

# Quarterly Review Q1 2025

CarGurus Market Intelligence  
April 2025



# Q1 2025 Trends

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## Tariffs

Despite tariff speculation, consumers didn't rush new car purchases for most of Q1, as seen in stable Days to Turn and little variation in sales distribution across regions. A late March boost in sales, however, may shift that dynamic.

2

## New Affordability

New vehicle pricing continues to be one of the most pressing challenges for both dealers and consumers. In Q1 2020, 37% of new vehicles were priced under \$30k. Today, that number has fallen to 13%

3

## Used Trade-offs

The used market still offers more pricing flexibility, but that affordability now comes with compromises. Across nearly every price band, used vehicles are aging and accumulating miles, turning affordability into a trade off.

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## Used EVs

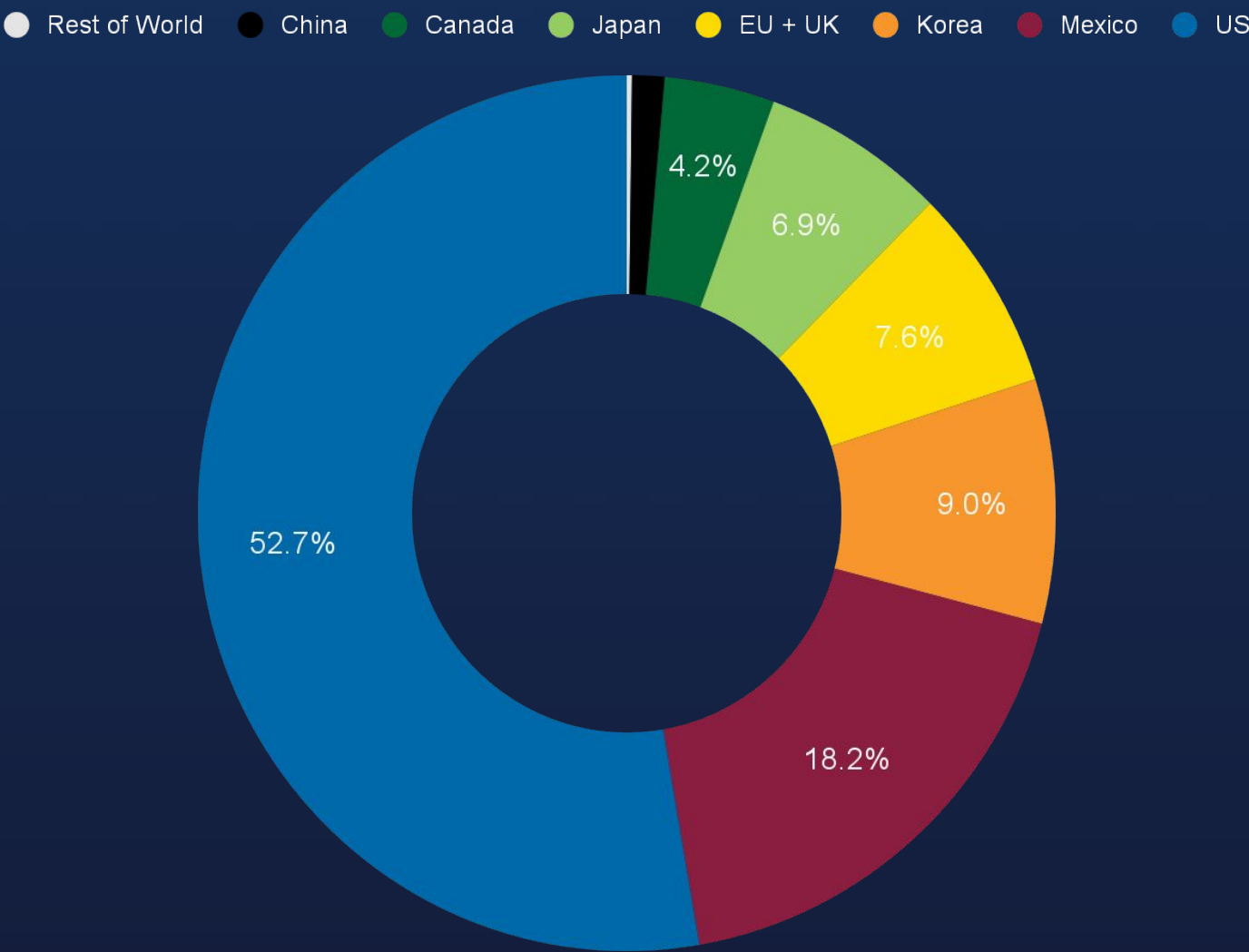
While new EV adoption still faces headwinds, the used EV market is steadily gaining ground, especially among budget-conscious shoppers

# Driving Through Uncertainty

# Origin breakdown & OEM trends before 4/3 tariffs

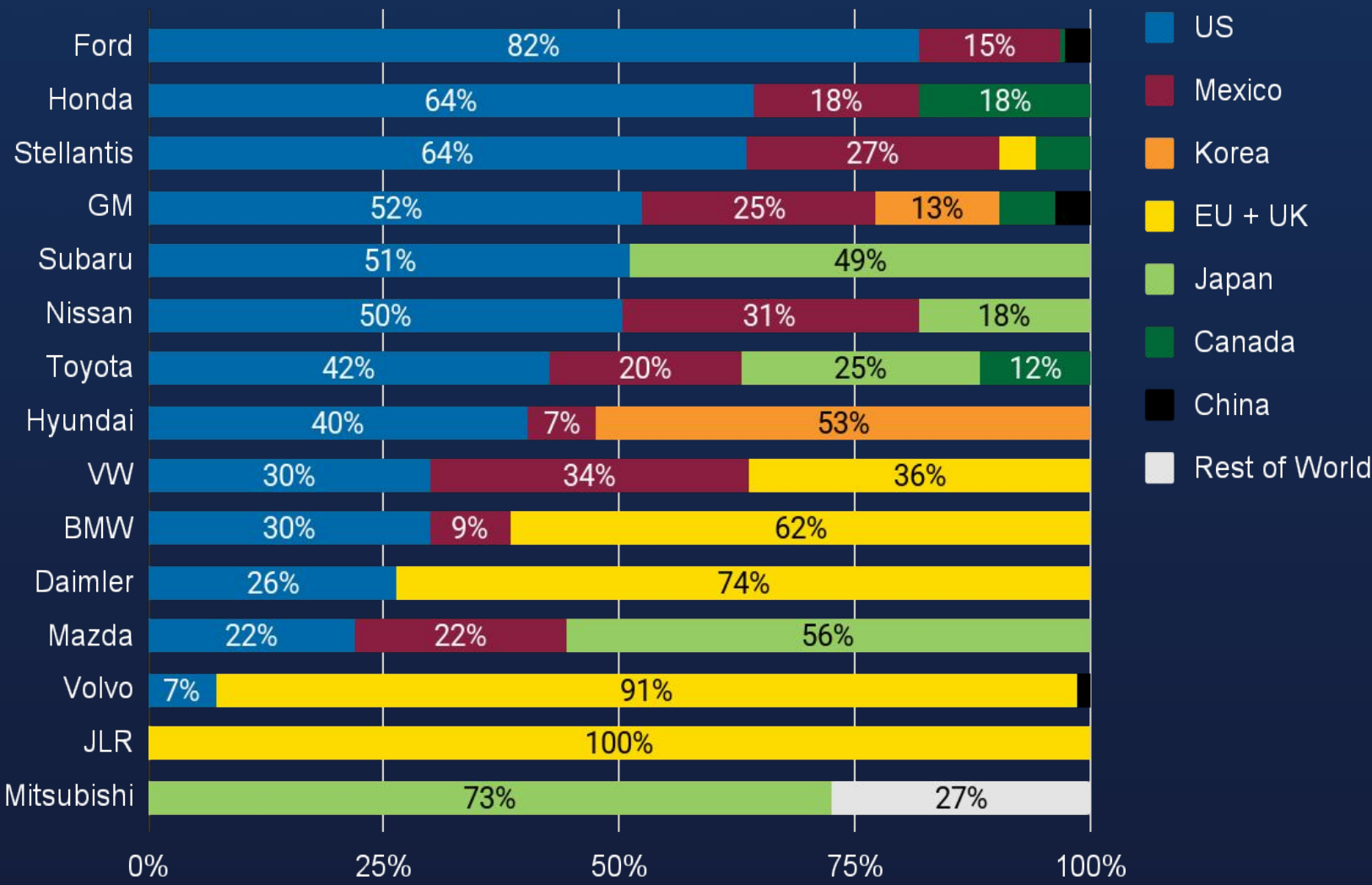
## New vehicle origins before potential tariff disruptions

New listings by country of origin\*  
March 2025 month end listings



## OEM sourcing status

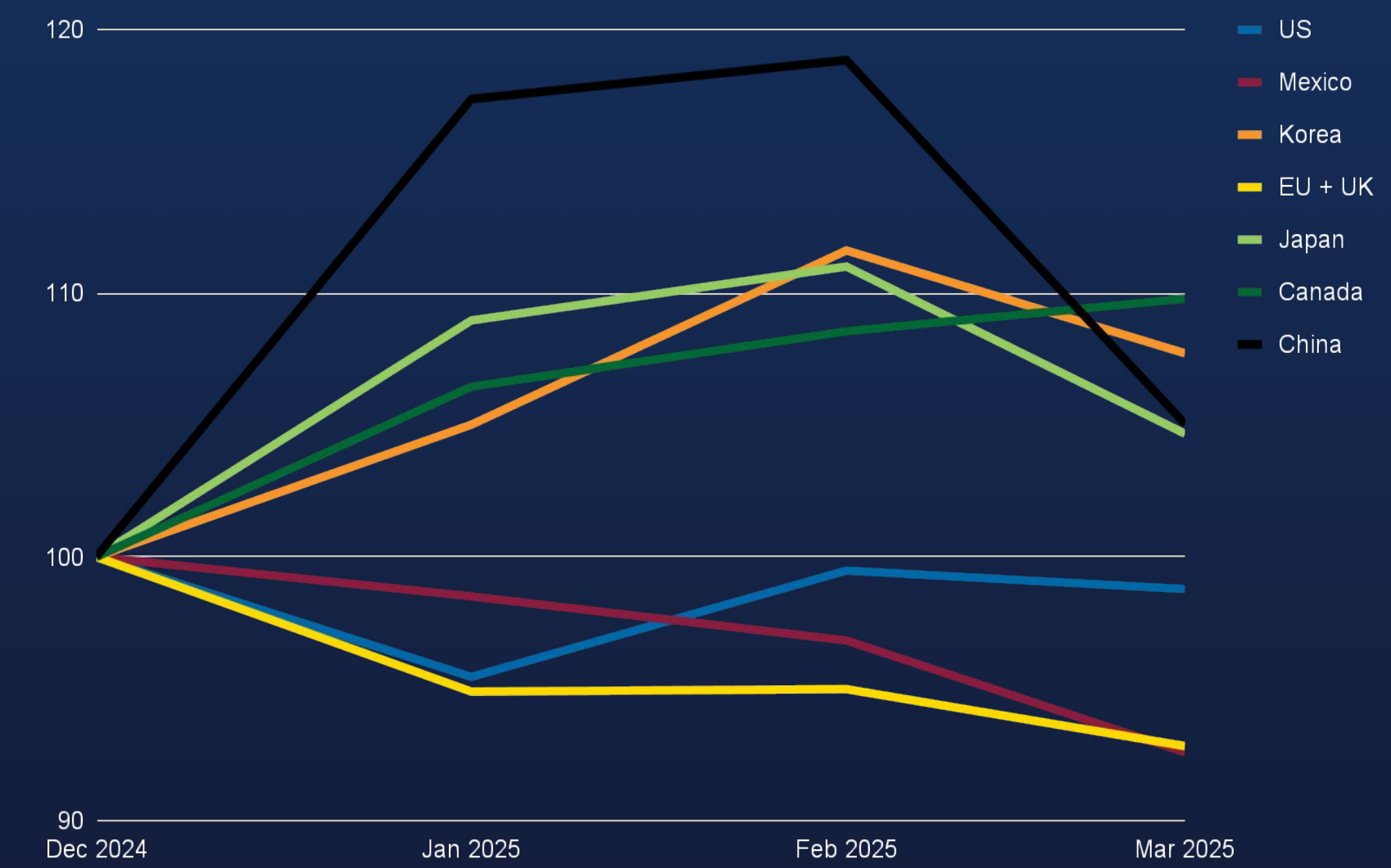
New listings by country of origin\* per OEM  
March 2025



