S&P Global Mobility predicts strong monthly SAAR for October

SOUTHFIELD, Mich., Oct. 24, 2022 /PRNewswire/ -- On projected volume of approximately 1.139 million units, U.S. auto sales in October will reach a seasonally adjusted annual rate (SAAR) of 14.7 million units, according to S&P Global Mobility estimates. While this would mark the strongest monthly SAAR level in eight months, the underlying dynamics of the market remain in flux.

U.S. Light Vehicle Sales

		Oct 22 (Est)	Sep 22	Oct 21
Total Light Vehicle	Units, NSA	1,138,900	1,112,245	1,051,015
	In millions, SAAR	14.7	13.5	13.2
Light Truck	In millions, SAAR	11.6	10.6	10.5
Passenger Car	In millions, SAAR	3.1	2.9	2.7

Source: S&P Global Mobility (Est), U.S. Bureau of Economic Analysis

"Pockets of vehicle inventory levels continue to improve more quickly than expected from extraordinarily low levels and bring welcome news on the supply side of the equation. However, auto consumers are likely feeling the pressure of current economic headwinds," according to Chris Hopson, Principal Analyst at S&P Global Mobility. "While we continue to point to inventory levels as a major factor in stemming immediate-term momentum in auto sales levels, the deteriorating economic conditions are becoming more prevalent."

Light Vehicle Sales Trailing Last Year

● 2021 ● 2022

Source: U.S. Bureau of Economic Analysis & S&P Global Mobility   © S&P Global Mobility

Hindered by higher interest rate settings and lower levels of jobs growth than previously anticipated, consumers are expected to retrench - thereby becoming a major input factor to auto demand levels over the next 12-18 months. In its October 2022 US Economics update, S&P Global Market Intelligence team has revised downward its projection of real GDP growth in 2023 from 0.9% to -0.5%. The base forecast now includes a mild recession starting in the fourth quarter of this year, with an anemic recovery taking hold in the third quarter of next year.

If there's a silver lining, the potential for faster new-vehicle inventory growth should allow for downward pressure on vehicle pricing and provide some clearance for auto consumers willing to test the market in 2023.

About S&P Global Mobility

At S&P Global Mobility, we provide invaluable insights derived from unmatched automotive data, enabling our customers to anticipate change and make decisions with conviction. Our expertise helps them to optimize their businesses, reach the right consumers, and shape the future of mobility. We open the door to automotive innovation, revealing the buying patterns of today and helping customers plan for the emerging technologies of tomorrow.

US Battery Electric Vehicle Sales Share

Source: S&P Global Mobility, Monthly Light Vehicle Sales Share   © S&P Global Mobility
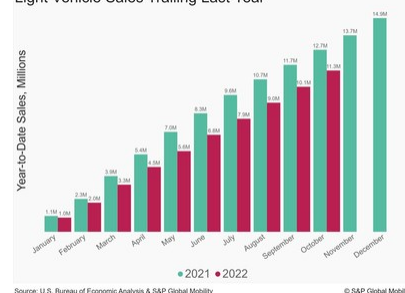
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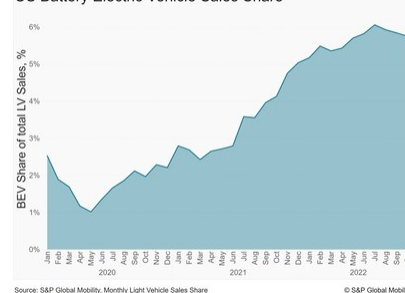### Media Contact:

Michelle Culver
S&P Global Mobility
248.728.7496 or 248.342.6211
Michelle.culver@spglobal.com

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