

INSIGHTS

USED MARKET REPORT

Q2 2024



Ex-fleet cars are the star performers in Q2

Used hybrid prices rise by 8.5%

Young part exchanges are in high demand

LCV market affected by lack of stock diversity



WELCOME



As I travel around our auction network there are two sectors which are buzzing currently – demand for ex-fleet stock and Young part exchanges from car supermarkets and franchised dealers is off the charts and that's why residual values have risen, and conversion rates have been consistently high.

We've found that more vendors are choosing to invest in refurb for their stock, particularly older cars with some damage, as they understand the market demand for prime stock is ever increasing.

If we can increase the NAMA grading up at least one band, they will see an increase in bids and in the majority of cases, vendors will immediately recoup their investment.

Gordon Cockle, Director of Remarketing



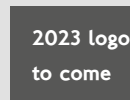
Outlook

We are starting to see a traditional summer slowdown in the used market as the industry takes a few weeks holiday, but generally since the start of the year the market has been buoyant.

While dealers continue to hold on to many of their customer's part exchanges to retail, fleet volumes have been steady, although we have yet to see the market reach pre-Covid levels.

This means the supply of used cars should balance well with demand, which means the industry is set for another six months of stability. EVs have seen another quarter of falling prices, making them a good value choice for buyers. In July we have seen more bids and higher conversions across our EV stock, which most be good news for the industry.

Nick Thompson, Chief Customer Officer



OVERALL MARKET TREND

BEST SELLERS

YEAR-TO-DATE

1	Ford Puma	26,374
2	Kia Sportage	24,139
3	Nissan Qashqai	22,881
4	Nissan Juke	19,429
5	Audi A3	19,209
6	Volkswagen Golf	19,036
7	BMW 1 Series	17,587
8	MG HS	16,730
9	Hyundai Tucson	16,182
10	Volkswagen T-Roc	15,667

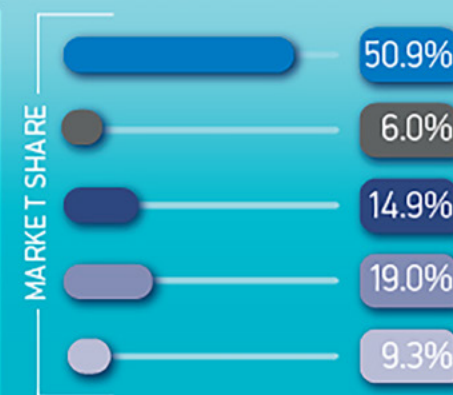
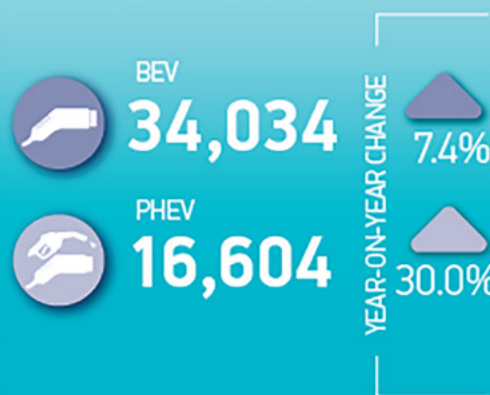
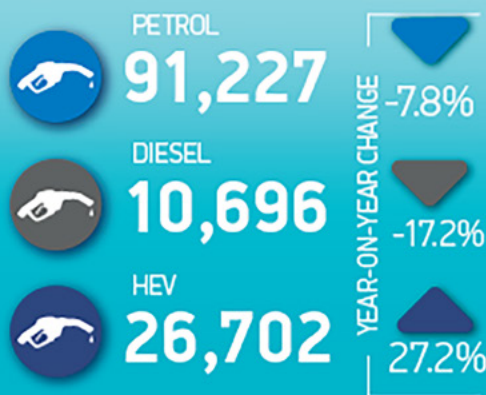
JUNE 2024

NEW CAR REGISTRATIONS

TOTAL: 179,263

1.1%

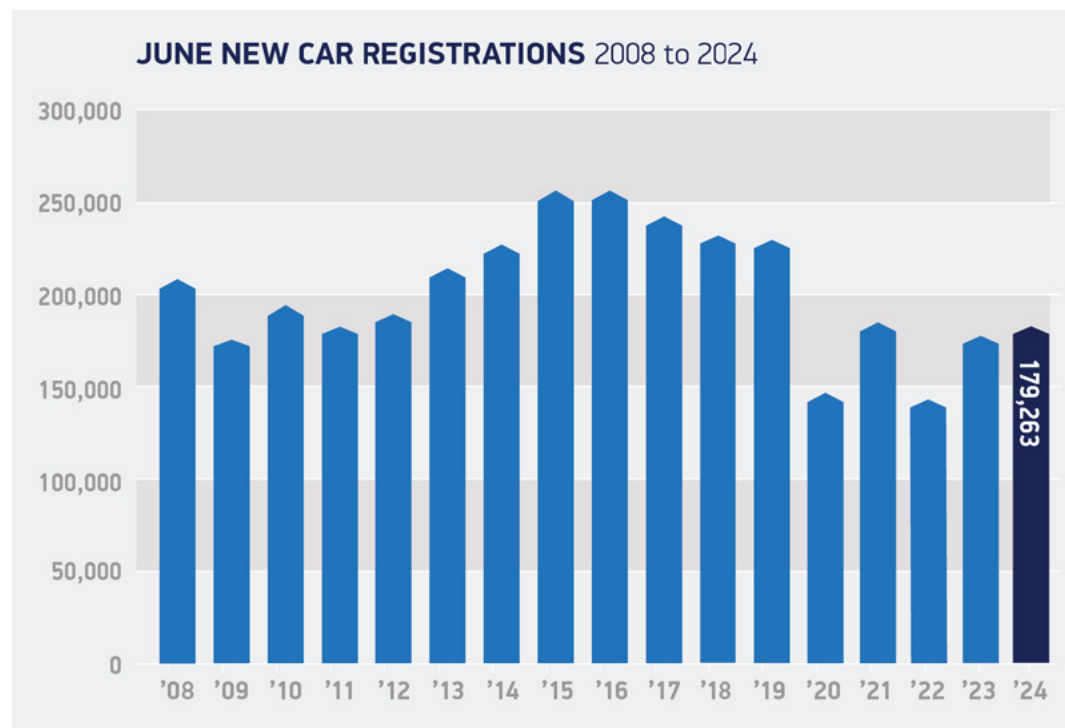
YEAR-ON-YEAR CHANGE



OVERALL MARKET TREND

Mike Hawes, SMMT Chief Executive, said:

