## New-Vehicle Prices Flirt with Record High in May, According to Kelley Blue Book, as Luxury Share Remains Strong

- New-vehicle buyers are in an "over sticker" market, paying well above MSRP every month this year.
- With low inventory and high demand, incentives dropped to a record low in May, averaging only 2.5% of the average transaction price.
- Strong luxury share at 17.3% of sales helps push industry average price higher. Luxury share in May 2021 was 15.9% and even lower pre-pandemic, at 13.1% in May 2019.

ATLANTA, June 9, 2022 /PRNewswire/ -- New-vehicle average transaction prices (ATPs) increased to \$47,148 in May 2022, according to new data released by Kelley Blue Book, a Cox Automotive company. Prices rose 1%(\$472) month over month and remain elevated compared to one year ago, up 13.5% (\$5,613) from May 2021. The average price paid for a new vehicle in the U.S. last month was the second-highest on record, behind only December 2021, when ATPs reached \$47,202.



New-vehicle by Kelley Blue Book

average New-vehicle inventory days' supply stayed in the transaction prices increased mid-30s in May - holding steady since mid-January t o \$47,148 in May 2022, - while customer demand remained stable. These according to data released conditions enabled most dealers to continue selling inventory at or above the manufacturer's suggested retail price (MSRP). The average price paid for a

new vehicle has been "over sticker" throughout 2022. In May, new vehicles from Honda, Land Rover and Mercedes-Benz were transacting on average between 6.1% and 9.3% over MSRP. On the other side of the spectrum, Buick and Lincoln were selling at nearly 1% below MSRP.

"Prices for both new and used vehicles are showing signs of stabilizing, and price growth will likely decline over the course of the summer as the anniversary of the 'big squeeze' in inventory passes," said Rebecca Rydzewski, research manager of economic and industry insights for Cox Automotive. "However, no one should expect price drops, as tight supplies in the new market will hold prices at an elevated level into 2023."

The average price paid for a new non-luxury vehicle last month was\$43,338, up \$709 from April. Car shoppers in the non-luxury segment paid on average\$1,030 above sticker price. Consumers have paid more than MSRP in each month of 2022, whereas one year ago, non-luxury vehicles were selling for more than \$400 under MSRP.

In May 2022, the average luxury buyer paid \$65,379 for a new vehicle, down \$511 month over month but still \$1,071 above sticker price. For comparison, luxury vehicles were selling for nearly \$1,300 under MSRP one year ago. Luxury vehicle share remains historically high, but decreased to 17.3% of total sales in May, down slightly from 17.4% in April. For comparison, luxury share in May 2021 was 15.9% and, pre-pandemic, luxury share in May 2019 was 13.1% of the total

The average price paid for a new electric vehicle (EV) dropped again in May compared to April, as more lower-priced models enter the market and offset the many luxury EVs already available. The Chevrolet Bolt, with average transaction prices below \$40,000, is available on dealer lots after an extensive recall, and the new Kia EV6 is selling well. Even Tesla had slightly lower ATPs month over month in May. Still, the average price for a new electric vehicle – over \$64,000 according to Kelley Blue Book estimates – is well above the industry average and more aligned with luxury prices than mainstream prices.

New-vehicle average transaction price changes month over month by segment saw all segments increasing except cars, mirroring April. With an ATP of \$56,216, trucks saw the largest increase of \$888. With an ATP of \$48,671, vans saw an increase of \$726 in May, while SUVs increased by \$526 to an ATP of \$46,073. Cars had an average transaction price of \$41,902 in May, a \$179 decrease month over month. Meanwhile, vans still had the lowest incentives (expressed as a percent of ATP) at 1.4%, and trucks had the highest at 2.9%. Incentives dropped to a record low level in May, averaging only 2.5% of the average transaction price.

