

AUTOROLA

UK Market prognosis

The used market crash ended in Q1?

Can we breathe a collective sigh of relief....or not?

Andy Shields

Global Business Unit Director

Indicata

Who are we?

Autorola Group



>700 people worldwide



Founded in 1996. First online auction in 2001



c1 million vehicles sold online each year



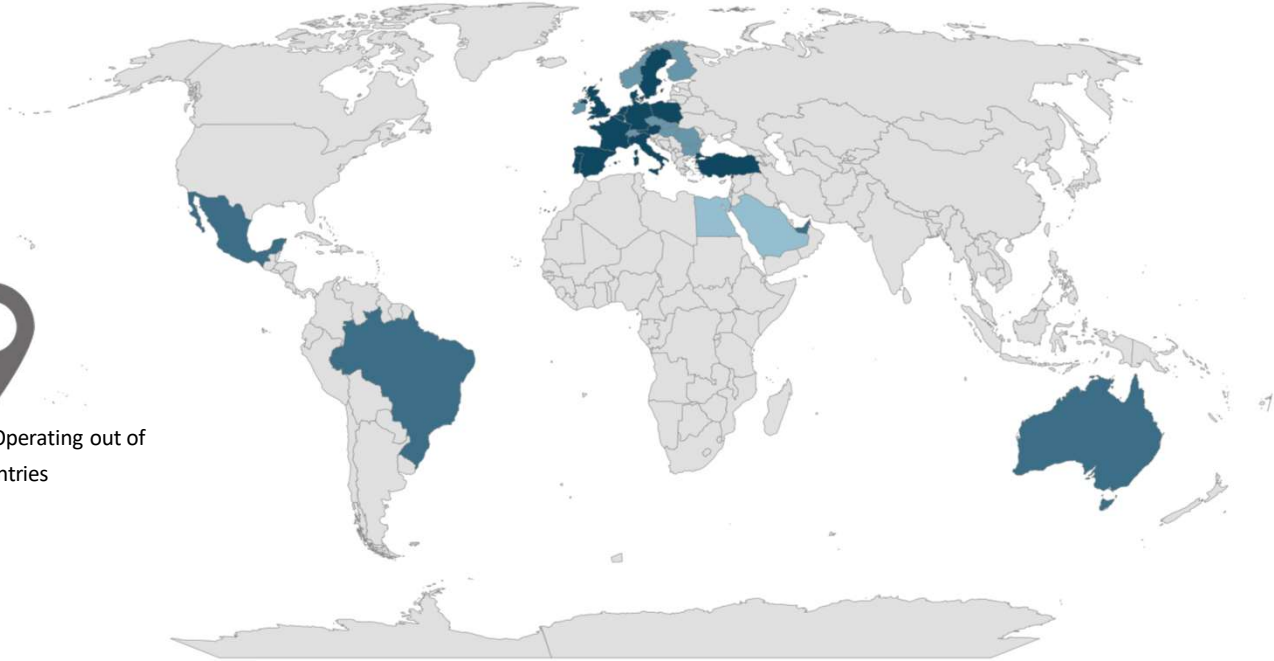
HQ in Denmark. Operating out of 17 countries



Over 6,000 users of Indicata data every day

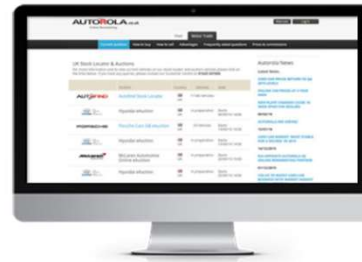


50,000 Customers in over 40 different countries



Our business units

AUTOROLA Group is divided into three global business units



MARKETPLACE

Wide range of online auctions for European & global vehicle vendors.



SOLUTIONS

Customized solutions to fleet owners.



INDICATA

The next generation of business intelligence & market insights software.



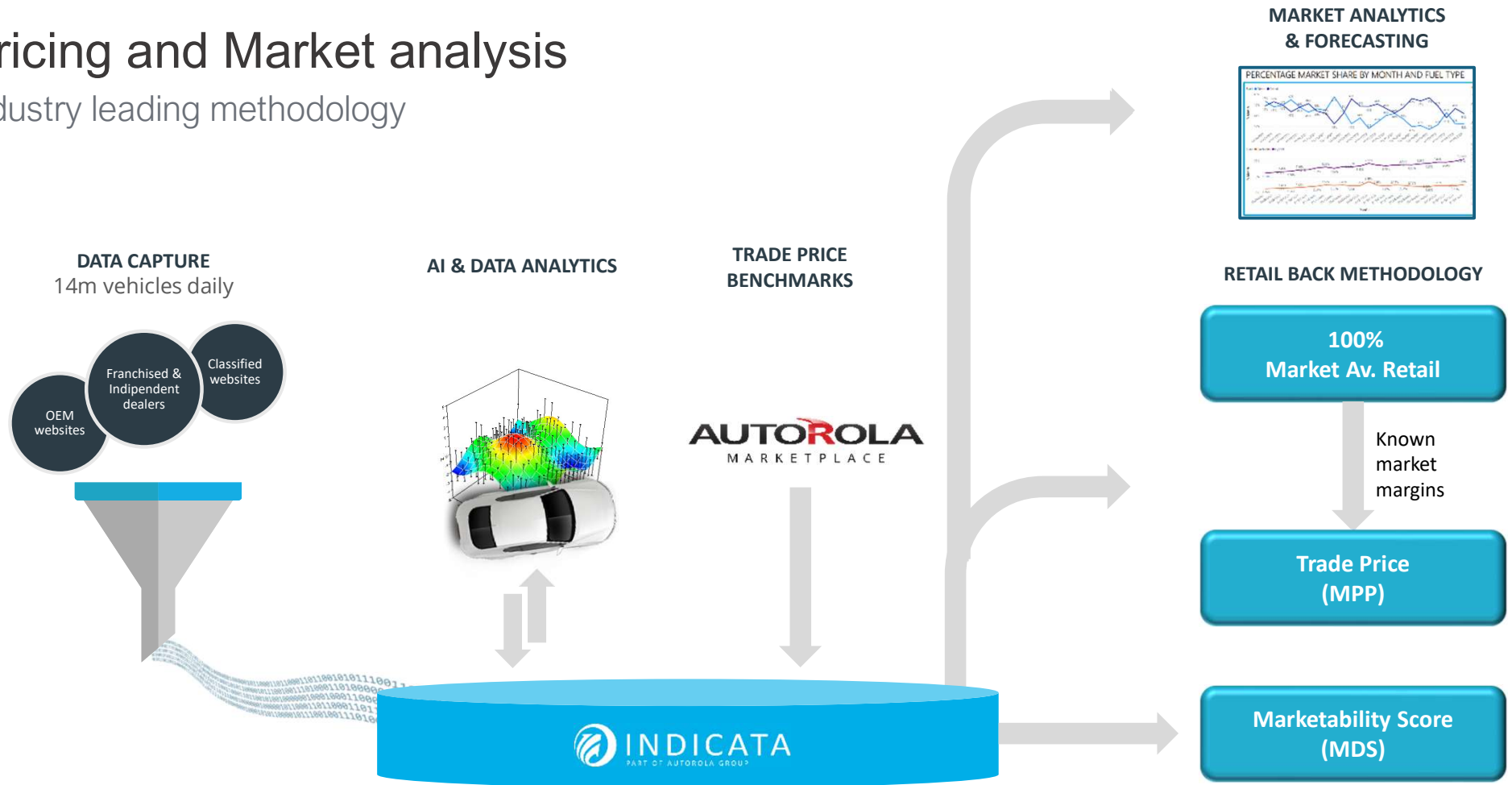
Our customer base

Partners at each layer of the industry



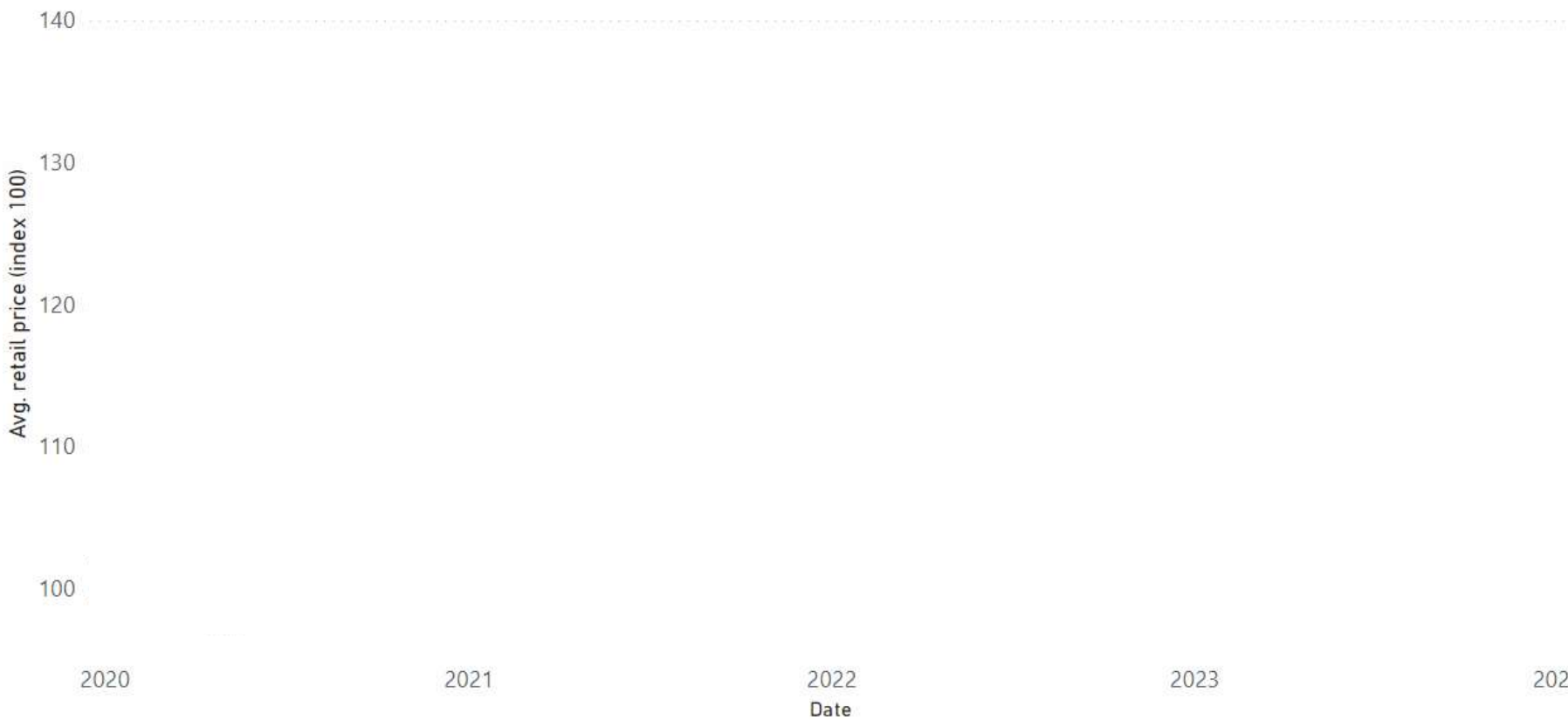
Pricing and Market analysis

Industry leading methodology



Retail price (weighted avg.) (index 100 = 01JAN)

country ● AT ● BE ● DE ● DK ● FR



Latest data update
01/01/2024

Country
Multiple selections

Make
All

Model
All

Fuel
Petrol

Segment
All

Retail price (weighted avg.) (index 100 = 01JAN)

country ● AT ● BE ● DE ● DK ● FR



Country

Multiple selections

Make

All

Model

All

Fuel

Petrol

Segment

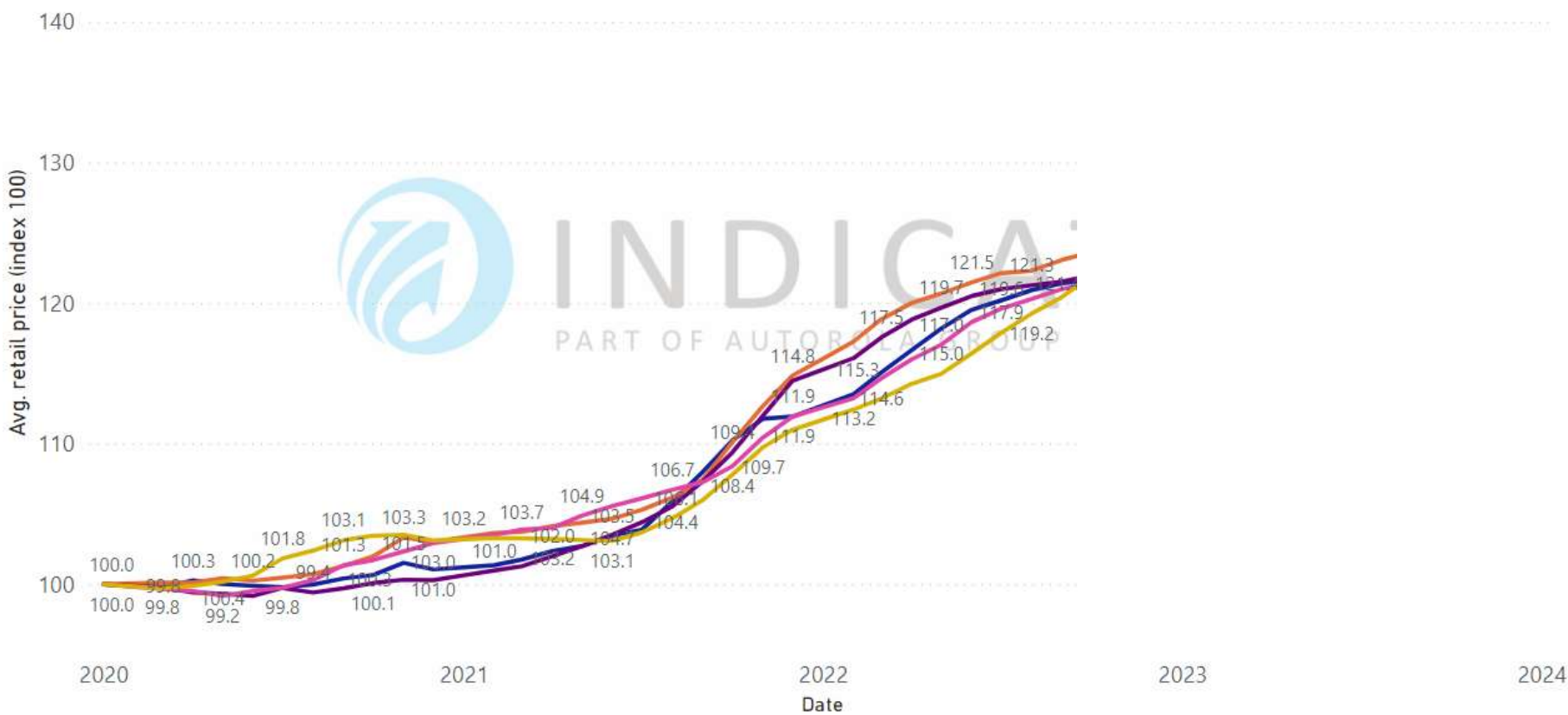
All

Latest data update

01/01/2024

Retail price (weighted avg.) (index 100 = 01JAN)

country ● AT ● BE ● DE ● DK ● FR



Latest data update
01/01/2024

Country

Multiple selections

Make

All

Model

All

Fuel

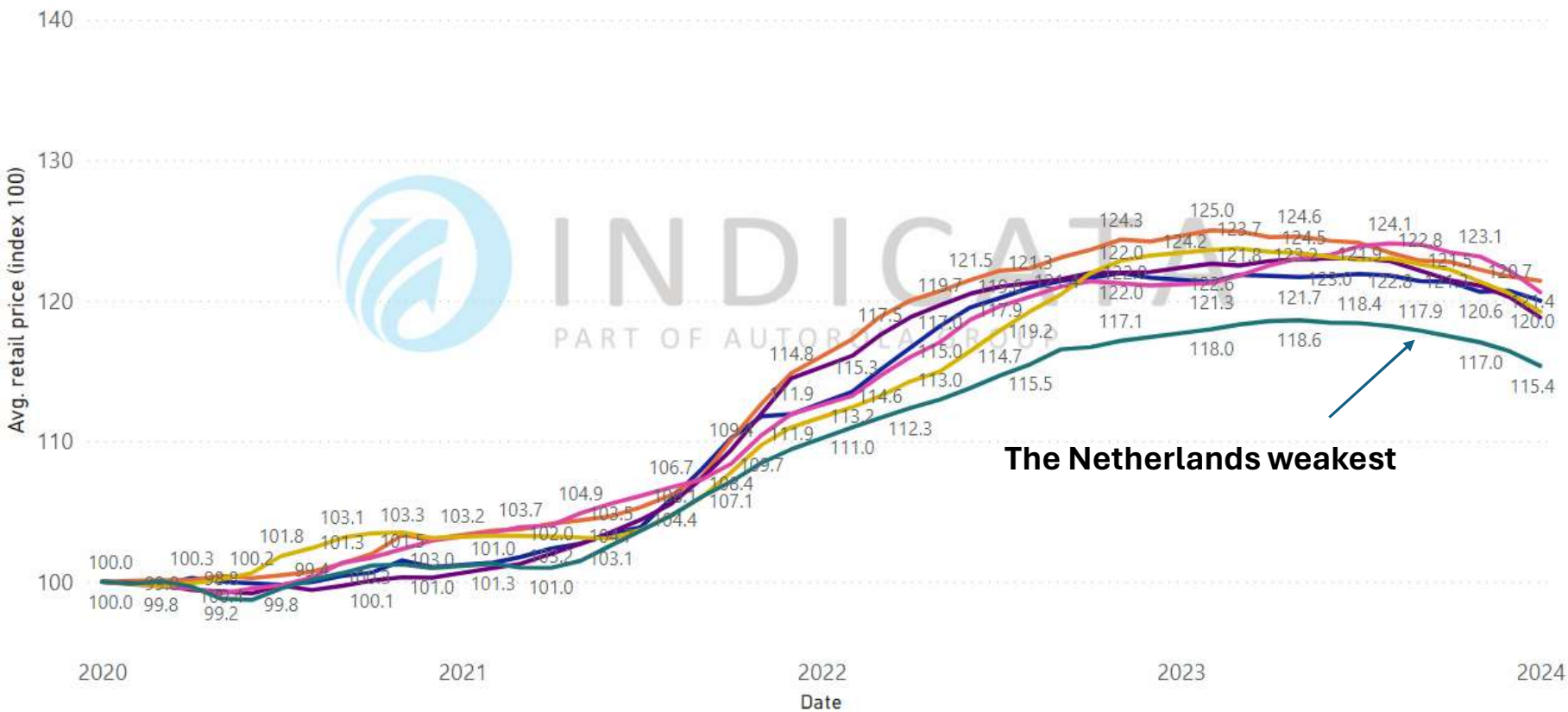
Petrol

Segment

All

Retail price (weighted avg.) (index 100 = 01JAN)

