


ZeroSum Market First Report

Automotive Inventory Data and Sales Forecasts

June 2023



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.



ZEROSUM'S TAKE: WHAT YOU NEED TO KNOW

ZeroSum is predicting June EOM's new car inventory to reach 1,803,790. This is a slight increase from May's EOM inventory and is the first time in three months inventory has increased. New car prices are still rising, now at an average price of \$51,514.

Used car inventory is now at the highest level in two years, with June EOM numbers estimated at 1,835,193. This is an increase of 3.14% in availability since May EOM numbers. Used car prices have increased again for the third straight month to an average price of \$31,262, an increase of 0.15%.

Pure electric vehicle inventory for June is predicted at 97,820, an increase of more than 10,000 vehicles from May EOM. But pure electric vehicles were the only category in EVs that saw growth this month. Gas/Hybrid and plug-in vehicles declined in inventory share for June.

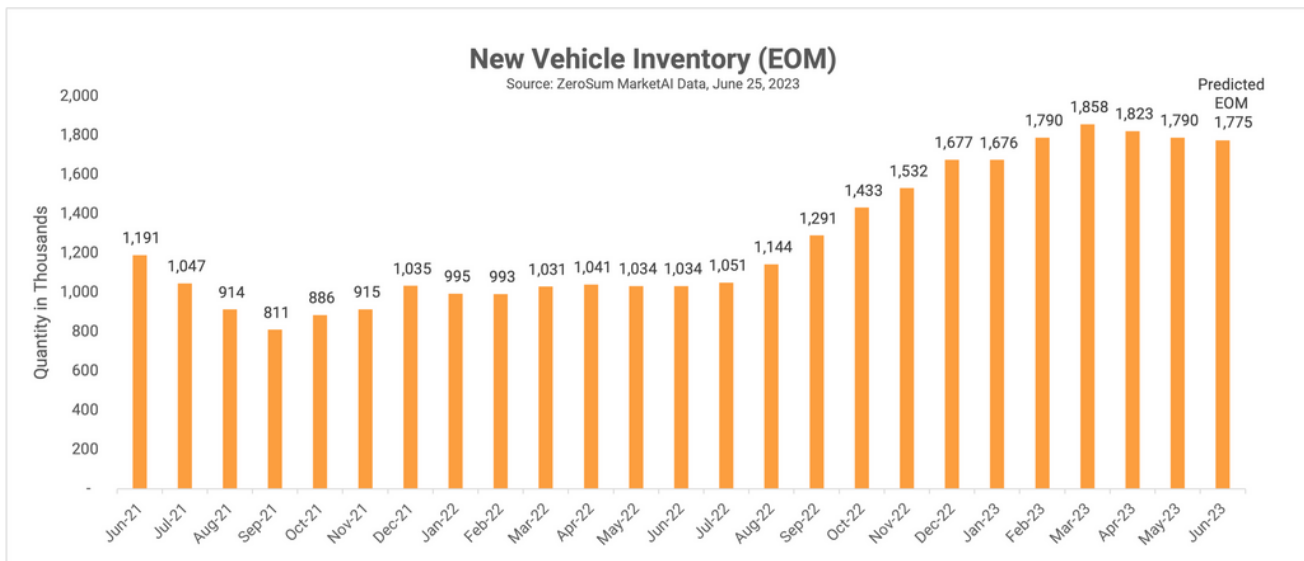
ZEROSUM'S TAKE: WHAT YOU NEED TO KNOW

Here are your key takeaways:



NEW VEHICLES RETAIL OUTLOOK

ZeroSum is predicting June EOM's new car inventory to reach 1,803,790. This is a slight increase (0.77%) from May's EOM inventory and is the first time in three months inventory has increased. May's EOM inventory was 1,790,009.

