

June 16, 2020

COVID-19 AUTO MARKET UPDATE

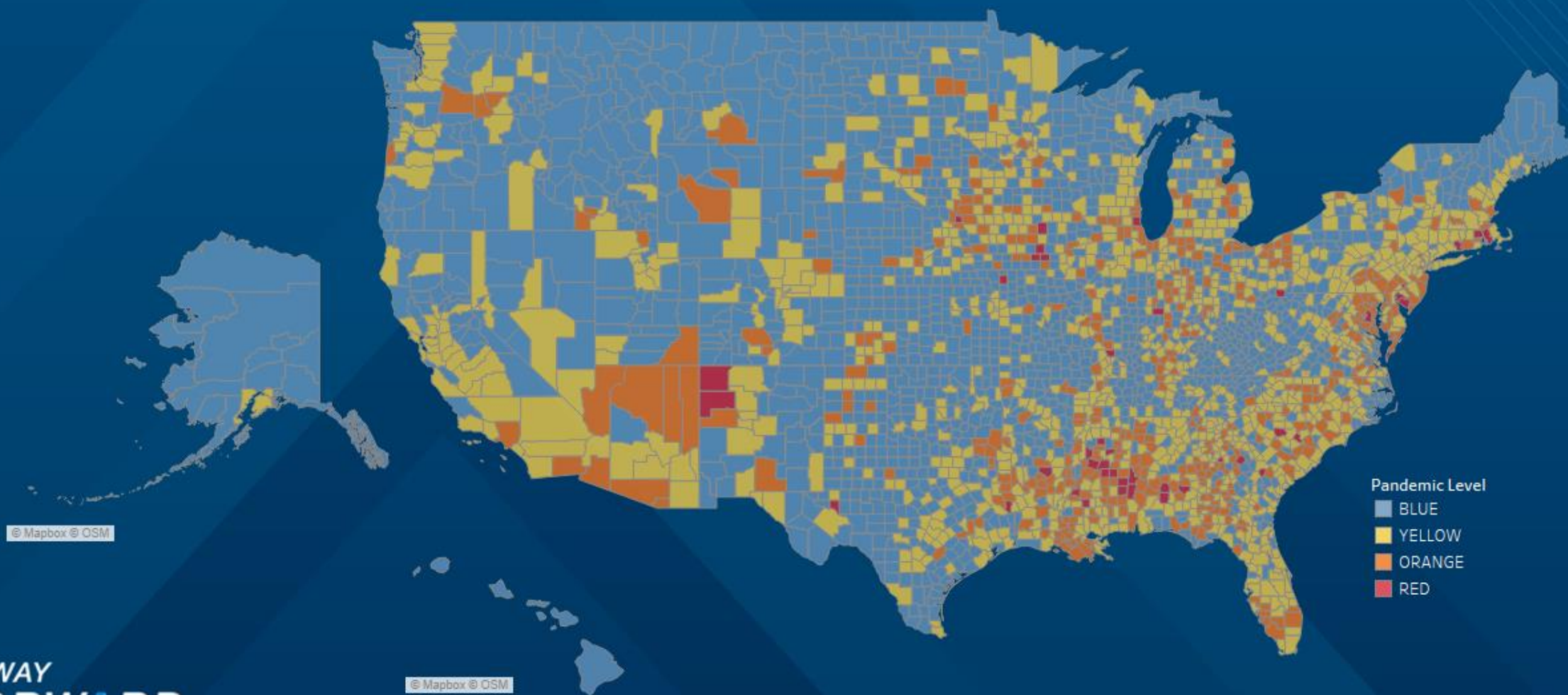
*THE WAY
FORWARD*

Driven by COX AUTOMOTIVE

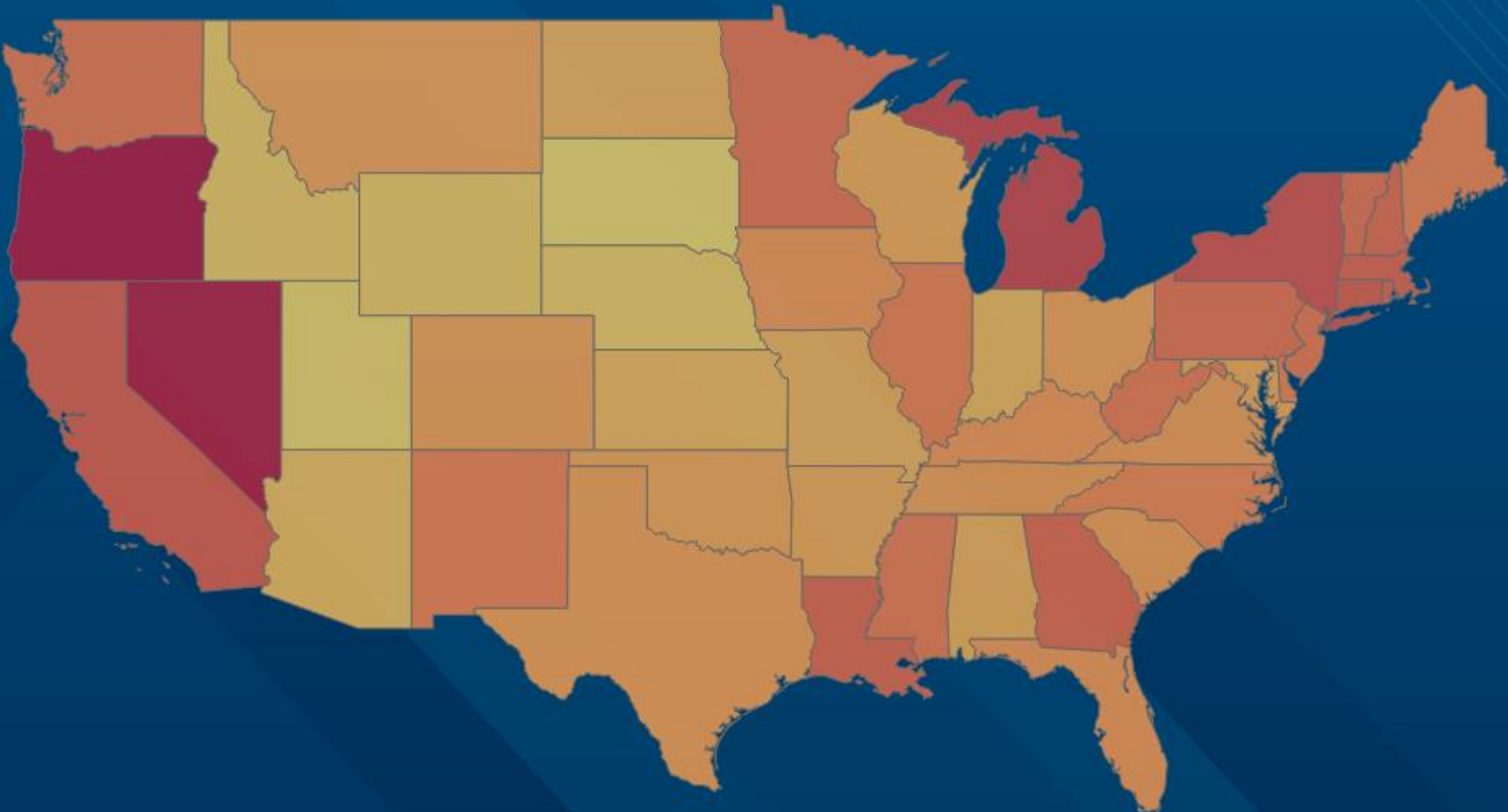
Jonathan Smoke

Chief Economist, Cox Automotive

COVID-19 LOCAL IMPACT ASSESSMENT