“ The year’s midpoint sees the new car market in its best state since 2021 – but this belies the bigger challenge ahead. The private consumer market continues to shrink against a difficult economic backdrop, but with the right policies in place, the next government can re-energise the market and deliver a faster, fairer zero emission transition. All parties are agreed on the need to cut carbon and replacing older fossil fuel based technologies with new electrified powertrains is the essential step to achieving that goal. ”



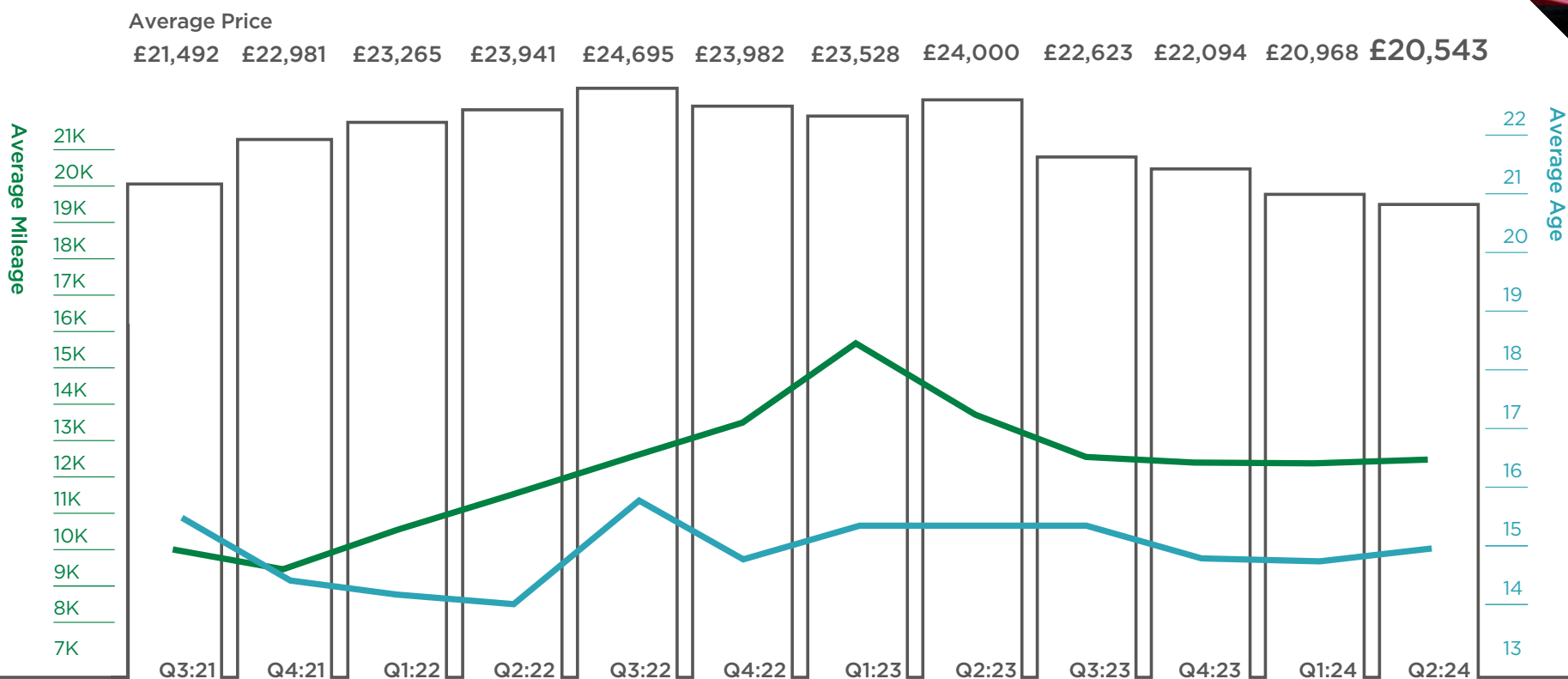
LATE AND LOW MARKET PROFILE (0-24 months)

Used volumes of sub-24-month-old used cars slowed down in Q2.

Prices fell by 2.02% (£425) to £20,543, while average age and mileage remained stable at 15 months and 12,500 miles.

This type of car is predominantly bought by supermarkets in the wholesale market, although franchised dealers are also spot buying when required.

Retail demand for this age of car remains popular, as much of the car's warranty remains.



