

Experian Automotive Quarterly Briefing

Second quarter 2017 automotive market share trends and registrations

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Today's presentation



What's on the Road

VIO by model year, segment, age and market share

U.S. light duty vehicles through June 30, 2017

Canada vehicles through June 30, 2017

Hurricane potential impact to TX and FL

- Presentation will be available 24-48 hours after Webinar
- Email with a link will be sent to all registrants to download
- Questions? Contact us at Auto@experian.com

U.S. and Canada total Vehicles in Operation = 315.7M

Light Duty

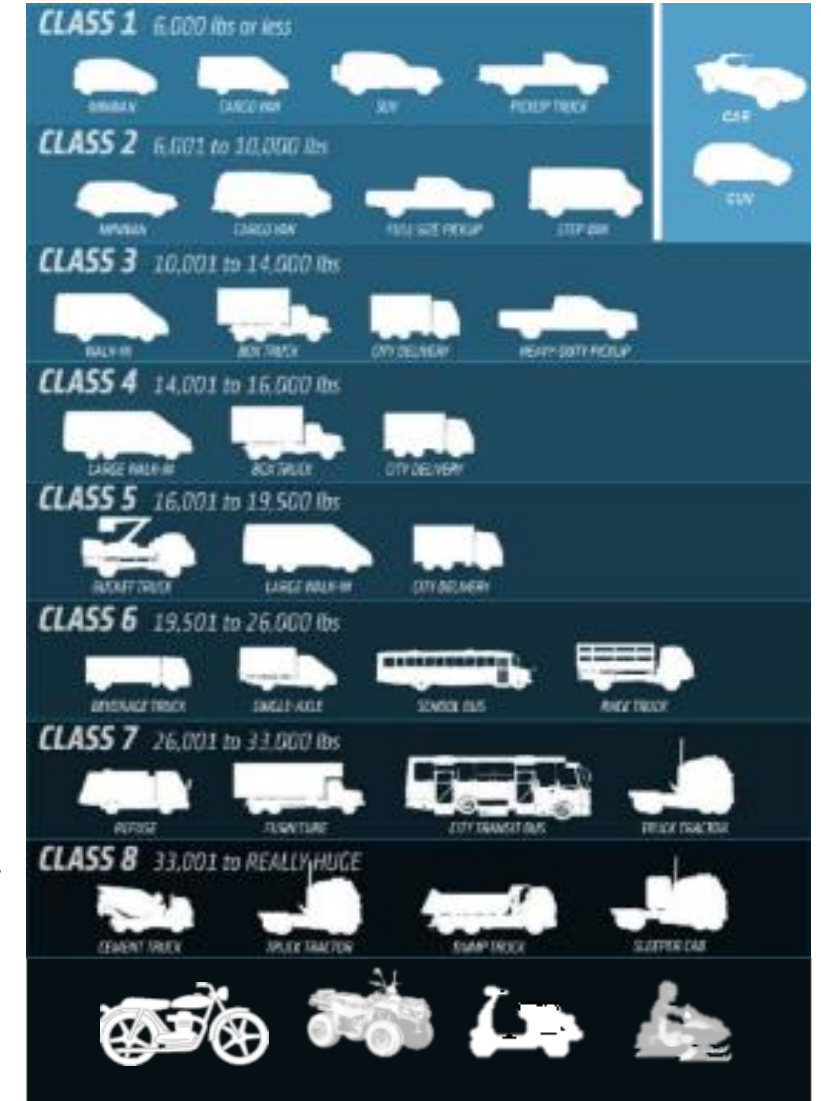
Passenger Cars, Light Trucks, Vans
Cars and GVW Class 1 – 3

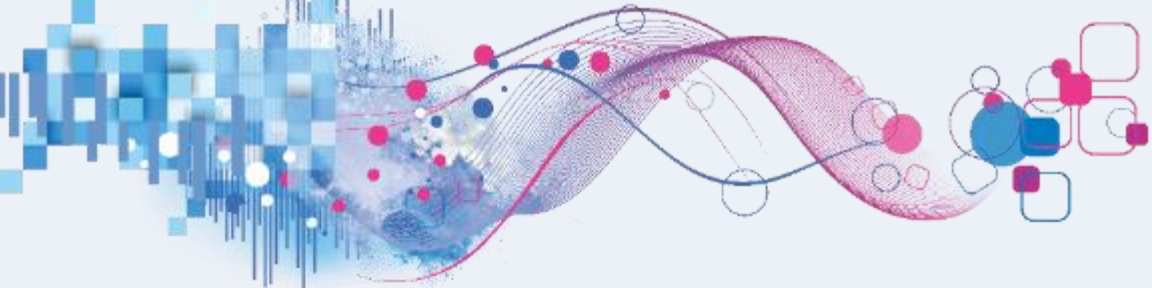
Medium & Heavy Duty

Large Vans, Delivery Trucks, Buses, RVs,
Cement Trucks, Semi-Tractors
GVW Class 4 - 8

