



Monthly Market Intelligence

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

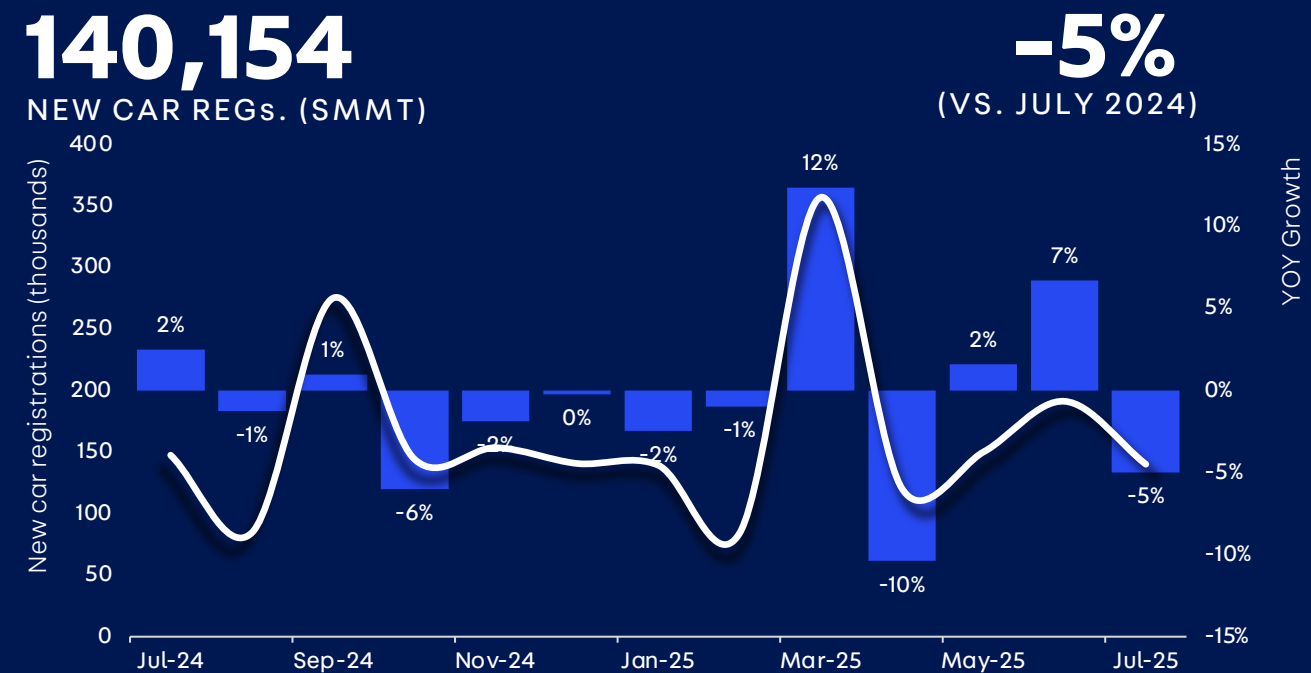
JULY 2025

 Autotrader

EV grant sparks surge in demand as used EVs experience their best performance in months

