

# Monthly Market Intelligence

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

# A strong start to 2026 provides market optimism

## New car registrations



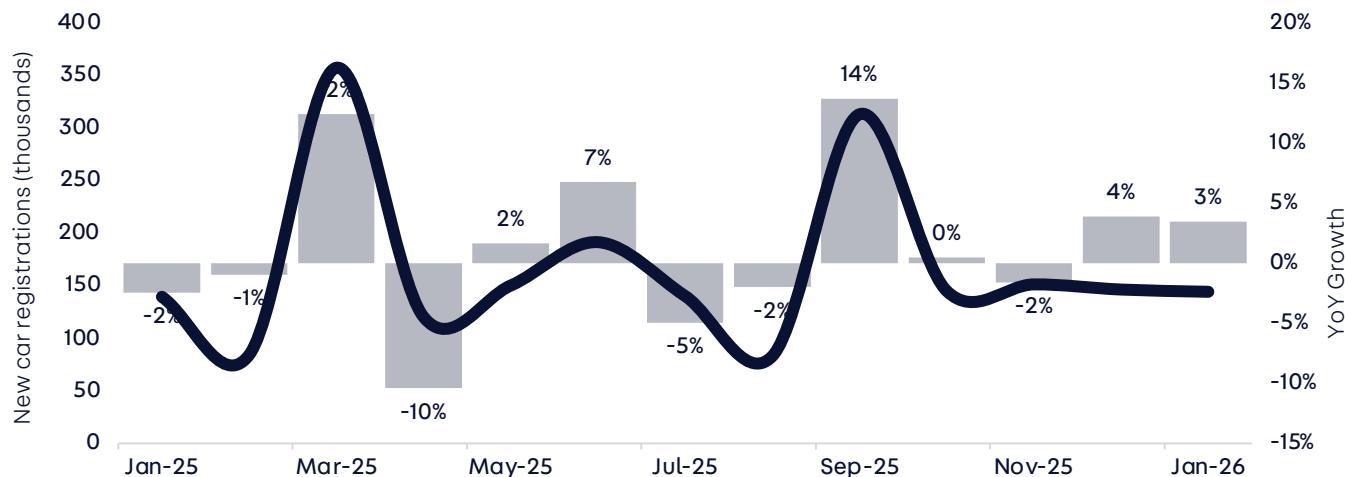
New car registrations grew 3% in January, with growth recorded across all buyer types. Volume growth in January was driven by alternatively fuelled vehicles while sales of petrol and diesel cars declined. EVs saw modest growth, accounting for one in five new cars sold, however, as January is typically a lower volume month for registrations, trends are not typically indicative of the full year.

**144,127**

New car reg. (SMMT)

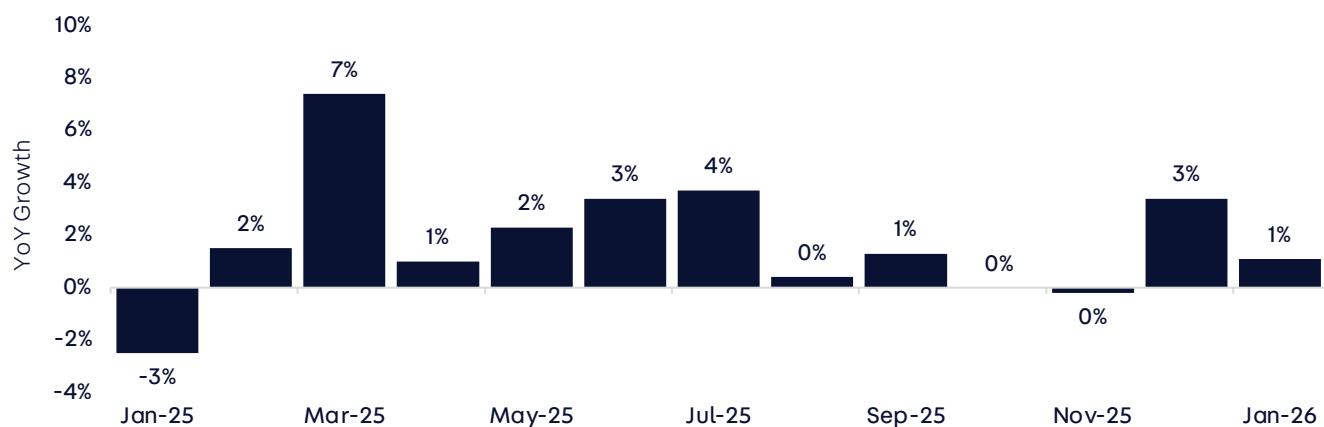
**+3.4%**

(VS. JAN 2025)