Power Sports

Motorcycles, All-Terrain,
Utility Task, Snowmobiles



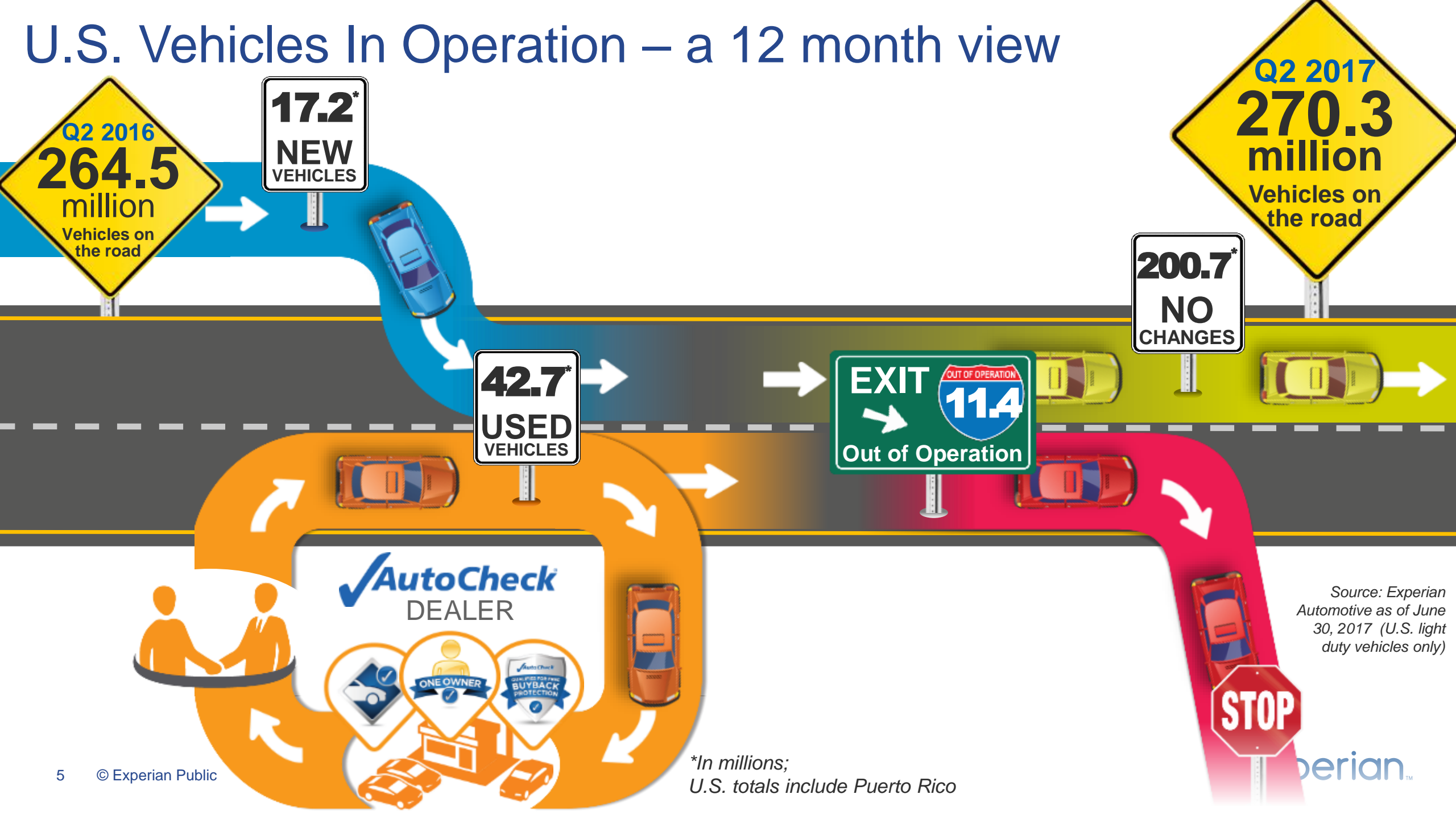


Vehicles in Operation

What's on the road today?
Light Duty Vehicles



U.S. Vehicles In Operation – a 12 month view

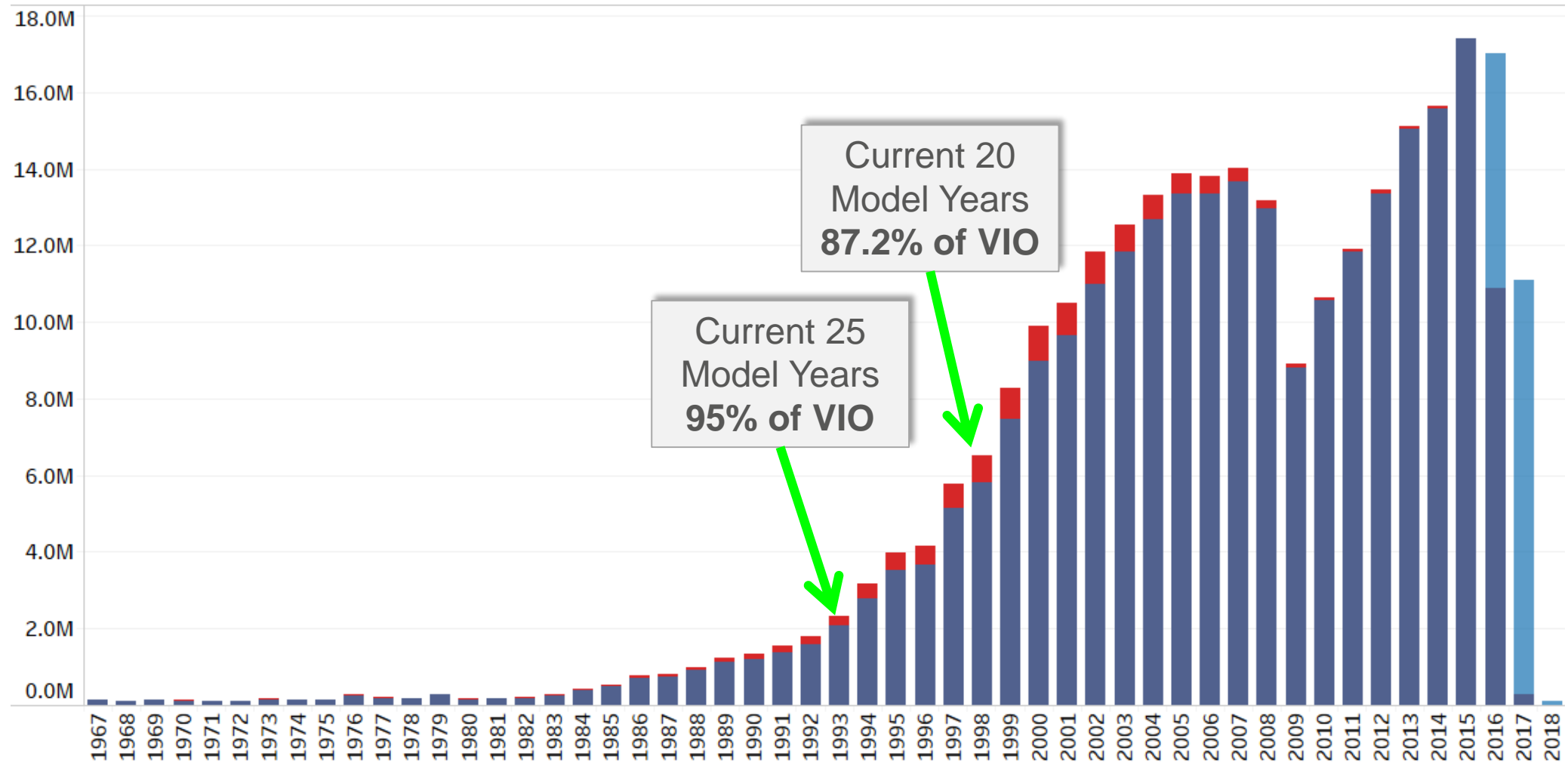


*In millions;
U.S. totals include Puerto Rico

U.S. VIO change by model year (in millions)

Q2 2016 to Q2 2017

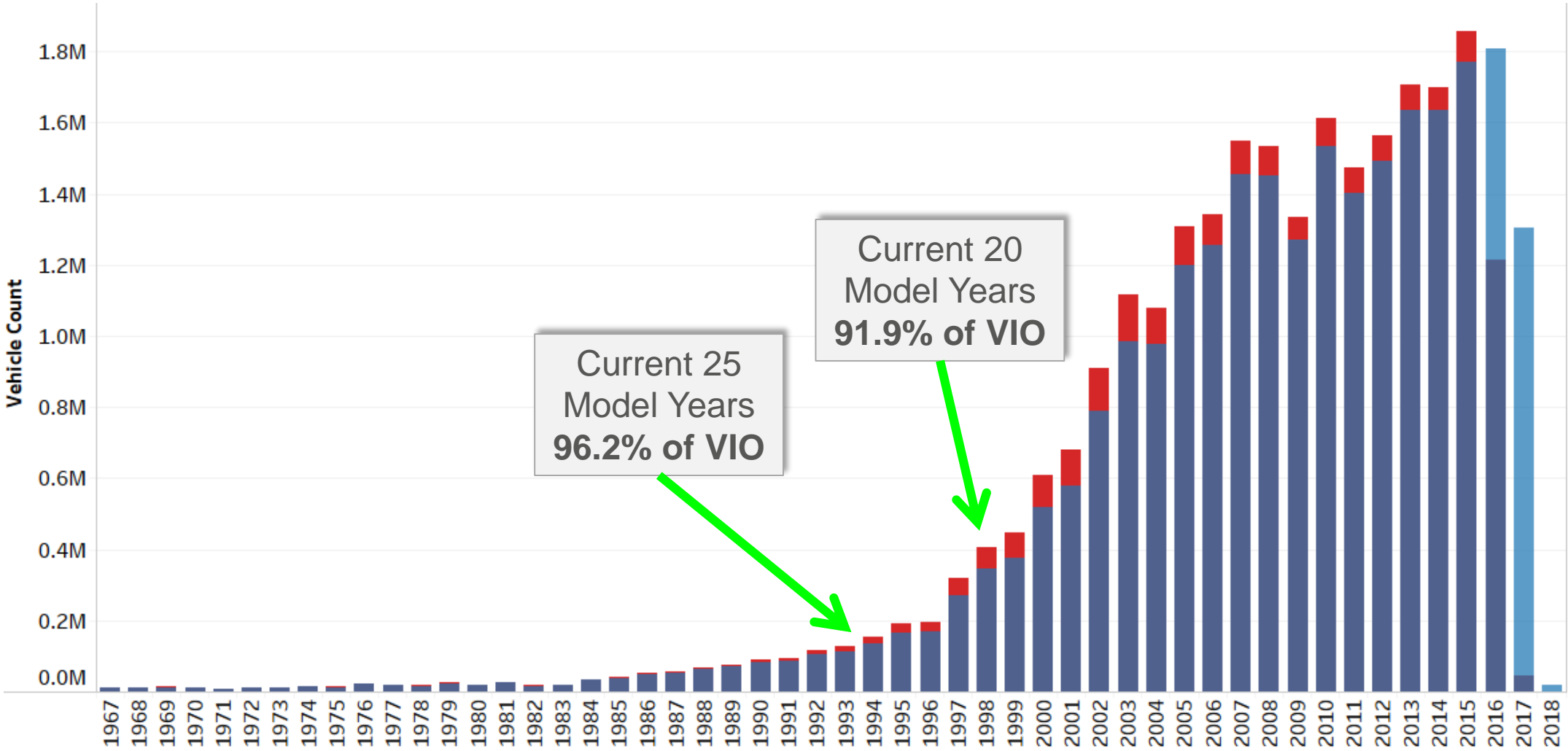
Out of operation
New vehicle sales
Carryover vehicles



