

New-Car Sales Cool To 14.7 Million SAAR With Q4 Slowdown; 1,130,000 Units Expected In October

Record Fuel Prices Boost Compact Car Sales; Volkswagen Expected to Continue Year-Over-Year Market Share Lead

IRVINE, Calif., Oct. 24, 2012 /PRNewswire/ -- Through the first three weeks in October, the seasonal Q4 slowdown in [new-car sales](#) clearly is in full effect, according to Kelley Blue Book, www.kbb.com, the leading provider of new car and used car information. Kelley Blue Book expects new-vehicle sales to drop to 14.7 million seasonally adjusted annual rate (SAAR) in October, after hitting 14.9 million last month. Analysts expect declines in both fleet and retail sales.

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

"Fleet sales likely will decline 20,000 to 25,000 units overall, while retail sales will drive the remaining decline," said Alec Gutierrez, senior market analyst of automotive insights for Kelley Blue Book. "Retail sales typically slow in October following September's model-year clearance sales, featuring heavy discounts on soon-to-be replaced vehicles."

Although sales have dropped month-over-month, they remain high compared to this time last year. Sales will improve 10.7 percent versus October 2011, led by strong sales of fuel-efficient compact cars. Kelley Blue Book expects compact cars such as the Honda Civic, Hyundai Elantra and Ford Focus to increase nearly 44 percent in October, coinciding with the highest fuel prices on record for this time of year.

"Sales in California will be especially strong with gas prices currently more than \$0.70 per gallon above the national average," said Gutierrez. "This will trigger incremental sales growth in the electric and hybrid categories as well. However, due to their high cost of entry, Kelley Blue Book doesn't anticipate sales volume for these segments to increase beyond the 2 percent market share consistently held during the past several years."

Kelley Blue Book: Compact Car Sales to Surge with High Fuel Prices

Segment	Sales Volume			Market Share		
	Oct-12	Oct-11	YOY%	Oct-12	Oct-11	YOY
Mid-Size Car	178,540	165,689	7.8%	15.8%	16.2%	-0.4%
Compact Car	178,540	123,621	44.4%	15.8%	12.1%	3.7%
Compact Crossover	129,950	111,457	16.6%	11.5%	10.9%	0.6%
Full-Size Pickup Truck	135,600	134,035	1.2%	12.0%	13.1%	-1.1%
Subcompact Car	46,330	43,383	6.8%	4.1%	4.2%	-0.1%
Total	1,130,000	1,021,185	10.7%	-	-	-

**Includes segments not shown*

Volkswagen to Lead Year-Over-Year Sales Gains

Once again, [Volkswagen](#) will lead industry gains in October, thanks to strong sales of the redesigned Jetta and Passat.

"A lower point of entry and competitive lease offers for these models have helped increase sales among mainstream consumers, while those seeking fuel efficiency and a sporty drive can look to Volkswagen's TDI offerings," said Gutierrez. "High fuel prices and Volkswagen's multiple diesel offerings have helped the brand continue to capture U.S. market share."

Toyota also benefits from high fuel prices, and Kelley Blue Book expects the brand to improve 26.4 percent this month. Toyota has seen strong demand for the Prius, Corolla, Yaris and other fuel-sipping options, allowing it to continue to recapture market share. All manufacturers are expected to show solid gains compared to last year, despite month-over-month industry declines.

Kelley Blue Book: Volkswagen Will Lead the Industry to a 10.7 Percent YOY Jump

Manufacturer	Sales Volume			Market Share		
	Oct-12	Oct-11	YOY%	Oct-12	Oct-11	YOY
<i>General Motors</i>	203,400	186,895	8.8%	18.0%	18.3%	-0.3%
<i>Ford Motor Company</i>	172,890	167,502	3.2%	15.3%	16.4%	-1.1%
<i>Toyota Motor Company</i>	169,500	134,046	26.4%	15.0%	13.1%	1.9%
<i>Chrysler Group</i>	133,340	114,512	16.4%	11.8%	11.2%	0.6%
<i>American Honda</i>	115,000	98,333	16.9%	10.2%	9.6%	0.0%
<i>Hyundai-Kia</i>	100,000	90,092	11.0%	8.8%	8.8%	0.0%
<i>Nissan North America</i>	91,000	82,346	10.5%	8.1%	8.1%	0.0%
<i>Volkswagen</i>	49,720	38,253	30.0%	4.4%	3.7%	0.7%
Total	1,130,000	1,021,185	10.7%	-	-	-

**Includes brands not shown*

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