

New-Vehicle Sales To Decline Nearly 1 Percent In August; Labor Day Weekend Expected To Boost Sales

Chrysler Group to Post Double-Digit Growth on Jeep Brand; Mid-Size Cars Continue to Lose Steam

IRVINE, Calif., Aug. 27, 2014 /PRNewswire/ -- [New-vehicle sales](#) are expected to decrease 0.7 percent year-over-year to a total of 1.49 million units, resulting in an estimated 16.5 million seasonally adjusted annual rate (SAAR), according to Kelley Blue Book www.kbb.com, the only vehicle valuation and information source trusted and relied upon by both consumers and the automotive industry. Although sales are down from a raw volume perspective, they remain up slightly after adjusting for the difference in selling days in August 2014 versus August 2013.



"Although growth has slowed, sales remain steady and on pace to end the year strong," said Alec Gutierrez, senior analyst for Kelley Blue Book. "Growth is expected to continue to soften, so we wouldn't be surprised to see automakers increase their incentive spending. Spending was restrained for the first part of the year, and has crawled upward in recent months. Sales also will be boosted by the Labor Day weekend, which is traditionally one of the strongest weekends of the year for vehicle sales."

Key Highlights for Estimated August 2014 Sales Forecast:

- In August, new light-vehicle sales, including fleet, are expected to hit 1,490,000 units, down 0.7 percent from August 2013 and up 4.0 percent from July 2014.
- The seasonally adjusted annual rate (SAAR) for August 2014 is estimated to be 16.5 million, up from 15.9 million in August 2013 and up from 16.4 million in June 2014.
- Retail sales are expected to account for 89 percent of volume in August 2014.

Chrysler Group to Post Double-Digit Growth on Strength of the Jeep Brand

[Chrysler Group](#) continues its impressive run in 2014 with double-digit growth in August. The [Jeep](#) brand has been especially strong, becoming Chrysler Group's highest selling and the industry's fastest growing brand. Much of Jeep's success is due to the Cherokee, which launched late last year. Due to one fewer selling day this year, Kelley Blue Book anticipates most of the major manufacturers to remain flat or post minimal declines year-over-year.

Manufacturer	Sales Volume ¹			Market Share ²		
	Aug-14	Aug-13	YOY %	Aug-14	Aug-13	YOY
General Motors (Buick, Cadillac, Chevrolet, GMC)	273,000	275,847	-1.0%	18.3%	18.4%	-0.1%
Toyota Motor Company (Lexus, Scion, Toyota)	221,000	231,537	-4.6%	14.8%	15.4%	-0.6%
Ford Motor Company (Ford, Lincoln)	217,000	220,404	-1.5%	14.6%	14.7%	-0.1%

Chrysler Group (Chrysler, Dodge, Jeep, RAM)	184,000	165,552	11.1%	12.3%	11.0%	1.3%
American Honda (Acura, Honda)	153,000	166,432	-8.1%	10.3%	11.1%	-0.8%
Nissan North America (Infiniti, Nissan)	122,000	120,498	1.2%	8.2%	8.0%	0.2%
Hyundai-Kia	117,000	118,126	-1.0%	7.9%	7.9%	0.0%
Volkswagen Group (Audi, Volkswagen, Porsche)	51,000	57,674	-11.6%	3.4%	3.8%	-0.4%
Total ³	1,490,000	1,500,387	-0.7%	-	-	-

¹ Historical data from OEM sales announcements

² Kelley Blue Book Automotive Insights

³ Includes brands not shown

Compact, Mid-Size Utility Vehicles Account for Nearly 60 Percent Industry Growth; Mid-Size Cars Losing Steam

Both compact and mid-size [SUVs/crossovers](#) continue to be the strongest vehicle categories in August. This year, compact and mid-size SUVs/crossovers are responsible for nearly 60 percent of the industry's growth, as two of the fastest selling segments. Compact SUVs/crossovers average 49 days to turn, while mid-size SUVs/crossovers average 61 days, both just slightly higher than this time last year.

"The mid-size car segment continues to lose steam this year. Sales on the year are down 2 percent, average transaction prices are down 1 percent, while incentive spending is up nearly \$500 per unit," said Gutierrez. "Recently redesigned models such as the Hyundai Sonata and Chrysler 200 will face challenges in this highly competitive segment."

Segment	Sales Volume ¹			Market Share		
	Aug-14	Aug-13	YOY %	Aug-14	Aug-13	YOY
Compact Car	221,000	225,457	-2.0%	14.8%	15.0%	-0.2%
Mid-Size Car	215,000	222,870	-3.5%	14.4%	14.9%	-0.4%
Compact SUV/Crossover	193,000	181,714	6.2%	13.0%	12.1%	0.8%
Full-Size Pickup Truck	175,000	180,076	-2.8%	11.7%	12.0%	-0.3%
Entry-level Luxury Car	72,000	78,055	-7.8%	4.8%	5.2%	-0.4%
Total ²	1,490,000	1,500,387	-0.7%	-	-	-

¹ Kelley Blue Book Automotive Insights

² Includes segments not shown

There are 27 sales days in August 2014, compared to 28 sales days in August 2013. All percentages are based on raw volume, not daily selling rate.

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