

# San Diego Auto Outlook



Comprehensive information on the San Diego County new vehicle market

## FORECAST

### Market Posts Increase in First Quarter of 2015

#### 5.1% improvement predicted for entire year

Below is a summary of nine key trends and developments in the San Diego County new vehicle market.

#### County market gets off to good start in 2015; increase is above Nation

County new retail registrations were up 8.2% for the first three months of this year (March figures were estimated) versus a year earlier, above the 2.2% uptick in the National market.

#### Sixth consecutive annual increase likely in 2015

County new retail light vehicle registrations are predicted to increase 5.1% from '14 to '15.

#### Market has come a long way from depths of 2009 sales trough

As shown below, the county new vehicle market has recovered steadily during the past six years. Registrations this year are projected to exceed '09 levels by nearly 77,000 units.

#### Trucks grab a larger share of county market

Light truck market share increased from 40.8% during the first three months of 2014

to 42.6% this year. This followed the 1.4 point increase from 2013 to 2014.

#### Alternative powertrain vehicle sales fall

County sales of hybrid and electric cars and trucks fell 13.1% so far this year, while the overall market improved. Market share slipped to 7.1%.

#### Toyota, Ford, Honda, Nissan, and Chevrolet are leaders in county market

Toyota was the best selling brand so far this year, with a 19.1% share. Honda's county share was 10.4%, well above its 9.2% share in the U.S.

#### Chrysler, Porsche, GMC, Mitsubishi, and Subaru gain a lot of ground early this year

New retail registrations for each of these five brands were up more than 27% so far in 2015.

#### Toyota Corolla best-selling car in county market; Tacoma is light truck leader

Honda Civic and Toyota Prius were ranked second and third behind Corolla in the car market,

while Ford F-Series and Honda CR-V trailed the Tacoma.

#### Japanese brands gain ground in 2015

Japanese brands accounted for a larger chunk of the county market so far this year, with share increasing from 51.5% during the first three months of 2014 to 52.1% this year.

#### Percent Change in County Light Truck and Car Registrations YTD '15 thru March\* vs. YTD '14

##### Light Trucks (Pickups, SUVs, and Vans)



UP  
13.1%

##### Passenger Cars

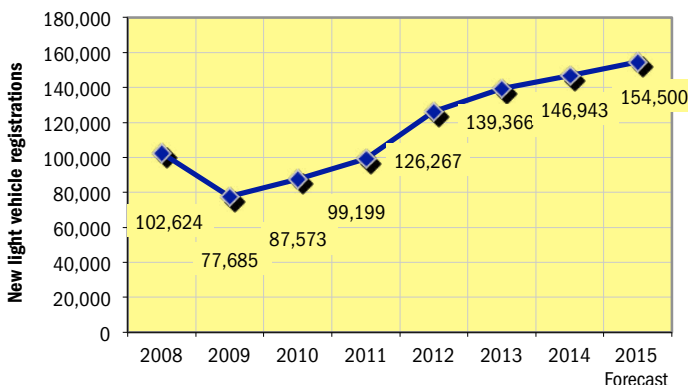


UP  
4.8%

Source: IHS Automotive.

\*March '15 figures estimated by Auto Outlook.

#### Annual Trend in County Market



Historical Data Source: IHS Automotive.

The graph above shows annual new retail light vehicle registrations in the county from 2008 thru 2014 and Auto Outlook's projection for 2015.

#### Market Summary

	YTD '14 thru Mar	YTD '15 thru Mar*	% Chg. '14 to '15	Mkt. Share YTD '15*
TOTAL	33,590	36,332	8.2%	
Car	19,902	20,852	4.8%	57.4%
Light Truck	13,688	15,480	13.1%	42.6%
Domestic	8,564	9,019	5.3%	24.8%
European	5,214	5,539	6.2%	15.2%
Japanese	17,300	18,915	9.3%	52.1%
Korean	2,512	2,859	13.8%	7.9%

Source: IHS Automotive.

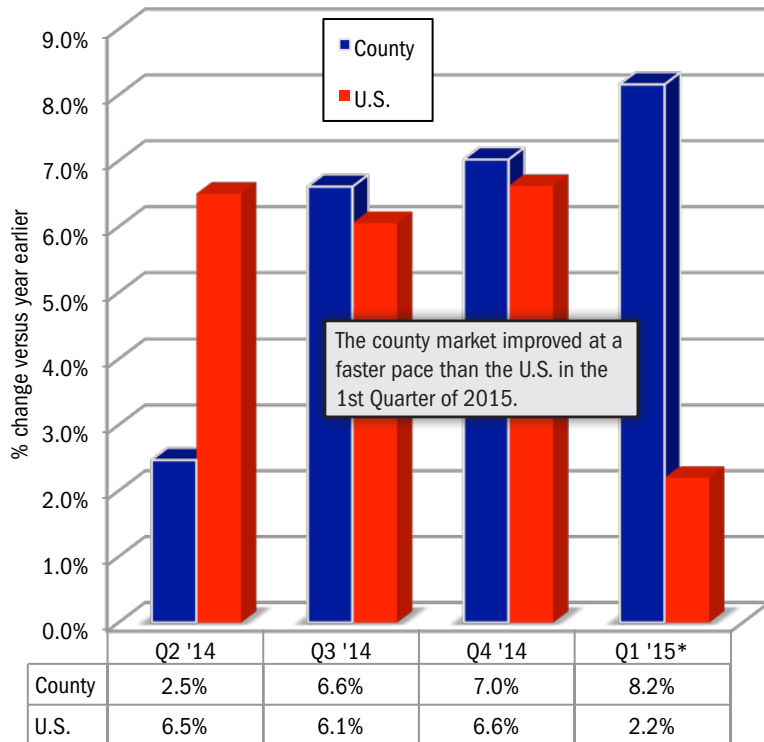
Domestic brands consists of vehicles sold by GM, Ford, FCA (excluding FIAT), and Tesla. \*Figures for March, 2015 were estimated by Auto Outlook. Historical figures were updated and will differ slightly from those presented in previous issues.

