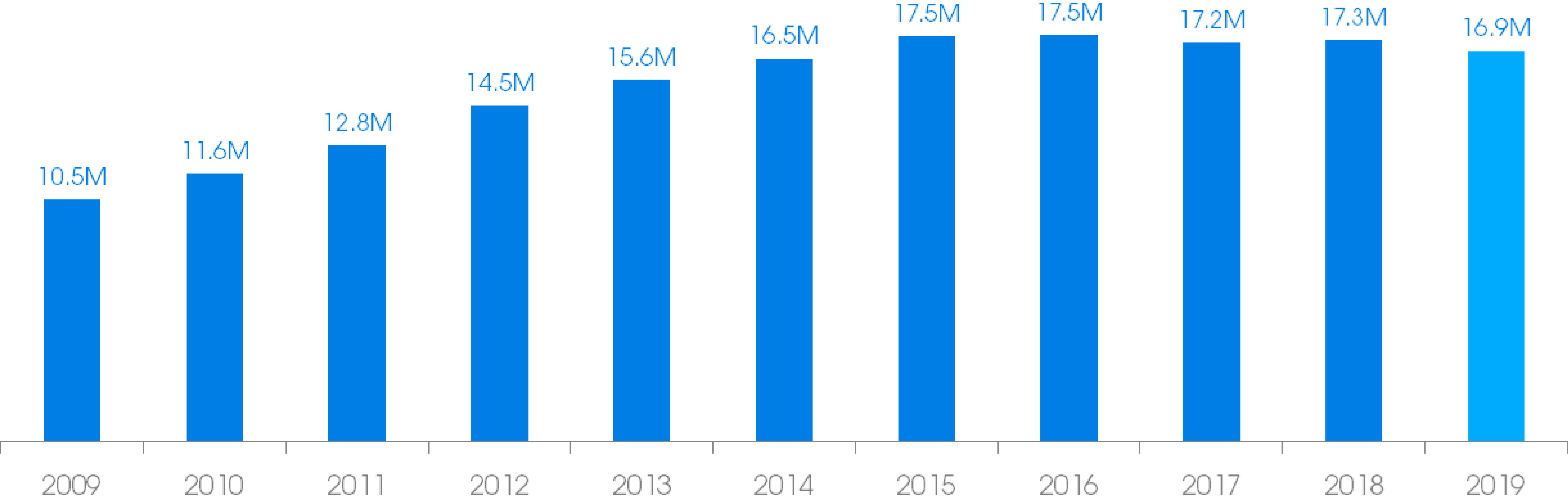




# *2019 AUTOMOTIVE INDUSTRY TRENDS: MIDYEAR UPDATE*

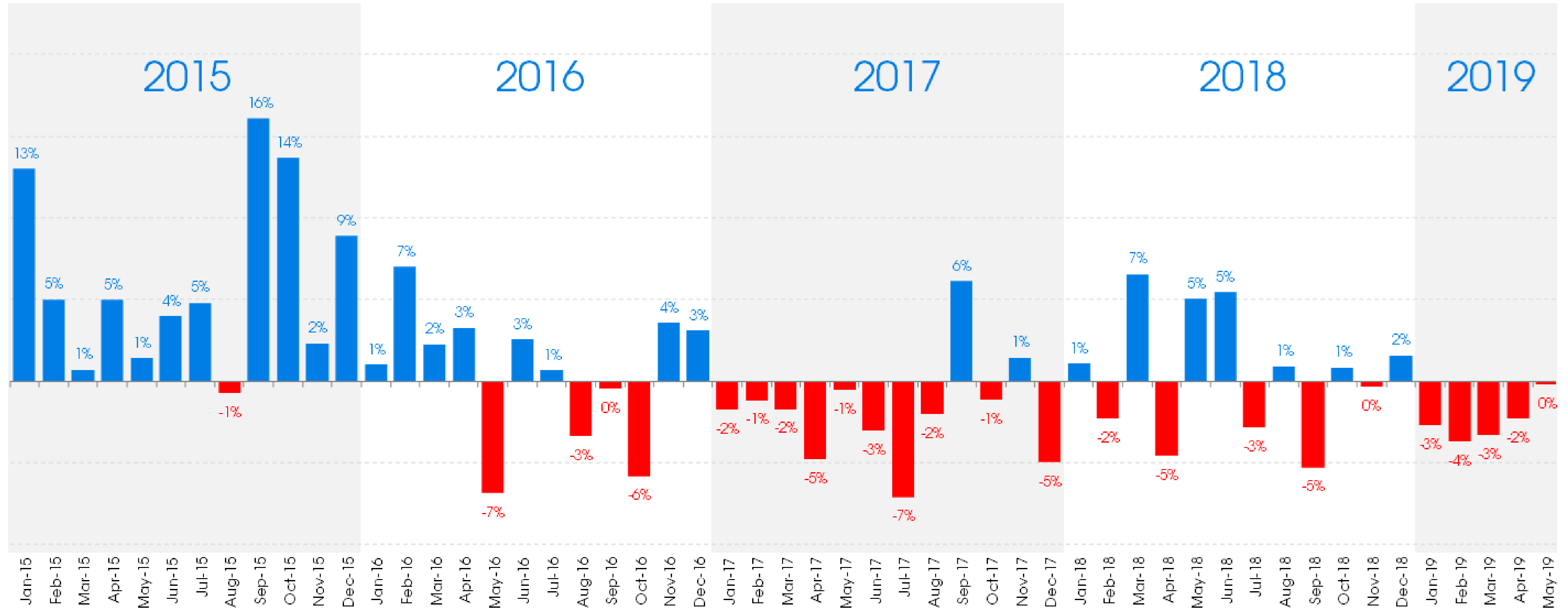
June 2019

# EDMUNDS FORECASTS 16.9M NEW VEHICLE SALES IN 2019



Source: Edmunds

