

# Monthly Market Intelligence

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

MARCH 2023

 AutoTrader

# A positive first quarter with used car pricing beating seasonal trends

## NEW CAR REGISTRATIONS

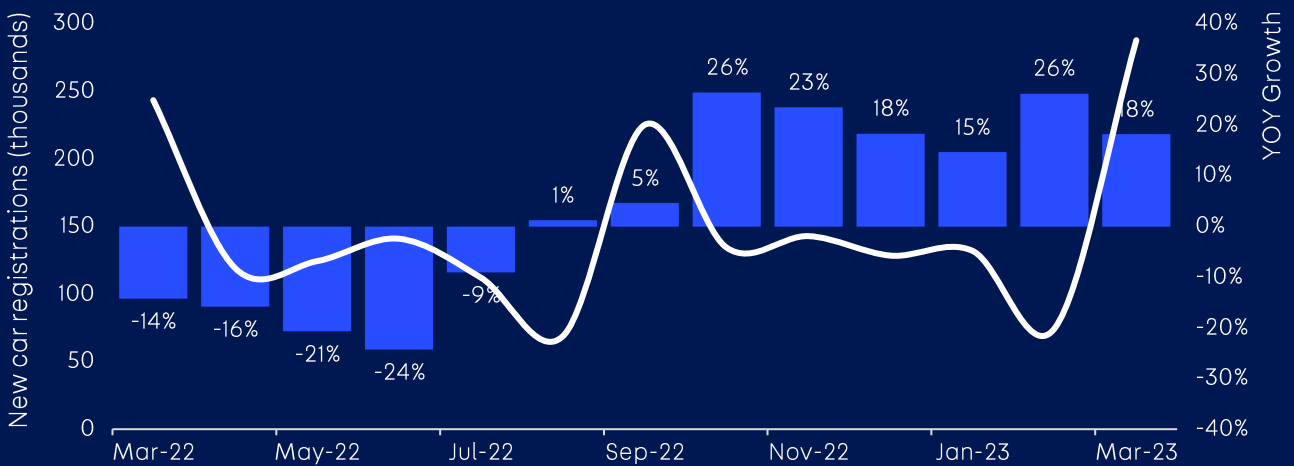
For the eighth consecutive month, new car registrations increased over the previous year, growing 18% in the latest plate change month as fleets continued to drive the new car market recovery. The retail market grew 1.4%, and EVs reached a record monthly high of 46,626 registrations.

# 287,825

NEW CAR REGs. (SMMT)

