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Ally Auto Receivables Trust 2023-1

Capital Structure[a]

Class	Expected Rating	Expected Rating Outlook	Amount ($ Mil.)	CE (%)[b]	Interest Rate (%)	Legal Final Maturity
A-1	F1+sf	N.A.	233.02	5.85	TBD	7/15/24
A-2[c]	AAAsf	Stable	372.01	5.85	TBD	11/15/26
A-3[c]	AAAsf	Stable	372.01	5.85	TBD	5/15/28
A-4	AAAsf	Stable	69.80	5.85	TBD	11/15/28
B	AA+sf	Stable	23.29	3.75	TBD	1/15/29
C	A+sf	Stable	19.41	2.00	TBD	3/15/29
D	BBB+sf	Stable	14.42	0.70	TBD	4/15/34
Total			**1,103.96**			

[a]The above structure is based upon the $1.12 billion aggregate pool balance (APB). If the APB of notes is $1.60 billion, the notes will be issued in these applicable principal amounts: $332.24 million class A-1 notes, $528.55 million class A-2 notes, $528.55 million class A-3 notes, $99.23 million class A-4 notes, $33.12 million class B notes, $27.60 million class C notes and $20.50 million class D notes. The depositor will determine the initial principal amount of notes based upon, among other considerations, market conditions at the time of pricing. [b]Not including excess spread. [c]The allocation of initial principal between class A-2 and A-3 notes will be determined at the time of pricing. CE – Credit enhancement. N.A. – Not applicable. TBD – To be determined.

Fitch Ratings expects to rate the auto loan ABS issued by Ally Auto Receivables Trust 2023-1 (AART 2023-1) as listed above. The 2023-1 pool is backed by new and used automobile and light-truck loans originated and serviced by Ally Bank (Ally), a wholly-owned subsidiary of Ally Financial Inc. This will be the 46th prime retail auto securitization transaction issued by Ally on the AART platform. The most recently issued transaction was AART 2022-3, and AART 2019-2 was the most recent transaction rated by Fitch. Ally did not issue any term ABS transactions in 2020–2021.

The 2023-1 transaction references two potential pools to be securitized: a $1.12 billion collateral pool and a larger $1.60 billion collateral pool, with notes and certificates totaling $1.10 billion and $1.57 billion, respectively. The pools are materially similar, and this report references the $1.12 billion pool and corresponding capital structure.

Key Rating Drivers

Consistent Collateral Quality: The weighted average (WA) FICO score of 730 is consistent with the 2022 series, as is the concentration of extended-term contracts (equal to or greater than 60 months) at 78.6%. The collateral pool maintains a high concentration of light trucks; however, the percentage of new vehicles has decreased to almost 42%.

Forward-Looking Approach to Derive Base Case Loss Proxy: Fitch considers economic conditions and future expectations by assessing key macroeconomic and market conditions when deriving the series proxy. Fitch utilized the loss performance of Ally's static portfolio from 2006–2009 and 2017–2018 vintages and AART securitizations from 2017–2018 to arrive at a forward-looking cumulative net loss (CNL) proxy of 1.20%.

Payment Structure — Sufficient Credit Enhancement: Initial hard credit enhancement (CE) for all classes of notes is unchanged from the 2022-3 transaction (not rated by Fitch), with 5.85% in hard CE for class A notes. Excess spread is expected to be 2.45% per annum, consistent with recent AART transactions. Initial CE is sufficient to withstand Fitch's base case CNL proxy of 1.20% at Fitch's requisite multiple for the class of notes.

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This presale report reflects information in Fitch Ratings' possession at the time that Fitch's expected ratings are issued. The transaction has yet to be finalized and changes could occur. As a result, the expected ratings disclosed in this report do not reflect final ratings but are solely based on information provided by the issuer as of July 5, 2023. These expected ratings are contingent on final documents conforming to information already received. Ratings are not a recommendation to buy, sell or hold any security. The prospectus and other material should be reviewed prior to any purchase.

Fitch's related Rating Action Commentary issued at transaction closing will include final ratings, which will include an assessment of any material information that may have changed subsequent to the publication of the presale.

Representations, Warranties and Enforcement Mechanisms Appendix

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Seller/Servicer Operational Review — Consistent Origination/Underwriting/Servicing: Fitch believes Ally is a capable originator, underwriter and servicer for this series, as evidenced by the historical performance of its managed portfolio and securitizations. Ally Financial's current Long-Term Issuer Default Rating (IDR) is 'BBB–'/Stable.

Highlights

Effect	Highlight
Neutral	**Sufficient Hard Credit Enhancement:** Hard CE for 2023-1 is 5.85% for class A notes, consistent with all transactions since 2019-3. AART 2023-1 features a reserve account of at least 0.25% of the initial adjusted pool balance and initial overcollateralization of 0.45%, consistent with recent transactions. The CE profile provides strong levels of loss coverage over Fitch's base case loss proxy.
+	**Notched Ratings:** Fitch assigned notched ratings to the subordinate notes in 2023-1, consistent with prior Fitch-rated series, due to the presence of very strong multiples for class B, C and D notes.
–	**Weakening Managed Pool Performance:** Delinquencies and net losses on Ally's managed pool have increased to historically high levels as of YE22 and 1Q23. However, all AART series since 2009-A have paid off with less than 1.00% in CNL, and the five outstanding series all are projecting below 0.75% in CNL.
Neutral	**Minimal Credit Impact from ESG:** The highest level of ESG credit relevance is a score of '3', meaning that ESG issues are credit-neutral or have only a minimal credit impact on the transaction, due to either their nature or the way in which they are being managed. See the ESG Navigator in *Appendix 2* for details.

Source: Fitch Ratings

Key Rating Drivers (Negative/Positive/Neutral)

Rating Impact	Key Rating Driver
Neutral	Consistent Collateral Quality
Neutral	Forward-Looking Approach to Derive Base Case Loss Proxy
Neutral	Payment Structure — Sufficient Credit Enhancement
Positive	Seller/Servicer Operational Review — Consistent Origination/ Underwriting/Servicing

Applicable Criteria

Structured Finance and Covered Bonds Counterparty Rating Criteria (March 2023)

Global Structured Finance Rating Criteria (March 2023)

U.S. Auto Loan ABS Rating Criteria (February 2023)

Structured Finance and Covered Bonds Interest Rate Stresses Rating Criteria (December 2022)

Key Transaction Parties

Role	Name	Fitch Rating
Issuer	Ally Auto Receivables Trust 2023-1	NR
Depositor	Ally Auto Assets LLC	NR
Seller	Ally Bank	NR
Servicer/Sponsor	Ally Bank	NR
Parent	Ally Financial Inc.	BBB–/F3/Stable
Indenture Trustee	U.S. Bank Trust Company, N.A.	A+/F1/Stable
Owner Trustee	BNY Mellon Trust of Delaware	AA/F1+/Stable
Lead Underwriter	BofA Securities, Inc.	AA/F1+/Stable

NR – Not rated
Source: Fitch Ratings, AART 2023-1

Transaction Comparison

	AART 2023-1	FCAOT 2023-B	GMCAR 2023-2
Aggregate Balance ($)	1,121,998,940	1,719,380,848	1,346,226,236
No. of Loans	50,424	49,034	46,634
Average Principal Balance ($)	22,251	35,065	28,868
WA APR (%)	8.68	4.79	2.69
WA LTV (%)	95.54	100.91	93.00
WA FICO Score	730	748	772
WA Original Term (Months)	69	64	66
WA Remaining Term (Months)	60	57	59
Seasoning (Months)	10	8	7
Loans > 60 Months OT (%)	78.55	52.84	57.63
Loans ≤ 60 Months OT (%)	21.45	47.16	42.37
New Vehicles (%)	41.58	89.80	84.66
Used/Near New Vehicles (%)	58.42	10.20	15.34
Geographic Distribution (%)			
State 1	13.36 (TX)	16.58 (TX)	17.97 (TX)

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	AART 2023-1	FCAOT 2023-B	GMCAR 2023-2
State 2	9.49 (FL)	9.88 (CA)	9.51 (FL)
State 3	6.21 (CA)	8.92 (FL)	8.01 (CA)
State 4	5.64 (PA)	4.12 (GA)	4.44 (IL)
State 5	4.53 (NJ)	3.57 (NC)	4.17 (MI)
Credit Enhancement (%)			
Class A (Initial Hard)	5.85	5.25	6.10
Class B (Initial Hard)	3.75	2.25	4.50
Class C (Initial Hard)	2.00	0.25	3.00
Class D (Initial Hard)	0.70	N.A.	1.75
Fitch Ratings			
Class A	F1+sf(EXP)/AAAsf(EXP)	F1+sf/AAAsf	NR
Class B	AA+sf(EXP)	AA+sf	NR
Class C	A+sf(EXP)	A+sf	NR
Class D	BBB+sf(EXP)	N.A.	NR
Base Case Net Loss Proxy (%)	1.20	1.45	N.A.

