

June 2026

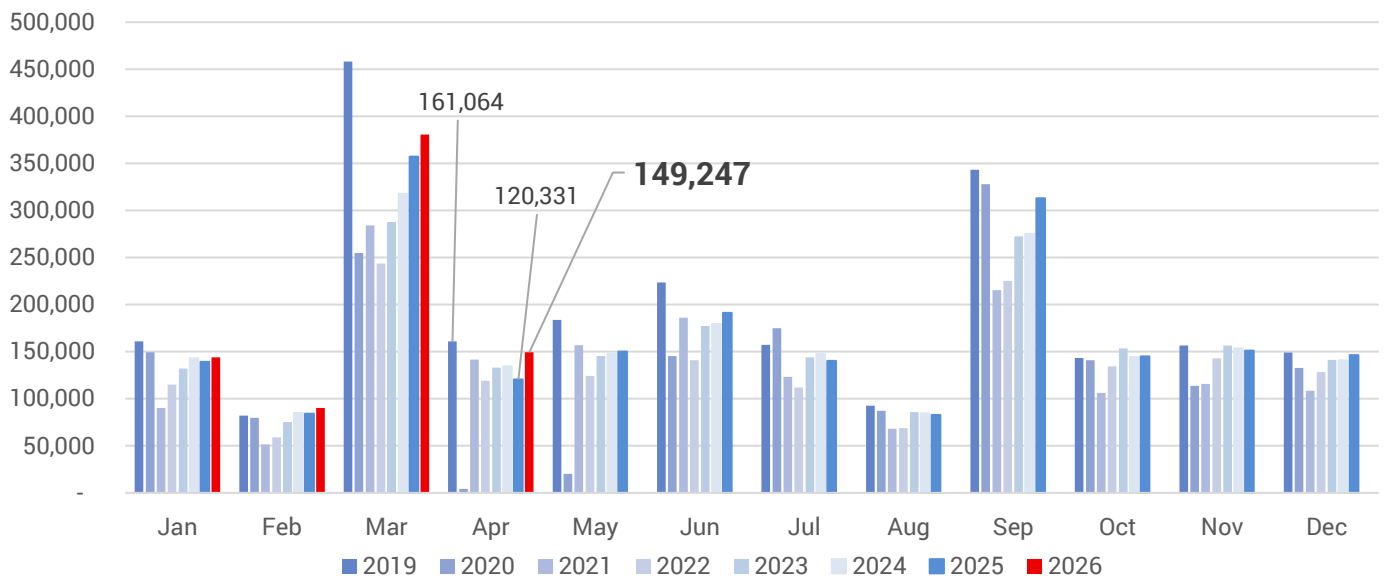
Car market overview

This monthly update outlines the current state of the UK new and used car markets. It combines new car registration data up to the end of April 2026 with an assessment of prevailing conditions in the used market at the time of writing. All commentary reflects the market position as of 26th May 2026.

New car sales

UK new car registrations rose strongly in April, increasing by 24.0% year on year to 149,247 units, according to figures published by the Society of Motor Manufacturers and Traders (SMMT).

The improvement was largely explained by the low point of comparison in April 2025, when a significant volume of demand had been pulled forward into March ahead of planned tax changes, including the extension of VED and the Expensive Car Supplement to battery electric vehicles. While April is typically a quieter month for registrations, which can distort annual comparisons, the result still represented the strongest April performance since 2019, when volumes reached 161,064 units.



Source: SMMT

All sales channels recorded growth during the month, with fleet demand leading the increase. Fleet registrations rose by 26.8% to 90,462 units, while private registrations increased by 20.2% to 56,116. Volumes in the smaller business sector also moved higher, up 15.0% to 2,669 registrations.

By fuel type, demand for petrol cars increased by 8.2%, while diesel registrations edged 1.0% lower. Electrified vehicles continued to dominate new car registrations, accounting for 53.2% of the market for the second month of the year. Plug-in hybrid (PHEV) registrations rose sharply by 46.4% to secure a 13.8% market share, while hybrid electric vehicles (HEVs) increased by 18.8%, representing 13.2% of registrations.

April marked a notable milestone for the UK market, with the two millionth battery electric vehicle registered since launch, taking the cumulative total to 2,012,758 units. Monthly BEV volumes rose by 59.1% compared with a year earlier, lifting electric vehicles to a 26.2% share of registrations for the month. While a strong result, it should be viewed in the context of April's typically low overall volumes.

Car editorial

By Cap hpi

On a year-to-date basis, BEVs accounted for 23.1% of new car registrations, leaving uptake significantly below the 33% share required to meet the Zero Emission Vehicle mandate. This gap persisted despite substantial manufacturer incentives and the introduction of the Electric Car Grant in the previous year.

The latest industry outlook from the SMMT pointed to improving confidence in overall new car volumes, while also signalling softer expectations for electric vehicle demand. Total registrations in 2026 were forecast to rise by 3.6% to 2.093 million units, revised up from the 2.048 million estimate published in January.

However, the projected BEV share was reduced to 26.8%, down from 28.5%, reflecting a weaker-than-expected first quarter. At Cap Hpi, our current view remains slightly more cautious, with the new car market forecast to close the year at around 2.081 million registrations.

On a year-to-date basis, new car registrations are around 9% higher than at the same point last year, indicating a gradual improvement in overall volumes. Despite this recovery, the market remains materially smaller than before the pandemic, with registrations still approximately 11% below 2019 levels.

