



# Monthly Market Intelligence

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

MARCH 2024

 AutoTrader

# Fleet sales drive new car recovery as used retail prices are dampened by wholesale dynamics

## NEW CAR REGISTRATIONS

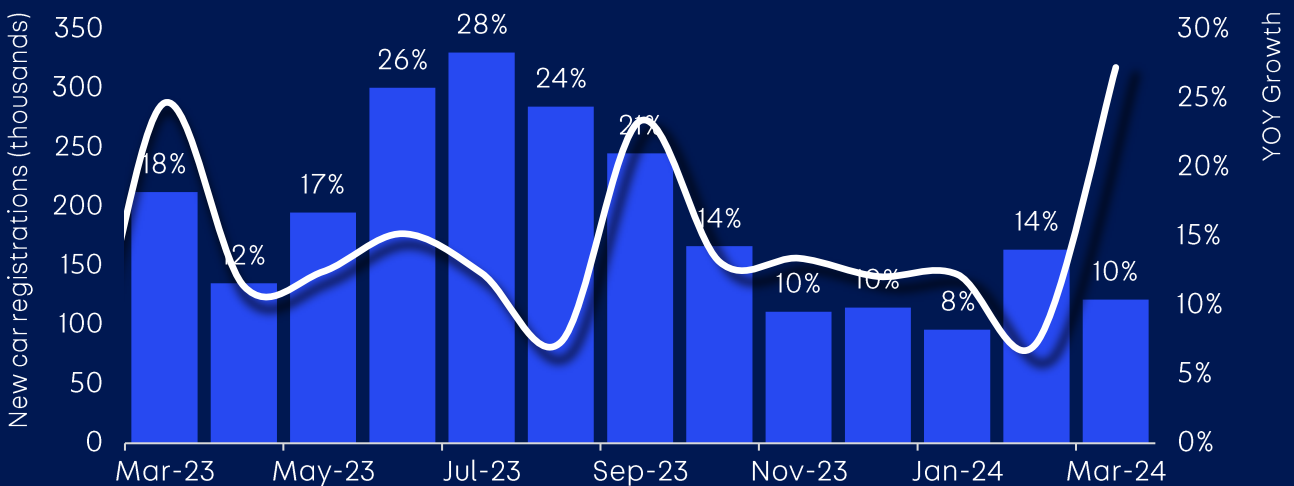
March was the 20<sup>th</sup> consecutive month of annual new car market growth, with registrations increasing by +10% compared with last year. Fleet sales remain the driver of growth, up +30% year-on-year. Private sales fell on an annual basis for the fifth month in a row as the retail market continues to struggle, due in part to lower appetite for EVs. With EV share of registrations falling below the ZEV mandate, manufacturers will need to take further steps to incentivise buyers to make the switch.

# 317,786

NEW CAR REGs. (SMMT)

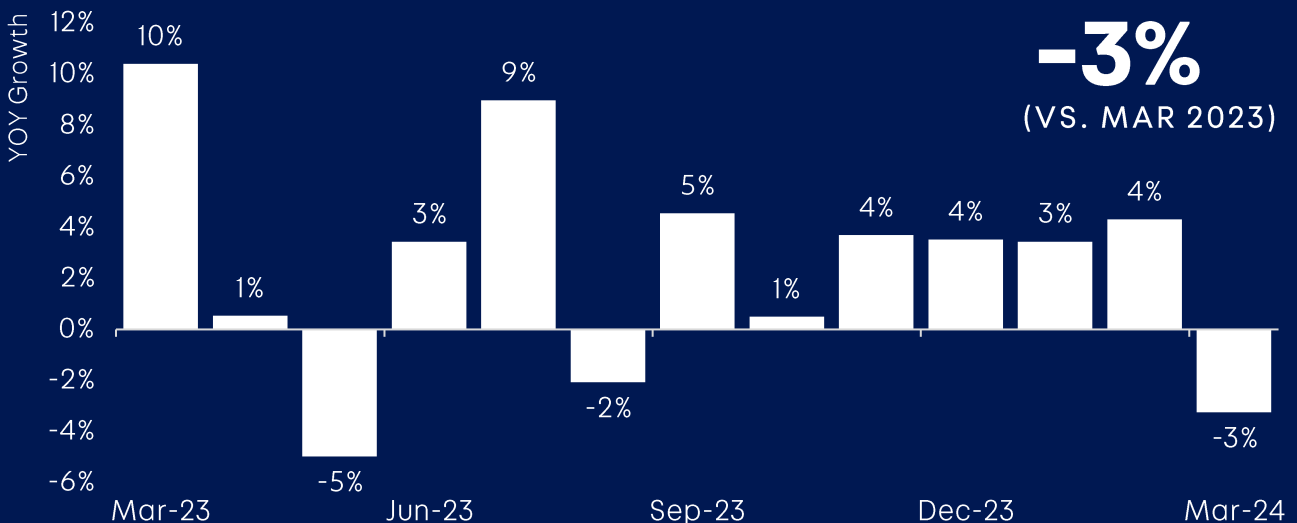
# +10%

(VS. MAR 2023)