CONTINUING CLAIMS AT 20.1 MILLION NATIONALLY



Data as of June 11, 2020

Continued Claims % of Jobs by State

4.72% 23.62%

Note: Insured Unemployment For Week Ended May 30

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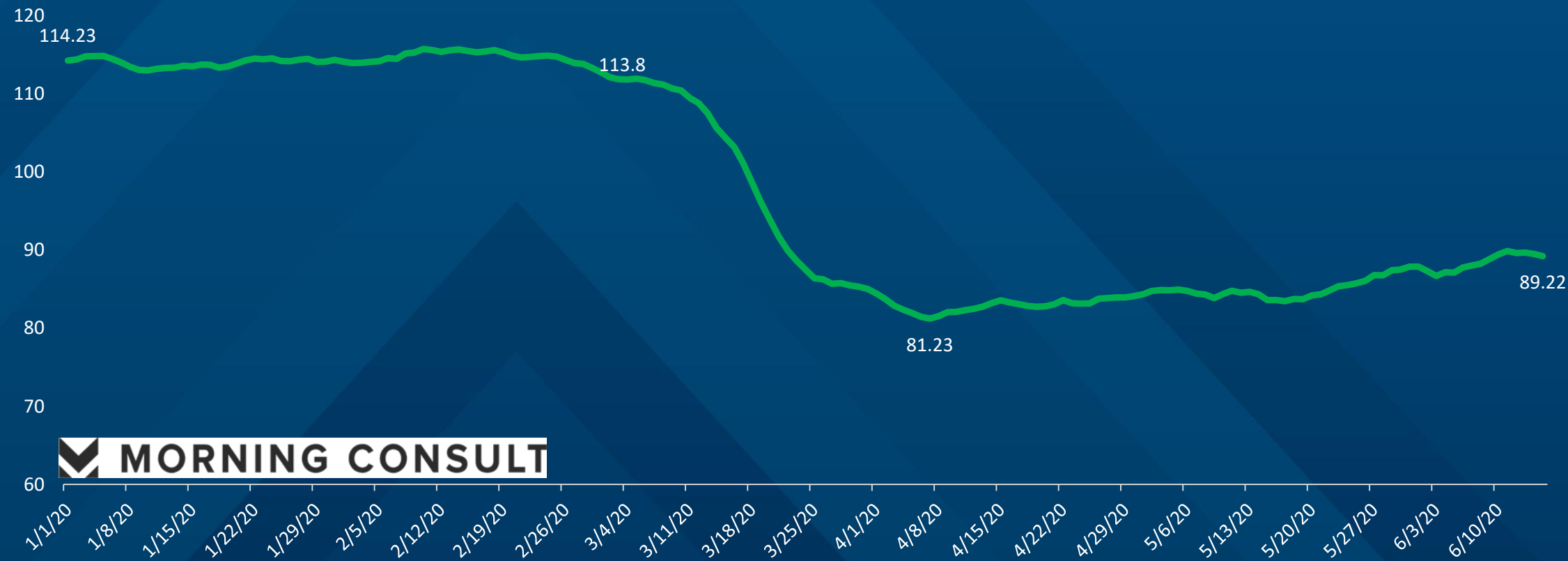
© 2020 Mapbox © OpenStreetMap