FLEET MARKET PROFILE

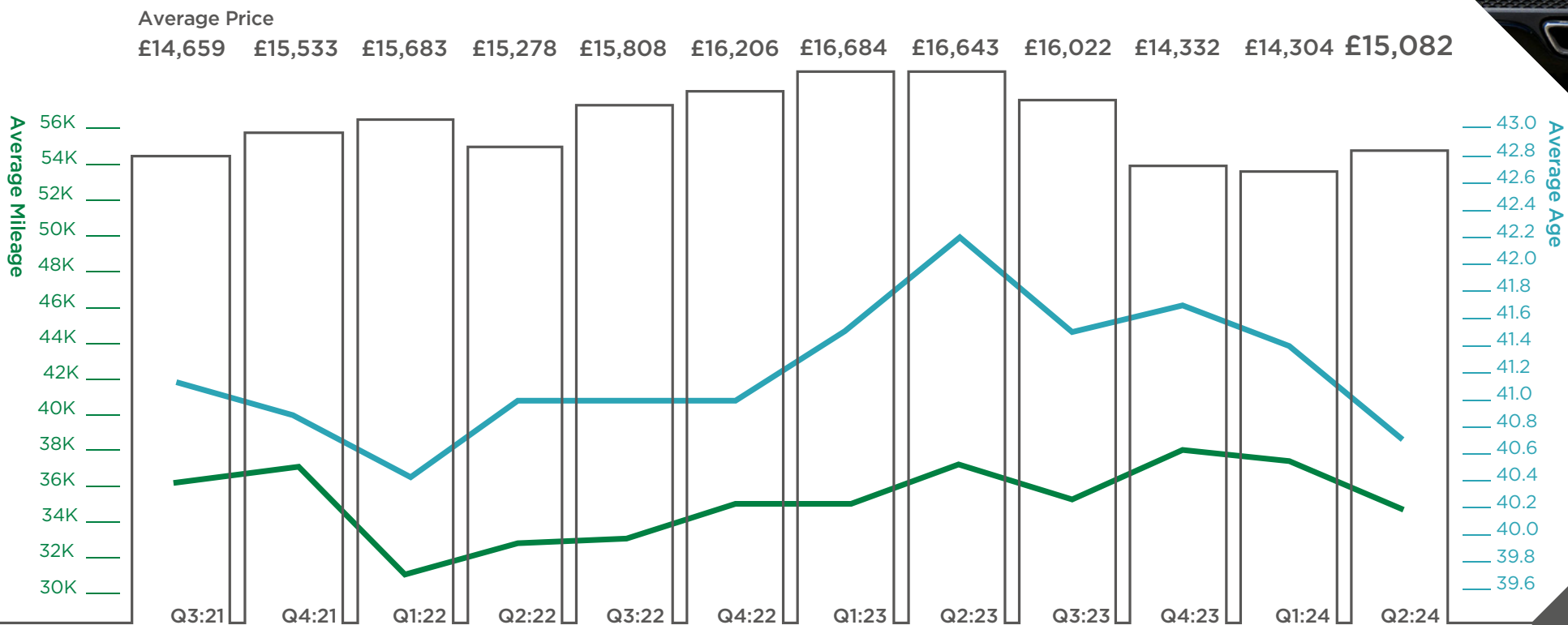
(24-54 months)

One in four used cars Aston Barclay sold in Q2 were ex-fleet cars.

Supply of this stock is becoming more scarce, as vendors are becoming more concious of the residual value of their stock, and so are choosing to send their cars to secondary leases, rather than straight to auction.

Demand and conversion rates are the strongest of any sector, especially as average age and mileage fell for the third consecutive quarter to 40.7 months and 34,679 miles.

On the back of this high demand prices rose in Q2 by 5.4% (£878) to £15,082.



OVERALL MARKET FUEL TYPES

DIESEL AND PETROL

Diesel remains a creditable option for many drivers and therefore demand is strong with prices falling by just £8 in Q2 to £6,976.

Their average age and mileage of 104 months and 86,224 miles was consistent with Q2.

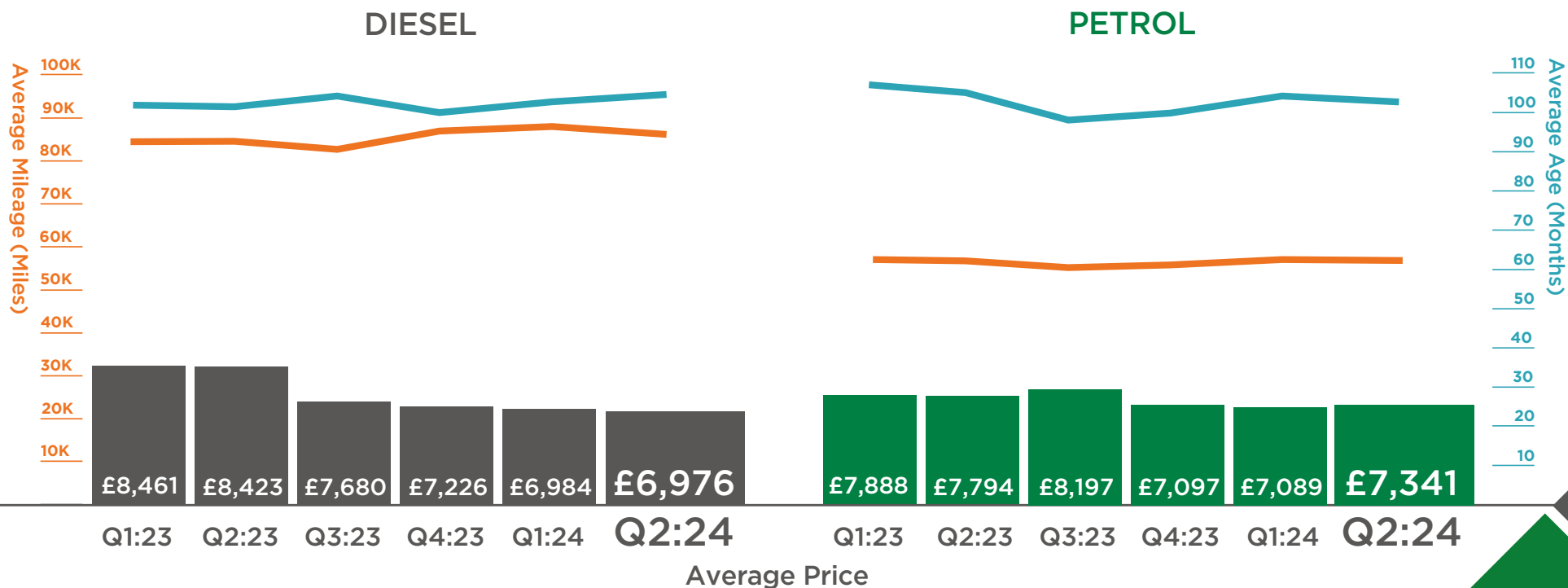
Conversion rates in Q2 were the strongest of any fuel type.

