

## US car sales mixed in January; trucks stay strong

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Contrary to the trend of rising US sales of trucks and SUVs, Fiat Chrysler saw an unusual decline in sales of its Ram pickup truck in January, but the company introduced a revamped model at the Detroit auto show last month

Automakers reported mixed US car sales in January, with strong demand for SUVs and pickup trucks continuing to provide a cushion in a



declining overall auto market.

Ford and Fiat Chrysler reported declines in year-over-year sales, while General Motors scored a modest increase and Toyota saw a more substantial jump.

US car sales fell last year for the first time since the financial crisis and are projected to decline again in 2018. Still, analysts and industry executives expect US sales this year to come in above a solid 16 million vehicles amid low unemployment and strong consumer confidence.

"US economic factors are very healthy and we're seeing the effect in the auto industry—not just in strong demand for SUVs and pickups, but in demand for high trim versions of vehicles," said Mark LaNeve, Ford's vice president for US marketing.

Ford's January sales dropped 6.6 percent from the same month of 2017 to 161,143. Within the total, car sales slumped 23.3 percent, including big drops for the Fusion and Focus, but that was partially countered by increased sales of the market-leading F-Series pickups.

Fiat Chrysler (FCA) saw sales fall 13 percent to 132,803, with gains for the Jeep brand offset by hefty declines in other models.

And in contrast with the trend for <u>strong sales</u> of pickup trucks, the Ram truck brand fell 16 percent. However, FCA introduced a revamped fleet of the popular pickup at the Detroit Auto Show last month.

Meanwhile, GM posted a 1.3 percent increase in overall sales compared to January 2017 to 198,548. The biggest US automaker pointed to strong sales of larger vehicles, including the Silverado pickup truck and Chevrolet Equinox SUV.



Toyota lead the pack with a 16.8 percent jump last month to 167,056, on gains in light trucks and in its sedan business.

The Toyota Camry, which was revamped with the 2018 model, saw a 21.3 percent increase in January. The company also will introduce an upgraded Avalon sedan to dealerships this spring.

Edmunds.com had projected a 1.4 percent drop in overall sales compared with the same month of last year, largely due to seasonal factors.

"In January, automakers are expected to pull the reins in on the more generous incentive programs that we saw at the end of 2017," Jessica Caldwell, executive director of industry analysis at Edmunds, said in a forecast note.

"However, it's typical to see a slowdown at dealerships in January following the high-selling holiday months. This isn't necessarily a solid indicator of the direction that the year is headed in terms of overall sales."

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