

November 17, 2020

COVID-19 AUTO MARKET UPDATE

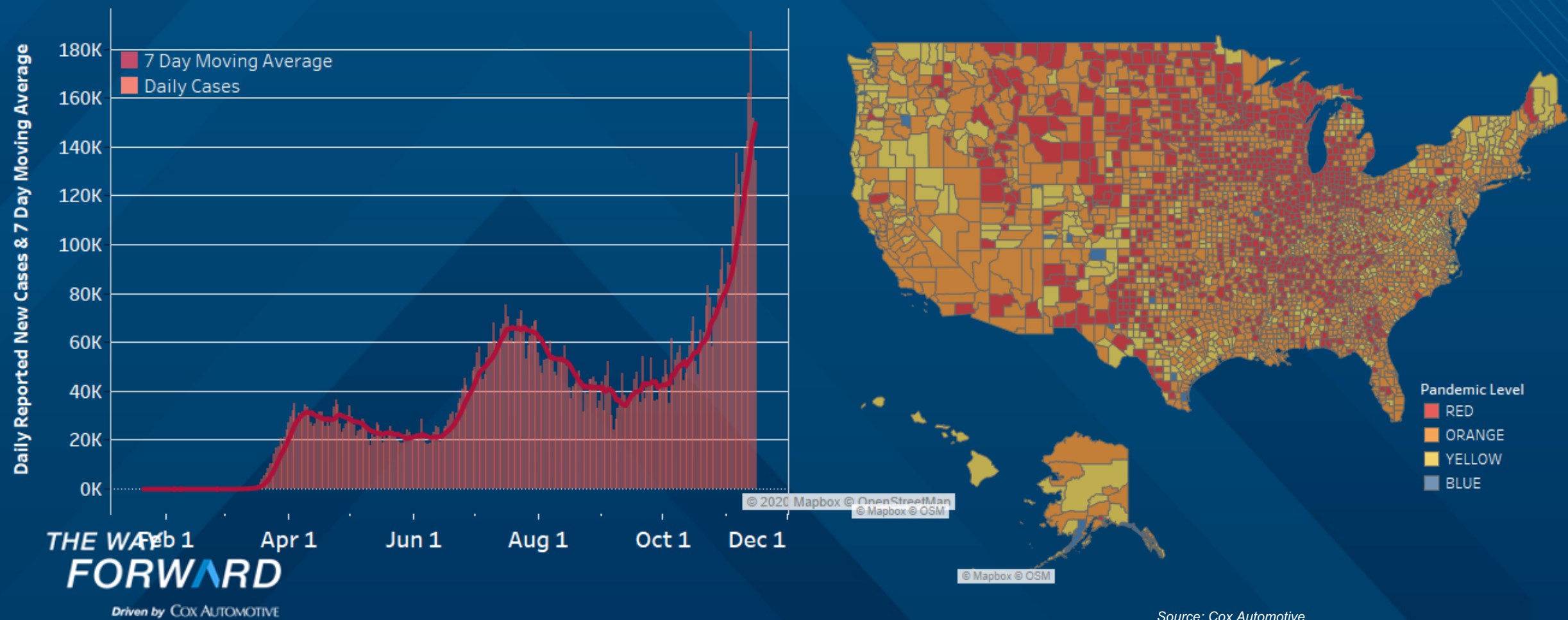
*THE WAY
FORWARD*

Driven by COX AUTOMOTIVE

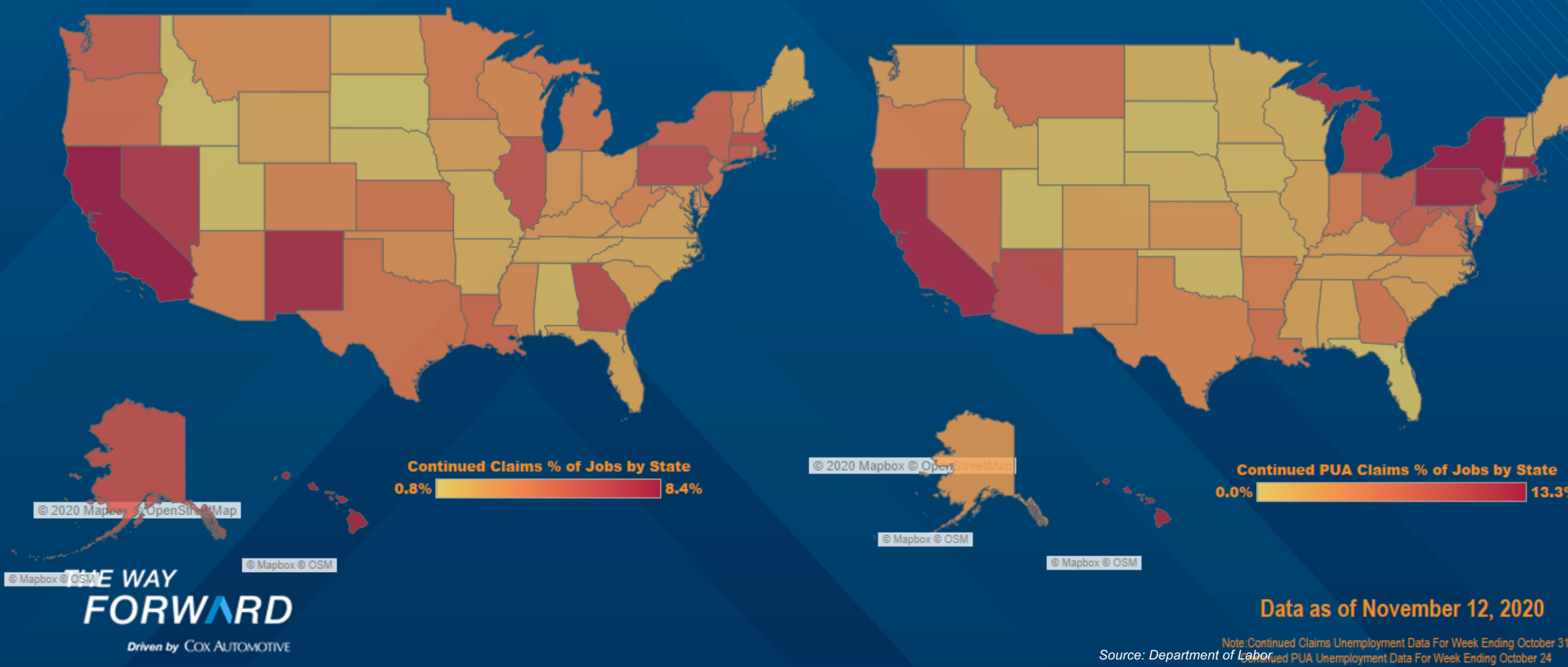
Jonathan Smoke