EXP – Expected. FICO – Fair Isaac Corp. FCAOT – Ford Credit Auto Owner Trust. GMCAR – GM Financial Consumer Automobile Receivables Trust. LTV – Loan to value ratio. N.A. – Not applicable. N.P. – Not provided. NR – Not rated. OT – Original term.
Source: Fitch Ratings

Sector Risks: Additional Perspective

Key Sector Risks

Sector or Asset Outlook	Fitch's 2023 asset performance outlook for prime auto loan ABS has been revised to deteriorating relative to 2022, reflecting its expectation for the moderation observed in 2022 to continue into 2023, but remain below or in line with pre-pandemic levels. Supply constraints such as semiconductor shortages have caused production shutdowns, leading to historically low inventories despite strong demand, which has increased secondary values and recoveries. These supply shortages, while loosening, are expected to continue to support values and overall strong prime auto ABS performance in 2023. Rating upgrades persist due to solid performance within initial loss proxies, building CE and quick amortization.
Macro or Sector Risks	Fitch predicts a mild recession to take hold in the U.S. in 2H23, which will weigh on job growth and consumer demand. High inflation will lead to a continued increase in interest rates, affecting sectors backed by consumer and real estate assets that are exposed to interest rate and refinancing risk. Real income erosion will further burden households, affecting consumer spending and businesses, especially weaker borrowers.
Relevant Research	Fitch has revised its global economic forecasts to reflect its 2023 expectations. Fitch's 2023 outlook for structured finance is detailed in its "North America Structured Finance Outlook 2023" report. Also, see Fitch's recent special report, "In the Auto ABS Driver's Seat: 2H22." Both reports are available on Fitch's website at www.fitchratings.com.

Source: Fitch Ratings

Asset Analysis

Base Case Loss Determination

Fitch reviewed 20 years of quarterly static net loss data from the Ally retail auto loan portfolio. Static pool data were stratified into subsegments based on these collateral characteristics:

- Internal credit tiers;
- Loan to value ratios (LTVs) of 0–100 and 101–120;
- Original loan terms of 60 or fewer payments, 61 payments–72 payments and 73 payments–75 payments; and
- Vehicle condition (new/used).

To derive a base case loss expectation, Fitch analyzed the static pool data utilizing its forecasting model. Historical loss timing curves and performance for each of the static pools were utilized to forecast CNL expectations for certain components of the pool. These expectations varied for certain characteristics of the pool. For example, the loss expectation for loans with traditional terms (<= 60 months) was lower than that of loans with extended terms. Likewise, loss

AART 2023-1

Net Loss Proxy (%)	1.20
Prime Auto Loan ABS Sector Outlooks	
Asset Performance	Deteriorating
Ratings Performance	Positive

Source: Fitch Ratings

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expectations for used vehicles are higher than for new vehicles. Expected losses for these characteristics of the pool were weighted according to the composition of the 2023-1 transaction.

To account for the forecasted mild recession, Fitch expects elevated losses and recommends utilizing the 2006–2009 and 2017–2018 periods for determining the base case credit loss proxy. These vintages encompass the recessionary period, as well as the more recent environment.

Fitch also analyzed and incorporated performance data from previous securitizations from the 2017–2018 vintages to arrive at the final base case CNL expectation of 1.20% for the 2023-1 pool. This represents a decrease from 1.25% in 2019-2 and earlier transactions given strong securitization performance on the platform. The base case proxy determined by looking through an economic cycle is intended to support stability for investment grade ratings in deteriorating economic scenarios. It considers losses through an economic cycle and takes into account periods of both strong and weak vehicle wholesale market performance. The recovery expectation of 50% was derived by analyzing prior AART securitization recovery performance. Fitch's base case proxy accounts for potential weakness in recoveries.

Risk factors that may influence performance include national or regional economic downturns, wholesale vehicle market weakness resulting in low vehicle recovery rates, an Ally bankruptcy and poor servicing or a servicer transfer.

The 2023-1 notes are backed by a pool of prime automobile loans secured by new and used vehicles, all originated by Ally Bank. The eligibility criteria for collateral to be included in the AART 2023-1 pool are consistent with those observed in other prime auto loan ABS.

Collateral Comparison

	2023-1	2022-3 (NR)	2022-2 (NR)	2022-1 (NR)	2019-4 (NR)	2019-3 (NR)	2019-2	2019-1	2018-3 (NR)	2018-2	2018-1	2017-5
Principal Balance ($000)	1,121,999	1,028,969	1,112,888	1,084,570	1,050,523	1,120,998	1,120,998	1,120,000	1,119,013	1,118,470	1,119,773	560,000
No. of Automobile Loans	50,424	61,982	59,250	59,861	66,361	67,198	66,351	66,201	71,862	72,179	69,471	35,136
Avg. Principal Balance ($)	22,251	16,601	18,782	18,118	15,830	16,682	16,895	16,918	15,572	15,497	16,119	15,938
New (%)	41.58	40.00	50.01	50.18	70.00	70.00	70.00	70.33	69.00	69.98	70.02	70.00
Used (%)	58.42	60.00	49.99	49.82	30.00	30.00	30.00	29.67	31.00	30.02	29.98	30.00
WA APR (%)	8.68	6.77	6.55	6.56	6.63	7.00	7.00	6.94	6.10	6.05	5.88	5.72
Original Term (Mos.)	69	70	69	70	67	66	66	66	67	66	66	66
Remaining Term (Mos.)	60	50	55	55	53	57	57	57	52	53	53	53
Seasoning (Mos.)	10	20	14	15	14	9	10	9	14	13	13	13
Loans > 60 Mos. OT (%)	78.55	79.19	77.77	78.18	67.60	67.02	66.85	67.96	67.56	66.71	67.25	66.98
Loans ≤ 60 Mos. OT (%)	21.45	20.81	22.23	21.82	32.40	32.98	33.15	32.04	32.44	33.29	32.75	33.02
WA Loan to Value (%)	95.54	94.45	93.57	93.30	94.28	93.49	93.20	93.39	94.77	94.00	94.21	93.69
WA FICO Score	730	729	730	725	741	737	737	735	736	737	737	737
Manufacturer Concentration (%)												
Make 1	Chevrolet (17.45)	Chevrolet (18.69)	Chevrolet (17.13)	Chevrolet (18.23)	Chevrolet (27.20)	Chevrolet (23.62)	Chevrolet (24.02)	Chevrolet (26.64)	Chevrolet (30.66)	Chevrolet (32.21)	Chevrolet (33.35)	Chevrolet (33.75)
Make 2	Ford (12.20)	Ford (12.84)	Ford (12.22)	Ford (12.74)	Ford (10.36)	Ford (11.80)	Ford (10.94)	Ford (9.65)	GMC (9.43)	GMC (9.43)	GMC (9.42)	GMC (9.34)
Make 3	Ram (7.14)	Ram (7.93)	Jeep (10.31)	Jeep (9.67)	GMC (9.18)	Jeep (8.87)	Jeep (8.97)	Jeep (9.27)	Ford (8.89)	Ford (7.86)	Ford (8.40)	Ford (8.20)
Make 4	Jeep (7.09)	Jeep (7.56)	Ram (8.17)	Ram (8.64)	Jeep (8.39)	GMC (7.41)	GMC (7.55)	GMC (6.95)	Jeep (8.00)	Jeep (7.47)	Jeep (7.59)	Jeep (7.47)

