

Monthly Market Intelligence

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

MAY 2023

 AutoTrader

Healthy levels of interest as supply constraints impact used car sales - prices up 2.8% YoY

NEW CAR REGISTRATIONS

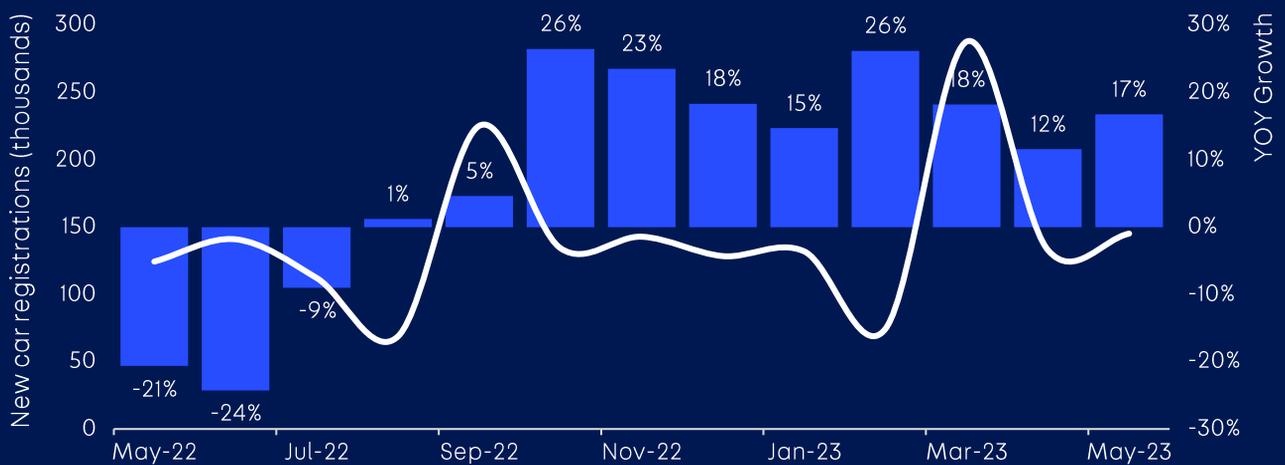
The new car market grew for the 10th consecutive month and sales were 17% ahead of last May as new car supply constraints eased further. Sales through fleet channels continued to propel the market as retail sales were flat. Higher new car prices and interest rates, as well as a gradual return of nearly new vehicles to the market could all be factors subduing interest from private buyers.

145,204

NEW CAR REGs. (SMMT)

