

COX AUTOMOTIVE

# Q1 MANHEIM USED VEHICLE VALUE INDEX CALL

April 7, 2025



# 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



# Agenda

Time Check: 60 Minutes

Intro & Cox Automotive

Mark Schirmer, Director, Corporate Communications

The Economy

Jonathan Smoke, Chief Economist

Wholesale Market

Jeremy Robb, Senior Director, Economic and Industry Insights

Used-Vehicle Market

Scott Vanner, Manager, Economic and Industry Insights

Q&A

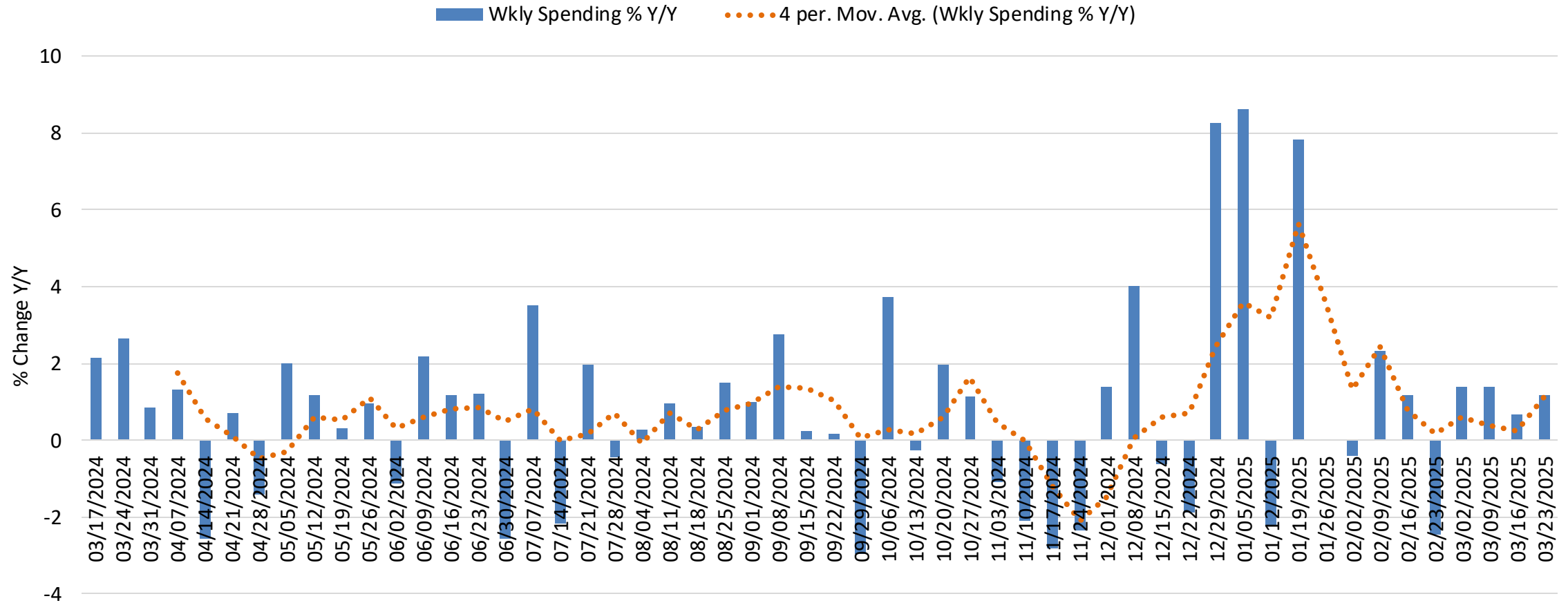
**The Economy**  
**JONATHAN SMOKE**  
Chief Economist



# Consumer Spending Growth Weak But Positive

Total consumer spending strongest y/y growth in final week of 2024 and early January

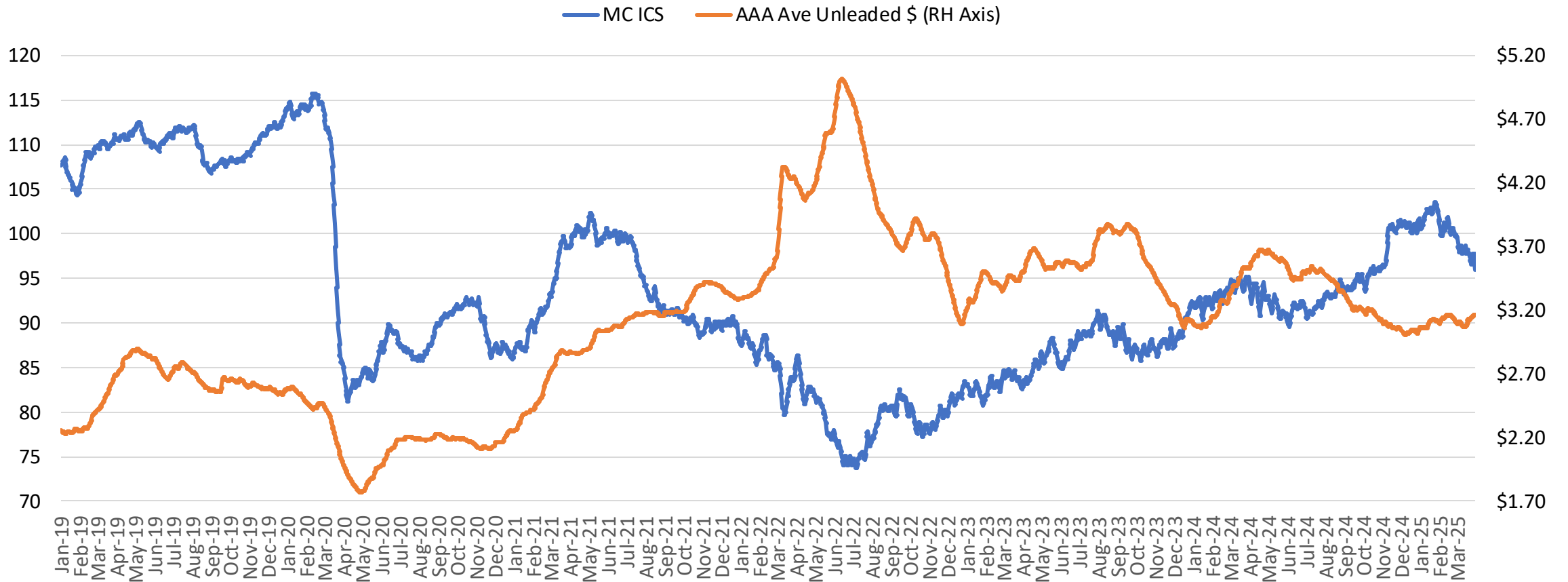
Bloomberg Second Measure US Consumer Spend NSA



# Consumer Sentiment Down to Start 2025

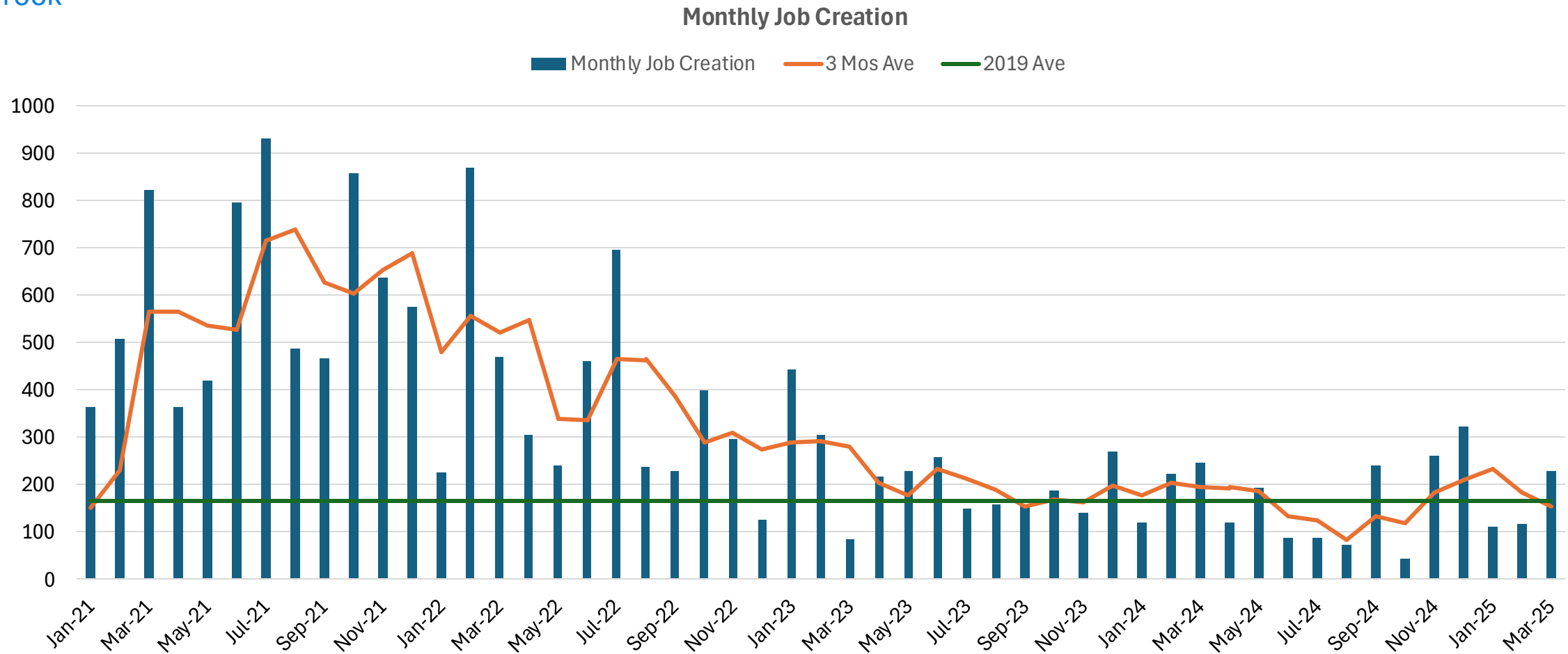
The Index of Consumer Sentiment declined 0.1% in January, 1.7% in February, and 3.9% in March

Morning Consult Index of Consumer Sentiment vs. Average Price of Unleaded Gas



# The Labor Market Is Seeing Slowing But “Good Enough” Job Creation

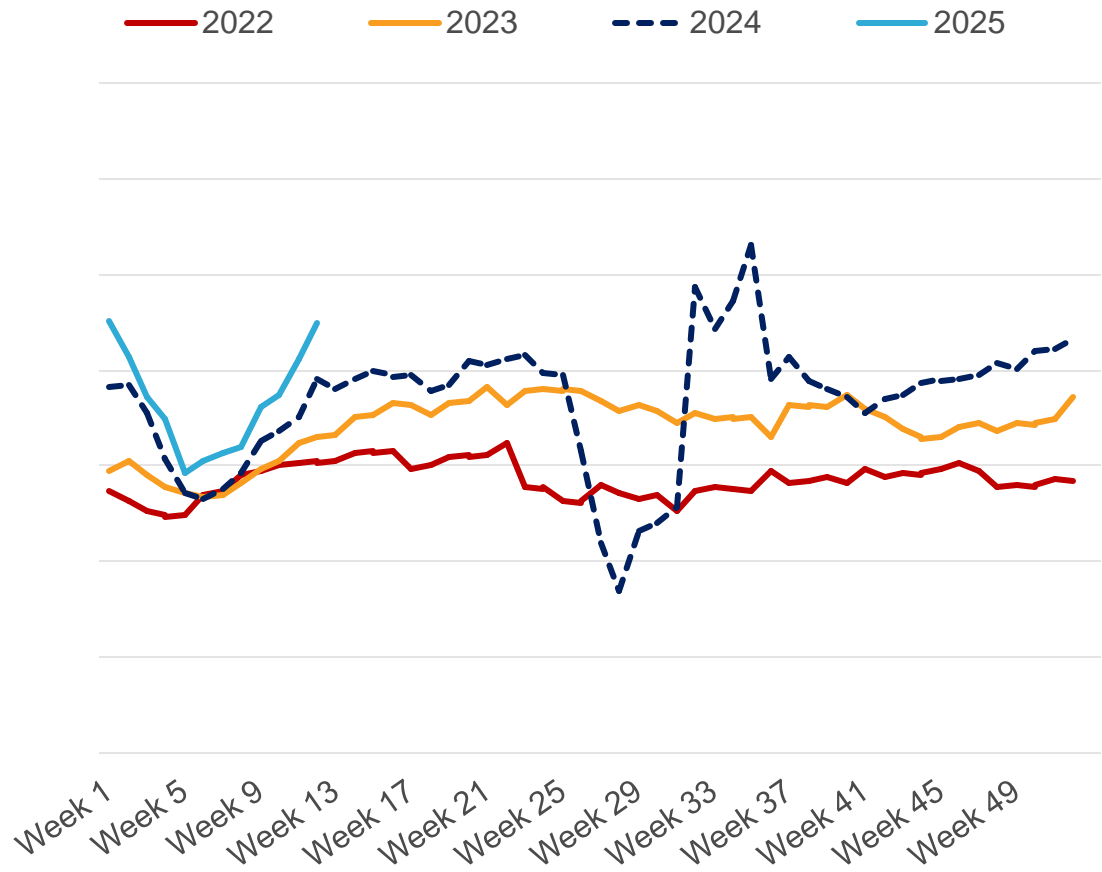
With 228,000 jobs added in March but downward revisions to prior months, 3-month avg. declined to 152k; 2019 avg. 166k



