

KBB.com Forecasts New-Car Sales to Reach 1,140,000 Units In September

Kelley Blue Book Predicts Overall Annual Sales Gains Between 7 and 10 Percent through Year-End

IRVINE, Calif., Sept. 26, 2012 /PRNewswire/ -- September [new-car sales](#) will hit a 14.3 million seasonally adjusted annual rate (SAAR) in September, slightly down from the 14.5 million SAAR achieved in August, according to Kelley Blue Book, the leading provider of new car and used car information. This equates to an 8 percent year-over-year improvement, which is well below last month's 20 percent year-over-year increase. Although September sales do not appear as strong as August, to grasp the full picture, the sales environment at this time last year must be considered.

(Logo: <http://photos.prnewswire.com/prnh/20120808/LA53814LOGO>)

"This time last year Toyota and Honda were able to boost production and sales after several months of downtime following the earthquake and tsunami in Japan," said Alec Gutierrez, senior market analyst of automotive insights for Kelley Blue Book. "Now that year-over-year figures are more comparable, annual gains will level out and remain between 7 to 10 percent through year-end."

Healthy consumer demand will continue to drive industry sales growth and is expected to account for nearly 85 percent of total sales volume in September. Rising sales throughout the year are due largely to pent-up demand from those that have delayed purchases because of economic uncertainty.

"The average vehicle on the road today is approximately 11 years old. Those consumers that have delayed their purchase of a new vehicle during the past several years due to economic reasons are finally making the decision to trade-up to something new," said Gutierrez. "As a vehicle ages beyond 10 years old, or has more than 100,000 miles on the odometer, rising maintenance costs and deteriorating reliability can become a serious headache. Drivers of older vehicles are keenly aware of this fact and many are opting to take advantage of the near zero percent finance offers on today's more reliable and fuel-efficient vehicles to achieve peace of mind."

In terms of segment sales, Kelley Blue Book expects pickup trucks to be strong this month as domestic manufacturers introduce sales events. The 2012 Chevrolet Silverado is available for zero percent for 60 months or with as much as \$3,500 in consumer cash. The 2012 Ford F-150 can be purchased with up to \$5,500 in cash back, while the Ram 1500 is available with up to \$4,000 in rebates. Kelley Blue Book believes these deals, coupled with high inventory levels, will help increase truck share by as much as a full percentage point during the month. Market share of mid-size and compact sedans should remain firm at 16.7 percent and 14.9 percent respectively due to high gas prices. The all-new Nissan Altima, Chevrolet Malibu, Ford Fusion and Honda Accord, each boasting better than 35 mpg on the highway, are arriving now and should catch the consumer's attention.

Kelley Blue Book: Sales to Hit 14.3 Million SAAR as Consumers Seek Fuel-Sippers

Segment	Sales Volume			Market Share		
	Sep-12	Sep-11	YOY%	Sep-12	Sep-11	YOY
Mid-Size Car	190,380	176,071	8.1%	16.7%	15.2%	1.5%

Compact Car	169,860	178,859	13.1%	11.8%	12.3%	2.6%
Compact Crossover	134,520	115,074	18.9%	11.8%	10.7%	1.1%
Full-Size Pickup Truck	144,780	108,391	33.6%	12.7%	14.0%	-1.3%
Subcompact Car	46,740	37,302	25.3%	4.1%	3.8%	0.3%
Total	1,140,000	1,053,761	8.2%	-	-	-

*Includes segments not shown

Although Ford's expected 1.6 percent year-over-year increase appears modest on the surface, it would represent a tremendous accomplishment for the Blue Oval. This would mark the first time this year that Ford posted monthly sales in excess of volume achieved in 2007, when the industry notched sales of more than 16 million units annually. More than 175,000 Ford models were sold in September 2007, just under Kelley Blue Book's current forecast of 177,840 units.

"Ford will see a boost from the F-150, Focus and remaining 2012 Fusions available with nearly \$3,750 cash back," said Gutierrez. "Toyota, Honda and Volkswagen also will have a strong month in large part to the relatively low sales volume achieved this time last year. Volkswagen added the redesigned Passat and Beetle to its stable, helping to boost sales significantly through much of this year since these models were skipped for the 2012 model year."

Kelley Blue Book: Toyota and Honda Continue to Lead Year-Over-Year Market Share Gains

Manufacturer	Sales Volume			Market Share		
	Sep-12	Sep-11	YOY%	Sep-12	Sep-11	YOY
General Motors	215,460	207,145	4.0%	18.9%	19.7%	-0.8%
Ford Motor Company	177,840	174,960	1.6%	15.6%	16.6%	-1.0%
Toyota Motor Company	163,020	121,451	34.2%	14.3%	11.5%	2.8%
Chrysler Group	134,520	127,334	5.6%	11.8%	12.1%	-0.3%
American Honda	109,440	89,532	22.2%	9.6%	8.5%	1.1%
Hyundai-Kia	93,480	87,660	6.6%	8.2%	8.3%	-0.1%
Nissan North America	92,340	92,964	-0.7%	8.1%	8.8%	-0.7%
Volkswagen	47,880	36,912	29.7%	4.2%	3.5%	0.7%
Total	1,140,000	1,053,761	8.2%	-	-	-

*Includes brands not shown

Similar to previous months, consumers will find low annual percentage rates (APR) and lease deals in nearly every category. A subcompact or compact, such as the Hyundai Accent or Ford Focus, can be leased for under \$200 per month, while a mid-size sedan or compact crossover like the Nissan Altima or Honda CR-V can be leased for roughly \$250 per month.

"Consumers also can look for zero and 1 percent finance offers for up to 60 months on nearly any vehicle available for sale today," said Gutierrez. "Those shoppers looking for a great finance offer have plenty of time to make a decision, especially after considering the government's pledge to keep interest rates at current levels through the middle of 2015."

For more information and news from Kelley Blue Book's KBB.com, visit www.kbb.com/media/, follow us on Twitter at www.twitter.com/kelleybluebook (or @kelleybluebook), or like our page on Facebook at www.facebook.com/kbb, and get updates on Google+ at <https://plus.google.com/114407011985343857500>.

About Kelley Blue Book (www.kbb.com)

Founded in 1926, Kelley Blue Book, The Trusted Resource®, is the only vehicle valuation and information source trusted and relied upon by both consumers and the industry. Each week the company provides the most market-reflective values in the industry on its top-rated website www.kbb.com, including its famous Blue Book® Trade-In and Suggested Retail Values and Fair Purchase Price, which reports what others are paying for new cars this week. The company also provides vehicle pricing and values through various products and services available to car dealers, auto manufacturers, finance and insurance companies as

well as governmental agencies. Kbb.com provides consumer pricing and information on cars for sale, minivans, pickup trucks, sedan, hybrids, electric cars, and SUVs. Kelley Blue Book's kbb.com ranked highest in its category for brand equity and was named Online Auto Shopping Brand of the Year by the 2012 Harris Poll EquiTrend® study. Kelley Blue Book Co. Inc. is a wholly owned subsidiary of AutoTrader Group.

SOURCE Kelley Blue Book

For further information: Robyn Eagles, +1-949-268-3049, reagues@kbb.com, Joanna Pinkham, +1-949-268-3079, jpinkham@kbb.com, Brenna Robinson, +1-949-267-4781, berobinson@kbb.com

<https://mediaroom.kbb.com/2012-09-26-KBB-com-Forecasts-New-Car-Sales-to-Reach-1-140-000-Units-In-September>