

**FOR IMMEDIATE RELEASE**

**Manheim Index: Wholesale Used Vehicle Values Lower than Expected in March,  
as Prices Cool in Final Week of Q1**

- Seasonal adjustments push wholesale used-vehicle values down in March compared to February.
- Overall, the first quarter outlook ended a little shy of normal compared to historical trends, particularly when compared to the highs of the first quarters of 2023 and 2022.
- Spring bounce in vehicle sales ended early this year, with both wholesale and retail sales slowing in the final week of Q1.

**ATLANTA (April 5, 2024)** – Wholesale used-vehicle prices (on a mix, mileage, and seasonally adjusted basis) were down in March compared to February. The Manheim Used Vehicle Value Index (MUVVI) fell to 203.1, a decline of 14.7% from a year ago. The decline in the index was driven by the seasonal adjustment, resulting in a 0.4% month-over-month decrease. The non-adjusted price in March increased by 3.1% compared to February, moving the unadjusted average price down 11.4% year over year.

“Our normal spring bump was a bit muted this year, but the wholesale market progress in terms of timing and weekly changes – it was the most normal pattern we’ve seen in some time,” said Cox Automotive Chief Economist Jonathan Smoke. “From a historical perspective, we typically see a 3.4% increase in March (non-seasonal) and came up with a 3.1% this year. We expect the market and prices to continue a downward trend – demand is tepid at best, as shoppers just don’t have any urgency to buy in the current economic environment.”

**Manheim Market Report Values See Below-Average Increases**

In March, Manheim Market Report (MMR) values saw weekly increases slightly below long-term averages for the last several weeks. Over the previous five weeks, the Three-Year-Old Index increased an aggregate of 2.1%, including a decline of 0.1% in the last week of the month. Those same five weeks delivered an average increase of 2.5% between 2014 and 2019. MMR is a valuation tool that tens of thousands of vehicle consignors and dealers use to assess millions of trade-ins each month. It is designed to be highly stable and avoid overreacting to short-term market ups and downs to measure vehicle valuations accurately regardless of market conditions.

Over the month of March, daily MMR Retention, which is the average difference in price relative to the current MMR, averaged 99.5%, meaning market prices were below MMR values and falling against February levels, which were 99.9%. The average daily sales conversion rate increased to 62.5%, showing that demand improved relative to February, which is seasonally normal for this time of year. For comparison, the daily sales conversion rate averaged 62.0% in March during the last three years. The higher conversion rate indicated that the month saw sellers with more bargaining power than is typically seen for this time of year.

The major market segments saw seasonally adjusted prices that remained lower year over year in March. Compared to March 2023, luxury lost less than the industry, down just 13.0%, and SUVs performed slightly better than the industry, declining 14.4%. The worst-performing segment was midsize

cars this month, down 17.0% year over year, followed by compact cars, off by 16.8%, and pickups, down 15.4%. Compared to last month, compact cars gained 0.8%, luxury was up by 0.5%, SUVs increased 0.2%, and midsize cars were down 0.3%, a little better than the industry metric. Trucks were the only segment to decline more than the market overall, falling by 0.6% for the month of March.

Tracking metrics for the electric vehicle (EV) market versus non-EV market is increasingly important due to growing interest in EV values. Seasonally adjusted EV values for March 2024 were down 19.1%, while non-EVs were down 12.8% year over year. Regarding values against last month, seasonally adjusted EV values decreased substantially, falling by 5.3% from February, while non-EVs were flat over the same period.

### **Retail Used-Vehicle Sales Increased in March**

Assessing retail vehicle sales based on observed changes in units tracked by vAuto, we initially estimate that retail used-vehicle sales in March were up 6% compared to February and higher year over year by 7%. The average retail listing price for a used vehicle was flat over the last four weeks.

Using estimates of used retail days' supply based on vAuto data, an initial assessment indicates March ended at 42 days' supply, down five days from 47 days at the end of February but the same level as March 2023 at 42 days.

March's total new-light-vehicle sales were up 4.6% year over year. By volume, March new-vehicle sales were up 16.1% month over month. The March sales pace, or seasonally adjusted annual rate (SAAR), came in at 15.5 million, an increase from last March's 14.9 million pace but down from February's downwardly revised 15.7 million level.

