

# California Auto Outlook™

Comprehensive information on the California vehicle market

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Covering Third Quarter 2020

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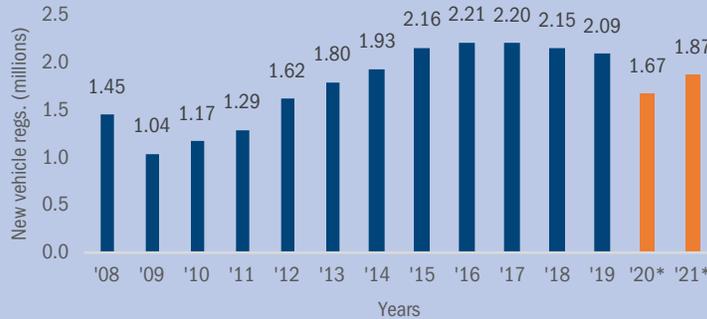


## State Market Shows Signs of Recovery; 12 Percent Increase Predicted for 2021

### ANNUAL TRENDS



California Annual New Light Vehicle Registrations - 2008 thru 2021



Historical data source: AutoCount data from Experian.

\*'20 and '21 forecasts by Auto Outlook.

New vehicle registrations in California are expected to decline to 1.67 million units in 2020, down 20 percent from last year.

Latest projections are for the market to approach 1.9 million units in 2021, an increase of 12 percent from this year.

Accumulating pent up demand and low interest rates will support the market next year, while expected slow improvement in employment should prevent a sharp rebound.

### California Total New Light Vehicle Registrations and U.S. New Vehicle Sales - YTD 2019 & 2020, thru September

### TWO YEAR PERSPECTIVE



	California			U.S.		
	YTD '19	YTD '20	Change	YTD '19	YTD '20	Change
<b>Registrations</b>						
TOTAL	1,589,843	1,199,446	-24.6%	12,809,063	10,452,763	-18.4%
Car	671,207	440,054	-34.4%	3,693,050	2,564,966	-30.5%
Light Truck	918,636	759,392	-17.3%	9,116,013	7,887,797	-13.5%
Domestic	507,682	390,159	-23.1%	5,760,331	4,773,224	-17.1%
European	239,249	178,736	-25.3%	1,204,898	994,992	-17.4%
Japanese	731,705	543,445	-25.7%	4,858,971	3,801,487	-21.8%
Korean	111,207	87,106	-21.7%	984,863	883,060	-10.3%
<b>Market Share</b>						
Car	42.2	36.7	-5.5	28.8	24.5	-4.3
Light Truck	57.8	63.3	5.5	71.2	75.5	4.3
Domestic	31.9	32.5	0.6	45.0	45.7	0.7
European	15.0	14.9	-0.1	9.4	9.5	0.1
Japanese	46.1	45.3	-0.8	37.9	36.4	-1.5
Korean	7.0	7.3	0.3	7.7	8.4	0.7

California new light vehicle market declined 24.6 percent during the first nine months of this year versus a year earlier. The U.S. market fell 18.4 percent.

Retail vehicle sales in the state have held up better in 2020. New retail registrations fell 19.5 so far this year.

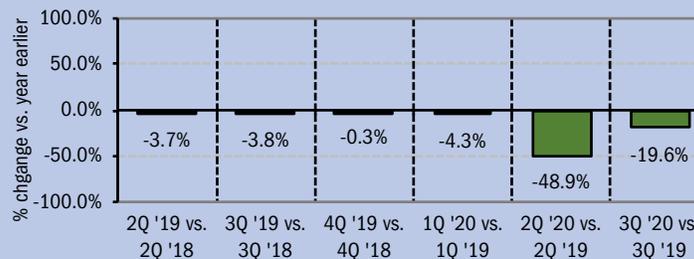
Light truck registrations in the state declined 17.3 percent versus the 34.4 percent drop for passenger cars.

Source for California new vehicle registrations: AutoCount data from Experian. Source for U.S. sales: Automotive News.

### QUARTERLY RESULTS



California Quarterly New Light Vehicle Registrations  
Percent Change vs. Year Earlier



Data source: AutoCount data from Experian.

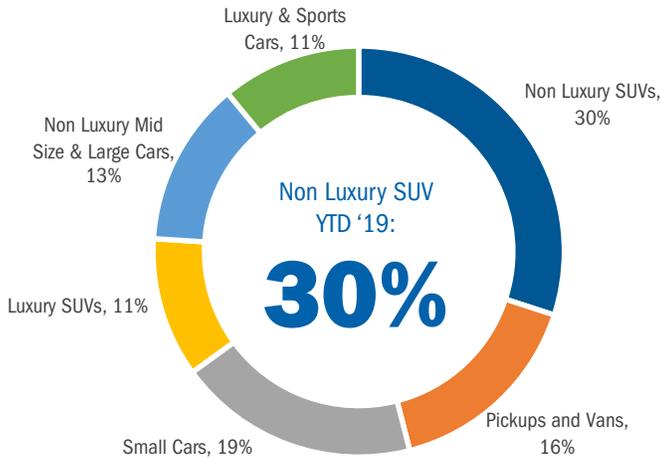
The rate of decline in the state market eased in the Third Quarter of this year. 3Q '20 registrations fell by 19.6 percent versus a year earlier, an improvement from the 48.9 percent drop in the Second Quarter.

Wildfires and a slowly recovering labor market contributed to the nearly 20 percent decline in the Third Quarter. The market could post a small increase in the Fourth Quarter.

