



Monthly Market Intelligence

The latest insight from the UK's largest new and used car platform.

AUGUST 2021

 AutoTrader

No sign of a market slowdown, with sustained high demand driving record lead volumes and prices.

NEW CAR REGISTRATIONS

Supply chain shortages continued to hit the new car market in August, with sales down 22.0% vs. August 2020. Although demand metrics are positive, with strong audience and leads volumes, September is likely to be impacted.

68,033

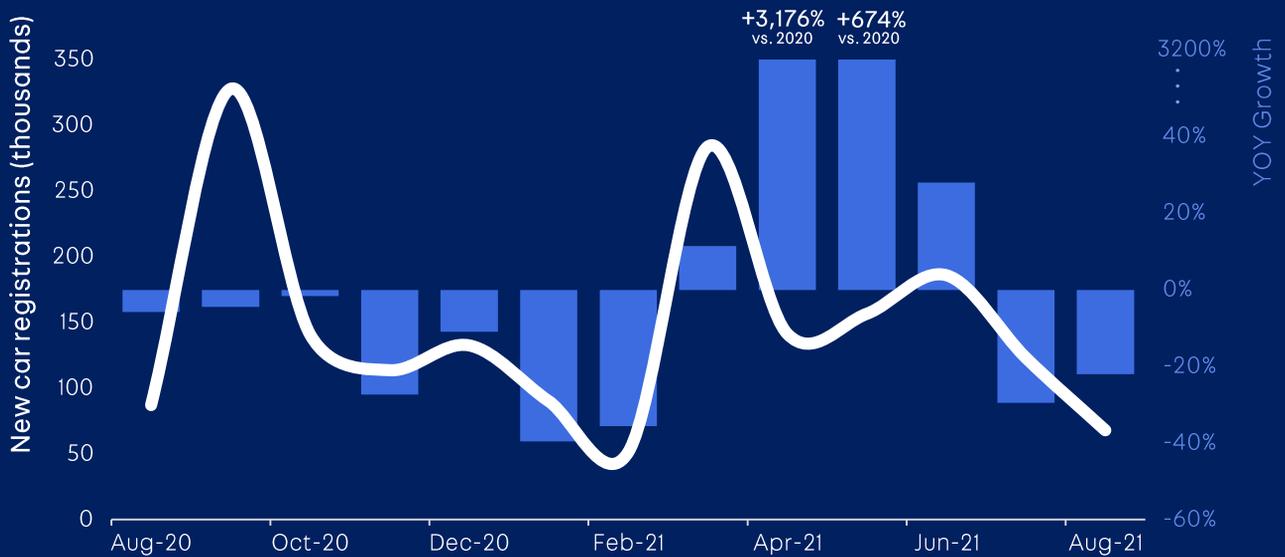
NEW CAR REGs. (SMMT)

↓ 22.0%

(VS. AUGUST 2020)

