

Q2 2026

State of the Industry

Record Prices. Resilient Demand.

Why consumers continue to buy — and what it means for dealers and OEMs

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Q2 2026 Summary

Record Prices. Resilient Demand.

The second quarter of 2026 challenged one of the industry's most widely held concerns: That high vehicle prices—if elevated enough—would eventually suppress demand.

Instead, the opposite occurred. New vehicle marketed prices climbed to an all-time high, yet consumer demand remained remarkably resilient. After nearly five years of elevated pricing, current increases to record levels appear less disruptive than they once would have been, suggesting consumers have largely adapted to a more durable higher-price environment.

The same resilience is evident across the used and certified markets, where pricing is on the rise while demand continues to outpace historical expectations. Rather than exiting the market, consumers are adjusting how they shop—favoring affordability, fuel efficiency, and value.

The result is a market that continues to reward precision over broad-based incentives. Success increasingly depends on understanding which vehicles require pricing actions or marketing support—and which can command strong demand without unnecessary discounting or spending.

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Q2 2026

New Vehicle Summary

Consumers Are Adapting to Higher Prices

New vehicle prices reached a record high during the quarter, surpassing **\$52,000** for the first time. Yet unlike the sharp price increases experienced in the aftermath of the pandemic, today's milestone has had little apparent effect on overall consumer demand.

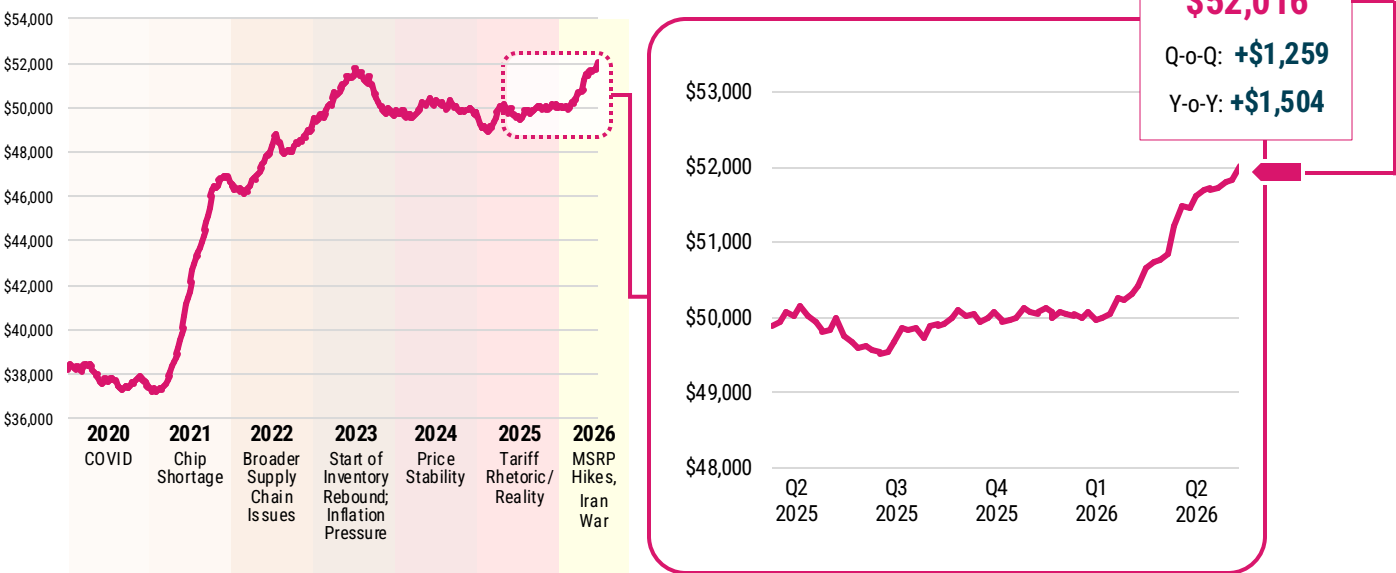
After years of elevated pricing, buyers appear to have recalibrated their expectations, allowing demand to remain healthy even as advertised prices continue climbing. Instead of exiting the market, consumers are adapting by shifting toward more affordable and fuel-efficient vehicles rather than delaying purchases altogether.

New Vehicles: Pricing & Market Adjustments

Marketed prices reached an all-time high in Q2 2026 as market adjustments stabilized, exposing the impact of ongoing MSRP increases and changes in vehicle mix on advertised prices.

