Covering the Second Quarter, 2002 Volume 7, Number 3

Chicago Auto Outlook™

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Sales to Decline from Incredible Year in 2001, But Market to Remain in Good Shape

Today's automotive market is incredibly fast-paced and dynamic. As a result, it's becoming increasingly difficult to keep up with current events and predicted trends. The information that follows presents Auto Outlook's concise review of pertinent market conditions, and future trends that will shape the Chicago area market in the coming year.

Chicago area new retail light vehicle market expected to decline in fourth quarter of 2002 (vs. '01). Auto Outlook is predicting that new retail car and light truck registrations in the Chicago area will decline by as much as 18% in the fourth quarter of this year versus 2001. But that projection is not nearly as bad it sounds. Last year's fourth quarter was a record-breaker. This year's total is expected to approach 110,000 units, which is nearly 9,000 units higher than in the fourth quarter of 2000.

Outlook for all of 2002: market predicted to fall by 7.8%. Aggressive incentives and a recovering economy early in the year will not be enough to prevent a decline in the area's new retail light vehicle market. The declining market is primarily attributable to incredibly strong sales in 2000 and 2001, not a major collapse in demand this year. 2002 registrations are expected to exceed 446,000 units.

New vehicle sales in the area likely to decline in 2003. Auto Outlook's preliminary forecast for 2003 has the new retail vehicle market falling by about 4% from this year. On balance, it should be another good year for new vehicle sales. Look for more on the 2003 outlook in the next issue of *Chicago Auto Outlook*.

Domestic brand market share fell to 56.8% in first half of this year, down from 59.1% a year earlier. Domestic brands (the traditional Big Three) lost 2.3 market share points in the Chicago area during the first six months this year. Domestic brand share in the U.S. market was 58.0%, down by 1.5 points from 2001.

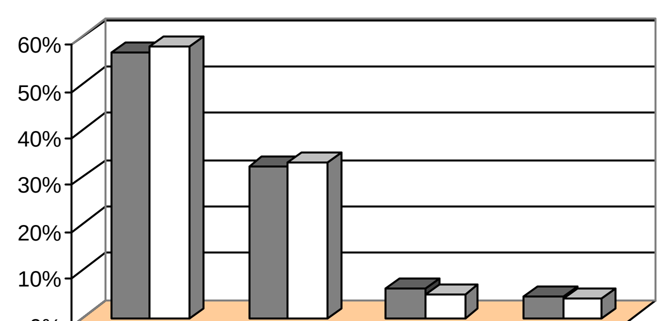
Toyota Camry overtakes Honda Accord as best-selling car in area market. Boosted by a redesign last year, Toyota Camry registrations in the Chicago area during the first six months of this year increased slightly compared to a year earlier, despite a declining overall market. Accord registrations fell by 20% (see page 10).

Registrations increase for 11 brands during first half of this year versus 2001. The brands are: Jaguar, Land Rover, Hyundai, Saab, Porsche, Volkswagen, Audi, Lexus, Cadillac, Buick, and GMC.

Long term outlook for area market: two more years of falling sales. Look for the long term outlook for the new retail light vehicle market in the next issue of *Chicago Auto Outlook,* but here's a preview: For the past two years, and most likely the next two, sales are following a downward cycle. But the cycle is likely to be relatively short and mild. A major decline is highly unlikely, and a recovery should be in the works by 2005.

CHICAGO AREA RETAIL LIGHT VEHICLE MARKET—AT A GLANCE

RETAIL MARKET SHARE—AREA VS. U.S. (YTD, 2002 thru June)



	Trad. Dom.	Japanese	European	Korean
Chicago	56.8%	32.5%	6.2%	4.5%
US	58.0%	33.1%	4.9%	4.0%

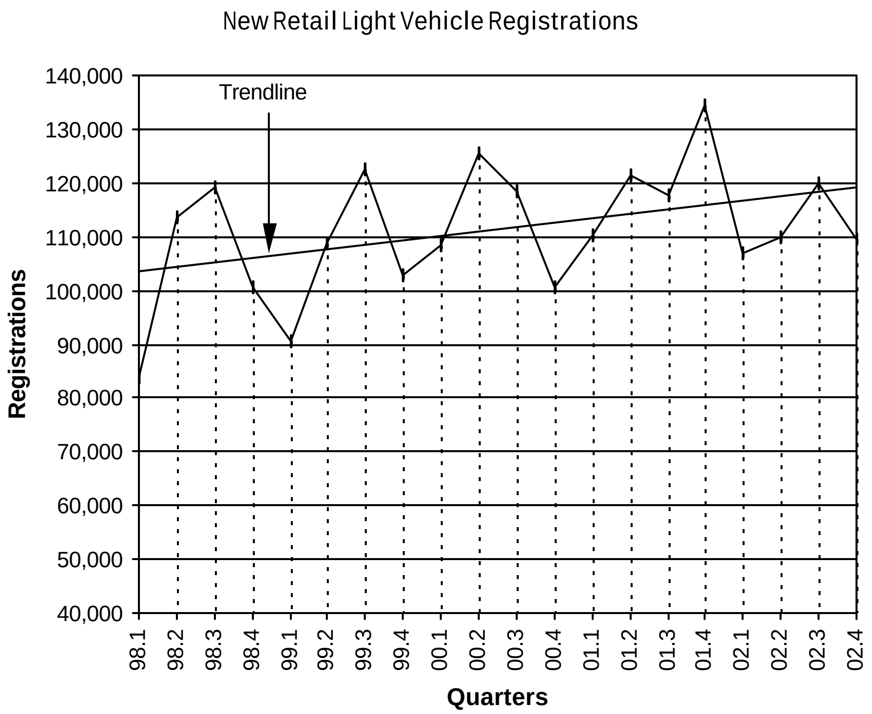
CHICAGO AREA NEW RETAIL LIGHT VEHICLE REGISTRATIONS

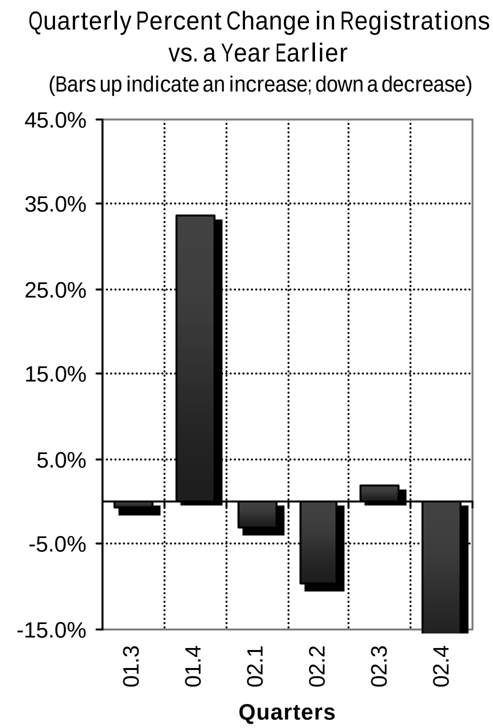
	2000	2001	Forecast 2002	% change '01 to '02
TOTAL	453,188	483,987	446,431	-7.8%
Car	261,576	270,882	237,971	-12.1%
Light Truck	191,612	213,105	208,460	-2.2%
Traditional Domestic	281,826	288,973	256,097	-11.4%
Japanese	119,045	132,802	128,872	-3.0%
European	37,694	40,809	40,647	-0.4%
Korean	14,623	21,403	20,815	-2.7%

Source for historical data: The Polk Company

Quarterly Industry Results and Forecast

Increase in Registrations Predicted for the Third Quarter of This Year (vs. 2001)





Summary Table	00.1	00.2	00.3	00.4	01.1	01.2	01.3	01.4	02.1	02.2	02.3	02.4
Actual registrations	108,547	125,504	118,509	100,628	110,379	121,500	117,632	134,476	107,053	109,813	120,002	109,563
% change from year earlier	19.8%	15.3%	-3.4%	-2.1%	1.7%	-3.2%	-0.7%	33.6%	-3.0%	-9.6%	2.0%	-18.5%

As demonstrated on the two graphs above, the fourth quarter of last year was a phenomenal quarter for the area retail light vehicle market. Retail registrations soared above 130,000 units and the market was up by nearly 35% from a year earlier. Clearly, it will be a nearly impossible act to follow in this year's fourth quarter, with registrations predicted to decline by 18.5% from 2001. Source for Historical Data: The Polk Company.

