



Monthly Market Intelligence

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

DECEMBER 2021

 AutoTrader

December was typical of 2021's challenges - new car sales hit by supply, and used cars maintaining volume despite stock shortages. But as YoY price increases broke through 30% and demand remained strong, 2022's outlook is positive.

NEW CAR REGISTRATIONS

December's total market was down vs 2020 due to persistent supply constraints., but **retail market was ahead by 19.9%** as OEMs prioritise delayed orders. FY21 was up on prior year by 1%, but retail volume increased 7.4% vs. 2020.

108,596

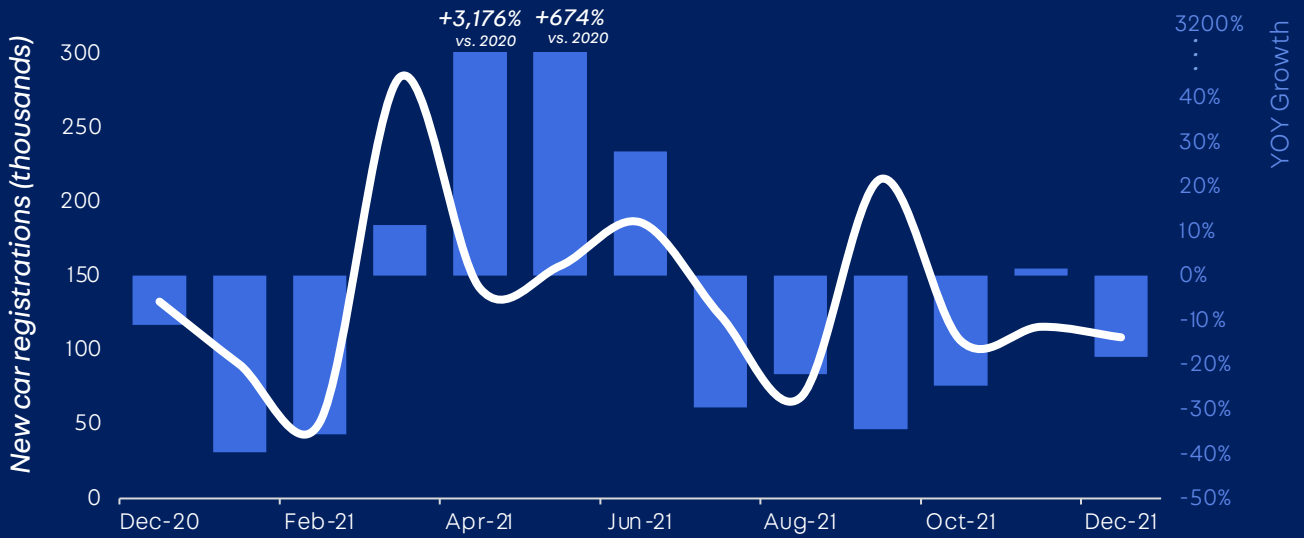
NEW CAR REGs. (SMMT)

↓ 18.2%

(VS. DECEMBER 2020)

