

## Europe car sales fall to 19-year low

European car sales fell 10 percent to 965,918 units in November, bringing registrations this year to a 19-year low, as austerity-hit buyers stayed out of showrooms.

Hyundai was the only mass-market automaker to buck the trend, posting a 7 percent gain while sister brand Kia's sales fell 3.6 percent. Renault suffered the biggest year-on-year decline with combined registrations down 27.4 percent for the Renault and Dacia brands.

PSA/Peugeot-Citroen's sales fell 16 percent while General Motors Europe, including Opel/Vauxhall and Chevrolet, saw volume decline 13 percent. Ford dropped by 10.2 percent. Fiat Group declined by 12.8 percent, according to new car registrations for the 27 EU countries plus Switzerland, Norway and Iceland, released today by industry association ACEA.

Volkswagen Group, Europe's biggest carmaker, posted a 2.5 percent decline in sales in the region last month to 248,690 vehicles, led by a 4.5 percent drop at the namesake VW brand. The company's Audi luxury division sold 2.3 percent fewer cars in Europe. Among other luxury brands, combined sales of BMW and Mini grew 0.4 percent while Mercedes-Benz and Smart's combined registrations were down 0.7 percent. Eleven-month sales are down 7.2 percent to 11.7 million vehicles, the lowest figure since 1993.

"The key here is not how bad 2012 is but whether there can be a realistic hope that 2013 will improve," Erich Hauser, a London-based analyst at Credit Suisse, said. "We see little reason to believe that EU volumes will grow next year, which means that the spread between EU-focused and export-oriented original equipment manufacturers will only continue to widen."

UK now No. 2 market

Four of Europe's five biggest automotive markets shrank last month, with deliveries in Germany falling 3.5 percent. That reversed a gain in October of 0.5 percent in the country, which accounts for 25 percent of the region's total auto sales.

Registrations dropped 19 percent in France, and 20 percent in Italy and Spain.

Growth in November of 11 percent helped the UK overtake France to become the second-biggest European car market through the first 11 months of 2012.

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