

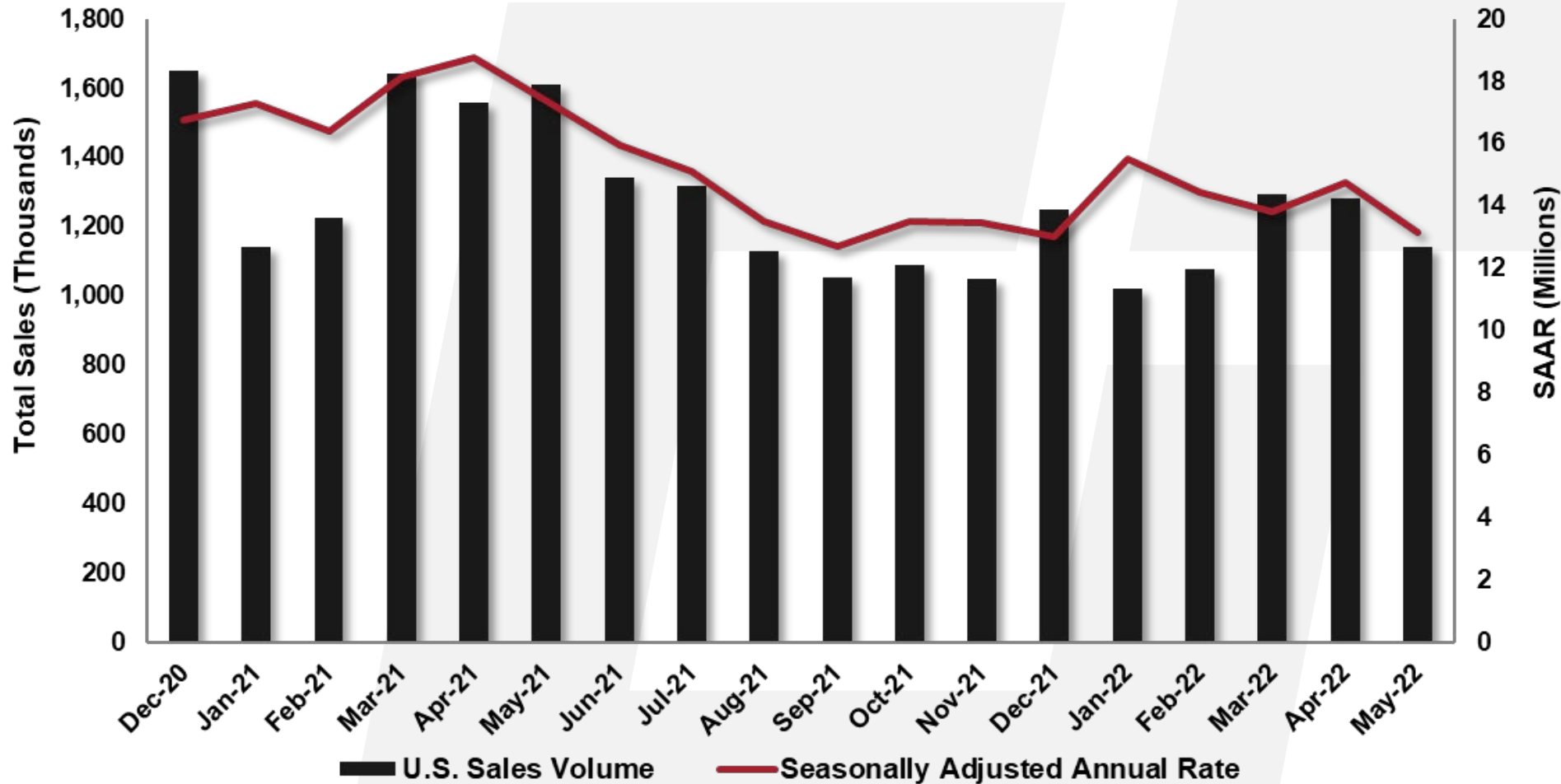


# Industry Trends

May - June 2022

# Acquisition

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



### All US Sales

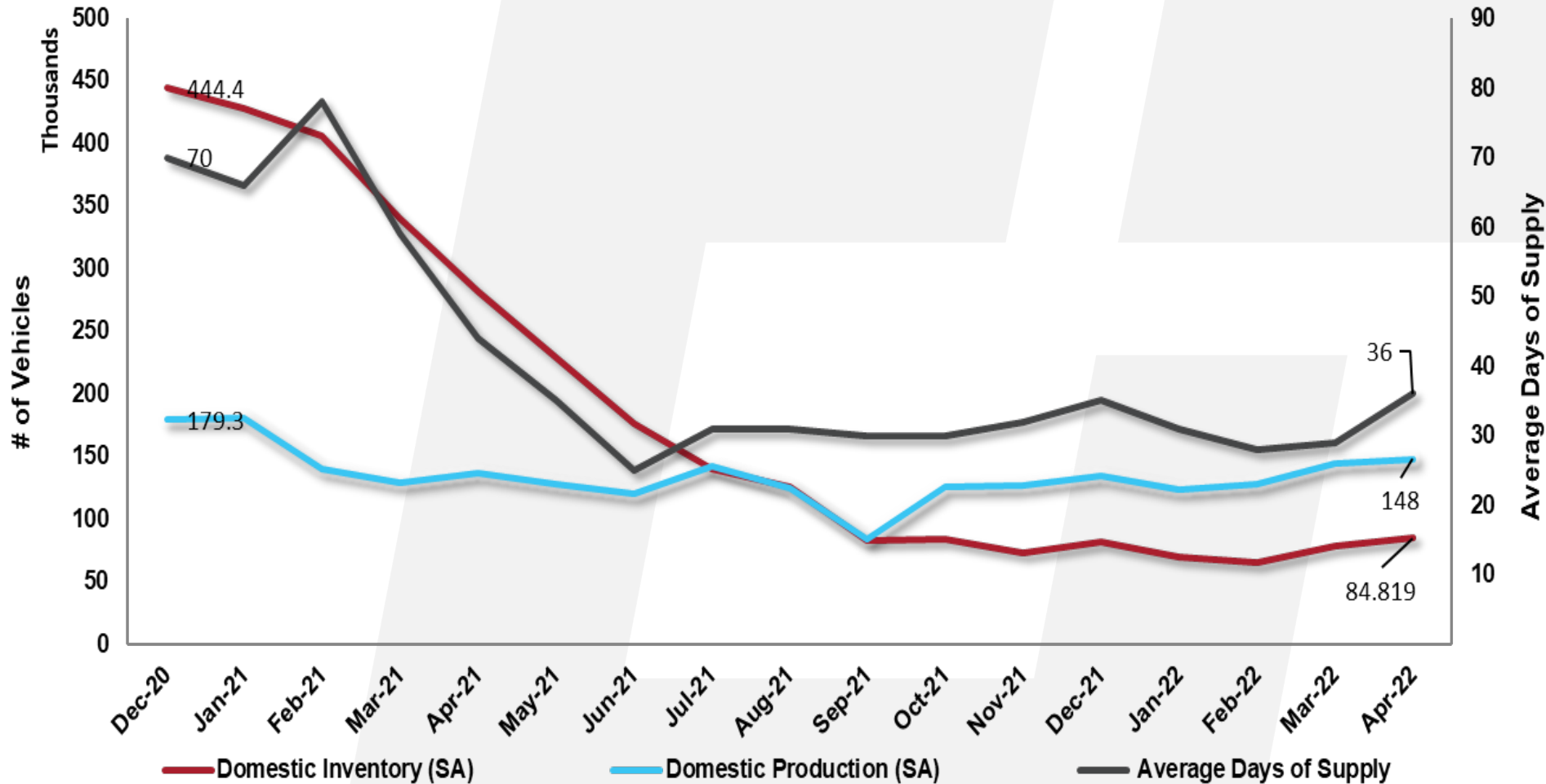
- May's US vehicle sales decreased by 12.6% M/M
- Passenger vehicles sales decreased by 11.8% M/M, and light truck decreased by 12.7% M/M
- May's light trucks sales accounted for 78.8% of all sales

### Fleet Sales Only

- In May, 141,047 total fleet units were sold, a 8.7% M/M decrease.
- May's new vehicle purchases is a 16.1% decrease from May 2021