Combined sales into large rental, commercial, and government fleets declined 0.2% year over year in March. Including an estimate for fleet deliveries into dealer and manufacturer channels, the remaining retail sales were estimated to be up 7.1% from last year, leading to an estimated retail SAAR of 13.0 million, up 1.0 million from last year's pace, and up from February's 12.8 million level. Fleet market share was estimated to be 17.7%, down from last year's 19.6% share.

### **Rental Risk Prices Mixed, Mileage Dropped Significantly in March**

The average price for rental risk units sold at auction in March declined 9.6% year over year. Rental risk prices increased by 1.8% compared to February. Average mileage for rental risk units in March (at 52,500 miles) continues to be down compared to a year ago, declining by 19.0% against March 2023. Mileage for units in March was up 12.4% from February.

### **Spring Bounce Ends Early in Wholesale and Used Vehicle Markets**

After rising 11 weeks in a row, sales in the wholesale market declined slightly in the last week of March, remaining up 15% compared to 2023. Estimated sales for used retail fell for the first time in eight weeks, declining by 6% in the latest week of data. Now up 7% versus last year, used retail sales appear to have peaked the week prior to month-end.

"The spring bounce is over a bit earlier than usual this year, as it looks like we have already seen the peak in retail used vehicle sales this spring," said Jeremy Robb, senior director of Economic and Industry Insights at Cox Automotive. "Typically revolving around tax refund season, the spring bounce in the



used-vehicle market usually starts in the latter part of February and ends in early April. Our data show that sales peaked about a week early this year.”

### **Cox Automotive Invests Now To Meet Needs of Electrified Future**

With decades of automotive experience, the leaders at Cox Automotive understand the need to invest early to prepare for industry disruption, such as the influx of EVs into the wholesale marketplace. Earlier this year, Cox Automotive announced it is doubling down on its commitment to vehicle logistics, [investing more than \\$100 million](#) to revolutionize the vehicle transport industry through technology. This investment will transform the company’s industry-leading brand, Central Dispatch, into a fully integrated automotive transportation marketplace that gives clients the tools, data, and insights they need to take control of their supply chains and thrive. The company intends to maintain its leadership position as automotive transportation becomes more complex with the growing adoption of digital buying, the increasing number of used electric vehicles shipped, and the rising consumer demand for home delivery.

Cox Automotive introduced last week the used-car industry’s [only solution to measure EV battery health](#) for each VIN across Manheim. Cox Automotive firmly believes that VIN-specific battery state of health will be the new standard in the industry – a perspective formed by its deep knowledge and expertise in the automotive industry. With this VIN-specific solution, Cox Automotive is leading the industry in EV battery health and demonstrating its commitment to protecting clients from the inevitable outliers, ultimately fueling a more transparent and confident buying and selling experience.

Since 2019, Manheim has invested more than \$200 million in EV infrastructure and process improvements. Manheim now offers sellers more than 800 EV chargers, safe storage and access to 850-plus trained technicians who can safely handle, service, and dispose of EV batteries.

In 2023, approximately 48,000 EVs were sold in the Manheim Marketplace, a 58% increase year over year. The company expects that number to double in 2024 and continue increasing in the coming years. In April, clients will begin seeing the expanded battery health information on Manheim condition reports and vehicle details pages across most makes and models.

### **About Manheim**

Manheim® is the nation’s leading provider of end-to-end wholesale vehicle solutions that help dealer and commercial clients increase profits and efficiencies in their used vehicle operations. Through its physical, mobile, and digital sales network, Manheim offers services for decisioning, buying and selling, floor planning, logistics, assurance, and reconditioning. Operating the largest vehicle wholesale marketplace, Manheim provides clients with choices to connect and transact business how and when they want. With nearly 5.5 million used vehicles offered annually, Manheim team members help the company facilitate transactions representing around \$76 billion in value. Headquartered in Atlanta, Manheim is a [Cox Automotive](#)™ brand. For more information, visit [press.manheim.com](https://press.manheim.com).

### **About Cox Automotive**

Cox Automotive is the world’s largest automotive services and technology provider. Fueled by the largest breadth of first-party data fed by 2.3 billion online interactions a year, Cox Automotive tailors leading solutions for car shoppers, auto manufacturers, dealers, lenders and fleets. The company has 29,000-plus employees on five continents and a portfolio of industry-leading brands that include Autotrader®, Kelley Blue Book®, Manheim®, vAuto®, Dealertrack®, NextGear Capital™, CentralDispatch®, and FleetNet



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