

Demand Report

Automotive industry demand forecast: Q2 2026

September 2026



ADVANCED
PROPULSION
CENTRE UK

Accelerating
Progress

This demand forecast covers

Markets

Global; Europe; UK

Vehicles

Light-duty vehicles
Heavy-duty vehicles



Materials

Cathode Active Material (CAM); anode material;
battery foils; electrolyte and separator material;
traction electric motor material

Demand forecast purpose

This forecast brings together data from multiple sources to provide an overview of electrified vehicle (xEV) production for light and heavy-duty vehicles with the aim of putting this into context for global, European and UK regions.

This report consists of two sections:

- 1. Demand updates
- 2. Electrified components demand

Our process

The data in this report has been collated by the Advanced Propulsion Centre UK (APC) based on insight gathered from UK original equipment manufacturers (OEMs) as well as forecasts from Mobility Global, Benchmark Mineral Intelligence, BloombergNEF (BNEF), Wood Mackenzie, Global Data and KGP Powertrain Intelligence.

Data

Data sources have been used from July 2026 and Q2 2026 (April – June) forecasts.

Disclaimer

These forecasts provide an estimate of electrified powertrain demand and are by no means an accurate statement of future markets and industry intentions. The data should be used in good faith and the APC UK cannot be held liable for any inaccuracies in the data, views expressed or underlying assumptions.

The APC has been producing quarterly demand reports since 2022 to track and monitor changes and predictions in the demand for automotive batteries and subsequent components.

Our team of expert analysts regularly analyse the market here in the UK, as well as in Europe and worldwide, to understand the market outlook for automotive OEMs and their supply chains, focusing on battery production, supply chain, economic climate, and geopolitical impacts.

Vehicle production forecasts are used to predict the demand for both battery and electrified components in Europe and the UK, including both battery supply chain and electric-motor demands. Additionally, a comparison is provided between demand and anticipated battery material supply in Europe.

The Advanced Propulsion Centre UK (APC) collaborates with UK government, the automotive industry, and academia to facilitate driving research and investment in zero-emission vehicle manufacturing. Established in 2013 and jointly funded by the Department for Business, Innovation, Science and Trade (DBIST) and the automotive industry, the APC accelerates the technologies that support the transition to zero-emission vehicle manufacturing and towards a net-zero automotive supply chain in the UK.



Department for
Business, Innovation,
Science and Trade

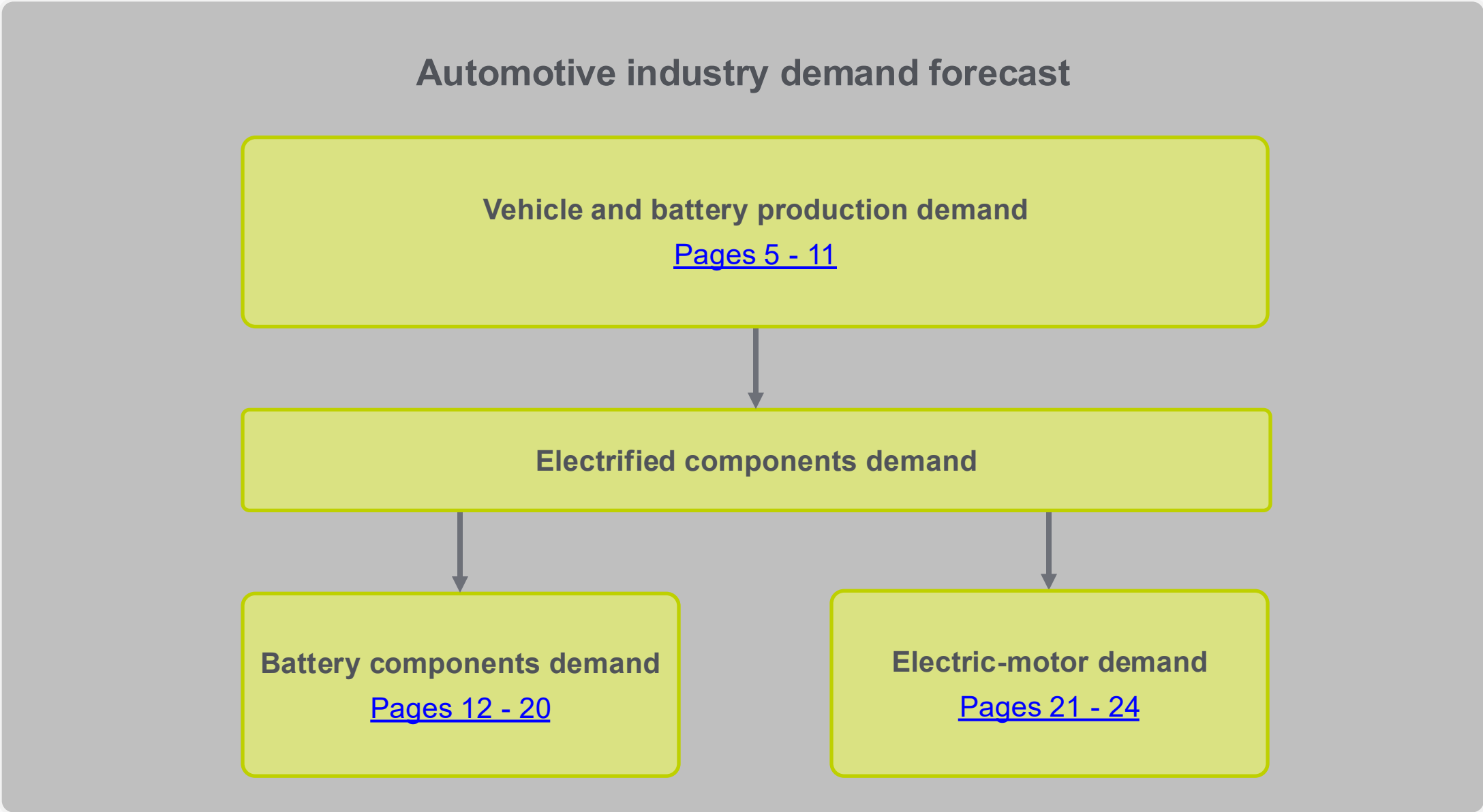
Disclaimer

These forecasts provide an estimate of electrified powertrain demand and are by no means an accurate statement of future markets and industry intentions. The data should be used in good faith and the APC UK cannot be held liable for any inaccuracies in the data, views expressed or underlying assumptions.

Vehicle production forecasts serve as the basis for projecting the demand for batteries and electrified components across Europe and the UK. This includes forecasting requirements for both the battery supply chain and electric motor production.

The diagram on the right outlines the information flow used in developing these forecasts.

Please note that this analysis excludes the potential impact of the proposed Industrial Accelerator Act (IAA) and its subsequent implications for UK-based Original Equipment Manufacturers (OEMs). Furthermore, UK production outlook excludes potential third-party manufacturing MoUs, such as the use of Nissan Sunderland capacity by external OEMs.



Q2 2026 – Production and demand forecast

The following section includes production and battery demand for light and heavy-duty vehicles



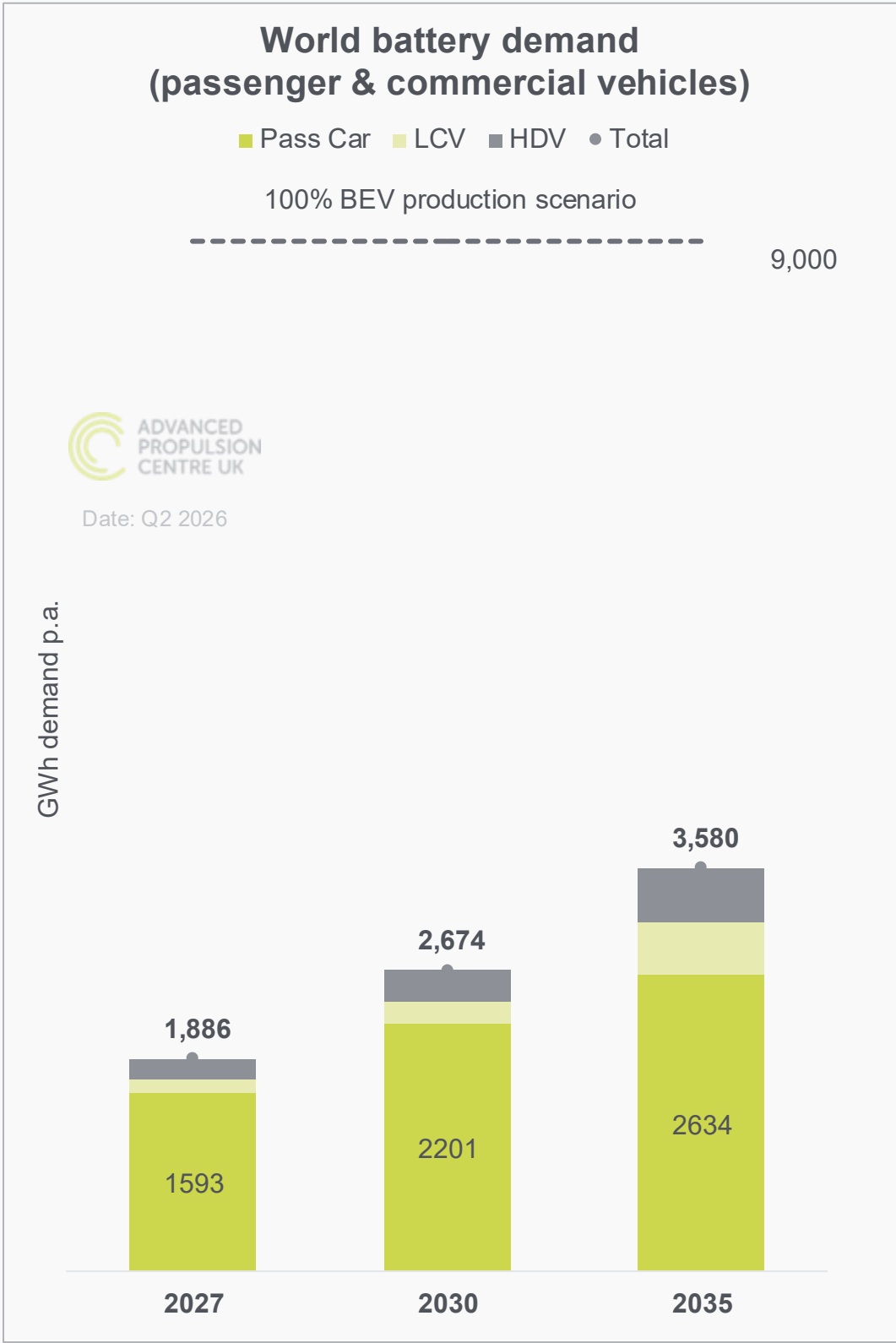
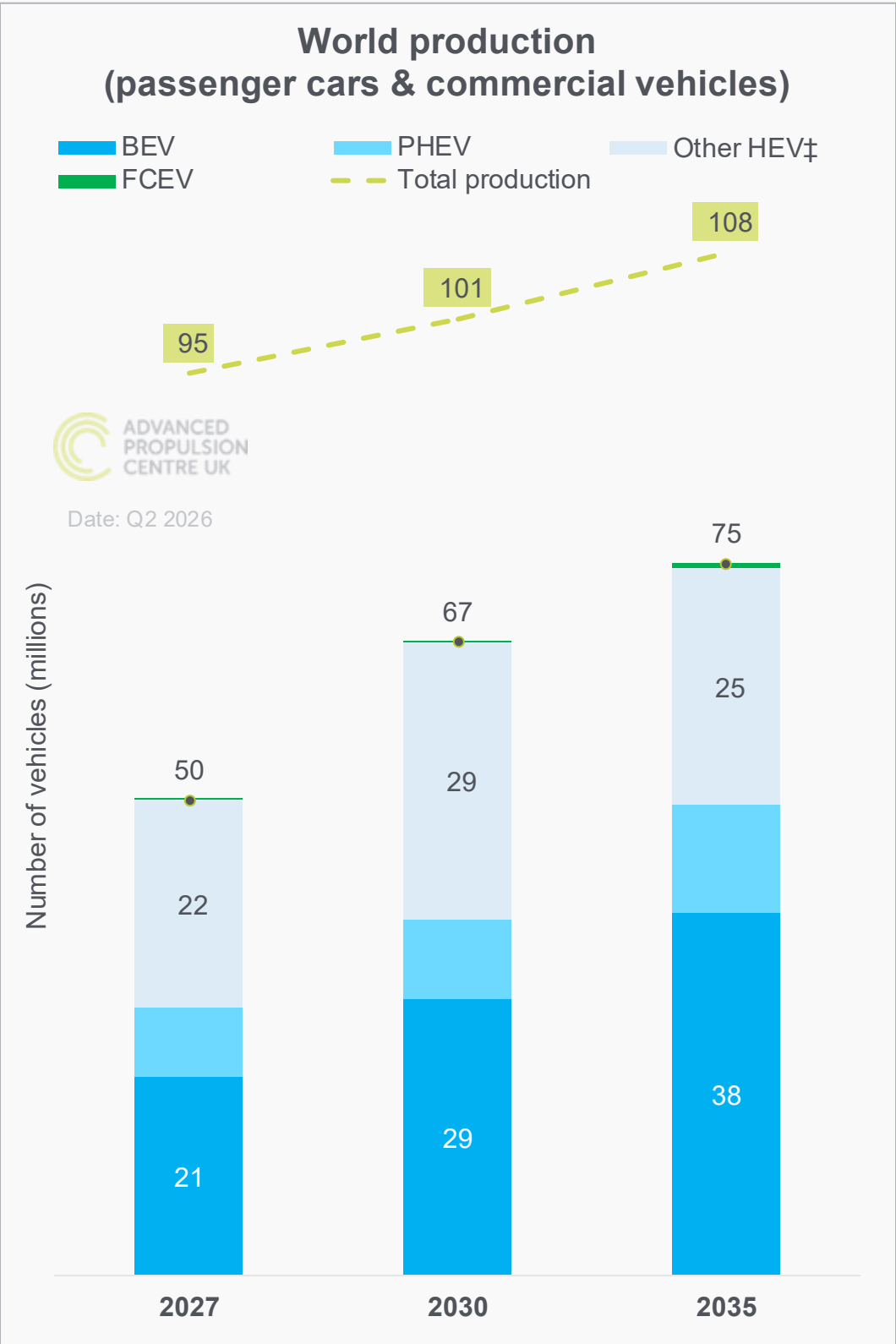
Key facts and outlook: vehicle production

 Global demand update	 European demand update	 UK demand update
- Global car sales fell ~5% YoY in H1 2026, driven by weakness in China and the US, while EV sales proved more resilient. - Electrified vehicles (BEV, PHEV, FCEV, hybrids) rise from 50M to 75M units from 2027 to 2035, lifting penetration from ~50% to ~70% of total production. - Global production remains broadly stable, but electrification is accelerating: Q2 shifts the mix towards BEVs, with global EV sales growing strongly in Q2 despite weaker China/US demand, while higher LCV/HDV volumes support a modest uplift in battery demand. - EV sales rebounded strongly in Q2, rising 35% QoQ and reaching record levels in 50 countries due to fuel price volatility. - China & US car markets weakened, with China’s EV sales expected to stagnate in 2026 despite >60% EV penetration. - Key risks remain affordability, policy uncertainty and geopolitical/logistics disruption, including Middle East supply-chain pressures and trade barriers that could reshape global production footprints. - Emerging regions will continue to expand, especially with help from Chinese exports. Chinese manufacturers now produce EVs at costs around 35% lower than manufacturers in advanced economies.	- European production outlook softened modestly, with Q2 revisions reflecting continued cost competitiveness, geopolitical/energy uncertainty and weaker near-term PHEV/BEV production expectations; total production is ~2% lower through 2035. - EV demand remained resilient despite the weaker production outlook: EU BEV share reached 20.7% in H1 2026 vs 15.6% in H1 2025, supported by incentives and regulatory pressure. - Electrification is therefore not losing momentum, but the mix is shifting: Q2 modelling lowers PHEV volumes while maintaining broadly stable BEV demand, with stronger HDV battery demand partly offsetting lower passenger-car demand. - EU policy is becoming more technology-neutral: the proposed 2035 framework targets 90% tailpipe emissions reduction, allowing PHEVs, hybrids and ICE vehicles to remain beyond 2035 through credits for e-fuels, biofuels and EU low-carbon steel. - Chinese EV competition is intensifying, with Chinese brands gaining share in Europe (around 15% EV sales) despite existing tariffs, increasing pressure on European OEMs to improve EV cost competitiveness.	- UK production remains broadly stable vs Q1, with a modest near-term downgrade: 2027 production is slightly lower, mainly driven by a ~15% reduction in BEV volumes, while 2035 BEV output is marginally higher (+0.4%). - Long-term production and battery demand remain resilient: UK output is still forecast at ~1.0m vehicles in 2035, with battery demand reaching ~75 GWh, although 2027 battery demand has been revised slightly lower. - UK EV sales increased by approximately 100,000 vehicles in H1 2026 compared with H1 2025. - JLR is extending hybrid and petrol vehicle manufacturing globally to target wealthy US buyers. - The 1.3m vehicle ambition remains challenging: achieving the target requires ~300k additional annual vehicles versus the current 2035 forecast, highlighting the scale of investment and new model allocations needed. - The proposed Industrial Accelerator Act (IAA) introduces EU-origin requirements for vehicles receiving public procurement/support, potentially disadvantaging UK-built vehicles; securing recognition of the UK as a trusted/reciprocal partner is therefore critical to protecting UK–EU supply-chain integration and future investment.

