MOTORING

Argentines gain a taste for Chinese car brands

Buenos Aires hosted its first Chinese auto show in early October as Argentina's car market under President Javier Milei has shifted from heavy protectionism to a more open and competitive environment.

Chinese brands are flowing into the market, benefiting from tariff exemption for up to 50,000 electric and hybrid vehicles in 2026.

Chinese brands accounted for 10 percent of car and light commercial vehicle sales in Argentina in August, up from about 2 percent in late 2025.

Since that time, China's electric vehicle maker BYD has become the ninth best-selling car brand in Argentina. The company leads electric car sales in Brazil, Colombia, Ecuador and Uruguay.

At the three-day auto show, more than 20 Chinese brands, including Geely, Chery, Great Wall Motor and Dongfeng, were on display, drawing over 30,000 visitors.

German Molina, a 3D designer who owns a Chinese car and wants to buy another, looked around with his wife and son. "If you go out onto the main avenues or neighborhoods, you'll see a large number of Chinese cars, and it's not just one brand, but many different ones," said Molina.

"I believe it's only a matter of time before people start embracing them a bit more," he added.

Sebastian Beato, president of Argentina's auto dealers' association ACARA, said the "impressive" growth among Chinese brands had pushed the domestic industry to produce new models, such as the Renault Niagara pickup truck unveiled in September.

Earlier this month, the Argentine government said Japanese automaker Toyota Motor would invest $1.34 billion to develop an EV plant in Argentina.

If Argentina's auto industry does not transform, "it's going to have obsolete cars," Beato said.

Chinese automakers are steadily expanding across Latin America, selling both traditional vehicles and EVs at a pace that has alarmed some local markets.

Brazil and Mexico have introduced tariffs aimed at slowing the influx and protecting domestic manufacturing jobs.

But Milei, a libertarian, has said he is unconcerned by the rapid growth of BYD and dismissed suggestions that it could complicate his close relationship with the US during an interview in September.

"What Argentines buy is the problem of Argentines," Milei told Bloomberg at the Economic Club of New York.

Tesla in July launched operations in Uruguay, and there are signs the US automaker could soon enter Argentina. The registration of Tesla Argentina appeared in the country's official gazette in April. Local energy company YPF said in June it had signed a letter of intent with Tesla to explore energy storage opportunities. Tesla did not respond to a request for comment.

Car sales in Argentina have fallen 13 percent so far this year from the same period in 2025, a decline that industry analysts attribute to a market adjustment after 2025's strong growth was fueled by lower trade barriers. High interest rates have also dissuaded consumers from taking out car loans.

Andres Civetta, an economist at consultancy Abeceb, said Argentina's auto industry should focus on pickup trucks, where the country has established a strong export position and does not yet face competition from Chinese brands.

Fernando Rodriguez Canedo, executive director of Argentina's association of car factories, welcomed Milei's gradual rollback of national export duties and said the industry was also pressing provincial governments to reduce local taxes.

"That would give us the possibility to compete," Canedo said.

REUTERS



Chinese-made vehicles await export in a port in Lianyungang, Jiangsu province, in August.
WANG CHUN / FOR CHINA DAILY

Exports fuel sales figures in September

Overseas markets provide lifeline as domestic retail sinks

By CAO YINGYING
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Chinese automakers posted resilient September sales even as domestic passenger vehicle retail fell by double digits, with export volumes emerging as the primary growth engine.

Data from the China Passenger Car Association show that September sales of passenger vehicles reached roughly 1.69 million units, up 9.7 percent month-on-month. But it was a drop of 24.6 percent year-on-year due to a high comparison base in 2025.

In terms of different brands, BYD maintained strong new energy vehicle performance, selling 463,561 units in September, representing a 17 percent year-on-year rise. Its exports of passenger cars and pickups jumped 153.9 percent year-on-year to 179,877 units. Cumulative overseas deliveries over the first three quarters hit 1.34 million units, exceeding the brand's full-year export volume recorded in 2025.

Geely and Chery recorded similar export-driven gains. Geely sold 292,168 vehicles in September, with exports surging 162 percent year-on-year to 106,700 units. Chery delivered 292,308 vehicles, up 4.2 percent year-on-year. Its September exports hit a record 207,814 units, marking a new monthly high for Chinese automakers. Its exports over the nine months rose 65.6 percent year-on-year to 1.55 million units, accounting for 70 percent of the brand's total sales.

SAIC reported about 406,000 vehicle sales in September. Its overseas shipments rose 49.1 percent year-on-year to 150,000 units, bringing its nine-month overseas sales volume to 1.17 million units.

NEV startups delivered mixed results. Leapmotor handed over 105,656 vehicles in September, marking three consecutive monthly deliveries above 100,000 units. September exports topped 27,000 units, with January to September overseas shipments surpassing 150,000 units and its 2026 export target reached ahead of schedule.

Leapmotor is showcasing models including the D19 SUV and A05 hatchback at the ongoing Paris Motor Show 2026 to expand its overseas presence.

XPeng delivered 41,256 vehicles in September, up 5 percent month-on-month. The right-hand-drive G9L SUV is making its overseas debut at the Paris Motor Show.

