



Monthly Market Intelligence

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

DECEMBER 2022

 AutoTrader

2022 ends in a robust position with healthy used car activity and prices following seasonal trends

NEW CAR REGISTRATIONS

December's new car registrations beat prior year by 18% with battery electric vehicles outselling petrol and achieving the largest monthly share (32.9%) and volume (42,284) on record. Full year sales volume fell short of last year by 2% with supply heavily impacting sales, and the market remains significantly behind 2019.

128,462

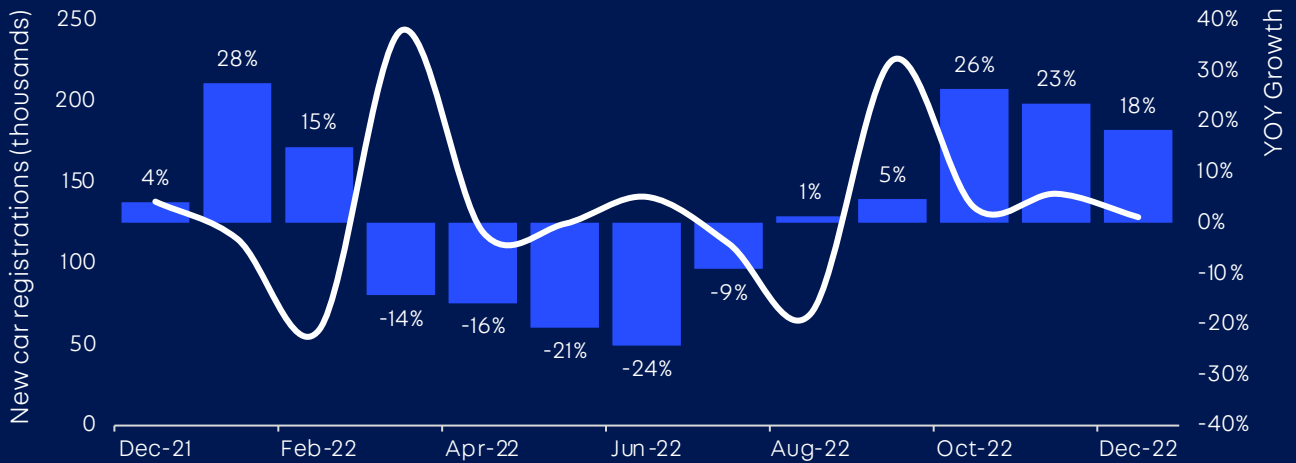
NEW CAR REGs. (SMMT)

+18%

(VS. DECEMBER 2021)