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Collateral Comparison

	2023-1	2022-3 (NR)	2022-2 (NR)	2022-1 (NR)	2019-4 (NR)	2019-3 (NR)	2019-2	2019-1	2018-3 (NR)	2018-2	2018-1	2017-5
Make 5	Toyota-Scion (5.68)	GMC (6.60)	GMC (6.09)	GMC (6.72)	Ram (6.99)	Ram (6.80)	Ram (7.00)	Ram (6.29)	Ram (5.51)	Ram (6.73)	Ram (6.02)	Ram (5.85)
Geographic Concentration (%)												
State 1	13.36 (TX)	11.78 (TX)	12.20 (TX)	12.55 (TX)	13.51 (TX)	13.03 (TX)	12.52 (TX)	12.87 (TX)	12.99 (TX)	12.86 (TX)	13.50 (TX)	11.75 (CA)
State 2	9.49 (FL)	9.17 (CA)	9.51 (CA)	9.46 (CA)	9.50 (CA)	10.26 (CA)	10.37 (CA)	10.57 (CA)	9.56 (CA)	10.04 (CA)	9.48 (CA)	9.77 (TX)
State 3	6.21 (CA)	9.03 (FL)	9.38 (FL)	9.40 (FL)	8.31 (FL)	9.03 (FL)	8.98 (FL)	8.89 (FL)	8.89 (FL)	8.86 (FL)	9.28 (FL)	5.81 (PA)
State 4	5.64 (PA)	5.01 (PA)	5.50 (PA)	4.96 (PA)	4.37 (PA)	4.51 (PA)	4.61 (PA)	4.65 (PA)	4.70 (PA)	4.60 (PA)	4.57 (PA)	5.51 (IL)
State 5	4.53 (NJ)	4.14 (NC)	4.24 (NC)	4.23 (NC)	4.25 (IL)	4.35 (IL)	4.55 (IL)	4.55 (IL)	4.58 (IL)	4.48 (IL)	4.28 (IL)	4.32 (NC)
Model Concentration (%)												
Model 1	Silverado – 6.11	Silverado – 7.54	Silverado – 6.41	Silverado – 7.02	Silverado – 10.03	Silverado – 6.44	Silverado – 6.64	Silverado – 7.88	Silverado – 11.08	Silverado – 10.89	Silverado – 11.31	Silverado – 11.37
Model 2	1500– 3.46	1500 – 4.28	1500 – 3.66	1500 – 3.88	Ram Pickup – 5.33	Ram Pickup – 5.00	Ram Pickup – 4.95	Ram Pickup – 4.39	Sierra – 4.59	Ram Pickup – 5.16	Sierra – 4.63	Sierra – 4.52
Model 3	F-150 – 3.29	F-150 – 3.43	F-150 – 3.02	Sierra – 3.19	Sierra – 5.13	Sierra – 3.60	Sierra – 3.72	Sierra – 3.23	Ram Pickup – 3.97	Sierra – 4.53	Ram Pickup – 4.57	Ram Pickup – 4.38
Vehicle Concentration (%)												
Car	23.65	22.96	22.00	21.86	27.39	31.25	31.01	32.67	31.21	30.53	31.22	31.43
Light Truck	76.35	77.04	78.00	78.14	72.61	68.75	68.99	67.33	68.79	69.47	68.78	68.57
Fitch CNL Proxy	1.20	NR	NR	NR	NR	NR	1.25	1.25	NR	1.25	1.25	NR

NR – Not rated
Source: Fitch Ratings, AART 2023-1

Borrower Attributes

Obligor Credit Quality — Stable

The WA FICO score for 2023-1 is 730; this is in line with 729 in 2022-3 but remains on the low end of the range of 725–750 for transactions since 2013. There has been a shift in borrowers from higher FICO buckets to lower FICO buckets. The concentration of borrowers with a FICO score below 700 has increased slightly to 34.28% from 33.90% in 2022-3, while FICOs greater than 750 have decreased to 27.44% from 28.71% in 2022-3. While FICO distributions are slightly weaker than prior pools, internal credit distributions remain strong and the credit quality of the pool as a whole remains in line with peer issuers.

Geographic Concentration — Stable

The geographic distribution in 2023-1 is similar to prior Ally transactions. Texas continues to represent the largest state at 13.36% of the pool. Florida (9.49%), California (6.21%), Pennsylvania (5.64%) and New Jersey (4.53%) comprise the remaining top five states. In total, the top five states account for 39.24% of the pool, consistent with 39.13% in 2022-3. Greater geographic diversity reduces the impact of a regional economic downturn on loss performance.

Collateral Attributes

Vehicle Condition — Weakening

New vehicles total 41.58% of the pool and the remaining 58.42% consists of used vehicles. There has been a notable decrease in the concentration of new vehicles on the platform; prior to 2022, AART pools had new vehicle concentration in the range of 66%–92%. The highest levels of new vehicles on the platform occurred prior to 2014, when they were between 80% and 90%. Historical performance indicates that used vehicle loans tend to incur higher net losses than new vehicle loans.

Collateral Summary

Borrower Attributes	
Obligor Credit Quality	Stable
Geographic Concentration	Stable
Collateral Attributes	
Vehicle Condition	Weakening
Segment Concentrations	Stable
Make/Model Concentration	Stable
Loan Attributes	
Original Loan Term	Stable
Seasoning	Decreasing
APR	Increasing
Principal Balance	Increasing
LTV	Stable

Source: Fitch Ratings

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Vehicle Segment — Stable

Approximately 23.65% of the 2023-1 pool comprises cars, slightly increased from 22.96% in 2022-3 and 22.00% in 2022-2; however, the concentration of cars has decreased from levels seen in transactions prior to 2022. Light trucks represent 76.35% of the pool. This decrease in the concentration of cars is consistent with that of other auto loan transactions and reflects shifts in consumer preference in recent years. As current high fuel prices illustrate how quickly the volatile oil market can affect consumer costs, this high concentration in trucks could affect recovery rates in the future, as values can be tied to fuel prices.

Manufacturer/Brand/Model Diversification — Stable

Vehicles in 2023-1 are primarily GM- and Chrysler-brand vehicles with the top five brands being Chevrolet (17.5%), Ford (12.2%), Ram (7.1%), Jeep (7.1%) and Toyota-Scion (5.7%). The brand composition in AART pools has been consistent over the past several deals, following a shift from prior years when Ally lost its status as preferred lender for Chrysler and GM. Chrysler-brand originations have declined much more in recent transactions compared to GM.

The transaction is well diversified and comparable to recent transactions in model concentrations. The top five models account for 17.15% of the pool, down from 20.65% in 2022-3. Silverado has the highest model concentration at 6.11%, followed by 1500 (3.46%) and F-150 (3.29%).

Loan Attributes

Original Loan Term — Stable

The pool's WA original term is 69 months, in line with the 2022 series but up from all prior transactions. This increase could be attributed to the inclusion of loans with original terms of 76 months–84 months beginning in 2022-1. Loans with terms greater than 60 months, at 78.55% of the pool, trails 79.19% in 2022-3 but is the second-highest concentration in the platform. Loans with longer terms may be offered to borrowers to lower their monthly payments or to enable the purchase of higher-priced vehicles. However, as long-term loan amortization trails vehicle depreciation, these loans expose the transaction to higher loss severity if the obligor defaults. Fitch considered this risk in the derivation of its base case CNL assumption.

Seasoning — Decreasing

WA seasoning in 2023-1 is 9.6 months, down from 19.7 months in 2022-3 and on the low end of the historical range of eight months to 20 months since 2014. Pools with higher seasoning may experience lower CNL than an unseasoned pool, as a portion of expected cumulative losses has occurred prior to securitization.

Annual Percentage Rate — Increasing

The WA APR in 2023-1 is 8.68%, up from 6.77% and 6.55% in 2022-3 and 2022-2, respectively. This represents the highest APR to date for this platform, which is attributable to the increased concentration of lower FICO borrowers and the current high interest rate environment.

Principal Balance — Increasing

The average loan balance of $22,251 reflects a significant increase from recent transactions ($16,601 in 2022-3) and is the highest value since 2014-3. This increase is driven by the increasing concentrations of light trucks and overall vehicle price increases.

Loan to Value — Stable

The WA LTV ratio is 95.54%, up from 94.45% in 2022-3 but within the range of 89%–103% for prior transactions.

Portfolio Performance

Ally Bank's Managed Portfolio Performance

Ally Bank's U.S. auto loan portfolio continued to weaken through YE22 to historically high levels. Net losses and delinquencies increased even further as of March 31, 2023 (1Q23) versus one year prior. This is primarily attributable to the current weakening economic environment. Total delinquencies as of March 31, 2023 were 3.71%, up from 2.54% one year prior.

Annualized net losses as a percentage of average gross receivables were 1.20% as of March 31, 2023, an increase from 0.74% for the same period in 2022.