				Month-	Year-
	May 2022	April 2022	May 2021	Over-	Over-
	Transaction	Transaction	Transaction	Month	Year
	Price	Price	Price	Percent	Percent
Manufacturer	(Avg)*	(Avg)*	(Avg)*	Change	Change
BMW	\$67,563	\$67,323	\$58,383	0.4%	
Daimler	\$76,161	\$76,340	\$65,872	-0.2%	15.6%
Ford Motor					
Company	\$52,211	\$49,634	\$45,826	5.2%	
Geely Auto Group	\$61,820	\$62,325	\$52,179	-0.8%	18.5%
General Motors	\$50,629	\$49,830	\$48,563	1.6%	4.3%
Honda Motor					
Company	\$38,141	\$37,307	\$32,610	2.2%	17.0%
Hyundai Motor					
Group	\$35,967	\$36,260	\$31,180	-0.8%	15.4%
Mazda Motor					
Corporation	\$30,767	\$31,220	\$30,917	-1.5%	-0.5%
Renault-Nissan-					
Mitsubishi Alliance	\$36,245	\$35,509	\$31,982	2.1%	
Rivian	\$72,973	\$72,687	-	0.4%	
Stellantis	\$53,929	\$54,214	\$48,104	-0.5%	
Subaru Corporation	\$33,859	\$34,660	\$33,521	-2.3%	1.0%
Tata Motors	\$89,203	\$89,076	\$79,856	0.1%	
Tesla Motors	\$64,989	\$65,369	\$57,522	-0.6%	13.0%
Toyota Motor					
Corporation	\$39,174	\$39,785	\$37,397	-1.5%	
Volkswagen Group	\$51,975	\$55,044	\$47,612	-5.6%	
Industry	\$47,148	\$46,676	\$41,534	1.0%	13.5%

\*Kelley Blue Book average transaction prices do not include applied consumer incentives

Make	May 2022 Transaction Price (Avg)*	April 2022 Transaction Price (Avg)*	May 2021 Transaction Price (Avg)*	Month- Over- Month Percent Change	
Acura	\$54,775	\$53,335	\$45,157	2.7%	21.3%
Alfa Romeo	\$53,224	\$53,545	\$46,971	-0.6%	13.3%
Audi	\$62,133	\$64,436	\$59,536	-3.6%	4.4%
BMW	\$69,270	\$68,665	\$60,716	0.9%	14.1%
Buick	\$38,371	\$38,968	\$35,083	-1.5%	9.4%
Cadillac	\$71,479	\$69,304	\$68,284	3.1%	4.7%

Industry	\$47,148	\$46,676	\$41,534	1.0%	13.5%
Volvo	\$62,075	\$62,536	\$52,140	-0.7%	19.1%
Volkswagen	\$36,657	\$36,412	\$33,400	0.7%	9.8%
Toyota	\$36,852	\$37,575	\$35,528	-1.9%	3.7%
Tesla	\$64,989	\$65,369	\$57,522	-0.6%	13.0%
Subaru	\$33,859	\$34,660	\$33,521	-2.3%	1.0%
Rivian	\$72,973	\$72,687	-	0.4%	-
Ram	\$59,969	\$60,320	\$55,291	-0.6%	8.5%
Porsche	\$115,825	\$115,976	\$101,708	-0.1%	13.9%
Polestar	\$59,450	\$59,181	62219	0.5%	-4.5%
Nissan	\$35,561	\$34,770	\$31,512	2.3%	12.8%
Mitsubishi	\$30,377	\$30,019	\$25,233	1.2%	20.4%
Mini	\$40,209	\$38,320	\$34,341	4.9%	17.1%
Mercedes-Benz	\$76,161	\$76,340	\$65,872	-0.2%	15.6%
Mazda	\$30,767	\$31,220	\$30,917	-1.5%	-0.5%
Lincoln	\$64,303	\$61,679	\$61,843	4.3%	4.0%
Lexus	\$55,625	\$55,905	\$50,760	-0.5%	9.6%
Land Rover	\$92,072	\$92,537	\$84,079	-0.5%	9.5%
Kia	\$34,531	\$34,945	\$31,019	-1.2%	11.3%
Jeep	\$52,774	\$53,367	\$44,549	-1.1%	18.5%
Jaguar	\$72,358	\$71,727	\$64,628	0.9%	12.0%
Infiniti	\$58,825	\$59,067	\$49,126	-0.4%	19.7%
Hyundai	\$35,711	\$35,717	\$30,190	0.0%	18.3%
Honda	\$36,584	\$35,168	\$31,174	4.0%	17.4%
GMC	\$57,782	\$57,665	\$58,014	0.2%	-0.4%
Genesis	\$58,328	\$58,323	\$58,518	0.0%	-0.3%
Ford	\$51,581	\$48,965	\$44,970	5.3%	14.7%
Fiat	\$29,405	\$29,247	\$30,219	0.5%	-2.7%
Dodge	\$46,145	\$46,650	\$41,617	-1.1%	10.9%
Chrysler	\$48,472	\$46,229	\$41,408	4.9%	17.1%
Chevrolet	\$47,256	\$46,345	\$45,646	2.0%	3.5%

