



ECONOMIC INDICATORS

- **Headline unemployment rate came in at 3.6% in October.** The October employment report provided evidence of a slower but stabilizing economy. Job creation slowed to 128,000 when analysts had expected only 85,000, and the prior two monthly numbers were revised up for a net increase of 95,000 more jobs than originally estimated.
- The first estimate of third quarter real GDP growth came in at 1.9% and continued the streak of declining growth observed each quarter this year. **Consumer spending again drove the economy with a 2.9% increase, which accounted for nearly all of the growth.**

DEMAND

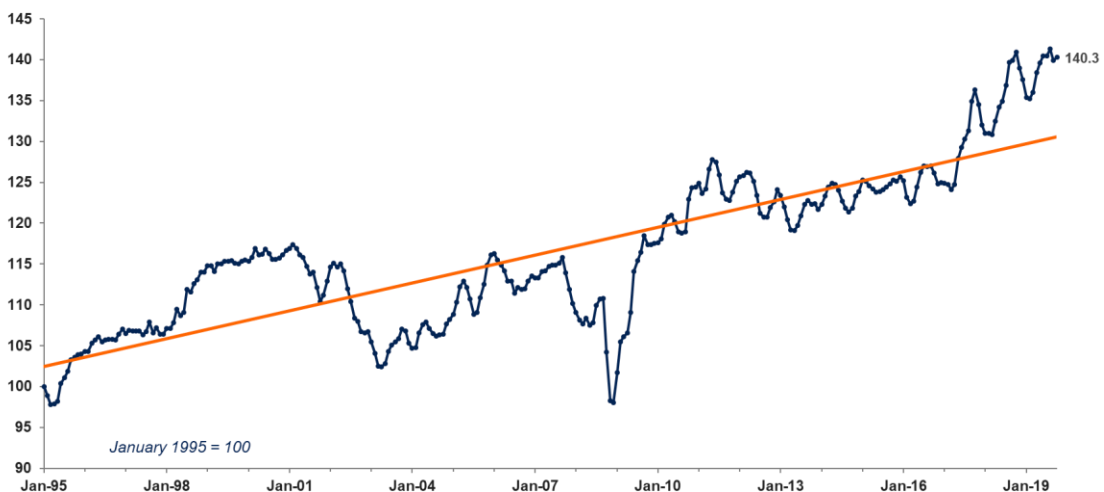
- **October total new vehicle sales were down 1.8% YOY, with one more selling day compared to October 2018.** The October SAAR came in at 16.5 million, a decline from last year's 17.5 million and also down from September's 17.1 million rate.
- Cox Automotive estimates that used vehicle sales increased 1.4% YOY in October, which resulted in a used SAAR of 39.6 million, up from last year but down slightly from last month. **CPO sales were up 8% in October versus last year and are up 3% YTD.**
- Combined rental, commercial, and government purchases of new vehicles were down 10.8% YOY in October. **The commercial fleet channel was particularly strong, up 17% YOY last month.** Retail sales of new vehicles were down 0.2% in October, leading to a retail SAAR of 14.3 million, down from 14.9 million last October and the weakest retail SAAR over the last four months.

LIGHT VEHICLE SALES

- ↓ **23% Rental**
- ↑ **17% Commercial**
- ↓ **10% Government**

SUPPLY

- **Days' supply for October was 73, down 1 day YOY and up 7 days from September.** Average car days' supply came in at 66, up 4 days YOY and up 10 days from September. **Light truck days' supply was 76 last month, down 4 days from last year and up 7 days from September.** The Manheim Index increased 0.29% MOM in October. This brought the Manheim Used Vehicle Value Index to 140.3, a 0.4% decrease from a year ago, and the first YOY decline for the Index in 33 months.



CREDIT

- The Fed reported Consumer Credit excluding housing related debt increased in September by \$9.5 billion, which was much smaller of an increase than the \$15 billion expected and the \$17.8 billion increase in August. **The increase was the smallest in 15 months.** Credit card balances declined while auto loans and student loans increased. This was the second straight month of credit card declines.