



## TrueCar's ALG Forecasts Average New Car Transaction Price to Reach \$35,623 up 1.3% Year Over Year for November 2019

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### Automakers Expected to Reach Nearly \$50B in Revenue, Up 2.2% Year Over Year

SANTA MONICA, Calif., Dec. 03, 2019 (GLOBE NEWSWIRE) -- [ALG](#), a subsidiary of [TrueCar](#), and the industry benchmark for determining the future resale value of a vehicle, projects average transaction prices (ATP) to be up 1.3% or \$460 from a year ago and up 0.4% or \$152 from October 2019.



"Not only are consumers preferring SUVs which are typically more expensive than their sedan counterparts, but they're also choosing not to skimp on in-vehicle features and content, a positive indicator of consumer confidence in the economy," said Oliver Strauss, Chief Economist at ALG, a subsidiary of TrueCar. "Automaker revenue is coming in strong as well, up 2.2% year-over-year, another signal that the automotive industry remains healthy."

#### Additional Insights: (Forecast by ALG)

- Notably FCA is expected to be up 3.8% on ATP year-over-year, driven largely by sales from their all-new Jeep Gladiator truck.
- Hyundai and Kia continue to be up on ATP, up 10% and 8.8% respectively on the heels of their own all-new SUV products, the Hyundai Palisade and the Kia Telluride.
- For luxury, it's a similar story, with BMW up 4.8% on ATP driven by sales of their all-new X7 SUV.
- Meanwhile, Honda and Volkswagen are down 2.4% and 2.2% respectively on ATP, likely due to a consumer mix shift toward less expensive products. Nissan is also expected to be down 2.7% due to weakening retail demand and an aging portfolio.
- ALG projects that U.S. revenue from new vehicle sales will reach nearly \$50 billion for November 2019, up 2.2% or \$1 billion from a year ago and up 4.6% from last month.
- The ratio of incentive spend to ATP for the industry is expected to be 10.6%, down 0.2% from a year ago and down 3.9% from October 2019.
- In ALG's Retail Health Index (RHI), which measures automaker brand health, most luxury brands are expected to be down this month, however BMW is expected to be up with another strong showing due to strong demand and lower incentive spend.
- Acura is expected to be down most notably this month in RHI for luxury brands due to flat retail sales and higher incentive

spend—up 14% year-over-year to help their aging MDX and RDX best-sellers compete.

- Hyundai and Kia continue to lead the mainstream pack in RHI, while Volkswagen also had a strong month, expected to be up 2.8% in retail sales and down 3% on incentive spend.

"In ALG's Retail Health Index, Hyundai and Kia have shown enduring brand health this year bolstered by their dual SUV products," said Eric Lyman, Chief Industry Analyst at ALG, a subsidiary of TrueCar. "Volkswagen is a bit of a surprise given they don't have new products to compete with all the shiny new models out there, which is a testament to the overall strength of their lineup and the brand equity they have built that is sustaining them through their current lifecycles."

**November 2019 forecast for the 12 largest manufacturers by volume:** For additional data visit the [ALG Newsroom](#).

#### Average Transaction Price (ATP)

Manufacturer	Nov 2019	Nov 2018	Oct 2019	YOY	MOM
BMW	\$56,131	\$53,536	\$56,131	4.8%	0.0%
Daimler	\$64,003	\$64,047	\$59,974	-0.1%	6.7%
FCA	\$37,199	\$35,843	\$36,474	3.8%	2.0%
Ford	\$40,160	\$38,914	\$39,959	3.2%	0.5%
GM	\$38,209	\$38,393	\$39,304	-0.5%	-2.8%
Honda	\$28,259	\$28,939	\$28,342	-2.4%	-0.3%
Hyundai	\$24,817	\$22,571	\$24,913	10.0%	-0.4%
Kia	\$24,720	\$22,727	\$24,494	8.8%	0.9%
Nissan	\$27,459	\$28,207	\$27,851	-2.7%	-1.4%
Subaru	\$30,024	\$29,363	\$29,905	2.3%	0.4%
Toyota	\$33,060	\$32,668	\$32,997	1.2%	0.2%
Volkswagen Group	\$43,101	\$44,051	\$43,893	-2.2%	-1.8%
<b>Industry</b>	<b>\$35,623</b>	<b>\$35,163</b>	<b>\$35,471</b>	<b>1.3%</b>	<b>0.4%</b>

#### Incentives

Manufacturer	Nov 2019	Nov 2018	Oct 2019	YOY	MOM
BMW	\$5,101	\$5,447	\$4,859	-6.3%	5.0%
Daimler	\$6,004	\$6,542	\$5,925	-8.2%	1.3%
FCA	\$4,642	\$4,381	\$4,789	6.0%	-3.1%
Ford	\$4,353	\$4,387	\$4,745	-0.8%	-8.3%
GM	\$4,713	\$4,586	\$5,102	2.8%	-7.6%
Honda	\$2,232	\$2,041	\$2,278	9.4%	-2.0%
Hyundai	\$2,584	\$2,532	\$2,751	2.1%	-6.1%
Kia	\$3,549	\$3,359	\$3,522	5.7%	0.8%
Nissan	\$4,324	\$4,574	\$4,479	-5.5%	-3.5%
Subaru	\$1,225	\$1,146	\$1,205	6.9%	1.6%
Toyota	\$2,597	\$2,572	\$2,589	1.0%	0.3%
Volkswagen Group	\$3,923	\$4,044	\$4,203	-3.0%	-6.7%
<b>Industry</b>	<b>\$3,759</b>	<b>\$3,716</b>	<b>\$3,896</b>	<b>1.2%</b>	<b>-3.5%</b>

