



TD Economics

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Data Release: Auto sales lose some steam in September

- U.S. auto sales lost some steam in September, tallying 16.34 million units (on a seasonally adjusted annualized basis). While well off from August's post-recession high of 17.5 million units, September's tally is still quite lofty, and is roughly in line with the level of sales seen during the spring months.
- Of the top eight selling brands, Fiat-Chrysler, GM and Nissan had the strongest performances, as they each posted a 19% Y/Y gain, while Honda (12% Y/Y) and Kia (+7% Y/Y) also recorded healthy increases. At the other end of the spectrum, Toyota and Hyundai were both up by a slight 2% over year-ago levels, while Ford's sales were down 3%.
- Light trucks accounted for the bulk of September's gains, up 16.5% Y/Y, compared to a modest 2% Y/Y increase in passenger cars.

Key Implications

- After such a spectacular showing in August, a pullback in auto sales was expected in September. However, the level of sales seen in September remains quite strong. On average, new vehicle sales posted a modest (+1.4%) increase in Q3, which should help support consumer spending on durable goods during the quarter.
- Going forward, the ongoing unleashing of pent-up demand, improving economic and labor market conditions, and high affordability should continue to prop up new vehicle sales in the coming months. For the year as a whole, auto sales are likely to come in between 16.3-16.4 million units, which would be the highest level seen since 2006.

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