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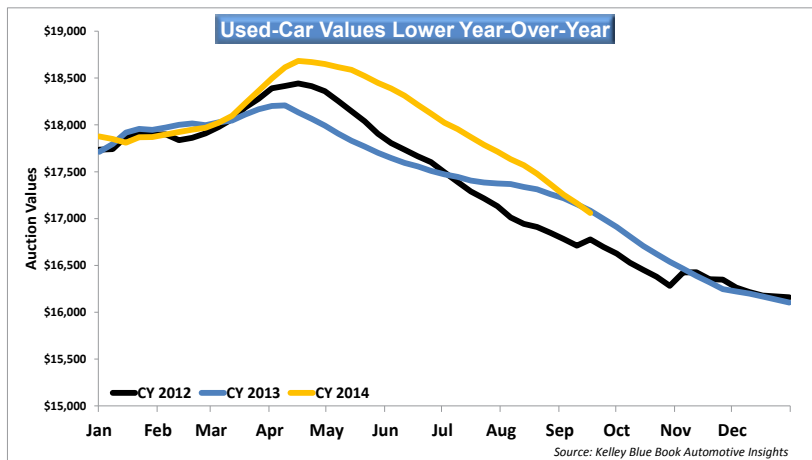
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USED-CAR MARKET ANALYSIS:

Used-Car Values to End 2014 Higher than Last Two Years



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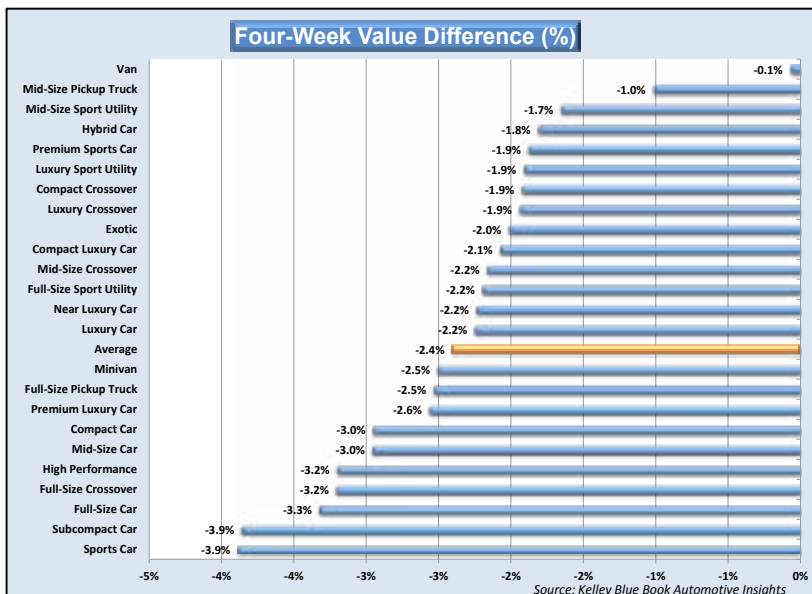
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Full-Size Car Values at Lowest Levels in 2014

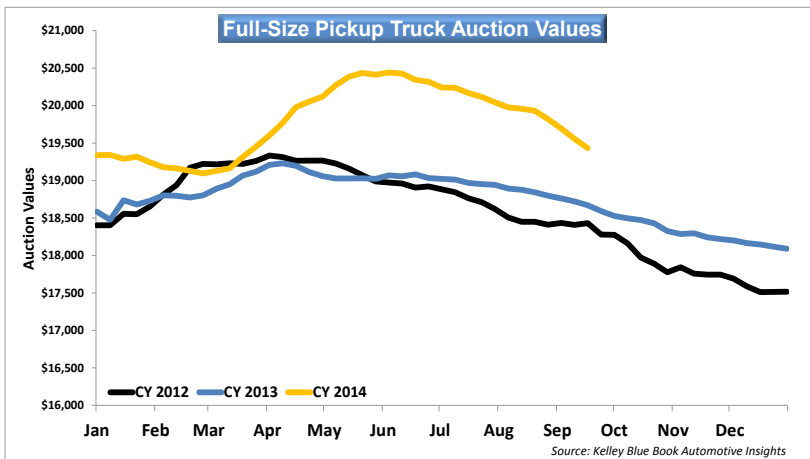
- In September, the average used-car auction value fell \$307, or roughly 2 percent.
- For the first time since March, the average used-car auction value has dropped below the average value seen in 2013. However, despite this recent dip below 2013 values, Kelley Blue Book expects values to finish the year slightly higher than both 2012 and 2013.

