

BCA Europe Pricing Report

June 2024



Content

<u>Introduction</u>	3
<u>Development of used car wholesale market prices</u>	4
<u>Fuel Type insight</u>	5
<u>Diesel</u>	6
<u>Petrol</u>	6
<u>Hybrid</u>	7
<u>Electric</u>	7
<u>Age insight</u>	8
<u>0-2 years</u>	8
<u>2-5 years</u>	9
<u>5-10 years</u>	9
<u>10+ years</u>	10
<u>Mileage insight</u>	10
<u>0-50k km</u>	11
<u>50k-100k km</u>	11
<u>100k-150k km</u>	12
<u>150k+ km</u>	12
<u>Hammer Price insight</u>	13
<u>0-5k Euros</u>	13
<u>5k-10k Euros</u>	14
<u>10k-20k Euros</u>	14
<u>20k+ Euros</u>	15
<u>Most Common Models</u>	15
<u>Germany</u>	16
<u>The Netherlands</u>	16
<u>France</u>	17
<u>Appendix</u>	18
<u>About BCA</u>	18
<u>Copyright</u>	18
<u>Information</u>	18
<u>Methodology</u>	18

Introduction

Dear customers,

I am pleased to introduce the initial BCA Europe Pricing Report following my recent arrival at BCA. While it is an honour for me to present this report, I am confident that you, as a BCA customer, will greatly benefit from the insights it provides.

BCA is dedicated to transparency and to providing exceptional support to our customers in successfully navigating the used car market to enhance their business growth. This regularly produced and shared report is one of our initiatives to further improve the service we offer to our valued customers.

We are delighted to offer our customers a comprehensive wealth of pricing data, insights, trends, and expertise derived from all used car transactions within the BCA marketplace, both domestically and across Europe. Overall, price trends are showing positive developments. Following the uncertain and volatile market conditions with exceptional highs and lows during and immediately after the COVID-19 pandemic, we are now observing used car prices beginning to normalize, exhibiting familiar seasonal patterns once again.

This sentiment is also echoed by our customers. Buyers and sellers we've engaged with are gaining increased confidence due to enhanced price stability, enabling more decisive actions. While there remains some apprehension regarding market developments as we approach summer, current market operations continue to be stable.

Our objective is to release the BCA Pricing Report for all our selling countries in the coming months, providing a comprehensive overview of price developments across Europe. Initially, we will share price indexes for Germany, France, Portugal, the Netherlands, and Sweden. For high-volume markets such as Germany, France, and the Netherlands, we will present trends for the most common models.

We trust that you will find the insights shared in this initial report beneficial, aiding you in making more informed decisions in the used car market.

Wishing you good business in summer.

