California Auto Outlook™

Comprehensive information on the California new vehicle market

Volume 8, Number 4
Released October 2012 **Covering Third Quarter 2012**

Publication Sponsored By:

CNCDA
California New Car Dealers Association

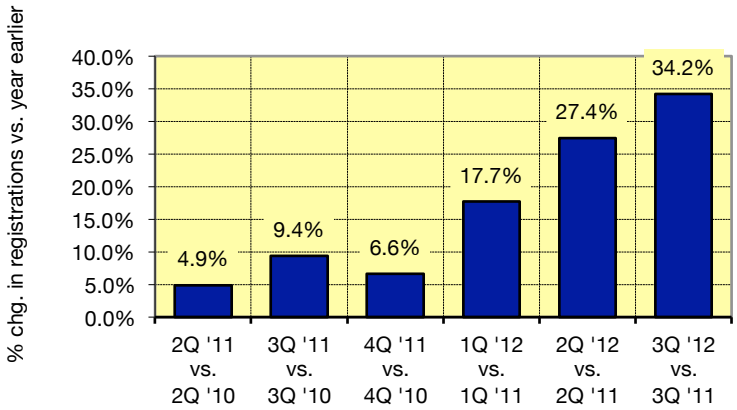
FORECAST AND ANALYSIS OF CALIFORNIA NEW LIGHT VEHICLE MARKET

State New Vehicle Market Continues Upward Swing; Sales Up 34.2 Percent in Third Quarter

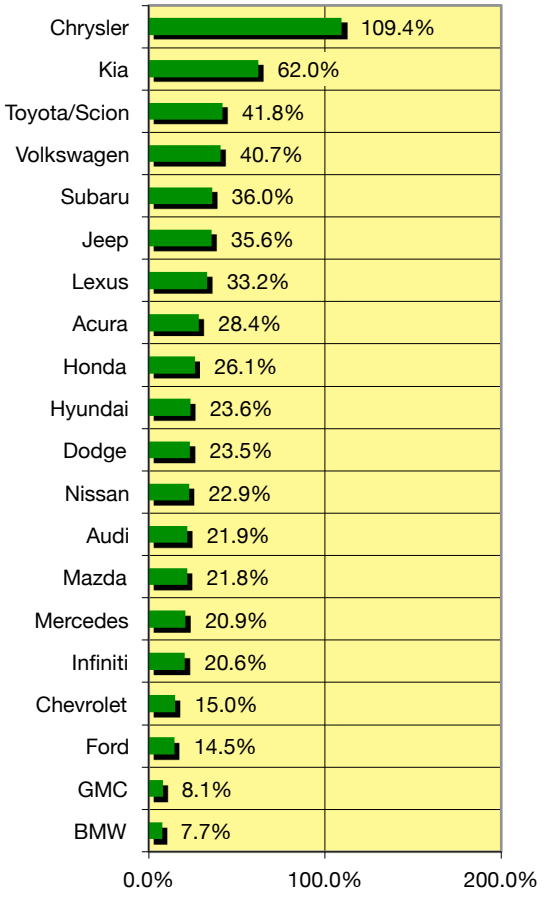
The new vehicle market in California continued to recover during the summer of 2012, with new registrations increasing a significant 34.2 percent in the Third Quarter versus a year earlier. It was the 14th consecutive year-over-year quarterly increase. Primary reasons for the big increase include: release of pent up demand, easing credit conditions, strong trade in values, and improving supplies of top-selling models from Japanese manufacturers. The annual increase from 2011 to 2012 is now projected to approach 23%. Other key trends in the state market:

- Chrysler was the brand with the largest percentage increase during the first nine months of this year (see graph below).
- Korean, Japanese, European, and Detroit Three brand registrations each increased by more than 19 percent.
- Passenger car share increased 1.9 share points. SUVs were down 1.8 points.
- The State market was up 26.3 percent in the first nine months of 2012, higher than the 14.5 percent increase in the Nation.