Global production and battery demand

Passenger cars and commercial vehicles

- Q2 2026 maintains a stable long-term production outlook while accelerating the powertrain transition: Q1's near-term hybrid growth recalibrates slightly to favor faster BEV adoption (+3% in 2030), though hybrids pick back up over the longer term (+2.5% in 2035) as a key bridge technology.
- Battery demand has been slightly increased, driven primarily by stronger LCV/HDV demand

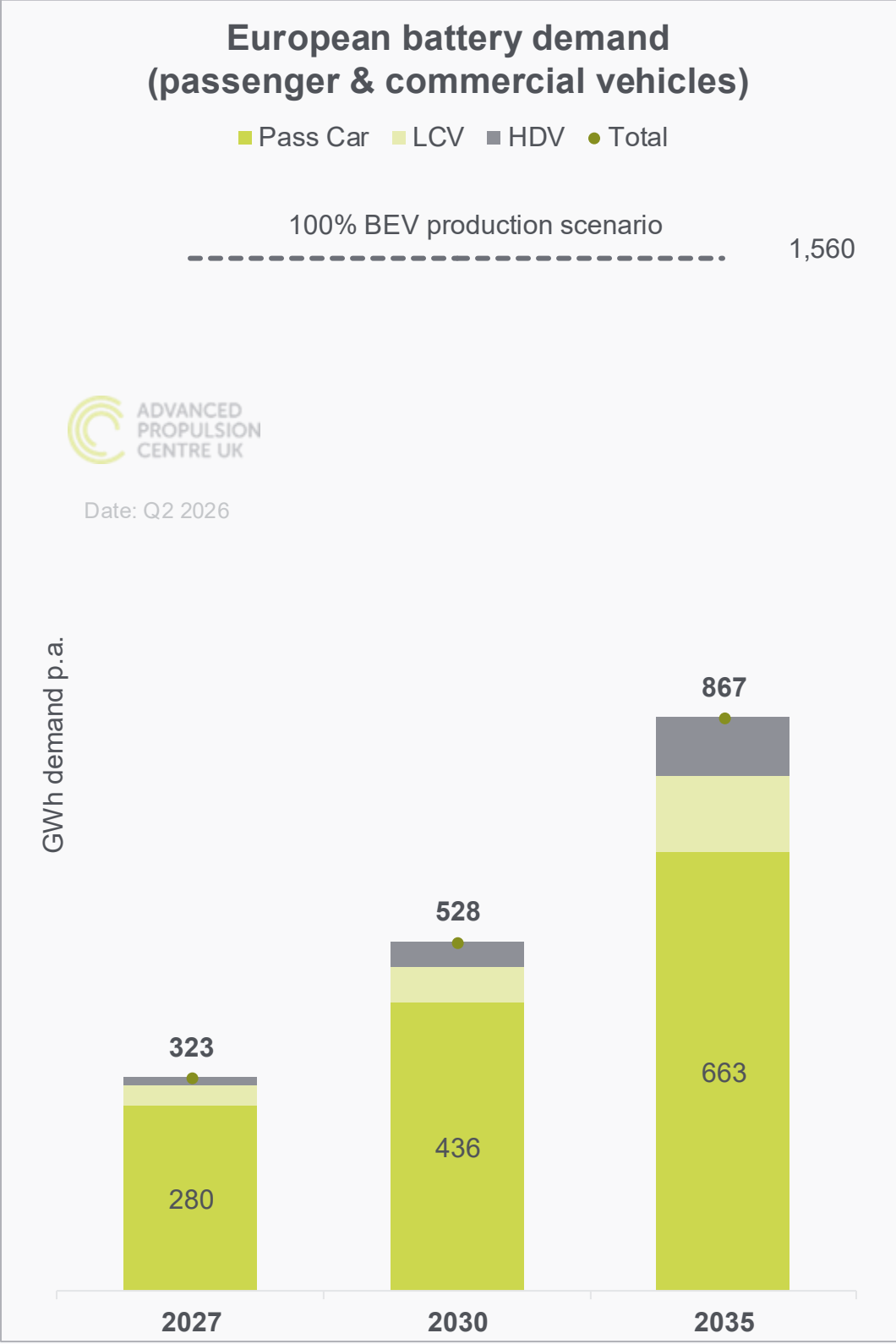
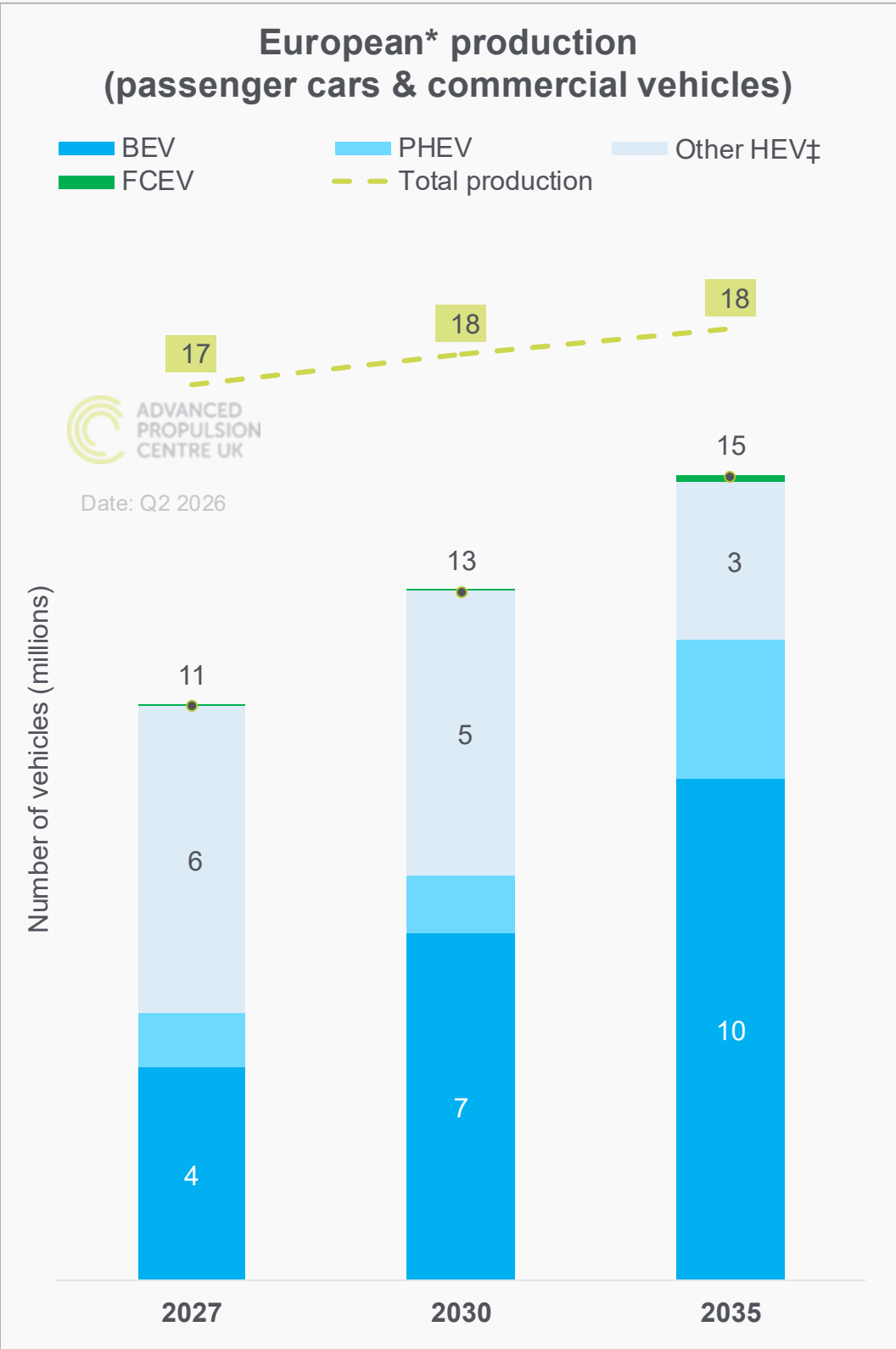


Source: APC Demand Databases using Mobility Global (July 2026), BNEF forecasts (2026), Wood Mackenzie forecasts (Q2 2026), Global Data and KGP Powertrain Intelligence (Q2 2026) and Benchmark forecasts (Q2 2026)
Total production includes ICE vehicles.
‡ Other HEV includes MHEV and H₂ ICE

European production and battery demand

Passenger cars and commercial vehicles

- Q2 2026 slightly lowers the European production outlook vs Q1, with total production down ~2% across 2027–2035 and xEV production down ~3%; the main change is reduced BEV (-1–2%), PHEV (-10–14%) and HEV (-3–4%) volumes, partly offset by higher FCEV production in 2027/2035, indicating a more conservative near-term electrification outlook.
- Q2 2026 shows a broadly stable European battery demand outlook vs Q1, with total demand slightly lower in 2027 (-2%) and 2035 (+1% higher). The main shift is reduced passenger car demand (-2% by 2035) offset by stronger HDV demand (+41% by 2035).

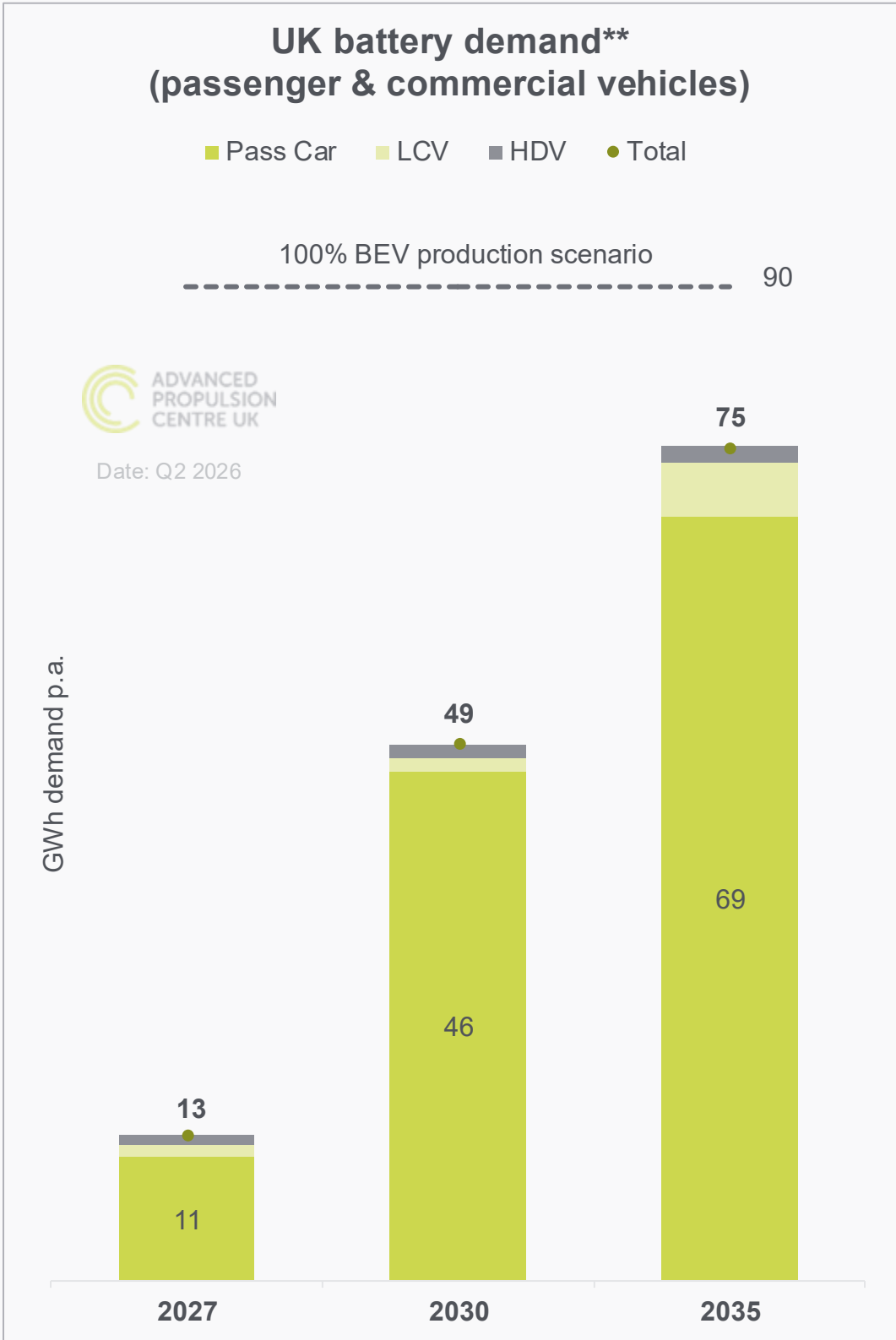
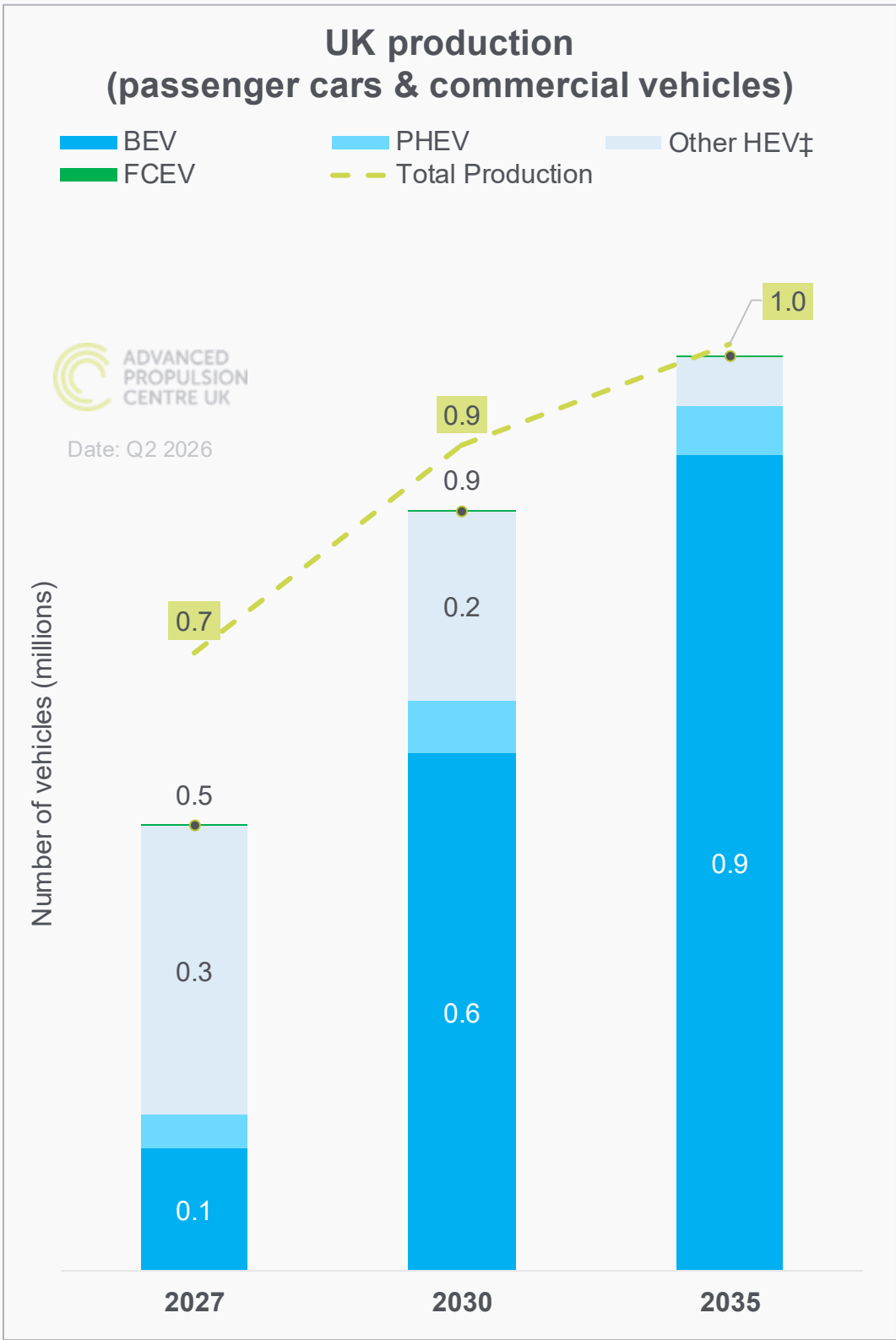


Source: APC Demand Databases using Mobility Global (July 2026), BNEF forecasts (2026), Wood Mackenzie forecasts (Q2 2026), Global Data and KGP Powertrain Intelligence (Q2 2026) and Benchmark forecasts (Q2 2026)
*European forecast includes non-EU countries such as Turkey
Total production includes ICE vehicles. ‡ Other HEV includes MHEV and H₂ ICE

UK production and battery demand

Passenger cars and commercial vehicles

- Q2 2026 maintains a broadly stable UK production outlook vs Q1, with total production slightly lower across 2027–2035 (~1–6% decline) and xEV volumes broadly unchanged; the main revision is a near-term reduction in BEV production (-15% in 2027) and FCEV volumes, offset by a small increase in 2035 BEVs (+0.4%).
- This production outlook assumes the current trajectory of the ZEV mandate i.e. 100% of all new car and van sales must be zero-emission by 2035.
- Long term battery demand remains unchanged. 2027 demand drops slightly due to lower BEV production.



