

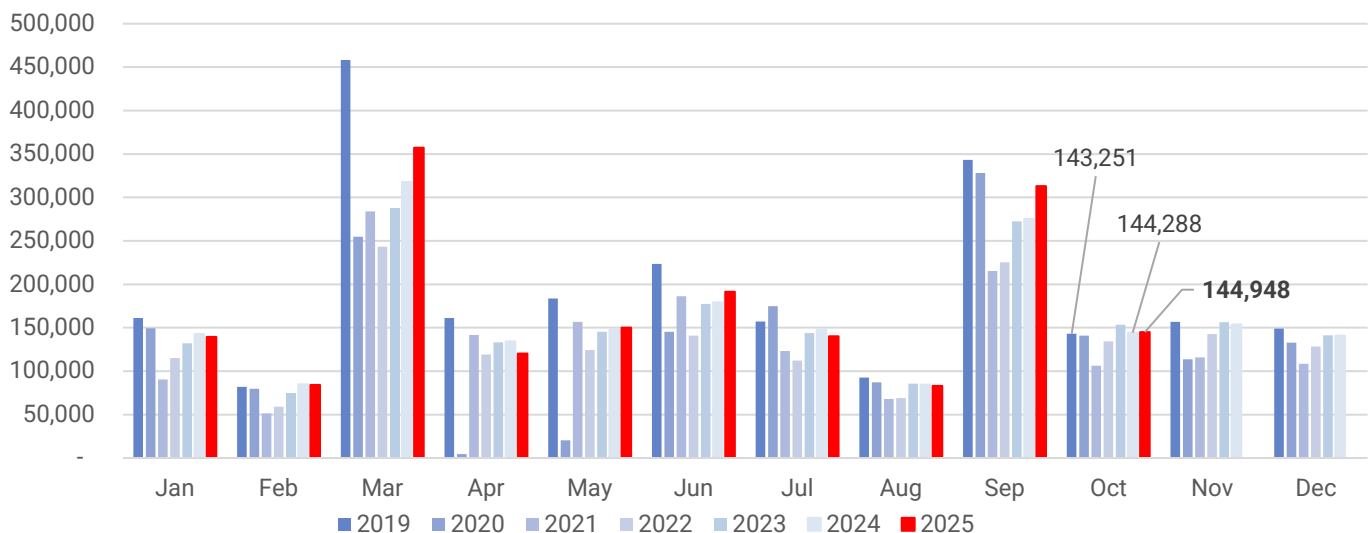
December 2025

Car market overview

This overview highlights the key trends shaping the UK automotive sector right now, covering both new car sales and used vehicle performance. The new car registration data reflects sales up to the end of October 2025, providing the most up-to-date view of the market. Used car insights reflect conditions at the time of publication. All figures are accurate as of 24th November 2025.

New car sales

Following the key new car sales month of September, registration volumes returned to a steadier pace in October, with a modest 0.5% increase to 144,948 units compared to the same month last year, according to the latest figures from the Society of Motor Manufacturers and Traders (SMMT).



Source: SMMT

When comparing October this year with October 2019, widely regarded as the last normal year before the pandemic and the supply chain disruptions that followed, the market is tracking 1.18% higher. This makes October only the second month this year to outperform 2019, the other being February, which also saw a slight increase.

With two months left in the year, total registrations stand at 1,723,120. Encouragingly, this continues the trend of year-on-year growth, with the market tracking 3.9% ahead of last year, roughly 65,000 additional cars. However, compared to the first ten months of 2019, volumes remain about 14% lower.

The SMMT has recently revised its outlook for the remainder of the year, now forecasting that the overall new car market for 2025 will exceed two million units (2.012 million) for the first time since pre-pandemic 2019. BEVs are expected to account for 23.3% of uptake. We've also slightly revised our own outlook upward, with the year likely finishing around the two million mark. Looking ahead to 2026, the SMMT forecasts the market will reach 2.032 million units, a modest improvement on earlier predictions.

Looking at October's registrations by sales channel, fleet volumes dipped slightly, when compared to October last year, down 1.5%, but this was offset by a 2.0% rise in private registrations. Business registrations jumped 32.7%, though as a very small part of the market, this segment is always prone to volatility. For the year so far, all three channels are showing year-on-year growth, a welcome development, especially for private sales, which have struggled to return to pre-COVID levels and remain 25% below 2019, while fleet is just 4% behind. On the positive side, year-to-date private registrations are up 4.6% compared to last year, accounting for 38.8% of the market. Fleet is up 3.3% and holds the largest share at 59%, while business registrations have grown 7.3% but still represent only 2.2% of total volumes.

