



Automotive Update

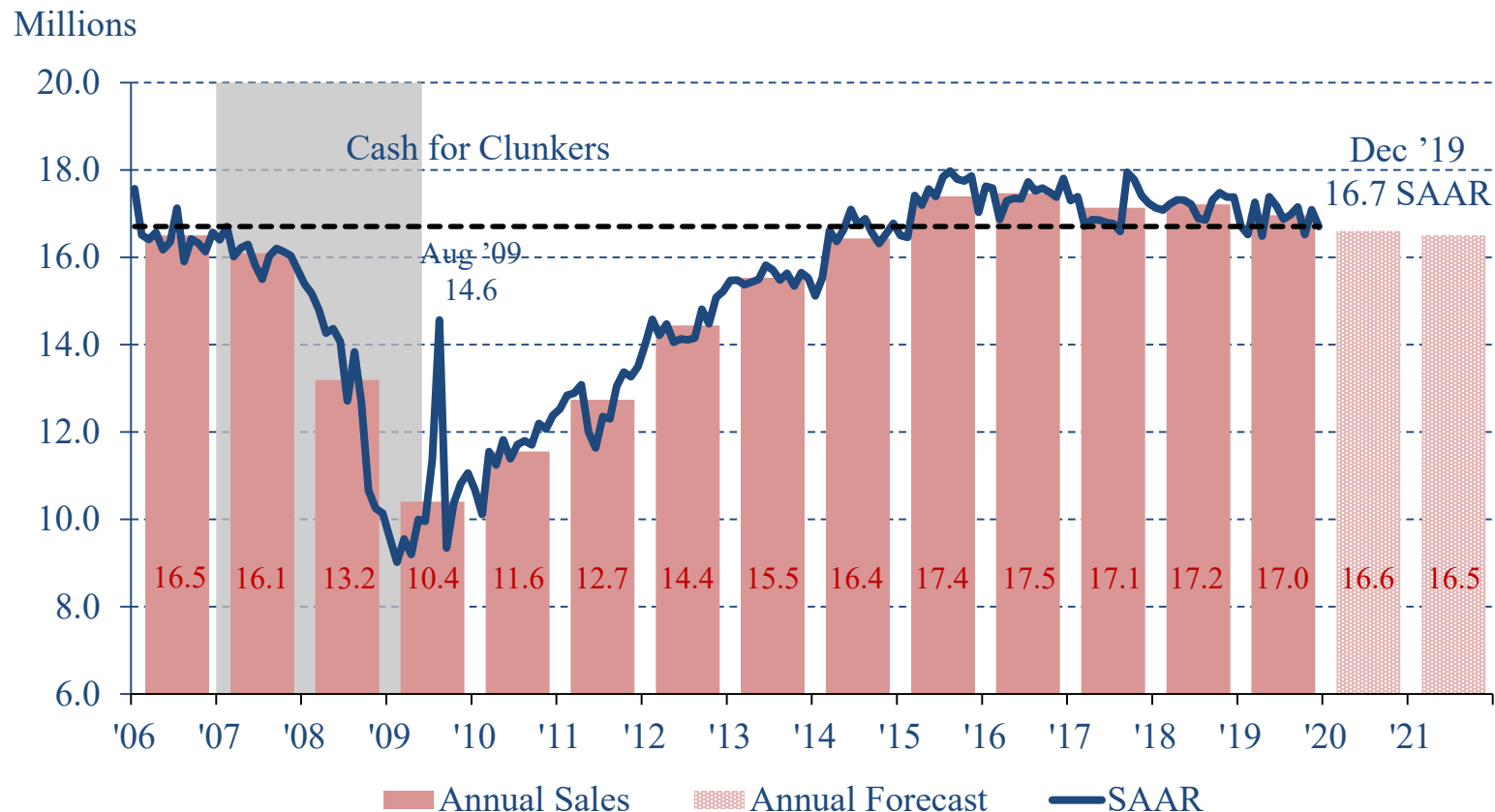
2020 Automotive Insights Conference

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The views expressed here are our own and do not necessarily reflect the views of the Federal Reserve Bank of Chicago, the Federal Open Market Committee (FOMC) or the Federal Reserve System.

