

Monthly Market Intelligence

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

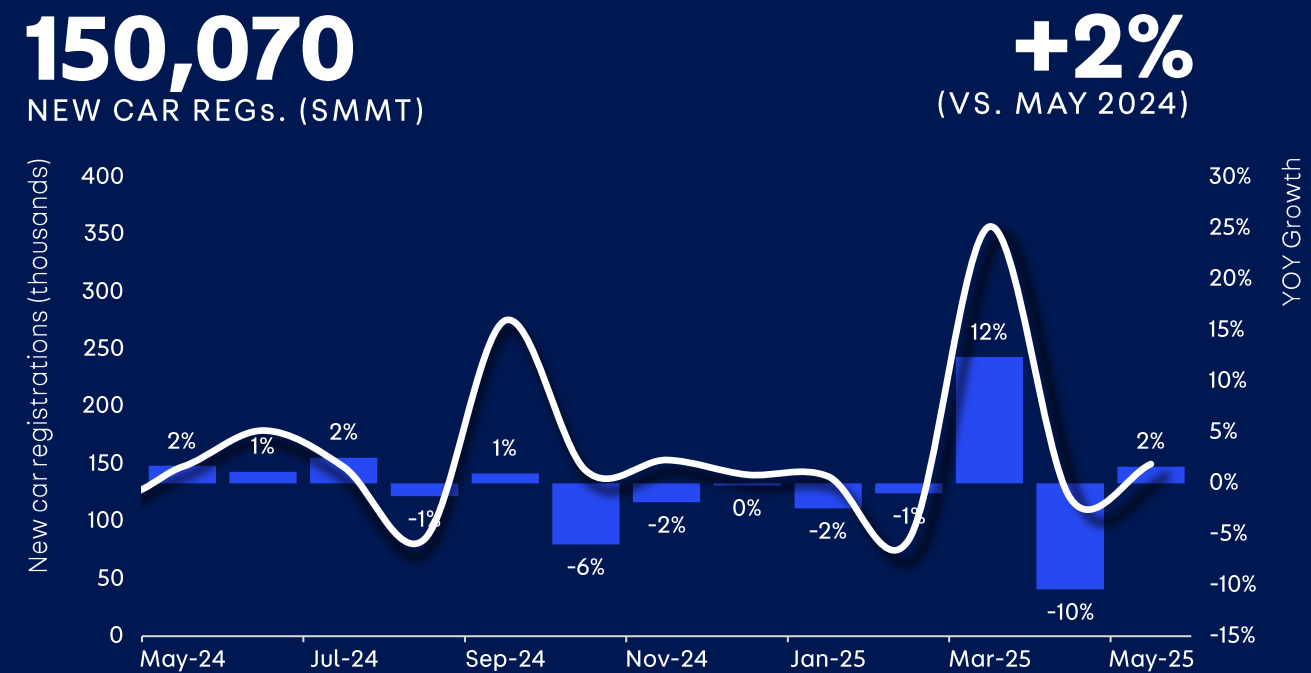
MAY 2025

 Autotrader

Used car sales continue to grow as prices stay close to last year's levels

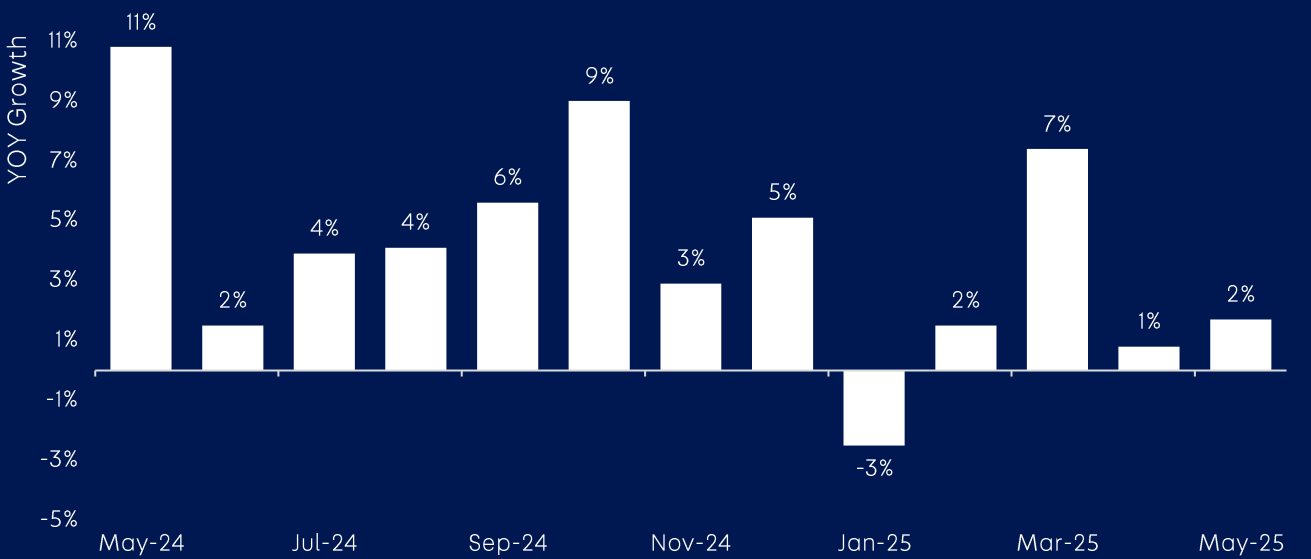
NEW CAR REGISTRATIONS

New car registrations returned to growth in May, growing 2% in May year-on-year in the best May performance since 2021. Sales to fleets (+4%) drove the market growth while interest from private buyers fell -2%, indicating the persistence of push market dynamics that had become less apparent in the run up to the year. Registrations of EVs continued