Vehicle Financing Market

January/2021

INTRODUCTION

The vehicle financing market structure was developed by B3 together with financial institutions as a solution to bring agility and security to the process of collateral provision in the Brazilian financial system.

SNG (National Liens System) is a system that manages the financial restrictions on motor vehicles, and its main objective is to provide banks, lending firms, leasing companies and purchasing pool administrators with information about vehicles offered as collateral in a credit transaction.

After SNG was created, fraud involving credit transactions for vehicle financing in the Brazilian market was virtually extinguished.

This file contains detailed information on the performance of the Brazilian vehicle financing market and on the penetration of financing on vehicle sales (source: Fenabrave) and comes as a complement to the vision of the vehicle credit portfolio (source: Central Bank of Brazil).

AGENDA

1 VEHICLE FINANCING DATA

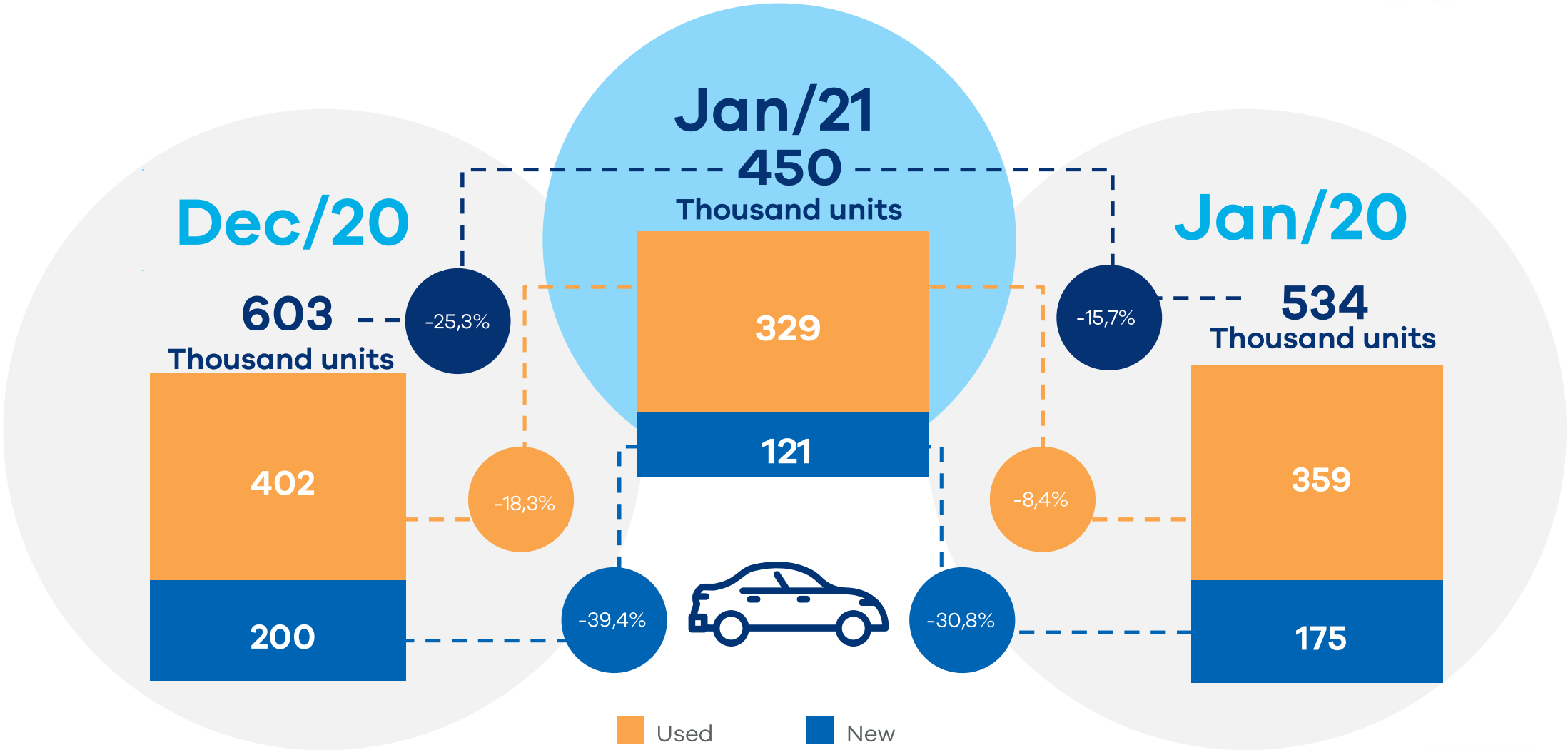
2 VEHICLE FINANCING VS. SALES

3 CREDIT DATA ON VEHICLE PURCHASE

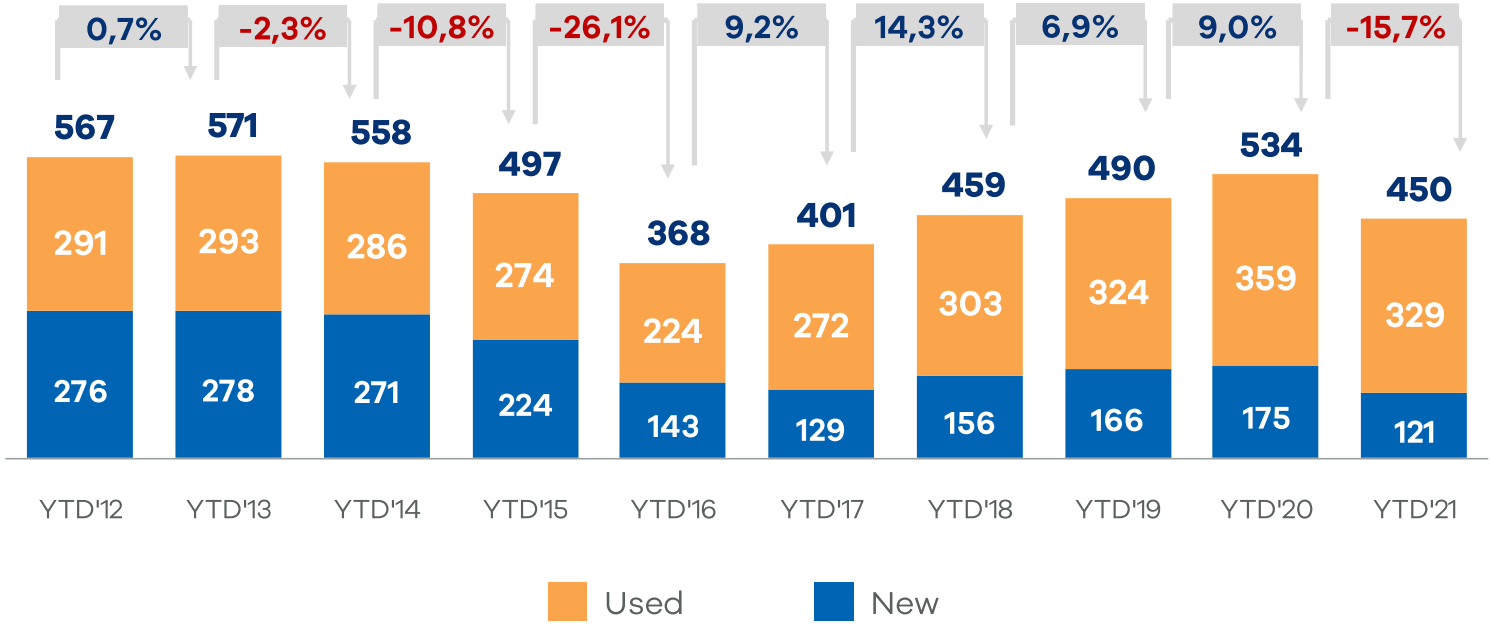
1

VEHICLE FINANCING DATA

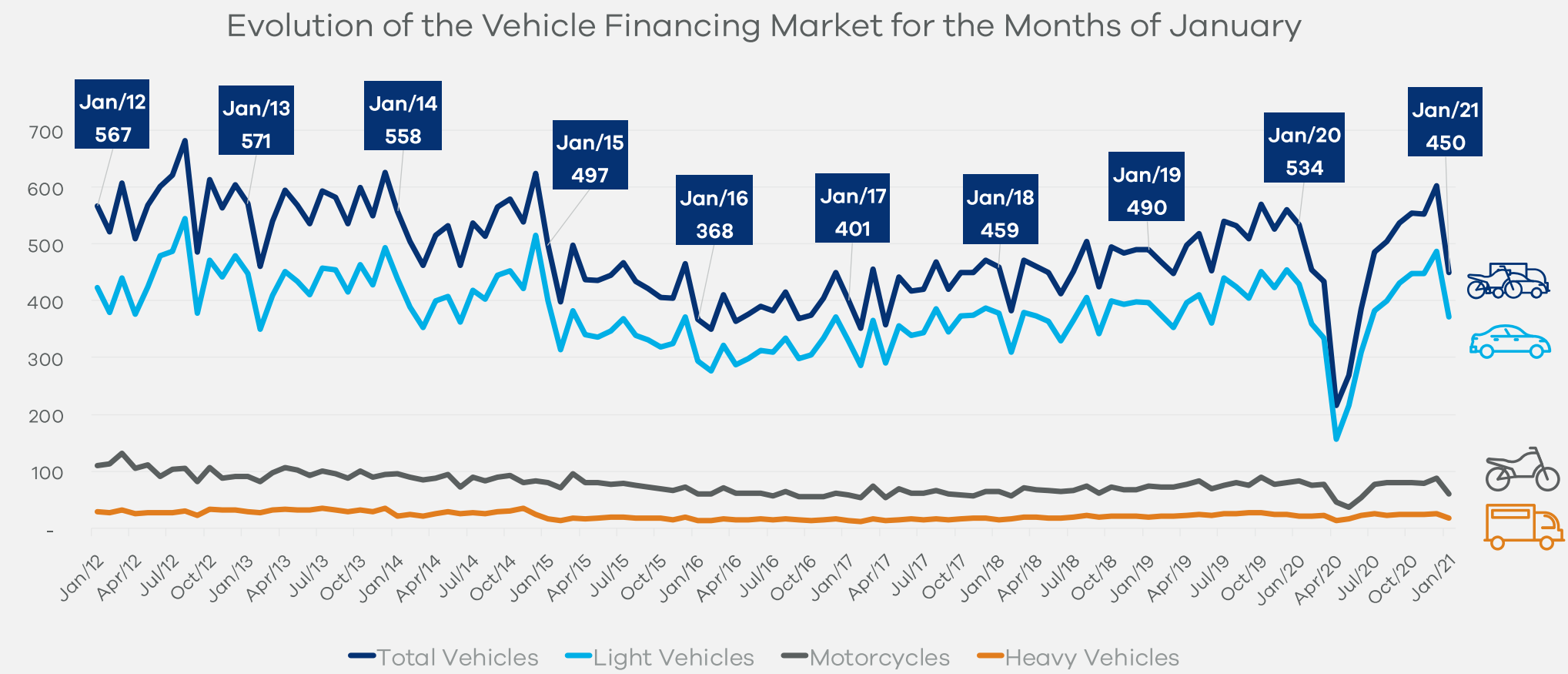
VEHICLE FINANCING QUANTITY



VEHICLE FINANCING QUANTITY | YTD 2020



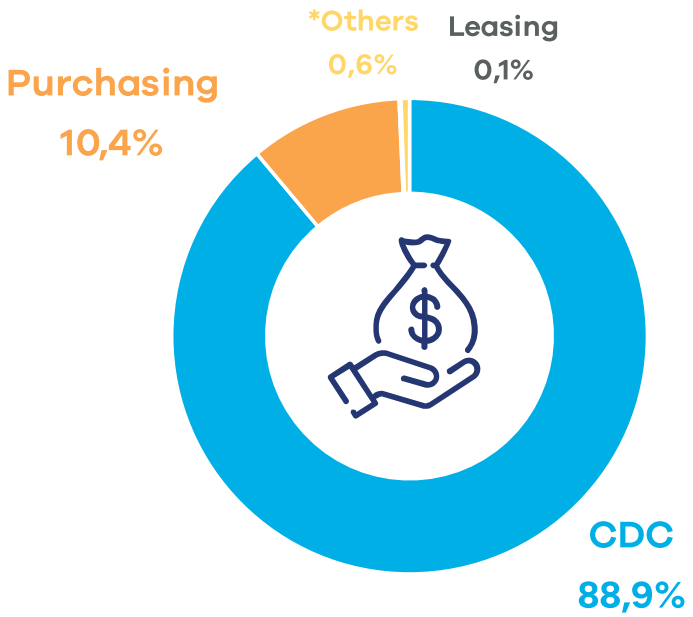
For YTD 2021 (until January), sales of financed vehicles totaled **450 thousand units**, including new and used vehicles comprising motorcycles, light and heavy vehicles. This figure showed a decrease of **-15,7%** over 2020. This is equivalent to **84 thousand units** less than last year.