Source: APC Demand Databases using Mobility Global (July 2026), BNEF forecasts (2026), Wood Mackenzie forecasts (Q2 2026), Global Data and KGP Powertrain Intelligence (Q2 2026) and Benchmark forecasts (Q2 2026)
Total production includes ICE vehicles. † Other HEV includes MHEV and H₂ ICE
** Excludes forecast UK battery exports (this represents UK vehicle manufacturing demand only)

What does it mean for the UK if 1.3 million are produced annually by 2035?

- To achieve the UK ambition of recovering output to 1.3 million vehicles by 2035, this would require nearly doubling the production levels achieved in 2025, a pivotal year for the industry's recovery.
- 1.3 million vehicles remains below pre-Brexit and pandemic production levels, with current forecasts indicating that production from the current OEM base may reach circa 1 million vehicles by 2035.
- If the UK does achieve the 1.3 million mark, the UK automotive industry could look like the following:

Vehicle production



UK assembly facilities may operate close to maximum capacity



Existing assembly facilities could require new investment



The entry of a one or more new manufacturers could play a key role in helping the UK meet its 1.3 million vehicle production target

~20%

Key supply chain components could see an ~20% increase compared to current 2035 APC forecasted demand

Battery components



95 GWh battery demand



140 kt CAM



90 kt AAM



60 kt Lithium (LCE)

Electric motors



1.8 million e-motors



330 GW e-motor



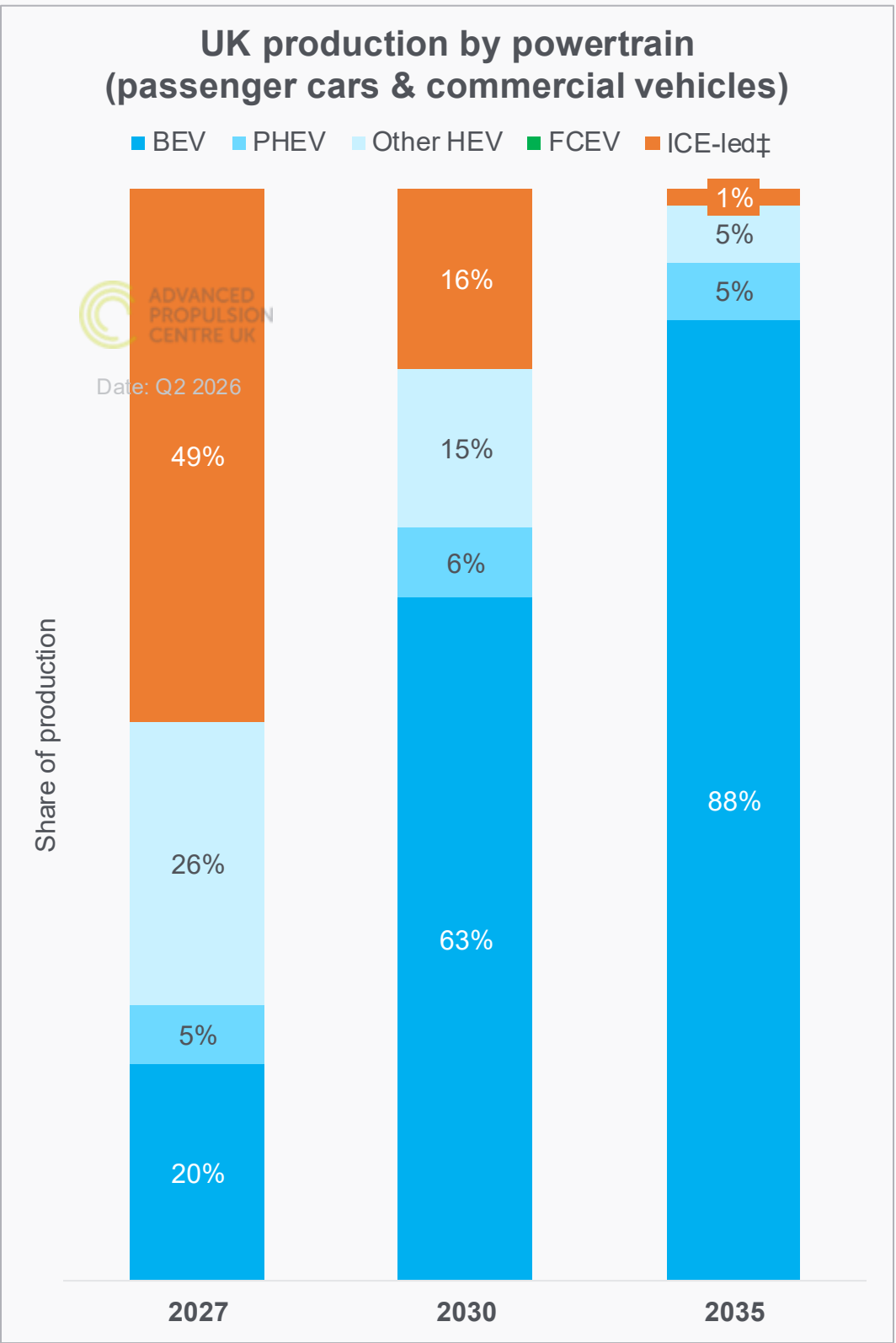
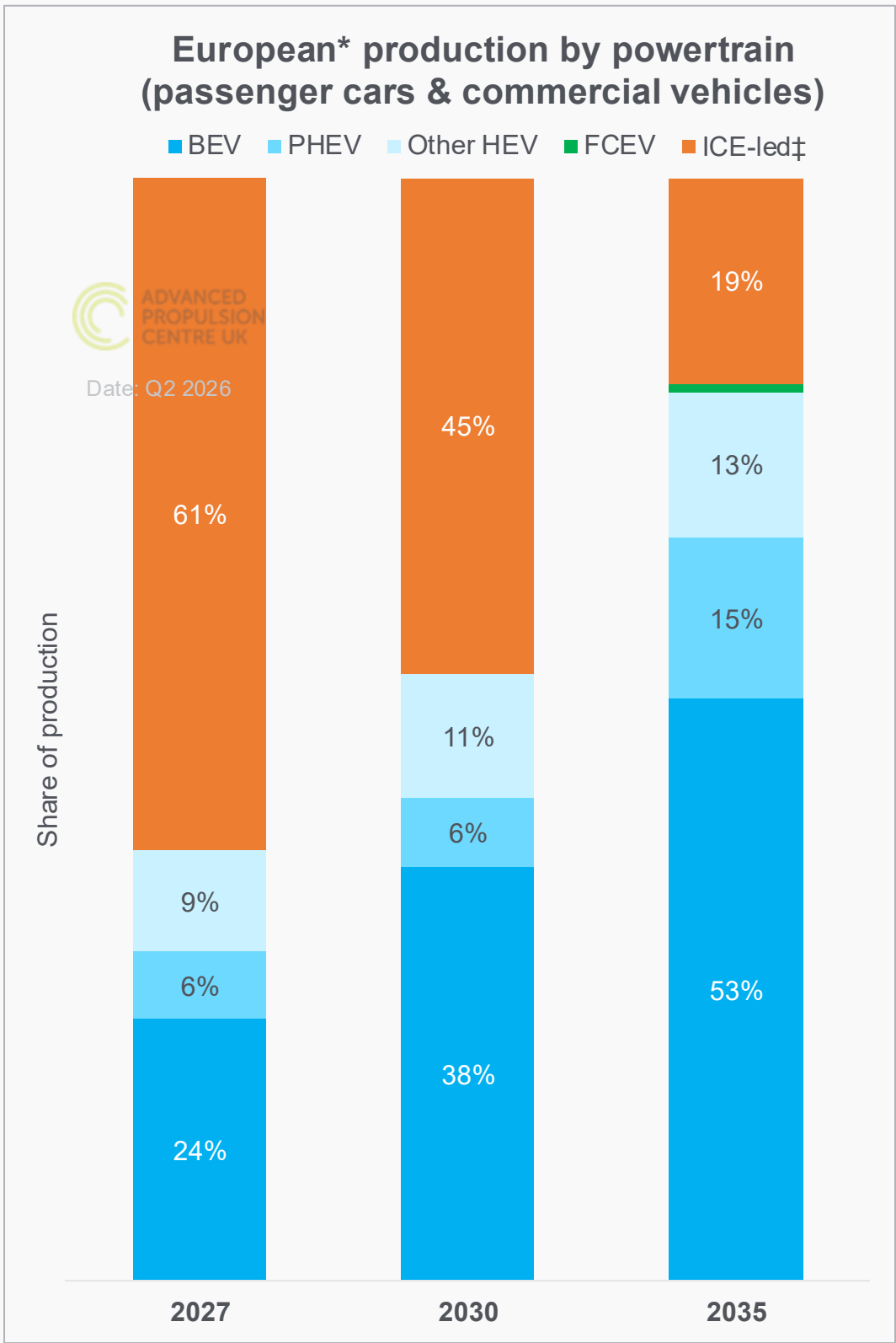
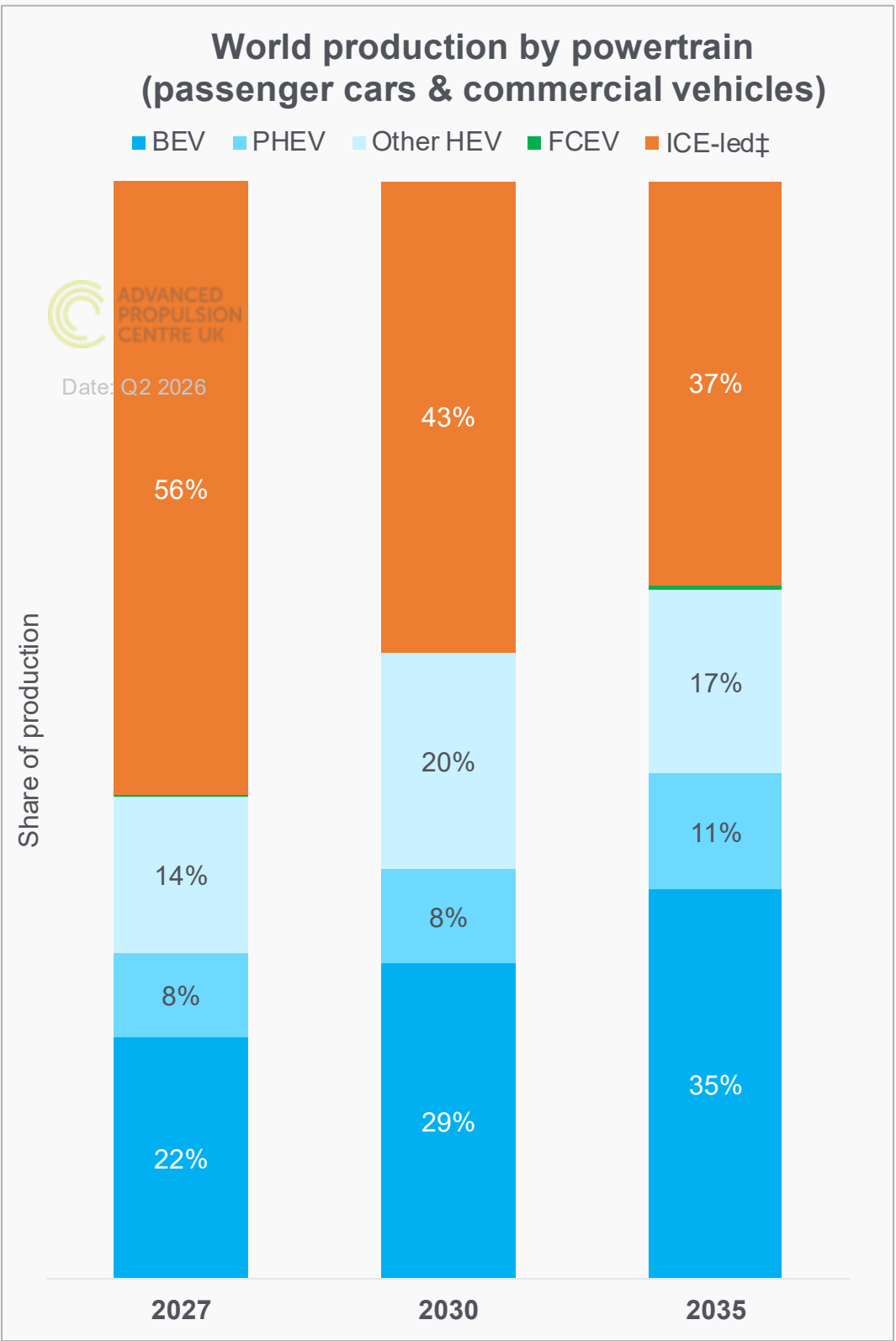
Over 3 kt magnets

This assessment is based solely on domestic UK vehicle production demand and excludes any consideration of export potential, which could present a significantly greater opportunity

Forecasts by powertrain

Passenger cars and commercial vehicles

- Global: Powertrain mix remains largely unchanged QoQ.
- Europe: Continued strong BEV transition, with BEVs increasing to 53% by 2035. ICE-led share falls to 19%, while PHEV/HEV shares remain broadly stable.
- UK: Fastest electrification trajectory, with BEVs reaching 88% by 2035 and ICE-led vehicles almost eliminated (1%); Q2 shows a slight near-term shift from BEV to HEV in 2027, but long-term mix remains unchanged.



Source: APC Demand Databases using Mobility Global (July 2026), BNEF forecasts (2026), Wood Mackenzie forecasts (Q2 2026), Global Data and KGP Powertrain Intelligence (Q2 2026) and Benchmark forecasts (Q2 2026)
*European forecast includes non-EU countries such as Turkey
‡Includes MHEVs, ICE and Hydrogen-ICE

Q2 2026 – Electrified components demand

Battery components

The following section provides insights into battery material supply chain activity, cathode chemistry split, battery material demand and supply for LDVs (passenger cars and light commercial vehicles)



Key facts and outlook: battery components

European demand update	UK demand update
- Europe shifts from near-balance to a structural cell deficit by 2035; gigafactory pipelines improve the 2030 outlook, but long-term ramp risk remains material. - LFP gains mid-term share but nickel-based cathodes reassert by 2035, driven by energy density requirements; nickel-rich chemistries remain the European default given OEM performance demands. - European battery makers are increasingly pivoting towards BESS, attracted by faster-growing demand, less stringent automotive qualification requirements and potentially more attractive economics; this could divert European cell capacity away from automotive applications, increasing OEM reliance on imports and reinforcing the need for competitive domestic production. - Chinese cell maker JVs are accelerating European battery localisation, bringing competitive Chinese technology and cost advantages into European plants; while supporting near-term cell supply, this risks deepening European reliance on Chinese battery technology and upstream supply chains. - The EU launched a €1.5bn Battery Booster Facility in June to support European cell manufacturing, alongside proposed “Made in EU” requirements aimed at reducing strategic dependencies. - Proposed EU rules would require 70% of EV components receiving state support to be EU-manufactured, with batteries subject to EU-origin content requirements despite upstream reliance on Chinese materials.	- UK battery strategy pivoting from cell ambition toward materials, next-generation chemistries, and recycling infrastructure. - UK battery localisation ambitions face near-term headwinds as AESC pauses Sunderland gigafactory expansion plans. - Critical mineral production remains limited; nickel (South Wales) and lithium (Cornwall and North East projects) are the only meaningful exceptions. The UK will remain heavily reliant on imports. - Updated Critical Minerals Strategy targets 10% domestic sourcing, 20% via recycling, and no more than 60% from any single country; lithium ambition set at 50,000 tonnes LCE domestically by 2035, which advancing planned projects could meet or exceed. - Recycling capacity expanding at mechanical pre-treatment stage, but hydrometallurgical refining remains limited, creating a potential mid-term bottleneck in battery-grade material recovery. - Increased activity in advanced anode and alternative chemistries, including silicon-dominant and niobium-based technologies, targeting high-power and fast-charging applications.

