

COX AUTOMOTIVE

Q2 MANHEIM USED VEHICLE VALUE INDEX CALL

July 8, 2025





COX AUTOMOTIVE

The World's Largest Automotive Services and Technology Provider

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

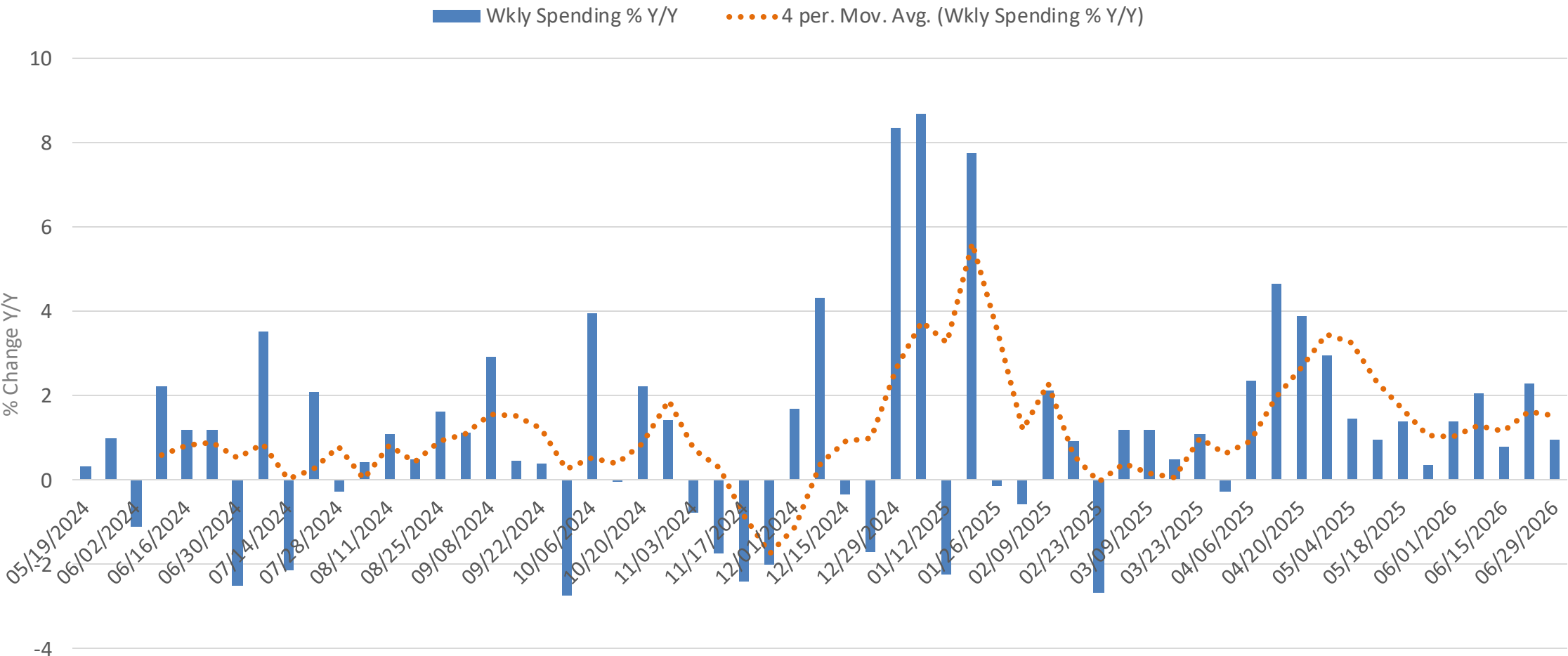
JONATHAN SMOKE
Chief Economist



Consumer Spending Growth Remaining Positive

Total consumer spending saw year over year growth accelerate in April, cool in May, and stabilize in June

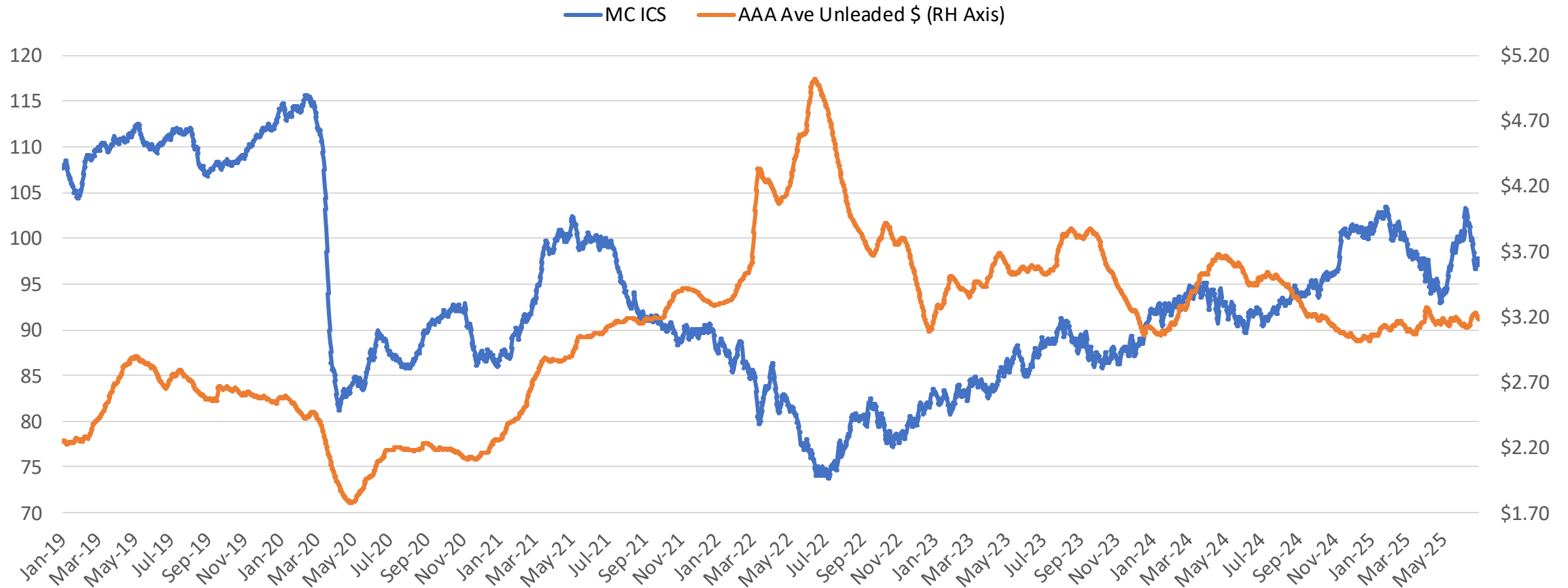
Bloomberg Second Measure US Consumer Spend NSA



Consumer Sentiment Trended Lower in June

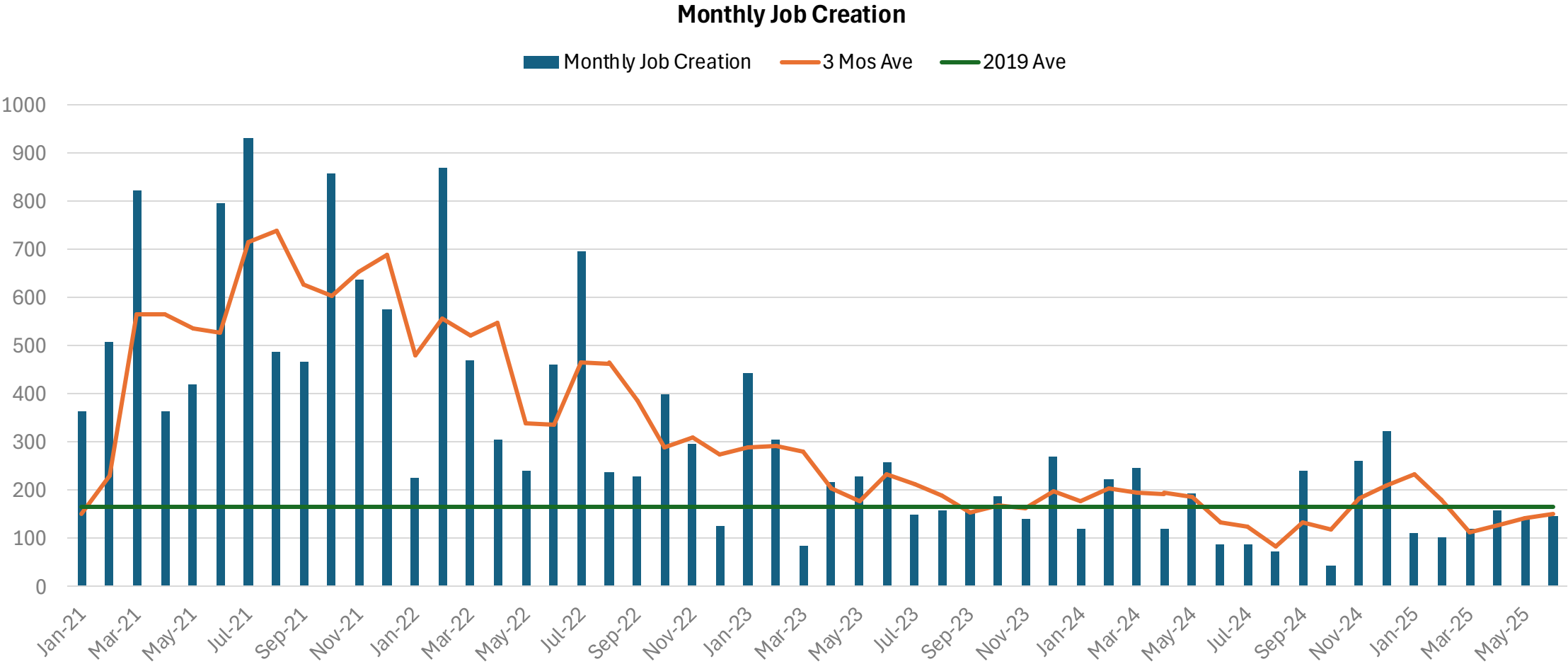
The Index of Consumer Sentiment jumped 7.1% in May but declined 3.6% in June

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



The Labor Market Is Seeing Lower But Stabilizing Job Creation

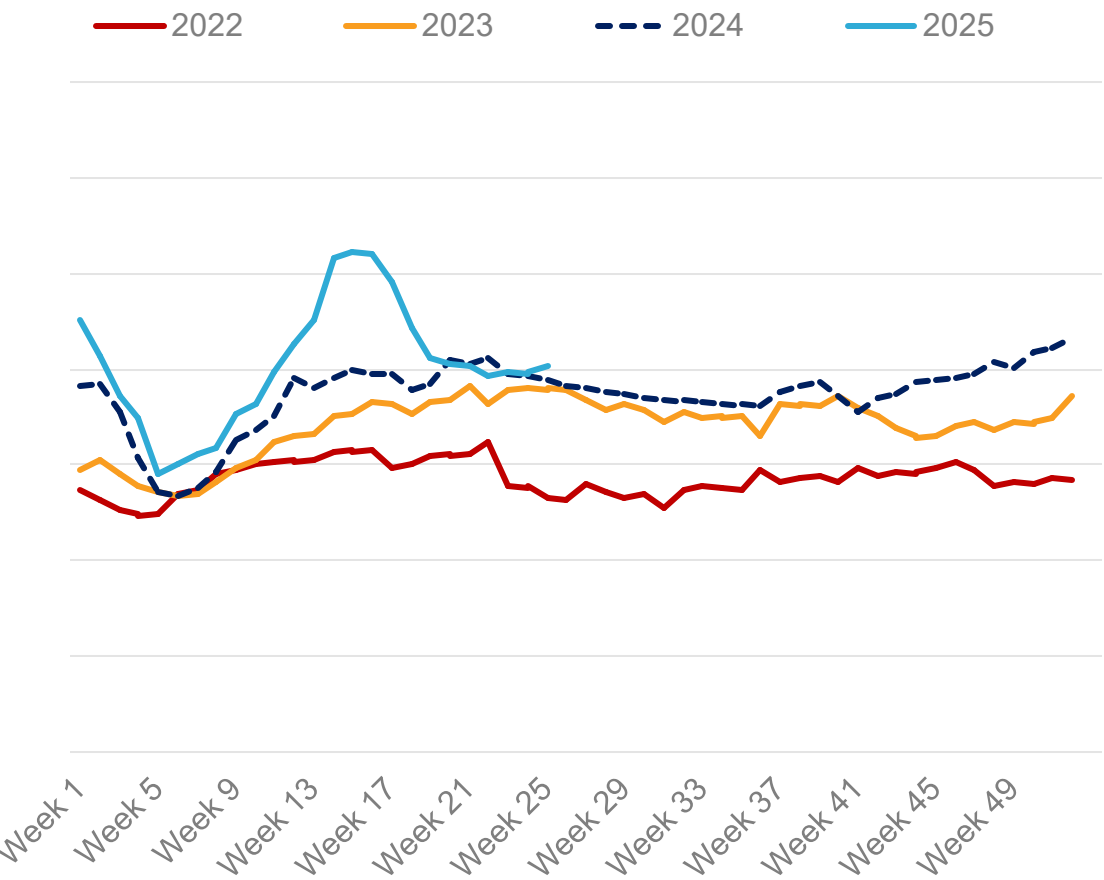
With 147,000 jobs added in June and upward revisions to prior months, 3-month ave increased to 150k