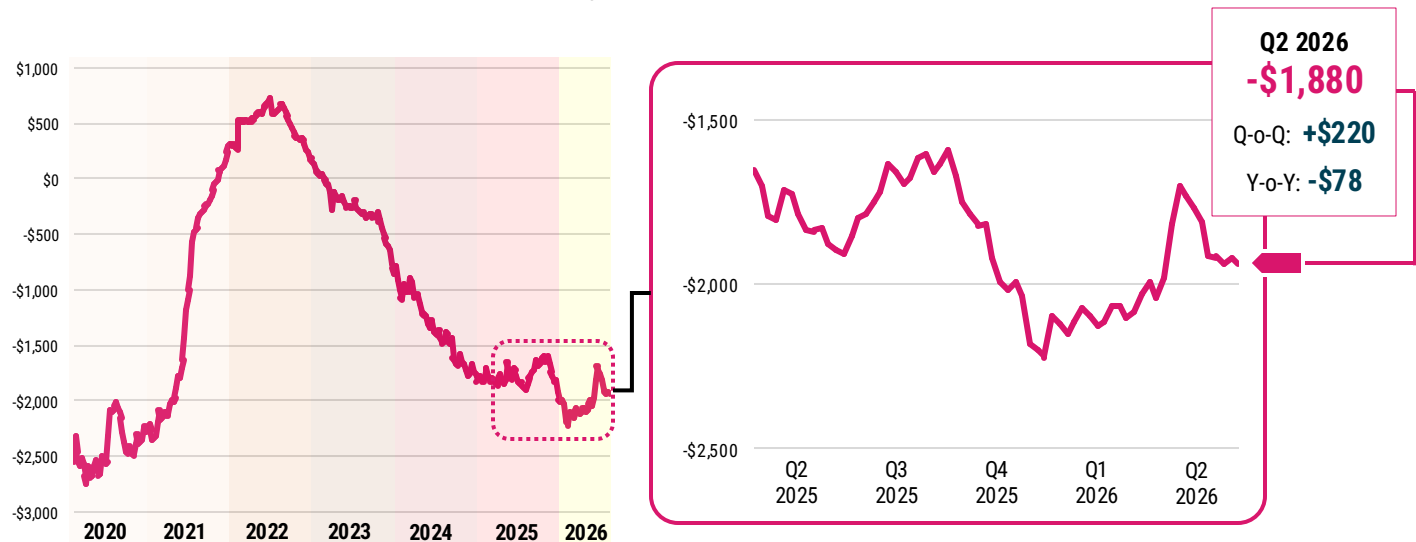
New Vehicle Prices Hit All-Time High

Average Marketed Price – New Vehicles



Market Adjustment Levels: Somewhat Less Aggressive Q-o-Q

Market Adjustment – New Vehicles

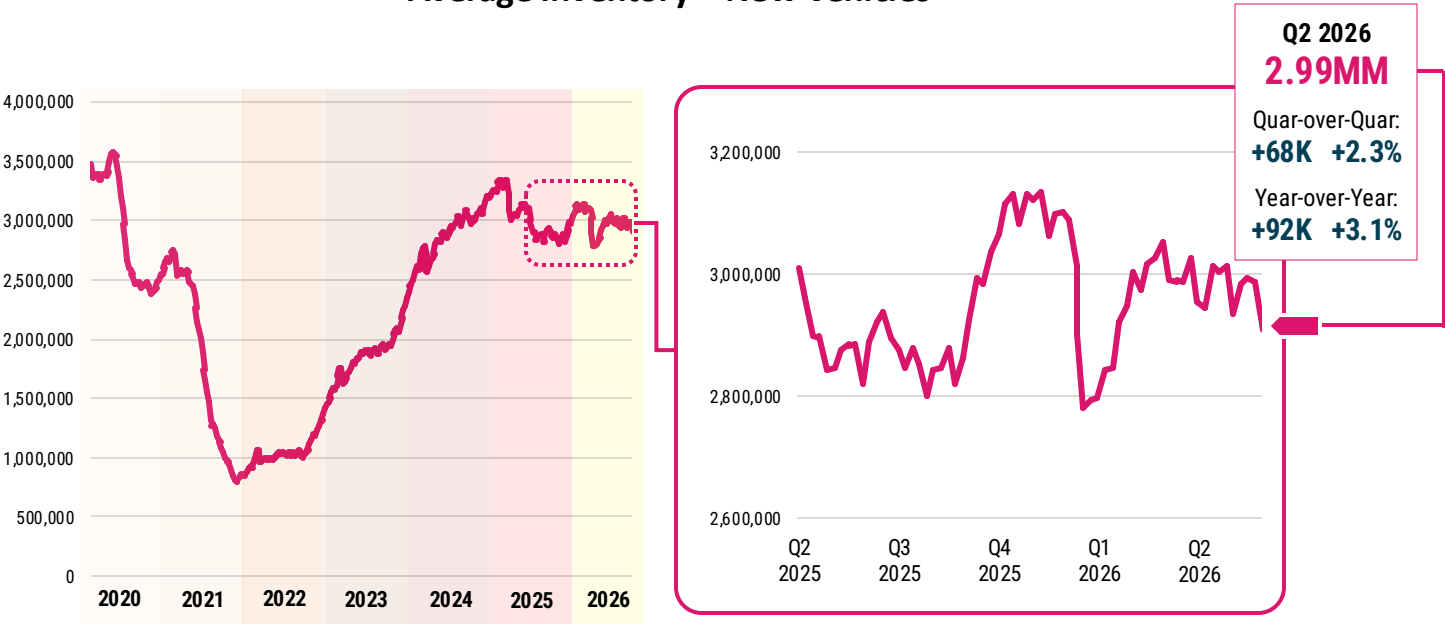


New Vehicles: Inventory & Movement

Despite record-high marketed prices, new vehicle demand remains resilient, with movement strengthening while inventory holds steady near 3 million units.

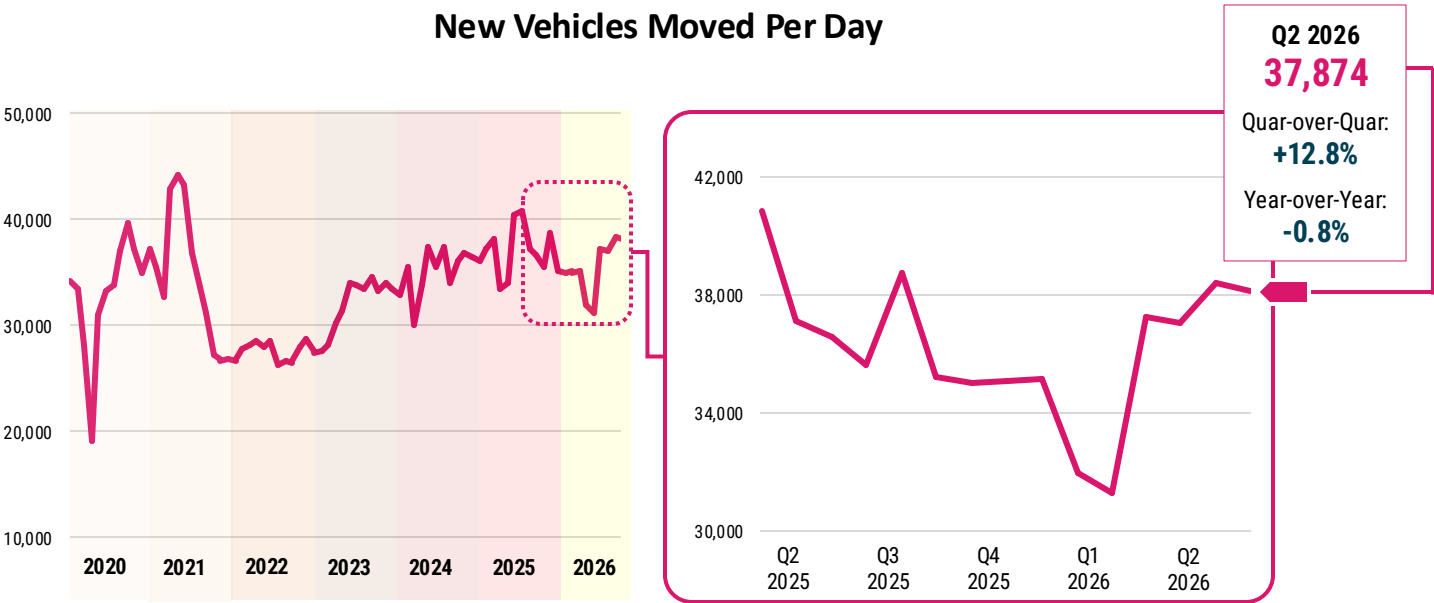
New Vehicle Inventory Continues to Hover Near 3MM

Average Inventory – New Vehicles



New Vehicle Movement Increases QoQ, is Flat YoY

New Vehicles Moved Per Day



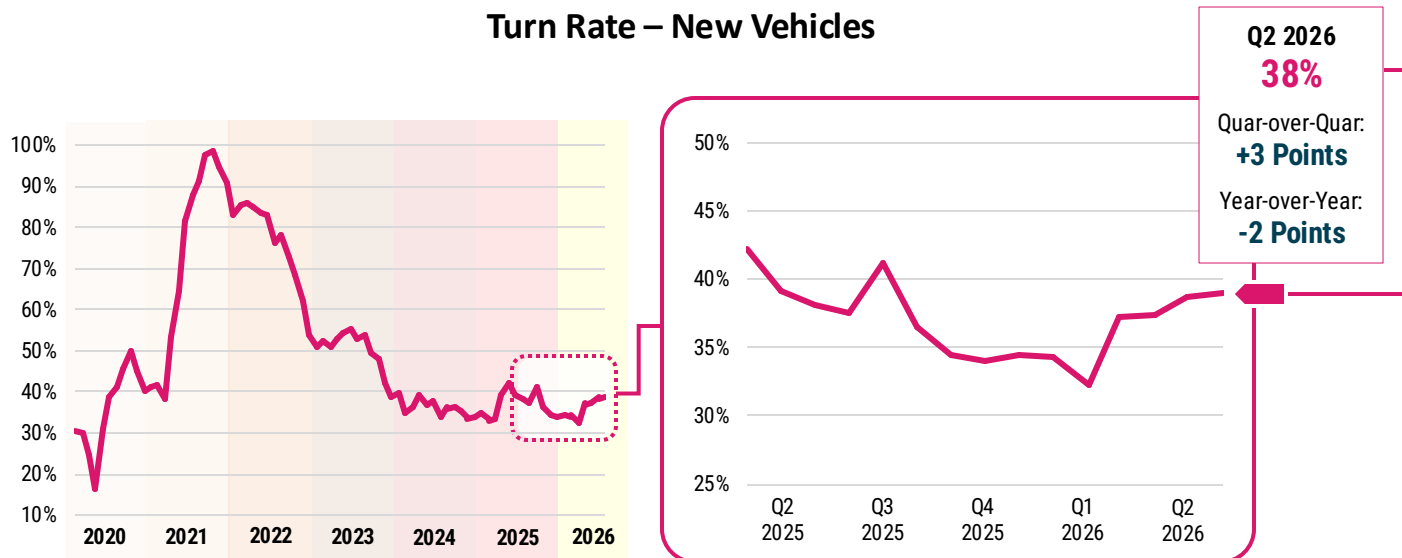
New Vehicles: Turn Rate + Velocity

Higher prices have not translated into slower sales.

Turn rates are approaching 40% while days-to-move timeframes continue to decline.