to outpace the market, growing 26% year-on-year despite the latest wave of taxes introduced for the fuel type in April as manufacturer discounts continued to drive consumer interest.



USED CAR SALES (YEAR-ON-YEAR)

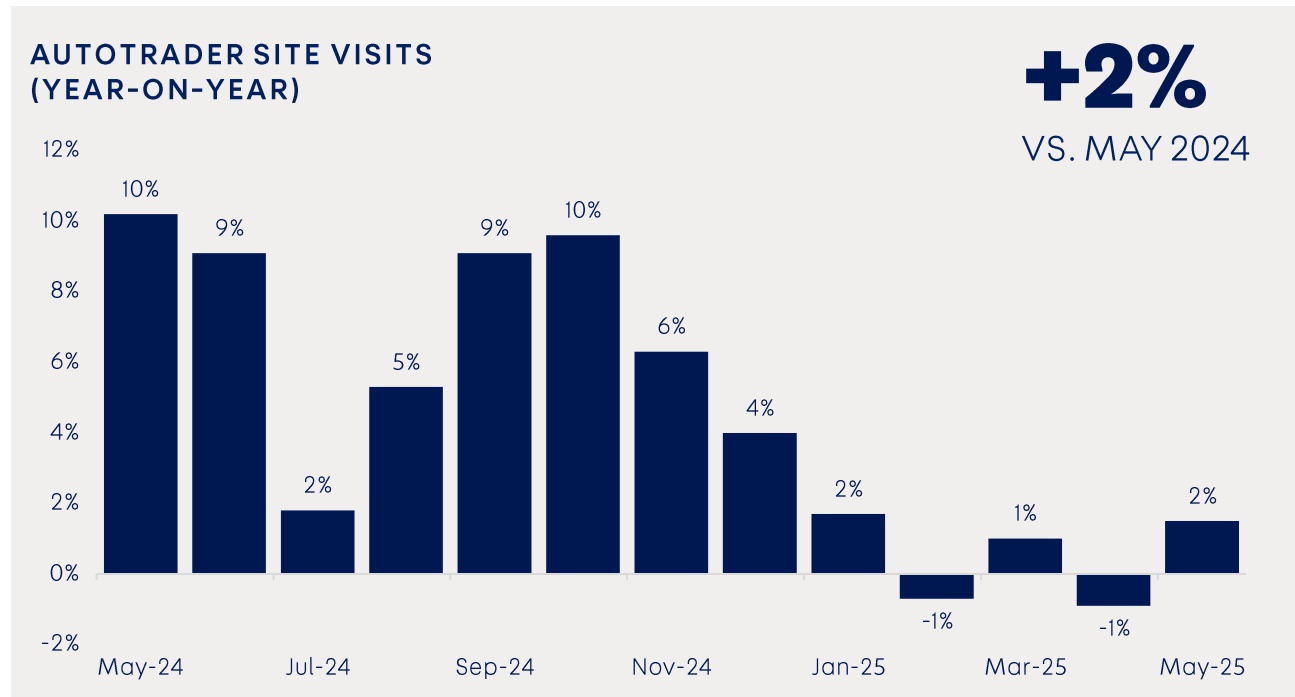
Used car transactions grew 2% year-on-year in May driven by strong consumer demand and fast stock turn. Performance varied across retailer types as sales by franchise retailers fell -2%, while independent retailers saw a 5% increase. SMMT data reported a 3% increase in used car sales for Q1, matching Autotrader transactions data and highlighting the continued market momentum.