In million units

VEHICLE FINANCING MODELS

Breakdown of vehicle financing models in January 2020



	UNITS'000 (MONTH/YEAR)			VARIATION %	
	Jan'21	Jan'20	Dec'20	Jan'21 vs. Jan'20	Jan'21 vs. Dec'20
CDC	400	475	536	-15,8%	-25,3%
Purchasing	47	54	62	-14,1%	-25,3%
Leasing	1	1	1	-32,4%	-47,2%
*Others	3	4	3	-27,6%	-22,5%
Total	450	534	603	-15,7%	-25,3%

*Others: Reservation of Ownership and other financing modalities.

CDC (Direct Consumer Credit) is the most representative financing model among the other models – purchasing pool, leasing and others. In January 2021 it showed an decrease of -15,8% compared to January in the previous year.

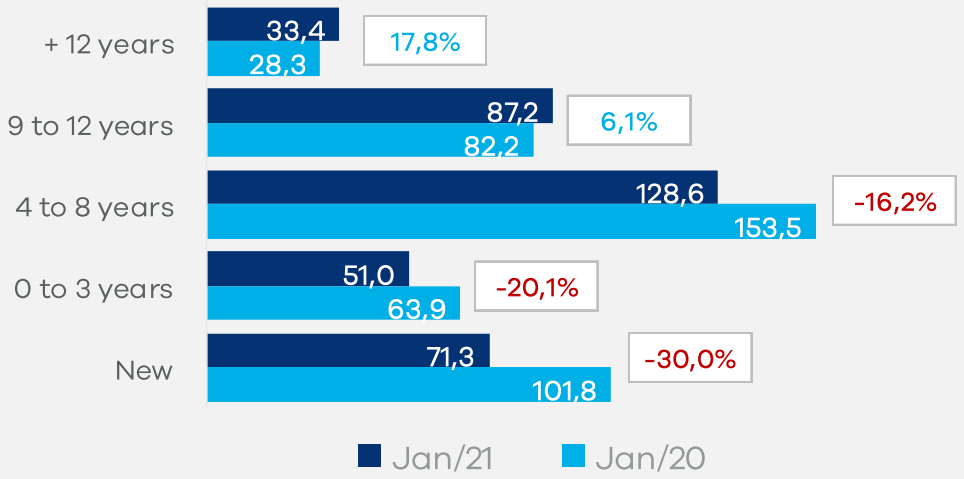
FINANCING PER TIME-OF-USE PERIOD AND PER TERM AND USE RANGE | LIGHT VEHICLES

GRAND TOTAL (thousands of units)

GRAND TOTAL (in months)

