New Car Market Pressures Spill Over into Used Market

10 November 2026

Key Headlines

1. National used vehicle sales increased 1.2 per cent to 261,166, with growth largely driven by private sellers and older vehicles.
2. Dealer listings of demonstrator and near-new vehicles increased 12.1 per cent since July to 73,708, while retained values continued to decline.
3. Dealer stock of demonstrator and near-new EVs increased 68.8 per cent since July, reaching 9,656 vehicles.

1. Market Snapshot

Data from the Australian Automotive Dealer Association (AADA) and AutoGrab reveals growing demonstrator and near-new vehicle stock as dealers face increasing pressure across Australia's new and used vehicle markets.

Australia's used vehicle market recorded its fourth consecutive monthly increase in sales during October, rising 1.2 per cent to 261,166 vehicles. Active listings increased 5.5 per cent to 411,479 vehicles.

Private sellers drove much of the month's growth, particularly among older vehicles, while dealers accounted for 42.4 per cent of total used vehicle sales.

KEY STATISTICS: OCTOBER 2026

Total Sales (Oct)	Private Growth, 8–20 Yrs	Dealer Sales, Demo to 7 Yrs	Dealer Sales, 2–4 Yrs
261,166	**+6,283**	**66,369**	**22,070**
Up 1.2% from September	*Added sales; twice total market growth*	*Up 0.3% from September*	*Down 5.4% from September*
Dealer Sales per 100 Listed	**Dealer Near-New Stock**	**2025 SUV RV%**	**2025 EV RV%**
53	**73,708**	**87.8%**	**85.0%**
Private sellers: 74	*Up 12.1% from July; 2.9 months of supply*	*Down from 89.9% in September*	*Down from 88.1% in September*

2. Demonstrator Stock Builds

The latest figures highlight growing pressure on dealers to move demonstrator and near-new vehicles, with stock continuing to accumulate despite increased sales activity. Demo vehicles, up to 1 year old, made up 7.1 per cent of sales but 13.9 per cent of listings.

Demonstrator listings rose to 57,262 vehicles in October, up from 53,160 in July. At October's sales rate, this represents 3.1 months of supply, compared to 1.6 months across the broader used vehicle market.

TABLE 1: DEMO MARKET (VEHICLES UP TO 1 YEAR OLD), JULY TO OCTOBER 2026

Months of supply is listings divided by monthly sales.

Measure	July	August	September	October
Demo sales	14,641	14,471	17,973	18,636
Monthly change	—	-1.2%	+24.2%	+3.7%
Demo listings	53,160	55,572	55,412	57,262
Share of all sales	6.1%	5.9%	7.0%	7.1%
Months of supply	3.6	3.8	3.1	3.1
Market months of supply	1.8	1.7	1.5	1.6

3. Dealers Carry Growing EV Stock

Looking more broadly at demonstrator and near-new vehicles up to two years old, dealer stock rose in every month of the quarter, from about 65,730 in July to 73,708 in October.

EV stock grew fastest. Dealers held 9,656 near-new EVs in October, up 68.8 per cent from July. Since July, dealers have added 7,980 demonstrator and near-new vehicles to their stock, with EVs accounting for more than half of that increase.

TABLE 2: DEALER STOCK BY FUEL TYPE, DEMO AND UP TO 2 YEARS OLD, JULY TO OCTOBER 2026

Dealer listings, national. Months of supply is October listings divided by October sales.

Fuel Type	July	August	September	October	Jul to Oct Change	Months of Supply
Petrol	32,429	32,710	32,785	33,524	**+3.4%**	2.9
Diesel	17,816	19,034	19,193	19,566	**+9.8%**	3.1
EV	5,720	6,907	8,532	9,656	**+68.8%**	2.8
Hybrid	6,120	6,350	6,383	6,872	**+12.3%**	2.6
PHEV	3,646	3,858	4,018	4,090	**+12.2%**	2.5
Total	**65,730**	**68,860**	**70,911**	**73,708**	**+12.1%**	**2.9**

Looking at sales in the past month, EV sales continued to grow in October, increasing 14 per cent to 6,175 vehicles.

Dealers drove growth in used EV sales during October, with sales increasing 19.4 per cent while private EV sales remained relatively steady. Dealers accounted for 78.9 per cent of all used EV sales during the month.

TABLE 3: USED EV MARKET, SEPTEMBER TO OCTOBER 2026

Vehicles up to 10 years old.

Measure	September	October	Change
EV sales	5,417	6,175	**+14.0%**
EV listings	10,888	13,781	**+26.6%**
EV share of all sales	2.1%	2.4%	**+0.3 pts**
Dealer EV sales	4,080	4,870	**+19.4%**

4. General Market Statistics

1. 261,166 vehicles sold in October, a 1.2 per cent increase on September.
2. 411,479 vehicles listed for sale in October, a 5.5 per cent increase month on month.
3. Dealer share remained steady at 42.4 per cent of sales.
4. Average days to sell dropped to 42.6, after last month’s high-water mark for the year so far.

5. Reaction

AADA Deputy CEO Brian Savage said the growing volume of demonstrator and near-new vehicles highlighted the challenging conditions facing Australian new car dealers.

“Dealers are operating in an increasingly competitive market, with more brands, ambitious sales targets and growing pressure to manage stock levels,” said AADA Deputy CEO Brian Savage.

“These figures highlight why headline new vehicle sales numbers don't necessarily tell the full story. Dealers are carrying significant amounts of stock, and when vehicles take longer to sell and lose value, it puts further pressure on already stretched businesses,” Mr Savage said.

“With more brands entering the Australian market and operating costs continuing to rise, it's increasingly important that stock levels and sales expectations reflect actual customer demand,” he said.

“Demo sales have risen 27 per cent since July, but dealers still had 57,262 demonstrator vehicles listed in October. At October’s sales rate that is 3.1 months of supply, almost double the 1.6 months across the wider used market,” said AutoGrab Chief Commercial Officer Saxon Odgers.

“Retained values fell in 16 of the 18 segment and model-year groups we track, and the 2025 model year recorded the largest falls. The average 2025 SUV went from 89.9 to 87.8 per cent of its original RRP in a single month, which is about $1,050 on a $50,000 vehicle.”

“With demos sitting at almost double the supply of the wider used market and retained values falling month on month, dealers need to price every demo and used car to the market from the day it’s listed, because holding out for an inflated retail price only slows stock turn and turns today’s demo into tomorrow’s aged-stock problem.”

“Dealers held 9,656 demonstrator and near-new EVs in October, up 68.8 per cent since July. Dealer EV sales are growing, up 19.4 per cent in October, but used EV listings grew faster than sales, so EV sales per 100 listings fell from 50 to 45,” Mr Odgers said.

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For more detailed market analysis beyond the national snapshot, including state-level insights and additional market segmentation, visit AutoGrab AIR Pro for further information.

Methodology and Data Notes

Sourced from the AutoGrab Automotive Insights Report (AIR), National edition, July to October 2026. National totals cover private and dealer used car data, excluding vehicles older than 20 years and write-offs. EV and model-level figures cover vehicles up to 10 years old.

Sales are vehicles delisted from online marketplaces, a close proxy for actual sales. Listings are deduplicated, so a vehicle listed across several marketplaces is counted once. RV% measures sale price against original RRP, averaged by segment and model year.

AutoGrab adopts Victoria's State Revenue Office (SRO) definition for demonstrator vehicles and apply to all used car data nationally

- Must be held by a Licensed Motor Car Trader (LMCT).
- Vehicle age must not exceed 12 months from first registration.
- Odometer must not exceed 7,500 km.