# How inventory and pricing is moving ahead of April tariffs

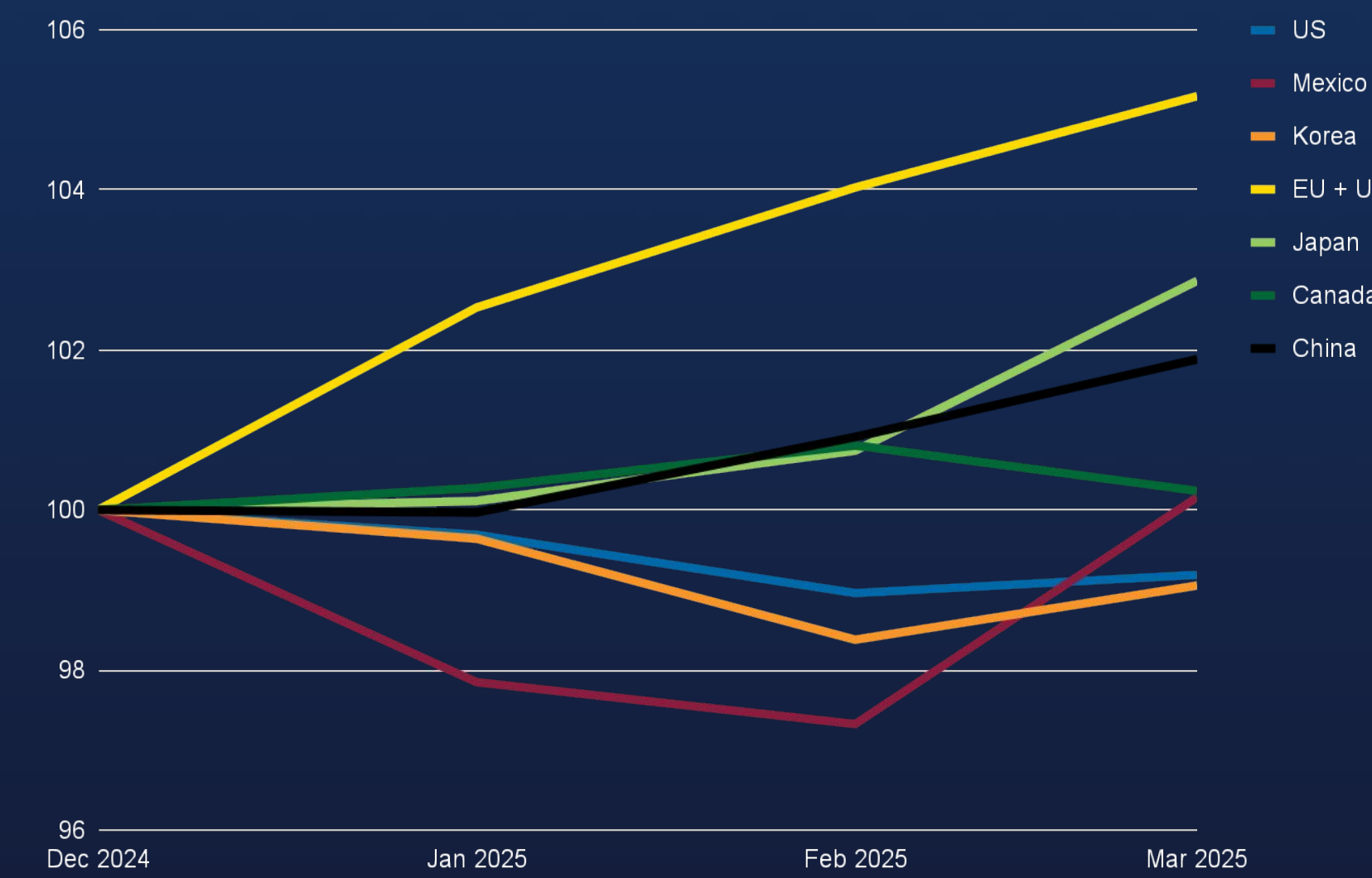
## Canadian imports have been on the rise

New listings by country of origin\*  
December 2024 - March 2025 (month-end listings indexed to Dec 2024)



## EU+UK prices see strongest increase

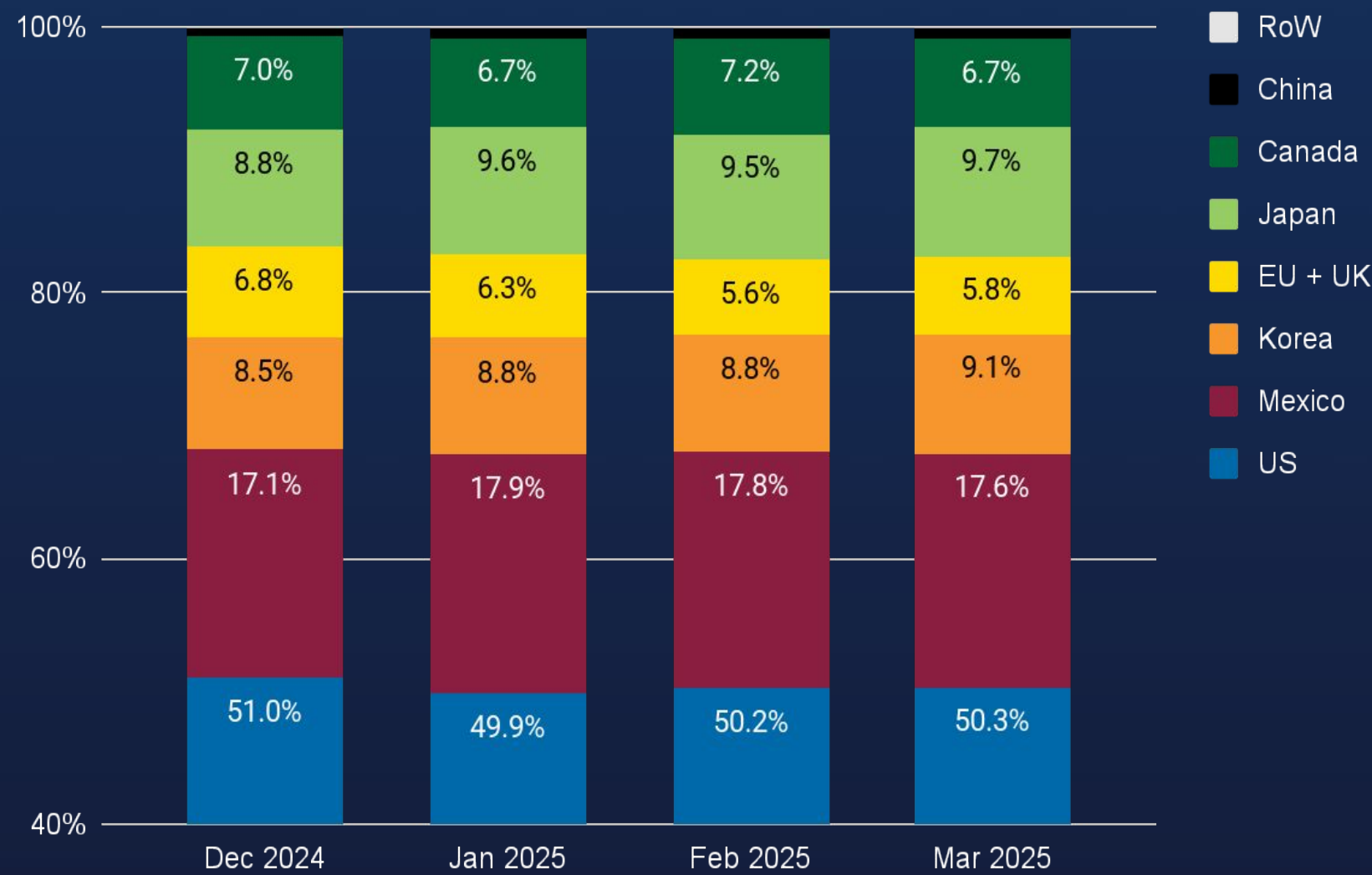
New average list price by country of origin\*  
December 2024 - March 2025 (month-end price indexed to Dec 2024)



# On the whole, tariff speculation in Q1 didn't drive greater urgency

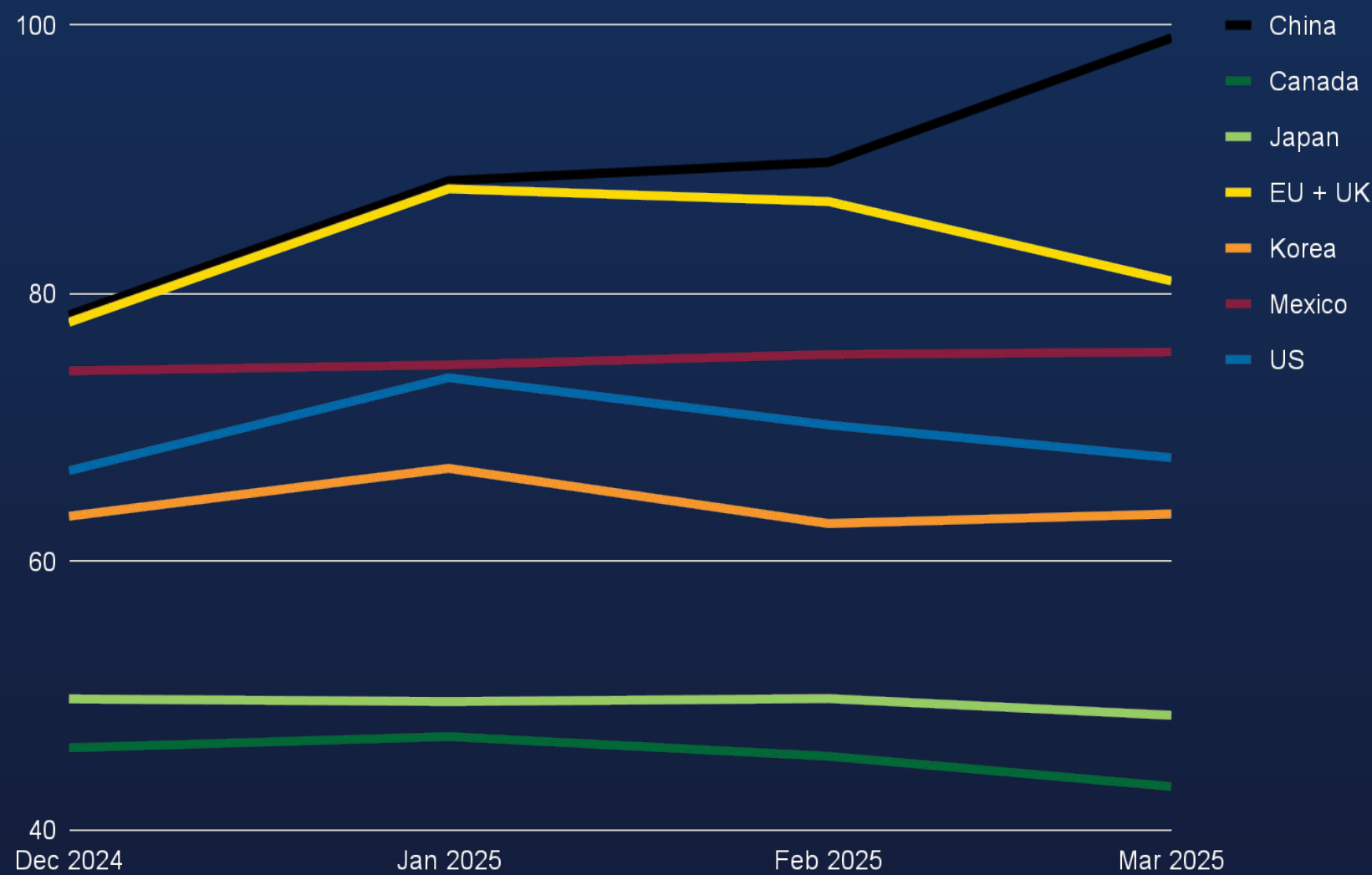
## New vehicle sales distribution remains stable across regions

