

July New-Car Sales Bounce Back To 17.5 Million SAAR On Strong Holiday Weekend Sales, Increased Incentives, Continued Leasing Growth, According To Kelley Blue Book

Kelley Blue Book Adjusts Full-Year 2016 Forecast to Range from 17.4 Million to 17.8 Million

IRVINE, Calif., July 28, 2016 /PRNewswire/ -- [New-vehicle sales](#) are expected to decrease 1 percent year-over-year to a total of 1.5 million units in July 2016, resulting in an estimated 17.5 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. Following a weaker-than-anticipated sales month in June, Kelley Blue Book expects new-car sales to bounce back to the mid-17 million SAAR range in July, helped by a strong Fourth of July weekend, increased incentives and continued growth in leasing. Sales in the first half of the year totaled 8.6 million units, which was the highest first-half volume since 2001.



"The new-car market currently appears to be reaching its peak in terms of sales, and now there is a better chance that 2016 won't be another record year, as year-over-year comparisons for the remainder of 2016 will be tough," said Tim Fleming, analyst for Kelley Blue Book. "After a record new-car sales total in the United States in 2015, Kelley Blue Book's full-year forecast for 2016 now calls for sales in the range of 17.4 million to 17.8 million, which would range anywhere from a slight year-over-year decline to a 2 percent increase."

Key Highlights for Estimated July 2016 Sales Forecast:

- In July 2016, new light-vehicle sales, including fleet, are expected to hit 1,500,000 units, down 1 percent from July 2015 and down 1 percent from June 2016.
- The seasonally adjusted annual rate (SAAR) for July 2016 is estimated to be 17.5 million, which is even with July 2015 and up from 16.6 million in June 2016.
- Retail sales are expected to account for 84 percent of volume in July 2016, down from 84.4 percent in July 2015.

GM Increases Incentive Spending Amidst Decline in Fleet Sales; Nissan Poised to Gain Most Market Share in July

[General Motors](#) could have one of the biggest volume declines of the major manufacturers in July, at an expected 4 percent decline. Much of the monthly decline can be attributed to a drop in rental sales, as GM continues to focus on increasing retail share. However, to drive new sales, GM also has increased incentive spending, with the average climbing to nearly \$4,000 per unit.

[Nissan](#) North America could gain the most market share in July, with a projected 4 percent increase in volume, due to strong months from the Frontier and Rogue. The Frontier is benefiting from being in the hot mid-size pickup segment, while the Rogue could surpass the Altima as Nissan's top seller in July.

Manufacturer	Sales Volume ¹			Market Share ²		
	Jul-16	Jul-15	YOY %	Jul-16	Jul-15	YOY %
General Motors (Buick, Cadillac, Chevrolet, GMC)	262,000	272,512	-3.9%	17.5%	18.1%	-0.6%
Ford Motor Company (Ford, Lincoln)	223,000	222,014	0.4%	14.9%	14.7%	0.1%
Toyota Motor Company (Lexus, Scion, Toyota)	209,000	217,181	-3.8%	13.9%	14.4%	-0.5%
Fiat Chrysler (Chrysler, Dodge, FIAT, Jeep, RAM)	182,000	178,027	2.2%	12.1%	11.8%	0.3%
American Honda (Acura, Honda)	146,000	146,324	-0.2%	9.7%	9.7%	0.0%
Nissan North America (Infiniti, Nissan)	136,000	130,872	3.9%	9.1%	8.7%	0.4%
Hyundai-Kia	129,000	127,324	1.3%	8.6%	8.4%	0.2%
Subaru of America	51,000	50,517	1.0%	3.4%	3.4%	0.0%
Volkswagen Group (Audi, Volkswagen, Porsche)	48,000	53,684	-10.6%	3.2%	3.6%	-0.4%
Total ³	1,500,000	1,507,643	-0.5%	-	-	-

¹ Historical data from OEM sales announcements

² Kelley Blue Book Automotive Insights

³ Includes brands not shown

Compact SUVs Remain Top Segment; SUV Sales Have Nearly Surpassed Sales of Cars This Year

[Compact SUVs](#) will remain the top-selling segment in July, extending its share to nearly 18 percent of new sales. On the whole, [SUV](#) sales have nearly surpassed sales of cars this year, with SUVs comprising 39 percent of sales compared to 40 percent for cars.

July also looks like a good month for [full-size trucks](#), with projected segment growth of 3 percent. After volume fell last month, GM has focused efforts on the Silverado and Sierra, and Kelley Blue Book expects sales to return in July.

Segment	Sales Volume ¹			Market Share		
	Jul-16	Jul-15	YOY %	Jul-16	Jul-15	YOY %
Compact SUV/Crossover	269,000	257,020	4.7%	17.9%	17.0%	0.9%
Full-Size Pickup Truck	196,000	190,132	3.1%	13.1%	12.6%	0.5%
Mid-Size Car	192,000	216,365	-11.3%	12.8%	14.4%	-1.6%
Compact Car	186,000	199,273	-6.7%	12.4%	13.2%	-0.8%
Mid-Size SUV/Crossover	171,000	172,337	-0.8%	11.4%	11.4%	0.0%
Total ²	1,500,000	1,507,643	-0.5%	-	-	-

¹ Kelley Blue Book Automotive Insights

² Includes segments not shown

There are 26 sales days in July 2016 and July 2015. All percentages are based on raw volume, not daily selling rate. As of this writing, the Bureau of Economic Analysis has not updated the seasonal factors used to calculate the SAAR for this month.

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