



Manheim Market Insights

June Mid-Month

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COX AUTOMOTIVE

Used-Vehicle Metrics Show Mixed Signals

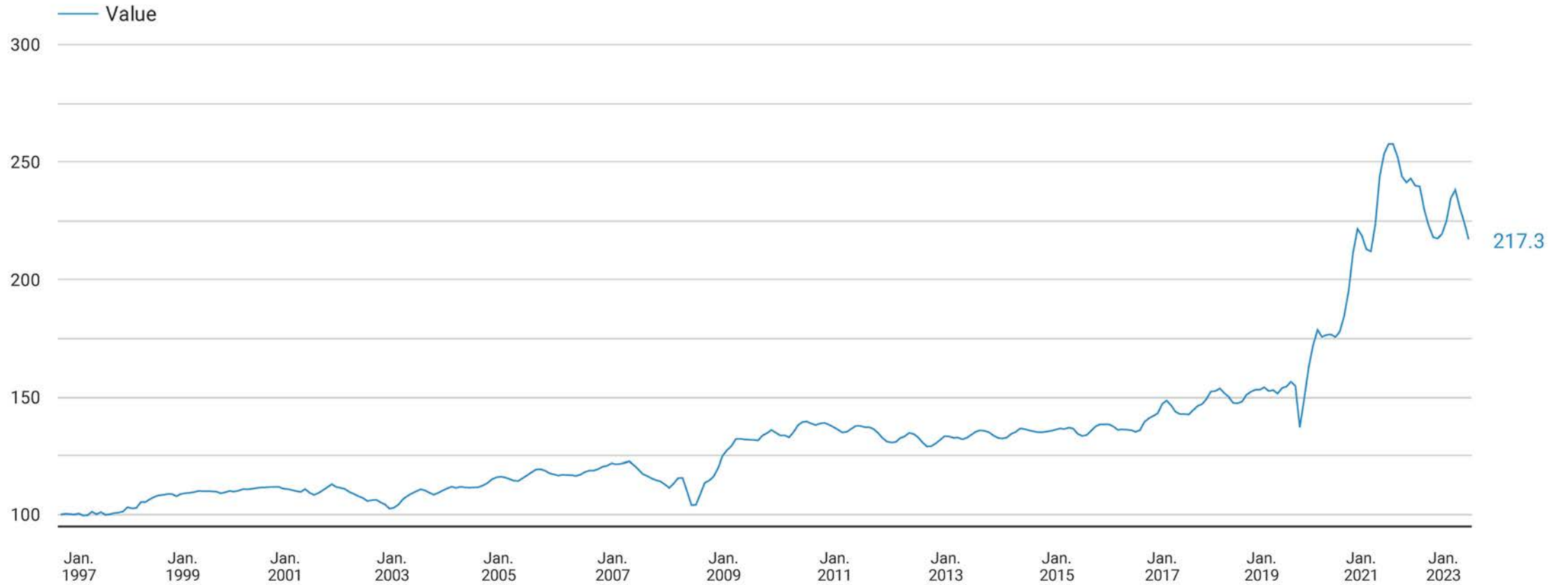


- Wholesale values declined in first half of June, continuing the slide we saw in April and May. While the official CPI report saw used vehicle prices higher in the last two months, Manheim values are moving down.
- Retail sales in the first part of June are a little higher than May yet down vs 22'
- The FED took a pause in June, as expected, but high rates and high inflation continue to place downward pressure on the used vehicle: affordability issues.
- With the debt ceiling negotiations behind us, the economic picture is a bit more clear. Student loan payments will restart in October after being on pause since Covid began – watch for impacts in consumer behavior.

