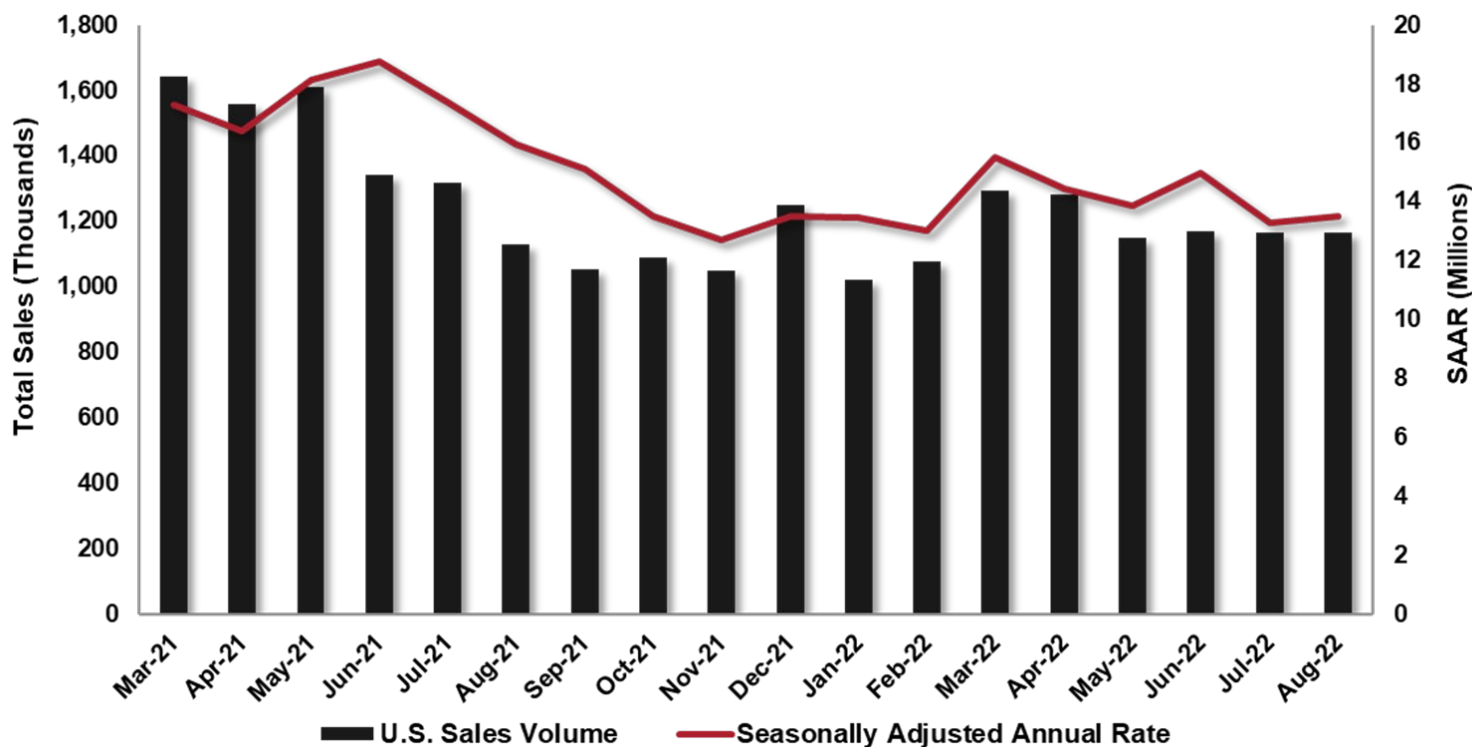


Industry Trends

August – September 2022

ACQUISITION

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



All US Sales

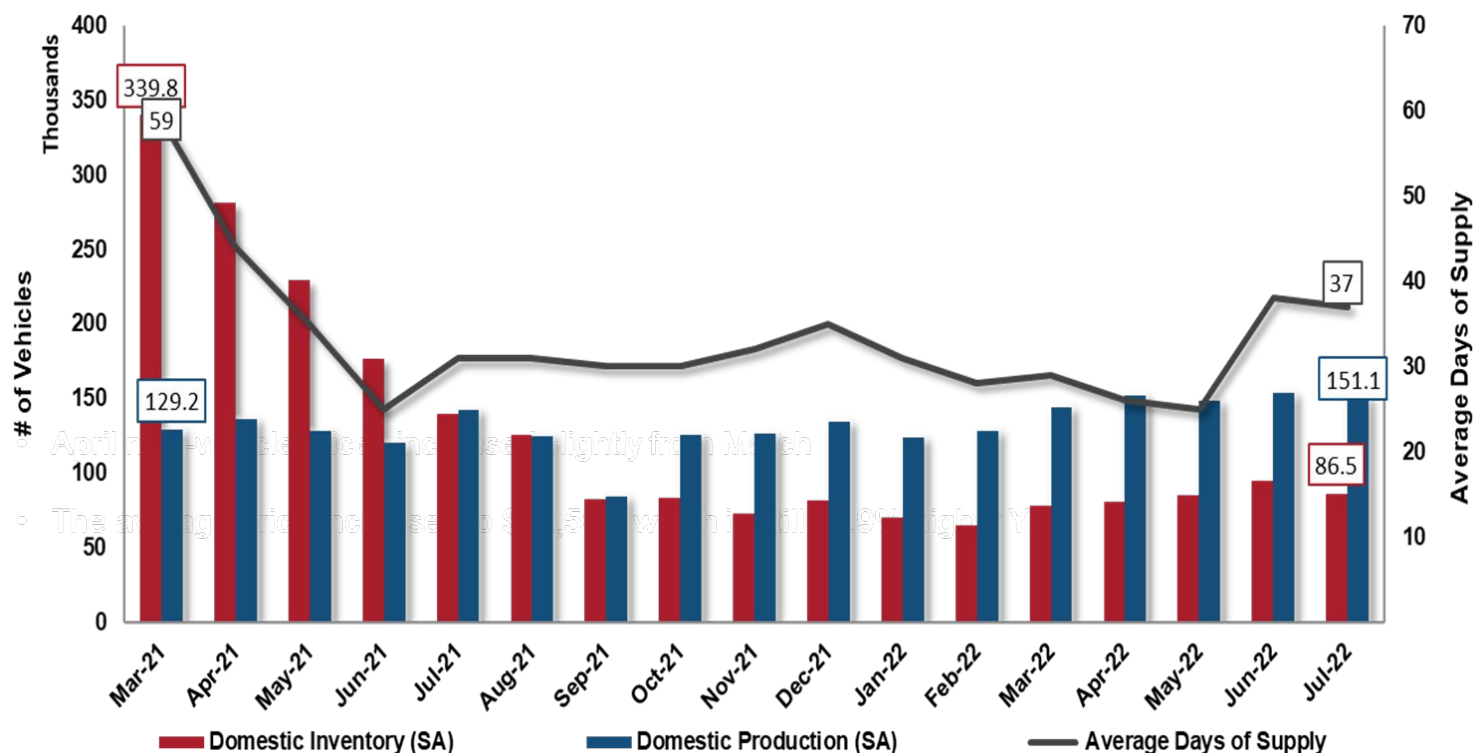
- August's US vehicle sales decreased by 1.1% M/M
- Passenger vehicles sales increased by 2.2% M/M, and light truck decreased by 2.0% M/M
- August's light trucks sales accounted for 78.7% of all sales

Fleet Sales Only

- In August, 128,464 total fleet units were sold, a .8% M/M increase.
- August's new vehicle purchases is an 14.6% increase from August 2021