Market share data for the year so far highlights the increasingly fragmented nature of the UK new car market. While Volkswagen retains its position as the largest single OEM, growth continues to be driven by newer entrants, particularly Chinese-owned brands. Collectively, Chinese manufacturers account for 14.6% of registrations, placing them well ahead of any individual competitor, with MG, BYD and Jaecoo all operating at material scale. Year-on-year movements show that these gains are largely offset by share losses among established volume and premium brands, underlining how current growth is being shaped more by competitive displacement than by broad-based market expansion.

Short-cycle registrations continue to build momentum, with more than half of last year's total already recorded after four months of 2026. April proved a particularly strong month for the channel, with 16,438 vehicles registered, representing a 71% increase year on year. Despite this improvement, volumes still remain below pre-pandemic levels, although April marks the strongest outturn for the month since 2019.

While much of the growth appears to be carefully planned between OEMs and their rental partners, this channel may also be used more tactically at times, helping to address shortfalls in target and, in turn, support or defend market share.

Looking further ahead, the SMMT forecast the UK new car market to reach 2.121 million registrations in 2027, with battery electric vehicles expected to account for 32.0% of volumes. The organisation noted that this would still leave a shortfall of around six percentage points against the Zero Emission Vehicle mandate target.

In its outlook commentary, the SMMT went on to say that elevated energy, production and charging costs continued to constrain demand, which had failed to grow at the pace originally assumed when the regulation was formulated. The report also pointed out that the broader geopolitical backdrop added further uncertainty. The conflict involving Iran was highlighted as a developing risk, the full implications of which were still unclear.

While interest in electric vehicles was continuing to build, the SMMT cautioned that this could be tempered by persistent inflationary pressures, higher energy prices, and the associated impact on household cost-of-living affordability.

The outlook further highlighted that a number of major international markets were already revising their transition strategies to better reflect current geopolitical and market realities. In this context, the SMMT argued that the UK similarly required an urgent review of its transition framework to avoid weakening competitiveness, reducing consumer choice, and undermining investment and longer-term growth.

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Used car retail activity

The UK's used car market remained broadly stable throughout the first quarter of the year, with volumes down just 0.2% as 2,016,232 vehicles changed hands, according to the latest figures published by the SMMT. This ended a 12-quarter period of growth, reflecting a softer March where transactions fell 2.3% compared to an unusually strong March in 2025, which had been the only month to exceed 700,000 sales since 2017.

More recent trading conditions feels consistent with that picture. May, in many respects, has continued in a similar vein to April, with a broadly seasonal tone across used retail. With the Easter period now behind us, trading conditions have settled into a more predictable pattern, although there are increasing signs that consumer demand has begun to ease slightly in places.

Even so, sales activity has remained steady overall, with many retailers reporting broadly consistent performance levels, albeit with a little less urgency in stock turn compared to earlier in the spring. While demand has remained present, a consistent theme in recent months, and again this month, has been a more measured consumer.

Feedback from our retail partners suggest that, although transactions continue at a reasonable pace, the rate of stock churn has begun to ease, with buyers taking more time over purchasing decisions. This is reflected in a more selective approach, particularly where pricing or perceived value does not clearly align with expectations.

This is also evident within our retail advert database, where the average days to sell increased through May from around 30 days in April to 33 days this month.

With strong new car offers still available, there remains an element of cannibalisation from the used market, as some consumers are able to move into new vehicles while maintaining or even reducing monthly payments.

In response, some retailer groups continue to enhance their used car offering, not necessarily through price reductions, but by adding value for the consumer. This includes improved part exchange allowances, servicing packages, and extended warranties, helping to maintain competitiveness while supporting margin.

Stock levels in general have remained in a healthy position, with retailers continuing to have access to a broad supply of vehicles through multiple channels, including auctions physical and online, rental and OEM sources. However, there has been a consistent message around the need for greater discipline when acquiring stock, with competition remaining strongest for cars that need little to no refurbishment or are in retail-ready condition.

In these areas, pricing has at times remained strong, requiring careful and considered buying decisions to protect margin and ensure stock aligns with current retail demand.

Preparation continues to present a challenge for many operators. Rising costs and longer turnaround times have added further pressure, particularly where vehicles require more extensive work prior to sale. In some cases, this has influenced decisions around whether stock is retailed or traded, with higher preparation thresholds reducing appetite to carry risk on marginal vehicles.

Retail performance has remained mixed across different operator types. Car supermarkets continue to report some of the strongest levels of activity, supported by effective stock turn and scale. This is reflected in our retail data, with supermarkets recording the fastest average days to sell at around 28 days throughout the month.

Franchised dealers have remained more consistent, typically balancing new and used opportunities, with average days to sell sitting close to 29 days. In contrast, independent retailers have experienced more variable trading conditions, particularly where pricing strategy or cost structures limit flexibility to respond to changes in demand. This is reflected in longer stock turn, with average days to sell closer to 40 days.

Profitability has broadly been maintained, although there are increasing signs of pressure building around input costs, particularly within preparation, as already mentioned. While headline margins remain relatively stable, these

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underlying cost pressures are beginning to require closer management, reinforcing the need for accuracy in both buying and pricing decisions.

