

# U.S. Auto Sales Chartbook

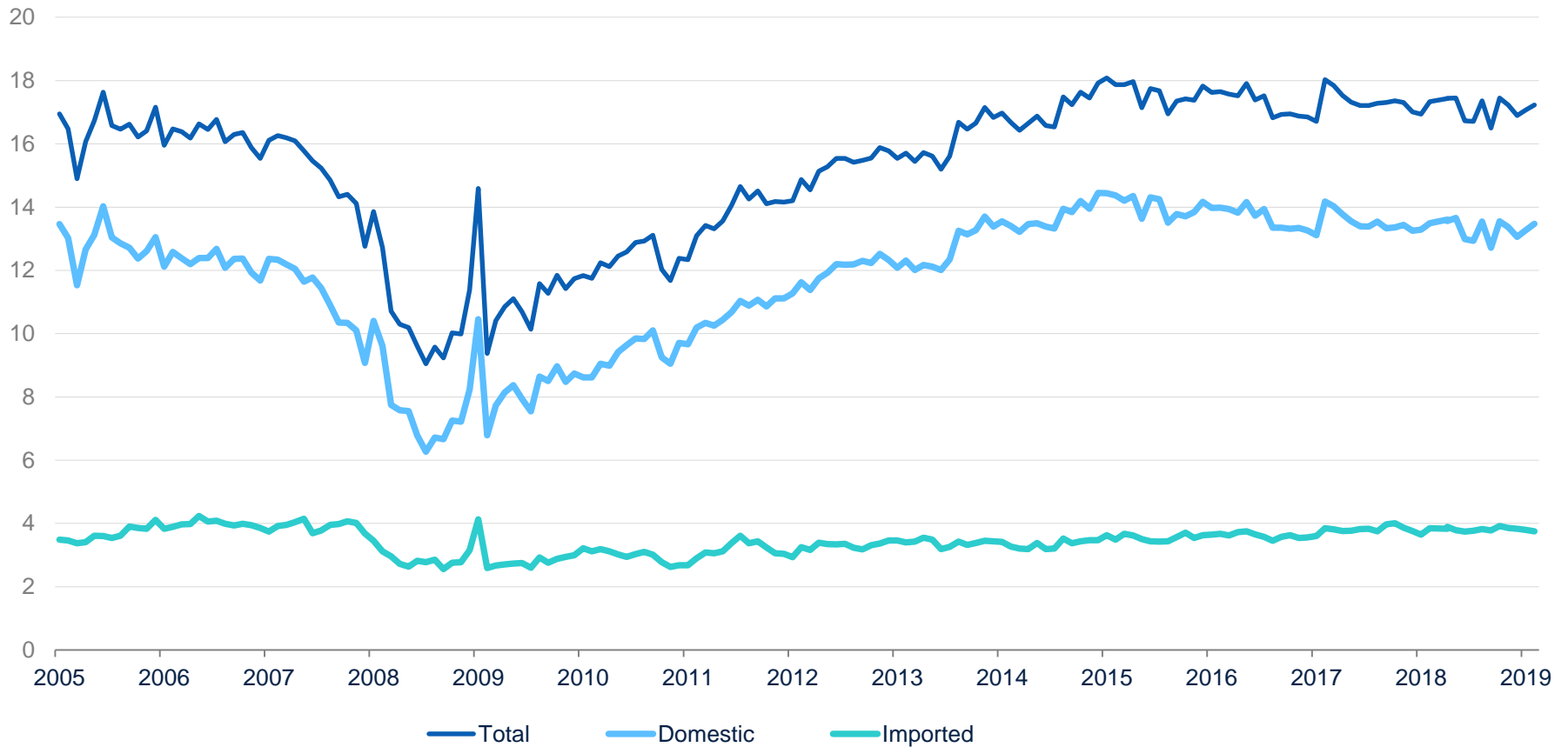
October 2019

## Main messages

- Solid but stable new vehicle sales through 3Q19
- A robust supply of “off-leasing” units and access to credit support sales of used vehicles
- Although lower interest rates may provide a relief, auto sales are projected to decelerate as economic growth slows down
- Consumer credit remains healthy, although delinquencies keep growing
- Uncertainty surrounding the impact of UAW-GM strike, trade tariffs on steel and aluminum, USMCA, and potential tariffs on imported vehicles
- Electric vehicle demand has slowed down, potentially reflecting the impact of a slower economy and not enough new models