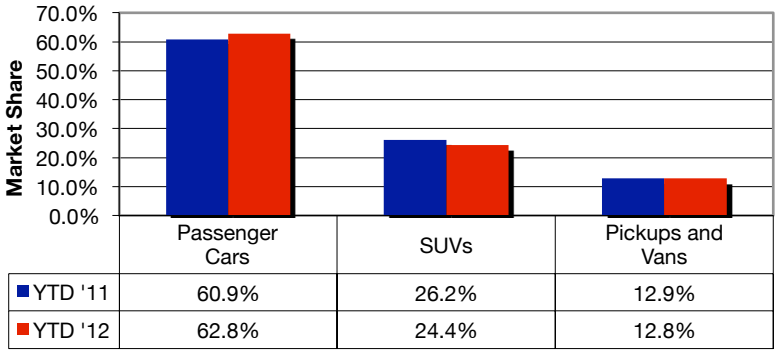
QUARTERLY NEW LIGHT VEHICLE REGISTRATIONS IN CALIFORNIA
PERCENT CHANGE VERSUS YEAR EARLIER



% CHANGE IN NEW LIGHT VEHICLE REGISTRATIONS
FOR TOP 20 SELLING BRANDS IN STATE
YTD 2012 thru September vs. YTD 2011



SEGMENTATION IN CALIFORNIA NEW LIGHT VEHICLE MARKET
YTD 2012 thru September vs. YTD 2011



As shown on the graph above, passenger car market share in the state increased 1.9 share points during the first nine months of this year. SUV share was down, while pickups and vans were up slightly.
Source: AutoCount data from Experian Automotive.

CALIFORNIA NEW LIGHT VEHICLE REGISTRATIONS
(INCLUDES RETAIL AND FLEET TRANSACTIONS)

	2010	2011	Forecast 2012	% ch. '10 to '11	% ch. '11 to '12
TOTAL	1,174,110	1,290,920	1,585,000	9.9%	22.8%
Car	730,560	779,541	992,210	6.7%	27.3%
Light Truck	443,550	511,379	592,790	15.3%	15.9%
Detroit Three	349,444	408,015	478,670	16.8%	17.3%
Japanese	574,941	574,586	727,515	-0.1%	26.6%
European	180,104	208,842	248,845	16.0%	19.2%
Korean	69,621	99,477	129,970	42.9%	30.7%

MODEL SALES

Prius Holds On To Top Spot as Best Selling Car in Retail Market; CRV is Light Truck Leader

Top Selling Models in Each Segment - California
New Retail Registrations and Market Share of Segment (YTD 2012 thru September)

Cars

Entry			Sub Compact			Sporty Compact			Standard Mid Size		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Nissan Versa	9855	17.0	Toyota Prius	46380	19.7	Chevrolet Camaro	6256	26.2	Honda Accord	39027	23.7
Kia Soul	8479	14.6	Honda Civic	43143	18.3	Ford Mustang	5053	21.2	Toyota Camry	37888	23.0
Honda Fit	7735	13.3	Toyota Corolla/Matrix	29743	12.6	Dodge Challenger	3996	16.7	Nissan Altima	18572	11.3
Fiat 500	6336	10.9	Volkswagen Jetta	16209	6.9	Scion tC	3764	15.8	Hyundai Sonata	16850	10.2
Ford Fiesta	5039	8.7	Hyundai Elantra	13906	5.9	Hyundai Veloster	3193	13.4	Kia Optima	13449	8.2
Large Mid Size			**Near Luxury**			**Luxury**			**Sports Car**		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Dodge Charger	3104	23.3	BMW 3-Series	13697	18.3	Mercedes E-Class	11369	27.2	Porsche 911	1515	27.9
Chrysler 300	2916	21.9	Mercedes C-Class	12969	17.3	BMW 5-Series	7487	17.9	Nissan 370Z	1097	20.2
Nissan Maxima	2002	15.0	Infiniti G	7472	10.0	Lexus GS	2859	6.8	Chevrolet Corvette	696	12.8
Buick LaCrosse	1625	12.2	Lexus IS	5543	7.4	Audi A6	2442	5.8	Mazda MX5	581	10.7
Toyota Avalon	1362	10.2	Lexus ES	5300	7.1	Audi A5	2345	5.6	BMW Z4	410	7.5