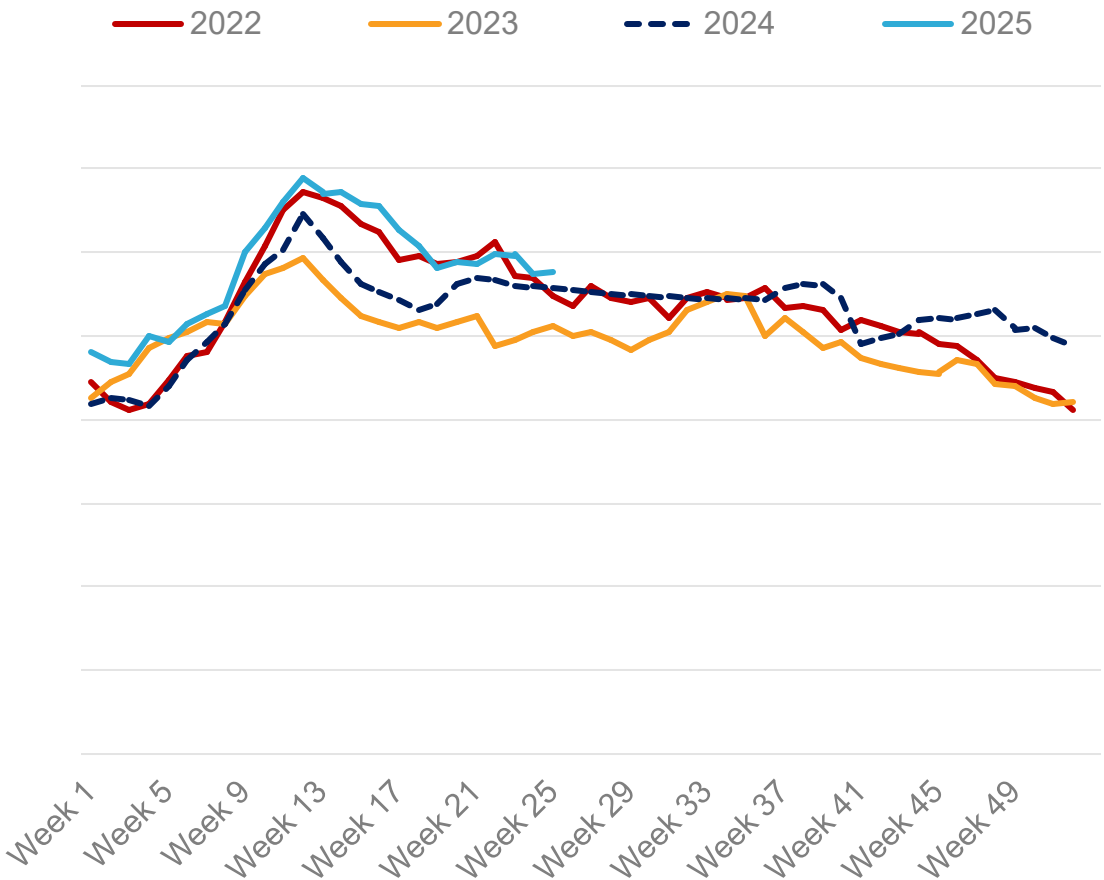
New Retail Sales Are Steady While Used Fell In Recent Weeks

Sales trends for new have been stable in the last several weeks, but used levels have declined recently

New Retail Sales



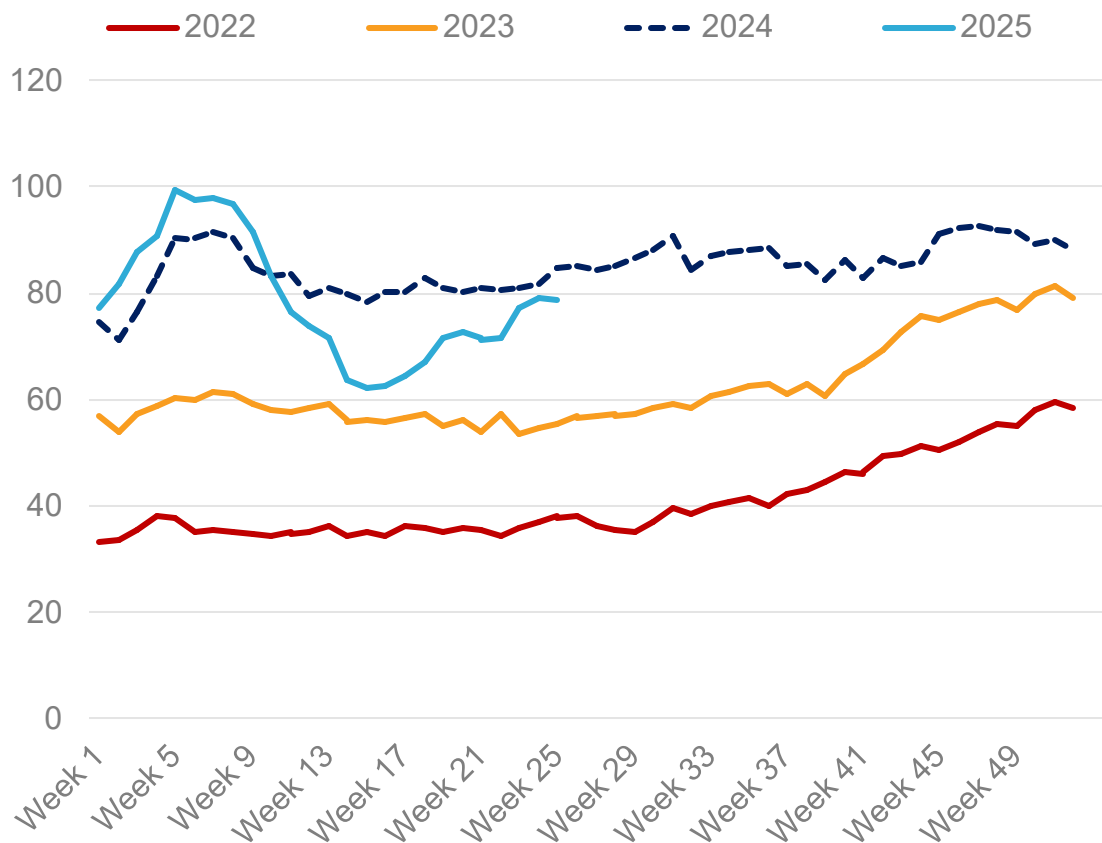
Used Retail Sales



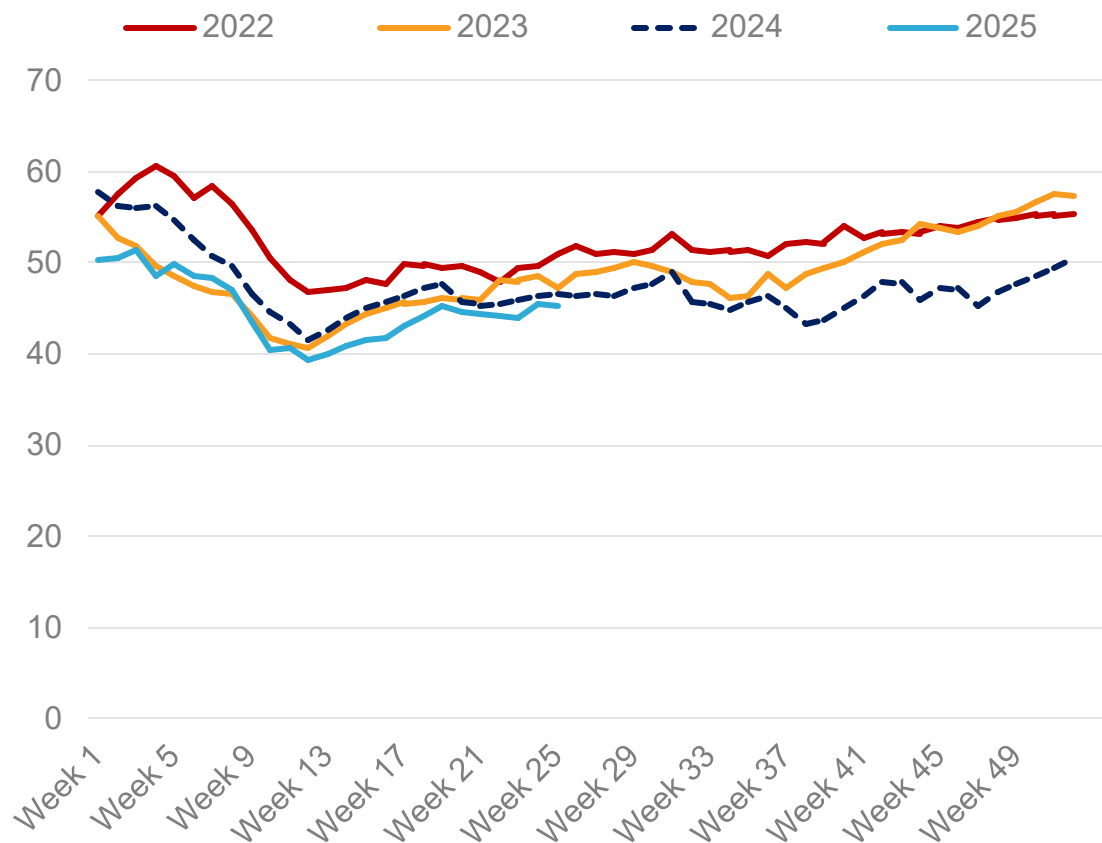
New Supply Is Higher Over the Last Month While Used Is Stable

New supply remains higher over the last month though both new and used were steady last week

New Days' Supply



Used Days' Supply



Tariffs: Where We Are Today



What's Happening

Steel & Aluminum Imports (March 30) ¹	50%
Non-N.A. Imported Vehicles (April 2)	25%
Imported Vehicles from UK (May 8)	10%
Imported Vehicles from CD/MX ²	25%
Imported Parts in U.S. Made Vehicles ³	25%

Vehicle Price Impact

\$600 - \$1,000
\$5,700
\$7,200
\$3,500
\$1,000+

1 Updated on June 3, Trump pushed to 50%, still 25% for UK; 2 U.S. Content is exempt from tariff; 3 Down from \$3,000 considering new offset

Short-Term Implications

- Sales surge
- Declining discounting and incentives in new
- Auto suppliers under financial stress
- Border and customs challenges
- Potential production disruption

Long-Term Implications

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

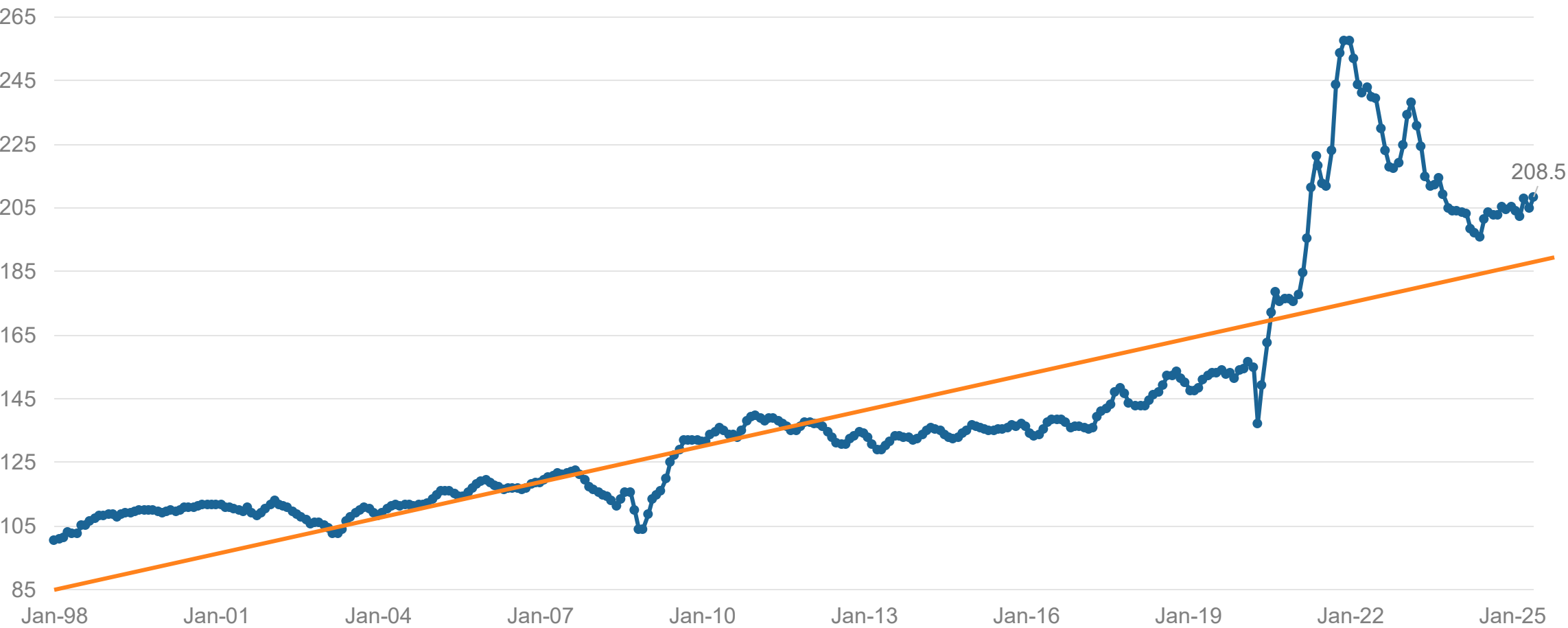
Steps

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



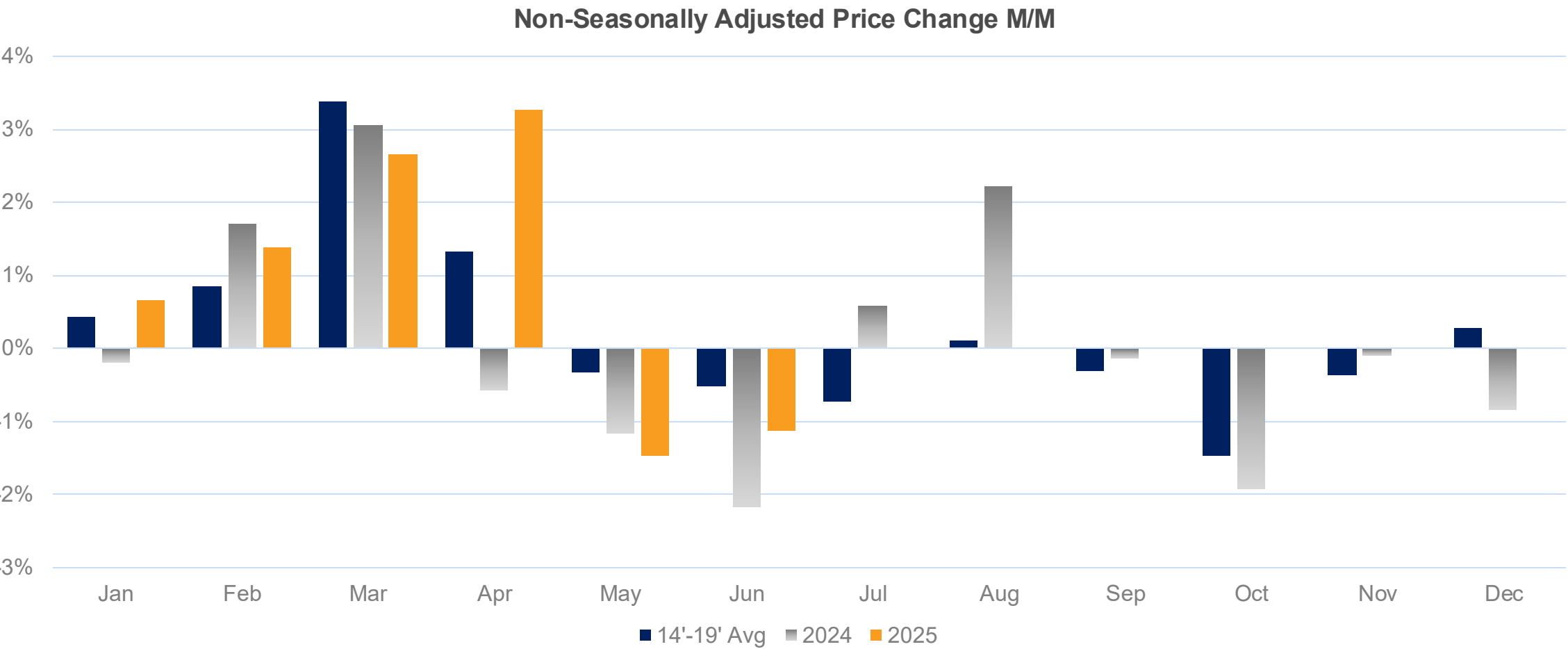
Wholesale Vehicle Are Rising

Index increased 1.6% from May and is higher by 6.3% versus 2024, showing more volatility in recent months