U.S. Light Vehicle Sales

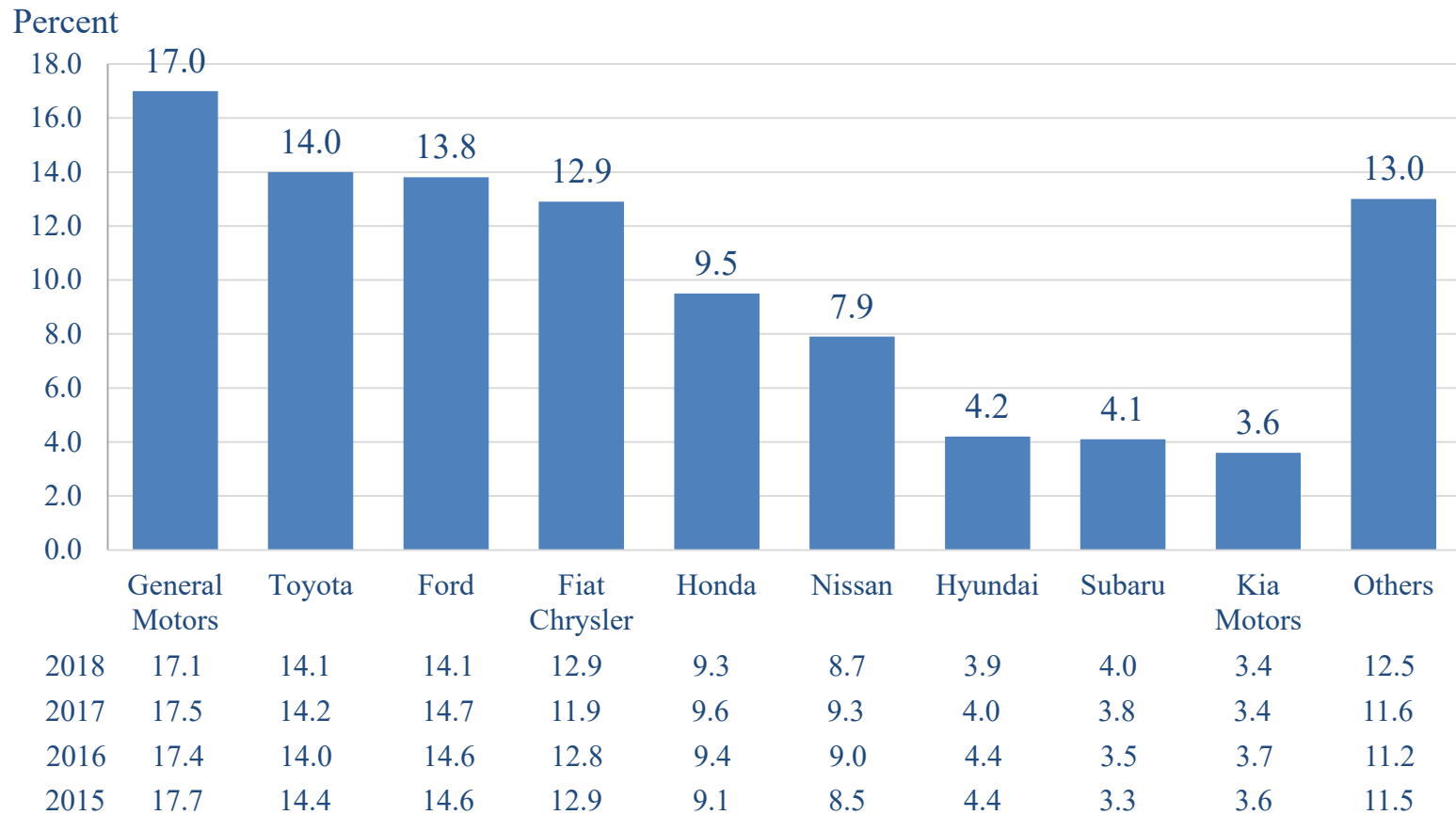
S.A.A.R – Millions of Units



Source: WardsAuto Intelligence, BEA, and January 10, 2020 Blue Chip Consensus Forecast

U.S. Light Vehicle Market Share by Manufacturer

In Percent of Total Light Vehicle



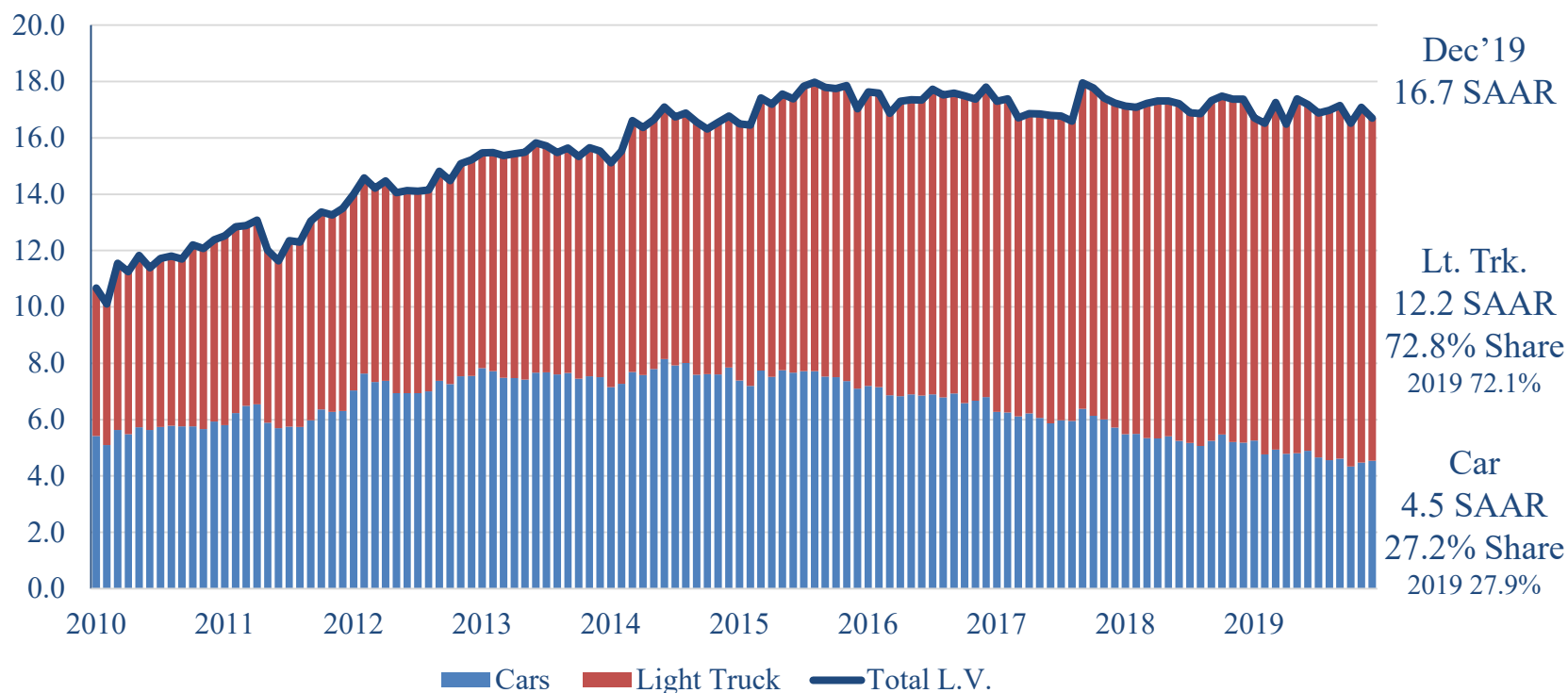
Note: The biggest winner among the others is Tesla which went from 0.1% in 2015 to 1.1% share in 2019.

