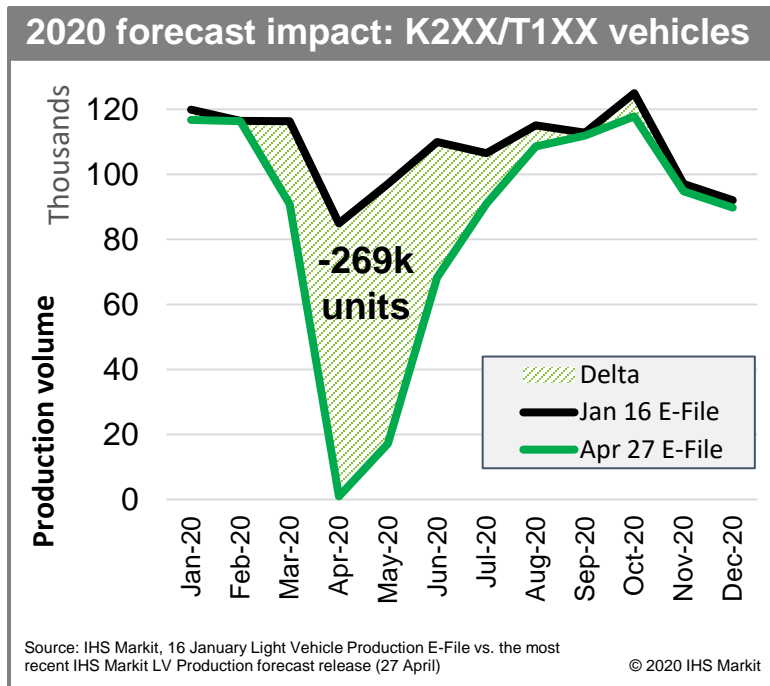


## General Motors T1XX platform profile



**Challenges abound in Q2 as a slow environment combined with rising inventories puts pressure on production volumes.**

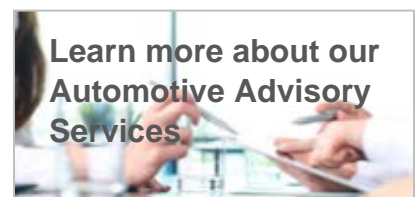
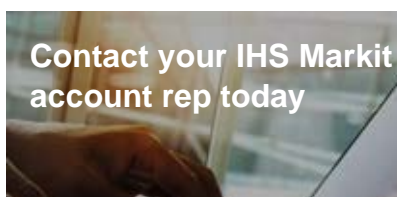
It could be months before General Motors (GM) can deplete existing K2XX-based Suburban and Escalade inventories based on analysis of current inventory levels and sales rates. This inventory spike comes as GM waits to convert the Arlington, Texas, plant to T1XX SUV production in early May.

Prior to the outbreak of the coronavirus disease 2019 (COVID-19) virus, production of the K2XX and T1XX vehicle portfolio was expected to reach **1.29 million units** in 2020. The current calendar year 2020 IHS Markit Light

Vehicle Production forecast reflects **1.02 million units**, a reduction of **269,000 units**, down **21%** from January 2020 expectations. This new forecast represents a **13% year-on-year (y/y) decline in output for these nameplates**.

In previous years, a strong 2018 Lincoln Navigator presentation won Ford the North American Truck of the Year (NACTOY) Award. Additionally, the Fiat Chrysler Automobiles (FCA) dual-truck strategy in 2019, with concurrent DT and DS production, aided RAM pickups to outsell Silverado for the first time. GM experienced severe impacts from the UAW strike late last year, reporting the strike reduced wholesale vehicle deliveries by 191,000 units. **The 2020 forecast decline of 13% y/y as a result of COVID-19 disrupts the GM full-size SUV launch and potentially leaves an opportunity for conquest by competitive nameplates.**