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By cap hpi

Electrified vehicles were the only powertrain segment to grow this month, with battery electric vehicles (BEVs) leading the way. BEV registrations rose by 23.6 percent, adding 7,028 units and lifting market share to 25.4 percent, which is the second highest this year but still short of the 28 percent target under the Vehicle Emissions Trading Scheme (VETS). Year to date, BEVs hold a market share of 22.4 percent with 386,244 units registered, still behind the 28 percent goal. Although the industry appears likely to fall short of the target, most manufacturers are expected to avoid penalties thanks to the built-in flexibilities of the current scheme, which OEMs can leverage to their advantage.

This may also explain why PHEVs jumped 27.2% to secure a 12.1% market share in October, while conventional hybrids (HEVs) edged up by 2.1%, holding 13.3%. Hybrids and PHEVs support manufacturers by reducing CO₂ emissions compared to petrol or diesel models, lowering the fleet's average emissions. This is vital for meeting VETS targets because it cushions the impact if BEV sales fall short, helping OEMs avoid substantial compliance penalties.

The Ford Puma topped the charts in October with 4,418 registrations, followed by the Kia Sportage in second place with 3,431 units. The MINI Cooper secured third with 2,653 registrations, while the Volkswagen Golf and Nissan Juke rounded out the top five with 2,621 and 2,617 units respectively. An honourable mention goes to the Jaecoo 7, which made an impressive showing in seventh place with 2,611 registrations, signalling growing interest in this emerging brand.

Looking at the top 5 BEV models in October, the Renault 5 led registrations with 1,762 units, followed by the Audi Q4 at 1,512 units and the Ford Puma in third with 1,347 units. Volvo's EX30 ranked fourth with 1,095 units, while the Ford Explorer rounded out the top five at 1,082 units. This mix of mainstream and premium models highlights strong demand for both affordable urban EVs and feature-rich SUVs.

Our final stop in October's registration review is the short-cycle daily rental channel. Volumes fell compared with the same month last year, with just under 4,000 vehicles registered, a 45% year-on-year decline. October is typically a quieter month for this channel, and this year it ranked as the second-lowest month for volumes, following September's spike. Year-to-date, short-cycle registrations remain 33% higher than 2024, but still sit 35% below 2019 levels, highlighting the long road to full recovery. Battery electric vehicles make up only 7% of cars entering this channel, as tourism-related demand continues to lag. Most growth has come from body shop and courtesy car fleets, where customers increasingly expect a like-for-like replacement when their own vehicle is in for repairs.

Used car retail activity

The SMMT released its Q3 2025 used car transaction data, showing the UK market grew by 2.8% to just over two million transactions (2,021,265). This was the strongest third quarter since 2021 and marks the eleventh consecutive quarter of growth, the SMMT state that this was driven by improved new car supply feeding through into healthier used car stock availability.

Hybrid sales saw a sharp uplift, with HEVs up 30% to just over 107,000 units, taking their share to 5.3%. Plug-in hybrids edged forward too, rising 2% to around 23,500 units and holding 1.2% of the market. The standout performer was BEVs, which grew faster than any other fuel type up 44% to more than 80,000 units. According to the SMMT, that means roughly one in 25 buyers opted for electric, pushing BEVs to a record 4% share. This momentum reflects stronger supply and growing confidence among consumers making the switch, something we particularly saw in the used retail and wholesale market throughout the summer months.

Turning to the current market, feedback from key retail partners points to a typical November, steady overall, but with clear signs of seasonal softening. Retail activity has become more challenging compared to earlier in the year, or even a month or two ago, though most dealers remain reasonably satisfied with performance for the time of year. Several reported higher stock levels than last month, creating pressure to drive additional traction and sales to keep vehicles moving.

With retail conditions softening, it's no surprise that the average days to sale increased in November, rising by two days from October to 42. Franchised retailers held steady at 37 days, while independents climbed from 51 to 55 days and car supermarkets moved from 33 to 36 days. Although some retailers adjusted prices to manage overage stock or stimulate demand, this was not widespread. In fact, the average advertised price rose throughout the month, up by around 2%, although this can naturally be influenced by factors such as vehicle age and model mix.