Fuel type dynamics continue to play a significant role in shaping retail performance. BEVs have been widely highlighted as relatively positive, with many retailers reporting strong demand and improved engagement, particularly where true value is clear. This is also reflected in SMMT figures for the first quarter, where BEV transactions grew by 32.0% to 86,943 units, with market share rising to 4.3% from around 3.3% last year.

This growth reflects the increasing volume and choice of new electric vehicles entering the market in recent years, supported by manufacturer activity and incentives, which are now filtering through into the used sector. More recently, there is a growing sense that buyers are being drawn to BEVs by the value for money they now offer, with around 50% of vehicles within our retail advert database priced below £20,000, there is a good chance most BEVs that fall under this price point will meet the majority of consumers usage needs. In addition, total cost of ownership has become increasingly compelling, particularly for those with access to home charging, where running costs compare much more favourably with traditional fuel prices. While we still await confirmation of the next energy price cap, there is an expectation that electricity prices may rise. Even so, the benefits of charging at home, especially on overnight tariffs, should continue to make BEVs cheaper to run overall.

As a result, some buyers have begun to broaden their approach, supported by greater confidence in both pricing and product suitability.

That said, a degree of caution remains, with most retailers continuing to adopt a controlled approach to stock levels, mindful of the volatility experienced within this fuel type in recent years.

By contrast, diesel vehicles have continued to prove more challenging. While still capable of performing where priced correctly, feedback indicates that they often require stronger value positioning to achieve comparable levels of demand, with some reports of stock being harder to shift even with increased discounting.

That pattern is also evident in the retail data. BEVs continue to be the fastest-selling fuel type, averaging around 28 days to sell, while diesel remains the weakest-performing at around 36 days.

A number of the BEV models that have performed well in the trade market are also among the quickest to turn at retail. The Tesla Model 3 is averaging around 25 days, the Tesla Model Y around 21 days, with the Polestar 2 and MG 5 also performing strongly at around 24 and 25 days, respectively.

In summary, the used retail market remains broadly stable but more controlled, with a more measured, value focused and increasingly selective consumer driving outcomes. Stock levels are healthy, but success is falling more on buying well and pricing accurately, particularly with competition strongest for clean, retail-ready vehicles and preparation costs are low. Performance continues to vary by retailer type, while fuel type remains a key divider, with BEVs a clear positive in both demand and speed of sale, and diesel requiring stronger pricing to maintain engagement.

Used car remarketing activity

At the start of the month, there was some caution around how the market would perform following the bank holiday period. Attention centred on whether increased volumes, combined with seasonal disruption, might begin to weigh on conversion rates and price performance, particularly after a busy first quarter and with elevated stock still flowing through remarketing channels.

In the opening weeks, feedback from remarketers suggests conditions started off somewhat mixed, but without the deterioration some had anticipated. Buyer numbers broadly hold up, and while trading lacks clear momentum in places, there is little evidence at that stage of any sustained weakening in either conversion rates or performance vs Cap Values.

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That said, a consistent theme is emerging that, in some areas, more effort is required post-sale to secure conversions. This is reflected in conversion rates, with fleet typically operating in the low-to-mid 70% range, while part exchange stock sits lower, often in the mid-50% range. While broadly in line with this time last year, this points to conditions becoming more challenging compared to earlier in the year. Although conversions soften slightly, many remarketers are still selling more vehicles than in recent years.

As the month progresses, a clearer picture begins to develop around where strength and weakness are most evident, with performance increasingly diverging by stock profile. Well-presented, retail-ready vehicles continue to attract engagement and convert with reasonable consistency, while poorer condition or higher-risk stock becomes harder work. This is particularly noticeable within dealer and part exchange channels, where rising refurbishment and oil costs are reducing appetite for “work,” leaving some vehicles more difficult to place.

This pattern is reflected in the average auction days in stock and sales attempts we track. Across all vehicles, average days in auction stock edges up from 9.0 in April to around 9.5 so far this month, while the average number of sales attempts increases from 1.5 to 1.6.

Breaking the data down further, vehicles graded 1 under the NAMA appraisal system see average days in stock reduce slightly month-on-month, while sales attempts remain steady at 1.3. In contrast, all other NAMA graded vehicles show increases across both measures, underlining where buyer appetite remains strongest, alongside the continued lack of clean, retail-ready stock.

Many remarketers report that volumes of lower quality stock remain plentiful, reinforcing that imbalance and allowing buyers to stay highly selective. This is supported by continued strength in the new car market, with private registrations up 11.7% year to date against last year, April alone 20.2% ahead, and May expected to remain positive. As a result, franchised retailers continue to generate healthy volumes of part exchange stock.

While the better quality vehicles are often retained for retail, a greater proportion of the remainder are now returning through wholesale channels, adding to available supply, and reinforcing the more selective buyer behaviour seen so far this month. As highlighted earlier, it is more the independent retailers that are seeing softer sales performance compared to franchised operators and supermarkets. These retailers would typically be more active in buying this stock profile, meaning they are tending to cherry pick rather than buying in the volumes required to reduce overall stock levels being seen by many auctions.

The continued strength of the new car market is therefore having a more visible impact on used supply. While any increase in volumes is welcomed by auctions following the shortages of recent years, the key remains ensuring vehicles are priced appropriately, aligned with Cap Live for their condition and prevailing market dynamics, to maintain buyer engagement and support conversion rates.