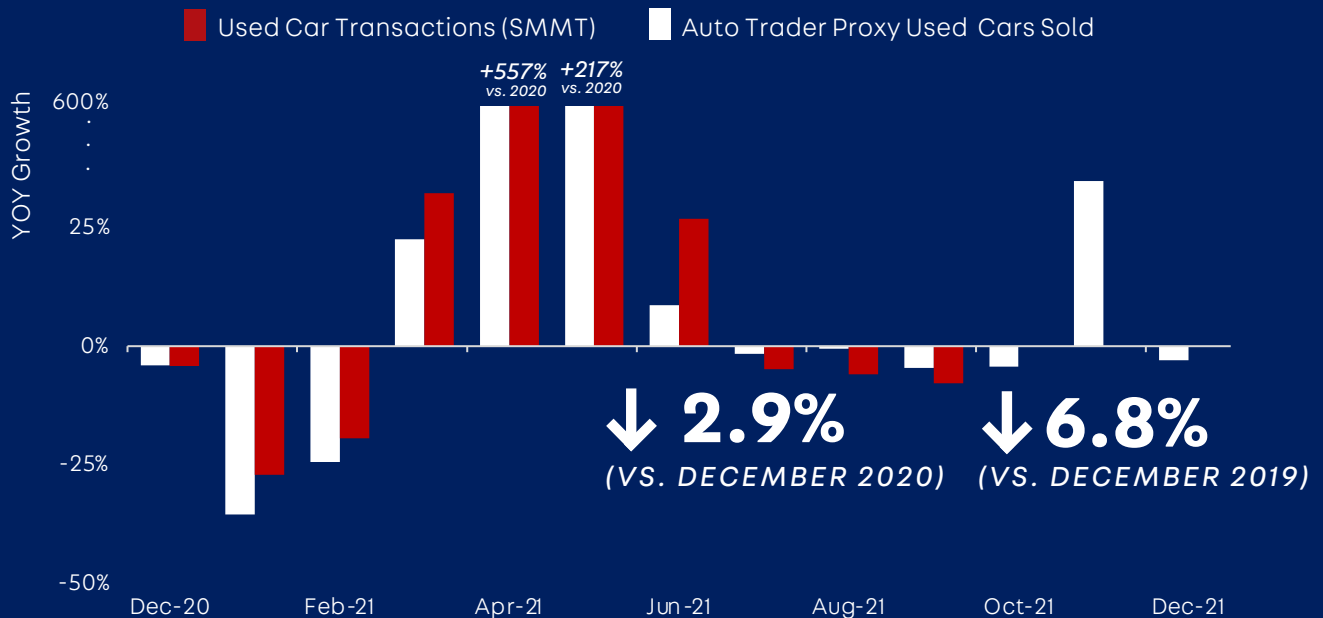
↓ 27.1%

(VS. DECEMBER 2019)



AUTO TRADER PROXY USED CARS SOLD (YOY GROWTH)

Proxy sales of used cars were down 2.95% in December vs 2020. However, over the course of 2021 **proxy used cars sold has exceeded 2020** and the used car market remains strong.



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

Visits to Auto Trader hit record levels throughout 2021, with average monthly visits at over 64m. In a year characterised by COVID uncertainty, fewer cars to research and buy, and fears over fuel shortages the constants have been huge demand and more people doing more online.