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Ally Bank Managed Portfolio Delinquency Performance

	Three Months Ended March 31		Years Ended Dec. 31													
	2023	2022	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
New and Used Car and Light Truck Contracts																
Total Retail Contracts Outstanding at End of Period (Excluding Bankruptcies) ($000)																
New Vehicles	953	1,060	979	1,105	1,224	1,273	1,262	1,173	1,171	1,204	1,171	1,174	1,134	968	670	298
Used Vehicles	2,522	2,522	2,514	2,527	2,461	2,213	1,823	1,299	976	769	613	480	390	259	164	73
Total	**3,475**	**3,582**	**3,493**	**3,632**	**3,685**	**3,486**	**3,085**	**2,472**	**2,147**	**1,973**	**1,784**	**1,654**	**1,524**	**1,227**	**834**	**371**
Month-End Dollar Delinquency[a] (%)																
31-60 Days	2.66	1.85	2.95	2.00	2.22	2.69	2.30	1.79	1.26	0.89	0.80	0.69	0.58	0.44	0.27	0.29
61-90 Days	0.83	0.55	0.97	0.58	0.70	0.68	0.53	0.38	0.26	0.19	0.15	0.14	0.13	0.06	0.05	0.05
91-120 Days	0.20	0.13	0.25	0.15	0.18	0.17	0.12	0.07	0.06	0.03	0.03	0.03	0.02	0.01	0.01	0.01
121 Days or More	0.02	0.01	0.01	0.02	0.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Delinquencies	**3.71**	**2.54**	**4.18**	**2.75**	**3.16**	**3.54**	**2.95**	**2.24**	**1.58**	**1.11**	**0.98**	**0.86**	**0.73**	**0.51**	**0.32**	**0.36**

[a]Month-end delinquency dollars represent the remaining principal balance as of the ledger closing date for the month.
Source: Ally Bank, AART 2023-1

Ally Bank Managed Portfolio Net Credit Loss Performance

	Three Months Ended March 31		Years Ended Dec. 31,					
	2023	2022	2022	2021	2020	2019	2018	2017
Repossessions as a Percentage of Average Number of Contracts Outstanding (including bankruptcies)	2.42	1.78	1.94	1.62	1.53	2.25	2.02	1.69
Net Losses as % of Liquidations	2.81	1.39	1.75	1.23	1.75	1.85	1.64	1.38
Net Losses as % of Avg. Gross Receivables	1.20	0.74	0.87	0.64	0.74	0.83	0.71	0.59
Net Losses as % of Avg. Net Receivables[a]	1.56	0.59	0.95	0.41	1.06	1.24	1.04	0.87
Total Retail Contracts Outstanding at End of Period (Including Bankruptcies) ($000)	3,509	3,619	3,526	3,670	3,730	3,541	3,123	2,499
Bankruptcies as % of Avg. No. of Contracts Outstanding	0.95	1.04	1.02	1.11	1.29	1.38	1.15	0.98
Bankruptcies Month-End Delinquent Dollars — 31 Days or More[b]	0.23	0.24	0.22	0.24	0.36	0.45	0.33	0.26
Avg. Bankruptcies	33,464	37,786	36,811	41,303	47,064	47,025	33,093	22,610
Avg. Retail Contracts (Including Bankruptcies)	3,512,745	3,633,750	3,594,987	3,721,030	3,661,332	3,401,271	2,879,492	2,299,989

[a]Net losses as a percentage of average net receivables is an accounting-based metric; as such, it reflects writedowns that occur based on Federal Financial Institutions Examination Council (FFIEC) guidance. [b]Month-end delinquency dollars represent the remaining principal balance as of the ledger closing date for the month.
Source: Ally Bank, AART 2023-1

Ally Bank Managed Portfolio Net Credit Loss Performance (Continued)

	Years Ended Dec. 31							
	2016	2015	2014	2013	2012	2011	2010	2009
Repossessions as a Percentage of Average Number of Contracts	1.15	0.84	0.77	0.66	0.51	0.45	0.37	0.65

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Outstanding (including bankruptcies)								
Net Losses as % of Liquidations	0.83	0.53	0.50	0.45	0.34	0.28	0.27	0.89
Net Losses as % of Avg. Gross Receivables	0.39	0.27	0.26	0.23	0.16	0.13	0.11	0.33
Net Losses as % of Avg. Net Receivables[a]	0.54	0.34	0.31	0.31	0.23	0.19	0.17	0.54
Total Retail Contracts Outstanding at End of Period (Including Bankruptcies) ($000)	2,167	1,987	1,797	1,666	1,533	1,233	838	372
Bankruptcies as % of Avg. No. of Contracts Outstanding	0.84	0.72	0.69	0.64	0.52	0.43	0.41	0.53
Bankruptcies Month-End Delinquent Dollars — 31 Days or More[b]	0.22	0.16	0.14	0.15	0.12	0.09	0.06	0.06
Avg. Bankruptcies	17,717	13,417	12,066	10,444	7,344	4,699	2,369	1,342
Avg. Retail Contracts (Including Bankruptcies)	2,100,781	1,869,607	1,741,445	1,620,298	1,414,851	1,098,976	583,581	253,122

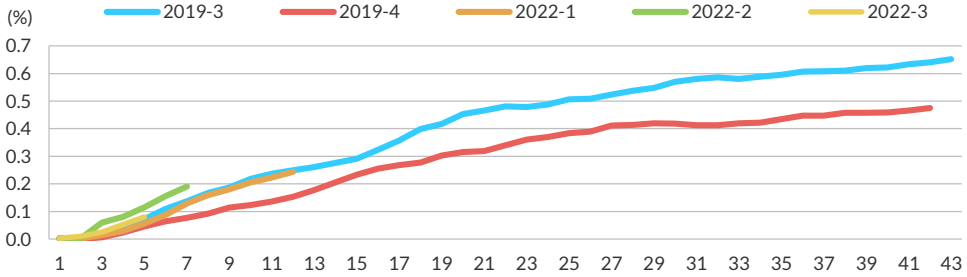
[a]Net losses as a percentage of average net receivables is an accounting-based metric; as such, it reflects writedowns that occur based on FFIEC guidance. [b]Month-end delinquency dollars represent the remaining principal balance as of the ledger closing date for the month.
Source: Ally Bank, AART 2023-1

Securitization History

AART 2023-1 will represent the 46th retail auto loan securitization completed by Ally. Ally first accessed the ABS market for funding through its AART platform in 2009, following the use of GMAC's CARAT platform in prior years.

CNL for AART performance dating back to 2009 is shown below. The 2016–2018 transactions were the worst performers, with 2016-3 reaching a maximum securitization CNL of 0.96%. The latest paid-in-full (PIF) transaction, 2019-2, reached 0.75% in losses, while the longest currently outstanding transaction, 2019-3, is at 0.65% in losses with a 9.28% pool factor. Losses on all outstanding transactions are tracking in line with or below the loss levels of prior securitizations at the same point in their respective cycles, with pool factor projections ranging from 0.42% to 0.76%.

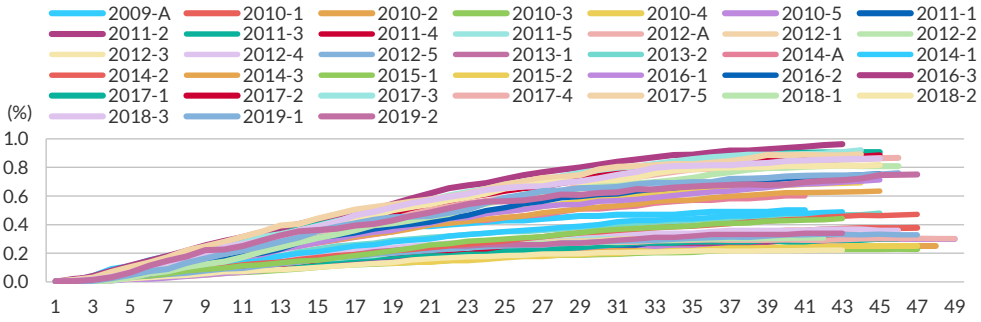
AART ABS Outstanding CNL Rates
2019–2022



Source: Fitch Ratings, Ally Bank

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AART ABS Historical CNL Rates
2009–2019



Source: Fitch Ratings, Ally Bank

Cash Flow Analysis

Fitch used its internal auto loan ABS cash flow model to simulate stresses to the transaction and determine the sufficiency of available enhancement for each class of notes. Fitch customized its cash flow model to replicate the flow of funds outlined in the transaction and used replines in cash flow modeling based on the collateral compositions and stratifications.

The assumptions used for cash flow modeling (prepayments and loss timing curves) are outlined in the Sample Stress Scenario Assumptions table below. Cumulative gross default (CGD) and net loss estimates were distributed over the life of the collateral pool, in accordance with Fitch's assessment of the historical loss speeds of the Ally managed portfolio and prior securitizations. A four-year loss curve of 40%/40%/15%/5% was utilized as the front-loaded primary scenario, as it is representative of historical securitization loss timing curves. Additionally, loss curves of 35%/40%/20%/5% (mid curve) and 20%/45%/25%/10% (back curve) were used to evaluate the structure's sensitivity to various loss timing scenarios. The mid and back loss curves were considered primarily as sensitivity scenarios.

Stress Scenario Results

In Fitch's stress case break-even analysis, class A, B, C and D notes could withstand CNLs of approximately 9.31%, 7.51%, 6.20% and 5.07% under the primary loss timing scenario before incurring losses on principal or interest. Based on the foregoing, under all loss timing scenarios, class A, B, C and D notes can withstand Fitch's expected multiples in excess of 5.0x, 4.0x, 3.0x and 2.0x the base case CNL expectation, respectively.

