



Monthly Market Intelligence

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

NOVEMBER 2024

 AutoTrader

Strong market health indicators as consumer confidence grows post-budget announcement

NEW CAR REGISTRATIONS

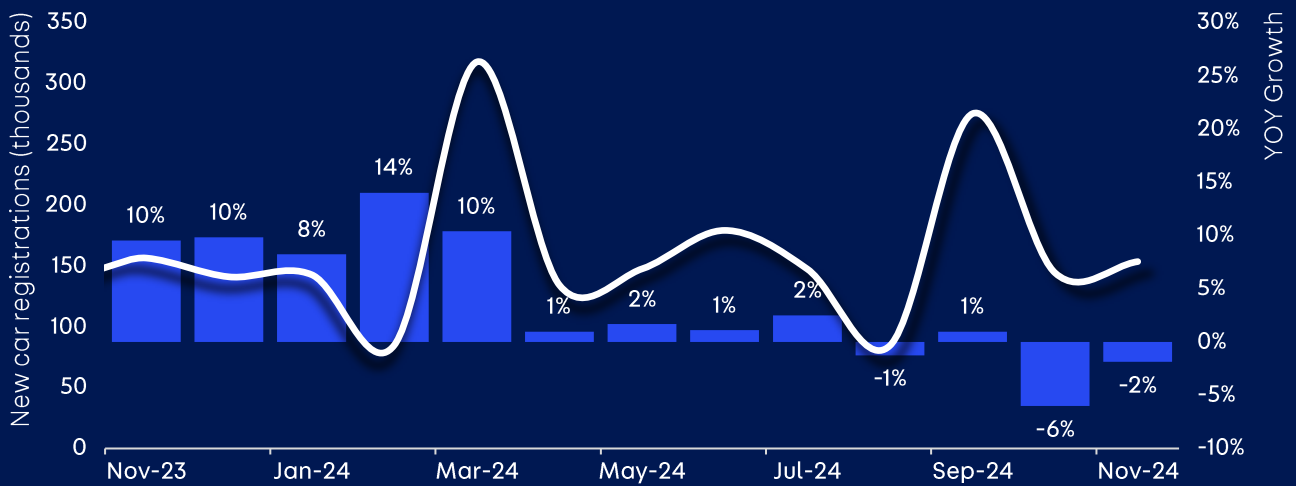
New car registrations fell 2% year-on-year in November, in what is typically the second smallest month for sales in the year. Registrations through the fleet channel continued to slow as private buyers bought 3% fewer new cars than a year earlier, marking the 13th consecutive month of decline. Encouragingly, EVs accounted for 25% of sales in November, the highest recorded share since Dec-22. However, despite positive developments in volumes over recent months, the share of sales for the year remains behind the 22% ZEV mandate target, and higher growth is being stimulated by steep manufacturer discounts and other unhealthy push activity.

153,610

NEW CAR REGs. (SMMT)

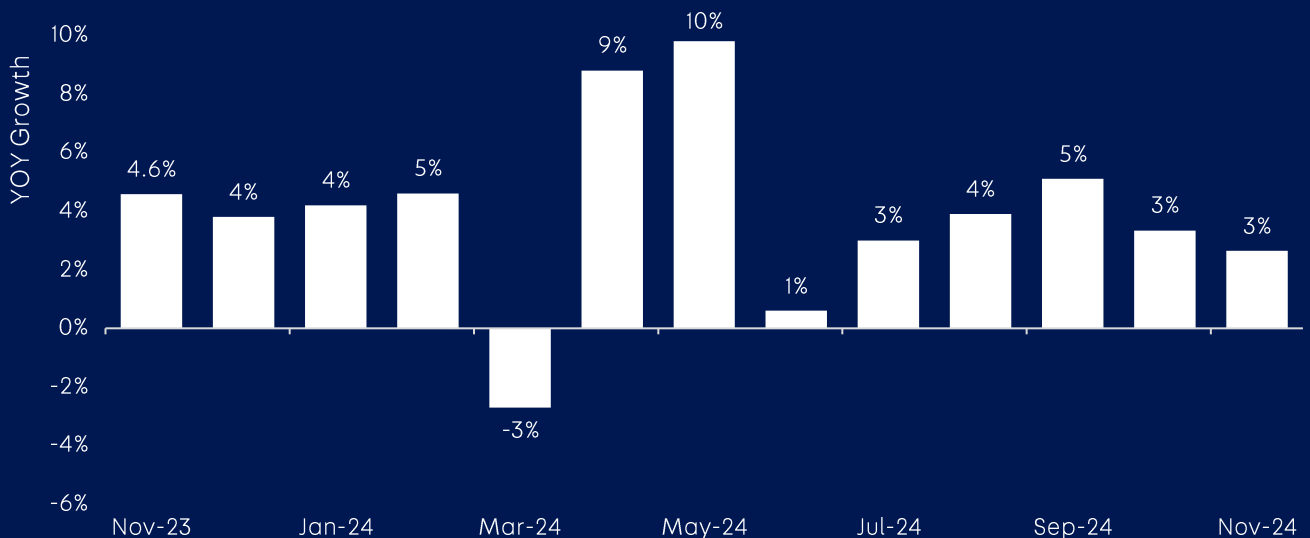
-2%

(VS. NOVEMBER 2023)



