

17 August 2010

POLO DRIVES ON, AS EUROPEAN CAR SALES FALL BELOW 2009 LEVELS

- **European new car market down 17.4% in July 2010; YtD down 1.5%**
- **Volkswagen is still no.1 brand**
- **VW Polo performs strongly; Ford Focus in 10th place**
- **UK joins Germany in post-scrappage decline**

Europe's new car market is officially 1.5% lower versus 2009, according to the latest car sales analysis from the world's leading provider of automotive intelligence, JATO Dynamics.

The move into the red has been precipitated by a 17.4% fall in new cars during July 2010, versus July 2009. The end of scrappage schemes has played a significant role, with the UK and France joining Germany and Italy, in posting lower July sales figures compared to the same period last year.

The lack of strong Central and Eastern Europe economies has also played a part year to date, with the first hopes of recovery only now being seen in Baltic markets and Hungary.

This is affecting some of the major brands and models. In particular, Ford sales are falling, with the Focus in 10th place in July and Fiesta now third overall. Both cars are popular in the UK, where sales have contracted this month, adding to the difficulties presented by shrinking new car demand in Germany.

David Di Girolamo, Head of JATO Consult, explains: "Analysing the UK and Germany clearly show the impact scrappage schemes had in supporting new car sales. Today's figures represent the natural level of new car demand in these markets."

Brand Performance

Renault retained second place posting 87,156 units in July 2010, behind Volkswagen with 120,420.

Elsewhere, even with new models, the big brands are attracting fewer customers than when scrappage incentives were driving purchase. Both Opel/Vauxhall and Ford sales are down around a quarter (24.2% and 25.7%, respectively), while Fiat sales are down almost a third (32.6%).

Top 10 Brands

Make	Jul_10	Jul_09	% change Jul	Jul YtD_10	Jul YtD_09	% change YtD
VOLKSWAGEN	120,420	138,268	-12.9%	956,277	982,683	-2.7%
RENAULT	87,156	94,368	-7.6%	725,745	615,904	+17.8%
FORD	85,019	114,370	-25.7%	721,423	782,078	-7.8%
PEUGEOT	78,532	93,063	-15.6%	638,636	595,631	+7.2%
OPEL/VAUXHALL	74,376	98,161	-24.2%	608,339	655,602	-7.2%
CITROEN	66,327	80,722	-17.8%	534,485	520,568	+2.7%
FIAT	62,404	92,649	-32.6%	550,725	635,430	-13.3%
AUDI	50,793	56,892	-10.7%	381,870	383,779	-0.5%
MERCEDES	50,532	51,118	-1.1%	350,428	353,147	-0.8%
BMW	50,422	49,702	+1.4%	362,524	338,505	+7.1%

Model Performance

The one model to buck the downward trend most significantly is Volkswagen's Polo, which has posted sales gains in all major markets, versus July 2009, notably with a 40% increase in Germany in July, against an overall market contraction of 30.2%.

Renault's refreshed Mégane continues to show improving sales, in contrast to the rest of the top ten. The Ford Focus has returned to the top ten, but sales remain much lower than 2009 levels, contributing to Ford's weaker overall brand performance, versus a year ago.

Lower overall sales levels have also changed the composition of the top ten models table, from that of a year ago, with the Nissan Qashqai making its debut this month, in ninth place.

Top 10 models

Make & Model	Jul_10	Jul_09	% change Jul	Jul YtD_10	Jul YtD_09	% change YtD
VOLKSWAGEN GOLF	37,032	49,655	-25.4%	311,798	338,253	-7.8%
VOLKSWAGEN POLO	30,110	16,392	+83.7%	221,814	170,809	+29.9%
FORD FIESTA	28,966	40,256	-28.0%	267,668	284,043	-5.8%
RENAULT CLIO	23,453	25,046	-6.4%	218,037	170,061	+28.2%
RENAULT MEGANE	23,144	20,049	+15.4%	167,411	130,478	+28.3%
PEUGEOT 207	22,558	33,145	-31.9%	197,517	226,679	-12.9%
OPEL/VAUXHALL CORSA	21,802	30,414	-28.3%	199,819	212,098	-5.8%
OPEL/VAUXHALL ASTRA	21,273	26,870	-20.8%	186,681	164,370	+13.6%
NISSAN QASHQAI	20,510	18,363	+11.7%	128,436	103,147	+24.5%
FORD FOCUS	19,764	29,583	-33.2%	167,580	190,399	-12.0%