Fitch also ran loss curve timing modeling scenarios utilizing a mid- and back-loss timing curve as a sensitivity analysis only. Under both the mid- and back-loss timing curves, class A, B, C and D notes had loss coverage multiples in excess of 5.0x, 4.0x, 3.0x and 2.0x, respectively.

Sample Stress Scenario Assumptions

	Front (Primary Scenario)	Mid	Back
Assets (%)			
Prepayments (ABS)	1.30	1.30	1.30
Loss Speed (%)			
Year 1	40.00	35.00	20.00
Year 2	40.00	40.00	45.00
Year 3	15.00	20.00	25.00
Year 4	5.00	5.00	10.00
Recovery Rate	50.00	50.00	50.00
Recovery Lag (Months)	3	3	3
Chargeoff Lag (Months)	3	3	3
Liabilities (%)			
Annual Servicing	1.00	1.00	1.00

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Sample Stress Scenario Assumptions

	Front (Primary Scenario)				Mid				Back			
Delinquency Stress	0.25				0.25				0.25			
Break-Even Results	**Class A**	**Class B**	**Class C**	**Class D**	**Class A**	**Class B**	**Class C**	**Class D**	**Class A**	**Class B**	**Class C**	**Class D**
Collateral Losses Covered (%)	9.31	7.51	6.20	5.07	9.32	7.54	6.22	5.09	9.40	7.62	6.21	4.84
Loss Coverage Multiple (x)	7.76	6.26	5.17	4.22	7.77	6.28	5.18	4.24	7.84	6.35	5.18	4.04

Note: This table represents the assumptions of one sample stress scenario. Multiple stress scenarios were analyzed in the evaluation of this transaction.
Source: Fitch Ratings

Expected Rating Sensitivity

Down Sensitivity

Unanticipated increases in the frequency of defaults could produce CNL levels that are higher than the base case and would likely result in declines of CE and remaining net loss coverage available to the notes. Additionally, unanticipated declines in recoveries could also result in a decline in net loss coverage. Decreased net loss coverage may make certain note ratings susceptible to potential negative rating actions depending on the extent of the decline in coverage.

Hence, Fitch conducts sensitivity analyses by stressing both a transaction's initial base case CNL and recovery rate assumptions and examining the rating implications on all classes of issued notes. The CNL sensitivity stresses the CNL proxy to the level necessary to reduce each rating by one full category, to non-investment grade (BBsf) and to 'CCCsf' based on the break-even loss coverage provided by the CE structure.

Additionally, Fitch conducts increases of 1.5x and 2.0x to the CNL proxy, representing a moderate and severe stress, respectively. Fitch also evaluates the impact of stressed recovery rates on an auto loan ABS structure and the rating impact with a 50% haircut. These analyses are intended to provide an indication of the rating sensitivity of notes to unexpected deterioration of a trust's performance.

Rating Sensitivity to CNL and Recovery Rate Stresses

	Class A	Class B	Class C	Class D
Original Rating	AAAsf	AA+sf	A+sf	BBB+sf
Credit Losses (CL): 1.5x Base CL	AAAsf	AAsf	A+sf	BBB+sf
CL: 2.0x Base CL	AA–sf	Asf	BBB+sf	BBBsf
50% Recovery Rate Haircut	AAAsf	AAsf	A+sf	BBB+sf
Up Scenario (80% Base CNL)	AAAsf	AAAsf	AAAsf	AAAsf

Source: Fitch Ratings

The Rating Sensitivity section provides insight into the model-implied sensitivities the transaction faces when one assumption is stressed while holding others equal. The modeling process uses the estimation and stress of these variables to reflect asset performance in a stressed environment. The results to the left should only be considered as one potential outcome, as the transaction is exposed to multiple dynamic risk factors. They should not be used as indicators of possible future performance.

- No change or positive change
- Negative change within same category
- – 1 category change
- – 2 category change
- – 3 or larger category change

See report for further details.

Cumulative Net Loss Rating Sensitivity

The greatest risk of defaults to an auto loan ABS transaction is early in the transaction's life, before it has benefited from de-levering. Therefore, Fitch has stressed each class of notes prior to any amortization to its first dollar of default to examine the structure's ability to withstand the aforementioned stressed CNL scenarios.

Defined Rating Categories

The first sensitivity analysis consists of utilizing the break-even CNL coverage available to the notes and assessing the level of CNL it would take to reduce each rating by one full category, to non-investment grade and further down to 'CCCsf'. The implied CNL proxy necessary to reduce the ratings as stated will vary by class based on the break-even loss coverage provided by the CE structure.

Under this scenario, all assumptions from the analysis are unchanged, with total loss coverage available to class A notes at 9.31%. Therefore, as shown in the table below, the implied CNL proxy would have to increase to 2.33% for class A notes to be downgraded by one rating category or a 4.0x multiple (9.31%/2.33% = 4.0x). Applying the same approach but increasing

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net losses to levels commensurate with rating downgrades to 'BBsf' and 'CCCsf' suggests net losses would have to increase to 6.21% and 15.52% for rating multiples to decline to 1.5x and 0.6x, respectively.

CNL Rating Sensitivity (Defined Rating Categories)

Class	Class A	Class B	Class C	Class D
Current Rating	AAAsf	AA+sf	A+sf	BBB+sf
Break-Even Loss Coverage (%)	9.31	7.51	6.20	5.07
Applicable Rating Multiple	5.00	4.50	3.33	2.33
CNL Proxy (%)	1.20	1.20	1.20	1.20
Sensitivities				
Break-Even CNL Proxy				
One Rating Category Down (x)	4.00	3.33	2.33	1.67
	AAsf	A+sf	BBB+sf	BB+sf
Implied CNL Proxy (%)	2.33	2.25	2.66	3.04
Target Rating				
BBsf (x)	1.50	1.50	1.50	1.50
Implied CNL Proxy (%)	6.21	5.01	4.13	3.38
CCCsf (x)	0.60	0.60	0.60	0.60
Implied CNL Proxy (%)	15.52	12.52	10.33	8.45

Source: Fitch Ratings

1.5x and 2.0x Base Case Proxy

The second sensitivity also focuses on stressing the impact of CNLs outside of base case expectations by a 1.5x and 2.0x multiple relative to available loss coverage. The 1.5x and 2.0x increases of the base case represent moderate and severe stresses, respectively, and should provide a good indication of the rating sensitivity of notes to unexpected deterioration of a trust's performance. In this example, under the 1.5x scenario, the base case proxy increases to 1.80% and an implied loss multiple of 5.17x, which would suggest a rating of 'AAAsf'. Under the more severe 2.0x stress, the base case proxy increases to 2.40%, which results in an implied multiple of 3.88x or downgrade to 'AA–sf'.

CNL Rating Sensitivity (1.5x and 2.0x Base Case Proxy)

	Base Case (%)	Multiple (x)	Expected Rating
Class A Loss Coverage	**9.31**	–	–
Base Case Proxy	1.20	7.76	AAAsf
1.5x Base Case	1.80	5.17	AAAsf
2.0x Base Case	2.40	3.88	AA–sf
Class B Loss Coverage	**7.51**	–	–
Base Case Proxy	1.20	6.26	AA+sf
1.5x Base Case	1.80	4.17	AAsf
2.0x Base Case	2.40	3.13	Asf
Class C Loss Coverage	**6.20**	–	–
Base Case Proxy	1.20	5.17	A+sf
1.5x Base Case	1.80	3.44	A+sf
2.0x Base Case	2.40	2.58	BBB+sf
Class D Loss Coverage	**5.07**	–	–
Base Case Proxy	1.20	4.23	BBB+sf
1.5x Base Case	1.80	2.82	BBB+sf
2.0x Base Case	2.40	2.11	BBBsf

Source: Fitch Ratings

Due to de-levering and structural features, a typical auto loan ABS transaction tends to build CE and loss coverage levels over time, absent any increase to projected defaults/losses beyond

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expectations. The greatest risk of losses to an auto loan ABS transaction is over the first one to two years of the transaction, where the benefit of de-levering may be muted. The below analysis is conservative, as it does not give explicit credit to the de-levering and building of CE afforded in auto loan ABS transactions.

Recovery Rate Sensitivity

Recoveries can have a material impact on auto loan ABS transaction performance, particularly in stressed economic environments where default frequency is higher. This sensitivity analysis evaluates the impact of stressed recovery rates on an auto loan ABS structure and ratings.

