



ASTON BARCLAY



INSIGHTS

USED MARKET REPORT • MARCH 2021

LATE AND LOW SECTOR
FALL ON THE BACK OF
CAP HPI MARK DOWN

DEALER PART
EXCHANGE PRICES
REMAIN CONSISTENT

DOUBLE-CAB
PRICES RISE AFTER
STOCK SHORTAGE

WELCOME FROM MARTIN POTTER, MD – CUSTOMER

March used market commentary

Our Q1 2021 used car sales volumes were on par with Q1 2020 and with new car sales at 283,964 despite the country being locked down and forecourts/showrooms being shut it shows just how well the industry has embraced online trading in a very short period.

There is no doubt that the March 21-plate change has yet to feed through into the market, but hopefully we will see some of these appear during April.

Our Late and Low performance followed the 12% mark down by CAP HPI during the quarter falling to £14,627 on the back of a rise in average by 1.5 months to 17.5 months and a rise in average mileage by 3,500 miles to 16,500 miles. Average damage also rose by 44% during the

quarter in this sector which contributed to the price fall.

Fleet volumes were slightly down in the quarter as many new car delivery schedules have been extended, while prices also fell back to £10,411. However, they are still £438 higher than they ended Q1 2020 which puts the market into perspective.

Demand for sub £12,000 dealer part exchanges remains strong and prices remained consistent

in Q1. Meanwhile, both petrol and diesel prices fell for the third consecutive month while Alternatively Fuelled Vehicles (AFVs) fell to their second lowest for over three years as the market tries hard to find its level that both the wholesale and consumer market are both happy.



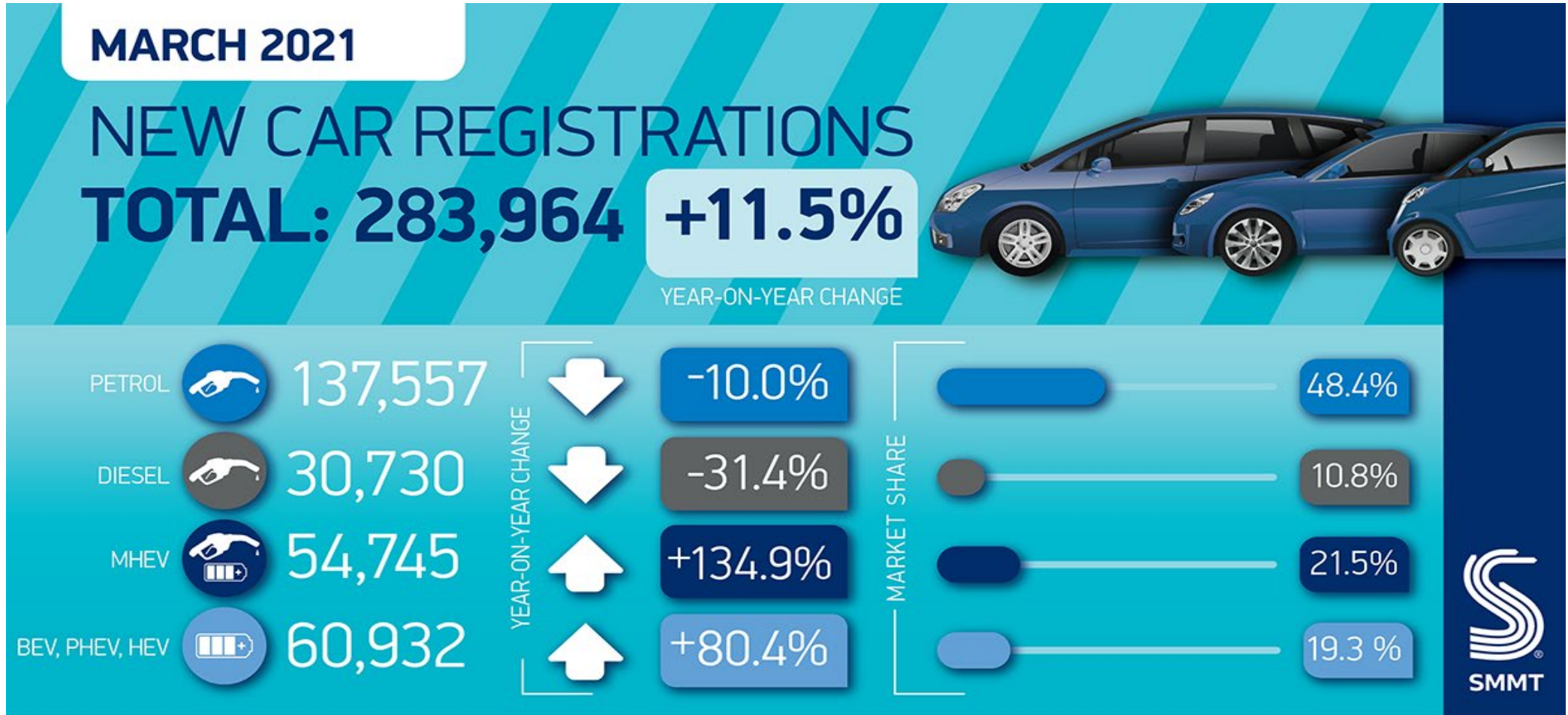
Used car outlook

All the signs are that there will be a strong period of growth for used car sales as dealers come out of lockdown in April. New car delivery schedules are still a challenge which is feeding fewer ex-fleet used cars into the market while we will not see dealer part exchange volumes stabilize for a few more months until the new car market gets back to its new normal.

