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*Accelerate Your Business* →

# Manheim Index Quarterly Conference Call

1/10/11

**Website:** [www.manheim.com/consulting](http://www.manheim.com/consulting)

**Blog:** [www.manheimconsulting.typepad.com](http://www.manheimconsulting.typepad.com)

**Twitter:** [www.twitter.com/TomWebb\\_Manheim](http://www.twitter.com/TomWebb_Manheim)





**Concept:** A single measure of used vehicle price change that is independent of underlying shifts in the characteristics of vehicles being sold

## STEPS:

- All Manheim U.S. sales (5+ million annually)
- Classify by market segment
- Account for shifts in mileage
- Weight to provide unchanging mix
- Seasonally adjust



# Manheim Used Vehicle Value Index



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January 1995 = 100



Source: Manheim Consulting

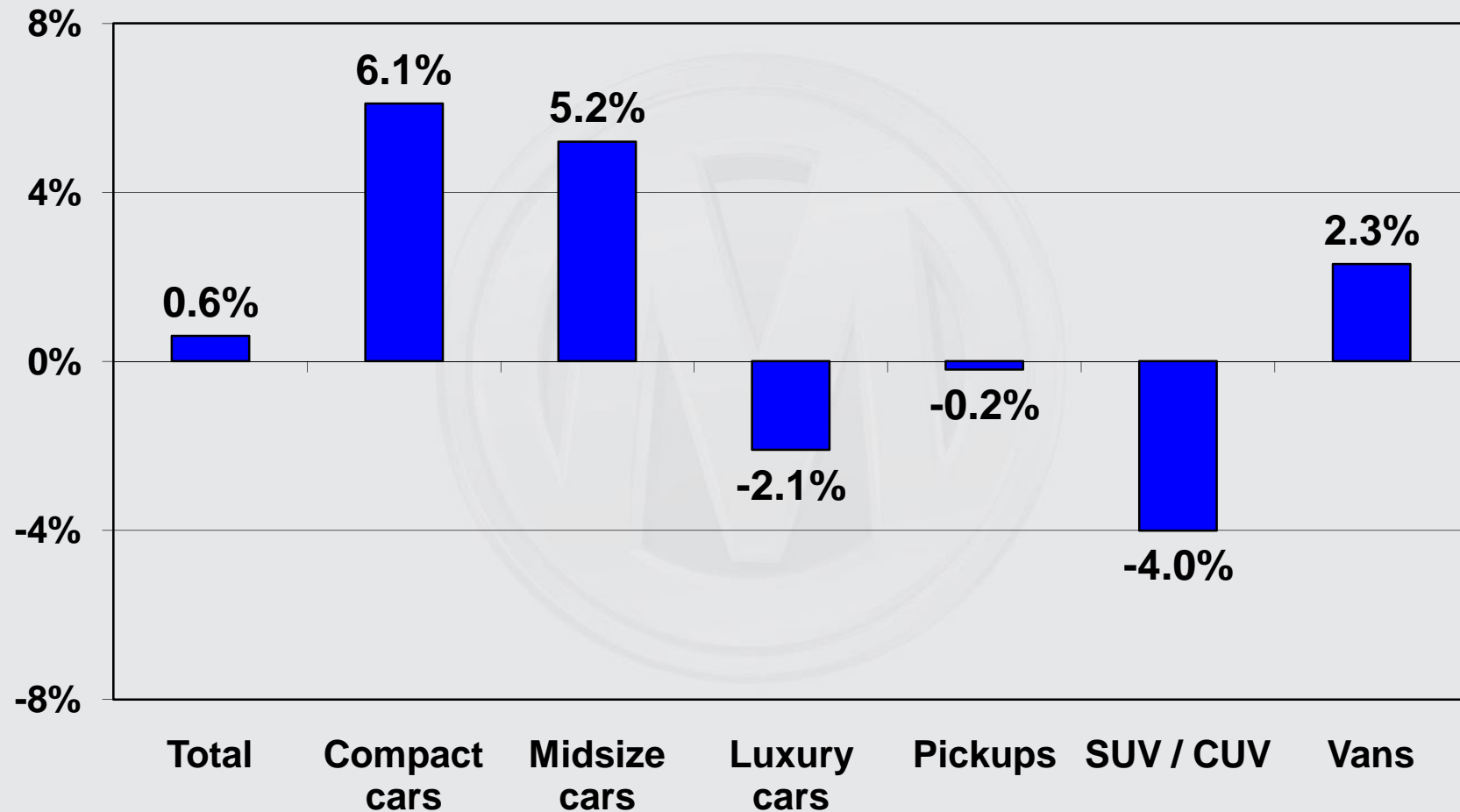


# Price Changes for Selective Market Classes



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*year-over-year % change, December 2011*



