June 20, 2023

# COX AUTOMOTIVE AUTO MARKET REPORT

Translating Data and Trends into Actionable Insights

# Consumer Spending Growth Slowing But Still Strong in Travel

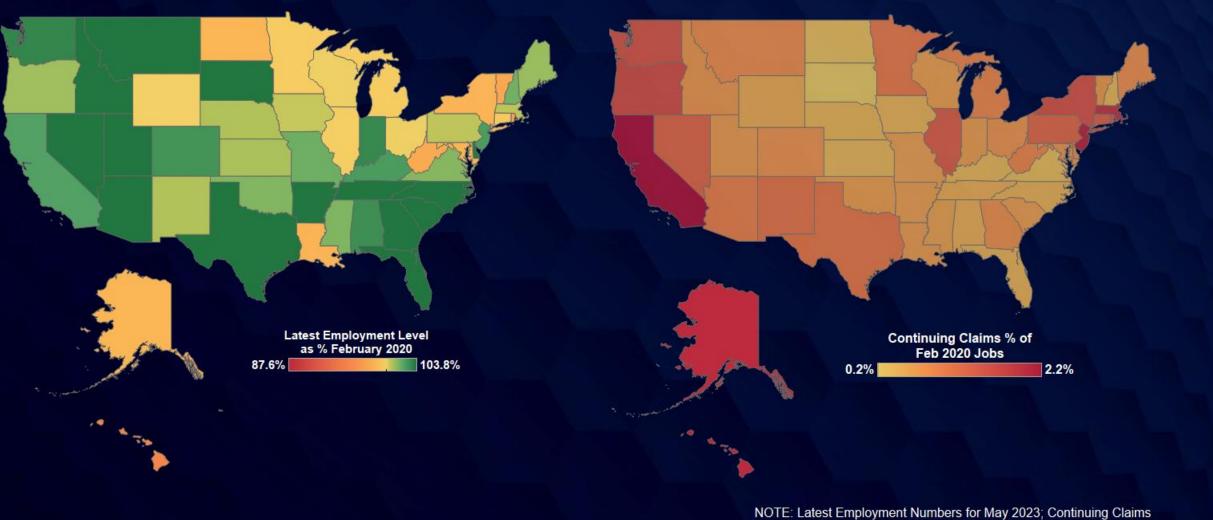
Total spending in late May was up 11% y/y with strength in travel, health care, and services

Source: Verisk/Equifax

Y/Y Spending % Change for Week Ending May 27, 2023

**Travel Agencies** Other Transportation Health Care **Other Services** Restaurants/Bars Recreation Education Wholesale Retailers Hardware Stores **Professional Services Food Stores Electric Appliance Stores** Total Airlines Vehicles Mail Orders Drug Stores **Discount Stores** Utilities Auto Rental **Clothing Stores Department Stores** Interior Furnishing Stores Repair Shops Sporting Goods/Toy Stores Hotel/Motel All others Gas Stations -20% -10% 0% 10% 20% 30% 40% 50% 60% 70% COX AUTOMOTIVE

#### Continuing Claims at 1.78 Million Nationally



COX AUTOMOTIVE Source: Moody's Analytics; U.S. Department of Labor

DTE: Latest Employment Numbers for May 2023; Continuing Claims Unemployment Data for Week Ending May 27

#### **Consumer Sentiment Improving in June**

The Index of Consumer Sentiment declined 1.8% in May but is up 3.2% so far in June