SEGMENT MARKET SHARE TRENDS

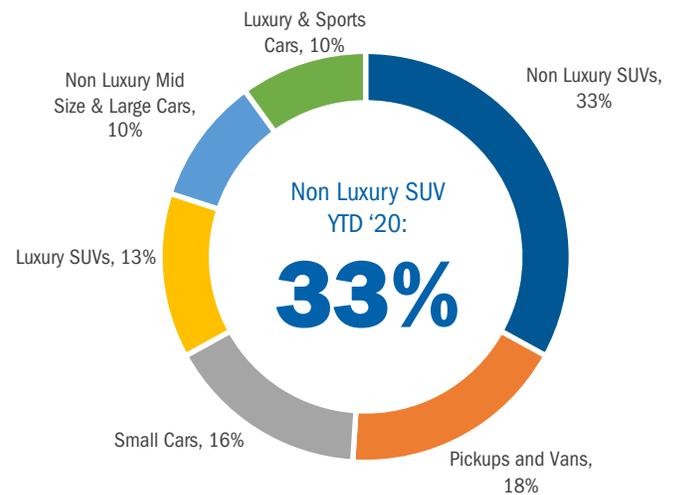
### Small Car Market Share Declined to 16 Percent

Segment Market Shares in California  
YTD 2019 thru September



Data Source: AutoCount data from Experian.

Segment Market Shares in California  
YTD 2020 thru September



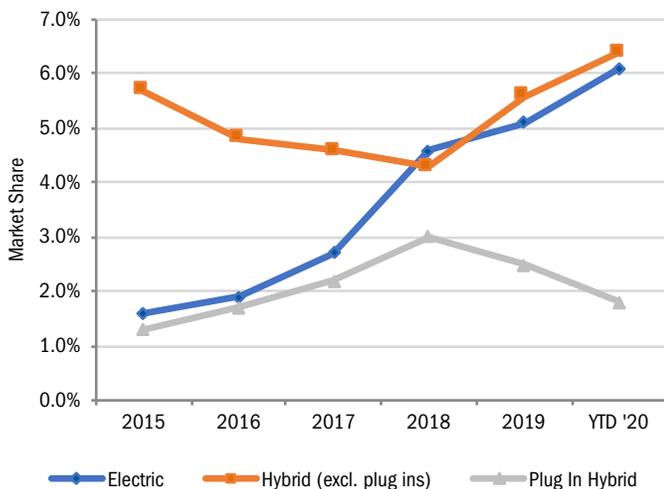
Data Source: AutoCount data from Experian.

The two graphs above show market shares for primary segments during the first nine months of 2019 and 2020.

HYBRID AND ELECTRIC VEHICLES

### Hybrid and Electric Vehicle Market Share Have Moved Higher During 2020

Estimated Hybrid and Electric Vehicle Market Share



Hybrid/electric vehicle market share - YTD '20 thru Sept.:  
**14.3 percent**

Estimated Hybrid and Electric New Vehicle Registrations and Market Share					
	2016	2017	2018	2019	YTD 2020
Electric registrations	41932	59388	99121	106752	73166
Electric share	1.9%	2.7%	4.6%	5.1%	6.1%
Hybrid regs. (excl. plug ins)	105934	101180	92658	117218	76765
Hybrid share (excl. plug ins)	4.8%	4.6%	4.3%	5.6%	6.4%
Plug in hybrid regs.	37518	48391	64644	52329	21590
Plug in hybrid share	1.7%	2.2%	3.0%	2.5%	1.8%

The graph above shows estimated hybrid powertrain and electric vehicle market share in the state. Registrations by powertrain for vehicles equipped with multiple engine types were estimated by Auto Outlook. The estimates are based on model registrations compiled by Experian, and engine installation rates collected from other sources.

MODEL RANKINGS

# Honda Civic and Toyota RAV4 Are Top Sellers in California

The table below shows the top five selling models during the first nine months of 2020 in 20 segments. In addition to unit registrations, it also shows each model's market share in its respective segment.



## BEST SELLERS IN PRIMARY SEGMENTS

- Compact Car: Honda Civic
- Mid Size Car: Toyota Camry
- Near Luxury Car: Tesla Model 3
- Luxury Car: Mercedes E-Class
- Full Size Pickup: Ford F-Series
- Compact SUV: Toyota RAV4
- Mid Size SUV: Toyota Highlander
- Luxury Mid Size SUV: Lexus RX

