

ZeroSum Market First Report

Automotive Inventory Data and Sales Forecasts

February 2022

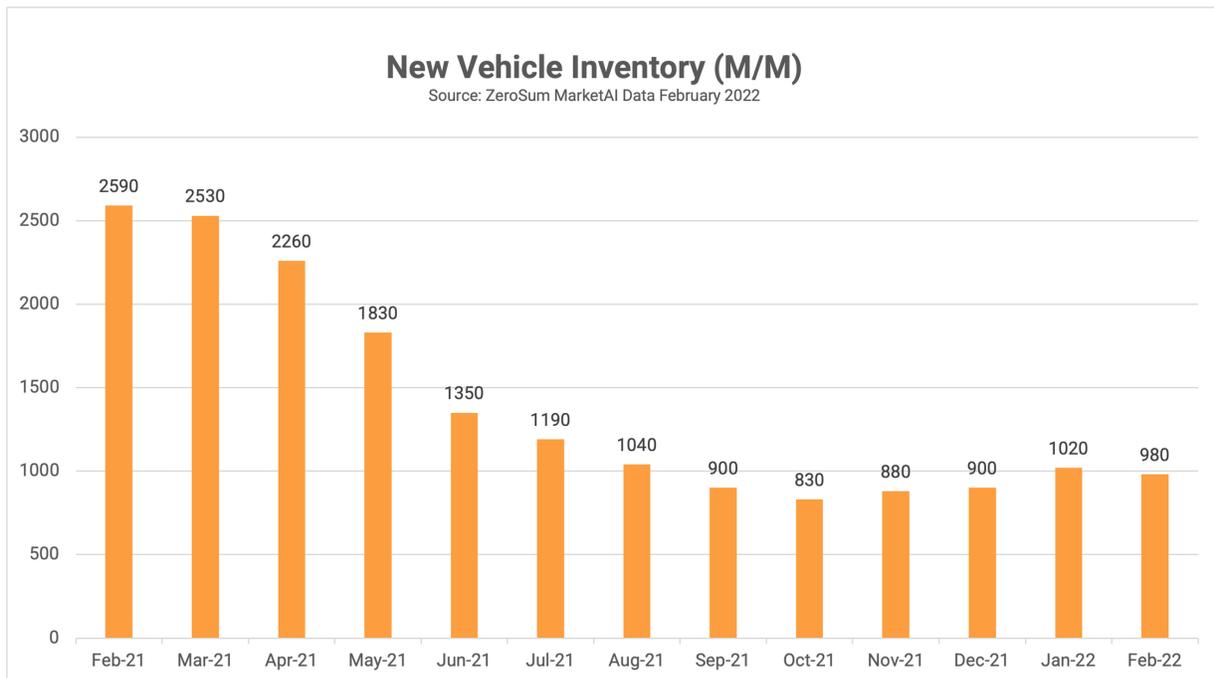


The ZeroSum Market First Report is the automotive industry's first source to predict month-end vehicle movement, providing vital supply and demand trend data to automotive marketers and dealers. ZeroSum uses predictive modeling to accurately estimate new vehicle inventory, pricing trends, and market share