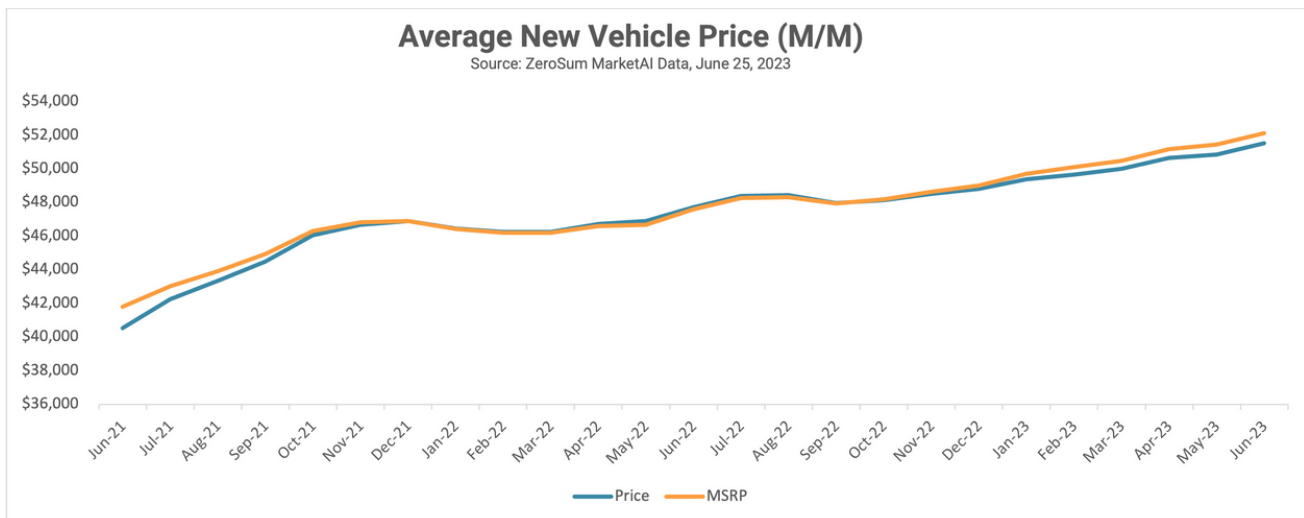


NEW VEHICLES RETAIL OUTLOOK

Despite the previous several months of dropping inventory, new car prices have been steadily rising, and June was no exception. New car prices have increased by 1.14% from last month to \$51,514. The MSRP is now at \$52,106, up from \$51,440 in May, a gap of \$592.

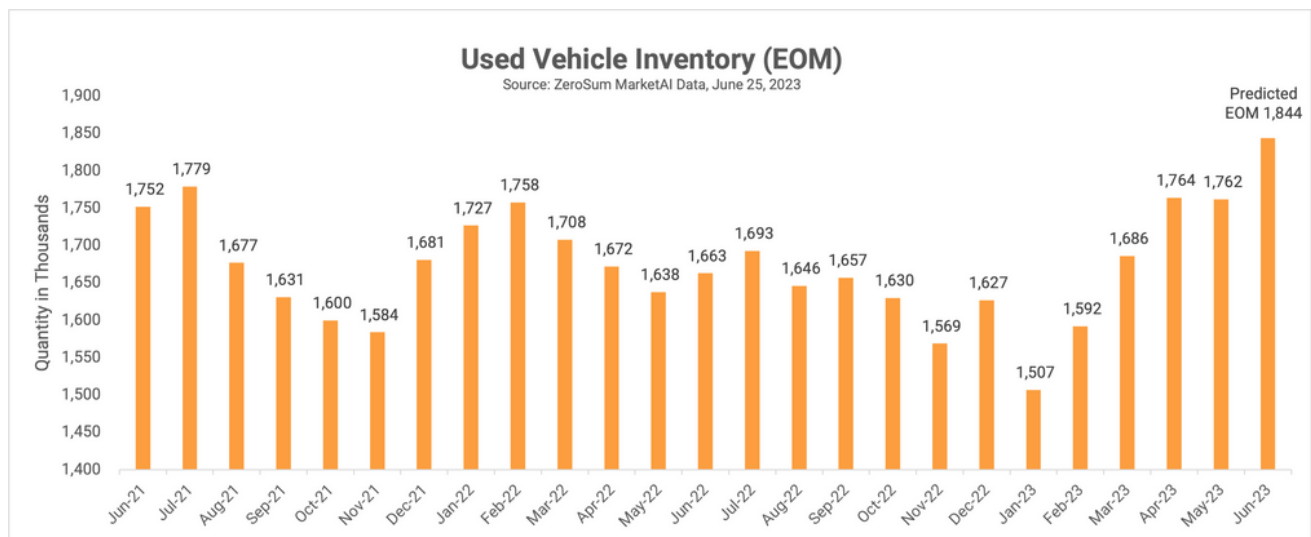
June 2022, average new car prices were \$47,725, and going back two years to June 2021, the average new car price was \$40,538. So, in just about two years, the average cost of a new car has increased by more than \$10,000.

