

September 15, 2020

COVID-19 AUTO MARKET UPDATE

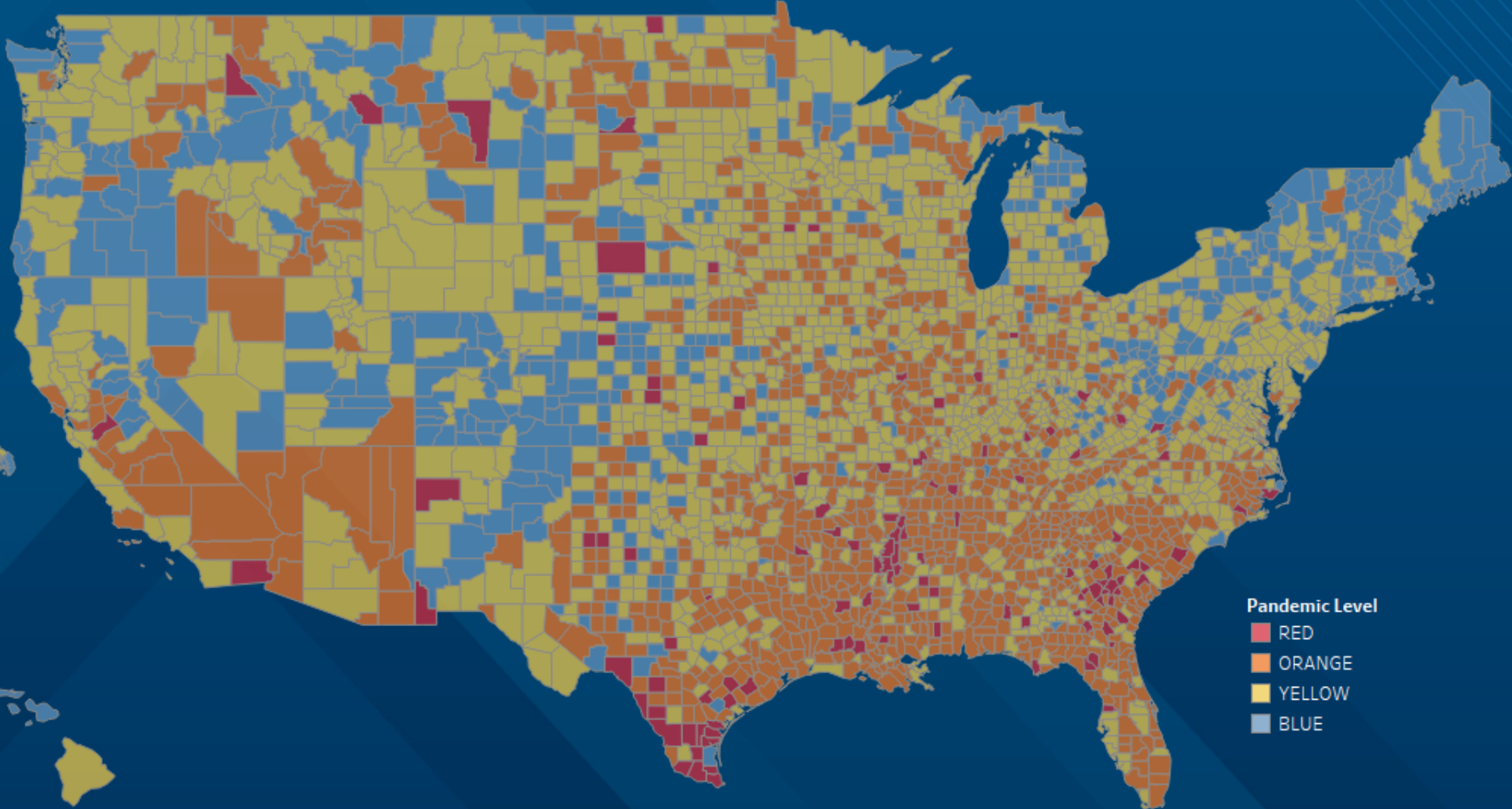
THE WAY
FORWARD

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Jonathan Smoke

Chief Economist, Cox Automotive

COVID-19 LOCAL IMPACT ASSESSMENT



Pandemic Level
RED
ORANGE
YELLOW
BLUE

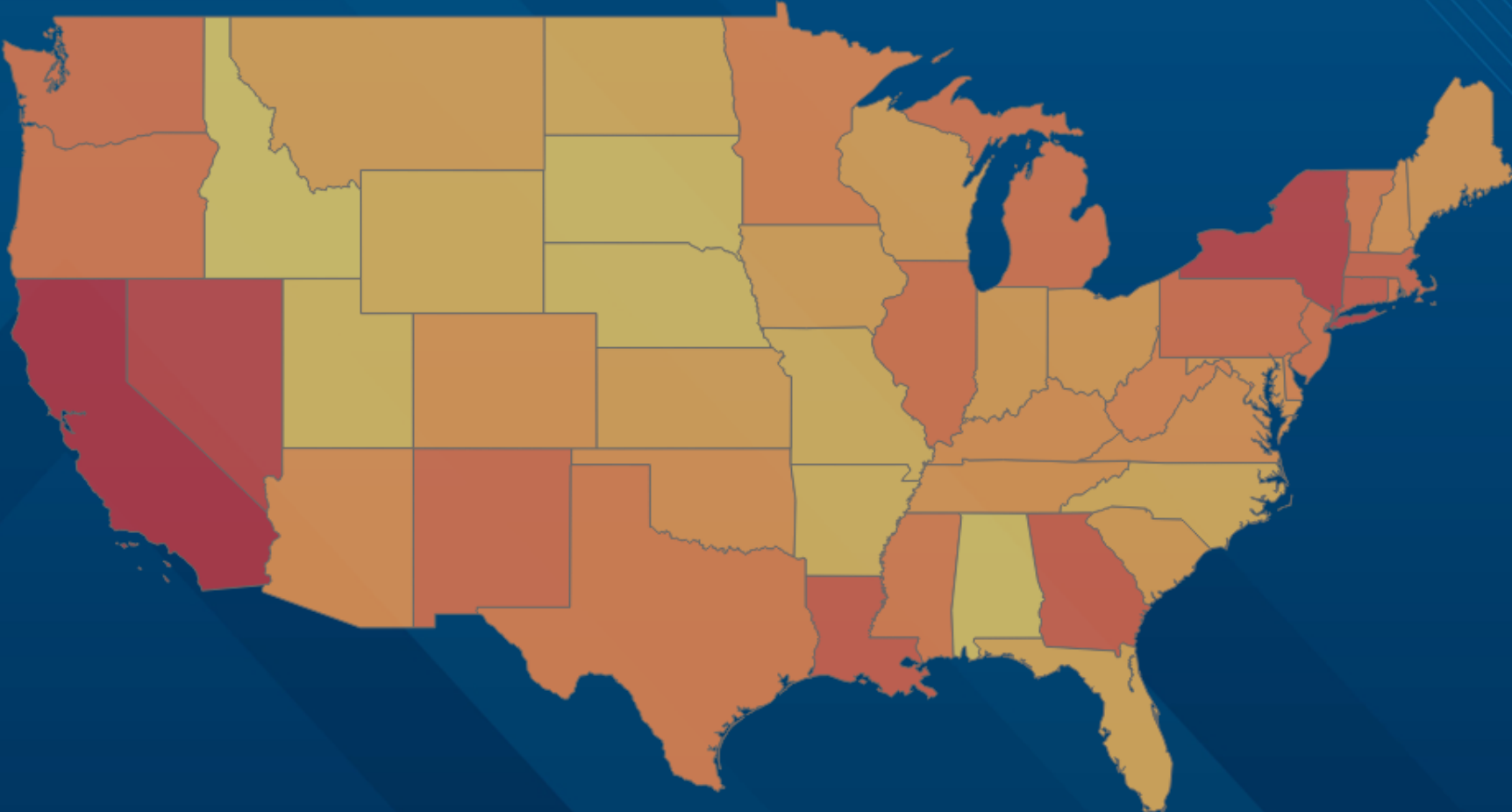
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Source: Cox Automotive

CONTINUING CLAIMS AT 13.4 MILLION NATIONALLY



Data as of September 10, 2020

Continued Claims % of Jobs by State
1.53% 19.29%

Note: Insured Unemployment For Week Ended August 29

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Source: Department of Labor

CONSUMER SENTIMENT IMPROVED AGAIN LAST WEEK

Morning Consult's Index of Consumer Sentiment on Monday was down 20.0% since February 29

ICS Value (7-Day Average)



