

Driving Profitability with AI in a Shifting Economy

Automotive Economics and AI: Solutions for Today's Market Pressures



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How would you characterize your outlook on the Macro Environment over the next 12-18 months?

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A. Very Optimistic

B. Somewhat Optimistic

C. Neutral

D. Somewhat Pessimistic

E. Very Pessimistic



MACRO THEMES

1

Trade & Fiscal Policy impacts on economy

2

Inconsistent hard & soft data affecting ability to forecast

3

Consensus expectations do not point to a deep recession

Tariff Cost Impact

Costs are real and influencing decisions.

Average cost impact

All IMPORTED vehicles	IMPORTED vehicles from Canada & Mexico	ALL US-assembled vehicles
$5,000	**$4,900**	**$1,000**

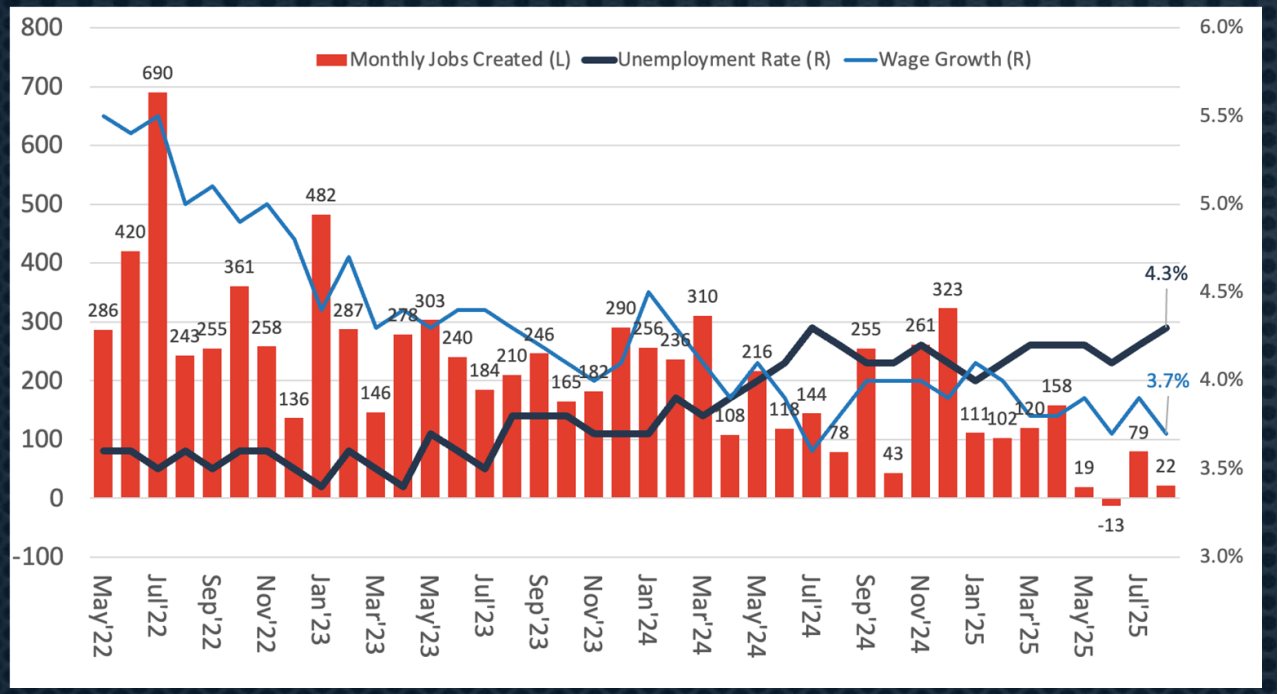
**Down from $3,000 considering new offset: does not include steel & aluminum*

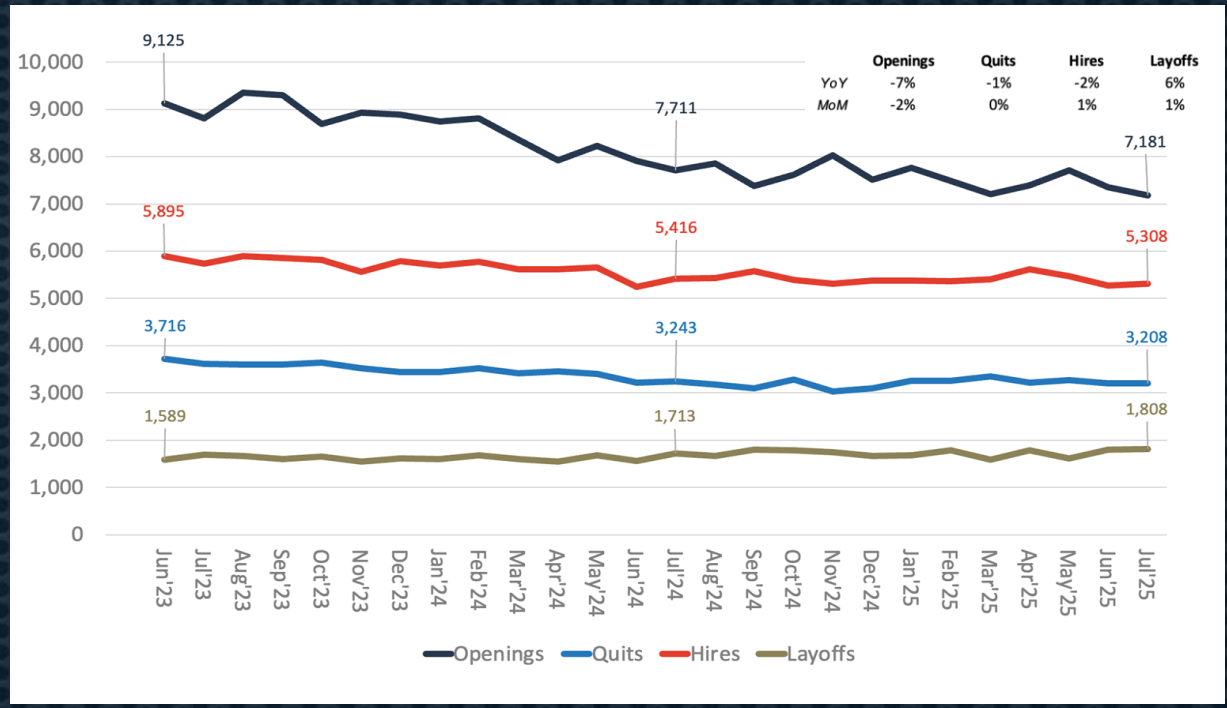
*As a result, a **4-8% increase in price for all vehicles**, new and used, is expected.*

Source: Cox Automotive Industry Insights and Sales Forecast, September 2025.