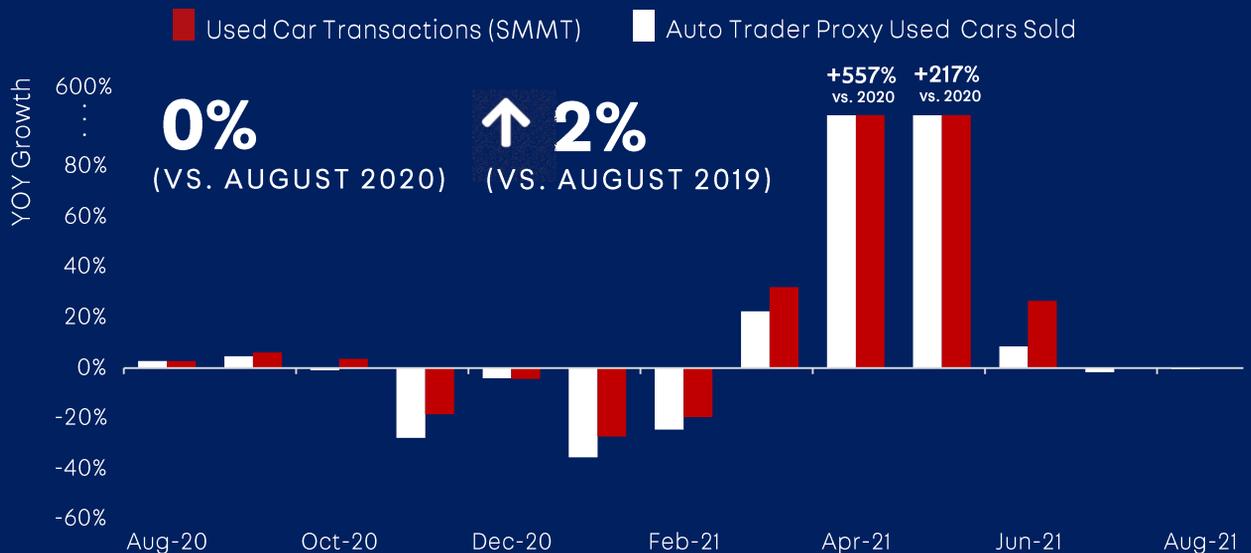
↓ 26.5%

(VS. AUGUST 2019)



AUTO TRADER PROXY USED CARS SOLD (YOY GROWTH)

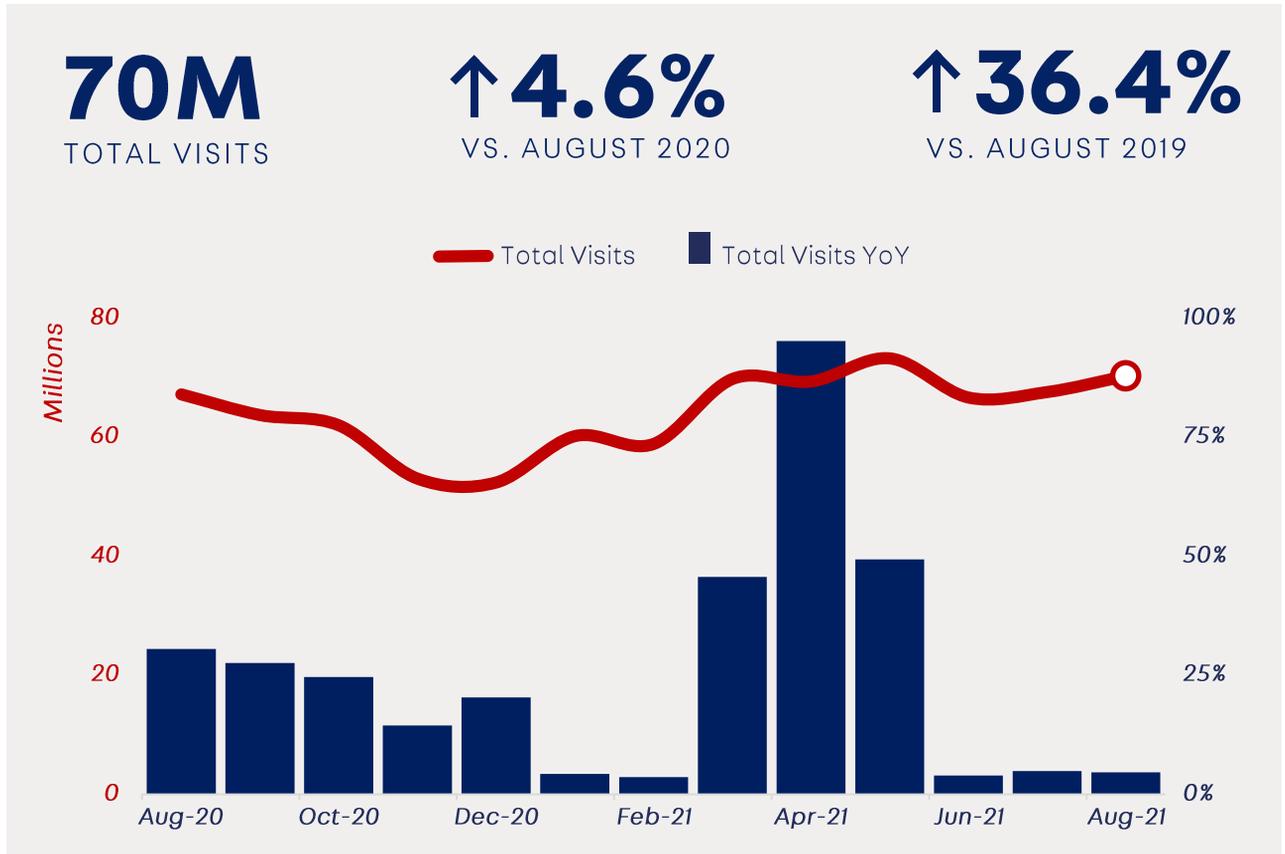
Used car market activity was again strong with trading volumes matching 2020's post-lockdown recovery, and up 2% vs. August 2019.



