

COX AUTOMOTIVE

Industry Insights and Sales Forecast Call

March 26, 2025



Agenda

Time Check: 60 Minutes

Intro & Cox Automotive

Mark Schirmer, Director, Corporate Communications

The Economy

Jonathan Smoke, Chief Economist

Our Electrified Market

Stephanie Valdez Streaty, Director, Industry Insights

New-Vehicle Market Performance

Charlie Chesbrough, Senior Economist

Used-Vehicle Market Performance

Jeremy Robb, Senior Director, Economic and Industry Insights

2025 Forecasts & Playlist

Jonathan Smoke, Chief Economist and Resident DJ

Q&A

w/ Erin Keating, Executive Analyst; Chris Frey, Senior Analyst; and Mark Strand, Senior Director, Economic and Industry Insights

The Cox Automotive Ecosystem

Our category-leading portfolio delivers the connected solutions, tools and services that dealers, OEMs, lenders, fleet operators and consumers expect.

COX AUTOMOTIVE



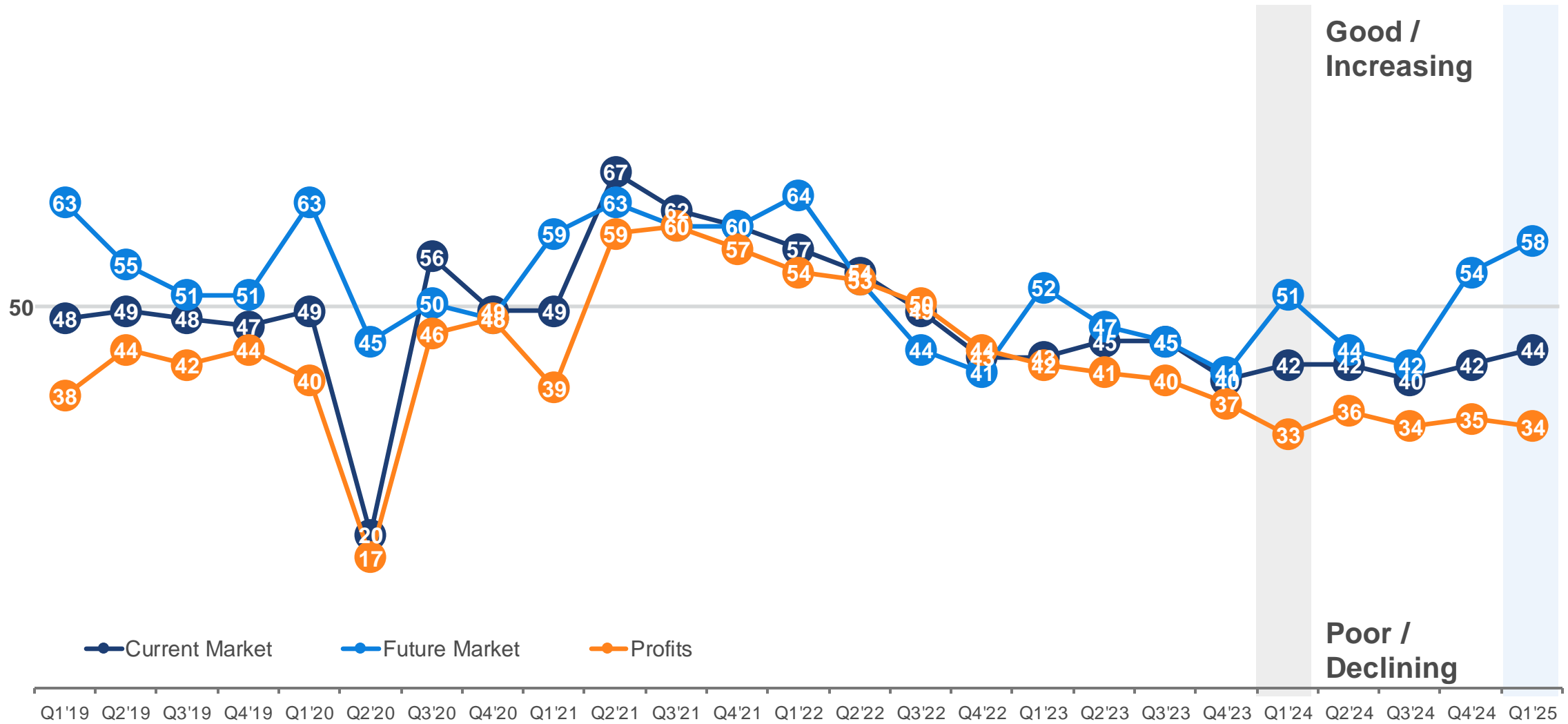
The Economy
JONATHAN SMOKE
Chief Economist



U.S. Automobile Market (All Dealers)

Current Market, Future Market, and Profitability

Dealer Sentiment Index
FIRST QUARTER 2025



Economic and Industry Context: A Time of New Uncertainty

1. Slowing but still growing economy
2. Tariffs lead to disruption, higher prices, and lower production and sales
3. Stock market correction and higher rates dampen demand
4. EV-related policy changes in store but uncertain



The Economy

Overall Economy	Real GDP Growth	1.6% (Q1 '24)	2.3% (Q4 '24)	+1.2% (Q1 '25 F)
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Employment Conditions	U3 Unemployment Rate	3.9% (Feb '24)	4.0% (Jan '24)	4.1% (Feb '24)
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Buyer Ability	Disposable Income Y/Y	6.4% (Jan '24)	4.9% (Dec '24)	4.4% (Jan '25)
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Borrowing Costs	Average New Auto Loan Rate	9.67% (Mar '24)	9.64% (Feb '25)	9.69% (Mar MTD '25)
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Credit Availability	New Loan Credit Index	97.2 (Feb '24)	101.3 (Jan '25)	101.1 (Feb '25)
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Tariffs: April 2 – Impact and Uncertainty

The unthinkable now appears to be the new reality, but for how long?



What's Happening

Steel & Aluminum Imports (March 12)	25%
All China Imports (10%+10%)	20%
All Canada & Mexico Imports (April 2)	25%
Reciprocal Tariffs/All Vehicles (April 2)	25%

Vehicle Price Impact

\$300 - \$500

\$3,000+ US made
Imports much more

Short-Term Implications

- Production delays/disruptions within weeks
- Auto suppliers under financial stress
- Border and customs unprepared
- 30% production disruption within 1 week
- Then, more tariffs on EU, Japan, and South Korea

Long-Term Implications

- Production and deliveries cut
- Supply tightens
- Incentives decline
- New and used prices rise
- Some nameplates eliminated