## USED CAR SALES (YEAR-ON-YEAR)

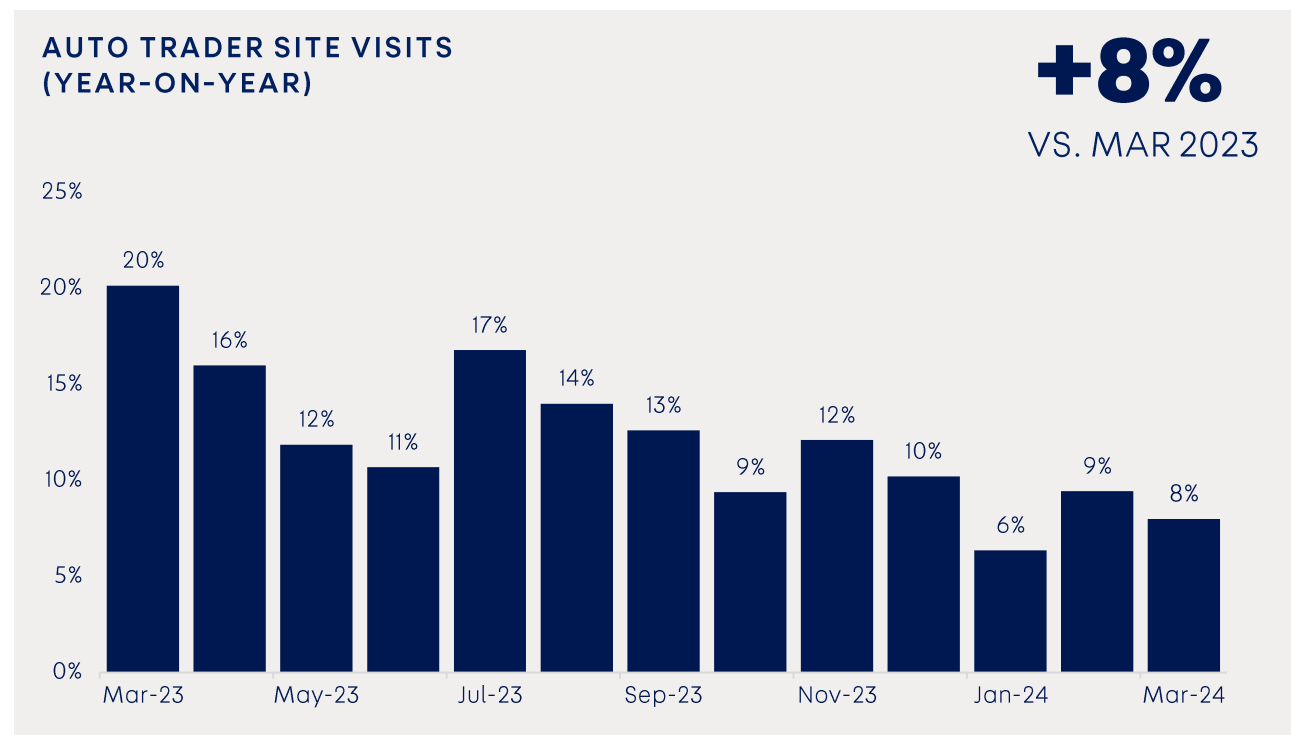
Used car sales in March fell compared with last year, ending a run of six months of growth although Q1 saw a 1% YoY increase. The drop in retail sales in March was driven by diesel cars, with volumes falling by -21% as supply of the fuel type declines. Buyers continued to turn to the hybrid market, with full/mild and plug-in sales up +60% and +52%, respectively. Electric car sales also increased as lower prices stimulate demand, rising by 45% YoY.



\*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. Ongoing improvements to the data means historic figures may change slightly each month.

