

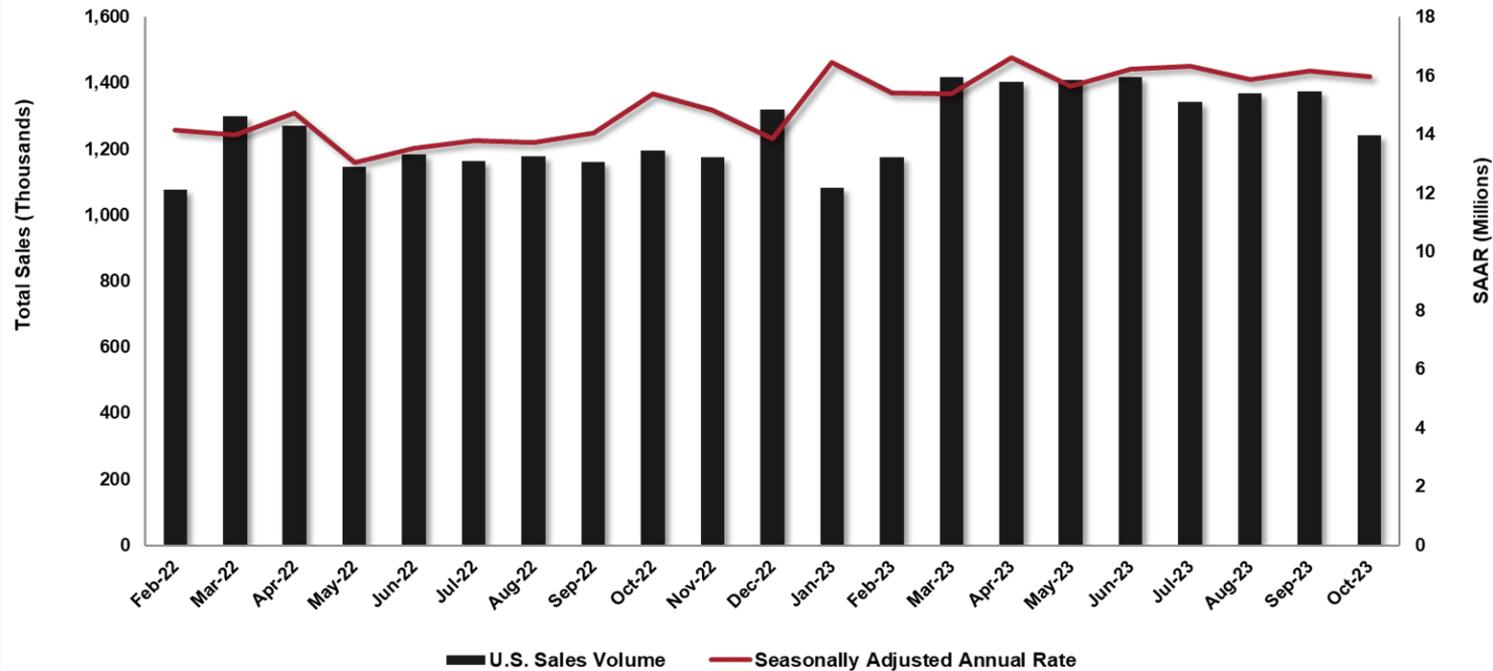


Industry Trends

September - October 2023

ACQUISITION

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



All US Sales

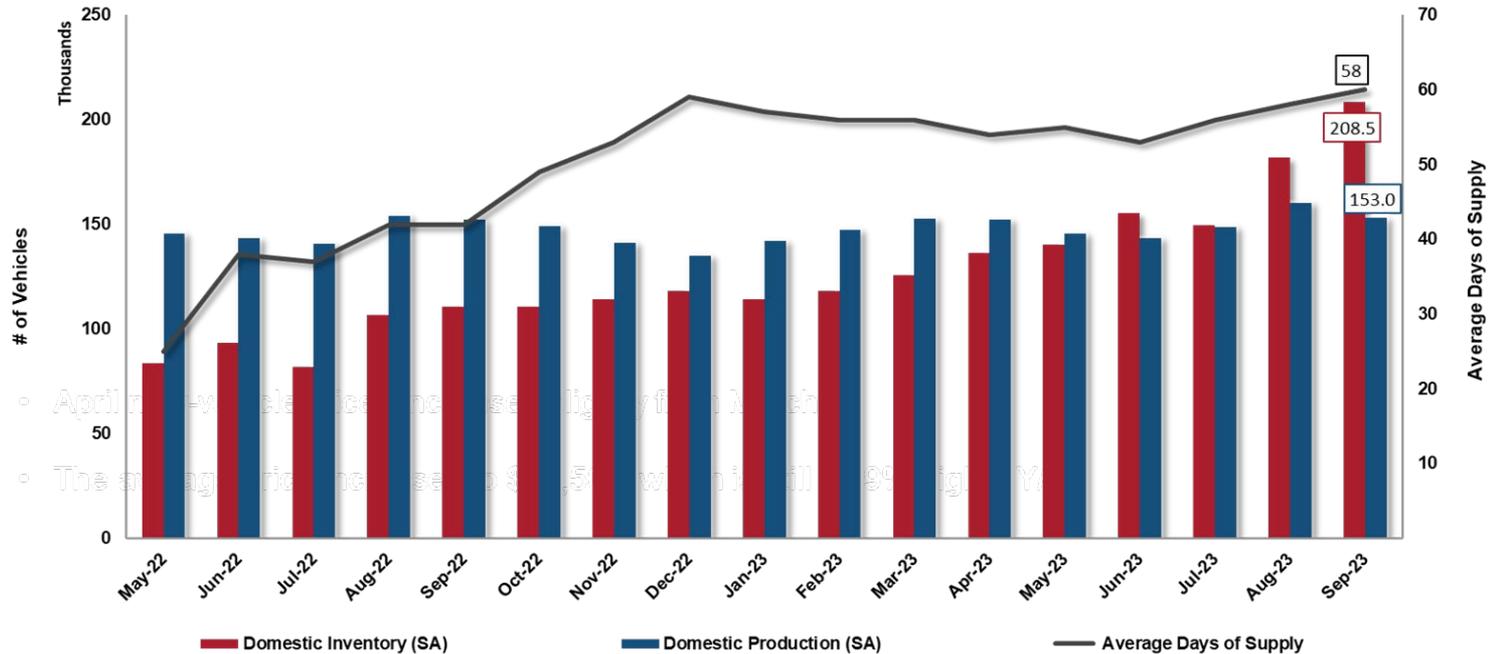
- October's sales decreased by 1.1% M/M.
- Passenger vehicles sales decreased by 2.6% Y/Y, and light truck increased by 19.1% Y/Y.
- October's light truck sales accounted for 80% of all sales.

Fleet Sales Only

- In October, 162,590 total fleet units were sold, a 10.4% Y/Y decrease.