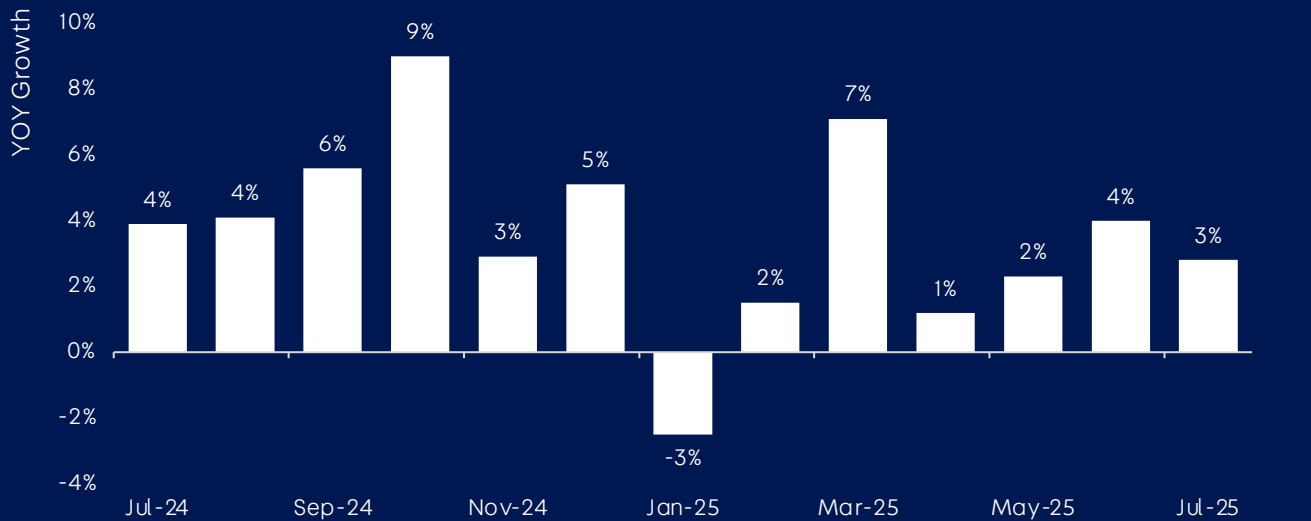
NEW CAR REGISTRATIONS

New car registrations dropped 5% in July, marking the weakest July performance since 2022 as buyers delayed purchases pending confirmation on the Electric Car Grant eligibility. Both fleet and private sectors were affected with registrations falling 7% and 3%, respectively. While EV registrations rose by 9%, they were well below the 35% growth in the first half of the year. Despite the short-term impact on registrations, the spike in consumer demand seen on the platform suggests sellers are expected to benefit from the grant, helping accelerate adoption and support OEMs with hitting their ZEV targets.



USED CAR SALES (YEAR-ON-YEAR)

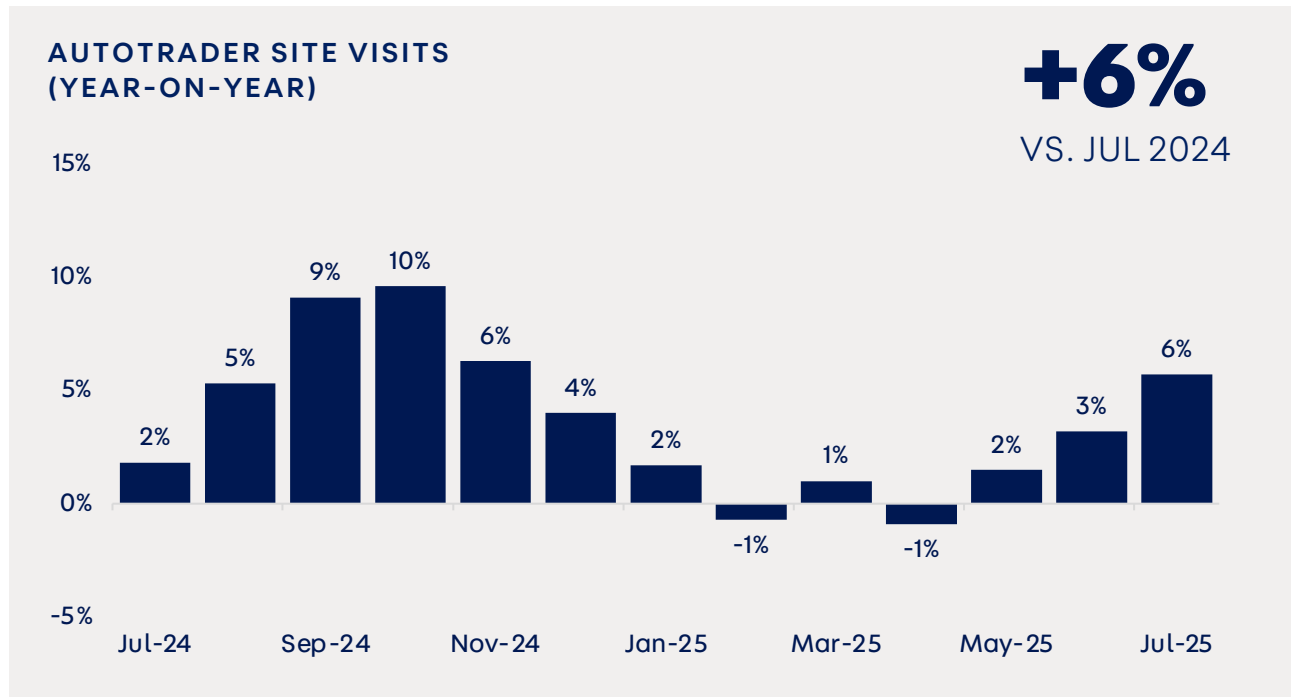
Used car transactions rose by 3% on a year-on-year basis, marking the sixth consecutive monthly increase based on the stock removed from Autotrader in July. Sales on franchise retailer forecourts were flat year-on-year amid ongoing stock challenges, though supply and sales of 1-3-year-old vehicles as well as electric vehicles continued to grow. Independents saw the largest improvement with a 6% increase aided by greater stock availability.



