



DIMINISHED VALUE

OF GEORGIA

Auto Market Recap Q1 2022

Thursday, March 31, 2022

Will there be a spring market? Although there is uncertainty about how strong the spring market will be this year, here's what we saw in Q1 2022:

With a continued lack of new inventory for rental companies, high fuel prices, and tax season, we have seen a change to the market declines we've been experiencing in recent weeks throughout March. This past week, some popular tax season vehicles and fuel-efficient segments reported increases; however, the market is still not increasing at rates that we would typically expect during the spring season.

Q1 Market Insights Recap:

- Full-Size Vans continue to be the anomaly, but the rate of increase is slowing down, with the segment only increasing by +0.11% the week ending March 12th, the lowest rate of gain since the week of July 23, 2021 (+0.09%).
- As we moved into March, the Wholesale Weekly Price Index continued to decline and is now just below the 2019 trend line, around 0.97.
- Used Retail Listing Volume continues to drop and now sits around 0.98.
- The Used Retail Days-to-Turn Estimate also dropped this week and is now just above 40 days, which is slightly lower than typically seen in March of previous years.
- Recent increased competition among franchise dealers, independent dealers, and rental companies has wholesale values in some segments on the upswing again, after several weeks of declines, which is a positive indicator for a somewhat traditional spring market.
- The Estimated Average Weekly Sales Rate continues to ascend – this week it is now at 67%, which is very similar to the trend seen in CY21. An increased Estimated Average Weekly Sales Rate at this time of year is another positive indicator for a spring market.

| Market Wholesale Price Changes – March 2022 | | | |
|---|--------|--------|--------|
| Week 1 | Week 2 | Week 3 | Week 4 |
| -0.89% | -0.64% | -0.51% | -0.28% |
| | | | |

| Market Wholesale Price Changes – March 2017-2019 | | | |
|--|--------|--------|--------|
| Week 1 | Week 2 | Week 3 | Week 4 |
| -0.35% | -0.25% | -0.01% | 0.01% |
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