

INSIGHTS

USED MARKET REPORT

Q4 2023

Used EV prices
rise 6.4% in Q4

Used petrol and
diesel cars close
to price parity

Record year
for used LCVs

Price realignment
continues in Q4



ASTON BARCLAY



LIFE BETTER
ON BARCLAY
MULTI MILLION
POUND INVESTMENT

WELCOME



Q4 2023 will go down as one of the biggest used car price alignments in the recent history of the used market. The value guides led the realignment just as the market toughened up on the back of high interest rates and another winter of high fuel prices.

As a result, all sectors experienced price falls in Q4, all except for EVs which saw a welcome rise particularly in the sub £25,000 sector. There are very few new EVs being sold in this price bracket which is why dealers are happy to source used vehicles at this level in the knowledge that new vehicle choice is restricted. Let us see if this positive market sentiment continues.

Despite new diesel sales falling dramatically, demand within the used market continues and still account for more than a third of used cars sold at auction. Budget cars also account for one in four of used cars sold at auction which reinforces the high number of diesel and older cars slowly working their way through the system.

Gordon Cockle, Director of Remarketing

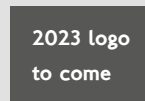


Outlook

Vendors will welcome the positive news for sub £25,000 used EVs in Q4, especially as many leasing companies are seeing a growing number of cars coming back from fleet customers. The restricted number of new budget EVs on sale should help them dispose of their current crop of cars and further establish used EVs in the market both with dealers and consumers.

It will also be interesting to see how used hybrids fare in a market which is predominantly focussing on EVs, while diesel demand and prices continue to carry on seemingly unaffected by the evolution of the used market.

Nick Thompson, Chief Customer Officer



OVERALL MARKET TREND

BEST SELLERS

FULL YEAR 2023

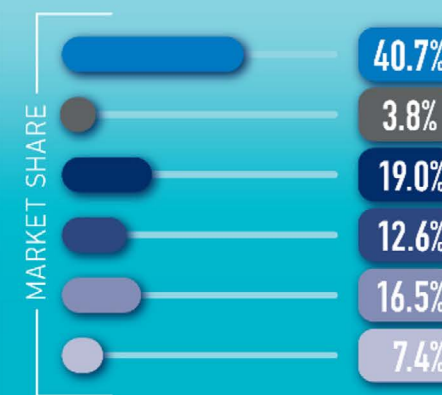
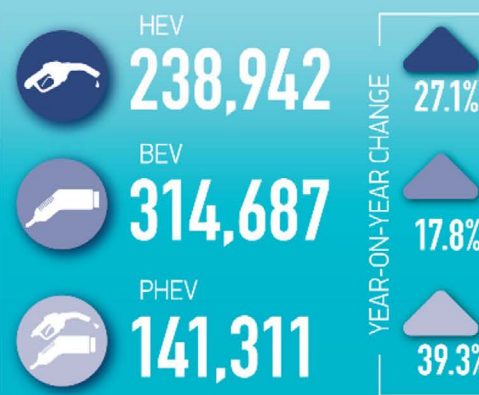
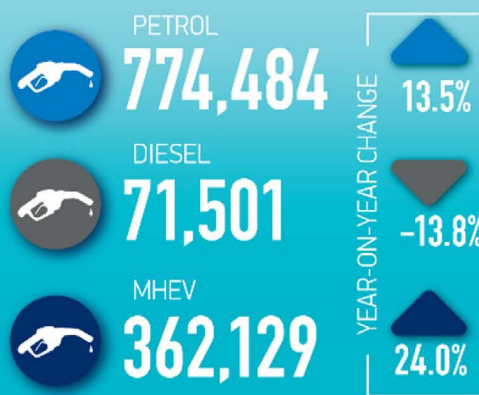
1	Ford Puma	49,591
2	Nissan Qashqai	43,321
3	Vauxhall Corsa	40,816
4	Kia Sportage	36,135
5	Tesla Model Y	35,899
6	Hyundai Tucson	34,469
7	MINI	33,385
8	Nissan Juke	31,745
9	Audi A3	30,159
10	Vauxhall Mokka	29,984