Electrified Market

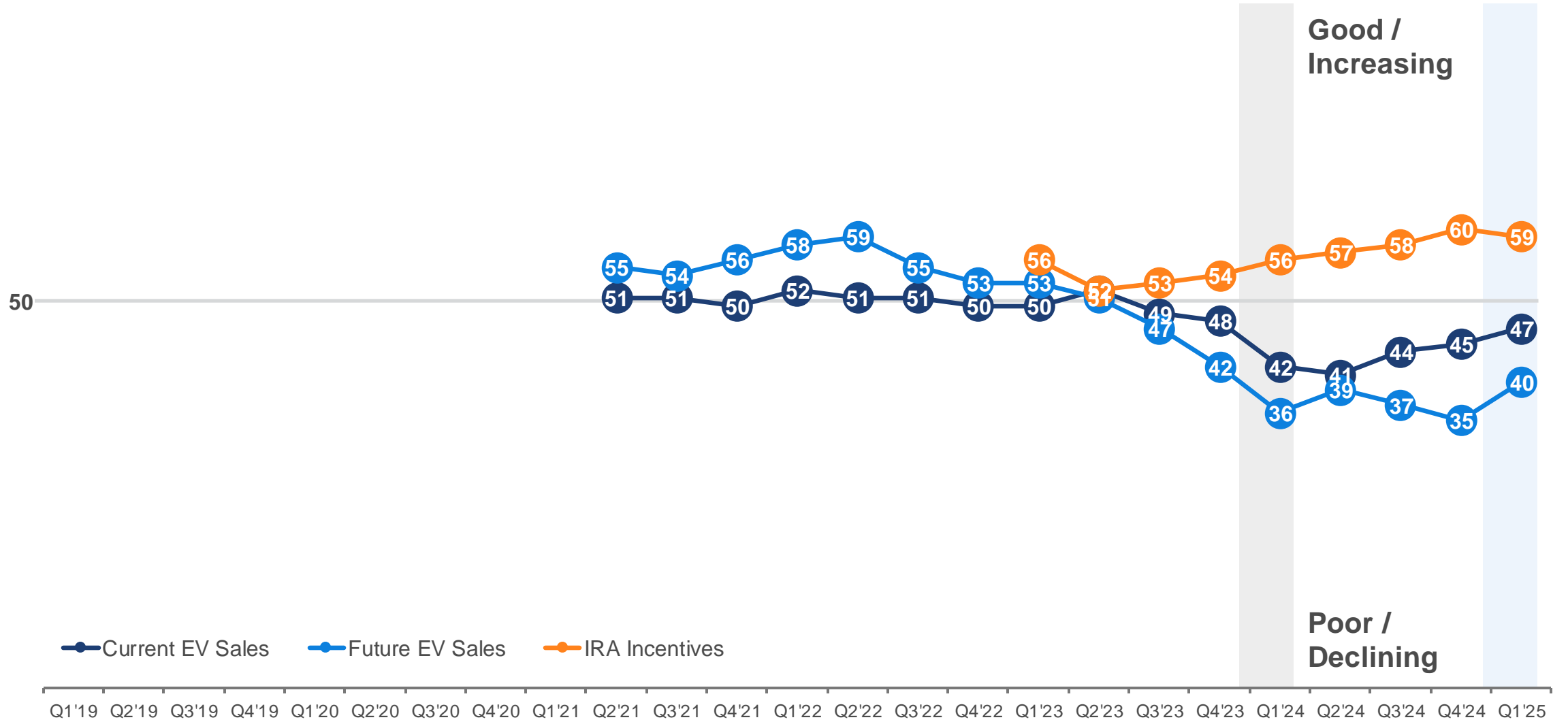
STEPHANIE VALDEZ STREATY

Director of Industry Insights



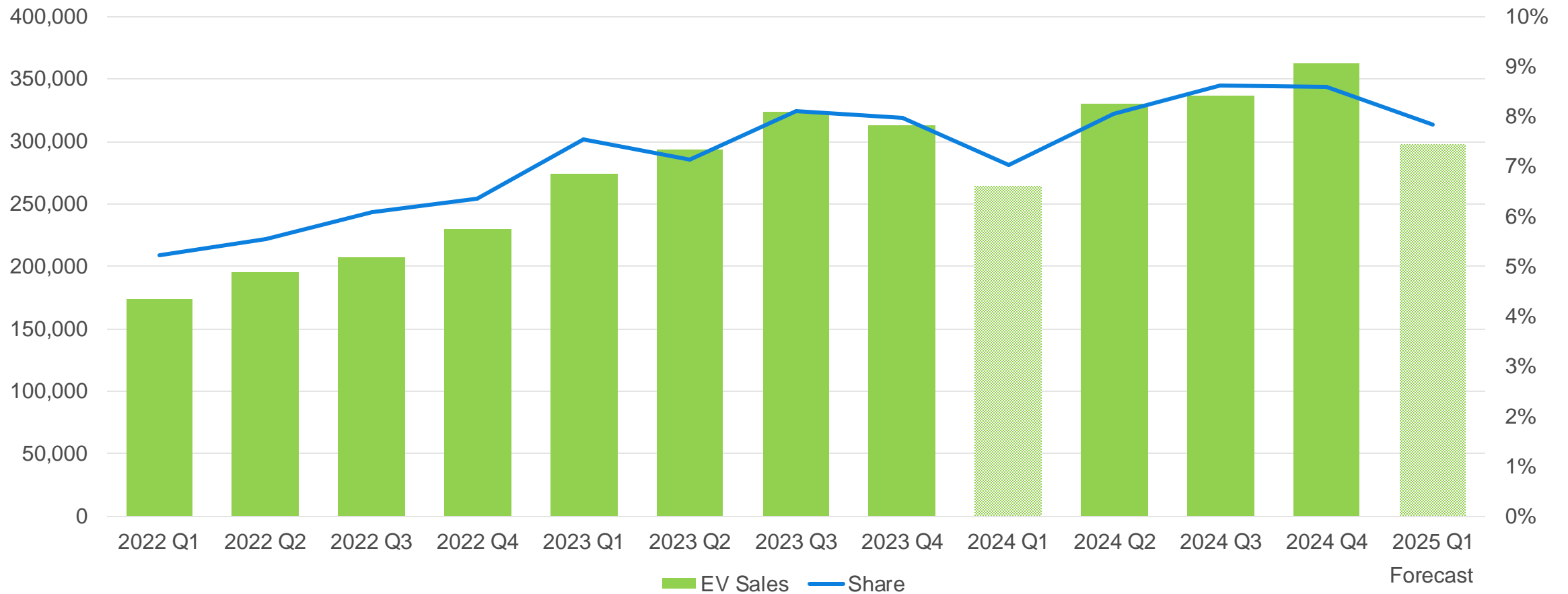
U.S. Automobile Market / Electric Vehicles (All Dealers) Current Market, Future Market, and IRA-backed Incentives

Dealer Sentiment Index FIRST QUARTER 2025



Q1 New EV Sales Estimate | Yearly Growth, Quarterly Dip

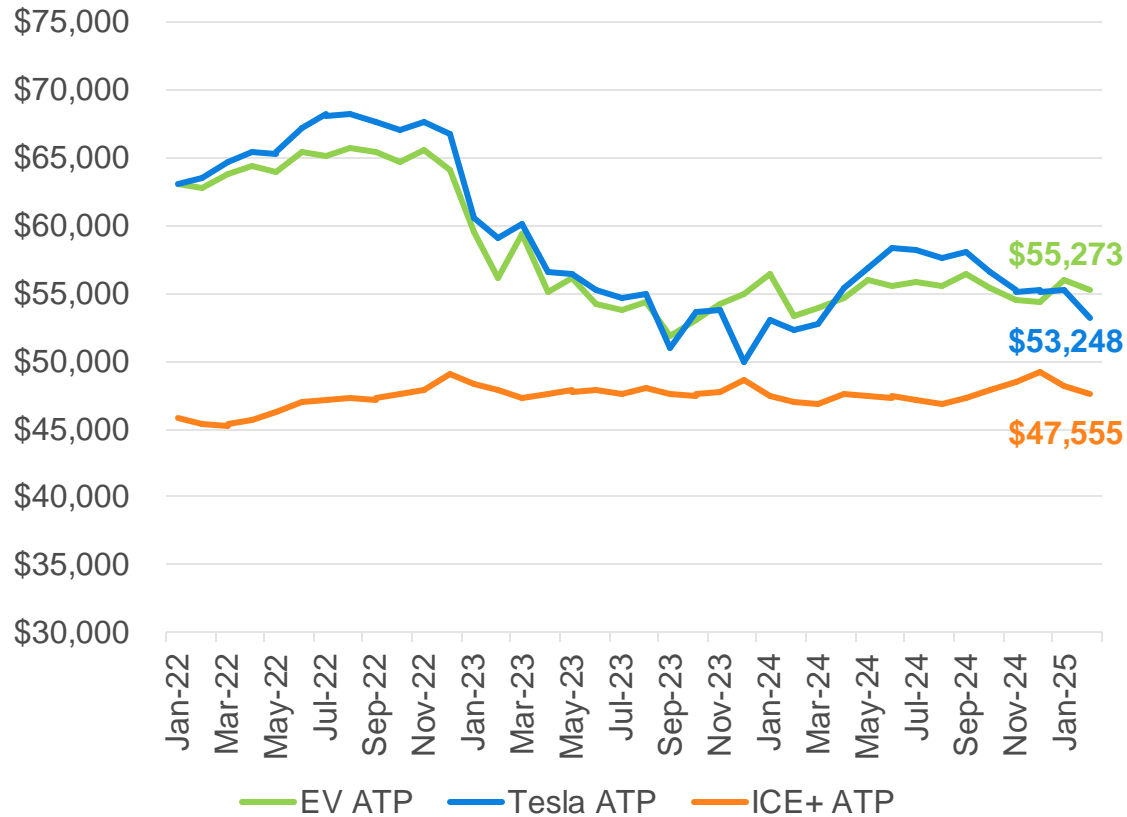
Estimating a 12% increase year-over-year, despite an 18% decline from Q4, which had the highest volume to date.



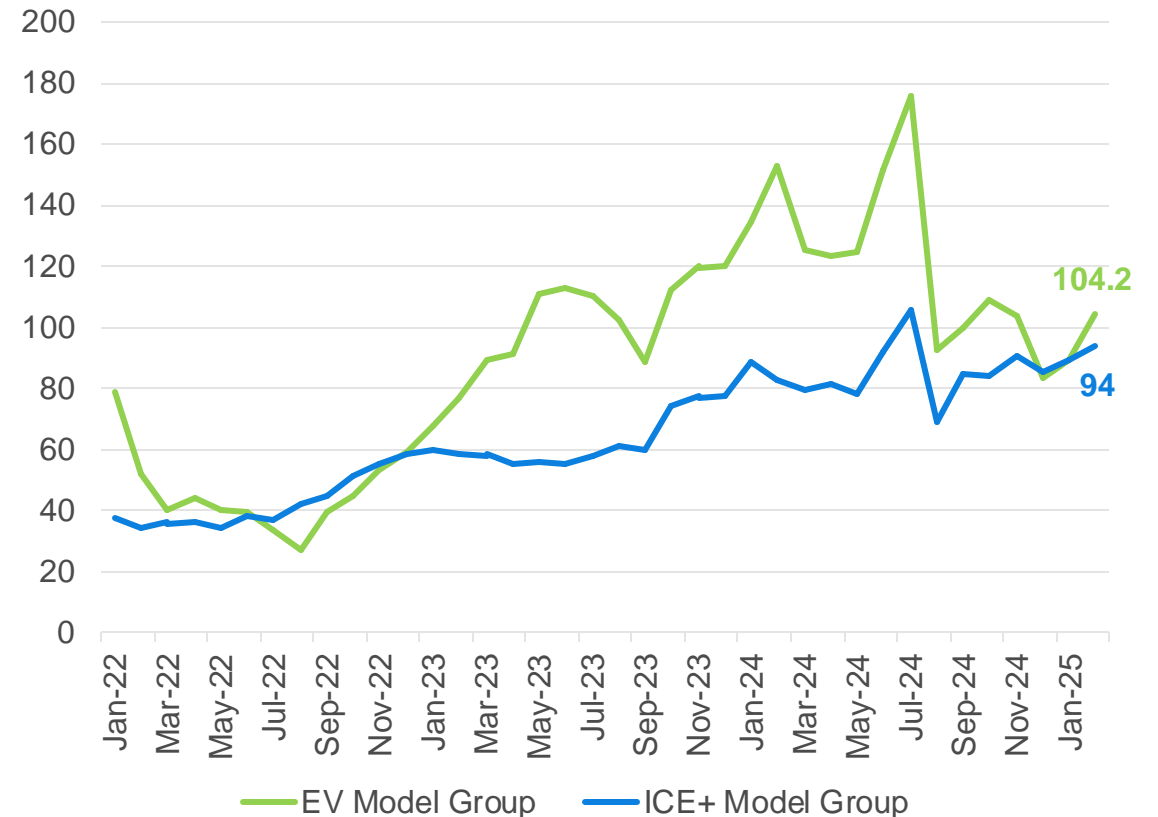
EV Pricing and Inventory | ATP Down Slightly, Days' Supply Rising

EV Average Transaction Prices (ATP) fell 1.2% from January but rose 3.7% year-over-year. Days' supply increased 16.8%, surpassing the days' supply for ICE+ vehicles after being lower last month.

