

California Auto Outlook™

Comprehensive information on the California vehicle market

Volume 17, Number 1

Released February 2021

Covering Fourth Quarter 2020

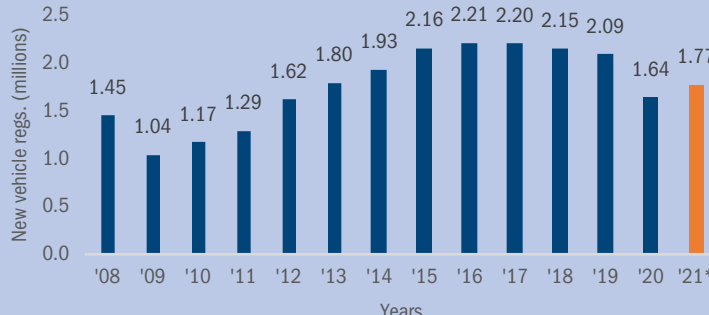
Publication Sponsored By:



State New Light Vehicle Registrations Predicted to Approach 1.8 Million Units in 2021

California Annual New Light Vehicle Registrations - 2008 thru 2021

ANNUAL TRENDS



Historical data source: AutoCount data from Experian.

*2021 forecast by Auto Outlook.

The California new vehicle market is expected to improve by 8 percent from 2020 to 2021. New light vehicle registrations are predicted to increase by approximately 130,000 units this year.

The increase follows the 450,000 unit drop in 2020, as sales were impacted by the pandemic. Despite the decline last year, the market was still 58% higher than in 2009, the low point in sales during the Great Recession.

California Total New Light Vehicle Registrations and U.S. New Vehicle Sales - 2019 and 2020 Annual Totals

TWO YEAR PERSPECTIVE



	California			U.S.		
	2019	2020	Change	2019	2020	Change
Registrations						
TOTAL	2,093,173	1,639,166	-21.7%	17,104,792	14,645,049	-14.4%
Car	869,744	588,925	-32.3%	4,789,942	3,526,065	-26.4%
Light Truck	1,223,429	1,050,241	-14.2%	12,314,850	11,118,984	-9.7%
Domestic	656,882	532,471	-18.9%	7,676,149	6,627,738	-13.7%
European	324,704	248,196	-23.6%	1,666,384	1,455,202	-12.7%
Japanese	962,592	739,680	-23.2%	6,436,917	5,337,351	-17.1%
Korean	148,995	118,819	-20.3%	1,325,342	1,224,758	-7.6%
Market Share						
Car	41.6	35.9	-5.7	28.0	24.1	-3.9
Light Truck	58.4	64.1	5.7	72.0	75.9	3.9
Domestic	31.4	32.5	1.1	44.9	45.3	0.4
European	15.5	15.1	-0.4	9.7	9.9	0.2
Japanese	46.1	45.1	-1.0	37.6	36.4	-1.2
Korean	7.1	7.2	0.1	7.7	8.4	0.7

California new light vehicle market declined 21.7 percent from 2019 to 2020. The U.S. market fell 14.4 percent.

Retail vehicle sales in the state held up better in 2020. New retail registrations fell 16.8 last year.

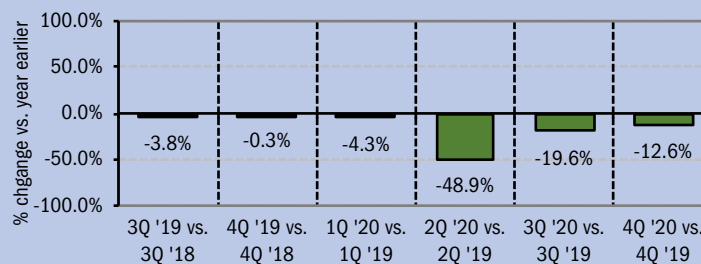
Light truck registrations in the state declined 14.2 percent versus the 32.3 percent drop for passenger cars.

Source for California new vehicle registrations: AutoCount data from Experian. Source for U.S. sales: Automotive News.

QUARTERLY RESULTS



California Quarterly New Light Vehicle Registrations
Percent Change vs. Year Earlier



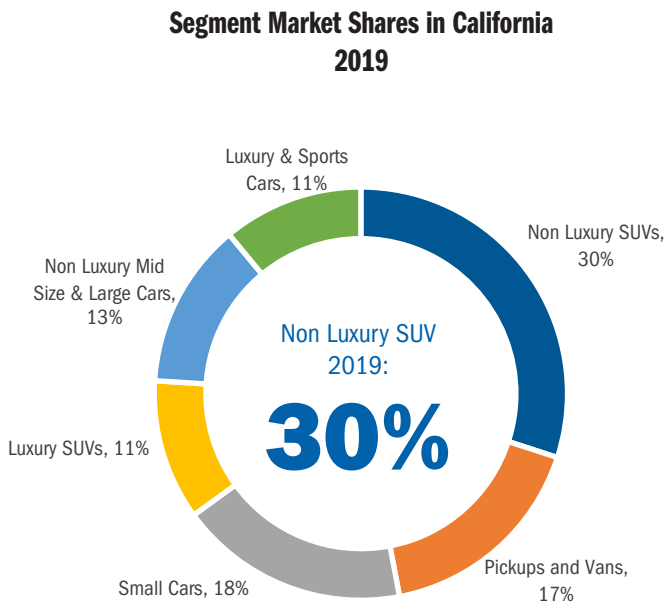
Data source: AutoCount data from Experian.

The state's new vehicle market fell 12.6 percent in the Fourth Quarter of last year versus year earlier. The drop was an improvement from the 19.6 percent decline in the Third Quarter.

