

**J.D. Power and LMC Automotive Report:
August New-Vehicle Sales Reach Highest Level in Seven Years**

WESTLAKE VILLAGE, Calif.: 22 August 2013 — New-vehicle sales continue the hot streak that has been trending throughout the summer selling season, with no evidence of the pace slowing, according to a monthly sales forecast developed jointly by the Power Information Network® (PIN) from J.D. Power and LMC Automotive.

Retail Light-Vehicle Sales

New-vehicle retail sales in August 2013 are projected to come in at 1,270,400 units, a 12 percent increase from August 2012 and the highest monthly sales volume since 2006. The seasonally adjusted annualized rate (SAAR) in August is expected to be 13.1 million units, marking the first time the selling rate has been above 13 million units for three consecutive months since the first quarter of 2007. Retail transactions are the most accurate measure of true underlying consumer demand for new vehicles.

**U.S. Retail SAAR—August 2012 to August 2013
(in millions of units)**



J.D. Power expects consumer spending on new vehicles in August will approach \$36 billion, which is the highest level on record.

“The industry as a whole continues to experience a robust improvement in demand, and our forecast for August is looking to be the best month for retail sales that we’ve seen in the past seven years,” said John Humphrey, senior vice president of the global automotive practice at J.D. Power. “Moreover, this strong selling environment is occurring when consumers are spending more on new vehicles than any month on record, which is a further indication of the underlying strength of the sector.”

Total Light-Vehicle Sales

With consistency in the fleet environment, total light-vehicle sales in August 2013 are also expected to increase by 12 percent from August 2012 to 1,495,400. Fleet sales are expected to account for 15 percent of total sales, with volume of 225,000 units.

PIN and LMC data show total sales reaching a 16 million unit SAAR in August, which is the highest since November 2007, with actual unit sales the highest since May 2007.

J.D. Power and LMC Automotive U.S. Sales and SAAR Comparisons

	August 2013¹	July 2013	August 2012
New-Vehicle Retail Sales	1,270,400 units (12% higher than August 2012) ²	1,138,898 units	1,093,675 units
Total Vehicle Sales	1,495,400 units (12% higher than August 2012)	1,313,298 units	1,283,599 units
Retail SAAR	13.1 million units	13.1 million units	12.6 million units
Total SAAR	16.0 million units	15.8 million units	14.5 million units

¹Figures cited for August 2013 are forecasted based on the first 15 selling days of the month.

²The percentage change is adjusted based on the number of selling days in the month (28 days in August 2013 vs. 27 days in August 2012).

Sales Outlook

Based on the solid outlook for August, LMC Automotive is holding its 2013 forecast for retail light-vehicle sales at 12.8 million units and total light-vehicle sales at 15.6 million units.

“The U.S. auto recovery seems to be operating on auto pilot, a welcome stage of stability at a higher pace,” said Jeff Schuster, senior vice president of forecasting at LMC Automotive. “We do expect to see a lower selling rate in September as Labor Day is counted in August sales, but upside potential still outweighs downside risk in 2013 and well into 2014.”

North American Production

North American light-vehicle production year-to-date through July is up 4 percent from the same period in 2012. The industry continues to manage a lean supply-to-demand ratio, with vehicle stock at the beginning of August falling to an average 56-day supply from 61 days in July. The overall inventory level has dropped to 2.9 million units from 3.3 million units in July.

Ford holds on to one of the strongest increases in production from 2012, up 13 percent on boosts from the redesigned Escape and higher Explorer and F-Series volume. With Fiat-Chrysler relatively flat and General Motors off 3 percent year-to-date, the Detroit Three collectively are slightly below the industry year-over-year performance with a 3 percent increase. However, they do retain a 54 percent share of light-vehicle production in the region, the same level as in 2012.

Hyundai/Kia’s production growth year-to-date is the highest of the larger manufacturers, up 14 percent. This comes as inventory for the group falls from a 46-day supply to 41 in August. The volume boost is coming almost exclusively from the Elantra and redesigned Santa Fe. With weaker volume in July, the European brands are down 2 percent year-to-date.

LMC Automotive's forecast for 2013 North American production is at 16.0 million units, a 4 percent increase from 2012 and in line with the year-to-date performance.

About J.D. Power

J.D. Power is a global marketing information services company providing performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. Headquartered in Westlake Village, Calif., J.D. Power has offices in North/South America, Europe and Asia Pacific. For more information on car reviews and ratings, car insurance, health insurance, cell phone ratings, and more, please visit JDPower.com. J.D. Power is a business unit of McGraw Hill Financial.

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About LMC Automotive

LMC Automotive, formerly J.D. Power Automotive Forecasting, is the premier supplier of automotive forecasts and intelligence to an extensive client base of automotive manufacturer, component supplier, logistics and distribution companies, as well as financial and government institutions around the world. LMC's global forecasting services encompass automotive sales, production and powertrain expertise, as well as advisory capability. LMC Automotive has offices in the United States, the UK, Germany, China and Thailand and is part of the Oxford, UK-based LMC group, the global leader in economic and business consultancy for the agribusiness sector. For more information please visit www.lmc-auto.com.

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