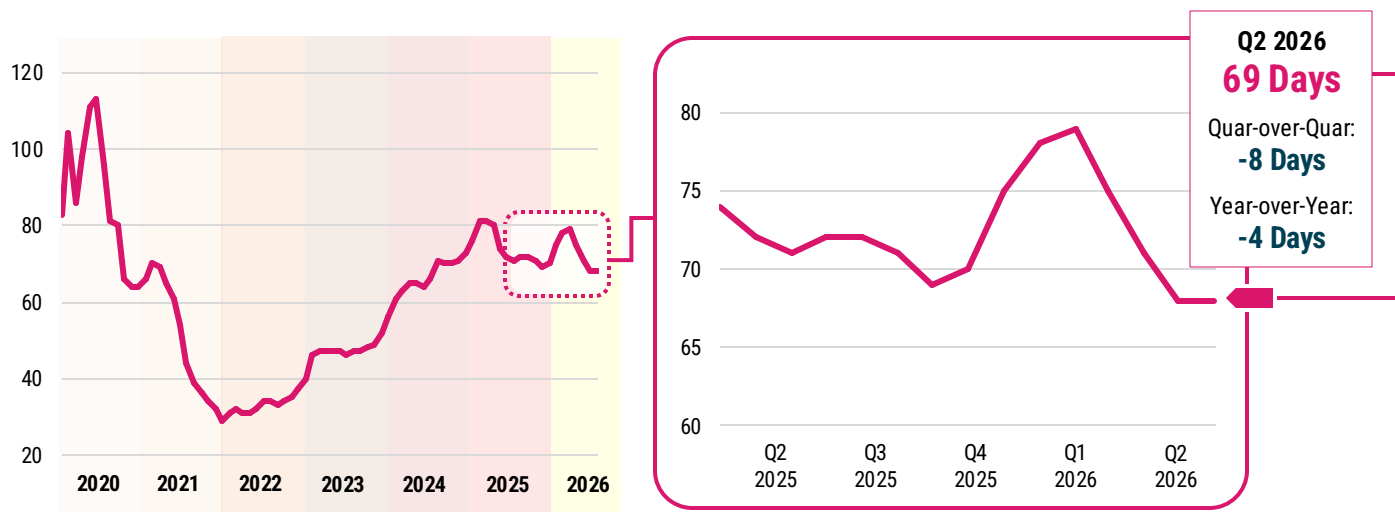
Turn Rate Nears 40% in Q2 2026

Turn Rate – New Vehicles



Sales Velocity Has Accelerated in the Current Quarter

Days to Move – New Vehicles



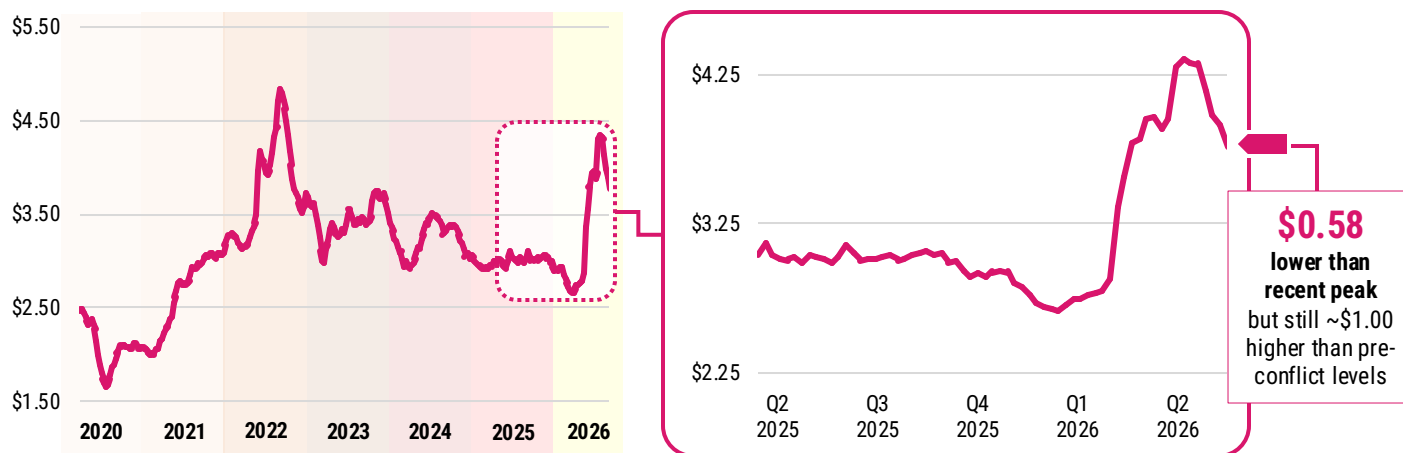
New Vehicles: Pivot to EVs

Consumers are adapting to higher fuel costs by favoring more efficient vehicles rather than delaying purchases.

Gasoline Prices Spike Due to Iran War, Remain Elevated Despite Recent Retreat

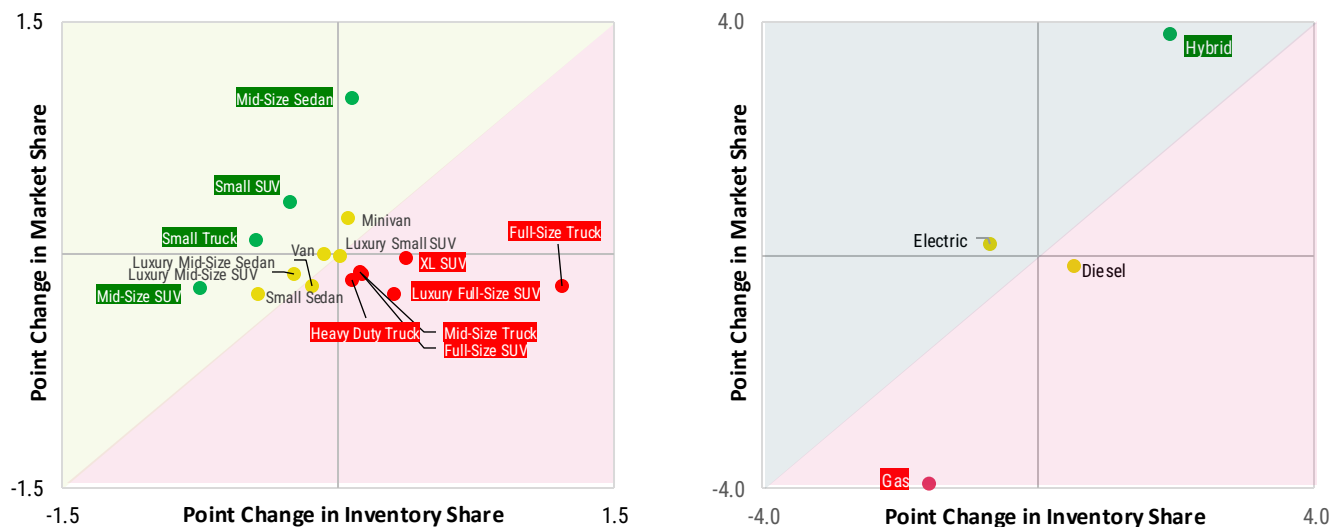
Average Gasoline Prices

Source: United States Energy Information Administration



Smaller Vehicles and Hybrids Show Gains; Larger Gas-Powered Segments See Higher Inventory Shares, Lower Market Shares

