



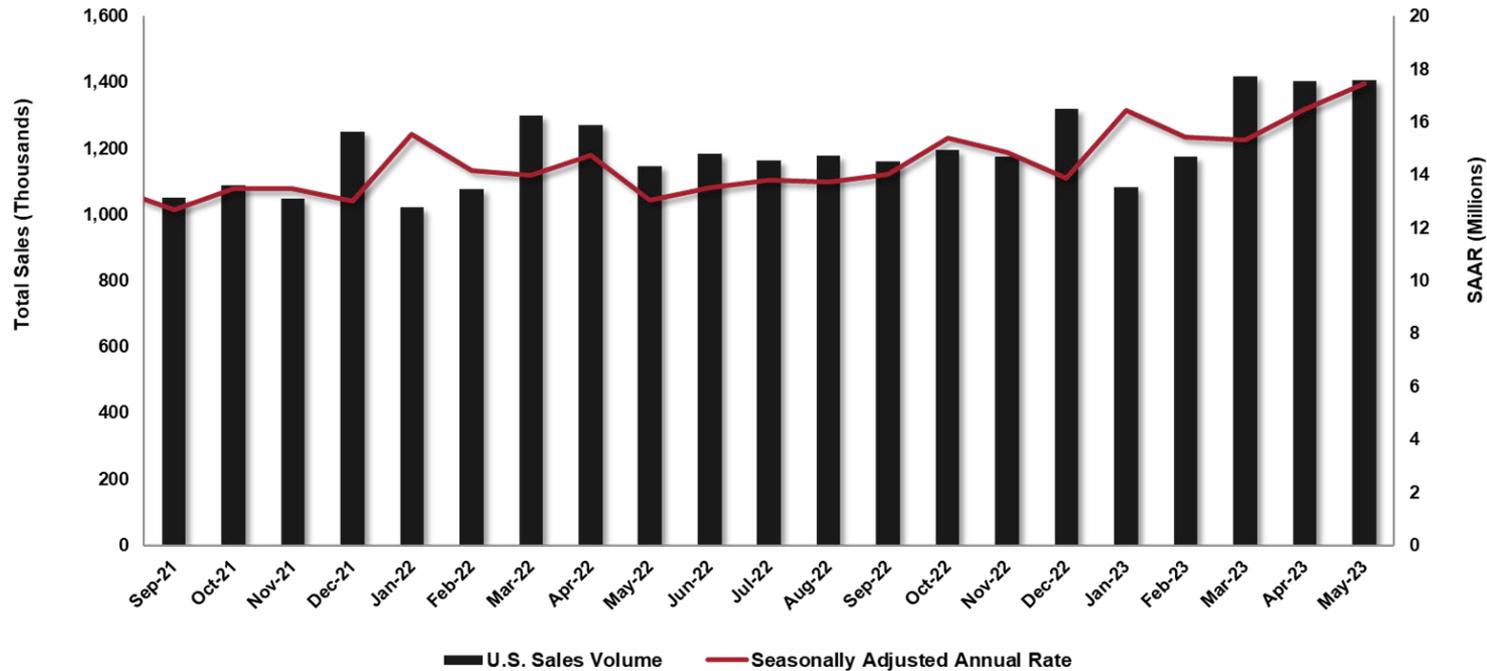
Industry Trends

April – May 2023

**Merchants**
FLEET

ACQUISITION

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



All US Sales

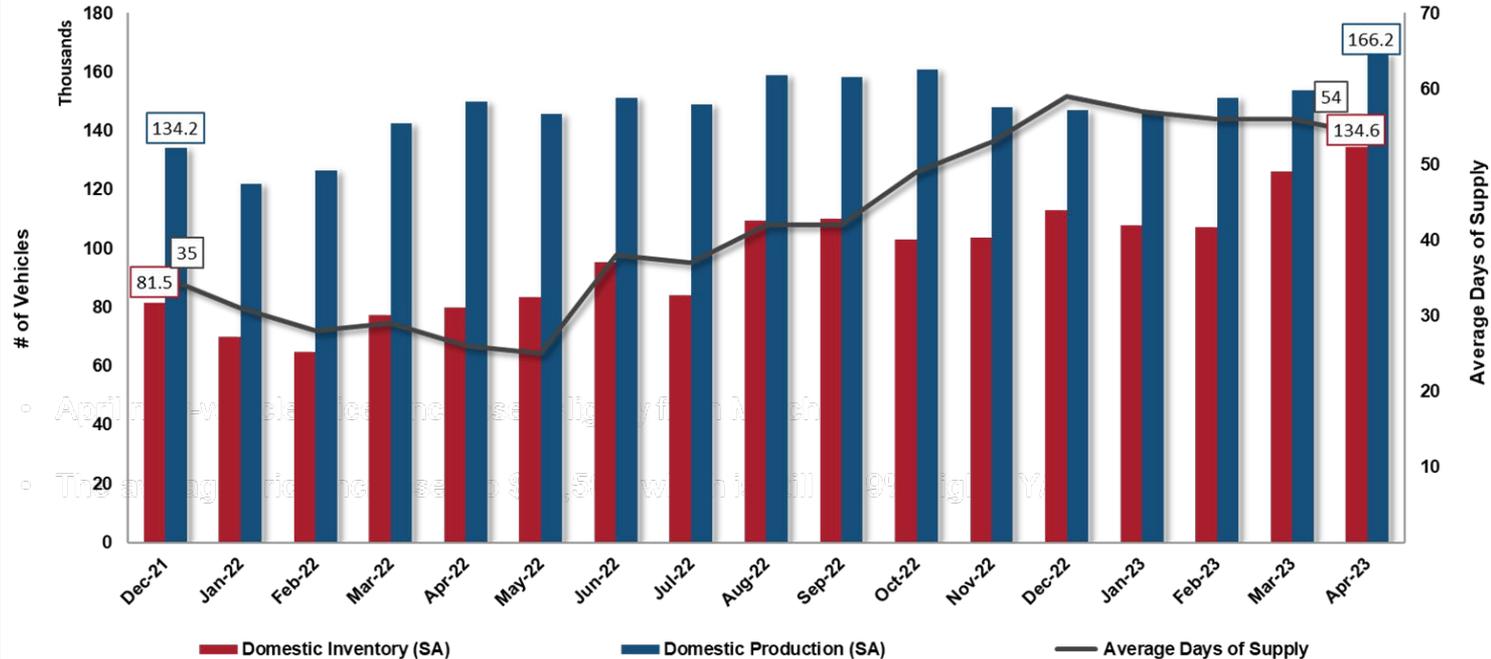
- May's sales decreased by 6.4% M/M
- Passenger vehicles sales increased by 22.4% Y/Y, and light truck increased by 23.1% Y/Y
- May's light truck sales accounted for 79% of all sales

Fleet Sales Only

- In May, 228,342 total fleet units were sold, an 37.2% Y/Y increase.