Chief Economist, Cox Automotive

COVID-19 LOCAL IMPACT ASSESSMENT



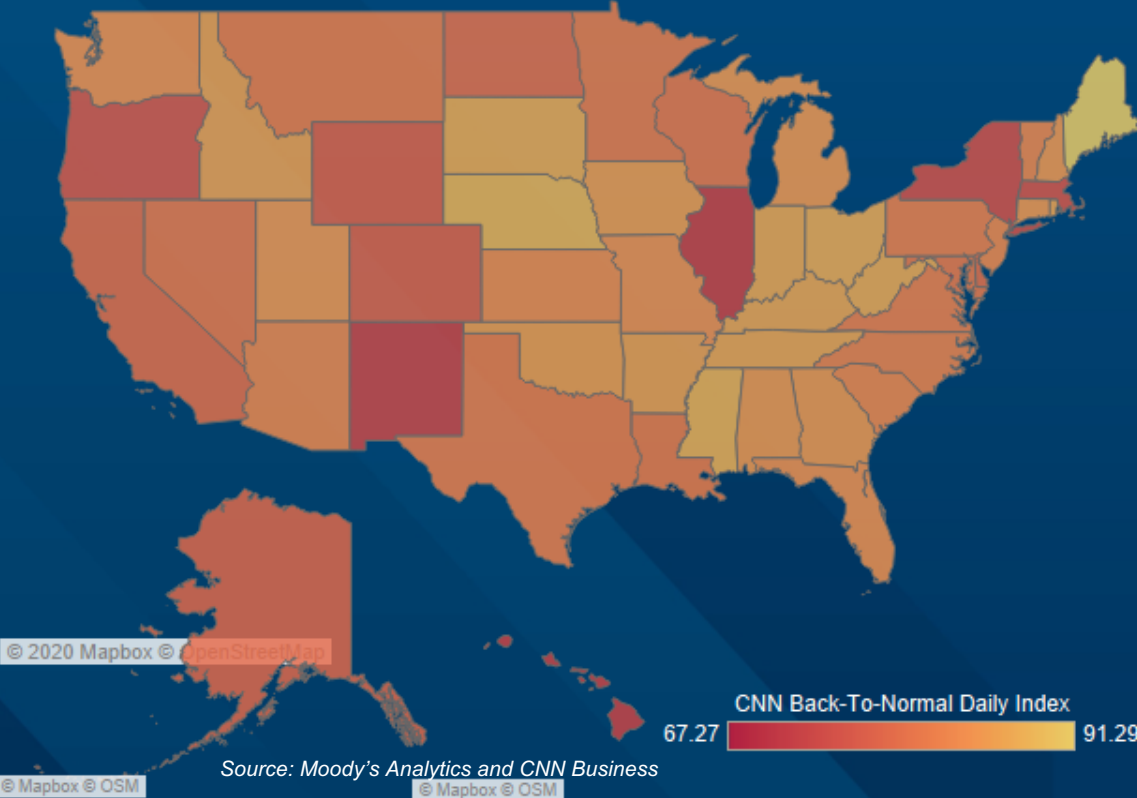
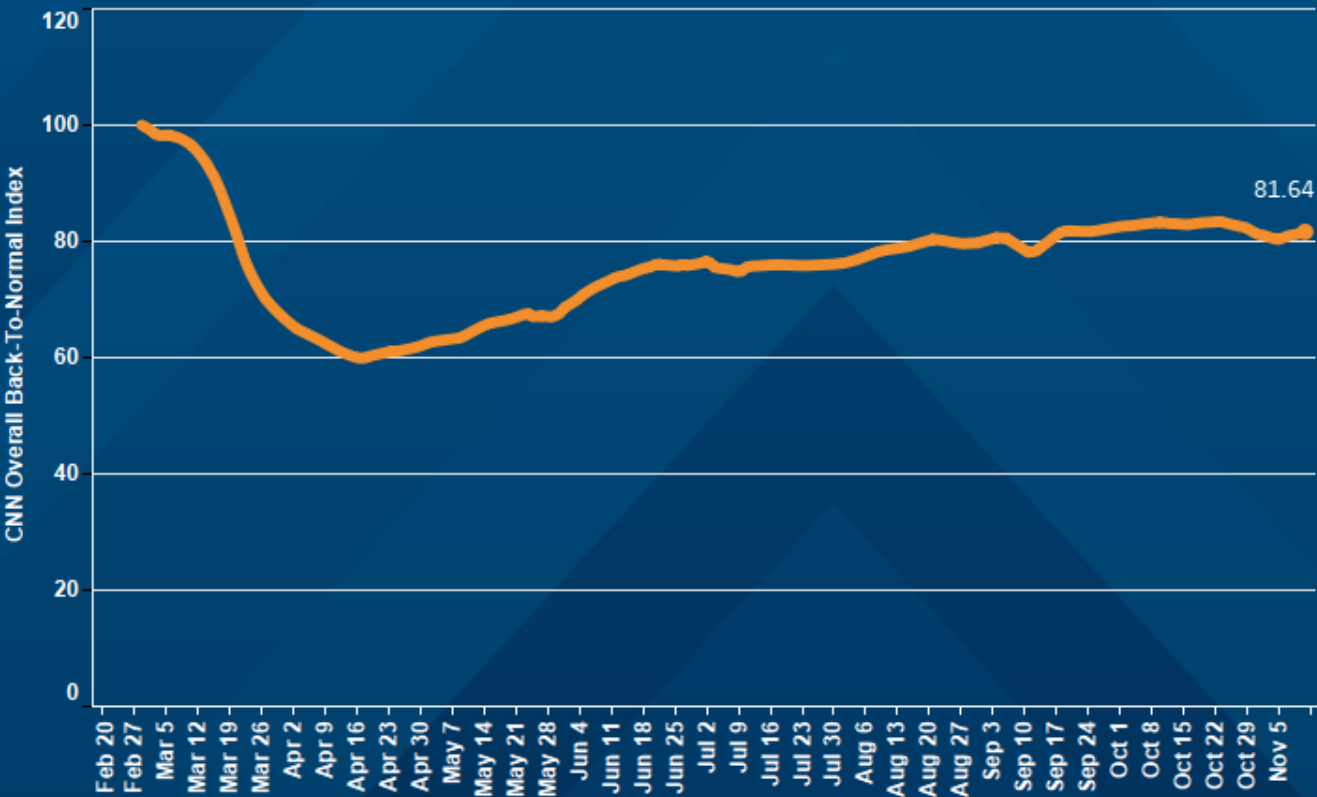
CONTINUING CLAIMS AT 6.8 MILLION NATIONALLY