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By cap hpi

Late-plate and nearly-new stock was highlighted as a challenge, with some retailers carrying a larger proportion of vehicles under one year old than they have done for some time. This age profile is difficult to manage as it competes directly with attractive new car offers, making it harder to protect margins. To generate interest, nearly-new vehicles need to be priced sensibly and positioned carefully against new car offers and incentives.

Used car buyers within some retailer groups are being highly selective, focusing on opportunities where pricing aligns with market conditions, as they do not want to overpay for stock during the traditional last-quarter downturn. Many reported feeling well-positioned, holding comfortable stock levels and waiting for the right opportunities to buy, particularly where vendors are willing to adapt to current pricing dynamics. Some also noted that obtaining the right model mix has been a challenge, as much of the volume offered through wholesale channels consists of similar types of vehicles. Those aiming for a diverse forecourt are having to search harder to secure the right stock.

Electric vehicles remain a bright spot, with demand holding firm and confidence continuing to grow. Several retailers reported success with EVs across a range of price points, though most are managing exposure carefully. As we've reported throughout the year, BEVs once again led the way as the fastest-selling vehicles, averaging just 37 days to sell, up by only one day from October. Car supermarkets performed best, achieving an impressive 28-day average for BEVs, while franchised dealers and independents lagged behind at 39 and 43 days respectively. Of the other fuel types hybrids followed closely at 38 days for all sales channels, with PHEVs at 39 days, petrol vehicles at 42 days, and diesels taking the longest at 46 days.

Looking ahead, most retailers remain pragmatic, expecting activity to be highly seasonal through December, with attention shifting toward January when consumer engagement typically picks up after the holiday season. The focus will be on planning, as retailers aim to get 2026 off to a fast start. For now, the tone is cautious but focused, with full awareness that consumer attention has moved firmly to the festive period.

Used car remarketing activity

As we reported last month, October began strongly, with conversion rates holding steady at around 80%. However, as the half-term school holiday approached toward the end of the month, buyer engagement dipped across both auction halls and online platforms. The market lost momentum, and sales conversions eased back to roughly 75%.

The start of November brought a brief recovery, but it proved short-lived. As the month progressed, auction conversions gradually declined to between 65% and 70%. Despite this softening, overall sentiment remained positive, as the easing was widely anticipated for the time of year.

Auction data reflects this trend: the average number of sale attempts increased from 1.3 last month to nearly 1.5 in November, while average auction days in stock rose from 7.8 to 8.3 days. Price performance also came under more pressure than in recent months, although after a strong summer and autumn, this was not surprising to many.

Conversations from across the wholesale sector echoed the data, confirming a clear and expected softening in overall conditions. Most described trading conditions as being steady with a more seasonal feel, but conversions were still healthy for November. Buyer numbers and engagement have stayed robust, though retail demand has continued to quieten, which may help explain why franchised retailer activity has noticeably reduced. Additionally, some franchised retailers are closely managing stock levels, as several have been carrying more cars than they would ideally like and need to meet year-end stock targets. Independents and car supermarkets remain active but are being more selective, buying little and often rather than in bulk, and looking to take advantage of opportunities when fresh stock becomes available.

The sweet spot within the trade continues to sit below the £15,000 mark, where buyer demand remains strongest. Late-plate and nearly-new vehicles are facing headwinds as volumes of pre-registered cars rise and pricing comes under increasing pressure. As highlighted earlier, this stock profile competes directly with attractive new car offers, making margin retention more challenging. Older dealer part-exchange stock has also proved harder to shift, although the right cars in good condition continue to command strong returns because they can be turned quickly.

Pricing discipline has become increasingly important. Whilst some vendors achieved above-guide results earlier in the month, later sales tracked closer to expectations or even behind guide values. Buyers scrutinised lower-graded vehicles more closely, along with any cars carrying mechanical flags, whilst higher-graded stock such as NAMA

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By cap hpi

grades 1 and 2 continued to attract strong interest. Accurate appraisals and complete documentation remain essential to securing bids.

