

August 1, 2017

## July Auto Sales Expected to reach \$47 Billion

### Average transaction prices likely to rise 2.1 percent

SANTA MONICA, Calif., Aug. 01, 2017 (GLOBE NEWSWIRE) -- [ALG](#), the industry benchmark for determining the future resale value of a vehicle, projects U.S. revenue from new vehicle sales will reach \$47 billion for the month of July, down 3.5 percent from a year ago.

ALG expects a decline of \$1.7 billion in revenue for automakers versus July 2016. Additionally, incentive spending is projected to increase 4.7 percent.

"Most manufacturers are displaying solid average transaction price gains year-over-year," said Oliver Strauss, ALG's Chief Economist. "VW is the top performing automaker with an expected increase of 5.1% year-over-year, followed by GM and Honda with 3.6% and 2.7%, respectively. Hyundai is experiencing continued pressure with incentive spending increasing more than 20% year-over-year as some sedans are offered with record levels of incentives."

"Overall industry incentive spending as a percentage of average transaction prices is down slightly over the prior month. The positive effect of incremental incentive spend on new vehicle sales may be wearing off as new vehicle sales continue to decline," continued Strauss.

ALG estimates the average transaction price (ATP) for a new light vehicle was \$32,989 in July, up 2.1 percent from a year ago. Average incentive spending per unit grew by \$160 to \$3,565. The ratio of incentive spending to ATP is expected to be 10.8 percent, up from 10.5 percent a year ago but down by a tenth of a percentage point from last month.

 [ALG logo.jpg](#)

### Average Transaction Price (ATP)

Manufacturer	July 2017			Percent Change	Percent Change
	Forecast	July 2016	June 2017	vs. July 2016	vs. June 2017
BMW (BMW, Mini)	\$51,848	\$50,540	\$52,184	2.6%	-0.6%
Daimler (Mercedes-Benz, Smart)	\$59,061	\$58,006	\$59,344	1.8%	-0.5%
FCA (Chrysler, Dodge, Jeep, Ram, Fiat)	\$33,550	\$32,879	\$33,361	2.0%	0.6%
Ford (Ford, Lincoln)	\$35,802	\$34,945	\$36,071	2.5%	-0.7%
GM (Buick, Cadillac, Chevrolet, GMC)	\$37,586	\$36,268	\$37,262	3.6%	0.9%
Honda (Acura, Honda)	\$27,817	\$27,093	\$27,933	2.7%	-0.4%
Hyundai	\$22,601	\$23,007	\$22,875	-1.8%	-1.2%
Kia	\$22,502	\$22,470	\$22,601	0.1%	-0.4%
Nissan (Nissan, Infiniti)	\$27,424	\$26,901	\$27,601	1.9%	-0.6%
Subaru	\$27,451	\$27,868	\$27,770	-1.5%	-1.2%
Toyota (Lexus, Scion, Toyota)	\$31,318	\$30,722	\$31,244	1.9%	0.2%
Volkswagen (Audi, Porsche, Volkswagen)	\$34,437	\$32,754	\$33,000	5.1%	4.4%
<b>Industry</b>	<b>\$32,989</b>	<b>\$32,301</b>	<b>\$33,150</b>	<b>2.1%</b>	<b>-0.5%</b>

### Incentive per Unit Spending

July 2017	Percent Change vs.	Percent Change vs.
-----------	--------------------	--------------------

Manufacturer	Forecast	July 2016	June 2017	July 2016	June 2017
BMW (BMW, Mini)	\$4,625	\$5,831	\$4,564	-20.7%	1.3%
Daimler (Mercedes-Benz, Smart)	\$4,857	\$4,685	\$5,057	3.7%	-4.0%
FCA (Chrysler, Dodge, Jeep, Ram, Fiat)	\$4,382	\$4,168	\$4,387	5.1%	-0.1%
Ford (Ford, Lincoln)	\$4,326	\$4,144	\$4,312	4.4%	0.3%
GM (Buick, Cadillac, Chevrolet, GMC)	\$4,531	\$4,564	\$4,444	-0.7%	2.0%
Honda (Acura, Honda)	\$2,014	\$1,670	\$2,007	20.6%	0.4%
Hyundai	\$3,249	\$2,570	\$3,192	26.4%	1.8%
Kia	\$3,468	\$2,718	\$3,437	27.6%	0.9%
Nissan (Nissan, Infiniti)	\$4,049	\$3,613	\$4,086	12.1%	-0.9%
Subaru	\$1,009	\$667	\$957	51.3%	5.5%
Toyota (Lexus, Scion, Toyota)	\$2,550	\$2,416	\$2,669	5.5%	-4.4%
Volkswagen (Audi, Porsche, Volkswagen)	\$3,252	\$3,882	\$3,149	-16.2%	3.3%
<b>Industry</b>	<b>\$3,565</b>	<b>\$3,404</b>	<b>\$3,612</b>	<b>4.7%</b>	<b>-1.3%</b>

### Incentive Spending as a Percentage of ATP

Manufacturer	July 2017 Forecast	July 2016	June 2017	Percent Change vs. July 2016	Percent Change vs. June 2017
BMW (BMW, Mini)	8.9%	11.5%	8.7%	-22.7%	2.0%
Daimler (Mercedes-Benz, Smart)	8.2%	8.1%	8.5%	1.8%	-3.5%
FCA (Chrysler, Dodge, Jeep, Ram, Fiat)	13.1%	12.7%	13.1%	3.0%	-0.7%
Ford (Ford, Lincoln)	12.1%	11.9%	12.0%	1.9%	1.1%
GM (Buick, Cadillac, Chevrolet, GMC)	12.1%	12.6%	11.9%	-4.2%	1.1%
Honda (Acura, Honda)	7.2%	6.2%	7.2%	17.5%	0.8%
Hyundai	14.4%	11.2%	14.0%	28.7%	3.0%
Kia	15.4%	12.1%	15.2%	27.4%	1.3%
Nissan (Nissan, Infiniti)	14.8%	13.4%	14.8%	9.9%	-0.3%
Subaru	3.7%	2.4%	3.4%	53.6%	6.7%
Toyota (Lexus, Scion, Toyota)	8.1%	7.9%	8.5%	3.5%	-4.7%
Volkswagen (Audi, Porsche, Volkswagen)	9.4%	11.9%	9.5%	-20.3%	-1.0%
<b>Industry</b>	<b>10.8%</b>	<b>10.5%</b>	<b>10.9%</b>	<b>2.5%</b>	<b>-0.8%</b>

*(Note: This forecast is based solely on ALG's analysis of industry sales trends and conditions and is not a projection of the company'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 50 years and in Canada since 1981.

Contact

[pressinquiries@truecar.com](mailto:pressinquiries@truecar.com)

Veronica Cardenas

424-258-2487

[VCardenas@truecar.com](mailto:VCardenas@truecar.com)

Source: TrueCar, Inc.

News Provided by Acquire Media