country ● AT ● BE ● DE ● DK ● FR ● NL



The Netherlands weakest

Latest data update
01/01/2024

Country
Multiple selections

Make
All

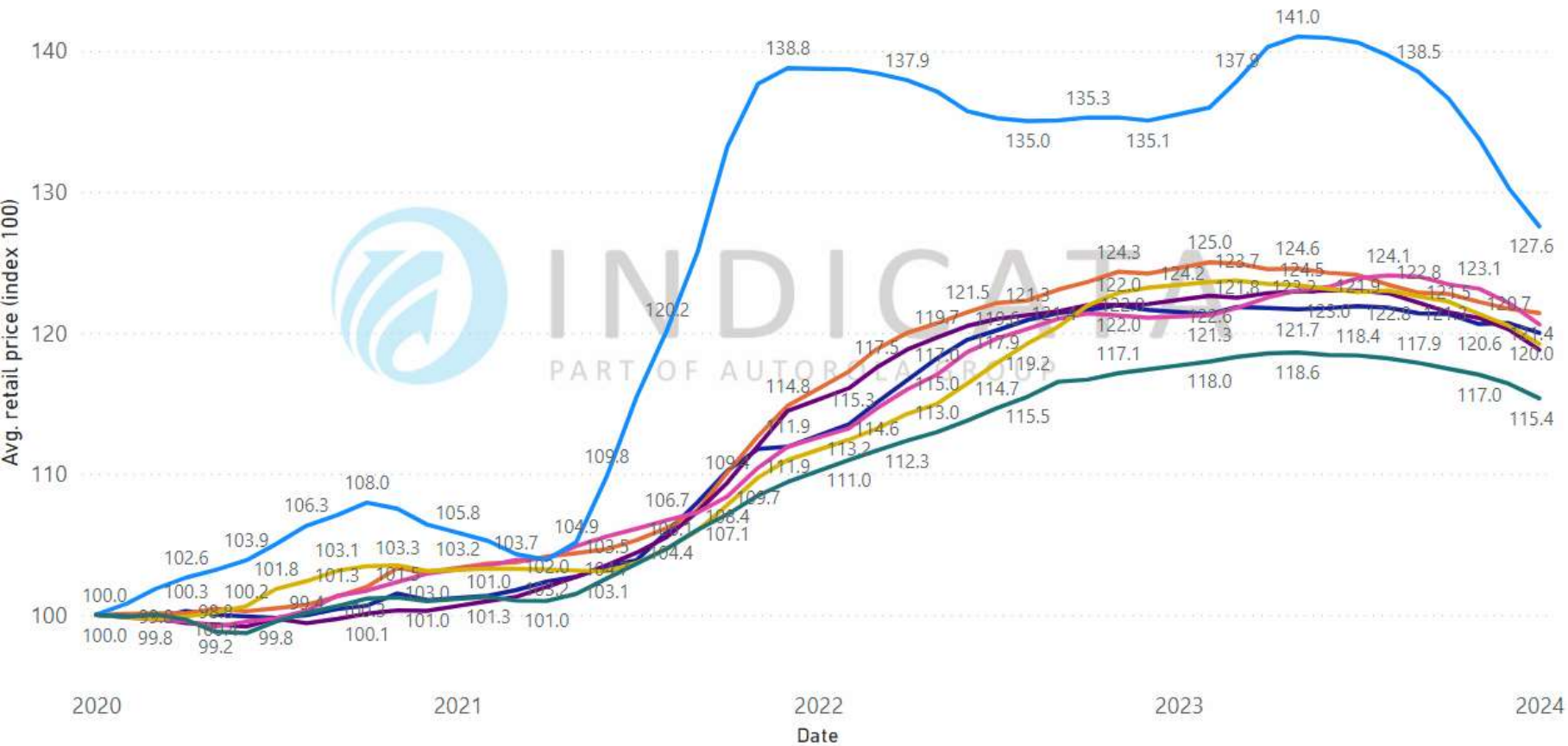
Model
All

Fuel
Petrol

Segment
All

Retail price (weighted avg.) (index 100 = 01JAN)

country ● AT ● BE ● DE ● DK ● FR ● GB ● NL



Latest data update
01/01/2024

Country
Multiple selections

Make
All

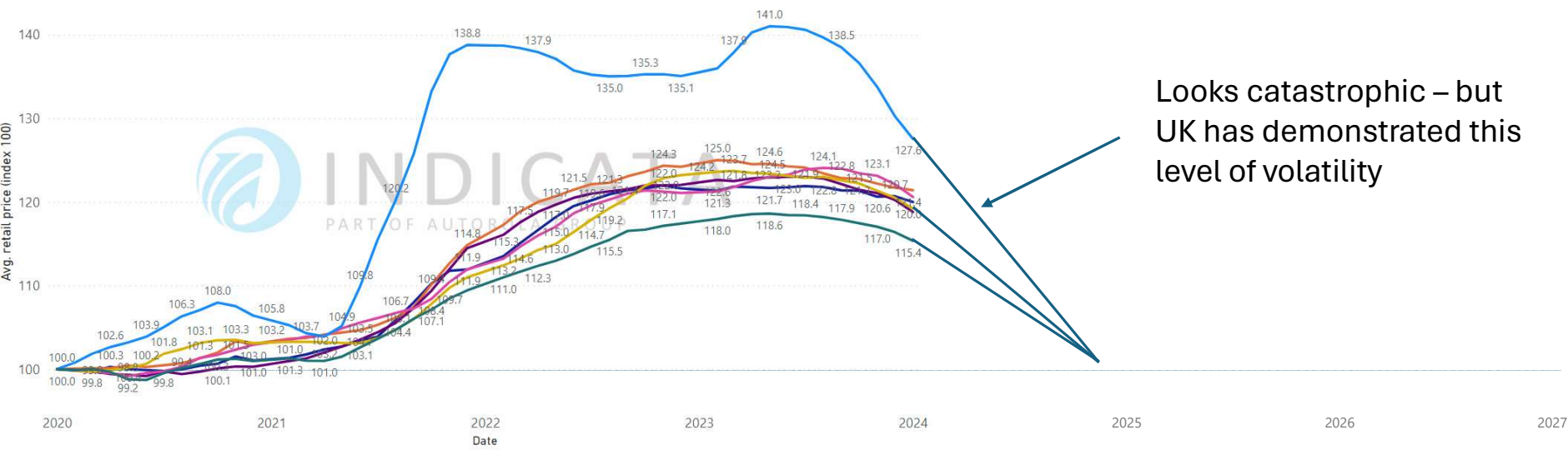
Model
All

Fuel
Petrol

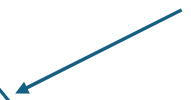
Segment
All

Retail price (weighted avg.) (index 100 = 01JAN)

country ● AT ● BE ● DE ● DK ● FR ● GB ● NL



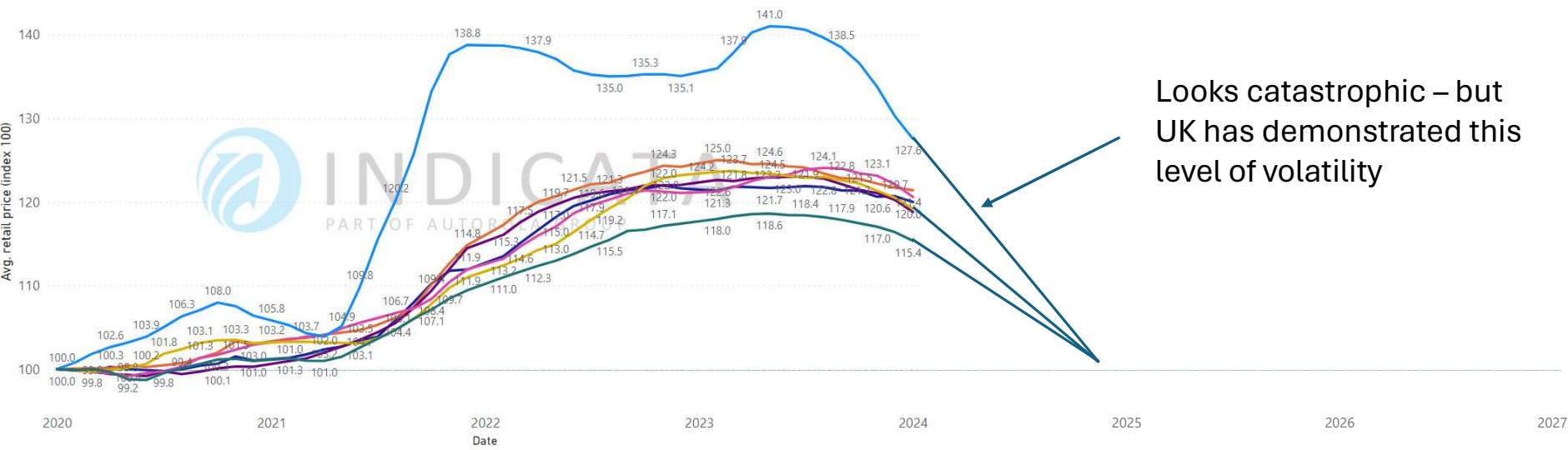
Looks catastrophic – but UK has demonstrated this level of volatility



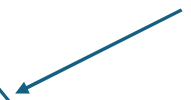
Latest data update
01/01/2024

Retail price (weighted avg.) (index 100 = 01JAN)

country ● AT ● BE ● DE ● DK ● FR ● GB ● NL



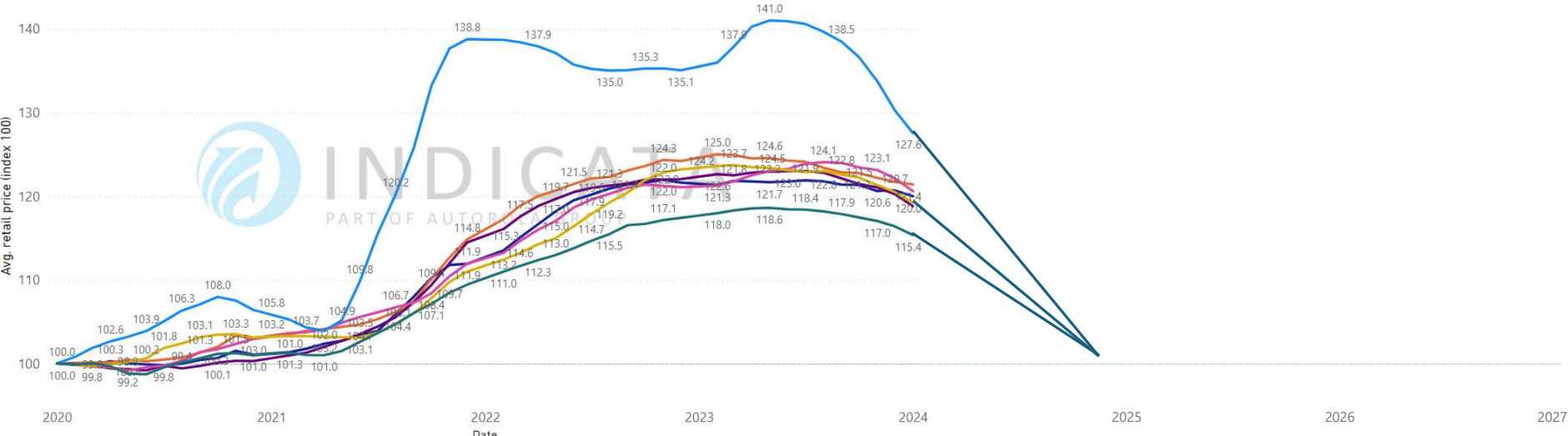
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Latest data update
01/01/2024

Retail price (weighted avg.) (index 100 = 01JAN)

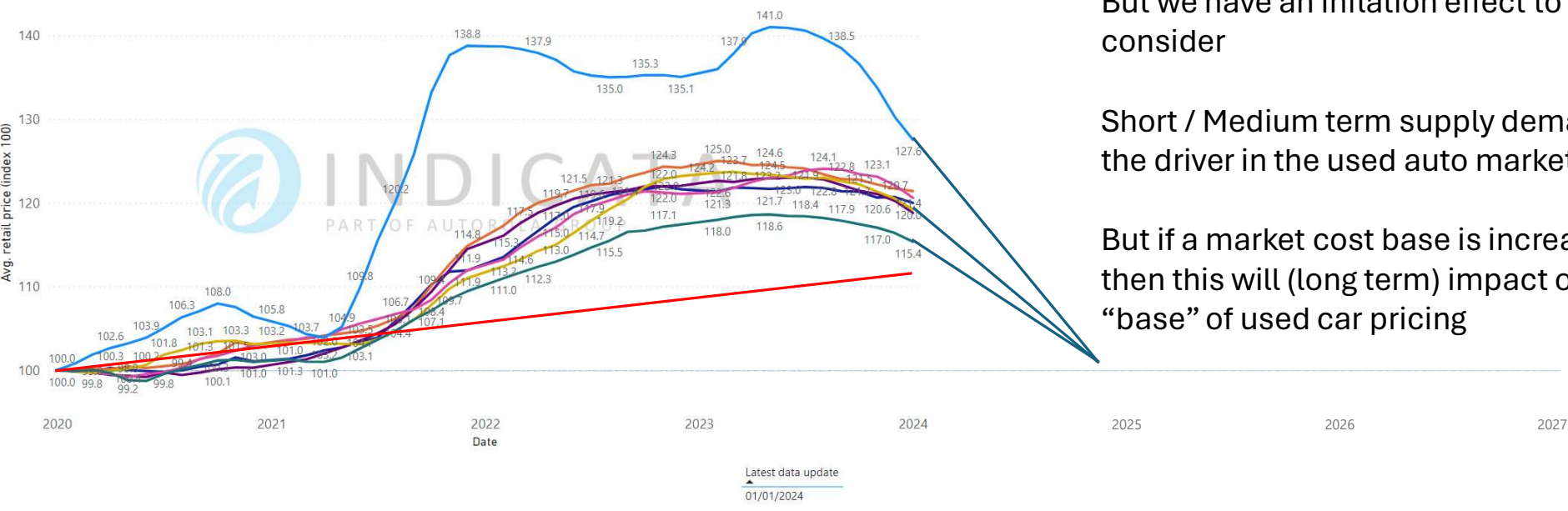
country ● AT ● BE ● DE ● DK ● FR ● GB ● NL



Latest data update
01/01/2024

Retail price (weighted avg.) (index 100 = 01JAN)

country ● AT ● BE ● DE ● DK ● FR ● GB ● NL



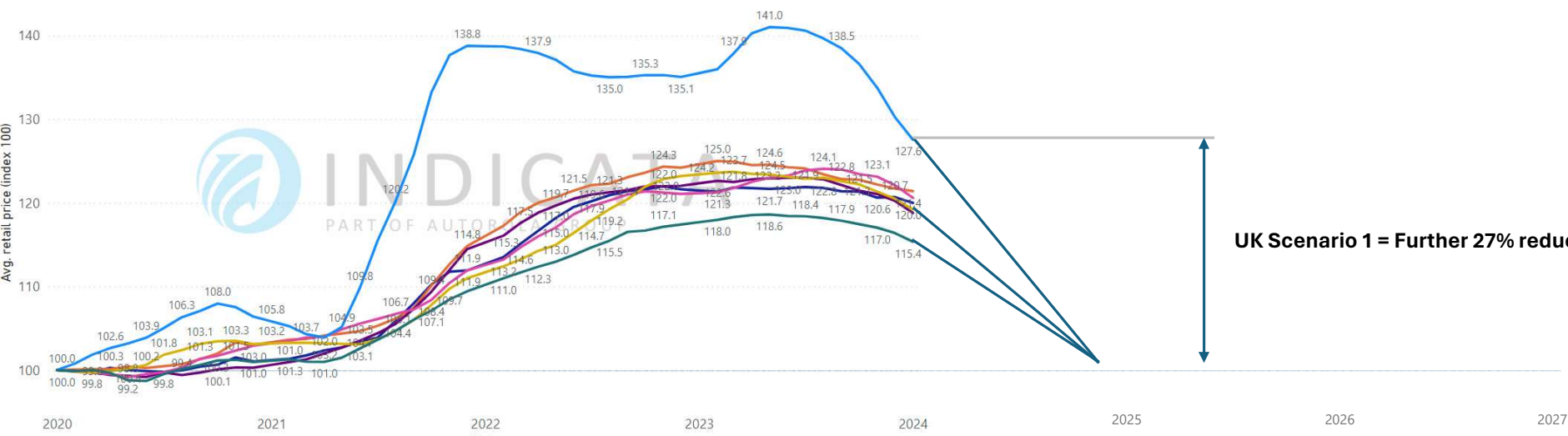
But we have an inflation effect to consider

Short / Medium term supply demand is the driver in the used auto market.

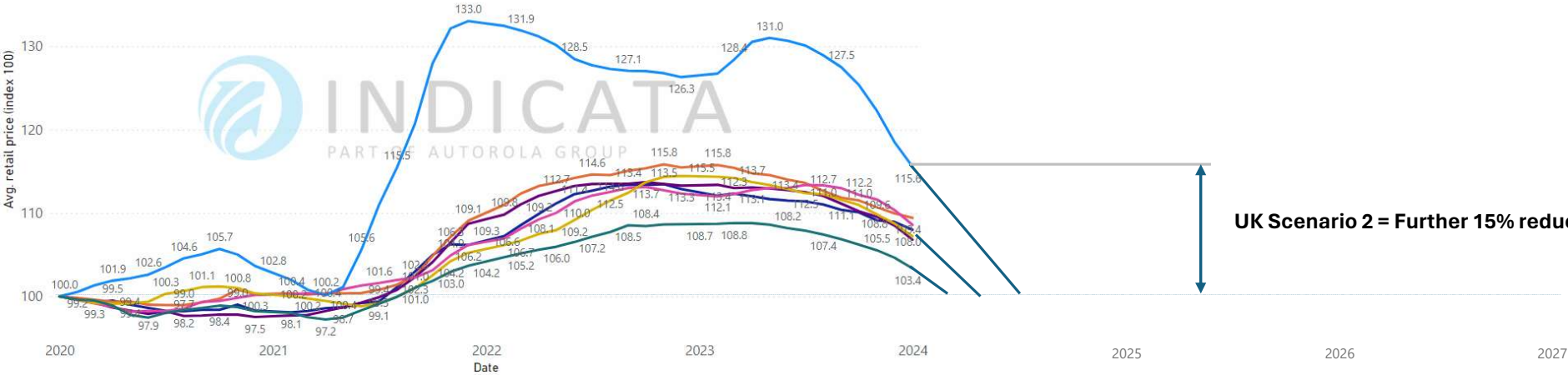
But if a market cost base is increased, then this will (long term) impact on the “base” of used car pricing