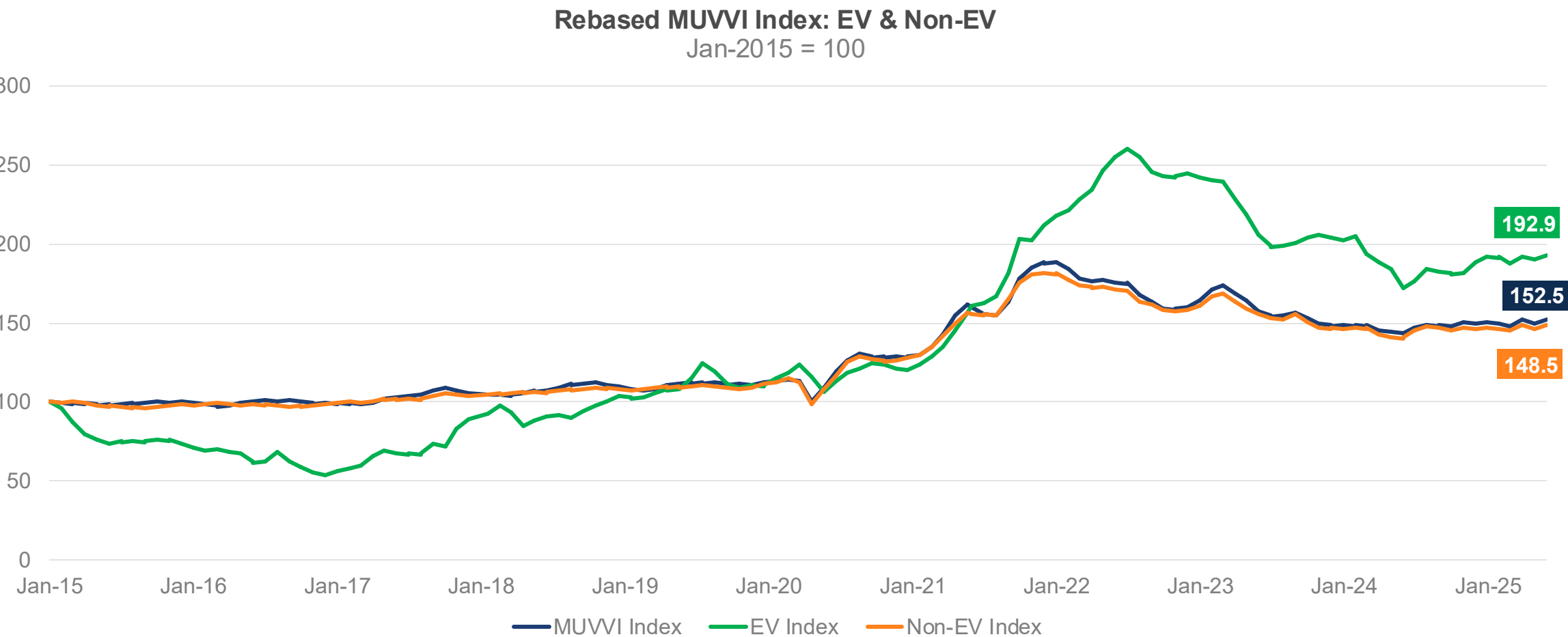
Month-Over-Month Performance Trend

Values have shown some variance from long term trends recently as tariffs cause some volatility



Manheim Index: EV & Non-EV

The EV Index rose a bit more than the Non-EV Index over Q2 yet outperformed against last year

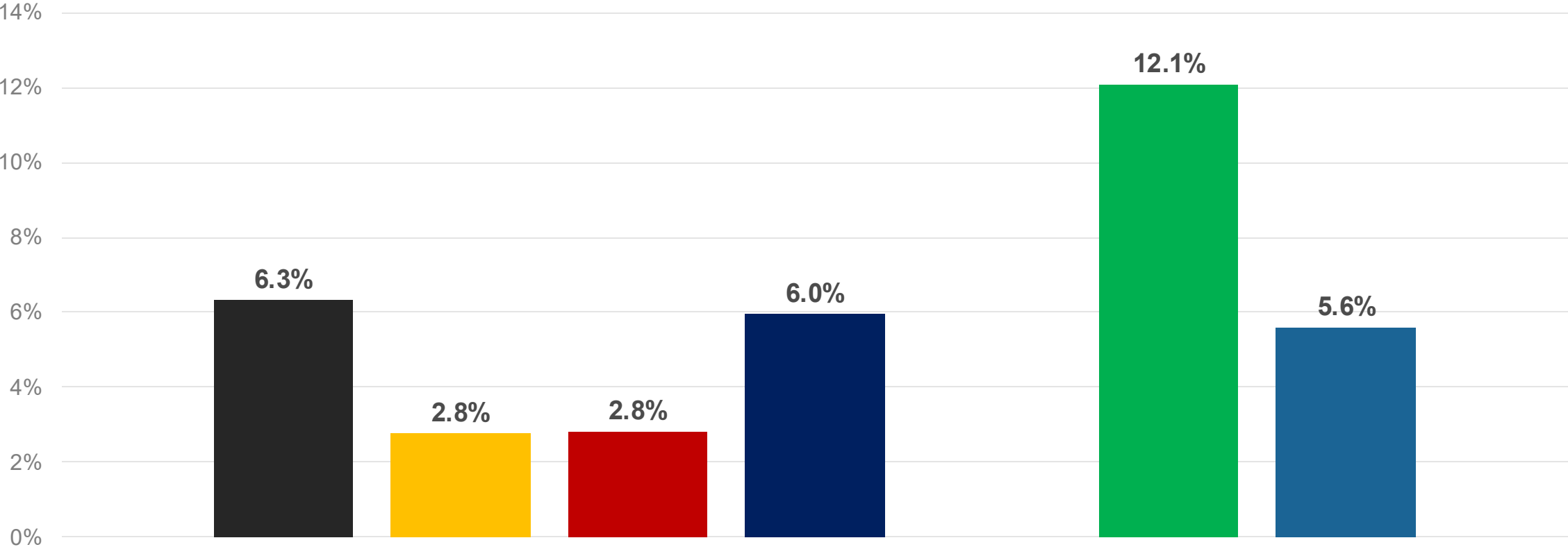


June 2025 MUVVI Index Segments Are Higher

All segments higher year over year; SUVs performing well and EVs up substantially versus last year

Annual Change by Index Segment

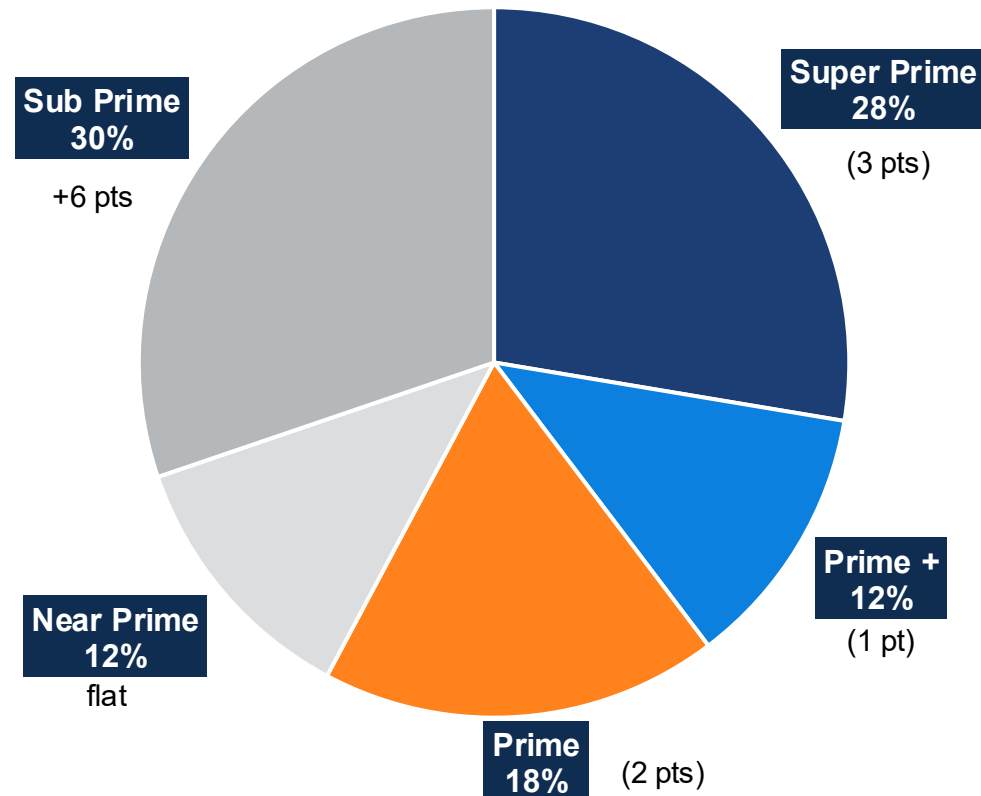
Overall Index Sedan Pickup SUV EV Non-EV



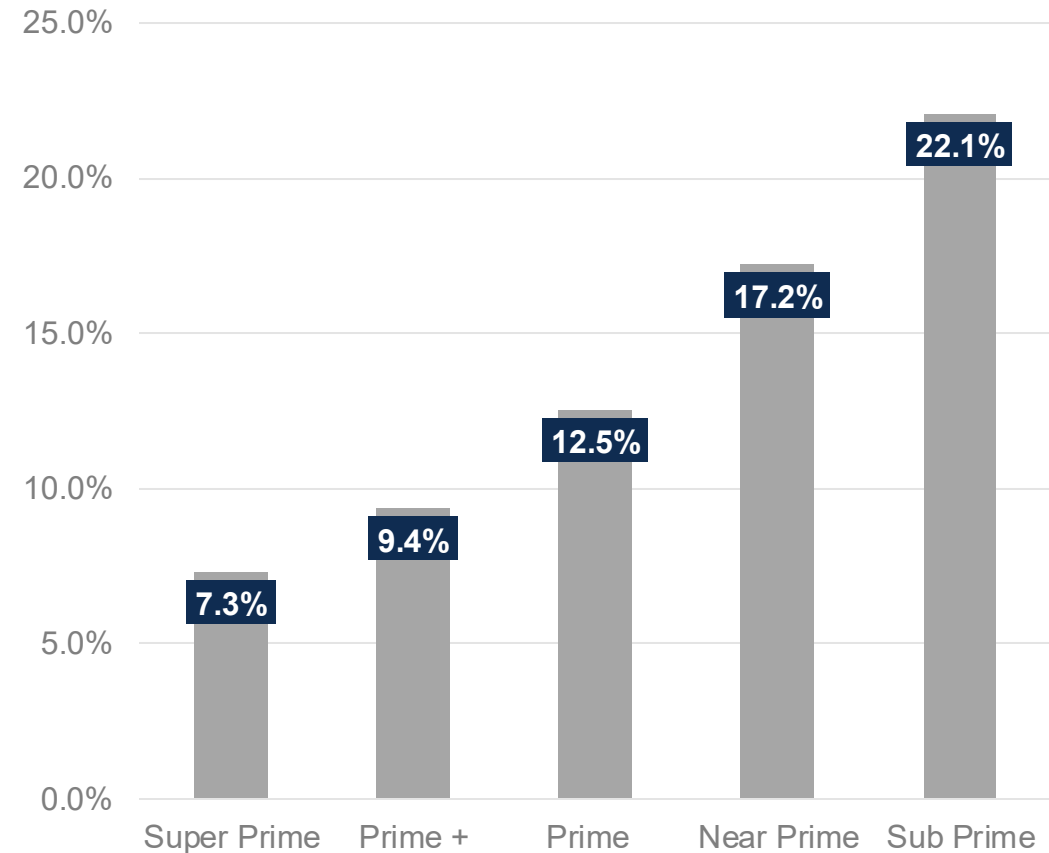
Used Auto Loan Rates & Mix by Credit Tier

APR levels for Super Prime & Prime+ are down 80 bps year over year while Sub Prime is barely lower

