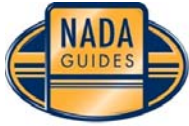


# Guidelines

## NADAguides Marine Industry Update

September – October, 2013



# Industry Overview

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The 2013 Summer selling season has come to a close. Conversations with retailers, and industry reports alike, reported a slow start to Summer sales. By the end of the Summer, most retailers were reporting flat sales, while 37% reported that it had been a strong selling season for them. Strong sales were reported into October, offering retailers a longer Summer selling season than expected.

Reports indicate that Pontoons continue to be strong sellers year-round. Aluminum and fiberglass outboard sales are typically stronger than stern drive or inboard boats, in the Fall months.

Looking toward the winter months, the Farmer's Almanac is forecasting a 2013-2014 winter with below average temperatures for two-thirds of the nation; with above normal levels of precipitation in the Southern Plains, Midwest, and Southeast. While temperatures vary from region to region, the overall fishing forecast for November and December 2013 does not offer very many prime days for those die-hard fishermen looking to get some time on the water.

## Opinion of Summer Selling Season Strength

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Strong

37%

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Flat

41%

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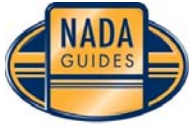
Weak

22%

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Source: NADAguides, Inc.

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# NADAguides Data Overview

Various marketplace indicators and dealer survey input supported seasonal downward pressure on used prices for the September 2013 update of NADAguides recreation vehicle data.

## Average Update-to-Update Change by Category

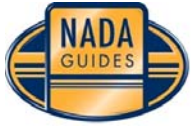
Powerboats	Sailboats	Personal Watercraft
<b>-2.6%</b>	<b>-3.8</b>	<b>-2.8%</b>

Source: NADAguides, Inc.

NADAguides Average Update-Over-Update Percent of Change by Unit Type				
Boat Type	Hull Type	Trade-In	Average Retail	High Retail
Airboat		👉 -3.5	👉 -3.0	👉 -2.0
Houseboat		👉 -4.0	👉 -3.5	👉 -3.0
Inboard		👉 -3.0	👉 -2.0	👉 -1.0
Inflatable		👉 -3.0	👉 -2.0	👉 -1.5
Jet	Aluminum	👉 -4.0	👉 -3.5	👉 -3.0
Jet	Fiberglass	👉 -3.5	👉 3.0	👉 -2.0
Other		👉 3.0	👉 -2.5	👉 -2.0
Outboard	Aluminum	👉 -4.0	👉 -3.5	👉 -2.5
Outboard	Fiberglass	👉 -4.0	👉 -3.5	👉 -2.0
Personal Watercraft		👉 -4.8	👉 -3.8	👉 -2.8
Pontoon		👉 -3.5	👉 -2.5	👉 -1.5
Powercat		👉 -3.0	👉 -4.4	👉 -4.2
Sailboat - Cat/Tri		👉 -3.0	👉 -2.5	👉 -2.0
Sailboat - Monohull		👉 -4.0	👉 -3.0	👉 -2.5
Stern		👇 -5.0	👉 -4.0	👉 -3.0
V-Drive		👉 -3.5	👉 -2.5	👉 -1.5

Figures represent the percent change, on average based on unit type, between the July 2013 update and the September 2013 update of the NADAguides Marine CONNECT.

Source: NADAguides, Inc.



