

Automakers report dip in US sales through midyear

July 2 2019



Overall sales fell at General Motors for the first half of 2019, due in part to limited availability of some recently-launched models, such as the 2020 Chevy Silverado

US automakers reported a dip in sales for the first half of 2019 on Tuesday as higher vehicle costs offset generally solid economic

conditions.

General Motors, Fiat Chrysler and Toyota all experienced drops in [sales](#) through the year's midpoint, although Fiat Chrysler won a modest gain in sales in June.

The results were roughly in line with analyst forecasts and reflective of an [auto market](#) that has cooled somewhat but remains at solid levels, especially for larger autos.

"June auto sales aren't hitting the same levels that they did last year but they aren't dropping off a cliff either," Jeremy Acevedo, Edmunds' manager of industry said last week, forecasting a 2.5 percent drop in overall industry sales through the end of June.

"The strength of the economy has kept retail demand in decent shape despite the higher interest rates, rising [vehicle](#) costs and other headwinds that have been placing pressure on the new vehicle market so far this year. But we're expecting to see the industry continue to settle into a slower sales pace as we head into the rest of 2019."

General Motors reported a 4.2 percent drop in first-half sales of 1.4 million following a 1.5 percent dip in second quarter.

The company's fleet of larger crossover vehicles sold well, along with fully available versions of the Chevrolet Silverado and GMC Sierra, two popular pickups that were recently revamped.

However, overall sales of both the Sierra and Silverado fell compared with the year-ago period because some versions of the vehicles are still not widely available. A GM spokeswoman said more vehicles would be on the market in the second half of 2019.

"The US economy continues to grow at a healthy pace," said GM Chief Economist Elaine Buckberg. "If the Fed cuts rates, as widely expected, lower financing costs will provide further support to auto sales."

Fiat Chrysler's [auto](#) sales for the first half of the year were down two percent at 1.1 million.

A two percent gain in June was propelled by a 45 percent surge in Ram truck sales, which offset declines in the company's other brands, including Jeep, Chrysler, Dodge and Fiat.

Toyota North America reported a 3.1 percent drop in first-half sales to 1.2 million, with a 3.5 percent decline in June sales.

The company pointed to higher June sales of its RAV4 crossover vehicle. Sales of the company's luxury Lexus brand fell during the quarter but rose slightly during the first half of the year.

© 2019 AFP

Citation: Automakers report dip in US sales through midyear (2019, July 2) retrieved 3 May 2024 from <https://phys.org/news/2019-07-automakers-dip-sales-midyear.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.