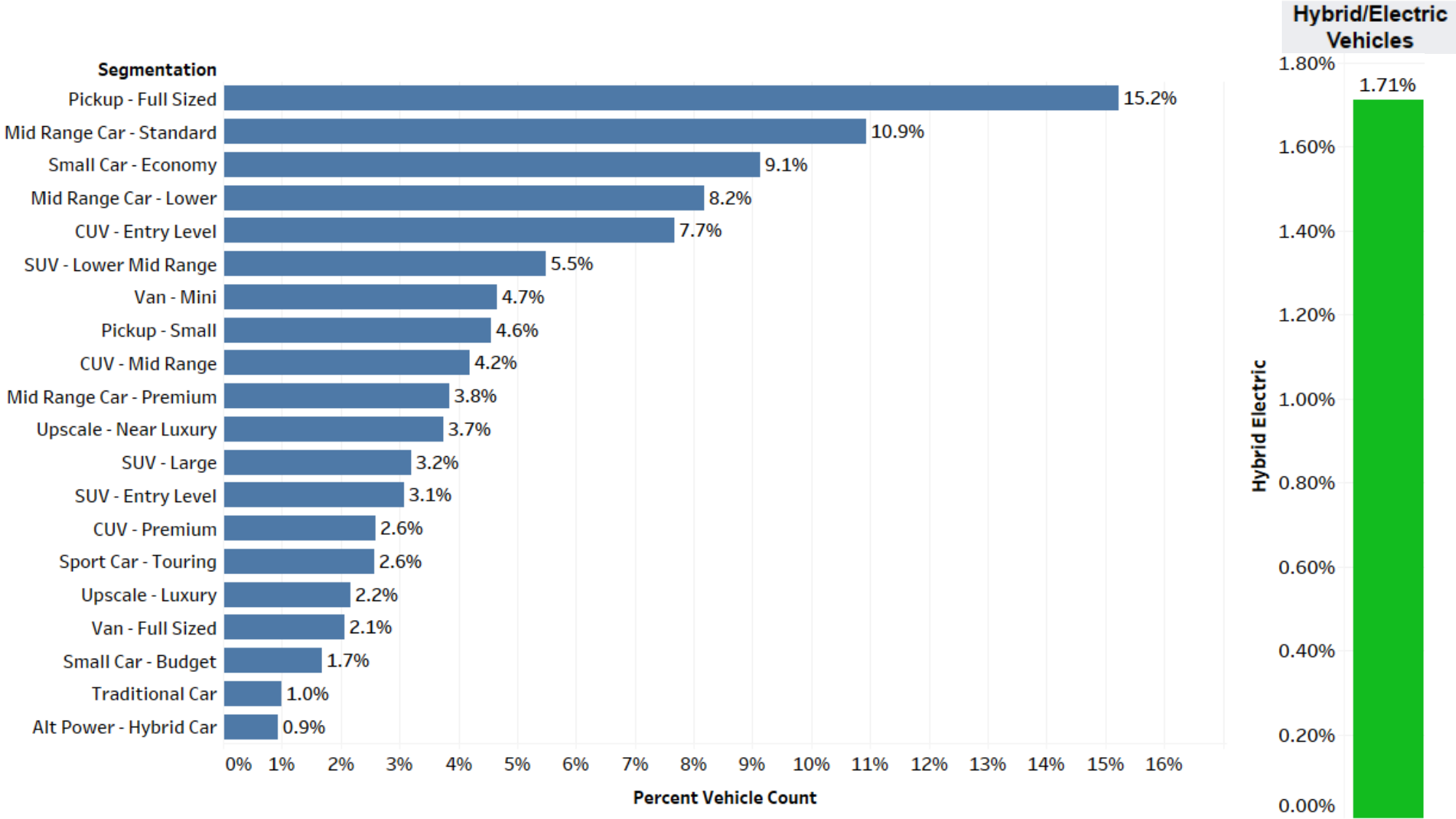
Canada VIO change by model year

Q2 2016 to Q2 2017

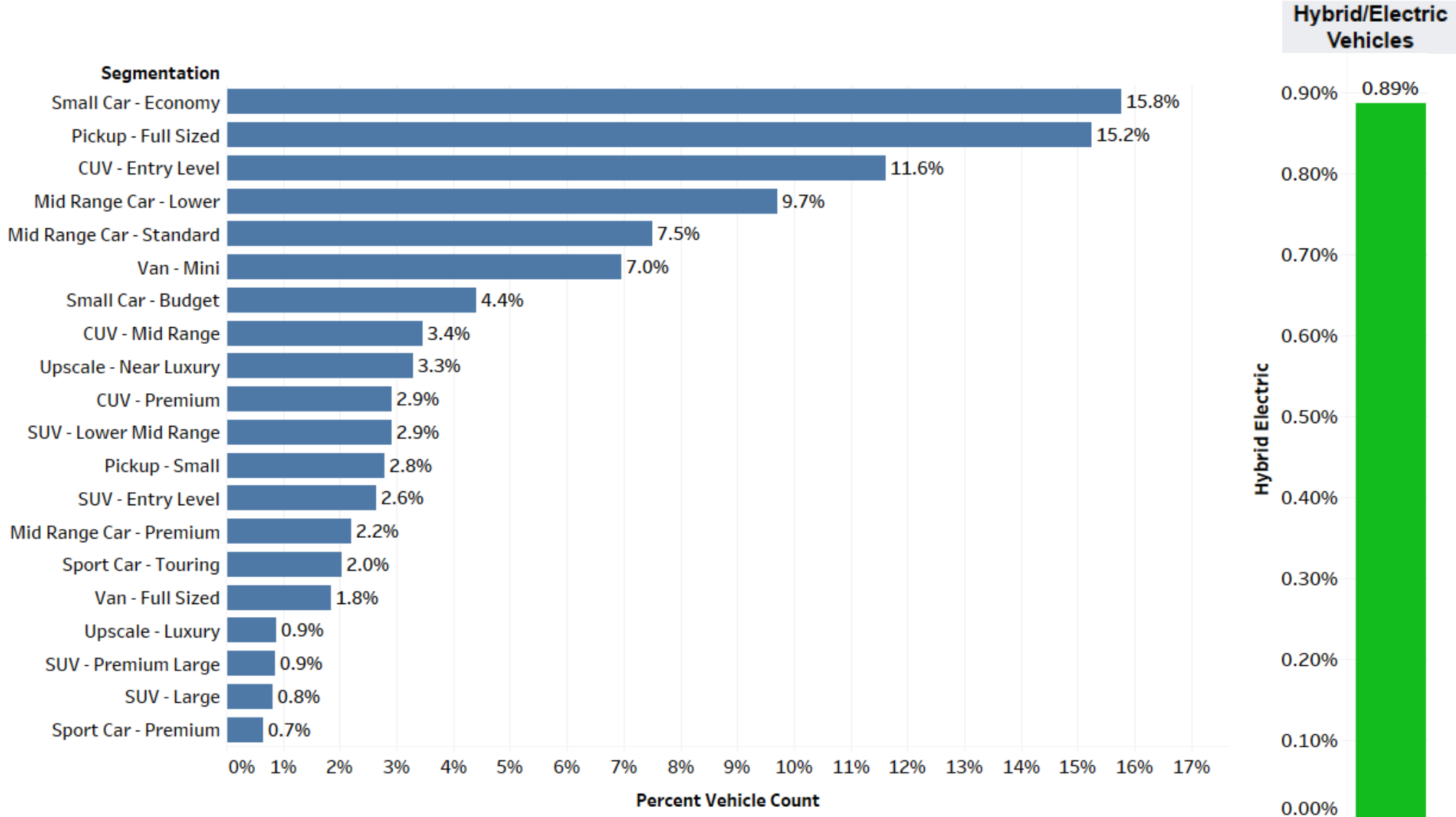
Out of operation
 New vehicle sales
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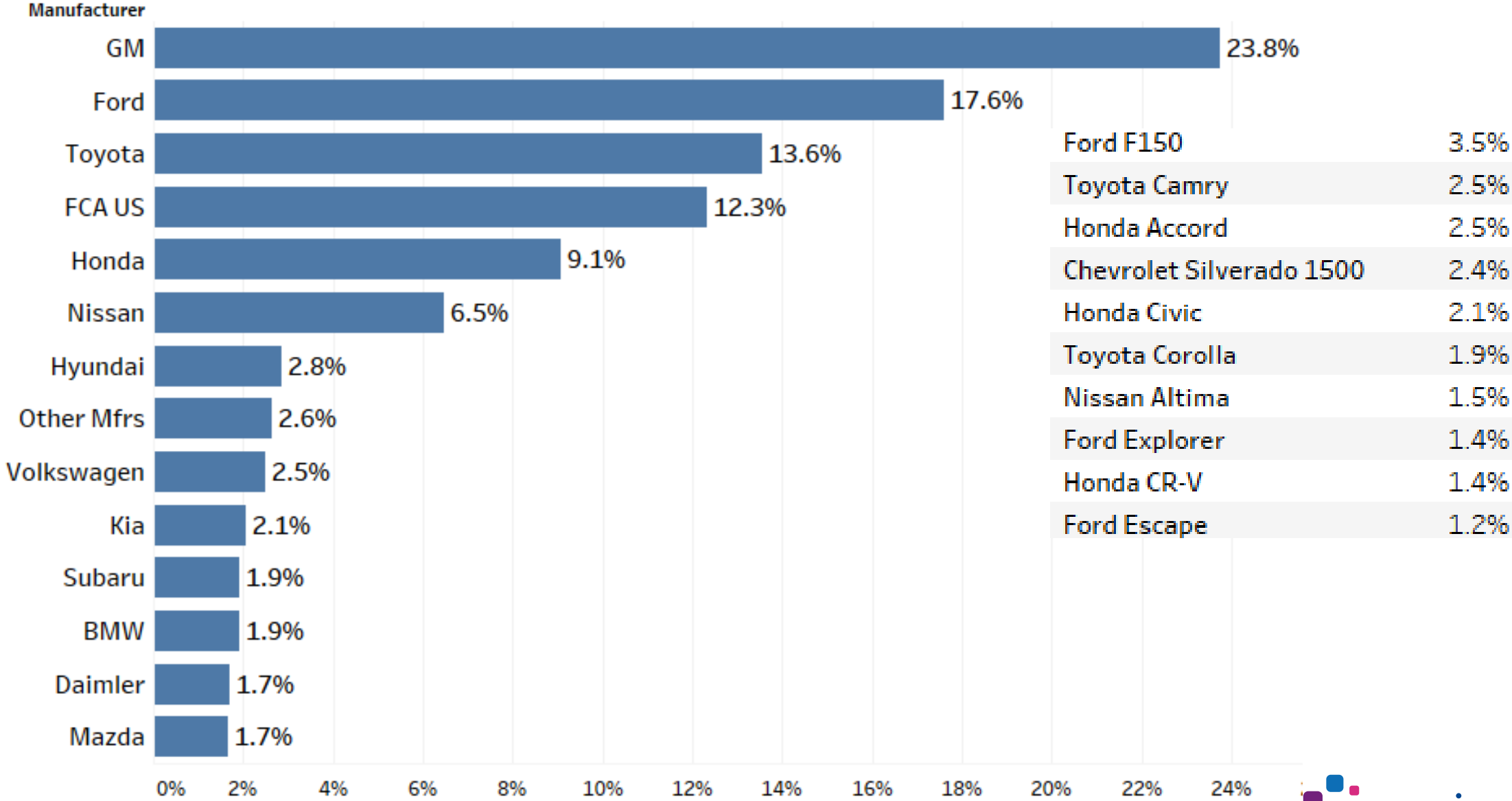
U.S. VIO Top 20 segments on the road market share



