

July New-Car Sales To Decrease Nearly 6 Percent Year-Over-Year; Down Nearly 3 Percent From June 2017, According To Kelley Blue Book

IRVINE, Calif., July 27, 2017 /PRNewswire/ -- [New-vehicle sales](#) are expected to fall nearly 6 percent year-over-year to a total of 1.43 million units in June 2017, resulting in an estimated 16.7 million seasonally adjusted annual rate (SAAR), according to Kelley Blue Book www.kbb.com.

"The annual selling pace is expected to remain below 17 million SAAR in July with volume dipping slightly from the levels seen in May and June 2017," said Tim Fleming, analyst for Kelley Blue Book. "We're in the midst of the steady summer sales months when new vehicles tend to stay relatively consistent after peaking during the Memorial Day weekend in May. Kelley Blue Book expects to see sales start to jump back up again in August and September thanks to model-year closeouts and the Labor Day holiday."



Kelley Blue Book

July 2017 would represent the fifth month in a row under 17 million SAAR, the longest period since a six-month streak from September 2014 through February 2015. After a record year of sales in 2016 and seven consecutive year-over-year sales increases, Kelley Blue Book's forecast for 2017 calls for sales in the range of 16.8 million to 17.3 million units, which represents a 1 to 4 percent decrease from last year.

Key Highlights for Estimated July 2017 Sales Forecast:

- In July, new light-vehicle sales, including fleet, are expected to hit 1,430,000 units, down 5.7 percent compared to July 2016 and down 2.6 percent from June 2017.
- The seasonally adjusted annual rate (SAAR) for July 2017 is estimated to be 16.7 million, up from 16.4 million in June 2017 and down from 17.8 million in July 2016.
- Retail sales are expected to account for 84.1 percent of volume in July 2017, slightly up from 83.8 percent in July 2016.

General Motors Expected to Lose Greatest Market Share; Subaru Stands to Gain Share in July 2017

[General Motors](#) could see the most significant drop in market share in July 2017, as the company focuses on lowering production to combat rising levels of inventory. While incentive spending will likely remain elevated for GM brands, the production cuts should help to curb the increased incentives needed to move the slower-selling models that have grown in supply.

[Subaru](#) is expected to buck the trend as the only major automaker expected to post a rise in overall sales volume in July. Due to one less selling day this year versus July 2016, Kelley Blue Book projects most automakers will likely see overall volume decline. Subaru, however, will likely enjoy a modest gain in market share due to the popularity of fast-selling models, such as the Crosstrek, Outback and Impreza.

Manufacturer	Sales Volume ¹			Market Share ²		
	Jul-17	Jul-16	YOY %	Jul-17	Jul-16	YOY %
General Motors (Buick, Cadillac, Chevrolet, GMC)	243,000	267,258	-9.1%	17.0%	17.6%	-0.6%
Ford Motor Company (Ford, Lincoln)	202,000	215,268	-6.2%	14.1%	14.2%	-0.1%
Toyota Motor Company (Lexus, Scion, Toyota)	205,000	214,233	-4.3%	14.3%	14.1%	0.2%
Fiat Chrysler (Chrysler, Dodge, FIAT, Jeep, RAM)	168,000	180,389	-6.9%	11.7%	11.9%	-0.1%
American Honda (Acura, Honda)	147,000	152,799	-3.8%	10.3%	10.1%	0.2%
Nissan North America (Infiniti, Nissan)	125,000	132,475	-5.6%	8.7%	8.7%	0.0%
Hyundai-Kia	120,000	134,972	-11.1%	8.4%	8.9%	-0.5%
Subaru of America	54,000	52,093	3.7%	3.8%	3.4%	0.3%
Volkswagen Group (Audi, Volkswagen, Porsche)	51,000	51,000	0.0%	3.6%	3.4%	0.2%
Total ³	1,430,000	1,517,188	-5.7%	-	-	-

¹ Historical data from OEM sales announcements

² Kelley Blue Book Automotive Insights

³ Includes brands not shown

Compact SUVs Continue to Dominate Market Share in July; Full-Size Trucks Gain Nearly One Point of Share

Remaining on trend with previous months, [compact SUVs](#) are expected to stay atop the pack and will continue to gain market share. Led by the Toyota RAV4, Nissan Rogue and Honda CR-V, this segment remains highly desirable even as similarly priced mid-size cars continue to bleed market share consistently. The affordable price of entry, modest fuel consumption and considerable utility of compact SUVs has established these vehicles as a top choice for small families and commuters alike.

Similarly, Kelley Blue Book expects [full-size trucks](#) will likely post the smallest volume decline of the major segments thanks to strong demand from consumers and small businesses.

"New home construction, and the real estate market in general, has been steadily improving and has even surpassed pre-recession levels in some parts of the country," said Fleming. "A strong real estate market, especially with regard to new home construction, in conjunction with low fuel prices, generous incentives and improved product offerings will help to keep truck sales strong."

Segment	Sales Volume ¹			Market Share		
	Jul-17	Jul-16	YOY %	Jul-17	Jul-16	YOY %
Compact SUV/Crossover	258,000	267,937	-3.7%	18.0%	17.7%	0.4%
Compact Car	177,000	198,064	-10.6%	12.4%	13.1%	-0.7%
Full-Size Pickup Truck	192,000	193,627	-0.8%	13.4%	12.8%	0.7%
Mid-Size SUV/Crossover	171,000	172,916	-1.1%	12.0%	11.4%	0.6%
Mid-Size Car	153,000	179,000	-14.5%	10.7%	11.8%	-1.1%
Total ²	1,430,000	1,517,188	-5.7%	-	-	-

¹ Kelley Blue Book Automotive Insights

² Includes segments not shown

There are 25 sales days in July 2017 compared to 26 sales days in July 2016. All percentages are based on raw volume, not daily selling rate.

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