

Pricing analysis

November 2021

The latest used car pricing trends brought to you by the **NFDA** and **Auto Trader**



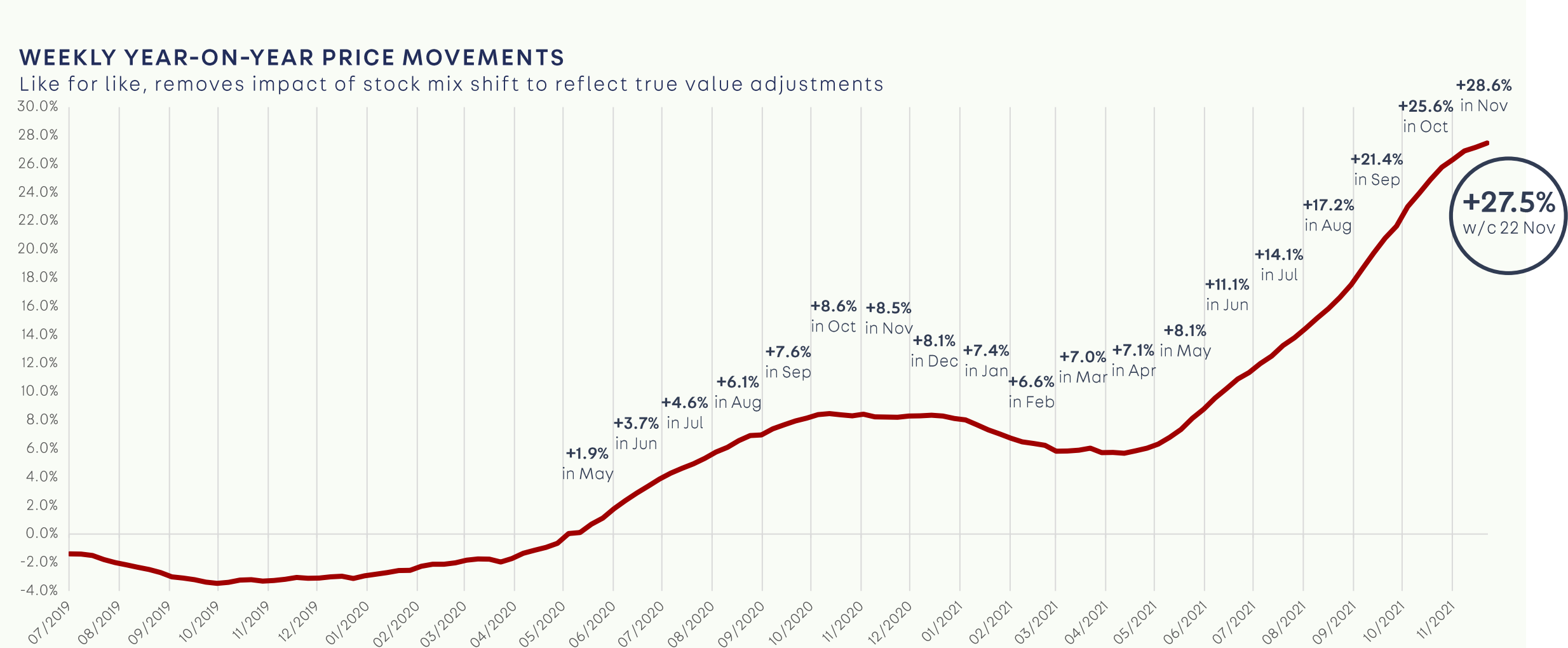
What happened with used car pricing in November?

Welcome to the **eleventh** in the series of used car pricing analysis, brought to you by **NFDA** and **Auto Trader**. Powered by the Auto Trader Retail Price Index, we aim to bring you up to date with the latest performance and pricing observations from across the UK automotive market.