Light Trucks

Compact Pickup			Full Size Pick Up			Mini Van			Full Size Van		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Toyota Tacoma	16074	63.1	Ford F-Series	18862	33.7	Toyota Sienna	12663	40.8	Ford E-Series	2220	31.6
Nissan Frontier	5098	20.0	Chevrolet Silverado	13261	23.7	Honda Odyssey	11425	36.8	Ford Transit Connect	1577	22.5
Ford Ranger	1946	7.6	Toyota Tundra	8423	15.1	Dodge Caravan	1836	5.9	Chevrolet Express	1194	17.0
Chevrolet Colorado	1169	4.6	Ram	8132	14.5	Mazda 5	1224	3.9	Sprinter	1136	16.2
Honda Ridgeline	810	3.2	GMC Sierra	5534	9.9	Nissan Quest	1224	3.9	Nissan NV	665	9.5
Compact SUV			**Mid Size SUV**			**Full Size SUV**			**Luxury SUV**		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Honda CRV	22475	24.0	Toyota Highlander	10044	15.3	Ford Explorer	6974	24.9	Lexus RX	10787	17.4
Toyota RAV4	11887	12.7	Honda Pilot	9772	14.9	GMC Acadia	3202	11.4	BMW X5	5259	8.5
Ford Escape	8685	9.3	Ford Edge	9015	13.7	Ford Flex	3091	11.0	Acura MDX	5036	8.1
Nissan Rogue	8032	8.6	Jeep Grand Cherokee	7621	11.6	Chevrolet Tahoe	2763	9.8	Mercedes ML-Class	4978	8.0
Jeep Wrangler	7014	7.5	Kia Sorento	5961	9.1	Chevrolet Traverse	2287	8.2	Range Rover	4251	6.9

MARKET PERSPECTIVE

Increase in State Market Exceeds Nation by Wide Margin

New light vehicle registrations (including retail and fleet transactions) in California increased 26.3 percent during the first nine months of 2012 versus a year earlier, higher than the 14.5 percent improvement in the U.S. market (see table below). Car market share in California exceeded National levels by more than 10 share points. Domestic brand market share (the Detroit Three) in California was 30.5 percent versus 42.7 percent in the Nation.

NEW LIGHT VEHICLE MARKET COMPARISON (INCLUDES RETAIL AND FLEET TRANSACTIONS)

Market	% change in registrations YTD '12 (Sep.) vs. YTD '11	Car market share YTD '12 (Sep.)	Domestic brand share YTD '12 (Sep.)
California	26.3%	62.8%	30.5%
U.S.	14.5%	52.5%	42.7%

Data Source: AutoCount, an Experian Company.

DATA SOURCE INFORMATION

Exclusive source for new vehicle registration data presented in California Auto Outlook is AutoCount, an Experian Company. AutoCount specializes in providing detailed new and used vehicle sales and registration statistics. Data is available on a timely basis and is available directly over the Internet.

For more information on Auto Count, call 888-211-5809 or visit AutoCount's web site: www.experianautomotive.com

AutoCount AN EXPERIAN COMPANY

EXPLANATION OF DATA

Data presented in Auto Outlook measures new vehicle registrations in California. Monthly recording of registrations occurs when the data is processed by the DMV.

BRAND SCOREBOARD

Detailed Results for All Brands in California Market

The table shows new light vehicle registrations in California, including retail and fleet transactions. **Please keep in mind that monthly registration figures can occasionally be subject to fluctuations, resulting in over or under estimation of actual results. This usually occurs due to processing delays by governmental agencies. For this reason, the year-to-date figures will typically be more reflective of market results.** The top 10 ranked brands in each percent change category are shaded green. Source for California registrations: AutoCount data from Experian Automotive. Source for U.S. data: Automotive News.