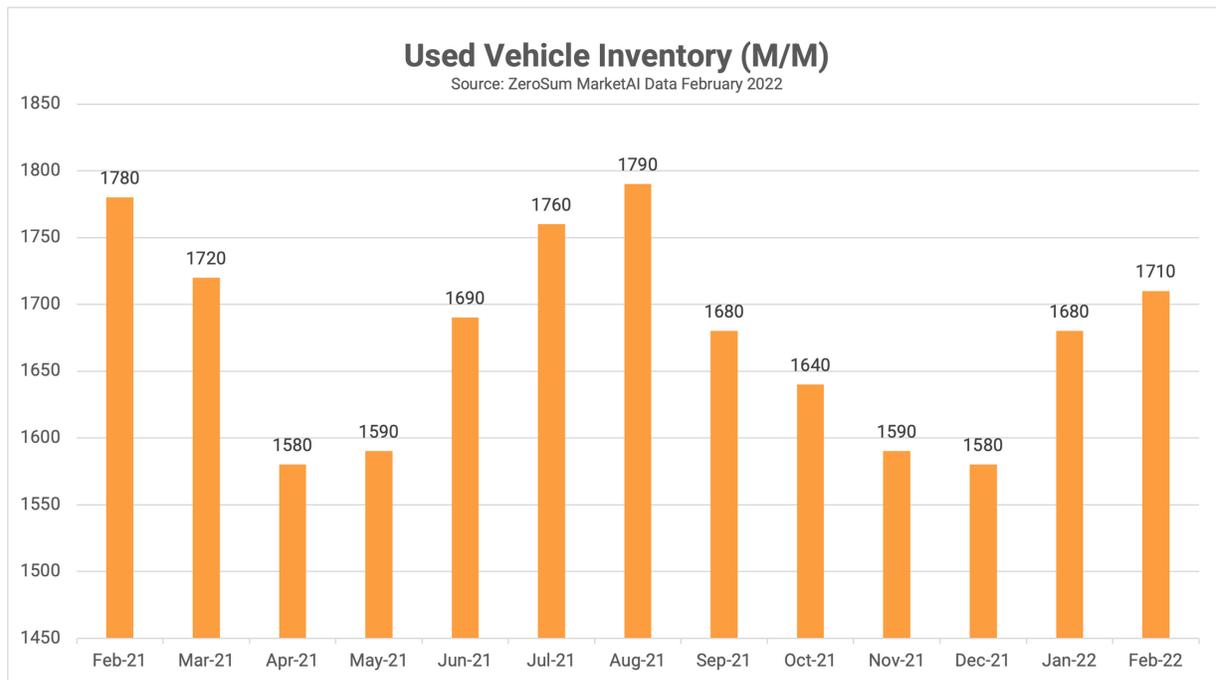
VEHICLE INVENTORY

As inventory shortages have continued over the last two years, ZeroSum has been steadily monitoring the impact on the automotive industry. The month of February began with 4% fewer new vehicles on the ground than in January, a decrease of 42,957 units available for sale. When compared with 2021, the start of February 2022 is down 62% year-over-year, a decrease of over 1.6 million units. MAZDA had the largest increase in available new inventory, gaining over 45% month-over-month. Audi, Mitsubishi, and Jaguar also showed strong month-over-month gains despite the continued shortage of essential manufacturing parts.



VEHICLE INVENTORY

While new vehicle inventory was down at the beginning of the month, used vehicle inventory increased 1.7% month-over-month, with an increase of 29,804 units available for sale. However, February 2022 used car inventory is still down 3.5% year-over-year. Audi showed the biggest gain in used vehicle inventory, adding 14.99% more used cars available.