Source: Department of Labor

CONSUMER SENTIMENT AGAIN VOLATILE LAST WEEK

Morning Consult's Index of Consumer Sentiment on Monday was down 21% since February 29

ICS Value (7-Day Average)



MORNING CONSULT

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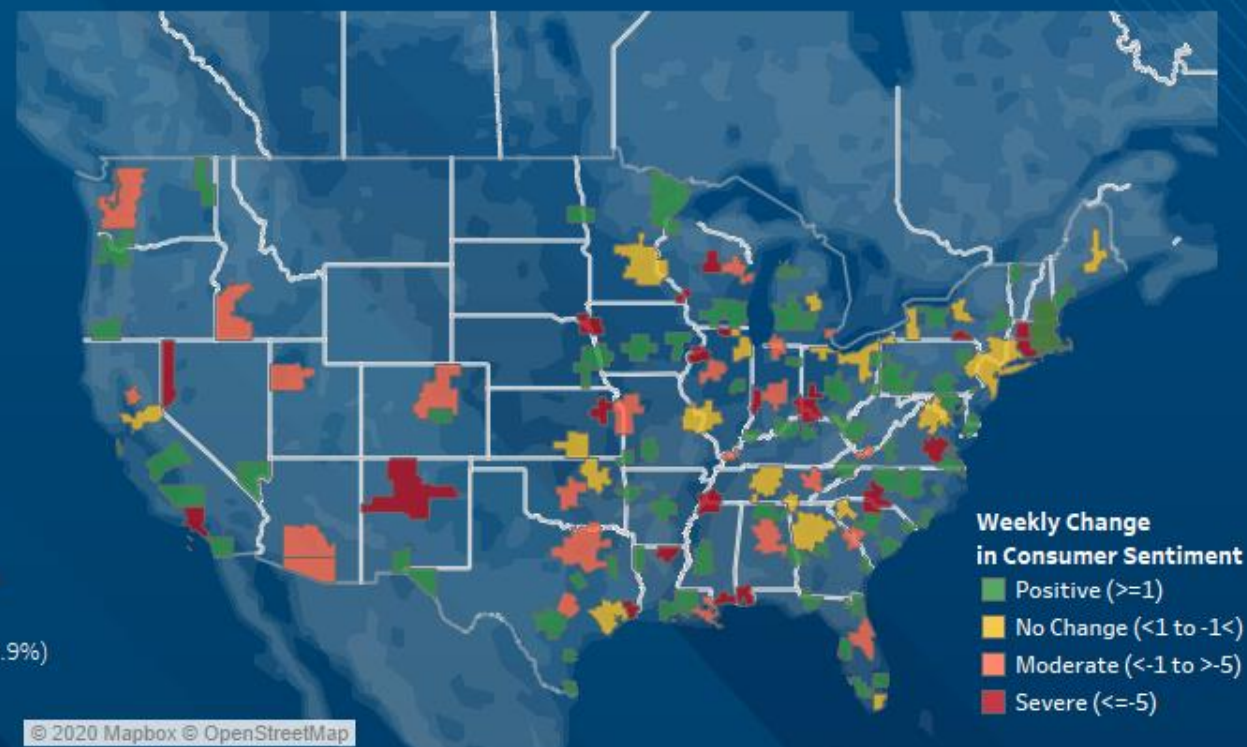
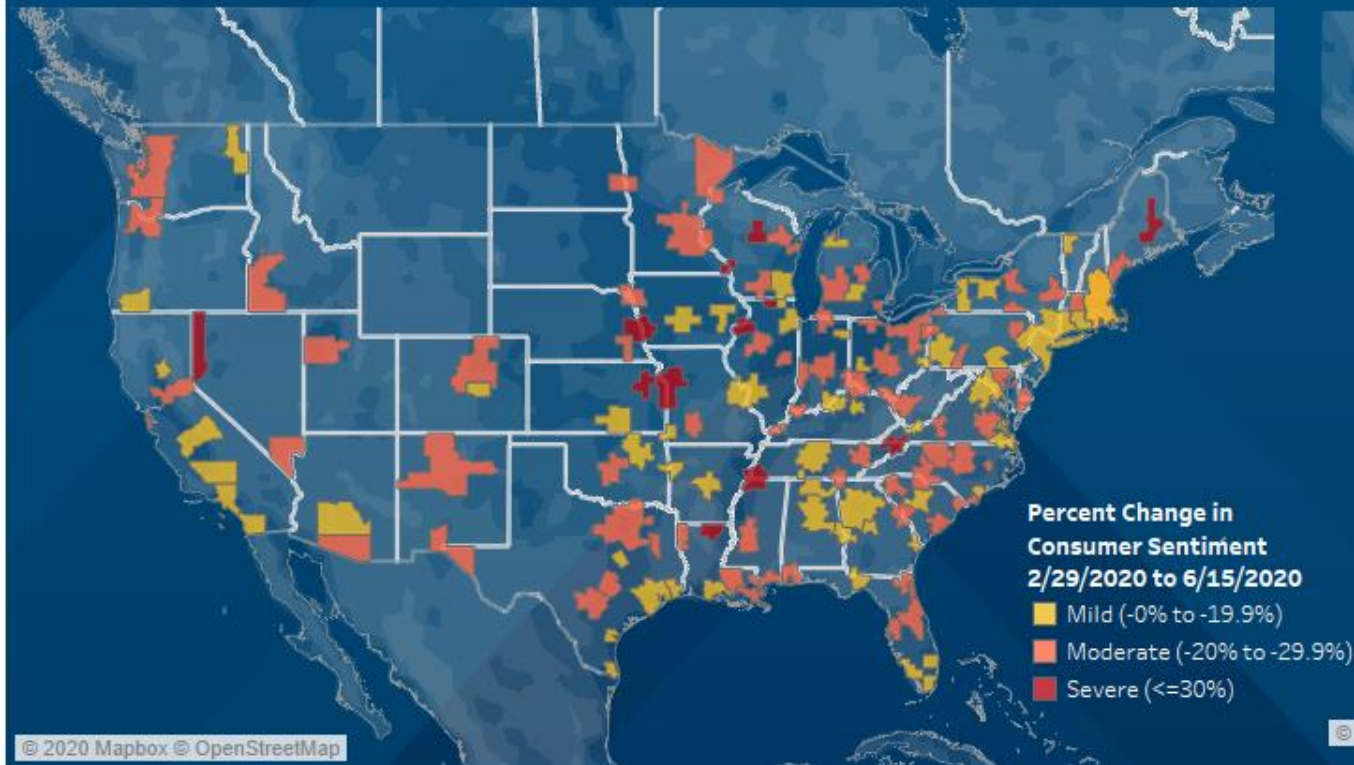
Driven by COX AUTOMOTIVE

