



TrueCar's ALG Forecasts Average New Car Transaction Price to Reach \$35,538 up 2.0% Year Over Year for February 2020

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SANTA MONICA, Calif., March 03, 2020 (GLOBE NEWSWIRE) -- [TrueCar](#), the most efficient online platform to find a car, (NASDAQ: [TRUE](#)) and its data and analytics subsidiary, [ALG](#), project average transaction prices (ATP) to be up 2.0% or \$701 from a year ago and down 1.0% or \$360 from January 2020.

"Average transaction prices have increased for 51 consecutive months. This is likely due to the healthy economy and consumers opting for utility vehicles with generally higher price tags," said Eric Lyman, Chief Industry Analyst for ALG, a subsidiary of TrueCar. "That being said, there are still plenty of new vehicles for consumers to choose from that are not only affordable, but also offer the latest safety and technology features. Brands such as Kia, Nissan, Hyundai and Honda all have average transaction prices below \$30,000."

Key Insights: (Forecast by ALG)

- Daimler and Volkswagen are expected to be down on ATP year-over-year, 2.4% and 4.2%, respectively. BMW is expected to be up on ATP again this month with a 4.2% year-over-year increase.
- Hyundai and Kia continue to be up on ATP year-over-year 11.1% and 8.6%, respectively, as consumer demand for utility vehicles remains steady.
- In ALG's Retail Health Index (RHI), which measures automaker brand health, most luxury brands are expected to be down this month, however Lincoln is expected to be up 3.3% with another strong showing due to strong demand and lower incentive spend.
- Average automaker incentive spend is expected to reach \$3,576, up 0.2% or \$8 dollars year-over-year, and down 4.2% or \$158 from January 2020.
 - The most notable year-over-year declines in incentive spend are expected from Subaru, Ford and Honda. Meanwhile Nissan, Volkswagen Group and Toyota are expected to have the biggest incentive increases.
- Incentive spend as a percentage of ATP for the industry is expected to be 10.1%, down 1.8% from a year ago and down 3.3% from January 2020.
- ALG projects that U.S. revenue from new vehicle sales will reach more than \$48 billion for February 2020, up 10.8% (based on an adjusted daily selling rate) from a year ago and up 14.8% from last month.

"Hyundai has shown the biggest increase in average transaction price this month primarily due to sales of the Palisade, their popular three-row SUV, which has almost twice the average transaction price of other vehicles in Hyundai's portfolio," said Nick Woolard, Director of OEM and Affinity Partner Analytics at TrueCar. "The all-new Sonata, winner of ALG's best vehicle redesign of 2020, is also peaking the interest of consumers looking for a Hyundai at a lower price point."

February 2020 forecasts for the 13 largest manufacturers by volume: (Adjusted for same selling days as February 2019.) For additional data visit the [ALG Newsroom](#).

Average Transaction Price (ATP)

Manufacturer	Feb 2020 Forecast	Feb 2019 Actual	Jan 2020 Actual	YOY	MOM
BMW	\$58,130	\$55,810	\$57,990	4.2%	0.2%
Daimler	\$63,539	\$65,114	\$64,856	-2.4%	-2.0%
FCA	\$36,916	\$35,929	\$36,968	2.7%	-0.1%
Ford	\$40,999	\$38,966	\$41,192	5.2%	-0.5%
GM	\$38,065	\$37,861	\$37,709	0.5%	0.9%
Honda	\$28,458	\$28,799	\$28,287	-1.2%	0.6%
Hyundai	\$26,588	\$23,935	\$26,543	11.1%	0.2%
Kia	\$24,775	\$22,810	\$24,551	8.6%	0.9%
Nissan	\$26,937	\$27,162	\$27,612	-0.8%	-2.4%
Subaru	\$30,143	\$29,484	\$30,052	2.2%	0.3%
Toyota	\$33,058	\$32,423	\$32,953	2.0%	0.3%
Volkswagen Group	\$43,191	\$45,067	\$44,320	-4.2%	-2.5%
Industry	\$35,538	\$34,837	\$35,898	2.0%	-1.0%

Incentive Spending

Manufacturer	Feb 2020 Forecast	Feb 2019 Actual	Jan 2020 Actual	YOY	MOM
BMW	\$5,561	\$5,685	\$5,450	-2.2%	2.0%
Daimler	\$5,637	\$5,769	\$5,408	-2.3%	4.2%
FCA	\$4,622	\$4,783	\$4,504	-3.4%	2.6%