This shortage in stock will come at a time when consumers come out of lockdown with more available cash which is boosted by the jury being out on whether they will be able to travel abroad this summer. Demand will remain strong and prices are likely to rise from April onwards well into the summer on the back of restricted stock in the market.

However, we do not expect to see the huge pent-up demand that we saw last June as dealers have got better at selling more used cars online via 'click and collect' which compares with Lockdown 1.0 in March 2020 when dealer sales departments were completely shut.

So, despite just over a year of a global pandemic which has caused three lockdowns the used car market looks set for a healthy 2021.



Mike Hawes, SMMT Chief Executive, said: “The past year has been the toughest in modern history and the automotive sector has, like many others, been hit hard. A strong, sustainable market is possible if customers respond to the choice and competitive offers the industry provides within the safest of showroom environments.

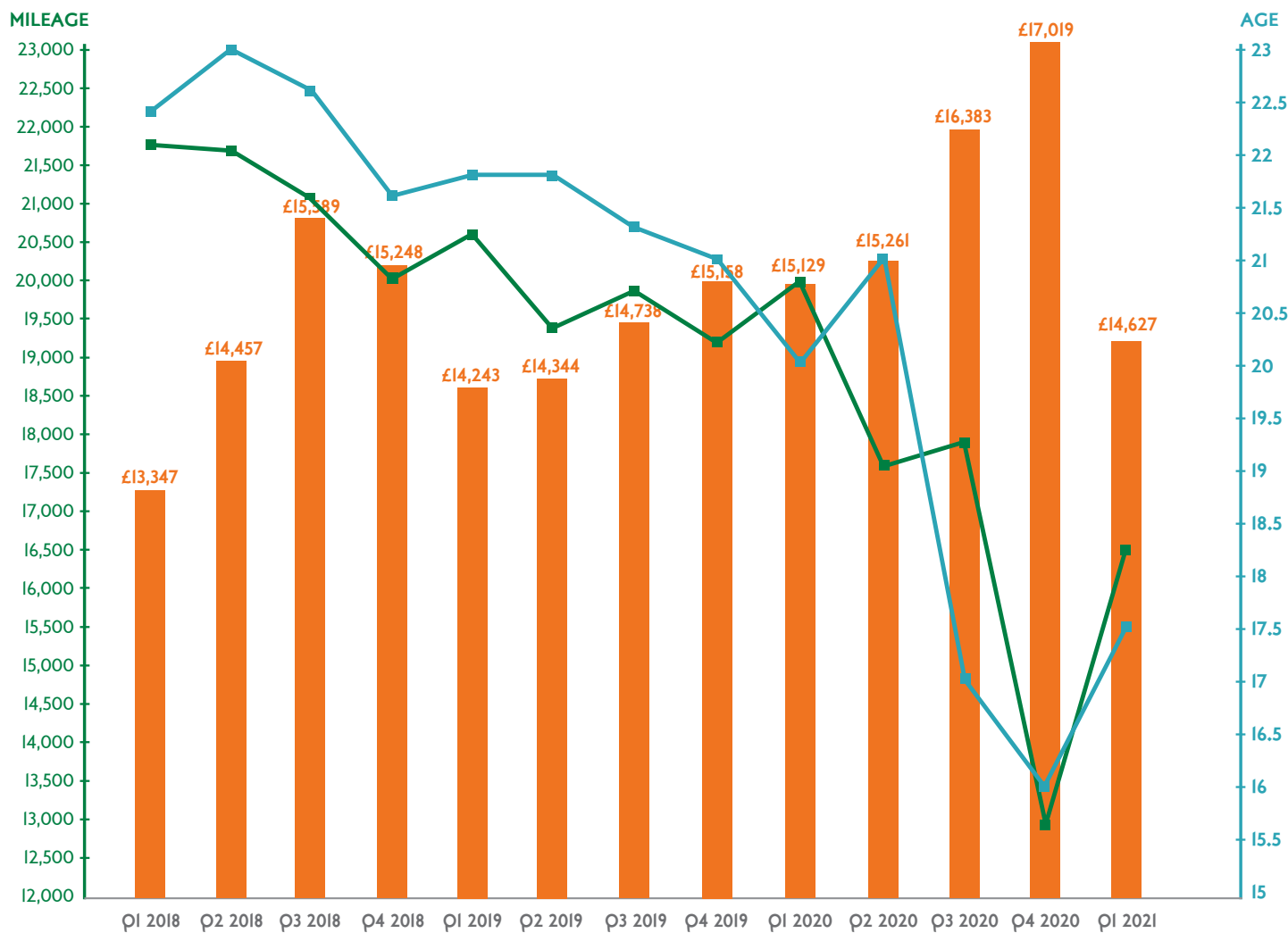
New plug-in models are already helping drive a recovery but to convince more retail consumers to make the switch, they must be assured these new technologies will be convenient for their driving needs and that means, above all, that the charging infrastructure is there where they need it, and when they need it.”