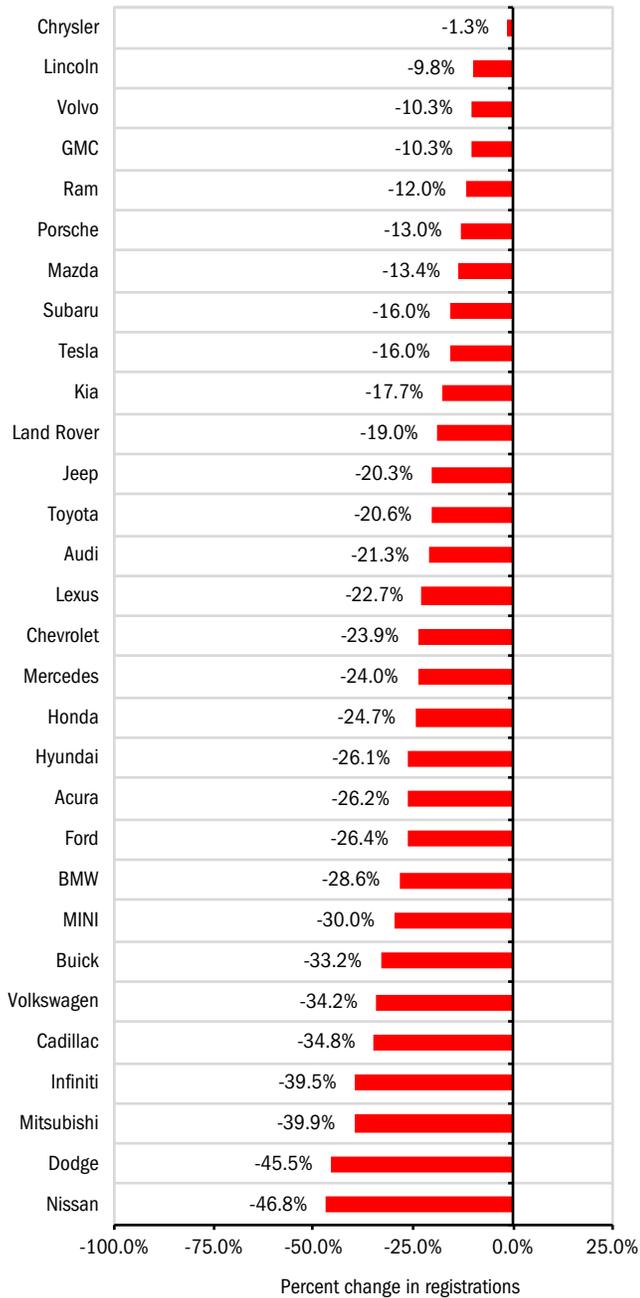
Top Selling Models in Each Segment - New Light Vehicle Registrations (YTD 2020, thru September)											
Cars											
Subcompact			Compact			Sports/Pony Cars			Mid Size		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Chevrolet Bolt	5151	20.1	Honda Civic	46046	31.4	Ford Mustang	6455	34.9	Toyota Camry	40466	33.9
Kia Soul	4671	18.3	Toyota Corolla	31936	21.8	Dodge Challenger	6237	33.7	Honda Accord	31369	26.3
Honda Fit	4299	16.8	Toyota Prius	11582	7.9	Chevrolet Camaro	2939	15.9	Nissan Altima	11111	9.3
Nissan Versa	4082	16.0	Nissan Sentra	10273	7.0	Mazda MX5	1071	5.8	Ford Fusion	9111	7.6
Chevrolet Spark	1814	7.1	Kia Forte	8614	5.9	Hyundai Veloster	858	4.6	Kia K5/Optima	8006	6.7
Large			Entry Luxury			Near Luxury			Luxury and High End Sports Cars		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Dodge Charger	8632	67.9	Mercedes A-Class	2793	26.1	Tesla Model 3	31548	43.8	Mercedes E-Class	4586	13.9
Toyota Avalon	1385	10.9	Mercedes CLA-Class	2163	20.2	BMW 3-Series	7336	10.2	BMW 5-Series	3993	12.1
Nissan Maxima	1071	8.4	BMW 2-Series	2105	19.6	Lexus ES	6530	9.1	Tesla Model S	3489	10.6
Chrysler 300	933	7.3	Audi A3	1690	15.8	Mercedes C-Class	5274	7.3	Porsche 911	1754	5.3
Chevrolet Impala	578	4.5	Acura ILX	1466	13.7	Audi A4	2782	3.9	Audi A6	1728	5.2
Light Trucks											
Compact/Mid Size Pickup			Full Size Pickup			Mini Van			Large Van		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Toyota Tacoma	28372	52.7	Ford F-Series	38260	31.9	Honda Odyssey	6698	33.8	Ford Transit Connect	11591	47.4
Ford Ranger	8707	16.2	Chevrolet Silverado	31259	26.0	Chrysler Pacifica	4971	25.1	Ram Promaster	3266	13.3
Chevrolet Colorado	6610	12.3	Ram Pickup	29412	24.5	Toyota Sienna	3866	19.5	Mercedes Sprinter	3210	13.1
Jeep Gladiator	4514	8.4	GMC Sierra	12776	10.6	Chrysler Voyager	2629	13.3	Nissan NV	2915	11.9
Nissan Frontier	2621	4.9	Toyota Tundra	7516	6.3	Kia Sedona	848	4.3	Chevrolet Express	1921	7.9
Subcompact SUV			Compact SUV			Mid Size SUV			Large SUV		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Honda HR-V	9012	15.6	Toyota RAV4	41715	23.1	Toyota Highlander	15038	11.3	Chevrolet Tahoe	4353	27.0
Toyota C-HR	7390	12.8	Honda CR-V	24653	13.6	Ford Explorer	13363	10.1	Ford Expedition	3231	20.1
Hyundai Kona	5879	10.2	Jeep Wrangler	14726	8.2	Subaru Outback	12023	9.0	Chevrolet Suburban	2204	13.7
Nissan Kicks	4837	8.4	Mazda CX5	14508	8.0	Jeep Grand Cherokee	9187	6.9	GMC Yukon	2020	12.5
Kia Niro	4138	7.2	Subaru Forester	13599	7.5	Honda Pilot	8971	6.7	Nissan Armada	1504	9.3
Luxury Subcompact SUV			Luxury Compact SUV			Luxury Mid Size SUV			Luxury Large SUV		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Lexus UX	3639	18.8	Tesla Model Y	9163	16.2	Lexus RX	11980	19.6	Mercedes GLS-Class	3004	21.3
Audi Q3	3183	16.4	Lexus NX	8392	14.8	Mercedes GLE-Class	6672	10.9	Land Rover Range Rover	2407	17.1
Mercedes GLB-Class	3144	16.2	BMW X3	6612	11.7	BMW X5	6189	10.1	BMW X7	2352	16.7
Mercedes GLA-Class	2986	15.4	Mercedes GLC-Class	6239	11.0	Tesla Model X	5384	8.8	Cadillac Escalade	1737	12.3
BMW X1	2636	13.6	Audi Q5	5280	9.3	Acura MDX	3704	6.1	Cadillac XT6	1175	8.3