Best regards,

Tobias Münch
European Sales Director



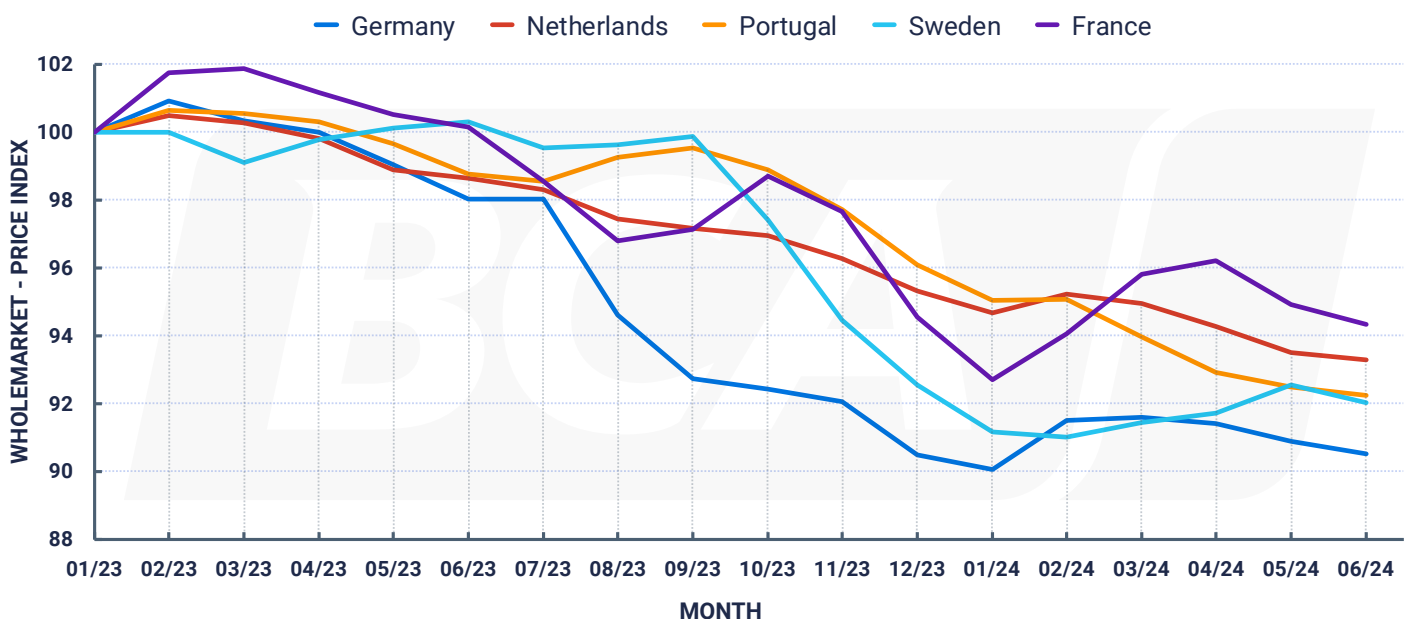
Development of used car wholesale market prices

Over the first half of 2024 price stability has returned across all markets, with supply and demand aligning more closely. Dealers are showing increased, though cautious, confidence in the retail market. While prices did in general fall over June, these falls were by small amounts and less than might have been typically in this month prior to the pandemic disrupting automotive supply chains.

The shift towards moderate price movements, initially on the rise at the beginning of the year before easing since Easter, reflects a return to pre-COVID market seasonality patterns. However, the trend in average prices conceals differences by country, fuel type, and age profile.

Electric vehicles remain of significant interest to both buyers and sellers. In this segment prices continued to fall over the first quarter of 2024 in a similar way to 2023 but have stabilised in the second quarter, except in France where prices continued to fall. However, there continues to be significant variability by model with some still falling while others have held up better.

Further, differences in performance can be observed across age profiles, with 2–5-year-old vehicles seeing robust demand in May and June. While interest in older vehicles waned at the start of 2024, only moderate falls observed in June as demand strengthened. This weakening of older vehicles explains the fall in prices since January in Portugal and the Netherlands while prices in Germany, Sweden and France remain above January levels.



Fuel type insight

The demand for electric vehicles in Western Europe continues to be tied to the extent of government support provided on a country-specific basis, as is the level of supply in the market. Expectations are high for an influx of electric vehicles into the second-hand market in the upcoming years, following substantial growth in new electric car sales since 2020. This is making buyers act with caution about whether demand will match supply without further price falls.