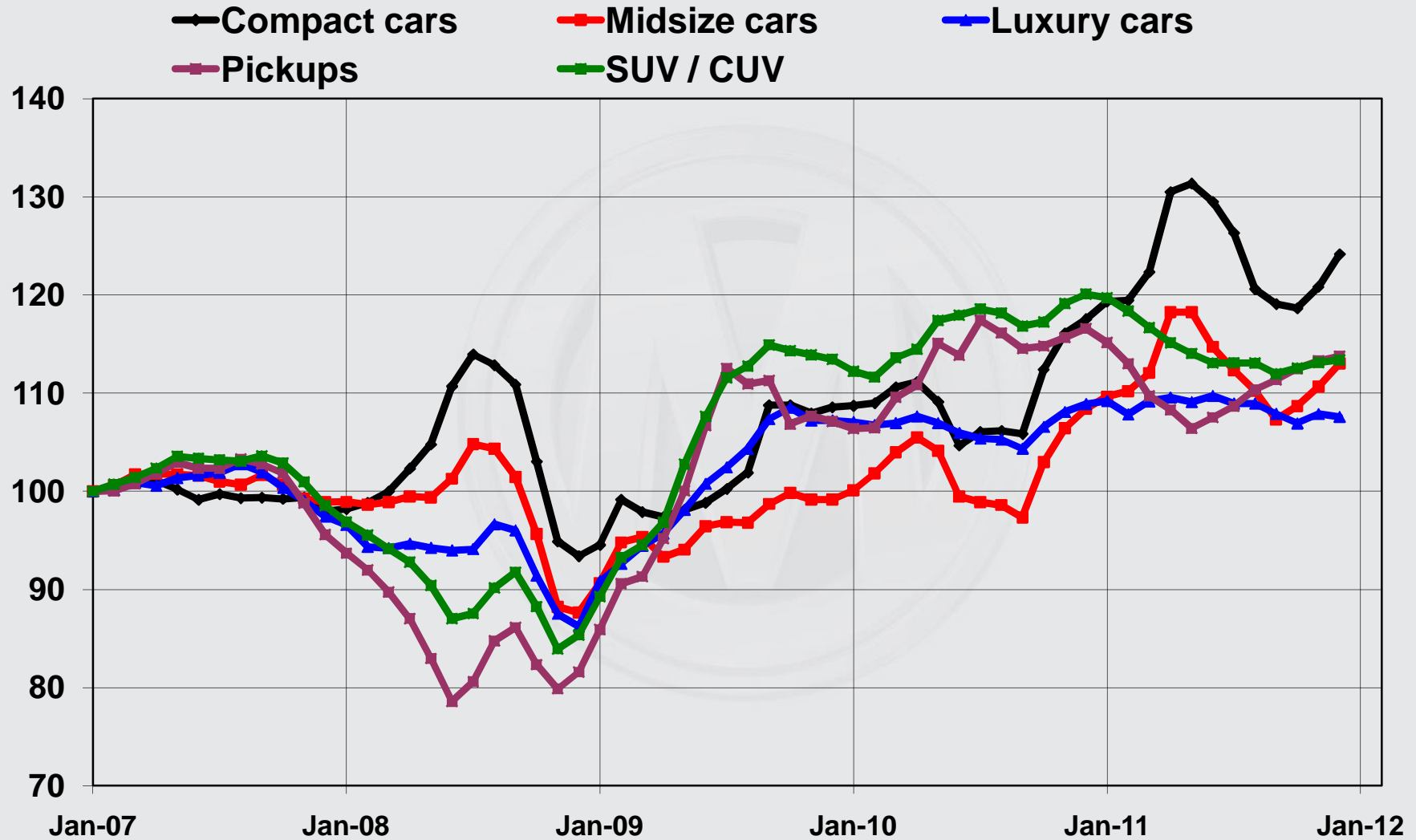
**Source: Manheim Consulting**



# Used Vehicle Price Trends – Selective Market Classes - January 2007 = 100



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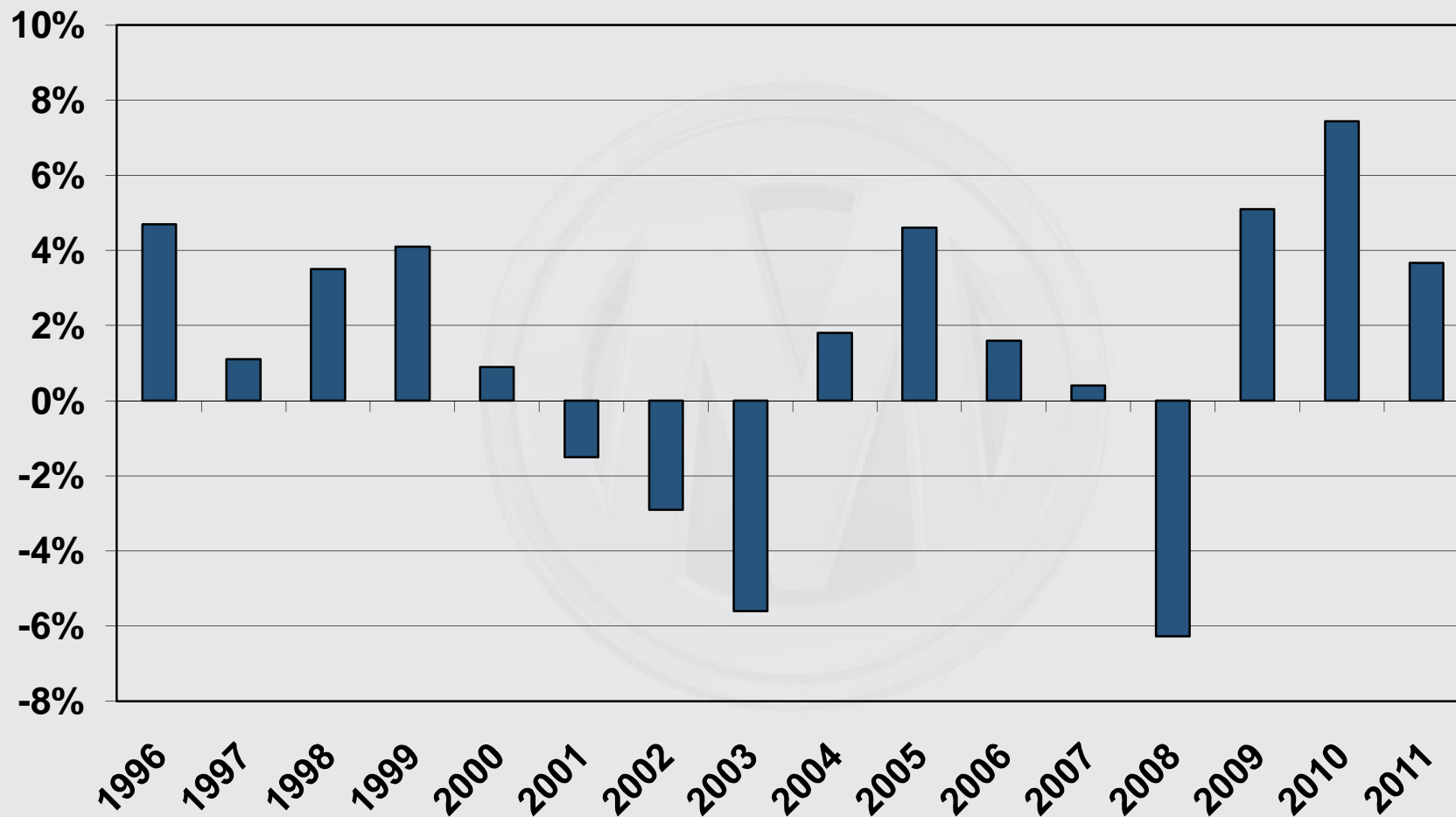
Source: Manheim Consulting



# Manheim Used Vehicle Value Index – Annual Average Percent Change



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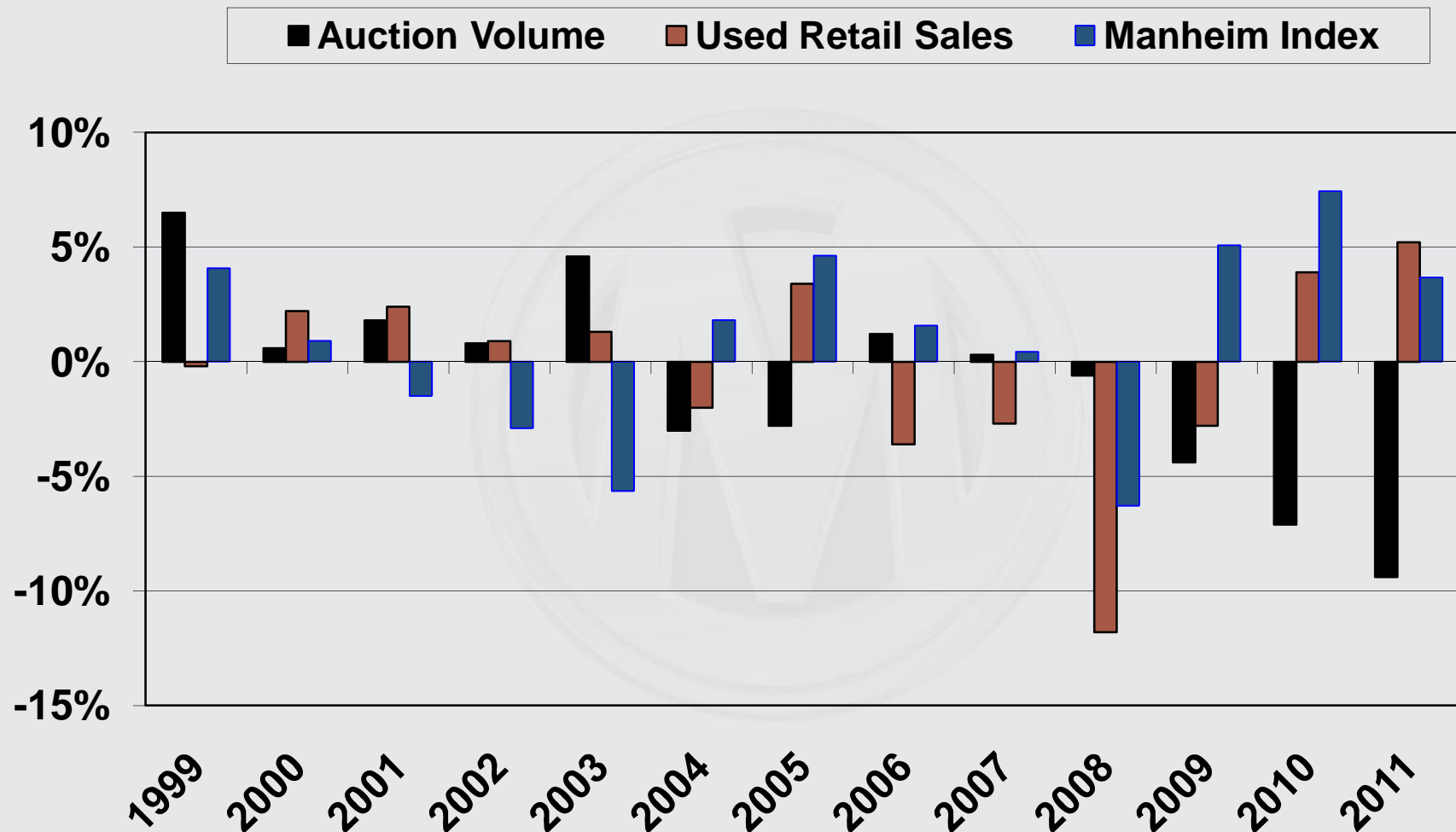
Source: Manheim Consulting



# Percent Change in Auction Volume, Used Retail Sales, and Manheim Index



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Source: National Auto Auction Association & CNW