June Mid-Month MUVVI



MANHEIM USED VEHICLE VALUE INDEX *Mid-June 2023*

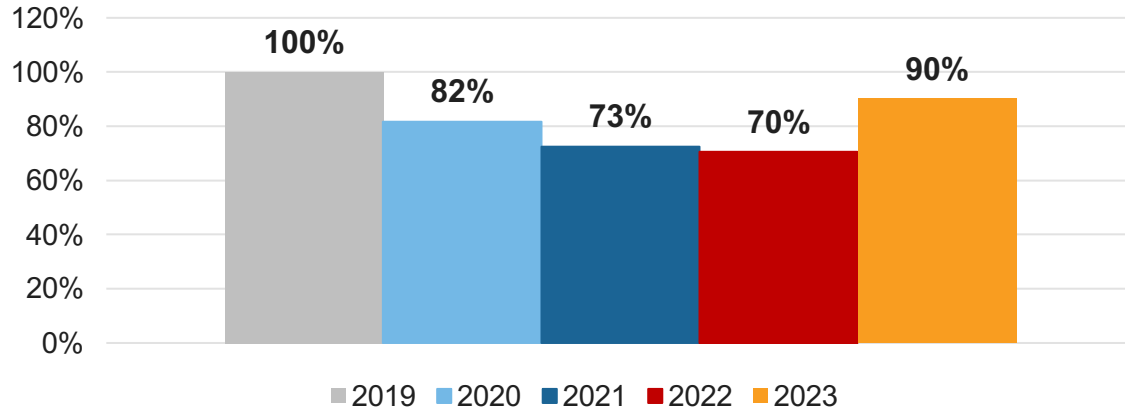


Auction Check-Ins for Commercial Segments



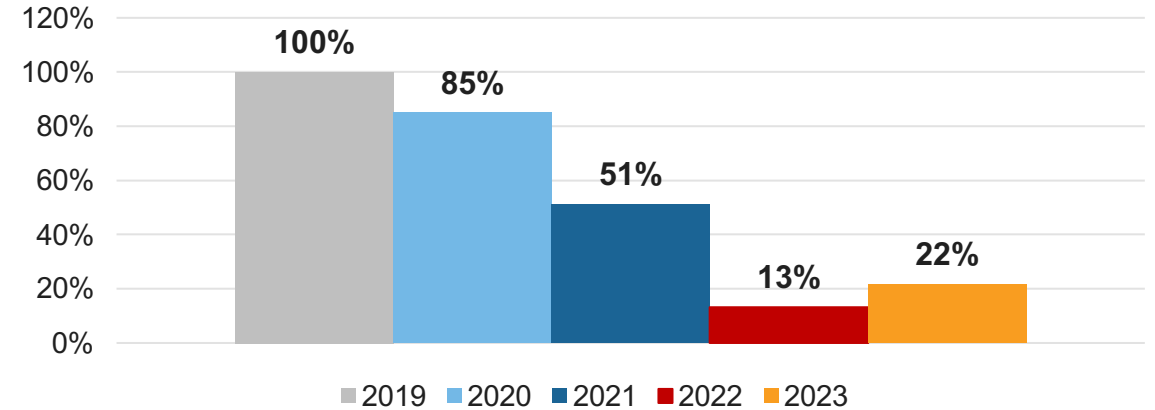
Repo Check-In Index

2019=100



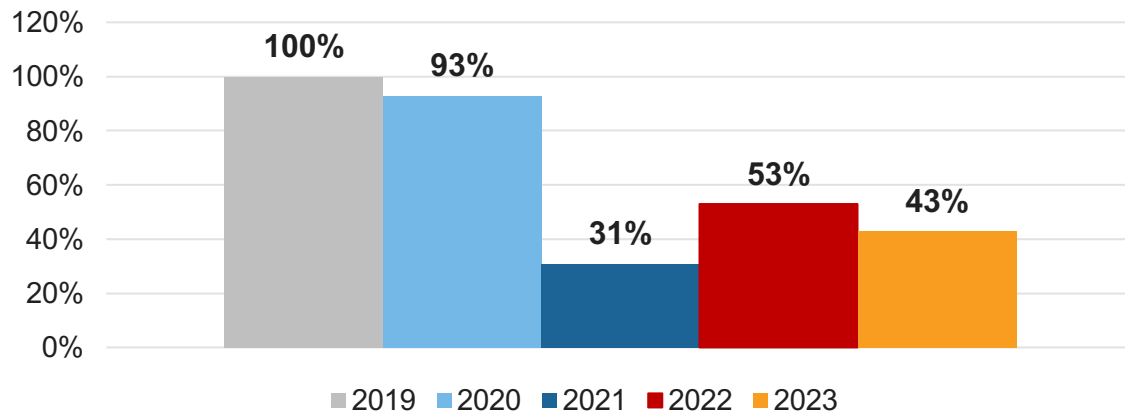
