

Fitch Releases Report: Automotive Insights Quarterly

Written by Australian Business

NEW YORK--([BUSINESS WIRE](#))--Fitch Ratings has published its first installment of the quarterly report 'Automotive Insights Quarterly - First-Quarter 2014'. This report covers both original equipment auto manufacturers (OEMs) and auto suppliers. The recurring publication opens with a discussion of industry credit issues, followed by issuer data summary pages and industry charts and tables.

Fitch's 2014 outlook forecasts global light vehicle sales to rise in the low- to mid-single-digit range, propelled by growth in the U.S. and China, as well as modest growth in Western Europe. However, the growth outlook for Latin America is more uncertain, while sales in India may remain depressed. This low-growth sales environment will lead to stable credit conditions in most U.S. auto issuers.

The report discusses Fitch's views on a potential upgrade of General Motors Company's (GM) ratings in 2014, the ratings trajectory for Ford Motor Company (Ford), and issues facing Chrysler Group LLC (Chrysler) as Fiat S.p.A. (Fiat) acquires full ownership of the company.

Among the U.S. auto suppliers, Fitch expects that most should see increased revenue, profitability and free cash flow as result of growth in the U.S., European and Chinese auto markets. However, for the investment-grade suppliers, much of this will be targeted toward shareholders through share repurchases or dividends, while lower rated suppliers will continue to look for opportunities to strengthen their balance sheets. Capital spending will remain elevated across the supplier sector, and there may be some limited merger and acquisition activity as well.

This report is available on the Fitch website at ' www.fitchratings.com ', or by clicking on the link.

Additional information is available at www.fitchratings.com .

Applicable Criteria and Related Research: Automotive Insights Quarterly - First-Quarter 2014

http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=721415

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