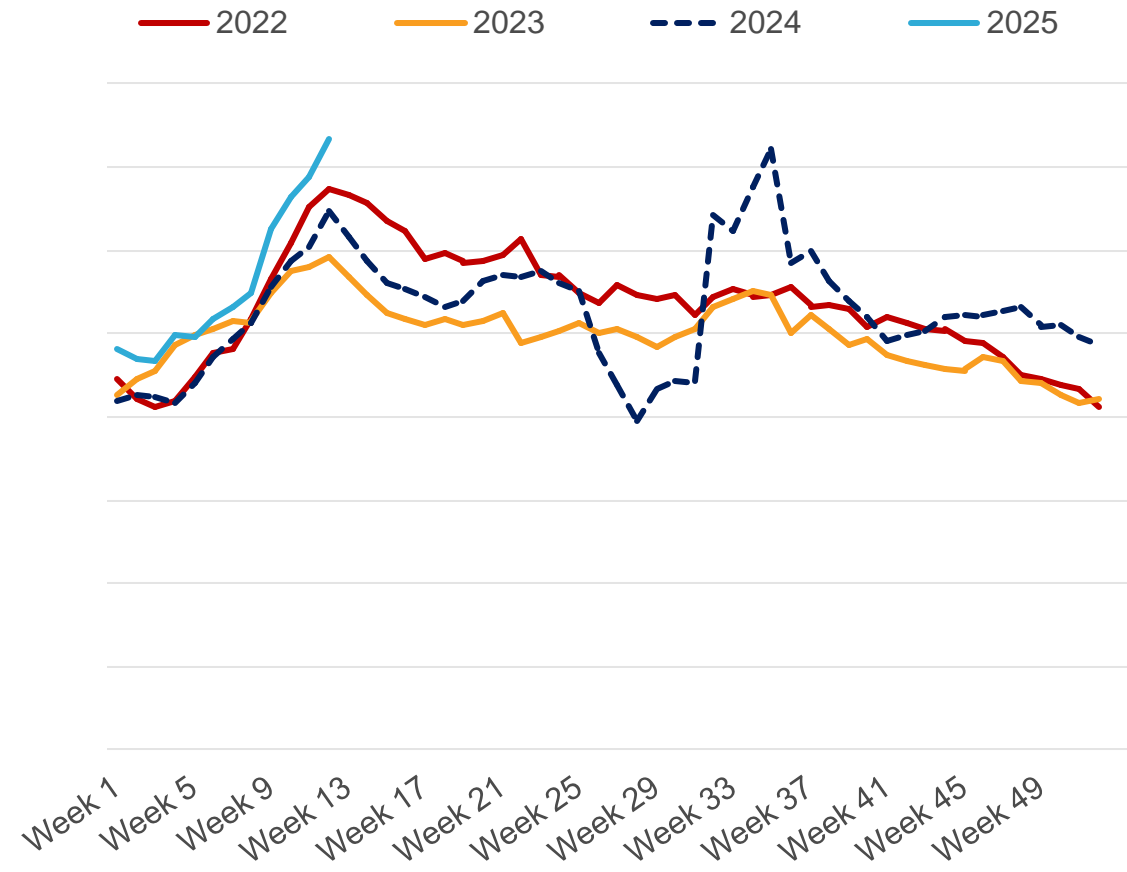
# Retail Vehicle Sales Are Rising In March

Sales trends for New & Used vehicles have risen almost every week over the last two months

### New Retail Sales



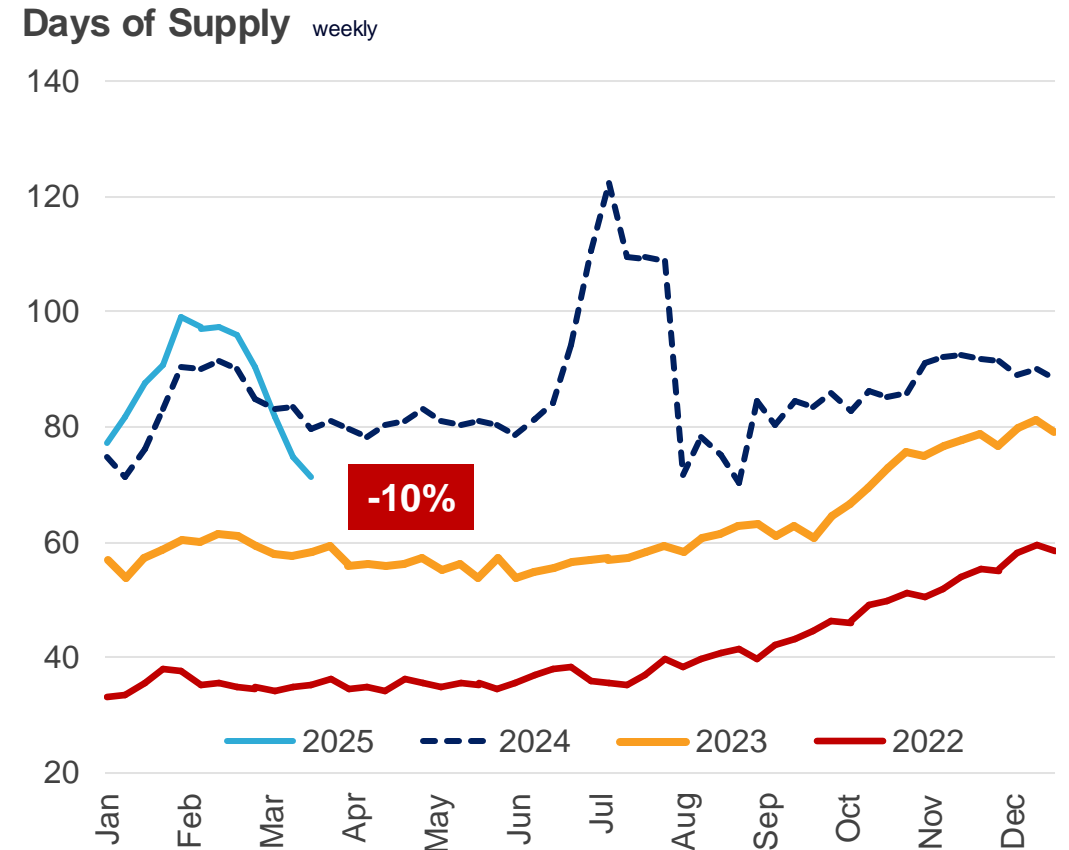
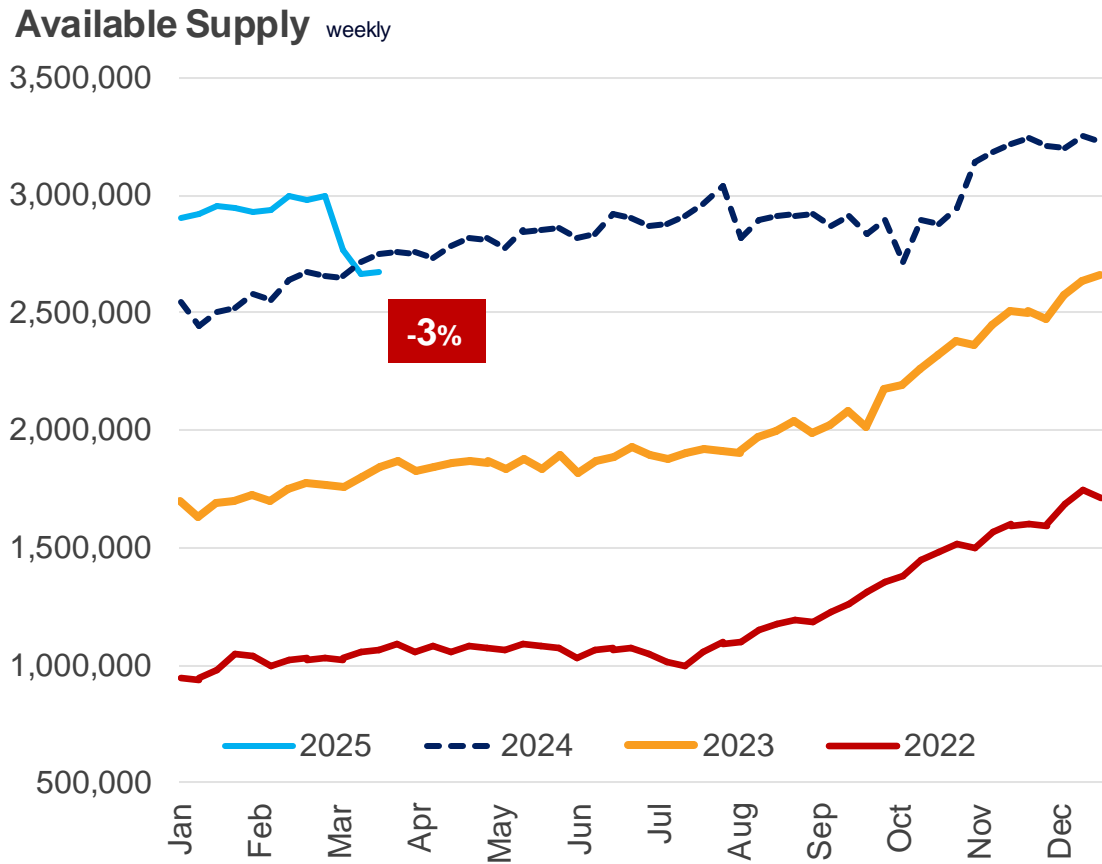
### Used Retail Sales





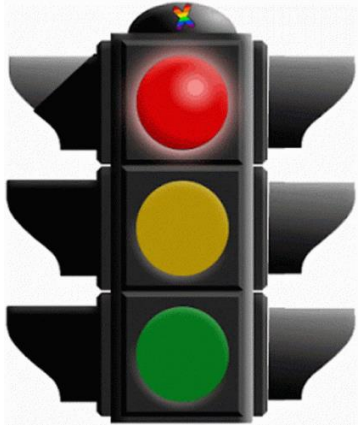
# New-Vehicle Inventory | Down 3% From 2024 Currently

New inventory has moved lower over the last few weeks, likely impacted by tariff worries as days supply falls



# Impact and Uncertainty Acute for US Vehicle Market

The unthinkable now appears to be the new reality, and there is no clear end in site



## What's Happening

Steel & Aluminum Imports (March 12)	25%
All Imported Vehicles (April 2)	25%
Parts (May 3?)	25%

## Vehicle Price Impact

\$300 - \$500

\$6,000 on Imports  
\$3,000+ US made

## Short-Term Implications

- Sales surge
- Declining discounting and incentives in new
- Auto suppliers under financial stress
- Border and customs unprepared
- 30% production disruption by mid-May

## Long-Term Implications

- Production and deliveries cut
- Supply tightens
- New and used prices rise
- Some models eliminated

## Wholesale Market

**Jeremy Robb**

Senior Director of Economic and  
Industry Insights



# Manheim Used Vehicle Value Index

## Concept

A single measure of used-vehicle price change that is independent of underlying segment shifts in the characteristics of vehicles being sold

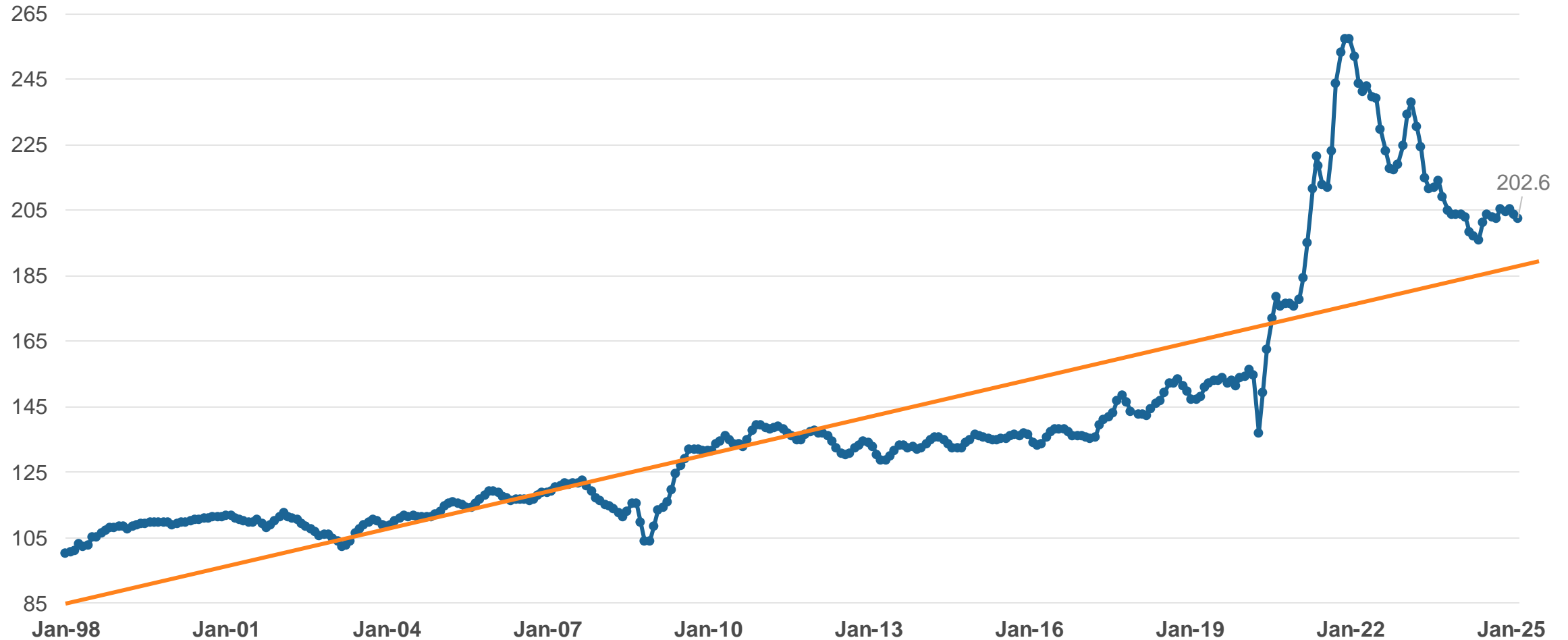
## Steps

1. All Manheim U.S. sales
2. Classify by market segment
3. Account for differences in mileage
4. Weight to provide smoother segment mix
5. Seasonally adjust