Data based on vehicles removed from Auto Trader. We assume that the vehicle is sold on the last day we saw it on our site. Strong historical correlation to official SMMT used car transactions and retailer data.

AUTO TRADER AUDIENCE

August was the 2nd strongest month on record with over 70 million site-visits, up 4.6% on the previous year. This sustained online activity points to continuing huge demand, helping to drive up car values to new records as more people look to spend lockdown savings or avoid public transport.



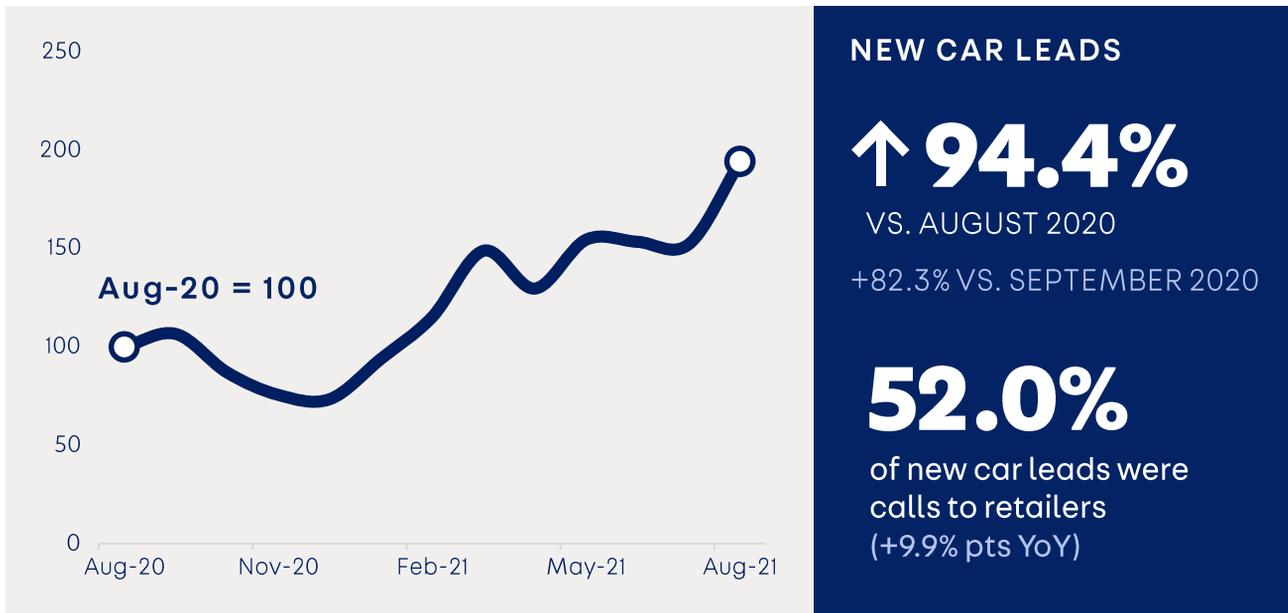
NEW AND USED CAR ENGAGEMENT PER CAR (INDEXED)

Underlying demand remains strong with the average new car advertised on Auto Trader being viewed 143 times in August, up 42.5% year-on-year. The average used car generated 341 ad views in August, up 1.7% YoY.



