



MARKET BEAT

April 2020

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New light-vehicle sales fell sharply in April to a SAAR of 8.6 million units, the lowest monthly selling rate in almost 30 years. The April SAAR represents a drop of 47.6% compared to April 2019, with declines across the country. Yet many industry watchers believe auto sales have bottomed out and are showing signs of recovery. Those states where there were fewer restrictions on selling vehicles tended to outperform markets that banned all vehicle sales outright or where online sales were allowed with home delivery. And while certain states restricted any vehicle sales whatsoever for the first part of April, online vehicle sales were finally allowed nationwide by the end of the month.

For their part, the automakers have been offering generous loan terms, with zero-percent financing for up to 84 months. The programs are so popular that 18% of customers chose an 84-month loan during the last week of April, according to J.D. Power. Such long-term loans, which provide consumers with increased buying power and the ability to chose from a wider selection of vehicles, helped bolster pickup sales in April. Pickups represented 25.9% of all new vehicles sold last month and were only down 24% compared to April of last year. The light-truck segment as a whole remained popular, representing 76.9% of all vehicles sold in April and 74.6% of all vehicles sold this year.

In May, many states will end their lockdowns and dealerships will reopen—but with enhanced safety, sanitation and social-distancing guidelines. We expect pent-up demand from customers who were forced to delay their lease returns or who are looking for excellent finance terms and enhanced discounts. Sales will likely continue to be down relative to 2019 in the short term. But our forecast for 2020 remains unchanged from last month, with new-vehicle sales between 13 million and 13.5 million units.