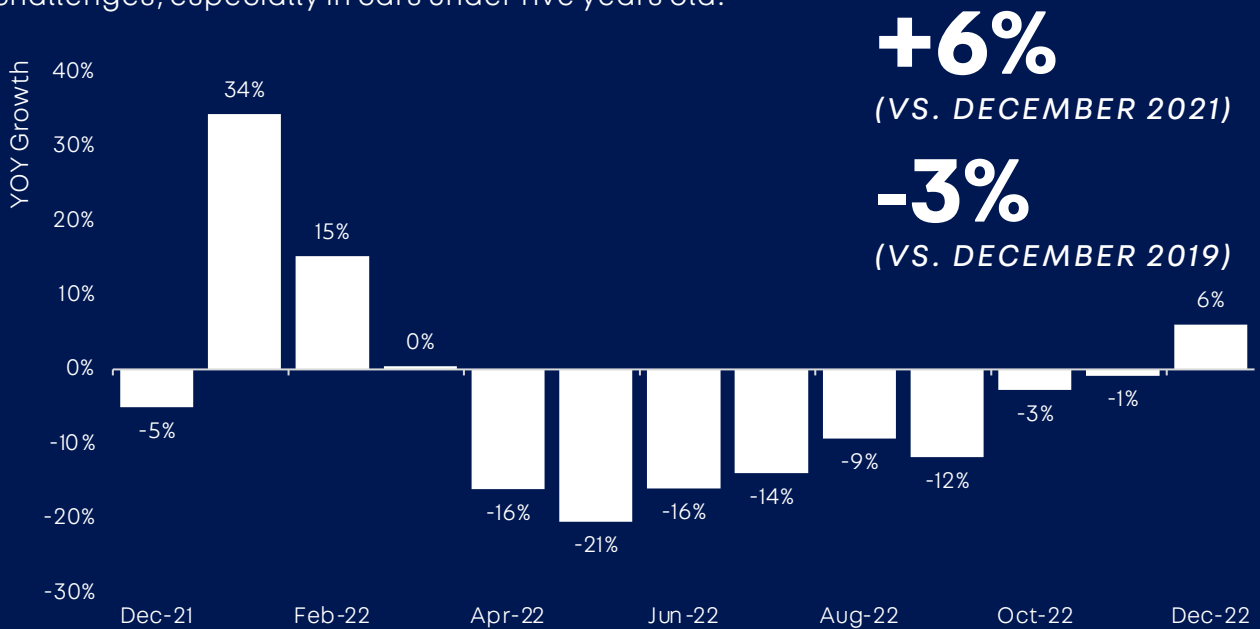
-14%

(VS. DECEMBER 2019)



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

Sales of used cars beat 2021 figures based on the stock removed from Auto Trader in December. However, volumes remain slightly below pre-pandemic levels due to supply challenges, especially in cars under five years old.



+6%

(VS. DECEMBER 2021)

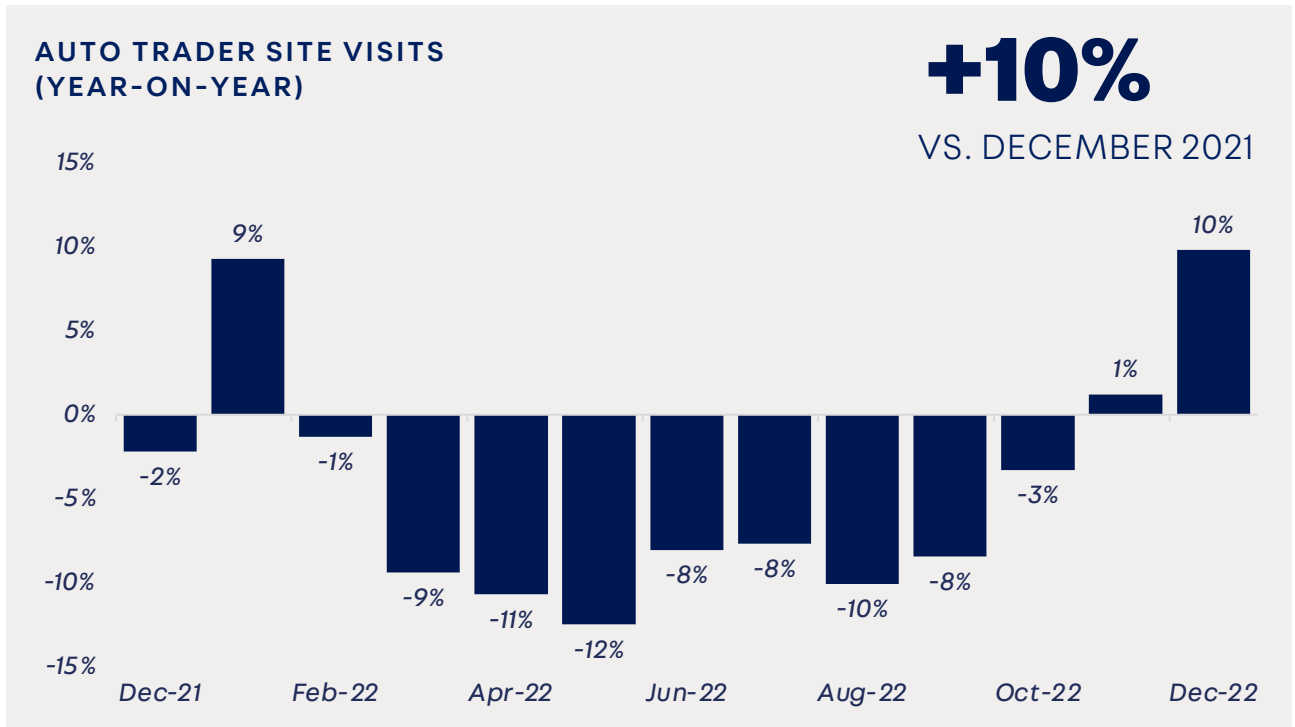
-3%

(VS. DECEMBER 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.