Source: Author's calculations using WardsAuto Intelligence data.

U.S. Light Vehicle Sales & Share

S.A.A.R – Millions of Units, Percent of Total Light Vehicle

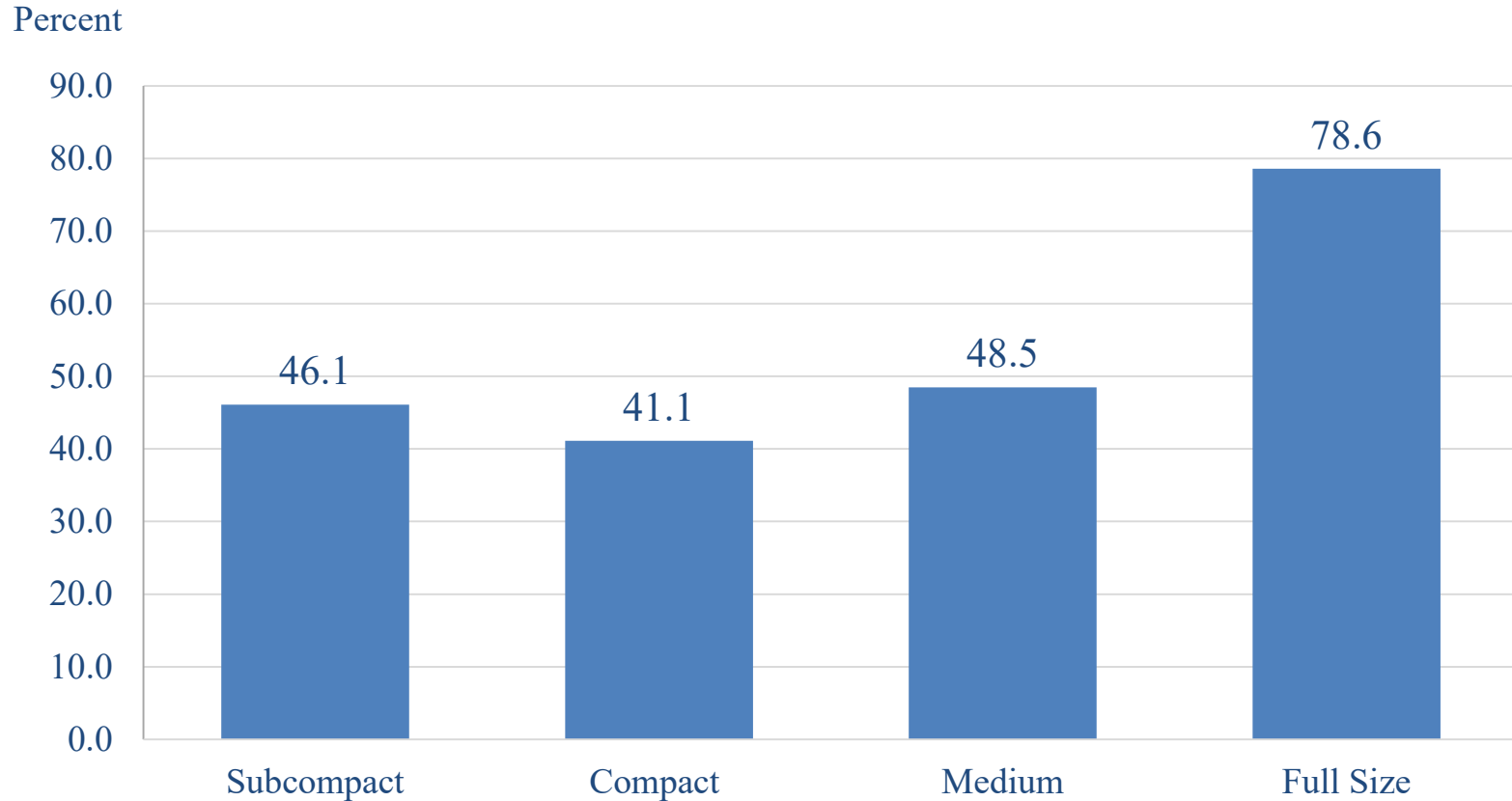
Millions



Source: WardsAuto Intelligence, BEA

U.S. Light Vehicle Price Comparison

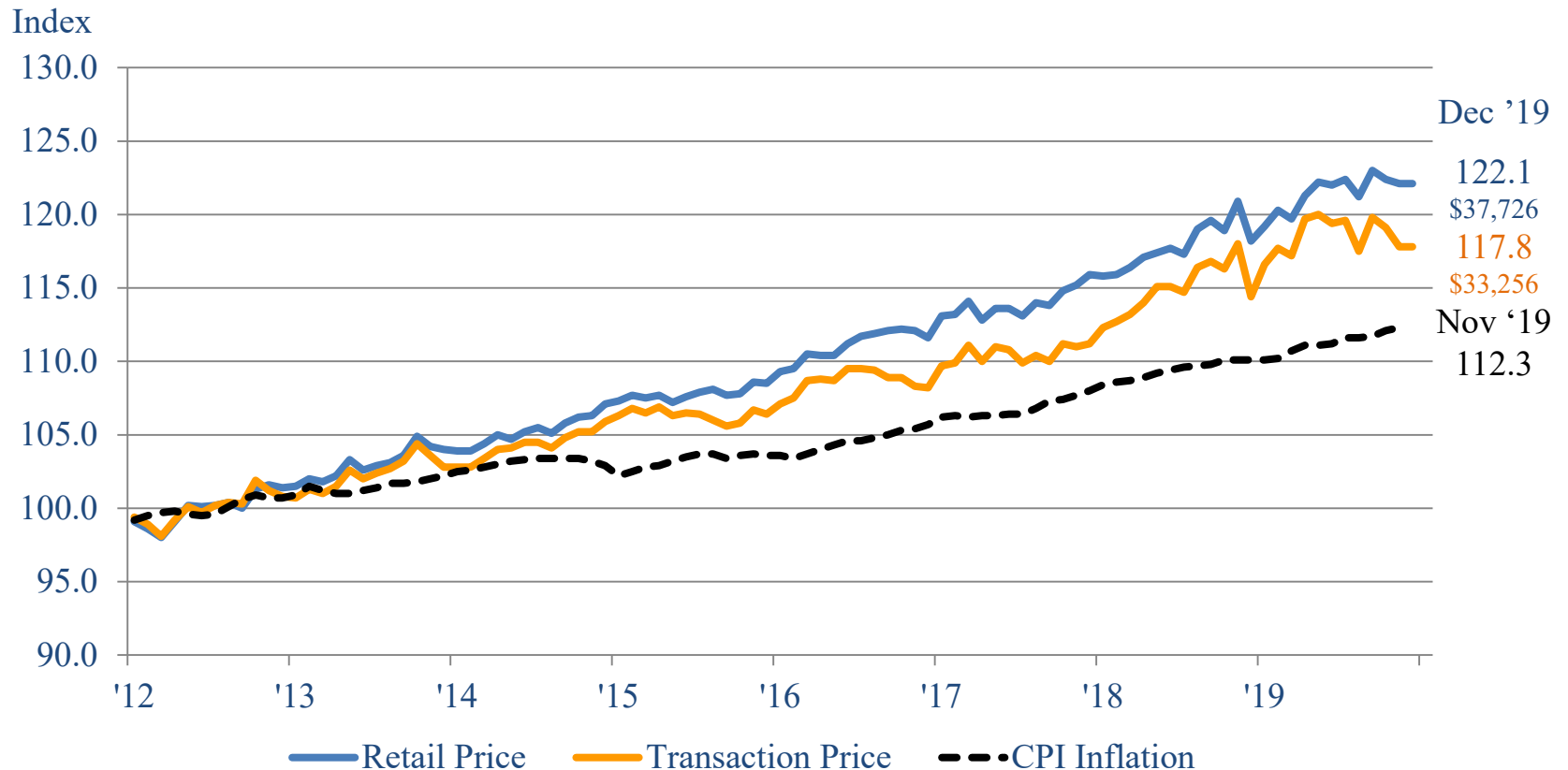