Source: Morning Consult

CONSUMER SENTIMENT VARIES ACROSS MAJOR MARKETS

Since February 29th

Since June 8th



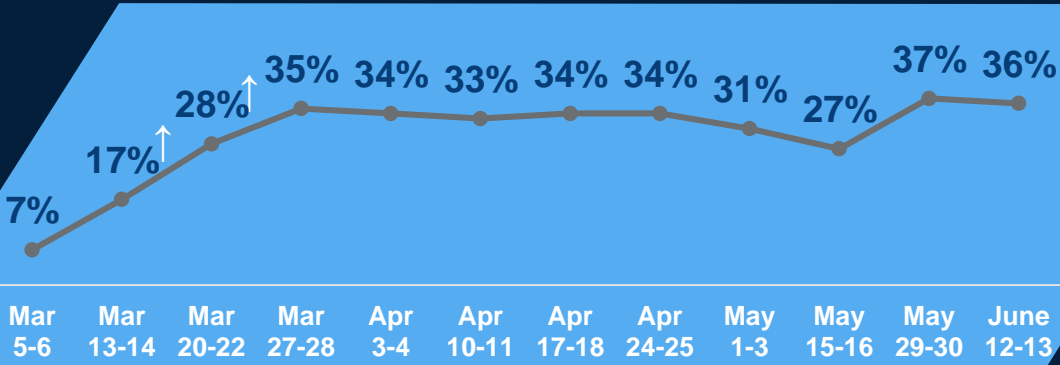
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Source: Morning Consult

A very chaotic environment keeps purchase delays high...

Delaying Vehicle Purchase/Lease*

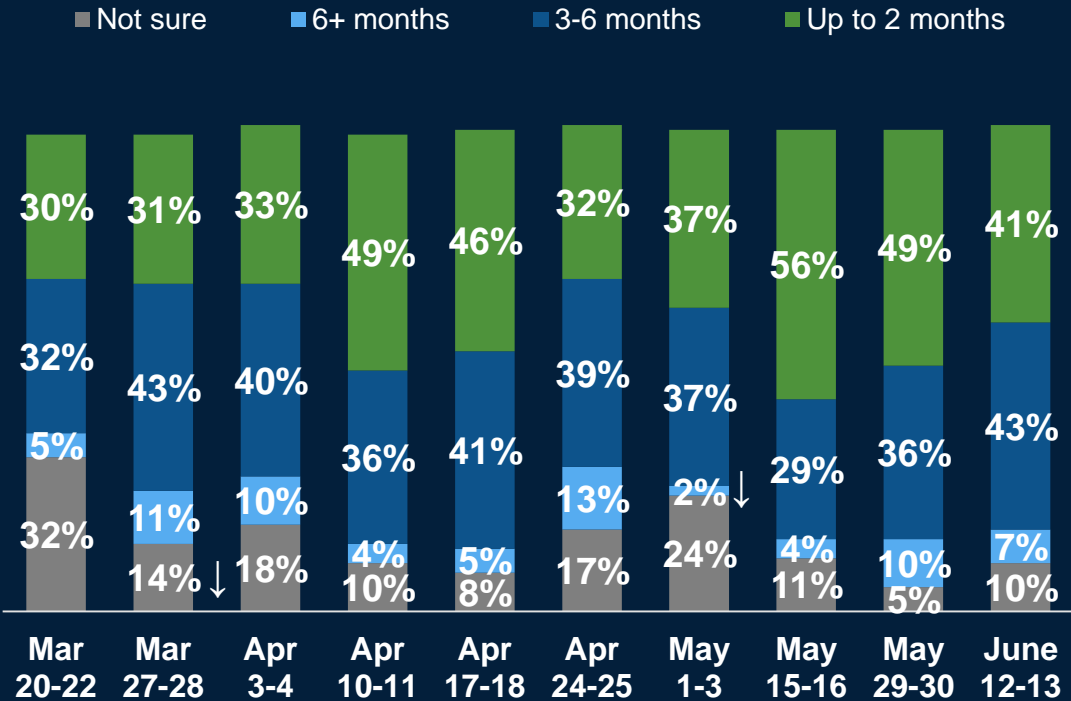


Factors At Work

- General uncertainty in the market
- Civil unrest
- Continued unemployment concerns
- Potential for a 2nd wave