ACQUISITION

Dealer Inventory & Days of Supply

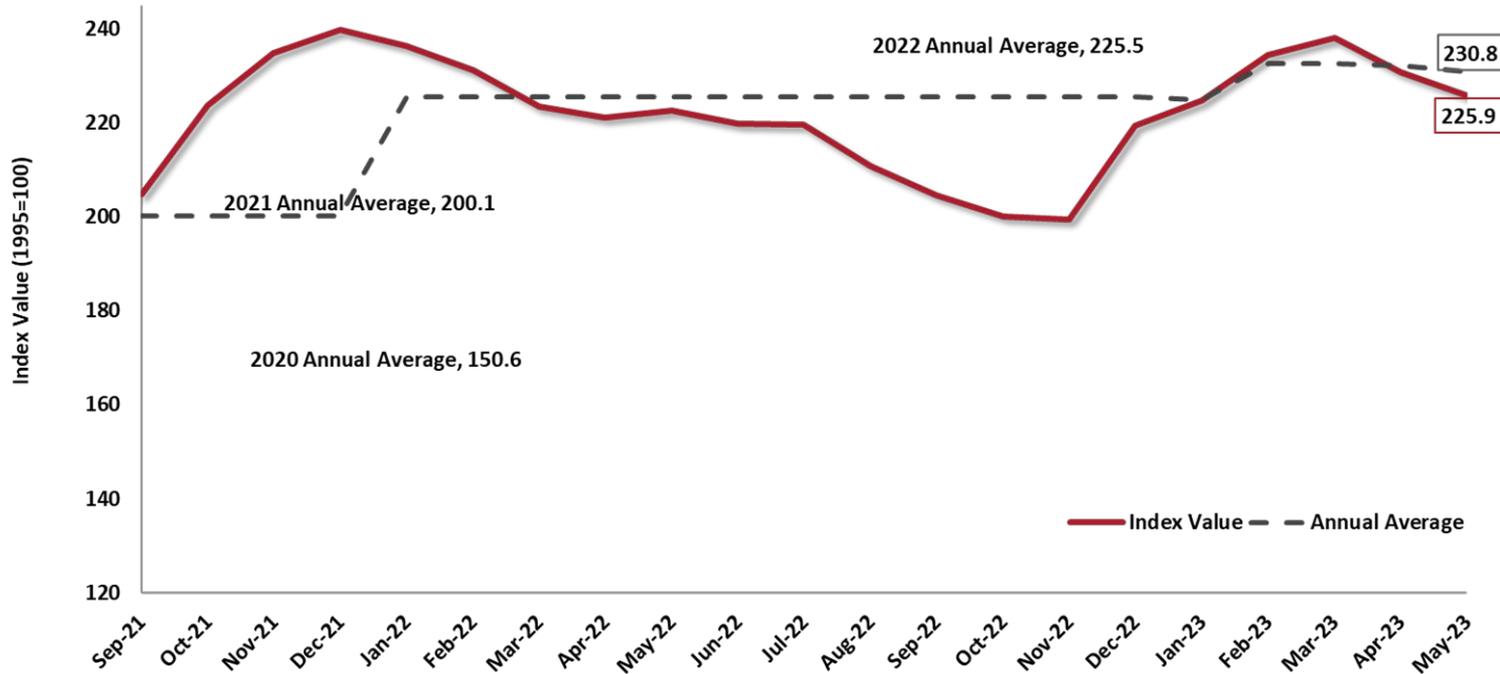


- April's new vehicle inventories increased M/M, and Domestic inventory for April is up 68% Y/Y.
- The average dealership days' supply dropped to 54 compared with 59 days in March 2021.
- New vehicle production increased 8% M/M, and Y/Y production increased 11%

- April's new-vehicle prices increased M/M
- The average price increased to \$47,368 which is 5% higher Y/Y

