September 12, 2023

# COX AUTOMOTIVE AUTO MARKET REPORT

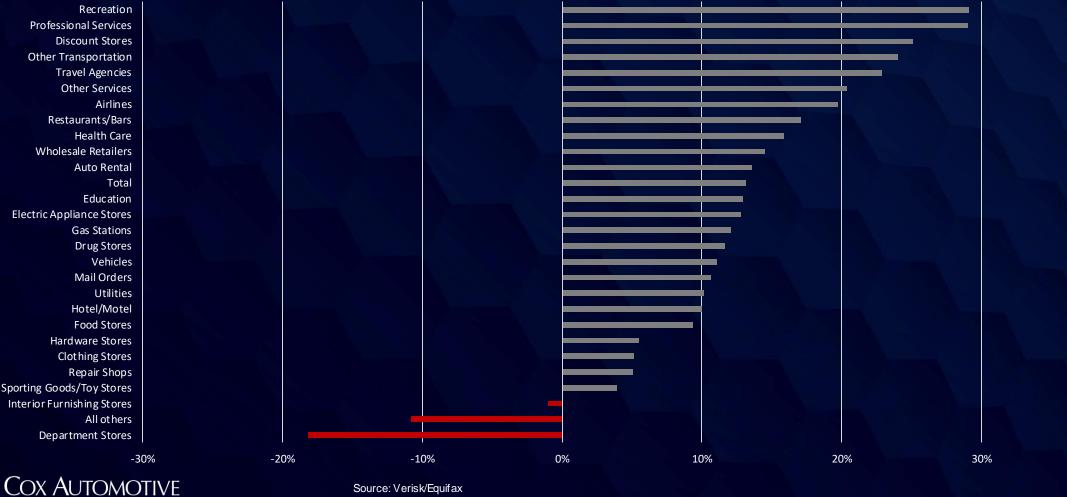
Translating Data and Trends into Actionable Insights

# **Consumer Spending Growth Reaccelerating**

Total spending in mid-August was up 13% y/y with strength in recreation, services, back-to-school, and travel

Y/Y Spending % Change for Week Ending August 26, 2023

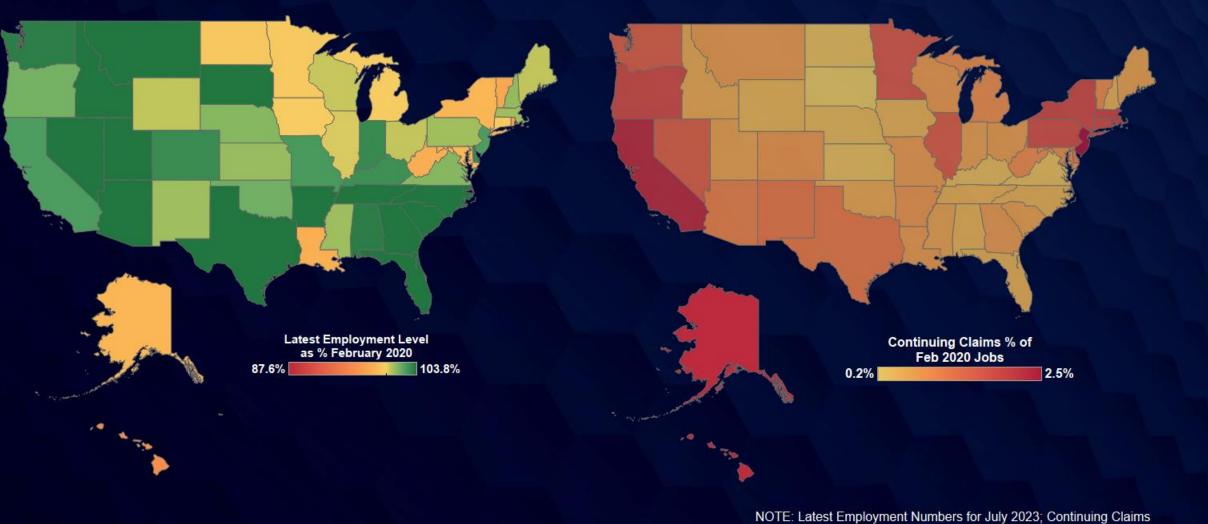
Recreation **Professional Services Discount Stores** Other Transportation **Travel Agencies Other Services** Airlines Restaurants/Bars Health Care Wholesale Retailers Auto Rental Total Education **Electric Appliance Stores Gas Stations** Drug Stores Vehicles Mail Orders Utilities Hotel/Motel **Food Stores**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