Anticipated Delay in Vehicle Purchase**

(among those planning to delay purchase)



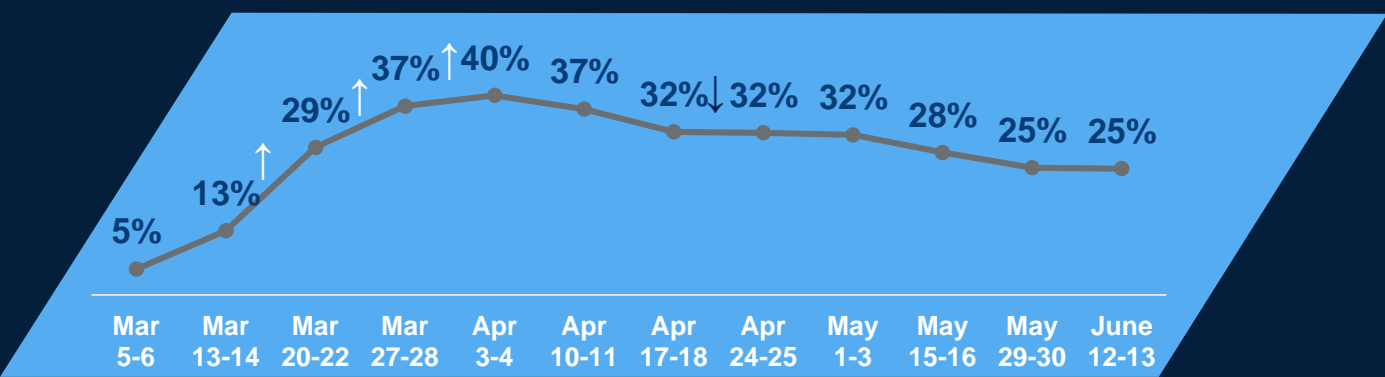
*Among 6-month auto intenders

**Among 6-month auto intenders who will delay purchasing/leasing a vehicle

Q10. Have you done, or do you think you will do any of the following because of the coronavirus? *Note: Added "have done" in Wave 4
Q17a1. How do you anticipate the coronavirus will change the timing of when you purchase or lease a vehicle, if at all?

... and flattens the decline in service delays

Delaying Vehicle Service/Repair*
(% consumers that said "Yes")



Types of Vehicle Service/Repair Being Delayed**

95%

are delaying
vehicle
maintenance*

52%

are delaying
vehicle repair*

*Among vehicle owners
**Among those who would delay vehicle service

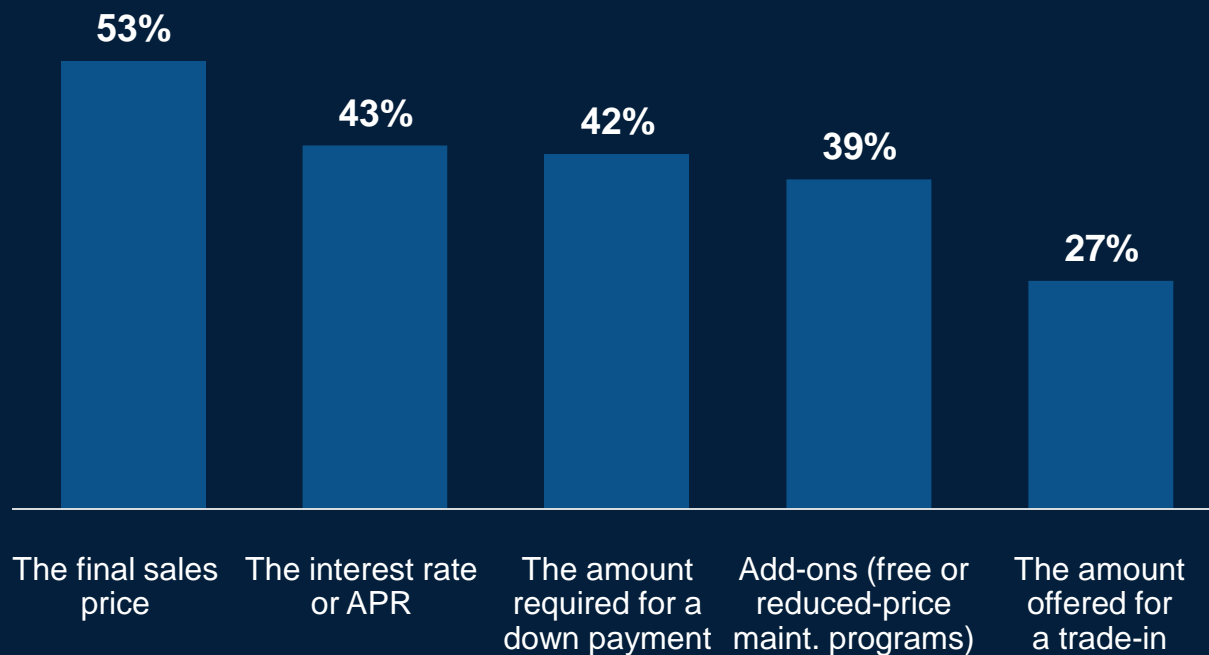
Q10. Have you done, or do you think you will do any of the following because of the coronavirus? *Note: Added "have done" in Wave 4
Q18b. What type(s) of vehicle service/maintenance have you delayed or plan to delay?

