

Press Release

J.D. Power and LMC Automotive Report: Consumer Spending on New Vehicles to Hit Record Levels for Month of November

November Auto Sales Expected to Exceed 16 Million Unit Rate

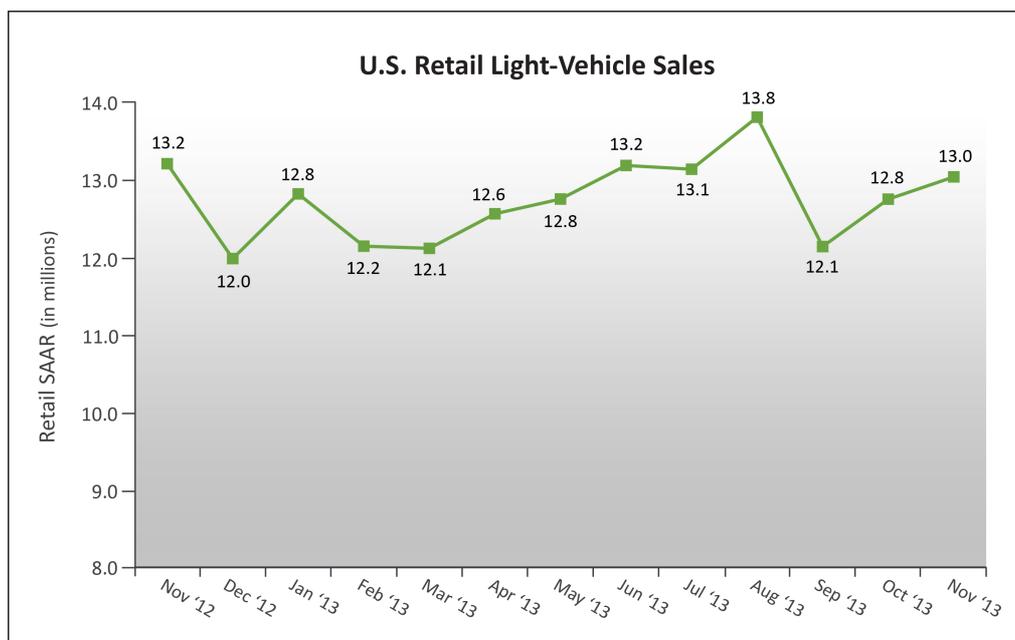
WESTLAKE VILLAGE, Calif.: 21 November 2013 — U.S. consumers are expected to spend more than \$30 billion on new vehicles in November, a historic high for the month, with light-vehicle retail sales on pace to exceed 1 million for the month, according to a monthly sales forecast developed jointly by J.D. Power and LMC Automotive.

Retail Light-Vehicle Sales

New-vehicle retail sales in November are expected to reach 1,030,300, a 4 percent increase from November 2012. The November seasonally adjusted annualized rate (SAAR) for retail sales, the most accurate measure of true underlying consumer demand for new vehicles, is projected to be 13.0 million, up from the year-to-date level of 12.8 million.

“Consumer demand for new vehicles remains strong,” said John Humphrey, senior vice president of the global automotive practice at J.D. Power.

U.S. Retail SAAR—November 2012 to November 2013
(in millions of units)



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

Through the first half of November, the average transaction price of new vehicles is \$30,079, an increase of \$461 from November 2012. In combination, sales and transaction price growth means that consumers will spend 10 percent more on new vehicles during the month than they did in November 2012, and nearly double the level of November 2008.

“The level of consumer spending in November is impressive and consistent with trends observed throughout 2013,” said Humphrey. “Indications are that total consumer spending on new vehicles in 2013 will exceed \$370 billion, the highest on record and considerably above even pre-recession levels.”

Total Light-Vehicle Sales

Total light-vehicle sales in November are expected to reach 1.2 million, a 3 percent increase from November 2012. Selling day adjusted fleet sales are anticipated to account for 16 percent of total sales in November, a 3 percent decline year over year and consistent with the low fleet share throughout 2013.

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

	November 2013¹	October 2013	November 2012
New-Vehicle Retail Sales	1,030,300 units (4% higher than November 2012) ²	1,011,879 units	953,531 units
Total Vehicle Sales	1,220,100 units (3% higher than November 2012)	1,205,193 units	1,142,303 units
Retail SAAR	13.0 million units	12.8 million units	13.2 million units
Total SAAR	16.1 million units	15.2 million units	15.4 million units

¹Figures cited for November 2013 are forecasted based on the first 14 selling days of the month.

²The percentage change is adjusted based on the number of selling days in the month (26 days in November 2013 vs. 25 days in November 2012).

Sales Outlook

LMC Automotive is holding its forecast for total light vehicle sales in 2013 at 15.6 million units and retail light-vehicle sales at 12.8 million units.

“The sales pace in September and October were plagued by external variables that caused a lower level of demand, so the returning strength in November confirms that the underlying recovery remains intact,” said Jeff Schuster, senior vice president of forecasting at LMC Automotive. “Improvements in the economy and consumer confidence in 2014 will drive stable growth to 16.1 million units for total light-vehicle sales and 13.2 million units for retail light vehicles.”

North American Production

Year-to-date production in North America through October is up 4 percent from the same period in 2012. Production in October was at 1.6 million units, a 7 percent increase from October 2012.

The lower October sales pace, combined with higher production, has led to a 77-day supply, higher than the 60- to 65-day supply normal range.

“While this level is considered high, it is normal for this time of year as manufacturers hurry to build up inventory at dealerships to meet year-end demand,” said Bill Rinna, senior manager, North American

forecasts at LMC Automotive. “Given this, the production pace should not be affected and we are maintaining our volume outlook for 2013 North American production at 16.1 million units.”

First-quarter production in 2014 is expected to increase 4 percent to 4.2 million units from the same period in 2013. Overall for 2014, LMC Automotive is expecting production volume to grow 3 percent to 16.6 million units.

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. 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.

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.

Media Relations Contacts

John Tews; J.D. Power; Troy, Mich.; 248-680-6218; media.relations@jdpa.com
Emmie Littlejohn; LMC Automotive; Troy, Mich.; 248-817-2100; elittlejohn@lmc-auto.com

No advertising or other promotional use can be made of the information in this release without the express prior written consent of J.D. Power or LMC Automotive. www.jdpower.com/corporate www.lmc-auto.com