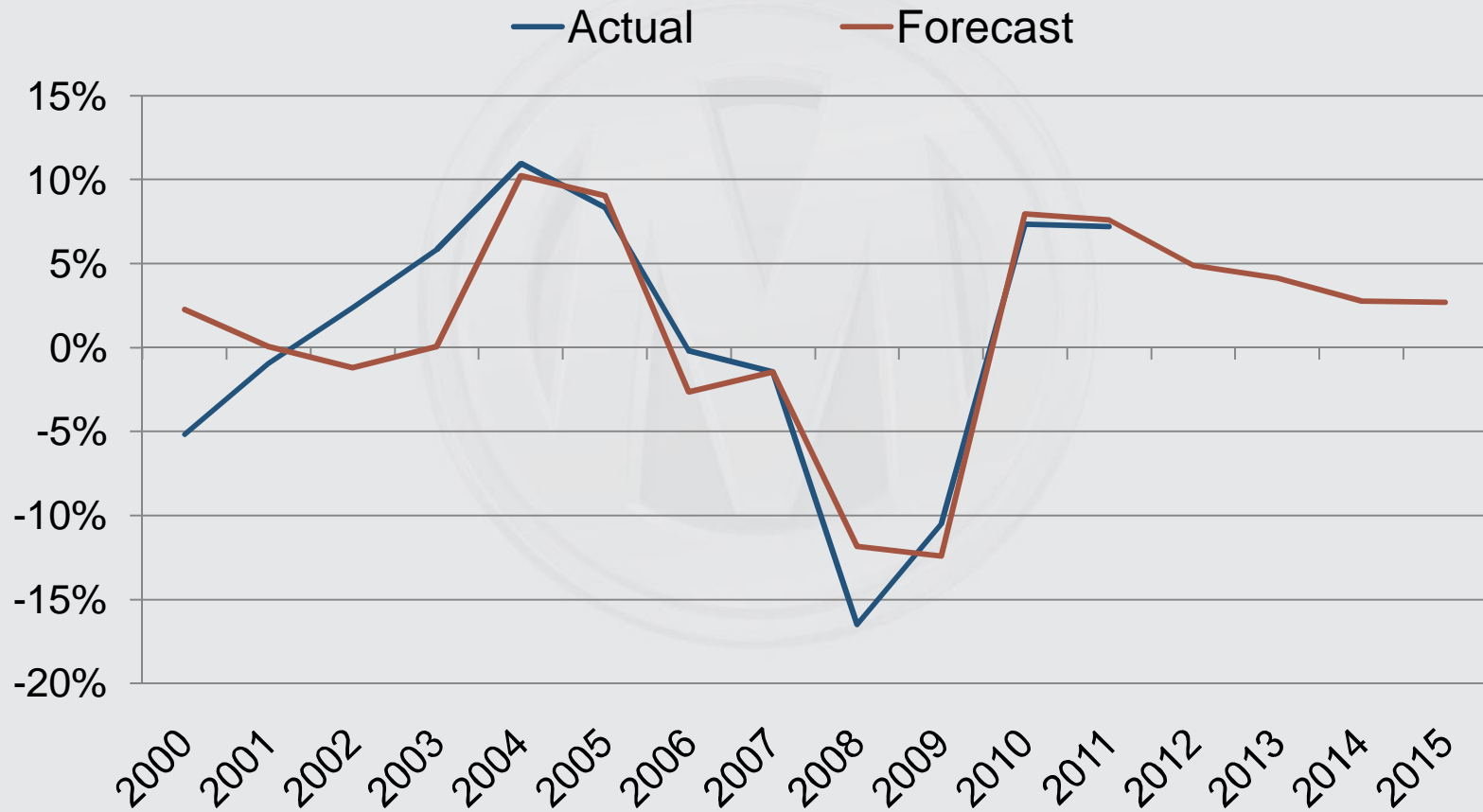


# Dealer Consignment Forecast



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$\% \text{ chg dlr consign} = .77(\% \text{ chg used retail}) + .59(\% \text{ chg new} - \% \text{ chg used}) + \text{secret sauce}$



Source: Manheim Consulting

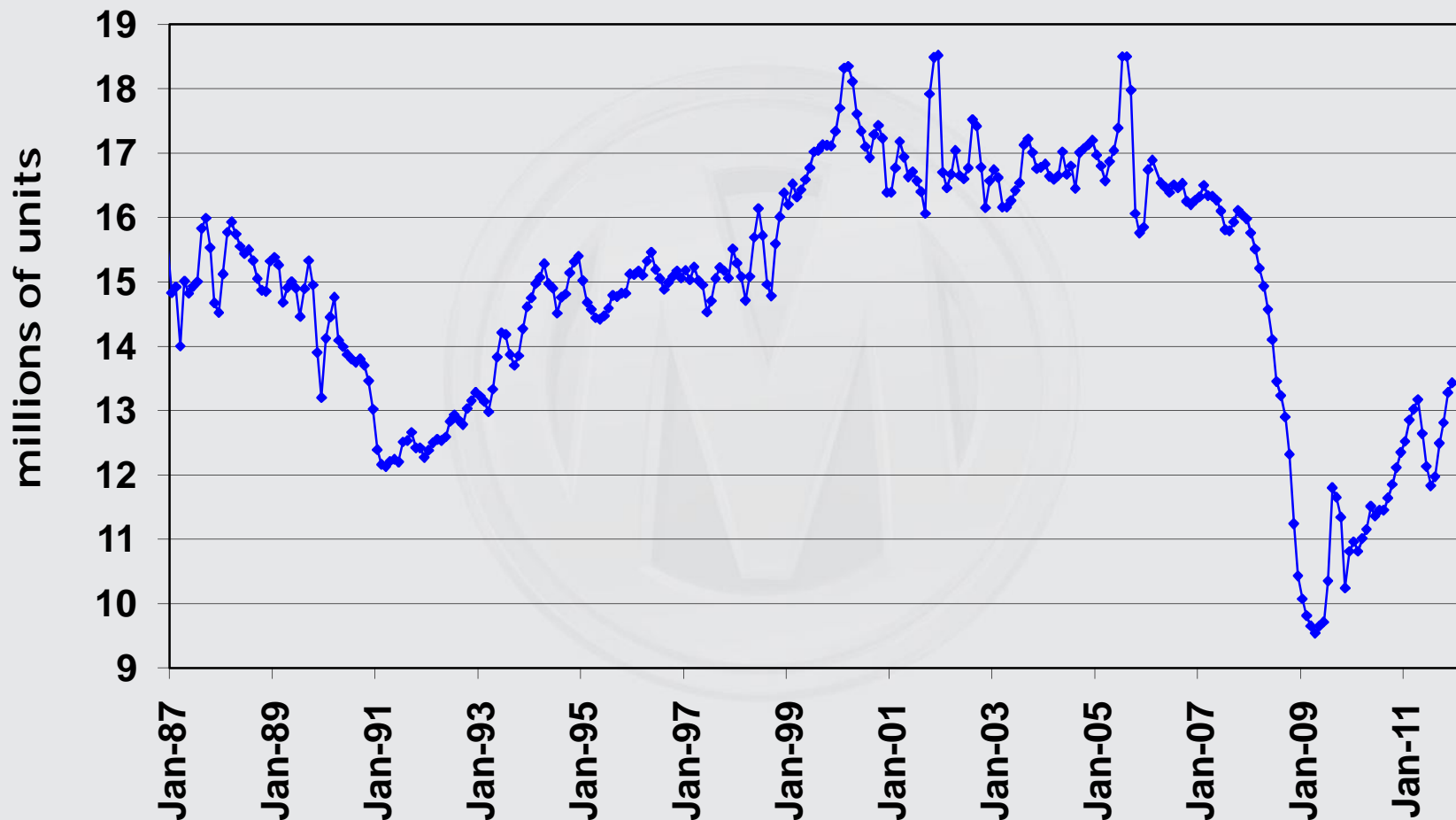


# New Car & Light-Duty Truck Sales



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Seasonally Adjusted Annual Rate - 3-Month Moving Average