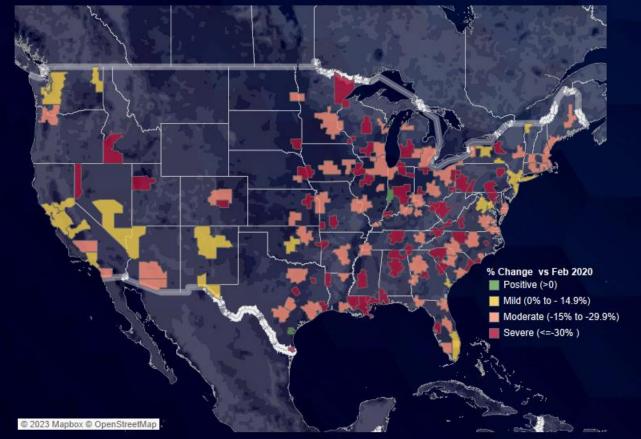


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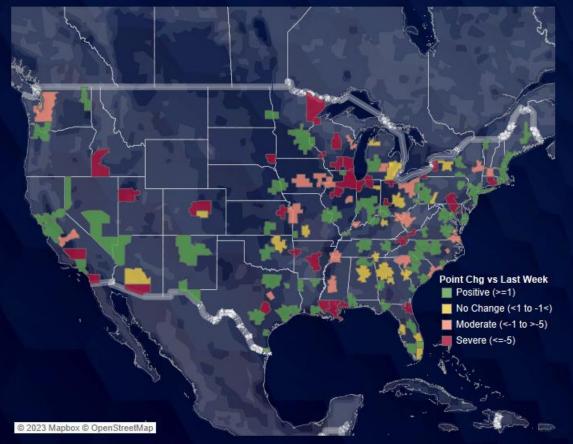
Source: Morning Consult

