



TrueCar's ALG Forecasts December 2019 New Car Sales to Finish the Year Up

December 23, 2019

SANTA MONICA, Calif., Dec. 23, 2019 (GLOBE NEWSWIRE) -- TrueCar, Inc.'s (NASDAQ: TRUE) data and analytics subsidiary, ALG, projects total new vehicle sales will reach 1,567,254 units in December 2019, up 0.2% from a year ago when adjusted for the same number of selling days. This month's seasonally adjusted annualized rate (SAAR) for total light vehicle sales is an estimated 17.2 million units. Excluding fleet sales, ALG expects U.S. retail deliveries of new cars and light trucks to be 1,322,551 units, a decrease of 2% from a year ago when adjusted for the same number of selling days.

"We expect 2019 sales to come in right where we forecast at the beginning of the year," said Oliver Strauss, Chief Economist at ALG, a subsidiary of TrueCar. "For December, we're seeing an uptick in consumer sentiment and some softening in recession uncertainty which all bode well for the industry. Higher incentives this month are helping lift total auto sales versus a year ago."

Additional Insights: (Forecast by ALG)

Month

- Among mainstream brands, Ford stood out for total sales, up 5.1% year-over-year. This is likely due to its slate of new (Explorer and Escape) and young (Expedition) SUV lineup, including some pent-up demand for the Explorer due to production hiccups at launch.
- Toyota is showing a gain in retail market share this month off the success of its RAV4, including the new hybrid trim.
- For the luxury brands, BMW and Mercedes Benz are battling it out in December to capture the annual luxury sales crown. BMW is hitting the gas on incentives and fleet sales, in an attempt to overtake Daimler.
 - BMW is expected to be up 6.2% year-over-year in December with incentives up 13.2%, meanwhile Daimler is expected to be up 4.7%, while holding incentives flat compared with last year.
 - The other legacy battles have mostly been settled; with the Toyota RAV4 expected to beat the Honda CR-V by over 50,000 units, and the Toyota Camry expected to top the Honda Accord by over 60,000 units by year's end.
- Tesla is forecast to be down 8% in December (and down for the second month in a row) compared with last year, as it continues to face difficult compares from last year's surge in buyers hoping to secure the last of their federal EV credits.
- Nissan continues to struggle, and is forecast to be down 21% in total unit sales compared to a year ago.
- Meanwhile GM is still rebounding from its 40-day strike, that was resolved at the end of October. It's expected to be down 1.6% on total units, with the biggest drop in incentive spend by any manufacturer at 4.7%, and a reduction in fleet compared with last year as it replenishes supply.
- Average automaker incentive spend is expected to reach \$3,944 in December, up 3.6% or \$138 dollars year-over-year.
 - The most notable year-over-year increases in incentive spend are expected from Toyota, BMW and Volkswagen, up 13.9%, 13.2% and 11% respectively.
- Used vehicle sales for December 2019 are expected to reach 3,058,423, up 9% from a year ago and down 1% from November 2019.

Quarter:

- Total unit sales for the quarter should reach 4,324,609, down 2.3% compared with the same period last year adjusted for the same number of selling days.
- Used vehicle sales for the fourth quarter are expected to reach 9,514,373 up 6.1% year-over-year and down 8.5% from Q3 2019.
- TrueCar and ALG assessed brand retention performance for the fourth quarter through the replacement vehicle indicated via [TrueCar Trade](#), TrueCar's consumer trade experience.
 - The top five brands with the highest indicated brand retention this quarter are Ram, Subaru, Toyota, Honda and Chevrolet.
 - Ram showed the biggest increase in indicated brand retention this quarter according to TrueCar Trade data, moving from 43% in Q3 to 48% in Q4.

"December is one of the busiest times of year for auto retail and the best time of year for consumers to buy a car and save off MSRP," said Eric Lyman, Chief Industry Analyst at ALG, a subsidiary of TrueCar.

“Over one third of December vehicle transactions typically happen in the last week of the month, and year,” added Lyman. “Automakers and dealers will sweeten deals to move remaining inventory off their lots and make room for the 2020 model year vehicles.”

December 2019 forecasts for the 13 largest manufacturers by volume: (Adjusted for same selling days as December 2018) For additional data visit the [ALG Newsroom](#).