*Data based on vehicles removed from Autotrader. 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.

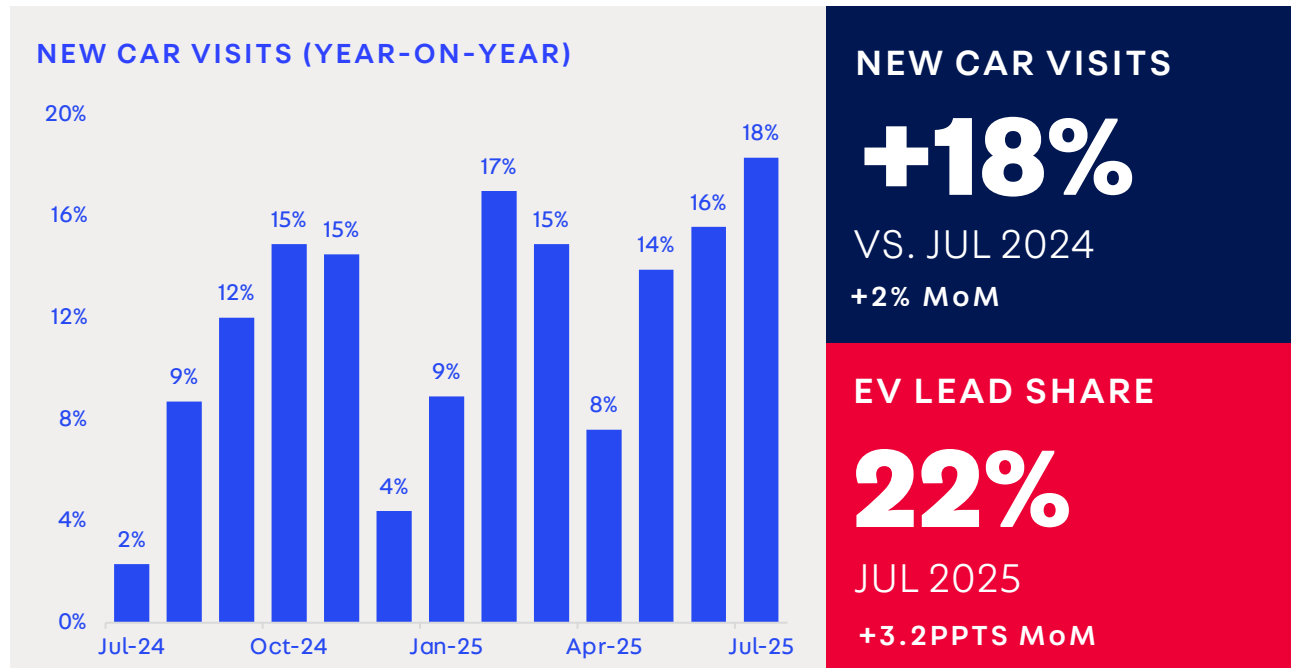
AUTOTRADER AUDIENCE

There were nearly 85 million site visits to Autotrader in July, marking the best July on record and the third month in a row of record-breaking activity. Despite the heat and sunny weather in the early parts of the month - which temporarily impacted car buyer behaviour - site visits were up 6% year-on-year, although growth was aided by the absence of major events in the previous year like the Men’s Euros and general election.