SUV/CUV Prices Percent Higher than Comparable Sized Car by Segment Size



Source: Author's calculations using Cox Automotive and Kelly Blue Book 2019 segmentation and price data.

Average Light Vehicle Price

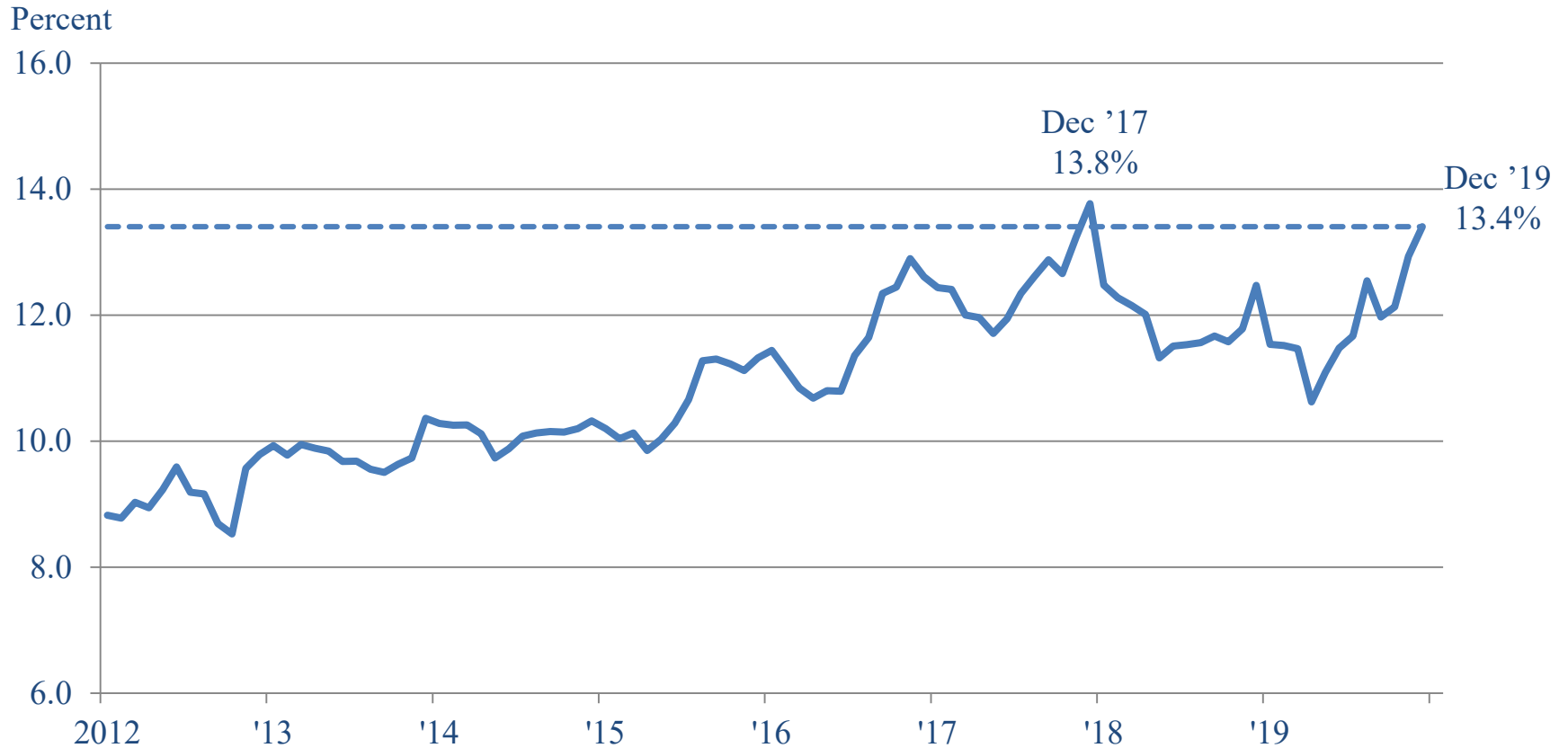
In Current Dollars, Index 2012 = 100 - SA



