+357 96 030922
info@marketpublishers.com

Automotive Powertrain Market ? Global Industry Size, Share, Trends, Opportunity, and Forecast, Segmented By Vehicle Type (Passenger Cars, Light Commercial Vehicles and Heavy Commercial Vehicles), By Drive Type (Front-Wheel Drive Powertrain, Rear-Wheel Drive (Rwd) Powertrain and All-Wheel Drive (Awd) Powertrain), By Type (Gasoline and Diesel), By Region & Competition, 2021-2031F

https://marketpublishers.com/r/A60D84A79BF4EN.html
Date: January 2026
Pages: 185
Price: US$ 4,500.00 (Single User License)
ID: A60D84A79BF4EN

Abstracts

The Global Automotive Powertrain Market is projected to expand from USD 883.64 Billion in 2025 to USD 2131.83 Billion by 2031, reflecting a compound annual growth rate of 15.81%. This market covers the essential mechanical assemblies required to generate and transfer power to the road surface, comprising components such as engines, transmissions, drive shafts, differentials, and axles. The sector's growth is primarily fueled by strict international emission regulations that mandate low-carbon technologies and a growing consumer demand for fuel efficiency, forcing manufacturers to expedite the shift from traditional internal combustion engines toward hybrid and electric propulsion systems.

However, the industry faces substantial obstacles related to the high production costs of electrified parts and unstable raw material supply chains that threaten manufacturing consistency. Data from the China Association of Automobile Manufacturers indicates that sales of new energy vehicles reached 12.87 million units in 2024, accounting for 40.9 percent of total vehicle sales in that region. While this statistic highlights the massive scale of powertrain diversification, the market must still navigate complex infrastructure and cost barriers to ensure sustainable expansion on a global level.

+357 96 030922
info@marketpublishers.com

Market Driver

The enforcement of rigorous global emission standards and carbon neutrality goals is fundamentally transforming the Global Automotive Powertrain Market. Governments are imposing strict exhaust regulations, compelling manufacturers to redesign propulsion systems and move away from conventional internal combustion engines to ensure fleet-wide compliance and avoid penalties. For example, the U.S. Environmental Protection Agency's '2024 Automotive Trends Report', released in January 2025, noted that the new light-duty vehicle fleet achieved a record low average CO2 emission rate of 319 grams per mile in 2023, a result largely attributed to the increased integration of electrification technologies.

Simultaneously, the market is experiencing a rapid adoption of electric and hybrid powertrain architectures, marking a dominant commercial trend where hybrid-electric vehicles (HEVs) are securing significant market share due to consumer efficiency demands. In November 2025, the European Automobile Manufacturers' Association reported that hybrid-electric car registrations comprised 34.6 percent of the EU market share. To support this transition, major OEMs are directing capital into expanding manufacturing capabilities for electrified components; for instance, Toyota Motor North America announced a 912 million USD investment in November 2025 to upgrade five U.S. plants specifically to increase hybrid-electric vehicle assembly.

Market Challenge

The expansion of the Global Automotive Powertrain Market is significantly hindered by the high manufacturing costs associated with electrified components and the volatility of raw material supply chains. As manufacturers attempt to scale up production of hybrid and electric systems, the elevated prices of critical minerals like lithium and nickel severely compress operating margins, while unpredictable supply chain disruptions prevent companies from maintaining the consistent output needed to meet global demand. These factors create severe liquidity challenges for automotive suppliers, often forcing them to delay essential research and development projects or reduce workforce capacity.

This financial instability is clearly reflected in recent industry performance metrics. In 2024, the European Association of Automotive Suppliers (CLEPA) reported that approximately 68 percent of automotive suppliers expected consistently low profit margins, while 38 percent anticipated operating at break-even levels or incurring losses

+357 96 030922
info@marketpublishers.com

due to these sustained operational pressures. Such financial fragility directly hampers market growth by limiting the capital available for innovation, thereby slowing the industry-wide transition from internal combustion engines to advanced electrified architectures.

Market Trends

The development of Hydrogen Fuel Cell Propulsion Systems is gaining momentum as a practical alternative to battery-electric architectures, particularly for applications requiring extended range and rapid refueling. Manufacturers are diversifying their propulsion strategies to incorporate hydrogen technologies, aiming to mitigate the limitations associated with heavy battery packs in larger vehicle segments. This strategic shift is evidenced by major automotive players committing to long-term fuel cell commercialization; for instance, the BMW Group confirmed in September 2024 plans to launch its first series-production hydrogen fuel cell electric vehicle (FCEV) in 2028, underscoring a significant industry pivot towards diversified zero-emission solutions.

