



Car Sales Have Cratered Since The Pandemic Began - Auto Industry Update

A dramatic drop in car sales, brought about by the historical rise in unemployment along with the economy seizing, collapsed the demand for both new and used autos coast to coast.

Federal Reserve data, compiled by the Federal Reserve Bank of St. Louis, reported an average of around 17 million new vehicle sales each month for the past five years. April data revealed that sales had plummeted to 11.6 million, with May sales expected to fall again.

Adding to the glut of new cars are the numerous cars coming back from leases, increasing the number of unsold new and used autos in inventory. Automobile manufacturers have aggressively enacted incentives for buyers to finance and lease cars at historically low rates.

The auto industry is hoping that commuters will opt for individual personal transportation rather than taking mass transit following the fallout of the virus outbreak, with the expectations of increased auto sales nationwide.

Sources: Federal Reserve Bank of St. Louis