Source: Automotive News

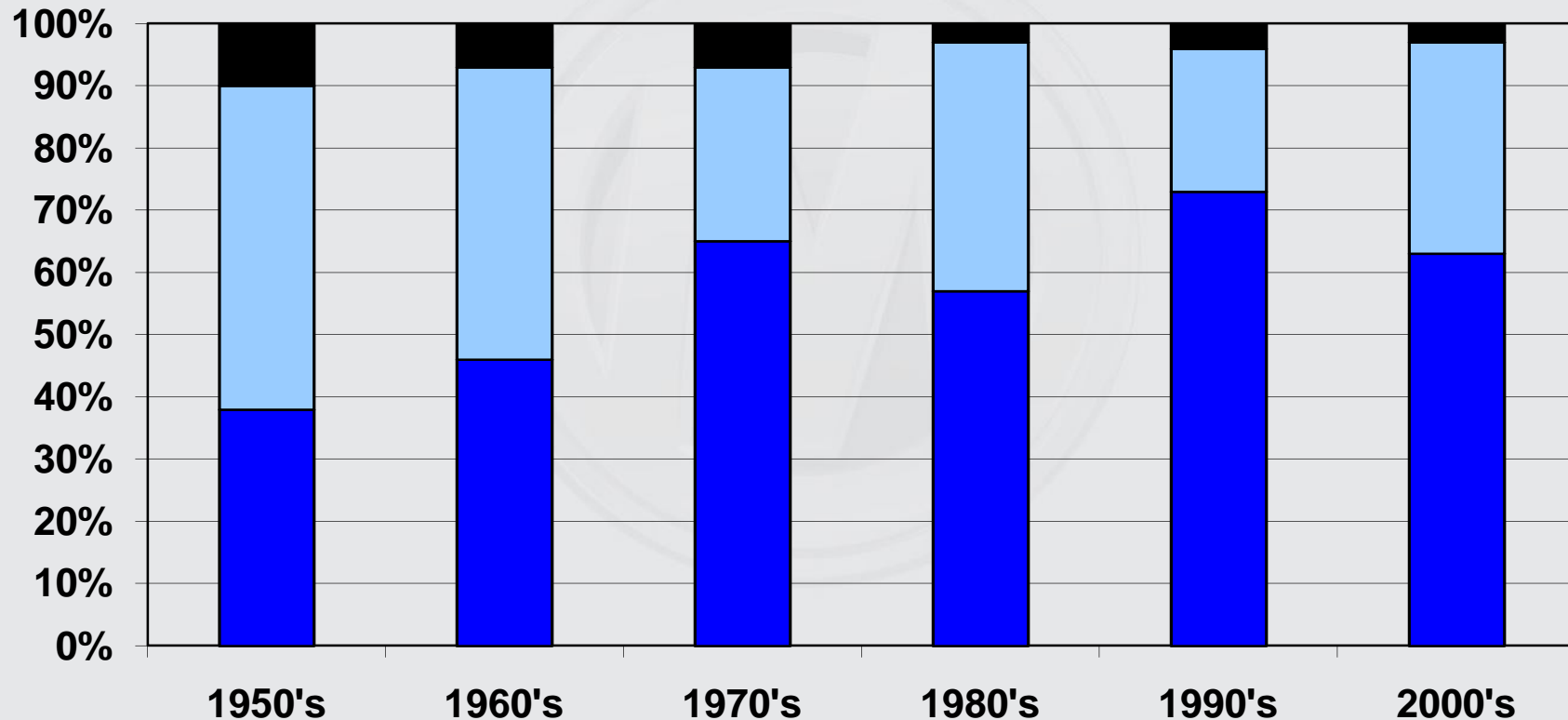


# Causes of VIO growth



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■ Growth in households   ■ Increase in vehicles per household   ■ Increase in households with vehicle



*Source: Based on data from R. L. Polk, U.S. Department of Transportation, Automotive News, and Manheim Consulting estimates*