New sales % of total by country/region\*  
December 2024 - March 2025



## Days to turn shows little change for much of the quarter

New average days to turn by country/region\*  
December 2024 - March 2025

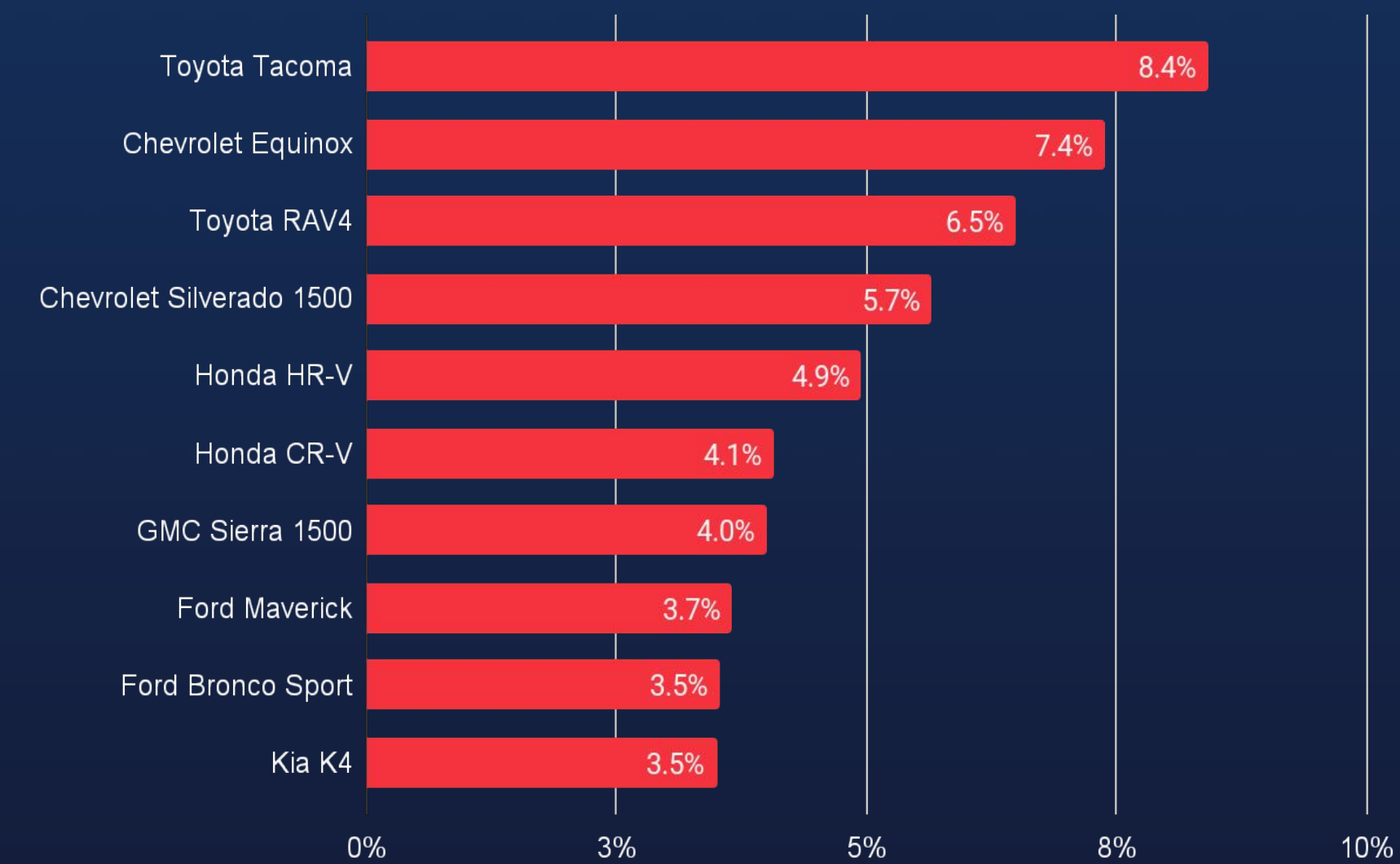




# Top selling imported vehicles and tightest supply

## Tacoma, Equinox, and RAV4 top selling models

New Canada/Mexico\* top selling models  
Q1 2025 (% of respective total sales)



## RAV4 also has tightest supply

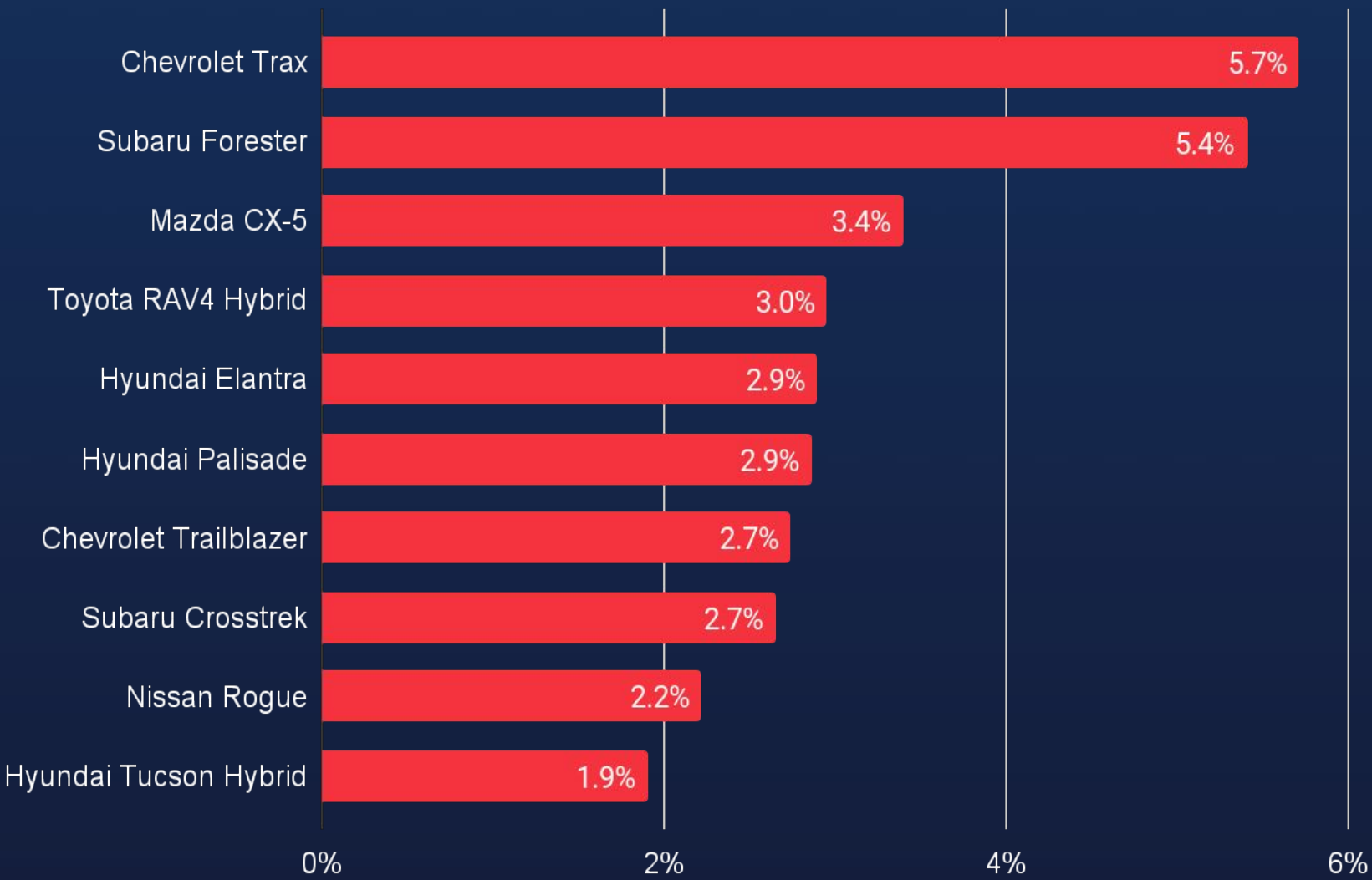
Top 10 lowest market days supply (MDS) Canada/Mexico\* vehicles  
March 2025 month end listings\*\*

Make/Model	MDS	Avg List Price
Toyota RAV4	19.6	\$35,747
Honda Civic	41.7	\$27,386
Volkswagen Tiguan	42.5	\$33,269
Honda CR-V	42.9	\$35,605
Volkswagen Jetta	50.7	\$26,075
Kia K4	52.9	\$25,109
Chevrolet Equinox	53.2	\$32,415
Toyota Tacoma	54.0	\$46,910
Honda Civic Hybrid	59.7	\$31,781
Honda HR-V	59.8	\$29,562

# Top selling imported vehicles and tightest supply (cont.)

## Trax, Forester and CX-5 top non-North American imports

New Non-North American\* top selling models  
Q1 2025 (% of respective total sales)



## Trax and Forester also have tight supply

Top 10 lowest market days supply (MDS) Non-NA\* vehicles  
March 2025 month end listings\*\*

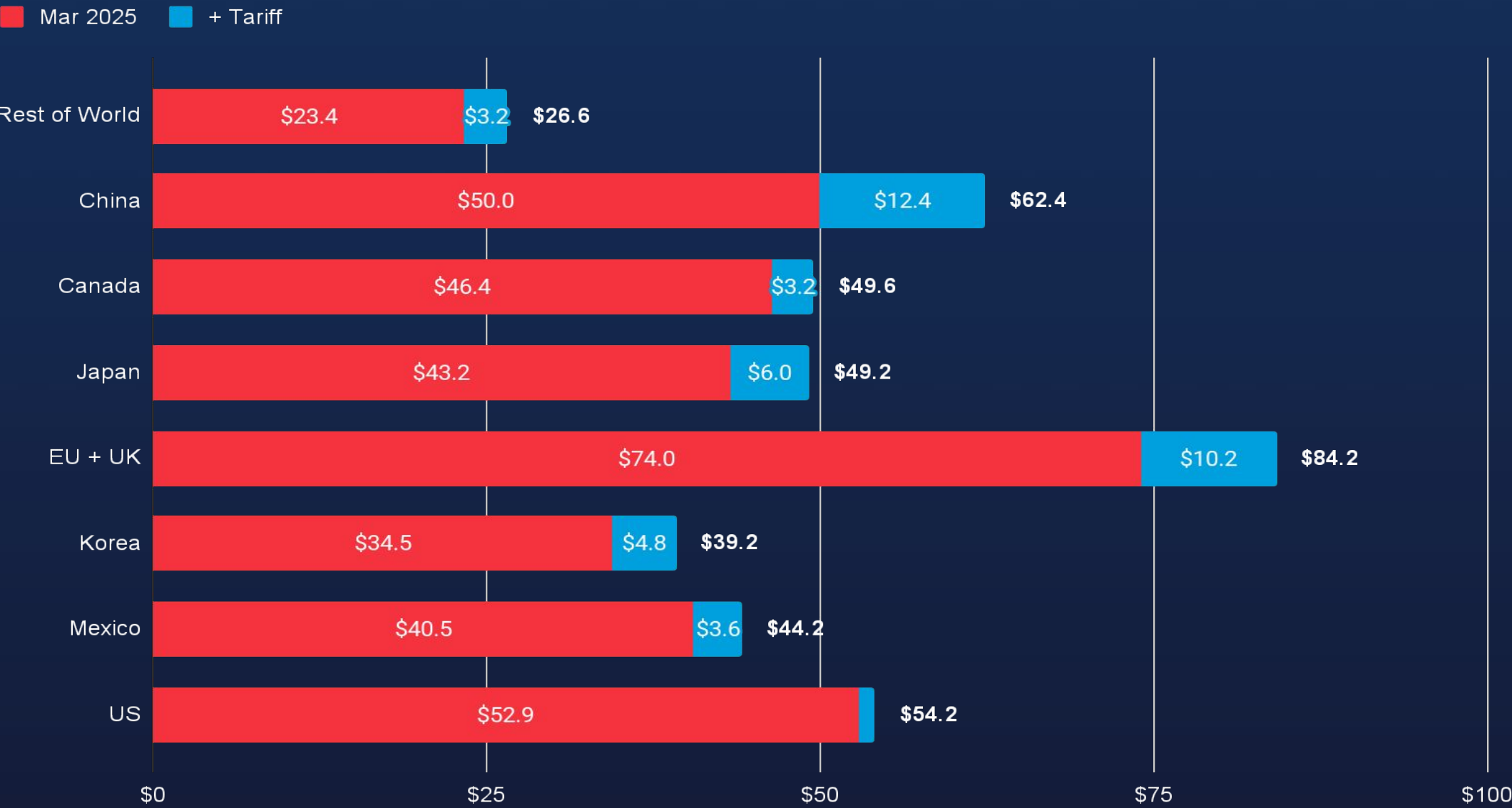
Make/Model	MDS	Avg List Price
Toyota Land Cruiser	36.1	\$62,886
Subaru Crosstrek	39.0	\$29,880
Subaru Forester	42.8	\$36,428
Chevrolet Trax	46.2	\$25,361
Chevrolet Trailblazer	62.9	\$28,944
BMW i4	63.8	\$66,401
Kia Seltos	70.8	\$28,503
Hyundai Kona	72.9	\$29,160
Kia K5	73.5	\$31,555
Kia Sportage Hybrid	76.1	\$34,491