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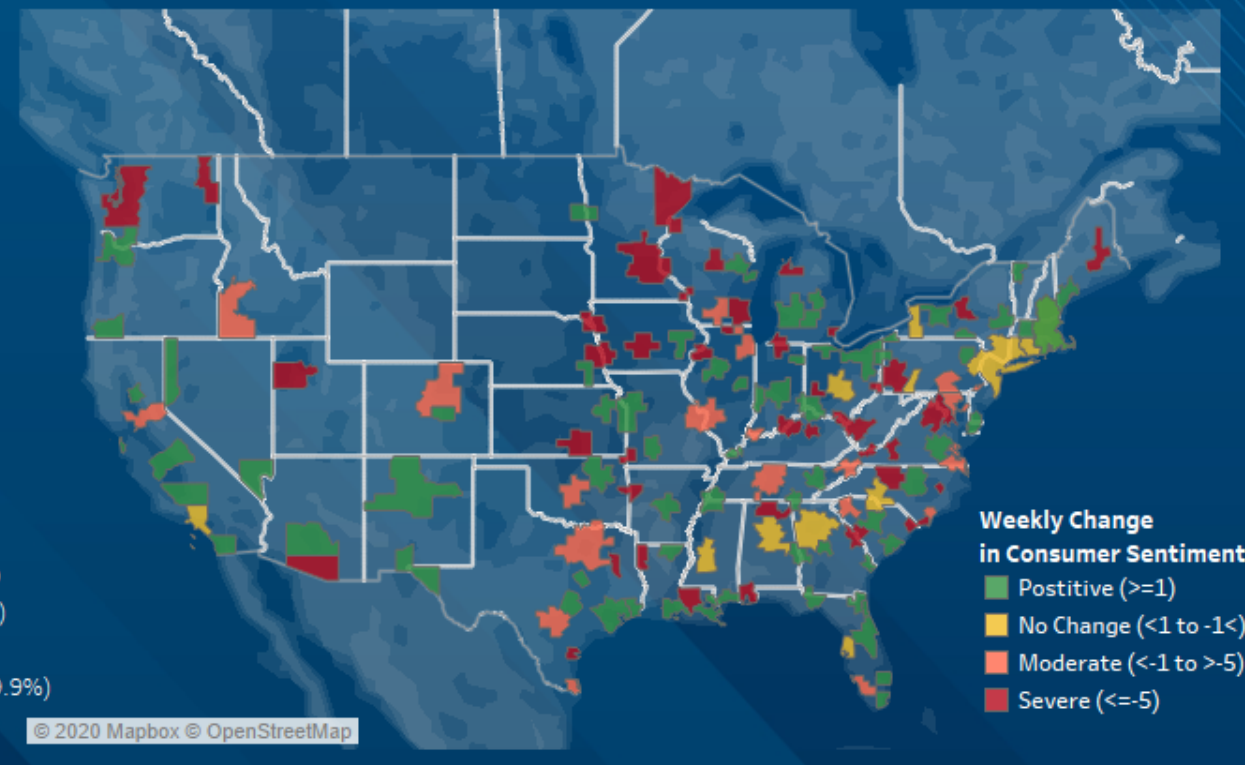
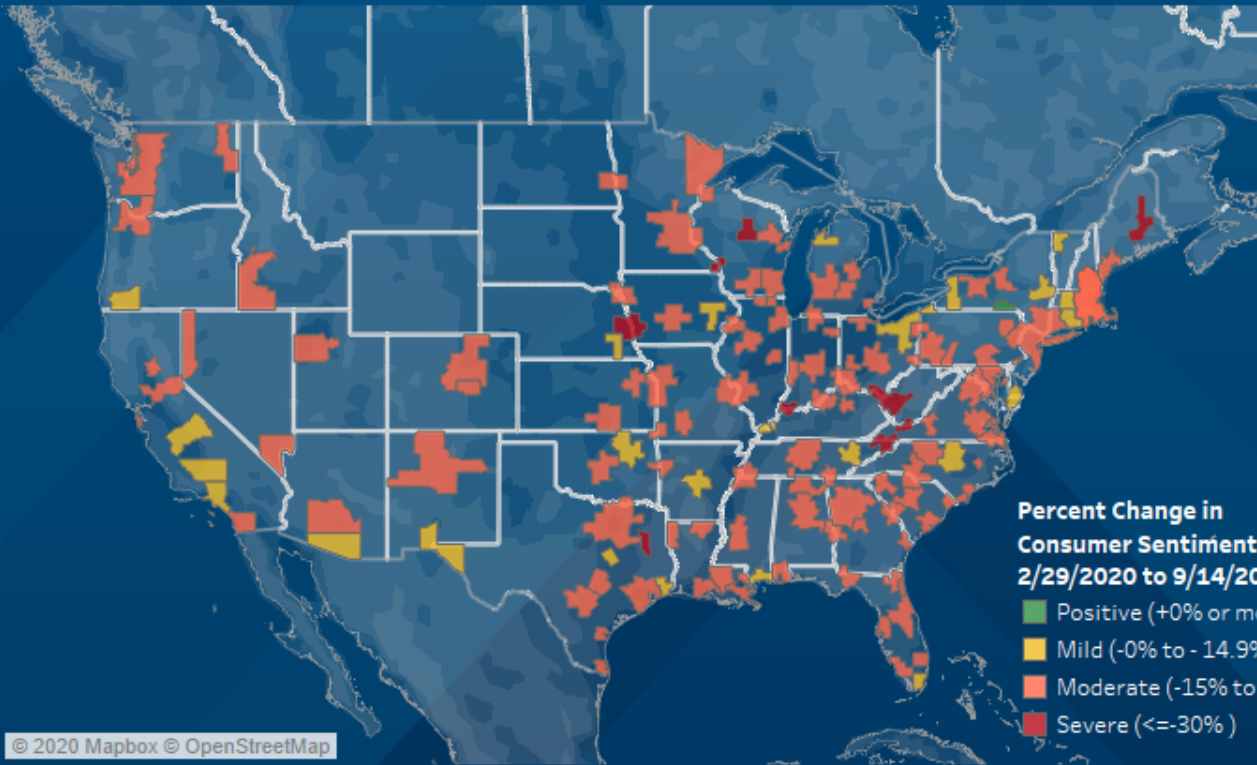
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Source: Morning Consult