FULL YEAR 2023

NEW CAR REGISTRATIONS

TOTAL: 1,903,054 **17.9%**

YEAR-ON-YEAR CHANGE

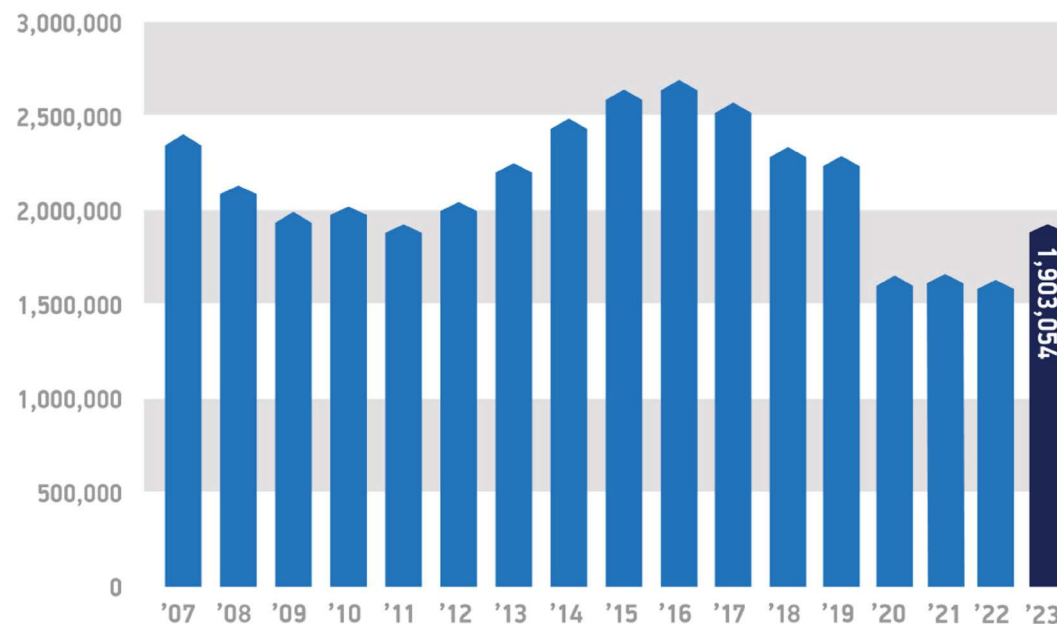


OVERALL MARKET TREND

Mike Hawes, SMMT Chief Executive, said:

“With vehicle supply challenges fading, the new car market is building back with the best year since the pandemic. Energised by fleet investment, particularly in the latest EVs, the challenge for 2024 is to deliver a green recovery. Government has challenged the UK automotive sector with the world’s boldest transition timeline and is investing to ensure we are a major maker of electric vehicles. It must now help all drivers buy into this future, with consumer incentives that will make the UK the leading European market for ZEVs.”

ANNUAL NEW CAR REGISTRATIONS 2007 to 2023



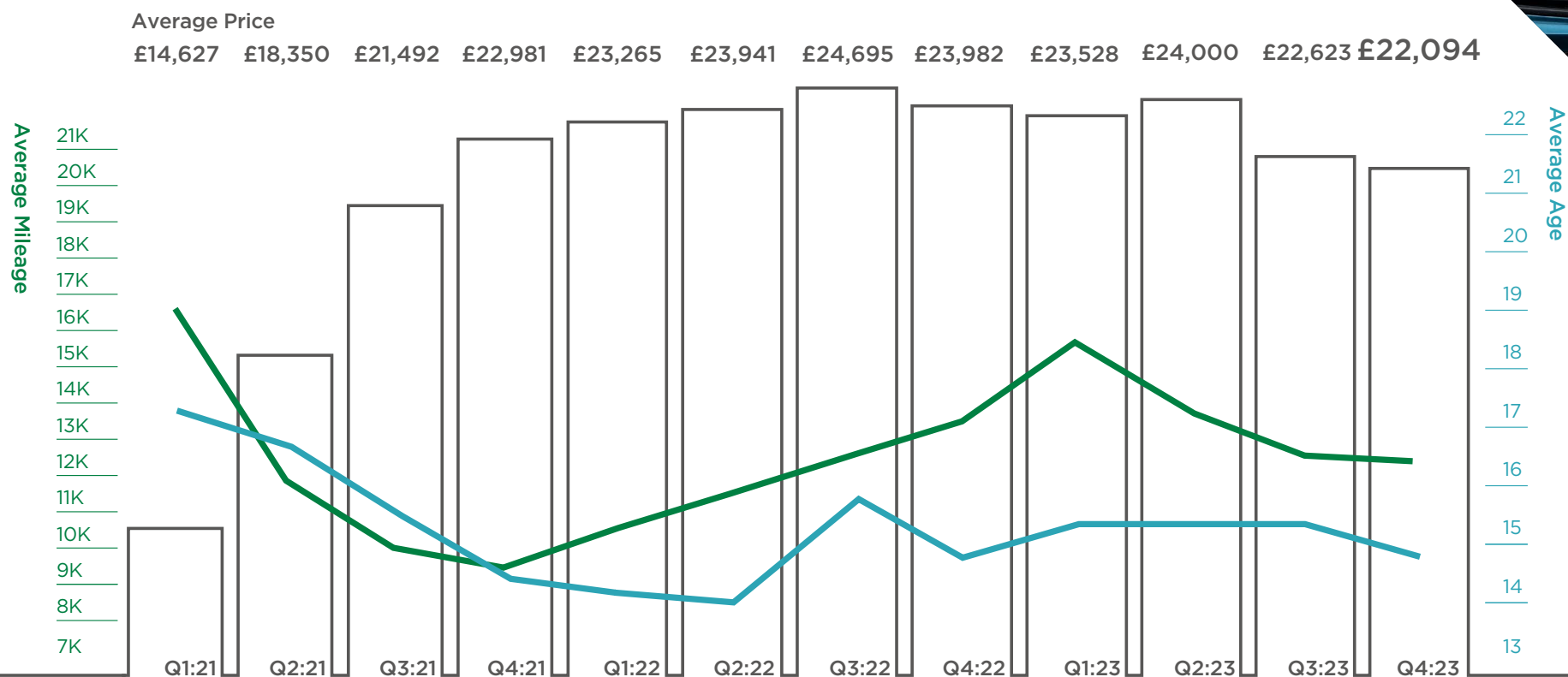
LATE AND LOW MARKET PROFILE (0-24 months)

Prices fell by -2.3% (£529) from £22,623 to £22,094 in Q4.

Volume in this sector continues to grow fuelled by a rise in manufacturer self-registrations, particularly EVs, as OEMs start their planning to meet the 2024 CAFÉ regulations.

Very aggressive new car deals with low finance are also slowing down demand for sub-24 month old cars.

Average age fell to 14.6 months while average mileage remained static at 12,228 miles.