# Average new vehicle price could rise by \$3,300

## Total tariff impact remains in flux as additional tariffs could add to vehicle cost

New average list price by country of origin\* tariff scenarios potential impact  
March 2025 month end listings (thousands \$)



March 2025 Average List Price

\$49.5k

March 2025 Average List Price + respective tariffs

\$52.8k

# U.S. Auto Tariff Implications: Policy Overview

## Impact of tariffs on new vehicles still features uncertainty

Breakdown of vehicle/parts import tariffs by country/region  
March 2025

Country / Region	MFN	Section 232	IEEPA	Total
US	N/A	+\$665	+\$655 <sup>2</sup> - \$1.9k	+\$1.3k - \$2.6k
Canada / Mexico	0 <sup>1</sup> -2.5% <sup>2</sup>	25% <sup>3</sup>	25%	0-52.5% <sup>4</sup>
China	2.5%	25%	20%	97.5% <sup>5</sup> - 197.5% <sup>6</sup>
Rest of World	2.5%	25%	TBD	27.5%

Tariff Analysis Assumptions  
March 2025

Country / Region	US	Canada	Mexico	China	Rest of World
Price Adjustment	+\$1.3k	+6.9%	+9.0%	+24.8%	+13.8%

## Tariff analysis assumptions logic

- Analysis of tariff future state, certain tariffs will take time to go into effect
- Assumed MSRP to declared value ratio for finished vehicles & parts, and tariff pass-through rates.
- US - Accounts for tariffs on non-US, non-USMCA compliant parts
- Canada - Assumes ~50% US vehicle content
- Mexico - Assumes ~35% US vehicle content
- China - Adjusted to account for IEEPA, and Section 232 tariffs
- Additional risks not accounted for: full resumption of Can/Mex IEEPA tariffs, additional IEEPA tariffs, retaliation tariffs, steel & aluminum tariffs, and increased prices for vehicle parts in import markets.

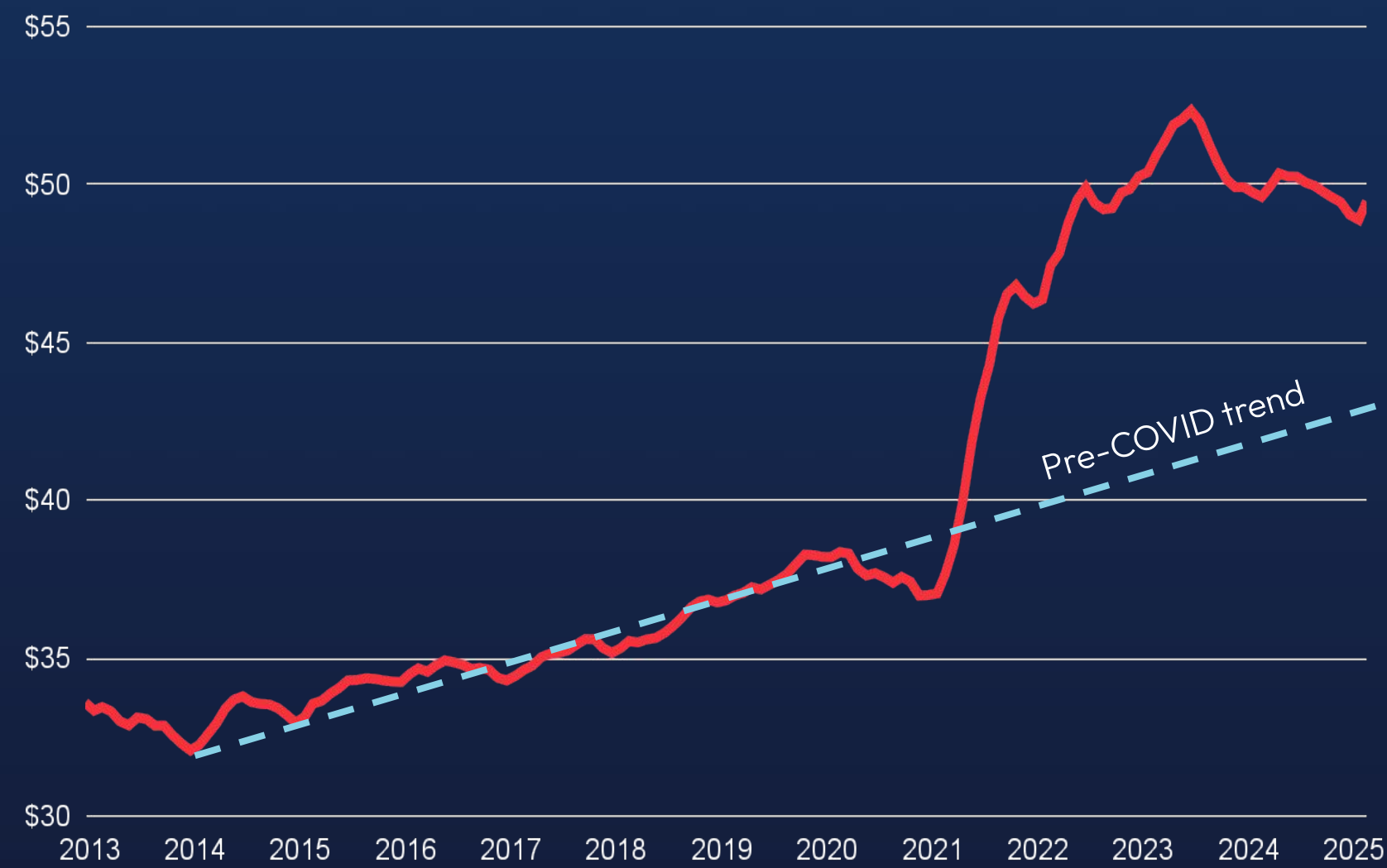
10 Source: CarGurus, CarGurus Analysis <sup>1</sup> USMCA Compliant, <sup>2</sup>USMCA Non-Compliant, <sup>3</sup> non-U.S. content + Non-USMC Compliant, <sup>4</sup> dependent on content/USMCA Compliance, <sup>5</sup> includes section 301 tariffs from 2018 and Venezuelan oil tariffs <sup>6</sup>USTR EV Tariff

# From Affordable to Aspirational

# Vehicle prices have been on a wild journey the last five years

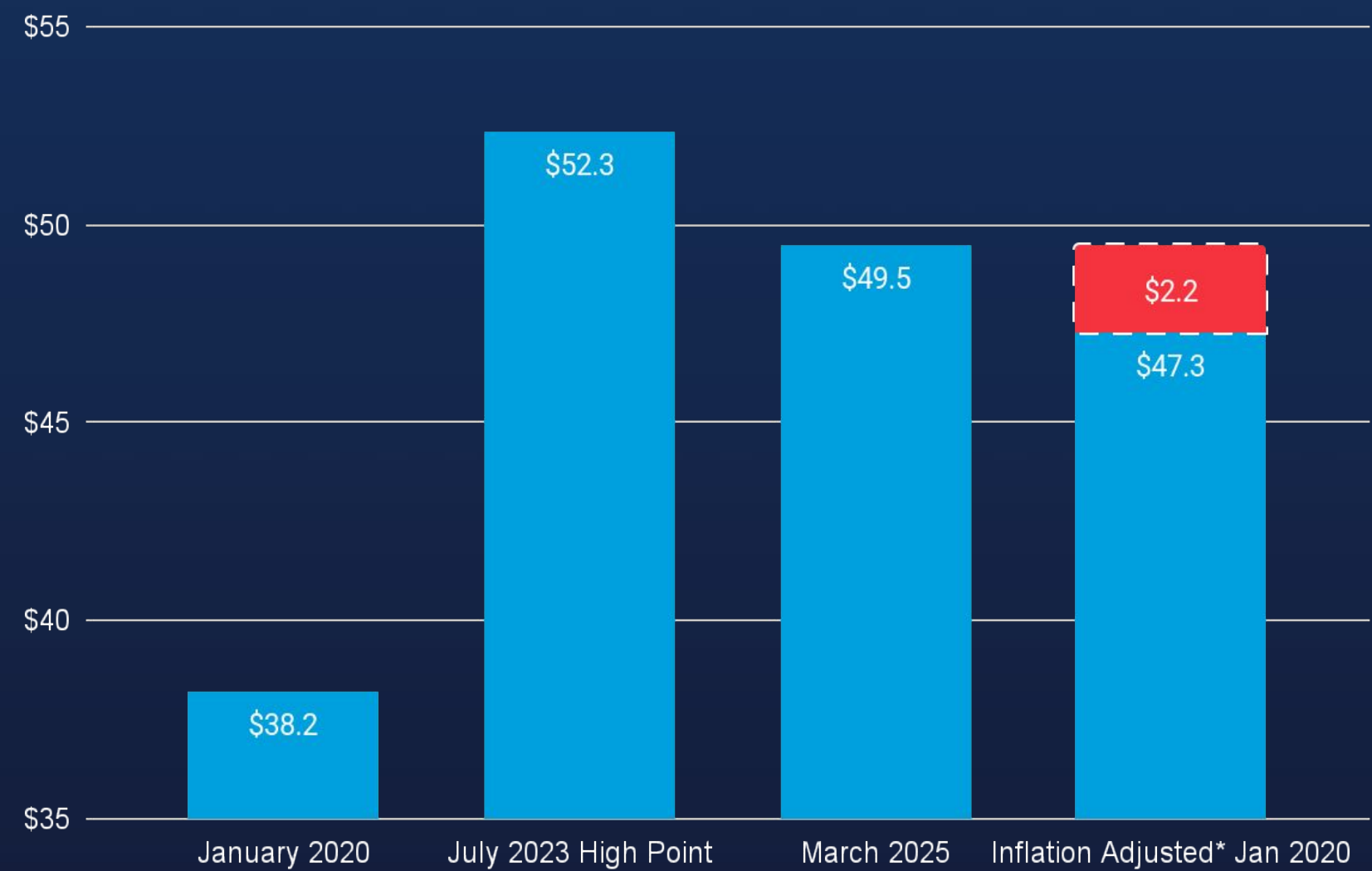
## New vehicle prices remain elevated despite some correction

New vehicle average list price  
January 2013 – March 2025 (thousands \$)