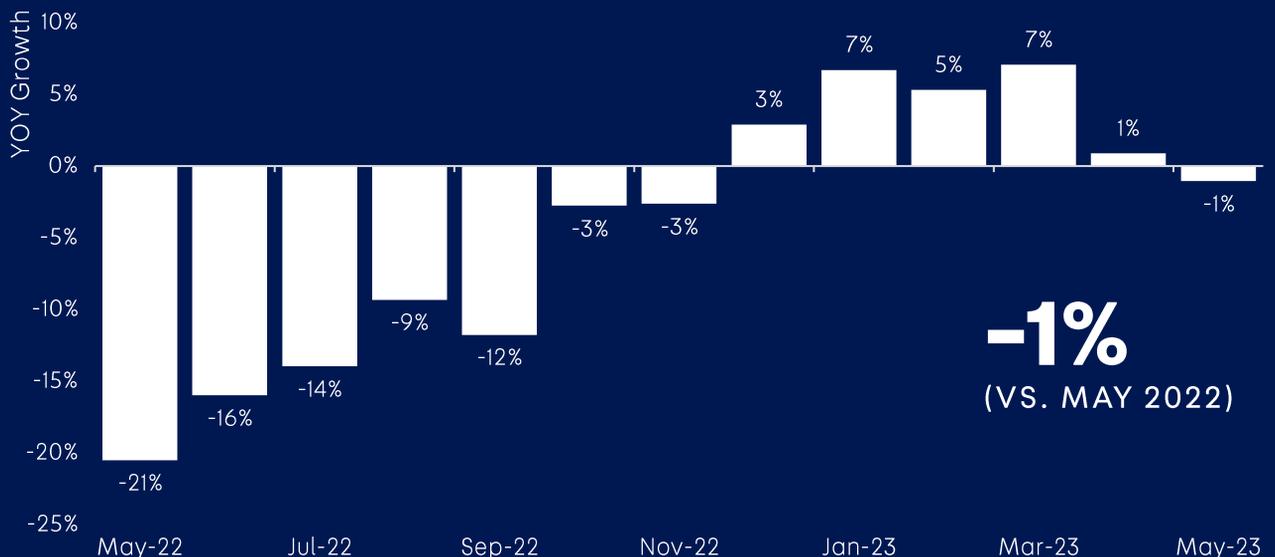
+17%

(VS. MAY 2022)



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

Used car sales declined for the first time since November 2022, falling -1% year-on-year based on the stock removed from Auto Trader in May. Most of the drop came from 1-3 and 3-5 year old cars where supply was more heavily constrained. Sales of under 1 year old cars continued to improve, rising 24% year-on-year.



-1%

(VS. MAY 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 healthy levels of on-site activity seen in 2023 continued into May, with site visits to Auto Trader up 12% on last year's levels, marking seven consecutive months of growth. On top of needing a car for day-to-day needs, 46% of people still say they can't rely on public transport – making car ownership ever more important¹.

¹Auto Trader Car Buyer's Survey: n=2,000. April 2023



NEW CAR: ENGAGEMENT & CONVERSION

Appetite for new cars from private buyers remained subdued in May as average APRs hit 8.4%, up 4.5ppts since January 2021. Like April, there were 4.4 million new cars viewed by in-market buyers, and the MG ZS, Hyundai TUCSON and Volkswagen Polo were the most enquired models.

