

USED CAR MARKET TIGHTENS AS SALES SURGE IN JULY

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The July edition of the Automotive Insight Report (AIR) indicates that the market for used cars is tightening, with rising sales and falling listings leading to a reduced gap between demand and supply.

The monthly used car market data put out by the AADA and Autograb shows a drop in listings of used cars by 5.8% to 285,133 while sales have observed a significant jump of 11.6% to 214,588.

The average days to sell have stayed relatively steady compared with last month at 43.6, yet this figure is still marginally lower than June and is the lowest in the past 12 months.

“With the commencement of the new financial year, buyers have flocked to the used car market taking advantage of better supply and lower prices as they make an effort to escape the rising cost-of-living pressures,” said AADA CEO James Voortman.

“All states except Tasmania have experienced a drop in used car listings, while Northern Territory is the only state where sales remain sluggish, with a notable decline of 15.6%. However, this reduction in supply should be considered in the context of a significant increase in supply since the start of the year,” he said.

“Demand for used cars has strengthened across all categories, with passenger vehicles showing the largest growth, rising by 13.1% to 88,686. Meanwhile, the supply of EVs saw the most significant decline (-16.1%), even as demand increased by 12.2%. This suggests that people are holding onto their EVs for longer, tightening the supply in the used EV market,” he said.

“One of the trends we have seen emerge from the start of the year is an increase in the proportion of cars being listed privately with a subsequent reduction in Dealer listings. Vehicles sold by Dealers have remained around the 40% mark suggesting they are pricing vehicles to sell,” said AutoGrab Chief Commercial Officer Saxon Odgers.

“Retained values continue to decline with every vehicle segment across every age category experiencing a drop in value for the month,” he said.

Small vehicles in the passenger segment have once again proven to hold their value the best, with the Toyota Corolla and Toyota Yaris maintaining their top spots at 97.6% in the 2-4 year old category and 96.7% in the 5-7 year old category, respectively. While the Suzuki Jimny continues its retained value reign, holding the top spot in both the 2-4 (115.6%) and 5-7 year old (115.8%) SUV category.

HIGHLIGHTS FROM THE AIR FOR JULY

- 214,588 vehicles were sold, an increase of 11.6% compared to the previous month.
- Tasmania was the only state to experience an increase in the supply of used cars, rising by 0.3%, while the Northern Territory was the only state to see a decline in demand, falling by 15.6%.
- 285,133 used cars were listed for sale in July, a drop of 5.8% from the previous month.
- Sales in Victoria rebounded to take the top position (14.1%), while ACT (+1.4%) and NT (-15.6%) were weakest in terms of sales.
- Average time to sell a used car is 43.6 days, the lowest it has been over the past 12 months.
- Retained values continue their gradual decline with passenger vehicles holding their value best in the 2-4 year age bracket (82.1%) as well as for the older 5-7 year category (68.1%).
- The Ford Ranger remains Australia's best-selling used car, followed by the Toyota Hilux.

View the [July AIR here](#).

ENDS.

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