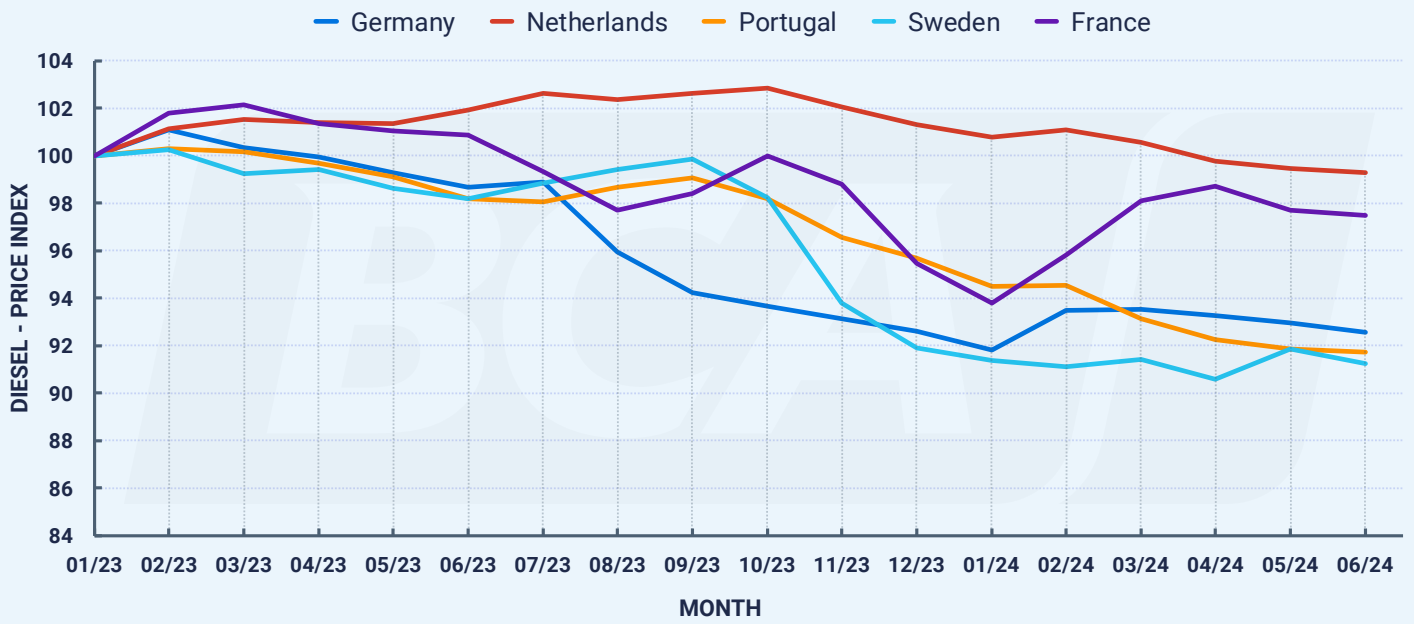
Demand for electric vehicles is currently growing, although often not in the same locations as the supply, evidenced by a higher proportion of electric vehicle transactions being made by cross border traders than for other fuel types. We observed almost 40% of electric vehicles sold cross-border compared with around 25% for all vehicles.