Stock availability has been far more varied than we've seen for some time. Some remarketers are running at or near capacity, likely driven by increased re-entries and higher defleet volumes, while others remain below their targeted stock holdings. Where stock has built up, buyers have been able to afford greater selectivity, resulting in lower conversion rates and softer sold prices. Adding to this dynamic, certain models have been available across multiple disposal channels simultaneously, something we haven't seen for a while. This gives buyers the ability to shop around between remarketers, strengthening their negotiating position and influencing the prices vendors are willing to accept to keep stock moving.

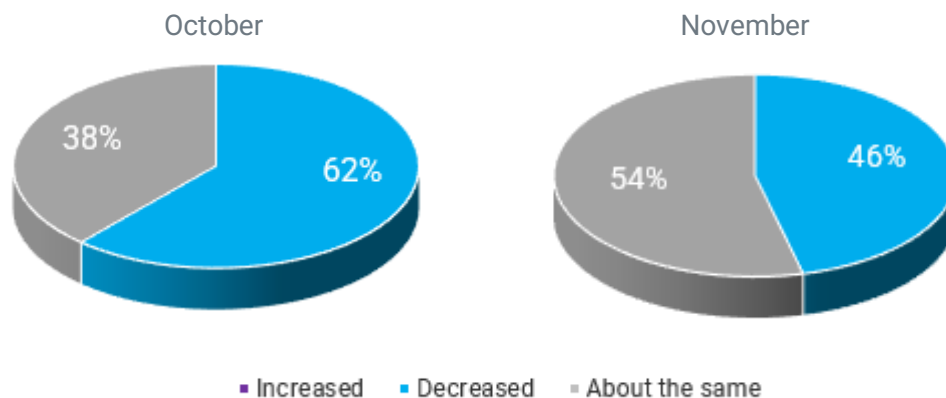
Battery electric vehicles continued to perform well, supported by strong value perception and growing buyer confidence. Auction data reinforces this trend: BEVs and HEVs required the fewest sale attempts in November, averaging 1.3 each, compared to 1.4 for PHEVs and 1.5 for petrol and diesel vehicles.

Seasonal patterns have emerged as expected. Convertible demand has eased off, whilst 4x4s are expected to maintain stronger demand through the winter months, particularly following the cold snap that hit parts of the UK recently.

Looking at sentiment overall, the market remains broadly positive for this time of year, even with the expected softening. The upcoming Budget has created some hesitation, with several buyers holding back on restocking until after the announcement, whilst others signalled plans to buy more aggressively in January. Defleet volumes ended up higher than anticipated for some, and vendors are keen to see trading improve through late November and early December to bring stock levels back to normal ahead of the New Year.

Here are the results from November's auction survey:

How do your current stock levels compare to last month?



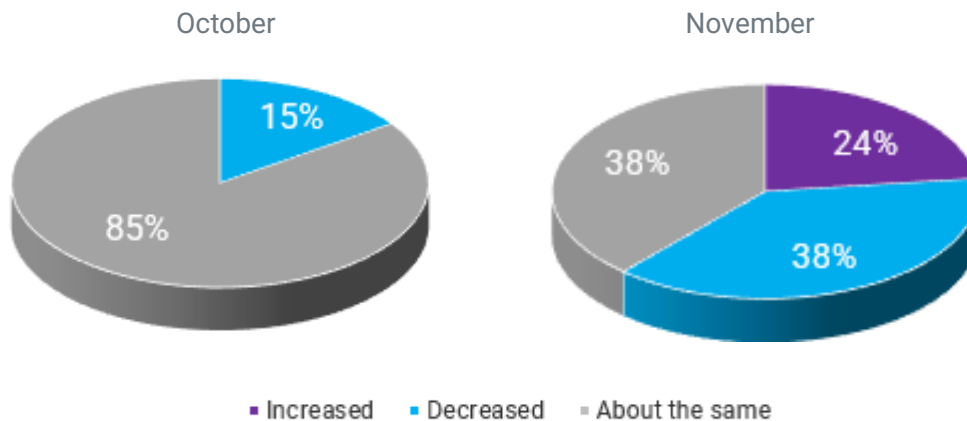
It may come as a surprise following the previous sentiment around higher stock levels, but 54% of respondents indicated that their stock levels have remained the same, while 46% reported a decrease. None reported an increase in volume. Typically, when conversion rates ease back, this leads to more re-entries into the market, something that, evidently, has not impacted stock levels.

