

READING THE METER

*A look inside a cleaner, safer,
smarter auto industry.*



ALLIANCE FOR AUTOMOTIVE INNOVATION

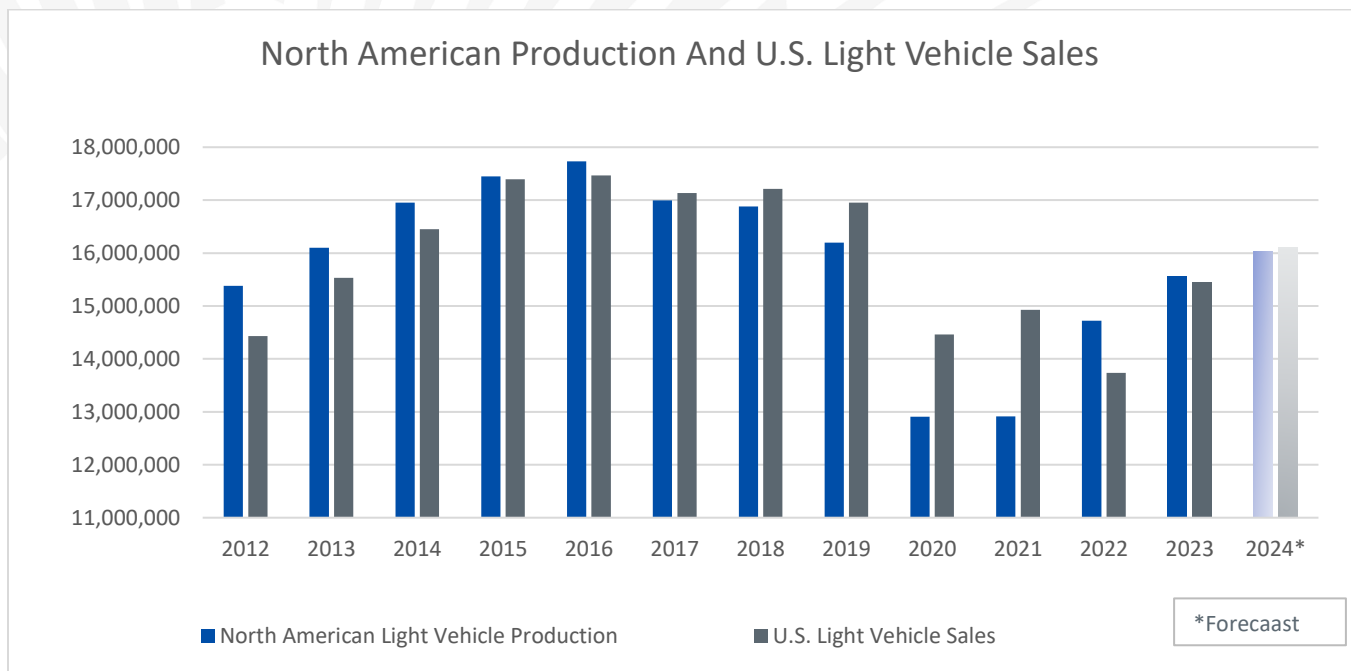
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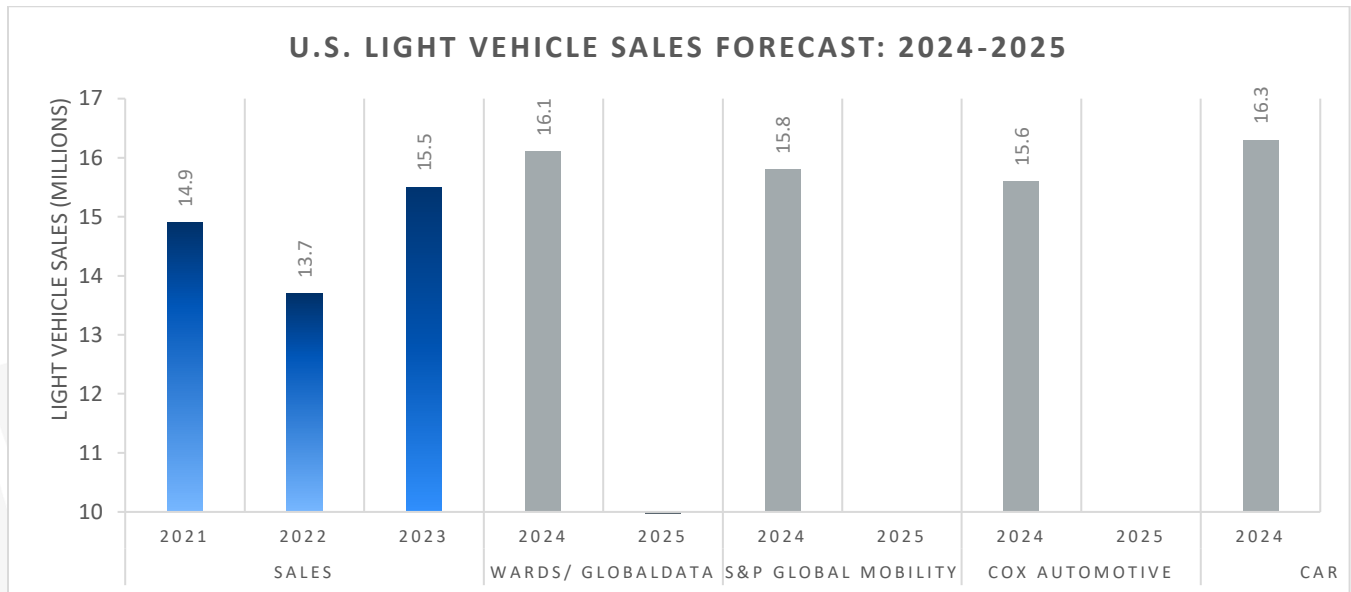
Forecast Meter

Sales & Production Summary and Forecast (Updated 3/7)

2023-2024 Sales, ¹ Extended Sales Forecast ² and Production Forecasts ³		
	U.S. Sales & Forecasts	North American Production
January '23	1,033,002 (+4.2% YoY)	1,195,548 (+12.9% YoY)
February '23	1,136,332 (+8.7% YoY)	1,257,482 (+15% YoY)
March '23	1,365,966 (+8.6% YoY)	1,442,991 (+6.7% YoY)
April '23	1,347,159 (+13.1% YoY)	1,281,626 (+8.6% YoY)
May '23	1,362,019 (+18.0% YoY)	1,462,273 (+25.5% YoY)
June '23	1,370,976 (+19.9% YoY)	1,387,090 (+13.8% YoY)
July '23	1,299,199 (+19.9% YoY)	1,173,342 (+15.6 YoY)
August '23	1,328,526 (+12.8% YoY)	1,467,284 (+4.5% YoY)
September '23	1,331,952 (+13.9% YoY)	1,353,072 (+7.6% YoY)
October '23	1,200,286 (+5.7% YoY)	1,388,720 (+4.5% YoY)
November '23	1,218,647 (+7.3% YoY)	1,372,253 (+8.1 YoY)
December '23	1,433,266 (+17.3 YoY)	1,082,176 (-2.3% YoY)
January '24	1,076,047 (-1.3% YoY)	1,327,765 (+7.8% YoY)
February '24	1,247,516 (+5.2% YoY)	
2023 Full Year	15,457,447 (+12.4% YoY)	16,144,461 (+9.3% YoY) (U.S. 10,611,580)
2024 Estimate	16.1 Million	16,031,665



U.S. Light Vehicle Sales Outlook (Updated 3/7)



Wards Intelligence Outlook (2/5)⁴: “After February’s bounce to a 15.8-million-unit seasonally adjusted annual rate from January’s 10-month-low 15.0 million, the initial outlook for March sales is a SAAR of 15.9 million, well above year-ago’s 14.9 million.

“The first quarter is tracking at volume of 3.8 million units, up 7% from year-ago’s 3.6 million. If that holds firm, the Q1 SAAR will total 15.6 million units, down from Q4-2023’s 15.7 million, but above January-March 2023’s 15.0 million.

“Sales could surprise on the upside in March, as automakers aggressively increased incentives last month and could raise them again.

“Wards Intelligence partner GlobalData still expects the entire year to total 16.1 million units, 3.7% above 2023’s 15.5 million.”

North American Production & Inventory Outlook (Updated 3/7)

Wards Intelligence Inventory Outlook (3/7)⁵: “U.S. light-vehicle inventory at the end of February increased 4.1% from January to 2.50 million units, 43.7% above like-2023. The data further confirms month-to-month sales and inventory patterns considered normal prior to the volatility caused when the pandemic, and ensuing semiconductor shortages, first impacted the U.S. market in March 2020 have resumed. The January-to-February increase is typical, as is the sharp decline in days’ supply from 56 to 50 – February 2023’s days’ supply totaled 37.

“Although it rose more often than declined, pre-pandemic inventory at the end of March usually remained relatively flat with February in the 20 years through 2019, and initial modeling shows it will remain generally even this year. However, the days’ supply should decline again in March.

“Based on the current production forecast for the U.S. market and the sales outlook, inventory will generally continue rising through the end of the year and is pegged at 2.60 million units as of Dec. 31, up 13% from the year-ago total, but still well below the 3.7 million averaged for the month in the five years prior to the pandemic in 2020.

Wards Intelligence Production Outlook (2/23)⁶: “Including a reduction to February of 11,400 units and a cut of 9,100 in March, the first quarter is tracking to 4.083 million units, 60,000 below month-ago’s outlook for the period, but 1.8% above like-2023.

“The Q1 increase is the worst year-over-year comparison since a 2.6% decline in Q1-2022.”