Retail price (weighted avg.) (index 100 = 01JAN)

country ● AT ● BE ● DE ● DK ● FR ● GB ● NL



UK Scenario 1 = Further 27% reduction

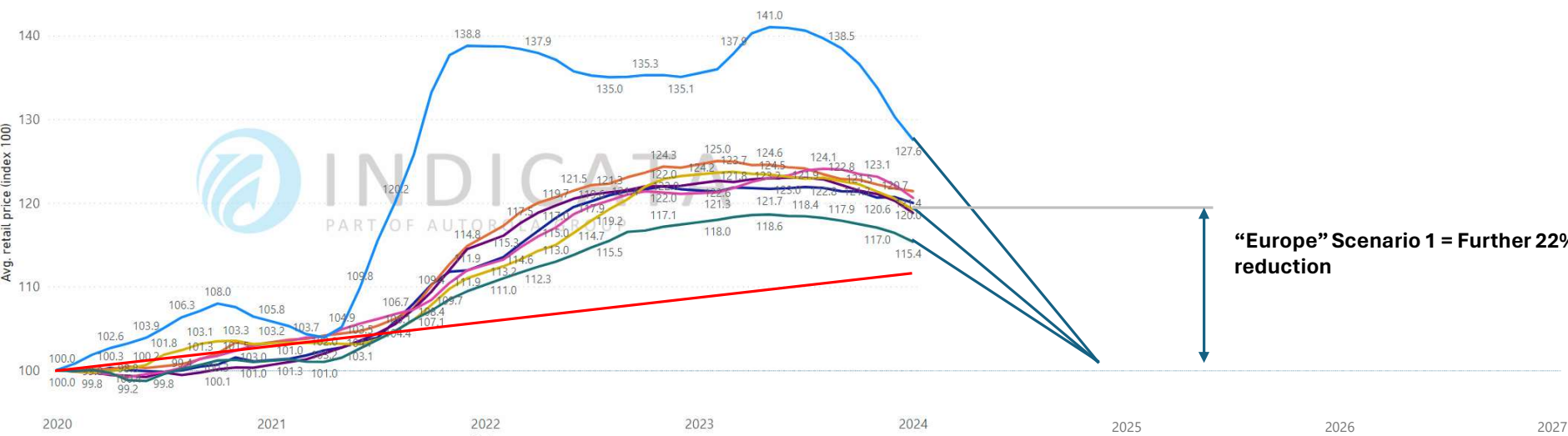


UK Scenario 2 = Further 15% reduction

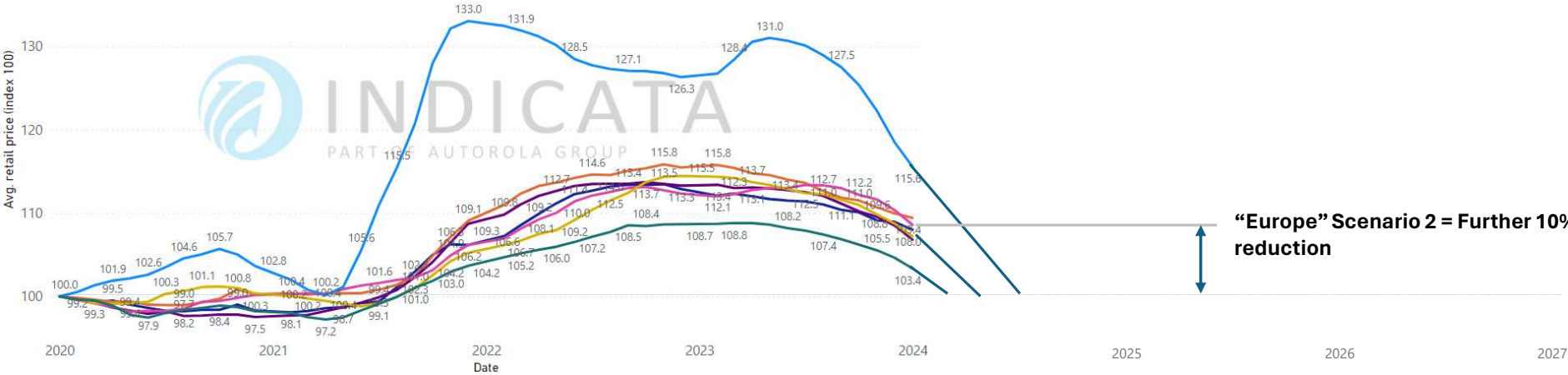
Latest data update
01/01/2024

Retail price (weighted avg.) (index 100 = 01JAN)

country ● AT ● BE ● DE ● DK ● FR ● GB ● NL



“Europe” Scenario 1 = Further 22% reduction



“Europe” Scenario 2 = Further 10% reduction

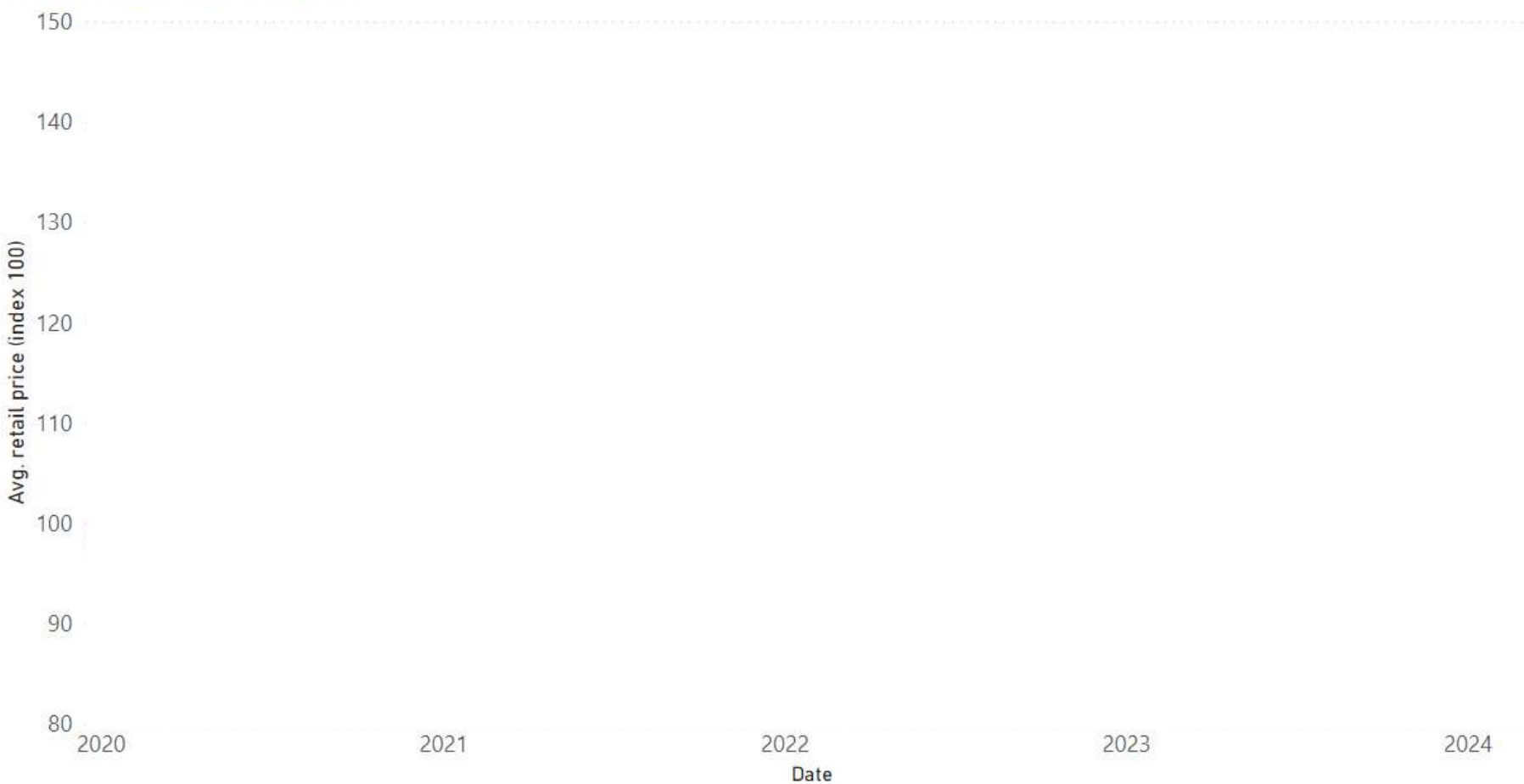
Latest data update
01/01/2024

Great theory – but.....

What about other fuel types....and what happening in Q1

Retail price (weighted avg.) (index 100 = 01JAN)

Fuel ● Diesel ● Electric ● Hybrid ● Petrol



Country

United Kingdom

Make

All

Model

All

Fuel

All

Segment

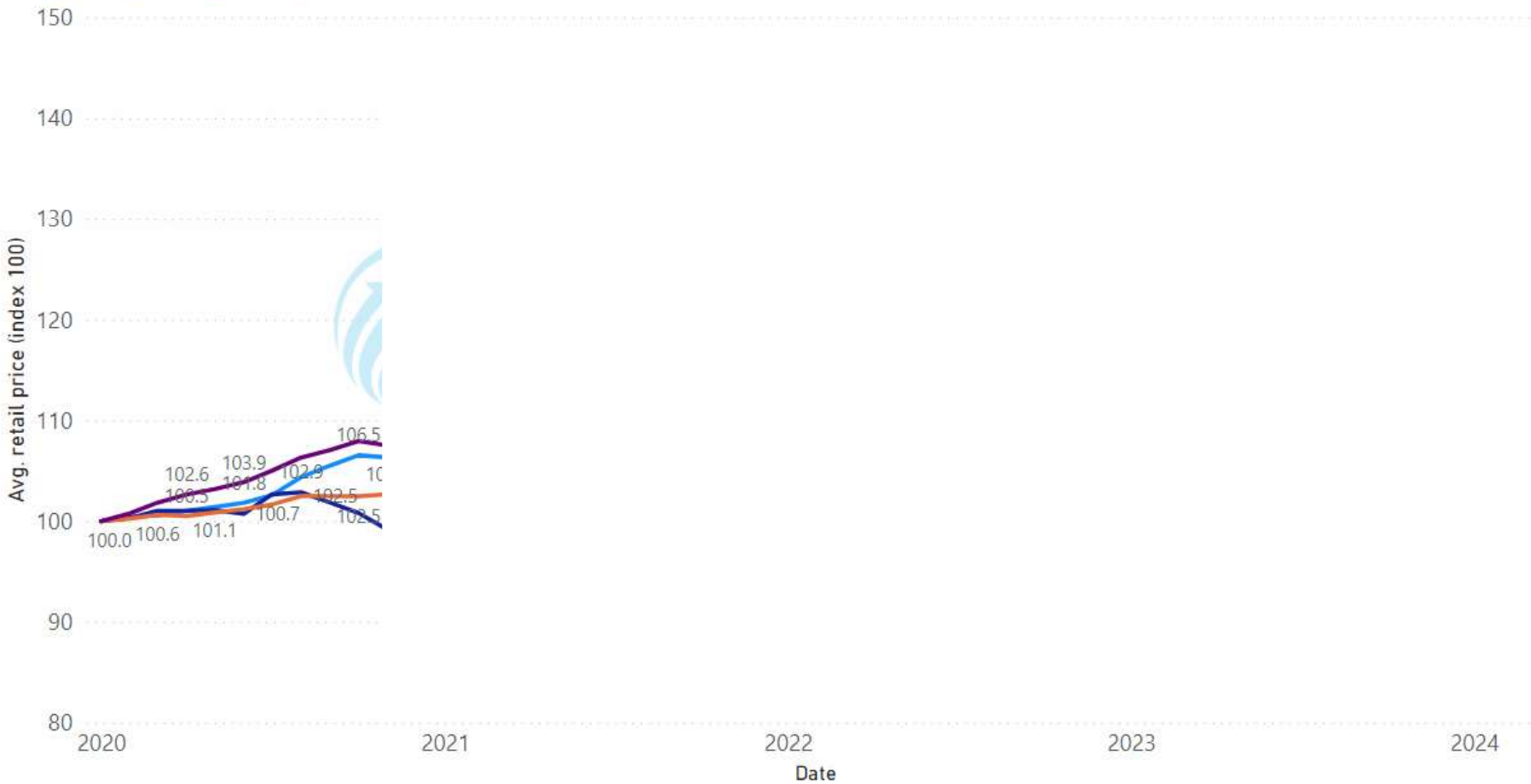
All

Latest data update

01/03/2024

Retail price (weighted avg.) (index 100 = 01JAN)

Fuel ● Diesel ● Electric ● Hybrid ● Petrol



Country

United Kingdom

Make

All

Model

All

Fuel

All

Segment

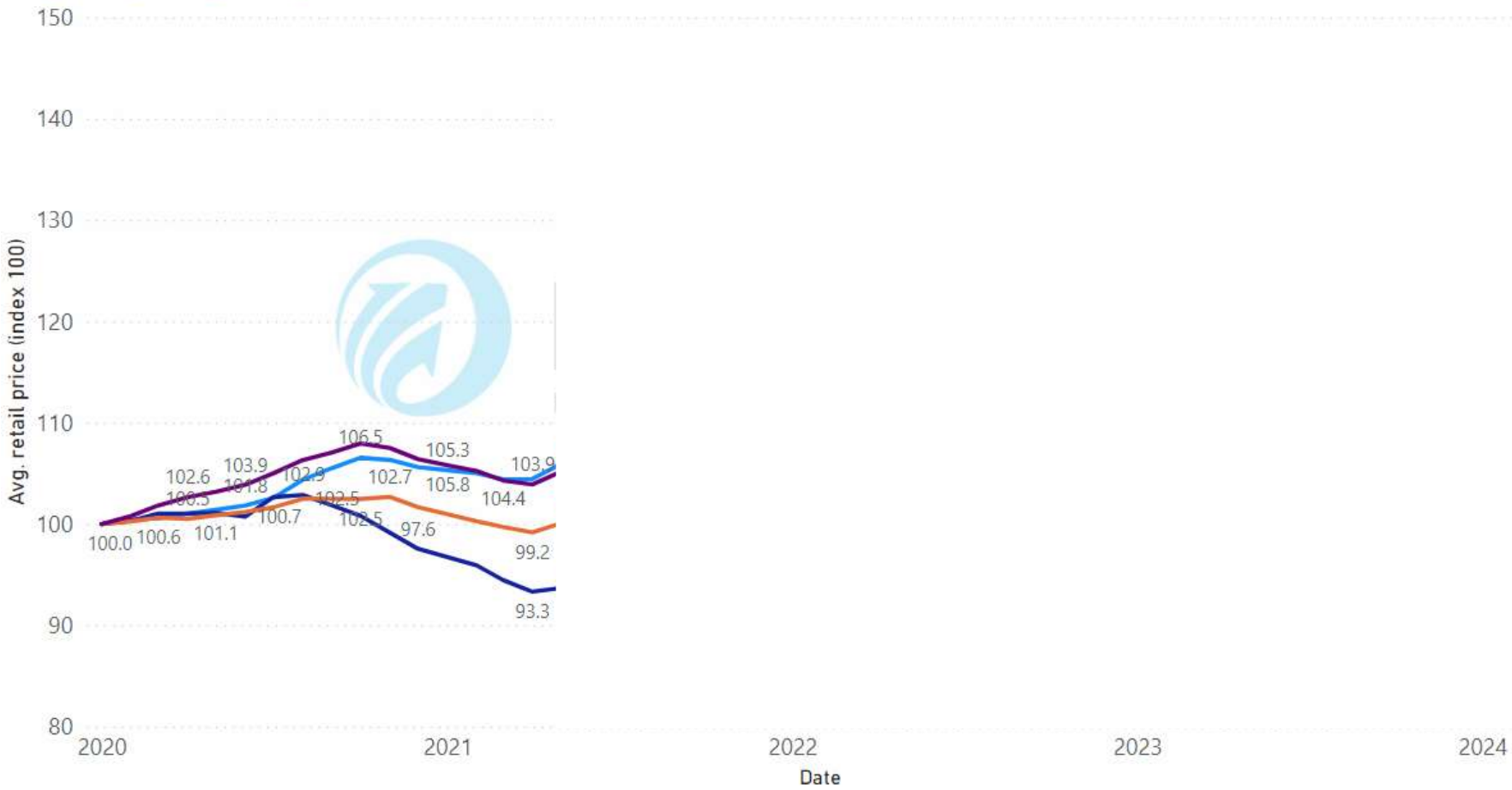
All

Latest data update

01/03/2024

Retail price (weighted avg.) (index 100 = 01JAN)

Fuel ● Diesel ● Electric ● Hybrid ● Petrol



Country

United Kingdom

Make

All

Model

All

Fuel

All

Segment

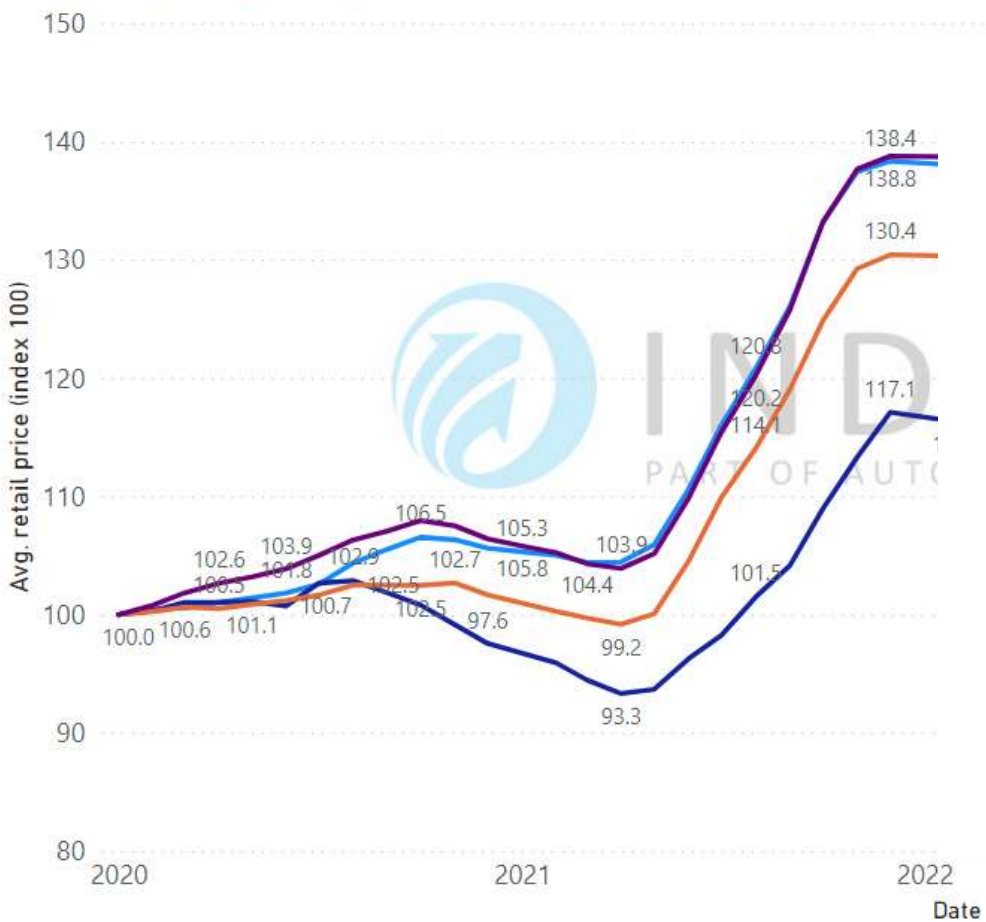
All

Latest data update

01/03/2024

Retail price (weighted avg.) (index 100 = 01JAN)