France is a market that has seen the most noticeable falls in prices on electric vehicles this year and in June.

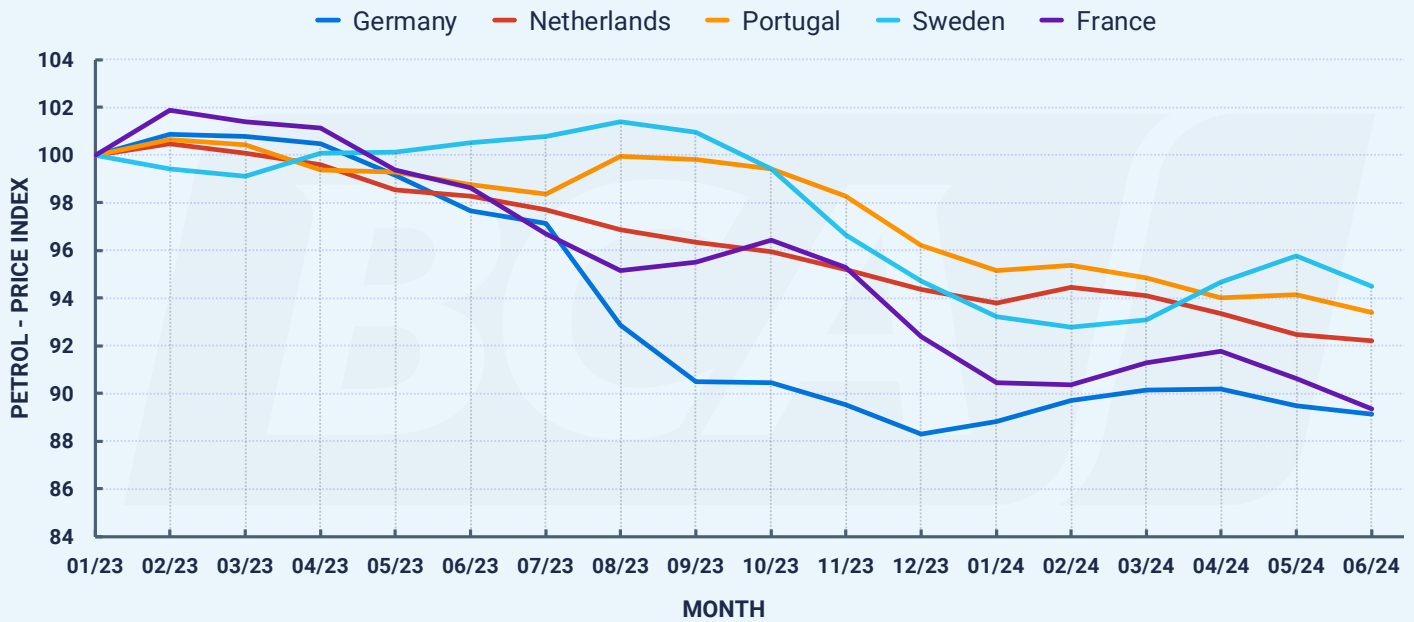
Other fuel types observed prices that were broadly flat in June which is stronger than was usual, pre-covid, for this time of the year. This flattening of prices in all fuel types in June was even seen in the Netherlands where falls were more pronounced than other markets earlier in the year.



