

# January New-Car Sales Impacted By Historic Blizzard, Down 3 Percent Year-Over-Year, According to Kelley Blue Book

**Consumer Demand for Jeep Could Be Slowing; Compact Car Segment Will Be the One to Watch in 2016**

IRVINE, Calif., Jan. 28, 2016 /PRNewswire/ -- [New-vehicle sales](#) are expected to decrease 3 percent year-over-year to a total of 1.12 million units in January 2016, resulting in an estimated 17.1 million seasonally adjusted annual rate (SAAR), according to Kelley Blue Book [www.kbb.com](http://www.kbb.com), the only vehicle valuation and information source trusted and relied upon by both consumers and the automotive industry.



"This month's new-car sales were impacted by the historic blizzard Jonas that covered much of the East Coast in snow late in January," said Tim Fleming, analyst for Kelley Blue Book. "Since the blizzard hit densely populated areas during a weekend, when dealerships see the most foot traffic, Kelley Blue Book anticipates sales to dip slightly; however, any lost sales will likely be postponed until February. January is typically the slowest month of the year for automotive sales, as consumers recover from the holiday season and pull forward many purchases into December to take advantage of available year-end deals."

After the highest U.S. sales record in 2015, Kelley Blue Book's forecast in the new year calls for sales in the range of 17.5 to 18 million, which could put the industry at a flat sales year or set another record. However, there are downside risks that could disrupt the current momentum, including rising supply of good condition off-lease used cars, potential interest rate hikes and uncertainty in global stock markets.

## **Key Highlights for Estimated January 2016 Sales Forecast:**

- In January, new light-vehicle sales, including fleet, are expected to hit 1,120,000 units, down 3 percent from January 2015 and down 32 percent from December 2015.
- The seasonally adjusted annual rate (SAAR) for January 2016 is estimated to be 17.1 million, up from 16.6 million in January 2015 and down from 17.2 million in December 2015.
- Retail sales are expected to account for 81.5 percent of volume in January 2016, up from 81.2 percent in January 2015.

## **Consumer Demand for Jeep Could Be Slowing; American Honda Capturing Share with All-New Civic, Restyled Accord**

Fiat Chrysler could lead major manufacturers in year-over-year growth at around 1 percent.

"Low gas prices and growing consumer interest in utility vehicles helped Jeep grow nearly 25 percent last year, and 2016 should also be strong for the brand," said Fleming. "However, incentive spending for the brand has been growing in addition to days to turn, indicating that consumer demand may be slowing to some degree."

American Honda also could capture market share this month and is expected to report 9 percent year-over-year strength. Sales will be boosted primarily by the all-new Civic sedan, which is still growing in availability at dealerships, and a restyled Accord.

Manufacturer	Sales Volume <sup>1</sup>			Market Share <sup>2</sup>		
	Jan-16	Jan-15	YOY %	Jan-16	Jan-15	YOY %
General Motors (Buick, Cadillac, Chevrolet, GMC)	197,000	202,786	-2.9%	17.6%	17.6%	-0.1%
Ford Motor Company (Ford, Lincoln)	169,000	177,441	-4.8%	15.1%	15.4%	-0.4%
Toyota Motor Company (Lexus, Scion, Toyota)	163,000	169,194	-3.7%	14.6%	14.7%	-0.2%
Fiat Chrysler (Chrysler, Dodge, FIAT, Jeep, RAM)	146,000	145,007	0.7%	13.0%	12.6%	0.4%
American Honda (Acura, Honda)	101,000	102,184	-1.2%	9.0%	8.9%	0.1%
Nissan North America (Infiniti, Nissan)	100,000	104,107	-3.9%	8.9%	9.1%	-0.1%
Hyundai-Kia	80,000	82,804	-3.4%	7.1%	7.2%	-0.1%
Volkswagen Group (Audi, Volkswagen, Porsche)	37,000	38,982	-5.1%	3.3%	3.4%	-0.1%
<b>Total <sup>3</sup></b>	<b>1,120,000</b>	<b>1,149,247</b>	<b>-2.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup> Historical data from OEM sales announcements

<sup>2</sup> Kelley Blue Book Automotive Insights

<sup>3</sup> Includes brands not shown

### Compact Car Segment Will Be the One to Watch in 2016

With gas prices at their lowest point since 2009, SUVs will continue to grow in popularity in 2016, especially in the compact SUV segment. In fact, some automakers have multiple models in this segment, which are contributing to this growth. Kelley Blue Book analysts expect the compact SUV segment to grow by double digits in January, kicking off a very strong year.

"One segment to watch in 2016 will be compact cars. Similar to mid-size cars, market share for these models has been declining for the past three years," said Fleming. "While this trend could continue this year, three of the top four models in this segment (Honda Civic, Chevrolet Cruze and Hyundai Elantra) will have redesigned models on the market in the first half of the year. Much of the focus recently has been on the booming growth of small SUVs, but the new small cars on the way could spark consumer interest."

Segment	Sales Volume <sup>1</sup>			Market Share		
	Jan-16	Jan-15	YOY %	Jan-16	Jan-15	YOY %
Compact SUV/Crossover	158,000	141,267	11.8%	14.1%	12.3%	1.8%
Compact Car	151,000	166,739	-9.4%	13.5%	14.5%	-1.0%
Mid-Size Car	143,000	155,862	-8.3%	12.8%	13.6%	-0.8%
Full-Size Pickup Truck	137,000	140,688	-2.6%	12.2%	12.2%	0.0%
Mid-Size SUV/Crossover	135,000	143,513	-5.9%	12.1%	12.5%	-0.4%
<b>Total <sup>2</sup></b>	<b>1,120,000</b>	<b>1,149,247</b>	<b>-2.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>

<sup>1</sup> Kelley Blue Book Automotive Insights

<sup>2</sup> Includes segments not shown

There are 24 sales days in January 2016, compared to 26 sales days in January 2015. All percentages are based on raw volume, not daily selling rate.

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