<sup>\*</sup>Kelley Blue Book average transaction prices do not include applied consumer incentives

		4 11 0000	N. 0004	Month-	Year-
	May 2022	April 2022	May 2021	Over-	Over-
	Transaction	Transaction	Transaction	Month	Year
_	Price	Price	Price	Percent	Percent
Segment	(Avg)*	(Avg)*	(Avg)*	Change	
Compact Car	\$26,101	\$26,092	\$23,462	0.0%	11.2%
Compact					
SUV/Crossover	\$34,702	\$34,321	\$31,674	1.1%	9.6%
Electric Vehicle	\$64,338	\$65,094	\$56,140	-1.2%	14.6%
Entry-level Luxury					
Car	\$52,748	\$51,968	\$47,898	1.5%	10.1%
Full-size Car	\$44,801	\$44,293	\$40,764	1.2%	9.9%
Full-size Pickup					
Truck	\$61,798	\$60,897	\$56,249	1.5%	9.9%
Full-size					
SUV/Crossover	\$72,808	\$72,115	\$68,930	1.0%	5.6%
High Performance					
Car	\$107,784	\$115,890	\$101,552	-7.0%	6.1%
High-end Luxury Car	\$117,232	\$119,562	\$105,337	-2.0%	11.3%
Hybrid/Alternative					
Energy Car	\$35,450	\$37,766	\$30,026	-6.1%	18.1%
Luxury Car	\$78,173	\$77,643	\$69,363	0.7%	12.7%
Luxury Compact					
SUV/Crossover	\$53,751	\$53,693	\$48,174	0.1%	11.6%

Luxury Full-size					
SUV/Crossover	\$99,704	\$100,983	\$96,559	-1.3%	3.3%
Luxury Mid-size					
SUV/Crossover	470.007	<b>#</b> 00 770	004.044	0.00/	7.00/
	\$70,007	\$69,776	\$64,941	0.3%	7.8%
Luxury Subcompact					
SUV/Crossover	\$44,896	\$45,793	\$42,229	-2.0%	6.3%
Mid-size Car	\$31,672	\$31,978	\$29,609	-1.0%	7.0%
Mid-size					
SUV/Crossover	\$46,859	\$46,855	\$43,109	0.0%	8.7%
Minivan	\$47,912	\$46,210	\$42,209	3.7%	13.5%
Small/Mid-size					
Pickup Truck	\$40,524	\$39,875	\$40,382	1.6%	0.4%
Sports Car	\$38,110	\$43,236	\$42,444	-11.9%	-10.2%
Subcompact Car	\$22,392	\$21,956	\$19,985	2.0%	12.0%
Subcompact					
SUV/Crossover	\$29,301	\$29,067	\$27,369	0.8%	7.1%
Van	\$49,302	\$49,300	\$42,804	0.0%	15.2%
Industry	\$47,148	\$46,676	\$41,534	1.0%	13.5%

<sup>\*</sup>Kelley Blue Book average transaction prices do not include applied consumer incentives

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