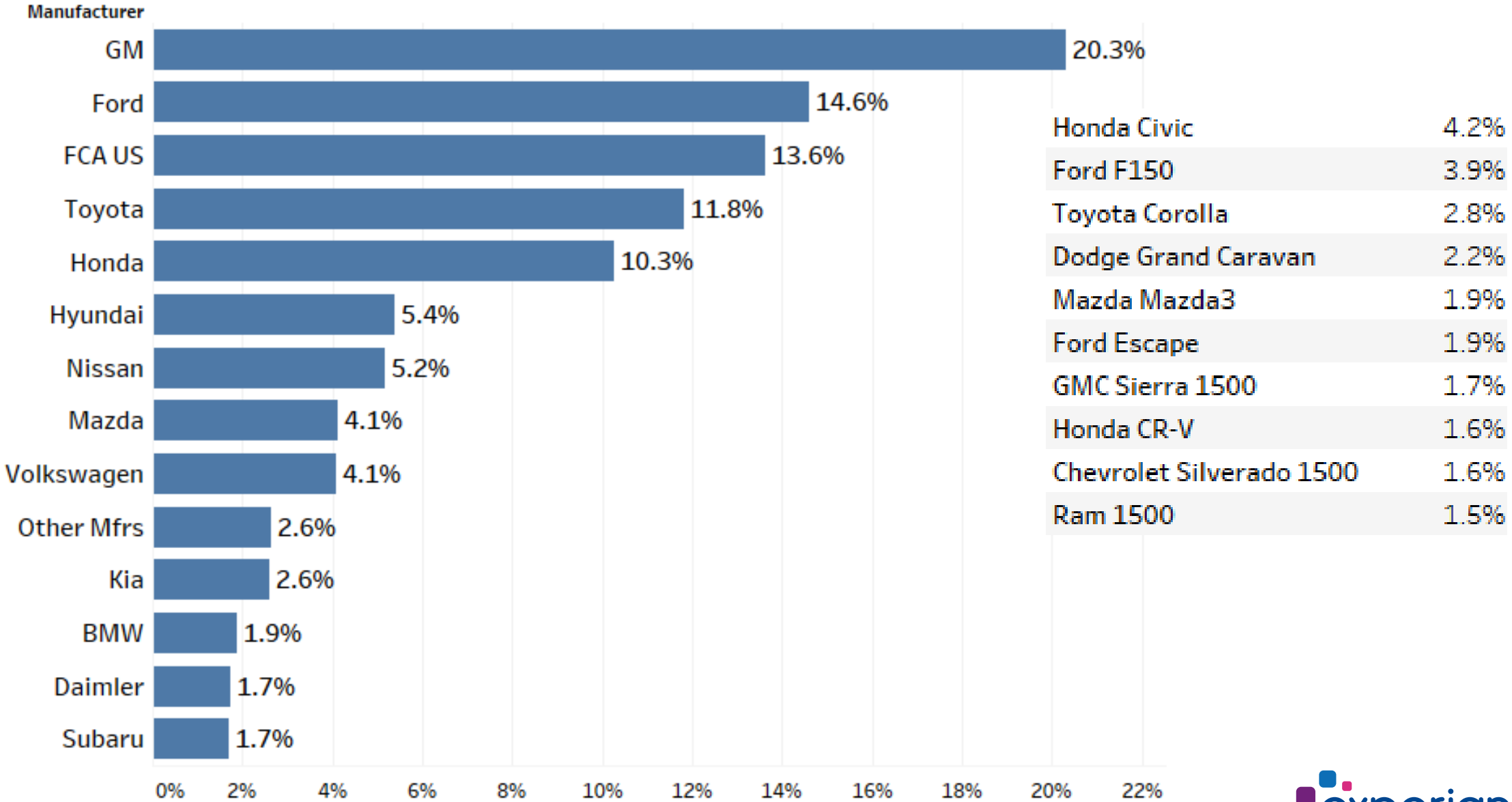
Canada VIO Top 20 segments on the road market share



U.S. VIO by manufacturer market share; Top Models



Canada VIO by manufacturer market share; Top Models



The aftermarket “Sweet Spot” overview

“Post” and “Pre” Sweet Spot defined

The Aftermarket “*Sweet Spot*”

- 6 to 12 model year old vehicles
- Aged out of general OEM manufacturer warranties for any repairs
- Likely require more part replacement & services (e.g. shocks, timing belt service, engine repairs) that may be performed by aftermarket service shops using parts from aftermarket part manufacturers
- Sizing the Sweet Spot helps identify overall market potential and changes can have implications to those that service it

“*Post Sweet Spot*” vehicles

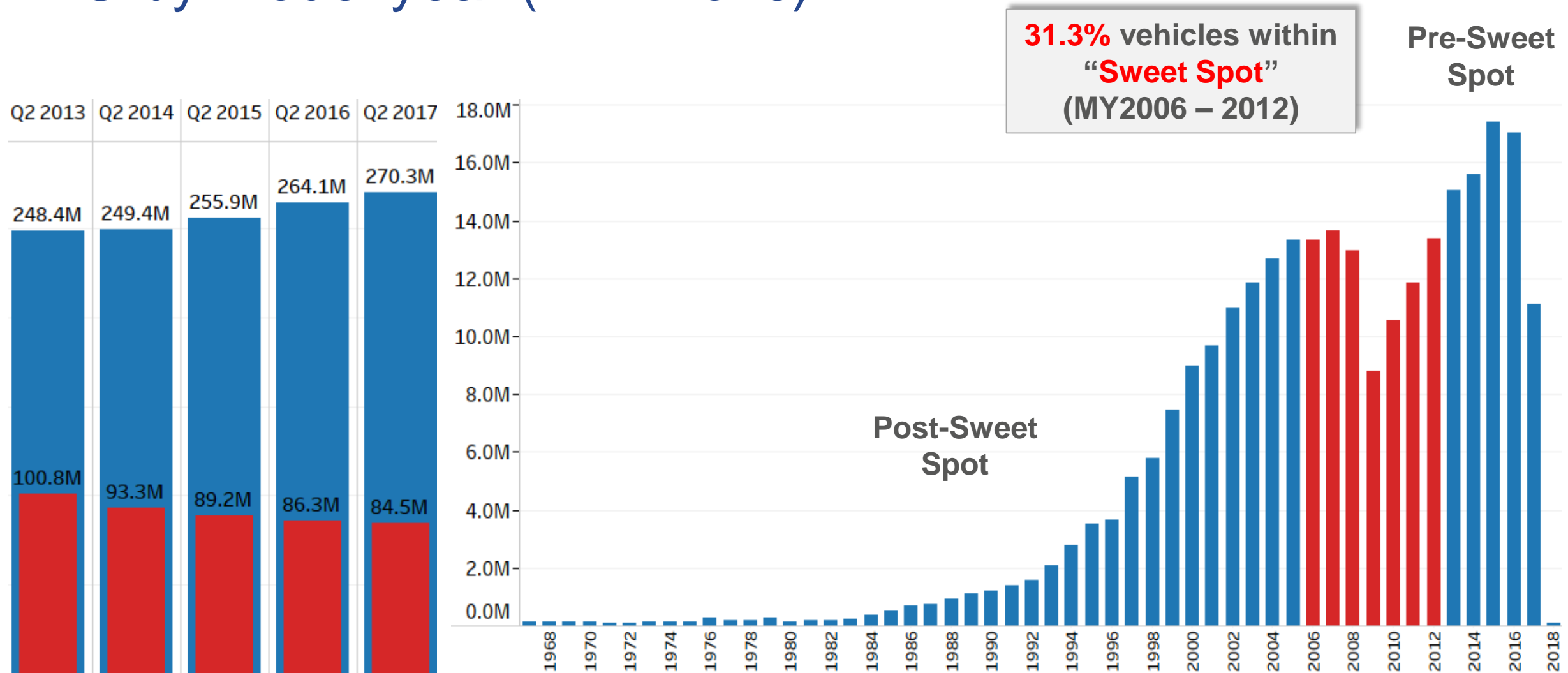
- 13 model years old & older
- Less costs may be spent to service them due to their age and vehicle value

“*Pre Sweet Spot*” vehicles

- 5 model years old & newer; many covered by the vehicle’s manufacturer warranty
- Identifies models coming into the Sweet Spot

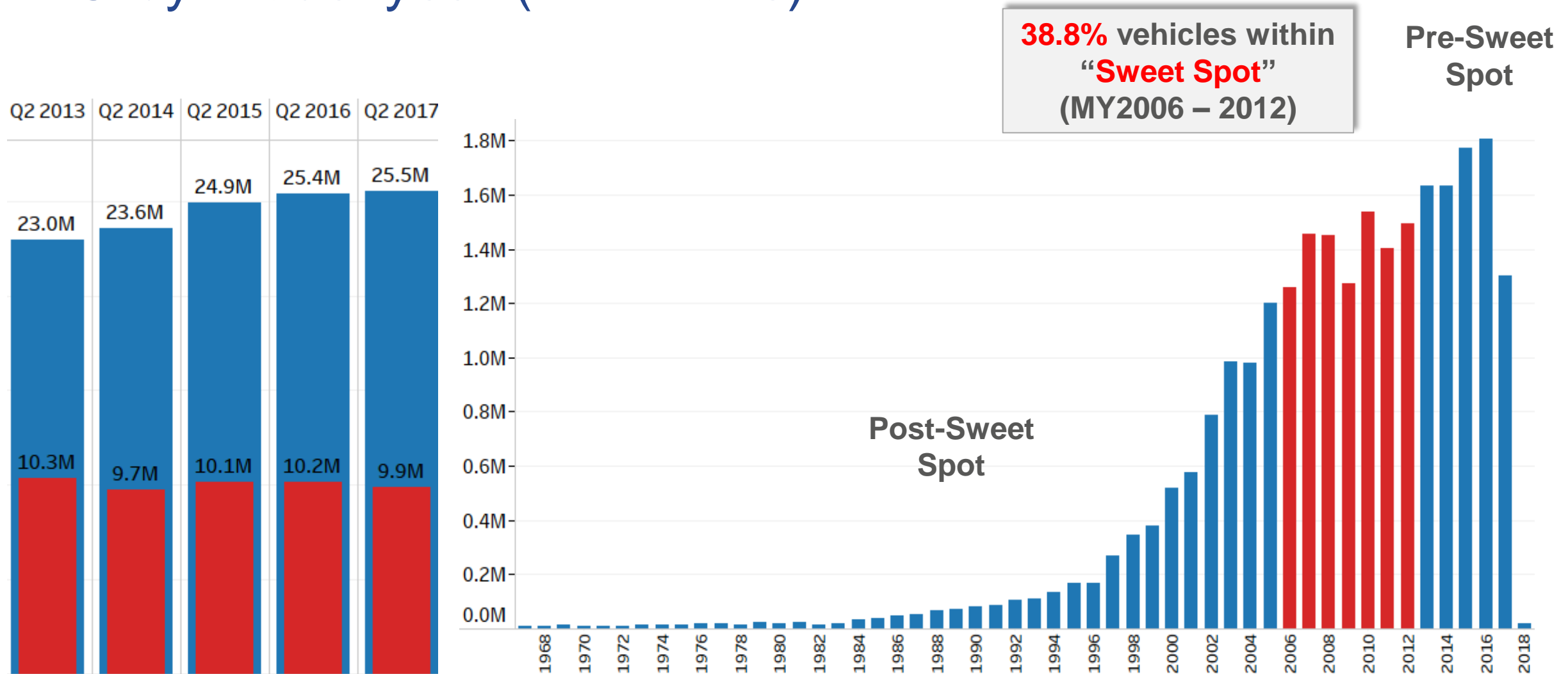
U.S. trend of total VIO compared to sweet spot volumes

