

## Passenger-car sales jump 98% in November

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Dec. 8 (Bloomberg) -- China's passenger-car sales surged 98 percent last month, the most in at least five years, as government incentives spurred demand in an auto market poised to surpass the U.S. as the world's biggest this year.

Sales of cars, sport-utility vehicles and minivans rose to 1.04 million last month, according to the China Association of Automobile Manufacturers. Total vehicle sales, which include trucks and buses, rose 96 percent to 1.34 million.

China's passenger car sales have jumped more than 50 percent for five straight months, making the world's most populous nation a bright spot after sales in the U.S., Japan and Europe tumbled. Car sales in India also rose the most in more than five years last month as the global economy rebounded from the recession that began last year.

"China is the best story most automakers have globally," said Bill Russo, a senior advisor at Booz & Company, which advises automakers and investors. "The challenge going forward is how to really tap the trends."

GM, Hyundai

General Motors Co.'s two main local ventures boosted sales 105 percent last month to 161,115 units, according to a Bloomberg calculation based on the association's numbers. Beijing Hyundai Motor Co., a venture between Hyundai Motor Co. and Beijing Automotive Industry Holding Co., more than doubled sales to 55,576.

Volkswagen AG's two ventures increased sales 58 percent to 130,525, according to the

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association. BYD Co., which is backed by Warren Buffett, climbed 133 percent to 50,650 units.

For the first 11 months, nationwide vehicle sales rose 42 percent to 12.2 million, with passenger-car sales surging 49.7 percent to 9.23 million.

Four trillion yuan of government spending and \$1.3 trillion of new bank lending this year have helped revive growth in China, the world's third-largest economy. Stimulus measures aimed at auto sales included cutting a 10 percent sales tax to 5 percent and 10 billion yuan of subsidies to help consumers buy and upgrade vehicles.

The Organization for Economic Cooperation and Development last month raised its forecast for economic growth in China this year to 8.3 percent from 7.7 percent. Growth will accelerate in 2010 to 10.2 percent, the OECD said in a report.

India, U.S.

India's passenger car sales rose 61 percent last month to 133,687 units, the Society of Indian Automobile Manufacturers said in a statement in New Delhi today, as cheaper loan rates and economic expansion lifted demand for Maruti Suzuki India Ltd. hatchbacks and Tata Motors Ltd.'s Nano.

India's economy expanded at the fastest pace in 1 1/2 years in the quarter ended September, helped by record-low interest rates and an economic stimulus.

China, Japan, and the U.S. are among countries that offered a mix of credits, tax breaks and

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subsidies to boost auto sales by getting consumers to trade in old cars for newer, more fuel-efficient models.

Industrywide sales in the U.S. totaled 746,928 units in November, compared with 746,789 a year earlier, according to Woodcliff Lake, New Jersey-based Autodata.