Total Unit Sales

Manufacturer	Dec 2019	Dec 2018	YoY % Change (Days selling rate)
BMW	38,036	37,249	6.2%
Daimler	36,492	36,254	4.7%
FCA	187,266	196,520	-0.9%
Ford	221,909	219,632	5.1%
GM	280,519	296,632	-1.6%
Honda	155,357	155,115	4.2%
Hyundai	68,392	65,721	8.2%
Kia	49,277	47,428	8.1%
Nissan	112,843	148,720	-21.1%
Subaru	64,743	64,541	4.3%
Tesla	17,789	20,100	-8.0%
Toyota	216,842	220,910	2.1%
Volkswagen Group	58,591	59,443	2.5%
Industry	1,567,254	1,627,481	0.2%

Retail Unit Sales

Manufacturer	Dec 2019	Dec 2018	YoY % Change (Days selling rate)
BMW	35,401	36,041	2.2%
Daimler	34,392	34,248	4.4%
FCA	149,263	158,298	-1.9%
Ford	162,031	166,855	1.0%
GM	220,032	249,709	-8.4%
Honda	152,226	154,429	2.5%
Hyundai	57,215	57,185	4.1%
Kia	41,121	42,423	0.8%
Nissan	77,805	107,899	-25.0%
Subaru	62,457	62,464	4.0%
Tesla	17,789	20,100	-8.0%
Toyota	200,794	202,767	3.0%
Volkswagen Group	55,393	56,588	1.8%
Industry	1,322,551	1,403,824	-2.0%

Total Unit Sales Fourth Quarter

Manufacturer	Q4 2019	Q4 2018	YoY % Change (Days selling rate)
BMW	100,952	95,726	4.1%
Daimler	105,885	101,047	3.4%
FCA	538,710	555,221	-4.2%
Ford	604,198	606,569	-1.7%
GM	735,497	784,262	-7.4%
Honda	420,752	397,831	4.4%
Hyundai	190,189	176,245	6.5%
Kia	149,788	137,631	7.4%
Nissan	309,353	369,195	-17.3%
Subaru	177,167	176,717	-1.0%
Tesla	48,239	51,700	-7.9%
Toyota	613,486	602,435	0.5%
Volkswagen Group	168,233	159,606	4.1%
Industry	4,324,609	4,368,404	-2.3%

Retail Market Share Fourth Quarter

Manufacturer	Q4 2019	Q4 2018	YoY % Change (Days selling rate)
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BMW	2.5%	2.5%	1.9%
Daimler	2.8%	2.6%	2.1%
FCA	11.2%	11.5%	11.8%
Ford	12.3%	12.1%	11.8%
GM	14.8%	16.1%	16.2%
Honda	11.3%	10.8%	11.7%
Hyundai	4.4%	4.0%	4.2%
Kia	3.6%	3.2%	3.7%
Nissan	6.6%	7.8%	7.3%
Subaru	4.7%	4.7%	4.7%
Tesla	1.3%	1.4%	1.1%
Toyota	15.9%	15.1%	15.7%
Volkswagen Group	4.4%	4.2%	4.0%

(Note: This forecast is based solely on ALG's analysis of industry sales trends and conditions and is not a projection of TrueCar Inc.'s operations.)

About TrueCar

[TrueCar](#), Inc. (NASDAQ: TRUE) is a digital automotive marketplace that provides comprehensive pricing transparency about what other people paid for their cars and enables consumers to engage with TrueCar Certified Dealers who are committed to providing a superior purchase experience. TrueCar operates its own branded site and its nationwide network of more than 16,500 Certified Dealers, and also powers car-buying programs for some of the largest U.S. membership and service organizations, including USAA, AARP, American Express, AAA and Sam's Club. Nearly half of all new car buyers engage with the TrueCar network during their purchasing process. TrueCar is headquartered in Santa Monica, California, with an office in Austin, Texas.

For more information, please visit www.truecar.com, and follow us on [Facebook](#) or [Twitter](#). TrueCar media line: +1-844-469-8442 (US toll-free) | Email: pressinquiries@truecar.com

About ALG

Founded in 1964 and headquartered in Santa Monica, California, ALG is an industry authority on automotive residual value projections in both the United States and Canada. By analyzing nearly 2,500 vehicle trims each year to assess residual value, ALG provides auto industry and financial services clients with market industry insights, residual value forecasts, consulting and vehicle portfolio management and risk services. ALG is a wholly-owned subsidiary of TrueCar, Inc., a digital automotive marketplace that provides comprehensive pricing transparency about what other people paid for their cars. ALG has been publishing residual values for all cars, trucks and SUVs in the U.S. for over 55 years and in Canada since 1981.

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