Industry Trends

July - August 2023
All US Sales

- August’s sales increased by 4.5% M/M.
- Passenger vehicles sales increased by 12.4% Y/Y, and light truck increased by 18.4% Y/Y.
- August’s light truck sales accounted for 80% of all sales.

Fleet Sales Only

- In August, 172,075 total fleet units were sold, a 33.9% Y/Y increase.

Source: FRED; TD Economics; COX Automotive
• July’s new vehicle inventories decreased slightly M/M, and Domestic inventory for July is up 84% Y/Y.

• The average dealership days’ supply increased to 56. Still lower compared with 59 days in March 2021

• New vehicle production decreased 0% M/M, and Y/Y production increased 6%.

• July’s new-vehicle prices decreased M/M.

• The average price decreased to $47,048 which is 0.9% lower Y/Y.

Source: FRED; COX Automotive
Wholesale used vehicle prices increased 0.2% M/M in August.

The Manheim Used Vehicle Value Index decreased by 7.7% Y/Y.

Total volume of used vehicle sales increased 0.8% Y/Y in August.

All major market segments saw lower seasonally adjusted prices Y/Y.

In August, all major segments saw overall price increases M/M, with vans having the largest increase at 1.2%

Source: Manheim Consulting
• Wholesale prices increased 3.0% M/M compared to July.
• Wholesale prices are now down 6.0% Y/Y.
• August wholesale prices are 33.1% 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 the high market.

Source: ADESA; Kontos Kommentary
U.S. regular gasoline prices increased from the previous month and averaged $3.96/gal. in August.

U.S. diesel retail prices increased from the previous month and averaged $4.37/gal.

August was down 4% gasoline and diesel was down 13% Y/Y.

September forecast for gasoline retail price is $3.80/gal. and diesel retail price of $4.48/gal.

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

Source: U.S. Energy Information Administration; FRED
• Overall, August fuel prices increased ~$0.09 M/M.

• 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.

Source: U.S. Energy Information Administration; WSJ
3-Month SOFR rate is currently at 5.42%, a M/M increase of 0.05%.

The 3-Year SWAP rate has increased to 4.45%.

The 5-Year SWAP rate increased and is currently 4.10%.

All rates are expected to gradually increase throughout the rest of 2023.

Source: FRED; ICE Benchmark Administration Limited