CONSUMER SENTIMENT IMPROVES IN MORE MARKETS

Since February 29th

Since September 7th



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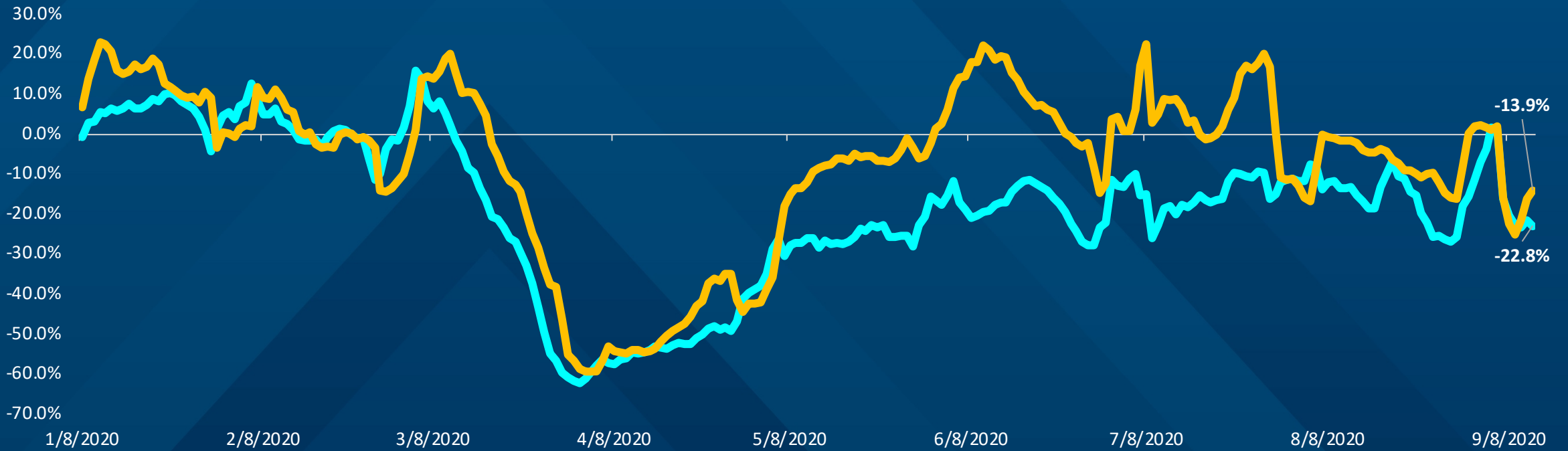
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Source: Morning Consult