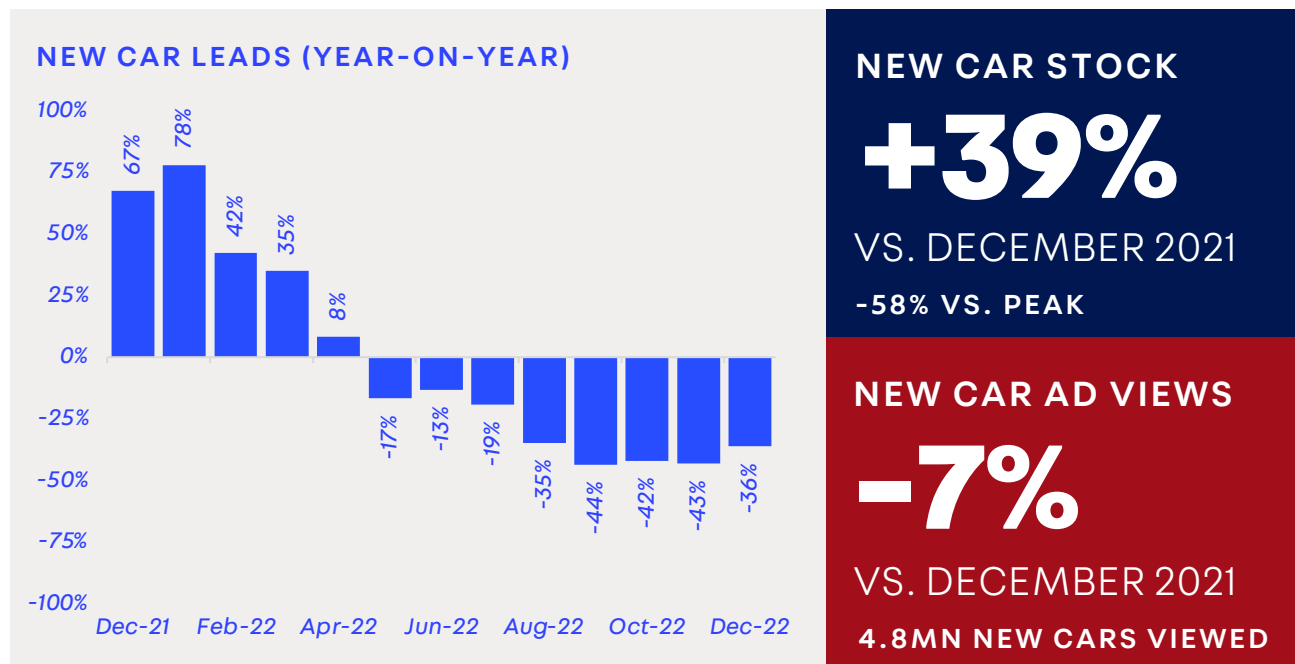
AUTO TRADER AUDIENCE

A second consecutive month of audience growth versus the end of 2021 once again highlights consumer appetite for cars. Public transport uncertainty, driving test backlogs, and the need to replace cars held longer than anticipated are all fuelling buyer activity. This healthy increase in site traffic provides some reassurance for sellers amid the macro-economic outlook.



NEW CAR: ENGAGEMENT & CONVERSION

Views of new cars were flat versus November's figure, and 7% behind the prior year. Supply is returning to the new car market (+39% year-on-year), but available stock remains well below normal levels. 2022's most viewed fuel type was again petrol, followed by hybrid and then electric, with diesel dropping to fourth.

