

INDICATA Market Watch

Used car insights report

North/South divide over traditional powertrains (almost)

Edition 37 | March 2023



Executive Summary

- February market share of used petrol car sales hits 44.28% with used diesel taking 42.5%.
- Market share of online B2C used BEV sales down 25.4% over 12 months.
- February 2023 sees used hybrid sales market share increase by 13.8% in a year.
- Used petrol and diesel cars still account for 86.78% of online B2C used car market with the Mediterranean bordering countries and Sweden favouring used diesels.
- Despite average used BEV prices falling by 9.6% in five months MDS remains high at 117 days going into March 2023 with BEV stock as a share of the market doubling in the last six months.
- The best-selling vehicles by volume under 4-years-old in February saw VW Golf stay top with the Renault Clio second and VW Tiguan staying third with MDS improving by an average 7.8% for the three.
- The fastest-selling used cars under 4-years-old in February by Market Days' Supply saw the Opel/Vauxhall Astra retain the top spot with a MoM improved MDS of 28.3 days. Opel/Vauxhall also took second and third place again 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 now falling with only three countries showing MoM used car price rises going into March.
- Average prices for Turkey rose 8.1 percentage points MoM meaning they are now 108.6pp higher than at the end of 2021.
- Austria also saw prices rise by a marginal 0.1pp MoM but for all the LHD European markets average prices fell 0.3pp MoM and they are now 7.5pp lower than at the end of 2021.
- Used petrol cars are still the fastest-selling powertrain with just 57 days of Market Days' Supply versus 59 days for diesel.
- U.K. prices saw a 0.9pp MoM uplift leaving average prices 1.7pp below December 2021.

Country	Latest used car price percentage point movement versus Dec 2021
Turkey	108.6pp
Portugal	11.5pp
France	10.7pp
Italy	10.0pp
Belgium	8.8pp
Austria	8.8pp
Spain	7.8pp
The Netherlands	6.5pp
Poland	5.7pp
Germany	5.3pp
Denmark	4.3pp
Sweden	1.5pp
United Kingdom	-1.7pp
Average	14.0pp
EU Region	7.5pp

European Markets – Sales trends

Online B2C used car market north/south divide

First, we had the Covid pandemic, this then resulted in the semiconductor shortages and now we are in the midst of an energy crisis, although there is a little light at the end of the tunnel for all three issues.

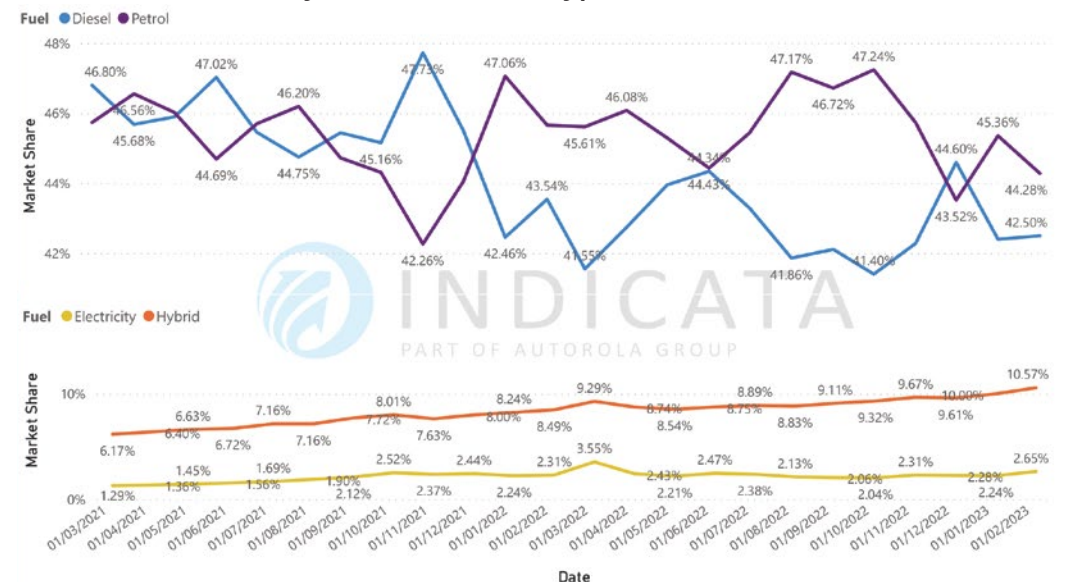
The net result of this is dealers and traders are having to scramble to secure as much right quality stock as possible and that has meant dealing in older vehicles. Online B2C used car sales in February saw cars greater than 5-years-old take 41.44% of the market compared to a market share of just 34.52% two years earlier. Over that same period the sale of cars less than 2-years-old dropped from a Market Share of 37.94% February 2021 to take just 30.83% in February 2023.

The constraints on manufacturer-backed tactical sales continues to play a big part in this with the February sale of very young used cars, i.e., less than 1-year-old, 15.64% down on February 2022 and 7.16% lower than in January 2023.

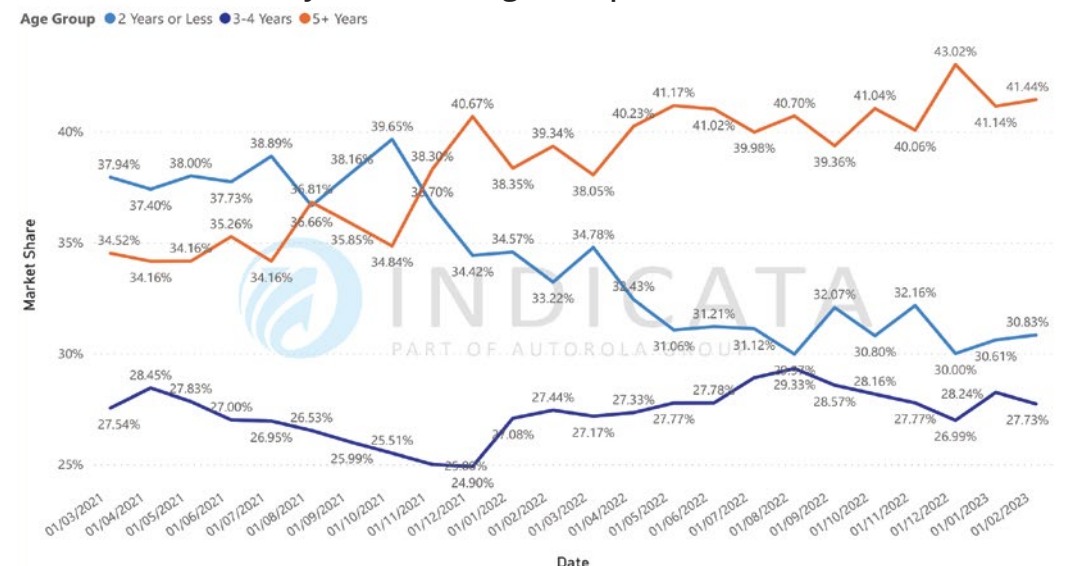
With historic new car sales of diesel higher than currently, this has meant that the sale of used diesel cars has been able to retain market share over the last 12 months and even close the gap on used petrol car sales at times. We are also seeing a clear north/south pattern with one exception across the region. In the markets bordering the Mediterranean plus Sweden used diesel car sales are generally the largest share of the market but in the other countries used petrol cars dominate.

Of the newer powertrains, hybrids have performed better taking a 10.57% share of the February market compared to the previous 9.29% record set in February 2022. However, the same cannot be said for online B2C used BEV sales which are still not gathering any momentum taking just 2.65% of the February 2023 market compared to a 3.55% market share a year earlier. This is despite a significant downward realignment in pricing over the last five months.

Sales Market Share by Month and Fuel Type

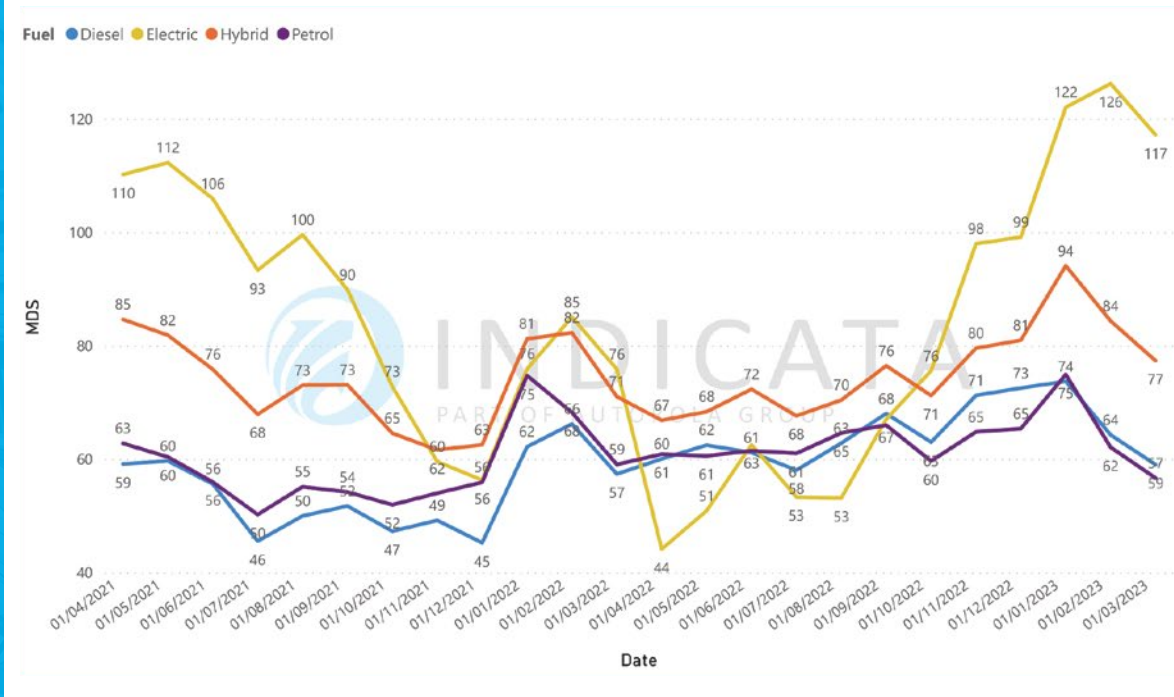


Sales Market Share by Month and Age Group



Market Days' Supply and Top Sellers

MDS by Fuel Type



Significant price reduction of used BEVs has minimal impact on MDS

Market Days' Supply measures the amount of stock currently available and compares that to the current sales rate to establish how many days of sales there is sufficient stock to cover. Across the whole region this has averaged between the mid-50 days to the mid-60 days for the last 2 years as available stock and consumer demand naturally fluctuates during such challenging times.

Over that period the supply and demand for used petrol cars and used diesel cars has remained relatively stable. To a lesser degree even online B2C used hybrid MDS has ebbed and flowed but have generally remained reasonably stable but the same cannot be said for the demand for used BEVs.

With a plethora of different used BEV models hitting the market in 2021 demand increased significantly driving down MDS to a low at the start of April 2022 of just 44 days, making it the fastest-selling powertrain and giving dealers and traders confidence, but soaring energy prices saw a rapid change in buying habits during the second half of last year as MDS tumbled to 126 days by the start of February. Manufacturers, dealers, and traders have tried to stimulate the market with price reductions, which saw MDS improve to 117 days month-on-month going into March but there may need to be further pricing action.

Stock levels for used BEVs continue to cause market stress with BEVs accounting for 4.71% of online B2C used car stock going into the start of March compared to just 1.44% at the beginning of October 2022.

Whilst BEV's market share of stock is increasing against a background of sluggish sales, used petrol sales have the opposite problem with stock levels falling from 45.69% of the market at the beginning of August 2022 to just 41.04% going into March this year.

Top selling car models up to 4-years-old by volume

All powertrains	MDS	ICE	MDS	Hybrid	MDS	BEV	MDS
Volkswagen Golf	74.0	Volkswagen Golf	70.2	Toyota Yaris	55.7	Tesla Model 3	54.4
Renault Clio	52.2	Renault Clio	51.5	Toyota C-HR	58.5	Renault Zoe	97.8
Volkswagen Tiguan	64.0	Volkswagen T-ROC	71.3	Toyota Corolla	61.0	Audi e-tron	124.0

Fastest selling car models up to 4-years-old by Market Days Supply

All powertrains	MDS	ICE	MDS	Hybrid	MDS	BEV	MDS
Opel/Vauxhall Astra	28.3	Opel/Vauxhall Mokka X	27.2	Toyota Auris	40.5	Tesla Model Y	46.4
Opel/Vauxhall Grandland X	20.0	Opel/Vauxhall Astra	27.6	Toyota RAV 4	43.7	Tesla Model 3	54.1
Opel/Vauxhall Crossland X	30.0	Opel/Vauxhall Grandland X	28.0	Lexus NX-Series	44.5	MG ZS	55.0

Retail pricing

Online B2C used BEVs continue to drop sharply

We track a consistent pool of vehicles and index it against January 2022 to produce our index of average retail prices which means there would normally be a lifecycle driven downward curve in average prices. Prices going into March 2023 were down or flat in 10 of the 13 markets we cover.

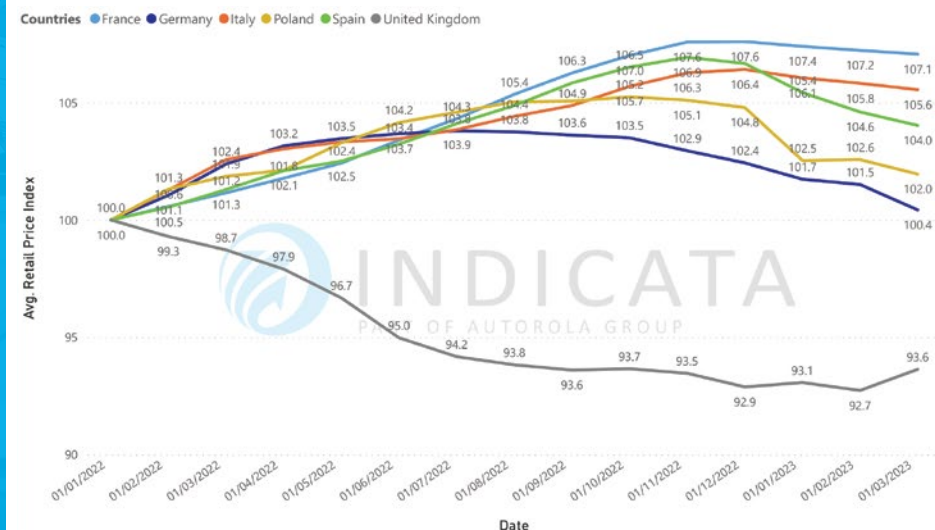
Three countries saw prices rising MoM going into March. Turkey continues to see prices soaring due to the used car market dynamics, the U.K. saw prices rise going into March with the latter being due to the plate change impacting average prices and Austria saw a marginal 0.1 percentage point uplift.