RETAIL SALES RECOVERY ESTIMATES

Y/Y % Change in 7-Day Moving Average of Retail Sales

New Used

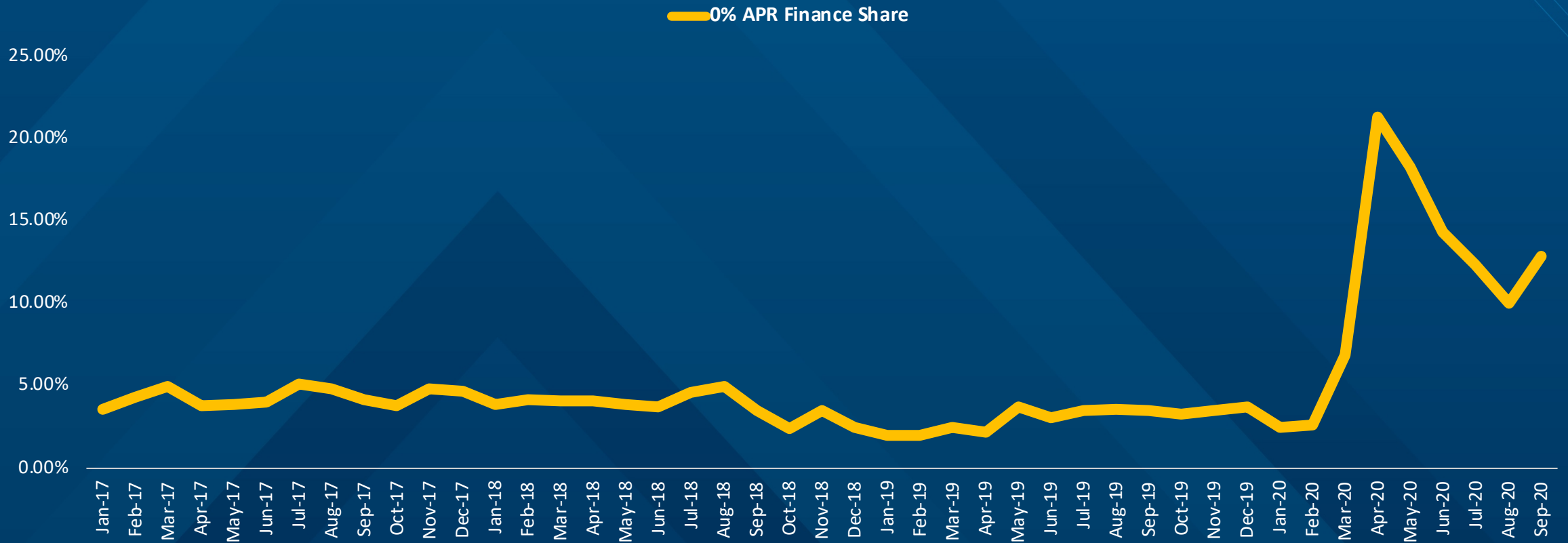


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Source: Cox Automotive

ZERO PERCENT FINANCING SLIGHTLY UP



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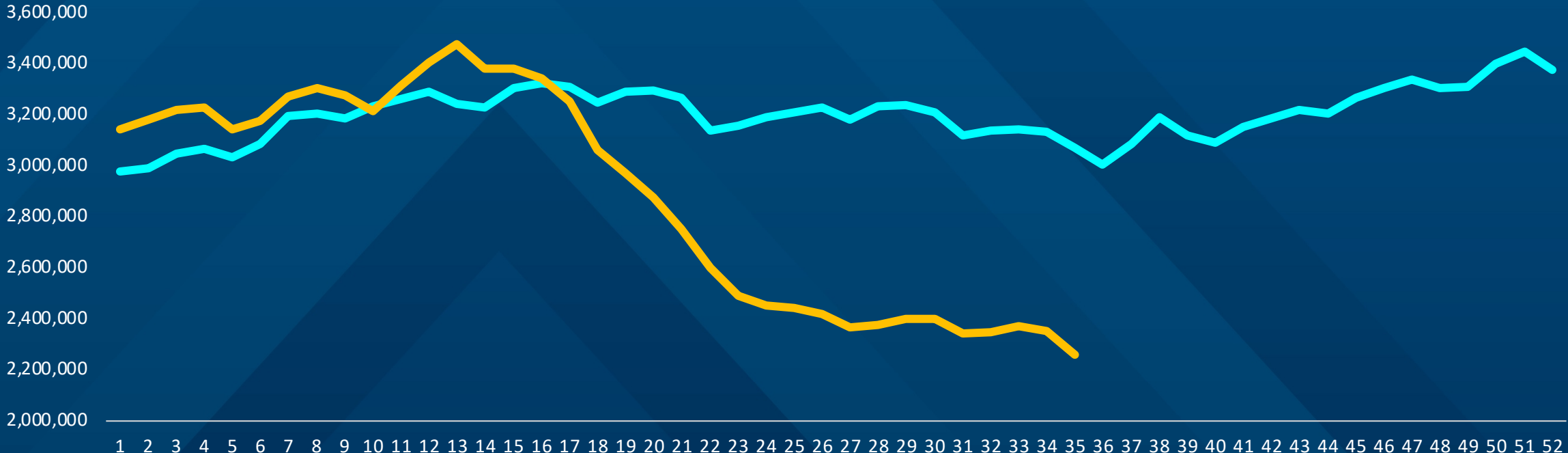
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Source: Cox Automotive