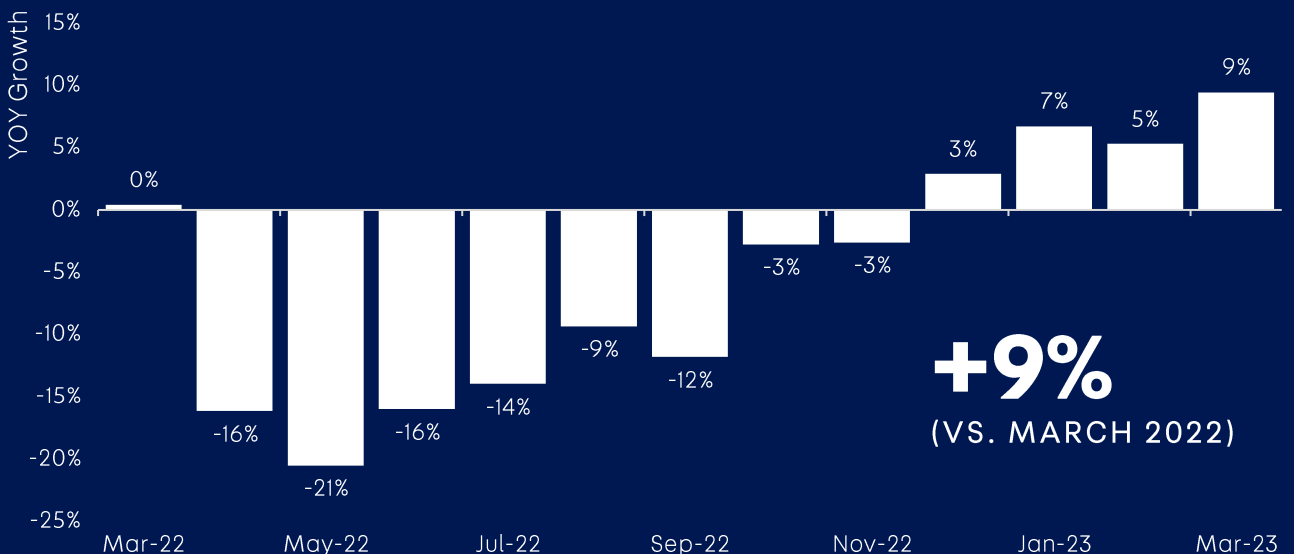
# +18%

(VS. MARCH 2022)



## AUTO TRADER PROXY USED CARS SOLD (YEAR-ON-YEAR)

Used car sales showed continued improvement in March, increasing 9% year-on-year based on the stock removed from Auto Trader. It means sales in Q1 were around 7% ahead of last year, but nearly 5% below pre-pandemic levels as supply constraints restrict greater sales volumes, especially of younger cars.