Is a job recession forming?

The Fed is flying blind as more rate cuts are likely.





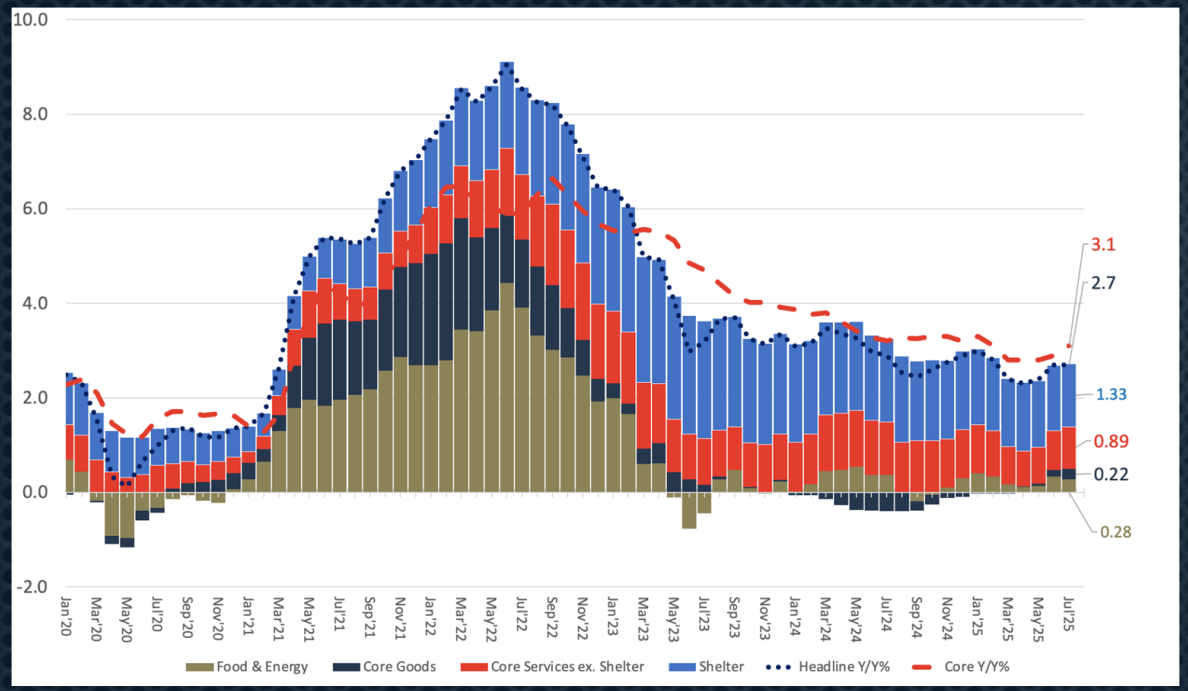
Seasonally adjusted, in thousands of jobs and %

Key metrics, level in thousands of jobs

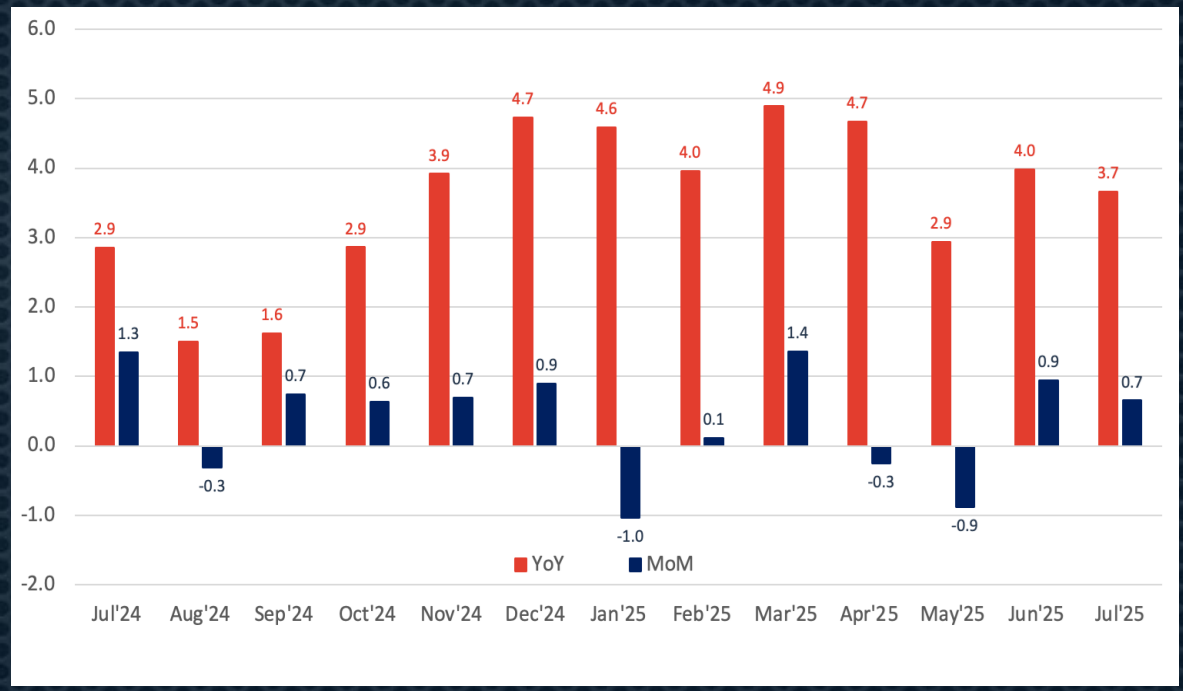
Source: Equifax US National Consumer Credit Trends Portfolio Report from September 2025 - Data as of Aug 2025

Prices are up.

Stubborn core price growth is being amplified by tariff and labor market stresses.



