



# DIMINISHED VALUE

## OF GEORGIA

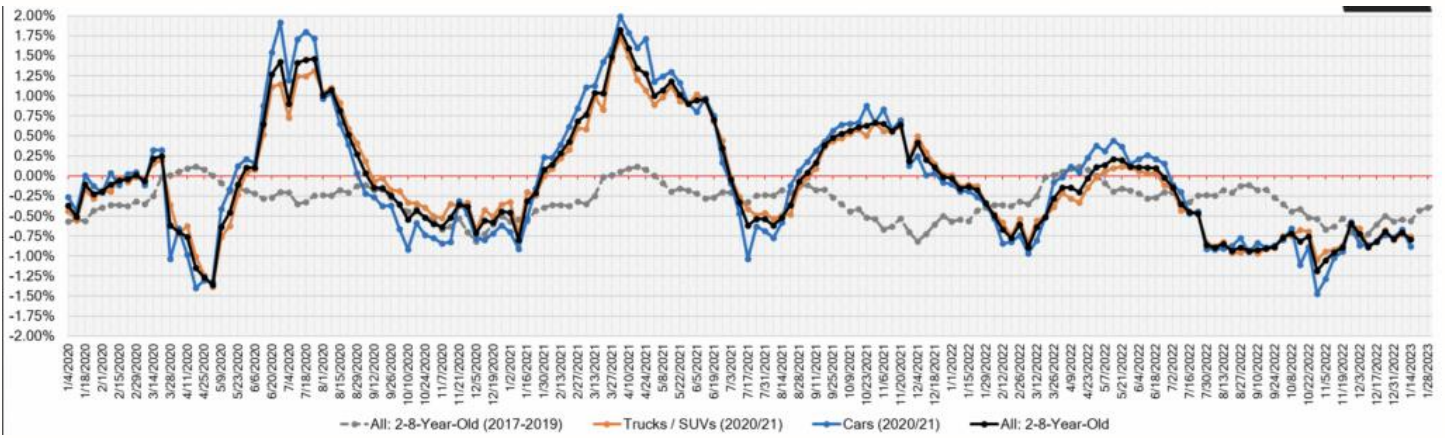
### Auto Market Update Week Ending Jan 14, 2023

Thursday, January 19, 2023.

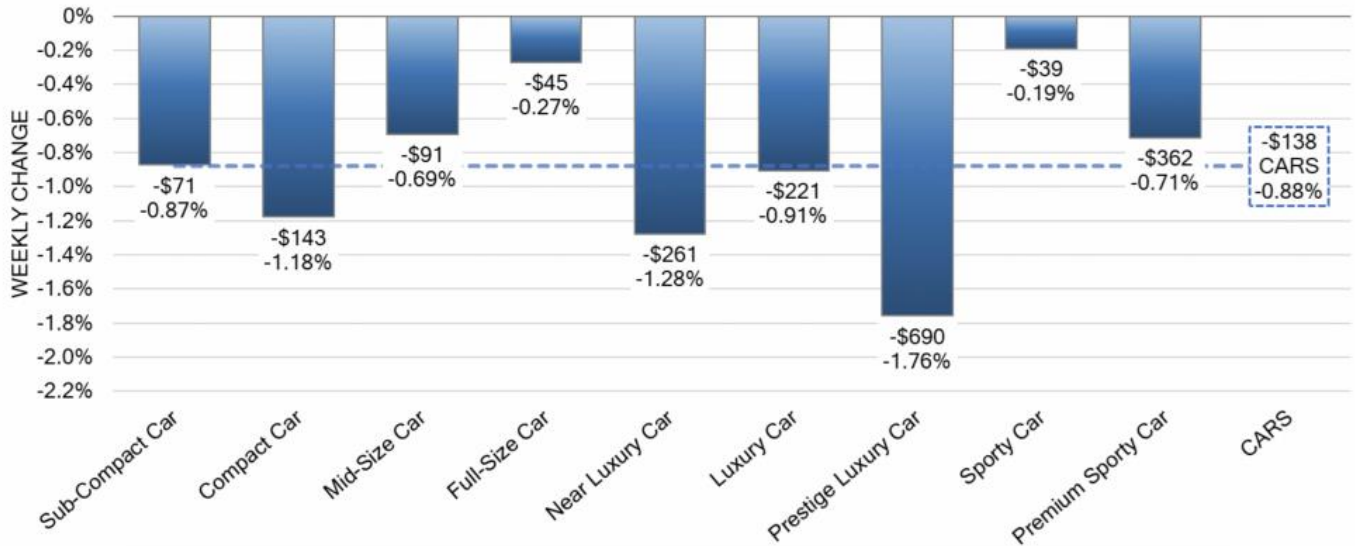
With two weeks of the new year behind us, the trends we ended 2022 with are continuing into 2023. It continues to be difficult to sell cars at auctions and weekly depreciation continues at a rate that exceeds what is typically experienced during this time of year. A Tesla price cut announced last week has already affected used car valuations.