LATE AND LOW MARKET PROFILE

(0-24 months)

SUMMARY

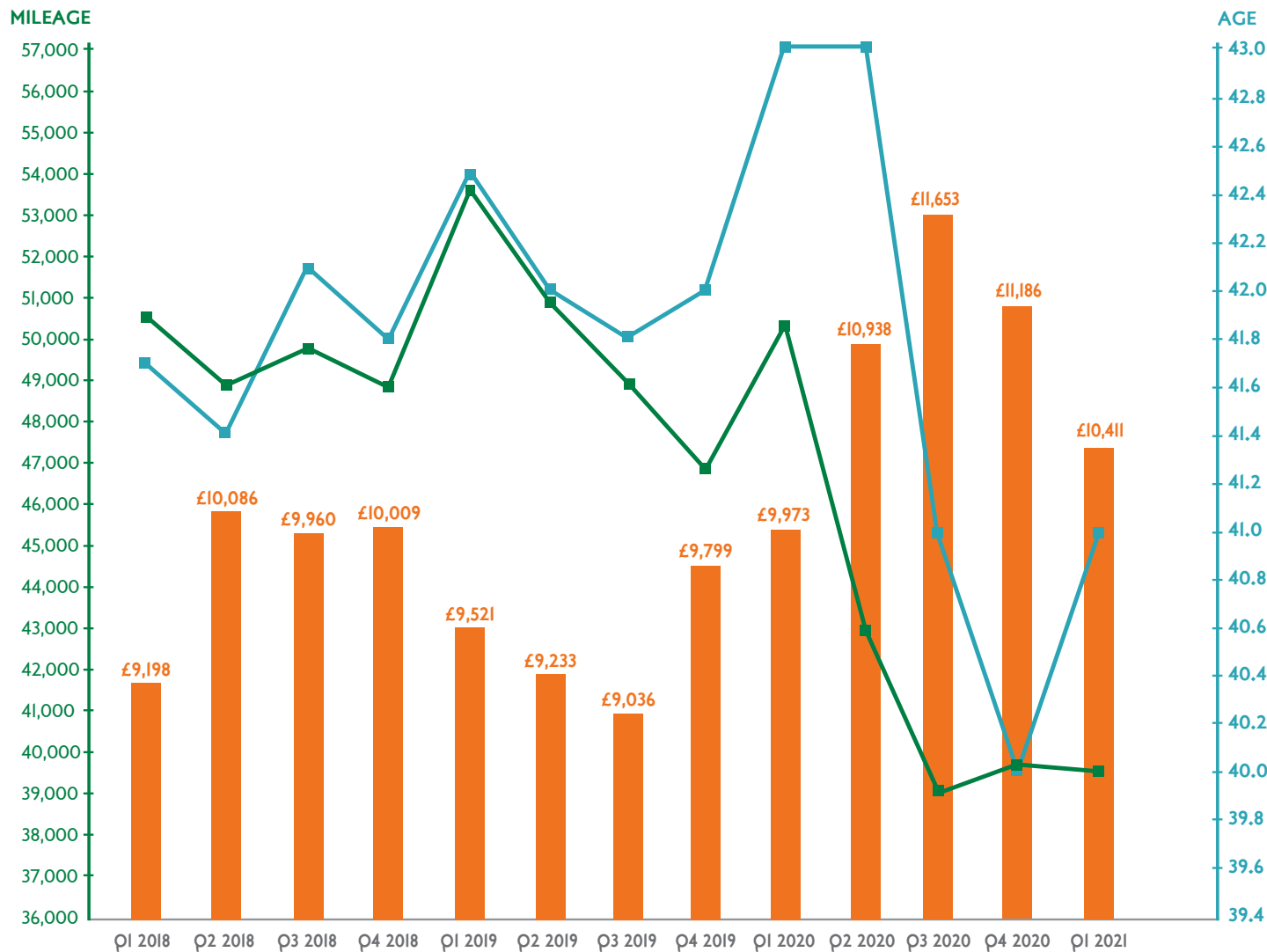
- A 12% fall in CAP HPI prices of Late and Low used cars and a 44% increase in damage contributed to a fall £2,392 in Q1.
- Both average age and mileage increased during Q1, further impacting on average prices.