64M

MONTHLY VISITS

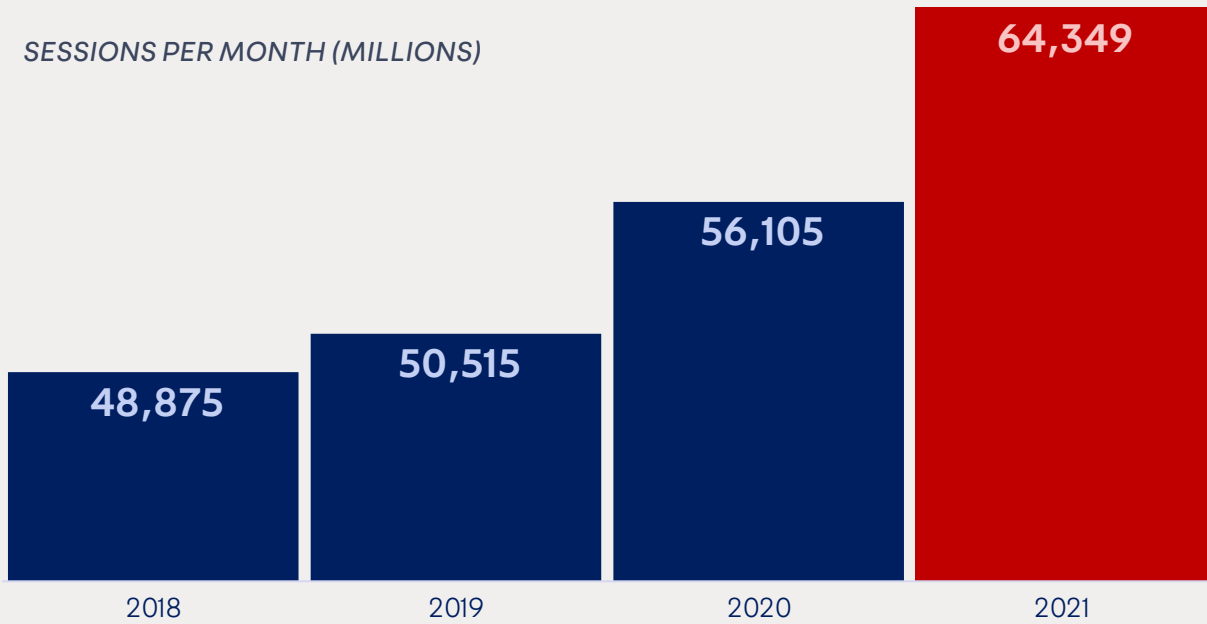
↑14.7%

VS. DECEMBER 2020

↑27.4%

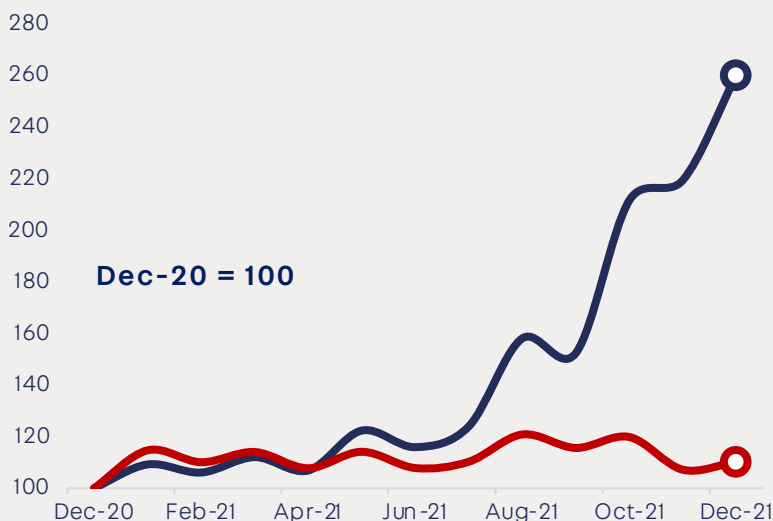
VS. DECEMBER 2019

SESSIONS PER MONTH (MILLIONS)



NEW AND USED CAR ENGAGEMENT PER CAR (INDEXED)

Another month of record new car engagement, with the average new car advert viewed 2.6 times more than in 2020. Used car interest was also strong, with a 10% YoY increase in ad views per advert. Views per car in both new and used has **consistently outperformed prior year**.