Credit Tier Mix

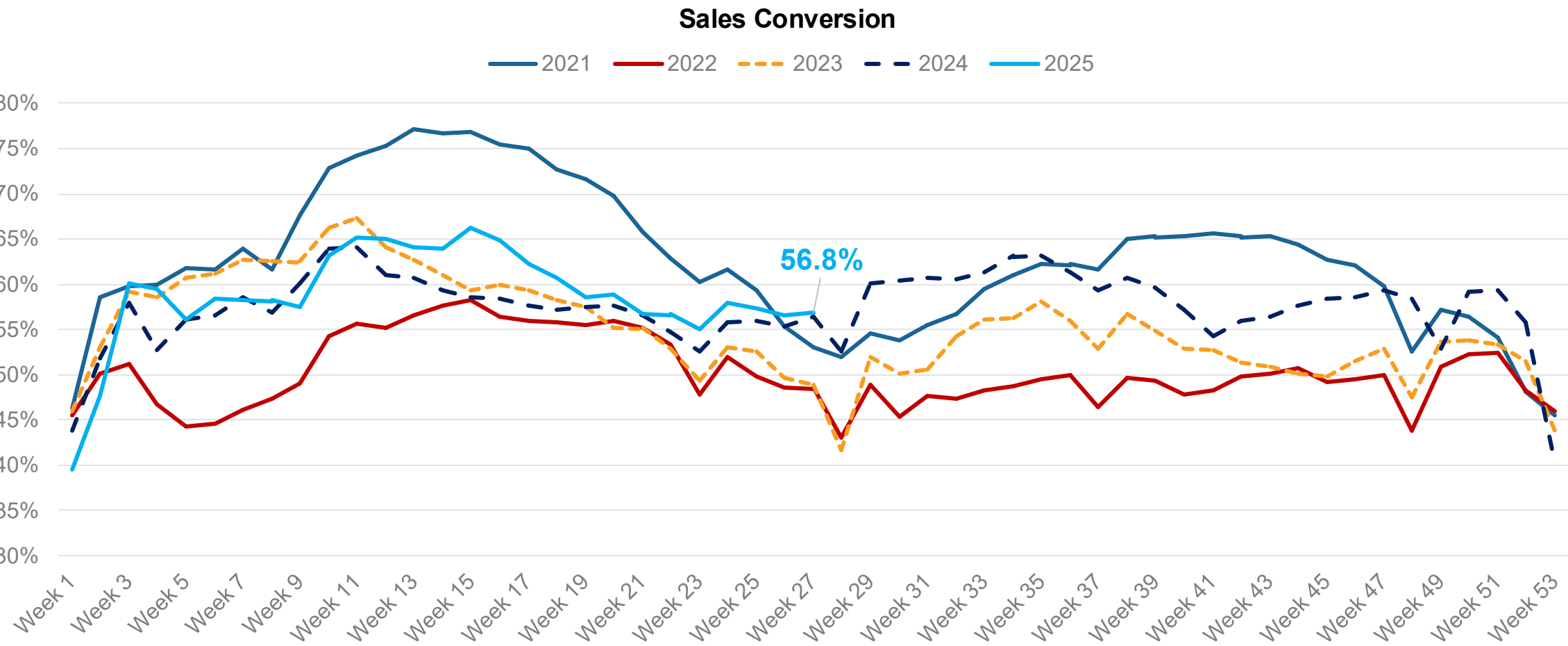


Used APR



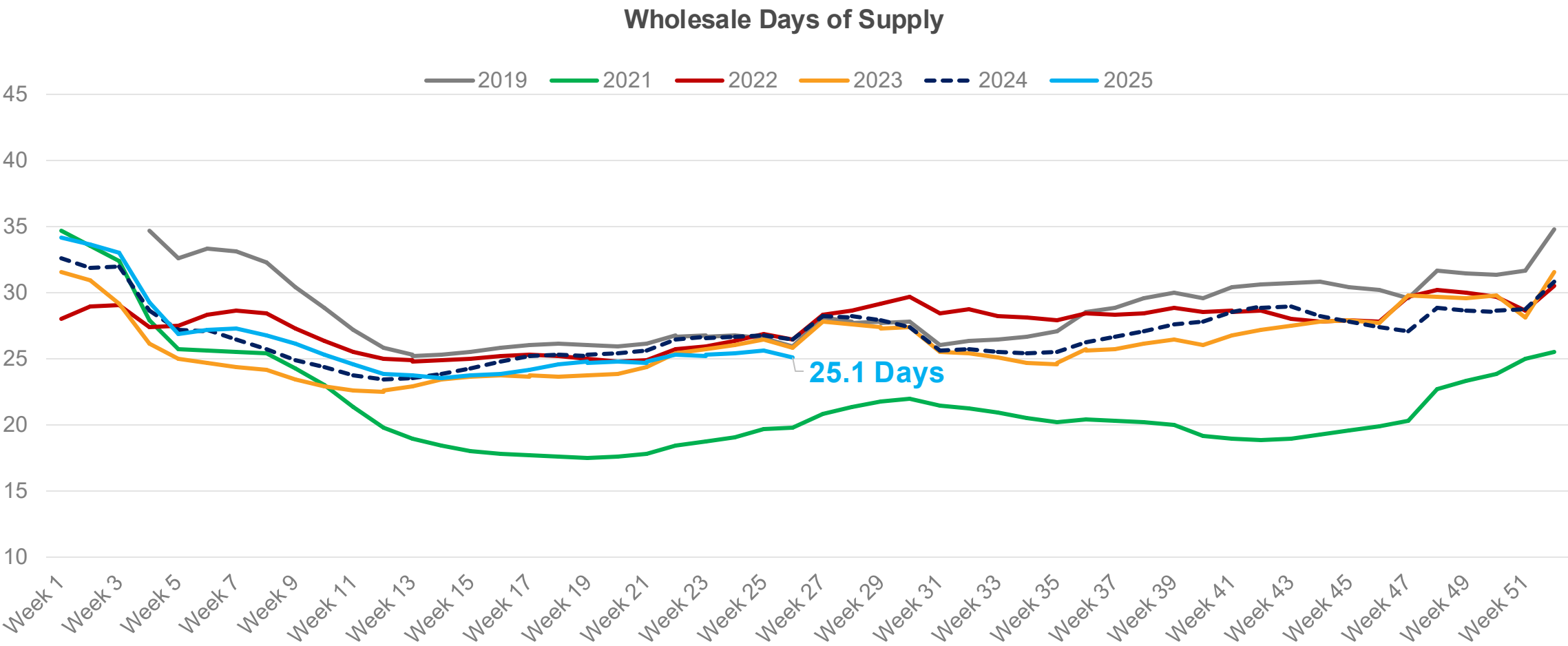
Sales Conversion

Through the first half of 2025, sales conversion is higher than the last four years and remains elevated



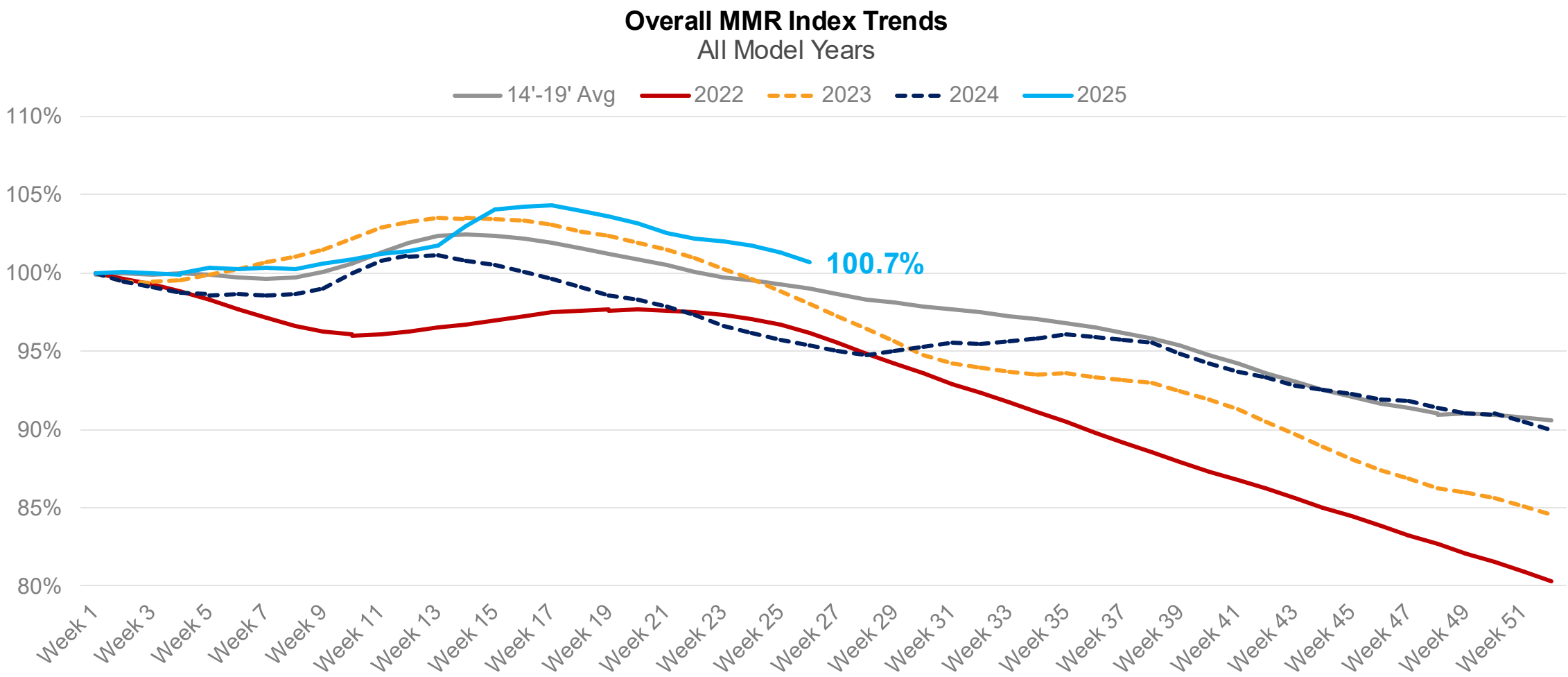
Wholesale Supply Remains Somewhat Tight

Year-over-year: Inventory is down 3% while sales are +2%; days' supply falls to 25.1 days, down 5% year over year



Overall Wholesale MMR Value Trends

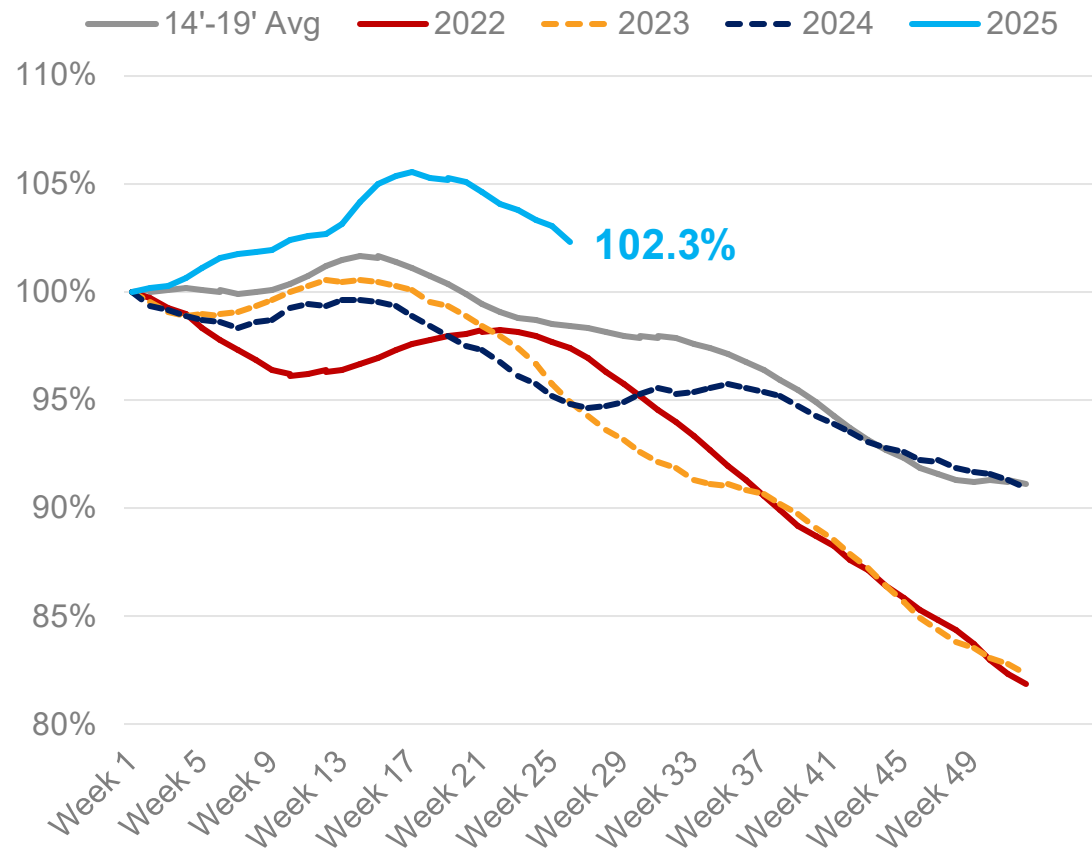
MMR values have been on the decline but remain elevated against historical comparisons



