

6 APRIL 2021

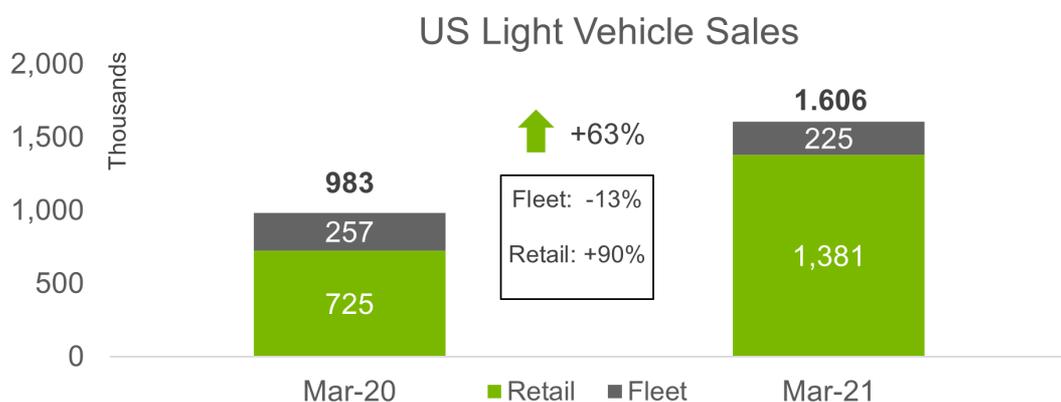
March US Light Vehicle sales shatter expectations and reach an annual selling rate of 18 million units, the highest ever for the month.

- March sales reached 1.61 mn Light Vehicles, with retail accounting for 86% of this volume. An 18 mn unit selling rate hasn't been recorded since September 2017.
- SUVs accounted for 55% of total sales, and fleet deliveries helped Cars to gain 1.2 percentage points from February. Compact and Midsize Non-Premium SUVs were the two most popular segments in March, as they were in February.
- Global update – An improved outlook in the US and India raise the forecast for global Light Vehicle sales in 2021 to 87.4 million units, an increase of 200,000 units from last month and a 12% increase from 2020. The improved outlook was offset by a tempering of the Western Europe forecast given ongoing pandemic disruptions.

(DETROIT, MI): Despite global production interruptions caused by parts shortages, US sales rebounded strongly in March. LMC Automotive, the leading independent automotive global forecasting and market intelligence company, reports that volumes reached 1.61 mn Light Vehicles, making this the third best March in history – with higher volumes only recorded in 2000 and 2018 respectively. Coming from a pandemic-induced low in 2020, March 2021 volume represents a 63% increase from last March, but with one additional selling day.

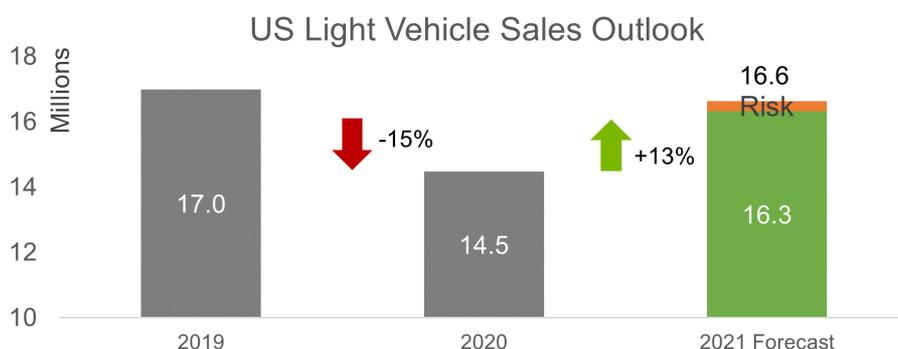
The strong result translates into an annualized rate of 18.0 mn units, the best SAAR for a month of March ever. The SAAR was up by 6.7 mn from a year ago and by 2.2 mn from February. The quarter ended with 3.89 mn units sold, up by 12% from Q1 2020.

The numbers are even more impressive considering that they were mostly driven by retail demand - sales totalled 1.38 mn units, just 984 units fewer than in December, traditionally a much stronger month than March. Fleet accounted for 14% of total sales, down from 18% in January and 17% in February. Transaction prices were the highest ever for a month of March and incentives as a percentage of MSRP were below 10% for the eighth consecutive month. Weather-related purchase delays in February, government stimulus checks and optimism of a return to normal likely drove this surge.



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

“Toyota sold the most vehicles in March, beating GM for the sales crown, as they benefited from being less impacted by the semiconductor shortage thus far and made a strong sales push in the last month of their fiscal year. Large Pickups, the least affected segment by the pandemic, has lost 3.5 percentage points of share from a year ago, as the inventory squeeze takes hold. Compact and Midsize SUVs led the market, and the difference between them was just 1,200 units. The Premium and Super Premium segments also performed very well compared to the beginning of the pandemic last year. Sales of Midsize Premium SUVs, for example, more than doubled from a year ago.”



Looking forward, Light Vehicle demand continues to accelerate as the year progresses, despite the extremely low inventory situation. Even if the selling rate is likely to pull back from the record-breaking March total, robust sales are expected to continue into April with a selling rate of 16.4 million units, up from 15.8 million units expected in our previous forecast. April US sales volume is forecast at 1.34 million units, an increase of 88% from the pandemic low last April. Disruption risk from production downtime caused by semiconductor and other material shortages has increased as inventory has been depleted even further and additional shutdowns have been announced.

Despite production uncertainties, we have raised the outlook for US Light Vehicle sales in 2021 to a level that is approaching the pre-pandemic expectation for 2021. Total light vehicle sales have been increased to 16.6 million units, an increase of 15% from 2020. Retail sales are projected to grow by 14% and fleet by 18% from 2020. Any downside risk is concentrated on the fleet side of the market given the priority set on channelling vehicles to the retail market.

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

“The extremely low inventory level is likely to get worse before it gets better, as we expect assembly plant shutdowns to continue into April and May. Given that the strength in demand is expected to remain, there is now little question that there will be some negative impact on vehicle sales in the near-term from the chip shortages. If inventory levels were normal, we would likely be looking at US light vehicle sales above the 17-million-unit level for 2021, so there remains some upside potential if inventory is replenished in the second half of 2021. Supporting the robust recovery in auto sales is an increased outlook for GDP growth to 7% in 2021 and continued progress in vaccine rollout.”

ENDS



About LMC Automotive: For over 30 years, LMC's mission has been to provide the most comprehensive, timely and actionable services to all sectors of the auto industry. Focusing exclusively on this sector, while being highly responsive to our large and growing client base of car and truck makers, component manufacturers and suppliers, and financial and government institutions, has fostered our rapid growth. Today, from offices in all the major automotive markets, LMC provides insights and forecasts for both the Light Vehicle and Commercial Vehicle sectors, with specific emphasis on vehicle sales, production and propulsion systems. Our experts examine global industry dynamics from every angle – be they macroeconomic trends, market and production developments or regulatory and technological changes. These insights are shaped into a comprehensive suite of services that can be tailored to an individual client's needs and are delivered in a range of flexible and sophisticated formats.

As a company, we pride ourselves on the quality of our products, as well as our commitment to customer service. Our team, and our carefully selected partner companies, are dedicated to what they do – bringing the most accurate information to market and helping our clients to gain maximum benefit from our insights.

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

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