Despite the average price reductions happening for the last two consecutive months, it should be remembered that prices have soared over the last couple of years and the reductions are generally not of a scale to reverse the high price rises seen over the last 12 to 18 months. With prices jumping

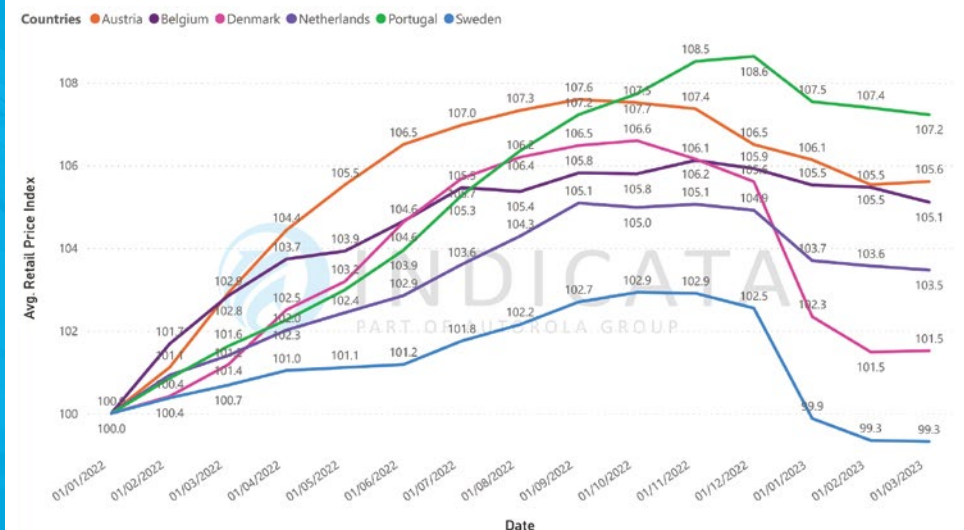
up sharply in January 2022 only the U.K. and Sweden have prices going into March lower than at the start of January 2022 but compared to the lower December 2021 prices, the U.K.'s current prices are 1.7 percentage points lower than then whilst Sweden is still 1.5 pp higher going into March than it was in December 2021.

With stock levels of used petrol cars falling but demand for them and used diesel remaining strong the average prices going into March saw petrol cars at 102.9 points on our index versus January 2022 whilst used diesel cars were at 102.0 points. Used hybrid cars are down to 99.7 points, so have remained relatively stable, but whilst average online B2C used BEV prices going into March are at 100.7 points it is worth noting that just three months earlier they stood at 109.8 points, and two months prior to that were at 111.4 points.

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 BEV car stock is becoming a serious issue

Despite the push towards electric vehicles in the new car market it seems used car buyers are still not seeing the benefit of switching. This is leaving dealers and traders with a mounting stock of used BEVs. Going into March 2023 BEVs now account for 6.72% of online B2C used car stock which is an 83.1% increase in market share since the beginning of September 2022.

Despite significant price reductions over the last six months, which has seen average online B2C used BEV prices fall from a high of 116.4% at the start of October 2022 on our used car price index to just 106.0% going into March 2023, it has not resulted in improved sales. Used BEV sales in February 2023 accounted for just 4.03% of the total online B2C used car market 42.2% lower than in March 2022.

The market appears to be fairly settled for the other three powertrains with used diesel sales taking 50.01% of the February market, in line with most of the last twelve months. Used petrol car sales lost ground with just a 34.56% share of February's market, with buyers appearing to switch to

hybrids which accounted for 11.4% of February's sells, up from 10.78% the previous month.

The average age of online B2C used cars continues to rise as the sale of younger cars less than 2-years-old falls. Sales of these younger cars took 41.99% of February's market compared to a two-year high of 58.26% in October 2021. Over the same period sales of cars greater than 5-years-old have gone from a 21.82% market share to 33.12% in February this year.

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. Despite the sharp fall in BEV prices the average online B2C price for all powertrains going into March remained relatively stable with just a small 0.1 percentage point increase month-on-month. This means average prices are now 5.5 percentage points higher than in January 2022 and 8.8pp above December 2021.

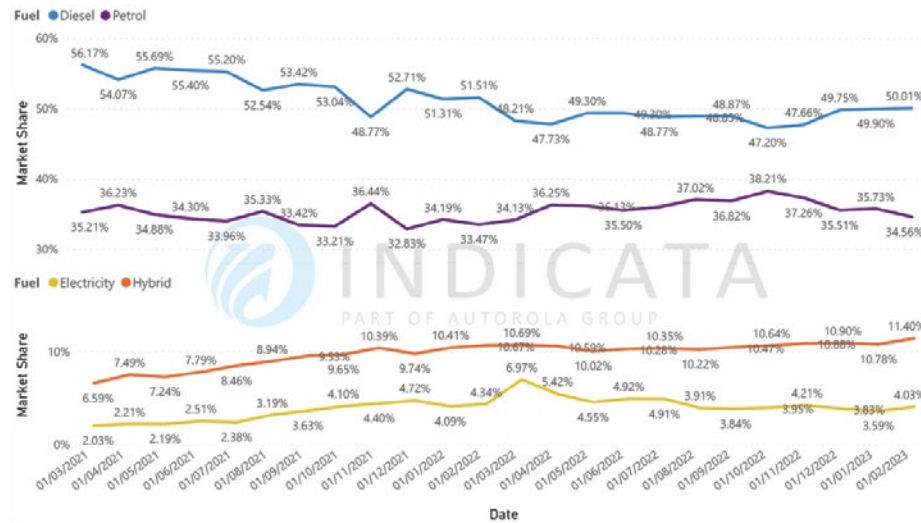
Top selling < 4-years-old by volume

Make	Model	MDS
Volkswagen	Golf	87.8
Škoda	Octavia	80.8
Volkswagen	Passat	84.4

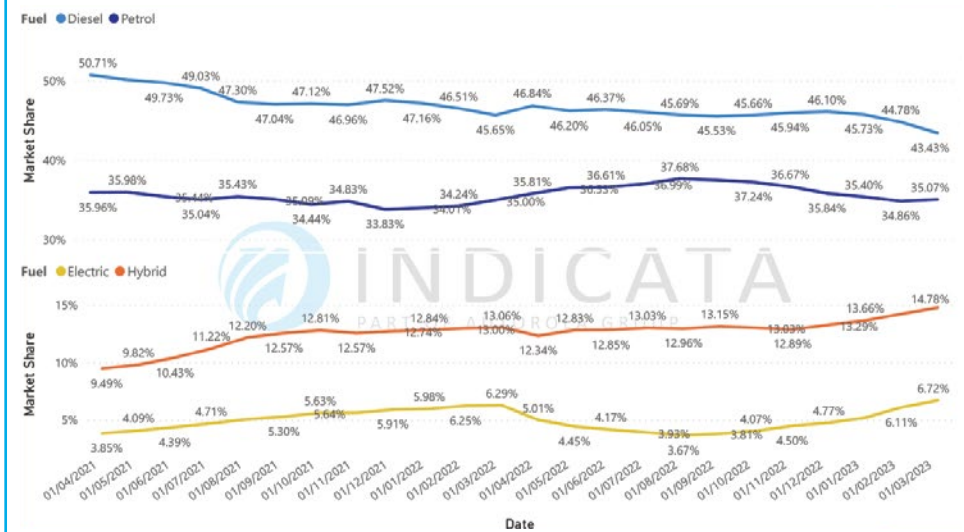
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Tesla	Model 3	12x	29.3
Dacia	Sandero	9x	40.6
Dacia	Duster	7x	53.7

Sales Market Share by Month and Fuel Type



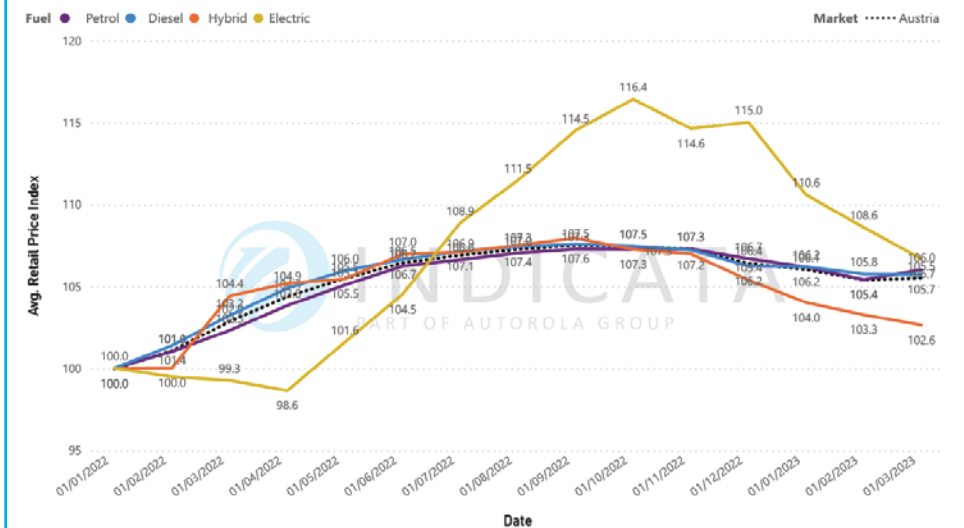
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used diesel sales continue to drop

Online B2C used diesel car sales have now been falling steadily for most of the last two years and took just 32.48% of the February 2023 market compared to 43.15% in February 2021. Whilst hybrid sales saw their market share increase from 8.94% in February 2021 to 11.57% in February 2023, it is used petrol cars which have benefitted the most from diesel's decline as its market share increased by 13.8% to 53.48% of February 2023's online B2C used car market.

This move away from diesel to petrol is mirrored across most of the Northern European markets we cover but it is the opposite to what we are seeing in the Mediterranean regions, and this may influence Belgian's large used car export market going forward.

Whether it is an indicator of pressures easing regarding the semiconductor issues is too early to say but it is worth noting that after 17 months of cars less than 2-years-old losing market share to older cars February saw it recover to take 54.1% of the February online B2C used car market, similar to the market share during the first half of 2021.

Manufacturer-backed tactical registrations may be playing a part with the sale of very young used cars, i.e. less than 1-year-old, increasing in February by 38.65% month-on-month and 7.12% year-on-year. The effect can also be seen in the share of stock where cars less than 2-years-old have increased their share by 1.49 percentage points going into March compared to the start of February

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. However, the well documented issues regarding Covid and semiconductors has been pushing up prices which only started to ease going into November last year. Average online B2C used car prices at the start of March 2023 fell 0.3 percentage points month-on-month but they are still 5.1pp higher than at the start of 2022 and 8.8pp above the last month of 2021.

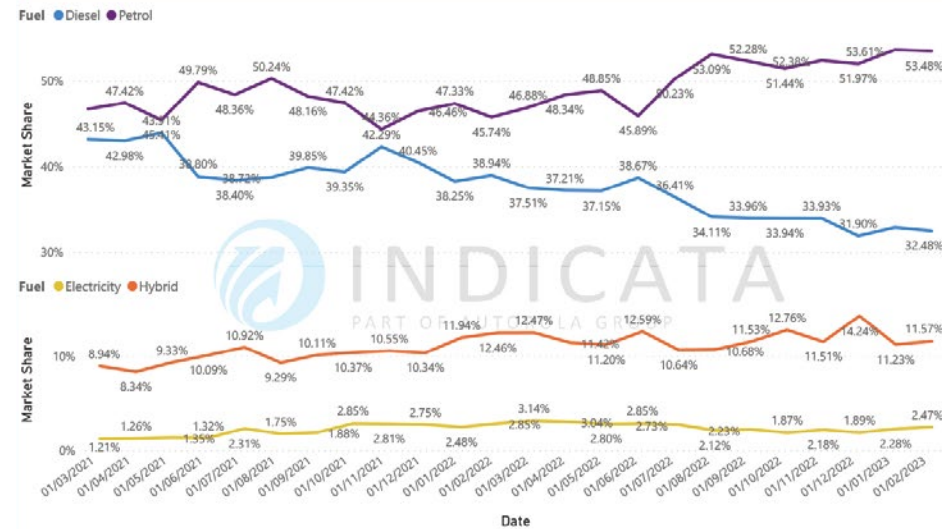
Top selling < 4-years-old by volume

Make	Model	MDS
Volkswagen	Golf	67.7
Mercedes-Benz	A-Class	63.5
Opel	Corsa	66.9

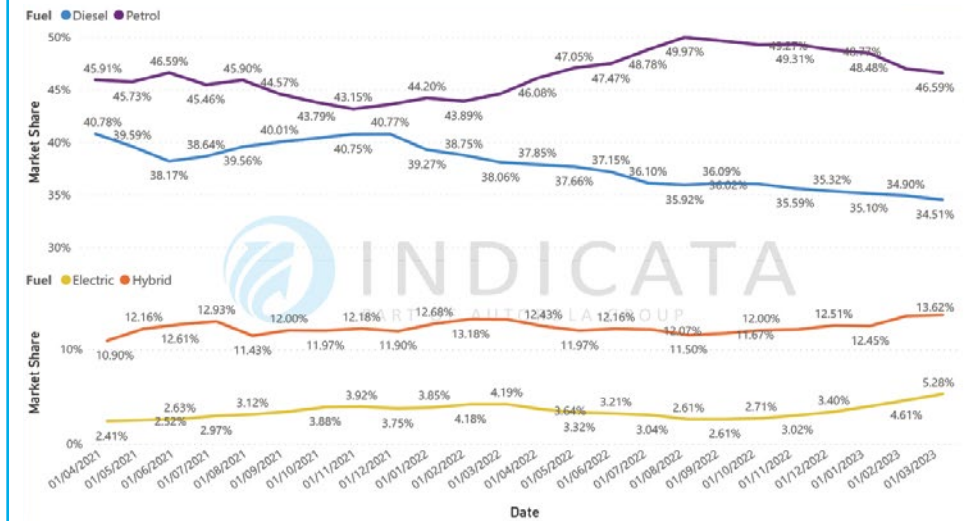
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Toyota	RAV 4	19x	18.8
Toyota	C-HR	14x	26.2
Kia	Stonic	13x	27.0

Sales Market Share by Month and Fuel Type



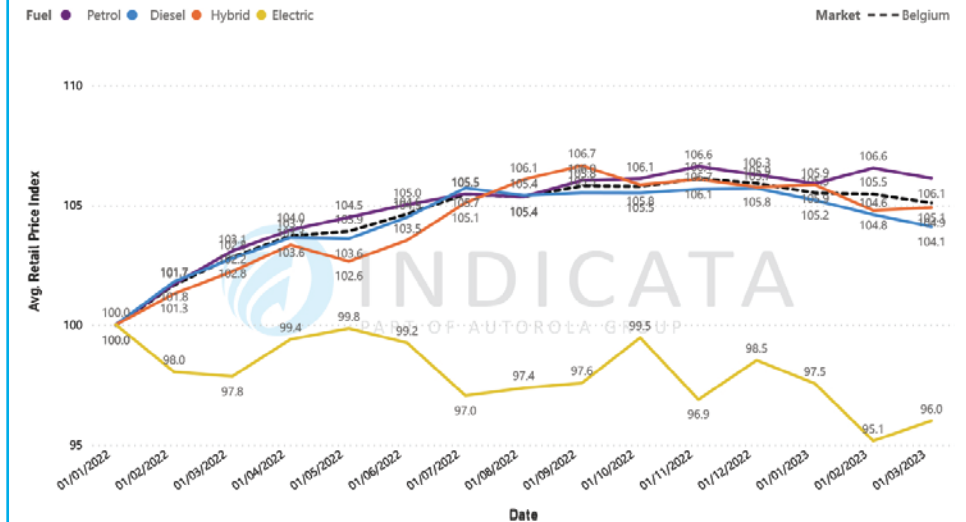
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Used hybrid sales hit record share of the market

In the markets we cover Denmark continues to be the leading light on the move to alternative powertrains. Whilst sales of used BEVs and hybrids have not managed to increase their market penetration, their share has remained reasonably flat and into double-digits something not seen in other markets. In fact, hybrids accounted for 13.32% of the online B2C used car market in February which was their highest market share percentage we have on record.

