

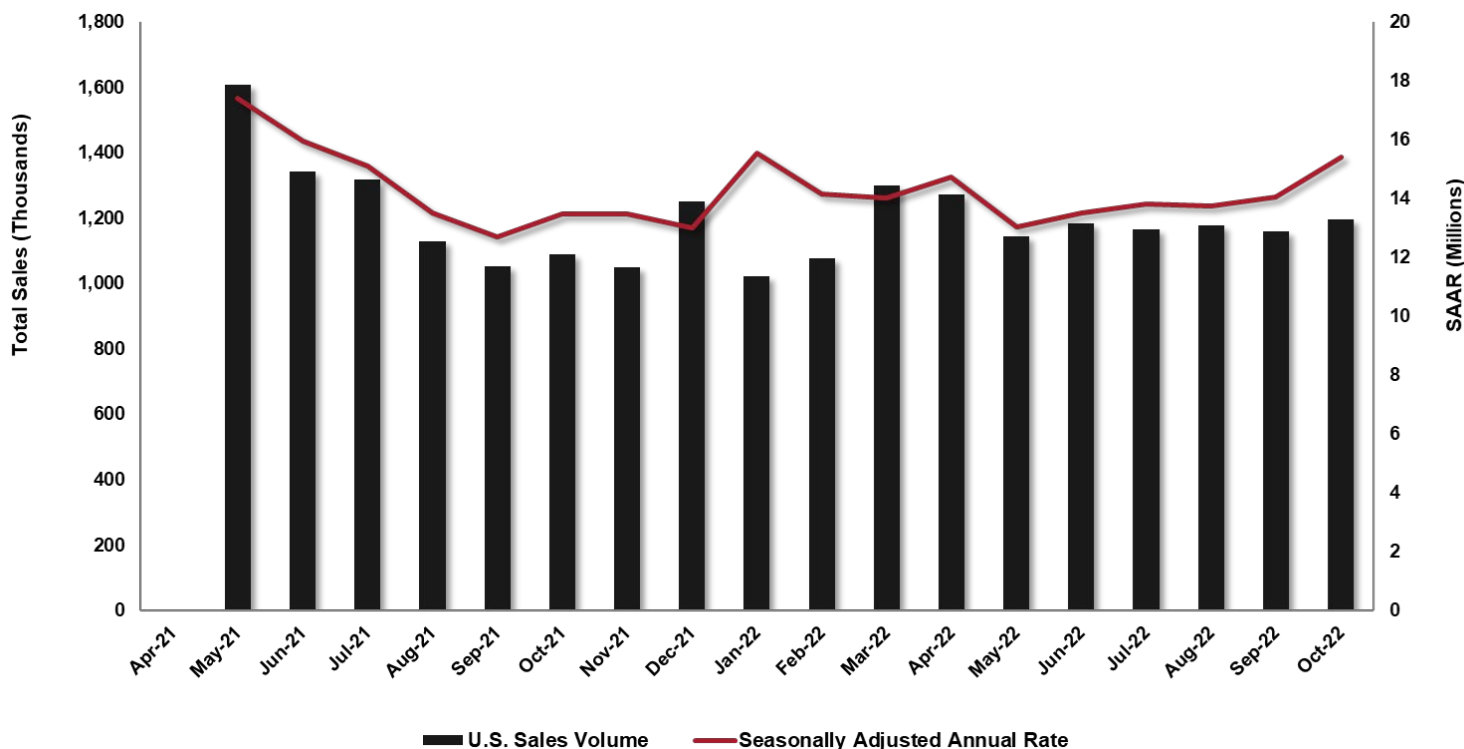
# Industry Trends

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October – November 2022

# ACQUISITION

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



### All US Sales

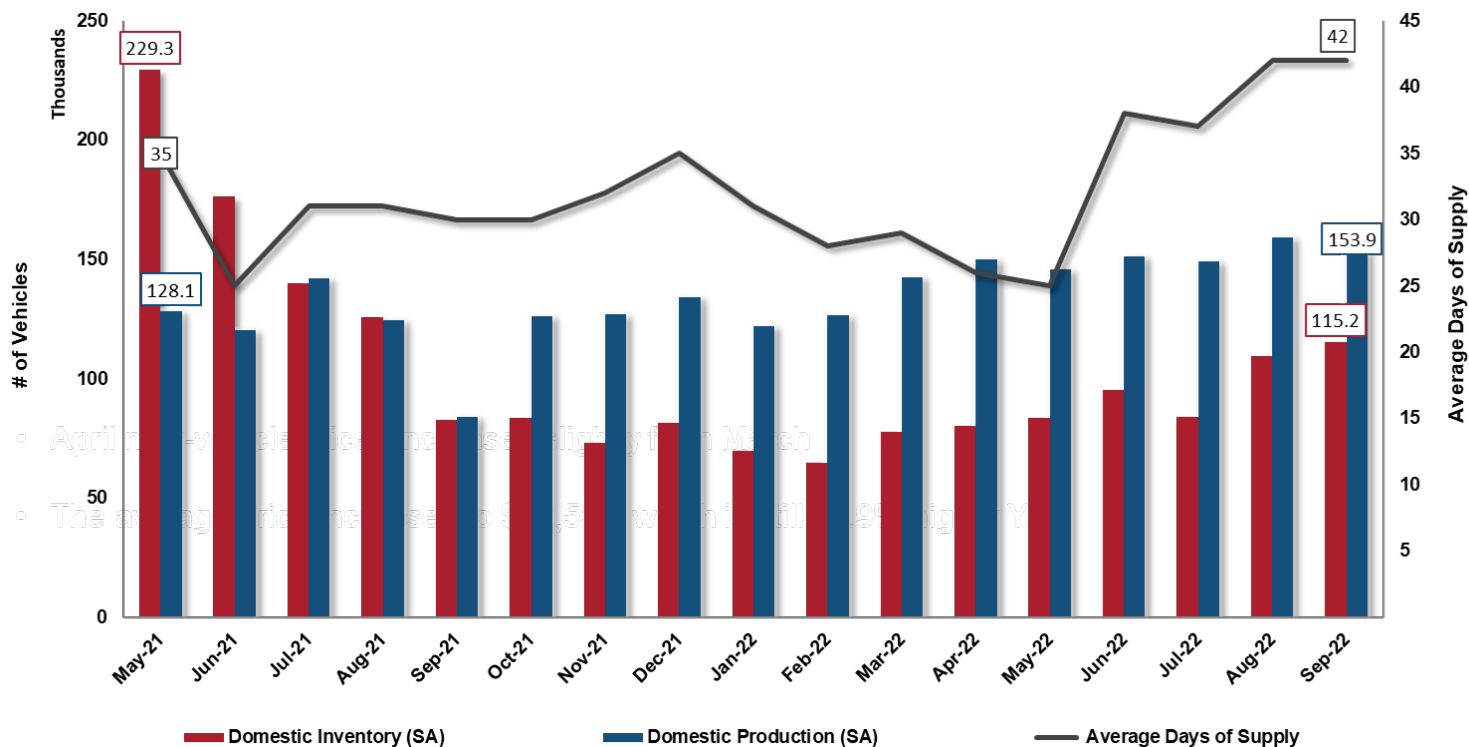
- October's sales were at a 9-month high and increased by 9.8% M/M
- Passenger vehicles sales increased by 11% M/M, and light truck increased by 9.5% M/M
- October's light trucks sales accounted for 79.% of all sales

### Fleet Sales Only

- In October, 148,721 total fleet units were sold, a 21% M/M increase.
- October's new vehicle purchases is almost a 49% increase from 2021

