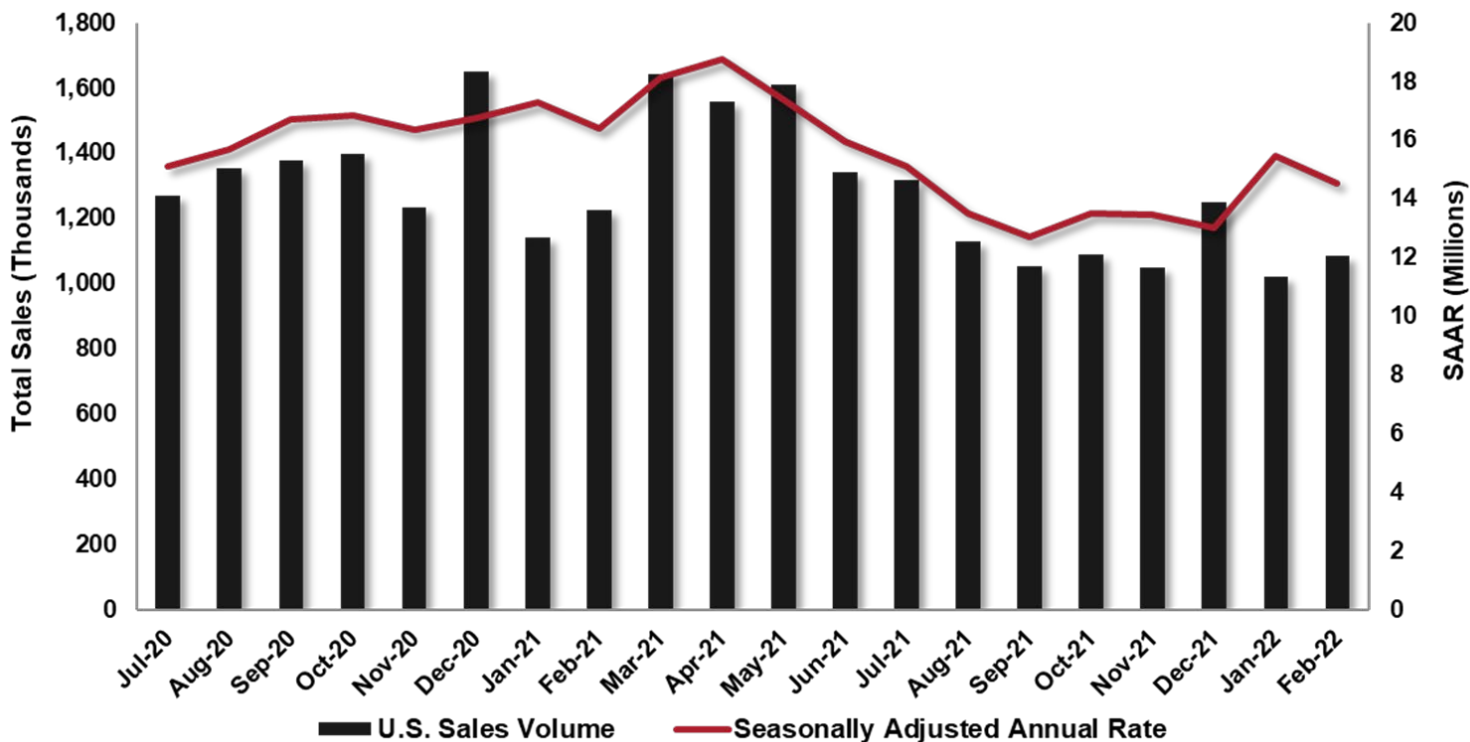


Industry Trends

February – March 2022

ACQUISITION

U.S. Sales Volume by Month & SAAR All Manufacturers



All US Sales

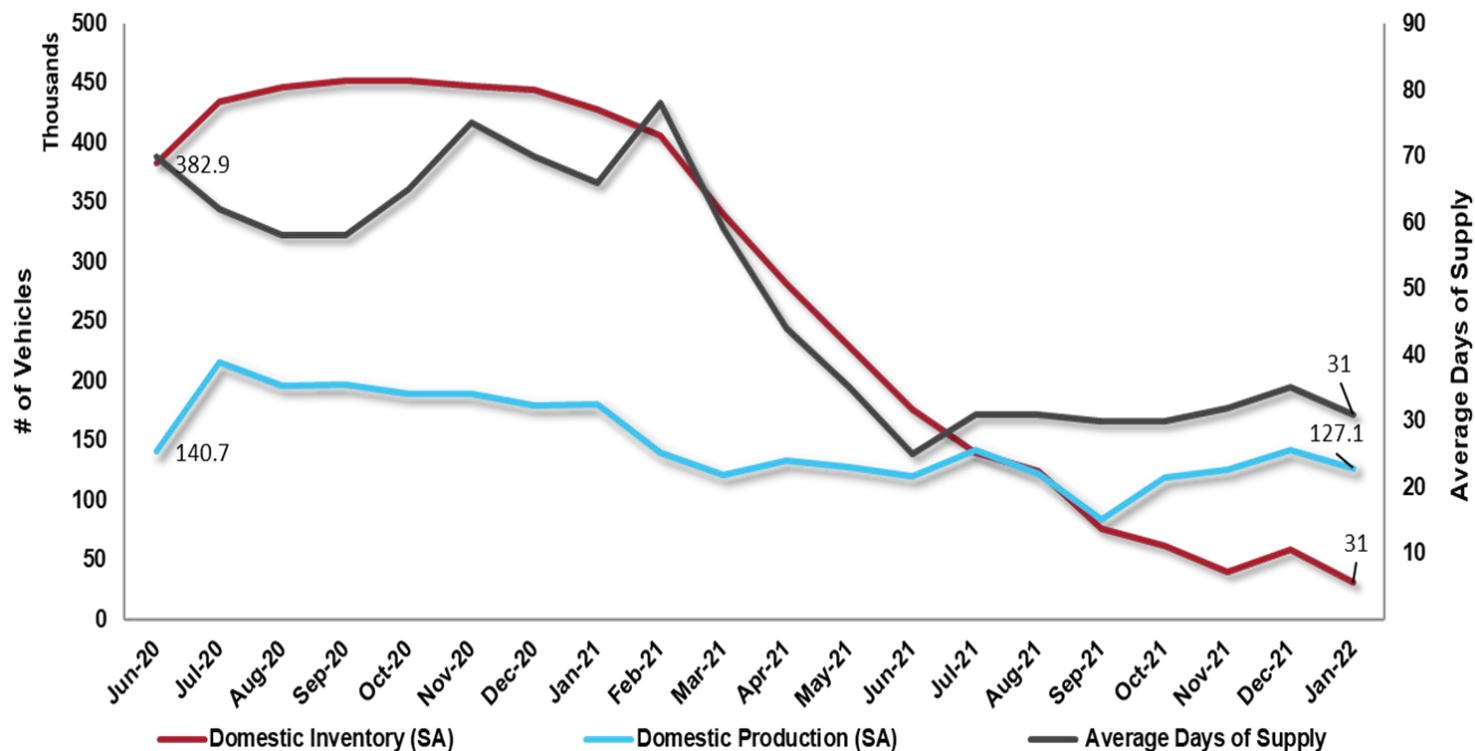
- February's US vehicle sales decreased by 5% M/M
- Passenger vehicles sales decreased by 5% M/M, and light truck decreased by 7% M/M
- February's light trucks sales accounted for 79.2% of all sales

Fleet Sales Only

- In February 178,252 total fleet units were sold, a 16% M/M increase.
- February new vehicle purchases is a 36% decrease from February 2021

