

# EV sales growth outpacing the rest of the auto industry

Article

**The news:** The electric vehicles (EVs) push is gaining traction—sales of plug-in electrics doubled in the first half of 2021 YoY, [per](#) The Wall Street Journal. This growth outpaced the 29% increase for total vehicle sales, according to research [from](#) Wards Intelligence. Tesla propelled most of the EV gains, with [US sales rising 78%](#) through June. Carmakers like **Ford** and **Volkswagen** also helped move the needle with their recent EV model releases.

**More on this:** EVs made up **3%** of the total US vehicle sales—a record for the segment. Increased driving ranges, more body styles, and a wider price range are key factors sparking consumer interest.

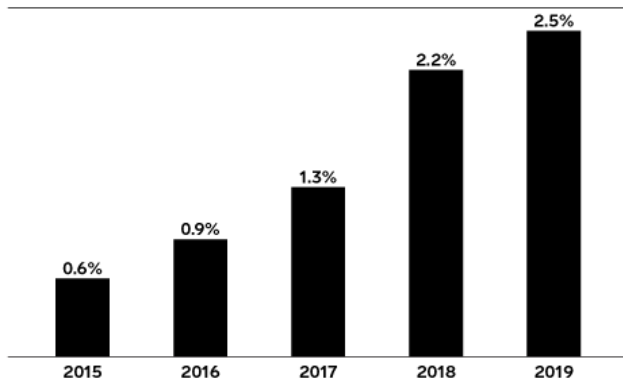
The higher overall cost for EVs and **dearth** of charging stations are still huge obstacles to wider EV adoption, but change is in the air:

- Tesla may open up its EV supercharger network to other carmakers by the end of the year. While the recent **tweet** from CEO Elon Musk did not provide specifics, unlocking the Tesla network could help drive more EV sales and boost Tesla's profits.
- Car manufacturers like **Volvo** and **Mercedes-Benz** pledged to go all-electric within the next decade, and other manufacturers **promised** to convert some of their segments into all-electric vehicles.

**The big takeaway:** The EV shift is picking up speed, albeit conservatively. While Tesla has been the poster child for EVs, the widening selection of all-electric vehicles, like Ford's F-150 and Mustang Mach-E and VW's ID.4 SUV, are slowly pushing the segment into the mainstream. But the outlook is not all rosy—lithium **shortages**, **battery scarcity**, and the unrelenting **chip shortage** will hold back EV sales.

#### Share of Total Electric Light Vehicle Sales Worldwide, May 2020

% of total sales



Source: EV-volumes and IHS Markit, "Light Vehicle Sales Forecast: May 2020" as cited in McKinsey & Company blog, July 17, 2020

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