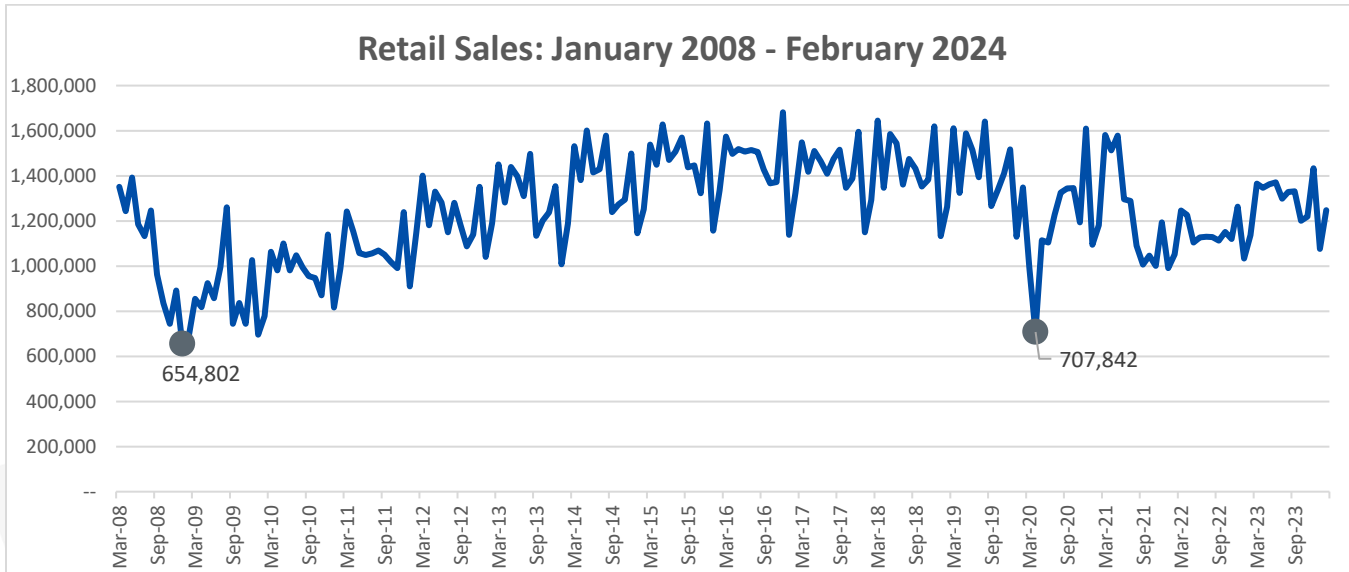
S&P Global Mobility Outlook (2/23)⁷: “The outlook for North America light vehicle production was reduced by 52,000 units and by 7,000 units for 2024 and 2025, respectively (and reduced by 4,000 units for 2026). The marginal forecast changes in the near-term belie a shift in product mix as a significant amount of production was removed from BEV programs with volume reverting to ICE powered vehicles. Regional production of BEVs at the nameplate level was revised down 4.9% or 76,000 units in 2024 and a further 8.8% or 215,000 units in 2025 and 10.5% or 388,000 units in 2026. A total of 679,000 units of BEV nameplate production was removed from the forecast between 2024 and 2026. The largest BEV reductions center around Tesla with revised launch timing for the all-new C-CUV (Project Redwood) being pushed out to the end of 2025. Along with the delay, a revised ramp-up curve was implemented resulting in production being revised down 10.0% or 111,000 units in 2025 and 7.1% or 105,000 units in 2026. Production in 2024 was also impacted by launch issues with redesigned Model 3 and demand concerns resulting in production being revised down 5.8% or 48,000 units.

Market Meter

U.S. Light Vehicle Sales (Updated 3/7)

Monthly Sales (Updated 3/7)

This chart helps to put into context the monthly retail sales due to the COVID pandemic and showing the relative drop in sales compared to the 2008 financial crisis.



February Sales (Updated 3/7)

WardsIntelligence⁸: “U.S. light-vehicle sales rebounded in February, coming in significantly above expectations after falling short in January.

“February’s seasonally adjusted annual rate totaled 15.8 million units, up from January’s 10-month-low 15.0 million and like-2023’s 14.9 million.

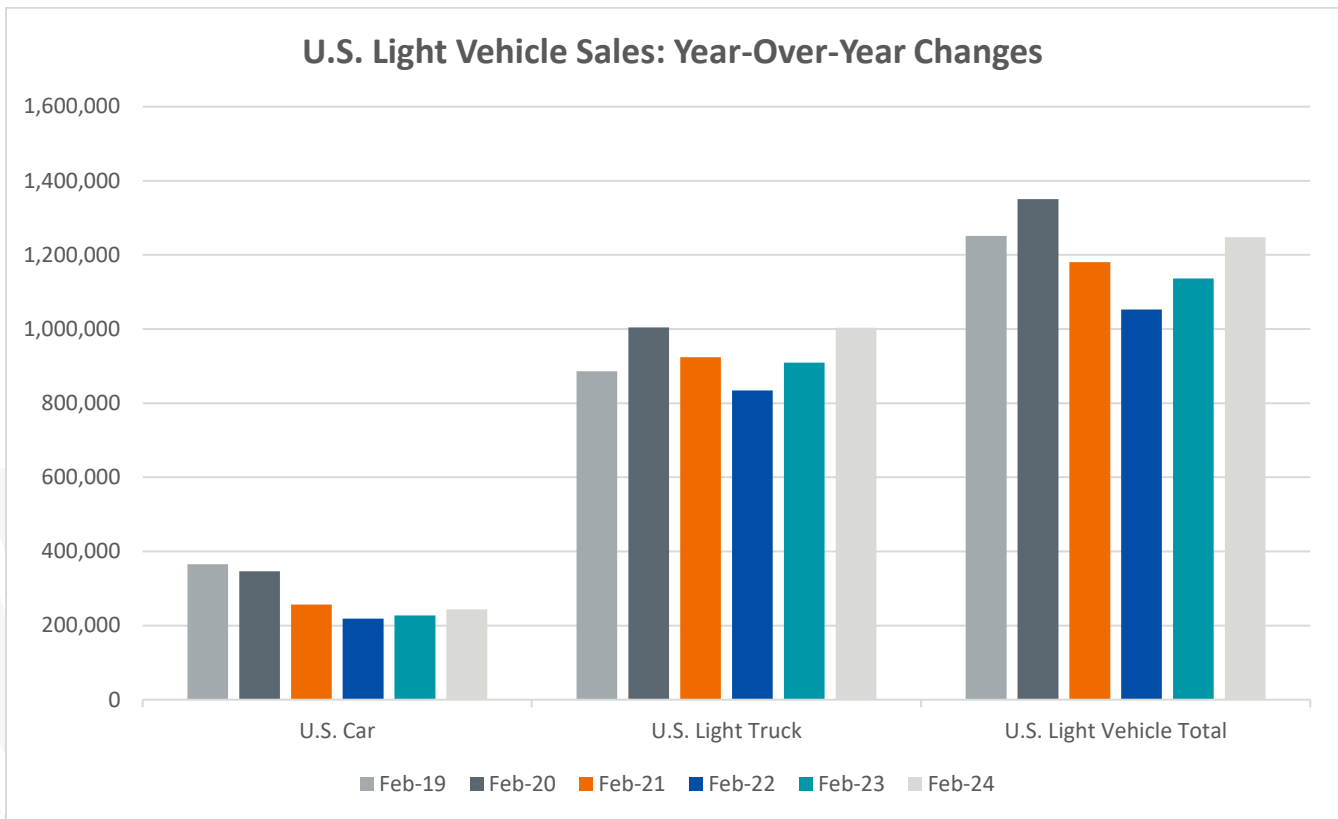
“Raw volume totaled 1.248 million units, 9.6% above like-2023’s 1.139 million. The daily selling rate over the month’s 25 selling days was 49,901, a 5.2% increase over February 2023’s 47,448 – 24 selling days.

“Based on DSRs, estimated fleet volume increased 12.9% year-over-year, while retail rose 3.5%, and accounted for 81.0% of total sales, down from February 2023’s 82.3%.

“Incentives also played a role in last month’s strength. J.D. Power estimates average incentive spending on retail volume increased 75.2% from the year-ago month to \$2,565. It was the highest incentive spend since \$2,726 in May 2021.

“Although partly because the inventory mix is increasing for more affordable vehicles, J.D. Power said the average retail price declined 4.2% year-over-year in February to \$44,045, a sign pricing is getting more competitive.

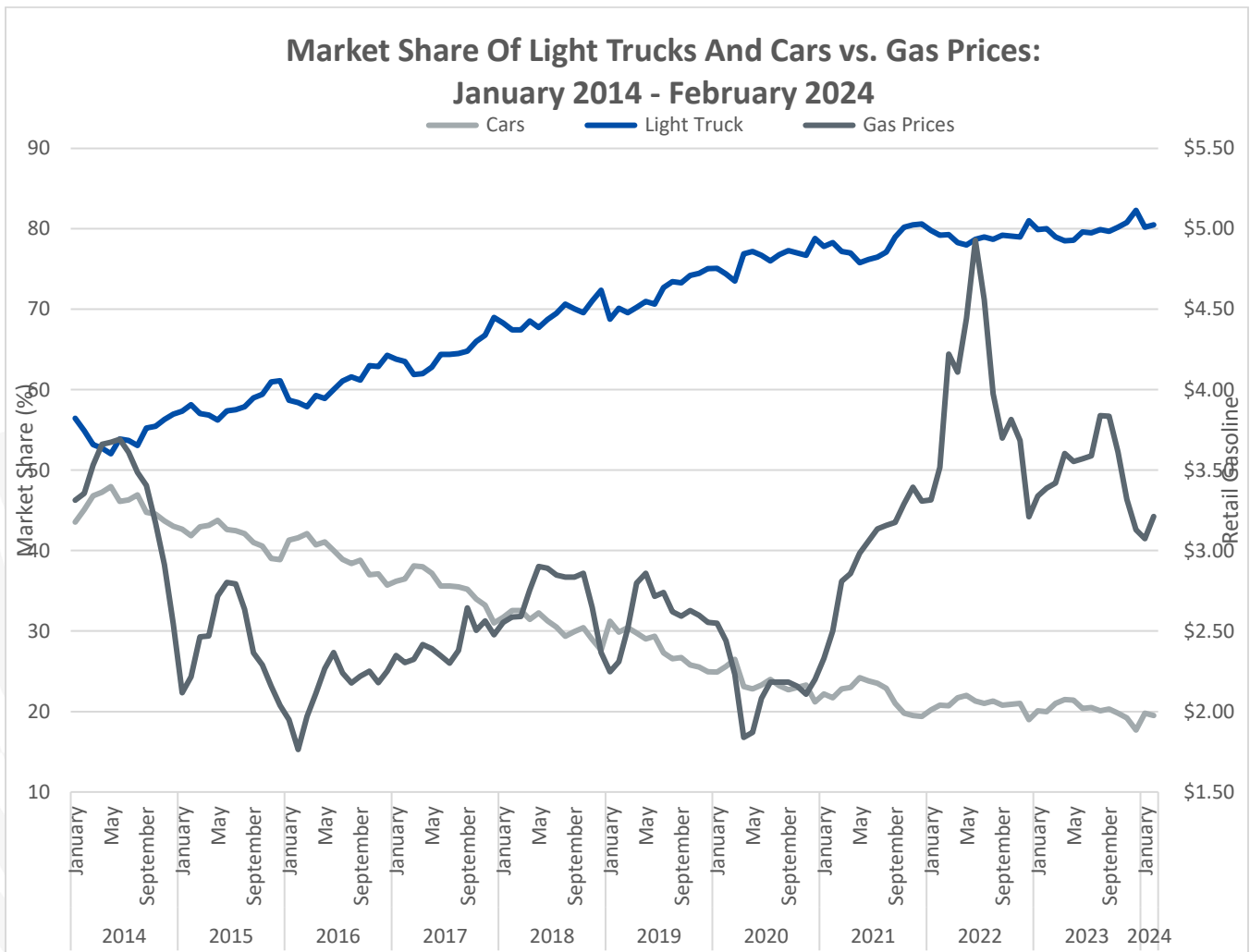
“Overall, light trucks increased 5.3% year-over-year in February and recorded penetration of 80.5% vs. like-2023’s 80.3%. Cars were up 4.4% - a decline in luxury models partially offset the Small Car gain – and market share dropped to 19.5% from 19.7%.”