*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.

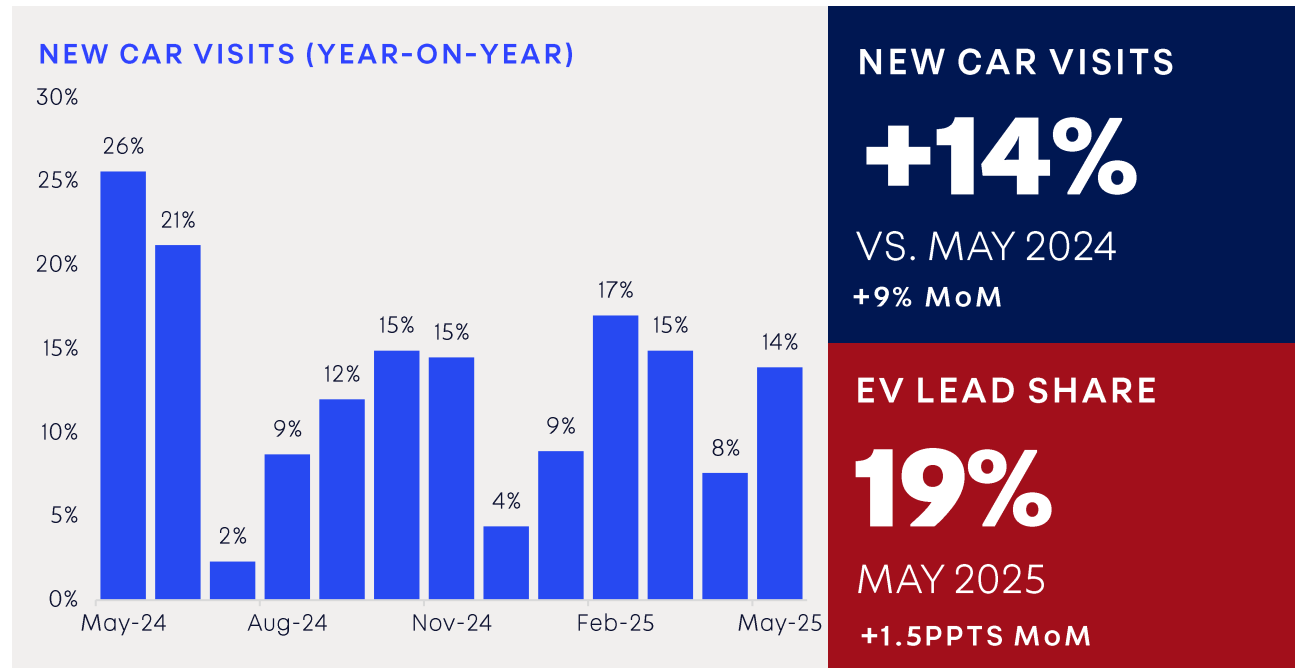
AUTOTRADER AUDIENCE

Autotrader site visits rose 2% in May, marking the highest May on record and the fourth highest month overall, driven by rising consumer confidence. The 3ppts improvement in consumer confidence reported by GfK reflected optimism in the economic outlook as the Bank of England announced cuts to interest rates. A site survey supports this as 91% report confidence in their ability to afford their next car¹.



NEW CAR ACTIVITY

Retail demand for new cars rose by 14% in May, driven by manufacturers increasing advertised stock volumes to capitalise on a growing site audience and interest from private buyers. Activity was further supported by a 0.2ppts increase in discounts to average 8.9% off the RRP. Encouragingly, the share of enquiries for EVs grew 1.5ppts in May despite the proportion of stock falling 0.7ppts to account for 21.4% of all new cars advertised. This uptick in interest came as discount levels for EVs remained high.