ACQUISITION

Dealer Inventory & Days of Supply

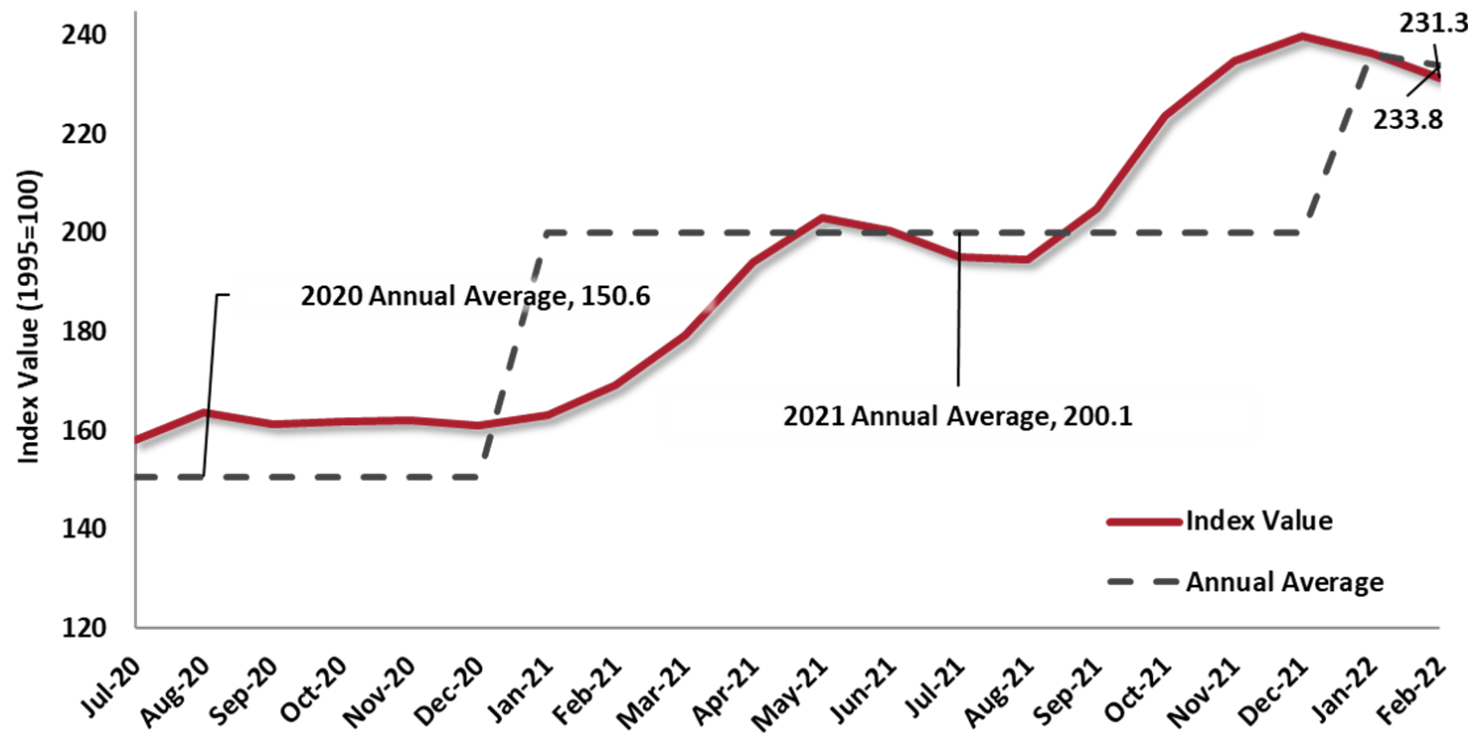


- New vehicle inventories have decreased slightly, Domestic inventory for January is still down 93% Y/Y.
- The average dealership days' supply has decreased slightly to 31 compared with 63 days in January 2020.
- New vehicle production decreased by 11% M/M, and Y/Y production is still down 30%

- January new-vehicle prices dipped for the first time in months.
- The average price rose to \$44,814, which is 12% higher Y/Y