# Wholesale Vehicle Values Not As Strong As Usual in March

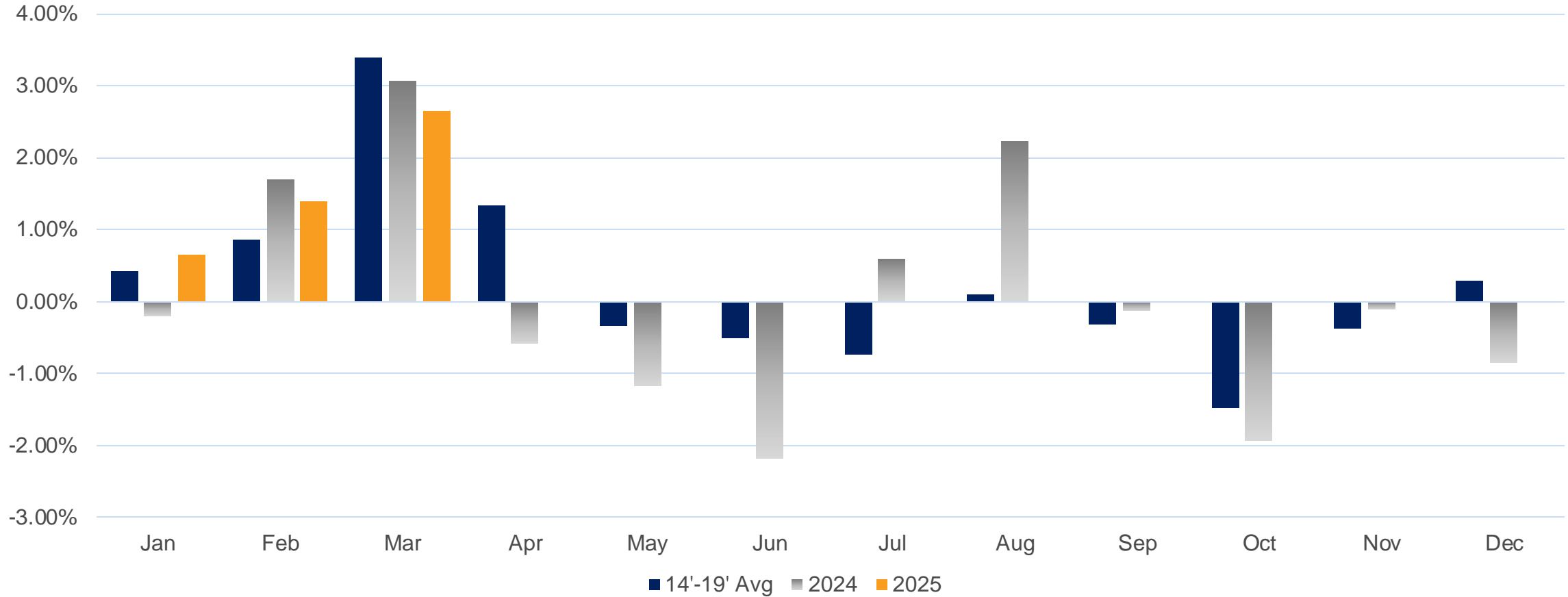
Prices fell 0.7% from February and now show a decline of 0.2% year over year



# Month-Over-Month Performance Trend

Values have shown some variance from long term trends recently, rising less than typically seen

Non-Seasonally Adjusted Price Change Mont Over Month



# Manheim Index: EV & Non-EV

The EV Index fell less than the Non-EV Index over Q1 but underperformed against last year

Rebased MUVVI Index: EV & Non-EV  
Jan-2015 = 100

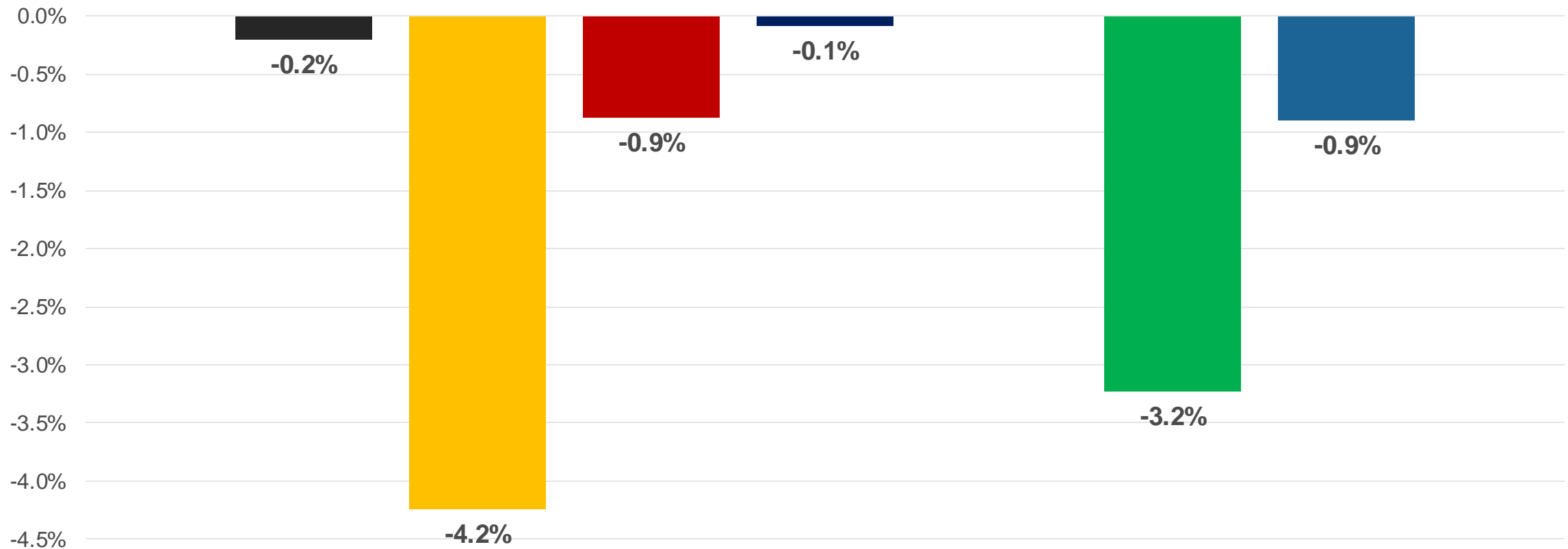


# MUVVI Index Trends By Key Segment

Larger vehicles are showing lower rates of depreciation as sedans have fallen more in recent months

Annual Change by Index Segment

■ Overall Index ■ Sedan ■ Pickup ■ SUV ■ EV ■ Non-EV



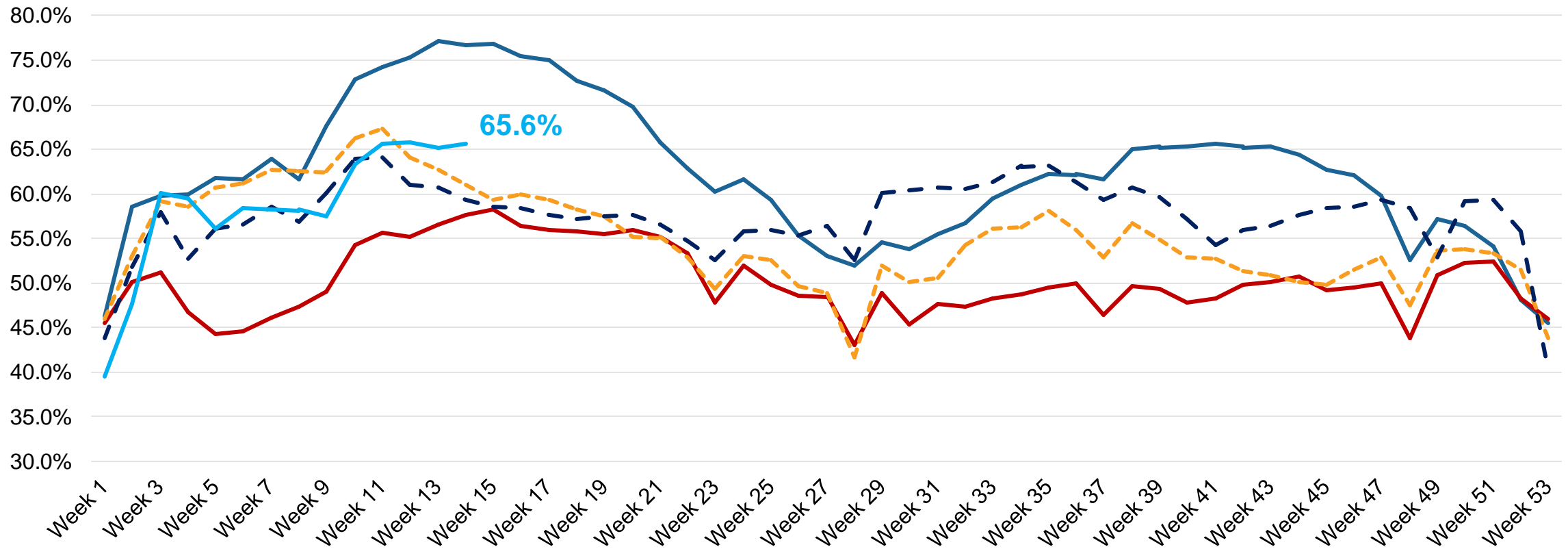


# Sales Conversion

Sales conversion looked like it may have peaked but rose again last week, higher than the last few years

Sales Conversion

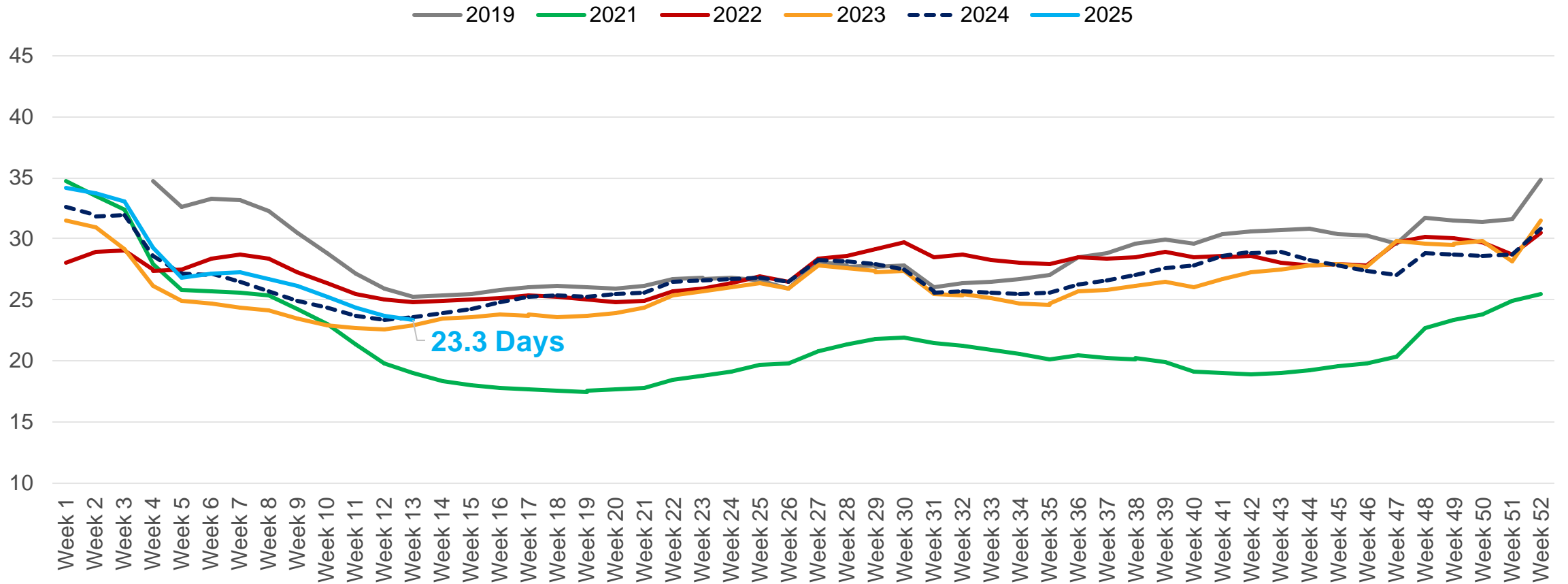
— 2021 — 2022 - - 2023 - - 2024 — 2025



# Wholesale Supply Looks Seasonally Normal

Year over year, inventory is 6% higher while sales are up 9% as days' supply falls to 23.3 days, down 1%