#### Sentiment Shifts Across Markets

#### Since February 29, 2020

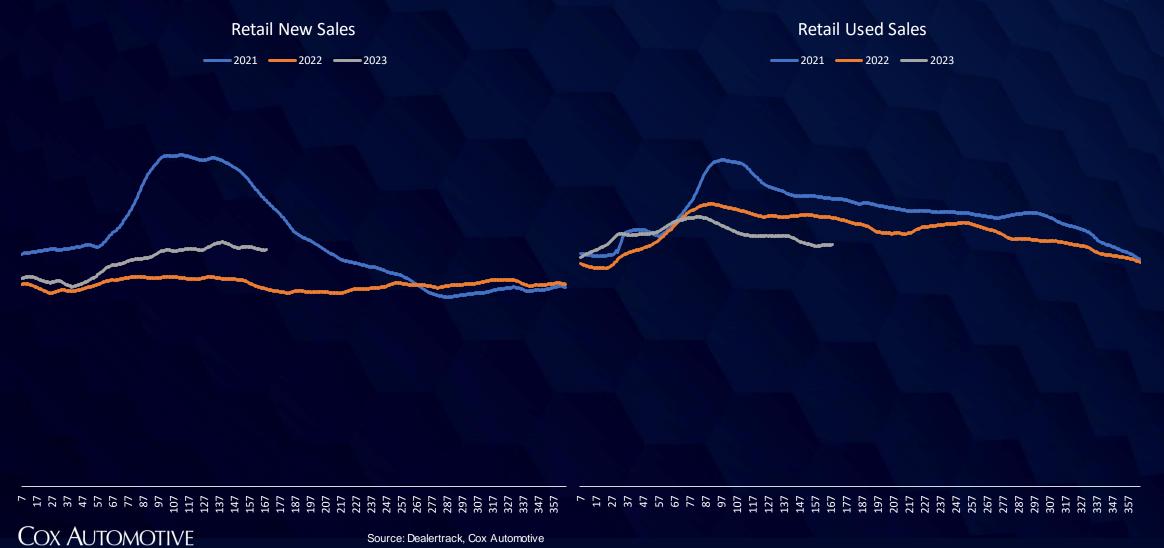




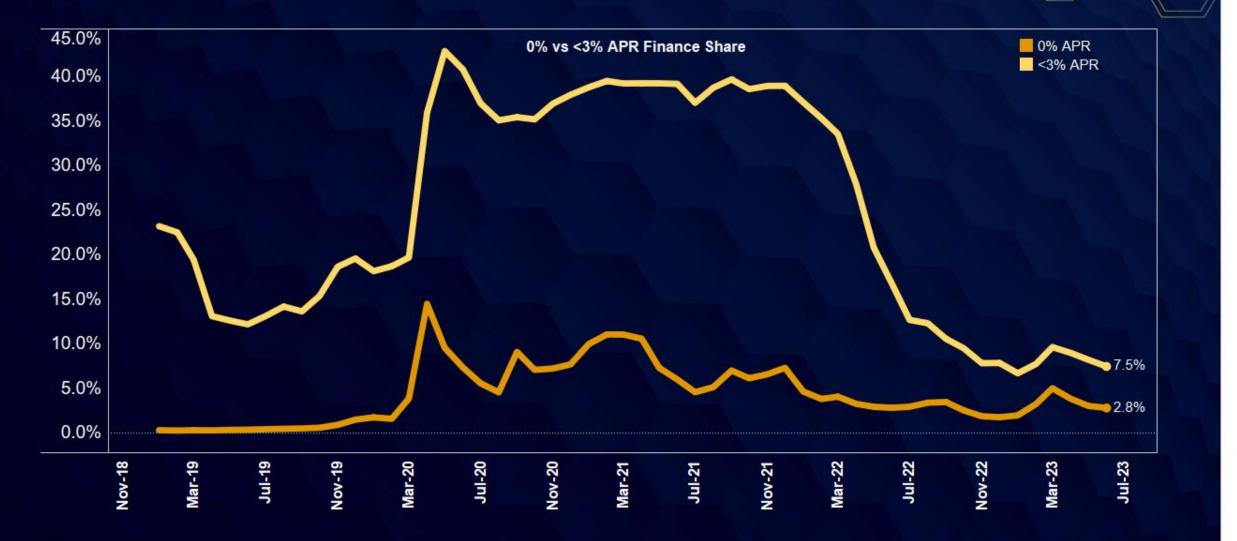


### **Retail Sales Estimates**

Compared to 2022, new sales last week were up 20% but down 1% w/w, and used sales were down 10% and unchanged w/w



# Low APR Financing

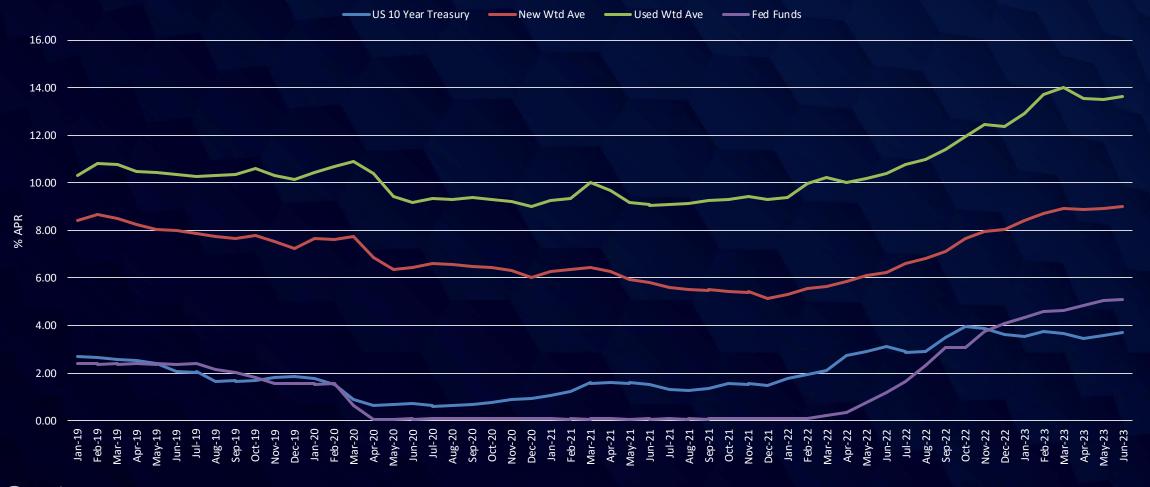


COX AUTOMOTIVE Source: Cox Automotive

### Auto Loan Rates Up Slightly in June

Auto loan rates are up slightly in June with average new up to 8.99% and used up to 13.63%