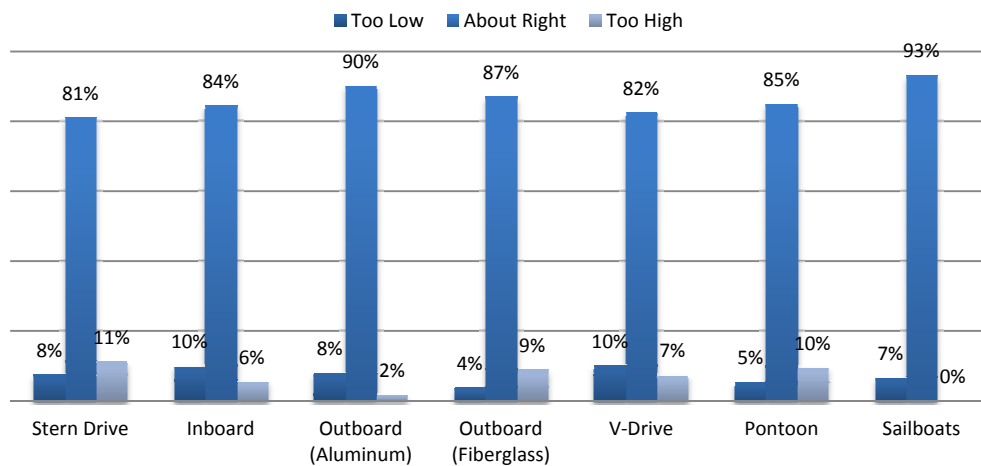
# NADAGuides Data Overview

Dealers were surveyed about High Retail pricing in the September through October 2013 NADAGuides marine data. The chart below displays the results of dealer opinion about where the NADAGuides High Retail values fall as compared to their local marketplace.

# 93%

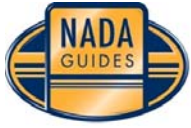
of retailers believe the NADAGuides High Retail Sailboat Values are About Right

## High Retail Values in the NADAGuides Marine CONNECT



This chart reflects the percentage of dealers that feel, by segment, if the NADAGuides High Retail values are too low, about right, or too high, as compared to their local market area.

Source: NADAGuides, Inc.



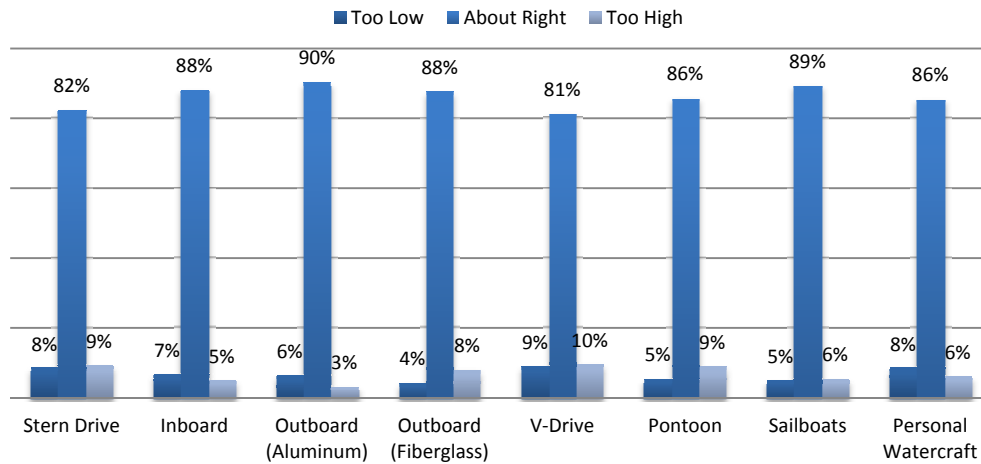
# NADAguides Data Overview

Dealers were surveyed about Average Retail pricing in the September through October 2013 NADAguides marine data. The chart below displays the results of dealer opinion about where the NADAguides Average Retail values fall as compared to their local marketplace.

# 90%

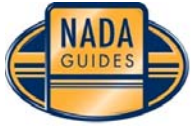
of retailers believe the NADAguides Average Retail Aluminum Outboard Values are About Right

### Average Retail Values in the NADAguides Marine CONNECT



This chart reflects the percentage of dealers that feel, by segment, if the NADAguides Average Retail values are too low, about right, or too high, as compared to their local market area.

Source: NADAguides, Inc.



