



## TD Economics

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### Data Release: U.S. auto sales surge above 17 million units in November

- U.S. auto sales tallied 17.1 million units (on a seasonally adjusted annualized basis) in November, well up from the 16.3 million units sold during the two months prior. This is the second time sales have surpassed the 17 million unit mark this year (sales reached 17.4 million units in August).
- Results were mixed among the eight top selling brands. Fiat-Chrysler led the pack, with a 20% y/y increase during the month, while GM (+6.5% y/y), Honda (+4.6% y/y) and Toyota (+3.0% y/y) also posted gains. On the flipside, Hyundai (-4.2% y/y), Kia (-1.0% y/y) Nissan (-3.1% y/y) and Ford (-1.8% y/y) were all down relative to last year's sales levels.
- Continuing the trend seen throughout the year, light trucks dominated sales in November, up 9.2% y/y, while sales of passenger cars were down by a slight 0.8% y/y.

### Key Implications

- Several factors contributed to November's strong performance in auto sales. On the economic front, a robust job market, a rebound in equity markets to record highs, and a high level of consumer confidence provided a solid base for sales. The ongoing decline in gas prices also played a role by increasing disposable income for consumers and supporting demand for larger, less fuel efficient vehicles. As well, auto dealers joined other retailers in offering Black Friday deals, which likely helped bring consumers into showrooms.
- With one month left to go in 2014, auto sales are on track to come in at around 16.4 million units for the year as a whole, marking the highest level of sales seen since 2006. The momentum is likely to carry forward into 2015 as the U.S. economy continues to strengthen and affordability remains elevated.

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