

ORANGE COUNTY AUTO OUTLOOK™ 4th Quarter, 2022

Orange County New Retail Automotive Market Data - Retail Sales *Does Not Include Fleet Sales

FORECAST

County New Vehicle Registrations Predicted to Increase in 2023

Below is a review of key trends in the Orange County new vehicle market.

Results during 2022

Supply chain issues persisted last year and vehicle production cutbacks were significantly higher than projected at the beginning of the year. New retail light vehicle registrations in the county declined 9% from 2021 to 2022. National market fell 14.9%.

2023 Forecast

According to the baseline forecast, Orange County registrations are predicted to approach 160,000 units this year, a 5% improvement from 2022. See sidebar to right for alternative upside and downside projections.

Key positives for the market in 2023

Pent-up demand is accumulating as new vehicles sales remain below baseline line levels. Auto Outlook estimates that approximately 83,000 new vehicle purchases will be postponed since the onset of the pandemic in 2020 through the end of this year, about 49% of sales in an average year! In addition, vehicle transaction prices are likely to drift lower as supplies become more in-line with demand. These two factors will give a boost to the market that should offset the negatives listed next.

Key negatives for the market in 2023

Supply chain issues are lingering and new vehicle affordability is weakening due to high inflation, increasing interest rates, slower economic growth, and falling trade in values. Household incomes are increasing, but not fast enough to keep pace with inflation. The stimulative impact resulting from pent up demand will be tempered due to softer economic conditions, but sales rates should still recover from current levels.

Brands with Biggest Increases in 2022

Among the top 25 sellers in the Orange County market, Tesla, Genesis, Kia, Hyundai, and Ford had the largest percentage gains in registrations from 2021 to 2022. Brand results in 2022 were almost entirely a function of vehicle inventories, not the typical determinants of new product launches and marketing.

Battery Electric Vehicle Market Share

BEV market share in the county increased from 12.7% in 2021 to 21.9% last year. Electric vehicle share has increased by 16.3 share points from 2018 to 2022.

Top selling models in Orange County

Top five selling models last year were Tesla Model Y, Tesla Model 3, Toyota RAV4, Toyota Camry, and Toyota Tacoma.

**Outlook for
Orange County
New Retail Light Vehicle Market**

2023 Annual Forecast

Baseline scenario: 159,800
up 5.0% vs. '22

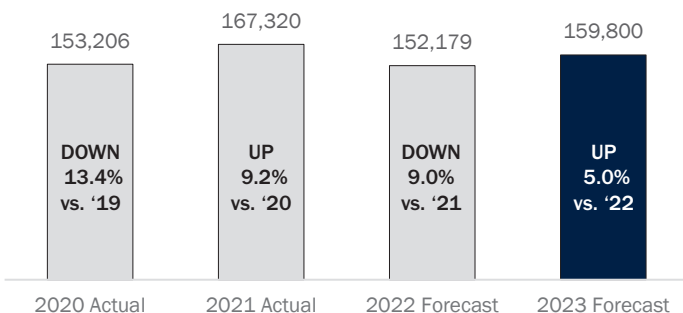
Alternative upside: 170,100
up 11.8% vs. '22

Alternative downside: 150,800
down 0.9% vs. '22

**Upgraded data presented in
Auto Outlook**

Effective with this release, new vehicle registration data presented in Auto Outlook is derived from a significantly improved reporting tool developed by Experian Automotive. Benefits of the new system are enhanced accuracy and more extensive detail for measuring model registrations. Historical figures will differ from those presented in previous releases. Have questions about the change? Contact Auto Outlook - 610-640-1233 or autooutlook@icloud.com.

Forecast for County New Retail Light Vehicle Registrations



The graph above shows annual new retail light vehicle registrations from 2020 through 2022 and Auto Outlook's baseline projection for 2023. Historical data sourced from Experian Automotive.