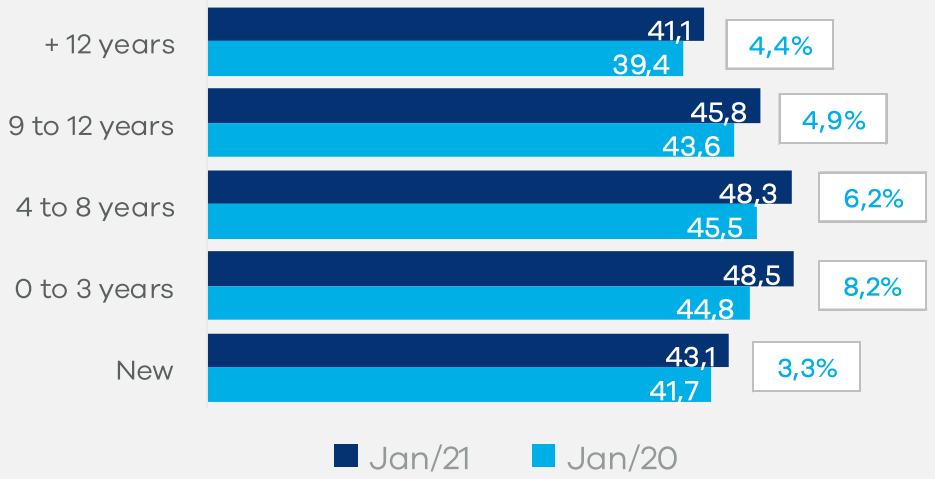
Financing per time-of-use period

Units'000 and Variation %



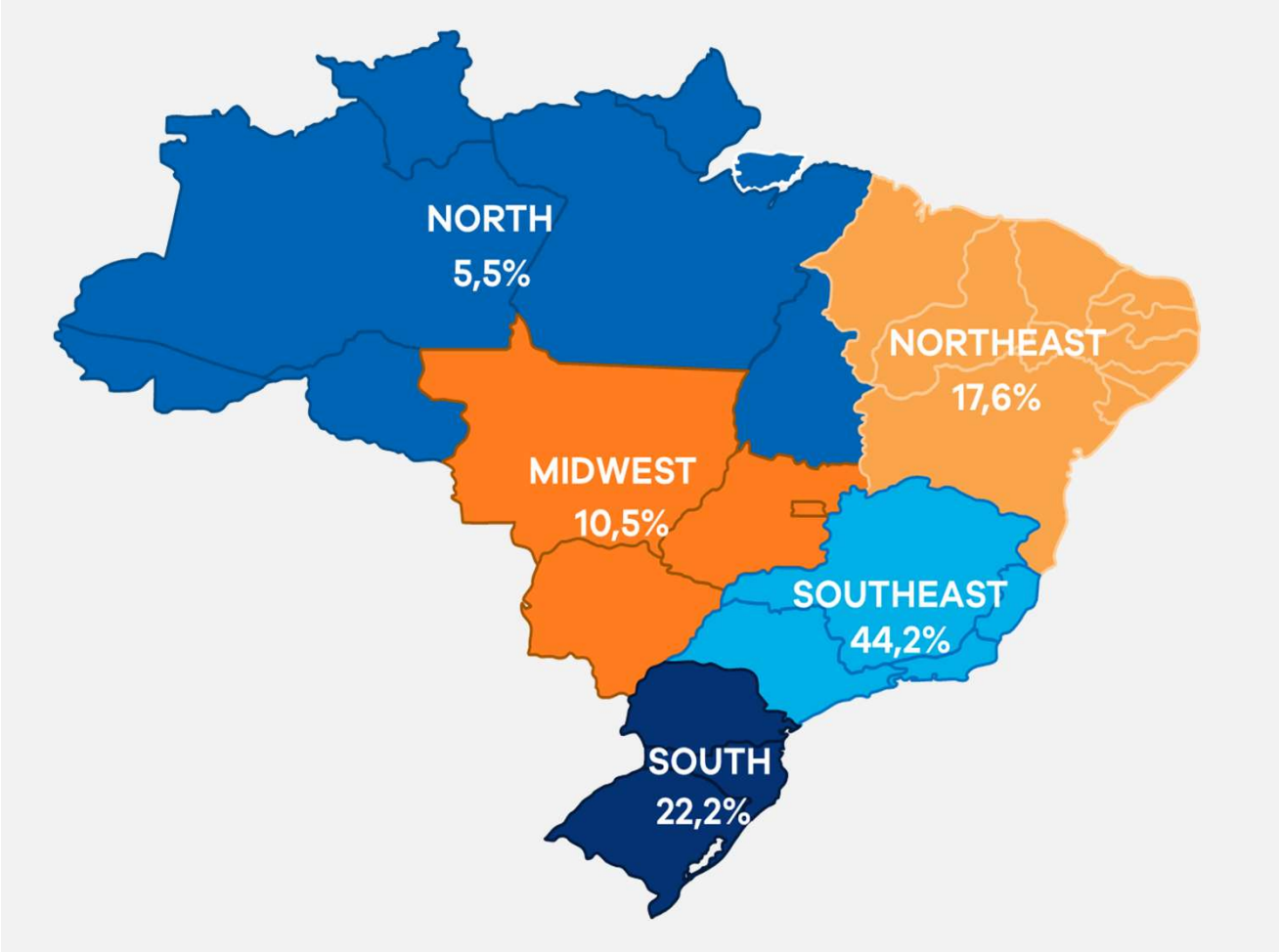
Financing per term and use range

Months and Variation %



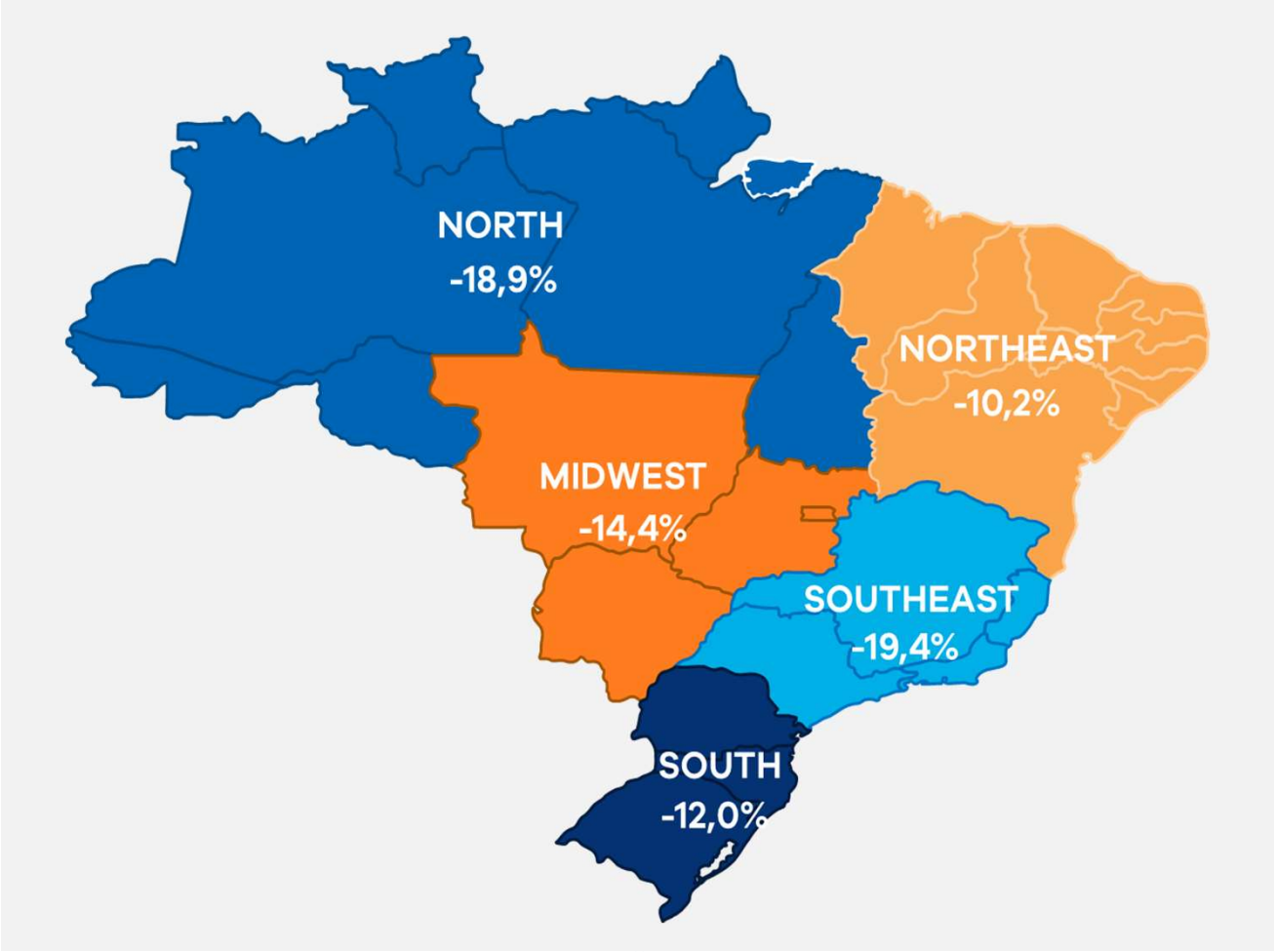
FINANCING PER BRAZILIAN REGION | QUANTITY AND BREAKDOWN PER BRAZILIAN REGION

Breakdown per Brazilian Region (January 2021)