Source: Author's calculations using Cox Automotive and Kelly Blue Book Data.

Light Vehicle Incentives

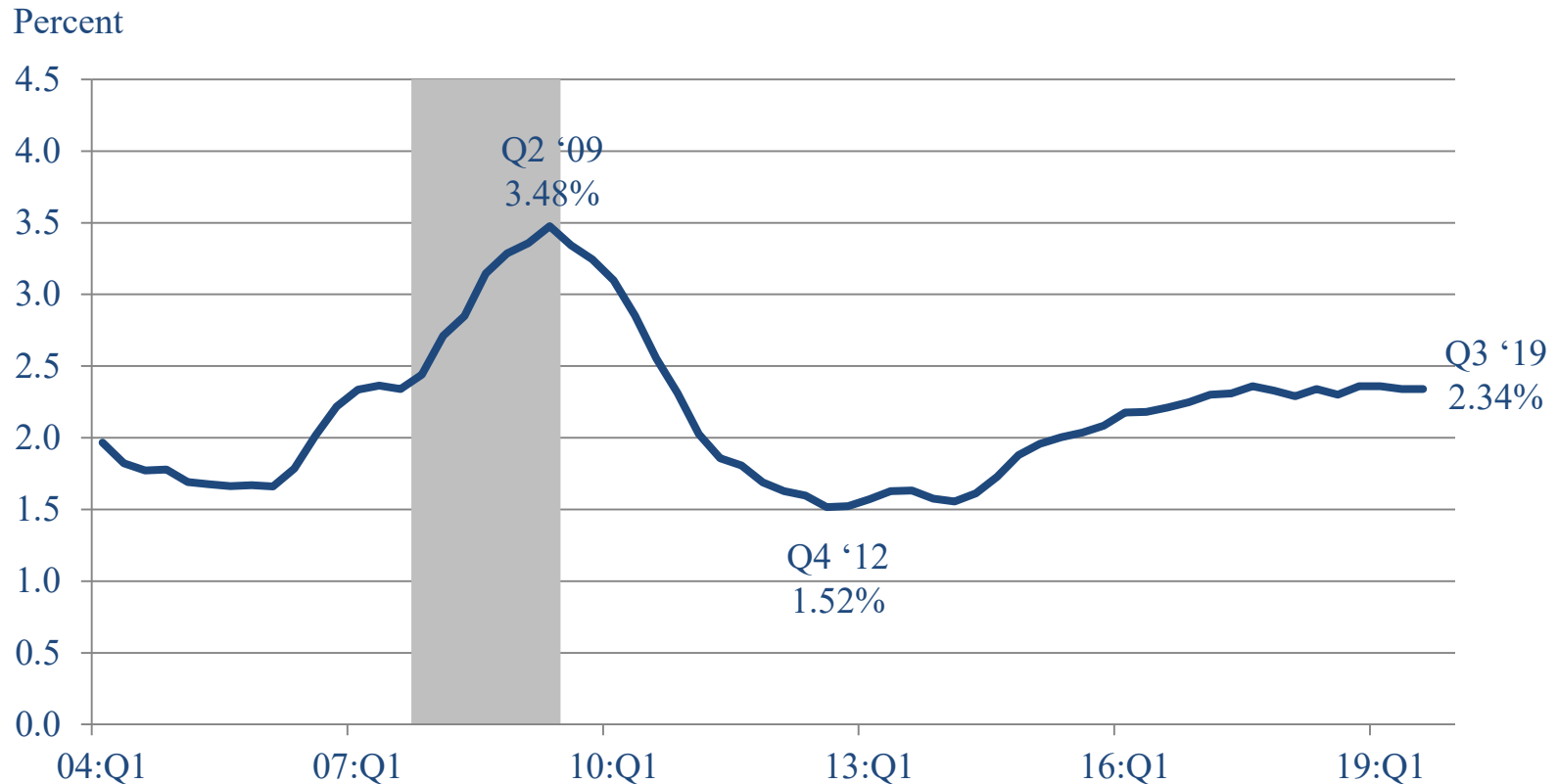
In Percent of Transaction Price - SA



Source: Author's calculations using Kelly Blue Book and J.D. Power Data.

