



INDICATA Market Watch

Used car insights report

Oversupply of used BEVs is creating a crisis

Edition 36 | February 2023



Executive Summary

- January market share of used petrol car sales overtakes diesel to be the leading powertrain again.
- Online B2C used BEV sales continue to stagnate seeing just a 0.07% MoM increase in market share.
- January 2023 sees used hybrid sales market share increase by 23.2% YoY.
- Used petrol and diesel cars still account for 87.6% of online B2C used car market.
- Used petrol cars squeeze past diesel to retake the title of the fastest-selling powertrain with just 63 days of Market Days' Supply (MDS) versus 64 days for diesel.
- Demand for used BEVs continues to falter despite a marginal improvement in MDS to 118 days going into February 2023.
- The best-selling vehicles by volume under 4-years-old in January saw the VW Golf stay top with the Renault Clio taking back second place from Mercedes-Benz A-Class and VW Tiguan staying third.
- The fastest-selling used cars under 4-years-old in January by Market Days' Supply saw the Opel/Vauxhall Astra retain the top spot with a MoM improved MDS of 31.4 days. Opel/Vauxhall also took second and third place with the Grandland X and Crossland X respectively.
- Our price index in the charts in this report are based on a consistent pool of vehicles reindexed against January 2022 which would then see a typical lifecycle driven downward curve in average prices over the year. For most of 2022 prices continued to rise until August to September but prices are still falling with only two countries showing MoM used car price rises going into February.
- Average prices for Turkey rose 17.9 percentage points MoM meaning they are now 101.3pp higher than at the end of 2021.
- Poland also saw prices rise by 0.3pp MoM due to supply constraints but for all the LHD European markets average prices fell 0.3pp MoM and they are now 7.7pp lower than at the end of 2021.
- UK prices saw a further 0.5pp MoM fall leaving average prices 2.6pp below December 2021.
- BEVs are facing a potential crisis with sales stagnant, share of online stock more than doubling in the last six months and MDS almost double some of the other powertrains and prices dropping by 9.5pp.

Country	Latest used car price percentage point movement versus Dec 2021
Turkey	101.3pp
Portugal	11.6pp
France	10.6pp
Italy	10.2pp
Spain	9.7pp
Belgium	9.1pp
Austria	8.6pp
The Netherlands	6.5pp
Poland	6.4pp
Germany	6.0pp
Denmark	4.4pp
Sweden	1.6pp
United Kingdom	-2.6pp
Average	14.0pp

European Markets – Sales trends

Online B2C sales of used BEVs stagnates

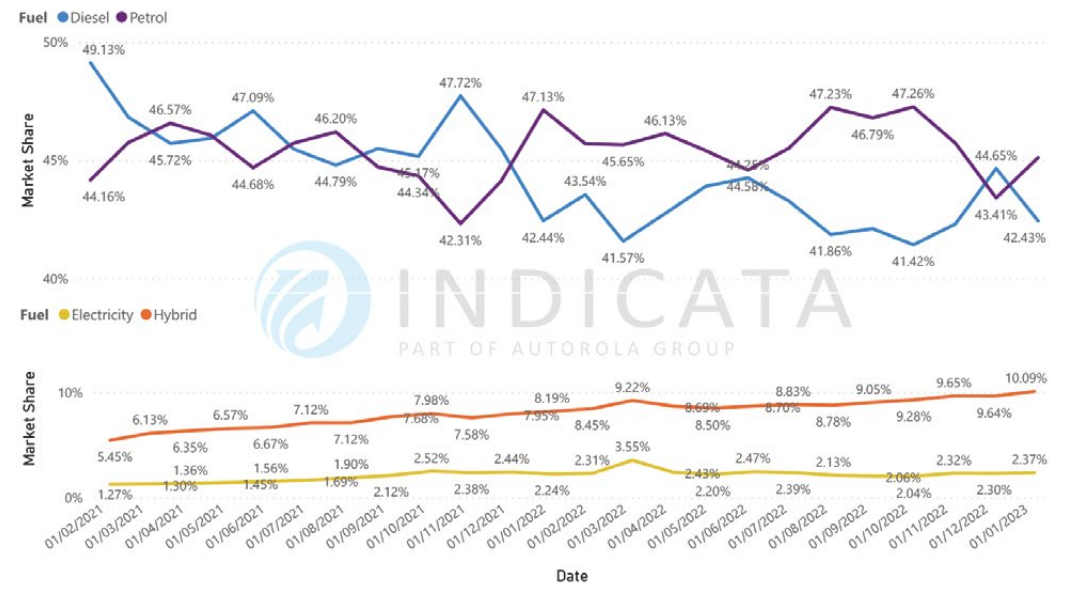
There are less than seven years to go until 2030 which was by when several countries had expressed a wish to end the sale of new fossil fuel powered cars, but the used car market seems to have turned its back on BEVs as sales of online B2C used BEV cars continues to stagnate with almost no growth in market share for the last 12 months. Whilst we have seen sales of BEVs in absolute terms increase they are not gaining the traction of the other powertrains and as such are losing market share.

Sales of online B2C used hybrids saw market share increase by 23.2% year-on-year but used petrol and used diesel cars continue to dominate online B2C used car sales across the region.

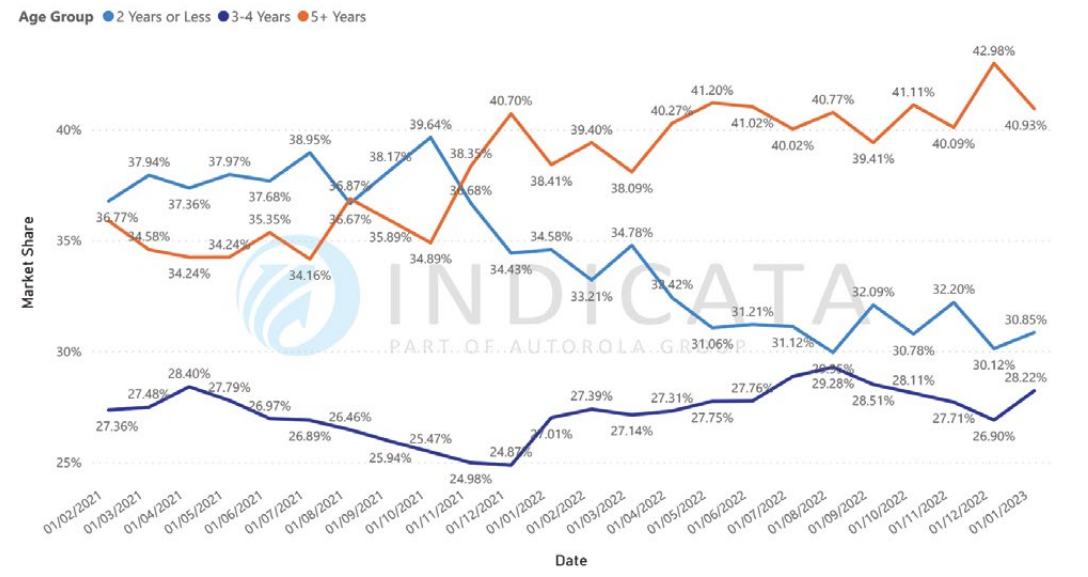
Manufacturers are still struggling to complete sold orders due to the semiconductor issue, which means manufacturer backed tactical registrations remain rare. When combined with the reduced de-fleets coming from the daily rental sector it has reduced the availability of these younger used cars. That said the cost-of-living crisis is forcing some drivers to hold onto their cars longer, and long lead times on new car orders is also exacerbating. Even when they do replace them some of those looking for a used car are looking for cheaper and therefore older cars. Bringing this all together you can see how sales of online B2C used cars under 2-years-old have plummeted over the last 15 months.

Going back to used BEV sales and part of the challenge dealers and traders are facing is the ready supply of used BEVs hitting the market. Some brands have had real challenges with an oversupply of used stock, particularly where their new BEV sales have relied heavily on just one model, an example of this is Tesla's Model 3. This saw stock levels rise sharply but some downward pricing action seems to have stabilised the situation and reignited sales.

Sales Market Share by Month and Fuel Type

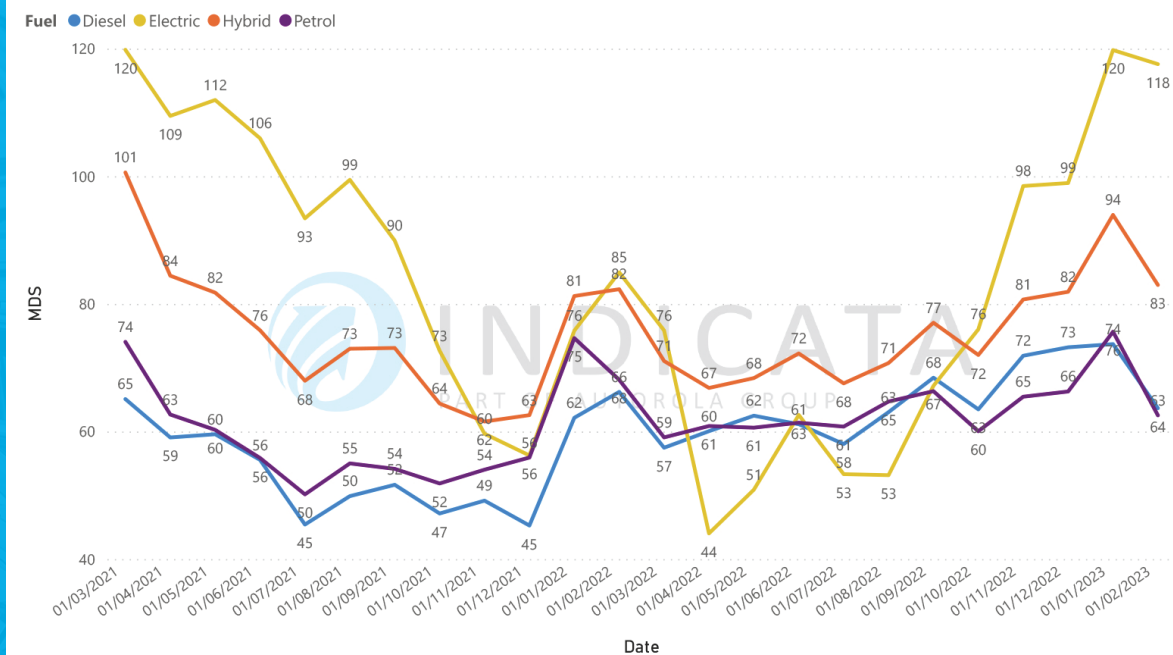


Sales Market Share by Month and Age Group



Market Days' Supply and Top Sellers

MDS by Fuel Type



Oversupply of used BEVs sees MDS slipping badly

In a story common across almost all markets the decline in BEV online B2C used car market share combined with the oversupply of stock coming into the market is seeing dealers and traders having to hold BEVs in stock much longer than even just a few months ago.

Since September 2022 levels of online B2C used BEV stock has more than doubled and going into February 2023 it is 4.14% of all stock. The sharpest increase in used BEVs are those up to 2-years-old with all brands and most markets impacted. Some countries like Denmark and some brands like Tesla have reached market saturation with stock levels of BEVs and this has resulted in prices falling sharply. The one benefit of these price reductions has been a renewed uplift in sales helping to stabilise used BEV stock levels.

However, these changes have not yet materialised everywhere, and you can see how Market Days' Supply, i.e. the amount of selling days at the current rate of sale there is enough stock for, has slipped dramatically. Going into August there was a shortage of stock versus demand making BEVs the fastest-selling powertrain with a MDS of just 53 days, but just 6 months later it is now far and away the slowest selling with an MDS of 118 days, 42.2% higher than the second slowest selling powertrain, hybrid.

Whilst online B2C sales of used petrol and diesel cars are selling equally as fast as each other there are signs of a potential supply issue for petrol cars where market share of stock going into February 2023 has dropped by 10.4% year-on-year.

Top selling car models up to 4-years-old by volume							
All powertrains	MDS	ICE	MDS	Hybrid	MDS	BEV	MDS
Volkswagen Golf	78.6	Volkswagen Golf	75.6	Toyota Yaris	64.7	Tesla Model 3	63.7
Renault Clio	56.2	Volkswagen Tiguan	71.1	Toyota C-HR	63.4	Renault Zoe	86.2
Volkswagen Tiguan	71.6	Renault Clio	55.8	Audi A6	91.9	Audi e-tron	130.6

Fastest selling car models up to 4-years-old by Market Days Supply							
All powertrains	MDS	ICE	MDS	Hybrid	MDS	BEV	MDS
Opal/Vauxhall Astra	31.4	Opal/Vauxhall Astra	31.1	Toyota Auris	40.1	Tesla Model Y	43.8
Opal/Vauxhall Grandland X	33.3	Opal/Vauxhall Grandland X	32.7	Toyota RAV 4	51.4	Tesla Model 3	63.7
Opal/Vauxhall Crossland X	37.7	Opal/Vauxhall Crossland X	33.4	Hyundai Kona	52.3	Renault Zoe	87.2

Retail pricing

Online B2C used BEV prices collapse

We track a consistent pool of vehicles and index it against January 2022 to produce our index of average retail prices which would mean normally there would be a lifecycle driven downward curve in average prices. However, the well documented impact of the Covid pandemic and the knock-on issue regarding the supply of semiconductors has seen average prices rising in most countries.

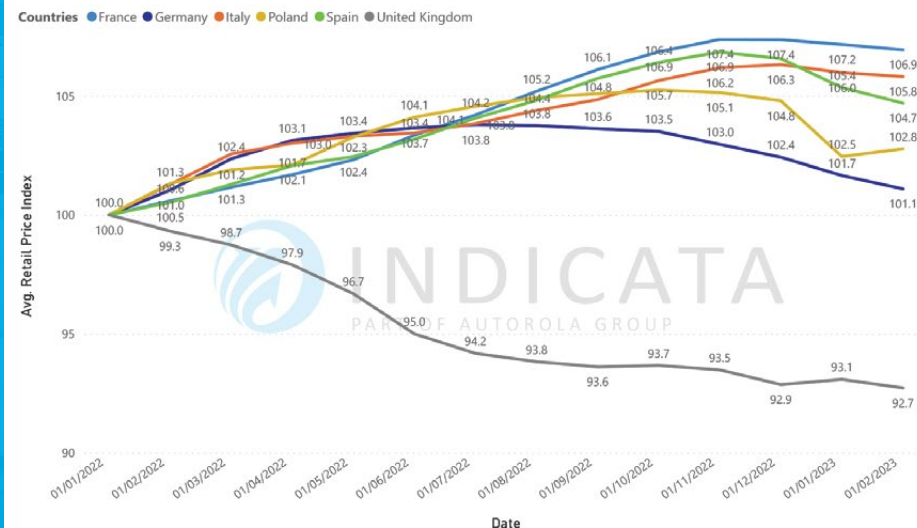
But there is clear evidence of the inflationary pressures easing with prices falling in eleven of the thirteen markets we cover. There is no doubt that the cost-of-living crisis has a significant part to play in this as used car buyers are looking at the higher price points and this has seen Market Days' Supply trending upwards for all powertrains since early 2022.

Despite MDS slipping average prices were still rising for all powertrains.