Lease Check-In Index

2019=100



Rental Check-In Index

2019=100



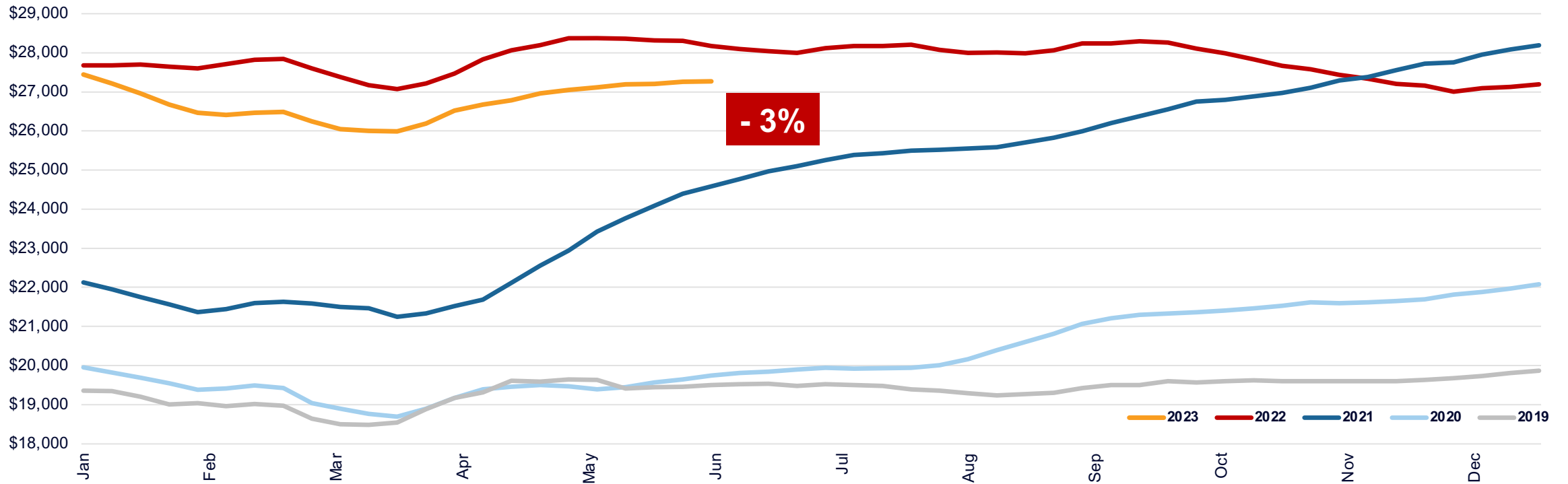
- Repo +28% vs 22' but down (10%) vs 19'
- Lease +64% vs 22' yet down (78%) vs 19'
- Rental down (19%) vs 22' and down (57%) vs 19'