Sports Car, Subcompacts Tied for Worst-Performing Segments



- In September, every vehicle segment value was down, with the sports car and subcompact car segments tied for the worst-performing segments, down 3.9 percent each. Vans and mid-size pickup trucks were the two best-performing segments, down 0.1 percent and 1.0 percent, respectively.
- The average market change by segment dropped 2.4 percent for the month of September compared to August, when the average decline was just 1.7 percent.

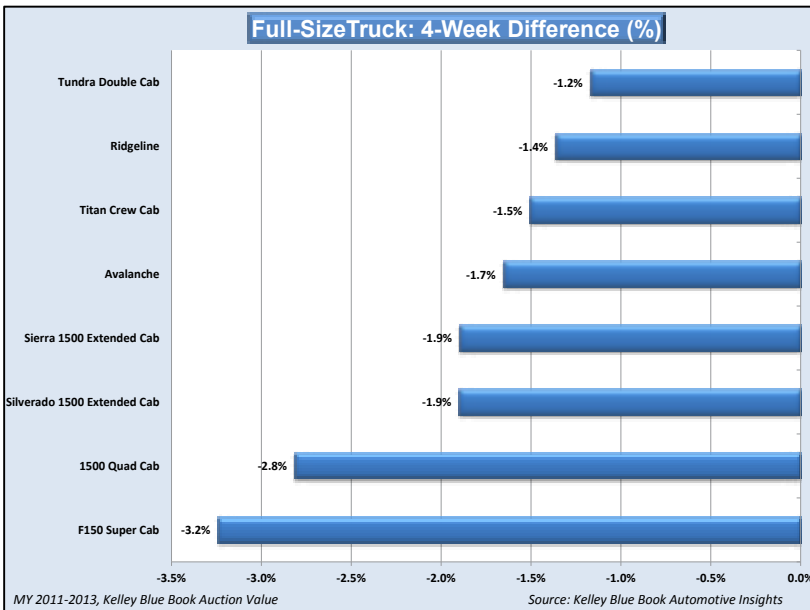
Full-Size Truck Values Continue Declines in Third Quarter



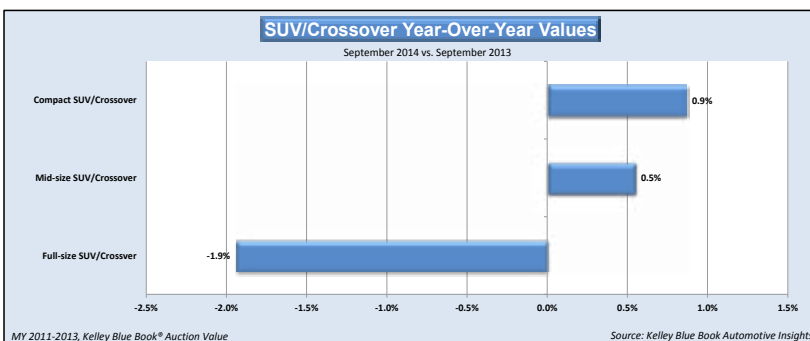
- Values for used full-size pickups continued to decline through September, ending the month 2.6 percent below August figures.
 - On a year-over-year basis, values for full-size trucks remain up 4.1 percent compared to September 2013.

