

## **Hyundai takes Asian lead in US sales**

*Song Jung-a and Bernard Simon*

South Korea's Hyundai Motor reported a rise in US auto sales in March, becoming the only Asian brand to report an increase in the world's largest vehicle market.

The Korean carmaker boosted sales in the US by 1.9 per cent to 42,796 vehicles in March, raising its market share from 2.7 per cent to 3.2 per cent, thanks to strong incentives and the weaker local currency.

By contrast, Japanese rivals Toyota, Nissan and Honda reported a fall in sales in the US during March.

Overall sales in the US fell 12 per cent in March because of high fuel prices, the housing slump and tight credit conditions.

Consumers in the US abandoned sports utility vehicles and big pick-up trucks in droves last month, pushing passenger vehicle sales to their lowest level in more than a decade. At the same time, demand for small and mid-sized cars as well as crossover vehicles has accelerated.

All five of the biggest carmakers reported lower sales in March than a year earlier. General Motors sales fell 18.7 per cent, Toyota 10.3 per cent and Ford declined by 14.3 per cent.

Merrill Lynch recently cut its projection for 2008 US light vehicle sales from 16m to 15.3m, forecasting a mild rebound next year to 16m.

The more positive news from Hyundai helped lift the carmaker's shares 3.31 per cent to Won81,100 on Wednesday, while those of its affiliate Kia Motors rose 2.23 per cent to Won11,450.

Kim Jae-woo, an analyst at Mirae Asset, said: "It is positive that Hyundai joined one of the few automakers that reported a monthly sales increase in the US.

"But it is questionable whether it can sustain the momentum without strong incentives."

The South Korean currency lost 5.2 per cent against the dollar in March, making Hyundai's exports more competitive abroad.

**Disponível em: <<http://www.ft.com>>. Acesso em 3/4/2008.**