FINANCING PER BRAZILIAN REGION | VARIATION % PER BRAZILIAN REGION 2020 VS 2019 (JANUARY)

Variation per Brazilian Region (Jan 2021 vs. Jan 2020)



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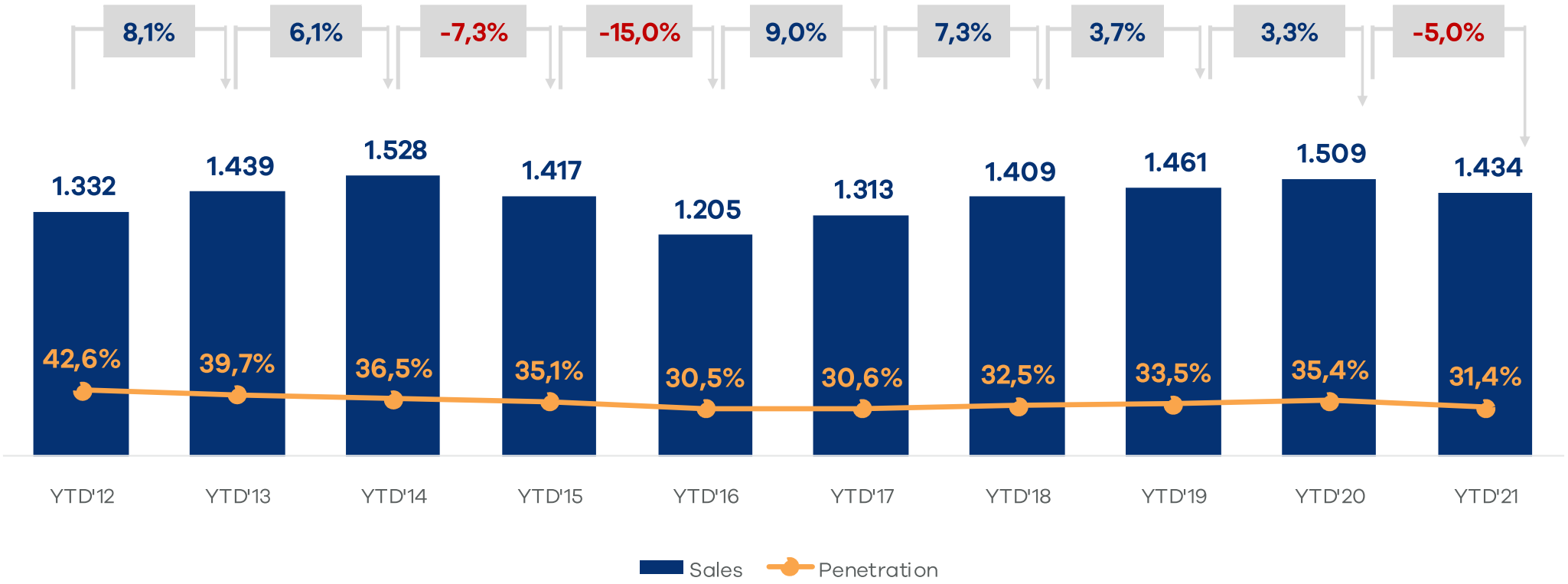
VEHICLE FINANCING VS. SALES

YTD January

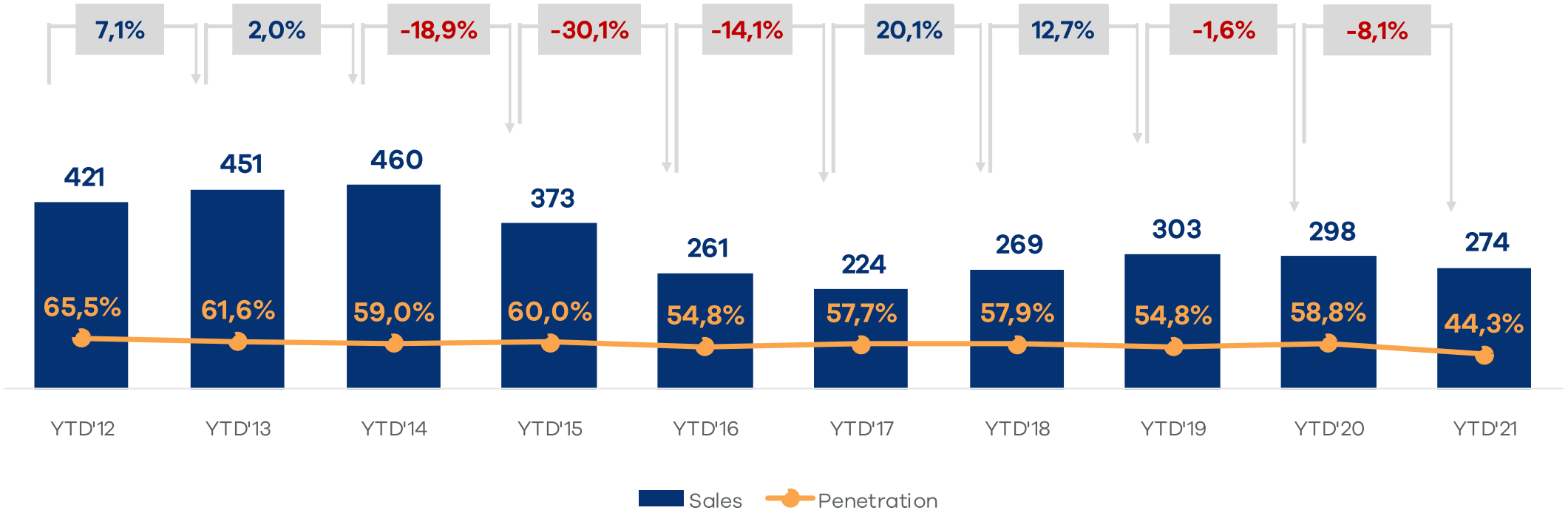
Units'000, Variation and Vehicle Penetration over Sales



