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**1207** Rising US car sales tide turns back to less thirsty cars  
page 16 - 20

Exports slowing - Germany's carmakers step on the brakes  
pages 14 - 15

Volvo's new V40 diesel emits just 94g/km CO<sub>2</sub>  
pages 15 - 16

## China

# Slowdown drags down China's car market

**China's car market is sputtering, but leading foreign carmakers remain almost unscathed**

COMPARED with the frenzy seen last year and the year before, China's illustrious love-affair with the car has hit a bumpy patch, thanks to the slowing economy, faltering exports and spiralling pump prices. While the slowing economy has tempted growing numbers of China's average income earners to put away their wallets, resulting in yet another setback for China's intrinsic smaller carmakers, China's nouveau riche are still out shopping, catapulting this year's Audi, BMW, Mercedes, Porsche and Bentley sales into new record orbit.

Uncertainty about a slowing economy, faltering exports and rising domestic fuel prices have slowed China's underlying car sales growth to a single-digit percentage compared with the dizzying double-digit car sales growth still seen in ten out of the past twelve years. While demand for inexpensive small cars like the ones made by intrinsic Chinese carmakers Geely and Chery has already lurched into reverse, for the time being at

**China**  
Car Sales Movements for Last Four Quarters  
% Change v. Year Ago



### Countries

W-Europe	3, 5, 6, 7, 8, 9, 10, 11, 18
Austria	7
Belgium	7
Bulgaria	7
China	1, 2, 3, 4, 5, 6, 11, 12, 13, 14
Czech-Republic/Cyprus	7
Denmark	7
Eire	7
Estonia, Latvia, Lithuania	7
Finland	7
France	6, 7, 8, 10
Germany	5, 6, 7, 11, 13, 14, 15
Greece	6, 7, 8
Hungary	7, 11
Iceland	7
Italy	6, 7
Japan	9, 18
Luxembourg	7
Mexico	12
Netherlands	7
Norway	7
Poland	7
Portugal	6, 7, 8
Slovakia/Slovenia	7
South Korea	3, 7, 10, 11, 18
Spain	7
Sweden	7, 15
Switzerland	7
UK	6, 7, 15, 16
USA	12, 16, 17, 18, 19, 20

### In Depth & Other Topics:

<b>Status Culture</b>
More of China's new car buyers are turning into Premium-badge snobs..... 2
<b>'Eye-popping' China goals</b>
Mercedes appears to be gunning for 800,000 plus car sales in China.... 11 - 13
<b>Low margin business</b>
Life turns tough for China's automotive fringe players ..... 4 - 5
<b>Poor March, down 7.1%</b>
Bargains and gleaming new metal fail to lift Europe's showroom gloom..... 6 - 8
<b>Feast and famine</b>
VW and Hyundai-Kia win battle for Europe's dwindling car buyers .... 10 - 11
<b>Hybrid-type thirst</b>
Volvo's new V40 - relief for fuel-price shocked consumers ..... 15 - 16

### Companies

Alfa Romeo	9
Aston Martin	18
Audi	1, 3, 4, 5, 6, 8, 9, 11, 13, 14, 18
Bentley	1, 4, 18
Bernstein Research	12, 13
BMW	1, 3, 5, 6, 8, 9, 11, 12, 13, 18, 20
Buick	2, 3, 18
BYD/Changan/Chery	3, 4
Chevrolet	2, 3, 8, 9, 18, 20
Chrysler	9, 12, 18
Citroën	3, 8, 9
Credit Suisse	11, 12
Dacia	8, 9, 10
Daimler	9, 11, 13, 18
Deutsche Bank	13
Dongfeng/Emgrand	3
FAW/Haima	3, 4
Ferrari	9, 18
Fiat	9, 18
Ford	2, 3, 9, 10, 18, 19
Geely	3, 4, 15
GM	3, 5, 6, 9, 18, 20
GM Opel/Vauxhall	9, 10
Great Wall	2, 3, 4
Honda	2, 3, 9, 18, 19
Hyundai-Kia	2, 3, 5, 6, 8-11, 18, 19, 20
JAC/Roewe	3, 4
Jaguar	9, 11, 18
Lancia	9
Land Rover	9, 11, 18
Lexus	9, 18
LiFan	13
Maybach	3
Mazda	3, 9, 18
Mercedes	1, 4, 5, 8, 9, 11, 12, 13, 18
Mini	5, 9, 12, 18
Mitsubishi	9, 18
Morgan Stanley	13, 14
Nissan	3, 9, 11, 18, 20
Porsche	1, 4, 8, 18, 20
PSA Peugeot	2, 8, 9, 10
Renault	8, 9, 10
Rolls-Royce	18
SEAT	9, 14
Skoda	5, 8, 9, 11, 14
Smart	9, 12, 18
Subaru	9, 18
Suzuki	3, 9, 18
Tata	9, 11, 18
Toyota	2, 3, 9, 15, 16, 18, 20
UBS	12
Volvo	3, 4, 9, 15, 16, 18
VW	2, 5, 6, 8 - 11, 12, 14, 15, 16, 18
Xiali	3, 4



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