## Access more information and resources



























	Silverado	Sierra	Tahoe	Suburban	Yukon	Yukon XL	Escalade
<b>North American Production Impact</b>							
<b>CY2020 Forecast Adjustments since January release</b>	<b>-21%</b>	<b>-22%</b>	<b>-19%</b>	<b>-25%</b>	<b>-15%</b>	<b>-21%</b>	<b>-18%</b>
	<b>-140.5k</b>	<b>-70.1k</b>	<b>-21.3k</b>	<b>-15.7k</b>	<b>-7.8k</b>	<b>-7k</b>	<b>-6.4k</b>
<b>March Production</b>							
<b>M-o-M% - Feb 2020-Mar 2020</b>	<b>-23%</b>	<b>-20%</b>	<b>-19%</b>	<b>-14%</b>	<b>-31%</b>	<b>-25%</b>	<b>-21%</b>
<b>Y-o-Y% - Mar 2019-2020</b>	<b>-27%</b>	<b>-23%</b>	<b>-11%</b>	<b>-13%</b>	<b>-34%</b>	<b>-34%</b>	<b>-21%</b>
<b>Selling Days Required to Reach 2019 Industry Average Days-on-Hand</b>							
<b>Based on Current Estimated Sales Rates*</b>	<b>-2</b>	<b>13</b>	<b>52</b>	<b>184</b>	<b>62</b>	<b>84</b>	<b>178</b>
2019 Avg. Truck Segment DoH**	Truck: 73						
<b>March Inventory</b>							
<b>Days on Hand*</b>	<b>70</b>	<b>86</b>	<b>124</b>	<b>257</b>	<b>135</b>	<b>157</b>	<b>251</b>
<b>Y-o-Y% Mar 2019-Mar 2020</b>	<b>-44%</b>	<b>-18%</b>	<b>+54%</b>	<b>+198%</b>	<b>+16%</b>	<b>+134%</b>	<b>+113%</b>
<b>M-o-M% Feb 2020-Mar 2020</b>	<b>-4%</b>	<b>12%</b>	<b>123%</b>	<b>276%</b>	<b>206%</b>	<b>64%</b>	<b>124%</b>

Production volumes reflect the most recent IHS Markit Light Vehicle Production forecast (April 27)

\*Source: MotorIntelligence (March). Days-on-Hand = Estimated Vehicle Stock / daily average sell rate.

\*\*Based on average 2019 monthly industry Truck DoH =  $(\sum \text{Jan-Dec Truck DoH}) / 12 \text{ months}$

The IHS Markit COVID-19 Production Tracker measures volume loss through 1 May at 122,000 units (for T1XX plants). GM should resume production operations in early May, yet like its competitors, sales demand and supply chain issues will likely maintain pressure on recovery. If sales levels in the second half of April into early May accelerate as restrictions across the US ease, along with significant OEM sales and marketing efforts designed to entice hesitant buyers, new product could be on lots sooner. This is particularly critical for the profitable segment and production will follow.

<b>Arlington, TX</b> 2020 % T1XX Production: <b>24%</b>		<b>Flint Truck, MI</b> 2020 % T1XX Production: <b>20%</b>		<b>Fort Wayne, IN</b> 2020 % T1XX Production: <b>26%</b>		<b>Silao, MX</b> 2020 % T1XX Production: <b>31%</b>	
	T1XX Nameplates <b>Tahoe/ Suburban Yukon/ XL Escalade</b>		T1XX Nameplates <b>Heavy Duty: Silverado Sierra</b>		T1XX Nameplates <b>Light Duty: Silverado Sierra</b>		T1XX Nameplates <b>Light Duty: Silverado Sierra</b>
	Downtime Dates (Forecast)‡ <b>19 Mar → 1 May</b>		Downtime Dates (Forecast)‡ <b>25 Mar → 1 May</b>		Downtime Dates (Forecast)‡ <b>27 Mar → 1 May</b>		Downtime Dates (Forecast)‡ <b>19 Mar → 1 May</b>
	Downtime Working Days (Forecast)* <b>14</b>		Downtime Working Days (Forecast)* <b>29</b>		Downtime Working Days (Forecast)* <b>29</b>		Downtime Working Days (Forecast)* <b>27</b>
	Lost Production (Forecast)** <b>18k</b>		Lost Production (Forecast)** <b>30k</b>		Lost Production (Forecast)** <b>39k</b>		Lost Production (Forecast)** <b>35k</b>
	Shift Structure <b>3S-5D-8H</b>		Shift Structure <b>3S-5D-8H</b>		Shift Structure <b>3S-5D-8H</b>		Shift Structure <b>3C-5D-8H</b>
	Straight Time Capacity (Annual)* <b>280k</b>		Straight Time Capacity (Annual)* <b>250k</b>		Straight Time Capacity (Annual)* <b>375k</b>		Straight Time Capacity (Annual)* <b>370k</b>

\*Based on IHS Markit Vehicle Plant Capacity. Measure represents 2020 plant level volume, not platform-specific volume

‡Based on IHS Markit North America LV Production Downtime Tracker, 27 April 2020

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