# Acquisition

## Dealer Inventory & Days of Supply



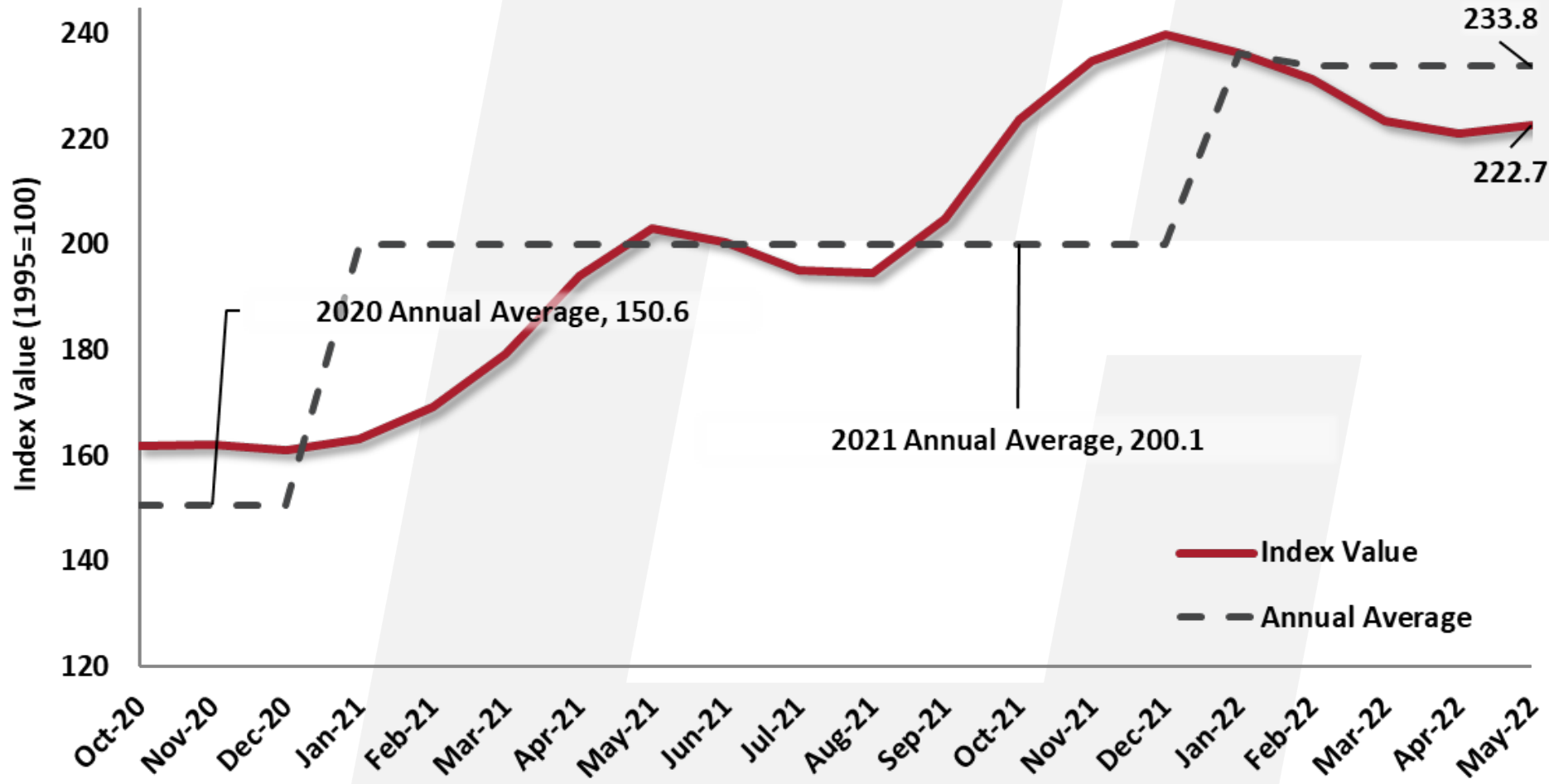
- New vehicle inventories have increased slightly, Domestic inventory for April is still down 70% Y/Y.
- The average dealership days' supply has increased to 36 compared with 70 days in May 2020.
- New vehicle production increased M/M and Y/Y production is up 8%

- May new-vehicle prices increased from April
- The average price increased to \$47,148, which is still 13.5% 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