It's possible the market will continue to see an improvement in new vehicle stock in the coming months. AutoForecast Solutions has been tracking the ongoing microchip shortage and, subsequently, the impact on vehicle production since 2021 and recently released a somewhat more hopeful figure. Initially, the company estimated a total loss of 2.8 million vehicles due to the microchip shortage. However, they have lowered their estimate to 2.6 million in cars lost due to the shortage, a staggering number for sure, but an improvement of 200,000 vehicles than initially estimated. Hopefully this trend will continue in the coming months and the industry will see less cars lost to supply chain restrictions.



USED VEHICLES RETAIL OUTLOOK

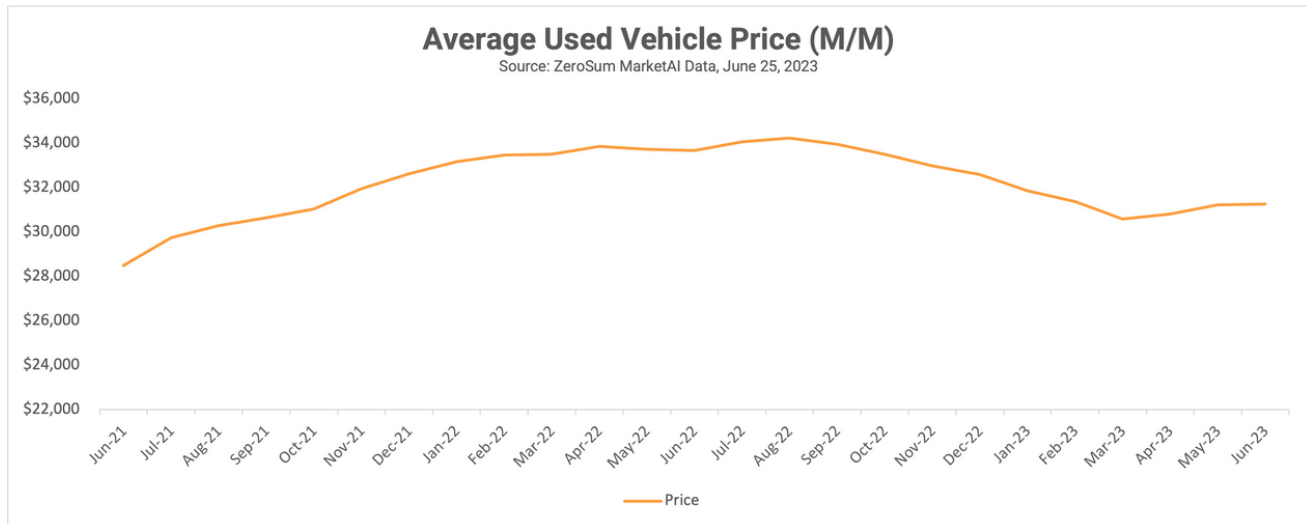
Used car inventory is now at the highest level in two years, with June EOM numbers estimated at 1,835,193. This is 3.14% increase in availability since May EOM numbers.