# YEAR-OVER-YEAR SALES



# ***FACTORS INFLUENCING 2019 SALES PACE***

Strong Economic Indicators



High Inventory

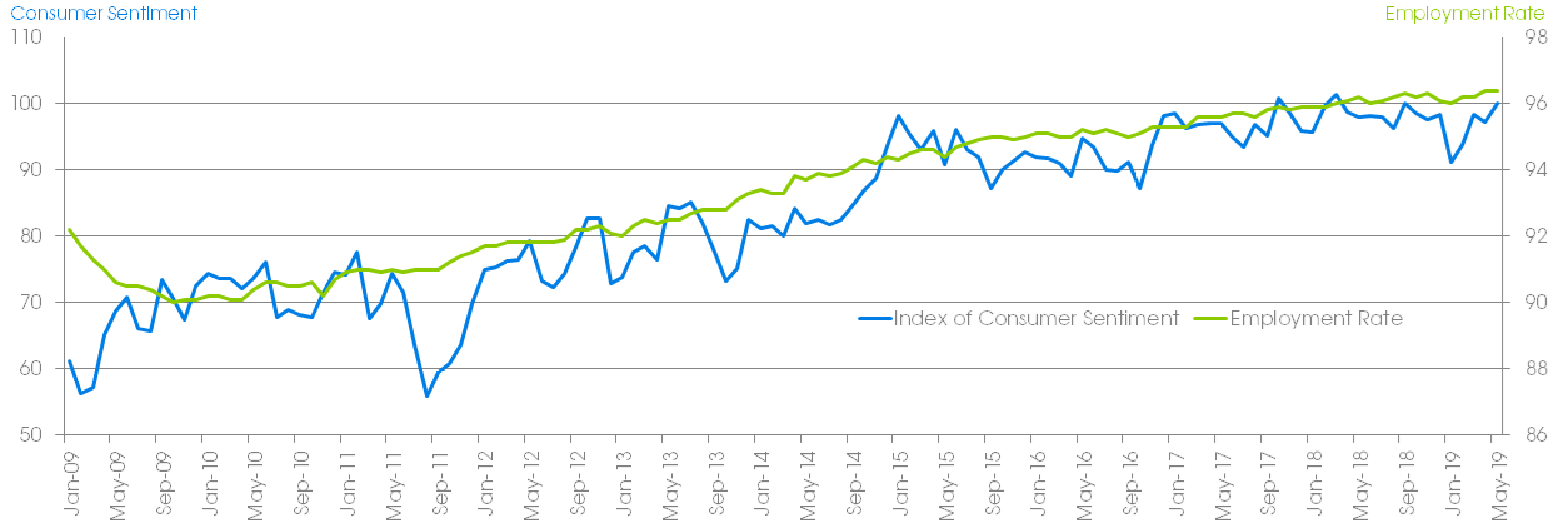
Finance Rates