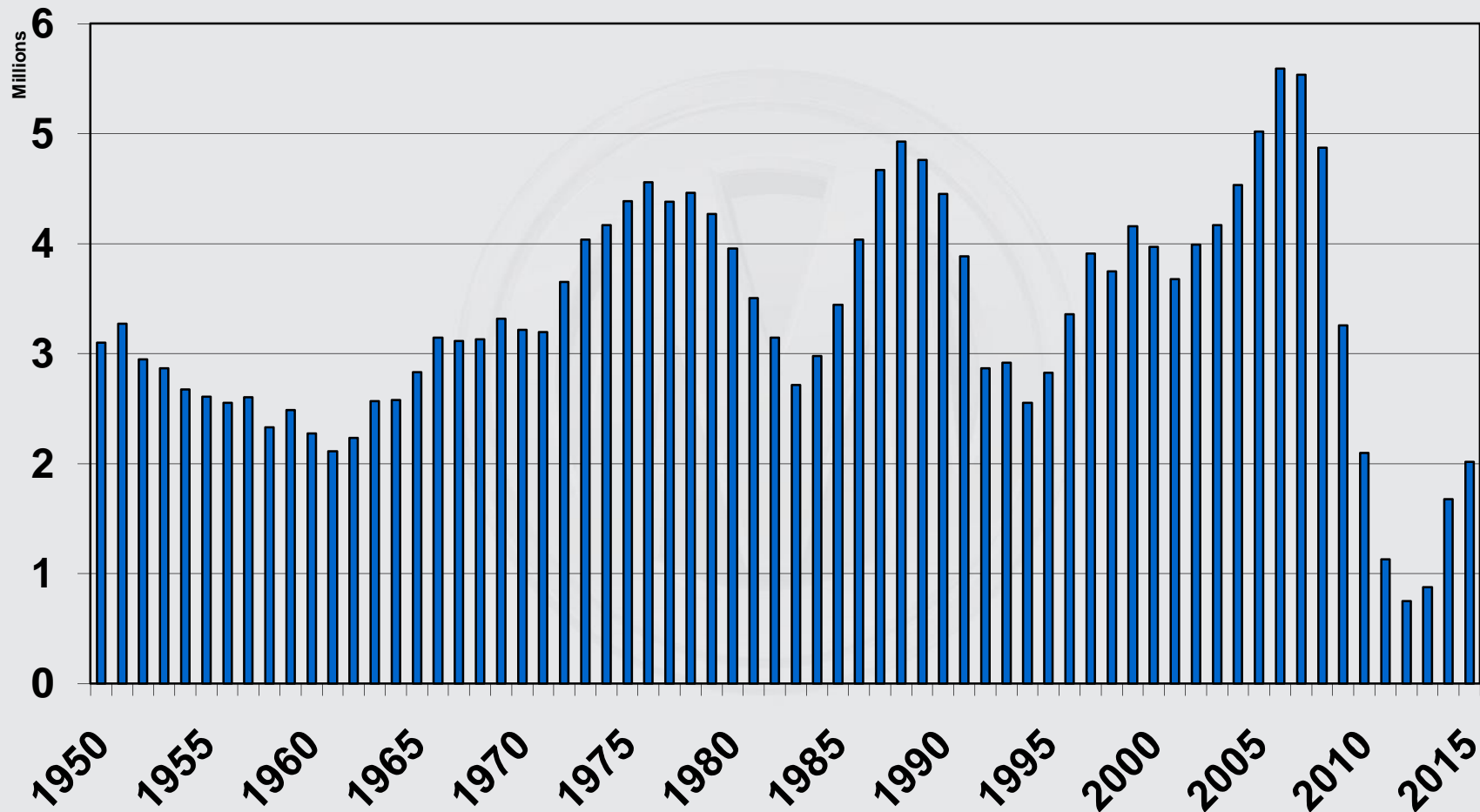


# Growth in Vehicles in Operation



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*Five-year moving average*



*Source: Based on data from R. L. Polk with Manheim Consulting estimates*

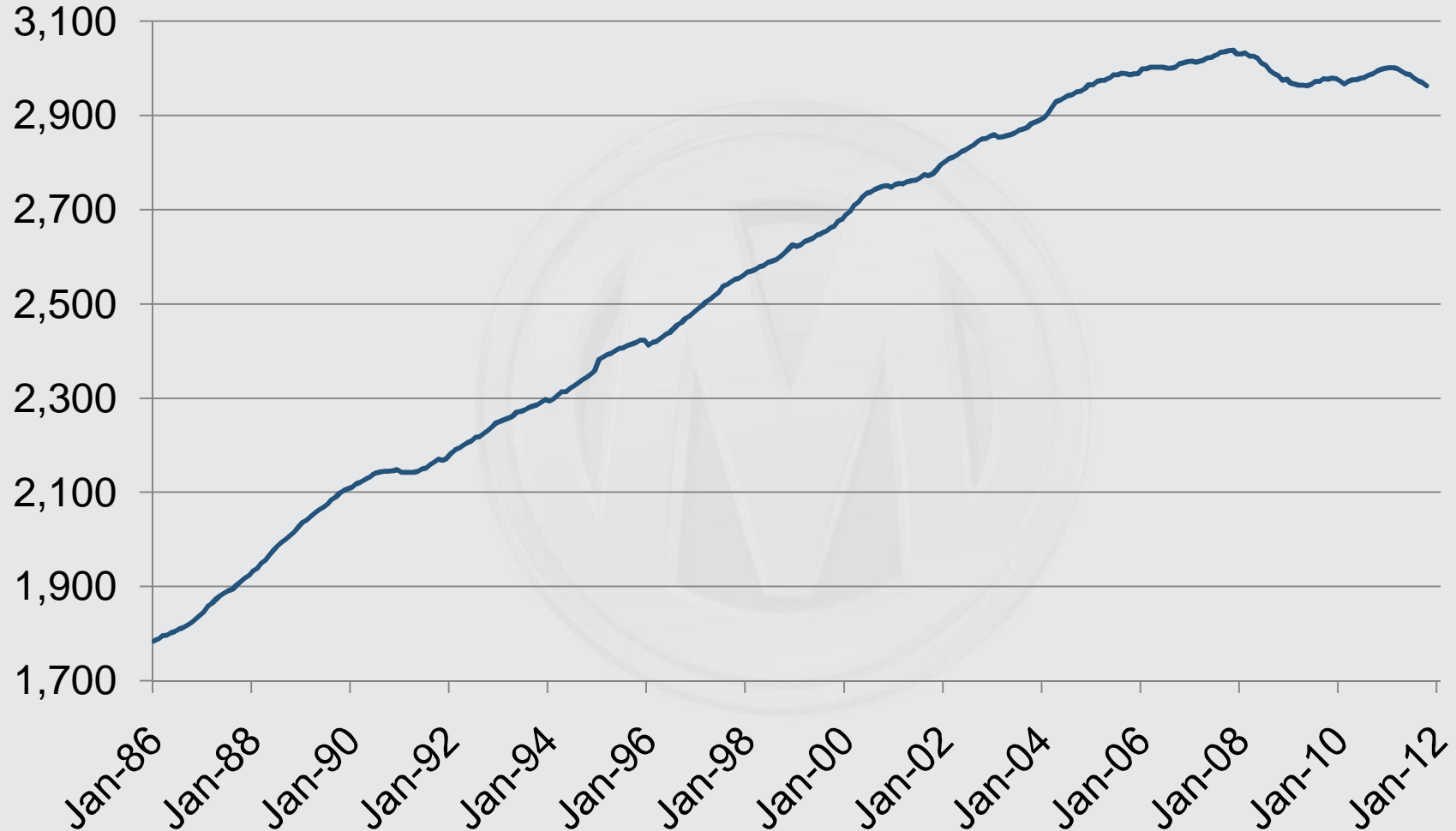


# Annual Vehicle Miles of Travel



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*In Billions of Miles*



**Source: U.S. Department of Transportation**

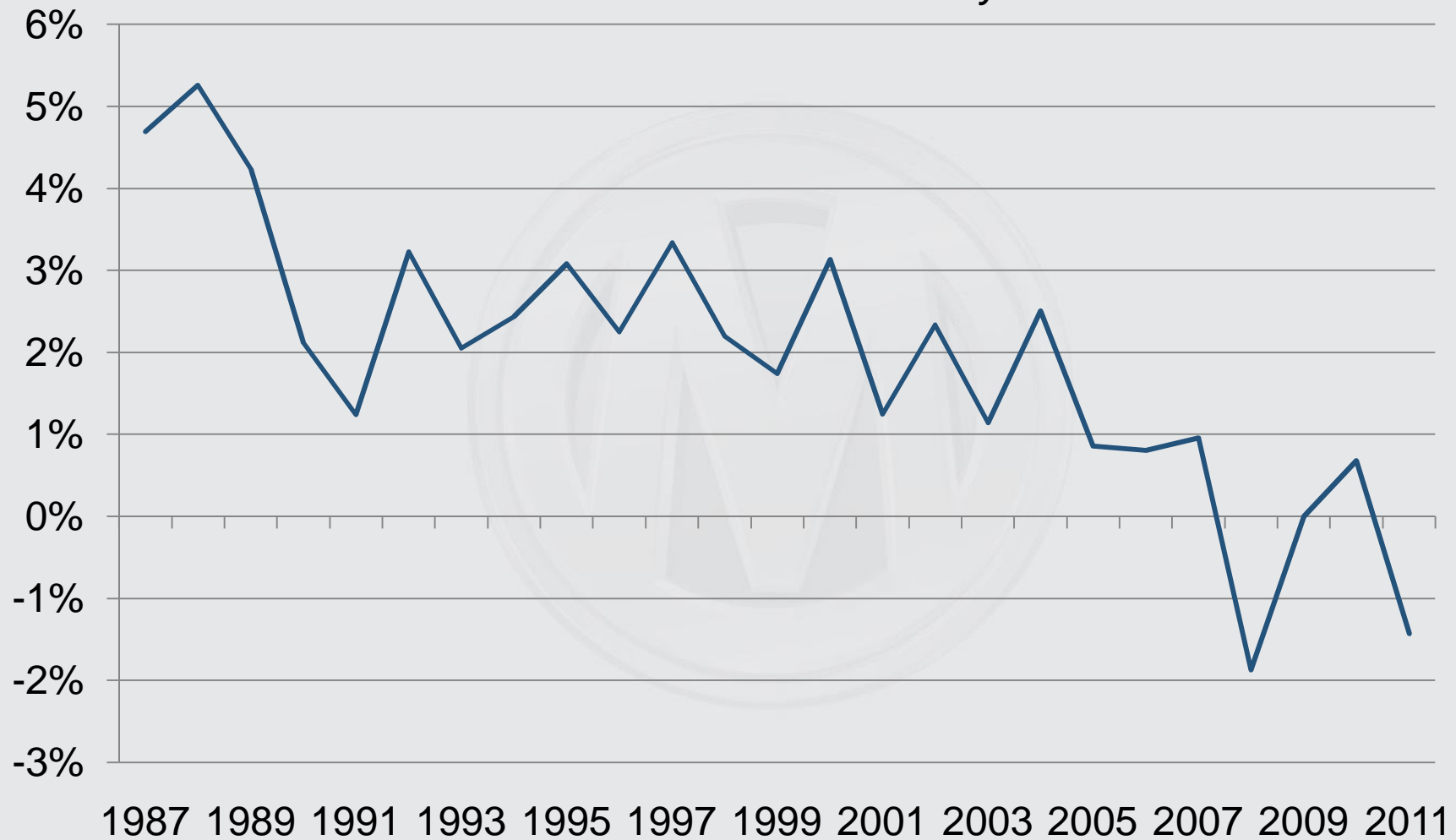


# Change in Vehicle Miles of Travel



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*First 10 months of each year*



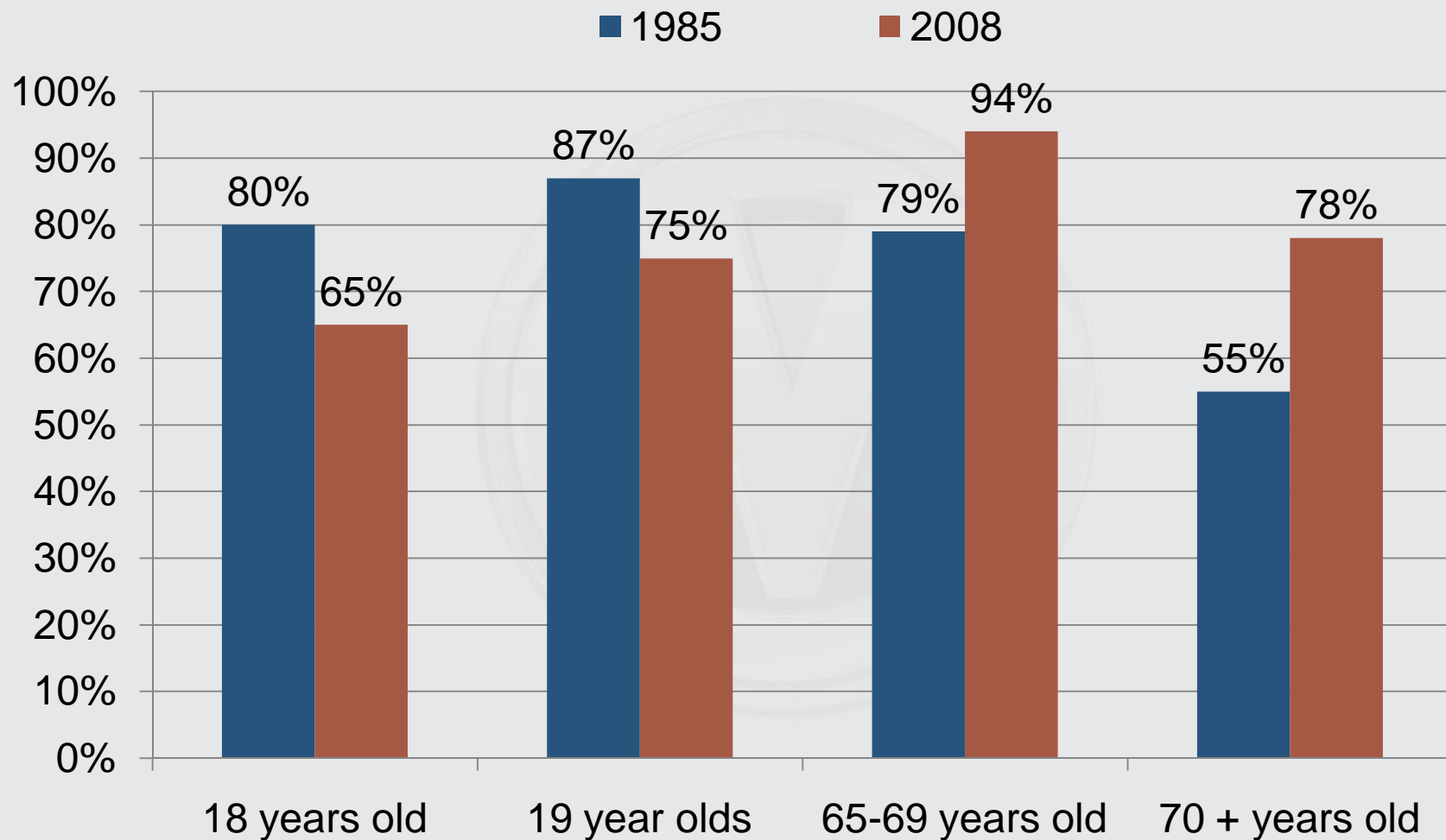
**Source: U.S. Department of Transportation**