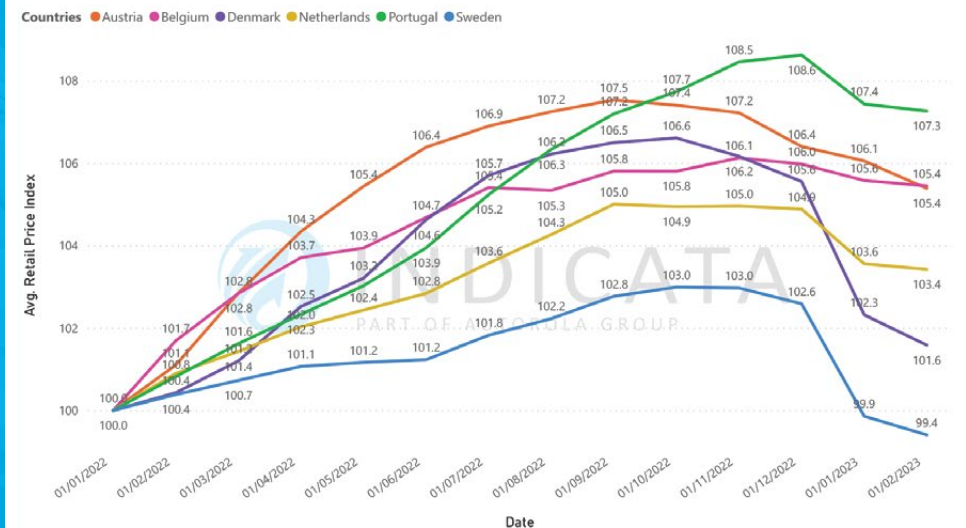
By the start of October, the average online B2C used BEV price hit 111.2 points in our index as prices went crazy, but those ten months of average price increases have been all but wiped out in less than six months with the prices going into February now down to just 101.7 points.

Whilst prices have fallen in eleven markets - and in some cases they have been dropping for several months - but only the U.K. and Sweden have seen average prices come down below the level they were in January 2022 when we last reset our price index. It is also worth remembering that the first month of 2022 was also when prices significantly increased month-on-month which means average prices even in Sweden are still 1.6 percentage points higher than at the end of 2021. Turkey (+17.9pp) and Poland (+0.3pp) were the only countries seeing prices rise month-on-month with prices in the UK, falling 0.5pp and the EU region down 0.3pp MoM.

Retail Price (weighted avg.) Index 100 = 01 JAN - FR,DE,IT,PL,ES,GB



Retail Price (weighted avg.) Index 100 = 01 JAN - AT,BE,DK,NE,PT,SW



Online B2C used car buyers switching to older cars

The cost-of-living crisis seems to be pushing used car buyers into the older end of the used car market. Online B2C used car sales of cars less than 2-years-old have plummeted from a high of 58.3% of all sales in October/November 2021 to just 41.54% in January 2023. Over the same period sales of cars more than 5-years-old have gone from 21.8% to 32.91%.

It would be easy to think this may be due to the semiconductor issue and the lower than usual ex-daily rental returns, but it appears to be a consumer-led decision. Online B2C used stock levels of cars less than 2-years-old have fallen from around 65% of total stock in 2021 but going into February 2023 they are still 54.37% of online stock so there is a plentiful supply of these younger used cars.

Whilst online B2C used diesel car sales have been steadily losing market share for some time they still account for almost 50% of all sales and there are no signs of buying patterns changing resulting in a switch to petrol or other powertrains.

There is currently minimal desire for traditional powertrain buyers to switch to BEVs with the latter only taking 3.65% of sales in January. This is leaving dealers and traders with a problem as stock of used BEVs have increased by 66.2% between the start of September and the beginning of February. This has resulted in Market Days' Supply hitting 178 days.

Our price index is based on a consistent pool of vehicles indexed against January 2022 and has been reset for the start of the New Year which creates a typical uplift of around 2%-4%, followed normally by a lifecycle driven downward curve in average prices. The premium that saw prices of used BEVs surge has clearly been reversed to try to stimulate more used BEV sales, but the stimulus does not seem to be quite enough to tempt buyers to switch. Across the other powertrains we have seen five consecutive months of prices easing back with average prices going into February 0.7 percentage points down on the previous month. However, it still means prices are 8.6pp above the end of 2021.

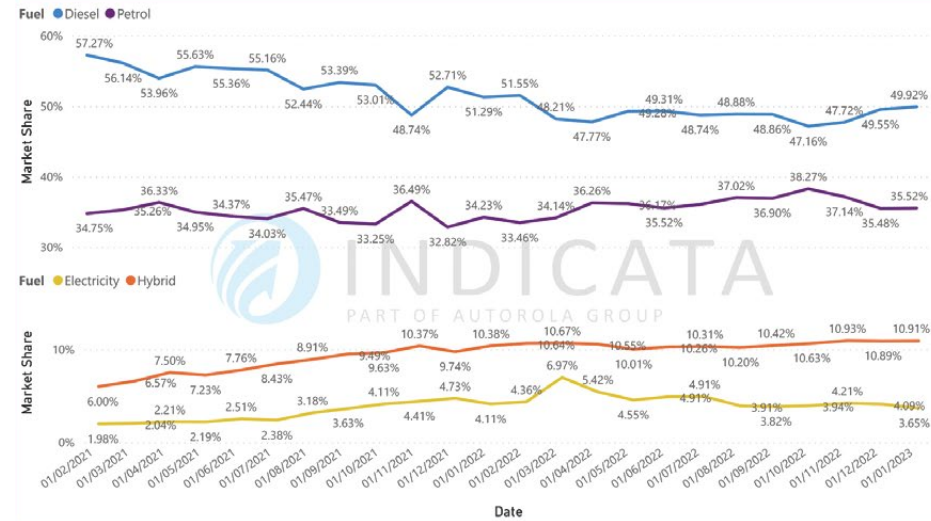
Top selling < 4-years-old by volume

Make	Model	MDS
Volkswagen	Golf	89.4
Škoda	Octavia	89.0
Audi	A4	88.9

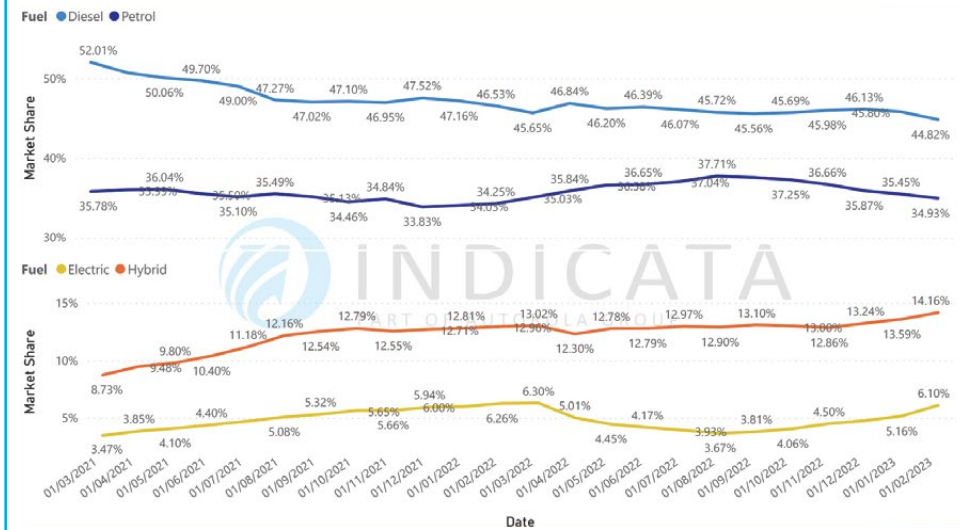
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Dacia	Sandero	12x	31.2
Hyundai	i10	6x	63.8
Tesla	Model 3	5x	69.8

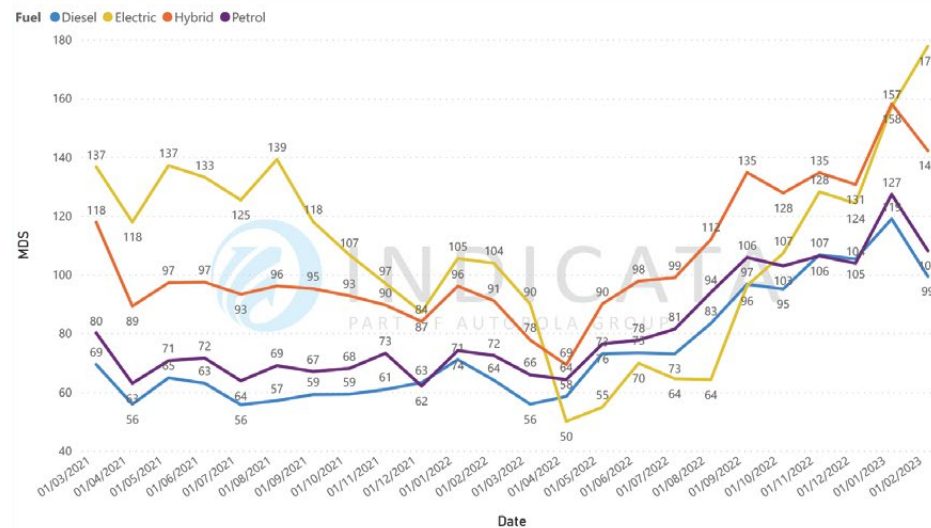
Sales Market Share by Month and Fuel Type



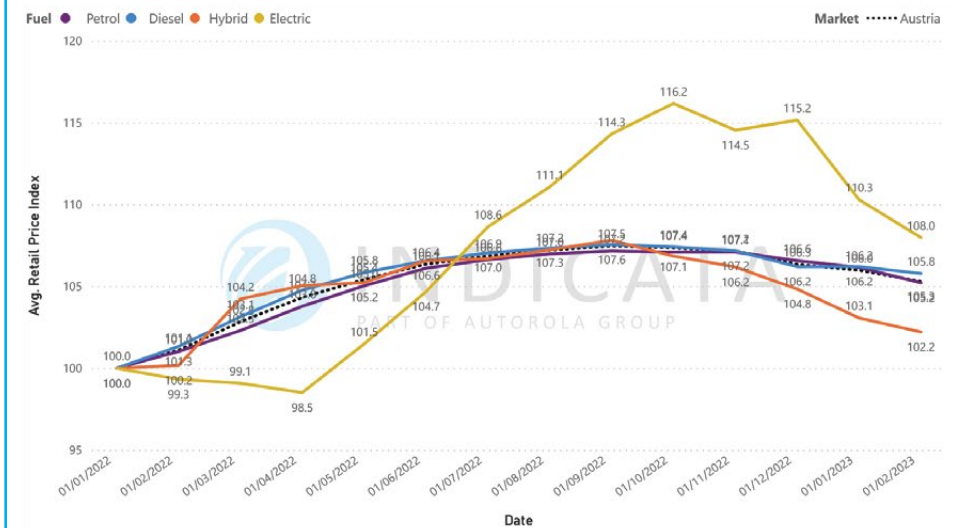
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used BEV prices collapsing

Our price index is based on a consistent pool of vehicles indexed against January 2022 which would normally result in a lifecycle driven downward curve in average prices, but the Covid pandemic and the semiconductor issue has generally been pushing up average online B2C used car prices for most of the last two years.

However, whilst average prices going into February are 9.1 percentage points higher than at the end of 2021 prices were 0.1pp lower than at the start of January 2023. But that monthly fall was driven by three powertrains with average petrol prices rising by 1.0pp MoM. BEVs stand out as the exception to all of the above with average online BEV prices now 4.6 percentage points lower than at the start of 2022.

The driver behind these price movements can be seen in how online B2C used car sales are split by powertrain. In January 2022 sales of used diesel cars were 38.23% of the market but by January 2023 that had fallen to

32.83%. Over the same period used hybrid sales went from taking 11.93% of sales to just 11.37% and used BEVs went from 2.48% of the market to just 2.36% a year later. In contrast used petrol car sales have gone from 47.36% of all online B2C used car sales to 53.44% in January 2023.

But whilst demand for petrol has soared stock of used petrol cars over the last four months has seen their share drop by 4.7% to just 46.89%. Meanwhile used BEVs were just 2.7% of available stock at the beginning of November 2022 but going into February they are now 4.64%.

This move towards used petrol cars has seen Market Days' Supply improve significantly with just 59 days of supply available for petrol cars. In contrast the lack of growth in used BEVs combined with the sharply rising stock levels have seen BEVs slip from selling as fast as the other powertrains in mid-2022 to now having 139 days of MDS, that is 90.4% slower than the second slowest hybrid.

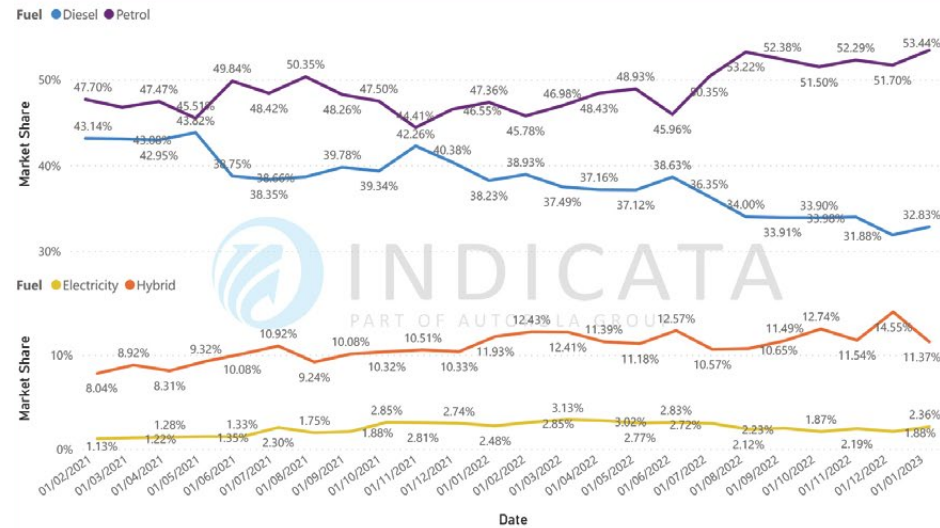
Top selling < 4-years-old by volume

Make	Model	MDS
Volkswagen	Golf	58.1
Mercedes-Benz	A-Class	58.8
Opel	Corsa	66.5

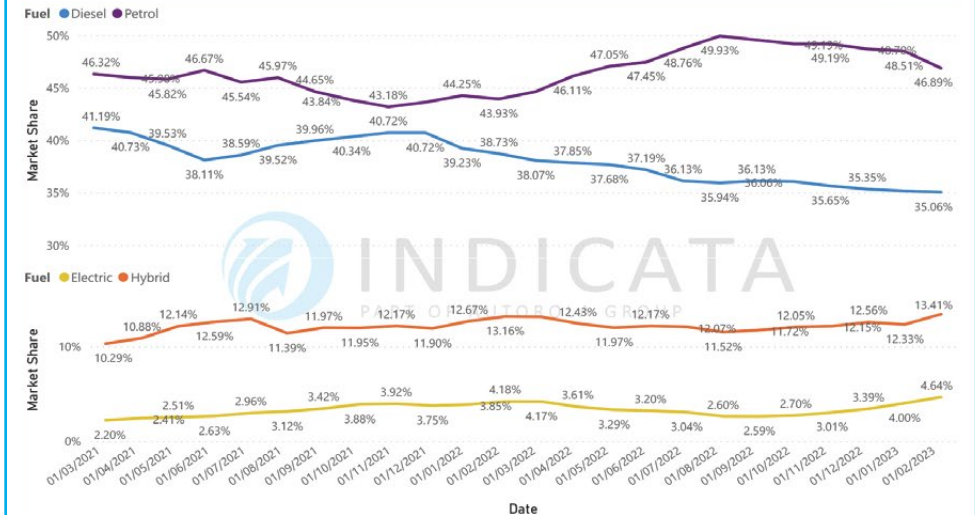
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Toyota	C-HR	16x	22.6
Kia	Ceed	12x	29.1
Toyota	Corolla	12x	31.3