NEW CAR ACTIVITY

New car visits to Autotrader rose 18% in July, partially due to the government launching the new Electric Car Grant which aims to boost private new EV sales. This contributed to new EVs gaining 3 percentage points in lead share, and some manufacturers introducing their own grants to support EV sales. At the same time as the grant, retailers and manufacturers continued to stock up in anticipation of the September plate change to meet buyer demand.



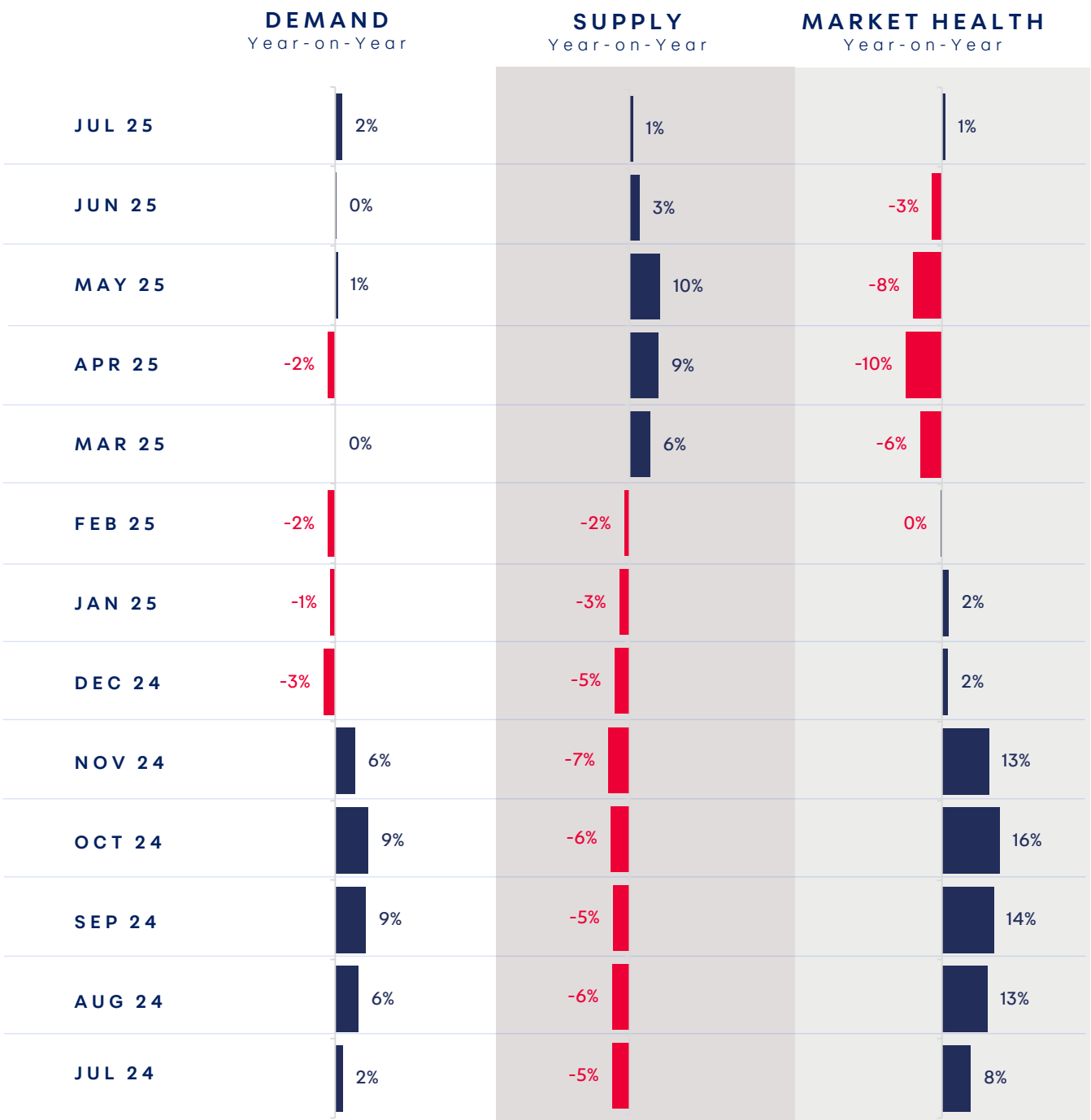
¹Source: Autotrader Consumer Survey Data (n=1,111)

USED CAR MARKET HEALTH

Demand for used cars on Autotrader outpaced supply for the first time since January, resulting in market health rising by 1%. Vehicles continued to turn quickly, selling on average every 29 days - faster than the previous 3 years. Up-to-1-year-old vehicles returned to positive market health and are turning at a pace equal or better than the previous 2 years. Strong demand for used electric cars translated into faster stock turn on forecourts, with EVs outselling petrol cars in speed of sale for the first time since January.



