

**J.D. Power and LMC Automotive Report:  
Vehicle Sales Forecast Increases for 2014 and 2015;  
December Retail SAAR Highest Since 2006**

Total Light-Vehicles Sales Are Expected to Hit 16.5 Million in 2014, 17.0 Million in 2015

**WESTLAKE VILLAGE, Calif.: 18 December 2014** — New-vehicle retail sales in December are expected to reach the highest levels on a seasonally adjusted annualized rate (SAAR) basis since 2006, according to a monthly sales forecast developed jointly by J.D. Power and LMC Automotive.

**Retail Light-Vehicle Sales**

New-vehicle retail sales in December 2014 are projected to reach 1.3 million units, a 7 percent increase on a selling-day adjusted basis compared with December 2013 (December 2014 has one more selling day than December 2013). The retail seasonally adjusted annualized selling rate (SAAR) in December is expected to be above the 14 million unit level for the third time this year, with a rate of 14.2 million units, which is 1.4 million units stronger than in December 2013. The most recent month in which the retail SAAR was 14.2 million units was in August 2006. Retail transactions are the most accurate measure of consumer demand for new vehicles.

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



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

“The industry continues to demonstrate strong sales growth as the year comes to a close,” said John Humphrey, senior vice president of the global automotive practice at J.D. Power. “The end of the year typically drives more showroom traffic as customers seek to take advantage of better deals used to clear out inventory in preparation for the new year. In fact, December 31 was the strongest sales day of the year in 2013, bringing in more than 118,000 units or 10 percent of the month’s sales.”

So far in 2014, May 31 was the strongest selling day of the year with more than 111,200 sales.

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

Total light-vehicle sales in December 2014 are expected to reach 1.5 million units, a 6 percent increase, compared with December 2013. Fleet volume in December is projected to come in at 233,000 units, or 16 percent of total sales, which is below the year-to-date trend of 18 percent.

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

	<b>December 2014<sup>1</sup></b>	<b>November 2014</b>	<b>December 2013</b>
<b>New-Vehicle Retail Sales</b>	1,265,000 units (7% higher than December 2013) <sup>2</sup>	1,094,858 units	1,139,868 units
<b>Total Vehicle Sales</b>	1,498,200 units (6% higher than December 2013)	1,299,474 units	1,357,044 units
<b>Retail SAAR</b>	14.2 million units	13.7 million units	12.8 million units
<b>Total SAAR</b>	16.7 million units	17.1 million units	15.4 million units

<sup>1</sup>Figures cited for December 2014 are forecasted based on the first 11 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 December 2014 vs. 25 days in December 2013).

### **Sales Outlook**

LMC Automotive’s 2014 U.S. light-vehicle retail sales forecast remains at 13.6 million units, but robust sales in November and December have pushed the total light-vehicle forecast to 16.5 million units. The previous total light-vehicle sales forecast was 16.4 million.

Additionally, LMC Automotive has raised its retail sales forecast for 2015 to 14.0 million units from 13.9 million and increased its total light-vehicle sales forecast to 17.0 million units from 16.8 million.

“The prospects for auto sales to overachieve in 2015 are moving closer to reality as 2014 goes out on a high note,” said Jeff Schuster, senior vice president of forecasting at LMC Automotive. “Economic bliss, driven by job creation, wage growth and low gas prices may drive consumers to showrooms at a faster pace, emphasizing the notion that this recovery may not be over quite yet.”

### **North American Production**

New-vehicle production in North America in November 2014 was at 1.37 million units, a 2 percent decline from November 2013. Production in North America in 2014 is up 4 percent through November, compared with the same period in 2013. LMC Automotive’s 2014 North American production forecast remains at 16.9 million units, a 5 percent increase from 2013.

Vehicle inventory levels at the start of December 2014 were at a 71-day supply, five days lower than in November and six days lower than in December 2013.

For 2015, LMC Automotive has raised its forecast to 17.4 million units from 17.2 million, which is a 3 percent growth from 2014. Investment in the region will increase overall capacity by nearly 500,000 units, and, coupled with strong regional vehicle demand, a more positive production outlook is expected.

#### **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 [www.JDPower.com](http://www.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 and J.D. Power. The Company has approximately 17,000 employees in 30 countries. Additional information is available at [www.mhfi.com](http://www.mhfi.com).

#### **About LMC Automotive**

LMC Automotive 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 locations in the United States, the UK, France, Germany, China Japan 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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