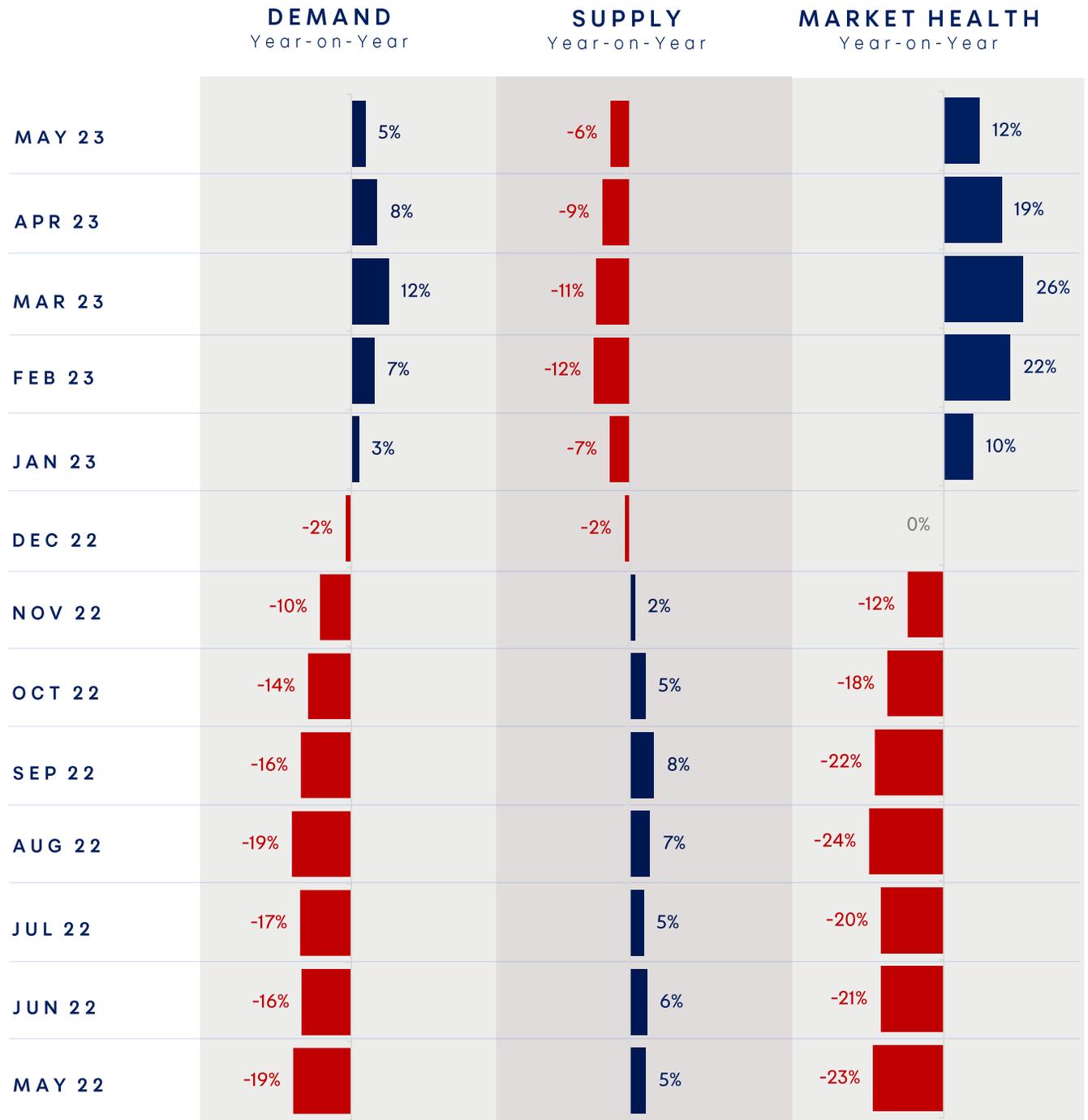


USED CAR MARKET HEALTH

Despite the estimated drop in used car sales – which can be mostly attributed to underlying supply constraints - demand was ahead of the previous year by 5%. In addition to a positive market health metric, used cars sold every 28 days in May, 4 days faster than last year and 6 days faster than pre-pandemic levels.



