

CarGurus Intelligence Report June 2022

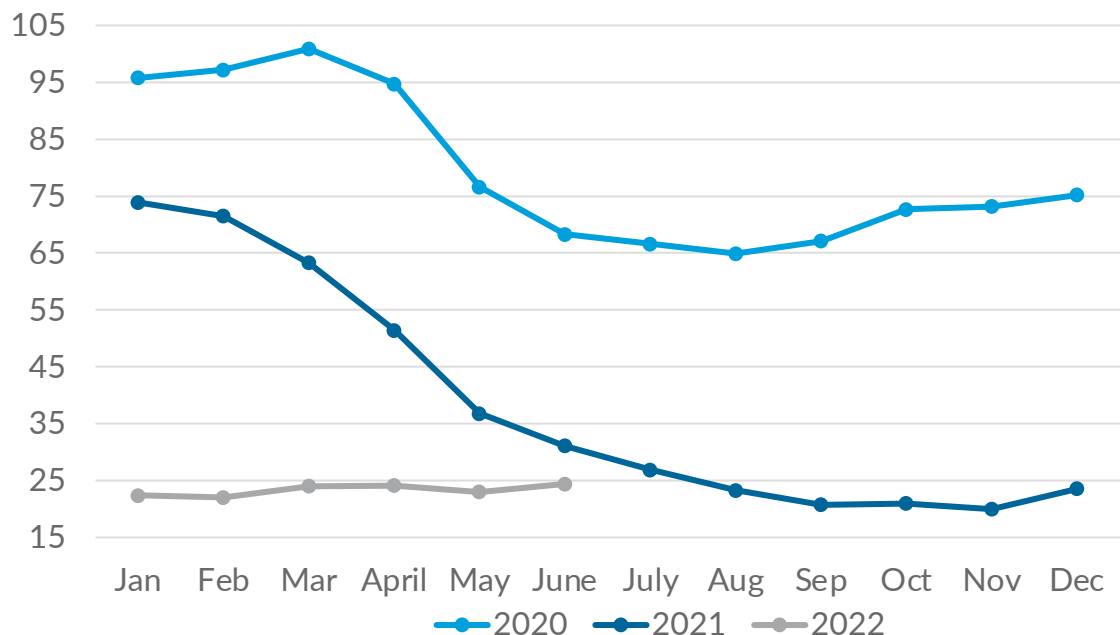


 CarGurus®

Inventory levels increased slightly in June

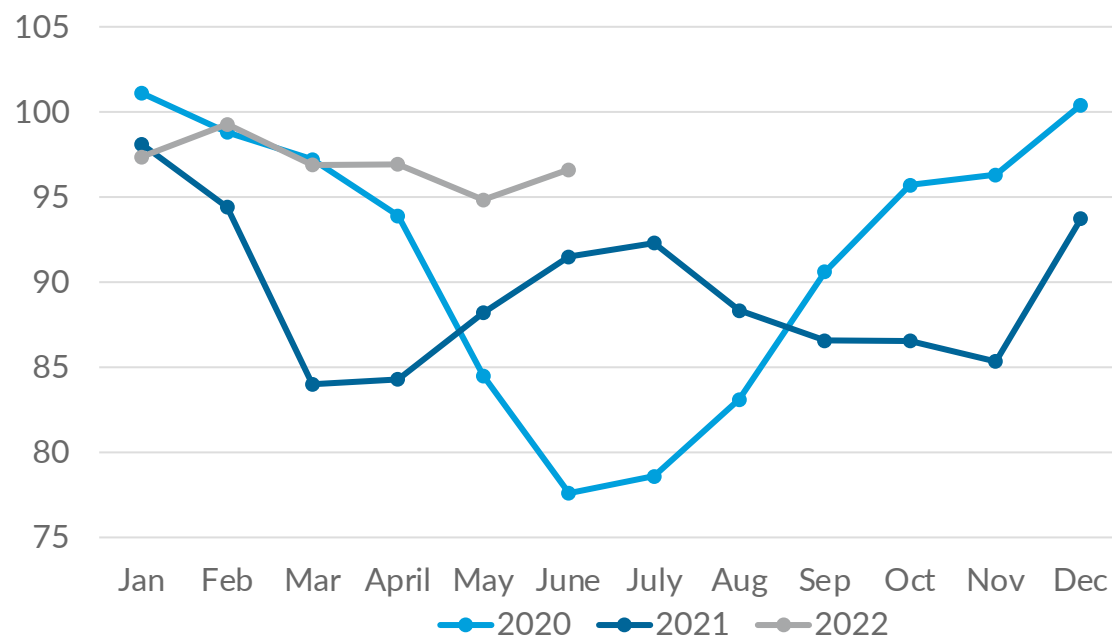
Increasing inventory prices combined with rising interest rates are likely cooling demand, which is helping to raise inventory levels.

US: CarGurus New Vehicle Availability Index*
January 2020 to June 2022



- New inventory levels **increased 6.1%** from May and remained **down 21.5% YoY**.

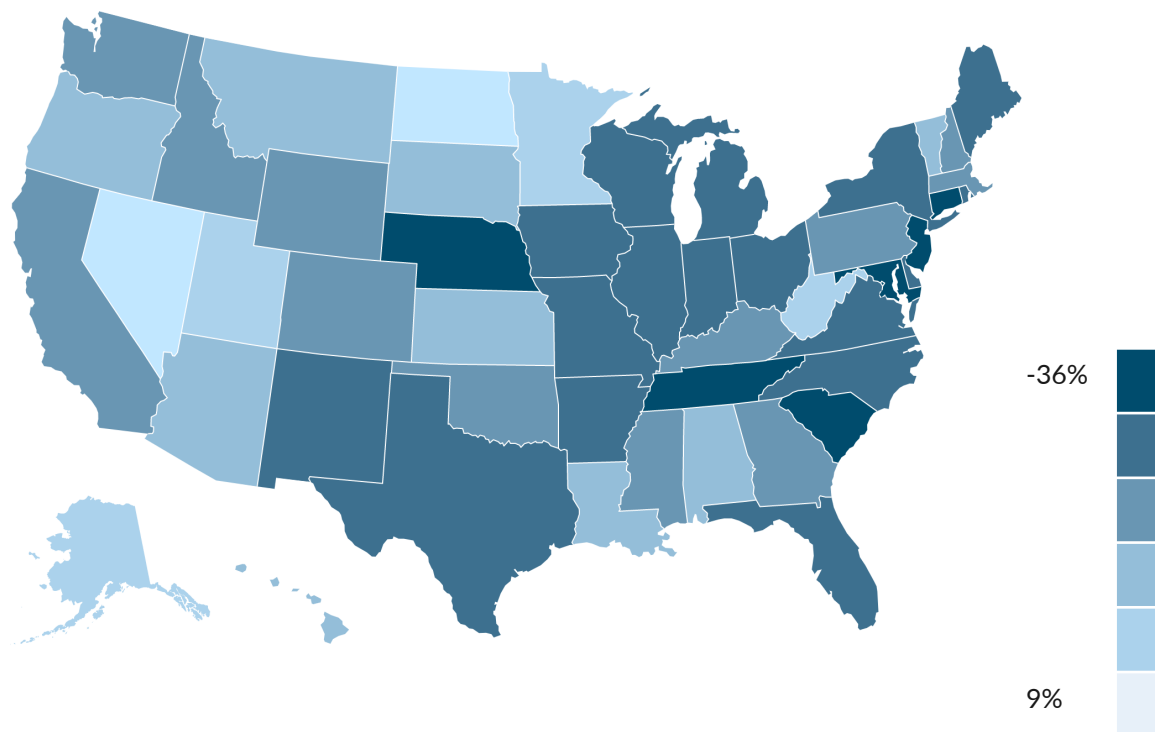
US: CarGurus Used Vehicle Availability Index*
January 2020 to June 2022