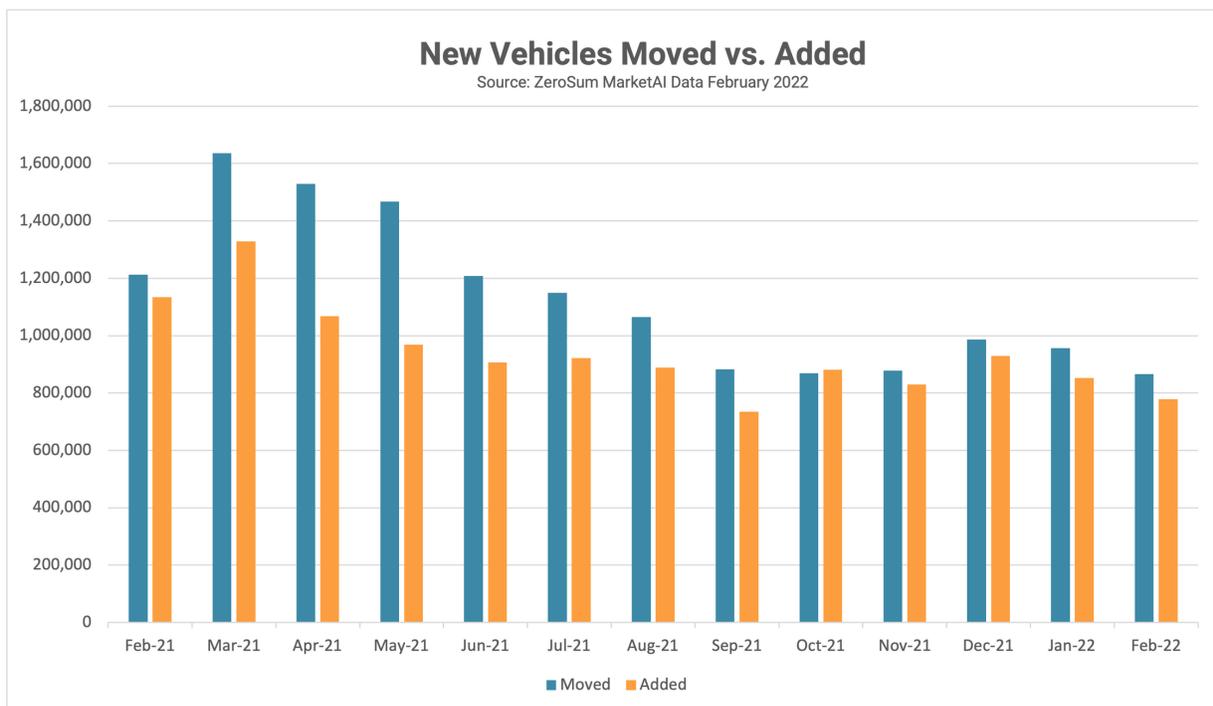


INVENTORY MOVEMENT

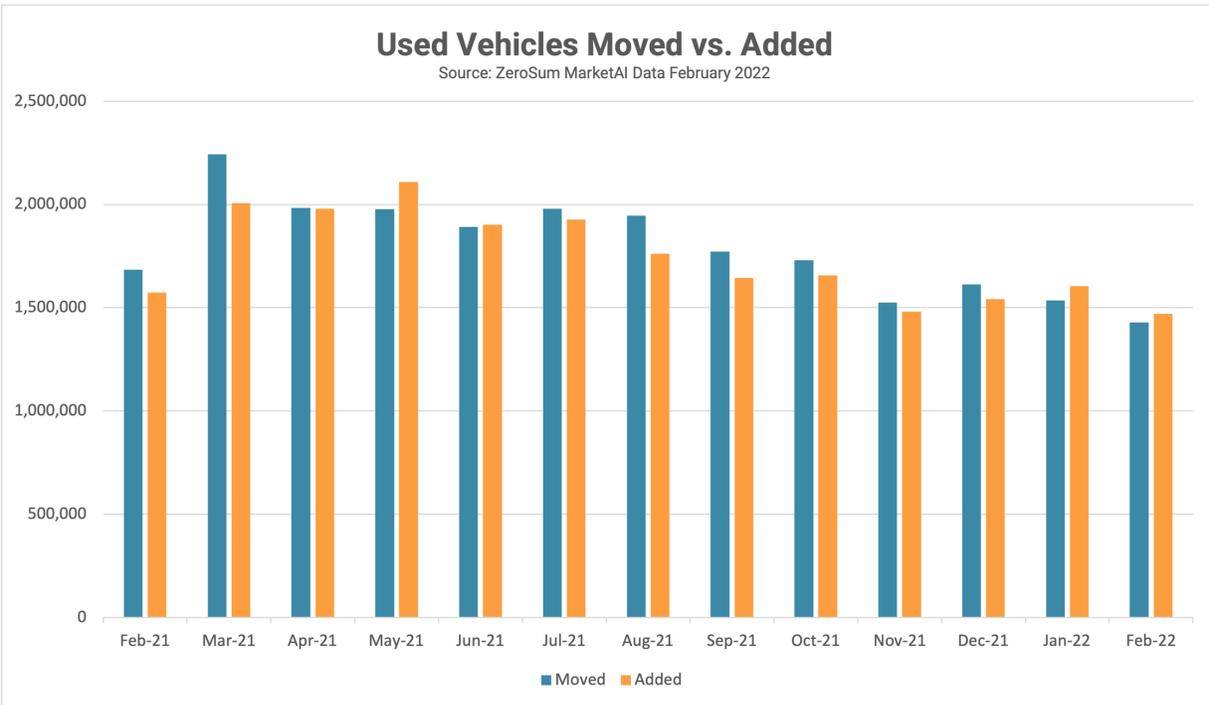
ZeroSum’s MarketAI platform tracks inventory as it leaves dealers’ lots in order to predict monthly sales outcomes. February is forecast to finish 9.5% below January in total new units sold and 7% below January in used units sold. MAZDA is positioned to make some of the biggest month-over-month new car sales gains while Audi is set to make some of the most used car sales gains.