Pressure from Used

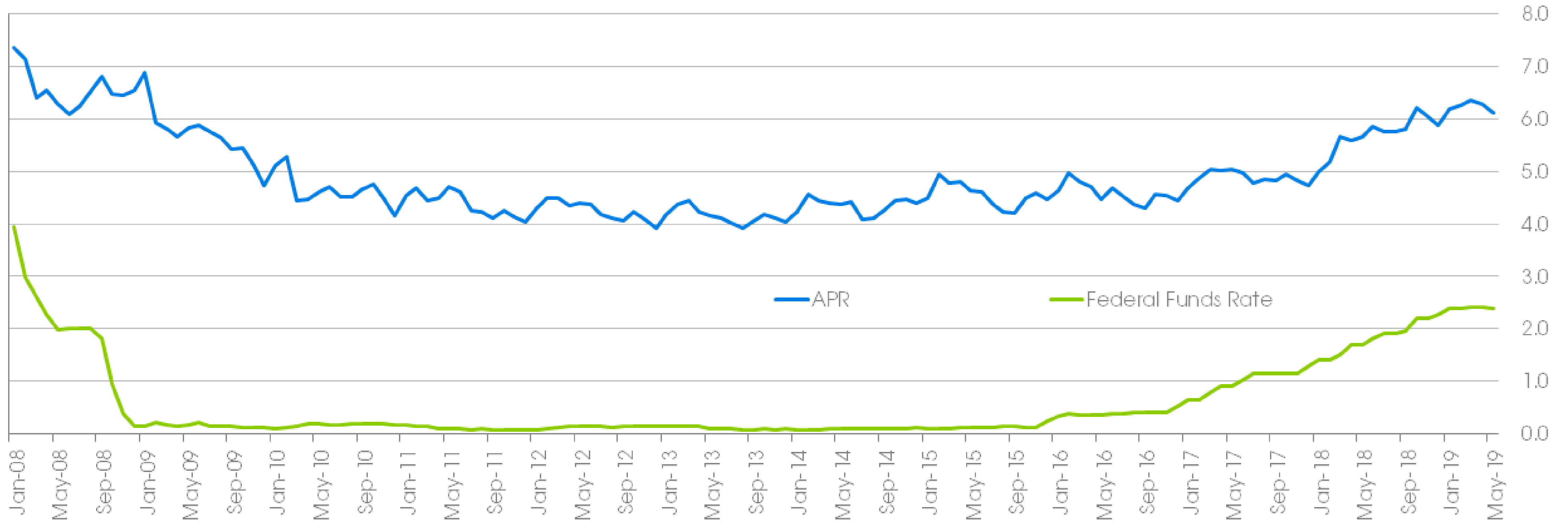


# PRIMARY ECONOMIC INDICATORS REMAIN STRONG



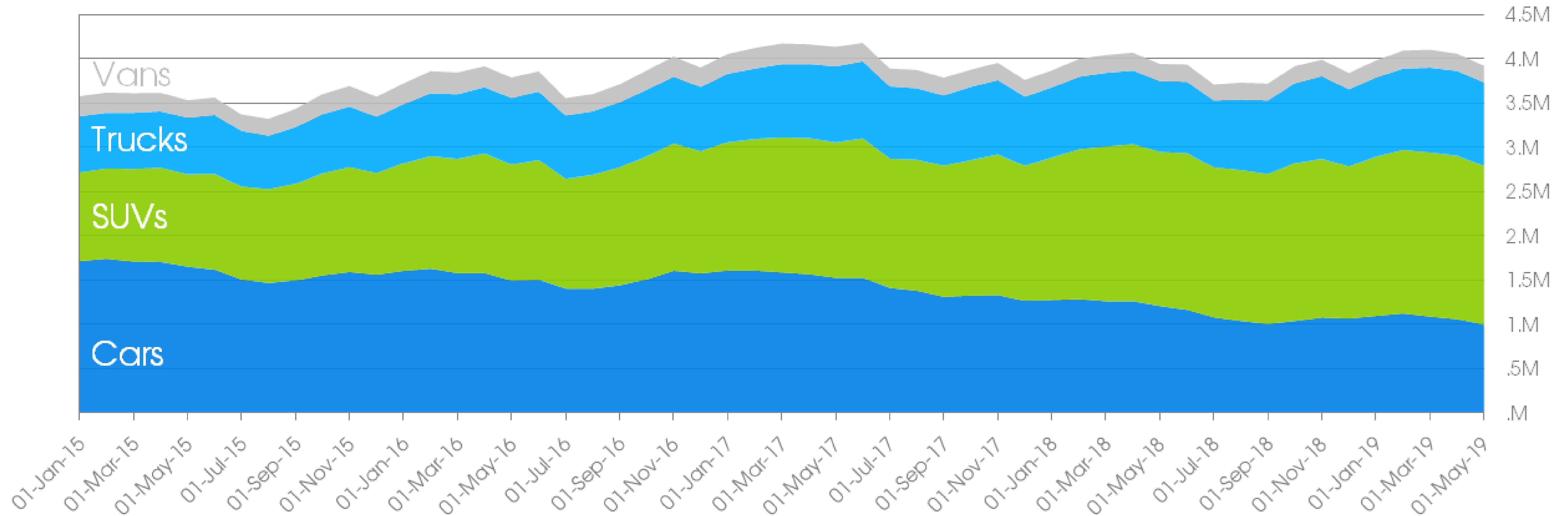
Source: CBO.gov, University of Michigan,

