

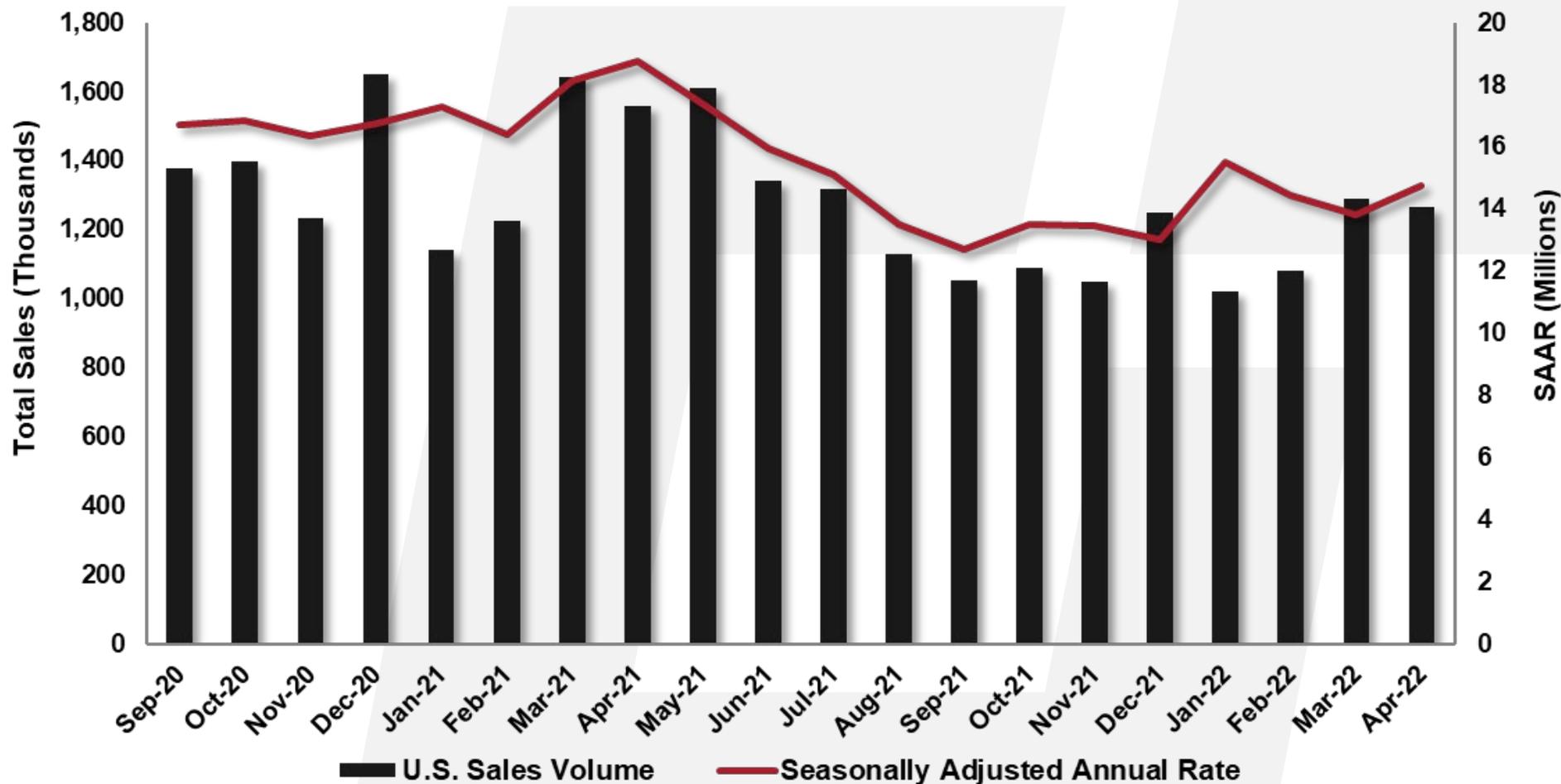


Industry Trends

April - May 2022

Acquisition

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



All US Sales

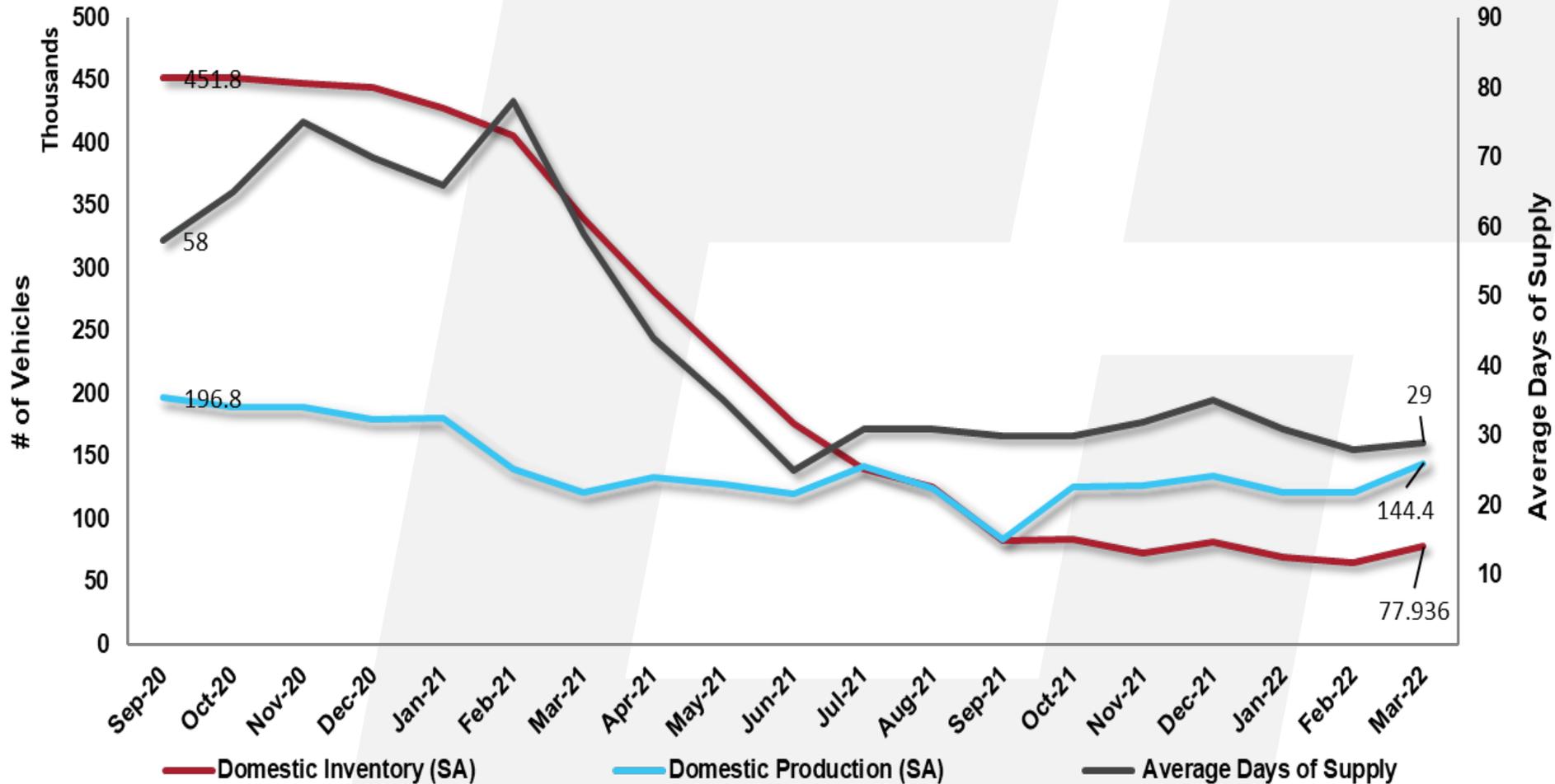
- April's US vehicle sales increased by 6.6% M/M
- Passenger vehicles sales increased by 10.7% M/M, and light truck increased by 5.4% M/M
- April's light trucks sales accounted for 78.3% of all sales

Fleet Sales Only

- In April 154,654 total fleet units were sold, a 12% M/M decrease.
- April's new vehicle purchases is a 19% decrease from April 2021