Fleet, leasing and OEM sales, by contrast, perform more positively, particularly as the month progresses, helping to support overall wholesale activity and market health. Buyer numbers remain healthy, including continued participation from franchised dealers, although demand is not consistent across all models and product lines. Encouragingly, overall conversion rates improve slightly as the month develops.

Vehicles offered through fleet and leasing auction channels typically fall within the core retail age bracket of three to five years old and, with lower mileages, continue to translate well to forecourt demand.

While disposal volumes received into Cap, are up around 6% year on year, it is also noticeable how the age profile of that data is starting to shift. The share of vehicles aged 0 to 3 years has increased to 19% year to date, up from 17% last year and moving closer to 2019 levels of 22%, having fallen as low as 11% in 2023. The core 3 to 5-year-old bracket remains broadly stable, accounting for 21% of the data in line with last year, while the share of older stock has reduced, with vehicles aged 5 to 7 years now representing 9%, down from around 11% in recent years.

Fuel type dynamics continue to play a key role in shaping outcomes. BEVs are consistently highlighted as a relative positive, with strong buyer engagement, particularly around well-priced volume models. Feedback points to a

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By Cap hpi

growing willingness from a broader range of buyers, including independents, to engage with this fuel type, supported by improving value perception and increased consumer demand.

There is also a sense that conditions have shifted compared to earlier in the year, with increased geopolitical uncertainty and rising fuel prices contributing to a change in sentiment and renewed interest in electric vehicles. Some auctions now report conversion rates for BEV product in the 90% region, a notable improvement on recent weeks and months.

While many trade buyers still favour vehicles supplied with a battery health certificate, there is growing appetite for stock without one, reflecting increasing confidence in assessing battery condition independently and a broader view that degradation is less of a concern than previously thought, alongside the need for retailers to remain flexible in order to secure stock.

In contrast to the caution typically seen around vehicles requiring refurbishment, this is less pronounced for BEVs this month, with buyers showing greater acceptance of lower-grade stock. This is supported by the data, which shows a reduction in the average sales attempts across NAMA grades compared to last month.

Diesel vehicles continue to prove to be much more challenging. Buyer appetite remains cautious, with demand focused on models that can be turned quickly and with clear retail appeal. That caution feeds back into retail channels, with some dealers becoming more selective around what they are willing to take in part exchange, particularly older or higher mileage diesel stock.

This shift is also evident in the auction performance data. For BEVs, the average number of sales attempts falls, while average days in auction also reduces to its lowest level so far this year, despite rising supply. Diesel moves in the opposite direction, with sales attempts increasing alongside a rise in average days in auction. At the time of writing, BEVs are the best-performing fuel type on this measure, reinforcing the shift in buyer behaviour seen so far this month.

Across some remarketers and auction companies there are also signs that volumes remain elevated, with some operators reporting high stock levels and, in certain cases, capacity pressures. While this does not materially impact buyer appetite, it contributes to a more selective environment, where correct pricing and realistic expectations remain key to achieving successful outcomes.

At the same time, logistical pressures and higher fuel costs are beginning to impact vehicle transportation, adding further strain to the movement of stock through both retail and wholesale networks.

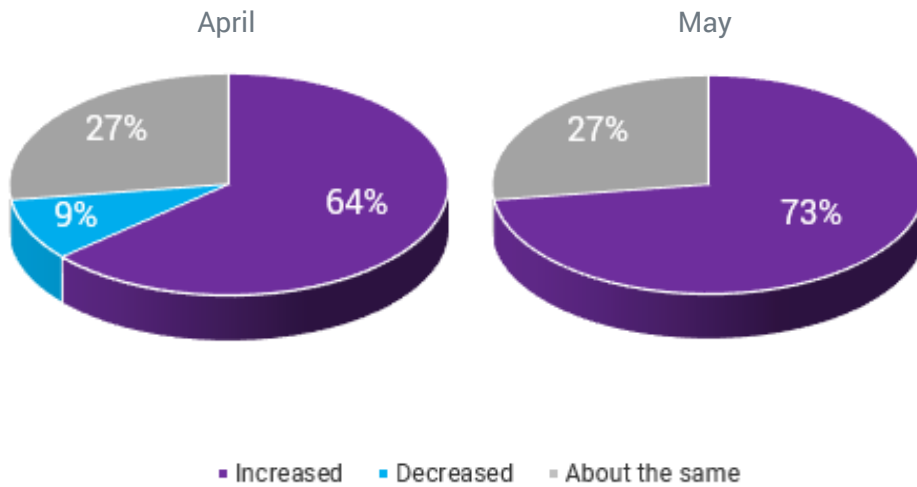
In summary, so far this month the market remains selective and increasingly price-led, with outcomes intricately linked to condition, stock profile, and alignment with prevailing demand. Those remarketers with clean, retail-ready stock continue to perform consistently, particularly within direct channels, while areas of oversupply and lower quality stock remain more challenging.