NEW CAR

↑160.0%

VS. DECEMBER 2020

+159.9% VS. DEC-2019

USED CAR

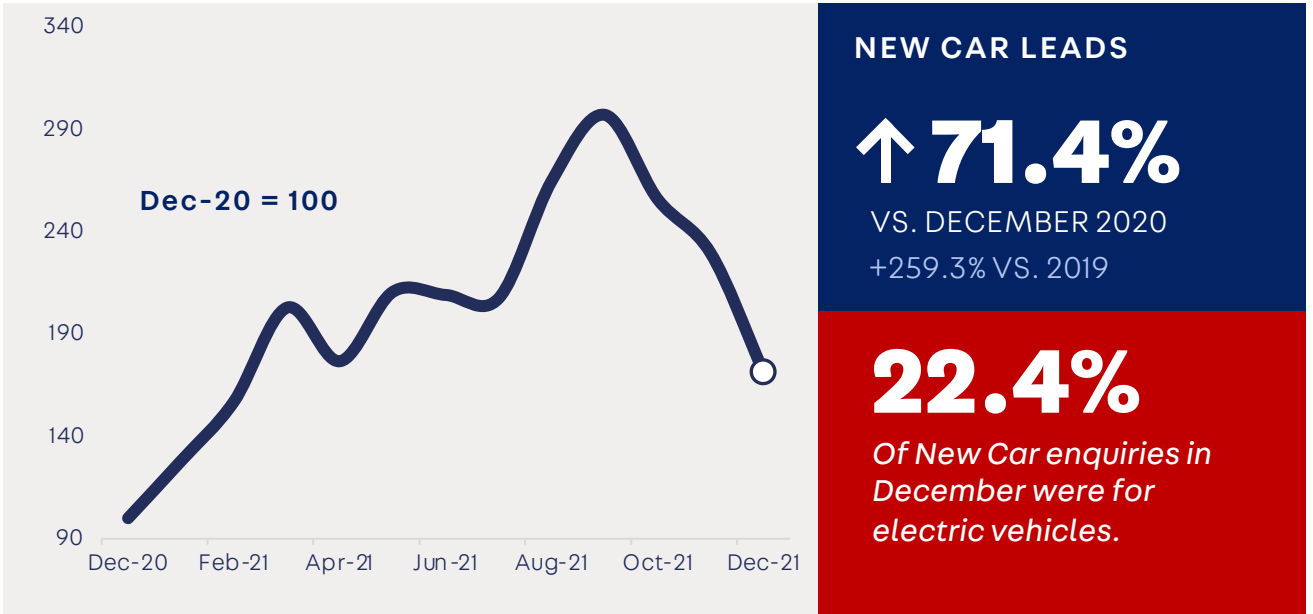
↑10.0%

VS. DECEMBER 2020

+21.4% VS. DEC-2019

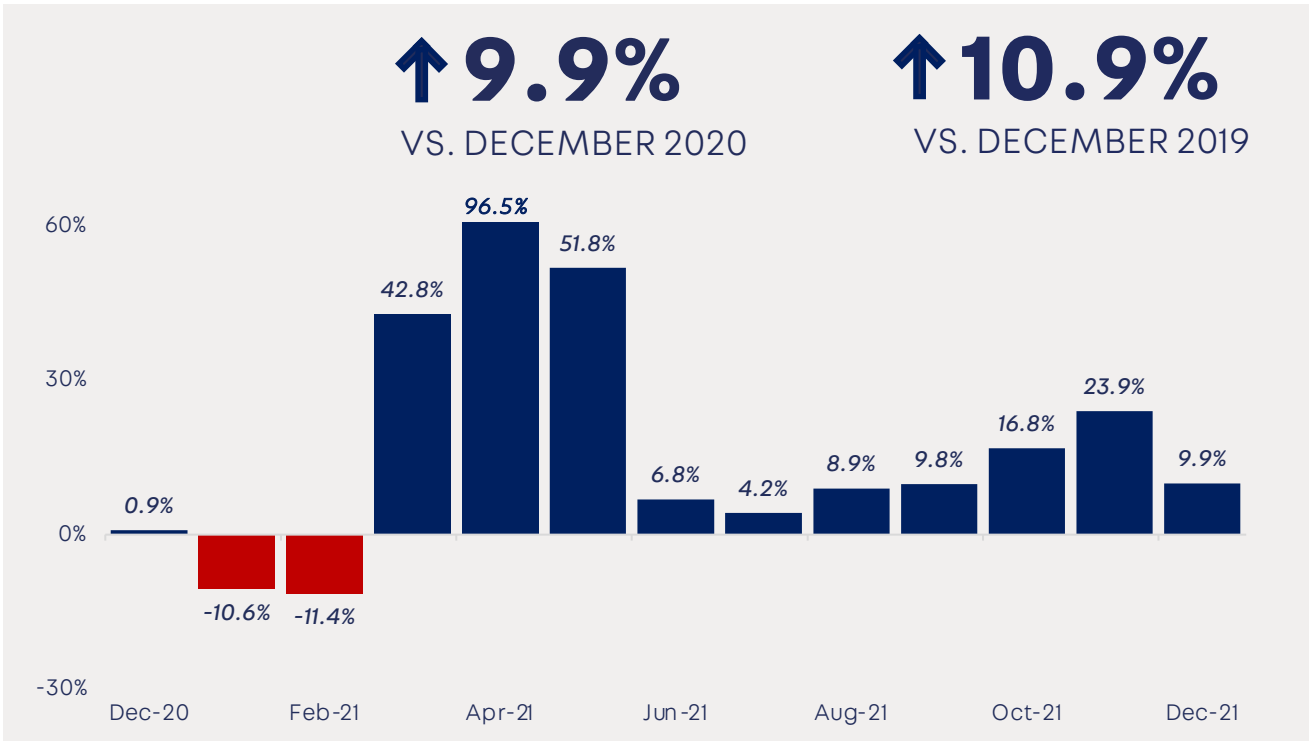
NEW CAR LEADS (INDEXED)

Supply shortages were a key story in 2020's new car market, but demand remained extremely strong - retailers received almost half a million enquiries from Auto Trader users in the year, and **in December nearly a quarter of all new car enquiries were for electric cars.**



AUTO TRADER USED CAR MARKET HEALTH (YOY GROWTH)

The ongoing market dynamic of heightened demand and constrained supply once again resulted in a positive Market Health performance, with a 9.9% increase versus prior year. December marked the **tenth consecutive month of growth.**