We are still seeing the effects of a limited supply of used cars in the 3–5-year-old bracket, largely due to reduced new car registrations over the past five years. Approximately 3 million fewer vehicles were registered during that period, and this shortfall continues to ripple through the market today.

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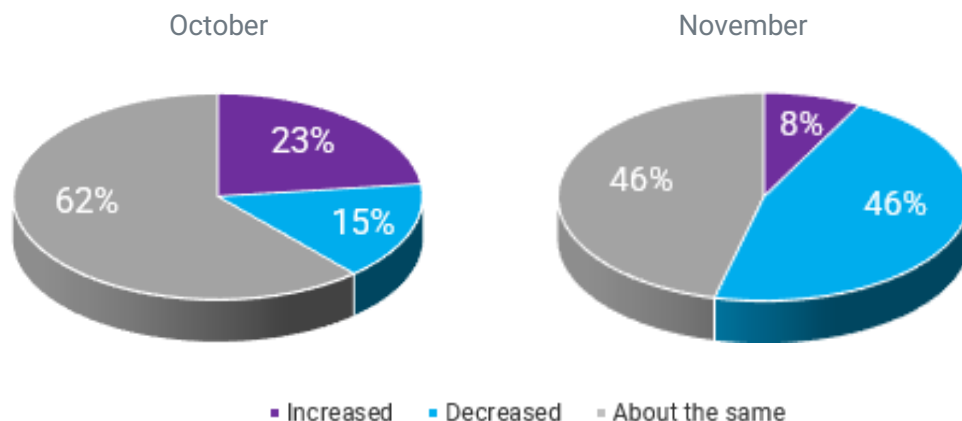
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How does your current overall demand compare to last month?



It's a slightly more mixed picture than in recent months when comparing how demand has changed since last month. On the positive side, just over 60% of respondents reported that demand had either stayed the same or increased from October. However, as we've been reporting, the market does appear to be entering its seasonal downturn. This is reflected in the fact that 38% of auctions reported a decrease in demand. While independents and car supermarkets remain fairly active, franchised retailers have notably slowed or even stepped out of the market altogether.

How do your conversion rates compare to last month?



With the seasonal downturn, 46% of auctions reported a reduction in conversion rates. Conversions gradually declined to between 65% and 70% by the end of the month, which many still view as a good result for this time of year. However, compared to the summer months, market dynamics are clearly more challenging. The trend is not uniform: 46% of respondents indicated that conversion rates have stayed about the same, while 8% bucked the trend and reported improvements compared to last month.

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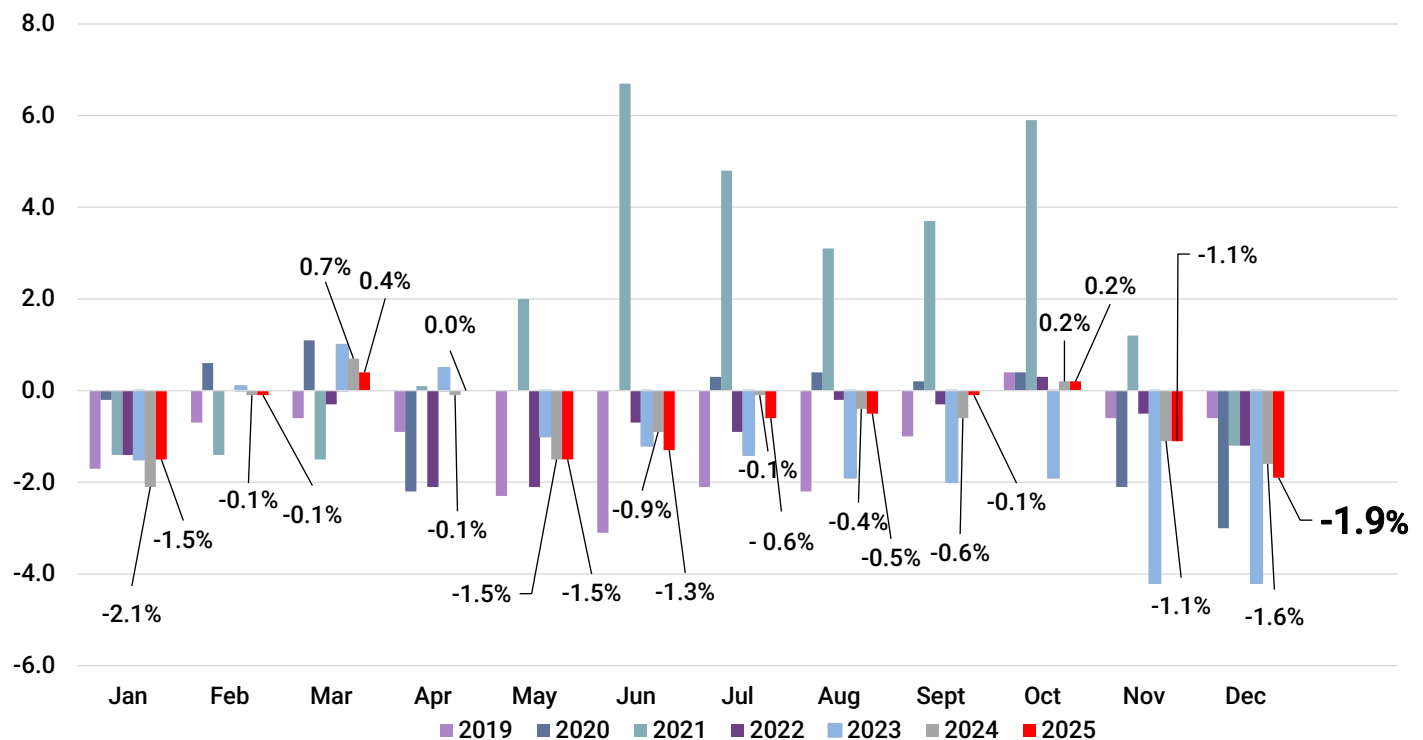
Used cars – trade values