USED CAR SALES (YEAR-ON-YEAR)

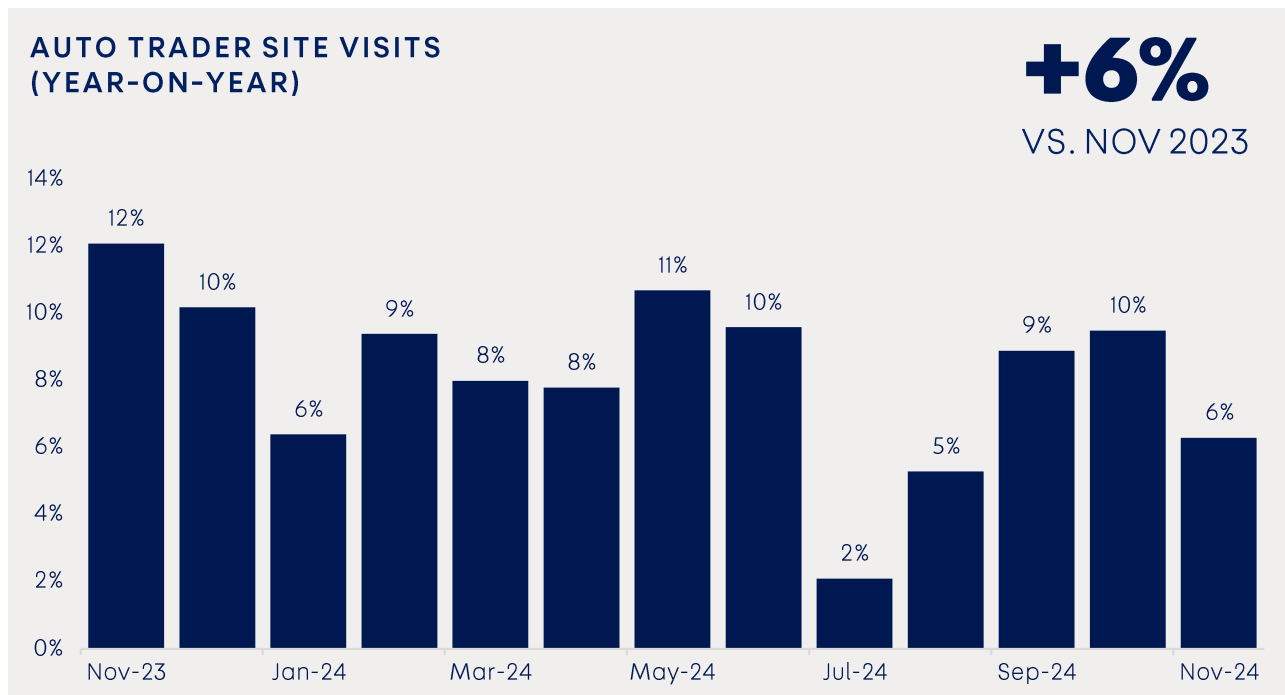
Used car sales continued to grow in November, with volumes 3% ahead of last year based on the stock removed from Auto Trader. The court ruling on car finance commissions, that led many retailers to pause applications and deliveries in October appeared to have no impact on transactions in November as the growth in sales continued to be driven by vehicles in plentiful supply, to the benefit of Independent retailers who saw sales grow 5% ahead of last year.



*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. Ongoing improvements to the data means historic figures may change slightly each month.