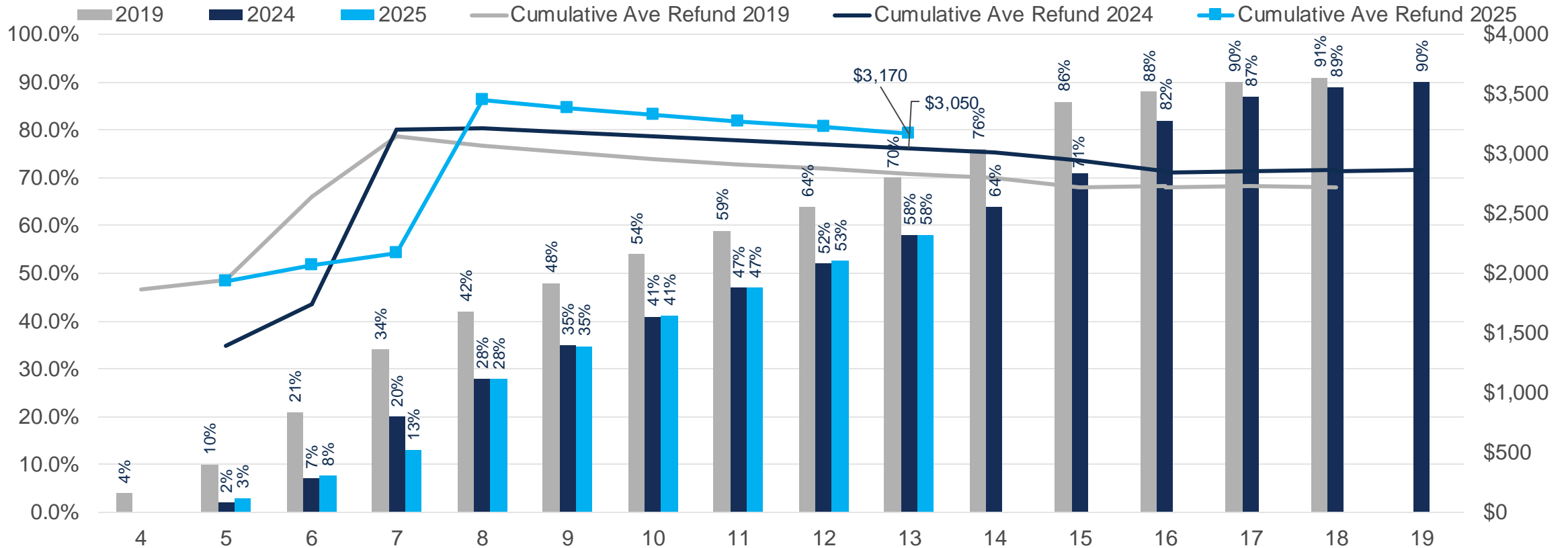
### Wholesale Days of Supply



# Tax Refund Season Up Over Last Year

Total number of refunds is up 1% versus 2024, and the average refund is higher by 4% year over year

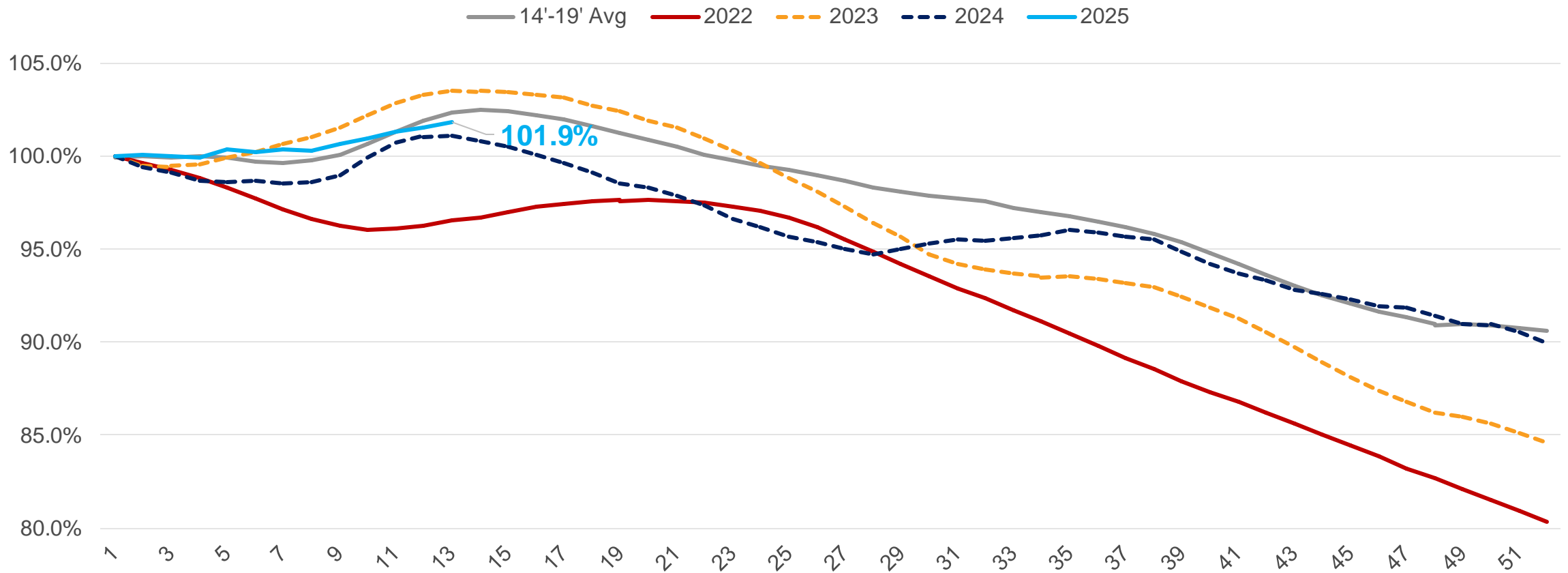
**Cumulative Refunds Issued and Ave Refund Amount by Week**  
(Week 13 was week ending March 28, 2025)



# Overall Wholesale MMR Value Trends

Year-to-date wholesale trends are still rising and just under longer-term trends currently

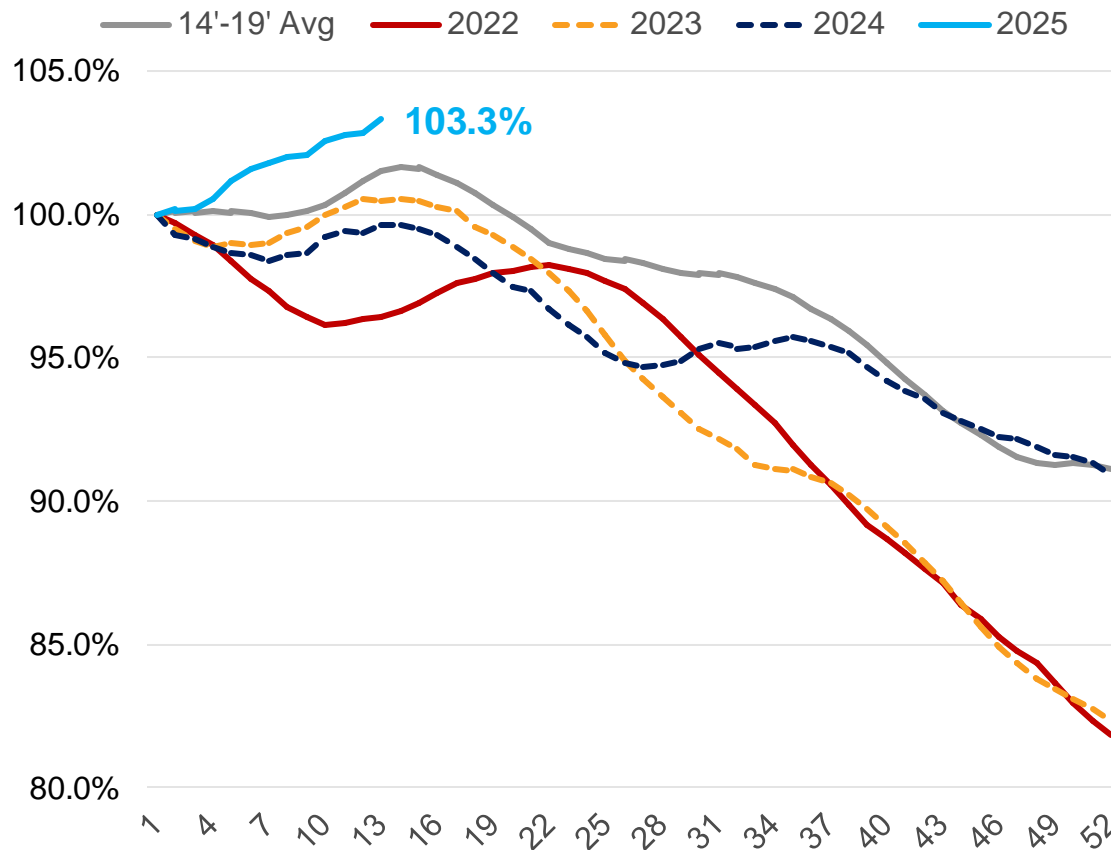
**Overall MMR Index Trends**  
All Model Years



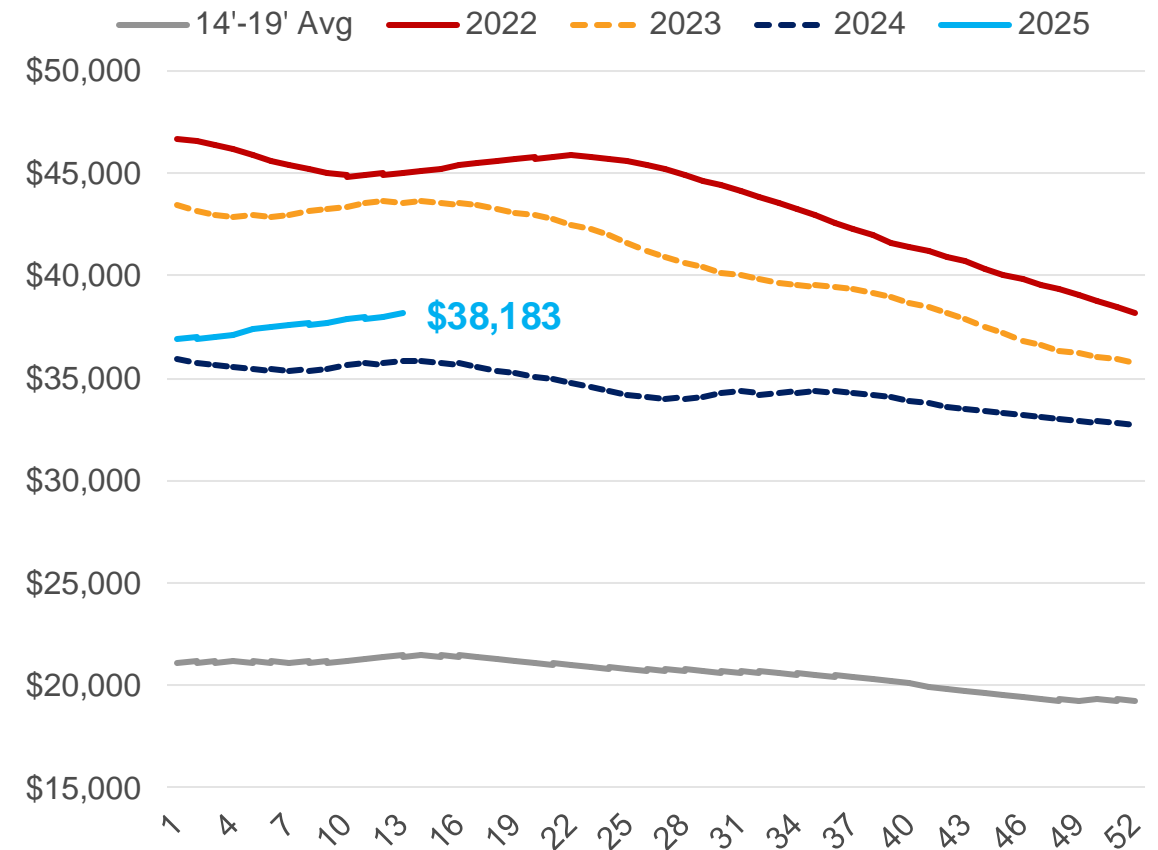
# 1YO MMR Index With Resale Values By Calendar Year

The 1YO is showing quite a bit of strength through Q1, up 7% against last year currently