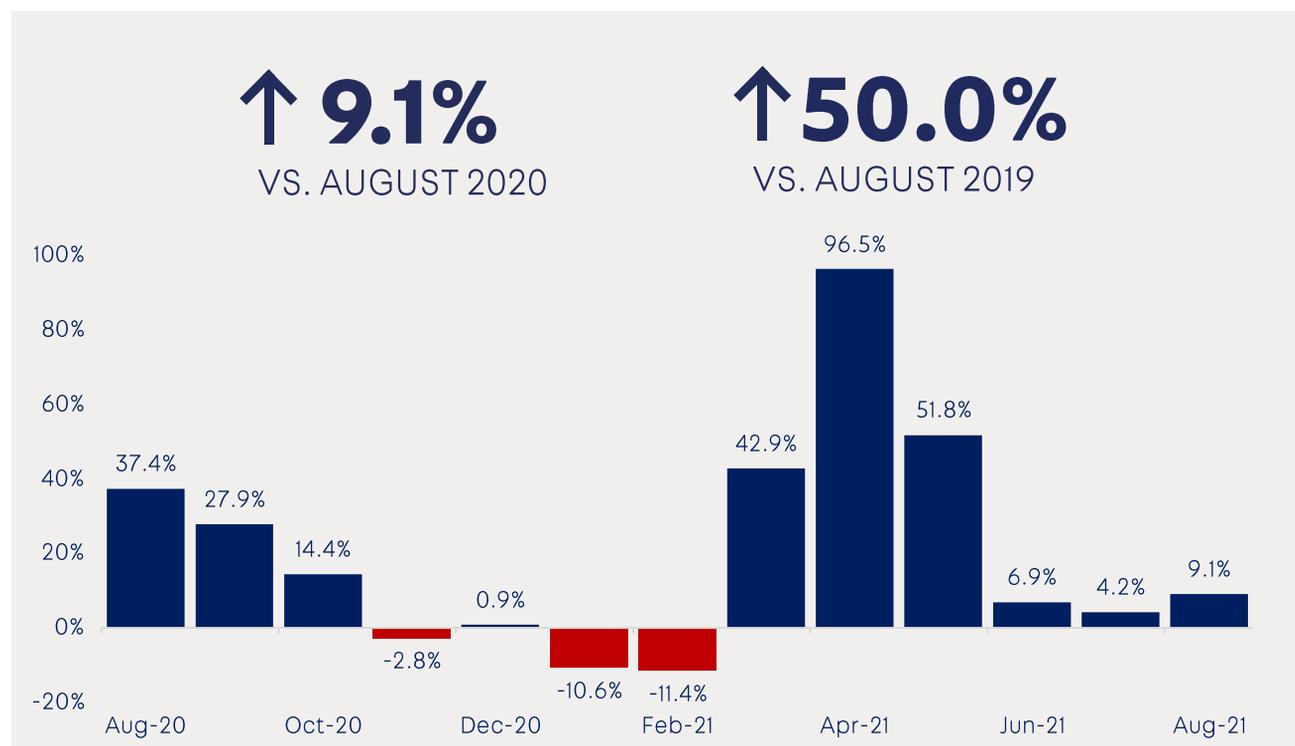
NEW CAR LEADS (INDEXED)

The **strongest ever new car leads month** is a sign of underlying demand despite supply constraints limiting availability. The average new car listed on Auto Trader generated **almost 3 times more leads than the prior year**.



AUTO TRADER USED CAR MARKET HEALTH (YOY GROWTH)

With more and more people searching for a used car in a market with **limited stock available**, the Auto Trader market health indicator remains positive and up 9.1% in August over the prior year. This is likely to continue as demand shows no sign of slowing and supply remains subdued.



The Market Health metric shows the ratio of supply vs. demand compared to the previous year

Used car price growth doubles in three months, increasing by 17.2% in August.

Strong demand and limited supply continue to drive market pricing upwards.