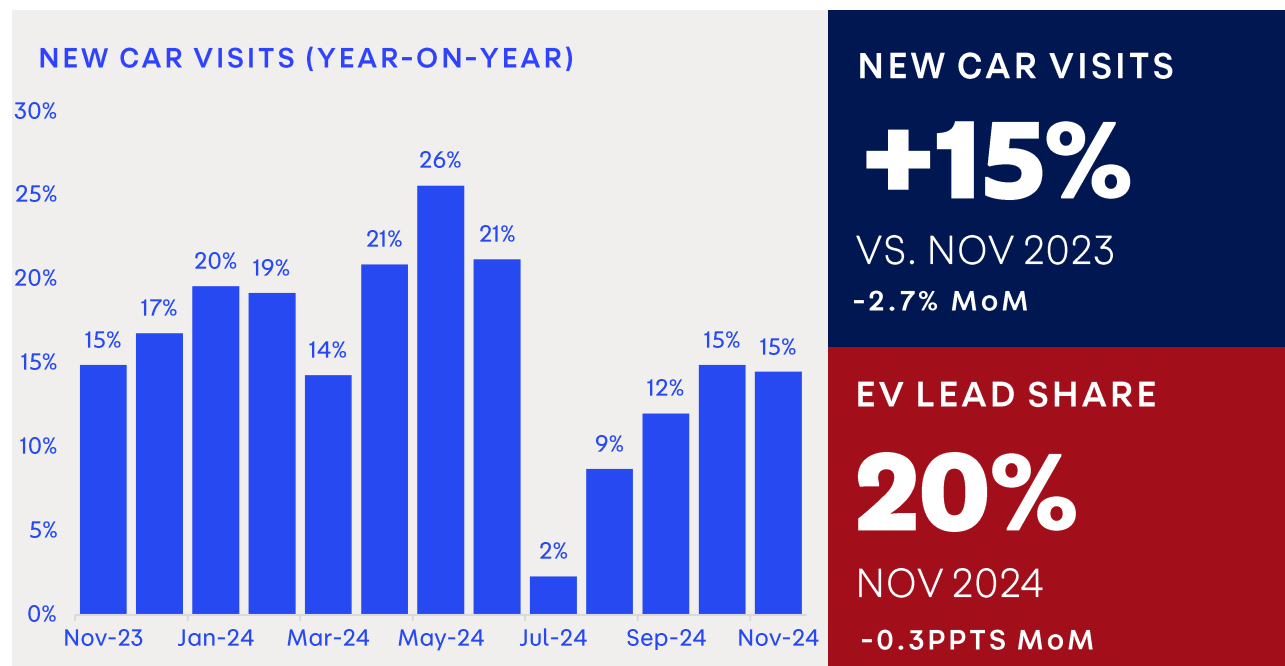
AUTO TRADER AUDIENCE

The reported recovery in consumer confidence following the pre-Budget dip was reflected in site visits as overall buyer activity remained strong throughout the period. Site visits were 6% ahead of the previous year, maintaining the two-year long growth trend and now averaging 31 visits per second throughout the year as car ownership remains of importance to consumers.



NEW CAR ACTIVITY

November was a strong month for new car visits with retail demand on Auto Trader growing 15% year-on-year. As manufacturers continued to pursue demand from private buyers, the average new car discount grew to 9.2% of RRP, the highest level since September 2021, with the most significant discounts offered on EVs where discounts were 2.7ppts higher than the market average, capturing 1 in 5 new car enquiries.