USED VEHICLES RETAIL OUTLOOK

Used car prices have increased again for the third straight month to an average price of \$31,262, an increase of 0.15%. Although this still means higher prices for used cars, it's a minimal increase from May and still well below the highest price for used vehicles (\$33,736) that we reported back in May 2022.

U.S. consumers are feeling the stress of inflation, particularly within the car-buying market. Automotive News reported that used card auto loan delinquency had exceeded recession-era highs in the first quarter of 2023.

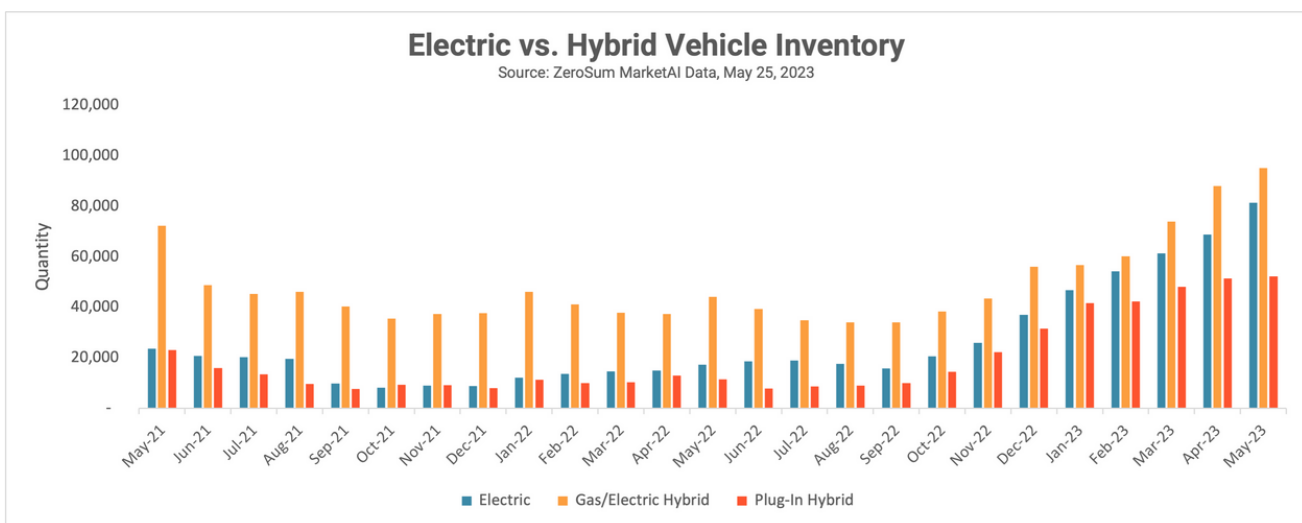


EV RETAIL OUTLOOK

Pure electric vehicle inventory for June has jumped to 97,820, an increase of more than 10,000 vehicles from May EOM. But pure electric vehicles were the only category in EVs that saw growth this month. Gas/electric hybrid vehicle inventory has dropped to 87,630 from May's EOM number of 95,109. Plug-in hybrid inventory has also decreased, though only to 50,119 from May EOM inventory of 52,300.

The takeaway from June's EV market is that total inventory is up 235,569, a slight increase from May's 228,801 but less of a change than we saw from April-May 2023. Pure electric inventory boosted these June numbers, as all others in this category declined from the previous month.

The tightening of eligibility rules for EV tax credits, supply chain issues, economic concerns, and other problems have affected some of the burgeoning EV options from established brands. Lucid, Nissan, Porsche, Cadillac, and others are showing weaker-than-expected numbers in EV registrations during Q1. Tesla is leading EV registrations, with a 60.8% share of the EV market, and EV growth overall was higher than in the same period of 2022. However, the growth is uneven, with Tesla the clear leader in the market and other brands fighting for the remaining market share.



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.

Want to learn more? Book your demo now.

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