Overall, one in three used cars Aston Barclay sold at auction were diesel.

Petrol prices rose by 3.5% (£252) to £7,341 with average age and mileage remaining constant at 101 months and 57,157 miles.

You can buy a petrol in the wholesale market for just £365 more than a diesel but with 30,000 fewer miles on the clock.

Petrols accounted for 50% of all cars sold across the Aston Barclay network in Q2.



OVERALL MARKET FUEL TYPES

HYBRID AND ELECTRIC



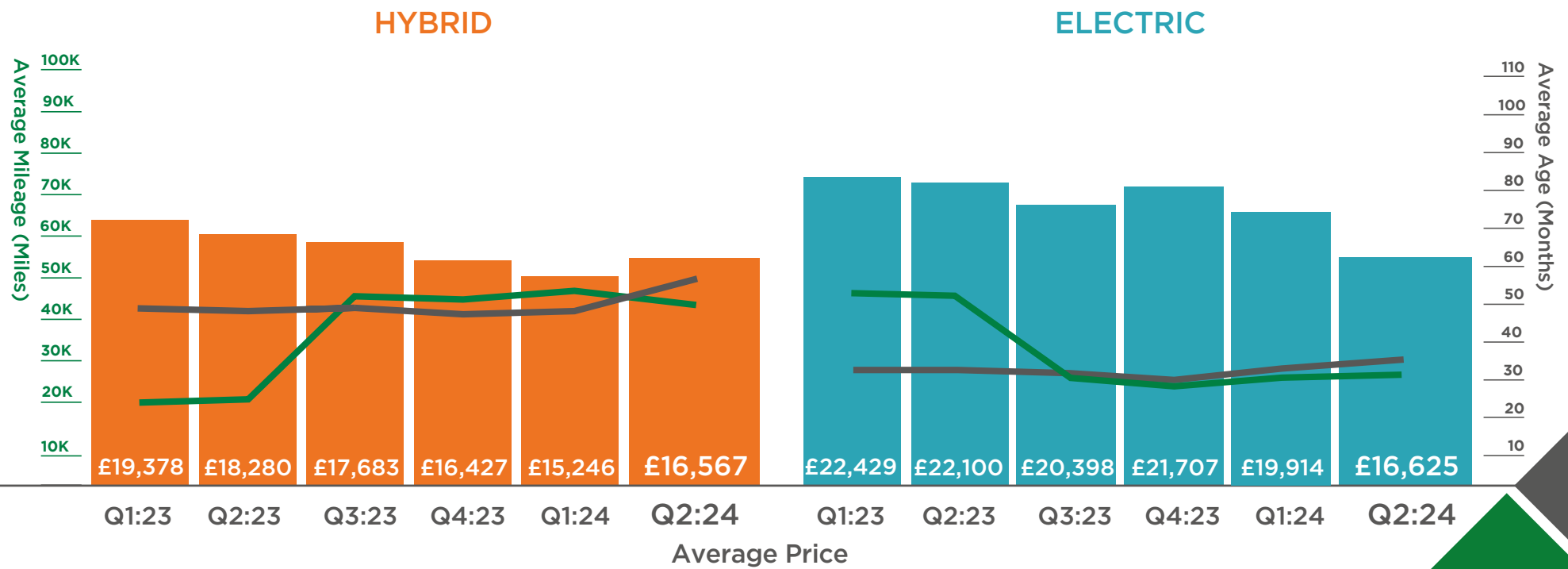
Hybrids saw the largest price rise of any fuel type in Q2 – 8.5% (£1,321) to £16,567 at 47 months and 43,119 miles.

Volumes have nearly doubled over the last three quarters as ex-fleet stock continues to hit the used market. However, with BIK tax rates no longer as favourable compared to fully electric, we anticipate this will impact stock levels in the coming years.

Prices of EVs fell in Q2 by -16.5% (£3,289) at an average of 35 months and 27,141 miles.

This now makes EVs even more competitive, and demand and conversion rates have already started to increase in Q3 as consumer confidence continues to rise.

Albert Parnell, Aston Barclay EV Lead



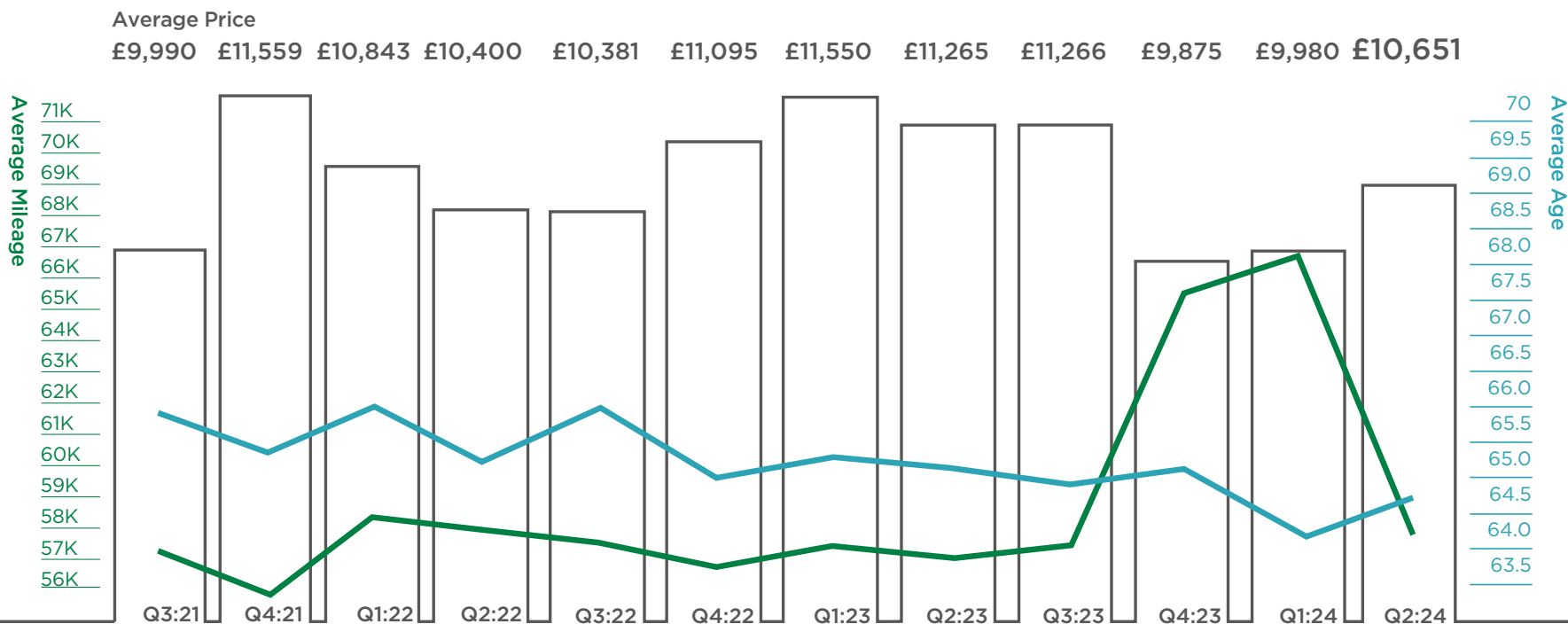
DEALER MARKET PROFILE - YOUNG PART EXCHANGES

