Retail Light Vehicle Outlook

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www.nada.org
U.S. Retail New & Used Unit Sales

Year

Millions of Units

New

Used - Retail

2006 = 11.5 million units (Used at Retail)
2007 = 11.4 million units (Used at Retail)

Source: Ward's Automotive, NADA Industry Analysis
Crossovers: Only Segment with Strong Growth in 2007

Small Car Sales Up 0.8 Percent in 2007

Source: Ward’s Automotive
Crossovers, Small and Midsize Cars: Growth in Sales, Year-to-Date April, 2008

Source: Ward’s Automotive
What’s Ahead? Two Sources of Continued Headwinds for the Economy

1. Energy Prices and “Food at Home” Prices Drain Money from Consumer Budgets in Gasoline Costs, Home Heating and Cooling Costs and Food Costs
   - Result: Less Profitable Mix of Light Vehicle Sales with Fewer Large Light Trucks. CAFÉ and State Regulations Speed These Changes

2. Residential Real Estate Slowdown Induces Slowdown in Spending by Consumers as Net Household Wealth Falls for Homeowners
   - Result: New Light Vehicle Sales Levels Drop Below 16 Million Annual Units in 2008 and Used Truck Prices and Sales Soften
Is the Longterm Trend of Falling Real Gas Prices Over?

Real Gasoline Pump Price: Annual Average 1919-2009

- Real Price
- Nominal Price

Short Term Energy Outlook-May 2008
Petroleum: World Supply and Consumption

Barrels per day in millions

Supply

Consumption

Source: Energy Information Administration
U.S. Retail New SUV & CUV Sales

Crossovers were Only Sales Segment with Double Digit Growth in 2007

Source: Ward's Automotive
New Hybrid Vehicle Sales:
Over 350,000 Units Sold in 2007

Source: Ward’s Automotive
Annual National Unemployment Rate vs. Real GDP Percentage Change From Preceding Year

Source: BEA U.S. Department of Commerce, BLS
Case Study:
Florida Residential R.E. Foreclosure Filings
Monthly, January 2005 to May 2008

Source: RealtyTrac, Inc.
Monthly Volume of Repossessed Light Vehicles Purchased at Wholesale Auctions in the AuctionNet Database

Transaction Volume (Units)

Source: AuctionNet (NADA Guides and NAAA)
AuctionNet Wholesale Used Car Prices and Gas Prices

All Light Vehicles

Source: AuctionNet (NADA Guides and NAAA) and EIA, regular gasoline price
AuctionNet Wholesale Used Car Prices and Gas Prices
Light Trucks

Source: AuctionNet (NADA Guides and NAAA) and EIA, regular gasoline price
AuctionNet Wholesale Used Car Prices and Gas Prices
Ward’s Pickup Segment

Source: AuctionNet (NADA Guides and NAAA) and EIA, regular gasoline price
AuctionNet Wholesale Used Car Prices and Gas Prices

Ward’s SUV Segment

Source: AuctionNet (NADA Guides and NAAA) and EIA, regular gasoline price
Source: AuctionNet (NADA Guides and NAAA) and EIA, regular gasoline price
AuctionNet Wholesale Used Car Prices and Gas Prices
Ward's Small Car Segment

Source: AuctionNet (NADA Guides and NAAA) and EIA, regular gasoline price
AuctionNet Wholesale Used Car Prices and Gas Prices
Ward’s **Middle Car** Segment
(4 Cylinder Domestic)

Source: AuctionNet (NADA Guides and NAAA) and EIA, regular gasoline price
AuctionNet Wholesale Used Car Prices and Gas Prices
Ward’s **Middle Car** Segment
(6 Cylinder Domestic)

Source: AuctionNet (NADA Guides and NAAA) and EIA, regular gasoline price
AuctionNet Wholesale Used Car Prices and Gas Prices
Ward’s **Middle Car** Segment
(4 Cylinder Import)

Source: AuctionNet (NADA Guides and NAAA) and EIA, regular gasoline price
AuctionNet Wholesale Used Car Prices and Gas Prices

Ward’s Middle Car Segment
(6 Cylinder Import)

Source: AuctionNet (NADA Guides and NAAA) and EIA, regular gasoline price
AuctionNet Wholesale Used Car Prices and Gas Prices
Ward's Large Car Segment

Source: AuctionNet (NADA Guides and NAAA) and EIA, regular gasoline price