

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%

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

To discuss this topic, or any other automotive-related information, with a Kelley Blue Book analyst on-camera via the company's on-site studio, please contact a member of the Public Relations team to book an interview.

For more information and news from Kelley Blue Book's KBB.com, visit www.kbb.com/media/, follow us on Twitter at [www.twitter.com/kelleybluebook](https://twitter.com/kelleybluebook) (or @kelleybluebook), like our page on Facebook at www.facebook.com/kbb, and get updates on Google+ at <https://plus.google.com/+kbb>.

About Kelley Blue Book (www.kbb.com)

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. Each week the company provides the most market-reflective values in the industry on its top-rated website KBB.com, including its famous Blue Book® Trade-In Values and Fair Purchase Price, which reports what others are paying for new and used cars this week. The company also provides vehicle pricing and values through various products and services available to car dealers, auto manufacturers, finance and insurance companies, and governmental agencies. Kelley Blue Book's KBB.com ranked highest in its category for brand equity by the 2016 Harris Poll EquiTrend® study and has been named Online Auto Shopping Brand of the Year for five consecutive years. Kelley Blue Book Co., Inc. is a Cox Automotive brand.


About Cox Automotive

Cox Automotive Inc. is transforming the way the world buys, sells and owns cars with industry-leading digital marketing, software, financial, wholesale and e-commerce solutions for consumers, dealers, manufacturers and the overall automotive ecosystem worldwide. Committed to open choice and dedicated to strong partnerships, the Cox Automotive family includes Autotrader®, Dealer.com®, Dealertrack®, Kelley Blue Book®, Manheim®, NextGear Capital®, vAuto®, Xtime® and a host of other brands. The global company has 33,000 team members in more than 200 locations and is partner to more than 40,000 auto dealers, as well as most major automobile manufacturers, while engaging U.S. consumer car buyers with the most recognized media brands in the industry. Cox Automotive is a subsidiary of Cox Enterprises Inc., an Atlanta-based company with revenues of \$18 billion and approximately 55,000 employees. Cox Enterprises' other major operating subsidiaries include Cox Communications and Cox Media Group. For more information about Cox Automotive, visit www.coxautoinc.com.

Logo - <http://photos.prnewswire.com/prnh/20121108/LA08161LOGO>

SOURCE Kelley Blue Book

For further information: Andrew Nicolai, 949-293-5241, andrew.nicolai@coxautoinc.com OR Brenna Robinson, 949-267-4781, brenna.robinson@kbb.com OR Michelle Behar, 949-268-4259, michelle.behar@kbb.com OR Joanna Pinkham, 404-568-7135, joanna.pinkham@kbb.com

Additional assets available online:  [Photos \(1\)](#)

<https://stage.mediaroom.com/kbb/new-car-transaction-prices-continue-climb-despite-slowing-sales-august-2016>