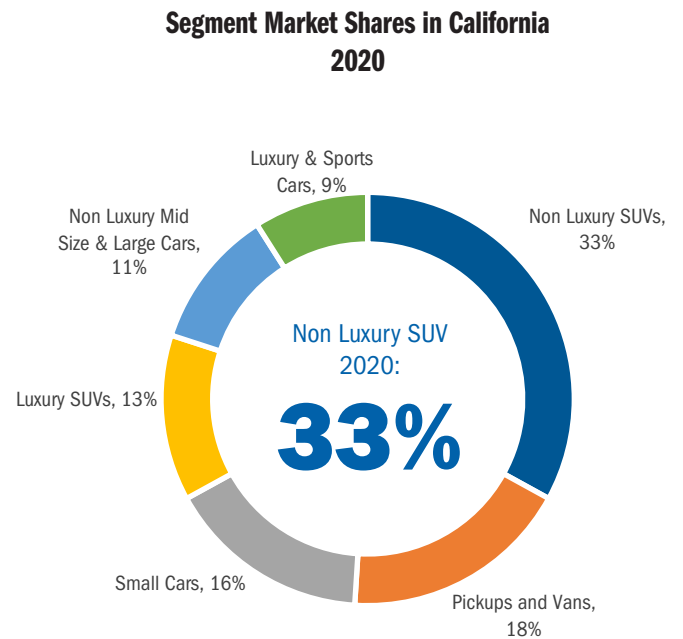
The market has recorded year-over-year declines for 15 consecutive quarters. That streak could end in the First Quarter, when an increase is possible. Registrations will increase sharply vs. year earlier in the Second Quarter.

SEGMENT MARKET SHARE TRENDS

Non Luxury SUV Market Share in California Increased by Three Share Points in 2020



Data Source: AutoCount data from Experian.

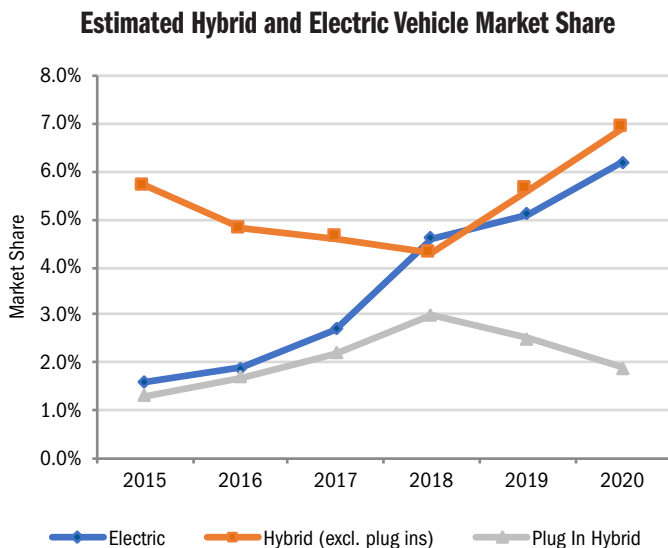


Data Source: AutoCount data from Experian.

The two graphs above show market shares for primary segments during 2019 and 2020.

HYBRID AND ELECTRIC VEHICLES

Estimated Combined Hybrid and Electric Vehicle Market Share Increased to 15 Percent in 2020



Hybrid/electric vehicle market share - 2020:
15.0 percent

Estimated Hybrid and Electric New Vehicle Registrations and Market Share					
	2016	2017	2018	2019	2020
Electric registrations	41932	59388	99121	106752	101628
Electric share	1.9%	2.7%	4.6%	5.1%	6.2%
Hybrid regs. (excl. plug ins)	105934	101180	92658	117218	113103
Hybrid share (excl. plug ins)	4.8%	4.6%	4.3%	5.6%	6.9%
Plug in hybrid regs.	37518	48391	64644	52329	31144
Plug in hybrid share	1.7%	2.2%	3.0%	2.5%	1.9%

The graph above shows estimated hybrid powertrain and electric vehicle market share in the state. Registrations by powertrain for vehicles equipped with multiple engine types were estimated by Auto Outlook. The estimates are based on model registrations compiled by Experian, and engine installation rates collected from other sources.

MODEL RANKINGS

Toyota RAV4 Approaches Honda Civic as Top Selling Model in California

The table below shows the top five selling models during 2020 in 20 segments. In addition to unit registrations, it also shows each model's market share in its respective segment.



BEST SELLERS IN PRIMARY SEGMENTS

- Compact Car: Honda Civic
- Mid Size Car: Toyota Camry
- Near Luxury Car: Tesla Model 3
- Luxury Car: Mercedes E-Class
- Full Size Pickup: Ford F-Series
- Compact SUV: Toyota RAV4
- Mid Size SUV: Toyota Highlander
- Luxury Mid Size SUV: Lexus RX

Top Selling Models in Each Segment - New Light Vehicle Registrations (2020 Annual Totals)

