

August New-Car Sales Drop 2 Percent From Last Year For Estimated 17.3 Million SAAR, According To Kelley Blue Book

General Motors Expected to Drop for Fifth Consecutive Month; Hyundai-Kia to Gain Most Market Share

IRVINE, Calif., Aug. 29, 2016 /PRNewswire/ -- [New-vehicle sales](#) are expected to decrease 2 percent year-over-year to a total of 1.54 million units in August 2016, resulting in an estimated 17.3 million seasonally adjusted annual rate (SAAR), according to Kelley Blue Book www.kbb.com, the vehicle valuation and information source trusted and relied upon by both consumers and the automotive industry.

"Overall, sales are expected to remain steady in the mid-17 million SAAR range, despite a small drop in volume for August 2016," said Tim Fleming, analyst for Kelley Blue Book. "The mix of sales is divided, with demand for utility vehicles continuing to grow at the same time that car sales are falling. As we reach the peak of the market, Kelley Blue Book will keep an eye on a few key factors, including increased fleet penetration in 2016 combined with flat retail demand, rising incentive spend from automakers, and used car prices, which have yet to respond to the growing supply of off-lease vehicles. Any changes to the trajectory of these factors could speed up the eventual decline in new-car sales for the industry."



After a record U.S. sales total in 2015, Kelley Blue Book's full-year forecast for 2016 calls for sales in the range of 17.4 to 17.8 million.

Key Highlights for Estimated August 2016 Sales Forecast:

- In August, new light-vehicle sales, including fleet, are expected to hit 1,540,000 units, down 2 percent from August 2015 and up 1 percent from July 2016.
- The seasonally adjusted annual rate (SAAR) for August 2016 is estimated to be 17.3 million, down from 17.7 million in August 2015 and down from 17.8 million in July 2016.
- Retail sales are expected to account for 85.7 percent of volume in August 2016, down from 86.4 percent in August 2015.

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General Motor is expected to post volume declines for the fifth consecutive month, as Kelley Blue Book projects sales to decline 5 percent.

"General Motors has lost nearly a full point of market share this year, although this is fully attributable to reduced rental sales, which are less profitable," said Fleming. "In fact, GM has gone from the top automaker of rental vehicles to No. 4 this year, which is part of their push to focus on strengthening residual values and profitability rather than boosting sales totals."

Hyundai-Kia could gain the most market share this month of all major manufacturers and are projected to increase sales 2 percent. [Crossovers](#) like the Hyundai Santa Fe and Kia Sportage will help drive these increases, while cars like the Kia Optima and Kia Soul are trending down.

Manufacturer	Sales Volume ¹			Market Share ²		
	Aug-16	Aug-15	YOY %	Aug-16	Aug-15	YOY %
General Motors (Buick, Cadillac, Chevrolet, GMC)	256,000	270,480	-5.4%	16.6%	17.2%	-0.6%
Ford Motor Company (Ford, Lincoln)	218,000	233,880	-6.8%	14.2%	14.9%	-0.7%
Toyota Motor Company (Lexus, Scion, Toyota)	222,000	224,381	-1.1%	14.4%	14.3%	0.2%
Fiat Chrysler (Chrysler, Dodge, FIAT, Jeep, RAM)	202,000	201,672	0.2%	13.1%	12.8%	0.3%
American Honda (Acura, Honda)	157,000	155,491	1.0%	10.2%	9.9%	0.3%
Nissan North America (Infiniti, Nissan)	134,000	133,351	0.5%	8.7%	8.5%	0.2%
Hyundai-Kia	133,000	130,909	1.6%	8.6%	8.3%	0.3%
Subaru of America	54,000	52,697	2.5%	3.5%	3.3%	0.2%
Volkswagen Group (Audi, Volkswagen, Porsche)	53,000	56,134	-5.6%	3.4%	3.6%	-0.1%
Total ³	1,540,000	1,573,573	-2.1%	-	-	-

¹ Historical data from OEM sales announcements

² Kelley Blue Book Automotive Insights

³ Includes brands not shown

Compact Utility Vehicles to Increase Market Share to More Than 19 Percent; Mid-

Size Cars See Drops Across All Models

[Compact utility vehicles](#) should grow its market share to more than 19 percent in August 2016, as consumer demand for these models continues to build. While the projected 4 percent growth might not seem like much compared to the segment's double-digit growth in recent years, it represents a significant amount of volume given its position as the top segment in the market and growth here is helping offset the weakened demand for cars.

On the flip side of the coin, the mid-size car segment, which was the top selling segment just a few years ago, is now extremely soft and Kelley Blue Books projects the segment will drop 17 percent this month. Kelley Blue Book analysts anticipate nearly all models to show declines, with the top losses coming from the Honda Accord and Chrysler 200.

Segment	Sales Volume ¹			Market Share		
	Aug-16	Aug-15	YOY %	Aug-16	Aug-15	YOY %
Compact SUV/Crossover	296,000	284,107	4.2%	19.2%	18.1%	1.2%
Full-Size Pickup Truck	208,000	204,185	1.9%	13.5%	13.0%	0.5%
Mid-Size Car	186,000	224,176	-17.0%	12.1%	14.2%	-2.2%
Compact Car	182,000	192,491	-5.5%	11.8%	12.2%	-0.4%
Mid-Size SUV/Crossover	176,000	174,836	0.7%	11.4%	11.1%	0.3%
Total ²	1,540,000	1,573,573	-2.1%	-	-	-

¹ Kelley Blue Book Automotive Insights

² Includes segments not shown

There are 26 sales days in August 2016 and August 2015. All percentages are based on raw volume, not daily selling rate.

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