Auto Loan Delinquency Rates

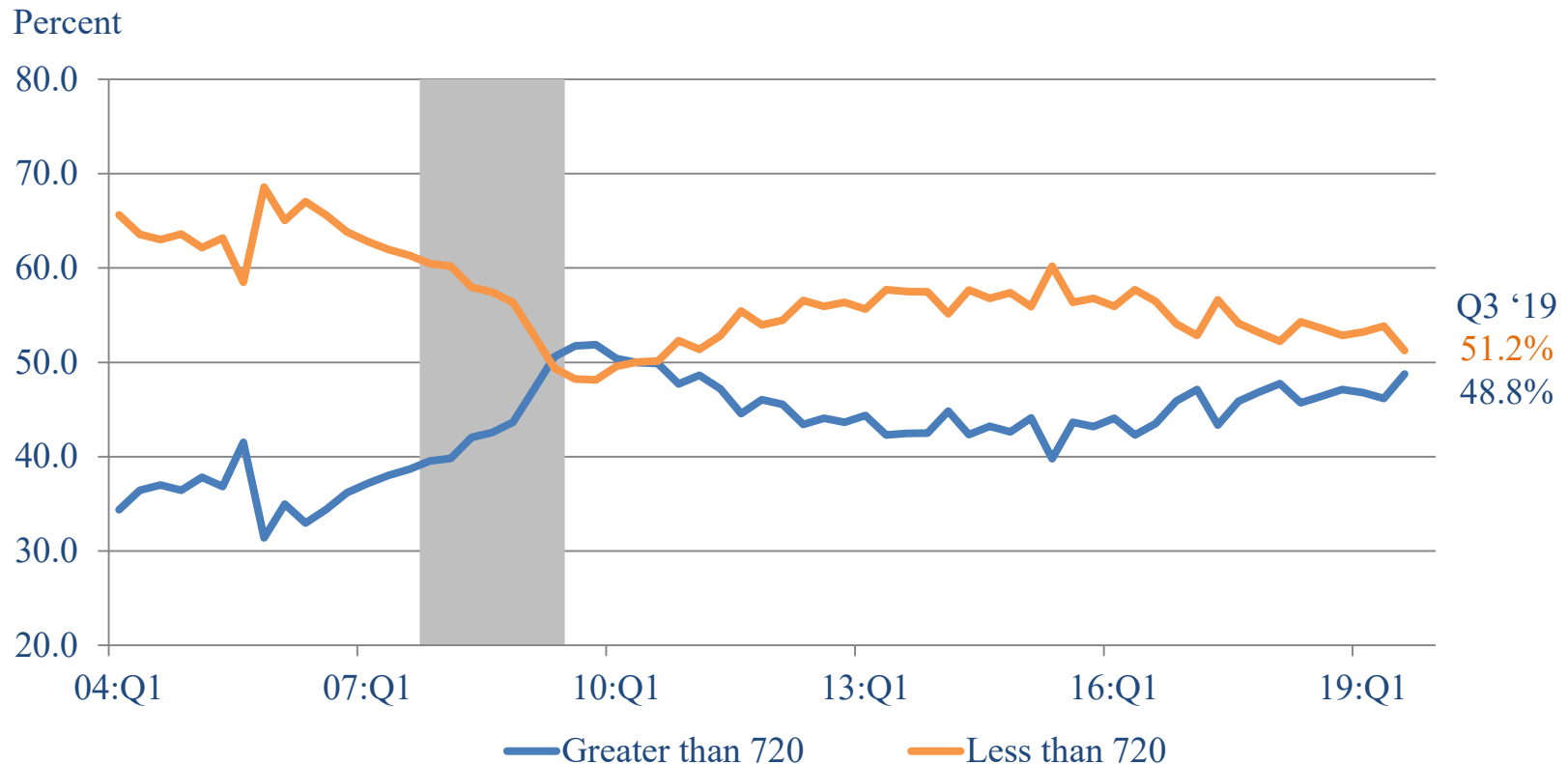
In Percent of Total Dollar Volume - SA



Source: Author's calculations using Federal Reserve Bank of New York data.