Even the move away from diesel in the used car market seems to have stabilised but this may be in part due to the shortage of younger used cars coming into the market leaving dealers and traders with no option but to trade with older cars and based on the historic powertrain mix of those cars when new it means more diesels. Looking at sales by age has seen the sale of cars greater than 5-years-old accounting for 42.91% of February 2023 sales compared to just 34.34% in March 2021.

Manufacturers are still unable to provide support on tactical sales with the sale of very young used cars under 1-year-old 15.98% lower in February year-on-year.

Whilst hybrid and BEV sales are stable there is a crisis emerging with stock levels. Used petrol cars were 43.76% of the total online B2C February stock

slightly down on the 45.33% in February 2022, however used petrol cars accounted for 41.33% of the market going into March 2022 compared to just 37.82% at the start of March this year.

The stocking problems get even worse looking at used BEVs which are now 14.92% of the available stock compared to just 9.13% a year earlier and with used BEV sales flat it has created significant downward pressure on prices.

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.

At the beginning of October 2022, the average online BEV price peaked on our used car index at 112.4 points but just five months later it has tumbled to just 97.9 points.

Whilst prices for the other powertrains have also eased downward the movement is nowhere near as severe as the BEV drop. Average online B2C used car prices for all powertrains going into March stayed in line with the previous month meaning they are 1.1 percentage points higher than in January 2022 and 4.3pp above December 2021.

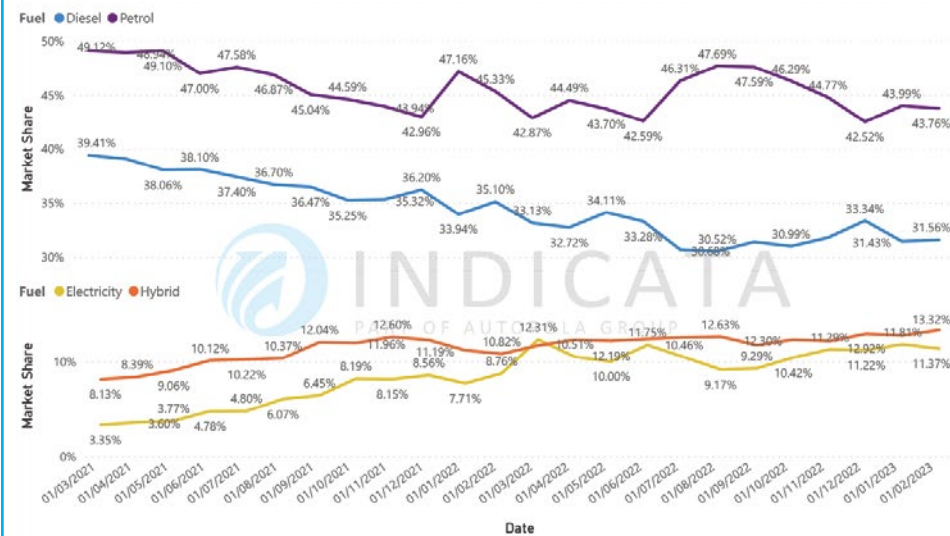
Top selling < 4-years-old by volume

Make	Model	MDS
Tesla	Model 3	28.9
Volkswagen	Polo	48.5
Volkswagen	Golf	68.9

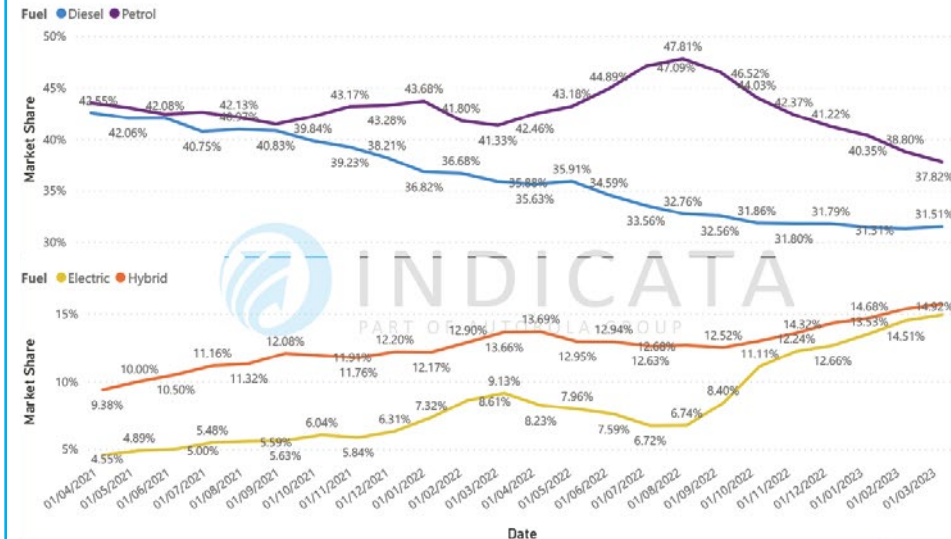
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Tesla	Model Y	28x	12.9
Tesla	Model 3	12x	28.9
Peugeot	108	12x	30.6

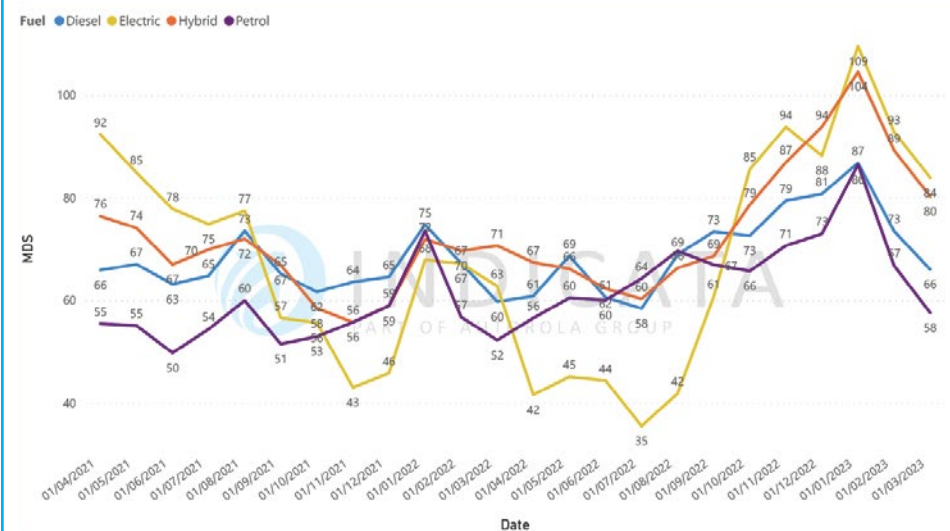
Sales Market Share by Month and Fuel Type



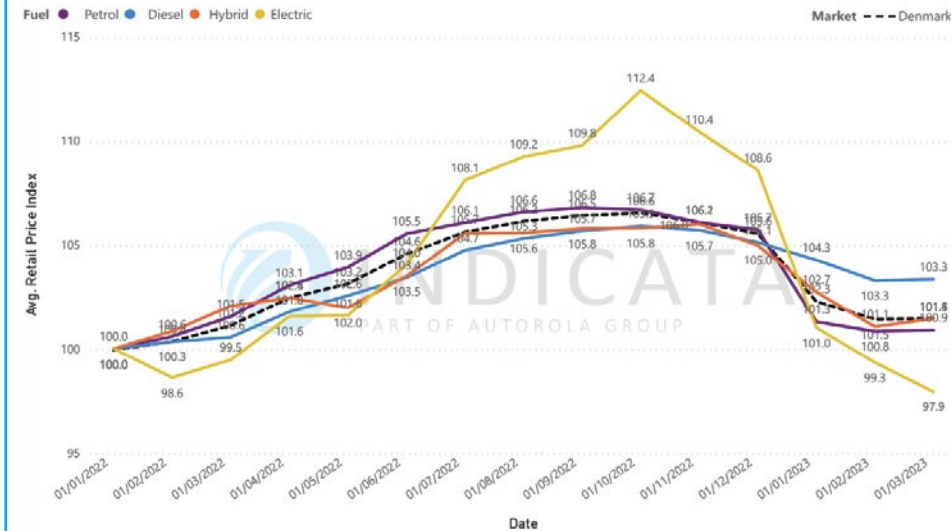
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Has the French electric dream been unplugged?

France was a strong advocate of diesel for so long and even though demand is in decline it still accounted for 45.25% of the online B2C used car market in February. With used petrol cars failing to grab the market share lost by diesel since early 2021 buyers started switching to hybrids and BEVs. However, over the last 12 months sales of hybrids have stalled whilst BEV sales fell back and flatlined.

Online B2C used hybrids took just 10.10% of the February market which is 0.05 percentage points down on March 2022. In contrast BEV sales in February were 2.69% of sales versus 4.28% in March 2022.

Manufacturer-backed tactical registrations in February were down 20.87% year-on-year, but supply is not the problem for used BEVs. Stock levels at the start of this March are 4.48% of all online B2C stock, but just six months earlier stock levels at the beginning of October stood at just 2.08% meaning there are now twice as many available for far fewer buyers.

The net effect of this supply and demand imbalance is twofold. Firstly, prices have had to come down. At the beginning of October average online B2C used BEV prices hit 120.1 points on our used car index, peaking at 123.6 points two months later, but going into March 2023 they have dropped to 116.4 points. Secondly used BEVs are taking much longer to sell. Market Days' supply between October 2022 and the start of March 2023 has increased by 78% to 98 days. This means further pricing action may be needed to restimulate sales.

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 used BEV prices have been falling sharply the average for all powertrains is only easing back slowly with prices going into March just 0.1 percentage points down month-on-month. This means prices are still 7.2pp higher than at the start of January 2022 and 10.7pp higher than in December 2021.

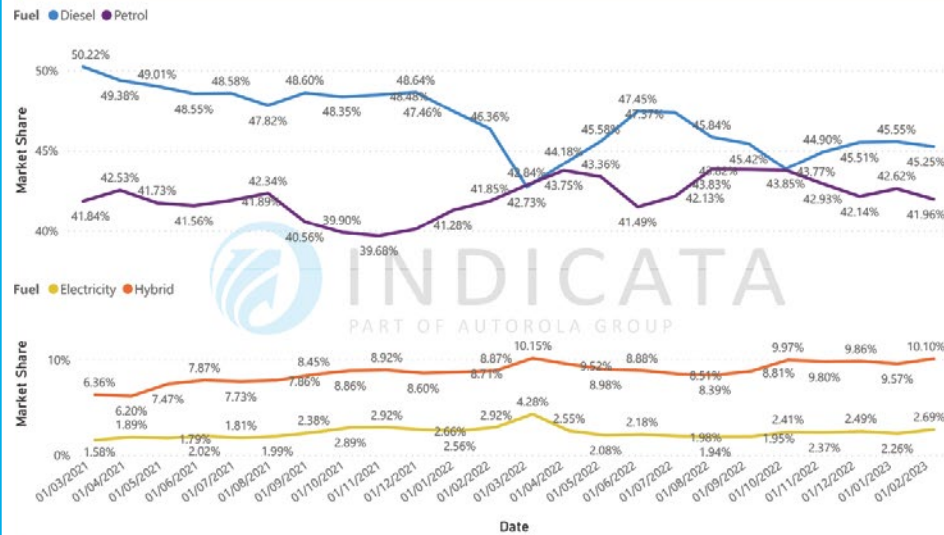
Top selling < 4-years-old by volume

Make	Model	MDS
Peugeot	208	61.1
Renault	Clio	48.0
Peugeot	3008	54.8

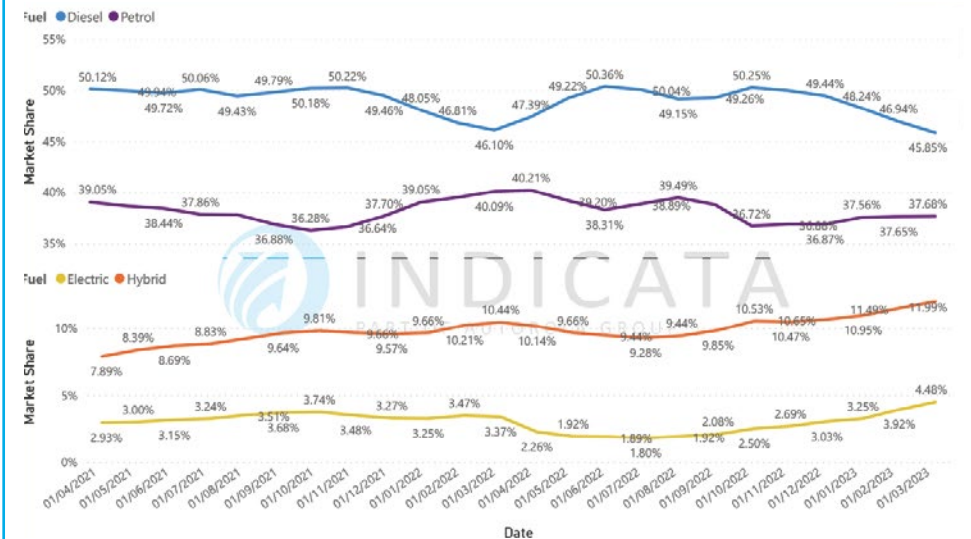
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Ford	Ka+	16x	22.7
Audi	TT RS	15x	23.4
Toyota	Auris	12x	29.6

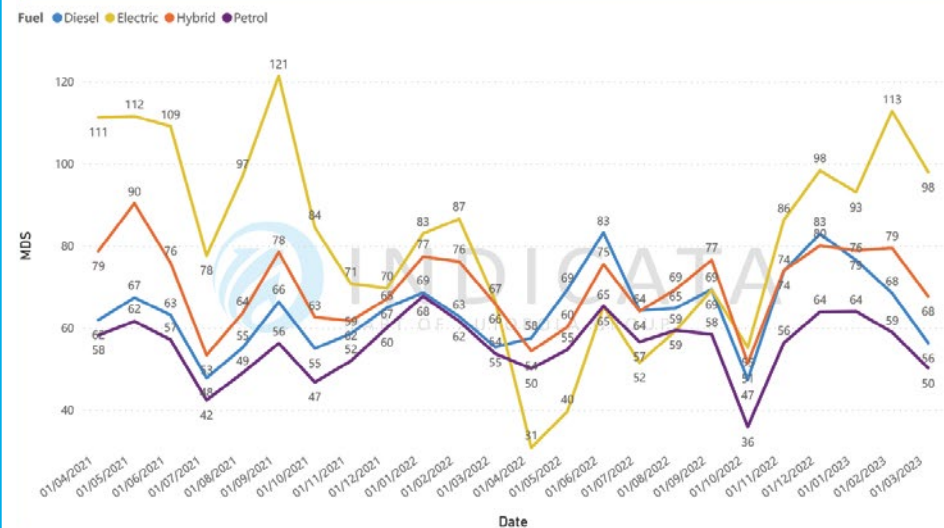
Sales Market Share by Month and Fuel Type



Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Day registrations make a reappearance

Whilst they are nowhere near the level seen before the semiconductor issue, February saw some manufacturer-backed tactical sales. The sale of very young used cars, i.e. those less than 1-year-old were 7.49% higher in February than in January, although year-on-year they were 1.85% down.