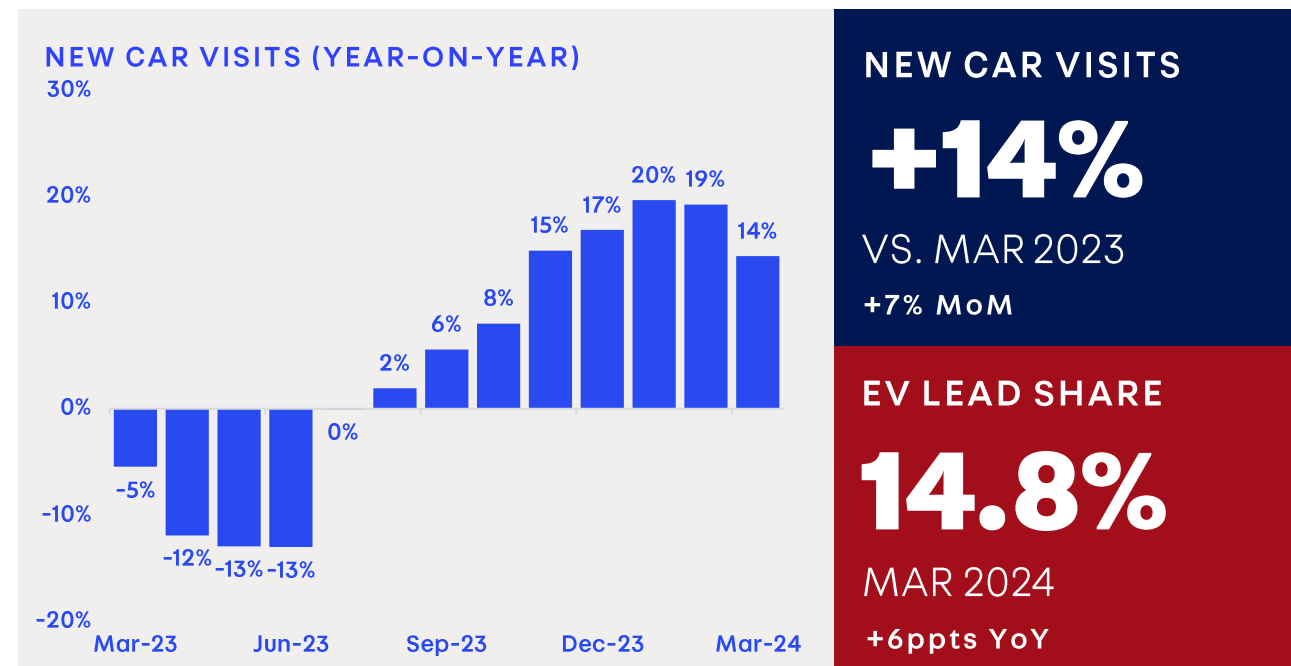
## AUTO TRADER AUDIENCE

Visits to Auto Trader in March were up **+8% year-on-year**, reaching their highest-ever levels. The record-breaking activity demonstrates a vote of confidence in automotive demand as 81% of visitors are looking to buy a car in the next 6 months<sup>1</sup>, up 4 PPTS from February and the highest proportion on record.



## NEW CAR ACTIVITY

March was again a robust month for new car visits as consumers responded to the plate change, increasing by **14% compared with last year**. Competition is increasing as the average discount off the RRP on new cars reached 8.7%, the highest level since September 2021. EVs also saw the greatest discounts, reaching 11% and up from 5% in March 2023. Discounts may increase further as manufacturers try to hit the ZEV target.