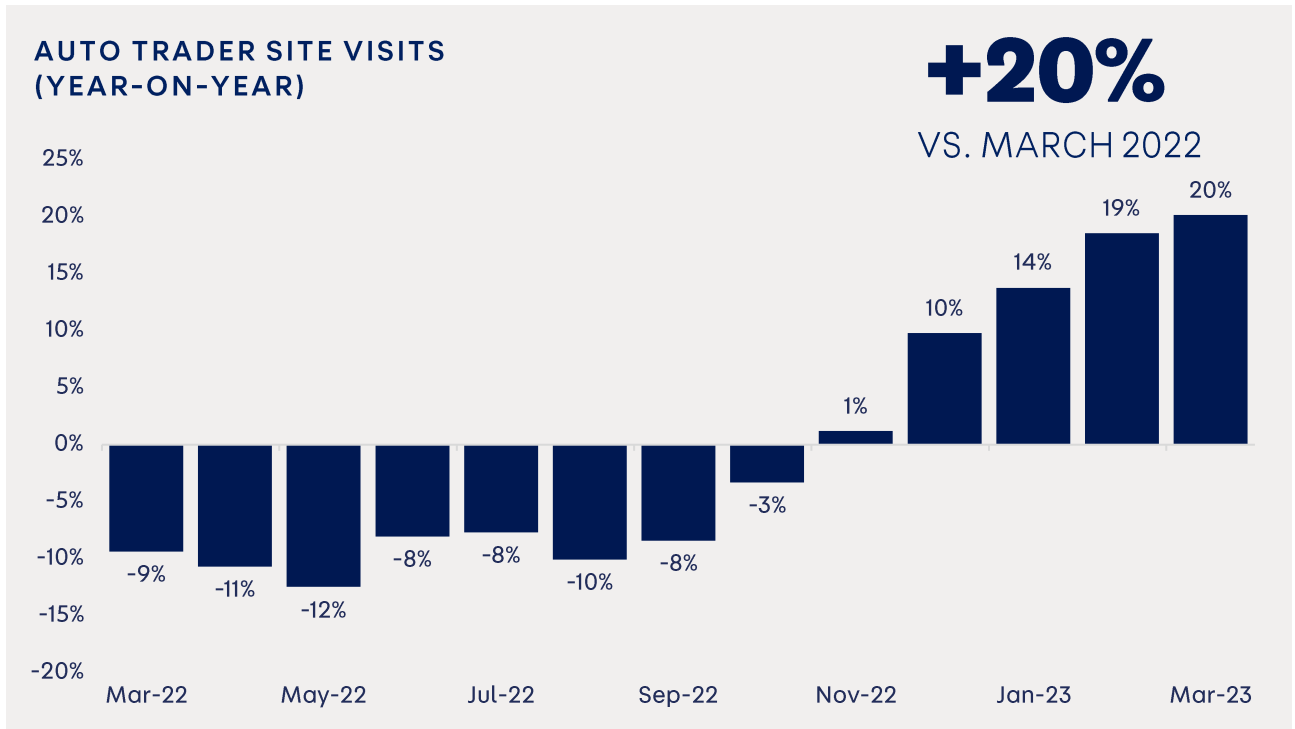
# +9%

(VS. MARCH 2022)

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.

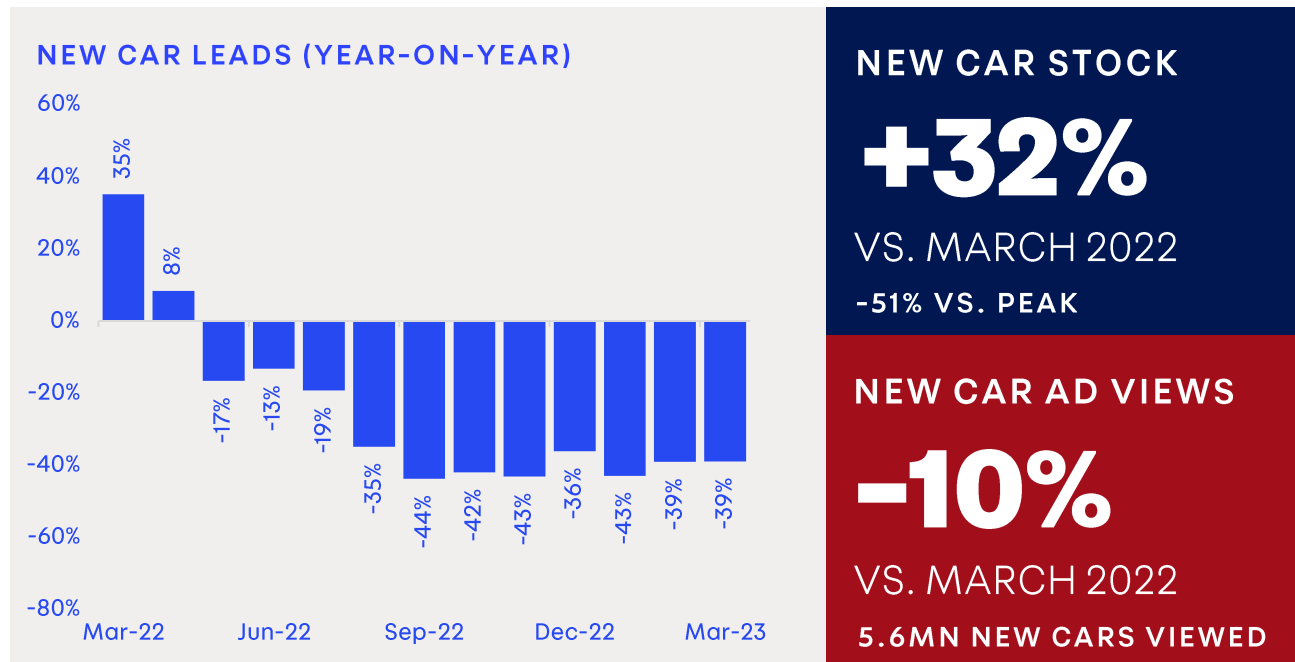
## AUTO TRADER AUDIENCE

The first quarter of 2023 ended with 238 million site visits to Auto Trader, or 31 visits every second by car, van and bike buyers in the UK. It represents a 17% uplift on the previous year as demand – especially for used cars – continues to pick up, providing encouragement for the rest of the year and confidence that the market will be healthy.



