

New-Car Transaction Prices Continue To Climb Despite Slowing Sales, According To Kelley Blue Book

Ratio of Incentive Spend to Transaction Price at Highest Point Since 2009; Automakers Need to Moderate Production, Incentive Levels to Maintain Residual Value Strength

IRVINE, Calif., Sept. 1, 2016 /PRNewswire/ -- The analysts at Kelley Blue Book (www.kbb.com), the vehicle valuation and information source trusted and relied upon by both consumers and the automotive industry, today reported the estimated average transaction price (ATP) for light vehicles in the United States was \$34,143 in August 2016. [New-car prices](#) have increased by \$871 (up 2.6 percent) from August 2015, while remaining flat from last month.



"Although new-car sales growth is slowing, average transaction prices continue to climb across the industry, rising 2.6 percent in August 2016," said Tim Fleming, analyst for Kelley Blue Book. "However, incentives also have steadily climbed, and the ratio of incentive spend to average transaction price is at its highest point since 2009, at 9.3 percent. As we near or pass the peak of new-car sales this year, each automaker will need to moderate production and incentive levels accordingly to maintain residual value strength moving forward."

Manufacturer	August 2016 Transaction Price (Avg.)*	July 2016 Transaction Price (Avg.)*	August 2015 Transaction Price (Avg.)*	Percent Change July 2016 to August 2016*	Percent Change August 2015 to August 2016*
American Honda (Acura, Honda)	\$27,254	\$27,145	\$26,808	0.4%	1.7%
Fiat Chrysler (Alfa Romeo, Chrysler, Dodge, Fiat, Jeep, RAM)	\$35,455	\$35,601	\$34,291	-0.4%	3.4%
Ford Motor Company (Ford, Lincoln)	\$37,689	\$37,769	\$36,736	-0.2%	2.6%
General Motors (Buick, Cadillac, Chevrolet, GMC)	\$40,341	\$40,153	\$38,451	0.5%	4.9%
Hyundai-Kia	\$24,562	\$24,566	\$24,523	0.0%	0.2%
Nissan North America (Nissan, Infiniti)	\$27,566	\$27,493	\$27,110	0.3%	1.7%
Subaru	\$28,283	\$28,132	\$27,405	0.5%	3.2%
Toyota Motor Company (Lexus, Scion, Toyota)	\$31,259	\$31,242	\$30,509	0.1%	2.5%
Volkswagen Group (Audi, Volkswagen, Porsche)	\$37,941	\$37,865	\$39,468	0.2%	-3.9%
Industry	\$34,143	\$34,152	\$33,272	0.0%	2.6%
<i>*Kelley Blue Book average transaction prices do not include applied consumer incentives</i>					

For August 2016, General Motors had the greatest increase of all major

manufacturers at nearly 5 percent, highlighted by the Cadillac and Chevrolet brands. Cadillac rose 6 percent, as the new XT5 transacted 8 percent higher than the SRX it replaced. Chevrolet also climbed 6 percent, thanks to a strong month for the Silverado, which had a high mix of 2500 HD and 3500 HD sales.

Fiat Chrysler also showed significant growth with prices up 3 percent this month. At \$36,947, the Chrysler Pacifica minivan is transacting 9 percent higher than the Town & Country it replaced, helping the Chrysler brand's average rise 10 percent. The Dodge brand also is on the rise with a 5 percent increase, driven by the Challenger and Charger models.

Segment	August 2016 Transaction Price (Avg.)*	July 2016 Transaction Price (Avg.)*	August 2015 Transaction Price (Avg.)*	Percent Change July 2016 to August 2016*	Percent Change August 2015 to August 2016*
Compact Car	\$20,304	\$20,322	\$20,146	-0.1%	0.8%
Compact SUV/Crossover	\$27,669	\$27,650	\$26,893	0.1%	2.9%
Electric Vehicle	\$41,038	\$40,685	\$40,808	0.9%	0.6%
Entry-level Luxury Car	\$40,655	\$40,749	\$40,360	-0.2%	0.7%
Full-size Car	\$34,664	\$34,613	\$34,013	0.1%	1.9%
Full-size Pickup Truck	\$47,582	\$47,133	\$45,966	1.0%	3.5%
Full-Size SUV/Crossover	\$60,965	\$59,541	\$59,453	2.4%	2.5%
High Performance Car	\$98,426	\$96,873	\$94,660	1.6%	4.0%
High-end Luxury Car	\$92,706	\$93,586	\$93,146	-0.9%	-0.5%
Hybrid/Alternative Energy Car	\$26,081	\$26,108	\$25,079	-0.1%	4.0%
Luxury Car	\$57,651	\$57,667	\$56,133	0.0%	2.7%
Luxury Compact SUV/Crossover	\$40,088	\$40,126	\$41,132	-0.1%	-2.5%
Luxury Full-size SUV/Crossover	\$84,051	\$84,300	\$82,891	-0.3%	1.4%
Luxury Mid-size SUV/Crossover	\$53,722	\$54,151	\$52,117	-0.8%	3.1%
Mid-size Car	\$24,978	\$24,912	\$24,741	0.3%	1.0%
Mid-size Pickup Truck	\$32,455	\$32,484	\$30,285	-0.1%	7.2%
Mid-size SUV/Crossover	\$37,122	\$37,181	\$36,752	-0.2%	1.0%
Minivan	\$33,110	\$33,351	\$32,080	-0.7%	3.2%
Sports Car	\$31,860	\$31,540	\$30,338	1.0%	5.0%
Subcompact Car	\$15,175	\$15,293	\$15,136	-0.8%	0.3%
Subcompact SUV/Crossover	\$24,588	\$24,620	\$24,754	-0.1%	-0.7%
Van	\$34,159	\$35,200	\$32,864	-3.0%	3.9%
Grand Total	\$34,143	\$34,152	\$33,272	0.0%	2.6%
<i>*Kelley Blue Book average transaction prices do not include applied consumer incentives</i>					

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