

# INSIGHTS

USED MARKET REPORT

Q3 2023



## Petrol prices rise in Q3

Used volumes continue to rise

Fleet stock is most in demand with buyers



# WELCOME



As we enter the winter there are signs of a seasonal market for the first time in a few years. Demand and prices have slowed down, as buyers are being more selective given market conditions. Our expert team, located across six physical locations, are best placed to match the right stock to the right buyer in these conditions.

That said, the market still contains plenty of buyers looking to purchase stock at sub £10k and sub £15k and of course the budget sector continues to thrive.

Demand for diesel vehicles remains strong and represent nearly 40% of used cars that we have sold in 2023 year to date. However, prices have been declined sharply in Q3. Petrols remain the safe choice with consumers and dealers alike and this was evident with it being the only fuel type to report a price rise in Q3. Continued price decline is making EVs ever more attractive with buyers, and EV's now represent 4% of all vehicles sold at Aston Barclay.

**Gordon Cockle, Director of Remarketing**



## Outlook

Vendors are seeing more stock coming through each month as new car supplies start to improve, especially in the fleet sector which has seen its fair degree of contract extensions. The used car market is not going to return to pre-Covid levels for a while, but the largest September new car market since 2020 of over 270,000 cars is in turn flushing an extra quarter of a million used cars into dealers and auctions. This is offering greater choice for buyers.

Our dedicated EV auction at Donington is also seeing more used electric cars go under the hammer and this will only continue as we head into 2024. Whilst prices have stabilised more in recent months the price fall has attracted buyers into the market, and we are now seeing stock in the market at more manageable levels.

**Nick Thompson, Chief Customer Officer**



2023 logo  
to come



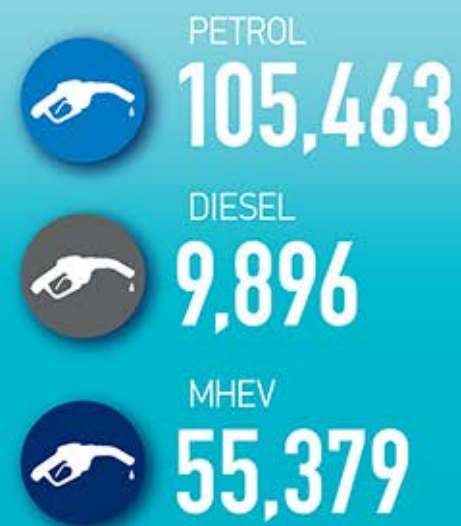
# OVERALL MARKET TREND

SEPTEMBER 2023

## NEW CAR REGISTRATIONS TOTAL: 272,610

### 21.0%

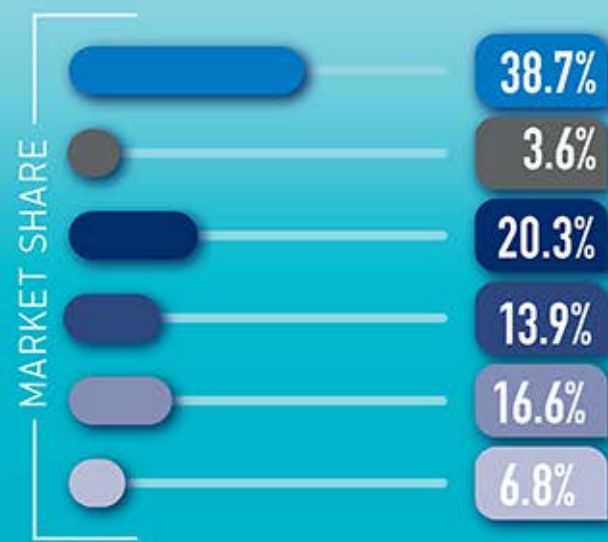
YEAR-ON-YEAR CHANGE



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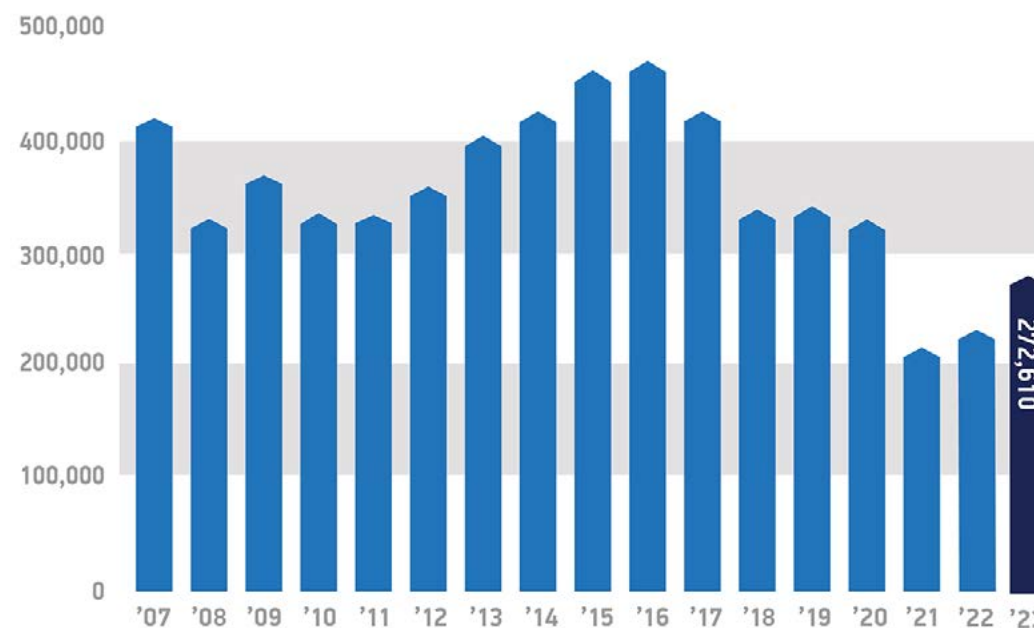
MARKET SHARE

