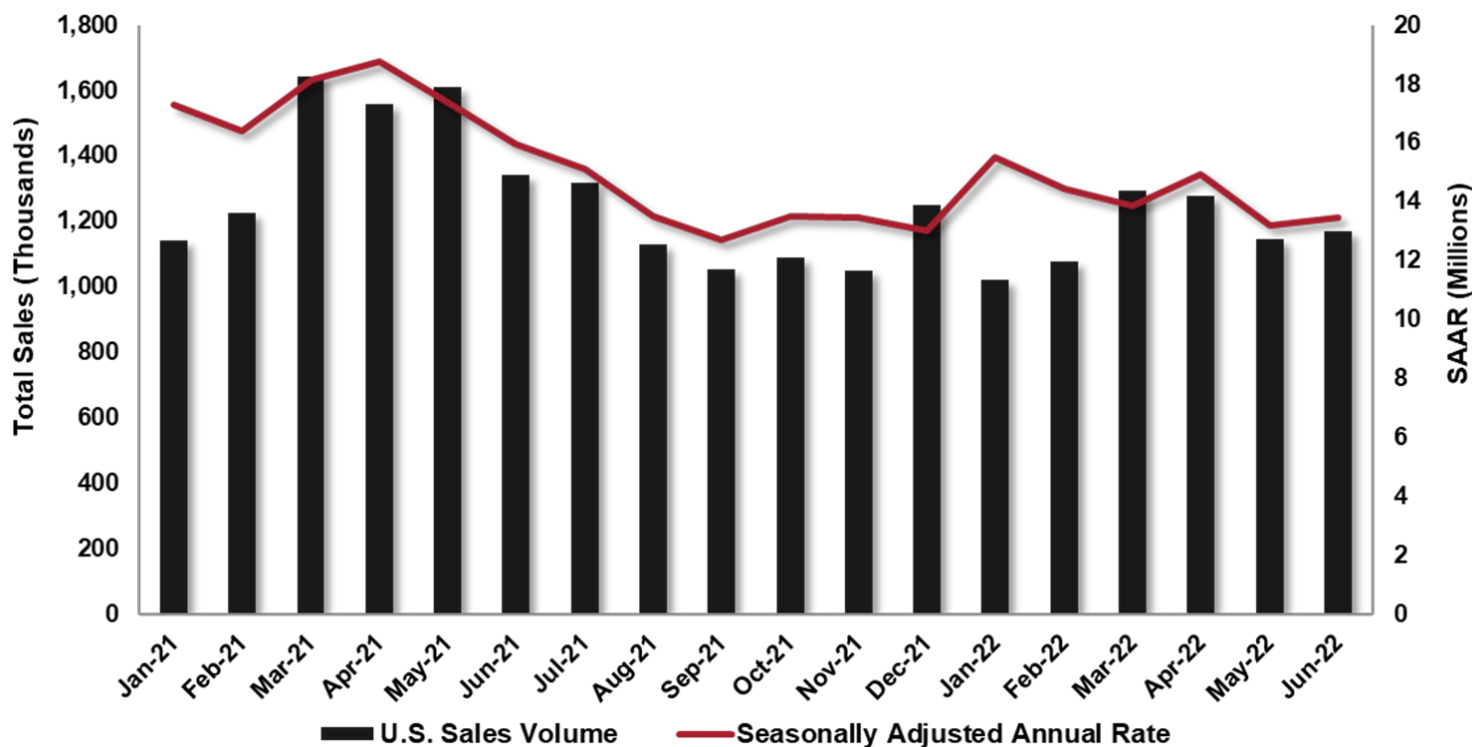


Industry Trends

June - July 2022

ACQUISITION

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



All US Sales

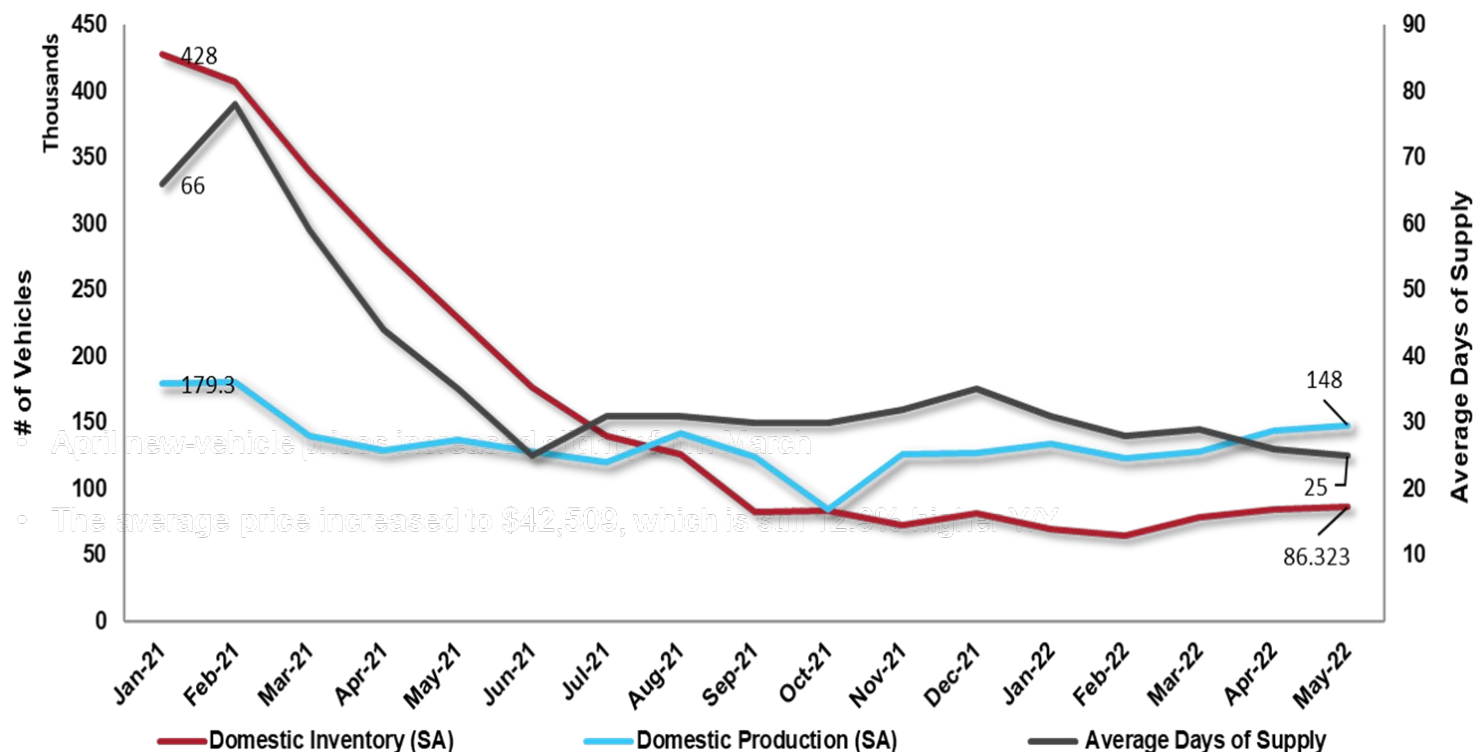
- June's US vehicle sales increased by 2.6% M/M
- Passenger vehicles sales decreased by 1.18% M/M, and light truck decreased by 2.3% M/M
- June's light trucks sales accounted for 78.8% of all sales

Fleet Sales Only

- In June, 150,467 total fleet units were sold, a 6.7% M/M decrease.
- June's new vehicle purchases is an 8.4% increase from June 2021