ACQUISITION

Dealer Inventory & Days of Supply

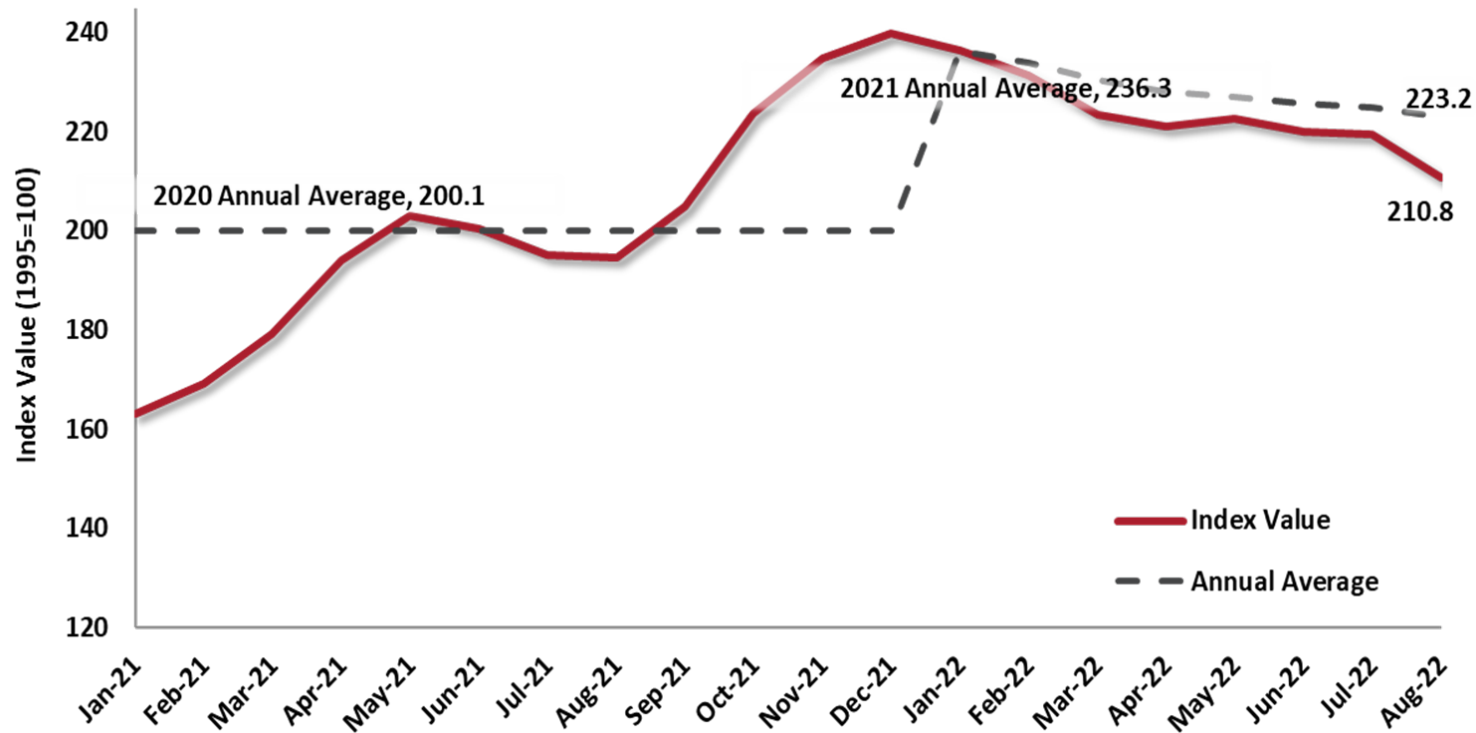


- New vehicle inventories have increased, but Domestic inventory for July is still down 38% Y/Y.
- The average dealership days' supply has increased to 40 compared with 62 days in July 2020.
- New vehicle production decreased M/M, but Y/Y production is up 6%

- July's new-vehicle prices increased from June
- The average price increased to \$46,425 which is 11.9% higher Y/Y