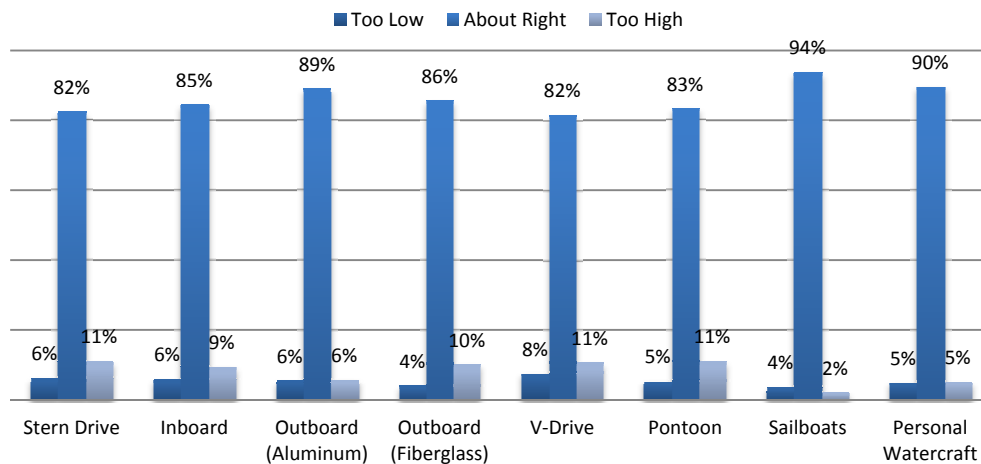
# NADAguides Data Overview

Dealers were surveyed about Used Trade-In pricing in the September through October 2013 NADAguides marine data. The chart below displays the results of dealer opinion about where the NADAguides Used Trade-In values fall as compared to their local marketplace.

# 94%

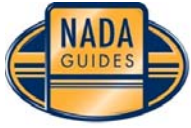
of retailers believe the NADAguides Used Trade-In Sailboat Values are About Right

### Used Trade-In Values in the NADAguides Marine CONNECT



This chart reflects the percentage of dealers that feel, by segment, if the NADAguides Used Trade-In values are too low, about right, or too high, as compared to their local market area.

Source: NADAguides, Inc.



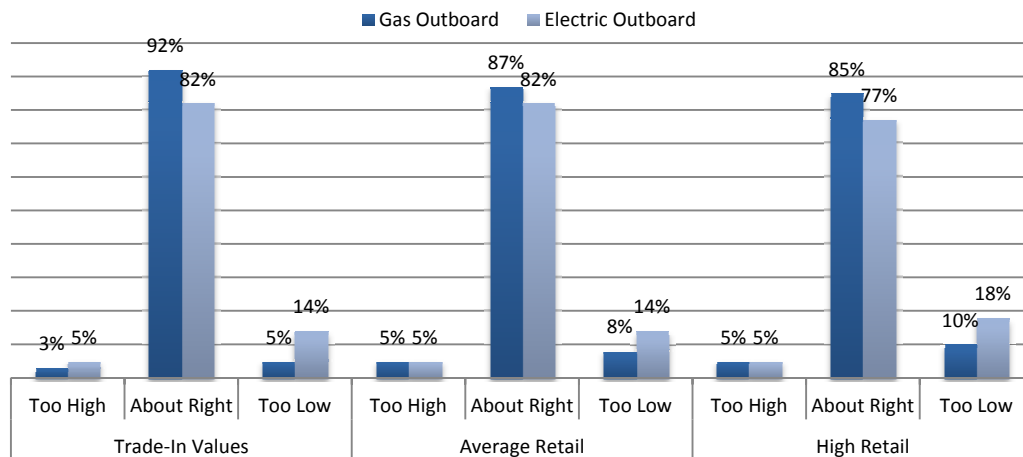
# NADAguides Data Overview

Dealers were surveyed about Outboard Motor pricing in the September through October 2013 NADAguides marine data. The chart below displays the results of dealer opinion about where the NADAguides Outboard Motor values fall as compared to their local marketplace, based on fuel type.

# 92%

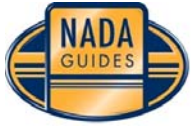
of retailers believe the  
NADAguides Used Trade-In  
Gas Motor Values are  
About Right

**Outboard Motor Value, by Fuel Type, in the NADAguides Marine CONNECT**



This chart reflects the percentage of dealers that feel, by Fuel Type, if the NADAguides values are too low, about right, or too high, as compared to their local market area.

Source: NADAguides, Inc.