BUSINESS RECOVERY ESTIMATES UP LAST WEEK

Moody's-CNN Business Back-To-Normal Index (February 29 = 100)

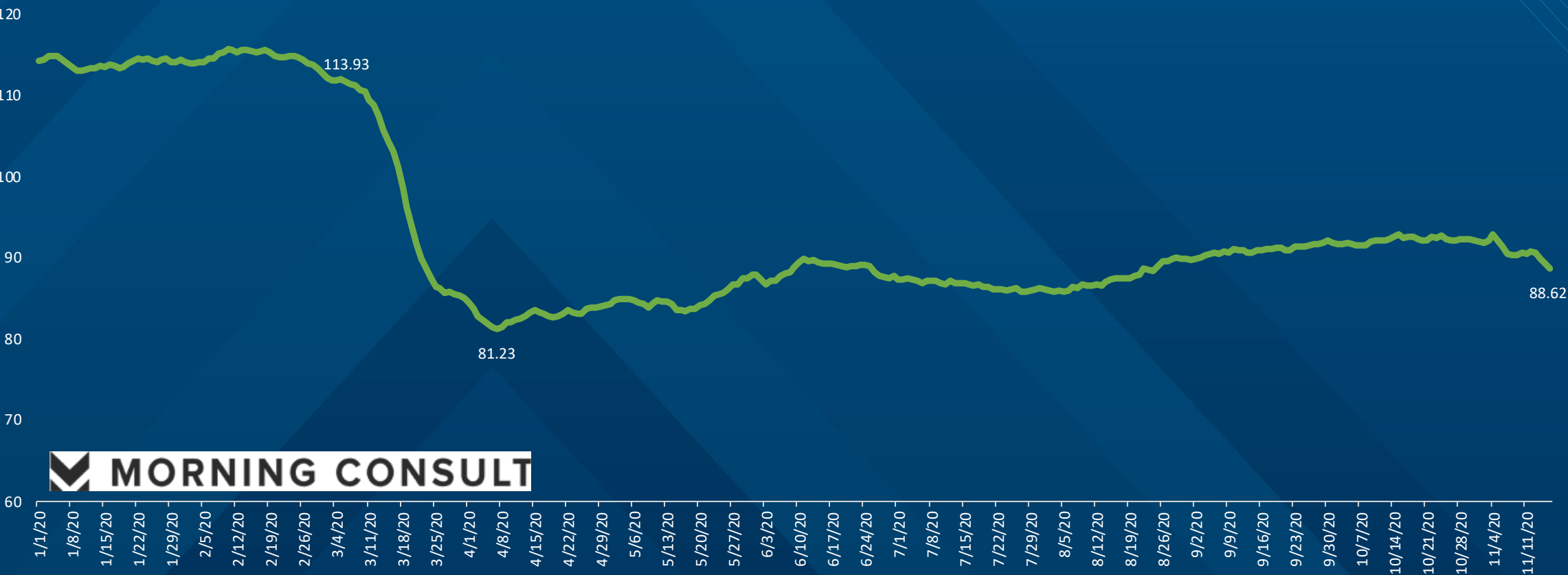
Data as November 11, 2020



CONSUMER SENTIMENT DOWN AGAIN LAST WEEK

Morning Consult's Index of Consumer Sentiment on Monday was down 21.8% since February 29

ICS Value (7-Day Average)