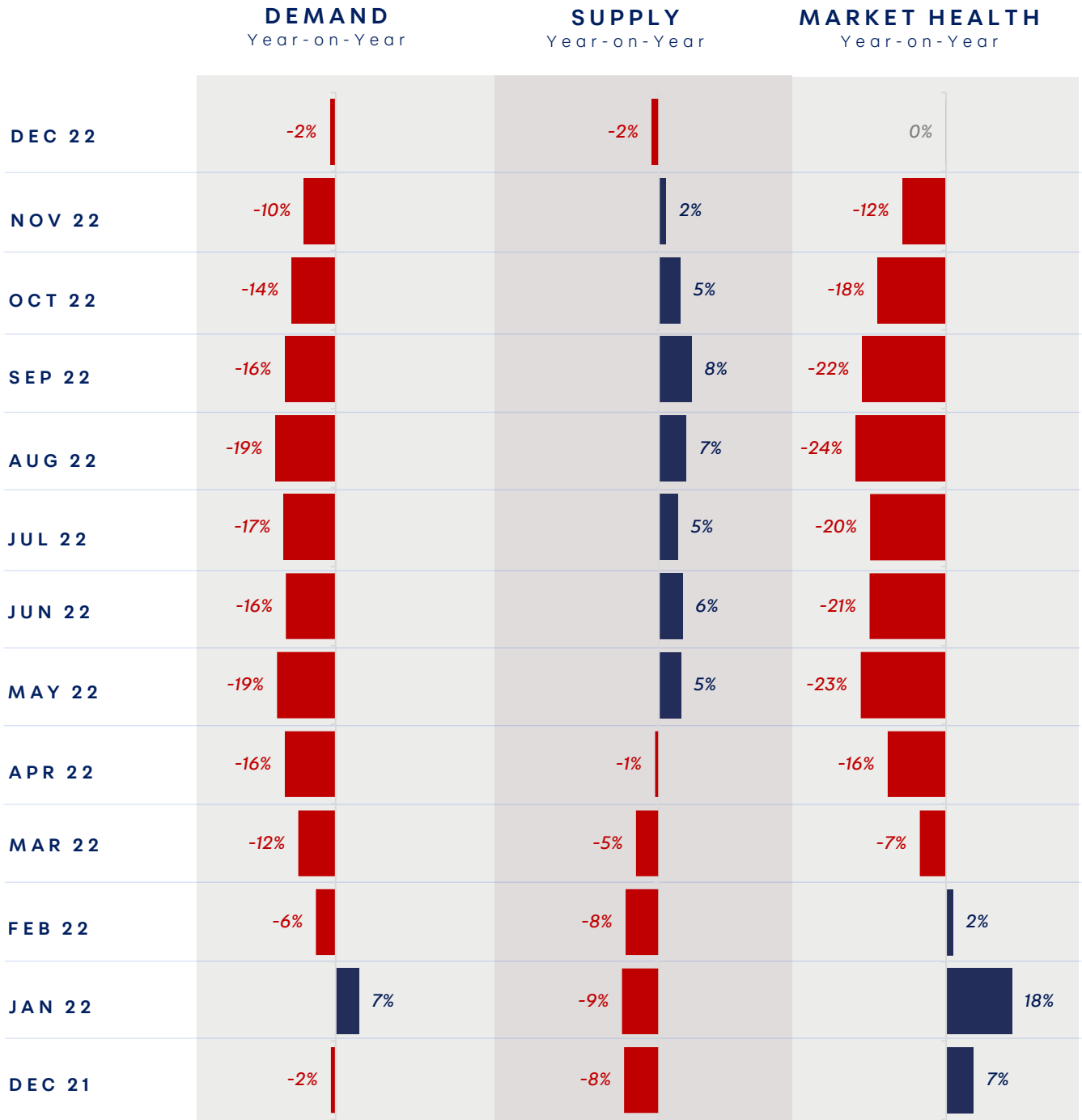


USED CAR MARKET HEALTH

The Auto Trader used car market health metric was flat in December compared to 2021, indicating a much more balanced market with supply and demand changing at the same rate. However, supply remains heavily constrained compared to pre-pandemic levels, with cars also selling one day faster (Dec 22: 34 days/ Dec 21: 35 days).