# INCREASING INTEREST RATES HINDER AFFORDABILITY



Source: Edmunds, FRED Federal Reserve Bank of St. Louis

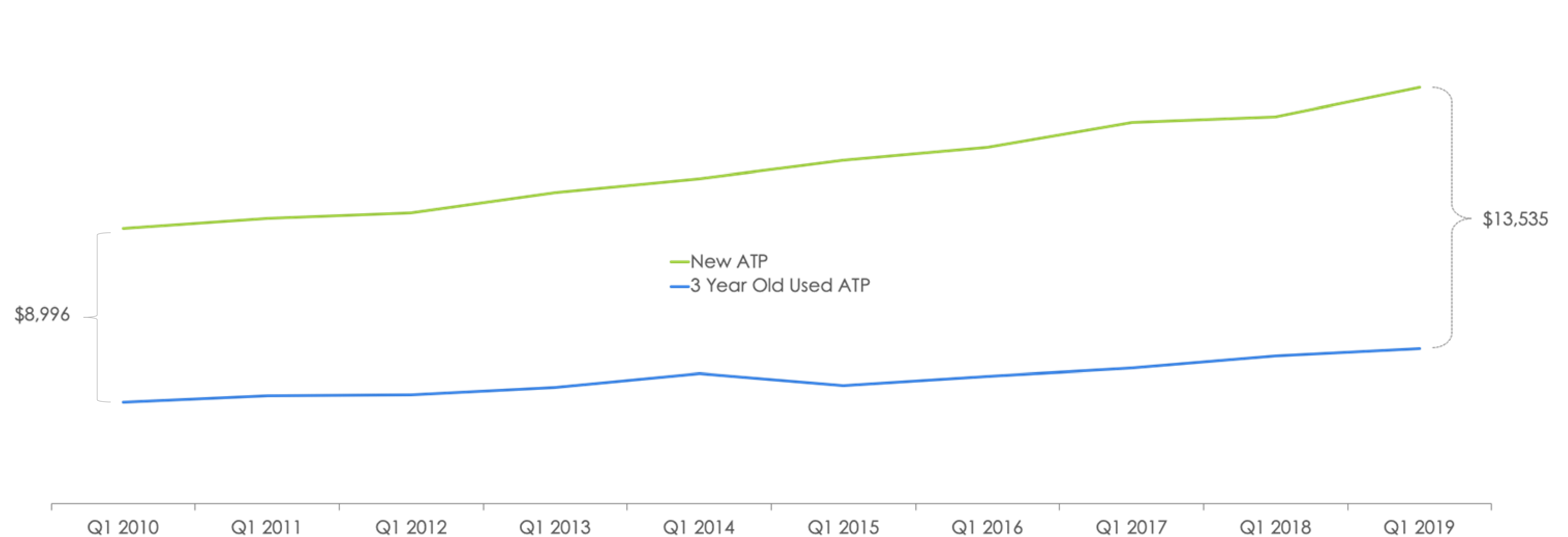
# ***SUMMER SALES SEEK TO RIGHTSIZE INVENTORY***



