

European Car Sales Point to Continuing Slump

European car sales shrank again in March, threatening more losses for automakers in the region after a dismal 2012, figures and forecasts suggested on Tuesday. French car sales fell 16.4 percent in March and 14.7 percent overall in the first quarter, according to figures published by the country's main auto industry body, CCFA, on Tuesday. The March decline also reflected a smaller number of business days than a year earlier because of the timing of Easter holidays. Adjusted for these calendar effects, French car registrations fell 12.5 percent last month and 12 percent in the first quarter. Sky-high unemployment and limited credit have hit car sales badly in Spain, which is in its second recession in five years. Spanish car sales fell 13.9 percent in March from the previous year, deeper than a 9.8 percent fall in February as a seasonal effect undermined a government subsidy to stimulate the sector, the car manufacturers association Anfac said Monday. "The company car sector continues to be very worrying and continues to register falls of over 20 percent," David Barrientos, head of communications for Anfac, wrote in a note. March car sale figures for Germany, due on Wednesday, are also likely to show a decline, in part because there were two fewer working days in the month this year than last year. German car sales dropped 10.5 percent in February, year on year. Italian car sales fell 17.4 percent in February from the same month a year ago. The automotive research group Centro Studi Promotor said in February that if sales continued on the past six months' trend, Italians would buy 1.3 million cars in 2013 — the fewest since the 1970's. The euro zone crisis has turned long-standing overcapacity into an urgent problem for mass-market manufacturers, although German automakers seen as having the most valuable brands are weathering the storm better than rivals. Carmakers fearing European demand will stay weak for years are battling to cut production, their restructuring efforts often met with opposition from governments worried about rising unemployment. Most are already struggling from a dire 2012, when annual sales slumped 8.2 percent to a 17-year low of 12.05 million vehicles as consumers in recession-hit European economies postpone purchases. The March sales figures suggest an even worse year for the industry. nytimes.com