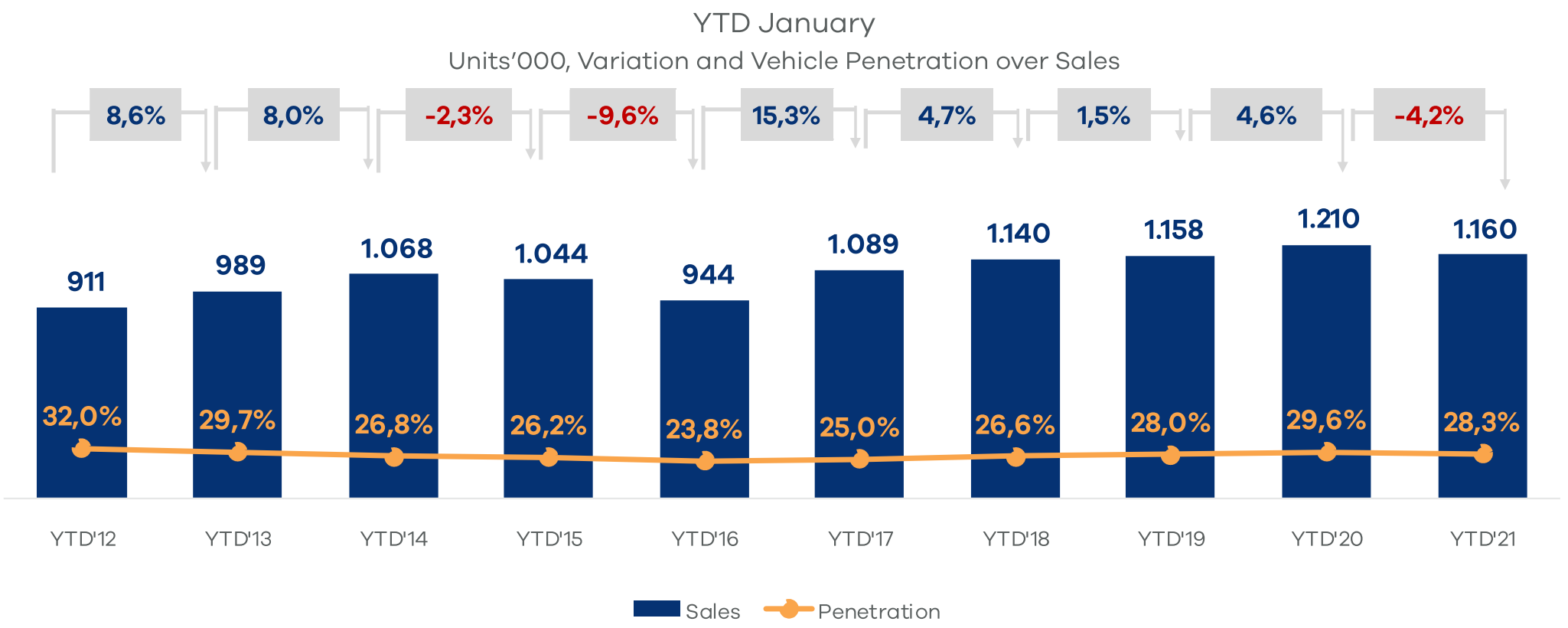
Source Sales: Fenabrave

YTD January

Units'000, Variation and Vehicle Penetration over Sales



Source Sales: Fenabrave



Source Sales: Fenabrave

