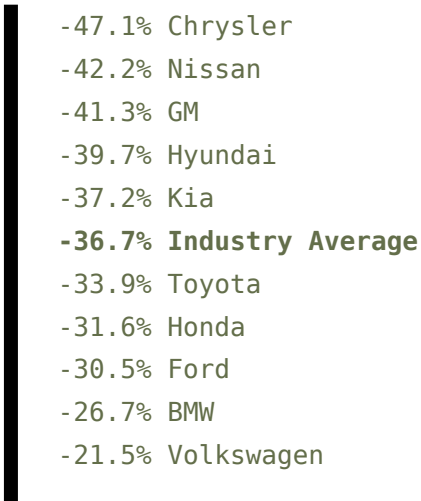


THE NEW POLL PORN: AUTOMOTIVE SALES AREN'T WHAT YOU THINK THEY ARE


Perhaps it's a residual appreciation left over from this election's polling data (which by and large had much better news to offer), but I have been absolutely entranced with these data from November's car sales. Frankly, it would be a mistake for anyone to take any general lessons from the data—they speak to the volatility of the market, distorted both by huge swings in gas prices and supply issues, not to any trends. But that, in itself, is a worthy lesson.

For example, let's look at a list of which manufacturers did better than the industry wide average decline of 36.7% and which did worse:



-47.1% Chrysler
-42.2% Nissan
-41.3% GM
-39.7% Hyundai
-37.2% Kia
-36.7% Industry Average
-33.9% Toyota
-31.6% Honda
-30.5% Ford
-26.7% BMW
-21.5% Volkswagen

A couple of points. GM revealed that buyers are shying away from GM (and therefore, presumably, Chrysler) because they're worried about buying a car from a manufacturer in bankruptcy. Yet Nissan actually lost more sales compared to last year than GM. And Richard Shelby would have you believe that only those manufacturers heavy with UAW contracts are doing poorly!

 And did you notice that Ford—one of the three manufacturers getting grilled by Richard

Shelby today—did better last month than the manufacturers in his state: Hyundai, Toyota, and Honda (though Mercedes did great; they were off just 8.6%)? Shelby would have you believe the US manufacturers are doing worse in this crisis than the transplants—but he'd be lying.

And notice who is doing best, compared to last year? Volkswagen and BMW. Not, mind you, because of their vehicle lines. But presumably because of favorable exchange rates.

And how about individual models?

Notice the model that is doing worst as compared to its sales last year?

The Toyota Prius.

Let me repeat that: the Toyota Prius is doing worst among the 16 best selling vehicles as compared to its sales last November. There are probably very good reasons for it: that Toyota sold so many Priuses in the summer, when gas prices were at record highs, that it's trying to catch up on production numbers; that it might be a harder car to finance than others; that there are increasing numbers of efficient cars on the market. The point is, in this market, where supply and demand swings wildly from month to month, there are not easy equations about what will sell well.

And note that Ford F-Series and Chevy Silverado lead the list.


Still.

Mind you, truck sales are still down more than cars on the year, but trucks—American trucks—are still the most popular cars in America, and sales are off less than average from last year (though this likely reflects the greater discounting for trucks, plus the new F150 model).

And look at mid-size sedans.



+35.4 Chevy Malibu
-27.4 Ford Fusion



- 28.8 Toyota Camry
- 36.7 Industry Average**
- 38.1 Honda Accord
- 43.7 Chevy Impala
- 45.3 Nissan Altima

First of all, we can see why Nissan contracted worse than GM last month: its best selling model, the Nissan Altima, tanked. That might be because of credit issues. It might be because the Chevy Malibu ate up market share, rather dramatically, partly because Malibu was picked as the car of the year (over the Accord). But whatever the reason, Malibu's success and Nissan's contraction (though Altima still sold more units than Malibu) suggests that the adage, "people don't want to buy American cars" may not be true any more (Ford's Fusion, too, declined less than Camry and Accord, though sold fewer units).

Some things about this picture remain true: Ford and Chevy do better with trucks. Toyota and Honda do better with cars. New models (F150 and Malibu) still grab buyers' attention.

But this is a tremendously volatile time in the auto market. And if some schmucky Senator from Alabama or Tennessee tells you certain things about the failing business model of American car companies, you'd do well to question those things, because no one knows what is happening with this market.