## Used car sales (Year-on-year)

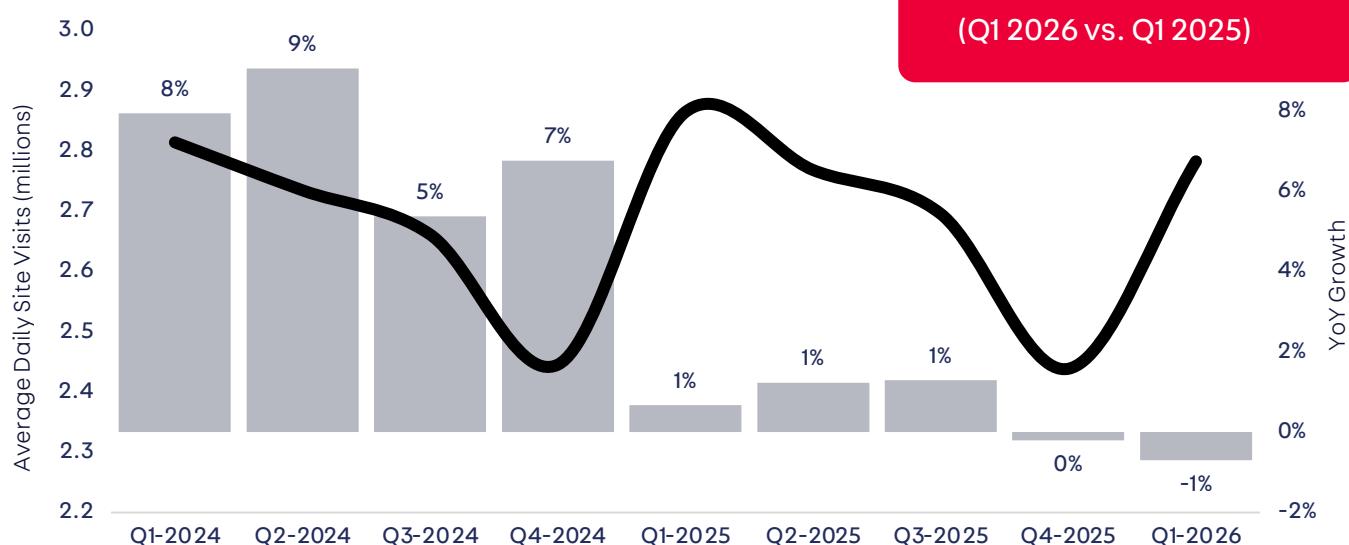
Used car transactions grew 1% in January as retailers reported a solid start to the year. Franchise retailer transactions dropped slightly at -1% while transactions by Independent retailers hit a 3% uptick. EVs continued to support growth, improving 36% in January while by contrast, sales of diesel and petrol vehicles fell 13% and 4% respectively.



**Site visits to Autotrader fell 1% from 2025's record levels but improved 25% from December to January as activity rebounded following the festive period.** GfK reports a 1-point rise in consumer confidence in January, aligning with Autotrader insights and providing optimism for a solid Quarter ahead.

