

Auto sales in Europe down another 5.9%

After a one-month respite, European auto sales resumed their slide in May, dropping another 5.9 percent. Sales in the 27-member European Union region have declined in 19 of the past 20 months and last month's total of 1.04 million sales was the lowest May total since 1993, the European Automobile Manufacturers' Association said Tuesday. In April, sales rose slightly, and the uptick was attributed to extra selling days — because of an early Easter holiday — compared to the same month in 2012. The rate of decline slowed in May; through five months, sales in Europe are down 6.8 percent to 5.07 million. That provides a glimmer of hope for automakers, many of whom believe the market will begin to catch its breath during the second half of the year. Others, including Fiat SpA CEO Sergio Marchionne, have remained skeptical. Vehicle sales industrywide are running at 20-year lows in Europe, due to a sovereign debt crisis, plunging consumer confidence and automobile production overcapacity. The unemployment rate in the Eurozone was 12.2 percent in April, a record, according to Eurostat. Most mass-market brands fared poorly in May. Sales of General Motors Co. vehicles, including those from the company's Opel and Vauxhall brands, fell 11.3 percent. Sales at Fiat, the parent company of Chrysler Group LLC, dropped 10.8 percent. Sales at Ford Motor Co., which earlier this week said it is gaining traction in Europe thanks to new product offerings, declined 0.3 percent. May sales by country were mixed. In Germany, the region's largest vehicle market, sales dropped 9.9 percent and have now fallen 8.8 percent, to 1.22 million, during the first five months of the year. That follows up two stellar years of auto sales. In the United Kingdom, sales in May jumped 11 percent and are now up 9.3 percent, to 948,666, for the year. A slowing of the auto sales decline can be attributed to large gains in smaller nations. In Finland, for instance, sales were up nearly 40 percent in May, to 10,228. Sales in Hungary rose 9.4 percent during the same period to 5,010. The Detroit News