Source: Verisk/Equifax

40%

# Continuing Claims at 1.68 Million Nationally



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

Unemployment Numbers for July 2023, Continuing Clain Unemployment Data for Week Ending August 19

#### **Consumer Sentiment Declined in August**

The Index of Consumer Sentiment declined 2.3% in August but is up 0.4% so far in September

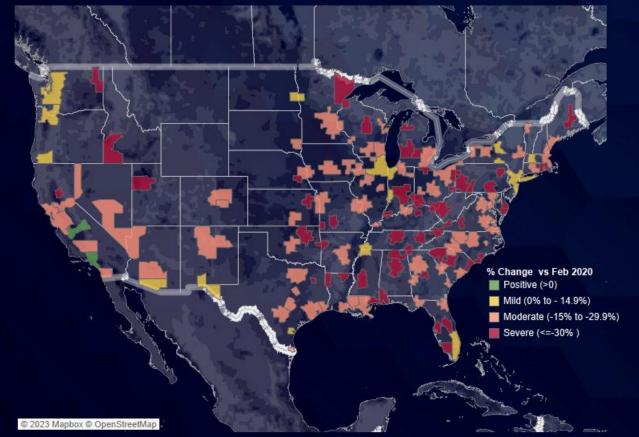


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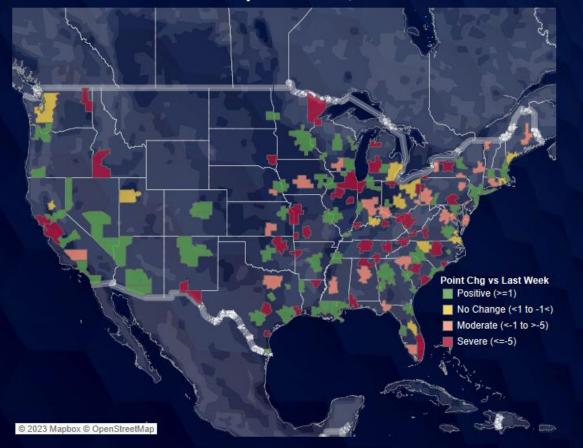
Source: Morning Consult

### Sentiment Shifts Across Markets

#### Since February 29, 2020



#### Since September 04, 2023



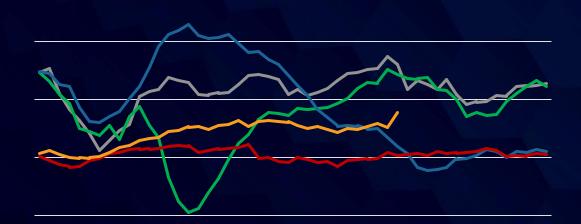
COX AUTOMOTIVE Source: Morning Consult

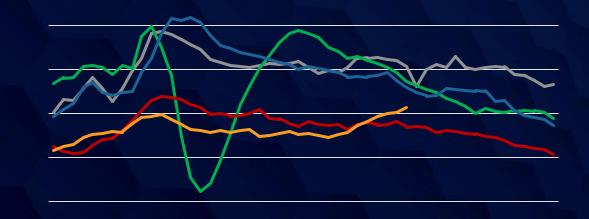
# **Retail Sales Estimates**

New sales increased 7% last week and are +24% y/y while used sales also increased +2% w/w now +9% y/y