With seasonal softening evident across both retail and wholesale markets, how have Live values performed throughout November? Looking at the benchmark profile of a three-year-old car with 60,000 miles, the average monthly movement was a reduction of 1.9%, equivalent to £350.

Since the introduction of Cap Live in 2012, values have typically fallen by around 2.0% on average moving into December, when excluding the two COVID-impacted years of 2020 and 2021. Historically, every November-to-December movement has recorded a decrease in values, with no rises on record. Last year's movement was -1.6%, while the strongest performance since 2012 came in 2019, with a modest reduction of just 0.6%. In contrast, 2023 saw the weakest performance, with a well-documented decline of 4.2%. This significant drop followed an identical movement in the previous month, as the market adjusted to increased volumes, cost-of-living pressures, and the lingering effects of elevated prices from the 2021 value surges.

While the combined movement for November and December 2023 at the three-year point was a sharp -8.4%, this year it is a far more modest -3%. The cumulative average movement going back to 2012 (excluding the COVID years) is -3.5%. The market now feels closer to pre-2020 norms, where a movement of around -2% at this time of year was typical. That said, this is another month where the movement has been more positive than the long-term average, a trend that has persisted throughout the year, with only March coming in level with the average.

Monthly percentage movements in Live valuations (3-years, 60k miles) – Decembers 2025 figure depicts Novembers 2025's Cap Live



Values have eased back across all the age and mileage brackets we're tracking. Vehicles at one year old with 10,000 miles fell 1.7%, equivalent to £490. The sharpest decline came at five years and 80,000 miles, down 2.0% or £270. The most resilient segment was older stock at ten years and 100,000 miles, however, values still dipped but by a more modest 1.6%, or £80.

Like with all the age and mileage profiles, every sector type saw values reduce throughout November within Cap Live. It will come as no surprise that, for the time of year, convertibles were the weakest-performing sector, with the movement at three years down 2.8% (£630). However, due to fewer convertibles being in the market, as a result of lower new car registrations and reduced model availability over the past few years, the decline has not been as steep as in previous years, when drops of around 4% were common. Some of the largest reductions included the Mercedes-

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Benz E-Class Cabriolet 7.1% (£1,835), Mini Convertible 5% (£715), and Mazda MX-5 4.9% (£635). Coupe Cabriolets which for obvious reasons, are closely linked to convertibles, saw slightly better performance but still edged back by 2% (£290).