Fuel ● Diesel ● Electric ● Hybrid ● Petrol



Country

United Kingdom

Make

All

Model

All

Fuel

All

Segment

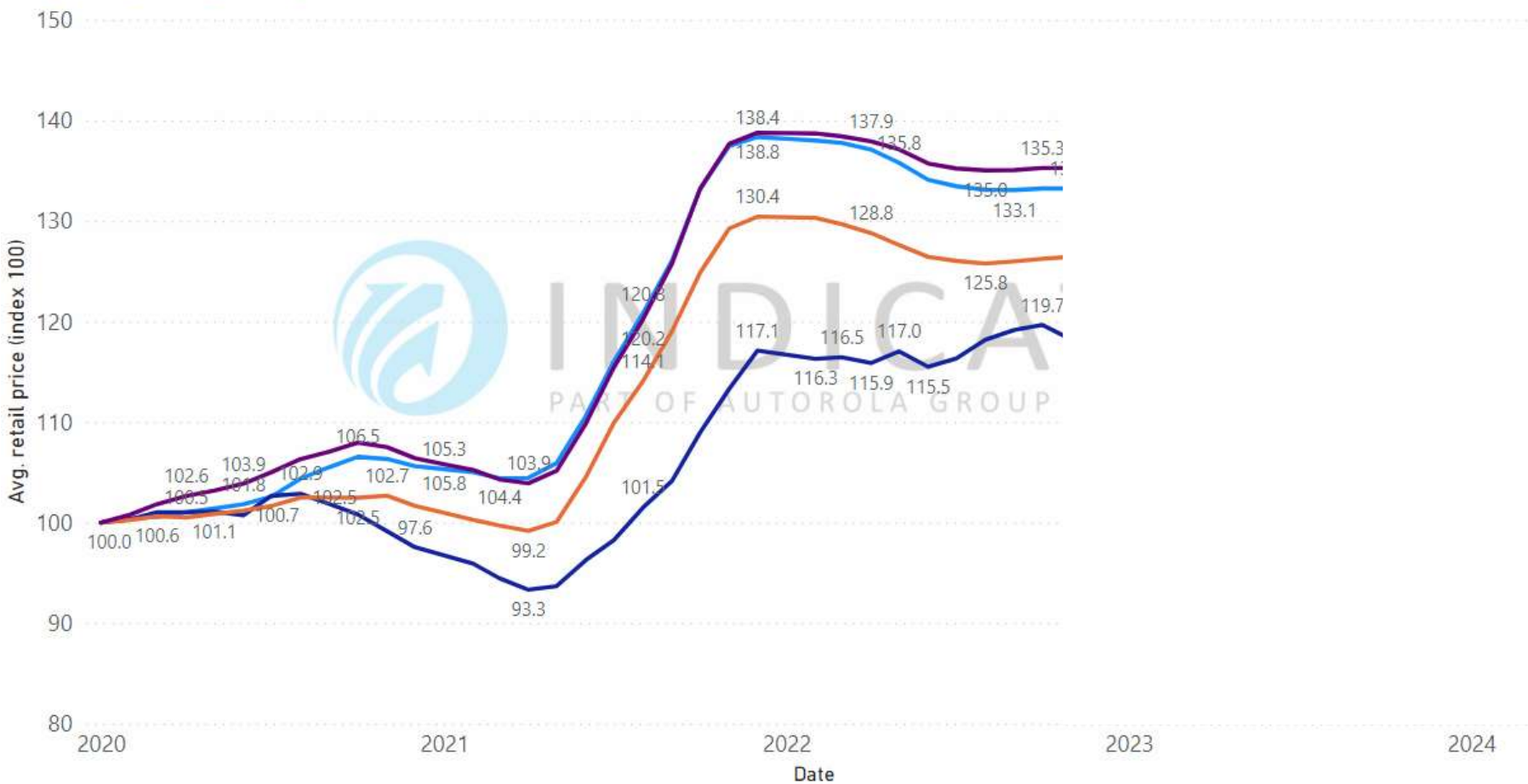
All

Latest data update

01/03/2024

Retail price (weighted avg.) (index 100 = 01JAN)

Fuel ● Diesel ● Electric ● Hybrid ● Petrol



Country

United Kingdom

Make

All

Model

All

Fuel

All

Segment

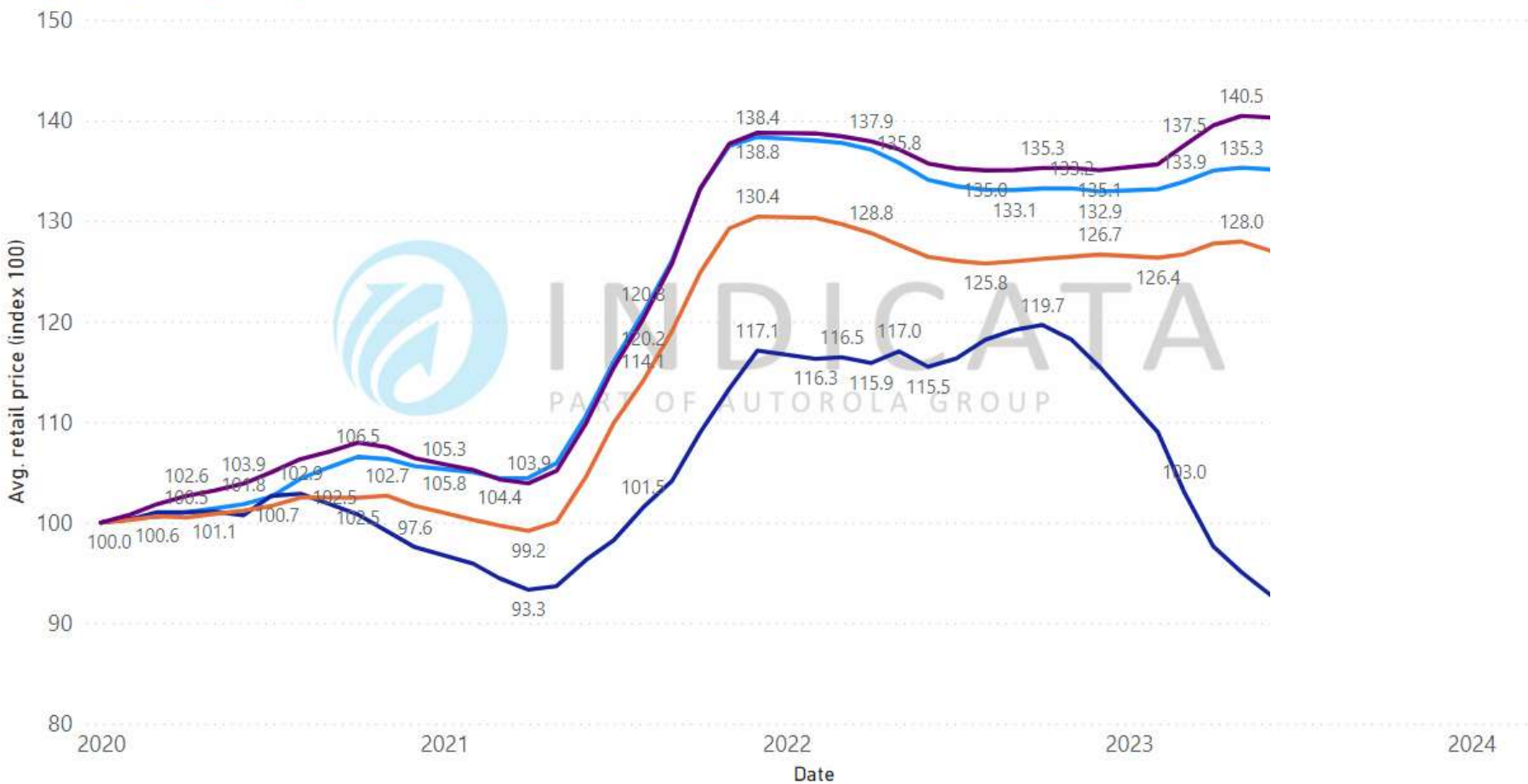
All

Latest data update

01/03/2024

Retail price (weighted avg.) (index 100 = 01JAN)

Fuel ● Diesel ● Electric ● Hybrid ● Petrol



Latest data update
01/03/2024

Country

United Kingdom

Make

All

Model

All

Fuel

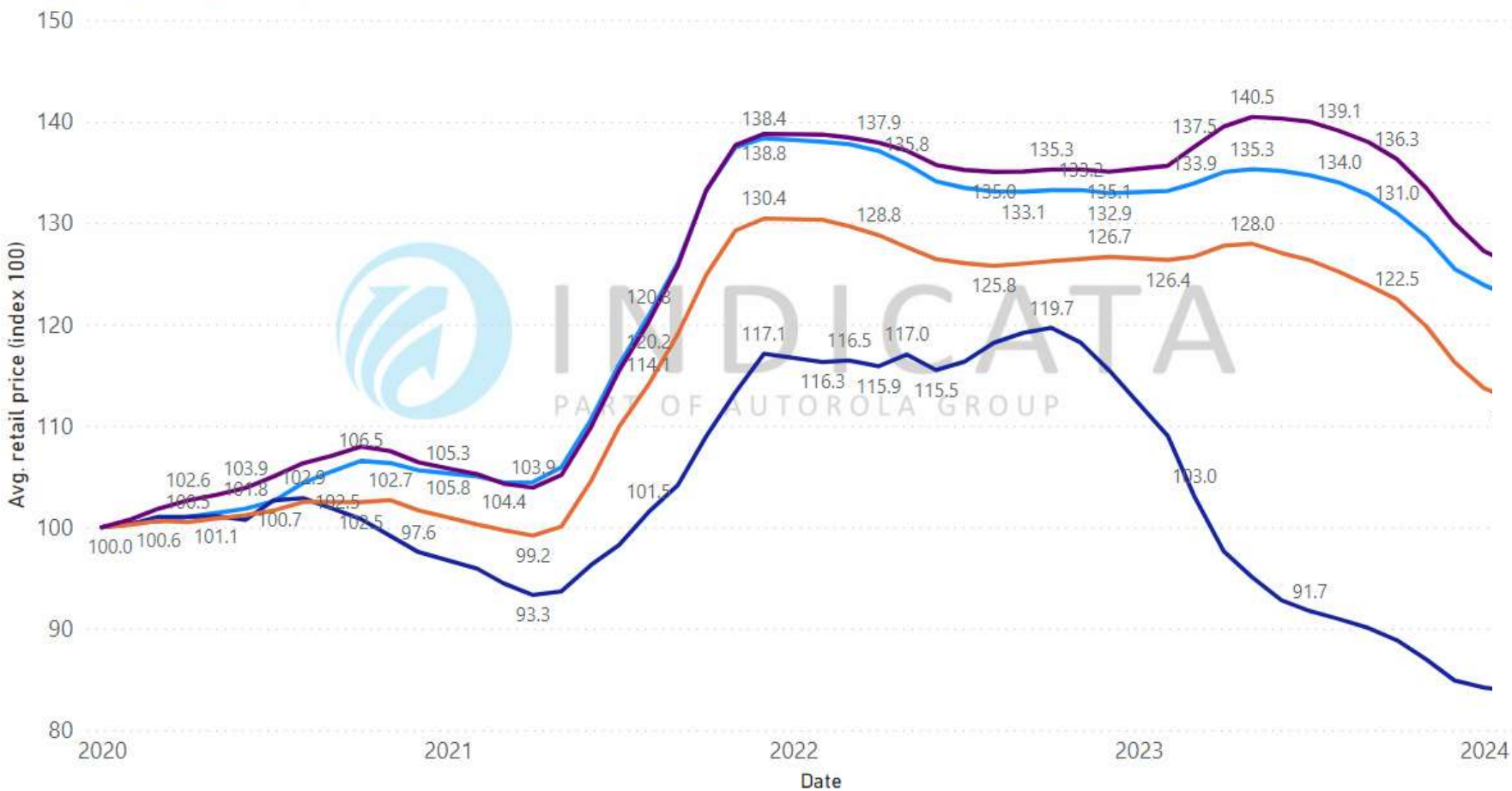
All

Segment

All

Retail price (weighted avg.) (index 100 = 01JAN)

Fuel ● Diesel ● Electric ● Hybrid ● Petrol



Latest data update
01/03/2024

Country

United Kingdom

Make

All

Model

All

Fuel

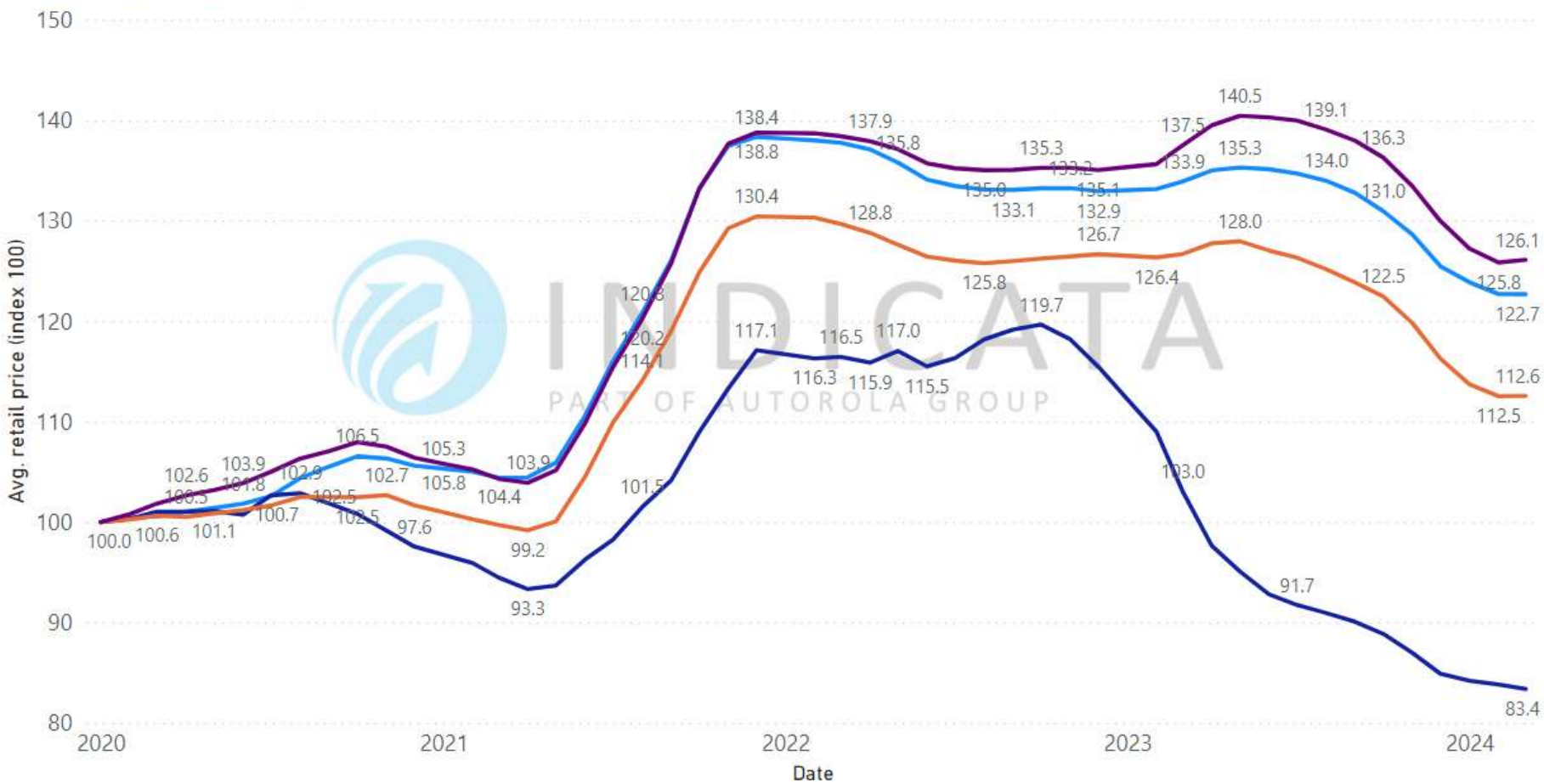
All

Segment

All

Retail price (weighted avg.) (index 100 = 01JAN)

Fuel ● Diesel ● Electric ● Hybrid ● Petrol



Latest data update
01/03/2024

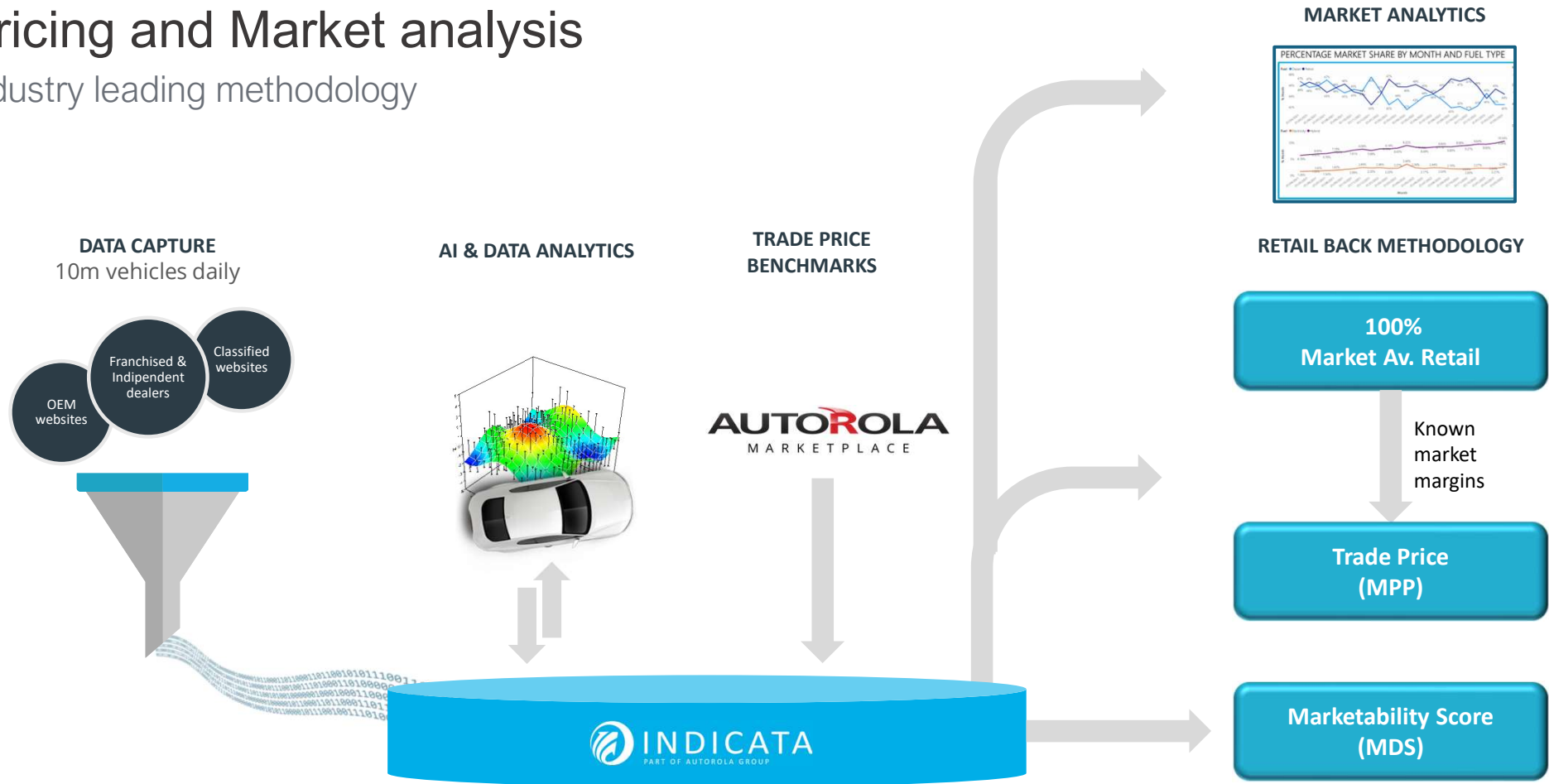
- Country: United Kingdom
- Make: All
- Model: All
- Fuel: All
- Segment: All

But to understand the market properly we need to understand 2 things:

- Supply vs Demand (or Market Days' Supply)
- Normal UK Seasonality

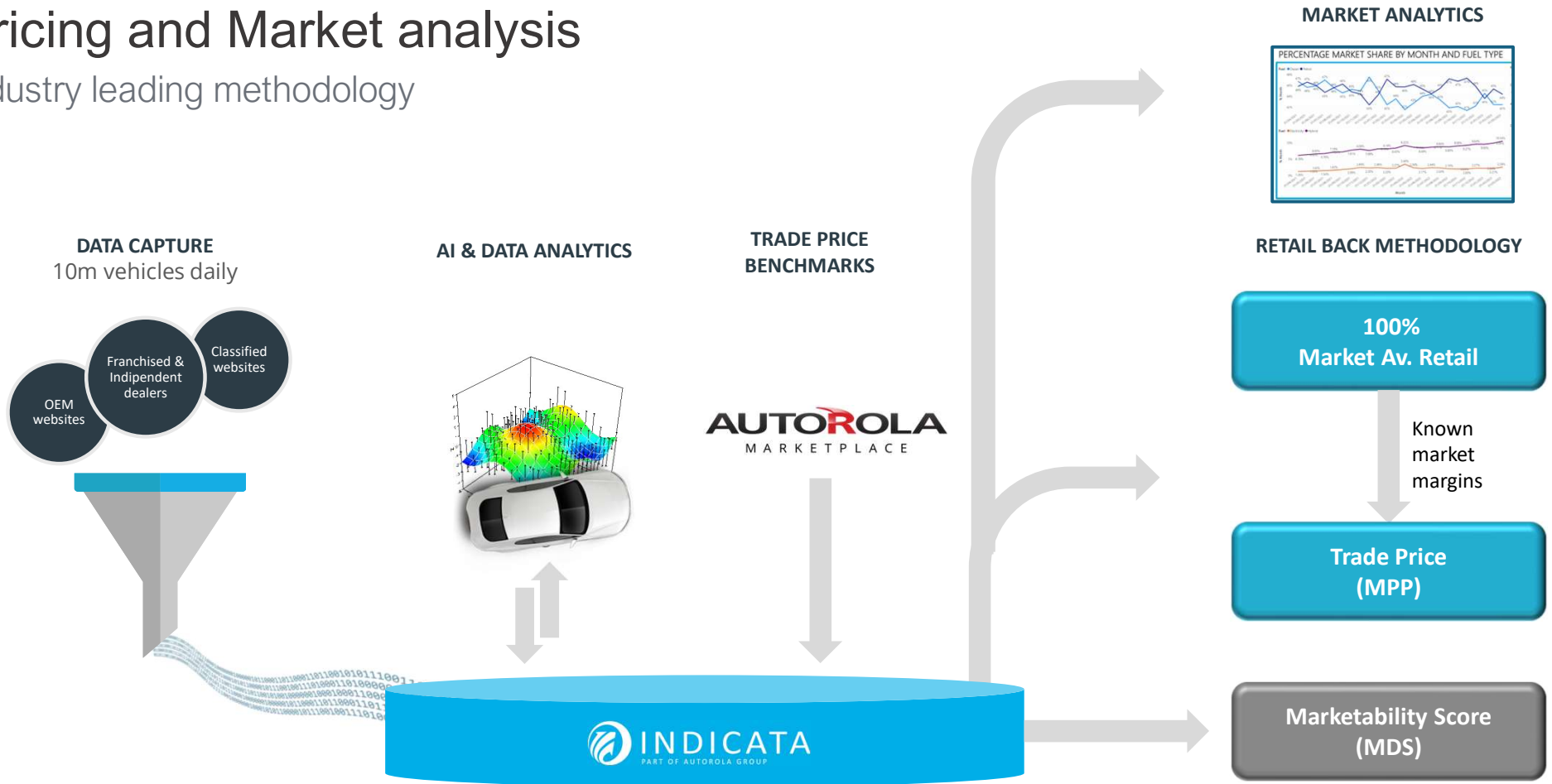
Pricing and Market analysis

Industry leading methodology



Pricing and Market analysis

Industry leading methodology



What is Market Days' Supply?

Measuring a vehicle propensity to sell (for a better price)



How many cars in the market (8)

VS.



How many sold in last 45 days (8)

=



What is Market Days' Supply?

Measuring a vehicle propensity to sell (for a better price)



How many cars in the market (8)

VS.



How many sold in last 45 days (4)

=



What is Market Days' Supply?

Measuring a vehicle propensity to sell (for a better price)



How many cars in the market (8)

VS.



How many sold in last 45 days (2)

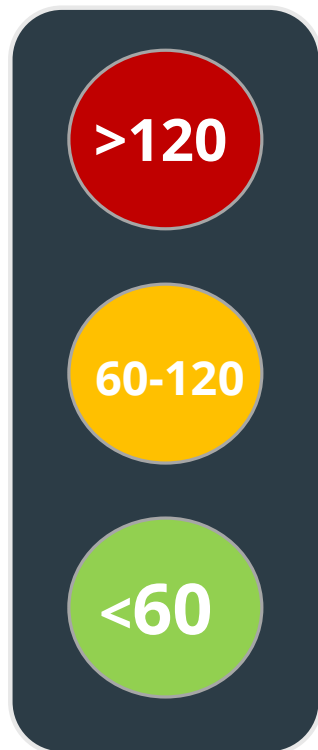
=

180
MDS



Market Days' Supply

Measuring a vehicle propensity to sell (for a better price)



SLOW MOVING STOCK

Market saturated
Price achievement could be difficult

AVERAGE STOCK

Market can absorb some stock – but should not be over-forced

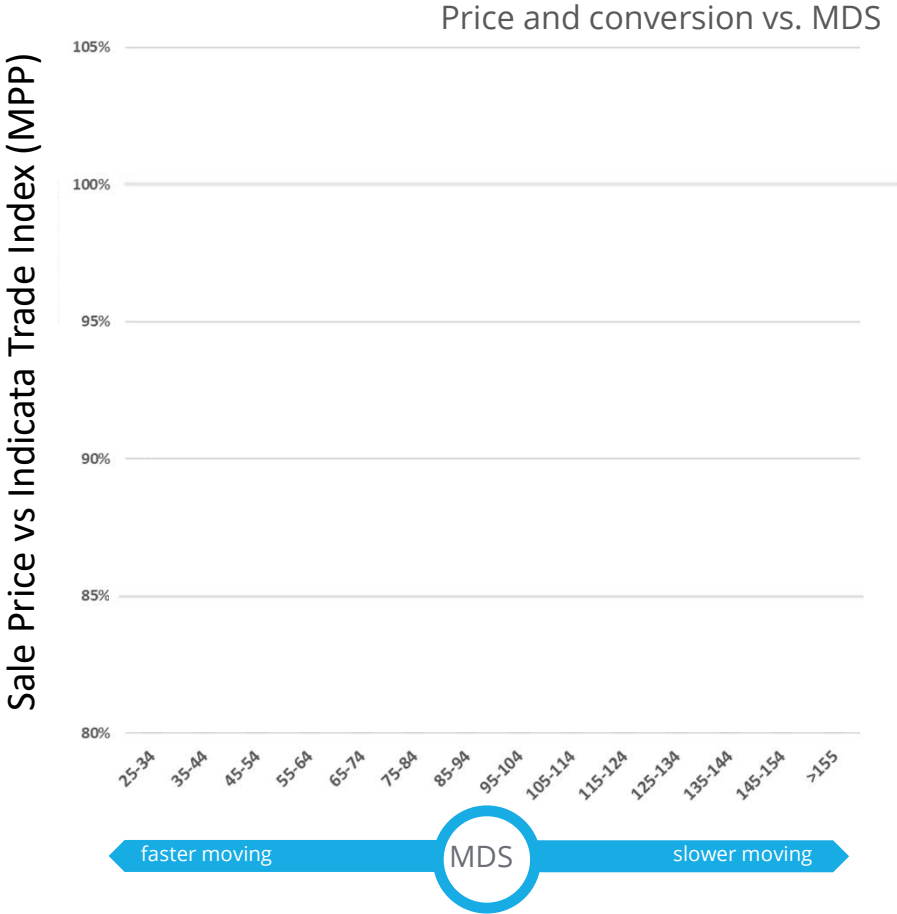
FAST MOVING STOCK

Market can absorb stock
Average Market Price could be exceeded

MDS – Effect in B2B market

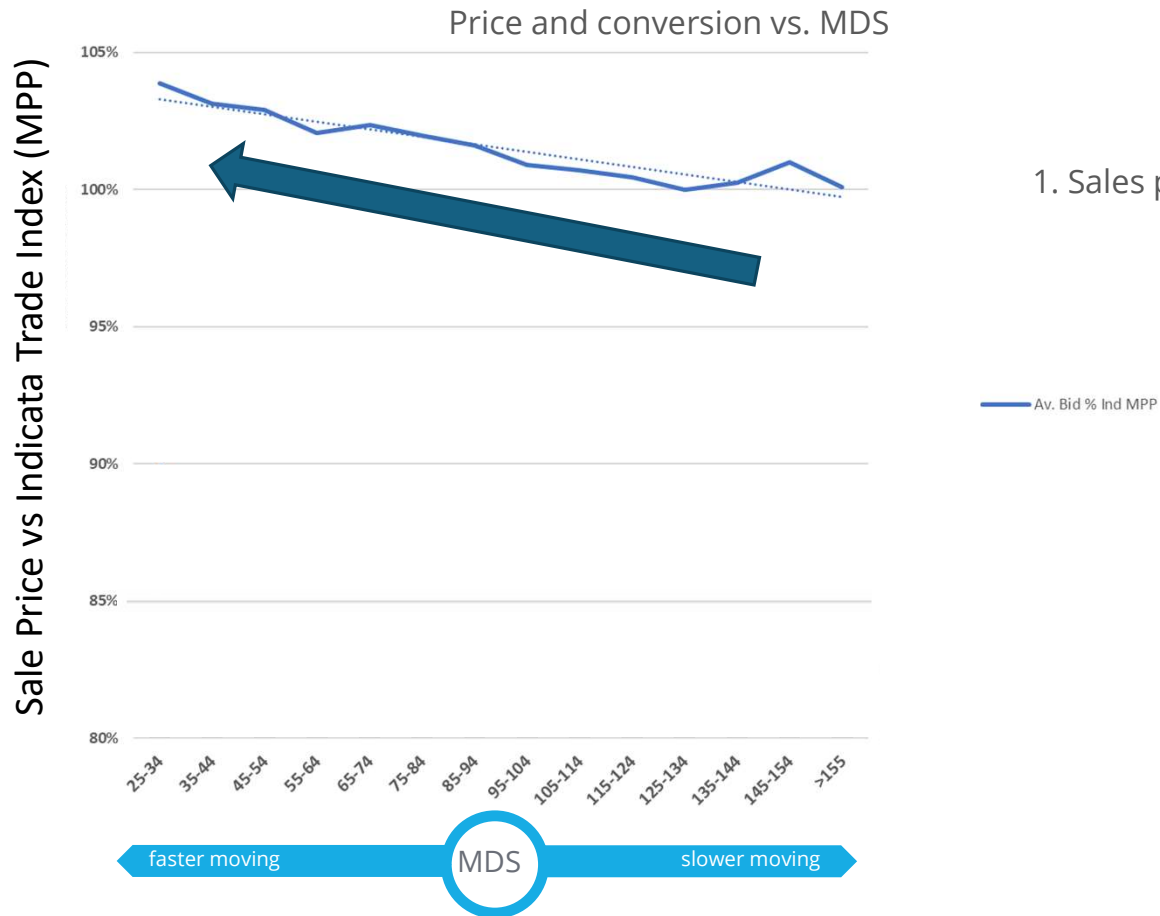
Market Days' Supply

Measuring a vehicle propensity to sell (for a better price)



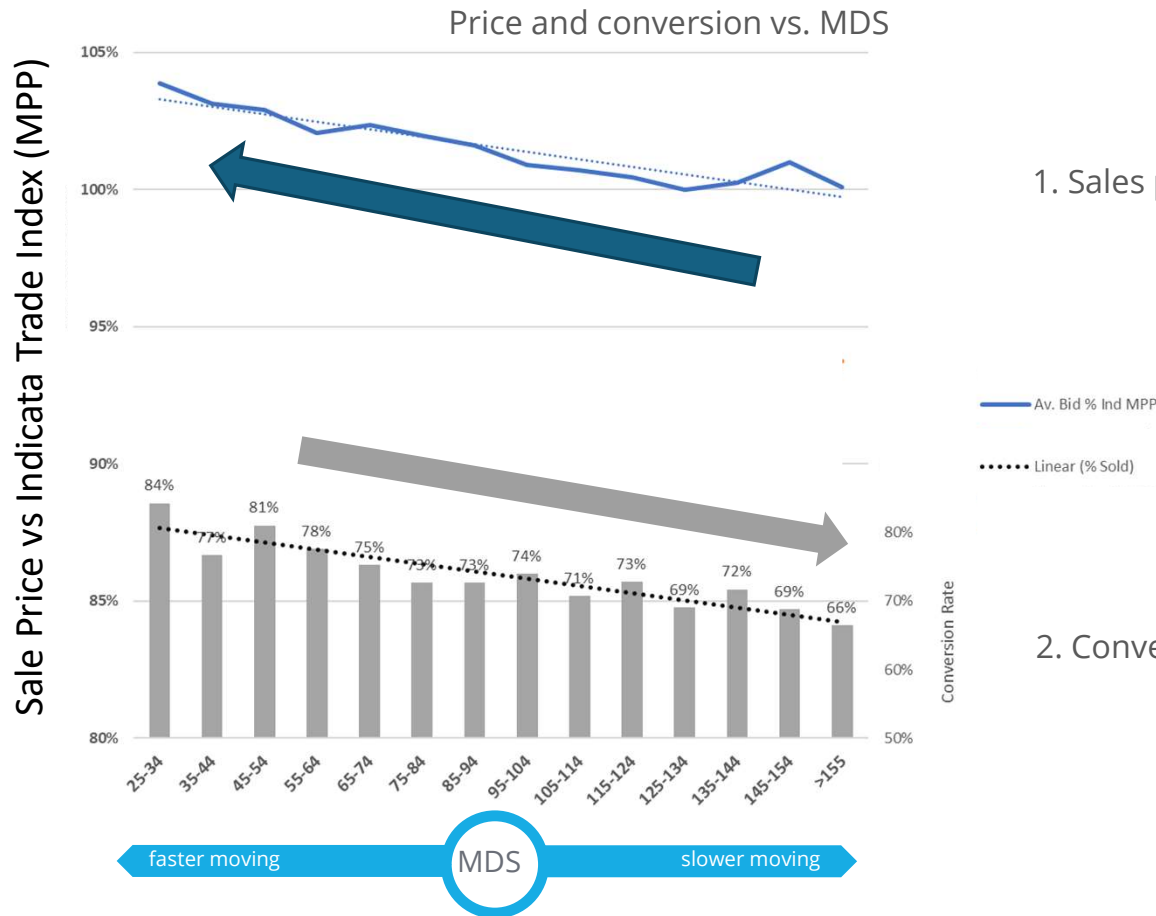
Market Days' Supply

Clear correlation between sale price and MDS



Market Days' Supply

MDS has significant impact on auction conversion rates



1. Sales price improves as MDS improves

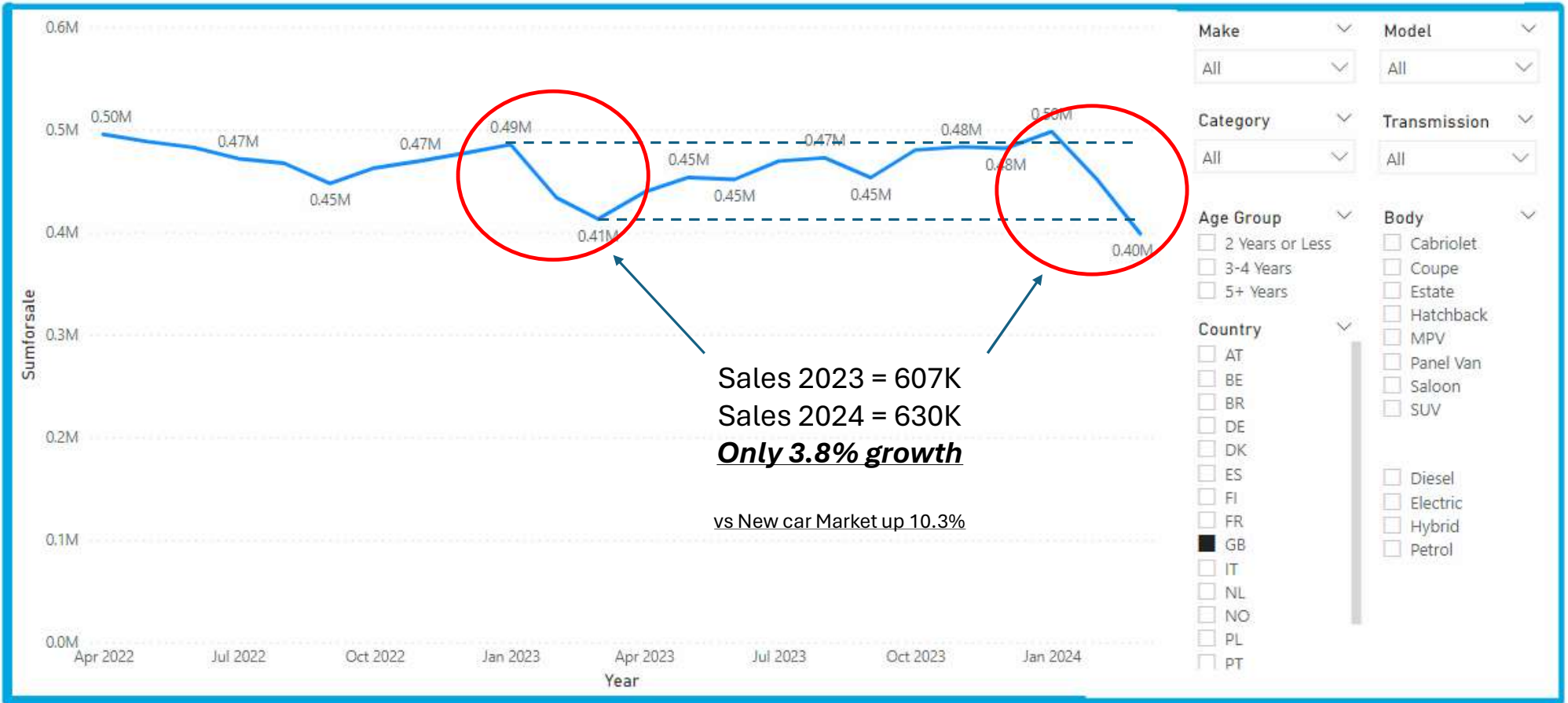
2. Conversion reduces as MDS worsens

So what is happening in the UK with

- a. Supply (i.e. cars in the Market)
- b. Demand (i.e. Sales Rate)