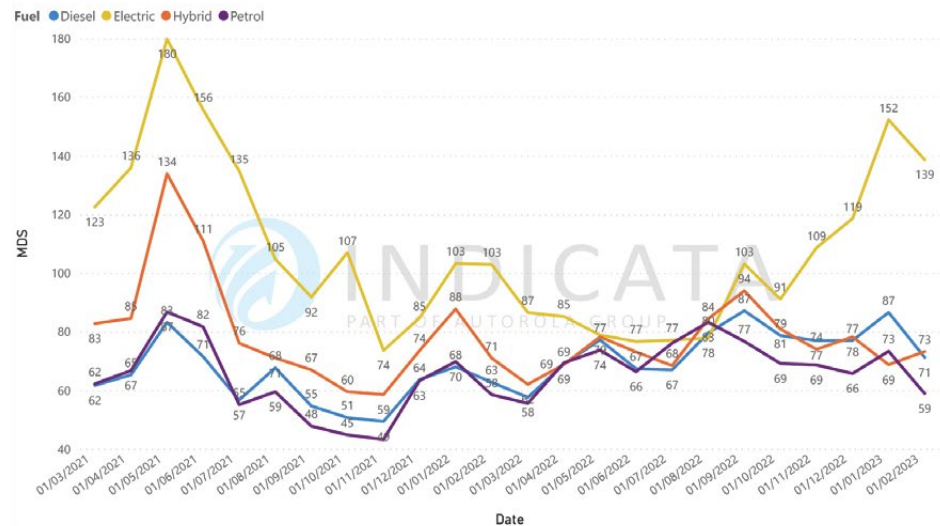
Sales Market Share by Month and Fuel Type



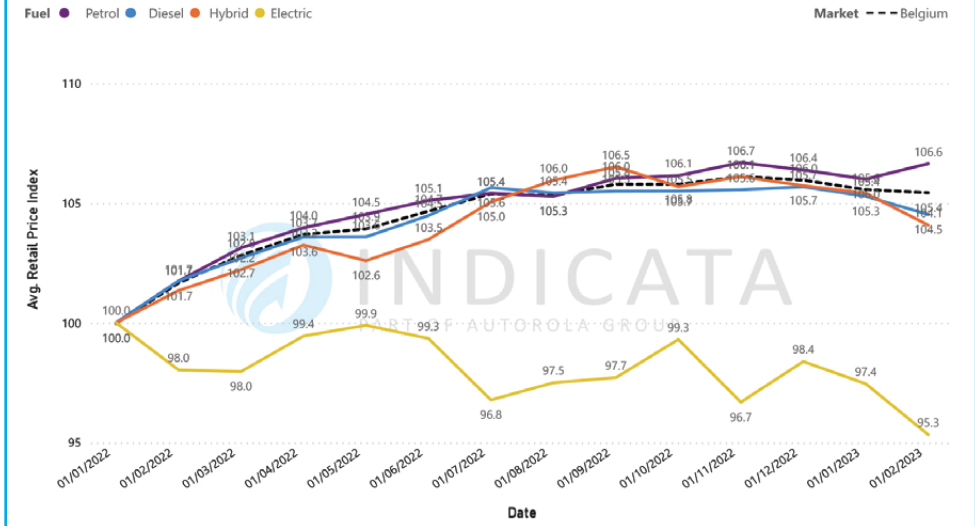
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Used BEV stock more than doubles in six months

Our online B2C used car retail price index is based on a consistent pool of vehicles indexed against January 2022 and would normally see a lifecycle driven downward curve in average prices. After all of the inflationary pressures from the Covid pandemic and then the semiconductor issue prices are now starting to fall for all powertrains with prices going into February dropping by 0.7 percentage points compared to January, making it the fourth consecutive month of month-on-month reductions.

The BEV premium which saw prices soar during 2022 has been met with a general lack of demand across most of Europe and this has seen dealers and traders having to reduce their prices dramatically to maintain or reinvigorate sales. In the Danish market BEV prices in our index peaked going into October 2022 at 112.4 percentage points compared to the start of January 2022, but just four months later they have dropped to just 98.6pp. Whilst this price realignment hasn't worked in a number of markets

it has stimulated used BEV buyers in Denmark and seen market share of online B2C used BEV sales increase from 9.13% at the beginning of August 2022 to 12.92% by the beginning of February this year.

Whilst this renewed stimulus has enabled dealers and traders to maintain BEV sales on an upward trajectory as a share of the total market, stock levels of used BEVs are exceeding demand. In August 2022 used BEVs account for just 6.68% of the online B2C used stock but going into February it is now 14.12%, a 211.4% increase.

The need for a pricing stimulus can be seen in Market Days' Supply which started to slip badly from August 2022 onwards but with the fresh round of price reductions MDS has dropped to the same level as hybrids going into February, 86 days, although this is still noticeably slower than used petrol and diesel cars.

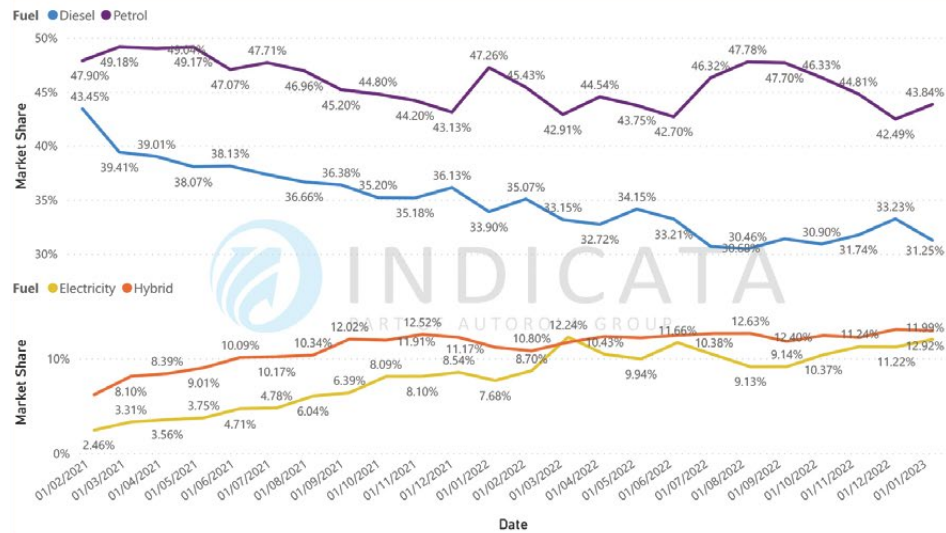
Top selling < 4-years-old by volume

Make	Model	MDS
Tesla	Model 3	30.7
Tesla	Model Y	11.6
Volkswagen	Polo	52.6

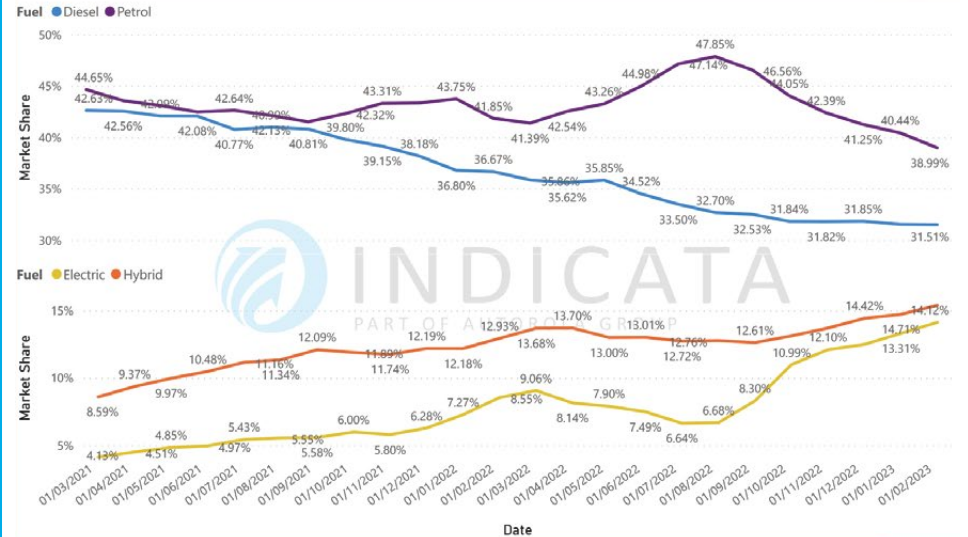
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Tesla	Model Y	31x	11.6
Tesla	Model 3	12x	30.7
Toyota	Aygo X	9x	41.2

Sales Market Share by Month and Fuel Type



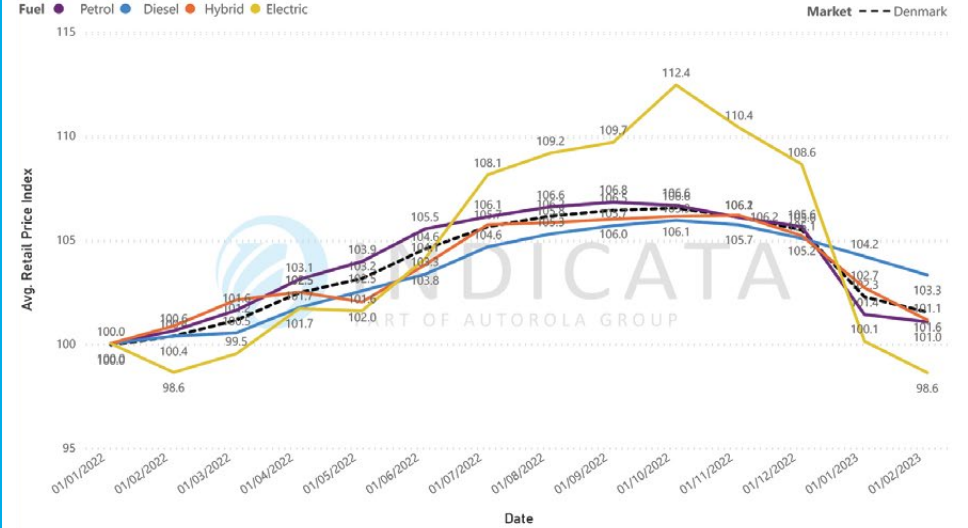
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used BEV stock doubles in just five months

Online B2C used BEVs are showing no signs of regaining the positive momentum they had prior to the start of the cost-of-living crisis which followed the Russian invasion of Ukraine.

The last few years has seen new BEV demand and supply increase dramatically as increasing numbers of manufacturers launched BEV models, but this latest crisis has severely dampened demand in the used car market. Dealers and traders were pushing up prices on the back of the pre-crisis demand and this continued for much of 2022 but as new cars came back into the used car market, they saw a stocking challenge crystallising.

In July 2022 stock of used BEVs online represented 1.79% of all stock but just seven months later this has increased by 219% to 3.92% of all online stock. With the supply of an increased range of used BEVs there was some hope that it would increase demand, but this has failed to materialise with online B2C used BEVs failing to gain traction as sales as a share of the total

market stayed resolutely between 1.9% and 2.6% and unmoved from the start of 2022 through to January 2023.

Our online B2C used car retail price index is based on a consistent pool of vehicles indexed against January 2022 and would normally see a lifecycle driven downward curve in average prices. Despite average online B2C used prices going into February being 0.2 percentage points lower than at the start of January they are still 10.6pp higher than at the end of 2021.

Whilst there was been a significant reduction in average used BEV prices at the beginning of this year which helped to increase sales and reduce MDS, average prices going into February increased by 0.3pp month-on-month, something not seen in other markets. This has seen the gap between how long it takes for BEVs to sell widen even further over the second slowest-selling powertrain, hybrids, with BEV's MDS hitting 97 days compared to just 69 days for hybrids.

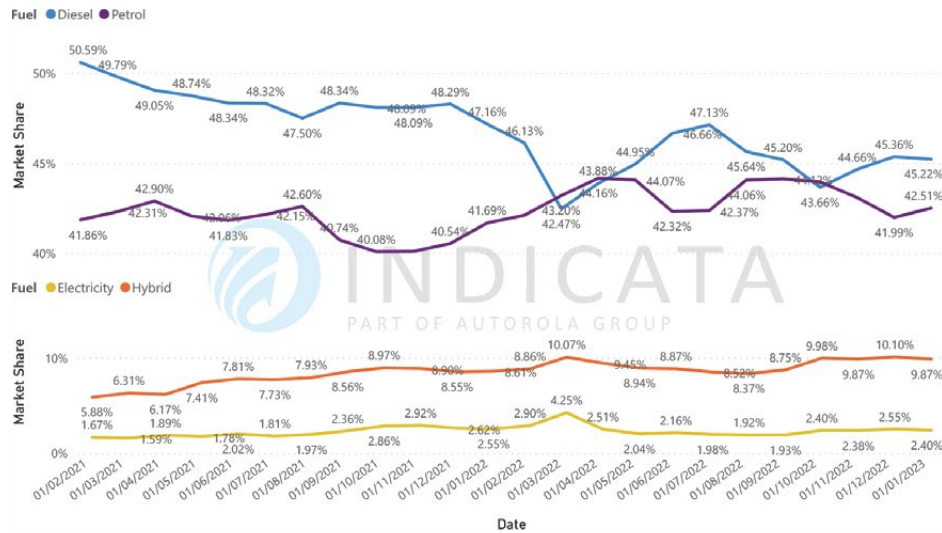
Top selling < 4-years-old by volume

Make	Model	MDS
Peugeot	208	63.5
Renault	Clio	51.1
Peugeot	3008	59.8

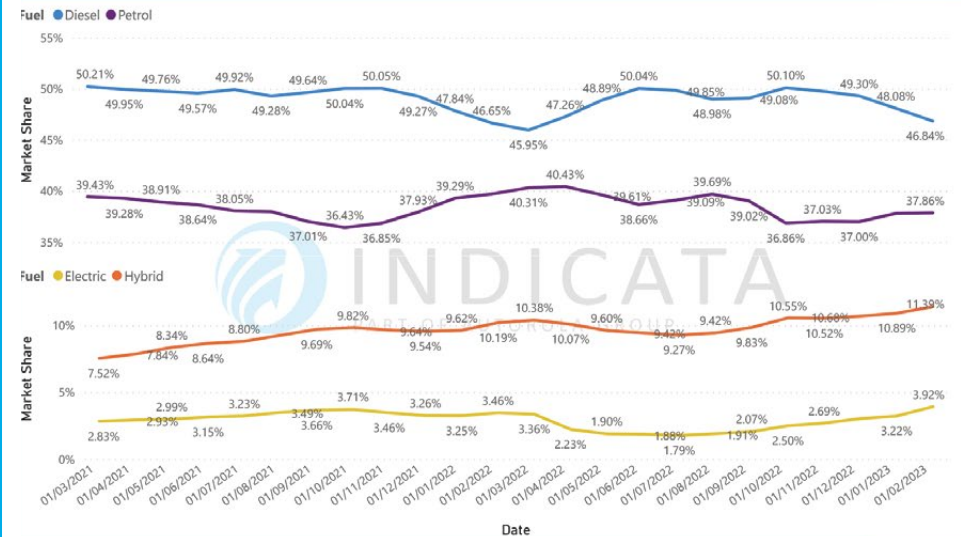
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Ford	Ka+	12x	29.6
Toyota	Auris	12x	30.3
Kia	Proceed	11x	31.4

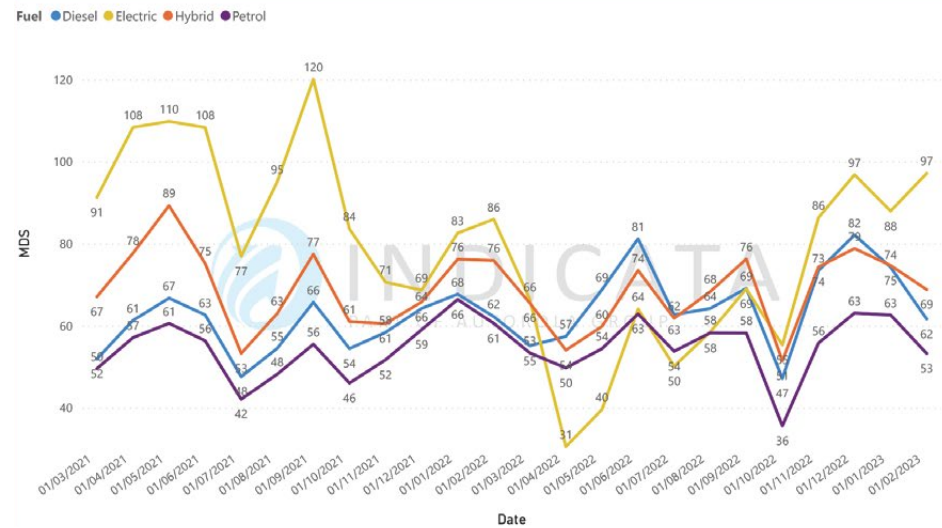
Sales Market Share by Month and Fuel Type



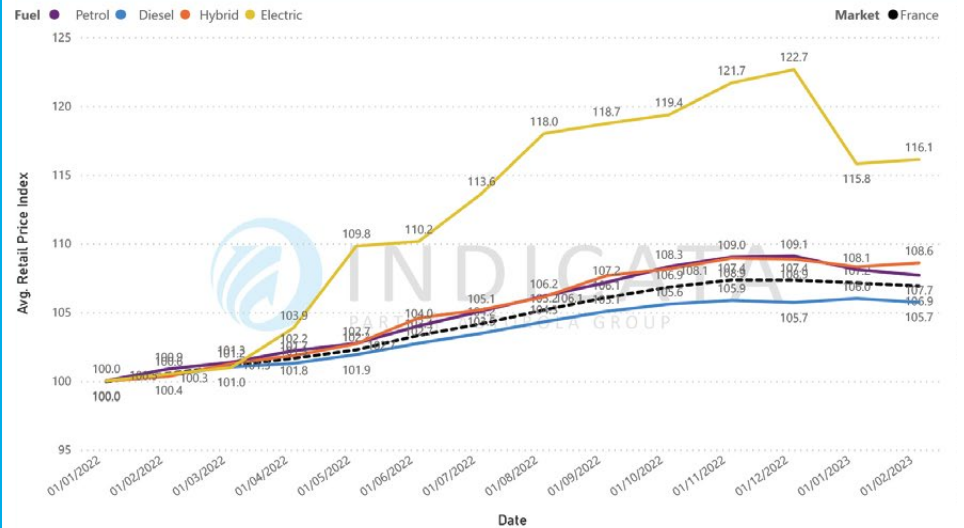
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used BEV stock almost doubles in five months

The cost-of-living crisis seems to have severely dented demand for used BEVs and this is likely to make the German target of banning the sale of new petrol and diesel cars by 2030 even less likely.