# OVERALL MARKET TREND

**Mike Hawes, SMMT Chief Executive, said:**

“ A bumper September means the new car market remains strong despite economic challenges. However, with tougher EV targets for manufacturers coming into force next year, we need to accelerate the transition, encouraging all motorists to make the switch. This means adding carrots to the stick – creating private purchase incentives aligned with business benefits, equalising on-street charging VAT with off-street domestic rates and mandating chargepoint rollout in line with how electric vehicle sales are now to be dictated. The forthcoming Autumn Statement is the perfect opportunity to create the conditions that will deliver the zero emission mobility essential to our shared net zero ambition. ”

**SEPTEMBER NEW CAR REGISTRATIONS** 2007 to 2023



# LATE AND LOW MARKET PROFILE (0-24 months)

Prices fell by 5.7% (-£1,377) from Q2 to Q3 despite a fall in age and mileage mainly down to buyer habits changing.

Car supermarkets have moved to stocking older cars while franchised dealers are already stocked

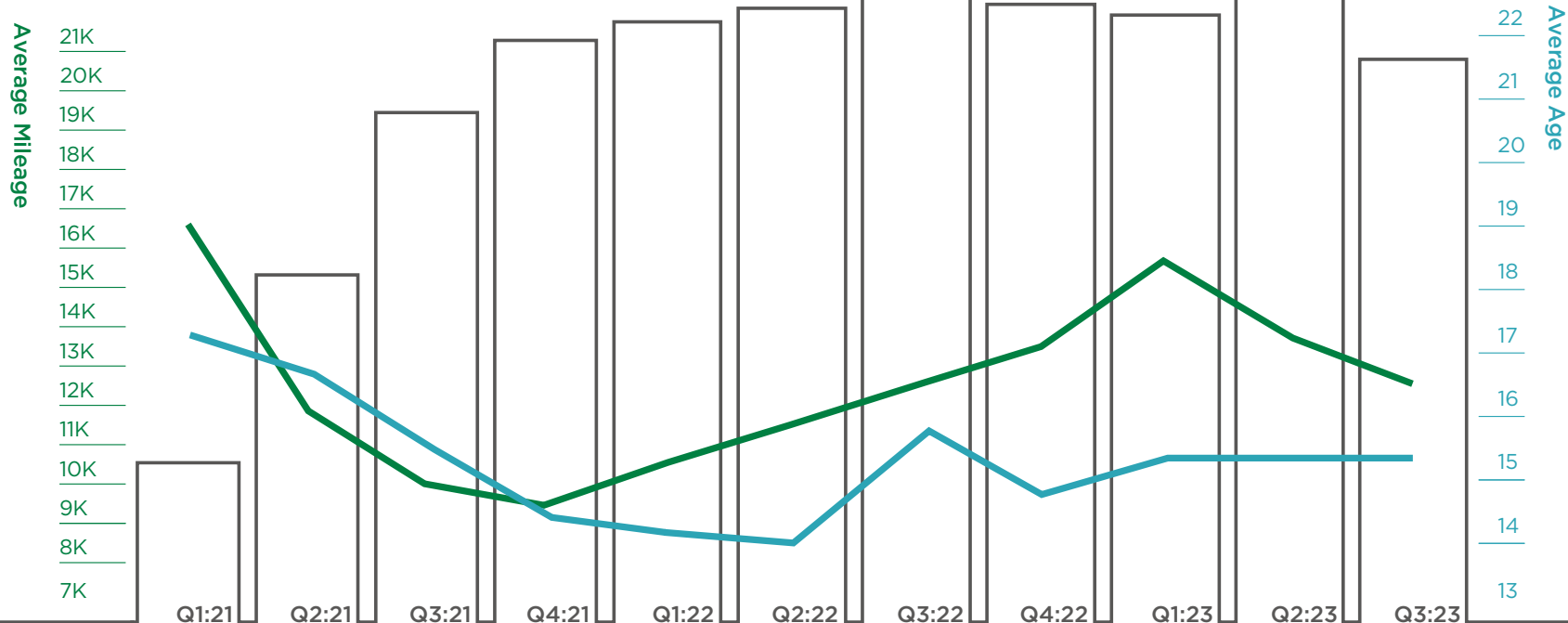
up with sub two-year old cars.

The volume of younger used cars in the market has also risen, including some ex-rental cars which has also contributed to the seasonal fall in prices.



Average Price

£14,627 £18,350 £21,492 £22,981 £23,265 £23,941 £24,695 £23,982 £23,528 £24,000 £22,623