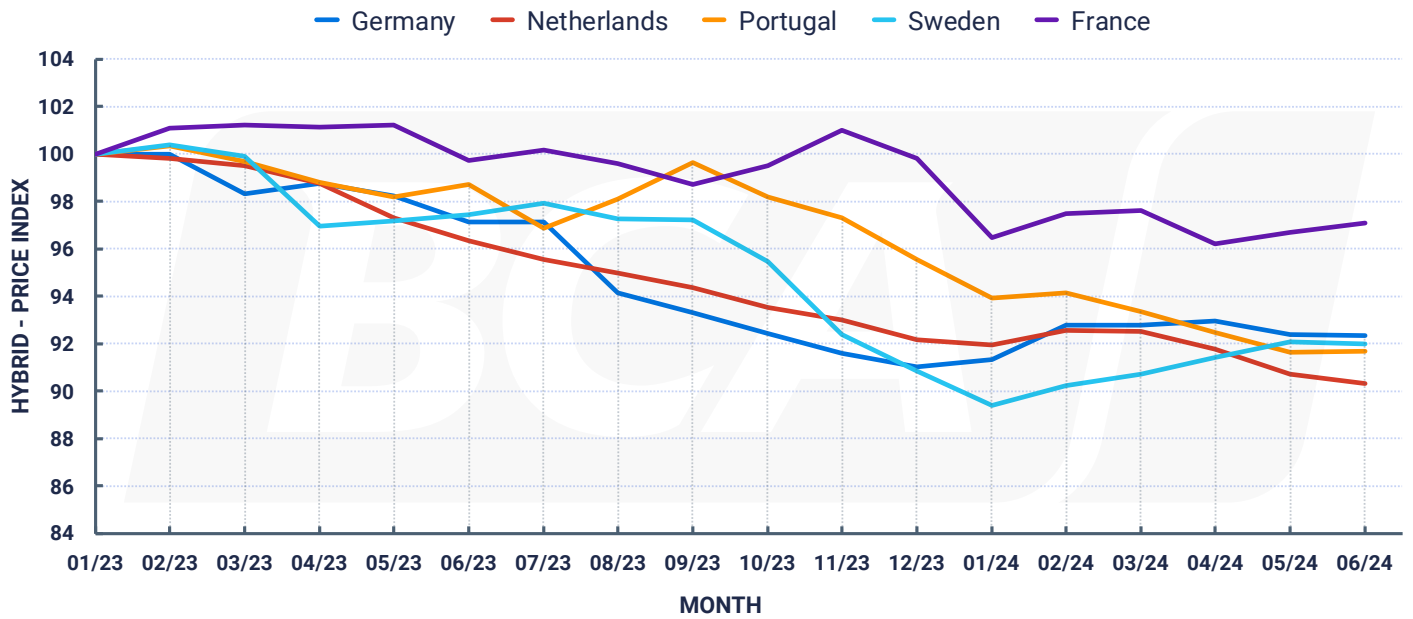
Diesel



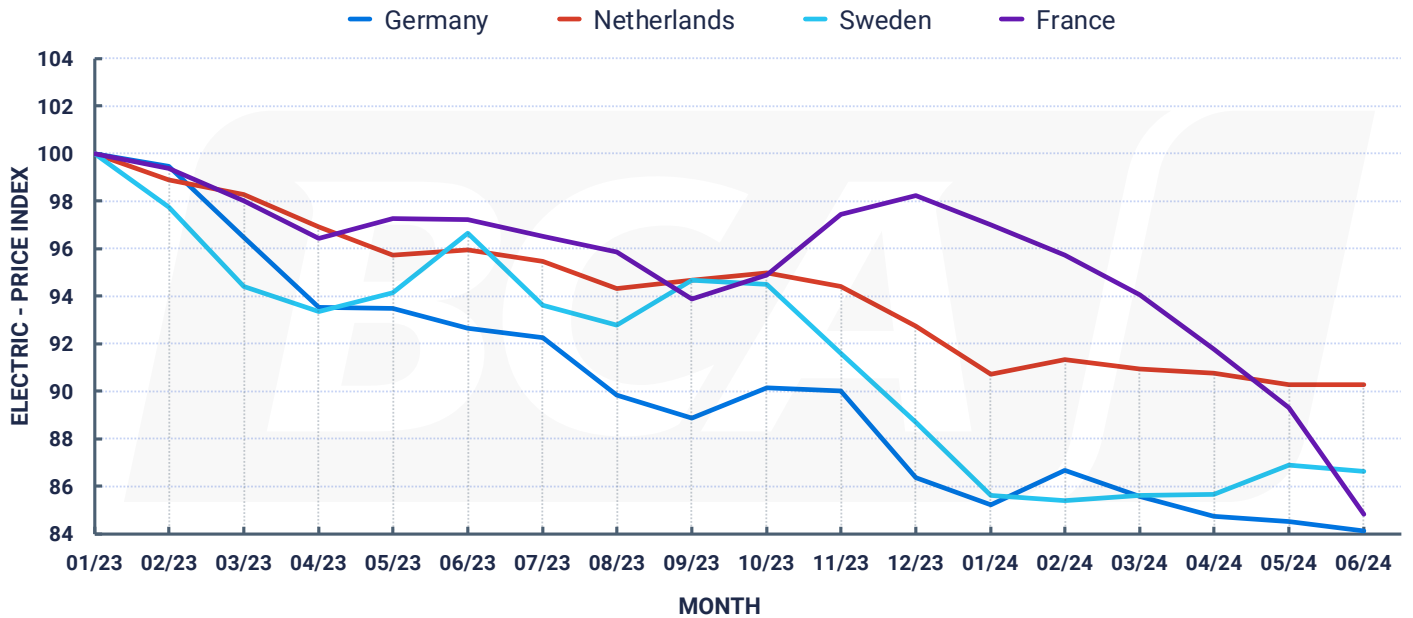
Petrol



Hybrid



Electric



*) No sufficient data for Sweden available to statistically significant present the trendline.

