



MARKET BEAT

Patrick Manzi, *NADA Senior Economist*
Boyi Xu, *Economist*

Through the first half of 2018, light-vehicle sales were up from this time last year. Through June, nearly 8.6 million new light vehicles were sold, an increase of roughly 2%. Crossover utility vehicles continue to make up the largest share of new vehicles sold, with a market share of 37.9—an increase of 4.2 percentage points from this time last year. All car segments posted year-over-year declines, and light trucks represented 68% of all new vehicles sold. According to J.D. Power, incentive spending remains high at an average of \$3,892 per vehicle, up \$118 from June of last year. New-vehicle sales have been helped by a strong economy, with jobless rates at their lowest levels since 2000, high levels of consumer confidence and income gains in many sectors of the economy. If new-vehicle sales continue at this pace for the rest of the year, we could see another 17 million unit year—but some headwinds remain. Rising interest rates and monthly payments, coupled with a high supply of nearly new off-lease vehicles, could shift some buyers into the used-vehicle market. Furthermore, the threat of tariffs of up to 25% on imported vehicles and parts has created an environment of uncertainty among new-vehicle manufacturers, suppliers and dealers. If implemented in their proposed form, these tariffs could add significant vehicle costs for both consumers and manufacturers, and could drive down new-vehicle sales to the tune of 1 million to 2 million units, depending on the severity of the tariffs and the retaliation of our trading partners.