FLEET MARKET PROFILE

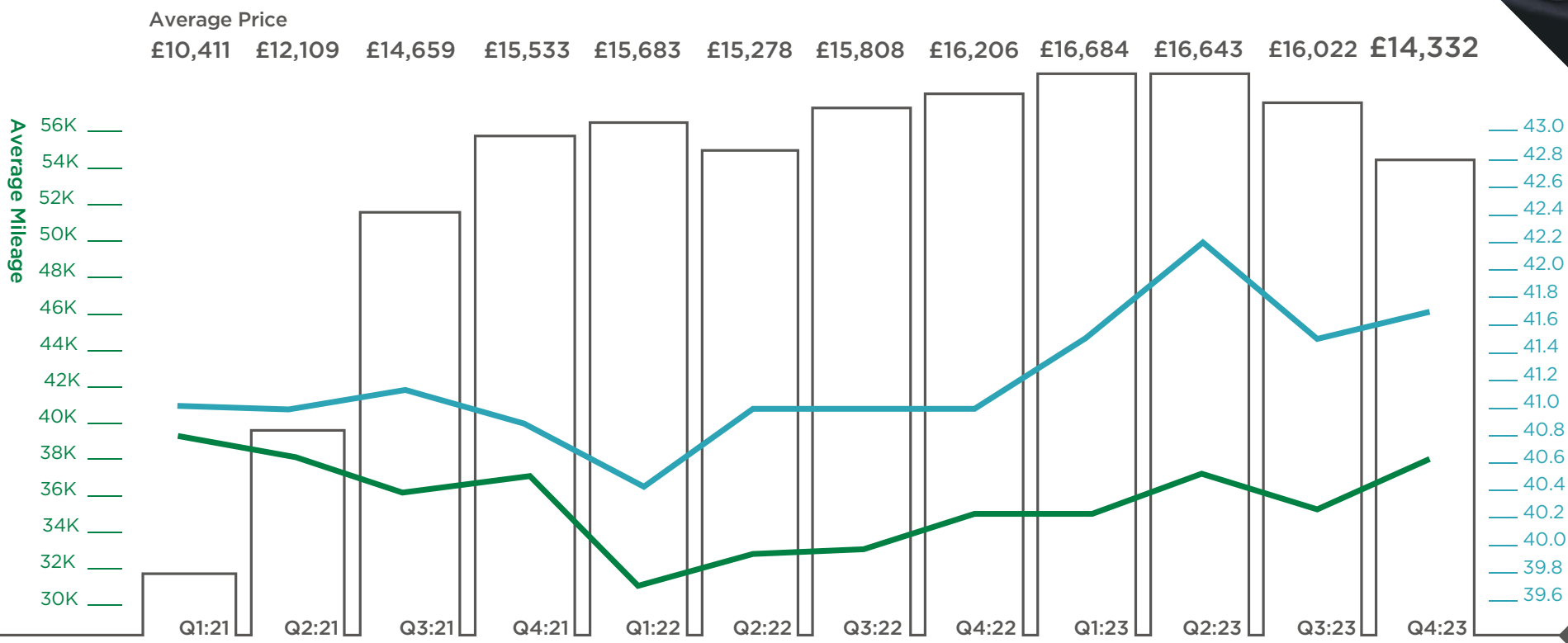
(24-54 months)

Prices fell from £16,022 in Q3 to £14,322 (-10.5%) in Q4 as the CAP book downgrades started to filter through to the auction halls.

This price fall was also fuelled by average age and mileage continuing to rise to 41.7 months

and 38,070 miles as more extended contract ex-fleet cars reached the used market as new car supply continues to improve.

These trends are also further proof that price realignment is now real within the market.



OVERALL MARKET FUEL TYPES

DIESEL AND PETROL



Diesel prices fell by -5.9% from Q3 to Q4 from £7,680 to £7,226.

Demand for diesel used cars remains strong and in Q4 36.4% of all used cars were sold, reinforcing that market share is still very high when compared to new car sales.

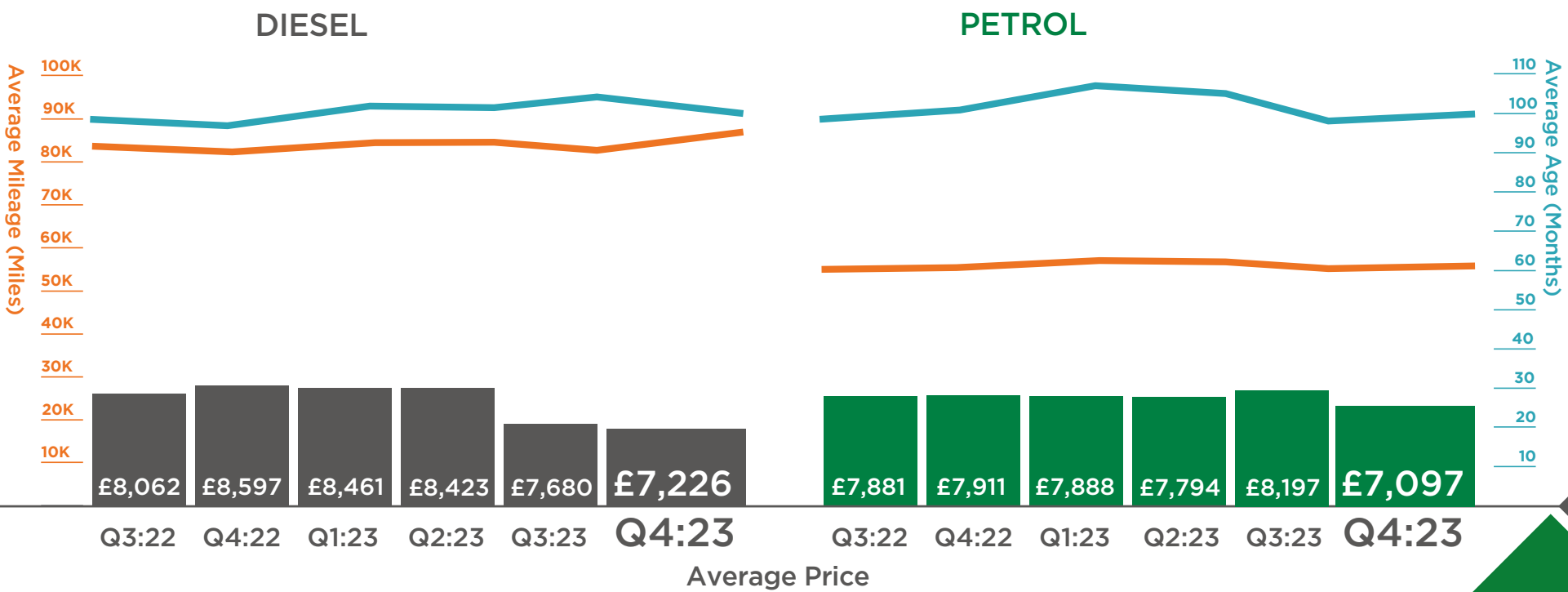
Average mileage reached an all-time high of 87,902 miles and average age fell slightly to 100 months (nine years).