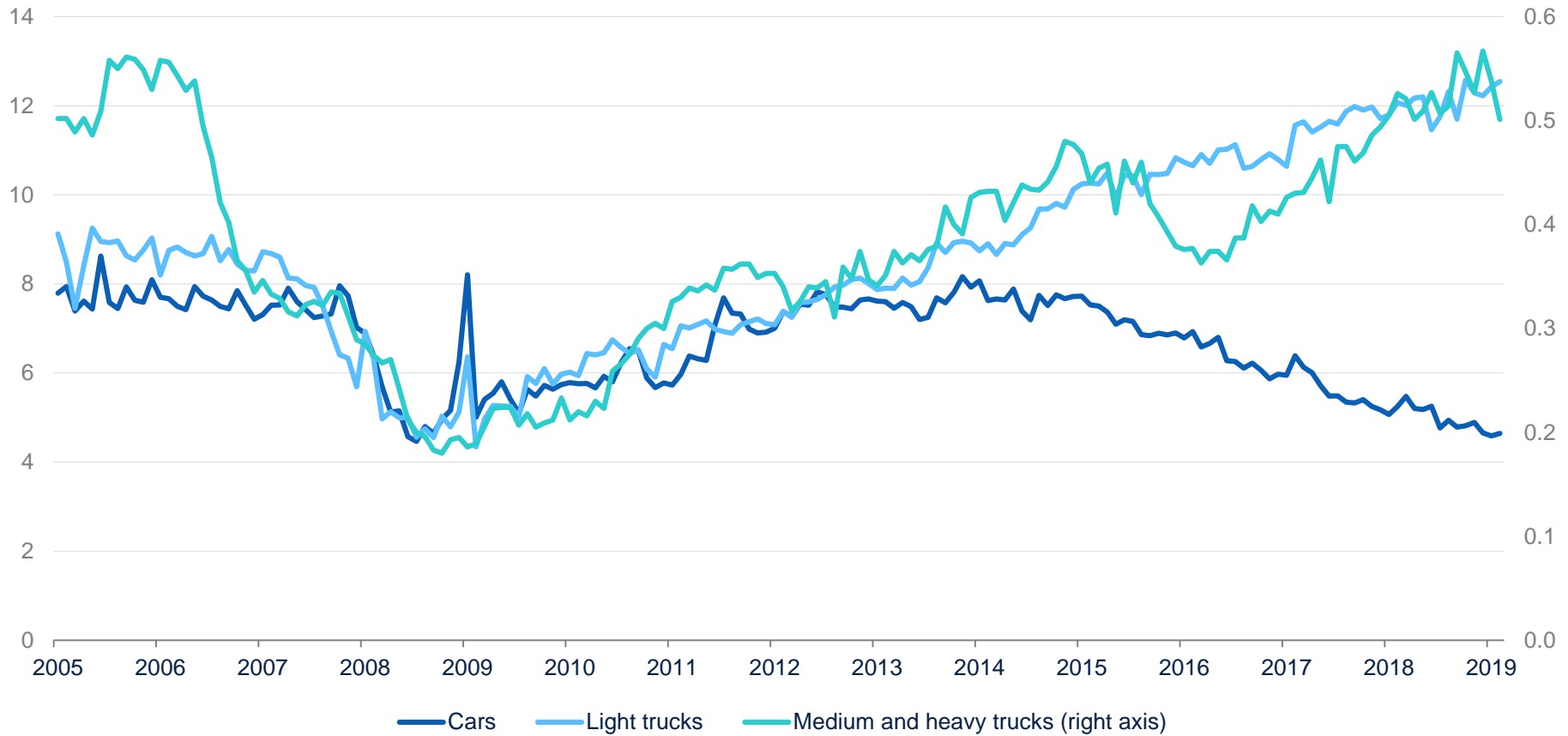
# Sales

## U.S. TOTAL LIGHT WEIGHT VEHICLE SALES (SAAR, MILLION UNITS)



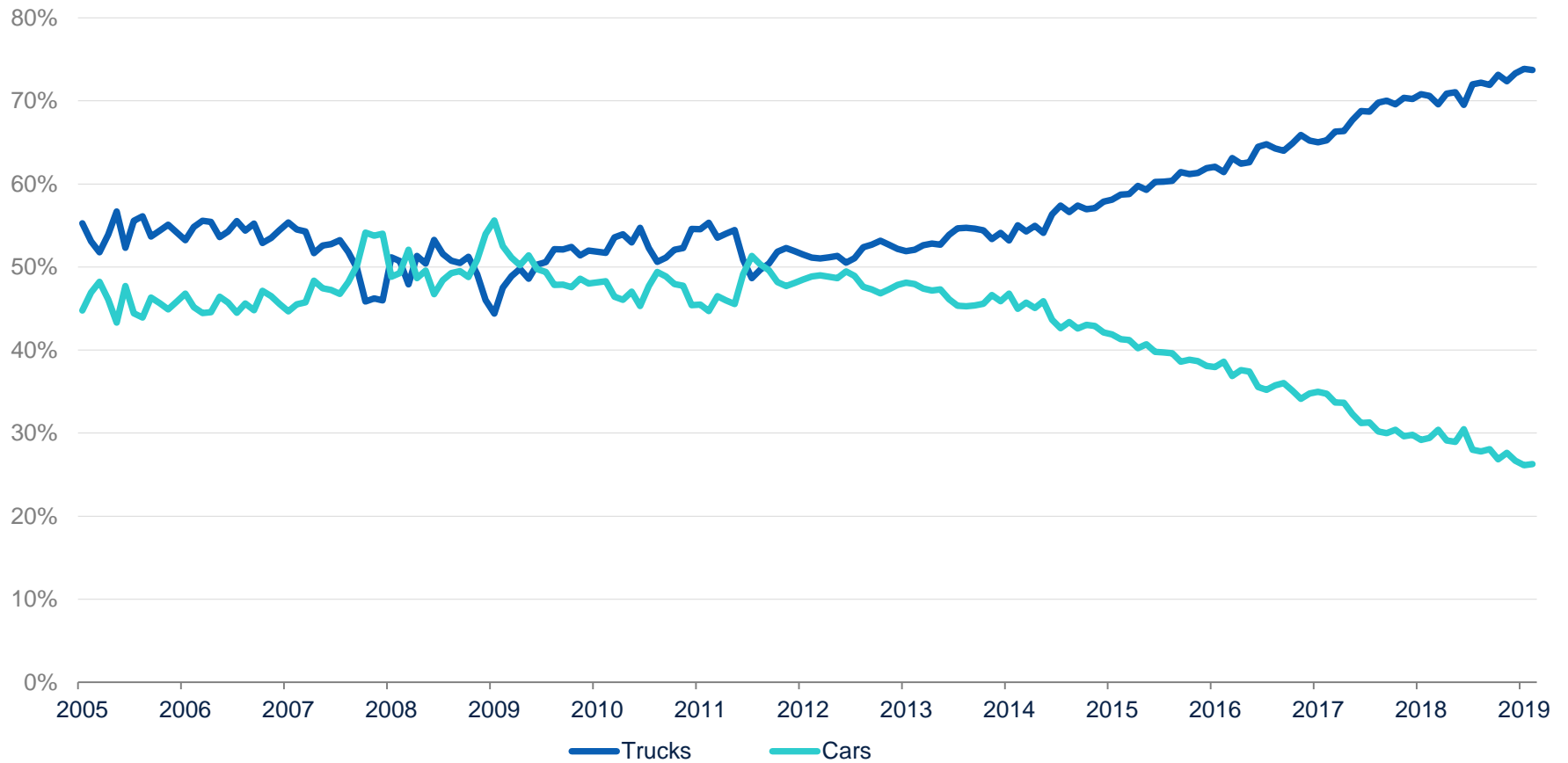
# Sales

## U.S. TOTAL VEHICLE SALES (SAAR, MILLION UNITS)



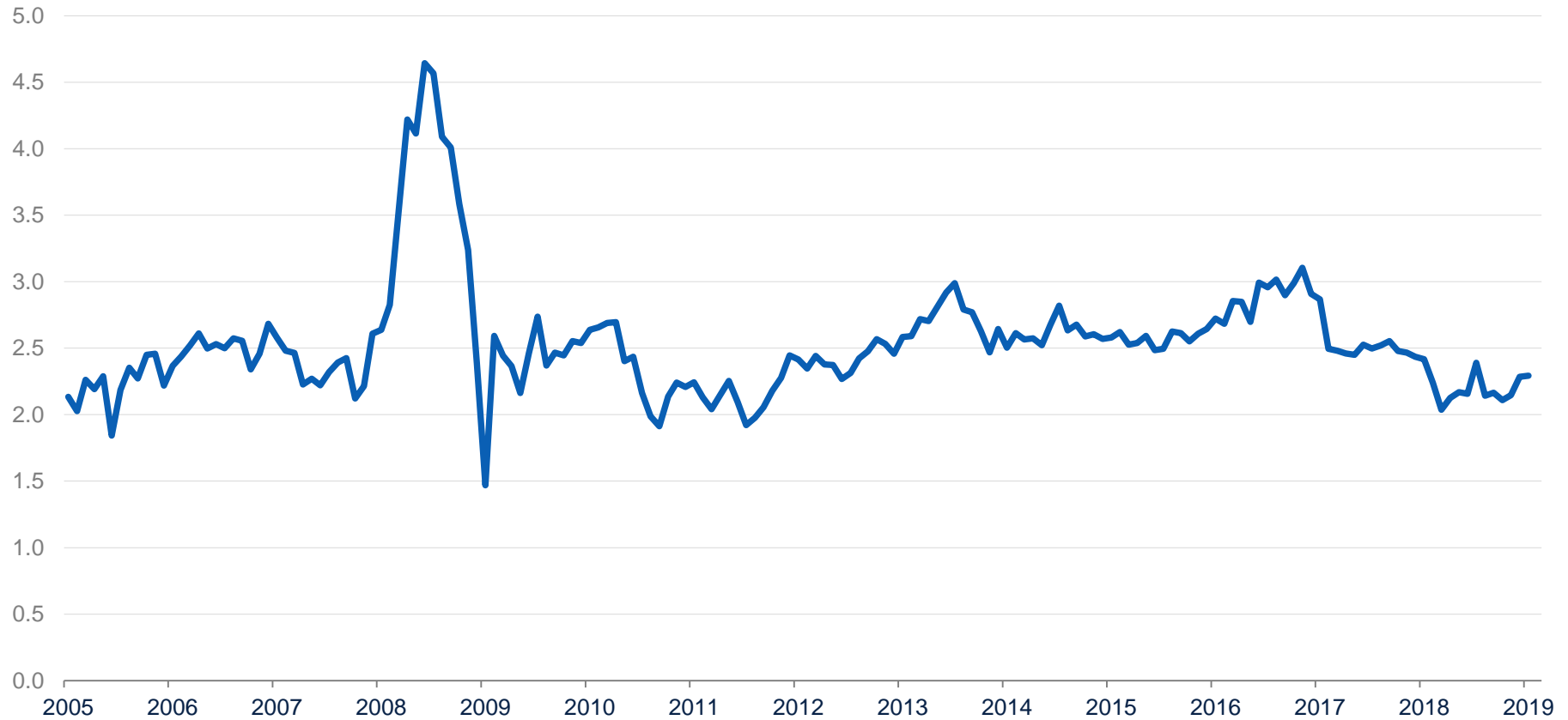
# Sales

## U.S. TOTAL VEHICLE SALES (SHARE OF TOTAL)



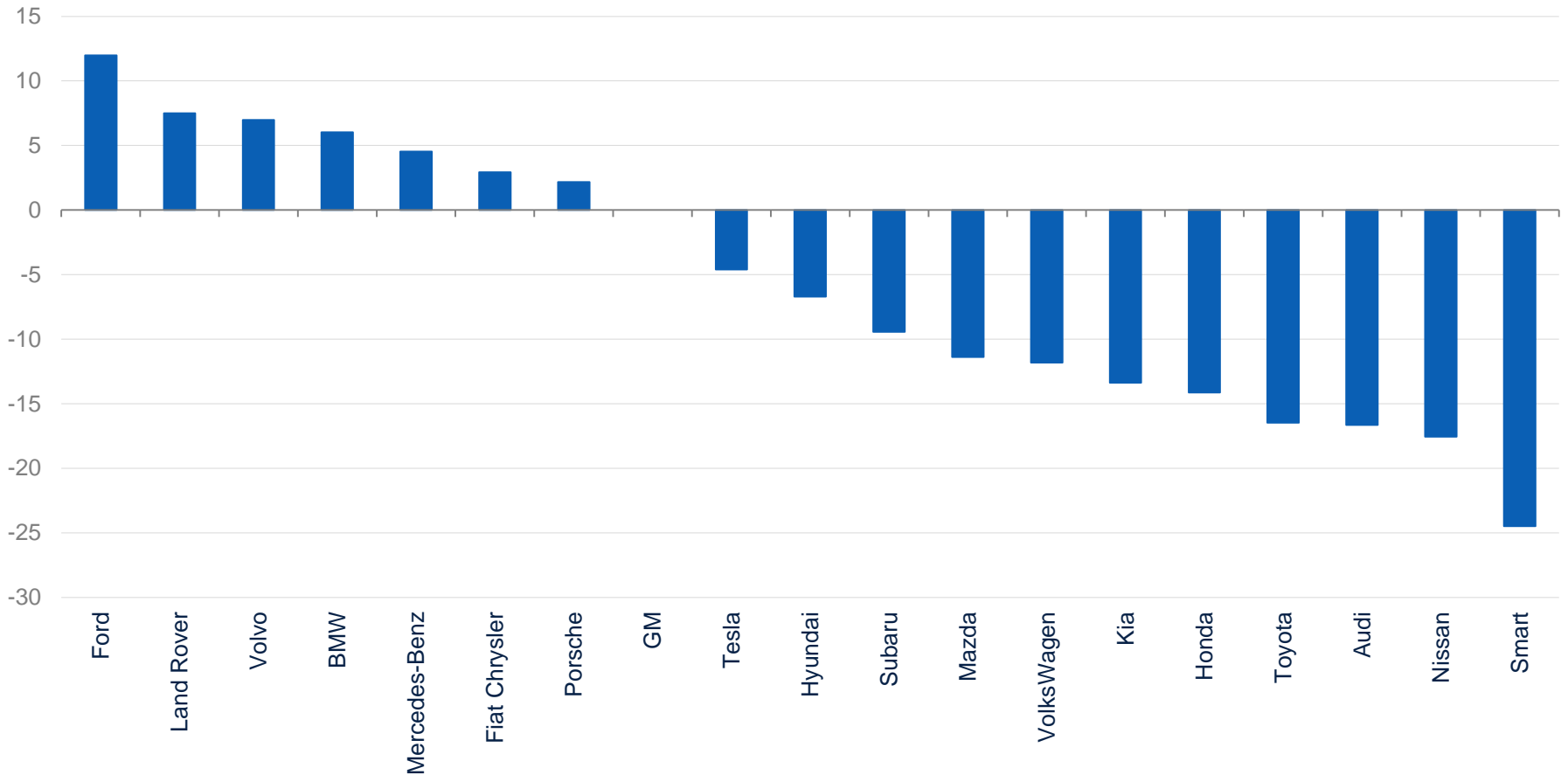
# Sales

## U.S. DOMESTIC AUTO INVENTORY/SALES RATIO (SEASONALLY ADJUSTED)



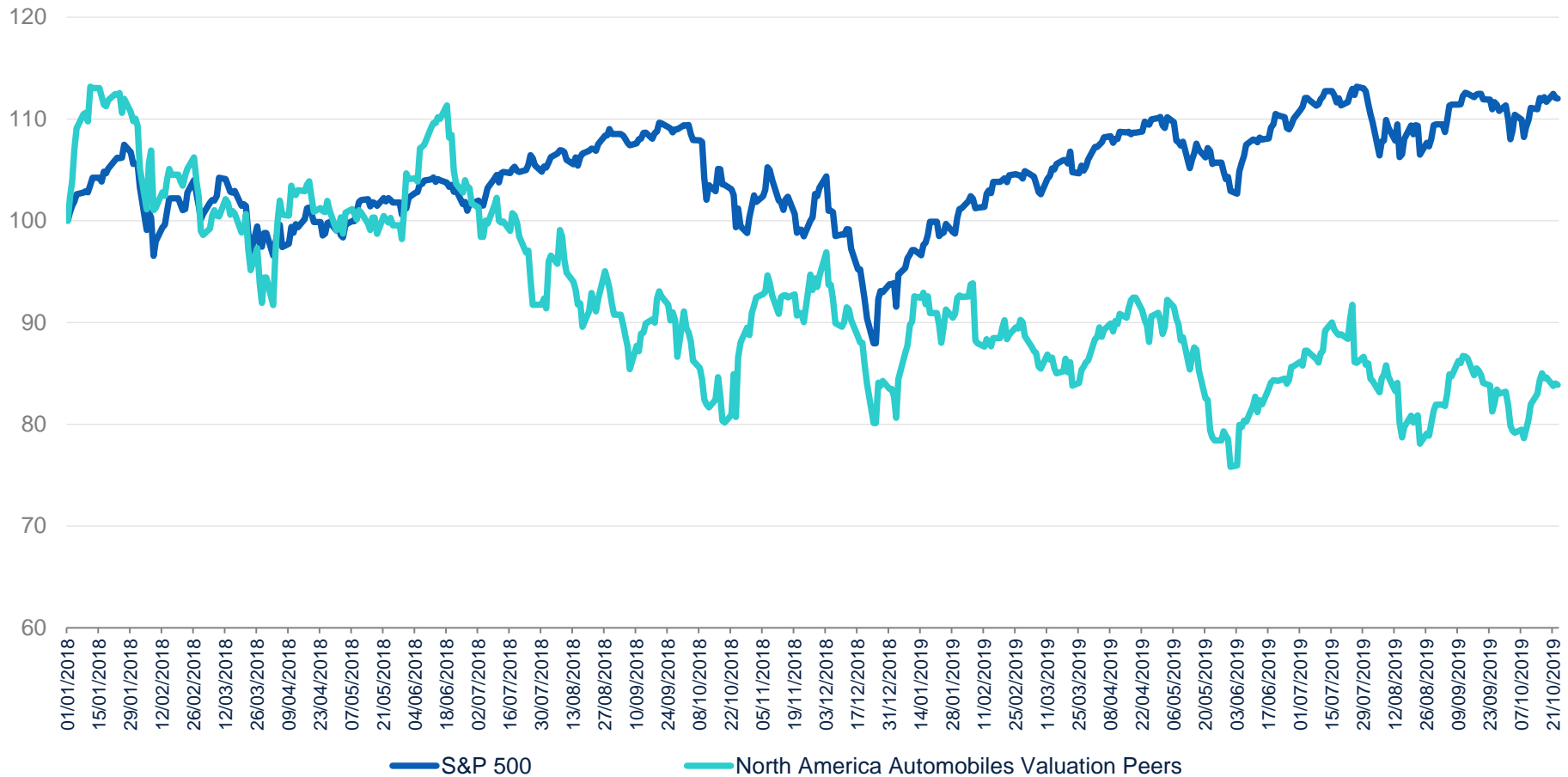
# Sales

## U.S. UNIT SALES BY BRAND (3Q19, YOY % CHANGE)



# Stock market

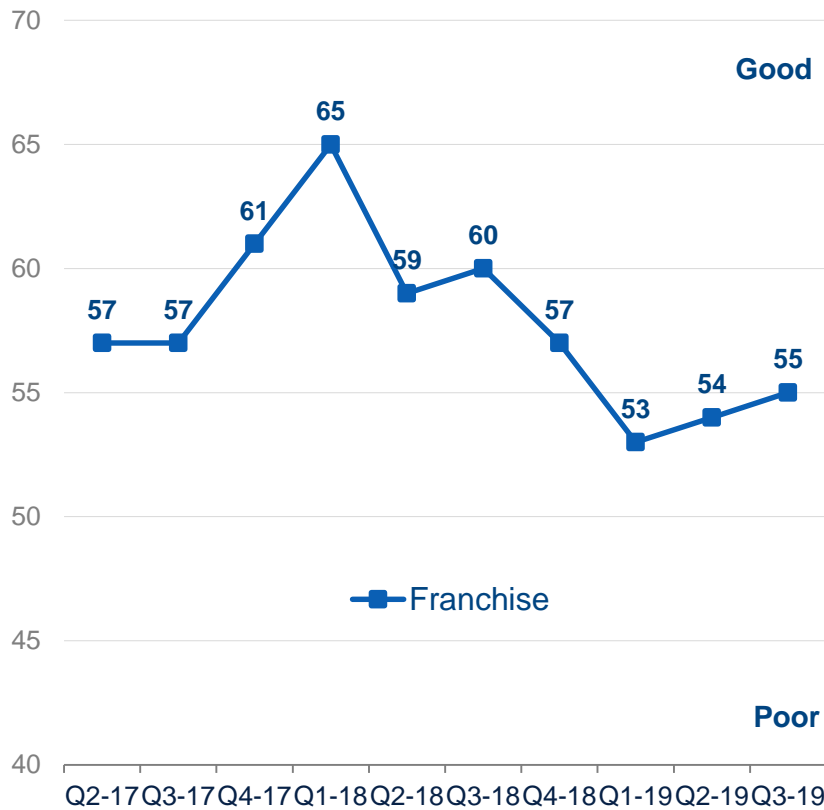
## STOCK MARKET INDICES (INDEX, 1/1/2018 = 100)