Auto Loan Origination by Credit Scores

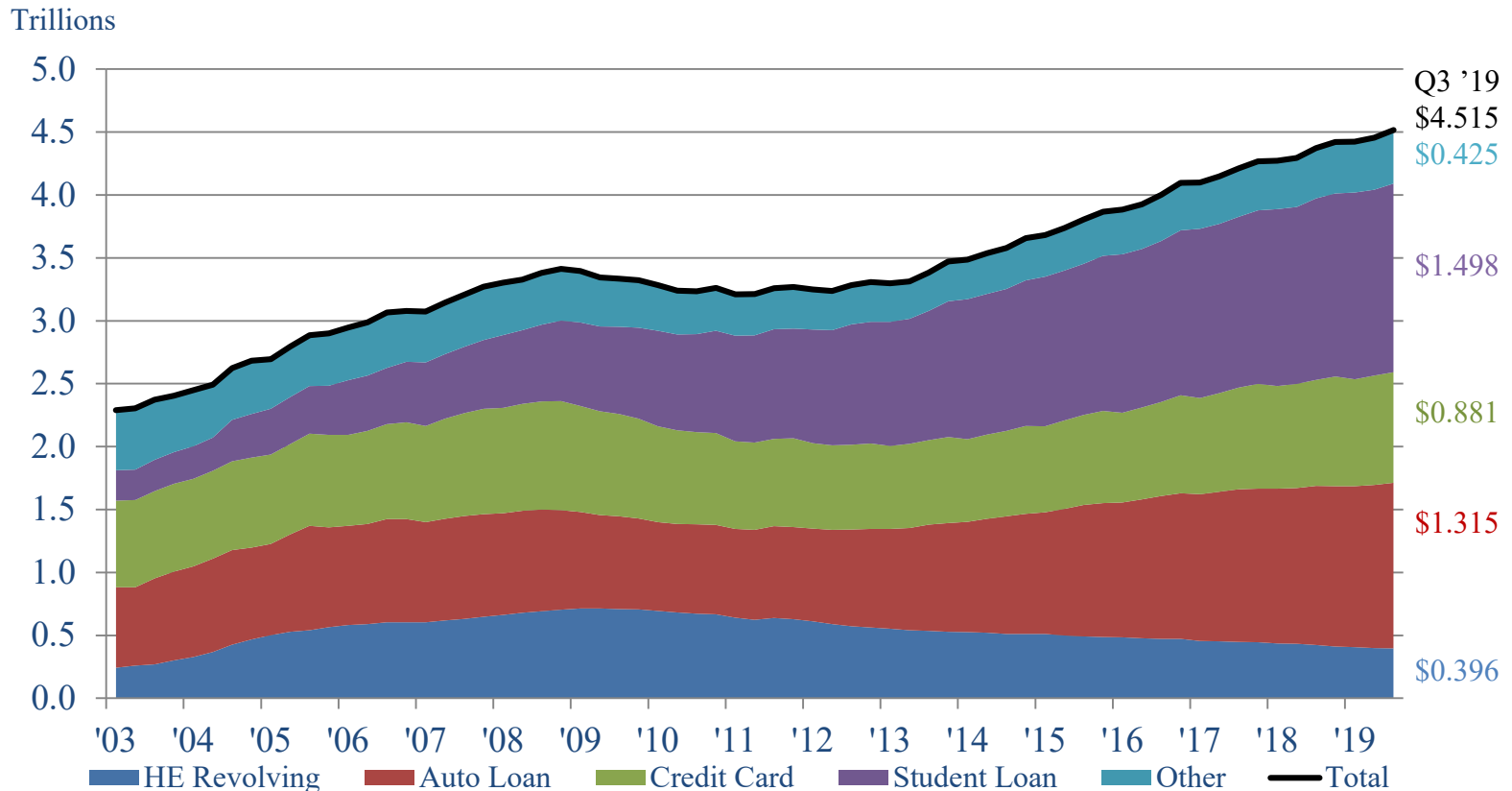
In Percent of Total Dollar Volume - SA



Source: Author's calculations using Federal Reserve Bank of New York data.