Petrol prices fell by -13.4% (£1,100) in Q4 to £7,097.

Average age mirrored that of diesel at 100 months while average mileage remained static at 56,379 miles.

The price of used diesels and petrols are closer to one another now than previously experienced in the report.

Albert Parnell, Aston Barclay's EV Lead



OVERALL MARKET FUEL TYPES

HYBRID AND ELECTRIC



Hybrid prices fell by -7.1% to £16,427 in Q4 as hybrids were also affected by the downgrade in book prices and tough Q4 market conditions.

With manufacturers making fewer hybrids now in favour of EVs it will be interesting to see if prices continue to fall as the fuel type goes out of fashion, or when supplies become more restricted, even rise in price.

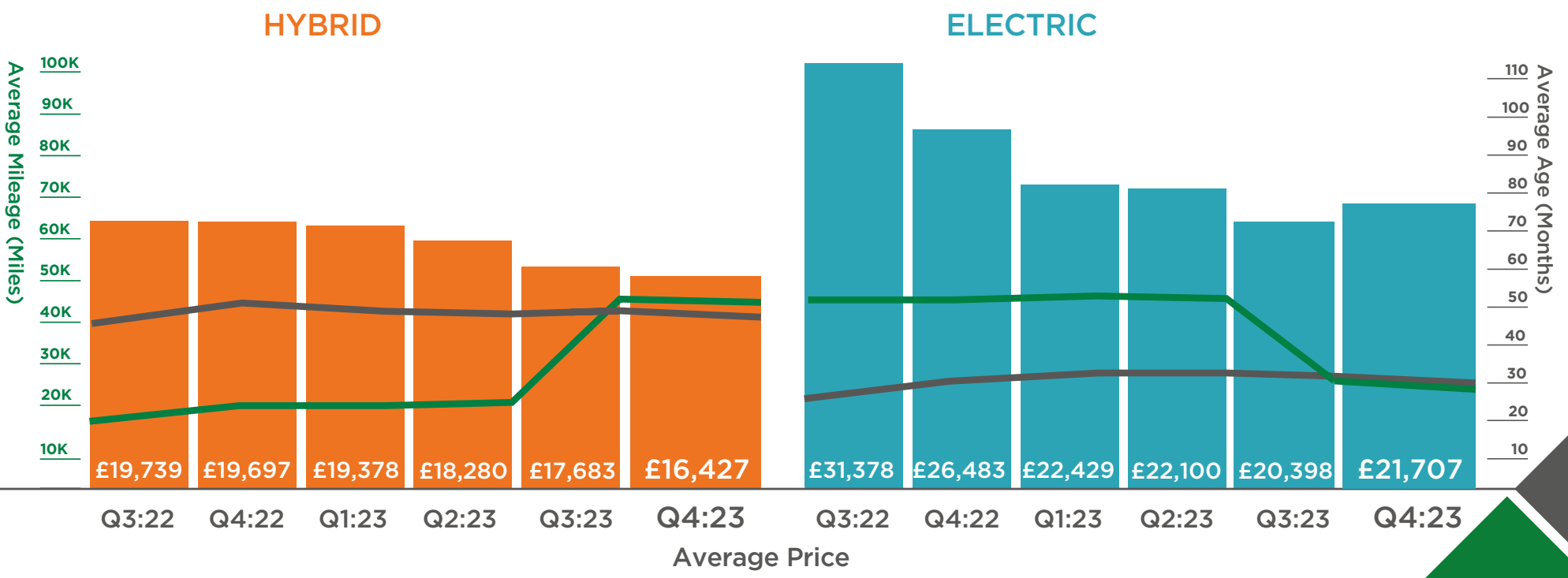
Average age and mileage remained static at 47 months and 45,066 miles.

Prices of used EVs rose in Q4 by 6.4% to £21,707. It was the only fuel type to experience a price rise in Q4.

Dealers are open to buying EVs at £21,000 or less as the number of retail customers looking to go electric continue to rise, but generally continue to only buy higher value EVs to order.

Average age and mileage remained static at 30 months and 23,369 miles.