Source: Edmunds



# USED VEHICLES CREATE COMPETITION FOR NEW



Source: Edmunds

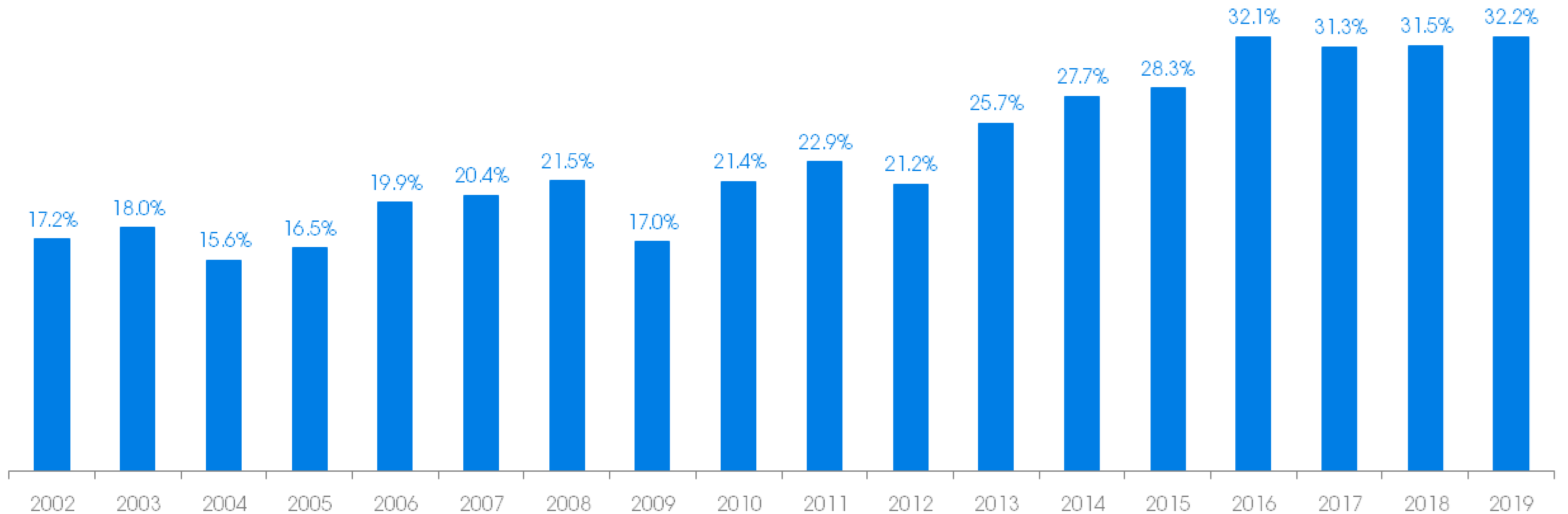


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# *LEASING*

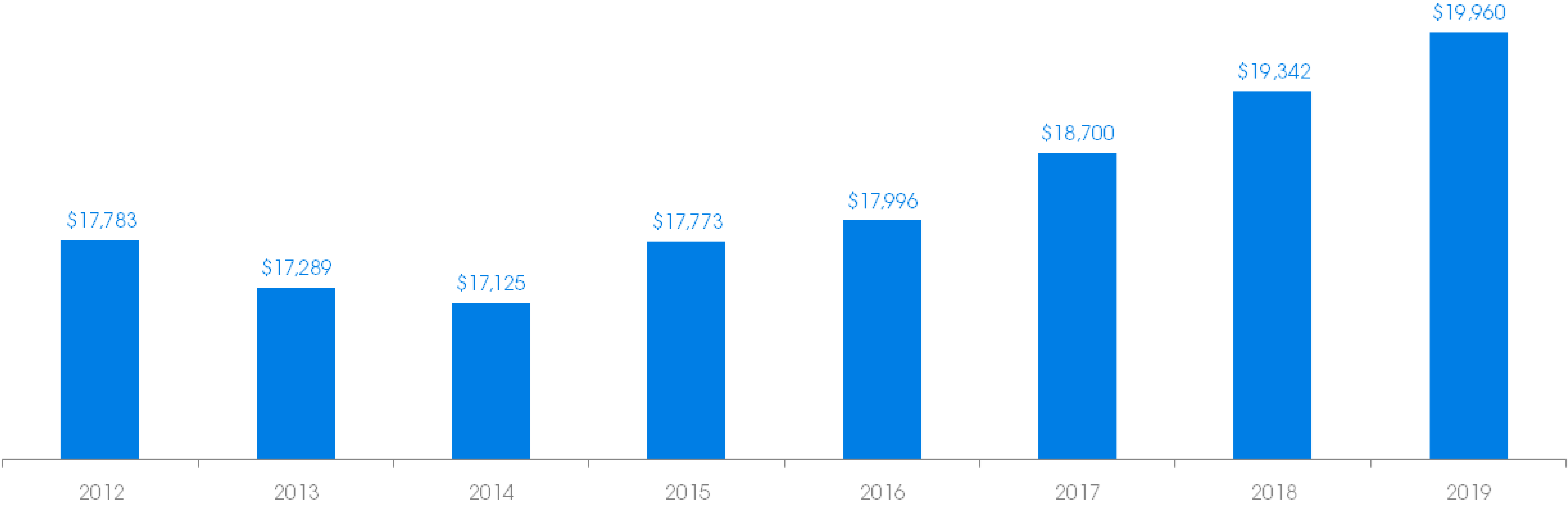