Acquisition

Dealer Inventory & Days of Supply



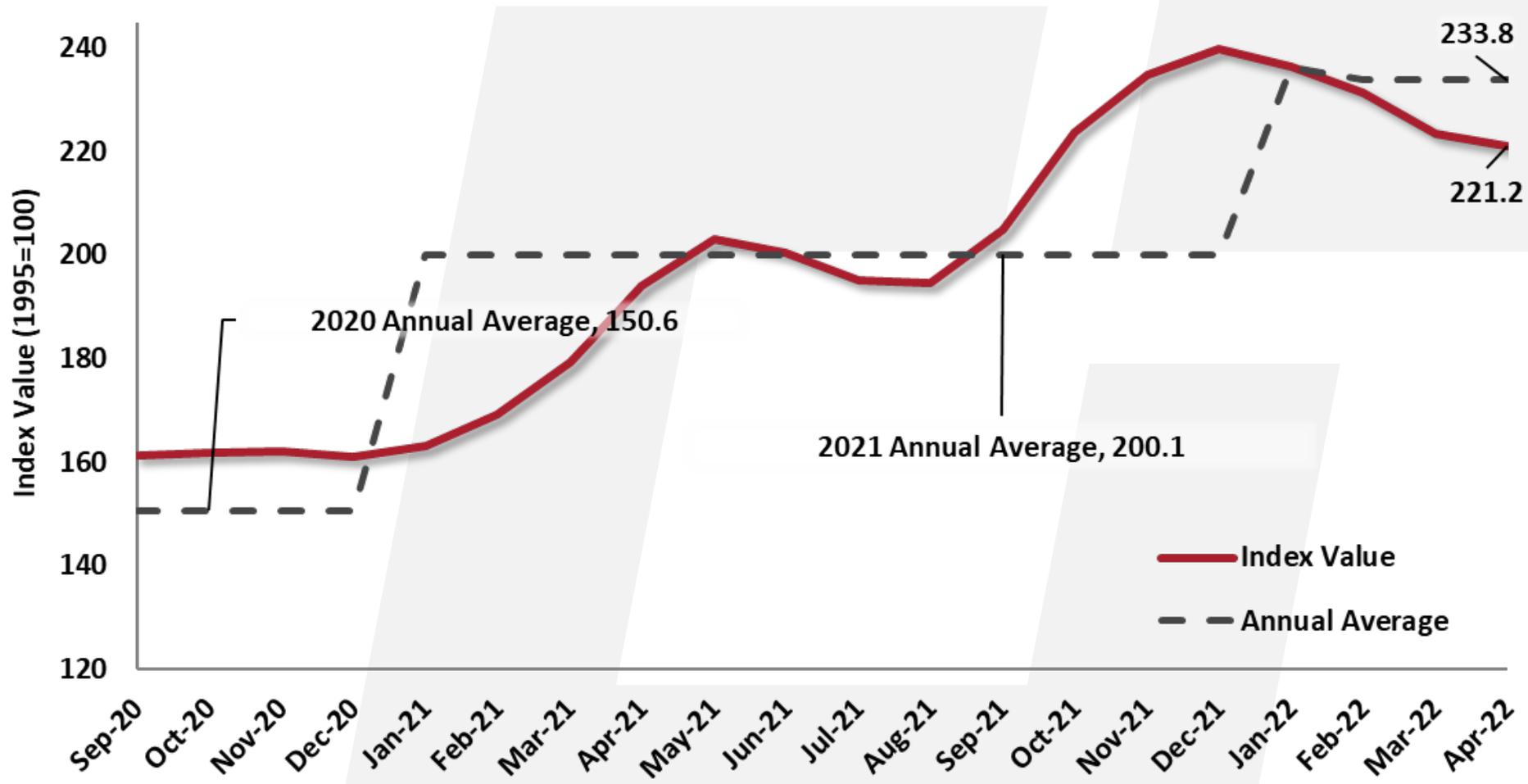
- New vehicle inventories have decreased slightly, Domestic inventory for March is still down 77% Y/Y.
- The average dealership days' supply has increased slightly to 29 compared with 59 days in March 2020.
- New vehicle production increased M/M and Y/Y production is up 12%

- April new-vehicle prices increased slightly from March
- The average price increased to \$42,509, which is still 12.9% higher Y/Y

Recommendation:
Place orders as soon as possible, due to component shortages, production lags and new vehicle prices increasing.