Additionally, MarketAI tracks vehicles added to dealers’ inventory, in order to predict manufacturer production and overall inventory supply. 8.5% fewer new vehicles are forecast to be added to dealers’ inventory in February than January while 8.3% fewer used vehicles are forecast.

By combining inventory moved and inventory added, MarketAI also tracks turn rates of inventory across the industry. The average turn rate of new inventory is projected to be 88% in February, while used inventory turn rate is projected to be at 83%.

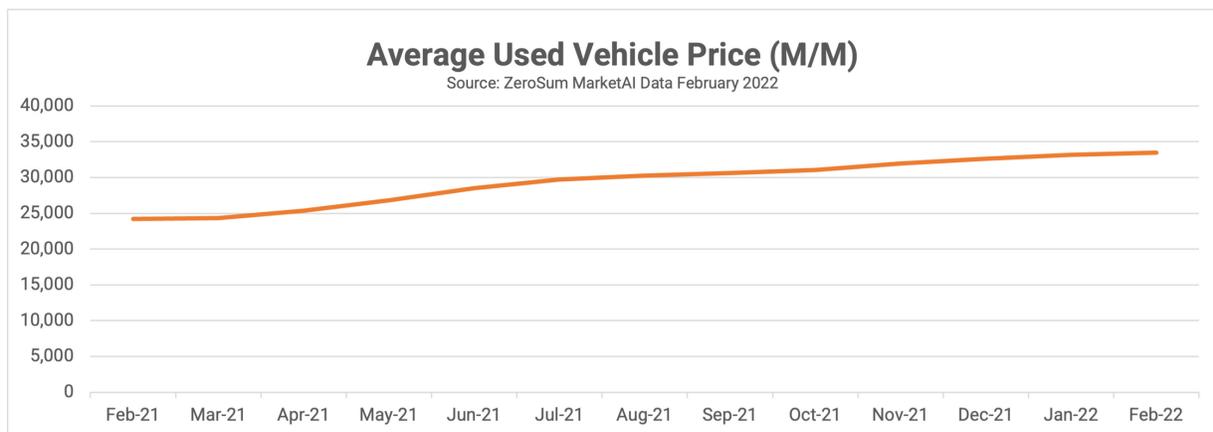
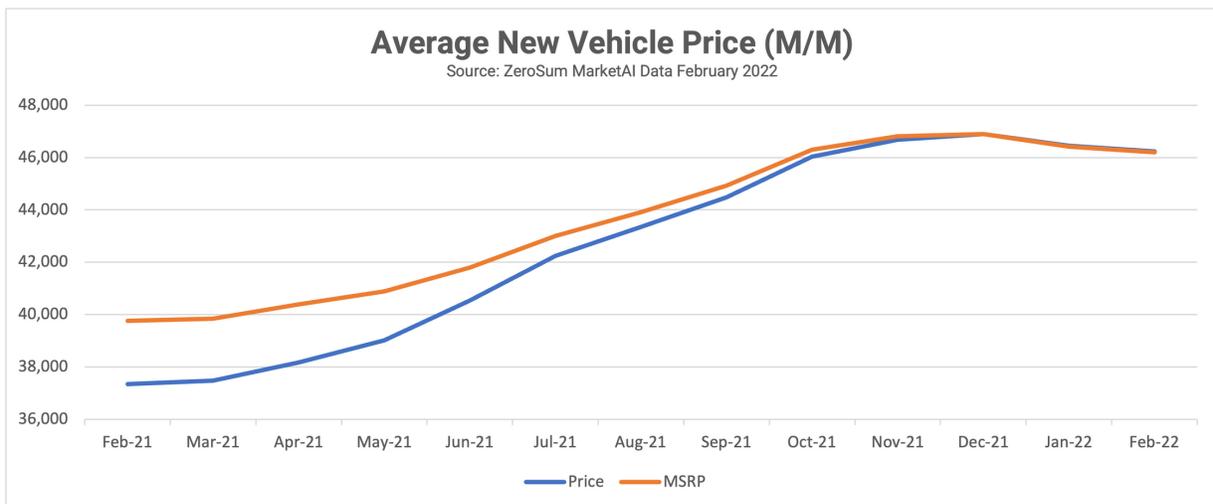