WHOLESALE RESALE MARKET

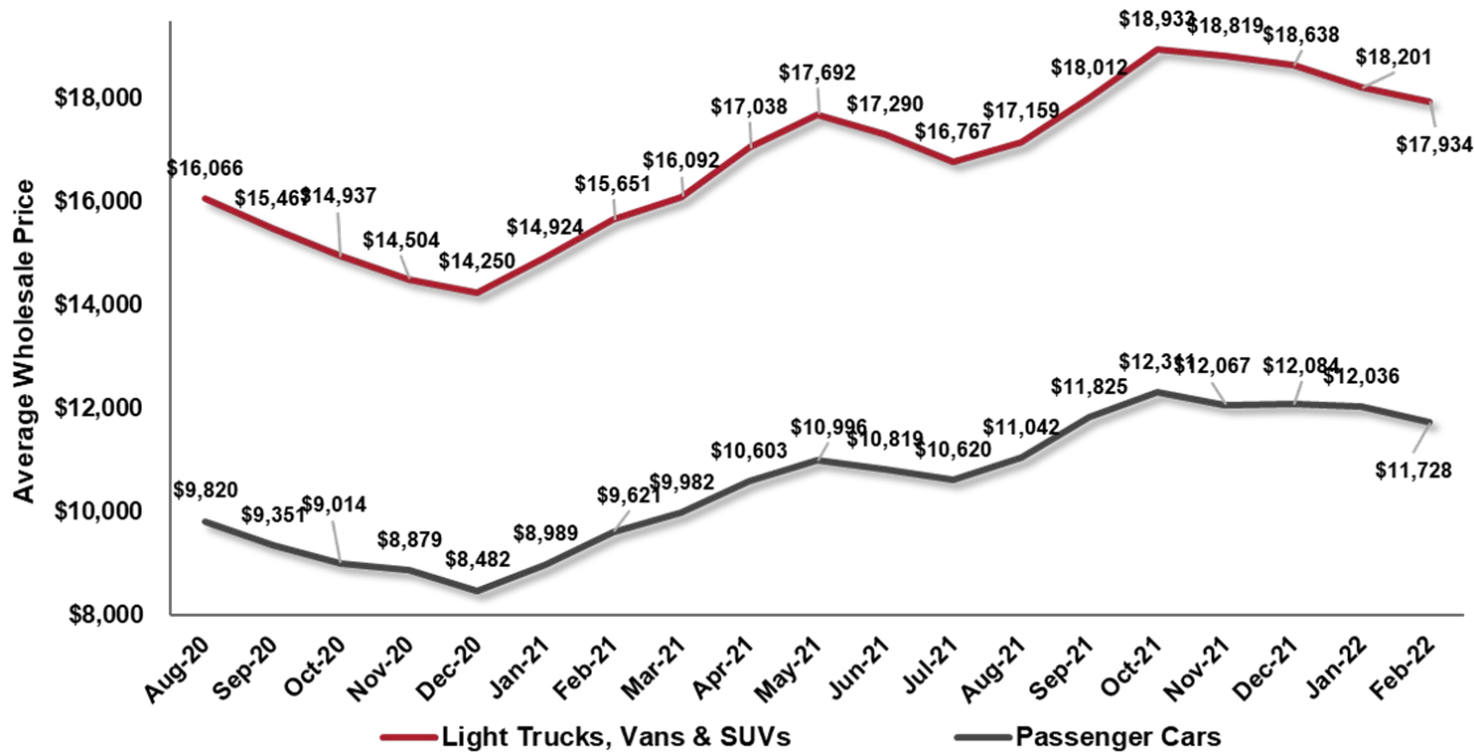
Manheim Used Vehicle Value Index



- Wholesale used vehicle prices decreased 2.1% M/M in January.
- The Manheim Used Vehicle Value Index increased by 36.7% Y/Y.
- Total volume of used vehicle sales were down for the 3rd straight month, .10% Y/Y in February
- 2019 Annual Average was 138.9
- All major market segments saw seasonally adjusted price decreases in February, Y/Y.
- Highest Y/Y gains were realized by vans and midsize cars with SUV's, luxury cars and pickups taking the bottom spots.
- et segments saw seasonally adjusted price increases in January, Y/Y.