European battery material supply chain activity

- Overall: European supply-chain outlook is largely unchanged, with persistent deficits in cells, cathode and anode materials, alongside electrolyte surplus.
- Cells: Slightly improved in 2027 (-3% vs -6%), broadly unchanged thereafter.
- Cathode/anode: Material deficits remain severe, with only marginal changes vs Q1.
- Electrolyte: Surplus remains strong in 2027/30 (75%/55%), broadly balanced by 2035.
- Separator: Small 2027 surplus (+4%) but growing deficit by 2035 (-39%), broadly unchanged vs Q1.

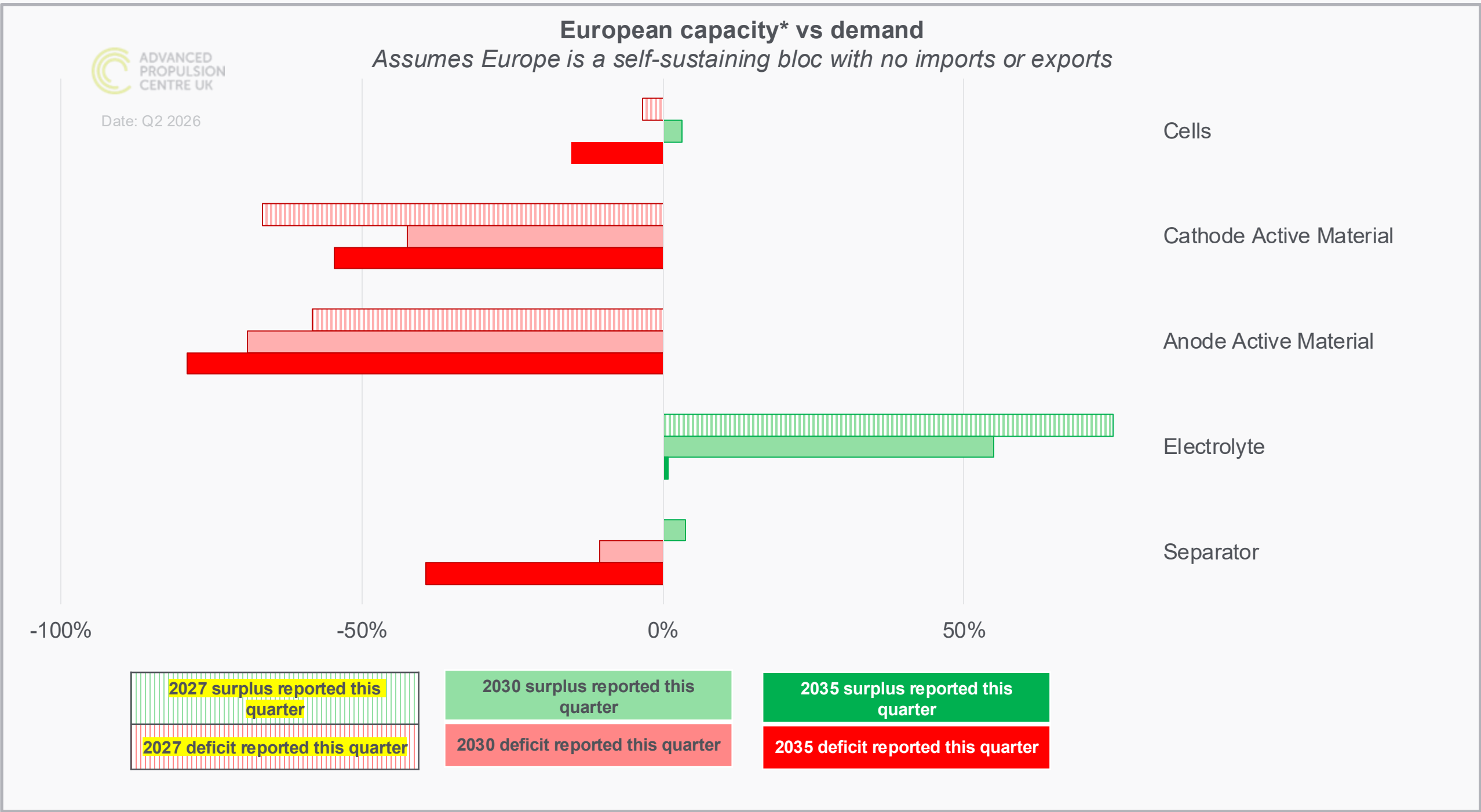


Figure 1: European capacity vs demand assuming Europe is a self-sustaining bloc with no imports or exports

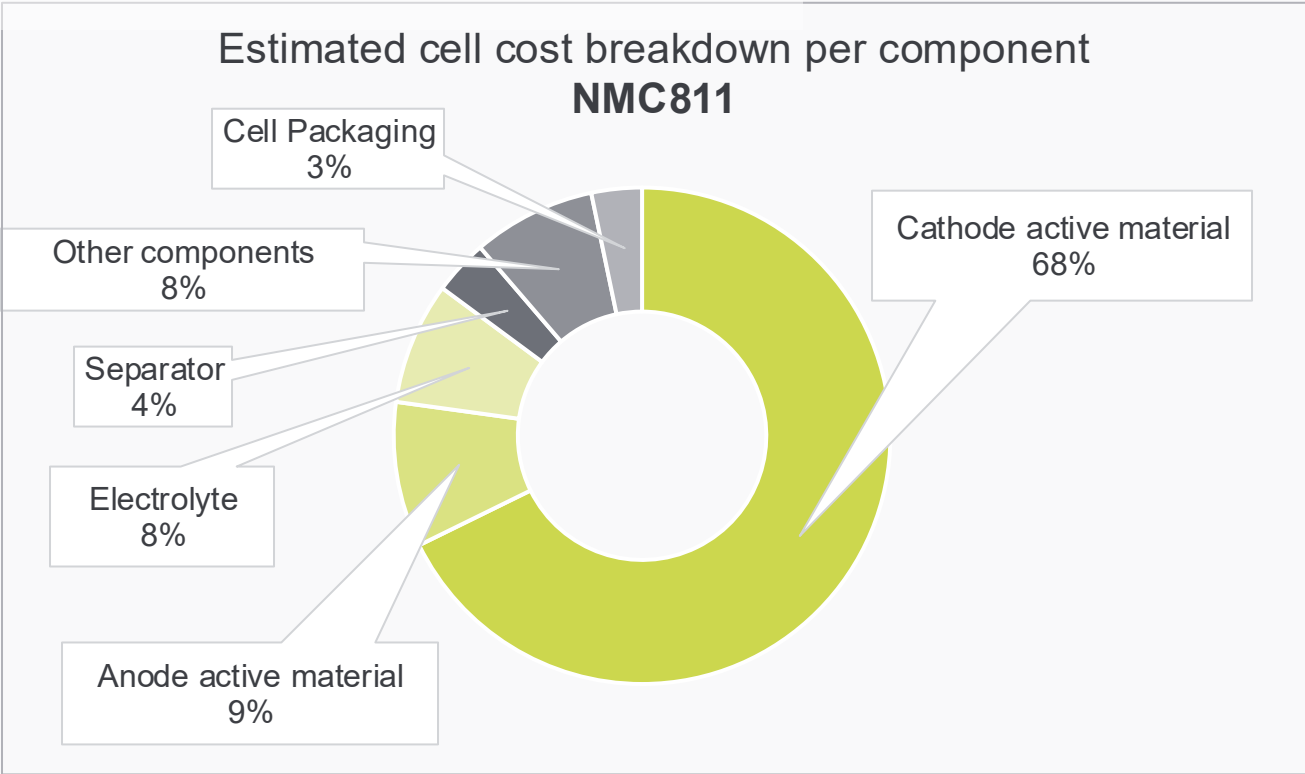


Figure 2: Estimated NMC811 cell cost breakdown per component

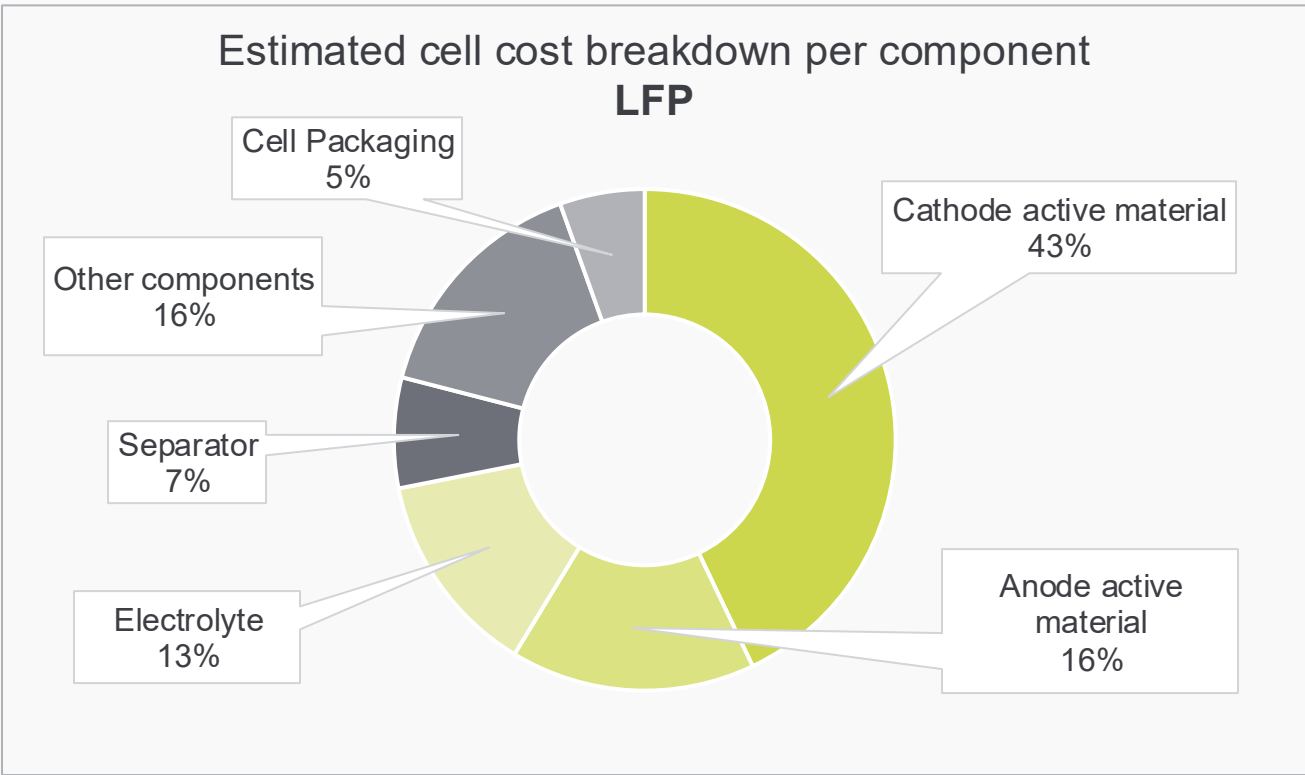
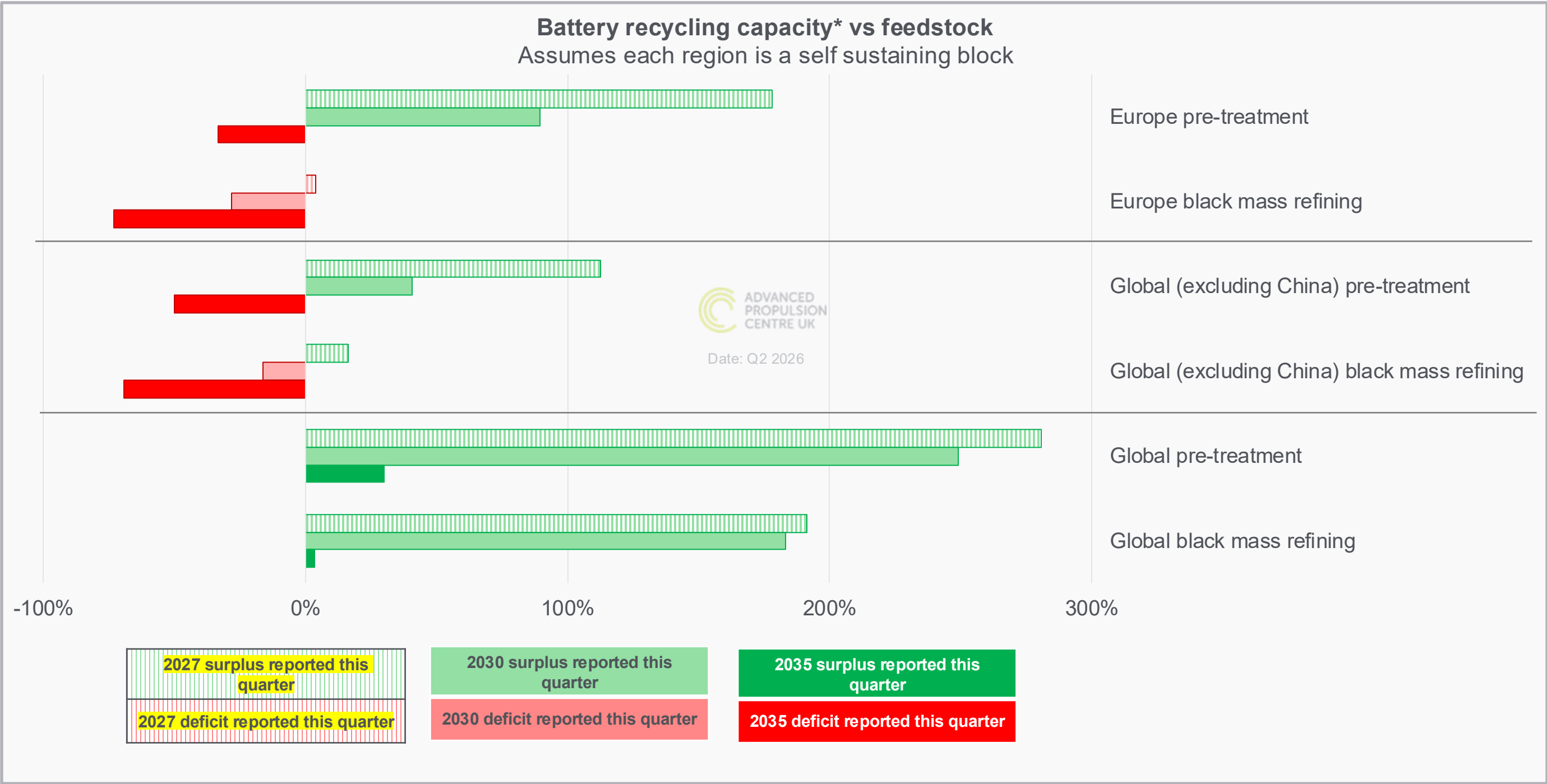


Figure 3: Estimated LFP cell cost breakdown per component

Source: APC Demand Databases using Mobility Global (July 2026), BNEF forecasts (2026), Wood Mackenzie forecasts (Q2 2026), Global Data and KGP Powertrain Intelligence (Q2 2026) and Benchmark forecasts (Q2 2026)
*Europe region includes non-EU countries such as Turkey
*Risk-weighted nameplate capacity based on APC internal assessment of announced and under construction projects

Battery recycling capacity vs feedstock

- Overall: Recycling outlook is broadly unchanged QoQ, with capacity surplus in the near term shifting to feedstock deficits by 2035 across Europe and globally ex-China.
- Europe: Pre-treatment surplus improves in 2030 (90% vs 78%), while black-mass refining deficits remain severe (-28% by 2030; -73% by 2035).
- Global ex-China: Pre-treatment broadly stable, while black-mass refining shows a slightly reduced 2027 surplus (16% vs 24%) and persistent deficits thereafter.
- Global incl. China: Capacity remains well above feedstock through 2030, with black-mass refining reaching broadly balanced by 2035 (+4% vs 0% in Q1).



