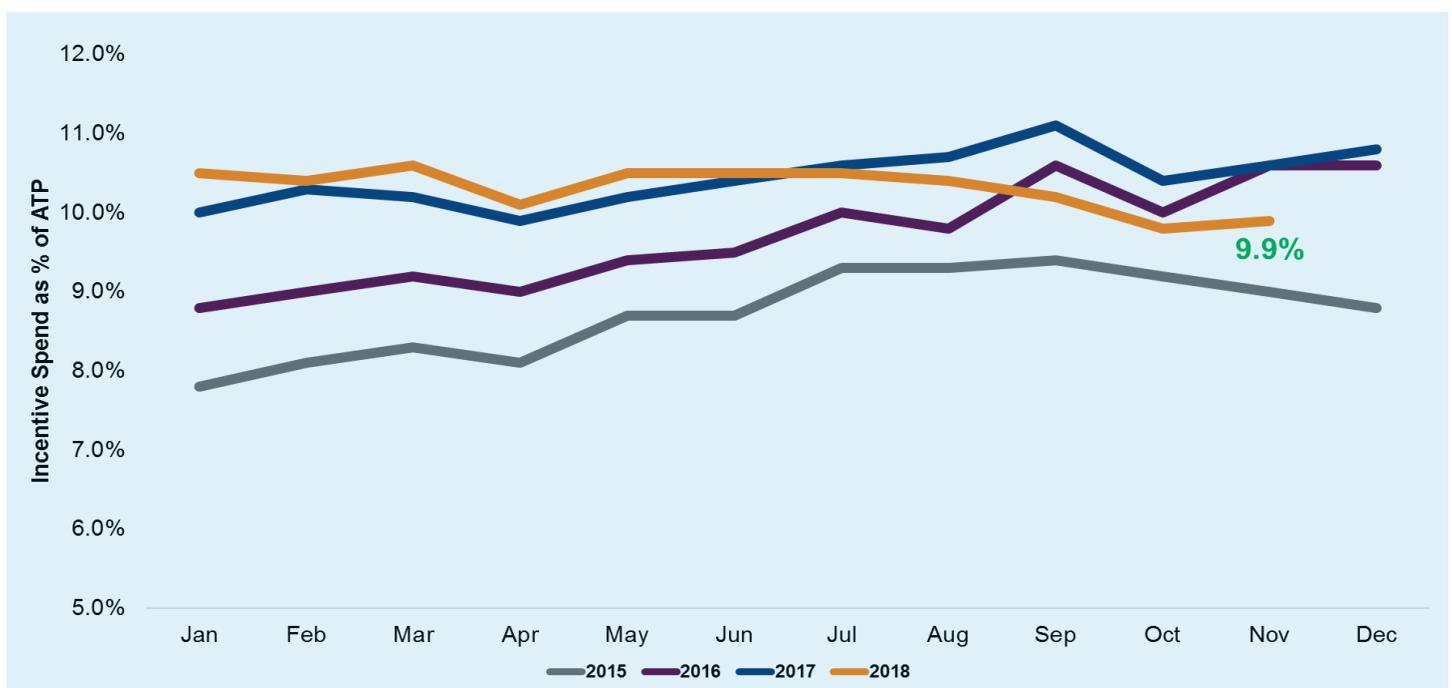




ECONOMIC INDICATORS

- ➔ Inflation in November came in as expected. **The core CPI, which excludes Food and Energy, increased again 0.2% on a seasonally adjusted basis from October.** Housing and specifically rent continues to be the primary factor driving higher core inflation.
- ➔ Consumer Confidence, as measured by the Conference Board, fell 1.6% in November to 136 from an 18-year high in October. **The consumer's view of the economy is starting to decline as worries about interest rates and a volatile stock market begin to grow.**



DEMAND

- ➔ **November new vehicle sales were down 0.7% YOY, with the same number of selling days compared to November 2017.** The November SAAR came in at 17.4 million, down versus last year's 17.5 million. Cars continue to see sharp declines, as sales in November fell 14% compared to last year. The market share for cars fell to 28.8%, which is the lowest monthly share on record. Light trucks outperformed cars in November and were up 6% YOY. New vehicle sales year-to-date are up less than 1% versus last year.
- ➔ **Used vehicle sales volume was up 0.8% YOY in November.** The November used SAAR to be 40.1 million, up slightly from 39.8 million last November.

LIGHT VEHICLE SALES

- ↓ **2% New Retail**
- ↑ **6% Rental**
- ↑ **18% Commercial**
- ↑ **5% Government**

SUPPLY

- ➔ **The days' supply for November was 71, up 2 days YOY and down 3 days from October.** New vehicle inventories came in under 4 million units for the seventh consecutive month.
- ➔ **The November average incentive spend was \$3,718, down 2% YOY and up 3% MOM.** Total industry incentive spend (at \$58 billion) is up 3% YOY. The sales-weighted average incentive for the year is approximately \$3,736, up 3% YOY.

CREDIT

- ➔ **Best available auto rates are at a seven-year high.** The discount rate is up 1% while best available auto rates are up 1.3% year-over-year; up 2.4% from absolute low