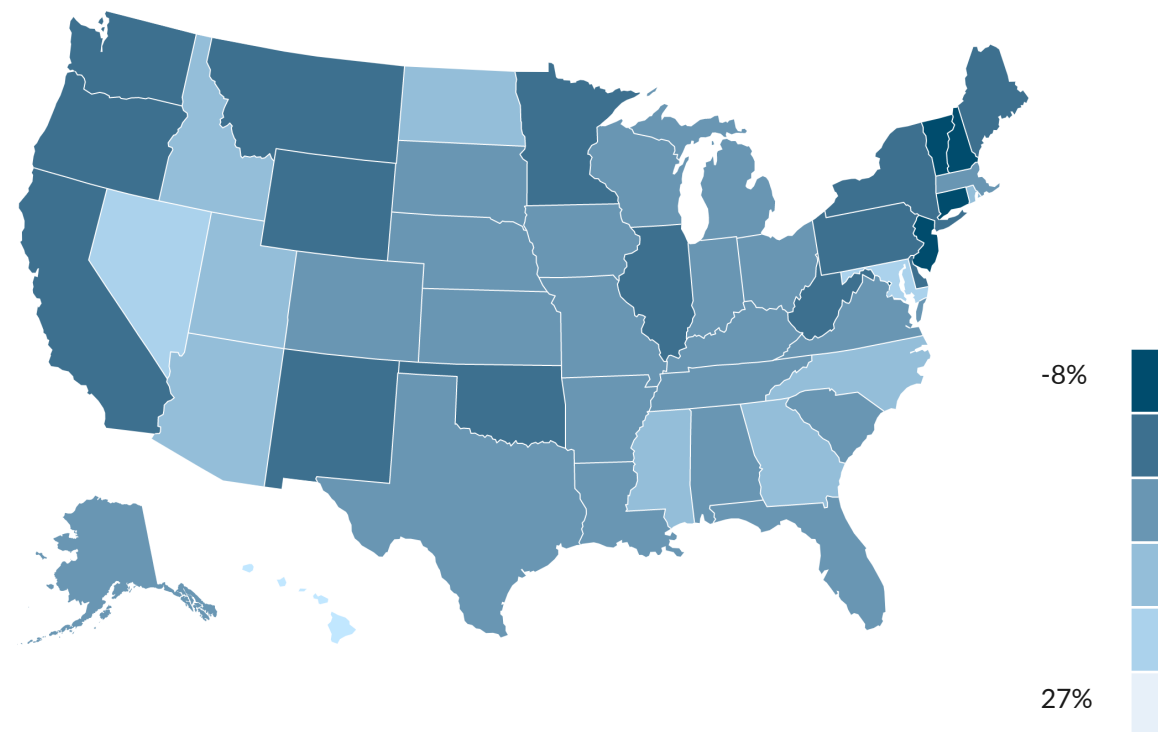
- Used inventory levels **increased 1.9%** in June and were still **up 5.6% YoY**.

Regional discrepancies becoming more clear

US: New inventory* year-over-year % variance by state
June 2022 vs June 2021



US: Used inventory* year-over-year % variance by state
June 2022 vs June 2021



Source: CarGurus

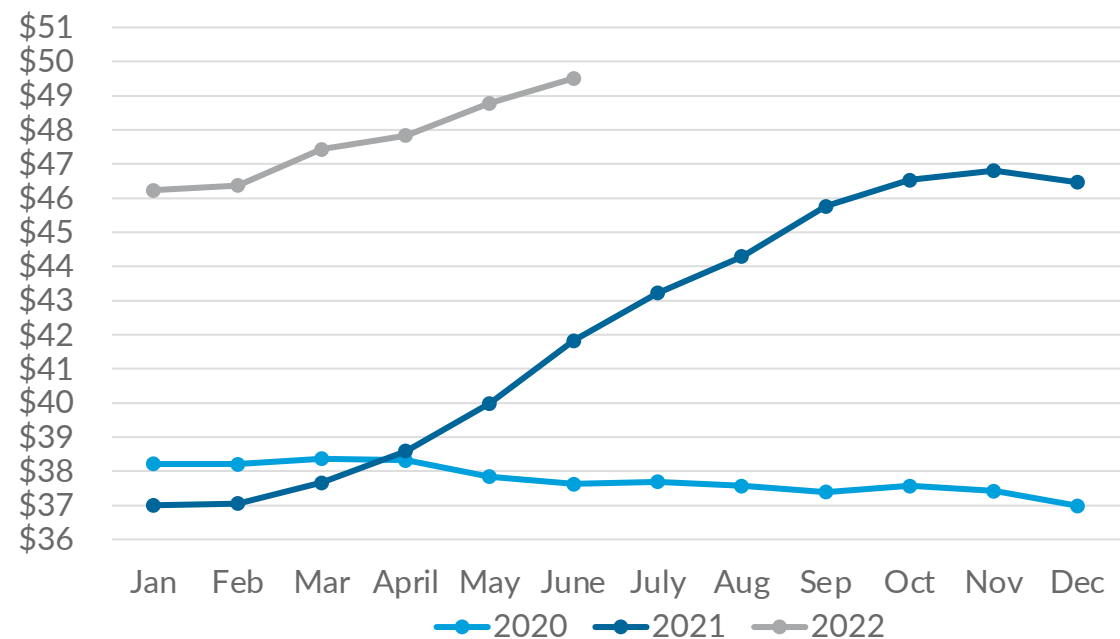
* Month end dealer inventory/dealer ratio

Vehicle prices accelerated in June

New vehicle prices continued to ascend while used saw a slight bump in June, likely due to a shift in mix versus overall prices increasing.