...and thus MDS

STOCK OVER LAST 24 MONTHS



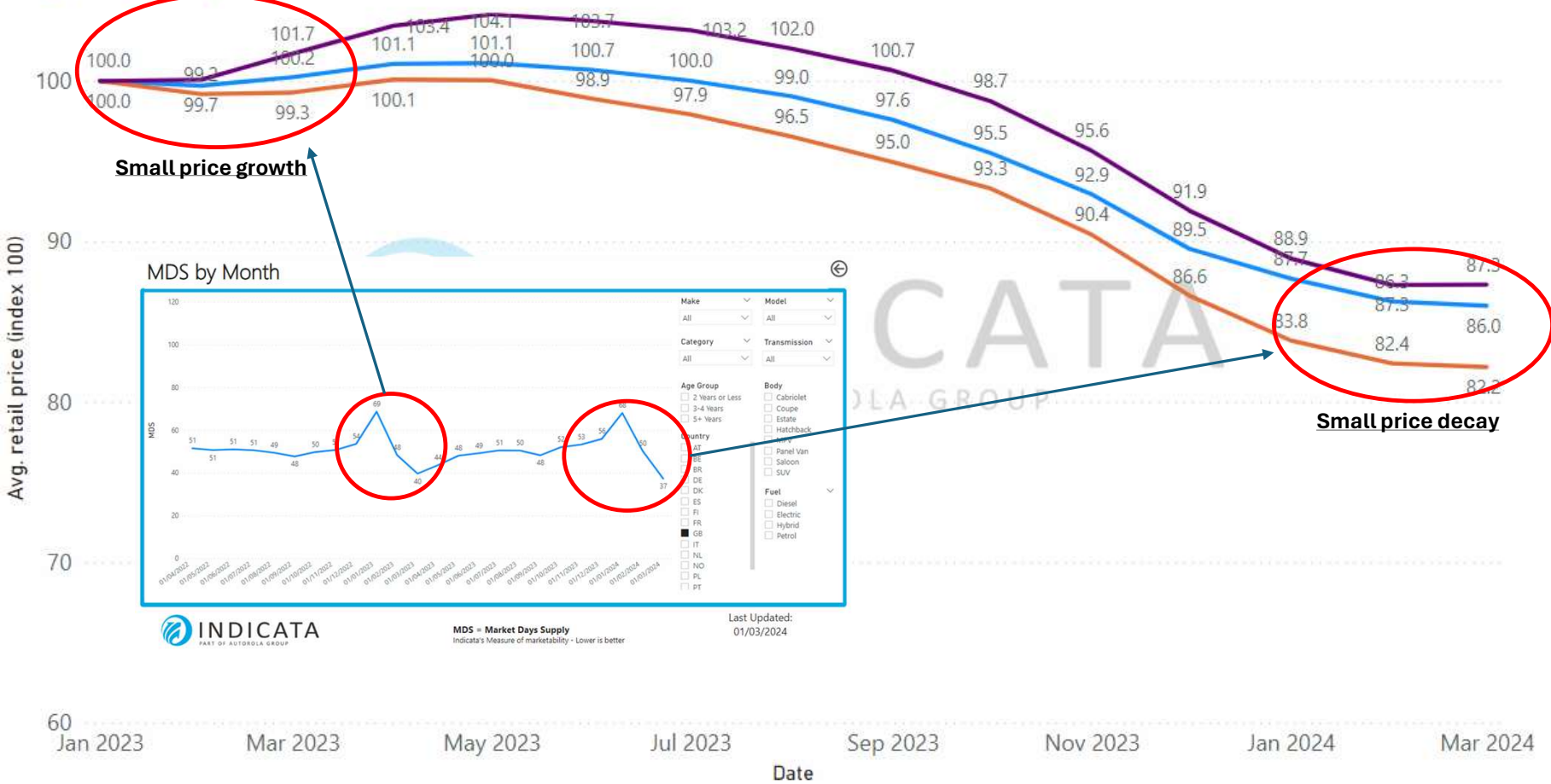
Make: All
Model: All
Category: All
Transmission: All
Age Group: 2 Years or Less, 3-4 Years, 5+ Years
Country: AT, BE, BR, DE, DK, ES, FI, FR, GB, IT, NL, NO, PL, PT
Body: Cabriolet, Coupe, Estate, Hatchback, MPV, Panel Van, Saloon, SUV
 Diesel, Electric, Hybrid, Petrol

MDS by Month



Retail price (weighted avg.) (index 100 = 01JAN)

Fuel ● Diesel ● Hybrid ● Petrol



Country

United Kingdom

Make

All

Model

All

Fuel

Multiple selections

Segment

All

Year

- 2020
- 2021
- 2022
- 2023
- 2024

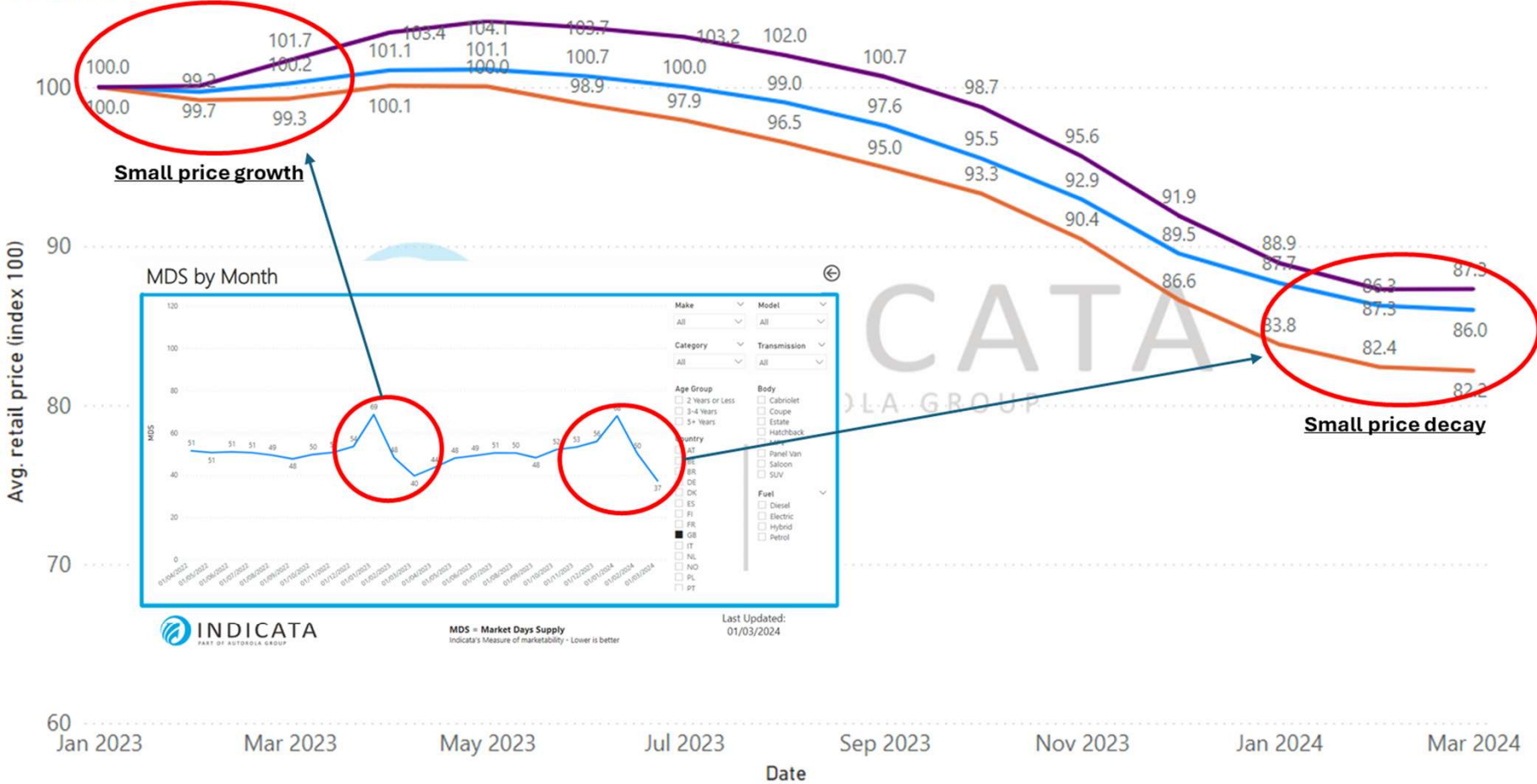
Latest data update

01/03/2024



Retail price (weighted avg.) (index 100 = 01JAN)

Fuel ● Diesel ● Hybrid ● Petrol



Country

United Kingdom

Make

All

Model

All

Fuel

Multiple selections

Segment

All

Year

2020

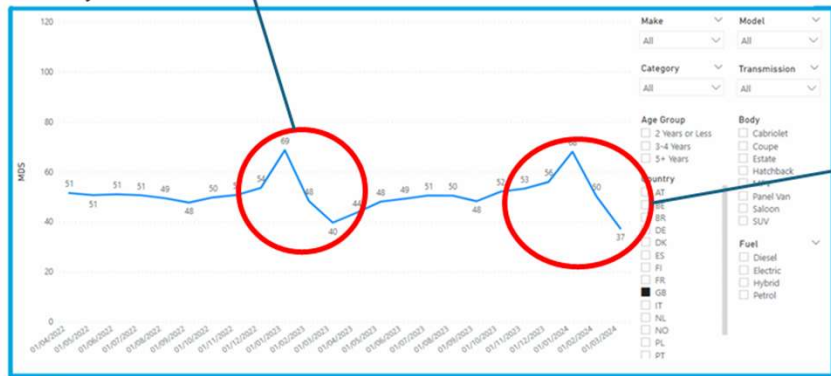
2021

2022

2023

2024

MDS by Month



INDICATA

MDS = Market Days Supply
Indicata's Measure of marketability - Lower is better

Last Updated:
01/03/2024

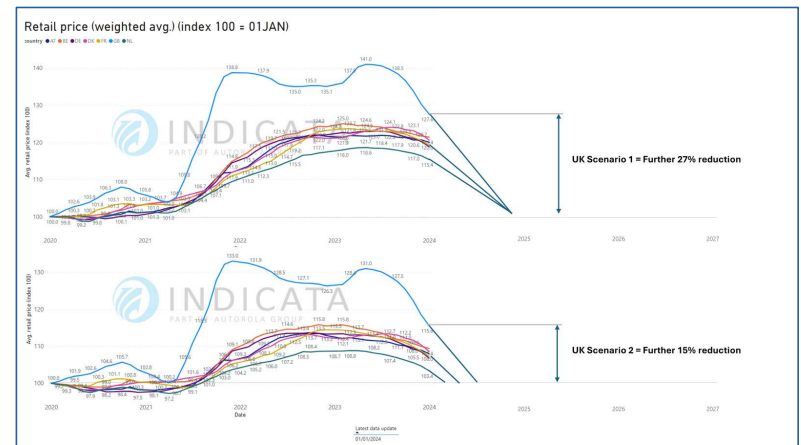
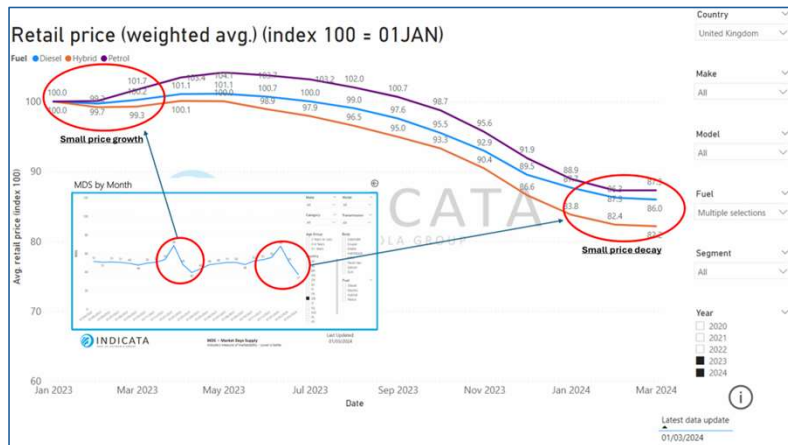
Latest data update

01/03/2024



The current bounce could be more seasonal than a change in trend

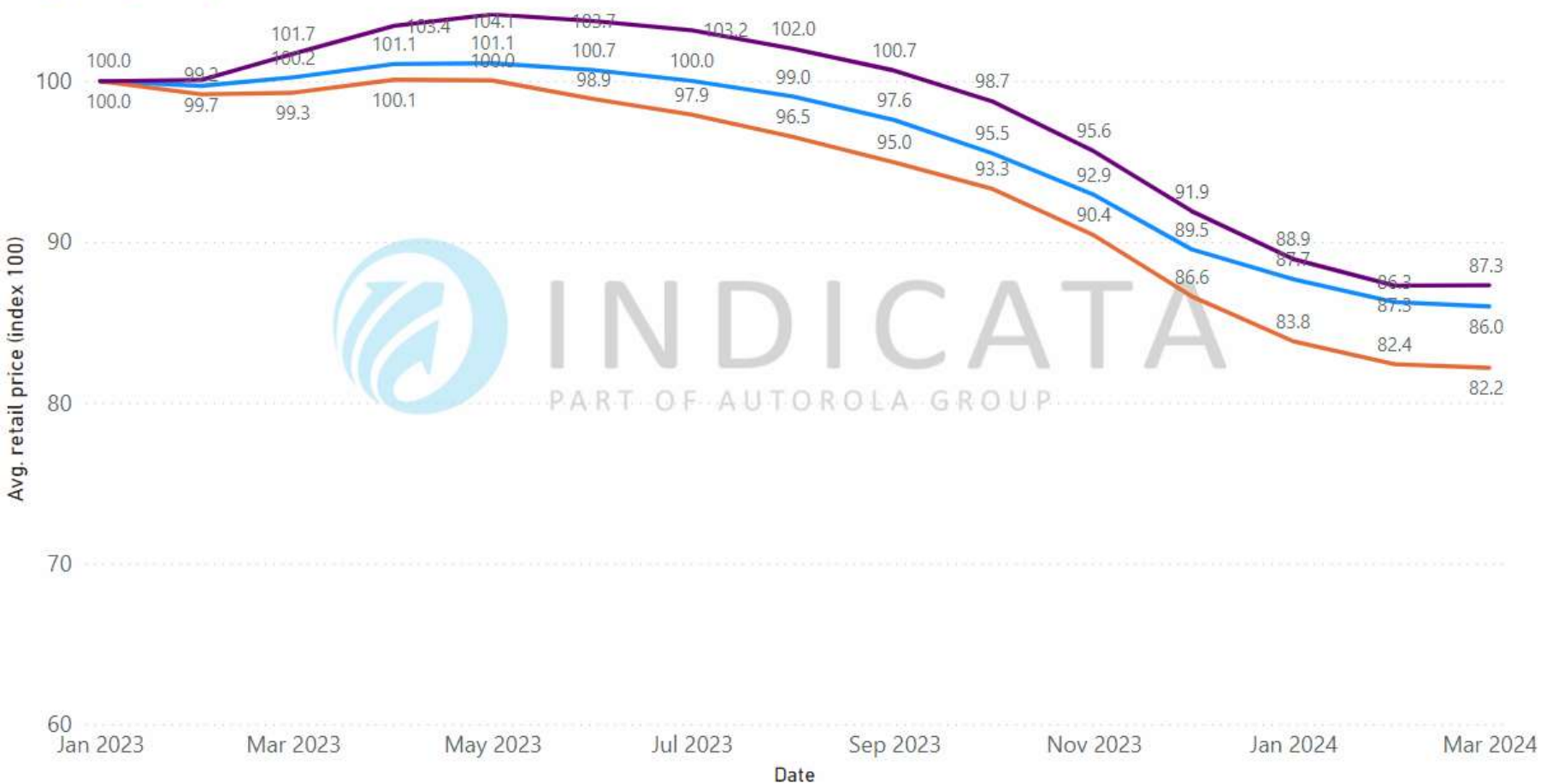
The regression to pre COVID price levels remain a threat



But what about BEVs – prices have behaved differently from ICE

Retail price (weighted avg.) (index 100 = 01JAN)

Fuel ● Diesel ● Hybrid ● Petrol



Country

United Kingdom

Make

All

Model

All

Fuel

Multiple selections

Segment

All

Year

2020

2021

2022

2023

2024

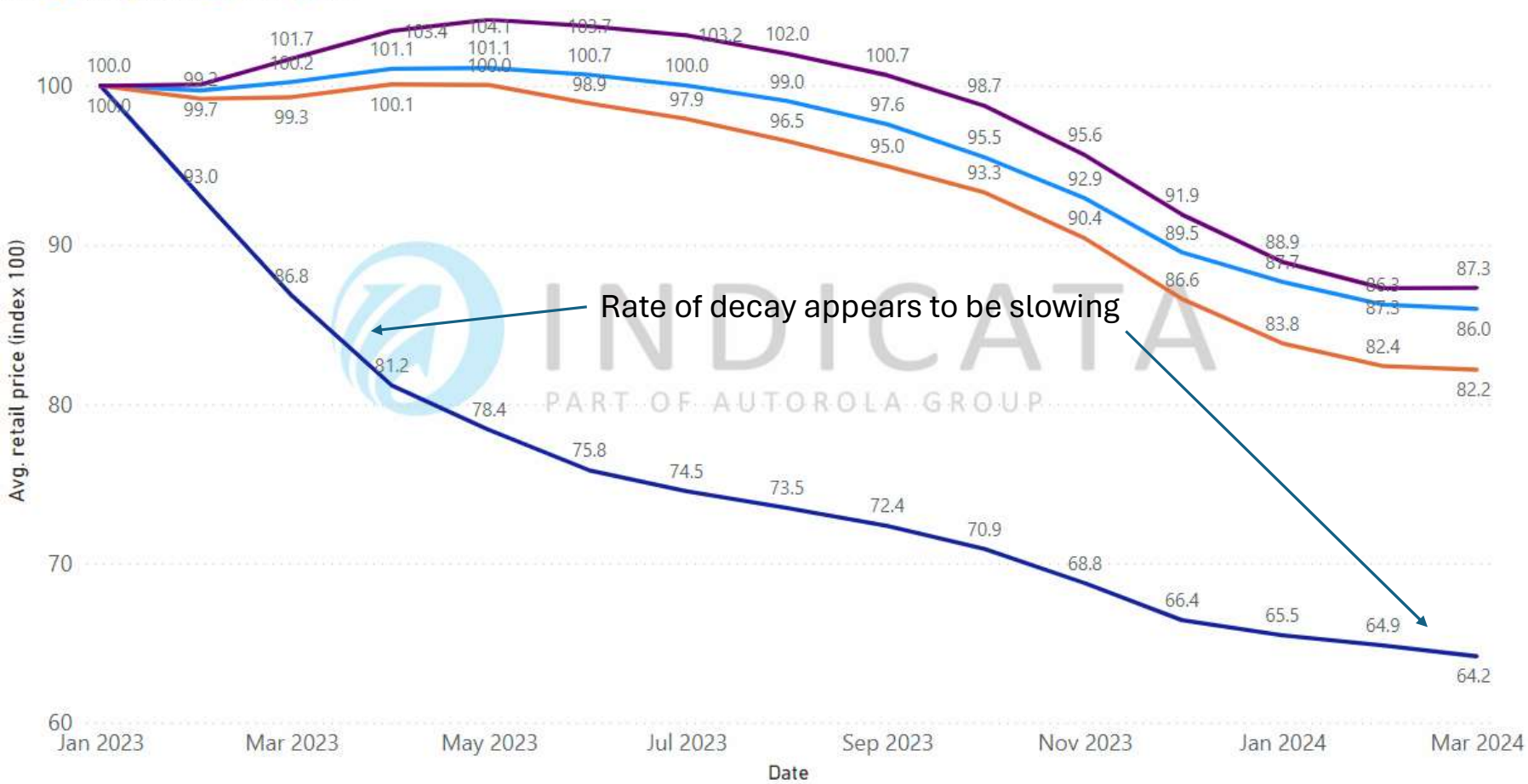


Latest data update

01/03/2024

Retail price (weighted avg.) (index 100 = 01JAN)