As we reported last month, BEVs continue to struggle securing just 2.73% of the online B2C used car market in February, so they certainly do not appear to be the subject of tactical registrations. There was little change amongst the other powertrains with used petrol car sales losing a little share of the market to used hybrids.

Thanks to the tactical registrations, sales of cars up to 2-years-old increased their market share by 1.37 percentage points month-on-month in February in what could be a sign of the market starting to head back to more normal pre-semiconductor and pre-covid times.

Despite the tactical sales the stock of cars under 2-years old is continuing to fall. Back at the start of September 2021 61.86% of online B2C used car stock was these younger used cars but going into March 2023 this has fallen to just 53.14%

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 March were down 1.1 percentage points month-on-month which is a little more than the normal lifecycle reduction we would expect, and it means prices are now just 0.5pp above January 2022 but they are still 5.3pp above December 2021.

All powertrains have seen prices falling but with BEV sales struggling and stock levels rising dealers and traders have had to take pricing action. After average BEV prices peaked on our index at the start of September 2022 reaching 116.8 points they have since gone into freefall and at the start of March they were down to just 103.4 points. However, used BEVs are still struggling to find buyers and our Market Days' Supply measure of stock to sales day coverage shows there are currently enough BEVs in stock to cover 164 days of sales compared to just 122 days for hybrids and 90 days and 86 days for used petrol and used diesel cars respectively. This means it may take further pricing action to restimulate the used BEV market.

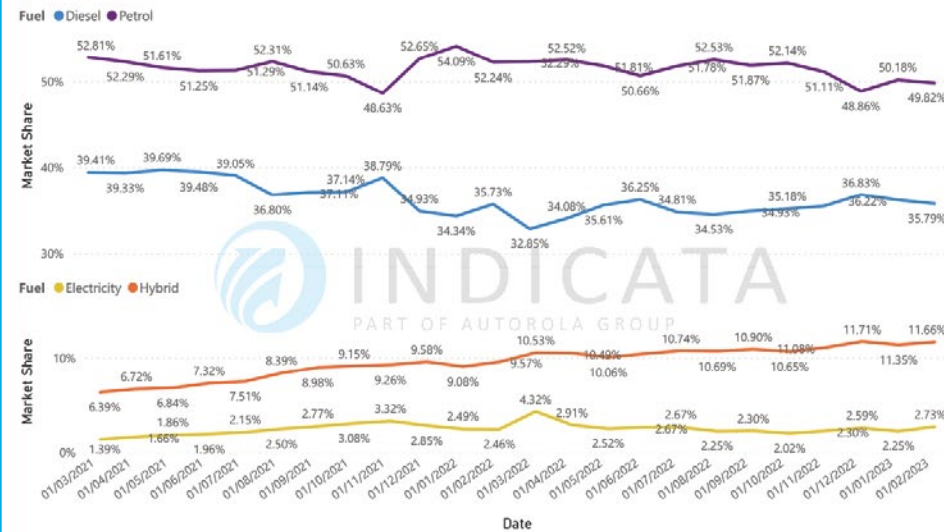
Top selling < 4-years-old by volume

Make	Model	MDS
Volkswagen	Golf	99.4
Volkswagen	Tiguan	91.9
Volkswagen	T-ROC	109.7

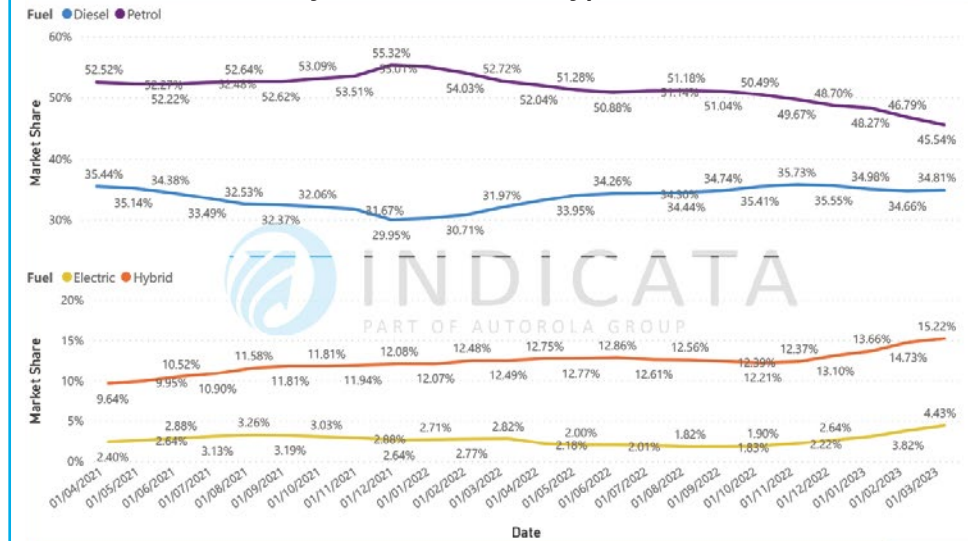
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Toyota	Auris	8x	43.8
Opel	Adam	8x	47.0
Hyundai	i20	6x	56.0

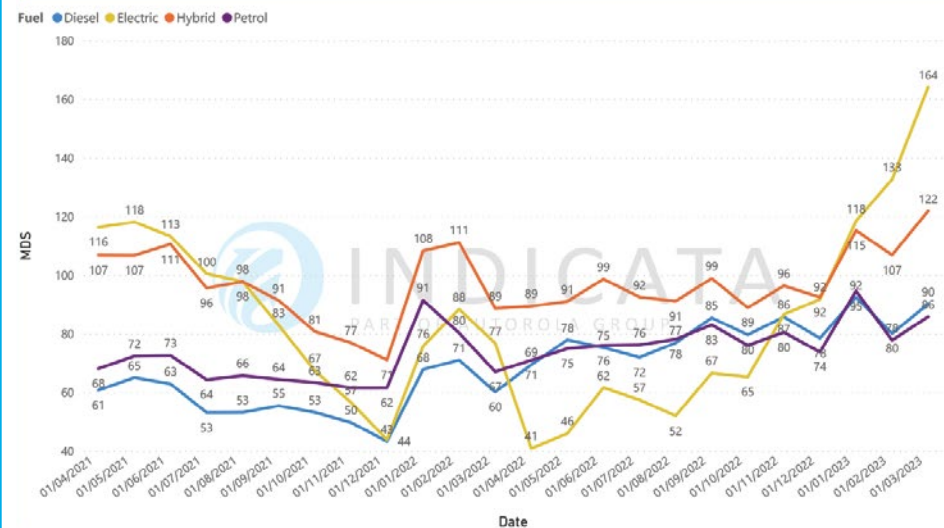
Sales Market Share by Month and Fuel Type



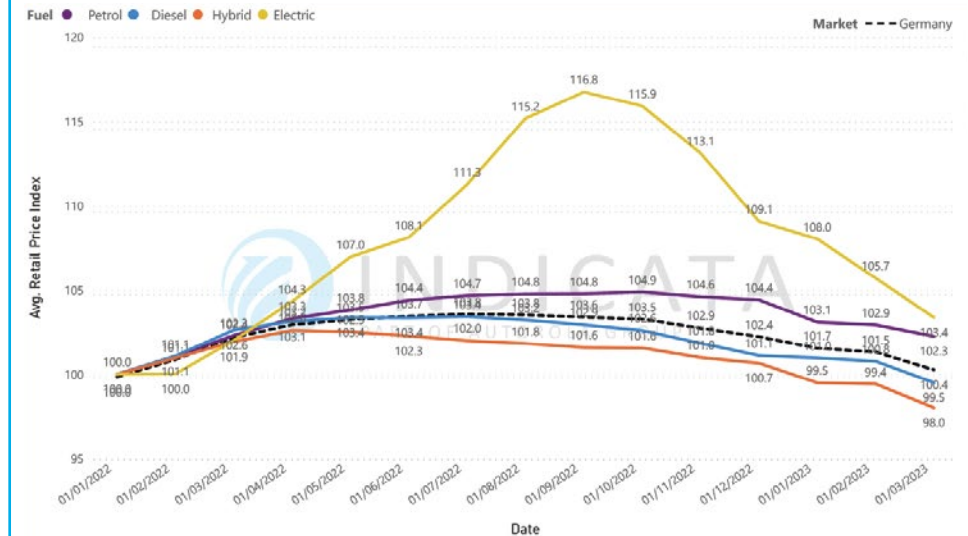
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used hybrid sales start to soar

As in other countries bordering the Mediterranean, used diesel car sales continue to dominate the Italian market. In February used diesel cars accounted for 59.0% of online B2C sales with second place used petrol dropping to below 30% for the first time in over 2 years, 29.67%.

It seems that buyers are switching away from petrol and into hybrids in the used market with used hybrid sales getting a 10.12% market share in February, the second best performance on our records and only beaten by the 10.21% in January 2023. In contrast BEVs only took 1.21% of the market well below the 1.7% in the same month last year and significantly behind the 2.23% in March 2022.

Manufacturers are still showing no ability to support tactical registrations with the sale of cars under 1-year-old in February 2023 40.93% lower than in the same month last year and 10.91% lower month-on-month. This may partly explain why cars under 2-years-old took a market share of sales of just 32.37% in February compared to a historic market share average of around 41%.

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. Across all powertrains the average online price fell 0.2 percentage points month-on-month but that means they are still 5.4pp higher than at the start of 2022 and 10.0pp above December 2021.

What the average also doesn't show is the significant movement we have seen in average BEV prices, not just in Italy but across all other markets. Average BEV prices going into March 2023 are at 105.6 points on our index, putting them on a par with the other powertrains, but just three months ago they were at 111.3 points and peaked five months ago at 113 points. Whilst stock levels of BEVs are not disproportionately rising sharply as they are in other markets, having a Market Days' Supply 43% higher for BEVs than the next slowest-selling powertrain means we may need further price reductions to stimulate sales.

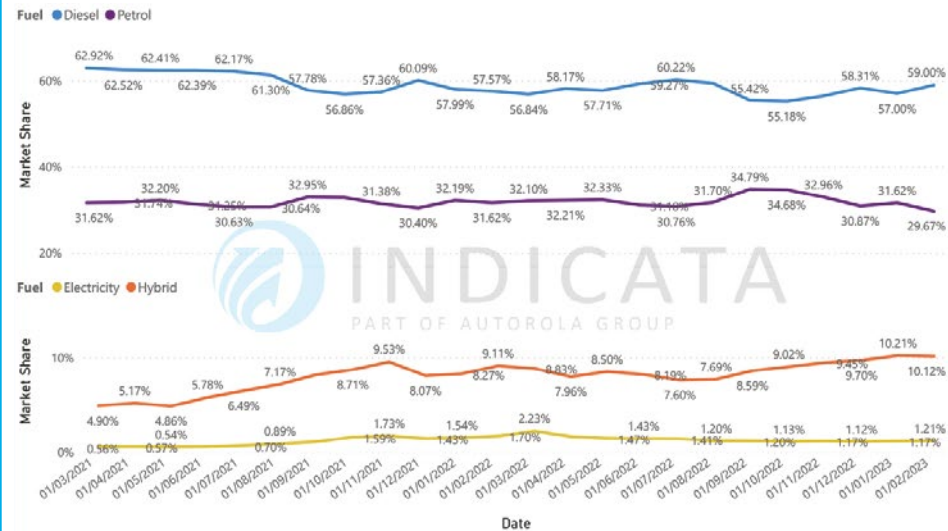
Top selling < 4-years-old by volume

Make	Model	MDS
Fiat	Panda	46.9
Fiat	500	72.9
Jeep	Renegade	68.3

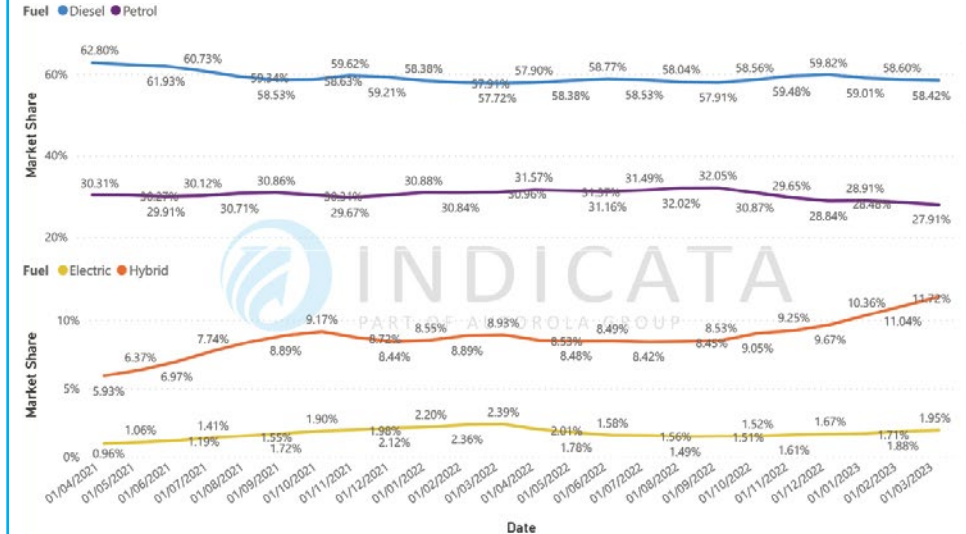
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Mazda	2 Hybrid	12x	29.1
Hyundai	i10	11x	32.6
Ford	Ka+	10x	37.6