Since hitting a peak market share of 4.34% of all online B2C used car sales in March 2022 used BEV sales have flatlined and even gone slightly into reverse with January 2023 sales securing just 2.42% of the market, a 44.2% fall.

Unfortunately, just as sales have gone into reverse the success of BEVs in the new car market in terms of volume and also new models has seen an increase in volumes hitting the used car market. This has seen BEV share of all online B2C used stock rise by 96.7% from the beginning of August leaving stock levels going into February 2023 at 3.56% of all stock.

With more stock and reduced demand Market Days' Supply for BEVs has slipped badly resulting in it going from the fastest-selling powertrain at the

start of October 2022 to the slowest-selling in January with an MDS of 139 days, which is 47.9% slower than the fastest-selling petrol powertrain.

Dealers and traders have reacted to this change in demand by reducing average online B2C used BEV prices for the last five consecutive months, but it hasn't been enough to create any notable increase in sales over the last three months. In fact, used petrol car sales are the only powertrain to have increased market share in January with a 1.1 percentage point month-on-month rise.

Our online B2C used car retail price index is based on a consistent pool of vehicles indexed against January 2022 and would normally see a lifecycle driven downward curve in average prices. Whilst average prices for all powertrains have dropped by 0.6pp MoM they are still 2.7pp above January 2022 and 6.0pp above the end of 2021.

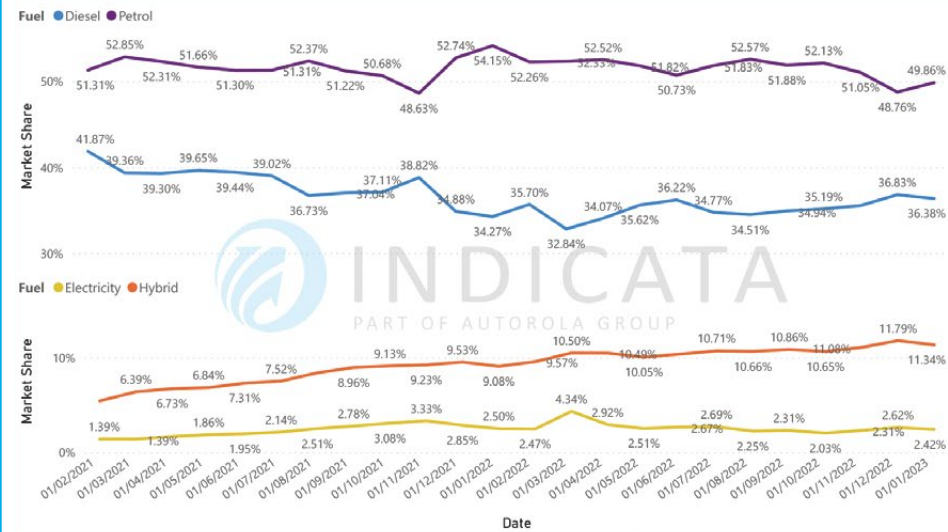
Top selling < 4-years-old by volume

Make	Model	MDS
Volkswagen	Golf	102.4
Volkswagen	Tiguan	101.6
Volkswagen	T-ROC	125.6

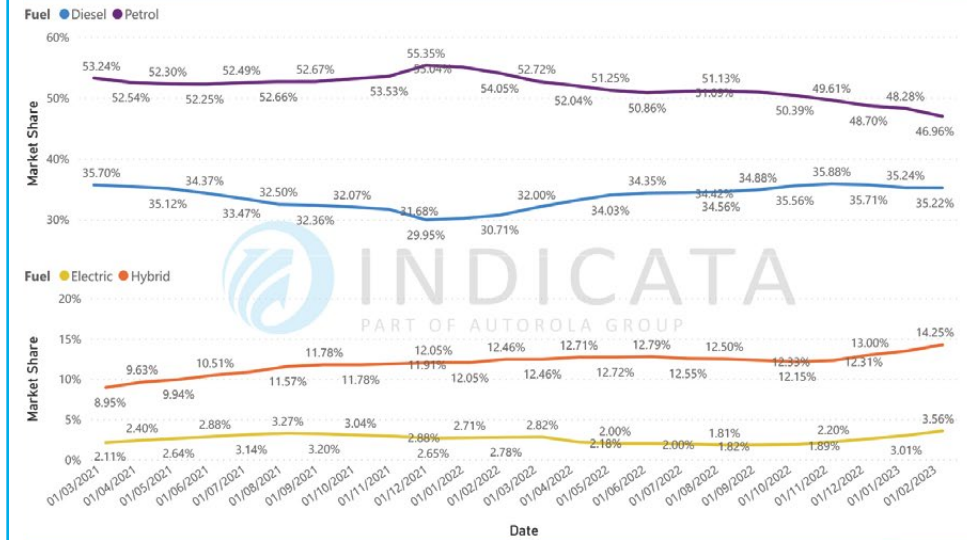
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Toyota	Auris	8x	47.1
Ford	Ka+	6x	57.3
Škoda	Rapid	6x	58.9

Sales Market Share by Month and Fuel Type



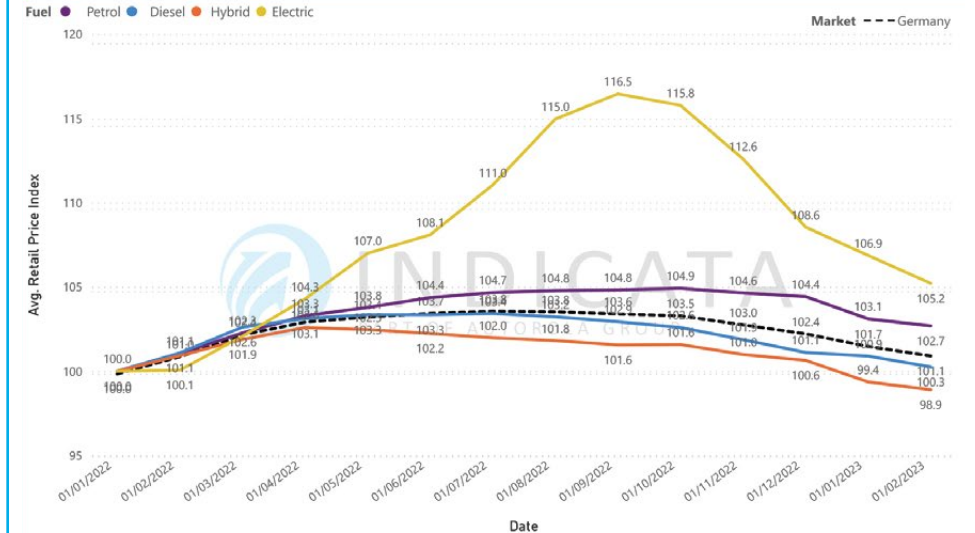
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used BEV prices tumble as demand flatlines

BEVs continue to be the hot topic for the online B2C used car market as average prices going into February 2023 have fallen seven percentage points in the last four months as dealers and traders struggle to find buyers.

Our online B2C used car retail price index is based on a consistent pool of vehicles indexed against January 2022 and would normally see a lifecycle driven downward curve in average prices. Despite marginal month-on-month increases in average used prices for petrol and hybrid, falls in average diesel and BEV prices saw overall average prices for the market drop 0.2pp MoM, leaving prices 10.2pp higher than in December 2021.

Despite the fall in average BEV prices sales are continuing to struggle. In January 2023 online B2C used BEV sales accounted for just 1.2% of sales compared to 1.54% in January 2022. In contrast sales of used BEVs saw market share increase by 27.5% year-on-year as used hybrids accounted for 10.19% of sales in January 2023.

Despite the war on diesel used diesel car sales still dominate the Italian market taking 57.13% of sales in January and with no consistency between which is the best-selling powertrain between petrol and diesel from country to country there may be some quick wins for cross-border traders.

Unlike many other countries Italy has not seen stock levels of used BEVs almost doubling over the last five to six months. In fact, BEV stock levels going into February are only taking a 3.1 percentage points increase in the market share of all online B2C stock.

Despite the fall in prices and only relatively small increase in stock levels the demand for used BEVs has clearly waned with Market Days' Supply slipping back to 111 days, 42.3% slower than hybrids.

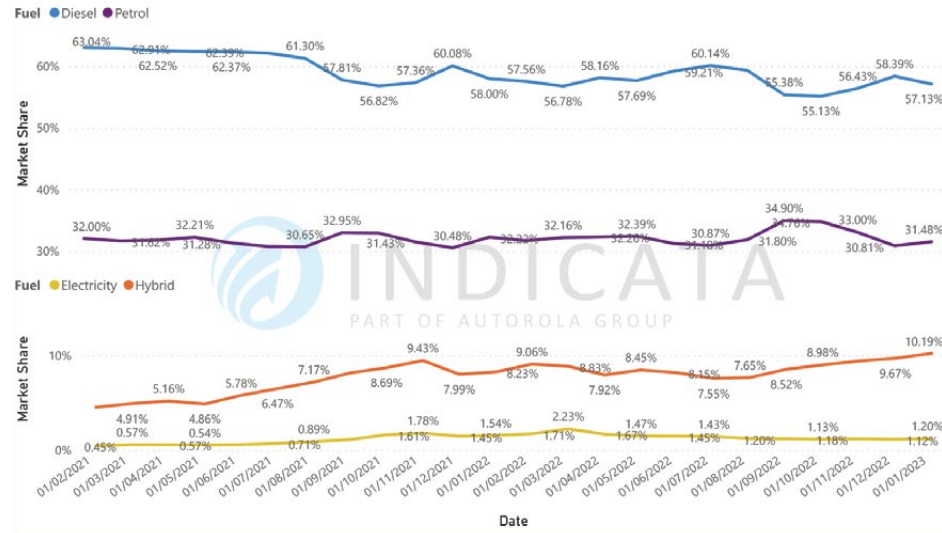
Top selling < 4-years-old by volume

Make	Model	MDS
Fiat	Panda	65.7
Fiat	500	90.0
Jeep	Renegade	85.5

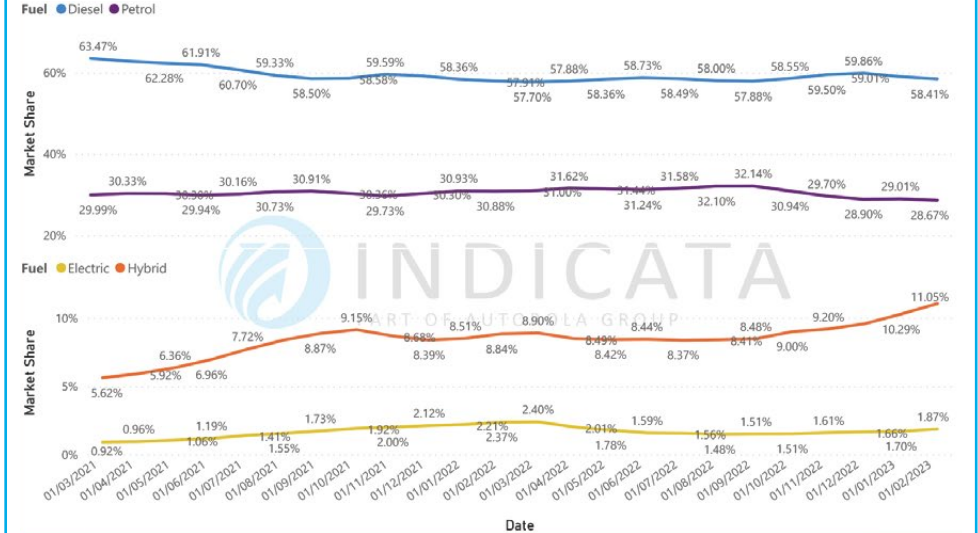
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Ford	Ka+	8x	44.2
Suzuki	Ignis	8x	45.0
Toyota	RAV 4	8x	47.4

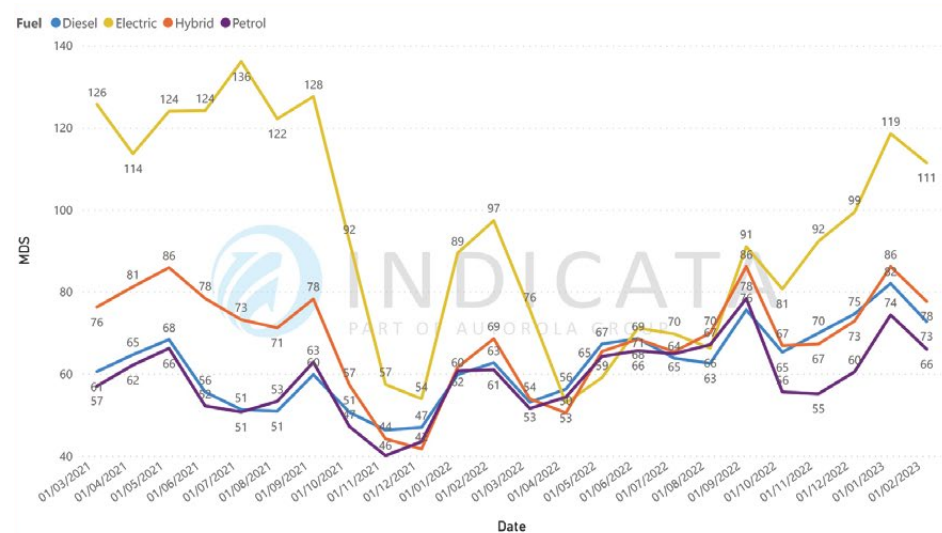
Sales Market Share by Month and Fuel Type



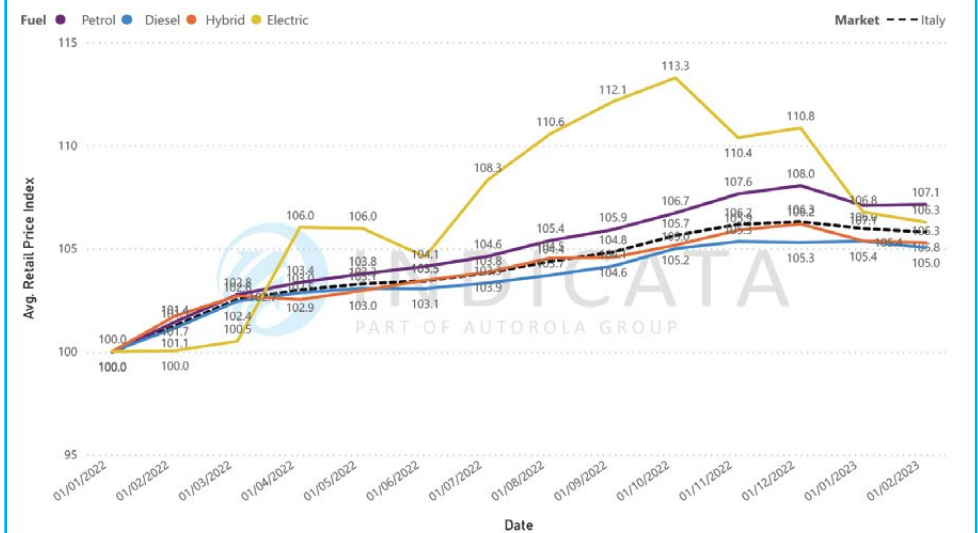
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used BEV stock sees 53.2% increase in market share

Despite being one of the stronger BEV markets even the Netherlands is reaching a crunch point for used BEVs. Used BEVs going into February 2023 represent 7.03% of the total market of online B2C used stock which is a 53.2% increase in just four months. But it is not the only powertrain seeing stock levels rising with hybrids increasing market share by 28.7% over the same period.

