

Chrysler, Ford, GM, Nissan April U.S. Sales Up

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DETROIT (AP) — Ford, GM, Chrysler and Nissan all reported double-digit U.S. sales increases last month, signaling the best April for car and truck sales in six years.

A rebound in pickup truck sales led the way, especially for the Detroit automakers. Small businesses are replacing aging trucks that they've kept since the Great Recession.

Ford's sales increased 18 percent, with the F-Series pickup gaining 24 percent. At Chrysler, sales rose 11 percent, led by the Ram pickup, with a 49 percent sales increase. GM also saw an 11 percent sales jump, with Chevrolet Silverado pickup sales rising 28 percent for the month.

Nissan reported a 23 percent sales gain over April of 2012. The only laggards were Toyota, with a sales decline of 1 percent, and Volkswagen, with a drop of 10 percent.

Americans continue to buy new cars and trucks even though unemployment remains high and economic signals of late have been mixed. All automakers report monthly sales Wednesday, and industry analysts expect an overall increase of around 10 percent over April of last year. That would make it the best April since 2007.

Chrysler Group LLC said it sold 156,698 cars and trucks last month. Sales of the Jeep Grand Cherokee SUV increased 27 percent. Dodge brand sales rose 18 percent, with the Dart compact car posting its best month ever with sales of nearly 8,100. But the Chrysler brand struggled, with sales falling 13 percent.

Ford Motor Co. sold 212,584 cars and trucks. The F-series pickup remains the best-selling vehicle in the U.S. Sales totaled 59,000 in April. And sales of the redesigned Escape SUV rose 52 percent.

General Motors Co. reported sales of 237,646 cars and trucks. Even with gas prices on the decline, compact cars remain popular. Sales of the Chevy Cruze rose 21 percent.

Nissan sales were boosted by demand for the recently redesigned Altima midsize car and Sentra compact. The company also took a step toward boosting future numbers. It announced price cuts on seven models that make up 65 percent of its U.S. sales. The cuts, effective on Friday, run from \$580 on the top-selling Altima to \$4,400, on the Armada big SUV.

VW's sales drop was led by its top-seller, the Passat midsize car, which fell 10 percent.

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Despite a slight drop, Toyota was optimistic about the rest of the year. Sales chief Bill Fay said the overall market increase is a good sign for all automakers, "especially with new products, low interest rates and plenty of pent-up demand."

Chrysler predicted that total U.S. sales will hit an annual rate of 15.4 million in April. That's a little higher than most analysts' predictions. April is likely to be the sixth straight month of sales above a 15 million yearly pace.

Barring an unexpected event that causes a real estate price collapse or rapidly rising job losses, there's little to stop sales from growing further in the next few years, industry analysts say.

"I don't see any significant hurdles on the horizon," said Alec Gutierrez, a senior market analyst at Kelley Blue Book. "I don't see us taking a step back, provided the unemployment rate at least holds steady."

He expects U.S. auto sales to end the year around 15.3 million cars and trucks, up 5.5 percent from last year's 14.5 million.

U.S. unemployment stands at a stubbornly high 7.6 percent, but that hasn't slowed auto sales much.

Aside from unemployment, almost every factor that affects car and truck sales is positive. Interest rates are low — the average four-year loan on a new car is 2.4 percent, according to Bankrate.com. Also, credit is widely available, even to those with low scores. Used-car values are high, so car buyers can get good trade-in value for their old cars. Lease deals are good. Gas prices have fallen since February.

In addition, home-building is on the rise, up 7 percent from February to March. That means better sales of big pickup trucks as companies and laborers return to the market. Kelley Blue Book expects big pickup sales to rise more than 26 percent in April over a year ago.

Many businesses and consumers need to replace older trucks and cars. The average age of a U.S. vehicle is 11.2 years. Plus, automakers have rolled out dozens of exciting new models in the past year, drawing buyers into showrooms.

"Relatively lower gas prices coupled with small business demand improving for trucks resulted in a strong showing for small and large pickups in April," said Jesse Toprak, senior analyst for the TrueCar.com auto pricing site.

One category that's soaring is small crossover SUVs. Sales rose an estimated 22.5 percent in April, according to Kelley Blue Book. Fuel-efficient models such as the Ford Escape, Honda CR-V and Mazda CX-5 are driving sales, Gutierrez said.

Kelley Blue Book estimates that auto prices fell slightly in April compared with a year ago, to an average of \$31,326.

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