US: Average new vehicle listing price

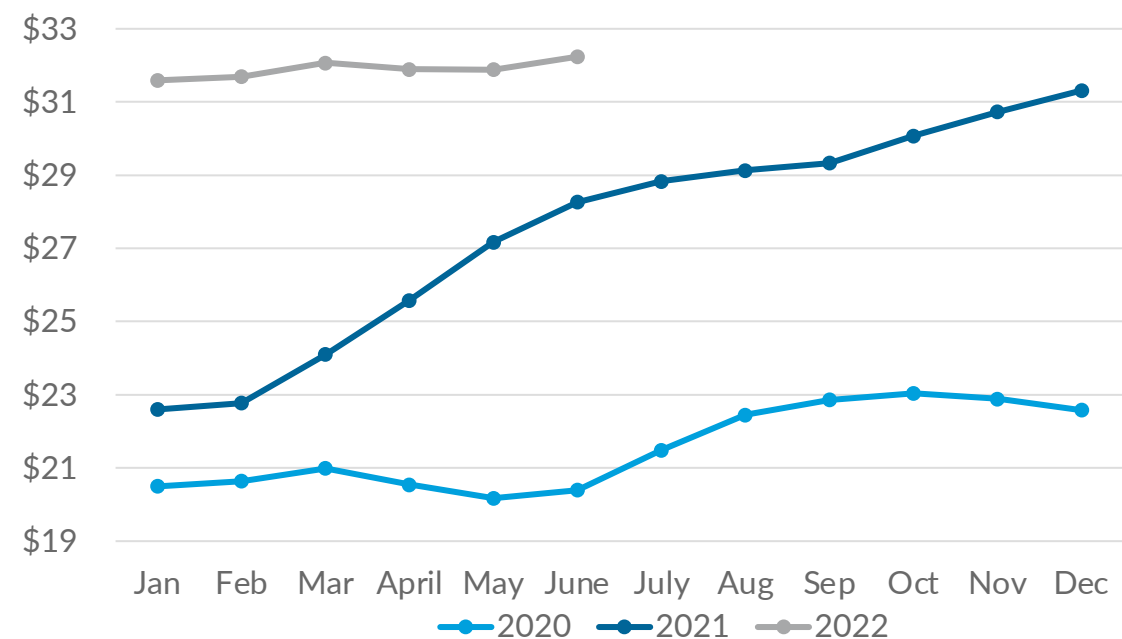
January 2020 to June 2022 (month end inventory, thousands \$)



- New average listing prices **increased 1.5%**, and YoY prices were **up 18.4%**.

US: Average used vehicle listing price

January 2020 to June 2022 (month end inventory, thousands \$)



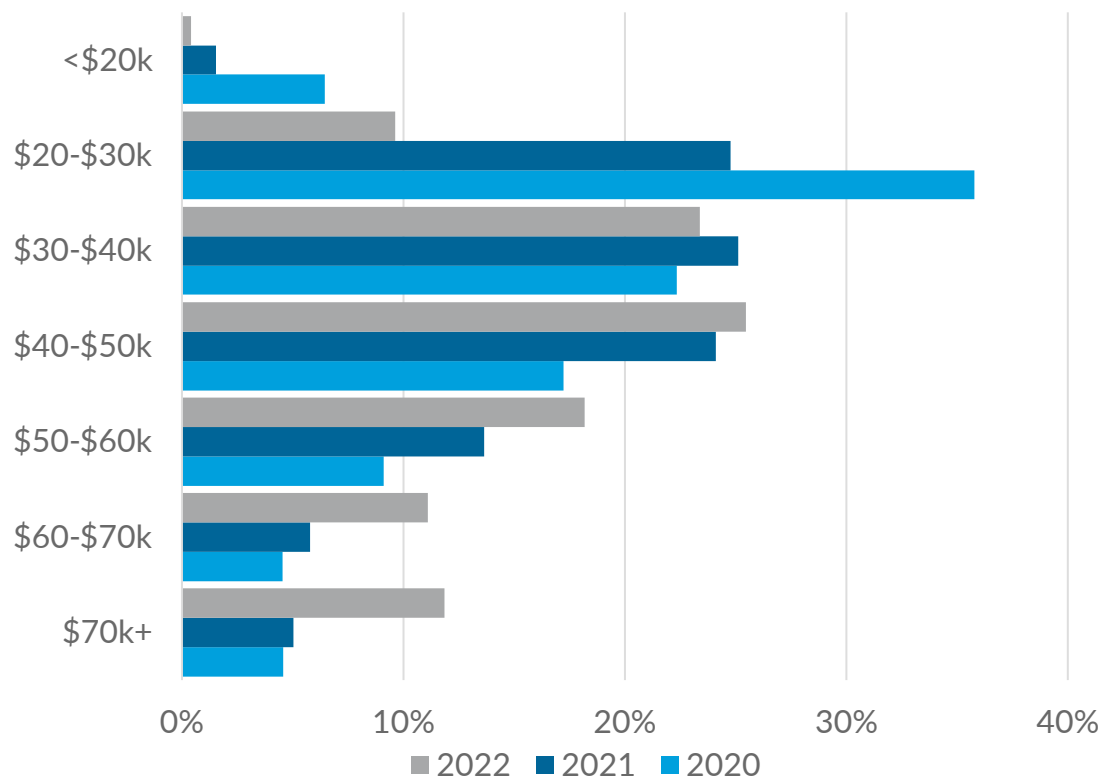
- Used average listing prices **increased by 1.1%** in June while remaining **up 14% YoY**.

Source: CarGurus

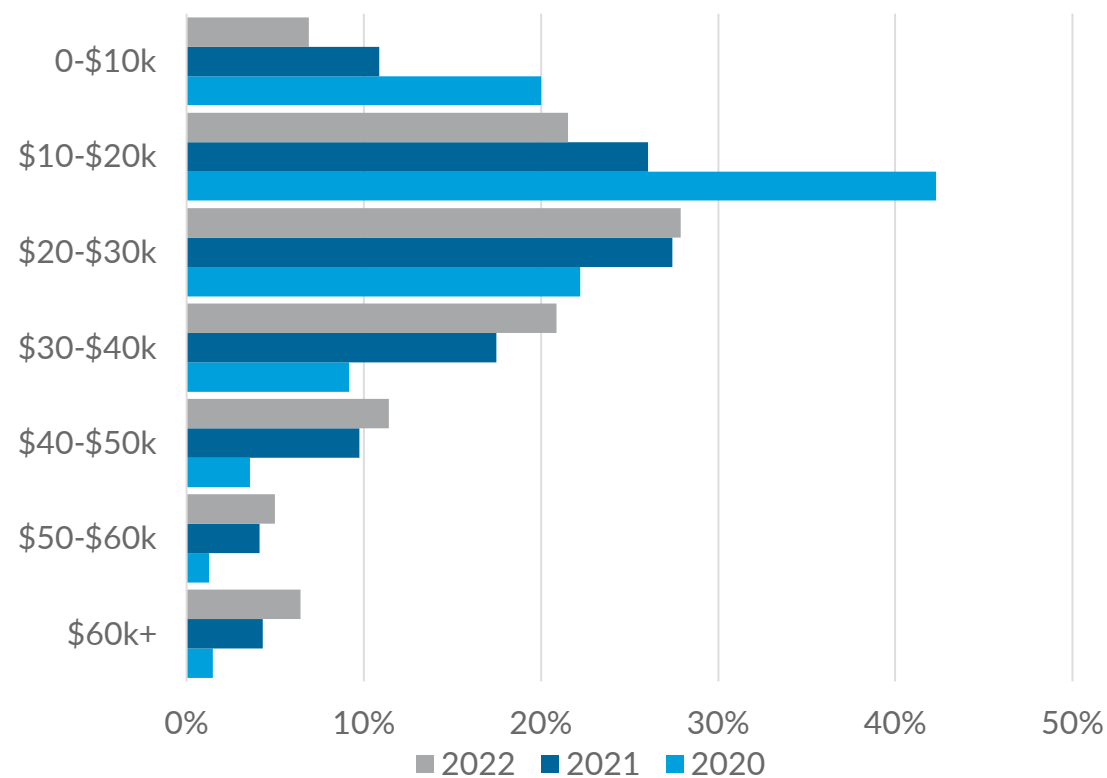
Prices continued to shift higher

Affordable vehicles continued to be more difficult to find as vehicle numbers in lower price buckets shrank