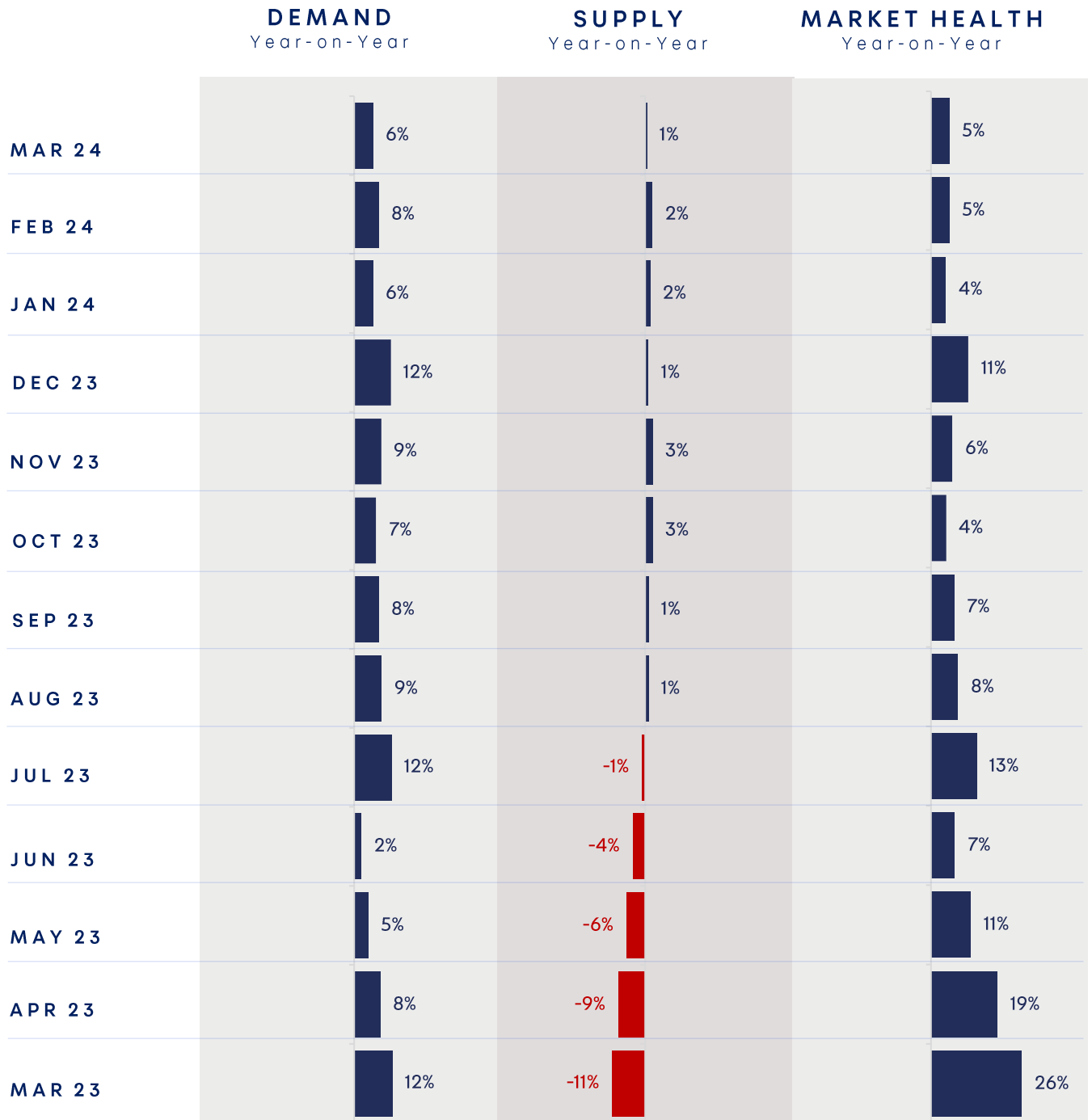
<sup>1</sup>Source: Auto Trader on-site survey, N = 490

# USED CAR MARKET HEALTH

Retail demand for used cars grew faster than supply in March, resulting in positive market health of **+5%**. Cars sold three days faster year-on-year, with a median days to sell of 25: quicker than any other March on record. Petrol and Full/Mild hybrid cars were the fastest-selling fuel-types, at 24 days. 1-3-year-old cars sold six days faster than March last year, down from 30 days to 24.