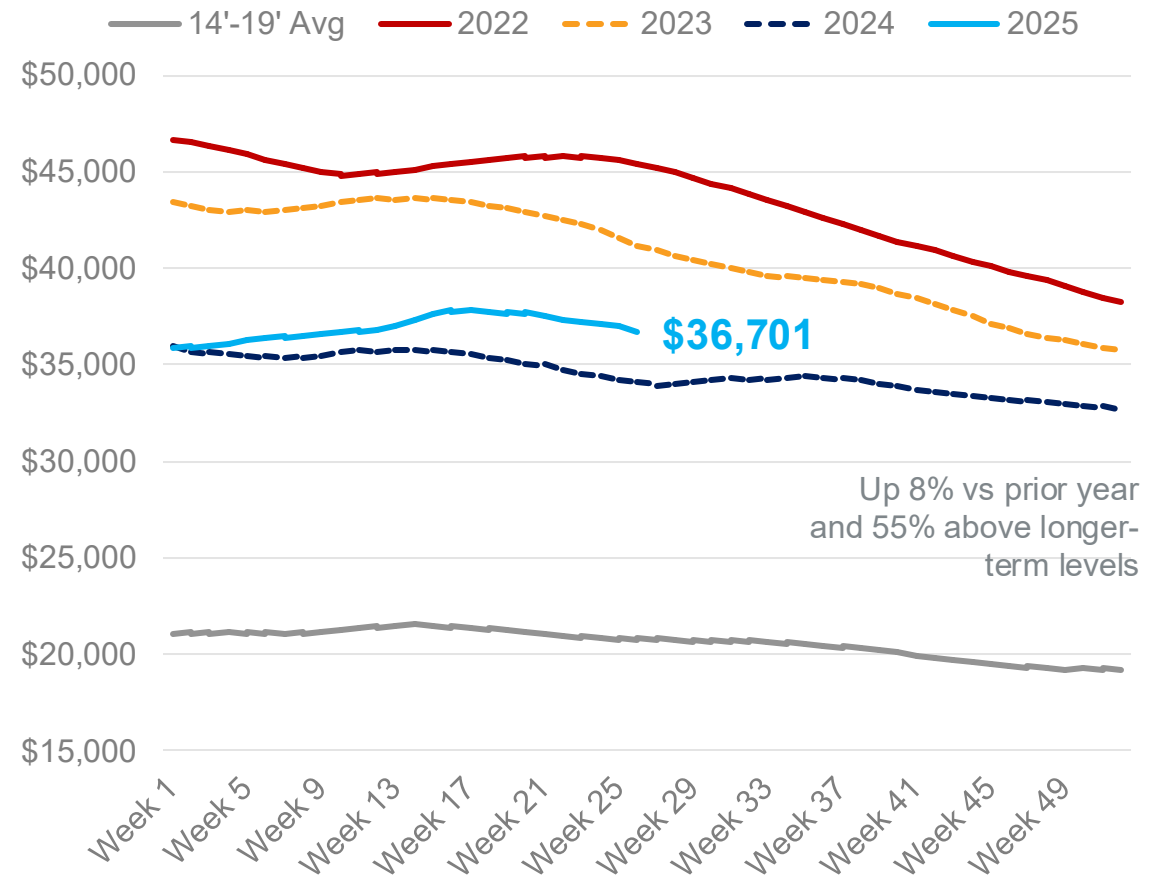
1YO MMR Index With Resale Values By Calendar Year

The 1YO is the strongest of all groups, being the closet to a new car, though it has fallen recently

MMR Index Trends
1YO



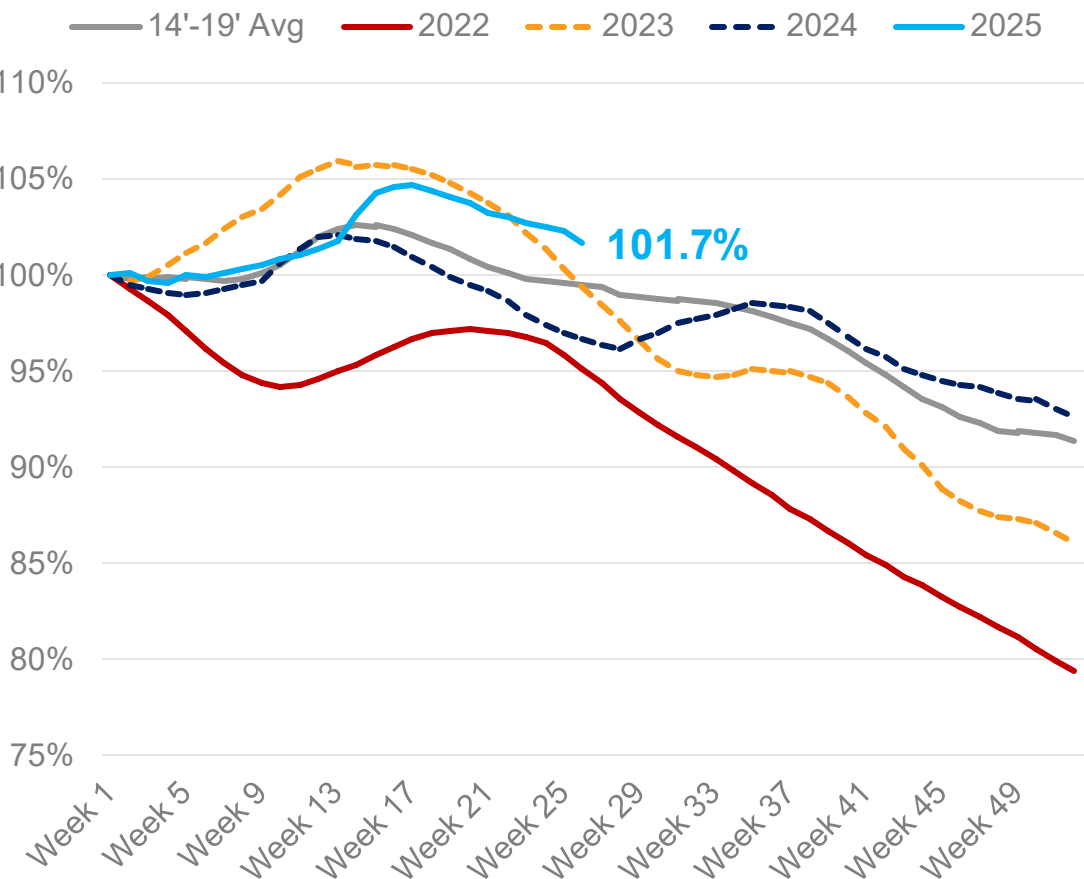
MMR Resale Value Trends
1YO



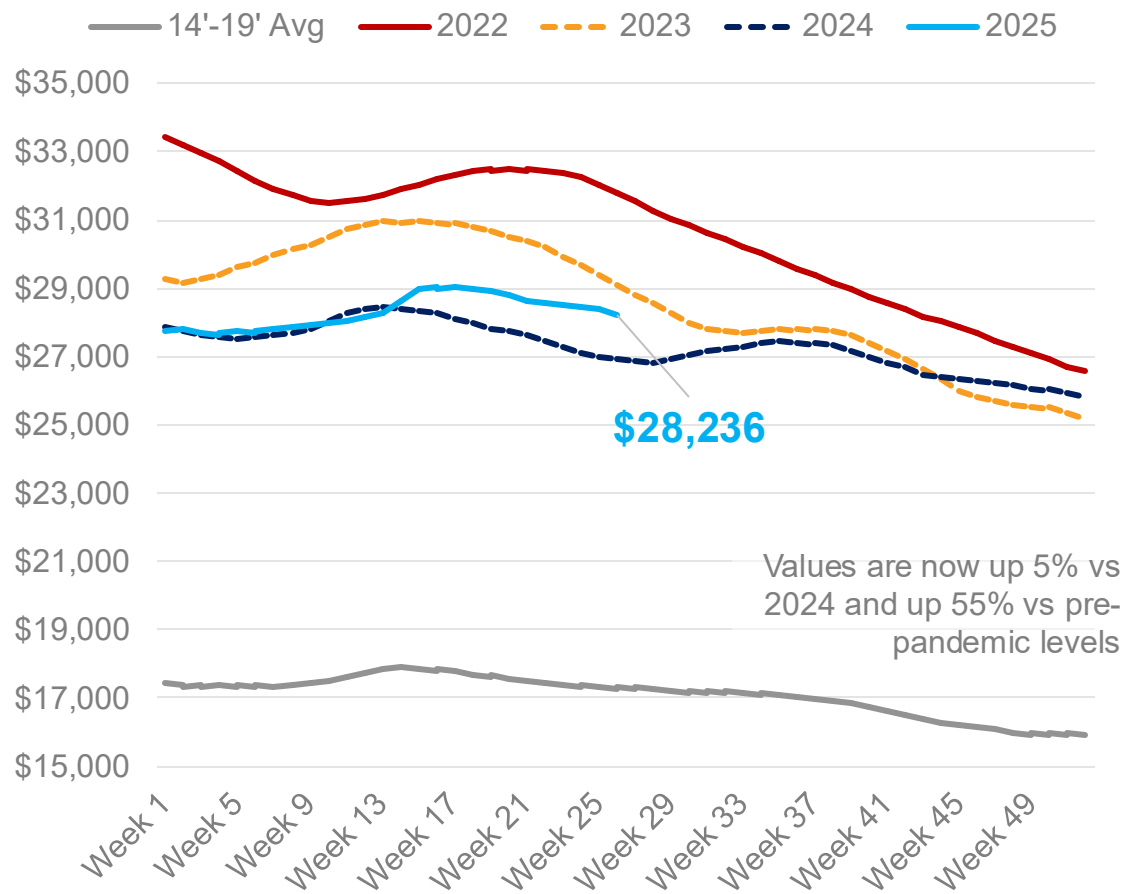
3YO MMR Index With Resale Values By Calendar Year

3YO values remain elevated, as tariffs have increased demand in Q2

MMR Index Trends
3YO

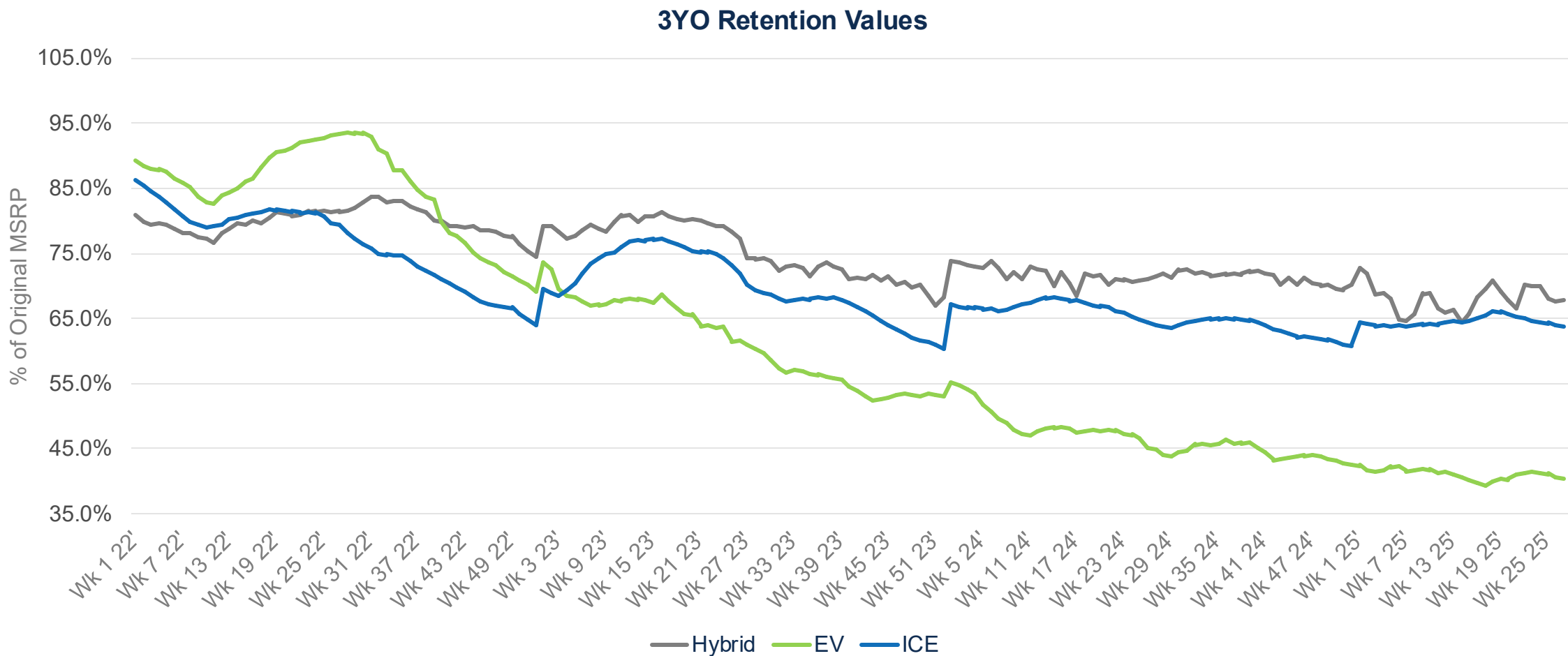


MMR Resale Value Trends
3YO



Retention Values at Auction by Fuel Type

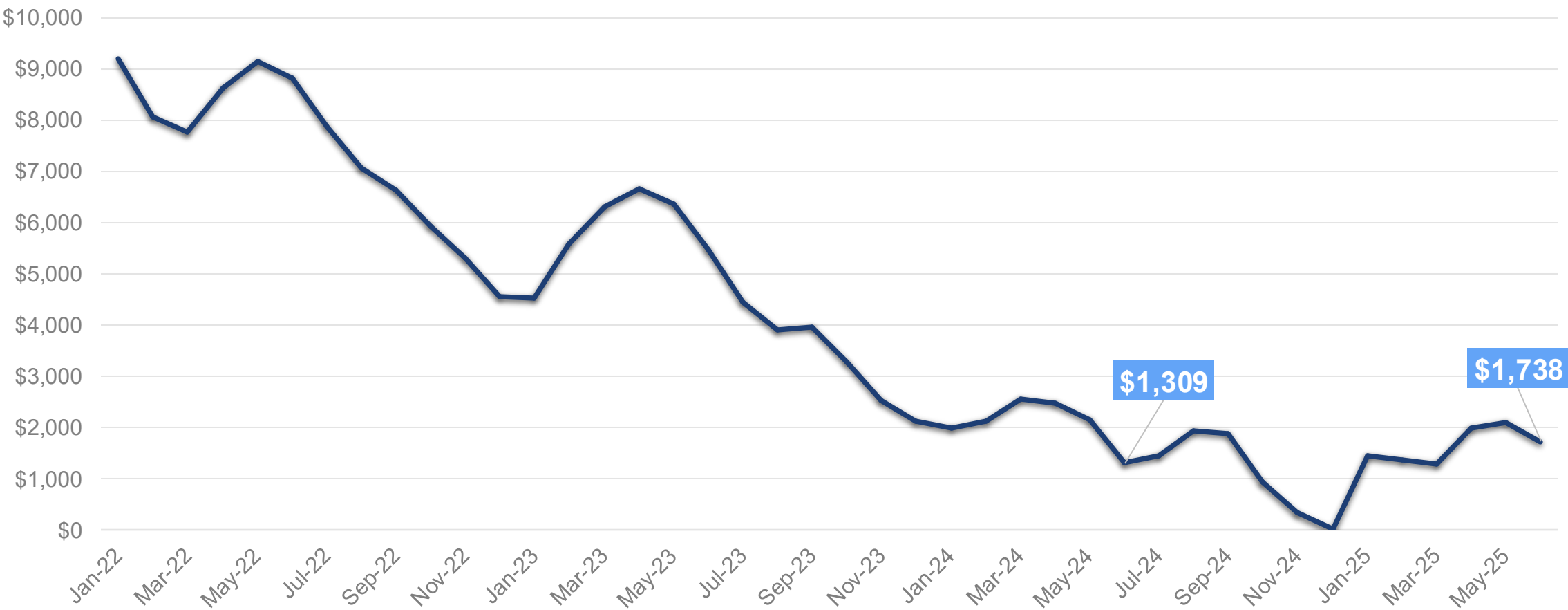
Hybrid & EV retention values are 4 points lower year over year while ICE is holding flat, all were lower in June



