

Another Slow Month for Global Auto Sales in November

- Global auto sales once again posted a drop of 3.0% y/y (nsa)* in November for the fifteenth consecutive month of decline.
- Canadian auto sales were flat in **November**, but the headline figure masked some weakness given last year's November sales retreated by a sharp 10% y/y.
- Auto sales in Ontario and eastward all posted positive sales months, including a 3% y/y gain in Ontario. Westward provinces all saw sales declines with the steepest in Alberta where sales dropped by about 8% y/y.
- US auto sales increased by 2.1% y/y, likely reflecting high incentive spending, an additional sales weekend, and some catch-up sales from the earlier GM strike.
- Auto sales declined for the seventeenth consecutive month in China with a drop of 5.4% y/y in November. The pace of the decline has decelerated with a sixth consecutive month of single-digit declines.
- Japanese auto sales pulled back by 12.7% y/y after last month's steep decline of almost 25% y/y on the heels of its October 1st consumption tax hike.
- Europe saw modest boosts to sales across all major markets except the UK, though the numbers reflect low base effects from last Fall's regulatory-induced contractions.
- South American auto sales performance diverged across the region, for the most part reflecting domestic developments, particularly in the case of Argentina and Chile.

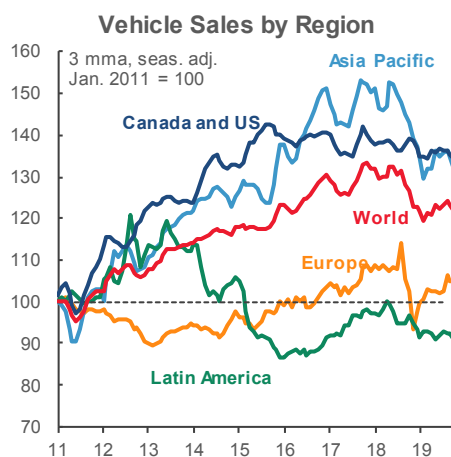
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Motor Vehicle Sales						
	Oct '19	Nov '19	Jan-Nov '19	Oct '19	Nov '19	Jan-Nov '19
	(y/y % change, NSA)			(m/m % change, SA)		
World	-3.6	-3.0	-5.4	0.3	0.1	-5.6
North America						
Canada	-0.6	0.0	-3.1	4.8	-2.9	-3.2
US	-1.9	2.1	-0.9	-3.6	3.4	-1.6
Mexico	-8.9	-7.0	-7.6	1.2	1.3	-7.6
South America						
Argentina	-26.9	-30.8	-46.1	11.8	-15.3	-46.0
Brazil	-1.4	4.4	7.3	0.9	-1.8	7.7
Chile	-24.5	-27.6	-10.5	-8.3	-19.8	-10.7
Colombia	11.7	-9.0	6.0	3.9	-2.6	5.9
Peru	9.1	6.0	1.7	-2.7	-5.7	1.9
Western Europe						
France	8.7	0.7	-0.2	6.6	-5.9	-0.6
Germany	12.7	9.7	3.9	27.7	-2.0	3.9
Italy	6.9	2.3	-0.7	12.3	-2.6	-0.4
Spain	6.3	2.3	-8.7	6.9	-2.7	-9.1
UK	-6.7	-1.3	-2.7	13.8	4.3	-2.8
Eastern Europe						
Russia	-5.2	-6.4	-2.8	-2.6	0.0	-2.7
Turkey	79.2	-19.7	-34.3	-17.3	2.0	-35.8
Asia Pacific						
Australia	-8.7	-9.4	-7.8	-1.2	-2.0	-7.8
China	-5.8	-5.4	-10.3	-1.6	-2.3	-10.4
India	-1.2	-3.9	-12.5	30.1	1.0	-12.7
Japan	-24.9	-12.7	-0.7	-26.8	14.2	-0.8
Korea	-15.9	-15.9	-9.1	-0.4	-3.2	-9.1

Sources: Scotiabank Economics, Wards Auto, national automotive associations.

Chart 1



Sources: Scotiabank Economics, national automotive associations.

*All numbers reported are not seasonally adjusted (nsa), unless otherwise indicated (sa).