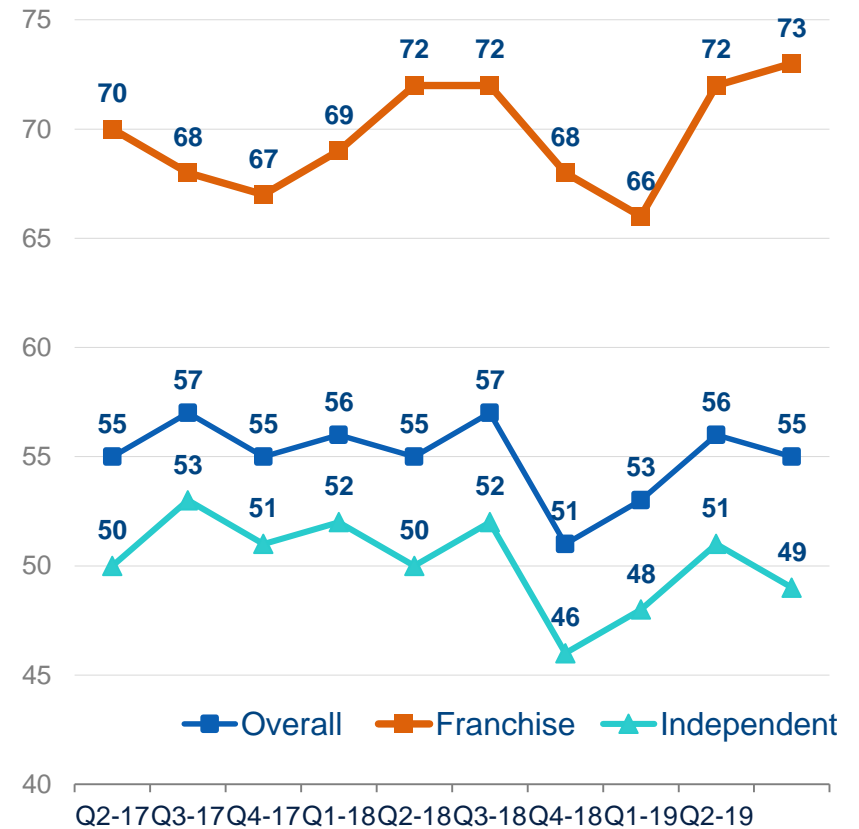


# Dealers

## HOW WOULD YOU DESCRIBE THE CURRENT NEW-VEHICLE SALES ENVIRONMENT?

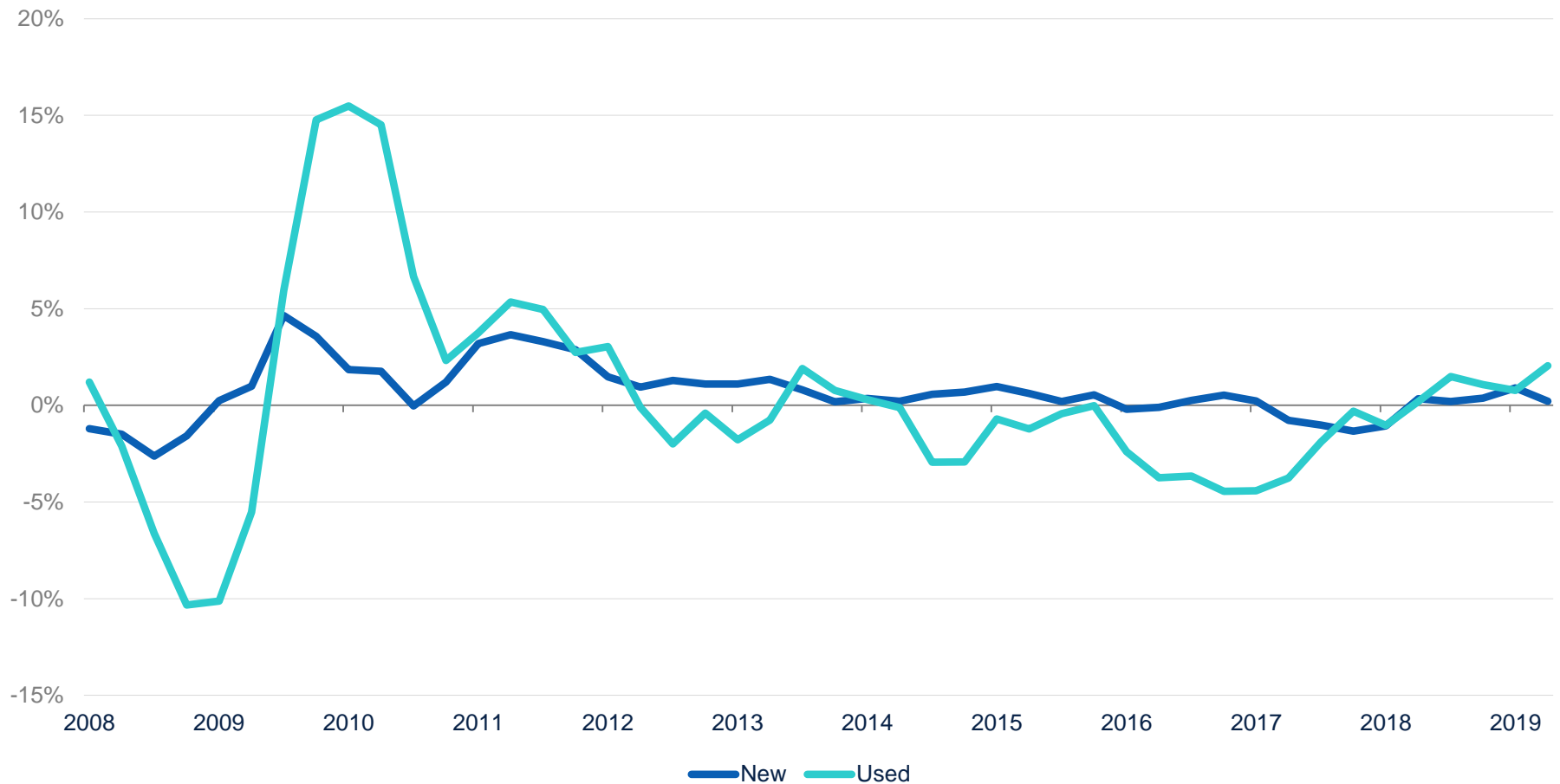


## HOW WOULD YOU DESCRIBE THE CURRENT USED-VEHICLE SALES ENVIRONMENT?



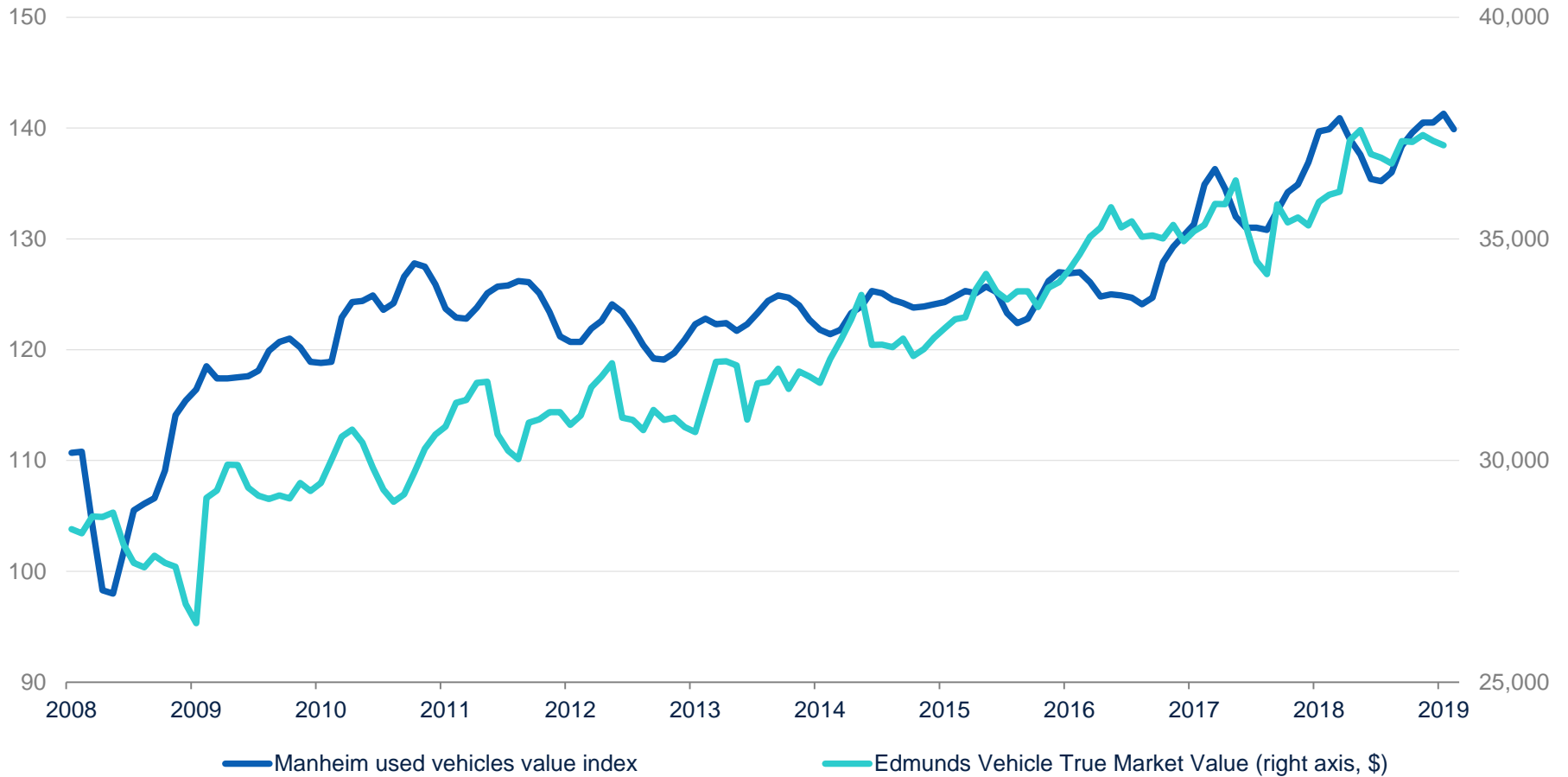
# Prices

## U.S. CONSUMER PRICE INDEX: CARS AND TRUCKS (YOY % CHANGE)



# Prices

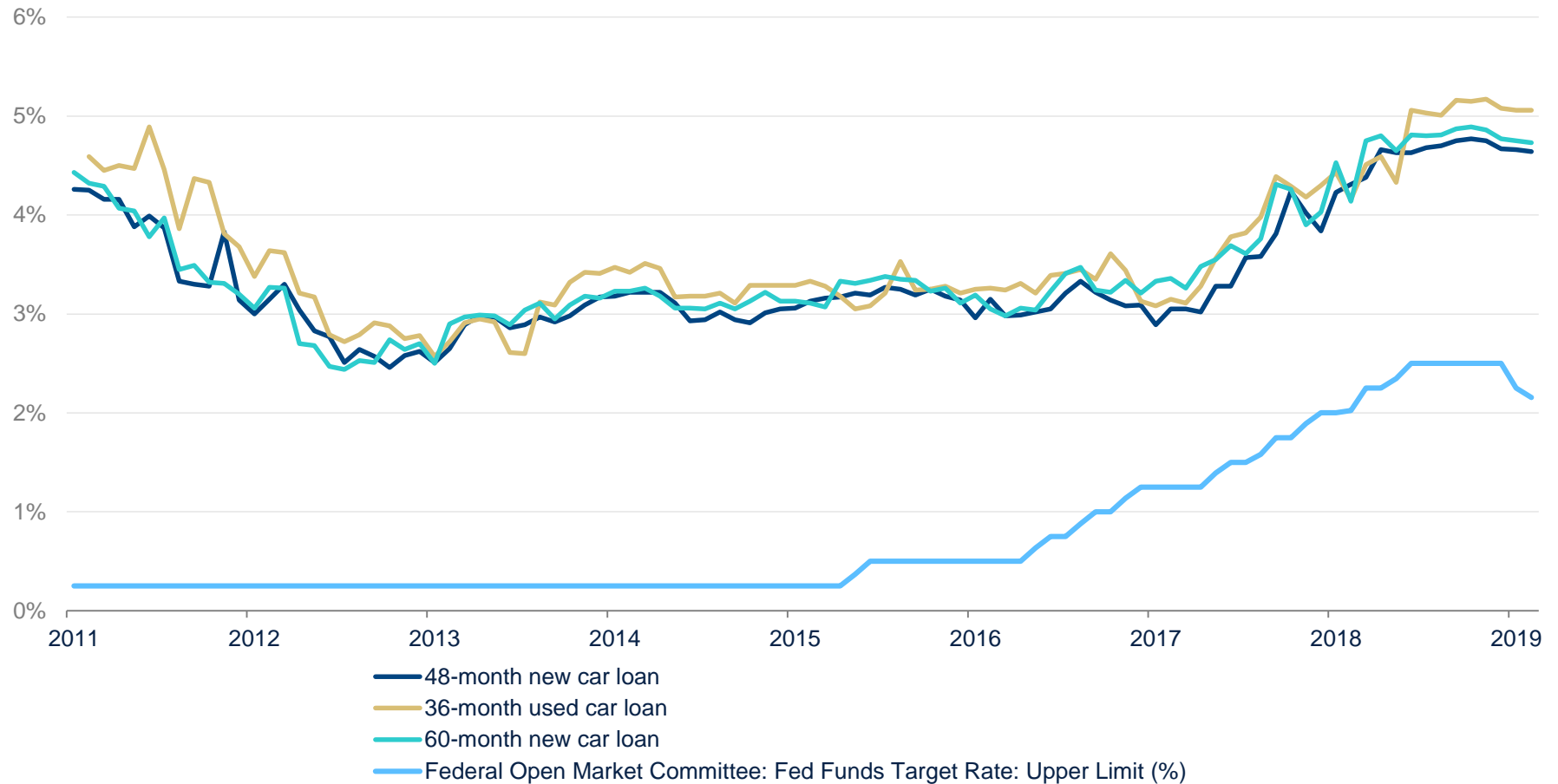
## U.S. AUTO PRICES



Source: BBVA Research, Haver Analytics and Bloomberg