INVENTORY MOVEMENT



AUTOMOTIVE PRICING TRENDS

New vehicle prices have steadily risen as inventory levels have decreased. The average MSRP of a new vehicle is down half a percent in February compared to last month, but it remains up 16% over last year. Currently, list prices are averaging slightly higher than MSRP, whereas the average retail price was over 6% less than MSRP a year ago. Prices on used inventory continue to increase - up 1% month over month and up 38% year over year as constraints on new inventory drive used prices upwards.



INVENTORY DATA BY BRAND

M/M New Inventory Data By Brand

Source: ZeroSum MarketAI Data February 2022

Position	Make	Inventory	Inventory Change	Added Change	Moved Change	Price Change
1	Ford	145,624	-1.69%	-25%	2%	-1.52%
2	Toyota	96,786	-6.44%	4%	-1%	0.52%
3	Chevrolet	98,421	2.34%	13%	14%	-0.19%
4	Jeep	90,610	-3.78%	-13%	-6%	1.98%
5	Hyundai	61,257	-7.43%	14%	5%	2.73%
6	Ram	57,132	-10.00%	17%	-14%	0.25%
7	Nissan	46,774	-17.16%	18%	-9%	-1.84%
8	Honda	48,159	-2.42%	17%	3%	0.04%
9	GMC	44,435	-3.56%	7%	8%	-1.51%
10	BMW	25,827	-18.81%	4%	-11%	1.98%
11	Subaru	27,316	2.47%	-26%	6%	-1.06%
12	MAZDA	34,821	45.69%	21%	36%	2.21%
13	Kia	21,586	-8.18%	26%	8%	2.98%
14	Dodge	18,422	-21.36%	57%	-21%	0.14%
15	Volkswagen	23,100	-0.47%	-14%	1%	-4.97%
16	Mercedes-Benz	17,328	-16.60%	24%	-6%	1.34%
17	Audi	21,137	20.21%	-7%	23%	-4.37%
18	Volvo	10,263	-15.93%	18%	-19%	2.12%
19	Lexus	12,500	2.79%	3%	7%	-0.18%
20	Lincoln	8,642	-4.86%	-5%	11%	-3.96%
21	Cadillac	9,221	4.96%	25%	16%	-6.26%
22	Chrysler	4,361	-46.03%	57%	-35%	-1.21%
23	Buick	7,001	-7.60%	48%	9%	1.34%
24	Mitsubishi	7,082	14.17%	15%	24%	-1.61%
25	Acura	4,864	-14.34%	119%	22%	1.43%
26	Infiniti	5,002	6.81%	-32%	-4%	-6.84%
27	Porsche	3,663	-20.82%	-10%	-28%	6.12%
28	Genesis	2,874	-29.87%	26%	-26%	-1.99%
29	Alfa Romeo	2,920	-17.75%	-33%	-19%	0.14%
30	Land Rover	2,953	1.10%	0%	7%	-6.19%
31	MINI	1,945	-25.36%	-6%	-24%	1.83%
32	Maserati	1,690	-7.80%	-11%	-5%	0.21%
33	Jaguar	798	9.47%	-4%	5%	0.32%