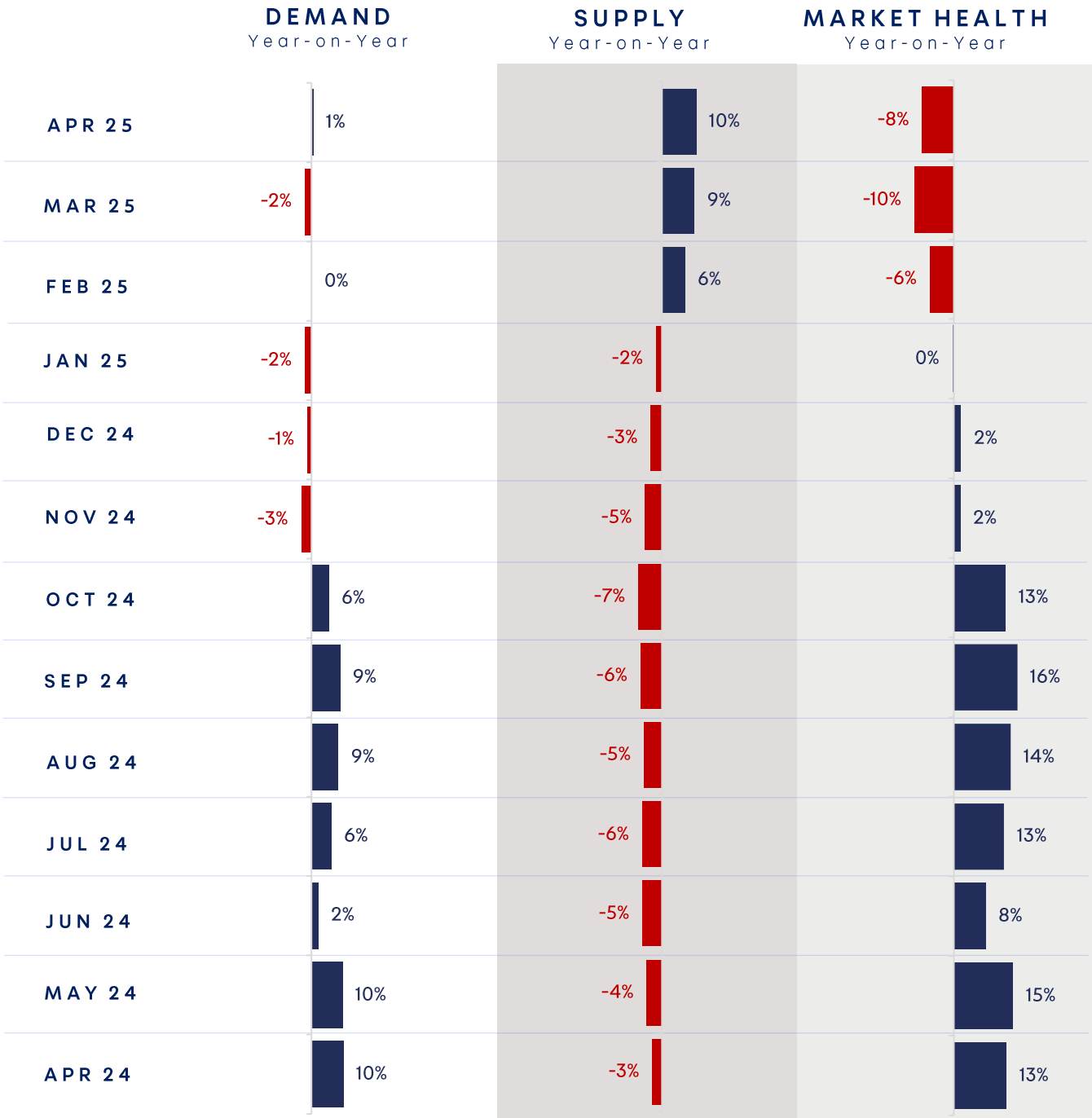
¹Source: Autotrader Consumer Survey Data (n=1,052)

USED CAR MARKET HEALTH

Used car market health was down -8% year-on-year in May as supply¹ continued to recover. Despite rising stock volumes, consumer demand remains strong with the number of car buyers still outpacing available cars. This is driving fast stock turn, with vehicles selling in 30 days on average – matching last year and one day faster than two years ago. Cars aged 3–5 years old, now recovering from supply constraints, sold the fastest, averaging 28 days—see focus area for more information.