Concurrently, the market is witnessing the widespread implementation of Integrated e-Axle Drive Units, where electric motors, transmissions, and power electronics are consolidated into compact, modular assemblies. This trend is further evolving with the introduction of magnet-free technologies designed to reduce reliance on volatile rare earth supply chains while enhancing system efficiency. A key advancement in this area occurred in October 2024, when MAHLE and Valeo announced a joint development agreement for a new magnet-free electric axle system capable of delivering peak power between 220 kW and 350 kW, aiming to lower the carbon footprint by over 40 percent compared to permanent magnet equivalents.

Key Market Players

Robert Bosch GmbH

ZF Friedrichshafen AG

Continental AG

Magna International Inc

Aisin Seiki Co Ltd

+357 96 030922
info@marketpublishers.com

BorgWarner Inc

Schaeffler AG

Valeo SA

Denso Corporation

Hyundai Motor Group

Report Scope

In this report, the Global Automotive Powertrain Market has been segmented into the following categories, in addition to the industry trends which have also been detailed below:

Automotive Powertrain Market, By Vehicle Type

Passenger Cars

Light Commercial Vehicles and Heavy Commercial Vehicles

Automotive Powertrain Market, By Drive Type

Front-Wheel Drive Powertrain

Rear-Wheel Drive (Rwd) Powertrain and All-Wheel Drive (Awd) Powertrain

Automotive Powertrain Market, By Type

Gasoline and Diesel

Automotive Powertrain Market, By Region

North America

United States

+357 96 030922
info@marketpublishers.com

- Canada
- Mexico

Europe

- France
- United Kingdom
- Italy
- Germany
- Spain

Asia Pacific

- China
- India
- Japan
- Australia
- South Korea

South America

- Brazil
- Argentina
- Colombia

Middle East & Africa

+357 96 030922
info@marketpublishers.com

South Africa

Saudi Arabia

UAE

Competitive Landscape

Company Profiles: Detailed analysis of the major companies present in the Global Automotive Powertrain Market.

Available Customizations:

Global Automotive Powertrain Market report with the given market data, TechSci Research offers customizations according to a company's specific needs. The following customization options are available for the report:

Company Information

Detailed analysis and profiling of additional market players (up to five).

+357 96 030922
info@marketpublishers.com

Contents

+357 96 030922
info@marketpublishers.com

6. NORTH AMERICA AUTOMOTIVE POWERTRAIN MARKET OUTLOOK

7. EUROPE AUTOMOTIVE POWERTRAIN MARKET OUTLOOK

+357 96 030922
info@marketpublishers.com

+357 96 030922
info@marketpublishers.com

8. ASIA PACIFIC AUTOMOTIVE POWERTRAIN MARKET OUTLOOK

+357 96 030922
info@marketpublishers.com

9. MIDDLE EAST & AFRICA AUTOMOTIVE POWERTRAIN MARKET OUTLOOK

+357 96 030922
info@marketpublishers.com

10. SOUTH AMERICA AUTOMOTIVE POWERTRAIN MARKET OUTLOOK

11. MARKET DYNAMICS

+357 96 030922
info@marketpublishers.com

+357 96 030922
info@marketpublishers.com

17. ABOUT US & DISCLAIMER

+357 96 030922
info@marketpublishers.com

I would like to order

Product name: Automotive Powertrain Market ? Global Industry Size, Share, Trends, Opportunity, and Forecast, Segmented By Vehicle Type (Passenger Cars, Light Commercial Vehicles and Heavy Commercial Vehicles), By Drive Type (Front-Wheel Drive Powertrain, Rear-Wheel Drive (Rwd) Powertrain and All-Wheel Drive (Awd) Powertrain), By Type (Gasoline and Diesel), By Region & Competition, 2021-2031F

Product link: https://marketpublishers.com/r/A60D84A79BF4EN.html

Price: US$ 4,500.00 (Single User License / Electronic Delivery)

If you want to order Corporate License or Hard Copy, please, contact our Customer Service:
info@marketpublishers.com

Payment

To pay by Credit Card (Visa, MasterCard, American Express, PayPal), please, click button on product page https://marketpublishers.com/r/A60D84A79BF4EN.html