- On a volume-weighted basis, the overall Car segment decreased -by 0.88%. To compare, cars decreased by -0.67% the previous week.
- Three of the nine segments of the Car market declined more than 1% last week (Prestige Luxury, -1.76%; Near Luxury, -1.28%; Compact, -1.18%).
- This is the largest decline in Compact Cars since the first week of November last year, when the segment declined -by 1.45%.
- The depreciation rate for Sporty Cars has been slowing in the new year, declining -0.19% last week, compared with -0.60% on average during December.
- Compared with the prior week's decline of -0.73%, the volume-weighted Truck segment decreased by -0.75%.
- Three of the thirteen truck segments reported declines last week (Sub-Compact Luxury, -1.42; Full-Size, -1.09; Sub-Compact, -1.04%).
- In the past three weeks, depreciation for Full-Size Trucks (-0.49%) has consistently declined less than half a percent.
- The Sub-Compact Luxury Crossover/SUV segment reported the largest Truck segment decline over the past two weeks, -1.42% last week, compared with -1.12% the week before.

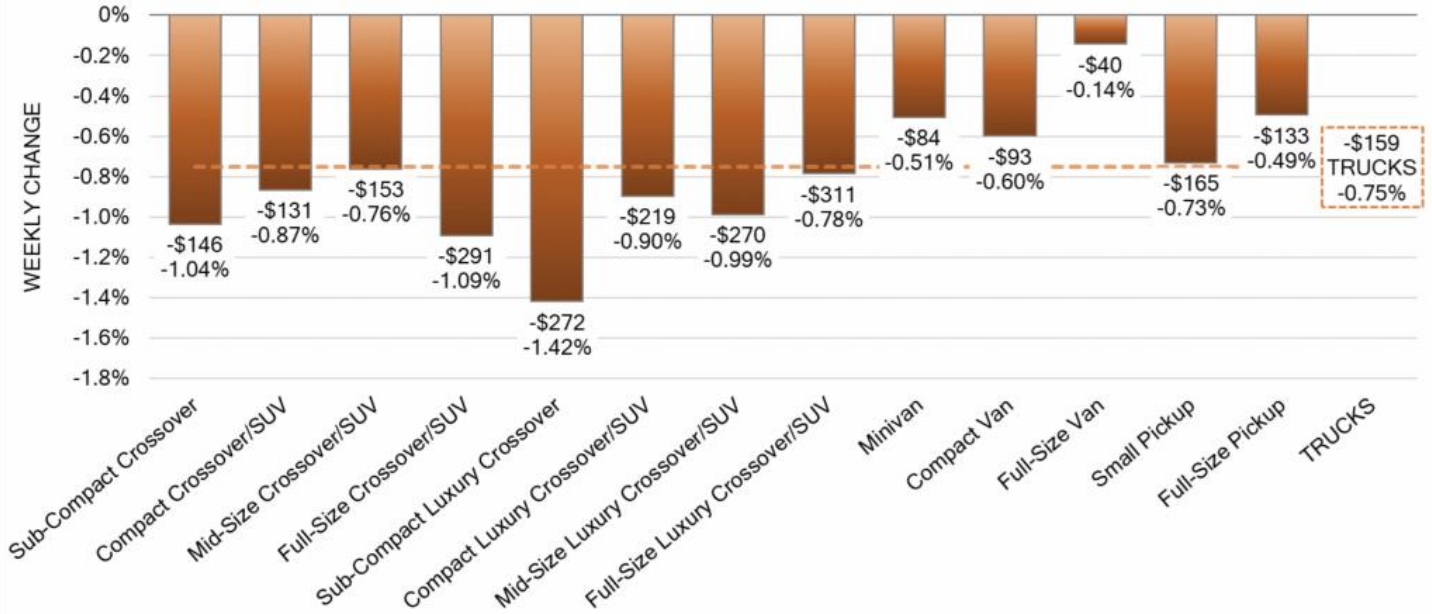
	This Week	Last Week	2017-2019 Average (Same Week)
Car segments	-0.88%	-0.67%	-0.62%
Truck & SUV segments	-0.75%	-0.73%	-0.52%
<b>Market</b>	<b>-0.79%</b>	<b>-0.71%</b>	<b>-0.56%</b>