MMR Index Trends  
1YO



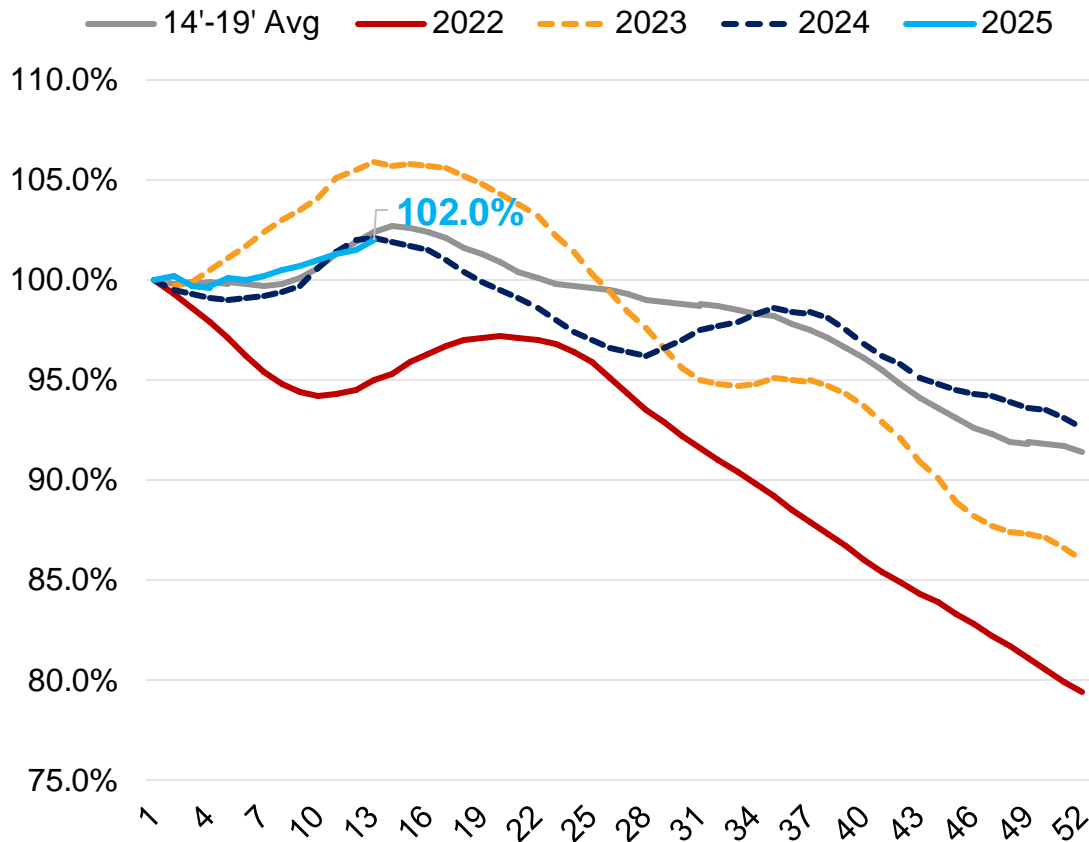
MMR Resale Value Trends  
1YO



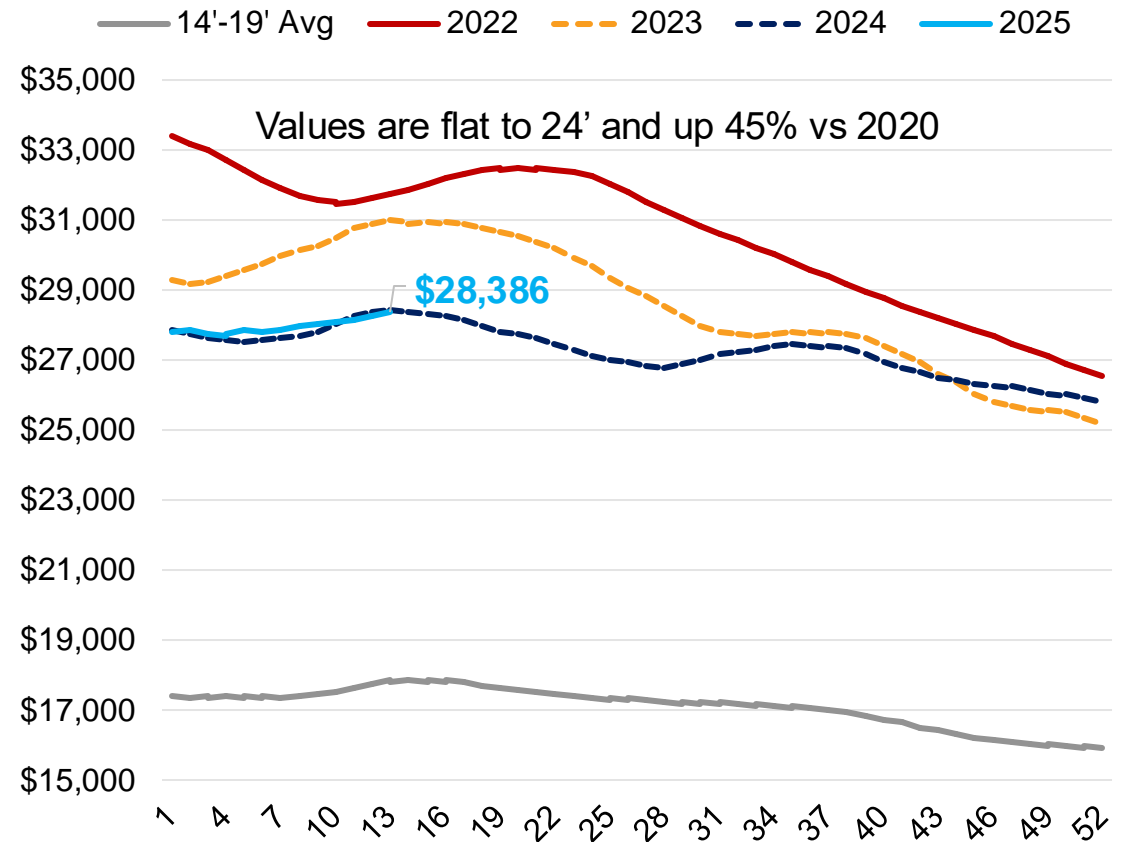
# 3YO MMR Index With Resale Values By Calendar Year

3YO values shows a bit less appreciation than long term trends, as values are flat to last year

**MMR Index Trends**  
3YO



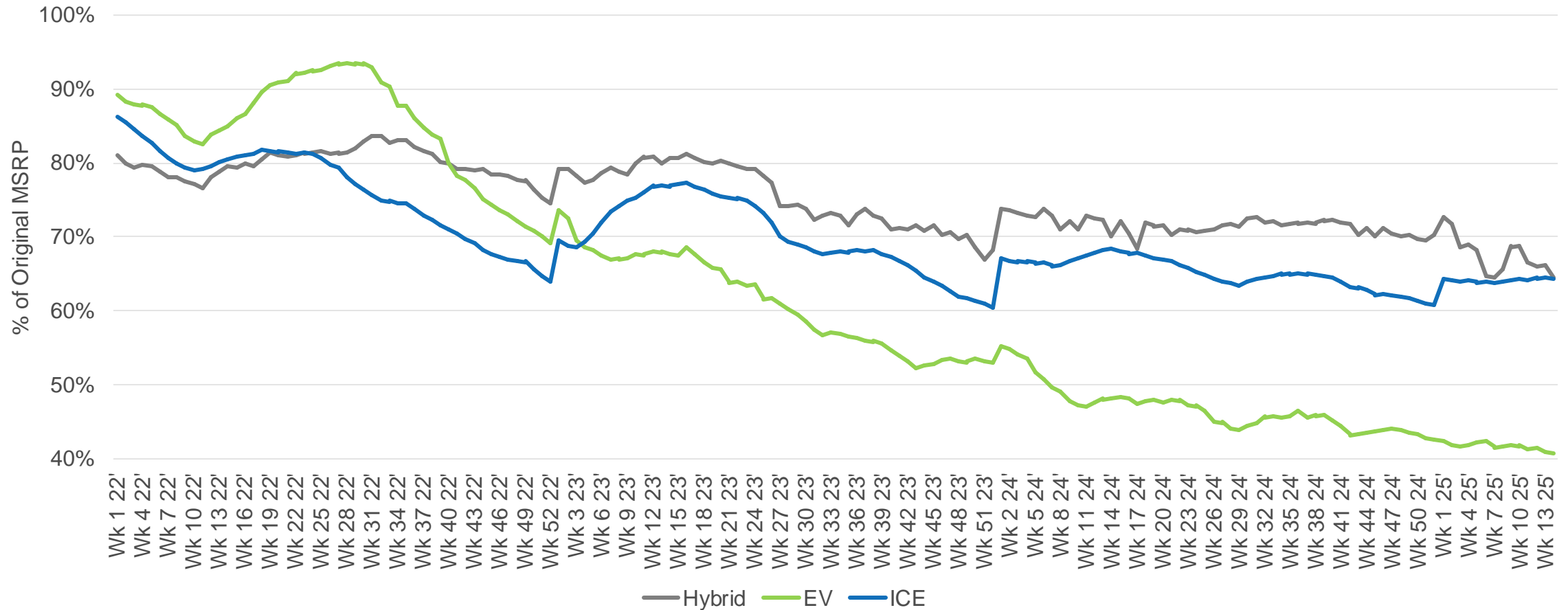
**MMR Resale Value Trends**  
3YO



# Retention Values at Auction by Fuel Type

Hybrid segment is now falling in 2025 while ICE is holding flat as EVs remain lowest

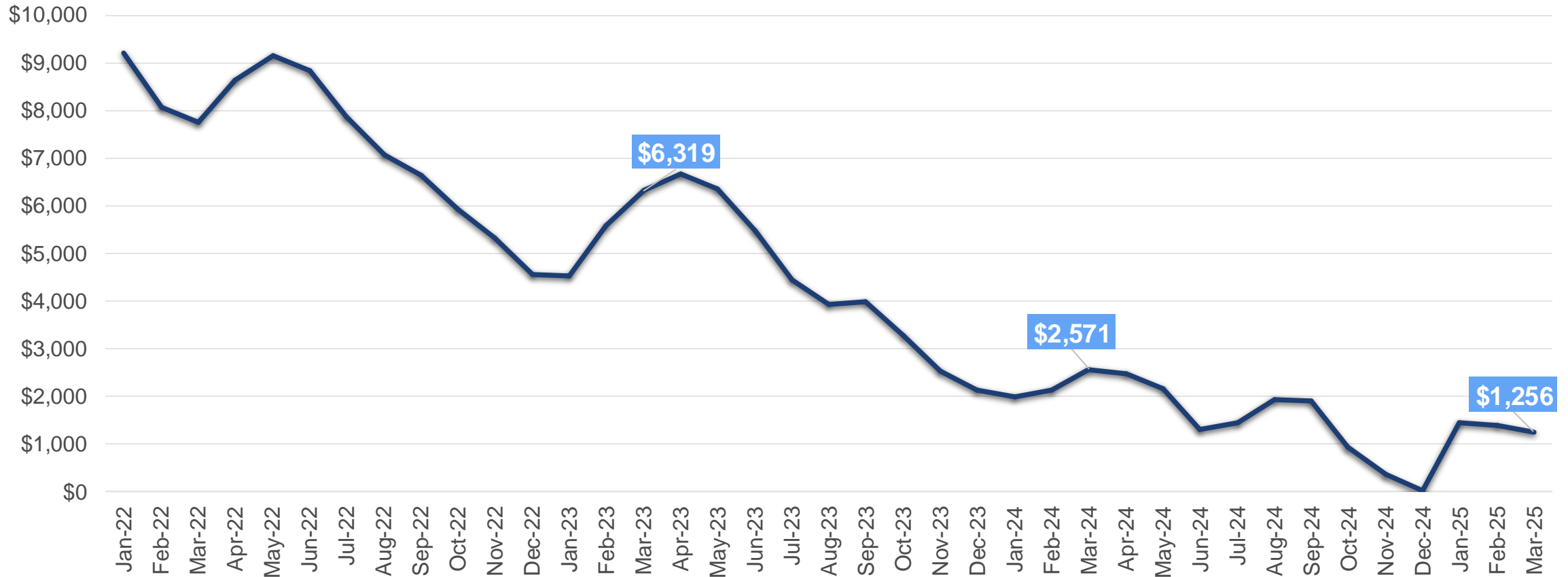
### 3YO Retention Values



# CALE: Lease Equity Remains Positive Overall

Weighted Lease equity holds positive for the industry overall but fell in March

Monthly Lease Weighted CALE





## Auction Data and Rental Market

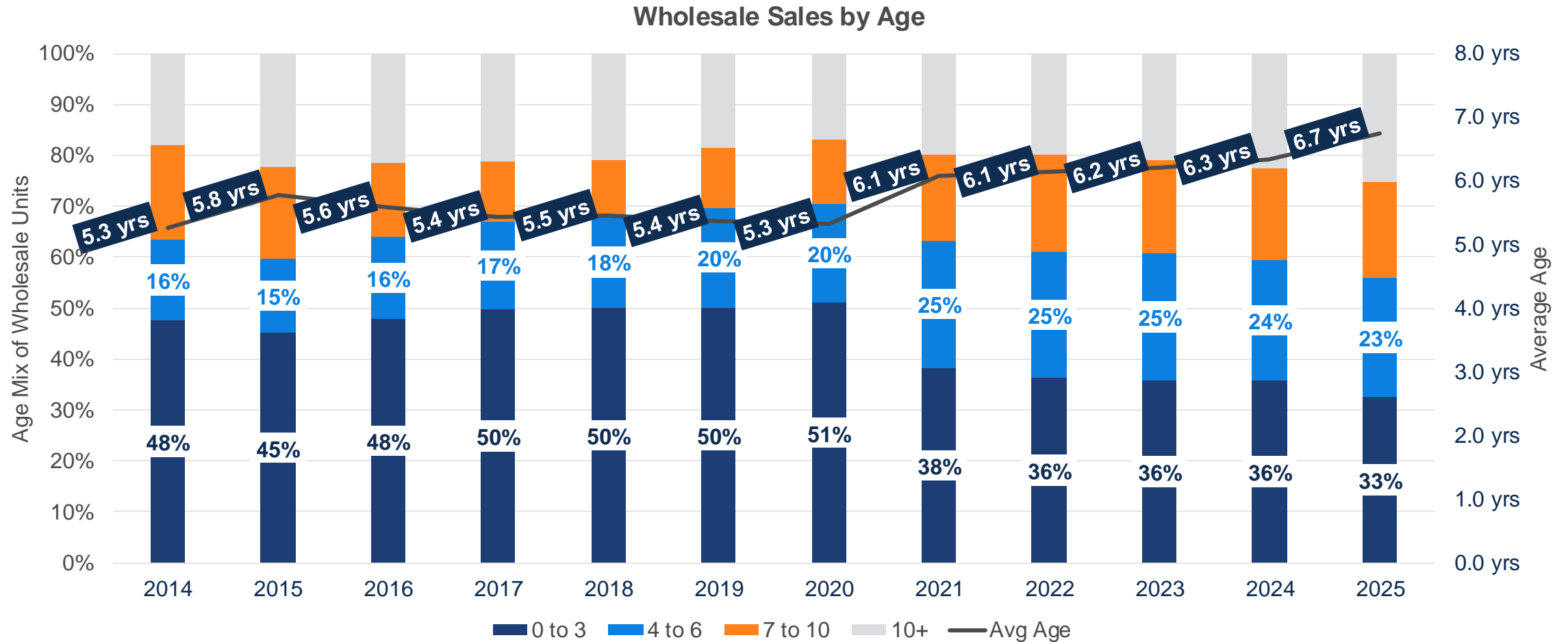
**Scott Vanner**

Manager of Economic and Industry  
Insights



# Sales Mix At Manheim

Over 70% of vehicles were 6 years old or younger just back in 2020 but that has dropped dramatically