Used Retail Prices



Prices continue to rise slowly yet remain down from last year's levels

Average List Price weekly

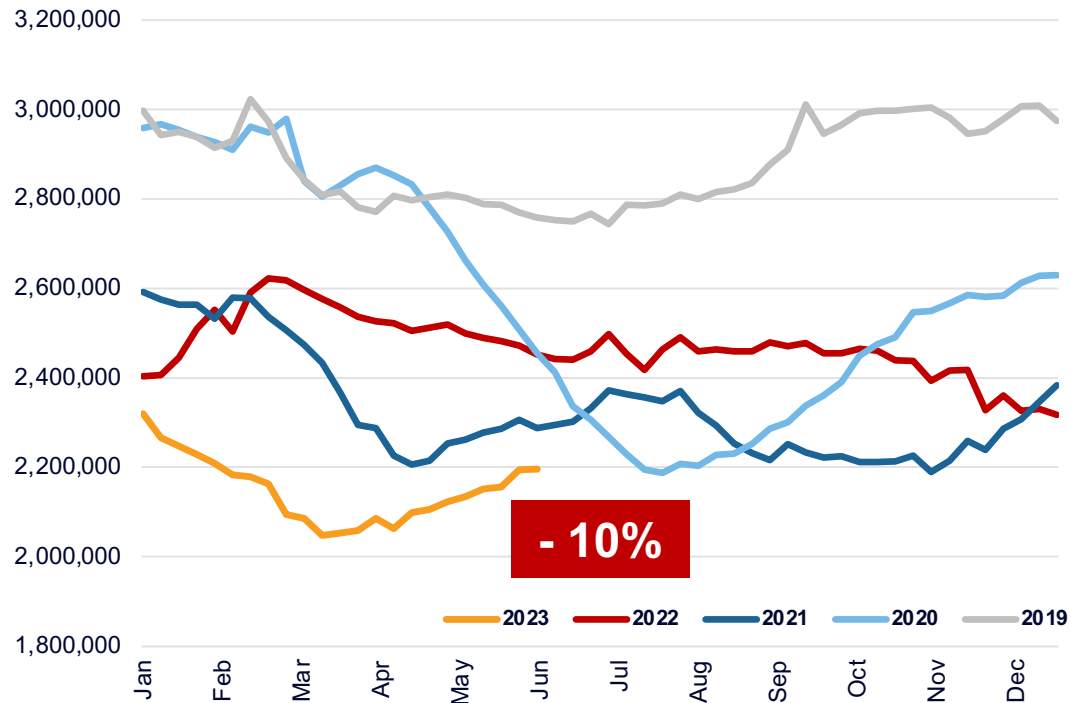


Used Retail Inventory & Days of Supply

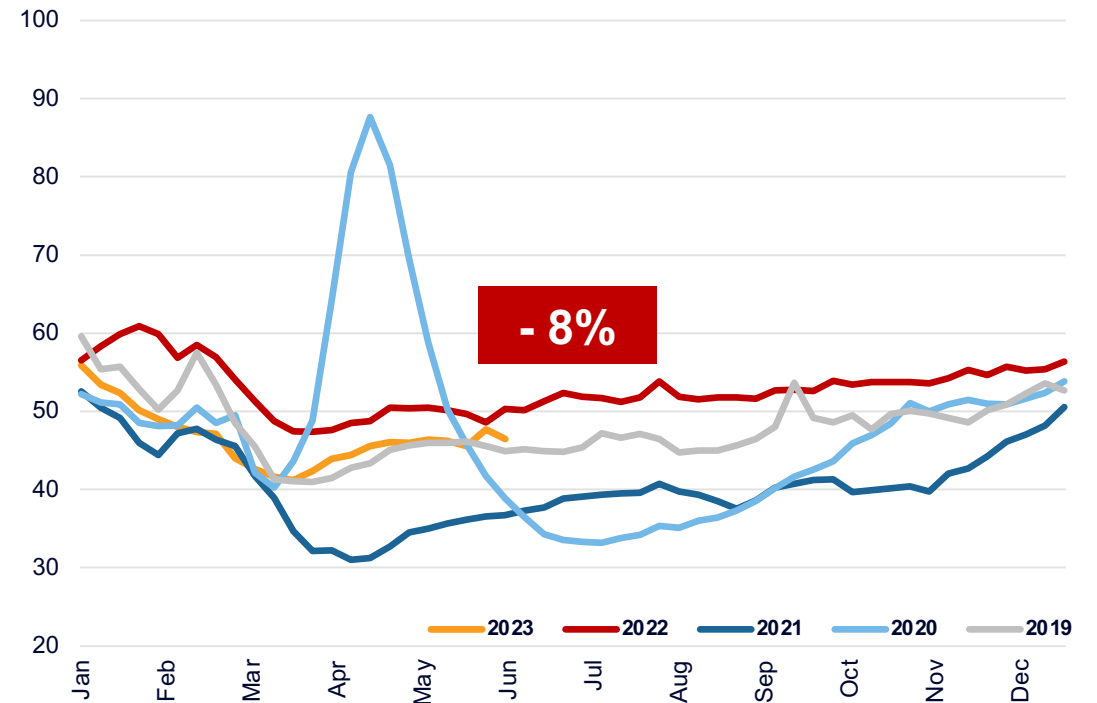


Days of supply down 8% from last year, recovering some over the second quarter

Used Available Supply weekly



Used Days of Supply weekly

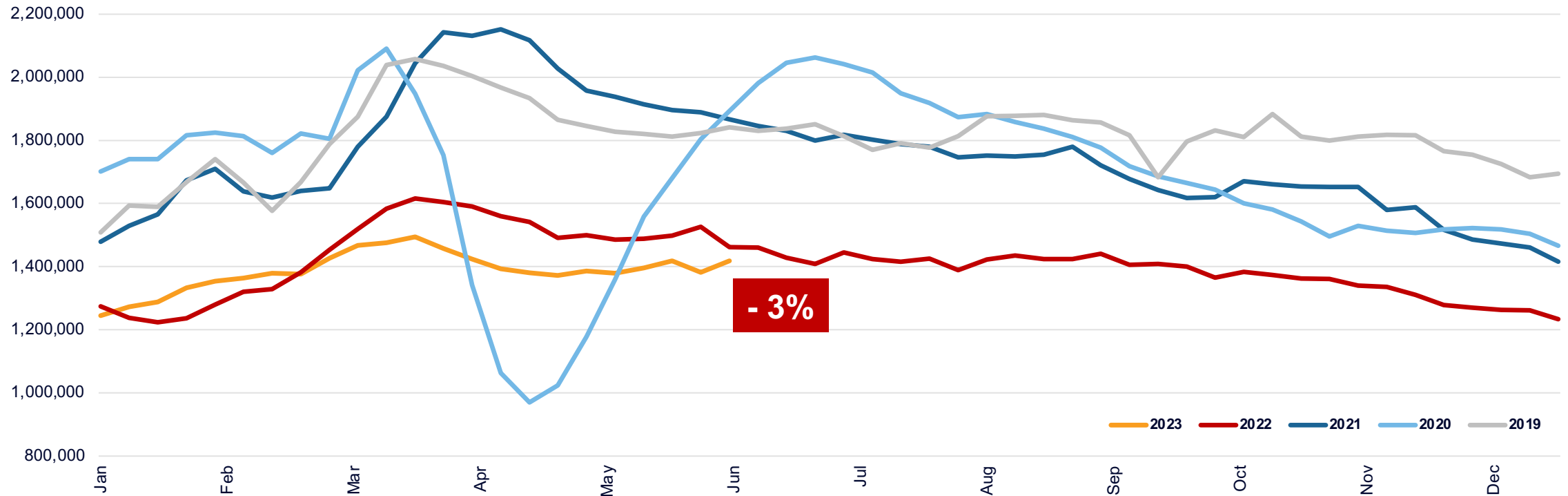


Used Retail Sales



Retail Sales are relatively flat over the last couple of months, yet down 3% vs 22'

Rolling 30 Day Retail Sales weekly



Summary



While the FED may hike rates another time or two this year, we believe we are seeing the light at the end of the tunnel with rate hikes. Perhaps we are close to seeing a plateau – but – that does not mean rates are coming down soon.

Consumers are still feeling the impacts of affordability in a big way. Plus, the debt ceiling deal means student loans will start to be repaid later this year. Watch out for that – as it could cause some secondary impacts to payment streams in the economy.