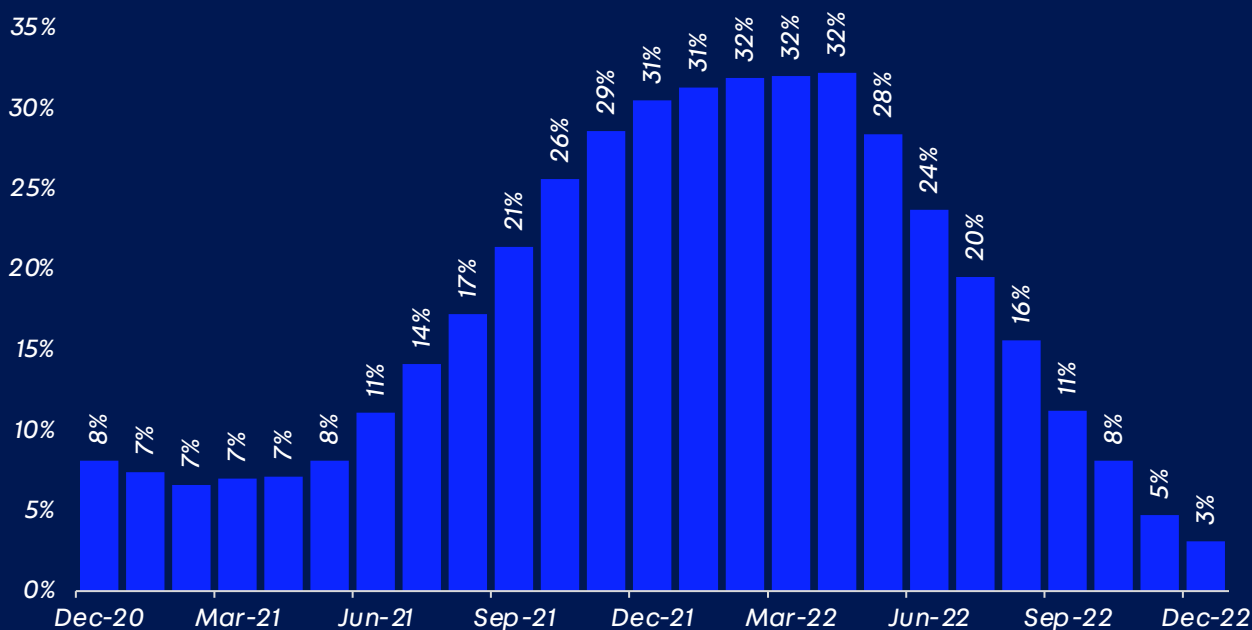
The Market Health metric shows the ratio of supply vs. demand compared to the previous year



Used car retail prices increased by 3.1% on a year-on-year and like-for-like basis, marking 33 consecutive months of growth. At just over £18k, the average price of a used car is at its highest since January last year, again demonstrating the continued strength of the market with supply still constrained.