Contributions to CPI by Month

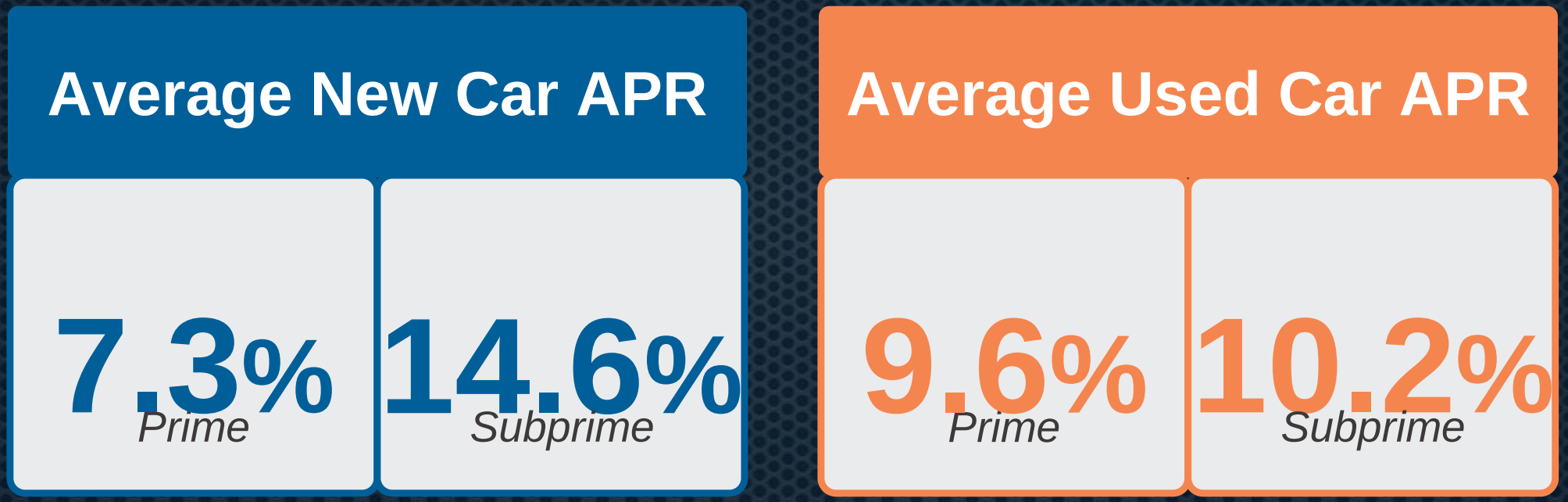


Advance Estimate of Retail Sales by Month

Source: Equifax US National Consumer Credit Trends Portfolio Report from September 2025 - Data as of Aug 2025

Interest rates are less favorable.

Fed is expected to cut rates if inflation remains stable.



Source: US News, Average Auto Loan Rates in Dec 2025. Published Dec 2025.

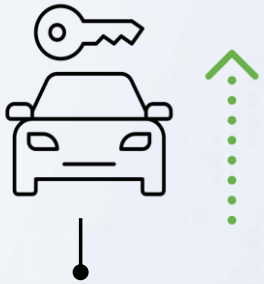
Auto originations are up YoY



First Mortgage

$1.2T
YTD

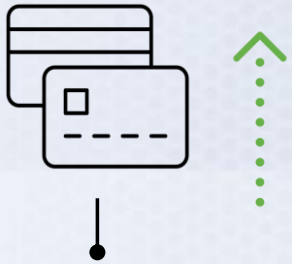
Up **12.9%**
vs. prior year



Auto Loans & Leases

$473.1B
YTD

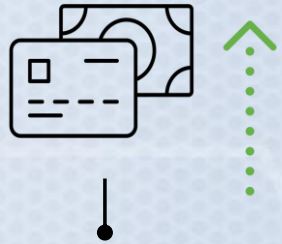
Up **5.5%**
vs. prior year



Bankcard

$289.5B
YTD

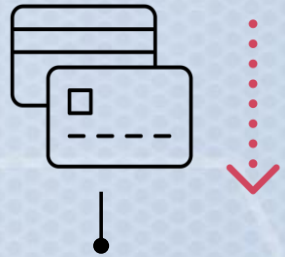
Up **2.5%**
vs. prior year



Personal Loan

$49.9B
YTD

Up **19%**
vs. prior year



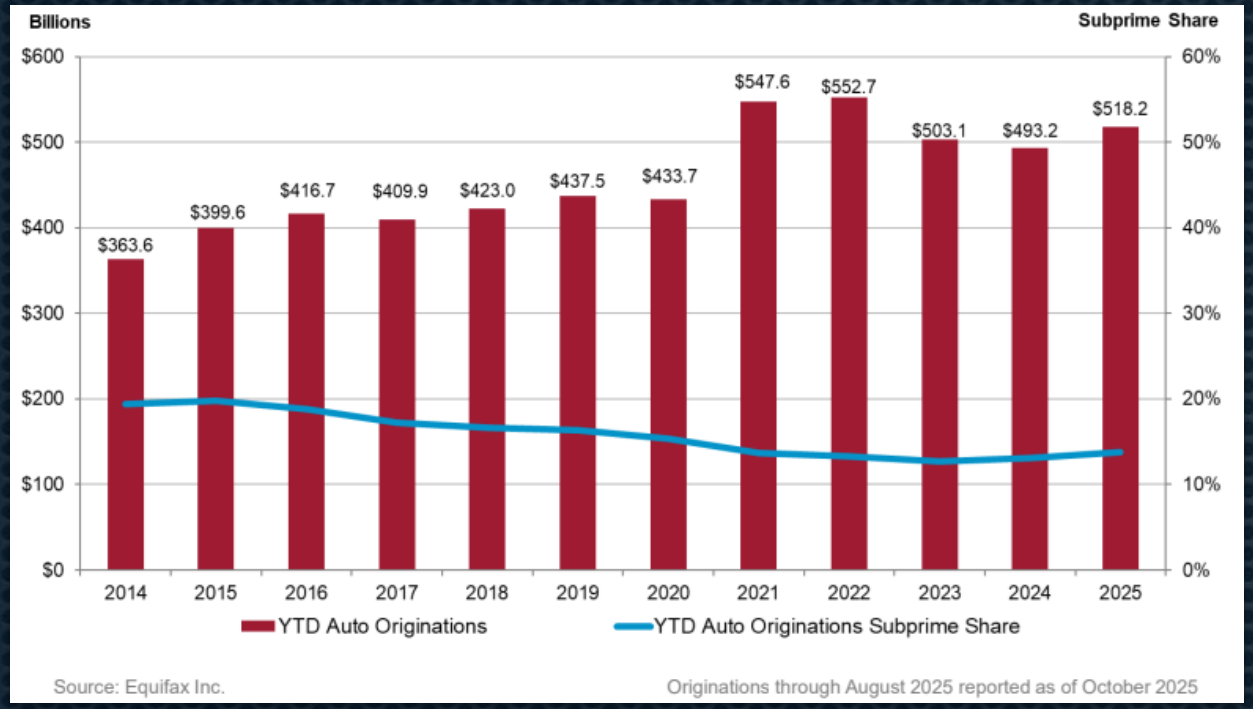
Private Label Card

$28.8B
YTD

Down **11.5.%**
vs. prior year

Source: Equifax US National Consumer Credit Trends Originations Report from November 2025 - Data through October 2025

Auto Loans and Leases are trending upward even in a high interest rate environment.