## NEW CAR: ENGAGEMENT & CONVERSION

New car leads jumped 22% from February to March as people enquired about the latest plate-change, but volumes were below last year's strong levels. Despite the impact of rising interest rates, over 5.6 million new cars were viewed in March, showing good levels of activity in the month.

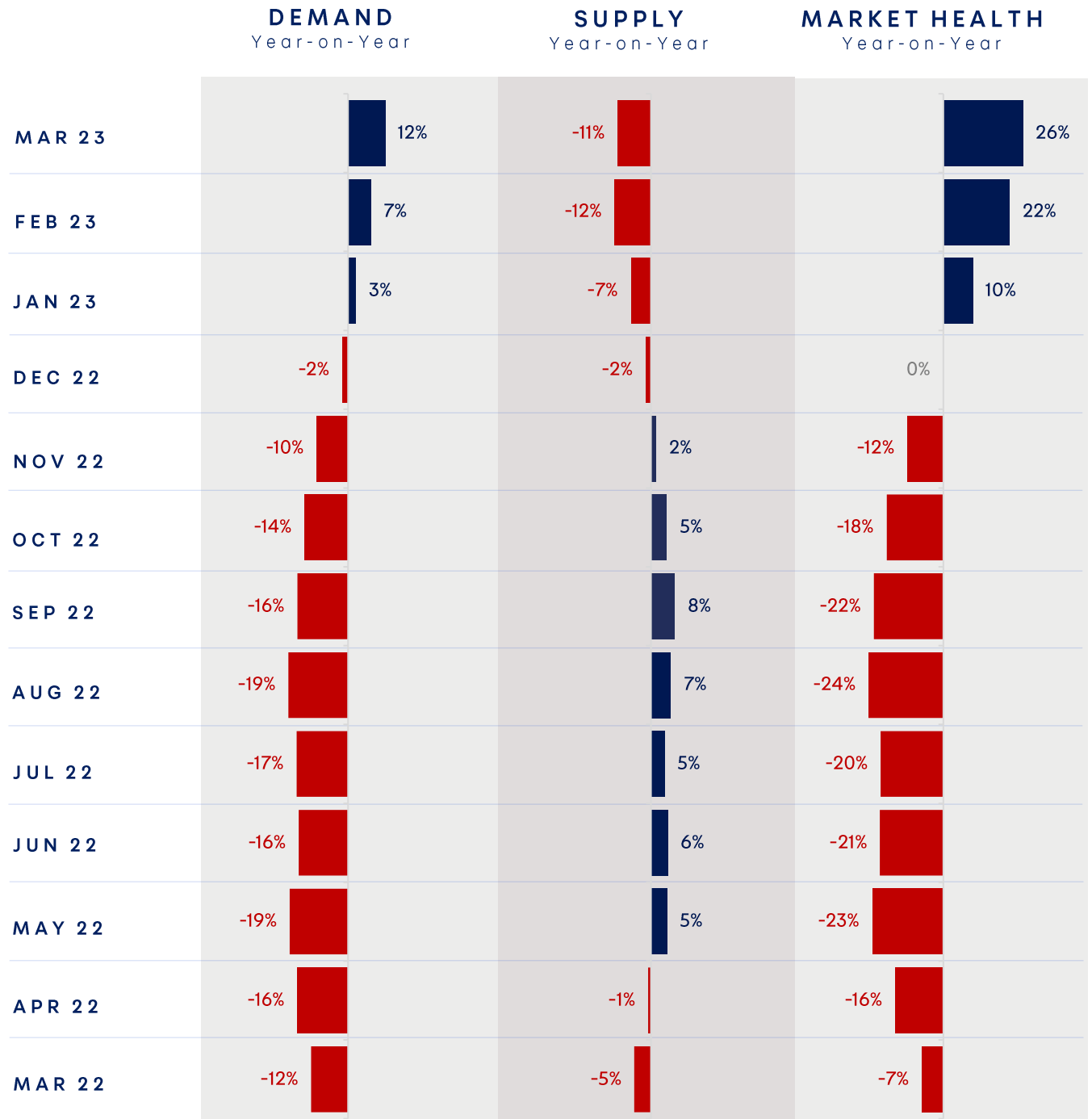


# USED CAR MARKET HEALTH

With supply of used cars falling and demand increasing, the Auto Trader market health metric was **26% higher** than the previous year in March. Most of the tightening in supply can be attributed to younger cars (see page 6), which has led to used cars selling every 26 days: 2 days faster than last year and 3 days faster than 2019 levels.