WHOLESALE RESALE MARKET

Manheim Used Vehicle Value Index

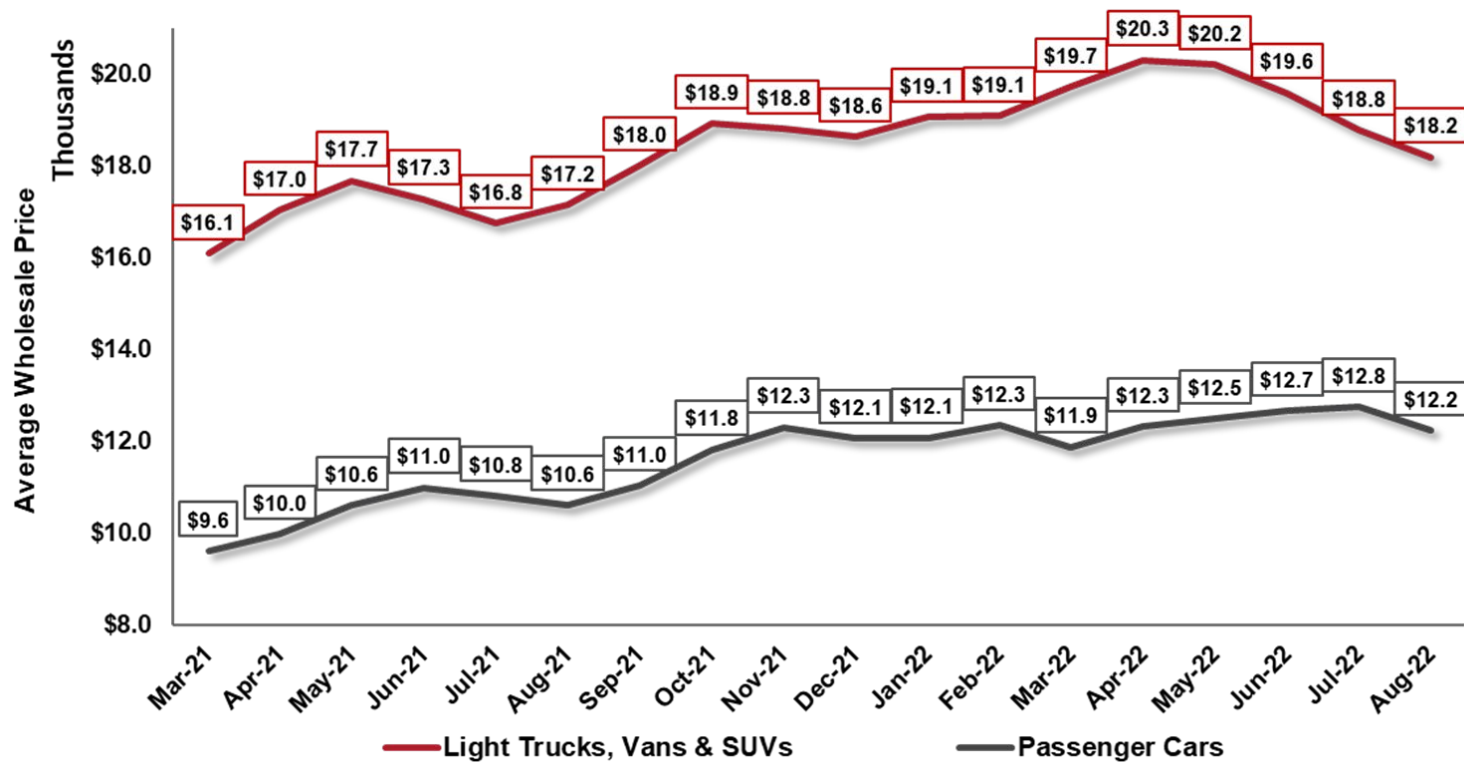


- Wholesale used vehicle prices decreased 4% M/M in August.
- The Manheim Used Vehicle Value Index increased by 8.4% Y/Y.
- Total volume of used vehicle sales were down for the 8th straight month, 16% Y/Y in Aug.