Historically, recovery rates for prime auto loan transactions have ranged from 40% to 70%. Utilizing the base case of 1.20% detailed in the aforementioned CNL sensitivities, recovery rate credit under Fitch's primary scenario is 50%, resulting in a CGD base case proxy of 2.40%. Applying a 50% haircut to the 50% recovery rate results in a stressed recovery rate of 25% and a base case CNL proxy of 1.80% (2.40% x 75% = 1.80%). Under this stressed scenario, the implied multiple declines to 5.17x (9.31%/1.80% = 5.17) and an implied rating of 'AAAsf'.

Recovery Rate Sensitivity

(%)	Class A	Class B	Class C	Class D
Current Rating	AAAsf	AA+sf	A+sf	BBB+sf
Break-Even Loss Coverage	9.31	7.51	6.20	5.07
CNL Proxy	2.40	2.40	2.40	2.40
50% Recovery Rate Haircut	1.80	1.80	1.80	1.80
Applicable Rating Multiple (x)	5.00	4.50	3.33	2.33
Implied Multiple (x)	5.17	4.17	3.44	2.82
Implied Rating	AAAsf	AAsf	A+sf	A–sf

Source: Fitch Ratings

Up Sensitivity

Stable to improved asset performance driven by stable delinquencies and defaults would lead to increasing CE and consideration for potential upgrades. If CNL is 20% less than the projected proxy, the expected ratings for the subordinate notes could be upgraded by one to seven rating notches.

Up Sensitivity

(%)

Class	Class A	Class B	Class C	Class D
Current Rating	AAAsf	AA+sf	A+sf	BBB+sf
Break-Even Loss Coverage	9.31	7.51	6.20	5.07
Expected Multiple (x)	5.00	4.50	3.33	2.33
CNL Proxy (20% Down)	0.96	0.96	0.96	0.96
Multiple (x)	9.70	7.82	6.46	5.28
Expected Rating	AAAsf	AAAsf	AAAsf	AAAsf

Source: Fitch Ratings

Transaction Structure

Credit Enhancement

Initial hard CE in this series is consistent with recent transactions. CE will consist of overcollateralization (OC), a reserve account and excess spread provided by the yield supplement OC amount (YSOA). Hard CE totals 5.85%, 3.75%, 2.00% and 0.70% for class A, B, C and D notes, respectively.

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AART — Credit Enhancement Comparison

(%)	2023-1	2022-3	2022-2	2022-1	2019-4	2019-3	2019-2	2019-1	2018-3	2018-2	2018-1	2017-4
Class A Notes	94.40	94.40	94.40	94.40	94.40	94.40	94.40	94.40	94.40	94.40	94.40	94.40
Class B Notes	2.10	2.10	2.10	2.10	2.10	2.10	2.00	2.00	2.00	2.00	2.10	2.10
Class C Notes	1.75	1.75	1.75	1.75	1.75	1.75	1.55	1.55	1.55	1.55	1.75	1.75
Class D Notes	1.30	1.30	1.30	1.30	1.30	1.30	1.10	1.10	1.10	1.10	1.30	1.30
Reserve (Initial)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Reserve (Target)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
OC	0.45	0.45	0.45	0.45	0.45	0.45	0.95	0.95	0.95	0.95	0.45	0.45
Target OC	1.30	1.30	1.30	1.30	1.30	1.30	1.80	1.80	1.80	1.80	1.30	1.30
Total Initial Hard CE												
Class A Notes	5.85	5.85	5.85	5.85	5.85	5.85	5.85	5.85	5.85	5.85	5.85	5.85
Class B Notes	3.75	3.75	3.75	3.75	3.75	3.75	3.85	3.85	3.85	3.85	3.75	3.75
Class C Notes	2.00	2.00	2.00	2.00	2.00	2.00	2.30	2.30	2.30	2.30	2.00	2.00
Class D Notes	0.70	0.70	0.70	0.70	0.70	0.70	1.20	1.20	1.20	1.20	0.70	0.70
Excess Spread per annum	2.45	2.39	2.43	2.04	3.46	3.81	3.49	2.77	1.82	1.82	2.27	2.56

Source: Fitch Ratings, AART 2023-1

Reserve Account

The nondeclining reserve account is at least 0.25% of the initial adjusted pool balance, consistent with 2022-3 and recent issuances.

Overcollateralization

OC is initially 0.45% of the initial pool balance and will build to a target of 1.30% of the initial pool balance, consistent with recent transactions.

Excess Spread

The initial excess spread in 2023-1 is expected to be 2.45% per annum, consistent with recent transactions.

Yield Supplement Overcollateralization Amount

The YSOA will add supplemental yield to the collateral pool by releasing a monthly amount to the collections account. This amount synthetically increases the interest collections on collateral bearing a coupon below the discount rate of 7.54%. The initial effective collateral coupon after adjusting for the YSOA will be 9.09%.

Interest Allocation

Monthly interest is allocated first among all class A notes on a pro rata basis and then distributed sequentially to class B, C and D notes after certain principal thresholds are met. All classes of notes will bear interest at a fixed rate. Interest on class A-1 notes will be calculated based on the actual number of days in the interest period and a 360-day year. Interest on all other classes of notes will be calculated based on a 360-day year consisting of 12 30-day months.

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Principal Allocations

The transaction is fully sequential, with class A-1 notes receiving 100% of the principal distribution amount until they are paid in full, with the remaining notes paid sequentially thereafter. Collections and the reserve account draw amount are distributed on each distribution date. All cash proceeds will be applied to class A-1 notes until paid in full, but only until the OC target is reached, with nothing leaking to certificateholders, thereby providing extra protection to noteholders. The principal amount of each class of notes is expected to be repaid by that class's final scheduled payment date. If the principal amount of any class of notes is not repaid in full by its final scheduled maturity date, an event of default will occur and the principal amount of all classes of notes may be declared immediately due and payable.

Priority of Payments

The priority of distributions is as follows:

- Servicing fees, including any unreimbursed fees and expenses;
- Fees to the asset representations reviewer, up to a maximum of $275,000 per year;
- Class A interest (paid pro rata to the respective classes);
- Principal payment sequentially by class, in an amount equal to the first-priority principal payment;
- Class B interest;
- Principal payment sequentially by class, in an amount equal to the second-priority principal payment;
- Class C interest;
- Principal payment sequentially by class, in an amount equal to the third-priority principal payment;
- Class D interest;
- Principal payment sequentially by class, in an amount equal to the fourth-priority principal payment;
- Reserve account, if necessary, to increase the amount on deposit to the reserve account required amount;
- Principal sequentially by class, in an amount equal to the regular principal payment;
- Any costs associated with a resignation of the servicer and appointment of a successor servicer to the indenture trustee;
- Any unpaid amounts owed to the trustees, administrator or asset representations reviewer; and
- Any remaining funds to the certificateholders.

Events of Default

To protect noteholders from issuer insolvency or deterioration in receivables quality, the transaction includes several events of default (EODs).

The occurrence and continuation of any one of the following events will be an EOD under the indenture:

- Failure by the trust to pay interest to the controlling class with such default continuing for five days;
- Failure to pay an installment of principal when due, or failure to observe or perform in any material respect certain covenants or agreements in the indenture if they materially and adversely affect the rights of noteholders, with such default continuing unremedied for 30 days and holders of not less than 25% of the outstanding amount of the controlling class having delivered notice specifying such default with a demand that it be remedied;
- Failure to repay the notes in full by the final scheduled distribution date; and

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- Events of bankruptcy, insolvency or receivership for the trust.

Money Market Tranche Sizing

Fitch assumed 0% defaults and a 0% absolute prepayment speed in assessing the size of class A-1 notes. Under this scenario, class A-1 notes were repaid within the first 13 months following closing and are therefore eligible for a short-term rating of 'F1+sf'.

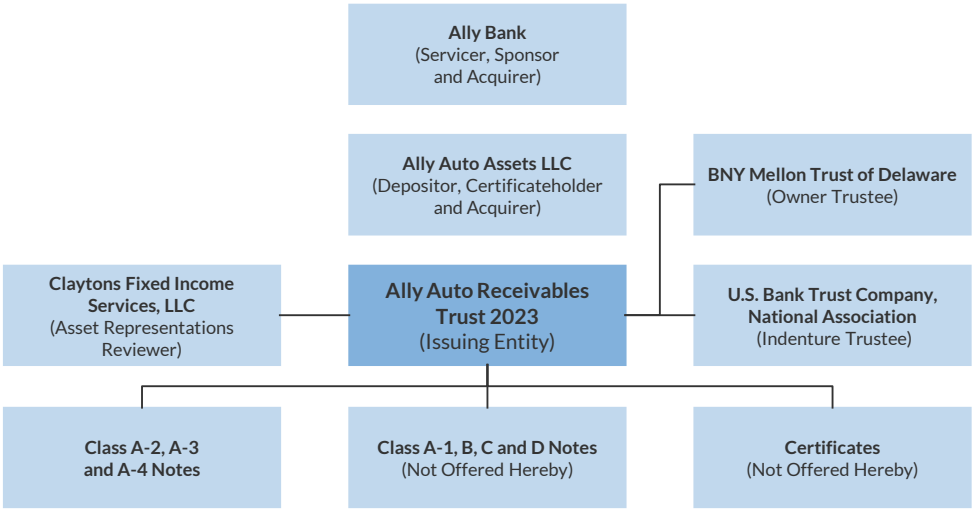
Evaluation of Legal Maturity

Fitch expects the legal maturity date for class A, B, C and D notes to be at least the date on which the classes will be paid in full when amortizing the pool with 0% defaults and a 0% ABS prepayment speed and then adding another three months to the result. Class A, B, C and D notes conform to this criterion.