Segments vs. Gas Prices (Updated 3/7)

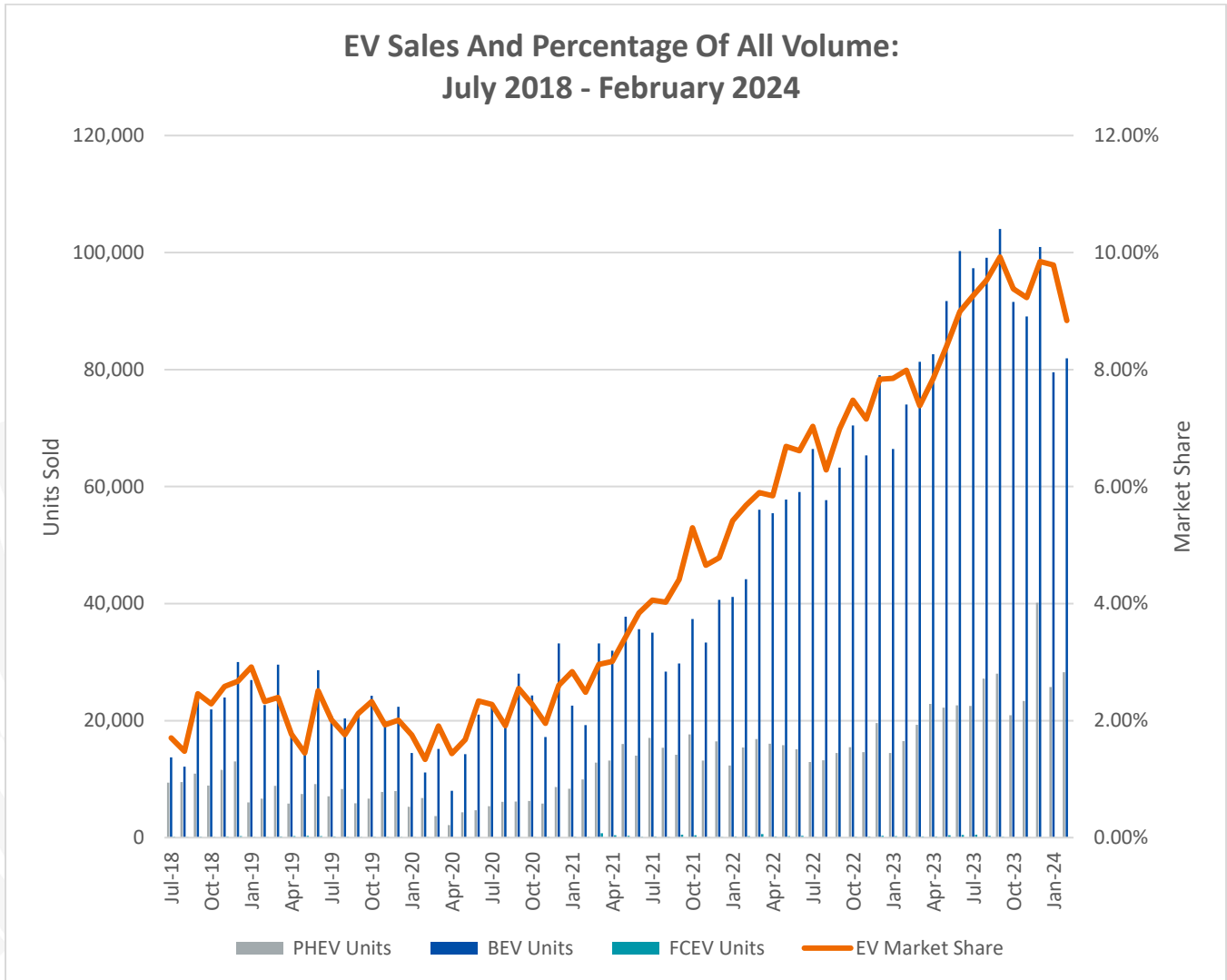
Monthly Sales For February: Light trucks accounted for 80.5 percent of sales in February, up slightly from the market share a year ago. Compared to the same period in 2023, sales of cars are up by 16,000 units, and down more than 121,000 from January 2019, when cars comprised 29% of the market as opposed to the 19.5 percent of the market passenger cars have now.

Historic Perspective: The upward trend in the popularity of light trucks over cars has been steady since 2013, when only 2% of annual market share separated the two segments...⁹ and gas was over \$3.00...¹⁰ a gallon. As fuel prices dropped below the \$3.00 mark in mid-September 2014, light truck sales began to take off. Gas prices since have averaged only \$2.83 a gallon (through December 2022) and when combined with increased fuel economy for light trucks, an increase of 4 mpg since 2013, the perfect conditions existed to continue fueling light truck market growth...¹¹



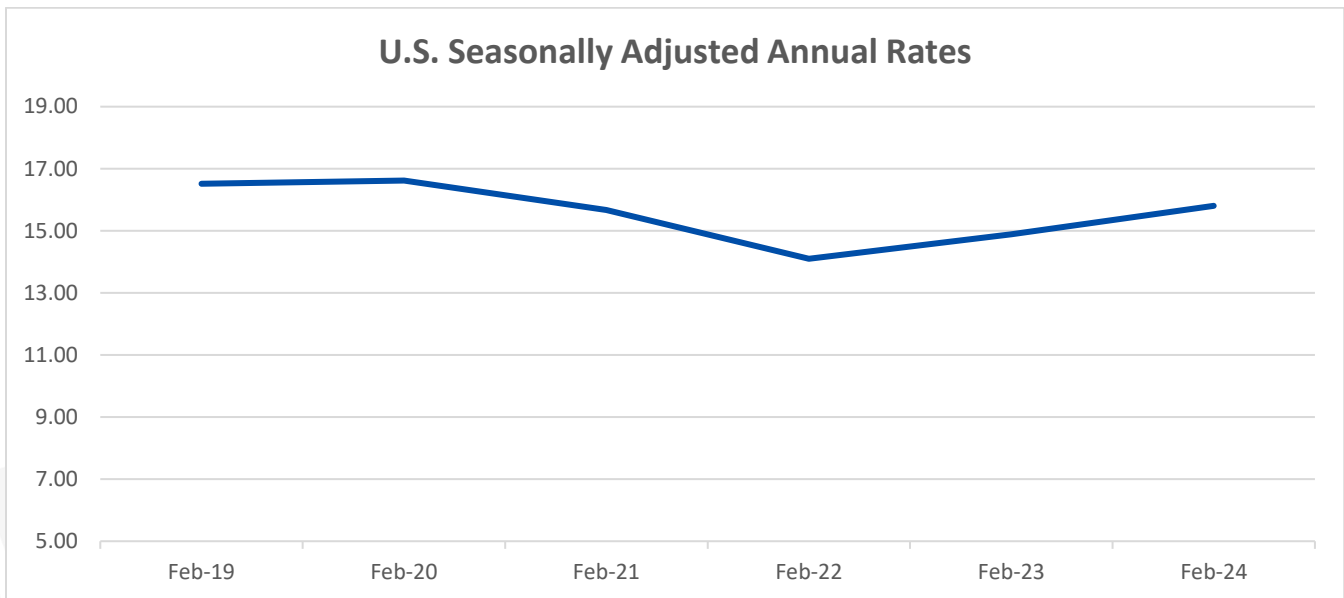
EV Powertrain Sales (Updated 3/7)

Sales of electric vehicles (BEV, PHEV, & Fuel Cell) accounted for 8.8 percent of total vehicle sales in February 2024 (110,273), per Wards estimates. Market share decreased 0.95 percentage points (pp) from January 2024. February's EV market share is up 0.9 pp from a year ago. Sales of battery electric vehicles led the way for EVs, accounting for 6.6 percent of total sales, up .06 pp from February 2023. Plug-in hybrids accounted for 2.3 percent, up 0.8 pp from the same time last year.¹²



Seasonally Adjusted Annual Rates (Updated 3/7)

WardsIntelligence¹³: “February’s seasonally adjusted annual rate totaled 15.8 million units, up from January’s 10-month-low 15.0 million and like-2023’s 14.9 million.”



Average Transaction Price (Updated 2/23)

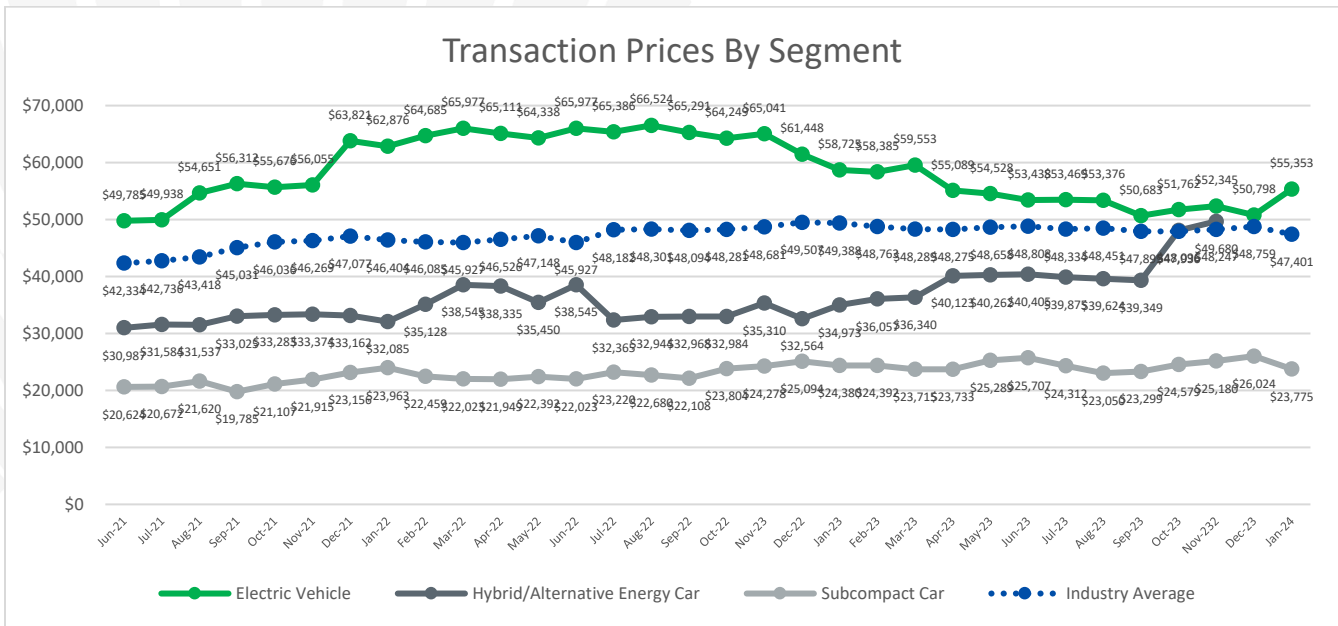
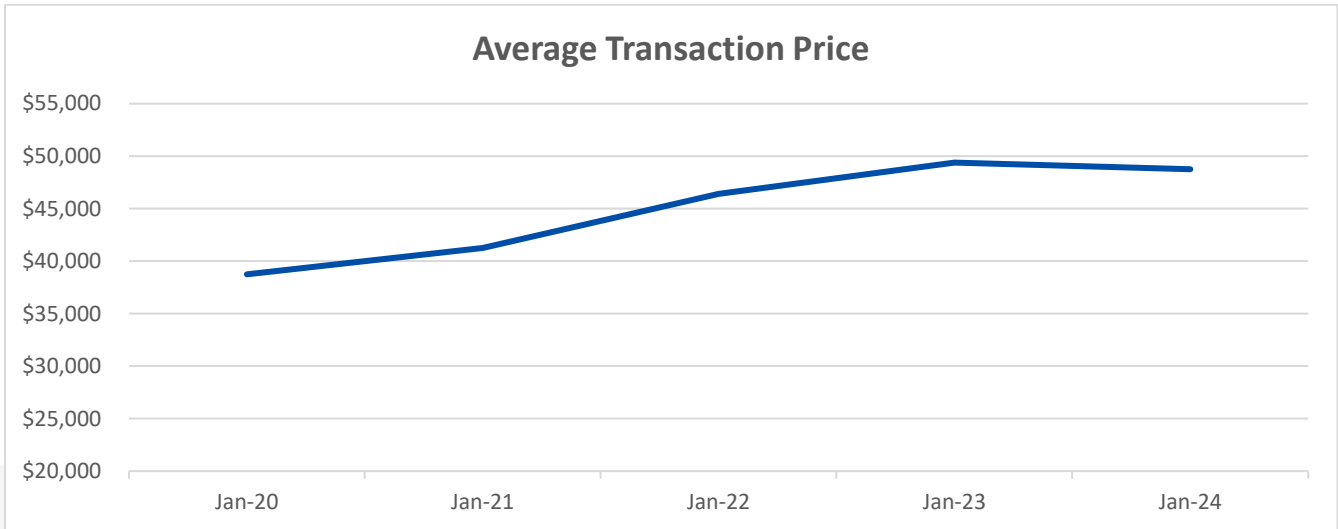
Kelley Blue Book (January) (Updated 2/23)¹⁴: “The U.S. new-vehicle market sales pace slowed in January 2024, despite lower prices and higher incentives. According to an analysis by Kelley Blue Book, a Cox Automotive company, the U.S. new-vehicle average transaction price (ATP) last month in the U.S. was \$47,401, down 2.6% from December 2023 and down a remarkable 3.5% compared to January 2023.