The hybrid situation is at least being met with an increase in sales which were 18.6% higher in January 2023 four months earlier but BEV sales increased by just 12.7% over that same period. But it should be noted that BEV sales in January were 21.3% lower than the peak BEV selling month in 2022 with sales growth all but non-existent since April 2022.

The increase in stock levels combined with the lack of growth in sales has seen BEVs go from being the fastest-selling powertrain by the beginning of September last year to being the slowest just one month later and a general worsening of the situation through to January 2023. BEVs are now selling almost 32% slower than the other powertrains putting additional funding costs on dealers and traders as they try to find buyers.

Our online B2C used car retail price index is based on a consistent pool of vehicles indexed against January 2022 and would normally see a lifecycle driven downward curve in average prices. As we have seen across Europe prices are starting to come down, albeit slowly, with average online B2C used car prices in the Dutch market going into February 0.1 percentage point lower than at the start of January but they are still 6.2pp above where they were at the end of 2021.

There is clear evidence of retailers attempting to reinvigorate the BEV market by reversing a lot of the huge price rises we saw in 2022 until October, but prices are still 6.7pp above where they were in January 2022 compared to a total market average of being just 3.4pp higher over the same period.

Where The Netherlands differs to almost all markets is its pricing of used diesel cars. Since September 2022 we have seen average online B2C used diesel car prices dropping month-on-month with the only break being a 0.6pp increase in prices going into February.

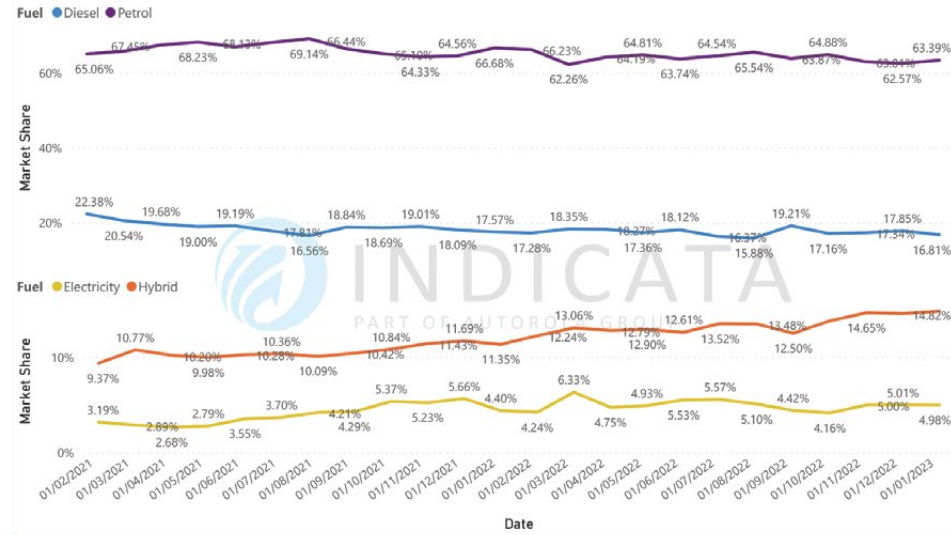
Top selling < 4-years-old by volume

Make	Model	MDS
Volkswagen	Polo	63.6
Volkswagen	Golf	88.6
Volkswagen	T-ROC	77.5

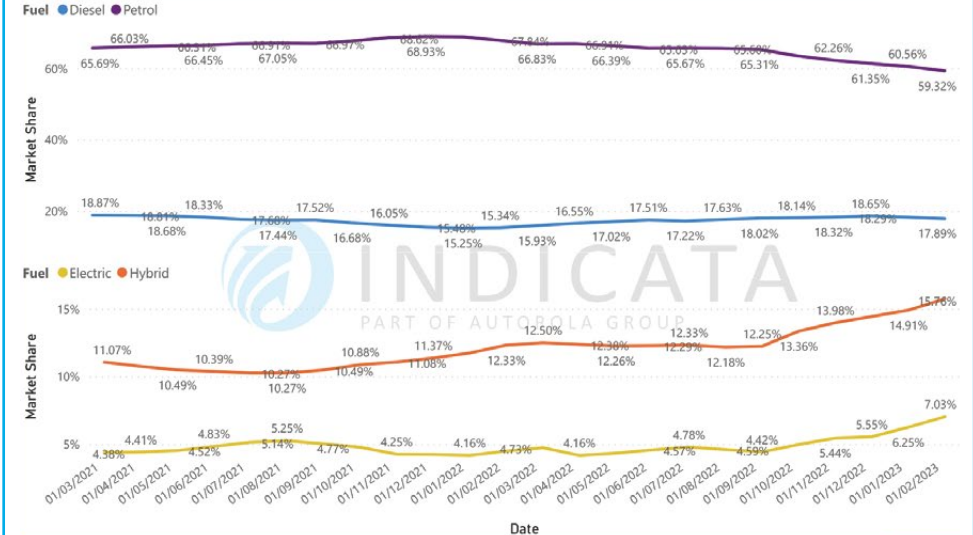
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
MG	ZS	10x	36.0
Renault	Austral	8x	43.0
Toyota	Auris	7x	51.6

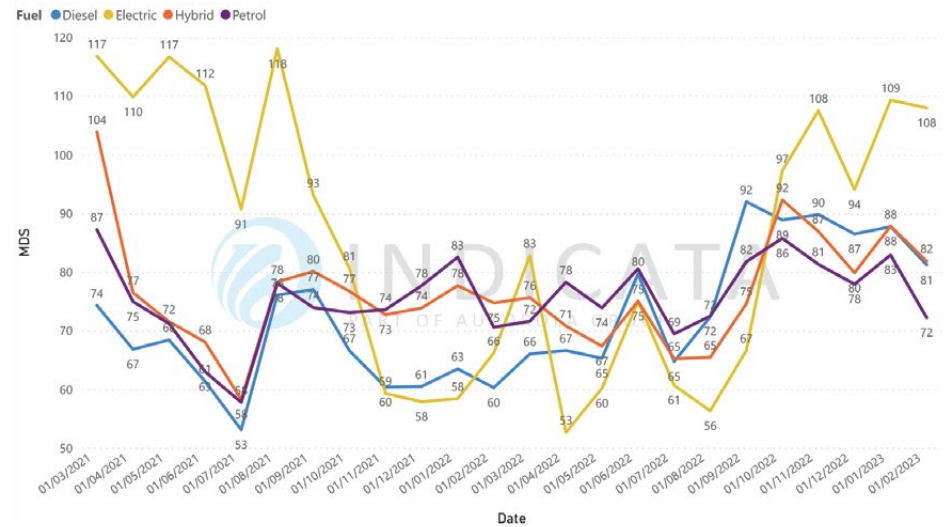
Sales Market Share by Month and Fuel Type



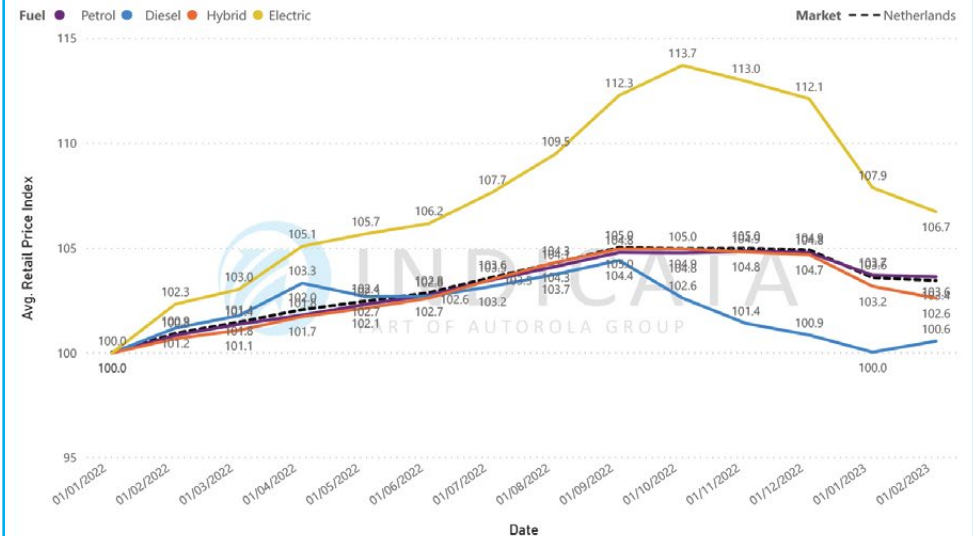
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used diesel cars see a resurgence

Whilst other markets struggle with a demand or more importantly a lack of demand for BEVs the Polish market has seen a resurgence in demand for used diesel cars.

Online B2C used diesel car sales took the largest share of the market, 46.67%, in January for the first time in seven months as demand for used petrol cars tumble.

Hybrid sales also saw its market share drop by 14.5% month-on-month to 7.69% of the market but that is still a 24.6% year-on-year increase in its share of the market.

Part of the challenge for retailers of used diesel cars remains the availability of the right quality stock. Online B2C used stock levels of diesel cars going into February 2023 are just 43.0% compared to just 46.12% at the beginning of December. Over that same three-month period petrol stock levels have increased from being 45.89% of the market to 46.96%

which means sales volumes and stock levels are going in opposite directions for the two main powertrains.

BEVs have seen healthy growth with sales in January 2023 equating to 8.85% of sales, a 53.9% year-on-year increase. Even BEVs saw YoY growth with a 1.19% market share in January 2023 compared to 0.82% market share a year earlier, but they remain a tiny part of the online used car market.

Our online B2C used car retail price index is based on a consistent pool of vehicles indexed against January 2022 and would normally see a lifecycle driven downward curve in average prices. Whilst BEVs remain an insignificant part of the Polish market pricing has followed other European countries with the price rises in 2022 wiped out and prices now just 1.0 percentage points above where they were at the start of 2022. Prices for the online B2C used car market as a whole saw prices going into February increase by 0.3pp month-on-month meaning they are now 6.4pp above December 2021 levels.

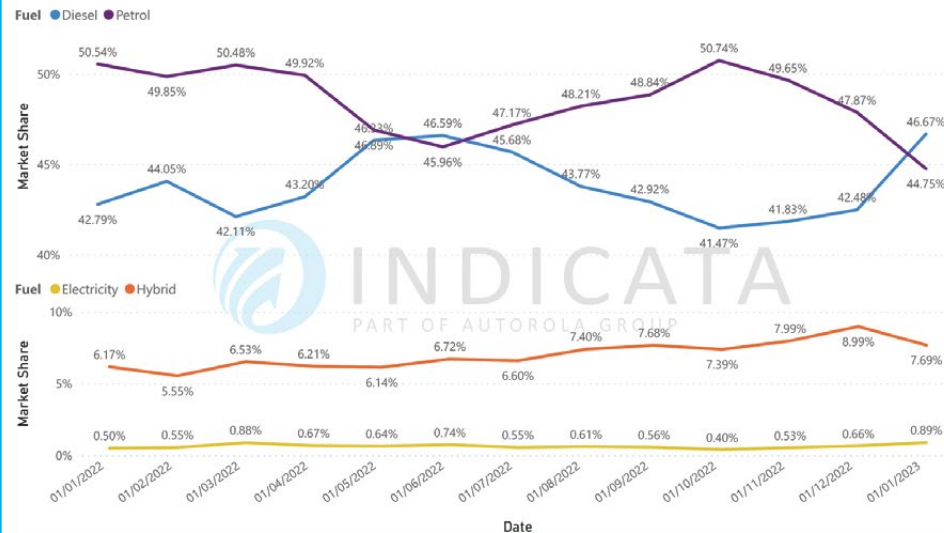
Top selling < 4-years-old by volume

Make	Model	MDS
Škoda	Octavia	92.9
Opel	Astra	91.1
Toyota	Corolla	73.1

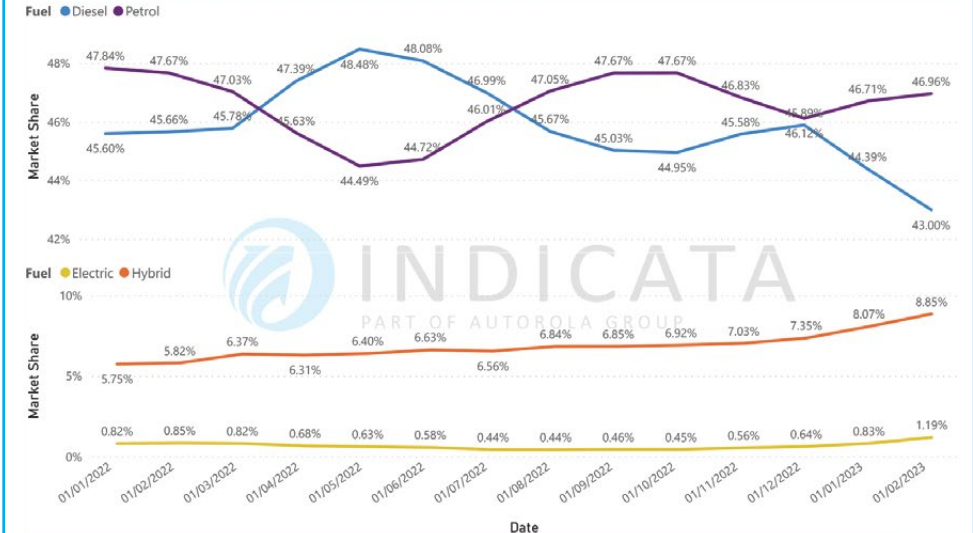
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Toyota	Auris	9x	41.6
Toyota	C-HR	7x	50.1
Toyota	Aygo X	6x	57.0