## New prices cool from peak but still exceed inflation-adjusted expectations

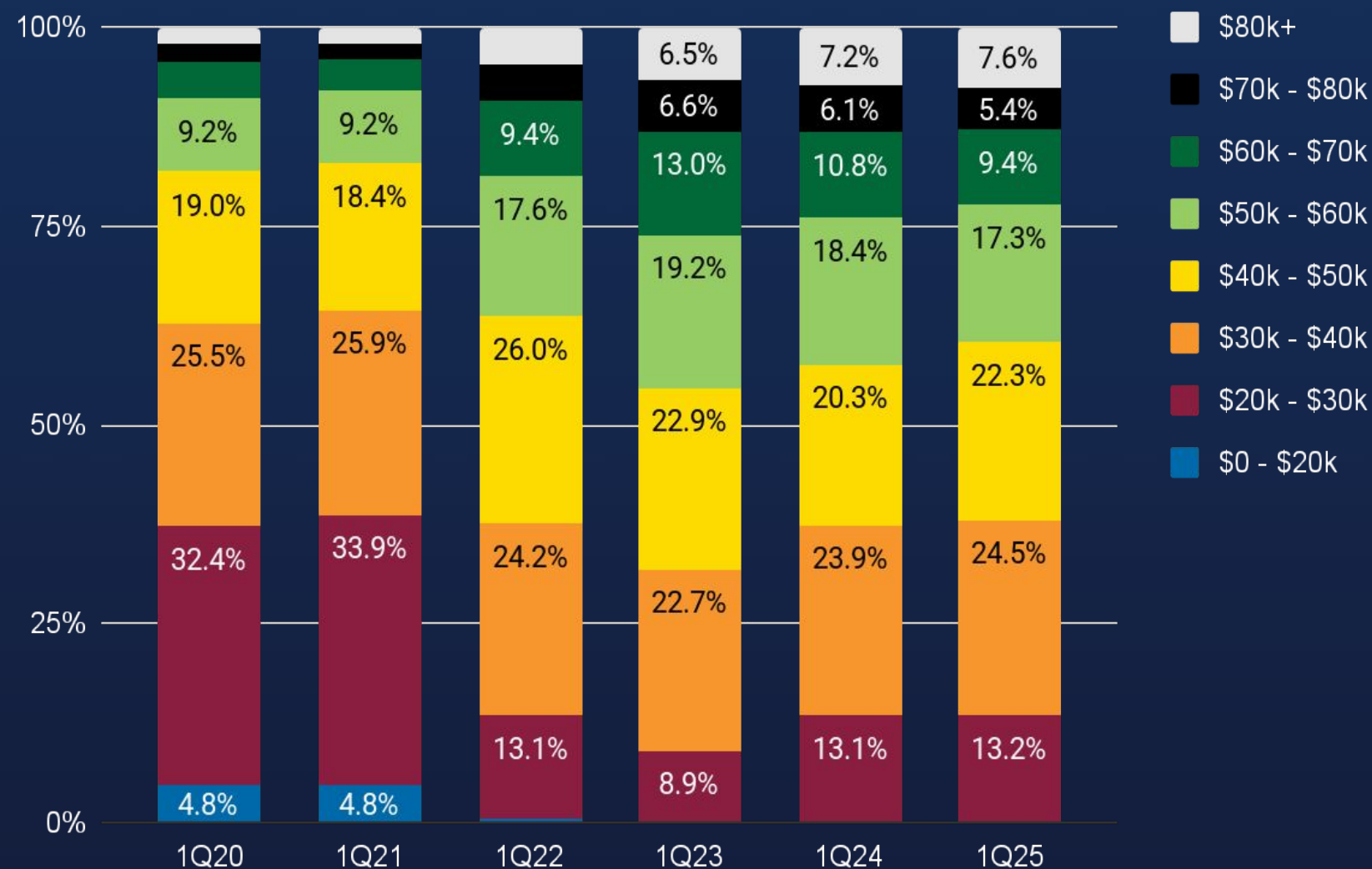
New average list price journey  
January 2020 – March 2025 (thousands \$)



# Decline of affordable options make a new vehicle a luxury

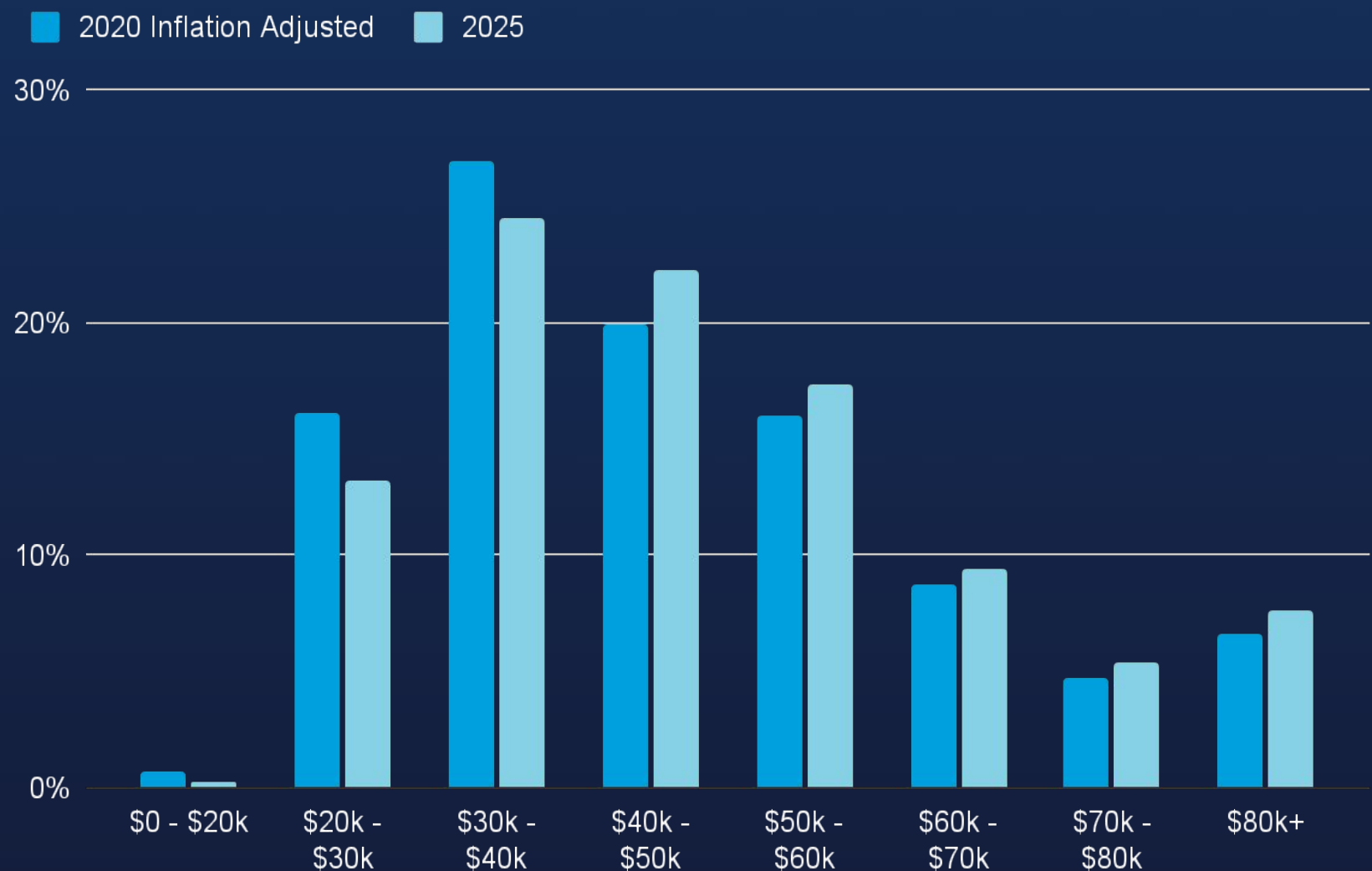
## Vehicles under \$30K made up 37% of listings in 1Q20–now just 13% in 1Q25

New listings by price bucket  
1Q20 – 1Q25 (thousands \$)



## Even after adjusting for inflation, new car prices have shifted higher

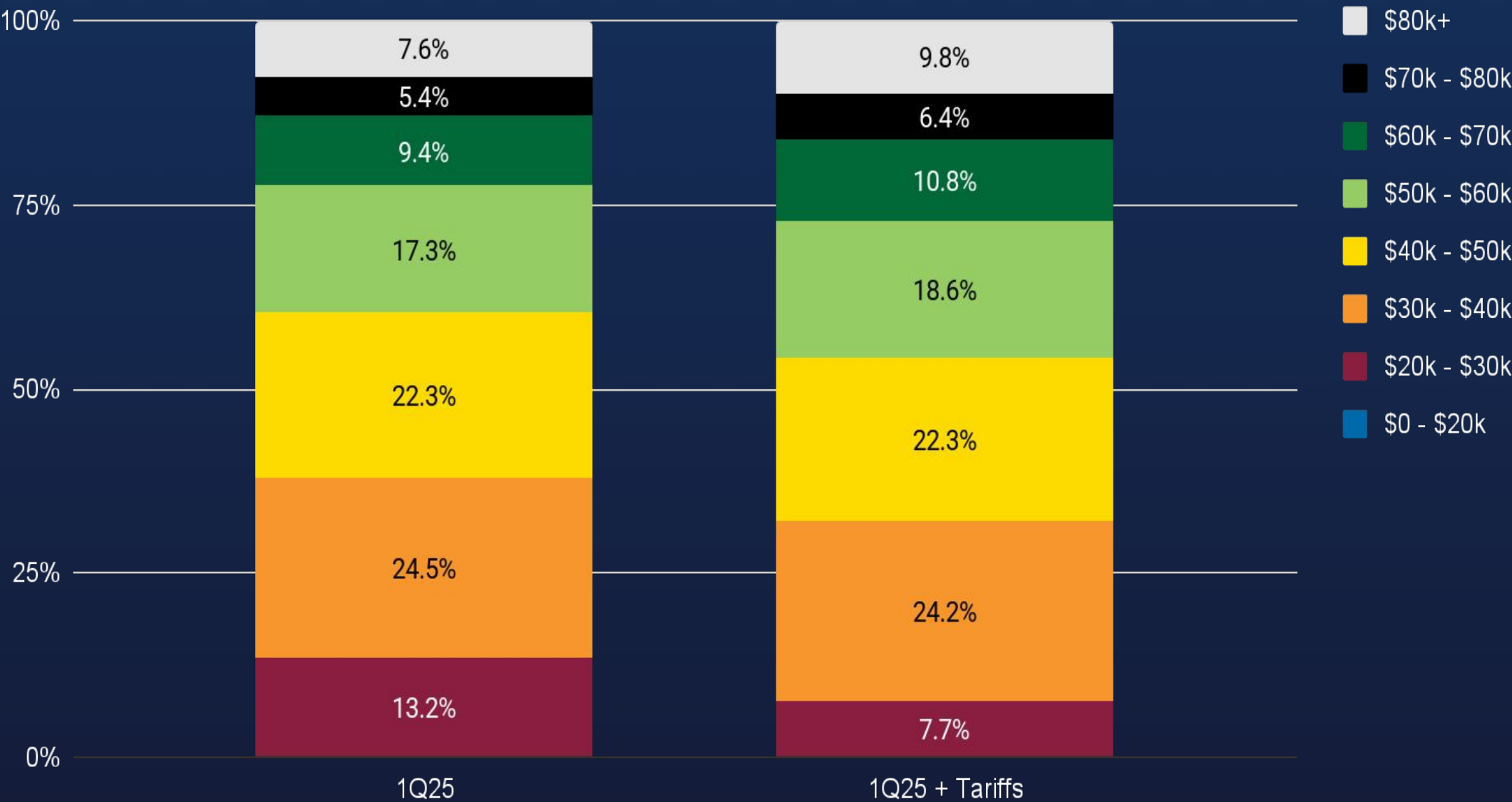
Share of new listings by price bucket  
March 2020 inflation adjusted\* vs March 2025



# Tariffs could further inflame new vehicle affordability issues

## Tariffs push more vehicles into higher price brackets

New listings by price bucket  
March 2025 vs March 2025 with tariff prices\* (thousands \$)