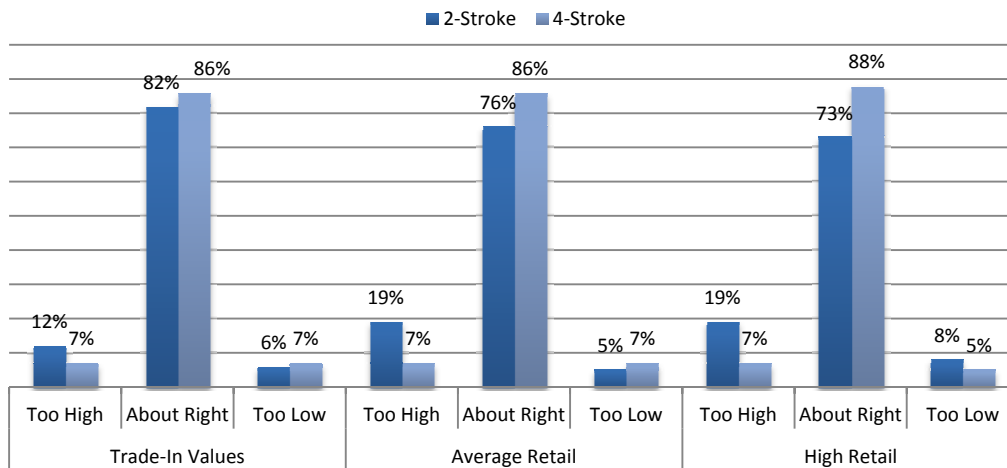
# NADAguides Data Overview

Dealers were surveyed about Outboard Motor pricing in the September through October 2013 NADAguides marine data. The chart below displays the results of dealer opinion about where the NADAguides Outboard Motor values fall as compared to their local marketplace, based on number of strokes.

# 88%

of retailers believe the NADAguides High Retail 4-Stroke Motor Values are About Right

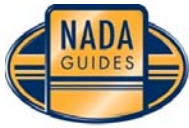
**Outboard Motor Value, by Stroke, in the NADAguides Marine CONNECT**



This chart reflects the percentage of dealers that feel, by Stroke, if the NADAguides values are too low, about right, or too high, as compared to their local market area.

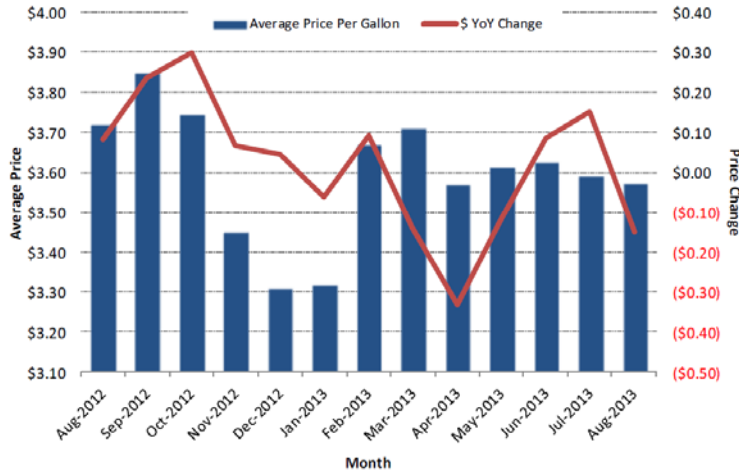
Source: NADAguides, Inc.





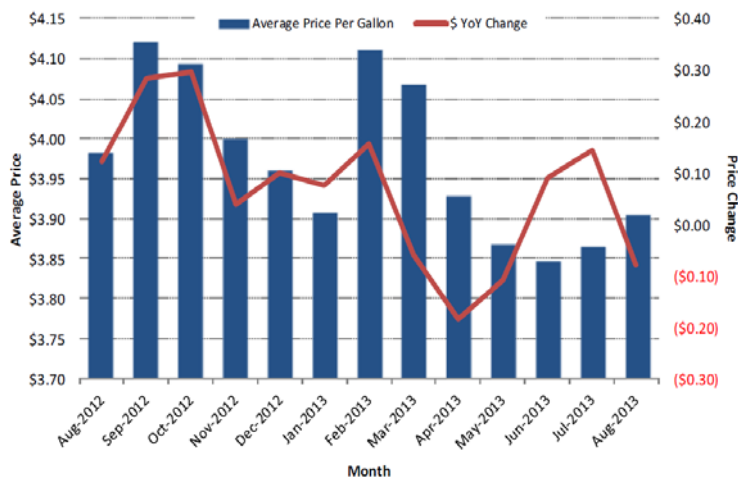
# NADAguides Fuel Price Data

**Regular Grade Gasoline Prices (all formulations)**



Source: EIA

**On-Highway Diesel Fuel Prices**



Source: EIA

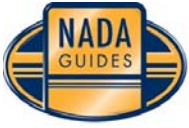
**U.S Regular Gasoline Prices (dollars per gallon, all formulations)**

