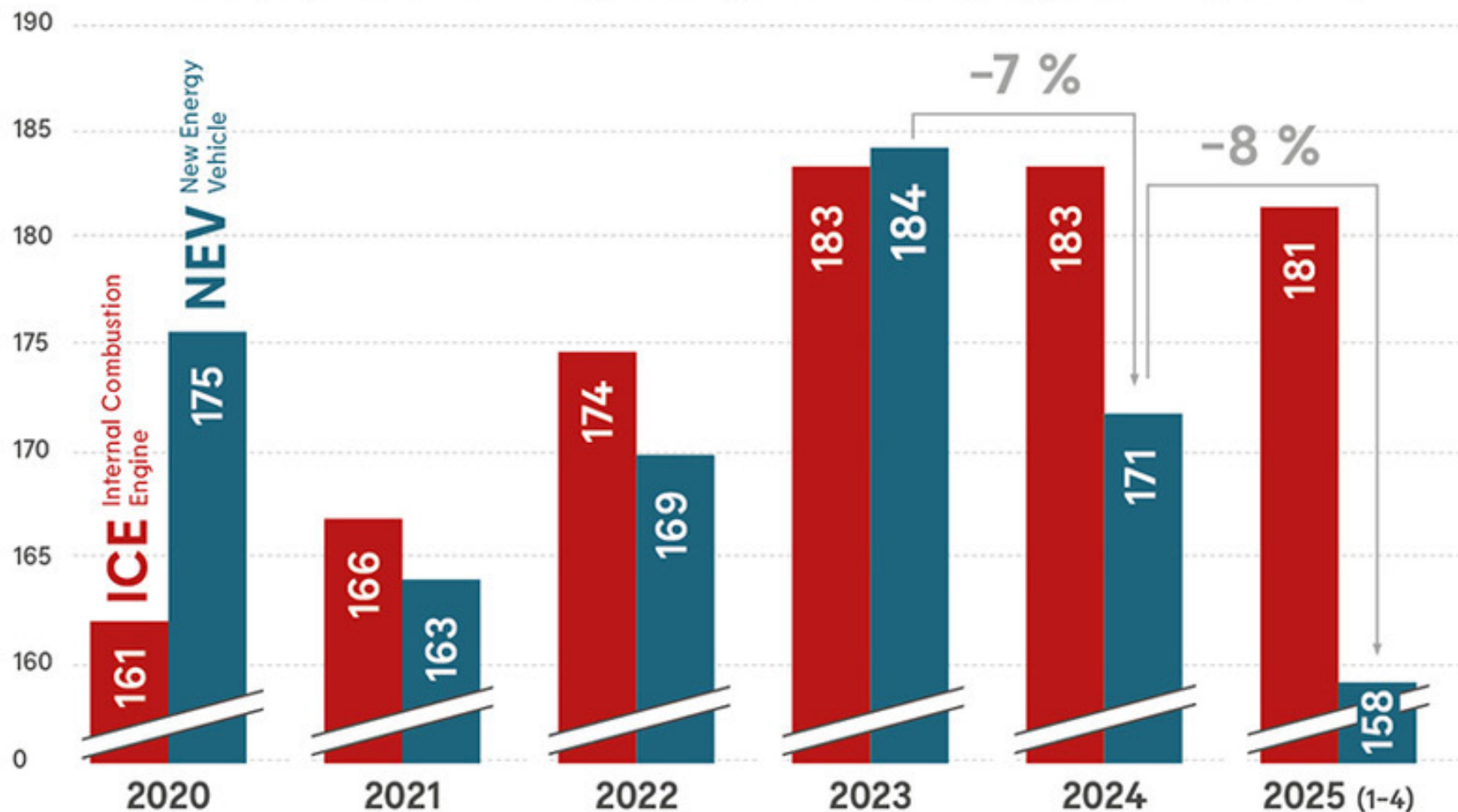
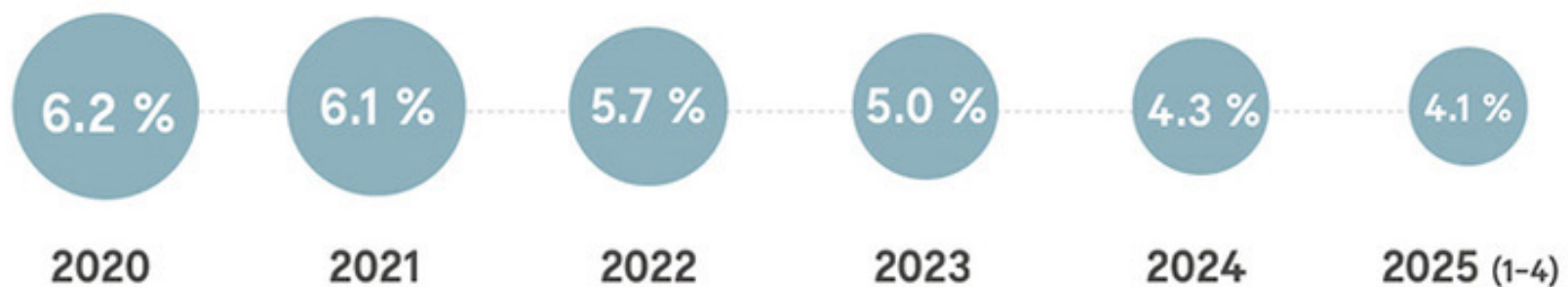


# Price wars: The cost of China's EV dominance

Average price of China's passenger vehicles by type (unit = 1,000 RMB)



PROFIT MARGIN  
Automotive industry



# Weekly Facts & Figures.

- **Price War:** Another round of NEV price cuts in China has driven sector profit margins down to just over 4% — a historic low.
- **Sales Tactics:** Dealers are allegedly offloading excess inventory as "zero-mileage used vehicles", raising concerns over data transparency and compliance.
- **Regulatory Response:** Chinese ministries have launched product inspections and policy reviews amid intensifying industry disputes.

# What This Means.

As price wars intensify in China's NEV market, long-term advantage will come from aligning with regulatory priorities through quality, tech, and compliance.



**Jingwen Tong**  
Director



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