CALE: Lease Equity Remains Positive Overall

Weighted Lease equity holds positive for the industry overall but fell in June, +\$400 year over year

Monthly Lease Weighted CALE



Auction Data and Rental Market

Scott Vanner

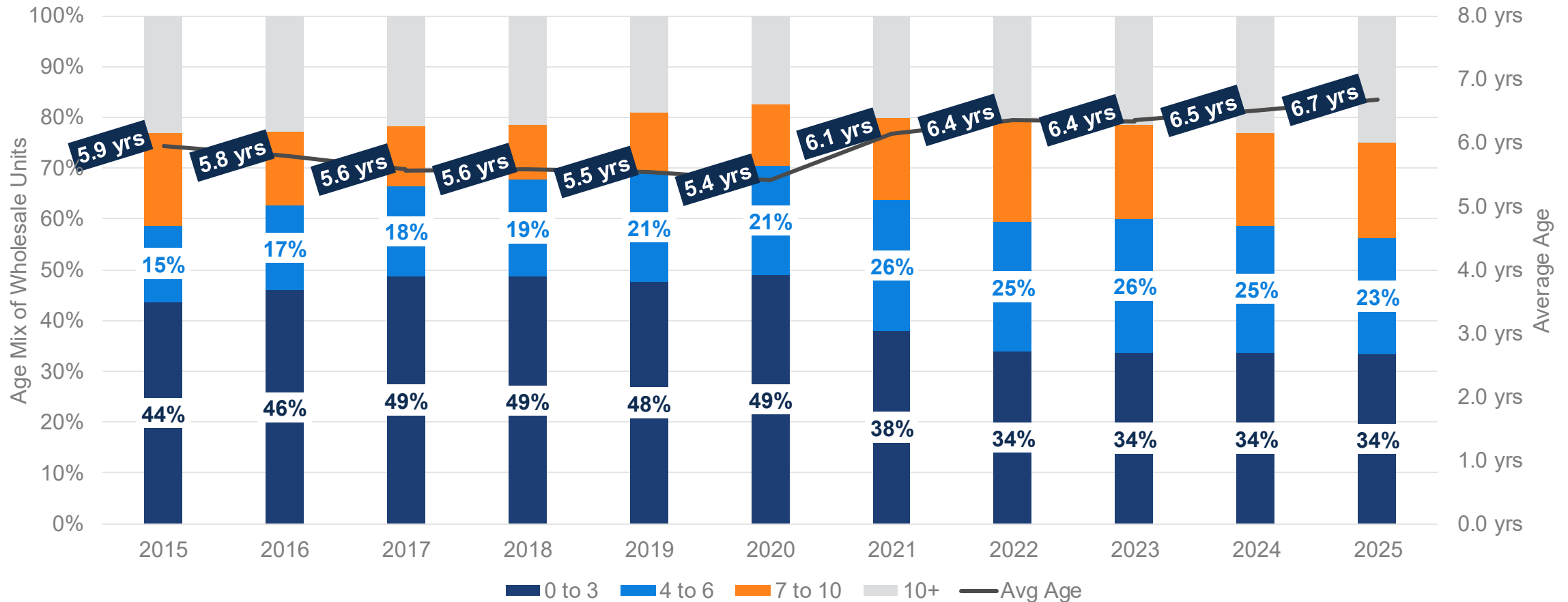
Manager of Economic and Industry
Insights



Sales Mix At Manheim

70% of vehicles were 6 years old or younger just back in 2020 but that has dropped to 57% today

Wholesale Sales by Age



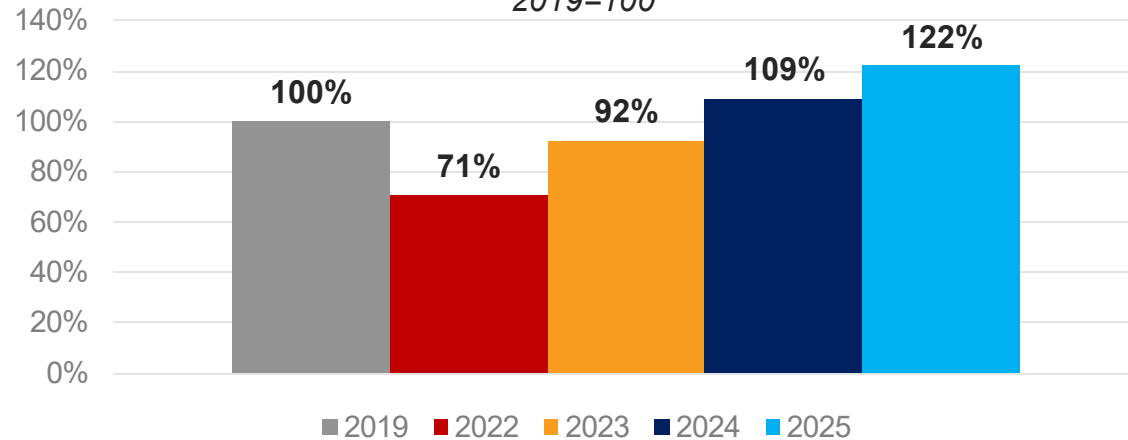
Auction Check-Ins for Commercial Segments



Rental & Repo remain higher against 2024 levels, but lease check-ins are tightening with maturities falling

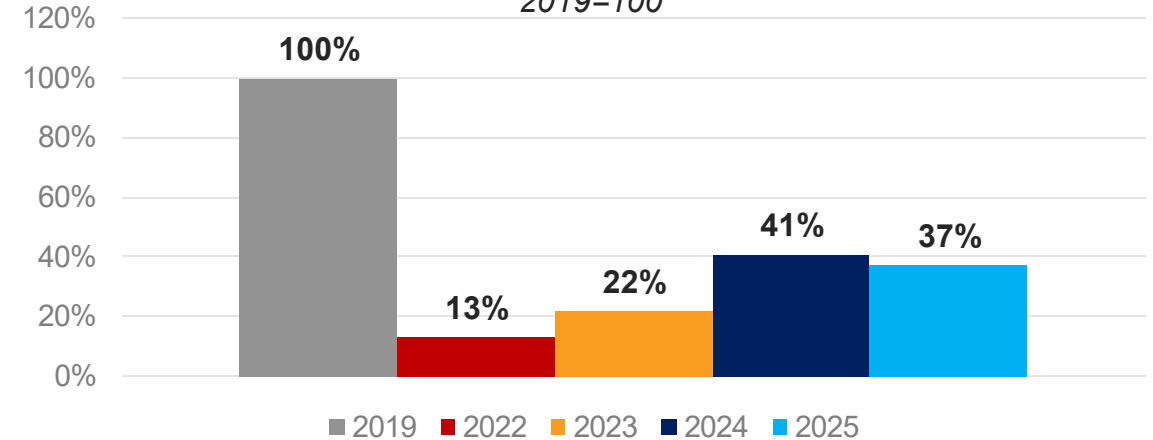
Repo Check-In Index

2019=100



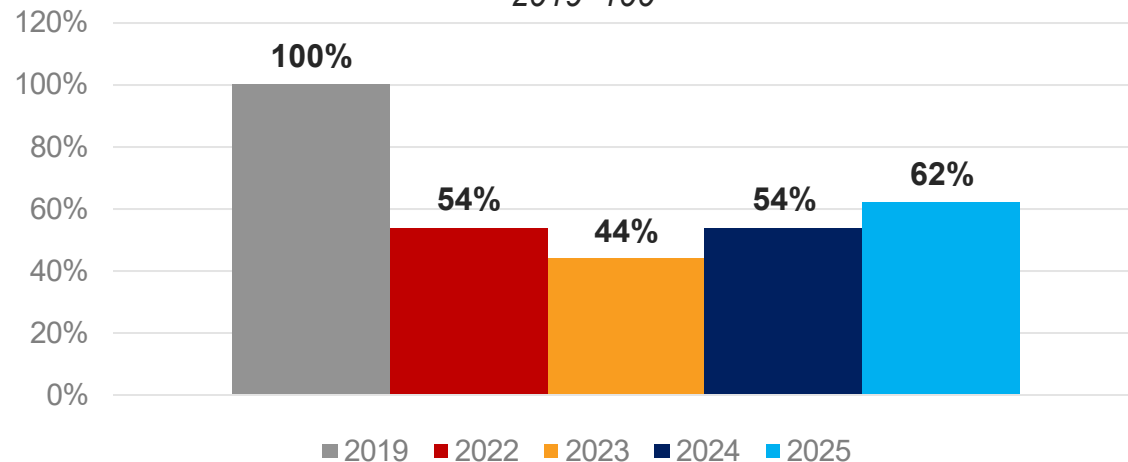
Lease Check-In Index

2019=100



Rental Check-In Index

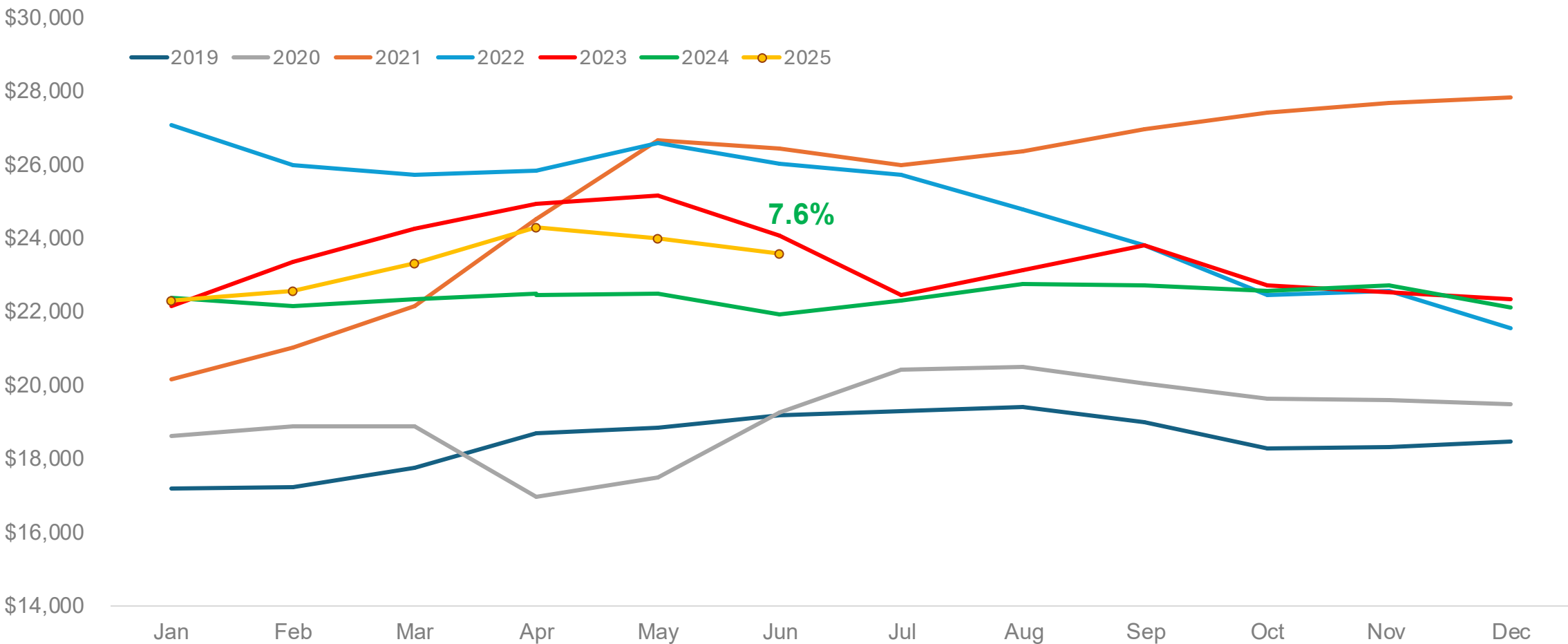
2019=100



- Repo +12% vs 24' and up +22% vs 19'
- Lease (9%) vs 24' and down (63%) vs 19'
- Rental up 15% vs 24' and down (38%) vs 19'