ACQUISITION

Dealer Inventory & Days of Supply

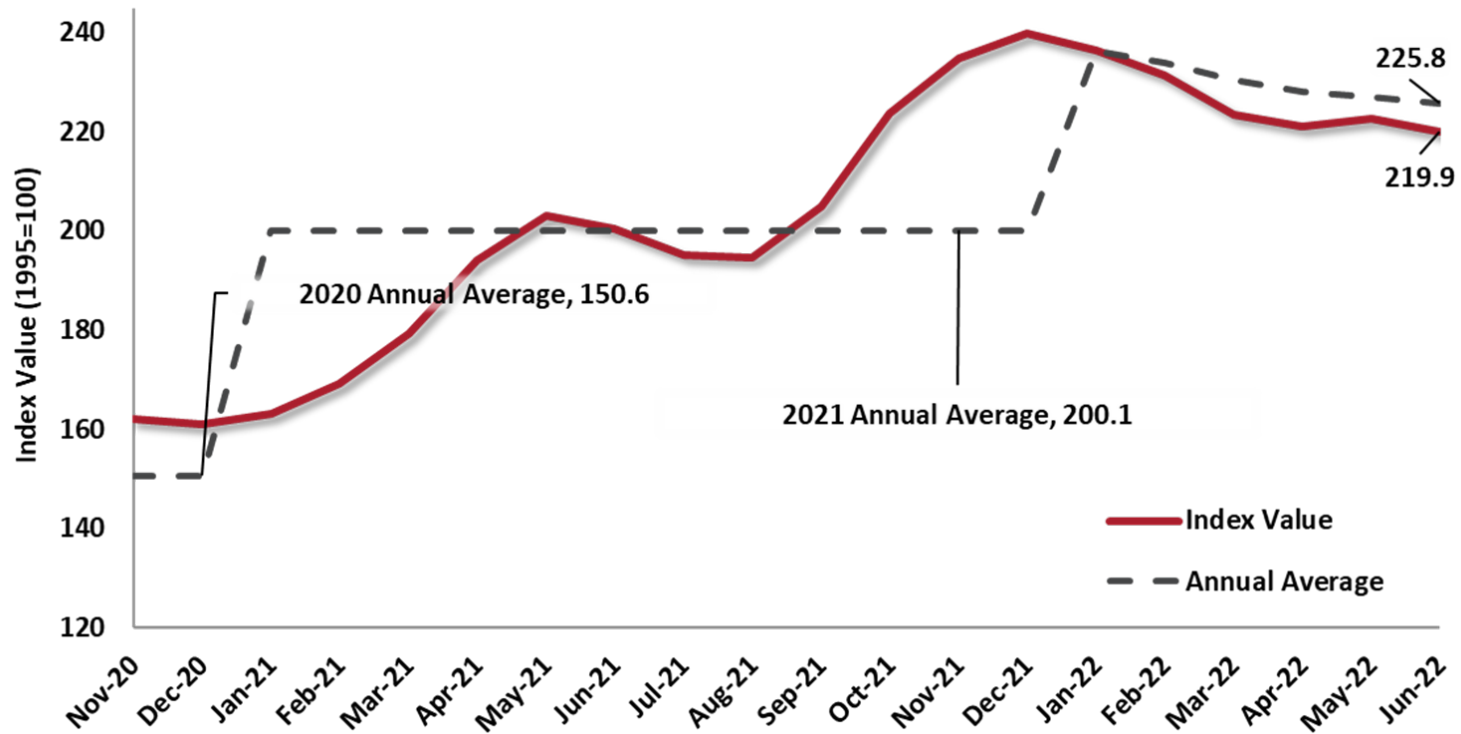


- New vehicle inventories have increased slightly, Domestic inventory for May is still down 62% Y/Y.
- The average dealership days' supply has decreased to 25 compared with 70 days in May 2020.
- New vehicle production increased M/M and Y/Y production is up 22%

- June's new-vehicle prices increased from May
- The average price increased to \$48,043 which is still 12.7% higher Y/Y