#### New Retail Sales

**Used Retail Sales** 



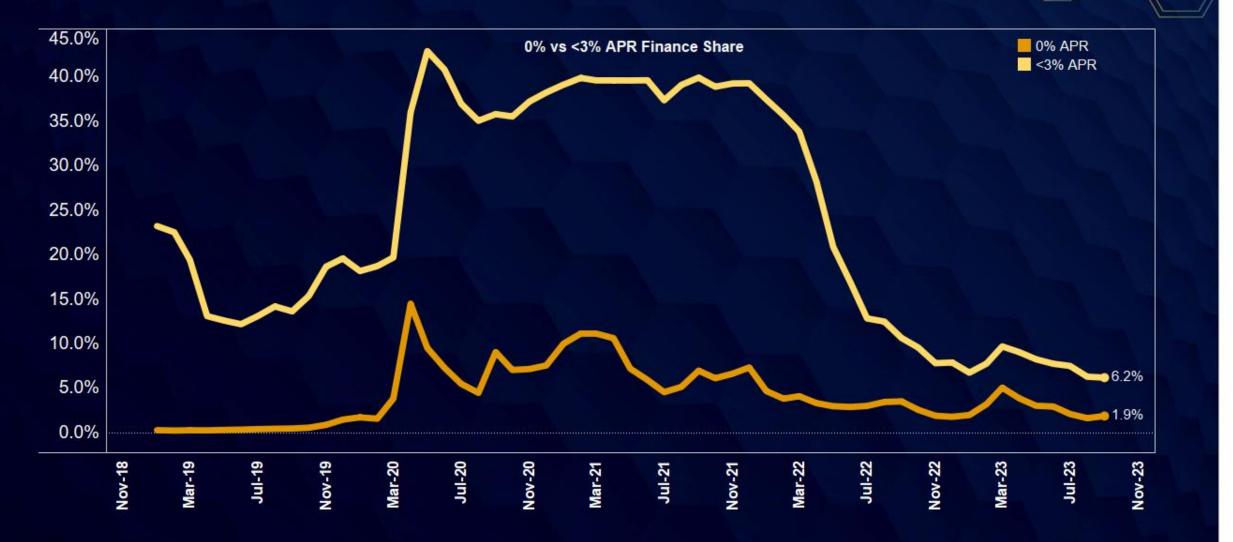






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# Low APR Financing

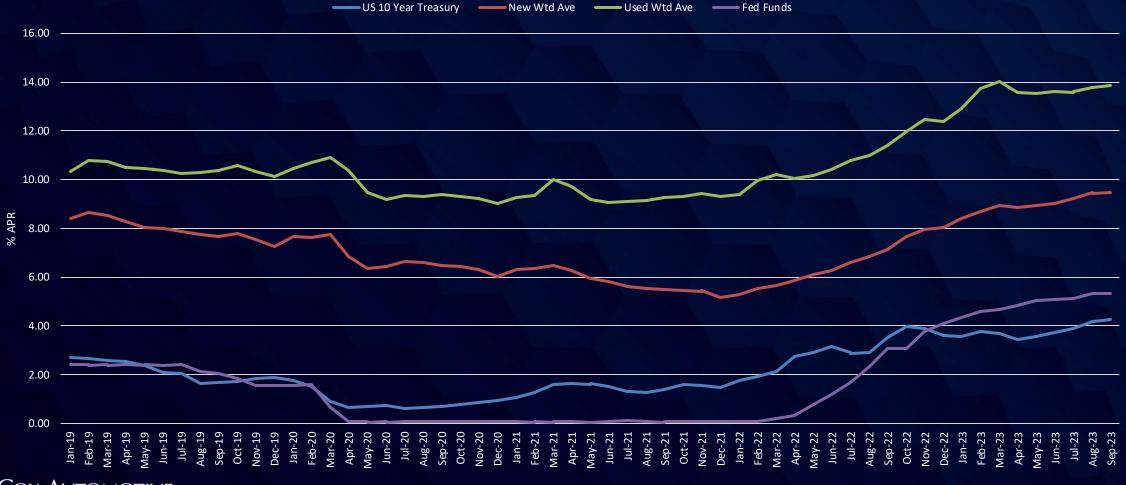


COX AUTOMOTIVE Source: Cox Automotive

# Interest Rates Up in August and Into September

Auto loan rates moved higher in August and now into September with average new up to 9.48% and used at 13.85%