Data Source: AutoCount data from Experian. Figures for Prius include Prius Prime.

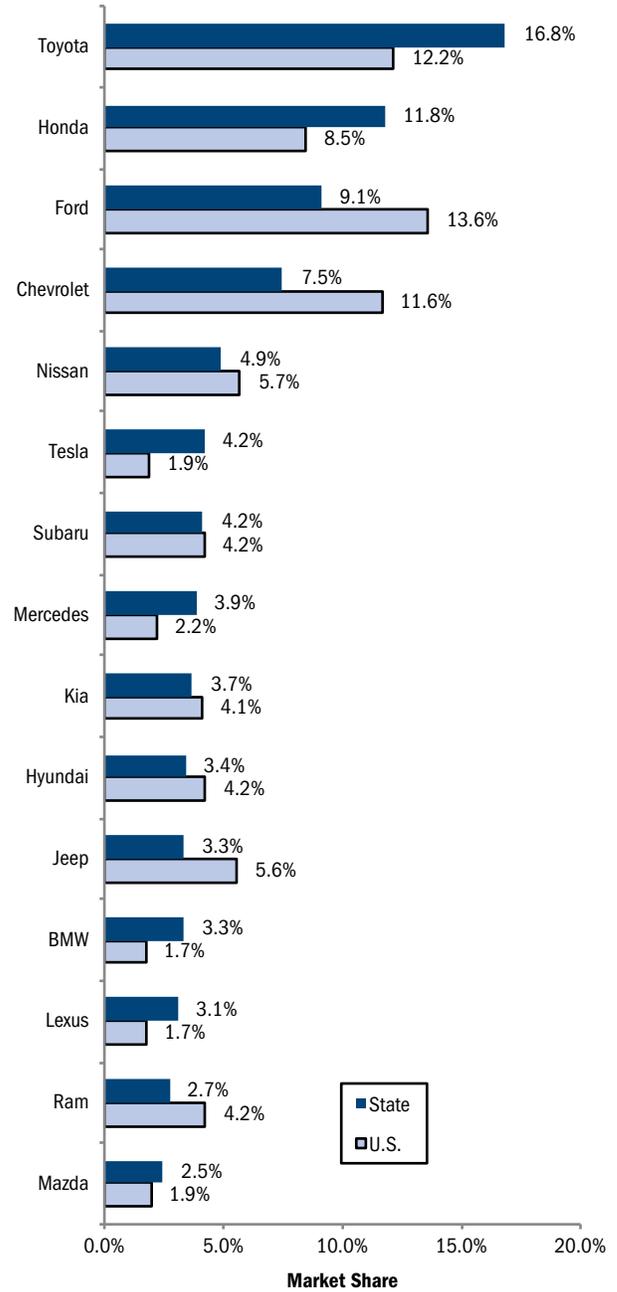
BRAND SUMMARY

# Toyota, Honda, and Ford Are Top Three Selling Brands in California

Percent Change in Brand Registrations - YTD '20 thru Sept. vs. YTD '19  
(Top 30 selling brands in state)



California and U.S. Market Share - YTD '20 thru Sept.  
(Top 15 selling brands in state)



Registrations declined by less than 14 percent for Chrysler, Lincoln, Volvo, GMC, Ram, Porsche, and Mazda



Toyota, Honda, Ford, Chevrolet, and Nissan were market share leaders in California