Fuel ● Diesel ● Electric ● Hybrid ● Petrol



Country

United Kingdom

Make

All

Model

All

Fuel

All

Segment

All

Year

2020

2021

2022

2023

2024

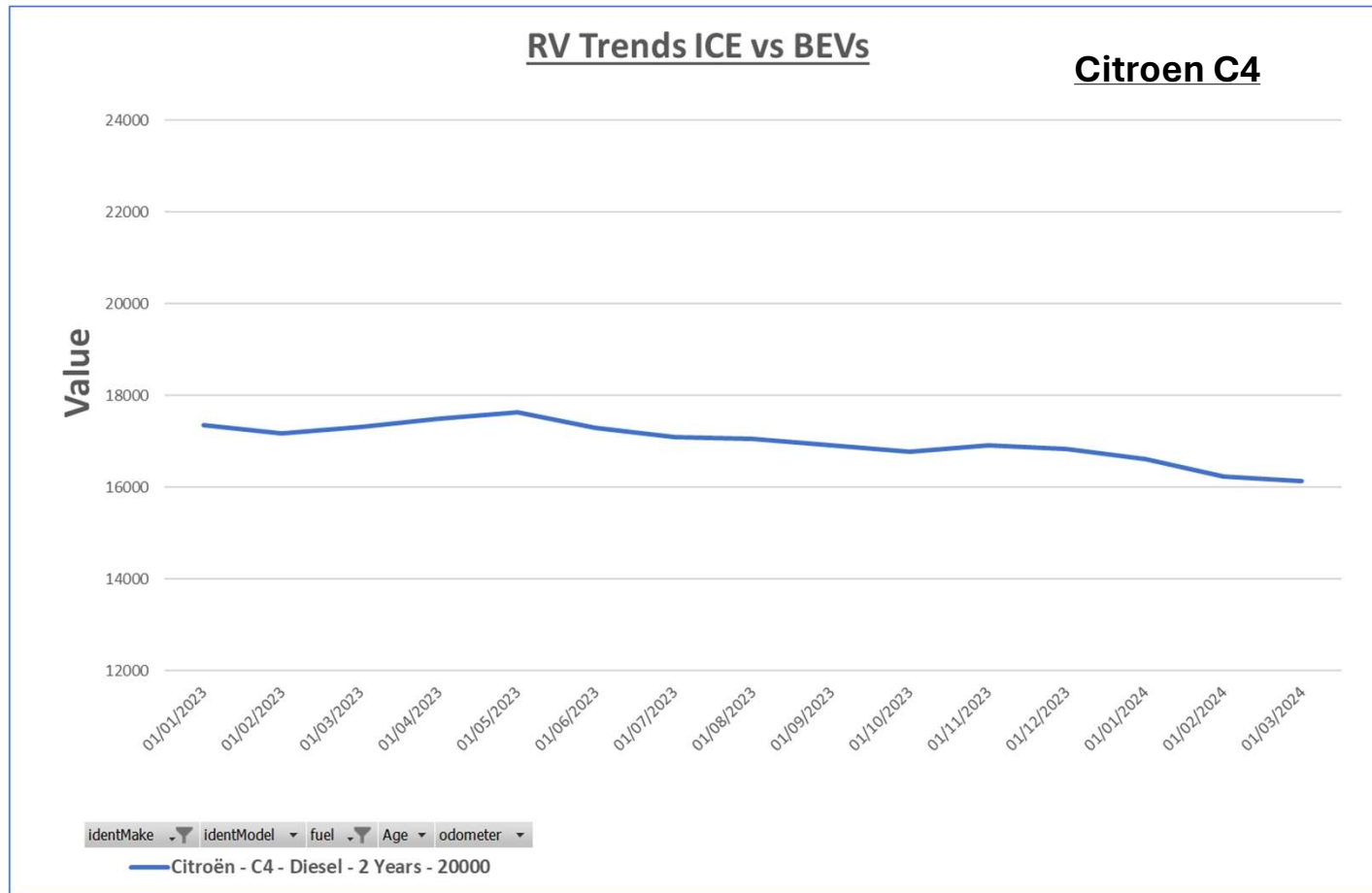
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01/03/2024



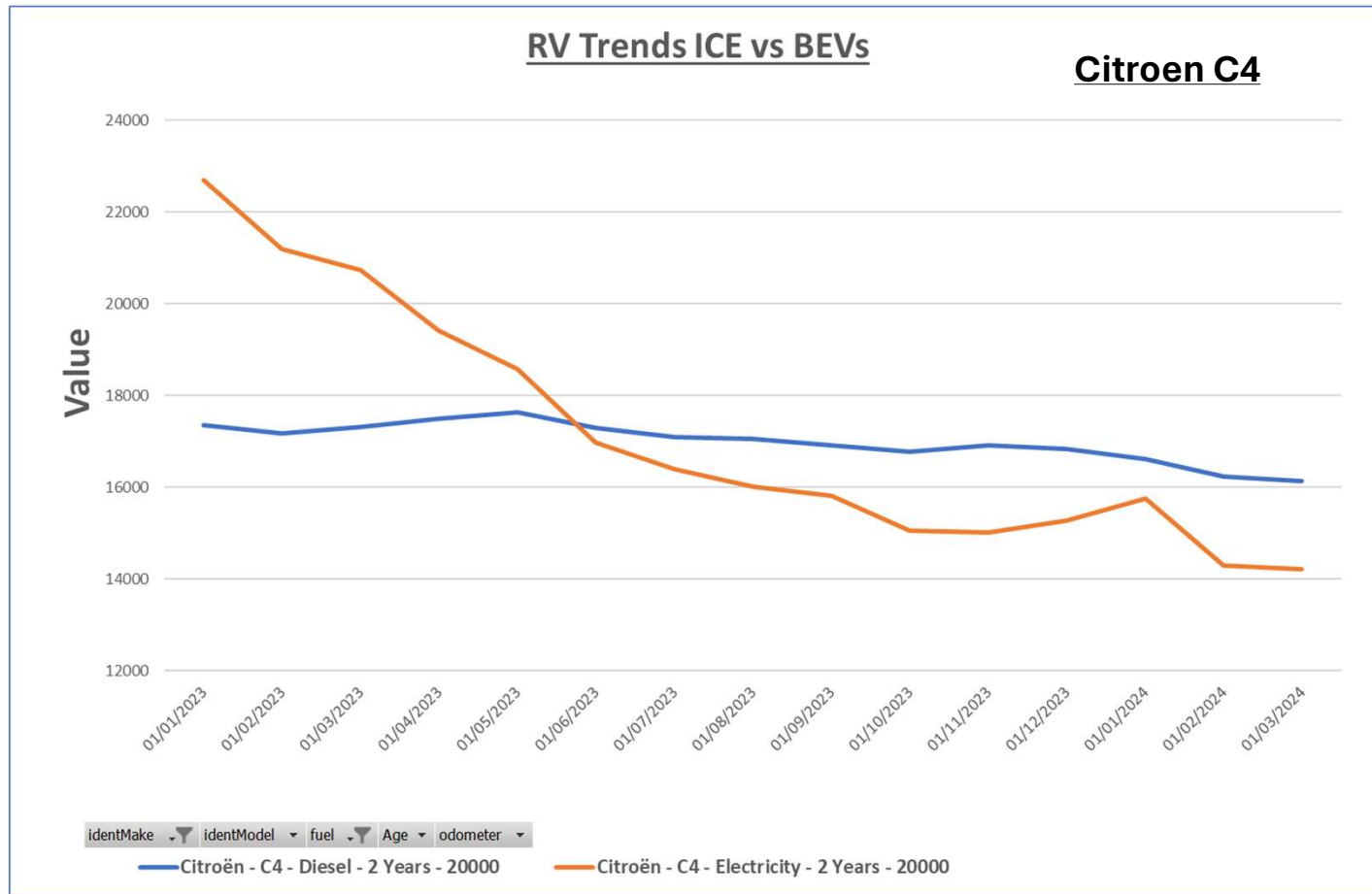
BEV's – will they continue thier decline

...or are they now right priced?



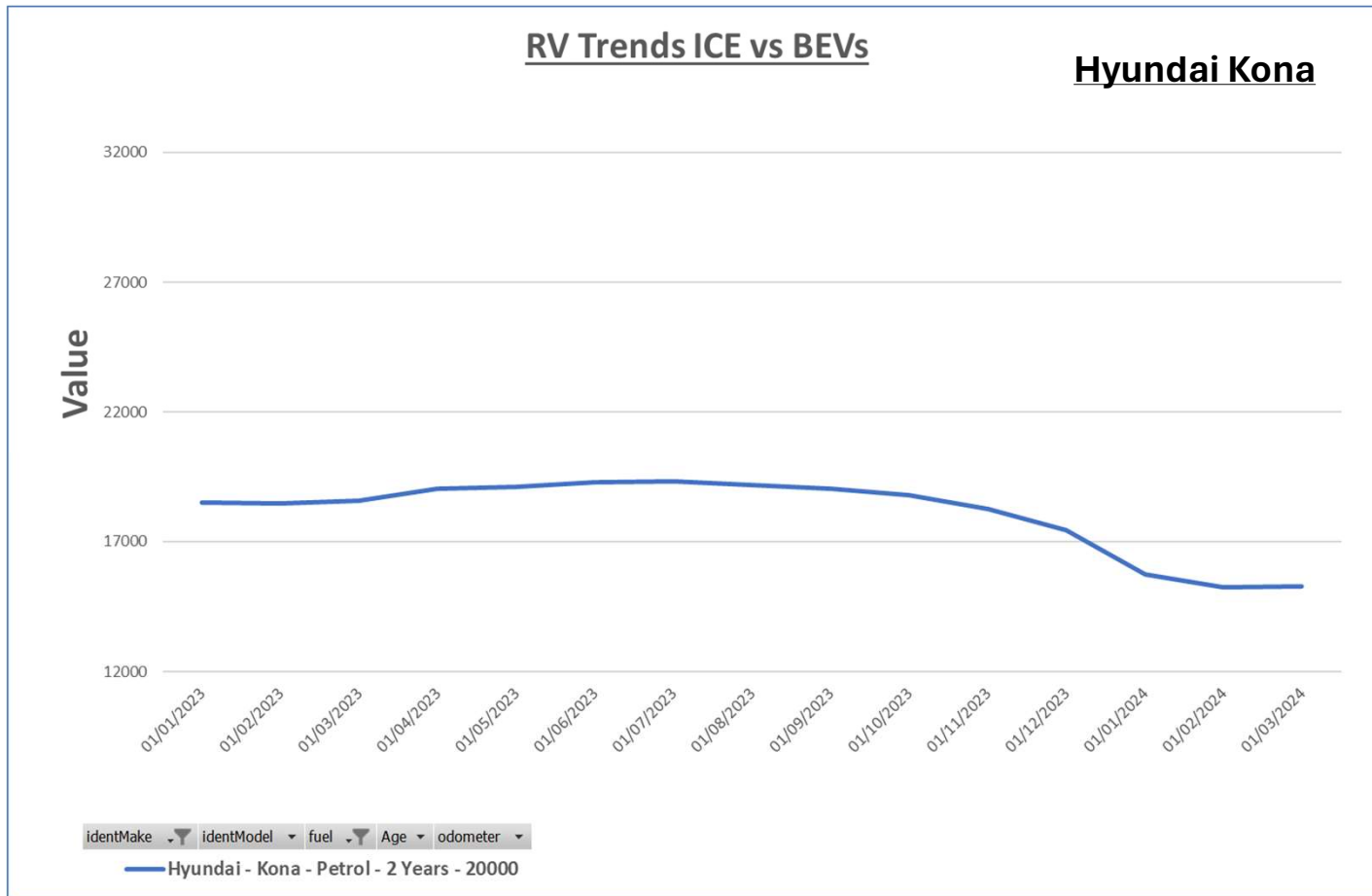
BEV's – will they continue thier decline

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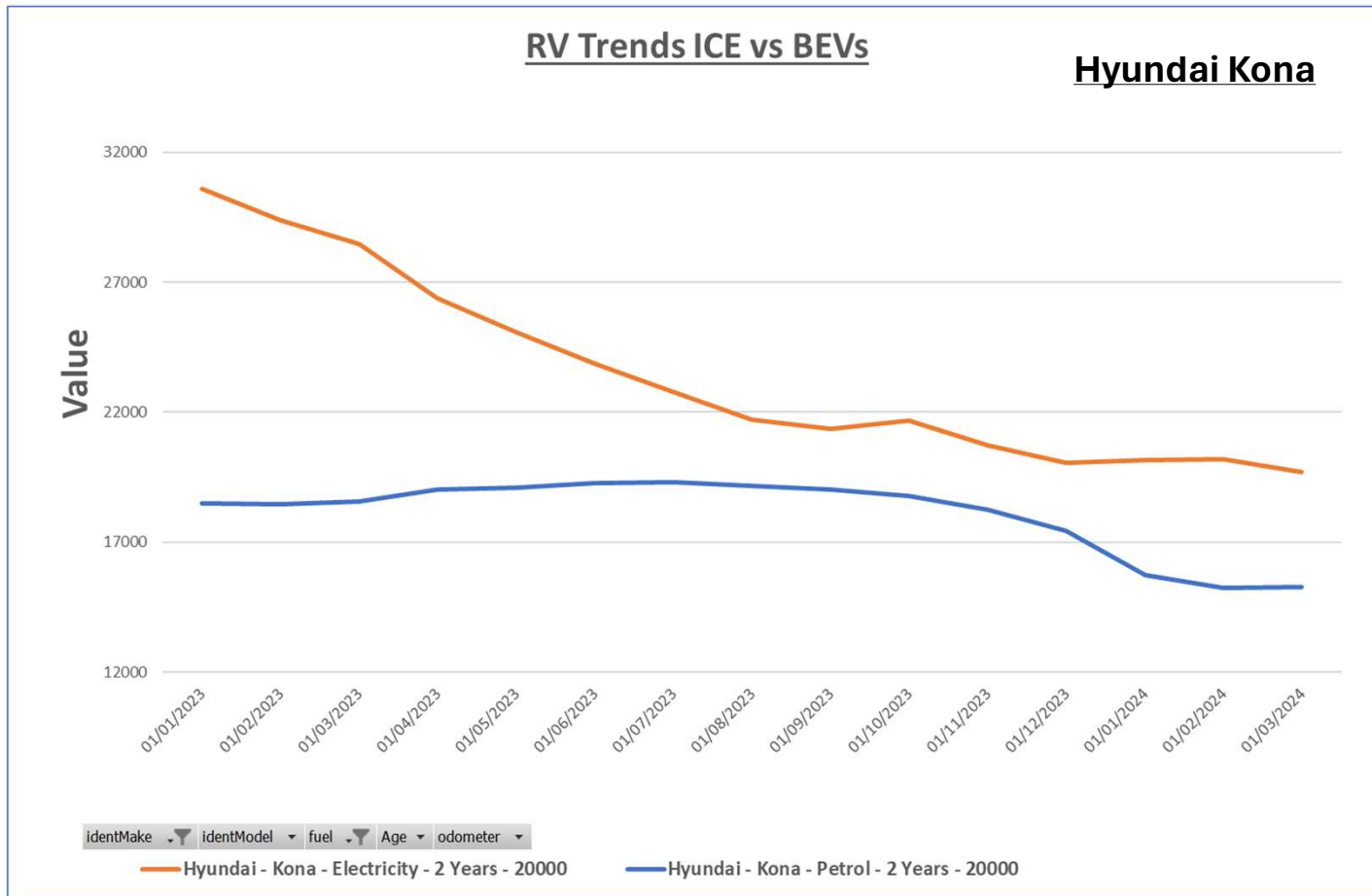
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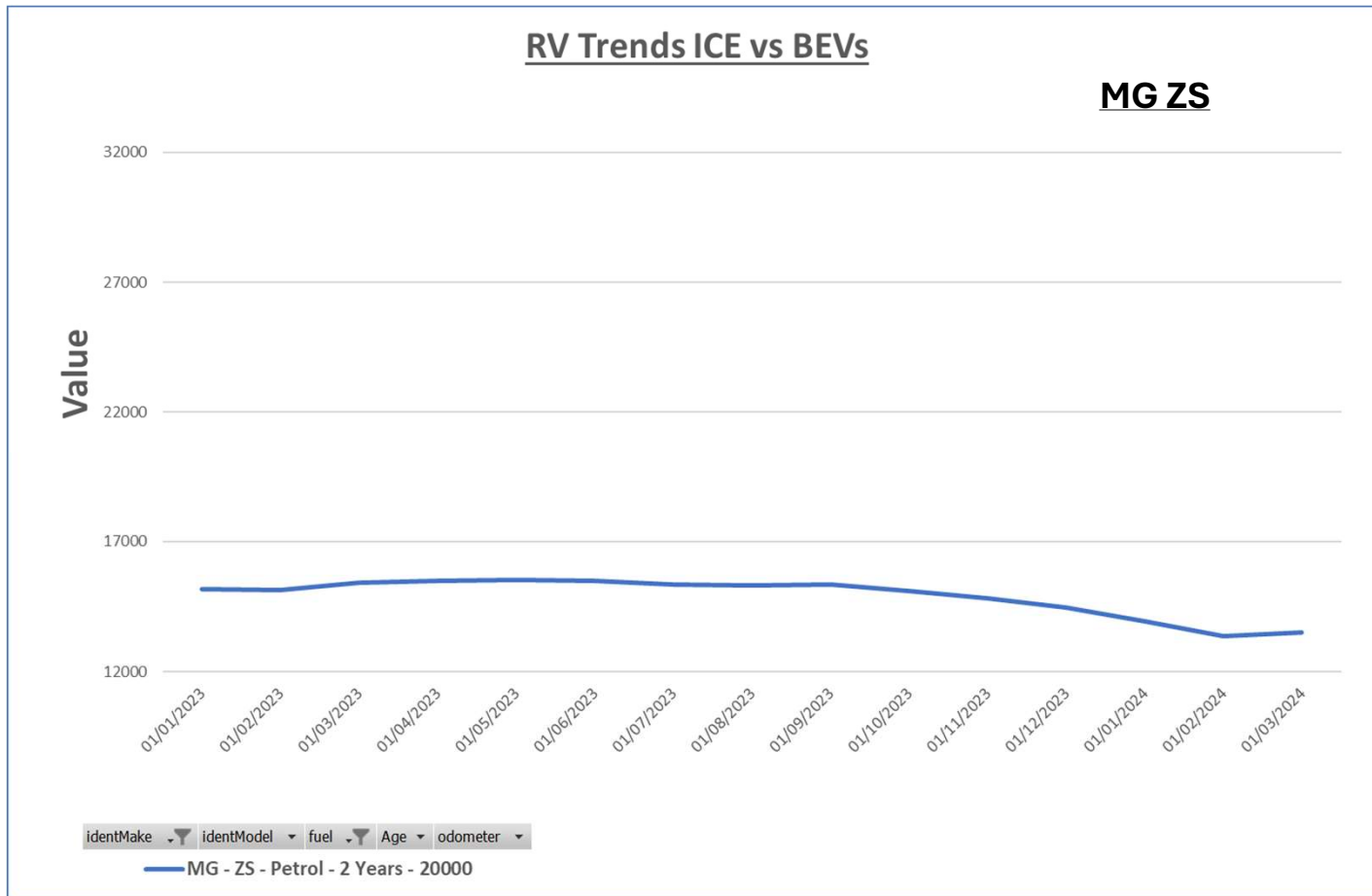
BEV's – will they continue thier decline

