

# Pricing analysis

## September 2021

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



# What happened with used car pricing in September?

Welcome to the **ninth** 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.

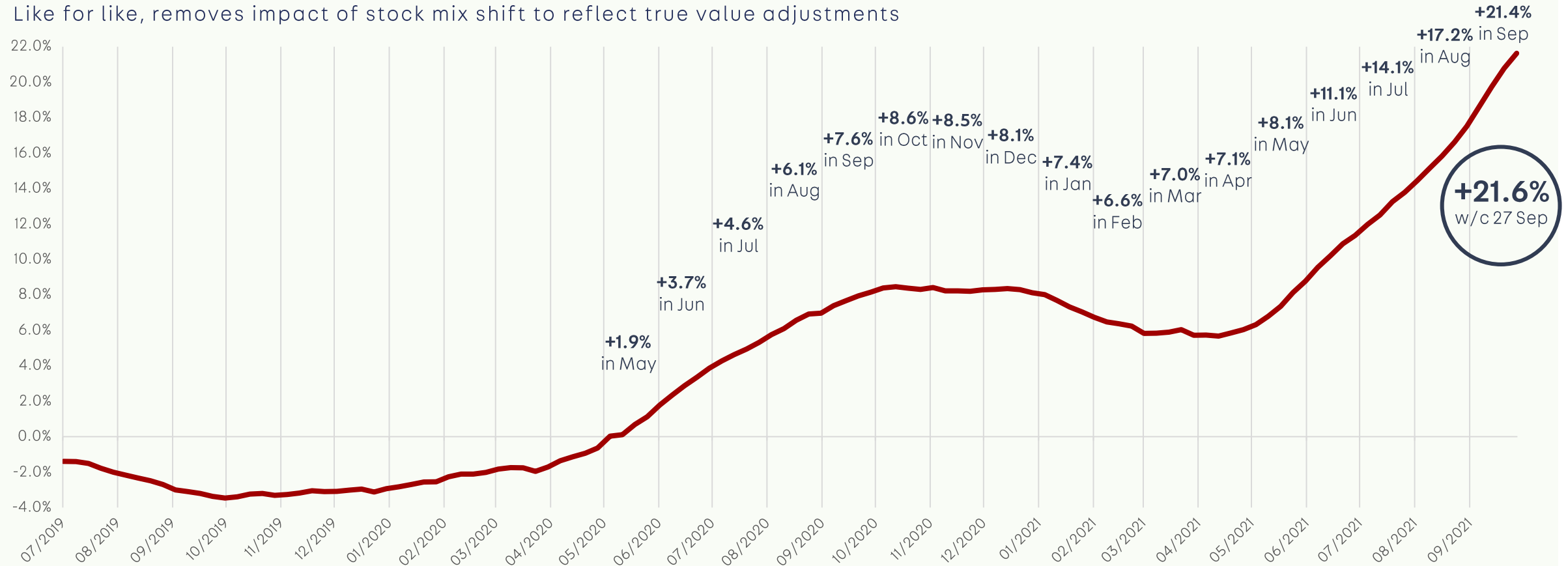
## September 2021 | Summary

- The recent period of exceptional used car price growth continued into September, with like-for-like prices increasing 21.4% versus the prior year.
- Prices have now been rising for 18 consecutive months.
- Such is the huge acceleration in used car prices, 1 in 6 nearly new cars (aged up to 1 year old) were priced higher than their brand-new counterparts in September.
- The average price of a petrol, 3-5-year-old, volume brand SUV is now £15,469, which is up £3,833 vs. September 2020. The average price of a petrol, 3-5-year-old, premium brand SUV is now £29,004, up £3,438 vs. September 2020.

# Like-for-like prices continue to soar in September, breaching the 20% mark for the first time with a 21.4% increase

## WEEKLY YEAR-ON-YEAR PRICE MOVEMENTS

Like for like, removes impact of stock mix shift to reflect true value adjustments



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.



Electric Volume prices show significant growth along with petrol and diesel cars. Premium EV demand outstripped supply for the first time since Feb 20 leading to positive monthly pricing movements.