Legal Structure

Fitch believes the legal structure of the transaction provides that a bankruptcy of Ally Bank would not impair the timeliness of payments on the securities. Fitch expects to receive and review legal opinions to the effect that the transfer of the receivables to the trust constitutes a true sale and not a secured financing, and the assets of the trust would not be consolidated with those of Ally Bank in the event of bankruptcy. Furthermore, Fitch expects to receive an opinion of counsel that the trustee would have a perfected security interest in the assets transferred to the trust.

Organization Structure



Source: Fitch Ratings, AART 2023-1

Hedges

The transaction does not incorporate an interest rate hedge.

Rating Confirmations

There are multiple instances in the transaction documents that reference potential changes that are subject to a Fitch rating confirmation. Fitch is not a transaction party and has no obligation to provide rating confirmations. Fitch will continue to exercise its discretion in choosing to issue a rating confirmation or otherwise. Where relevant to Fitch's ratings, the agency prefers to issue public commentary on the rating impact of the change. Fitch's approach to and concerns regarding rating confirmations are highlighted in "Rating Confirmations in Structured Finance and Covered Bonds," available at www.fitchratings.com.

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Counterparty Risk

Fitch assesses the counterparty risk under its "Structured Finance and Covered Bonds Counterparty Rating Criteria" to be in line with the ratings assigned based on the documentation provisions and analytical adjustments described in the following table.

Counterparty Risk Exposures

Counterparty Role/ Risk	Counterparty	Relevant Rating Under Criteria	Minimum Ratings and Remedial Actions	Adjustment to Analysis If Minimum Ratings and Remedial Actions Not in Line with Criteria
Indenture Trustee/ Issuer Account Bank	U.S. Bank Trust Company, N.A.	Long-Term IDR: A+ Rating Outlook: Stable Short-Term IDR: F1	Minimum deposit ratings of A or F1; replacement or guarantee within 60 calendar days of downgrade below both minimum ratings.	N.A.; minimum ratings and remedial actions in line with criteria.
Servicer/ Commingling Risk	Ally Bank	NR	If rated at least BBB or F2, collections will be held until the day after the collection period. If downgraded below the threshold, collections will be transferred to a separate issuer account bank within two business days.	N.A.; commingling risk is considered immaterial since collections must be remitted to the trust within two business days.
Servicer/Payment Interruption Risk	Ally Bank	NR	Minimum derivative counterparty rating of BBB– or Short-Term IDR of F3; collateral posting required within 14 calendar days and replacement or guarantee within 30 days of downgrade below both minimum ratings.	N.A.; payment interruption risk is considered immaterial given the minimal impact of a servicer's insolvency on collections and the forwarding of payments to the issuer accounts.
Servicing Continuity	Ally Bank	NR	There is no minimum rating for the servicer.	N.A.; servicer continuity risk has been assessed to be mitigated in accordance with Fitch's counterparty criteria because of the depth of the servicing market and sufficient economic incentives to attract a high quality replacement servicer.

IDR – Issuer Default Rating. N.A. – Not available. NR – Not rated by Fitch.
Source: Fitch Ratings, AART 2023-1

Criteria Application, Model and Data Adequacy

Criteria Application

See page 2 for the list of Applicable Criteria.

Fitch applies its "U.S. Auto Loan ABS Rating Criteria" as its sector-specific criteria under the framework provided by the "Global Structured Finance Rating Criteria," which is the master criteria for the sector. The remaining criteria listed on page 2 under Applicable Criteria are cross-sector criteria that outline Fitch's approaches to counterparty risk and interest rate change vulnerability that are relevant for the ratings.

Models

The models referenced below were used in the analysis. Click on each link for the model (if published) or for the relevant criteria for a description of the model.

Auto Timeshare Model

ABS Loss Forecaster Model

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Data Adequacy

Substantially Material Sources

In its analysis of this series, Fitch utilized vintage static pool net loss data stratified by several characteristics. The data were provided by the originator and transaction sponsor and were not, to Fitch's knowledge, reviewed by any third parties. Fitch compared the loss data with those provided in the series prospectus, which were reviewed by a third party. Fitch believes the loss expectations derived utilizing the unaudited loss data to be reasonable compared with the reviewed data provided in the prospectus; as such, no adjustments were made to Fitch's analysis.

Fitch relied on detailed stratifications of the collateral pool to ascertain the characteristics of the pool that could affect transaction performance. The data were provided by the originator and transaction sponsor, and certain of these stratifications were not, to Fitch's knowledge, reviewed by any third parties. Fitch compared these stratifications with those provided in the series prospectus, which were reviewed by a third party. The reviewed stratifications provided in the series offering memorandum were substantively the same as those provided to Fitch. In a review of each set of stratifications, Fitch found they were consistent; as such, no adjustments were made to Fitch's analysis.

Additionally, the seller has conducted a review of the receivables in the pool to provide reasonable assurance that the characteristics of the pool described in the prospectus supplement are accurate. The seller enlisted a third party to assist in that review, which is described in the prospectus supplement. Following the pool review, the seller has stated it has reasonable assurance that the statistical data regarding the receivables provided in the prospectus supplement are accurate.

Form ABS-EE contains an asset-level data file with detailed information for each receivable in the pool for this series. Fitch has not yet reviewed Form ABS-EE; however, Fitch expects that the data in Form ABS-EE will be substantively the same as the information provided on the receivables in the prospectus. Fitch will comment in its rating action commentary on this transaction if the subsequent review of the loan-level information affects its analysis.

Use of Third-Party Due Diligence Pursuant to SEC Rule 17g-10

Fitch was provided with third-party due diligence information from Deloitte & Touche LLP. The third-party due diligence focused on comparing or re-computing certain information with respect to 364 loans from the statistical data file. Fitch considered this information in its analysis, and the findings did not have an impact on its analysis. A copy of the ABS Due Diligence Form-15E received by Fitch in connection with this transaction may be obtained via the link contained at the bottom of the related rating action commentary.

Surveillance

Fitch receives servicer reports on outstanding rated transactions on a monthly basis that detail the note paydown, as well as asset performance and characteristics. If a transaction is identified as performing outside of expectations, a full review will be conducted and any recommendations will be presented to a rating committee. If performance remains within expectations, the transaction will receive an in-depth review on an annual basis. Fitch informs investors about reviews and rating actions on its website www.fitchratings.com.

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Appendix 1: Origination and Servicing

Sponsor and Servicer

Parent Company

Ally Financial Inc. is an industry-leading auto financing business. Founded in 1919 as a wholly owned subsidiary of GM, Ally offers a full suite of automotive financing products and services in key markets around the world. Ally's other business units include mortgage operations and commercial finance and, through its subsidiary Ally Bank, it offers online retail banking products.

In March 2023, Fitch affirmed Ally's Long-Term IDR at 'BBB–' with a Stable Rating Outlook. Fitch affirmed Ally's Short-Term IDR at 'F3' (see Fitch Research on "Ally Financial Inc.," dated March 2023 and available on Fitch's website at www.fitchratings.com).

Sponsor and Servicer

Ally Bank was incorporated in 2004 under the laws of the State of Utah relating to industrial loan corporations under the name Ally Financial Automotive Bank; it changed its name to Ally Bank in 2006. The bank is one of several funding sources for Ally. The bank currently operates essentially as an online bank, offering a variety of banking products. In December 2008, Ally Financial Bank converted into a Utah-chartered commercial nonmember bank and, in April 2009, it further changed its name to Ally Bank. The bank is a wholly owned, indirect subsidiary of Ally, with its principal office in Sandy, UT. The bank provides a variety of automotive financial services to and through franchised dealers.

Ally Bank's financing operations are organized into two segments: automotive and mortgage products. Ally Bank provides automotive financial services primarily to and through dealerships and to customers of those dealerships. The products and services offered by Ally Bank's automotive financing operations include the funding of retail installment sale contracts, lease contracts, refinance loans, loans in connection with vehicle purchases by customers at the end of a lease, extension of term loans, loans to dealers for the financing of dealer inventory and other lines of credit. In the retail market, Ally Bank provides vehicle financing to consumers through automotive dealerships under the Ally Bank brand name. In most cases, Ally Bank purchases retail installment sale contracts and lease contracts for new and used vehicles and other products from dealers.