# Percent of Population with a Driver's License



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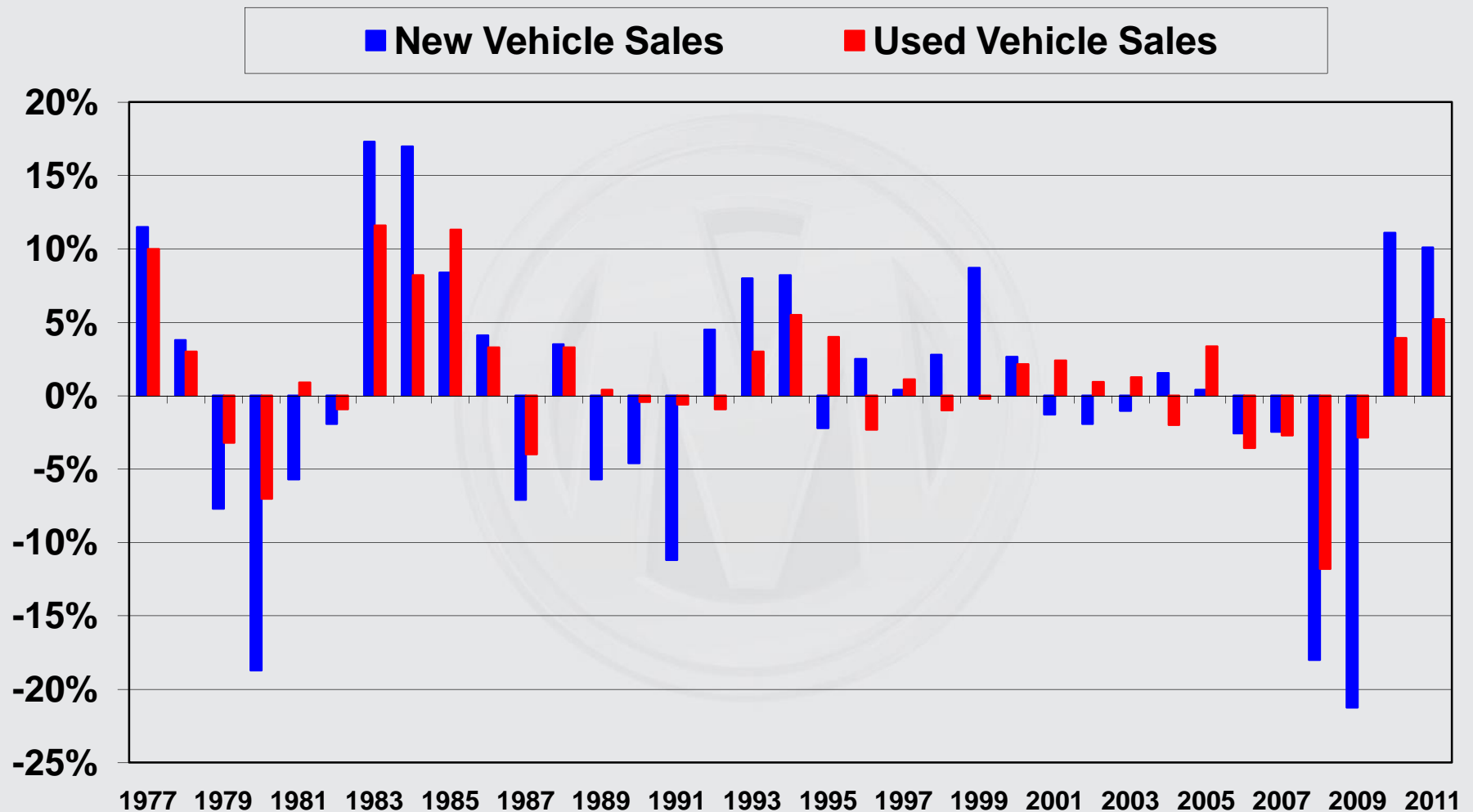
**Source: University of Michigan, Transportation Research Institute**



# Used Vehicle Sales Inherently More Stable than New Vehicle Sales



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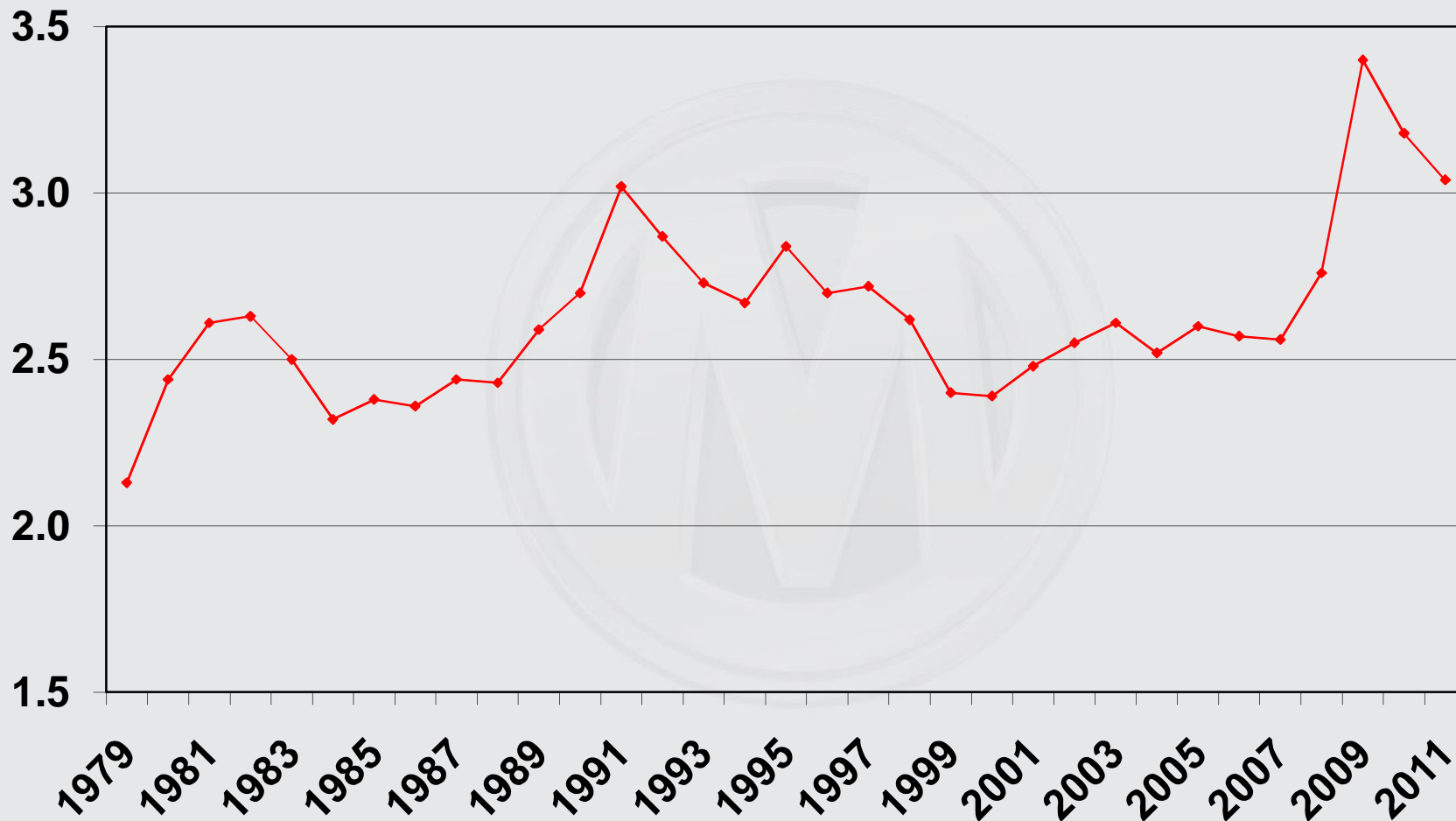
Source: Automotive News & CNW Marketing Research



