

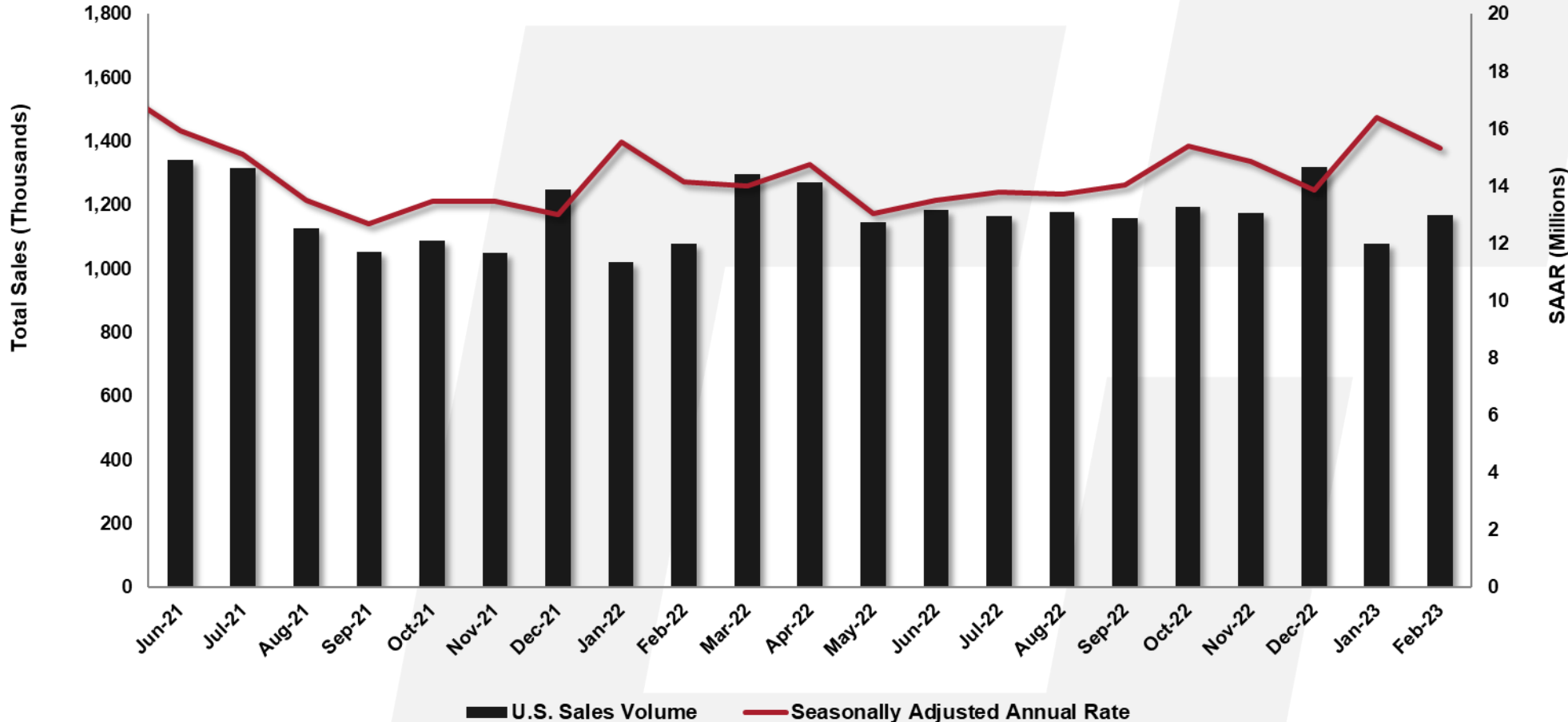


Industry Trends

Feb 23 - Mar 23

Acquisition

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



All US Sales

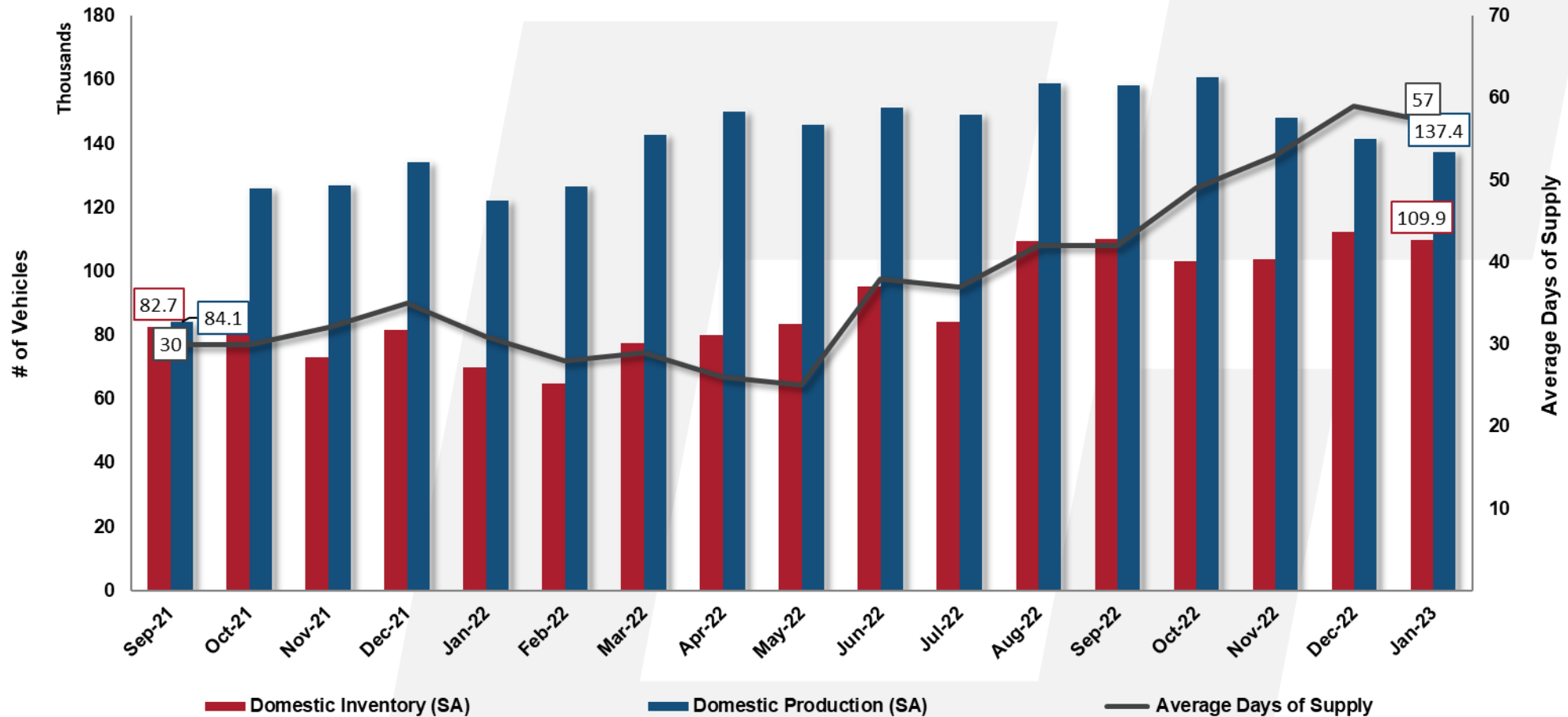
- February's sales decreased by 6.2% M/M
- Passenger vehicles sales increased by 4.6% Y/Y, and light truck increased by 9.7% Y/Y
- February's light trucks sales accounted for 80% of all sales

Fleet Sales Only

- In February, 183,954 total fleet units were sold, an 48% Y/Y increase.