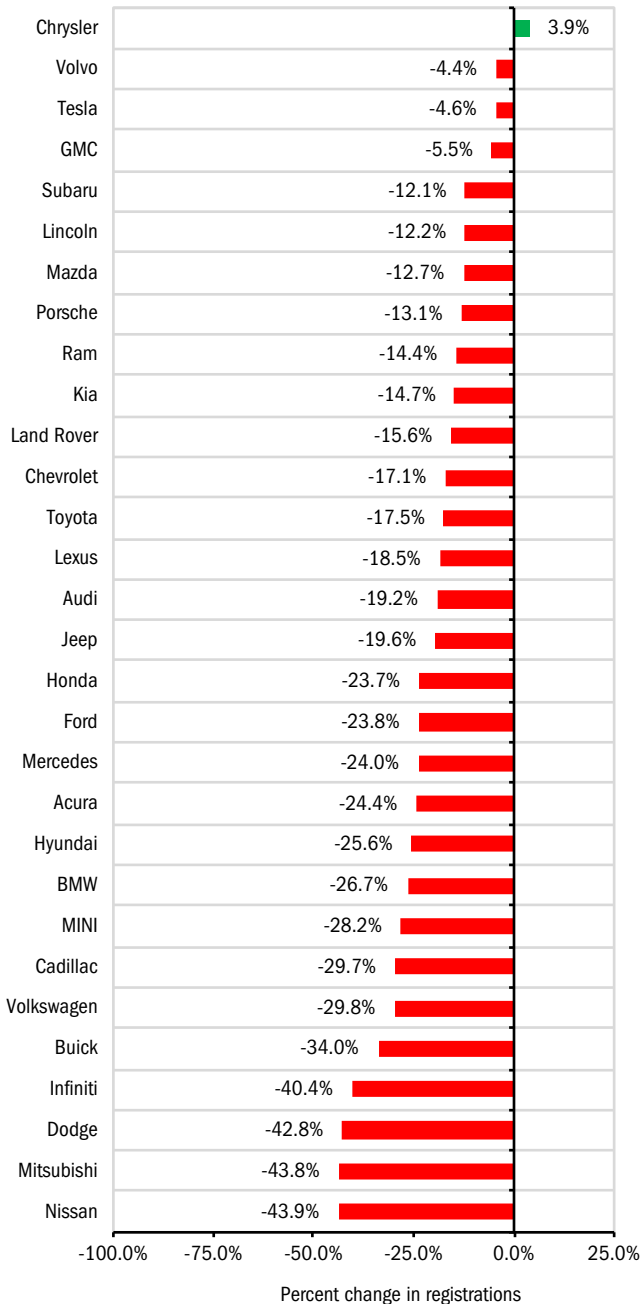
Cars											
Subcompact			Compact			Sports/Pony Cars			Mid Size		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Chevrolet Bolt	8230	22.8	Honda Civic	59335	30.5	Dodge Challenger	8302	34.7	Toyota Camry	56301	34.7
Nissan Versa	6416	17.8	Toyota Corolla	43467	22.3	Ford Mustang	8086	33.8	Honda Accord	42653	26.3
Kia Soul	5991	16.6	Toyota Prius	15126	7.8	Chevrolet Camaro	3795	15.9	Nissan Altima	14798	9.1
Honda Fit	5716	15.8	Nissan Sentra	13734	7.1	Mazda MX5	1467	6.1	Ford Fusion	10975	6.8
Chevrolet Spark	2665	7.4	Kia Forte	11580	5.9	Hyundai Veloster	1052	4.4	Kia K5/Optima	10377	6.4
Large			Entry Luxury			Near Luxury			Luxury and High End Sports Cars		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Dodge Charger	11920	69.5	Mercedes A-Class	3581	24.2	Tesla Model 3	38580	41.5	Mercedes E-Class	6209	13.9
Toyota Avalon	1978	11.5	BMW 2-Series	2986	20.2	BMW 3-Series	10018	10.8	BMW 5-Series	5835	13.1
Nissan Maxima	1291	7.5	Mercedes CLA-Class	2858	19.3	Lexus ES	9235	9.9	Tesla Model S	4718	10.6
Chrysler 300	1193	7.0	Audi A3	2347	15.9	Mercedes C-Class	6808	7.3	Mercedes S-Class	2388	5.4
Chevrolet Impala	611	3.6	Acura ILX	2085	14.1	Audi A4	3593	3.9	Audi A6	2105	4.7
Light Trucks											
Compact/Mid Size Pickup			Full Size Pickup			Mini Van			Large Van		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Toyota Tacoma	39752	53.1	Ford F-Series	50751	31.2	Honda Odyssey	9080	34.4	Ford Transit Connect	18775	52.1
Ford Ranger	11885	15.9	Chevrolet Silverado	44141	27.1	Chrysler Pacifica	6863	26.0	Ram Promaster	4567	12.7
Chevrolet Colorado	9291	12.4	Ram Pickup	38636	23.7	Toyota Sienna	5536	21.0	Nissan NV	4151	11.5
Jeep Gladiator	5999	8.0	GMC Sierra	17744	10.9	Chrysler Voyager	2938	11.1	Mercedes Sprinter	4026	11.2
Nissan Frontier	3730	5.0	Toyota Tundra	10366	6.4	Kia Sedona	1036	3.9	Chevrolet Express	2685	7.5
Subcompact SUV			Compact SUV			Mid Size SUV			Large SUV		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Honda HR-V	11708	15.0	Toyota RAV4	57449	23.6	Toyota Highlander	22282	12.2	Chevrolet Tahoe	6467	29.0
Toyota C-HR	9578	12.2	Honda CR-V	33948	14.0	Ford Explorer	17902	9.8	Ford Expedition	4366	19.6
Hyundai Kona	8239	10.5	Jeep Wrangler	19415	8.0	Subaru Outback	16506	9.1	Chevrolet Suburban	3147	14.1
Nissan Kicks	6946	8.9	Mazda CX5	19207	7.9	Toyota 4Runner	12354	6.8	GMC Yukon	3050	13.7
Kia Niro	5896	7.5	Subaru Forester	17830	7.3	Honda Pilot	12076	6.6	GMC Yukon XL	1801	8.1
Luxury Subcompact SUV			Luxury Compact SUV			Luxury Mid Size SUV			Luxury Large SUV		
Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share	Model	Regs.	Share
Mercedes GLA-Class	5171	18.9	Tesla Model Y	20124	22.8	Lexus RX	16837	19.9	Mercedes GLS-Class	3874	20.1
Lexus UX	4897	17.9	Lexus NX	11461	13.0	Mercedes GLE-Class	9373	11.1	Land Rover Range Rover	3328	17.3
Audi Q3	4737	17.3	BMW X3	9866	11.2	BMW X5	8668	10.2	BMW X7	3253	16.9
Mercedes GLB-Class	4237	15.5	Mercedes GLC-Class	9727	11.0	Tesla Model X	7452	8.8	Cadillac Escalade	2560	13.3
BMW X1	3443	12.6	Audi Q5	8237	9.3	Acra MDX	5198	6.1	Cadillac XT6	1582	8.2