Auto Loan Originations



Auto Lease Originations

Source: Equifax US National Consumer Credit Trends Originations November 2025 Report - Originations Through August 2025 - Reported as of October 2025

Inventory is more balanced.

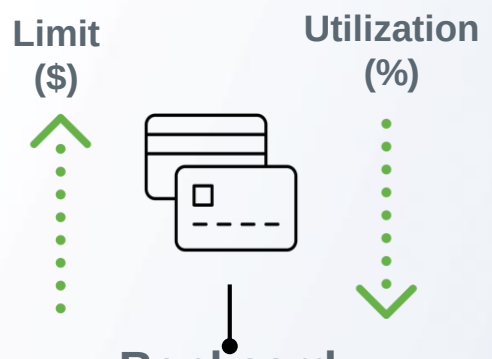
Prices are sticky.

	Light Vehicle Sales	Average Transaction Price	Vehicle Inventory	Vehicle Days of Supply	Full Year Vehicle Sales Forecast
New	**1.28M**	**$49,766**	**2.97M**	**88**	**15.8-16.4M**
	Down **1.0%** MoM Down **3.9%** YoY	**$48,697** last month Up **2.1%** YoY	**2.76M** last month Down **5.7%** YoY	Down **3.8%** YoY	Last forecast update 9/25/2025
Used	**1.40M**	**$25,945**	**2.26M**	**48**	**20-20.5M**
	Down **1.6%** MoM Up **1.2%** YoY	**$25,393** last month Up **1%** YoY	Up **3.0%** YoY	Up **5days** MoM Up **1day** YoY	Last forecast update 6/25/2025

Source: Cox Automotive Insights, 11/25/2025

Average card utilization is holding strong.

Consumers with access to home equity have more liquid credit options.



Bankcard Limits & Utilization

$4.9T

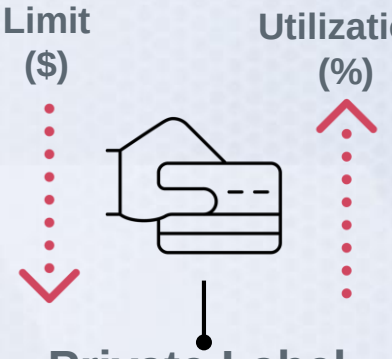
Limits ($)

Up **6.3%** YoY

20.7%

Utilization (%)

Down **21.2%** YoY



Private Label Limits & Utilization

$385B

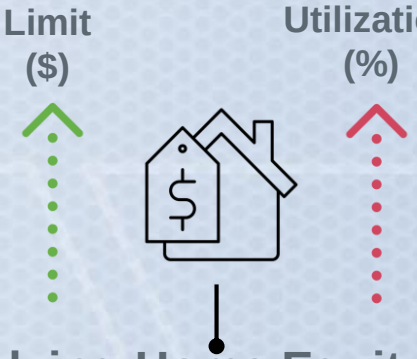
Limits ($)

Down **13%** YoY

14.2%

Utilization (%)

Up **1.8%** YoY



Revolving Home Equity Line Limits & Utilization

$990.1B

Limits ($)

Up **5.2%** YoY

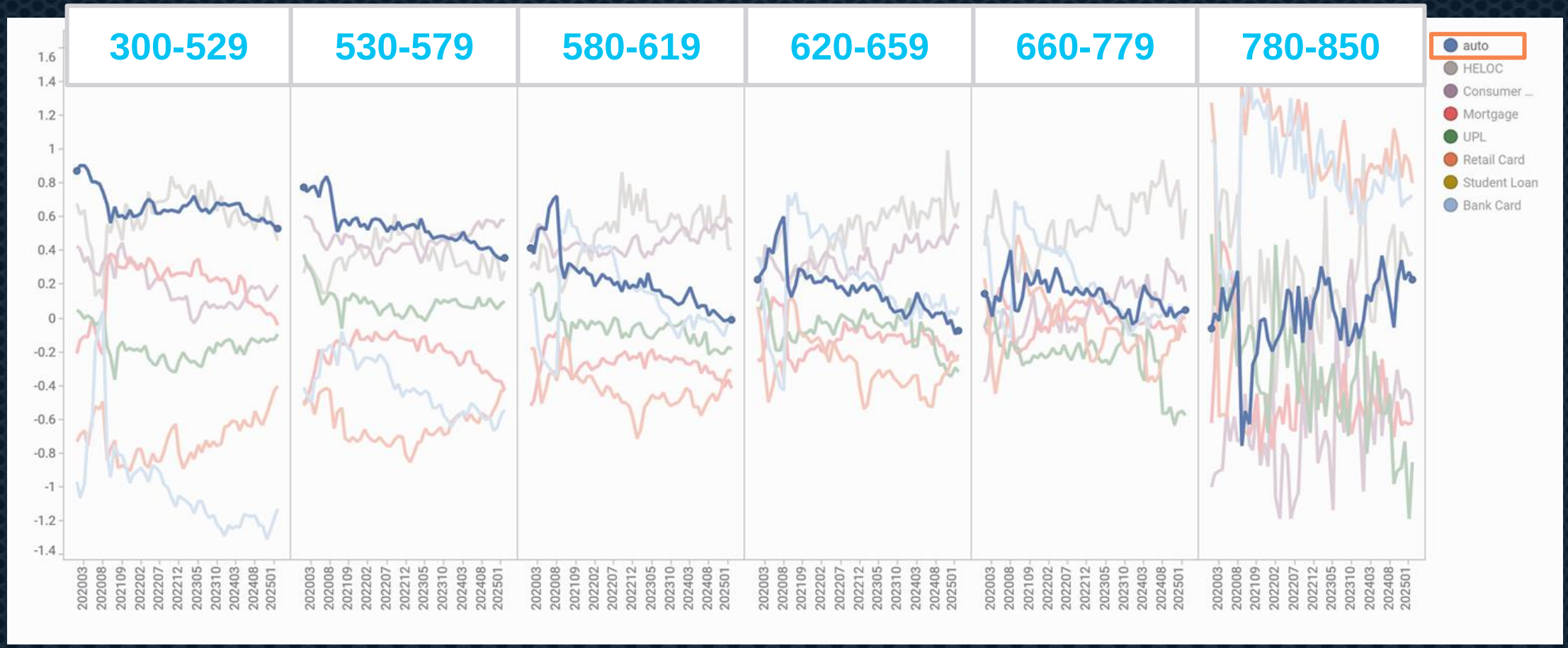
41.7%

Utilization (%)

Up **2.5%** YoY

Source: Equifax US National Consumer Credit Trends Portfolio Report from November 2025 - Data as of October 2025

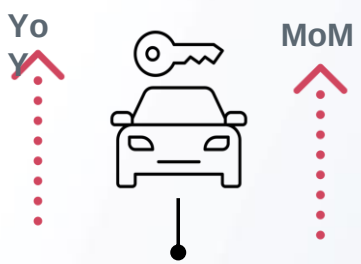
Auto is top of the payment hierarchy in subprime despite high delinquencies.