US: New inventory* % of total by price bucket
June 2020/2021/2022 (percentage of total)



US: Used inventory* % of total by price bucket
June 2020/2021/2022 (percentage of total)



Source: CarGurus

* Month end dealer inventory

Light commercial vans and EVs continued to see increases

US: Top 10 used vehicle Make/Model price variance*
June 2022 vs June 2021

Make	Model	June 2022	June 2021	% Variance
Nissan	NV Cargo	\$38,496	\$23,588	63.2%
Mercedes-Benz	Metris	\$49,789	\$33,736	47.6%
FIAT	500e	\$16,819	\$11,515	46.1%
Chevrolet	Express	\$34,683	\$25,936	33.7%
Chevrolet	Express Cargo	\$35,871	\$26,888	33.4%
GMC	Savana Cargo	\$40,909	\$30,904	32.4%
Ford	Transit Passenger	\$43,154	\$32,937	31.0%
Ford	Transit Cargo	\$42,296	\$32,340	30.8%
Toyota	Prius Prime	\$31,922	\$24,427	30.7%
BMW	i3	\$29,093	\$22,293	30.5%

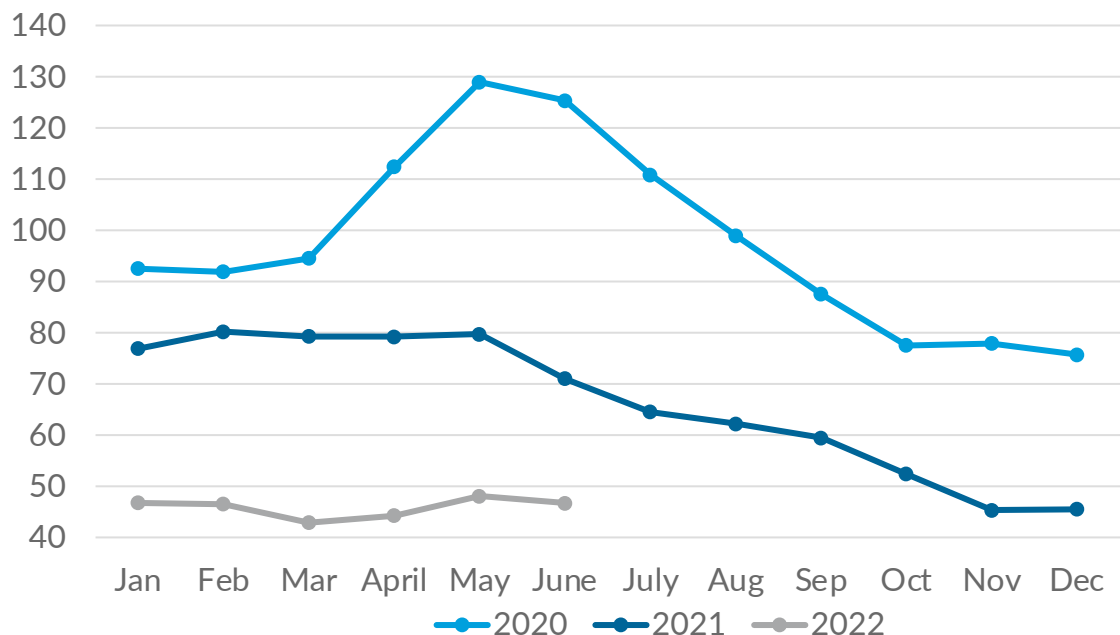
Source: CarGurus

*minimum 100 vehicle inventory, 2013-2020 model year, month end inventory average listing price

Vehicles stayed on market for less time in June

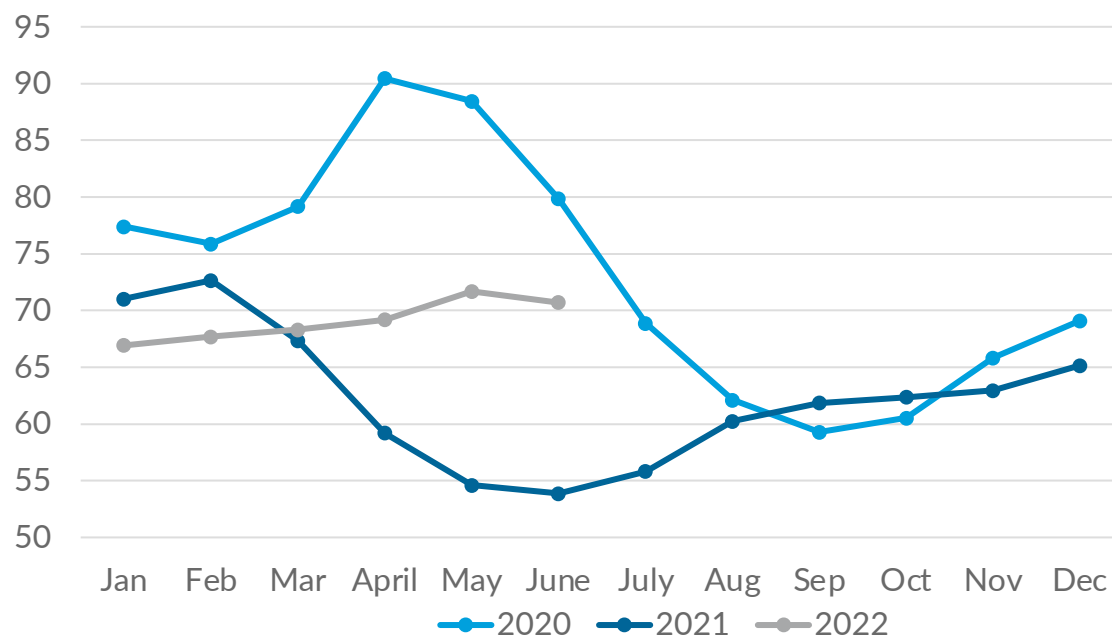
An influx of inventory priced over \$30k in June helped to pull down the overall days-on-market for new & used

US: New average days-on-market
January 2020 to June 2022



- New average days-on-market increased slightly in June with levels **down 2.9%% MoM** while **down 34.2% YoY**.