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

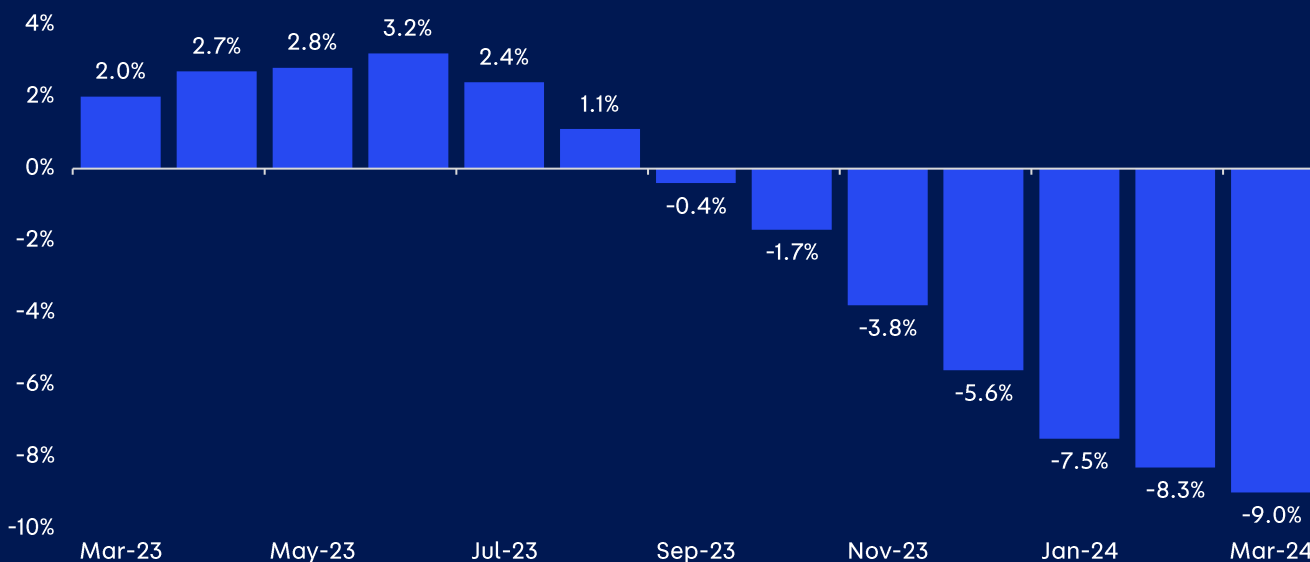


# USED CAR RETAIL PRICE CHANGES

**Used car prices softened again as trade market dynamics played through into the retail channel: prices fell -9% year-on-year.** Despite healthy levels of retail demand - and supply still constrained in younger age cohorts - retail prices fell for the seventh consecutive month. Trade price declines outpaced those seen on forecourts, falling -13% year-on-year. Although demand metrics are healthy, more than 1 in 3 cars were priced at least 2% below their market value in March, with some retailers applying trade trends to the retail market.

## YEAR-ON-YEAR USED CAR RETAIL PRICE CHANGES

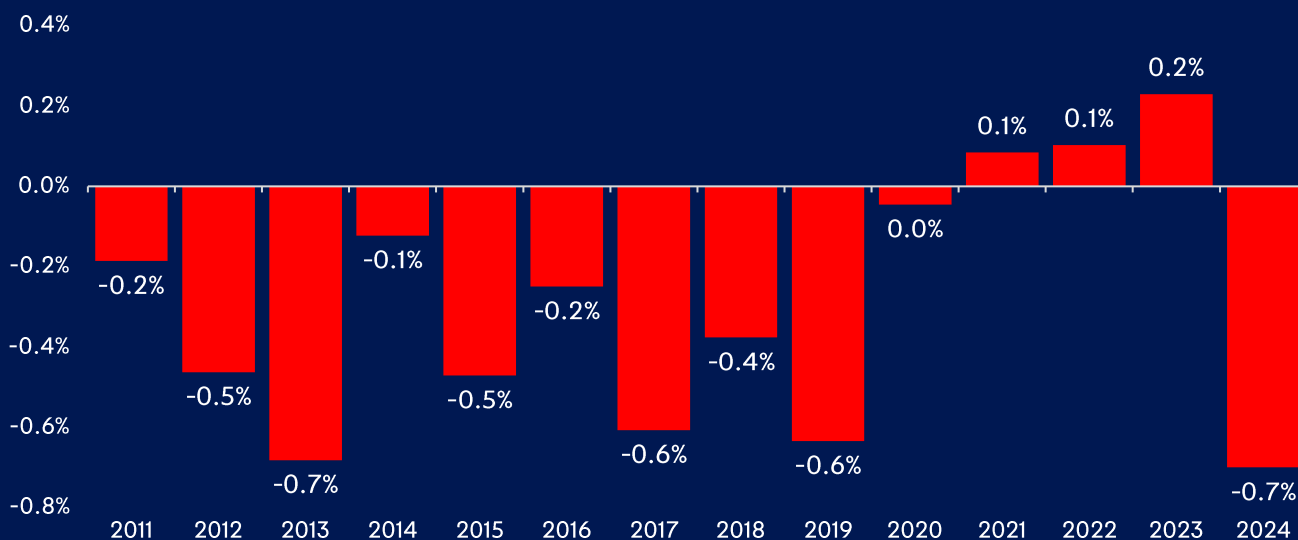
Like-for-Like Basis



**Like-for-like used car retail prices fell by -0.7% on a month-on-month basis, in line with pre-pandemic norms for the month of March and a more familiar trend following several months of abnormal and unseasonal declines.** 3-5-year-old cars saw a positive price movement of +0.3% month-on-month for the first time since April 2023 in an indication of the nuance that exists in the market.

