

## USED CAR MARKET ACTIVITY RAMPS UP AHEAD OF EOFY

25 June 2024

The May edition of the Automotive Insights Report shows the number of used cars for sale in Australia continuing to grow, putting downward pressure on prices, which in turn is leading to an uptick in sales.

Used car listings sustained their growth of recent months increasing by 7.2% from the previous month while sales of used cars increased by 4.4%.

“Ongoing strength in the new car market means that we are seeing an increased supply of used vehicles coming to market, providing consumers with more options at more affordable price points,” said AADA CEO James Voortman.

“We expect this trend to continue, particularly in the next few months leading into the end of the financial year, which traditionally sees increased activity in both the new and used car market,” Mr Voortman said.

“Over the past month we have seen a marked reduction in used cars being listed by Dealers as more Australians seek to sell their cars privately. With the prevalence of online scams, odometer fraud and the lack of statutory protections when buying private, consumers need to exercise due diligence when engaging in a private-to-private used car transaction,” Mr Voortman said.

“We are also seeing strong sales results for lower emissions vehicles with Hybrids (+6.6%), EVs (+8.0%) and PHEVs (+16.6%) growing above average. EVs were the only fuel type to experience a reduction in supply, which is to be expected given the significant mismatch between demand and supply of used EVs,” he said.

“The average time to sell a used car has increased slightly to 45.5 days, a likely product of the improving supply situation which is also driving a reduction in retained values across all segments,” Mr Voortman added.

“Vehicles with the strongest retained values are largely sought after and reliable Japanese makes in both the passenger car and SUV segments as well as in the 2-4 year and 5-7 year categories,” he said.

“The Ford Ranger has built on its impressive lead as Australia’s top selling used vehicle and is close to breaching the 6,000 monthly sales mark. The Toyota Hilux comes in second well ahead of the rest of the pack which includes four utes in the top 10,” he said.

“With the end of the financial year nearly here, Australians are making major selling or purchasing decisions, which has led to the used car inventory approaching an oversupply. This is not an unexpected shift and has been met with increased demand and sales for used cars across every state in the country. The retained value of vehicles has continued to fall while the days to sell has increased, reflecting the oversupply of used vehicles,” said Saxon Odgers, Chief Commercial Officer of AutoGrab.

"It is also worth highlighting May's increase in private inventory for sale, in comparison to April. This reflects past years, as we see an increase in vehicle transactions at the end of the financial year. We expect this to increase further in June and see great buying opportunities as a result," said Mr.Odgers.

## HIGHLIGHTS FROM THE AIR FOR MAY

- 296,542 vehicles are listed for sale, an increase of 7.2% compared to the previous month.
- Listings grew in every state and territory with South Australia experiencing the highest increase with 8.5% and Tasmania being the lowest at 2.0%.
- 191,625 used cars were sold in May, an increase of 4.4% from the previous month.
- Sales grew in every state and territory with Queensland and the ACT experiencing the biggest monthly increase in sales of 7.3%.
- Petrol and Diesel vehicles dominate the used car market, but there has been strong growth in lower emissions vehicles, such as hybrids, EVs and PHEVs.
- Average time to sell a used car is 45.5 days, an increase of over a day from the previous month.
- Retained values continue their gradual decline with passenger vehicles holding their value best in the 2-4 year age bracket (84.1%) as well as for the older 5-7 year category (69.8%).
- The Ford Ranger remains Australia's best-selling used car, followed by the Toyota Hilux.

View the [May AIR here](#).

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