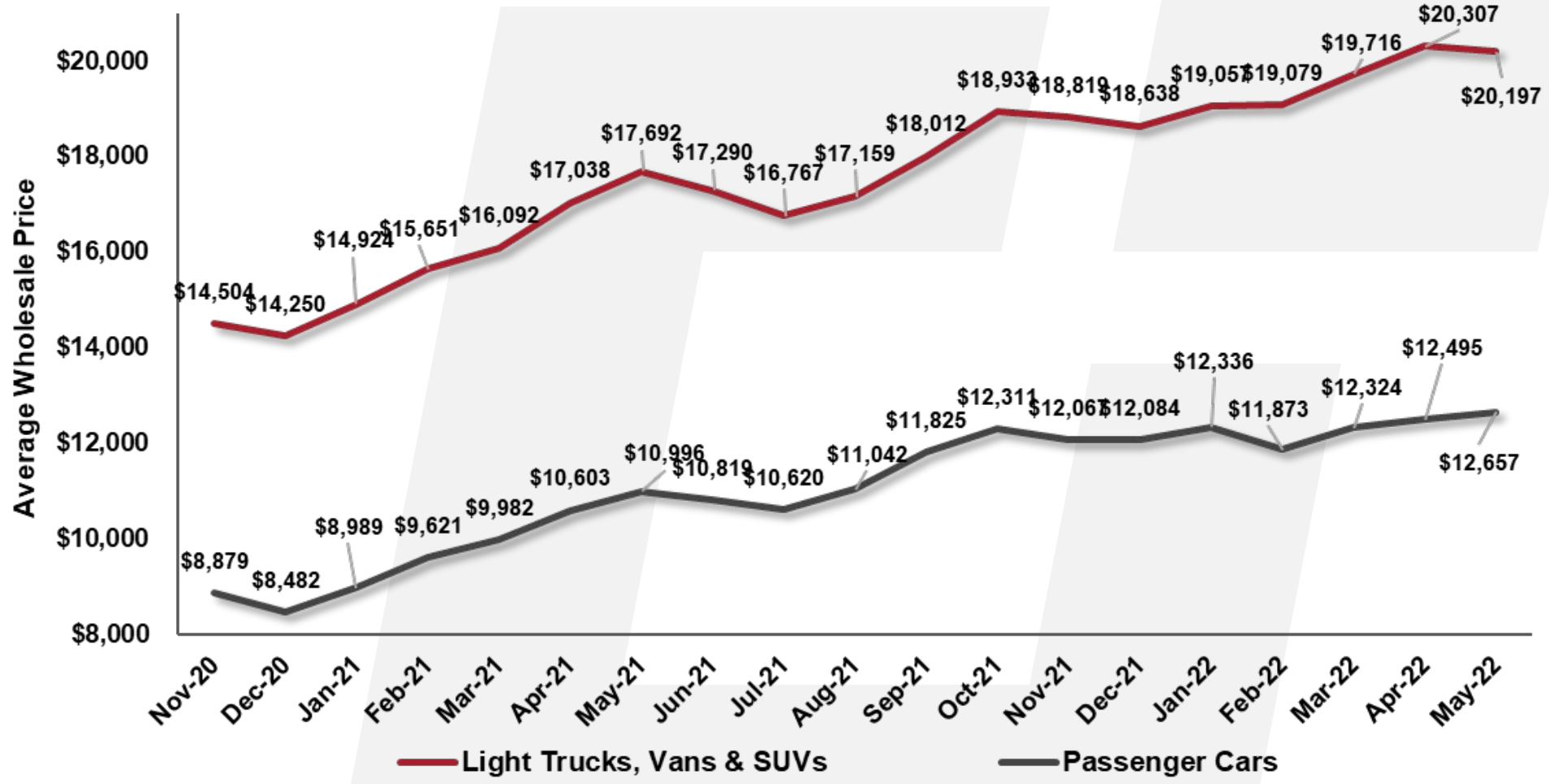


- Wholesale used vehicle prices increased .7% M/M in May.
- The Manheim Used Vehicle Value Index increased by 9.7% Y/Y.
- Total volume of used vehicle sales were down for the 6th straight month, 7% Y/Y in May
- 2019 Annual Average was 138.9
- 2021 ended with an Annual average of 200.1