## Autotrader site visits

Average daily site visits, year-on-year

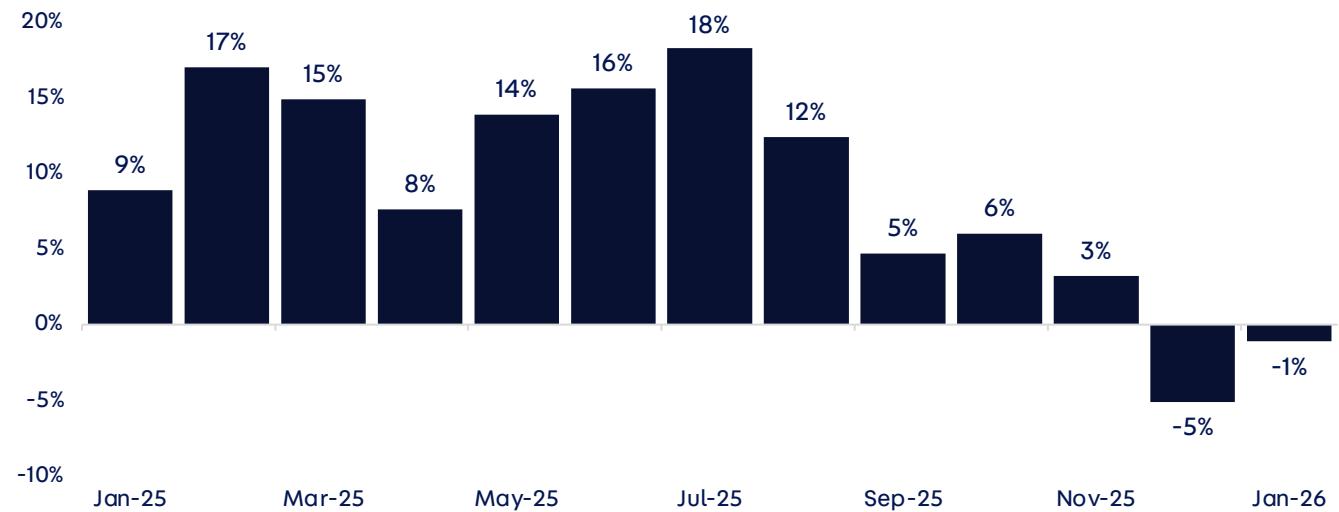


## New car activity

**New car site visits fell 1% in January but mirrored total site activity, growing 25% from December's volumes.** Manufacturers aimed to capture buyer interest early, offering a 9.7% average discount - the highest level recorded for a January, to maximise sales for the new car market's biggest quarter. EV discounts remained highest at 11.3% - the same level as last year.