Share Trajectories – New Vehicles • Q2 vs. Q1 2026



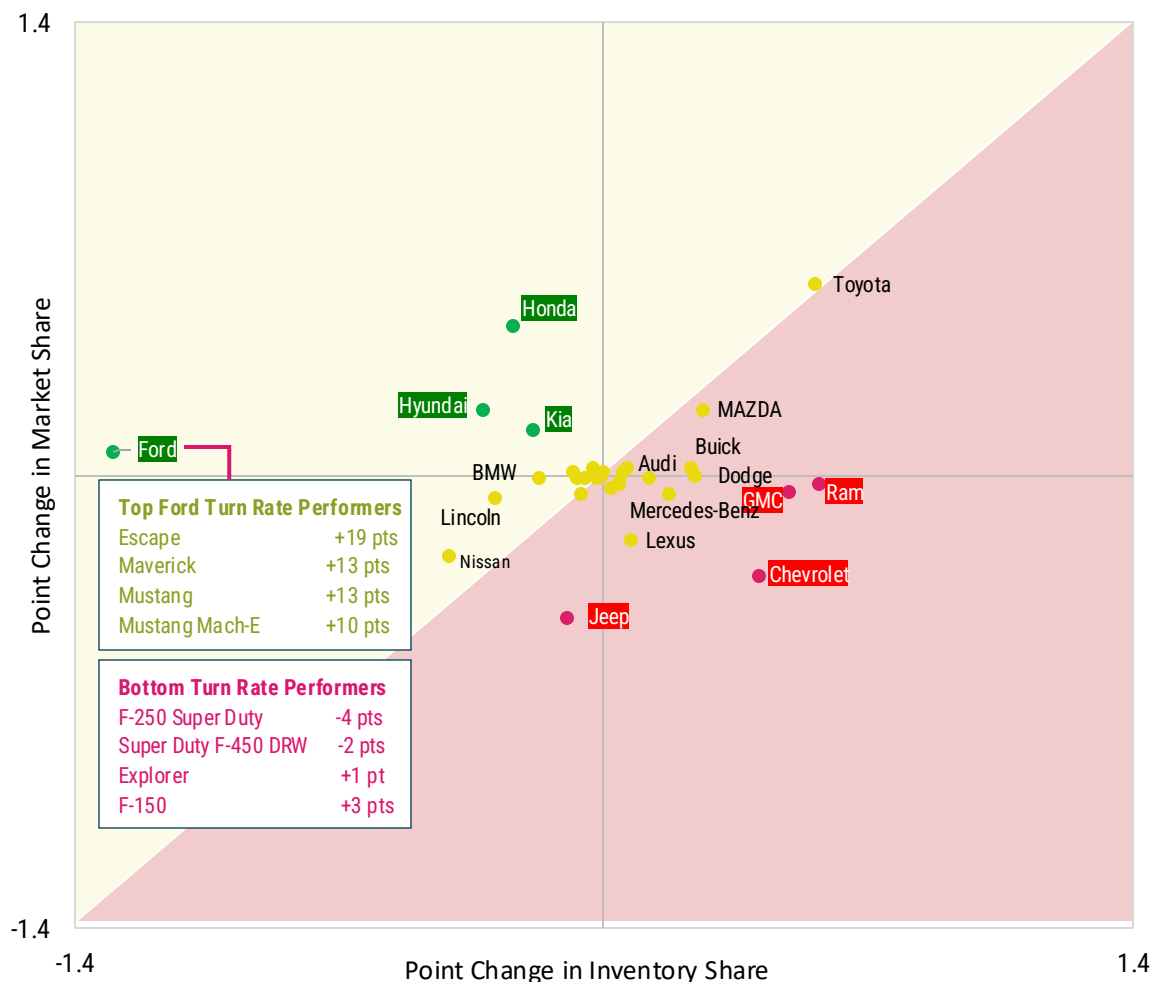
New Vehicles: Share Trajectories

Makes that are losing ground on efficiency (inventory share change is more favorable than market share change) are ones that are heavily truck and/or larger SUV reliant—Chevrolet, GMC, Jeep, and Ram.

Honda and Hyundai, which are more oriented around smaller SUVs and sedans, are gaining in efficiency. Ford, which has prominent trucks and SUVs in its lineup, is leaning on some of its more fuel-friendly vehicles to move its efficiency forward.

Share Trajectories – New Vehicles

Q2 vs. Q1 2026



Selected Vehicles with Turn Rate Losses from Q1 to Q2 2026:

Acura RDX
Audi Q8
Buick Enclave
Cadillac Escalade
Chevrolet Silverado 1500
Chevrolet Silverado 2500HD
Chevrolet Suburban
Chevrolet Tahoe
Dodge Durango
Ford F-250 Super Duty
Genesis GV80
GMC Sierra 1500
GMC Sierra 2500HD
GMC Yukon
Infiniti QX60
Jeep Grand Cherokee L
Lexus RX 350
Lincoln Navigator
Mercedes-Benz GLE
Mercedes-Benz GLB
Ram 1500
Toyota Sequoia
Volkswagen Taos

New Vehicles — A Deeper Dive Into Pricing

- The majority of the quarter-over-quarter price increases came from more durable hikes in MSRP, while a smaller amount came from less aggressive discounting.
- Higher priced vehicles saw net increases in inventory (i.e., sales didn't keep pace w/ supply influxes); lower priced vehicles saw the opposite. The resulting mix shifts added \$354 average pricing in Q2.

Price increases accounted for by...

Shifts in
Segment Mix
+\$354

Less Aggressive
Discounts/Incentives
+\$220

Increases
in MSRP
+\$685

Net Inventory Change • Q2 vs. Q1 2026



Inventory Added	Vehicles Moved	Average Marketed Price	QoQ Change in AMP
368,883	334,887	\$61,403	+\$593
105,318	91,129	\$81,664	+\$913
164,899	153,281	\$75,904	+\$1,958
169,807	161,924	\$79,284	+\$242
40,668	36,302	\$73,476	+\$460
147,480	143,732	\$46,466	+\$397
37,938	36,175	\$50,524	+\$843
21,309	19,970	\$114,533	-\$1,897
16,235	15,235	\$53,289	+\$929
1,160	667	\$58,723	+\$2,334
5,592	5,175	\$69,715	-\$660
50,252	49,956	\$55,399	+\$1,563
15,766	15,472	\$33,825	+\$14
4,579	5,054	\$132,457	-\$352
440,999	442,011	\$94,267	+\$3,024
28,175	29,246	\$53,949	+\$458
152,177	153,265	\$60,087	-\$5,546
374,710	375,802	\$104,905	+\$2,813
6,581	7,703	\$71,030	+\$2,202
6,983	8,606	\$34,655	+\$459
3,056	5,017	\$50,387	+\$380
15,844	21,178	\$57,683	+\$608
66,174	72,170	\$47,619	+\$221
54,965	64,974	\$36,937	+\$156
82,027	94,782	\$26,958	+\$1,395
279,302	297,842	\$31,991	+\$905
778,608	803,670	\$40,622	+\$699

Priced 15%+ above
industry average

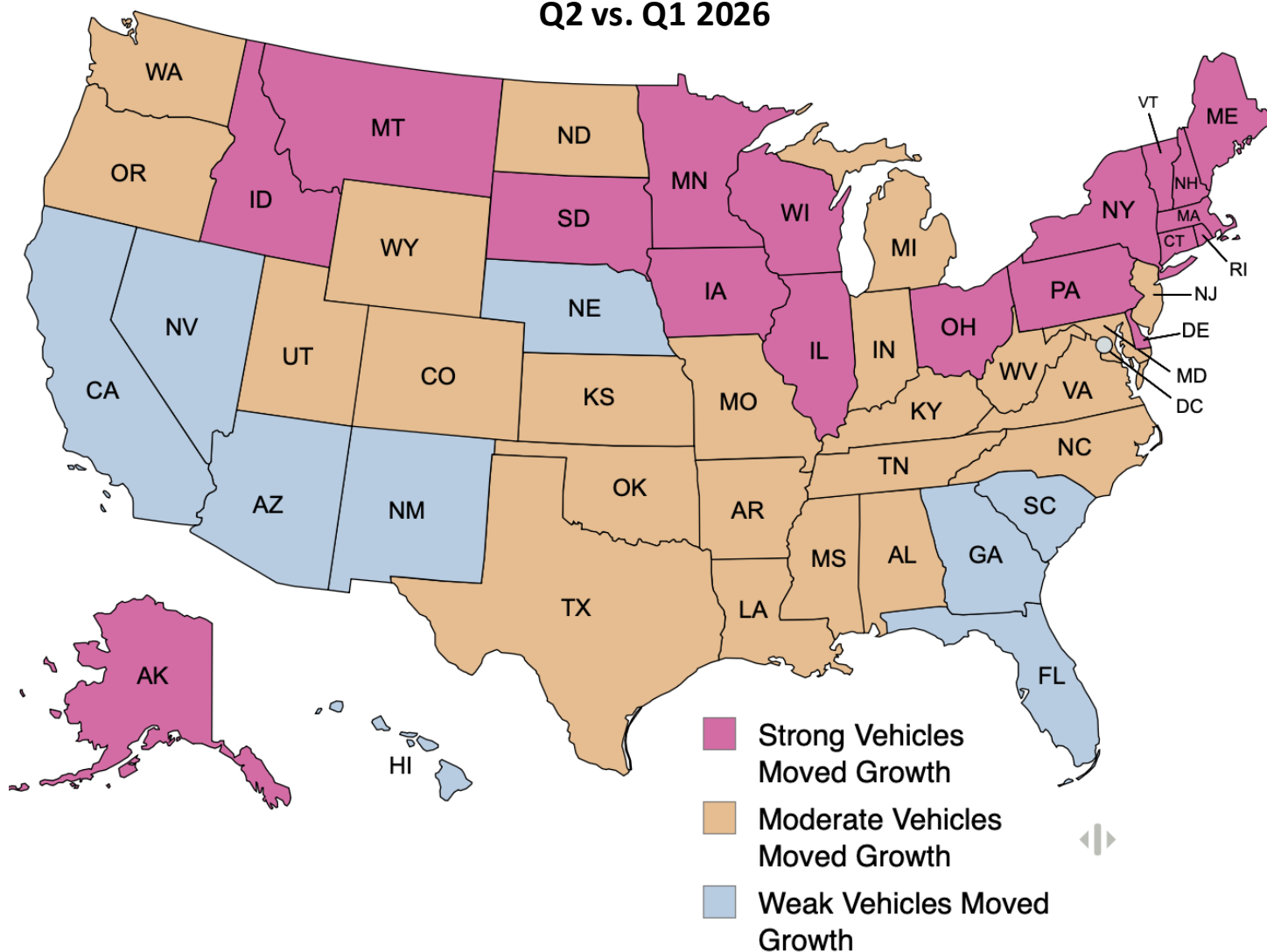
Priced 15%+ below
industry average

New Vehicles:

State-Level Movement Trends

On a quarter-over-quarter basis, the change in vehicles moved is strongest in the upper Midwest and Northeast, and weakest in the lower West and Southeast.