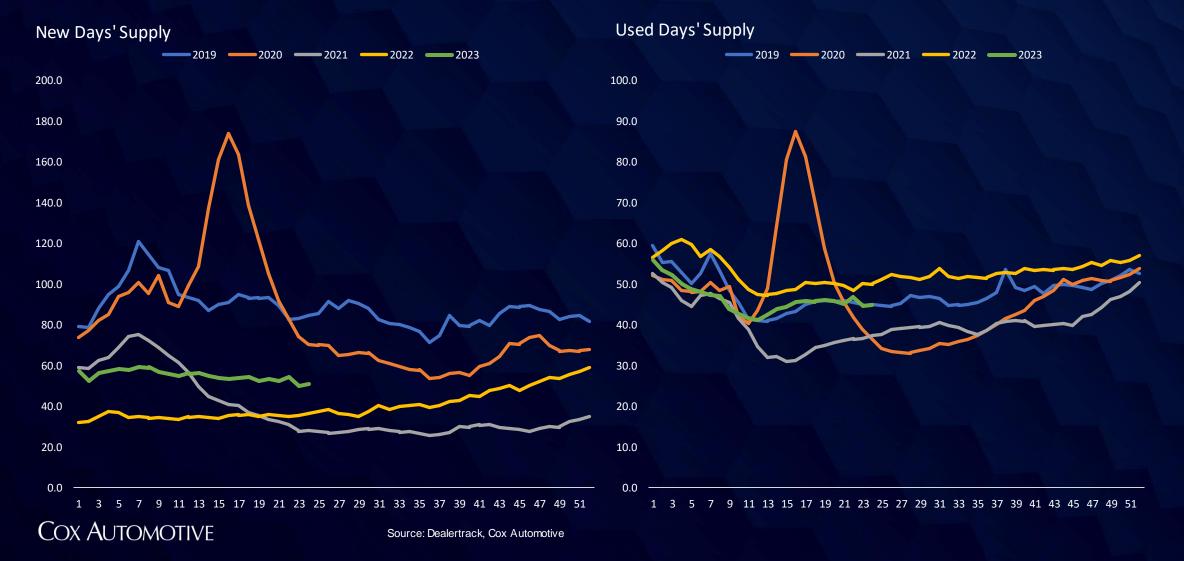
Fed Funds Rate, 10 Year, and Average Auto Loan Rates



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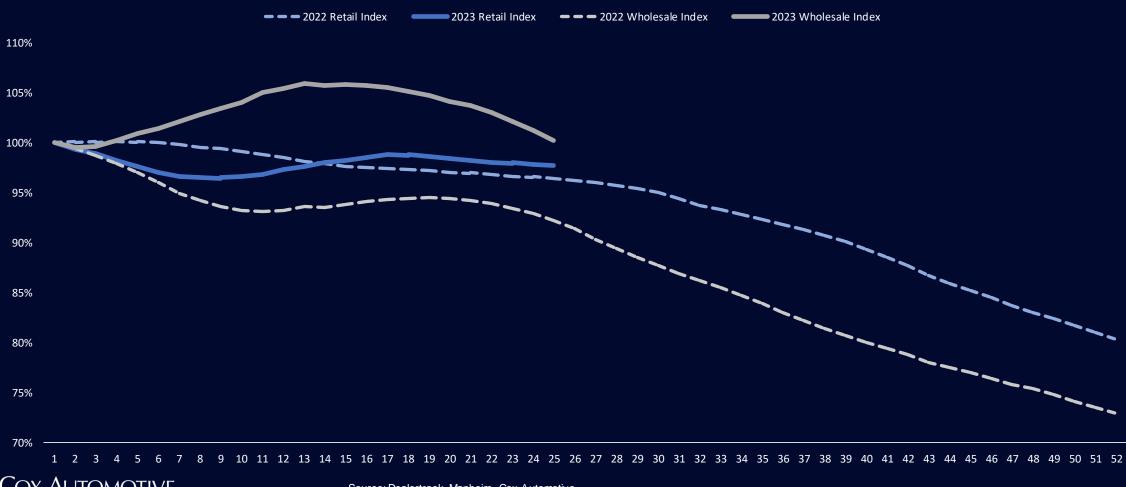
#### Supply Tight But Better Than Last Year for New

New supply is up 14 days y/y but down 3 days from May; used supply is down 5 days y/y and down 2 days from May



# Used Prices Declining Again

The average MY 2020 wholesale price declined 1.0% last week while the average retail price declined 0.1%



MY 2020 Retail and Wholesale Price Indices

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Source: Dealertrack, Manheim, Cox Automotive

#### Cox Automotive Leading Indicators

Leads are down y/y so far in June on both Autotrader and Kelley Blue Book, but Leads are up for the month compared to May on both sites

Credit applications on Dealertrack were down 10% y/y last week Unique applications on same-store basis saw improving trend

Service trends on Xtime relative to last year declined slightly last week:

Completed appointments last week were up 2% y/y

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