National Trends

The key observation in individual market performances is the apparent contraction of UK and France, which both posted July figures lower than 2009 levels. However, this time last year, these markets were enjoying the relative buoyancy of national scrappage schemes, driving sales.

Perhaps of even greater significance is the relative recovery of Hungary – which has been one of the most troubled markets in recent months – and Baltic states, such as Latvia and Lithuania, which have perhaps put the worst times behind them.

Concludes David Di Girolamo: “The predicted scrappage hangover has arrived in Western Europe. Continued difficult economic conditions and slow post-recession economic recovery will make the progress towards universal new car sales growth a fascinating topic for future study.”

Sales by Market

Country			% change		% change	
	Jul_10	Jul_09	Jul	Jul YtD_10	Jul YtD_09	YtD
Austria	28,977	32,694	-11.4%	198,653	198,711	-0.0%
Belgium	39,309	35,906	+9.5%	359,512	309,111	+16.3%
Cyprus	1,189	1,493	-20.4%	8,502	9,971	-14.7%
Czech Republic	11,388	14,150	-19.5%	100,414	93,382	+7.5%
Denmark	8,526	9,096	-6.3%	81,237	63,878	+27.2%
Estonia	891	714	+24.8%	5,744	6,439	-10.8%
Finland	7,309	6,892	+6.1%	69,745	58,977	+18.3%
France	169,944	188,534	-9.9%	1,382,380	1,319,849	+4.7%
Germany	237,428	339,976	-30.2%	1,706,219	2,399,381	-28.9%
Great Britain	136,446	157,149	-13.2%	1,245,108	1,082,104	+15.1%
Greece	11,527	32,261	-64.3%	109,259	145,922	-25.1%
Hungary	4,393	3,711	+18.4%	26,074	43,778	-40.4%
Iceland*	222	385	-42.3%	2,147	1,660	+29.3%
Ireland	6,333	3,747	+69.0%	74,189	50,458	+47.0%
Italy	153,717	207,514	-25.9%	1,322,706	1,343,332	-1.5%
Latvia	613	454	+35.0%	3,247	3,564	-8.9%
Lithuania	709	560	+26.6%	3,986	4,872	-18.2%
Luxembourg	4,434	4,317	+2.7%	34,111	28,710	+18.8%
Norway	11,507	9,394	+22.5%	73,476	51,141	+43.7%
Poland	24,489	24,799	-1.3%	183,610	194,644	-5.7%
Portugal*	24,149	17,150	+40.8%	139,405	90,245	+54.5%
Slovakia	5,641	10,718	-47.4%	35,163	56,446	-37.7%
Slovenia	5,165	5,083	+1.6%	37,568	34,529	+8.8%
Spain	82,656	108,980	-24.2%	687,812	541,935	+26.9%
Sweden	20,375	14,551	+40.0%	158,454	117,345	+35.0%
Switzerland*	27,511	24,012	+14.6%	174,876	157,405	+11.1%
The Netherlands	38,607	33,320	+15.9%	308,928	253,571	+21.8%
Grand Total	1,063,455	1,287,560	-17.4%	8,532,525	8,661,360	-1.5%

* Denotes Estimated data used for July_10

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, or email consult@jato.com.

-Ends-

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.

For further information, please contact:

Peter Haynes or Phil Hale, Torque PR

Tel: +44 (0) 1306 871338

Email: peter@torquepr.co.uk / phil@torquepr.co.uk