Vehicles Moved Growth Q2 vs. Q1 2026



New Vehicles:

Actionable Guidance for Automotive Retail

Implications for the Industry

The industry has entered a new phase where record prices alone are no longer reliable indicators of weakening demand. Elevated pricing has proven more durable after multiple (and compounding) macroeconomic and geopolitical factors, while market performance is increasingly shaped by shifts in consumer preferences, affordability, and vehicle mix rather than broad economic disruption.

Implications for Dealers

Demand remains healthy, but not every vehicle is benefiting equally. Dealers should resist broad pricing and marketing strategies in favor of VIN-level merchandising and pricing decisions that reflect changing consumer preferences. Inventory aligned with today's demand can often command stronger pricing, while slower-moving vehicles require more targeted intervention. In today's market, precision is increasingly replacing broad-based discounting and marketing support.

If full-size trucks and SUVs are beginning to accumulate on your lot while compact SUVs and sedans continue to move, resist the temptation to increase incentives across your entire inventory or even a specific segment. Instead, concentrate pricing adjustments, digital merchandising, and advertising on the specific trucks and SUVs that need help while preserving margin on VINs that consumers are still seeking out.

Implications for OEMs

The market continues to demonstrate pricing power, but product mix matters more than ever. Consumers continue to reward fuel-efficient and value-oriented vehicles even while accepting higher prices overall. Incentive spending should become increasingly targeted, supporting slower-moving models without unnecessarily eroding margins across the broader portfolio.

Q2 2026

Used Vehicle Summary

Affordability Keeps The Used Market Strong

The used vehicle market continues to benefit from constrained supply and sustained consumer demand. Prices have moved up in tandem with new vehicles, while sales activity and inventory turn have improved both quarter-over-quarter and year-over-year.

As new vehicle prices continue to rise, more shoppers are turning to used vehicles as an affordable alternative. For dealers, that makes used inventory an increasingly important opportunity to drive sales and profitability.

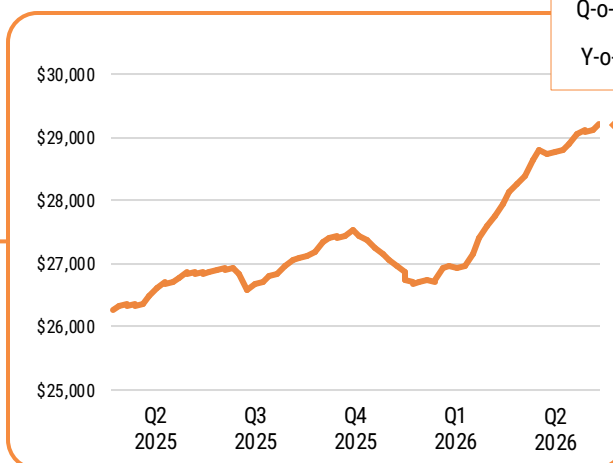
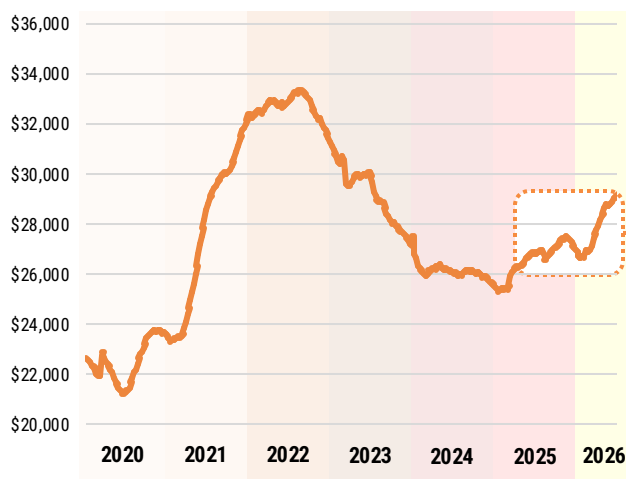
Used Vehicles: Pricing

Unlike new vehicles, which have been at a high plateau for four years, used prices are increasing from a lower range.

Inventory is ticking up after being at multi-year lows earlier in the year.