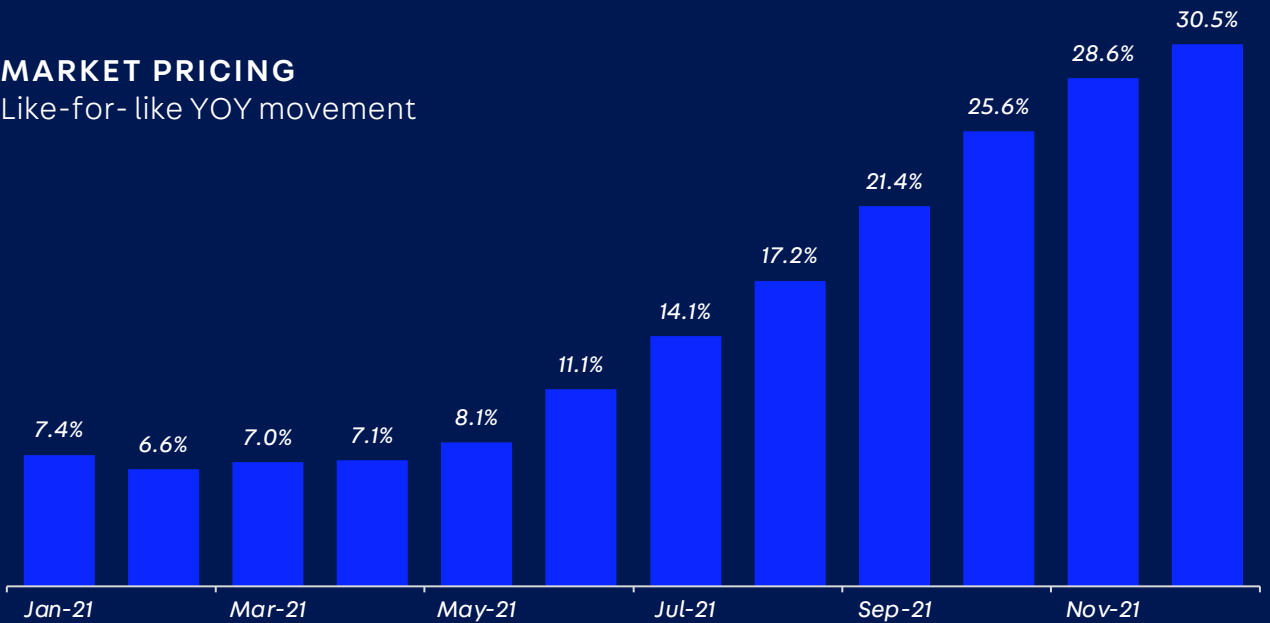


The Market Health metric shows the ratio of supply vs. demand compared to the previous year

December was another record-breaking month for used car prices: up 30.5% YoY as demand continued to outstrip supply. Prices across all age cohorts saw significant growth – and there’s little reason to expect these dynamics to change as we enter 2022.

MARKET PRICING

Like-for-like YOY movement



The *average asking price of the market’s most popular models were all up by around a third* – and in some cases by more than 50% versus December 2019.