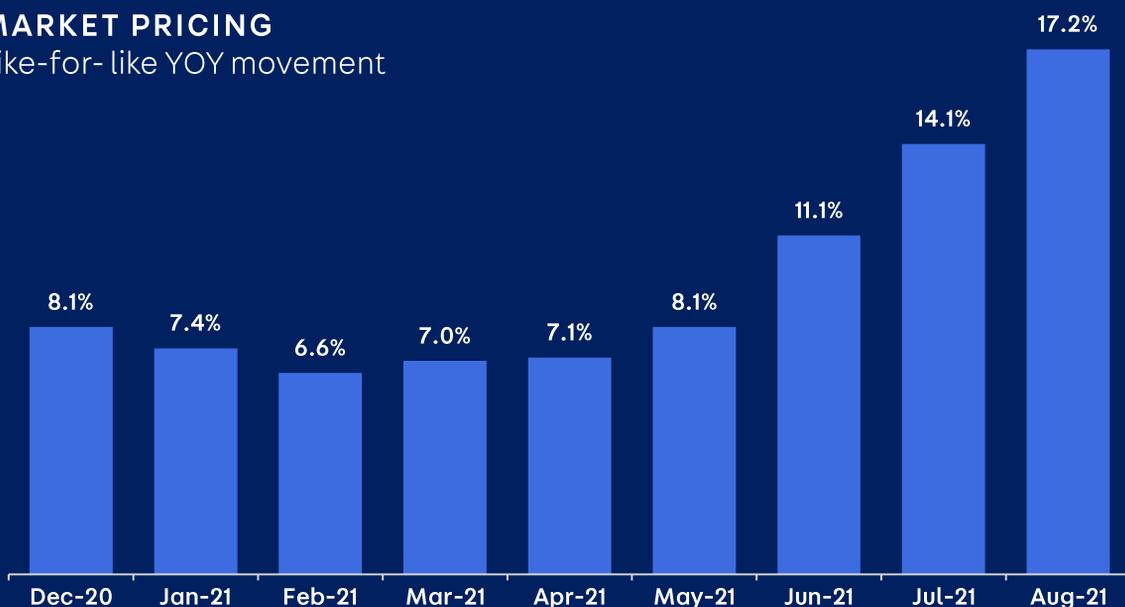
August was the third consecutive month of record-breaking price increases for used cars, with like-for-like prices up 17.2%.

Such is the current strength of the used car market, it not only represents the largest single month-on-month increase (up from 14.1% in July), but it's more than double the rate of growth recorded in May, surging from an already very strong 8.1%.

The average price of a petrol, 3 to 5 year old, volume brand SUV is now £14,527, up £2,525 vs. August 2020; and the average price of a petrol, 3 to 5 year old, premium brand SUV is now £27,969, up £2,561 vs. August 2020