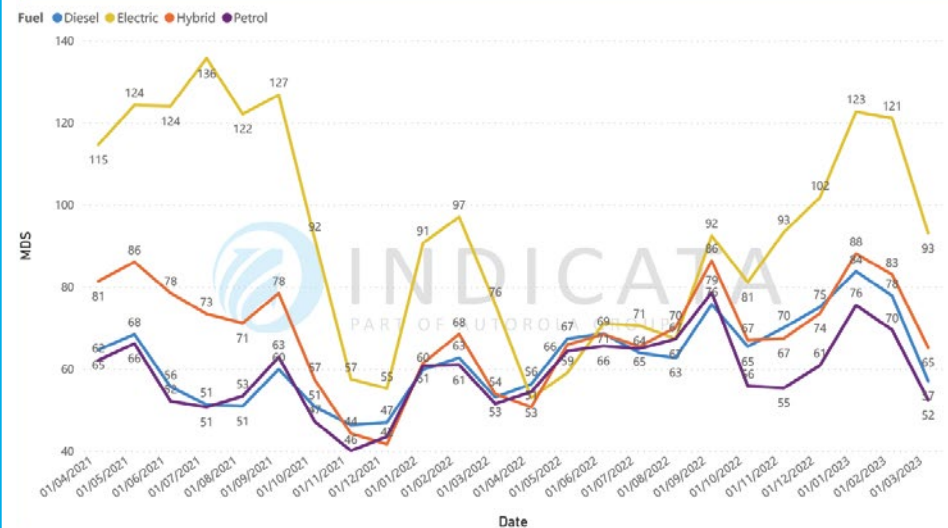
Sales Market Share by Month and Fuel Type



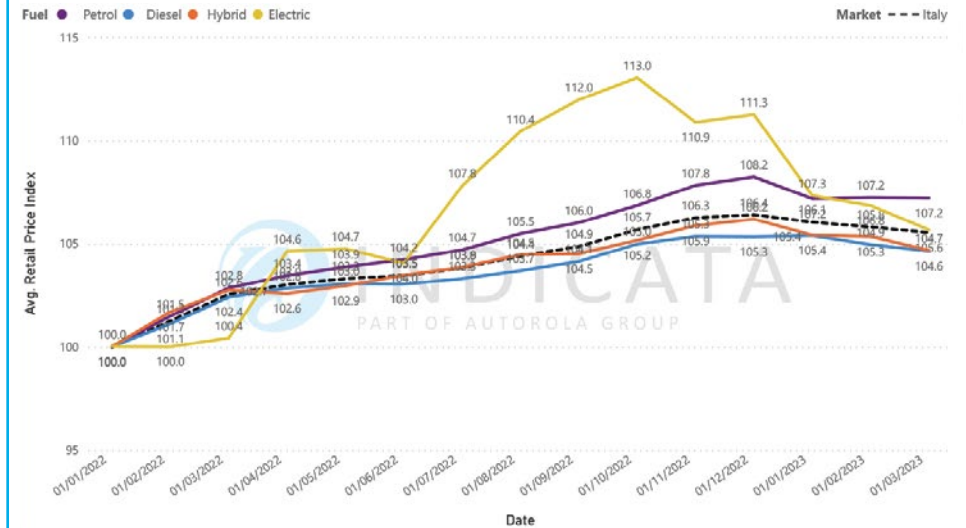
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Alternative powertrain stock levels rise alarmingly

Despite being one of the strongest markets in Europe for used hybrid and BEV sales the Dutch market appears to be struggling with a huge surplus supply of both. Online B2C used stock levels of hybrids accounted for 16.76% of all stock going into March 2023, a 36.6% increase in just six months. Used BEVs are seeing an even bigger rise, going up 79.9% in six months as they represented 8.24% of March 2023 online B2C used stock.

Why this is such an issue can be seen in sales where the used hybrid 15.0% market share of February sales is only a 19.8% increase over six months prior. BEV sales were just 4.84% of the February market which is just a 9.5% increase over the same period.

With stock levels rising much faster than sales it is inevitable to see both powertrains are taking longer to sell with used BEV Market Days' Supply soaring to 131 days going into March, whilst used hybrids increased to 87 days. This is quite a considerable change of circumstances considering they were the fastest-selling powertrains just over seven months ago.

The mix of cars by age has not changed much over the last couple of years with cars over 5-years-old taking 48.36% of the February market and cars

under 2-years-old taking 31.28%, both of which are absolutely in line with the average trend over the last 24 months.

Despite this stability in the age of cars being sold it is not the same story with stock of cars under 2-years-old falling from 38.69% of the online B2C total stock at the start of April 2021 to 32.2% in September 2022. Since then stock levels of these younger cars have started to rise and going into March, they are back at 38.87%.

Part of the reason for this increase in the amount of stock of cars under 2-years-old appears to be manufacturer-backed tactical registrations in February 2023 which were 12.79% up year-on-year.

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 for the market continue to ease down with the prices going into March dropping 0.1 percentage points month-on-month, leaving them just 3.5pp above January 2022 and 6.5pp above December 2021.

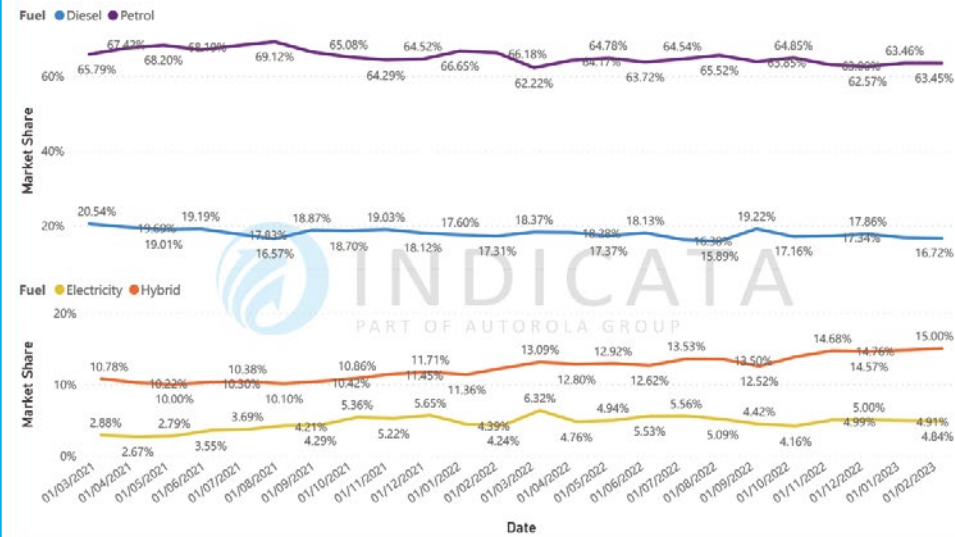
Top selling < 4-years-old by volume

Make	Model	MDS
Volkswagen	Polo	64.2
Volkswagen	Golf	93.1
Toyota	Yaris	67.1

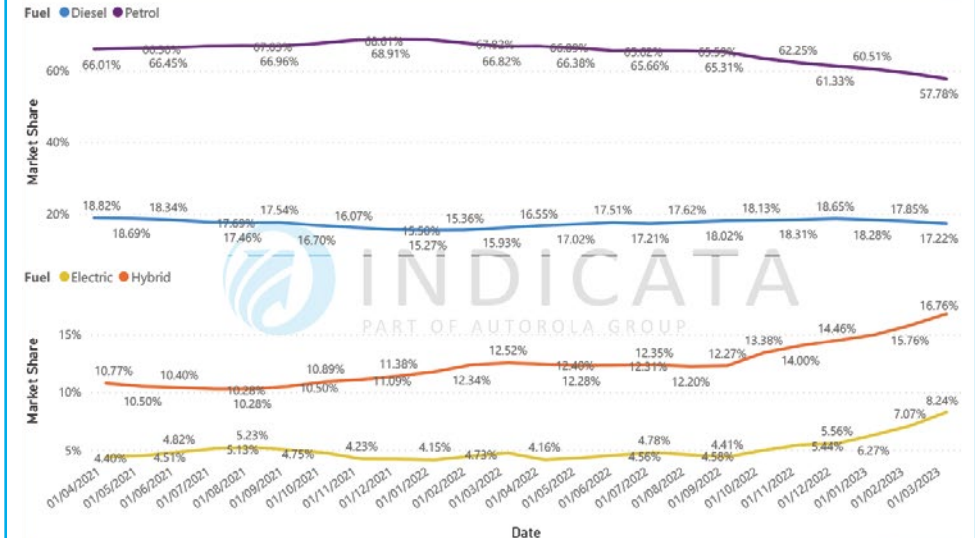
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Škoda	Kodiaq	7x	50.5
Opel	Karl	7x	54.0
Suzuki	Ignis	7x	54.3

Sales Market Share by Month and Fuel Type



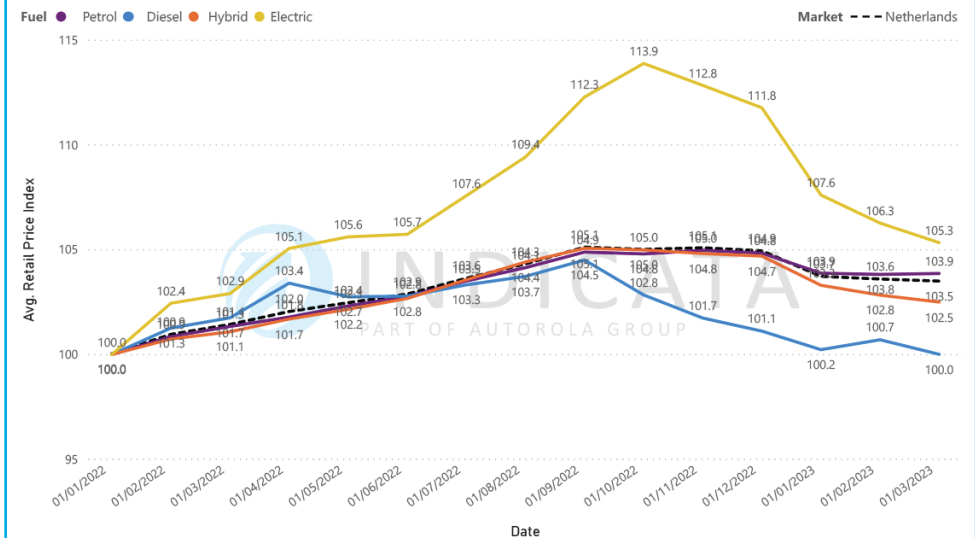
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used diesel car stock remain weak

After a surge in online B2C used diesel sales in January, February saw them drop to their weakest market share for well over a year, accounting for just 41.04% of the market. Used petrol sales were the big winner seeing a 3.98 percentage point increase in its market share of sales month-on-month.

Used hybrids also managed to gain some market share with February sales representing 9.2% of online B2C used car sales which is the highest on record, but BEV sales remain flat and insignificant.

Part of the challenge facing dealers and traders when it comes to diesel are falling stock levels. After peaking at the beginning of May 2022 with 48.46% of total online b2C used stock they are now down to 43.28% going into March 2023.

Whilst the absolute volumes are small it is worth noting that even though sales of BEVs are firmly showing no signs of growth used BEV stock is on the rise with March BEV stock being 1.53% of all stock, a 278% increase in just three months.

There was also a little manufacturer-backed tactical registrations with the sale of cars less than 1-year-old in February 10.17% higher month-on-month and whilst they are 2.74% lower year-on-year it does seem as if there are some manufacturers who are able to start meeting this area of the market which was deserted due to the semiconductor shortages.

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. Since November 2022 average used car prices have started to ease back with prices going into March 0.5 percentage points lower than at the start of February. This means average prices are now just 2.4pp above January 2022 and 5.7pp higher than in December 2021 with used petrol prices faring slightly better than the other powertrains.

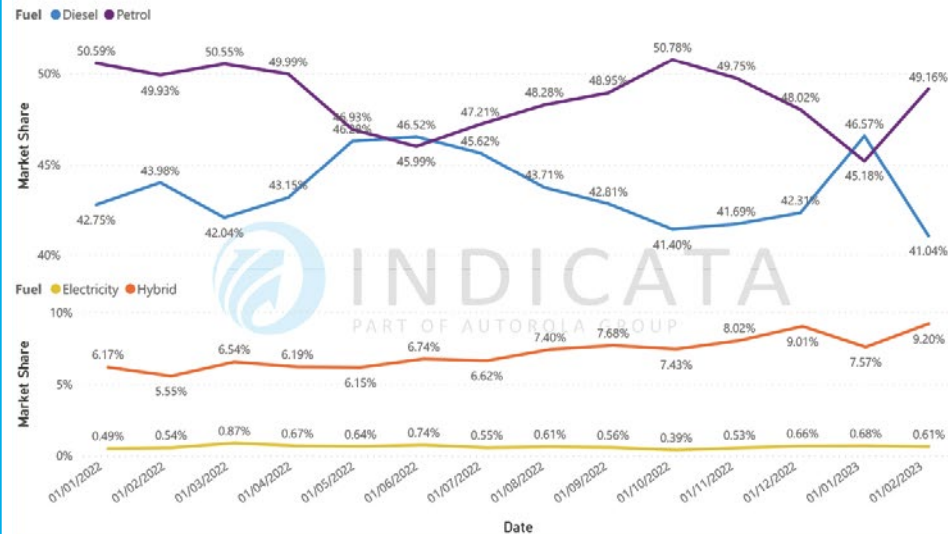
Top selling < 4-years-old by volume

Make	Model	MDS
Škoda	Octavia	76.7
Škoda	Fabia	30.6
Toyota	Corolla	56.8

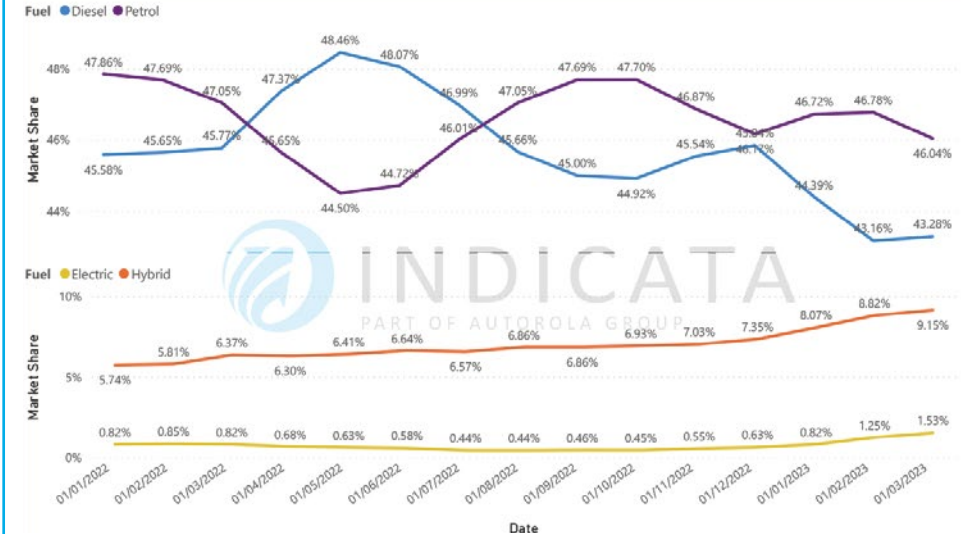
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Škoda	Fabia	12x	30.6
Toyota	Auris	10x	36.1
Toyota	Yaris	9x	41.0

