In a first, Tesla overtakes Audi in global car sales

Bloomberg

Tesla surpassed one of Germany's most prized premium car brands last year, despite selling fewer vehicles than expected.

Volkswagen AG's Audi sold 1.67 million vehicles in 2024, down 12 per cent from a year earlier.

Its struggle with intensifying competition in Europe and China and weak demand for its electric models dropped the brand behind Elon Musk's Tesla, which delivered 1.79 million vehicles last year.
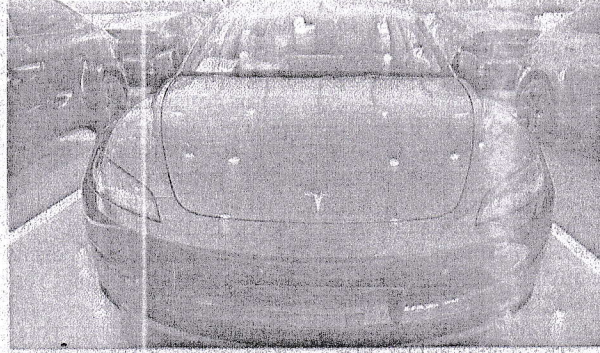
Tesla's year wasn't without issues. The US company posted its first annual deliveries decline in over a decade and only narrowly retained its lead over China's BYD Co as the top seller of fully electric vehicles.

MODEL Y SUV

But Tesla's rapid expansion in the preceding few years positioned the company to take advantage of any slip-ups by incumbents.

Its Model Y sport utility vehicle ranks among the world's best-selling cars and is getting a facelift this year.

Germany's automakers, meanwhile, are contending with tepid demand for luxury

GREEN TRANSITION. Elon Musk's Tesla delivered 1.79 million vehicles last year BLOOMBERG

cars in China, where a recovery remains uncertain and local manufacturers are pushing further upmarket.

In Europe, EV sales are below expectations after several countries cut subsidies.

The problems led to a wave of profit warnings last year, including from Volkswagen, Mercedes-Benz Group AG and BMW AG.

Audi's sales fell in markets including Germany, China and North America.

Deliveries of fully electric models declined eight per cent to around 164,000.

Manufacturers have started paring production in response to their sales slowing down, with Volkswagen reducing capacity at its namesake brand.

Audi plans to close a site in Brussels because of poor demand for the electric Q8 e-tron sport utility vehicle made there.