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## Slowdown signs - Toyota and Honda lead in output cuts amid recession

*Tuesday, 01 Sep, 2009*

Bloomberg reported that Toyota Motor Corporation and Honda Motor Co led a drop in production among Japan's carmakers last month as rising unemployment sapped North American sales.

Toyota's production fell for a 12th straight month, declining 20% YoY from a year earlier to 576,074 vehicles. The number excludes Toyota's affiliates Daihatsu Motor Co and Hino Motors Limited. Honda's output fell 24% to 258,972, while Nissan Motor Co built 265,623 vehicles, down by 16% YoY.

The production cut at Toyota was its smallest in nine months as government incentives spurred demand in the US, Japan and Europe. The company's Corolla and Camry models were among the top five purchased under the US cash for clunkers program, which ended Aug. 24 and generated almost 700,000 sales.

Toyota earlier this month forecast a net loss of JPY 450 billion for the year ending in March. The company plans to shut an assembly plant for the first time in its 72 year history after the failure of a joint venture with GM. New United Motor Manufacturing Inc in Fremont, California, will end production of Corolla cars and Tacoma pickups in March 2010.

The carmaker will also shut down an assembly line at its Takaoka plant in Japan, reducing output by about 220,000 vehicles, from the fiscal first quarter of next year through the second half of calendar year 2011. Toyota's global output including Daihatsu and Hino fell 21% in July to 645,405 vehicles.

(Sourced from [www.bloomberg.net](http://www.bloomberg.net))

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