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

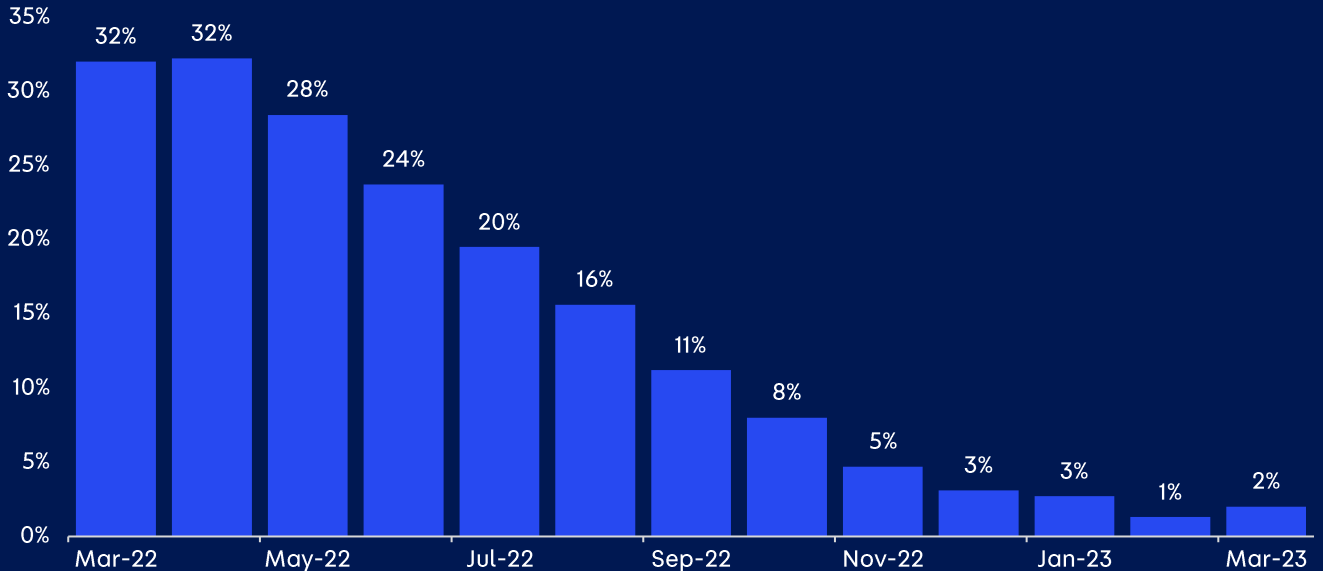


# USED CAR RETAIL PRICE GROWTH

In March, used car retail prices increased by 2% on a year-on-year and like-for-like basis, marking 36 consecutive months of growth and taking the average retail price of a used car to £17,712. Used EV prices continued to decline as supply returns to the market and outpaces demand, but as demonstrated in this month's focus area, it means the used EV segment is quickly becoming a buyer's market with more affordable stock.