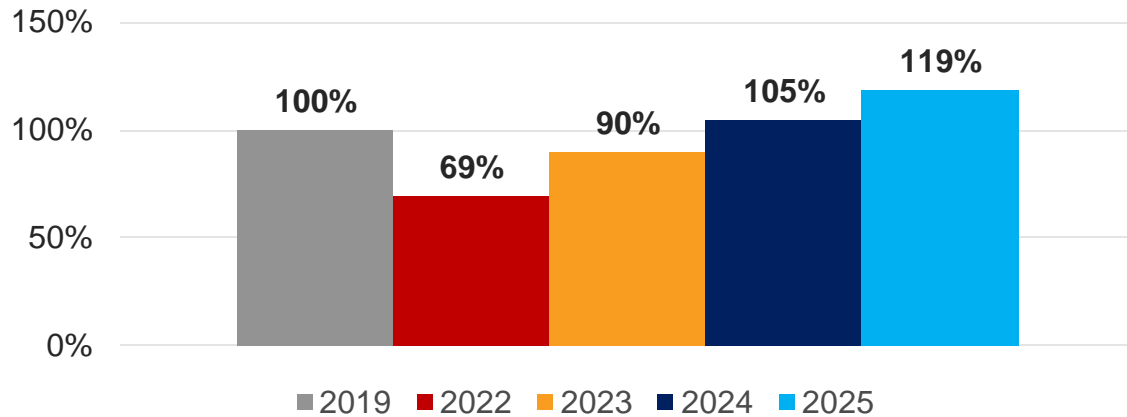


# Auction Check-Ins for Commercial Segments

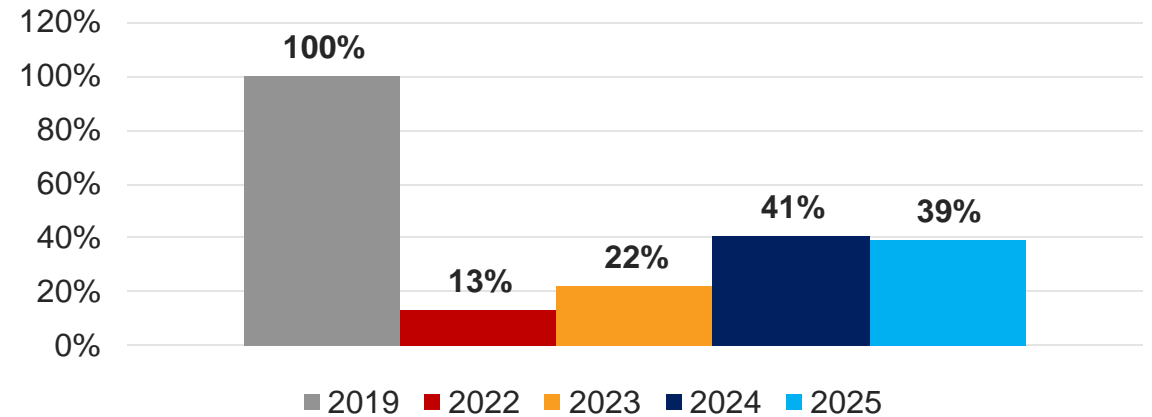


Repo holds higher against 2019 and 2024, while lease is lower and rental has lost some momentum

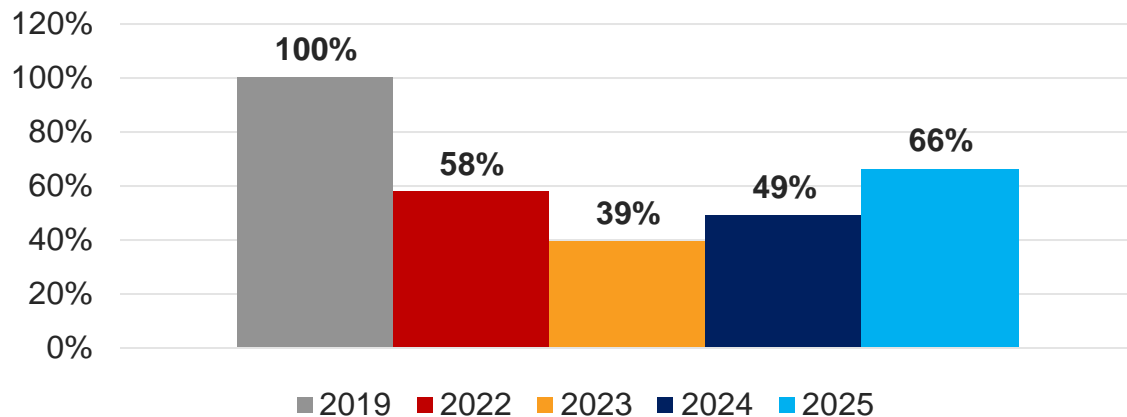
**Repo Check-In Index**  
2019=100



**Lease Check-In Index**  
2019=100



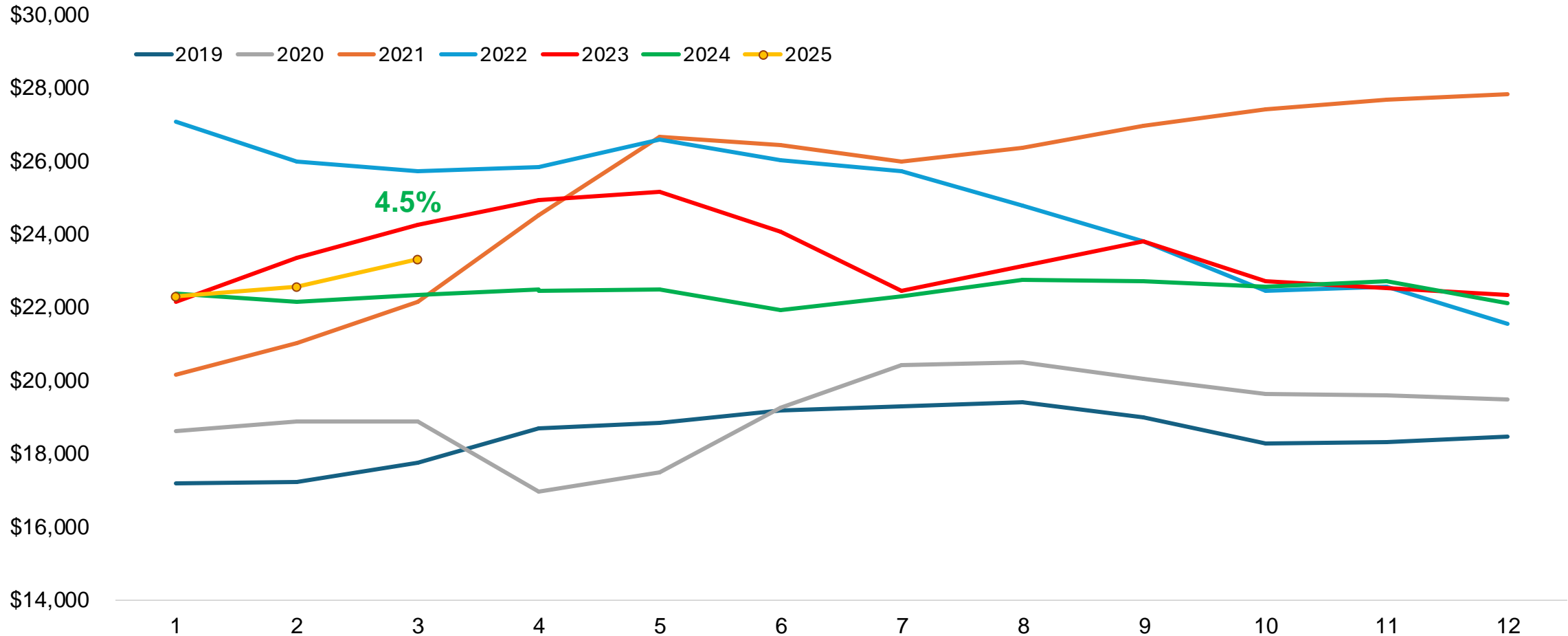
**Rental Check-In Index**  
2019=100



- Repo +13% vs 24' & up +19% vs 19'
- Lease (4%) vs 24' and down (61%) vs 19'
- Rental up 36% vs 24' and down (34%) vs 19'

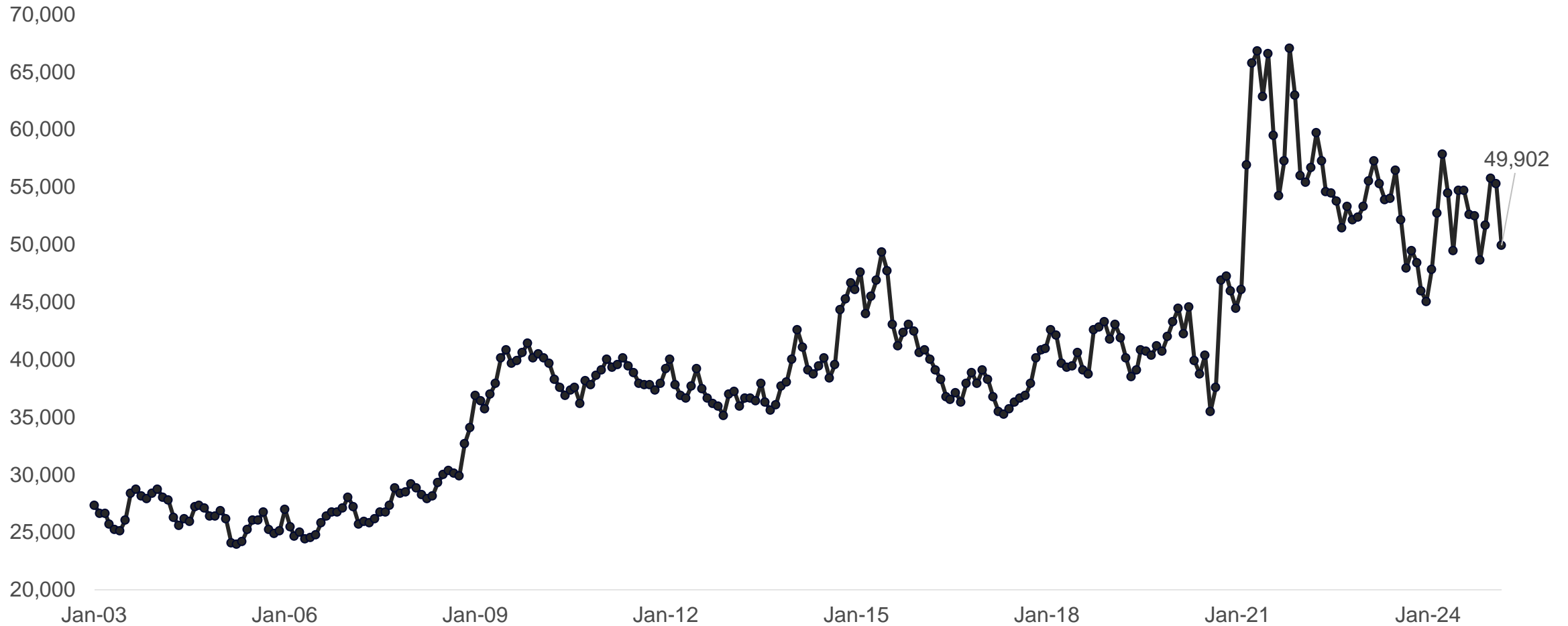
# Rental Risk Average Auction Prices

Prices for units sold in March were up 4.5% year over year and up 3.4% from February