Acquisition

Dealer Inventory & Days of Supply



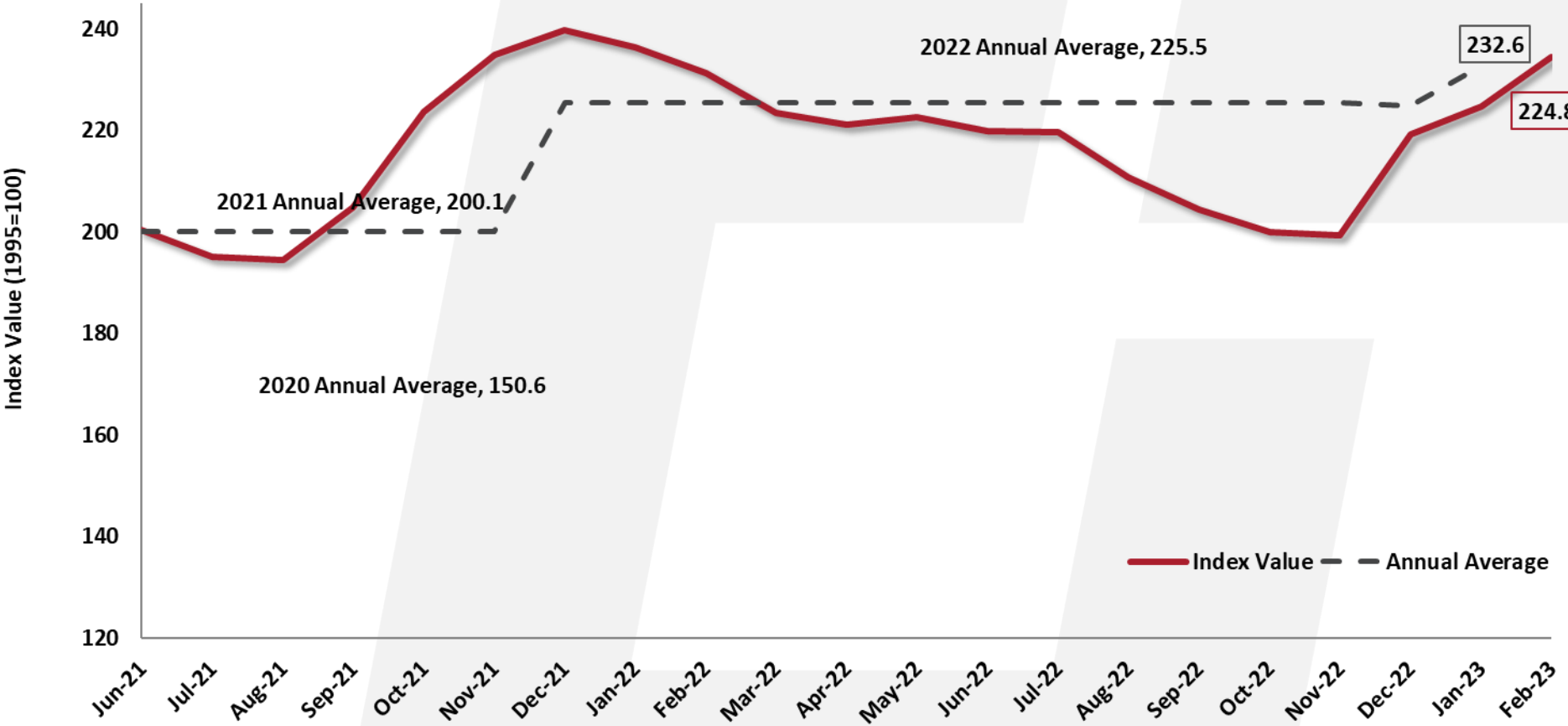
- January new vehicle inventories decreased slightly M/M, and Domestic inventory for January is up 57% Y/Y.
- The average dealership days' supply increased to 57 compared with 66 days in January 2021.
- New vehicle production decreased slightly M/M, and Y/Y production increased 13%

- January's new-vehicle prices decreased M/M
- The average price decreased to \$47,521 which is 6% higher than January 2021