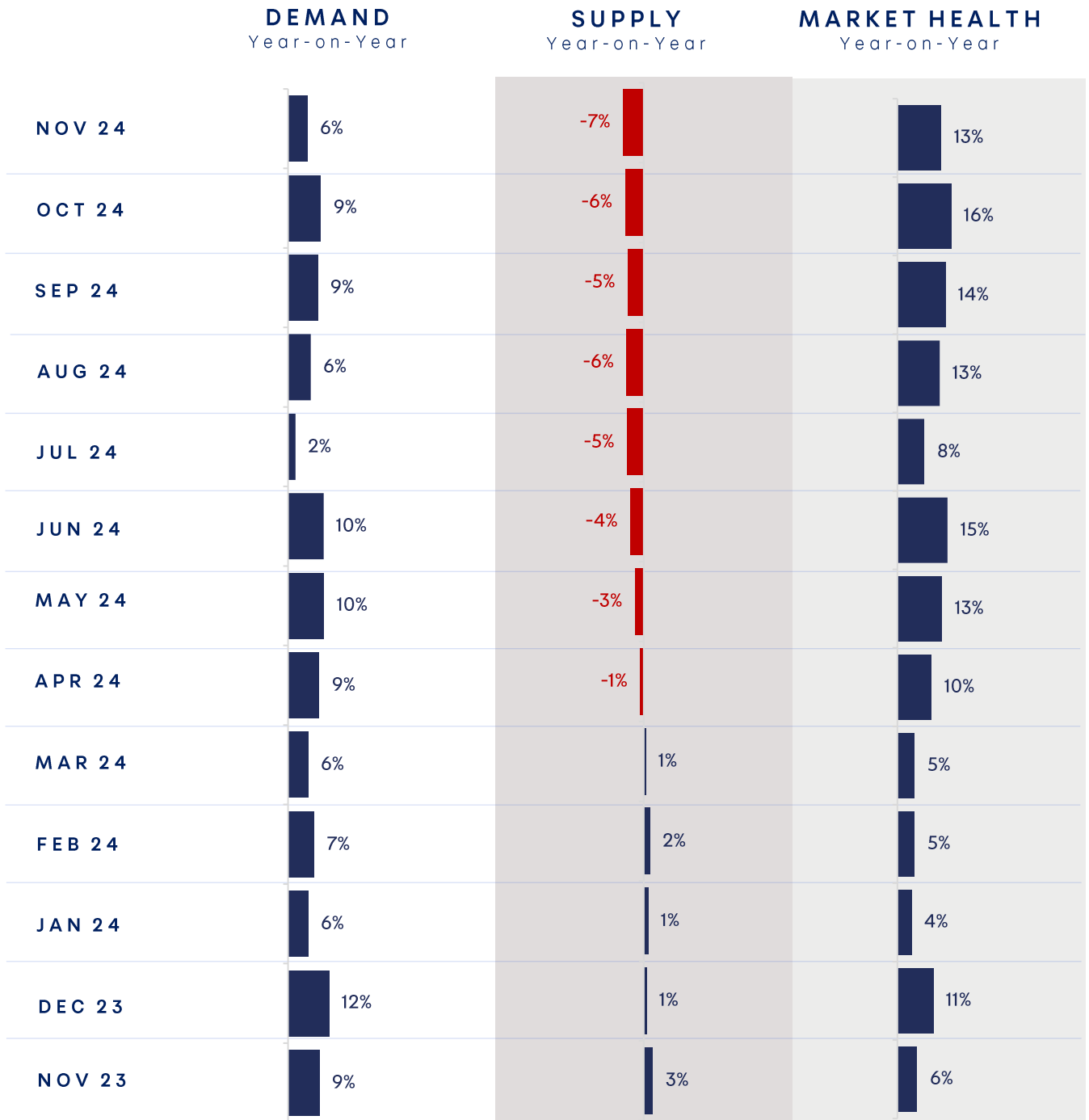


USED CAR MARKET HEALTH

Market health for used cars remained 13% ahead of prior year as consumer demand continued to grow while supply on forecourts contracted further. The biggest driver of November's position was the significant lack of 1-3 and 3-5-year-old vehicles, for which demand has remained resilient. Overall supply of 1-3-year-old vehicles has begun to recover, however there remains huge sourcing pressures for vehicles within the 3-5-year cohort. As a result, cars sold on average every 31 days in November, two days faster than the same turn rate as last year. The large gap between supply and demand has seen 3-5-year-old cars typically sell four days faster.