(55-75 months)

Dealers are continuing to focus on retailing younger cars with low mileage, with higher mileage cars being cherry picked for auctions.

Fewer cars in the marketplace contributed to prices rising in Q2 by 6.7% (£671) to £10,651 with

franchised dealers and supermarkets competing for these cars as they will sit on their forecourts at below £15,000, which is a current sweet spot for the market.



DEALER MARKET PROFILE - OLD PART EXCHANGES

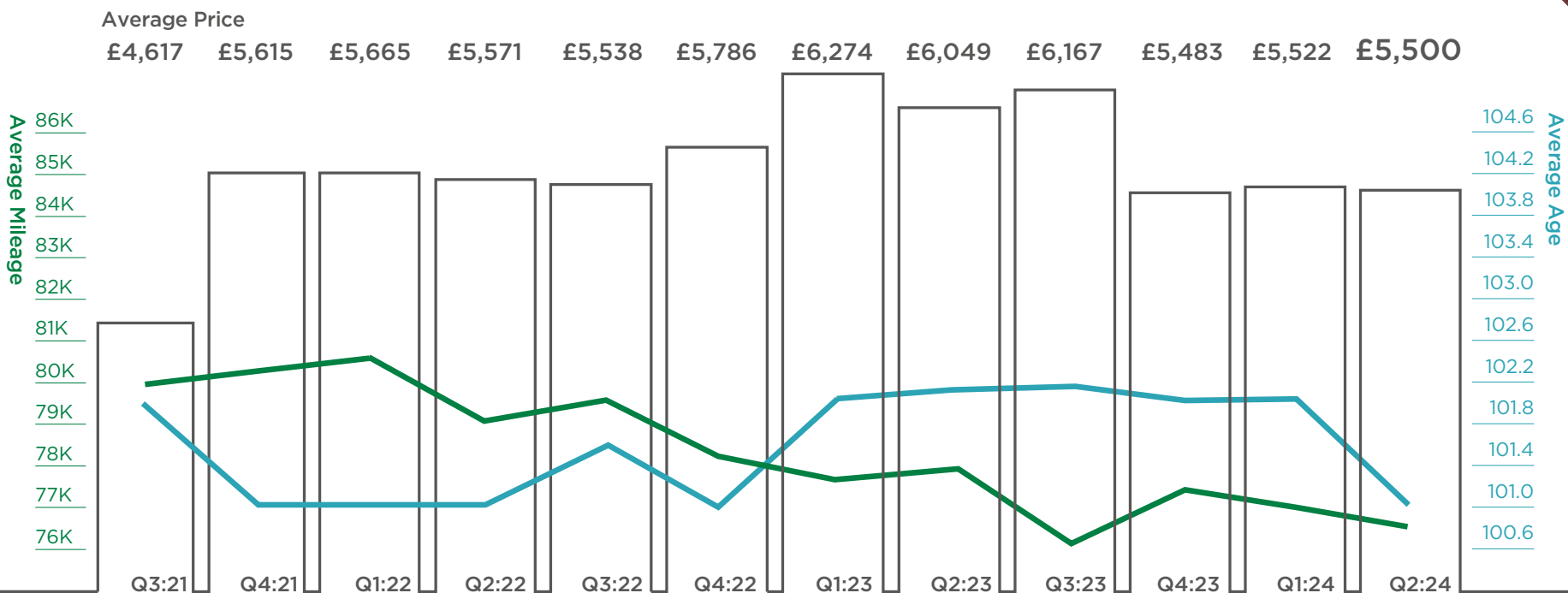
(78-125 months)

Prices remained static at £5,500, a fall of just £22 from Q1, as did average age and mileage at 101 months and 76,432 miles.

Stock can be challenging to sell at this age and mileage, but this is the third successive quarter

where prices have consistently sat at around £5,500.

Dealers are also retailing their good quality part exchanges in the old part exchange category too with the sub-prime stock being sent to auction.