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



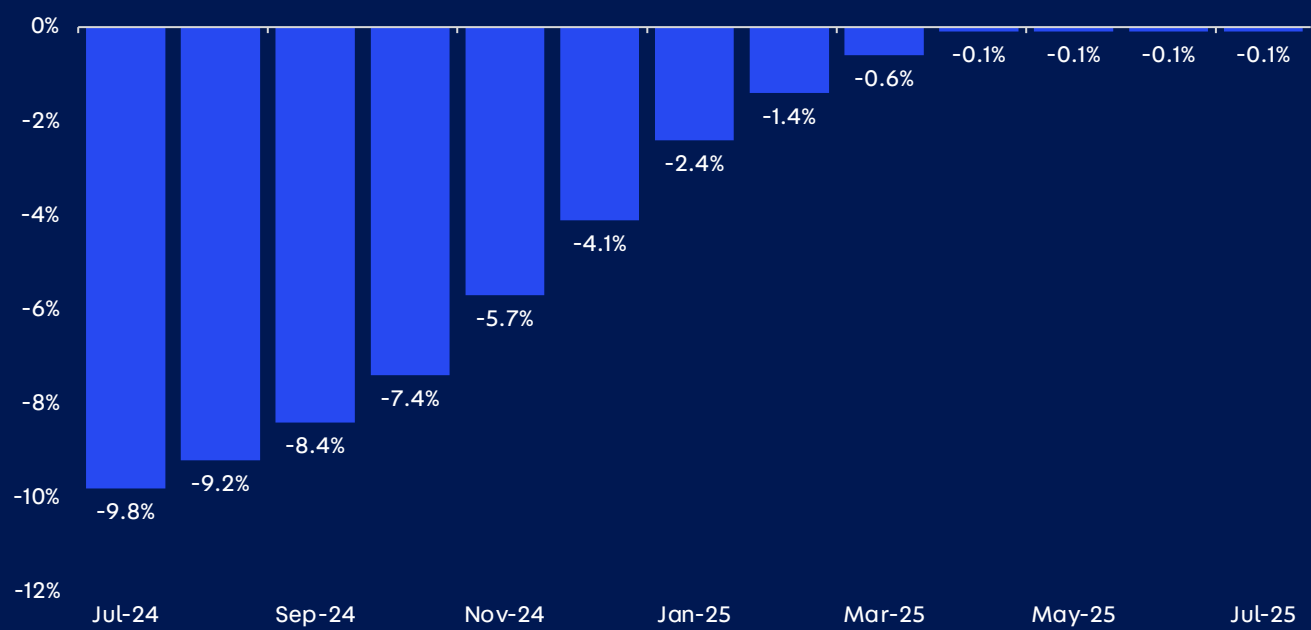
¹The increase in supply partly reflects a promotional campaign resulting in more vehicles being advertised on Autotrader

USED CAR RETAIL PRICE GROWTH

Used car retail prices recorded a fourth consecutive month of flat year-on-year growth, but whilst overall prices have stabilised, they remain below the levels seen before last year’s dip. Vehicle segments with the strongest market dynamics saw year-on-year price growth, with 10-15-year-old cars up 5%. In contrast, segments where supply outpaces demand, such as those under 1-year-old, declined by -2%, although values are trending upward as availability returns. Similarly, prices of electric and plug-in hybrid vehicles were back by -6% and -4% respectively, but the general trend for both is improving over time.