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

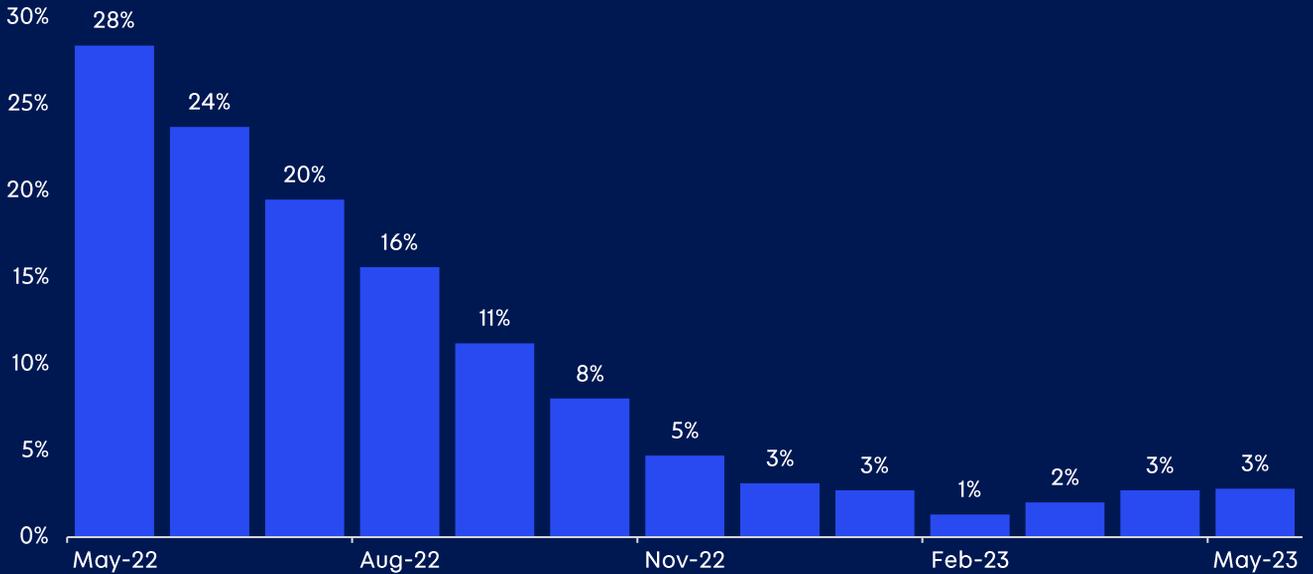


USED CAR RETAIL PRICE GROWTH

The average price of a used car increased 2.8% in May to £17,815, marking the 38th consecutive month of year-on-year retail price growth. Stability in used petrol and diesel car prices continued to mask downward pressure on used EV prices, which were 19% below last year's levels. Encouragingly, there are early signs of used EV prices beginning to stabilise as demand reaches record levels, but supply remains a concern.

YEAR-ON-YEAR USED CAR RETAIL PRICE GROWTH

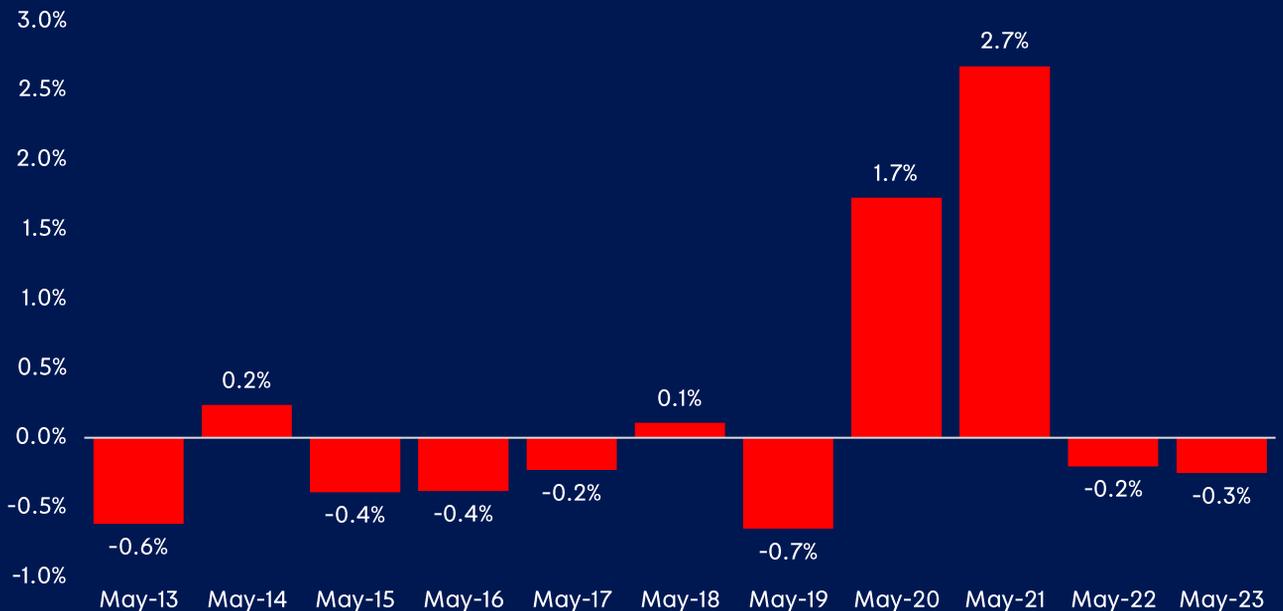
Like-for-Like Basis



Used car retail prices declined -0.3% month-on-month, matching the pre-pandemic average for the month of May. Older used cars saw the highest growth with prices of 10-15 and over 15 year old cars rising by 0.7% and 1.5% respectively. Conversely, younger used cars saw prices fall the most with prices of under 1 and 1-3 year old cars falling by -0.7%.

