

20 December 2010

## **CAUTIOUS OPTIMISM FOR EUROPEAN CAR INDUSTRY DESPITE FALLING SALES**

- **European new car market down 7.0% in November 2010 compared to this time last year**
- **Sales down 4.8% YtD, but up on October 2010 by nearly 3%**
- **Sales in the biggest European markets still down although Great Britain and Spain likely to end year positively**
- **Premium models and crossovers perform strongly**

Following a tough year for the European car market, there are faint signs of optimism for the industry going into 2011, as shown in the latest analysis from the world's leading provider of automotive intelligence, JATO Dynamics.

Sales in Europe's 'Big Five' markets of Great Britain, Germany, Spain, France and Italy all showed negative growth for November, however sales in Eastern Europe remain strong and continue to recover. New car sales across Europe as a whole are down 4.8% on 2009 levels, but despite this Great Britain and Spain look likely to end the year positively with sales up 3.4% and 5.9% respectively for the year to date.

November sales for six of the top ten brands in Europe were down compared to the same period last year. German premium brands continue to perform well, with BMW, Mercedes and Audi up 17.9%, 5.6%, and 3.1% respectively. Volkswagen retains the status of Europe's best-selling brand for November, helped by the solid performance of its new Polo, which grew 11% compared to 2009.

November saw larger models perform well with strong sales for many Crossover and 4X4 vehicles. For example in the Crossover range, sales of the Volkswagen Tiguan and Land Rover Freelander were up 9.8% and 9.3% respectively while in the 4x4 vehicles the Toyota Land Cruiser and Mitsubishi Outlander were up 38.3% and 43.1%.

David Di Girolamo, Head of JATO Consult, explains: "It has certainly been a tough year for the industry and while sales continue to fall in some markets, there is an emerging optimism about the coming year. However we should remain cautious of how we interpret these figures as many markets had temporarily high growth rates at the start of this year as Scrappage schemes came to an end."

## **National Trends**

### *Big five suffering*

The 'Big Five' markets continues to show declining sales compared to this time last year. While Germany experienced the smallest drop in sales compared to last year, down only 6.2% compared to Spain's 25.5%, sales over the year to date in Germany remain the least optimistic of all five markets, down 25.2%. This almost equates to the same number of vehicles registered in Spain year to date alone.

### *Emerging optimism*

Despite overall sales volumes being down 4.8% year to date, there is some optimism emerging as we near the end of the year with 20 of the 27 markets showing positive growth for the year to date. These positive figures, however, are likely to have been impacted by Scrappage schemes, which in many of these markets ended in the first quarter of the year.

Central and Eastern Europe continues to demonstrate strong sales growth in November compared to the same period last year. For example, sales in Lithuania were up 70% in November with Estonia and Slovakia up 42.5% and 35.5% respectively. As volumes in these countries continue to rise, they will become increasingly important to the recovery of the market as a whole.

David Di Girolamo comments: "While sales are still down across many markets compared to this time last year, there are some positive signs across the region, especially in Central and Eastern Europe, where the market is expanding."

## Sales by Market

Country	Nov_10	Nov_09	% Change Nov	Nov YtD_10	Nov YtD_09	% Change YtD
Austria*	26,314	25,612	+2.7%	306,489	299,982	+2.2%
Belgium	40,537	35,136	+15.4%	518,104	449,745	+15.2%
Cyprus	1,304	1,190	+9.6%	12,928	13,990	-7.6%
Czech Republic	15,228	14,975	+1.7%	154,107	146,848	+4.9%
Denmark	13,120	9,071	+44.6%	137,349	100,646	+36.5%
Estonia	956	671	+42.5%	9,531	9,249	+3.0%
Finland	8,189	6,238	+31.3%	105,770	86,520	+22.2%
France	193,913	216,354	-10.4%	2,023,353	2,040,279	-0.8%
Germany	262,262	279,725	-6.2%	2,685,889	3,591,611	-25.2%
Great Britain	139,875	158,082	-11.5%	1,907,029	1,844,063	+3.4%
Greece	6,774	18,090	-62.6%	137,016	210,394	-34.9%
Hungary	3,520	3,505	+0.4%	39,888	56,383	-29.3%
Iceland	184	63	+192.1%	2,881	2,030	+41.9%
Ireland	1,532	518	+195.8%	88,250	57,157	+54.4%
Italy	146,450	185,206	-20.9%	1,838,922	2,002,989	-8.2%
Latvia	650	360	+80.6%	5,561	5,028	+10.6%
Lithuania	843	496	+70.0%	7,113	6,924	+2.7%
Luxembourg	3,445	3,302	+4.3%	47,223	42,386	+11.4%
Norway	11,908	9,600	+24.0%	117,618	88,425	+33.0%
Poland	33,911	27,171	+24.8%	298,344	293,398	+1.7%
Portugal*	18,599	15,585	+19.3%	198,158	143,616	+38.0%
Slovakia	6,465	4,770	+35.5%	58,309	79,434	-26.6%
Slovenia	4,612	4,409	+4.6%	55,827	52,159	+7.0%
Spain	64,821	87,023	-25.5%	915,830	864,551	+5.9%
Sweden	26,752	20,126	+32.9%	259,914	194,040	+33.9%
Switzerland	24,504	22,007	+11.3%	262,962	241,398	+8.9%
The Netherlands*	37,625	27,278	+37.9%	472,230	377,584	+25.1%
<b>Grand Total</b>	<b>1,094,293</b>	<b>1,176,563</b>	<b>-7.0%</b>	<b>12,666,595</b>	<b>13,300,829</b>	<b>-4.8%</b>