# LEASE PENETRATION AT RECORD LEVELS



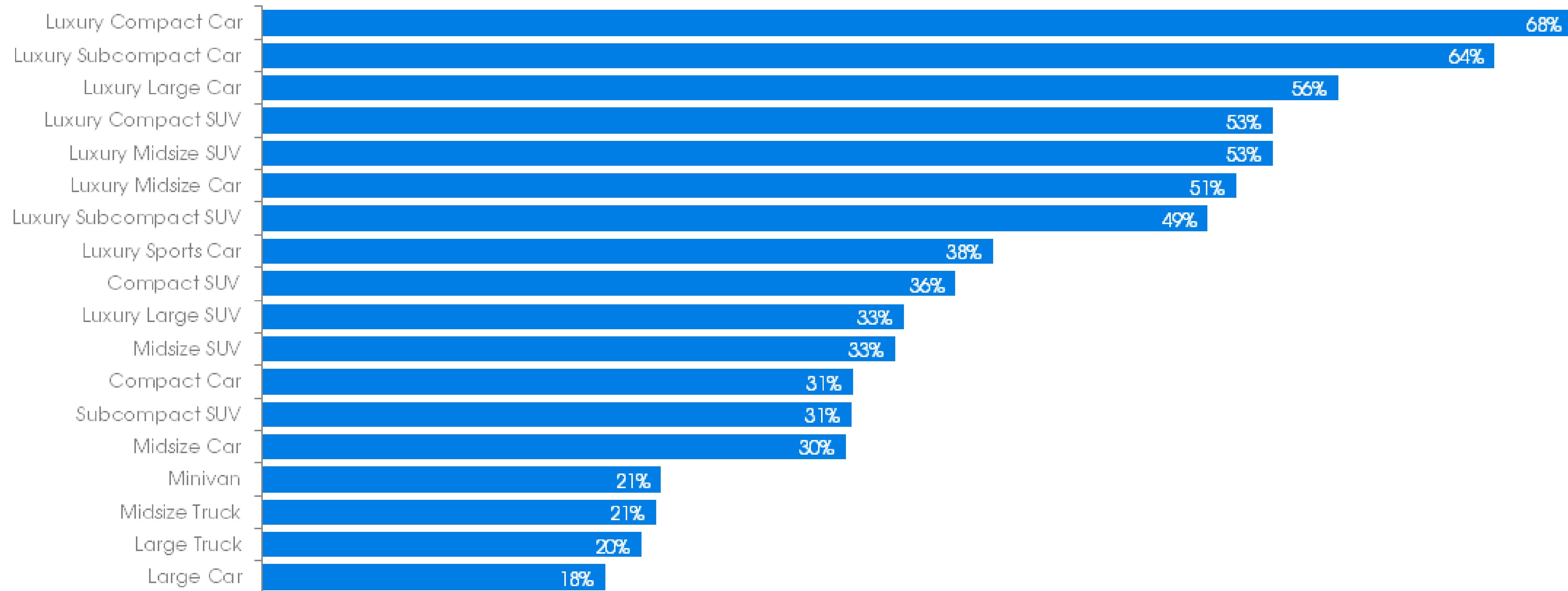
Source: Edmunds

# ***COST OF LEASING ON THE RISE***



Source: Edmunds

# LUXURY LEASE RATES REMAIN HIGH BUT ARE STAGNATING



Source: Edmunds

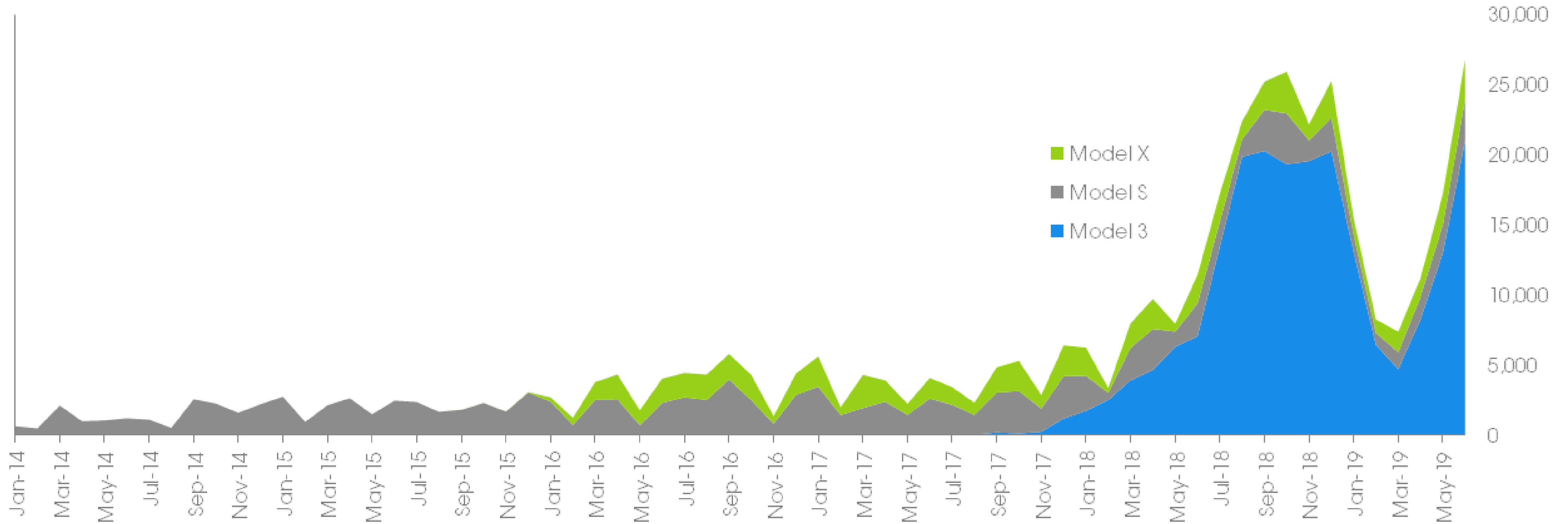