Total Consumer Credit by Composition

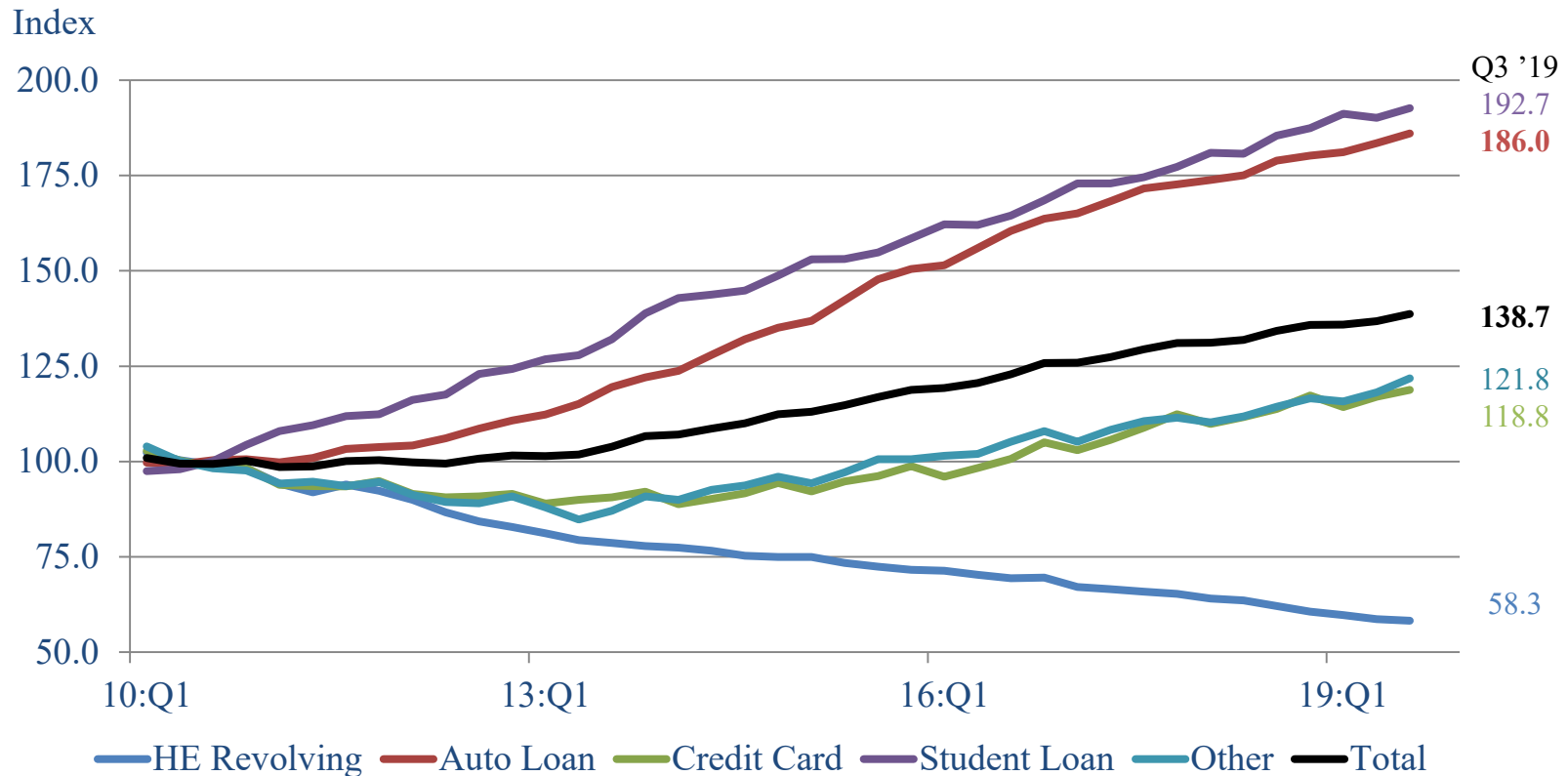
Trillions of Dollars



Source: Federal Reserve Bank of New York and Equifax

Consumer Credit by Composition

Index 2010 = 100- SA

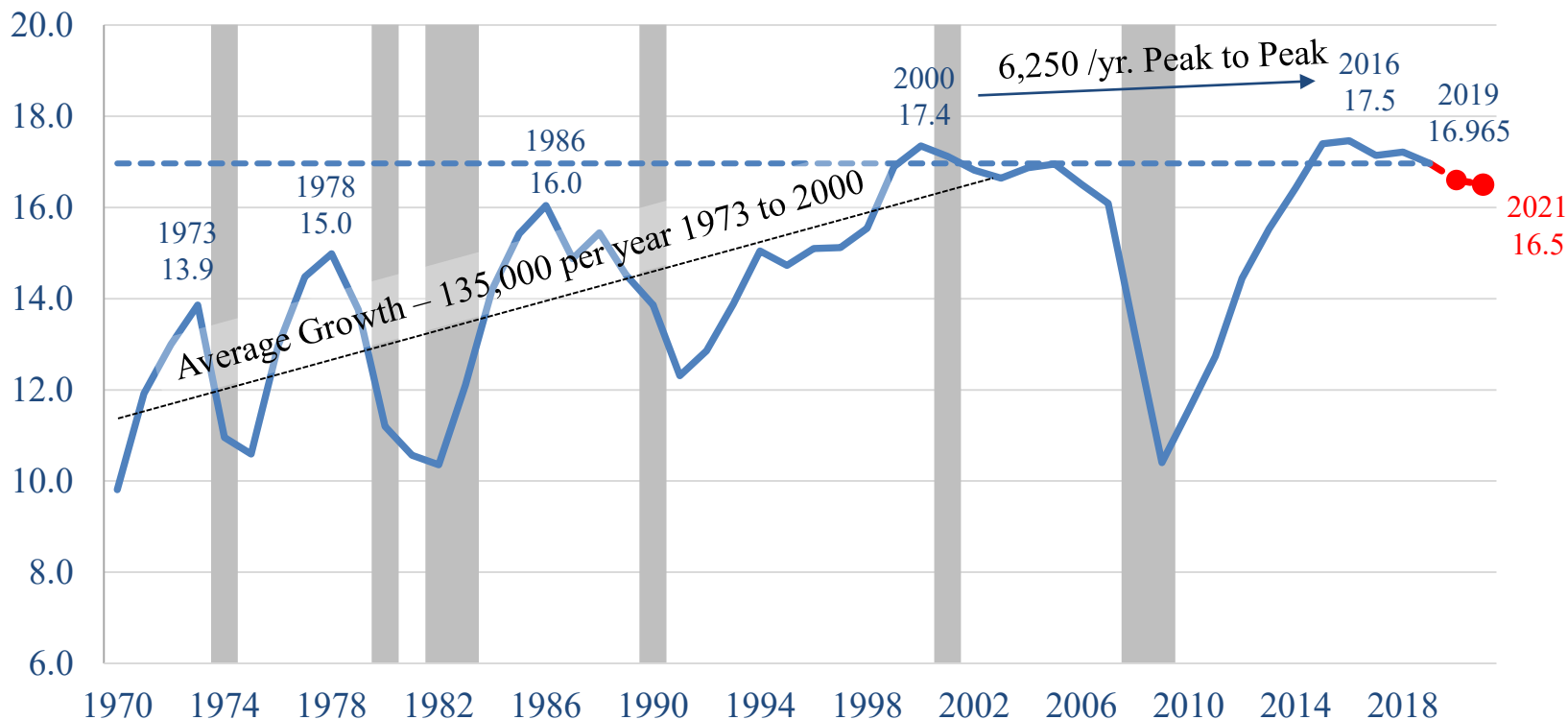


Source: Author's calculations using Federal Reserve Bank of New York data.

U.S. Light Vehicle Sales

Millions of Units

Millions



Source: WardsAuto Intelligence, BEA, and Blue Chip Consensus Forecast

Summary

- **Light vehicle sales finished 2019 with 16.965 million units, slightly higher than the consensus of the Blue Chip.**
- **Four of the top six manufacturers have seen their market share erode since 2015 (General Motors (-0.7%), Toyota (-0.4%), Ford Motor (-0.8%), and Nissan (-0.6%)) while Honda (+0.4%) and Fiat Chrysler (0.0%) were able to hold their own against the competition.**
- **Tesla Motors (+1.0%) experienced the biggest gain since 2015 of all the manufacturers.**
- **Vehicle transaction prices have out paced overall inflation as expressed by CPI – All Items for the last five consecutive years even as vehicle incentives have grown to record high levels.**
- **Auto loan debt has grown to \$1.3 trillion and is only surpassed by student loan debt as a component of total consumer credit.**
- **The light vehicle sales trend seems frozen in the 17.0 million range as higher prices and changing mobility patterns keep some buyers sidelined.**

Thank You!