



Manheim Index: Used-Vehicle Values Stabilized in 2024, As Industry Faces Inventory Challenges in Year Ahead

- The Manheim Used Vehicle Value Index (MUVVI) ended 2024 with a year-over-year increase for the first time since 2021; the gain of 0.4% was below the long-term average of 2.3%.
- Used-vehicle values experienced weaker-than-expected price performance in the first half of 2024 but saw stronger prices in the second half, marking the end of the used-vehicle price correction period.
- Used electric vehicles saw higher depreciation levels throughout most of 2024; prices began to stabilize in the second half of 2024.

ATLANTA, Jan. 8, 2025 – After seeing used-vehicle values depreciate more than normal in the first half of the year, the Manheim Used Vehicle Value Index (MUVVI) ended 2024 at 204.8, an increase of 0.4% compared to year-earlier levels. While a gain of 0.4% is below the long-term average growth of 2.3%, the December reading was higher year over year for the first time since 2021. Month over month, wholesale used-vehicle prices were lower in December than in November.

“Used-vehicle values ended 2024 just about where we expected, but the path was not straight,” said Cox Automotive Chief Economist [Jonathan Smoke](#). “We saw weaker-than-expected price performance in the first half of the year and stronger prices in the second half. But that transition in the middle of 2024 was a key milestone: It appears the period of used-vehicle price correction is over.”

Both used-vehicle values, as measured by the MUVVI, and retail listing prices for used-vehicle peaked during the aftermath of the COVID pandemic. The MUVVI reached an all-time high of 257.7 at the end of 2021. Since that peak, used-vehicle prices have consistently declined, with the index falling to 196.1 in June 2024. Since then, values have slowly increased as retail demand has remained healthy and inventories tight. According to an initial estimate from Cox Automotive’s vAuto Live Market View, total retail used-vehicle sales in 2024 were higher year over year by 4%. In the month of December, used-vehicle sales were higher year over year by 13%, as the market ended the year with momentum.

Used-Vehicle Values Were Lower in December, But Demand was Strong

The seasonal adjustment to the Manheim Used Vehicle Value Index reduced the change for December, as non-seasonally adjusted values declined at a higher rate. The non-adjusted average price in December decreased by 0.8% compared to November, moving the unadjusted average price up 0.3% year over year.

In December, Manheim Market Report (MMR) values saw weekly decreases every week, with larger declines seen in the back half of the month, consistent with seasonal trends. Over the last four weeks, the Three-Year-Old Index decreased an aggregate of 1.3%, including a decline of 0.5% in each of the last two weeks of December. Those same four weeks delivered an average accumulated decrease of 0.5% between 2014 and 2019, indicating depreciation trends were slightly higher than typical at year-end.

“Wholesale values declined a bit more than usual right at the end of December, but that was likely influenced some by the holiday calendar,” said [Jeremy Robb](#), senior director of Economic and Industry



Insights at Cox Automotive. “Overall, 2024 was our most normal year for depreciation trends in the last five years. While market participants experienced a bit of a roller coaster ride, we ended the year much closer to longer-term trends. With the tightness of current retail supply, lower lease maturities expected throughout the coming year, and the question of tariffs on new vehicles still up in the air, we expect to continue to see more normal depreciation patterns in 2025.”

Over the month, daily MMR Retention – the average difference in price relative to the current MMR – averaged 99.1%, meaning market prices moved away from MMR values in December and were lower against November levels. Compared to last year, valuation models were higher by 1.3 percentage points for MMR retention and six-tenths of a point higher than 2019 levels for the same period.

The average daily sales conversion rate at Manheim fell to 53.8% in December, a decline of 1.1 percentage points against last month, but was higher than normal for the final month of the year. For comparison, the daily sales conversion rate averaged 51.9% in December over the last three years. Given the holiday period and the impact on sales and offerings, it is normal to see a seasonal decline in conversion in December

While the Used Electric Vehicle Market Grew, Strong Depreciation Trends Continued

The used electric vehicle (EV) market experienced significant fluctuations in 2024, with the used EV value index falling 28% since its peak in July 2022. Meanwhile, the non-EV index declined only 14% over the same period.

“In the second half of 2024, however, the EV index increased by 9.4% while the non-EV index rose by only 4%,” Robb said. “So, it appears used EV values may have found a floor.”

Electric vehicle values were higher in December versus November and stronger than the industry average overall, increasing by 3.4%, while non-EVs fell 0.5% over the same time. Seasonally adjusted EV values for December 2024 continued to show stronger year-over-year depreciation trends, although the declines have slowed in recent months. In December, used EV values at wholesale were lower year over year by 7.6%.

Used EV transactions at wholesale and retail continue to increase, and while the growth rates remain very high, the volumes are still relatively low. In Q4, EV transactions at Manheim increased 59% year over year, similar to the growth recorded in Q3. At the retail level, used EVs have seen strong demand all year. In Q4, retail used EV transactions totaled just over 77,000 units, an increase of 57% year over year to just over – just slightly lower than the year-over-year increase of 63% in Q3.

Used and Wholesale Vehicle Market Forecast and Outlook for 2025

Cox Automotive is forecasting retail used-vehicle sales in 2025 to reach 20.1 million, an increase of approximately 1.2% compared to 2024. Sales growth is expected to remain muted, as retail and wholesale supply will continue to be constrained in the coming year due to lower production during the pandemic and fewer lease maturities returning to the market.

Used-vehicle values, as measured by the MUVVI, are expected to experience more normal depreciation patterns in the year ahead. The Manheim Used Vehicle Value Index forecast was updated after a



stronger end to 2024. The MUVVI is forecast to be up 1.4% year over year in December 2025, roughly a point lower than the normal 2.3% gain the index typically sees in a year.

[Read the commentary](#) for more perspective on the Manheim Used Vehicle Value Index performance in December and Q4.

About Cox Automotive

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