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

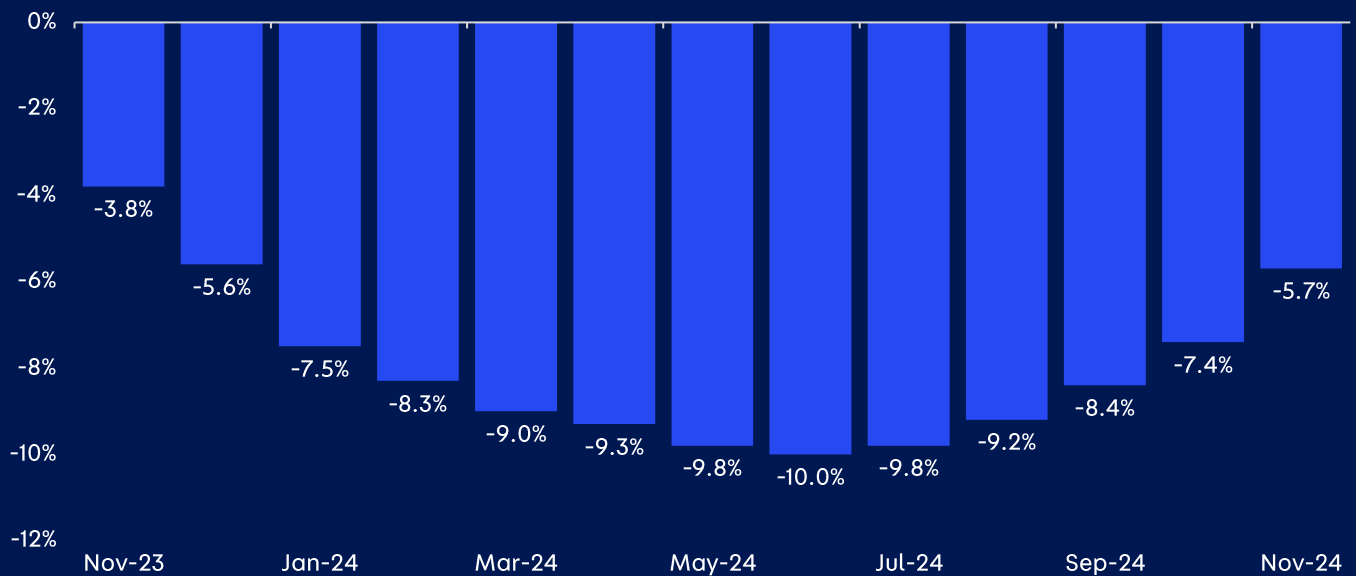


USED CAR RETAIL PRICE GROWTH

Retail prices improved again in November to be within 6% of last year's levels. It marks the fifth consecutive month of improvement as prices begin to reflect strong retail demand, constrained supply, and fast stock turnover. Whilst trade values are now increasing on a year-on-year basis, rising 1% in November, retail prices are taking longer to recover because of under-pricing of stock in the market and a trade-forward approach to pricing vehicles. Despite this, all vehicle segments saw year-on-year retail price improvements, and the outlook for pricing at the start of 2025 appears to be positive.

YEAR-ON-YEAR USED CAR RETAIL PRICE GROWTH

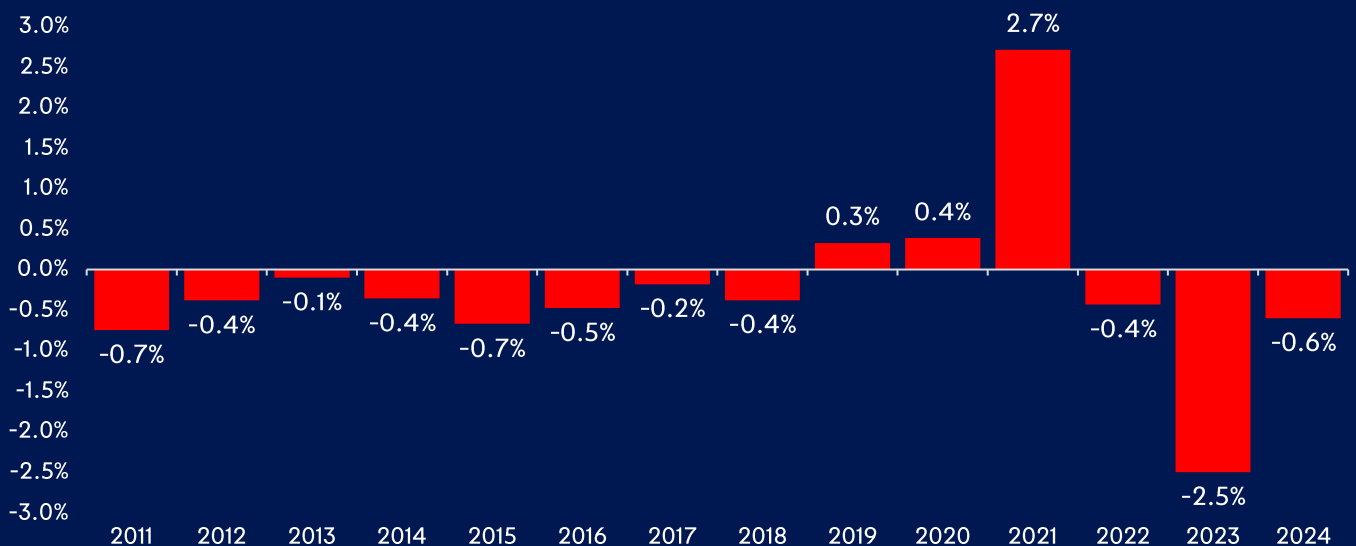
Like-for-Like Basis



On a month-on-month basis, used car retail prices fell -0.6%, in line with seasonal pricing movements from October to November. Vehicles over 15-years-old were the best performing, seeing a 1.0% increase in pricing to buck their seasonal trend. Monthly movements of EV pricing fell below seasonal averages for the fuel type, albeit falling broadly in line with the market (-0.8%) after experiencing the first recorded increase in over two years in October.