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# ***GREEN CARS***

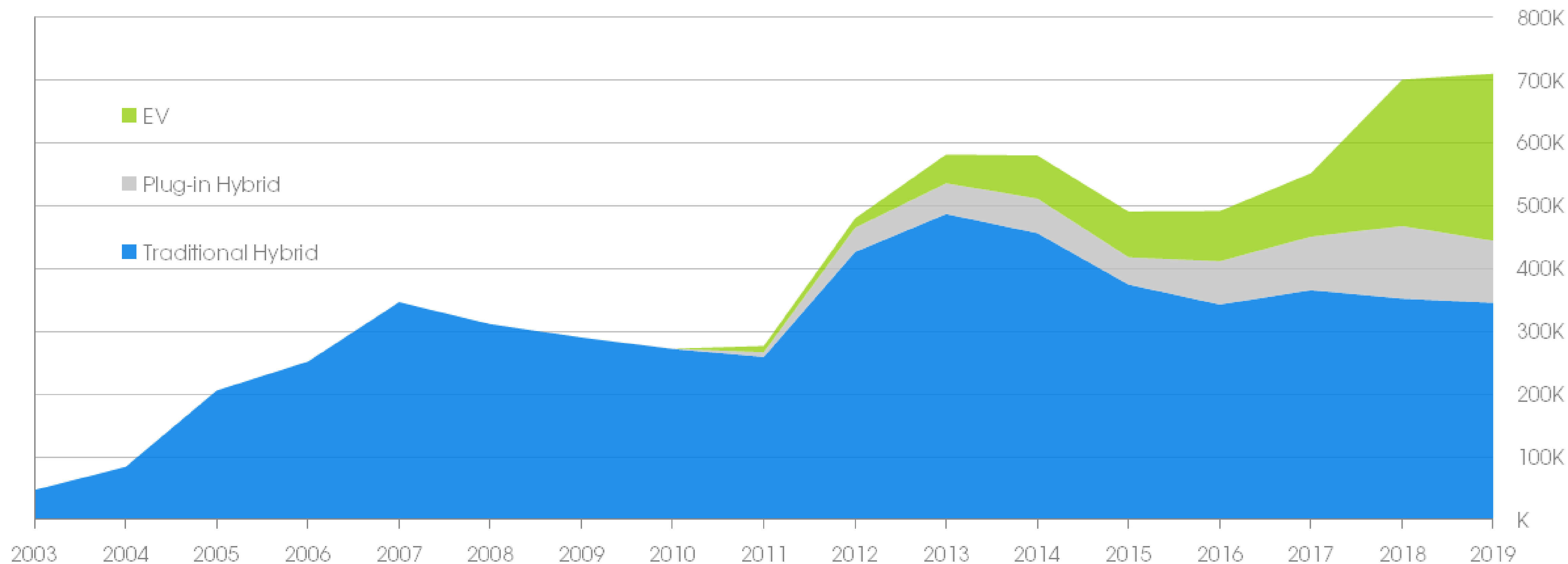


# TESLA OFFERING DEALS TO BOOST DEMAND



Source: Edmunds

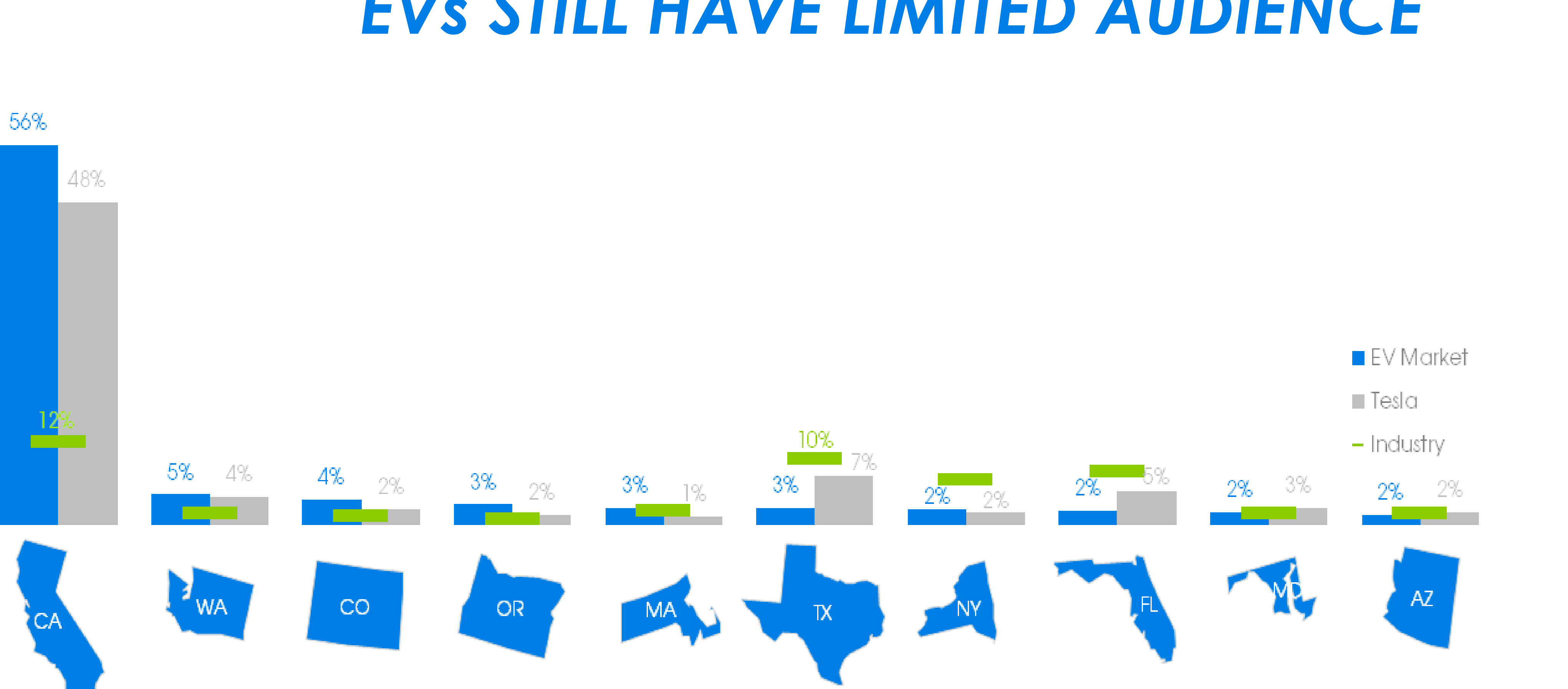
