

Kelley Blue Book Report: New-Vehicle Price Gains Accelerate in February as Transaction Prices Increase 3.4% Year Over Year

ATLANTA, March 10, 2026 /PRNewswire/ -- According to estimates released today by Kelley Blue Book, a Cox Automotive brand, new-vehicle price growth accelerated in February as market sales recovered from a slow January. New-vehicle prices increased modestly from January but jumped notably higher year over year. Sales incentives also increased month over month but were mostly flat compared to year-earlier levels.



Kelley Blue Book

- **Industry ATP:** The February average transaction price (ATP) for a new vehicle according to Kelley Blue Book was \$49,353, up 3.4% from one year earlier. Over the past three years, the average annual ATP increase has been 0.9%, indicating February's gain was well above the near-term average. Compared to January, prices last month were higher by 0.3%, an increase slightly above recent averages.
- **Industry MSRP:** For the 11th consecutive month, the average new-vehicle manufacturer's suggested retail price (MSRP) – commonly called "the sticker price" – was above \$50,000. At \$51,440, the MSRP in February was higher year over year by 3.5%, slightly above the long-term average annual gain.
- **Incentives:** Automakers increased incentives in February. The average incentive package last month was equal to 6.9% of ATP, up from 6.5% in January. A year ago, the average incentive package was equal to 7.0% of ATP. Last month, sales incentives were strongest for luxury vehicles and compact SUVs, while high-performance cars and full-size SUVs were among the lowest incentives.
- **Segments:** In February, among the best-selling segments, ATP increases were mostly near-or-below industry average. For the best-selling midsize SUV segment, ATPs increased year over year by 3.5%, to \$50,148. The ATP for the compact SUV segment (No. 2 in sales) was higher by 1.6% year over year at \$36,807. Full-size pickup truck ATPs, at \$66,157, increased by 2.9%. Subcompact SUVs (\$30,836) and compact car (\$27,341) rounded out the Top 5 best-selling segments.

Quote from [Erin Keating](#), Executive Analyst, Cox Automotive

"A 3.4% ATP increase in February stands out, but it's not out of character when you put it in context. Outside of the 'everything was broken' phase, when prices were rising at a 13% clip, the industry's long-run average is closer to 3%. What we're seeing now looks more like normalization than a new pricing problem. It's also important to note that not every vehicle is a \$50,000 purchase. Most of the volume still sits in segments priced below the industry average. The top five segments come in at around \$44,000 on a weighted basis, and pickups account for a big share of that. Remove expensive full-size pickups, and the average is closer to \$39,000, which tells a very different affordability story."

Electric Vehicle Prices Moderate, Gap to ICE+ Shrinks

- **EV ATP:** In February, the new electric vehicle (EV) ATP was \$55,300, lower by 1.4% year over year. Compared to January, the new EV ATP in February

was lower by 0.6%. With the ICE+ ATP increasing in February and EV prices declining, the spread between EV and ICE+ – at roughly \$6,500 – was one of the lowest on record.

- **EV Incentives:** Automakers stepped up EV sales incentives in February, with the average incentive package increasing from 12.4% to 14.2% of ATP. EV incentives in February were more than double the industry-wide incentives, an indication that automaker and dealers continue to lean on high incentives to sell EVs.
- **Tesla ATPs:** Tesla, the leading EV automaker, saw ATPs increase in February to \$53,821, an increase of 3.0% year over year. Tesla sales fell to 38,500 in February, according to Kelley Blue Book estimates, down 8.9% year over year. February was the lowest sales month for Tesla since late 2021. Still, Tesla's sales outperformed the broader EV segment, which saw sales down approximately 26% year over year.

[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 BookSM 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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