Albert Parnell, Aston Barclay's EV Lead



DEALER MARKET PROFILE - YOUNG PART EXCHANGES

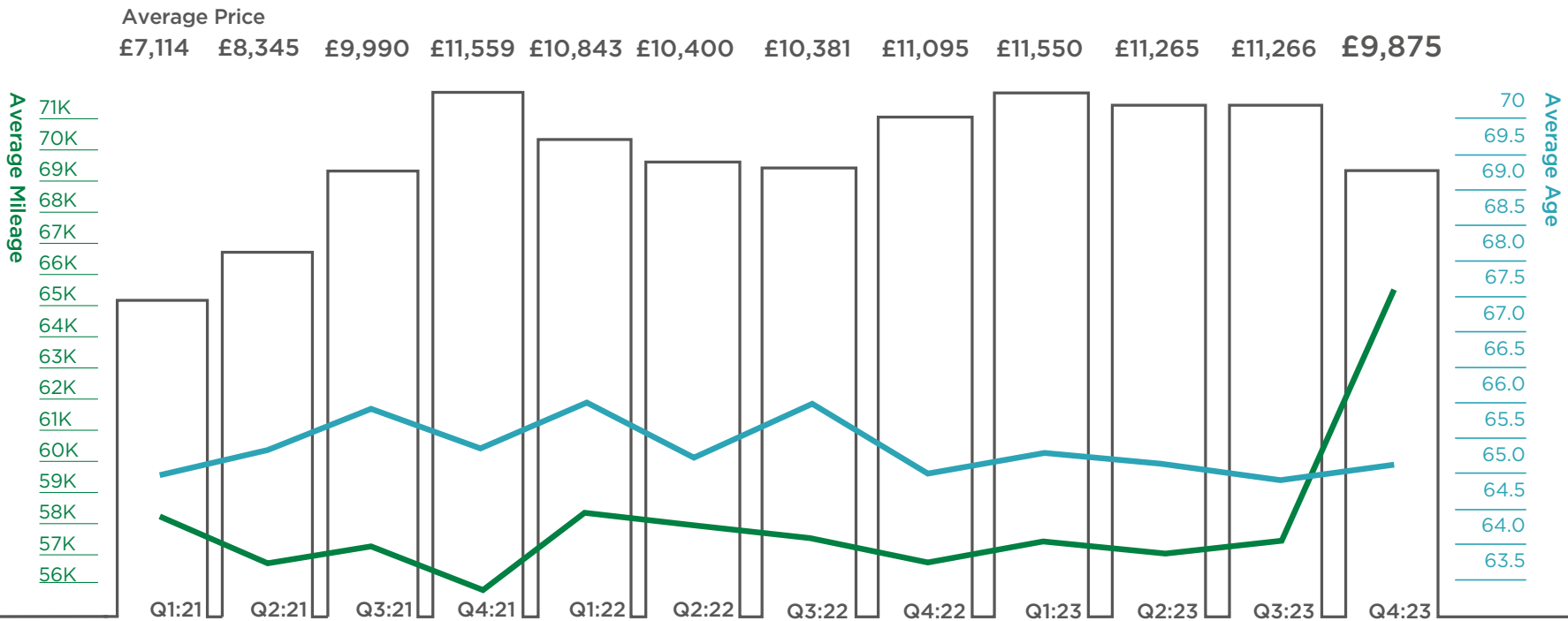
(55-75 months)

A massive rise in average age from 58 to 65 months during Q4 helped cause a -12.3% fall (£1,191) in average prices to £9,875.

Older cars tend to come with more damage which is another reason prices have fallen, but demand

in this category is still high from dealers looking for stock to retail at between £10-15,000.

As new car availability improved quite dramatically in Q4 the number of extended finance contract cars started to appear in higher volumes which is another reason average age jumped in Q4.