YEAR-ON-YEAR USED CAR PRICE GROWTH

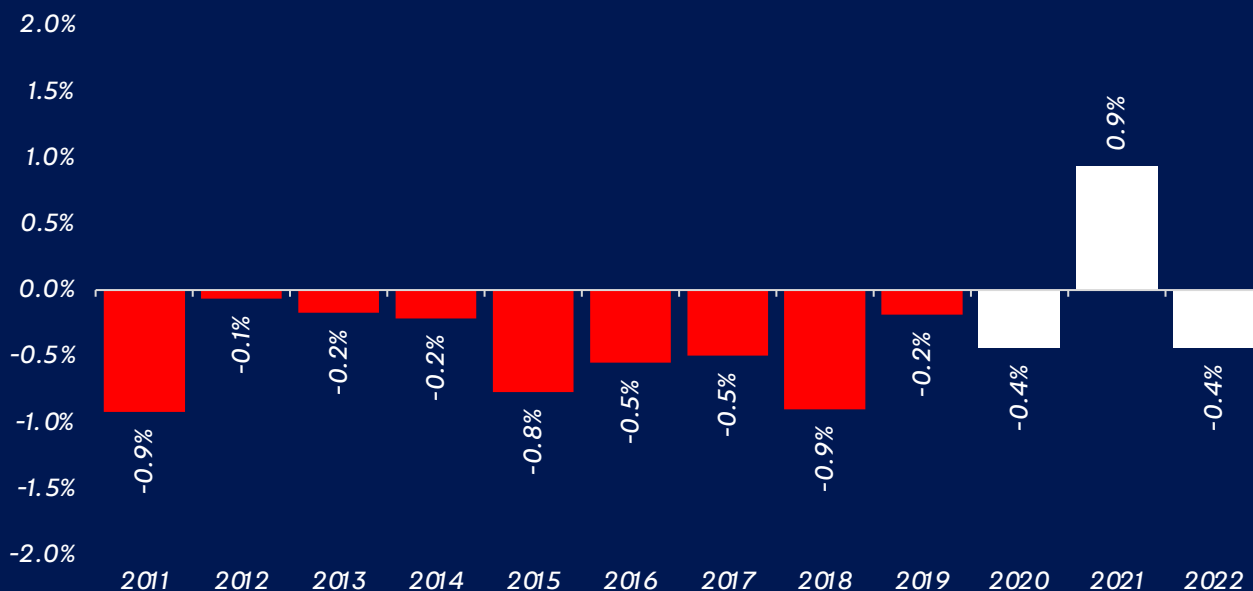
Like-for-Like Basis



The -0.4% drop in month-on-month prices in December is consistent with previous years, where seasonality sees prices