MARKET TRACKER: QUARTERLY RESULTS

**County Market Increased 8.2% in 1st Quarter of '15 vs. 2.2% in U.S.**

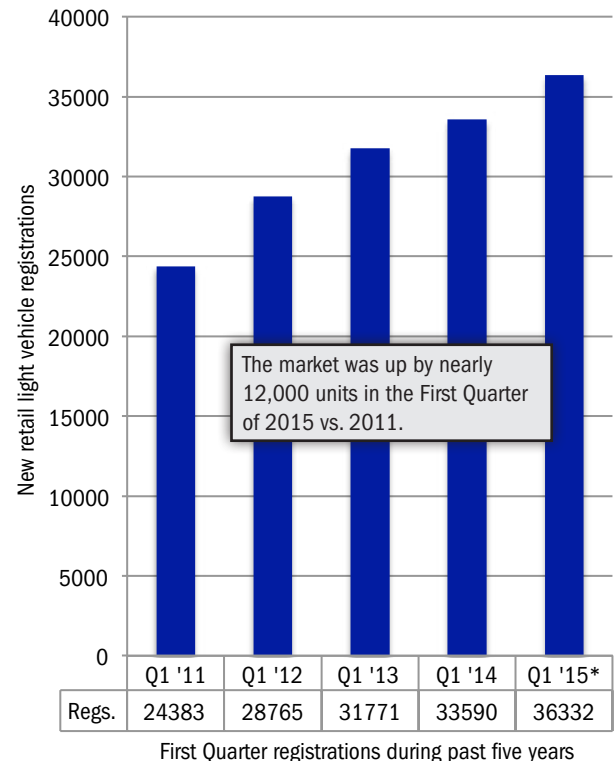
QUARTERLY TREND

Percent Change in New Vehicle Market  
County and U.S.



QUARTERLY PERSPECTIVE

Five Years of First Quarter Results  
in County Market



\* Figures for First Quarter 2015 were estimated by Auto Outlook based on data for January and February.

Data Source: IHS Automotive.

\* Figures for First Quarter 2015 were estimated by Auto Outlook based on data for January and February.

Data Source: IHS Automotive.

**San Diego Auto Outlook**

**Covering First Quarter 2015**

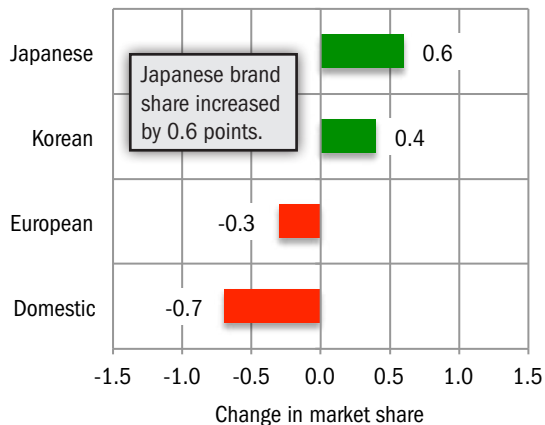
Published by:  
Auto Outlook, Inc.  
PO Box 390  
Exton, PA 19341  
Phone: 800-206-0102  
EMail: jfoltz@autooutlook.com  
Editor: Jeffrey A. Foltz

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**MARKET TRACKER: BRAND MARKET SHARE**

## Japanese Brands Are Up

Change in County Market Share  
YTD 2015 thru March\* vs. YTD 2014

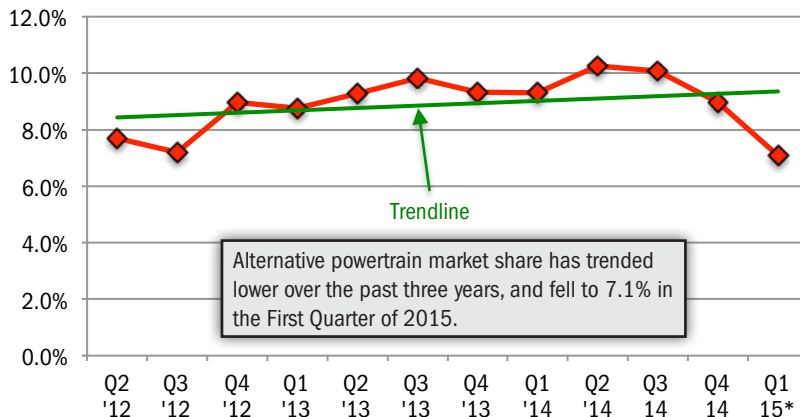


The graph above shows the change in year-to-date market share for four primary brand segments. \*Figures for March, 2015 were estimated by Auto Outlook. Data Source: IHS Automotive.

**MARKET TRACKER: HYBRID AND ELECTRIC VEHICLES**

## Hybrid/Electric Share Declines

Quarterly Alternative Powertrain Market Share  
(includes hybrid and electric vehicles)



The graph above shows hybrid powertrain and electric vehicle quarterly market share in the county. The line shows market share trend over the past 12 quarters. \*First Quarter 2015 includes January and February. Source: IHS Automotive.

**MARKET TRACKER: SEGMENTS**

## Sub Compact Car Segment Leads County Market

San Diego County Segment Market Share Review				
Segment	Market Share YTD '14 thru February	Market Share YTD '15 thru February	Change in share YTD '14 to '15	Best selling model in segment
Sub Compact Car	24.1	22.9	-1.2	Toyota Corolla
Standard Mid Size Car	15.0	14.5	-0.5	Honda Accord
Compact SUV	14.0	13.7	-0.3	Honda CR-V
Near Luxury Car	6.0	6.3	0.3	Lexus IS
Full Size Pickup	5.9	6.0	0.1	Ford F Series
Mid Size SUV 3 Rows	5.0	5.4	0.4	Ford Explorer
Entry Car	5.2	4.8	-0.4	Honda Fit
Luxury and Sports Cars	4.2	4.0	-0.2	Tesla Model S
Mid Size Luxury SUV	3.7	3.9	0.2	Lexus RX
Compact Pickup	2.8	3.5	0.7	Toyota Tacoma
Compact Luxury SUV	2.2	2.9	0.7	Acura RDX
Mid Size SUV 2 Rows	3.2	2.8	-0.4	Ford Edge
Mini Van	2.4	2.3	-0.1	Honda Odyssey
Sport Compact Car	1.8	2.0	0.2	Ford Mustang
Entry Luxury Car	1.4	1.6	0.2	Mercedes CLA-Class
Large Mid Size Car	1.1	1.1	0.0	Dodge Charger
Full Size SUV	0.9	1.0	0.1	Chevrolet Tahoe
Full Size Van	0.8	0.9	0.1	Nissan NV
Full Size Luxury SUV	0.4	0.5	0.1	Cadillac Escalade

The table above shows San Diego county market share for 19 vehicle segments during the first two months of 2014 and 2015, and the change in market share over the period. The best selling model in each segment is also shown. Segments are ranked from top to bottom based on 2015 share. Most popular segment in the county is Compact SUV. Compact Pickup and Compact Luxury SUV had the largest gains. Data Source: IHS Automotive.