- All major market segments saw seasonally adjusted price increases in Aug, 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 August, down 4.49% M/M.
- Wholesale prices are still up 6.61% Y/Y

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

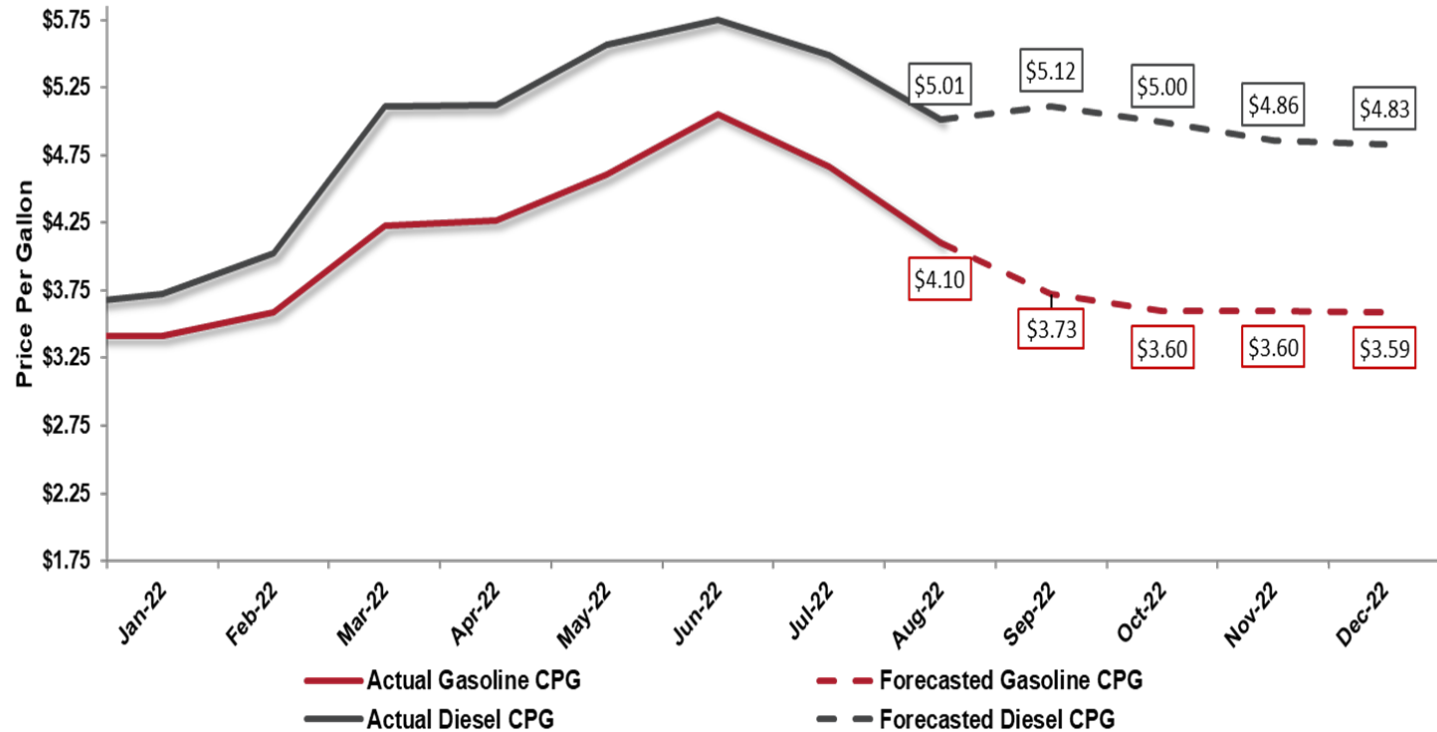
• Recommendation:

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 decreased from the previous month and averaged \$4.10/gal. in August
- U.S. diesel retail prices decreased from the previous month and averaged \$5.01/gal