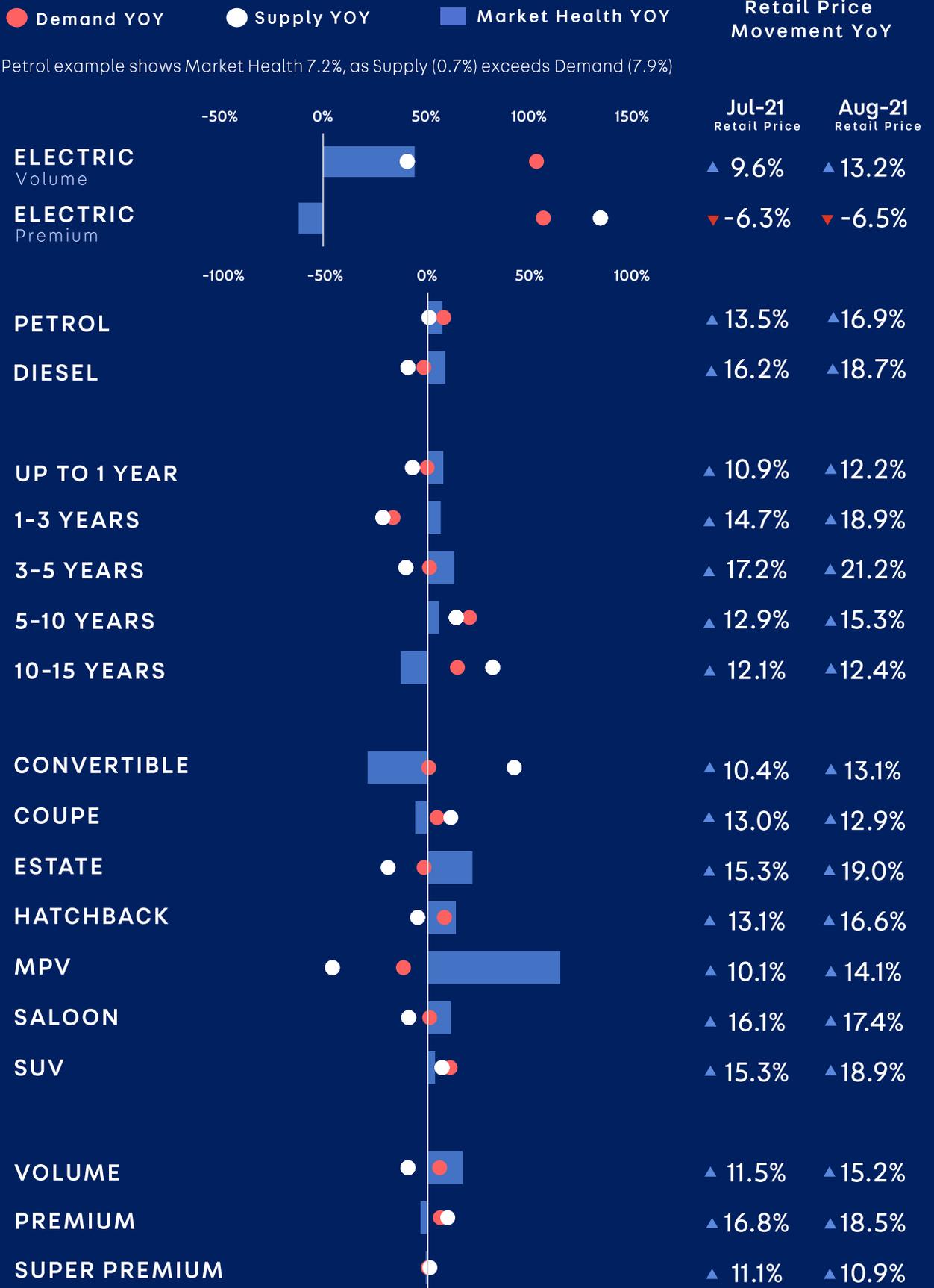
MARKET PRICING

Like-for-like YOY movement



DEMAND, SUPPLY, MARKET HEALTH & PRICE MOVEMENT (YOY GROWTH)

Charts show Market Health (blue bar), Demand (red) and Supply (white), with pricing movements.



FUEL TYPE

VEHICLE AGE

BODY TYPE

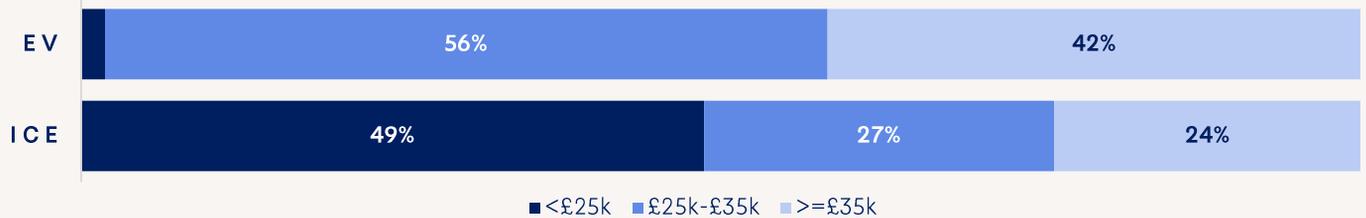
BRAND TYPE

In focus this month: The price of an EV

NEW EV STOCK: SPLIT BY PRICE BAND (RRP)

August 2021.

Only 2% of new EV stock is under £25k (RRP), yet 20% of all new cars viewed on Auto Trader are in this price range. Unless more affordable new EVs become available, these buyers won't be able to access the market.



