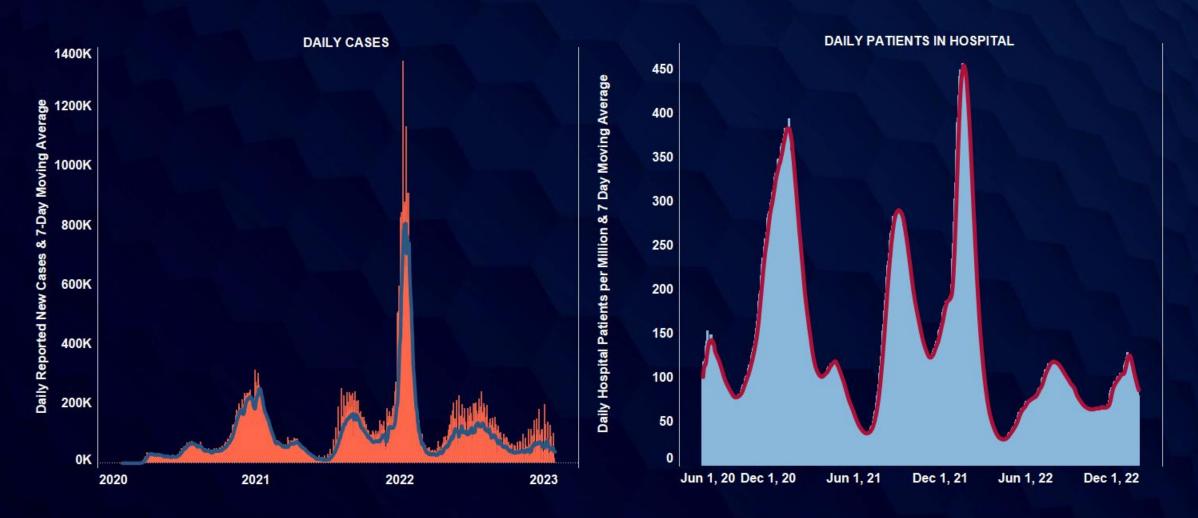
January 31, 2023

# COX AUTOMOTIVE AUTO MARKET REPORT

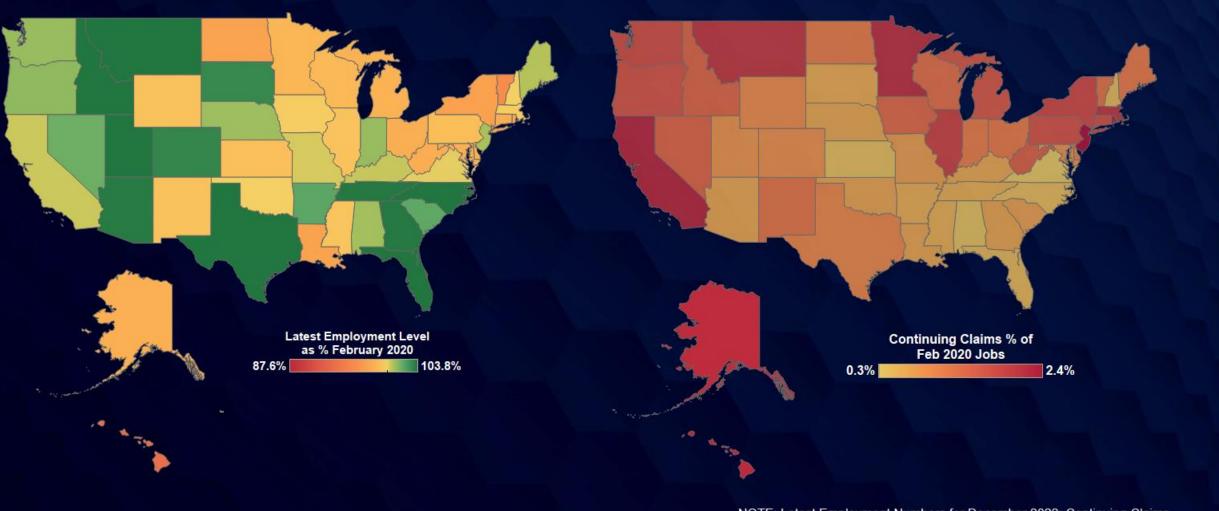
Translating Data and Trends into Actionable Insights

#### Daily Case and Hospitalization Trends



#### COX AUTOMOTIVE

### Continuing Claims at 1.68 Million Nationally



NOTE: Latest Employment Numbers for December 2022; Continuing Claims Unemployment Data for Week Ending January 7

