



MARKET BEAT

Patrick Manzi, NADA Chief Economist

New light-vehicle sales in August increased year over year for the 12th straight month. The August 2023 SAAR of 15 million units was up 13.7% from August 2022. According to Wards Intelligence, fleet deliveries in August 2023 represented 15.1% of sales. Through the first eight months of the year, total new light-vehicle sales are up by 13.7% compared with the same period last year.

New light-vehicle inventory, which should increase compared with July 2023, is expected to total 1.9 million units at the end of August 2023. As inventory has improved, so has OEM incentive spending. Although average incentive spending per unit in August 2023 is expected to double compared with August 2022, it likely will be flat compared with July 2023 and total \$1,902, says J.D. Power. While incentives have not risen dramatically in recent months, there have been increases in leasing incentives. According to J.D. Power, leasing is expected to account for 20% of all new-vehicle sales in August 2023. Even with incentive spending trending higher, the growth in average monthly payments hasn't slowed because of a still relatively rich mix of vehicles available for sale as well as high interest rates on vehicle finance contracts. J.D. Power expects an average monthly payment of \$729 and average interest rate of 7.3% for a new-vehicle finance contract.

Looking ahead, there are headwinds that could weigh on new-vehicle sales. A potential UAW strike threatens to disrupt vehicle production at GM, Ford and Stellantis just when inventory levels have improved. Also, roughly 44 million Americans will have to resume paying their student loans in October 2023, with those payments likely impacting consumers' monthly budgets. Still, we expect total new vehicle sales for 2023 to improve significantly compared with 2022. Our forecast for total new light-vehicle sales in 2023 is 15.2 million units.