YEAR-ON-YEAR USED CAR RETAIL PRICE GROWTH

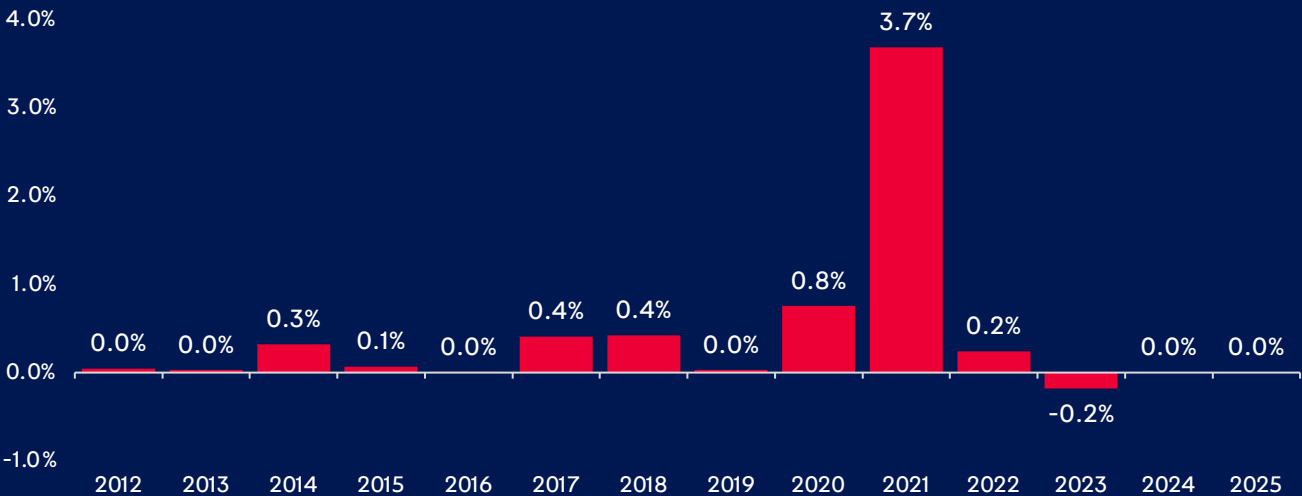
Like-for-Like Basis



On a month-on-month basis, used car retail prices held steady, aligning with pre-pandemic trends where values typically remain flat or show modest increases. Most fuel types followed a similar pattern, with prices of petrol cars edging up by 0.1%, and despite the launch of the grant, EVs saw a 0.4% rise after several months of decline as strong demand for affordable EVs translated into higher values.