“Year-over-year price declines accelerated in January according to the report, as dealers and automakers pulled the discount lever in an effort to maintain the new-vehicle sales pace. Despite lower prices, the seasonally adjusted annual rate (SAAR), or sales pace, was 15.0 million in January 2024, down from 16.1 million in December 2023 and below the 15.1 million recorded one year ago in January 2023.

“Discounts and incentives in January averaged 5.7% of ATP, up from 5.5% in December and higher year over year by nearly 100%. In January 2023, when new-vehicle inventory was lower by roughly three-quarters of a million units, incentive packages averaged just 2.8% of ATP. Luxury vehicles and full-size pickup trucks had some of the highest discounts in January. Conversely, incentives for small pickups, full-size SUVs and minivans were well below the industry average in January, averaging less than 3% of ATP.

“Cox Automotive and Kelley Blue Book revised the EV transaction price data in January to more accurately capture the expanding electric vehicle market. According to the revised analysis, the average price paid for a new electric vehicle in January 2024 was \$55,353. Year over year, EV prices have tumbled 10.8%, according to the most recent analysis. January 2024 EV prices were higher month over month by 3.2%, as EV ATPs in December 2023 averaged \$53,611, the lowest point in the past 12 months.”

J.D. Power (Updated 2/5)¹⁵: “Average new-vehicle retail transaction price is declining mostly due to shifts to smaller and more affordable segments that have increased in availability. Transaction prices in January are trending towards \$45,106, down \$1,636—or 3.5%—from January 2023.”



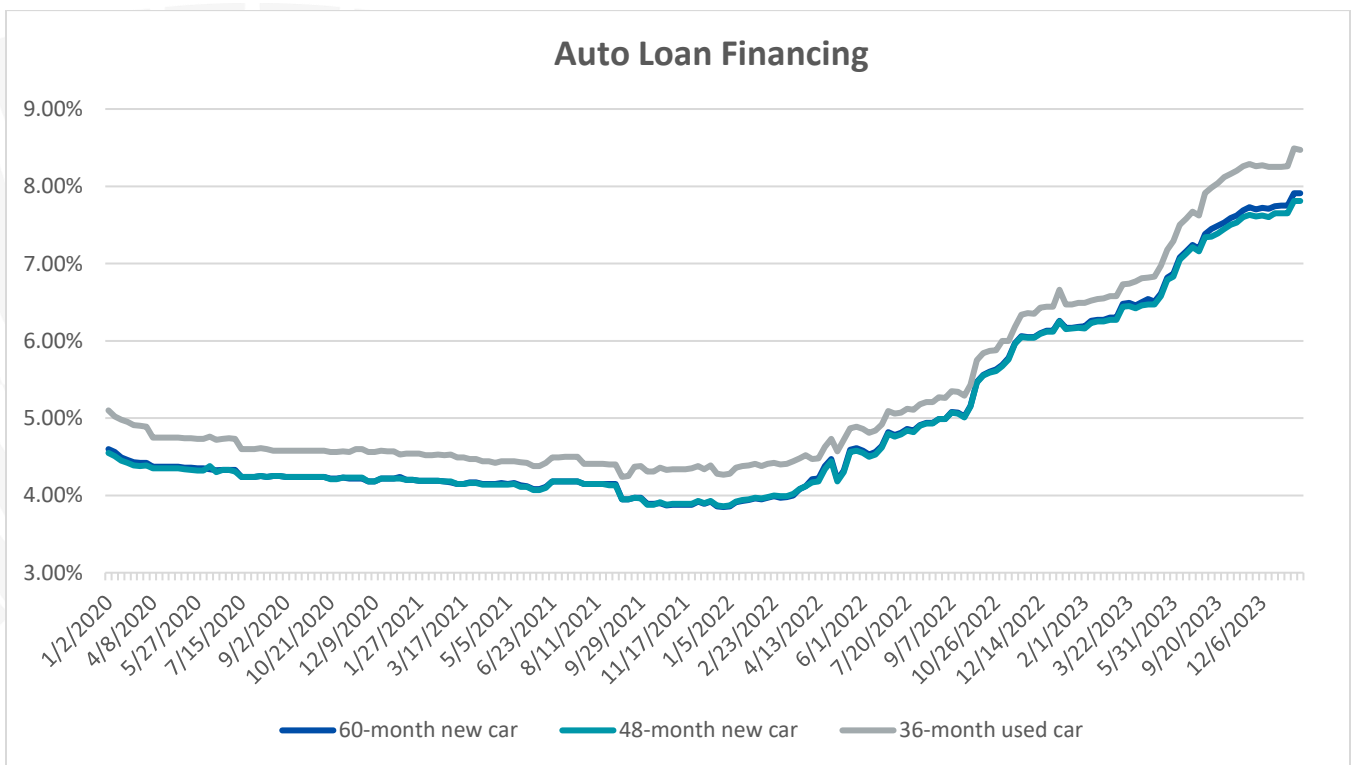
Auto Loan Financing (Updated 3/7)

Interest Rates (updated 3/7): Interest rates remained mostly steady on the 60-month, 48-month and 36-month used car loans over the past two weeks. Rates now stand at 7.91%, 7.81%, and 8.47%, respectively. Since the beginning of 2020, 60-month rates are up 3.3 pp, and are up 1.6 pp since the same time a year ago.¹⁶

JD Power (3/7)¹⁷: “After rising consistently during the past few years, average monthly loan payments are stabilizing. The average monthly finance payment in February is on pace to be \$722, flat from February 2023.

The average interest rate for new-vehicle loans is expected to be 6.9%, an increase of 17 basis points from a year ago.

Dates	60-month new car	48-month new car	36-month used car
1/2/2020	4.60%	4.55%	5.10%
3/1/2023	6.30%	6.27%	6.58%
2/14/2024	7.91%	7.81%	8.49%
2/28/2024	7.91%	7.81%	8.47%
Two Week Change	0.00%	0.00%	-0.02%
Change since 1/3/20	3.31%	3.26%	3.37%
One Year Change	1.61%	1.54%	1.89%



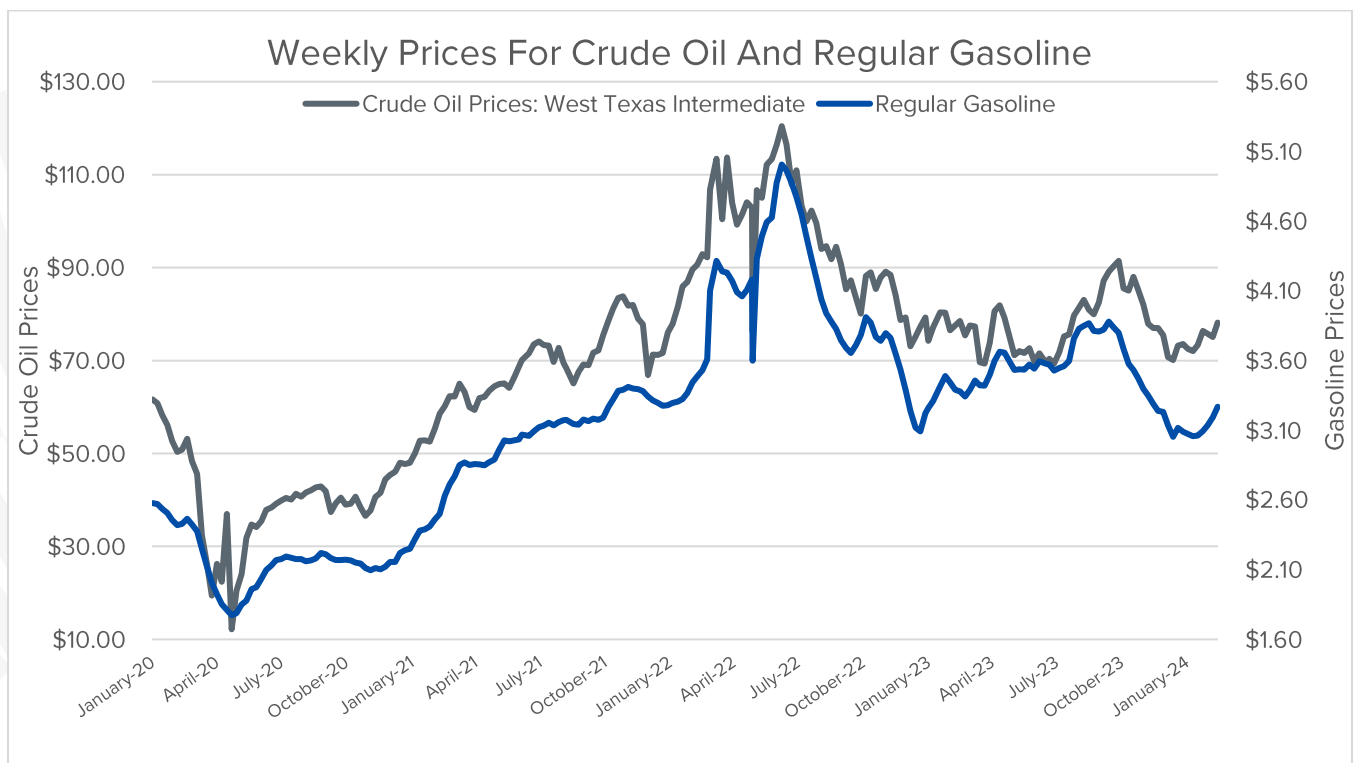
Crude Oil and Gas Prices (Updated 3/7)

Gas And Oil Remain Elevated (3/7): Oil prices, as benchmarked at West Texas Intermediate increased nearly \$1 to \$79.58 a barrel. Since election day 2020, oil prices are \$43 a barrel higher. Gas increased \$.10 a gallon to \$3.35. Gas is 30% higher than the beginning of 2020 and has not been below \$3 a gallon since May 2021.¹⁸

EIA Outlook For Oil (3/7):¹⁹ “he Brent crude oil spot price increased in January, averaging \$80 per barrel (b) because of heightened uncertainty about global oil shipments as attacks to vessels in the Red Sea intensified. Although we expect crude oil prices will rise into the mid-\$80/b range in the coming months, we expect downward price pressures will emerge in 2Q24 as global oil inventories generally increase through the rest of

our forecast. However, ongoing risks of supply disruptions in the Middle East create the potential for crude oil prices to be higher than our forecast.”