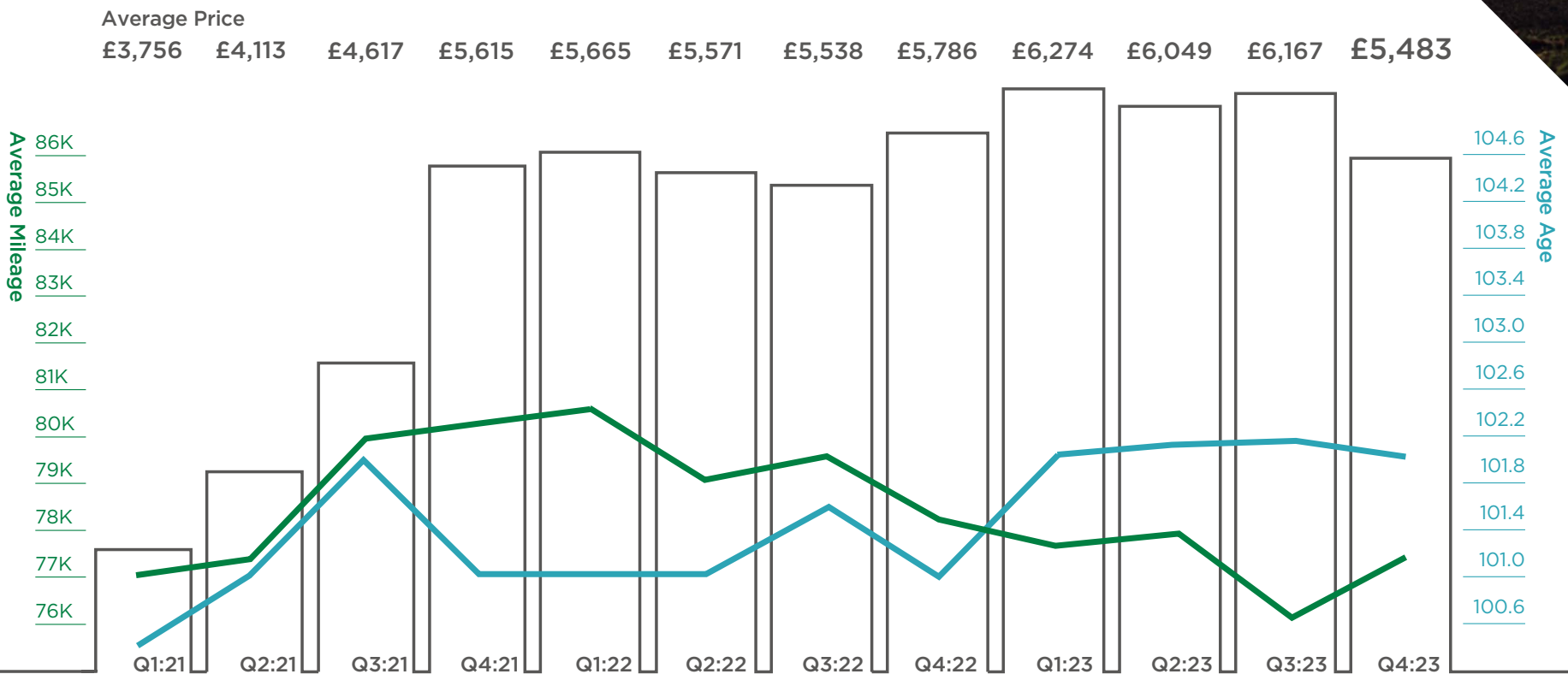


DEALER MARKET PROFILE - OLD PART EXCHANGES

(78-125 months)

Prices fell by 11.0% (£683) to £5,483 during Q4.
This is the lowest price in this sector since Q2 2021.
Average age and mileage remained consistent at 102 months and 77,440 miles.

This is a challenging sector for dealers to find the right stock but an important one as it provides them with the majority of their sub £10,000 retail forecourt stock.

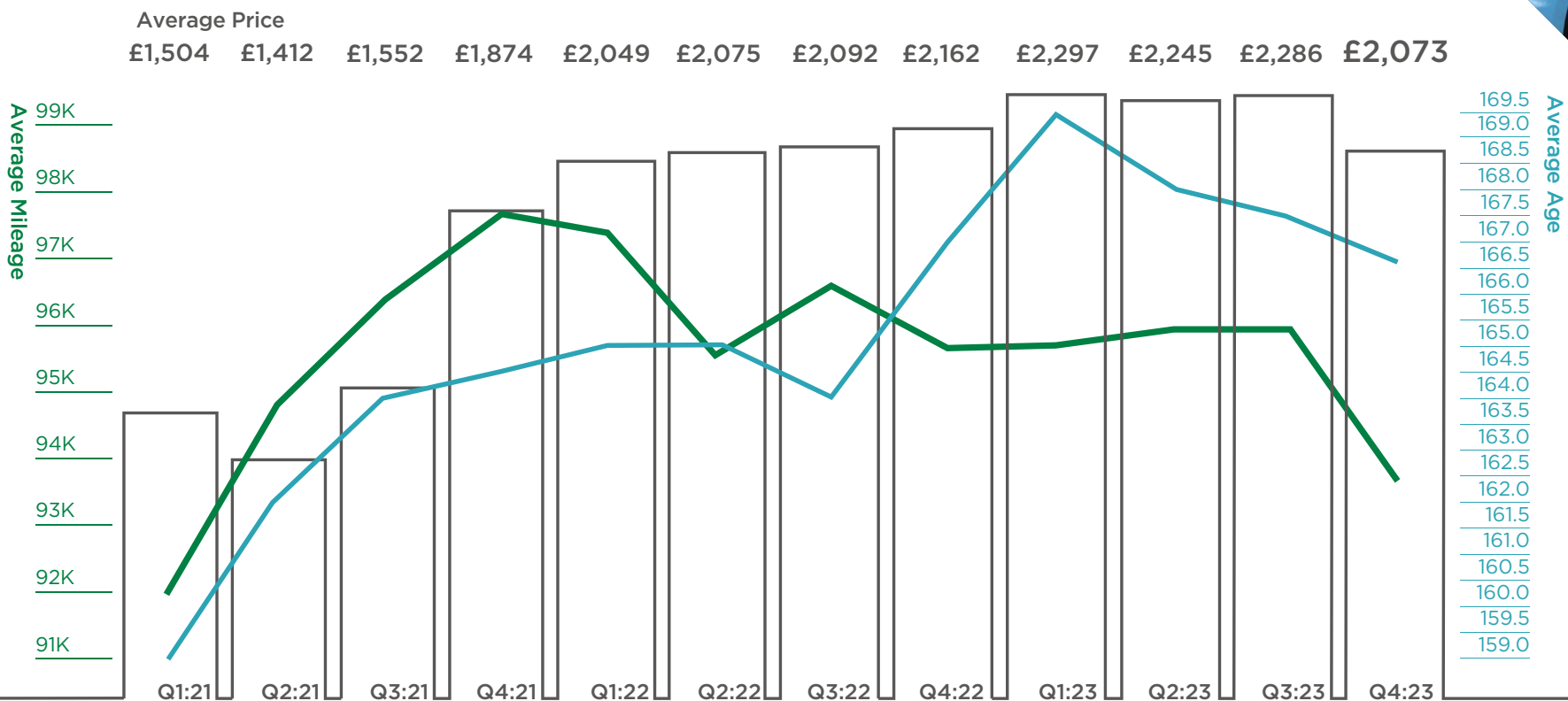


DEALER MARKET PROFILE - BUDGET PART EXCHANGES

(126+ months)

Budget prices fell below £2,100 for the first time since Q3 2022 by -9.3% in Q4 to £2,073 despite average age and mileage falling to 166 months and 93,766 miles.