DEALER MARKET PROFILE - BUDGET PART EXCHANGES

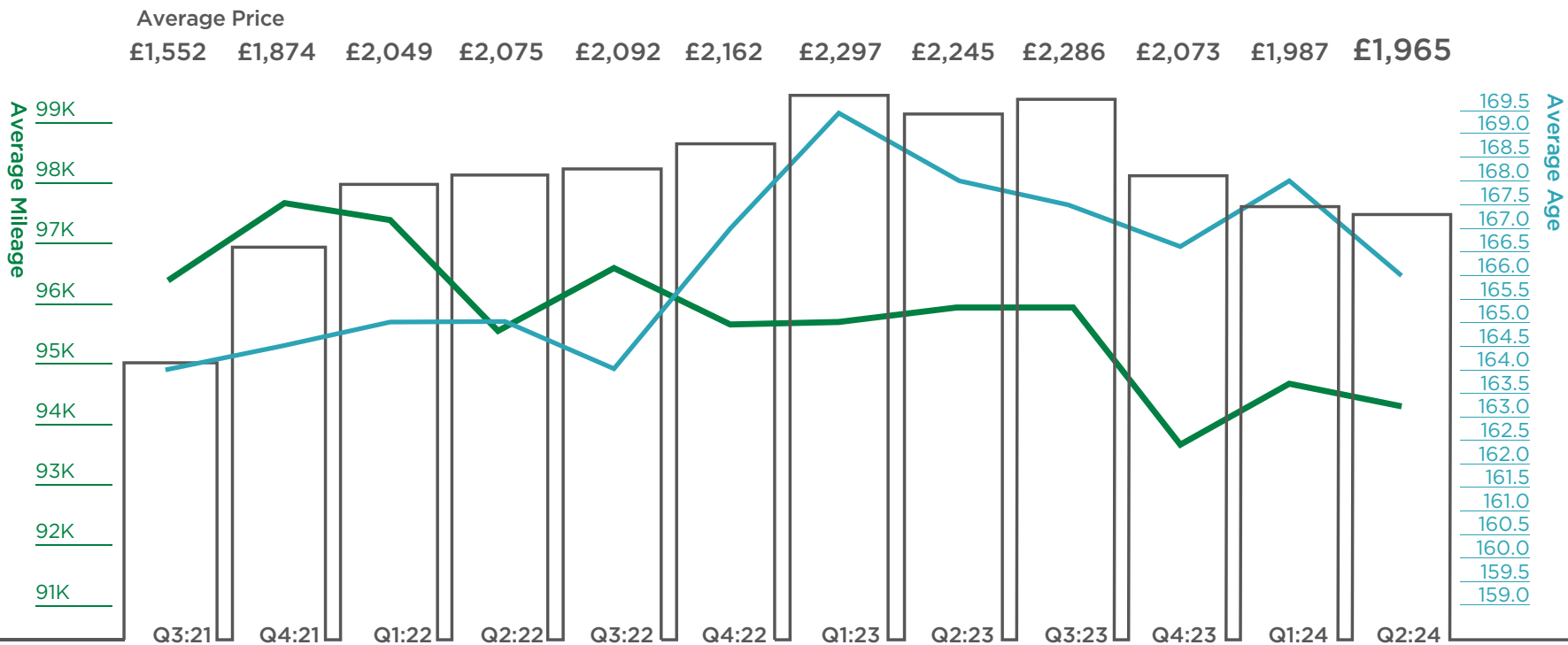
(126+ months)

Prices fell by £22 during Q2 to £1,965 despite both the average age and mileage falling to 166 months and 94,257 miles.

Budget cars accounted for one in every four used cars sold by Aston Barclay in Q2. Supply of stock

in this market is plentiful, although conversion rates are very dependent on the quality of stock.

Consistently, there is always a demand for lower engine size, lower mileage 'first cars', and we've seen the quality of this stock rise significantly, compared to the pre-covid market where the average price for this stock was £1,000.



USED VAN MARKET

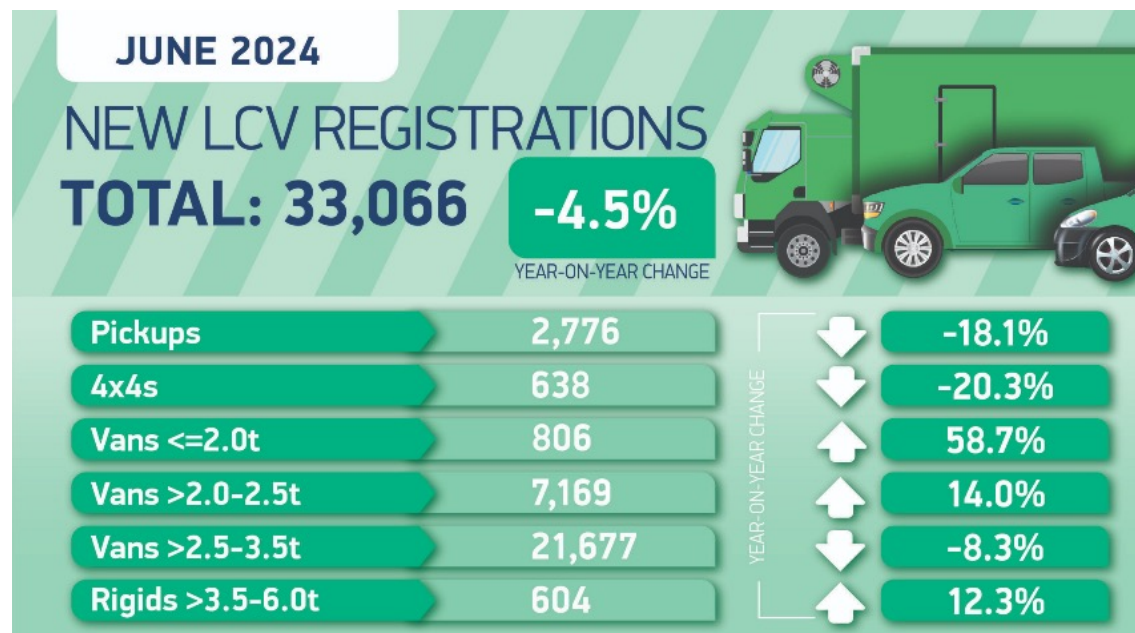
The used market is starting to see more basic spec models coming through that were registered amid the chip supply challenges during Covid.

Dealers are reporting retail demand for used LCVs remains slow however when vans do appear in a metallic colour and with a higher-spec, prices are very strong.