### Autotrader new car visits

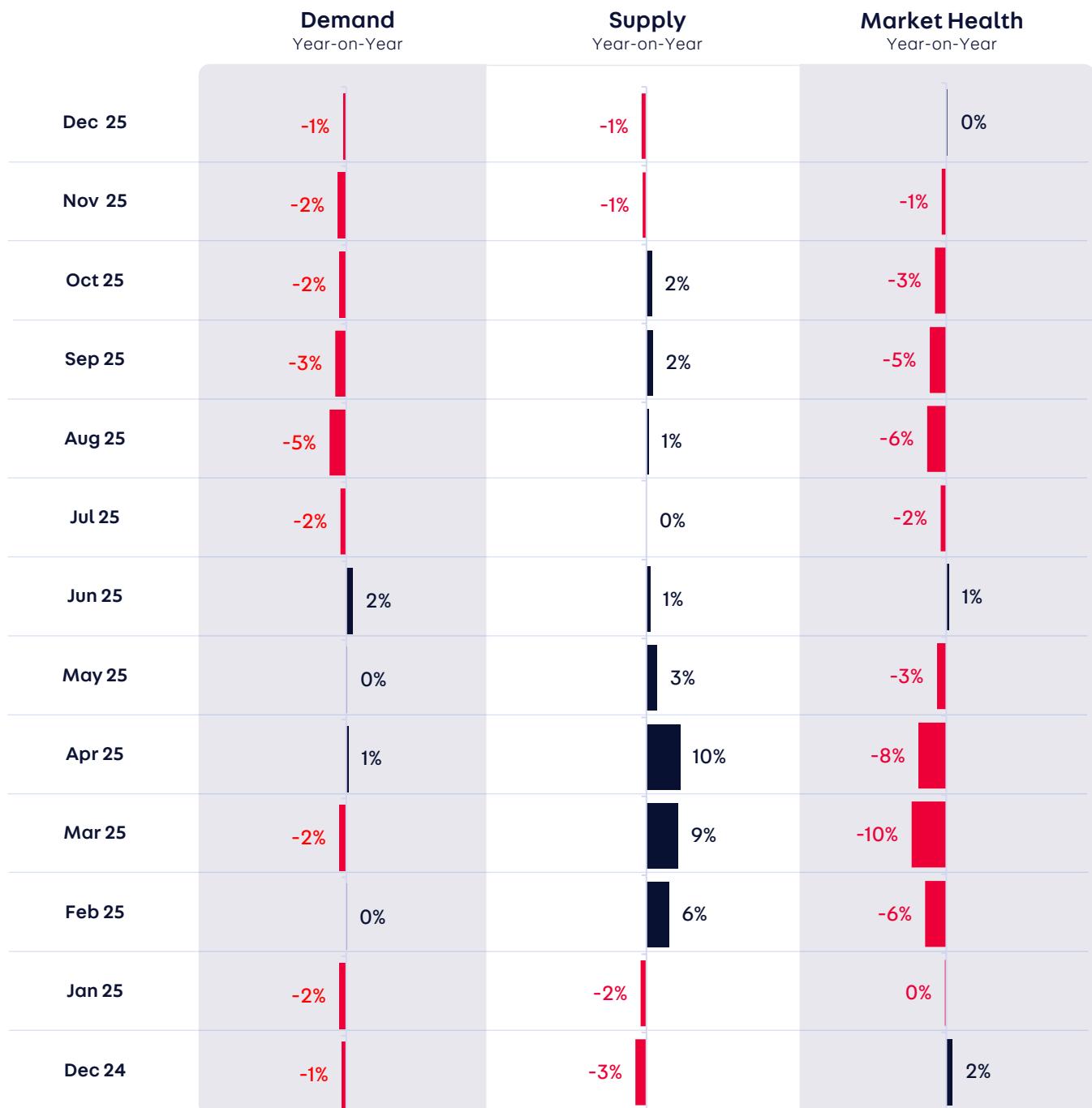
Year-on-year



Stability underpinned the used car market in January with supply and demand in balance, and maintaining the average stock turn rate seen in 2025. Cars over 5-years-old saw positive market dynamics, while younger vehicles saw stronger supply growth. Demand outpaced supply across all fuel types except EVs. Despite this, EVs were the fastest selling fuel type in January.



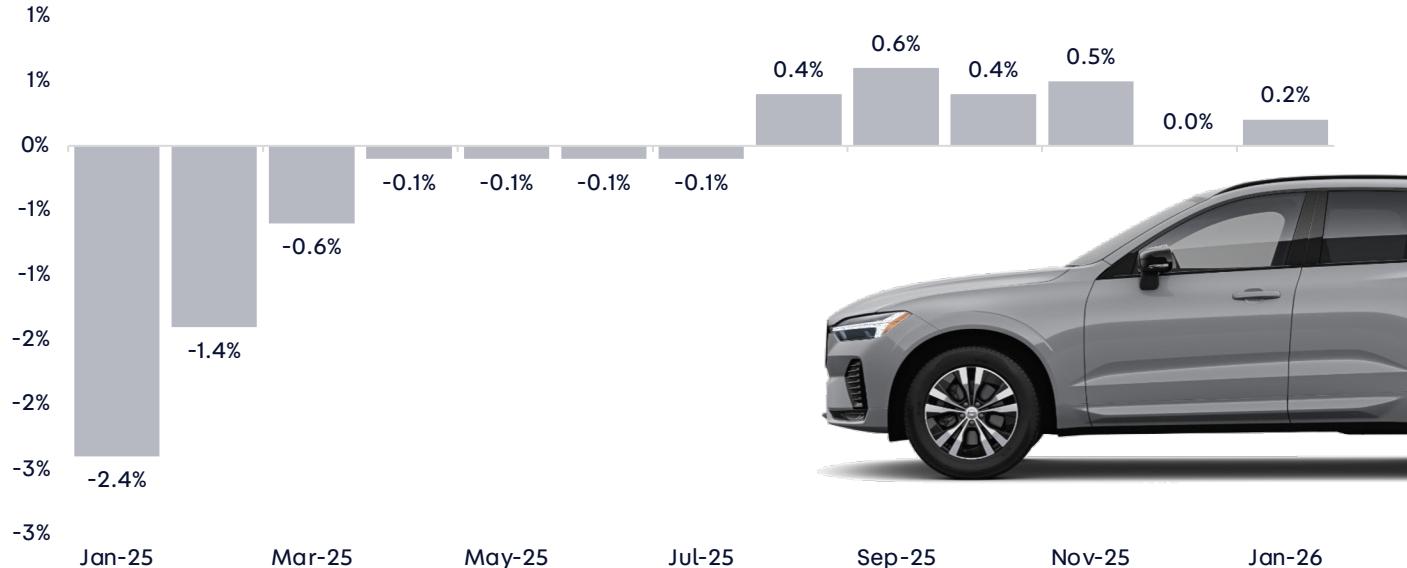
The Market Health metric shows the ratio of supply vs. demand compared to the previous year