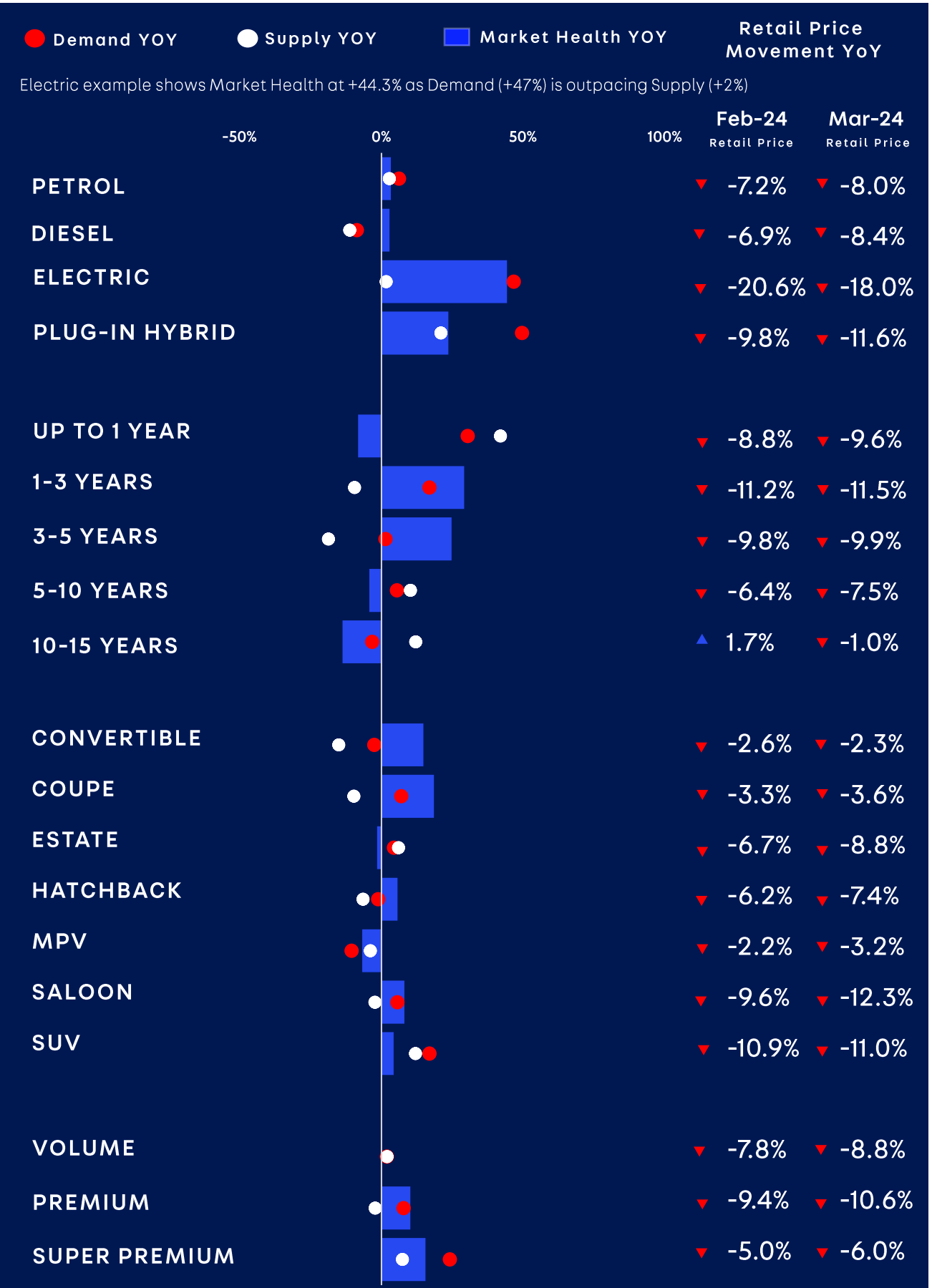
## MONTH-ON-MONTH USED CAR RETAIL PRICE CHANGES