Wholesale Resale Market

Manheim Used Vehicle Value Index

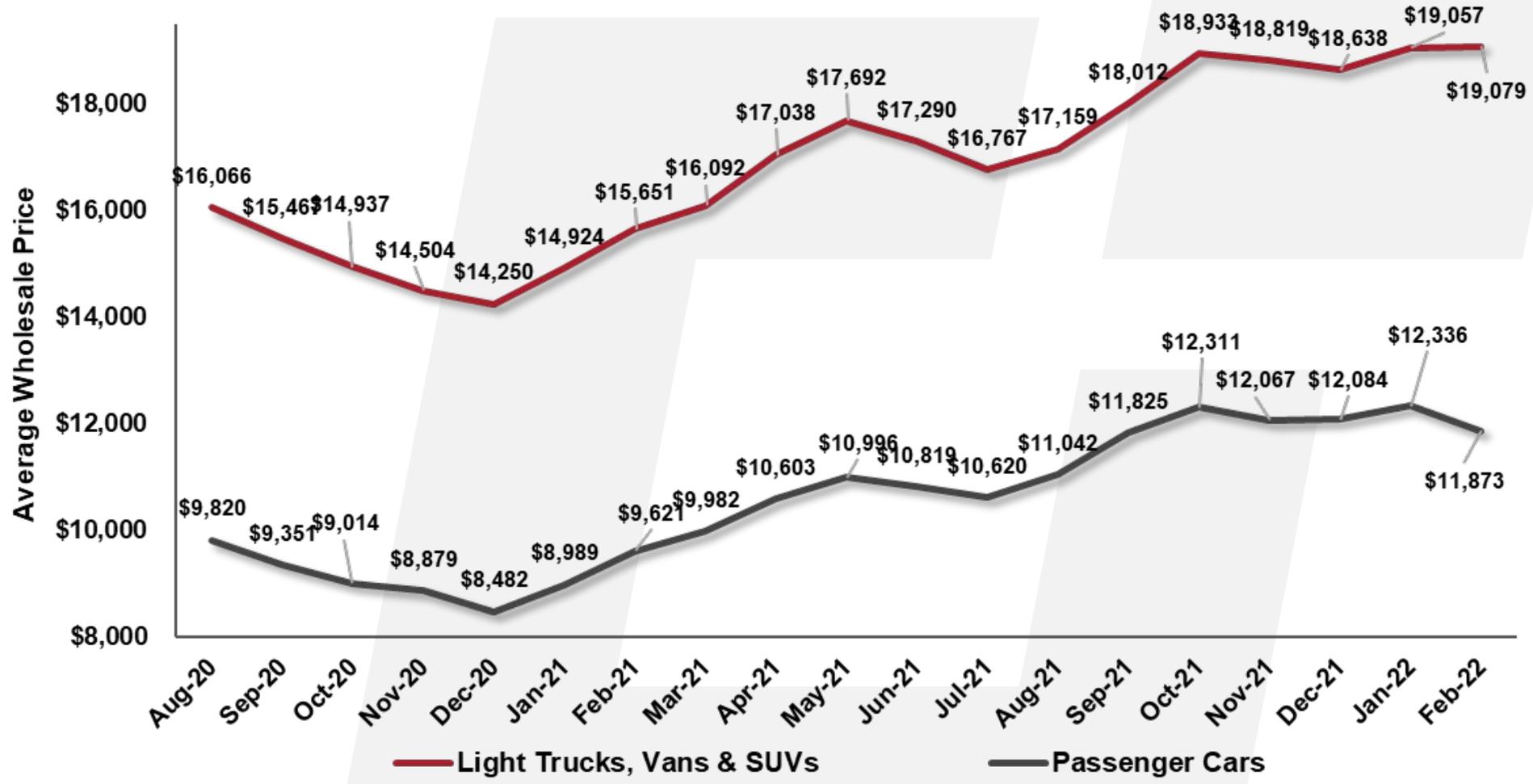


- Wholesale used vehicle prices decreased 1% M/M in April.
- The Manheim Used Vehicle Value Index increased by 14% Y/Y.
- Total volume of used vehicle sales were down for the 5th straight month, 3% Y/Y in April
- 2019 Annual Average was 138.9
- 2021 ended with an Annual average of 200.1

- All major market segments saw seasonally adjusted price increases in April, Y/Y.
- Highest Y/Y gains were realized by vans and compact cars with SUV's, luxury cars and pickups taking the bottom spots.