Market Summary

	2021 Annual	2022 Annual	% Chg. '21 to '22	Mkt. Share YTD '22
TOTAL	167,320	152,179	-9.0%	
Car	55,023	46,991	-14.6%	30.9%
Light Truck	112,297	105,188	-6.3%	69.1%
Domestic	46,528	51,547	10.8%	33.9%
European	34,193	29,738	-13.0%	19.5%
Japanese	72,406	55,624	-23.2%	36.6%
Korean	14,193	15,270	7.6%	10.0%

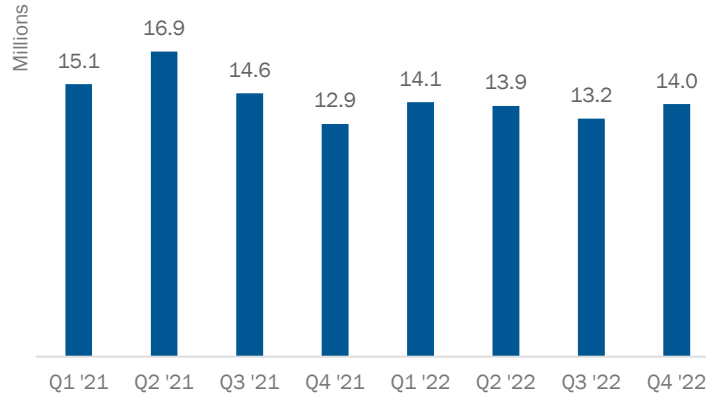
Domestics consist of vehicles sold by GM, Ford, Stellantis (excluding Alfa Romeo and FIAT), Tesla, Rivian, and Lucid. Data sourced from Experian Automotive.

Orange County New Vehicle Market Dashboard



MARKET PERFORMANCE DURING PAST TWO YEARS

**Orange County
Quarterly Registrations**
Seasonally Adjusted
Annual Rate, Converted
to Equivalent U.S. New
Vehicle Market SAAR
(millions of units)



The graph on the left provides an easily recognizable way to gauge the strength of the county market. It shows quarterly registrations based on a seasonally adjusted annual rate. These figures are then indexed to SAAR sales figures for the U.S. new vehicle market. So just like in the national market, when the quarterly SAAR is above 17 million units, the county market is strong, 15 million is about average, and below 13 million is weak. Quarterly registrations remained below 15 million units in each of the past six quarters.

Data sourced from Experian Automotive. SAAR estimates: Auto Outlook.



COUNTY MARKET VS. U.S.

**% Change In
New Retail Market
2022 vs. 2021**

Orange County	U.S.
DOWN 9.0%	DOWN 14.9%

New retail light vehicle registrations in the county declined by 9.0% from 2021 to 2022, better than the 14.9% drop in the Nation.

Data sourced from Experian Automotive.

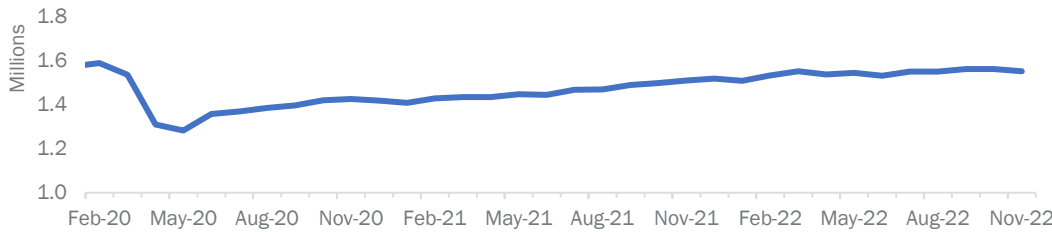
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Orange County New Vehicle Market Dashboard



TRACKING ECONOMIC INDICATORS

Total Employment in Orange County



The county labor market has generally remained strong despite higher interest rates and rising inflation. Total employment exceeded 1.5 million in November of last year, higher than a year earlier but still below pre-pandemic levels. The unemployment rate was 3.0% in November of last year, up slightly from October but down versus November of 2021. Consumer sentiment is below average, but up from the lows in June of last year. Household net worth has declined slightly during the past six months.

Monthly Unemployment Rates in Orange County

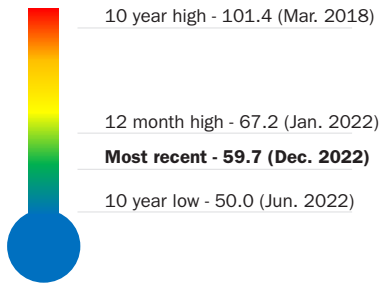


Average Hourly Earnings for All Workers in County - Nov. 2022

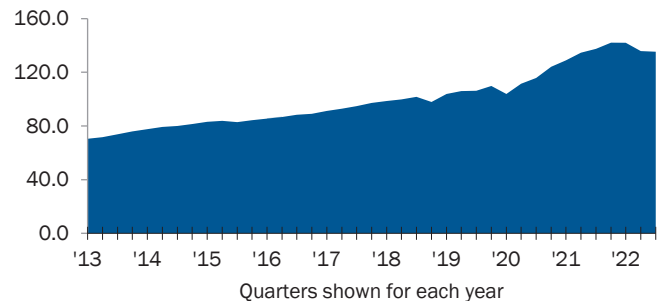


University of Michigan Consumer Sentiment (U.S.)

