

Forecast for Vehicle Demand in Japan
in Fiscal Year 2019

In units

At March 25, 2019

			Fiscal Year 2017 A	Fiscal Year 2018 B Projected	Fiscal Year 2019 C Forecast	Change (%) from Previous Year	
						Fiscal Year 2018 B/A	Fiscal Year 2019 C/B
P a s s e n g e r C V s C a r s &	Passenger Cars	Standard & Small 1	2,895,738	2,912,000	2,910,000	100.6	99.9
		Mini 2	1,454,039	1,521,000	1,458,000	104.6	95.9
		Total	4,349,777	4,433,000	4,368,000	101.9	98.5
	Trucks	Standard 3	173,017	181,000	176,000	104.6	97.2
		Small 4	254,508	260,000	252,000	102.2	96.9
		Mini 5	404,836	440,000	414,000	108.7	94.1
		Total	832,361	881,000	842,000	105.8	95.6
	Buses 6	14,971	13,600	13,400	90.8	98.5	
	Grand Totals		5,197,109	5,327,600	5,223,400	102.5	98.0
	New Vehicle Registrations 1,3,4,6			3,338,234	3,366,600	3,351,400	100.8
Mini-Vehicles 2,5			1,858,875	1,961,000	1,872,000	105.5	95.5

Note: Includes imports.

Demand Trends by Vehicle Type

1. Standard and Small-Sized Passenger Cars

- 1) Sales of standard and small-sized passenger cars in fiscal 2018 are expected to total 2.91 million units, an increase of 0.6% from the previous fiscal year, attributable to Japan's gradually expanding economy.
- 2) Demand in this category in fiscal 2019 is forecast at 2.91 million units, slipping only 0.1% and thereby remaining virtually unchanged from the fiscal 2018 level, attributable, despite the anticipated slowdown in economic expansion and resulting depressed demand, to the introduction of permanent reductions in the automobile tax and of new, automotive environmental performance-based tax measures (see 1.2) above).

2. Mini Passenger Cars

- 1) Sales of mini passenger cars in fiscal 2018 should finish at 1.52 million units, up 4.6% from fiscal 2017, attributable to the expanding national economy and the introduction of new models to the market.
- 2) Despite the anticipated economic slowdown and resulting depressed demand, mini passenger car sales in fiscal 2019 are forecast to total 1.46 million units, a decline of only 4.1% from fiscal 2018, attributable to factors including the new, automotive environmental performance-based tax measures.

3. Standard Trucks

- 1) Sales of standard trucks in fiscal 2018 are projected to reach 181,000 units, up 4.6% from fiscal 2017, attributable to the gradually expanding national economy and the introduction of stricter emissions regulations with its resulting positive impact on sales (i.e., stimulating demand prior to enforcement).
- 2) Standard truck sales in fiscal 2019 are forecast at 176,000 units, a drop of 2.8% from fiscal 2018, attributable to a number of factors including an anticipated slowdown in demand following the spike in demand prior to the enforcement of new emissions regulations; reduced demand in the construction sector; and a severe shortage of drivers.

4. Small Trucks

- 1) Sales of small trucks in fiscal 2018 should total 260,000 units, up 2.2% from fiscal 2017, attributable to the expanding economy and the impact, prior to their enforcement, of the introduction of stricter emissions regulations.
- 2) Small truck sales in fiscal 2019 are forecast at 252,000 units, down 3.1% from fiscal 2018, attributable not only to an anticipated slowdown in demand following the rush in demand prior to the enforcement of new emissions regulations but also to low corporate replacement demand.

5. Mini-Trucks

- 1) Sales of mini-trucks in fiscal 2018 are projected to finish at 440,000 units, an increase of 8.7% from fiscal 2017, attributable to improved product appeal resulting from the introduction of enhanced onboard safety equipment; the impact of new models introduced to the market; and the increase in logistics demand for small cargo delivery.
- 2) Demand for mini-trucks in fiscal 2019 is forecast at 414,000 units, a drop of 5.9% from fiscal 2018, attributable to structural factors including low replacement demand and to the continuing decline in the number of users in the small-business and farming-household segments.

6. Buses

- 1) Sales of buses in fiscal 2018 should total 13,600 units, a decline of 9.2% from fiscal 2017, attributable to low replacement demand and the severe driver shortage, among other factors.
- 2) Demand for buses in fiscal 2019 is forecast at 13,400 units, a dip of 1.5% from fiscal 2018, attributable to continued low replacement demand.