It's perhaps a little surprising to see that Superminis were the second weakest-performing sector, given that much of the feedback from retail and wholesale markets pointed toward sub-£15,000 cars being the sweet spot. At the three-year point, values reduced by an average of 2.6% (£295). While many models at the three-year point and older fit this profile, analysis of disposal data suggests they may not offer the same value for money they once did. Looking at the average disposal price for a three- to four-year-old Supermini in November, the figure has risen from around £7,350 in 2019 to over £11,600 this year, an increase of nearly 60%. The best-performing fuel type within this sector was BEV, which saw values rise on average by 0.5% (£30), while petrol models fell by 3% (£340). Notable downward movers included the Citroën C3 at 5.5% (£410) and the Ford Fiesta at 4.0% (£400). In contrast, BEV models such as the Peugeot 208 and Renault Zoe recorded increases of 1.3% (£110) and 1.1% (£80) respectively, as these models continue to offer strong value for money.

The SUV sector continues to dominate in terms of size and disposal volume, as we have been reporting all year, accounting for close to 40% of all the trade sold data that we received throughout November, up significantly from 24% in 2019. Narrowing the focus to vehicles up to three years old, that share jumps to nearly 60% this month, compared with just 38% in the same period of 2019. Values softened across the SUV sector throughout the month. At the one-year point, prices fell by 1.7% (£500), while three-year-old vehicles declined slightly more at 1.9% (£375). As always, the detail lies in the different sizes of SUVs, which performed unevenly. Large SUVs at three years old held up reasonably well, moving back 1.2% (£435), while medium-sized models fared worse at 2.1% (£340). Small SUVs were the weakest performers, with an average movement of 2.4% (£280). Within the feedback recorded in the used car retail and remarketing activity sections of this editorial, we noted that availability appears to have increased for certain models from multiple remarketers, allowing buyers to be highly selective. Much of this additional volume has come from small and medium SUVs. Some of the models that saw values come under pressure this month include the Nissan Qashqai down 7.8% (£1,110), Vauxhall Mokka down 6% (£650), and Ford Puma down 4.3% (£515).

Turning our attention to the performance of other sectors, Upper Medium declined by 2.2% (£385), followed by Executive at 2.1% (£465), Lower Medium at 1.9% (£265), MPV at 1% (£175), and Large Executive with the smallest movement at 0.6% (£235), all at 3 years-old. A full list of movements by sector and age profile can be found at the end of this editorial, along with a number of notable movers.

Battery electric vehicles, despite seeing values reduce on average by 0.9% (£170) at the three-year point, emerged as the best-performing fuel type. Of all the models we value at this age, 57% saw values move back, while 43% either held steady or increased. There had been some concern within the industry about rising volumes through wholesale channels for BEVs, particularly in the final quarter of the year, and the potential for this to put greater pressure on used BEV values. However, this has yet to materialise. Demand appears to be holding up well, as highlighted by the impressive days-to-sell figures for BEVs outlined in the used retail section above. Consumers and retailers remain attracted to this fuel type, particularly for vehicles aged between three and five years old, which represents exceptional value for money, especially when you take into consideration the total cost of ownership savings. The sweet spot in trade still appears to sit around £15,000 and under, with retail demand remaining strong for cars priced below £20,000.

Of the other fuel types, HEVs were the second-best performers, with values easing back 1.5% (£250), followed by PHEVs and diesels at 1.9% (£400) and 1.9% (£385) respectively. Perhaps most surprising is that petrol values have come under the most pressure for the second month running, falling 2.1% (£375).

In summary, November's used value movements signal a return to more typical seasonal patterns, as we approach the end of 2025.

Car editorial

By cap hpi

What next?

Last month, our prediction was:

"Given current market conditions, it wouldn't be surprising to see values soften in line with the long-term average at the 3-year-old point as we head into the final stretch of the year. However, there may be more nuance across other age bands, with some segments and models behaving differently depending on supply dynamics and buyer demand."

Values for three-year-old vehicles typically ease by around 1.4% between December and January. With the market continuing to show steady and consistent performance, there's little to suggest anything beyond the usual seasonal softening in used car values this December. That said, caution remains around the availability of late-plated and pre-registered vehicles, along with increased stock from some remarketers, which is prompting buyers to remain selective. Some retailers will also be keeping a close eye on stock levels as they work towards year end targets. This could dampen their appetite to replenish ahead of the new year and put additional pressure on values. For context, the largest December to January decline in recent years was 2.2% back in 2015, whilst last year's movement was a more modest 1.5%.