Data Source: AutoCount data from Experian. Figures for Prius include Prius Prime.

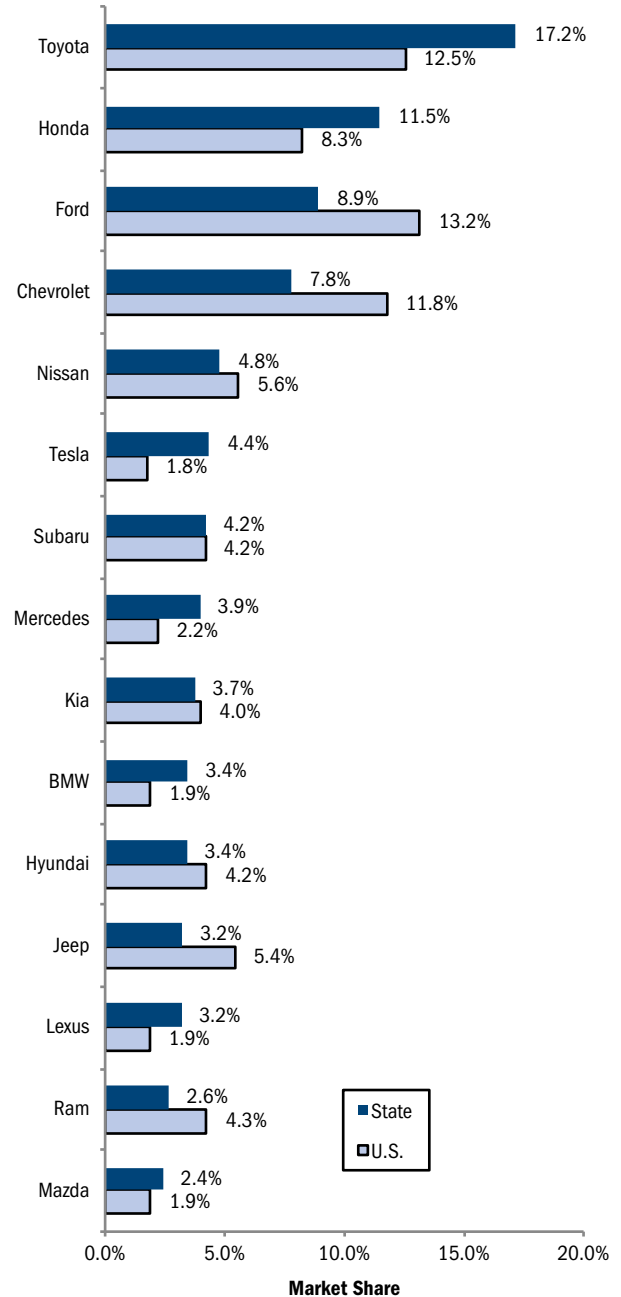
BRAND SUMMARY

Toyota and Honda Collectively Account for 28.7 Percent of California New Vehicle Market

**Percent Change in Brand Registrations - 2020 vs. 2019
(Top 30 selling brands in state)**



**California and U.S. Market Share - 2020
(Top 15 selling brands in state)**



Registrations declined by less than 6 percent for Volvo, Tesla, and GMC. Chrysler had a small increase.



Toyota, Honda, Ford, Chevrolet, and Nissan were market share leaders in California