Reduction in vehicles priced under \$30k

-42.2%

Increase in vehicles priced over \$50k

+15.1%

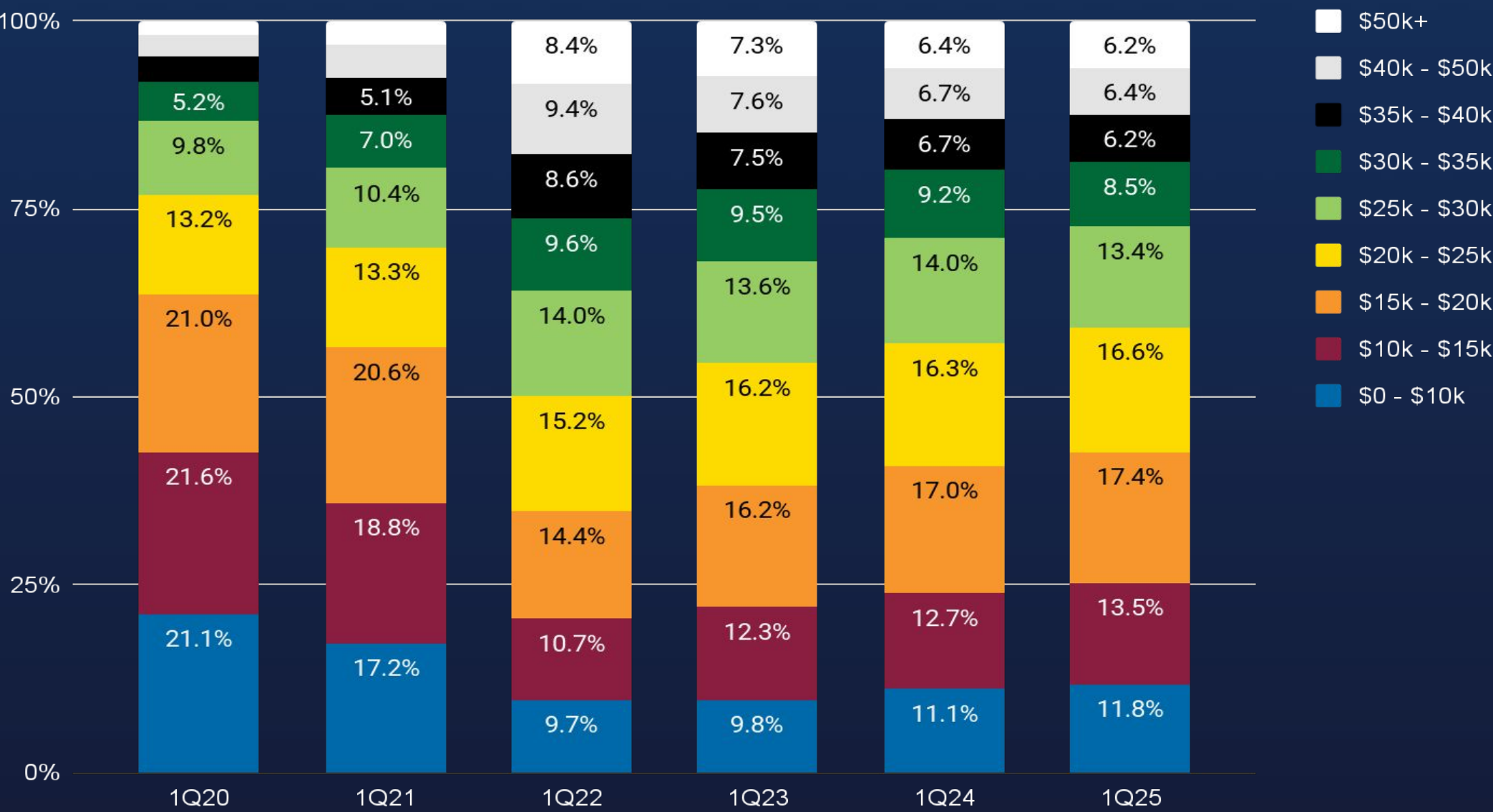


# The Trade-Off in Used Cars: Lower Prices, Older Vehicles

# The used market still has a wider variety of price points

## Fewer budget-friendly used cars available as prices shift upward

Used sales by price bucket  
1Q20 - 1Q25 (thousands \$)



% of Used Sales under \$20k in 2020

63.7%

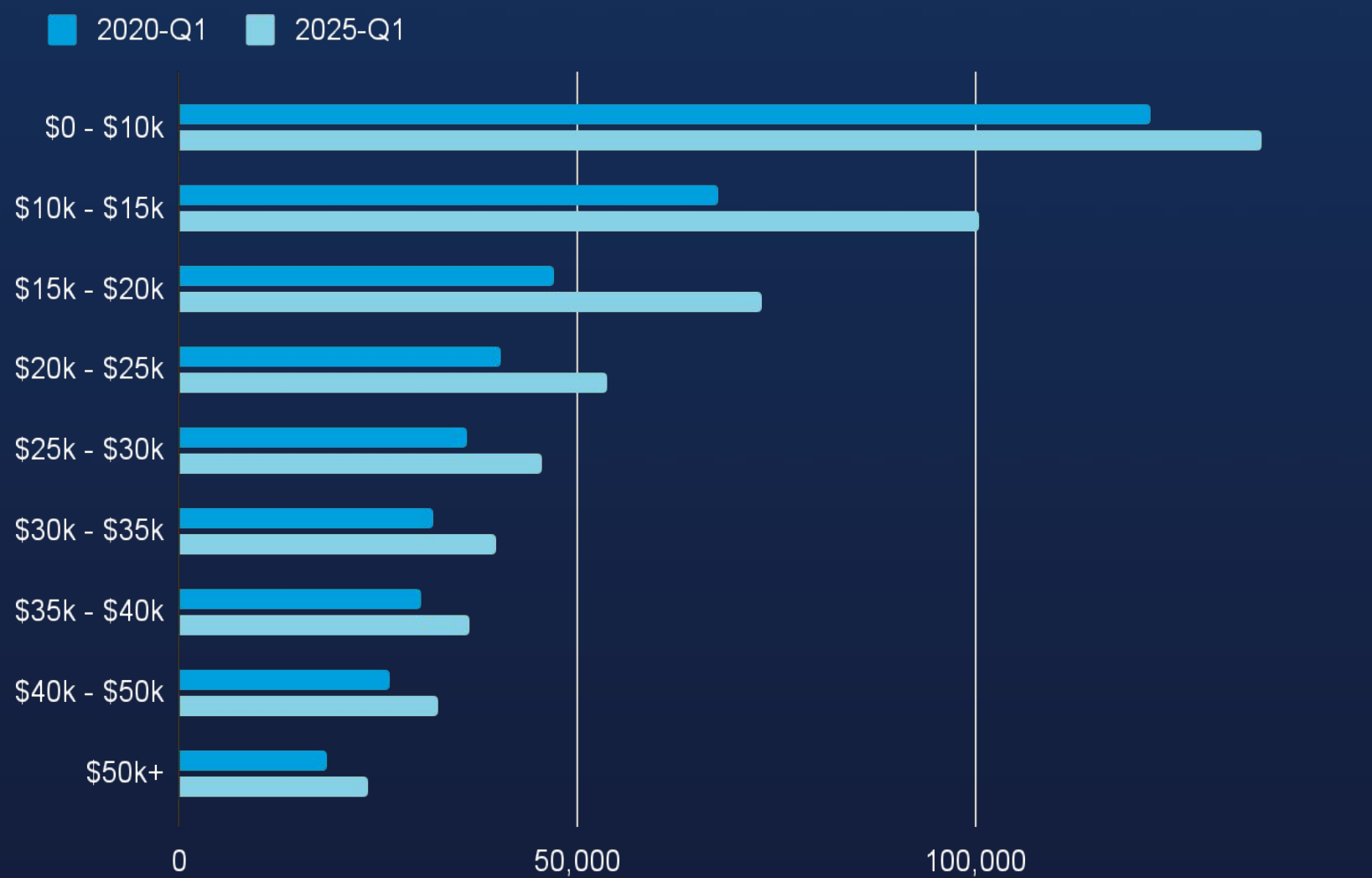
% of Used Sales under \$20k in 2025

42.7%

# Lower price points come with higher miles or age

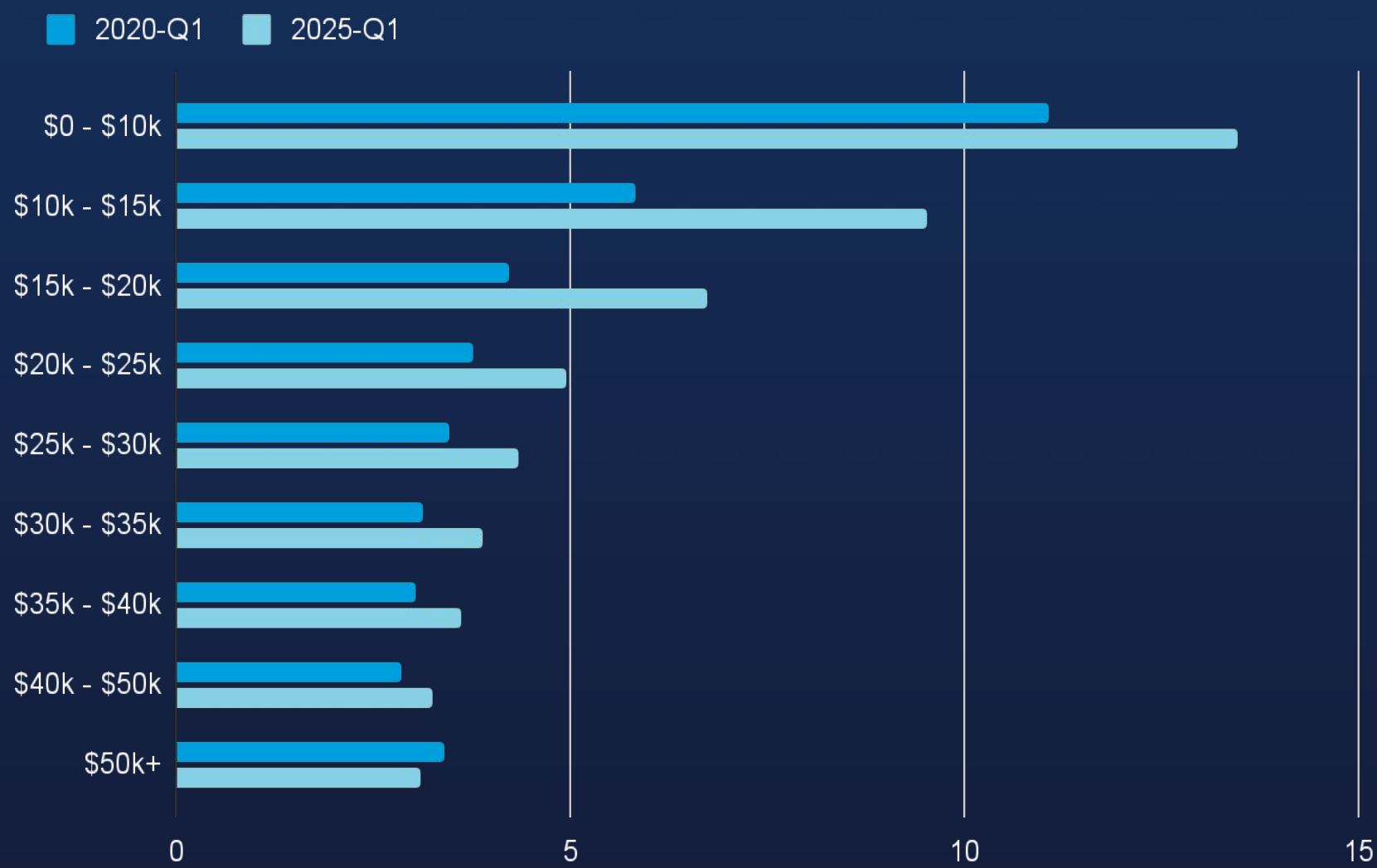
## Used vehicles now have significantly higher mileage across price segments

Used vehicle average mileage by price bucket  
1Q20 vs 1Q25 retail sales (thousands \$)



## Used vehicle age has increased, especially for lower price brackets

Used vehicle average age by price bucket  
1Q20 vs 1Q25 retail sales (thousands \$)