BRAND REGISTRATIONS

Detailed Results for All Brands in California Market

California New Car and Light Truck Registrations												
	Third Quarter						Year to date thru September					
	Registrations			Market Share (%)			Registrations			Market Share (%)		
	3Q '19	3Q '20	% change	3Q '19	3Q '20	Change	YTD '19	YTD '20	% change	YTD '19	YTD '20	Change
TOTAL	514,185	413,227	-19.6				1,589,843	1,199,446	-24.6			
Acura	5,158	4,358	-15.5	1.0	1.1	0.1	16,223	11,973	-26.2	1.0	1.0	0.0
Alfa Romeo	995	807	-18.9	0.2	0.2	0.0	2,920	2,590	-11.3	0.2	0.2	0.0
Audi	10,381	8,380	-19.3	2.0	2.0	0.0	30,766	24,218	-21.3	1.9	2.0	0.1
BMW	19,446	13,583	-30.2	3.8	3.3	-0.5	56,117	40,076	-28.6	3.5	3.3	-0.2
Buick	1,990	1,215	-38.9	0.4	0.3	-0.1	6,271	4,188	-33.2	0.4	0.3	-0.1
Cadillac	3,399	2,254	-33.7	0.7	0.5	-0.2	10,746	7,008	-34.8	0.7	0.6	-0.1
Chevrolet	37,726	28,502	-24.4	7.3	6.9	-0.4	118,103	89,901	-23.9	7.4	7.5	0.1
Chrysler	2,342	2,266	-3.2	0.5	0.5	0.0	8,761	8,650	-1.3	0.6	0.7	0.1
Dodge	11,856	6,243	-47.3	2.3	1.5	-0.8	36,419	19,833	-45.5	2.3	1.7	-0.6
FIAT	394	104	-73.6	0.1	0.0	-0.1	1,185	345	-70.9	0.1	0.0	-0.1
Ford	44,194	35,451	-19.8	8.6	8.6	0.0	148,718	109,397	-26.4	9.4	9.1	-0.3
Genesis	987	609	-38.3	0.2	0.1	-0.1	1,874	1,739	-7.2	0.1	0.1	0.0
GMC	8,150	7,348	-9.8	1.6	1.8	0.2	26,515	23,776	-10.3	1.7	2.0	0.3
Honda	63,247	51,237	-19.0	12.3	12.4	0.1	187,449	141,206	-24.7	11.8	11.8	0.0
Hyundai	18,271	14,397	-21.2	3.6	3.5	-0.1	55,299	40,888	-26.1	3.5	3.4	-0.1
Infiniti	3,421	2,057	-39.9	0.7	0.5	-0.2	13,184	7,970	-39.5	0.8	0.7	-0.1
Jaguar	1,147	1,051	-8.4	0.2	0.3	0.1	4,288	3,089	-28.0	0.3	0.3	0.0
Jeep	15,150	14,434	-4.7	2.9	3.5	0.6	50,314	40,098	-20.3	3.2	3.3	0.1
Kia	20,253	16,250	-19.8	3.9	3.9	0.0	54,034	44,479	-17.7	3.4	3.7	0.3
Land Rover	3,878	3,673	-5.3	0.8	0.9	0.1	13,489	10,924	-19.0	0.8	0.9	0.1
Lexus	16,059	13,685	-14.8	3.1	3.3	0.2	47,833	36,964	-22.7	3.0	3.1	0.1
Lincoln	1,606	1,480	-7.8	0.3	0.4	0.1	5,021	4,527	-9.8	0.3	0.4	0.1
Maserati	386	312	-19.2	0.1	0.1	0.0	1,295	930	-28.2	0.1	0.1	0.0
Mazda	10,864	10,956	0.8	2.1	2.7	0.6	34,013	29,443	-13.4	2.1	2.5	0.4
Mercedes	20,422	17,419	-14.7	4.0	4.2	0.2	60,860	46,232	-24.0	3.8	3.9	0.1
MINI	1,859	1,594	-14.3	0.4	0.4	0.0	5,551	3,887	-30.0	0.3	0.3	0.0
Mitsubishi	1,892	981	-48.2	0.4	0.2	-0.2	8,397	5,049	-39.9	0.5	0.4	-0.1
Nissan	30,851	17,011	-44.9	6.0	4.1	-1.9	110,864	58,948	-46.8	7.0	4.9	-2.1
Other	878	713	-18.8	0.2	0.2	0.0	2,775	2,336	-15.8	0.2	0.2	0.0
Porsche	3,857	3,687	-4.4	0.8	0.9	0.1	10,822	9,410	-13.0	0.7	0.8	0.1
Ram	12,521	11,445	-8.6	2.4	2.8	0.4	37,142	32,675	-12.0	2.3	2.7	0.4
Subaru	20,375	18,315	-10.1	4.0	4.4	0.4	59,376	49,879	-16.0	3.7	4.2	0.5
Tesla	19,003	17,017	-10.5	3.7	4.1	0.4	59,666	50,100	-16.0	3.8	4.2	0.4
Toyota	85,666	71,669	-16.3	16.7	17.3	0.6	254,366	202,013	-20.6	16.0	16.8	0.8
Volkswagen	12,079	9,127	-24.4	2.3	2.2	-0.1	39,436	25,958	-34.2	2.5	2.2	-0.3
Volvo	3,482	3,597	3.3	0.7	0.9	0.2	9,751	8,747	-10.3	0.6	0.7	0.1

Source: AutoCount data from Experian.

The table above shows new light vehicle (car and light truck) registrations in California. Figures are shown for the Third Quarters of 2019 and 2020, and year to date totals. Vehicle registrations are recorded based on when the vehicle title information is processed by the state, which typically occurs after the vehicle is sold. The top ten ranked brands in each category are shaded yellow