Table 1 — International Motor Vehicle Sales Outlook (mns units)

	2000–15	2016	2017	2018	2019f
Total Sales	54.9	77.6	79.3	79.0	75.3
North America*	17.9	21.0	20.7	20.6	20.2
Canada	1.62	1.95	2.04	1.98	1.94
United States	15.2	17.5	17.1	17.2	17.0
Mexico	1.0	1.6	1.5	1.4	1.3
Western Europe	13.7	14.0	14.3	14.2	14.0
Germany	3.2	3.4	3.4	3.4	3.4
Eastern Europe	3.1	3.1	3.4	3.4	2.9
Russia	1.9	1.4	1.6	1.8	1.7
Asia	17.1	36.1	37.1	36.8	34.0
China**	7.3	23.6	24.2	23.4	22.0
India	1.2	2.1	2.2	2.4	2.3
South America	3.2	3.4	3.8	4.0	4.2
Brazil	1.9	2.0	2.2	2.5	2.7

*Includes light trucks. **Includes crossover utility vehicles from 2005.

Sources: Scotiabank Economics, Ward's Automotive Reports, Bloomberg.

Table 2 — Canada & US Motor Vehicle Sales and Production Outlook

	2000–17	2018	2019	2020f	2021f
		Jan-Nov**		fcst	
		(thousands of units, annualised)			
Canada**	1,704	1,983	1,935	1,940	1,915
Cars	762	575	500	504	460
Domestic	484	377	319	321	293
Imports	278	198	181	183	167
Light trucks	942	1,407	1,434	1,436	1,455
		(millions of units, annualised)			
United States	14.7	17.2	18.3	17.0	16.9
Cars	6.9	5.1	6.1	4.6	4.1
Light trucks	7.9	12.1	12.2	12.4	12.9
		(millions of units, annualised)			
North American Production*	15.0	17.5	16.7	16.8	17.4
Canada	2.2	2.0	1.9	1.9	1.7
United States	10.0	11.3	10.9	10.9	11.6
Mexico	2.7	4.1	3.9	4.0	4.1

*Includes light, medium and heavy trucks. **Canadian sales are Scotiabank estimates.

Sources: Ward's Automotive Reports, Statistics Canada, DesRosiers Automotive Consultants Inc.

Table 3 — Provinces Motor Vehicle Sales Outlook (thousands of units ann.)* **

	2000–15	2016	2017	2018	2019f	2020f	2021f
Canada	1,668	1,948	2,040	1,984	1,940	1,915	1,915
Atlantic	125	140	143	125	130	121	116
Central	1,034	1,264	1,299	1,302	1,258	1,240	1,240
Quebec	411	458	462	449	448	435	435
Ontario	623	806	837	853	810	805	805
West	509	544	598	557	547	554	559
Manitoba	49	55	62	67	60	58	58
Saskatchewan	49	51	56	47	49	50	51
Alberta	232	220	245	226	223	227	231
British Columbia	179	218	235	217	215	219	219

*Includes cars and light trucks. **Scotiabank estimates.

Sources: Statistics Canada, Canadian Vehicle Manufacturers' Association.

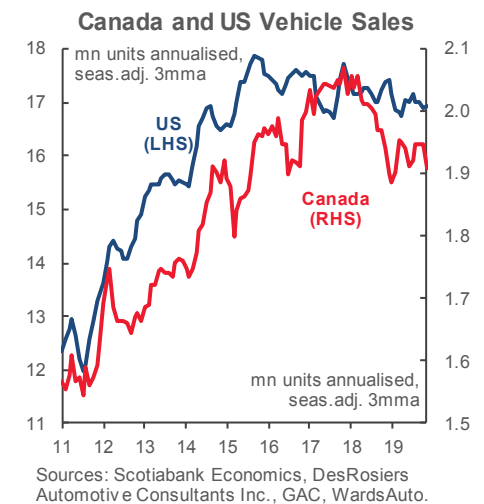
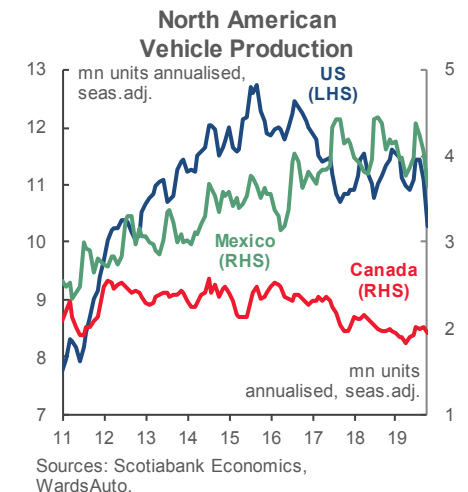
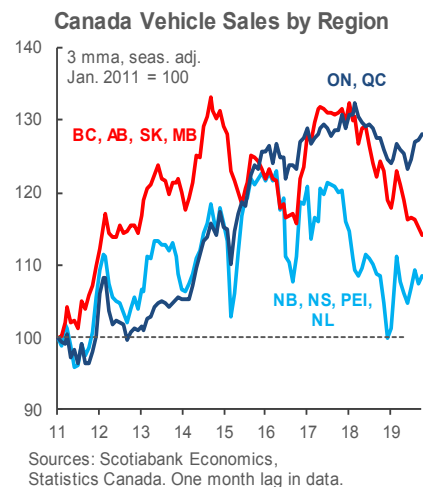
Chart A1