Single cab pick up prices rose again in Q2 to a record £8,314, which is a direct impact of them being in such short supply, even though they are the oldest LCVs we sell at auction at an average of 103 months.

Meanwhile double cab pick-ups have been following the general LCV market trends of prices falling, but demand remains healthy. Overall, the used LCV market is slowly returning to pre-Covid levels. However, if the construction and house building industries grow under the new Government this could give the used market a healthy boost as SMEs are more likely to have confidence to replace or expand their LCV footprint.

Geoff Flood, Head of LCV



VAN MARKET PROFILE

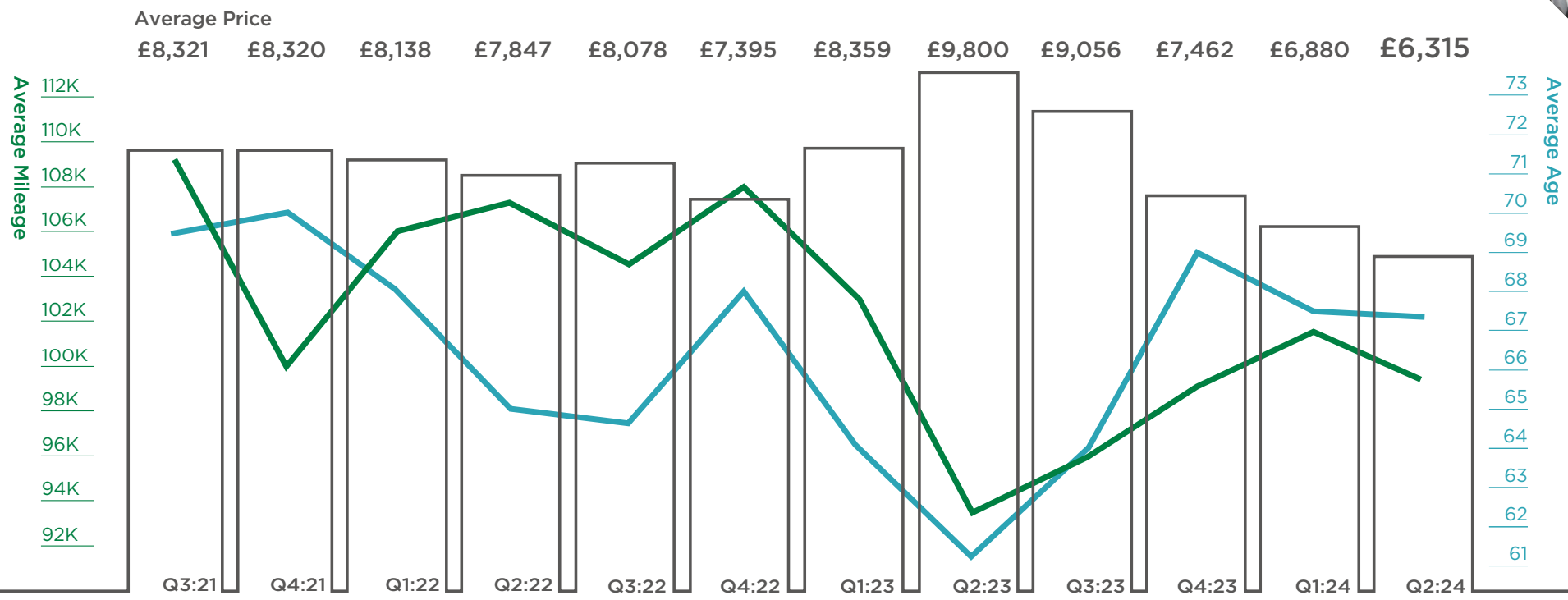
Used van prices fell again in Q2 by X% (£565) to £6,315.

That leaves them close to pre-Covid levels.

Q2 follows a similar trend to Q1, in part due to LCVs sold during covid that are standard specification are coming back from operators.

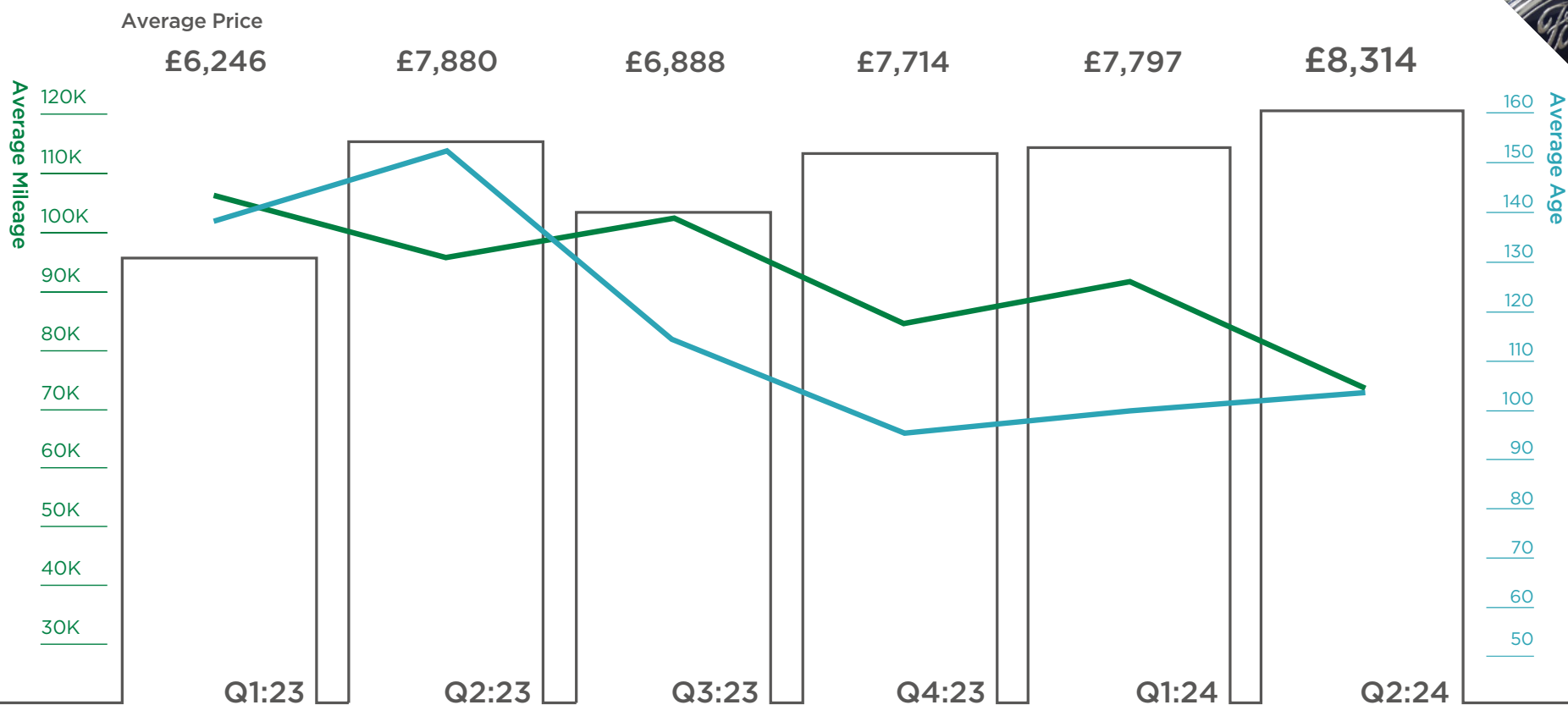
Vehicles with additional features such as satellite navigation and electric windows are more desirable, which is putting further pressure on price and demand.