Used Vehicle Prices Have Risen in Q2, But Not From An Elevated Base

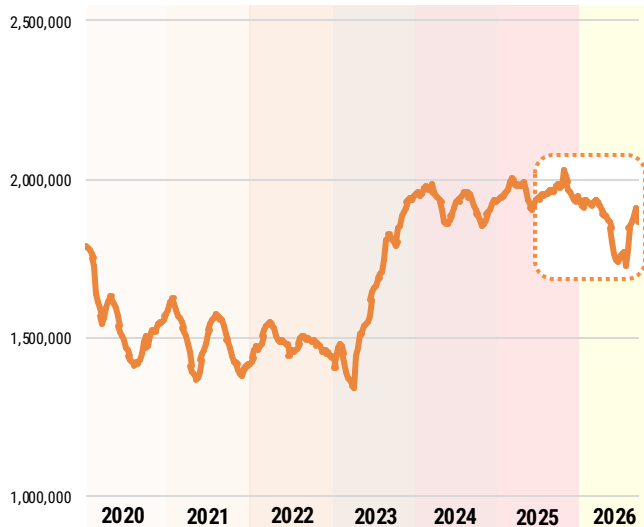
Average Marketed Price – Used Vehicles



Q2 2026
\$28,712
Q-o-Q: **+\$1,663**
Y-o-Y: **+\$2,119**

Used Inventory Rebounds From Recent Lows

Average Inventory – Used Vehicles

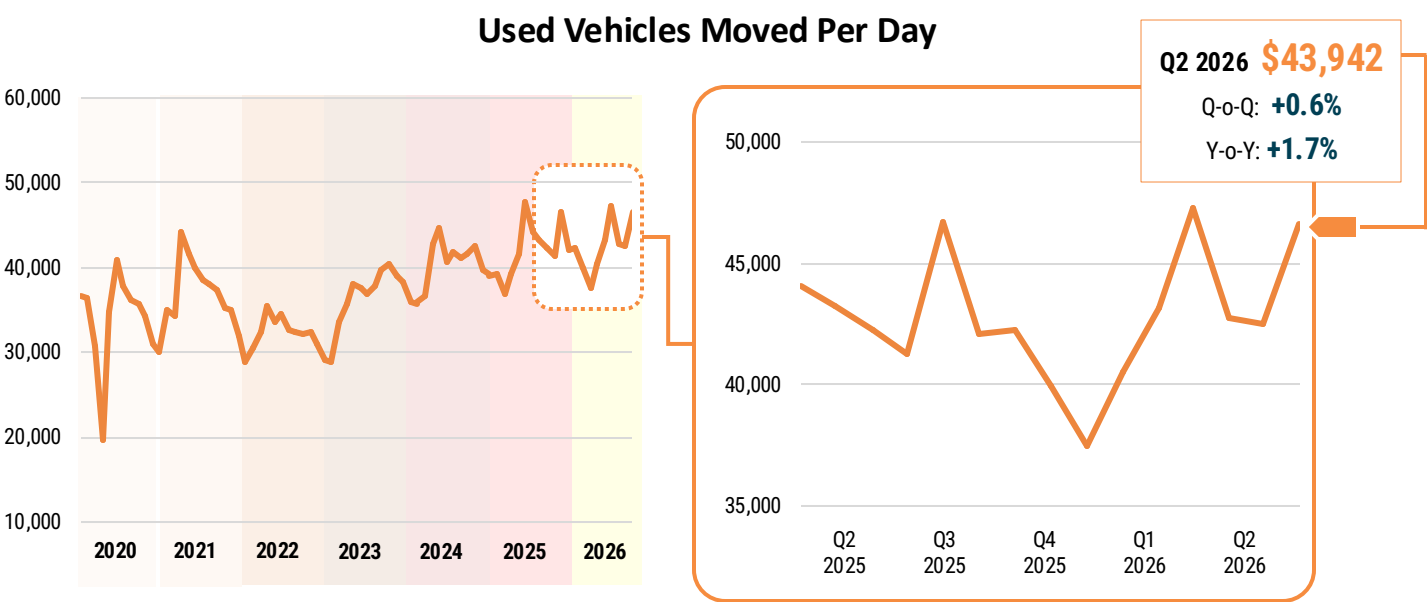


Q2 2026
1.82MM
Quarter-over-Quarter:
-19K -1.0%
Year-over-Year:
-127 K -6.5%

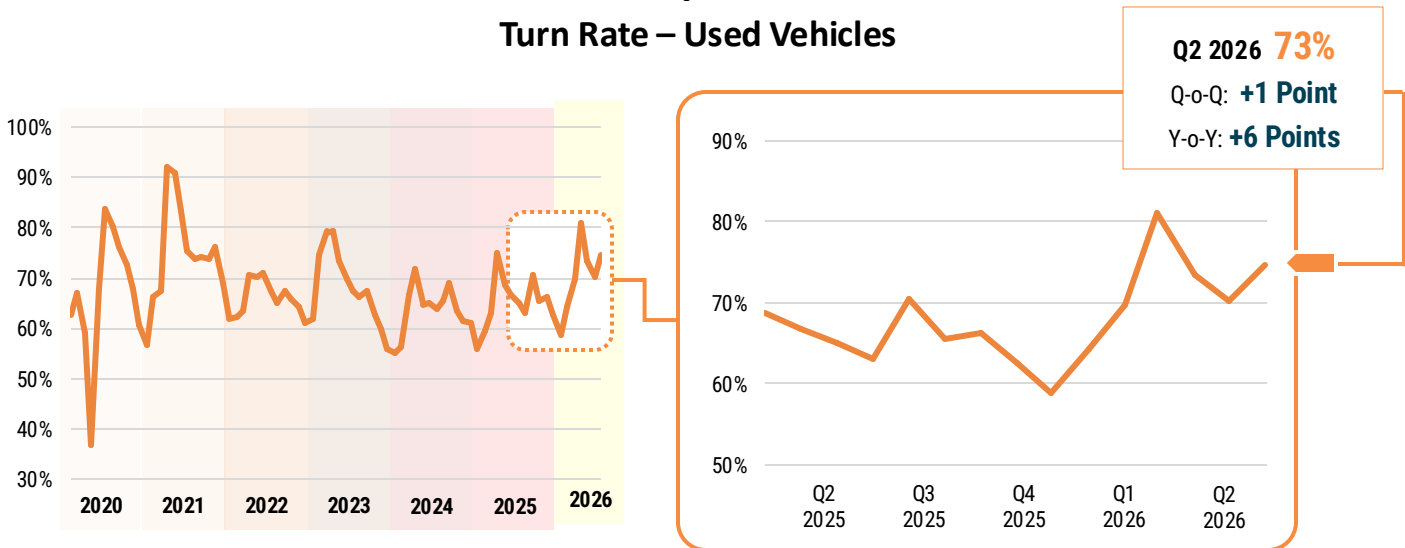
Used Vehicles: Movement & Turn Rate

Demand has positive momentum and should be a prominent focus of dealer activities and opportunities.

Used Movement Has Trended Up Over Time, Remains Steady in the Current Quarter



Turn Rate Is Up Six Points YoY

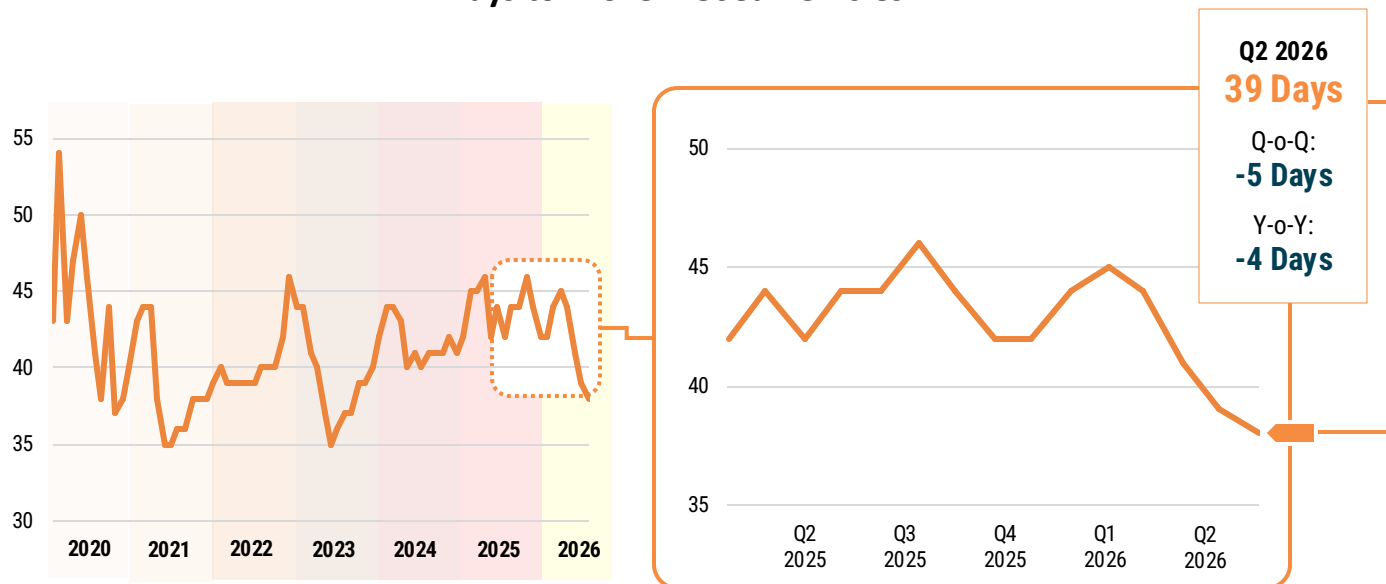


Used Vehicles: Days-to-Move

Sales velocity is accelerating.

Days-to-Move Falls Below 40 for the First Time in Almost Three Years

Days to Move – Used Vehicles



Used Vehicles

Actionable Guidance for Automotive Retail

Implications for the Industry

The used market remains structurally stronger than it was prior to the pandemic. While pricing volatility has moderated, near-term supply constraints and affordability considerations continue to support values, leaving room for increased performance and profitability coming from this market sector.

Implications for Dealers

Strong used inventory remains a competitive advantage, but quality will increasingly supersede quantity in today's market. Dealers that source efficiently and price dynamically will be better positioned to capitalize on healthy demand while protecting margins. Additionally, understanding and acting upon supply and demand balances (and imbalances) at the VIN level will become critical factors for success.

Implications for OEMs

A healthy used market supports long-term brand value by strengthening residual values and lease economics. Monitoring and supporting used supply will remain essential when planning production levels, incentive strategies, and future certified vehicle opportunities.