BRAND REGISTRATIONS

Detailed Results for All Brands in California Market

California New Car and Light Truck Registrations												
	Fourth Quarter						Annual Totals					
	Registrations			Market Share (%)			Registrations			Market Share (%)		
	4Q '19	4Q '20	% change	4Q '19	4Q '20	Change	2019	2020	% change	2019	2020	Change
TOTAL	503,330	439,720	-12.6				2,093,173	1,639,166	-21.7			
Acura	5,357	4,348	-18.8	1.1	1.0	-0.1	21,580	16,321	-24.4	1.0	1.0	0.0
Alfa Romeo	1,017	914	-10.1	0.2	0.2	0.0	3,937	3,504	-11.0	0.2	0.2	0.0
Audi	11,052	9,572	-13.4	2.2	2.2	0.0	41,818	33,790	-19.2	2.0	2.1	0.1
BMW	20,475	16,068	-21.5	4.1	3.7	-0.4	76,592	56,144	-26.7	3.7	3.4	-0.3
Buick	1,787	1,131	-36.7	0.4	0.3	-0.1	8,058	5,319	-34.0	0.4	0.3	-0.1
Cadillac	3,264	2,845	-12.8	0.6	0.6	0.0	14,010	9,853	-29.7	0.7	0.6	-0.1
Chevrolet	35,432	37,330	5.4	7.0	8.5	1.5	153,535	127,231	-17.1	7.3	7.8	0.5
Chrysler	1,936	2,463	27.2	0.4	0.6	0.2	10,697	11,113	3.9	0.5	0.7	0.2
Dodge	9,182	6,240	-32.0	1.8	1.4	-0.4	45,601	26,073	-42.8	2.2	1.6	-0.6
FIAT	352	42	-88.1	0.1	0.0	-0.1	1,537	387	-74.8	0.1	0.0	-0.1
Ford	43,501	37,028	-14.9	8.6	8.4	-0.2	192,219	146,425	-23.8	9.2	8.9	-0.3
Genesis	993	550	-44.6	0.2	0.1	-0.1	2,867	2,289	-20.2	0.1	0.1	0.0
GMC	8,593	9,396	9.3	1.7	2.1	0.4	35,108	33,172	-5.5	1.7	2.0	0.3
Honda	59,246	47,071	-20.5	11.8	10.7	-1.1	246,695	188,277	-23.7	11.8	11.5	-0.3
Hyundai	19,297	14,646	-24.1	3.8	3.3	-0.5	74,596	55,534	-25.6	3.6	3.4	-0.2
Infiniti	3,865	2,184	-43.5	0.8	0.5	-0.3	17,049	10,154	-40.4	0.8	0.6	-0.2
Jaguar	1,189	737	-38.0	0.2	0.2	0.0	5,477	3,826	-30.1	0.3	0.2	-0.1
Jeep	15,184	12,549	-17.4	3.0	2.9	-0.1	65,498	52,647	-19.6	3.1	3.2	0.1
Kia	17,498	16,517	-5.6	3.5	3.8	0.3	71,532	60,996	-14.7	3.4	3.7	0.3
Land Rover	4,891	4,582	-6.3	1.0	1.0	0.0	18,380	15,506	-15.6	0.9	0.9	0.0
Lexus	15,726	14,829	-5.7	3.1	3.4	0.3	63,559	51,793	-18.5	3.0	3.2	0.2
Lincoln	1,860	1,517	-18.4	0.4	0.3	-0.1	6,881	6,044	-12.2	0.3	0.4	0.1
Maserati	769	179	-76.7	0.2	0.0	-0.2	2,064	1,109	-46.3	0.1	0.1	0.0
Mazda	10,804	9,702	-10.2	2.1	2.2	0.1	44,817	39,145	-12.7	2.1	2.4	0.3
Mercedes	24,057	18,311	-23.9	4.8	4.2	-0.6	84,917	64,543	-24.0	4.1	3.9	-0.2
MINI	1,966	1,510	-23.2	0.4	0.3	-0.1	7,517	5,397	-28.2	0.4	0.3	-0.1
Mitsubishi	1,843	710	-61.5	0.4	0.2	-0.2	10,240	5,759	-43.8	0.5	0.4	-0.1
Nissan	28,993	19,559	-32.5	5.8	4.4	-1.4	139,857	78,507	-43.9	6.7	4.8	-1.9
Other	1,045	674	-35.5	0.2	0.2	0.0	3,820	3,010	-21.2	0.2	0.2	0.0
Porsche	4,272	3,711	-13.1	0.8	0.8	0.0	15,094	13,121	-13.1	0.7	0.8	0.1
Ram	13,303	10,521	-20.9	2.6	2.4	-0.2	50,445	43,196	-14.4	2.4	2.6	0.2
Subaru	18,349	18,454	0.6	3.6	4.2	0.6	77,725	68,333	-12.1	3.7	4.2	0.5
Tesla	15,155	21,290	40.5	3.0	4.8	1.8	74,821	71,390	-4.6	3.6	4.4	0.8
Toyota	86,702	79,378	-8.4	17.2	18.1	0.9	341,068	281,391	-17.5	16.3	17.2	0.9
Volkswagen	11,264	9,618	-14.6	2.2	2.2	0.0	50,700	35,576	-29.8	2.4	2.2	-0.2
Volvo	3,111	3,544	13.9	0.6	0.8	0.2	12,862	12,291	-4.4	0.6	0.7	0.1

Source: AutoCount data from Experian.

The table above shows new light vehicle (car and light truck) registrations in California. Figures are shown for the Fourth Quarters of 2019 and 2020, and annual totals. Vehicle registrations are recorded based on when the vehicle title information is processed by the state, which typically occurs after the vehicle is sold. The top ten ranked brands in each category are shaded yellow

California Auto Outlook

Published by: Auto Outlook, Inc., PO Box 390 Exton, PA 19341 Phone 610-640-1233 Email: jfoltz@autooutlook.com