Payment prioritization changes over time, by score.

Source: Equifax US National Consumer Credit Trends Portfolio Report August 2025, data as of July 2025

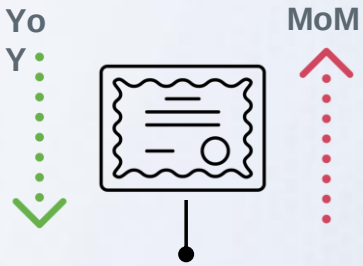
Balances are moving at a steady increase across asset classes.



Auto Loans & Leases

Total Mkt
$1.7T

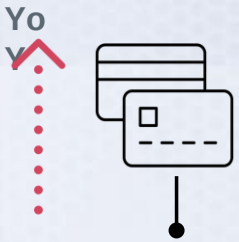
Up **1.3%** YoY
Up **.01%** MoM



Student Loans

Total Mkt
$1.4T

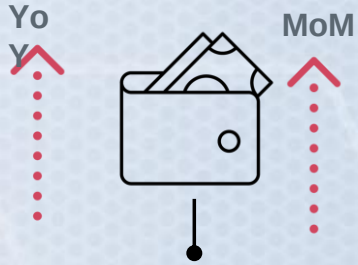
Down **.2%** YoY
Up **.6%** MoM



Bankcards

Total Mkt
$1.1T

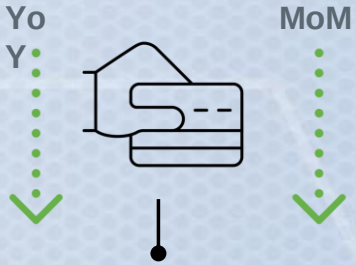
Up **3.7%** YoY
0% MoM



Personal Loans

Total Mkt
$99.5B

Up **8.9%** YoY
Up **0.9%** MoM



Private Label Cards

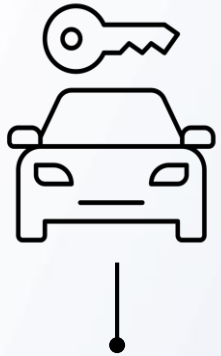
Total Mkt
$54.5B

Down **11.7%** YoY
Down **2.2%** MoM

Source: Equifax US National Consumer Credit Trends Portfolio Report from November 2025 - Data as of October 2025

Modest increase in Auto Loans and Leases

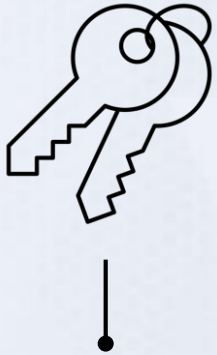
Delinquencies are trending up.



Total Outstanding Balances Leases and Loans

$1.685T

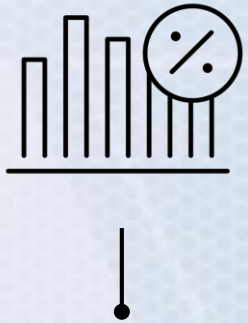
Up **1.3%** YoY



Number of Outstanding Accounts

87M

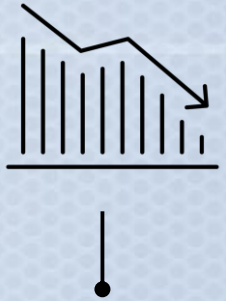
Down **0.3%** YoY



Severe Delinquency Rate (Share of Balances 60+ DPD)

1.55%

Down **1 bps** YoY



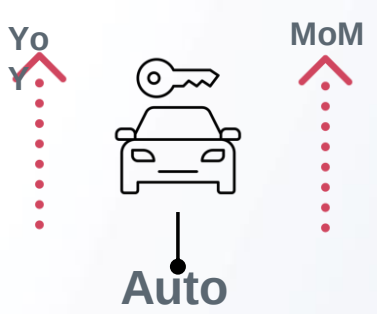
Loan Write-Offs

24.8 bps

Down vs.**25.9 bps** a year ago

Source: Equifax US National Consumer Credit Trends Portfolio Report November 2025, data as of October 2025

Auto delinquencies are up compared to Pre-Pandemic and near Great Financial Crisis levels.

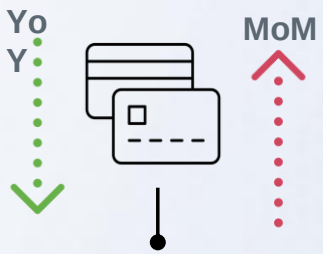


Auto

1.6%

60+ DPD ($)

Up **1.8%** YoY
Up **2.2%** MoM
*Up **32.2%** PP[a]*
*Down **2.8%** GFC[b]*

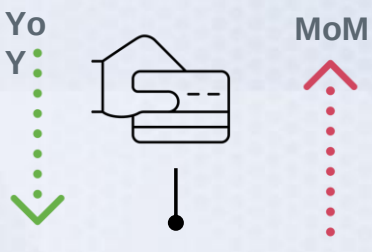


Bankcard

2.8%

60+ DPD ($)

Down **6%** YoY
Up **3.7** MoM
*Up **14.1%** PP*
*Down **40.8%** GFC*



Private Label

4.2%

60+ DPD ($)

Down **8.1%** YoY
Up **2.6%** MoM
*Down **13.7%** PP*
*Down **28.9%** GFC*

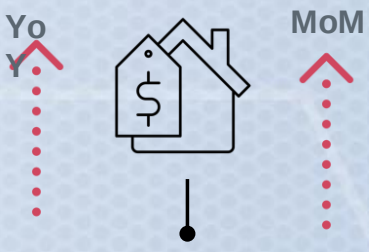


Unsecured Personal Loan

3.2%

60+ DPD ($)

Down **14.1%** YoY
Up **0.4%** MoM
*Up **5.2%** PP*
*Down **44.6%** GFC*



Mortgage 90+

0.7%

90+ DPD ($)

