



MARKET BEAT

Patrick Manzi, NADA Chief Economist

New light-vehicle sales in April 2025 topped a 17-million-unit SAAR for the second straight month as consumers pulled forward purchases to beat tariffs. April 2025's SAAR of 17.3 million units represents an increase of 7.7% year over year. The SAAR for the first four months of the year totaled 16.7 million units at the end of April, up 7.1% compared to the same period last year. Wards Intelligence estimates that the March and April 2025 SAARs would have been closer to 16 million units were it not for the tariff-induced buying spree.

New light-vehicle inventory on the ground and in transit declined year-over-year in April 2025 for the first time in three years. At the end of April 2025 new light-vehicle inventory totaled 2.62 million units, down 4.1% year-over-year. New vehicle inventory is likely to decline further in May 2025 if a strong sales pace continues. Additionally, production is expected to slow in the coming months, which will impact the pace that inventory can be replenished. According to Wards Intelligence, North American light-vehicle production is expected to total 3.86 million units representing a decline of 5.9% year-over-year and the fourth straight year-over-year decline.

With lower inventory and high demand from consumers, average incentive spending per unit likely fell during April 2025. According to J.D. Power, average incentive spending per unit is forecast to total \$2,808, down \$260 compared to March 2025, but up \$209 compared to April 2024. We expect that OEM discounts in the aggregate will fall as new vehicle inventory declines, but there will continue to be asymmetries between certain brands and segments.

It will be challenging for the industry to match the sales pace seen in March and April 2025 in the coming months. Many buyers who would've likely purchased a vehicle later in the year have pulled forward their purchase ahead of tariffs taking effect and it is very likely that we will see vehicle prices rise. The exact timing of vehicle price increases is tough to pinpoint, but we will likely begin to see the effects by Q3 of this year. Our outlook for new light-vehicle sales in 2025 is between 15 and 16 million units