Wholesale Resale Market

Average Wholesale Price by Segment

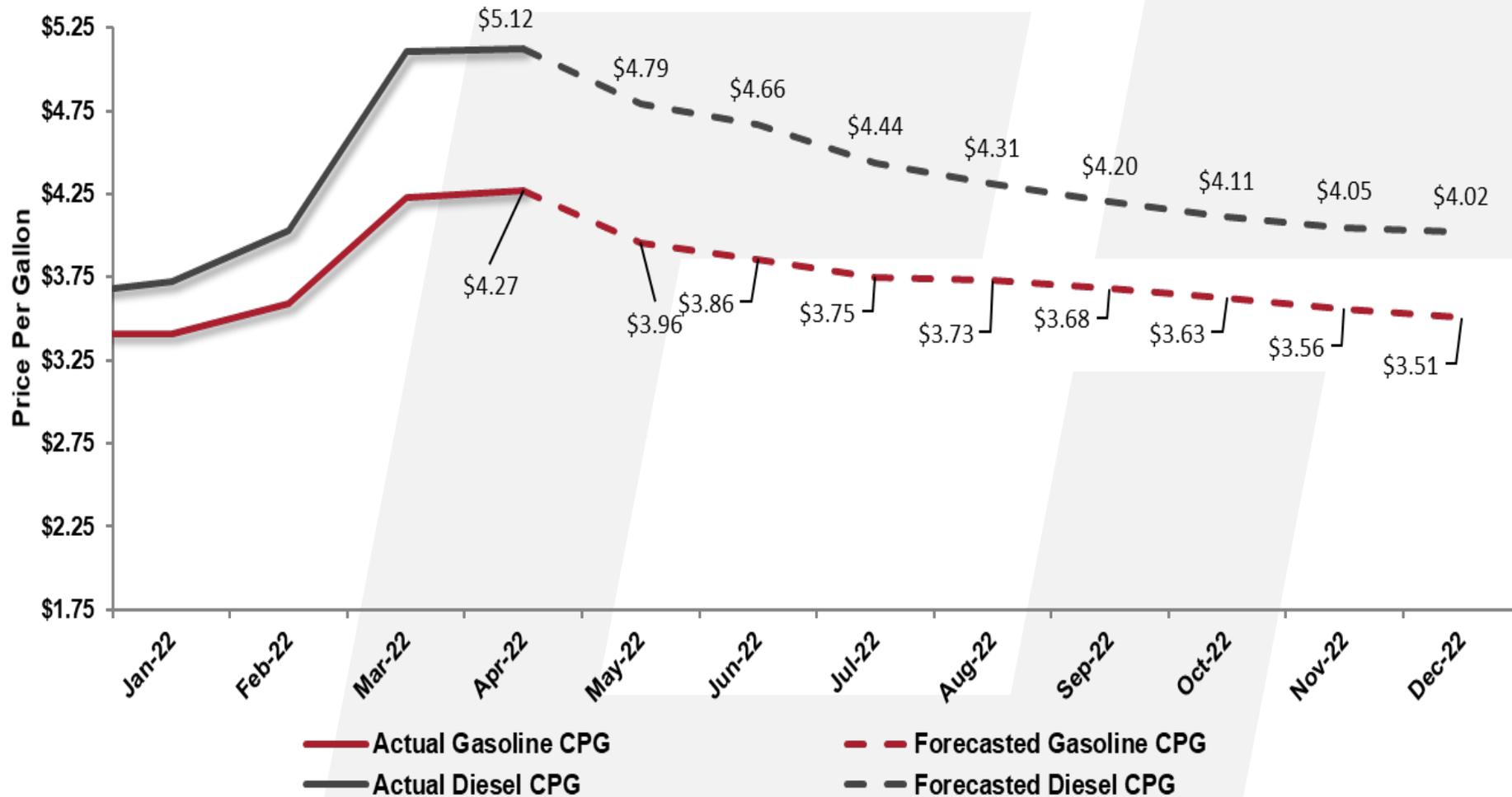


- Wholesale prices decreased in February, down .78% M/M.
- The chip shortage on the new-car side & decrease in used car supply are the main reasons for this.

- 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 today's market.