CHANGE IN AVERAGE ASKING PRICE, DEC 2020 VS. DEC 2021

● Dec 2020 ● Dec 2021

1 - 3 year old Diesel Auto SUV



1 - 3 year old Electric Auto Hatchback



3 - 5 year old Petrol Hybrid Auto Hatchback



5 - 10 year old Diesel Auto Estate

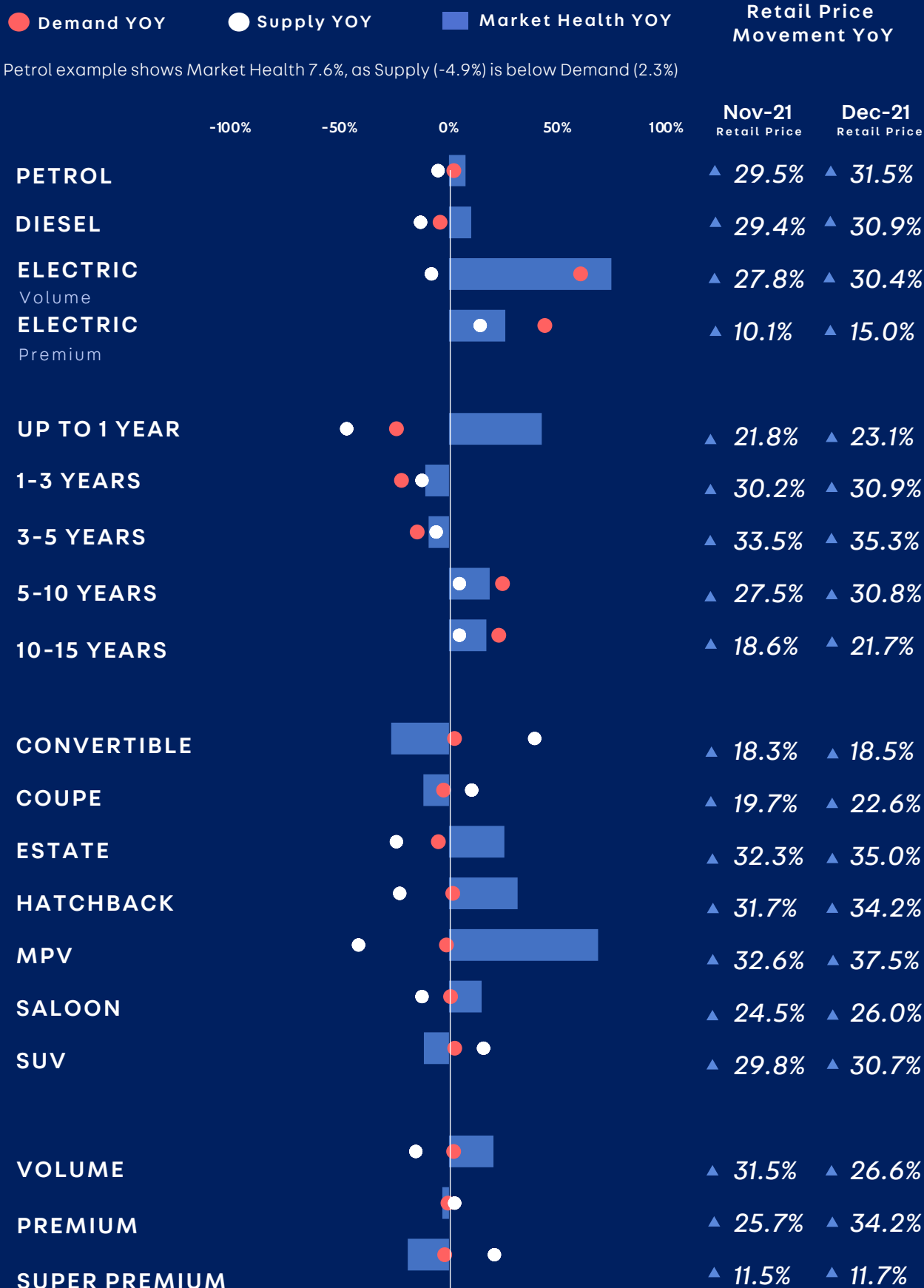


3 - 5 year old Petrol Manual Hatchback



DEMAND, SUPPLY, MARKET HEALTH & PRICE MOVEMENT (YOY GROWTH)

Charts show Market Health (blue bar), Demand (red) and Supply (white), with pricing movements.



2021: An extraordinary catalyst for change

In a year of exceptional challenges - a 3 month national lockdown, a global semi-conductor shortage, and then a fuel frenzy - the UK auto industry once again demonstrated remarkable resilience and resourcefulness. **Here are three key themes from another unique year.**

1 RECORD DEMAND AMIDST ONGOING SUPPLY CONSTRAINTS

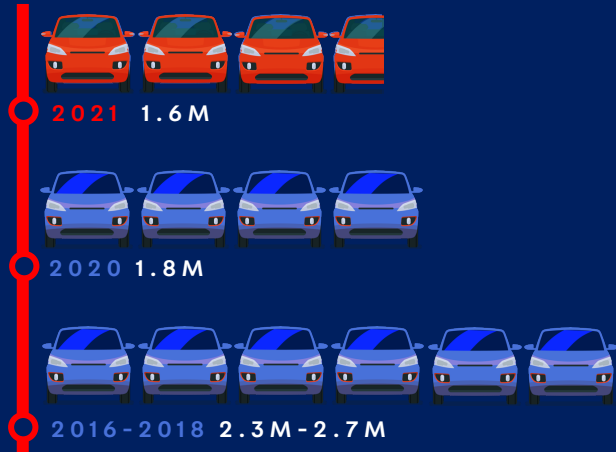
The global semi-conductor shortage stalled new car sales and became a key theme in a remarkable 2021 car market.

With more and more buyers looking for their next car - some returning after 2020's disruption, some to avoid public transport and others spending lockdown savings - demand for new and used cars surged to record levels, with 207 cars viewed every second on Auto Trader.