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

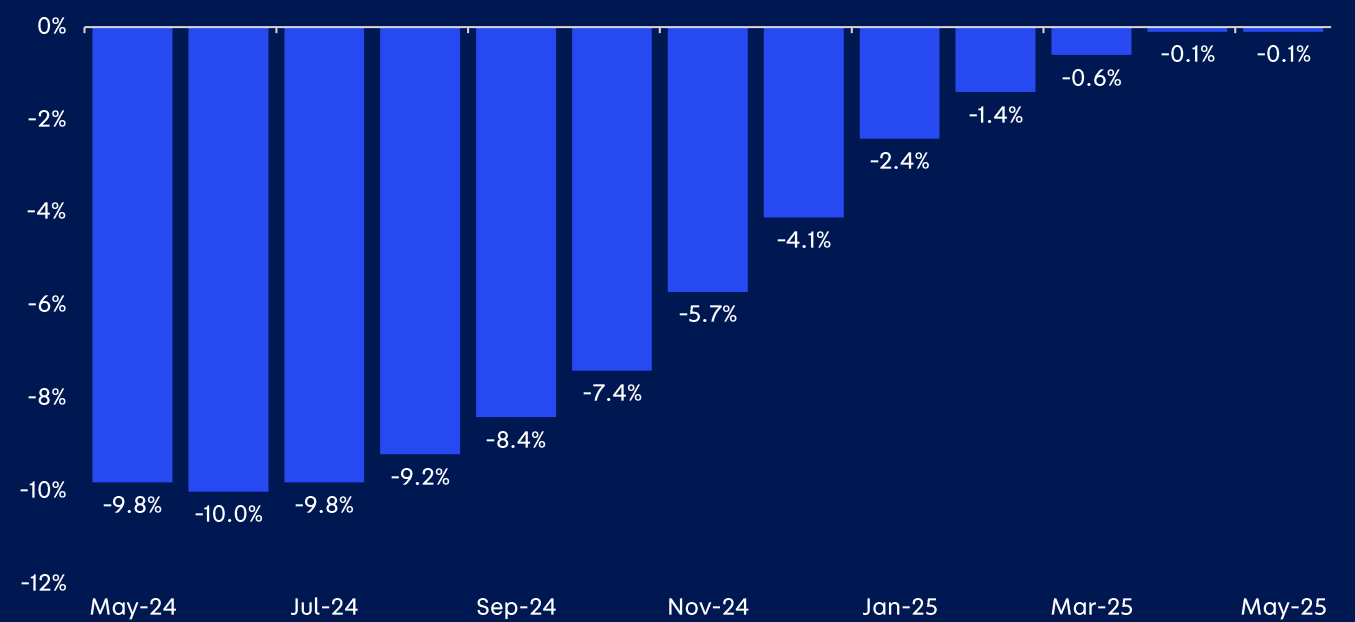
USED CAR RETAIL PRICE GROWTH

Used cars retail price growth stalled in May, holding within 0.1% of last year's levels.

Price growth slowed mainly for 1-3 and 3-5-year-old vehicles, which fell 0.3ppts to -1.0% and 1.1% respectively, despite cars selling rapidly. Other age groups also saw continued price improvements. Prices for EVs and diesel vehicles continued to improve while petrol, full/mild hybrid and plug-in hybrid vehicles saw prices fall compared to April's position driven by large, unseasonal price adjustments in May.