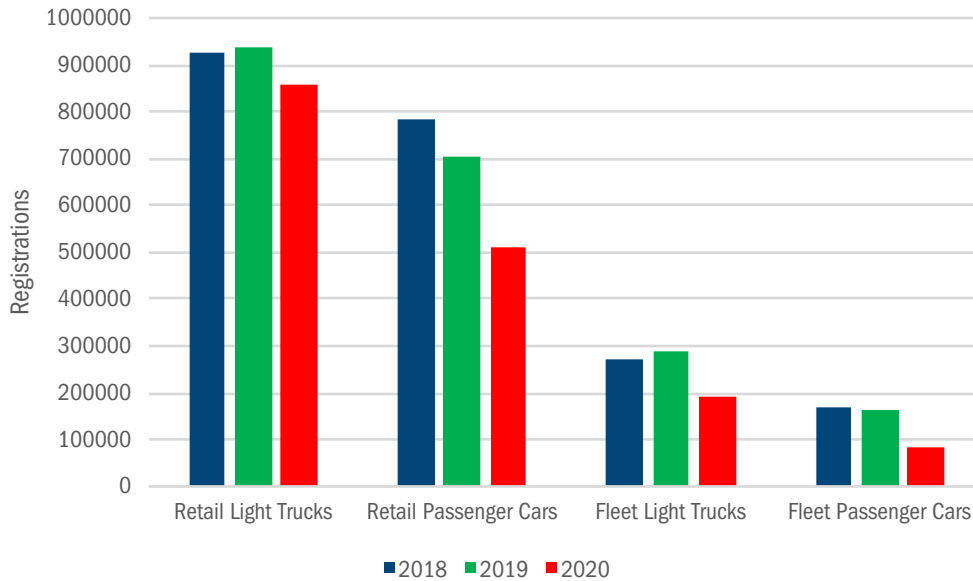
Any material quoted must be attributed to California Auto Outlook, published by Auto Outlook, Inc. on behalf of the California New Car Dealers Association. Data source must also be shown as "Data Source: AutoCount data from Experian" **Please contact CNCDA with any questions or comments regarding the publication.** Copyright: Auto Outlook, Inc. Feb., 2021.

At Auto Outlook, we strive to provide sound and accurate analyses and forecasts based upon the data available to us. However, our forecasts are derived from third-party data and contain a number of assumptions made by Auto Outlook and its management, including, without limitation, the accuracy of the data compiled. As a result, Auto Outlook can make no representation or warranty with respect to the accuracy or completeness of the data we provide or the forecasts or projections that we make based upon such data. Auto Outlook expressly disclaims any such warranties, and undue reliance should not be placed on any such data, forecasts, projections, or predictions. Auto Outlook undertakes no obligation to update or revise any predictions or forecasts, whether as a result of any new data, the occurrence of future events, or otherwise.

BREAKDOWN OF RETAIL AND FLEET MARKETS

State Retail Registrations Declined 16.8 Percent in 2020 vs. 39.5 Percent Drop for Fleets

California New Car and Light Truck Retail and Fleet Registrations - 2018, 2019, & 2020



Data Source: AutoCount data from Experian.

**PERCENT CHANGE:
2020 vs. 2019**

Retail cars: **DOWN 28.0%**

Retail light trucks: **DOWN 8.4%**

Fleet cars: **DOWN 50.7%**

Fleet light trucks: **DOWN 33.0%**

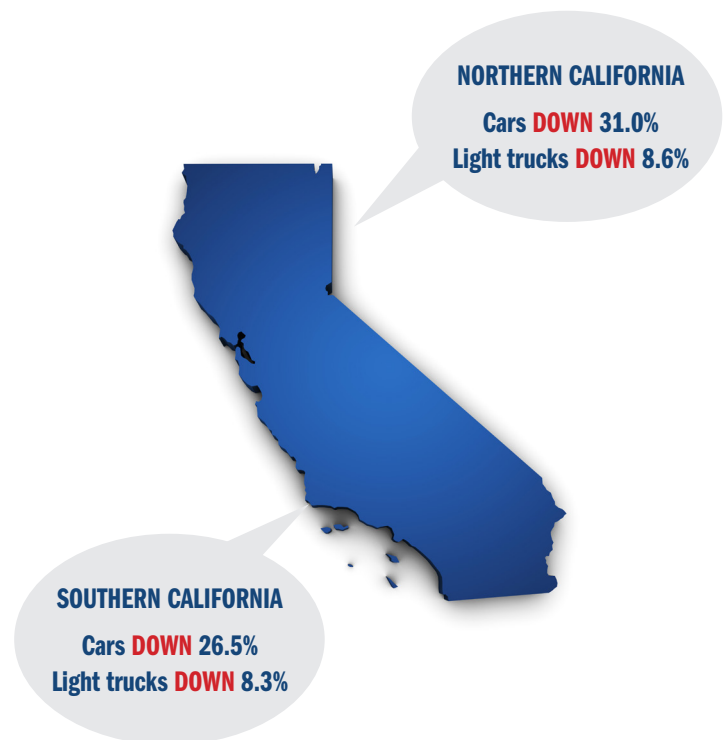
REGIONAL MARKETS IN CALIFORNIA

San Diego County Posts Relatively Small Decline in 2020

New Retail Light Vehicle Registrations (excluding fleets) 2019 and 2020			
North and South California	2019	2020	% chg.
Statewide Total	1,642,669	1,366,382	-16.8%
Cars	705,933	508,131	-28.0%
Light Trucks	936,736	858,251	-8.4%
Northern California	560,997	460,916	-17.8%
Cars	231,774	159,848	-31.0%
Light Trucks	329,223	301,068	-8.6%
Southern California	1,081,672	905,466	-16.3%
Cars	474,159	348,283	-26.5%
Light Trucks	607,513	557,183	-8.3%
Selected Regional Markets			
San Francisco Bay	318,014	243,075	-23.6%
Cars	141,983	90,048	-36.6%
Light Trucks	176,031	153,027	-13.1%
LA and Orange Counties	649,983	521,972	-19.7%
Cars	296,091	209,788	-29.1%
Light Trucks	353,892	312,184	-11.8%
San Diego County	138,349	119,841	-13.4%
Cars	54,882	40,004	-27.1%
Light Trucks	83,467	79,837	-4.3%

Data Source: AutoCount data from Experian.

