



September 1, 2020

ALG Forecasts Average New Vehicle Transaction Price Up 3.9% for August 2020

Automaker Revenue up month-over-month for second consecutive month

SANTA MONICA, Calif., Sept. 01, 2020 (GLOBE NEWSWIRE) -- [ALG, Inc.](#), a subsidiary of [TrueCar, Inc.](#) and the industry benchmark for determining the future resale value of a vehicle, projects average transaction prices (ATP) to be up 3.9% or \$1,370 from a year ago but down 0.3% or \$106 from July 2020.

"Vehicles are continuing to sell at higher transaction prices when compared to the prior year even amidst the pandemic," said Eric Lyman, Chief Industry Analyst for ALG, a subsidiary of TrueCar. "However, we are seeing month-over-month declines in average transaction price since May due to pullbacks on the richer automaker incentives that were in the market at the beginning of the pandemic. Consumers leaned into those offers to upgrade to higher priced trims and models which drove up transaction prices."

"For the second month in a row, since March, automaker revenue for new vehicle sales will be up month-over-month by almost six percent. This is a positive sign for the auto industry as targeted incentive spending by automakers continue to fuel the recovery for new vehicle sales," added Lyman.

[View TrueCar/ALG's sales forecast for new and used vehicles here.](#)

ALG projects that U.S. revenue from new vehicle sales will reach more than \$47 billion for August 2020, down 17.9% (based on a non-adjusted daily selling rate) from a year ago and up 5.9% from last month.

"While most automakers are down on incentives month over month, due to the supply shortages caused by the pandemic, Subaru has increased its incentives by ten percent," said Nick Woolard, Director of OEM Analytics for TrueCar.

"Buyers will notice that models with higher inventory levels will see greater incentives at dealerships," added Woolard. "On the other hand, vehicles with high demand and low inventory will see fewer incentives and discounts. If there is a popular vehicle that a consumer is looking for, they may have a harder time getting any discounts, or even finding it on dealership lots. Shoppers will need to move quickly to purchase if they're looking for a specific model in low inventory."

August 2020 forecasts for the 12 largest manufacturers by volume. For additional data visit the [ALG Newsroom](#).

Average Transaction Price (ATP)

Manufacturer	Aug 2020 Forecast	Aug 2019 Actual	Jul 2020 Actual	YOY	MOM
BMW	\$55,334	\$54,684	\$56,857	1.2%	-2.7%
Daimler	\$59,394	\$56,834	\$60,547	4.5%	-1.9%
FCA	\$42,115	\$39,986	\$41,855	5.3%	0.6%
Ford	\$43,172	\$39,532	\$43,475	9.2%	-0.7%
GM	\$41,639	\$41,138	\$40,893	1.2%	1.8%
Honda	\$29,894	\$29,094	\$30,068	2.7%	-0.6%
Hyundai	\$28,499	\$25,689	\$28,338	10.9%	0.6%
Kia	\$26,014	\$25,213	\$24,887	3.2%	4.5%
Nissan	\$28,601	\$29,065	\$28,862	-1.6%	-0.9%
Subaru	\$30,396	\$29,512	\$30,395	3.0%	0.0%
Toyota	\$34,135	\$33,306	\$34,255	2.5%	-0.4%
Volkswagen Group	\$41,453	\$39,797	\$40,679	4.2%	1.9%
Industry	\$36,327	\$34,957	\$36,433	3.9%	-0.3%

Incentive Spending

Manufacturer	Aug 2020 Forecast	Aug 2019 Actual	Jul 2020 Actual	YOY	MOM
BMW	\$5,379	\$5,978	\$5,789	-10.0%	-7.1%
Daimler	\$4,877	\$5,386	\$5,675	-9.4%	-14.1%
FCA	\$4,842	\$4,810	\$5,020	0.7%	-3.6%
Ford	\$4,113	\$4,598	\$4,295	-10.6%	-4.2%
GM	\$5,456	\$5,079	\$5,667	7.4%	-3.7%

Honda	\$2,502	\$1,987	\$2,635	26.0%	-5.0%
Hyundai	\$2,255	\$2,722	\$2,490	-17.1%	-9.4%
Kia	\$3,449	\$3,541	\$3,779	-2.6%	-8.7%
Nissan	\$4,107	\$3,871	\$4,842	6.1%	-15.2%
Subaru	\$1,922	\$1,454	\$1,747	32.2%	10.0%
Toyota	\$2,725	\$2,437	\$2,709	11.8%	0.6%
Volkswagen Group	\$4,329	\$3,525	\$4,370	22.8%	-0.9%
Industry	\$3,902	\$3,716	\$4,079	5.0%	-4.3%

Incentives as a Percentage of Average Transaction Price (ATP)

Manufacturer	Aug 2020 Forecast	Aug 2019 Actual	Jul 2020 Actual	YOY	MOM
BMW	9.7%	10.9%	10.2%	-11.1%	-4.5%
Daimler	8.2%	9.5%	9.4%	-13.3%	-12.4%
FCA	11.5%	12.0%	12.0%	-4.4%	-4.1%
Ford	9.5%	11.6%	9.9%	-18.1%	-3.6%
GM	13.1%	12.3%	13.9%	6.1%	-5.5%
Honda	8.4%	6.8%	8.8%	22.6%	-4.5%
Hyundai	7.9%	10.6%	8.8%	-25.3%	-9.9%
Kia	13.3%	14.0%	15.2%	-5.6%	-12.7%
Nissan	14.4%	13.3%	16.8%	7.8%	-14.4%
Subaru	6.3%	4.9%	5.7%	28.3%	10.0%
Toyota	8.0%	7.3%	7.9%	9.1%	1.0%
Volkswagen Group	10.4%	8.9%	10.7%	17.9%	-2.8%
Industry	10.7%	10.6%	11.2%	1.1%	-4.0%

(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 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.

About TrueCar

TrueCar is a leading automotive digital marketplace that enables car buyers to connect to our nationwide network of 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 AARP, 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

TrueCar and ALG PR Contact:

Shadee Malekafzali
shadee@truecar.com
424.258.8694

