

CNW Research's January 2015 Used Sales Analysis



Total used-car sales in January were 2.38 million, up 2 percent vs. the same month of 2014.

Franchised dealers saw a 4.63 percent increase while independent dealers slipped 1.86 percent. Private Party sales were up 3.42 percent.

Transaction prices for Franchised Dealers Used Car Operations saw a significant increase in January, climbing more than 27 percent vs. year ago and 3.34 percent vs. December, 2014. The vast bulk of the gain can be traced to a) higher CPO sales and b) a growing inventory of fresh off-lease vehicles.

Independent Dealer transaction prices also rose by 13.5 percent vs. year ago and 3.2 percent vs. December. Much like franchised dealers, the trickle down of decent used vehicles reached independent dealer lots.

Total value of all used cars sold in January topped \$26.8 billion — a 22.6 percent increase vs. year ago.

Not surprising, fewer people visited dealership used-car lots in January than in December — off nearly 30 percent and following historic December-January trends.

Purchase of passenger cars slipped 6.2 percent vs. year ago and 2.6 percent vs. December with truck sales climbing 5.7 percent and 2.23 percent respectively.

Consumers continue shopping outside of their local markets in growing numbers, hunting the best deals and specific vehicles, using the Internet to find a specific car or truck. The number of bought outside their local market rose by more than 12 percent vs. year ago.

More than 200,000 used-car buyers had a pre-approved loan compared to 175,800 a year ago for a gain of more than 14 percent. Fully 8.42 percent of sales were to customers with a pre-approved auto loan.

The number of sub-prime buyers rose 14.38 percent vs. year ago with a 3.9 percent increase at Buy Here/Pay Here lots. Sub-550 FICO buyers increased 7.8 percent and represented nearly 22 percent of total used-car sales.