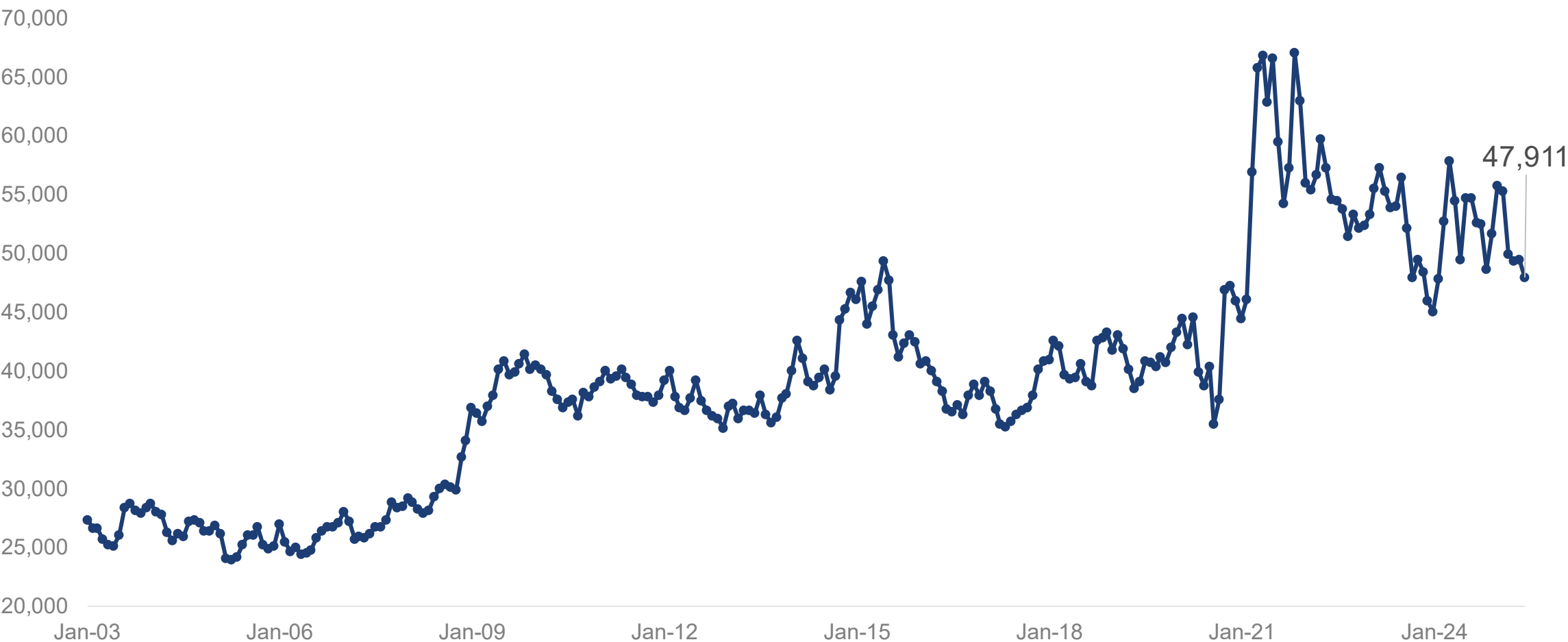
Rental Risk Average Auction Prices

Prices for units sold in June were up 7.6% year over year and down 1.7% from May



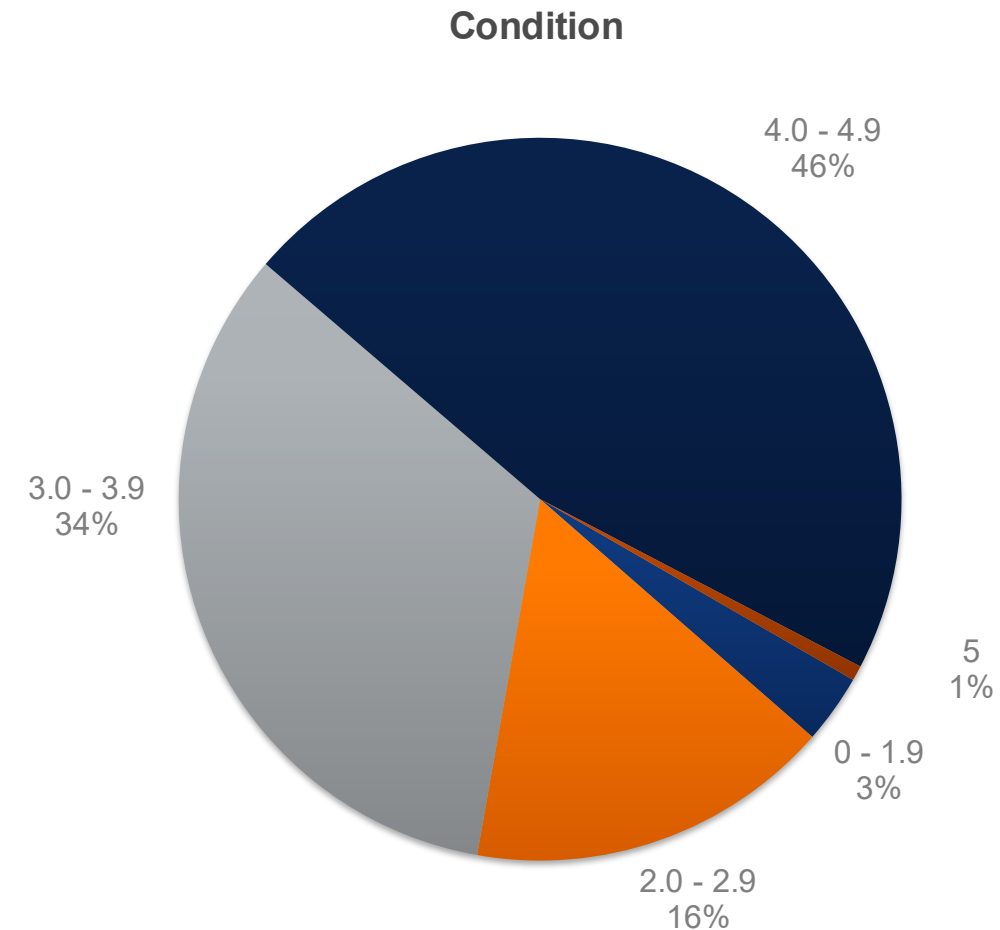
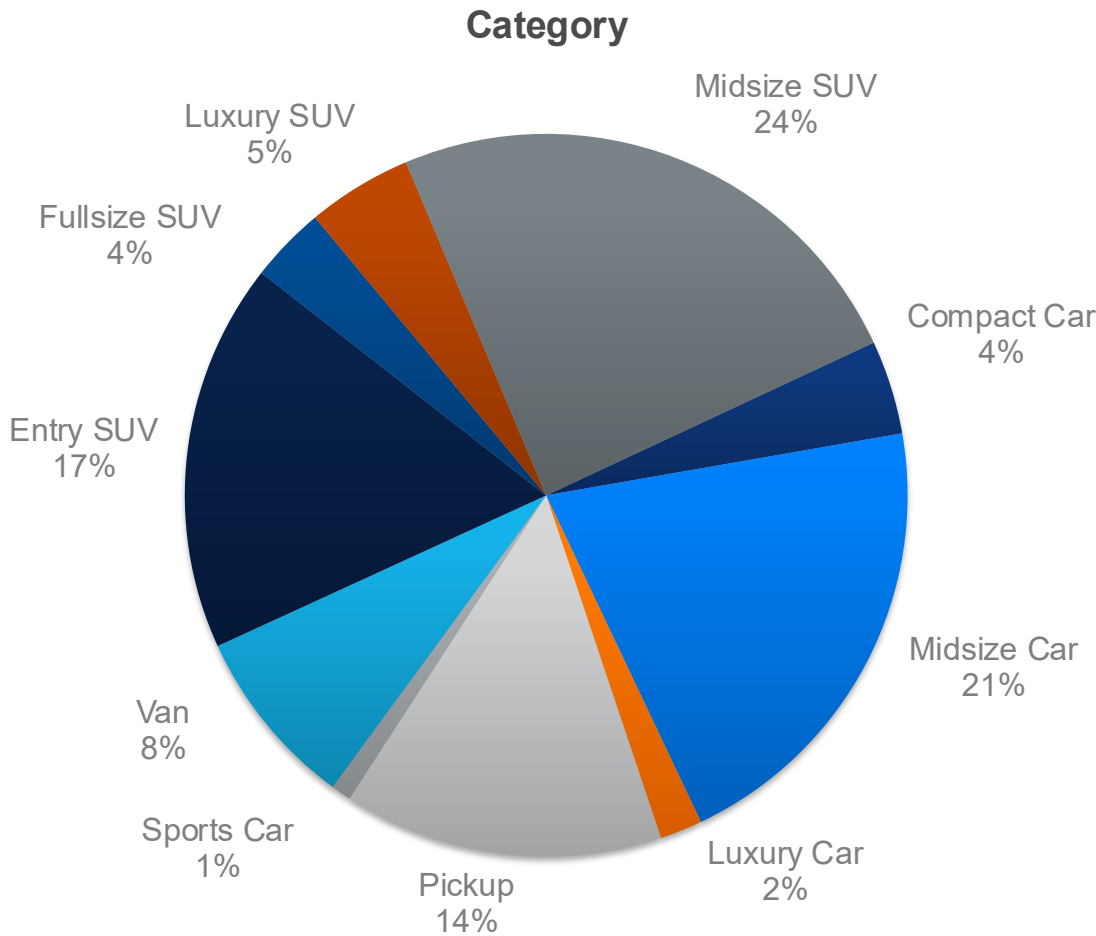
Rental Risk Average Mileage

Average mileage was down 3% compared to May and now down 3% from June 2024



Rental Risk Sales Category and Condition

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

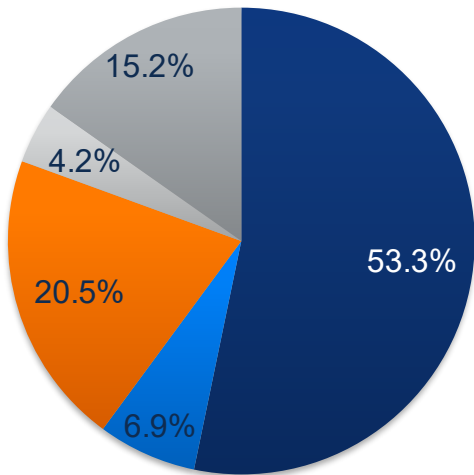


Manheim Insights on Top Volume Vehicles, Segment, and Price

Price trends on top selling vehicles in June were dominated by Chevrolet across all categories

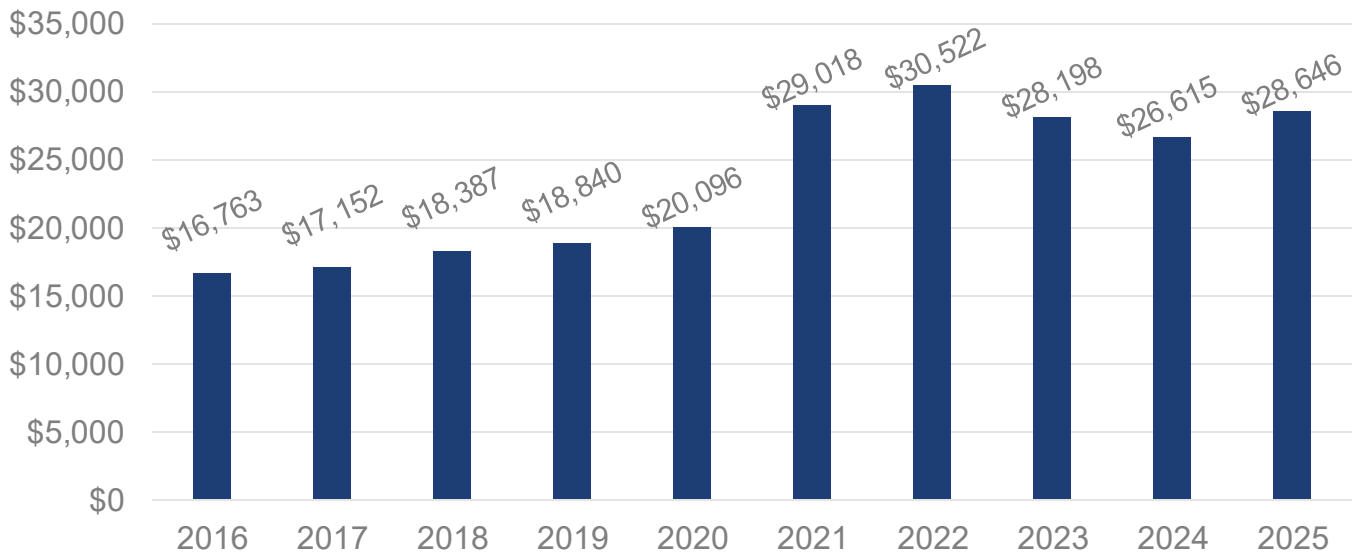
Rank	Source(Rank)	Subcategory	Vehicle	Current Dep	L12M Dep/Mo
1	All	ENTRY MIDSIZE CAR	2023 CHEVROLET MALIBU 4D SEDAN 1LT	-2.9%	-1.0%
2	All	ENTRY MIDSIZE CAR	2024 CHEVROLET MALIBU 4D SEDAN 1LT	-5.4%	-1.1%
3	All	HEAVY DUTY FULL PICKUP	2024 RAM 2500 4WD V8 CREW CAB 6.4L BIG HORN	0.0%	N/M
4	All	MIDSIZE SUV	2023 CHEVROLET EQUINOX AWD 4D SUV LT	-4.0%	-0.5%
5	All	MIDSIZE SUV	2023 CHEVROLET BLAZER FWD 4C 4D SUV W/2LT	-4.6%	-0.9%
1 Dealer	Dealer	ENTRY MIDSIZE CAR	2023 CHEVROLET MALIBU 4D SEDAN 1LT	-2.9%	-1.0%
1 Lease	Lease	MIDSIZE SUV	2023 CHEVROLET BLAZER FWD 4C 4D SUV W/2LT	-4.6%	-0.9%
1 Rental	Rental	ENTRY MIDSIZE CAR	2023 CHEVROLET MALIBU 4D SEDAN 1LT	-2.9%	-1.0%