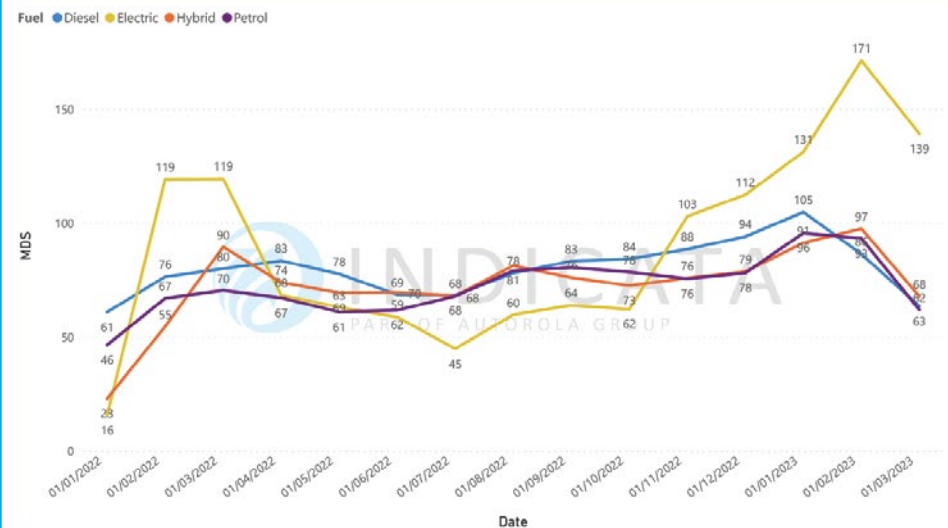
Sales Market Share by Month and Fuel Type



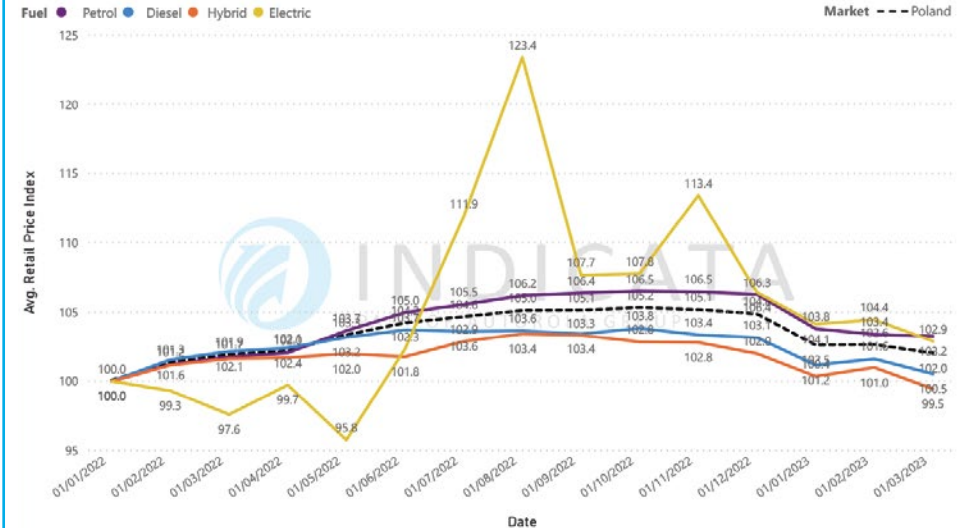
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used BEV sales the third lowest in a year despite tumbling prices

February online B2C used BEV sales were just 3.69% of total online used car sales which was the third worst performance in a year. As the other powertrains all saw market share remain relatively stable it seems buyers are no longer feeling inclined to invest in a used BEV in ever increasing numbers as they had been before the energy crisis.

This fall in demand has also occurred at the same time as increasing numbers of new BEV cars are starting to hit the used car market and as a result BEV stock levels are starting to soar. In August 2022 used BEV were just 2.79% of online stock but just seven months later they have increased by 149.5% to a 4.17% market share.

Manufacturers are still unable to support tactical registrations with the sale of cars less than 1-year-old down 59.23% year-on-year and the impact can be seen in the age profile of online B2C used car sales. In the early part of 2021 40%-45% of sales were cars less than 2-years-old with 30%-35% being cars more than 5-years-old. In March 2023 the cars under

2-years-old were just 26.37% of the market with the older cars accounting for 52.47% of sales. The reason behind this fall in sale of the much younger used cars is the availability of stock which has fallen from 33.78% of the total online B2C used car stock at the beginning of April 2021 to just 23.05% of stock going into March 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. The soaring used BEV prices that defined the first half of last year saw prices peak in our index at 110.4 at the start of September 2022 but they have since gone into decline as dealers try to clear rising stock levels with the average prices going into March down to just 104.0 points. All powertrains saw prices fall heading into March with average online B2C used car prices dropping 0.2 percentage points month-on-month. However, prices are still 7.5pp higher than at the beginning of 2022 and 11.5pp above December 2021.

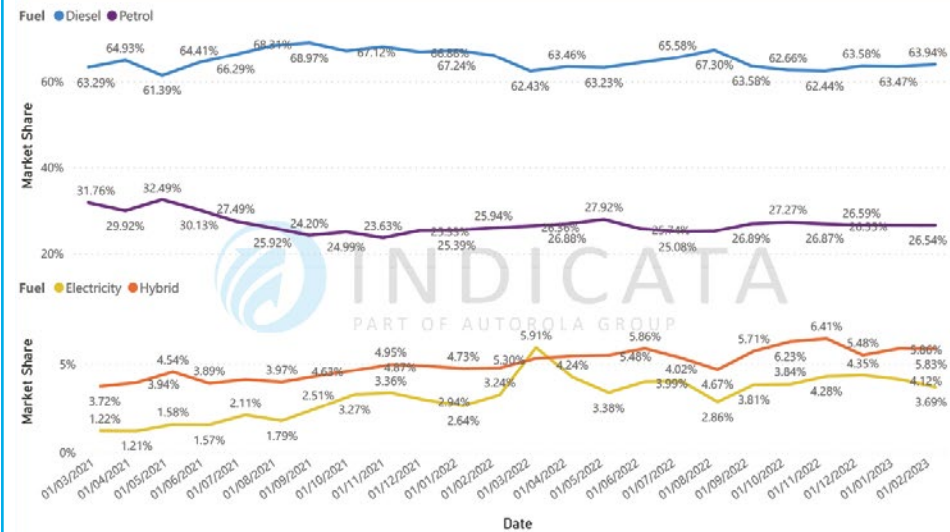
Top selling < 4-years-old by volume

Make	Model	MDS
Renault	Clio	73.0
Renault	Mégane	85.8
Mercedes-Benz	A-Class	95.3

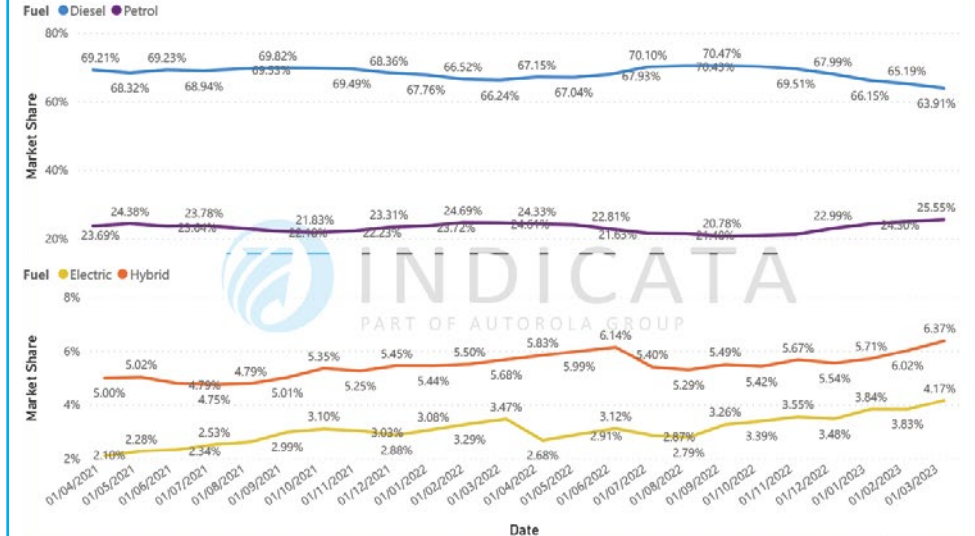
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Nissan	Micra	12x	30.6
Volkswagen	Polo	9x	38.1
Peugeot	3008	9x	41.2

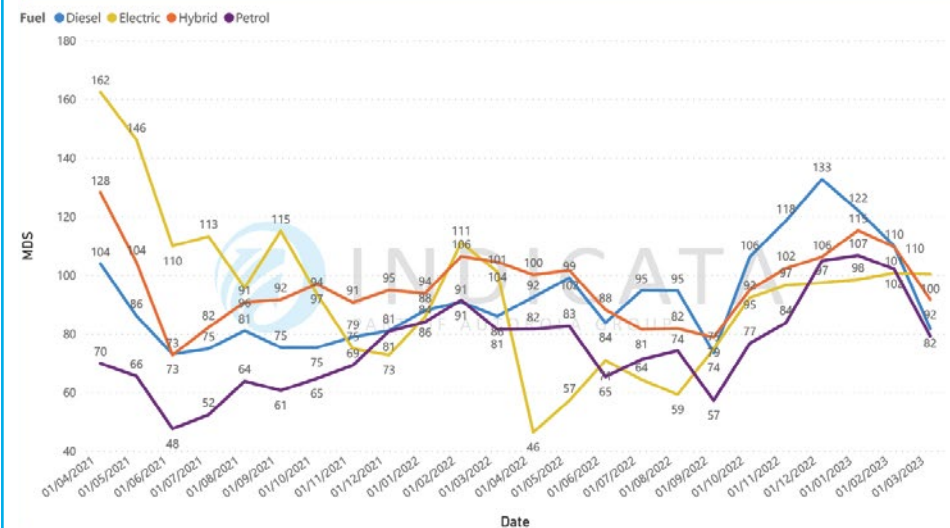
Sales Market Share by Month and Fuel Type



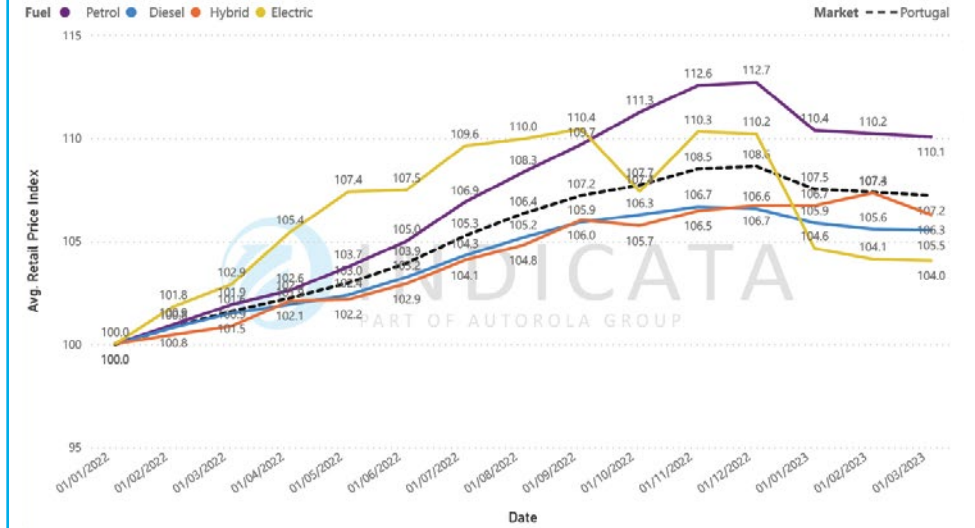
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used diesel car sales tumble

Across all of the markets we cover every online B2C used car market for the countries bordering the Mediterranean are dominated by used diesel cars, but Spain may be getting close to breaking that trend. Online B2C used diesel car sales in February accounted for just 47.94% of sales, a drop of 9.73% in just five months. Both used petrol cars and used hybrid cars are benefitting from the switch from diesel taking 39.92% and 10.76% of the market respectively but used BEVs continue to be largely ignored by buyers with sales still flat.

The changing buying habits of used car buyers is not due to stock constraints with used diesel cars still accounting for 50.64% of all online B2C used car stock going into March 2023. When it comes to choosing a car by age, those over 5-years-old were 43.83% of available stock going into March with the younger, i.e. cars under 2-years-old, accounting for just 30.55% which is a significant reduction over the last two years.

The changing age profile of available cars stems from reduced volumes coming back from the daily rental market who have been taking lower volumes of cars since the Covid pandemic started and are having to keep

them longer due to the semiconductor shortages and the lack of manufacturer-backed tactical registrations. These missing tactical registrations meant the sale of very young used cars under 1-year-old in February were 22.29% down year-on-year and 11.16% lower than just a month earlier.

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 used car prices fell for the fourth consecutive month with prices going into March 0.6 percentage points down month-on-month. These leaves prices just 4.0pp above the start of 2022 and 7.8pp higher than in December 2021.

Whilst used diesel, petrol and hybrid cars have all followed a similar pricing trajectory over the last couple of years BEV pricing outperformed the market for the second half of 2022 hitting a peak in our index at the beginning of December of 113.6 points. Even though stock levels of BEVs are low, just 1.93% of the total market, they have increased by 36.9% in just three months forcing downward pricing action, but with a Market Days' Supply of 113 days there may be further price reductions to come.

