The EV Transition in the U.S. & China

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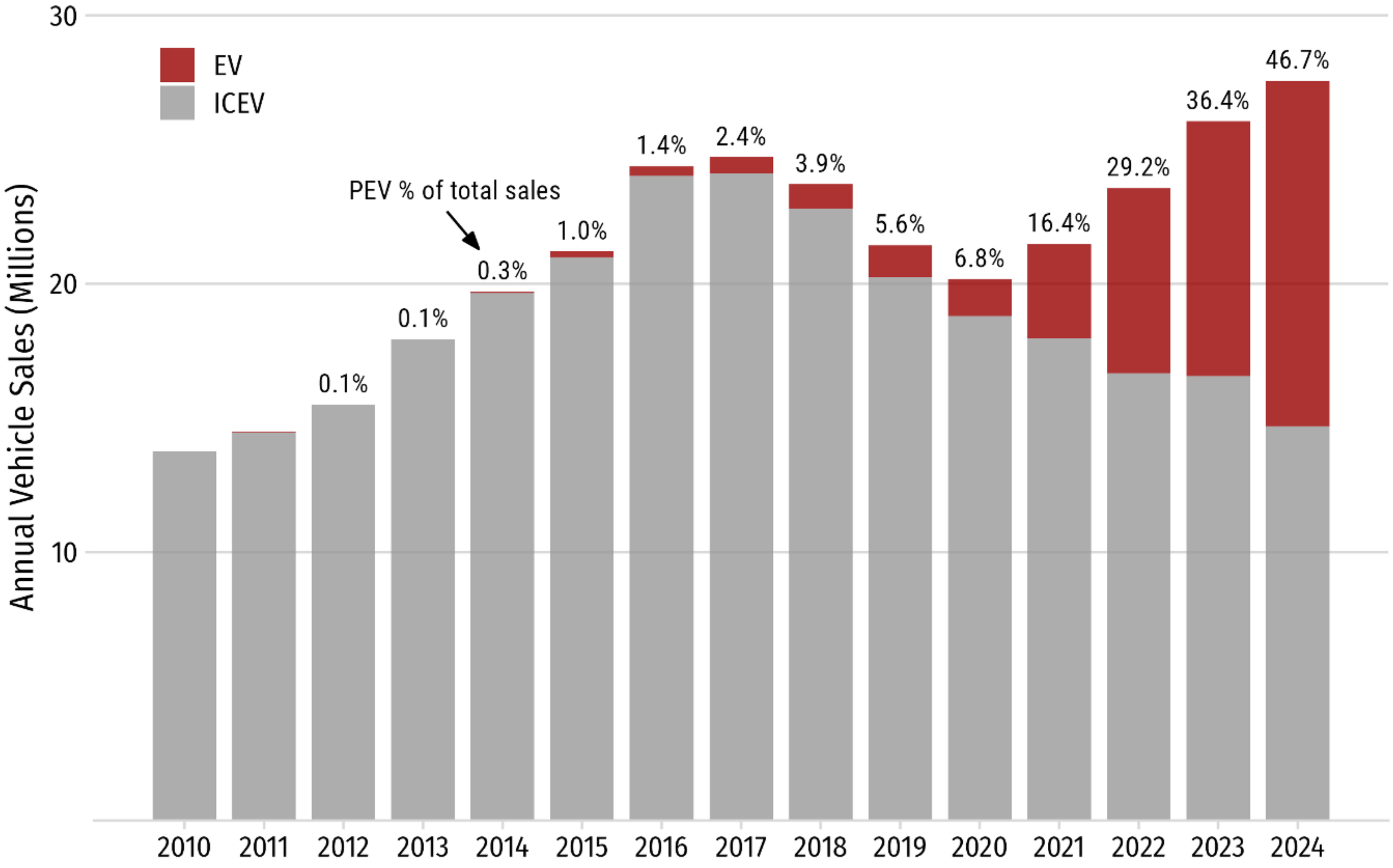
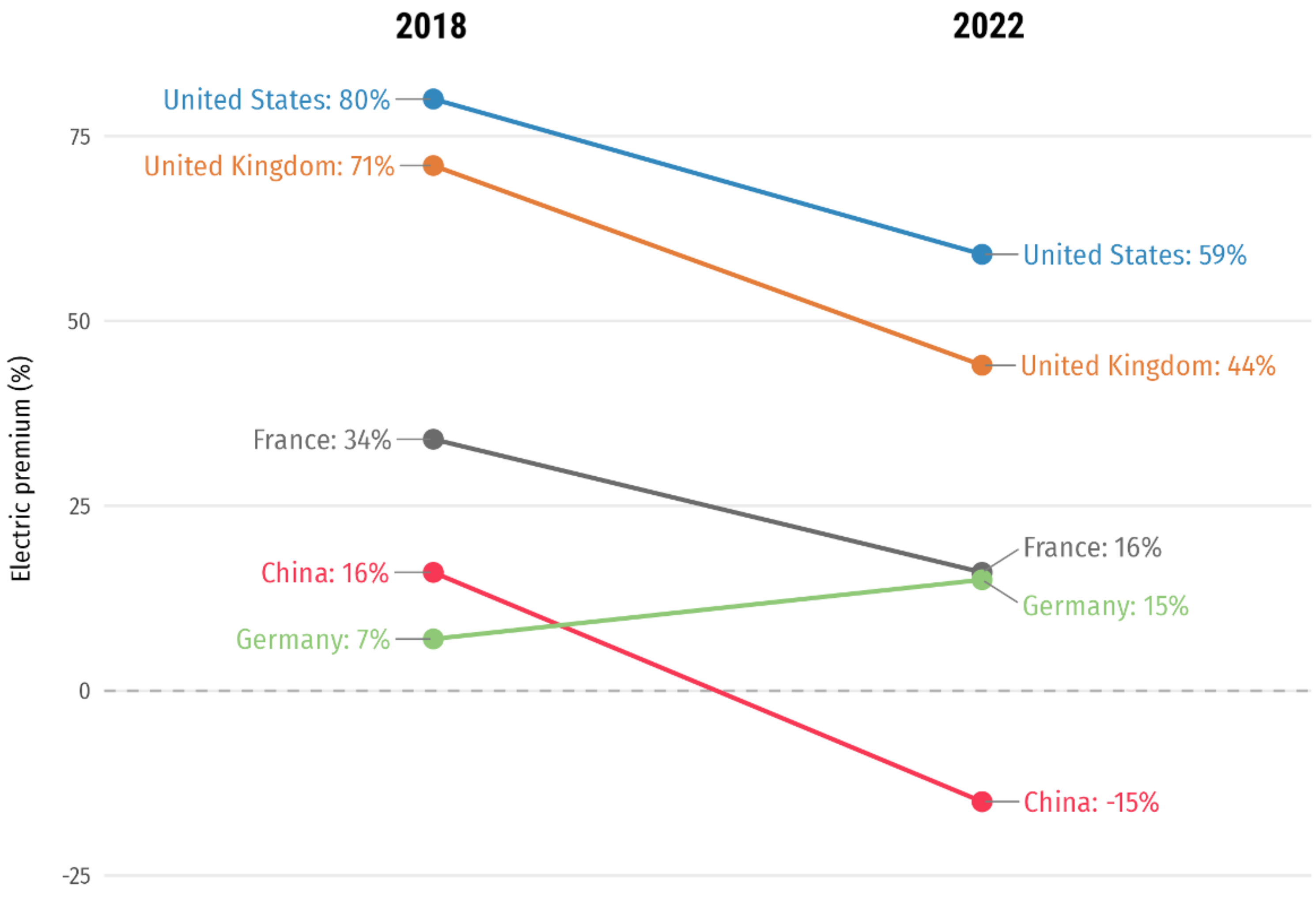
In China, PEV sales grow while ICEV sales slow