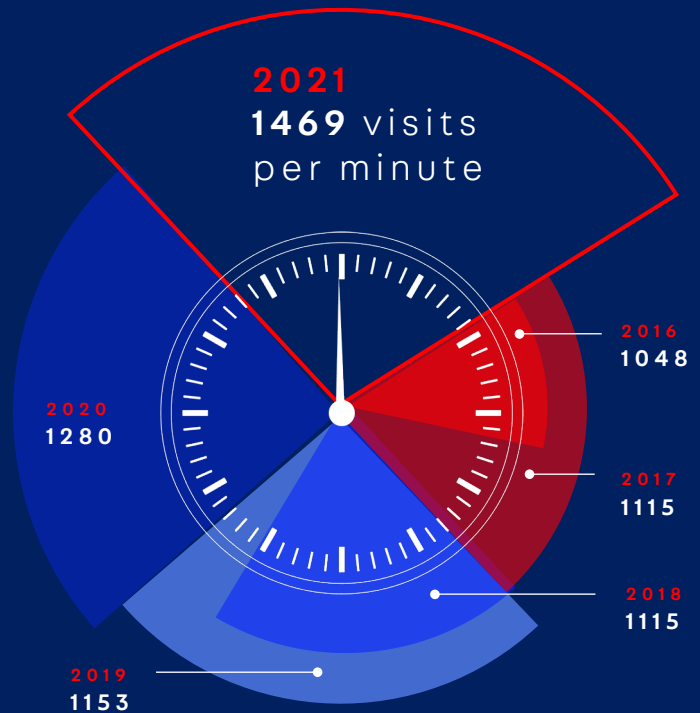
The global semi-conductor shortage hindered new car sales...

... despite record level of underlying demand for cars.

CUMULATIVE NEW CAR SALES (SMMT)



CROSS-PLATFORM VISITS TO AUTO TRADER PER MINUTE



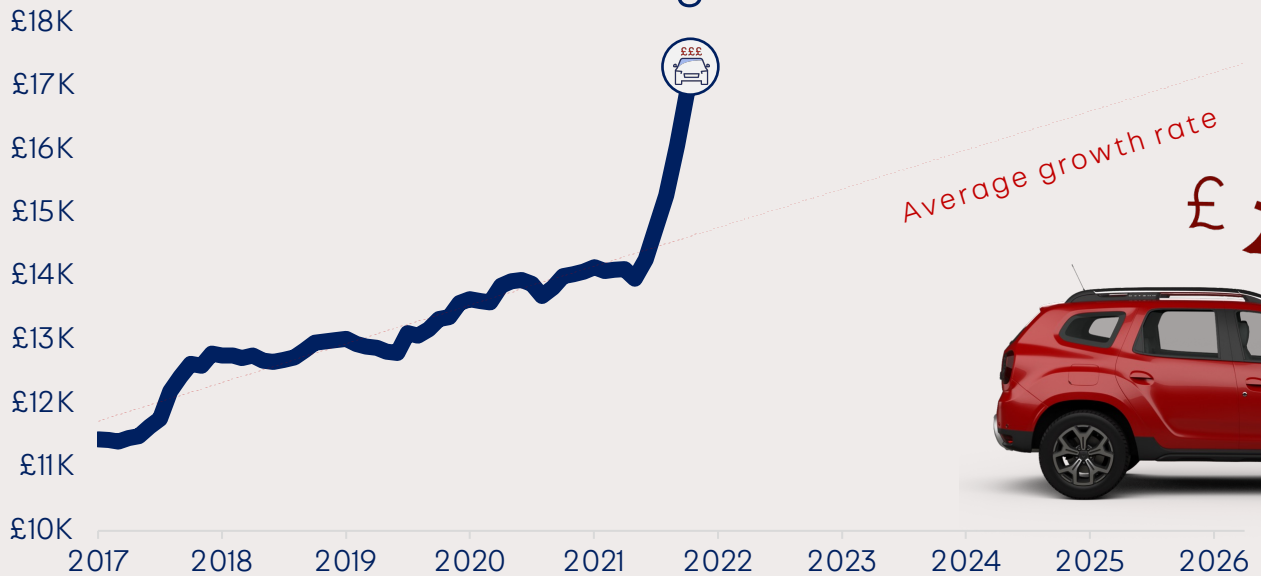
This combination - short supply and huge demand - led to extraordinary market conditions, changing the game for both buyers and retailers.



2 RECORD USED CAR PRICES

2020's unusual price growth - widely predicted to slow - only accelerated in 2021 as the supply-demand gap widened giving rise to unprecedented levels of price growth. At the end of 2021, used car prices were 30.5% higher than the prior year, and the market overall experienced 5 years of price growth in just 7 months.

