

May 2015 Kontos Kommentary

Current Used Vehicle Market Conditions



Summary

Average wholesale used vehicle prices fell significantly in May relative to April, though they remained modestly higher than year-ago levels. Besides seasonal factors, supply growth put downward pressure on prices.

Used vehicle retail sales were a mixed bag in May, as franchised dealers enjoyed an uptick in sales, especially of CPO units, while independent dealers saw year-over-year declines.

Details

According to ADESA Analytical Services' monthly analysis of [Wholesale Used Vehicle Prices by Vehicle Model Class](#)¹, wholesale used vehicle prices in May averaged \$10,440 – down 2.5% compared to April, but up 1.1% relative to May 2014. Only Fullsize Vans, Mini SUVs and Fullsize SUVs had month-over-month increases in average prices.

Average wholesale prices for used vehicles remarketed by manufacturers were down 0.2% month-over-month and down 6.5% year-over-year. Prices for fleet/lease consignors were down 3.0% sequentially and down 3.0% annually. Dealer consignors saw a 2.6% price decrease versus April, but enjoyed a 1.8% increase relative to May 2014.

A new data series from NADA showed a 3.6% year-over-year increase in used vehicle sales by franchised dealers, but a 1.6% decrease for independent dealers. CPO sales set new highs in May, growing 8.3% month-over-month and 12.2% year-over-year, according to figures from Autodata.

¹The analysis is based on over six million annual sales transactions from over 150 of the largest U.S. wholesale auto auctions, including those of ADESA as well as other auction companies. ADESA Analytical Services segregates these transactions to study trends by vehicle model class, sale type, model year, etc.

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