Key Values During Past 10 Years



Household Net Worth Trillions of \$ (U.S.)

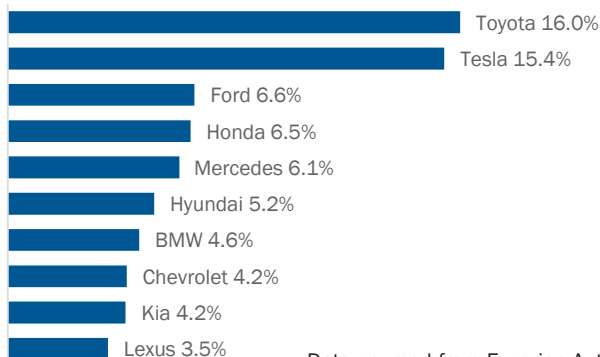


Sources: Bureau of Labor Statistics, University of Michigan, and U.S. Bureau of Econ. Analysis.



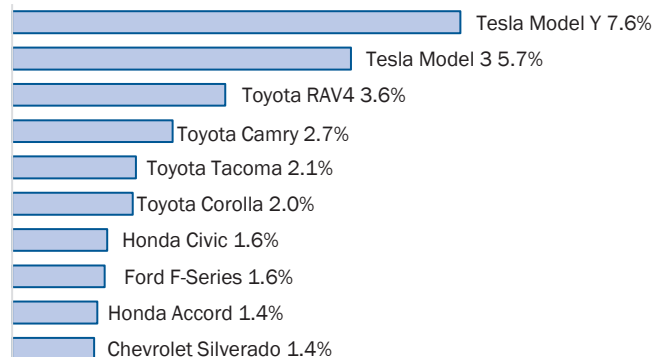
TOP TEN RANKINGS IN ORANGE COUNTY MARKET

Market Share for Top Ten Selling Brands in County Market 2022 Annual



Data sourced from Experian Automotive.

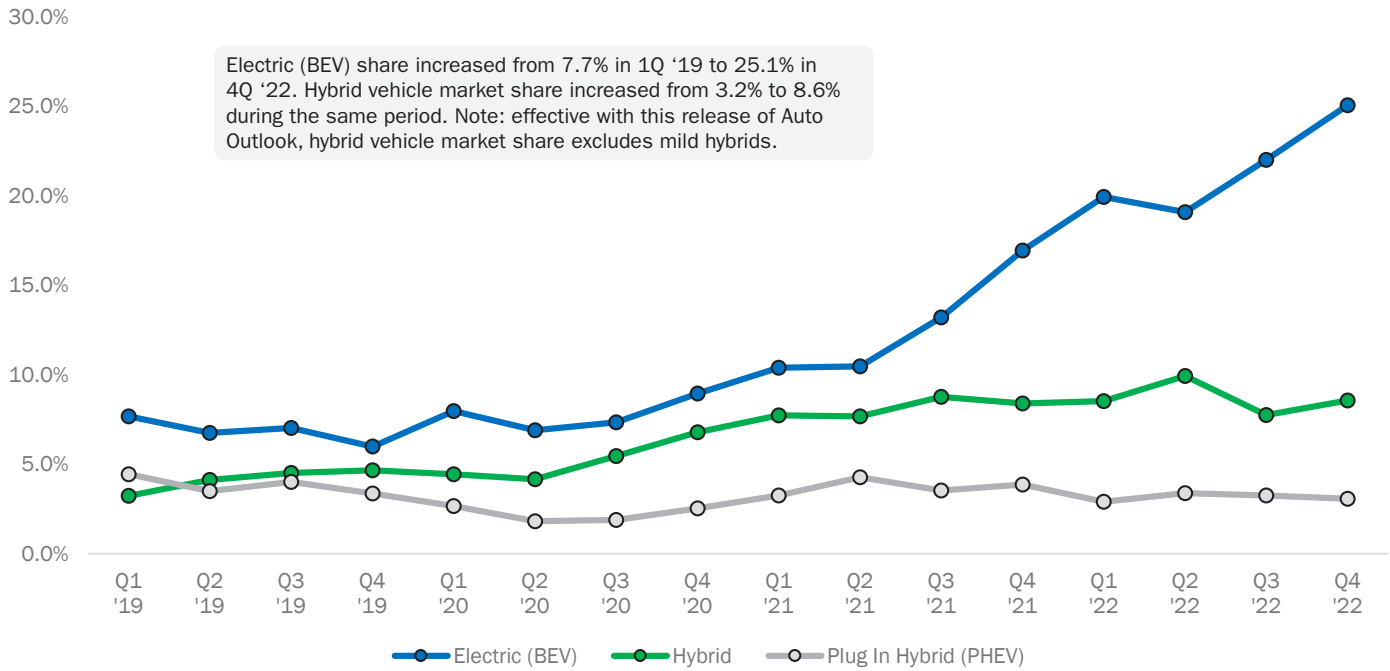
Market Share for Top Ten Selling Models in County Market 2022 Annual