# ACQUISITION

## Dealer Inventory & Days of Supply

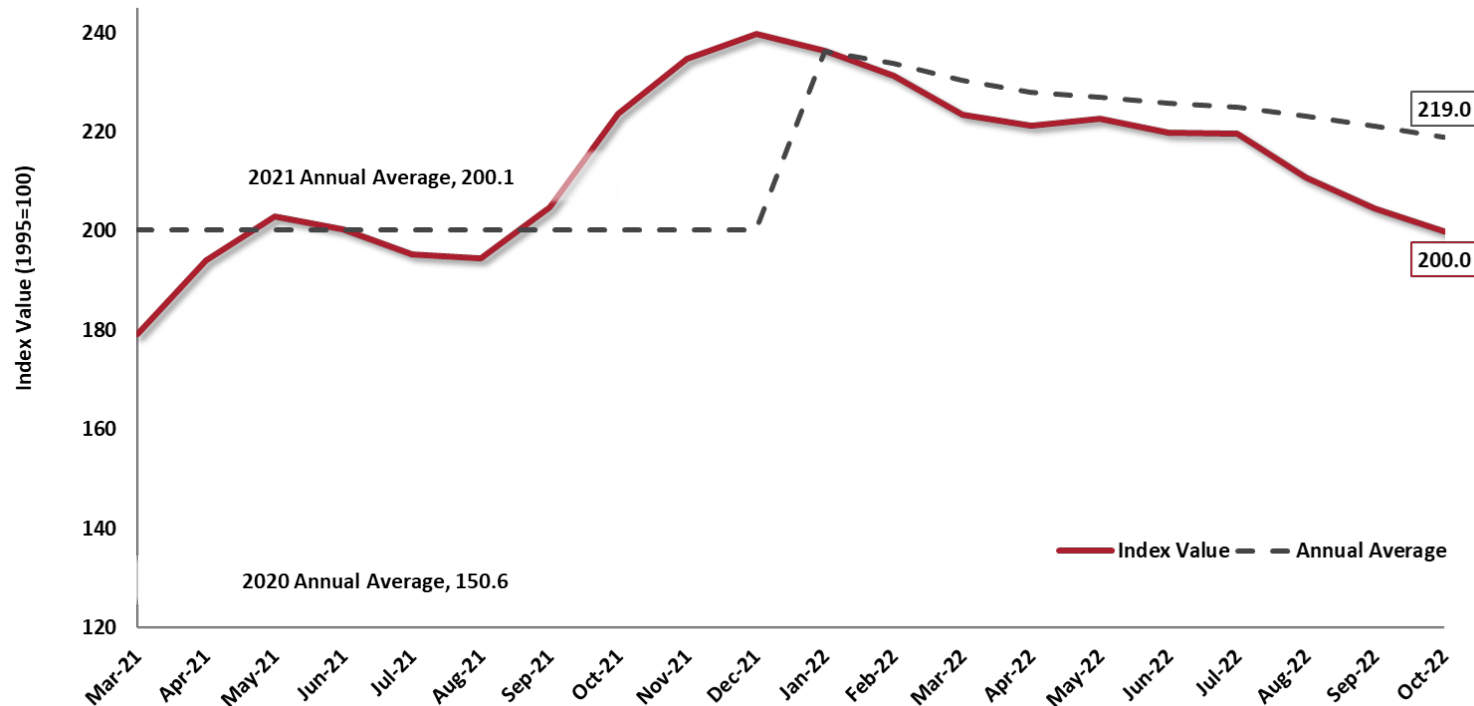


- New vehicle inventories have increased and Domestic inventory for September is up 39% Y/Y.
- The average dealership days' supply has remained steady at 42 compared with 65 days in September 2020.
- New vehicle production decreased slightly M/M, but Y/Y production is up 83%

- September's new-vehicle prices dipped to the lowest prices in two months
- The average decreased to \$46,212 which is 7% higher Y/Y