Consumers are expecting to find a “deal”



92% of consumers are expecting some sort of favorable terms

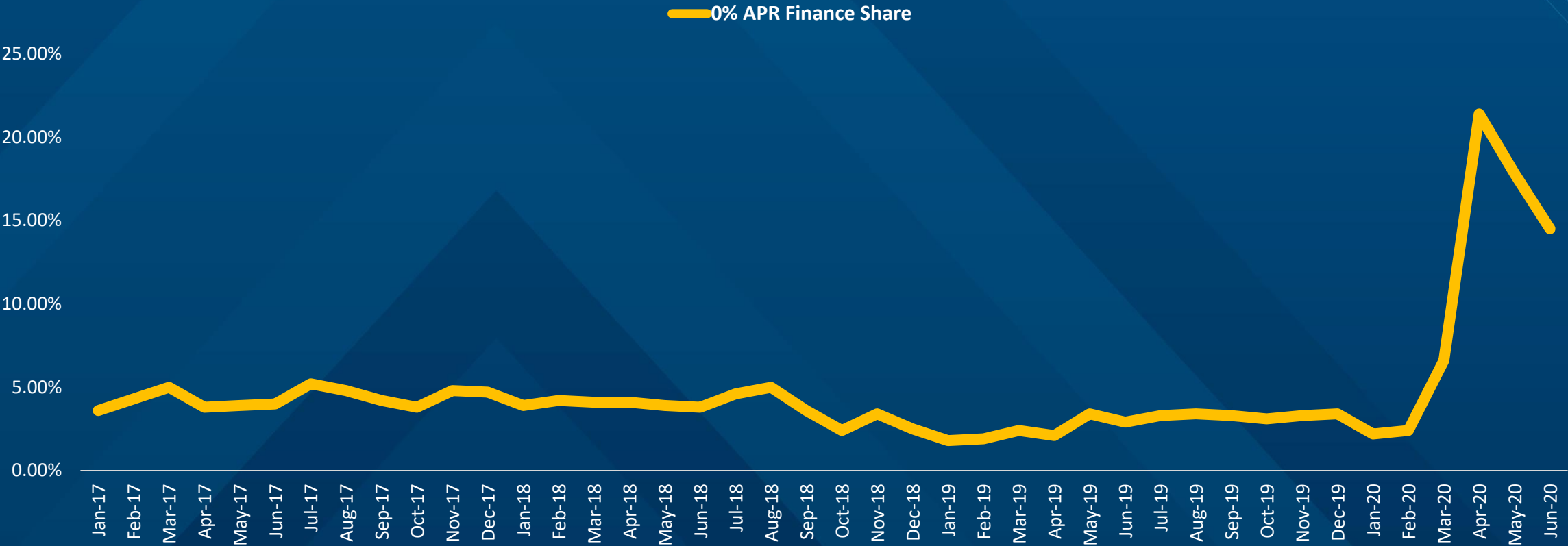
Type of “Favorable Terms” Shoppers Expect to Receive*



*Among 6-month auto intenders

Q17a6. In which of the following areas do you feel you would get more favorable terms given the spread of the coronavirus and its impact on the current economy?