California Auto Outlook

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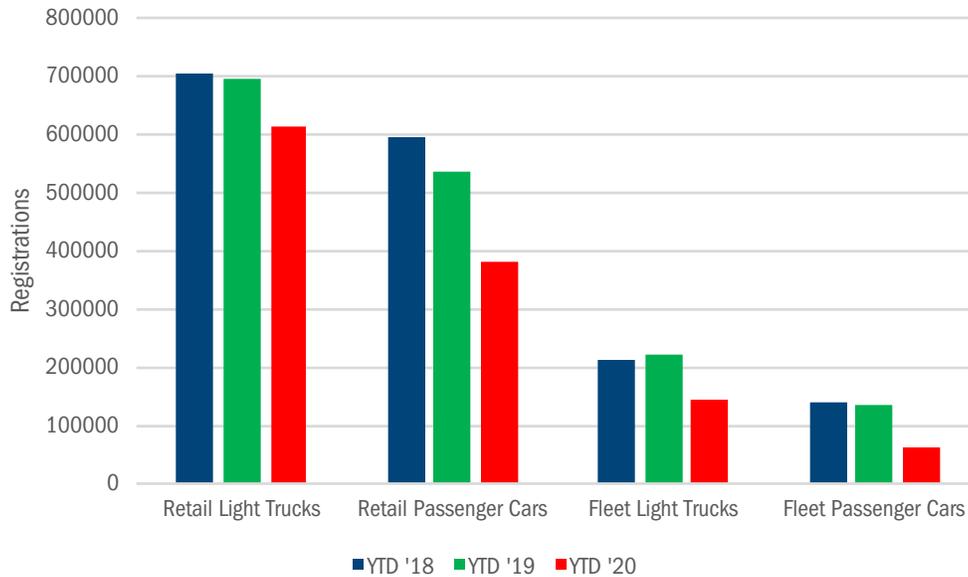
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BREAKDOWN OF RETAIL AND FLEET MARKETS

### State Retail Registrations Declined 19.5 Percent So Far in 2020 vs. 42.1 Percent Drop for Fleets

California New Car and Light Truck Retail and Fleet Registrations - YTD '18, '19, & '20 thru Sept.



Data Source: AutoCount data from Experian.

**PERCENT CHANGE:  
YTD '20 vs. YTD '19**

**Retail cars: DOWN 29.5%**

**Retail light trucks: DOWN 11.8%**

**Fleet cars: DOWN 54.5%**

**Fleet light trucks: DOWN 34.6%**

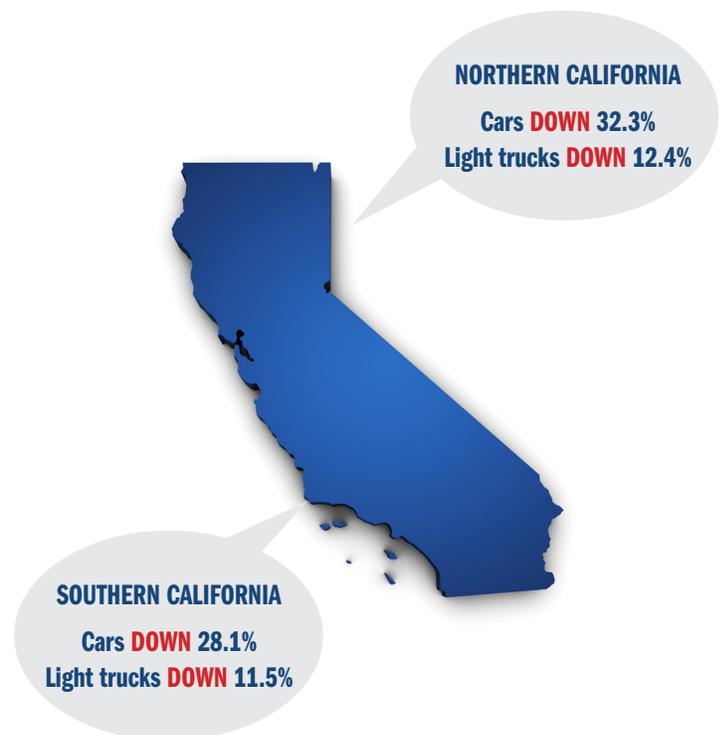
REGIONAL MARKETS IN CALIFORNIA

### Southern California Market Declines at Slightly Slower Pace

New Retail Light Vehicle Registrations (excluding fleets) YTD '20, Sept.			
North and South California	YTD '19	YTD '20	% chg.
Statewide Total	1,235,413	994,308	-19.5%
Cars	537,992	379,513	-29.5%
Light Trucks	697,421	614,795	-11.8%
Northern California	422,830	335,196	-20.7%
Cars	177,281	120,106	-32.3%
Light Trucks	245,549	215,090	-12.4%
Southern California	812,583	659,112	-18.9%
Cars	360,711	259,407	-28.1%
Light Trucks	451,872	399,705	-11.5%
Selected Regional Markets			
San Francisco Bay	240,309	178,266	-25.8%
Cars	108,954	68,529	-37.1%
Light Trucks	131,355	109,737	-16.5%
LA and Orange Counties	488,016	380,908	-21.9%
Cars	225,012	156,895	-30.3%
Light Trucks	263,004	224,013	-14.8%
San Diego County	104,239	87,088	-16.5%
Cars	42,037	29,879	-28.9%
Light Trucks	62,202	57,209	-8.0%

Data Source: AutoCount data from Experian.

Percent Change in New Retail Registrations - YTD '20 vs. YTD '19



SEGMENT CLOSE-UP: MID SIZE SUVs

# Toyota and Ford Lead State Mid Size SUV Segment



### Model Sales Leaders

Top 10 Selling Models in State for Two Row and Three Row Mid Size SUVs - YTD 2020 thru Sept.



