

## Macro Roundup Article

**Headline:** [It's Not Tesla in BYD's Sights. It's the Whole Car Industry](#)

**Article Link:** <https://www.bloomberg.com/opinion/articles/2024-01-03/ev-makers-byd-overtakes-tesla-sales-has-world-in-sight?sref=U3dOGIDF>

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**Tweet:** [The Chinese EV manufacturer BYD has just overtaken Tesla as the largest producer of battery-powered cars and has nearly matched Tesla's operating income. @davidfickling](#)

**Summary:** BYD delivered 526,409 full battery electric vehicles in December [relative to] Tesla's 484,507. This milestone if anything underplays BYD's growing might. Throw in trucks, buses, and plug-in hybrids that use gasoline engines to extend their largely battery-powered range, and BYD's sales total is 918,807. More importantly, on almost every financial metric, the Chinese company is either advancing on or overtaking its American rival. While many competitors have struggled amid the wave of discounting that's hit the EV sector over the past year, BYD has prospered. In contrast to Tesla, which racked up years of losses before turning profitable in 2019, it has hardly ever posted negative operating income — and in the September quarter came within a whisker of the reinvigorated US company's \$1.76 billion result. By owning its own battery supply-chain and focusing on cheaper, less zippy cells that use abundant iron and phosphate instead of scarce cobalt and nickel, it's managed to lift margins even as materials costs rose. Related: Pettis On China's Export Strategy and China's Auto Export Wave Echoes Japan's in the '70s and Danish Weight Loss Drugs vs. Chinese Cars: Two Models of Export Booms

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