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

# The Private New Car Market

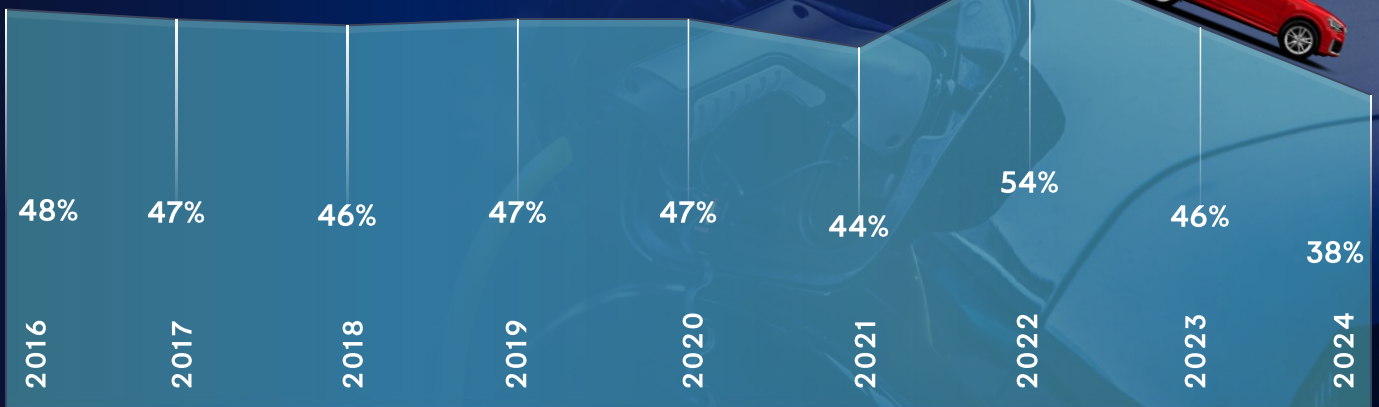
Recovery in new car sales being driven by fleets as higher interest rates and the shift to electric deter private buyers

**-9%**

Private Sales: Q1  
Year-on-Year



PRIVATE SHARE OF NEW CAR SALES IN Q1  
SMMT



Tactical discounts being applied by brands to stimulate demand for EVs and help achieve the ZEV mandate target