Q2 2026

Certified Pre-Owned Vehicle Summary

The Bridge Between Affordability and Confidence

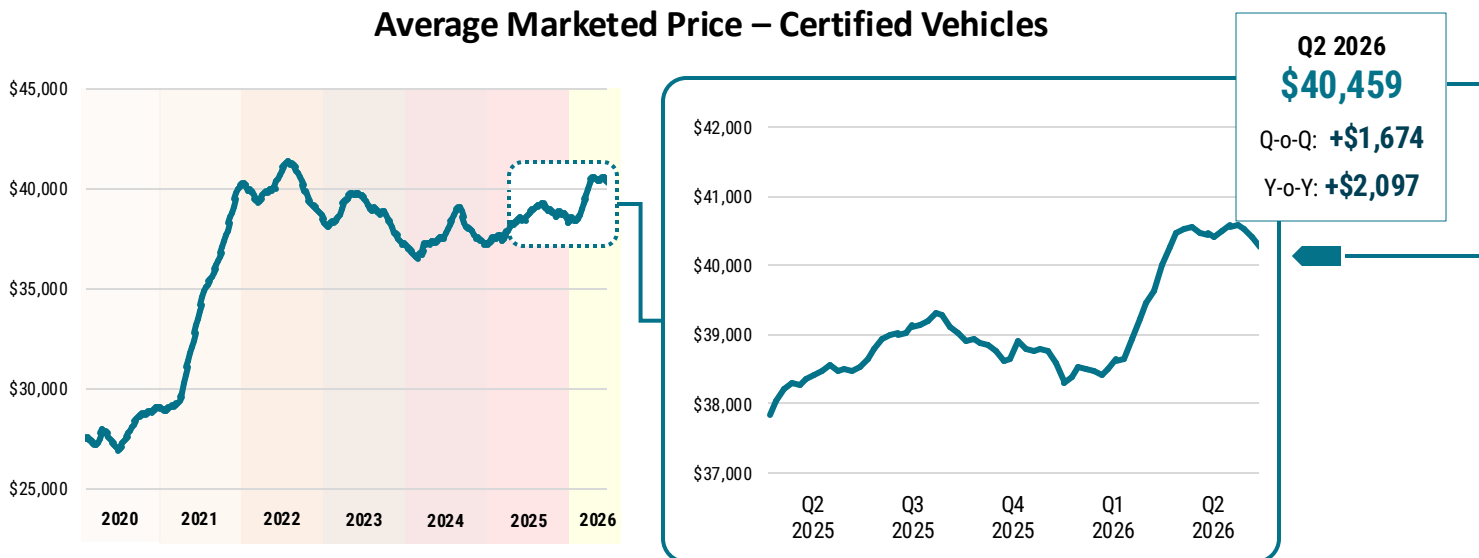
With vehicle prices remaining elevated, many consumers are turning to Certified Pre-Owned vehicles as a middle ground between new and used. That continued demand reinforces CPO's importance as a key revenue driver for dealers.

CPO: Pricing & Inventory

Certified pricing trends are more closely aligned with new vehicles, but inventory shifts look more like used.

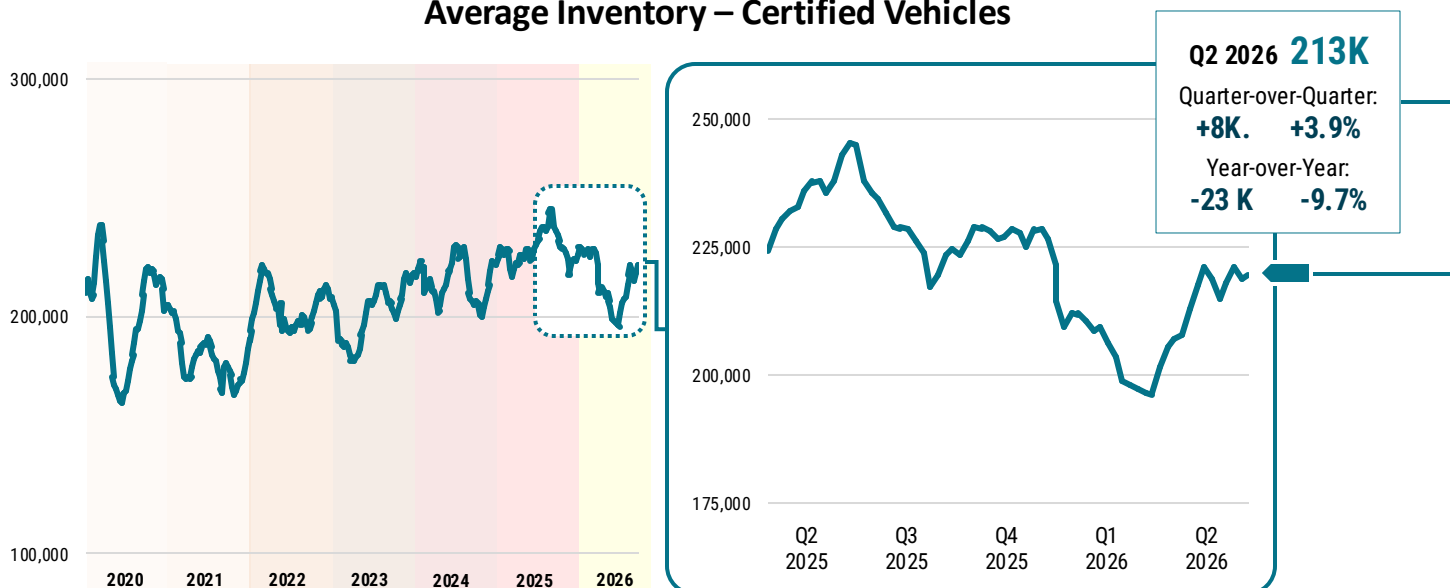
Certified Pricing's Recent Rise and Overall Pattern Resembles that of New — But Does Not Surpass July 2022's Record Level

Average Marketed Price – Certified Vehicles



Certified Inventory Up in the Current Quarter But Down From a Year Ago

Average Inventory – Certified Vehicles

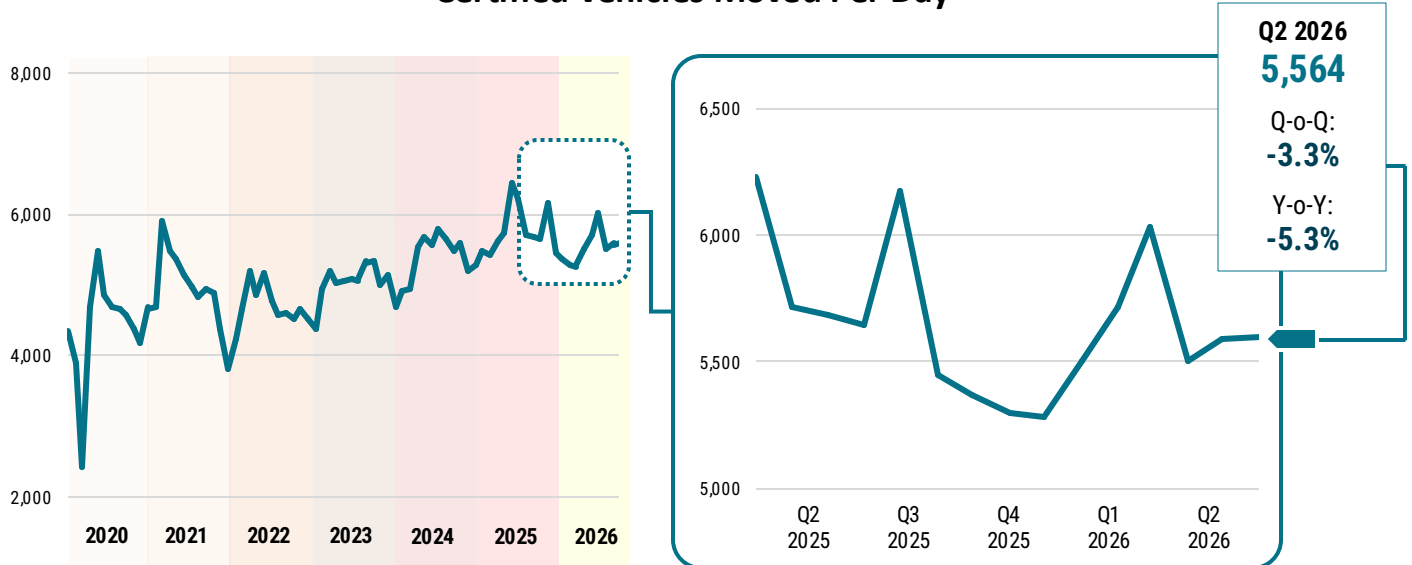


CPO: Movement & Turn Rate

Sales remain strong and steady when viewed through a long-term lens.