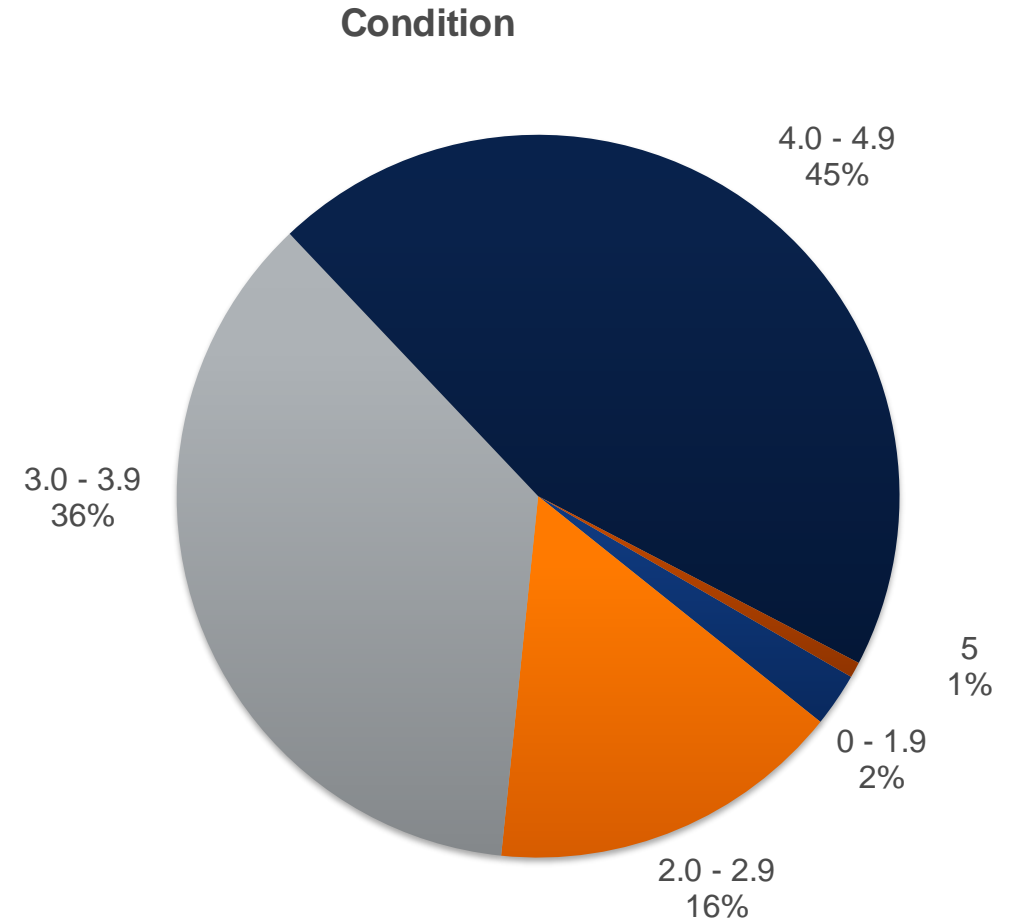
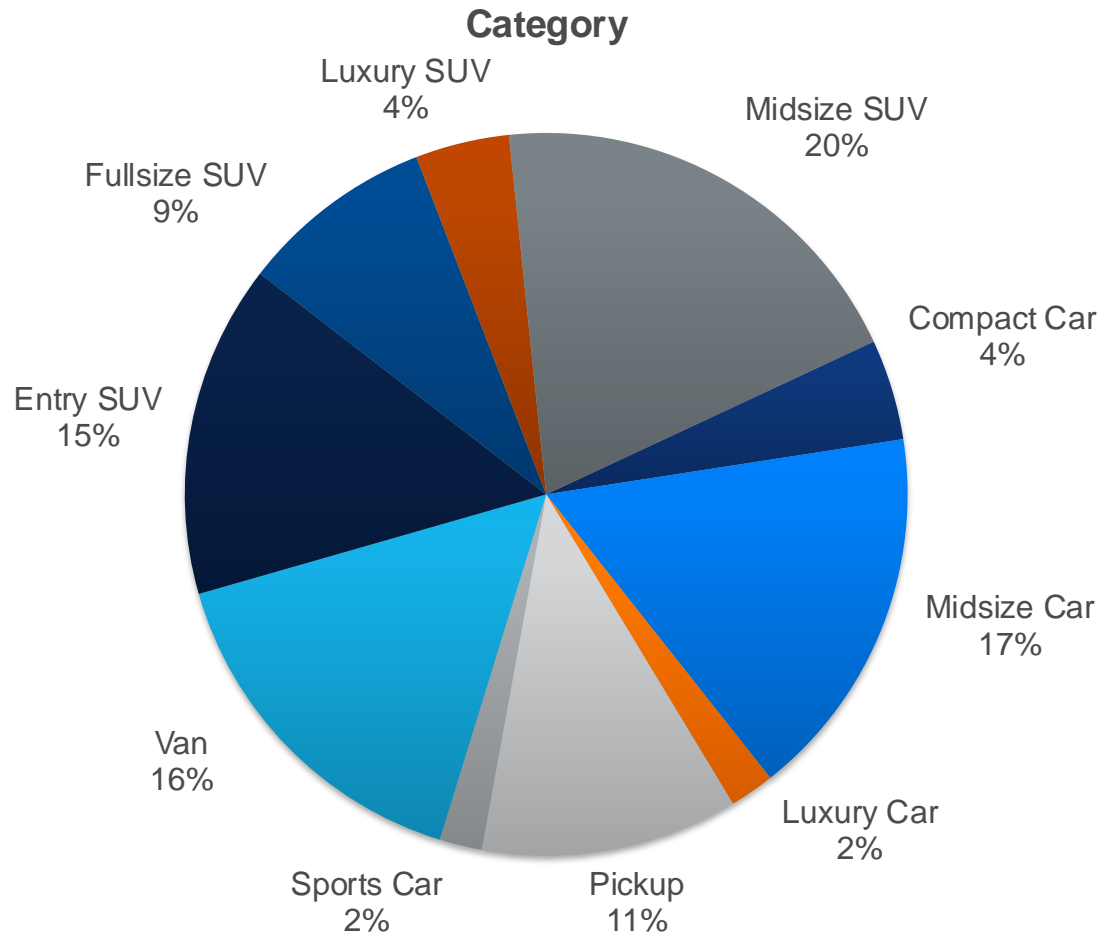
# Rental Risk Average Mileage

Average mileage was down 10% compared to February and now down 5% from March 2024



# Rental Risk Sales Category and Condition

Share of Compact Cars the lowest we have seen, while share of higher graded units grows

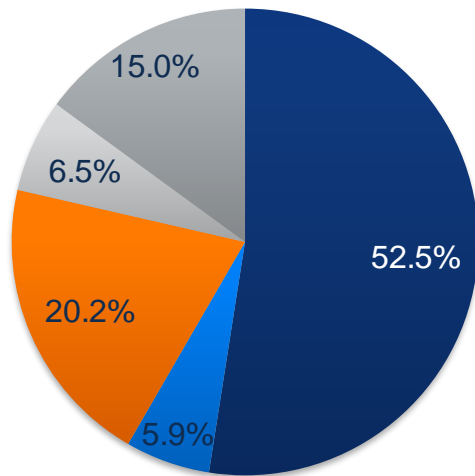


# Manheim Insights on Top Volume Vehicles, Segment, and Price

Price trends on top selling vehicles in March showed larger vehicles were top sellers across the board

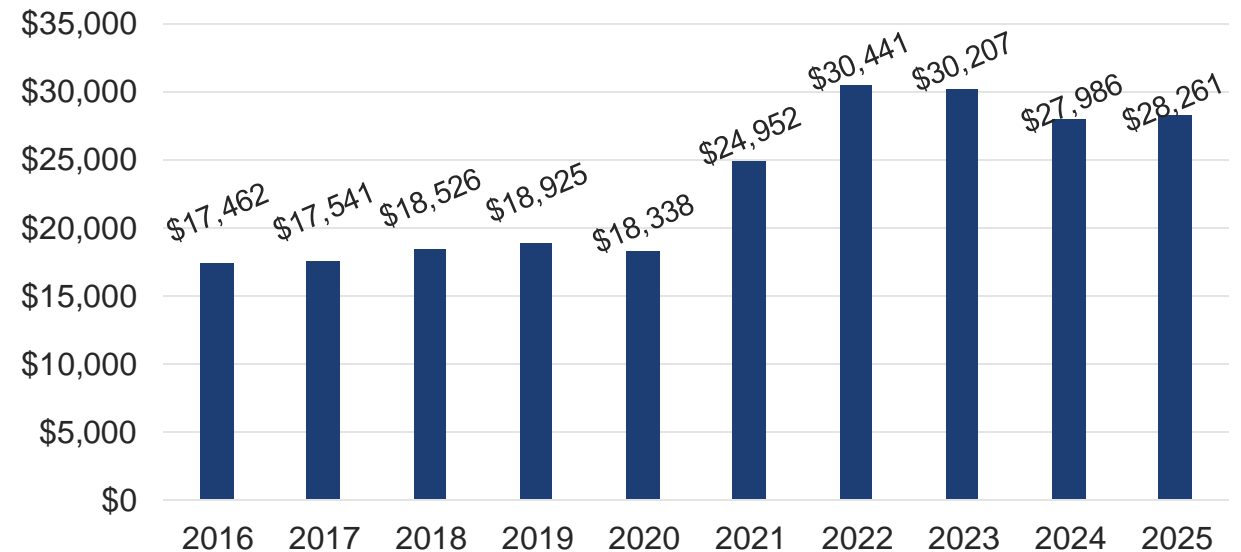
Rank	Source(Rank)	Subcategory	Vehicle	Current Dep	L12M Dep/Mo
1	All	MIDSIZE SUV	2023 NISSAN ROGUE AWD 3C 4D SUV SV	-2.0%	-1.4%
2	All	LITE DUTY FULLS PICKUP	2023 FORD F150 4WD V8 FFV CREW CAB 5.0L XLT	-2.6%	-1.1%
3	All	ENTRY SUV	2023 FORD EDGE AWD 4C 4D SUV SEL	-3.0%	-1.7%
4	All	MIDSIZE SUV	2023 NISSAN ROGUE AWD 3C 4D SUV SL	-1.2%	-1.5%
5	All	FULLSIZE VAN	2023 RAM PROMASTER 2500 EXT CARGO HIGH ROOF	-8.6%	-1.9%
1 Dealer	Dealer	COMPACT VAN	2022 CHRYSLER PACIFICA FWD MINIVAN TOURING L	0.7%	-2.3%
1 Lease	Lease	MIDSIZE SUV	2023 CHEVROLET BLAZER FWD 4C 4D SUV W/2LT	2.4%	-0.7%
1 Rental	Rental	MIDSIZE SUV	2023 NISSAN ROGUE AWD 3C 4D SUV SV	-2.0%	-1.4%

Q1 '25 Sales Mix



■ Dealer ■ Factory ■ Lease ■ Rental ■ Repo

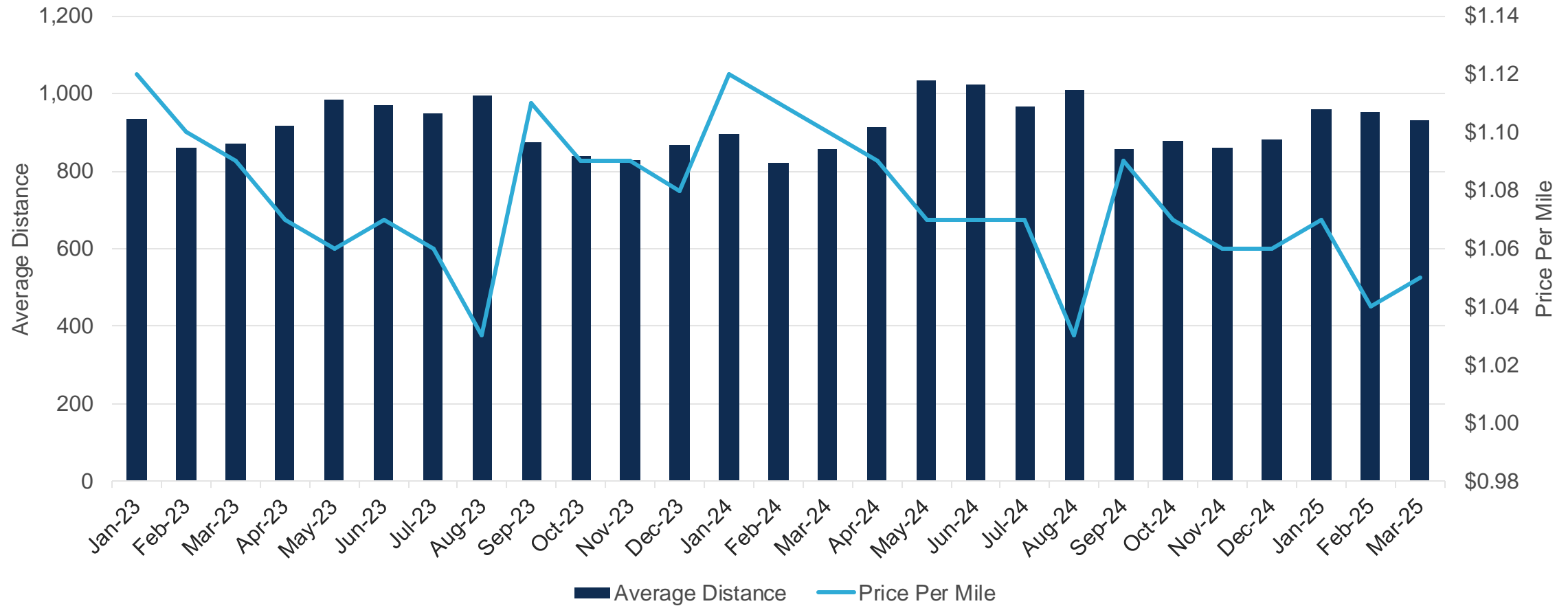
Average Price for 3YO



# Transportation Metrics: Prices and Mileage

Average miles moved up 8.6% year over year while price per mile declined 4.5% from March 2024

### Central Dispatch Marketplace Metrics

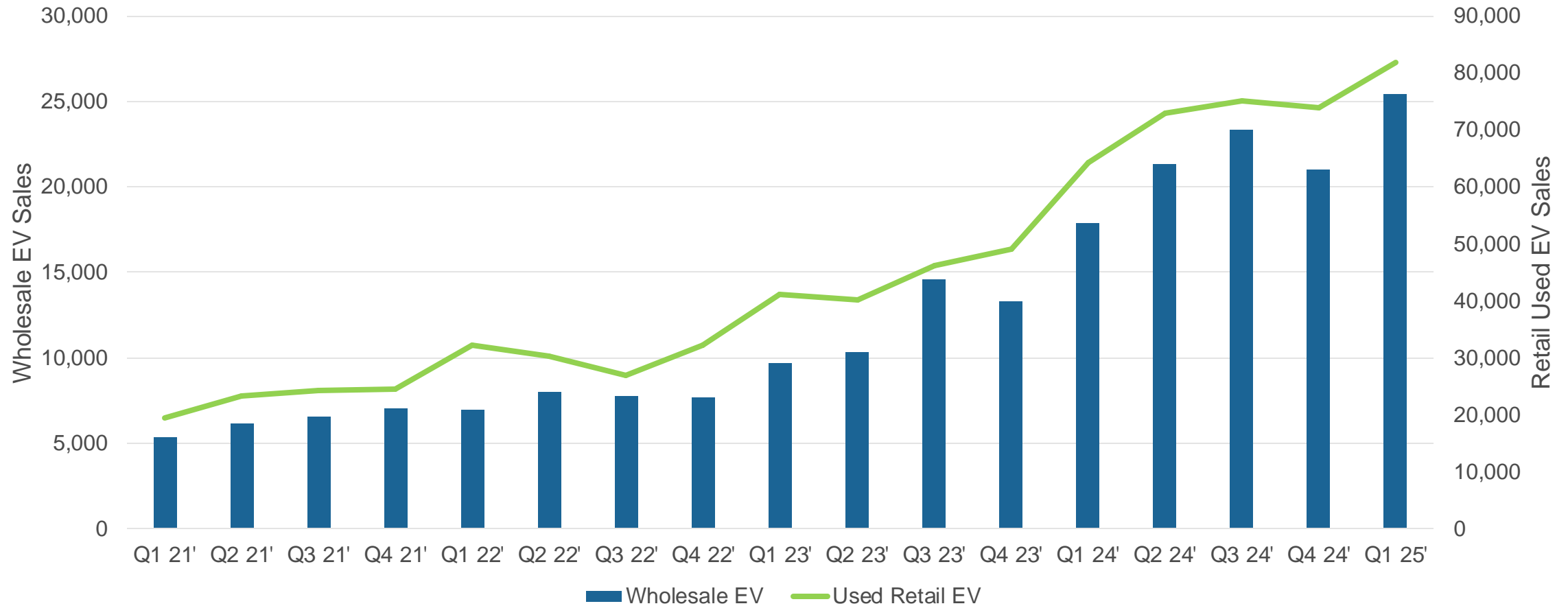




# EV Transactions

Manheim EV sales are up 42% in Q1 year over year, while used retail EV sales have grown 27% over the same time

