is forecast to continue on the path of a slow recovery throughout 2021. Lastly, Morocco’s vehicle market continues to develop in line with its economic growth, despite weaker sales resulting from effects of the COVID-19 virus outbreak on the economy and significant trading partners. The recovery in demand will likely be mild for new vehicles across North Africa in 2021, as more carmakers and many tier suppliers have delayed expanding their manufacturing footprint in the region.

Demand for new vehicles in the Middle East and Gulf region (excluding Iran) rose by an estimated 273.2% in April, as a recovery begins to slowly form in the region. Across the region, many countries have lifted the economic restrictions, and business activity has returned. For 2021, the trend should remain slightly positive, and full-year vehicle sales will increase 11.9%. Further at the negative end of the scale, Iranian vehicle sales have collapsed to levels reached over 20 years ago, since the highs registered in 2017 at 1.6 million units, down to 0.8 million units in the present day. The stark double-digit declines are a direct result of the renewed economic sanctions imposed by the US under the Trump administration. The Iranian market in 2021 is forecast to post low growth as poor economic development concerns continue to affect the negative sentiments of Iranians. Across the Gulf region, higher taxation has slowed demand for high-priced goods. Iran and Saudi Arabia are the largest vehicle markets in the Middle East and Gulf region, and their performance will significantly affect overall demand. In recent years, Iran’s vehicle demand registered one in every two vehicles sold in the region, thus highlighting the importance of the country.

The high volatility in demand for new vehicles is expected to continue and lies in the political turmoil within the Gulf region, where countries have turned on Iran and previously Qatar, led by Saudi Arabia. In September 2019, a further crisis emerged owing to the drone strike carried out on two targets owned by Saudi Arabia’s state-
owned Aramco company at the Khurais oil field and the Abqaiq processing facility. Similar drone strikes were carried out in June 2020 and more recently in February 2021.

Recent missile strikes within Israel-Gaza will further fuel the political turmoil in the region and will hurt the economic recovery of Israel.

Oil prices have begun to rise from late 2020, supported by a weak recovery, owing to the varied global lockdowns, which have grounded industries, such as airlines, cruises, and road transportation, and led to significantly low oil demand in developed markets. As a result, oil-exporting nations will continue to plan budgets with lower revenues. Vehicle demand in the first half of 2021 will likely post low growth rates in the Middle East and Gulf region (excluding Iran), as a result of lower-than-optimal crude oil prices. Vehicle demand in Iran will remain depressed.

In the short term, consumers will continue to be slightly affected by the VAT introduction in the Gulf countries, and the higher cost of goods will lower disposable income, thus hurting demand for new vehicles. Saudi Arabia went ahead and tripled its VAT starting July 2020 to 15%. The three remaining Gulf countries of Kuwait, Oman, and Qatar have pledged to implement the 5% VAT by April 2021. The United Arab Emirates and Bahrain have already implemented the VAT since January 2018 and January 2019, respectively. Meanwhile, Gulf leaders will continue to implement projects that are necessary to become less dependent on oil revenues in the longer term. Lastly, as a direct result of the COVID-19 pandemic and low oil prices in comparison with the highs of recent past years, IHS Markit expects a very mild recovery in vehicle demand over the next several quarters. On a positive note, former US president Trump’s historic peace deal among Israel, Bahrain, and the UAE shall bring much-needed stability across the region. For 2021, President Joe Biden’s administration will have high expectations from Gulf nation leaders to further contribute positively toward the region’s peace and economic developments.

Iranian car owners will hold onto their vehicles for a longer period of time, thus driving up the age of the fleet of Iranian vehicles. In turn, this trend will lead to higher demand for new vehicles in the longer term.

**Global crude oil outlook**

This is the time for great expectations for oil demand to materialize. IHS Markit analysts believe demand is on the rise—and world oil demand in third quarter 2021 will be 7.1 million barrels per day (MMb/d) higher than in first quarter 2021. This demand spike is the key assumption in IHS Markit’s price outlook, which projects prices rising above USD70/barrel for several months and then easing as Saudi Arabia, other OPEC+ participants, and possibly Iran increase production. The growth in US crude oil production will be relatively subdued owing to capital discipline: US production is expected to grow 0.2 MMb/d from April to December 2021. Canadian production will rise 0.7 MMb/d over the same period as oil sands facilities increase utilization.
[Technology Highlights] Volkswagen launches new Polo with standard digital cockpit and infotainment system

The Polo standard includes online services and functions of We Connect and We Connect Plus

Volkswagen has announced that the new Polo hatchback will new Polo is launching with a Digital Cockpit as standard, according to its press release on 21 June. The Digital Cockpit features digital instruments with a display diameter of 20.32 cm and is operated by means of multifunction steering wheel. Another feature included in the basic price is the Composition Infotainment system with a 15.5-cm touchscreen.

The two navigation systems offered are Discover Media with a display diagonal of 20.32 cm, and Discover Pro with a screen diagonal of 23.5 cm. These will be available as optional extras. The systems feature enhanced music performance while a camera integrated into the windscreen is also connected to the systems’ Dynamic Road Sign Display function.

Outlook and implications

The Polo standard includes online services and functions of We Connect and We Connect Plus (activated for one year) with information such as status of the central locking system, driving data or current parking position available via smartphones. If the parked Polo is unlocked accidentally, it can be locked using a compatible smartphone.