# **Consumer Spending Remains Strong**

Total spending in early January was up 24% y/y with strength in travel and services

Travel Agencies Other Transportation Airlines Recreation Restaurants/Bars All others **Professional Services Discount Stores** Other Services Education Total Utilities Auto Rental Food Stores Vehicles **Gas Stations** Hotel/Motel Wholesale Retailers Health Care **Clothing Stores Department Stores** Electric Appliance Stores Mail Orders Sporting Goods/Toy Stores Interior Furnishing Stores Drug Stores Hardware Stores **Repair Shops** -40% -20% 0% 20% 40% 60% 80% 100% 120% 140%

Y/Y Spending % Change for Week Ending January 7, 2023

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Source: Verisk/Equifax

160%

#### **Consumer Sentiment Declining in January**

The Index of Consumer Sentiment increased 2.6% in November and 4.3% in December but is down 2.2% in January

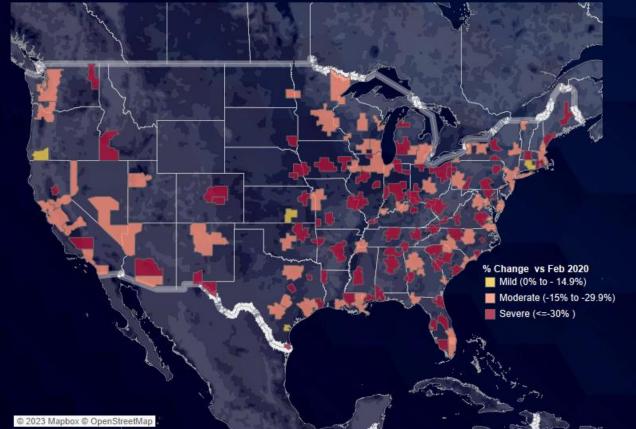


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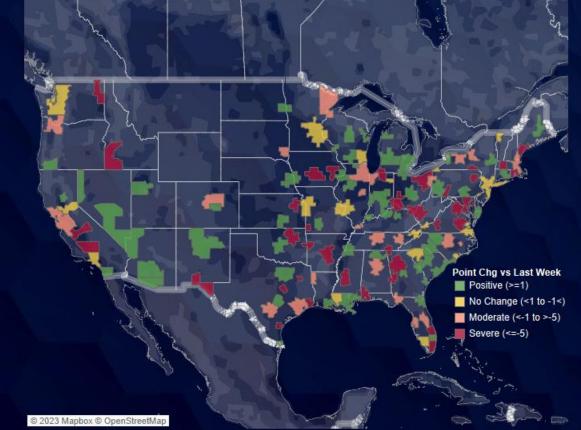
Source: Morning Consult

#### Sentiment Shifts Across Markets

#### Since February 29, 2020



Since January 23, 2023



# **Retail Sales Estimates**

Compared to last year, new sales are down 17%, but used sales are up 3%



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Source: Dealertrack, Cox Automotive



# Auto Loan Rates Keep Moving Higher

Auto loan rates have moved higher so far in January with average new up to 8.41% and average used up to 12.88%

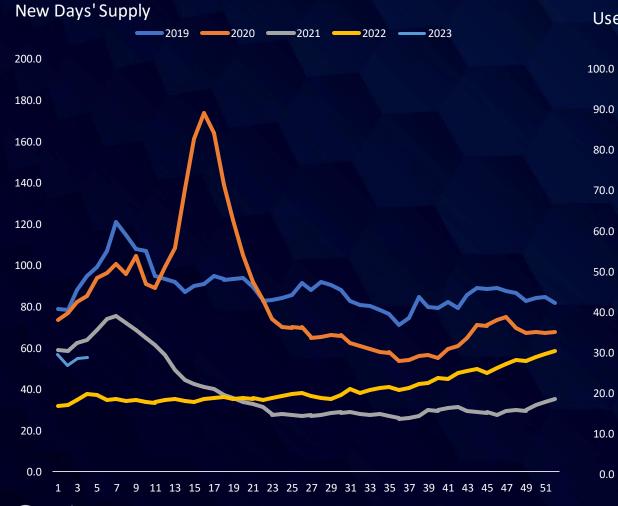
US 10 Year Treasury — New Wtd Ave Used Wtd Ave Fed Funds 14.00 12.00 10.00 8.00 % APR 6.00 4.00 2.00 0.00 Jan-19 Feb-20 May-20 Jun-20 Nov-20 Dec-20 Jun-19 Mar-20 Feb-19 Mar-19 Apr-19 May-19 Jul-19 Aug-19 Sep-19 Oct-19 Nov-19 Dec-19 Jan-20 Apr-20 Jul-20 Aug-20 Sep-20 Oct-20 Jan-21 Feb-21 Mar-21 Apr-21 May-21 Jun-21 Jul-21 Aug-21 Sep-21 Oct-21 Nov-21 Dec-21 Jan-22 Feb-22 Mar-22 Apr-22 May-22 Jun-22 Jul-22 Aug-22 Sep-22 Oct-22 Nov-22 Dec-22 Jan-23