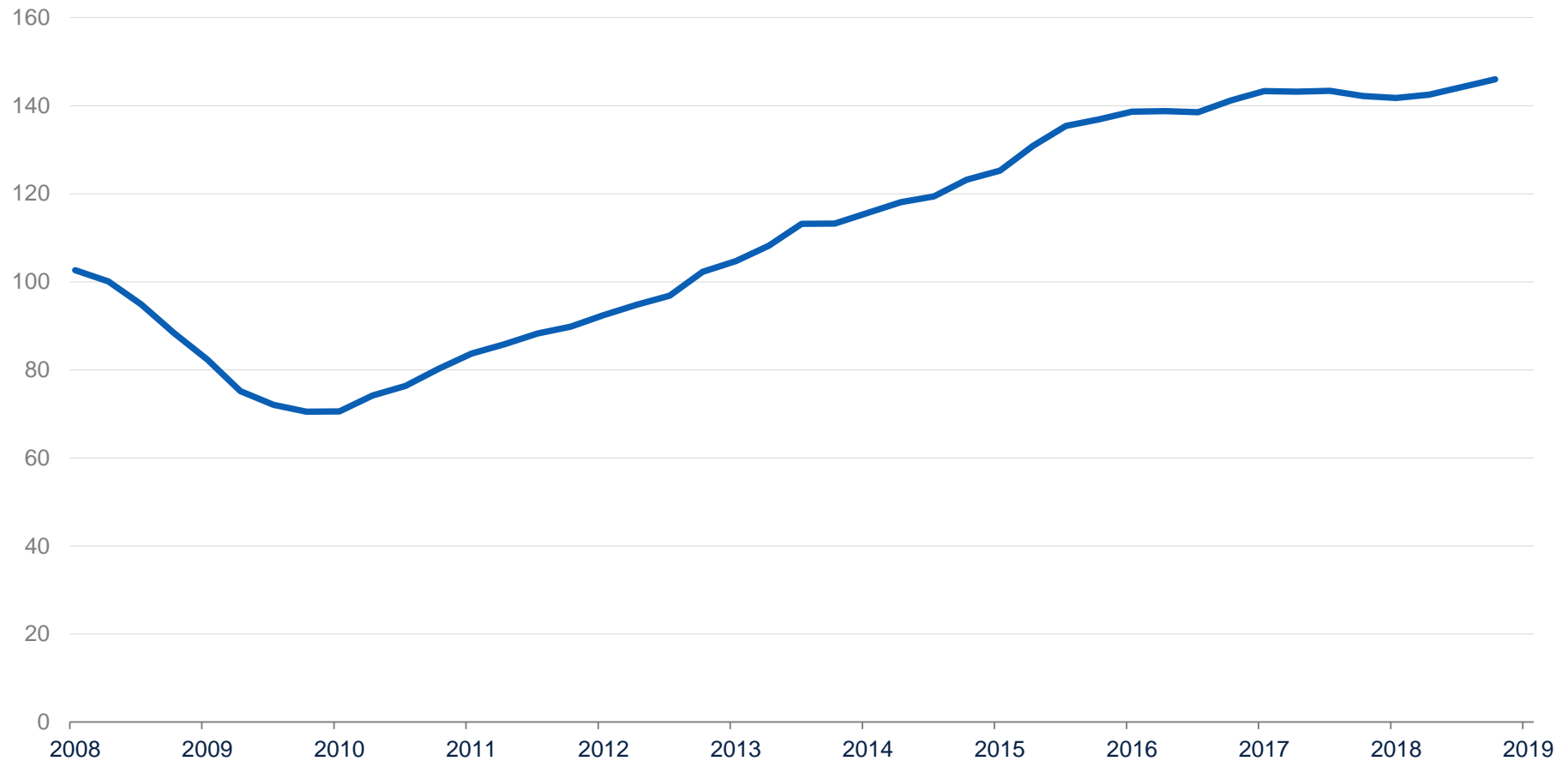
# Financial conditions

## U.S. INTEREST RATES (%)



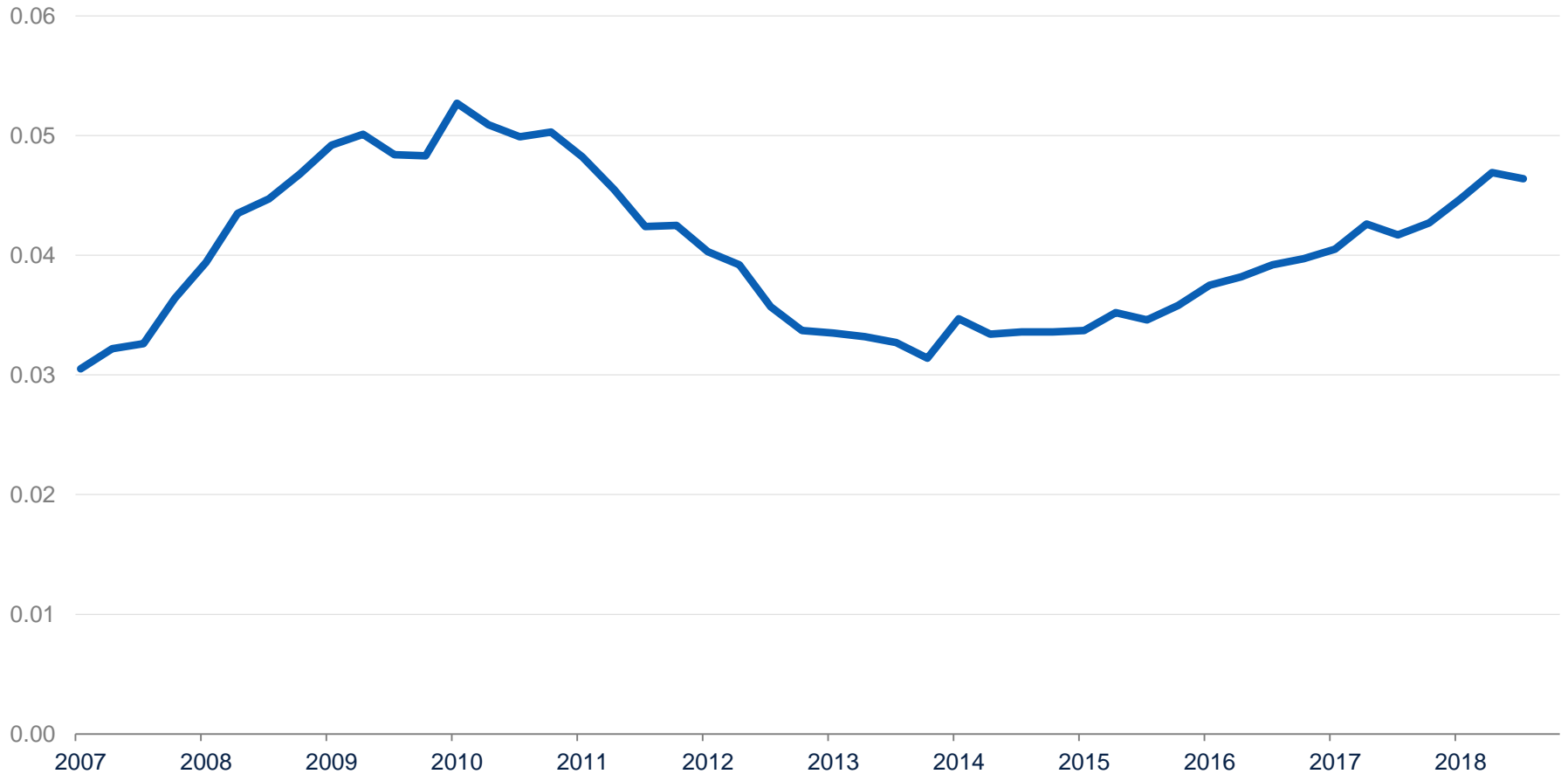
# Financial conditions

## U.S. NEWLY ORIGINATED INSTALLMENT AUTO LOANS (\$ BILLION, EOP, 4-QTR MOVING AVG.)



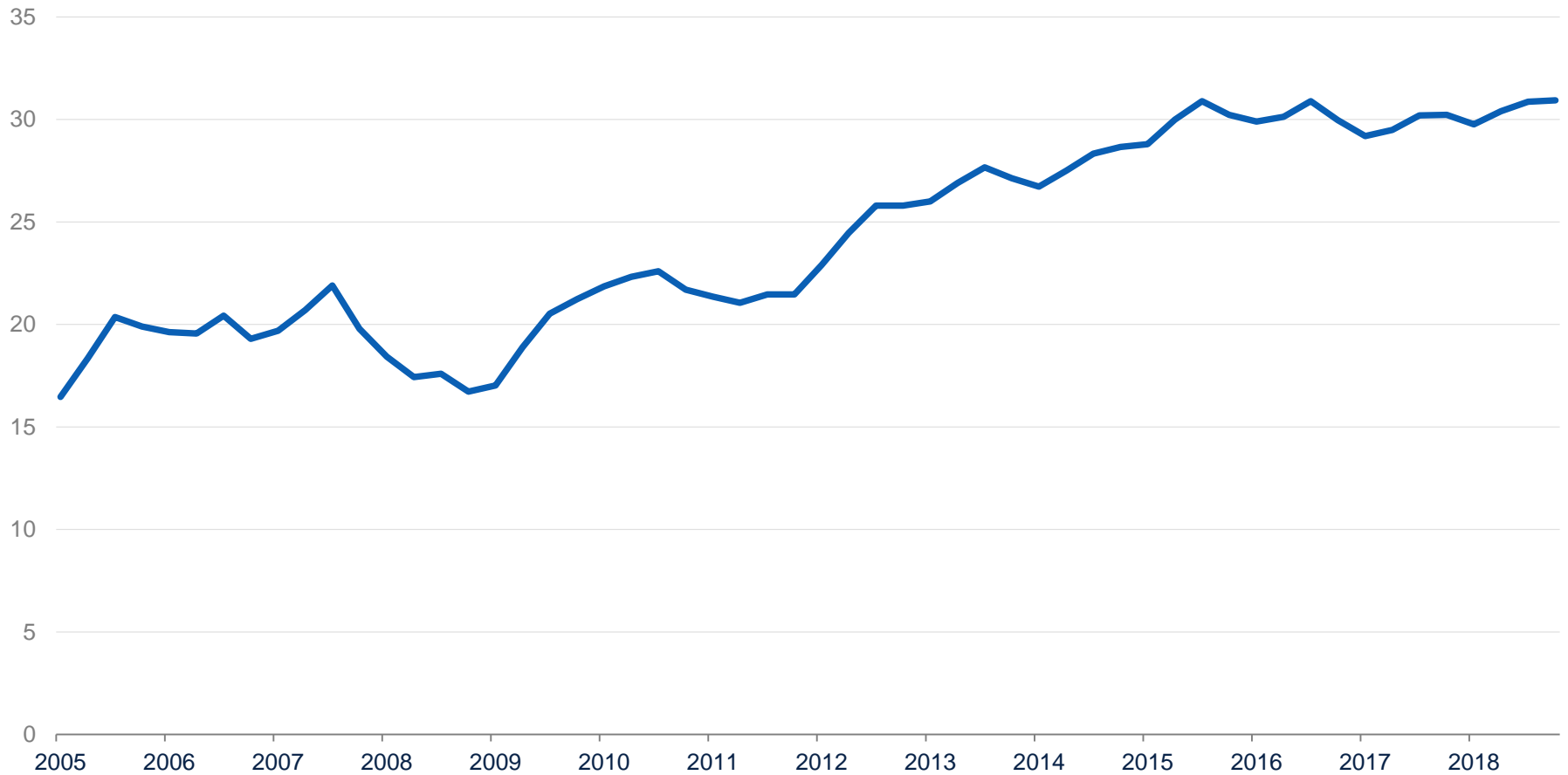
# Financial conditions

## U.S. AUTO LOAN 90+ DAYS DELINQUENT (% OF BALANCE)



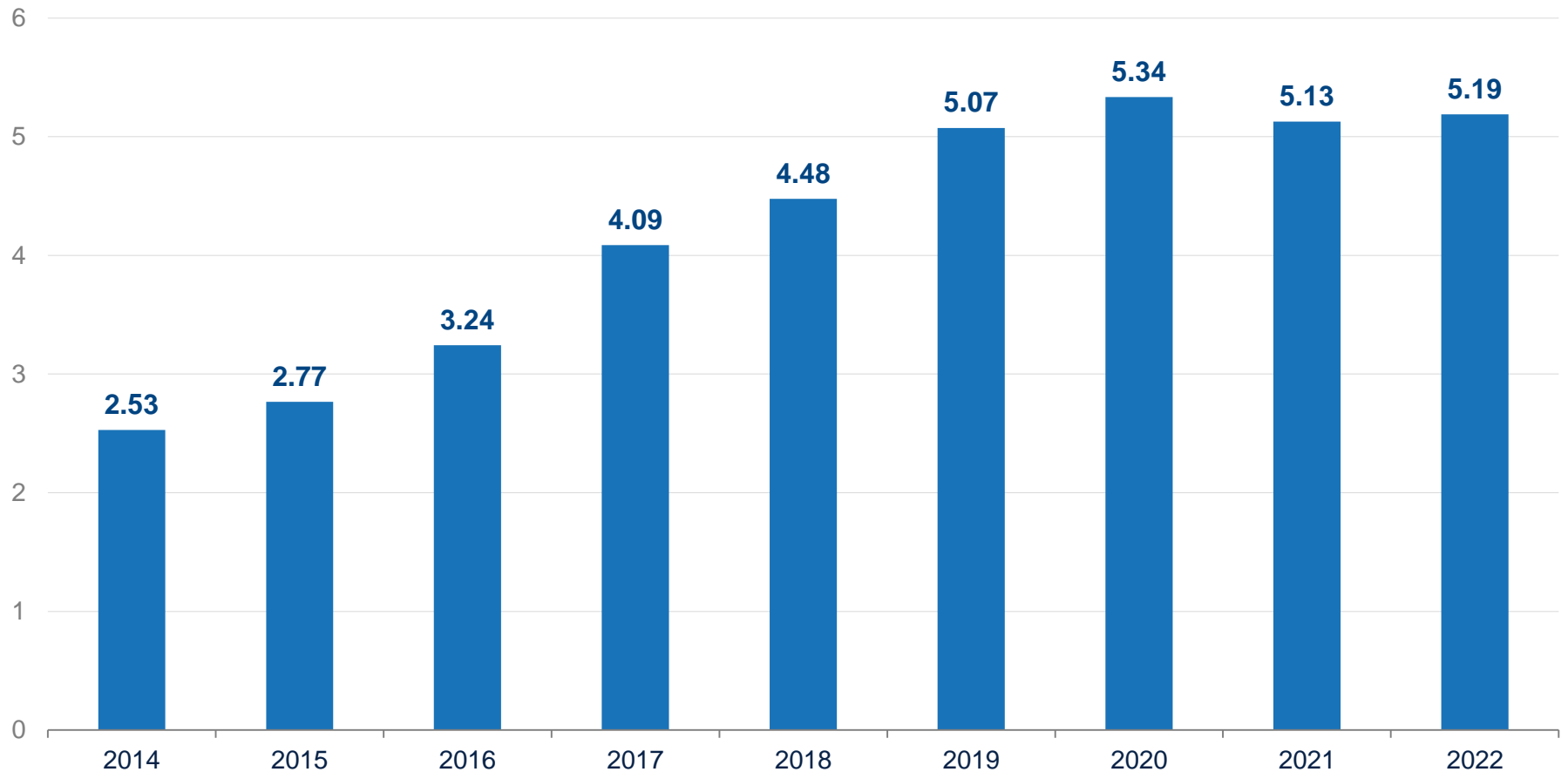