● AVERAGE PRICE ● AVERAGE MILEAGE ● AVERAGE AGE

FLEET MARKET PROFILE

(24-54 months)

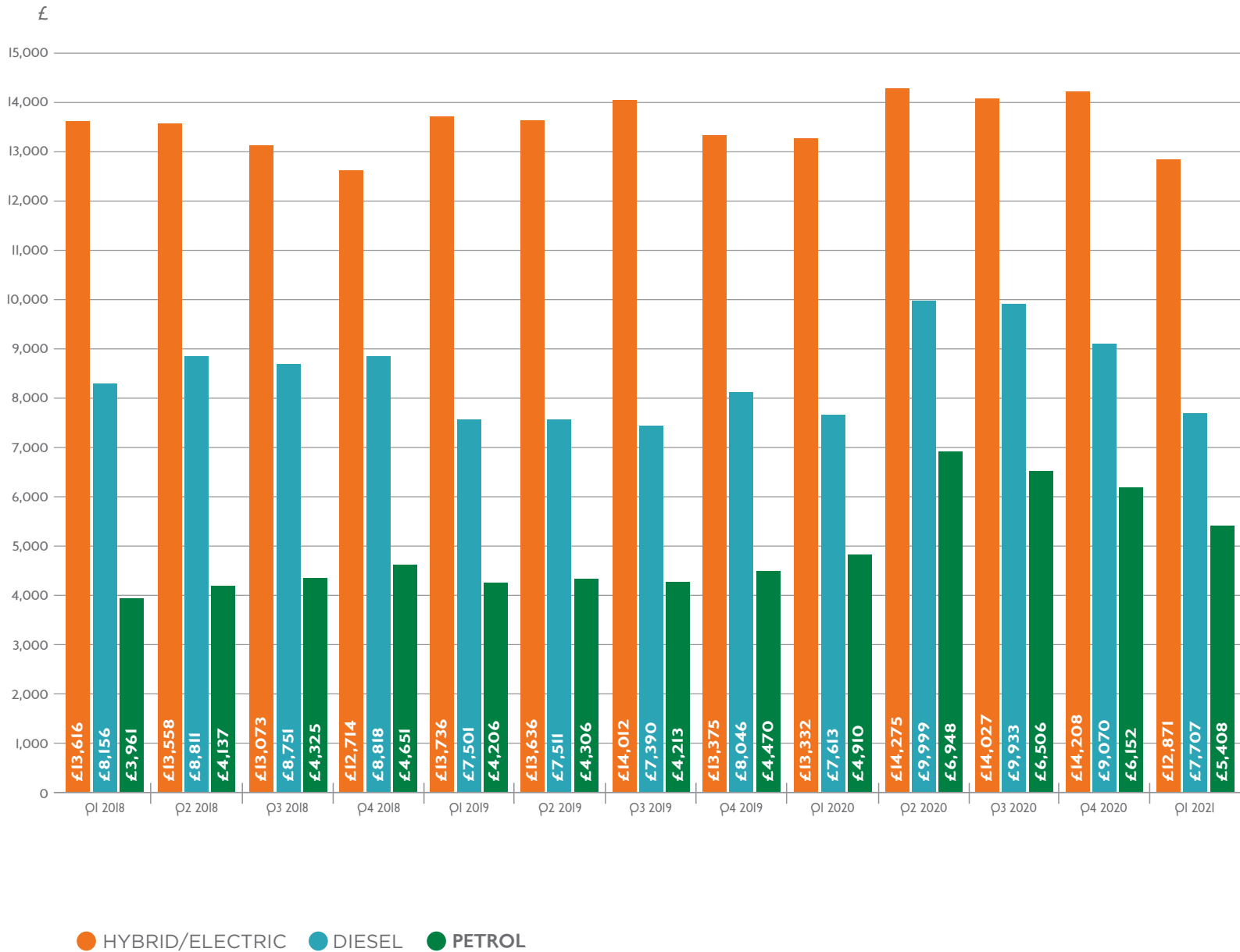


● AVERAGE PRICE
 ● AVERAGE MILEAGE
 ● AVERAGE AGE

SUMMARY

- Prices remained ahead of Q1 2020 despite falling in Q1 2021 to £10,411.
- Fleet volumes were also down in Q1 as fleet replacement policies remain impacted by lengthier new vehicle delivery schedules.