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Published by:
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5 Great Valley Parkway, Suite 228
Malvern, PA 19355
Phone: 800-206-0102
Fax: 610-648-3806
EMail: autoecon@msn.com

Editor:
Jeffrey A. Foltz

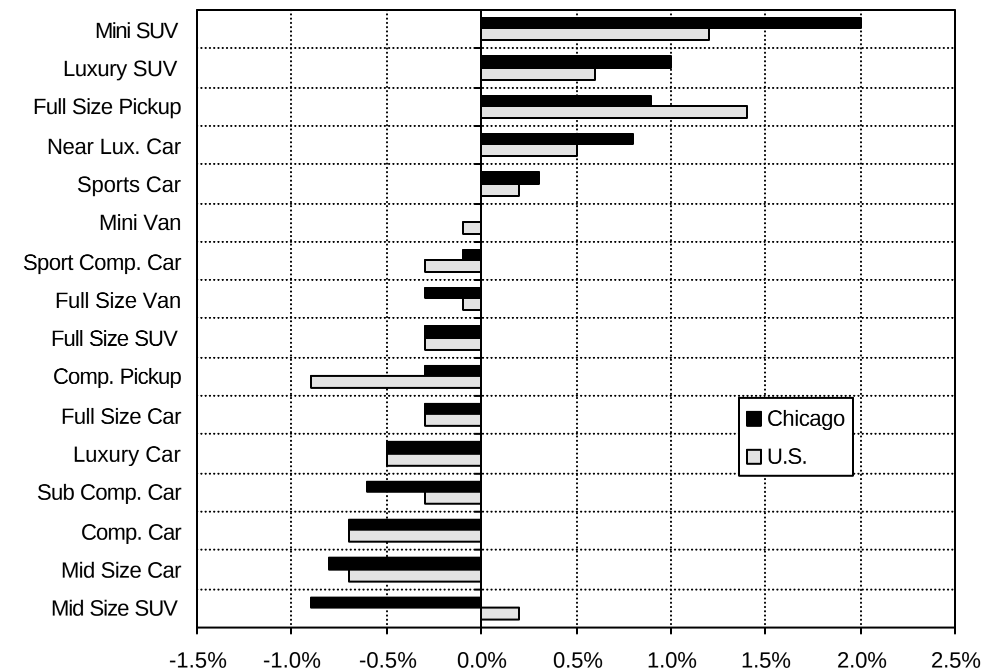
Segment Watch

Mini SUV Segment Market Share Increases by Two Points in First Half of 2002

Segment Watch provides a great deal of information on the makeup of the Chicago area light vehicle market. The graph on the right shows the increase or decrease in market share during the first half of this year (versus 2001) for each of the 16 primary segments in both the area and U.S. markets. The table below shows the top five sellers in each segment during the first half of this year, and the percent change in new registrations versus 2001.

Observations: Significantly increased sales of the Honda CRV and strong sales of the Jeep Liberty and Hyundai Santa Fe led the Mini SUV segment to a two percentage point market share gain in the Chicago area. U.S. market share was up by 1.2 points. Nissan Altima registrations in the Chicago area increased by 45% during the first half of this year. *Source: The Polk Company.*

Change in Retail Light Vehicle Market Share - Second Quarter, '02 (vs. '01)



Top Five Selling Models in Each Segment

New Retail Registrations, Year-to-date 2002 (thru June) and Percent Change vs. 2001

CARS											
Sub Compact			**Compact**			**Sporty Compact**			**Mid Size**		
Model	**Regs.**	**% ch.**	**Model**	**Regs.**	**% ch.**	**Model**	**Regs.**	**% ch.**	**Model**	**Regs.**	**% ch.**
Chevrolet Cavalier	5243	-7%	Volkswagen Jetta	2583	3%	Ford Mustang	1226	-3%	Toyota Camry	5584	2%
Honda Civic	4650	-5%	Pontiac Grand Am	2550	-18%	Mitsubishi Eclipse	1088	-16%	Honda Accord	4571	-25%
Ford Focus	2983	-20%	Chrysler Sebring	2267	10%	Acura RSX	468	--	Nissan Altima	2886	45%
Saturn S	2483	-49%	Chevrolet Malibu	2253	-23%	Chevrolet Camaro	433	7%	Chevrolet Impala	2583	7%
Toyota Corolla	2296	-19%	Dodge Stratus	1323	-2%	Pontiac Firebird	385	-7%	Ford Taurus	2465	-23%
Full Size			**Near Luxury**			**Luxury**			**Sports Car**		
Model	**Regs.**	**% ch.**	**Model**	**Regs.**	**% ch.**	**Model**	**Regs.**	**% ch.**	**Model**	**Regs.**	**% ch.**
Buick LeSabre	1856	-9%	BMW 3-Series	1714	-10%	Cadillac Deville	1277	-19%	Chevrolet Corvette	571	-11%
Mercury Gr. Marq.	1011	-24%	Lexus ES300	1620	80%	BMW 5-Series	792	0%	Lexus SC430	345	105%
Pontiac Bonneville	611	-20%	Acura TL	1314	-14%	Lincoln Town Car	778	-2%	Ford Thunderbird	325	--
Ford Crown Vic.	381	15%	Audi A4	989	34%	Audi A6	691	-8%	Porsche Boxster	249	7%
Buick Park Ave.	343	-40%	Mercedes C	914	18%	Lexus LS	554	-22%	Porsche 911	246	22%
LIGHT TRUCKS											
Compact Pickup			**Full Size Pick Up**			**Mini Van**			**Full Size Van**		
Model	**Regs.**	**% ch.**	**Model**	**Regs.**	**% ch.**	**Model**	**Regs.**	**% ch.**	**Model**	**Regs.**	**% ch.**
Dodge Dakota	1387	-25%	Ford F-Series	4251	9%	Dodge Caravan	4385	-1%	Chevrolet Express	1552	-15%
Chevrolet S10	1377	-7%	Chevrolet Silverado	3124	-15%	Honda Odyssey	2850	17%	Ford Econoline	1552	-11%
Ford Ranger	1296	-15%	Dodge Ram	2175	2%	Chrysler T & C	2348	-7%	Dodge Ram Van	849	-38%
Toyota Tacoma	422	-15%	Chevrolet Avalanche	1158	--	Ford Windstar	1902	-28%	GMC Savanah	352	-20%
GMC Sonoma	326	1%	GMC Sierra	1053	1%	Toyota Sienna	1793	1%			
Mini SUV			**Mid Size SUV**			**Full Size SUV**			**Luxury SUV**		
Model	**Regs.**	**% ch.**	**Model**	**Regs.**	**% ch.**	**Model**	**Regs.**	**% ch.**	**Model**	**Regs.**	**% ch.**
Honda CRV	3083	34%	Ford Explorer	4992	1%	Chevrolet Tahoe	1981	0%	Lexus RX300	1982	-6%
Jeep Liberty	2551	--	Jeep Gr. Cher.	4265	4%	Chevrolet Suburban	1347	-6%	Buick Rendezvous	1499	--
Ford Escape	2450	-15%	Chevrolet TrailBlaze	3555	--	Ford Expedition	1152	-40%	Acura MDX	1246	13%
Hyundai Santa Fe	1798	71%	Dodge Durango	1927	-29%	Toyota Sequoia	833	-4%	BMW X5	1111	-1%
Toyota RAV4	1440	-15%	Toyota Highlander	1859	103%	GMC Yukon	434	--	Mercedes ML	795	-15%