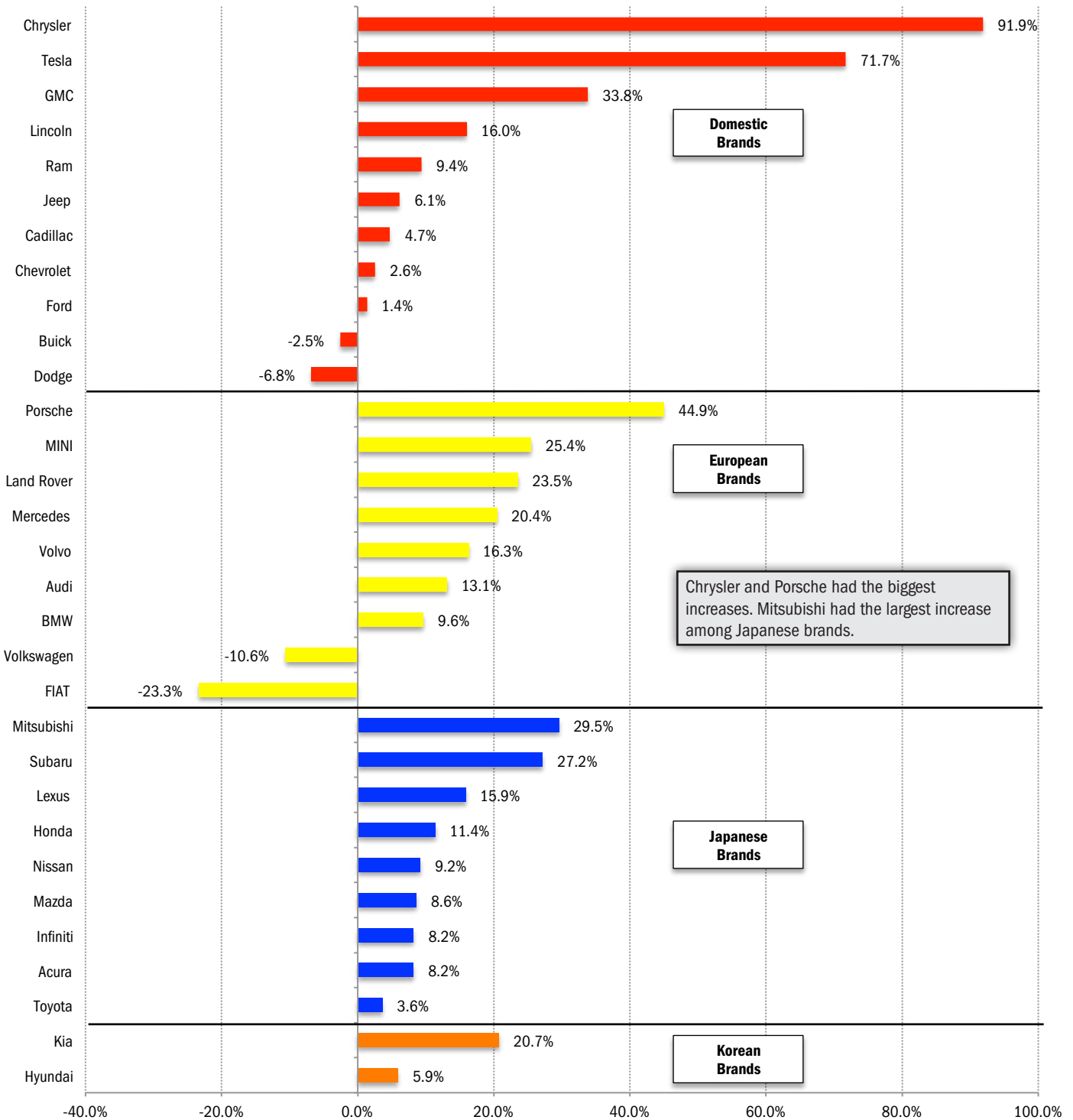
BRAND SCOREBOARD - PART ONE

# Chrysler and Porsche Post Large Percentage Gains

**GMC, Mitsubishi, and Subaru are also up sharply**

The graphs below provide a comparative evaluation of brand sales performance in the county market. They show the year-to-date percent change in registrations for each brand, organized by category (i.e., Detroit Three, European, Japanese, and Korean).

**Percent Change in County New Retail Light Vehicle Registrations  
YTD 2015 thru March\* vs. YTD 2014**



Chrysler and Porsche had the biggest increases. Mitsubishi had the largest increase among Japanese brands.

\*Figures for March, 2015 were estimated by Auto Outlook.

Source: IHS Automotive.