**On average, used car prices remained stable in January, moving +0.2% year-on-year.** Cars where demand growth outweighs supply saw the strongest price gains, with 10–15-year-olds up 9.0%. By contrast, growing supply pushed under-1-year-old values, down -2.9%. Diesel and petrol cars also saw the most significant improvements of any fuel type, +3.8% and +1.5% respectively.

## Year-on-year used car retail price growth

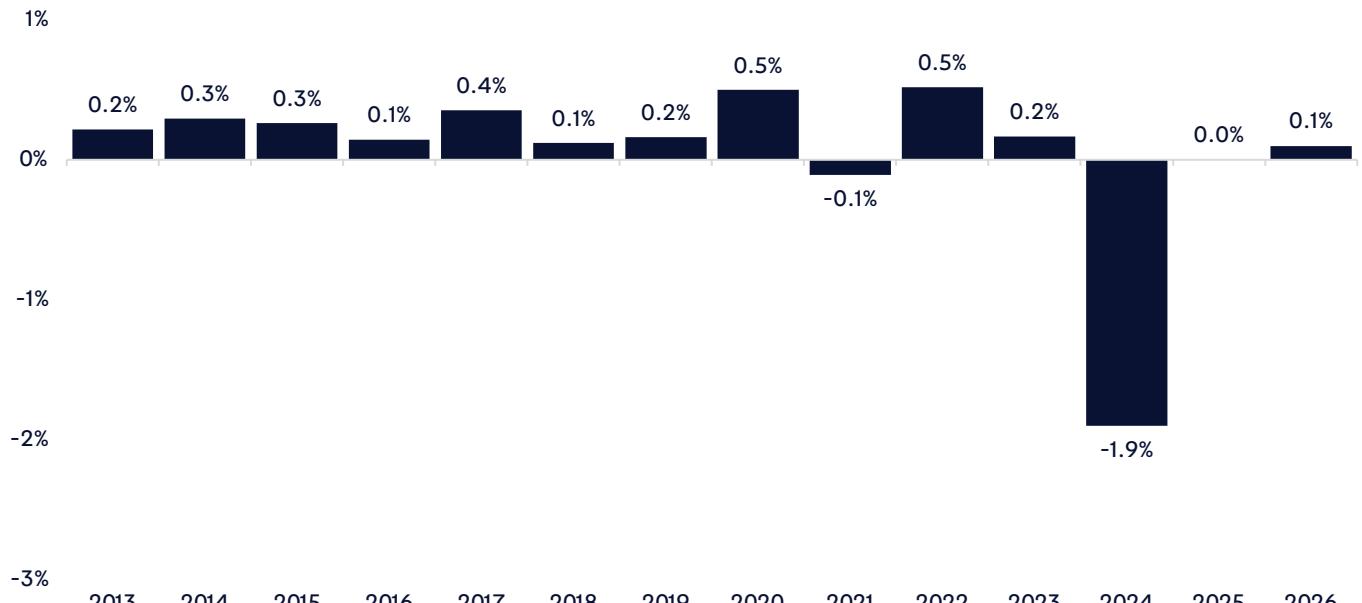
Like-for-like basis



**On a month-on-month basis, used car prices also remained stable, growing +0.1% in January, in line with seasonal norms.** Across age cohorts, most vehicle prices moved in line with their respective seasonal trends, except under-1-year-old cars which fell -0.5% defying a usually positive movement in January as stock quickly grows in this segment. Full/mild hybrids saw the weakest performance as prices fell -0.9% from December to January.