Below are the results from the May's auction survey:

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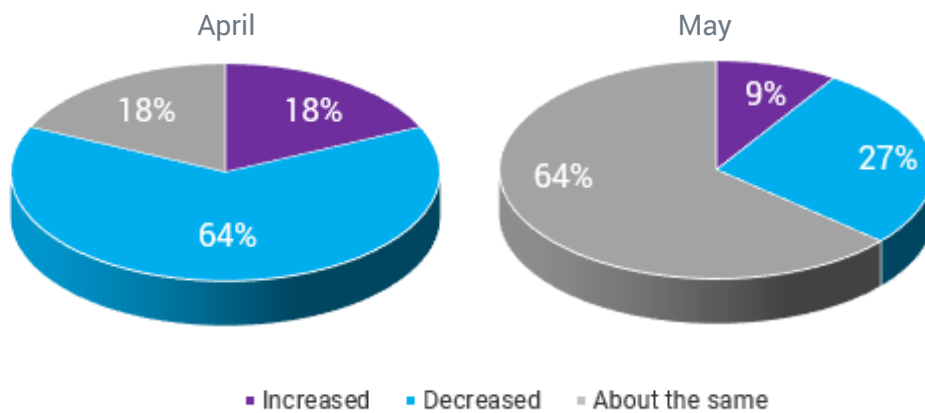
By Cap hpi

How do your current stock levels compare to last month?



Stock levels remain elevated, with April already seeing 64% of respondents reporting increases, before settling in May with 73% indicating levels are holding steady, and a further 27% still rising. This supports the wider picture of supply building in the market, with little immediate reduction in overall availability and reinforcing the selective buyer behaviour, particularly given much of this volume sits within lower quality profile of stock.

How does your current overall demand compare to last month?

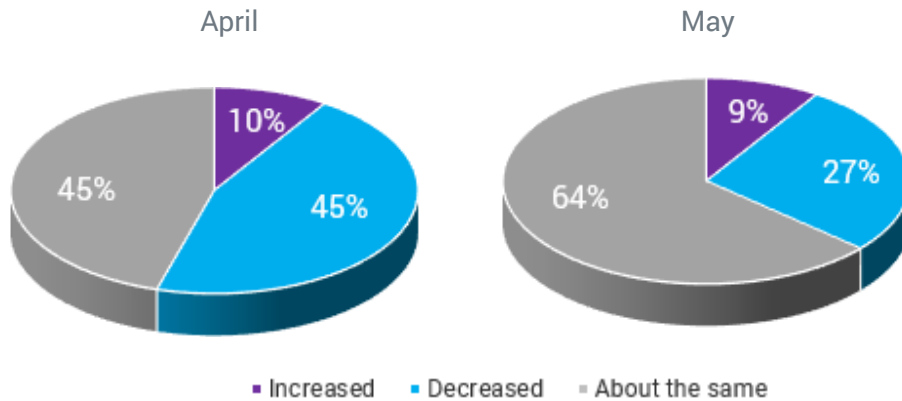


This points to a market where demand has largely stabilised rather than materially strengthening or softening. Set against the elevated stock levels, this reinforces the more balanced but still selective conditions we are currently seeing. Buyers remain active, but without the urgency evident earlier in the year, meaning stock is continuing to build in certain areas, particularly where it does not clearly meet demand.

Car editorial

By Cap hpi

How do your conversion rates compare to last month?



Conversion rates have also shown signs of stabilising as the market has progressed into May. In April, 45% of respondents reported a decline, but this has eased, with 64% now indicating that sales conversions are broadly unchanged with only 27% still seeing a reduction.

This supports the wider view that, despite elevated stock levels, underlying market conditions remain relatively stable. However, with no clear improvement in conversions, it highlights the more selective nature in demand, where stock is still turning but often requiring closer alignment to buyers expectations.

Used cars – trade values

As already highlighted within both the retail and wholesale sections, there is clearly a lot going on beneath the surface of the market at present. However, the overall sentiment across most areas remains that conditions continue to reflect a broadly seasonal pattern, following what was a busy first quarter of the year.

So, what impact has this had on used car values? Cap Live values for May have recorded an average decline of 0.9%, equating to around £195 at the 3-year/60,000-mile point.