# FLEET MARKET PROFILE

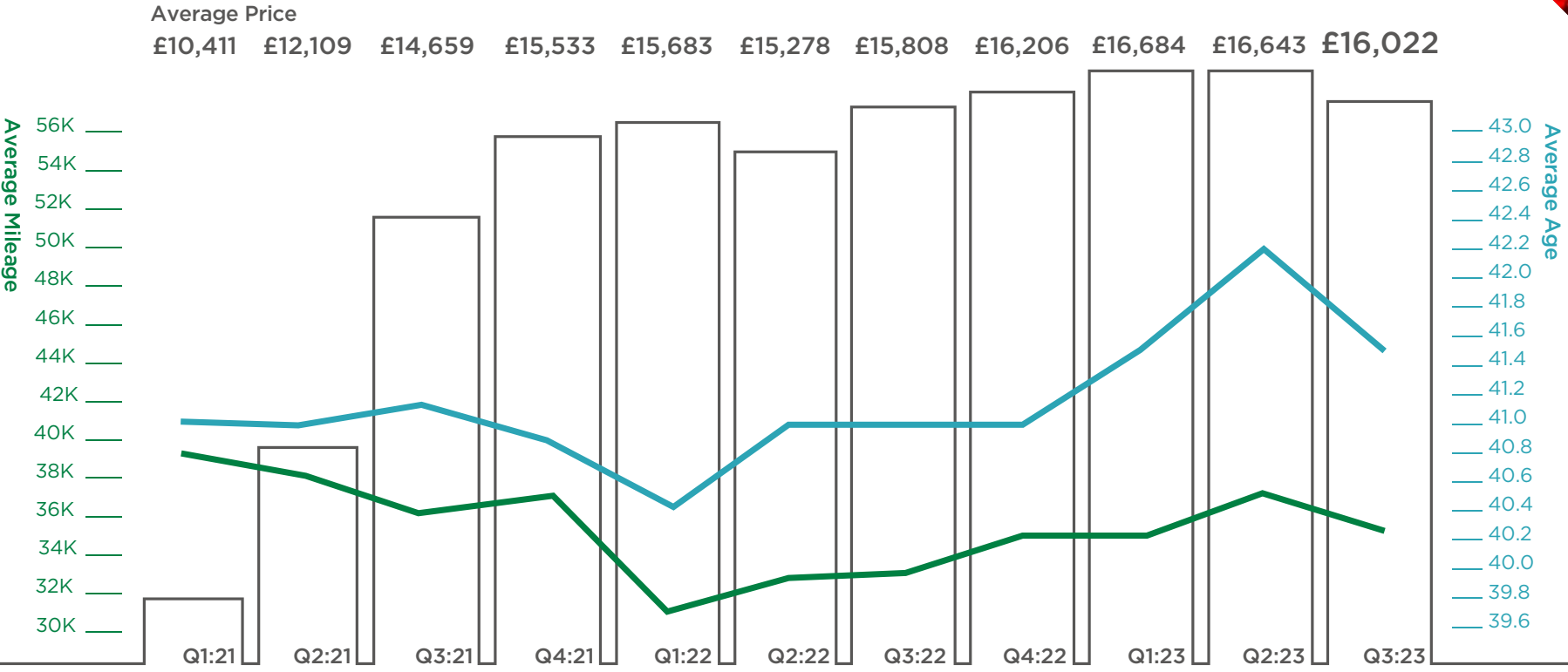
(24-54 months)

Ex-fleet used car prices fell by 3.7% (-£621) during Q3, despite a fall in age and mileage, which is a good performance as CAP continues to realign its book prices with the current seasonal market.

We sold 10% more fleet cars than in Q2, which

shows how used car volumes are rising as new car supply is improving.

Ex-fleet stock at between £10-15k and with less than 60,000 miles on the clock are the most in demand cars from franchised and independent dealers alike.



# OVERALL MARKET FUEL TYPES

## DIESEL AND PETROL

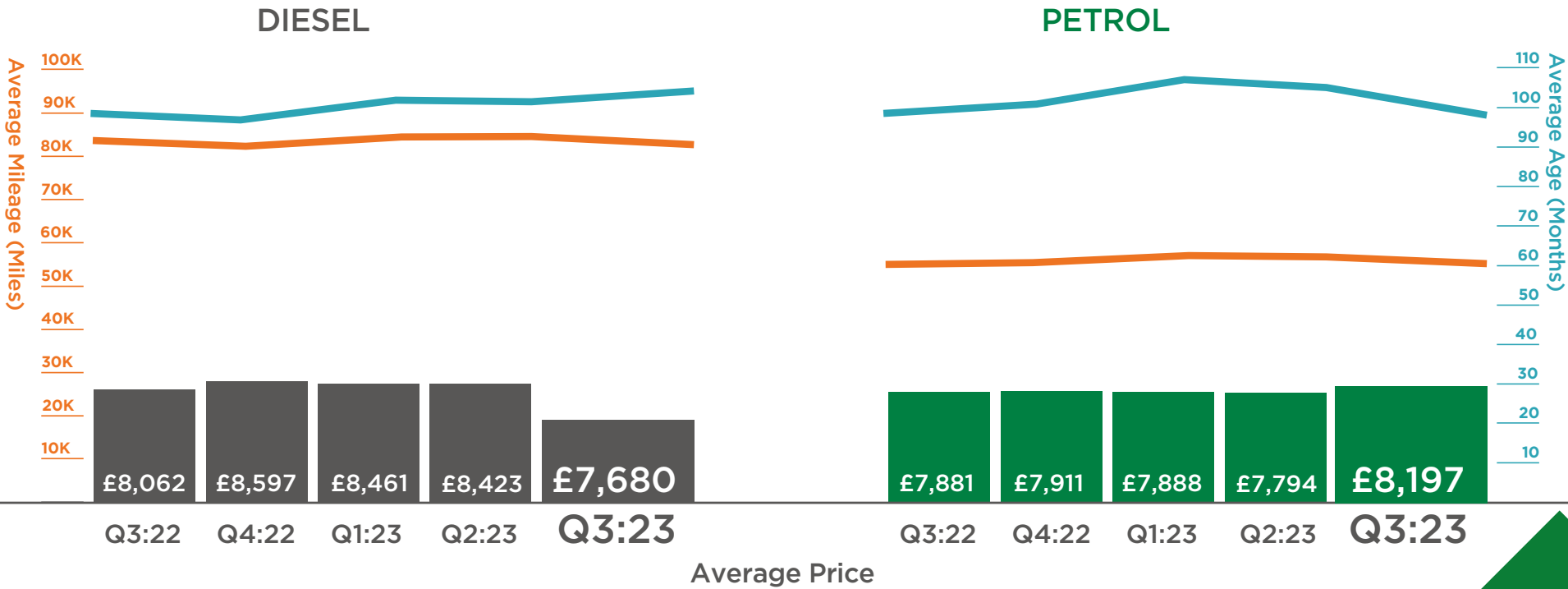


The used diesel market has been unsettled by the expansion of the ULEZ zone in London.