### Two Key Trends

**#1** Mid Size SUV segment is performing better than the overall market...

% Change in New Vehicle Registrations  
YTD '19 thru Sept. to YTD '20

Mid Size SUVs: **DOWN 19.6%**

Industry **DOWN 24.6%**

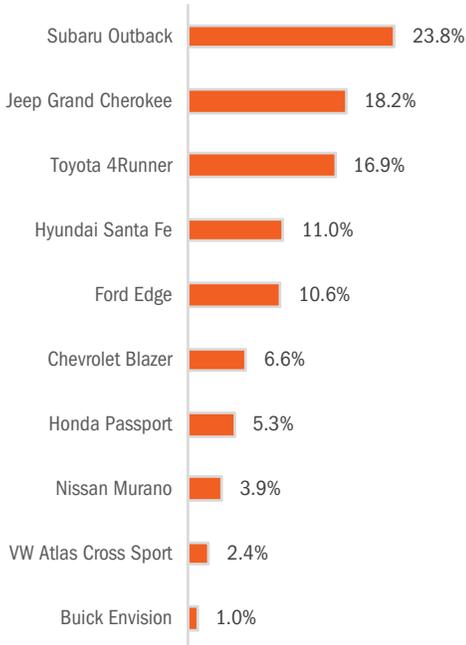
**#2** Three row SUVs account for higher share of the market...

3 Row SUV Share of Mid Size SUV Segment - YTD '19 and YTD '20 (Sept.)

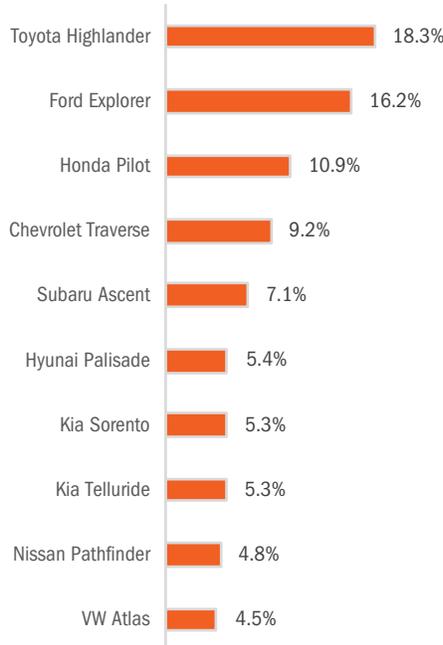
YTD 2019: **64.0%**

YTD 2020: **62.0%**

#### Market Share for Two Row Mid Size SUVs

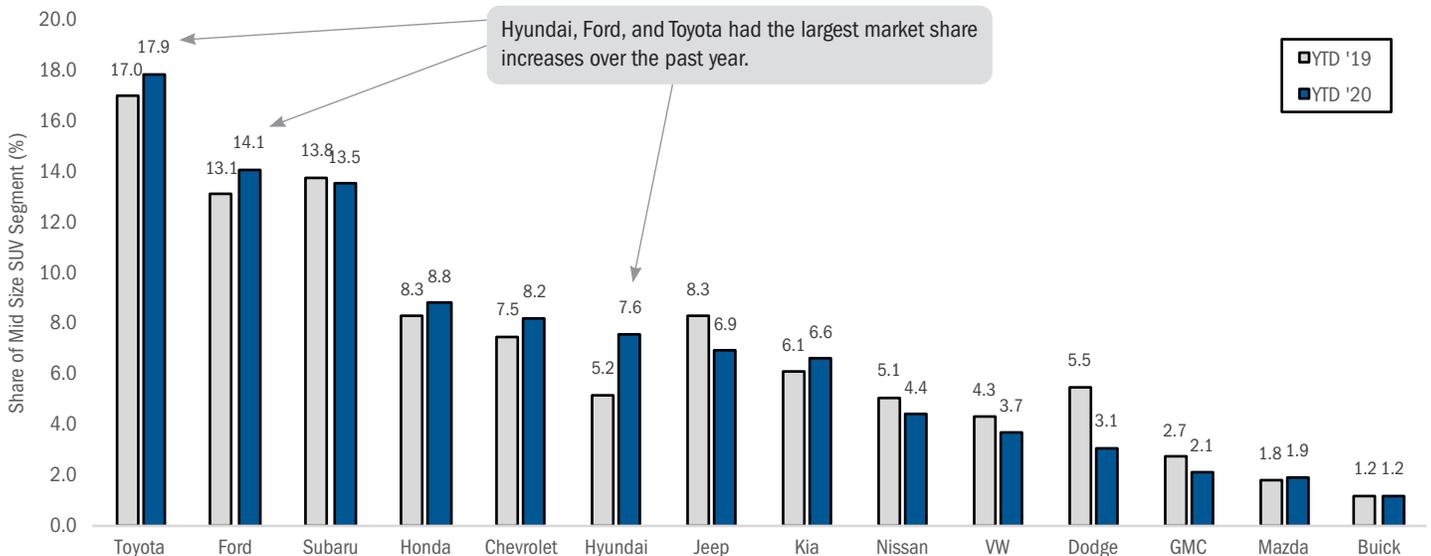


#### Market Share for Three Row Mid Size SUVs



Data Source: AutoCount data from Experian.