EIA Outlook For Gasoline (2/5)²⁰: “We forecast U.S. retail gasoline prices will average around \$3.40 per gallon (gal) in 2024 and fall to around \$3.20/gal in 2025, down from \$3.52/gal in 2023 and \$3.97/gal in 2022. Lower crude oil prices in 2023 compared with 2022 were the primary driver of lower gasoline and diesel prices, accounting for an average decrease of \$0.44/gal. However, lower gasoline prices in 2024 will instead be primarily driven by falling gasoline crack spreads. Gasoline crack spreads over the past few years have been near record highs, but we expect them to weaken over the next two years. We assume gasoline crack spreads will narrow as global refinery capacity additions lead to overall higher supply of gasoline in global markets.”



Production Meter

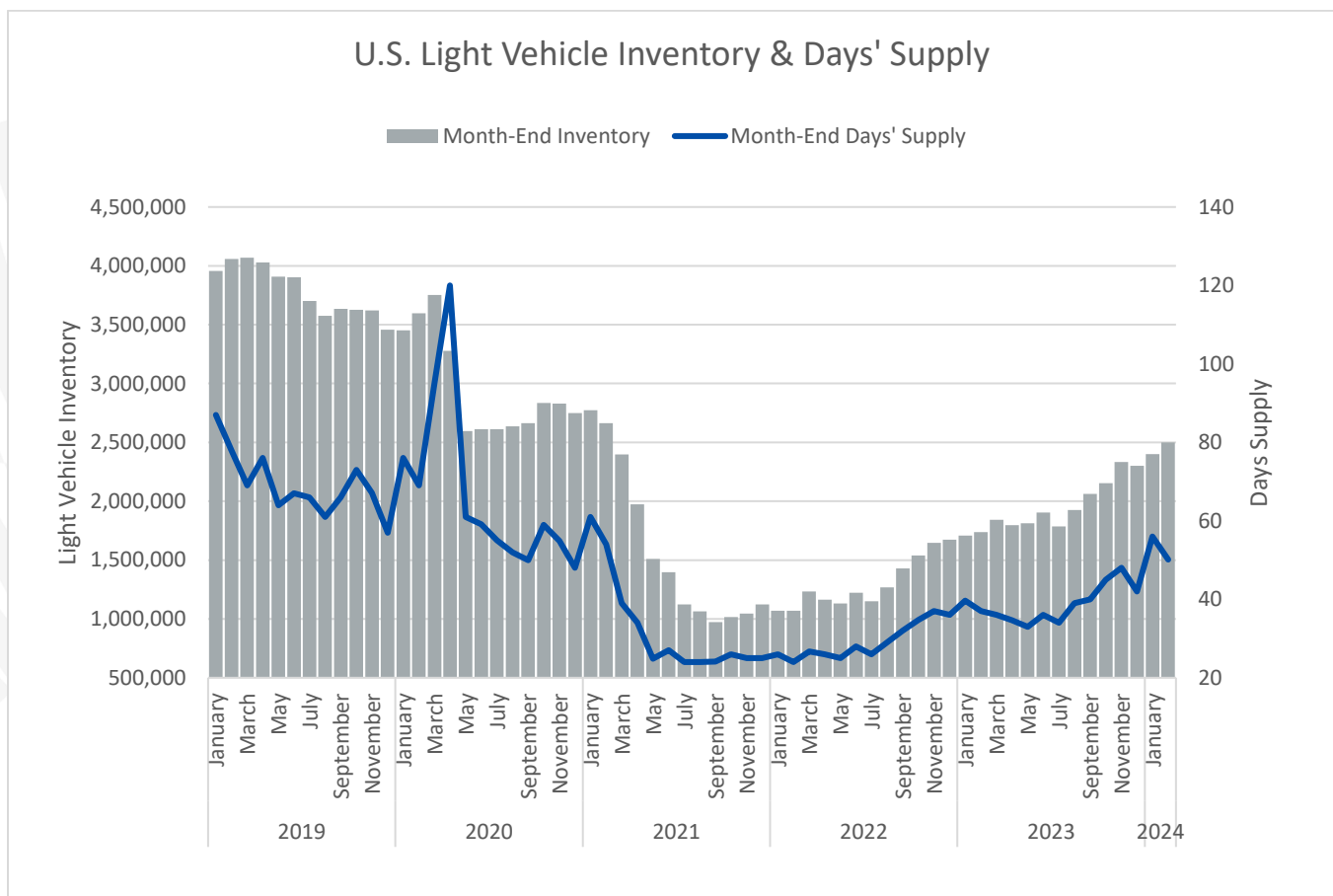
U.S. Light Vehicle Inventory and Days' Supply (Updated 3/7)

WardsIntelligence Inventory Update (3/7)²¹: “U.S. light-vehicle inventory at the end of February increased 4.1% from January to 2.50 million units, 43.7% above like-2023.”

“The data further confirms month-to-month sales and inventory patterns considered normal prior to the volatility caused when the pandemic, and ensuing semiconductor shortages, first impacted the U.S. market in March 2020 have resumed.

“The January-to-February increase is typical, as is the sharp decline in days’ supply from 56 to 50 – February 2023’s days’ supply totaled 37.

“Although it rose more often than declined, pre-pandemic inventory at the end of March usually remained relatively flat with February in the 20 years through 2019, and initial modeling shows it will remain generally even this year. However, the days’ supply should decline again in March.”



North American Production (Updated 2/23)

Wards Intelligence²²: “Production in North America of light vehicles and medium- and heavy-duty trucks totaled 1.328 million units in January, up 7.8% from the same period last year.

“Excluding medium-/heavy-duty trucks, light-vehicle output in January totaled 1.284 million units, 8.2% above like-2023. First-quarter-2024 light-vehicle production is tracking to 3.944 million units, 2.0% above January-March 2023.

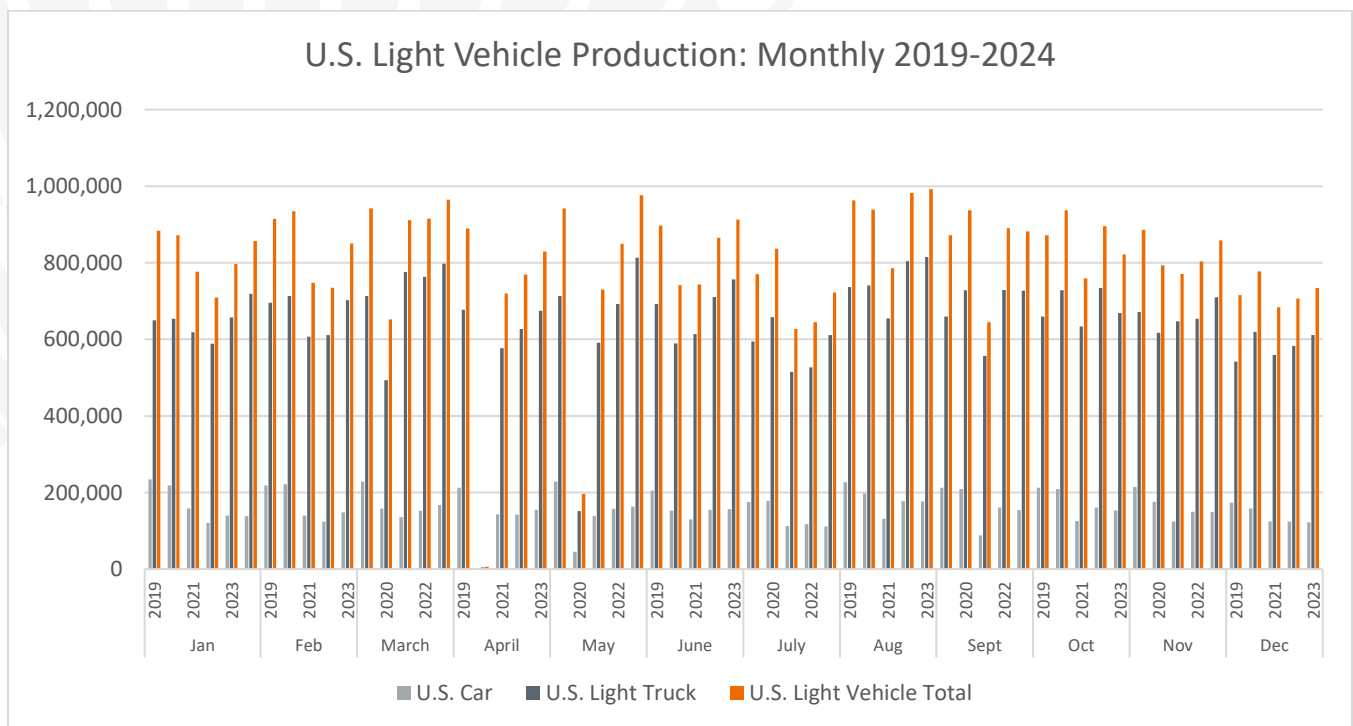
“Factory slowdowns for major retooling are part of the reason for the sluggish growth, but inventory control also is a factor as some vehicles are starting to build up on dealer lots despite the industry overall still wanting for stock, especially of less-costly vehicles.

