



Auto News Flash

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Canadian and U.S. Vehicle Sales — June 2009

Canada

Car & light truck sales remained steady in June, totalling an annualized 1.41 million units — roughly in line with the average of the previous three months. Purchases were held back for the second consecutive month by a slump of more than 50% y/y at a major automaker. Excluding this sharp fall-off, industry sales were down only 6% y/y — roughly one-third the decline of the previous five months.

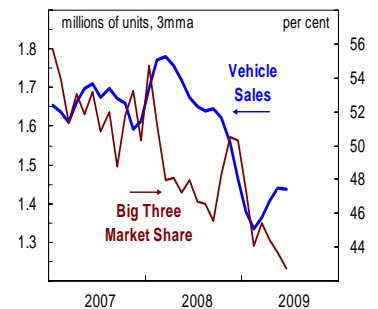
Ford was the big winner in June, becoming the top-selling automaker for the first time in more than 50 years. The company's volumes will receive a further boost in coming months from its recently launched 'Employee Pricing' campaign.

United States

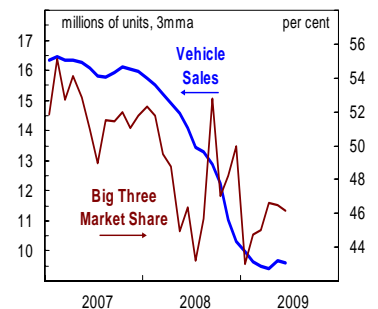
Passenger vehicle sales continued to improve last month, with volumes posting the smallest y/y decline since September. Purchases totalled an annualized 9.7 million units, up from an average of 9.5 million during the previous five months. However, sales were lower than the 10 million units that many commentators were expecting, held back in late June by the uncertainty surrounding the U.S. 'cash-for-clunkers' program. The program was signed into Law on June 24th, but many of the details are still being developed, and will only be released later this month. We expect the program to lift U.S. sales consistently above 10 million units in 2009H2.

Automakers are also expecting stronger second-half volumes, prompting Ford and Chrysler to increase their third-quarter North American output schedule by 5%. Canadian assembly plants will be the main beneficiaries of the recent increase in production plans.

Vehicle Sales & Detroit Three Market Share — Canada



Vehicle Sales & Detroit Three Market Share — United States



Canada/U.S. Motor Vehicle Sales Outlook

	1991-01	2002	2003-07	2008	2009	
	Average		Average		Jan-June*	Annual f
(thousands of units, annualized)						
CANADA	1,323	1,704	1,596	1,642	1,401 *	1,420
Cars	772	935	850	898	731 *	750
Light Trucks	551	769	746	744	670 *	670
(millions of units, annualized)						
UNITED STATES	15.0	16.8	16.6	13.2	9.6	10.2
Cars	8.5	8.1	7.6	6.8	4.9	5.2
Light Trucks	6.5	8.7	9.0	6.4	4.7	5.0
(millions of units, annualized)						
NORTH AMERICAN PRODUCTION**	15.30	16.70	16.01	12.90	7.24	8.40

*Includes Scotiabank estimates for May-June. **Canada, United States and Mexico; cars, light, medium and heavy trucks.

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