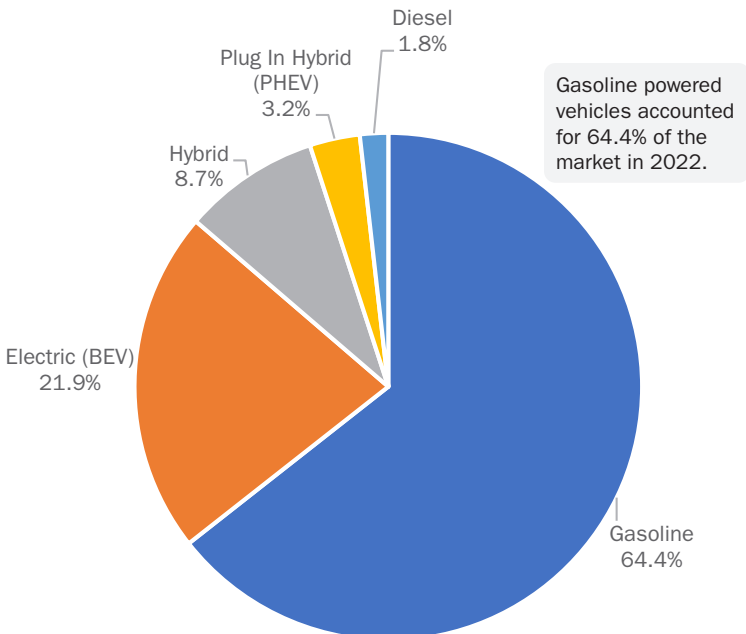


Vehicle Powertrain Dashboard

Quarterly Alternative Powertrain Market Share in Orange County (includes hybrid and electric vehicles)



County Market Share by Powertrain Type 2022 Annual



Top 10 Selling Brands in County for Hybrid, Electric (BEV), and Plug In Hybrid (PHEV) Vehicles - 2022

Rank	Brand	Share
1	Tesla	46.2%
2	Toyota	15.6%
3	Ford	4.9%
4	Hyundai	4.8%
5	Lexus	4.0%
6	Kia	3.7%
7	Honda	3.6%
8	BMW	3.0%
9	Audi	2.1%
10	Chevrolet	1.6%

Tesla accounted for 46.2% of county alternative powertrain registrations. Toyota was second with a 15.6% share.

