

**J.D. Power and LMC Automotive Report:  
April New-Vehicle Retail Sales Showing Growth,  
With Consumer Spending at Record-Level Pace**

**WESTLAKE VILLAGE, Calif.: 24 April 2014** — New light-vehicle retail sales are expected to reach their highest levels for the month of April since 2005, according to a monthly sales forecast developed jointly by J.D. Power and LMC Automotive.

**Retail Light-Vehicle Sales**

Retail light-vehicle sales in April 2014 are expected to come in at 1.1 million units, 5 percent higher than in April 2013. The seasonally adjusted annualized selling rate (SAAR) is expected to be 13.3 million units, more than 700,000 units higher than a year ago.

**U.S. Retail SAAR—April 2013 to April 2014  
(in millions of units)**



Source: *Power Information Network® (PIN)* from J.D. Power

J.D. Power estimates that consumers will spend \$33.5 billion purchasing new vehicles this month, a historic record level for the month of April. The previous April high was \$30.5 billion in 2005.

“The April 2014 consumer spending reflects a combination of record average transaction prices—which, at nearly \$29,800, surpasses the previous April high of \$28,754 in 2013—and strong retail sales volume,” said John Humphrey, senior vice president of the global automotive practice at J.D. Power.

J.D. Power data shows changes in who is buying new vehicles and how they are paying for them. Buyers 35 years of age and younger are expected to account for 25 percent of new-vehicle retail sales in April, marking a rebound to pre-recession levels. Additionally, nearly one-third of new vehicles sold in April will be financed with a loan of 72 months or longer, with younger buyers in particular using the longer term loans to manage their monthly payments.

“Among buyers who are 35-years old and younger, 44 percent opt for 72-month or longer loans, while only 25 percent of those who are 55 years and older use an extended loan term,” said Humphrey.

### **Total Light-Vehicle Sales**

Total light-vehicle sales in April 2014 are expected to reach 1.4 million units, a 4 percent increase from April 2013. Fleet sales are forecasted to increase 3 percent, compared with April 2013, with fleet share of total light-vehicle sales remaining below 20 percent. Fleet sales through April are projected to be down nearly 6 percent from the same time frame in 2013. For the full year, retail sales growth is expected to outpace fleet market growth.

### **J.D. Power and LMC Automotive U.S. Sales and SAAR Comparisons**

	<b>April 2014<sup>1</sup></b>	<b>March 2014</b>	<b>April 2013</b>
<b>New-Vehicle Retail Sales</b>	1,124,700 units (5% higher than April 2013)	1,230,942 units	1,032,321 units
<b>Total Vehicle Sales</b>	1,395,300 units (4% higher than April 2013)	1,534,381 units	1,285,750 units
<b>Retail SAAR</b>	13.3 million units	13.0 million units	12.6 million units
<b>Total SAAR</b>	16.1 million units	16.3 million units	15.2 million units

<sup>1</sup>Figures cited for April 2014 are forecasted based on the first 17 selling days of the month.

<sup>2</sup>The percentage change is adjusted based on the number of selling days in the month (26 days in April 2014 vs. 25 days in April 2013).

### **Sales Outlook**

LMC Automotive’s forecast for total light-vehicle sales in 2014 remains at 16.1 million units.

“Auto sales are hitting their stride as the spring selling season begins, and the pace has returned to the level expected at this stage of the recovery,” said Jeff Schuster, senior vice president of forecasting at LMC Automotive. “Fueling the growth further as the year progresses is a very robust level of new-model activity, with 63 new or redesigned models expected to hit showrooms, a 60 percent increase from last year.”

The increased availability of vehicles from premium nameplates at lower price points is expected to increase premium vehicle share of total sales to 13 percent in 2014, up from 12 percent in 2013. The growth is concentrated in the small premium car segment, whose sales are expected to nearly double from 2013.

“Nearly one-half of the new-model activity in 2014 will be premium vehicles, which is expected to create new competition for mainstream segments as premium price points cross into those of many non-premium models,” said Schuster.

**North American Production**

LMC Automotive reports that North American production in the first quarter of 2014 is finishing at nearly 4.2 million units, up nearly 4 percent, compared with the first quarter of 2013.

LMC Automotive has increased its production forecast for 2014 by 100,000 units to 16.6 million units, a 3 percent increase from 2013. Much of the growth is due to a 21 percent increase in premium vehicle production, compared with 2013.

**About J.D. Power**

J.D. Power is a global marketing information services company providing performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. Headquartered in Westlake Village, Calif., J.D. Power has offices in North/South America, Europe and Asia Pacific. For more information on car reviews and ratings, car insurance, health insurance, cell phone ratings, and more, please visit [JDPower.com](http://JDPower.com). J.D. Power is a business unit of McGraw Hill Financial.

**About McGraw Hill Financial**

McGraw Hill Financial (NYSE: MHFI) is a leading financial intelligence company providing the global capital and commodity markets with independent benchmarks, credit ratings, portfolio and enterprise risk solutions, and analytics. The Company's iconic brands include: Standard & Poor's Ratings Services, S&P Capital IQ, S&P Dow Jones Indices, Platts, CRISIL, J.D. Power, and McGraw Hill Construction. The Company has approximately 17,000 employees in 27 countries. Additional information is available at [www.mhfi.com](http://www.mhfi.com).

**About LMC Automotive**

LMC Automotive, formerly J.D. Power Automotive Forecasting, is the premier supplier of automotive forecasts and intelligence to an extensive client base of automotive manufacturer, component supplier, logistics and distribution companies, as well as financial and government institutions around the world. LMC's global forecasting services encompass automotive sales, production and powertrain expertise, as well as advisory capability. LMC Automotive has offices in the United States, the UK, Germany, China and Thailand and is part of the Oxford, UK-based LMC group, the global leader in economic and business consultancy for the agribusiness sector. For more information please visit [www.lmc-auto.com](http://www.lmc-auto.com).

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