VIO by model year (in millions)

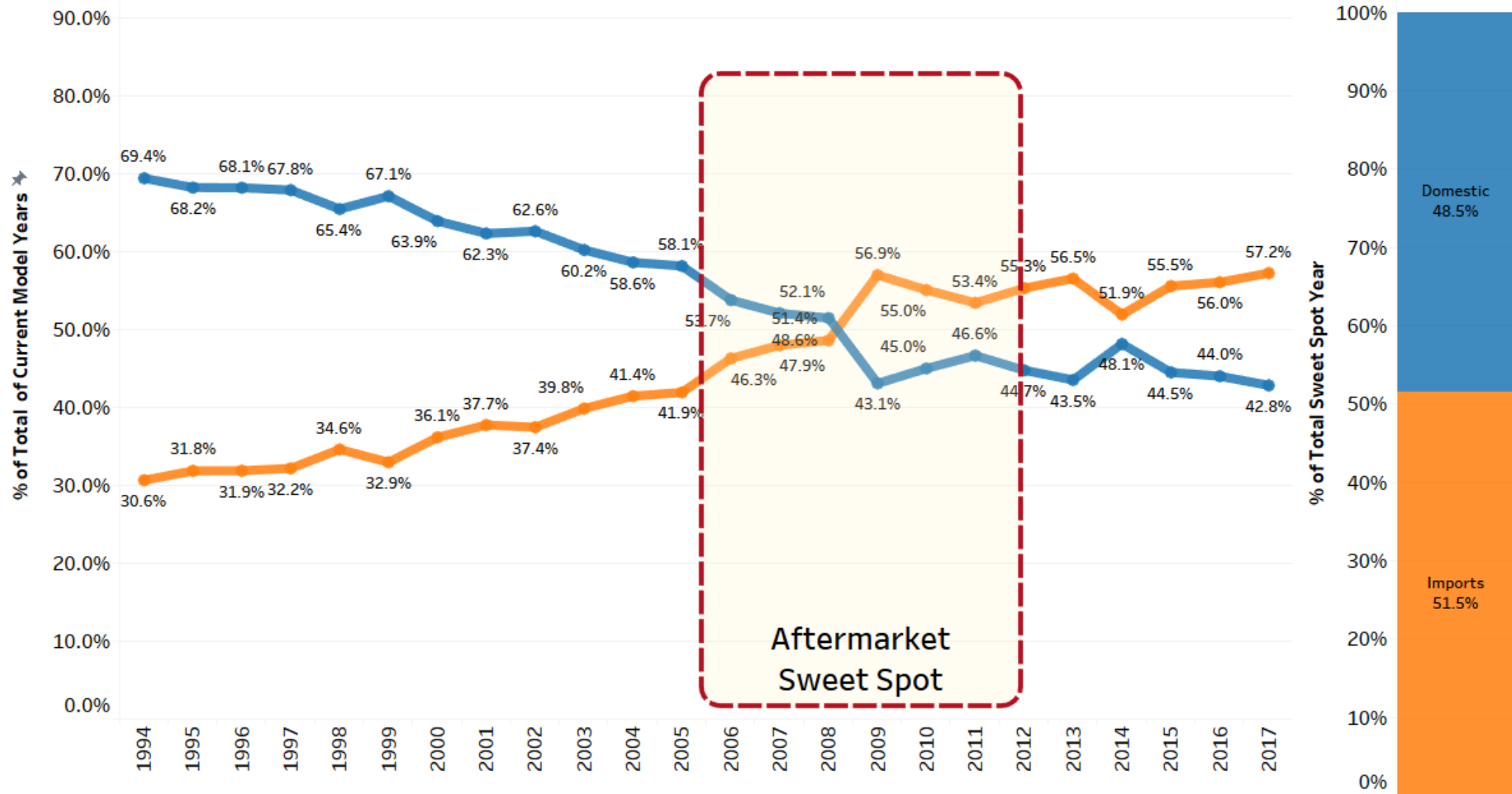


Canada trend of total VIO compared to sweet spot volumes

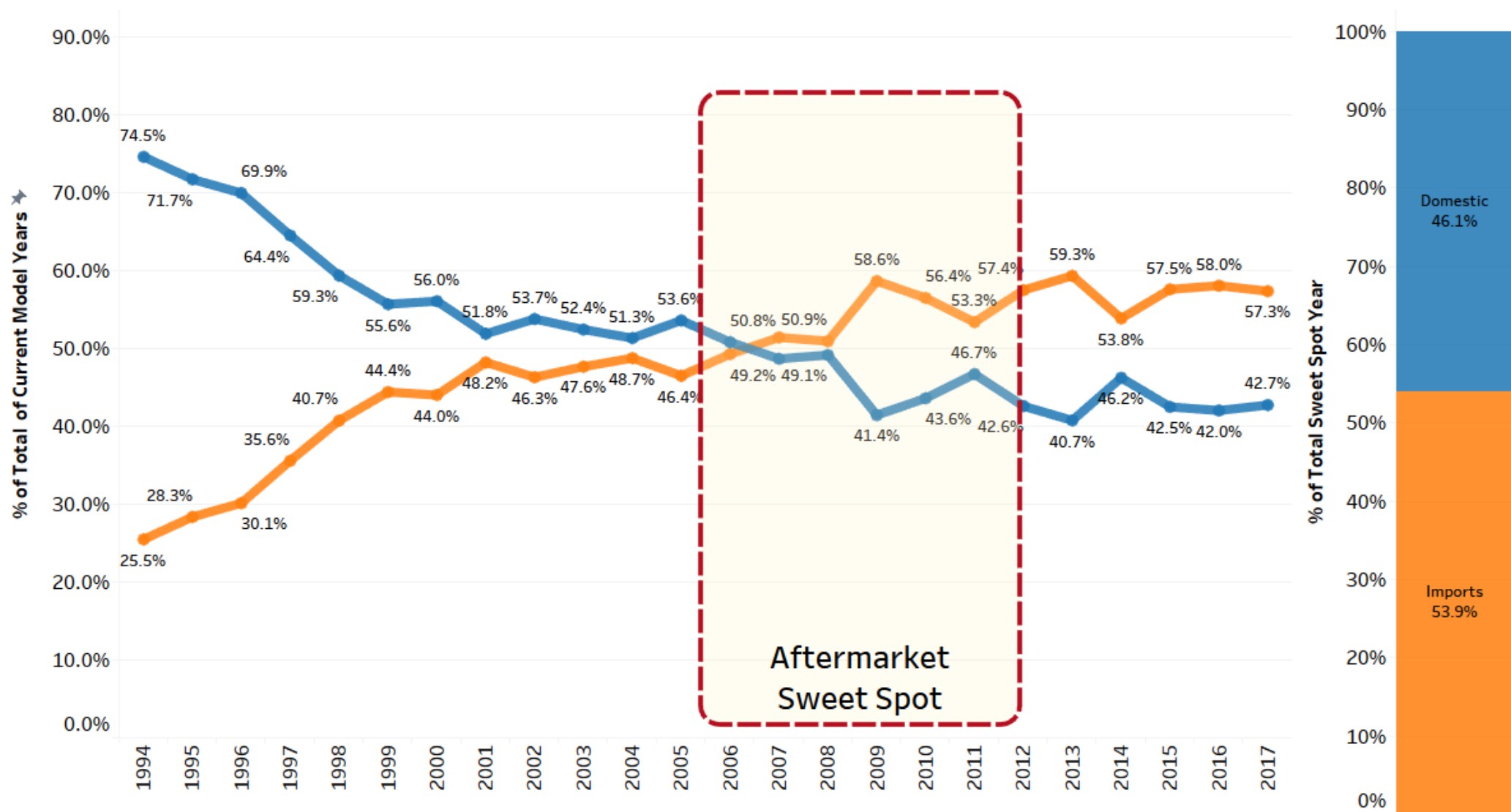
VIO by model year (in millions)