CHICAGO AREA NEW RETAIL LIGHT VEHICLE REGISTRATIONS

History and Forecast

(Historical data obtained from The Polk Company)

	ANNUAL TOTALS				% CHANGE		
				Forecast			**Forecast**
	1999	**2000**	**2001**	**2002**	**99 to 00**	**00 to 01**	**00 to 02**
TOTAL	425,000	453,188	483,987	**446,431**	6.6%	6.8%	**-7.8%**
Acura	3,653	4,894	7,055	**6,777**	34.0%	44.2%	**-3.9%**
Car	3,635	4,704	4,998	**4,403**	29.4%	6.3%	**-11.9%**
Truck	18	190	2,057	**2,374**	955.6%	982.6%	**15.4%**
Audi	3,677	3,329	3,735	**3,950**	-9.5%	12.2%	**5.8%**
BMW	4,526	6,560	8,668	**8,507**	44.9%	32.1%	**-1.9%**
Car	4,526	5,498	6,469	**6,289**	21.5%	17.7%	**-2.8%**
Truck	0	1,062	2,199	**2,218**	--	107.1%	**0.9%**
Buick	11,600	12,046	13,268	**11,950**	3.8%	10.1%	**-9.9%**
Car	11,600	12,046	11,929	**8,905**	3.8%	-1.0%	**-25.3%**
Truck	0	0	1,339	**3,045**	--	--	**127.4%**
Cadillac	5,764	6,672	7,219	**7,059**	15.8%	8.2%	**-2.2%**
Car	5,192	6,017	6,239	**5,531**	15.9%	3.7%	**-11.3%**
Truck	572	655	980	**1,528**	14.5%	49.6%	**55.9%**
Chevrolet	57,625	63,711	68,968	**65,094**	10.6%	8.3%	**-5.6%**
Car	25,387	28,722	29,891	**26,499**	13.1%	4.1%	**-11.3%**
Truck	32,238	34,989	39,077	**38,595**	8.5%	11.7%	**-1.2%**
Chrysler	12,032	14,989	17,515	**15,978**	24.6%	16.9%	**-8.8%**
Car	9,235	6,545	7,619	**6,758**	-29.1%	16.4%	**-11.3%**
Truck	2,797	8,444	9,896	**9,220**	201.9%	17.2%	**-6.8%**
Daewoo	707	1,269	1,574	**492**	79.5%	24.0%	**-68.7%**
Dodge	39,209	36,374	34,176	**31,623**	-7.2%	-6.0%	**-7.5%**
Car	9,318	8,734	9,740	**8,430**	-6.3%	11.5%	**-13.4%**
Truck	29,891	27,640	24,436	**23,193**	-7.5%	-11.6%	**-5.1%**
Ferrari	36	47	52	**55**	30.6%	10.6%	**5.8%**
Ford	61,279	62,659	64,164	**54,507**	2.3%	2.4%	**-15.1%**
Car	22,424	23,191	21,211	**17,183**	3.4%	-8.5%	**-19.0%**
Truck	38,855	39,468	42,953	**37,324**	1.6%	8.8%	**-13.1%**
GMC	8,013	8,752	10,612	**10,318**	9.2%	21.3%	**-2.8%**
Honda	25,814	29,818	32,771	**33,130**	15.5%	9.9%	**1.1%**
Car	19,554	20,531	22,711	**19,866**	5.0%	10.6%	**-12.5%**
Truck	6,260	9,287	10,060	**13,264**	48.4%	8.3%	**31.8%**
Hyundai	5,060	7,357	12,390	**13,446**	45.4%	68.4%	**8.5%**
Car	5,060	7,114	9,729	**9,944**	40.6%	36.8%	**2.2%**
Truck	0	243	2,661	**3,502**	--	995.1%	**31.6%**
Infiniti	3,063	3,897	3,894	**3,994**	27.2%	-0.1%	**2.6%**
Car	2,054	2,676	2,770	**3,122**	30.3%	3.5%	**12.7%**
Truck	1,009	1,221	1,124	**872**	21.0%	-7.9%	**-22.4%**
Isuzu	2,410	1,996	2,012	**1,476**	-17.2%	0.8%	**-26.6%**
Car	0	0	0	**0**	--	--	**--**
Truck	2,410	1,996	2,012	**1,476**	-17.2%	0.8%	**-26.6%**
Jaguar	1,050	1,463	1,501	**2,127**	39.3%	2.6%	**41.7%**
Jeep	17,460	15,460	17,516	**16,429**	-11.5%	13.3%	**-6.2%**
Kia	5,632	5,943	7,344	**6,790**	5.5%	23.6%	**-7.5%**
Car	3,146	3,314	4,699	**3,965**	5.3%	41.8%	**-15.6%**
Truck	2,486	2,629	2,645	**2,825**	5.8%	0.6%	**6.8%**
Land Rover	1,191	1,045	1,027	**1,368**	-12.3%	-1.7%	**33.2%**

CHICAGO AREA NEW RETAIL LIGHT VEHICLE REGISTRATIONS

History and Forecast

(Historical data obtained from The Polk Company)