YEAR-ON-YEAR USED CAR RETAIL PRICE GROWTH

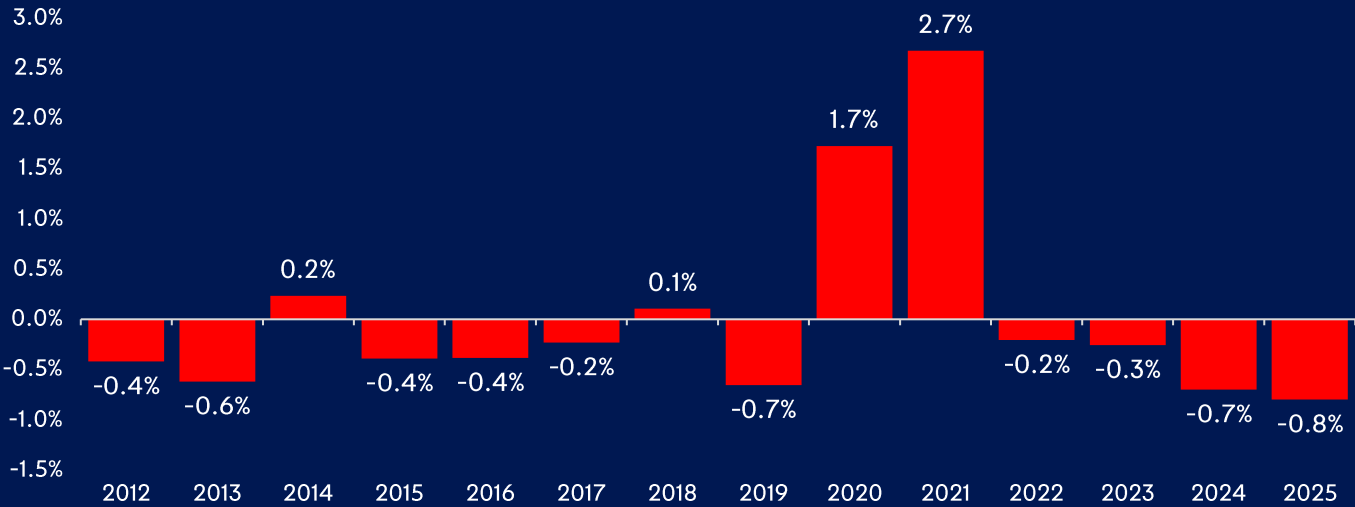
Like-for-Like Basis



Used car retail prices fell -0.8% from April to May, a sharper drop than typical seasonal trends. Most fuel types and age cohorts saw prices fall more than expected on a month-on-month basis, with the exception of 10-15 and 15+ year-old vehicles that saw prices increase. May's price movements reflect falling confidence among retailers driven by concerns regarding the market's current health – *see the focus area for more information.*