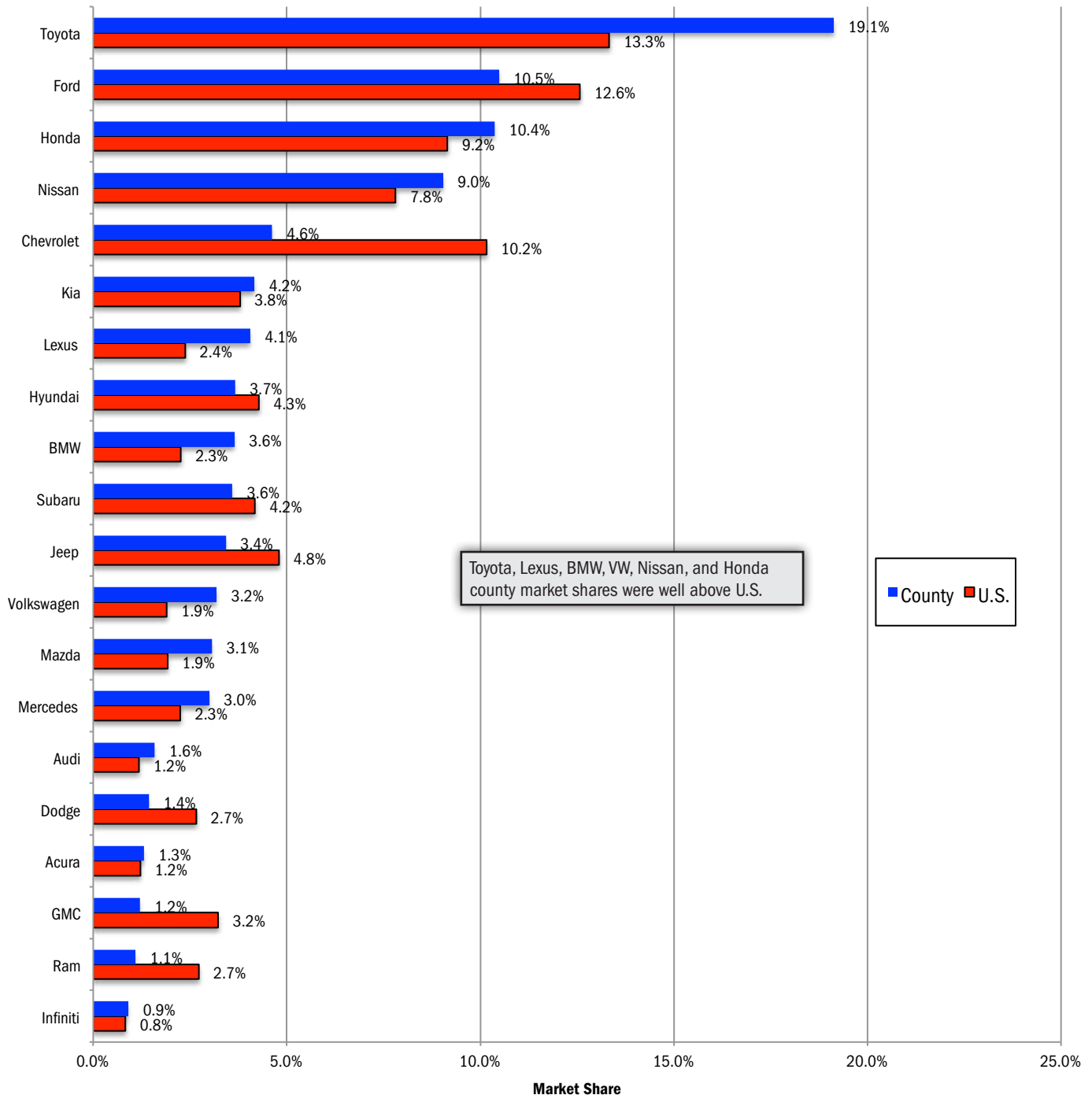
BRAND SCOREBOARD - PART TWO

# Toyota is Top Selling Brand in County Market

## Lexus share of county market exceeds U.S. by 1.7 points

The graph below provides a comparison of San Diego County and U.S. new retail market share during the first three months of this year for the top 20 selling brands in the county. Brands are positioned on the graph from top to bottom based on county market share. Toyota was the county leader, accounting for 19.1% of the market, well above its 13.3% share in the Nation.

County and U.S. Market Share - YTD 2015 thru March\*



\*Figures for March, 2015 were estimated.

Source: IHS Automotive.

BRAND SCOREBOARD-PART THREE

# Toyota, Nissan, and Ford Have Big Gains During Past 5 Years

County registrations for each of the brands were up more than 7,300 units between 2009 and 2014

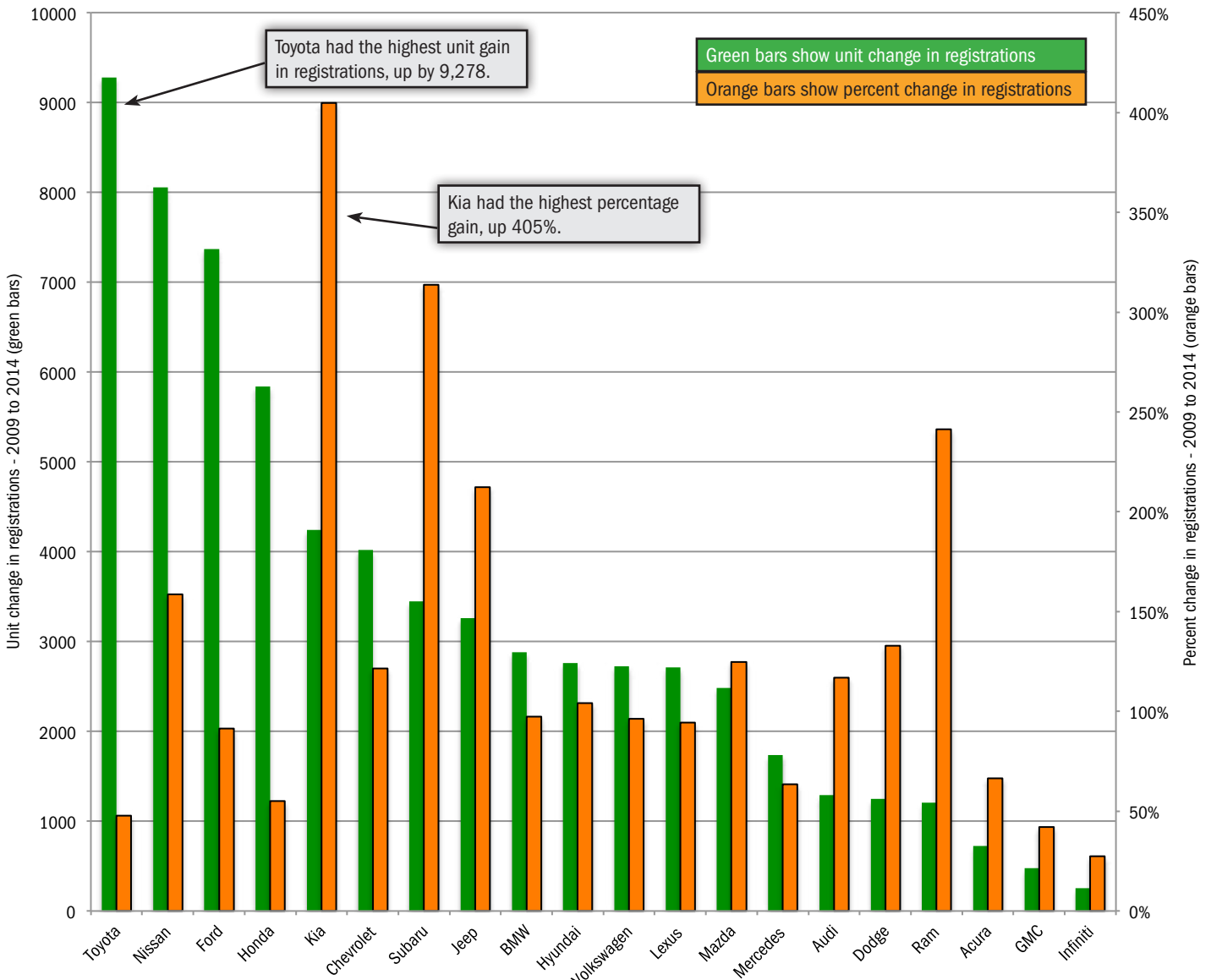
Since the new vehicle market hit bottom in 2009, the recovery has been strong and steady. New vehicle sales increased for five straight years, and were 89% higher in 2014 than in 2009. Not surprisingly, nearly all brands posted impressive gains during the five year period, and among the top 20 sellers no brands had a decline. However, as shown on