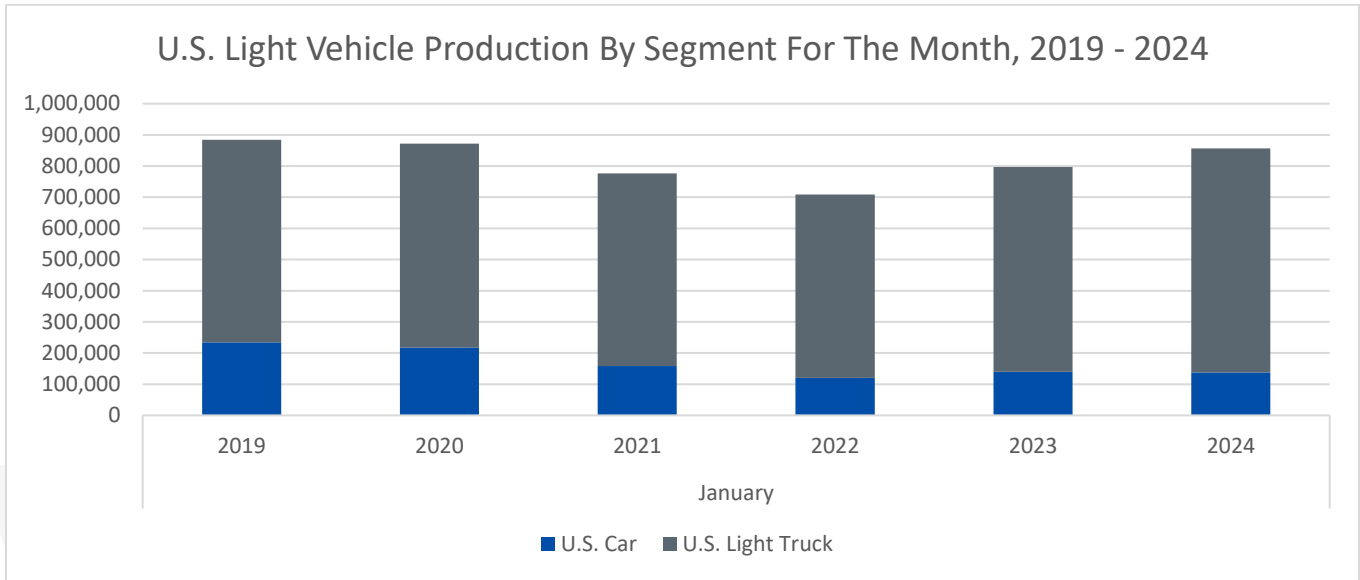
“Among vehicle types with excess inventory are a swath of electric vehicles, due to overbuilding by some manufacturers in 2023. Inventory of some fullsize trucks also are building up as growth in demand slows for those vehicles.”

U.S. Light Vehicle Production (Updated 2/23)

Monthly Production (Updated 2/23)

U.S. Light vehicle production for January 2024 increased month-over-month by 15.6 percent, totaling 856,729 vehicles (138,051 cars, 611,506 light trucks), year-over-year, production is up 8 percent from 2023.²³





Global Meter

Global Light Vehicle Sales (Updated 3/7)

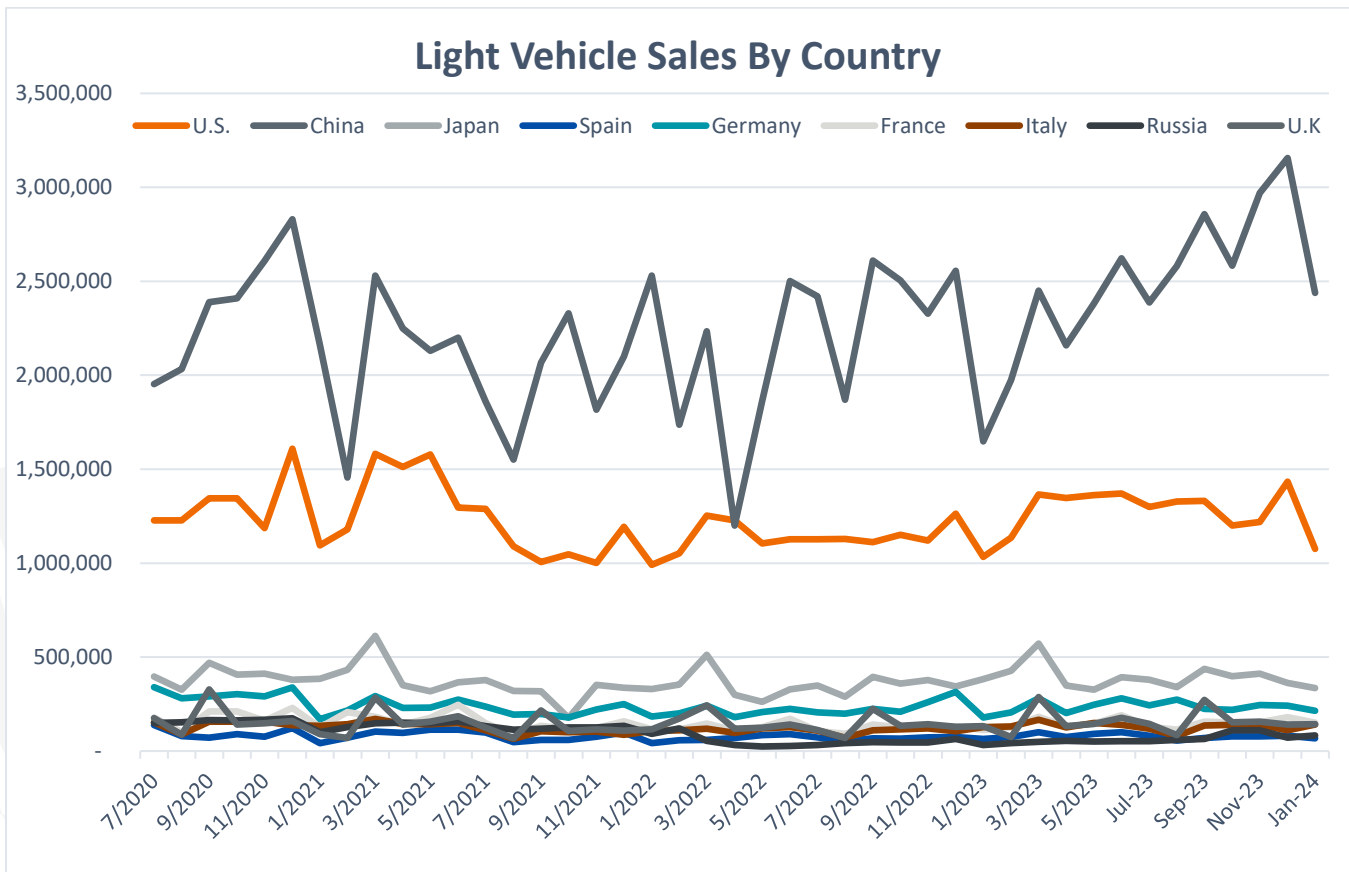
Wards Intelligence²⁴: “A surge in China, which accounted for 33.6% of world volume in January, led global sales in the first month of the year to a 14.3% gain over the same year-ago month.

“Global sales in January of light vehicles and medium- and heavy-duty trucks totaled 7.15 million units, a huge increase over like-2023’s 6.26 million. January’s results were the strongest for the month since 2019’s 7.45 million, which was one year prior to the pandemic’s impact.

“January sales in China were up 40.8% year-over-year to 2.40 million units. China’s year-ago results were negatively impacted by a resurgence in Covid-19 cases that started in late-2022 after the government lifted requirements for mandated pandemic-related shutdowns. Once the Covid cases started to recede, sales quickly rebounded from declines in demand that caused three straight year-over-year declines from November 2022 through January 2023, with results in the final month of that string falling a whopping 34.9%.

“With economic challenges hampering the market, China’s January results, except 2023, were the lowest for the month since 2020 – 2.01 million units – when the pandemic was first enveloping that part of the world.

“Excluding China, sales in the rest of the world increased a less impressive 4.3% year-over-year in January.”



Global Light Vehicle Production (Updated 2/23)

S&P Global Mobility Forecast (1/25)²⁵: “The global auto industry continues to navigate an environment with markets at different stages of recovery. We continue to see a general production outlook that is reliant on a more traditional demand-driven model in the context of a still-elevated interest rate environment and vehicle affordability concerns, among other influences. As a result, the state of consumer demand will remain a key consideration and will be monitored very closely. While select markets feature improved demand and production conditions, that strength is offset by increased overbuild risks in other markets as implied inventories start to test historical levels. The February 2024 forecast update reflects net upgrades through the near-to-intermediate term, essentially driven by increases for Greater China given ongoing strength in export activity and resilient domestic sales. These upgrades are partially offset by a mix of varying, yet some noteworthy, downgrades for other regions as these markets balance nascent inventory builds, ongoing demand dynamics and macro fundamentals. The more noteworthy regional adjustments with the latest forecast update are detailed below:

“Europe: The outlook for Europe light vehicle production was reduced by 79,000 units and by 90,000 units for 2024 and 2025, respectively (and reduced by 156,000 units for 2026). The European production forecast has been downgraded as part of a rebalancing action to reflect the strength of Chinese imports to the region. Since China exports to Europe are particularly focused on EVs, the cuts applied to Europe are notably focused on EVs. As a result, the EV production share has been reduced by an average of one percentage

point across the forecast horizon. The European production forecast revisions for the month are not expected to put the projected CAFE compliance of legacy EU OEMs at risk as the last iteration of CO2 calculations demonstrated that many automakers were in an over-compliance status. EV production shares in the Europe forecast will remain under focus as they more closely follow regulatory constraints rather than OEM ambitions which are often more aggressive.

“Greater China: The outlook for Greater China light vehicle production was increased by 816,000 units and by 549,000 for 2024 and 2025, respectively (and increased by 511,000 units for 2026). Supported by continued strong export activity, government incentives and rebounding domestic demand, production finished on a strong note in 2023. We expect continued robust export activity going forward. A significant target market continues to be Russia as Chinese brands succeed in filling the vacuum created by the exodus of Western brands with the Russian invasion of Ukraine. Mexico remains a significant destination region as well not only as a final target market but also as a trans-shipping point to South American countries. Forecasted Greater China production growth for 2024 of 2.3% trails projected sales growth of 4.2% as a continued focus will remain on inventory levels as well as the state of consumer demand as the market emerges from the Chinese New Year activities. Given expectations for continued fiscal and monetary policy actions to support GDP growth and vehicle demand combined with sustained robust export activity, the production outlook for 2025 was also boosted and now represents growth of 3.1% relative to 2024.