For Polo Style and Polo R-Line, Ready 2 Discover infotainment system will come as standard and We Connect Plus can be extended to include streaming and internet, internet radio, and Wi-Fi hotspot. The App-Connect can be integrated in Ready 2 Discover not App-Connect Wireless as well as just by USB-C.
Global light vehicle production is estimated to have been up by 15% in the first quarter of 2021 and as we reach the end of the second quarter, we expect growth of 50% against a weak comparison in 2020. As the automotive industry recovers from the pandemic it continues to be challenged by a series of supply chain constraints.

First quarter saw the emergence of a global semiconductor shortage due to capacity constraints and the lack of inventory for microcontrollers, the majority of which are sourced from one supplier in Taiwan. Next, before the quarter was out a snow/ice storm hit Texas, which shuttered chemical plants and forced raw material shortages for plastics, foams, and resins, while also forcing three semiconductor plants to shut down, further contributing to the shortage. A fire at a semiconductor manufacturer in Japan in mid-March further hampered the supply of semiconductors. Additionally, concerns around the impact of steel inventory shortages in light of surging demand from multiple industries have disrupted multiple sectors including automotive. Lastly, delays at US ports due to a surge in container deliveries are leaving automakers and suppliers wondering about transit times for their parts; the week-long Suez Canal blockage is bound to also have an impact, although it is difficult to determine the specific aspects.

As original equipment manufacturers (OEMs) and suppliers continue to evaluate the resiliency of their supply chains and inventories as well as adapting their schedules to reflect these, IHS Markit analysts have been keeping abreast of developments.

In the first quarter we started to see major disruption as it became clear that supply chains were out of sync and semiconductors were not available to support higher levels of vehicle demand. The semiconductor supplies had been moving to other industry sectors, consumer electronics, over time and vehicle demand had come back strongly after the initial disruption of COVID-19 in the first and second quarters of 2020. This strong demand was also creating an imbalance as the semiconductor supply chain was not geared up to support the level of automotive demand that was emerging. This has led to an estimated 1.4 million light vehicles not being built globally.
Moving into the second quarter the levels of disruption continued to weigh down on automotive supply chains including semiconductors. The situation from the first quarter already presented a challenge and then we saw the effects of the storms that hit Texas, spurring concerns over the ripple effect. Shortly afterward, the Fukushima earthquake in Japan, along with the fire at Renesas Naka 3 facility further dealt a blow to the supply chains. All these additional shocks happened in the first quarter, but the greatest impact was felt in the second quarter when we estimate close to 2.3 million units of light vehicle production will be lost.

It is also important from the IHS Markit point of view to note that we see additional pressure in the supply chain in second quarter as we believe that this would be the timeframe when the consumer electronics industry would be ordering products that would be shipped later in the year for sale around Black Friday, Halloween, Chinese Golden Week, and Christmas. This is a pressure point that we see compounding the situation in the second quarter but critically should be less influential over the remainder of the year.

In third quarter we expect continued disruption but not to the scale seen in the first or second quarter. Ongoing tracking has already identified stoppages are expected to account for over 250,000 units and we are not even in the third quarter yet.

We expect an improvement in the first or second quarter because the situation is becoming better understood and great efforts are being made to enhance visibility within a very complex supply chain. We see evidence of this in some of the more relaxed announcements coming from General Motors (GM) starting back operations earlier than initially planned and Toyota's ongoing commitment to its planning. In Toyota's case we know that they have been monitoring supply chains for over 10 years since the Fukushima earthquake/tsunami in 2011, while GM has been focused on improving its understanding of the situation since January and we may now be seeing some results. However, there are still mixed signals and it is too early to sound the all-clear.

Other OEMs are implanting similar efforts and while this can only provide limited support, we take this alongside restoration of semiconductor capacity at Renesas in Japan, plus NXP and Infineon in Texas to ease levels of disruption over what we have seen so far this year. Note again that we are only expecting capacity to be restored to prior levels and do not expect a build-back effect to take place.

For the final quarter we are expecting the supply of semiconductors to align to a ‘reasonable’ level of automotive demand. We stress reasonable as automakers and tier-1 suppliers will not achieve a reasonable level if they communicate exaggerated or overly ambitious levels of demand for semiconductors. Without any major capacity gains, one of the best ways to reduce the kind of disruption we see now would be to align available capacity to realistic planning volumes.

We are not expecting a significant constraint to emerge from the consumer electronics sector in the fourth quarter of 2021. This is partly due to our understanding of the timelines within the supply chain and partly also because some of the drivers in 2020 are unlikely to be repeated quickly—the sharp shift to remote working and the need to be connected, the spikes in demand as the world recovered from the shock of the first wave of the pandemic, and the launch of major gaming consoles from Sony and Microsoft, including the launch of a new iPhone. Based on this, real recovery efforts would only start in early 2022.
Much of the impact on new vehicle sales remains to be seen at this stage, as inventory levels remain healthy enough to meet today's demand. As time goes on, the availability of high volume, popular vehicles may be an issue in larger markets.

**Semiconductors update**

On 15 February, NXP's, Infineon's, and Samsung's fabrications in and around Austin, TX were forced to shut down owing to a winter storm that disrupted power and water supplies. Outputs at all fabrications are back or close to pre-shutdown levels.

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