Xiaomi Auto delivered more than 40,000 vehicles in September — its first month above that threshold this year. The new Skynomad range-extended model, which began deliveries in mid-September, recorded over 10,000 units in its debut month and drove the brand's monthly sales growth.

Nio achieved steady growth backed by its multi-brand strategy, delivering 37,408 vehicles in September, up 7.7 percent year-on-year across its Nio, Onvo and Firefly product lines.

New energy subsidiaries spun out of legacy automakers posted standout results. Geely's Zeekr delivered 37,216 vehicles in September, up 103.85 percent year-on-year, marking its eighth consecutive month of both year-on-year and month-on-month growth.

Changan Qiyuan achieved a brand-record high of 46,507 global deliveries in September, representing a 1.4 percent month-on-month gain.

Some market players faced sales headwinds. Despite a string of new product launches, Huawei's Harmony Intelligent Mobility Alliance delivered 37,490 vehicles in September, down 11 percent month-on-month and 29 percent year-on-year, marking three straight months of falling sales.

The alliance covers Aito, Luxeed, Stelato, Maextro and Shangjie, which are codeveloped in partnership with Seres, Chery, BAIC, JAC and SAIC.

Li Auto's September deliveries fell to 31,817 units, down 6.3 percent year-on-year and 15.6 percent month-on-month, largely because of the brand's ongoing product transition cycle. The upgraded 2026 i6 electric sedan is set to launch in October with improvements in range, comfort and intelligent features.

Meanwhile, Li Auto is making its European premiere at the Paris Motor Show, where the i6 will officially enter the European market.

China's traditional "golden September" sales season underperformed amid slowing domestic market expansion. As domestic growth momentum weakens, overseas markets have become a critical second growth curve, enabling many Chinese automakers to maintain positive growth.

The Paris Motor Show 2026 serves as the latest key platform for Chinese automotive brands to accelerate their European expansion. The exhibition features strong Chinese participation, with Chinese automakers occupying 20 out of 65 total exhibition booths, nearly one-third of the total, and showcasing more than 10 debut and flagship new energy models.

Geely Group is showcasing its product portfolio across five exhibition halls, covering Geely, Lynk & Co, Zeekr, Volvo, smart and Lotus.

Aito is displaying its full SUV lineup from the M5 to M9.

The motor show has become a key venue for multiple brands to announce their official entry into European markets, including Li Auto, Dongfeng Forthing and GAC Aion.

Dongfeng Forthing is exhibiting its S7 sedan and V6 MPV, which are available in Germany and Italy. The brand plans to expand its European footprint to France, Norway and Denmark in the coming months.

GAC Group revealed its European localization strategy during the exhibition. Its new overseas product lineup includes the Aion UT crossover and the midsized GAC GS7 SUV. The new models will be assembled by Magna Steyr at its Austrian manufacturing plant, with a target to achieve full market coverage across Europe by 2028.

Chinese automotive brands are rapidly gaining market traction across Europe. Their market share in France climbed from 3.4 percent in 2025 to 8 percent in September.

Beyond simple product exports and overseas sales, Chinese automakers are accelerating brand building and establishing fully localized overseas operational systems to support long-term global development.

Porsche to cut models in bid to boost credentials

By LI FUSHENG
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Porsche is doubling down on exclusivity to generate more value, with plans to cut model variants, expand into higher-margin segments and increase revenue from highly customized cars.

"Our ultimate goal is to further strengthen our unique sports car brand — across all model lines and with new, highly desirable models in particularly high-margin segments," said Michael Leiters, chairman of the executive board of Porsche.

He made the remarks when the German sports carmaker revealed its new "Sportwagenschmiede '35" strategy at a Capital Markets Day on Wednesday.

It aims to lower Porsche's breakeven point to fewer than 200,000 vehicles while continuing to follow its "Value over Volume" principle.

The company said the target is based on a "very conservative forecast for China", underscoring the challenging outlook in one of its most important markets.

Porsche is targeting a medium-term group operating return on sales of 10-15 percent and an automotive net cash flow margin of 9-12 percent.

Its long-term targets are a 15 percent operating return on sales and a 12 percent automotive net cash flow margin.

Rather than pursuing growth through higher sales volumes, Porsche is emphasizing the value and exclusivity of its products.



Michael Leiters, chairman of the executive board of Porsche
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It plans to reduce the number of model variants by about 20 percent in the medium term, while expecting sales volume per variant to increase by about 30 percent.

The company also aims to increase the share of D- and E-segment models in its overall portfolio by about 45 percent.

At the top end of the portfolio, Porsche expects the average selling price of its flagship models to rise by about 20 percent in the medium term, supported by greater product substance and individualization options.

The company is also targeting a sixfold increase in sales from its highly customized Sonderwunsch program.

Porsche will group its activities in Performance, Exclusiveness and Heritage under the name "Home of Sports Cars".

Its Performance business will be strengthened through an increase in its stake in Manthey Racing to 67 percent, with plans to expand the joint offering of performance kits and track experiences to limited-production vehicle concepts.