	ANNUAL TOTALS				% CHANGE		
				Forecast			**Forecast**
	1999	**2000**	**2001**	**2002**	**99 to 00**	**00 to 01**	**00 to 02**
Lexus	7,321	8,736	9,776	**10,059**	19.3%	11.9%	**2.9%**
Car	3,642	3,881	5,243	**5,942**	6.6%	35.1%	**13.3%**
Truck	3,679	4,855	4,533	**4,117**	32.0%	-6.6%	**-9.2%**
Lincoln	5,225	5,984	5,070	**4,040**	14.5%	-15.3%	**-20.3%**
Car	3,912	4,757	4,046	**3,138**	21.6%	-14.9%	**-22.4%**
Truck	1,313	1,227	1,024	**902**	-6.5%	-16.5%	**-11.9%**
Mazda	3,858	4,194	5,478	**5,167**	8.7%	30.6%	**-5.7%**
Car	3,334	2,906	3,241	**2,976**	-12.8%	11.5%	**-8.2%**
Truck	524	1,288	2,237	**2,191**	145.8%	73.7%	**-2.1%**
Mercedes	6,156	7,377	7,239	**6,858**	19.8%	-1.9%	**-5.3%**
Car	4,410	5,429	5,434	**5,122**	23.1%	0.1%	**-5.7%**
Truck	1,746	1,948	1,805	**1,736**	11.6%	-7.3%	**-3.8%**
Mercury	11,970	10,497	8,829	**6,308**	-12.3%	-15.9%	**-28.6%**
Car	8,839	8,044	6,623	**4,281**	-9.0%	-17.7%	**-35.4%**
Truck	3,131	2,453	2,206	**2,027**	-21.7%	-10.1%	**-8.1%**
Mini	0	0	0	**423**	--	--	**--**
Mitsubishi	5,131	8,209	8,829	**8,149**	60.0%	7.6%	**-7.7%**
Car	3,821	5,783	6,073	**5,463**	51.3%	5.0%	**-10.0%**
Truck	1,310	2,426	2,756	**2,686**	85.2%	13.6%	**-2.5%**
Nissan	15,328	17,722	17,926	**17,699**	15.6%	1.2%	**-1.3%**
Car	10,356	10,942	11,312	**12,138**	5.7%	3.4%	**7.3%**
Truck	4,972	6,780	6,614	**5,561**	36.4%	-2.4%	**-15.9%**
Oldsmobile	10,766	9,184	8,714	**4,688**	-14.7%	-5.1%	**-46.2%**
Car	8,115	6,893	6,428	**3,317**	-15.1%	-6.7%	**-48.4%**
Truck	2,651	2,291	2,286	**1,371**	-13.6%	-0.2%	**-40.0%**
Plymouth	6,391	3,071	1,573	**109**	-51.9%	-48.8%	**-93.1%**
Car	2,613	1,921	1,508	**98**	-26.5%	-21.5%	**-93.5%**
Truck	3,778	1,150	65	**11**	-69.6%	-94.3%	**-83.1%**
Pontiac	20,048	21,613	20,574	**17,788**	7.8%	-4.8%	**-13.5%**
Car	18,178	19,711	18,030	**15,662**	8.4%	-8.5%	**-13.1%**
Truck	1,870	1,902	2,544	**2,126**	1.7%	33.8%	**-16.4%**
Porsche	657	742	803	**905**	12.9%	8.2%	**12.7%**
Rolls	7	11	11	**10**	57.1%	0.0%	**-9.1%**
Saab	1,243	1,232	1,423	**1,484**	-0.9%	15.5%	**4.3%**
Saturn	8,937	10,814	10,775	**10,206**	21.0%	-0.4%	**-5.3%**
Car	8,937	10,814	10,774	**8,285**	21.0%	-0.4%	**-23.1%**
Truck	0	0	1	**1,921**	--	--	**--**
Subaru	2,942	3,439	4,558	**4,404**	16.9%	32.5%	**-3.4%**
Car	1,625	1,751	2,779	**2,650**	7.8%	58.7%	**-4.6%**
Truck	1,317	1,688	1,779	**1,754**	28.2%	5.4%	**-1.4%**
Suzuki	1,646	1,498	1,697	**1,165**	-9.0%	13.3%	**-31.3%**
Car	317	384	336	**233**	21.1%	-12.5%	**-30.7%**
Truck	1,329	1,114	1,361	**932**	-16.2%	22.2%	**-31.5%**
Toyota	30,734	34,642	38,806	**36,852**	12.7%	12.0%	**-5.0%**
Car	21,443	24,216	23,395	**21,172**	12.9%	-3.4%	**-9.5%**
Truck	9,291	10,426	15,411	**15,680**	12.2%	47.8%	**1.7%**
Volkswagen	13,925	12,354	12,331	**11,702**	-11.3%	-0.2%	**-5.1%**
Car	13,883	12,309	12,243	**11,590**	-11.3%	-0.5%	**-5.3%**
Truck	42	45	88	**112**	7.1%	95.6%	**27.3%**
Volvo	2,884	3,534	4,019	**3,258**	22.5%	13.7%	**-18.9%**
Other	30	54	95	**87**	80.0%	75.9%	**-8.4%**

Market Trending Analysis

Chevrolet and Toyota "Trending Up" in the Chicago Area Market

Popular statistical analysis of automotive sales often concentrates on two basic measurements. First, how have sales changed versus the same period a year earlier? Are they up or down? And two, what have sales been like in the recent past, i.e., a week or a month. The problem with these two measurements is that they don't look at the overall trend over a longer period of time.

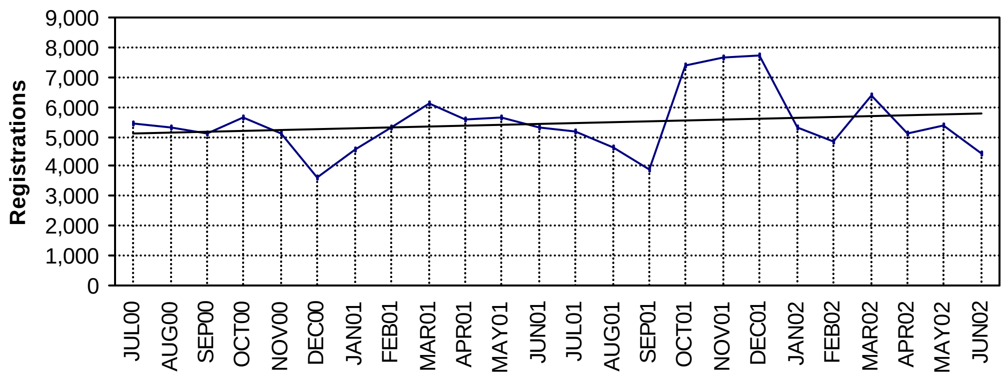
For instance, sales might have gone up last month versus a year earlier, but if the trend for the past several years is sharply lower, that singular indicator might be misleading. The graphs that follow focus on the longer term trend for the Top 10 selling brands in the Chicago area retail automotive market. For each brand, the graph shows monthly new retail light vehicle registrations over the past two years.

The graphs also have a trend line that "fits" the data. This trend line conveys a great deal of information regarding the recent <u>and</u> longer term sales performance for each brand in the area market. A "downward sloping" line (i.e., goes down the page from left to right) indicates that registrations are generally trending lower over the two year period. The steeper the slope of the line, the higher the decrease. Conversely, an "upward sloping" line indicates that registrations are trending higher over the two year period (like Hyundai).

Want to know what sales performance has been like over the past few months? Check the actual monthly registrations indicated by the dots on the graph. If the dots are above the line, registrations have exceeded the trend, which could be an indicator that the trend is likely to improve. The opposite is true if the dots are below the line.

These basic evaluators are summarized for each of the 10 brands, as well as Auto Outlook's prediction for future trends.