The chart shows two key stages of the recycling process:

1. Pre-treatment

Converts battery production scrap and EOL batteries into intermediate products such as black mass.

2. Black mass refining

Processes black mass into battery-grade materials that can be reused in new battery production.

The chart illustrates the relationship between feedstock availability and recycling capacity across 3 different regions:

1. Europe
2. Global (excluding China)
3. Global

Positive values indicate that the region has more processing capacity than available feedstock (e.g., all end-of-life electric vehicles can be handled locally without exporting material).

Negative values indicate that the region has insufficient processing capacity, meaning some feedstock must be exported to other regions for processing.

Sources of recycling inputs include:

- End-of-life (EOL) electric vehicles
- Gigafactory production scrap
- Stationary energy storage systems

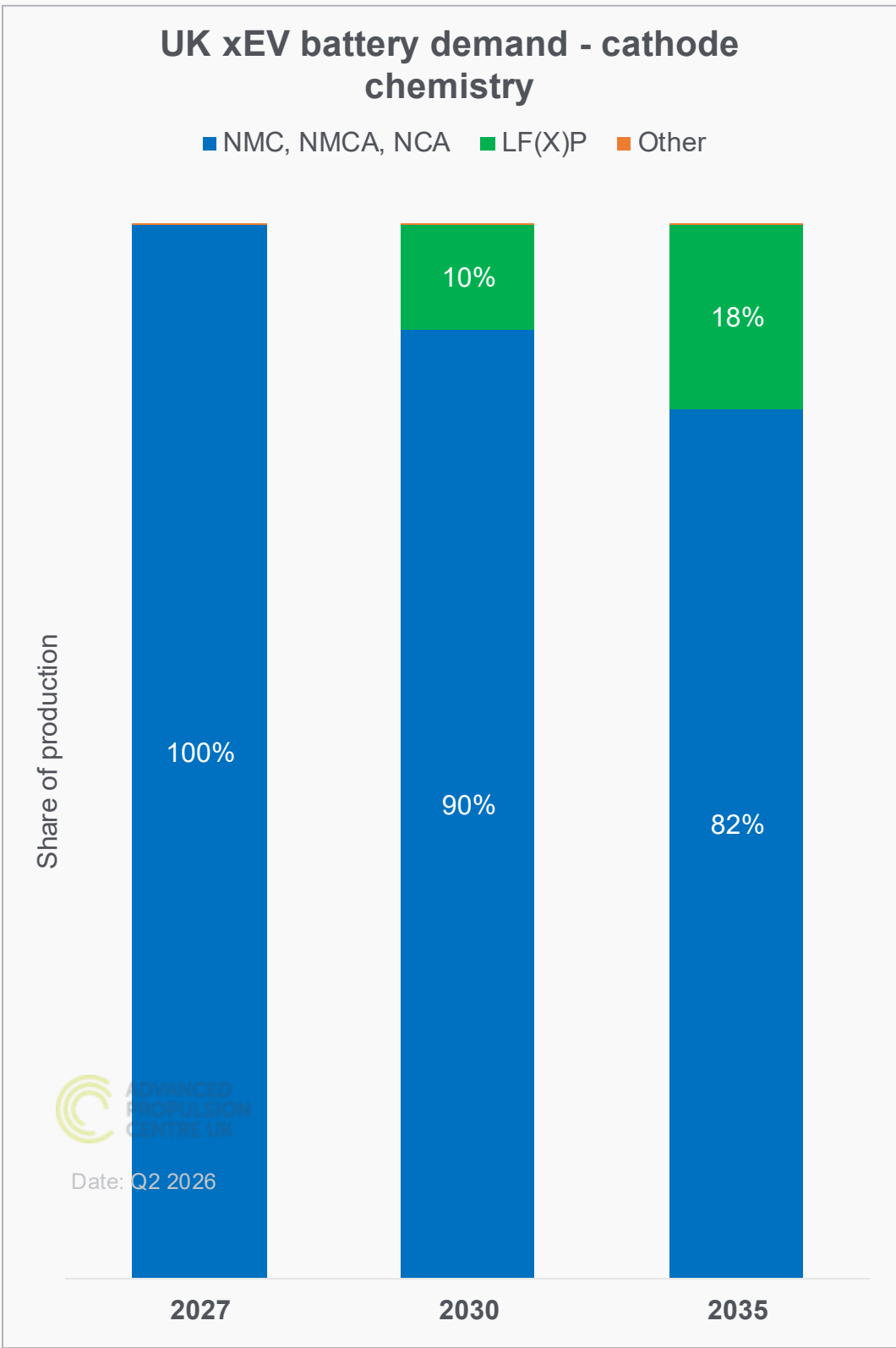
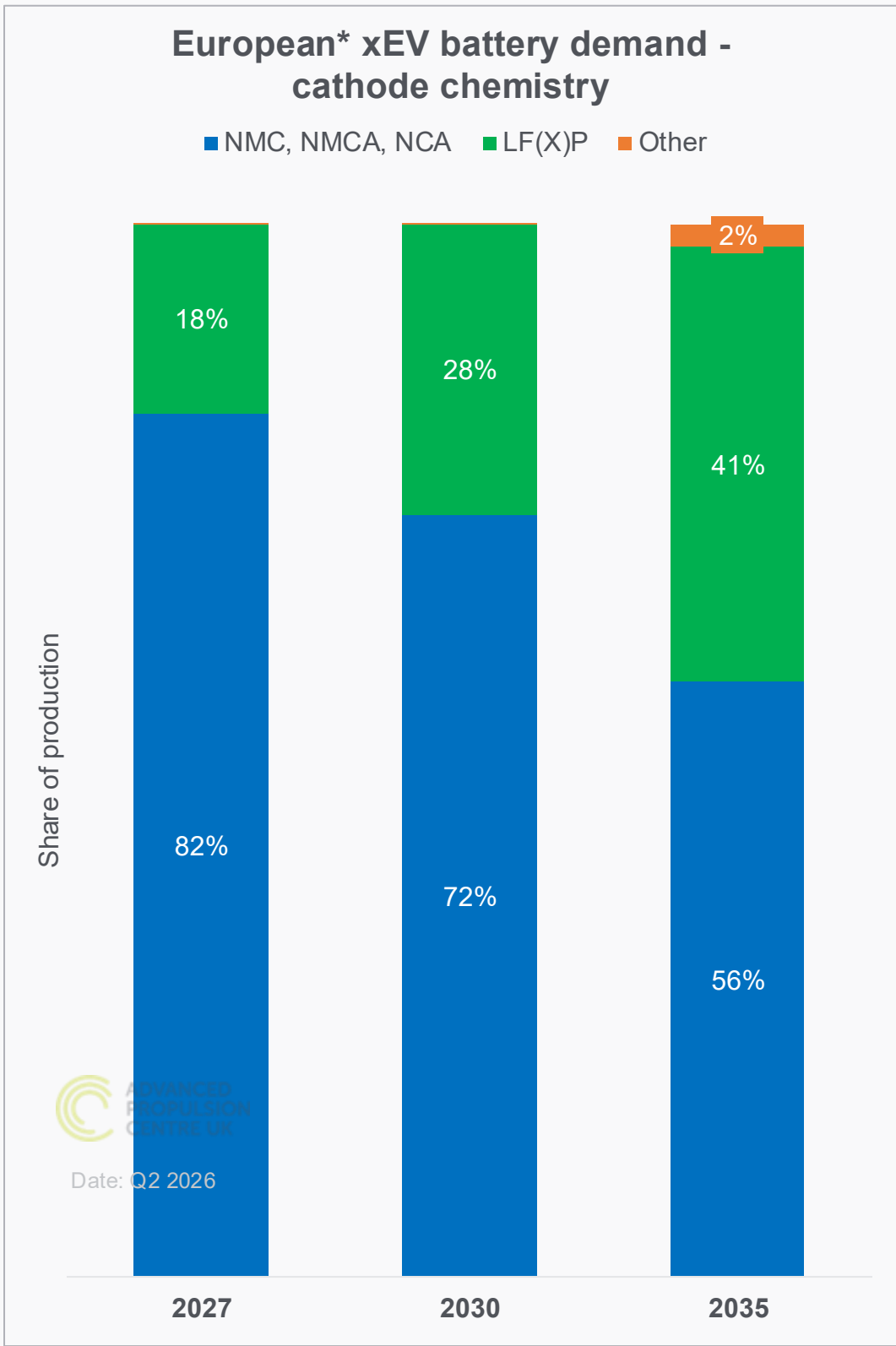
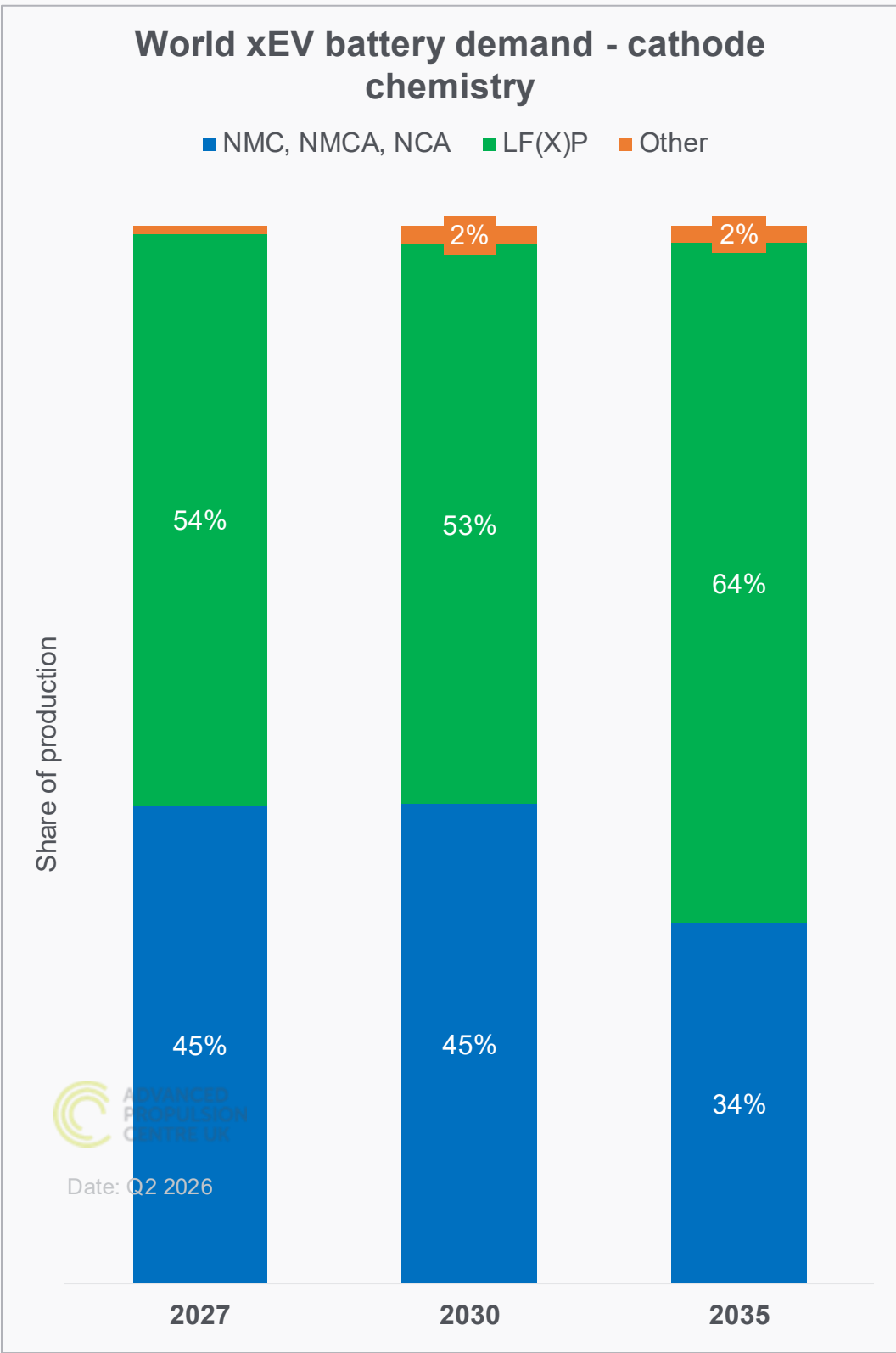
Figure 1: Recycling demand across 3 regions (1. Europe, 2. Global excluding China and 3. Global) assuming each region is a self-sustaining bloc with no imports or exports

Source: Benchmark battery recycling forecast (Q2 2026)
*Risk-weighted capacity based on projects in commissioning, under construction, or in the planning phase

Forecasts for automotive battery demand by cathode chemistry

Passenger cars and light commercial vehicles (< 6 tonnes)

- Recent advances in LF(X)P technology with regards to energy density and charging speeds will ensure the chemistry cements its position as the dominant cathode material type within the global battery market with a near 64% share in the long term.
- LF(X)P takes 10% share by 2030 in the UK on cost grounds, but nickel-based cathodes reassert by 2035 as energy density and premium production mix requirements dominate.