# Ratio of Used Vehicles Retailed to New Vehicles Retailed



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Source: Automotive News & CNW Marketing Research

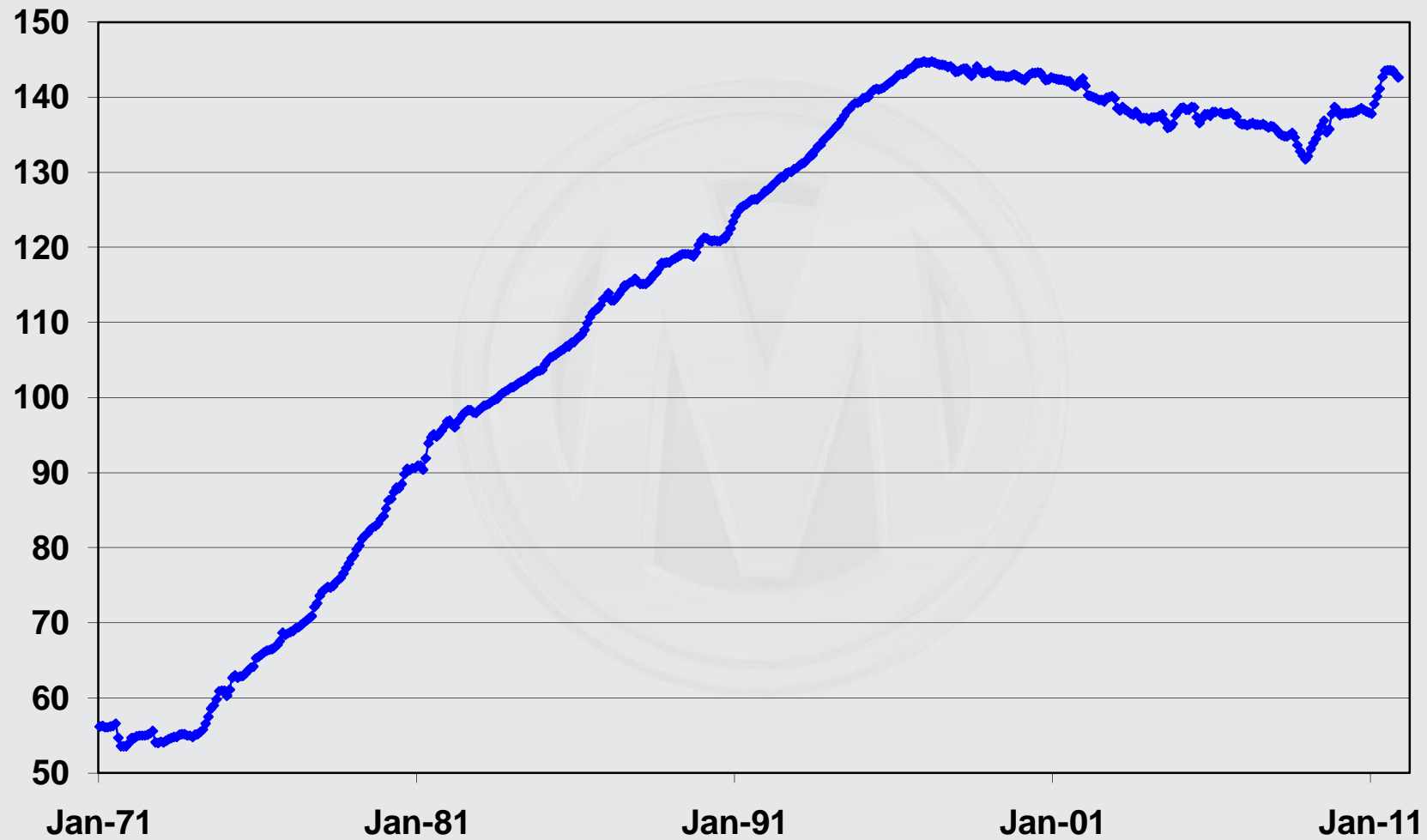


# New Vehicle CPI

1982-1984 = 100



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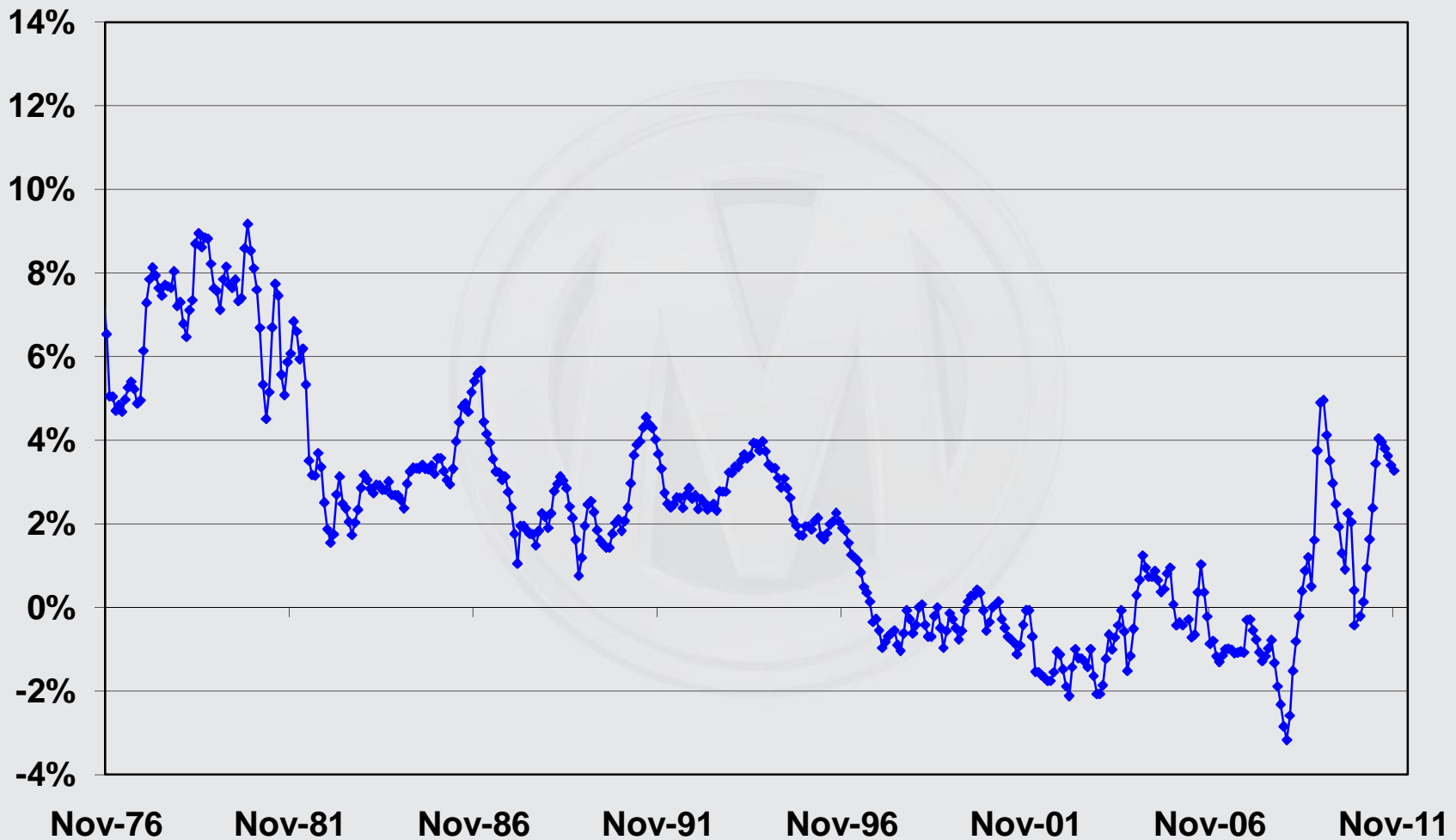
Source: Bureau of Labor Statistics