## YEAR-ON-YEAR USED CAR RETAIL PRICE GROWTH

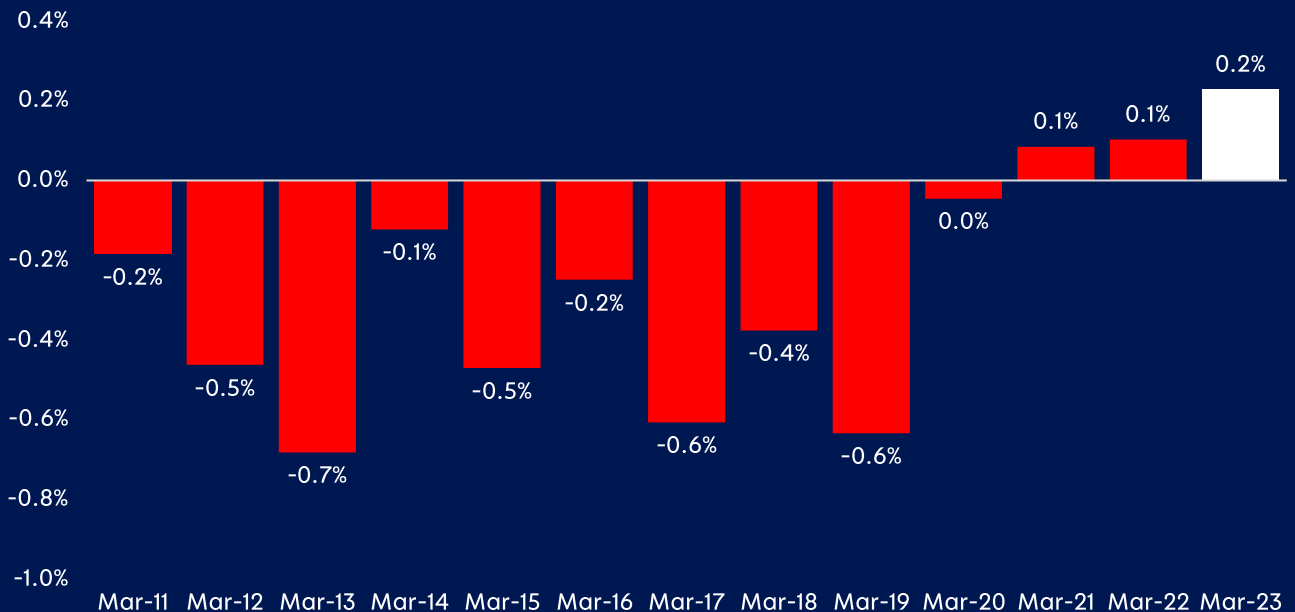
Like-for-Like Basis



On a month-on-month basis, used car prices increased by 0.2%, the largest March movement on record. This latest price change also beat seasonal trends as prices typically fell in pre-pandemic months of March. Limited supply and healthy levels of demand can be attributed to this recent uplift in pricing.

