



Auto News Flash

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Canadian and U.S. Vehicle Sales — June 2010

Canada

Sales strengthened to an annualized 1.55 million units in June — in line with the average of the previous five months, and a noticeable improvement from a weak performance in May. Truck sales led the way, powering 27% above a year earlier to an all-time record for the month of June.

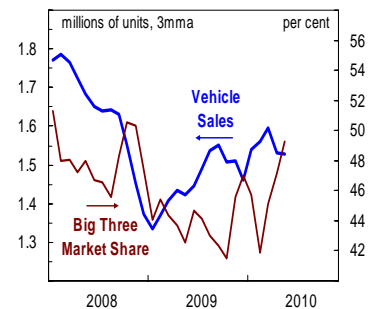
The Detroit Three were the main beneficiaries of the strength in the truck market, with their truck volumes surging 40% above a year earlier. These manufacturers captured 69% of the Canadian light truck market in June — the highest level since August 2007. This strong performance lifted their overall market share (cars and light trucks) to nearly 50% — up from only 41% as recently as November.

United States

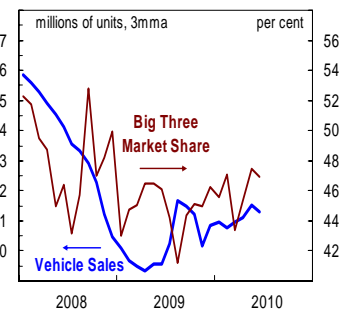
Purchases disappointed in June, with the gain moderating to 14% y/y — the smallest increase since February and down from average increases of 21% during the previous three months. Sales totaled an annualized 11.1 million last month, well below the 11.5 million unit average of the March-May period. Weaker sales reflect some softening in both consumer confidence and the U.S. labour market.

Despite last month's sluggish U.S. sales, inventories remain low, prompting many automakers to continue to boost output. As a result, third-quarter North American production schedules have been increased by 6.5% to an annualized 12.5 million units, up from 11.9 million in the first half of 2010.

Vehicle Sales & Detroit Three Market Share — Canada



Vehicle Sales & Detroit Three Market Share — United States



Canada/U.S. Motor Vehicle Sales Outlook

	1991-01 Average	2002-07 Average	2008 Average	2009	2010 Jan-Jun * Annual f	
		(thousands of units, annualized)				
CANADA	1,323	1,614	1,642	1,461 *	1,545 *	1,525
Cars	772	864	898	748 *	734 *	740
Light Trucks	551	750	744	713 *	811 *	785
		(millions of units, annualized)				
UNITED STATES	15.0	16.6	13.2	10.4	11.1	11.5
Cars	8.5	7.7	6.8	5.4	5.6	5.8
Light Trucks	6.5	8.9	6.4	5.0	5.5	5.7
		(millions of units, annualized)				
NORTH AMERICAN PRODUCTION**	15.30	16.10	12.90	8.53	11.87	12.20

*Includes Scotiabank estimates for May-June 2010. **Canada, USA and Mexico; cars, light, medium and heavy trucks.

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