Chip shortage leaves 95K GM vehicles unfinished in storage
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The unsold vehicles amounted to 16% of GM’s total sales from April through June. The company said Friday that it sold more than 582,000 vehicles during the quarter, down more than 15% from a year ago.

The company reaffirmed its full-year net income guidance of $9.6 billion to $11.2 billion with pretax earnings of $13 billion to $15 billion. For the first time the company predicted that it would make $2.3 billion to $2.6 billion before taxes in the second quarter. That fell short of analyst estimates of $3.97 billion, according to FactSet.

The chip shortage has vexed automakers across the globe since 2020, forcing many automakers to temporarily close factories and trim production. The shortage has limited the supply of new vehicles on dealer lots in the U.S. to around 1 million, when in normal years it’s about 4 million at any given time.

That has pushed prices to record levels and limited vehicle selection, but it’s also led to strong profits for most automakers.

In a prepared statement, GM said its North American production has been relatively stable since the third quarter of last year, but short-term parts disruptions are continuing. “We are actively working with our suppliers to resolve issues as they arise to meet pent-up customer demand for our vehicles,” the statement said.

Most automakers have predicted minor improvement in the chip shortage during the first half of the year, with far better supplies from July through December.

GM shares fell slightly to $31.69 in Friday morning trading, after the filing was made public.

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