- All major market segments saw seasonally adjusted price increases in May, 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

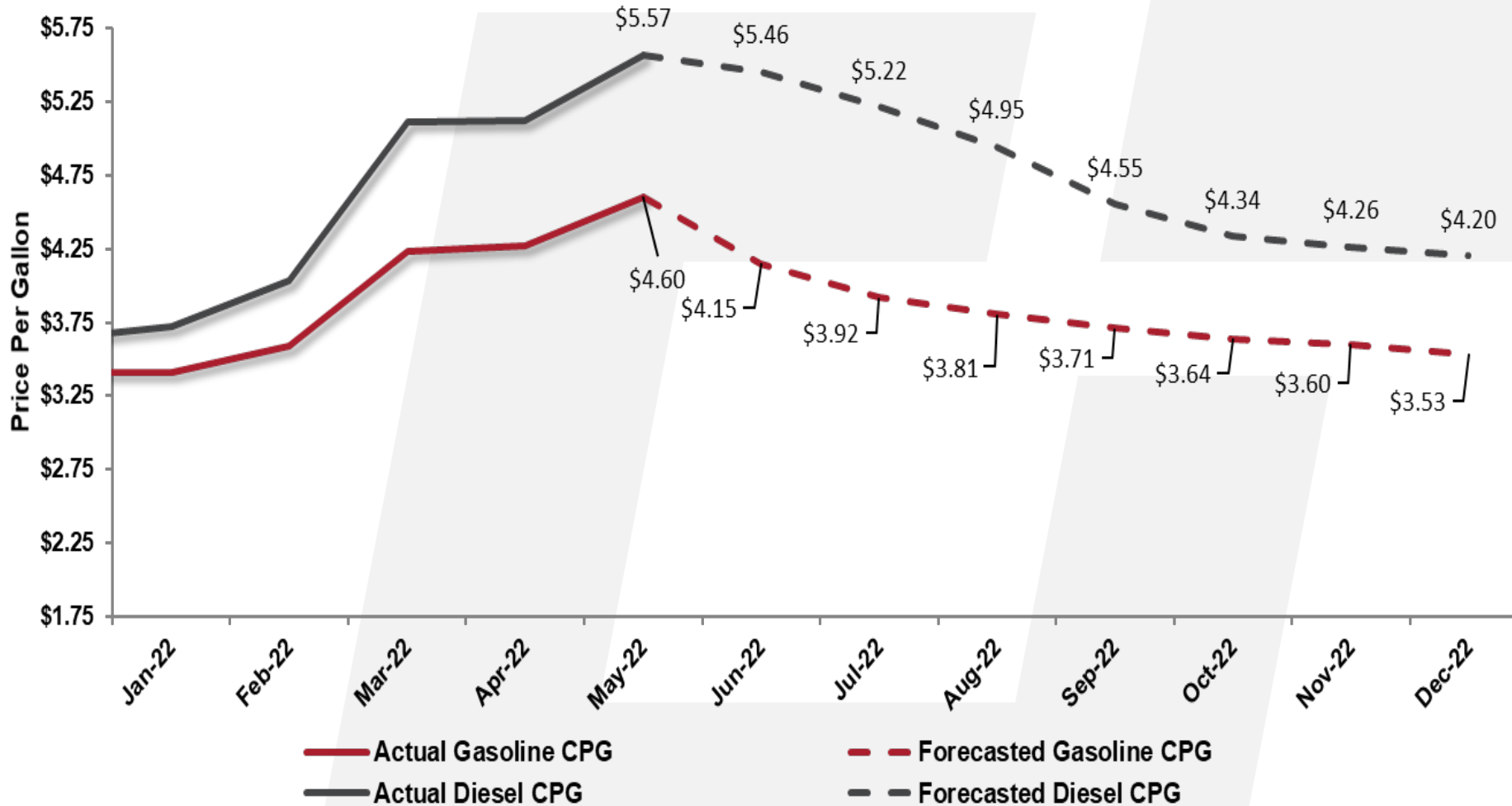


- Wholesale prices increased in May, up .16% M/M.
- The chip shortage on the new-car side & decrease in used car supply are the main reasons for this.