MONTH-ON-MONTH USED CAR RETAIL PRICE GROWTH: NOVEMBER

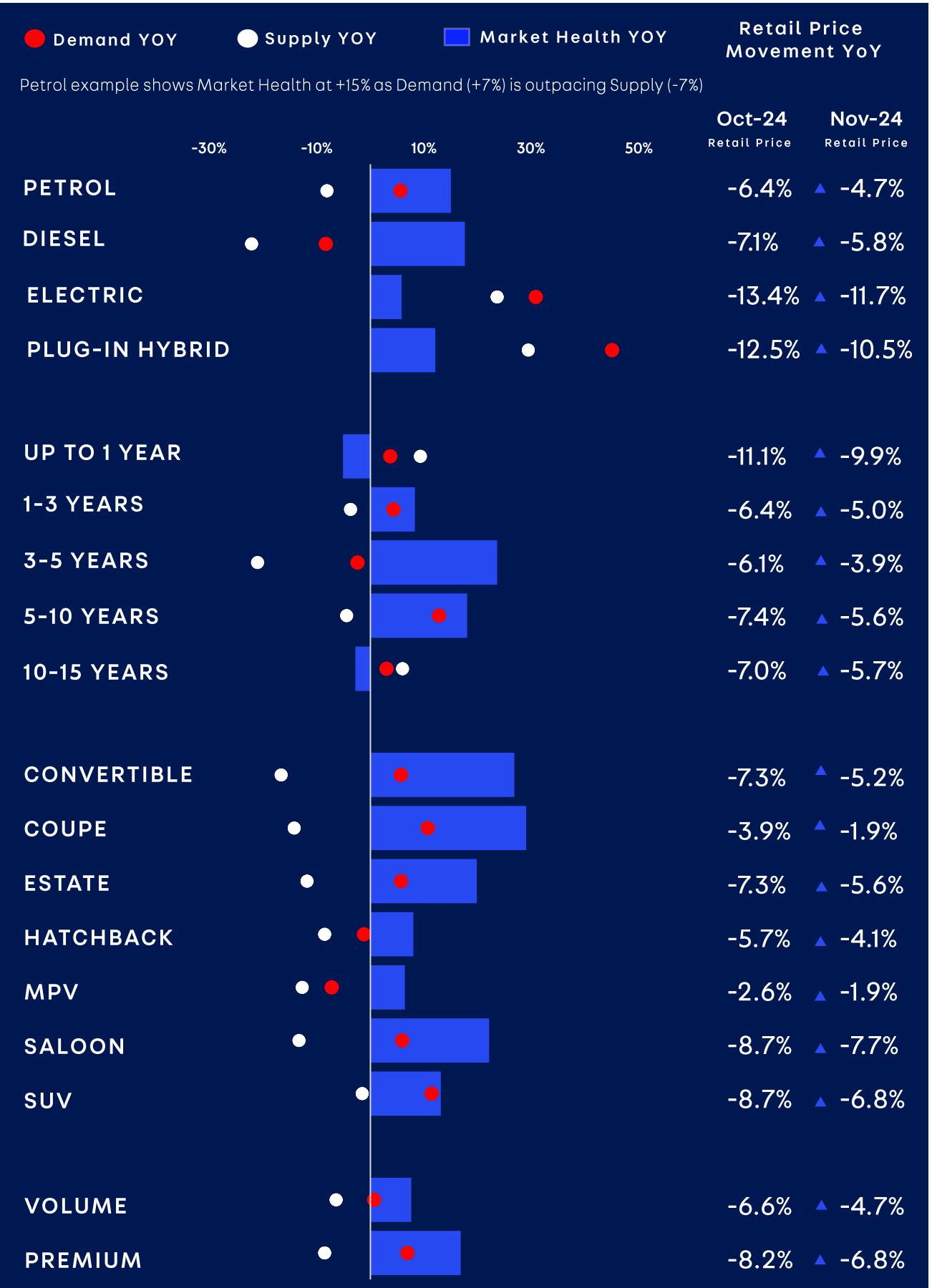
Like-for-Like Basis



Retail price observations. Year on year like-for-like pricing. Removes the impact of stock mix shift to reflect true value adjustments

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.



In focus this month

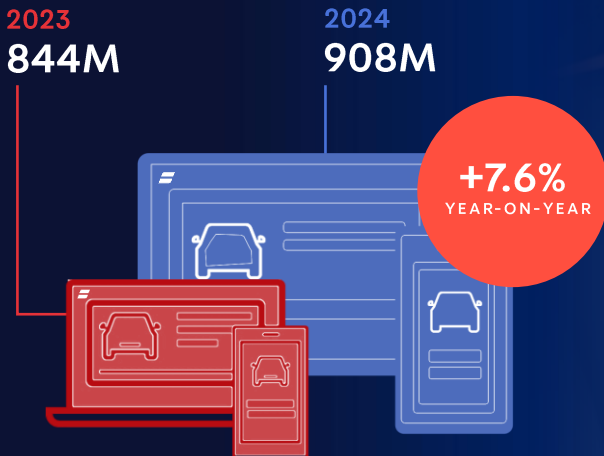
2024: A year in rear-view

2024

1 Strong consumer demand

In 2024, the consumer side fundamentals have been strong as car ownership remained a priority. As a result, site visits on Auto Trader were up 8% year-on-year.