Despite some of the headwinds mentioned, the market continues to outperform expectations and now appears to be settling into a more typical seasonal rhythm, at least in the short to medium term. Used car returns overall remain lower than in previous years, particularly for vehicles aged between three and five years old, which should keep competition for stock healthy as dealers prepare for January. While some retailers may be constrained by year end stockholding targets, December often presents a strong opportunity for others to source quality stock ahead of the new year.

Whatever the market brings, Cap Live will continue to track and reflect sold prices in real time as we move through the final month of 2025.

Finally, we'd like to take this opportunity to wish everyone a happy and safe holiday season. Thank you for your continued support and feedback throughout the year — it's genuinely appreciated.

Car editorial

By cap hpi

Current used valuations December 2025 - average value movements

	1 YR/10K	3 YR/60K	5 YR/80K	10 YR/100k
City Car	(1.4%)	(1.2%)	(1.1%)	(2.2%)
Supermini	(2.4%)	(2.6%)	(2.3%)	(1.6%)
Lower Medium	(2.1%)	(1.9%)	(2.1%)	(1.3%)
Upper Medium	(2.2%)	(2.2%)	(2.0%)	(1.6%)
Executive	(1.6%)	(2.1%)	(1.7%)	(1.9%)
Large Executive	(0.2%)	(0.6%)	(0.8%)	(0.8%)
MPV	(1.0%)	(1.0%)	(1.5%)	(1.5%)
SUV	(1.7%)	(1.9%)	(2.1%)	(1.3%)
Convertible	(1.8%)	(2.8%)	(2.9%)	(2.6%)
Coupe Cabriolet	(1.3%)	(2.0%)	(3.1%)	(3.6%)
Sports	(0.9%)	(0.9%)	(1.0%)	(0.6%)
Luxury Executive	(0.6%)	(0.7%)	(1.0%)	(0.8%)
Supercar	(0.3%)	(0.2%)	(0.0%)	0.0%
Overall Avg Book Movement	(1.7%)	(1.9%)	(2.0%)	(1.6%)

() Denotes negative percentages

	1 YR/10K	3 YR/60K	5 YR/80K	10 YR/100k
MPV Small		(5.0%)	(2.1%)	(1.7%)
MPV Medium	(1.4%)	(1.6%)	(1.7%)	(1.2%)
MPV Large	(0.7%)	(0.2%)	(1.2%)	(2.2%)
SUV Small	(2.3%)	(2.4%)	(2.6%)	(1.7%)
SUV Medium	(1.8%)	(2.1%)	(2.2%)	(1.3%)
SUV Large	(1.1%)	(1.2%)	(1.3%)	(1.2%)

() Denotes negative percentages

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Notable Movers 1-yr 20k

	MIN £	MAX £	AVG £
BMW 5 SERIES (16-24)	500	700	615
FIAT 500 (15-25)	(450)	(350)	(395)
LAND ROVER DISCOVERY (16-) DIESEL	(1,600)	(1,300)	(1,510)
LAND ROVER RANGE ROVER VELAR (17-)	1,000	1,500	1,266
MAZDA MX-5 (15-)	(1,000)	(750)	(900)
NISSAN QASHQAI (21-)	(2,000)	(1,150)	(1,631)
POLESTAR 2 (19-) Electric	(1,100)	(800)	(956)
PORSCHE TAYCAN (19-) Electric	400	700	541
SKODA KODIAQ (16-24)	(1,400)	(600)	(980)
VOLKSWAGEN TIGUAN (16-24) DIESEL	(1,000)	(550)	(768)

() Denotes negative value

Notable Movers 3-yr 60k

	MIN £	MAX £	AVG £
AUDI Q2 (16-)	(600)	(350)	(490)
FIAT TIPO (16-)	(550)	(375)	(455)
FORD MUSTANG (15-24)	(700)	(600)	(616)
KIA EV6 (21-) Electric	150	250	200
KIA PICANTO (17-)	(325)	(150)	(225)
MERCEDES-BENZ E CLASS COUPE (16-23) DIESEL	(1,400)	(1,100)	(1,210)
NISSAN GT-R COUPE (09-22)	1,900	3,800	2,400
SEAT ATECA (16-)	(450)	(300)	(408)
TESLA MODEL 3 (19-24) Electric	(400)	(300)	(337)
VOLVO XC90 (14-25) DIESEL	(700)	(550)	(608)

() Denotes negative value