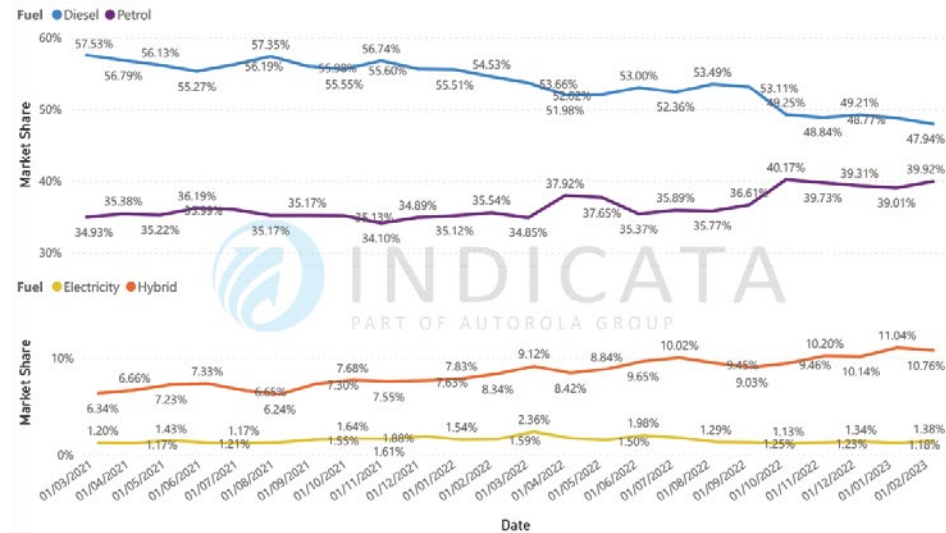
Top selling < 4-years-old by volume

Make	Model	MDS
Seat	Arona	86.5
Mercedes-Benz	A-Class	85.6
Nissan	Qashqai	73.8

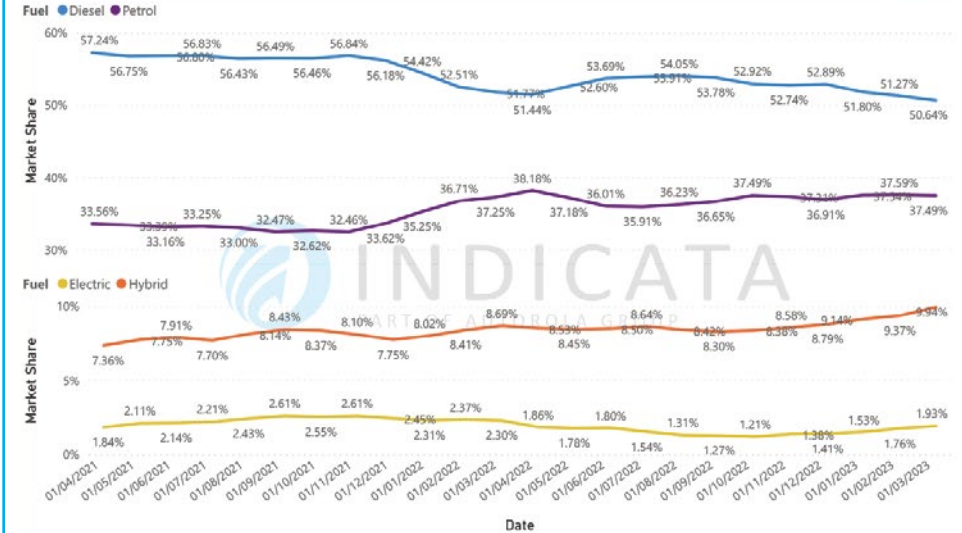
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Toyota	Auris	11x	38.7
Toyota	Aygo X	9x	39.5
Toyota	RAV 4	9x	41.8

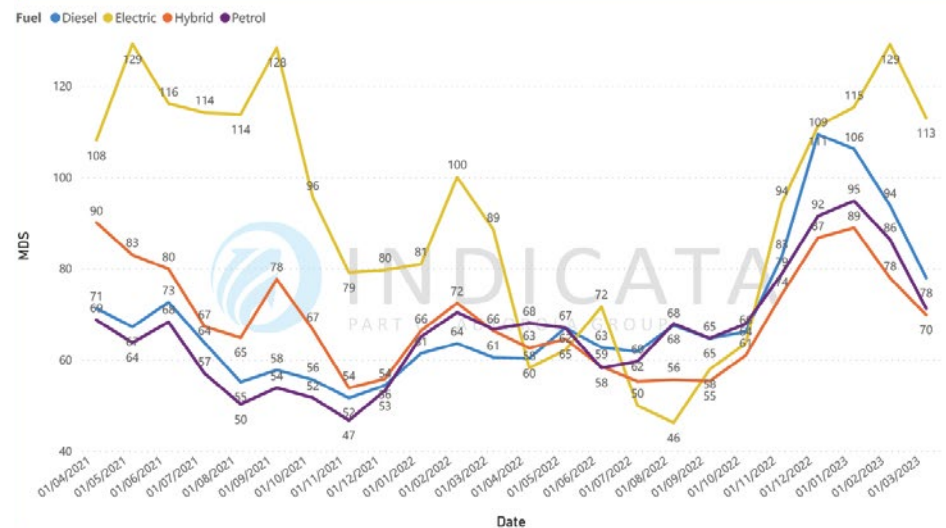
Sales Market Share by Month and Fuel Type



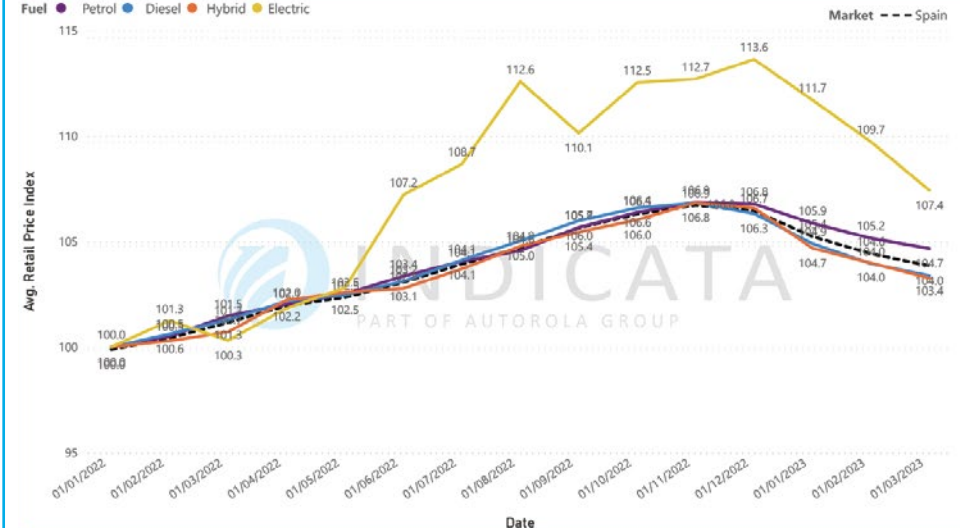
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used BEV stock more than doubles in 6 months

The stocking crisis impacting the used BEV market in many markets is causing prices to tumble as used car buyers fail to be tempted to buy a used BEV. Going into March 2023 used BEVs accounted for 10.36% of the online B2C used car stock which is an increase of 238.7% in just six months. But sales of BEVs in February had only a 5.02% market share which is just a 3.7% increase year-on-year.

In contrast used hybrid sales in February 2023 were 18.86% of sales a 25.8% YoY rise, but they are also seeing supply exceeding demand as stock levels going into March are 39.7% higher than in March 2022.

There was a small amount of manufacturer-backed tactical sales with sales of cars less than 1-year-old in February 9.23% up month-on-month but the volume was still low being 19.99% down on February 2022.

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. Across all powertrains average prices remained flat going into March compared to the previous month and 0.7 percentage points lower than at the start of 2022, although they are still 1.5pp above December 2021.

At a powertrain level it is worth noting that even though used diesel cars remain the most popular, taking 44.38% of the online B2C used car market in February they have had a sluggish price performance with virtually no change during 2022 and steadily falling in 2023. However, BEVs have seen the most dramatic pricing changes. Prices were soaring in the second half of 2022 as dealers and traders expected strong demand for the swell of used BEVs coming into the market but with demand remaining relatively weak they have had to act. This has resulted in average BEV prices dropping from a high of 116.4 points at the start of October 2022 down to 104.6 points going into March and with BEVs selling so slowly there may still be more reductions to come.

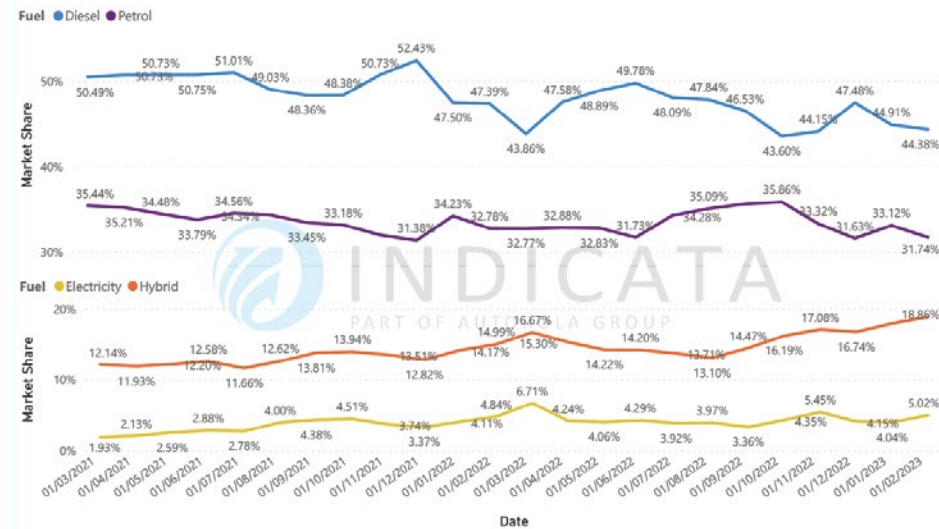
Top selling < 4-years-old by volume

Make	Model	MDS
Volvo	V60	49.1
Volvo	XC60	52.0
Volvo	XC40	48.7

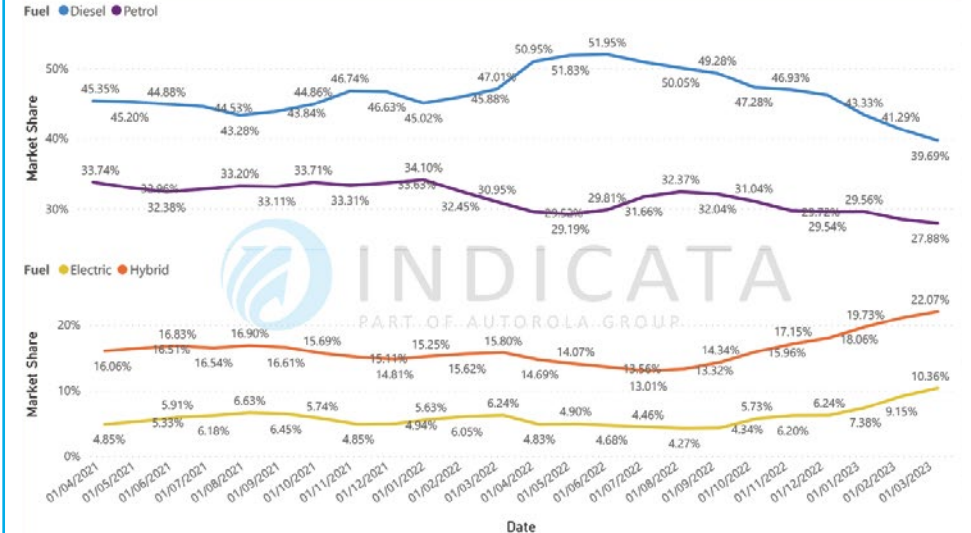
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Dacia	Duster	18x	19.7
Tesla	Model Y	17x	21.5
Volkswagen	Tiguan	16x	22.1

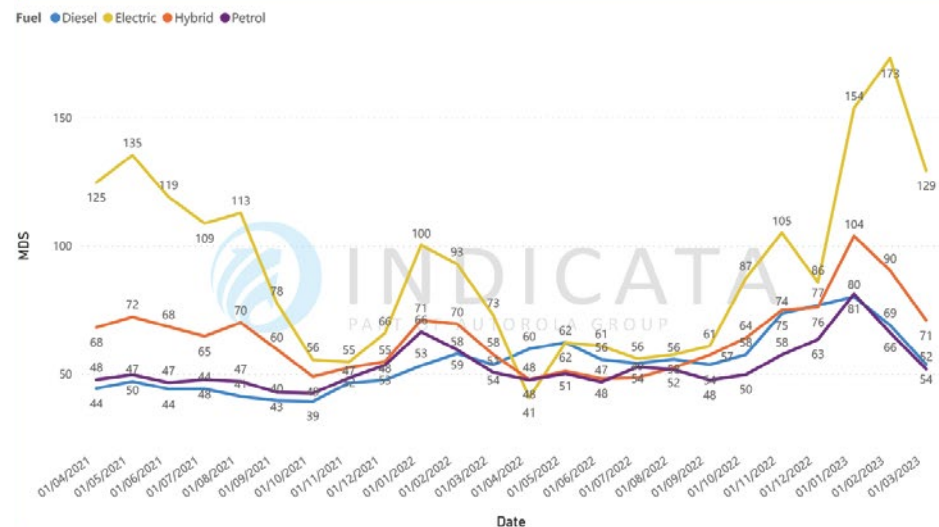
Sales Market Share by Month and Fuel Type



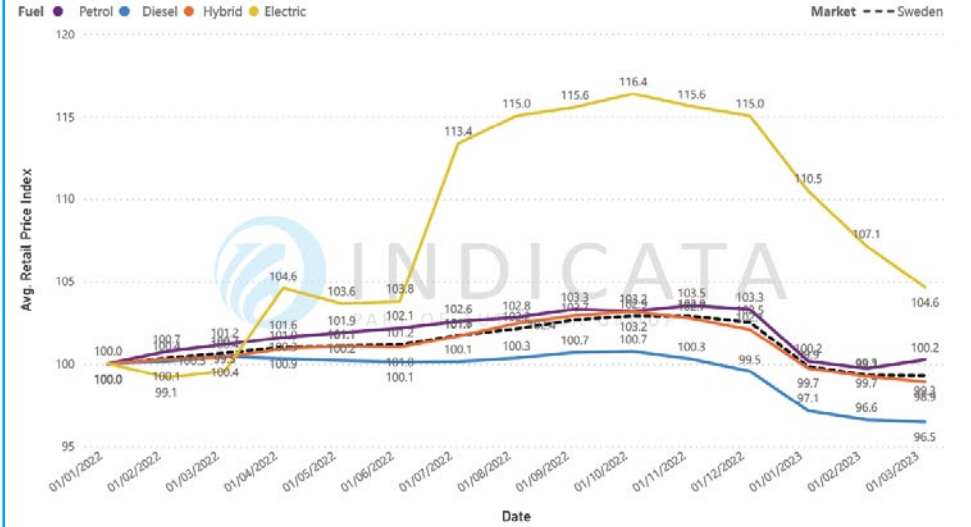
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used car prices continue to shoot up

After a little easing back in average online B2C used car prices in October and November last year, prices have resumed their upward trajectory with prices going into March 2023 8.1 percentage points higher than just a month earlier. This means prices are now 79.4pp higher than at the start of 2022 and 108.6pp above December 2021.

The only exception to this inflationary pattern is used BEVs where prices have remained relatively flat since the beginning of October 2022.

With our online B2C used car retail price index being based on a consistent pool of vehicles, indexed against January 2022, you would normally see a lifecycle driven downward curve in average prices so in real terms the increases are even higher.