This contributed to prices falling 8.8% (-£743) in Q3 as the average age rose by three months to 104 months.

Petrol was the only fuel type to experience a price rise in Q3 of 5.1% (£404) to £8,197.

It was also the fastest-selling fuel type as consumers feel confident in petrol cars as they move out of diesels and the next step on their journey to EVs.



# OVERALL MARKET FUEL TYPES

## HYBRID AND ELECTRIC



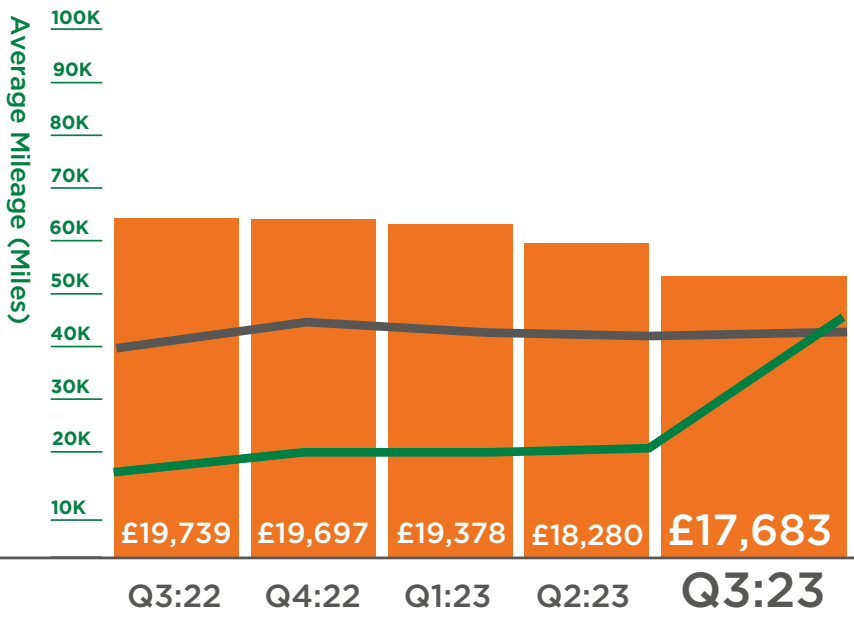
Used EVs reached 4% of the total vehicles Aston Barclay sold in the quarter for the very first time and are likely to continue to grow as some of our leasing vendors are onboarding one EV on their fleet for two ICE cars.

EV prices fell again in Q3 by 7.7% (-£1,702) to £20,398 and we are seeing more ICE and EV models reach price parity with one another.

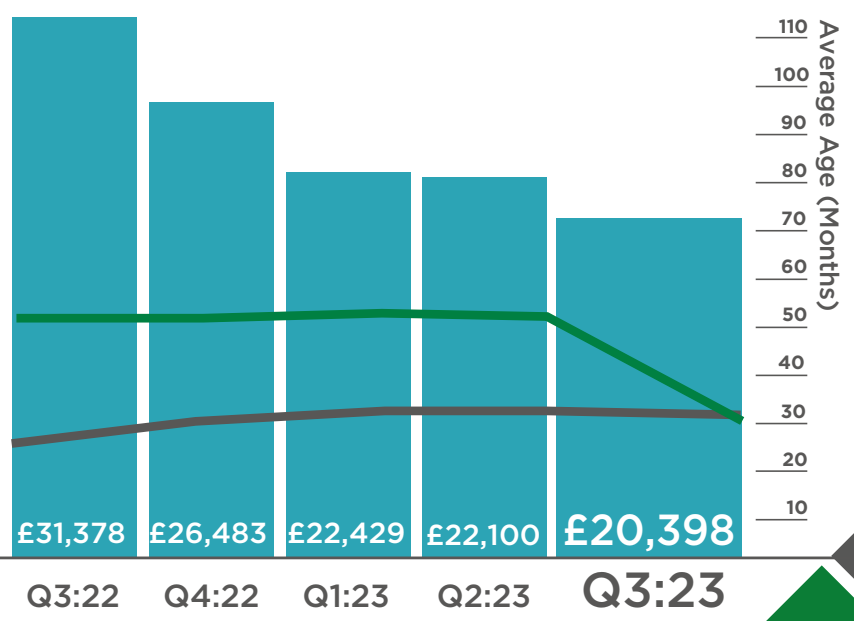
7.4% of all used cars we sold in Q3 were hybrid which relates back to them being popular with company car tax drivers in 2019 and 2020 to reduce their tax bills.

Prices fell by 3.2% (-£593) in Q3 as the average age increased rapidly to 43,933 miles while the average age reduced to 47 months.

