

BMW boosts e-car spending to rival Tesla

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BMW IS stepping up spending on its electric-car rollout after the luxury-car maker's battery-vehicle deliveries more than doubled during the first half of the year.

The level of buyer interest in EVs means BMW is "investing more than originally planned in the global ramp-up of e-mobility," chief financial officer Walter Mertl said Thursday, adding that investments in batteries for the current and next generation of EVs are "massive."

During the second quarter, development spending jumped by nearly a fifth to \$2 billion. Battery-powered car sales made up about 13% of group deliveries during the first half led by demand for models like the i4 sedan and iX3 SUV. Next year, the proportion of EV deliveries is set to rise to at least one-fifth, BMW said. Incumbent carmakers are battling to catch up to Tesla Inc., which is pulling away in the global EV sales race following aggressive price cuts. In China, the most important market for Germany's Volkswagen, BMW and Mercedes-Benz, local manufacturers like BYD Co. are increasingly dominating in EV sales.

All of BMW's EV variants are turning in a profit, which will increase as the carmaker has now started to offer pure-electric variants in its higher 7-series and 5-

series segment, Mertl said.

BMW also increased its car sales forecast for 2023 to now expect solid gains with the new 5-Series sedan and its electric sibling, the i5,

which is set to help boost volumes during the second half of the year. The shares fell as much as 3.1% in Frankfurt trading.

While demand for its luxury cars



HEADLINE

■ Incumbent carmakers are battling to catch up to Tesla Inc., which is pulling away in the global EV sales race following major price cuts

■ In China, the most important market for VW, BMW and Mercedes-Benz, BYD Co. are increasingly dominating in EV sales

Hyundai, Kia recall vehicles

HYUNDAI MOTOR AND Kia said on Thursday they are recalling more than 91,000 newer vehicles in the US because of fire risks and urged owners to park outside and away from structures pending repairs.

The recall covers Hyundai 2023-2024 Palisade, 2023 Tucson, Sonata, Elantra, and Kona vehicles and 2023-2024 Seltos and 2023 Kia Soul, Sportage vehicles.

—REUTERS

Tesla's China EV sales slide

CHINA'S BYD EXTENDED its lead over Tesla in China-made electric vehicles sales in July, industry data showed, as customers snapped up its lower-priced EVs and its U.S. rival idled some production to prepare for a revamped Model 3 launch.

Sales of Tesla's China-made vehicles fell 31% in July from June, data from China Passenger Car Association (CPCA) showed on Thursday.

—REUTERS

remains strong, BMW warned Tuesday that increased costs for parts are reducing its cash flow while also citing logistics issues as a constraint.

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