OVERALL MARKET FUEL TYPES



SUMMARY

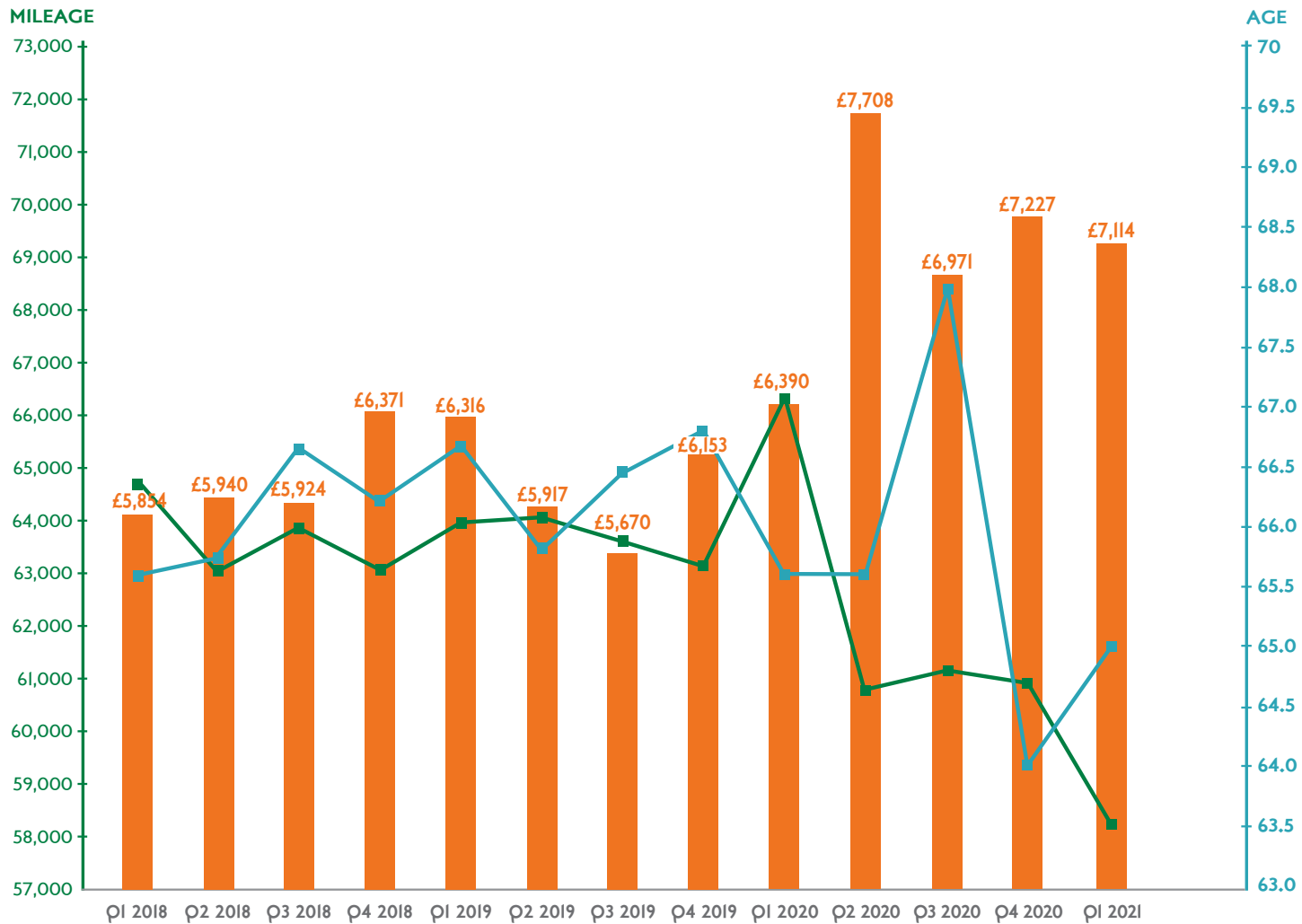
- Petrol and diesel prices fell for their third successive quarter following the strong price rises experienced in Q2 2020.
- AFV prices fell again in Q1 as EVs continue to find their level in the used market.

DEALER MARKET PROFILE - YOUNG PART EXCHANGES

(55-75 months)

SUMMARY

- Still the strongest dealer part exchange price band
Young prices remained at just over the £7,000 level.
- Average mileage fell by 3,000 miles to 58,000 in Q1 while average age rose from 64 to 65 months.