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

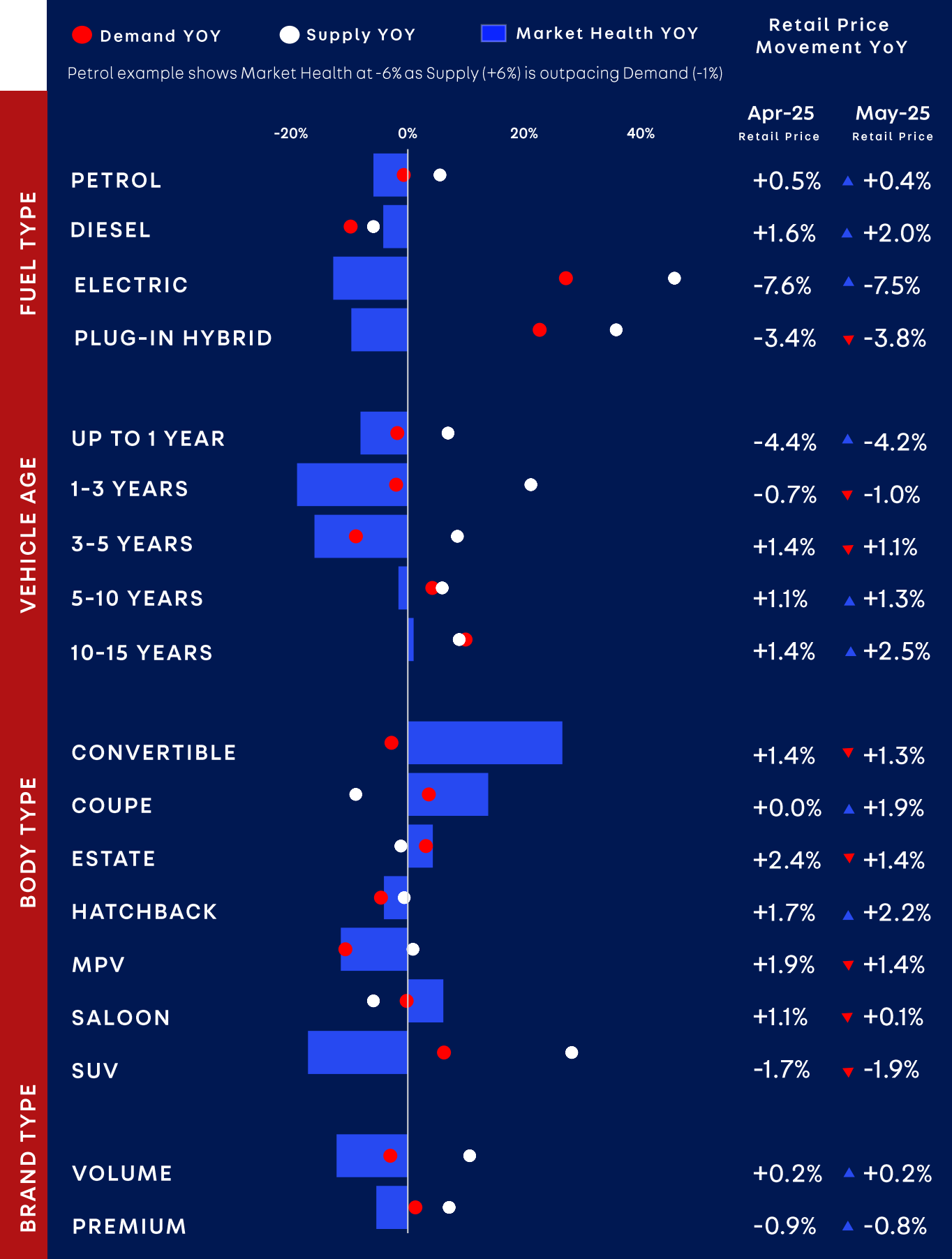
Like-for-Like Basis



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

Is used car demand meeting supply?

New car retail demand is strongly impacted by changes in economic factors such as inflation and interest rates but demand for used cars is largely insulated from economic uncertainty – car ownership is a necessity. Recently, subdued consumer confidence has dampened new car registrations, whereas used car transactions continue to grow.

RETAIL VEHICLE TRANSACTIONS

Year-on-year. SMMT and Autotrader data



91%

of site visitors feel confident in their ability to afford their next car

69%

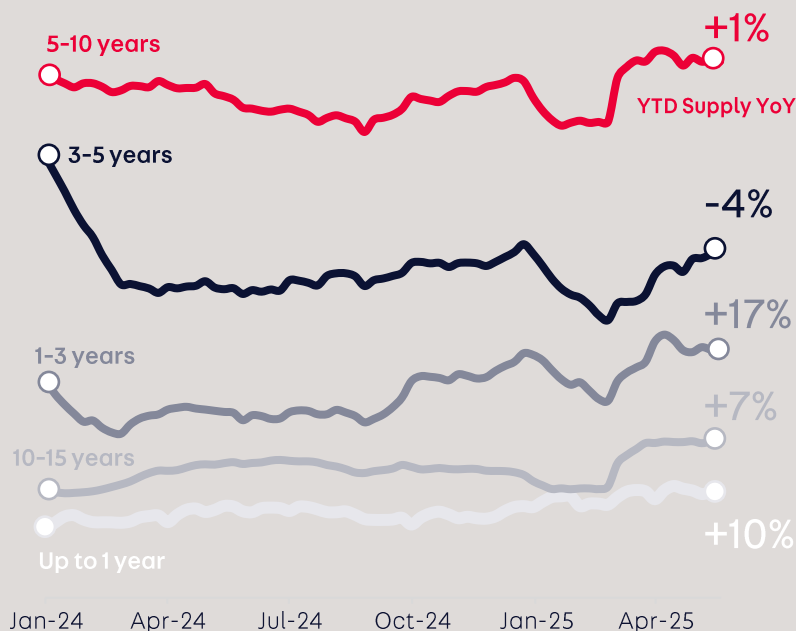
of site visitors are looking to purchase a car in the next 6 months

Used car supply is returning in the younger age cohorts following the pandemic's lost new car sales, but stock of 3-5-year-old cars remains hugely challenging.