WHOLESALE RESALE MARKET

Average Wholesale Price by Segment



- Wholesale prices decreased in February, down 2.2% M/M.
- The chip shortage on the new-car side & decrease in used car supply are the main reasons for this.

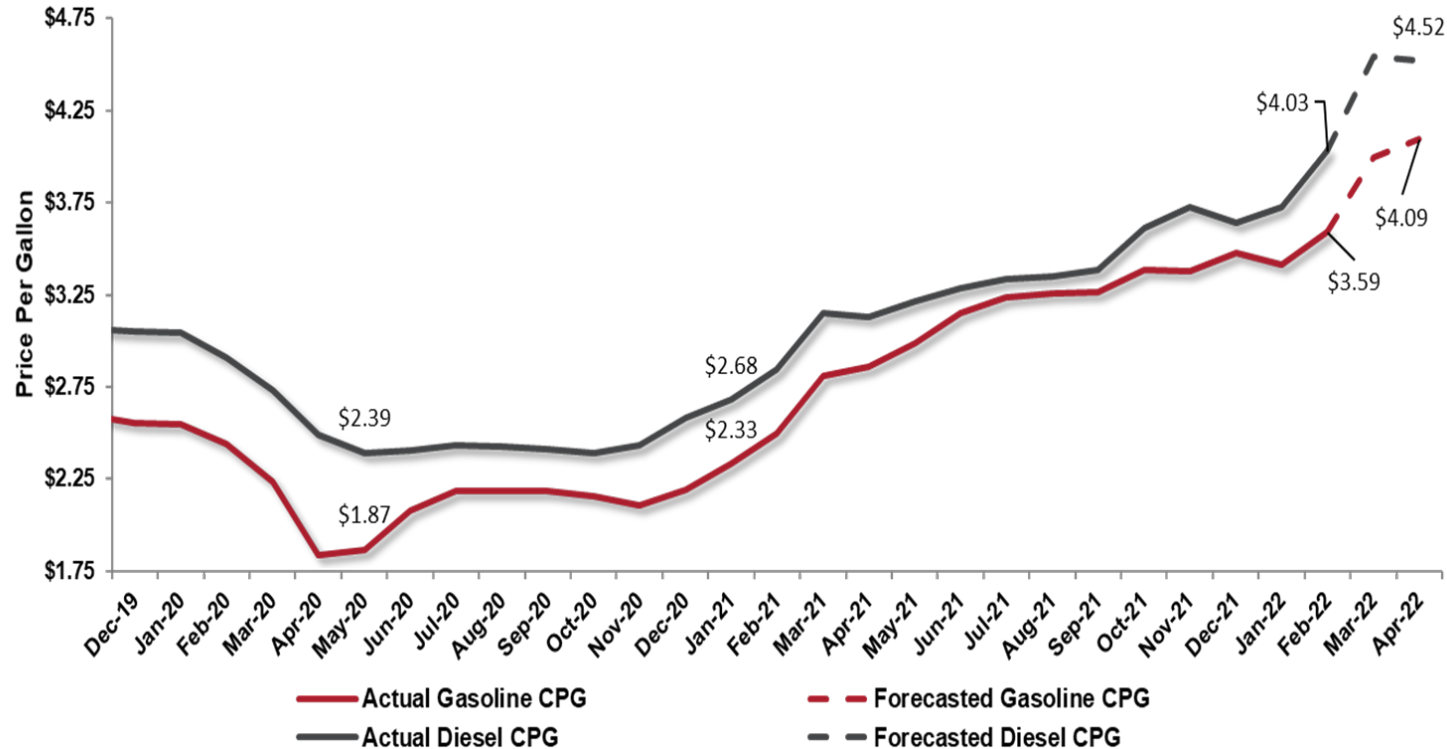
- 2021 average prices were up more than 45% above pre-COVID19.

Recommendation:

- Review current inventory for any under utilized vehicles that can be sold, to take advantage of the high market.

