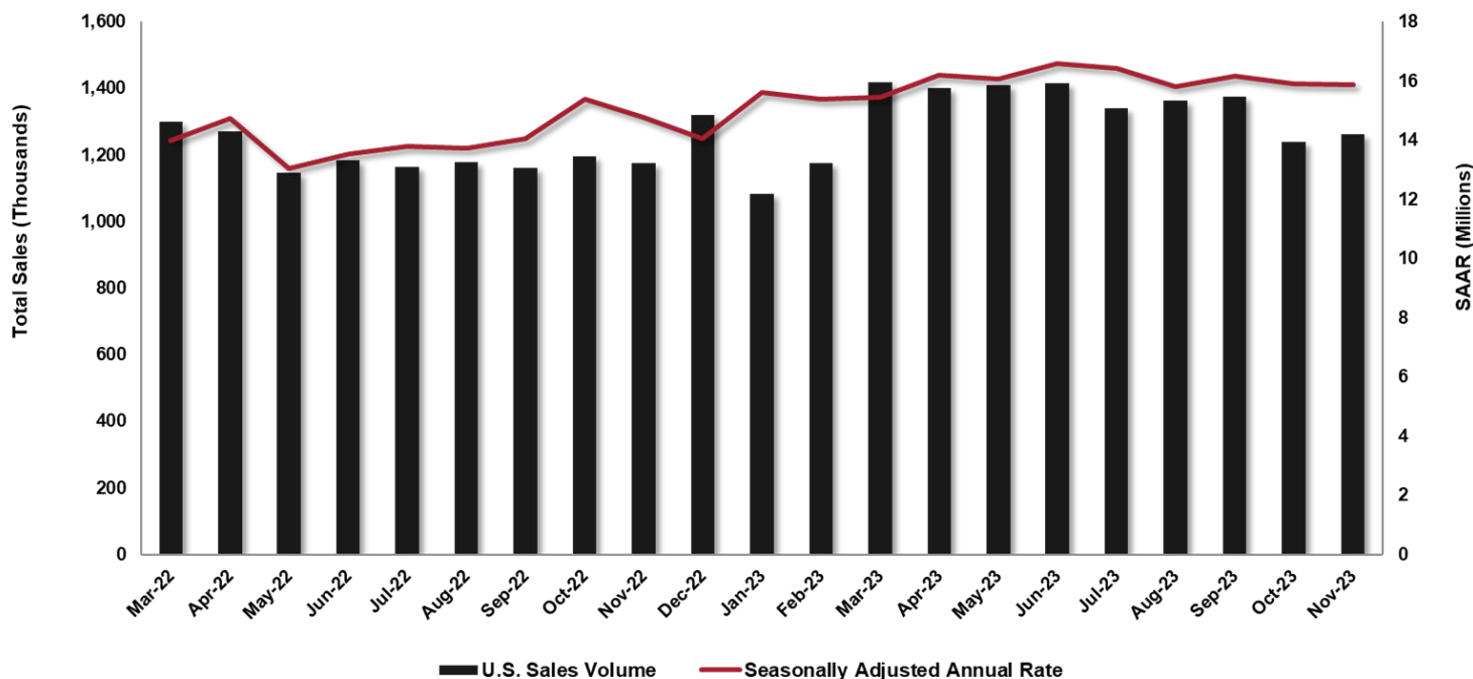


Industry Trends

October 2023 – November 2023

ACQUISITION

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



US Sales – All Channels

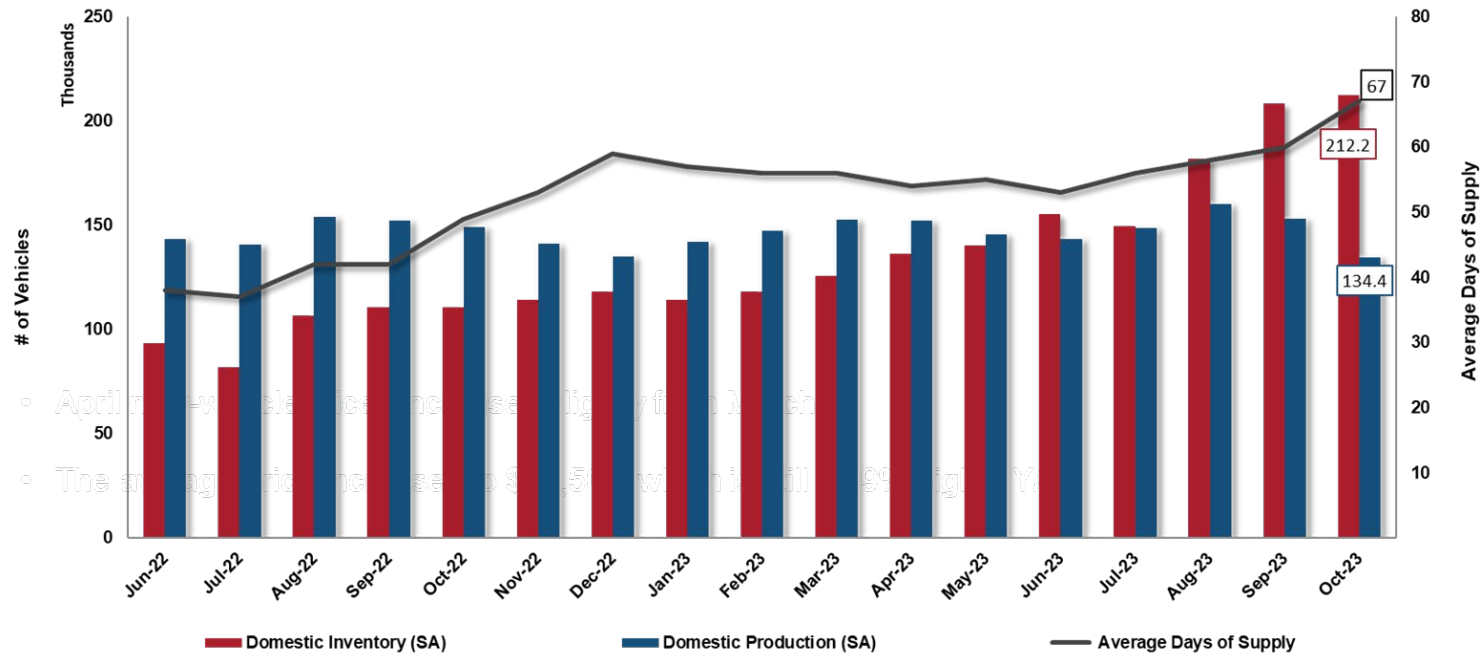
- November's sales decreased by 0.8% month over month.
- Passenger vehicles sales decreased by 2.4% year over year, and light truck increased by 9.9% year over year.
- November's light truck sales accounted for 81% of all sales.

Fleet Sales

- In November, 146,685 total fleet units were sold, an 8.9% year over year decrease.

ACQUISITION

Dealer Inventory & Days of Supply



- April new vehicle sales increased slightly from March
- The average price increased to \$47,500 with a 9% increase YoY

- October's new vehicle inventories increased 2% month over month and 92% year over year.
- The average dealership supply increased to 67 days compared to 60 the month prior.
- New vehicle production decreased 12% month over month, and 10% year over year.

- October's new vehicle price averaged \$47,215, a x% decrease month over month and a 1.5% increase year over year.