THE WAY
FORWARD

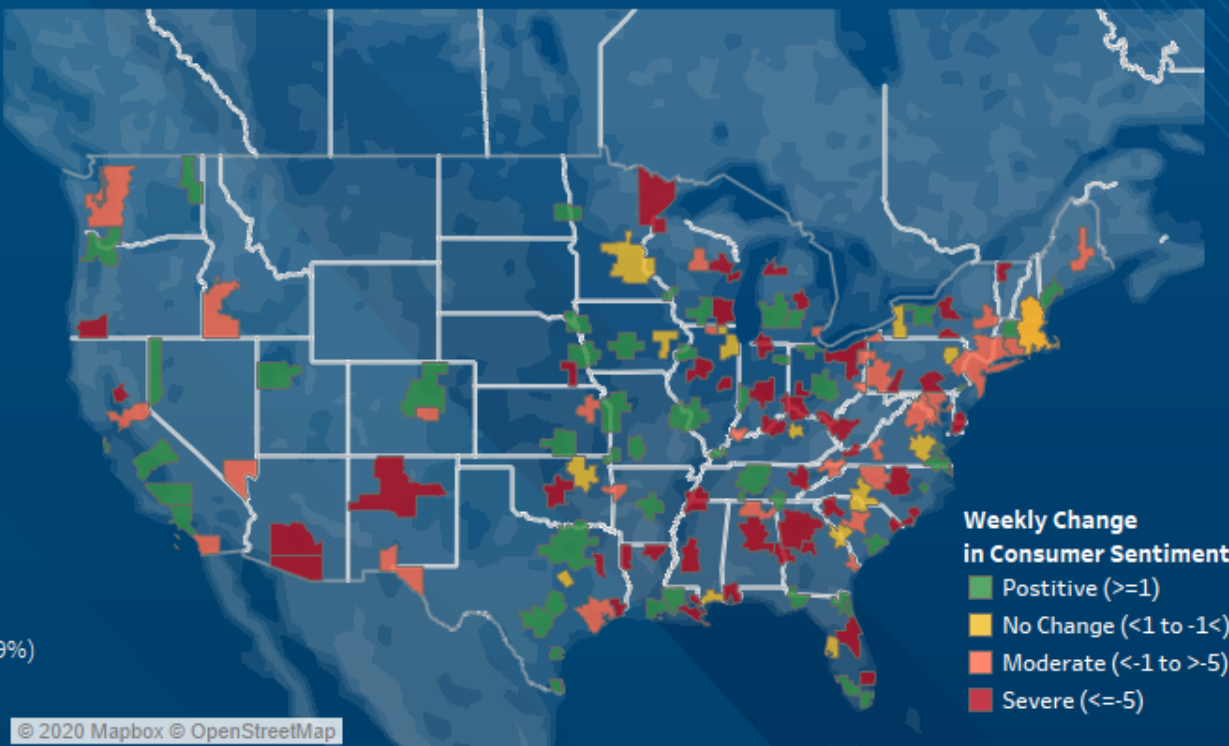
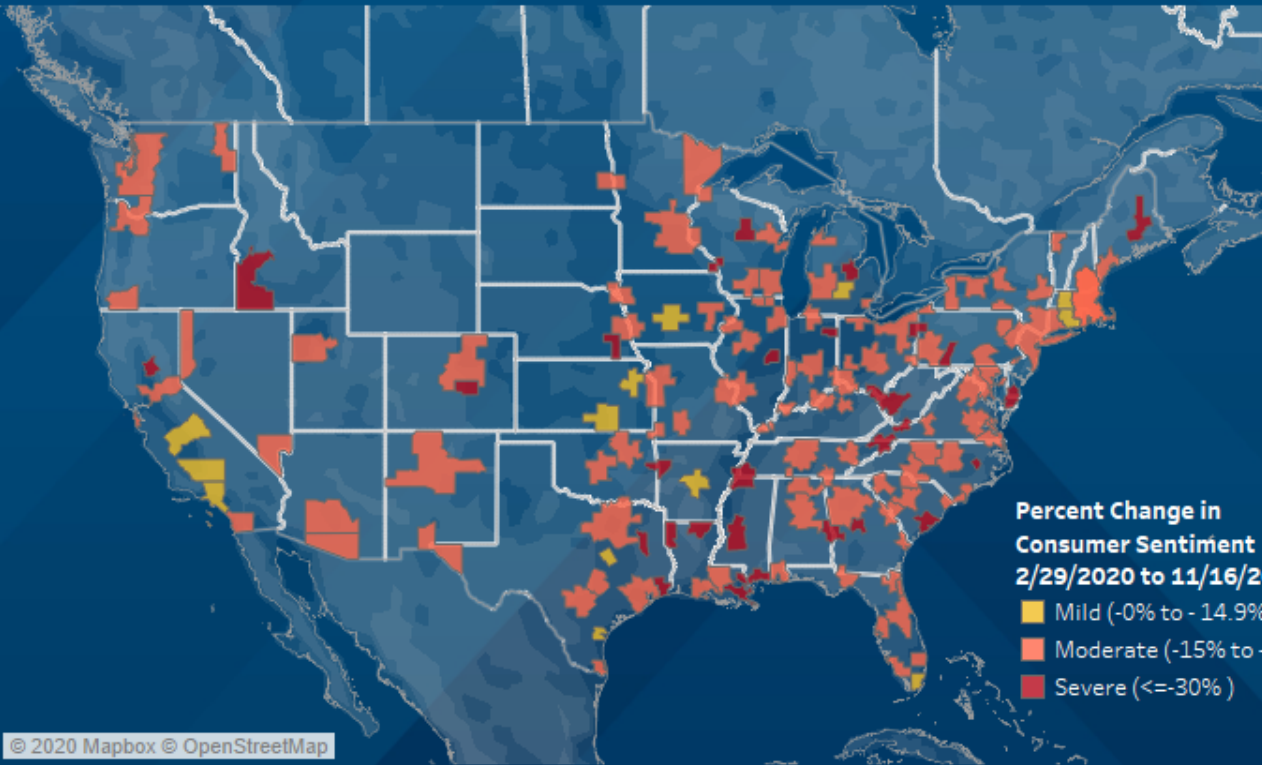
Driven by COX AUTOMOTIVE

Source: Morning Consult

CONSUMER SENTIMENT DECLINES IN MORE MARKETS

Since February 29th

Since November 9th



Purchase Intention Spikes to Original High

% OF CONSUMERS IN-MARKET TO PURCHASE A VEHICLE
WITHIN THE NEXT 6 MONTHS

20%

Early Outbreak
(March)

20%

Shelter in Place
(Late March - April)

17%↓

Reopening
(May – Mid June)

16%

Summer Spike
(Late June-July)