WHOLESALE RESALE MARKET

Manheim Used Vehicle Value Index

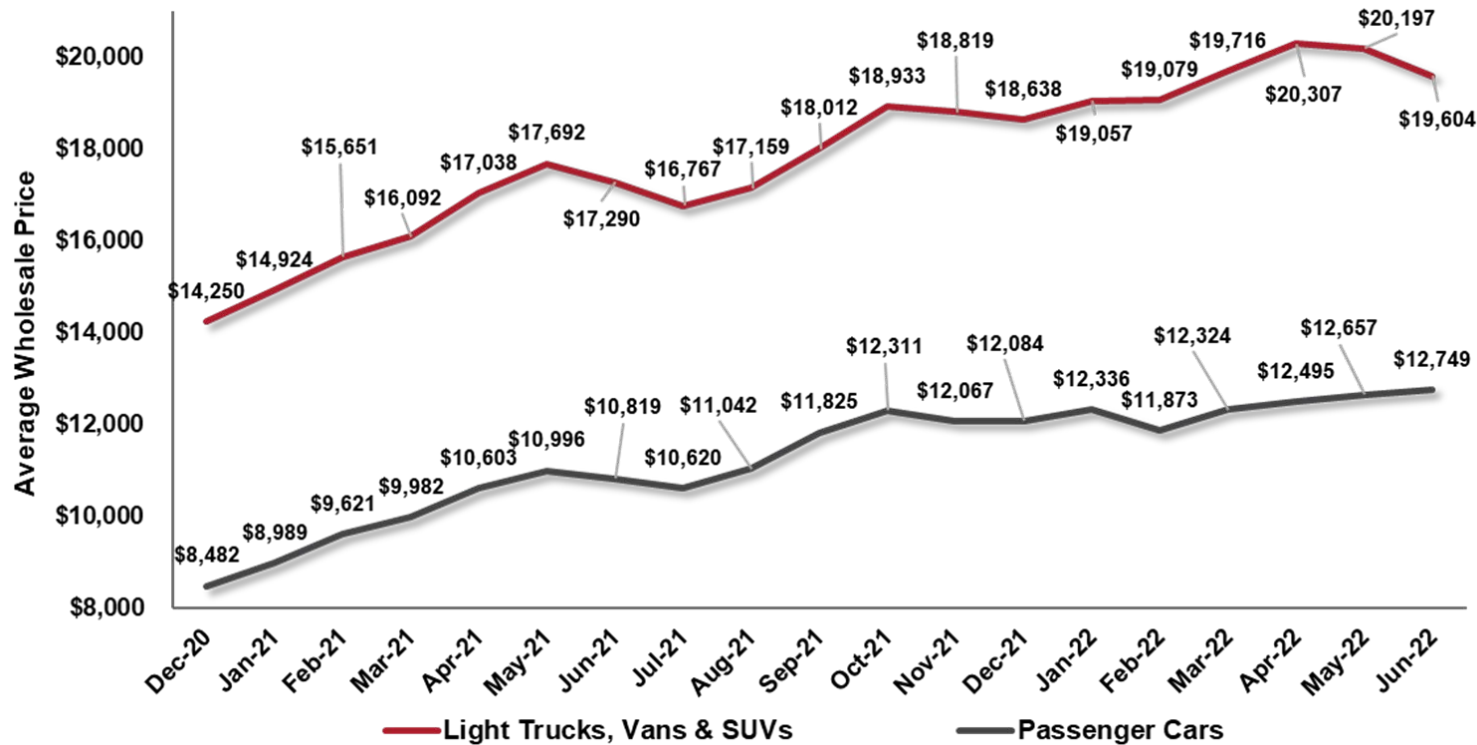


- Wholesale used vehicle prices decreased 1.3% M/M in June.
- The Manheim Used Vehicle Value Index increased by 9.7% Y/Y.
- Total volume of used vehicle sales were down for the 7th straight month, 13% Y/Y in June

