June New-Car Sales To Fall Nearly 4 Percent Year-Over-Year; Down More Than 3 Percent From May 2017, According To Kelley Blue Book

IRVINE, Calif., June 23, 2017 /PRNewswire/ -- New-vehicle sales are expected to fall nearly 4 percent year-over-year to a total of 1.46 million units in June 2017, resulting in an estimated 16.3 million seasonally adjusted annual rate (SAAR), according to Kelley Blue Book www.kbb.com.

"Kelley Blue Book projects June will be yet another down month of sales with expected declines in both fleet and retail," said Tim Fleming, analyst for Kelley Blue Book. "With manufacturers continuing to announce production cuts at their plants following weaker consumer demand, it all but solidifies 2017 as a down year. Additionally, we are also seeing lease penetration rates come down from record highs and starting to see a slowdown in the growth of incentives as a result. Both are good signs for the long-term health of the automotive industry and show manufacturers' commitment to profitability and preserving future used-car values."

June 2017 would represent the fourth 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 June 2017 Sales Forecast:

- In June, new light-vehicle sales, including fleet, are expected to hit 1,460,000 units, down 3.6 percent compared to June 2016 and down 3.5 percent from May 2017.
- The seasonally adjusted annual rate (SAAR) for June 2017 is estimated to be 16.3 million, down from 16.8 million in June 2016 and down from 16.6 million in May 2017.
- Retail sales are expected to account for 79.7 percent of volume in June 2017, slightly up from 79.4 percent in June 2016.

Volkswagen Stands to Gain Share; Ford Expected to Lose Greatest Market Share in June 2017

Volkswagen Group could see the highest volume growth in June 2017, which would bring its market share up to 3.5 percent. These potential gains are in part due to the year-over-year comparison of a weak 2016, though recently launched models such as the Audi A5, Volkswagen Golf Alltrack and the new Atlas SUV will likely be responsible for most of the increases. These new models should push both car and truck sales for Volkswagen into positive territory for the month.

Ford Motor Company is likely to lose the most market share of the major manufacturers, projected at 1 percent. The declines can be primarily attributed to an expected drop in fleet sales, which would affect sales totals for the higher fleet models such as the Fusion, Focus and Transit vans. In June, Kelley Blue Book estimates Ford's retail mix to be 68 percent, an increase of 4 percent year-over-year.

	Sales Volume [1]			**Market Share [2]**		
Manufacturer	**Jun-17**	**Jun-16**	**YOY %**	**Jun-17**	**Jun-16**	**YOY %**
General Motors (Buick, Cadillac, Chevrolet, GMC)	252,000	255,210	-1.3%	17.3%	16.9%	0.4%
Ford Motor Company (Ford, Lincoln)	216,000	239,096	-9.7%	14.8%	15.8%	-1.0%
Toyota Motor Company (Lexus, Scion, Toyota)	200,000	198,257	0.9%	13.7%	13.1%	0.6%
Fiat Chrysler (Chrysler, Dodge, FIAT, Jeep, RAM)	187,000	202,421	-7.6%	12.8%	13.4%	-0.6%
Nissan North America (Infiniti, Nissan)	139,000	140,553	-1.1%	9.5%	9.3%	0.2%
American Honda (Acura, Honda)	135,000	138,715	-2.7%	9.2%	9.2%	0.1%
Hyundai-Kia	129,000	130,083	-0.8%	8.8%	8.6%	0.2%
Volkswagen Group (Audi, Volkswagen, Porsche)	51,000	46,736	9.1%	3.5%	3.1%	0.4%
Subaru of America	50,000	46,598	7.3%	3.4%	3.1%	0.3%
Total [3]	1,460,000	1,514,516	-3.6%	-	-	-

[1] Historical data from OEM sales announcements
[2] Kelley Blue Book Automotive Insights
[3] Includes brands not shown

Market Share for Compact SUVs Continues to Steadily Grow in June; Mid-Size SUVs Gain One Point of Share

While the sales growth for compact SUVs has slowed with the rest of the industry and is projected at just 3 percent in June 2017, the segment's share of the market continues to steadily rise. Kelley Blue Book projects just over a one point increase in share for compact SUVs, as the top models in the segment, including Toyota RAV4, Nissan Rogue and Honda CR-V, continue to grow and push more than 30,000 units per month on a regular basis.

Perhaps more quietly, mid-size SUVs are also increasing in popularity with consumers, and Kelley Blue Book expects this segment to gain a point of market share this month.

"Like compact SUVs, much of the growth for mid-size SUVs is expected to come from the segment's most popular models," said Fleming. "The Toyota Highlander, Ford Explorer and Jeep Grand Cherokee, all of which are projected to have double-digit growth, are driving gains for the mid-size SUV segment."

	Sales Volume [1]			**Market Share**		
Segment	**Jun-17**	**Jun-16**	**YOY %**	**Jun-17**	**Jun-16**	**YOY %**
Compact SUV/Crossover	257,000	250,069	2.8%	17.6%	16.5%	1.1%
Compact Car	193,000	203,818	-5.3%	13.2%	13.5%	-0.2%
Full-Size Pickup Truck	190,000	189,179	0.4%	13.0%	12.5%	0.5%
Mid-Size SUV/Crossover	184,000	176,058	4.5%	12.6%	11.6%	1.0%
Mid-Size Car	159,000	178,922	-11.1%	10.9%	11.8%	-0.9%
Total [2]	1,460,000	1,514,516	-3.6%	-	-	-

[1] *Kelley Blue Book Automotive Insights*

[2] *Includes segments not shown*

There are 26 sales days in both June 2017 and in June 2016. All percentages are based on raw volume, not daily selling rate.

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