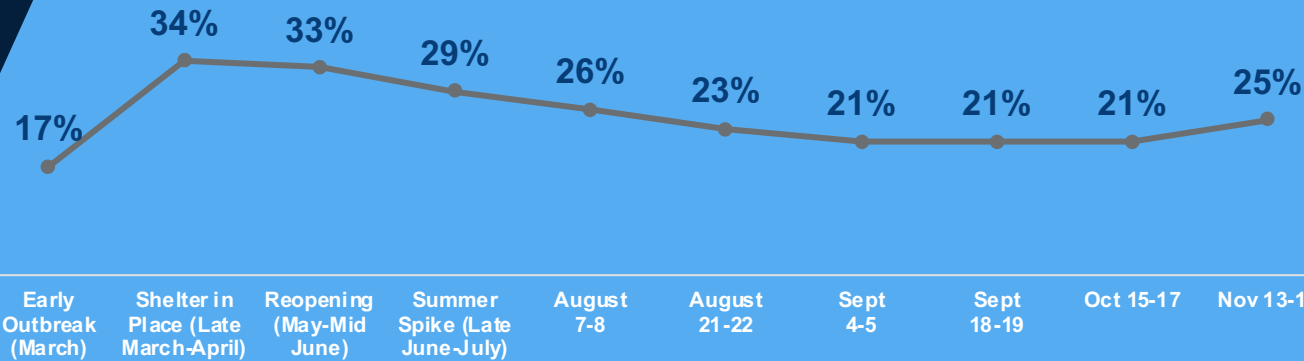
20%↑
(November 13-14)



Q4. Now as of today, when do you think you will be in the market to purchase or lease a vehicle?

Purchase Delay Increasing Again

Delaying Vehicle Purchase/Lease*



Top reasons for delaying purchase (top 2)*

Concerned about cost/financial situation	30%
Waiting to see if federal government will provide a 2nd stimulus check	29%
Prefer to stay home/social distancing	25%
Concern about having contact with staff/other people	23%
Waiting to see if I can get a better deal or special incentive	23%
Mandatory quarantine/stay-at-home order in place	14%

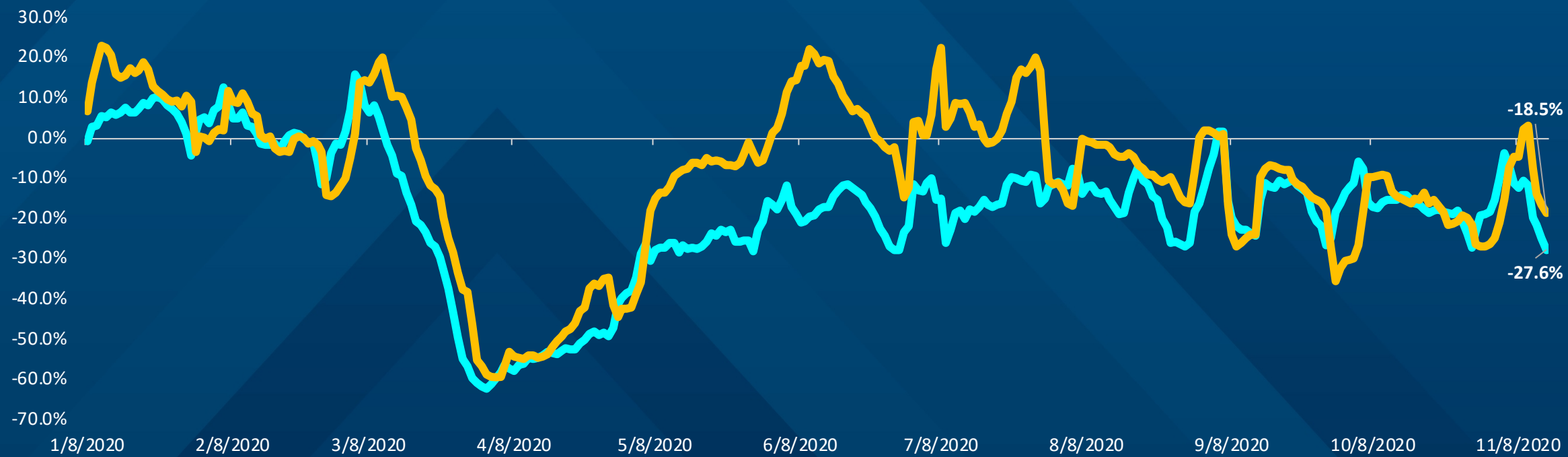
Q10. Have you done, or do you think you will do any of the following because of the coronavirus? *Note: Added "have done" in Wave 4
 Q17a3. You said you may delay purchasing/leasing a vehicle due to coronavirus. What are the main reasons? Please select up to 2 of the main reasons. (Question added April 17)