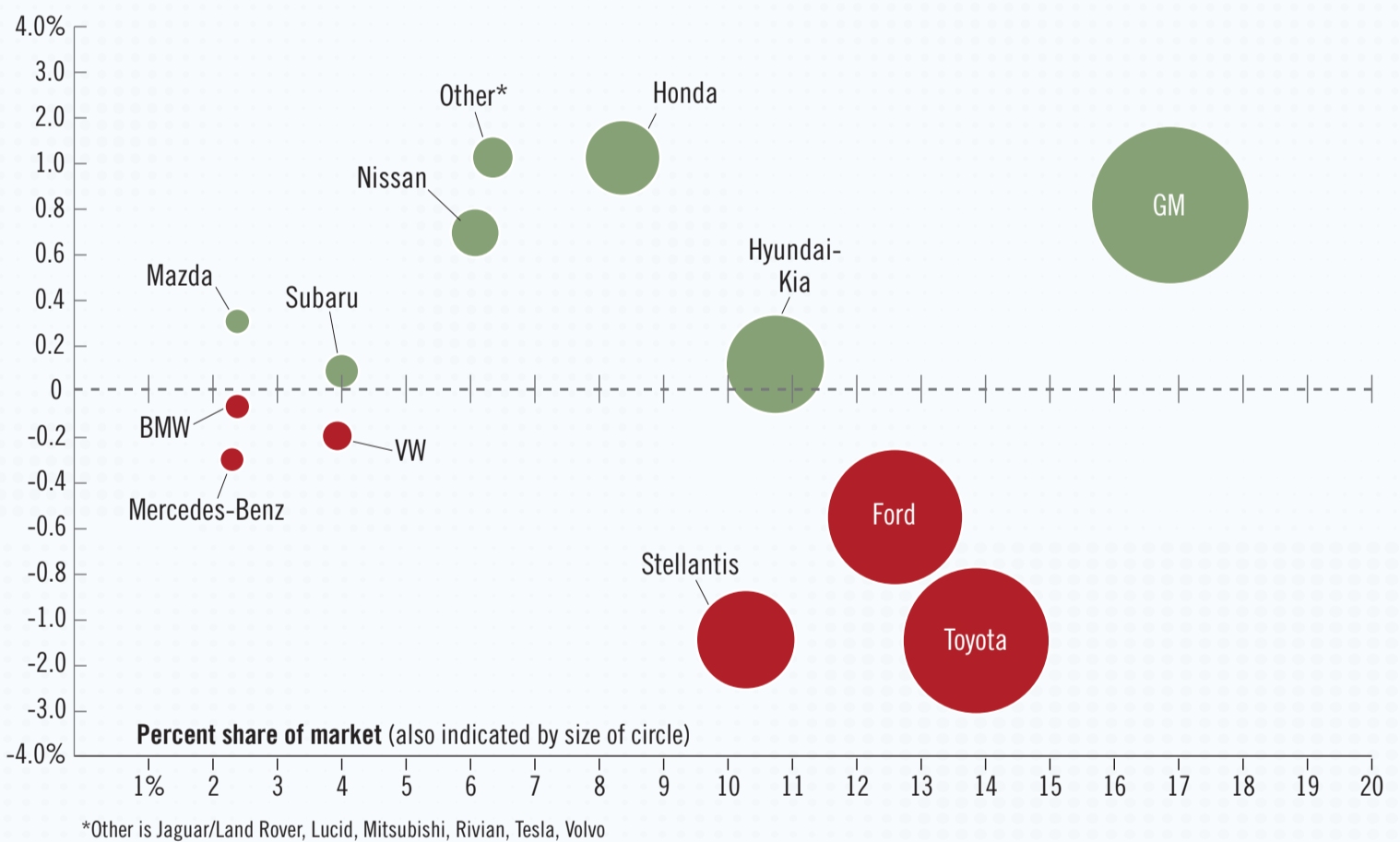
U.S. Light-Vehicle Sales

(Seasonally Adjusted at Annual Rates)

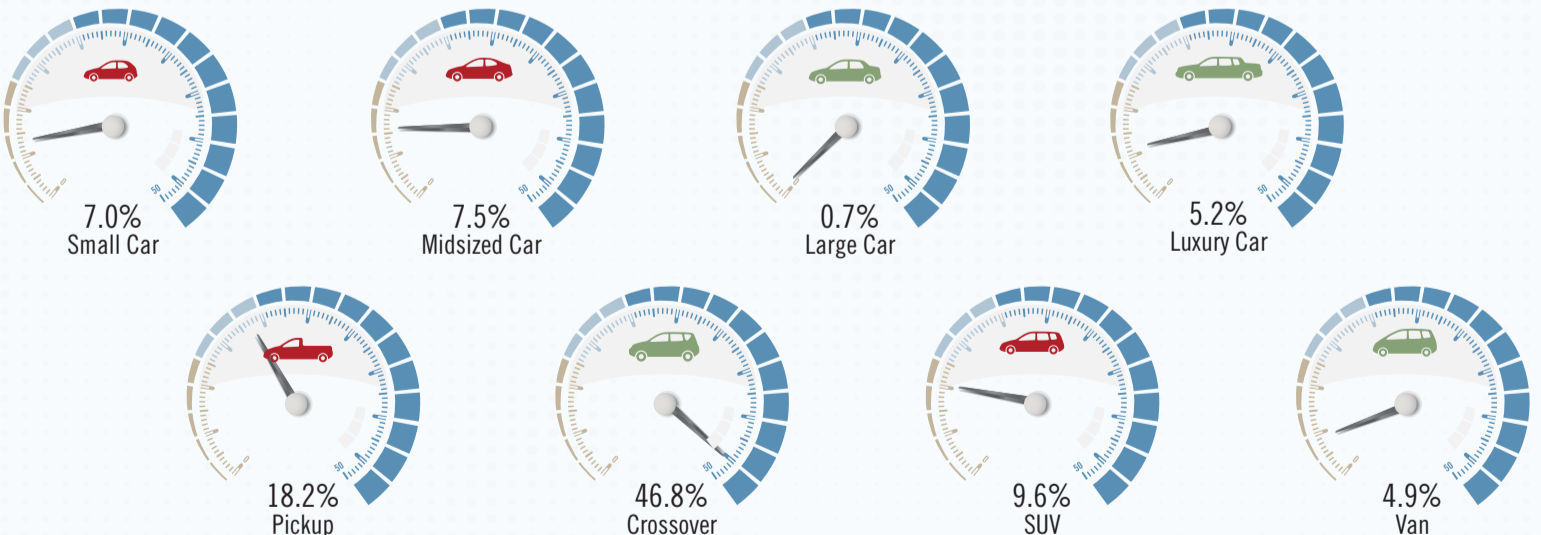


	August 2023	Y/Y %	Jan - August 2023	YTD/YTD %
Total Car	3.05	9.3%	3.07	10.4%
Total Light Truck	11.99	14.7%	12.33	14.4%
Domestic Light Vehicle	11.62	12.4%	12.15	13.4%
Import Light Vehicle	3.41	17.6%	3.25	14.4%
Total Light Vehicle SAAR	15.04	13.7%	15.40	13.7%

Market Share, by manufacturer



Market Share, by segment



Market Share, by powertrain