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

Wholesale Resale Market

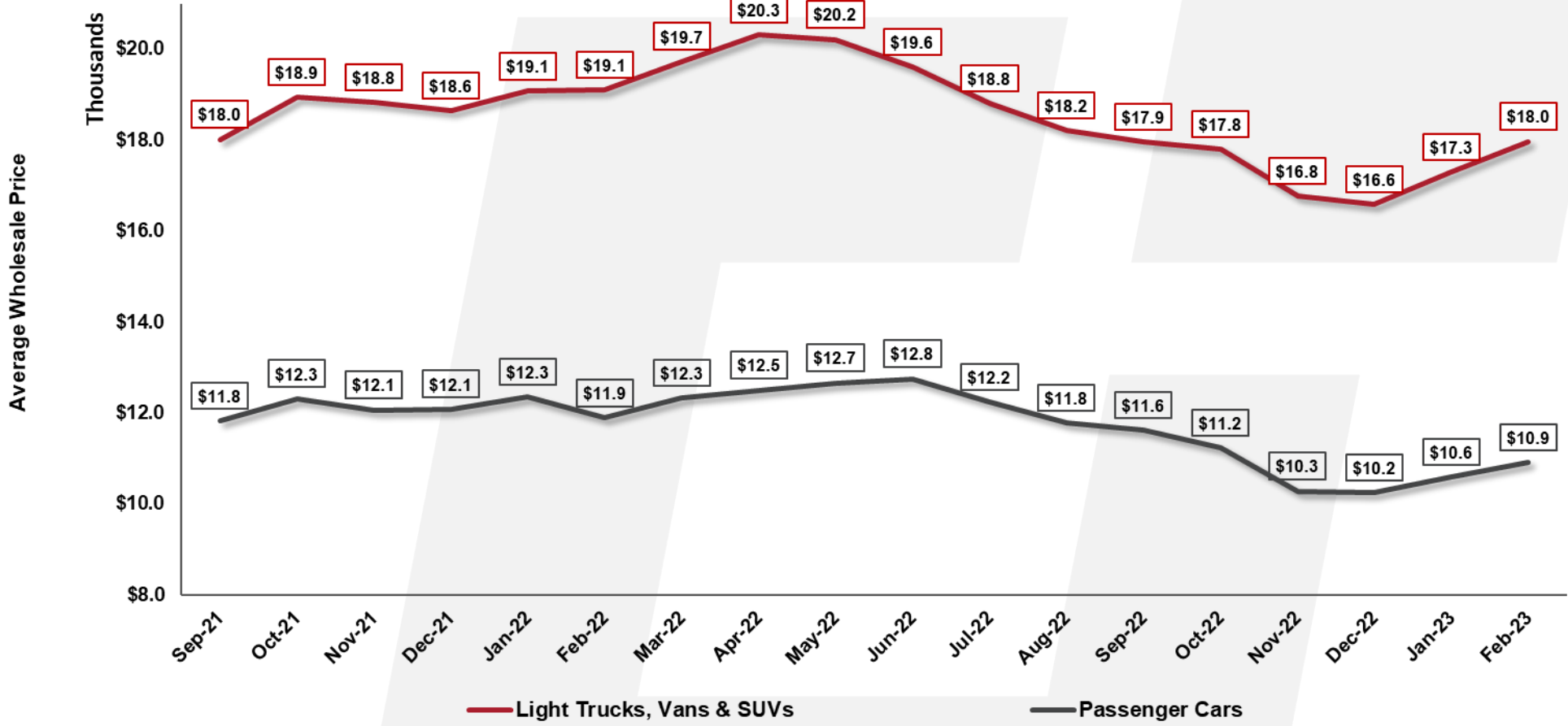
Manheim Used Vehicle Value Index



- Wholesale used vehicle prices increased 4.3% M/M in February
- The Manheim Used Vehicle Value Index increased by 1.4% Y/Y.
- Total volume of used vehicle sales were down for the 14th straight month, 9% Y/Y in Feb.
- 2019 Annual Average was 138.9
- 2022 ended with an Annual average of 225.5
- All major market segments saw seasonally adjusted price increase in Feb. Y/Y, except for full-size vans.
- Smallest increases were realized by compact cars, minivans and mid-size SUV's, with sedans, SUV's and luxury cars having greater increases.