\* Denotes estimated data used for November

## Brand Performance

### *Premium brands perform well*

Of the top 10 brands BMW has shown the biggest increase in sales for the month, up 17.9% compared to the same time last year while Fiat has seen the largest decrease, down 27.7%. Volkswagen retains its place as Europe's best-selling brand having sold 117,852 units in November while Toyota continues to miss out on a place in the top ten selling brands due to the strong performance of Audi.

### *GM appears back on track*

Opel/Vauxhall has improved its sales performance to break into positive growth. The General Motors owned brand saw positive growth of 3.8% for November compared to last year, this is in comparison to a decrease of 19.9% the previous month.

## Top 10 Brands

Make	Nov_10	Nov_09	% Change Nov	Nov YtD_10	Nov YtD_09	% Change YtD
VOLKSWAGEN	117,852	135,496	-13.0%	1,427,160	1,523,687	-6.3%
RENAULT	91,881	107,160	-14.3%	1,053,329	998,810	+5.5%
FORD	85,750	100,861	-15.0%	1,047,131	1,192,527	-12.2%
OPEL/VAUXHALL	80,559	77,617	+3.8%	911,735	986,040	-7.5%
PEUGEOT	80,100	83,688	-4.3%	926,023	910,308	+1.7%
CITROEN	64,503	75,010	-14.0%	776,926	799,784	-2.9%
FIAT	56,717	78,471	-27.7%	769,330	940,038	-18.2%
BMW	53,293	45,183	+17.9%	556,562	523,334	+6.3%
MERCEDES	52,849	50,068	+5.6%	546,652	543,846	+0.5%
AUDI	52,821	51,243	+3.1%	577,432	571,992	+1.0%

## Model Performance

### *New models hit the ground running*

The Volkswagen Polo, Opel/Vauxhall Astra and the Citroen C3 were the only three models in the top ten to increase sales in November, up 11%, 12.6% and 9.7% respectively. The strong performance of new vehicles, such as the BMW 5 Series and Opel/Vauxhall Meriva, which grew 115.5% and 71.9% respectively, demonstrates the importance of investment in new models.

## Top 10 models

Make & Model	Nov_10	Nov_09	% Change Nov	Nov YtD_10	Nov YtD_09	% Change YtD
VOLKSWAGEN GOLF	37,616	47,062	-20.1%	458,258	533,009	-14.0%
VOLKSWAGEN POLO	28,405	25,588	+11.0%	329,093	258,374	+27.4%
FORD FIESTA	28,402	38,899	-27.0%	379,455	437,774	-13.3%
RENAULT CLIO	26,304	33,982	-22.6%	312,380	285,799	+9.3%
PEUGEOT 207	22,842	30,345	-24.7%	282,313	339,772	-16.9%
OPEL/VAUXHALL CORSA	22,321	27,513	-18.9%	289,593	327,815	-11.7%
FORD FOCUS	22,157	22,983	-3.6%	246,480	287,133	-14.2%
RENAULT MEGANE	22,130	23,639	-6.4%	243,675	212,726	+14.5%
OPEL/VAUXHALL ASTRA	21,846	19,398	+12.6%	269,443	254,773	+5.8%
CITROEN C3	17,423	15,882	+9.7%	209,221	151,797	+37.8%

The above intelligence is provided by JATO Consult, the company's bespoke consulting service which offers customers access to its unique research and provides solutions and advice to meet a wide range of automotive business challenges. For more information visit [www.jato.com](http://www.jato.com), or email [consult@jato.com](mailto:consult@jato.com).

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**Editorial note: JATO Dynamics background**

JATO was founded in 1984 and provides the world's most timely, accurate and up-to-date information on vehicle specifications and pricing, sales and registrations, news and incentives. The company has representation in over 40 countries, providing unique local market expertise. The JATO client base includes all of the world's volume vehicle manufacturers, giving them the ability to react to short-term market movements, plan for long-term developments and ultimately to meet consumers' needs. JATO's intelligence has also been adapted for consumer use in motoring web portals where customers can see the advantages and disadvantages of a specified model against any other while major leasing companies use JATO's intelligence to drive the vehicle quotation process. Visit JATO at [www.jato.com](http://www.jato.com).

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