### HYBRID



### ELECTRIC



Average Price



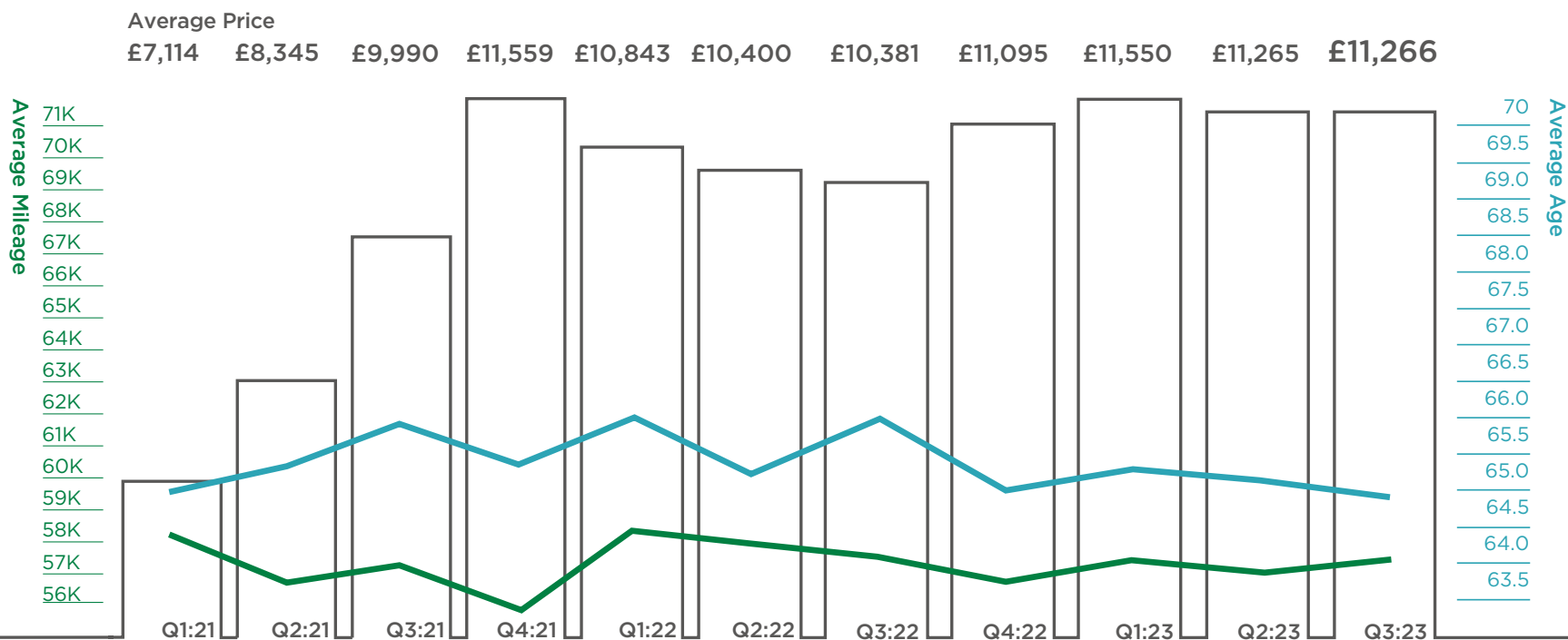
# DEALER MARKET PROFILE - YOUNG PART EXCHANGES

(55-75 months)

Dealers looking to buy younger part exchanges are generally looking at the amount of refurbishment the car will need before the car is retailed.

Prices remained consistent in Q3 at £11,266 which was a fall of just £1 over Q2.

These cars are in strong demand from retailers looking to put them on their forecourts at less than £15,000.



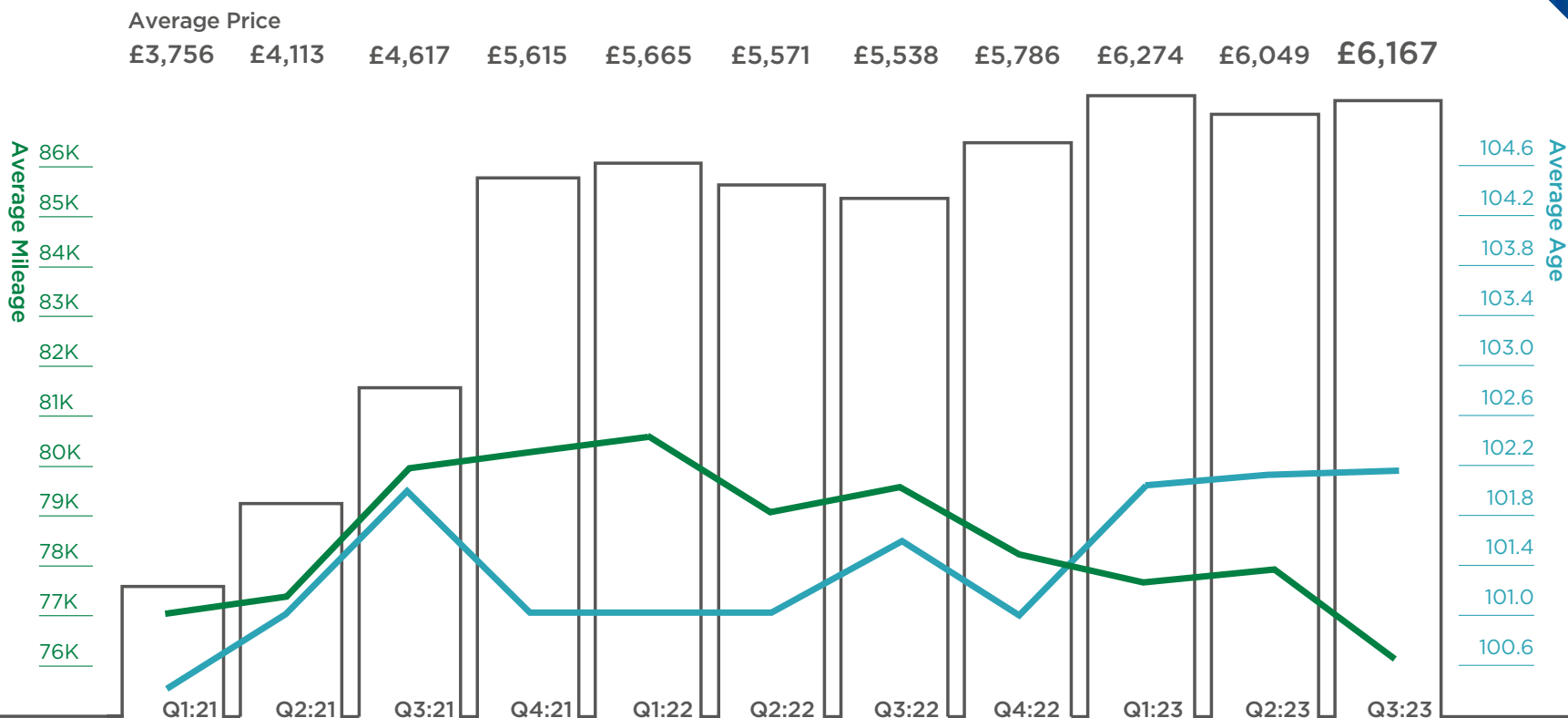
# DEALER MARKET PROFILE - OLD PART EXCHANGES