- 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



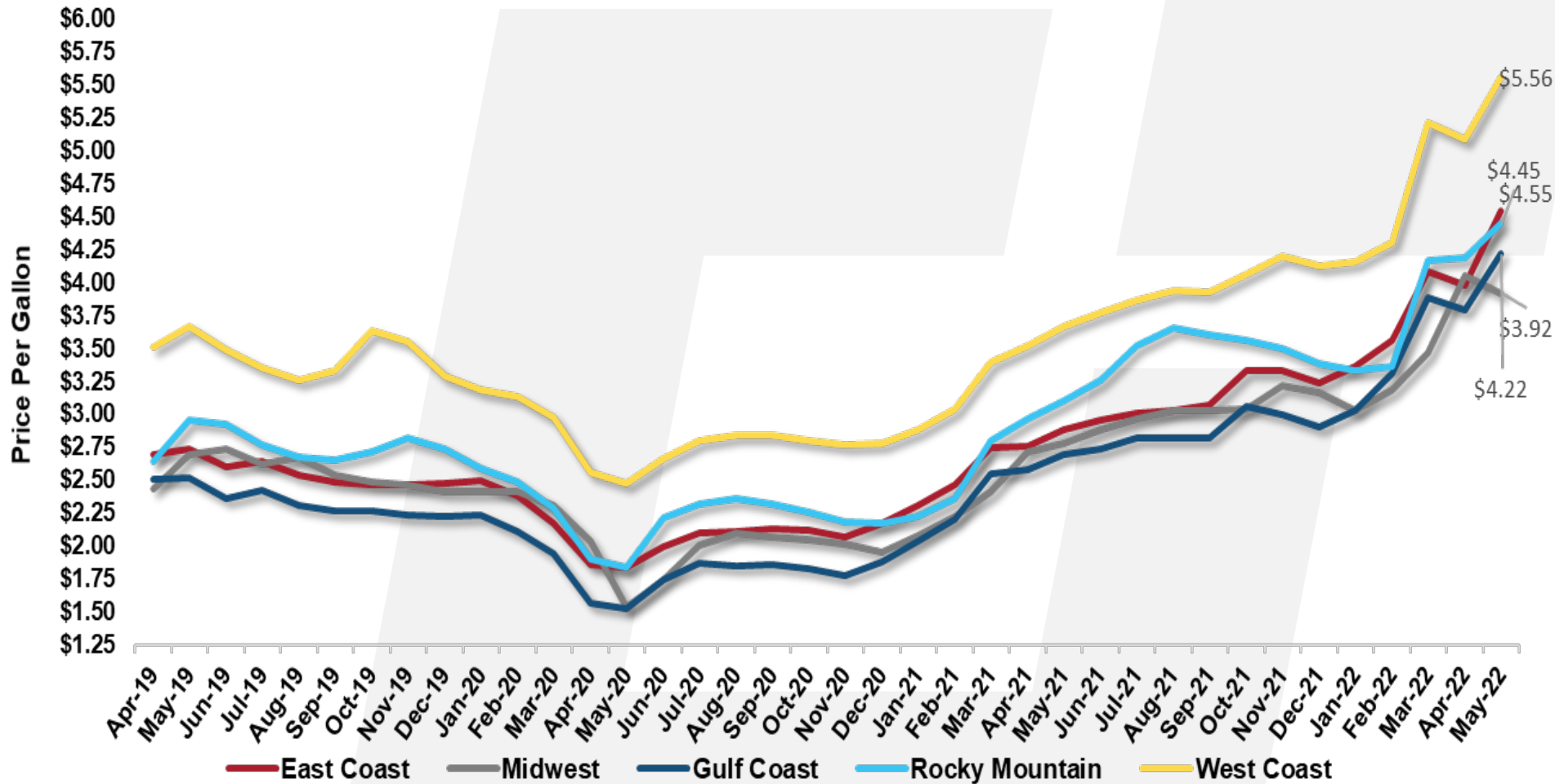
- U.S. regular gasoline prices increased and averaged \$4.60/gal. in May
- U.S. diesel retail prices increased and averaged \$5.57/gal

- April was up 62% gasoline and 73% diesel Y/Y.
- July 2022 forecast for gasoline retail price is \$3.92/gal. and diesel retail price of \$5.22/gal.