- All major market segments saw seasonally adjusted price increases in June, Y/Y, except for pickups
- 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 June, down 2.28% M/M.
- Wholesale prices are still up 13.38% Y/Y

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

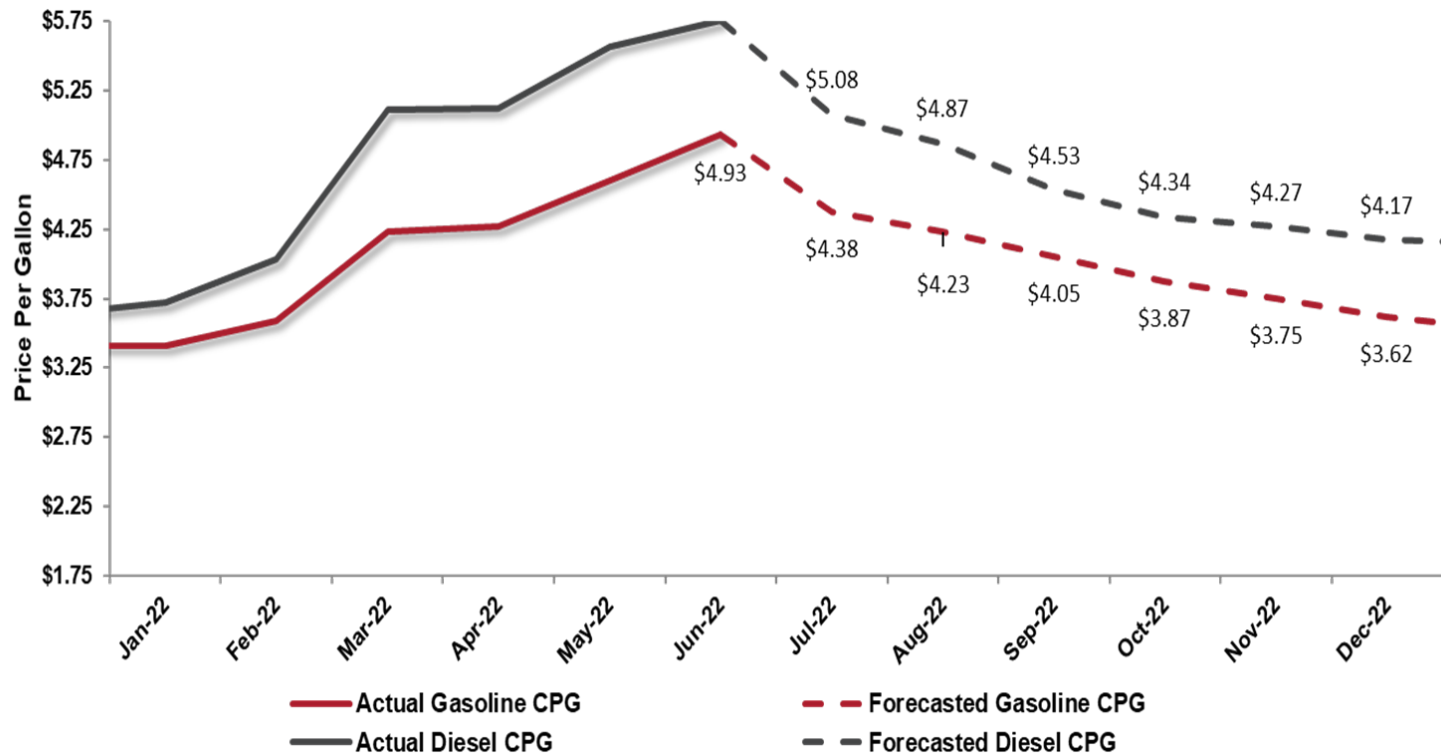
• Recommendation:

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

Source: ADESA; KAR Global

FUEL

National Average Cost per Gallon Regular Grade & Diesel



- U.S. regular gasoline prices increased and averaged \$4.93/gal. in June
- U.S. diesel retail prices increased and averaged \$5.75/gal