As the overall car parc has increased in age during the past few years one in four used cars Aston Barclay sold during Q4 was more than 126 months of age.



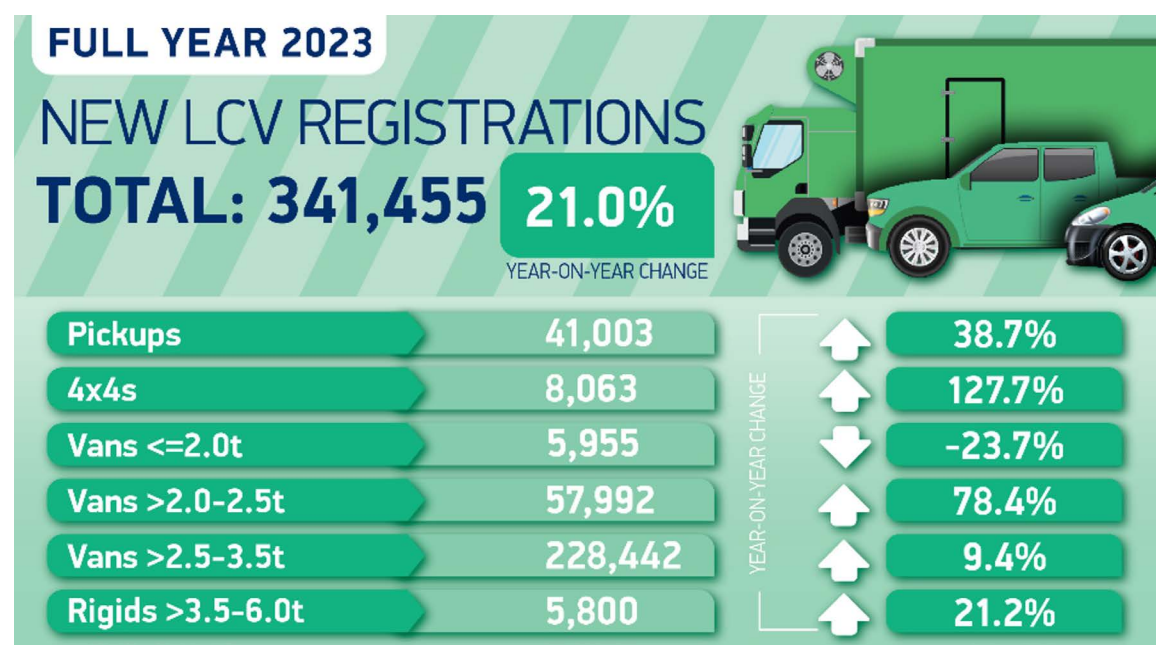
USED VAN MARKET

2023 was a record year for the Aston Barclay LCV business as we sold over 10,000 used LCVs at Leeds, Donington and Westbury for the first time. Vendors and buyers liked our hybrid physical and online sales approach, and this has translated into more buyers and more vendors visiting our sites which has kept prices and conversion rates at consistent levels.

Currently the most in demand used stock at auction includes LCVs between 65-68-plate in age with a good service history and in reasonable condition priced between £10-12,000. We are predicting this trend will continue with vendors telling us that more used ex-fleet vehicles of this age and condition are coming through in the first four months of 2024 which should help balance supply with demand.

The overall health of the 2024 used LCV market is likely to be linked to how interest rates perform. If they continue to fall, then this will help fuel growth in the economy which benefits the smaller businesses that buy used LCVs. It will kickstart the economy and should help keep used LCV prices and demand consistent throughout the year.