# Year-over-Year Percent Change in New Vehicle CPI



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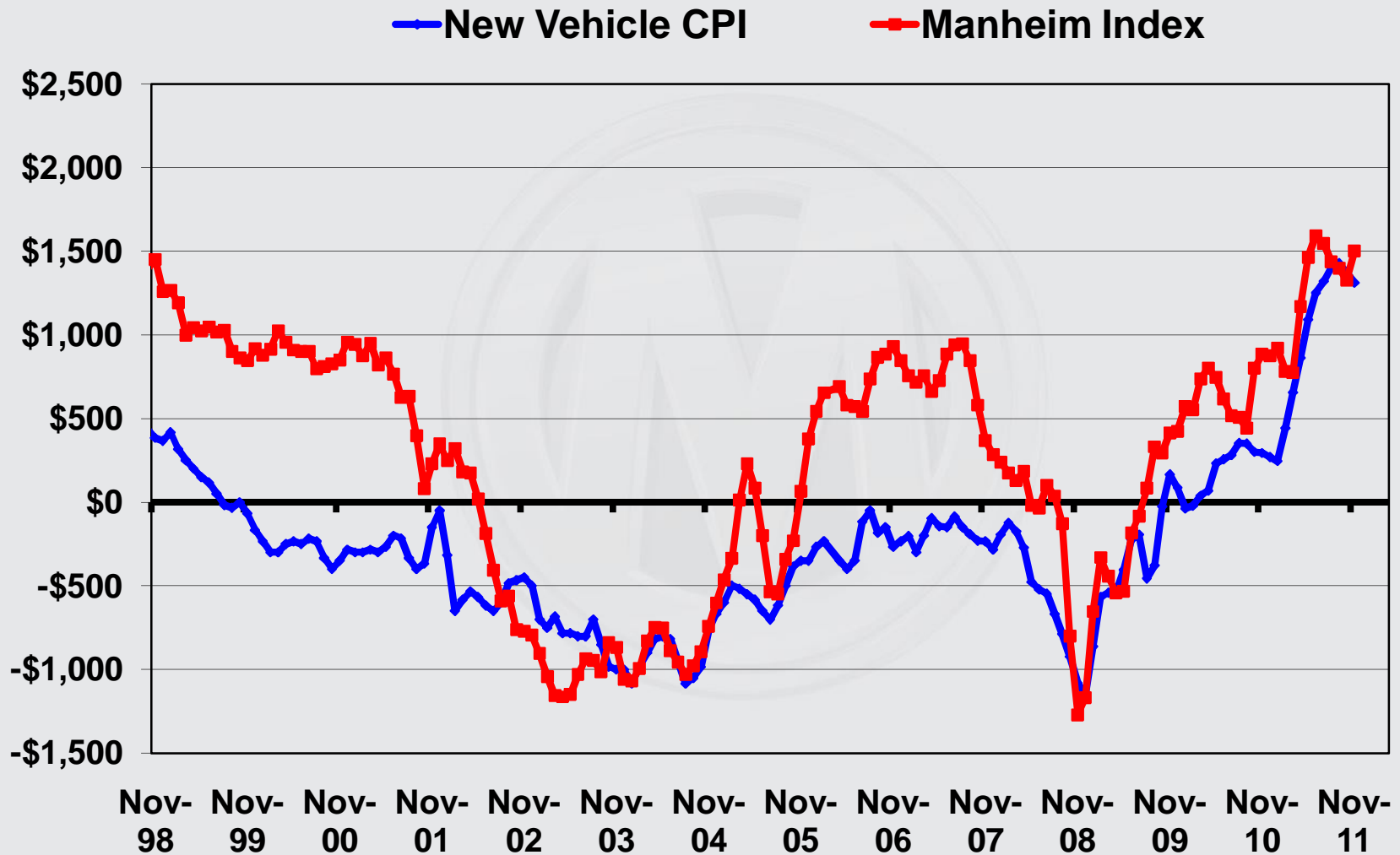
Source: Bureau of Labor Statistics



# Dollar Change Over 3 ½ Years in New Vehicle CPI and Manheim Index



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Source: Bureau of Labor Statistics & Manheim Consulting

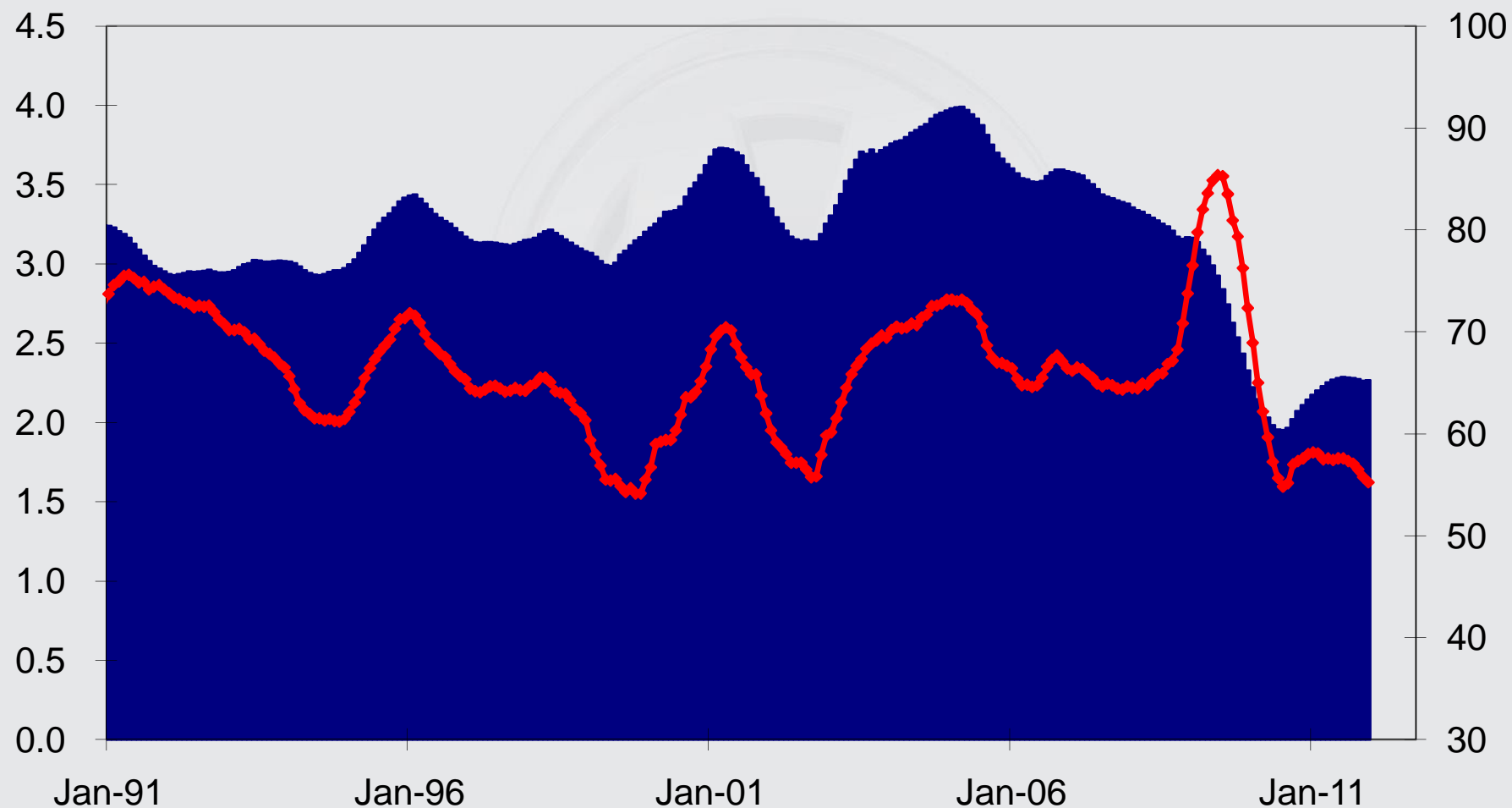


# New Vehicle Inventory 12-month moving average



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■ Inventory      ◆ Days Supply



Source: Automotive News