FUEL TYPE

● Demand YOY    ● Supply YOY    ■ Market Health YOY

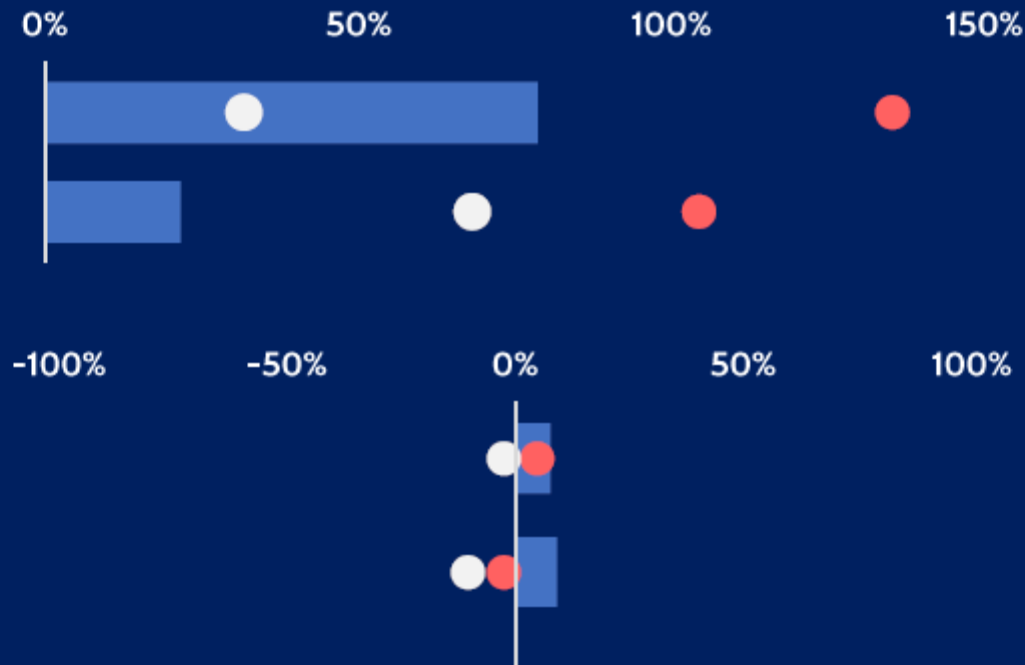
Petrol example shows Market Health 7.4%, as Supply (-2.7%) exceeds Demand (4.6%)