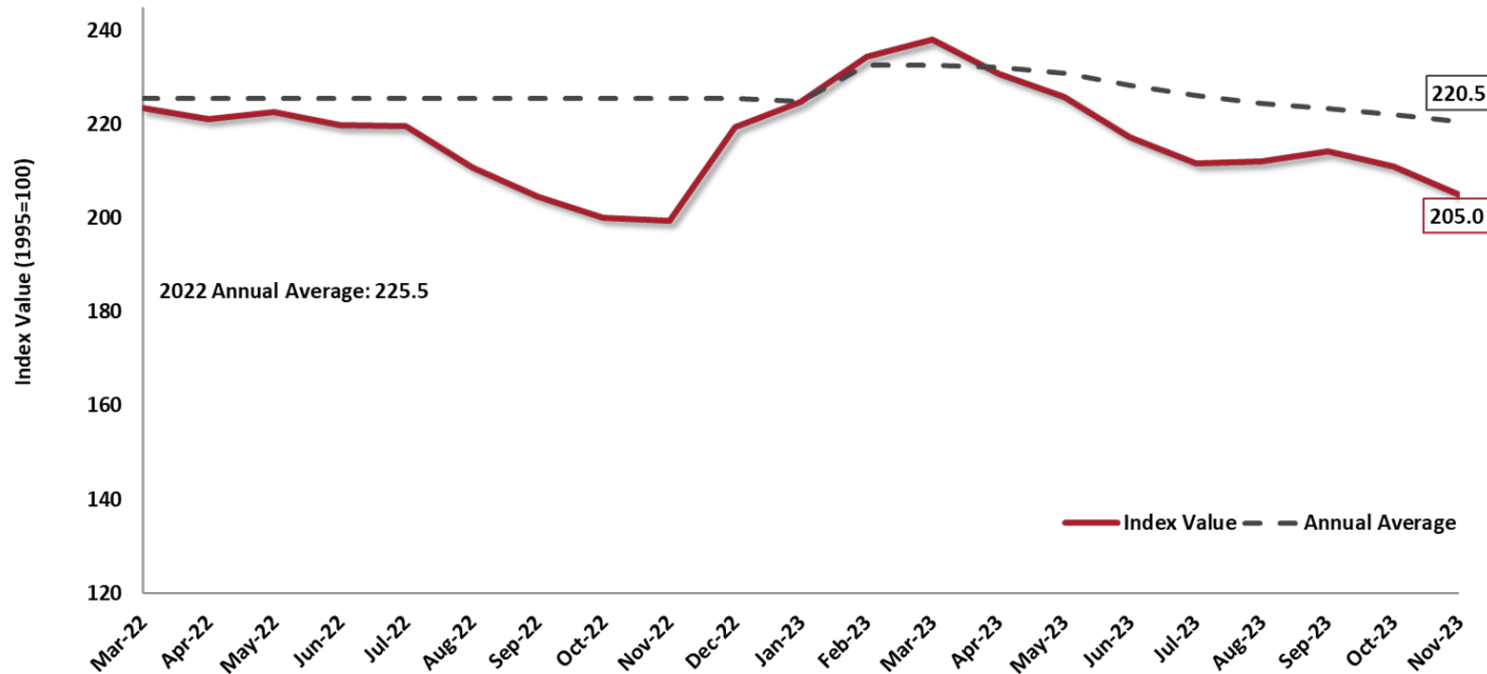
Recommendations:

- Place orders as soon as possible and consider using ReadyFleet while there are still component shortages and production lags.
- Take advantage of opportunities for

Source: FRED, COX Automotive

WHOLESALE RESALE MARKET

Manheim Used Vehicle Value Index



- Total volume of used vehicle sales decreased 2% year over year in November.
- The Manheim Used Vehicle Value Index decreased by 5.8% year over year.
- 2019 (pre-pandemic) Annual Average was 138.9

- All major market segments saw lower seasonally adjusted prices year over year in November.
- All major segments saw price decreases month over month, including pickups declining by 3.2% and vans down 2.1%

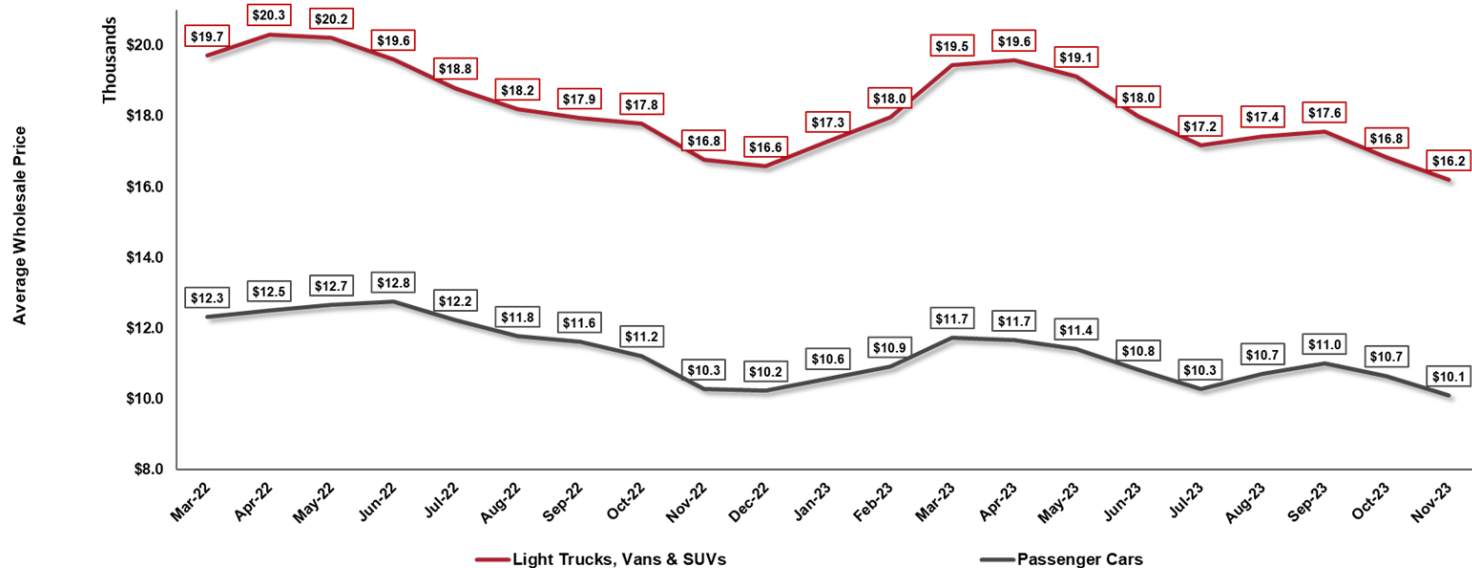
Recommendation:

- While resale values have softened, prices

Source: Manheim Consulting

WHOLESALE RESALE MARKET

Average Wholesale Price by Segment



- Wholesale prices decreased 4.0% month over month compared to October.
- Wholesale prices saw a decrease of 4.6% year over year.

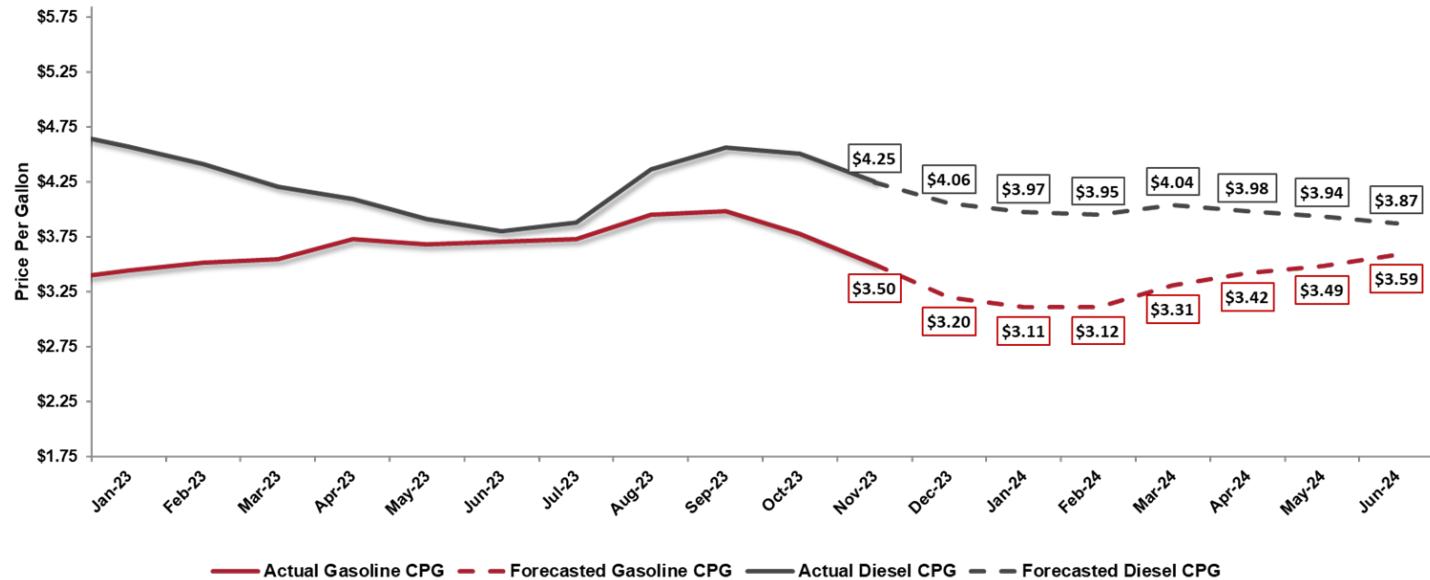
- November wholesale prices are 26.5% above pre-pandemic prices.

Recommendation:

- Use GuaranteeBUY for under-utilized assets when resale values tend to peak, typically between March and May.