AUTO TRADER SITE VISITS January to November (millions)



-18

Consumer confidence (GfK)
+6ppts vs. Nov-23

91%

Auto Trader consumers feel at least as confident in their ability to afford their next car as last year (n=3,664)

74%

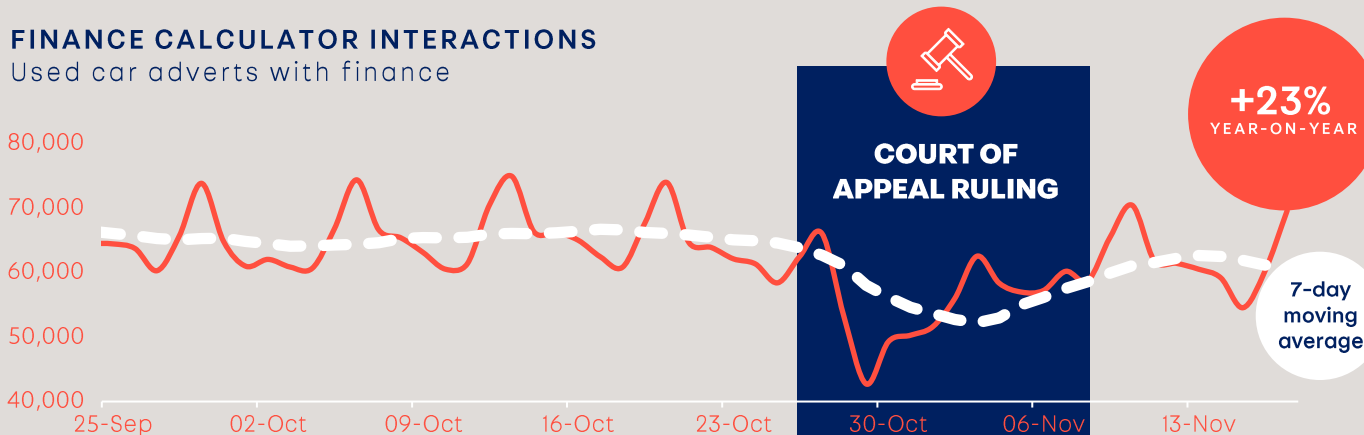
Auto Trader consumers looking to purchase a car in the next 6 months (n=6,517)

2 Finance commission uncertainty

One of the big events in 2024 was the ruling on finance commission disclosures, which led to many lenders temporarily withdrawing finance offers to consumers. In the days after the announcement, businesses responded rapidly and consumer interactions with finance quickly returned to normal. The market awaits the Supreme Court ruling for next steps.

FINANCE CALCULATOR INTERACTIONS

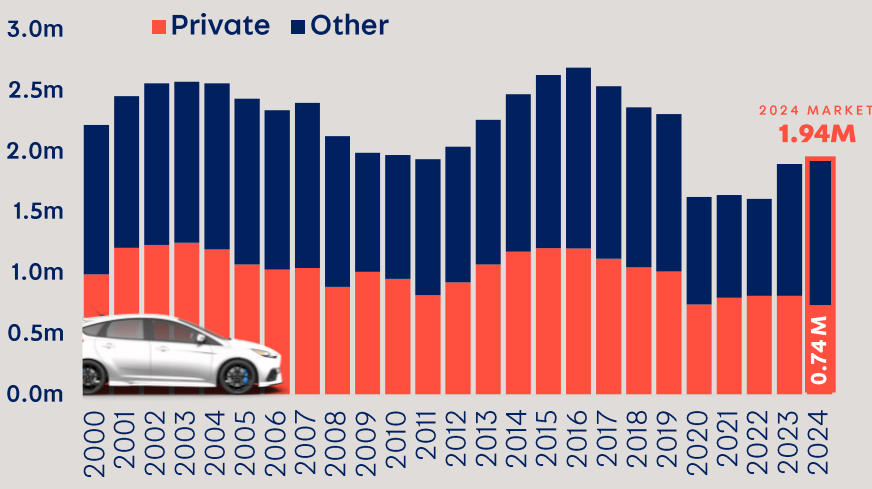
Used car adverts with finance



3 THE NEW CAR CHALLENGE

In 2024, total sales to private buyers are on track to be the lowest on record in over 20 years as high interest rates and increasing costs weakened demand.