ACQUISITION

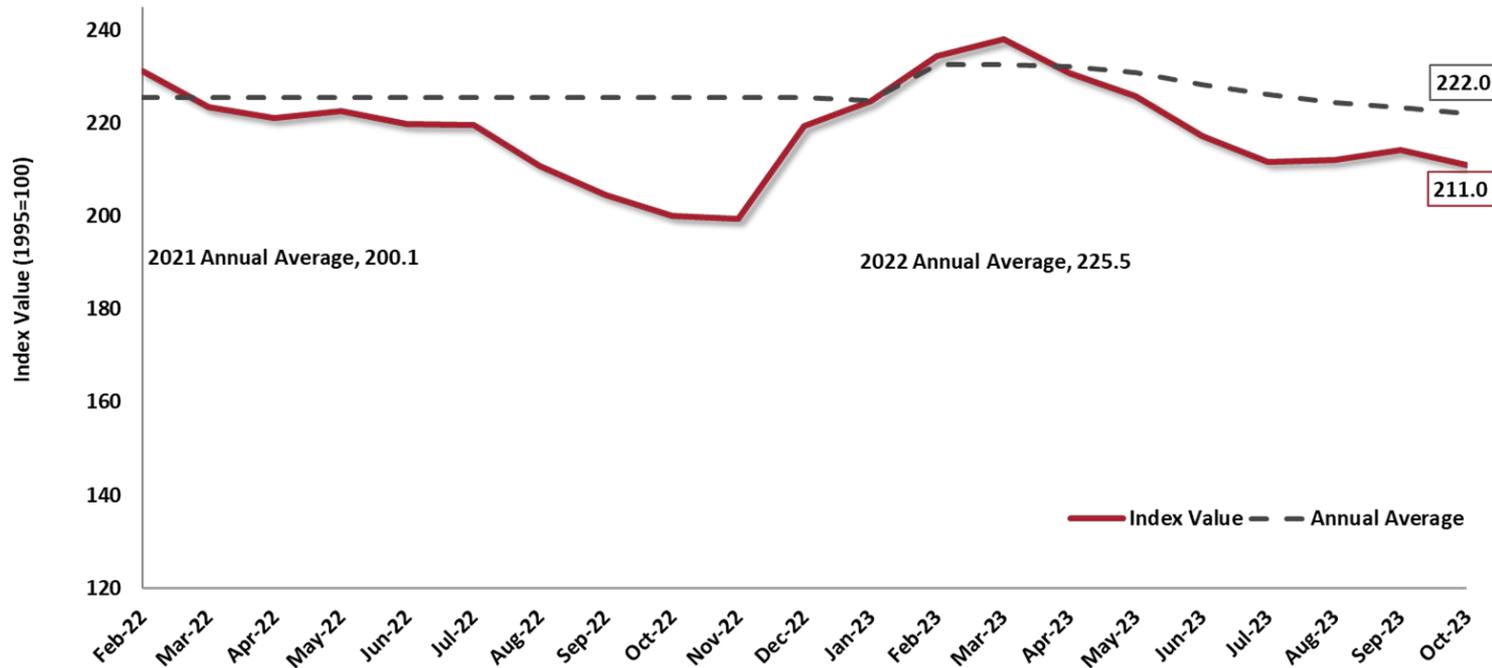
Dealer Inventory & Days of Supply



- September's new vehicle inventories increased 14% M/M, and Domestic inventory for September is up 89% Y/Y.
- The average dealership days' supply increased to 60 compared to August's 58.
- New vehicle production decreased 4% M/M, and Y/Y production remained constant.
- September's new-vehicle prices decreased M/M.
- The average price decreased to \$47,313, 2.5% higher Y/Y.