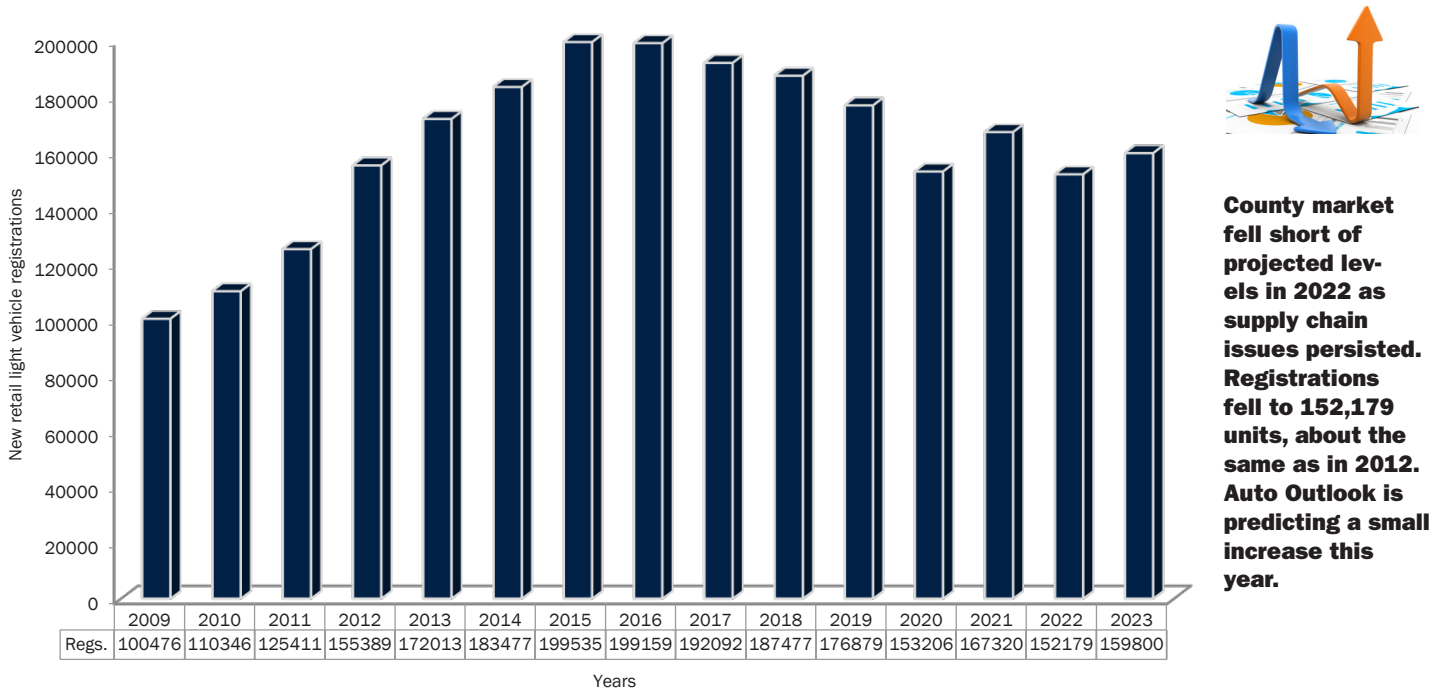
Data sourced from Experian Automotive. Excludes mild hybrids.

LONG TERM TRENDS

New Vehicle Registrations in 2022 About the Same as In 2012

The graph below provides a long term perspective of new vehicle registrations in the Orange County market. The table below shows key trends.

County New Retail Light Vehicle Registrations - 2009 thru 2022, 2023 Forecast



Key Trends in Orange County Market - 2018 to 2022

	2018	2022	Change
Light truck market share	55.4%	69.1%	UP 13.7 points
Domestic brand market share	25.6%	33.9%	UP 8.3 points
Area new retail vehicle registrations	187,477	152,179	DOWN 18.8%
U.S. new retail vehicle registrations	13,846,381	11,450,979	DOWN 17.3%
Battery electric vehicle market share	5.6%	21.9%	UP 16.3 points