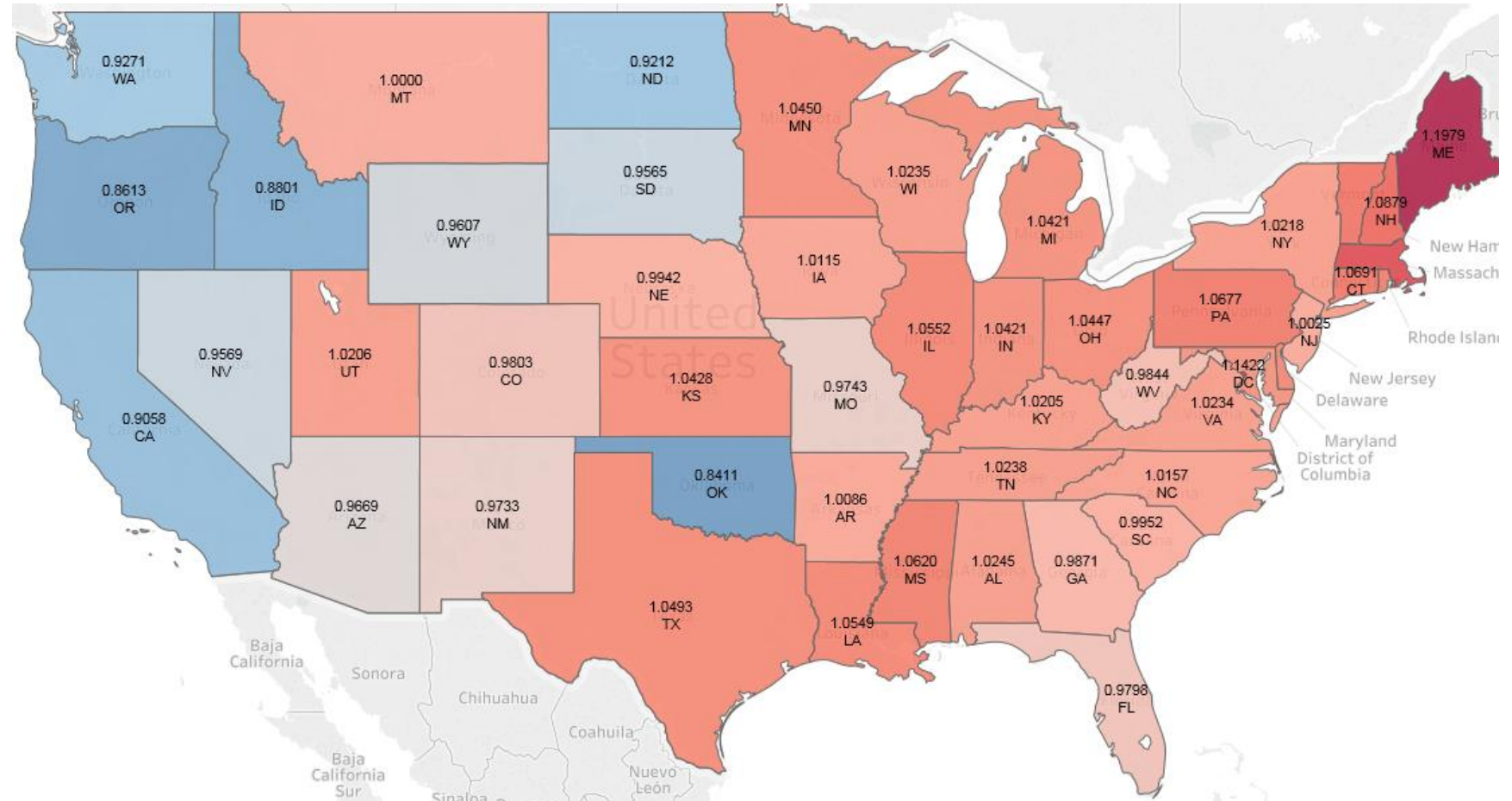
U.S. Sweet Spot vehicles – domestics vs imports



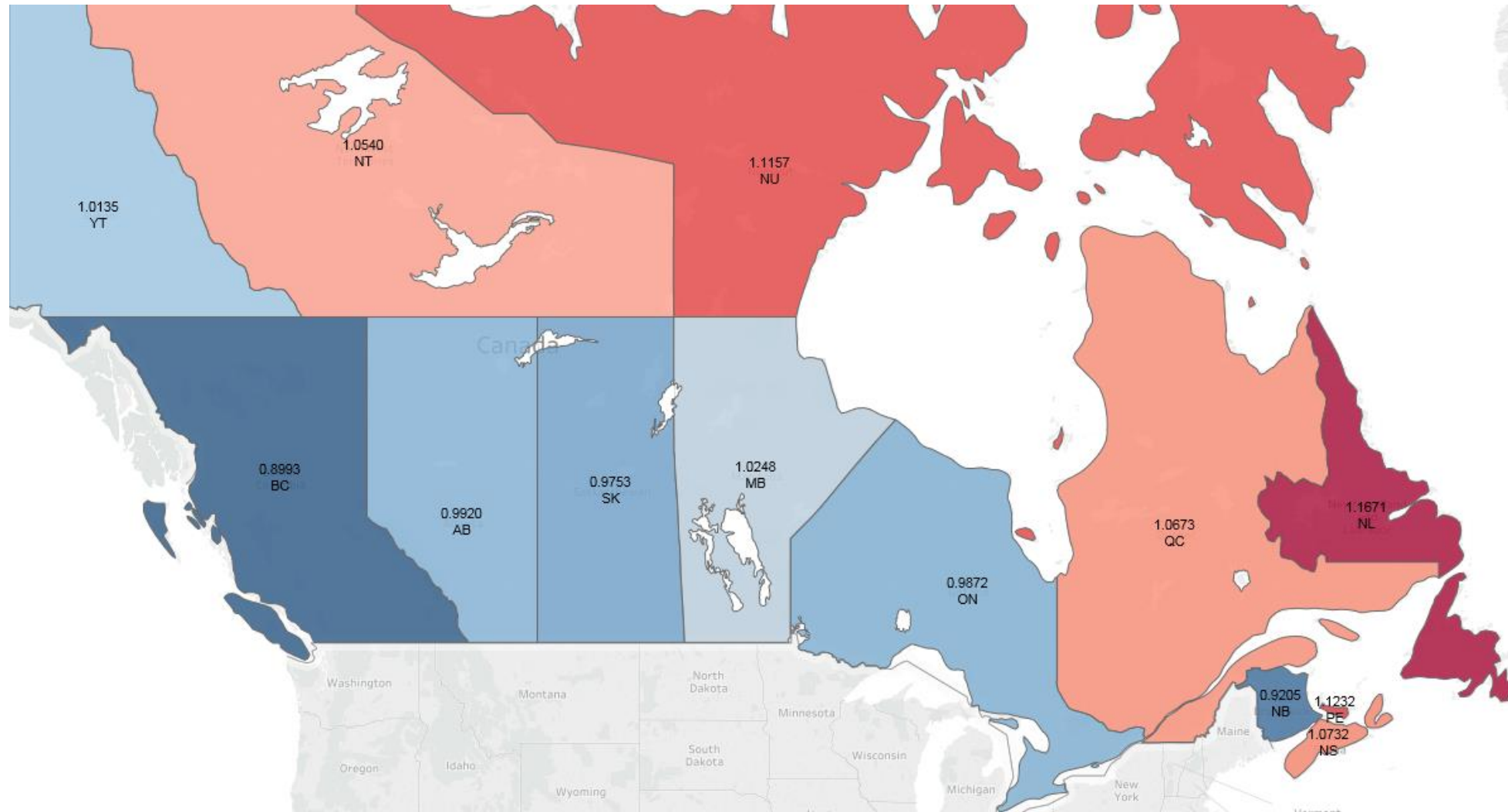
Canada Sweet Spot vehicles – domestics vs imports