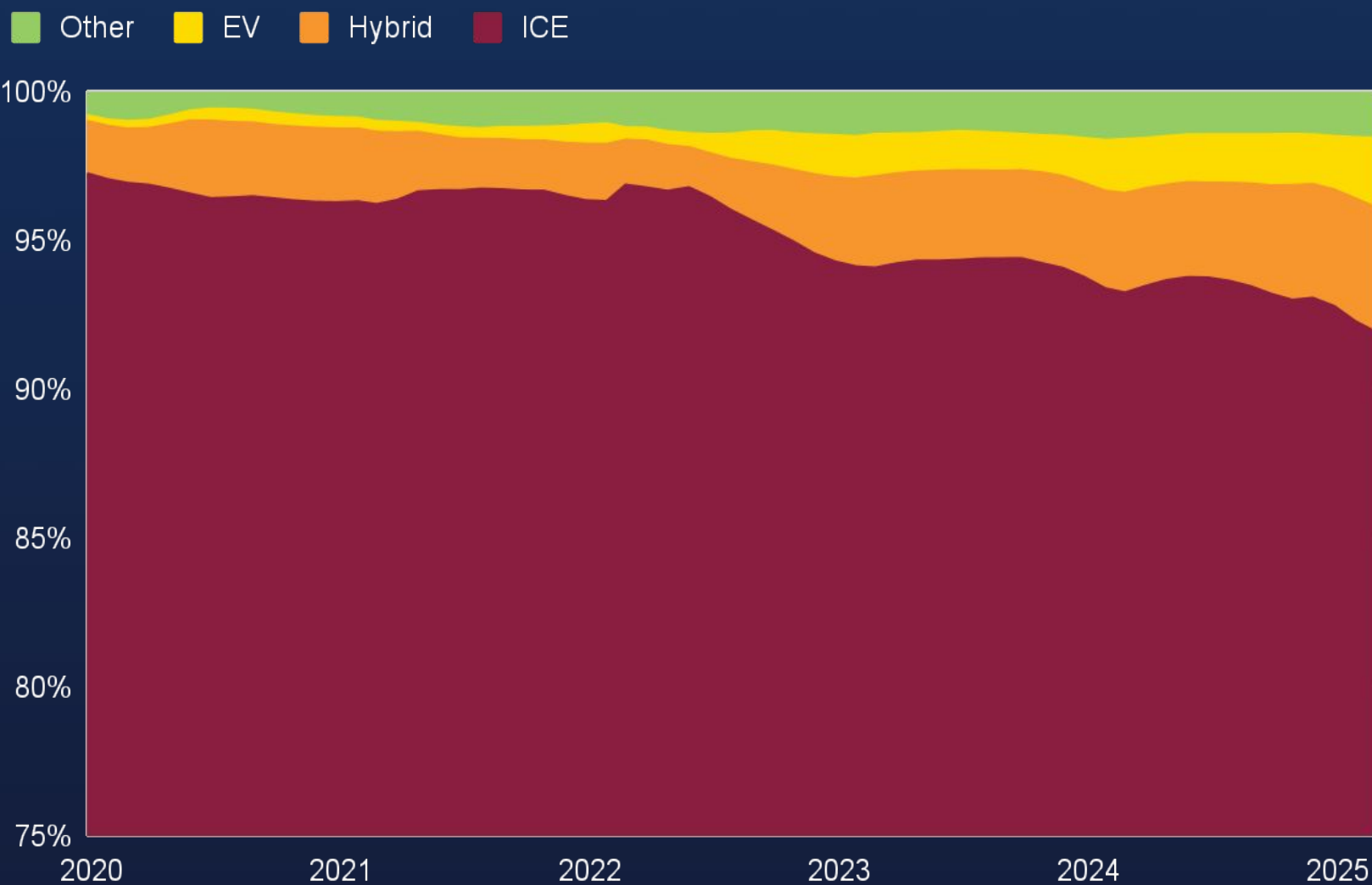
# Want Fewer Miles for Your Money?

## Why EVs Make Sense

# Shifting Powertrain Landscape in the Used Market

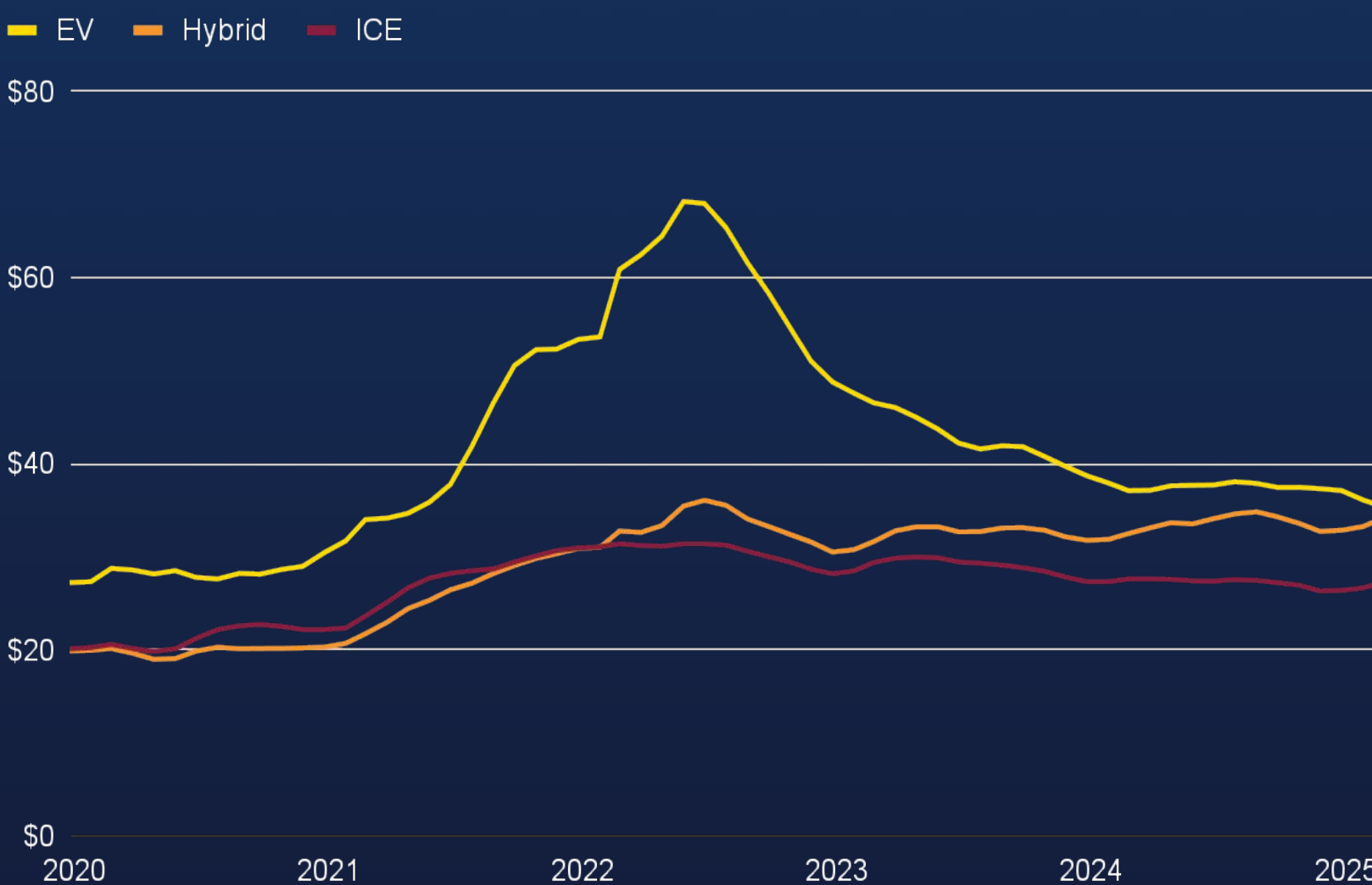
## ICE share declines as hybrids and EVs gain ground in used listings

Powertrain share of total used listings  
January 2020 – March 2025 (% of total listings)



## EV prices surged but have since cooled, hybrids remain stable

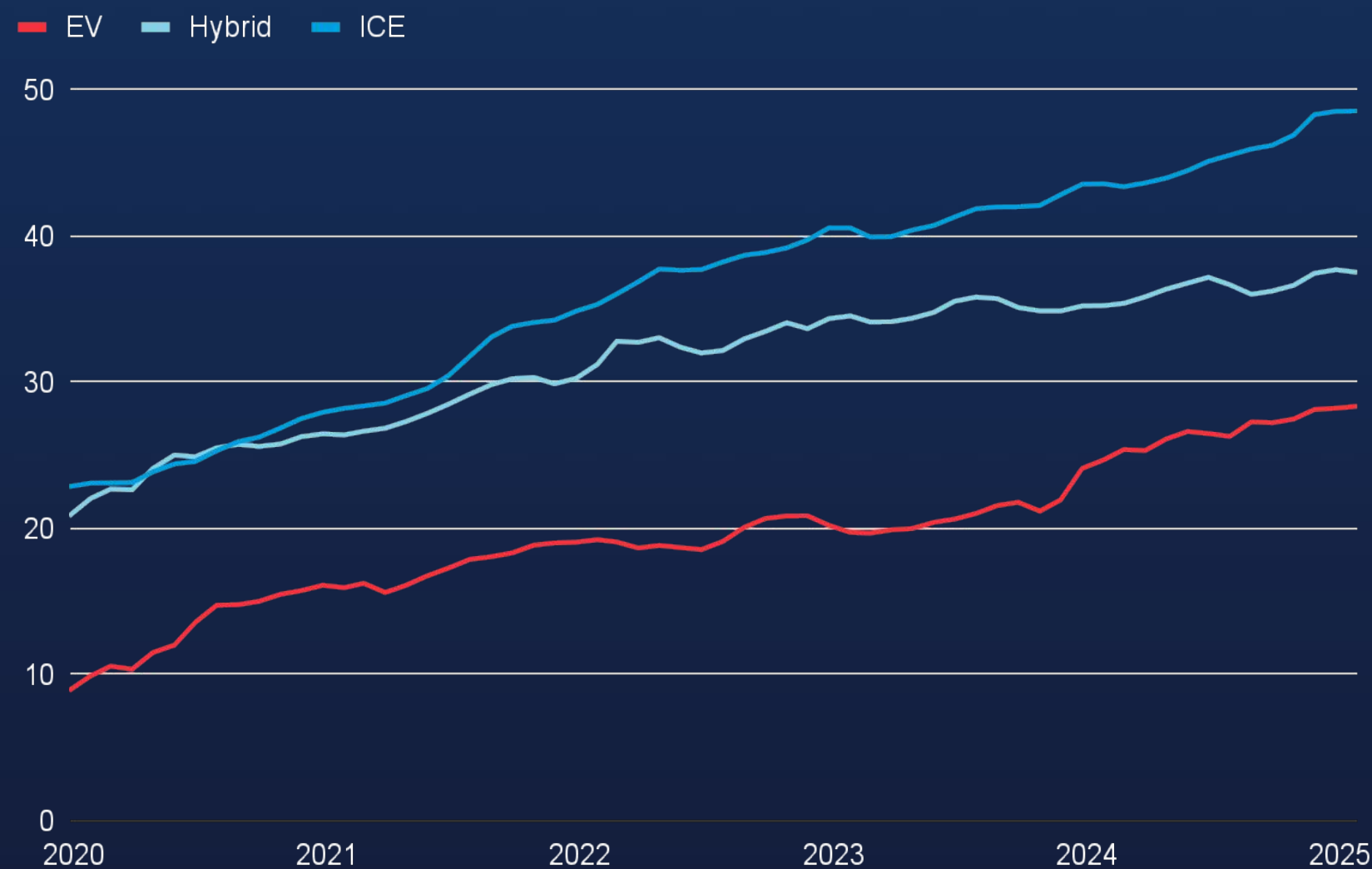
Powertrain average list price  
January 2020 – March 2025 (thousands \$)