Week After Week Wholesale Price Changes



Car Segments



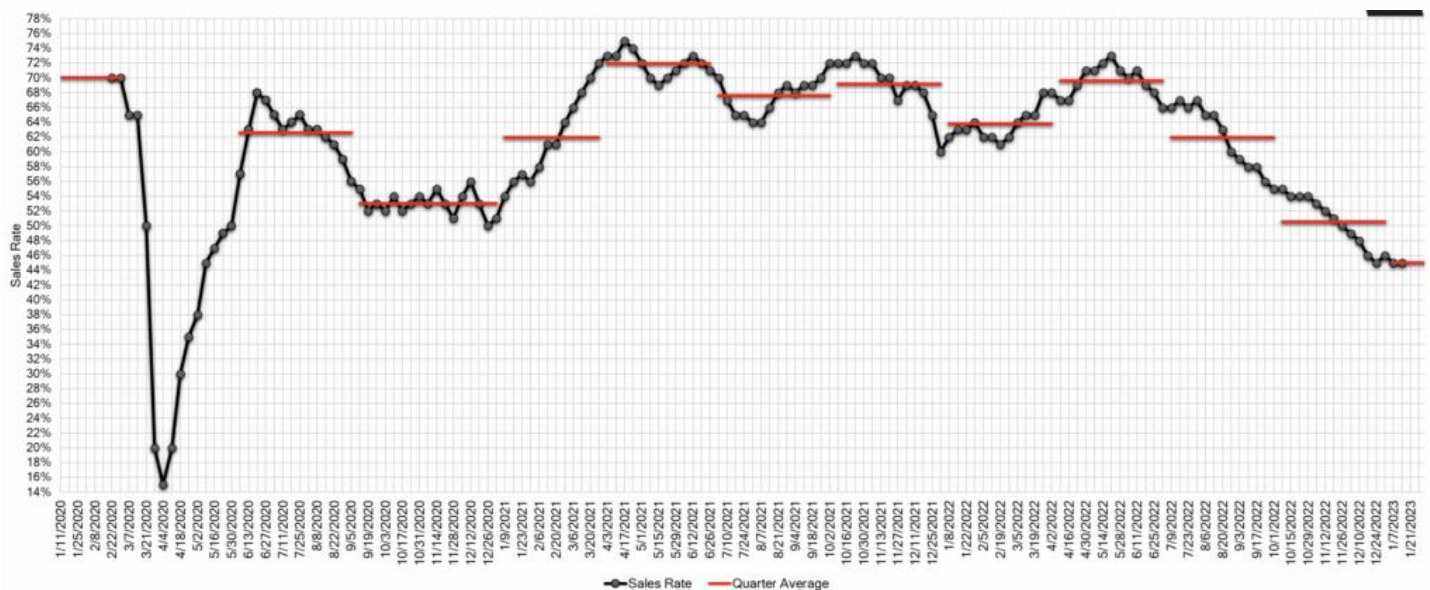
Truck Segments

## Retail (Used and New) Insights

- This year's Jaguar F-Type will be the last for the sporty coupe and convertible. The final year will feature a special edition variant called the 75 Edition.
- The GT-R has remained unchanged since its last refresh in 2017, but Nissan's top-of-the-line sports car will undergo a complete redesign in 2024.
- Tesla offered end-of-year incentives for consumers taking delivery before the end of 2022, but the price reductions didn't stop there. Tesla made major price reductions to its Model Y last week.

## Wholesale

Inventory at the auctions is still lower than usual, but the overall sentiment was brighter last week. The biggest concern ahead of this week is what effect Tesla's drastic announcement of price reductions - some models by 20% - will have on used electric vehicles' values. Before making the cut in prices, EVs were already feeling some strain due to decreasing fuel costs and increased interest rates, which make them less affordable compared to Internal Combustion Engine counterparts.



Estimated Average Weekly Sales Rate at US Auctions