

Kelley Blue Book Report: Average New-Vehicle Prices Fell in January, But Were Higher Year Over Year By 1.3%

ATLANTA, Feb. 11, 2025 [/PRNewswire/](#) -- The monthly new-vehicle average transaction price (ATP) report from Cox Automotive's Kelley Blue Book was released today. Key takeaways in January include:



Kelley Blue Book

- The new-vehicle ATP in January was lower versus December by 2.2%, falling to \$48,641. The January ATP increased year over year by 1.3%. A year ago, the new-vehicle ATP was \$48,031.
- Sales incentives declined last month, falling from 8.0% of ATP in December to an average of 7.2% of ATP in January. Incentive packages in January, at roughly \$3,486, were 29.2% higher year over year. In January 2024, the average incentive package was equal to 5.6% of ATP.
- ATPs often drop notably month over month in January, as the mix of luxury brand sales peaks in December and tumbles in January. Many of the top luxury brands, including Audi, BMW, Cadillac and Lexus posted significantly fewer sales in January compared to December, with some brands' sales volumes lower by more than 50%. With fewer high-priced vehicles in the sales mix, ATPs generally trend lower.
- The year-over-year ATP increase of approximately 1.3% in January was well below long-term averages. From 2020 to 2024, ATPs increased an average of 4.9% a year, with average gains of 9% or more in both 2021 and 2022. In the seven years prior, from 2013 to 2019, new-vehicle ATPs, on average, were higher year over year by approximately 3.0%.
- Total new-vehicle sales volume in January was higher year over year by 5.1% but lower by more than 25% compared to a surprisingly strong December. [New-vehicle inventory](#) at the start of January was below 3 million units for the first time since late October.

Quote from Erin Keating, Executive Analyst Cox Automotive

"After a surprisingly hot December, both new-vehicle sale volume and prices were lower in January as the market took a seasonal breather. Notably, Jeep brand ATPs in January were lower year over year by almost 9%, as the storied make continues to manage a perceived price challenge. In fact, Jeep ATPs in January were close to \$49,000, not far from the industry average, and the lowest point in more than three years."

Electric Vehicle Prices Hold Steady in January; Incentive Spending Drops 3.1% from December

- ATPs for EVs in January, at \$55,614, were higher by nearly 1% compared to a downwardly revised December. EV prices last month were lower year over year by 1.4%. Incentive spending on EVs in January decreased by 3.1% compared to December but was higher by 48.6% year over year.
- Compared to the overall industry, EV ATPs were higher by 14.3%. A year ago, the price premium versus the industry was 17.4%.
- ATPs for market leader Tesla, at \$55,380, were higher year over year by 4.5%. Cybertruck prices declined year over year by 6.5% to just under

\$98,000. Model X prices were also lower year over year. The two most popular EVs in the U.S., the Model Y and Model 3, both saw transaction prices increase year over year by 2.2% and 6.2%, respectively.

[Data tables are available for download.](#)

About Kelley Blue Book

Founded in 1926, Kelley Blue Book, *The Trusted Resource*®, is the vehicle valuation and information source trusted and relied upon by both consumers and the automotive industry for nearly a century. As the industry standard for generations, Kelley Blue Book provides transparent, objective information and data-driven, innovative tools for consumers, automotive dealers and manufacturers. Kelley Blue Book publishes millions of market-reflective values weekly on its top-rated website KBB.com, from its famous Blue Book® Trade-In Values to the Kelley Blue Book® Price Advisor tool, which offers a range for what consumers reasonably can expect to pay for a vehicle in their area. KBB.com editors rate and review hundreds of new vehicles each year to help consumers understand the [Best Cars](#) and [Best SUVs](#) to meet their needs. Kelley Blue Book® Instant Cash Offer provides a redeemable trade-in offer to transaction-ready consumers and conveniently connects them to local participating dealers. Kelley Blue Book's Service Advisor provides guidance on how much to pay for service and repairs, allowing consumers to schedule service with local dealers on KBB.com. Kelley Blue Book also provides vehicle values to finance and insurance companies as well as governmental agencies. Kelley Blue Book is a Cox Automotive brand.

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