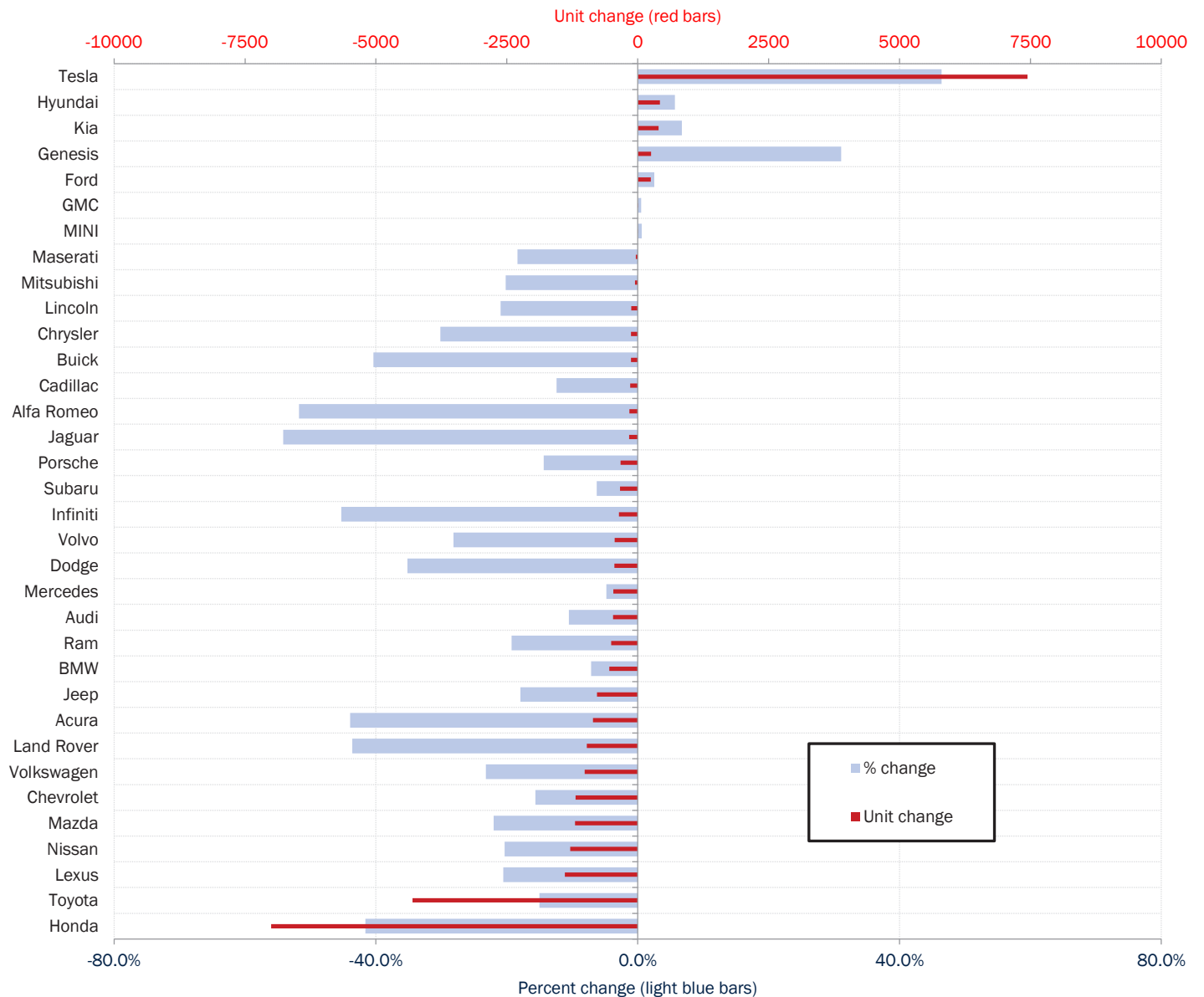
Data sourced from Experian Automotive.

BRAND SCOREBOARD

Registrations Increased For Seven Brands in 2022

The graph below presents a comprehensive picture of brands that are gaining (or losing) ground in the county market. It shows both the unit and percent change in registrations from 2021 and 2022. Viewing both measures on the same graph provides a more clear-cut signal on how each brand is doing.

Change in New Retail Light Vehicle Registrations (2022 vs. 2021)



Source: AutoCount data from Experian.

COMPARISON OF ORANGE COUNTY AND U.S. MARKET

Domestic Brand Share in Orange County Market Reached 33.9% Last Year

	Orange County Retail Market	U.S. Retail Market
% change in registrations 2022 vs. 2021	-9.0%	-14.9%
Car share of industry retail light vehicle market 2022	30.9%	20.6%
Domestic brand market share 2022	33.9%	40.6%