California New Car and Light Truck Registrations

	September				Third Quarter 2011 and 2012				YTD thru September				YTD Market Share (%)		
	California			U.S.	California			U.S.	California			U.S.	California		
	2011	2012	% chg.	% chg.	2011	2012	% chg.	% chg.	2011	2012	% chg.	% chg.	2011	2012	Chg.
MARKET SUMMARY															
TOTAL	120,159	165,422	37.7%	12.8%	311,542	418,086	34.2%	13.9%	986,595	1,245,700	26.3%	14.5%			
Cars	69,961	105,862	51.3%	22.6%	183,302	262,562	43.2%	20.9%	600,960	782,122	30.1%	18.0%	60.9	62.8	1.9
Light Trucks	50,198	59,560	18.7%	4.2%	128,240	155,524	21.3%	7.4%	385,635	463,578	20.2%	10.9%	39.1	37.2	-1.9
Domestic	37,234	45,426	22.0%	3.1%	105,108	121,061	15.2%	4.2%	316,917	379,373	19.7%	8.0%	32.1	30.5	-1.6
Japanese	54,202	80,101	47.8%	22.7%	129,189	195,089	51.0%	26.5%	439,623	575,727	31.0%	21.9%	44.6	46.2	1.6
European	19,390	25,203	30.0%	14.6%	51,258	65,188	27.2%	16.6%	154,265	185,731	20.4%	19.1%	15.6	14.9	-0.7
Korean	9,333	14,692	57.4%	23.4%	25,987	36,748	41.4%	12.6%	75,790	104,869	38.4%	13.3%	7.7	8.4	0.7
BRAND REGISTRATIONS															
Acura	1,383	2,633	90.4%	43.5%	3,644	6,521	79.0%	50.5%	12,442	15,972	28.4%	29.9%	1.3	1.3	0.0
Audi	1,894	2,733	44.3%	26.5%	4,896	6,928	41.5%	22.2%	15,514	18,917	21.9%	18.5%	1.6	1.5	-0.1
BMW	5,166	5,645	9.3%	0.1%	13,140	14,496	10.3%	-6.4%	37,519	40,407	7.7%	4.9%	3.8	3.2	-0.6
Buick	624	939	50.5%	7.9%	2,664	2,775	4.2%	1.2%	7,318	7,461	2.0%	-2.0%	0.7	0.6	-0.1
Cadillac	1,054	1,259	19.4%	-1.3%	2,289	3,287	43.6%	9.8%	8,711	8,628	-1.0%	-8.6%	0.9	0.7	-0.2
Chevrolet	10,387	13,470	29.7%	1.5%	31,653	36,788	16.2%	2.1%	93,034	106,994	15.0%	4.9%	9.4	8.6	-0.8
Chrysler	1,702	1,646	-3.3%	5.5%	4,249	4,301	1.2%	19.9%	9,401	19,689	109.4%	53.3%	1.0	1.6	0.6
Dodge	3,372	4,371	29.6%	18.2%	8,688	9,647	11.0%	12.8%	26,026	32,133	23.5%	13.5%	2.6	2.6	0.0
Fiat	446	1,191	167.0%	50.6%	1,371	2,785	103.1%	35.0%	1,805	6,854	279.7%	136.2%	0.2	0.6	0.4
Ford	13,295	15,253	14.7%	-0.1%	36,887	41,623	12.8%	3.1%	120,679	138,163	14.5%	5.6%	12.2	11.1	-1.1
GMC	2,221	2,439	9.8%	0.0%	6,892	6,723	-2.5%	-1.9%	17,958	19,410	8.1%	3.9%	1.8	1.6	-0.2