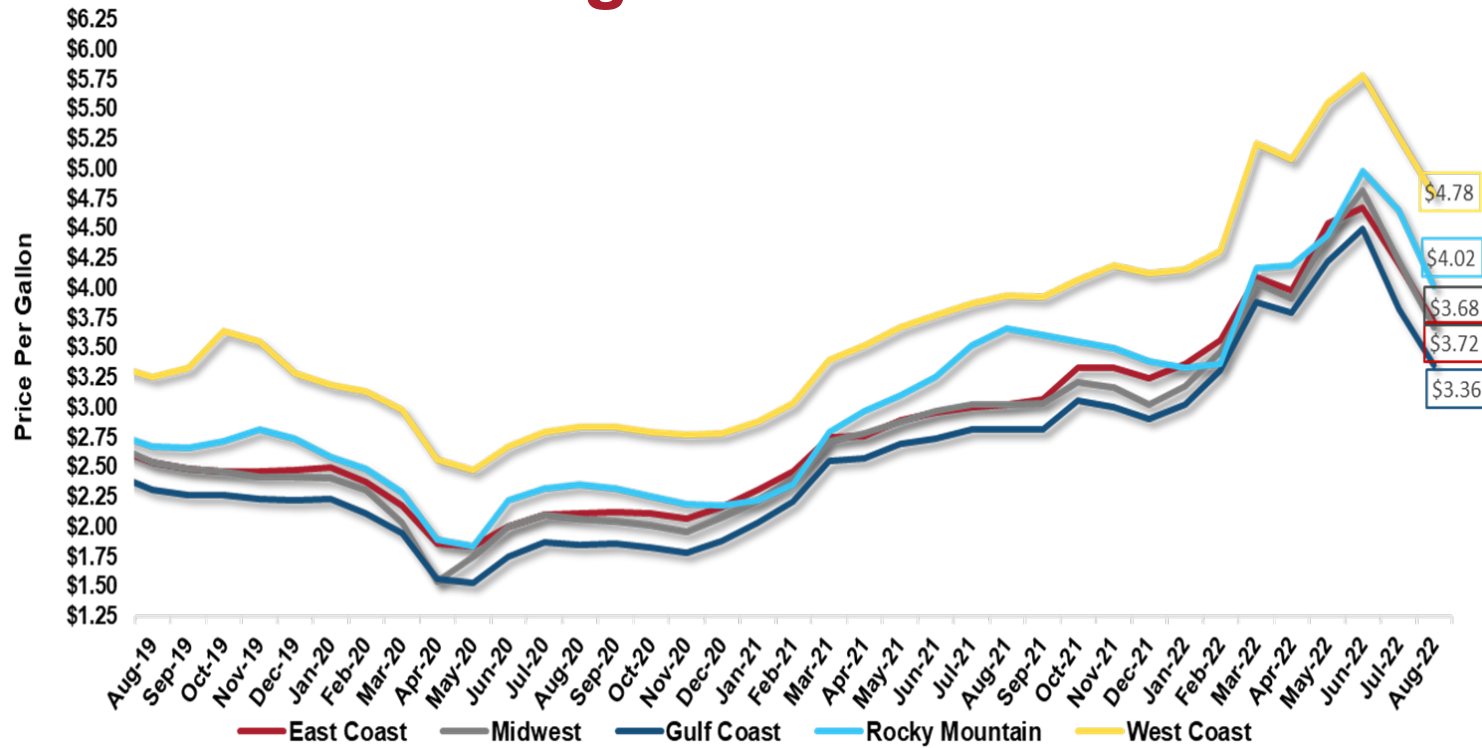
- August was up 26% gasoline and 50% diesel Y/Y.
- Oct. 2022 forecast for gasoline retail price is \$3.60/gal. and diesel retail price of \$5.00/gal.

