Global sales of fully electric and plug-in hybrid vehicles soared by 21% in July 2024, driven by a significant increase in China and despite a decline in demand in Europe, according to a report by market research firm Rho Motion.

The data reveals that worldwide EV sales reached 1.35 million units in July, with China leading the charge. The Asian giant accounted for 0.88 million of these sales, marking a 31% year-on-year increase. The strong performance in China was largely driven by a 70% rise in plug-in hybrid electric vehicles (PHEVs) during the first seven months of the year.

BYD, China’s leading EV manufacturer, reported substantial growth in its sales figures. The company saw a 13% increase in global sales of battery electric vehicles (BEVs) and a 44% jump in PHEVs. This robust performance has cemented BYD’s position as a global leader in the EV market.

Despite the overall global growth, Europe experienced a downturn in EV sales. Sales in the European Union fell by 7.8% in July compared to the same month last year. Year-to-date figures show a 12% drop in Germany, the EU’s largest EV market. This decline comes amid the imposition of provisional tariffs on Chinese-made electric vehicles by the European Union.

Rho Motion data manager Charles Lester highlighted that MG Motor, owned by China’s SAIC Motor Corp, is expected to be the most affected by these new tariffs. The provisional tariffs include 17.4% for BYD, 19.9% for Geely, and 37.6% for SAIC. However, the impact on Tesla, which produces vehicles locally in its Berlin factory, and BYD, whose European market presence remains relatively small, is anticipated to be less severe.

In North America, EV sales were more favorable, with a 7.1% increase in July across the United States and Canada. Lester pointed out that BYD’s continued record sales of PHEVs have been a major factor in this region’s growth. Additionally, range extender vehicles—battery-powered hybrids with onboard generators—are contributing significantly to the market.

The July data underscores a dynamic shift in the global EV market, with China’s accelerated growth contrasting with the challenges faced by European manufacturers due to new trade policies. As the industry adapts to these changes, the evolving landscape of EV sales will likely continue to reflect these diverse regional trends.