# Leasing

## U.S. LEASING PENETRATION RATE (%, 3-MONTH MOVING AVERAGE)



# Leasing

## OFF-LEASE RETURNS AND SUPPLY\* (MILLIONS UNITS)



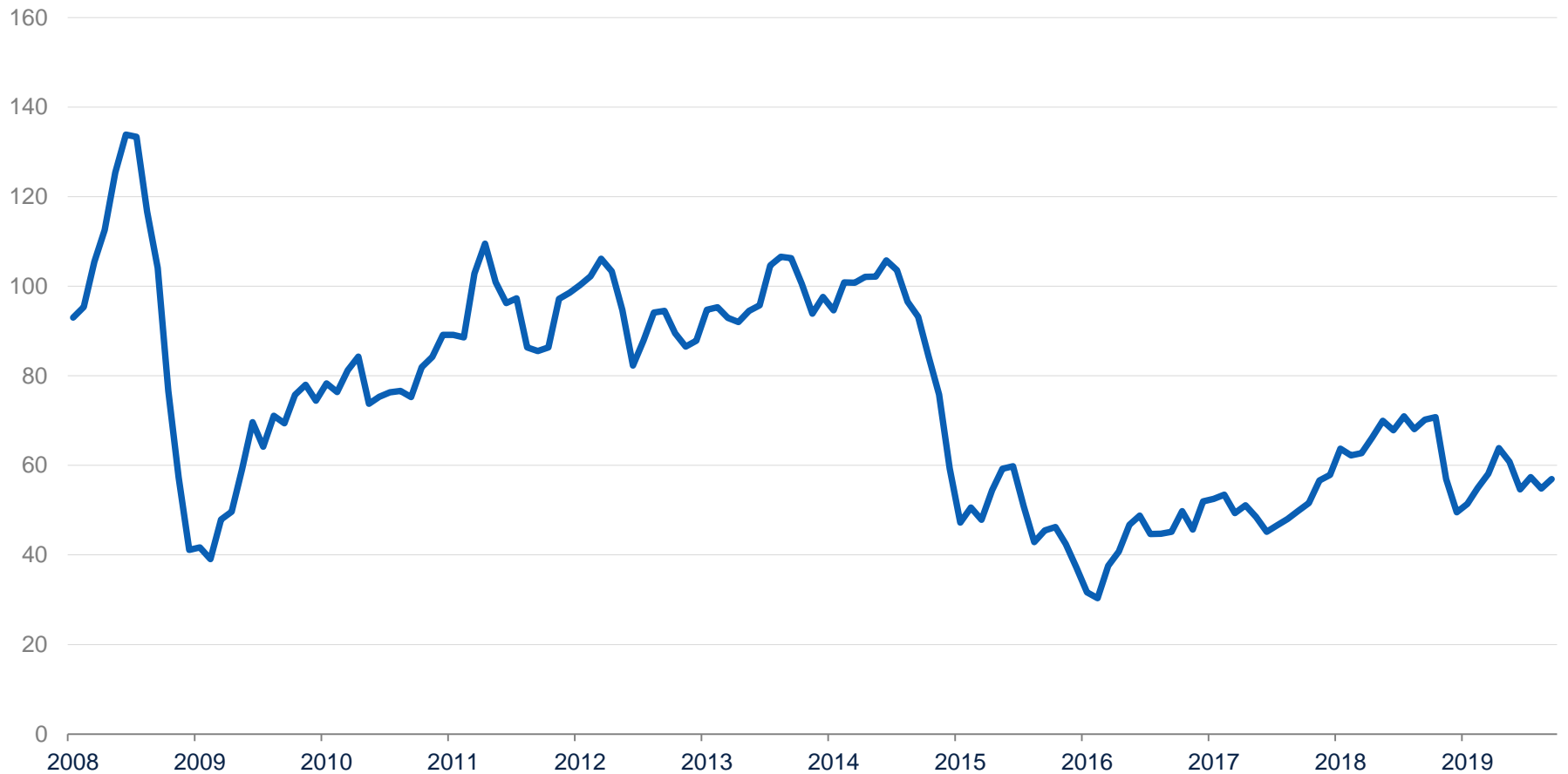
\*Assumes 36-month lease terms

Source: Bloomberg and BBVA Research



# Gasoline

## U.S. RETAIL GASOLINE PRICE (CENTS PER GALLON)

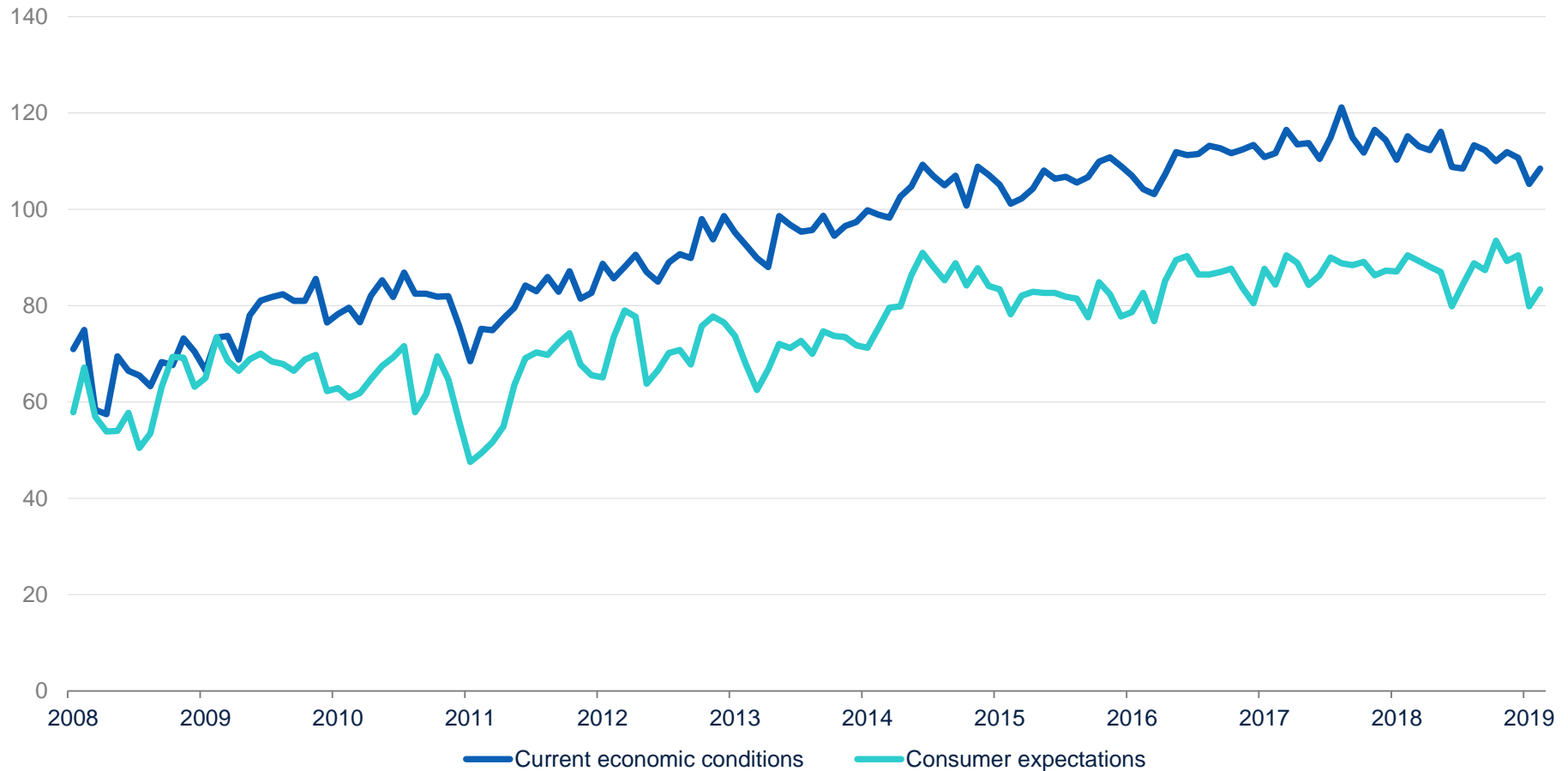


02

# Consumers

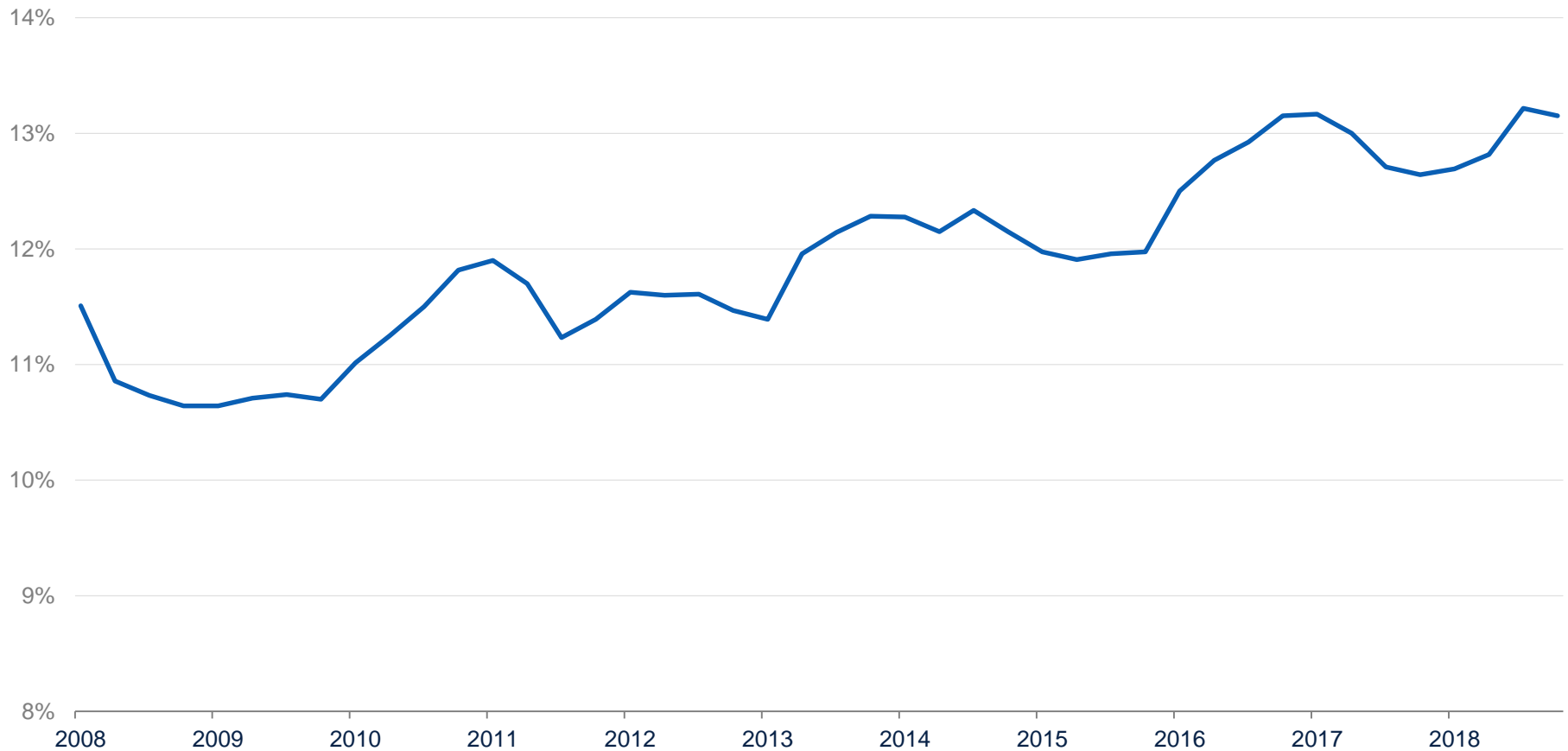
# Consumers

## UNIVERSITY OF MICHIGAN: CONSUMER SENTIMENT INDEX



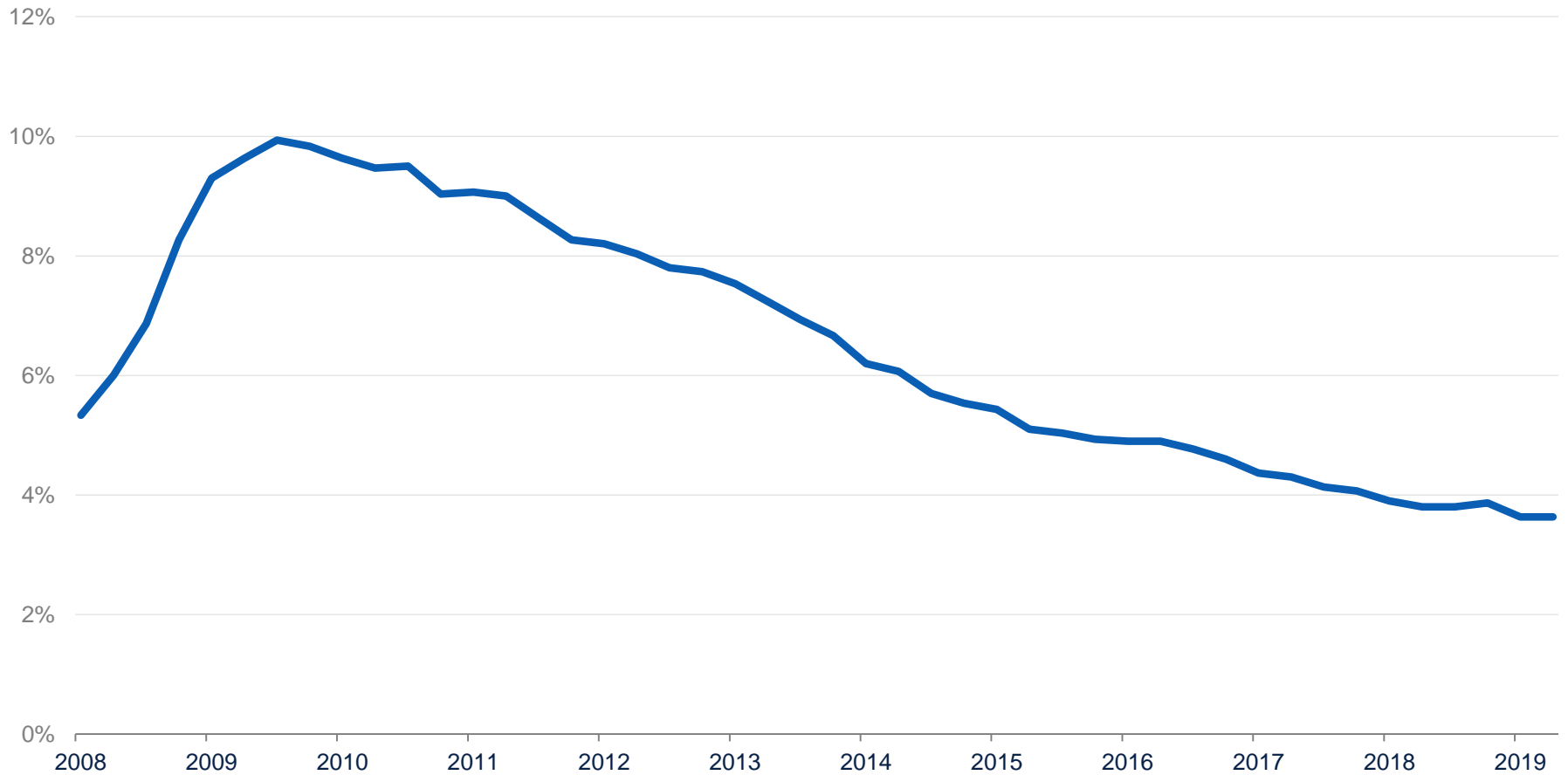