# GREEN CARS ON PACE FOR RECORD YEAR



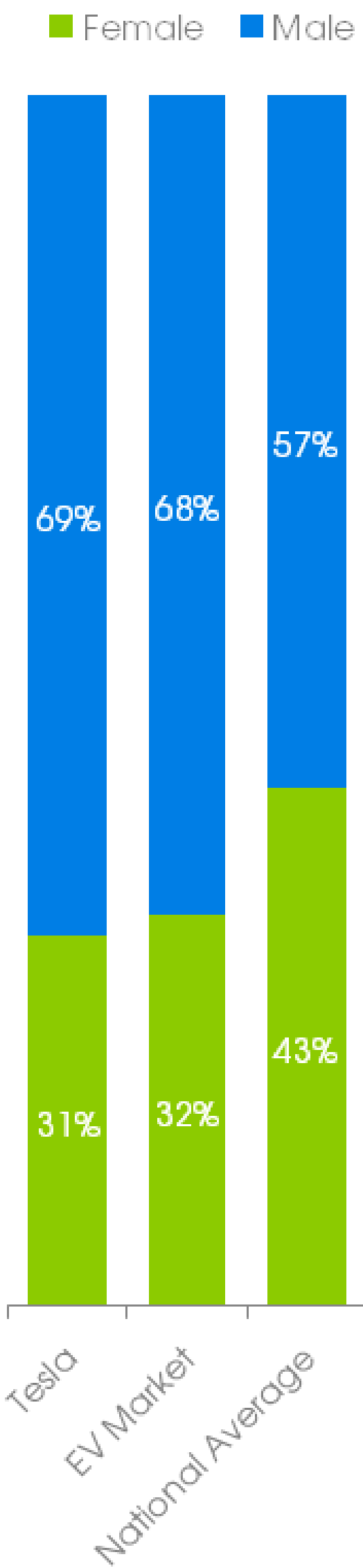
Source: Edmunds



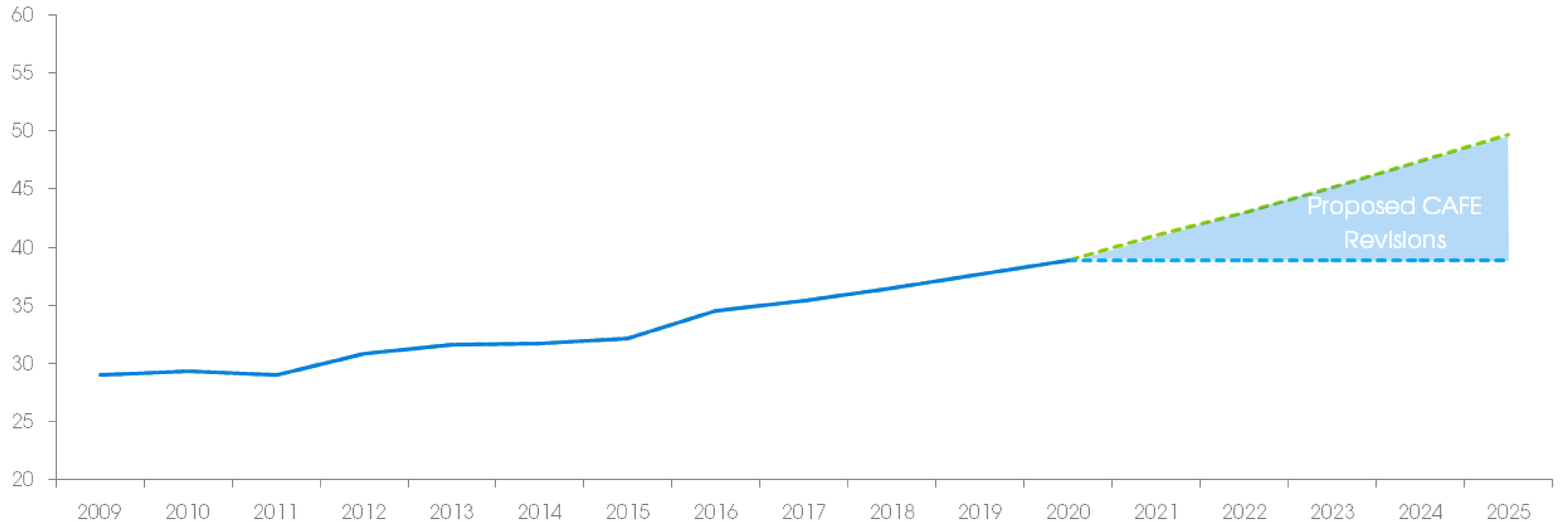
# EVs STILL HAVE LIMITED AUDIENCE



Source: IHS Markit



# CAFE REVISIONS LEAVE INDUSTRY AT CROSSROADS



Source: EPA



***THANK YOU***

