

What's North America driving in 2Q15?



After showing a strong first quarter, North American sales continue growth in 2Q15 and into the second half of the year.

May had the highest monthly sales in the US in nearly a decade (July 2005).



Growth drivers

- ▶ Moderate gas prices
- ▶ Attractive financing and loan terms
- ▶ Positive consumer confidence

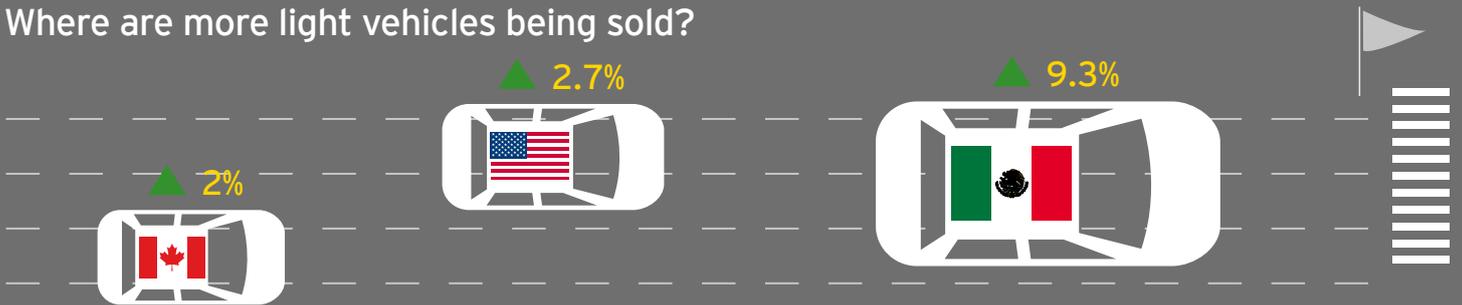


Cause of concern

- ▶ Weak economic outlook (Mexico)
- ▶ High level of household debt (Canada)
- ▶ Pent-up vehicle demand cooling

As we head into the second half of 2015, the North American market remains strong. The US will continue to lead the market as it displays the strongest economic indicators. Sales growth in Mexico and Canada will grow albeit at a slower pace as local markets face economic headwinds and consumer skepticism.

Where are more light vehicles being sold?

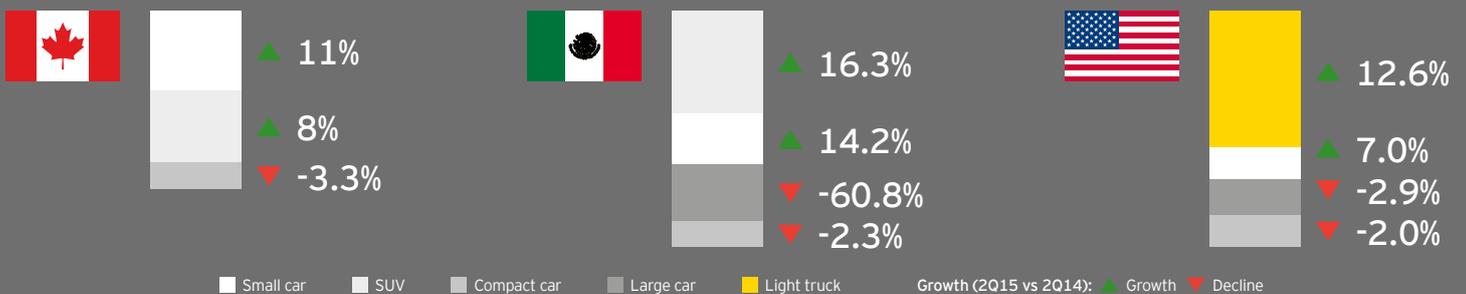


Light vehicle sales growth (2Q15 versus 2Q14)

What are people buying?

- ▶ Light truck sales in the US grew by double digits for 2Q15 fueled by midsize trucks that have a lower price point than full-size trucks.
- ▶ SUV segment sales increased in all three markets – US, Canada and Mexico – as new models have launched and gas prices moderate, which have pushed compact car sales down.

Market share (2Q15 vs 2Q14)



Note: The data for each country has been depicted as that published by their respective automotive associations.

Where are vehicles being produced?



Light vehicle production growth (2Q15 versus 2Q14)

- ▶ While US production showed some growth, Mexico saw a significant increase in production due to automakers increasing production at existing plants or opening new facilities.
- ▶ Canadian production was down due to production movement to Mexico even as automakers announce investment in the country.