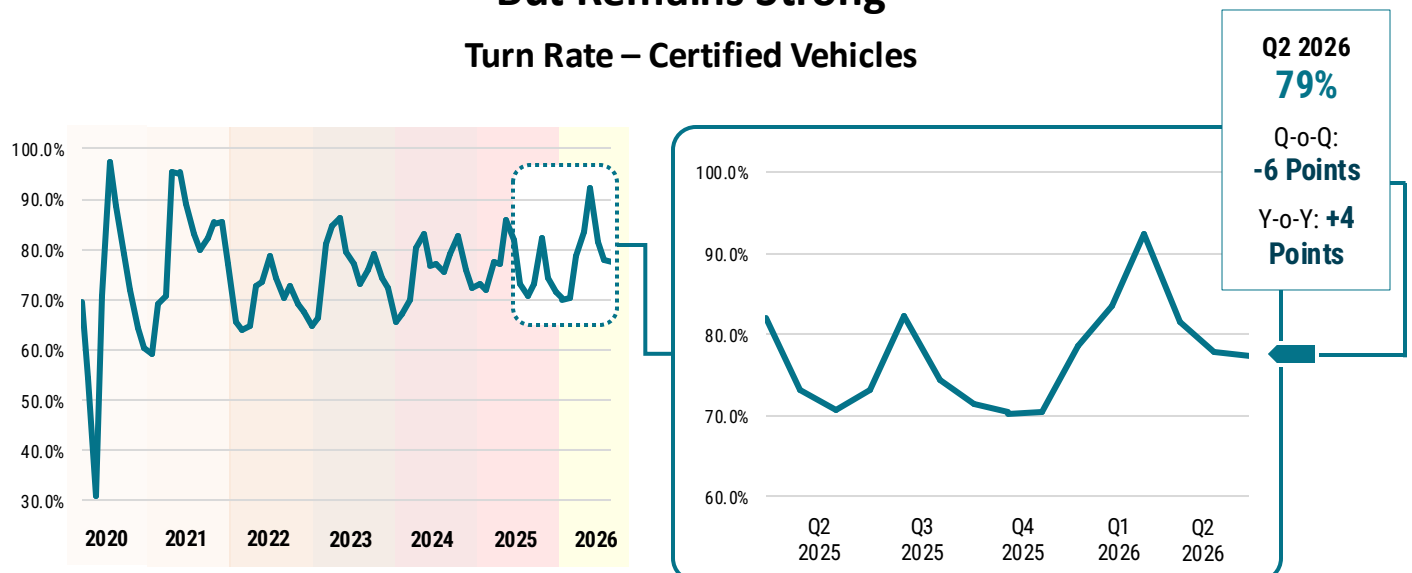
Certified Movement Has Been Heading Upward Long-Term But Has Flattened More Recently

Certified Vehicles Moved Per Day



Turn Rate Retreats From March High But Remains Strong

Turn Rate – Certified Vehicles

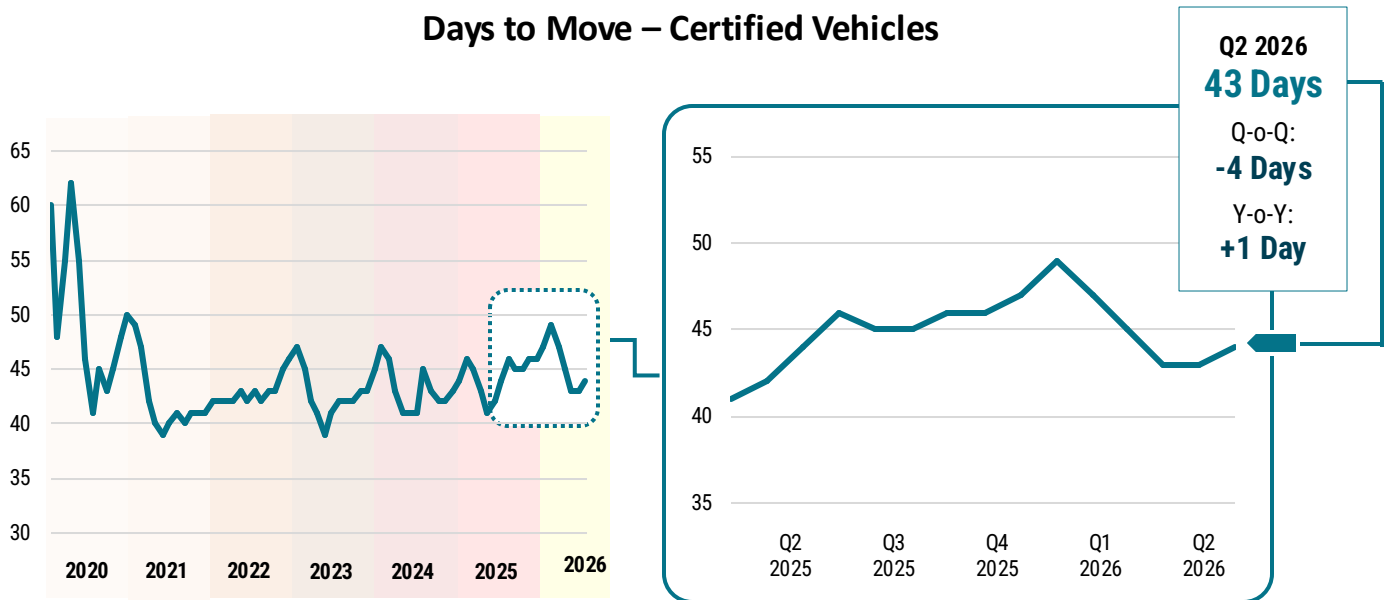


CPO: Days-to-Move

Sales velocity has accelerated compared to the previous quarter.

Days-to-Move Stays In a Relatively Narrow Range Over The Long Term

Days to Move – Certified Vehicles



Certified Pre-Owned Vehicles

Actionable Guidance for Automotive Retail

Implications for the Industry

As affordability pressures persist, certified vehicles provide an important bridge for consumers who might otherwise delay a purchase or exit the new vehicle market entirely.

Implications for Dealers

Certified inventory offers an opportunity to preserve profitability while meeting consumer demand for value. Dealers should ensure these vehicles receive prominent placement across their digital showrooms—from featured website inventory to paid marketing campaigns—so consumers recognize certified vehicles as a compelling alternative to new rather than simply another used vehicle.

Implications for OEMs

Certified programs remain one of the most effective tools for supporting customer retention and protecting brand equity. Continued investment in certification standards, warranty programs, and consumer awareness can strengthen loyalty while creating an attractive pathway into future new vehicle purchases.

Closing Perspective

The future of automotive retail belongs to those who compete with precision.

The automotive industry has spent the past five years adapting to unprecedented disruption that led to long-term price increases. Yet despite reaching record levels, the second quarter of 2026 suggests consumers have largely adjusted to a more durable environment of elevated pricing. Rather than leaving the market, they're changing how they shop—placing greater emphasis on affordability, fuel efficiency, and value.

For retailers, that means success will increasingly depend on precision. Broad pricing and marketing strategies are giving way to adaptive VIN-level decisions that identify which vehicles require support and which can command stronger pricing without unnecessary discounting.

For OEMs, the same principle applies. Product mix, incentive allocation, and regional market dynamics matter more than ever, making targeted and precise strategies increasingly important.

About Us

Catalyst IQ is redefining automotive marketing intelligence.

Powered by [MarketAI®](#), Catalyst IQ delivers real-time, actionable insights that help dealers see the market as it shifts, understand their position, and activate strategies to move inventory and grow their business.

MarketAI is designed to support decision-making when precision matters.

MarketAI turns real-time market data into actionable strategies and dynamic ad execution. By surfacing early indicators of inventory risk, demand strength, and pricing pressure, MarketAI provides clarity, speed, and control for every marketing decision so you can outperform the market and drive measurable results.

Why Choose Catalyst IQ

- **Unmatched Coverage:** For over 10 years, MarketAI has been tracking nearly 20,000 franchise dealers and 99% of independent dealers across the US, giving you the most complete, up-to-date view of the market.
- **Actionable, Accurate Data:** Built on years of accumulated data, our AI and machine learning models deliver higher accuracy, smarter predictions, and measurable performance gains.
- **Accelerated Sales:** MarketAI pinpoints vehicles that need help selling and activates VIN-level ads across every major channel, accelerating sales by prioritizing and scoring inventory relative to market dynamics.
- **Competitive Advantage:** Instantly compare your inventory to competitors down to the trim level using MarketAI's predictive analytics and inventory mix visualization.

Ready to See MarketAI in Action?

[Contact Catalyst IQ today](#) to discover how you can turn data into action, accelerate sales, and build your competitive edge.

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