CHEVROLET



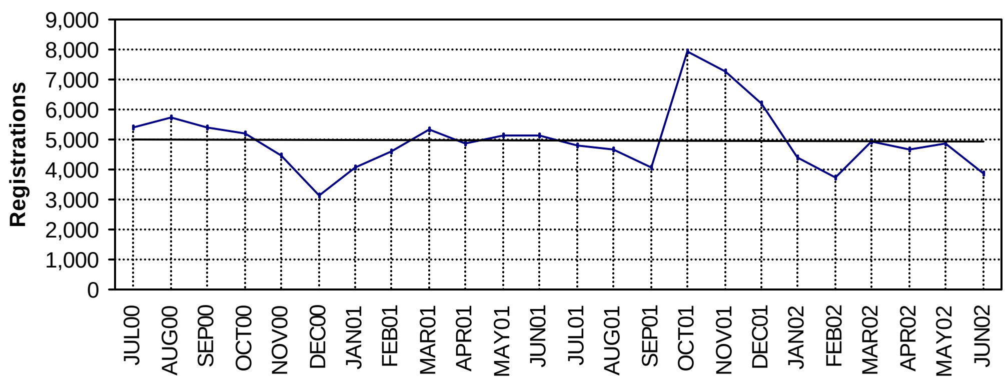
SUMMARY

<u>Two Year Trending Direction:</u>
Up Slightly

<u>Last Thee Months vs. Trend:</u>
Below Average

<u>Predicted Trending Direction:</u>
Up Slightly

FORD



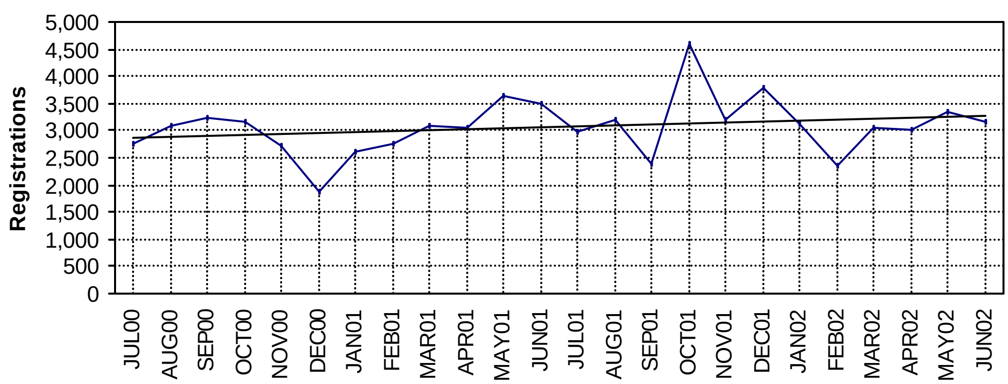
SUMMARY

<u>Two Year Trending Direction:</u>
Flat

<u>Last Three Months vs. Trend:</u>
Slightly Below Average

<u>Predicted Trending Direction:</u>
Flat

TOYOTA



SUMMARY

<u>Two Year Trending Direction:</u>
Up Slightly

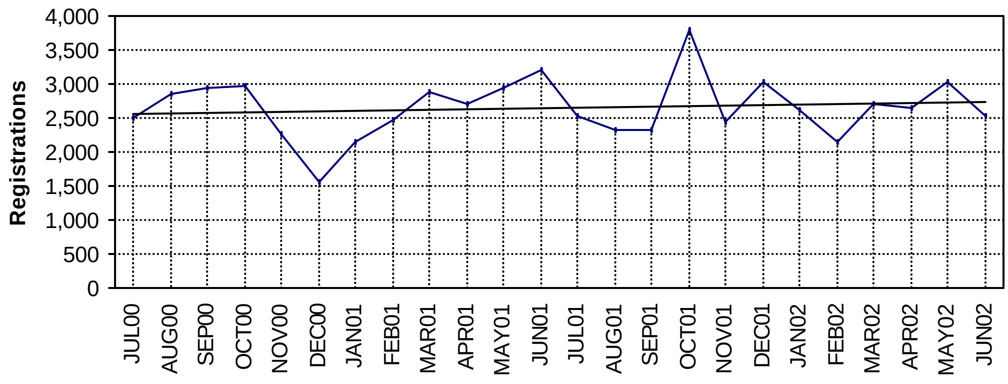
<u>Last Three Months vs. Trend:</u>
Average