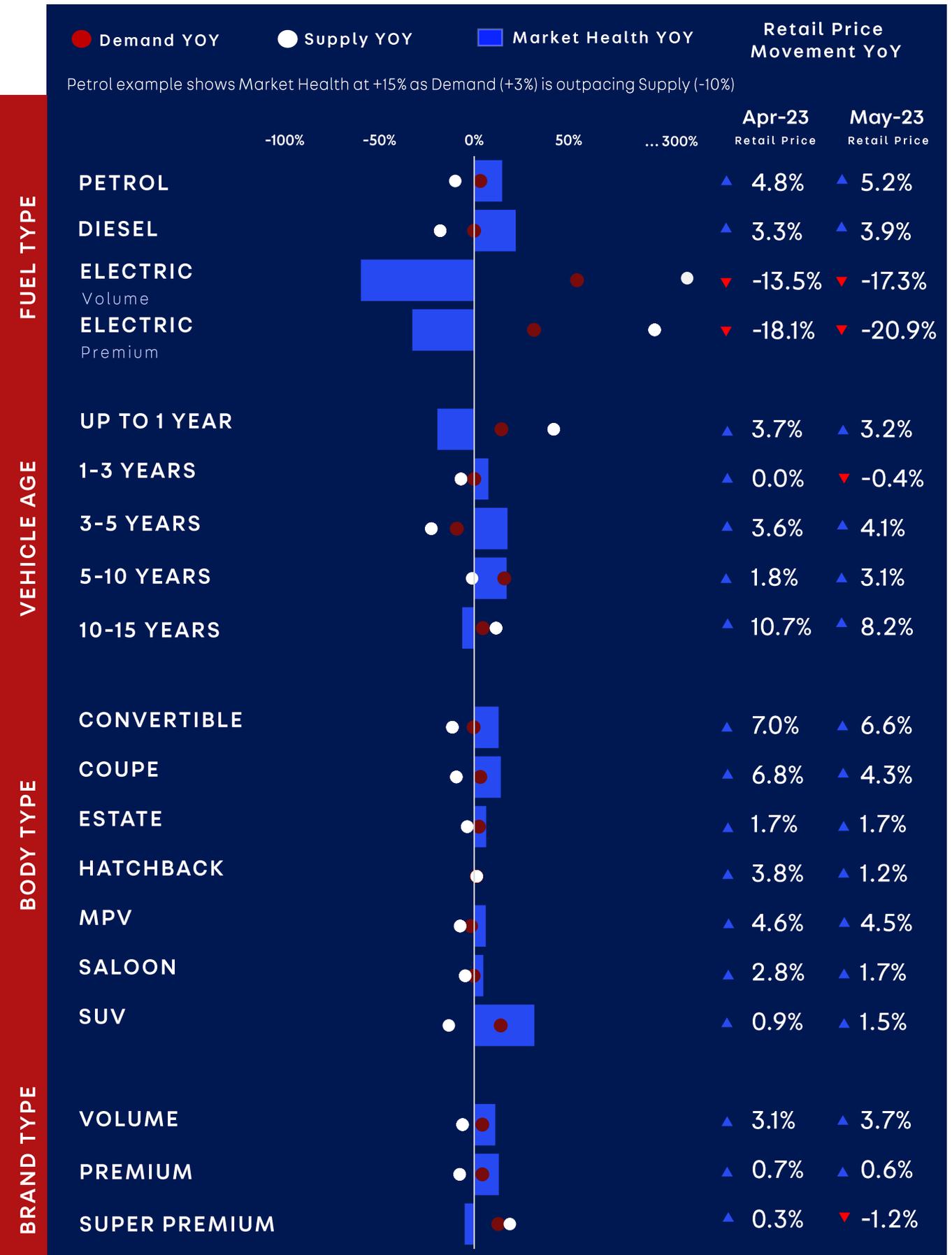
MONTH-ON-MONTH USED CAR RETAIL PRICE GROWTH: MAY

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

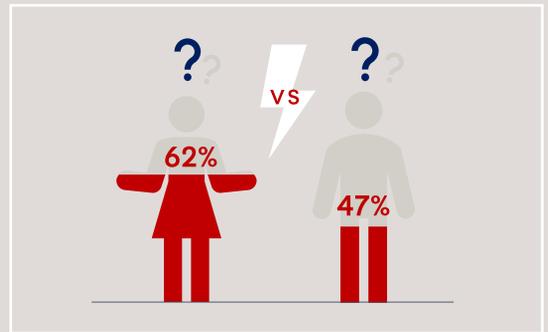
Women and the journey to electric

“Brand new research has found that despite being more concerned about climate change, women are less likely to consider electric cars, but a survey of owners finds that reality is different to perception”