# WHOLESALE RESALE MARKET

## Manheim Used Vehicle Value Index

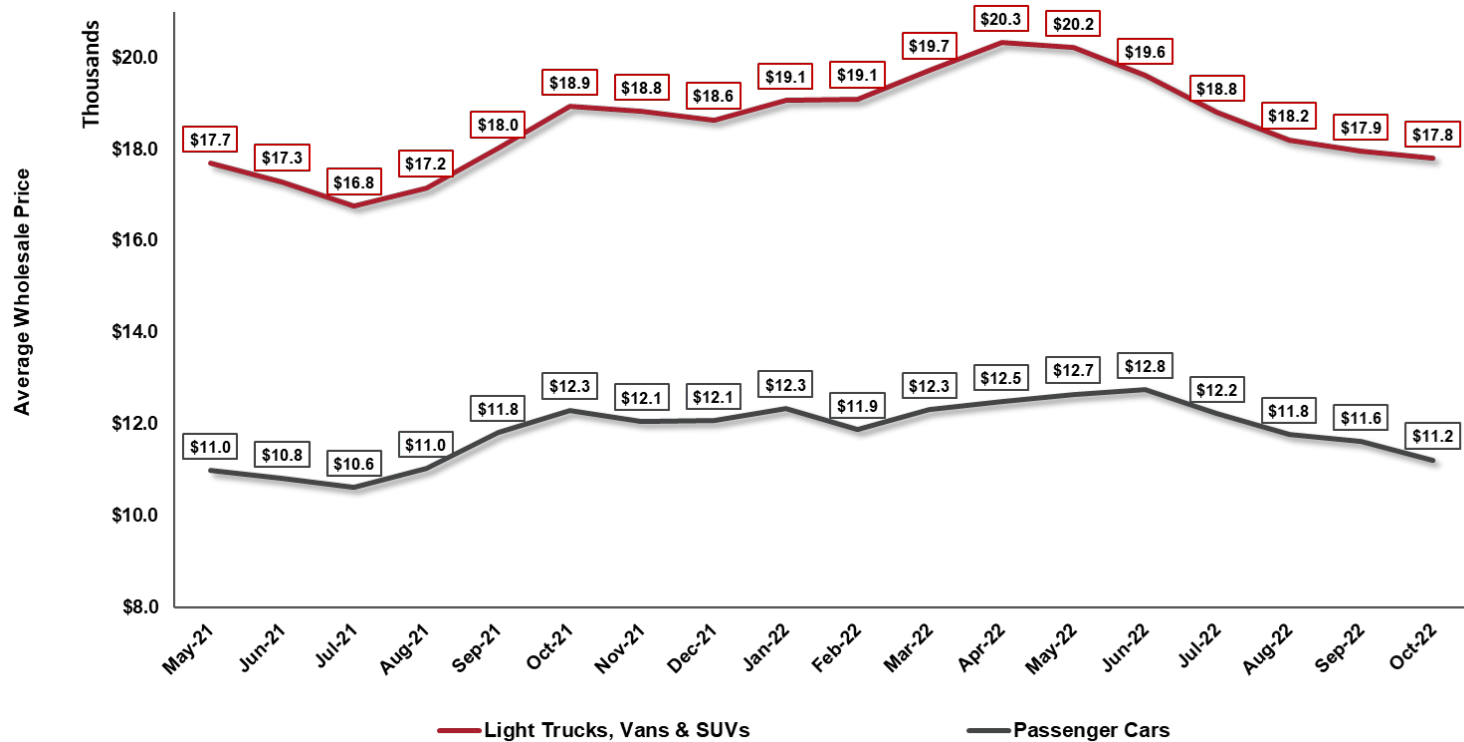


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# WHOLESALE RESALE MARKET

## Average Wholesale Price by Segment



- Wholesale prices decreased for the 4th straight month in October, down 1.86% M/M.
- Wholesale prices are now down 6.98% Y/Y