Wholesale Resale Market

Average Wholesale Price by Segment

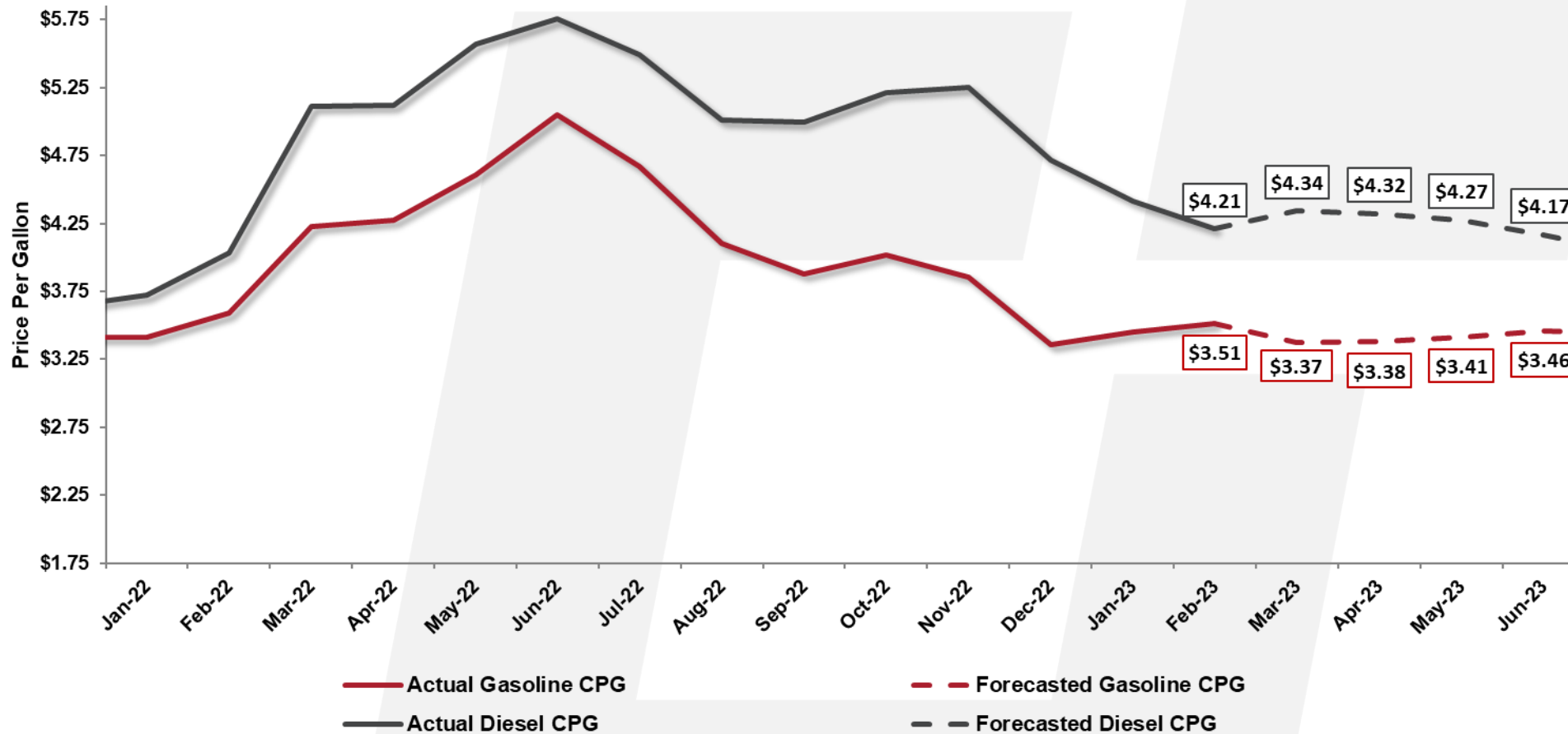


- Wholesale prices increased for the second month in a row in February up 3.9% M/M.
- Wholesale prices are now down 5.7% Y/Y
- February wholesale prices are 42.1% above Pre-pandemic prices