Honda	11,763	20,443	73.8%	29.3%	29,697	49,448	66.5%	44.1%	110,000	138,709	26.1%	23.4%	11.1	11.1	0.0
Hyundai	5,086	8,095	59.2%	15.3%	15,317	19,495	27.3%	7.7%	46,605	57,597	23.6%	9.5%	4.7	4.6	-0.1
Infiniti	1,437	1,725	20.0%	11.4%	3,198	5,064	58.3%	29.3%	10,784	13,009	20.6%	20.0%	1.1	1.0	-0.1
Jaguar	264	237	-10.2%	-9.6%	647	599	-7.4%	4.8%	2,041	2,051	0.5%	7.3%	0.2	0.2	0.0
Jeep	2,415	3,087	27.8%	10.3%	6,188	8,417	36.0%	7.6%	19,042	25,827	35.6%	20.2%	1.9	2.1	0.2
Kia	4,247	6,597	55.3%	35.1%	10,670	17,253	61.7%	19.5%	29,185	47,272	62.0%	18.4%	3.0	3.8	0.8
Land Rover	525	731	39.2%	8.4%	1,371	1,824	33.0%	19.1%	4,203	5,390	28.2%	20.6%	0.4	0.4	0.0
Lexus	3,725	4,992	34.0%	36.0%	8,073	12,375	53.3%	32.0%	25,196	33,557	33.2%	26.1%	2.6	2.7	0.1
Lincoln	525	504	-4.0%	-3.1%	1,431	1,270	-11.3%	-4.0%	4,432	3,818	-13.9%	-1.5%	0.4	0.3	-0.1
Mazda	3,101	4,135	33.3%	-5.4%	7,884	8,728	10.7%	-4.7%	22,396	27,275	21.8%	9.5%	2.3	2.2	-0.1
Mercedes	4,722	5,522	16.9%	6.5%	12,914	14,941	15.7%	7.2%	38,237	46,239	20.9%	13.4%	3.9	3.7	-0.2
MINI	797	1,460	83.2%	47.9%	2,650	4,169	57.3%	39.4%	9,929	11,442	15.2%	16.6%	1.0	0.9	-0.1
Mitsubishi	763	476	-37.6%	-17.2%	1,892	1,342	-29.1%	-39.1%	7,023	5,452	-22.4%	-30.0%	0.7	0.4	-0.3
Nissan	9,830	11,574	17.7%	-2.4%	23,123	29,565	27.9%	5.1%	75,038	92,253	22.9%	11.1%	7.6	7.4	-0.2
Porsche	664	808	21.7%	26.1%	1,688	2,004	18.7%	20.3%	5,117	5,416	5.8%	10.4%	0.5	0.4	-0.1
Ram	1,191	1,266	6.3%	4.1%	2,786	3,443	23.6%	12.0%	8,327	10,386	24.7%	16.2%	0.8	0.8	0.0
smart	65	151	132.3%	213.1%	155	459	196.1%	141.6%	521	1,412	171.0%	94.6%	0.1	0.1	0.0
Subaru	1,787	2,640	47.7%	32.2%	4,497	6,984	55.3%	27.8%	15,645	21,273	36.0%	25.5%	1.6	1.7	0.1
Suzuki	17	11	-35.3%	-5.2%	56	55	-1.8%	-10.6%	430	422	-1.9%	-5.6%	0.0	0.0	0.0
Toyota/Scion	20,396	31,471	54.3%	42.3%	47,125	75,006	59.2%	38.4%	160,668	227,804	41.8%	32.3%	16.3	18.3	2.0
Volkswagen	4,456	7,098	59.3%	34.4%	11,554	17,508	51.5%	40.6%	34,050	47,908	40.7%	37.2%	3.5	3.8	0.3
Volvo	647	642	-0.8%	-1.3%	1,755	1,751	-0.2%	7.3%	5,424	5,038	-7.1%	-1.0%	0.5	0.4	-0.1
Other	192	178	-7.3%	-31.3%	498	512	2.8%	-31.0%	1,895	1,522	-19.7%	-40.2%	0.2	0.1	-0.1