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

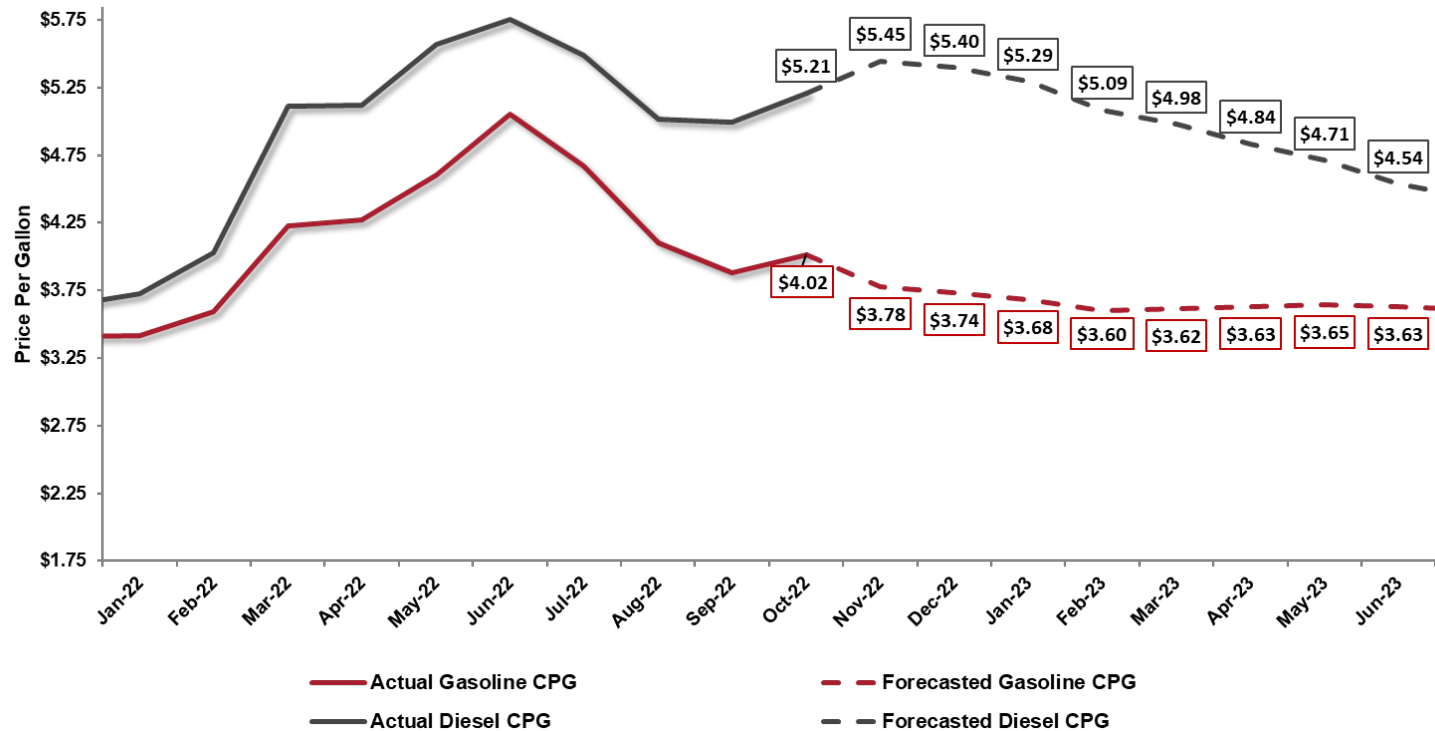
### • Recommendation:

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

Source: ADESA; Kontos Commentary

# FUEL

## National Average Cost per Gallon Regular Grade & Diesel



- U.S. regular gasoline prices increased from the previous month and averaged \$4.02/gal. in October
- U.S. diesel retail prices increased from the previous month and averaged \$5.21/gal