WHOLESALE RESALE MARKET

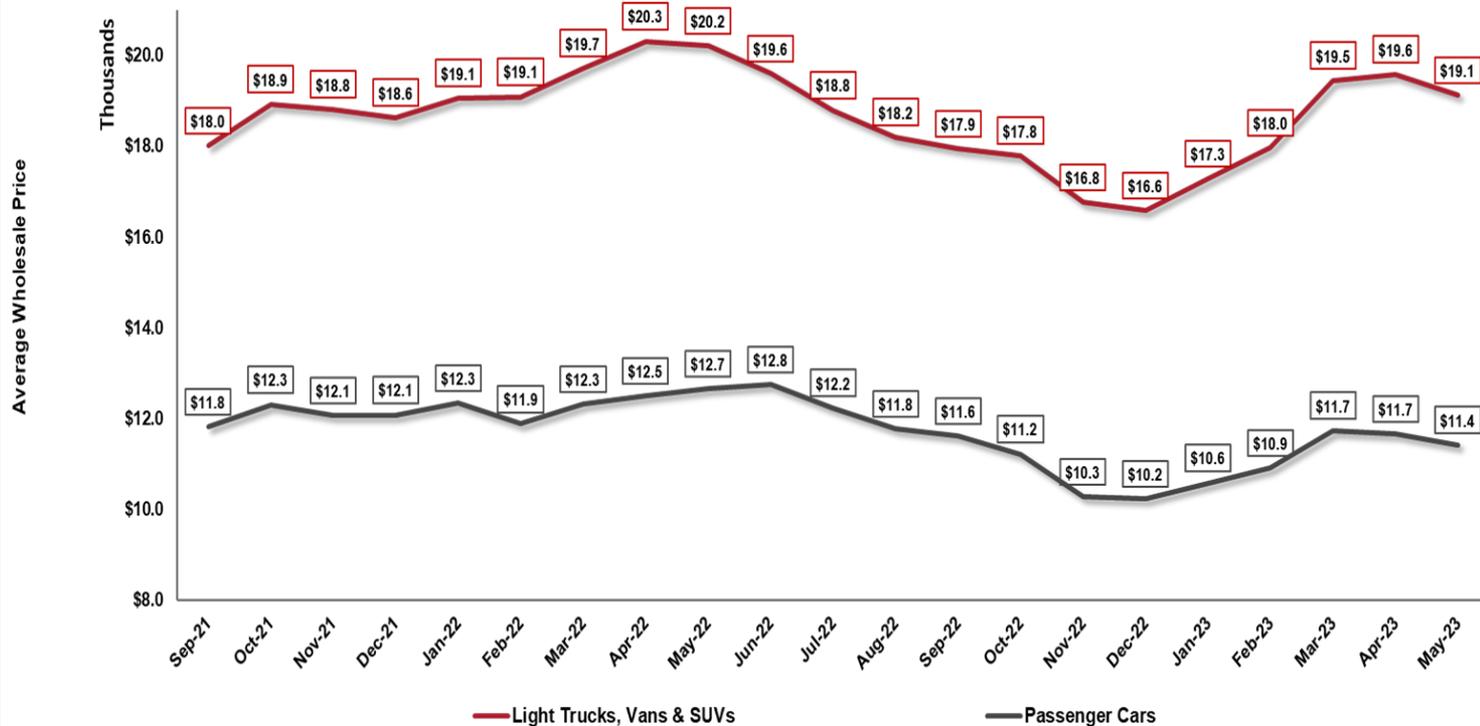
Manheim Used Vehicle Value Index



- Wholesale used vehicle prices decreased 2.7% M/M in May
- The Manheim Used Vehicle Value Index decreased by 7.6% Y/Y
- Total volume of used vehicle sales were down for the 15th straight month, 6% Y/Y in April.
- Maintaining the trend that began in March, all major market segments saw seasonally adjusted prices that were lower Y/Y