Therefore, when a vehicle in a metallic colour and with high specification are receiving high bids and are in high demand.



SINGLE-CAB PICK-UP MARKET PROFILE

Single cab pickups are in short supply, which helped them to reach a record price of £8,314 this quarter. The average age and mileage for this stock profile was 103 month and 73,453 miles.

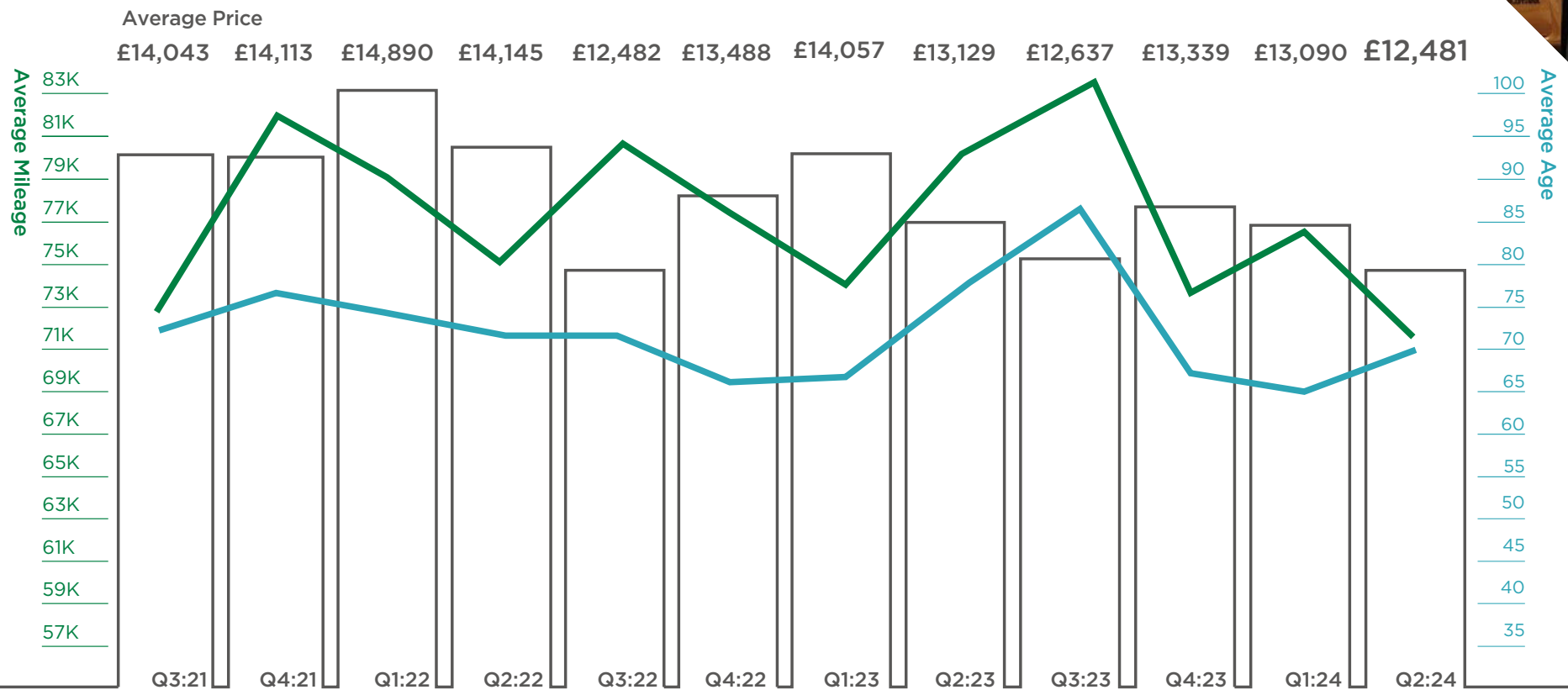


DOUBLE-CAB PICK-UP MARKET PROFILE

Double cab pick-ups experienced highs and lows in Q2.

Prices fell by -4.6% (£609) to £12,481, their lowest price since our report began, while average mileage fell to an all-time low of 71,454 miles at 70 months.

However, vehicle condition was the main cause of the price fall. Some dealers in the LCV market are hesitant on invest the time and cost on vehicle repairs, so have been reducing their bids according. However, conversion rates still remain high for the higher graded stock.





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