Percent Change in New Retail Registrations - 2020 vs. 2019



MARKET SEGMENTS

“True Truck” Share of State Retail Market is Below 40%

In 2020, light trucks accounted for 64.1 percent of the state market, up sharply during the past several years. But due to the sometimes fuzzy standards the industry has used to classify vehicles, these frequently cited light truck market share figures can send a misleading signal regarding an apparent shift to bigger vehicles.

For example, many sub compact and compact SUVs (i.e., Buick Encore and Honda CR-V) are essentially passenger cars with a hatchback,

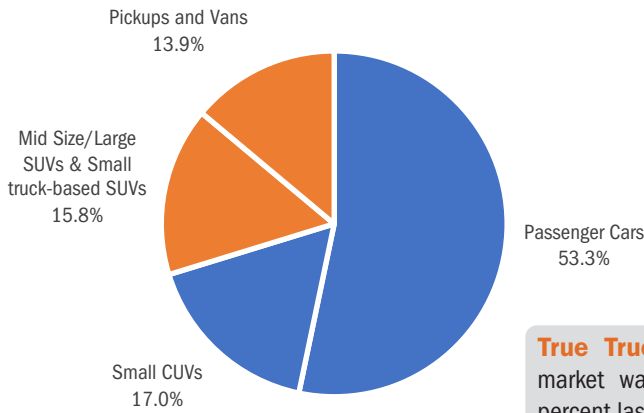
a higher center of gravity, and more ground clearance. But these vehicles are traditionally classified as light trucks and are included in the same broad segment category as full size pickups and large SUVs. In many ways, small CUVs are more similar to compact cars than to 6,000 pound trucks.

The analysis below presents an alternative picture of truck market share in California by re-mapping these traditional breakdowns. The two orange shaded circles comprise what we

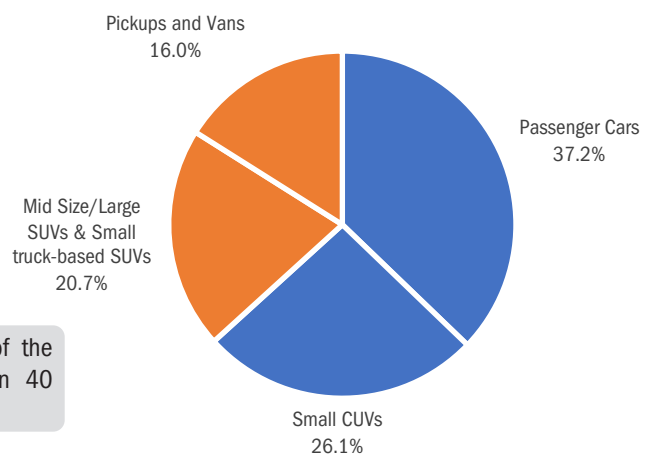
are calling True Trucks - mid size and full size SUVs, truck-based small SUVs, pickups, and vans. The two blue circles consist of passenger cars and small crossover SUVs.

By removing small CUVs from light trucks, true truck market share in the state during 2020 was well below half of the market - 36.7 percent. It's increasing, up by seven points from 2016, but the combined total for passenger cars and small CUVs accounts for the dominant share of the market.

Segment Shares in State New Retail Market - 2016



Segment Shares in State New Retail Market - 2020



True Truck share of the market was less than 40 percent last year.

Data Source: AutoCount data from Experian.

BEST SELLERS IN COMPACT SUV SEGMENT

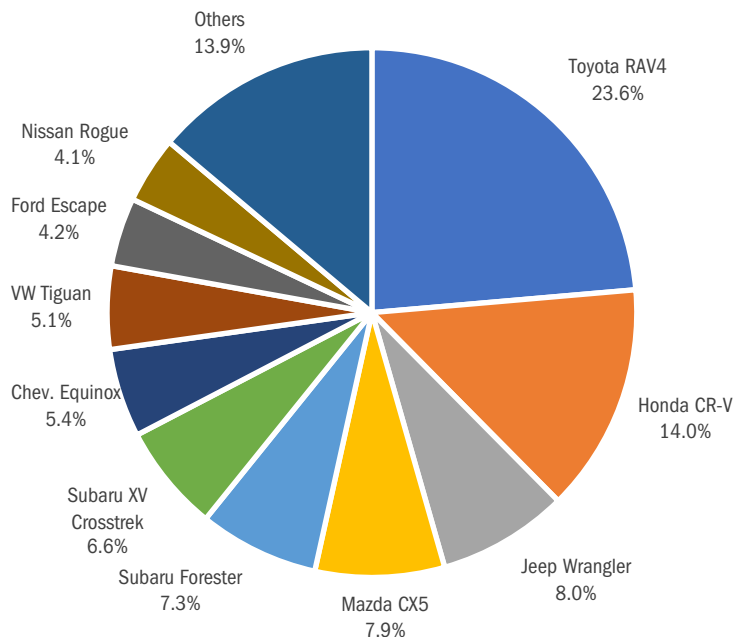
Toyota RAV4 & Honda CR-V Are Top Sellers in Compact SUV Segment