- All major segments saw overall price decreases M/M, ranging from 1.9% to 4.7%.

WHOLESALE RESALE MARKET

Average Wholesale Price by Segment



- Wholesale prices increased for the fourth month in a row in April up 2.2% M/M.
- Wholesale prices are now down 9.7% Y/Y.

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

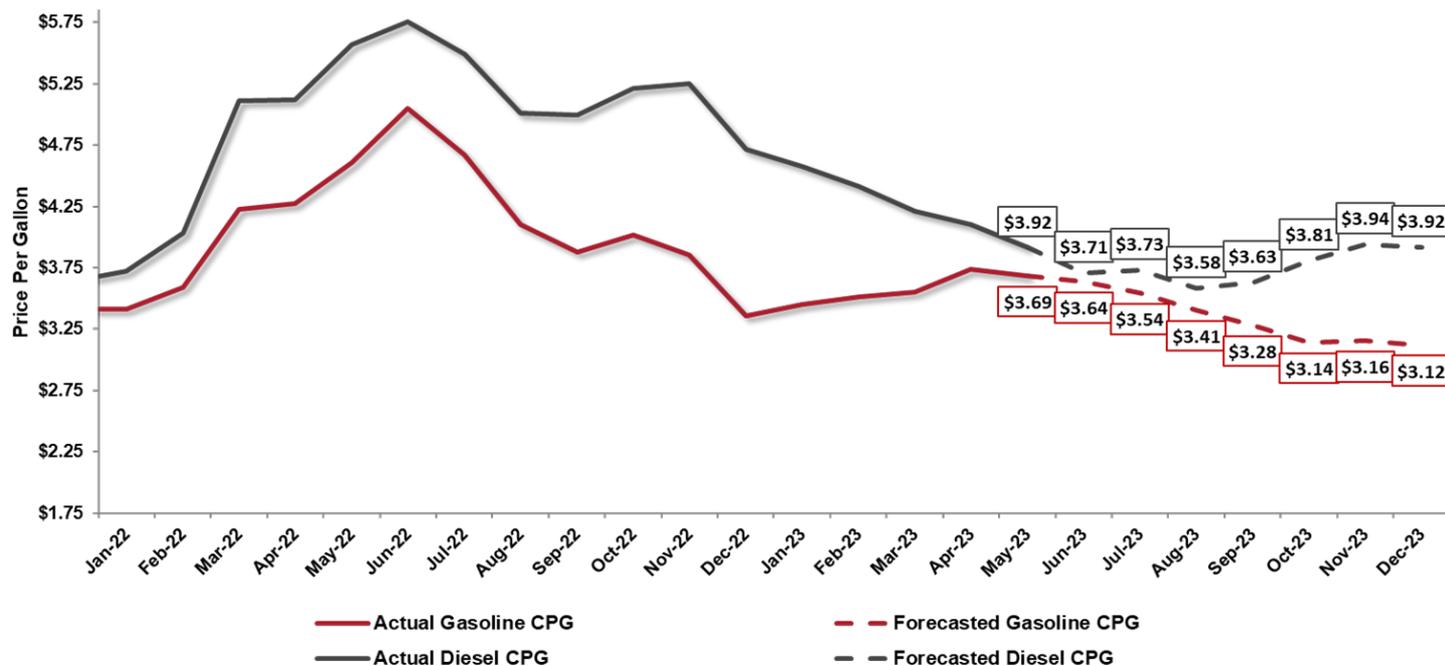
• Recommendation:

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

Source: ADESA; Kontos Kommentary

FUEL

National Average Cost per Gallon Regular Grade & Diesel



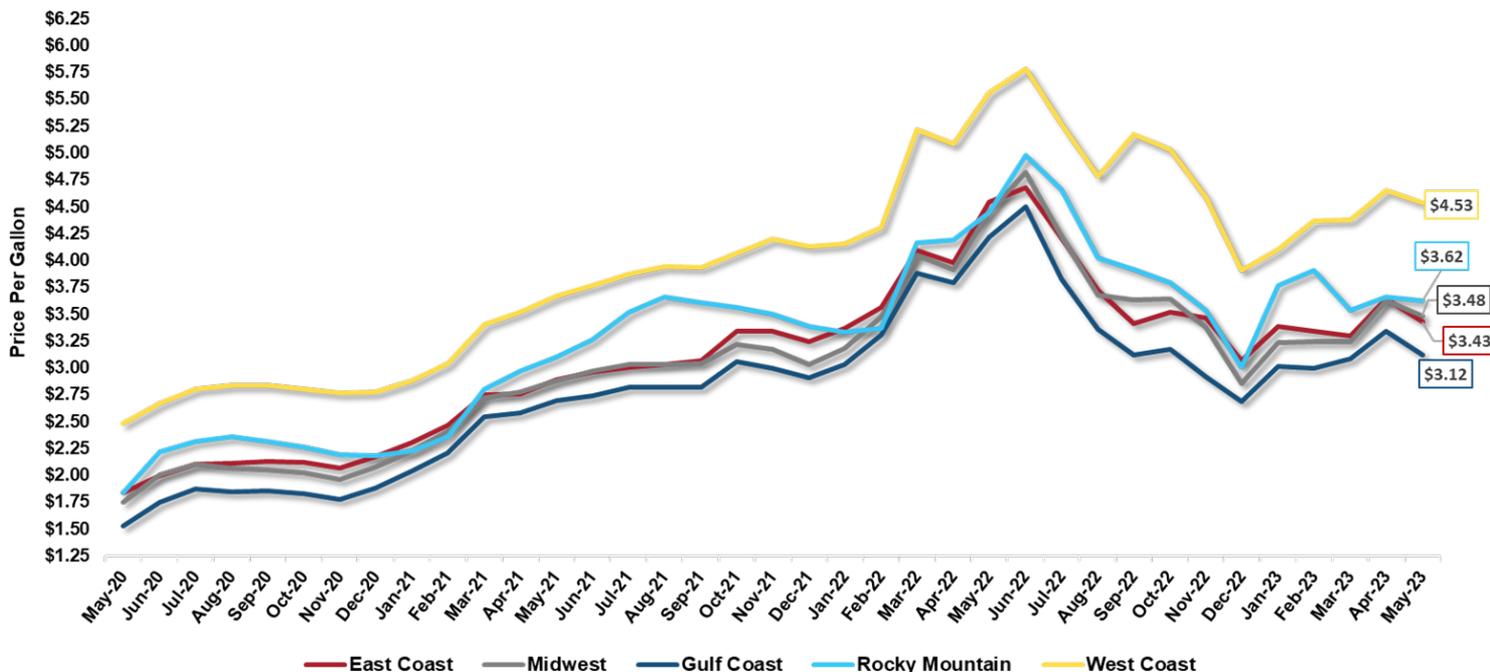
- U.S. regular gasoline prices decreased from the previous month and averaged \$3.69/gal. in May
- U.S. diesel retail prices decreased from the previous month and averaged \$3.92/gal

- May was down 20% gasoline and diesel was down 30% Y/Y.
- June forecast for gasoline retail price is \$3.64/gal. and diesel retail price of \$3.71/gal.
- **Recommendation:**
Closely monitor fuel prices for accurate fuel budget forecasting.



