

General Motors eyes strong 2024 as earnings top estimates

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General Motors Chief Executive acknowledged that electric vehicle growth has slowed but said sales will still rise in 2024.

General Motors reported higher quarterly profits Tuesday thanks to continued robust vehicle pricing amid strong North American demand,

offsetting the hit from a labor strike.

The big US automaker, which has lately relied on its home market during a period of lower sales in China, reported fourth-quarter profits that topped [analyst expectations](#), despite the drag of the roughly six-week strike that was resolved during the period.

Profits for the quarter ending December 31 came in at \$2.1 billion, up five percent from the year-ago period. Revenues dipped less than one percent to \$43 billion.

GM's results were dented somewhat by a \$1.1 billion hit due to the United Auto Workers strike, Chief Financial Officer Paul Jacobson said in a media conference call.

The strike resulted in lost sales for about 95,000 vehicles, the company said in a powerpoint presentation.

A deal between the UAW and fellow Detroit giants Ford and Stellantis boosted wages for hourly workers by 25 percent.

Chief Executive Mary Barra said GM is "well positioned for a year of strong financial performance" in 2024, according to a letter to shareholders.

The company's 2024 earnings-per-share projected range exceeded analyst forecasts by a wide margin.

"Consensus is growing that the US economy, the job market and [auto sales](#) will continue to be resilient," Barra said.

The company relied heavily on its North American division, where sales of full-size pickup trucks and sport utility vehicles remained lofty.

GM has also pointed to strength in somewhat smaller "crossover" vehicles as well as in the subcompact SUV market, where the moderately priced Chevrolet Trax has seen growth.

The company expects 2024 capital spending of \$10.5-\$11.5 billion, which is somewhat lower than earlier estimates as it slows some electric vehicle projects and pivots its Cruise autonomous vehicle venture to address safety concerns.

On EVs, Barra noted that GM would boost production of autos such as the Cadillac Lyriq and would introduce new models to showrooms in 2024, including the Chevrolet Equinox EV.

"It's true the pace of EV growth has slowed, which has created some uncertainty," Barra acknowledged, while adding that 2024 growth is still expected.

At Cruise, GM is "committed to earning back the trust of regulators and the public through our commitments and our actions" after an October incident in which a [self-driving car](#) operated by Cruise ran over a woman who had first been knocked in front of it by a hit-and-run driver in San Francisco.

Dan Ives, analyst at Wedbush Securities, called the results "solid," in a note.

"This was an important quarter to help regain Street confidence that has been shaken the last few quarters with the EV vision in flux and the Cruise black eye over the past few months," Ives said.

Shares jumped 7.2 percent in pre-market trading.

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