Ford	\$3,239	\$3,981	\$4,568	-18.6%	-29.1%
GM	\$4,846	\$4,604	\$4,872	5.3%	-0.5%
Honda	\$2,184	\$2,280	\$2,120	-4.2%	3.0%
Hyundai	\$2,557	\$2,560	\$2,686	-0.1%	-4.8%
Kia	\$4,005	\$3,695	\$3,543	8.4%	13.0%
Nissan	\$4,253	\$3,697	\$4,319	15.0%	-1.5%
Subaru	\$1,083	\$1,427	\$1,017	-24.1%	6.6%
Toyota	\$2,517	\$2,245	\$2,449	12.1%	2.8%
Volkswagen Group	\$3,877	\$3,392	\$4,055	14.3%	-4.4%
Industry	\$3,576	\$3,568	\$3,734	0.2%	-4.2%

Incentives as a Percentage of Average Transaction Price (ATP)

Manufacturer	Feb 2020 Forecast	Feb 2019 Actual	Jan 2020 Actual	YOY	MOM
BMW	9.6%	10.2%	9.4%	-6.1%	1.8%
Daimler	8.9%	8.9%	8.3%	0.1%	6.4%
FCA	12.5%	13.3%	12.2%	-5.9%	2.8%
Ford	7.9%	10.2%	11.1%	-22.7%	-28.7%
GM	12.7%	12.2%	12.9%	4.7%	-1.5%
Honda	7.7%	7.9%	7.5%	-3.0%	2.4%
Hyundai	9.6%	10.7%	10.1%	-10.1%	-5.0%
Kia	16.2%	16.2%	14.4%	-0.2%	12.0%
Nissan	15.8%	13.6%	15.6%	16.0%	0.9%
Subaru	3.6%	4.8%	3.4%	-25.7%	6.2%
Toyota	7.6%	6.9%	7.4%	10.0%	2.4%
Volkswagen Group	9.0%	7.5%	9.2%	19.3%	-1.9%
Industry	10.1%	10.2%	10.4%	-1.8%	-3.3%

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.

RHI, Top 12 Manufacturers

Feb 2020 Forecast	YOY Change	MOM Change
BMW	-0.1%	-0.7%
Daimler	-0.3%	-0.3%
FCA	2.0%	1.3%
Ford	0.3%	2.8%
GM	-1.6%	1.3%
Honda	-1.6%	-0.2%
Hyundai	-0.4%	0.8%
Kia	0.1%	-1.3%
Nissan	-1.9%	0.2%
Subaru	-0.1%	0.5%
Toyota	1.1%	0.3%
Volkswagen	0.0%	0.8%

Mainstream

Feb 2020 Forecast	YOY Change	MOM Change
Buick	-1.1%	0.8%
Chevrolet	-1.5%	1.5%
Chrysler	0.4%	0.6%
Dodge	0.5%	1.9%
Fiat	-3.0%	-4.2%
Ford	0.1%	2.8%
GMC	-2.5%	0.6%
Honda	-1.3%	-0.2%
Hyundai	-0.4%	0.7%
Jeep	3.3%	0.4%
Kia	0.1%	-1.3%
Mazda	-1.3%	0.4%

MINI	1.0%	0.7%
Mitsubishi	2.5%	0.6%
Nissan	-1.7%	0.1%
Ram	0.8%	3.0%
Subaru	-0.1%	0.5%
Toyota	1.6%	0.3%
Volkswagen	2.5%	0.6%

Luxury

Feb 2020 Forecast	YOY Change	MOM Change
Acura	-4.8%	-1.1%
Alfa Romeo	1.2%	1.5%
Audi	-3.8%	1.5%
BMW	-0.2%	-0.8%
Cadillac	-1.1%	1.0%
Genesis	-0.9%	1.9%
INFINITI	-3.4%	0.7%
Jaguar	-3.1%	0.5%
Land Rover	-3.6%	0.4%
Lexus	-2.3%	0.4%
Lincoln	3.3%	2.4%
Maserati	-0.1%	5.3%
Mercedes-Benz	-0.3%	-0.3%
Porsche	-0.7%	-0.3%
Volvo	-3.4%	0.1%

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

About TrueCar

TrueCar is a leading automotive digital marketplace that enables car buyers to connect to our network of 16,500 Certified Dealers. We are building the industry's most personalized and efficient car buying experience as we seek to bring more of the purchasing process online. Consumers who visit our marketplace will find a suite of vehicle discovery tools, price ratings and market context on new and used cars -- all with a clear view of what's a great deal. When they are ready, TrueCar will enable them to connect with a local Certified Dealer who shares in our belief that truth, transparency and fairness are the foundation of a great car buying experience. As part of our marketplace, TrueCar powers car-buying programs for over 250 leading brands, including USAA, Sam's Club, and American Express. Nearly half of all new-car buyers engage with TrueCar powered sites, where they buy smarter and drive happier. TrueCar is headquartered in Santa Monica, California, with offices in Austin, Texas and Boston, Massachusetts.

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