The push upmarket will also be supported by new halo products. Porsche is developing a mid-engined supercar platform for a model positioned above the 911.

It is also exploring an SUV in the D segment above the Cayenne and plans to strengthen the 911 lineup with emotive derivatives.

The company plans to launch at least one brand-defining new product every year through 2030.

At the same time, Porsche is maintaining a three-pronged powertrain strategy covering battery-electric, plug-in hybrid and internal-combustion-engine vehicles.

The all-electric 718 Boxster and Cayman are expected to support sales in their first year of production in 2028.

A new B-segment SUV with ICE and plug-in hybrid powertrains is also scheduled for 2028. It is expected to make a significant contribution to sales and profitability from 2029, said the carmaker.

Porsche is also investing in brand-defining ICE and plug-in hybrid powertrains as well as next-generation battery technology.

The emphasis on higher value is being accompanied by a substantial restructuring of its cost base.

The company aims to reduce development costs for future model lines by up to 20 percent, production personnel costs by up to 30 percent, and sales and distribution costs by 20 percent.

Material costs for new vehicle projects are expected to fall by about 10 percent compared with previous plans.

Porsche plans to reduce management positions by 40 percent and its overall workforce by 25 percent in the medium term, with a longer-term target of 30 percent.

The company is also focusing on its core business, including through the sale of stakes in Rimac and Bugatti Rimac, the planned sale of its MHP consulting subsidiary, and the planned closure of the development and production activities of Cellforce Group, Porsche eBike Performance and Cetitec.

Porsche is expected to make greater use of compatibility within the Volkswagen Group by more cooperation with Audi through the use of the Premium Platform Electric and Premium Platform Combustion architectures, while retaining brand-specific technologies and features.

In the medium term, Porsche expects group sales of 41-45 billion euros ($46-50 billion) with revenue growth expected to outpace volume growth and earnings growth to exceed revenue growth.

"Our strategy will lay the groundwork to make Porsche significantly more efficient, productive and profitable," Leiters said.

Short Torque

Highway charging boom during national holiday

China's new energy vehicle highway charging volume rose sharply during the weeklong National Day holiday, data from the National Energy Administration showed on Thursday. During Oct 1-7, highway NEV charging volume reached 163 million kilowatt-hours, averaging 23.26 million kWh daily, up 51.42 percent year-on-year. The figures reflect the rapid growth of China's NEV fleet and the growing number of highway charging facilities. China is the world's largest NEV market. Official data show China's NEV ownership has reached 48.97 million, or 13.19 percent of all vehicles, with NEVs accounting for nearly half of new vehicle registrations in the first half of 2026.

London calling: Pony.ai makes taxi plans for city

Uber and Chinese autonomous vehicle maker Pony.ai plan to launch a robotaxi service in the UK, as part of an expanded partnership to bring driverless cars to Europe. The two companies said on Thursday that they would begin testing Pony.ai's Gen-7 robotaxis in London in the coming weeks. The announcement is the latest instance of Uber's ambitious push into autonomous vehicle technology through a growing web of partnerships and investments. Uber and Pony.ai first partnered in May 2025, initially focusing on the Middle East. The partnership has since expanded to Europe, where the companies plan to deploy 2,000 robotaxis, starting with Croatia's capital, Zagreb.

Third-quarter woes for Mercedes in China

German luxury carmaker Mercedes-Benz saw sales in its core business continue to fall in the third quarter, declining 8 percent year-on-year due to challenging market conditions in China. Car deliveries fell to 407,200 units in the July-September period, the company said in a statement. In China, the drop was 31 percent to 86,800 units, compared with the same period of 2025. Quarterly sales in the top-end segment dropped 21 percent to 53,900 units, affected by the weaker market environment in China and model changeovers. However, its car sales rose by 6 percent in the US and 5 percent in Europe. Group sales of battery electric vehicles, which include cars and vans, rose by 52 percent to 78,100 units.

New look for Jaguar as it unveils Type 01

Jaguar Land Rover unveiled its new Jaguar Type 01 electric car — with an ultra-long bonnet, no rear window and a wealth of technology — in New York as it targets the potential for growth in the US market. The UK-based luxury carmaker said the Type 01, a four-door grand tourer with a starting price of $130,500, marks the "beginning of a new generation of Jaguar vehicles and a transformative new era". The Type 01's design follows the 2024 unveiling of the Jaguar Type 00 concept car in bright pink as part of the automaker's brand relaunch.

Record uptake of electric vehicles in EU

The European Union's uptake of electric vehicles is gaining momentum, with record sales so far this year. It has been driven by a slew of affordable models coming onto the market to bring carmakers in line with EU targets, according to a study. EV sales across the EU totaled 1.64 million units in the January-to-August period, up 45 percent year-on-year, Brussels-based Transport & Environment found in its EV progress report. EVs made up 22 percent of the market during this period, six percentage points higher than the same period of 2025, according to the report. T&E called 2026 "a pivotal year for EV availability", with model choice up 50 percent in a single year as carmakers expand their lineups to meet EU emissions targets.

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