Up **29.7%** YoY
Up **2.3%** MoM
*Down **8.2%** PP*
*Down **86.8%** GFC*

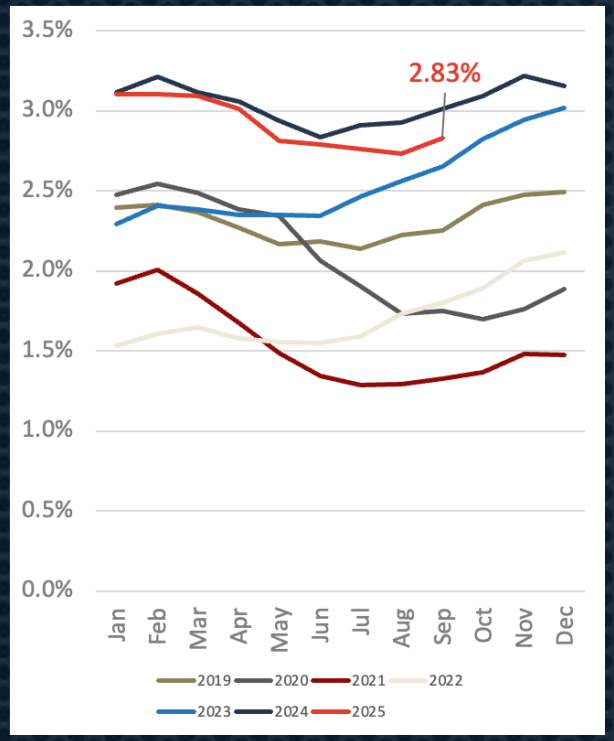
[a] PP = Pre-Pandemic (reference period Jan'20)
[b] GFC = Global Financial Crisis (reference period Jan'09)

Source: Equifax US National Consumer Credit Trends Portfolio Report from October 2025 - Data as of September 2025

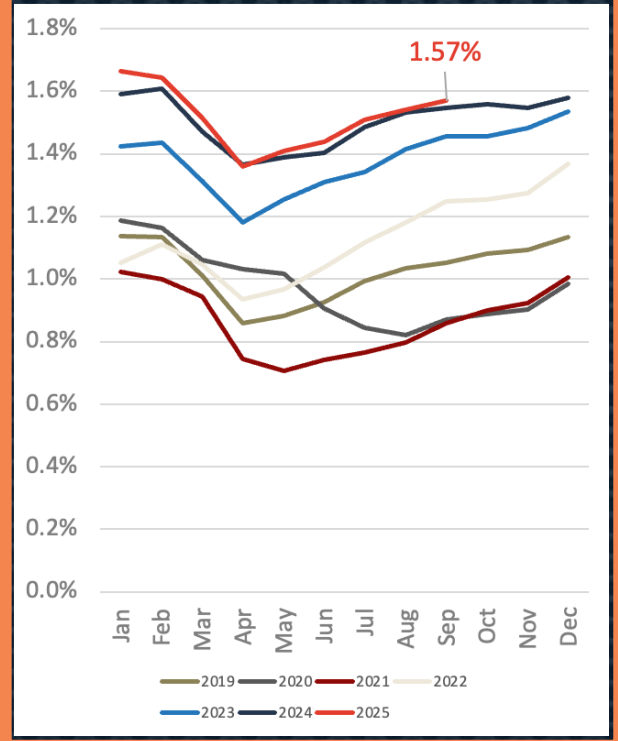
Auto and bankcard delinquencies are above Pre-Pandemic levels.

First mortgage delinquencies are increasing, but overall still lower than Pre-Pandemic levels.