NEW SALES HAMPERED BY SUPPLY

Active New Vehicle Inventory by Week

2019 Active Inventory 2020 Active Inventory



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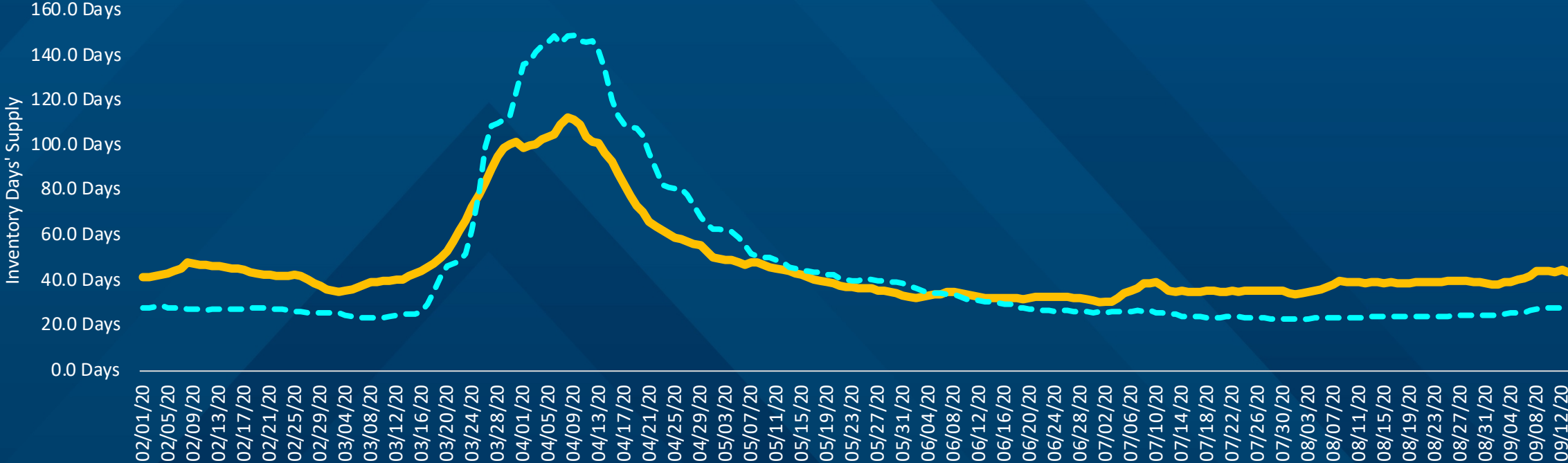
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Source: Cox Automotive

