

Insights Unwrapped

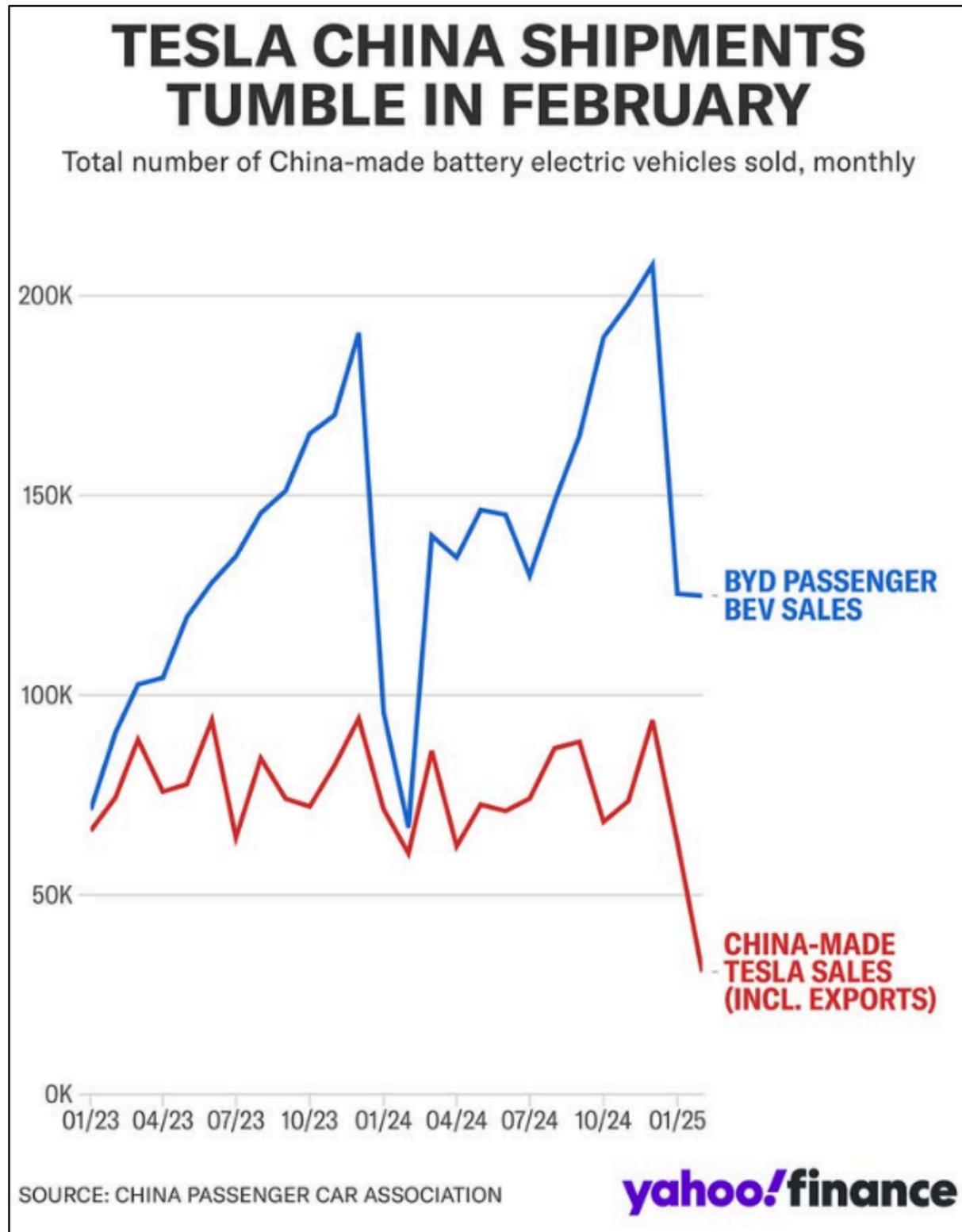
Is Tesla Falling Behind in the EV Race?