## Month-on-month used car retail price growth: January

Like-for-like basis



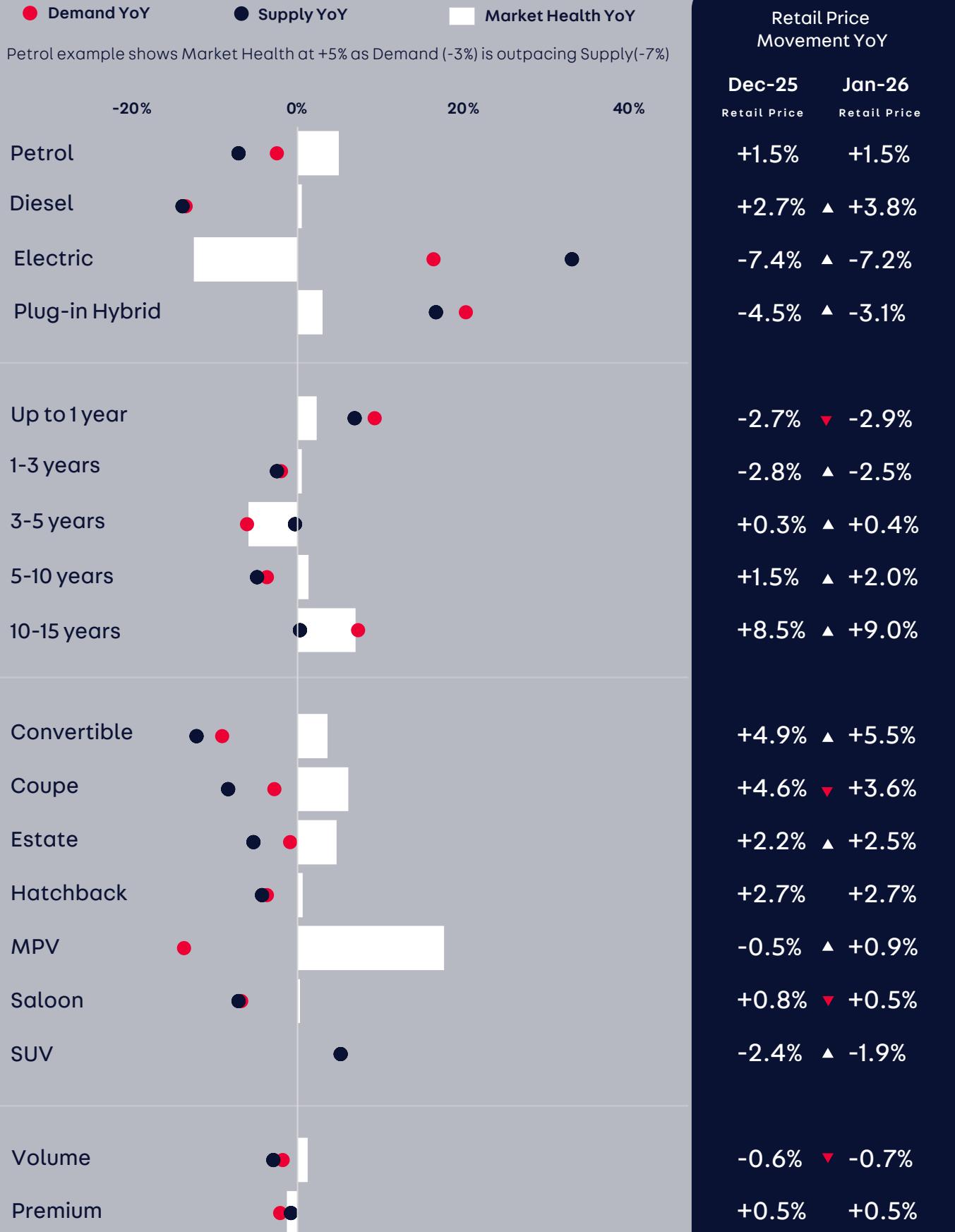
# Demand, supply, market health & price movement



(YoY growth)

Charts show Market Health (blue bar), Demand (red) and Supply (white), with pricing movements. The monthly movement of retail prices is illustrated by blue/red arrows.