FUEL

National Average Cost per Gallon Regular Grade & Diesel



- U.S. regular gasoline prices decreased from the previous month and averaged \$3.50 per gallon in November.
- U.S. diesel retail prices decreased from the previous month and averaged \$4.25 per gallon.

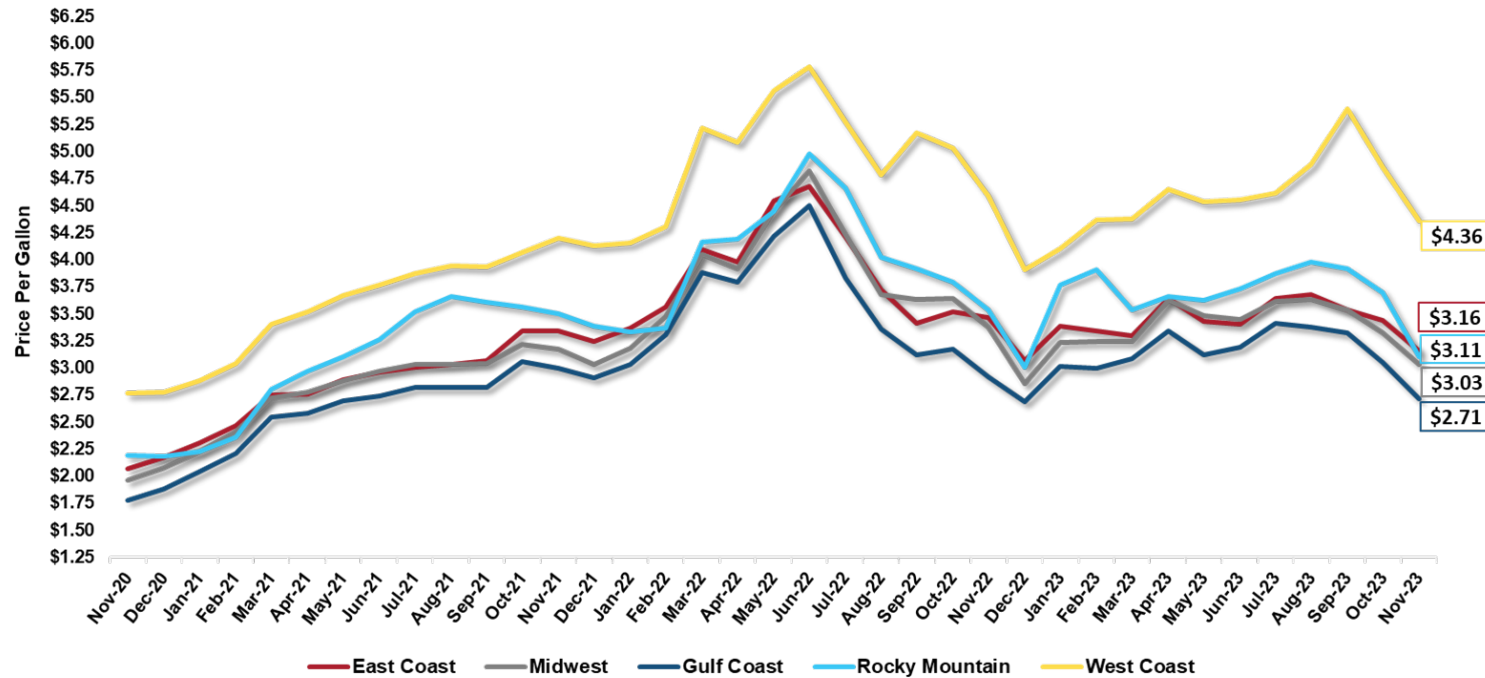
- December's forecasted gasoline price is \$3.20 per gallon, and diesel has a forecasted price of \$4.06 per gallon.

Recommendations:

- Closely monitor fuel prices for accurate fuel budget forecasting.
- Consider enrolling in TotalConnect to monitor driving patterns for cost savings opportunities.