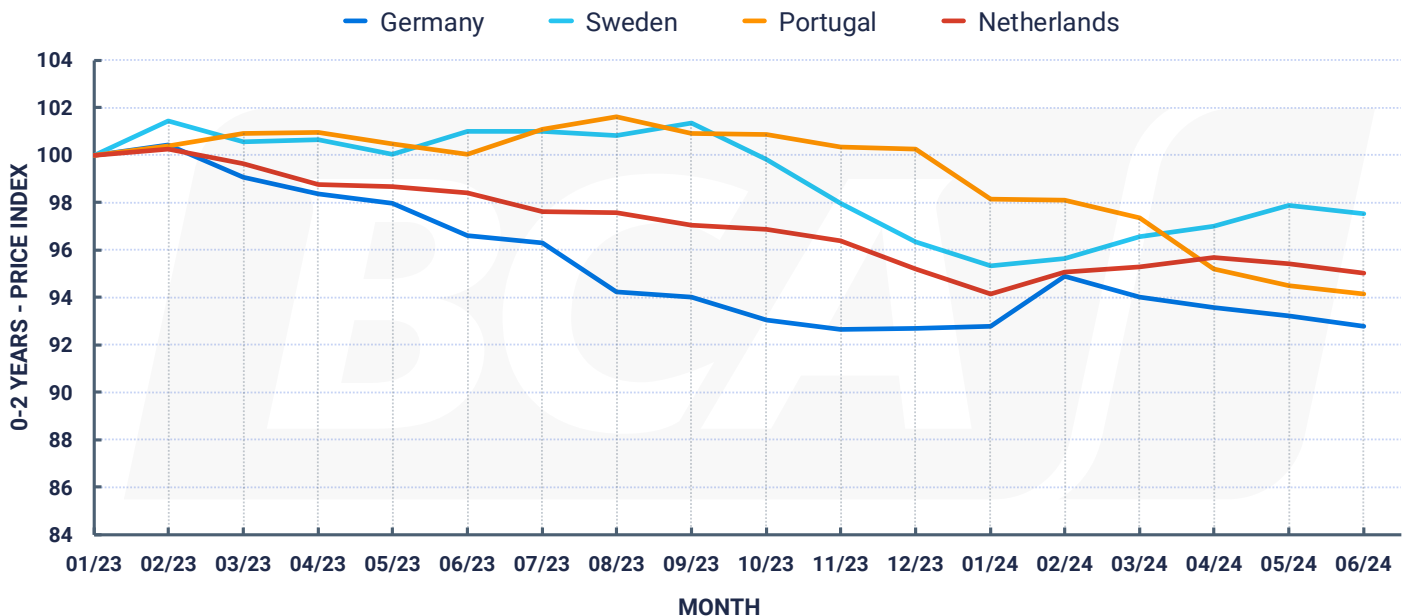
Age insight

The trend across most markets in 2024 was for prices to be well correlated to the age profile of vehicles, with prices on older vehicles holding up better than those on younger vehicles.

It is interesting to note that although overall prices did fall in June, they fell by only very small amounts, less than observed pre-covid and remain above January levels for older vehicles, with the exception of the Netherlands which suffered a decrease for those above 10 years. For vehicles under 2 years old prices are now below the index point at the start of the year, except for the Swedish market which exhibits a continuous upward trend with recent stabilization in June.