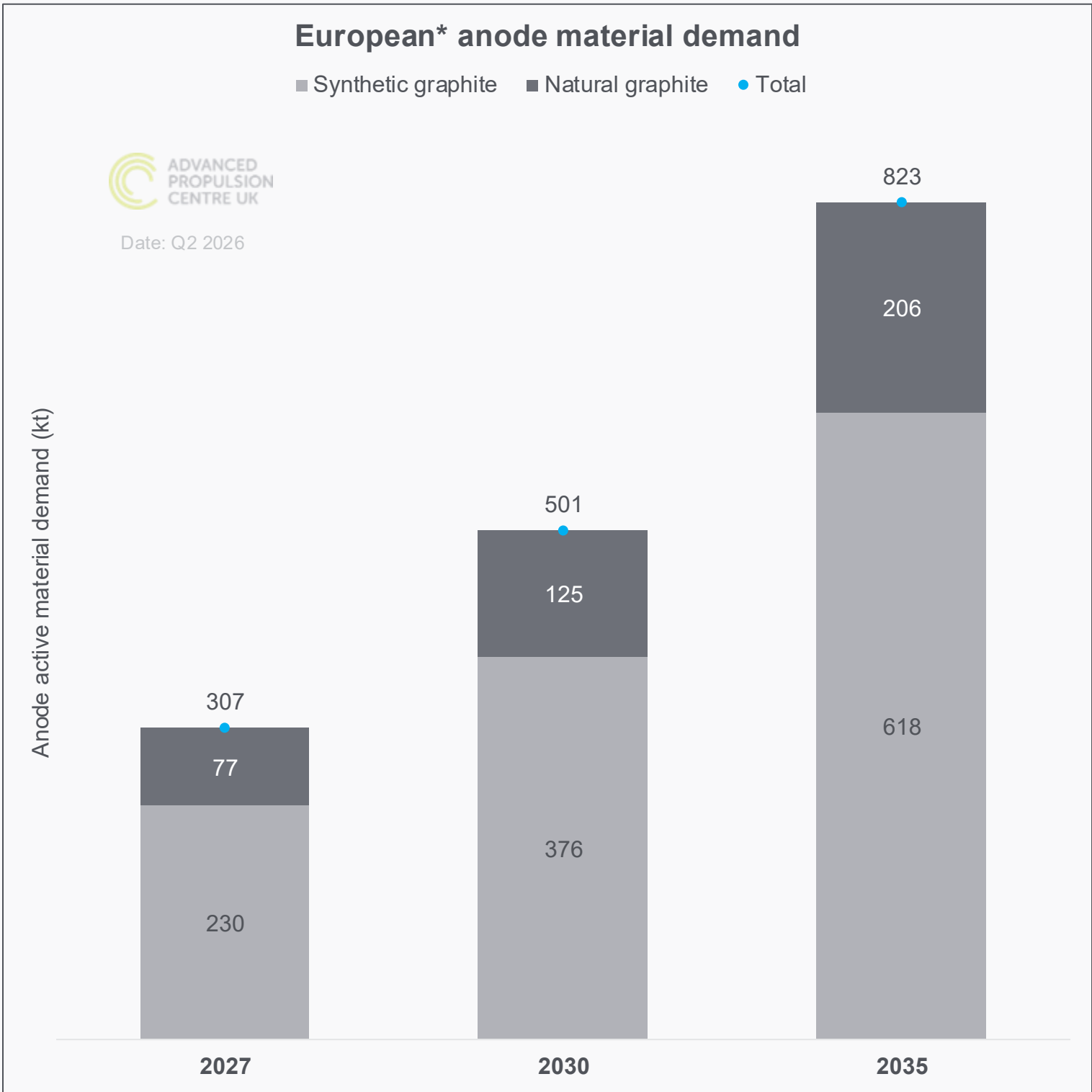
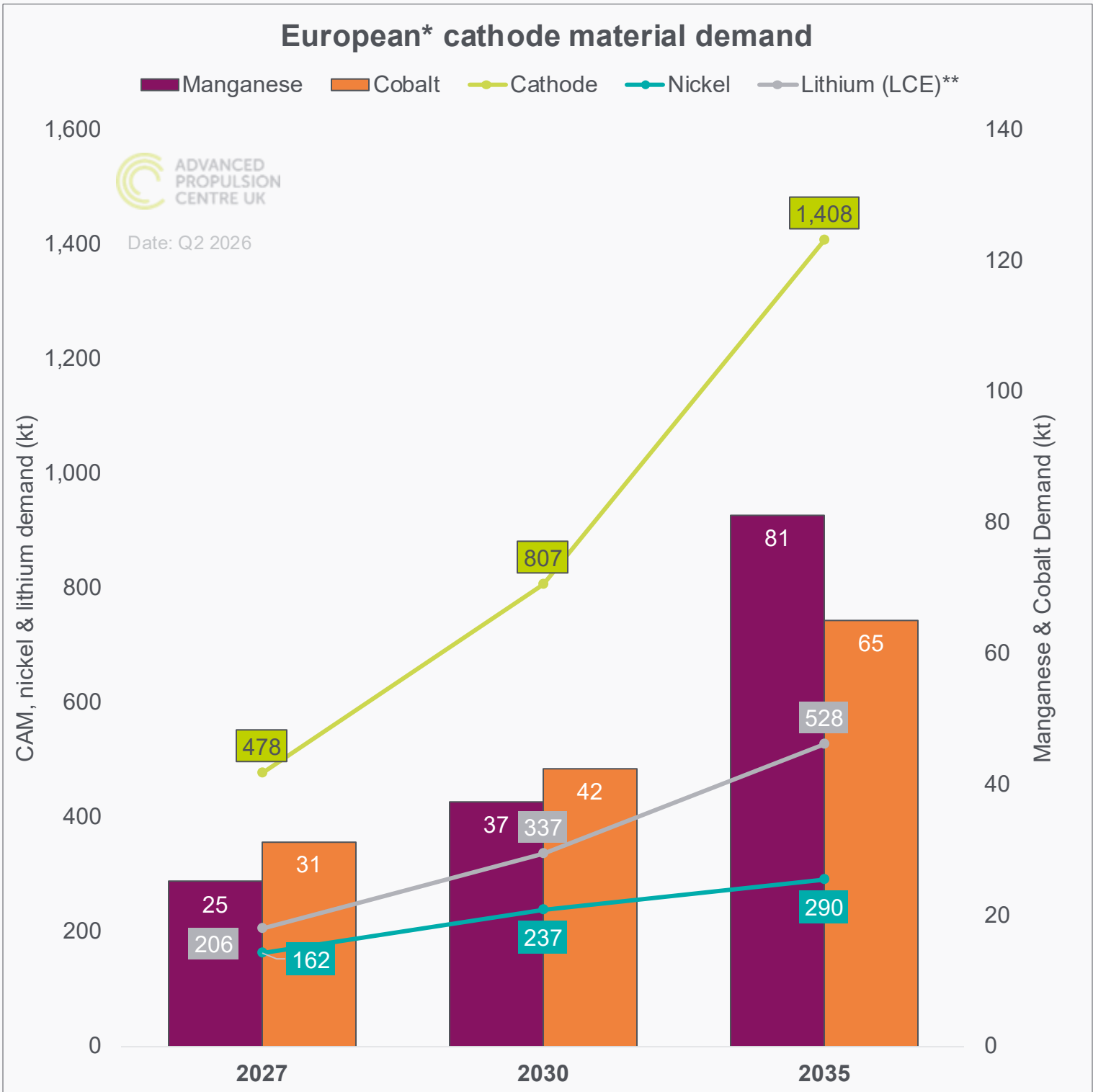


Source: APC Demand Databases using Mobility Global (July 2026), BNEF forecasts (2026), Wood Mackenzie forecasts (Q2 2026), Global Data (Q2 2026) and Benchmark forecasts (Q2 2026)
Note: Passenger cars & light commercial vehicles < 3.5t only, *European forecast includes non-EU countries such as Turkey, ‡Includes non-plug-in HEVs & ICE
NMC includes NMC chemistries with less than 80% Nickel content as well as NMCA

European cathode and anode active material demand

Passenger cars and light commercial vehicles (< 6 tonnes)

- European cathode material demand is broadly stable QoQ
- Lithium prices remain volatile as competing AI/data-centre, renewable energy and EV battery demand reshapes the market, increasing raw-material cost uncertainty and creating potential risks for battery and EV cost competitiveness.
- Synthetic graphite share revised up, reflecting OEM preference for high-performance, fast-charge anodes suited to nickel-rich chemistries, and tighter natural graphite access following China's export controls.
- Graphite demand is broadly stable QoQ, with total demand slightly lower in 2027 (-3%) and 2030 (-0.2%), but higher by 2035 (+1%); Q2's increase is driven by higher synthetic graphite demand, while natural graphite remains broadly unchanged.

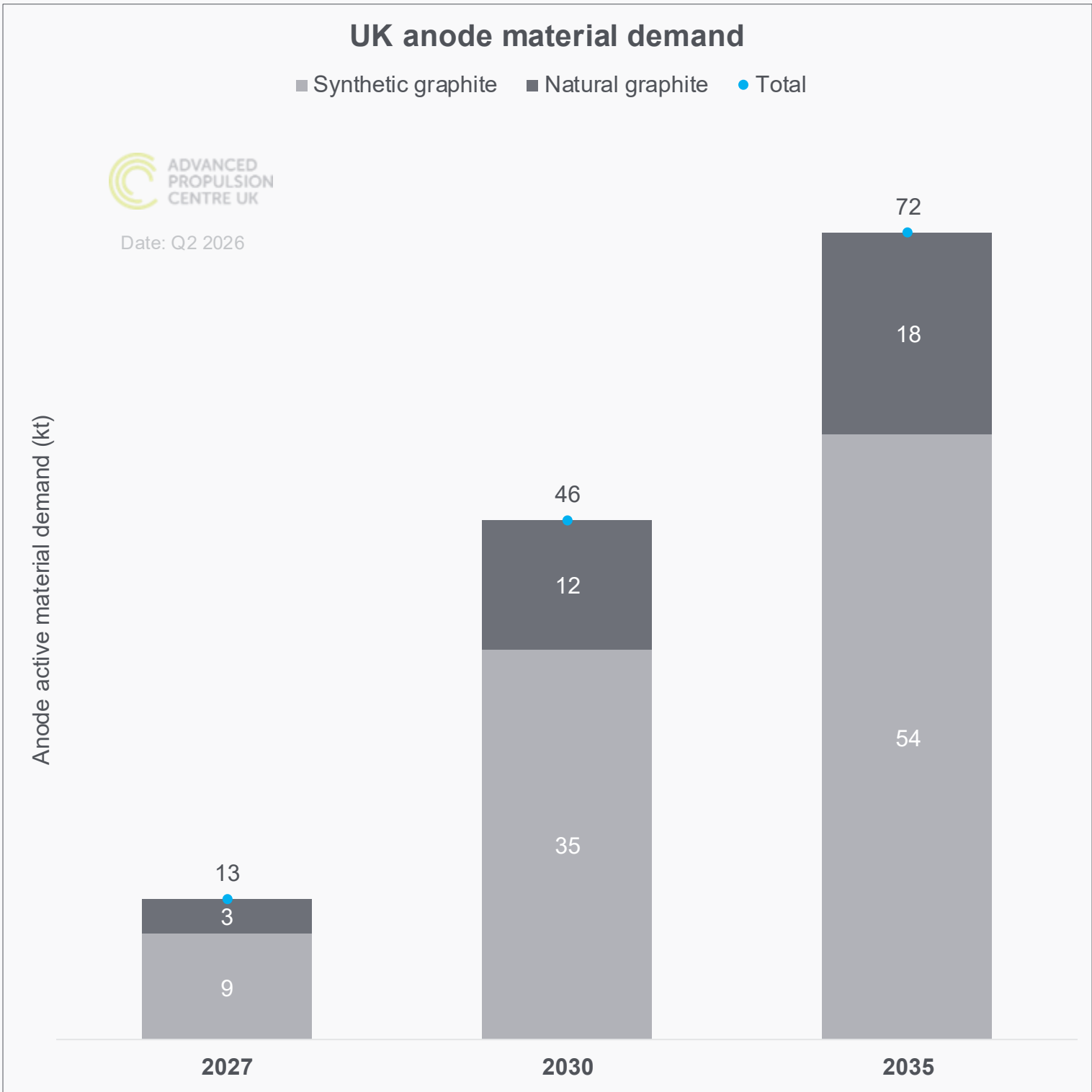
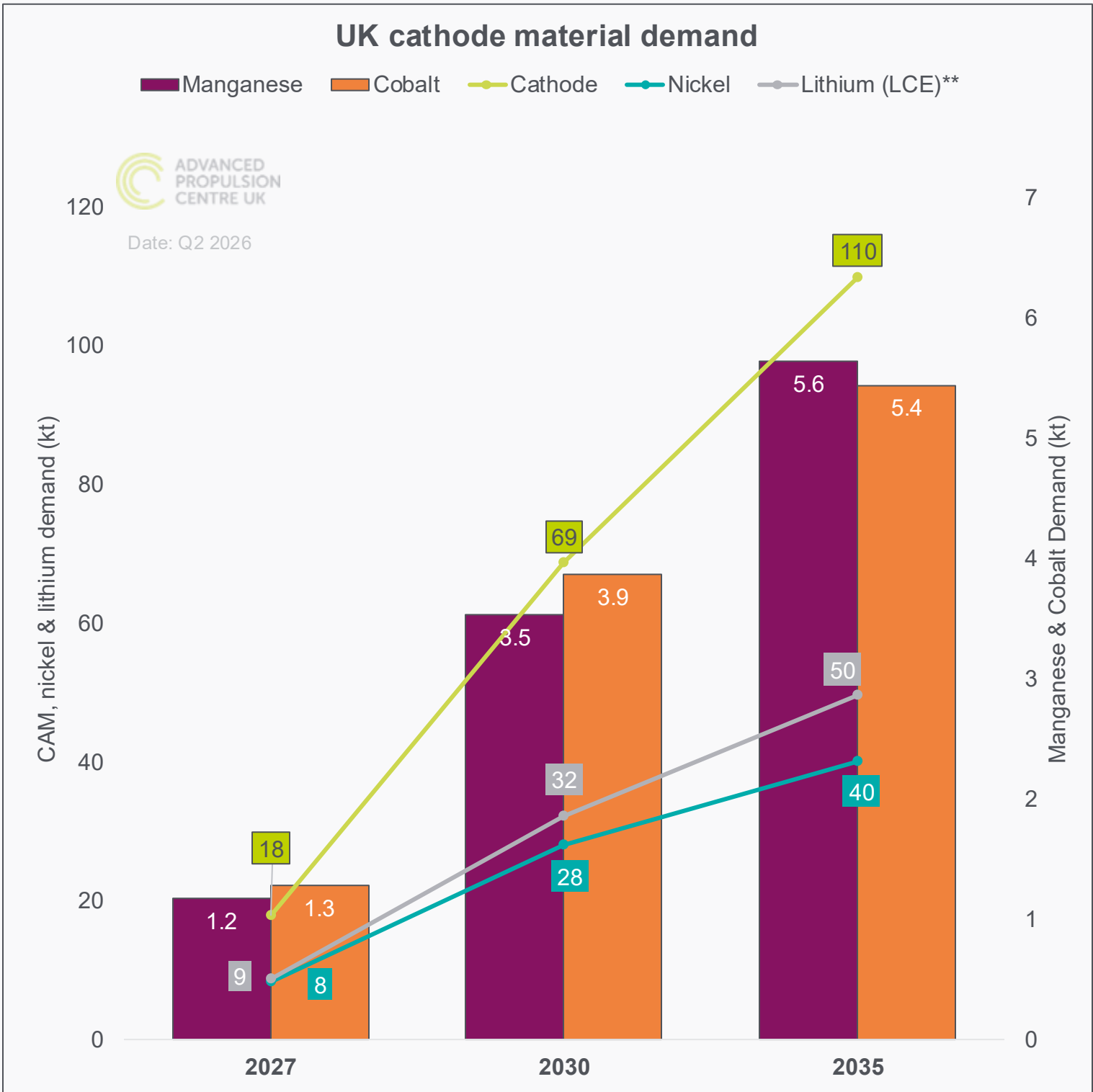


Source: APC Demand Databases using Mobility Global (July 2026), BNEF forecasts (2026), Wood Mackenzie forecasts (Q2 2026), and Benchmark forecasts (Q2 2026)
Note: Passenger cars & light commercial vehicles < 3.5t only, *European forecast includes non-EU countries such as Turkey, **Contained Li metal would be 5.3x lower
Anode material demand assumption: Synthetic to natural graphite demand ratio 3:1

UK cathode and anode active material demand

Passenger cars and light commercial vehicles (< 6 tonnes)

- Cathode and anode material demand remains broadly unchanged vs previous quarter in line with long term UK battery demand.