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

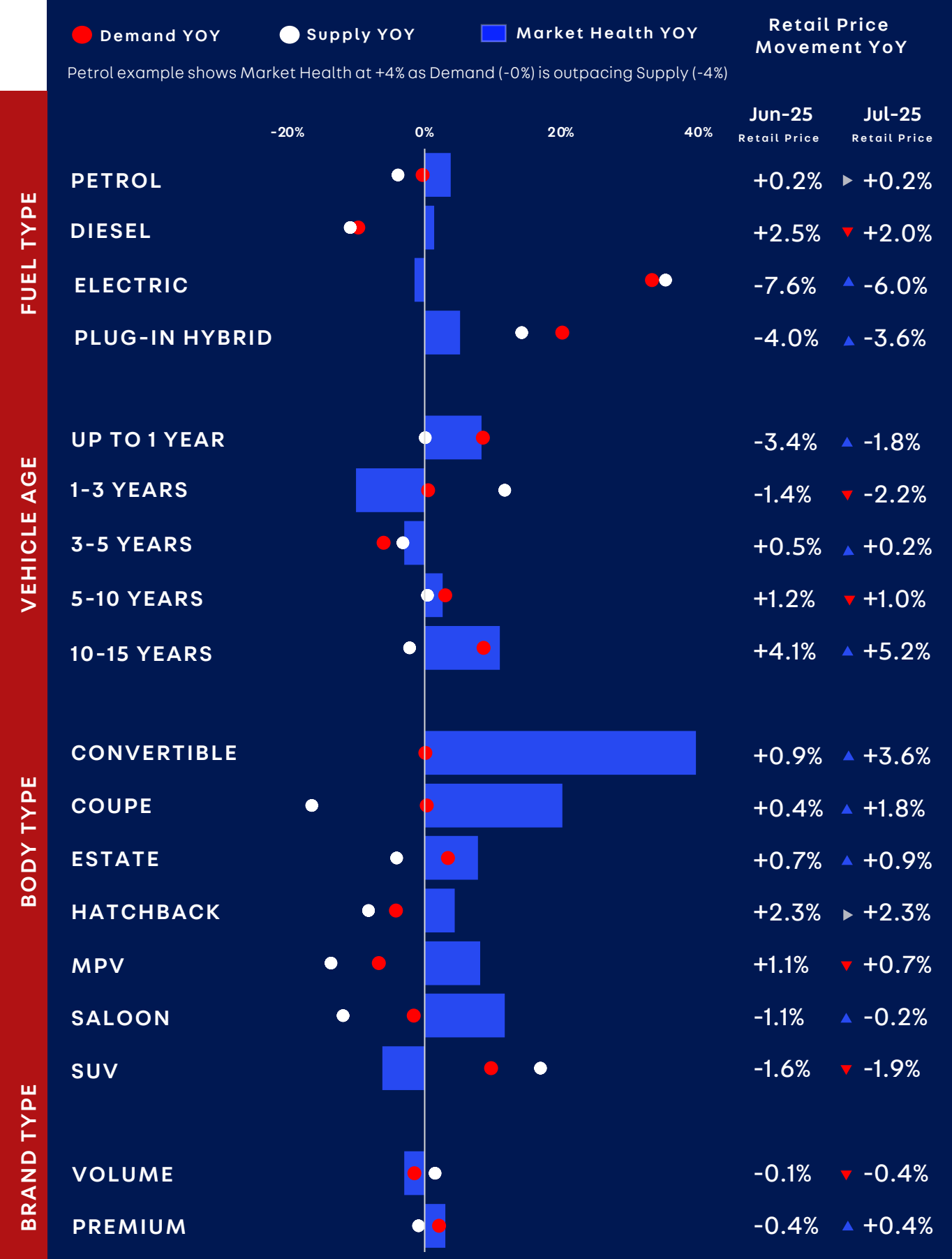
Like-for-Like Basis



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

What was the early impact of the Electric Car Grant?

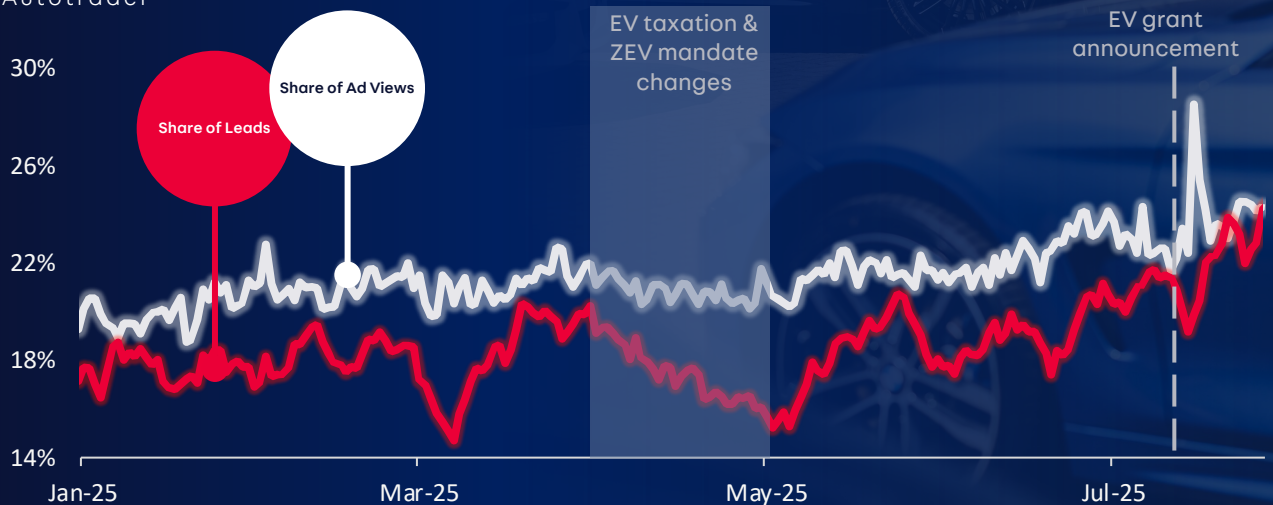
The announcement of the government's new Electric Car Grant had an immediate impact, driving a sharp increase in consumer demand for new EVs – a welcome boost after recent tax and mandate changes had slowed the momentum of EV adoption.