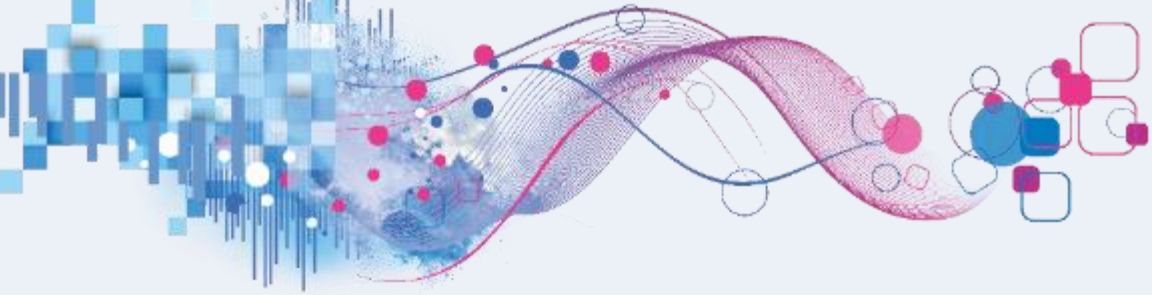


U.S. Sweet Spot vehicles – Index by state



Canada Sweet Spot vehicles – Index by province



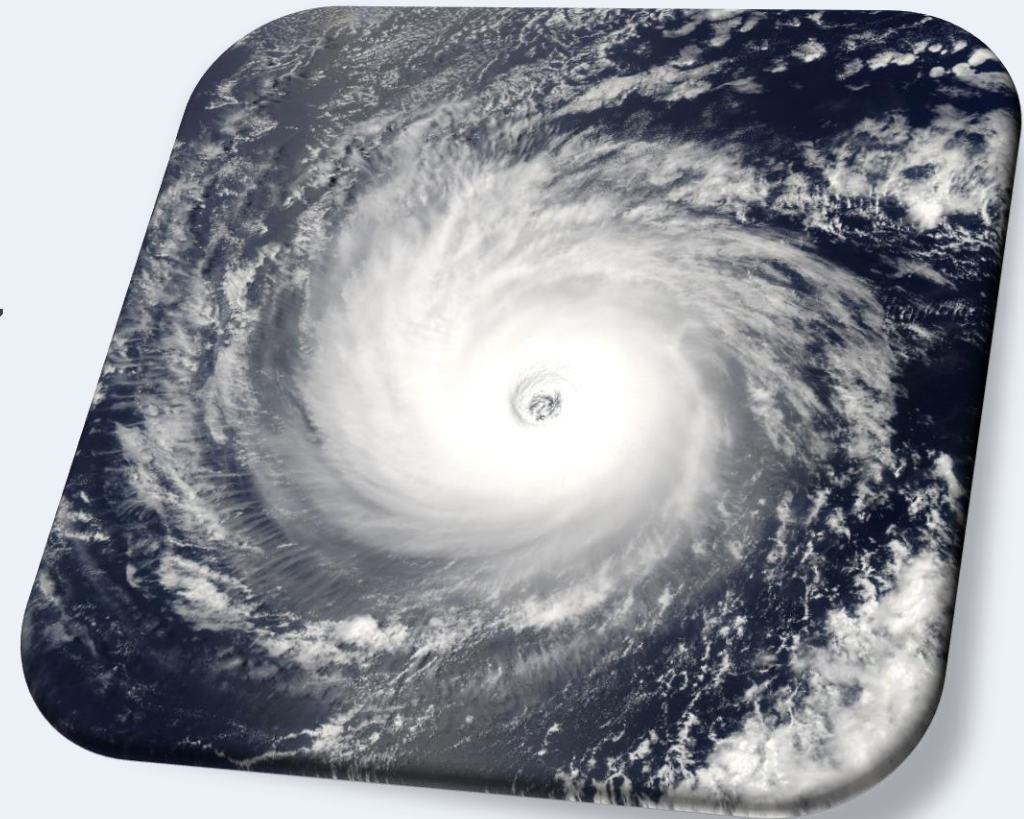


New, Used and Vehicles in Operation

Hurricane potential impacts on TX and FL 2017

Hurricane Harvey – August 25-29, 2017

Hurricane Irma – September 10-11, 2017



5 years ago - NYC/New Jersey shore areas

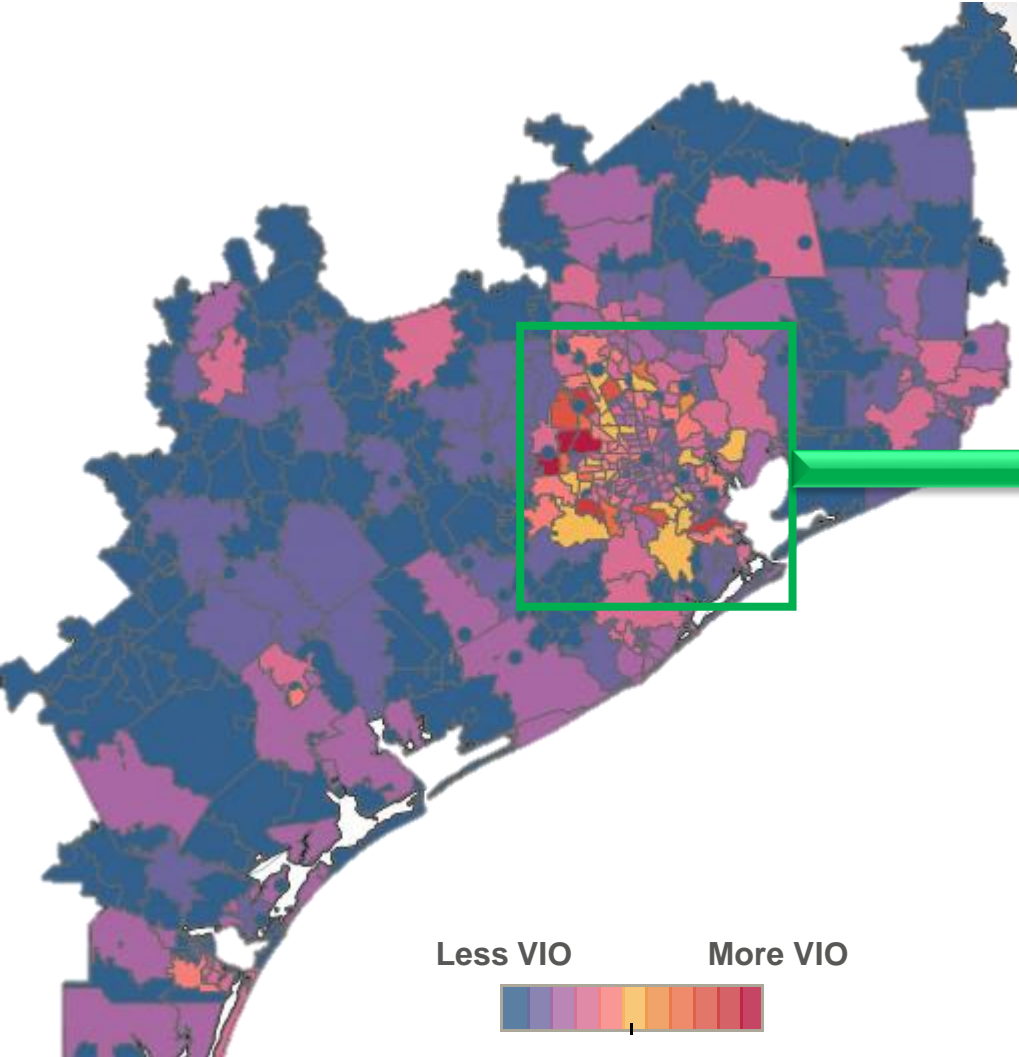
Hurricane Sandy impact area – October 29, 2012

	Time Period	New	Used	% of Avg	% of Avg
Prior Registration Sales	Jan - Sept 2012 average per month	77,032	107,548		
Hurricane Sandy Oct 29	October 2012	52,555	75,585	68.2%	70.3%
Post Hurricane Sales	November 2012	106,404	110,175	138.1%	102.4%
Post Hurricane Sales	December 2012	83,940	88,734	109.0%	82.5%
Next Calendar Year	Jan-Dec 2013 average per month	83,178	106,704	+8.0%	-0.8%

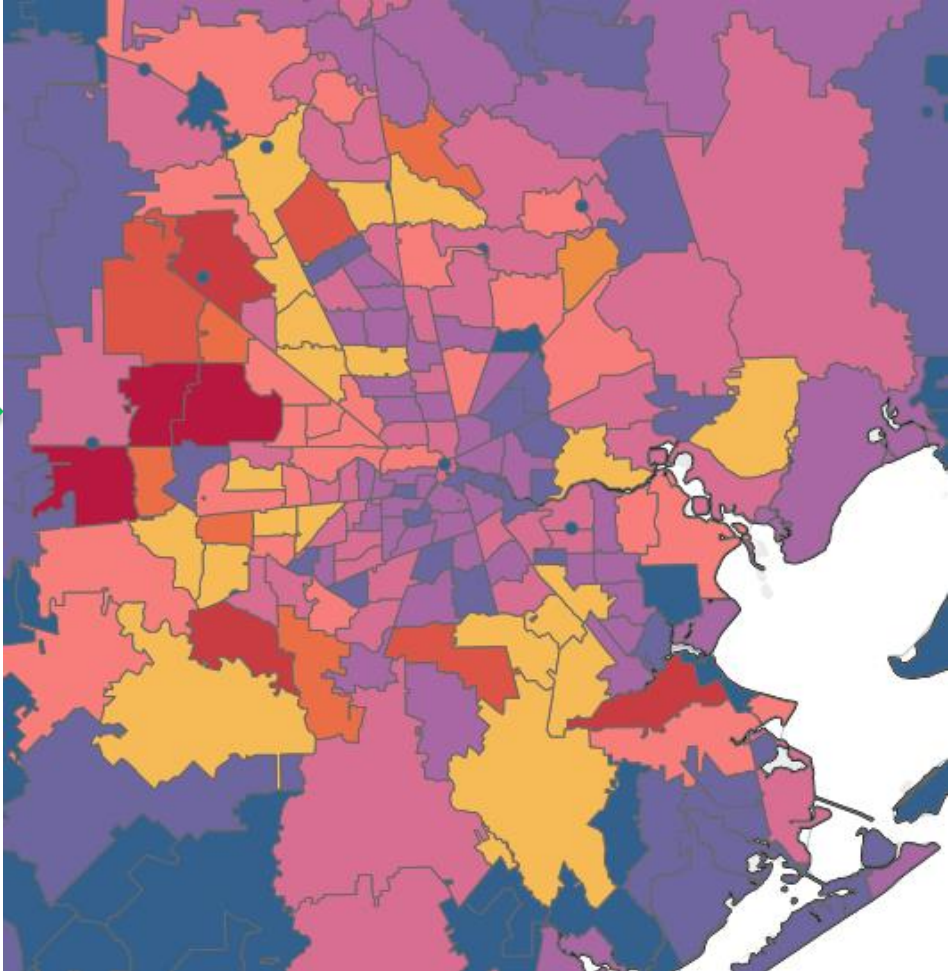
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Hurricane Harvey VIO impact area: **6.7M VIO**

Impact area based on FEMA designation area



5.1 million vehicles (76.1%)



Source: Experian Automotive as of June 30, 2017 (light-medium-heavy duty vehicles only)



Top VIO share for Hurricane Harvey area of impact

Registration Type

Personal	95.0%
Business	5.0%

Body Style (top 5)

Sedan	29.2%
SUV	28.6%
Pickup	25.0%
Coupe	4.4%
Passenger Van	3.3%

Brand Name (top 15)

Ford	17.7%
Chevrolet	16.5%
Toyota	11.9%
Honda	6.3%
Nissan	6.3%
Dodge	5.5%
GMC	3.6%
Jeep	2.9%
Hyundai	2.3%
Lexus	2.2%
Mercedes-Benz	1.9%
Kia	1.8%
Ram	1.6%
BMW	1.6%
Chrysler	1.5%

Make Model (top 15)

Ford F150	5.5%
Chevrolet Silverado 1500	3.8%
Toyota Camry	2.7%
Honda Accord	2.2%
Toyota Corolla	2.0%
Ford F250 Super Duty	1.6%
Nissan Altima	1.6%
Chevrolet Tahoe	1.5%
Dodge Ram 1500	1.5%
Honda Civic	1.4%
Ford Explorer	1.3%
Toyota Tundra	1.3%
GMC Sierra 1500	1.2%
Ford Expedition	1.1%
Chevrolet Suburban	1.1%

Source: Experian Automotive as of June 30, 2017 (light-medium-heavy duty vehicles only)