FUEL

National Average Cost per Gallon Regular Grade & Diesel



- U.S. regular gasoline prices dropped slightly and averaged \$3.59/gal. in January
- U.S. diesel retail prices increased and averaged \$4.03/gal

- January was up 71% gasoline and 42% diesel Y/Y.
- March 2022 forecast for gasoline retail price is \$4.00/gal. & diesel retail price of \$4.54/gal.

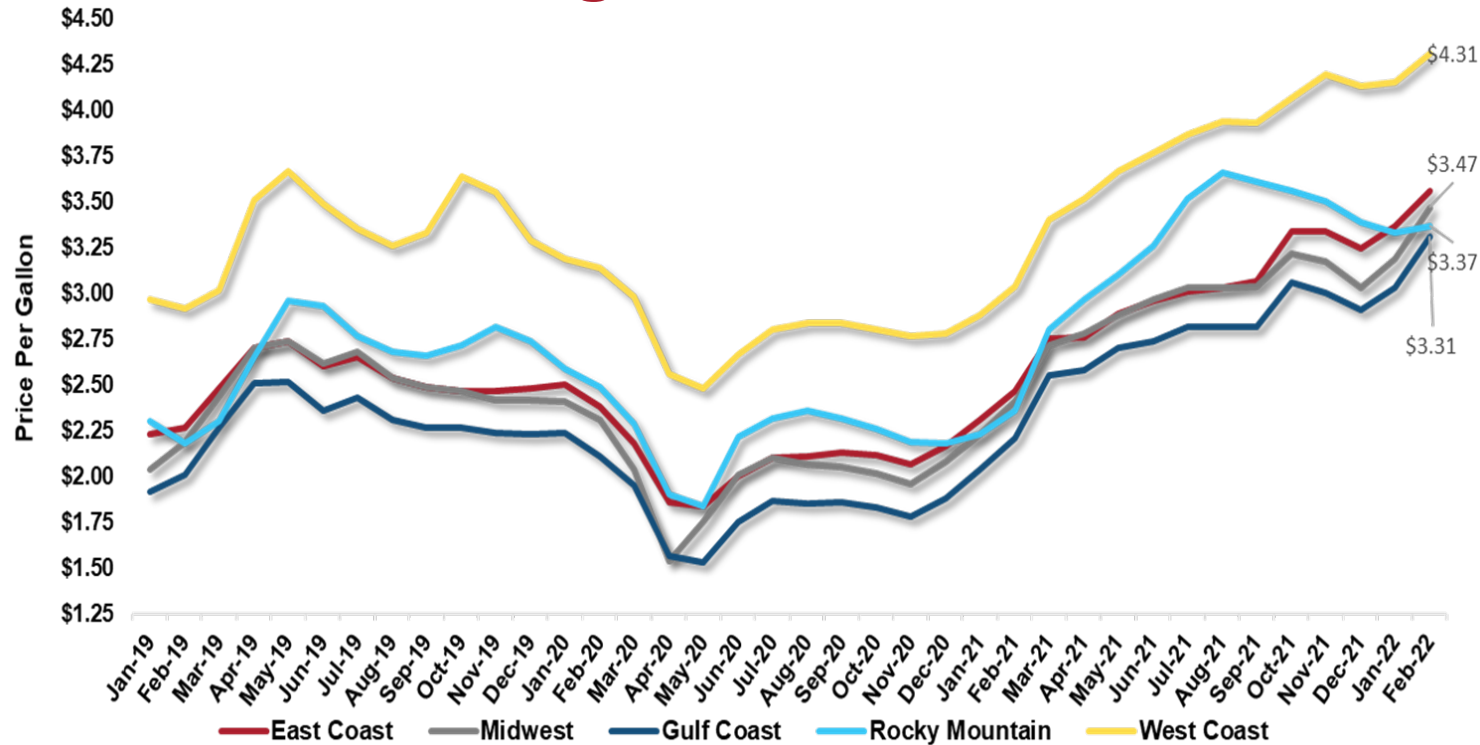
Recommendation:

- Closely monitor fuel prices for accurate fuel budget forecasting.