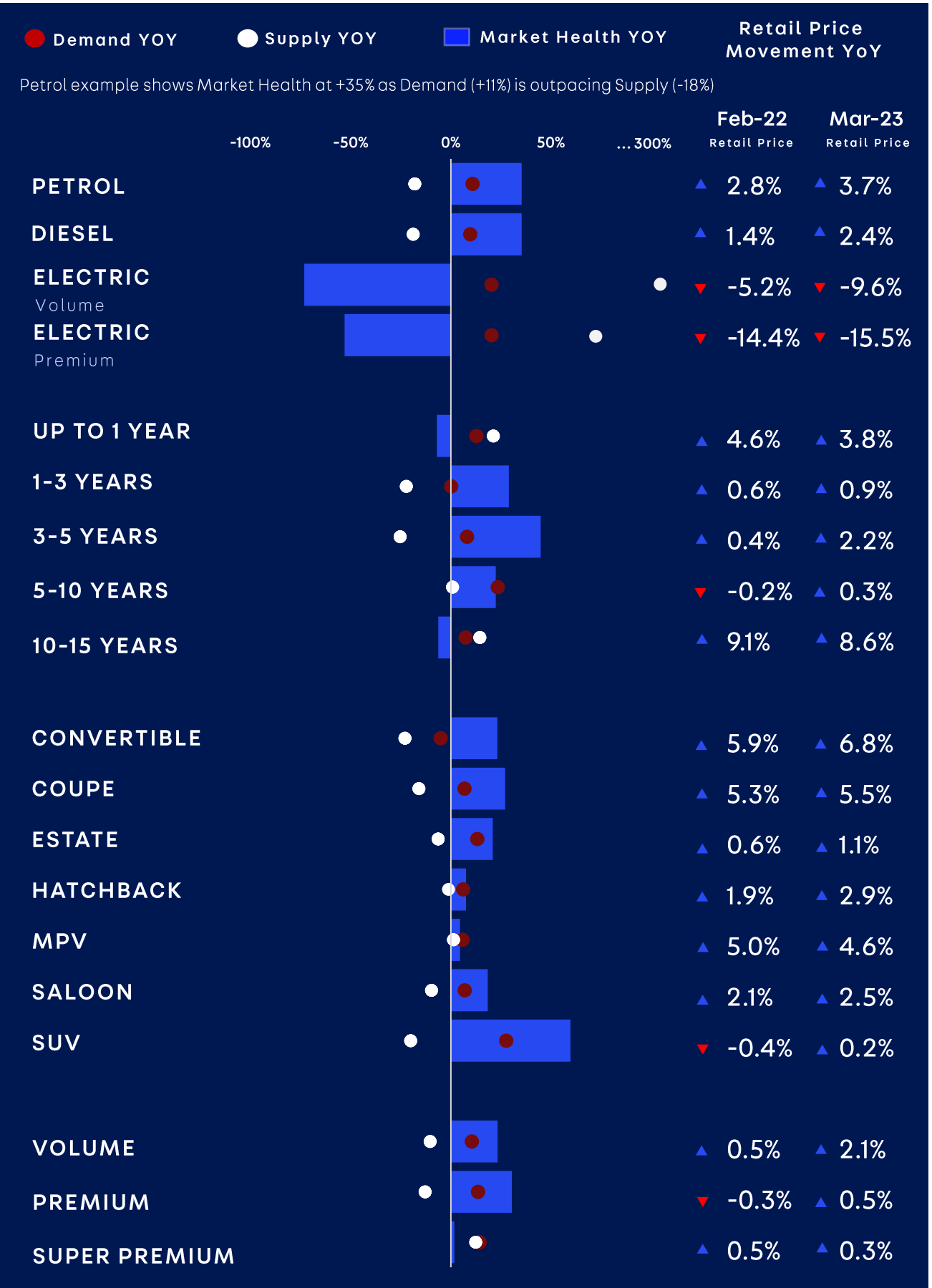
## MONTH-ON-MONTH USED CAR RETAIL PRICE GROWTH: MARCH

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.