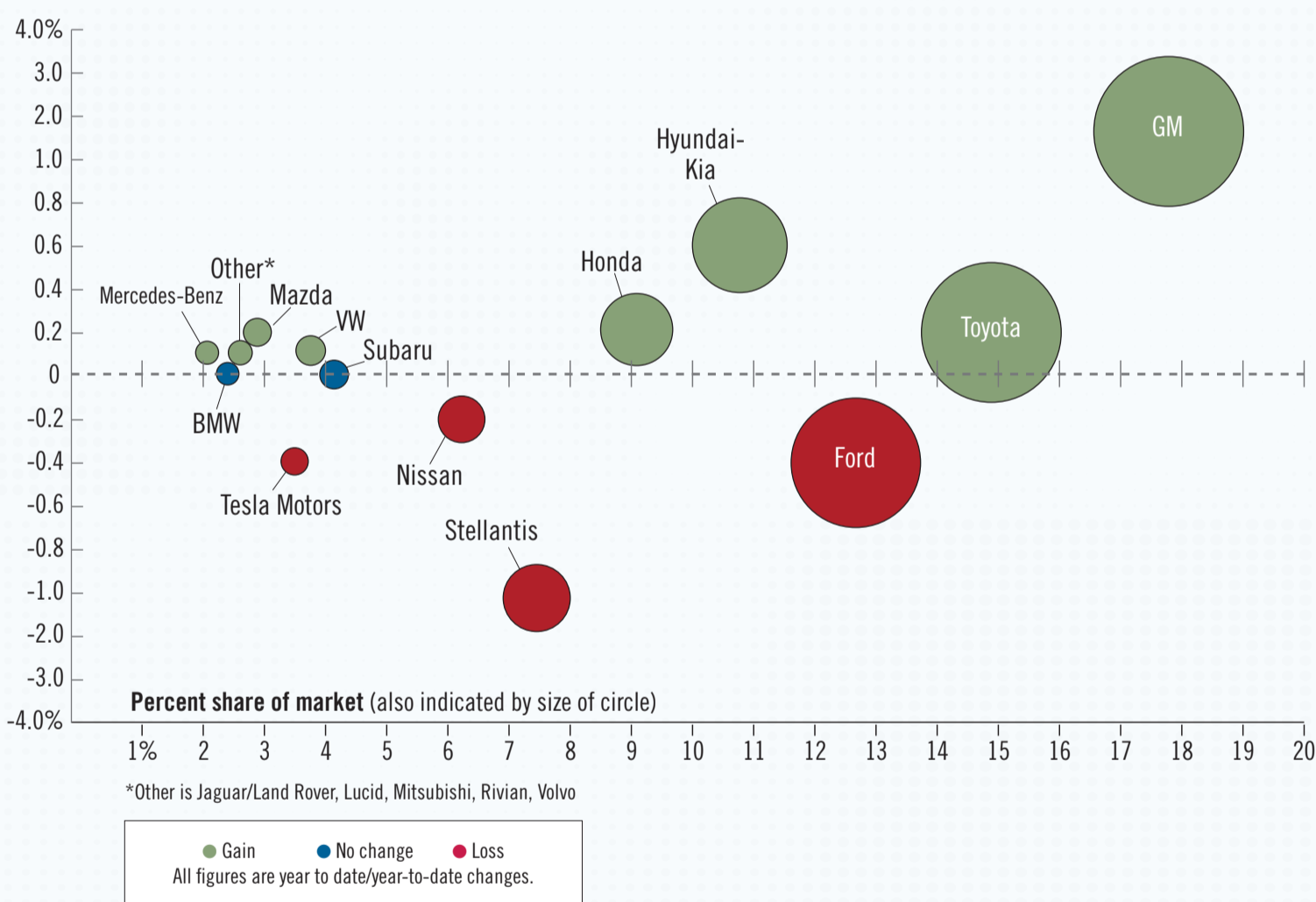
U.S. Light-Vehicle Sales

(Seasonally Adjusted at Annual Rates)

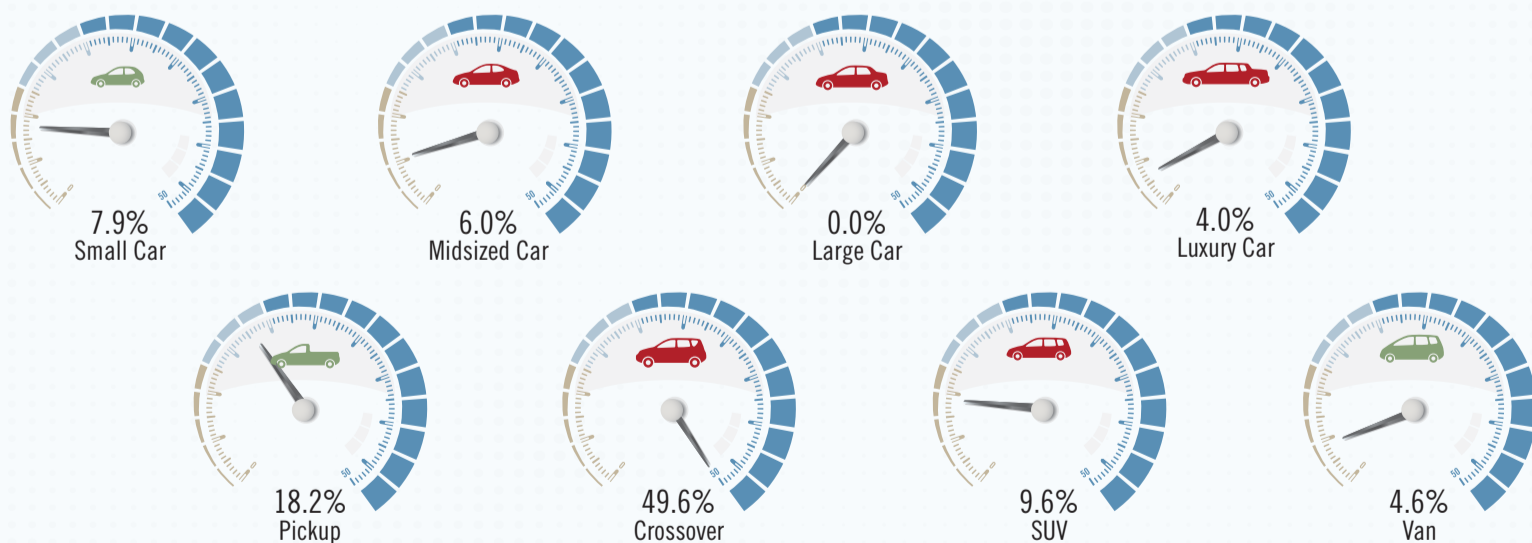


	April 2025	Y/Y %	Jan - Apr 2025	YTD/YTD %
Total Car	2.89	-4.9%	2.99	0.0%
Total Light Truck	14.39	10.9%	13.74	8.9%
Domestic Light Vehicle	13.13	6.9%	12.69	5.1%
Import Light Vehicle	4.14	10.4%	4.04	13.8%
Total Light Vehicle SAAR	17.27	7.7%	16.73	7.1%

Market Share, by manufacturer



Market Share, by segment



Market Share, by powertrain