# Consumers

## CONFERENCE BOARD: CONSUMER PLANS TO BUY A CAR WITHIN 6 MONTHS (% OF RESPONDENTS)



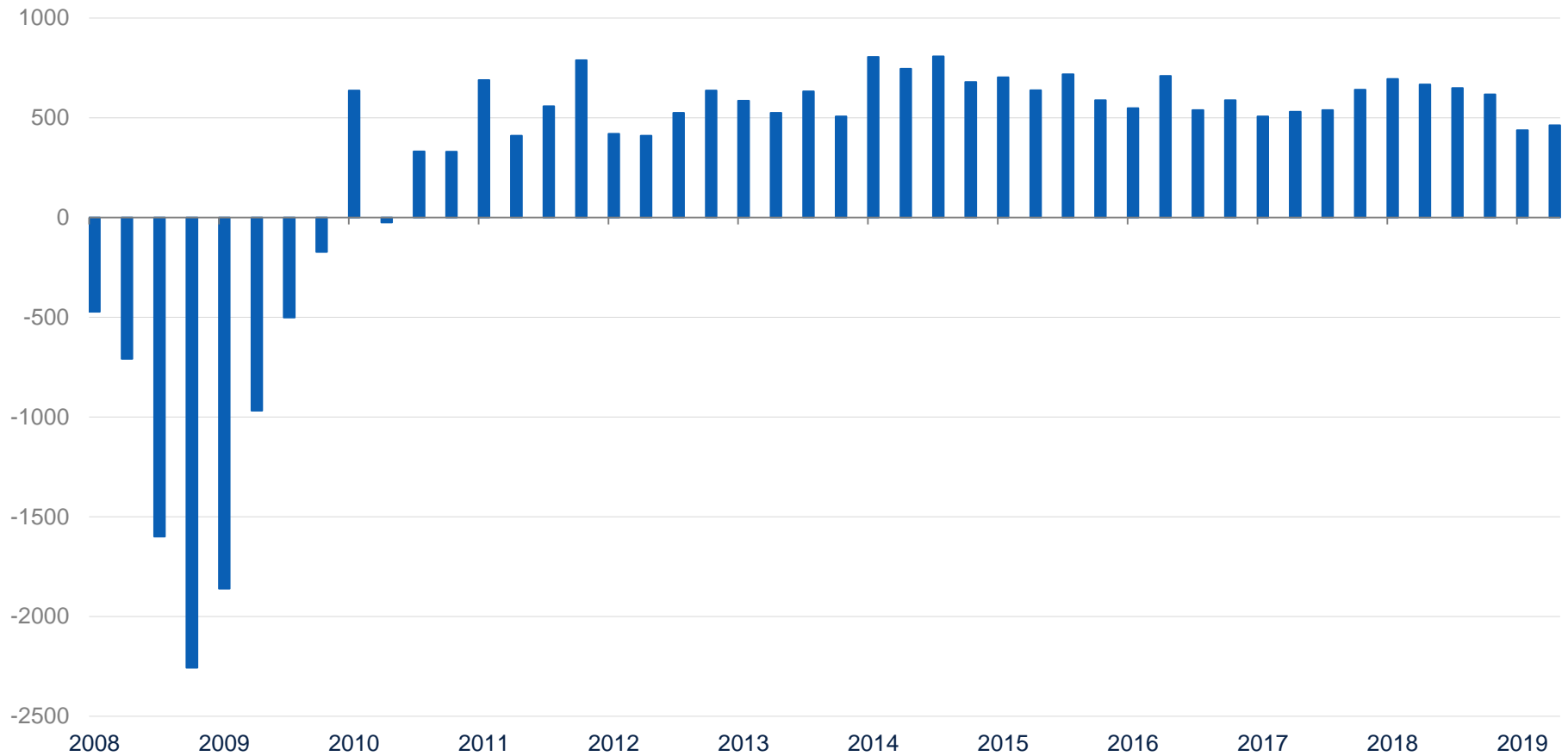
# Consumers

## U.S. UNEMPLOYMENT RATE (%)



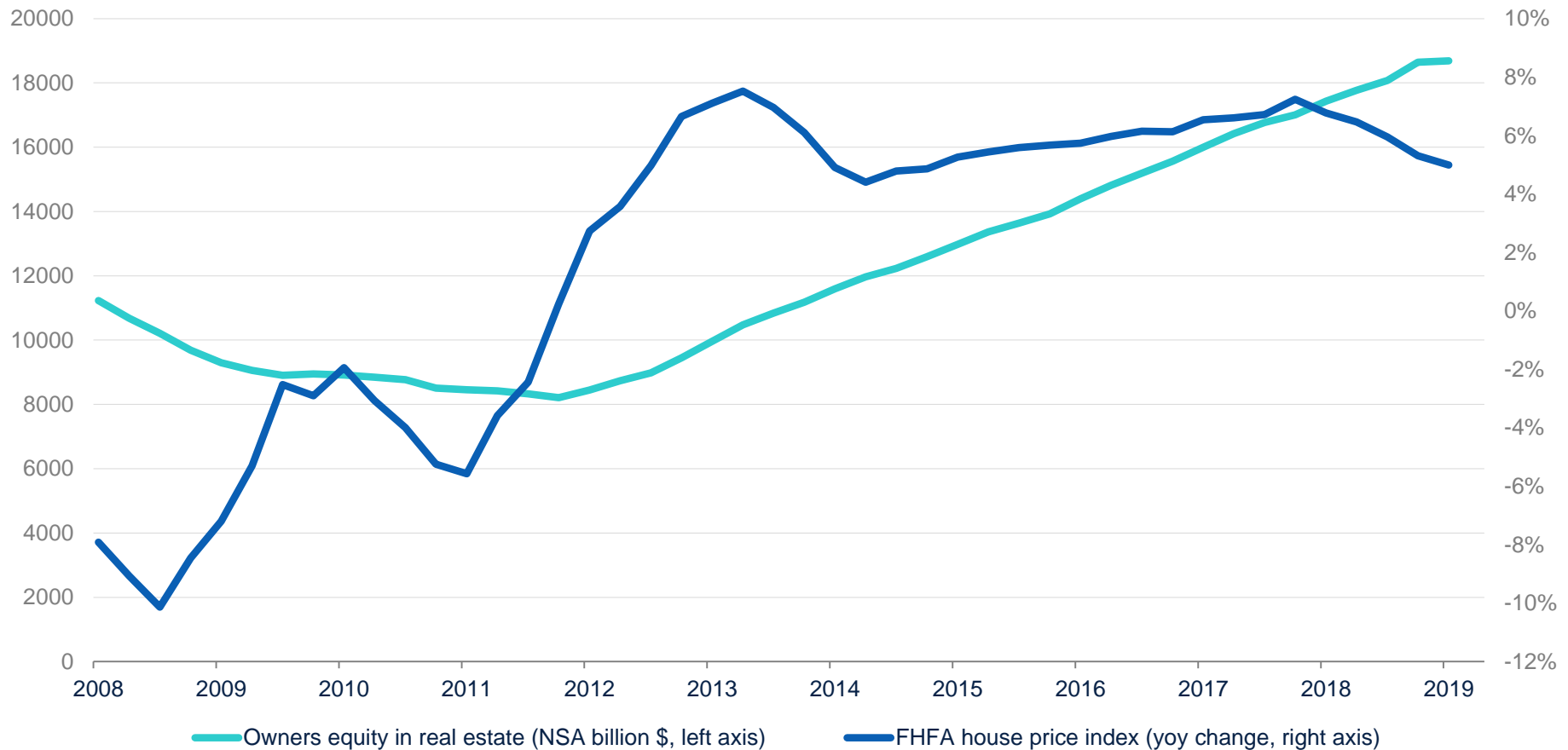
# Consumers

## U.S. NONFARM PAYROLL (QUARTERLY CHANGE, THOUSAND)



# Consumers

## U.S. HOUSEHOLD EQUITY AND HOME PRICES



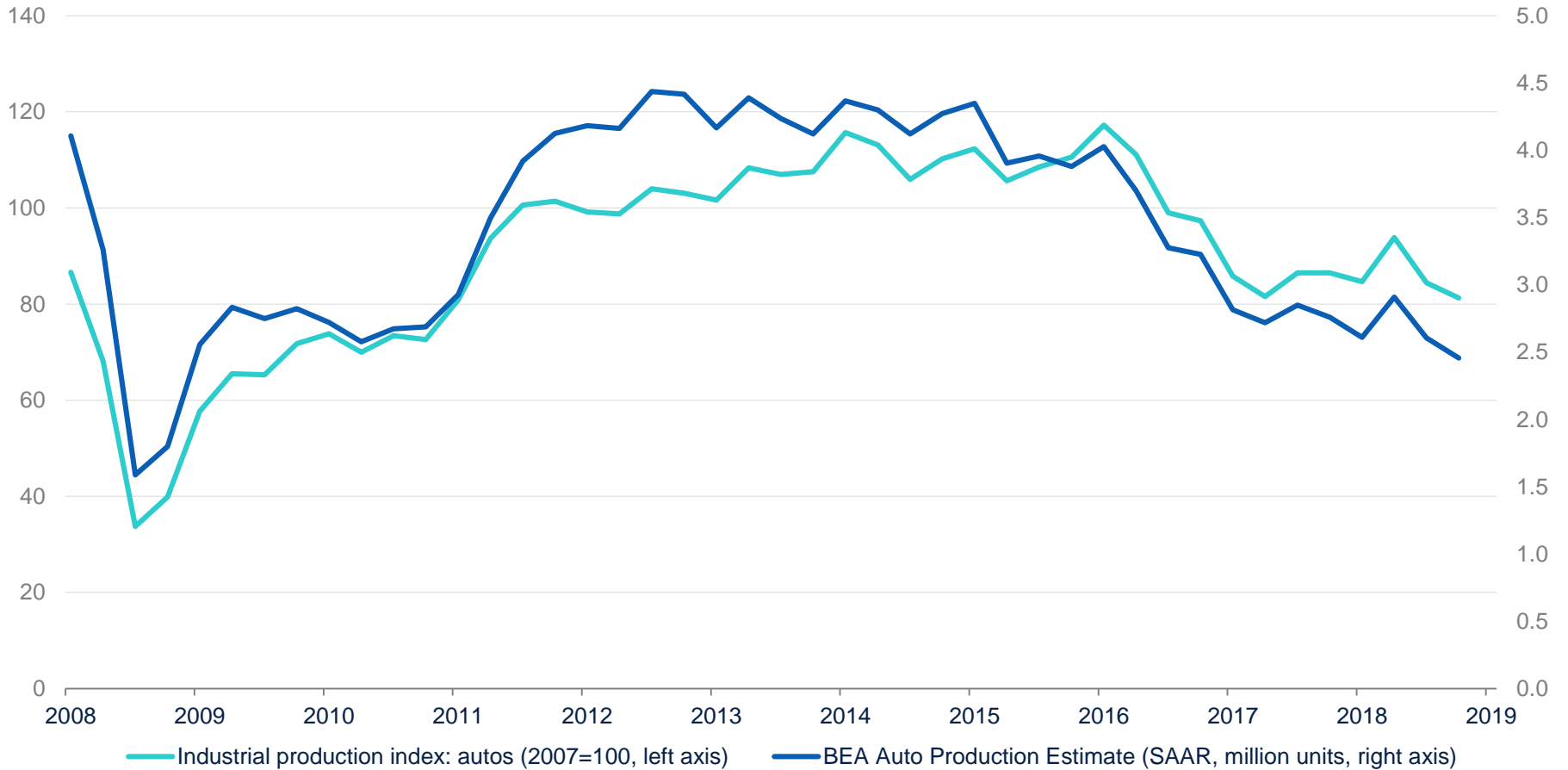
03

# Production



# Production

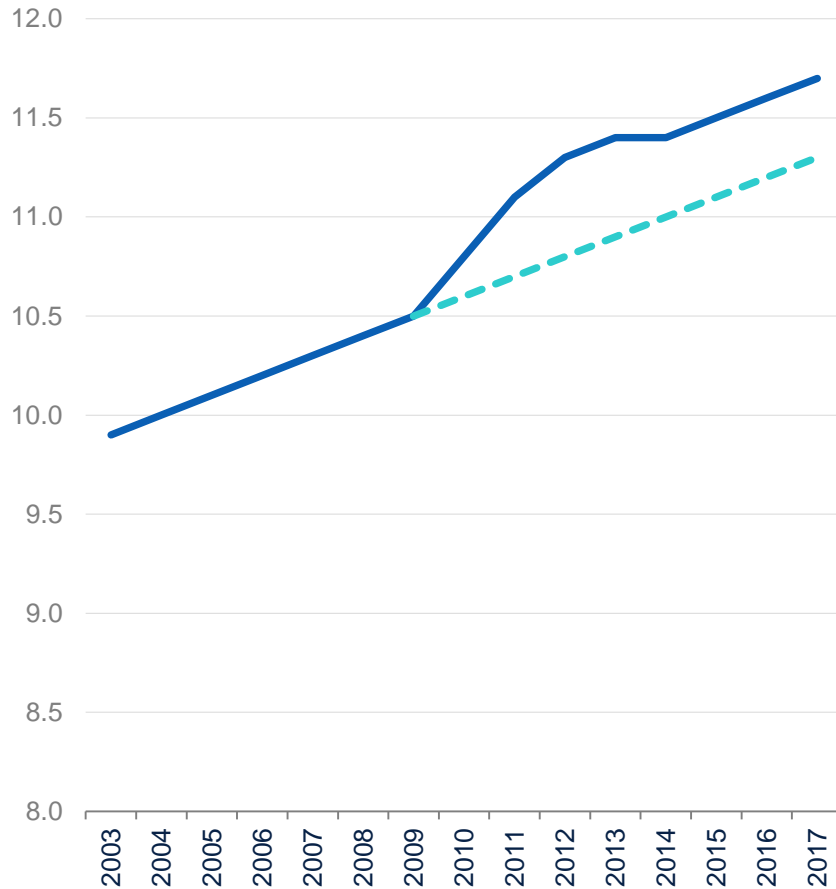