soften slightly in the final month. This return to more recognisable market pricing patterns has been evident since the summer.

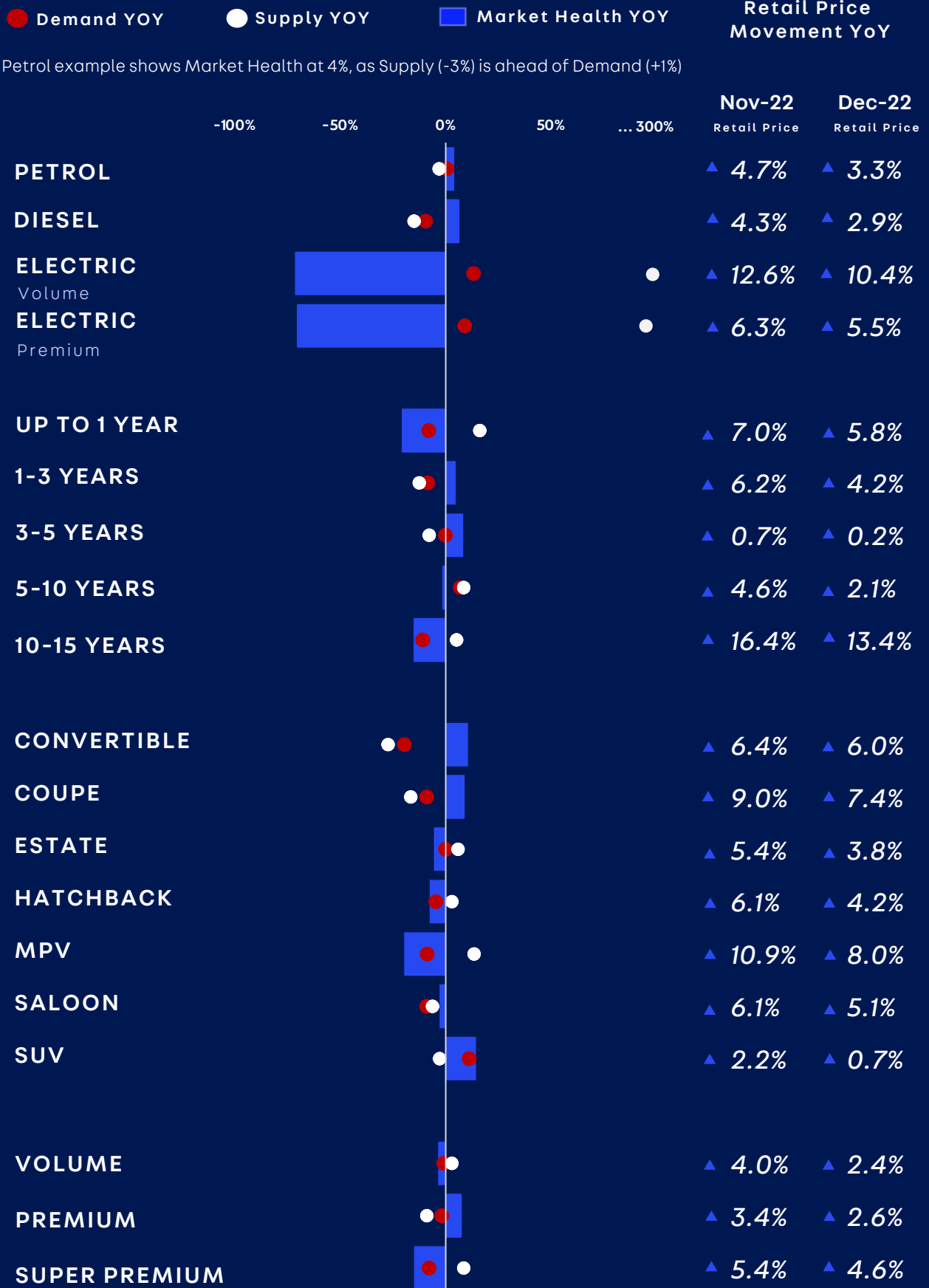
MONTH-ON-MONTH USED CAR PRICE GROWTH: DECEMBER