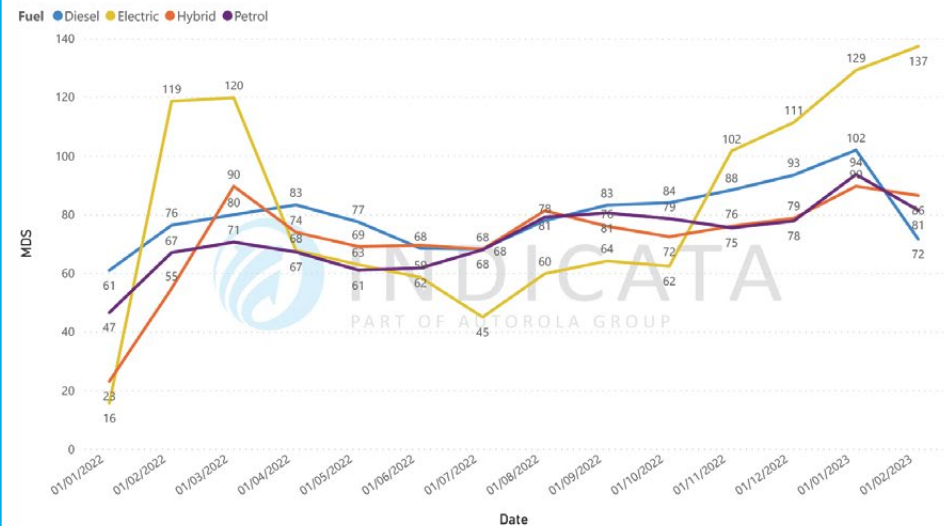
Sales Market Share by Month and Fuel Type



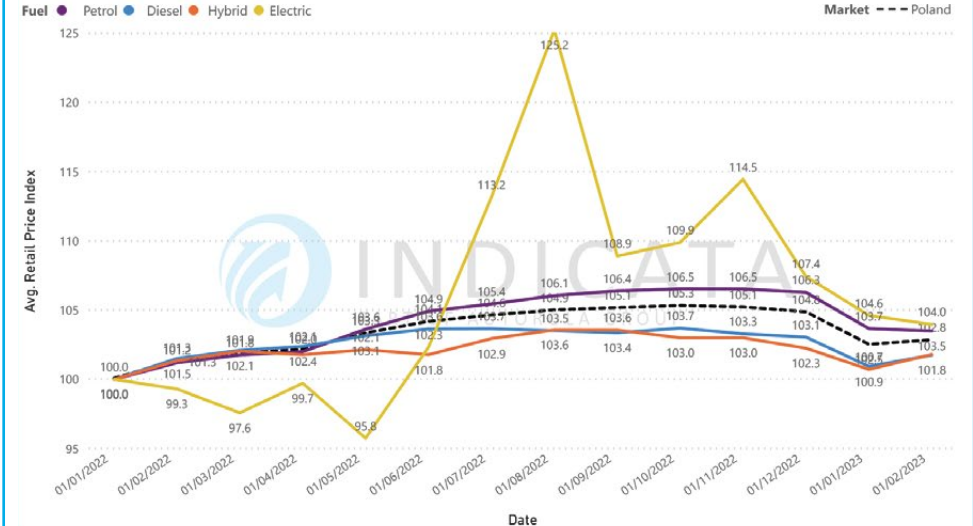
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used car market in difficulty as sub 2-year-old car market is disappearing

When we started Market Watch it was with the aim of keeping the industry informed of changes in the used car market initially from the Covid pandemic. What we didn't expect at the time was the scale of volatility we have seen as a result of that and other emerging factors.

Our historic tracking of the online B2C used car Portuguese market has shown a strong reliance on cars less than 2-years-old which made up around 40%-45% of sales. But with significantly fewer used cars coming back from the rent-a-car market due to the Covid pandemic and more recently an inability for manufacturers to do much in the way of tactically-backed registrations, sales of these younger used cars have slumped and were just 20.07% of the market in January 2023. This is more than a 50% decrease in market share.

This decline has been mirrored in online B2C used stock levels which over the last two years has fallen from almost 35% to just 21.67% going into February 2023.

The Portuguese government supported some heavy investment into BEV

infrastructure, and this resulted in it being one of the markets that seemed more willing to adopt BEVs. In fact, by March 2022 BEV sales accounted for 5.96% of online B2C used car sales but just ten months later it was down to just 4.23% of the January 2023 market. Meanwhile, BEV stock levels going into February represent 4.04% of the online stock a 42.8% increase in just six months.

The market has seen the average prices of BEVs reducing faster than the other powertrains and whilst this has failed to produce any significant growth in BEV sales, they are at least selling on a par with the other powertrains with a MDS of 84 days, in line with used petrol cars.

Our online B2C used car retail price index is based on a consistent pool of vehicles indexed against January 2022 and would normally see a lifecycle driven downward curve in average prices. Portugal was one of the last markets to see average prices falling and the month-on-month 0.2 percentage point decrease going into February is only the second consecutive month of prices reducing and they are still 11.6pp higher than at the end of 2021.

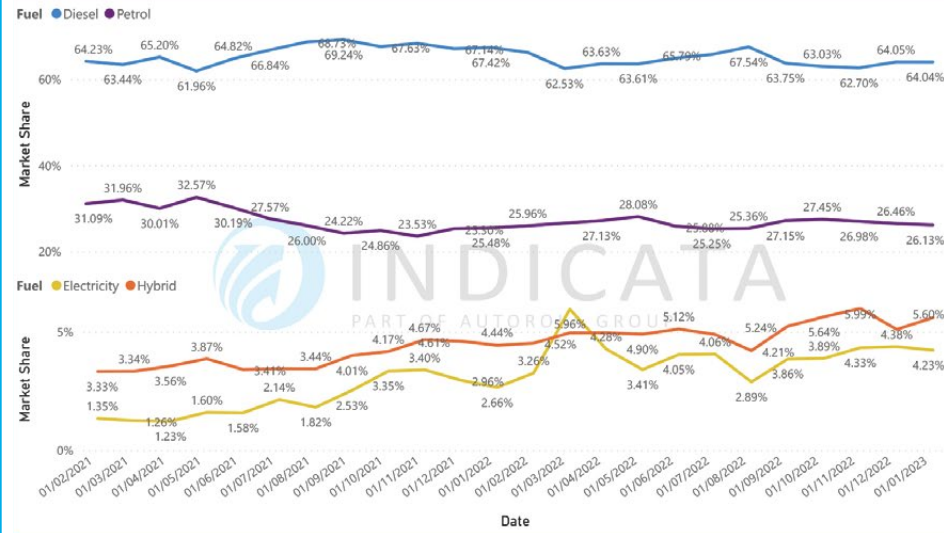
Top selling < 4-years-old by volume

Make	Model	MDS
Renault	Clio	97.6
Mercedes-Benz	A-Class	86.6
Renault	Mégane	95.1

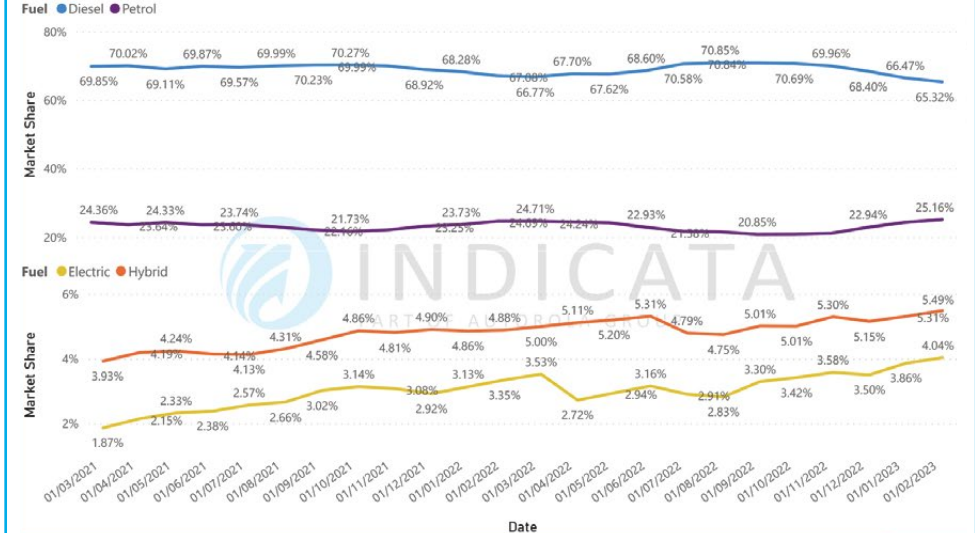
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Mercedes-Benz	GLE-Class	9x	39.2
Smart	Forfour	7x	49.2
Toyota	C-HR	7x	51.1

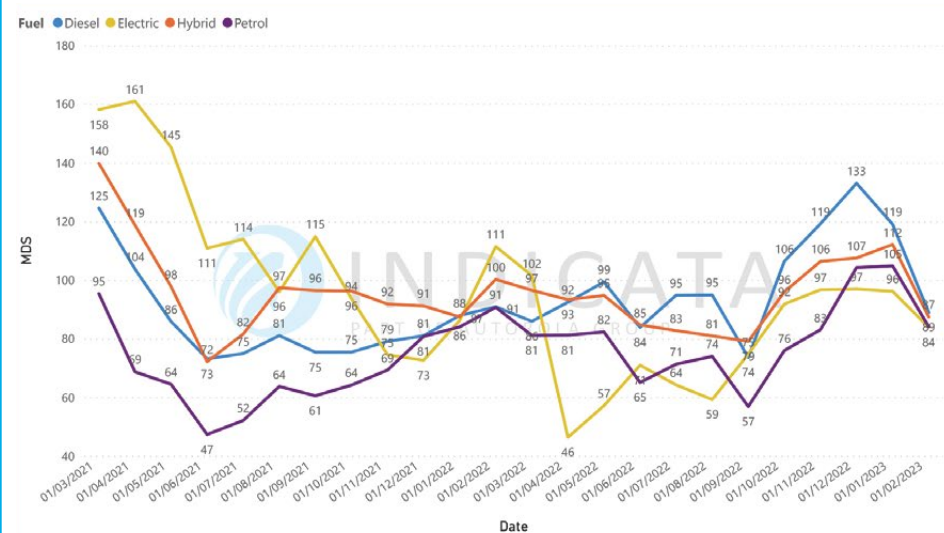
Sales Market Share by Month and Fuel Type



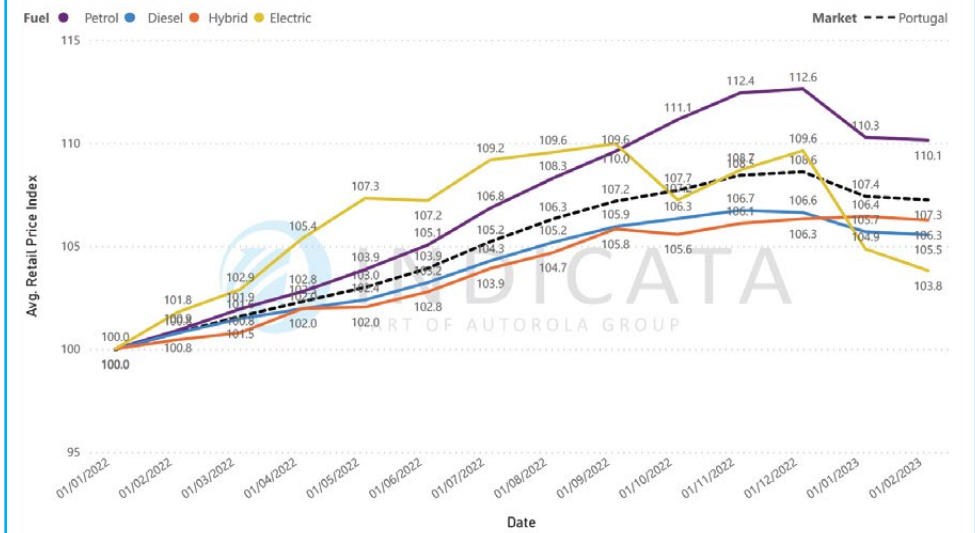
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used BEV sales collapse by 49.1% in nine months

The Spanish car market was a late adopter of BEVs for sound domestic and national economic reasons but despite this by March 2022 used BEV sales were already 2.32% of the online B2C used car market. But throw in another economic drama in the form of the cost-of-living crisis and BEV sales have performed a dramatic U-turn with sales in January 2023 taking just 1.18% of the market.

The issue is certainly not an unwillingness to accept new technology with sales of hybrids in January representing 10.86% of online B2C used car sales compared to 7.8% of sales one year earlier.

If there is any consolation for retailers of used BEVs in the Spanish market it is that even though the 1.73% market share of online B2C BEV stock going into February is 44.2% above the beginning of October 2022 it is still below average stocking levels in 2021 which is not the case in many other European markets.

With BEVs losing market share and stock levels on a par with previous levels it should not be a surprise to hear that dealers and traders are having to reverse the sharp price increases seen throughout much of 2022. However, the price reductions seen so far fall well short of what has been needed in other markets to reinvigorate sales. This is particularly obvious when looking at Market Days' Supply where the last two months of BEV price reduction has been met by two consecutive months of MDS worsening. The scale of pricing needed is underlined by how the smaller reduction in the other powertrains prices has seen a dramatic improvement in MDS.

Our online B2C used car retail price index is based on a consistent pool of vehicles indexed against January 2022 and would normally see a lifecycle driven downward curve in average prices. Average prices going into February were 0.9 percentage points down month-on-month which was the largest monthly drop we have seen in the countries covered by this report. That said prices remain 9.7pp above where they were at the end of 2021 and 4.7pp above January 2022.

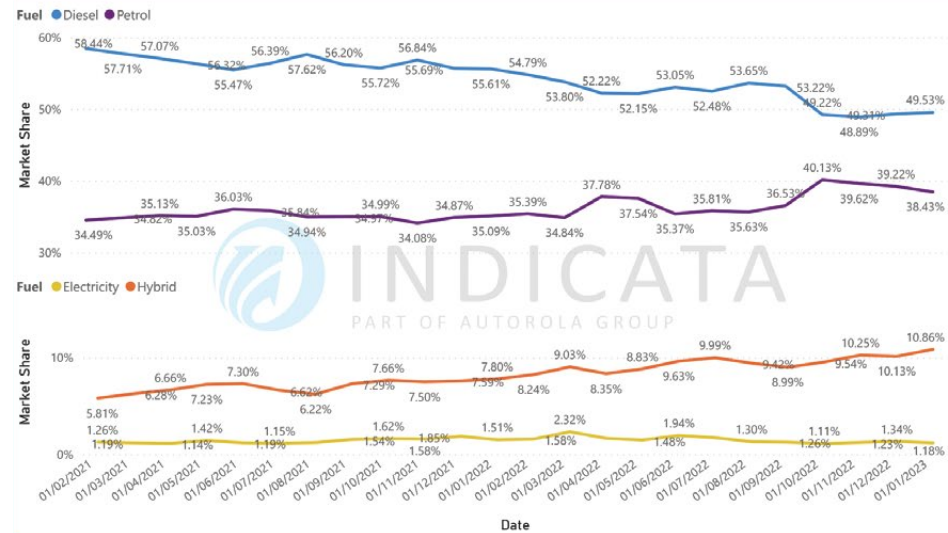
Top selling < 4-years-old by volume

Make	Model	MDS
Mercedes-Benz	A-Class	71.4
Volkswagen	Golf	73.5
Seat	León	84.7

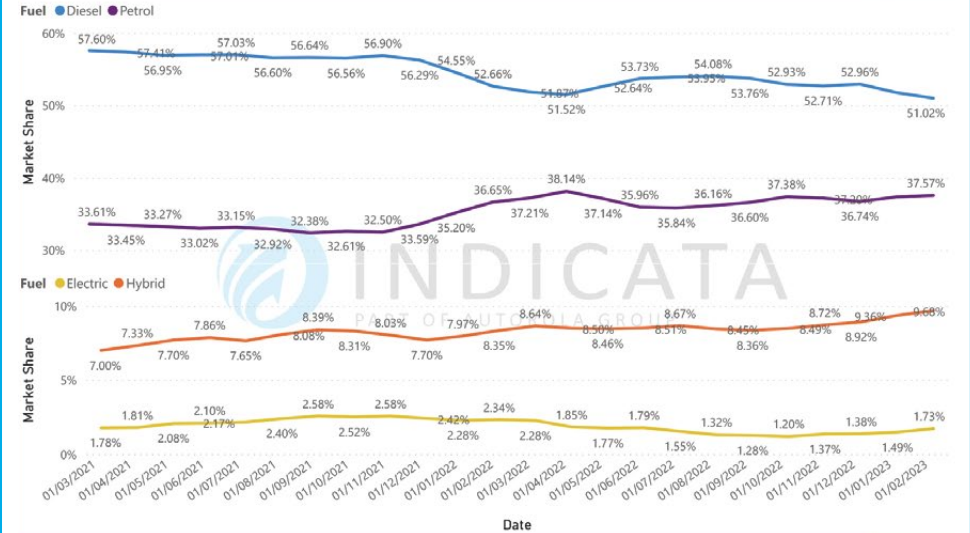
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Toyota	Auris	12x	29.5
Smart	Fourtwo	10x	34.6
Toyota	RAV 4	9x	38.3