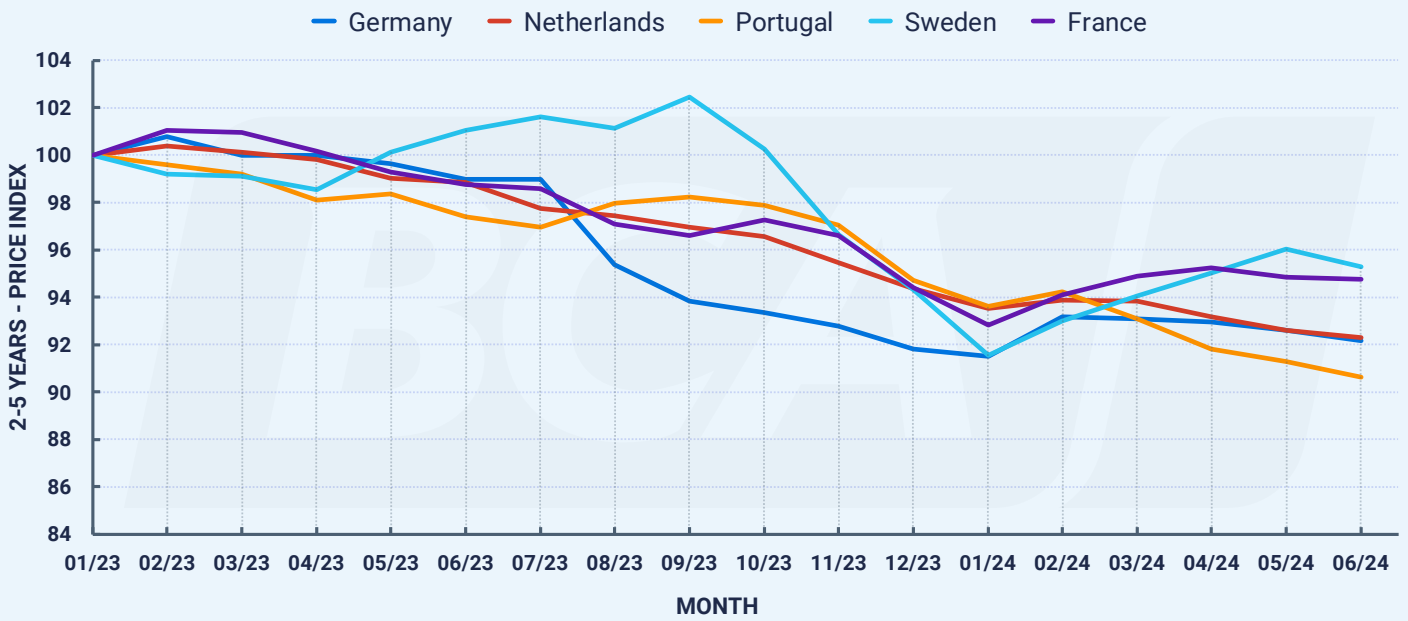
Across the different mileage profiles, a consistent downward trend is evident for most countries, but, similarly to the age segment observations, an overall positive shift has occurred since January 2024.