“Japan/Korea: Full-year 2024 production in Japan was reduced by 81,000 units relative to last month’s forecast. In the extreme near-term, specifically for Q1-2024, production was reduced by 200,000 units due to a number of factors, including the certification irregularities of diesel engines impacting several Toyota and Hino assembly plants, the components supply constraints particularly impacting Honda and Nissan due to the Noto-earthquake, and production adjustments of export models to North America primarily for Subaru and Mazda, among other impacts. Of note, some of the lost production for Toyota/Hino is projected to be recouped after the first quarter as output of diesel models and pent-up demand for Toyota models such as the RAV4 and Land Cruiser is expected to accelerate. With regard to Daihatsu and Toyota resuming impacted domestic operations, we assume that Daihatsu has resumed Probox production on 12 February, followed by other commercial vehicles, while assuming passenger models will resume production by the end of March with full recovery in June. We recognize that Toyota resumed production of all models impacted (except the Hiace) the week of 12 February and the Hiace is expected to resume in early March. The timing of the resumption of production of Daihatsu passenger vehicles and the Toyota Hiace remains unsettled and will be monitored for possible adjustment in the March forecast. Full-year 2024 production in South Korea was reduced by 29,000 units. As new car demand momentum is weakening due to higher-for-longer interest rates, it is expected that there will be an inventory adjustment relative to South Korea production, which has shown a strong recovery over the past two years. Accordingly, production in 2025 and 2026 were also re-balanced down by 28,000 units and 22,000 units, respectively. Meanwhile, the Hyundai Staria electric van was newly added starting in H2-2024, reflecting production of approximately 10,000 units per year. Longer term output is slightly increased by around 23,000 units per year with the addition of the Kia PBV and the Hyundai Staria electric van.

“North America: The outlook for North America light vehicle production was reduced by 52,000 units and by 7,000 units for 2024 and 2025, respectively (and reduced by 4,000 units for 2026). The marginal forecast changes in the near-term belie a shift in product mix as a significant amount of production was removed from BEV programs with volume reverting to ICE powered vehicles. Regional production of BEVs at the nameplate level was revised down 4.9% or 76,000 units in 2024 and a further 8.8% or 215,000 units in 2025 and 10.5% or 388,000 units in 2026. A total of 679,000 units of BEV nameplate production was removed from the forecast between 2024 and 2026. The largest BEV reductions center around Tesla with revised launch timing for the all-new C-CUV (Project Redwood) being pushed out to the end of 2025. Along with the delay, a

revised ramp-up curve was implemented resulting in production being revised down 10.0% or 111,000 units in 2025 and 7.1% or 105,000 units in 2026. Production in 2024 was also impacted by launch issues with redesigned Model 3 and demand concerns resulting in production being revised down 5.8% or 48,000 units.

“South America: The outlook for South America light vehicle production was reduced by 109,000 units and by 86,000 units for 2024 and 2025, respectively (and reduced by 73,000 units for 2026). The outlook for 2024 was downgraded rather materially, driven by a combination of factors including lower recent production actuals, reduced automaker production expectations, stronger import activity (principally from China), reduced exports and safeguards against the creation of an inventory overbuild situation in the region. Of note much of the extreme near-term impact was particularly focused on Argentina given the ongoing political turmoil and reduced visibility in the market. The overall production outlook and forecast reductions for the remainder of the short-term horizon maintain a focus on inventory control and general alignment with the demand outlook for the broader region.

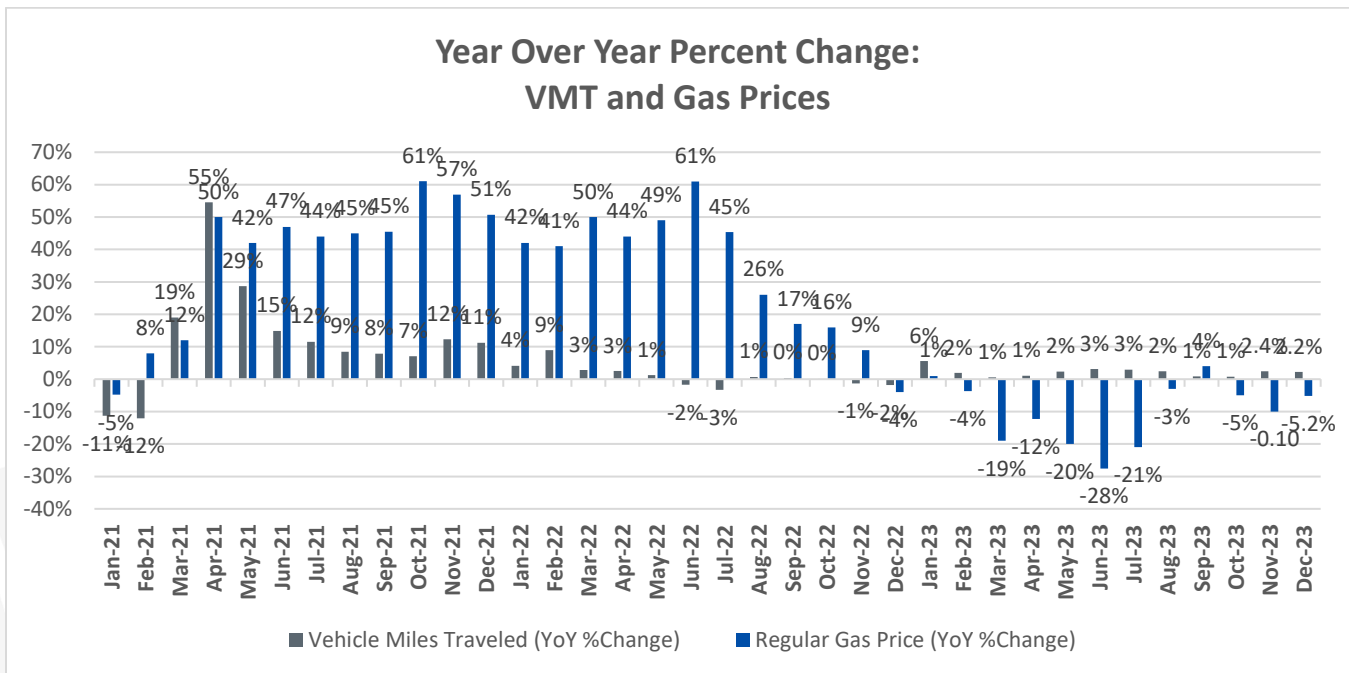
“South Asia: The outlook for South Asia light vehicle production was reduced by 144,000 units and by 152,000 units for 2024 and 2025, respectively (and reduced by 151,000 units for 2026). In the near-term, output for the region was downgraded for 2024 primarily on weaker domestic demand for the ASEAN market. Automakers particularly in Indonesia and Thailand have lowered production targets amid reduced demand expectations and projected slower export momentum. ASEAN market production volumes for 2025 and 2026 were more modestly reduced to reflect anticipated market conditions given a slower pace of economic expansion post-COVID. With regard to the India market, production for 2024 was only slightly reduced; however, production for 2025 and 2026 was cut by 102,000 units and 101,000 units, respectively. The removal of the Toyota C-CUV (340D), rising vehicle prices and elevated interest rates influence the intermediate-term production outlook.”

Recovery Meter

Roadway Travel (Updated 3/7)

According to the U.S. Department of Transportation, seasonally-adjusted vehicle miles traveled in December increased 2.7 percent from the same time a year ago. The cumulative travel estimate for 2023 is 3,263.7 billion vehicle miles.²⁶

- Travel on all roads and streets changed by +2.2% (+5.7 billion vehicle miles) for December 2023 as compared with December 2022. Travel for the month is estimated to be 263.7 billion vehicle miles.
- The seasonally adjusted vehicle miles traveled for December 2023 is 273.0 billion miles, a +2.7% (+7.3 billion vehicle miles) change over December 2022. It also represents a -0.2% change (-0.5 billion vehicle miles) compared with November 2023.
- Cumulative Travel for 2023 changed by +2.1% (+67.5 billion vehicle miles). The cumulative estimate for the year is 3,263.7 billion vehicle miles of travel.



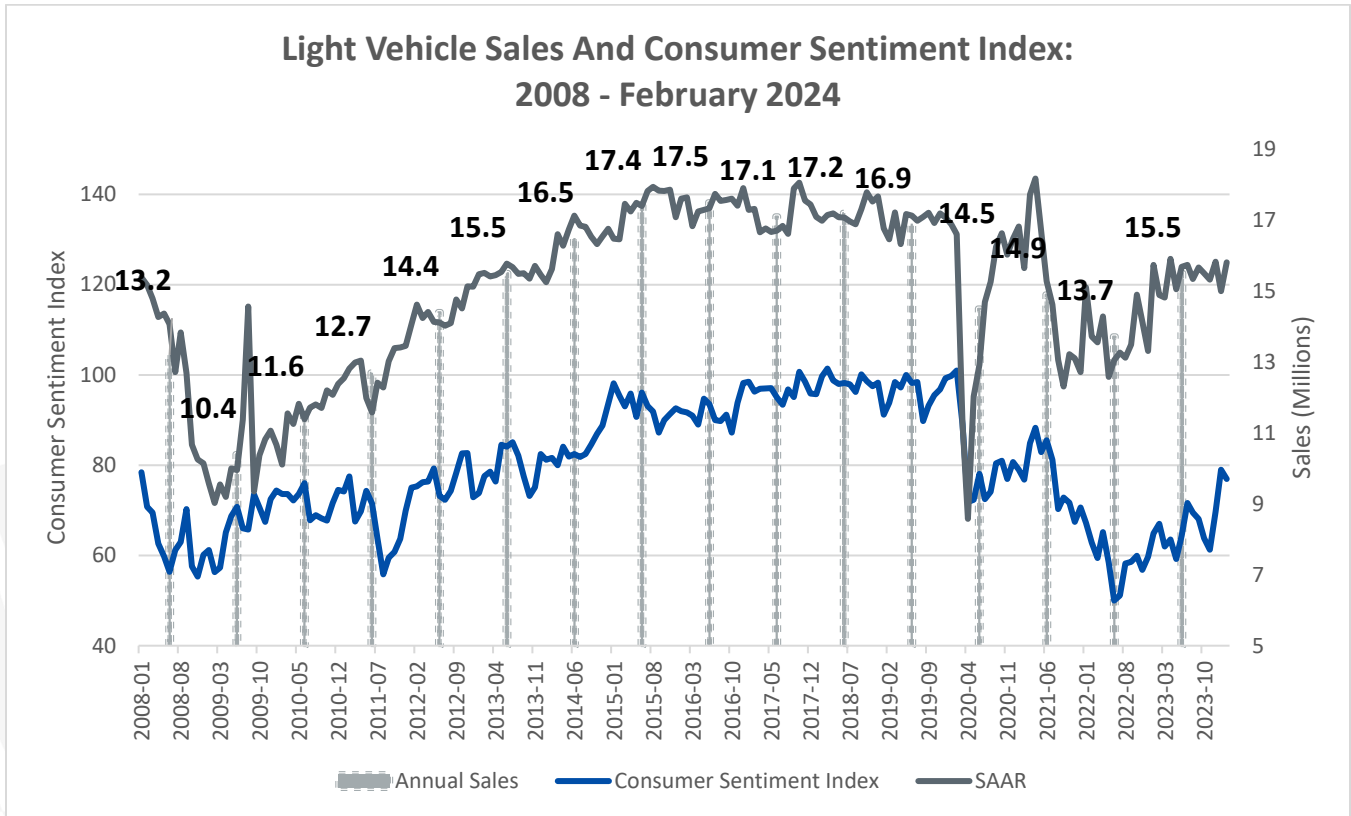
Economic News (Updated 2/5)

The ISM Index Rose To 49.1 percent in January – 15th Consecutive Month of Contraction. “Economic activity in the manufacturing sector improved in January but remained in contraction for the 15th consecutive month, the Institute for Supply Management (ISM) reported today. The Manufacturing PMI registered 49.1% in January, the highest reading since October 2022, and 2 points higher than December’s 47.1%.”²⁷

Consumer Confidence and Sales (Updated 2/23)

Surveys of Consumers Director Joanne Hsu²⁸: “Consumer sentiment moved sideways this month, slipping just two index points below January and holding the gains in sentiment seen over the past three months. Expected business conditions remained substantially higher than last autumn, with short-run expectations now 63% above and long-run expectations 46% above November 2023 readings. For all but one index component, readings this month were higher than all values between mid-2021 and the end of 2023. Consumers perceived few changes in the state of the economy since the start of the new year, and they appear to be assured that inflation will continue on a favorable trajectory. Sentiment is currently 8 points shy of the historical average since 1978.