ZERO PERCENT FINANCING CONTINUES DECLINE



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Source: Cox Automotive

NEW SALES NOW HAMPERED BY SUPPLY

New-Vehicle Industry Stock

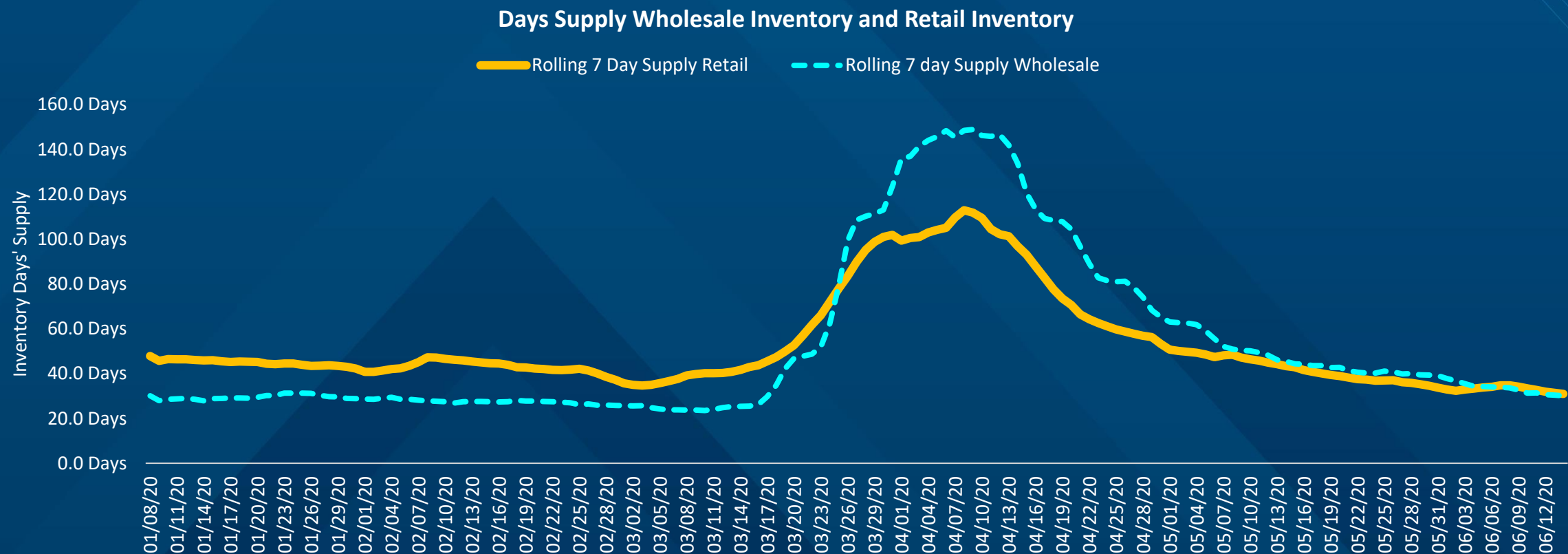


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Source: Cox Automotive Analysis of Motor Intelligence

USED INVENTORY DOWN TOO



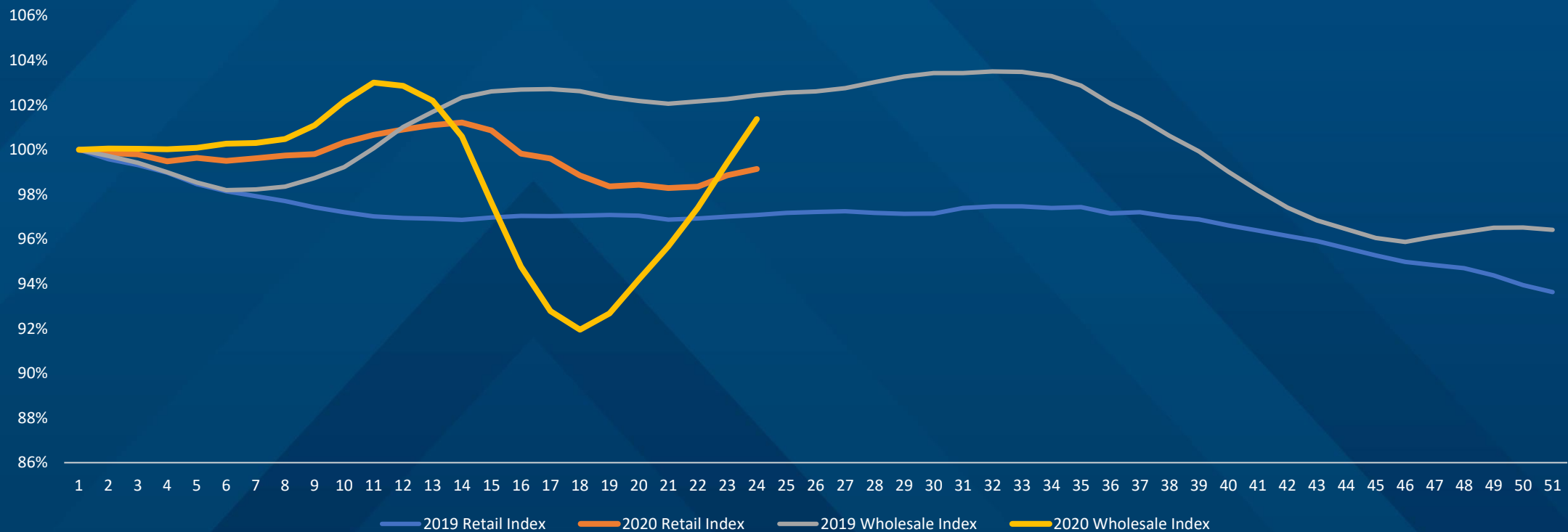
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Source: Cox Automotive

WHOLESALE PRICES ARE NOW HIGHER THAN START OF THE YEAR

MY 2017 Retail and Wholesale Price Indices (wk1=100)