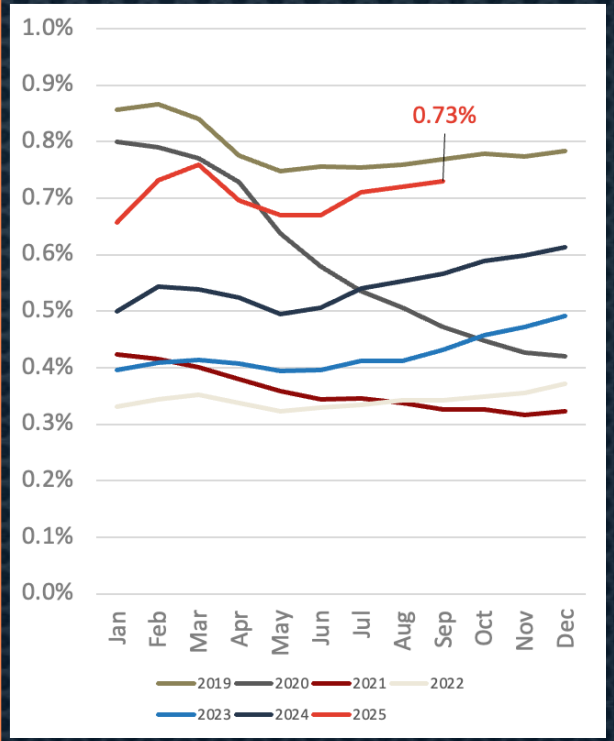
Bankcard



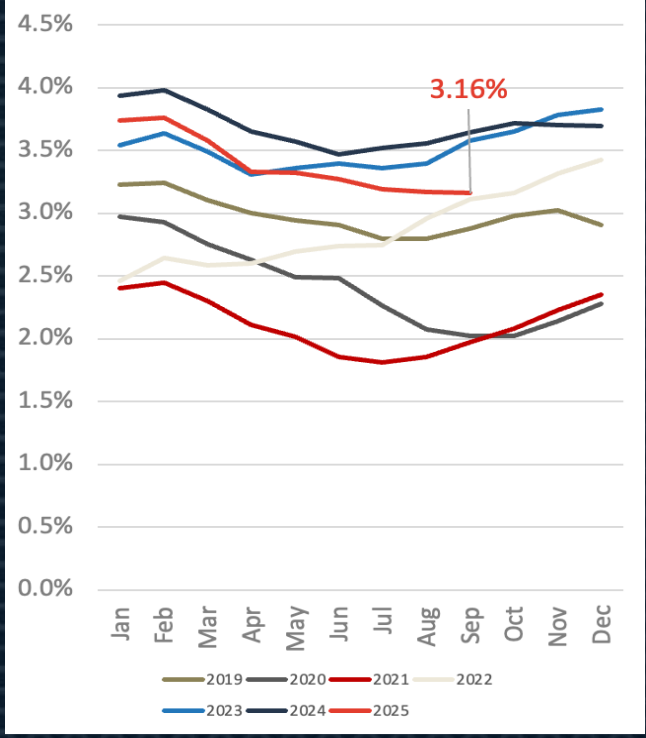
Automotive



First Mortgage



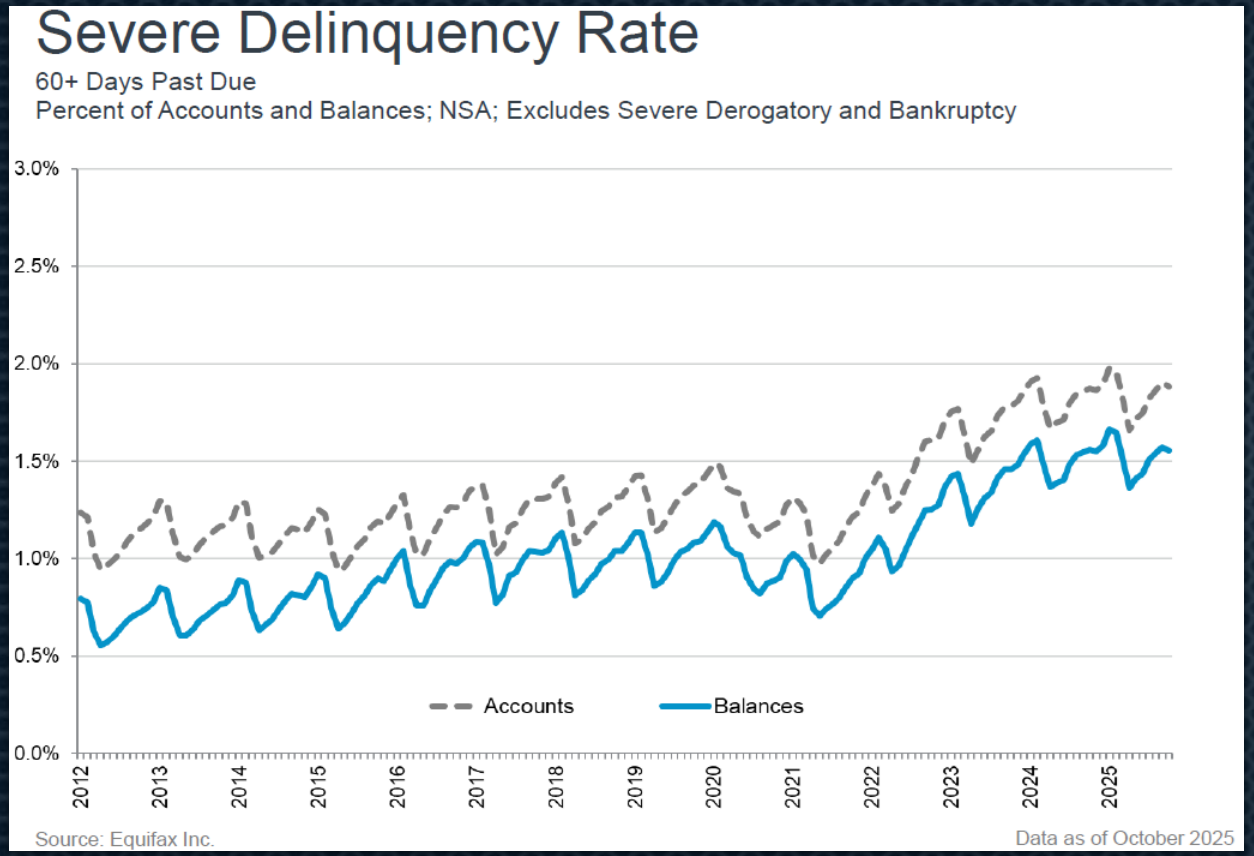
Consumer Finance

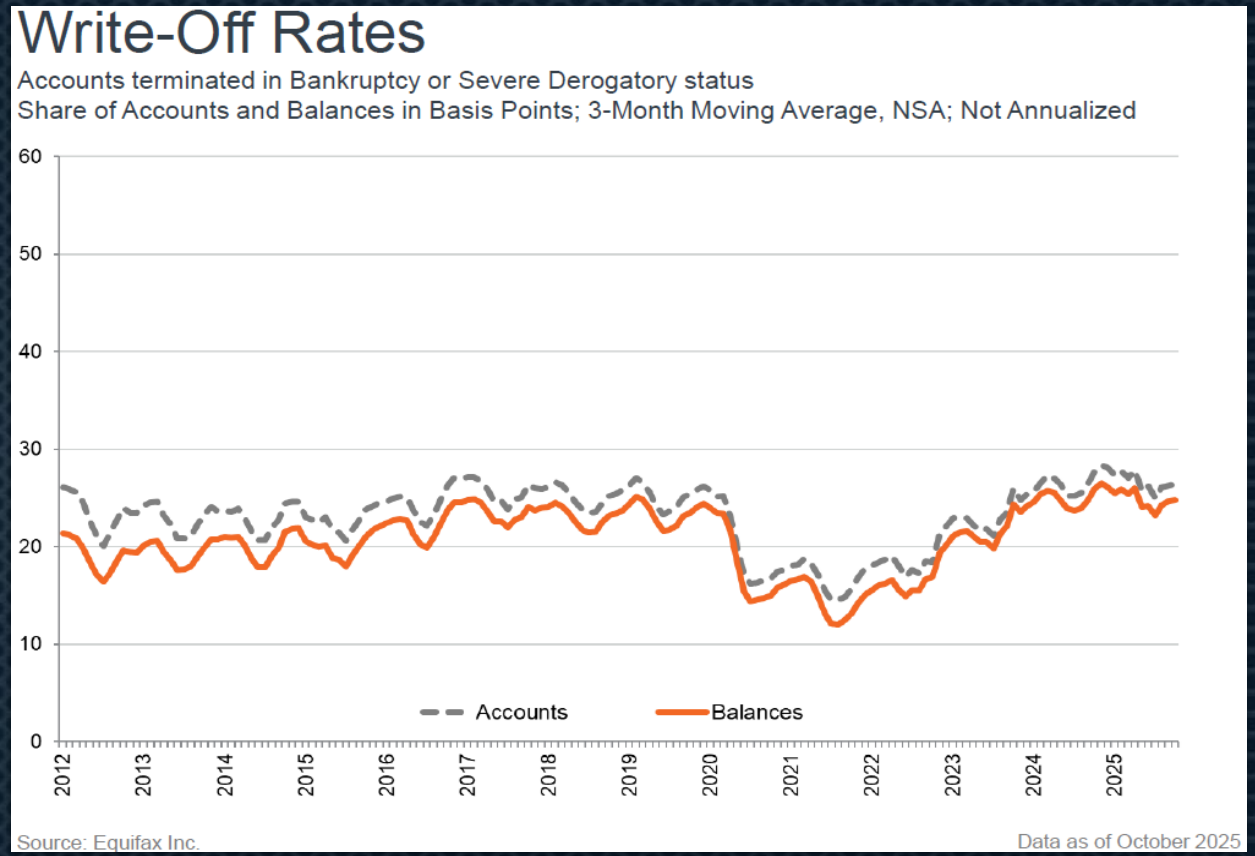


60+ DPD $ by Year

Source: Equifax US National Consumer Credit Trends Portfolio Report from August, 2025 - Data as of July, 2025

Auto delinquencies are rising with seasonality.