Source: U.S. Energy Information Administration; WSJ

FUEL

Regional Average Cost per Gallon – Regular Grade



- Some factors that contribute to regional gas price differences:

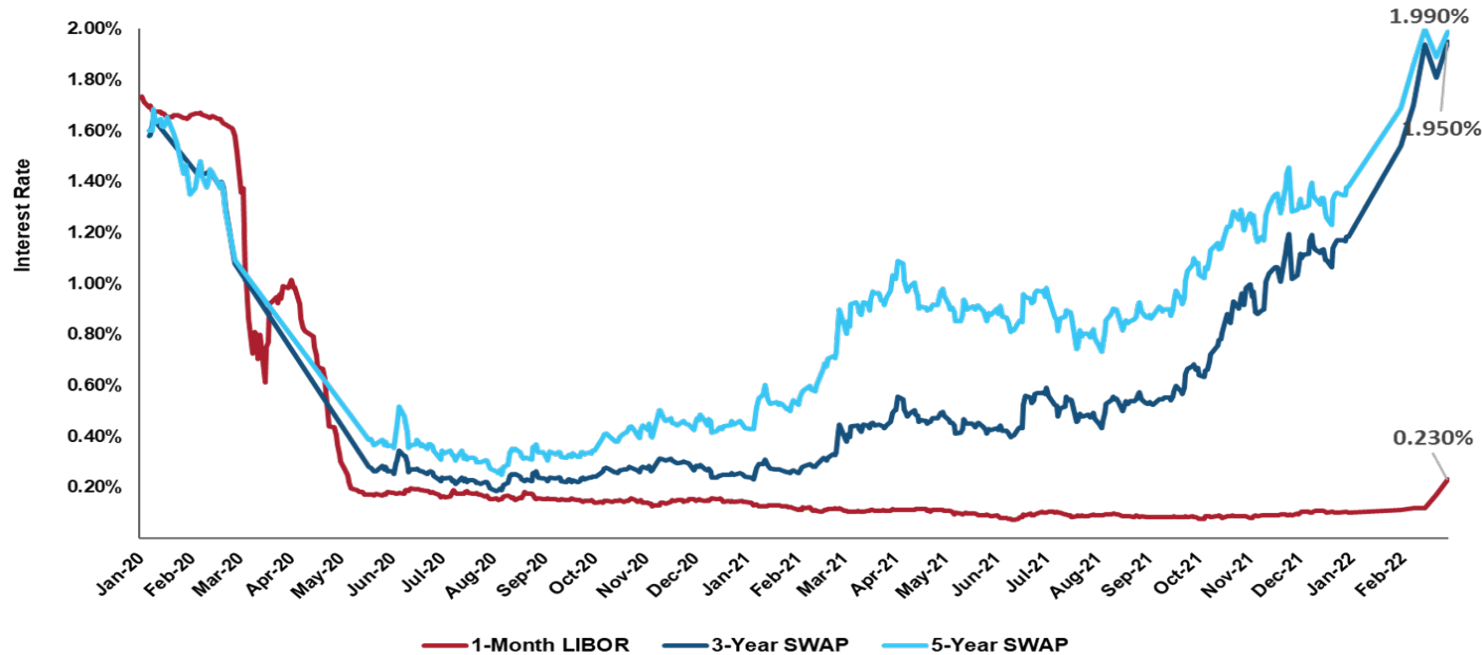
- Distance from supply
- Transportation costs
- State and local taxes
- Retail Competition

Recommendation:

- Closely monitor fuel prices for accurate fuel budget forecasting.

INTEREST

Interest Rates



- 1-Month LIBOR rate is currently at 0.230% and this is the first time it is above 0.20% since June 2020.
- The 5-Year SWAP rate has increased and is currently 1.990%.

- All rates are expected to increase at least into the middle of 2022.