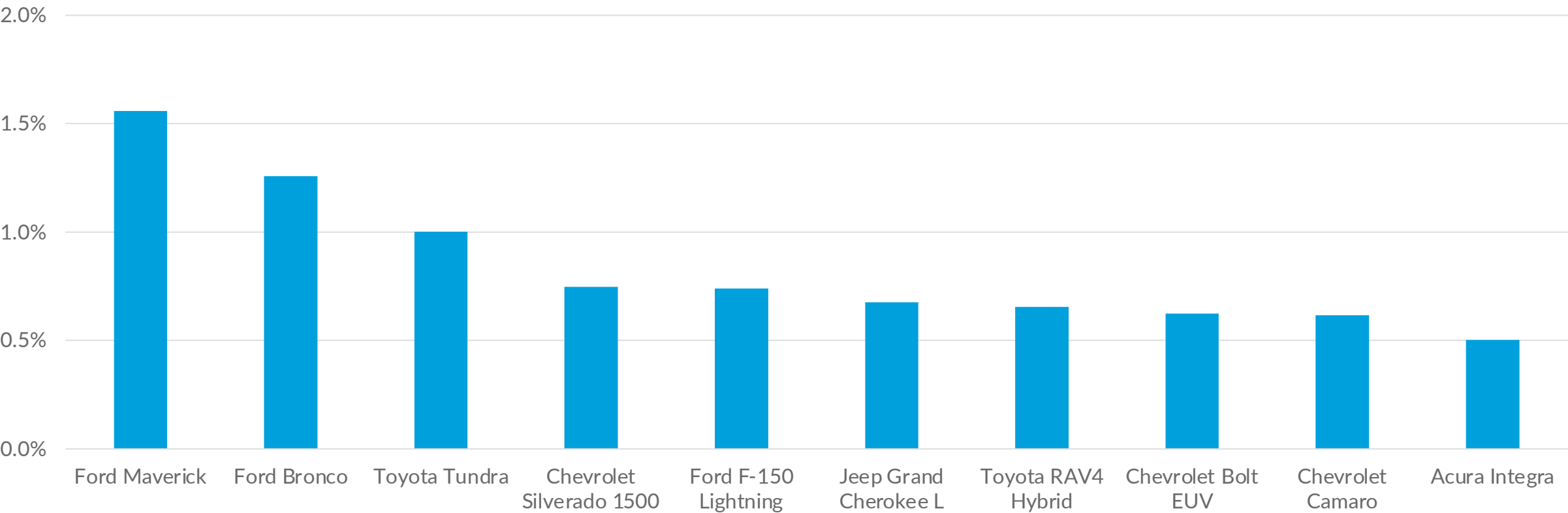
US: Used average days-on-market
January 2020 to June 2022



- Used average days-on-market decreased slightly by **1.4% from May** while YoY levels were **up over 31.2%**.

High gas prices drove interest in alternative powertrains

US: Top 10 largest gains in viewed new vehicles
June 2022 vs June 2021 (variance in percentage of total views)



Source: CarGurus

Intelligence Snapshot

\$5 Gas Impact

Gas prices cresting \$5 a gallon is leading to consumer shifts

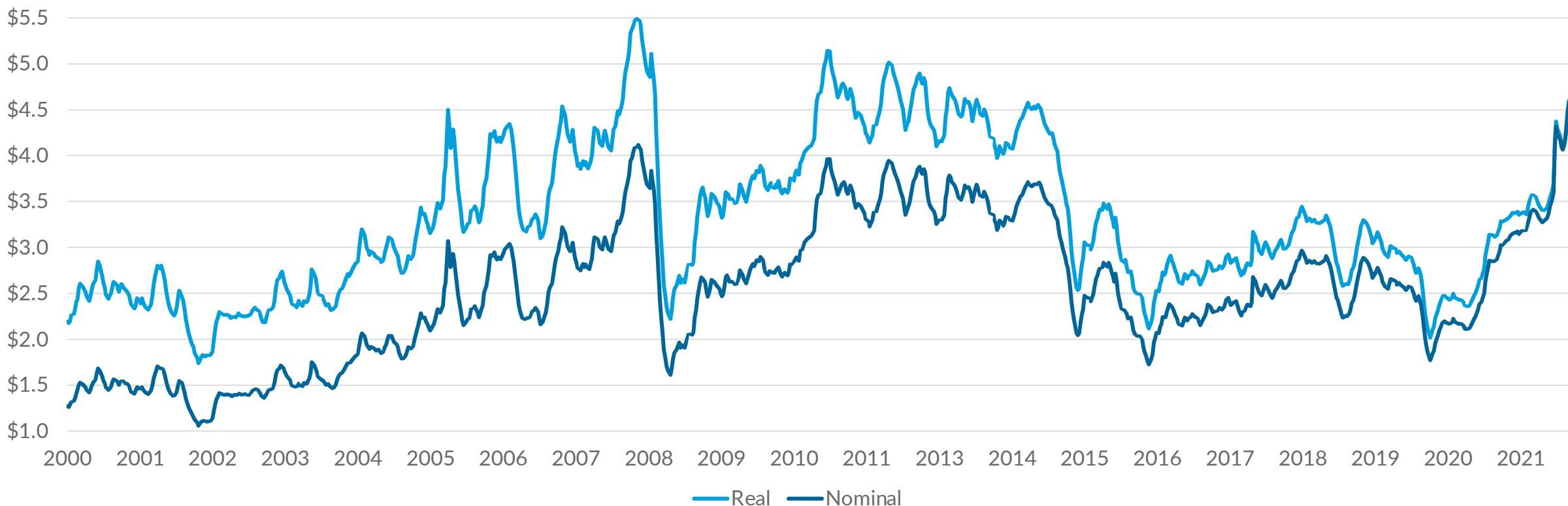
- The average price of regular gas in the US passed \$5 a gallon recently for the first time ever. While gas prices have been slightly higher on real terms in the past, this milestone is likely to get consumers to look at more fuel-efficient vehicles.
- We're seeing this in real time at CarGurus, with interest in cars and EVs increasing as gas prices continue to rise.
- However, even if high gas prices have you considering an EV, there will be issues of vehicle availability – both overall and at the state level – as well as increasing prices.

Gas prices have reached historic nominal highs

While gas prices crested \$5 for the first time ever, they still trail 2008 prices on real terms. However, it's possible we will pass that threshold in the coming weeks if prices don't slow.