After peaking in 2017, internal combustion engine vehicle (ICEV) sales have declined for 7 straight years



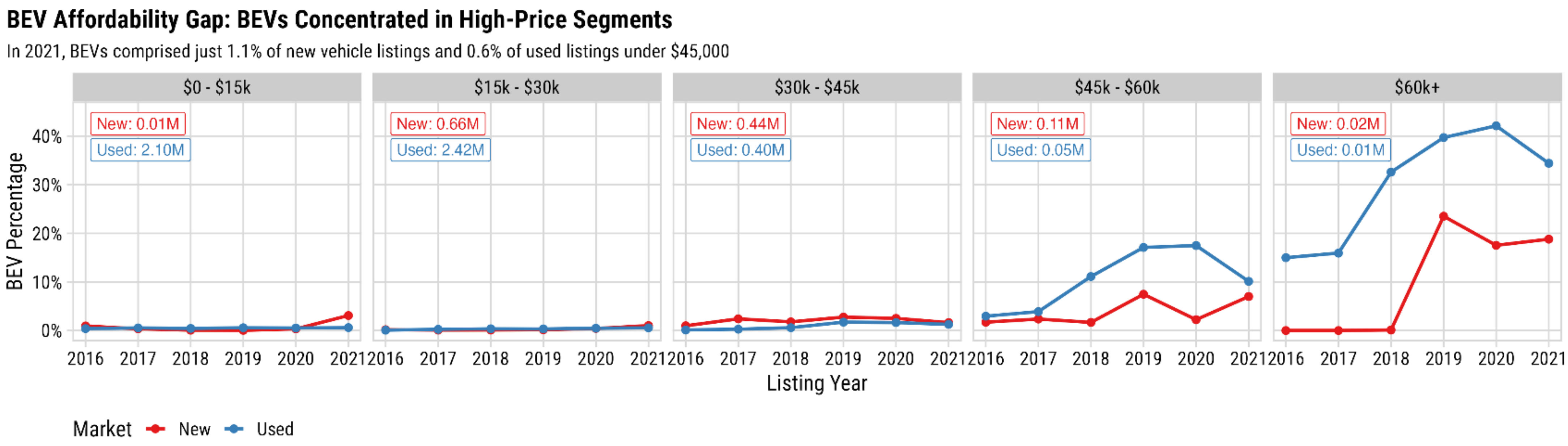
Data sources: OICA, marklines.com



The EV sector has an affordability problem (except in China)

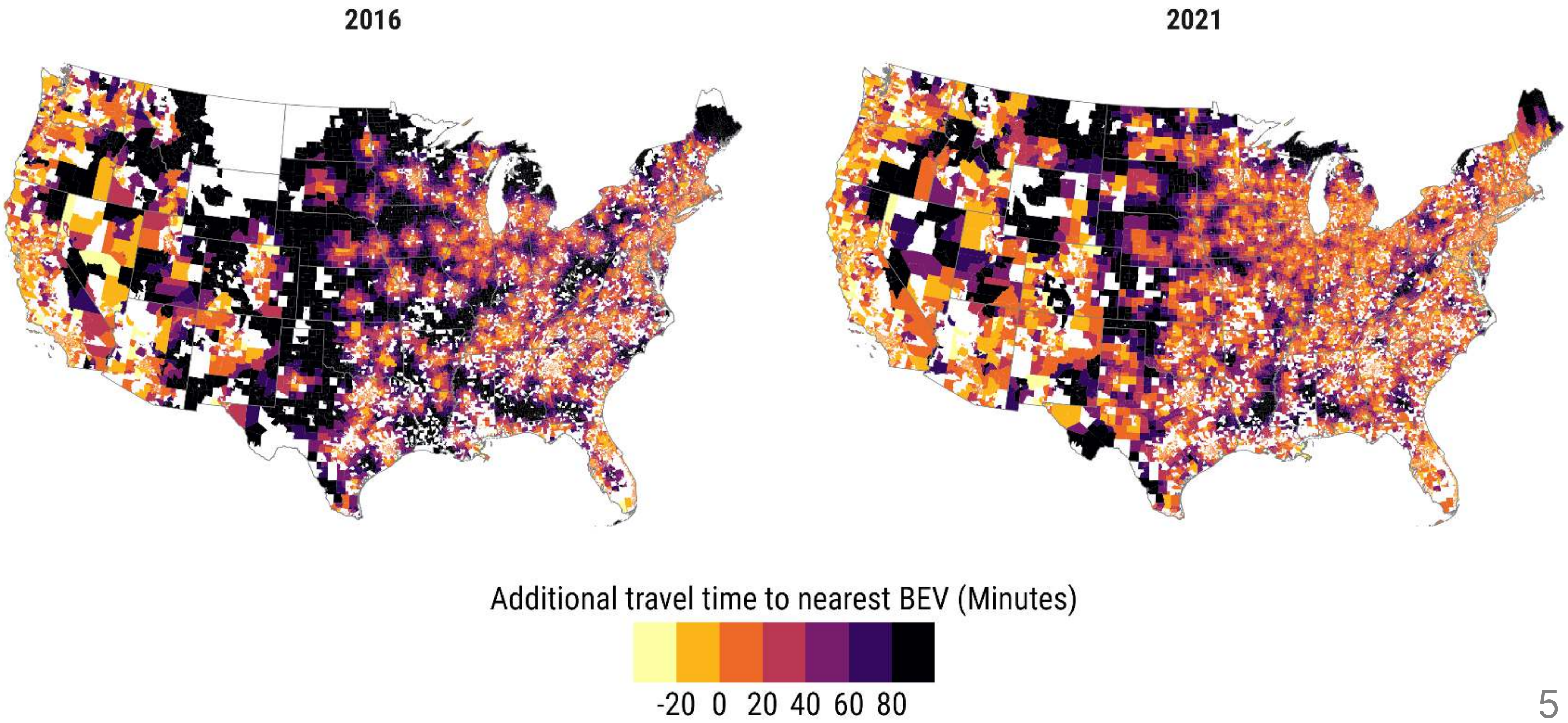
Source: https://www.iea.org/reports/global-ev-outlook-2024/executive-summary