- 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



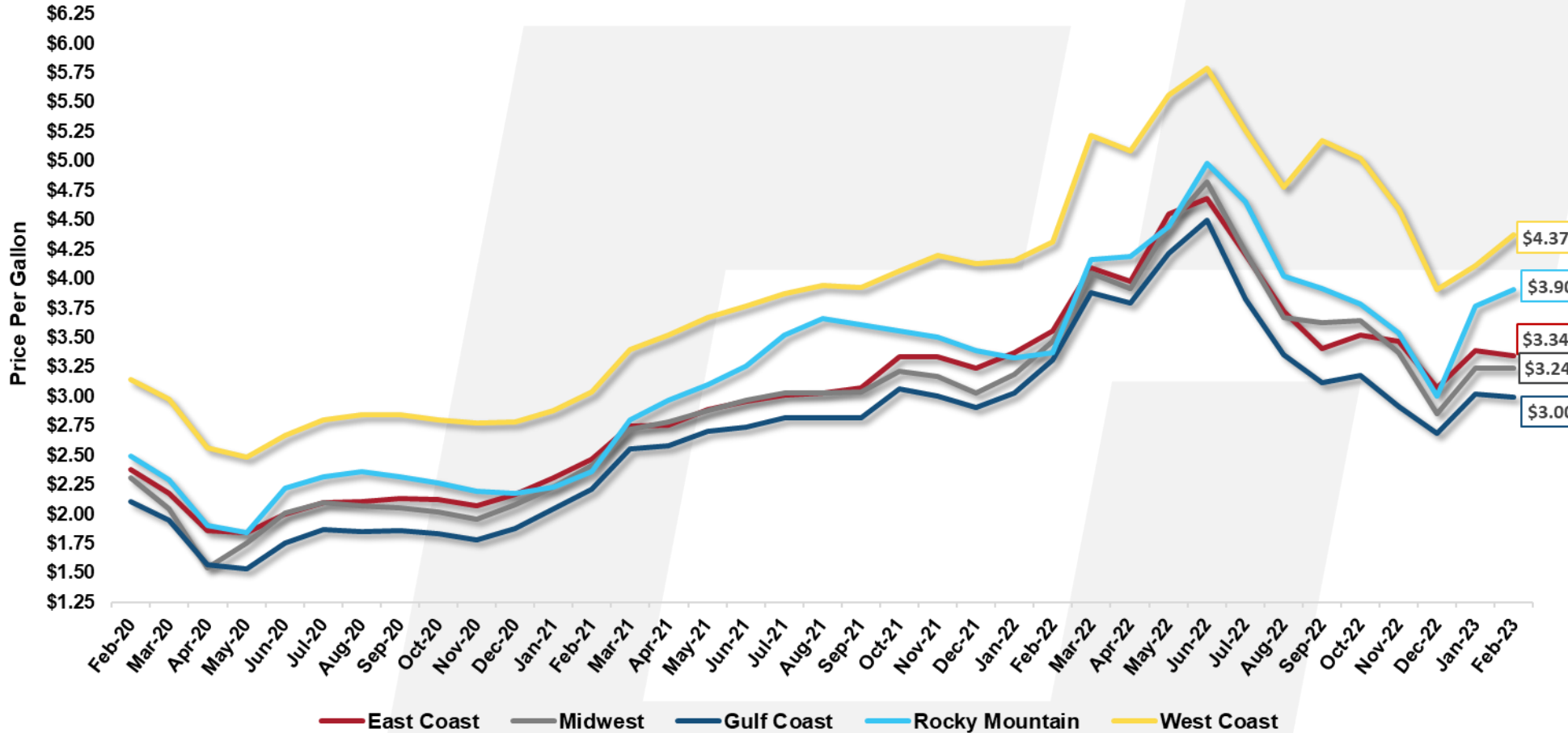
- U.S. regular gasoline prices increased from the previous month and averaged \$3.51/gal. in February
- U.S. diesel retail prices decreased from the previous month and averaged \$4.21/gal

- February was down 2% gasoline and diesel was up 4% Y/Y.
- April forecast for gasoline retail price is \$3.38/gal. and diesel retail price of \$4.32/gal.