EV ATP vs ICE+ Vehicles

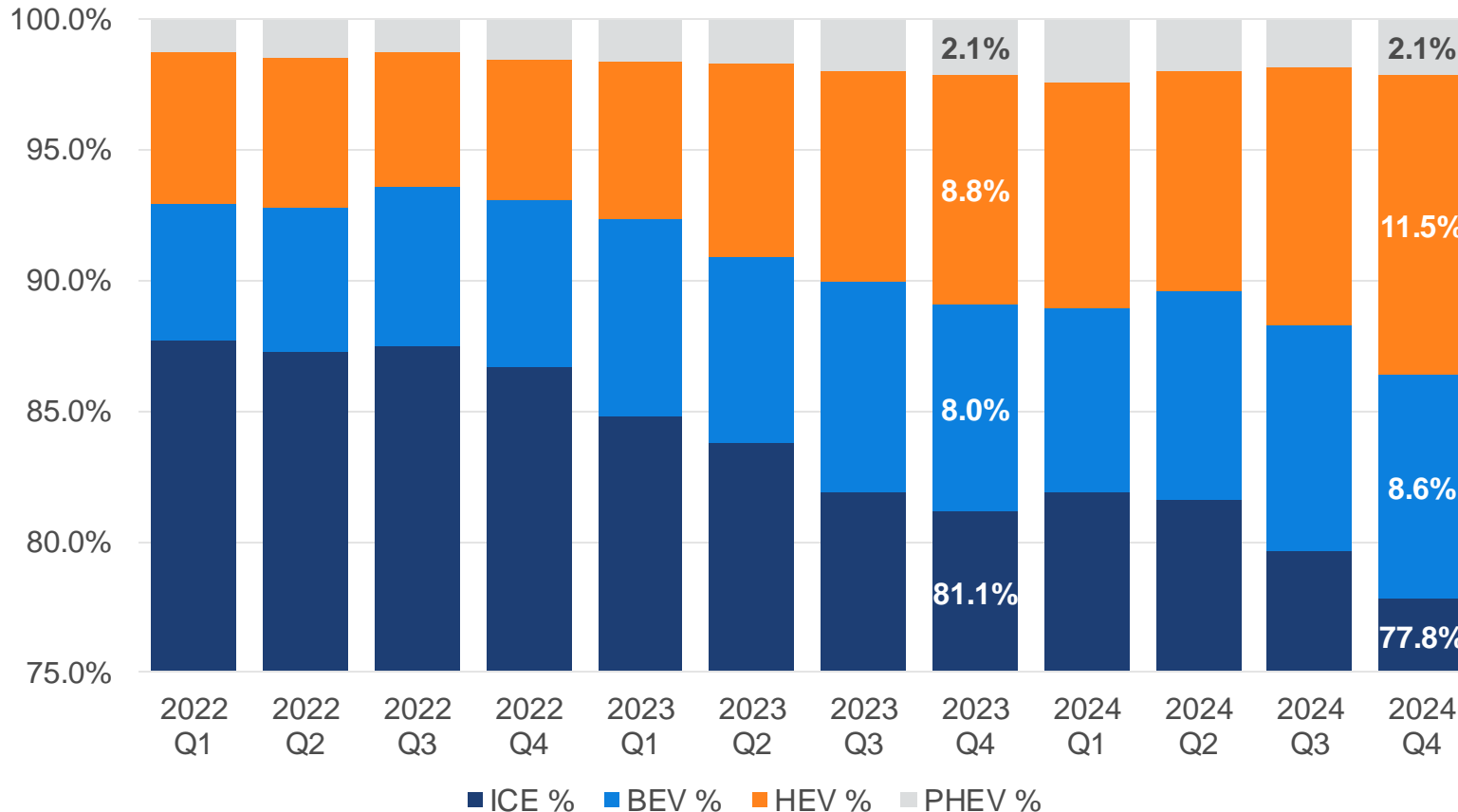


EV vs ICE+ Days' Supply



Alternative Fuel Share | Continues to Lead the Charge

Electrified vehicles reached a record 22% share. HEV sales increased by 40.7% from Q3 2024, raising their share to 11.5% of total vehicles sales.



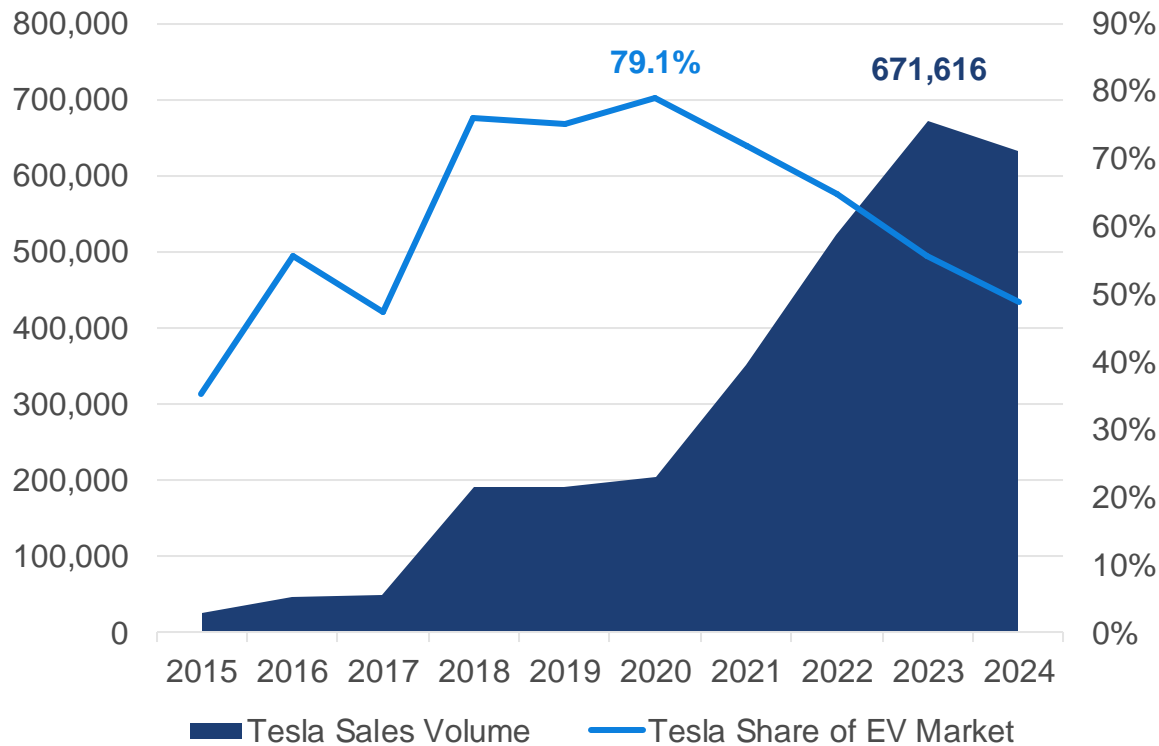
Top 5 2024 Q4 Leaders

HEVs	%	PHEVs	%
Toyota	51%	Jeep	17%
Honda	20%	Volvo	13%
Ford	9%	Toyota	12%
Hyundai	8%	BMW	10%
Lexus	6%	Mercedes	7%

Deep Dive | Tesla's Decline Began in 2023

While Tesla still dominates sales, volume peaked in 2023 and market share has declined since 2020. Brand consideration peaked in 2021 and has continued to decline.