WHOLESALE RESALE MARKET

Manheim Used Vehicle Value Index

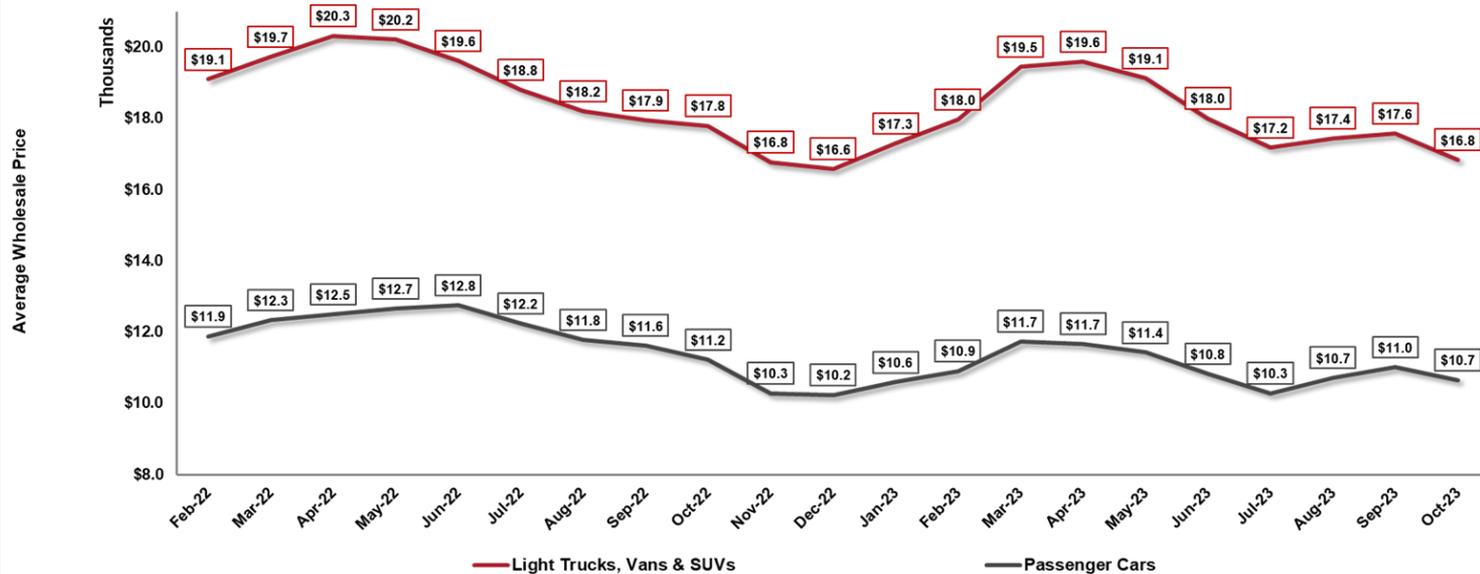


- Wholesale used vehicle prices decreased 1.6% M/M in October.
- The Manheim Used Vehicle Value Index decreased by 3.3% Y/Y.
- Total volume of used vehicle sales increased 1.6% Y/Y in October.

- Almost all major market segments saw 3.3% overall lower seasonally adjusted prices Y/Y in October.
- In October, all major segments saw price decreases M/M including pickups decreasing 1.1% and vans down 2.3%.

WHOLESALE RESALE MARKET

Average Wholesale Price by Segment



- Wholesale prices decreased 3.8% M/M compared to September.
- Wholesale prices saw a decrease of 4.3% Y/Y.
- October wholesale prices are 31.6% above pre-pandemic prices.

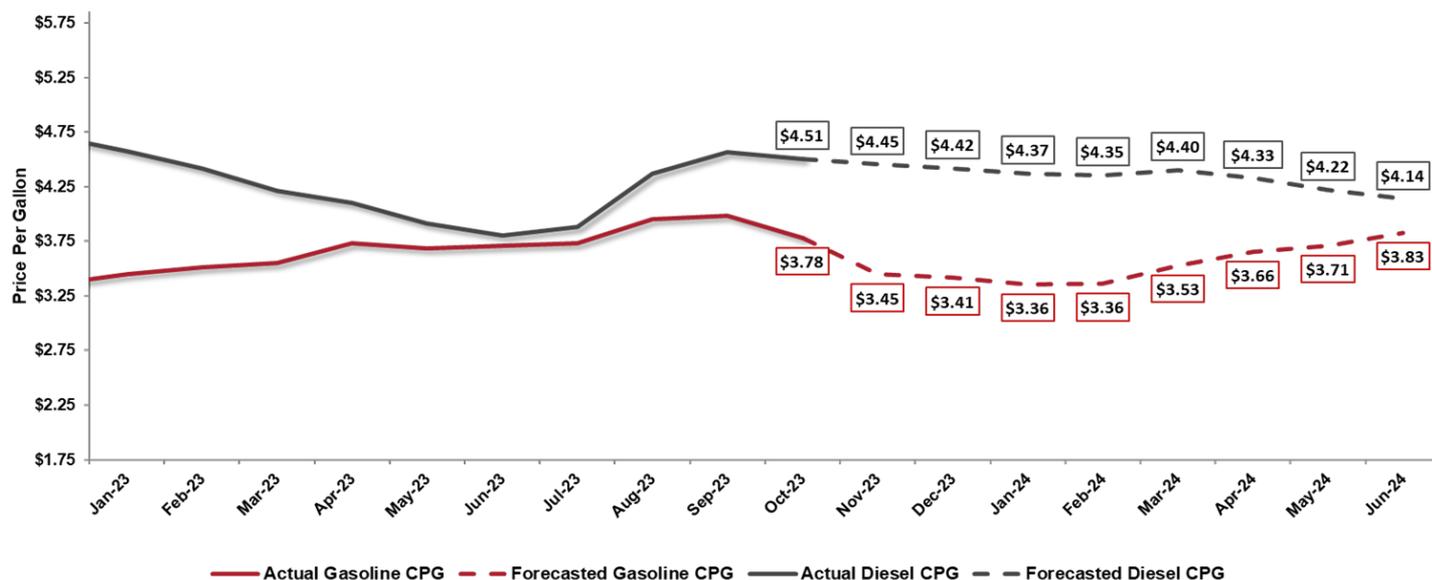
- 2021 average prices were up more than 45% above pre-COVID19.