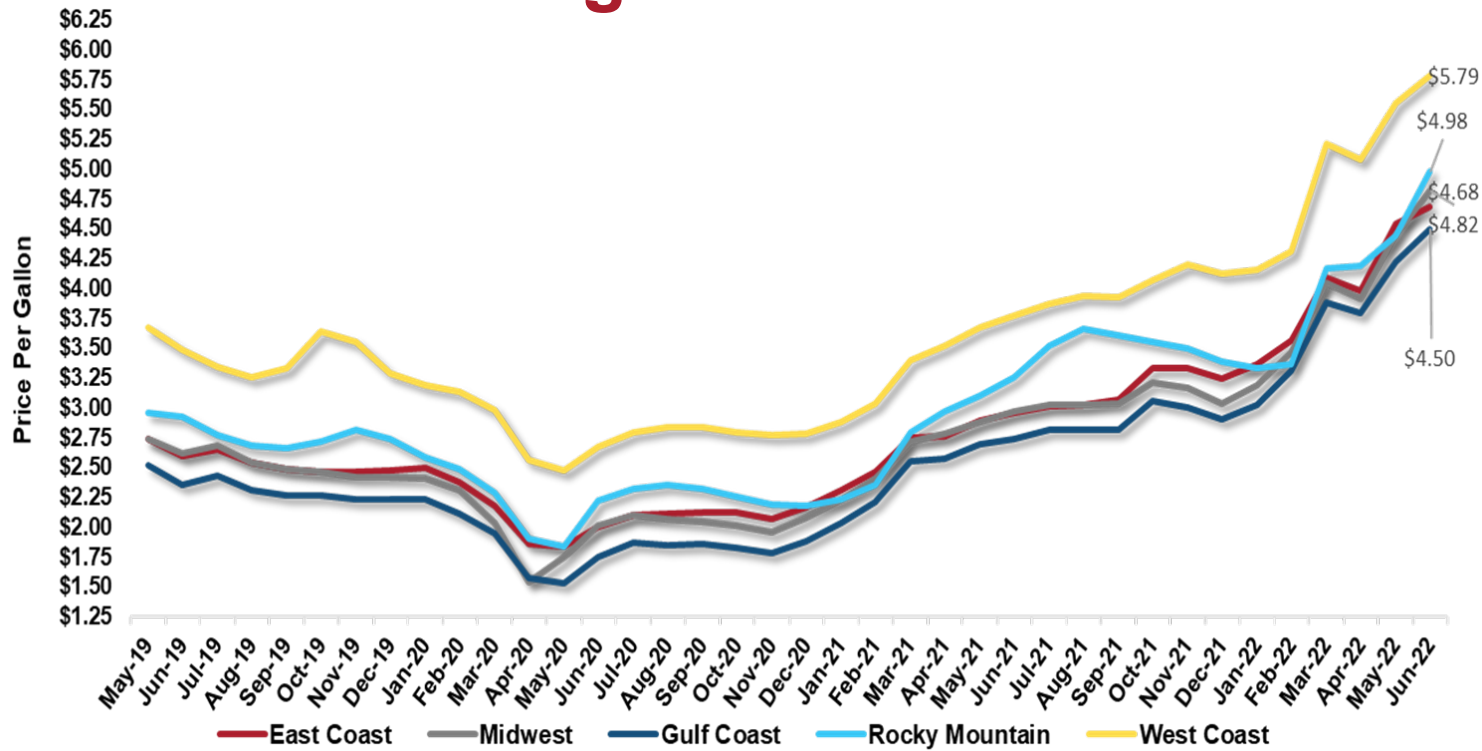
- June was up 61% gasoline and 75% diesel Y/Y.
- Aug. 2022 forecast for gasoline retail price is \$4.23/gal. and diesel retail price of \$4.87/gal.

• **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