USED INVENTORY DOWN

Days Supply Wholesale Inventory and Retail Inventory

Rolling 7 Day Supply Retail Rolling 7 day Supply Wholesale



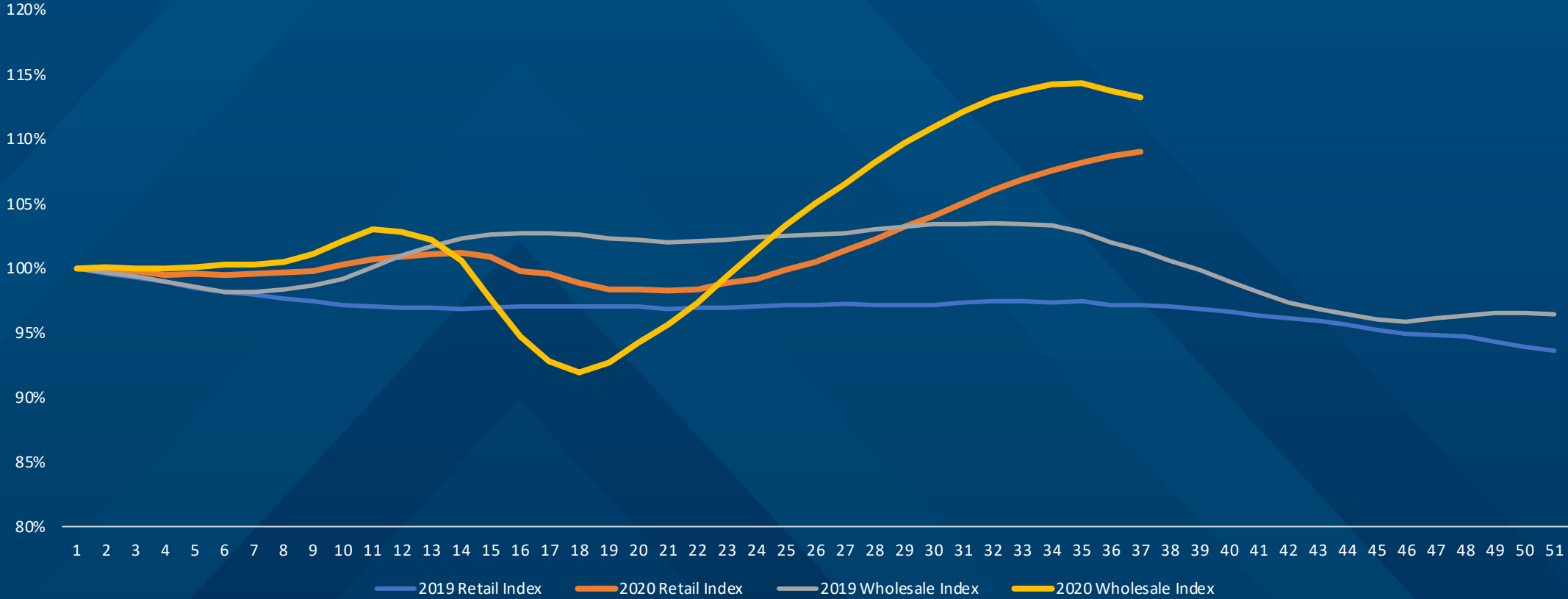
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Source: Cox Automotive