NEW CAR REGISTRATIONS
SMMT 2000-2023, Auto Trader forecast 2024



76%
Of all new cars discounted (+8ppts vs. 2023)

8.8%
Average discount on new car RRP 2024 year-to-date

17
Brands considered - declining brand loyalty

22%
ZEV mandate target

Growing focus on the EV transition meant actions to stimulate overall private demand were amplified for new EVs in the first year of the ZEV mandate. Recently launched EV models continued to win consumer interest as older models struggled to sustain relevance.

11.1%
Average discount on EVs YTD (+4.3ppts YoY)

16.4%
EV share of new car leads YTD (+4.1ppts YoY)

NEW EV ADVERT VIEWS January - November

- Models launched before 2023
- Models launched in 2023
- Models launched in 2024



4 ROBUST USED CAR MARKET

The used car market experienced consistent growth driven by strong market dynamics, with faster stock turn and used car transactions expected to grow 5%. Prices of used cars began to recover, although 37% of stock was underpriced.

30

Average stock turn days - 2 days faster YoY

+10%

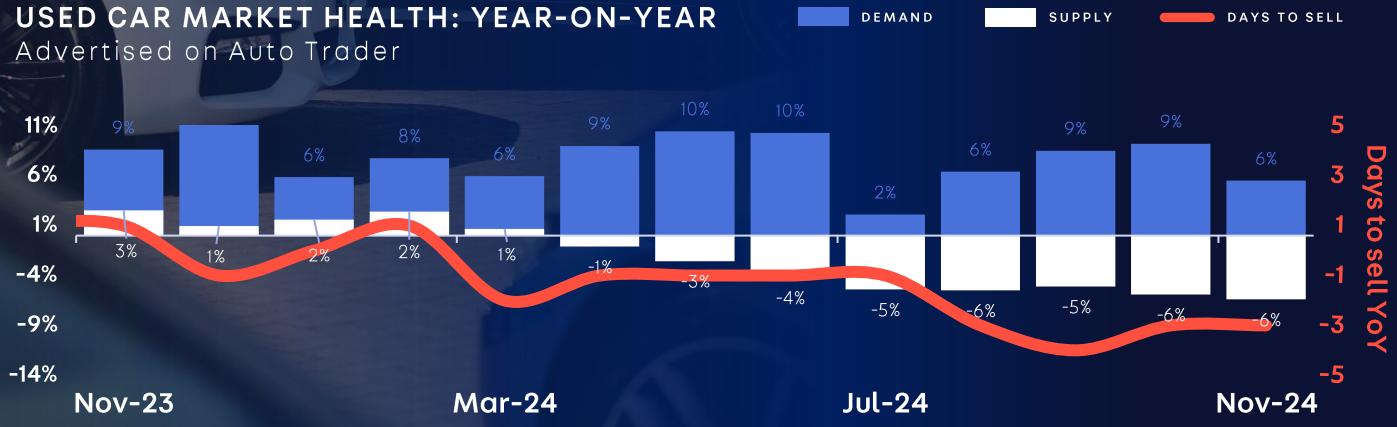
Year-on-year Market health

+5%

Forecast used car transactions growth vs. 2023

USED CAR MARKET HEALTH: YEAR-ON-YEAR

Advertised on Auto Trader

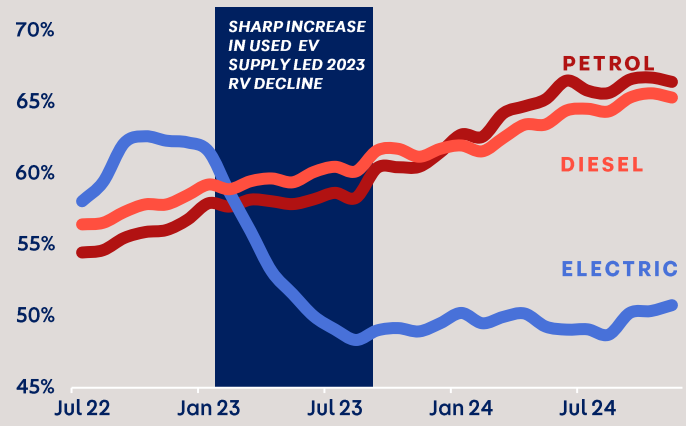


5 BUOYANT USED EV DEMAND

By contrast to 2023, stability in used EV residual values provided confidence for buyers and retailers alike. As a result, 3-5-year-old EVs were the fastest selling vehicle segment in 2024, having reached parity with ICE counterparts.

USED CAR RESIDUAL VALUES (% of RRP)

Based on 3-year-old vehicles



NOVEMBER YEAR-TO-DATE

+55%

Demand year-on-year increase

+62%

Growth in sales vs. 2023

-16%

Retail price year-on-year growth (+1.5ppts)

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