There are *very* few affordable BEVs in the US



Data pulled from >60k dealerships, 2016 to 2021. Source: marketcheck.com

The US has affordable EV deserts



Things that don't help affordability:

Tariffs (100% tariff on imported Chinese EVs)

Effectively banning the use of Chinese suppliers (inc. raw materials) in US EVs

Opportunities

Chinese FDI into U.S.

Gotion batteries: Multi-billion dollar investments in Illinois and Michigan

Challenge: Uncertainty around Foreign Entities of Concern (FEOC) status

Technology Licensing Agreements

Ford-CATL: Licensing battery technology in a Michigan plant

Challenge: CATL was recently added to DOD's list of “Chinese military companies”

We need to stop viewing EVs as
"environmental" technology
and start viewing as
"essential" technology

Thanks!

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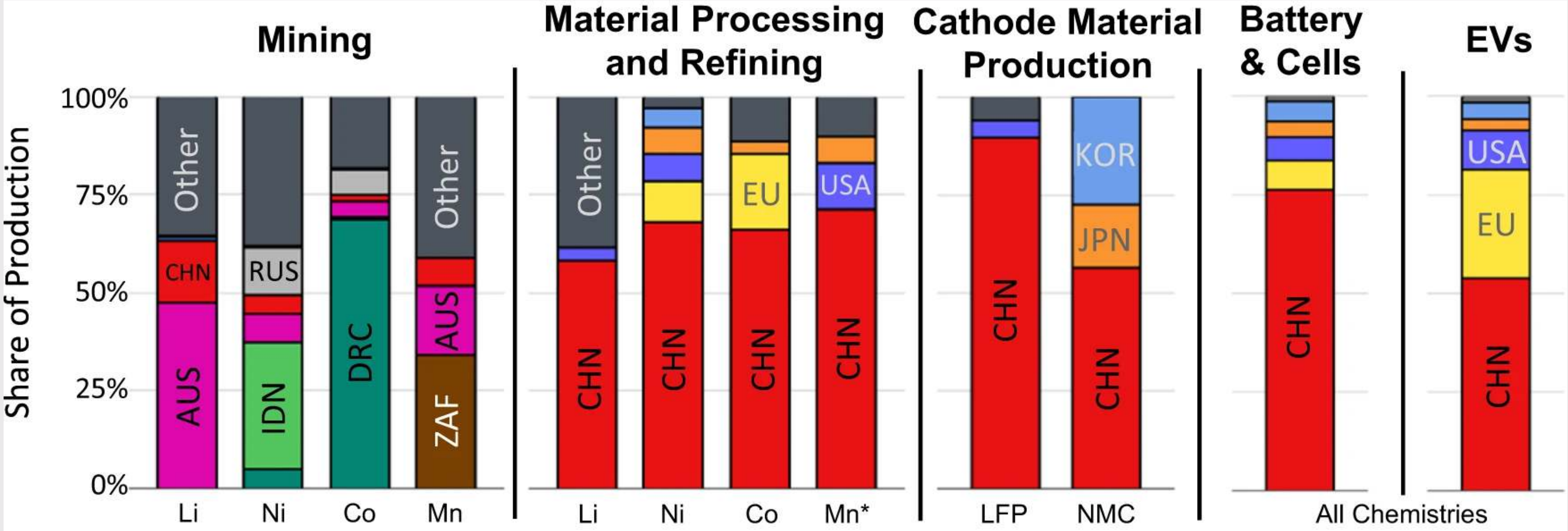
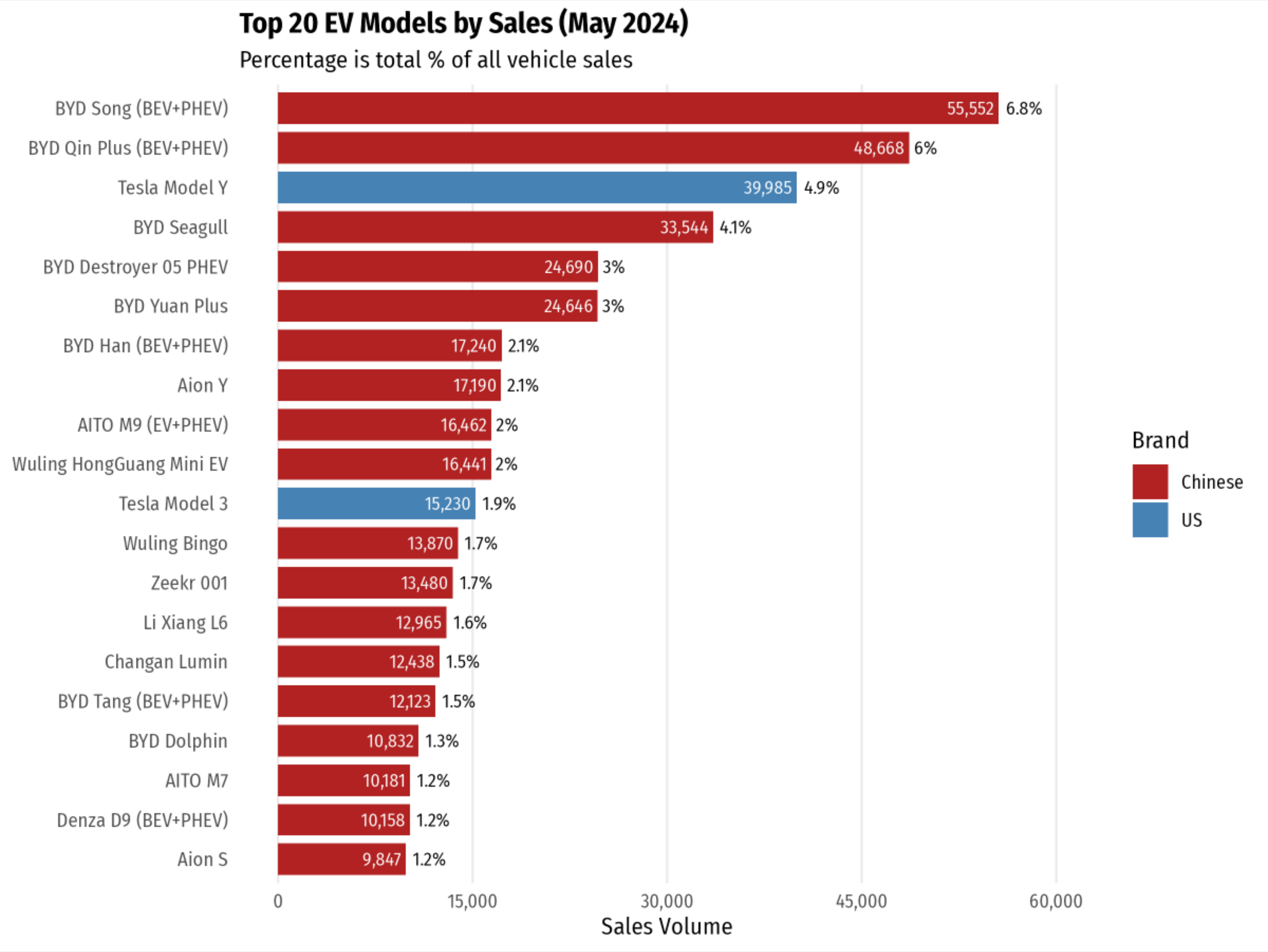
Extra Slides

Chinese firms dominate the EV battery *supply chain*



Cheng, Anthony L., et al. "Electric vehicle battery chemistry affects supply chain disruption vulnerabilities." *Nature Communications* 15.1 (2024): 2143.



Chinese firms dominate China's EV market

https://cleantechnica.com/2024/07/02/47-plugin-vehicle-market-share-in-china-ev-sales-report/