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.



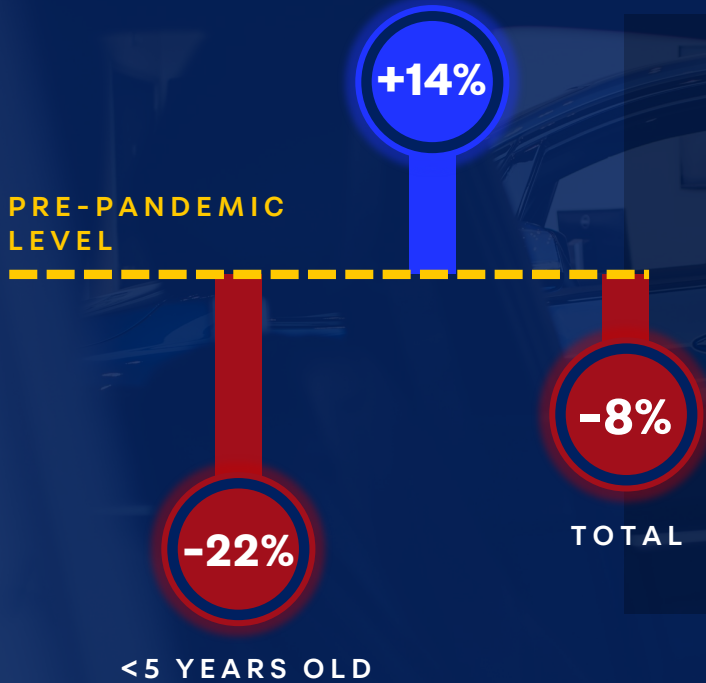
In focus this month

2022 in Review

USED CAR STOCK ON AUTO TRADER: 2022 VS. 2019

Franchise and independent retailers

>5 YEARS OLD

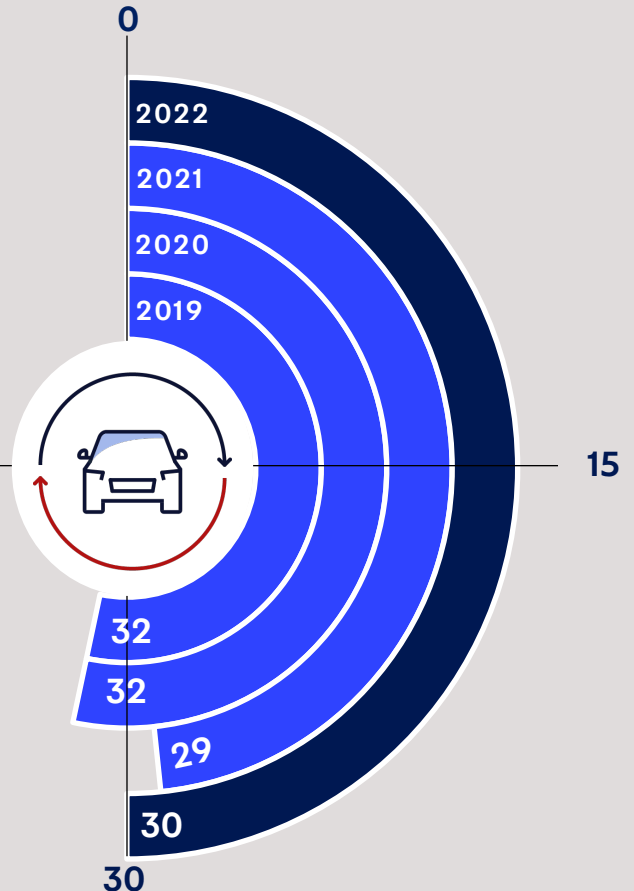


1. Supply challenges persisted in 2022 with used car stock levels 8% below pre-pandemic levels.

Younger used car stock is 22% lower, but supply of older stock is 14% ahead.

2. Buyer activity was solid with cars selling one day slower than the record 2021 period, but two days faster than 2019.

USED CAR DAYS TO SELL
Franchise and independent retailers.

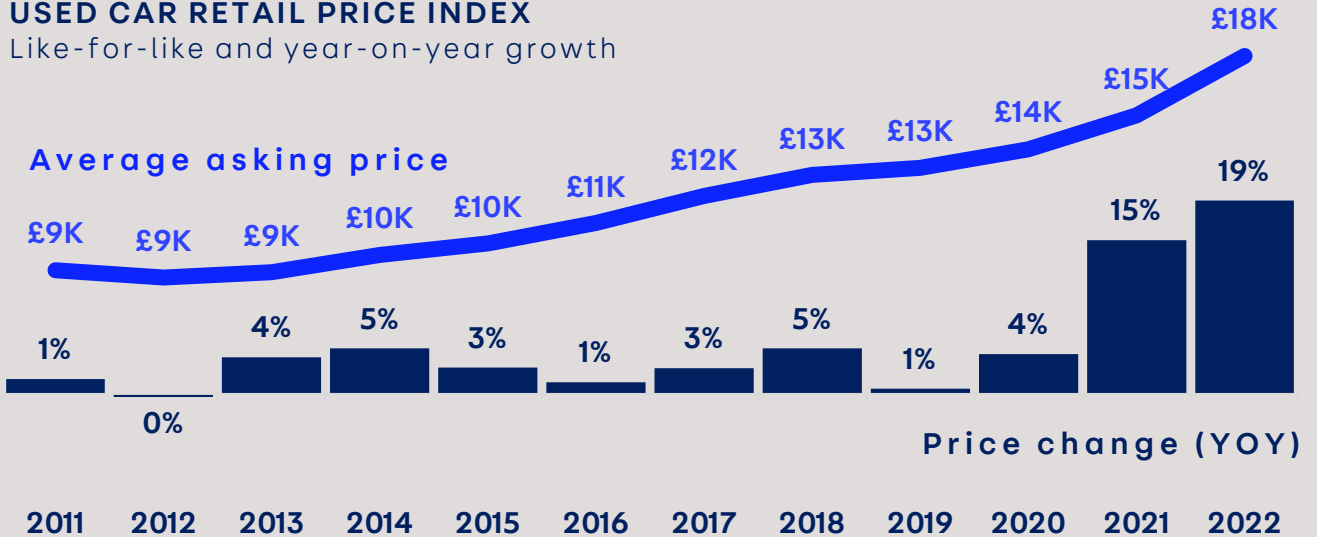


3. Constrained supply and robust levels of demand led to another record year for used car pricing.



USED CAR RETAIL PRICE INDEX

Like-for-like and year-on-year growth



4. Used electric car market under pressure as supply grows and demand cools in 2022.

ELECTRIC SHARE OF USED CAR STOCK AND AD VIEWS

Sub five year old used cars