Q2 '25 Sales Mix



■ Dealer ■ Factory ■ Lease ■ Rental ■ Repo

Average Price for 3YO



Forecast and Outlook

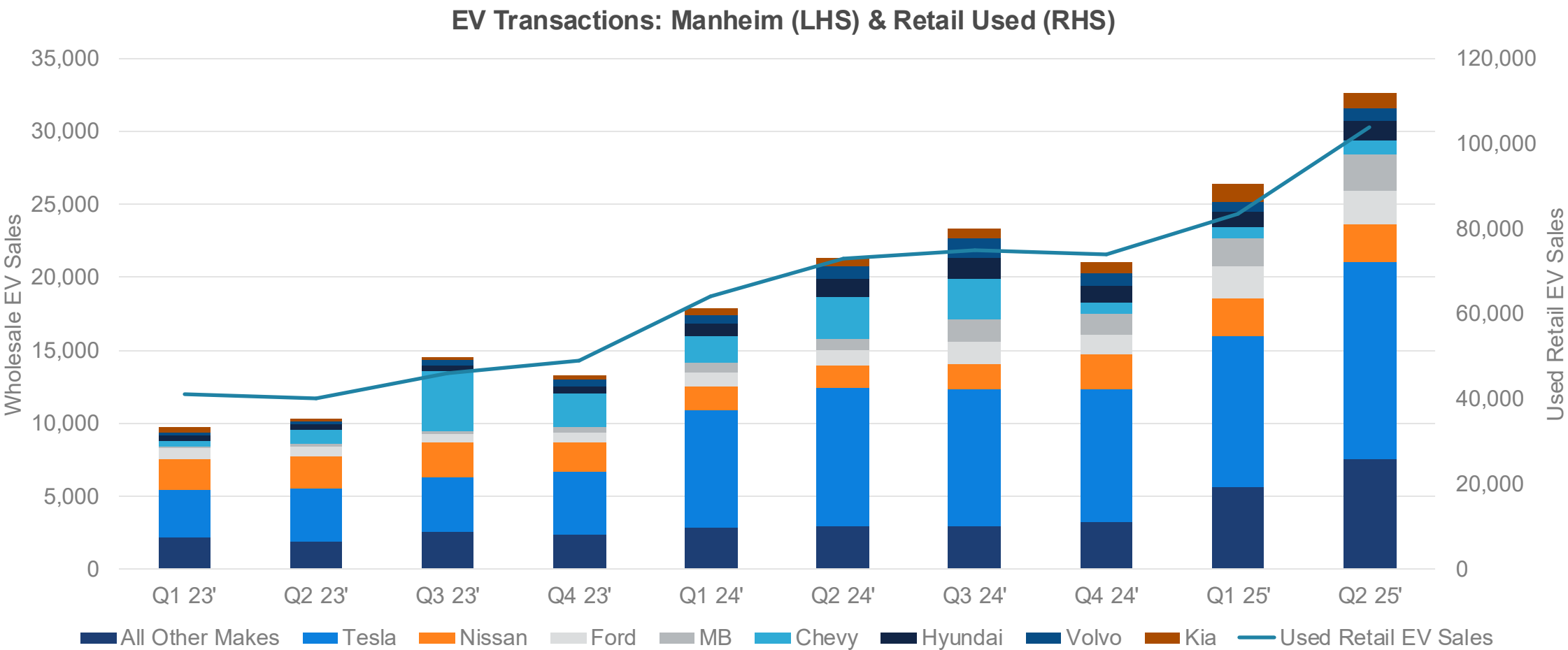
Jeremy Robb

Senior Director of Economic and
Industry Insights



EV Sales Trends - Retail & Wholesale

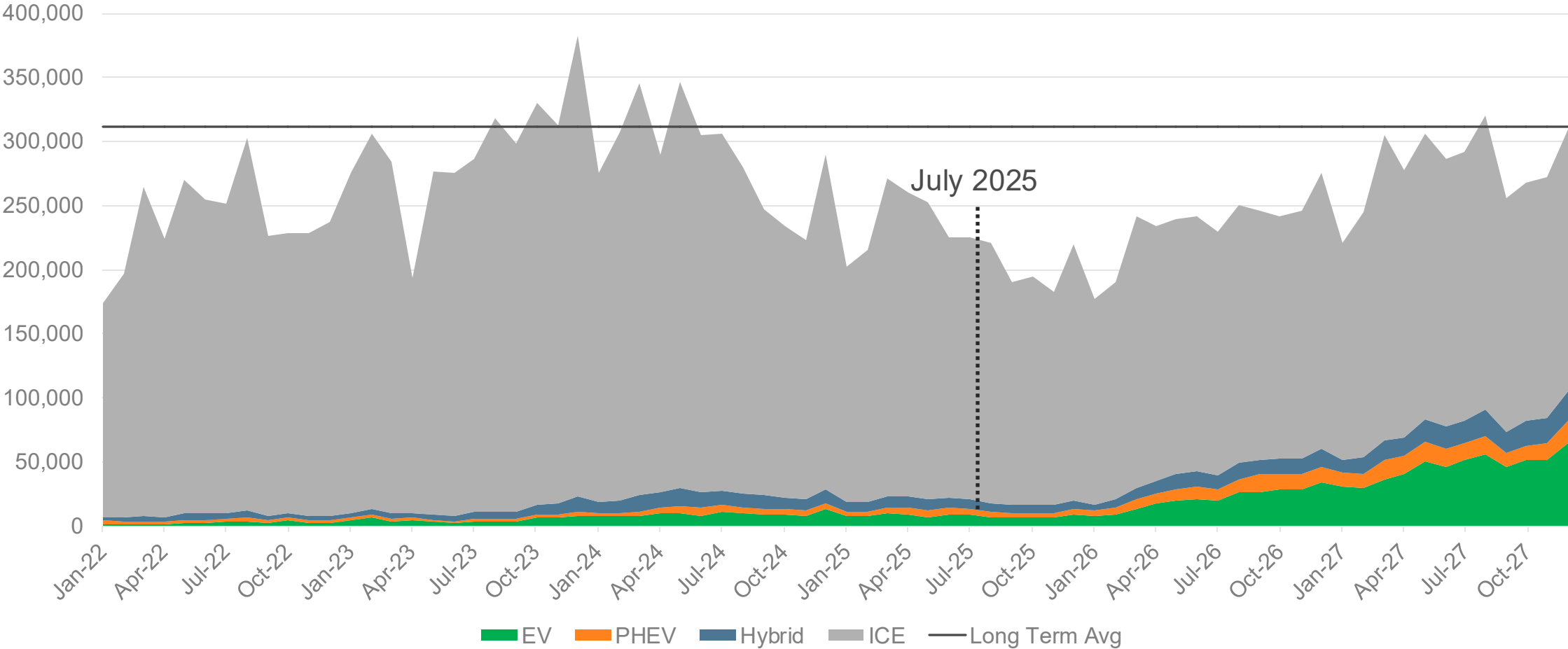
Manheim EV sales rose 53% in Q2 while used retail sales broke the 100K mark and were +42% year over year



Lease Maturity Outlook | Many More EVs in Coming Years

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

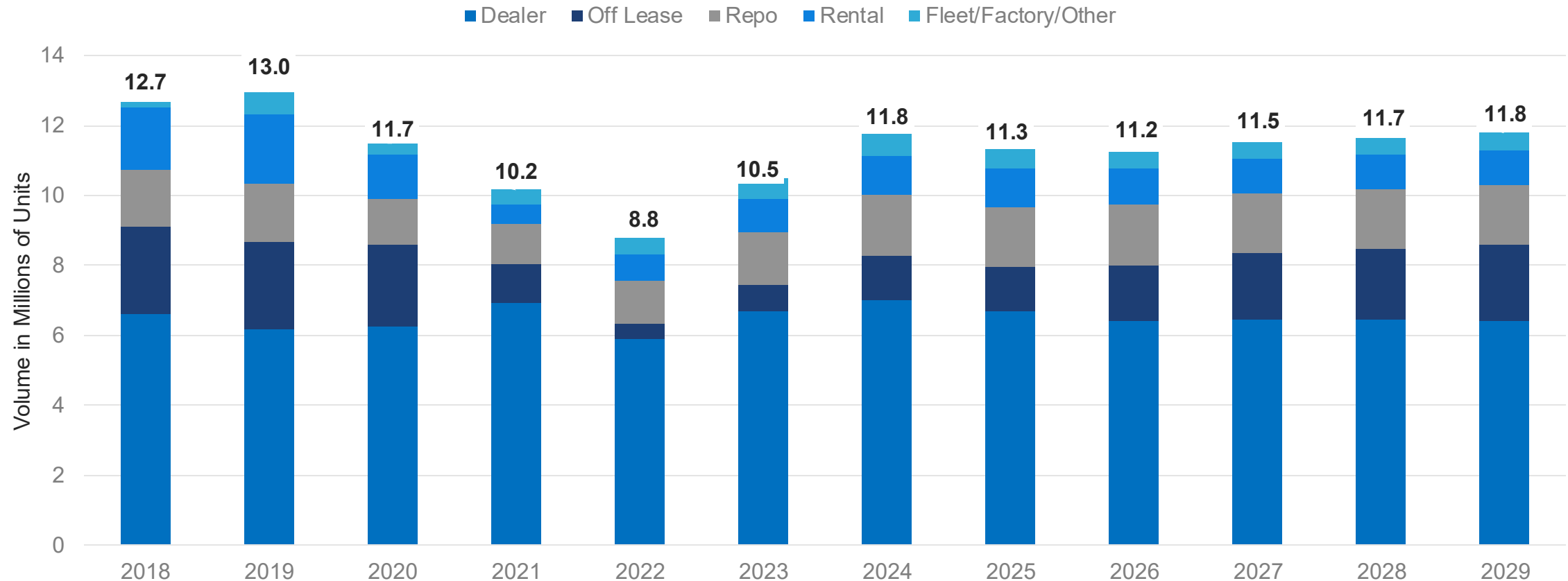
Estimated Lease Maturity Forecast by Fuel Type



Policy Impacts and Tariffs Alter Wholesale Flows

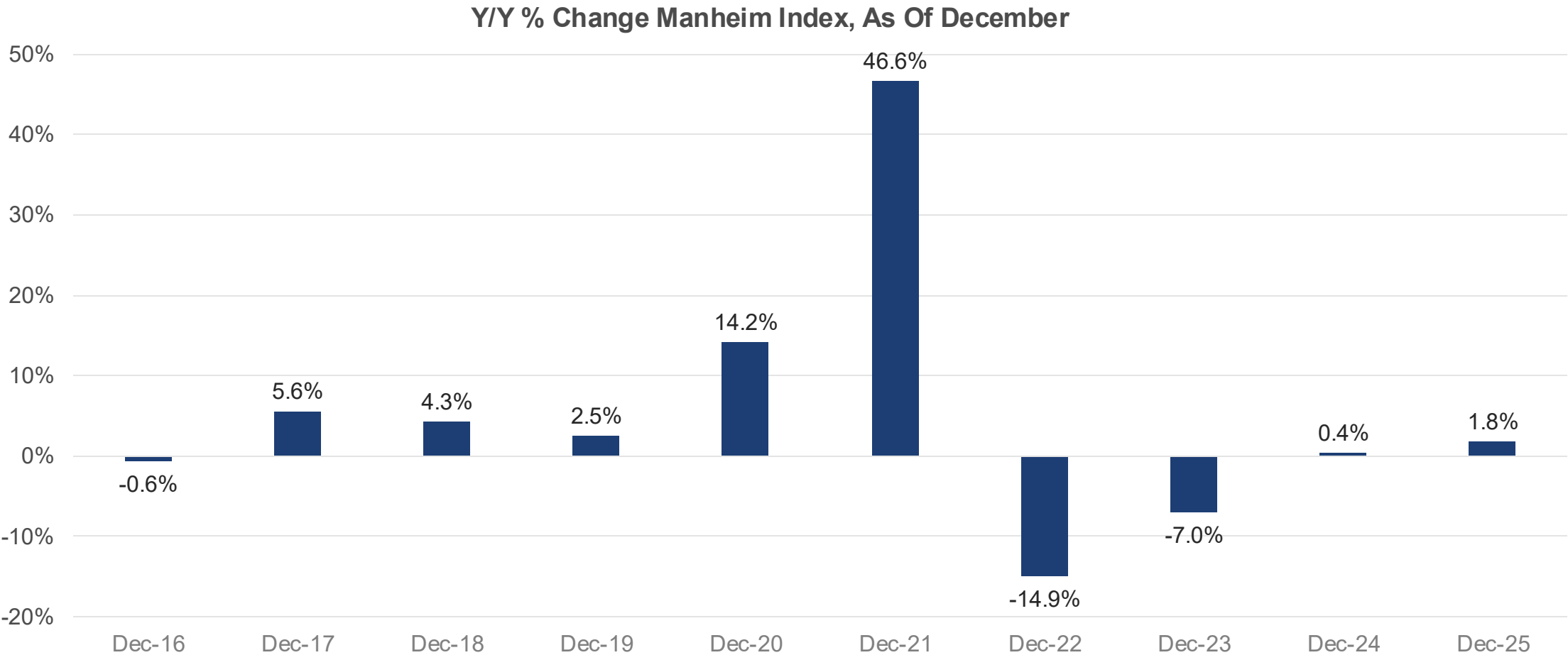
Tariffs should reduce the volume over the next four years, though less than believed earlier this year

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



Used Vehicle Value Outlook Normalizing Post Tariff Impact

Higher volatility was seen in Q2 2025 and could extend to Q3 before flattening out later in the year



2025 Forecasts

Updated June 25, 2025

<div>15.6 - 16.3M</div> <div>15.7M Baseline</div> <div>NEW SALES</div> <div>(Original Forecast: 16.3M)</div>	<div>12.8 - 13.3M</div> <div>13.0M</div> <div>NEW RETAIL SALES</div> <div>(Original Forecast: 13.3M)</div>	<div>2.7 - 2.9M</div> <div>2.8M</div> <div>FLEET SALES</div> <div>(Original Forecast: 3.0M)</div>
<div>3.1 - 3.3M</div> <div>3.2M</div> <div>NEW LEASE VOLUME</div> <div>(Original Forecast: 3.3M)</div>	<div>25%</div> <div>LEASE PENETRATION</div> <div>(unchanged)</div>	<div>2.4 - 2.6M</div> <div>2.5M</div> <div>CPO SALES</div> <div>(Original 2.5M)</div>
<div>37.5 - 38.3M</div> <div>38.0M</div> <div>USED SALES</div> <div>(Original 37.8M)</div>	<div>19.9 - 20.3M</div> <div>20.1M</div> <div>USED RETAIL SALES</div> <div>(Original 20.1M)</div>	<div>1.5% - 2.1%</div> <div>DEC 2025 Y/Y MANHEIM USED VEHICLE VALUE INDEX</div> <div>(Original +1.4%)</div>

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Q&A



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

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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

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

From the Newsroom: www.coxautoinc.com/signup

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THANK YOU FOR ATTENDING!

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to speak with an expert:

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