Tesla Volume and Share of EV Market



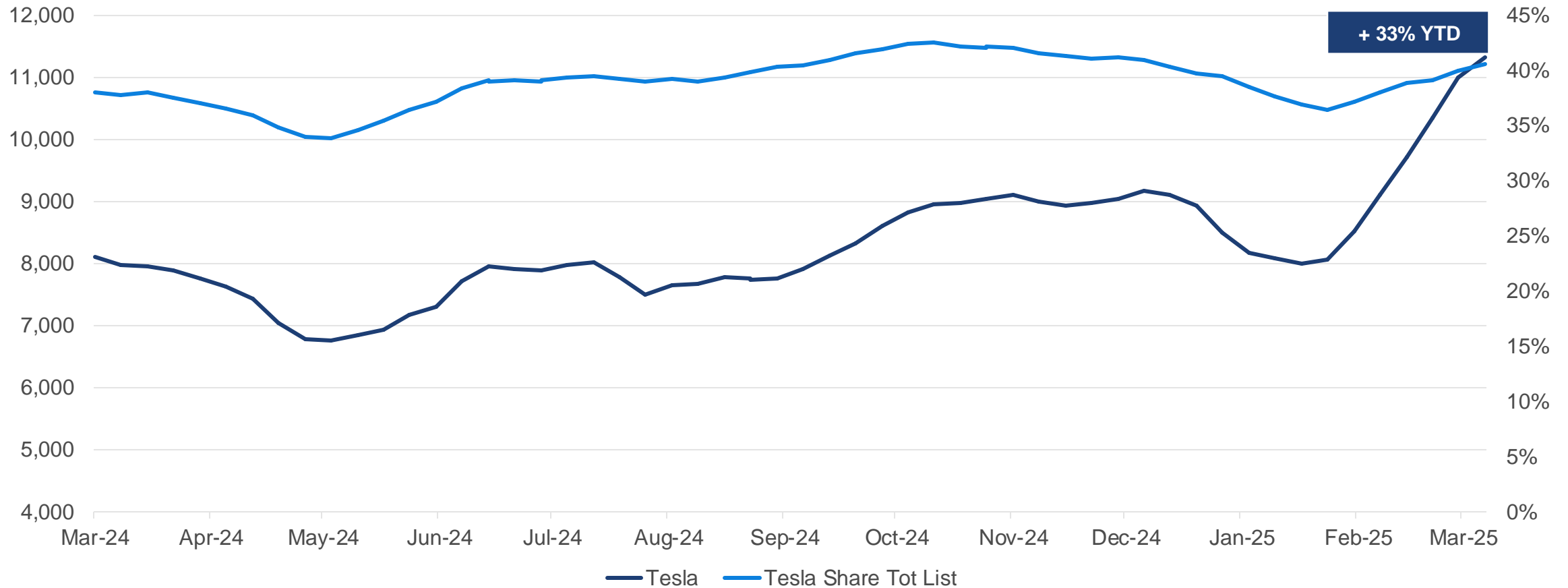
Yearly Brand Consideration

2021	2023	2024	% Change YoY
19%	18%	22%	19%
20%	21%	21%	-3%
13%	16%	16%	-1%
17%	14%	14%	-2%
16%	14%	14%	-1%
11%	12%	13%	5%
9%	12%	12%	-1%
16%	10%	9%	-7%
7%	8%	8%	3%
0%	7%	7%	5%
5%	6%	6%	6%
6%	6%	6%	-1%
8%	6%	6%	-4%
7%	5%	6%	7%

Deep Dive | Tesla Used Listings Trending Up

Tesla listings have increased by 33% year-to-date, while listings for all other used EV have increased by 27%.

Tesla Used Listings / Weekly Average Volume Autotrader



New-Vehicle Market

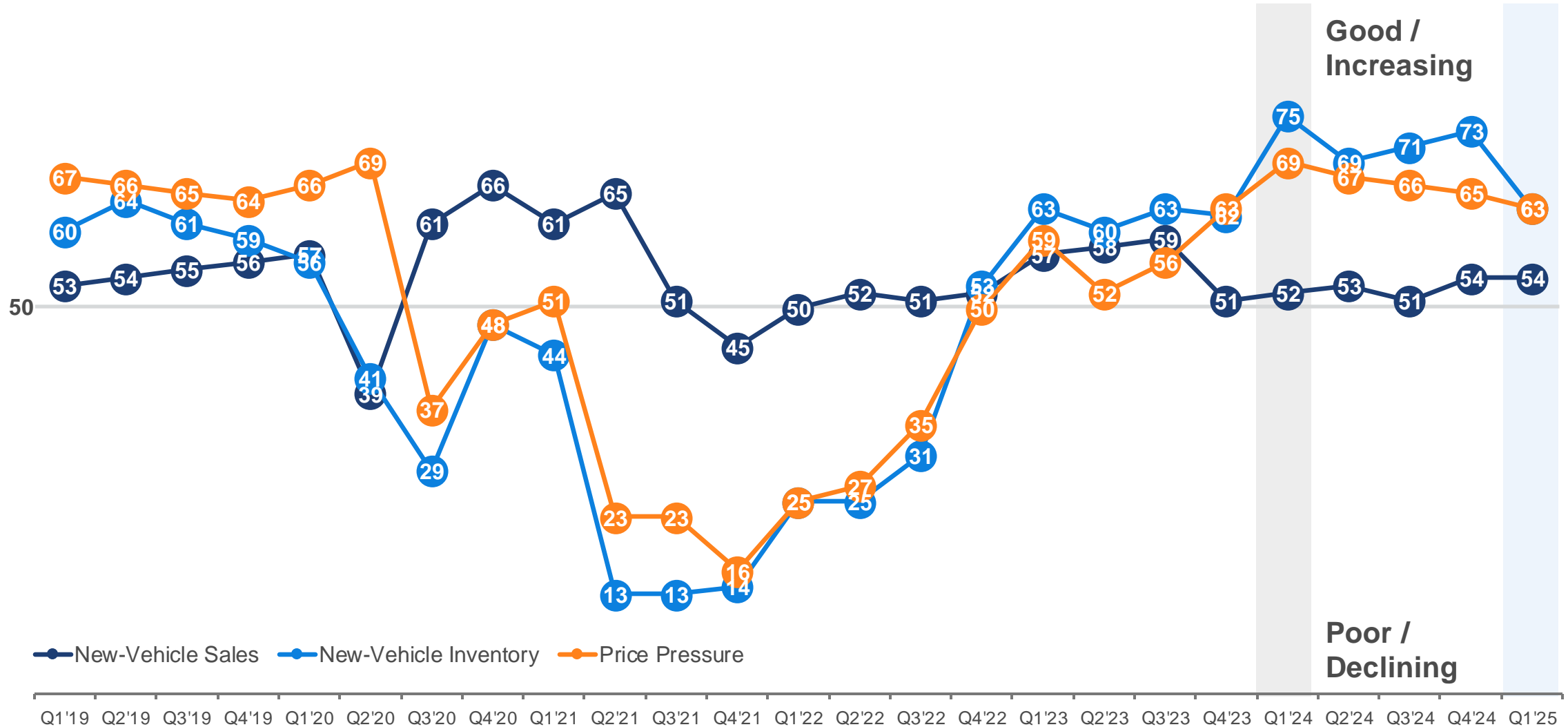
CHARLIE CHESBROUGH

Senior Economist



U.S. Automobile Market (Franchised Dealers) New-Vehicle Sales, Inventory, and Price Pressure

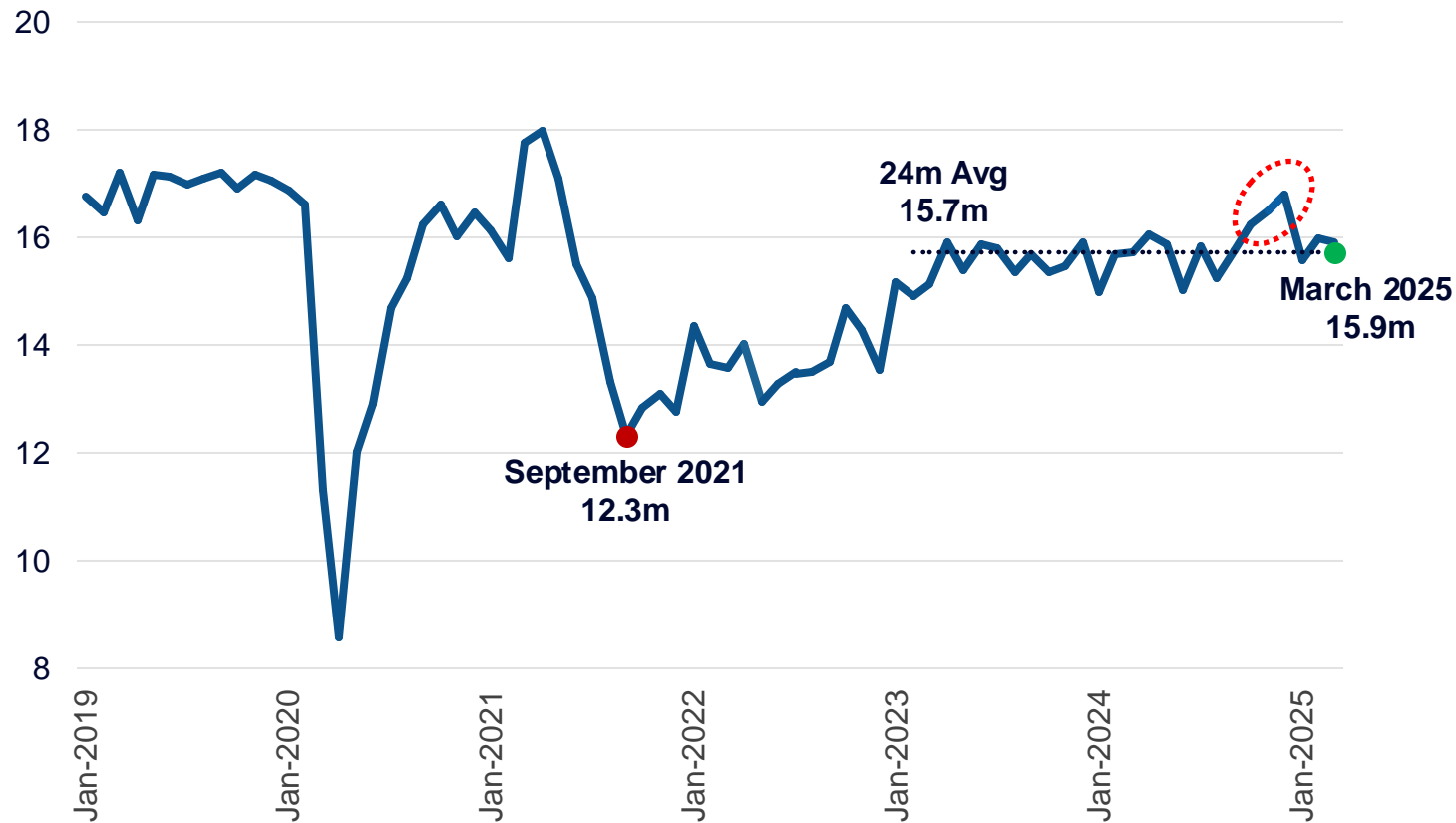
Dealer Sentiment Index FIRST QUARTER 2025