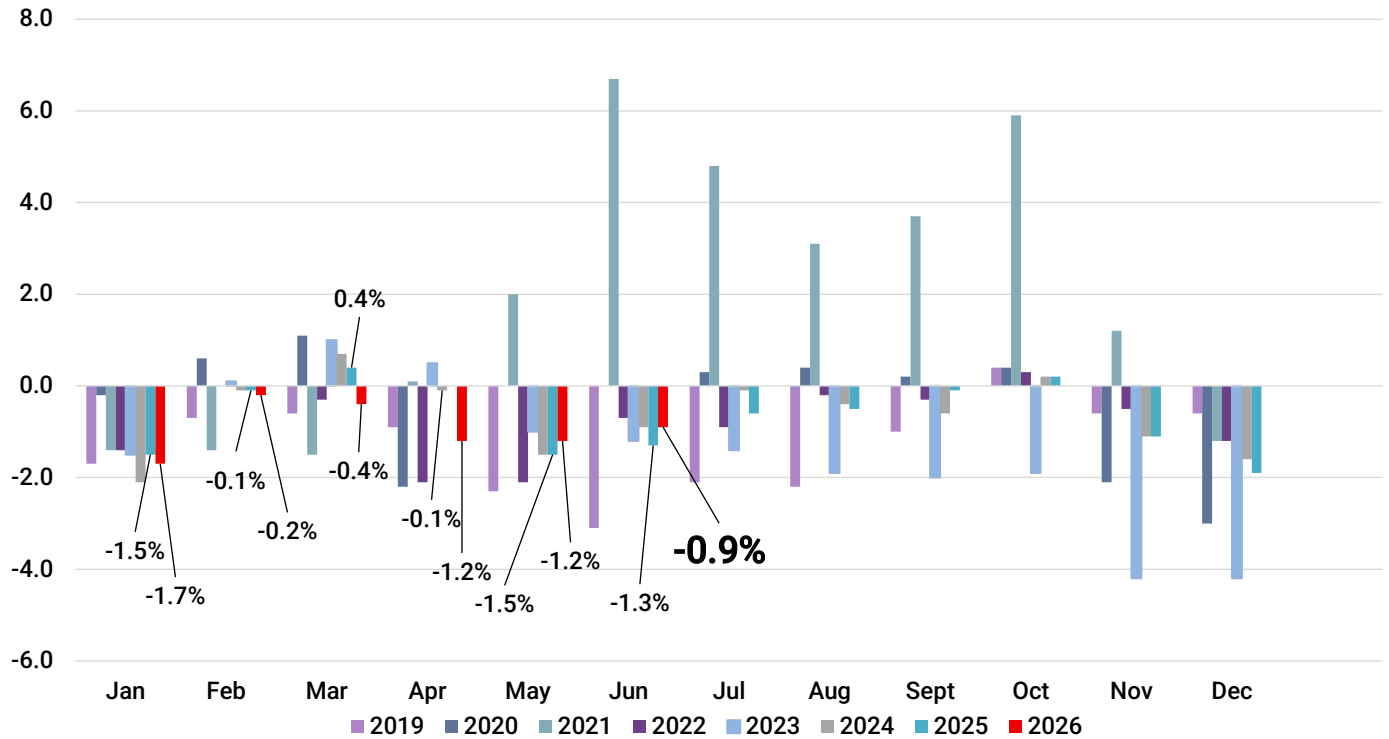
To put this into context, the average movement in values since 2012, excluding the COVID-affected years of 2020 and 2021, has been around -1.5%. On that basis, this represents the joint second strongest May to June movement since the introduction of Cap Live, when those years are removed from the comparison. For reference, the strongest year was 2022, when values softened by just 0.7%, with 2024 also mirroring this year's movement. In comparison, values reduced by 1.3% over the same period last year.

This also marks the second consecutive month where the average movement has been more favourable than the seasonal norm, following two earlier months where the pattern was reversed. The weakness seen in March and April was largely driven by increased volumes across the market alongside continued pressure within BEV values, both of which weighed on overall averages.

Car editorial

By Cap hpi

Monthly percentage movements in Live valuations (3-years, 60k miles) – June 2026 figure depicts May 2026's Cap Live



At the 1-year age point, values have also declined, falling by 0.7%, or around £250. Once again, it is the older end of the market that is seeing the greatest levels of decline, reflecting the continued volume of higher mileage, poorer condition stock entering the market, much of which requires work to bring it back up to a retail ready standard.

At five years old, values have reduced by 1.3%, or around £185, while at ten years old they have declined by 1.5%, or around £65.

Following the relatively positive sentiment around used BEV product across both retail and wholesale channels, it will come as little surprise that Cap Live values for BEVs have recorded their first positive movement at the three-year age point since September last year, increasing by 1.2% (£220). Values have increased across all age and mileage profiles that we report on. This represents the biggest positive average movement since September 2022, when values also rose by 1.2%, albeit at a time when the used BEV market was still relatively immature.

This improvement reflects a shift in underlying market dynamics that has been building over recent weeks. Since late last year and into the early part of this year, there has been a clear disconnect between trade and retail markets for BEVs, with wholesale values showing ongoing volatility while retail advertised prices remained relatively stable and demand broadly held up. That disconnect has now largely closed, in fact, some retailers may need to look to increase their advertised prices on BEVs due to the strong money they have paid in the trade market to secure the vehicles.

From the week commencing 13th April, wholesale performance begins to stabilise before showing more consistent improvement on a week-by-week basis. This is taking place against a backdrop of increasing supply into the used market, with sold volumes received into Cap running around 40% ahead of last year. April represents a record month for supply, with May currently tracking close to those levels.

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By Cap hpi

Despite this, demand throughout May has kept pace with supply, with some indications that it has begun to move ahead of it in certain areas. In simple terms, where retailers are seeing customers actively enquiring about and purchasing BEVs, it is giving them greater confidence to return to the market and replenish stock. This has been supported by reports of trade buyers approaching vendors post sale to see if they have availability of additional vehicles, alongside a growing willingness to consider a broader range of stock, including vehicles in varying conditions and even those without a battery health certificate.

Of all the BEV models we value at the 3-year age point, 45% have seen values increase, while a further 32% have remained level. In other words, 77% of BEVs have either risen or held steady this month, with only 23% recording a decline.

For comparison, just two months ago, when the average movement was a reduction of 3.6%, around 90% of BEV models at the same point saw values adjusted downwards, with only a very small proportion recording any increase.

The top 5 performing BEVs to see the biggest rises this month include the MG 5 (6.5% or £525), MINI Cooper (6.4% or £570), Polestar 2 (6.1% or £980), Tesla Model 3 (6.1% or £1,000), and the VW ID.5 (5.5% or £860). It is no surprise to see that a number of these models have performed well, as they were among those that had come under pressure at the start of the year but have since started to look great value for money.

As we have referenced throughout our editorials so far this year, we have continually highlighted the increased impact that BEV movements are having on overall market averages. Removing BEVs from the calculation remains a useful way of illustrating the influence this drivetrain is now having within the nominal three-year average figure.