**ELECTRIC**  
Volume

**ELECTRIC**  
Premium

**PETROL**

**DIESEL**



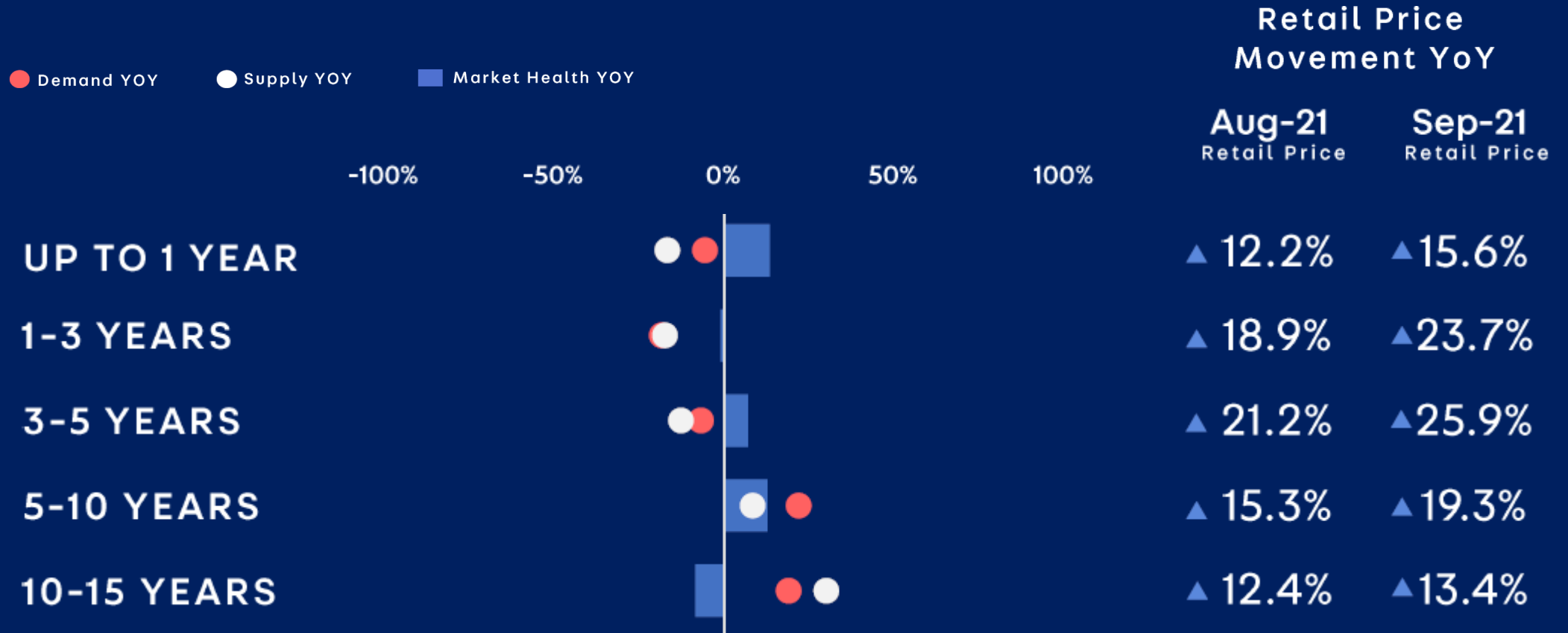
**Retail Price Movement YoY**

**Aug-21** Retail Price    **Sep-21** Retail Price

▲ 13.2%	▲ 18.2%
▼ -5.5%	▼ -5.0%
▲ 16.9%	▲ 21.7%
▲ 18.7%	▲ 22.7%

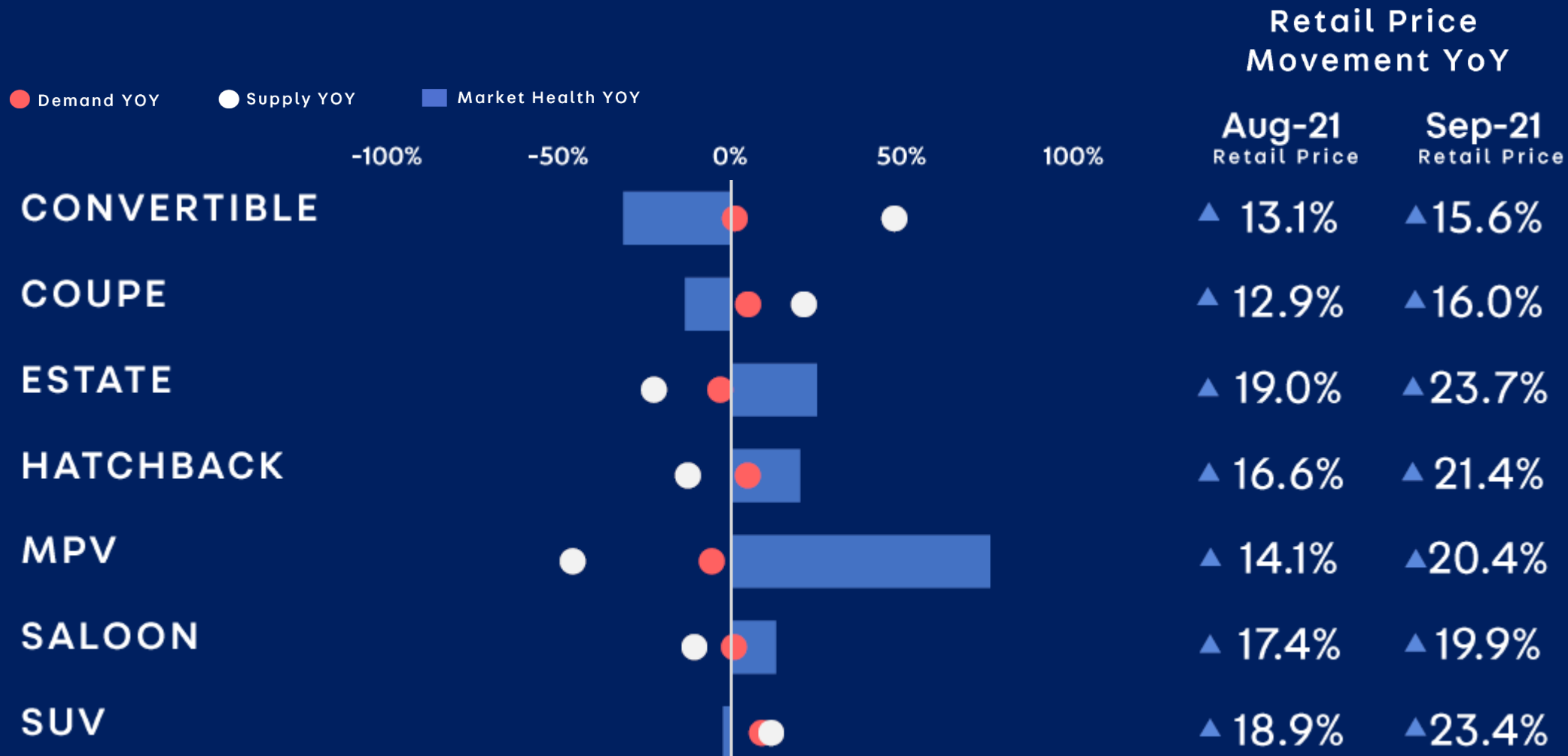
Vehicles aged 3-5 continue to show the greatest price growth, with cars over 5 years experiencing the biggest increases in YoY demand.