Looking at sales and online B2C used petrol car sales have not changed much over the last two years, consistently accounting for around 30% of the market. Used diesel car sales have eased back a little over that period

dropping 6.77% between March 2021 and February 2023 with most of those lost sales going to hybrids.

Online B2C used stock levels also mirror the sales patterns except used hybrid stock going into March has increased by 50.2% over October 2022 and this may be partly driving the increased sales and slightly weaker average price performance.

Three of the four powertrains are currently selling quickly and in line with the last two years average Market Days' Supply, with used diesel (42 days) and used petrol (44 days) being the fastest sellers followed by used hybrids (60 days) a little behind. However, used BEVs are struggling with a MDS of 113 days almost double hybrids speed to sell. Even though they remain an insignificant part of the Turkish market, taking just 0.35% of February's sales, with BEV stock taking an increasing share of total stock by 73.1% in just three months there may need to be some price reductions for BEVs to avoid dealers and traders being stuck with used BEVs.

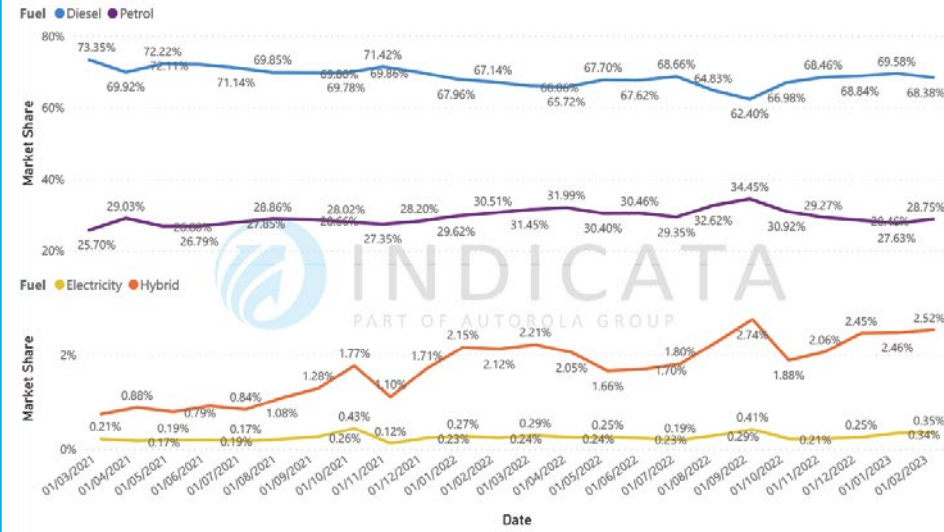
Top selling < 4-years-old by volume

Make	Model	MDS
Fiat	Tipo	40.7
Renault	Clio	40.5
Renault	Mégane	44.4

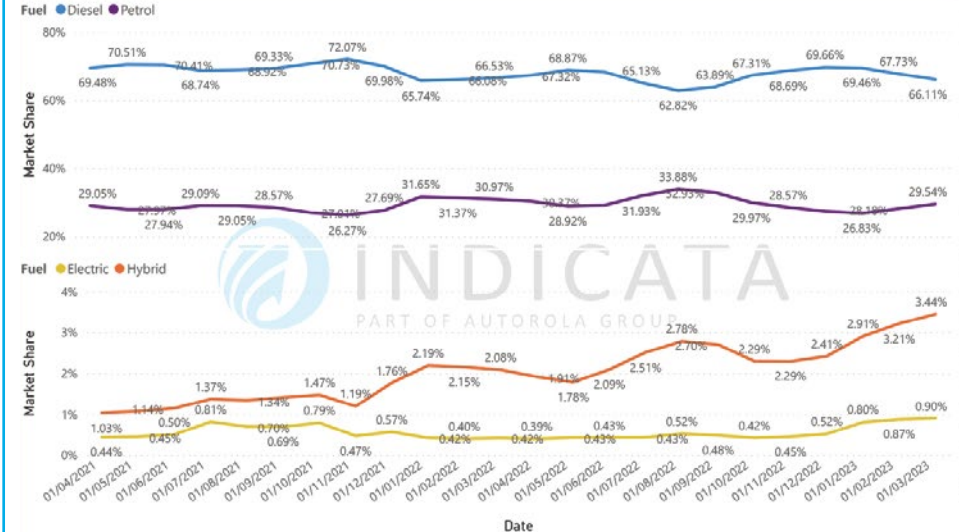
Fastest selling < 4-years-old by Market Days Supply

Make	Model	Stock turn	MDS
Honda	City	13x	28.8
Honda	CR-V	13x	29.7
Citroën	C3	12x	30.8

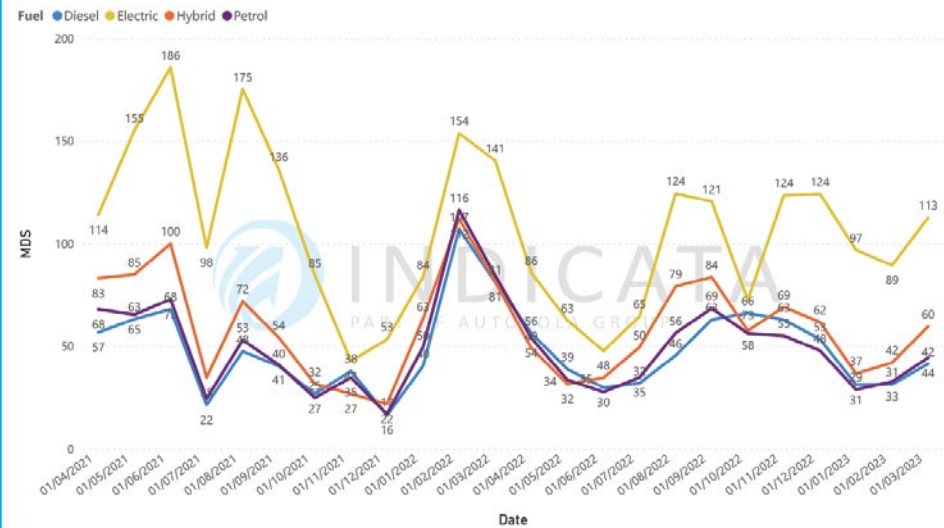
Sales Market Share by Month and Fuel Type



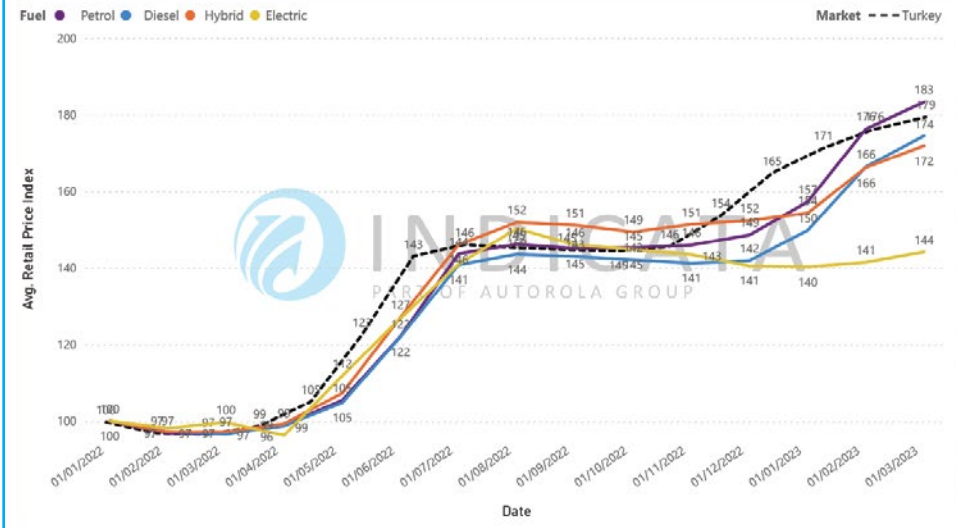
Stock Market Share by Month and Fuel Type



MDS by Fuel Type



Retail Price (weighted avg.) Index 100 = Jan



Online B2C used BEVs stock crisis looming

Online B2C used BEV stock levels continue to soar and now represent 5.33% of online B2C used stock going into March compared to just 1.44% at the beginning of August 2022. This is a 370% increase over that period with eight consecutive months of increasing market share.

To shift stock manufacturers, dealers and traders have been forced to sharply adjust used BEV pricing. Going into March the average online B2C used BEV price was 20.2 percentage points lower than just six months earlier. But our online B2C used car retail price index shows average prices for all powertrains fell by just 0.1 p.p. over the same period. The index 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. This means the 0.1pp fall is far less than the circa 1.0pp - 1.5pp fall one might expect to see over a 6-month period.

Since our last average used car price reindex in January 2022, average online used BEV prices are down to 79.7 points a 20.3% fall up to the start of March 2023 compared to just a 6.4% fall over the same period for all powertrains. However, there is some good news with prices going into March 0.9pp higher than at the start of February."

Despite the freely available stock and much lower prices, sales of BEVs still only managed to take 2.4% of the market in February. This may be the highest market share used BEVs have achieved, beating the previous 1.84% record set in March 2022, but to put it into context online B2C used hybrid sales had a 7.49% market share in March 2022 but took 10.24% of February 2023's market.

The price reductions are helping with Market Days' Supply for BEVs. Going into March there was enough stock to cover 87 selling days at the current sales rate compared to 166 days at the start of this year. This still leaves them as the slowest-selling powertrain and well behind the 44 days for the second slowest-selling hybrid cars.

Despite an 11.79% increase in the sales of cars less than 1-year-old year-on-year, indicating some manufacturer-backed tactical activity, the average online B2C market has seen a significant switch to older cars which accounted for 48.28% of sales in February 2023 compared to just 39.01% in March 2021.

Top selling < 4-years-old by volume

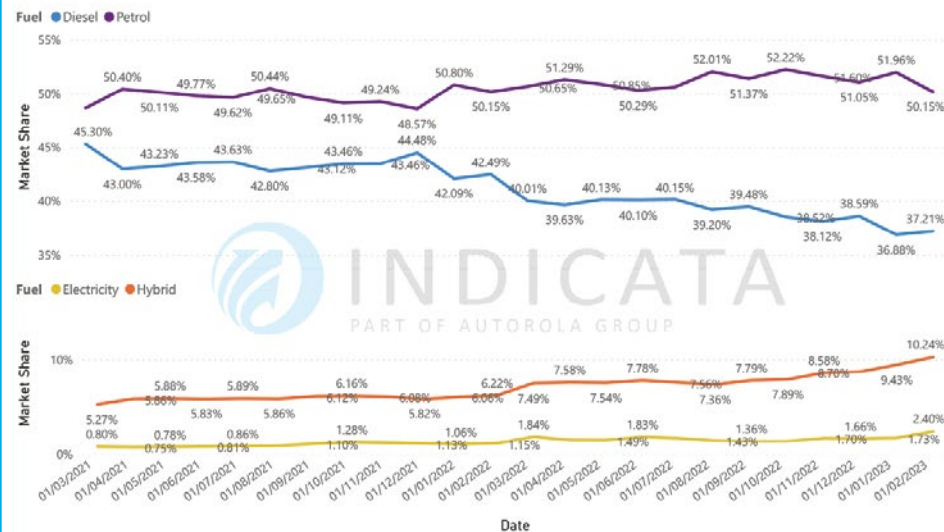
Make	Model	MDS
Ford	Fiesta	24.8
Volkswagen	Golf	39.0
Nissan	Qashqai	24.0

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

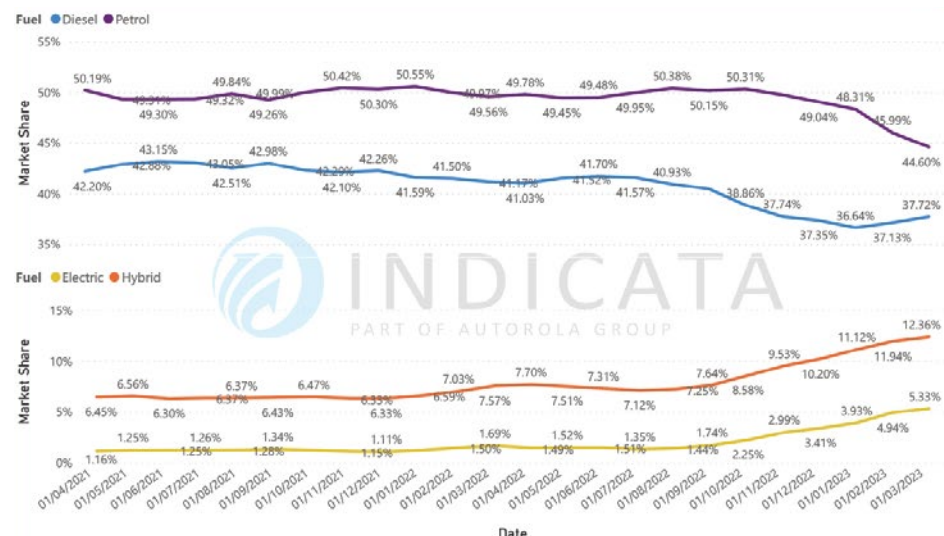
Make	Model	Stock turn	MDS
Mazda	CX-5	17x	20.7
BMW	X3	17x	20.7
Hyundai	Tucson	16x	22.5



Sales Market Share by Month and Fuel Type



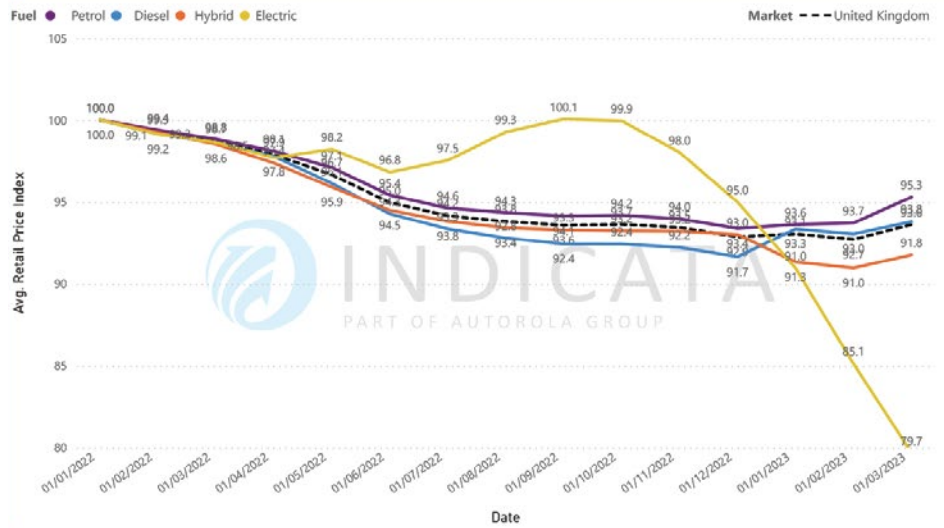
Stock Market Share by Month and Fuel Type



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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