(78-125 months)

This was the only dealer part exchange profile of car that went up in price in Q3.

Prices rose by 1.9% (£118) as both age and mileage remained stable at 103 months and 76,022 miles.

This is a popular sector with dealers looking to source stock that will retail at less than £10,000.



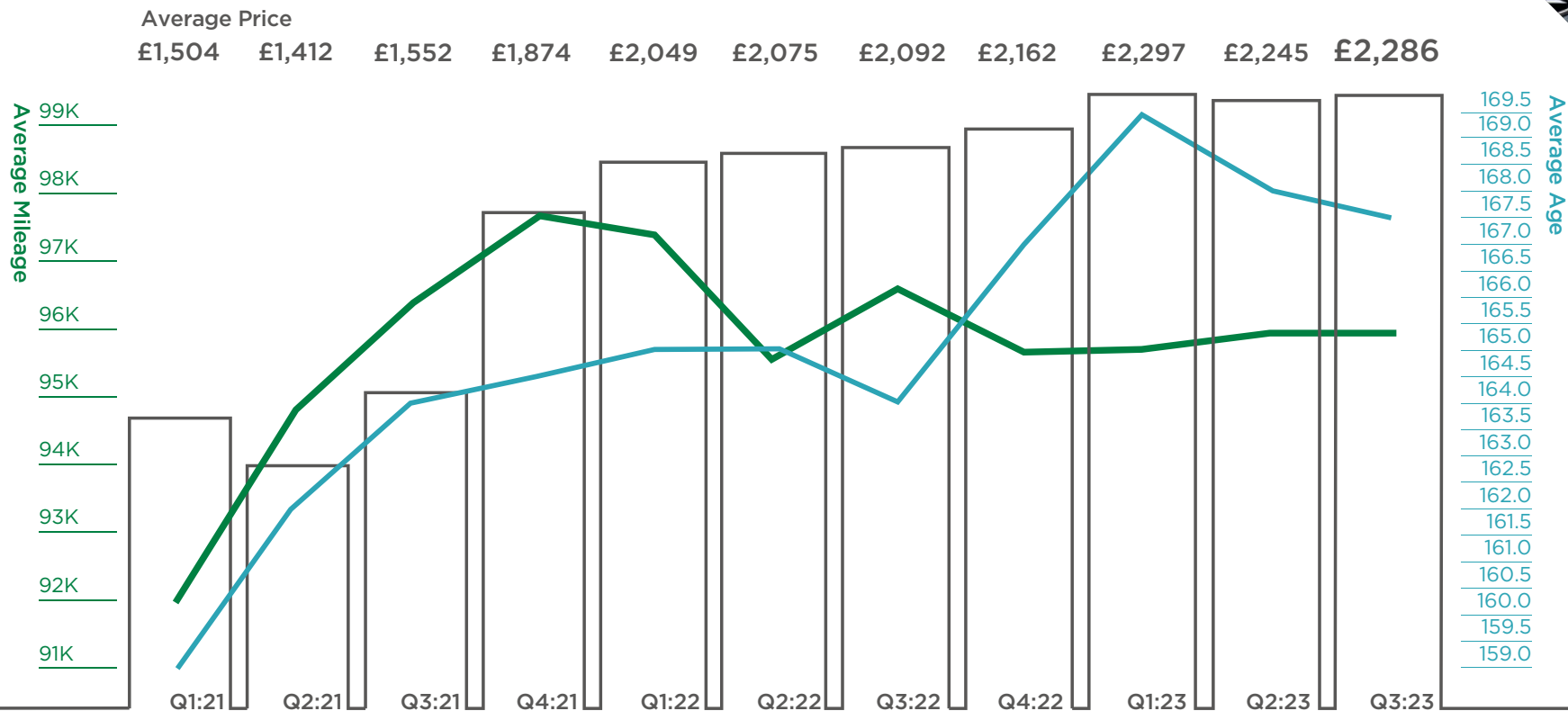
# DEALER MARKET PROFILE - BUDGET PART EXCHANGES

(126+ months)

The market for cheap cars, first time cars and runabouts remain buoyant.

The average budget car rose in Q3 by £41 to £2,286.