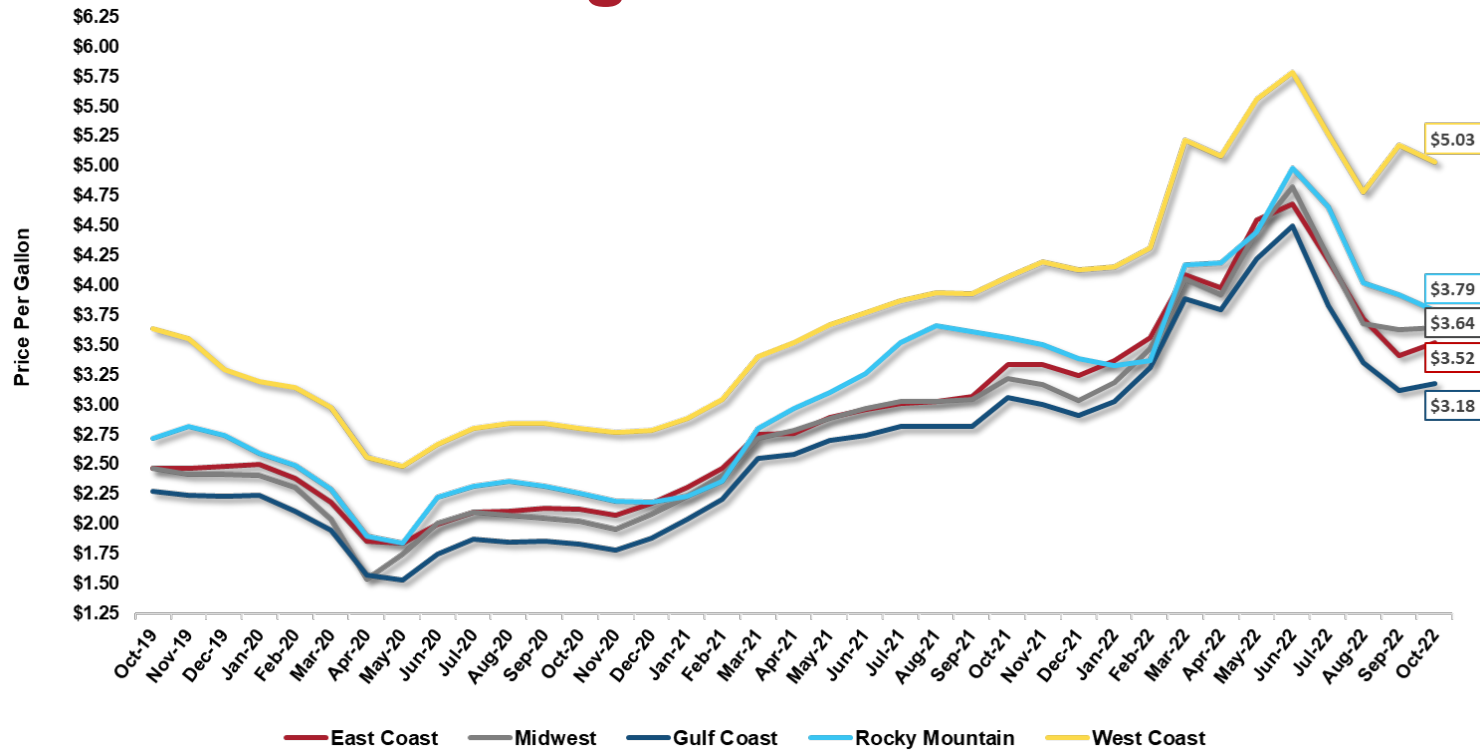
- October was up 19% gasoline and 44% diesel Y/Y.
- Dec. 2022 forecast for gasoline retail price is \$3.74/gal. and diesel retail price of \$5.40/gal.

