Kelley Blue Book Report: Annual New-Vehicle Price Gains Slow in April as Market Hits Headwinds

ATLANTA, May 12, 2026 /PRNewswire/ -- The average transaction price (ATP) for a new vehicle purchased in April was higher than March and above year-ago levels, according to data released today by Kelley Blue Book, a Cox Automotive brand. The annual gain, however, moderated from March and, at 1.8%, the year-over-year ATP increase was below long-term averages of approximately 3.6%. The below-average increase can be partially explained by softer sales of many luxury segments in April.

The new-vehicle ATP in April was higher compared to March by 0.7%, a gain above long-term averages. Incentives spending decreased month over month, with sales volume declining versus April 2025 and from the previous month.

- **Industry ATP:** The ATP for a new vehicle, according to Kelley Blue Book, was $49,461, up 1.8% from one year earlier. Prices last month were higher by 0.7% from March, above the long-term average of 0.3% and explained in part by large monthly price gains in April of the three best-selling vehicle segments, midsize SUVs, compact SUVs and full-size pickup trucks.
- **Industry MSRP:** In April, the new-vehicle manufacturer's suggested retail price (MSRP) – commonly called "the asking price" – hit a new high in 2026. At $51,607, the average MSRP in April was higher by 2.1% year over year, a deceleration from March (3.6%), and higher month over month by 0.6%. The long-term average annual gain in MSRP is 3.5%.
- **Incentives:** Incentive spending declined month over month in April, falling to 6.9% of ATP from 7.2% in March. Incentive spending last month was up modestly from April 2025, when it was 6.8% of ATP. Incentive spending was highest for EVs, many luxury segments, full-size pickups and compact SUVs. Inventory levels, as measured by days' supply, have tightened since earlier in the year, helping keep incentive spending in check.
- **Segments:** In April, among the most popular vehicle segments, ATP increases were generally above the industry average gain of 1.8%. The top five segments by volume held steady in April compared to March, with midsize SUVs the top-selling segment for the third consecutive month. The five top segments accounted for 64.2% of total industry sales. ATPs were:
    - Midsize SUV: $50,380, up 2.6% year over year
    - Compact SUV: $37,514, up 2.9% year over year
    - Full-size pickup truck: $66,705, up 2.9% year over year
    - Subcompact SUV: $30,790, up 3% year over year
    - Compact car: $27,590, up 1% year over year

Quote from Erin Keating, Executive Analyst, Cox Automotive
"What we're seeing in April is a mix-driven pricing story, not reaccelerating inflation. Strength in high-volume segments like SUVs and pickups is lifting the average, but overall price growth remains below long-term norms, signaling that the pricing environment is continuing to normalize. What's more interesting is that while year-over-year price growth may be returning to pre-pandemic norms, the market itself hasn't. Today's pricing is being supported more by supply discipline and mix than demand strength, which is why volume is absorbing more of the pressure."

Electric Vehicle Prices Reverse Course in April as Prices Move Modestly Higher

- **EV ATP:** The electric-vehicle ATP was lower year over year by 4.9% at $55,211 but increased from the revised-lower March ATP ($54,456) by 1.4%. The gap between EV and ICE+ increased slightly month over month to about $6,200.
- **EV Incentives:** EV incentives declined in April. Last month, the average incentive for a new EV was 13.8% of ATP (just over $7,600), more than double the industry average. Incentives in April declined from March (14.6%) but were higher year over year. In April 2025, the average incentive package for a new EV was equal to 11.5% of ATP.
- **Tesla ATPs:** Tesla ATPs in April, at $53,279, were lower year over year by 4%, as the company winds down production and sales of its expensive Model S and Model X vehicles. The ATP for a Tesla Model Y, the most popular EV in the U.S. market by sales volume, was $50,859 in April, down 8.3% from one year ago. Model Y prices in April were higher by 1.4% compared to March.

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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