**U.S On-Highway Diesel Fuel Prices (dollars per gallon)**

	Change From					Change From					
	Aug-13	Jul-13	Aug-12	Month Ago	Year Ago	Aug-13	Jul-13	Aug-12	Month Ago	Year Ago	
US	\$3.57	\$3.59	\$3.72	● (\$0.02)	● (\$0.15)	US	\$3.91	\$3.87	\$3.98	● \$0.04	● (\$0.08)
East Coast	\$3.58	\$3.56	\$3.68	● \$0.01	● (\$0.11)	East Coast	\$3.92	\$3.88	\$3.97	● \$0.04	● (\$0.06)
Midwest	\$3.52	\$3.54	\$3.78	● (\$0.01)	● (\$0.25)	Midwest	\$3.87	\$3.85	\$3.97	● \$0.02	● (\$0.10)
Gulf Coast	\$3.40	\$3.41	\$3.51	● (\$0.01)	● (\$0.11)	Gulf Coast	\$3.83	\$3.79	\$3.88	● \$0.04	● (\$0.05)
Rocky Mountain	\$3.64	\$3.62	\$3.52	● \$0.01	● \$0.12	Rocky Mountain	\$3.93	\$3.85	\$4.00	● \$0.08	● (\$0.07)
West Coast	\$3.81	\$3.92	\$3.94	● (\$0.10)	● (\$0.12)	West Coast	\$4.06	\$4.00	\$4.18	● \$0.06	● (\$0.12)

Source: EIA

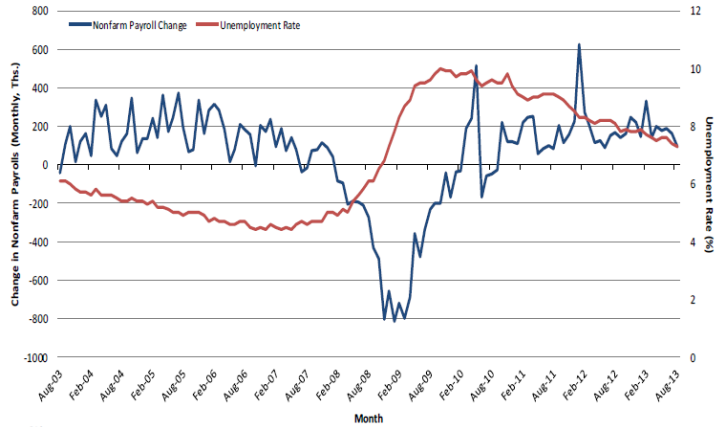
A view of the national average gas price and regional year over year change over the last year, is supplied to provide support to longer-term strategic planning.



# NADAguides Economic Data

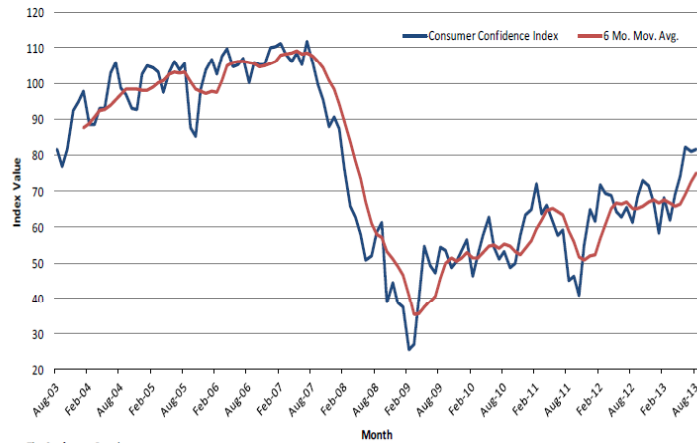
## Employment

Total Nonfarm Payrolls & Unemployment Rate, SA



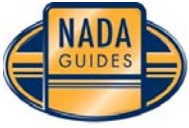
Source: BLS

## Consumer Confidence Index



Source: The Conference Board

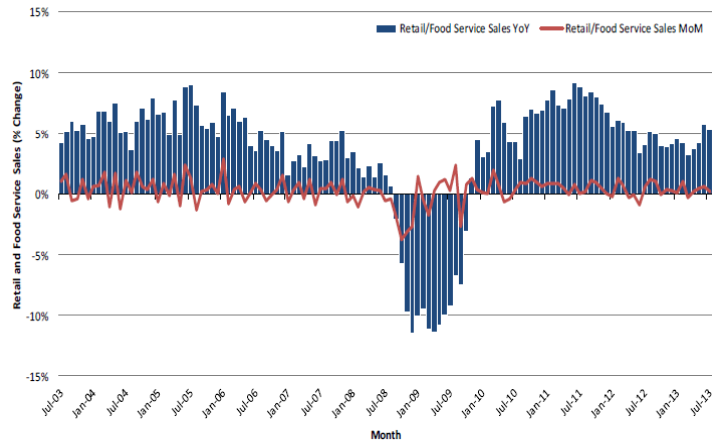
Economic Factors: A number of important factors affect the boating market, including the unemployment rate, consumer confidence, the housing market, Consumer Price Index (a measure of inflation), retail sales, and industrial production. These factors can be interpreted to represent the consumer's ability and willingness to make a new or used recreation vehicle purchase.