US: Real* & Nominal US Regular All Formulations Gas Price

January 2000 - June 2022



Source: EIA, BLS, CarGurus Analysis

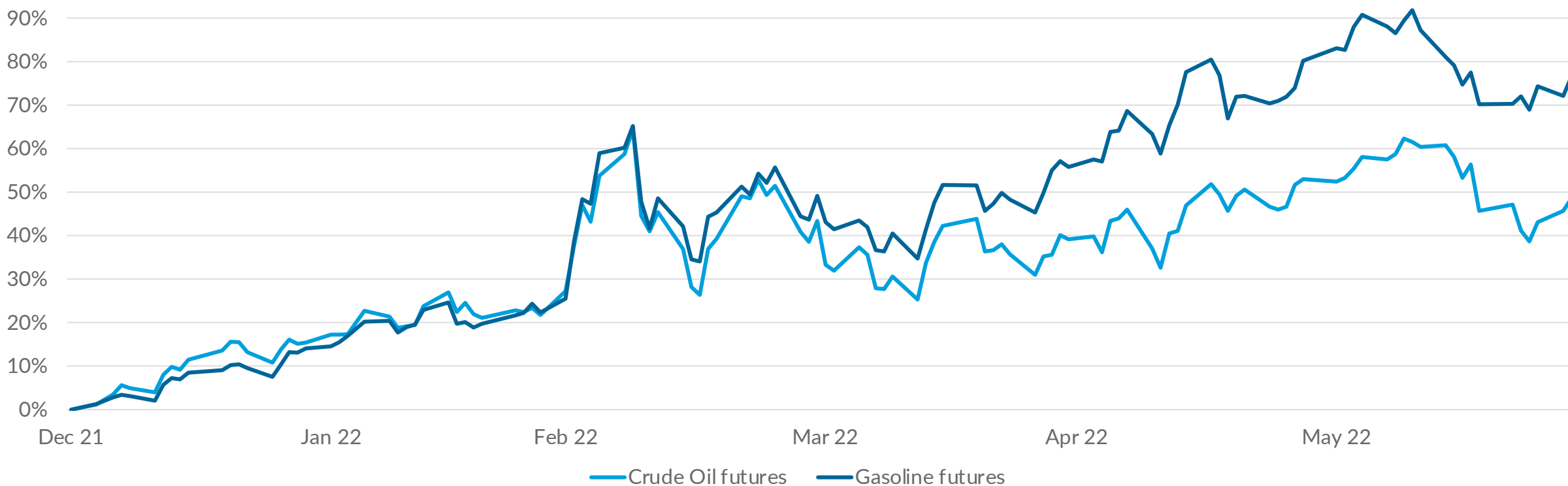
*Real prices relative to May 2022

Disconnect between gasoline and oil

Crude oil and gasoline prices started to come apart in April as ongoing issues such as refineries started to push gas prices higher.

US: Cushing, OK Crude Oil Future Contract 1 and Regular Gasoline Future Contract 1 cumulative percentage change

December 31, 2021 - June 28, 2022

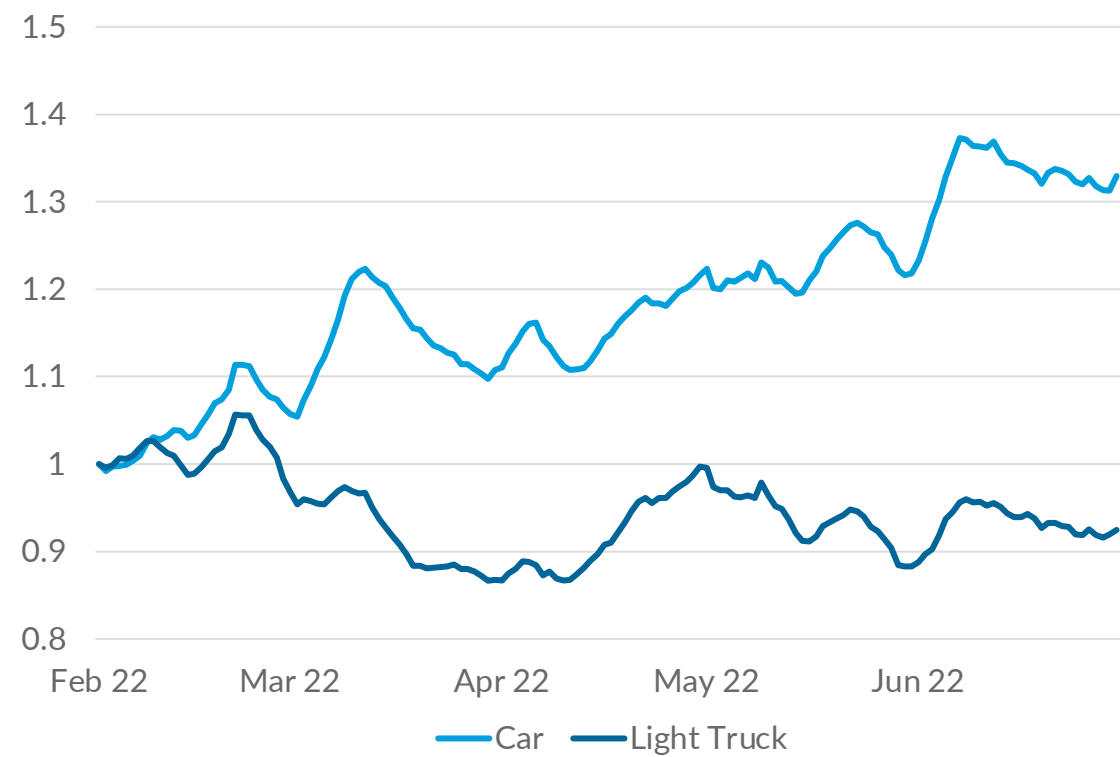


Source: EIA, Thomson Reuters, CarGurus Analysis

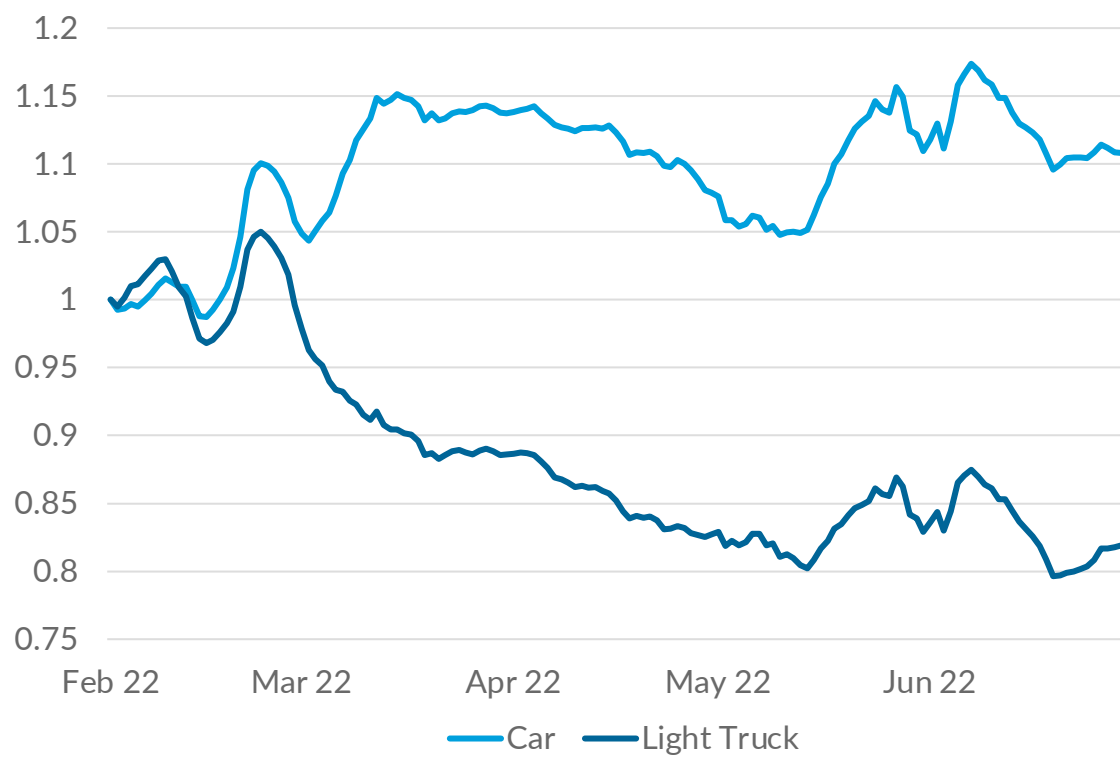
High gas prices now causing shifts in vehicle type demand

High gas prices have consumers looking at cars on a higher relative basis than light trucks (pickups, CUV/SUVs, vans).