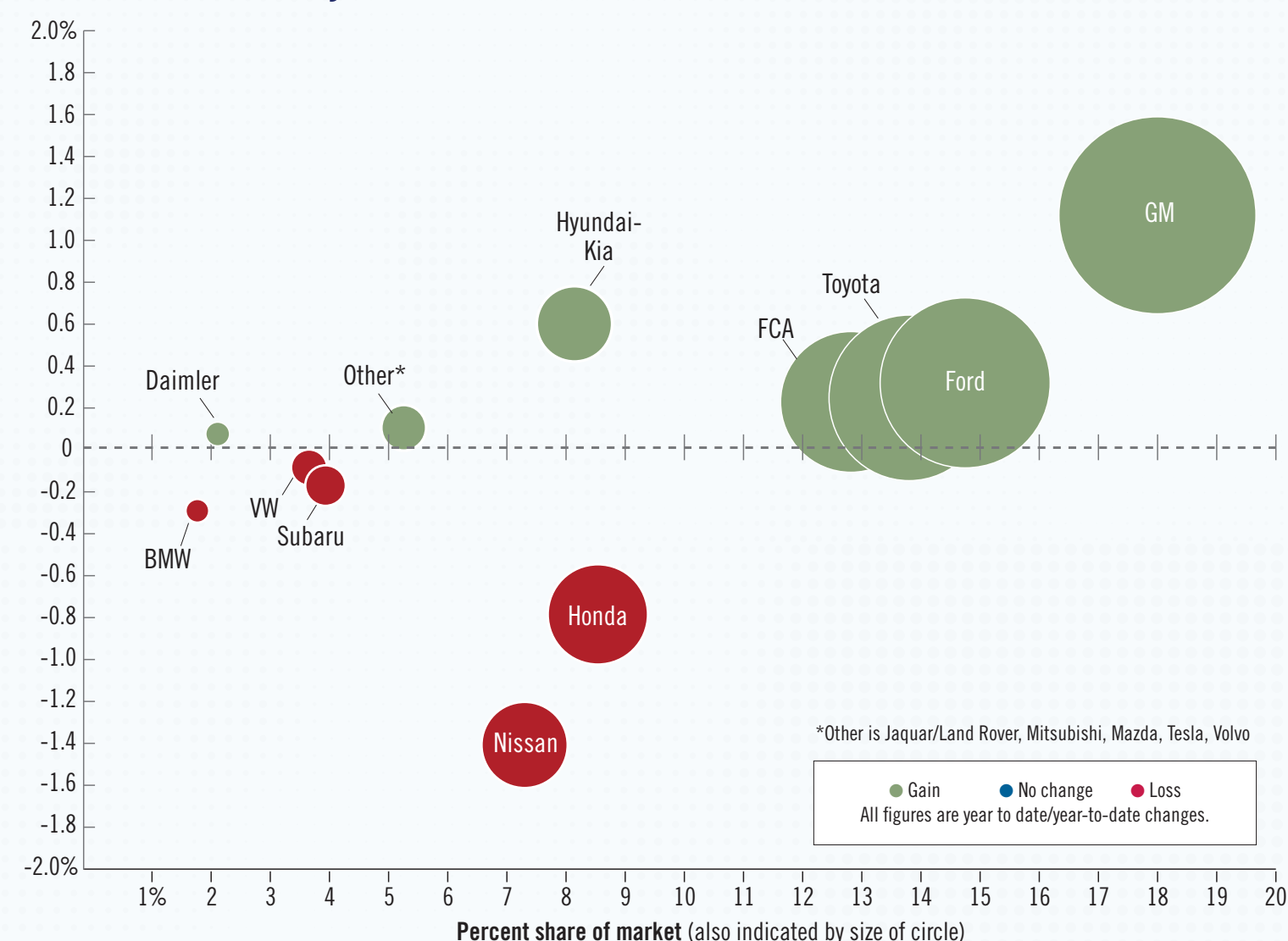
U.S. Light-Vehicle Sales

(Seasonally Adjusted at Annual Rates)

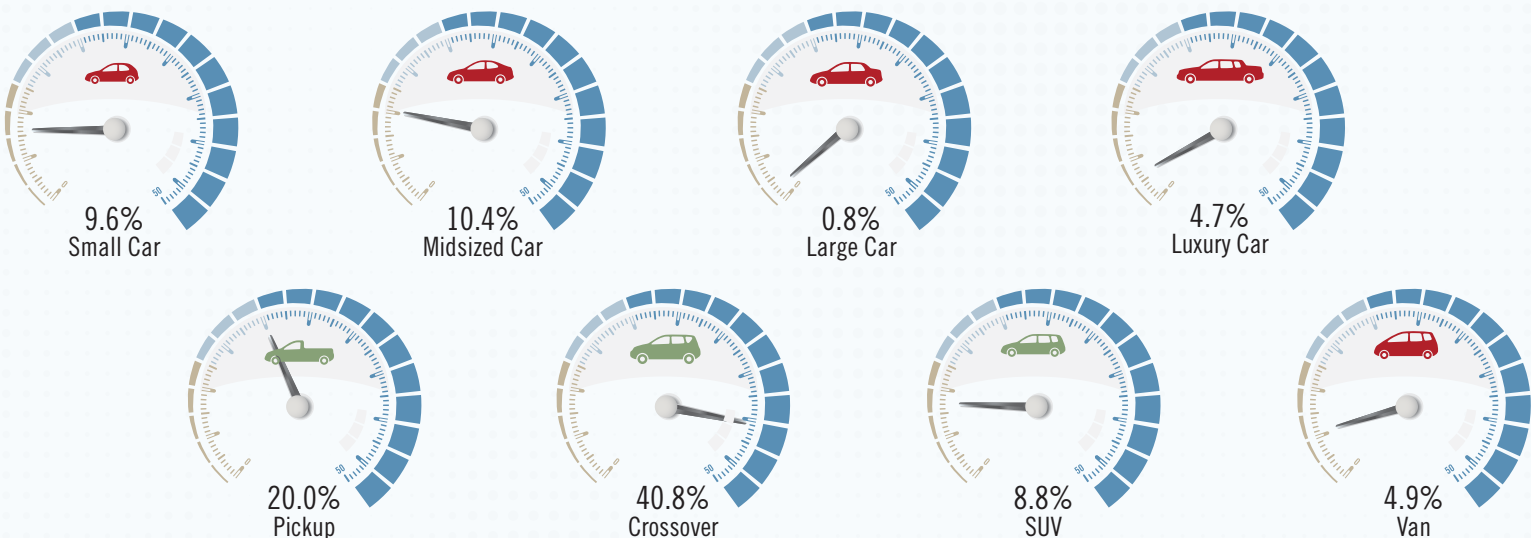


	Apr 2020	Y/Y %	Jan - Apr 2020	YTD/YTD %
Total Car	1.95	-59.3%	3.28	-33.6%
Total Light Truck	6.63	-43.3%	9.90	-16.4%
Domestic Light Vehicle	6.75	-47.6%	10.34	-20.5%
Import Light Vehicle	1.83	-49.4%	2.84	-24.7%
Total Light Vehicle SAAR	8.58	-47.9%	13.18	-21.4%

Market Share, by manufacturer



Market Share, by segment



Market Share, by powertrain