TOP SELLING COMPACT SUVs

- Toyota RAV4
- Honda CR-V
- Jeep Wrangler
- Mazda CX-5
- Subaru Forester

Share of California Compact SUV Segment - 2020

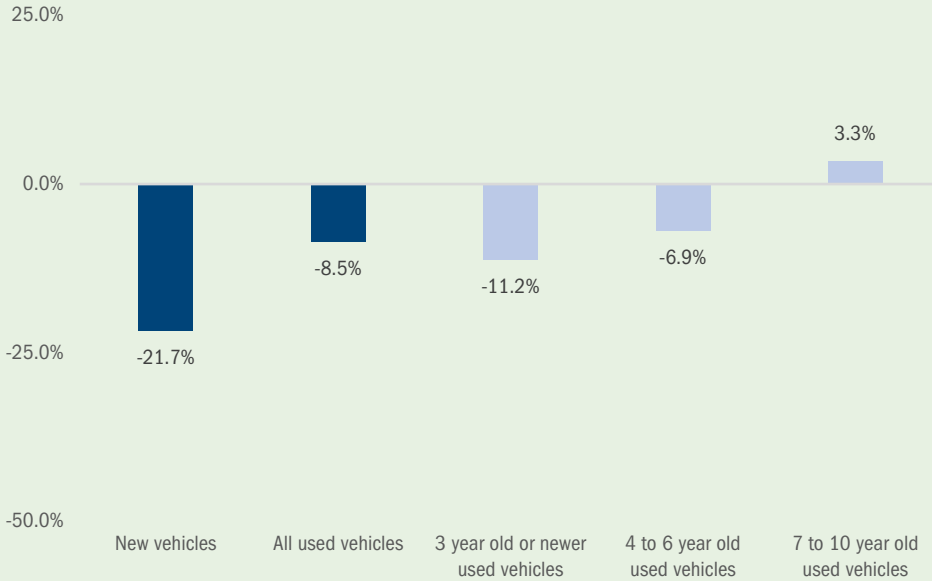


Data Source: AutoCount data from Experian.

CALIFORNIA USED VEHICLE MARKET

Used Vehicle Market Easily Out-Performed New Vehicle Market In 2020

Percent Change in New and Used Vehicle Registrations - 2020 vs. 2019



Data Source: AutoCount data from Experian.

3 KEY TRENDS IN USED VEHICLE MARKET

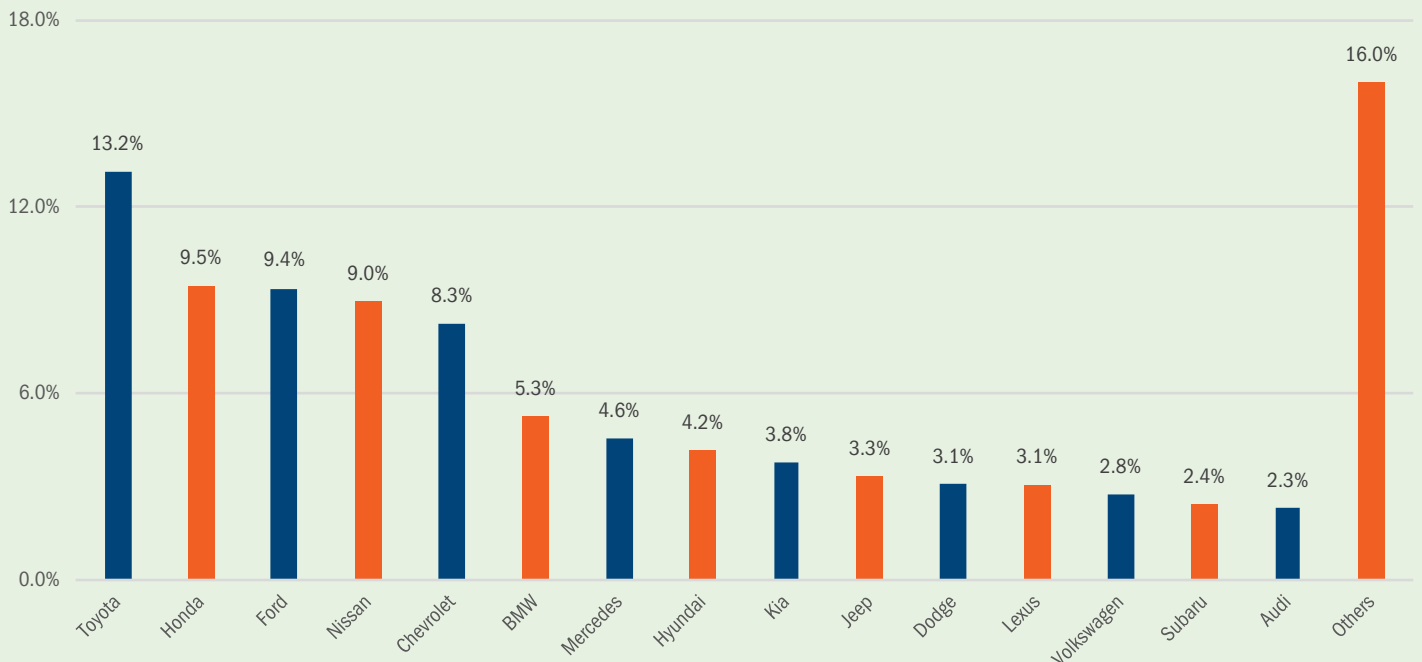


- 01.** Used vehicle registrations in California declined 8.5 percent from 2019 to 2020, better than the 21.7 percent drop for new vehicles.
- 02.** Sales of less expensive, older used vehicles held up better. Registrations of 7 to 10 year old used vehicles increased by 3.3 percent last year
- 03.** Used vehicle market has been given a boost by sparse new vehicle inventories and cost conscious consumers. Used vehicle market should remain relatively strong in the first half of 2021.

CALIFORNIA USED VEHICLE MARKET

Toyota Share of Six Year Old or Newer Used Vehicle Market Exceeded 13 Percent

Top 15 Selling Brands in California Used Vehicle Market (vehicles 6 years old or newer) 2020



Data Source: AutoCount data from Experian.