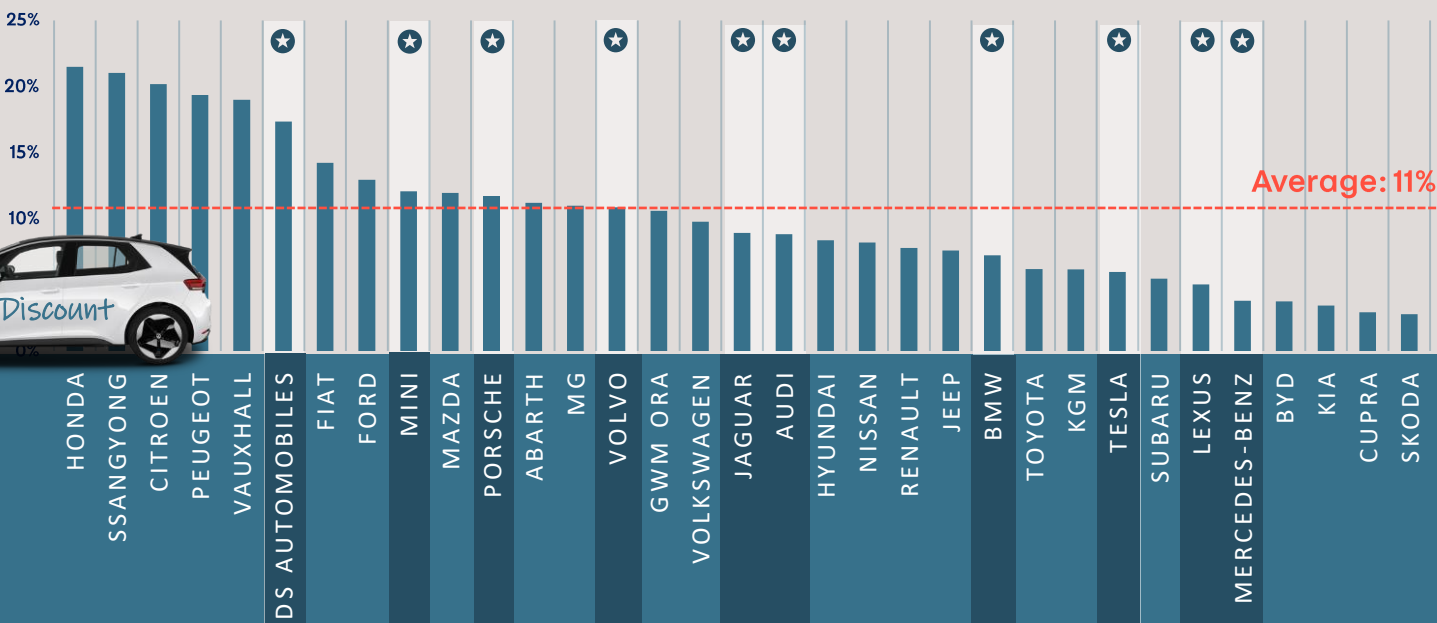
**11%**

Average EV Discount  
March 2024: +6.1ppts YoY



AVERAGE DISCOUNT ON NEW ELECTRIC CARS  
% RRP. Advertised on Auto Trader in March 2024

★ PREMIUM BRANDS

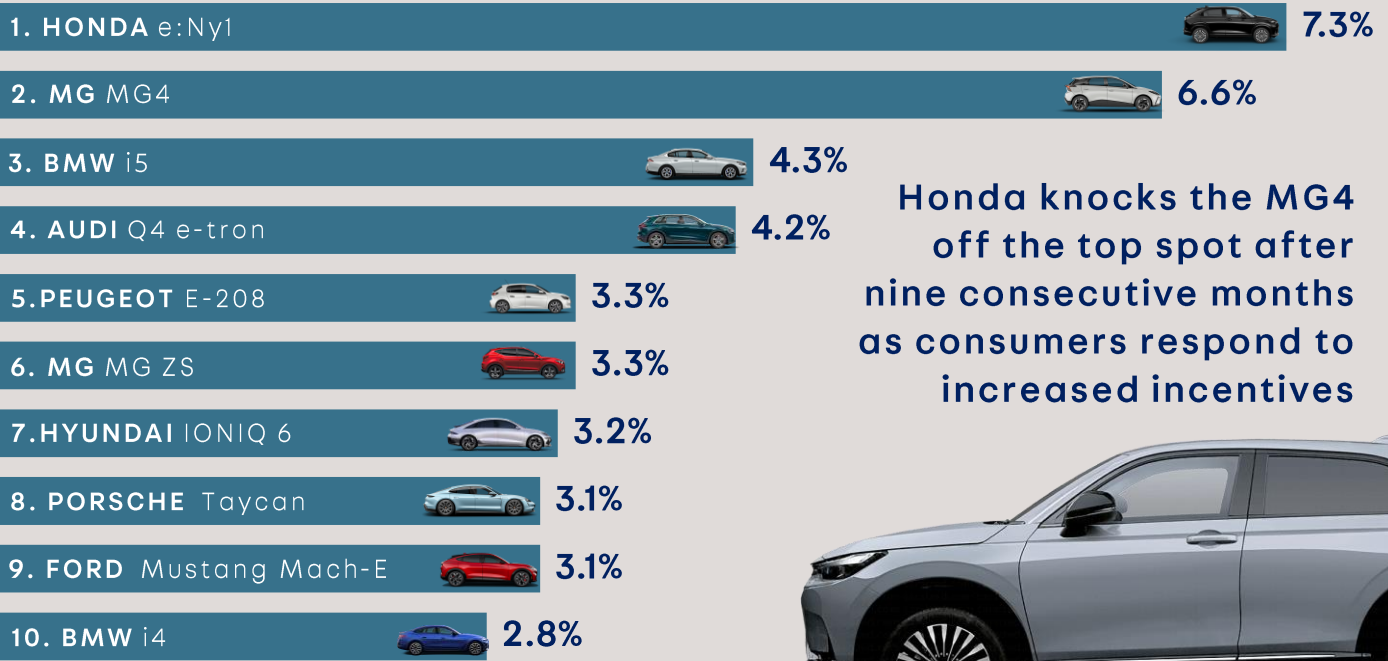


Average: 11%



# MOST POPULAR NEW ELECTRIC CARS ON AUTO TRADER

Share of new electric car leads in 2024 Q1.



Honda knocks the MG4 off the top spot after nine consecutive months as consumers respond to increased incentives



In a sign that the industry is returning to a push market, pre-registrations are rising quickly, but volumes remain behind 2019 levels

**+52%**



Number of pre-registrations\*  
(vs March 2023)

Based on used cars advertised with under 100 miles

**-37%**



Number of pre-registrations\*  
(vs March 2019)

Based on used cars advertised with under 100 miles

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