With the introduction of the ULEZ extension we are seeing more non-compliant Budget cars arrive for auction and this is likely to continue to the end of 2023.



# USED VAN MARKET

The SME is being wooed by aggressive new van deals with low or zero finance and is having to compare and contrast these with buying a used van at sub-£10,000 and at five years of age.

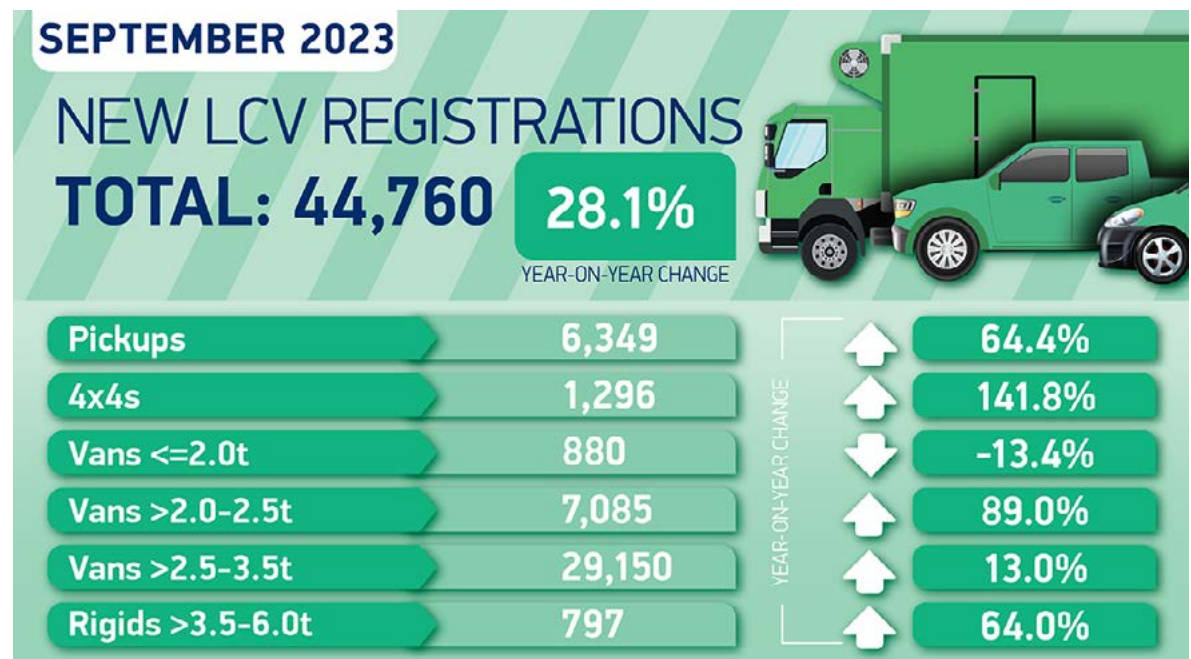
The demand for 3.5-tonne panel vans has already started to rise as parcel delivery companies gear up for an increase in online orders in the run up to Christmas.

The market remains predominantly diesel with still just a small number of electric vans reaching the market. The onboarding of electric remains well behind cars and whilst we expect this to remain the case for a period

of time, we do think there are some great deals to be had in this space. Given the low volume, we can really add value by matching the right van to the right buyer - at the right price.

The market is adopting a seasonal trend for the first time since before Covid where winter signals a slowdown before the market wakes up again in the New Year.