Fuel

National Average Cost per Gallon – Regular Grade & Diesel

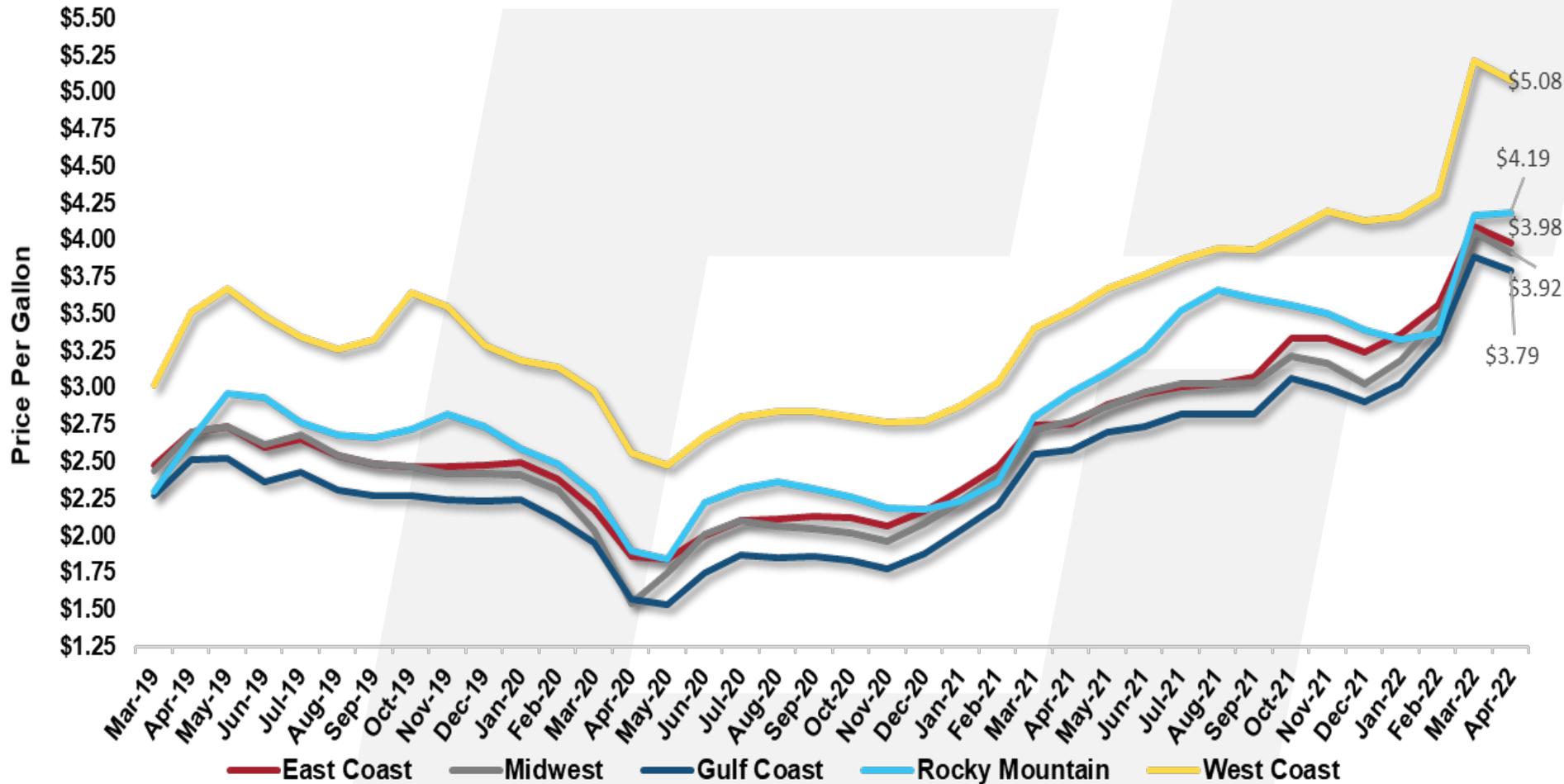


- U.S. regular gasoline prices increased and averaged \$4.27/gal. in April
- U.S. diesel retail prices increased and averaged \$5.12/gal

- April was up 71% gasoline and 64% diesel Y/Y.
- June 2022 forecast for gasoline retail price is \$3.86/gal. and diesel retail price of \$4.66/gal.
- **Recommendation:**
Closely monitor fuel prices for accurate fuel budget forecasting.