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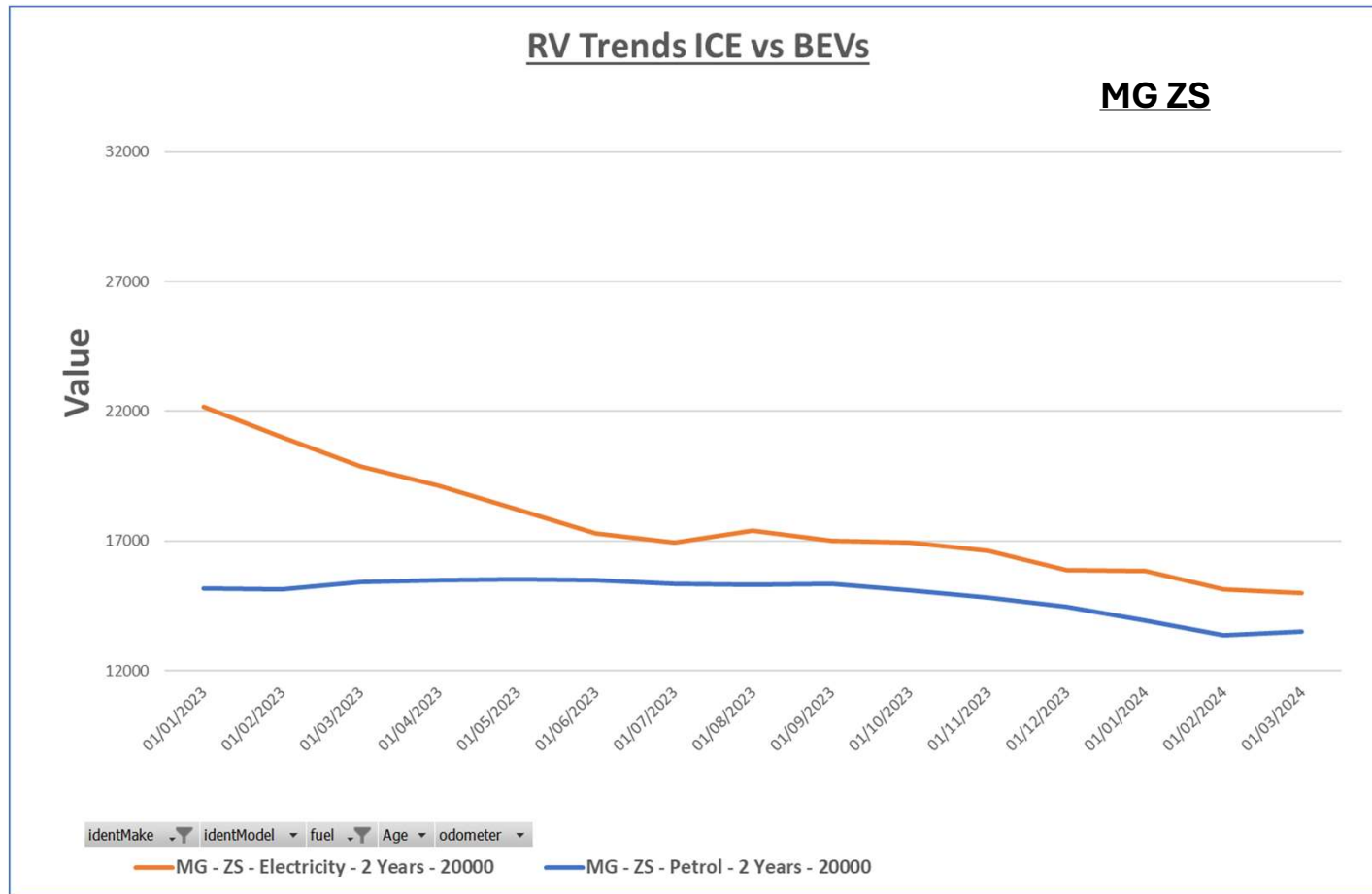
BEV's – will they continue thier decline

...or are they now right priced?



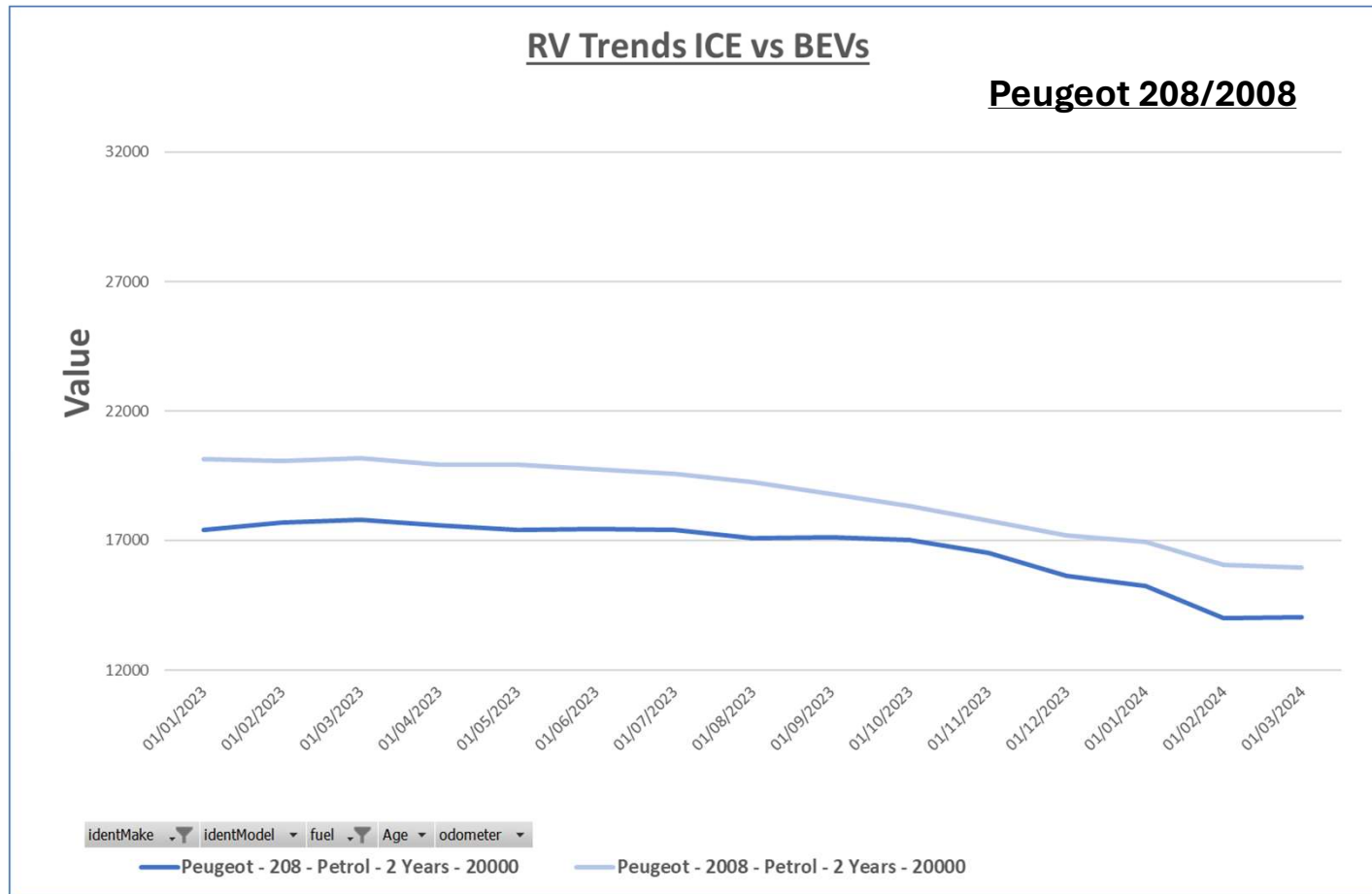
BEV's – will they continue thier decline

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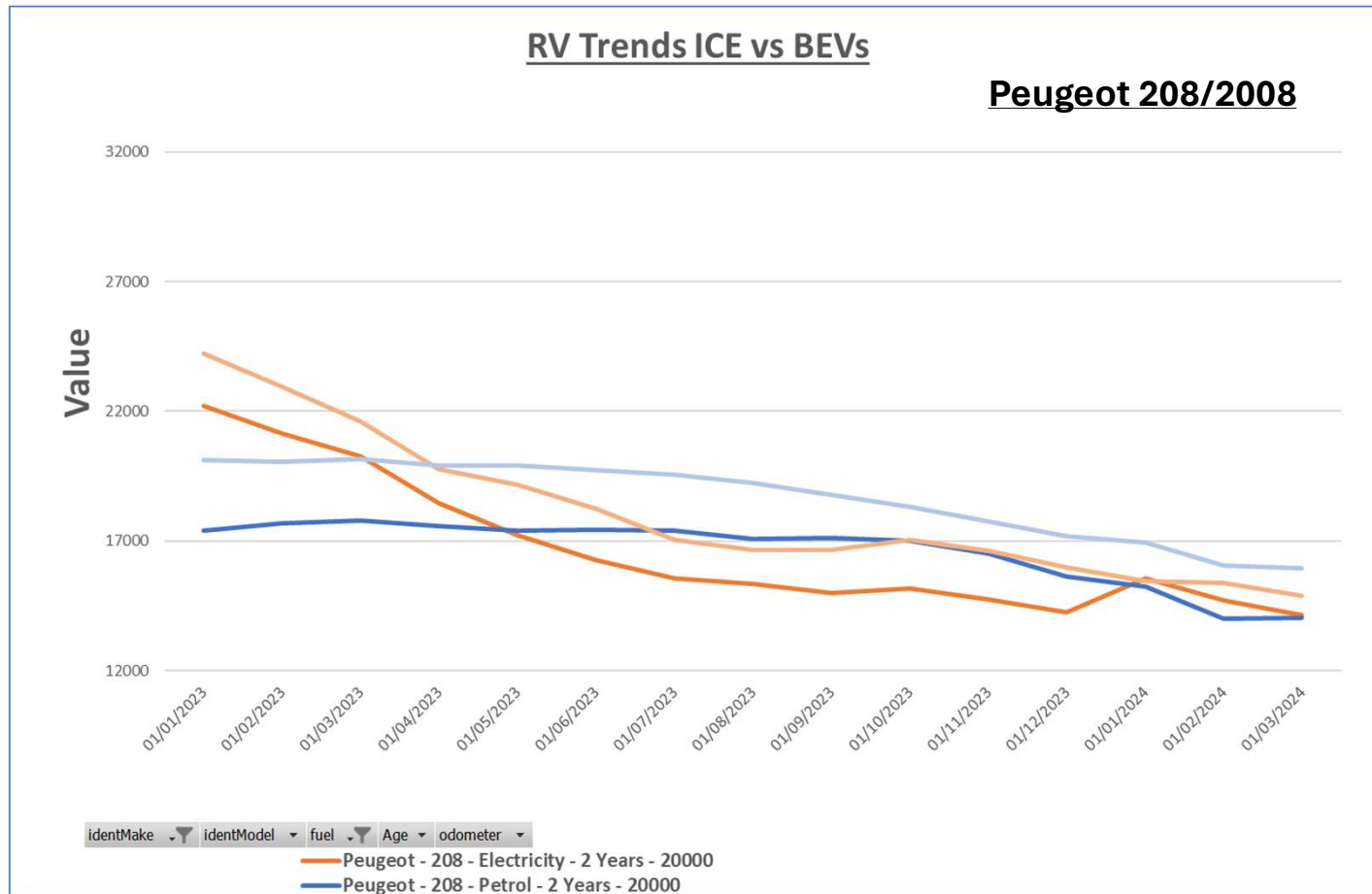
BEV's – will they continue thier decline

...or are they now right priced?



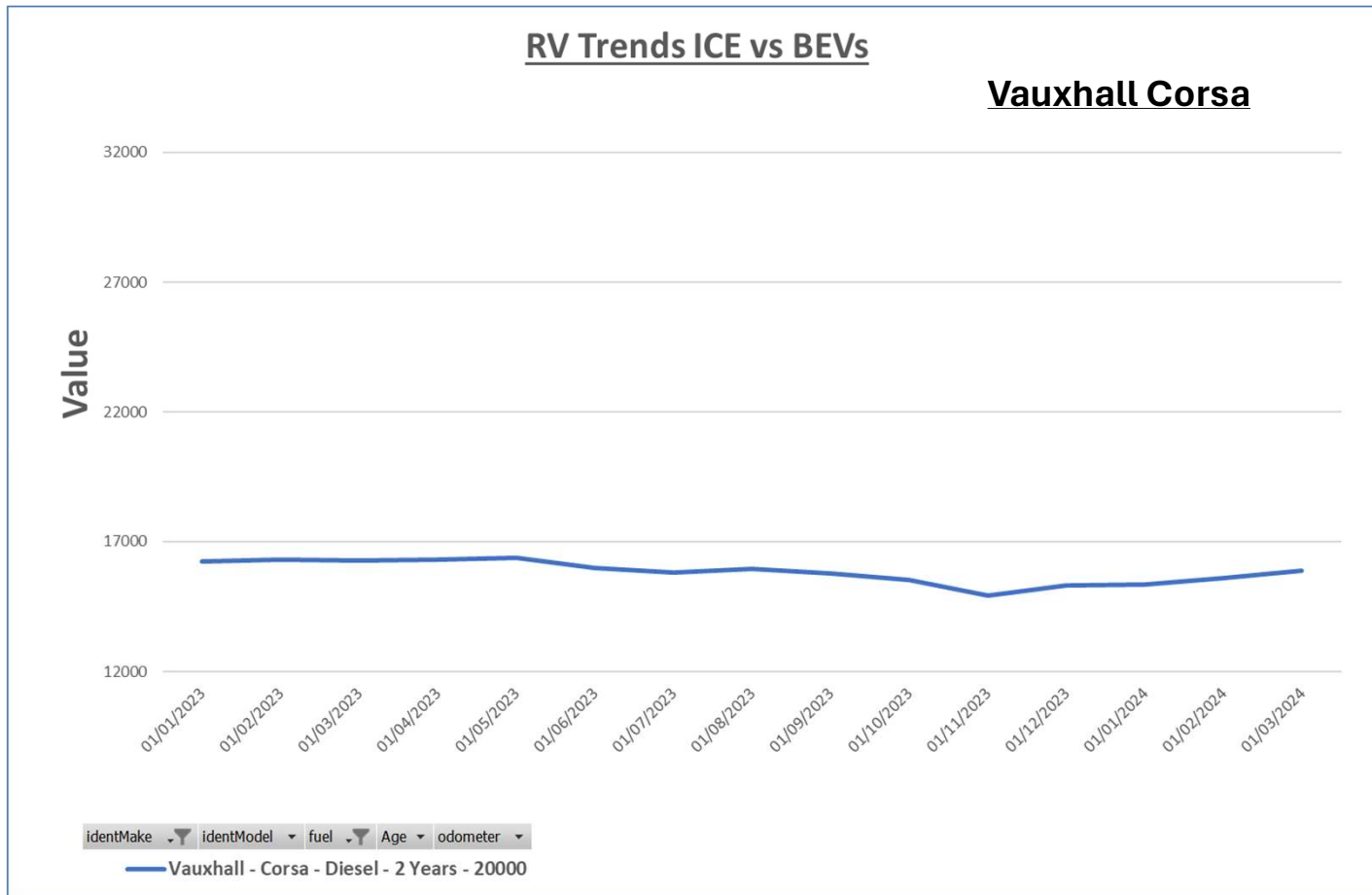
BEV's – will they continue thier decline

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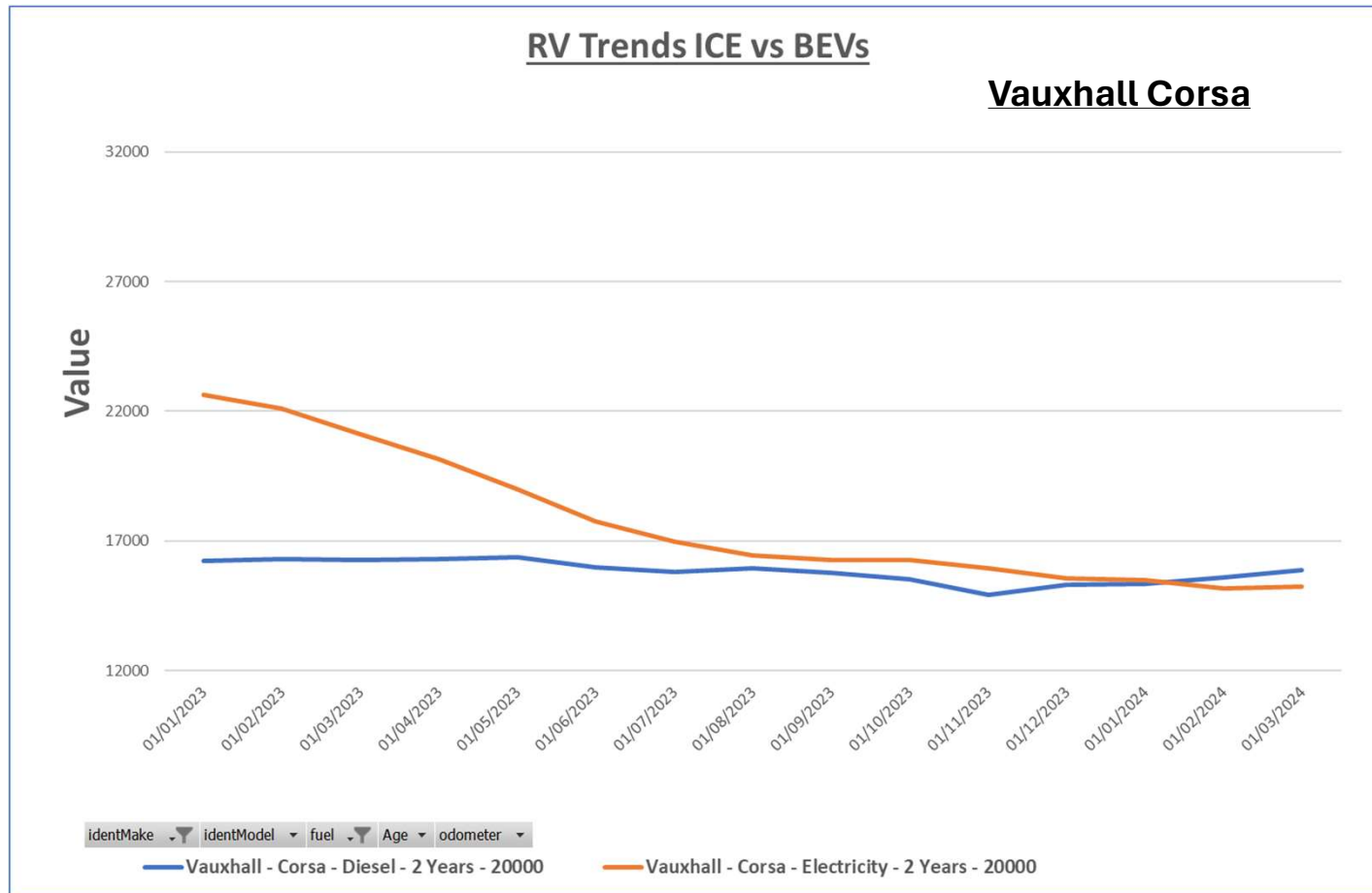
BEV's – will they continue thier decline

...or are they now right priced?



BEV's – will they continue thier decline

...or are they now right priced?



Summary

A seasonal upturn or still a market correction?

- European market has gone through multiple phases
 - Lock-down
 - Recovery
 - Chip shortage
 - Stability
 - Downturn
- Returning to pre- Covid price levels could be painful
 - But inflation may ease the pressure
- The current uplift / plateau is more a seasonal effect
 - Not an intrinsic recovery
- BEV's are now showing price parity with ICE
 - Their ongoing performance is interlinked
- BUT.....they ZEV Mandate may still undermine this position