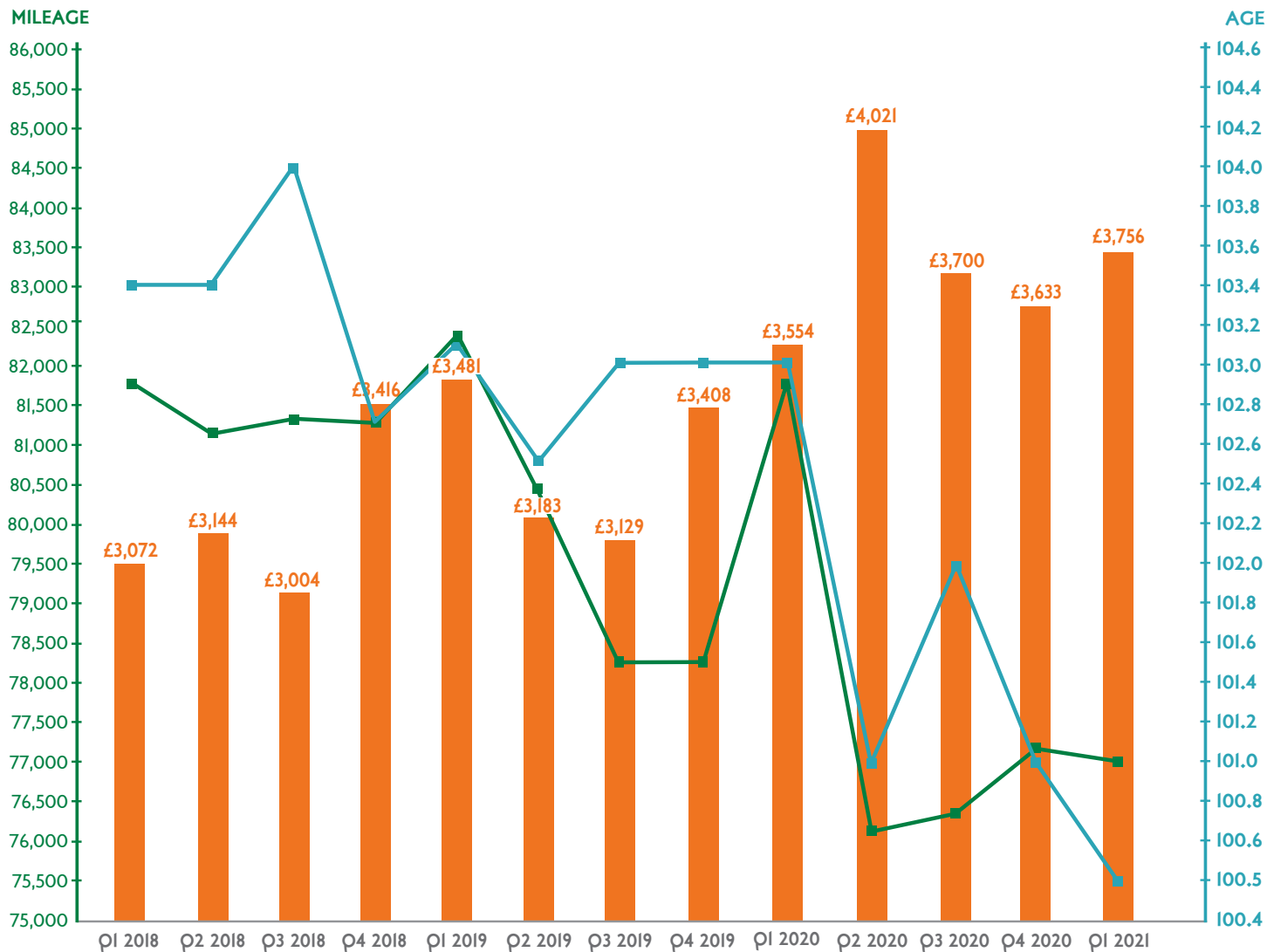
● AVERAGE PRICE ● AVERAGE MILEAGE ● AVERAGE AGE

DEALER MARKET PROFILE - OLD PART EXCHANGES

(78-125 months)

SUMMARY

- Average prices rose to £3,756 the second highest price ever recorded by our insights report.
- Average mileage remained consistent at 77,000 miles while average age fell by the third successive quarter to 100.5 months.



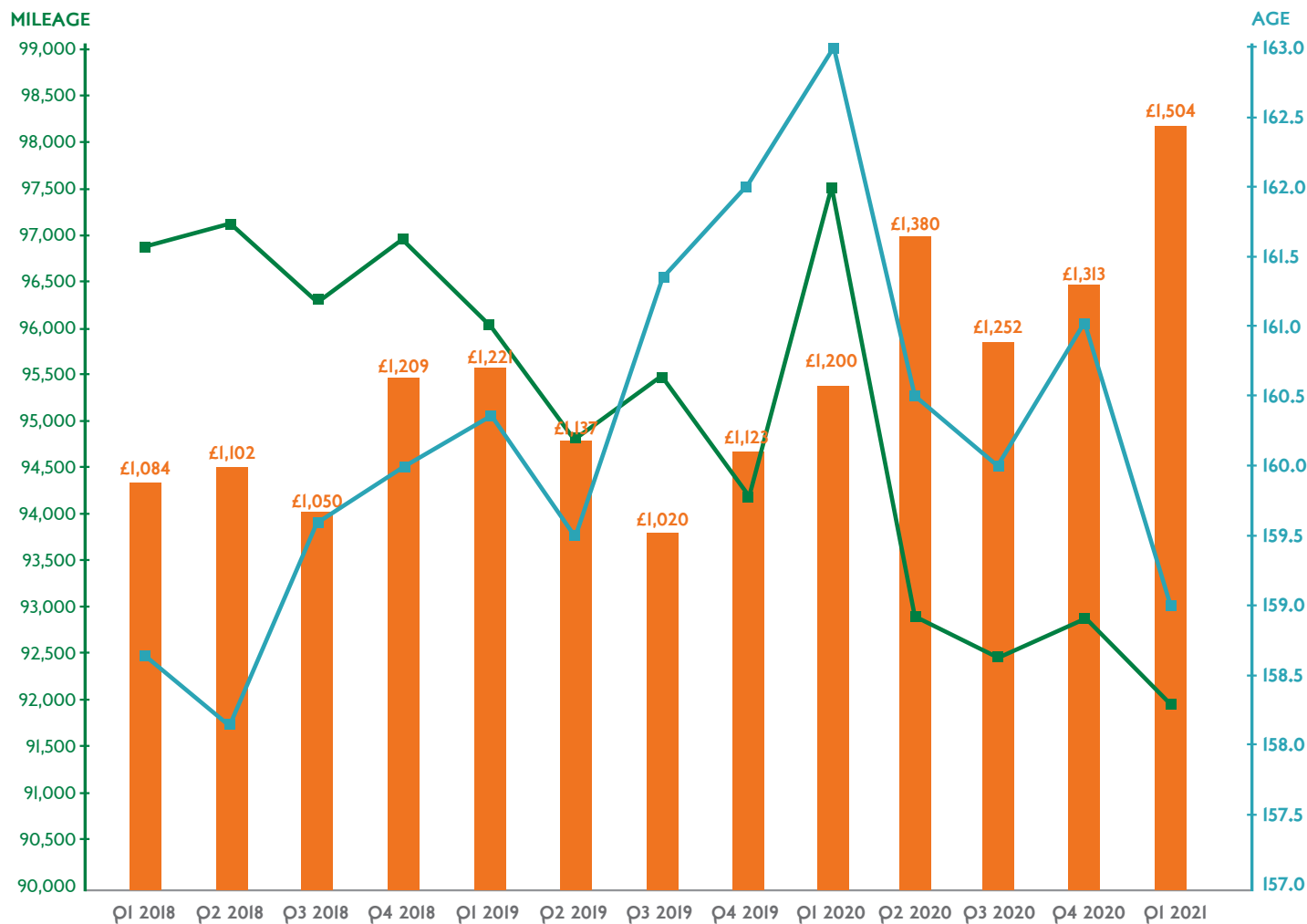
● AVERAGE PRICE ● AVERAGE MILEAGE ● AVERAGE AGE