Fuel

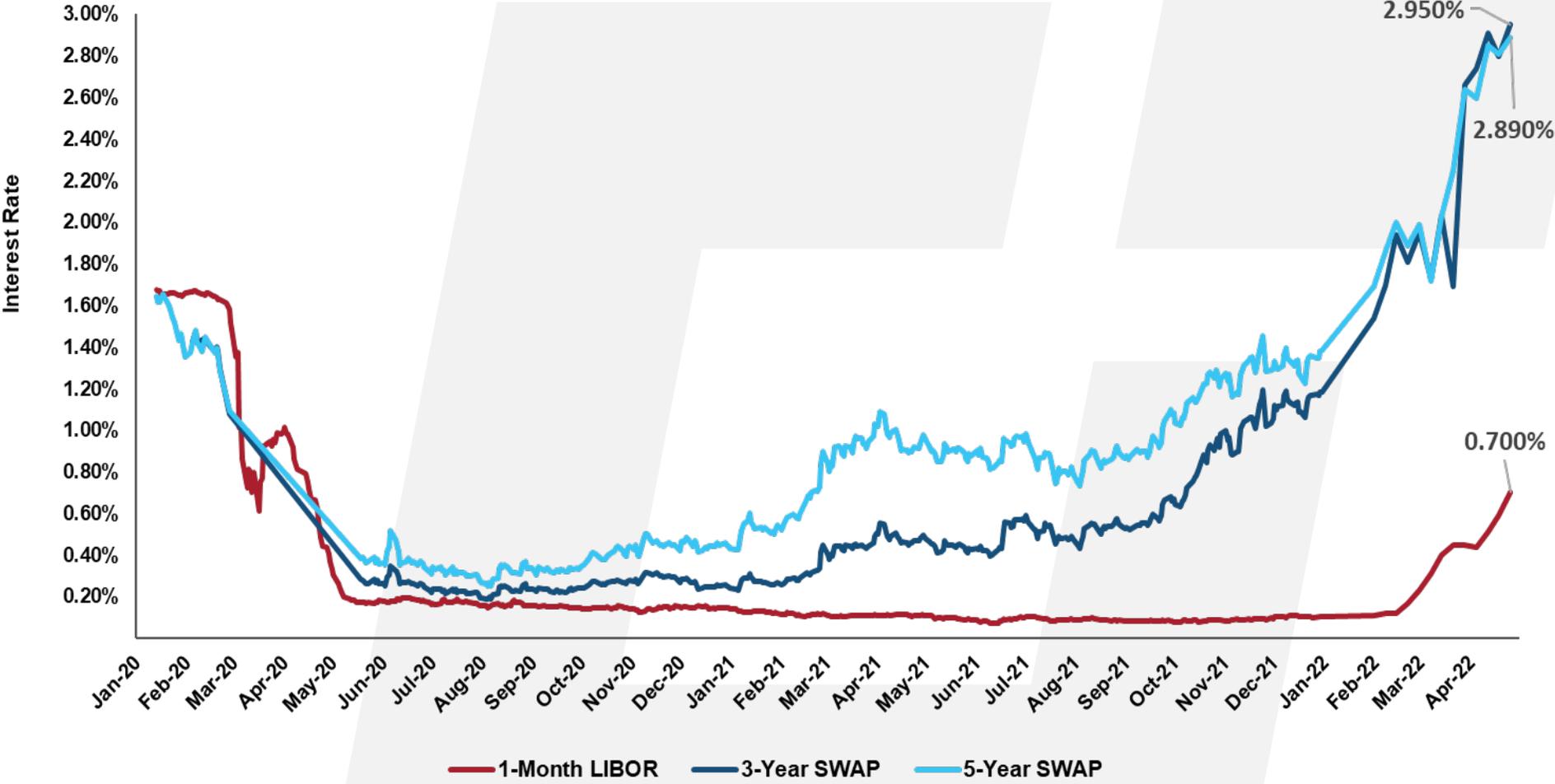
Regional Average Cost per Gallon – Regular Grade



- 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 Rates



- 1-Month LIBOR rate is currently at 0.7% and this is the third month in a row that it is above 0.20% since June 2020.
- The 5-Year SWAP rate has increased and is currently 2.89%.
- All rates are expected to increase through out the remainder of 2022.