November 2021 | Summary

- A twentieth consecutive month of like-for-like price increases, with high demand outstripping supply across the market
- There's strength across the whole market, but notably in cars aged 1-5 years
- The speed of sale for electric vehicles (EV) is now in line with petrol and diesel, having fallen rapidly through 2021 and especially since September's 'fuel crisis'

Like-for-like prices continue to soar in November with a 28.6% increase – another record, and the month-on-month trend remains consistent



Source: Auto Trader Retail Price Index

About the analysis

The Auto Trader Retail Price Index is published monthly and provides an overview of the latest price and search data from the Auto Trader marketplace. A team of data scientists monitor hundreds of thousands of vehicles each day, including 90,000 vehicle updates and an average of 19,000 vehicles added or removed from Auto Trader.

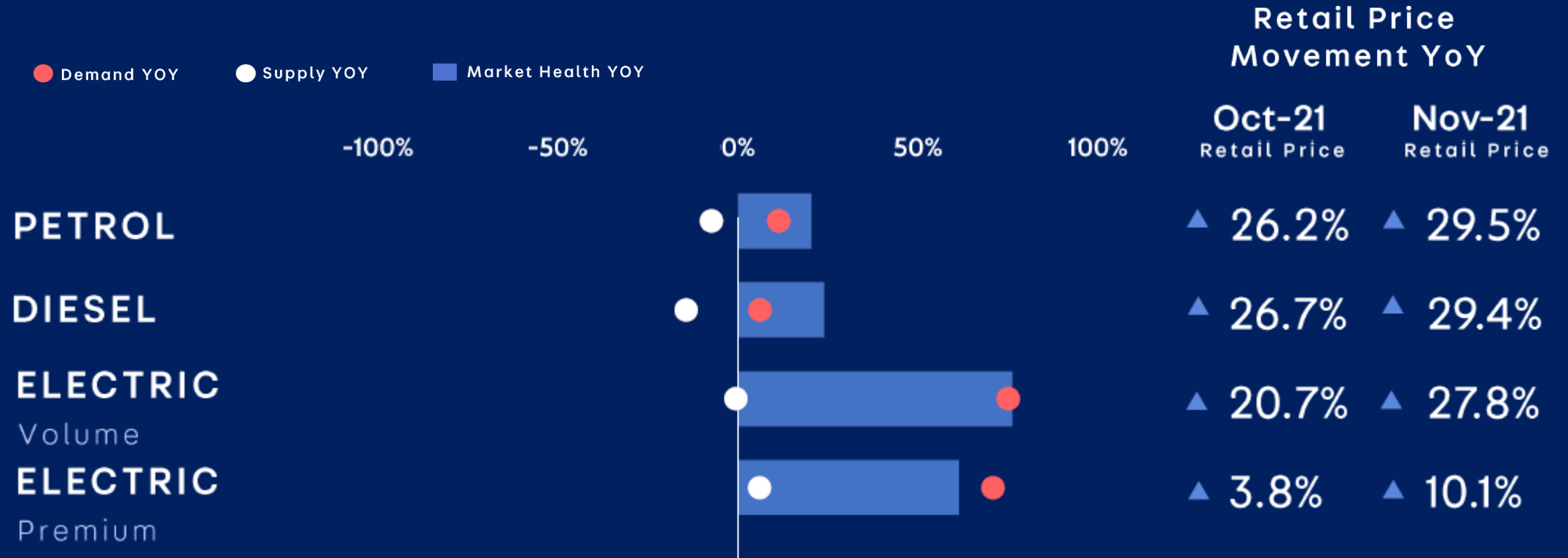
Coupled with data from circa 450,000 trade car listings every day, as well as additional retailer forecourts and website data (OEM, fleet and leasing disposal prices and pricing data from over 3,000 car dealership websites and data from major auction houses across the UK), ensures the Index is an accurate reflection of the live retail market.

- The following charts display **Demand** (red), **Supply** (white), **Market Health** (blue bar), and price movement, which is based on year-on-year growth on a like-for-like basis, removing the impact of stock mix shift to reflect true value adjustments.
- **'Market Health'** is made up of both supply and demand levels which are key components for market performance.