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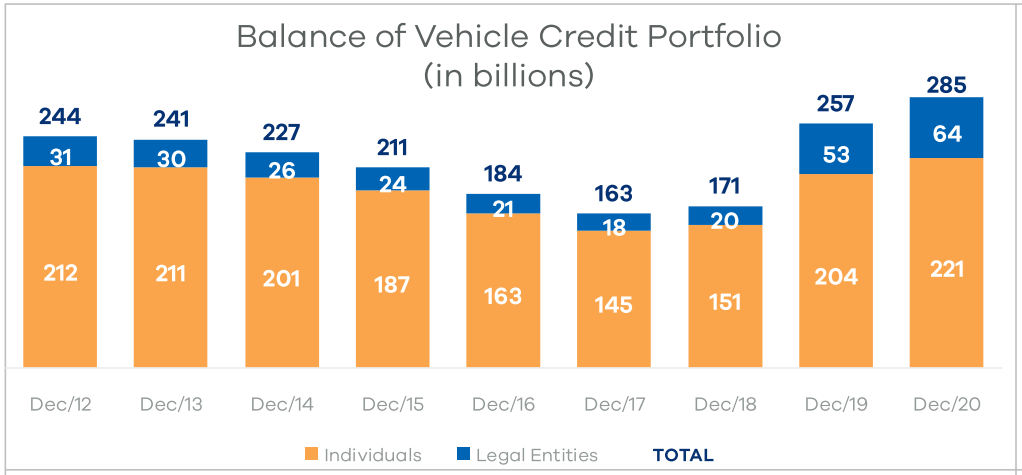
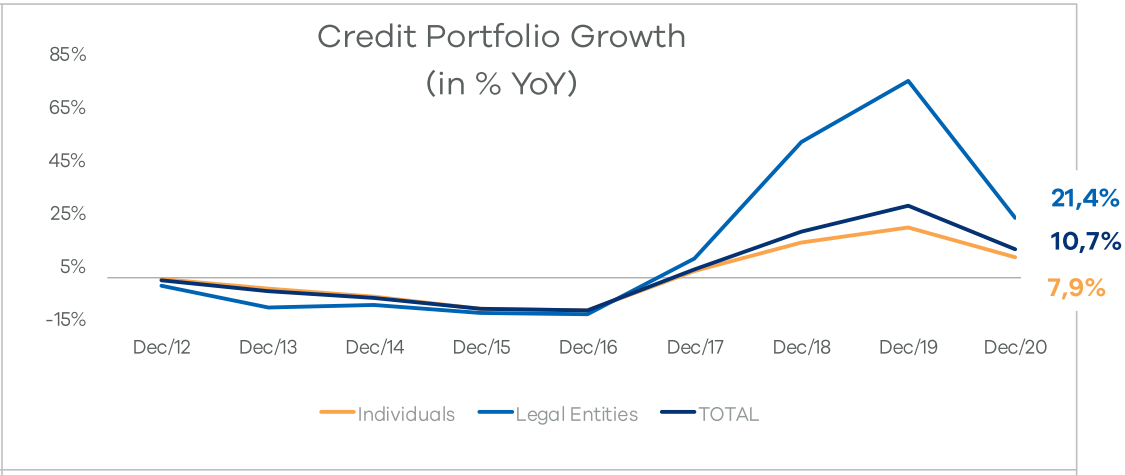
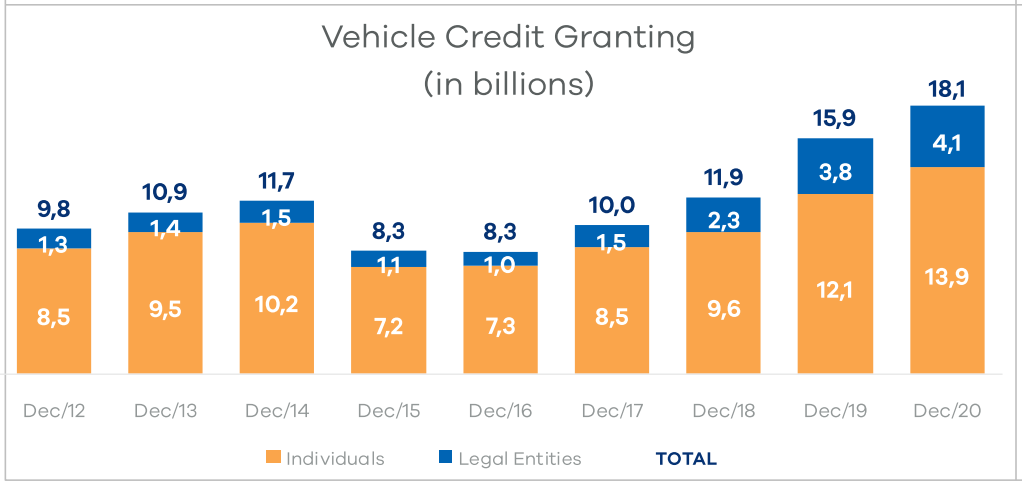
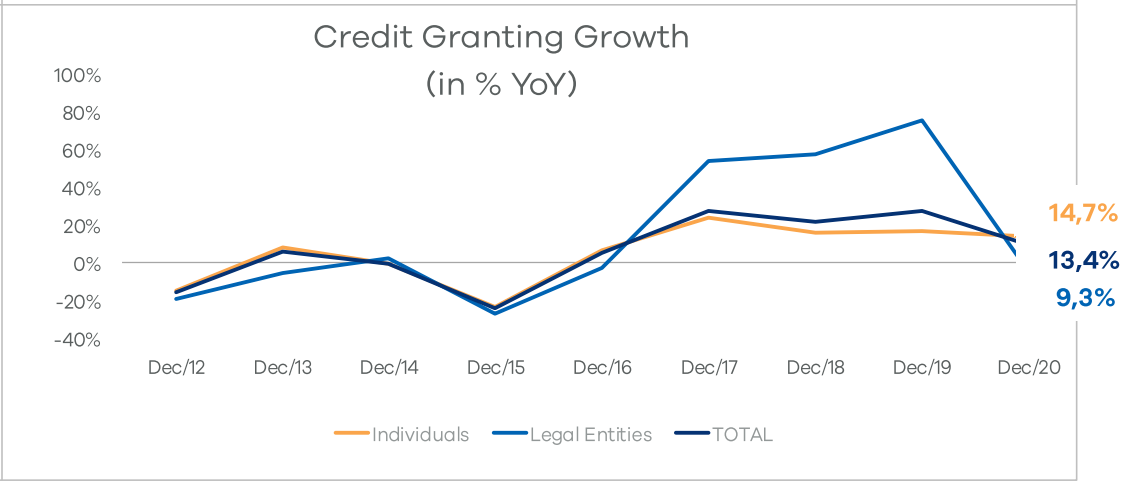
CREDIT DATA ON VEHICLE PURCHASE