the graph below, some have had bigger gains than others.

The graph provides a thorough picture of brand sales performance by showing both the unit and percentage gains between 2009 and 2014. Brands are positioned from left to right based on the unit gain in registrations (shown

by the green bars and represented by the left axis). Percentage change (shown by the orange bars and represented by the right axis) is also shown for each brand.

**Unit and Percent Change in County New Retail Light Vehicle Registrations 2014 vs. 2009**



Source: IHS Automotive..

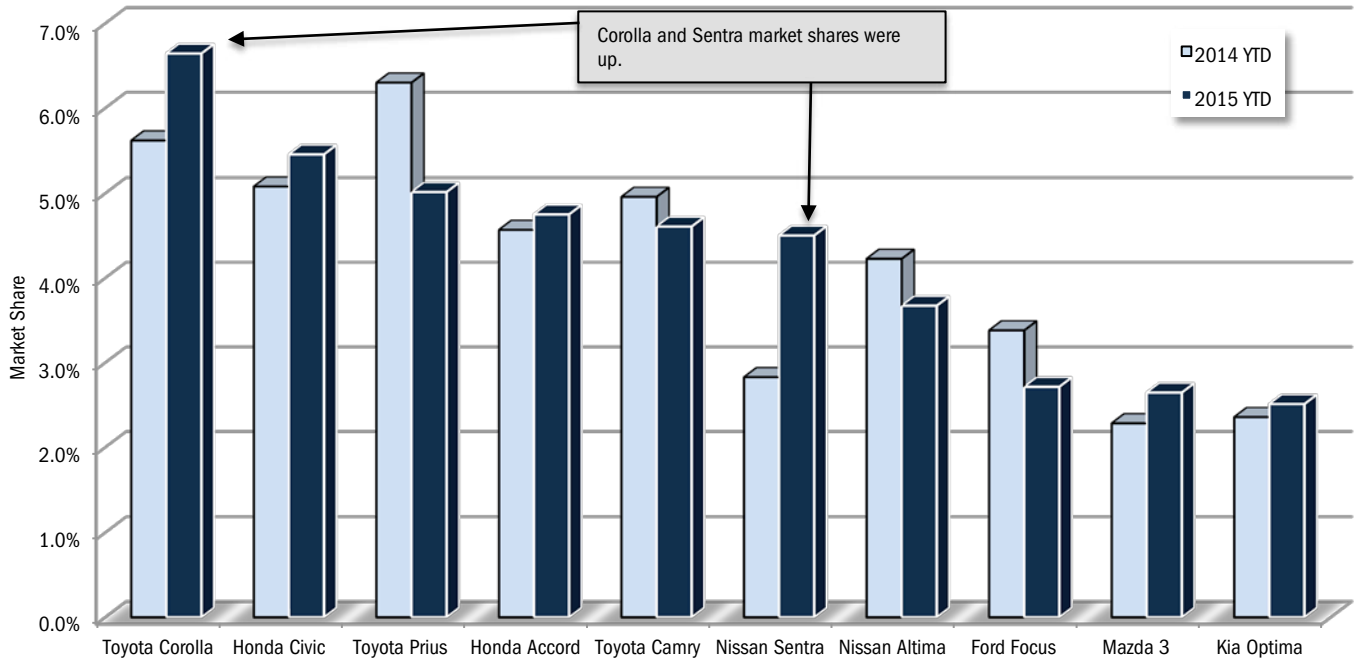
MODEL SCOREBOARD

# Corolla is Best Selling Car; Tacoma is Light Truck Leader

## Sentra and Pilot have big market share gains

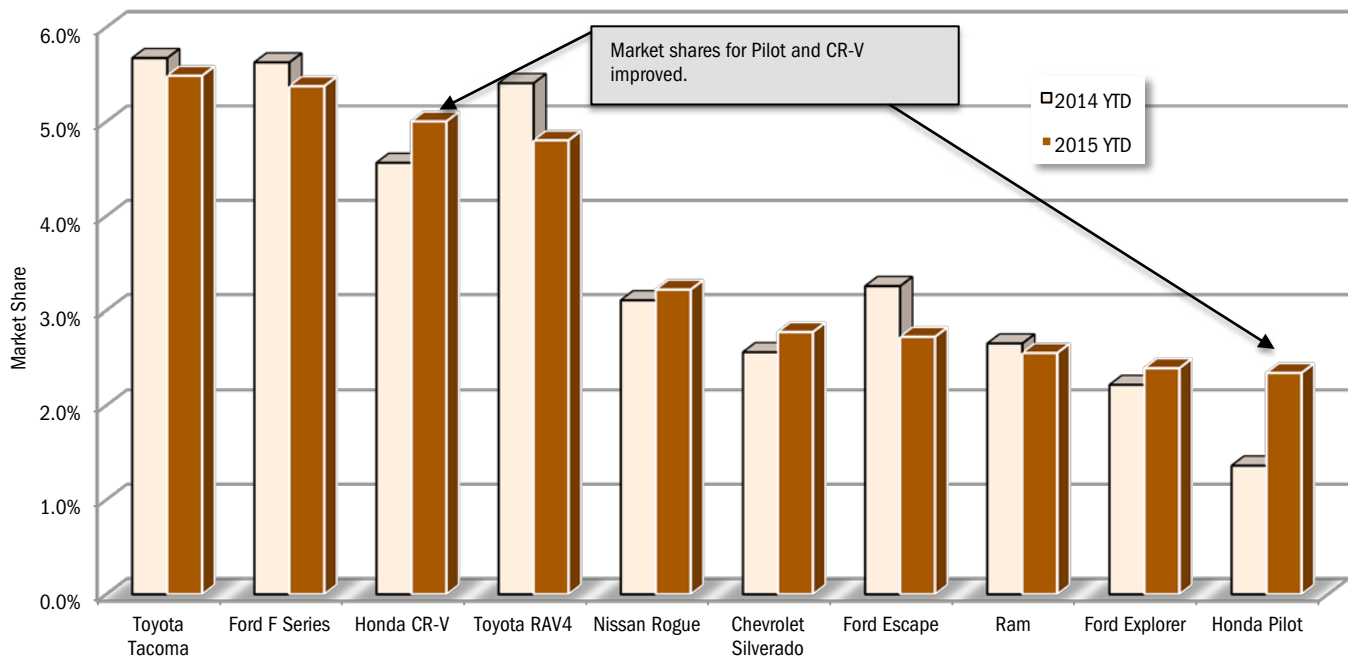
The two graphs below show market shares in the county car and light truck markets during the first two months of 2014 and 2015. Includes the top ten selling car and light truck models.

**Change in Market Share for Top 10 Selling Cars - YTD 2015 thru February vs. YTD 2014**



Source: IHS Automotive.

**Change in Market Share for Top 10 Selling Light Trucks - YTD 2015 thru February vs. YTD 2014**



Source: IHS Automotive.

Brand Registrations Report												
San Diego County New Retail Car and Light Truck Registrations												
	First Quarter*						Annual Totals					
	Registrations			Market Share (%)			Registrations			Market Share (%)		
	1Q 2014	1Q 2015	% change	1Q 2014	1Q 2015	Change	2013	2014	% change	2013	2014	Change
TOTAL	33,590	36,332	8.2				139,366	146,943	5.4			
Cars	19,902	20,852	4.8	59.2	57.4	-1.8	85,502	88,101	3.0	61.4	60.0	-1.4
Light Trucks	13,688	15,480	13.1	40.8	42.6	1.8	53,864	58,842	9.2	38.6	40.0	1.4
Domestic Brands	8,564	9,019	5.3	25.5	24.8	-0.7	35,095	36,298	3.4	25.2	24.7	-0.5
European Brands	5,214	5,539	6.2	15.5	15.2	-0.3	22,790	23,543	3.3	16.4	16.0	-0.4
Japanese Brands	17,300	18,915	9.3	51.5	52.1	0.6	70,593	76,399	8.2	50.7	52.0	1.3
Korean Brands	2,512	2,859	13.8	7.5	7.9	0.4	10,888	10,703	-1.7	7.8	7.3	-0.5