**Recommendation:**  
Closely monitor fuel prices for accurate fuel budget forecasting.

# Fuel

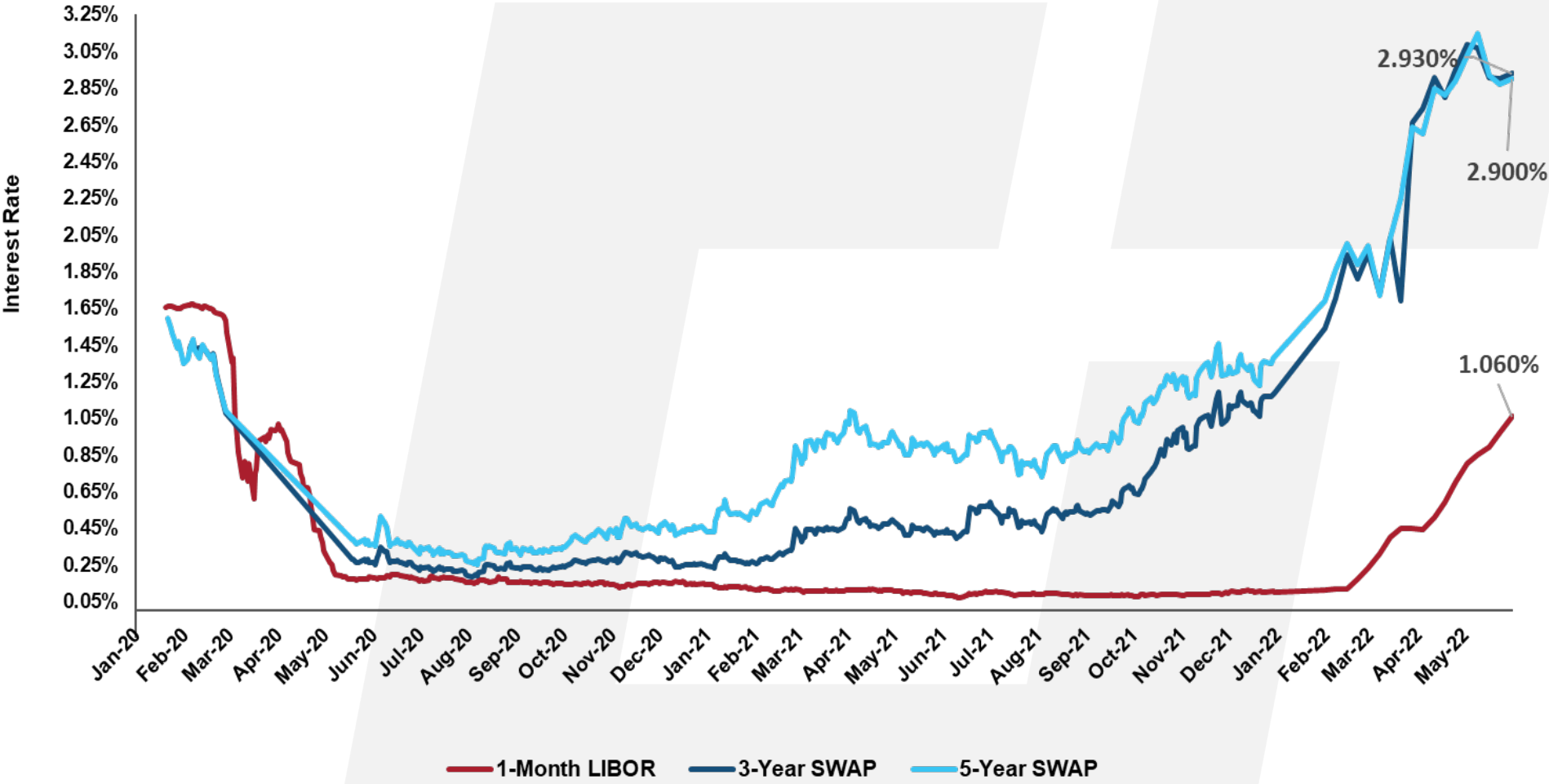
## Regional Average Cost per Gallon – Regular Grade



- 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 1.06% and this is the fourth month in a row that it is above 0.20% since June 2020.
- The 5-Year SWAP rate has increased and is currently 2.90%.
- All rates are expected to increase through out the remainder of 2022.