### Brand Market Share in State Mid Size SUV Segment - YTD 2019 and YTD 2020 (thru Sept.)

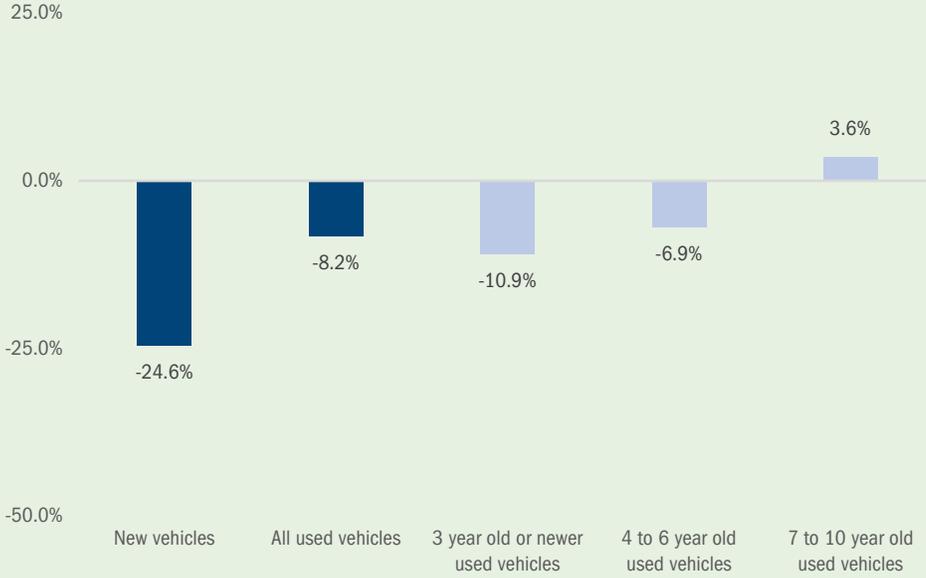


Data Source: AutoCount data from Experian.

CALIFORNIA USED VEHICLE MARKET

## Used Vehicle Market Out Performs New Vehicle Market During 2020

Percent Change in New and Used Vehicle Registrations - YTD '20 thru September vs. YTD '19



Data Source: AutoCount data from Experian.

### 3 KEY TRENDS IN USED VEHICLE MARKET

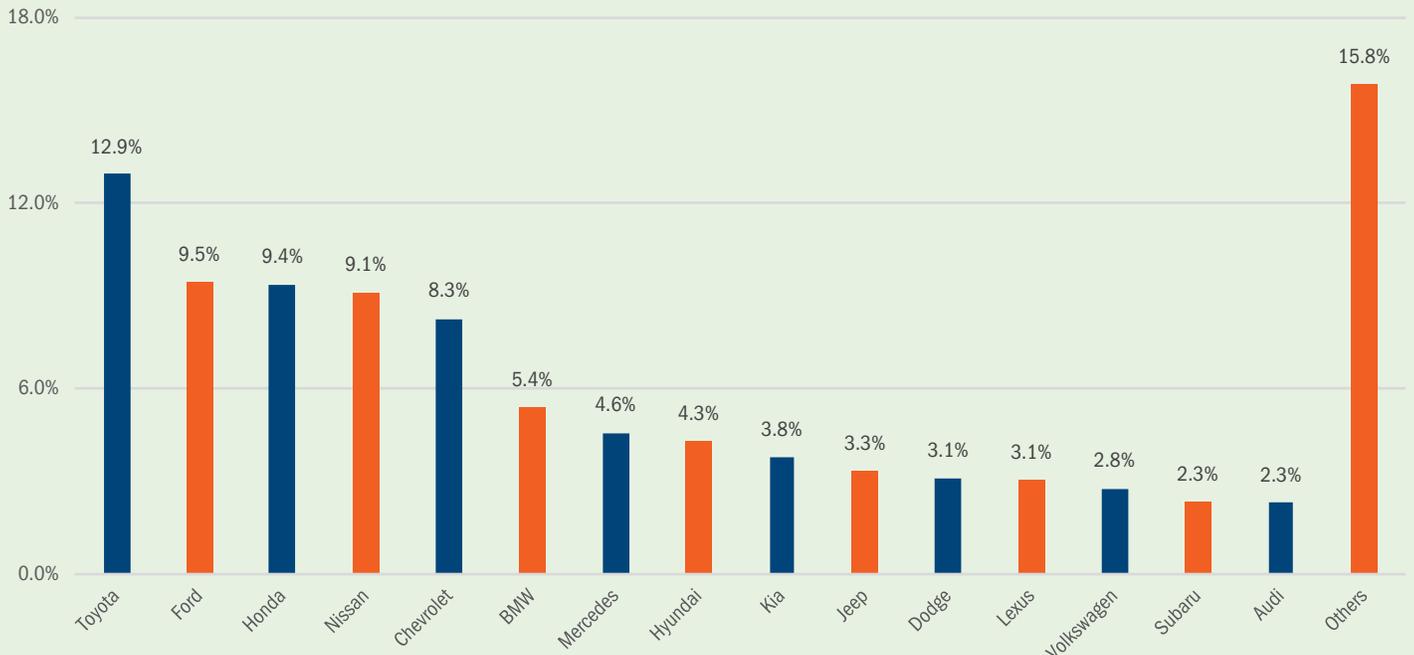


01. Used vehicle registrations in California declined 8.2 percent during the first nine months of 2020, better than the 24.6 percent drop for new vehicles.
02. The nearly new used vehicle market (3 years old or newer) declined at a faster pace than older vehicles.
03. Used vehicle market has been given a boost by sparse new vehicle inventories and cost conscious consumers. Used vehicle market should remain relatively strong for several months.

CALIFORNIA USED VEHICLE MARKET

## Toyota Share of Six Year Old or Newer Used Vehicle Market Approaches 13 Percent

Top 15 Selling Brands in California Used Vehicle Market (vehicles 6 years old or newer) YTD 2020 thru September



Data Source: AutoCount data from Experian.