Geoff Flood, Head of LCV



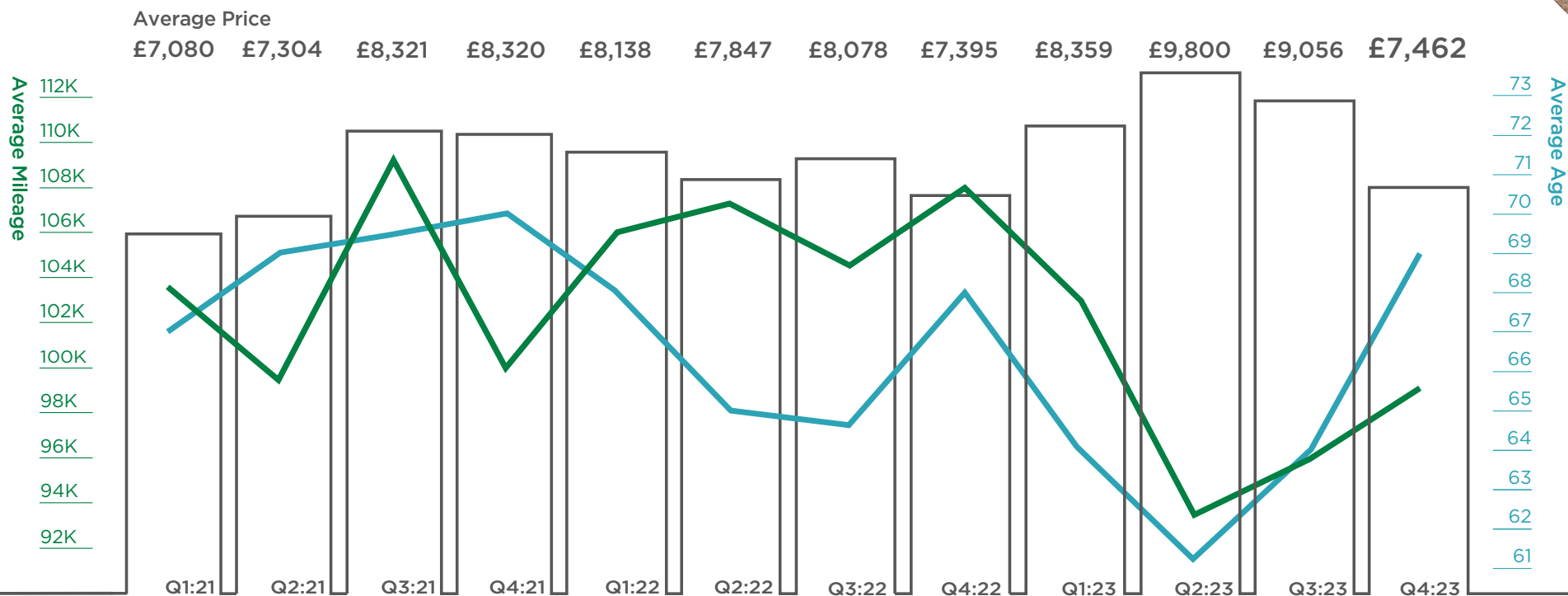
VAN MARKET PROFILE

The van market reached its lowest average quarterly price since Q2 2021 of £7,462.

This was a fall of -17.6% (£1,594) and represented a price realignment by the used value guides

as well as a fall in demand as high interest rates translated into higher used LCV financing costs.

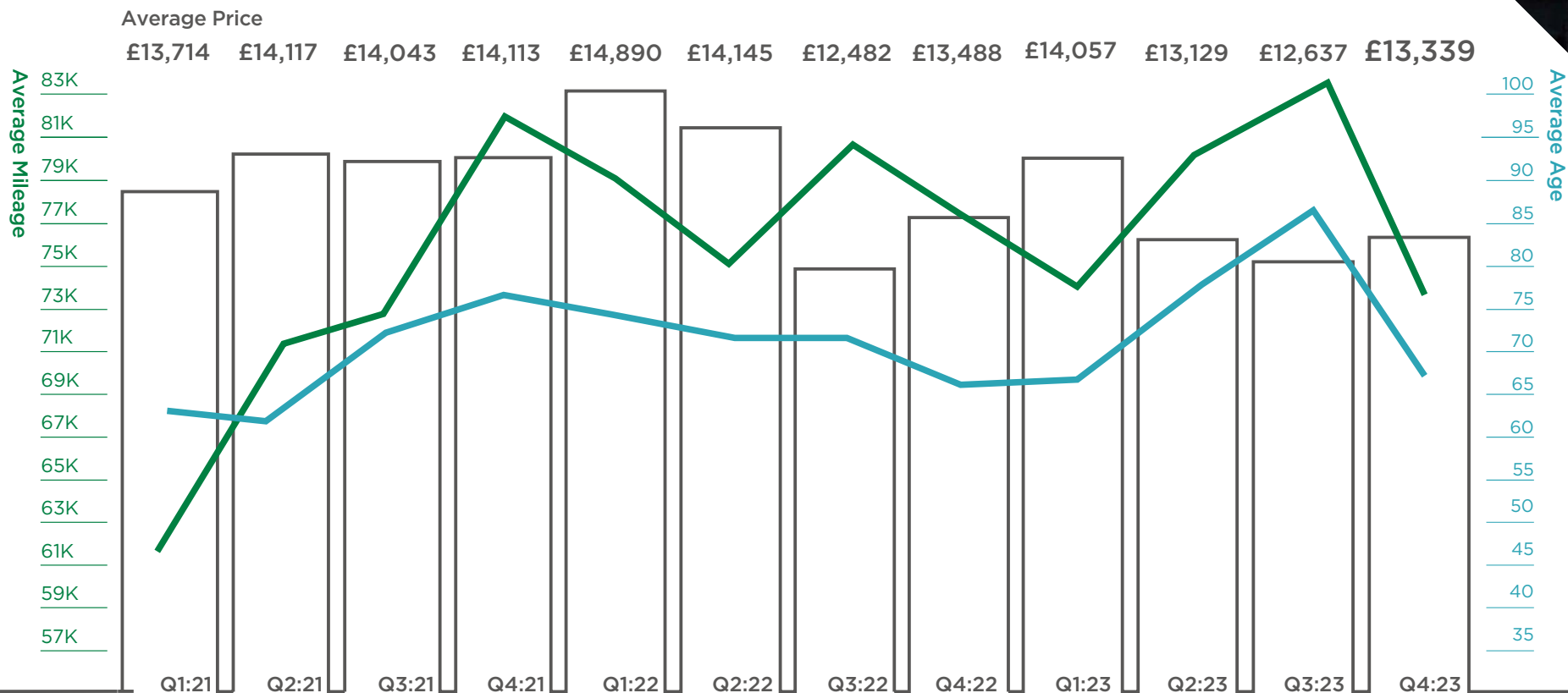
The fall was also caused by a sharp rise in average age from 64 to 69 months.



DOUBLE-CAB PICK-UP MARKET PROFILE

Prices rose by 5.5% during Q4 due mainly to a sharp fall in average age from 86 to 57 months. Average mileage also fell from 83-73,000 miles which contributed to the price rise.

Overall, with more new vehicles becoming available in this sector fleets have taken the opportunity to refresh their fleets as they aim to get back into a more structured vehicle replacement policy of between 48-60 months.





ASTON BARCLAY



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Vehicle Remarketing

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