INVENTORY DATA BY BRAND

M/M Used Inventory Data By Brand

Source: ZeroSum MarketAI Data February 2022

Position	Make	Inventory	Inventory Change	Added Change	Moved Change	Price Change
1	Ford	251,281	-1.19%	3%	4%	0.43%
2	Chevrolet	228,424	0.99%	4%	4%	0.43%
3	Toyota	154,036	2.13%	0%	5%	-0.07%
4	Jeep	116,318	3.44%	2%	4%	1.19%
5	Nissan	107,461	3.05%	1%	4%	1.12%
6	Honda	100,822	2.85%	2%	4%	1.62%
7	GMC	76,575	2.17%	1%	5%	0.78%
8	Ram	71,074	-1.05%	1%	4%	0.29%
9	Dodge	56,720	1.83%	2%	7%	1.16%
10	Hyundai	55,332	3.01%	4%	3%	2.79%
11	Kia	53,030	2.50%	7%	4%	2.59%
12	BMW	48,132	-0.85%	-1%	0%	0.83%
13	Mercedes-Benz	48,022	0.43%	0%	1%	1.79%
14	Subaru	38,584	9.01%	7%	7%	2.42%
15	Volkswagen	34,783	4.25%	5%	5%	2.05%
16	Lexus	30,829	2.71%	3%	5%	1.06%
17	Audi	25,773	14.99%	3%	14%	2.14%
18	Cadillac	25,433	1.37%	6%	2%	2.24%
19	MAZDA	23,617	5.88%	10%	3%	2.69%
20	Chrysler	22,082	3.88%	0%	3%	2.53%
21	Buick	21,131	-0.86%	6%	-5%	2.55%
22	Infiniti	17,159	0.83%	4%	2%	0.41%
23	Lincoln	16,123	-1.50%	6%	-2%	1.79%
24	Acura	14,661	-2.79%	5%	-4%	1.49%
25	Land Rover	11,764	8.32%	7%	4%	2.28%
26	Volvo	11,651	0.19%	-3%	-7%	2.03%
27	Porsche	10,855	-1.26%	5%	5%	-0.42%
28	Mitsubishi	7,974	8.37%	7%	3%	3.83%
29	MINI	5,768	2.89%	-1%	8%	2.81%
30	Jaguar	3,976	4.30%	4%	2%	1.64%
31	Maserati	2,414	5.65%	-9%	6%	0.74%
32	Alfa Romeo	2,350	8.49%	2%	7%	-1.47%
33	Genesis	2,019	3.43%	16%	8%	0.87%

ABOUT ZEROSUM'S MARKET FIRST REPORT

ZeroSum's Market First Report is based on ZeroSum's retail vehicle movement and pricing indices, powered by real-time data gathered using ZeroSum's data-driven marketing platform MarketAI. The platform brings together vast amount of data, including all available light vehicle inventory in the U.S., to help improve marketing performance. MarketAI allows dealers to analyze their market in real-time, using sales conversion rates, market turn rates, days' supply, and competitive inventory.

About ZeroSum

ZeroSum is a leader in software, marketing, and data. Powered by its SaaS platform, MarketAI, ZeroSum is simplifying and modernizing automotive marketing by leveraging artificial intelligence, data, and scaling ability to acquire new customers. ZeroSum is the first and only company that matches consumer demand with automotive data in real time. For more information, visit zerosum.ai.



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