Hurricane Harvey New/Used Registrations in impact area

	Time Period	New	Used	Sandy %	Sandy %
Prior Registration Sales	Jan - July 2017 average per month	35,417	83,929		
Hurricane Harvey August 25-29	Aug 2017 Estimate based on Sandy pct	24,154	59,002	68.2%	70.3%
Post Hurricane Sales	Total Sept – Nov 2017 Estimate	163,000	204,000		
Estimated 2018	Jan-Dec 2018 average per month	38,250	77,215	+8.0%	-0.8%

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Market Overview in 2016

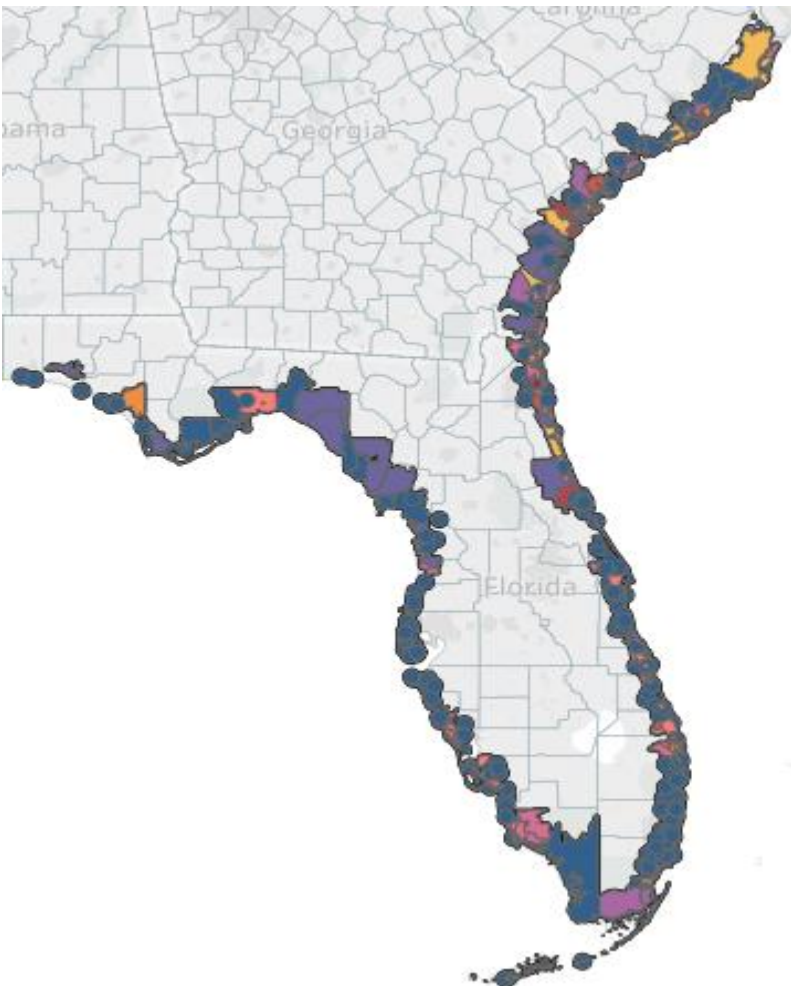
- 2016 New = 445,000 total (37,100 average per month)
- 2016 Used = 962,000 total (80,200 average per month)

Assumptions

- Vehicle mix of Hurricane Sandy impact area compared to Hurricane Harvey impact area is different, yet both had large storm surge/flooding
- Market response may be similar to purchase, yet vehicle replacement estimated to be 4x the size of Sandy
- Vehicle mix will be different

Hurricane Irma (Florida, September 9-10, 2017)

3.4M coastal VIO



Hurricane Irma Impact Area Potential

VIO: Florida (16.5M), Georgia (8.9M), South Carolina (4.6M)

Too early for actual vehicle casualty estimates

Known impact areas

High winds throughout entire state of Florida and lower 1/2 Georgia

Higher storm surge, flooding across FL and east coast of GA and SC 3.4M

Reductions in vehicle casualties

Advance warning led to a large vehicle evacuation

Out of season for part time residents ("snow birds")

Source: Experian Automotive as of June 30, 2017 (light-medium-heavy duty vehicles only)



Top VIO share for Hurricane Irma Coastal Area

Registration Type

Personal	95.1%
Business	4.9%

Body Style (top 5)

Sedan	32.4%
SUV	29.1%
Pickup	15.5%
Coupe	4.6%
Passenger Van	4.5%

Brand Name (top 15)

Ford	14.3%
Toyota	12.0%
Chevrolet	10.7%
Honda	7.7%
Nissan	6.0%
Dodge	4.0%
Hyundai	3.6%
Mercedes-Benz	3.5%
Jeep	3.4%
Lexus	2.9%
Kia	2.7%
GMC	2.6%
BMW	2.6%
Volkswagen	2.1%
Chrysler	2.0%

Make Model (top 15)

Ford F150	3.3%
Toyota Camry	2.6%
Honda Accord	2.3%
Toyota Corolla	2.0%
Honda Civic	1.8%
Chevrolet Silverado 1500	1.7%
Nissan Altima	1.5%
Honda CR-V	1.5%
Ford Explorer	1.3%
Jeep Wrangler	1.2%
Toyota Tacoma	1.1%
Hyundai Sonata	1.1%
Jeep Grand Cherokee	1.0%
BMW 3 Series	1.0%
Toyota RAV4	1.0%

Source: Experian Automotive as of June 30, 2017 (light-medium-heavy duty vehicles only)

Summary

- Total light duty VIO continues to grow to over 270.3 million in the U.S and 25.5 million in Canada
- The U.S. and Canada have similar yet different vehicle mix
- Sweet Spot continues to decline, yet beginning to slow
 - Opportunities abound for those that can utilize data analysis opportunities
- Hurricanes Harvey and Irma will impact VIO
 - Harvey impact area concentrated with potential for many flooded vehicles being taken out of operation
 - Irma covered a large area though expectations are for lower out of operation volumes compared to overall market size
 - Vehicle mix replenishment between the two storm areas will vary
 - Consumers can utilize Experian's AutoCheck vehicle history reports to help identify flooded vehicles for used vehicle purchases



Today's presentation



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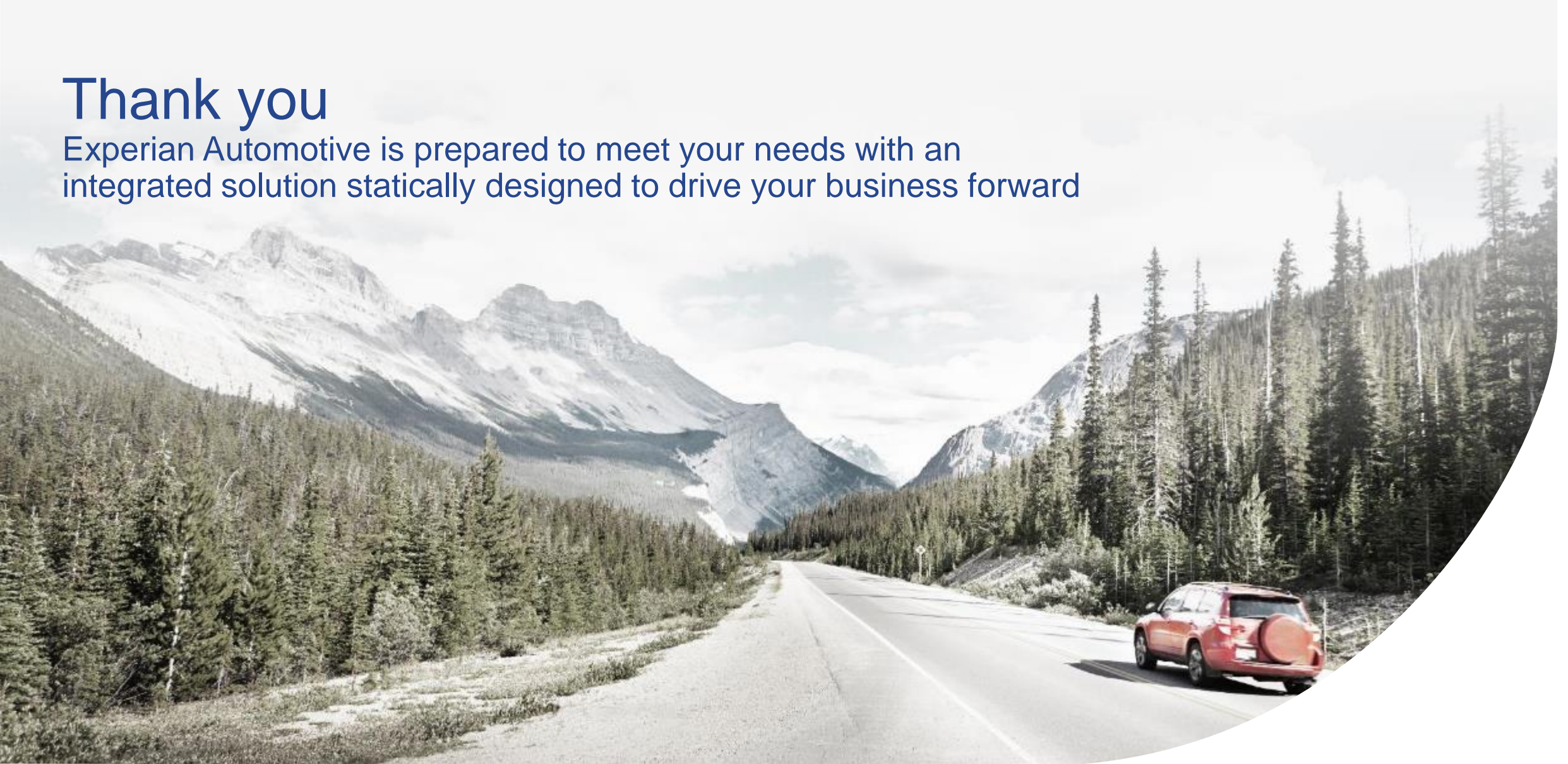


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