WHOLESALE USED PRICES NOW DECLINING

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



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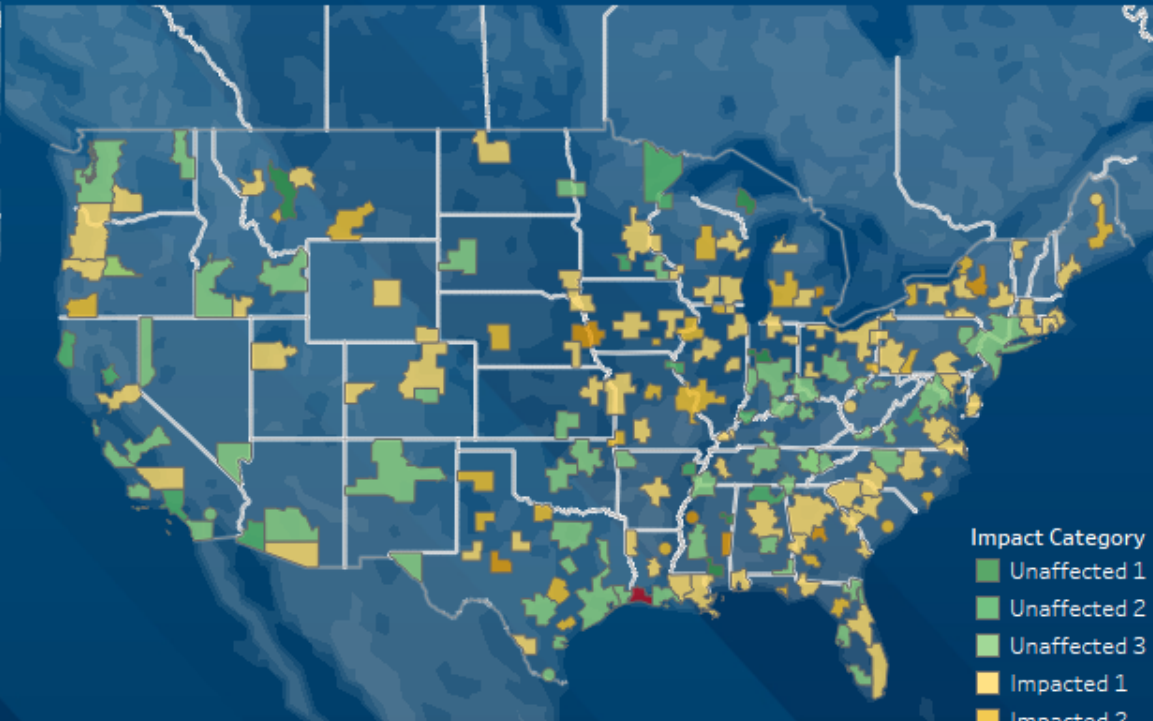
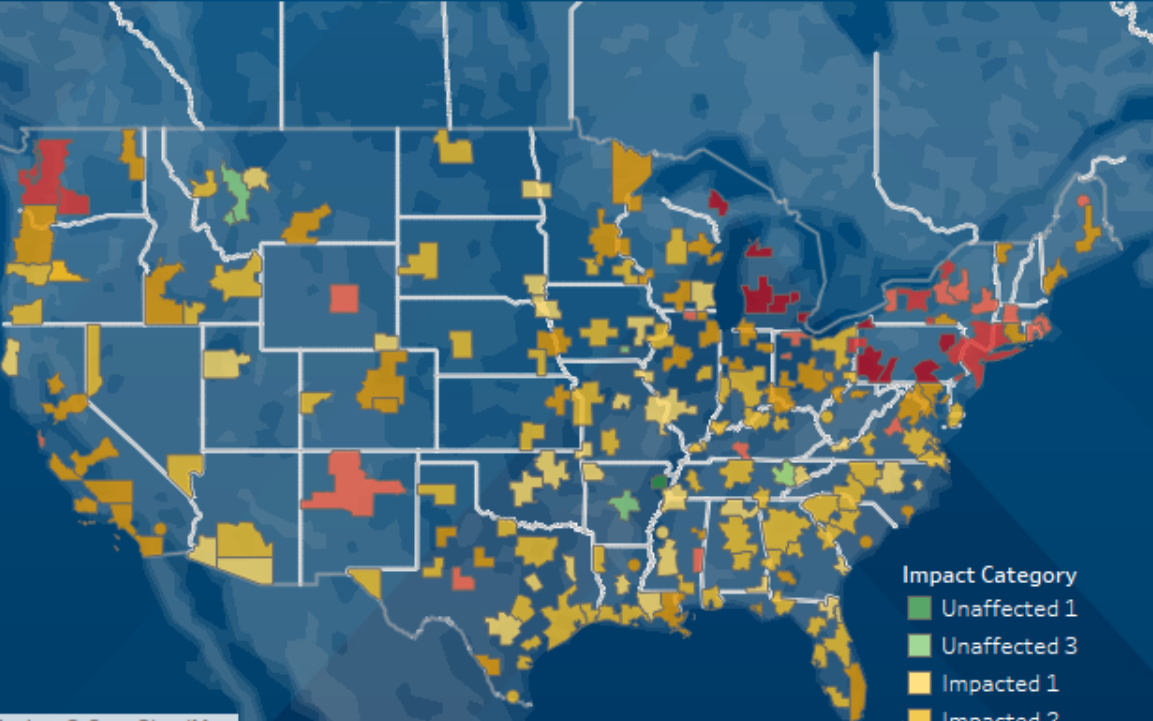
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Source: Cox Automotive

SALES IMPACT VARIES BY DMA AS EVIDENCED BY UNIQUE CREDIT APPS

April 5th

September 13th



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LABOR DAY SHIFT IMPACTS RECOVERY ASSESSMENT

- The impact of Labor Day shifting a week (the holiday was in week 36 last year, but landed in week 37 this year) is apparent in several of our leading indicators
- **Dealertrack** unique credit applications on same-store basis were down 16% y/y last week, which was a big decline from the prior week, which had been the best week in 7 weeks
- **Xtime** saw a 23% decline y/y last week in consumers having their cars serviced, which was a huge swing from being up 6% the prior week

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