New-Vehicle Sales | March Pace Up But Trump Bump Likely Over

Outlook: Market trend near 16.3 million but tariffs, uncertainty could reduce sales with higher prices, disruptions

Monthly Light Vehicle Sales SAAR (millions)



	Sales (millions)	SAAR (millions)	Selling Days
Q1 2024	3.7	15.5	77
Q4 2024	4.2	16.5	78
Q1 2025	3.7	15.8	75
Y/Y change	0.4%	2.2%	-2
Q/Q change	-10.8%	-4.5%	-3

Total Sales
CY2023: 15.5 million
CY2024: 15.9 million
F2025 Range: 15.6 - 16.3

Baseline: 15.6

Recession, on-going trade war, production disruptions, higher prices, all constrain sales

OEM Performance | GM Wins Q1 Sales, Nissan Gains Most Share

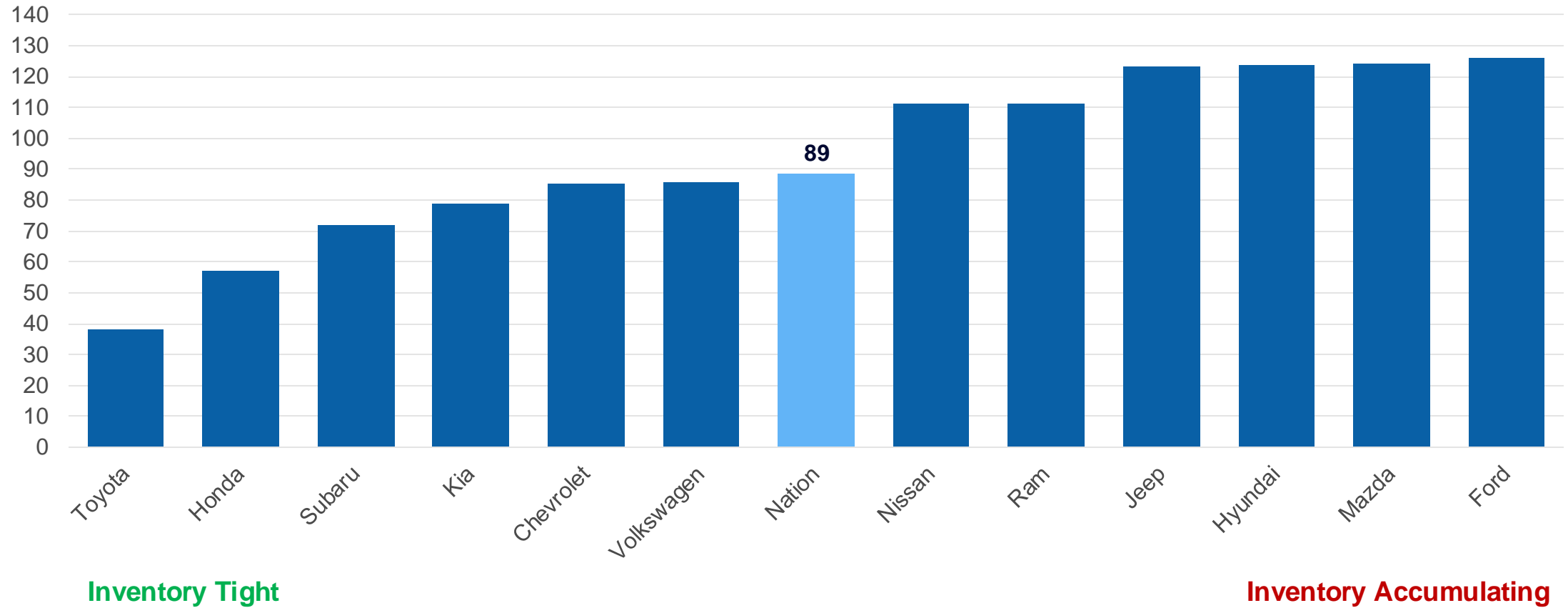
Stellantis forecast to lose the most market share, followed by Tesla, Honda

OEM	Q1 2024	Q4 2024	Q1 2025	Y/Y Change	Q/Q Change	Share CY2024	Share YTD2025	Diff.
GM	590,055	751,086	656,450	11.3%	-12.6%	16.8%	17.3%	0.5%
Toyota	563,530	601,321	541,248	-4.0%	-10.0%	14.5%	14.3%	-0.2%
Ford	504,815	527,385	483,063	-4.3%	-8.4%	12.9%	12.7%	-0.2%
Hyundai	379,203	461,691	396,735	4.6%	-14.1%	10.7%	10.5%	-0.2%
Honda	333,824	367,362	327,001	-2.0%	-11.0%	8.9%	8.6%	-0.3%
Nissan-Mitsu	281,138	249,609	280,267	-0.3%	12.3%	6.5%	7.4%	0.9%
Stellantis	332,541	320,743	279,752	-15.9%	-12.8%	8.1%	7.4%	-0.8%
VW	144,529	185,611	153,268	6.0%	-17.4%	4.2%	4.0%	-0.1%
Subaru	152,996	174,113	153,209	0.1%	-12.0%	4.2%	4.0%	-0.1%
Tesla	140,187	162,388	138,867	-0.9%	-14.5%	4.0%	3.7%	-0.3%
Mazda	100,103	110,930	107,862	7.8%	-2.8%	2.6%	2.8%	0.2%
Daimler	82,623	98,084	99,746	20.7%	1.7%	2.3%	2.6%	0.3%
BMW	90,844	126,250	90,513	-0.4%	-28.3%	2.5%	2.4%	-0.1%
Others	75,778	89,583	87,079	14.9%	-2.8%	1.9%	2.3%	0.4%
NATION	3,772,166	4,226,156	3,795,061	0.6%	-10.2%	100.0%	100.0%	0.0%

Mainstream Brand Inventory | Tariffs May Have Silver Lining For Some

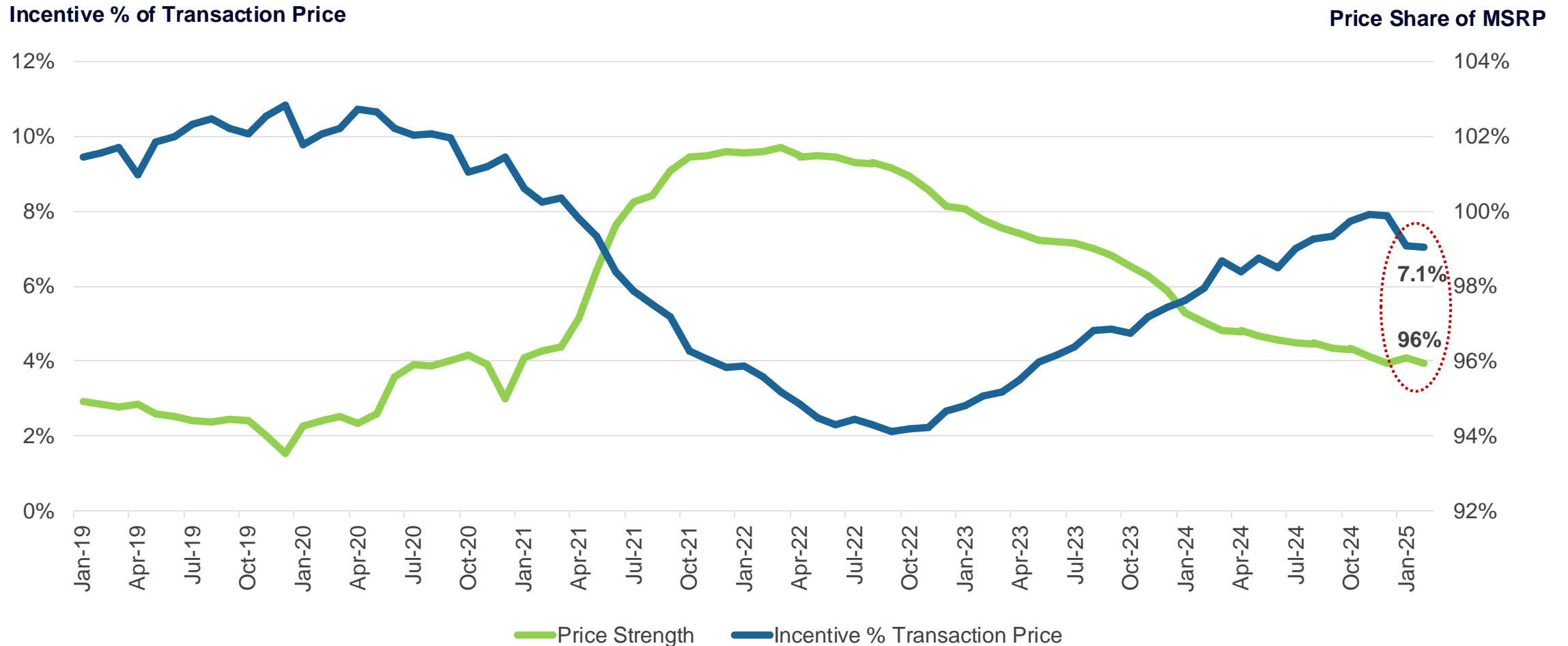
Some brands still dealing with tight inventory, others dealing with higher levels; Ram, Jeep improve

