



# Auto News Flash

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## Canadian and U.S. Vehicle Sales — February 2010

### Canada

Car & light truck purchases strengthened to nearly an annualized 1.70 million units in February — the best performance since early 2008, and a sharp improvement from 1.46 million for all of 2009. Several automakers reported record volumes for February, while Chrysler posted a 17% y/y increase — the third monthly advance and significant reversal from thirteen consecutive declines from late 2008 through November 2009.

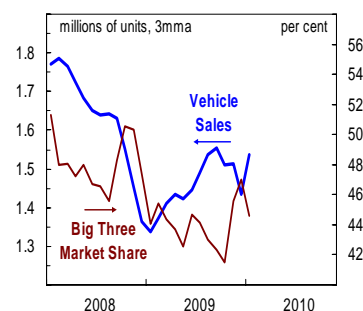
While last month's outsized 25% y/y jump in sales may overstate the strength of the market, we expect purchases to continue to move higher alongside an improving labour market and a broadening economic recovery.

### United States

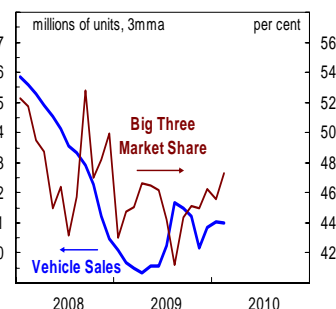
Sales moderated to an annualized 10.5 million units last month, from 10.8 million in January and in the final months of 2009. Volumes were held back by inclement weather, especially in the U.S. Northeast, and the much publicized Toyota recall. However, Toyota's volumes held up better than expected, declining 8.7% below a year, less than the 10-15% fall-off that was generally expected.

Ford led the way last month, with its volumes surging 43% y/y — nearly 4 times stronger than the industry-wide increase. Much of the company's strength was concentrated in a 75% surge in fleet volumes. Other automakers also indicated that fleet purchases are starting to return to normal alongside a strengthening economy. Ford also announced plans to boost its second quarter North American production 32% above a year ago, a further increase from a 28% jump in the opening months of 2010. Rising output reflects a need to align inventories with strengthening pent-up demand.

Vehicle Sales & Detroit Three Market Share — Canada



Vehicle Sales & Detroit Three Market Share — United States



### Canada/U.S. Motor Vehicle Sales Outlook

	1991-01 Average	2002-07 Average	2008 Average	2009	2010	
					Jan-Feb *	Annual f
(thousands of units, annualized)						
<b>CANADA</b>	1,323	1,614	1,642	1,461 *	1,535 *	1,525
Cars	772	864	898	748 *	770 *	775
Light Trucks	551	750	744	713 *	765 *	750
(millions of units, annualized)						
<b>UNITED STATES</b>	15.0	16.6	13.2	10.4	10.7	11.5
Cars	8.5	7.7	6.8	5.4	5.3	5.8
Light Trucks	6.5	8.9	6.4	5.0	5.4	5.7
(millions of units, annualized)						
<b>NORTH AMERICAN PRODUCTION**</b>	15.30	16.10	12.90	8.53	11.60	11.10

\*Includes Scotiabank estimates for Jan-Feb 2010. \*\*Canada, USA and Mexico; cars, light, medium and heavy trucks.

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