Brand	New Retail Registrations and U.S. Sales-2022 Annual				Market Share (2022)		
	Orange County		U.S.		Orange County	U.S.	Variance
	Regs.	% ch. vs. 2021	Sales	% ch. vs. 2021			
Acura	1,089	-44.0%	95,414	-38.5%	0.7	0.8	-0.1
Alfa Romeo	150	-51.8%	11,044	-37.5%	0.1	0.1	0.0
Audi	4,022	-10.5%	146,705	-20.8%	2.6	1.3	1.3
BMW	7,070	-7.1%	295,316	-5.4%	4.6	2.6	2.0
Buick	189	-40.4%	96,249	-47.0%	0.1	0.8	-0.7
Cadillac	1,023	-12.4%	116,196	-5.0%	0.7	1.0	-0.3
Chevrolet	6,405	-15.6%	1,120,610	-13.3%	4.2	9.8	-5.6
Chry Dodge Jeep Ram	6,794	-21.4%	1,133,635	-21.3%	4.5	9.9	-5.4
Chrysler	294	-30.2%	42,703	-24.5%	0.2	0.4	-0.2
Dodge	819	-35.2%	121,191	-30.7%	0.5	1.1	-0.6
Jeep	3,563	-17.9%	604,946	-14.1%	2.3	5.3	-3.0
Ram	2,118	-19.3%	364,795	-27.7%	1.4	3.2	-1.8
Ford	10,037	2.5%	1,220,150	-10.3%	6.6	10.7	-4.1
Genesis	1,071	31.1%	49,954	10.8%	0.7	0.4	0.3
GMC	2,335	0.5%	438,891	-6.7%	1.5	3.8	-2.3
Honda	9,826	-41.6%	842,708	-35.3%	6.5	7.4	-0.9
Hyundai	7,874	5.7%	663,786	-4.2%	5.2	5.8	-0.6
Infiniti	431	-45.3%	39,948	-23.3%	0.3	0.3	0.0
Jaguar	137	-54.2%	8,117	-37.6%	0.1	0.1	0.0
Kia	6,325	6.7%	627,943	-3.5%	4.2	5.5	-1.3
Land Rover	1,253	-43.6%	50,466	-35.2%	0.8	0.4	0.4
Lexus	5,385	-20.5%	245,871	-18.4%	3.5	2.1	1.4
Lincoln	457	-20.9%	74,508	-16.0%	0.3	0.7	-0.4
Maserati	169	-18.4%	5,968	-9.9%	0.1	0.1	0.0
Mazda	4,230	-22.0%	266,460	-13.2%	2.8	2.3	0.5
Mercedes	9,225	-4.8%	269,098	-4.1%	6.1	2.3	3.8
MINI	505	0.6%	26,665	-0.5%	0.3	0.2	0.1
Mitsubishi	206	-20.2%	77,647	3.3%	0.1	0.7	-0.6
Nissan	5,053	-20.3%	543,555	-25.6%	3.3	4.7	-1.4
Polestar	264	300.0%	7,660	248.8%	0.2	0.1	0.1
Porsche	1,939	-14.4%	58,855	-7.2%	1.3	0.5	0.8
Rivian	669	816.4%	12,937	4183.8%	0.4	0.1	0.3
Subaru	5,073	-6.2%	516,166	-10.1%	3.3	4.5	-1.2
Tesla	23,475	46.5%	437,271	34.9%	15.4	3.8	11.6
Toyota	24,331	-15.0%	1,574,364	-14.2%	16.0	13.7	2.3
Volkswagen	3,351	-23.2%	272,287	-18.6%	2.2	2.4	-0.2
Volvo	1,119	-28.1%	88,446	-23.9%	0.7	0.8	-0.1
Other	697	12.8%	16,089	2.0%	0.5	0.1	0.4

The two tables above provide a comparison of the Orange County and U.S. new light vehicle markets. Data sourced from Experian Automotive.