DEALER MARKET PROFILE - BUDGET PART EXCHANGES

(126+ months)

SUMMARY

- Budget prices rose to their highest ever recorded during Q1 to £1,504.
- A fall in average age and mileage to 159 months and 92,000 miles contributed to this price rise of £191 in the quarter.

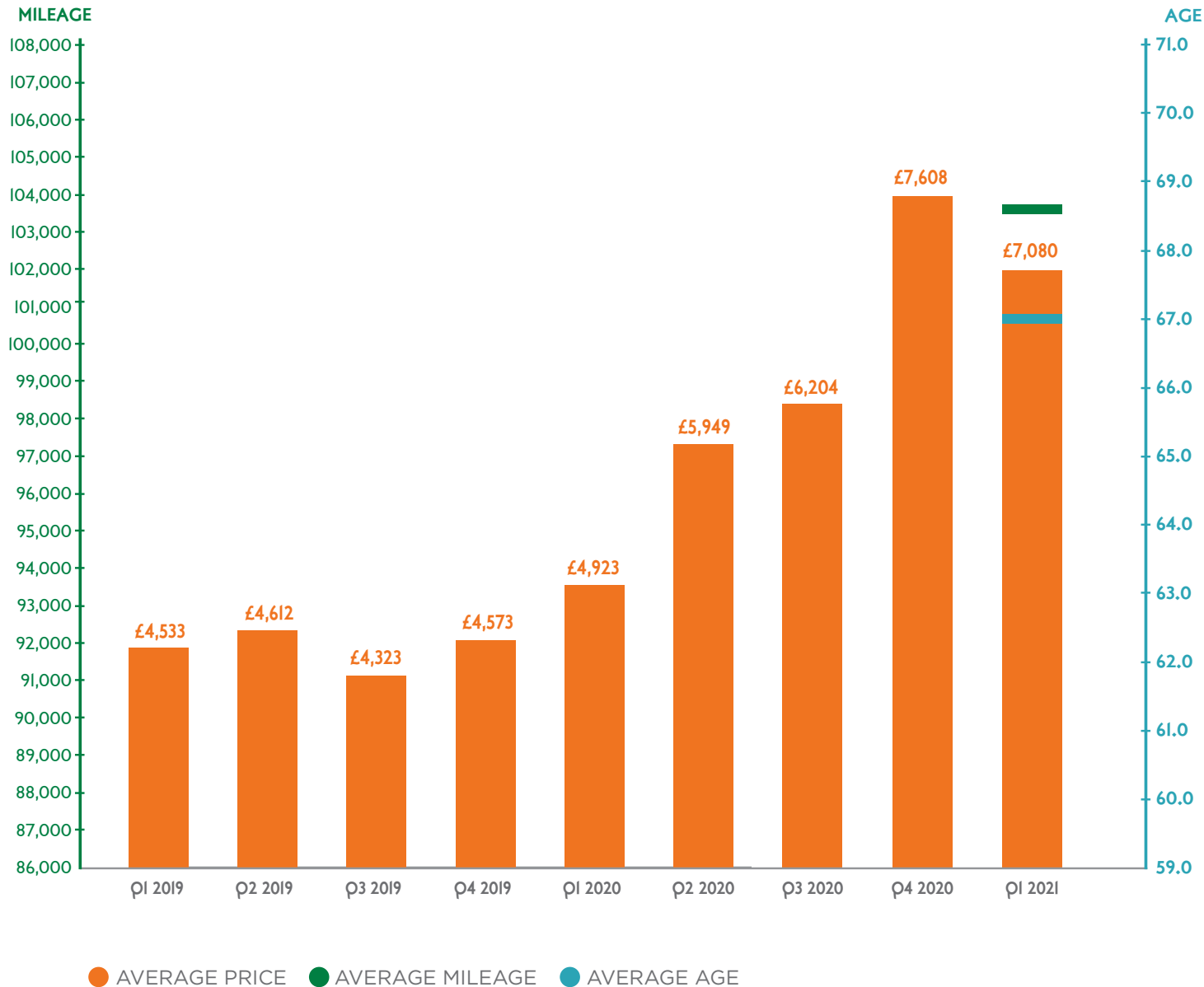


● AVERAGE PRICE ● AVERAGE MILEAGE ● AVERAGE AGE

VAN MARKET PROFILE

SUMMARY

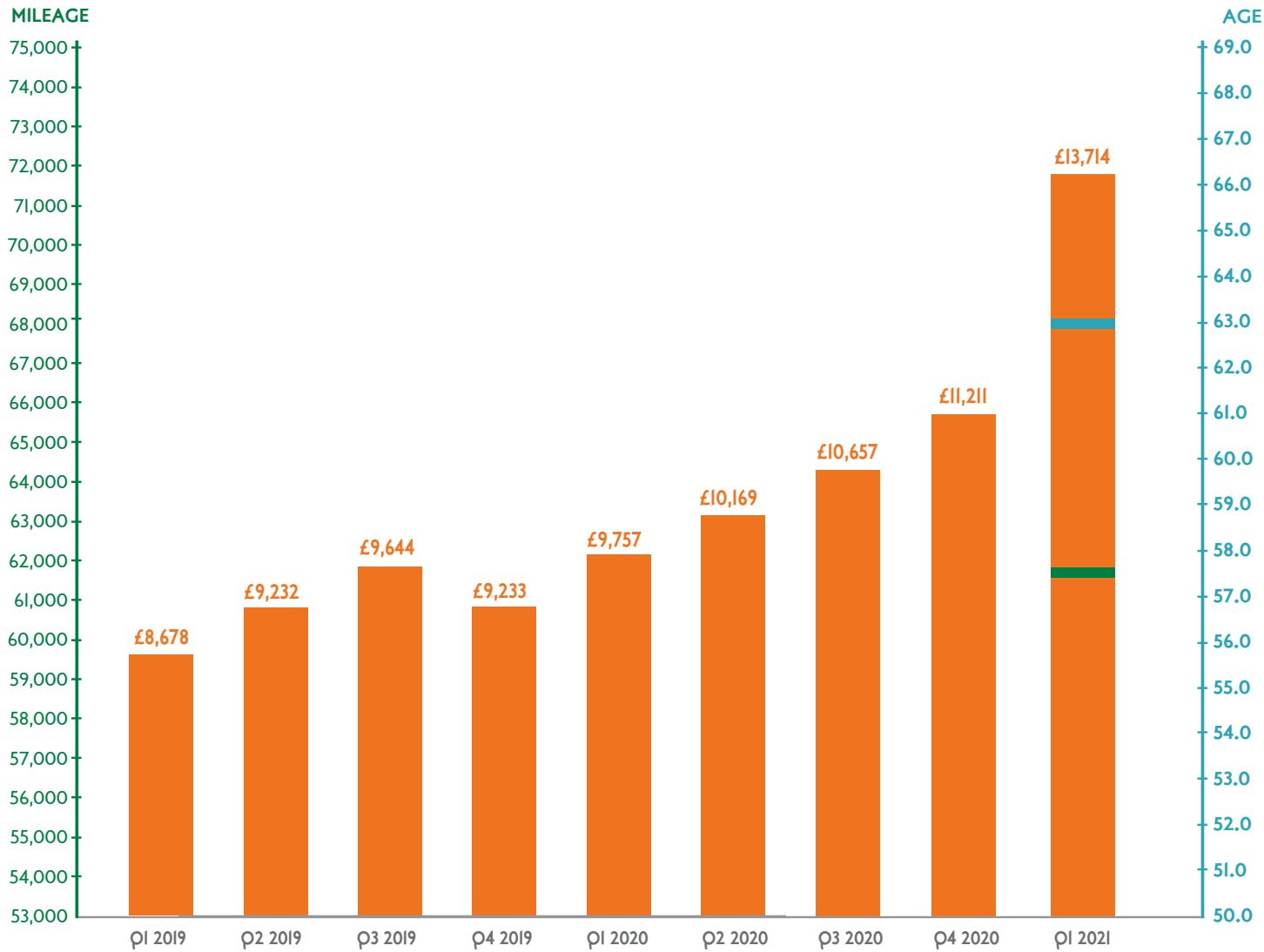
- Average prices fell back by £528 as lease vendors started to clear out the higher mileage and less desirable used vans during the quarter.
- The market has still risen by £2,157 year-on-year.



DOUBLE-CAB PICK-UP MARKET PROFILE

SUMMARY

- A shortage of stock contributed to a rise in price of £2,503 in Q1 to £13,714.
- The average double-cab pick-up being sold in Q1 was 63 months and 61,500 miles.



● AVERAGE PRICE
 ● AVERAGE MILEAGE
 ● AVERAGE AGE





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