

GM, US car sales slump but Fiat Chrysler surges

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General Motors reported Tuesday an 11-percent plunge in auto sales for the third quarter of 2018, confirming analyst expectations that North American car buyers were tapping the breaks after a robust first half of the year.

Other major brands also reported lower numbers for September, with Fiat Chrysler the notable exception. Its sales surged, fueled by demand in Jeep SUVs and Ram trucks.

The recovery from catastrophic flooding caused by Hurricane Harvey boosted auto sales this time last year—making this year's early fall numbers look even worse by comparison.

Compared to September 2017, sales at Ford, Toyota, and Nissan all declined 10 percent or more. Honda was down seven percent.

GM, which only reports quarterly totals, was down in every model sold in the United States. On a bright note, the company said its average sales

price was \$4,000 above the industry average, reflecting continuing strong demand for trucks and SUVs.

FCA US—the North American subsidiary of the global car giant—saw a sales growth of 15 percent compared to the year-ago period, on the strength of its refreshed Jeep and Ram models.

Analysts had expected the overall decline. They have been concerned that higher gas [prices](#), rising interest rates, a large supply of relatively new pre-owned cars, and tariffs potentially raising prices, could depress demand in the new car market.

The US Federal Reserve last week raised a key interest rate for the eighth time in two years.

"Results from August and now September suggest our expectations of a slowing market are correct," said Cox Automotive economist Charlie Chesbrough.

"With more interest rates hikes expected this year, and continued increases in transaction prices, monthly payments are rising and some car buyers are getting squeezed out of the market."

The slowdown was in stark contrast to the first half of the year, when total US [auto sales](#) rose 1.9 percent compared to the first half of 2017.

German automakers Volkswagen was down nearly five percent.

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