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

Source: ADESA; Kontos Commentary

FUEL

National Average Cost per Gallon Regular Grade & Diesel



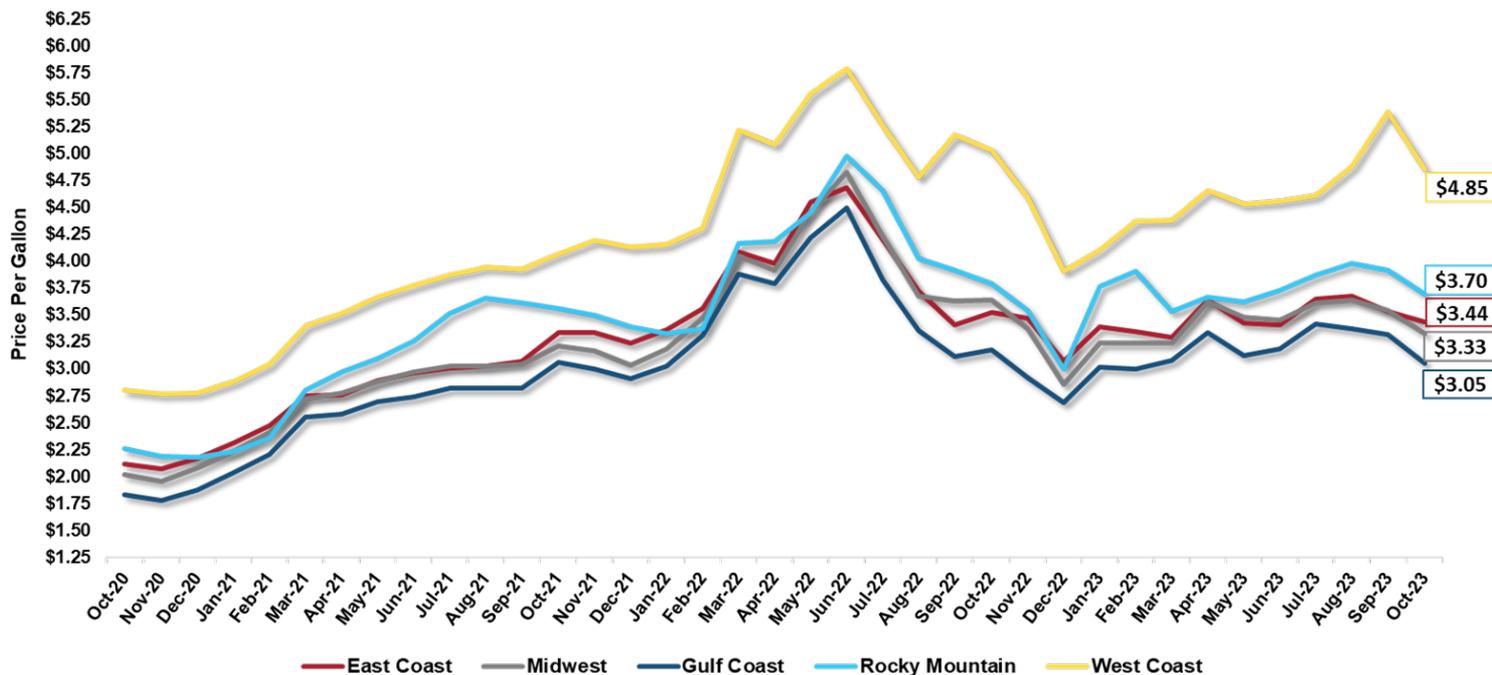
- U.S. regular gasoline prices decreased from the previous month and averaged \$3.78/gal. in October.
- U.S. diesel retail prices decreased from the previous month and averaged \$4.51/gal.