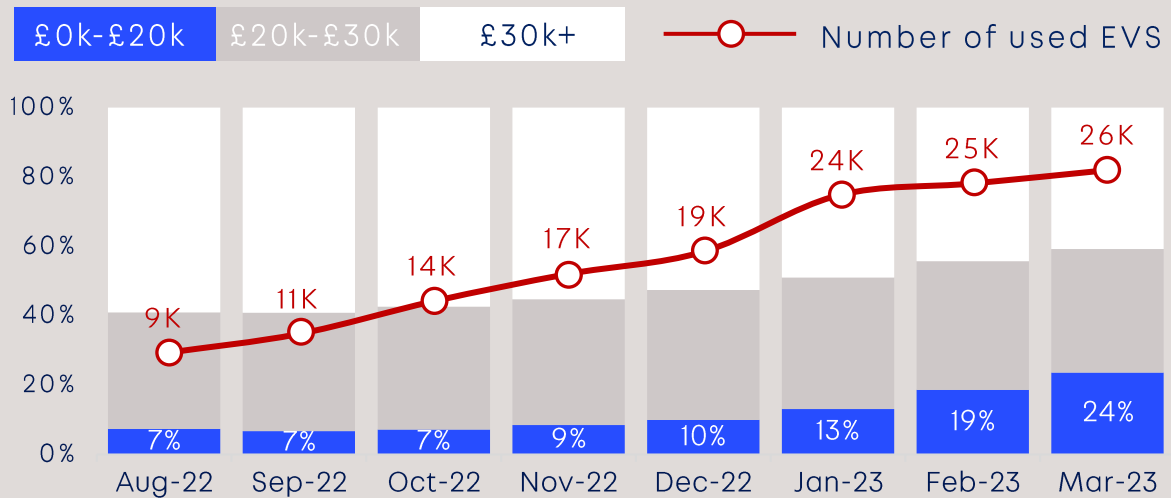
In focus this month

# A buyer's market for used EVs

Affordable used EVs are for the first time emerging in the market as a result of the recent price reductions. Nearly 1 in 4 used EVs are now under £20k, up from just 7% in August.

## USED EV STOCK BY PRICE BAND

Advertised on Auto Trader



In most cases the upfront cost is still higher after three years, but the gap has closed considerably.

## EV VS. ICE PRICES AFTER 3 YEARS

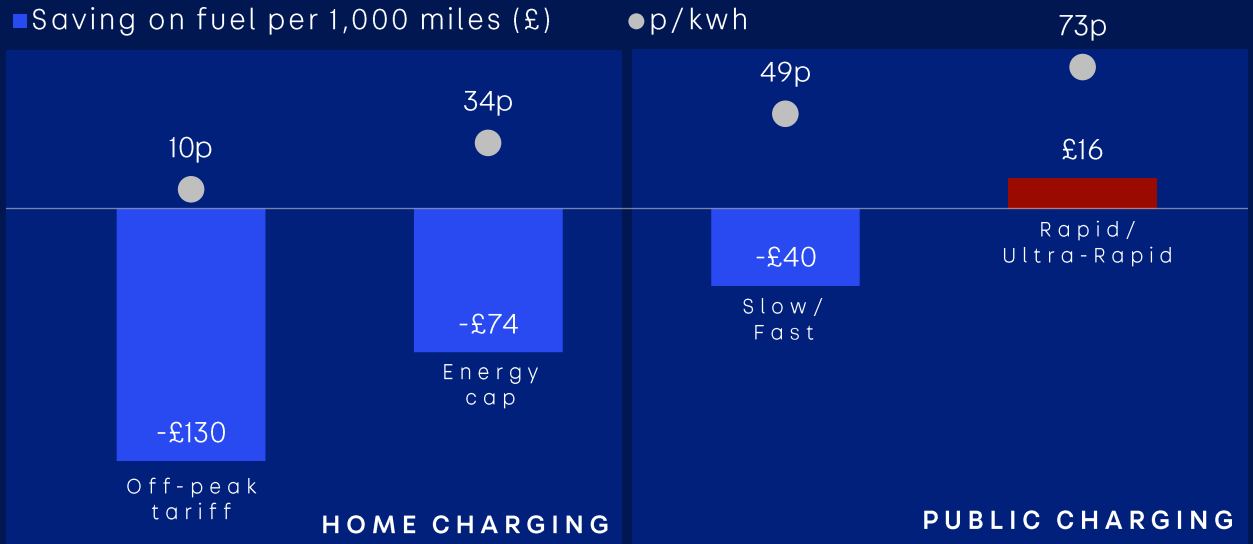
Advertised on Auto Trader (3 years old). Median Price.



# There are running cost benefits as consumers with a home charger can save up to £130 per thousand miles on fuel.

## SAVING PER 1K MILES ON FUEL

Analysis of 31 EVs vs. comparable ICE vehicles. March 2023.



Gov.co.uk (petrol/diesel average prices). Octopus Energy (Home charger off-peak). Ofgem (Home Charger). ZapMap (Slow/Fast charger average). ZapMap (Rapid/Ultra-Rapid charger average)

# Demand is increasing as more affordable stock enters the market, but supply is growing even faster.

## EV SHARE OF USED CAR MARKET ON AUTO TRADER

0-5 years old.