New-Vehicle Days of Supply



Incentives | No Longer Moving In Buyer's Favor

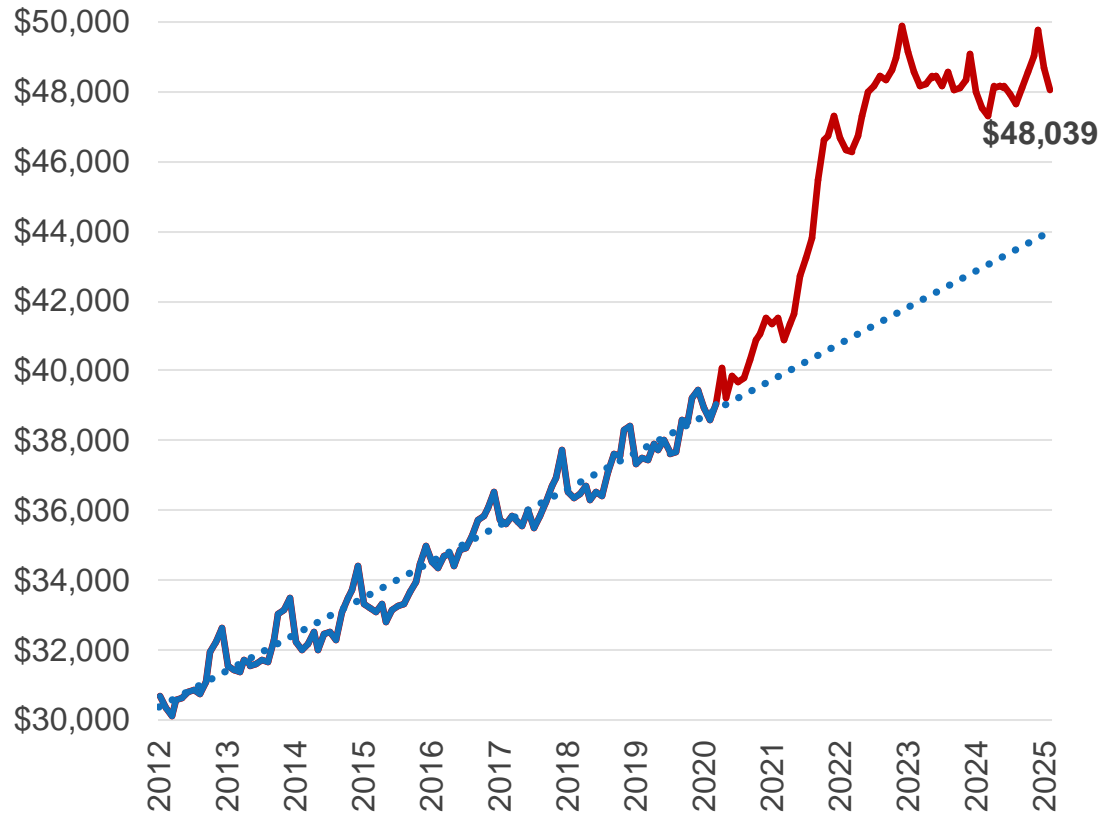
Incentives no longer rising and Price Strength no longer eroding



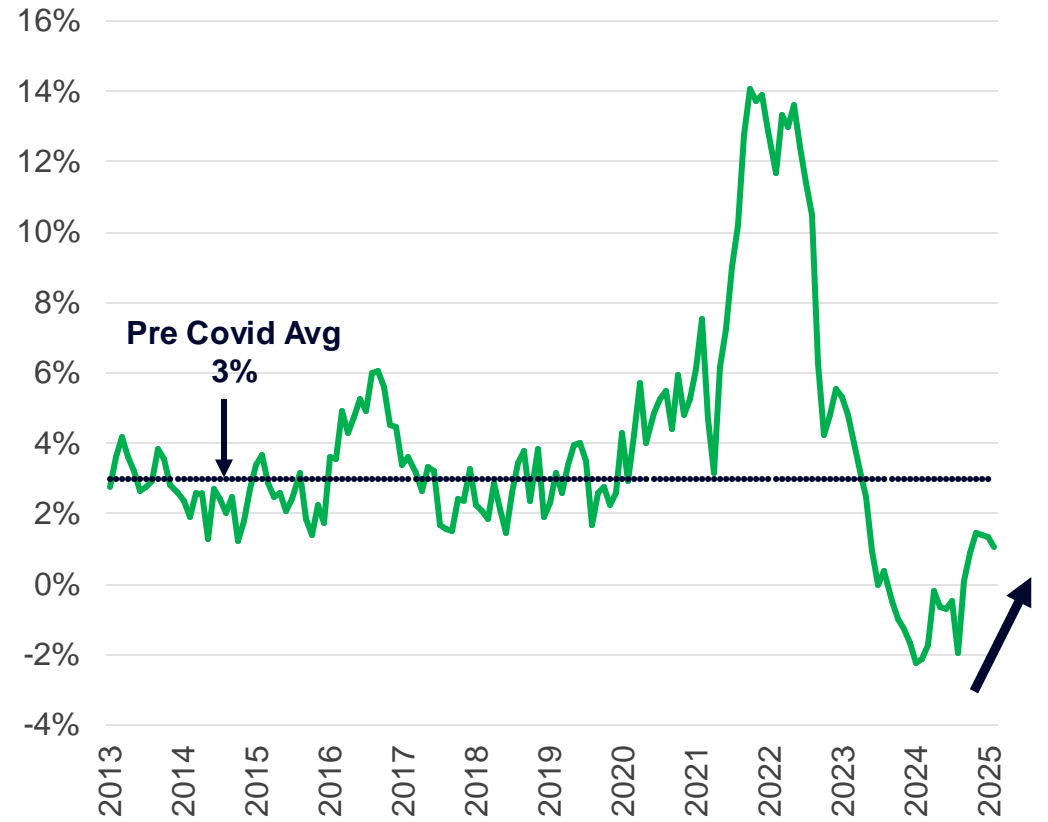
Transaction Prices | Up 1% From Last Year – Likely To Go Higher

Affordability issues will increase if import tariffs are embraced, lifting prices for all products

New-Vehicle Monthly Transaction Prices



Year-Over-Year Change in Monthly Prices



Used-Vehicle Market

JEREMY ROBB

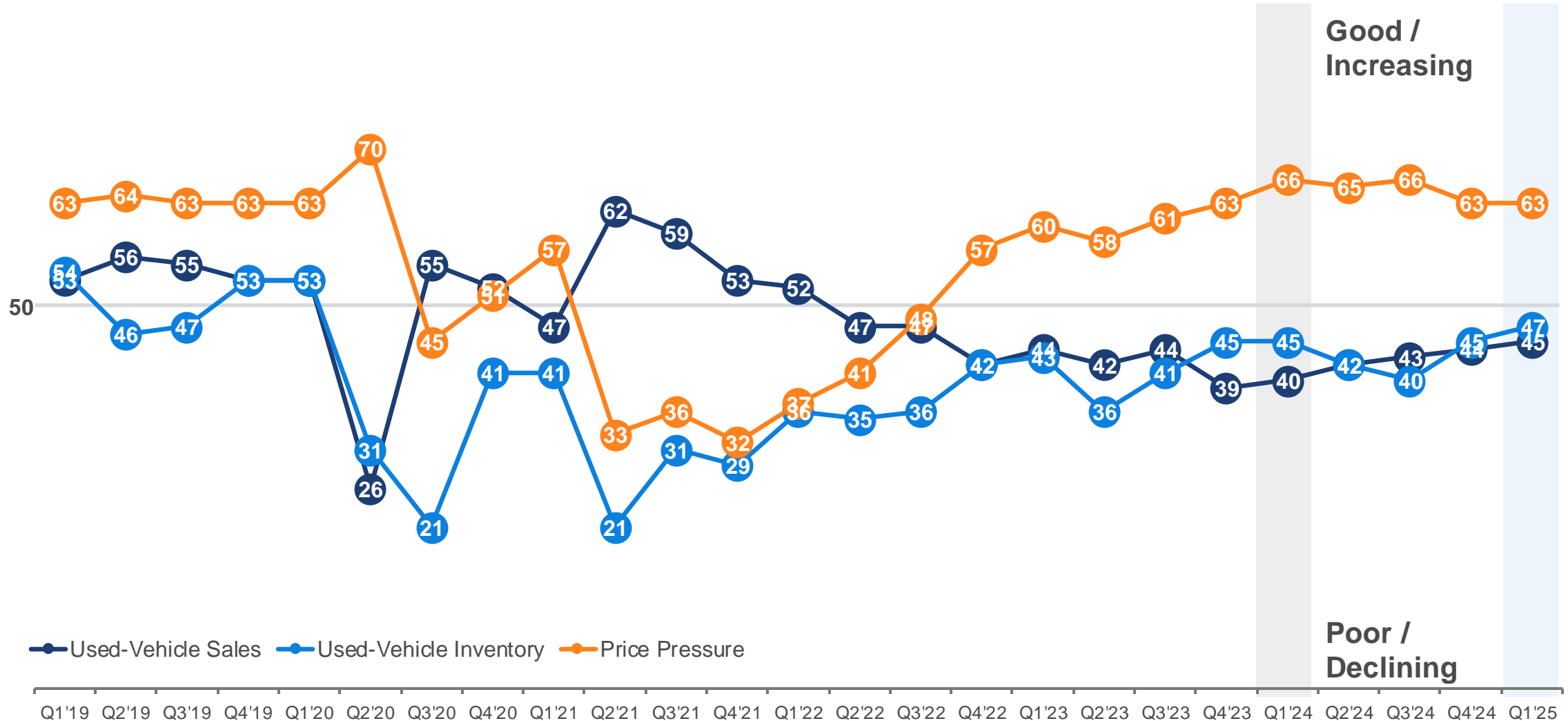
Senior Director of Economic and
Industry Insights