EV Transactions: Manheim (LHS) & Retail Used (RHS)



## Forecast and Outlook

**Jeremy Robb**

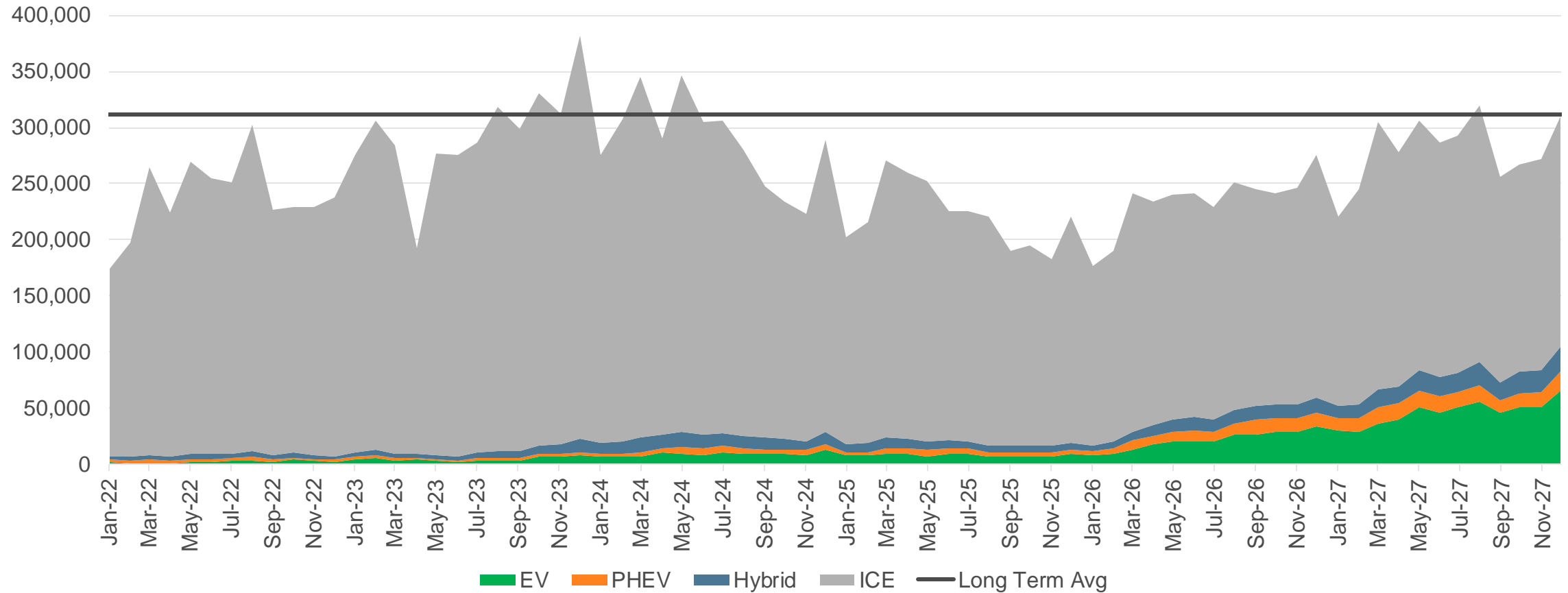
Senior Director of Economic and  
Industry Insights



# Lease Maturity Outlook | Many More EVs in Coming Years

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

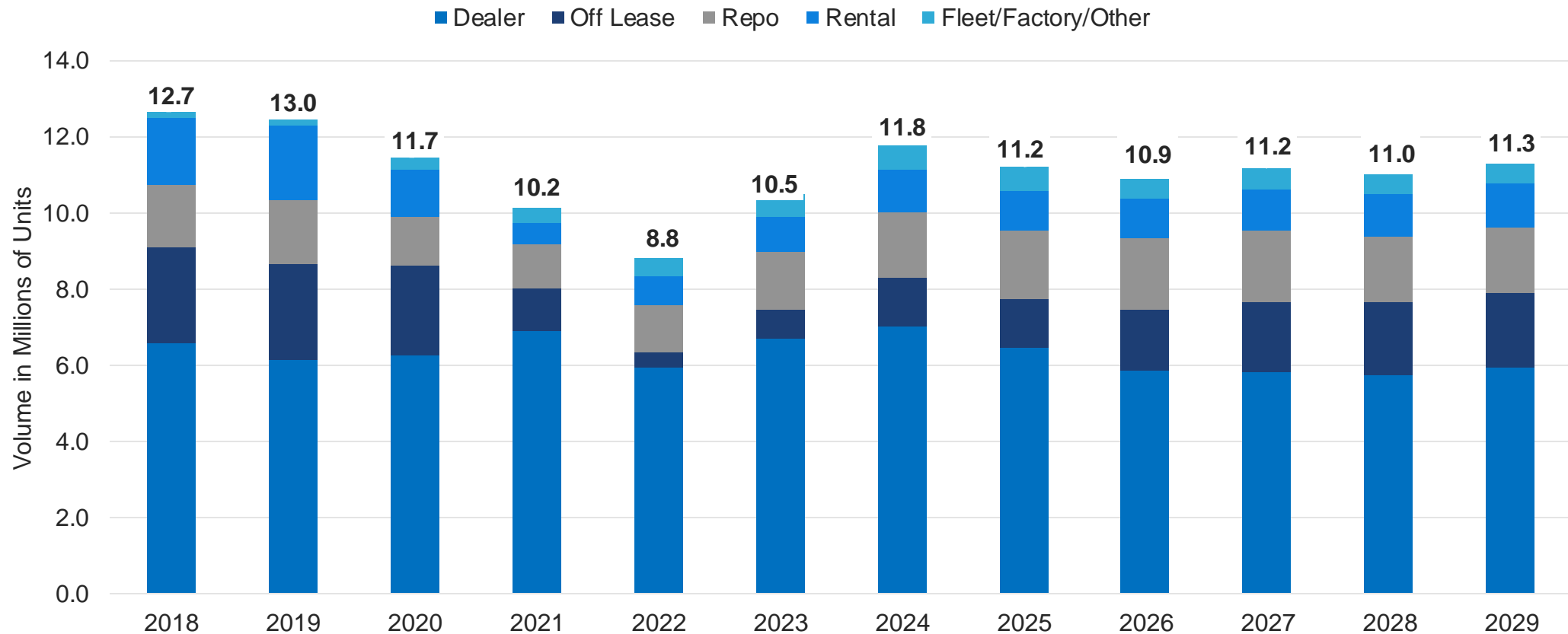
Estimated Lease Maturity Forecast by Fuel Type



# Policy Changes Could Squeeze Wholesale Flows

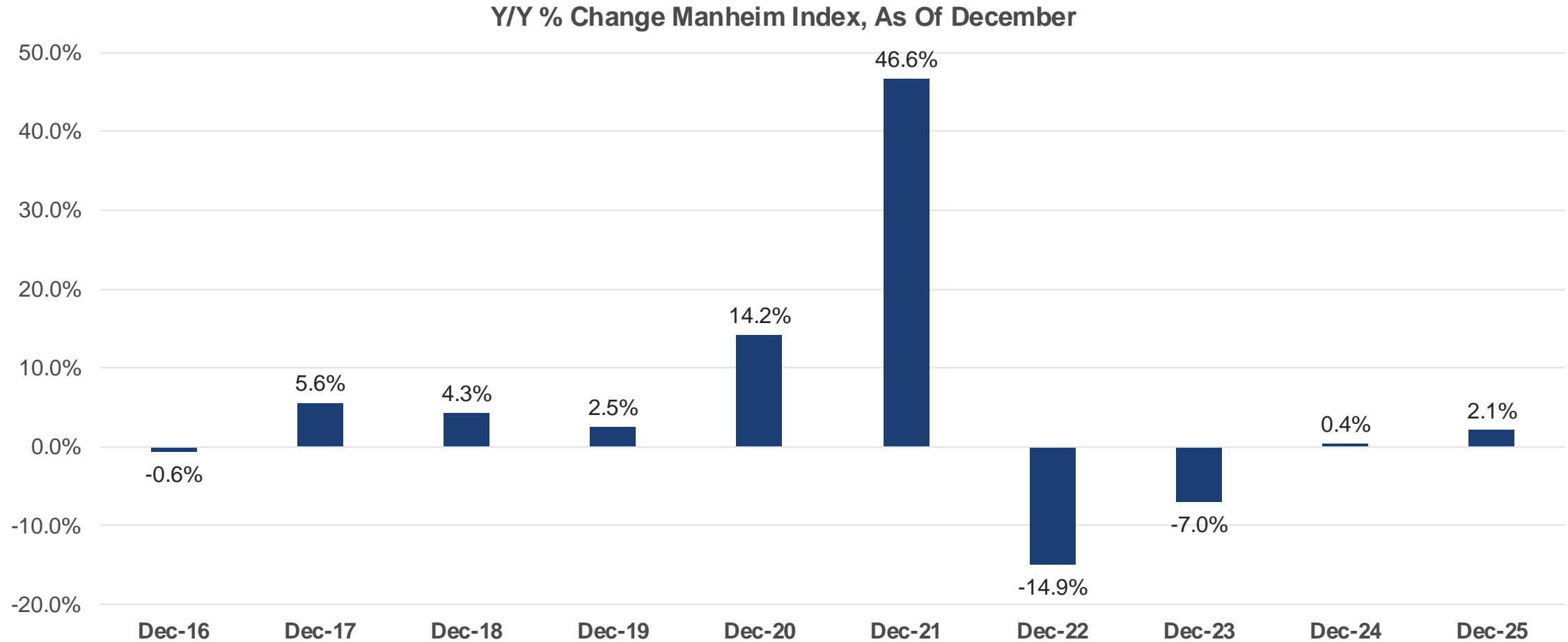
Tariffs could impact vehicle values and create higher demand for used units, reducing volume into the market

**Estimated Wholesale Volumes by Inflow Channel (Annual Volume)**  
(millions)



# Used Vehicle Value Outlook Returning To Normal

2024 saw more normal depreciation trends vs previous years and we expect normalization to continue in 2025

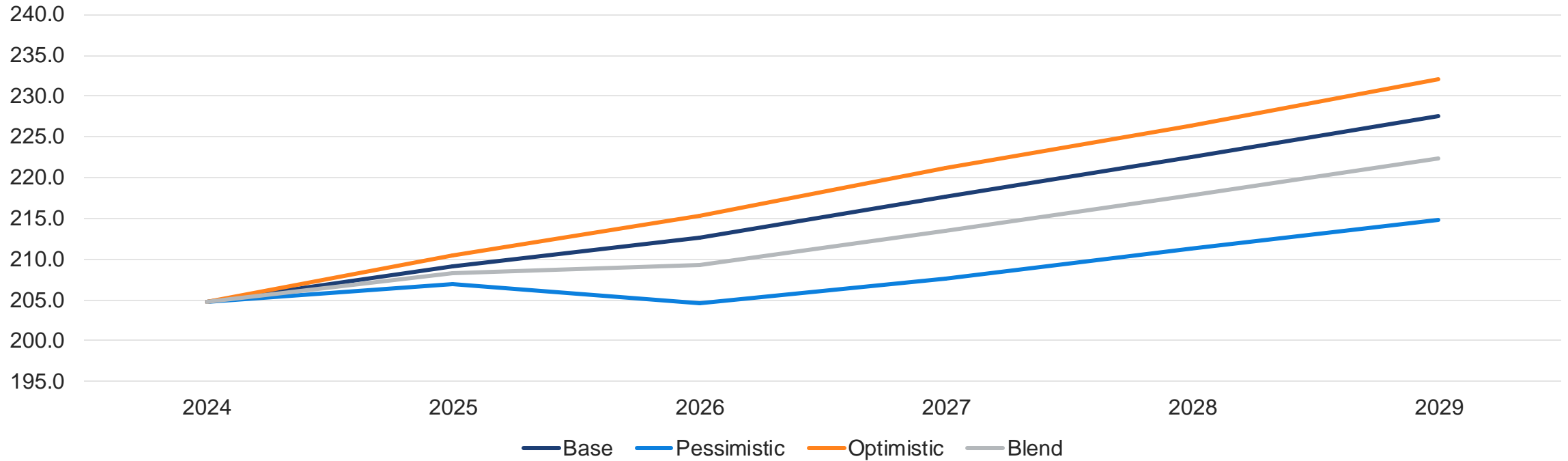


# Wholesale Value Scenario Outlook



Higher Tariffs likely mean higher used values for many years to come

March 2025 MUVVI Tariff Scenarios



Y/Y	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Base	2.1%	1.7%	2.4%	2.3%	2.2%
Pessimistic	1.1%	-1.1%	1.4%	1.8%	1.7%
Optimistic	2.8%	2.2%	2.7%	2.4%	2.5%
Blend	1.7%	0.5%	2.0%	2.1%	2.0%

## 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%)*

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## Q&A





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

**Auto Market Snapshot:** [www.coxautoinc.com/marketsnapshot](http://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](http://www.coxautoinc.com/signup)

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# THANK YOU FOR ATTENDING!

Contact us with questions or  
to speak with an expert:

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