VEHICLE AGE



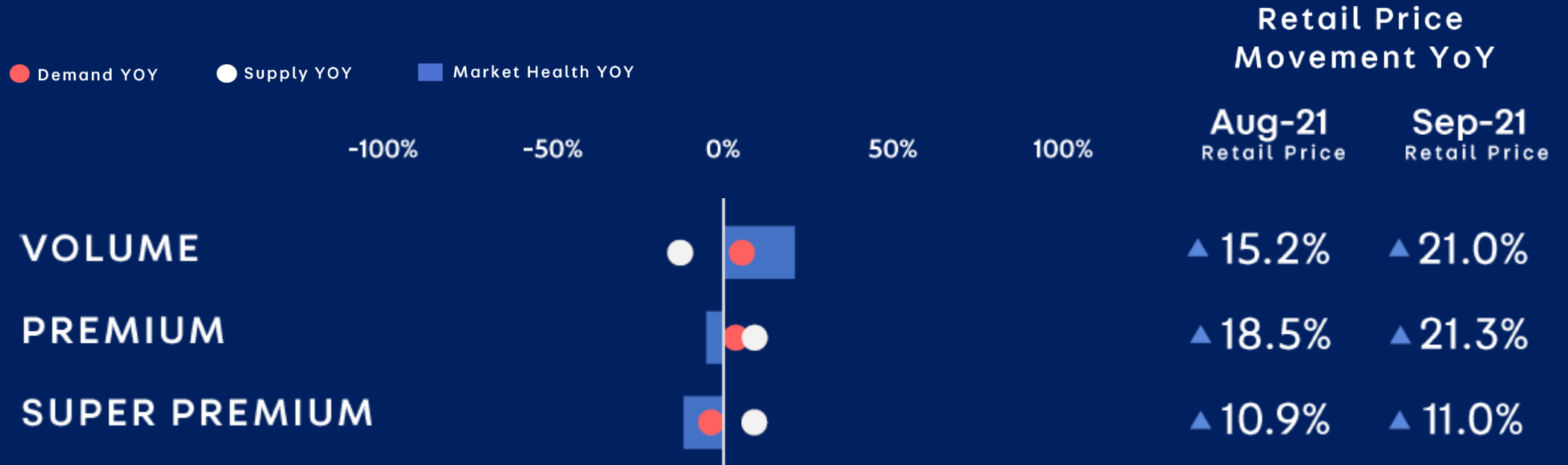
Most body types saw price growth over 20%, with MPVs experiencing the highest monthly change – they are selling in just 16 days on average.

BODY TYPE



Both Volume and Premium brand price growth hit 21% in September, and cars across all makes are selling in fewer than 4 weeks, on average.

BRAND TYPE





## **Sue Robinson, Chief Executive, NFDA**

*“Ongoing supply issues coupled with strong consumer demand have resulted in second-hand and nearly new vehicle transactions continuing to perform well, with prices remaining exceptionally strong. Dealerships have experienced a surge in enquiries for electric vehicles most notably due to the recent petrol shortages and EV demand has risen, with the highest month-on-month increase in EV volume prices. Retailers continue to play a key role in informing their customers and helping them to select the low emission vehicle that best suits them”.*

## **Richard Walker, Data & Insights Director, Auto Trader**

*“A large part of September’s huge growth has come from growing demand for EV vehicles, which, supercharged by the fuel crisis, is now outpacing supply. The real story only becomes visible when applying a week-by-week analysis. While in the first week of September – i.e. before the fuel crisis – retailers were actually more likely to be cutting the price of their EVs, the increased demand arising from the fuel crisis saw retailers raise EV prices later in the month. On average, £156 was added to EV prices on 28th September, for example, and prices continued to rise as September came to a close.”*