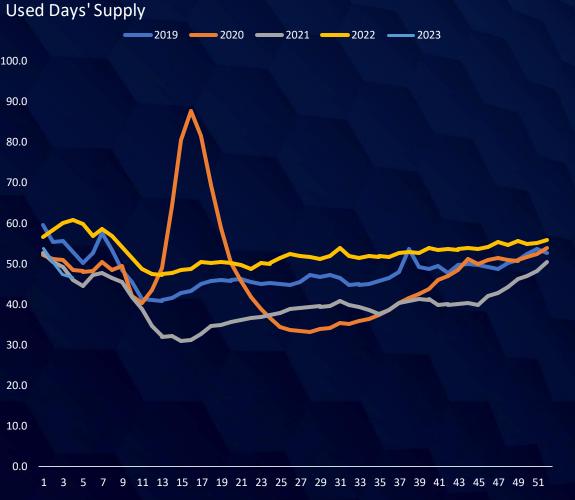
Fed Funds Rate, 10 Year, and Average Auto Loan Rates

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# Supply Tighter to Start 2023

New supply up 18 days y/y but down 3 days from Dec; used supply down 14 days y/y and down 9 days from Dec



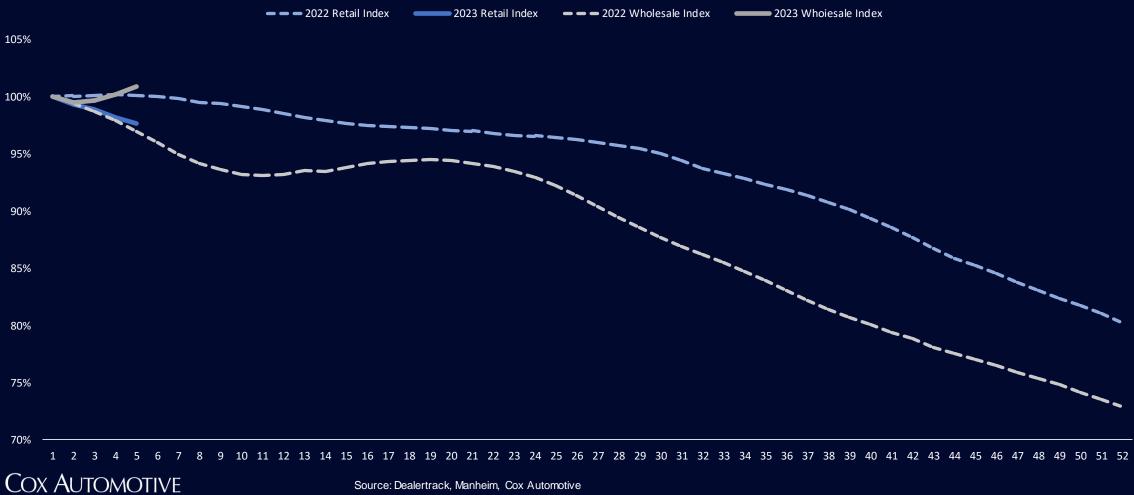


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Source: Dealertrack, Cox Automotive

# Used Prices Moving in Different Directions in January

The average MY 2020 wholesale price increased 0.7% last week while the average retail price declined 0.6%



#### MY 2020 Retail and Wholesale Price Indices

# Cox Automotive Leading Indicators

- Leads are down y/y for January on both Autotrader and Kelley Blue Book, but
  - Traffic and leads are up for the month compared to December on both sites
- Credit applications on Dealertrack were down 6% y/y last week:
  - Unique applications on same-store basis were stable w/w
- Service trends on Xtime relative to last year declined last week:

Completed appointments last week were down 1% y/y

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