<u>Predicted Trending Direction:</u>
Up Slightly

<u>*Market Trending Analysis (continued)*</u>

Honda “Trending Up Slightly” in the Chicago Area Market

HONDA



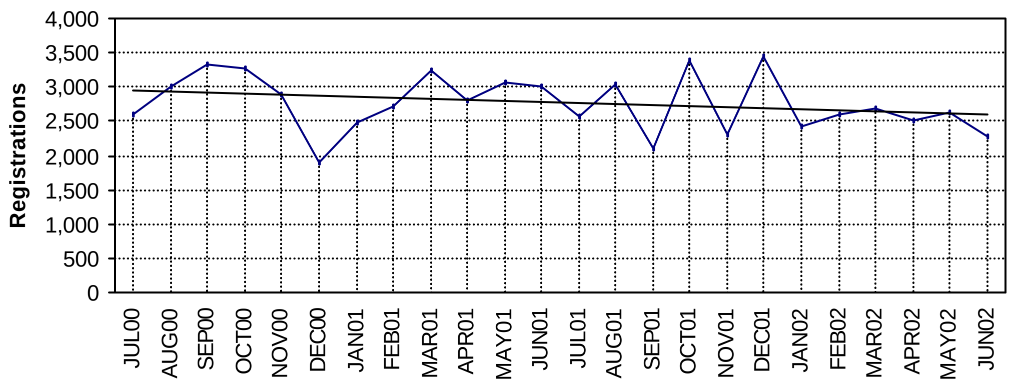
<u>SUMMARY</u>

<u>Two Year Trending Direction:</u>
Up Slightly

<u>Last Three Months vs. Trend:</u>
Slightly Above Average

<u>Predicted Trending Direction:</u>
Up

DODGE



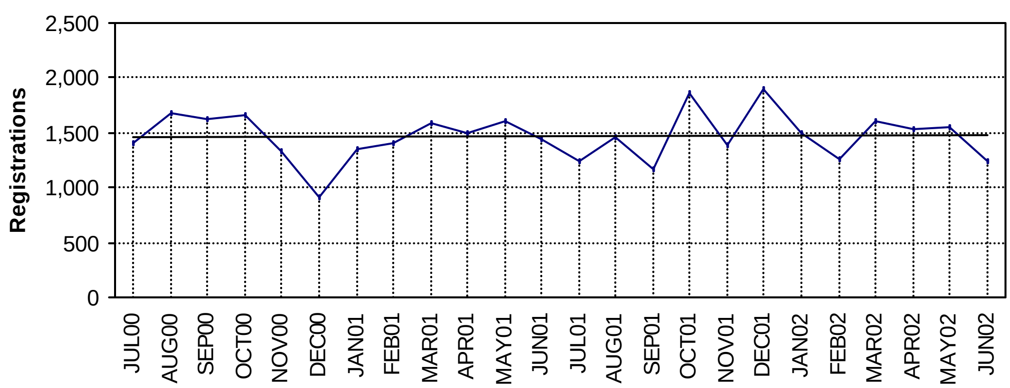
<u>SUMMARY</u>

<u>Two Year Trending Direction:</u>
Down Slightly

<u>Last Three Months vs. Trend:</u>
Slightly Below Average

<u>Predicted Trending Direction:</u>
Flat

NISSAN



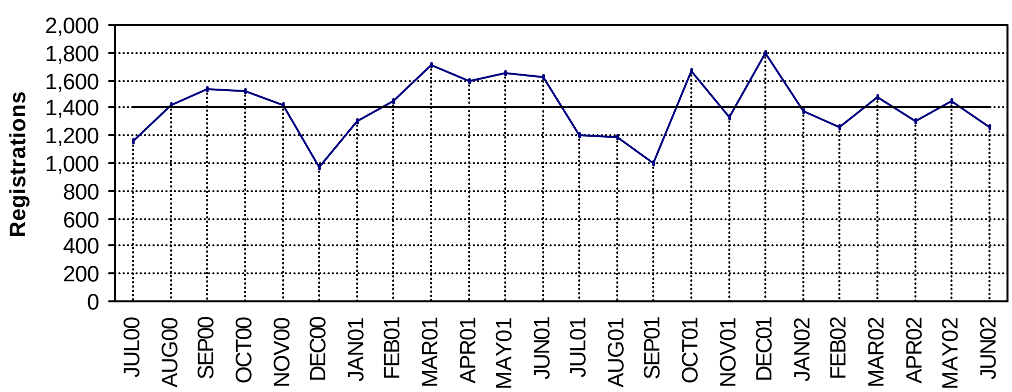
<u>SUMMARY</u>

<u>Two Year Trending Direction:</u>
Flat

<u>Last Three Months vs. Trend:</u>
Slightly Above Average

<u>Predicted Trending Direction:</u>
Up Slightly

CHRYSLER



<u>SUMMARY</u>

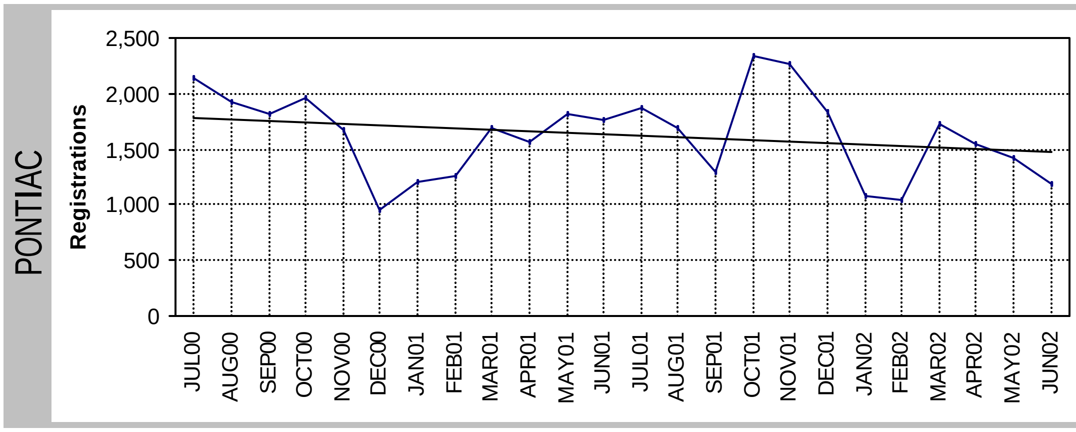
<u>Two Year Trending Direction:</u>
Flat

<u>Last Three Months vs. Trend:</u>
Slightly Below Average

<u>Predicted Trending Direction:</u>
Flat

Market Trending Analysis (continued)

Hyundai "Trending Up" in Chicago Area Market

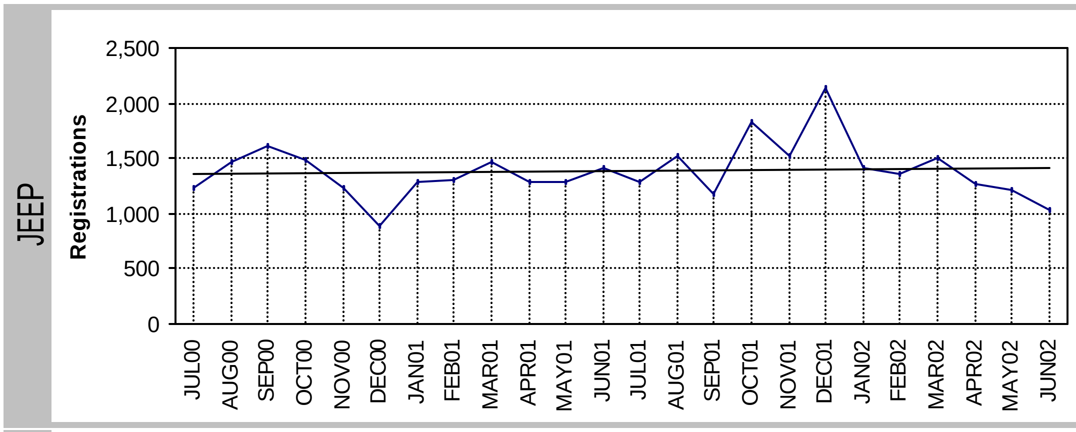


SUMMARY

Two Year Trending Direction:
Down

Last Three Months vs. Trend:
Slightly Below Average

Predicted Trending Direction:
Down Slightly

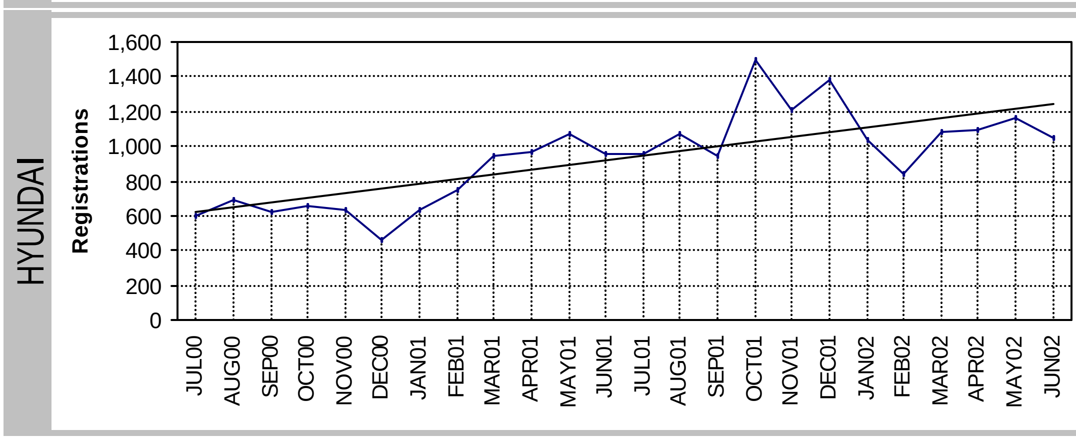


SUMMARY

Two Year Trending Direction:
Flat

Last Three Months vs. Trend:
Below Average

Predicted Trending Direction:
Down Slightly



SUMMARY

Two Year Trending Direction:
Up

Last Three Months vs. Trend:
Below Average

Predicted Trending Direction:
Up Slightly

Chicago Area Top Ten Scoreboard

Chevrolet Remains in First Place, Pontiac Improves to Seventh

FIRST QUARTER, 2002			SECOND QUARTER, 2002			*change in*
Rank	Make	Market Share	**Rank**	Make	Market Share	*mkt. share*
1	Chevrolet	15.4%	**1**	Chevrolet	13.6%	*-1.8%*
2	Ford	12.1%	**2**	Ford	12.2%	*0.1%*
3	Toyota	8.0%	**3**	Toyota	8.7%	*0.7%*
4	Dodge	7.2%	**4**	Honda	7.5%	*0.5%*
5	Honda	7.0%	**5**	Dodge	6.8%	*-0.4%*
6	Nissan	4.1%	**6**	Nissan	4.0%	*-0.1%*
7	Jeep	4.0%	**7**	Pontiac	3.8%	*0.2%*
8	Chrysler	3.9%	**8**	Chrysler	3.6%	*-0.3%*
9	Pontiac	3.6%	**9**	Jeep	3.2%	*-0.8%*
10	Hyundai	2.8%	**10**	Volkswagen	3.2%	*0.7%*