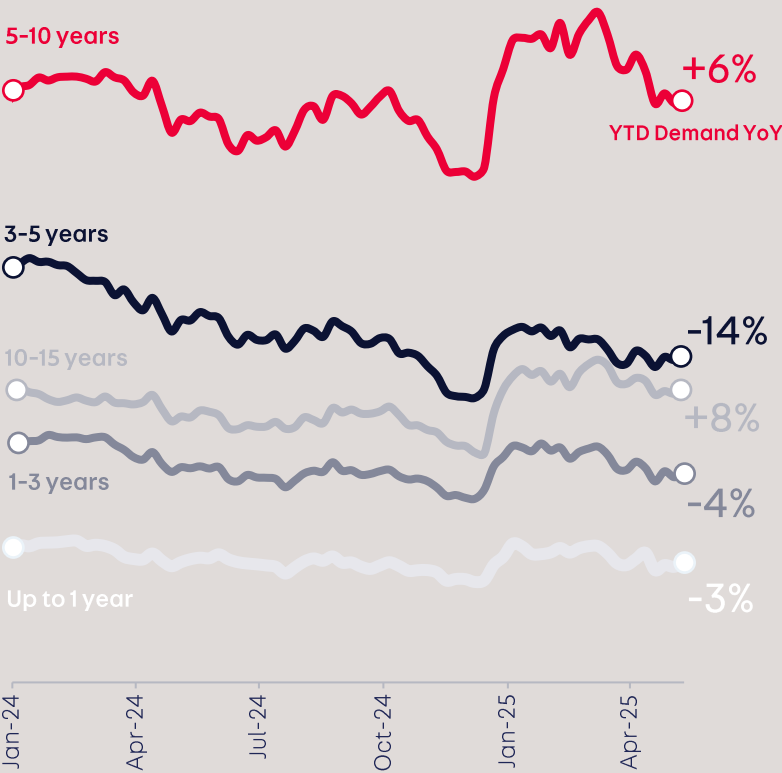
Although supply is 4% up YoY at a total level, the age cohorts that represent the majority of stock are flat versus 2024.

TOTAL VEHICLE SUPPLY

Based on vehicles advertised on Autotrader



USED VEHICLE DEMAND
Based on Autotrader site visits



Consumer demand has remained strong in 2025, closely matching record levels seen in 2024. Engagement with cars aged 3-5 is behind last year as a result of the sharp drop in available supply, but there's strong growth in consumers considering 5-10 year old cars – already the largest group.

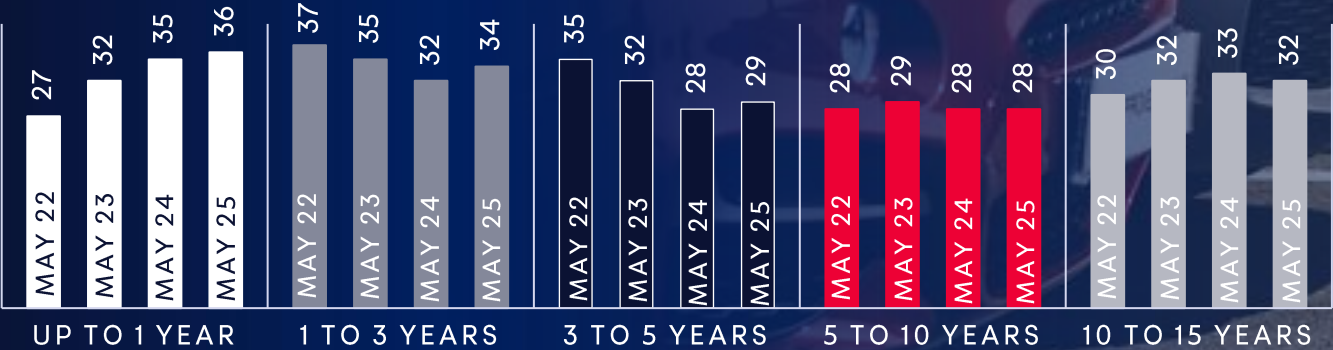
Demand for cars aged 0-3 is only slightly down on 2024, but overall the ratio of demand to supply is healthy.



Driven by the strength of consumer demand amidst the returning supply and unstable climate, vehicles have continued to sell quickly – faster than in previous years, particularly within the age cohorts with the strongest consumer demand. This has resulted in the strong growth of used car transactions.

+2% Used car transactions year-on-year (May YTD)
Based on stock removed from Autotrader

USED CAR DAYS TO SELL
Based on Autotrader data



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 Autotrader Insight