



## New Car Sales Predicted to Peak in 2016

The National Automobile Dealers Association (NADA) chief economist has predicted that new vehicle sales will peak in 2016 by a 2.3 percent increase over the 2015 projected final sales volume. The sale of approximately 17.7 million vehicles is projected for 2016 with sales then softening to 17.2 million in 2017 and less than 17 million for the succeeding two or three years.

The NADA economist attributes the increase to stronger economic indicators such as new housing starts, strong employment numbers, some growth in wages, falling gas prices and low auto loan interest rates. Factors impacting lower sales in the out years include the impact of a slower Chinese economy, increased governmental fuel economy standards, anticipated slower wage growth and the expectation of rising interest rates.

The projected vehicle sales growth for next year marks the seventh straight year for increased new car sales.