**Geoff Flood, Head of LCV**

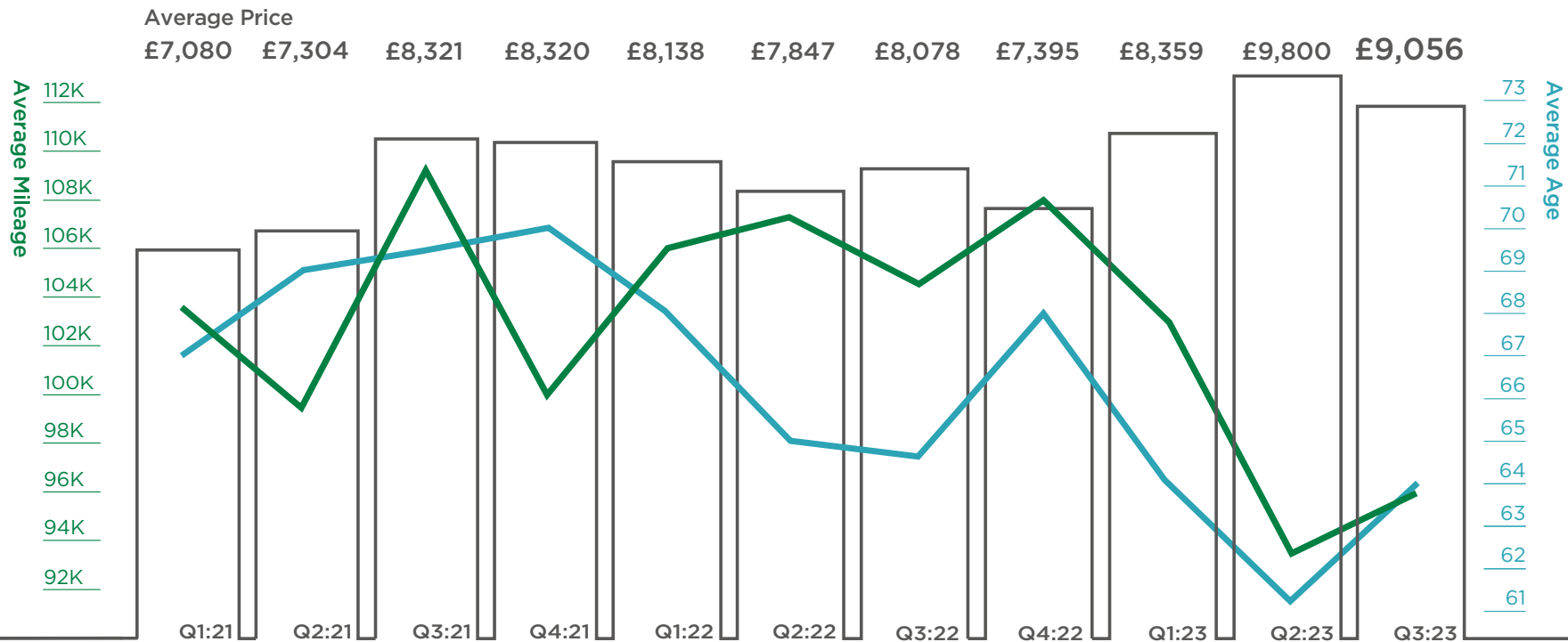


# VAN MARKET PROFILE

Vans fell to their second highest price ever in Q3 by 7.5% (-£744) as the market calmed prior to Christmas.

Prices have also fallen as the average age extending to 64 months and 96,000 miles.

As SMEs hit the winter season many are working out the volume of work they will gain over the winter before they commit to replacing their vehicles or expanding their fleet.



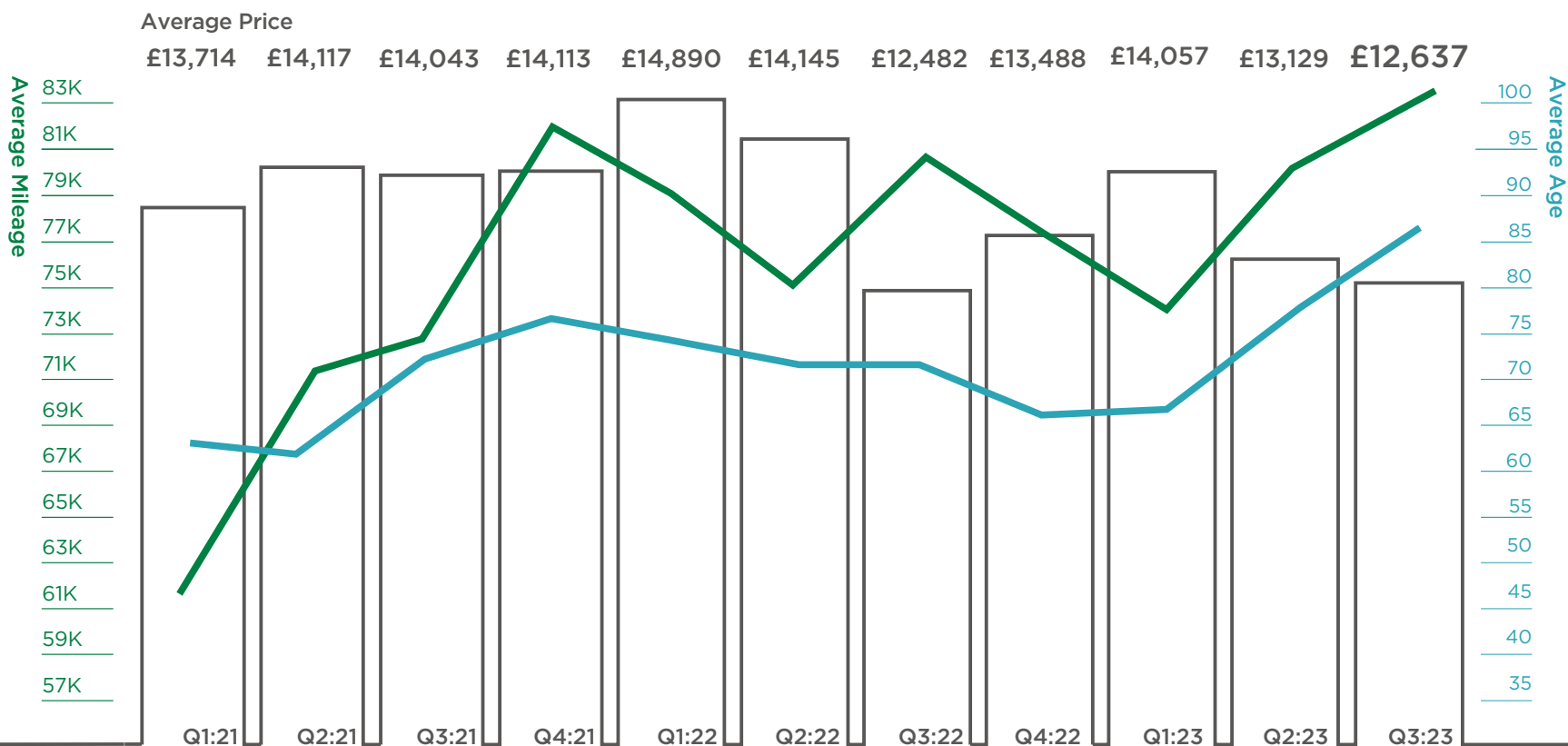
# DOUBLE-CAB PICK-UP MARKET PROFILE

A second quarterly rise in both average age and mileage to 86 months and 84,000 miles contributed to a 3.7% (-£492) fall in prices for double cab pick-ups during Q3.

This suggests that an improved supply of new

vehicles is flushing out the older vehicles into the marketplace.

As of September, the new pick-up market was over 30% up on 2022 with the market dominated by the Ford Ranger which is currently the fourth bestselling LCV.





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