# NADAguides Economic Data

## Retail Sales

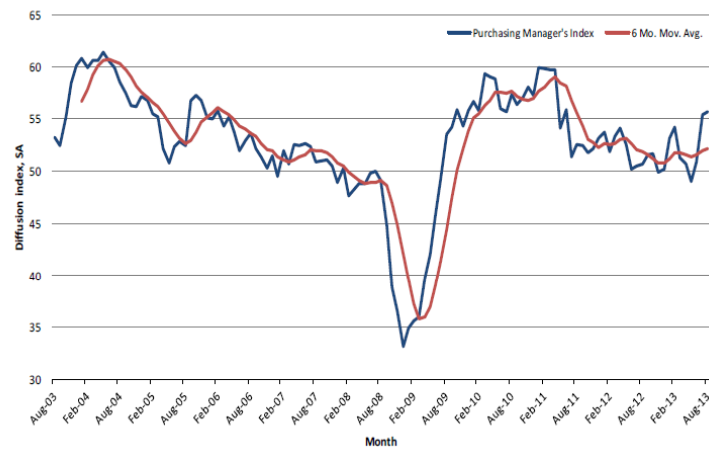
Retail & Food Service Sales, SA



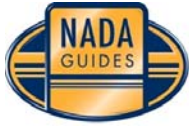
Source: BLS

## Industrial Production

Purchasing Manager's & Inventories Indices



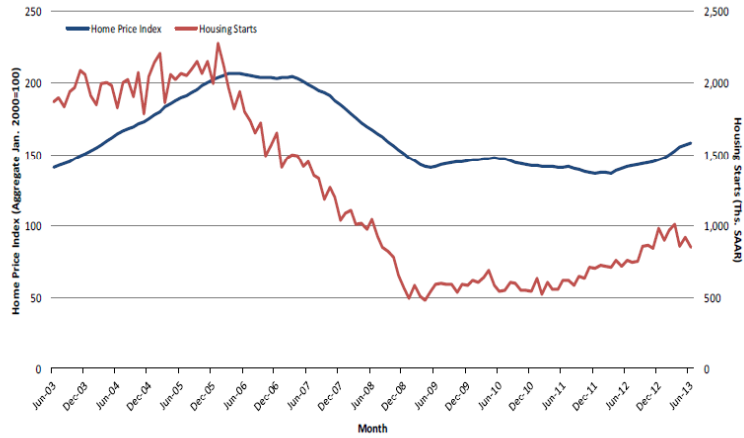
Source: Institute for Supply Management



# NADAguides Economic Data

## Housing

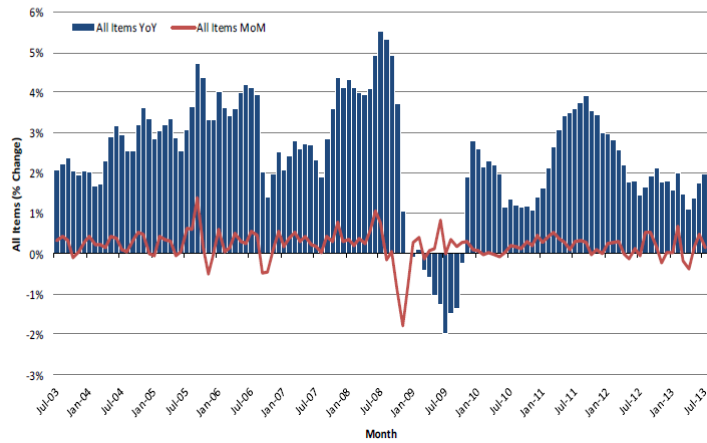
S&P/Case-Shiller Home Price Index (20-Metro Composite) & Housing Starts (Total Private)



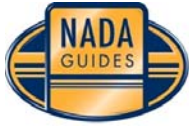
Source: S&P Case-Shiller, U.S. Census Bureau

## Consumer Price Index (CPI)

All Items



Source: U.S. Bureau of Labor Statistics



# NADAguides

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