US: New Vehicle Demand* Car/Light Truck
February 2022 to June 2022



US: Used Vehicle Demand* Car/Light Truck
February 2022 to June 2022

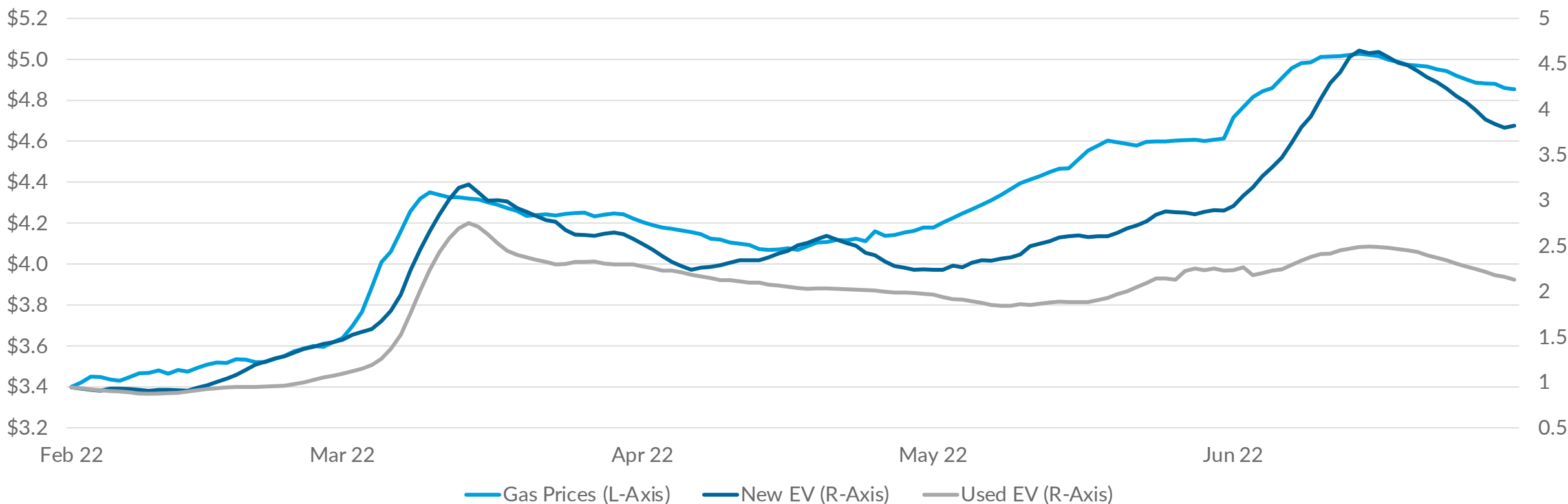


Consumer interest in EVs is surging with gas prices

As gas prices approached \$5 a gallon, new EV interest accelerated further. As prices have moderated slightly interest has similarly declined a touch

US: New & used EV/non-EV demand* ratio, average regular gas price

February 2022 – June 2022

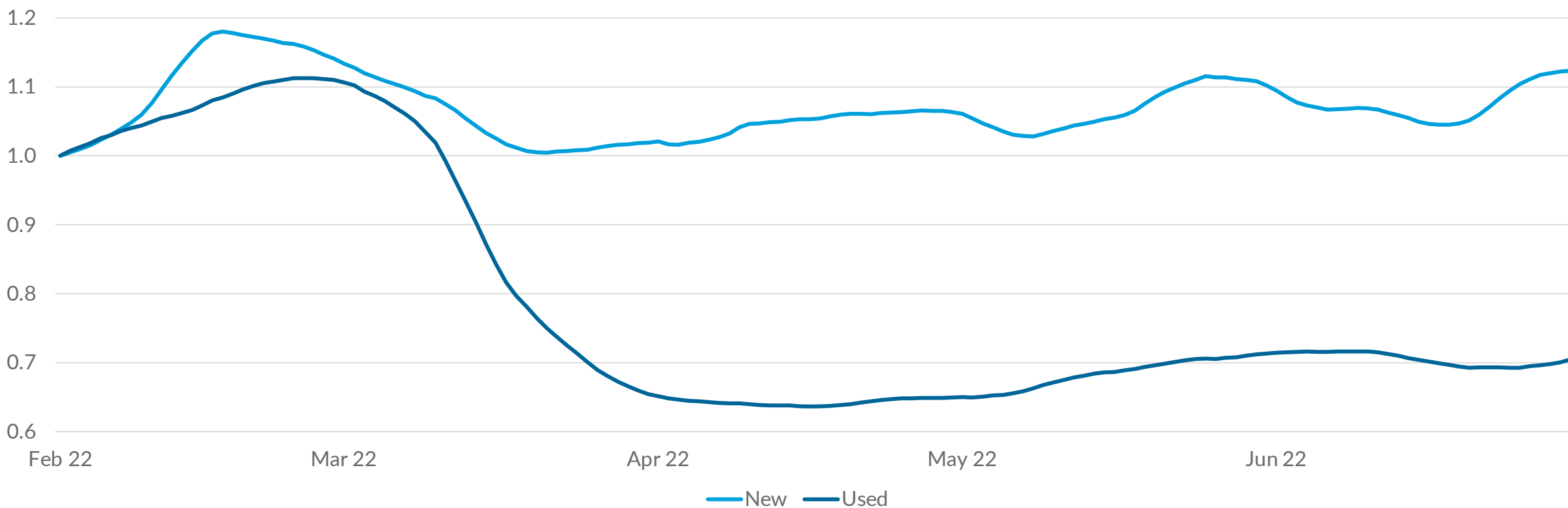


Source: CarGurus, Gas Buddy *A rolling 7-day average of US vehicle views/inventory indexed to January 2022

If you want an EV, can you find one?

New EVs are in relatively more supply – however, the limited supply of used coupled with increased demand has reduced available inventory.

US: New & Used EV inventory rolling 7-day average indexed to February 1st
February 2022 – June 2022 (thousands \$)