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All eyes on Tesla, China



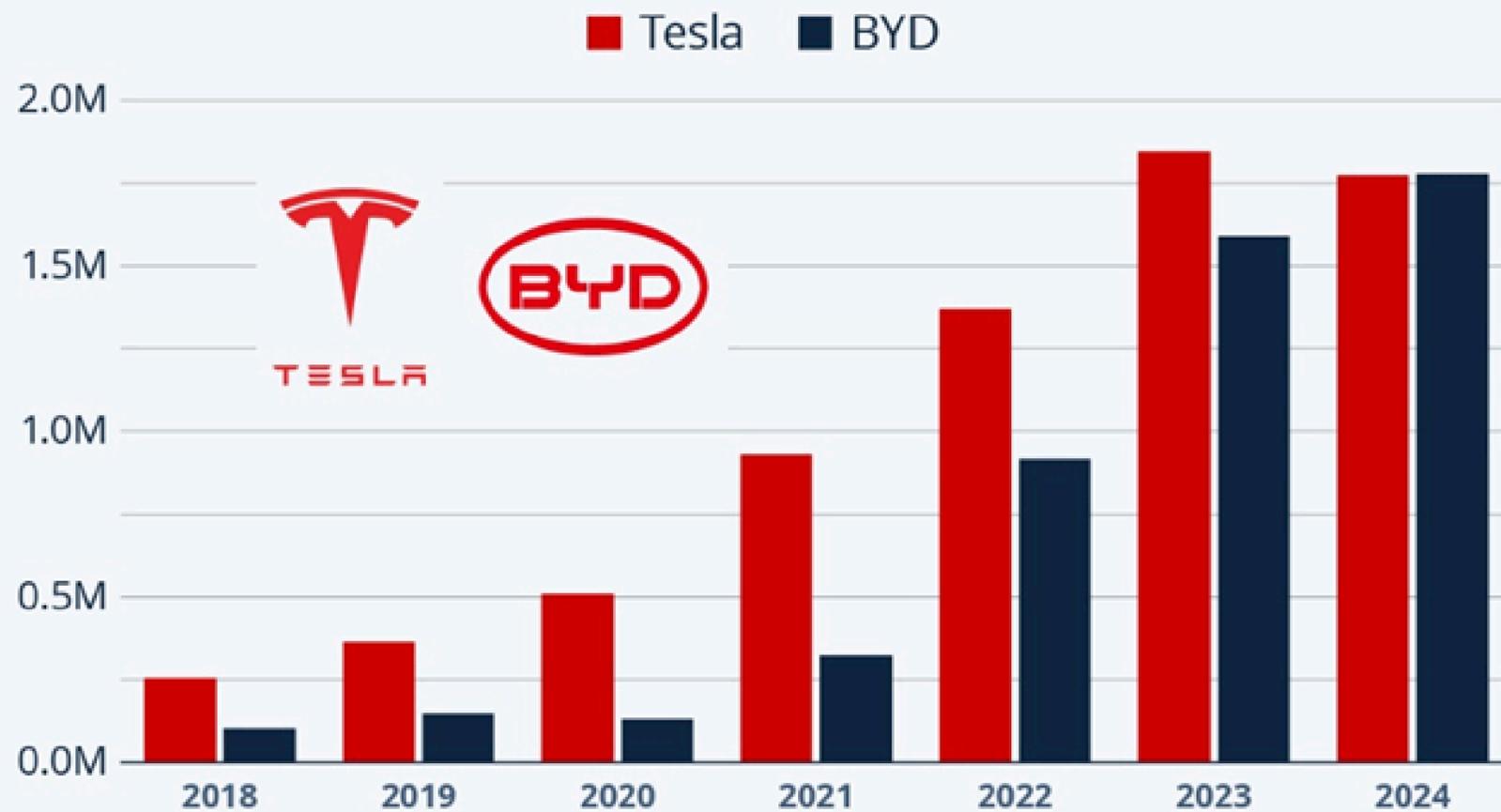
- **Tesla's China Shipments Drop:** February shipments fell to 30,688 units, a 49% YoY decline and down more than half from January
- **China's EV Market Booming:** Wholesale new energy vehicle sales hit 840,000 units, an 82% YoY increase
- While January-February sales are typically weaker due to the Lunar New Year
- **Tesla struggles with autopilot and full self-driving (FSD) approval in China** due to data privacy concerns. Rival EV brands in China have already started deploying advanced autonomous driving features at a much lower price than Tesla.

(Source: The China Passenger Car Association (CPCA))

....especially when BYD runs ahead now

BYD Pulls Ahead of Tesla to Become Largest EV Maker

Annual battery electric passenger vehicle production of Tesla and BYD*



* BYD figures for 2018 and 2019 are sales, as the companies didn't report production volume back then.