Chart A2

Chart A3


Table 4 — Canadian Car Sales Share By Manufacturer (000s units)*

	2018 Jan to Nov		2019 Jan to Nov		2018 Nov		2019 Nov	
	Units	% of total	Units	% of total	Units	% of total	Units	% of total
Total Sales	57.0	100.0	50.8	100.0	45.3	100.0	41.3	100.0
Big Three	9.2	16.2	6.9	13.6	6.2	13.7	6.5	15.7
Fiat-Chrysler	1.1	2.0	0.9	1.9	0.8	1.7	0.6	1.5
Ford	2.8	4.9	2.1	4.2	1.3	2.9	1.9	4.6
General Motors	5.3	9.3	3.8	7.5	4.1	9.1	3.9	9.6
Japanese	23.9	42.0	17.3	34.0	24.7	54.7	22.7	55.1
Honda	8.3	14.5	6.4	12.6	8.0	17.8	7.5	18.2
Toyota	7.5	13.1	5.5	10.9	8.5	18.9	8.4	20.2
Nissan	3.6	6.4	2.3	4.5	2.7	6.1	2.5	6.0
Mazda	2.7	4.7	1.8	3.5	3.1	6.9	2.8	6.8
Mitsubishi	0.4	0.7	0.3	0.5	0.5	1.1	0.2	0.4
Subaru	1.4	2.5	1.0	2.0	1.8	4.0	1.4	3.4
European	9.1	15.9	7.9	15.6	8.3	18.4	8.3	20.2
BMW	1.8	3.1	1.4	2.8	1.6	3.6	1.3	3.1
Mercedes-Benz	1.7	3.0	1.5	2.9	1.5	3.4	1.7	4.0
Volkswagen Group	5.3	9.3	4.8	9.5	4.9	10.8	5.2	12.7
Volvo	0.2	0.3	0.2	0.4	0.2	0.5	0.1	0.3
Other	0.1	0.2	0.1	0.1	0.1	0.1	0.0	0.1
Rest of the world	14.8	25.9	18.7	36.7	6.0	13.2	3.7	9.0
Hyundai	5.4	9.5	4.9	9.6	5.0	11.1	4.6	11.1
KIA	3.2	5.6	3.1	6.1	2.9	6.5	2.9	6.9
All other	6.2	10.8	10.7	21.0	-2.0	-4.5	-3.7	-9.0

*Sources: Scotiabank Economics, Global Automakers of Canada, DesRosiers Automotive Consultants Inc.