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

Fuel

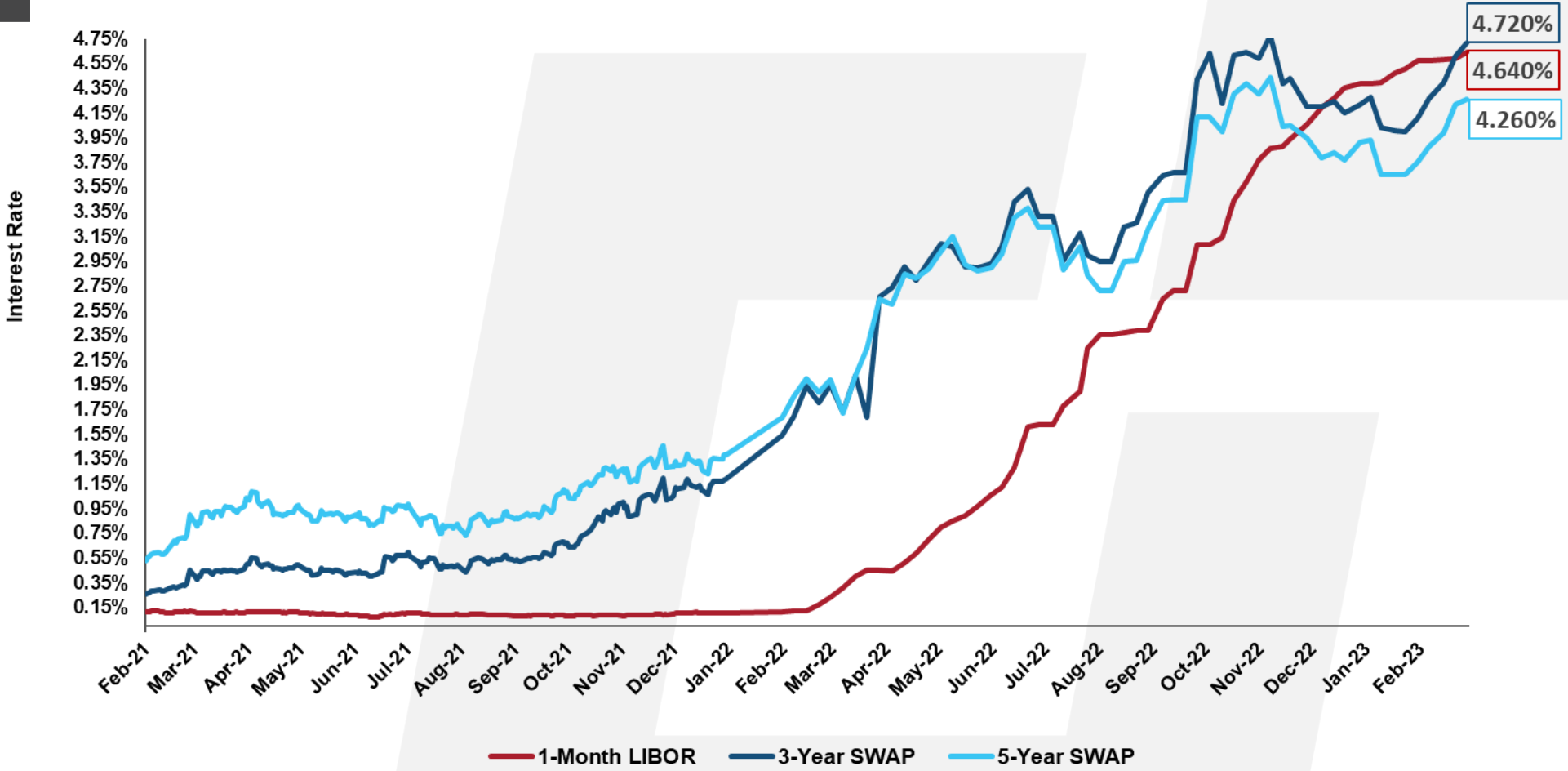
Regional Average Cost per Gallon – Regular Grade



- Overall, fuel prices remained constant 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 Rates



- 1-Month LIBOR rate is currently at 4.640% and this is the 13th month in a row that it is above 0.20% since June 2020.

- The 5-Year SWAP rate increased and is currently 4.260%.

- All rates are expected to increase through at least midyear 2023.