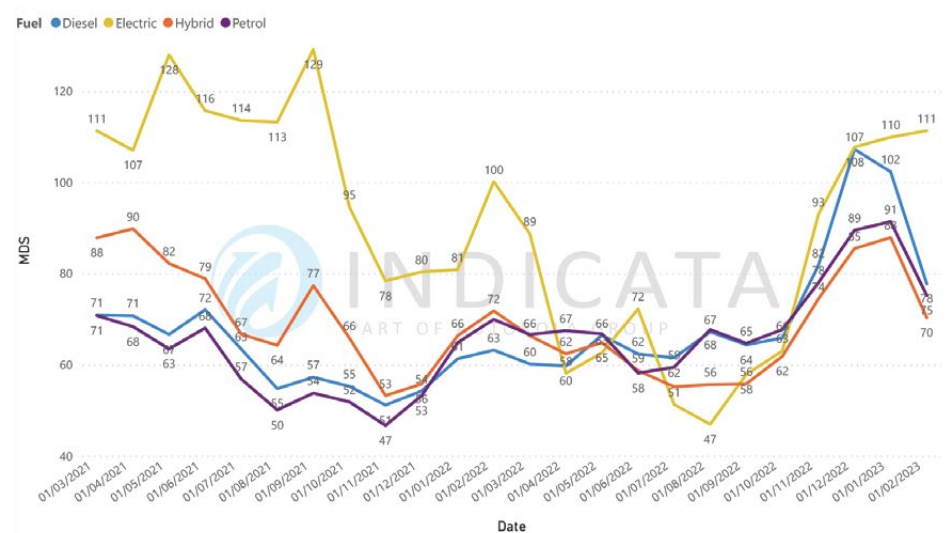
Sales Market Share by Month and Fuel Type



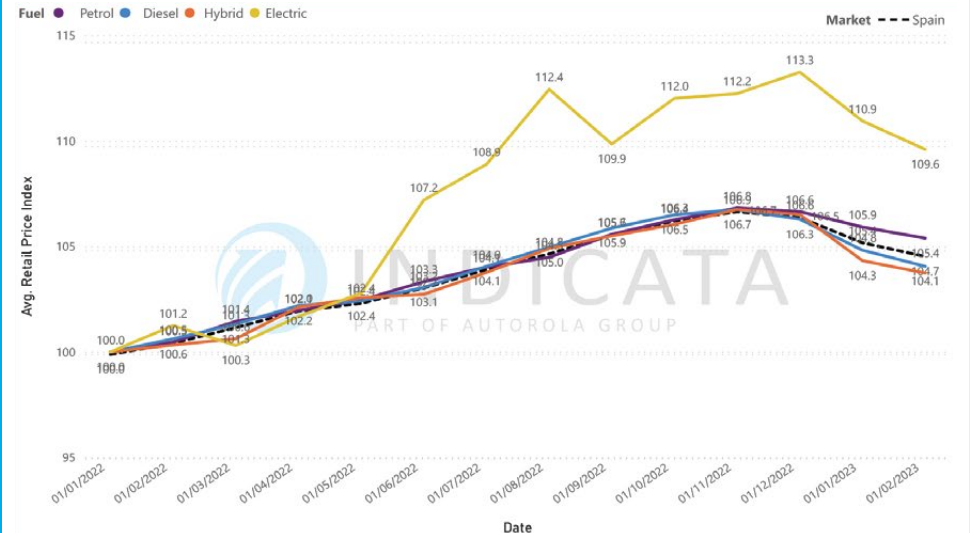
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Levels of online B2C used BEV stock rockets in six months

The online B2C used car market is currently facing a crisis of excess BEV stock and falling sales resulting in tumbling prices and Sweden is no exception.

The impact of Russia invading Ukraine has seen energy prices and general inflation soaring which has hit demand for used BEVs more than the other powertrains.

Since online B2C used BEV sales peaked in March 2022 taking 6.74% of the market they have quickly tumbled back with sales in January representing just 4.16% of sales, a 38.3% decline. In contrast hybrid sales took an extra 7.9% of sales over the same period.

This leaves Swedish dealers and traders with a problem. The last few years has seen a significant uplift in sales of new BEVs and these are now starting to return to the used car market. But with demand for used BEVs faltering stock levels are soaring. At the beginning of September used BEVs were just 4.32% of online B2C used car stock but five months later this has increased by 214.4% to 9.21% of stock.

Hybrid sales have also seen a dramatic 59.0% increase in stock levels over the same period meaning 21.2% of stock going into February was hybrids but at least sales are increasing.

The net result of this is whilst hybrid cars are selling a little slower than petrol and diesel cars the MDS for BEVs has hit 162 days. This means BEVs are selling 86.2% slower than hybrids adding a significant additional funding cost onto retailers.

Our online B2C used car retail price index is based on a consistent pool of vehicles indexed against January 2022 and would normally see a lifecycle driven downward curve in average prices. Average online prices started to ease back a little in December 2022, but they reduced sharply going into January with a further 0.5 percentage points decline going into February 2023 month-on-month. Whilst this still puts average prices 1.6pp above where they were in December 2021 it means they are 0.6pp lower than at the start of 2022, one of only two markets where this has happened with the U.K. being the other market.

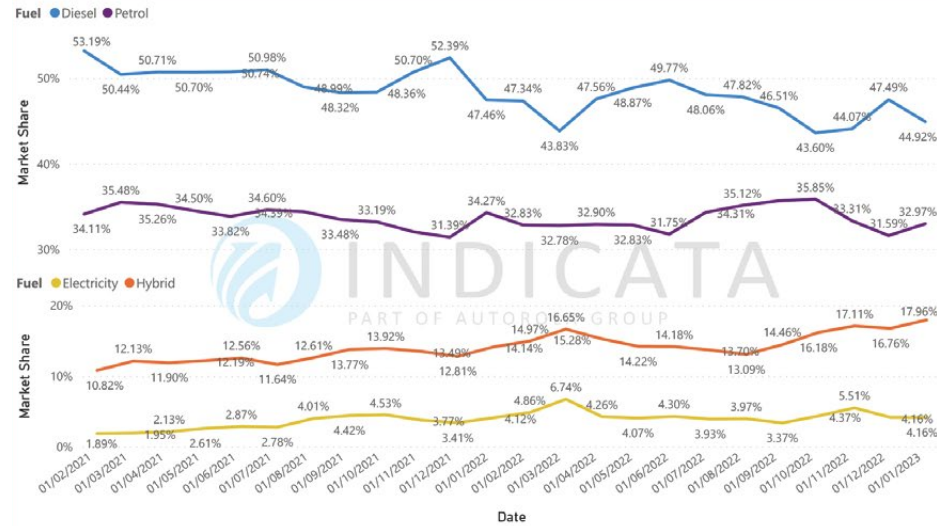
Top selling < 4-years-old by volume

Make	Model	MDS
Volvo	V60	64.1
Volkswagen	XC60	63.5
Volvo	Tiguan	30.7

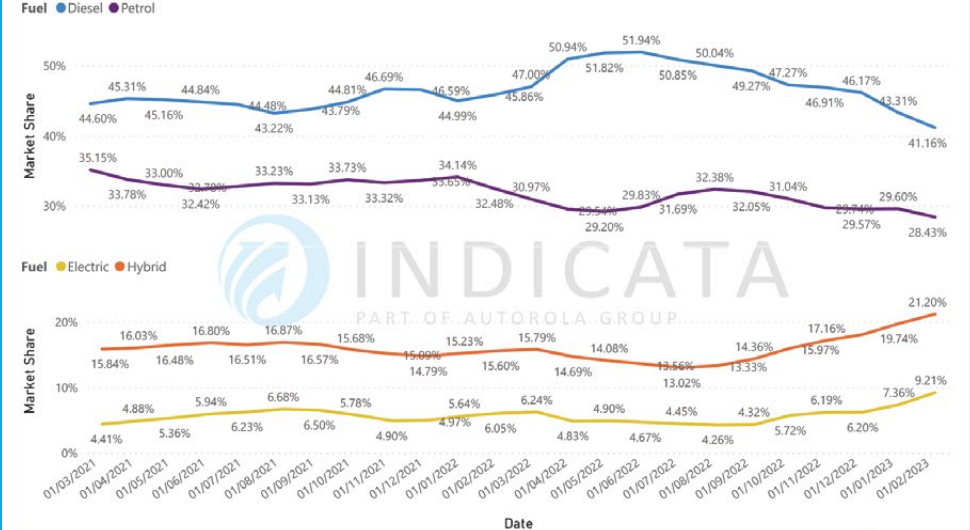
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Volkswagen	Tiguan	12x	30.7
Lexus	NX-Series	10x	35.6
Volkswagen	Polo	9x	40.3

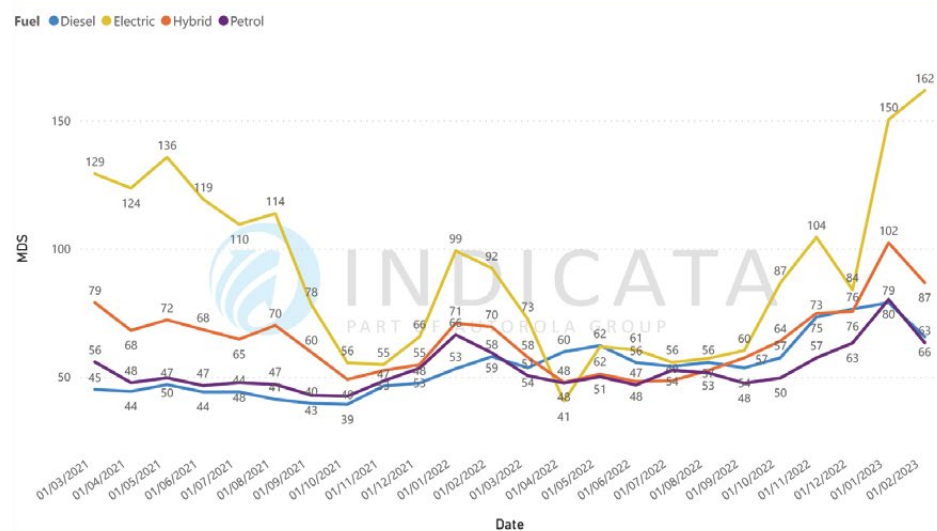
Sales Market Share by Month and Fuel Type



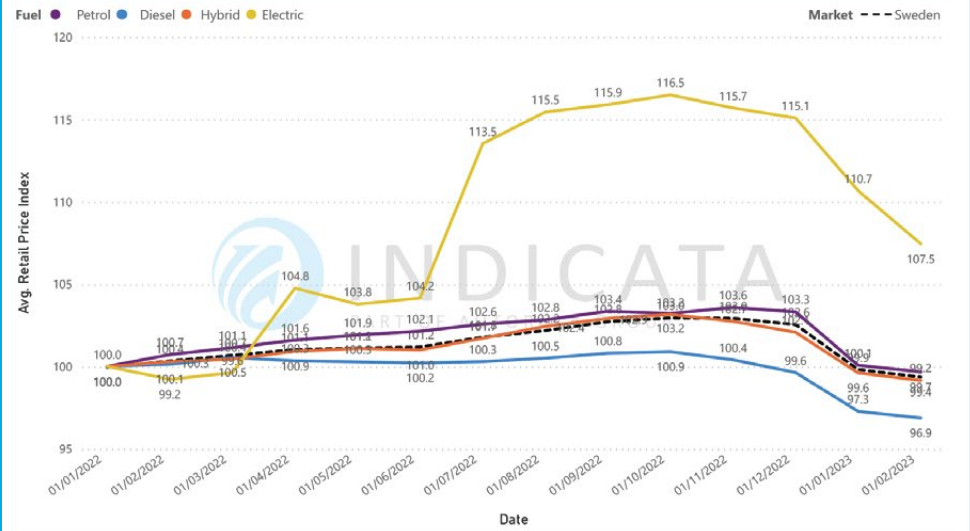
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used hybrid car sales up by 36.7%

Diesel car sales continue to dominate the online B2C used car sales, taking 69.5% of the market in January 2023 followed by petrol cars sales taking a further 27.57% it is hybrid cars which are starting to gain momentum.

Online B2C used hybrid sales may have only taken 2.57% of the market in January but that is a 36.7% increase in just the last four months. With the used car market constrained by import legislation dealers and traders are having to sell whatever stock they can find and with stocks of hybrid cars increasing their share of the online stock from 1.19% in January 2021 to 3.08% by January 2023 it goes some way to explaining the increase in sales.

With manufacturers unable and unwilling to support tactical registrations the used car market is increasingly reliant on the sale of cars more than 5-years-old and there took 71.36% of the January online B2C used car, market, a 5.5% month-on-month increase.

Our online B2C used car retail price index which is based on a consistent pool of vehicles so that it is now indexed against January 2022, and you

would normally see a lifecycle driven downward curve in average prices. With the semiconductor issue continuing to restrict new car sales, used car prices going into February have jumped up a further 17.9 percentage points compared to January leaving them 72.1pp higher than in January 2022 and 101.3pp above the end of 2021.

Used BEV prices remained relatively stable rising just 2.0pp month-on-month going into February although they are still 40.0pp higher than at the start of 2022. But BEVs remain an insignificant part of the Turkish used car market, accounting for just 0.82% of January sales. The lack of demand for BEVs is also visible in Market Days' Supply, i.e. the number of days of stock there is to cover sales at the current running rate. Despite MDS for BEVs improving to 87 days in January they are still staying in stock more than double the length of time of the next slowest-selling powertrain used hybrids. This means you can sell two hybrid cars in the time it will take to sell one BEV which also means the stocking fees will be much higher for the BEV.