Significant growth in EV prices, with Volume brands almost matching price growth seen in ICE vehicles. Demand is extremely high, leading to faster stock turn vs 2019.

FUEL TYPE



Petrol example shows Market Health 20.3%, as Supply (-7.4%) is below Demand (11.3%)

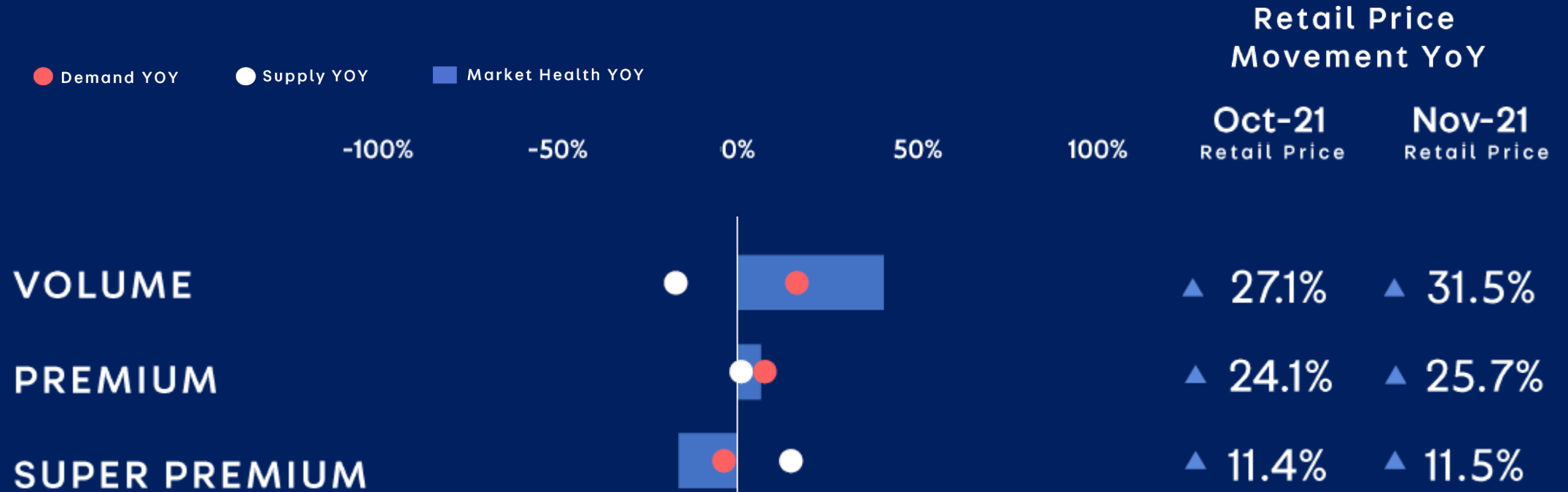
Cars aged 1-5 years saw the greatest increases with 3-5 up over a third vs. 2020, while cars over 5 years experience the highest YoY demand increase

