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## **APPETITE FOR PREMIUM MODELS GROWS DESPITE FALLING SALES ACROSS EUROPE**

- **European new car market down 16.2% in October 2010 compared to same time last year**
- **Sales down 4.6% YtD**
- **Sales in 'Big Five' Western European markets down while Central and Eastern Europe performs well**
- **Premium models buck trend with strong growth**

Despite early signs of a recovery in the industry, Europe's new car market continues to decline as shown in the latest analysis from the world's leading provider of automotive intelligence, JATO Dynamics.

Overall, the European performance is 4.6% down on October 2009's position. Sales in Europe's 'Big Five' markets of Great Britain, Germany, Spain, France and Italy are all showing negative growth while sales in Central and Eastern Europe have performed well. Surprisingly, despite Ireland's economic trouble, sales in the country grew 114.7% in October compared to the same period last year. This is largely down to Ireland still running a scrappage scheme, having not had one last year.

Sales for eight of the top ten brands in Europe were also down in October with only BMW and Audi showing positive growth, up 6.3% and 1.4% respectively on the same time last year. In terms of units sold, Volkswagen retains its place as Europe's best-selling brand in October, with the Golf and Polo as Europe's top two selling models.

Surprisingly, sales of large, premium models are growing despite the economic conditions. For example, sales of the BMW 5 Series were up 68% in October compared to last year, while the Land Rover Range Rover and Mercedes E-Class were up 40.8% and 12.7% respectively.

David Di Girolamo, Head of JATO Consult, explains: "While a direct comparison due to last year's Scrappage schemes is difficult, our data demonstrates the industry still has a long way to go in its recovery. What is encouraging, however, is that those markets that did not have Scrappage schemes last year are now showing increased sales, providing a glimmer of hope for the industry."

### **National Trends**

Growth in the 'Big Five' markets continues to be declining compared to this time last year. While the German market remains the largest in Europe, it is almost 900,000 units down YtD on last year.

By contrast, most of Central and Eastern Europe has seen positive sales growth in October compared to this time last year. For example, sales in Estonia were up 46.6% in October compared to the same time last year with Poland and Slovakia up 19.6% and 10.2% respectively. While the volumes of vehicles sold are not enough to prop up the rest of Europe, it is clearly a good sign that the markets that have suffered the worst in the recession continue to bounce back.

Despite Ireland's well publicised economic situation, sales in the country for October were up 114.7% compared to this time last year while YtD sales were up 53.1% compared to last year. Ireland's scrappage scheme puts it in a similar position to where the rest of Western Europe was last year and it will be interesting to see how sales are affected when it ends.

David Di Girolamo comments: "There is a real mixed picture across Europe as the 'Big Five' markets struggle out of the global recession and the smaller, Central and Eastern European markets continue to perform well."

## Sales by Market

Country	Oct_10	Oct_09	% Change Oct	Oct YtD_10	Oct YtD_09	% Change YtD
Austria	28,713	26,694	+7.6%	280,175	274,370	+2.1%
Belgium	44,650	39,726	+12.4%	478,647	414,609	+15.4%
Cyprus	1,114	923	+20.7%	11,624	12,800	-9.2%
Czech Republic	13,126	14,121	-7.0%	138,879	131,873	+5.3%
Denmark	10,597	9,992	+6.1%	121,351	91,575	+32.5%
Estonia	1,067	728	+46.6%	8,575	8,578	-0.0%
Finland	9,538	7,639	+24.9%	97,581	80,282	+21.5%
France	171,950	210,424	-18.3%	1,829,440	1,823,925	+0.3%
Germany	256,775	321,120	-20.0%	2,423,627	3,311,886	-26.8%
Great Britain	131,495	168,942	-22.2%	1,767,154	1,685,981	+4.8%
Greece	7,822	11,587	-32.5%	130,242	192,304	-32.3%
Hungary	3,682	3,407	+8.1%	36,368	52,878	-31.2%
Iceland	125	76	+64.5%	2,697	1,967	+37.1%
Ireland	3,279	1,527	+114.7%	86,736	56,639	+53.1%
Italy	140,944	197,455	-28.6%	1,691,527	1,817,777	-6.9%
Latvia	577	330	+74.8%	4,911	4,668	+5.2%
Lithuania	943	522	+80.7%	6,270	6,428	-2.5%
Luxembourg	3,832	4,301	-10.9%	43,778	39,084	+12.0%
Norway	10,683	10,187	+4.9%	105,710	78,825	+34.1%
Poland	30,380	25,401	+19.6%	264,470	266,227	-0.7%
Portugal	18,138	15,182	+19.5%	179,530	128,031	+40.2%
Slovakia	6,149	5,579	+10.2%	51,844	74,664	-30.6%
Slovenia	4,741	4,764	-0.5%	51,215	47,750	+7.3%
Spain	61,530	98,730	-37.7%	851,015	777,528	+9.5%
Sweden	26,420	21,783	+21.3%	233,162	173,914	+34.1%
Switzerland	23,918	22,887	+4.5%	238,458	219,391	+8.7%
The Netherlands	43,920	35,525	+23.6%	434,809	350,306	+24.1%
<b>Grand Total</b>	<b>1,056,108</b>	<b>1,259,552</b>	<b>-16.2%</b>	<b>11,569,795</b>	<b>12,124,260</b>	<b>-4.6%</b>