- **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



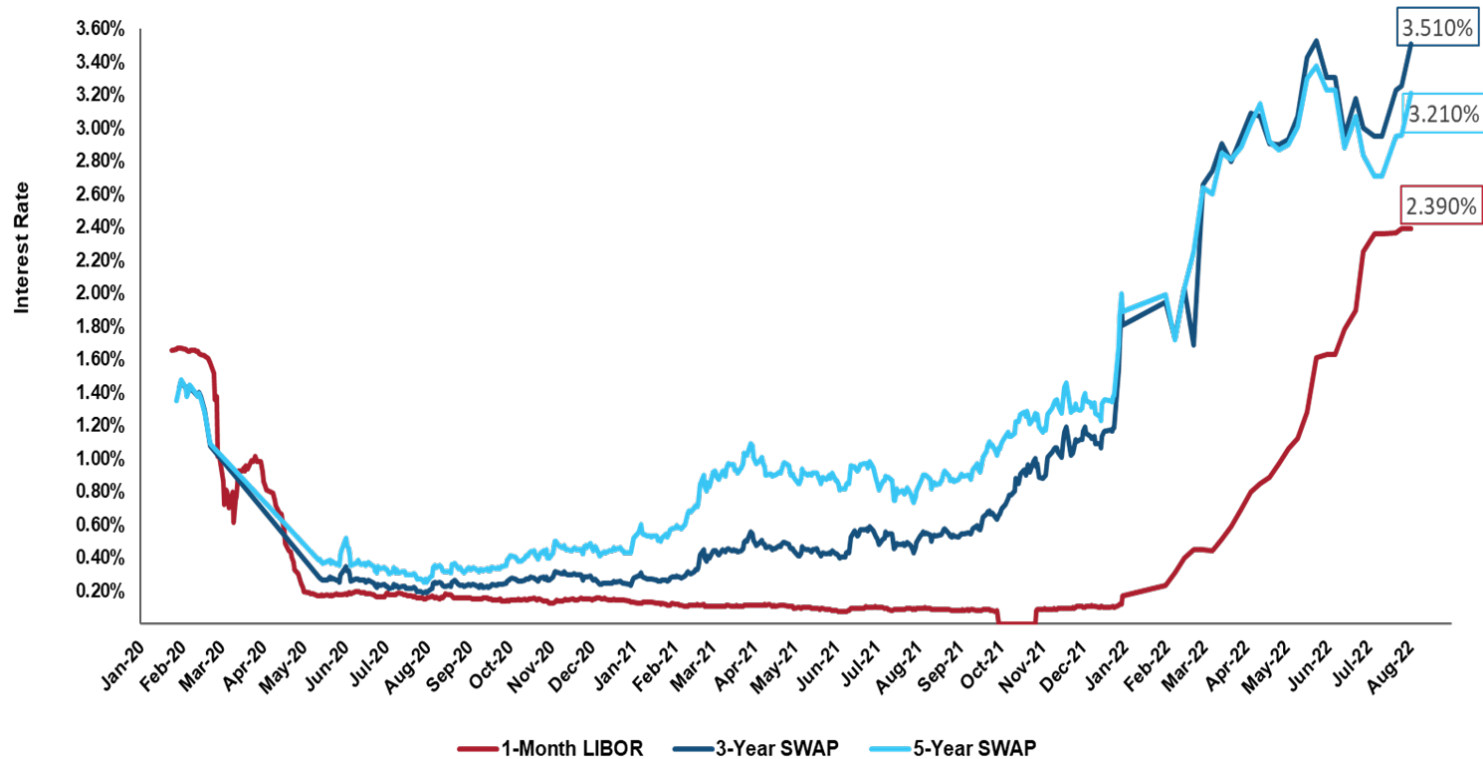
- Fuel prices decreased from the previous month
- Some factors that contribute to regional gas price differences:
 - Distance from supply
 - Transportation costs
 - State and local taxes
 - Retail Competition

Recommendation:

Closely monitor fuel prices for accurate fuel budget forecasting.

INTEREST

Interest Rates



- 1-Month LIBOR rate is currently at 2.390% and this is the seventh month in a row that it is above 0.20% since June 2020.
- The 5-Year SWAP rate has decreased and is currently 3.210%.

- All rates are expected to increase through out the remainder of 2022.