

January 2008 Hybrid Market Dashboard

read more online at <http://www.hybridcars.com/market-dashboard.html>

Overview

January is usually not a big month for car sales. This year, the New Year doldrums hit hybrids as well as the larger car market. Sales of all vehicles—hybrids included—were down by approximately 25 percent compared to December. But if we compare this month to January of last year, a familiar trend emerges: hybrid sales grew by 25 percent while the overall market declined slightly.

Hybrid sales this January might have been higher if gas prices had continued to rise, as they did in much of 2007. In the past, car shoppers have exhibited a knee-jerk response to high gas prices by rushing to hybrid dealerships. But gas prices fell by roughly 10 cents a gallon. In addition, gloomy news about the economy may have kept consumers from shopping much at all.

Exactly where the economy is headed, and the impact the general economic climate has on hybrid shoppers, remains to be seen. So far, year-over-year sales performance hints that some hybrid models may be recession-proof. The Toyota Prius, for example, grew 37 percent compared with last January—not bad for a four-year-old model that is nearing its next redesign. Other well-established and generally fuel-efficient hybrid vehicles—Camry, Highlander, and Escape—also seem less affected by recessionary pressures. But less fuel efficient models, such as those from Lexus, took a beating this month, indicating that hybrid and luxury are not a winning combination particularly in a lagging economy.

Looking Ahead

One month of sales figures is obviously not enough to call the winners and losers in the 2008 hybrid market. We'll have a clearer picture by the spring. But we don't need to wait until the snow melts to see the trends, which have been in play for a couple of years.

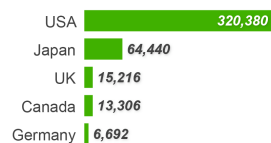
Affordability matters. High MPG matters. And when you combine a good price and exceptional fuel economy—compared to other vehicles in the segment—then you have a hybrid that can sell in impressive quantities. Not delivering on both key factors is deadly.

This simple equation spells trouble for any carmaker introducing a new hybrid with a high price tag or with low mpg in 2008. Unfortunately, the latest hybrids introduced to the market, and the next batch of hybrids due out in 2008, are full of costly luxury models, SUV behemoths with powerful engines, and models that show negligible fuel economy improvements. The pricey Chevy Tahoe Hybrid—and even pricier Cadillac Escalade Hybrid—may struggle to find buyers in this market. However, GM's hybrid pickup trucks, full-hybrid versions of the Chevrolet Silverado and GMC Sierra, may offer a glimmer of light. The future growth of the hybrid market will depend on new segments, and the pickup market is huge. Introducing a new hybrid SUV with a "no-compromise" message was news—four years ago. But the first full-hybrid pickup on the market could grab headlines and capture the imagination of a new breed of hybrid owners.

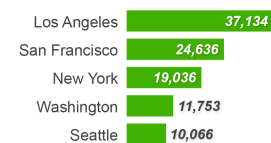
2007 global hybrid registrations



Top 5 global hybrid markets



Top 5 US hybrid markets



SOURCE: R. L. POLK & CO.

"Top 5 global hybrid markets" based on vehicle registrations January - November 2007.

and "Top 5 US hybrid markets" based on vehicle registrations January - November 2007.

US Sales

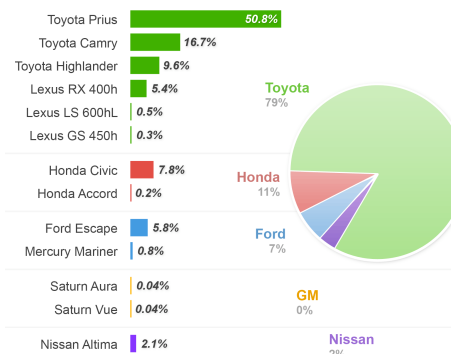
Our information is based on hybrid sales as reported by the manufacturers. For each model, this month's sales are shown compared to sales in the previous month and at the same time last year. We also examine hybrid market share by model and manufacturer. The historical sales graph for top-selling hybrid models shows final 2007 volumes.

Hybrids sold in the U.S. (January 2008): **22,411**

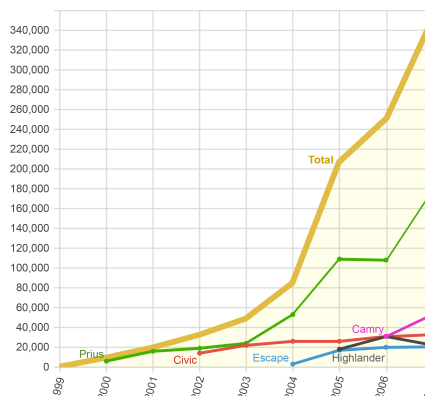
US Hybrid Sales for January 2008

Model	Units	vs. 12/07	vs. 01/07
Altima	473	-50.9%	n/a
Prius	11,379	-19.9%	37.1%
Civic	1,745	-45.9%	-2.1%
Accord	48	-68.0%	-80.6%
Camry	3,750	-24.5%	33.9%
Highlander	2,143	-23.2%	18.4%
RX400h	1,211	-40.4%	-2.7%
GS450h	64	-52.9%	-61.7%
LS600hL	105	-18.6%	n/a
Escape	1,296	-34.8%	24.7%
Mariner	178	-35.5%	-10.6%
Vue	10	-52.4%	-97.2%
Aura	9	-72.7%	n/a
All hybrids	22,411	-27.5%	24.9%
All vehicles	1,059,367	-23.8%	-2.9%

U.S. Hybrid Sales for January 2008 by Manufacturer and Model



U.S. Hybrid Market Sales (1999 - 2007)



Regional Data

We present the data in two ways. First, we list the cities and states that boast the largest numbers of new hybrids on their roads within the past year. Second, we adjust for population and look at hybrids per person (in states) or per household (in metro areas). This lets us include cities like Portland, OR: a city that has fewer overall vehicles (and thus fewer hybrids) but has more hybrids per capita than anywhere else.

States with the Most Hybrid Sales

Rank	State	New Hybrids*
1	California	83,269
2	Florida	17,724
3	New York	16,089
4	Texas	15,632
5	Illinois	11,905

Most Popular States for Hybrids

Rank	State	New Hybrids per 1000 residents*
1	California	2.305
2	Oregon	2.114
3	Washington	1.896
4	Vermont	1.894
5	Washington DC	1.775

U.S. State Average 0.985

Cities with the Most Hybrid Sales

Rank	Metropolitan Area	New Hybrids*
1	Los Angeles	37,134
2	San Francisco	24,636
3	New York	19,036
4	Washington DC	11,753
5	Seattle	10,066

Most Popular Cities for Hybrids

Rank	Metropolitan Area	New Hybrids per 1000 residents*
1	Portland, OR	15.647
2	San Francisco	10.458
3	Monterey, CA	8.424
4	Santa Barbara	7.040
5	Los Angeles	6.707

U.S. Metro Area Average 2.168

*Registrations CYTD November 2007