## Brand Performance

Despite sales being down 12.9% in October compared to last year, Volkswagen retains its place as Europe's best-selling brand.

Fiat has seen the biggest decrease in sales for the month, down 35.7% in October compared to the same time last year and a 17.3% decrease YtD. It is particularly worrying that sales in its home market were significantly down – the Punto and Panda were down 36% and 39.1% respectively compared to last year.

BMW and Audi were the only two brands to record positive sales figures for October compared to this time last year, keeping Toyota out of the top ten selling brands for the month.

## Top 10 Brands

Make	Oct_10	Oct_09	% Change Oct	Oct YtD_10	Oct YtD_09	% Change YtD
VOLKSWAGEN	126,253	145,009	-12.9%	1,309,568	1,388,191	-5.7%
RENAULT	91,644	115,253	-20.5%	961,941	891,649	+7.9%
FORD	78,177	109,637	-28.7%	961,309	1,091,666	-11.9%
PEUGEOT	71,583	88,466	-19.1%	845,830	826,619	+2.3%
OPEL/VAUXHALL	69,107	86,279	-19.9%	830,560	908,422	-8.6%
CITROEN	64,740	79,625	-18.7%	711,804	724,774	-1.8%
FIAT	56,738	88,246	-35.7%	712,644	861,564	-17.3%
MERCEDES	52,089	52,120	-0.1%	493,507	493,779	-0.1%
BMW	51,870	48,815	+6.3%	503,249	478,151	+5.2%
AUDI	51,824	51,111	+1.4%	524,157	520,749	+0.7%

## Model Performance

The Volkswagen Polo continues to enjoy its 'honeymoon' period and is the only model within the top ten to increase its sales in October. The new Polo is helping to close the gap on the Ford Fiesta which saw sales down 35.3% in the month.

## Top 10 models

Make & Model	Oct_10	Oct_09	% Change Oct	Oct YtD_10	Oct YtD_09	% Change YtD
VOLKSWAGEN GOLF	38,511	52,748	-27.0%	420,344	485,947	-13.5%
VOLKSWAGEN POLO	29,348	25,941	+13.1%	301,107	232,786	+29.3%
FORD FIESTA	26,905	41,580	-35.3%	351,177	398,875	-12.0%
RENAULT CLIO	26,306	32,565	-19.2%	286,100	251,816	+13.6%
PEUGEOT 207	20,942	31,482	-33.5%	259,402	309,427	-16.2%
RENAULT MEGANE	20,775	25,144	-17.4%	221,671	189,087	+17.2%
OPEL/VAUXHALL CORSA	19,376	29,512	-34.3%	266,878	300,301	-11.1%
OPEL/VAUXHALL ASTRA	18,868	24,763	-23.8%	247,706	235,375	+5.2%
FORD FOCUS	18,666	24,691	-24.4%	224,130	264,150	-15.2%
FIAT PUNTO	18,017	27,231	-33.8%	221,213	276,811	-20.1%

The above intelligence is provided by JATO Consult, the company's bespoke consulting service which offers customers access to its unique research and provides solutions and advice to meet a wide range of automotive business challenges. For more information visit [www.jato.com](http://www.jato.com), or email [consult@jato.com](mailto:consult@jato.com).

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**Editorial note: JATO Dynamics background**

JATO was founded in 1984 and provides the world's most timely, accurate and up-to-date information on vehicle specifications and pricing, sales and registrations, news and incentives. The company has representation in over 40 countries, providing unique local market expertise. The JATO client base includes all of the world's volume vehicle manufacturers, giving them the ability to react to short-term market movements, plan for long-term developments and ultimately to meet consumers' needs. JATO's intelligence has also been adapted for consumer use in motoring web portals where customers can see the advantages and disadvantages of a specified model against any other while major leasing companies use JATO's intelligence to drive the vehicle quotation process. Visit JATO at [www.jato.com](http://www.jato.com).

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