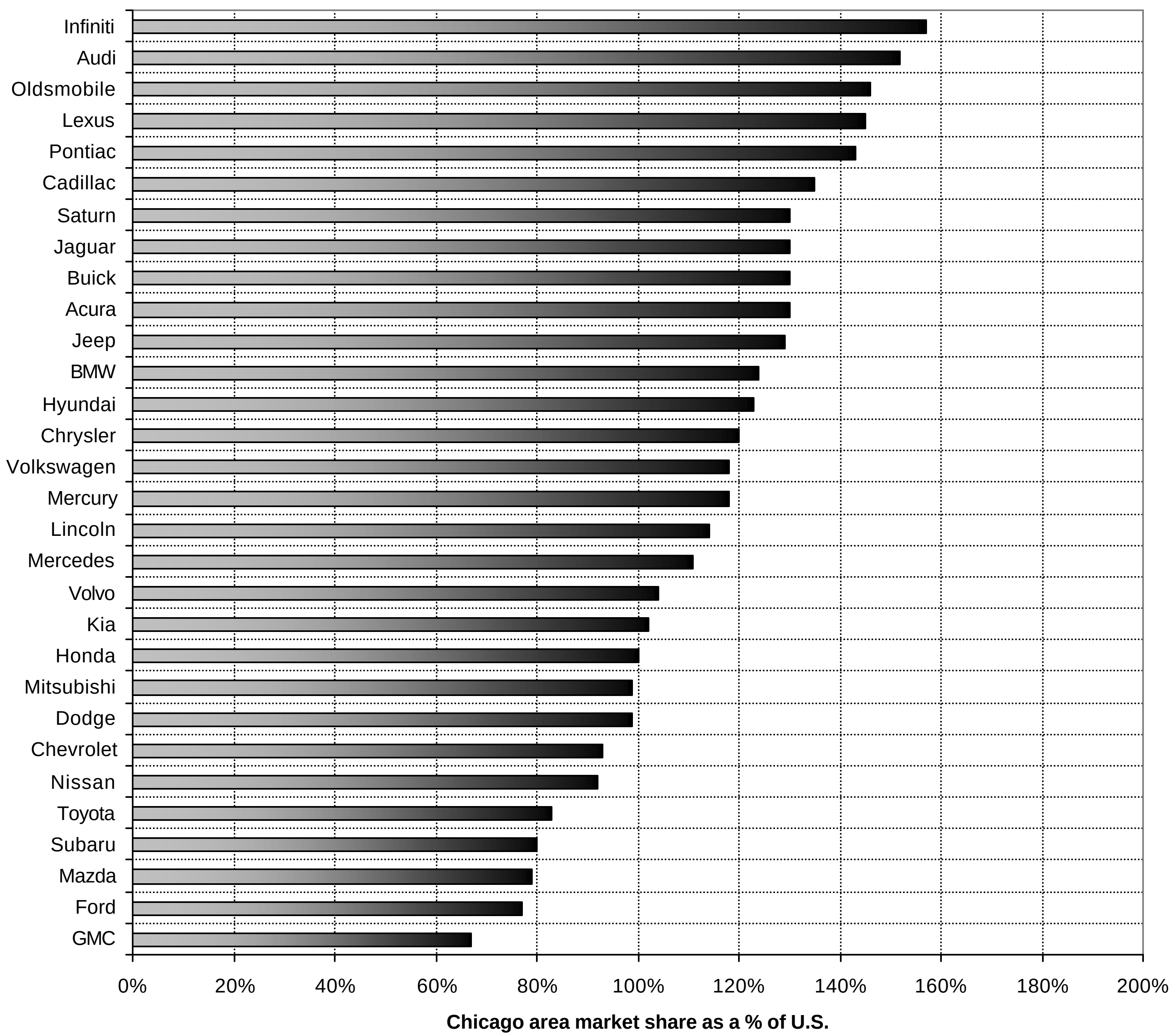
The table on the left shows the Top 10 sellers in the Chicago area light vehicle market during the first and second quarters of this year. Chevrolet lost 1.8 market share points in the second quarter, but remained well ahead of second place Ford. Pontiac gained 0.2 points and moved into seventh place. Source: The Polk Company.

CHICAGO AREA BRAND SCOREBOARD

Luxury Import Brands Top the List as Strong Performers in Area; Pontiac Near the Top

The graph below shows Chicago area market share as a percent of National for all major brands during the first six months of this year. Each brand's share of the area retail light vehicle market is divided by its National market share, and converted into a percentage. The brands are ranked based on area market share as a percent of National. So, brands at the top of the graph had a much higher market share in the area than Nationally, while those at the bottom had a much lower market share in the area. Any brand with area market share as a percent of National exceeding 120% can be considered a strong performer. Infiniti, Audi, Oldsmobile, Lexus, Pontiac, Cadillac, Saturn, Jaguar, Buick, Acura, and Jeep were the leaders. Brands below the 80% level fell well short of National market share levels in the area.

Share of Chicago Area New Retail Light Vehicle Market as a Percent of National (First Half, 2002)



Source: The Polk Company

Leading Car Models

Toyota Camry Top Selling Car Model in Chicago Area and U.S.

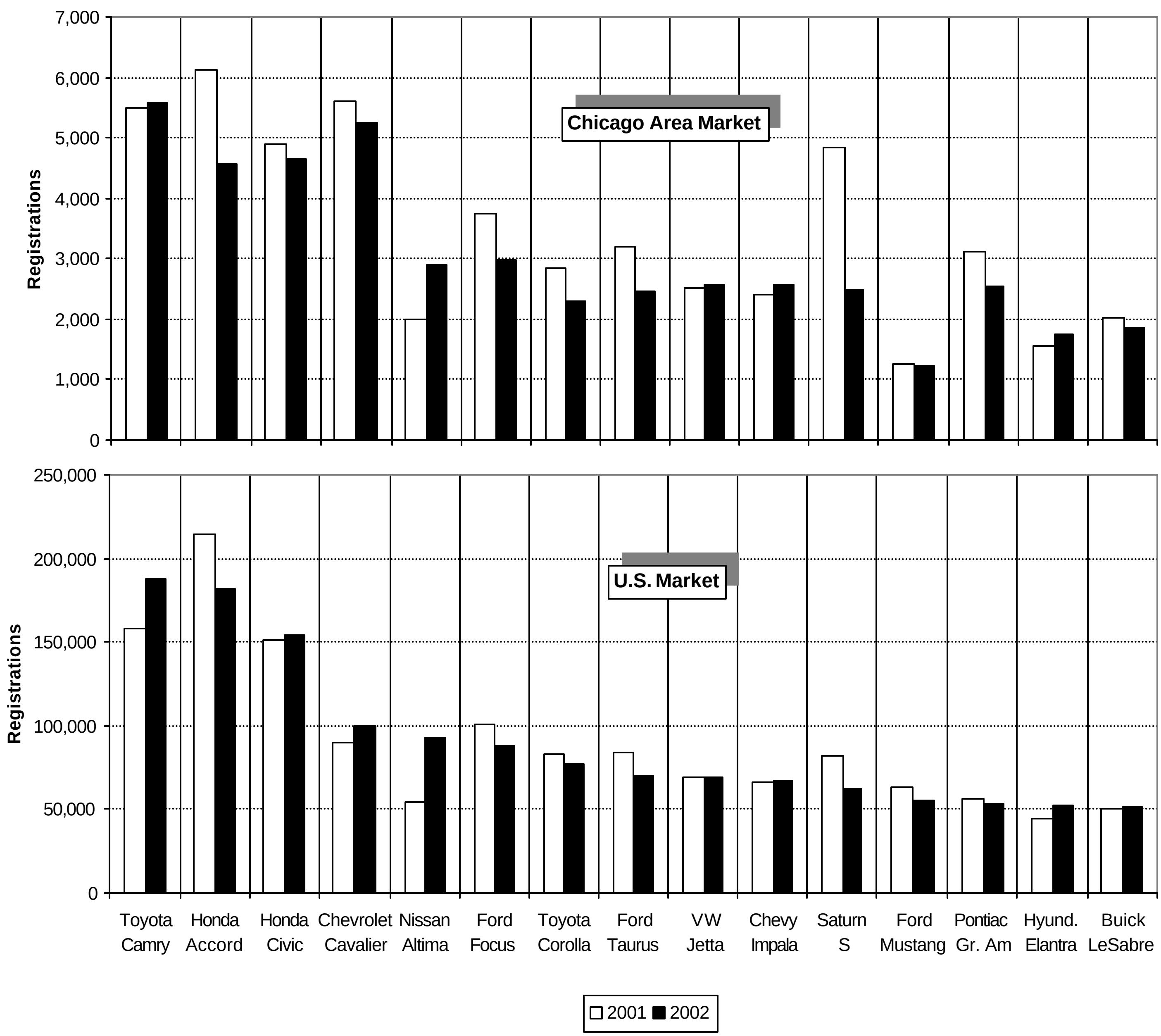
The two graphs below show new retail registrations in both the Chicago area and U.S. markets for the top 15 selling car models in the Nation so far this year.

Comparing the relative heights of the bars reveals those models which are relatively popular (and less popular) in the area. Bars for the Honda Civic, Chevrolet Cavalier, Ford Focus, Saturn S, and Pontiac Grand Am, for instance, are all relatively higher in the area than in the Nation.