## U.S. AUTO PRODUCTION



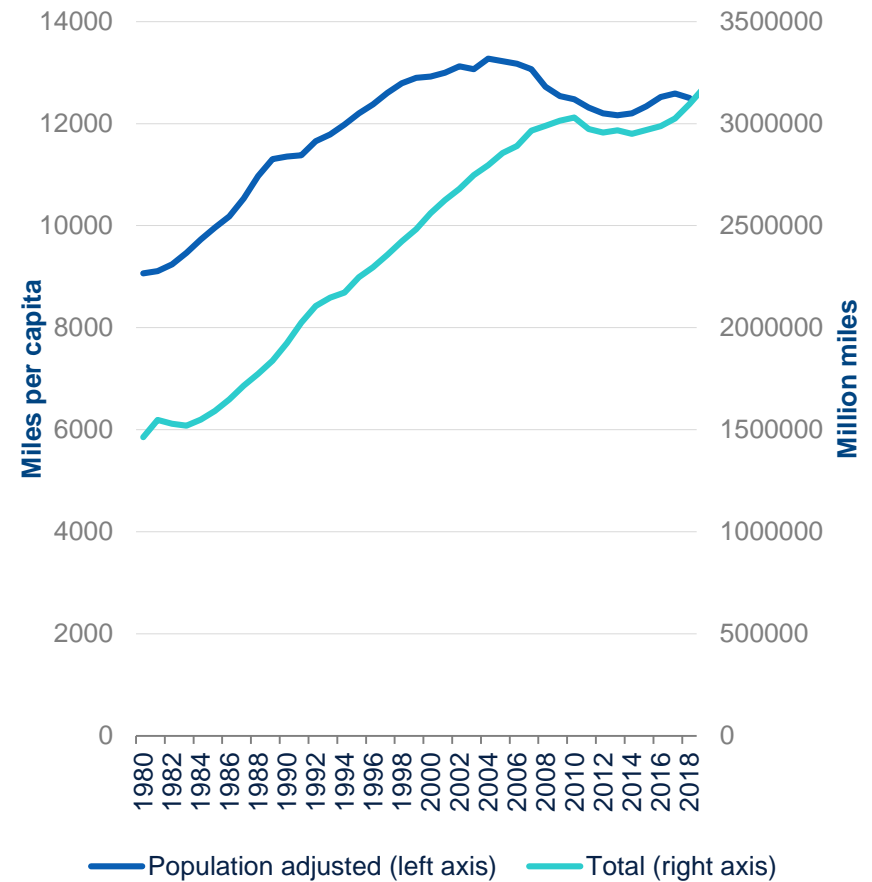
# 04 Structural

# Fundamentals

## MEAN AGE OF PASSENGER CARS IN OPERATION (YEARS)



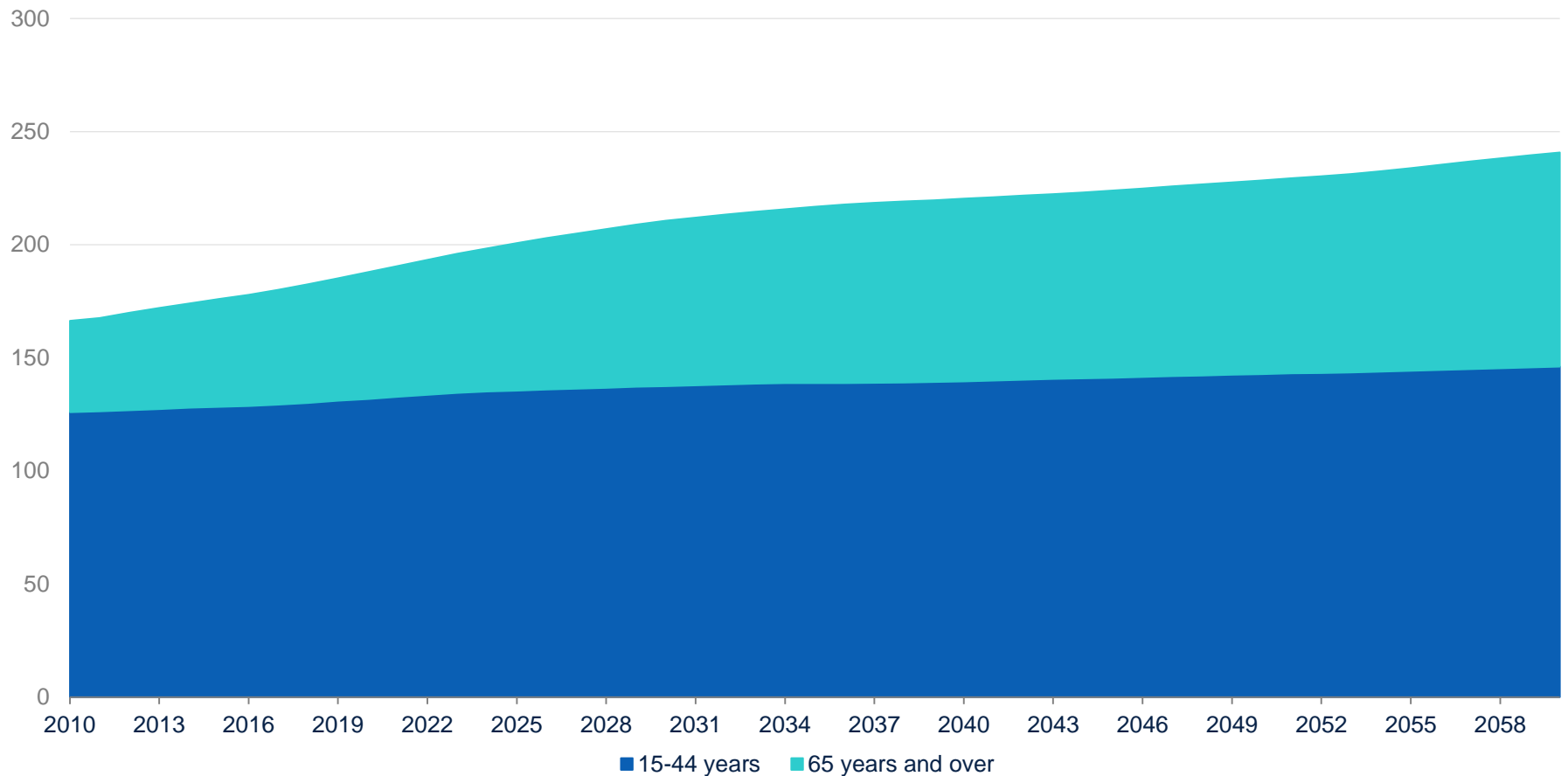
## VEHICLE MILES OF TRAVEL (TOTAL AND ADJUSTED BY POPULATION)



Source: BBVA Research and Haver Analytics

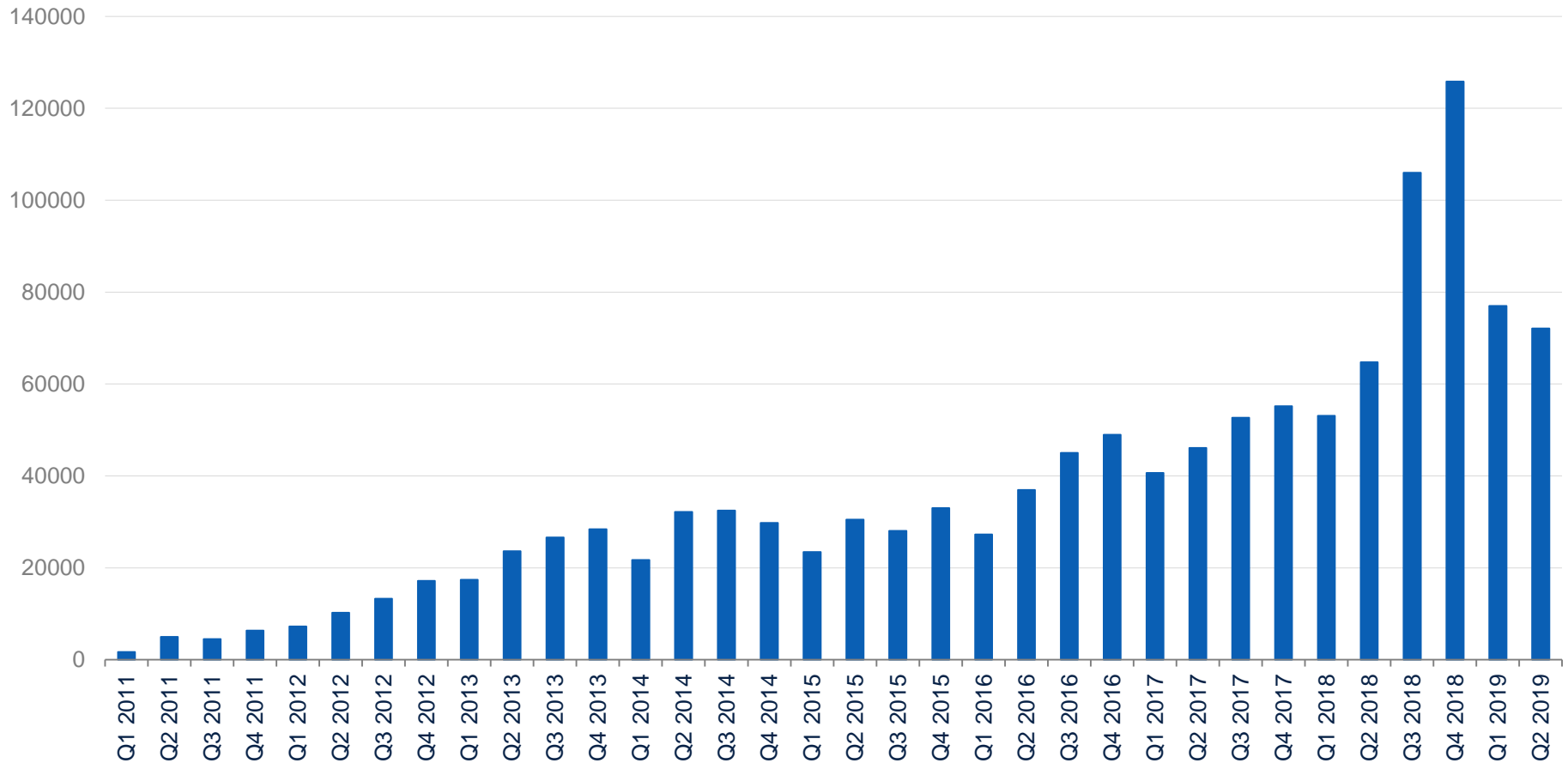
# Demographics

## U.S. POPULATION PROJECTIONS BY AGE (MILLIONS)



# Electric vehicles

## U.S. ELECTRIC VEHICLE SALES (UNITS)



# 05

## Forecasts

# Forecasts

	2015	2016	2017	2018	2019	2020	2021	2022
<b>Auto sales</b> (millions units)	17.5	17.5	17.2	17.2	17.0	16.5	16.8	16.8
<b>Real GDP growth*</b> (% change)	2.9	1.6	2.2	2.9	2.3	1.8	1.9	1.9
<b>Unemployment rate</b> (% avg.)	5.3	4.9	4.4	3.9	3.7	3.7	3.8	4.0
<b>Fed funds*</b> (%, eop)	0.50	0.75	1.50	2.50	1.75	1.75	1.75	2.25
<b>5-year Treasuries*</b> (%, avg)	1.5	1.3	1.9	2.7	1.9	1.5	1.7	2.1

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