- October was down 6% gasoline and diesel was down 13% Y/Y.
- November's forecast for gasoline retail price is \$3.45/gal, and diesel retail price of \$4.45/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

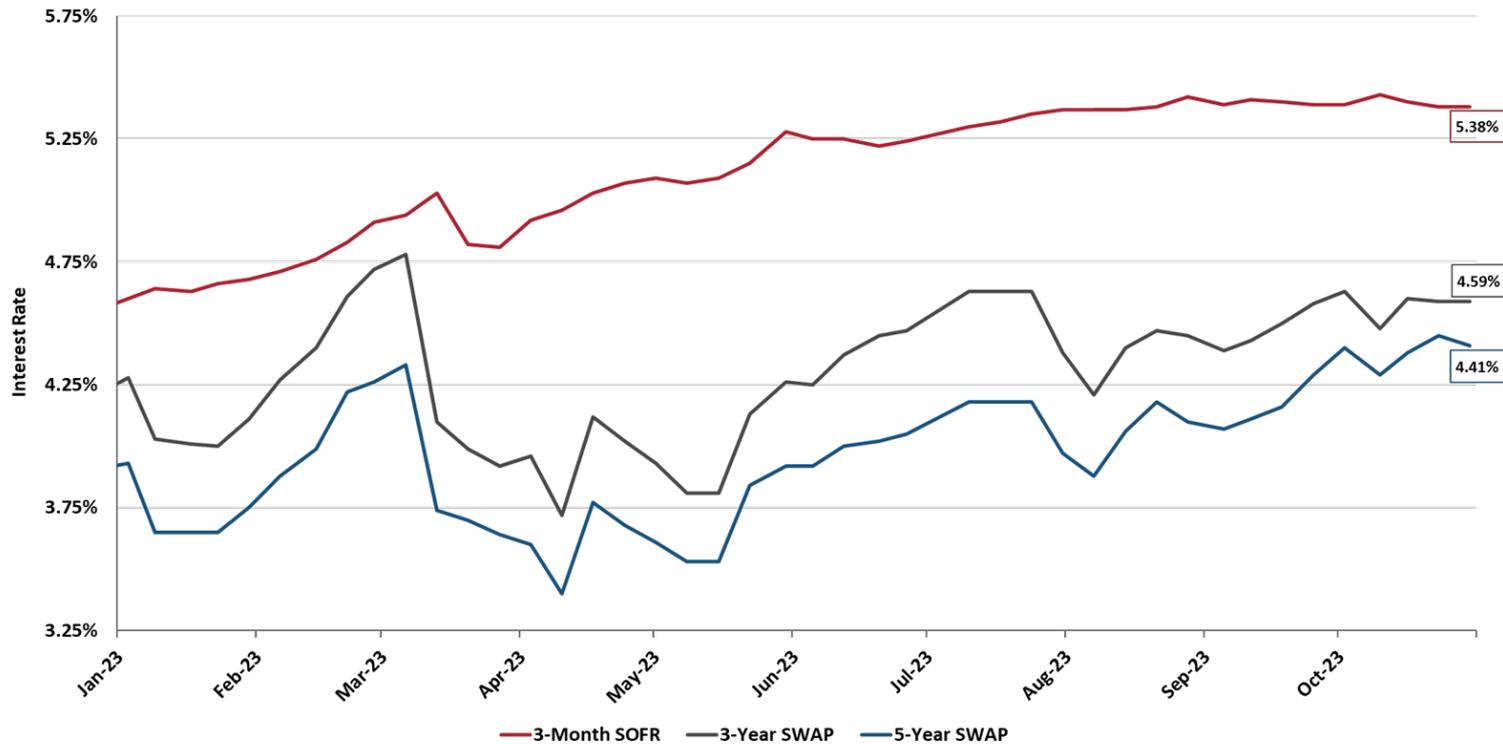


- Overall, October fuel prices on average decreased \$0.20 M/M.
- Some factors that contribute to regional gas price differences:
 - Distance from supply
 - Transportation costs
 - State and local taxes
 - Retail Competition

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

INTEREST

Interest Rates



- 3-Month SOFR rate is currently at 5.38%, a M/M decrease of 0.01%.
- The 3-Year SWAP rate has increased to 4.59%.
- The 5-Year SWAP rate increased and is currently 4.41%.

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