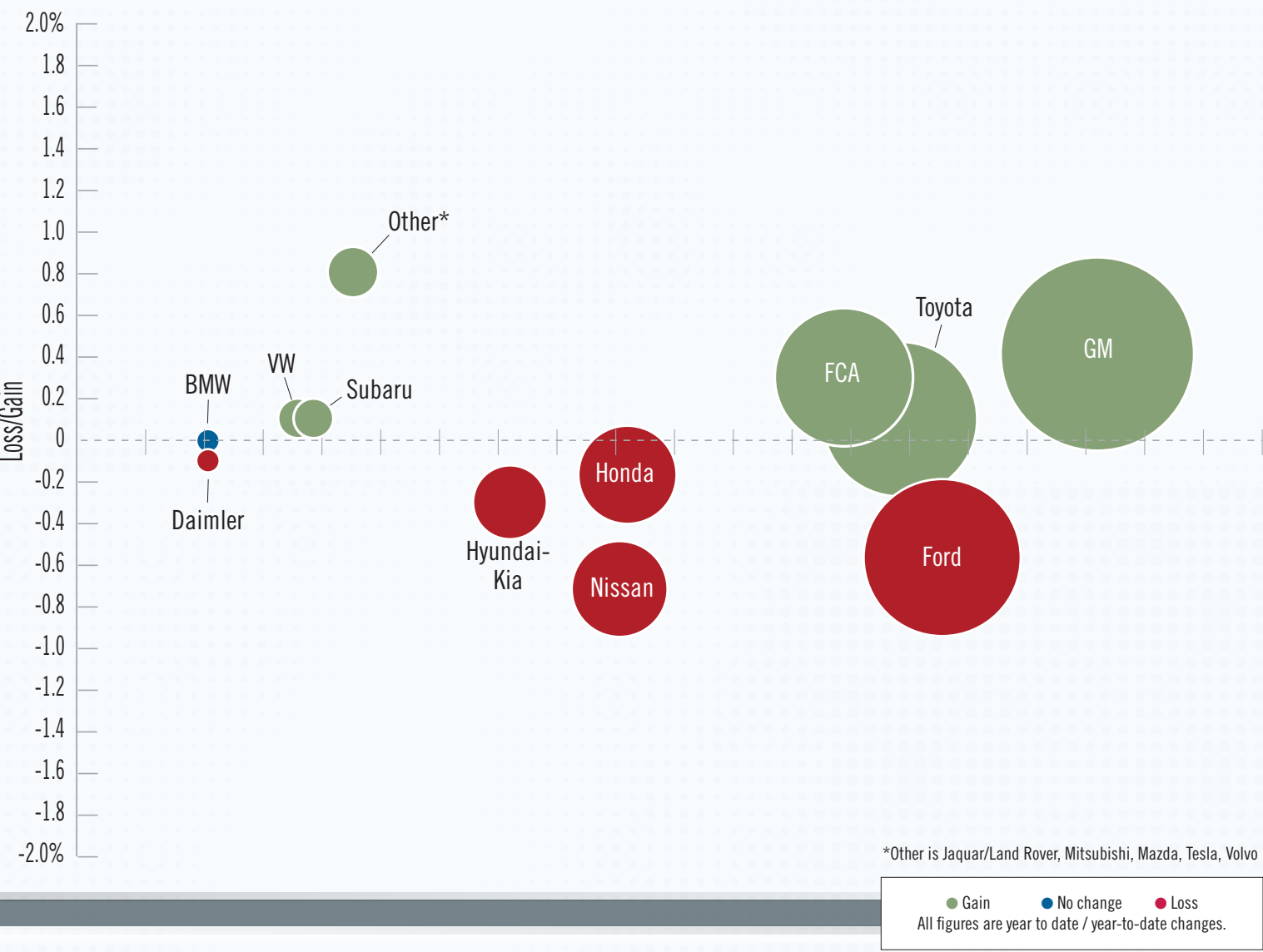
U.S. Light-Vehicle Sales

(Seasonally Adjusted at Annual Rates)

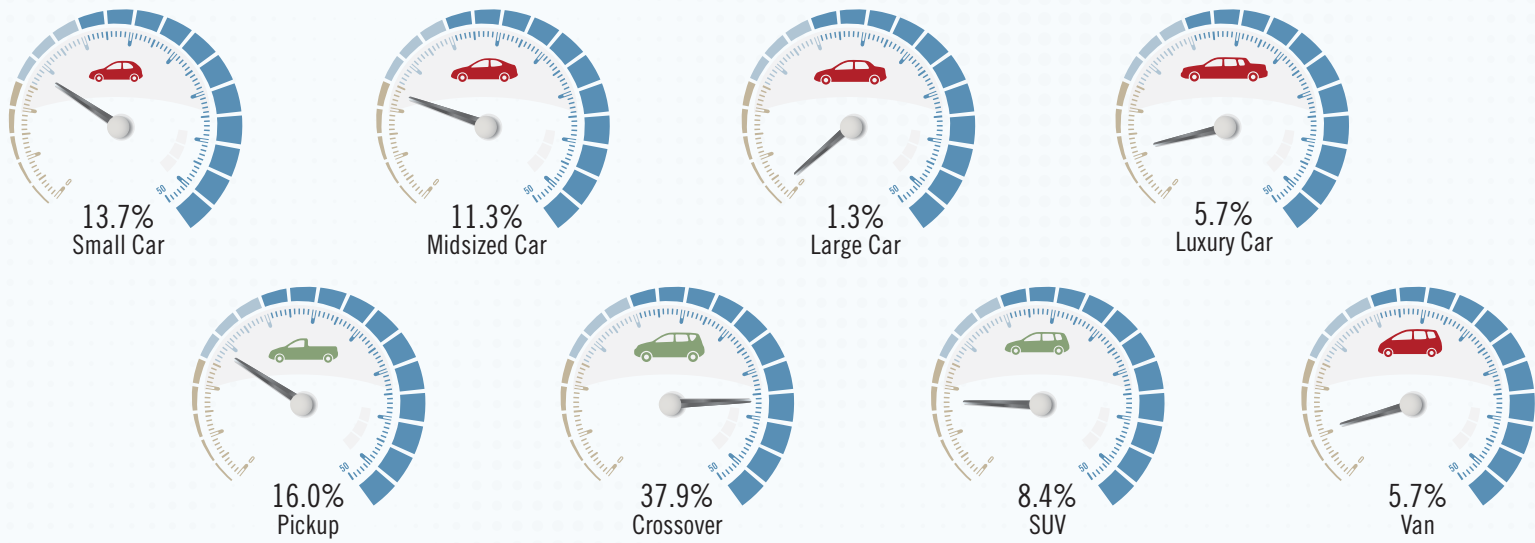


	June 2018	Y/Y Change %	Jan - June 2018	YTD Change%
Total Car	5.25	-8.9%	5.36	-12.3%
Total Light Truck	12.14	12.0%	11.79	9.2%
Domestic Light Vehicle	13.31	2.9%	13.11	0.0%
Import Light Vehicle	4.07	10.6%	4.03	6.1%
Total Light Vehicle SAAR	17.38	4.6%	17.14	1.4%

Market Share, by manufacturer



Market Share, by segment



Market Share, by powertrain