#### Incentives as a Percentage of Average Transaction Price (ATP)

Manufacturer	Nov 2019	Nov 2018	Oct 2019	YOY	MOM
BMW	9.1%	10.2%	8.7%	-10.7%	5.0%
Daimler	9.4%	10.2%	9.9%	-8.2%	-5.1%
FCA	12.5%	12.2%	13.1%	2.1%	-5.0%
Ford	10.8%	11.3%	11.9%	-3.9%	-8.7%
GM	12.3%	11.9%	13.0%	3.3%	-5.0%
Honda	7.9%	7.1%	8.0%	12.0%	-1.7%
Hyundai	10.4%	11.2%	11.0%	-7.2%	-5.7%
Kia	14.4%	14.8%	14.4%	-2.9%	-0.2%
Nissan	15.7%	16.2%	16.1%	-2.9%	-2.1%
Subaru	4.1%	3.9%	4.0%	4.5%	1.2%
Toyota	7.9%	7.9%	7.8%	-0.2%	0.1%
Volkswagen Group	9.1%	9.2%	9.6%	-0.8%	-4.9%
<b>Industry</b>	<b>10.6%</b>	<b>10.6%</b>	<b>11.0%</b>	<b>-0.2%</b>	<b>-3.9%</b>

#### Retail Health Index

*RHI measures the changes in retail market share relative to changes in incentive spending and transaction price to gauge whether OEMs are "buying" retail share through increased incentives, or whether share increases are largely demand-driven. An OEM with a positive RHI score is demonstrating a healthy balance of incentive spend relative to market share, either by holding incentive spending flat and increasing share or by increasing incentives*

with a higher positive increase in retail share.

#### Mainstream

Nov 2019	YOY Change	MOM Change
Buick	-3.8%	0.0%
Chevrolet	-2.2%	-1.2%
Chrysler	-0.8%	0.5%
Dodge	2.0%	0.1%
Fiat	7.4%	1.0%
Ford	-1.2%	-0.1%
GMC	-1.8%	0.7%
Honda	0.3%	0.1%
Hyundai	2.6%	0.3%
Jeep	0.5%	0.0%
Kia	2.9%	0.2%
Mazda	0.2%	-0.2%
MINI	1.4%	0.1%
Mitsubishi	2.4%	0.6%
Nissan	-0.3%	0.9%
Ram	-2.3%	1.0%
Subaru	0.4%	0.9%
Toyota	1.3%	0.0%
Volkswagen	2.9%	-0.7%

#### Luxury

Nov 2019	YOY Change	MOM Change
Acura	-3.1%	-0.4%
Alfa Romeo	0.6%	-1.0%
Audi	-2.9%	-0.9%
BMW	1.2%	0.6%
Cadillac	-1.2%	0.5%
Genesis	-5.3%	0.2%
INFINITI	-2.1%	0.0%
Jaguar	-1.1%	0.3%
Land Rover	-1.6%	0.8%
Lexus	-0.1%	0.5%
Lincoln	1.0%	-0.2%
Maserati	-1.7%	-0.5%
Mercedes-Benz	0.2%	0.4%
Porsche	0.5%	0.0%
Volvo	-2.5%	-0.5%

**(Note: This forecast is based solely on ALG's analysis of industry sales trends and conditions and is not a projection of the TrueCar Inc.'s operations.)**

#### About TrueCar

TrueCar, Inc. (NASDAQ: TRUE) is a digital automotive marketplace that provides comprehensive pricing transparency about what other people paid for their cars and enables consumers to engage with TrueCar Certified Dealers who are committed to providing a superior purchase experience. TrueCar operates its own branded site and its nationwide network of more than 16,500 Certified Dealers, and also powers car-buying programs for some of the largest U.S. membership and service organizations, including USAA, AARP, American Express, AAA and Sam's Club. Nearly half of all new car buyers engage with the TrueCar network during their purchasing process. TrueCar is headquartered in Santa Monica, California, with an office in Austin, Texas.

For more information, please visit [www.truecar.com](http://www.truecar.com), and follow us on [Facebook](#) or [Twitter](#). TrueCar media line: +1-844-469-8442 (US toll-free) | Email: [pr@truecar.com](mailto:pr@truecar.com)

#### About ALG

Founded in 1964 and headquartered in Santa Monica, California, ALG is an industry authority on automotive residual value projections in both the United States and Canada. By analyzing nearly 2,500 vehicle trims each year to assess residual value, ALG provides auto industry and financial services clients with market industry insights, residual value forecasts, consulting and vehicle portfolio management and risk services. ALG is a wholly-owned subsidiary of TrueCar, Inc., a digital automotive marketplace that provides comprehensive pricing transparency about what other people paid for their cars. ALG has been publishing residual values for all cars, trucks and SUVs in the U.S. for over 55 years and in Canada since 1981.

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