The volume of new car enquiries sent to retailers increased by 19% following the announcement while this increased by 40% for EVs, highlighting that demand is from buyers new to the market rather than substitution between buyers of different fuel types.

For EVs under £37k, the volume of enquiries rose 48% - driving the overall growth.

EV SHARE OF NEW CAR MARKET











Autotrader



The announcement boosted average daily views of new EVs by 12k. Models under £37k were among those benefitting from the demand uplift and could expect higher sales once vehicle grants become available. Leapmotor's C10 saw staggering gains driven by the brand's swift response backed by strong PR activity to launch their own "Leap Grant".

MOST ENQUIRED UPON EV MODELS

Following EV grant announcement. 15-30 July 2025

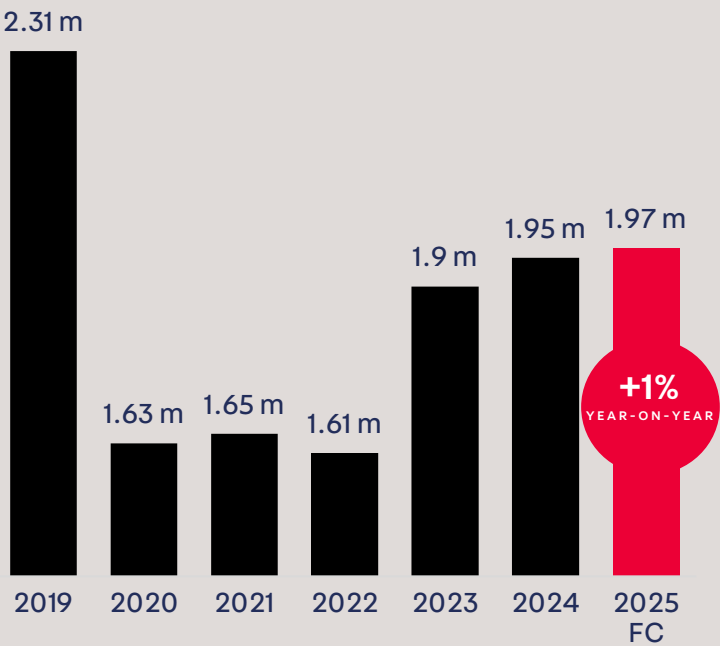
	MODEL	AVERAGE PRICE	SHARE	LEADS GROWTH	CHANGE IN RANK (VS. PRE-ANNOUNCEMENT)
	MG MGS5	£28,495	11%	+43%	-
	Renault 5 E-Tech	£28,445	5%	>100%	+1
	Leapmotor C10	£36,500	4%	>100%	+74
	Skoda Elroq	£38,090	4%	>100%	+6
	Volkswagen ID. Buzz	£64,391	3%	+12%	-3
	Hyundai INSTER	£23,585	3%	>100%	+6
	MG MG4	£27,295	3%	+70%	+2
	Alpine A290	£37,820	3%	+12%	-4
	BMW i4	£55,855	3%	+18%	-2
	OMODA E5	£29,570	2%	>100%	+24

We therefore expect the EV grant to have a positive impact on new car registrations, although in the short term consumers are delaying their purchases while they wait for the grant to become available through retailers.

The EV share of registrations is currently expected to be 24%¹, however the full-scale impact of the grant is yet to be determined.



NEW CAR REGISTRATIONS
2019-24 SMMT and 2025 Autotrader Forecast



¹Source: SMMT new car registrations outlook

TOTAL MARKET



EV MARKET



The grant has had little impact on the used car market, with demand for used EVs remaining strong. In July, EVs were the fastest-selling fuel type and saw the highest price gains, reflecting the market’s maturity and resilience.

Any potential price pressure may affect younger EVs as the grant narrows the price gap between new and used models, with competitive new car finance offers enhancing their appeal.

So far, the grant has not driven down used EV prices. In fact, prices outperformed the market in July, led by strong demand for 3-5-year-old EVs.

For further updates on how the grant impacts the market, keep up to date in our various insight forums.

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 Autotrader Insight