Fuel type  
Vehicle age  
Body type  
Brand type



In focus this month

# Improving affordability is redefining the EV landscape

## 1 EV consideration is growing

Autotrader's No Driver Left Behind 2026 research highlights strong and growing interest in EVs, with 62% of UK buyers open to electric for their next purchase, up from 34% in 2024.

This interest is not evenly distributed. Consideration is highest among higher income households, but falls markedly for buyers earning under £40k, where 60% typically spend less than £10k on a car.

Although affordability has improved, upfront cost remains a key obstacle for many households.

**62%**

Now consider purchasing an EV for their next car

EV consideration by household income:

<£40k  48%

>£40k  73%

>£80k  84%

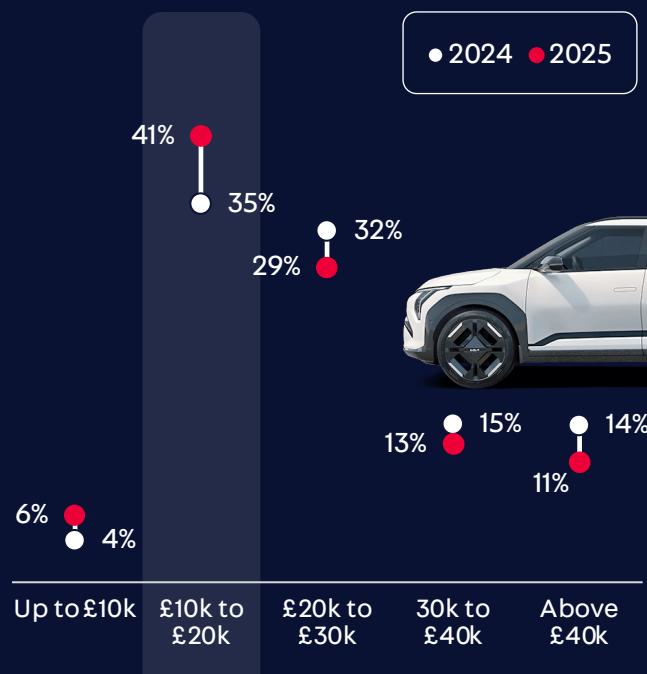
## 2 Affordability is improving

The expanding pool of used EVs is increasing, with the supply of cars over 3-years-old now offering affordable electric motoring in the core of the market.

Older stock is now opening up access for consumers who have previously been priced out of the market, notably in the £10,000-£20,000 price bracket.

With widening choice reducing a major barrier to EV uptake, used electric cars priced under £20,000 are now taking almost half of all used EV enquiries, up 8pppts versus prior year.

Used electric leads mix by price band:



### 3 A shift in market dynamics

Demand for EVs has increased across both new and used, with increased choice reshaping demand dynamics.

As the supply increases, EVs aged 3-6-years-old have experienced significant growth and now generate the highest level of consumer interest, surpassing 0-3-year-old cars.

This segment benefits from stable pricing and delivers the fastest speed of sale, averaging 25 days in 2025, supported by greater participation from Independent retailers.

#### Electric leads by age cohort



### 4 Pressure on 0-3-year-olds, and the retention challenge

However, with interest in new EVs and those aged 3-6 years old increasing, growth in 0-3-year-old EVs has been modest. Consumers benefit from greater choice across the EV market, with competitive incentives on new EVs and a strong value and ownership proposition on 3-6 year old cars resulting in greater competition among sellers.

This is reflected in recent price softening for 0-3-year-olds, not seen in other fuel types - in contrast, EVs aged three years and over are performing broadly in line with the wider used car market.

Furthermore, Independents are seizing this market opportunity and hold more than half of the supply, with Franchise retailers struggling to retain electric at the same levels as ICE.

#### Share of distinct adverts: 3-5-year-old cars Split by fuel type. January 2026

##### Electric:



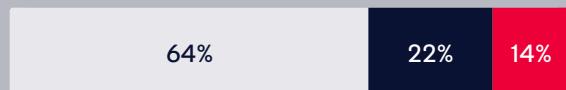
##### Plug-in Hybrid:



##### Diesel:



##### Petrol:



##### Full/Mild Hybrid:



- Franchise
- Independent (exc. Supers)
- Supers

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 Autotrader Insight