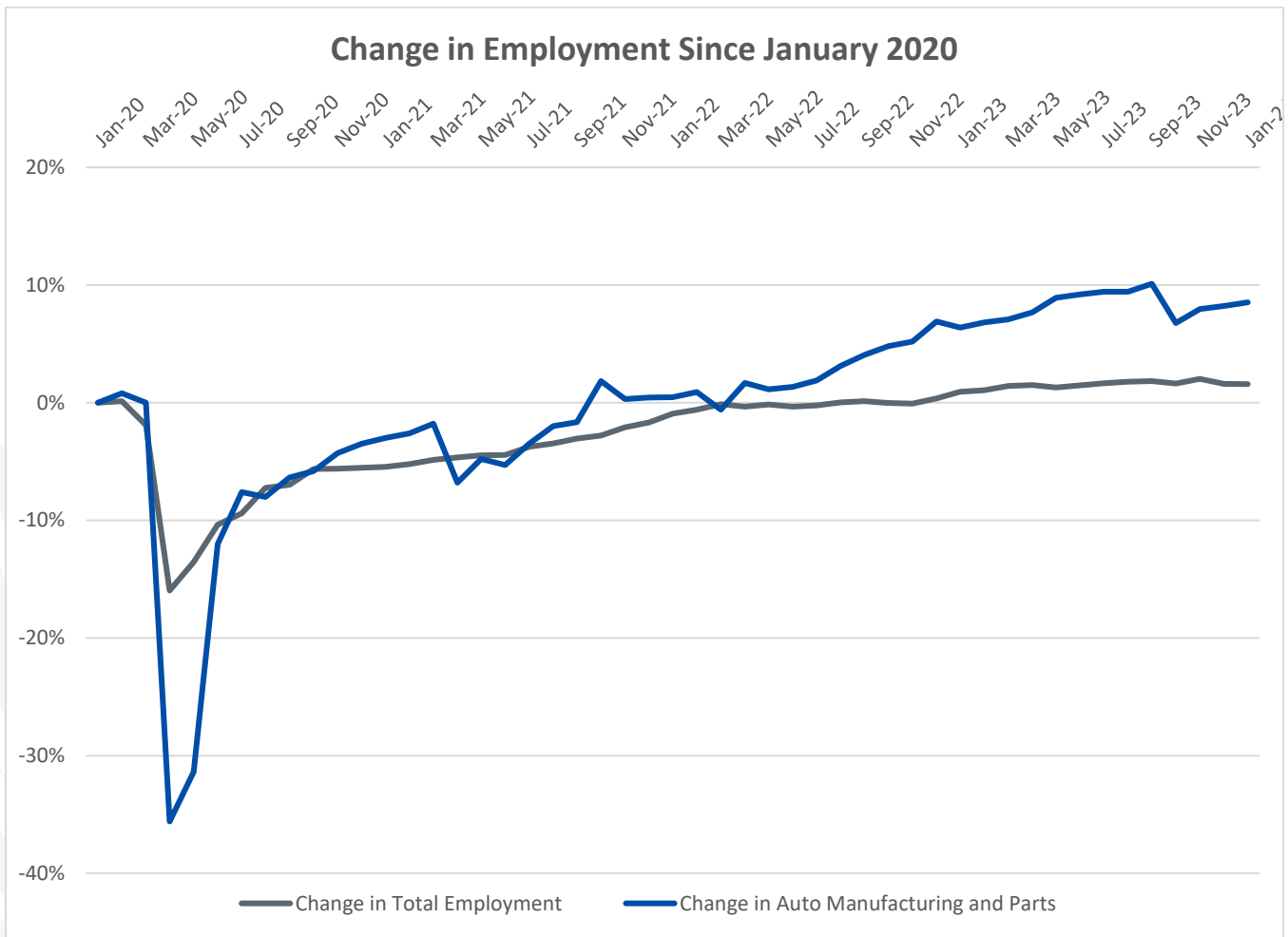
“Year-ahead inflation inched up from 2.9 in January to 3.0% in February. For the second straight month, short-run inflation expectations have fallen within the 2.3-3.0% range seen in 2018 and 2019. Long-run inflation expectations remained at 2.9% for the third straight month, staying within the narrow 2.9-3.1% range for 28 of the last 31 months. Long-run inflation expectations were modestly elevated relative to the 2.2-2.6% range seen in the two years pre-pandemic.



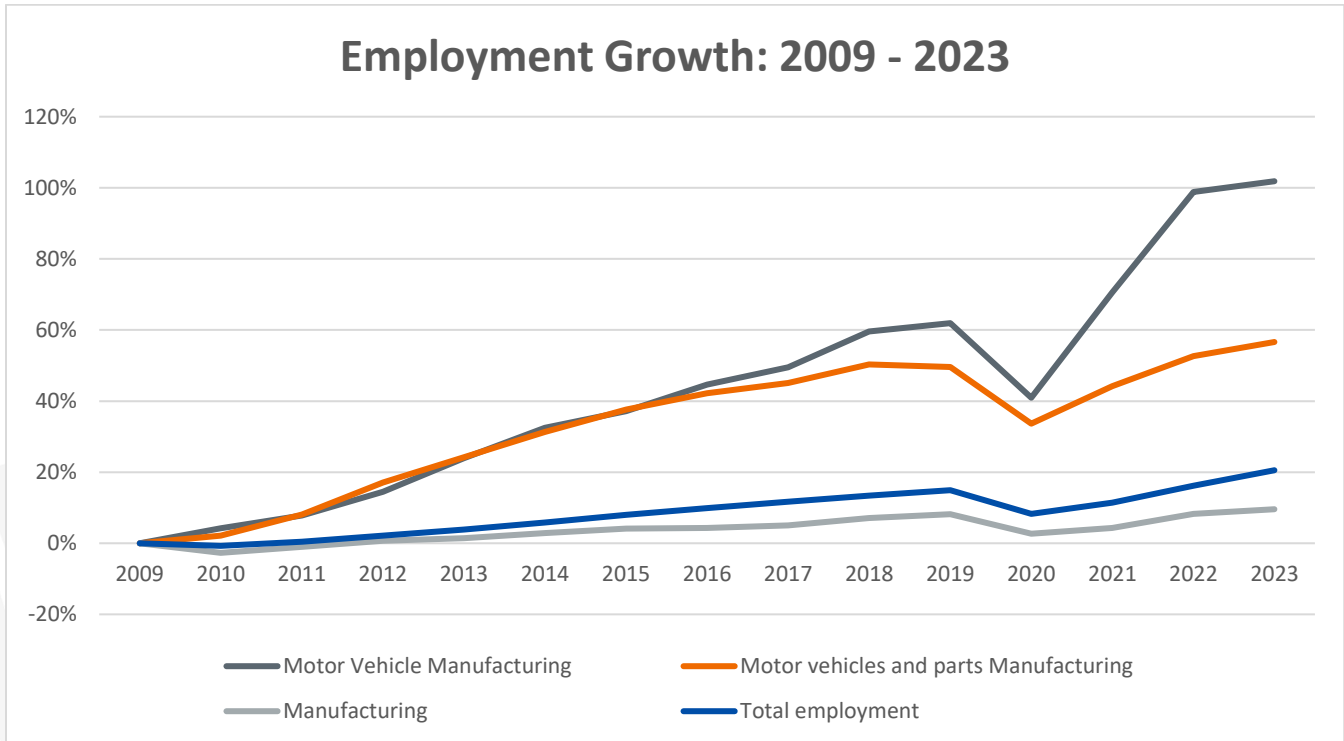
Employment (Updated 2/5)

Motor Vehicle And Parts Manufacturing Gained 3,100 Jobs In January.

After a loss of nearly 350,000 employees (about 35% of the workforce) in the height of the pandemic, employment in the Automobile Manufacturing and Parts sectors raced back but is now fighting losses due to supply chain disruptions with semiconductors...²⁹



After the recession in 2009, the auto industry was credited with being on the leading edge of the recovery, which began a ripple effect through other parts of the country.³⁰ Additionally, the chart below shows how the recovery of jobs in motor vehicle manufacturing alone and motor vehicle and parts manufacturing far outpaced the recovery of manufacturing and total jobs.



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- ² WardsIntelligence, North America Production, January 2021 – June 2023
- ³ WardsIntelligence, North America Platform by Plant Production Forecast, Q1
- ⁴ Haig Stoddard, "February U.S. Light-Vehicle Inventory Up 4% from January, Boding Well for Sales in March," WardsIntelligence, 3/5/2024
- ⁵ Haig Stoddard, "February U.S. Light-Vehicle Inventory Up 4% from January, Boding Well for Sales in March," WardsIntelligence, 3/5/2024
- ⁶ Haig Stoddard, "First-Quarter North America Production Tracking to Slowest Growth in Two Years," WardsIntelligence, 2/20/2024
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- ⁹ WardsIntelligence, U.S. Light Vehicle Sales, January 2013 – February 2024
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- ¹² WardsIntelligence, U.S. Light Vehicle Sales, June 2022 - 2023
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- ¹⁸ U.S. Energy Information Administration, Regular Gasoline, www.eia.gov, Accessed 3/7/2024; U.S. Energy Information Administration, Weekly Cushing, OK WTI Spot Price, www.eia.gov, Accessed 3/7/2024
- ¹⁹ EIA, "[Short-Term Energy Outlook](#)," 3/7/2024
- ²⁰ EIA, "[Short-Term Energy Outlook](#)," 3/7/2024
- ²¹ Haig Stoddard, "February U.S. Light-Vehicle Inventory Up 4% from January, Boding Well for Sales in March," WardsIntelligence, 3/5/2024
- ²² Haig Stoddard, "First-Quarter North America Production Tracking to Slowest Growth in Two Years," WardsIntelligence, 2/20/2024
- ²³ WardsIntelligence, "North America Production, December, 2019, 2020, 2021, 2022
- ²⁴ Haig Stoddard, "Global Vehicle Sales Start 2024 With Strong 14% Increase in January," WardsIntelligence, 2/29/2024
- ²⁵ S&P Global Mobility, email, "S&P Global Mobility Monthly Automotive Update – December 2023," 12/12/23

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