FUEL

Regional Average Cost per Gallon – Regular Grade



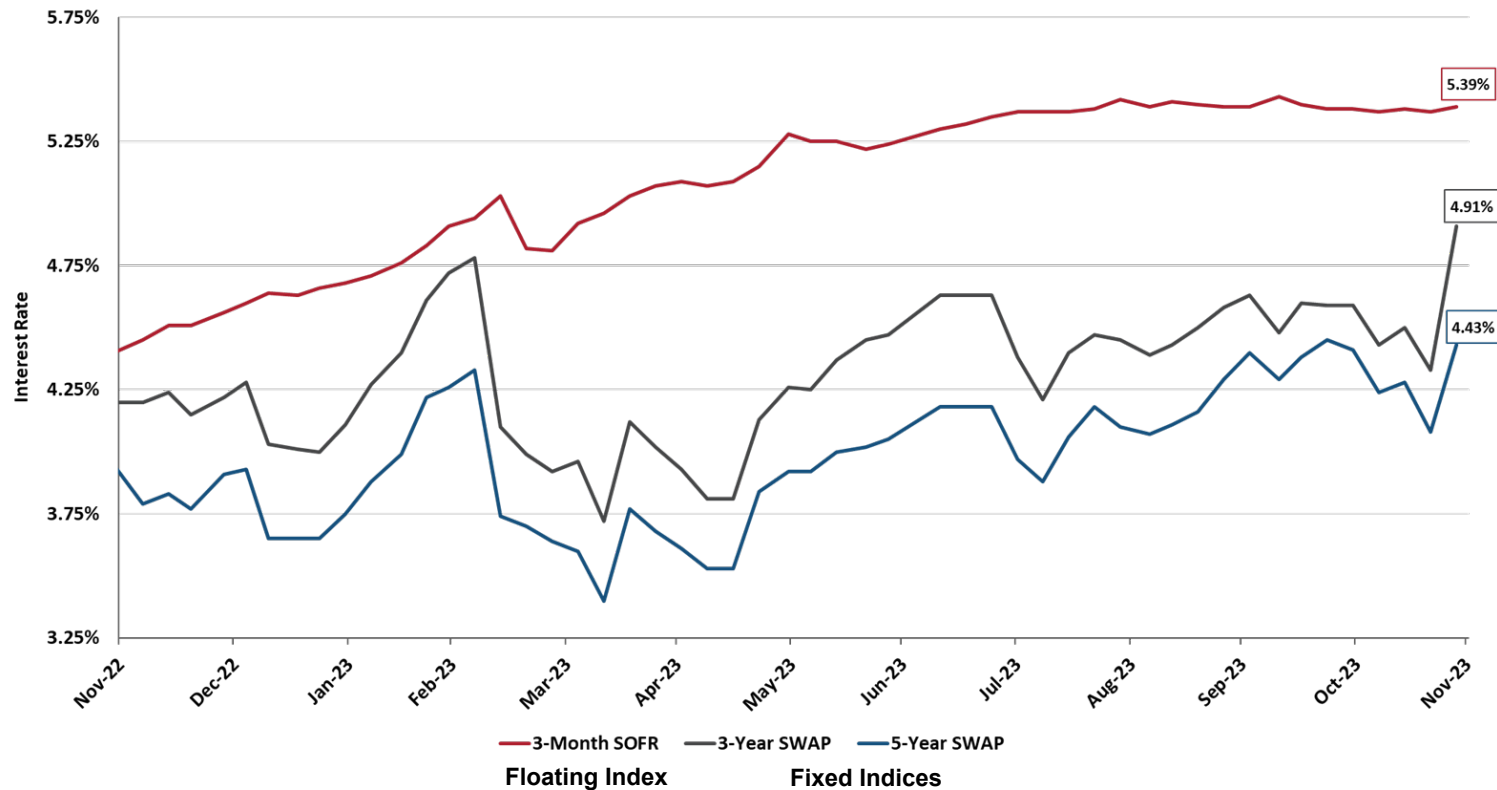
- Regular Grade Fuel prices in the West Coast remain higher than the rest of the country.
- Some factors that contribute to regional gas price differences:
 - Distance from supply
 - Transportation costs
 - State and local taxes
 - Retail Competition

Recommendations:

- Closely monitor fuel prices and vehicle location changes for accurate fuel budget forecasting.
- Consider enrolling in TotalConnect to monitor driving patterns for cost savings opportunities.

INTEREST

Interest Rates



- 3-Month SOFR rate is currently at 5.39%, a month over month increase of 0.01%.
- The 3-Year SWAP rate has increased to 4.91%.
- The 5-Year SWAP rate increased and is currently 4.43%.

Recommendations:

- Consider using floating rates for leases going forward to take advantage of the expected decrease in future interest rates.
- A fixed rate lease locks in the current, escalated interest rate for the duration of a lease.