Source: Equifax US National Consumer Credit Trends Portfolio Report November 2025, Data as of October 2025

How much longer do you think dealership GMs will be leading human-only teams?

A. 1 year

B. 3 years

C. 5 years

D. More than 5 years



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Dealerships aren't drowning in data, *they're starving for insight.*

The top performers **don't guess**.
They **connect**, **predict**, and **act**.



Every system knows a piece of the truth.
None know the whole story.

When data is trapped,

Opportunities die

When data is connected,

the store moves faster.



A winter storm was coming.
AI saw opportunity…



Trigger

First big snowstorm



Intelligence

AI finds at-risk drivers

Service AI flagged
322 at-risk drivers
due for tires or brakes



Action

Targeted text messages

14% booked services
resulting in
$47k in 3 days

When warranties expire, Dealers lose customers.
AI slows the bleed…



Early Defection Prediction

AI flags at-risk customers
90 days early



Targeted Outreach

Proactive messaging
preventing churn



Significant Revenue Retained

One store
retained $240K+
in **Service Revenue**

Your CRM hides gold,
AI finds it.

3x

Higher Close Rate

from AI-focused outreach

7%

Customer Reactivation

lost buyers return

15%

Focused Effort

BDC targets top leads

Dealers don’t need more reports,
they need better timing.



Unified Data

All data centralized.



AI Finds

opportunities, *fast*.



Team Action

Clear signals for teams.

Most leads aren't dead, they're just mistimed.

Real results from dealers

who connected their data…

3.2x

Faster Close Rate

Sales Cycle Optimized by

16%

$1,835+

per sale

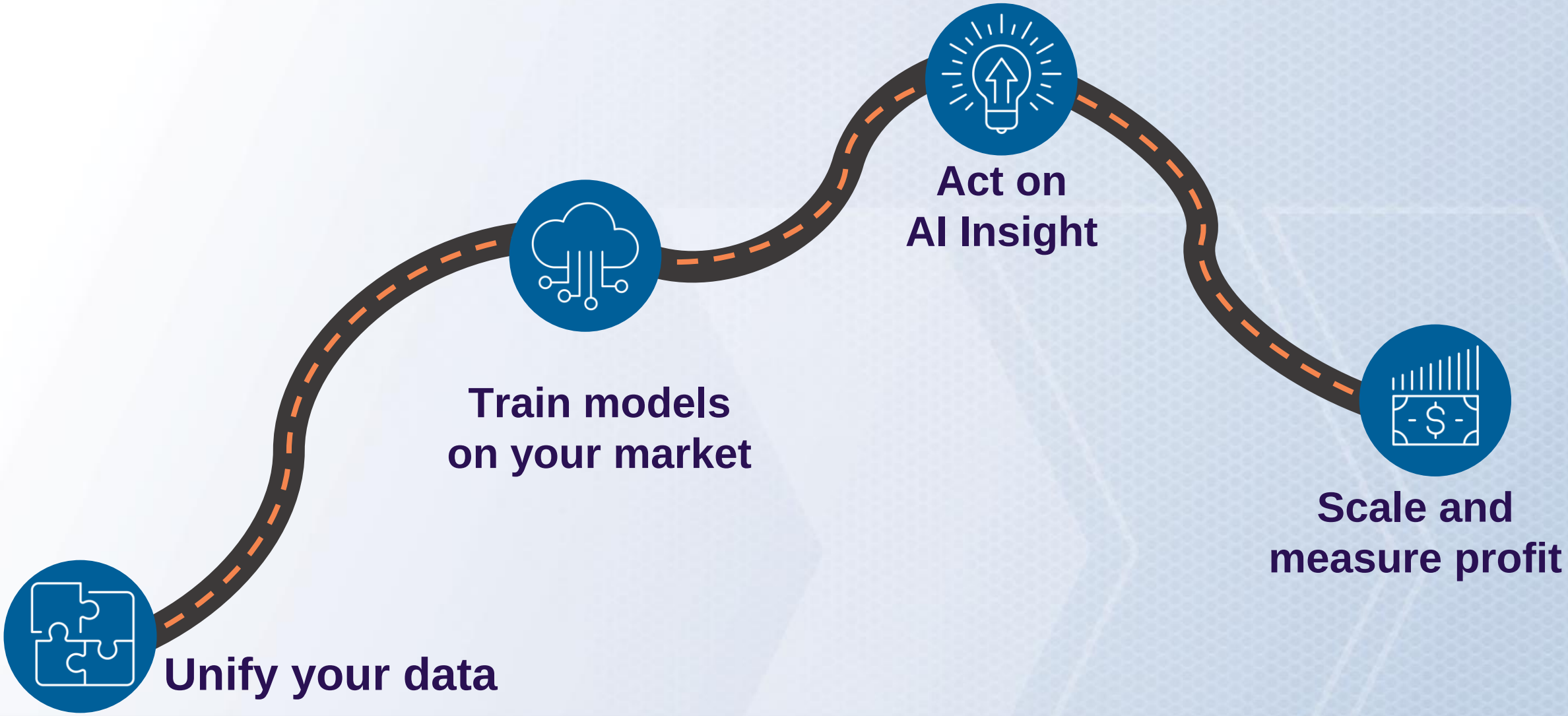
AI fails when you start big.
Win by starting small.

Pick *one* profit lever & train AI *there first*





Your roadmap to dealership intelligence.



The market shifted…

Did your data?

AI is already in your store!

Train it or **be trained** by it.

Your data is your new profit center



What is the single biggest data problem holding back your store's growth right now?

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A. Bad or outdated data

B. Lack of training

C. Unsure where to start

D. Cost/Financial constraints

E. All of the above



QUESTIONS?

LAS VEGAS

FEBRUARY 3-6

2026 NADASHOW



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