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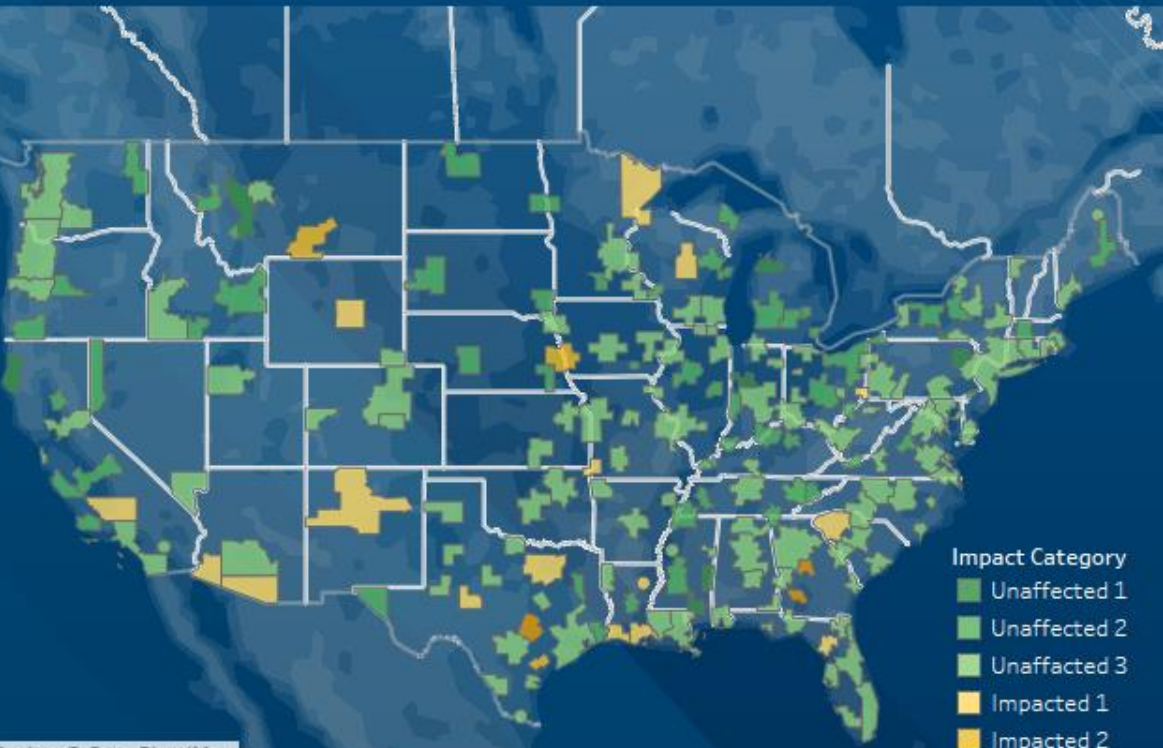
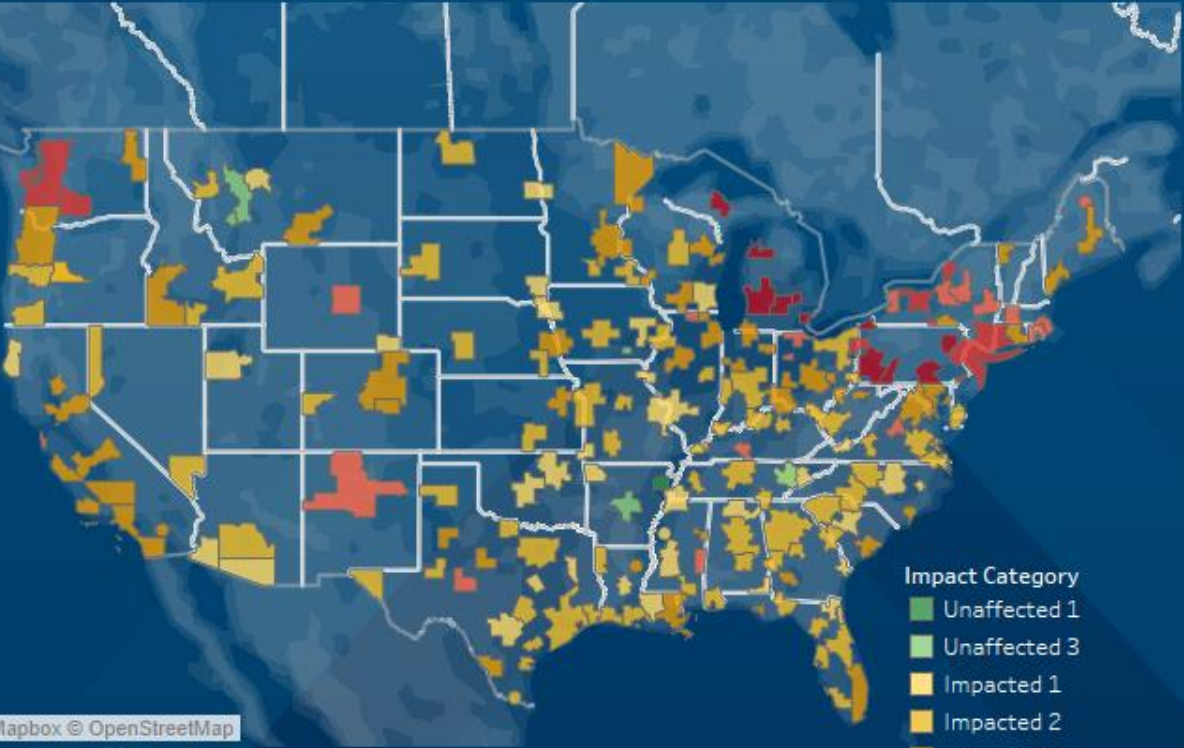
Driven by COX AUTOMOTIVE

Source: Cox Automotive

SALES IMPACT VARIES BY DMA AS EVIDENCED BY UNIQUE CREDIT APPS

April 5th

June 8th



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Driven by COX AUTOMOTIVE

Source: Cox Automotive

COX AUTOMOTIVE LEADING INDICATORS

- Through Saturday, leads on **Autotrader** were up 49% y/y and on **Kelley Blue Book** up 45%
- **Dealer.com** continues to see both New and Used Vehicle Form Submissions outperform, with new losing some momentum but used accelerating
- **Dealertrack** unique credit applications on same-store basis were up 4% y/y last week, which was the best week since the end of January
- **Xtime** saw a 13% decrease y/y last week in consumers having their cars serviced, which was an improving trend

COX AUTOMOTIVE

Autotrader 

 CLUTCH

DEALER.COM

Dealertrack 

 F&I Express

 HOMENET
AUTOMOTIVE

 Kelley Blue Book

 Manheim

NEXTGEAR
CAPITAL

PIVET

 RideKleen

vAuto
LIVE MARKET VIEW

VinSolutions

 xtime