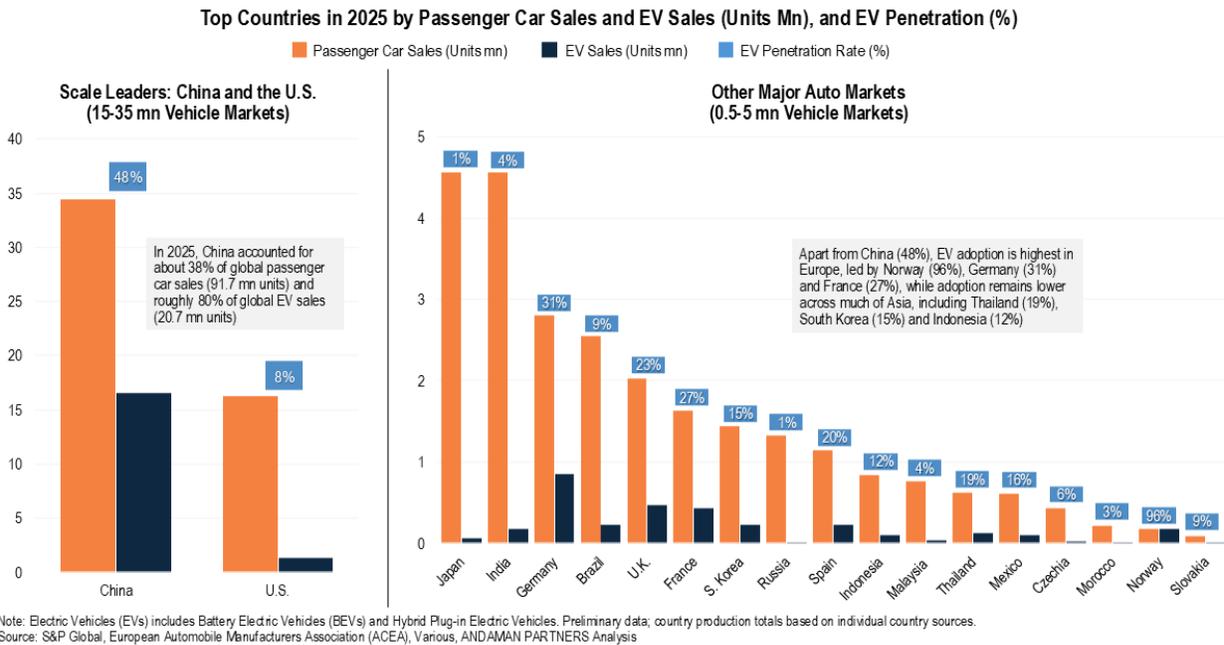


Global Car Markets and the Uneven Transition to Electric Vehicles

Global passenger car sales reached around 92 million units in 2025, including more than 20 million EVs, but adoption varies widely across markets, with China dominating EV sales in scale while Europe leads in electrification.



Global passenger car sales reached around 91.7 million units in 2025, marking a solid 6% year-on-year increase and confirming the continued recovery and expansion of the global automotive market. Within this total, the transition to electric mobility is accelerating: more than 20.7 million electric vehicles (EVs) were sold worldwide in 2025, accounting for 22.6% of global passenger car sales. Yet the shift toward electrification remains highly uneven across markets, reflecting major differences in policy support, industrial strategy and consumer adoption.

China sits at the center of this transformation. With 34.4 million passenger cars sold in 2025, the country accounted for around 38% of global vehicle sales, making it by far the world’s largest auto market. More strikingly, China sold 16.5 million EVs, equivalent to nearly 80% of global EV sales, and achieved an EV penetration rate of 48%. This scale means China is not only driving the global EV transition but effectively setting its pace.

Outside China, adoption patterns diverge sharply. Europe leads in electrification, with several major markets posting some of the highest penetration rates worldwide. Germany (31%) and France (27%) stand out among large automotive markets, while Norway remains the global outlier, with EVs accounting for 96% of passenger car sales. These figures reflect strong policy frameworks, charging infrastructure, and regulatory incentives that support EV adoption.

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By contrast, electrification across much of Asia remains at an earlier stage. Large markets such as Japan (1%), India (4%) and Indonesia (12%) still show relatively low EV penetration despite substantial vehicle demand. Even the U.S., the world's second-largest car market with 16.2 million sales, recorded EV adoption of just 8%.

Taken together, the data highlight a defining feature of the global auto industry in 2025. While EV sales are expanding rapidly, the transition is unfolding at dramatically different speeds across regions, with China dominating scale and Europe leading the adoption frontier.

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