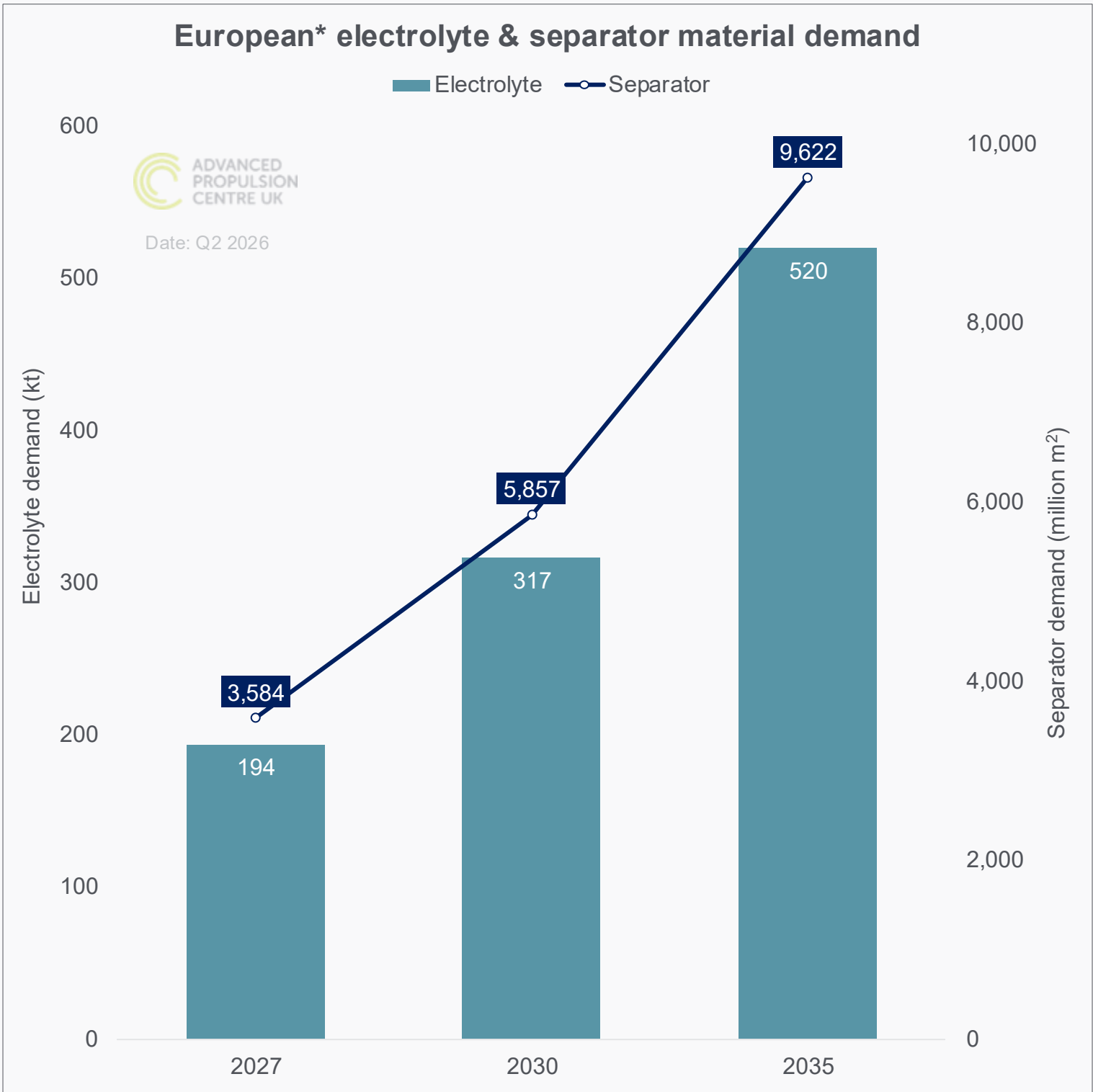
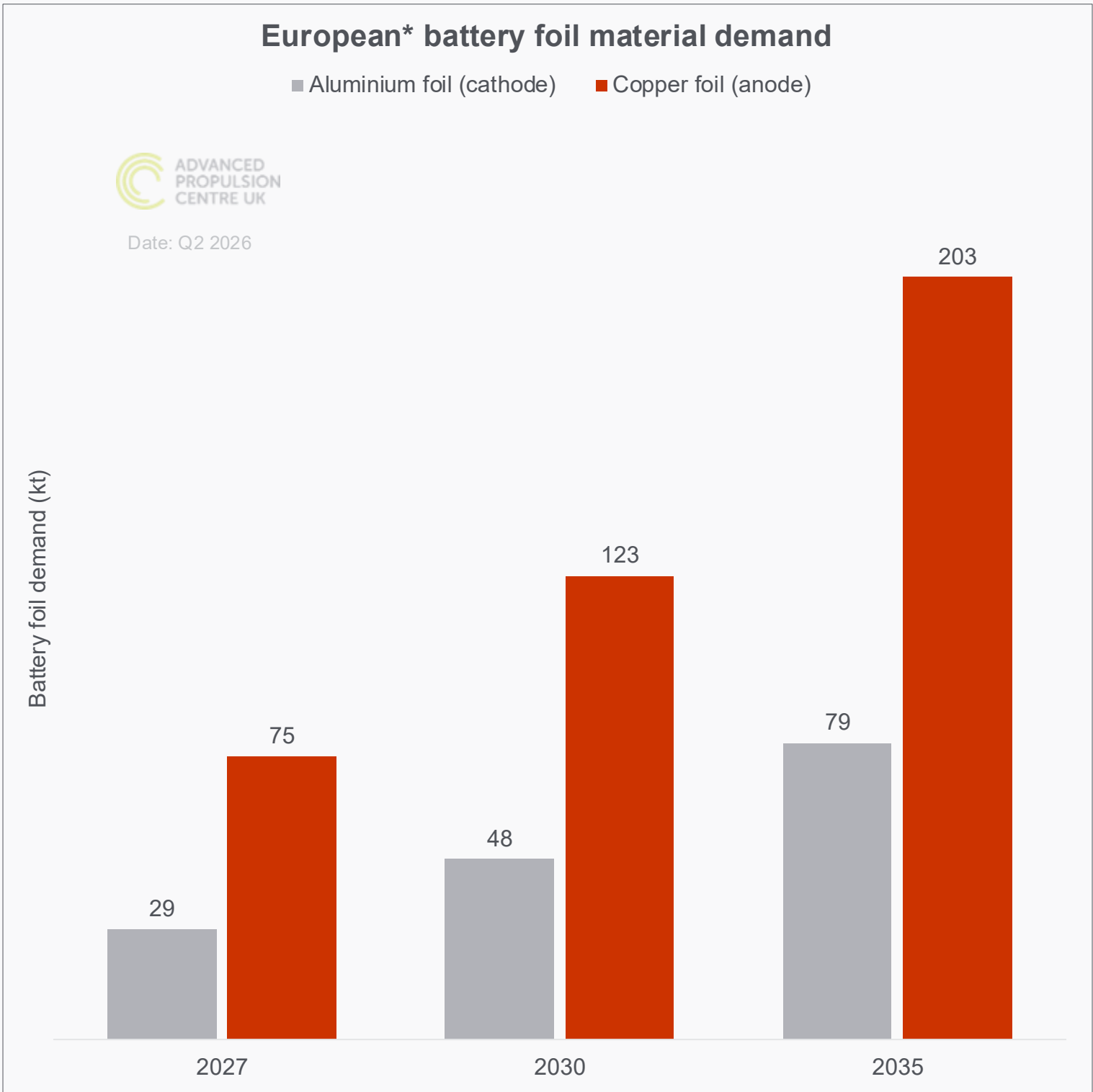


Source: APC Demand Databases using Mobility Global (July 2026), BNEF forecasts (2026), Wood Mackenzie forecasts (Q2 2026), and Benchmark forecasts (Q2 2026)
Note: Passenger cars & light commercial vehicles < 3.5t only, **Contained Li metal would be 5.3x lower
Anode material demand model assumption: Synthetic to natural graphite demand ratio 3:1

European demand for battery foils, electrolyte and separator material

Passenger cars and light commercial vehicles (< 6 tonnes)

- Slight drop in foil, electrolyte, & separator material demand (2027-2030 period) vs. previous quarter in line with European battery demand.
- AI data centres are emerging as a powerful, relatively price-insensitive new source of copper demand that intensifies an already looming supply crunch, likely raising costs and constraining global EV deployment.

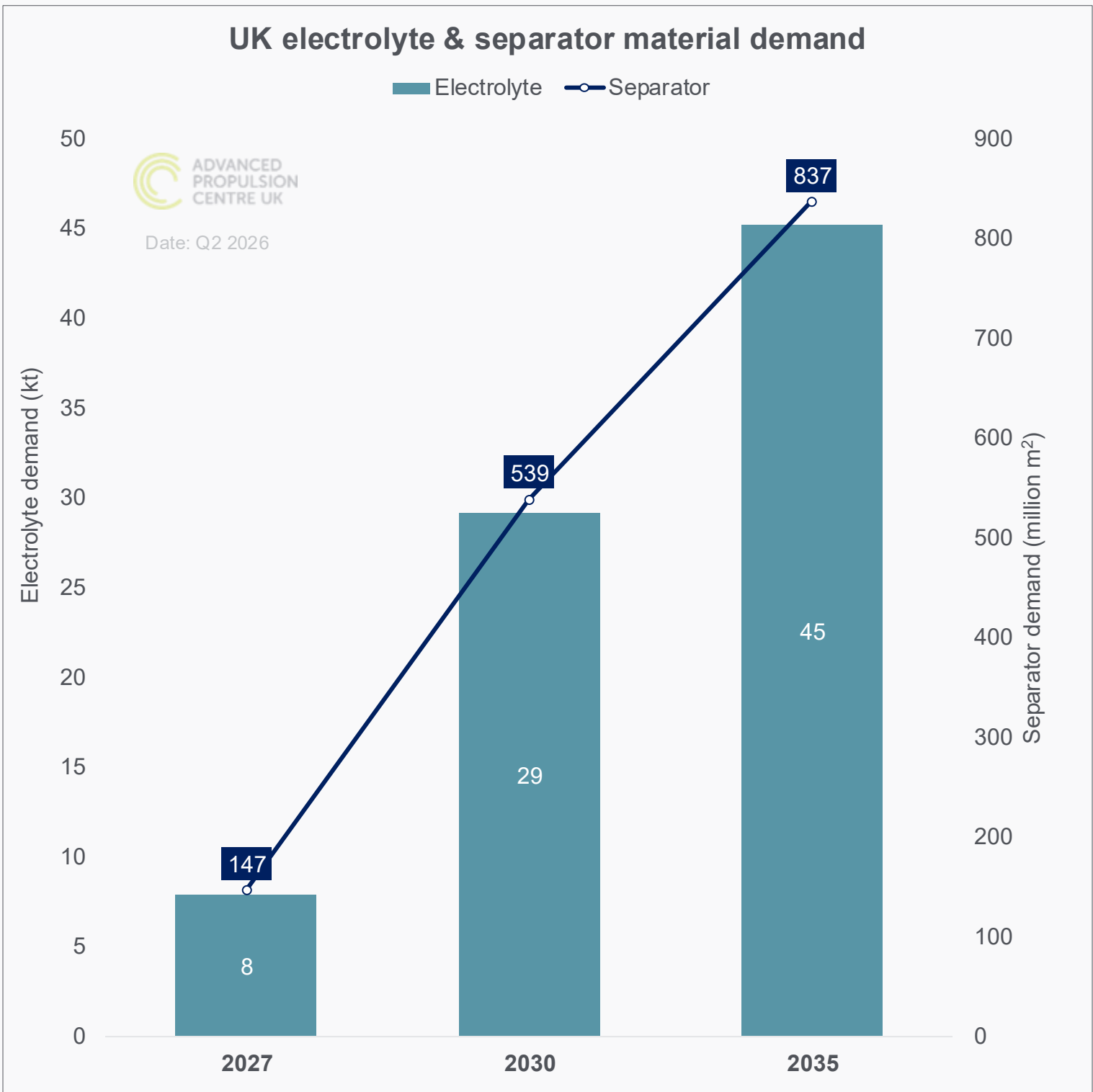
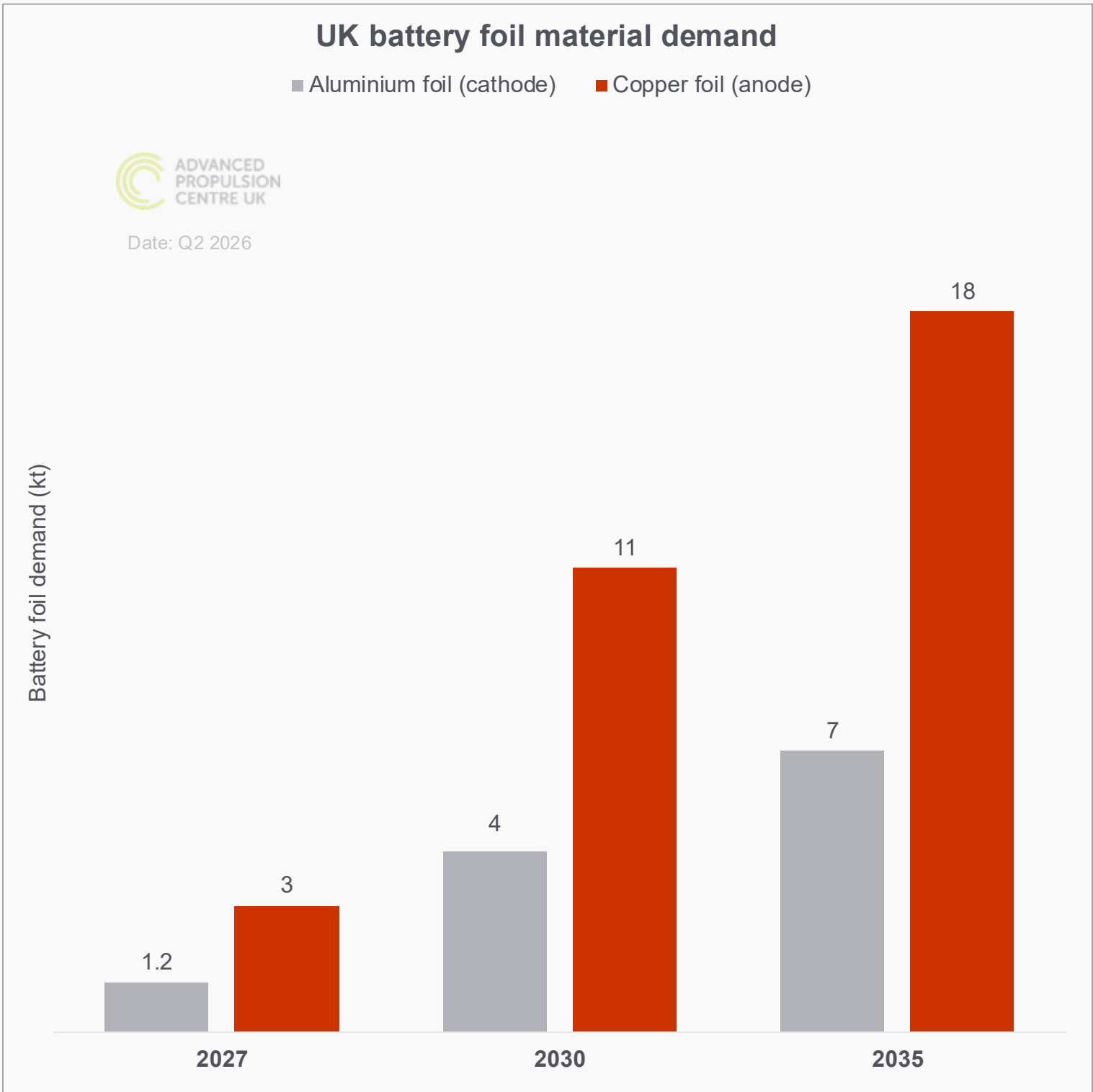


Source: APC Demand Databases using Mobility Global (July 2026), BNEF forecasts (2026), Wood Mackenzie forecasts (Q2 2026), and Benchmark forecasts (Q2 2026)
Note: Passenger cars & light commercial vehicles < 3.5t only, *European forecast includes non-EU countries such as Turkey

UK demand for battery foils, electrolyte and separator material

Passenger cars and light commercial vehicles (< 6 tonnes)

- Material demand remains broadly unchanged vs previous quarter, in line with long term UK battery demand.



Source: APC Demand Databases using Mobility Global (July 2026), BNEF forecasts (2026), Wood Mackenzie forecasts (Q2 2026), and Benchmark forecasts (Q2 2026)
Note: Passenger cars & light commercial vehicles < 3.5t only

Q2 2026 – Electrified components demand

Electric motors

The following section reviews traction electric motor demand for LDVs (passenger cars and light commercial vehicles)