Acura	441	477	8.2	1.3	1.3	0.0	1,849	1,810	-2.1	1.3	1.2	-0.1
Audi	510	577	13.1	1.5	1.6	0.1	2,106	2,393	13.6	1.5	1.6	0.1
BMW	1,210	1,326	9.6	3.6	3.6	0.0	5,449	5,838	7.1	3.9	4.0	0.1
Buick	119	116	-2.5	0.4	0.3	-0.1	598	527	-11.9	0.4	0.4	0.0
Cadillac	254	266	4.7	0.8	0.7	-0.1	1,090	1,017	-6.7	0.8	0.7	-0.1
Chevrolet	1,637	1,679	2.6	4.9	4.6	-0.3	6,949	7,324	5.4	5.0	5.0	0.0
Chrysler	123	236	91.9	0.4	0.6	0.2	610	663	8.7	0.4	0.5	0.1
Dodge	560	522	-6.8	1.7	1.4	-0.3	2,369	2,183	-7.9	1.7	1.5	-0.2
FIAT	317	243	-23.3	0.9	0.7	-0.2	1,050	1,235	17.6	0.8	0.8	0.0
Ford	3,756	3,809	1.4	11.2	10.5	-0.7	15,886	15,435	-2.8	11.4	10.5	-0.9
GMC	328	439	33.8	1.0	1.2	0.2	1,419	1,603	13.0	1.0	1.1	0.1
Honda	3,380	3,766	11.4	10.1	10.4	0.3	15,922	16,451	3.3	11.4	11.2	-0.2
Hyundai	1,258	1,332	5.9	3.7	3.7	0.0	5,457	5,413	-0.8	3.9	3.7	-0.2
Infiniti	305	330	8.2	0.9	0.9	0.0	1,407	1,186	-15.7	1.0	0.8	-0.2
Jaguar	68	47	-30.9	0.2	0.1	-0.1	226	233	3.1	0.2	0.2	0.0
Jeep	1,173	1,245	6.1	3.5	3.4	-0.1	3,775	4,800	27.2	2.7	3.3	0.6
Kia	1,254	1,514	20.7	3.7	4.2	0.5	5,431	5,290	-2.6	3.9	3.6	-0.3
Land Rover	234	289	23.5	0.7	0.8	0.1	849	861	1.4	0.6	0.6	0.0
Lexus	1,271	1,473	15.9	3.8	4.1	0.3	4,886	5,593	14.5	3.5	3.8	0.3
Lincoln	131	152	16.0	0.4	0.4	0.0	531	555	4.5	0.4	0.4	0.0
Mazda	1,026	1,114	8.6	3.1	3.1	0.0	3,962	4,475	12.9	2.8	3.0	0.2
Mercedes	905	1,090	20.4	2.7	3.0	0.3	4,143	4,482	8.2	3.0	3.1	0.1
MINI	224	281	25.4	0.7	0.8	0.1	1,147	1,019	-11.2	0.8	0.7	-0.1
Mitsubishi	132	171	29.5	0.4	0.5	0.1	483	522	8.1	0.3	0.4	0.1
Nissan	3,008	3,284	9.2	9.0	9.0	0.0	11,166	13,128	17.6	8.0	8.9	0.9
Other	147	134	-8.8	0.4	0.4	0.0	452	622	37.6	0.3	0.4	0.1
Porsche	178	258	44.9	0.5	0.7	0.2	694	753	8.5	0.5	0.5	0.0
Ram	363	397	9.4	1.1	1.1	0.0	1,171	1,703	45.4	0.8	1.2	0.4
Subaru	1,027	1,306	27.2	3.1	3.6	0.5	3,610	4,542	25.8	2.6	3.1	0.5
Tesla	113	194	71.7	0.3	0.5	0.2	653	458	-29.9	0.5	0.3	-0.2
Toyota	6,706	6,949	3.6	20.0	19.1	-0.9	27,299	28,676	5.0	19.6	19.5	-0.1
Volkswagen	1,297	1,159	-10.6	3.9	3.2	-0.7	6,029	5,550	-7.9	4.3	3.8	-0.5
Volvo	135	157	16.3	0.4	0.4	0.0	698	603	-13.6	0.5	0.4	-0.1