In addition, comparing the heights of the bars in 2001 and 2002 reveals those models which are gaining ground (or losing ground). Honda Accord registrations, for instance, have declined in both markets, while Toyota Camry registrations have increased. Registrations of the Volkswagen Jetta were up slightly in the Area during the first six months of this year (versus a year earlier), and were flat in the National market.

Look for the Light Truck market report in the next issue of Chicago Auto Outlook.

New Retail Car Registrations—Chicago Area and U.S. (thru June 2001 & 2002)



County Scoreboard

Will and Lake, IN County Markets Record Smallest Declines in First Half of 2002

The tables on this page provide a thorough summary of the retail light vehicle markets for each of the eight counties that comprise the Chicago area. This unique county-level information provides a valuable perspective on local market performance, and a barometer to evaluate the performance of your dealership.

Part 1 (below) shows new retail light vehicle registrations during the first half of 2000, 2001, and 2002. Percentage change, reflecting the **relative** growth or contraction of county markets, is shown in the middle of the table. Unit change, reflecting the **absolute** growth or contraction of county markets, is shown in the last three columns. Part 2 presents market share data for light trucks, Domestic brands, and the top five selling car and light truck brands in the area. The top ranked county in each category is shaded.

Source: The Polk Company

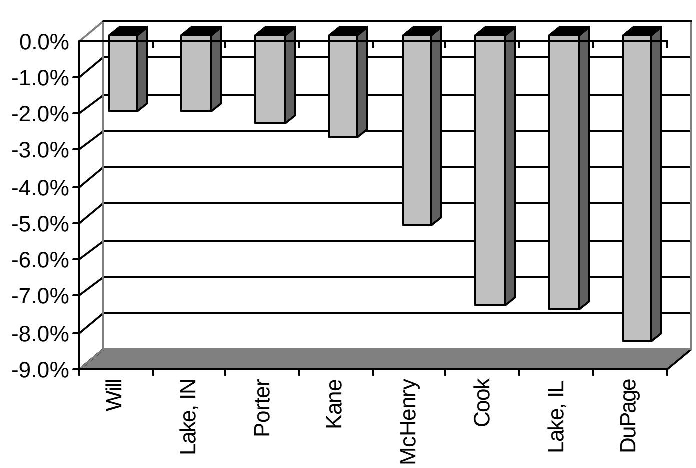
COUNTY BY COUNTY - PART 1

	Registrations (YTD, thru June)			Percent Change			Unit Change		
	2000	2001	2002	2000 to 2001	2001 to 2002	2000 to 2002	2000 to 2001	2001 to 2002	2000 to 2002
Cook	118,747	116,565	107,935	-1.8%	-7.4%	-9.1%	-2,182	-8,630	-10,812
DuPage	35,208	35,141	32,193	-0.2%	-8.4%	-8.6%	-67	-2,948	-3,015
Kane	12,028	12,046	11,705	0.1%	-2.8%	-2.7%	18	-341	-323
Lake, IL	25,271	25,263	23,379	0.0%	-7.5%	-7.5%	-8	-1,884	-1,892
McHenry	9,260	9,437	8,949	1.9%	-5.2%	-3.4%	177	-488	-311
Will	17,729	17,866	17,482	0.8%	-2.1%	-1.4%	137	-384	-247
Lake, IN	11,597	11,359	11,122	-2.1%	-2.1%	-4.1%	-238	-237	-475
Porter	4,211	4,202	4,101	-0.2%	-2.4%	-2.6%	-9	-101	-110

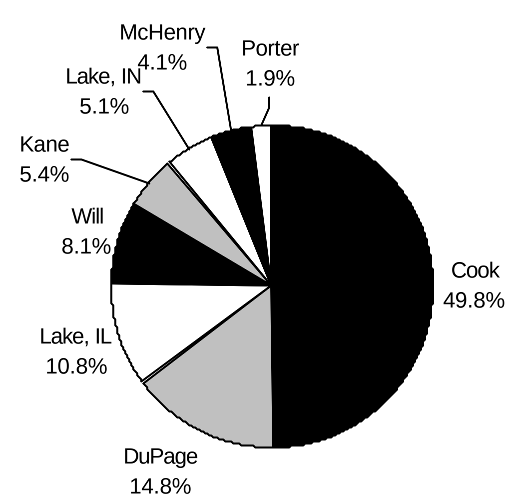
COUNTY BY COUNTY - PART 2

	Market Share Summary				Brand Market Share - Top Five Chicago Area Retail Brands, ytd '02									
	Light Truck		Domestic Brand		Cars					Light Trucks				
	YTD 2002	Change from '01	YTD 2002	Change from '00	Chev.	Toyota	Honda	Ford	Pont.	Chev.	Ford	Dodge	Jeep	Toyota
Cook	42.8	2.3	54.6	-1.9	11.7	9.8	8.2	7.1	5.8	17.4	16.8	11.0	7.6	8.1
DuPage	46.1	1.1	52.1	-3.8	9.5	8.8	9.0	6.6	5.0	17.5	17.2	8.9	7.3	8.9
Kane	52.7	1.2	62.0	-2.6	12.2	7.5	9.8	8.3	5.9	22.0	17.9	11.8	7.8	6.6
Lake, IL	48.7	1.5	48.7	-3.3	8.1	9.4	8.1	4.7	4.9	17.8	14.1	8.3	9.0	9.3
McHenry	56.5	2.3	64.9	-3.5	13.1	7.5	9.6	7.5	9.7	22.5	18.3	12.7	8.0	6.5
Will	52.7	2.3	66.1	-2.1	14.0	7.1	6.6	8.7	7.3	20.9	20.3	12.1	6.6	5.0
Lake, IN	50.3	2.9	75.0	-2.1	13.4	6.3	5.8	13.8	8.5	15.6	27.9	10.9	8.6	3.9
Porter	54.9	3.7	74.4	-1.8	11.4	6.0	6.6	11.9	11.7	15.2	23.3	11.9	7.6	3.8

Percent Change in Registrations – Year-to-date, '02 (vs. '01)



Share of Area Market – YTD, 2002 (thru June)



NEW RETAIL LIGHT VEHICLE MARKET COMPARISON: CHICAGO AREA VS. U.S.

	Area Market		U.S. Market	
Market Growth % change in registrations First Half, 2002 vs. First Half, 2001	**-6.5%**		**3.7%**	
Car Market Share Car share of industry retail light vehicle registrations - First Half, 2002	**53.5%**		**45.8%**	
Domestic Brand Market Share Domestic brand share of industry retail light vehicle registrations - First Half, 2002	**56.8%**		**58.0%**	
Top Selling Retail Brands *Top selling light vehicle brands and market share - Second Quarter, 2002*				
First	**Chevrolet**	**13.6%**	**Ford**	**18.7%**
Second	**Ford**	**12.2%**	**Chevrolet**	**14.4%**
Third	**Toyota**	**8.7%**	**Toyota**	**8.9%**
Fourth	**Honda**	**7.5%**	**Dodge**	**7.9%**
Fifth	**Dodge**	**6.8%**	**Honda**	**7.0%**
Sixth	**Nissan**	**4.0%**	**Nissan**	**4.3%**
Seventh	**Pontiac**	**3.8%**	**Jeep**	**3.2%**
Eighth	**Chrysler**	**3.6%**	**GMC**	**3.0%**
Ninth	**Jeep**	**3.2%**	**Pontiac**	**3.0%**
Tenth	**Volkswagen**	**3.2%**	**Chrysler**	**2.5%**

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Phone: 800-206-0102

Fax: 610-648-3806

EMail autoecon@email.msn.com

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