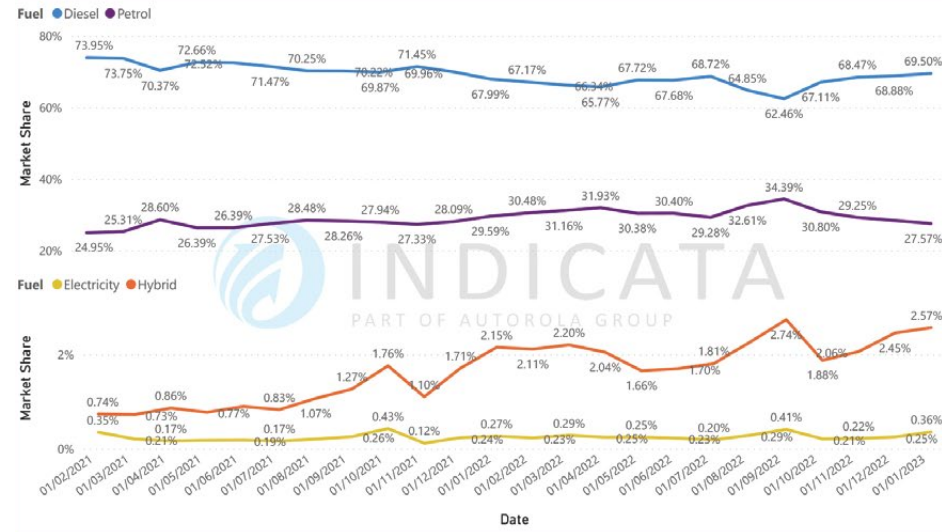
Top selling < 4-years-old by volume

Make	Model	MDS
Fiat	Tipo	33.9
Renault	Clio	33.6
Renault	Mégane	32.1

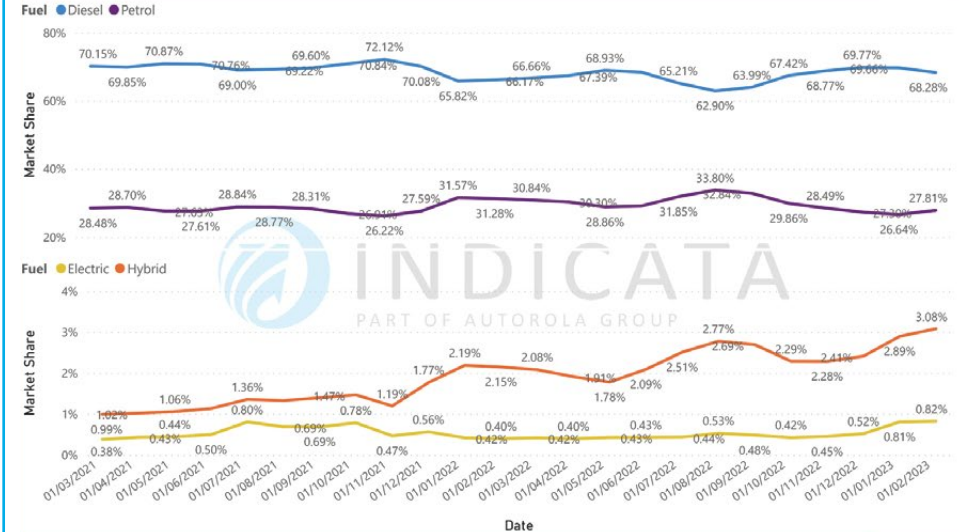
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Hyundai	i10	17x	20.9
Suzuki	Vitara	17x	21.5
Ford	EcoSport	17x	21.6

Sales Market Share by Month and Fuel Type



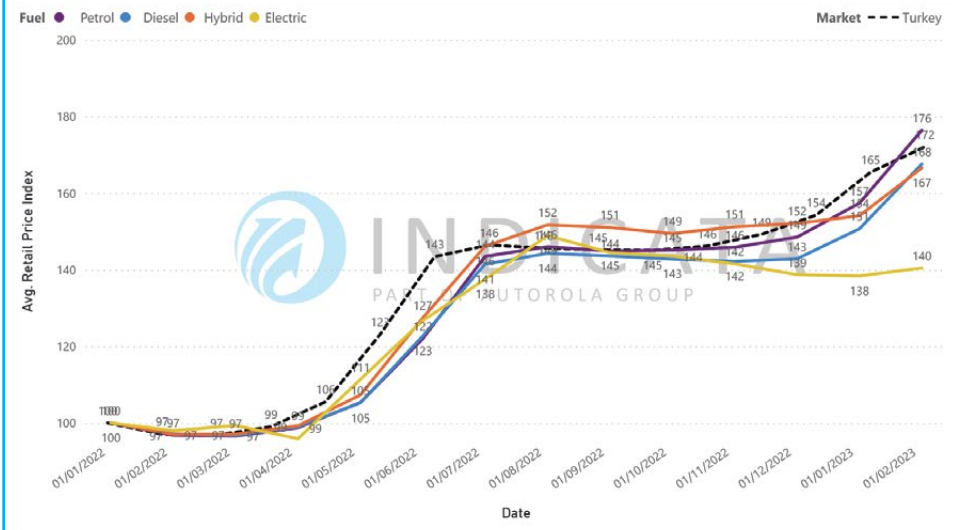
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used BEV stock levels increase by 344.1% in 6 months

Ask most dealers and traders in the UK which powertrain are they finding the hardest to sell and BEVs will be the most common answer. Despite BEV sales performing relatively well in the new car market in there has been little increase over most of the last 12 months.

Online B2C used BEV sales in January 2023 accounted for just 1.87% of the market almost exactly the same as the 1.85% in March 2022 which was the best month on record. In contrast used hybrid sales in January were 9.42% of the market a 28.0% increase over March 2022.

Part of the challenge facing dealers and traders can be seen in our online B2C used car retail price index which is based on a consistent pool of vehicles and has been reindexed against January 2022 and would normally see a lifecycle driven downward curve in average prices. After the huge price increases seen in 2021 U.K. online B2C used retail car prices have been falling steadily month-on-month. Prices going into February are down a further 0.5 percentage points MoM putting them 7.3pp lower than in January 2022 and 2.6pp down on December 2021.

But BEV pricing had been defying the market with prices starting to soar again during 2022. With energy prices soaring and the cost-of-living crisis in full flow buyers started to reflect on the choice of a used BEV and went back to buying the other powertrains.

At the same time there was an increase in used BEVs coming into the market as the higher new BEV sales over the last 3-4 years started being recycled into the market. This meant from September 2022 through to the beginning of February 2023 used BEV stock went from being just 1.45% of online B2C used stock to 4.99% and rising, a 344.1% increase in just five months.

This left dealers and traders with little option but to reduce BEV pricing and resulting in prices falling by 15.3pp between the start of October 2022 and the beginning of February 2023. Whilst this has generated some demand with Market Days' Supply improving from 161 days in January to 117 days in February it still means used BEVs are taking twice as long to sell as used hybrids and even longer than used diesel or petrol cars.

Top selling < 4-years-old by volume

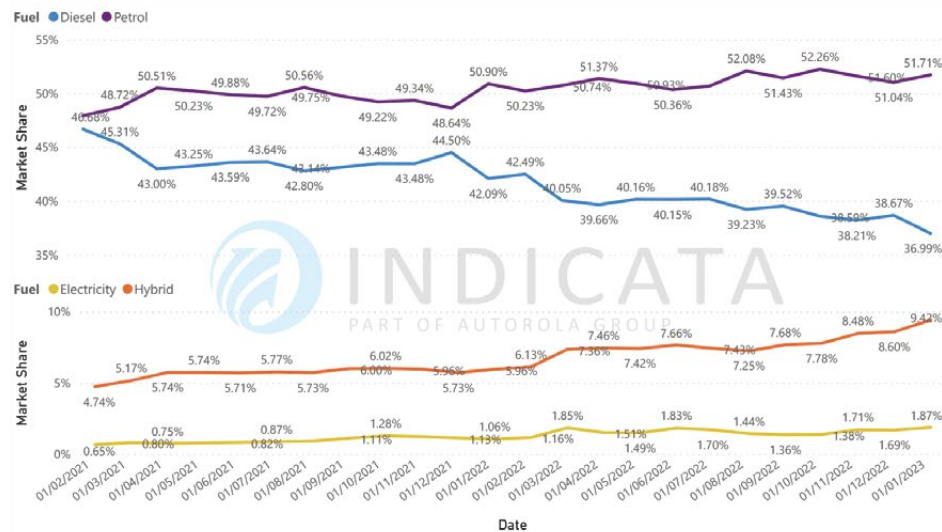
Make	Model	MDS
Ford	Fiesta	34.2
Volkswagen	Golf	46.4
Nissan	Qashqai	32.7

Fastest selling < 4-years-old by Market Days Supply

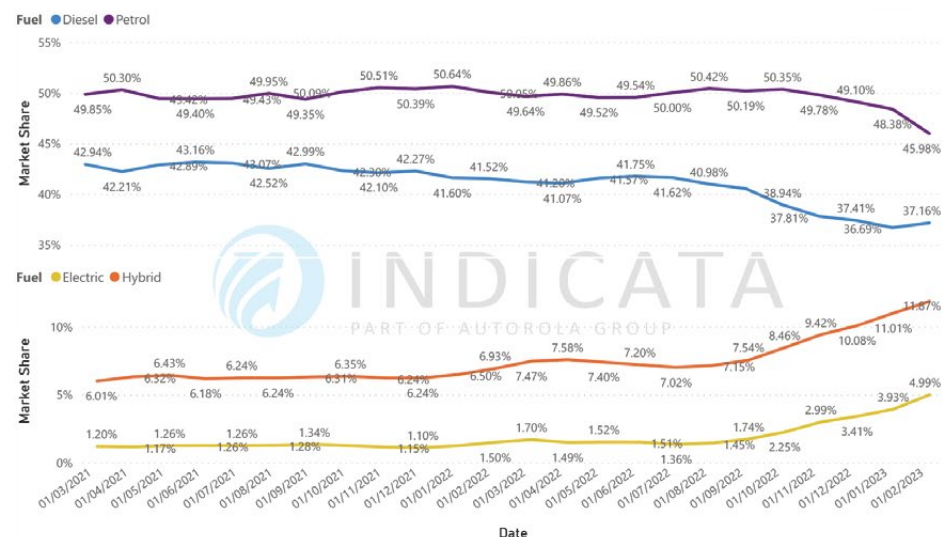
Make	Model	Stock turn	MDS
Mini	Cabrio	17x	20.8
Vauxhall	Zafira	17x	21.2
Kia	Sportage	14x	26.6



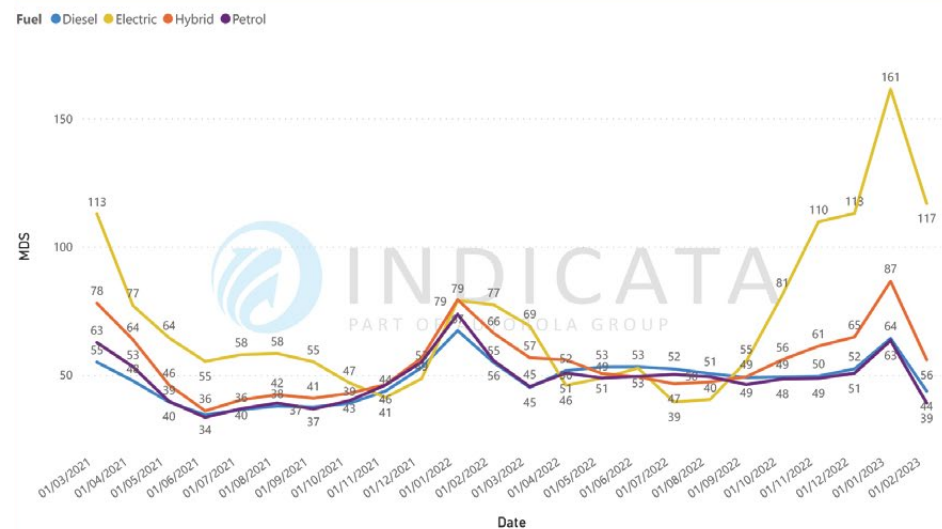
Sales Market Share by Month and Fuel Type



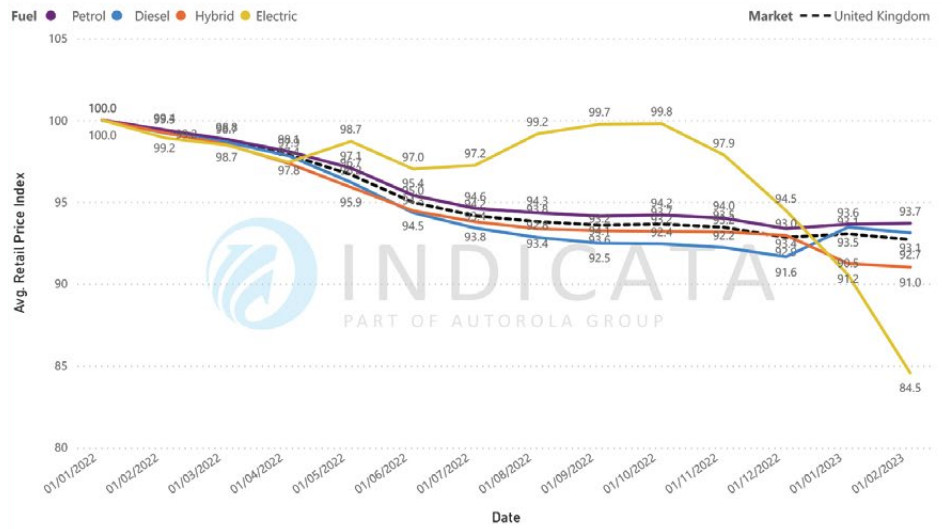
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



INDICATA country contacts

If you are interested in contacting INDICATA, please see below a list of country contacts or register through [Indicata.com](https://indicata.com)

Jon Mitchell – UK

UK Sales Director
Mobile: +44 7714 398799
Email: jm@autorola.co.uk

Jean-Rémi Thomas – France

Sales Director
Email: jrt@autorola.fr

Andrés Macarro – Spain

INDICATA Business Consultant
Phone: +34 91 781 85 05
Mobile: +34 638 11 50 22
Email: anm@autorola.es

Sandra Sequerra – Portugal

Solutions & INDICATA Business
Unit Manager
Phone: +351 271 528 135
Mobile: +351 925 299 243
Email: sas@autorola.pt

Davide Ghedini – Italy

Key Account Manager INDICATA Italy
[Autorola.it](https://autorola.it)
Phone: +39 030 9990459
Mobile: +39 331 1343893
Email: dag@indicata.it

Pietro Sportelli – Italy

[Autorola.it](https://autorola.it)
Mobile: +39 3332495899
Email: psp@indicata.it

Andreas Steinbach – Austria

Autorola | Market Intelligence |
INDICATA
Office: +43 1 2700 211-90
Mobile: +43 664 411 5642
Email: ash@autorola.at

Guido Rickert – Germany

Sales Director INDICATA
Mobile: +49 160 2246 170
Email: gui@indicata.de

Jurgen Claus – Belgium

INDICATA Sales Manager
Mobile: +32 473 96 41 09
Email: jcl@autorola.be

Tim Teeuwen – The Netherlands

Sales Manager INDICATA NL
indicata.nl
Mobile: +31-6-11722995
Email: tt@indicata.nl

Yngvar Paulsen – Sweden

[Autorola.se](https://autorola.se)
Email: ypn@autorola.se

Thomas Groth Andersen – Denmark

Country Manager
[Bilpriser.dk](https://bilpriser.dk)
Mobile: +4563147057
Email: tga@bilpriser.dk

Krzysztof Stańczak – Poland

Indicata Business Development
Manager
Mobile: +48 505 029 381
Email: kst@indicata.pl

Paweł Grabarczyk – Poland

Indicata Business Development
Manager
Mobile: +48 531 323 280
Email: pgr@indicata.pl

Aslı GÖKER - Turkey

Sales Director, INDICATA
Phone: +90 212 290 35 30
Mobile: +90 533 157 86 05
Email: asl@indicata.com.tr

Background

On the 24th of March 2020 INDICATA published its White Paper *“COVID-19 To what extent will the used car market be affected (and how to survive)?”*

This document explored:

- **Early market trends** - Initial impact of the virus and the social distancing measures implemented.
- **Market scenarios** - A range of impacts based on infection rate development and historical market data.
- **Mitigation** - Risk assessment by sector coupled with potential corrective actions.

We committed to keeping the market updated with live data, volume and price, to keep abreast of the fast-moving environment.

As such we are pleased to announce **INDICATA Market Watch**.

What is INDICATA Market Watch?

INDICATA Market Watch takes two forms:

1. **A regular PDF** - Regular market overviews available for all on the INDICATA country websites (this document)
2. **Free-to-access web-based reporting** - Available for senior management in all major Leasing, Rental, OEM and Dealer Groups.

If you would like FREE access to the web-based INDICATA Market Watch tool (and are a Senior Manager within the auto industry), please contact your local INDICATA office.

How do we produce our data?

INDICATA analyses 9m Used Vehicle adverts across Europe every day. In order to ensure data integrity, our system goes through extensive data cleansing processes.

The Sales (deinstall data) in this report are based on advertisements of recognised automotive retailers of true used vehicles. As such, it does not include data related to private (P2P) advertisements.

Where an advert is removed from the internet, it is classified as a “Sale”.



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