Sources: Tesla, BYD

Source: Statista

- After years as the global leader in electric vehicle (EV) production, Tesla has lost its crown to Chinese automaker BYD (Build Your Dreams). In 2024, Tesla produced 1.7 Mn EVs—falling just 4,500 short of BYD's
- Tesla's China-made EV sales dropped 29% in the first two months of 2025, with a sharp 49.2% year-over-year decline in February. The downturn may be attributed to the Chinese New Year holiday and reported production adjustments
- Meanwhile, BYD surged ahead, posting a staggering 90% increase in passenger vehicle sales last month, fueled by strong demand for its Dynasty and Ocean series

(Source: CarNews China)

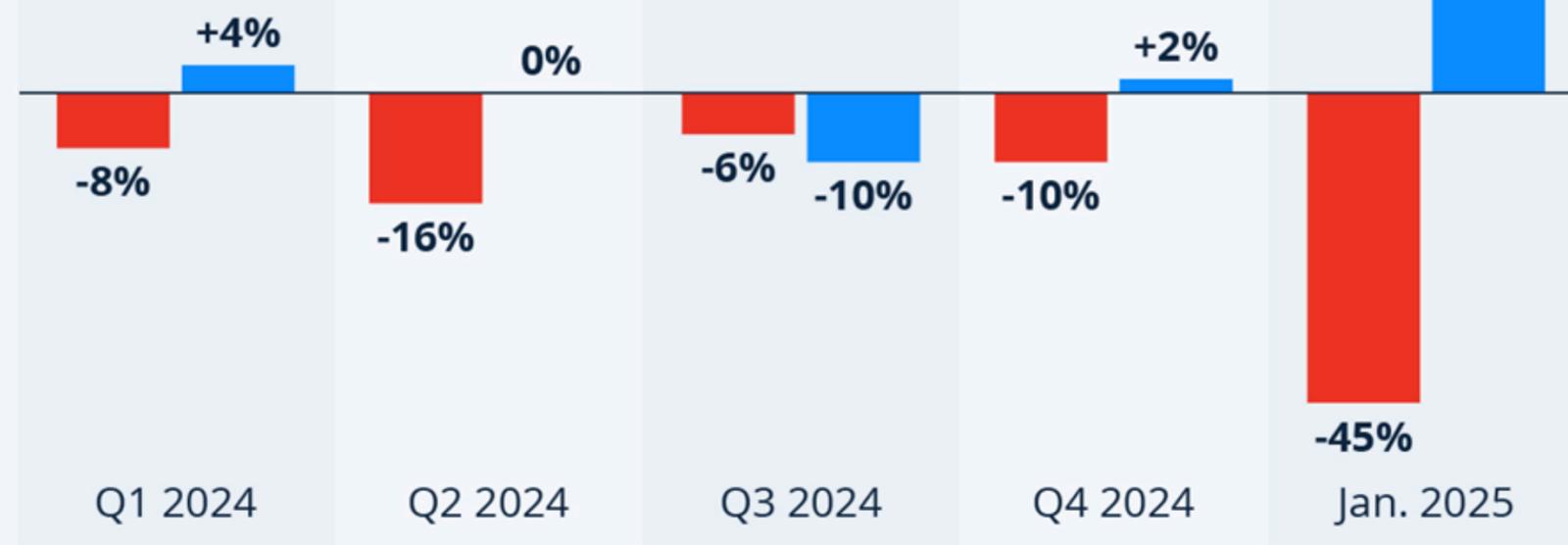
Is Political Backlash Hurting Tesla's Sales?

Tesla Is Falling Behind in the European EV Market

Year-over-year change in quarterly registrations of Teslas and overall battery electric vehicles in Europe*

■ Tesla ■ Total BEVs

Tesla's market share in Europe (BEVs)



* EU + EFTA + UK
Source: ACEA

- Tesla has underperformed the European Battery Electric Vehicle (BEV) market in terms of growth, seeing its **market share drop from 18.2% in 2023 to 16.6% in 2024 and just 6% in January 2025**
- Tesla's sales in Germany fell by a staggering 76% in February'25; steeper than January's 60% drop. Meanwhile, the overall EV market in Germany grew by 31%, reaching 35,949 units, indicating that Tesla's struggles may be company-specific rather than industry-wide

Tesla losing ground in Europe



- Overall, Tesla's sales in January and February 2025 totaled approximately 19,000 vehicles, marking a **43.5% year-over-year decline** from the 33,000 sold during the same period last year
- According to Germany's road traffic agency, **Tesla sold 1,429 cars in Germany, a decline of 76%, an even bigger decline than the 60% drop in January.** The more alarming fact is that **overall, sales of EVs during the same period rose by 30.8%** to 35,949 units. (Source: FT)

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