If we apply that same approach this month, the average movement shifts from -0.9% to -1.3% once BEVs are excluded. This again demonstrates that, without the recent improvement in BEV performance, the wider market would be tracking much closer to historical averages.

It also highlights that it is becoming increasingly difficult to rely on historical context alone when comparing performance, given the continued changes in market dynamics and the growing influence of BEVs within the overall mix.

Turning to the performance of other fuel types, petrol was the strongest performing ICE variant, with values at the 3-year age point declining by 1.0%, or £185. Hybrids moved back by 1.2%, or £230, while PHEVs reduced by 1.6%, or £510. Diesel was the weakest performer, with values falling by 1.9% on average, or £420. Again, all of the movements referenced above are at the three-year age point.

There are increasing signs that consumer appetite for diesel remains subdued. While the fuel type continues to offer efficiency benefits, higher pump prices, and the increased cost of filling a tank have reduced its overall appeal. As a result, those traditional MPG advantages appear less influential in purchasing decisions, with demand becoming more limited and selective.

This lack of retail demand is feeding through into the wholesale market, where trade buyers are showing little appetite to acquire diesel stock unless it is well priced or highly desirable. In many cases, buyers are only prepared to engage where they have a clear route to market and confidence that stock can be turned quickly.

While this remains a challenge, it is somewhat mitigated by the steady decline in diesel supply over recent years. Diesel now accounts for around 27% of all vehicles received into Cap, compared with close to 50% back in 2019. This reduces further to just over 6% when focusing on vehicles up to five years old, again down from circa 50% in 2019. Had these volumes remained at previous levels, the impact on the market would likely have been more pronounced.

That said, diesel continues to make up a considerable proportion of the older car parc, accounting for around 40% of vehicles over ten years old. With higher fuel costs and increasing volumes of older, poorer condition stock returning through wholesale channels, this remains an area to watch, as it has the potential to place ongoing pressure on performance at the older end of the market.

Car editorial

By Cap hpi

A quick round up of how the various sectors have performed, with a full breakdown of movements by age profile and notable movers included at the end of this overview, shows that Large Executive was the standout performer, recording an increase of 0.6%. Convertible followed closely at 0.5%, while Supercar and Sports segments also showed more modest positive movements of 0.2% and 0.1% respectively, all at the three-year age point. One common theme across these sectors is that they are relatively niche in nature, with supply remaining limited, which has helped to support performance.

Of the more mainstream sectors, Executive saw the largest reduction, down 2.7%, although this was heavily influenced by weaker diesel performance. Luxury Executive declined by 1.6%, while MPV values reduced by 1.4%.

SUV values fell by 0.9% overall, with relatively minor variation between the different size segments this month. Elsewhere, Lower Medium declined by 0.9%, Supermini and City Car by -0.6%, with Upper Medium down by 0.6%, while Coupe Cabriolet saw the smallest reduction at 0.2%.

Finally, one area of note has been the performance of JLR product through wholesale channels. A combination of factors appears to be influencing this, including higher volumes of used stock returning to market and a period of stronger focus on new car activity within the network.

At the same time, broader market conditions remain more challenging, with affordability continuing to play a key role in consumer decision-making. For some models, particularly at higher price points or with higher running costs, this has resulted in a more selective level of demand.

There are also indications that increased competition from new entrants and alternative products is having an impact in certain areas, particularly within more volume-driven segments. As a result, wholesale performance has been more varied, especially where supply is elevated and demand more selective.

Overall, this reflects a combination of changing supply dynamics, shifting consumer priorities and a more competitive landscape, rather than any single underlying factor. As a result, values have reduced on average by 4.7% for Land Rover and 2.9% for Jaguar at the three-year age point. However, movements are best reviewed at an individual model level to gain a fuller picture.

In summary, while the headline movement at the three-year age point suggests a market performing slightly better than historic norms and more favourably than seasonal averages, the reality is that it remains multi-layered, with a lot going on beneath the surface.

Increased volumes of poorer condition and older stock continue to add pressure, at a time when diesel product is becoming less appealing to consumers. In contrast, clean vehicles with sensible mileages remain in demand, helping to offset some of the weakness seen elsewhere, although supply within this profile remains limited.

BEVs, however, clearly stand out as the most positive area of the market, where supply and demand now appear to be much better aligned.

Car editorial

By Cap hpi

What next?

Last month, our prediction was:

“May is traditionally one of the more challenging months of the year, with supply levels still elevated following March and April new-car activity, alongside the impact of Bank Holidays. Looking back, average value movements since 2012, excluding the highly unusual conditions seen in 2020 and 2021, have typically averaged around -1.5%, with the years between 2012 and 2018 showing a very consistent pattern of seasonal decline. Against that backdrop, a move broadly in line with this long-term average would not come as a surprise if the market is continuing to revert to more typical seasonal norms.

That said, there remains an underlying sense of caution. Concerns persist around the potential for further stock returning to the market over the coming weeks, influenced by a combination of logistical constraints, pre-registration activity impacting stock-holding positions, and the continued uncertainty surrounding consumer confidence. With pressures on household incomes increasing, demand remains delicately balanced, and small changes in sentiment could have a more pronounced impact.”

Historically, the average Cap Live movement for June has been a decline of around 1.1%, excluding the COVID-affected years of 2020 and 2021. Based on this, movements this year are expected to track broadly in line with those longer-term trends.