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

Source: U.S. Energy Information Administration; FRED

# FUEL

## Regional Average Cost per Gallon – Regular Grade



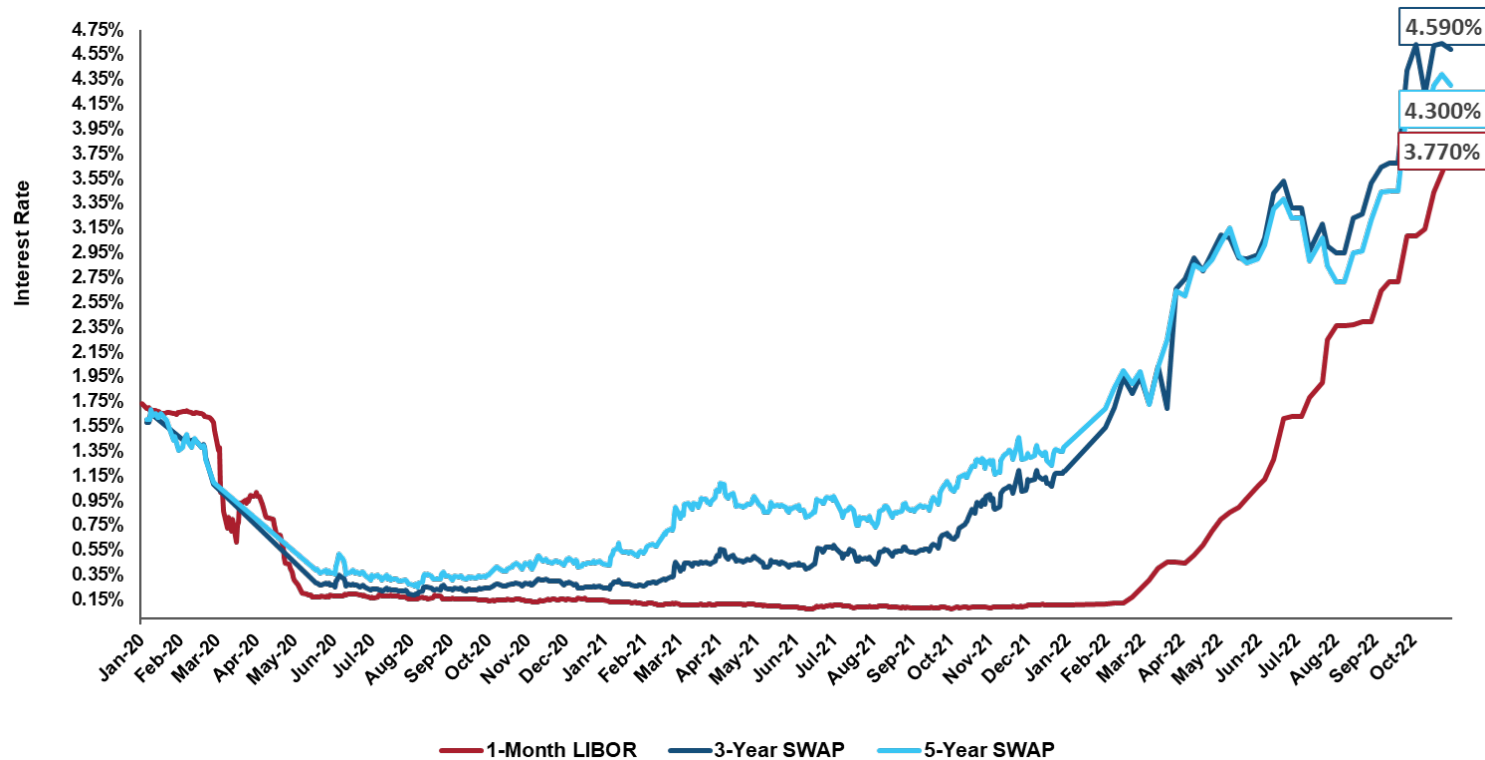
- Fuel prices decreased from the previous month
- Some factors that contribute to regional gas price differences:
  - Distance from supply
  - Transportation costs
  - State and local taxes
  - Retail Competition

### Recommendation:

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

# INTEREST

## Interest Rates



- 1-Month LIBOR rate is currently at 3.770% and this is the ninth month in a row that it is above 0.20% since June 2020.
- The 5-Year SWAP rate has increased and is currently 4.300%.

- All rates are expected to increase through out the remainder of 2022 and into 2023.