

CNW Research on July 2014 Used Car Sales



Two items of importance, one on new car sales, the second on used sales.

In the final half of July, floor traffic jumped dramatically at new-car dealerships with closing ratios similarly climbing. That should result in July sales being from 6 to 9 percent better than a year ago, rather than the mid-month estimate of only 1 percent. True Delivery Rate (similar to SAAR) is likely to be in the 16.8 million range.

USED CAR SALES -- JULY DATA FROM CNW's MONTHLY DMA REPORT

Not so lucky, used-car sales are down 1.9 percent vs. a year ago and off 0.37 percent vs. June.

July '14: 4.496 million units
July '13: 4.584 million units
June '14: 4.513 million units.

Franchised dealer used sales are off 5.2 percent vs. year ago but up slightly -- 1.4 percent -- vs. last month. **Expect a solid August, however, as new-car sales trade-ins spike this month.**

Independent dealers were off 5.2 percent vs. year ago but gained about 1 percent compared to June.

Casual sales were up a healthy 6.5 percent vs. year ago but down 3.8 percent vs. last month.

Industry-wide, the value of used car sold in July hit \$47.4 billion, up a half percent vs. June and nearly 15 percent vs. year ago.

With a growing number of off-lease and off-fleet vehicles hitting the used-car market, the number of 1 to 3 year old vehicles sold in July rose.

One Year Old: Up 1.4 percent. (One point four)
Two Year Old: Up 10.8 percent. (Ten point eight)
Three Year Old: Up 1.6 percent. (One point six)

While consumers are looking to passenger cars on the new-car side, used-car shoppers still are hot on trucks with a 13.8 percent increase in the number of SUVs sold in July vs. year ago. Total truck sales were up 19.5 percent.

The number of used units financed slipped slightly to 3.07 million units vs. a last July's 3.16 million.

The number of sub-prime buyers in July rose a substantial 25.5 percent vs. year ago with sub-550 growing at a 23.6 percent rate.

The search for a used vehicle took about 3.2 weeks compared to 3.7 weeks a year ago and 2.9 weeks in June of this year.

The Historic Detroit brands had a 3.5 percent drop in sales vs. year ago while Asian unit sales were off 7.5 percent. European models jumped 42.8 percent s. year ago.