“Softening construction spending may be contributing to the decrease in values for used full-size trucks, as privately owned housing authorized by building permits decreased 5.6 percent in August 2014 compared to July, and private housing construction starts fell by 14.4 percent during the same time period,” said Sean Foyil, senior analyst for Kelley Blue Book.

Compact and Mid-Size SUV/Crossover Values Remain Higher Year-Over-Year

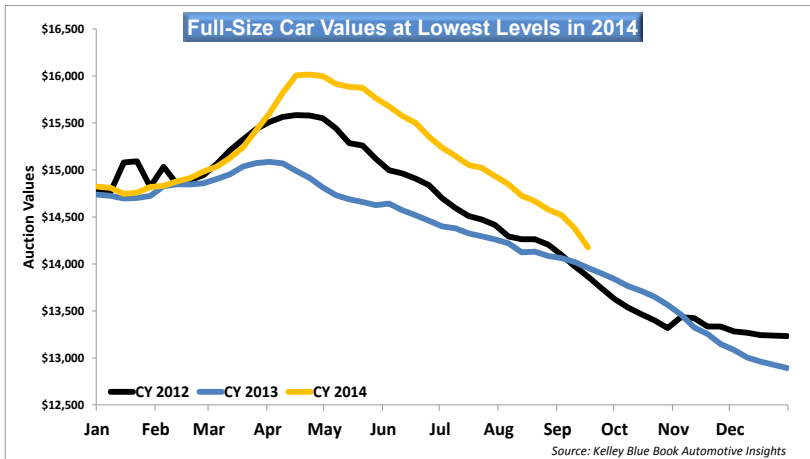


- Decreases in value were relatively consistent across the entire segment, with only a 2 percentage point difference between the lowest and highest average changes in auction value at the model level.
- The Ford F-150 was the hardest hit at 3.2 percent, likely due to the imminent launch of the all-new 2015 model.
- In September 2014, full-size SUV/crossover values dropped below where they were in 2013. The year-over-year change is down only 2 percent.
- However, the values for compact and mid-size vehicles remain strong, up 0.9 percent and 0.5 percent year-over-year, respectively.

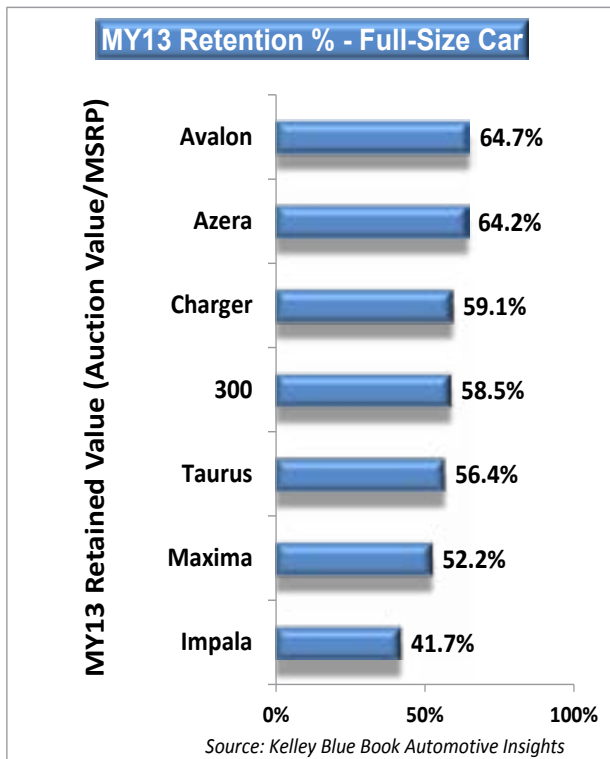


“Recent trends show consumers moving toward smaller utility vehicles, which provide both space and utility at a reasonable price,” said Foyil. “As demand rises for smaller SUV/crossovers, these vehicles are holding their values far better than their larger counterparts.”