U.S. Automobile Market (All Dealers)

Used-Vehicle Market, Inventory, and Price Pressure

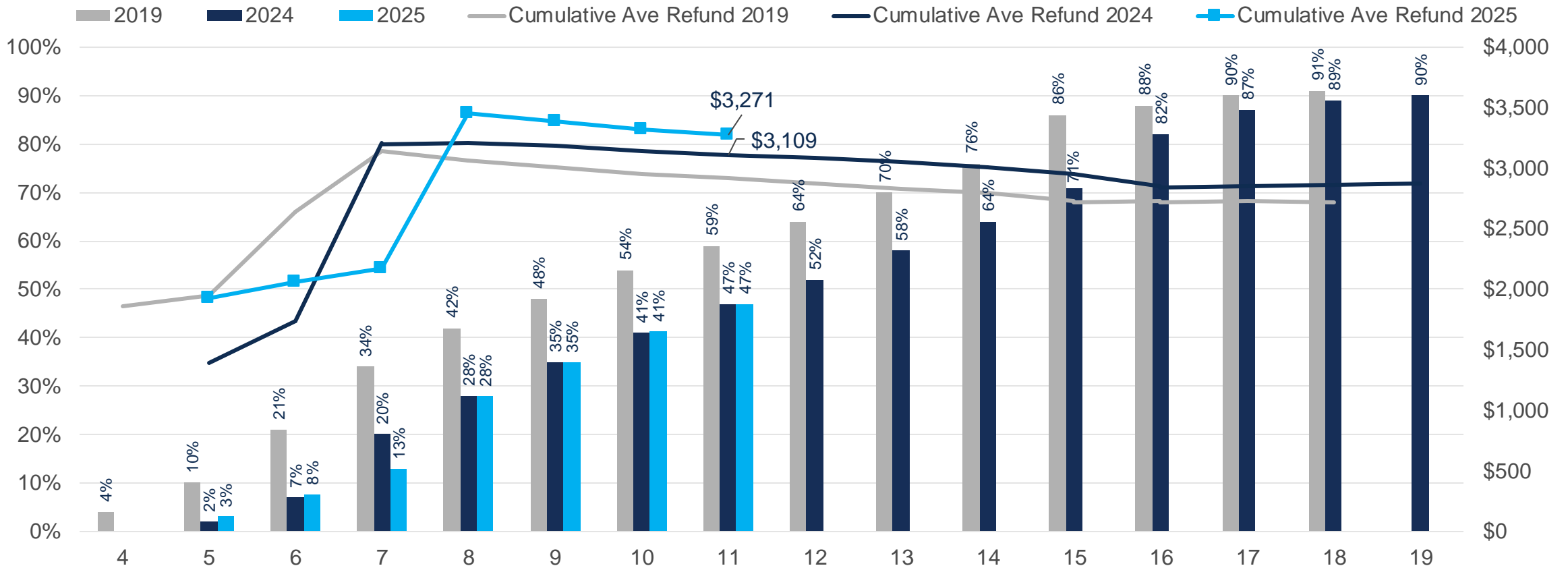
Dealer Sentiment Index FIRST QUARTER 2025



Tax Refund Season Up Over Last Year

Total number of refunds is up 1% vs 2024 and the average refund is higher by 5% y/y

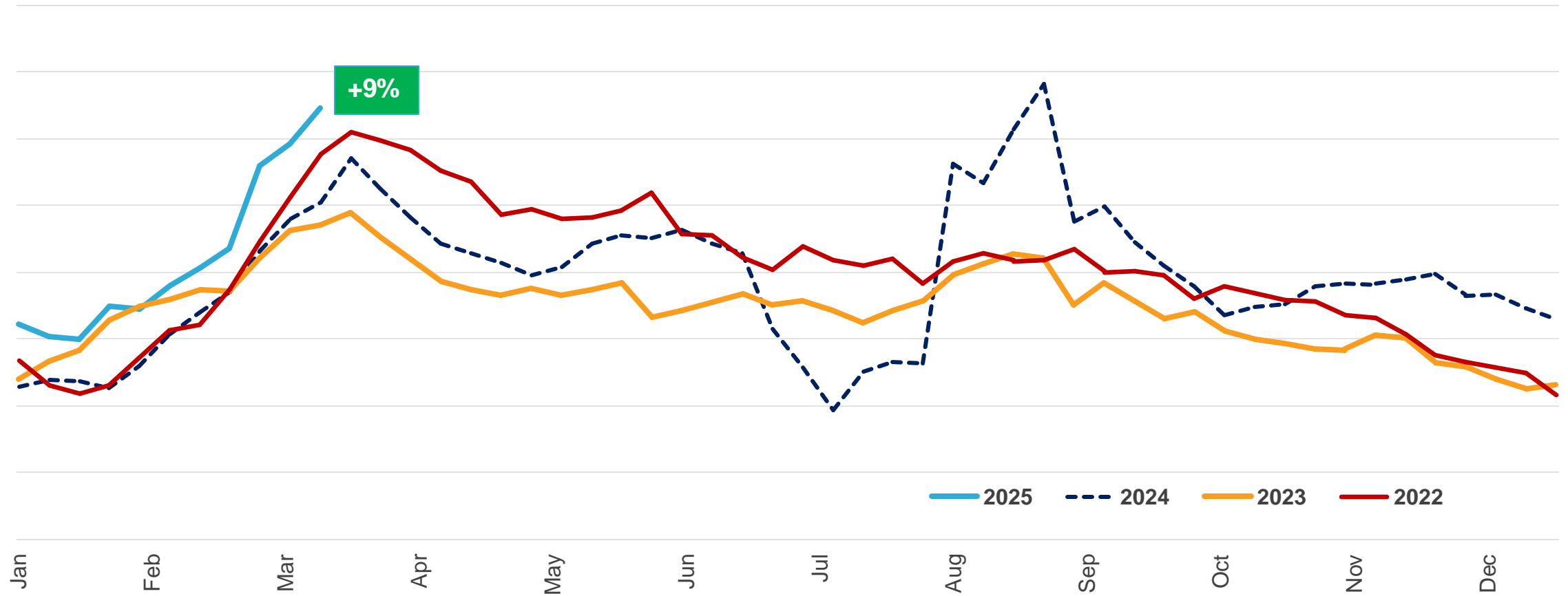
Cumulative Refunds Issued and Ave Refund Amount by Week
(Week 11 was week ending March 14, 2025)



Used-Vehicle Sales | Pushing Higher

Moving into March, used sales have risen for six weeks in a row and are higher than previous years

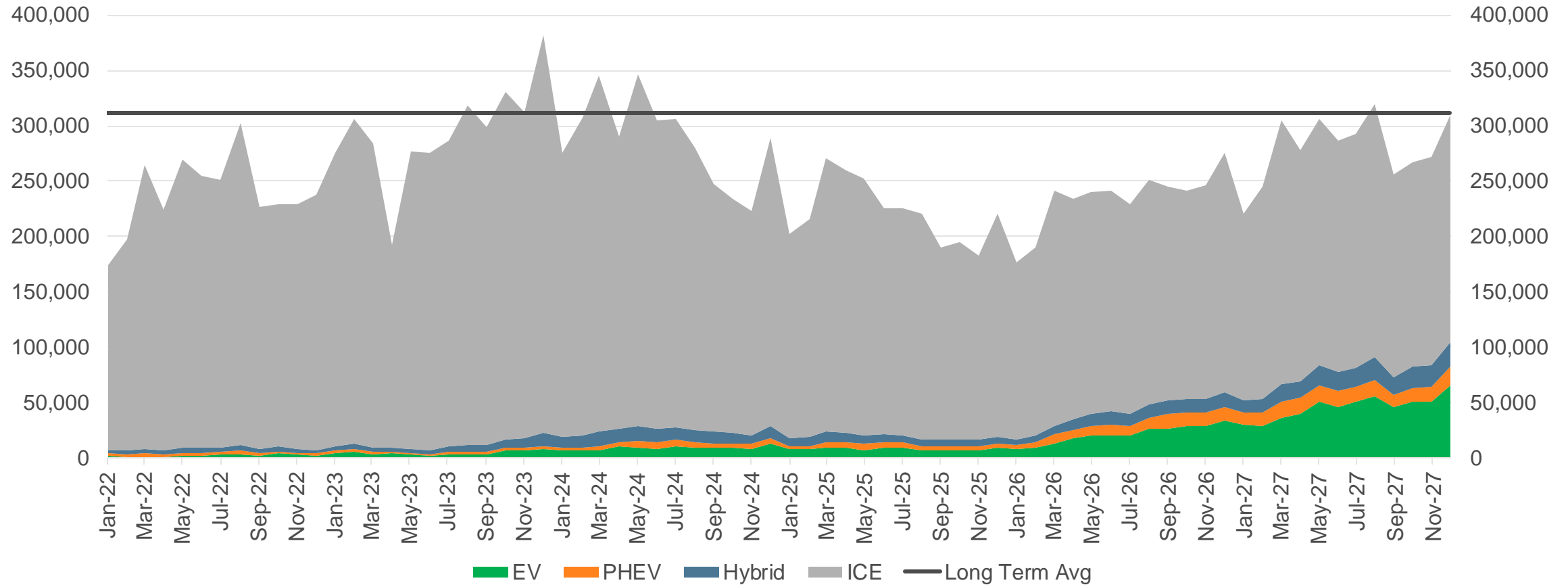
Estimated Rolling 30 Day Retail Sales weekly



