

OCTOBER AWP IN REVIEW

Mixed Fluctuations in Pricing

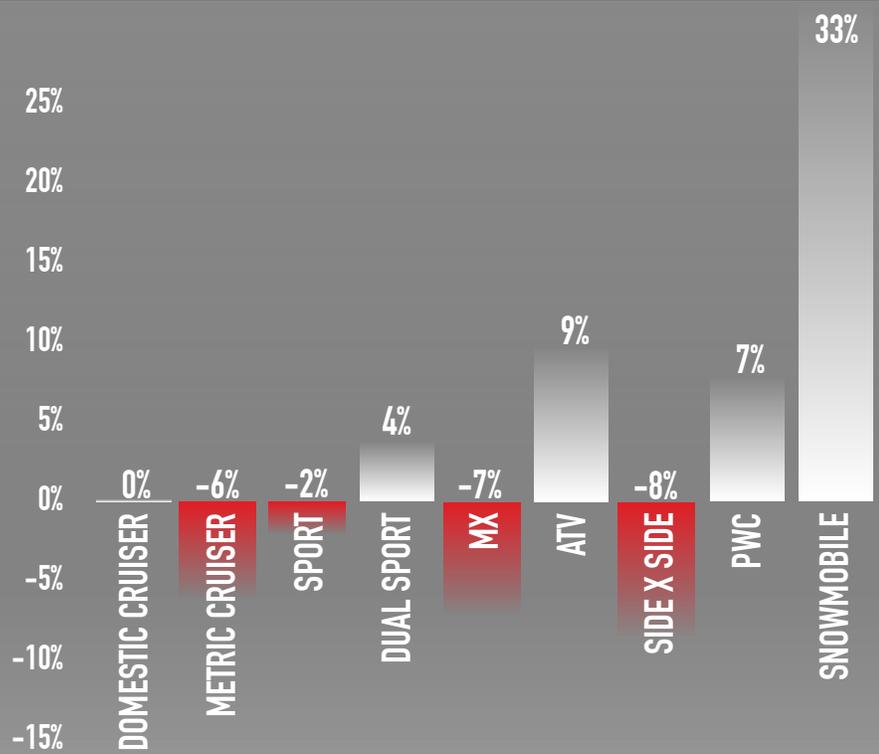
With the fall season setting in, pricing trends are reflecting normal seasonality while AWP's remain higher than prior years. On-Road products continued to hold good value vs short-term comps. Average Wholesale Prices (AWP) for both the Domestic Cruiser and Sport Bike segments were stable in October with a nice bump in Dual Sport values, up ~4%. Metric Cruisers saw the largest change within the On-Road segments, sliding 6% vs the prior 90 days.

Sport Increasing Product Mix

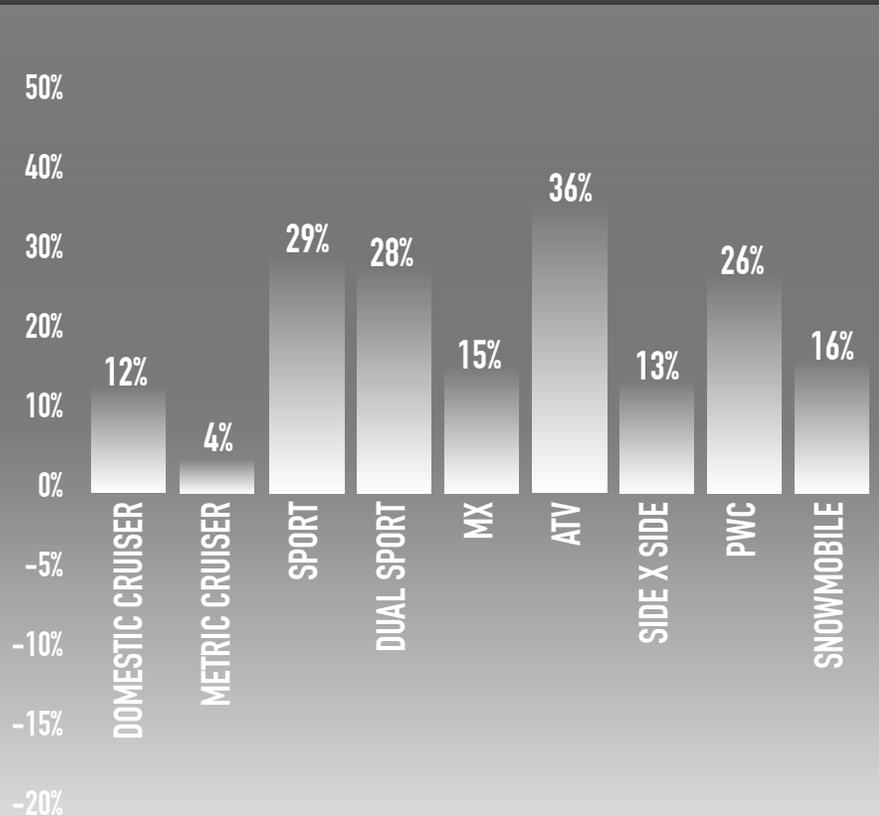
Overall, the Metric segments have been increasing in model age for the past few months, which is a main driver of the current decrease in their AWP. While auction volumes for Metric Cruisers have been flat, Sport Bike volume, as a percentage of the total auction volume, has been rising since late 2020. Domestic Cruiser inventory, typically the largest volume segment, has been declining over the same timeframe on a percentage basis.

Off-Road Interest Remains High

Despite a dip in Side-by-Side pricing, reflective of smaller volumes and rougher products, Off-Road pricing trends continue to stay strong even as many dealers around the country prepare for winter. While we do not expect to see a repeat of the abnormally high pricing trends from the winter of 2020, with very little new unit inventory in dealerships we expect used product demand and pricing to remain relatively high as consumers shift their focus to dirt roads, snowy mountains, and dusty trail heads. Even with AWP running above last year's levels, now is the best time to begin stocking up all product types for the spring selling season.



OCTOBER '21 VS OCTOBER '20 AVERAGE WHOLESALE PRICE CHANGE



*All data provided by National Powersport Auctions includes live and online transactions from all NPA locations. Closed OEM auction data is excluded. For more info visit NPAuctions.com