*Among 6-month auto intenders

RETAIL SALES RECOVERY ESTIMATES

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

New Used



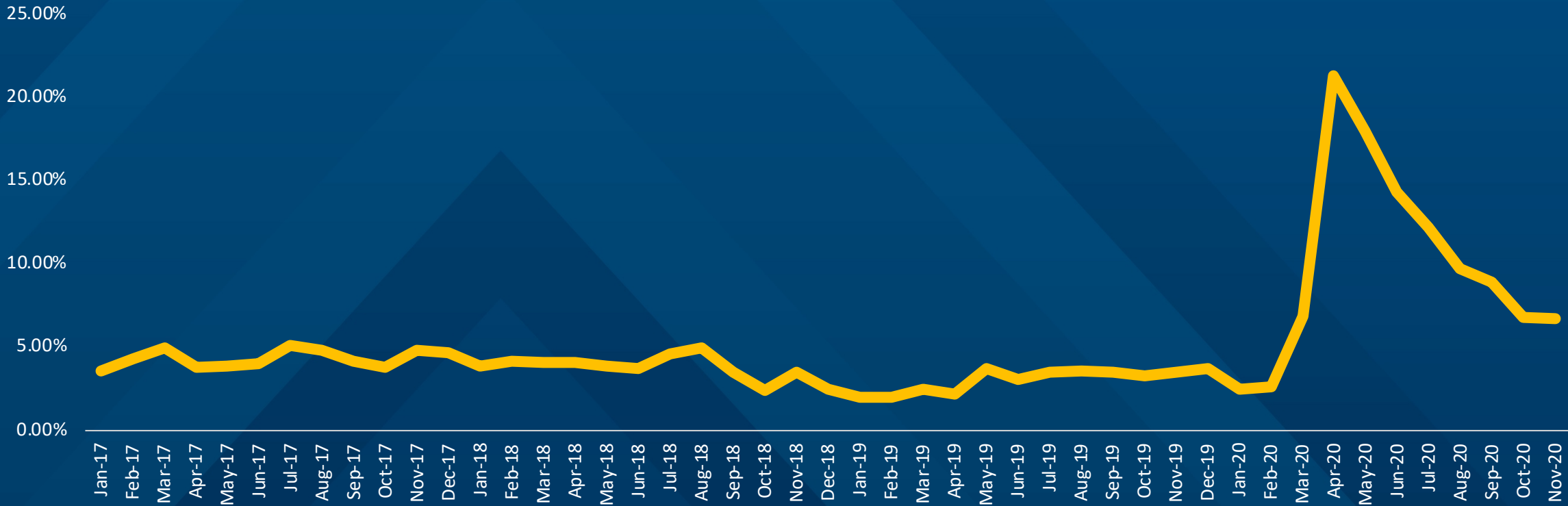
THE WAY
FORWARD

Driven by COX AUTOMOTIVE

Source: Cox Automotive

ZERO PERCENT FINANCING NOW DOWN IN NOVEMBER

0% APR Finance Share

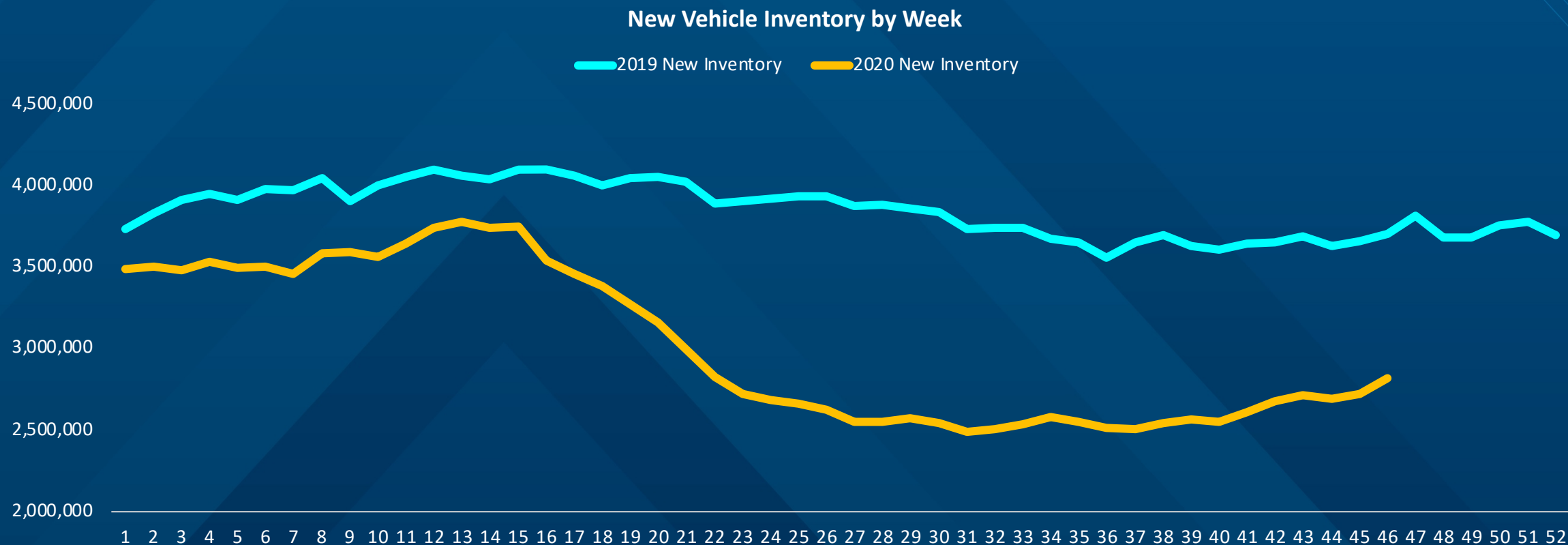


THE WAY
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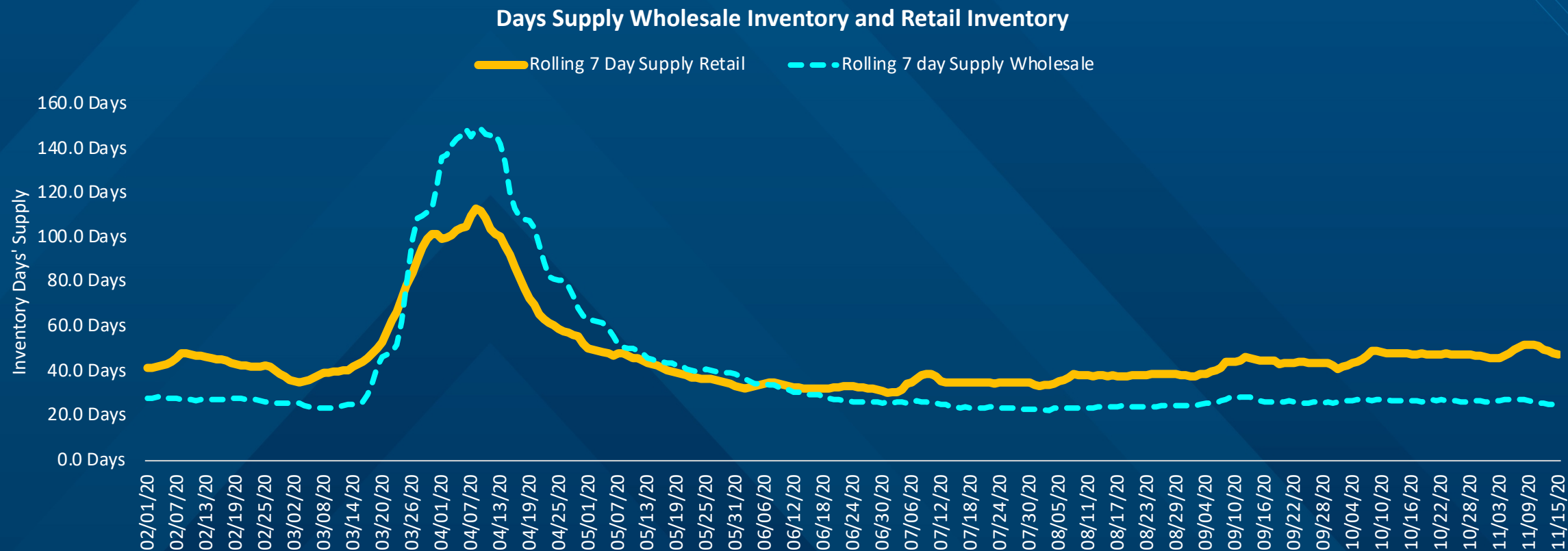
Driven by COX AUTOMOTIVE