However, as highlighted, the market is expected to remain multi-layered. Within our latest auction survey, 55% of respondents indicated that stock levels are likely to remain broadly in line with May, while 36% expect them to increase, with only 9% anticipating any reduction.

This suggests that, at the very least, stock will remain at its current elevated levels for many auction providers. As a result, buyers are likely to remain highly selective, particularly given the expectation that it will be the less desirable stock that continues to build. In contrast, clean vehicles are likely to become even more limited in their availability.

This dynamic could place further pressure on values more broadly or, alternatively, begin to pull buyers towards poorer condition vehicles where supply of cleaner stock becomes increasingly constrained. At the same time, continued strength in the new car market will add to overall supply, with part exchange volumes and fleet de-fleets feeding further stock into wholesale channels, while also drawing some consumers away from the used market where new car offers remain attractive.

Looking ahead, the ongoing conflict in the Middle East and its impact on fuel prices is likely to continue influencing demand. Elevated pump prices are expected to remain supportive of used BEV performance, while continuing to weigh on ICE demand, particularly diesel.

At the same time, the upcoming increase in the electricity price cap may lead to higher household bills, which could create some negative sentiment. Even so, BEVs are still likely to retain a running cost advantage over ICE, particularly for those able to charge at home, despite the postponement of the planned fuel duty increase.

Cost of living pressures remain a key underlying factor, influencing all areas of consumer behaviour. Those active in the market over the coming months are therefore likely to remain focused on value and affordability when making purchasing decisions.

As always, the detail matters, and those remaining closely aligned to Live values are best placed to navigate the market over the next few weeks.

Car editorial

By Cap hpi

Current used valuations June 2026 - average value movements

	1 YR/10K	3 YR/60K	5 YR/80K	10 YR/100k
City Car	(0.8%)	(0.6%)	0.0%	(0.4%)
Supermini	(0.8%)	(0.6%)	(1.1%)	(0.3%)
Lower Medium	(0.6%)	(0.9%)	(1.1%)	(2.2%)
Upper Medium	(0.5%)	(0.6%)	(1.2%)	(1.9%)
Executive	(2.4%)	(2.7%)	(2.2%)	(1.9%)
Large Executive	2.1%	0.6%	(0.7%)	(0.9%)
MPV	(1.2%)	(1.4%)	(2.3%)	(2.7%)
SUV	(0.7%)	(0.9%)	(1.8%)	(1.7%)
Convertible	0.4%	0.5%	0.9%	1.5%
Coupe Cabriolet	(0.8%)	(0.2%)	0.2%	2.5%
Sports	(0.6%)	0.1%	0.3%	0.5%
Luxury Executive	(0.7%)	(1.6%)	(0.3%)	(1.3%)
Supercar	(0.1%)	0.2%	0.2%	0.3%
Overall Avg Book Movement	(0.7%)	(0.9%)	(1.3%)	(1.5%)

() Denotes negative percentages

	1 YR/10K	3 YR/60K	5 YR/80K	10 YR/100k
MPV Small			1.7%	(2.7%)
MPV Medium	(1.0%)	(1.5%)	(2.8%)	(2.9%)
MPV Large	(1.3%)	(1.3%)	(1.8%)	(2.0%)
SUV Small	(0.7%)	(0.8%)	(1.3%)	(2.7%)
SUV Medium	(0.4%)	(0.9%)	(2.0%)	(1.4%)
SUV Large	(1.4%)	(1.2%)	(1.6%)	(1.4%)

() Denotes negative percentages

Car editorial

By Cap hpi

Notable Movers 1-yr 20k

	MIN £	MAX £	AVG £
AUDI Q5 (16-25) DIESEL	(1,400)	(600)	(1,066)
FIAT 500 (15-25)	(250)	(200)	(216)
FIAT PANDA (12-25)	300	450	362
LAND ROVER DISCOVERY (16-) DIESEL	(3,000)	(2,500)	(2,820)
MAZDA MX-5 (15-)	550	650	600
POLESTAR 2 (19-) Electric	1,200	1,600	1,397
PORSCHE PANAMERA (16-24)	(1,700)	(1,000)	(1,280)
SEAT ATECA (16-)	(650)	(300)	(507)
TESLA MODEL 3 (23-) Electric	750	1,000	900
VOLVO XC90 (14-25) DIESEL	(800)	(800)	(800)

() Denotes negative value

Notable Movers 3-yr 60k

	MIN £	MAX £	AVG £
BMW 5 SERIES (16-24)	(950)	(550)	(693)
FORD MUSTANG (15-24)	550	700	605
LAND ROVER RANGE ROVER VELAR (17-) DIESEL	(1,750)	(900)	(1,268)
MAZDA CX-5 (17-) DIESEL	(550)	(400)	(507)
MERCEDES-BENZ E CLASS (16-24) Petrol Hybrid	(1,700)	(1,550)	(1,600)
MG MOTOR UK MG 4 (22-) Electric	325	400	366
PEUGEOT 3008 (16-25) DIESEL	(350)	(300)	(322)
PEUGEOT TRAVELLER (16-24) DIESEL	1,000	1,050	1,025
TESLA MODEL Y (21-25) Electric	800	1,400	1,016
VOLKSWAGEN TIGUAN (16-24) DIESEL	(350)	(250)	(300)

() Denotes negative value