

October New-Car Sales Drop 6 Percent From Last Year For Estimated 17.9 Million SAAR, According To Kelley Blue Book

Volkswagen Still Losing Market Share One Year After Diesel Scandal; SUV Sales Surpass Car Sales for First Time in the United States

IRVINE, Calif., Oct. 27, 2016 /PRNewswire/ -- [New-vehicle sales](#) are expected to decline 6 percent year-over-year to a total of 1.36 million units in October 2016, resulting in an estimated 17.9 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.



"Kelley Blue Book expects October 2016 sales to come in at a robust 17.9 million SAAR; however, due to two fewer selling days and an extremely strong October 2015, there will be volume declines across the industry," said Tim Fleming, analyst for Kelley Blue Book. "Higher incentives are helping boost sales, but with transaction prices at an all-time high and great consumer demand for SUVs and trucks, which are more profitable, automakers can afford the extra incentives. Still, discipline with incentives and moderating production will go a long way in preserving residual values in the next few years."

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 17.3 to 17.6 million, which would range from a 1 percent decrease to a possible 1 percent increase.

Key Highlights for Estimated October 2016 Sales Forecast:

- In October 2016, new light-vehicle sales, including fleet, are expected to hit 1,360,000 units, down 6 percent from October 2015 and down 5 percent from September 2016.
- The seasonally adjusted annual rate (SAAR) for October 2016 is estimated to be 17.9 million, down from 18 million in October 2015 and up from 17.7 million in September 2016.
- Retail sales are expected to account for 82.5 percent of volume in October 2016, down from 83.3 percent in October 2015.

Subaru Continues Remarkable Streak; Volkswagen Still Losing Market Share One Year After Diesel Scandal

[Subaru of America](#) continues to shine brightly in the industry, although analysts expect October totals to be flat year-over-year due to the two fewer selling days this October. While Subaru's sales growth streak of 58 consecutive months might be in jeopardy this month, it is still remarkable to note that Subaru has the fastest-selling inventory, lowest days' supply and the least incentives of any major brand.

"Now, more than one year removed from the announcement of the company's diesel scandal, [Volkswagen](#) is still losing market share in the United States, and Kelley Blue Book expects volume declines to approach 10 percent in October 2016," said Fleming. "Upcoming SUV launches, including the redesigned Tiguan and an all-new three-row SUV, will certainly help Volkswagen's car-dominant lineup once they hit the market, and that can't come soon enough for Volkswagen dealers. Importantly, the Audi and Porsche brands have not been affected by the scandal, as sales for those two brands are up year-over-year."

Manufacturer	Sales Volume ¹			Market Share ²		
	Oct-16	Oct-15	YOY %	Oct-16	Oct-15	YOY %
General Motors (Buick, Cadillac, Chevrolet, GMC)	247,000	262,993	-6.1%	18.2%	18.1%	0.0%
Toyota Motor Company (Lexus, Scion, Toyota)	194,000	204,045	-4.9%	14.3%	14.1%	0.2%
Ford Motor Company (Ford, Lincoln)	190,000	213,105	-10.8%	14.0%	14.7%	-0.7%
Fiat Chrysler (Chrysler, Dodge, FIAT, Jeep, RAM)	180,000	195,545	-7.9%	13.2%	13.5%	-0.2%
American Honda (Acura, Honda)	125,000	131,651	-5.1%	9.2%	9.1%	0.1%
Nissan North America (Infiniti, Nissan)	114,000	116,047	-1.8%	8.4%	8.0%	0.4%
Hyundai-Kia	104,000	110,049	-5.5%	7.6%	7.6%	0.1%
Subaru of America	51,000	51,629	-1.2%	3.8%	3.6%	0.2%
Volkswagen Group (Audi, Volkswagen, Porsche)	47,000	52,157	-9.9%	3.5%	3.6%	-0.1%
Total ³	1,360,000	1,451,703	-6.3%	-	-	-

¹ Historical data from OEM sales announcements

² Kelley Blue Book Automotive Insights

³ Includes brands not shown

SUV Sales Surpass Car Sales for First Time in the United States

The [mid-size car segment](#) looks like it will continue to freefall in October 2016, with share dropping 1.5 percent. Only two models in the segment have increased sales this year (Chevrolet Malibu and Subaru Legacy), despite increased incentive spending. As a whole, market share for cars in October 2016 is nearly 37 percent, compared to 40 percent in October 2015. For the first time on Kelley Blue Book's record, [SUV](#) sales have now surpassed car sales in the United States, a trend that likely will continue with moderate gas prices.

Segment	Sales Volume ¹			Market Share		
	Oct-16	Oct-15	YOY %	Oct-16	Oct-15	YOY %
Compact SUV/Crossover	241,000	252,413	-4.5%	17.7%	17.4%	0.3%
Full-Size Pickup Truck	175,000	186,995	-6.4%	12.9%	12.9%	0.0%
Mid-Size Car	162,000	194,668	-16.8%	11.9%	13.4%	-1.5%
Compact Car	160,000	168,733	-5.2%	11.8%	11.6%	0.1%
Mid-Size SUV/Crossover	159,000	165,518	-3.9%	11.7%	11.4%	0.3%
Total ²	1,360,000	1,451,703	-6.3%	-	-	-

¹ Kelley Blue Book Automotive Insights

² Includes segments not shown

There are 26 sales days in October 2016, compared to 28 sales days in October 2015. All percentages are based on raw volume, not daily selling rate.

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