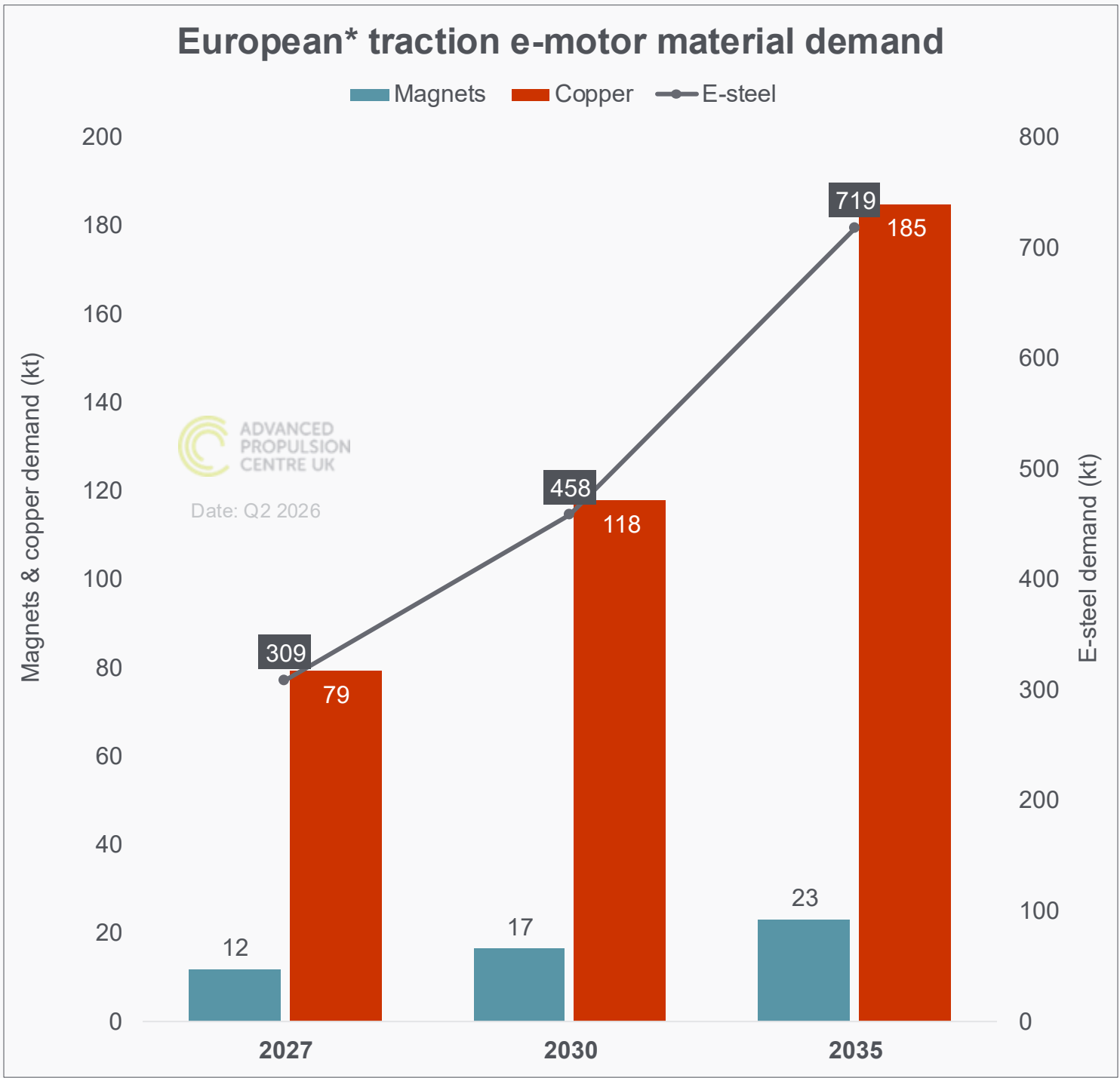
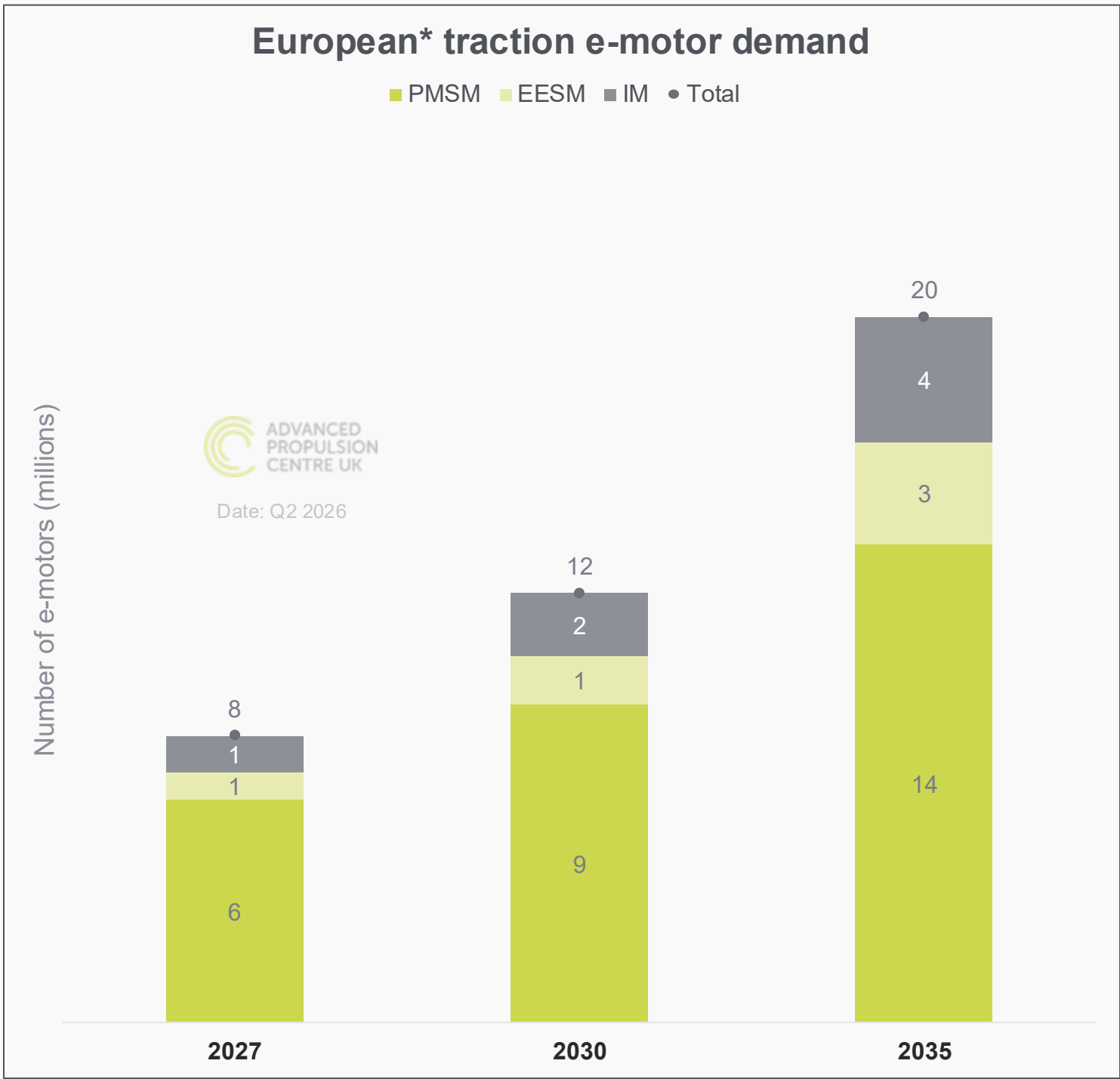
Key facts and outlook: electric motors

 European demand update	 UK demand update
- European traction e-motor demand continues to scale rapidly, more than doubling from ~8M units in 2027 to ~20M by 2035, supporting sustained growth in demand for magnets, e-steel and copper. - Present Trend: PMSMs retain their market stronghold alongside reliable Induction motors, while specialized designs like Axial Flux gain momentum and EESMs see slow initial uptake. - Future Outlook: PMSMs are projected to lead European demand through 2035 (~68%), but supply chain concerns around rare-earth materials will gradually accelerate the shift toward Induction and EESM alternatives. - Material demand is revised upwards in Q2, with 2035 magnet, e-steel and copper demand all ~15% higher than Q1, reflecting the stronger overall motor and PMSM outlook. - Rare-earth supply risk has become a key strategic issue: China’s export controls continue to constrain access to dysprosium, terbium and other magnet materials, creating cost and availability risks for European PMSM supply chains. - European diversification is accelerating, with greater interest in rare-earth-free EESM/induction designs, alternative motor materials and domestic magnet production/recycling; EU-funded projects are also targeting lower rare-earth motor designs.	- UK traction e-motor demand continues to scale rapidly, nearly tripling from ~0.4M units in 2027 to ~1.5M by 2035, broadly tracking the UK’s accelerating BEV production outlook. - PMSMs remain the dominant architecture, reaching ~1.1M units by 2035, while EESMs grow to ~0.4M as OEMs seek to reduce reliance on rare-earth permanent magnets. - Rare-earth supply risk remains elevated, with China’s continued dominance of magnet processing and export controls increasing the strategic importance of alternative motor architectures, recycled magnets and domestic supply. - DRIVE35 is accelerating UK e-motor innovation and scale-up, with Turntide’s £17m Project SUPREME targeting automated volume production of lightweight, high-power-density axial-flux motors. This is strengthening UK capability in next-generation motor technologies - UK magnet recycling capability is strengthening: HyProMag’s Tyseley facility, opened in January 2026, can produce up to 300 tonnes/year of recycled NdFeB magnets, providing a domestic source of critical magnet materials. - Technology validation is improving the case for recycled magnets, with UK-led projects demonstrating that motors using recycled magnets can achieve performance and durability comparable with conventional alternatives.

European demand for traction electric motors

Passenger cars and light-commercial vehicles (< 6 tonnes)

- European traction motor demand is broadly stable QoQ in 2027, but Q2 projects lower total demand in 2030 (-1%) and higher demand by 2035 (+5%); PMSM demand increases strongly by 2035 (+7%), while EESM/IM demand is broadly stable.
- European e-motor material demand is materially higher in Q2 across all materials. This is consistent with stronger PMSM and overall traction motor demand, with e-steel and copper seeing the largest absolute increases.

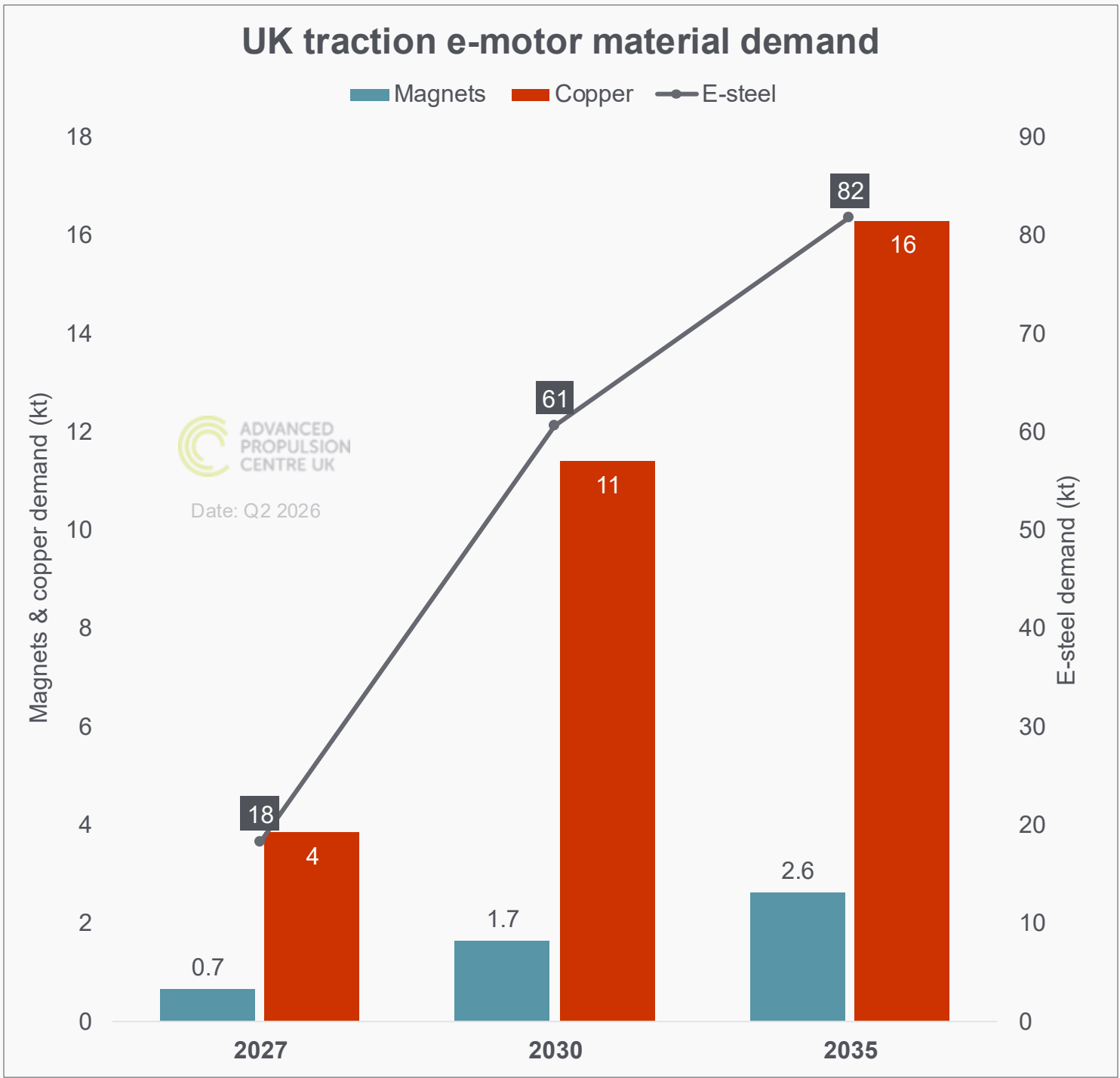
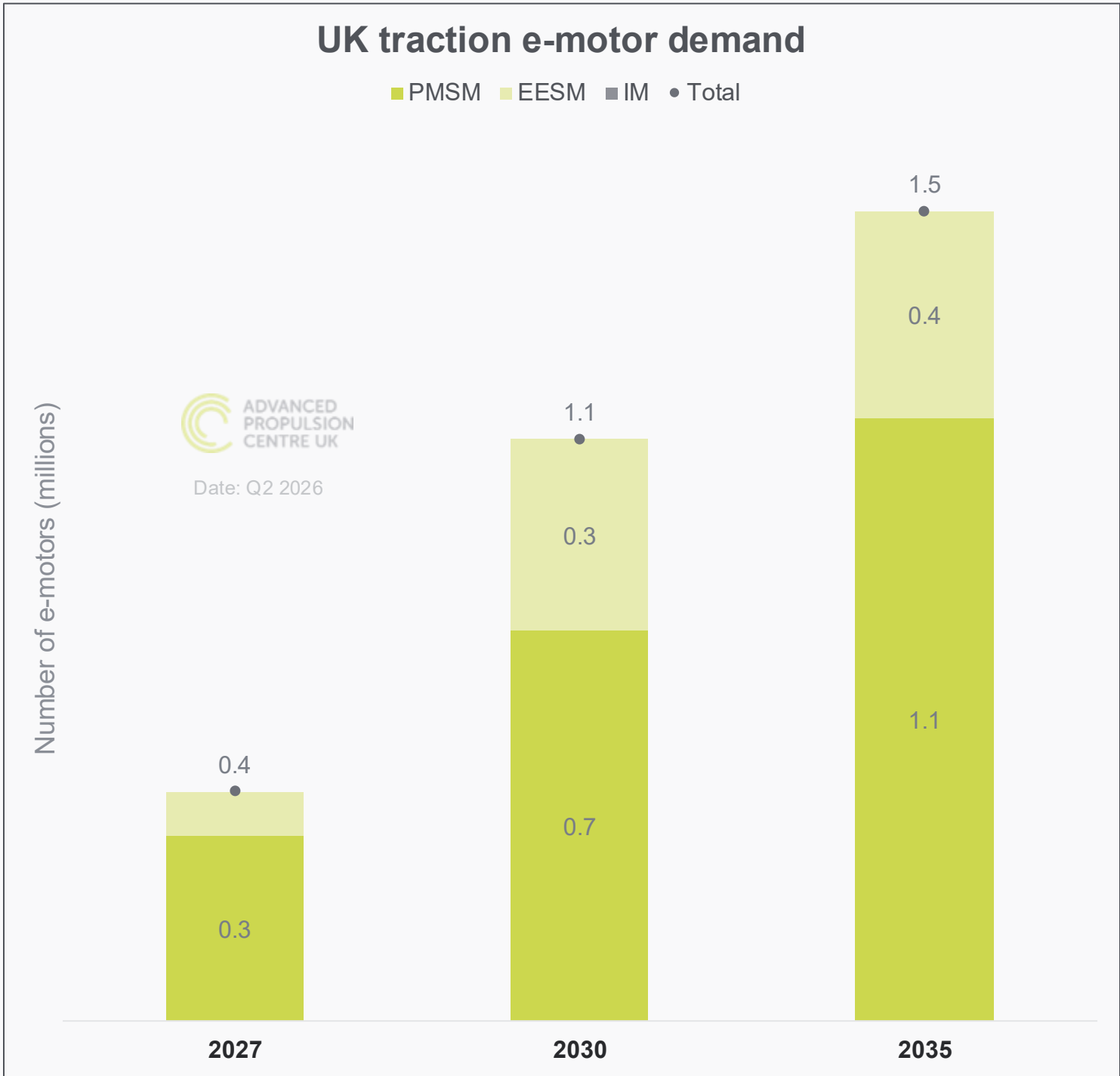


Source: APC Demand Databases using Mobility Global (July 2026), BNEF forecasts (2026), and Benchmark forecasts (Q2 2026)
Note: Passenger cars & light commercial vehicles < 3.5t only, *European forecast includes non-EU countries such as Turkey
Excluding mild hybrid electric motors

UK demand for traction electric motors

Passenger cars and light commercial vehicles (< 6 tonnes)

- No significant changes compared to the Q1 2026 Demand Report



Source: APC Demand Databases using Mobility Global (July 2026), BNEF forecasts (2026), and Benchmark forecasts (Q2 2026)
Note: Passenger cars & light commercial vehicles < 3.5t only
Excluding mild hybrid electric motors

Glossary

Glossary

BEV	Battery electric vehicle
CAM	Cathode active material
EESM	Electrically excited synchronous motor
EOL	End-of-life
FCEV	Fuel cell electric vehicle
HPMS	Hydrogen Processing of Magnet Scrap
IAA	Industrial Accelerator Act
IM	Induction motor
LCE	Lithium carbonate equivalent
LF(X)P	Lithium iron phosphate (LFP) lithium-ion cathode which can include manganese (LFMP)
NCA	Nickel cobalt and aluminium lithium-ion cathode
NMC	Nickel manganese cobalt lithium-ion cathode
NMCA	Nickel manganese cobalt and aluminium lithium-ion cathode
MHEV	Mild hybrid vehicle
OEM	Original equipment manufacturer
Other-HEV	Non-plug-in hybrid vehicles including full and mild hybrids that combine an internal combustion engine and a battery to deliver power
PHEV	Plug-in hybrid electric vehicle combining an internal combustion engine and an electric powertrain
PMSM	Permanent magnet synchronous motor
REE	Rare earth element
xEV	Electrified vehicle including BEV, PHEV, HEV, FCEV
YoY	Year-on-year

This Q2 2026 automotive demand forecast is provided by the Technology Trends team at APC.

Data sources have been used from Q2 2026 (April – June) and July 2026 forecasts.

If you have any questions or would like more detail on any of the graphs or data, please email: info@apcuk.co.uk