VEHICLE AGE



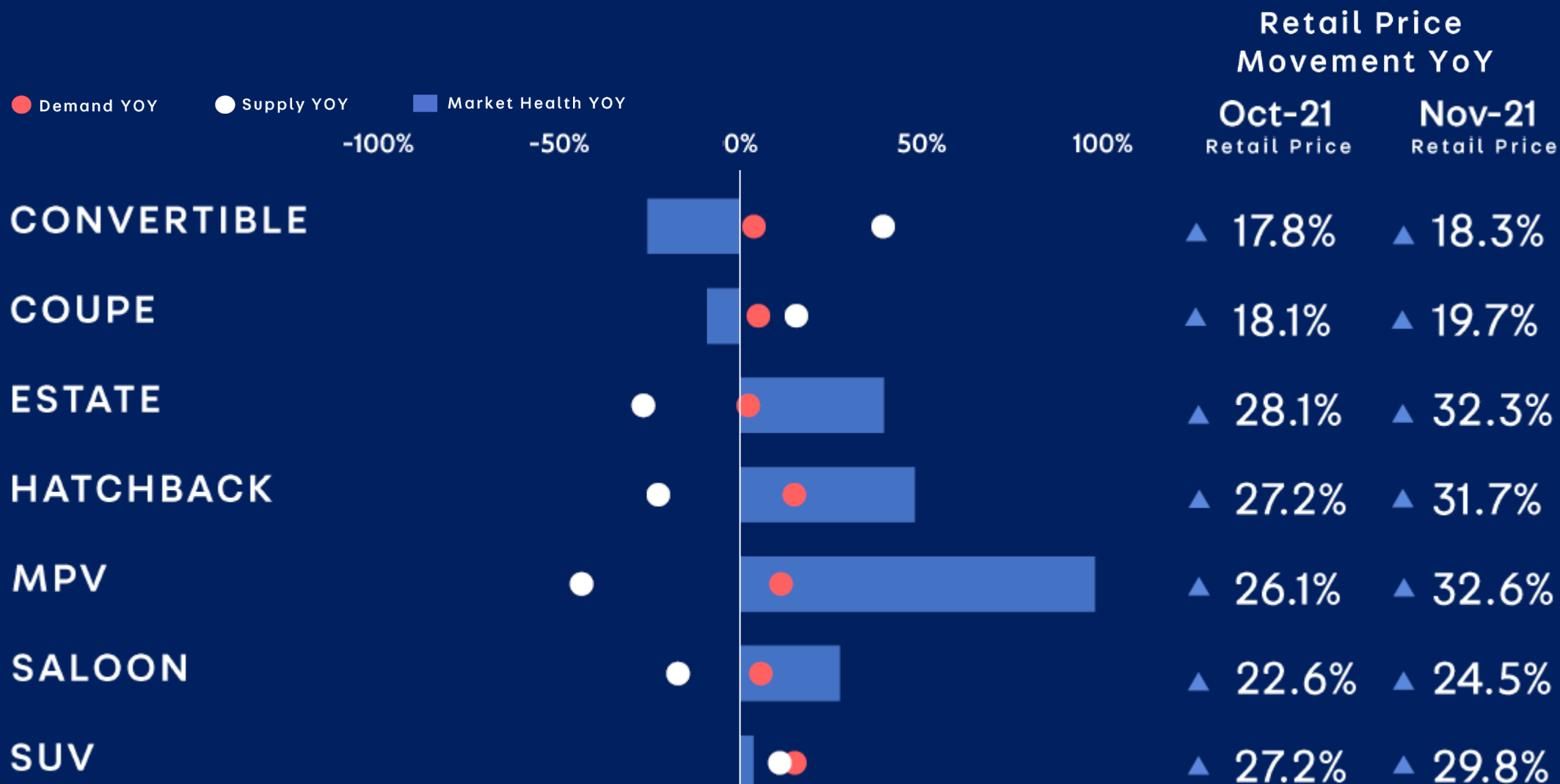
Volume brand prices exceeded 30%, driven by very strong demand.
Premium brand prices remain strong but grew at a lower rate

BRAND TYPE



Price growth continues to remain strong across all body types, with demand up across all and speed of sale faster vs. 2019

BODY TYPE



Sue Robinson, Chief Executive, NFDA

“Supply constraints continue to impact the market and as a result it is unsurprising to see used car prices at such high levels. In particular, the significant increase for EVs reflects the growing appetite from consumers. Despite a number of challenges, especially surrounding supply, dealers are optimistic as consumer confidence remains strong.”

Richard Walker, Data & Insights Director, Auto Trader

“There’s been some suggestion that the period of huge price growth is coming to an end, or we’re finally about to see the ‘bubble burst’. Beyond what we’d expect for this time of year however, we’re seeing absolutely no evidence of that being the case. Although week-on-week price movements may continue to soften over the coming weeks, average prices remain nearly 30% above what they were last year. Looking further ahead, the new and used car supply constraints will last for much of next year, and with the economy set to grow, we can expect to see the very robust levels of consumer demand continue. Simple economics therefore point to a continuation of very strong price growth well into 2022.”