\*March 2015 figures were estimated by Auto Outlook.

Source: IHS Automotive.

## San Diego Auto Outlook

Published by: Auto Outlook, Inc.

PO Box 390, Exton, PA 19341

Phone: 800-206-0102 EMail: jfoltz@autooutlook.com

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USED VEHICLE MARKET REPORT

# County Used Vehicle Market Falls in Early 2015

**Used vehicle registrations declined by 5% thru February of this year**

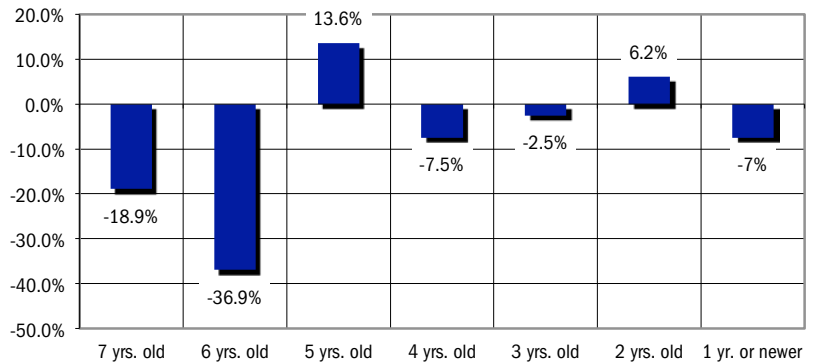
Below is a list of key trends in the San Diego County retail used vehicle market:

- Retail used car and light truck registrations in the county fell 5% during the first two months of 2015 versus a year earlier.
- As shown on the graph below, the gap between the size of the new and used vehicle markets (vehicles six year old or newer) remained fairly wide early this year. New vehicle registrations increased 10.7% in January and February of this year (versus a year earlier), while 6 year old or newer used registrations declined 5.7%.
- The 5 year-old used vehicle market was relatively strong early this year. As shown on the graph to the right, 5 year old used vehicle registrations were up 13.6%. The 6 year old market slumped due to weak new vehicle sales in 2009.
- Used light truck registrations declined 3.7%, while cars were off by 5.9%.
- Toyota Camry was the best-selling model in the county among 6 year old or newer vehicles. Hyundai Elantra registrations were up sharply.
- Among the top 15 selling brands, Hyundai, Mercedes, Acura, and Volkswagen were the only brands to have an increase in used registrations so far this year.

San Diego County Retail Used Light Vehicle Registrations YTD thru February					
	Registrations		% Change '14 TO '15	Market Share	
	YTD '14	YTD '15		YTD '14	YTD '15
TOTAL	50,890	48,323	-5.0%		
Cars	30,779	28,954	-5.9%	60.5%	59.9%
Light Trucks	20,111	19,369	-3.7%	39.5%	40.1%
Detroit Three	18,595	17,517	-5.8%	36.5%	36.2%
European	8,019	7,767	-3.1%	15.8%	16.1%
Japanese	22,349	20,872	-6.6%	43.9%	43.2%
Korean	1,927	2,167	12.5%	3.8%	4.5%