Source: Cox Automotive

NEW INVENTORY SLOWLY INCREASING



USED SUPPLY DECREASED LAST WEEK



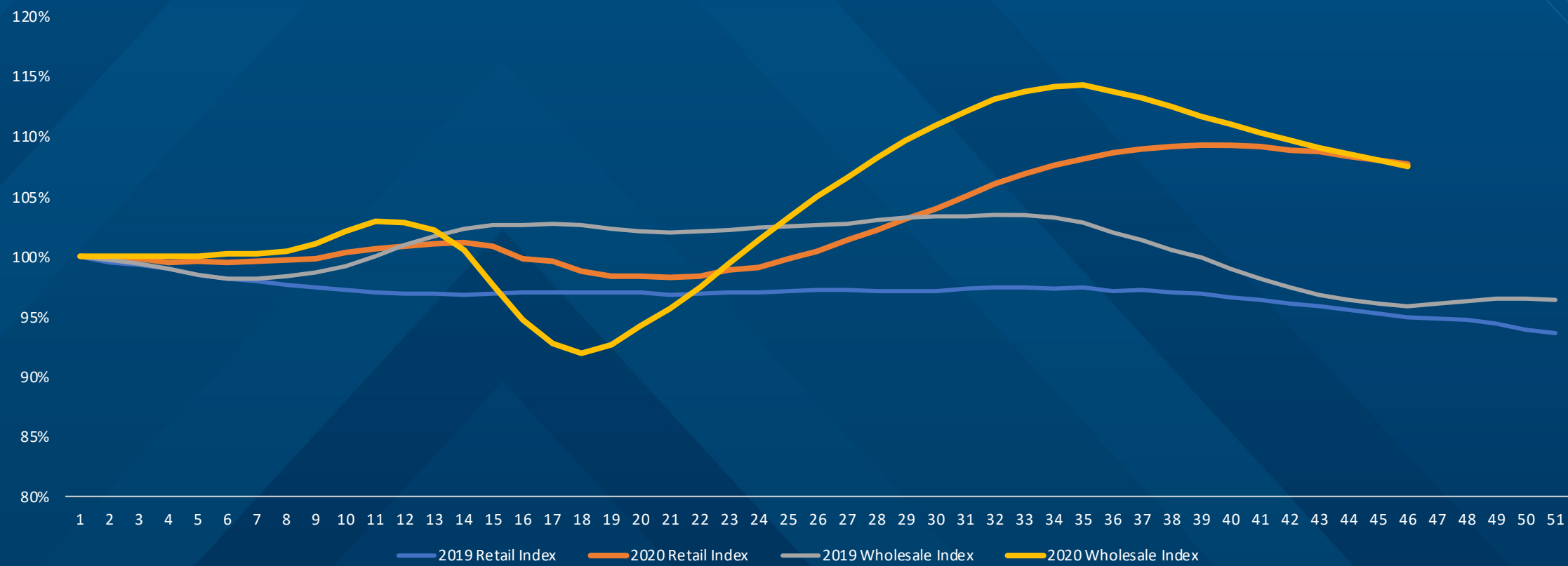
THE WAY
FORWARD

Driven by COX AUTOMOTIVE

Source: Cox Automotive

USED PRICES CONTINUE SLOW SEASONAL DECLINE

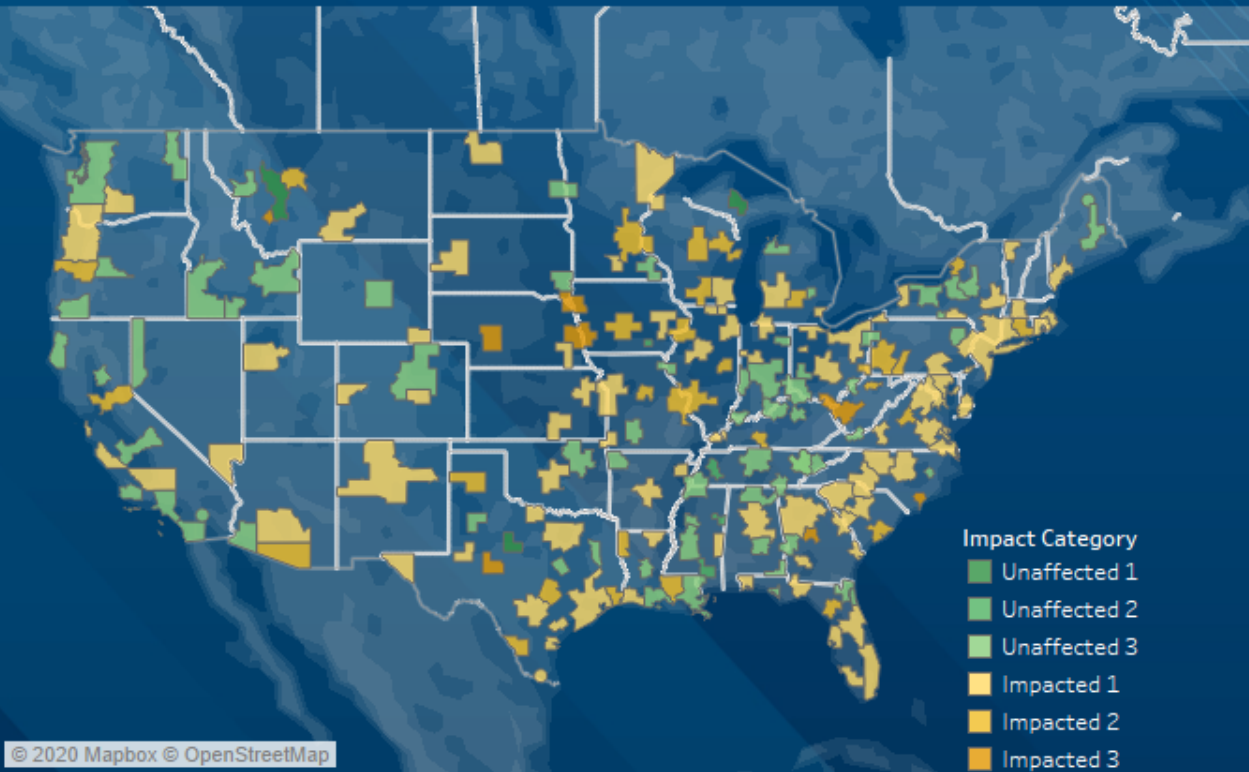
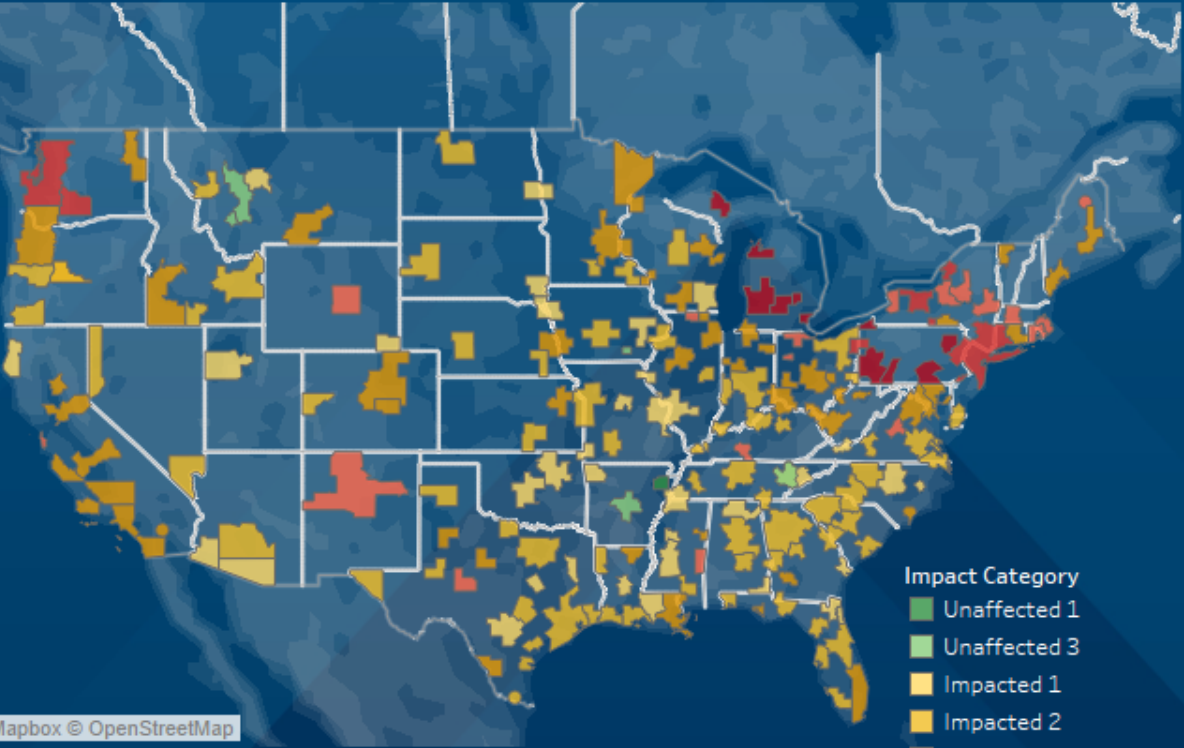
MY 2017 Retail and Wholesale Price Indices (wk1=100)



SALES IMPACT VARIES BY DMA AS EVIDENCED BY UNIQUE CREDIT APPS

April 5th

November 15th



THE WAY
FORWARD

Driven by COX AUTOMOTIVE

Source: Cox Automotive

COX AUTOMOTIVE LEADING INDICATORS

- Leads on **Autotrader** were up 5% y/y through November 7 and on **Kelley Blue Book** up 30%; Autotrader lost momentum but Kelley Blue Book gained momentum last week
- **Dealer.com** saw both New and Used Vehicle Form Submissions up again from last year, as both recovered momentum last week and improved again over the weekend
- **Dealertrack** unique credit applications on same-store basis were down 20% y/y last week, which was up from the prior week
- **Xtime** saw a 16% decrease y/y last week in consumers having their cars serviced, which was unchanged from the prior week

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