VEHICLE CREDIT | TOTAL | DECEMBER



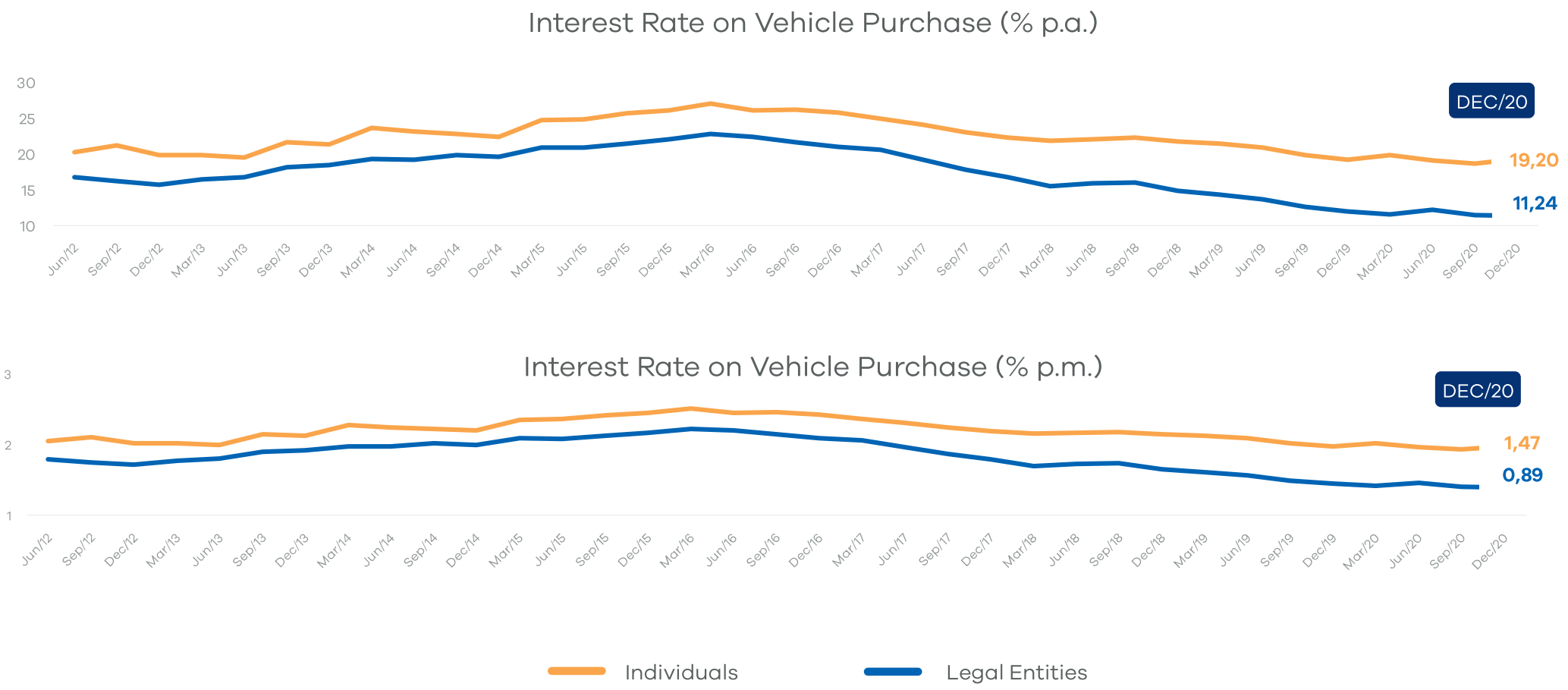






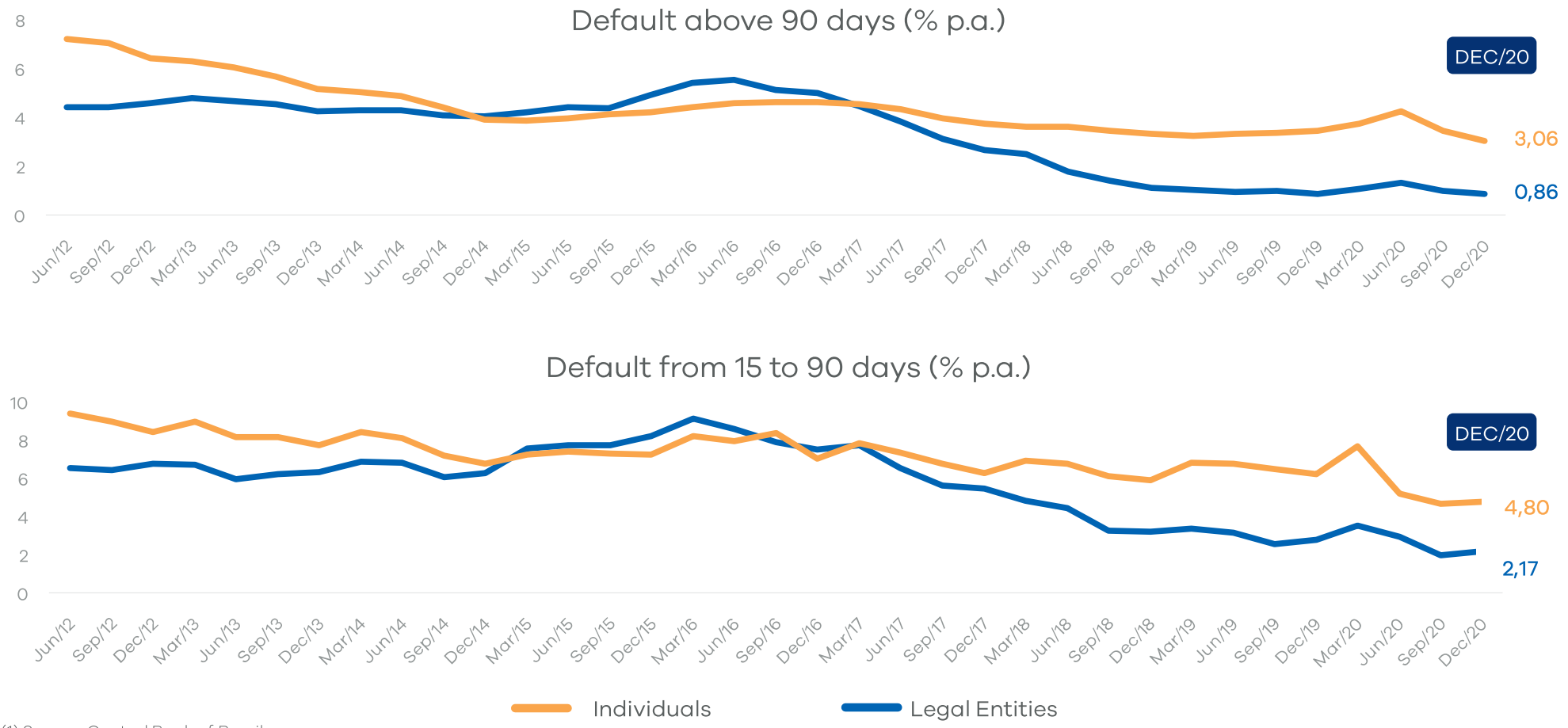
(1) Source: Central Bank of Brazil

INTEREST RATE ON VEHICLE PURCHASE | INDIVIDUALS VS. LEGAL ENTITIES | DECEMBER



(1) Source: Central Bank of Brazil

DEFAULT ON VEHICLE FINANCING | INDIVIDUALS VS. LEGAL ENTITIES | DECEMBER



(1) Source: Central Bank of Brazil

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