New electric vehicles are visually more expensive than petrol or diesel cars. The average price of a new volume brand hatchback is £31k, 75% more expensive than the average ICE vehicle - and the gap has widened.

AVG. ADVERTISED NEW EV PRICE

As seen on Auto Trader (incl. government grant)

NEW EV MODEL PRICING VS. ICE

As seen on Auto Trader (incl. government grant)

VOLUME HATCHBACKS +75% vs. ICE average (+2ppts YoY)

● ICE ● EV



VOLUME SUV +25% vs. ICE average (+1ppt YoY)

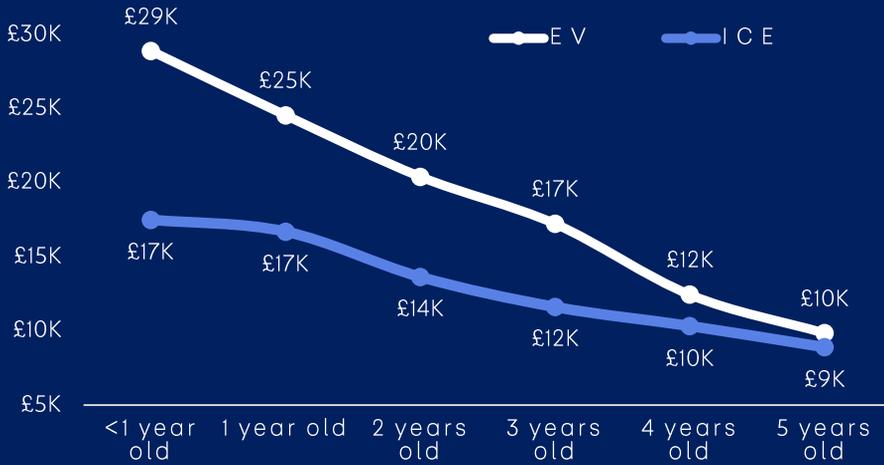


PREMIUM SUV +19% vs. ICE average (-8ppts YoY)



AVG. ADVERTISED USED EV PRICE: SPLIT BY AGE COHORT

Volume brand hatchback. August 2021.

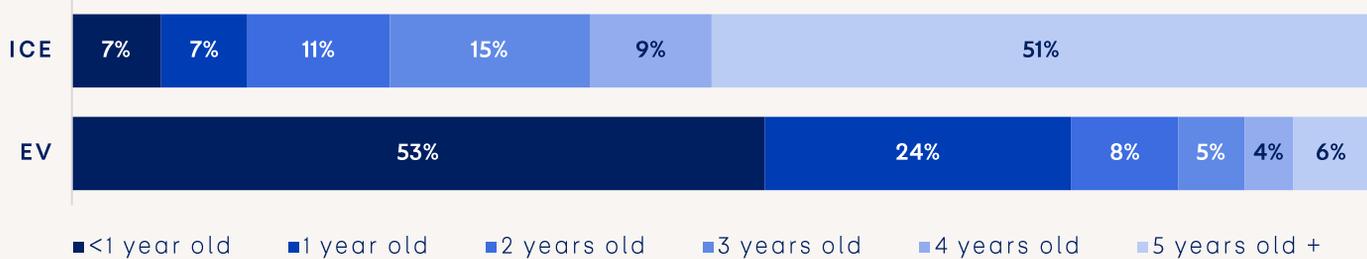


Younger used EVs are considerably more expensive than an equivalent ICE vehicle, with the gap much closer on over 3 year old cars.

But there are very few older EVs available. Over half of used ICE vehicles are over 5 years old, compared to only 6% of EVs. This means buyers with lower budgets are prevented from entering the market at an affordable price point.

USED EV STOCK: SPLIT BY AGE COHORT

August 2021.



Communicating running costs is critical to bridging the perceived cost gap

EV owners save **£100 per 1,000 miles** on running costs over a 3-year period.

£ SAVING ON RUNNING COSTS (3 YEARS, 30K MILES)

Analysis of 14 EVs vs. equivalent ICE Vehicles.