Orange County New Retail Car and Light Truck Registrations									
	Fourth Quarter			Annual Totals			Annual Market Share (%)		
	4Q '21	4Q '22	% chg.	2021	2022	% chg.	2021	2022	Chg.
MARKET SUMMARY									
TOTAL	35,397	38,578	9.0%	167,320	152,179	-9.0%			
Cars	11,011	12,082	9.7%	55,023	46,991	-14.6%	32.9	30.9	-2.0
Light Trucks	24,386	26,496	8.7%	112,297	105,188	-6.3%	67.1	69.1	2.0
Domestic	11,294	13,939	23.4%	46,528	51,547	10.8%	27.8	33.9	6.1
European	7,112	7,259	2.1%	34,193	29,738	-13.0%	20.4	19.5	-0.9
Japanese	13,627	13,666	0.3%	72,406	55,624	-23.2%	43.3	36.6	-6.7
Korean	3,364	3,714	10.4%	14,193	15,270	7.6%	8.5	10.0	1.6
BRAND REGISTRATIONS									
Acura	331	224	-32.3%	1,943	1,089	-44.0%	1.2	0.7	-0.5
Alfa Romeo	49	30	-38.8%	311	150	-51.8%	0.2	0.1	-0.1
Audi	881	1,035	17.5%	4,494	4,022	-10.5%	2.7	2.6	-0.1
BMW	1,750	1,785	2.0%	7,612	7,070	-7.1%	4.5	4.6	0.1
Buick	46	56	21.7%	317	189	-40.4%	0.2	0.1	-0.1
Cadillac	176	244	38.6%	1,168	1,023	-12.4%	0.7	0.7	0.0
Chevrolet	1,257	1,823	45.0%	7,590	6,405	-15.6%	4.5	4.2	-0.3
C/D/J/R	1,819	1,422	-21.8%	8,649	6,794	-21.4%	5.2	4.5	-0.7
Chrysler	40	94	135.0%	421	294	-30.2%	0.3	0.2	-0.1
Dodge	248	186	-25.0%	1,264	819	-35.2%	0.8	0.5	-0.3
Jeep	957	742	-22.5%	4,340	3,563	-17.9%	2.6	2.3	-0.3
Ram	574	400	-30.3%	2,624	2,118	-19.3%	1.6	1.4	-0.2
Ford	2,446	2,298	-6.1%	9,788	10,037	2.5%	5.8	6.6	0.8
Genesis	255	283	11.0%	817	1,071	31.1%	0.5	0.7	0.2
GMC	406	612	50.7%	2,323	2,335	0.5%	1.4	1.5	0.1
Honda	3,013	2,649	-12.1%	16,829	9,826	-41.6%	10.1	6.5	-3.6
Hyundai	1,653	1,852	12.0%	7,450	7,874	5.7%	4.5	5.2	0.7
Infiniti	133	93	-30.1%	788	431	-45.3%	0.5	0.3	-0.2
Jaguar	39	26	-33.3%	299	137	-54.2%	0.2	0.1	-0.1
Kia	1,456	1,579	8.4%	5,926	6,325	6.7%	3.5	4.2	0.7
Land Rover	431	387	-10.2%	2,223	1,253	-43.6%	1.3	0.8	-0.5
Lexus	1,442	1,240	-14.0%	6,776	5,385	-20.5%	4.0	3.5	-0.5
Lincoln	129	113	-12.4%	578	457	-20.9%	0.3	0.3	0.0
Maserati	37	36	-2.7%	207	169	-18.4%	0.1	0.1	0.0
Mazda	1,038	989	-4.7%	5,425	4,230	-22.0%	3.2	2.8	-0.4
Mercedes	1,872	2,161	15.4%	9,689	9,225	-4.8%	5.8	6.1	0.3
MINI	74	121	63.5%	502	505	0.6%	0.3	0.3	0.0
Mitsubishi	75	34	-54.7%	258	206	-20.2%	0.2	0.1	-0.1
Nissan	1,372	1,118	-18.5%	6,344	5,053	-20.3%	3.8	3.3	-0.5
Polestar	36	49	36.1%	66	264	300.0%	0.0	0.2	0.2
Porsche	450	409	-9.1%	2,264	1,939	-14.4%	1.4	1.3	-0.1
Rivian	73	233	219.2%	73	669	816.4%	0.0	0.4	0.4
Subaru	994	1,137	14.4%	5,411	5,073	-6.2%	3.2	3.3	0.1
Tesla	4,940	7,048	42.7%	16,029	23,475	46.5%	9.6	15.4	5.8
Toyota	5,229	6,182	18.2%	28,632	24,331	-15.0%	17.1	16.0	-1.1
Volkswagen	1,034	855	-17.3%	4,364	3,351	-23.2%	2.6	2.2	-0.4
Volvo	324	245	-24.4%	1,557	1,119	-28.1%	0.9	0.7	-0.2
Other	137	210	53.3%	618	697	12.8%	0.4	0.5	0.1

Other includes Aston Martin, Bentley, Ferrari, Freightliner, GEM, Lamborghini, Lotus, Lucid, McLaren, and Rolls Royce.

Orange County Auto Outlook

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Explanation of Data

Data presented in Auto Outlook measures new vehicle registrations in Orange County. Monthly recording of registrations occurs when vehicle title information is processed.

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