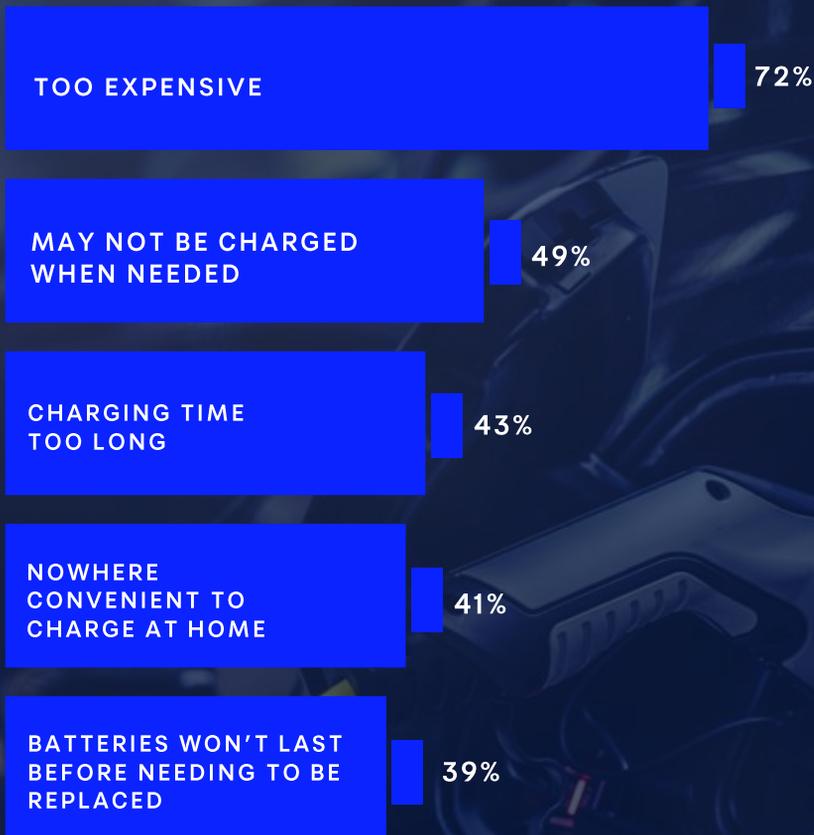
Women are less confident about buying EVs – 62% say they don't know enough, compared to 47% of men

Auto Trader No Driver Left Behind: nationally representative survey with 4,000 respondents. April 2023. Male respondents = 1,949. Female respondents = 2,040.

I DON'T KNOW ENOUGH ABOUT EVS



Charging, battery range and cost are key concerns for women...



... but owners are less worried.

ONLY **19%**

women EV owners say it takes a long time to charge

ONLY **21%**

women EV owners say public charging has been an issue

Women EV buyers are younger and wealthier than the average female car buyer.



AGE
18-44

82% OF WOMEN EV BUYERS
Vs. 44% non-EV

SOCIAL GRADE

A

3 TIMES MORE LIKELY
16% vs. 5% non-EV

WORK

FULL TIME

70% OF WOMEN EV BUYERS
Vs. 43% non-EV

Auto Trader No Driver Left Behind : nationally representative survey with 4,000 respondents. April 2023. Male respondents = 1,949. Female respondents = 2,040.

80% of women EV owners would buy an EV again for their next car. They talk about a range of benefits – and some are unexpected.

80%

WOULD BUY AN EV AGAIN

32%

SAY IT'S QUIETER WHEN DRIVING

29%

SAY THEY DON'T NEED TO VISIT FUEL STATIONS ANY MORE

28%

SAY EVs ARE BETTER FOR THE ENVIRONMENT



Auto Trader No Driver Left Behind : nationally representative survey with 4,000 respondents. April 2023. Male respondents = 1,949. Female respondents = 2,040.