

Big 3 Could Gain Marketshare In Earthquake Aftermath

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NEW YORK (AP) — In a note to investors Monday, Barclay's Capital analyst Brian Johnson suggested that Detroit automakers could gain some sales in the coming months because of earthquake-related supply shortages at their Japanese rivals.

THE OPINION: Johnson said Toyota Motor Corp., Honda Motor Co., Nissan Motor Co. and other Japanese manufacturers had between 39 and 54 days' supply of many vehicles at the beginning of April, which would satisfy customers' demands for several more weeks. But supplies of the most fuel-efficient cars were much lower, as the Japanese plants that make them have shut down and shipments have been delayed.

For example, there are only 16 days' worth of Nissan Sentras in the U.S. right now, he said, and 18 days' worth of the Toyota Prius hybrid. As a result, he said, Detroit automakers could gain some sales in the coming months from customers who can't find the Japanese cars in stock. While Detroit automakers also will be affected by a shortage of parts from Japan, he believes Japanese automakers will feel even more effects.

Johnson also said he expects low incentives throughout the spring, when deals are typically on the rise. Toyota announced price increases last week averaging 1.7 percent across its entire lineup, and General Motors Co. lowered incentives by more than \$400 per vehicle in March.

Johnson said he also anticipates lower sales rates in April and May because companies with short supplies will be doing less business with government, corporate and rental fleets, which sometimes make up a significant portion of a company's monthly sales.

THE STOCK: GM shares fell 2 cents to \$32.39, while Ford Motor Co. shares rose 39 cents to \$15.55. Toyota's U.S. shares dropped \$1.03 to \$79.48, while Honda's shares fell 98 cents to \$35.84.

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