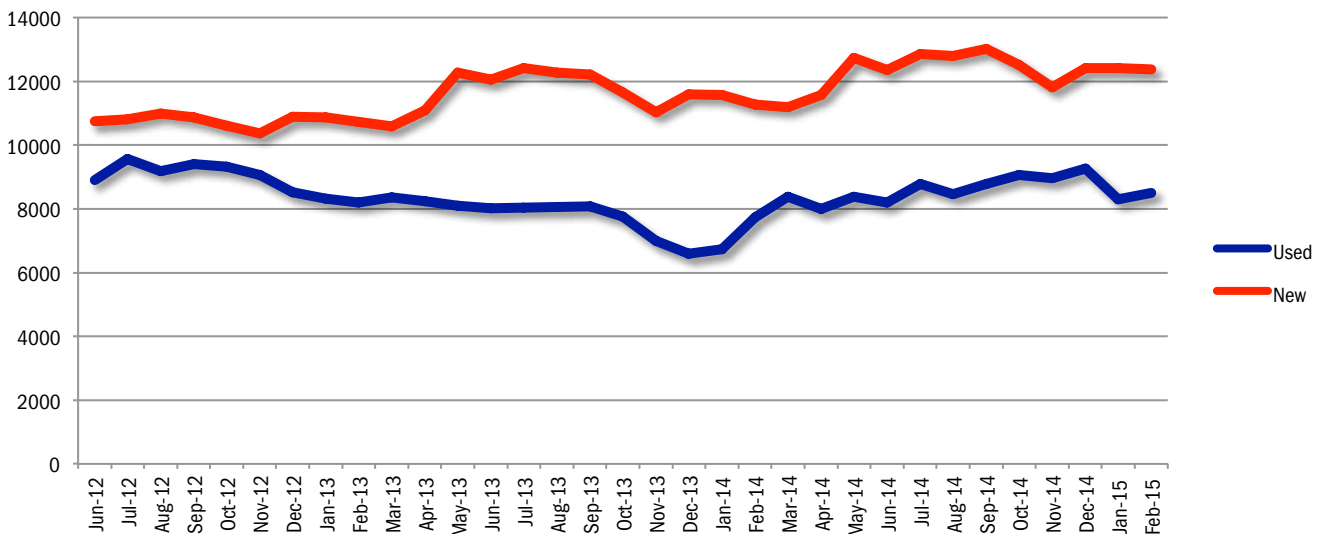
Source: IHS Automotive.

**Percent Change in County Retail Used Registrations by Vehicle Age, YTD 2015 thru February vs. YTD 2014**



Source: IHS Automotive.

**San Diego County New and Used Retail Registrations - Three Month Moving Average (used only includes vehicles 6 years old or newer)**



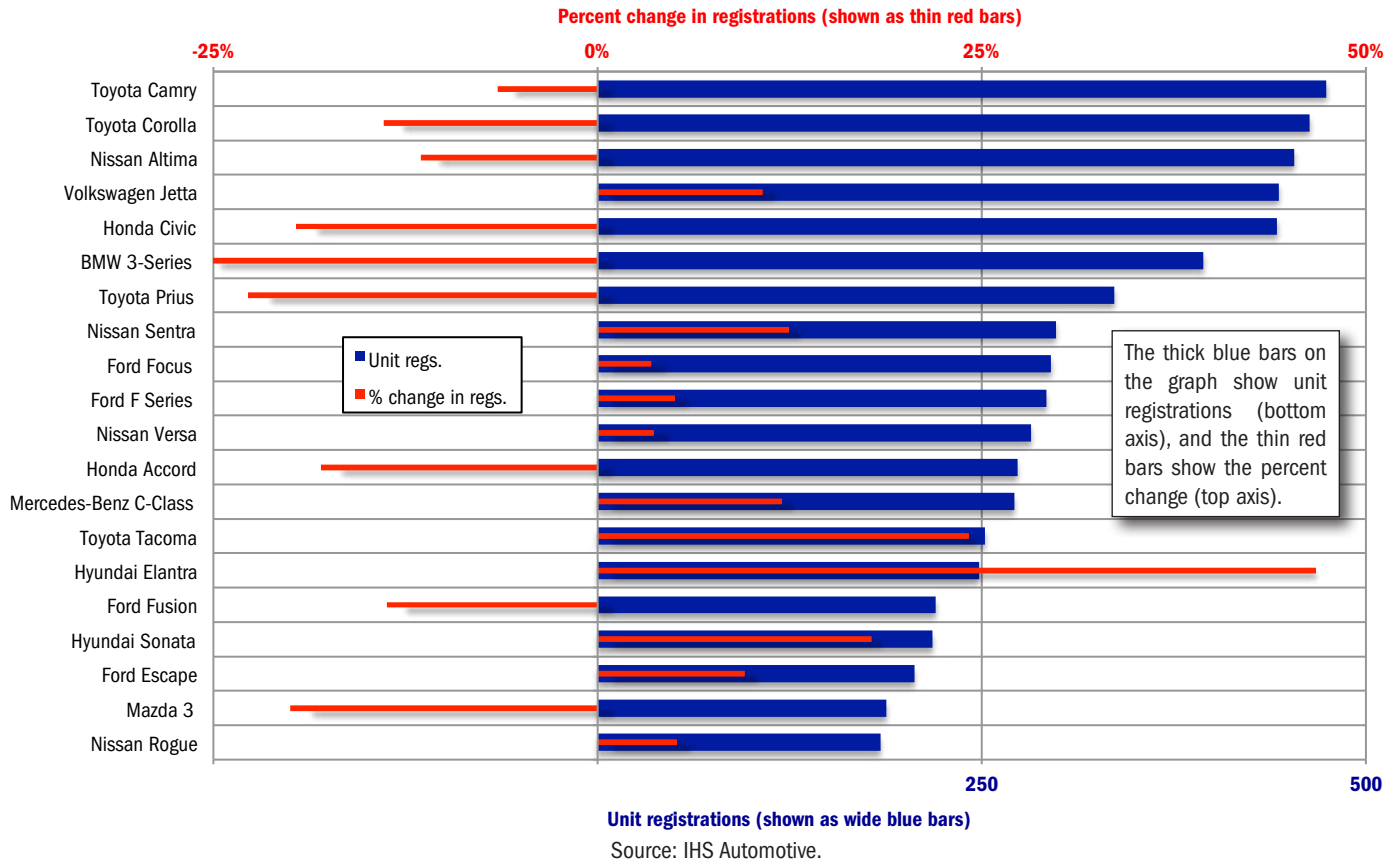
Source: IHS Automotive.

TOP SELLING MODELS

# Toyota Corolla Best Seller in County Market

## Hyundai Elantra has big Percentage Gain

Registrations (ytd '15 thru Feb.) and Percent Change in registrations (ytd '15 thru Feb. vs. ytd '14)  
Top 20 Selling Models (6 years old or newer)



USED VEHICLE BRAND SCOREBOARD

# Used Hyundai Registrations Increase 16%

## Registrations for three other brands move higher

The graph below shows the percent change in used registrations for the top 15 selling makes during the first 2 months of 2015 vs. year earlier.