Full-Size Car Values at Lowest Levels in 2014

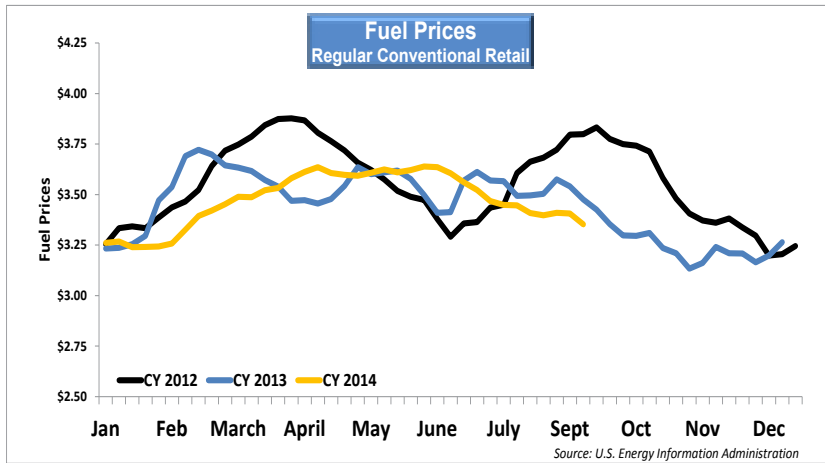


- Values for the full-size car segment dropped 3.3 percent in September, representing an average decline of \$547, and marking the lowest point for the segment thus far in 2014.
- The drop in values was fueled by the following factors:
 - The Hyundai Azera fell \$876 during the past four weeks, as demand for older model years has softened tremendously following the new 2014 packaging strategy with added features.
 - The Toyota Avalon also experienced a large monthly decline of \$807, seen mostly in the 2013 Hybrid XLE Premium and Touring models.



- Retention values for the 2013 Chevrolet Impala remain low at 41.7 percent within the full-size car segment. This can be attributed to the release of the all-new redesigned 2014 model causing attention to sway from older model years.
- The 2013 Toyota Avalon has a September retention value of 64.7 percent, ranking it No. 1 within the full-size car segment. Despite declining used-car values, the overall residual value continues to be a segment leader, thanks to Hybrid XLE Premium and Touring models.

Appendix



- Fuel prices continued to drop through September with the average price for regular fuel falling to a seven-month low of \$3.35 per gallon.
- Fuel prices are expected to continue trending downward throughout the remainder of the year.

Top Five Performing Segments:	
SEGMENT	4-Week (%)
Van	-0.1%
Mid-Size Pickup Truck	-1.0%
Mid-Size Sport Utility	-1.7%
Hybrid Car	-1.8%
Premium Sports Car	-1.9%

MY 2011-2013, Kelley Blue Book® Auction Value

Bottom Five Performing Segments:	
SEGMENT	4-Week (%)
Sports Car	-3.9%
Subcompact Car	-3.9%
Full-Size Car	-3.3%
Full-Size Crossover	-3.2%
High Performance	-3.2%

MY 2011-2013, Kelley Blue Book® Auction Value

Top 10 Performing Models:			Bottom 10 Performing Models:		
MAKE	MODEL	4-Week (%)	MAKE	MODEL	4-Week (%)
Volvo	C30	1.6%	Nissan	Versa	-7.8%
Ram	Dakota Crew Cab	1.3%	Kia	Rio	-7.0%
GMC	Savana 2500 Cargo	0.8%	Volkswagen	Beetle	-6.4%
Chevrolet	Express 2500 Cargo	0.8%	Volvo	S80	-6.3%
Dodge	Nitro	0.8%	Chevrolet	Captiva Sport	-6.3%
Land Rover	LR2	0.5%	Chevrolet	Cruze	-6.1%
Ford	E350 Super Duty Passenger	0.5%	Dodge	Avenger	-5.8%
Scion	FR-S	0.3%	Ford	Focus	-5.6%
Lincoln	MKT	0.3%	Buick	Regal	-5.5%
Mercury	Grand Marquis	0.3%	Chevrolet	Sonic	-5.5%

MY 2011-2013, Kelley Blue Book Auction Value

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