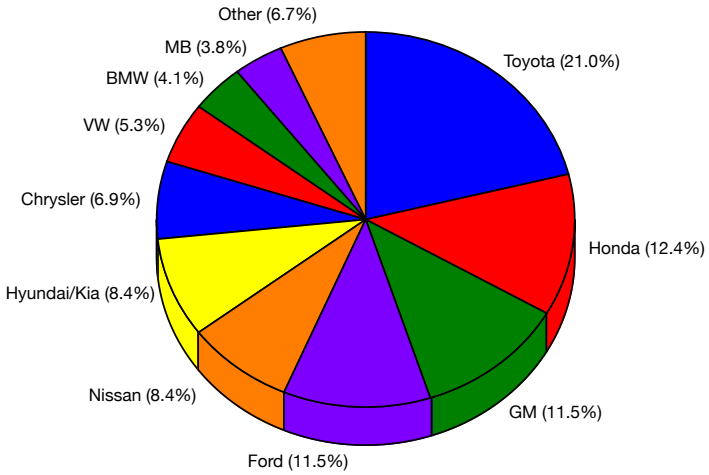
BRAND SCOREBOARD

Manufacturer Market Share in California New Vehicle Market - YTD 2012 thru September

The pie chart on the right shows market share for each manufacturer in the California new vehicle market (including fleet and retail transactions) during the first nine months of 2012. Actual sales data is presented in the table on the preceding page. Below is a listing of brands for each manufacturer:

Brands included: Toyota (Toyota, Lexus, and Scion), Honda (Honda and Acura), Ford (Ford and Lincoln), GM (Buick, Cadillac, Chevrolet, and GMC), Nissan (Nissan and Infiniti), Chrysler (Chrysler, Dodge, Fiat, and Jeep), VW (Audi, Bentley, and Volkswagen), BMW (BMW, Rolls Royce, and MINI), MB (Mercedes Benz and smart), Other (all other brands).

Data source: AutoCount data from Experian Automotive.



RETAIL MARKET RECAP

State New Retail Market Posts Big Gains in 2012

The table below summarizes new retail light vehicle market results during the first nine months of 2012. (Note: the information presented includes retail registrations only, and excludes fleet transactions.) New retail light vehicle registrations in California increased 27.1 percent so far this year, just above the 26.3 percent increase in total registrations, which include fleets.

The Southern California retail market increased 26 percent, while Northern California was up 29.6 percent. The LA and Orange County market improved 24.7 percent, while San Francisco Bay was up 29.1 percent.

Source: AutoCount data from Experian Automotive.

NEW RETAIL LIGHT VEHICLE REGISTRATIONS (excluding fleets) - Year to date thru September							
Northern and Southern California				Selected Regional Markets			
	YTD 2011 thru Sept.	YTD 2012 thru Sept.	Percent Change		YTD 2011 thru Sept.	YTD 2012 thru Sept.	Percent Change
Statewide Total	781,535	993,594	27.1%	San Francisco Bay	148,869	192,142	29.1%
Cars	475,011	623,132	31.2%	Cars	90,593	120,229	32.7%
Light Trucks	306,524	370,462	20.9%	Light Trucks	58,276	71,913	23.4%
Northern California	253,001	327,863	29.6%	LA and Orange Counties	316,359	394,531	24.7%
Cars	146,863	196,938	34.1%	Cars	201,532	259,329	28.7%
Light Trucks	106,138	130,925	23.4%	Light Trucks	114,827	135,202	17.7%
Southern California	528,534	665,731	26.0%	San Diego County	73,822	93,822	27.1%
Cars	328,148	426,194	29.9%	Cars	44,035	57,911	31.5%
Light Trucks	200,386	239,537	19.5%	Light Trucks	29,787	35,911	20.6%

California Auto Outlook

Published by:
Auto Outlook, Inc.
5 Great Valley Parkway, Malvern, PA 19355
Phone 800-206-0102 Email: jfoltz@autooutlook.com

Any material quoted must be attributed to California Auto Outlook, published by Auto Outlook, Inc. on behalf of the California New Car Dealers Association. Unforeseen events may affect the forecast projections presented. Consequently, Auto Outlook, Inc. is not responsible for management decisions based on the content of Auto Outlook.
Copyright: Auto Outlook, Inc. October, 2012

California Auto Outlook is printed, sponsored, and distributed by the California New Car Dealers Association, and is provided free of charge to all members as an added benefit of Association membership. The Association is proud to provide this valuable and practical information to members.