# EVs have an attractive price... and less miles

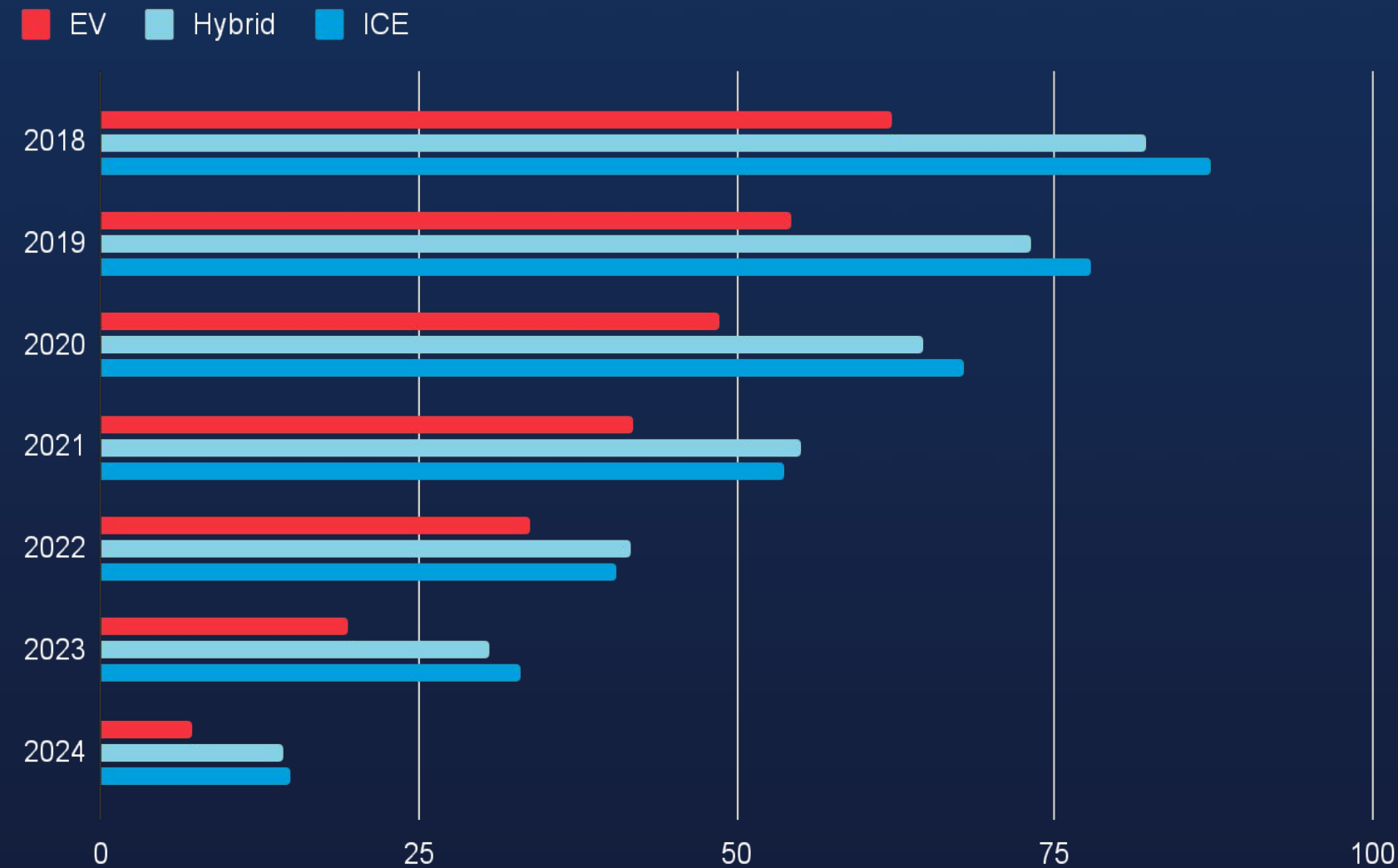
## EVs accrue significantly lower mileage than other powertrains

Used\* mileage by powertrain  
January 2020 - March 2025 (thousands of miles)



## Mileage comparison by model year confirms consistent EV advantage

Used\* mileage by powertrain - select model years  
March 2025 (thousands of miles)

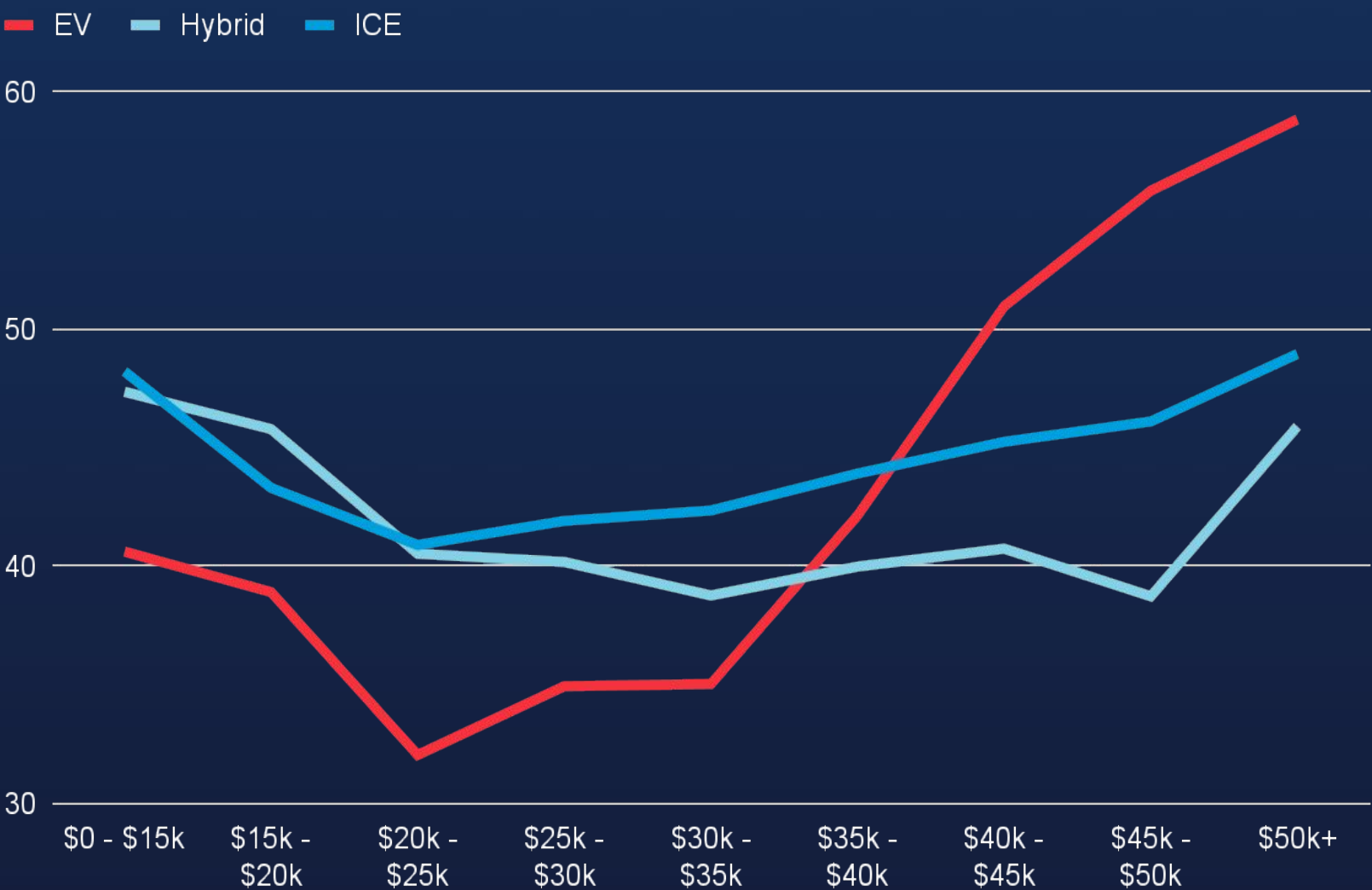




# Lower priced EVs sit for less time

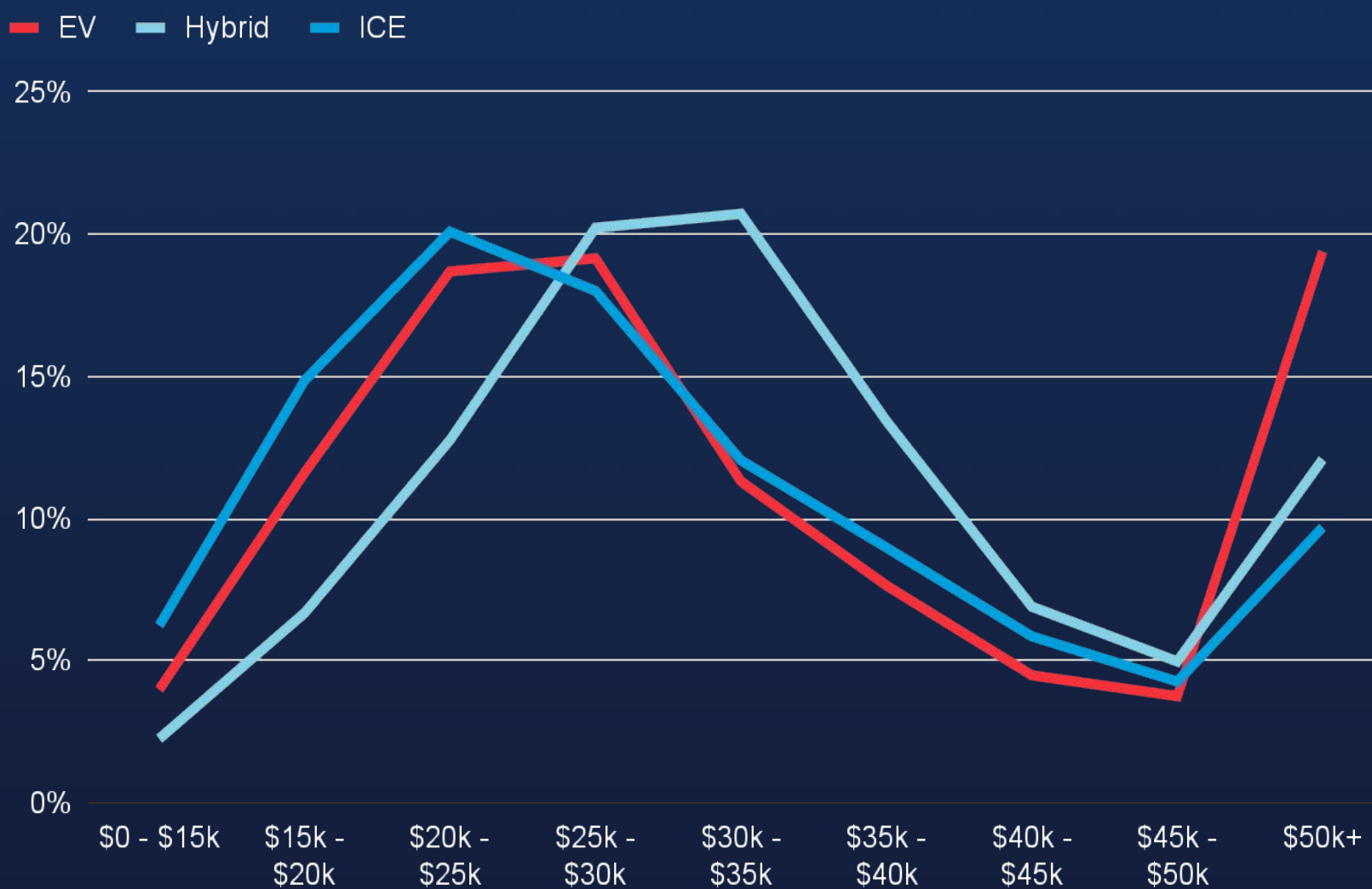
## Cheaper EVs turn faster than ICE, but higher-priced EVs slow down

Used EV/Hybrid/ICE\* days to turn by price bucket  
Q1 2025 (thousands \$)



## EVs skew affordable and expensive

Used EV/Hybrid/ICE\* share of listings by price bucket  
March 2025



# Most Affordable Used EVs on the Market

## Affordability meets availability: The lowest-priced EVs

Top 10 lowest average list price EVs  
March 2025 month end listings\*

Make & Model	Average List Price	Average Mileage	Average Model Year	Days on Market
Nissan LEAF	\$15,734	29,782	2,021.4	62.8
Hyundai Ioniq Electric	\$16,130	34,266	2,020.2	69.3
Chevrolet Bolt EV	\$16,247	31,142	2,021.0	51.6
Kia Niro EV	\$21,235	31,918	2,022.0	58.6
Hyundai Kona Electric	\$21,280	31,123	2,021.8	56.7
Chevrolet Bolt EUV	\$21,285	30,022	2,022.5	50.5
MINI Cooper	\$22,295	15,488	2,022.8	72.4
Tesla Model 3	\$23,747	49,037	2,020.6	44.0
Volkswagen ID.4	\$23,956	25,693	2,021.8	44.7
Polestar 2	\$26,451	28,059	2,021.9	40.9

# About this Presentation

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