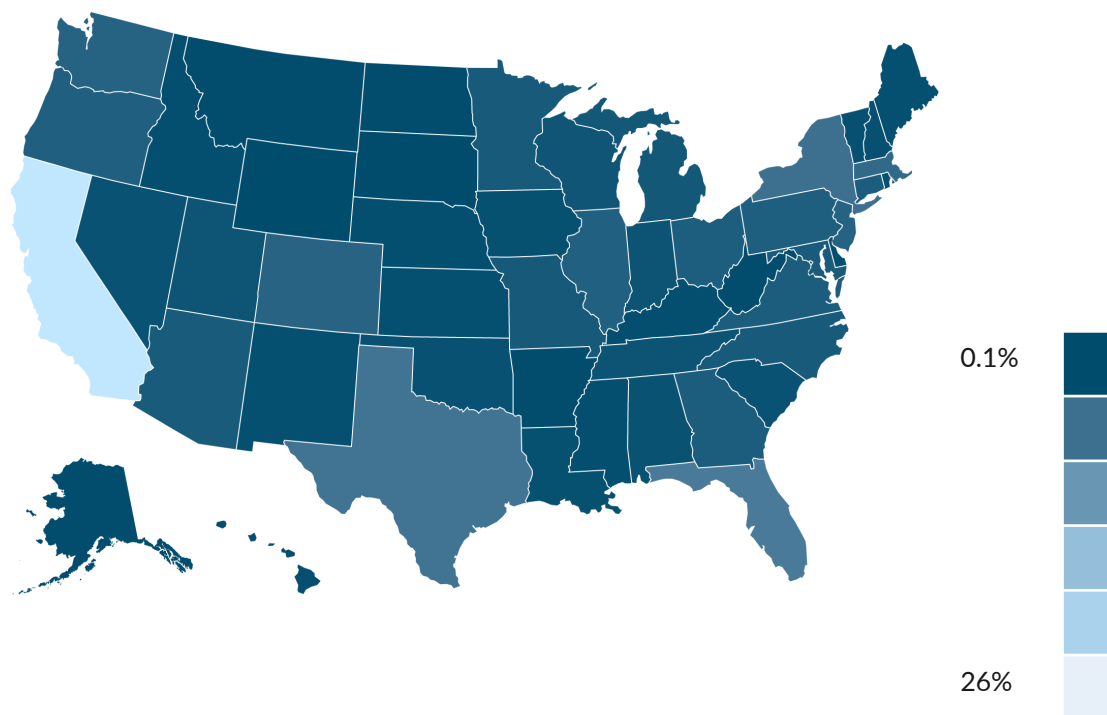


Source: CarGurus

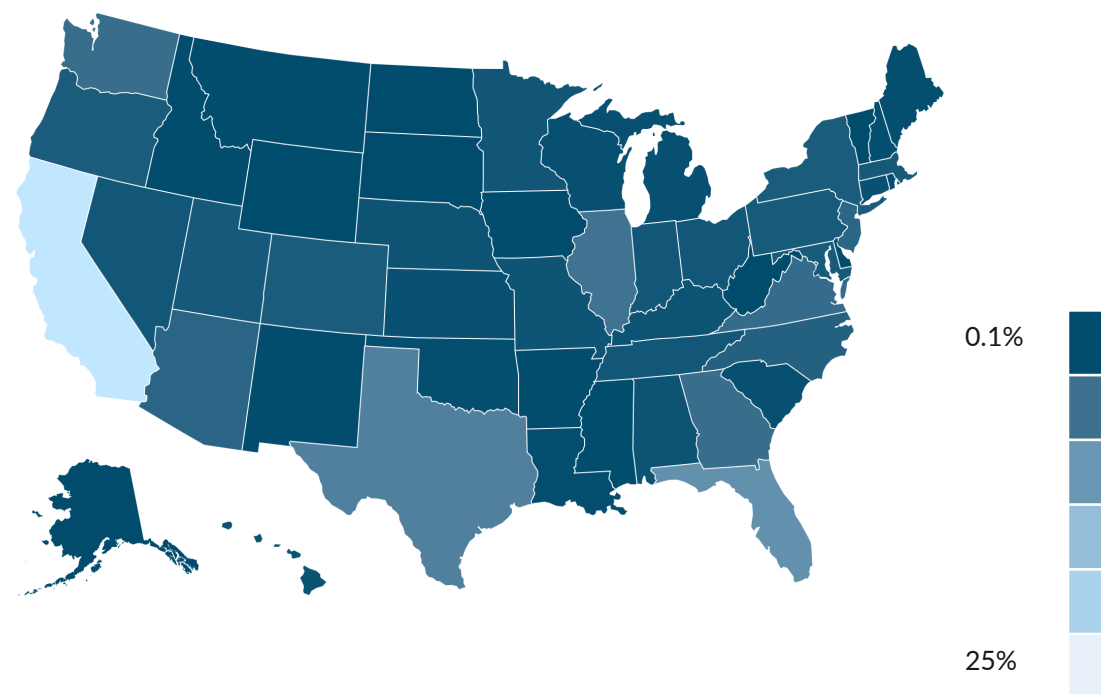
EV inventory isn't distributed equally

EV inventory is centered in California with the other 49 states seeing fewer vehicles.

US: New EV inventory % by state
June 2022



US: Used EV inventory % by state
June 2022



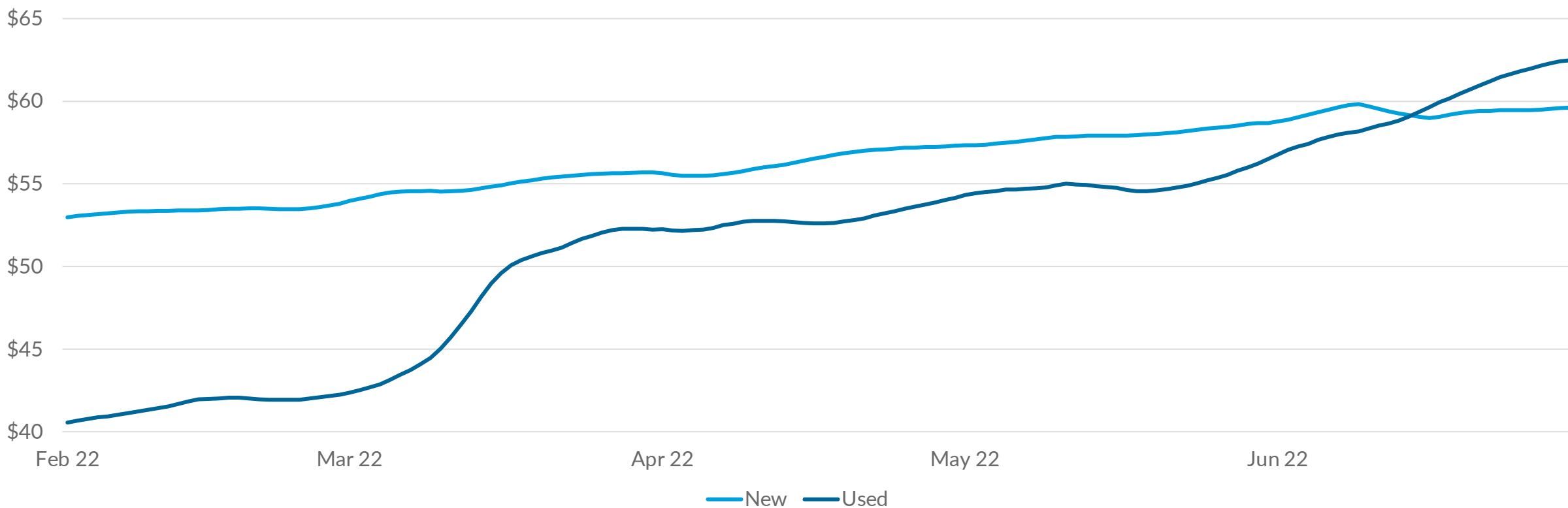
Source: CarGurus

Closing the gap

High gas prices are putting upward pressure on used EV prices, with the pricing gap shrinking and creating situations for certain nameplates where used models cost more than new.

US: Rolling 7-day average of listing prices of new & used non-D2C* EVs

February 2022 – June 2022 (thousands \$)



Source: CarGurus

*EVs that are sold via dealers

About this Presentation

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