

# Press release<sup>1</sup>

December 4, 2020

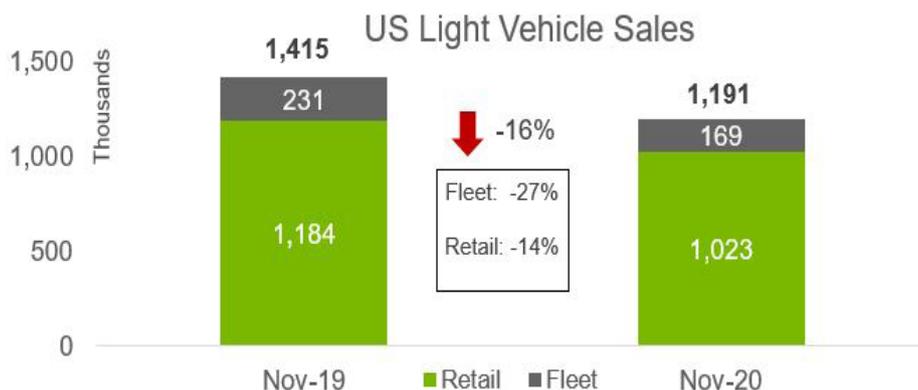
## With three fewer selling days, November volumes fell to 1.19 mn LVs, returning to a double-digit decline after two months of growth

- November was the shortest month of the year, and sales plunged by 15.8% YoY, after growing by 1.3% in October. The annualized rate fell short of 16 mn units, but was at 93% of the February SAAR, the highest so far this year.
- Midsize Non-Premium SUVs led the market once again, with a 15.8 % share. Overall, SUVs accounted for 53.5% of sales, up by 2.6 pp from a year ago.
- LMC’s 2020 Global Light Vehicle demand forecast stands at 77.2 million units, down 14% from a year ago. Weakness in Europe remains the biggest risk to volume as the year closes.

**(DETROIT, MI):** Light Vehicle sales in the US were negatively impacted by calendar effects this November. Three fewer selling days made it the shortest month of 2020, with sales falling to 1.19 mn units, a 15.8% YoY decline, according to actuals from LMC Automotive, the leading independent automotive global forecasting and market intelligence company. When adjusted for selling days, the decline improves to 4.8%.

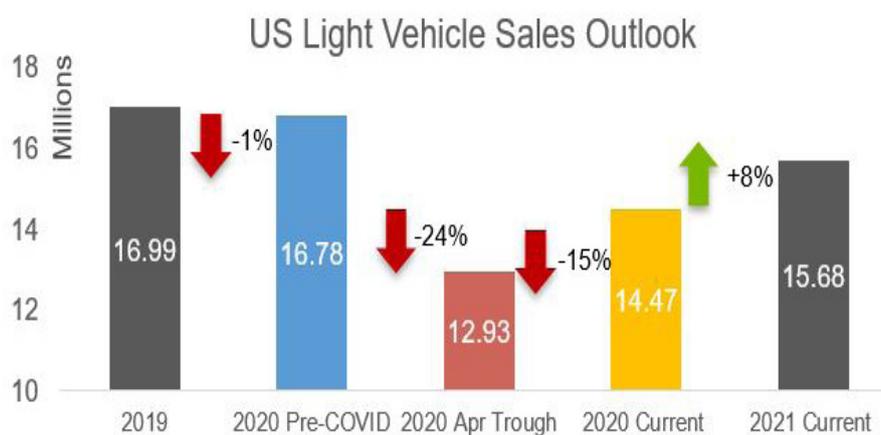
The annualized rate also deteriorated last month, falling to 15.6 mn units, after being above the 16 mn mark in September and October. Nevertheless, the November SAAR was at 93% of the February rate, demonstrating rapid recovery in the US auto market, the best performing month this year.

Unsurprisingly, retail performed better than fleet last month. However, after growing by 5.9% YoY in October, retail sales fell by 14% in November. Despite the rising number of COVID-19 cases, consumers seem to have taken advantage of Black Friday deals. Sales in the last three days of the month accounted for 24% of the month’s total, compared to 19% a year ago. Fleet deliveries plunged by 27%, just 5 pp more than in October.



**Augusto Amorim, Senior Manager, Americas Vehicle Sales Forecasts, LMC Automotive adds:**

“Midsize SUVs led the market for the second consecutive month and performed better than Compact models YoY. Midsize SUVs fell by 10.1%, but Compact SUV was down by 21.0%. The third largest segment was Large Pickups, underperforming the total industry due to the Ford F-150 changeover. Dealers are likely to receive the new model this month. Low inventory continues to hurt some Premium makes, and the segment was down by 17.1% YoY, but despite this, prices continued to rise, reaching a new record of more than US\$37,000. However, because of ultra-low interest rates monthly payments have remained in line with those of last year.”



On the heels of a slightly weaker than expected November, the outlook for December has been tempered by 20,000 units and is forecast at 1.62 mn units. With three additional selling days, that translates to an increase of 7% from December 2019. Fleet share of the total Light Vehicle sales are expected to remain low, in the 12-12.5% range. Retailers are expected to benefit from the additional days and post an increase of 15%. Fleet sales are still expected to be down by 30% from December of last year.

Sales variability and risk continue to weigh on the final forecast for 2020 which remains at 14.5 mn units, down 15% from 2019. Retail sales are expected to finish 2020 down just 9% from 2019. Fleet sales are a drag on total sales with 2020 expected to be down 37% from 2019, a slight improvement from our previous forecast. Inventory levels remain quite lean, as the year comes to an end. Inventory at the end of November lost about 10,000 units from the increase reported in October. Vehicle stock is down 22% from a year ago. Looking at Days’ supply, the measure fell to 55 from 59 last month.

**Jeff Schuster, President, Americas Operations and Global Vehicle Forecasts, LMC Automotive said:**

“The US Auto industry continues to look for its footing as it grapples with inventory shortages, additional restrictions in some markets around the US and the likelihood for new restrictions in other states and cities as COVID-19 cases to continue to rise and disrupt any path toward a return to normal. Several new models are ramping up production and there are 10 launches in the next 4-months that could face disruptions. Vaccine news is certainly a positive suggesting that by the end of next year, the economy should be in a more stable recovery and auto sales are expected to continue to improve. Our forecast for US auto sales in 2021 is for 15.7 mn units, an increase of 8% from 2020.”

ENDS



## About LMC Automotive

LMC Automotive is the leading independent and exclusively automotive focused provider of global forecasting and market intelligence in the areas of vehicle sales, production, powertrains and electrification. Highly respected for its responsive customer support, the company's client base from around the globe includes car and truck makers, component manufacturers and suppliers, financial, logistics and government institutions. LMC Automotive is part of the LMC group. LMC is the world's leading economic and business consultancy for the agribusiness sector.

For more information about LMC Automotive, visit [www.lmc-auto.com](http://www.lmc-auto.com), email us at [media@lmc-auto.com](mailto:media@lmc-auto.com) or follow @LMCAutomotive on Twitter and LinkedIn.

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