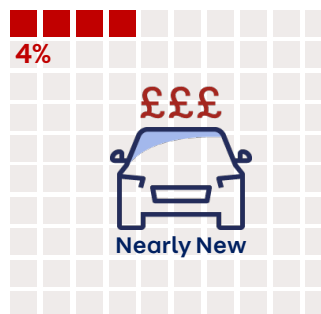
AVERAGE PRICE OF A USED CAR



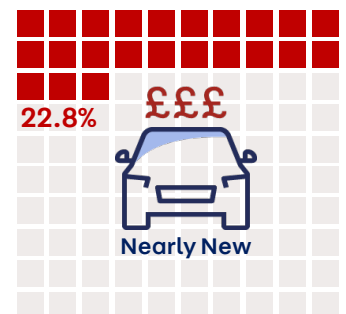
In December 2021, over a fifth of nearly new cars were priced above new. And cars of all ages increased in value.

NEARLY NEW CAR PRICED ABOVE NEW

JANUARY 2021



DECEMBER 2021



For an interactive view of market pricing, visit the [Auto Trader Retail Price Index](#).

The Auto Trader Retail Price Index provides an overview of the latest price and search data from our marketplace, looking at average prices and the impact of like-for-like and mix changes.

Our team of data scientists monitors over 1.9 million vehicles each day, including 90,000 vehicle updates and an average of 19,000 vehicles added or removed from Auto Trader.

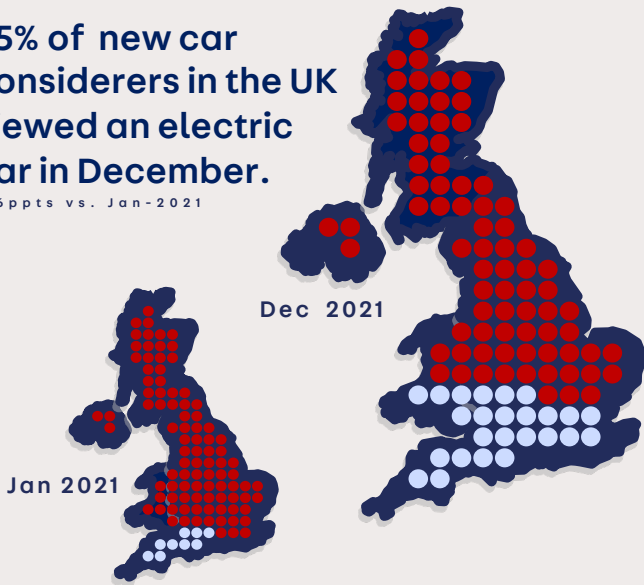
3 RAPIDLY GROWING EV MARKET

If 2020 saw a breakthrough for electric cars in the UK, then 2021 was a major step forward with heightened levels of consideration, greater choice and availability, and more public chargers.

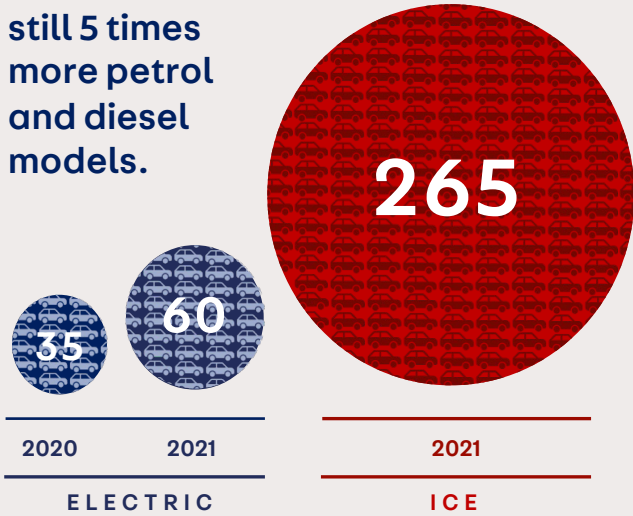
However, our [Road to 2030 report](#) shows that progress is fragile, with significant barriers to overcome before electric cars become mainstream.

25% of new car considers in the UK viewed an electric car in December.

+16ppts vs. Jan-2021



The number of EVs available to buy has quadrupled in the last two years but there are still 5 times more petrol and diesel models.



Viewed an electric car Viewed an ICE car

Electric changes the market faster than ever before. By the end of the year, half of the Top 10 were models only launched in the second half; just 3 have been there throughout the whole of 2021.