Lease Maturity Outlook | Many More EVs in Coming Years

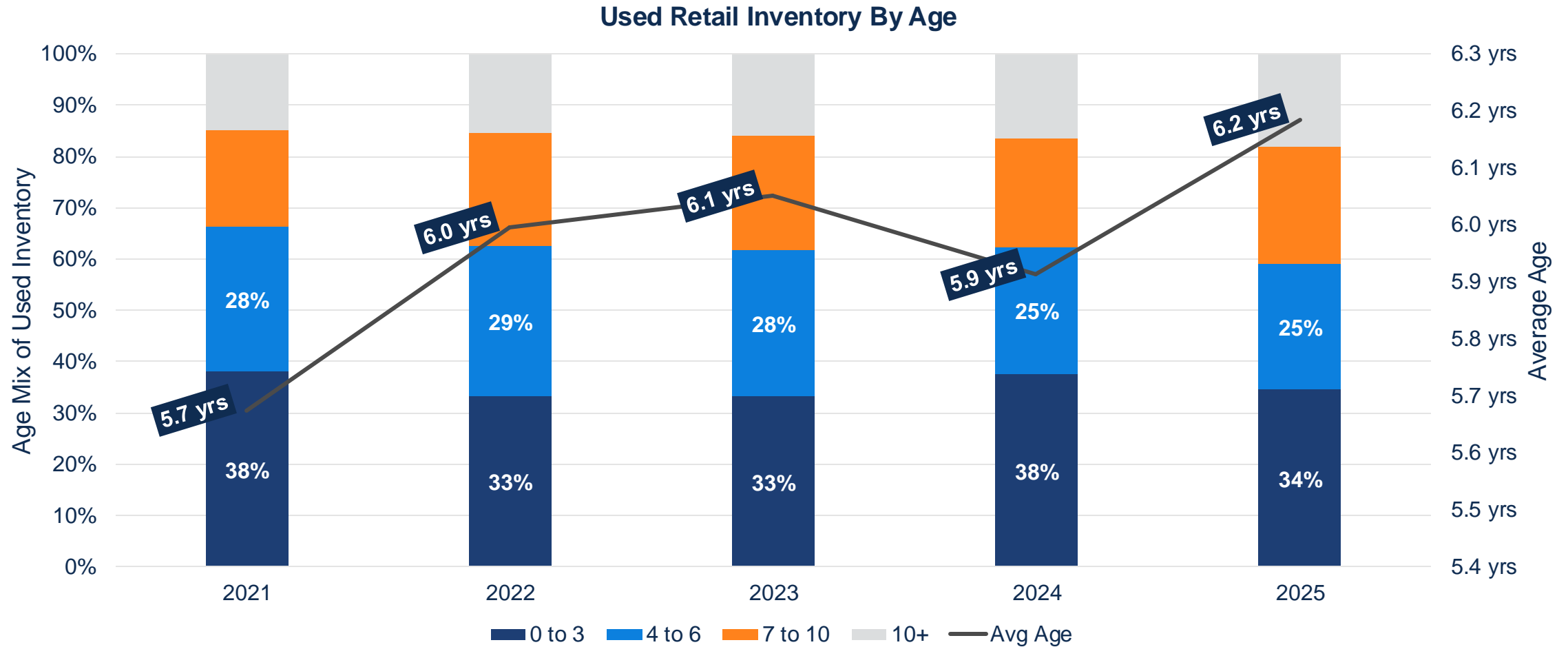
With increased leasing for EVs & PHEVs, lease returns will change substantially starting in 2026

Estimated Lease Maturity Forecast by Fuel Type



Used-Vehicle Inventory | Average Age Increasing

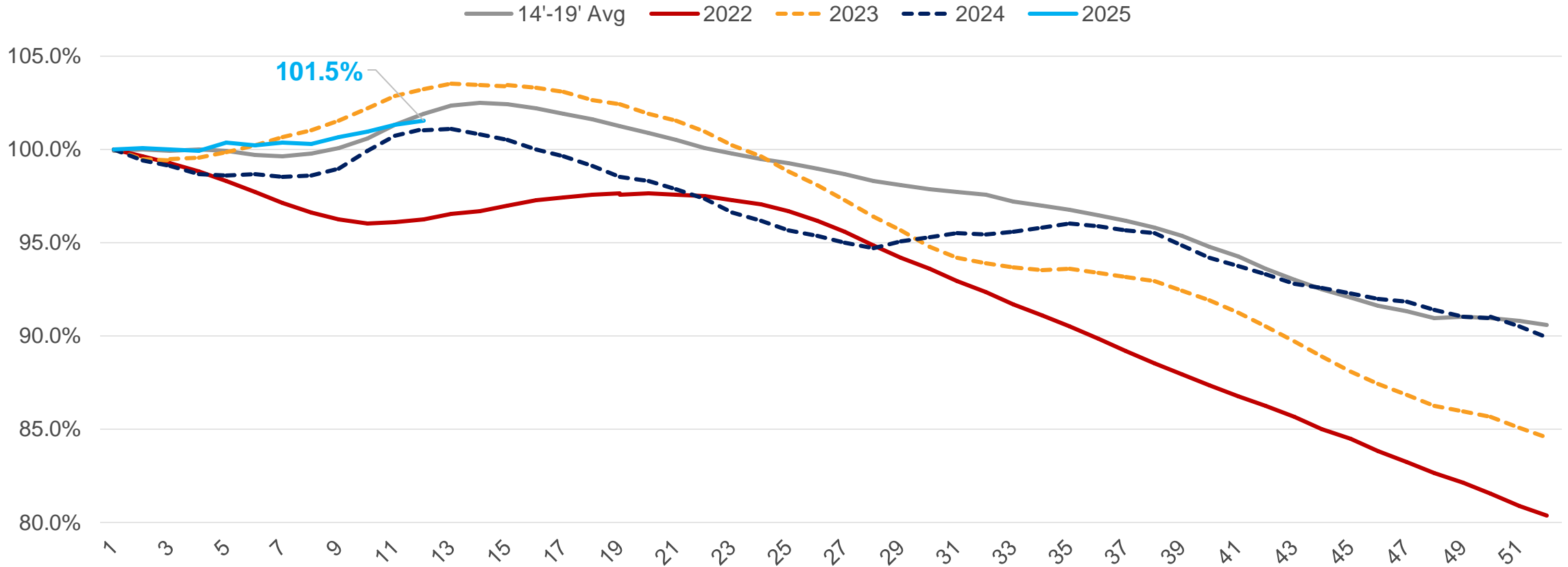
The average age of retail inventory is the highest on record as 3YO mix declines 4 points vs 2024



Wholesale Values Rising Less Than Usual

Year to date wholesale trends are still rising but not as strong as we typically see at this point

Overall MMR Index Trends
All Model Years



2025 Forecast & Playlist

JONATHAN SMOKE

Chief Economist



2025 Forecasts

Updated March 26, 2025

15.6 - 16.3M

NEW SALES

(Original Forecast: 16.3M)

12.8 - 13.3M

NEW RETAIL SALES

(Original Forecast: 13.3M)

2.8 - 2.9M

FLEET SALES

(Original Forecast: 3.0M)

3.2 - 3.3M

**NEW LEASE
VOLUME**

(Original Forecast: 3.3M)

25%

**LEASE
PENETRATION**

(unchanged)

2.4 - 2.5M

CPO SALES

(Original 2.5M)

37.6 - 38.0M

USED SALES

(Original 37.8M)

19.9 - 20.2M

USED RETAIL SALES

(Original 20.1m)

+2.1% - +2.8%

**DEC 2025 Y/Y MANHEIM
USED VEHICLE
VALUE INDEX**

(Original +1.4%)

Spring Playlist: “Tariffic” Tracks



Beautiful Things
By Benson Boone

Things were looking good for further growth in vehicle sales.



The Chain
By Fleetwood Mac

It takes the world to produce affordable vehicles.



It's the End of the World As We Know It (And I Feel Fine)
By R.E.M.

“Team by team, reporters baffled, trumped, tethered, cropped”



Work It Out
By Jurassic 5 & Dave Matthews Band

We can work it out; given some clarity, the industry will find a way.

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Q&A



More Auto Industry Data and Insights From Cox Automotive

The go-to source for insights based on the largest breadth of first-party data in the automotive ecosystem

Cox Automotive Newsroom: www.coxautoinc.com/newsroom/

Fresh content from Chief Economist Jonathan Smoke and the Industry Insights team is published regularly

Auto Market Snapshot: www.coxautoinc.com/marketsnapshot

This dashboard is a one-stop dashboard for the most recent data points our team is tracking.

From the Newsroom: www.coxautoinc.com/signup

The Cox Automotive biweekly newsletter, published every other Tuesday, is a round-up of news from Cox Automotive and perspectives from its analysts and experts on topics dominating the automotive industry.



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THANK YOU FOR ATTENDING!

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speak with an expert:

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