FUEL

Regional Average Cost per Gallon – Regular Grade



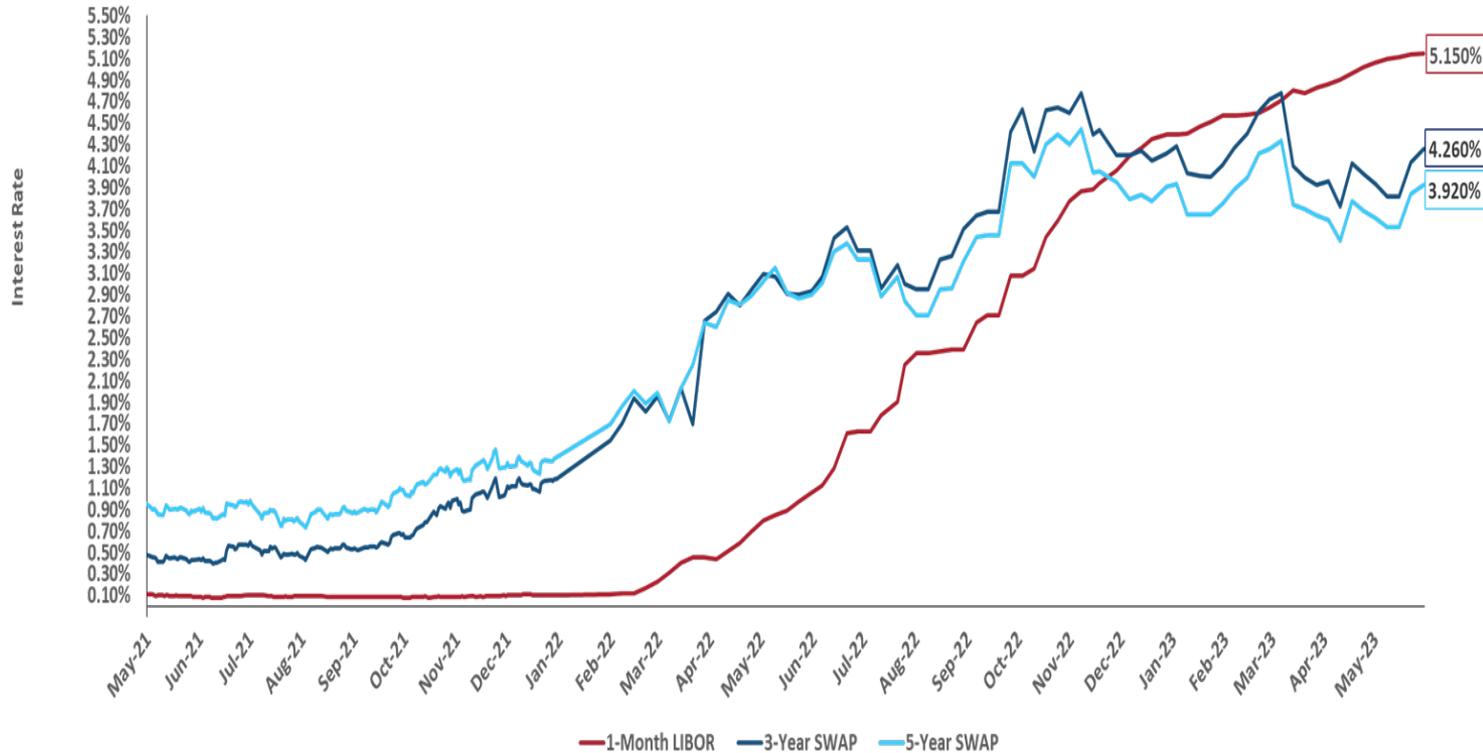
- Overall, fuel prices increased from the previous month
- Some factors that contribute to regional gas price differences:
 - Distance from supply
 - Transportation costs
 - State and local taxes
 - Retail Competition

• Recommendation:

Closely monitor fuel prices for accurate fuel budget forecasting.

INTEREST

Interest Rates



- 1-Month LIBOR rate is currently at 5.150% and this is the 15th month in a row that it is above 0.20% since February 2022.
- The 5-Year SWAP rate increased and is currently 3.920%.

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