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

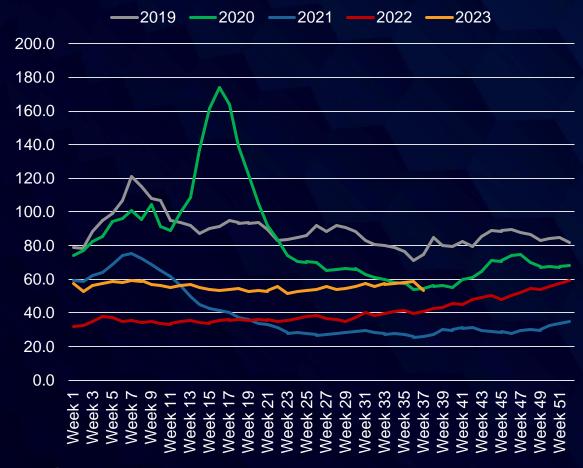


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# Supply Tightening for New and Used to Start September

New supply is up 13 days y/y but down 10% w/w; used supply is now down 10 days y/y and declined 4% last week

#### New Days' Supply



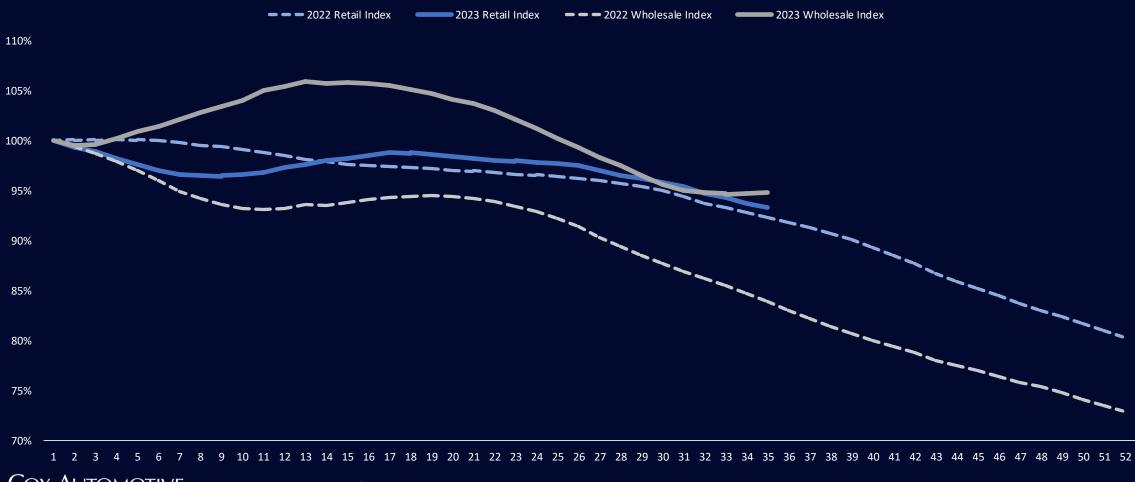
#### Used Days' Supply



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# **Retail Used Prices Continue Declining**

The average MY 2020 wholesale price increased 0.2% last week while the average retail price declined 0.4%



MY 2020 Retail and Wholesale Price Indices

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Source: Dealertrack, Manheim, Cox Automotive

# Cox Automotive Leading Indicators

Leads were down y/y to start September on both Autotrader and Kelley Blue Book, and Leads are down for the month compared to August on both sites

Credit applications on Dealertrack were down 17% y/y last week

Unique applications on same-store basis saw declining trend impacted by the holiday

Service trends on Xtime relative to last year improved last week:

Completed appointments last week were up 1% y/y

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DEALER.COM Dealertrack dealertrack

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