Originations and Underwriting

The receivables in the pool were acquired or originated by Ally Bank. They were originated by the bank or participating automobile and light-truck dealers in accordance with the bank's requirements under the dealer agreements. The receivables were acquired or originated in accordance with the bank's or its affiliates' underwriting standards in the ordinary course of business. These underwriting standards evaluate purchases based upon, among other considerations, the following criteria:

- The odds and the applicant's credit tier;
- The prospective purchaser's experience in managing installment and revolving debt;
- The asset value of the vehicle and the LTV for the receivable;
- The term of the receivable; and
- The prospective purchaser's ability to pay.

The bank's process of acquiring receivables begins generally with the application by a customer for the financing of a motor vehicle at the point of purchase from dealers franchised with the bank. Applications are initiated through websites established and maintained by the sponsor or its affiliates.

The application evaluation process begins with the placement of each application into one of 14 analytical categories or segments based on specified aspects of the applicant's credit profile and, in many cases, whether the related vehicle is new or used. The bank then applies a proprietary credit-scoring algorithm, designed specifically for Ally and its subsidiaries by a third-party credit-scoring company and referred to as a scorecard, to evaluate each application. Inputs used by the scorecards vary but typically include, among other items: severity and aging of delinquency; number of credit inquiries; LTV ratio; and payment-to-income ratio. The

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scorecards are reviewed and updated on a periodic basis to account for changes in the perceived impact of specific inputs on applicant creditworthiness. The most recent scorecard redevelopment was implemented in August 2017.

The output of the scorecards is referred to as odds. The odds predict the statistical likelihood that a severe delinquency or loss will occur with respect to that receivable at some point during its term but do not predict the performance of any receivable with certainty. Ally Bank uses the odds and FICO scores to sort applicants into several different credit tiers. Concurrently with this process, Ally Bank takes other steps to gather information regarding the applicant, such as checking lists maintained by the Office of Foreign Assets Control and performing fraud and duplicate application checks.

Applications are evaluated and decisions are made either through an entirely automated process or through manual review by a credit underwriter. Ally Bank developed its automated process to expedite the review of applications. The automated process approves applications with various combinations of credit factors that Ally Bank has observed over time that will receive credit underwriter approval. As a result, many clusters of credit factors will lead to an automated approval rather than one or a few sets of benchmark characteristics. Automated approvals are limited to the highest quality credit tiers. However, even in the highest quality credit tier, a significant portion of approved applications are approved by credit underwriters rather than the automated process.

Servicing

Ally is responsible for all servicing activities from the time the contract is initially booked until the contract is liquidated.

Obligors receive monthly statements and can submit payments via the mail or Ally's automated clearinghouse system. All accounts are risk-assessed and assigned a behavior score on a monthly basis using third-party software. Low-risk accounts, as determined by the behavior score, are assigned to low-risk collections for calling efforts using a predictive auto dialer. Currently, 100% of low-risk collections are outsourced to third parties with which Ally contracts for the provision of collection-related services.

Calls are worked using a predictive dialer by low-risk collections typically until the account becomes 30 days past due. Accounts progress to the early high-risk collections group at differing times but generally at no later than 31 days past due. The early high-risk collection teams attempt to establish contact with the obligor by phone and continue to attempt to obtain payment. Currently, all of the early high-risk collections are also outsourced. Responsibility for calls on these accounts progresses to the high-risk collections team based on the risk score at varying times but generally at 60 days past due.

If the servicer determines eventual payment in full of a receivable is unlikely, a decision to repossess the vehicle is made.

Consistent with its normal procedures, Ally may, at its discretion, grant obligor rebates, adjustments or extensions on a receivable. Extensions should not exceed 90 days in aggregate during any 12-month period or 180 days in aggregate during the life of the account.

Ally typically will not repossess a vehicle until an account becomes more than 31 days past due. Repossession services are obtained from third parties. Typically, once the vehicle is repossessed, a letter is sent to the obligor to inform him or her of the repossession, an affidavit of repossession is produced and the title is obtained. If the obligor does not redeem the vehicle and the title clearance date expires, the vehicle is sold at auction. Sales proceeds are applied to the account balance and the remaining balance is charged off. Proceeds from the sale, net of auction fees and reconditioning and other costs, will be applied to the account. Any deficiency balances are charged off, and excess proceeds, if any, are remitted to the obligor.

An account is charged off when it is deemed uncollectible at 120 days past due or a deficiency balance remains after liquidation through the auction process. Following chargeoff, the account is assigned to the asset recovery center for evaluation and possible further attempts to collect amounts owed by the obligor.

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Appendix 2: ESG Relevance Score

FitchRatings

Ally Auto Receivables Trust 2023-1

SF ESG Navigator
ABS - Auto

Credit-Relevant ESG Derivation

Ally Auto Receivables Trust 2023-1 has 5 ESG potential rating drivers

- Ally Auto Receivables Trust 2023-1 has exposure to macroeconomic factors and sustained structural shifts in secular preferences affecting consumer behavior but this has very low impact on the rating.
- Governance is minimally relevant to the rating and is not currently a driver.

			ESG Relevance to Credit Rating
key driver	0	issues	5
driver	0	issues	4
potential driver	5	issues	3
not a rating driver	5	issues	2
	4	issues	1

Environmental (E) Relevance Scores

General Issues	E Score	Sector-Specific Issues	Reference	E Relevance
GHG Emissions & Air Quality	2	Regulatory risks, fines, or compliance costs related to emissions, energy consumption and/or related reporting standards	Asset Quality; Surveillance	5
Energy Management	2	Assets' energy/fuel efficiency and impact on valuation	Asset Quality; Surveillance	4
Water & Wastewater Management	1	n.a.	n.a.	3
Waste & Hazardous Materials Management; Ecological Impacts	1	n.a.	n.a.	2
Exposure to Environmental Impacts	2	Asset, operations and/or cash flow exposure to extreme weather events and other catastrophe risk, including but not limited to flooding, hurricanes, tornadoes, and earthquakes	Surveillance	1

Social (S) Relevance Scores

General Issues	S Score	Sector-Specific Issues	Reference	S Relevance
Human Rights, Community Relations, Access & Affordability	1	n.a.	n.a.	5
Customer Welfare - Fair Messaging, Privacy & Data Security	2	Compliance with consumer protection related regulatory requirements, such as fair/transparent lending, data security, and safety standards	Operational Risk; Surveillance	4
Labor Relations & Practices	2	Labor practices, pension obligations and related litigation	Surveillance	3
Employee Wellbeing	1	n.a.	n.a.	2
Exposure to Social Impacts	3	Macroeconomic factors and sustained structural shifts in secular preferences affecting consumer behavior	Asset Quality; Surveillance	1

Governance (G) Relevance Scores

General Issues	G Score	Sector-Specific Issues	Reference	G Relevance
Rule of Law, Institutional and Regulatory Quality	3	Jurisdictional legal risks; regulatory effectiveness; supervisory oversight; foreclosure laws; government support and intervention	Asset Isolation and Legal Structure; Asset Quality; Rating Caps; Surveillance	5
Transaction & Collateral Structure	3	Asset isolation; resolution/insolvency remoteness; legal structure; structural risk mitigants; complex structures	Asset Isolation and Legal Structure; Asset Quality; Financial Structure; Rating Caps; Surveillance	4
Transaction Parties & Operational Risk	3	Counterparty risk; origination, underwriting and/or aggregator standards; borrower/lessee/sponsor risk; originator/servicer/manager/operational risk	Asset Quality; Financial Structure; Operational Risk; Rating Caps; Surveillance	3
Data Transparency & Privacy	3	Transaction data and periodic reporting	Asset Isolation and Legal Structure; Asset Quality; Financial Structure; Surveillance	2
				1

How to Read This Page
ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.
The Environmental (E), Social (S) and Governance (G) tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance.
The Credit-Relevant ESG Derivation table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to result in a negative impact unless indicated with a '+' sign for positive impact.
Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

CREDIT-RELEVANT ESG SCALE - DEFINITIONS
How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant; a key transaction or program rating driver that has a significant impact on an individual basis.
4	Relevant to transaction or program ratings; not a key rating driver but has an impact on the ratings in combination with other factors.
3	Minimally relevant to ratings; either very low impact or actively mitigated in a way that results in no impact on the transaction or program ratings.
2	Irrelevant to the transaction or program ratings; relevant to the sector.
1	Irrelevant to the transaction or program ratings; irrelevant to the sector.

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