

Stellantis beats forecasts despite US strike

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Stellantis put lost sales due to the strike by its US workers -- now over -- at 3 billion euros.

Stellantis beat analyst forecasts with a jump in third quarter sales despite the automaker acknowledging Tuesday the strike by its US workers cost \$3.2 billion in lost revenue.

The French-Italian-US automaker said revenue rose by seven percent compared to the July-September period last year to 45.1 billion euros (\$47.9 billion), beating expectations.

"I'm proud to say that we've delivered a strong third quarter performance," Stellantis chief financial officer Natalie Knight told journalists.

Shares in the company were up 2.5 percent in European trading and were up over 3.4 percent in pre-market US trading.

The company said the more than month-long strike by staff in the United States, which has ended following a tentative agreement struck Saturday, had a negative impact of around three billion euros on revenue compared to planned production.

But even in the United States, where the company earns about half of its revenue with the Chrysler and Jeep brands, sales volumes rose seven percent with revenue rising two percent.

Nearly 45,000 members of the United Auto Workers union walked out at Stellantis, Ford and General Motors and have struck tentative deals that will see them receive raises of around 25 percent over four years.

Overall shipments—a proxy for unit sales—rose 11 percent from the same period last year—to just over 1.4 million vehicles.

The company said higher sales revenue was primarily due to rising volume amid steady prices.

Shipments of battery electric vehicles was up 37 percent, with the Jeep Avenger proving popular among consumers and a Citroen van enticing businesses in Europe.

Stellantis aims to shift to 100 percent battery electric vehicles for consumers in Europe by 2030, and for them to account for 50 percent of sales in the US car and light pick-up truck segments.

The company whose large stable of brands also includes Peugeot in France, Italy's Fiat and Alfa Romeo and Germany's Opel, confirmed its 2023 outlook of a double-digit adjusted operating margin and a positive cash flow from manufacturing operations.

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