Table 5 — Canadian Truck Sales Share By Manufacturer (000s units)*

	2018 Jan to Nov		2019 Jan to Nov		2018 Nov		2019 Nov	
	Units	% of total	Units	% of total	Units	% of total	Units	% of total
Total Truck Sales	124.4	100.0	125.5	100.0	118.4	100.0	121.5	100.0
Total Light Truck Sales	124.4	100.0	125.5	100.0	118.4	100.0	121.5	100.0
Big Three	66.2	53.3	64.6	51.4	57.0	48.2	56.1	46.2
Fiat-Chrysler	18.9	15.2	18.3	14.6	13.9	11.7	15.2	12.5
Ford	23.2	18.7	23.2	18.5	20.1	17.0	19.3	15.9
General Motors	20.3	16.3	19.6	15.7	19.3	16.3	17.7	14.5
Other Domestic	3.8	3.1	3.5	2.8	3.8	3.2	4.0	3.3
Japanese	39.3	31.6	40.8	32.5	40.8	34.5	43.3	35.6
Honda	8.8	7.1	9.2	7.4	8.5	7.2	10.2	8.4
Toyota	12.2	9.8	13.1	10.4	13.7	11.6	13.7	11.3
Nissan	9.2	7.4	9.3	7.4	9.2	7.8	8.8	7.3
Mazda	3.8	3.0	3.7	2.9	3.6	3.0	4.2	3.5
Mitsubishi	1.8	1.4	2.0	1.6	1.6	1.4	2.0	1.6
Subaru	3.5	2.8	3.5	2.8	4.2	3.5	4.3	3.6
European	11.1	9.0	11.1	8.8	12.6	10.6	12.7	10.5
BMW	2.1	1.7	2.2	1.8	2.3	1.9	2.4	1.9
Mercedes-Benz	2.5	2.0	2.4	1.9	2.5	2.1	2.6	2.2
Volkswagen Group	4.8	3.8	4.7	3.7	6.1	5.1	5.9	4.8
Volvo	0.6	0.5	0.7	0.5	0.6	0.5	0.7	0.5
Other	1.1	0.9	1.1	0.9	1.1	1.0	1.2	1.0
Rest of the world	7.7	6.2	9.0	7.2	7.9	6.7	9.4	7.7
Hyundai	5.8	4.7	6.7	5.4	6.5	5.5	7.2	5.9
KIA	3.1	2.5	3.5	2.8	2.7	2.3	3.4	2.8
All other	-1.2	-1.0	-1.2	-1.0	-1.2	-1.1	-1.2	-1.0

*Sources: Scotiabank Economics, Global Automakers of Canada, DesRosiers Automotive Consultants Inc.

Table 6 — Car Sales By Province (000s units)

	2018 Jan to Oct	2019 Jan to Oct*	2018 Oct	2019 Oct*
CANADA	510.87	425.27	45.12	37.44
ATLANTIC	34.34	28.24	2.69	2.41
Newfoundland and Labrador	6.87	5.52	0.53	0.48
Prince Edward Island	2.14	2.00	0.19	0.18
Nova Scotia	15.68	12.73	1.17	1.08
New Brunswick	9.66	7.99	0.81	0.68
CENTRAL	369.00	310.03	33.45	28.47
Quebec	147.69	123.72	14.59	11.70
Ontario	221.31	186.31	18.86	16.77
WEST	107.53	87.00	8.98	6.55
Manitoba	13.39	8.59	1.09	0.70
Saskatchewan	6.26	5.30	0.60	0.41
Alberta	33.54	27.55	2.79	2.05
British Columbia	54.34	45.56	4.50	3.39

Source: Statistics Canada. *One month lag in data.

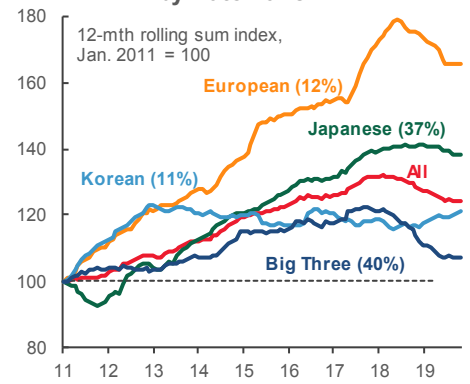
Chart A4
**Canada Vehicle Sales
by Automaker***

Sources: Scotiabank Economics, DesRosiers Automotive Consultants Inc., GAC,
*market share in parentheses.

Table 7 — Truck Sales By Province (000s units)*

	2018 Jan to Oct	2019 Jan to Oct**	2018 Oct	2019 Oct**
CANADA	1,257.55	1,275.78	120.57	125.77
ATLANTIC	83.02	86.98	7.91	8.50
Newfoundland and Labrador	20.21	21.59	2.03	2.13
Prince Edward Island	4.76	5.07	0.47	0.52
Nova Scotia	31.24	32.34	2.86	3.11
New Brunswick	26.81	27.98	2.56	2.74
CENTRAL	779.90	810.76	74.40	81.08
Quebec	254.77	269.60	24.73	28.13
Ontario	525.14	541.16	49.67	52.94
WEST	394.63	378.04	38.26	36.19
Manitoba	46.83	41.37	4.00	3.95
Saskatchewan	36.99	36.81	3.74	3.60
Alberta	171.35	165.52	16.73	16.07
British Columbia	139.46	134.34	13.78	12.56

*Light, medium and heavy trucks. Source: Statistics Canada. **One month lag in data.

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