0-2 years

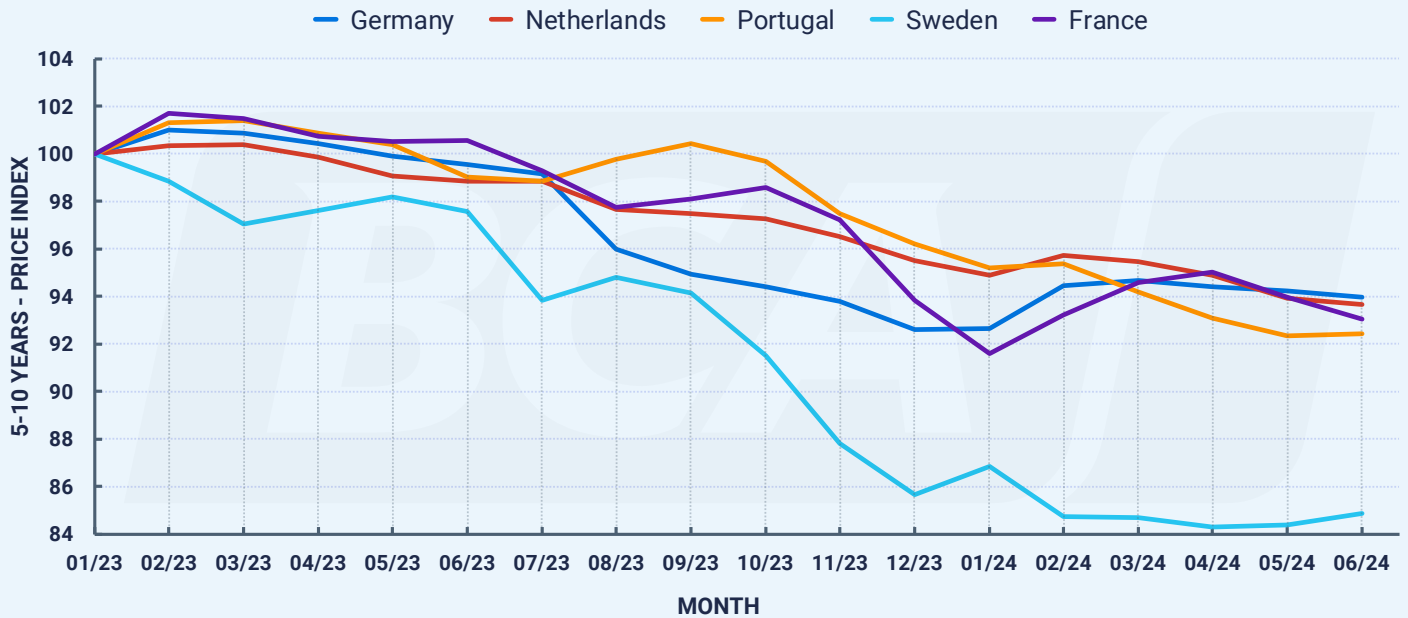


*) No sufficient data for France available to statistically significant present the trendline.

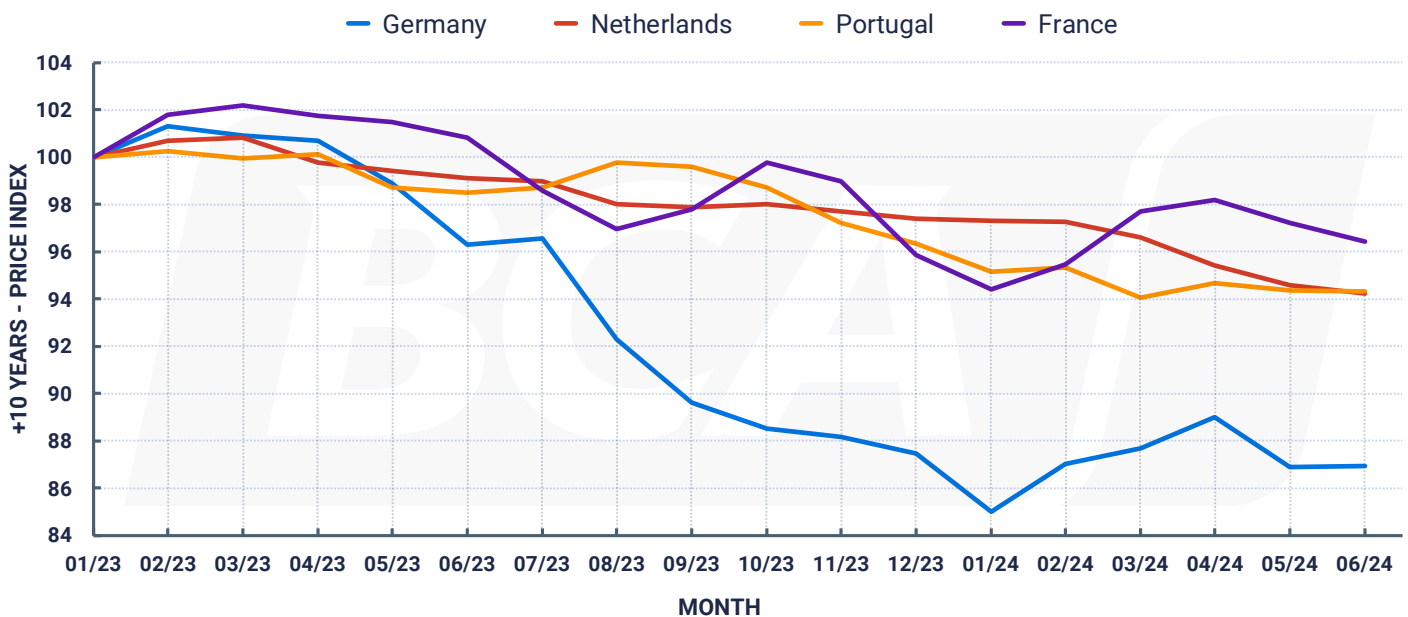
2-5 years



5-10 years



+10 years



*) No sufficient data for Sweden available to statistically significant present the trendline.

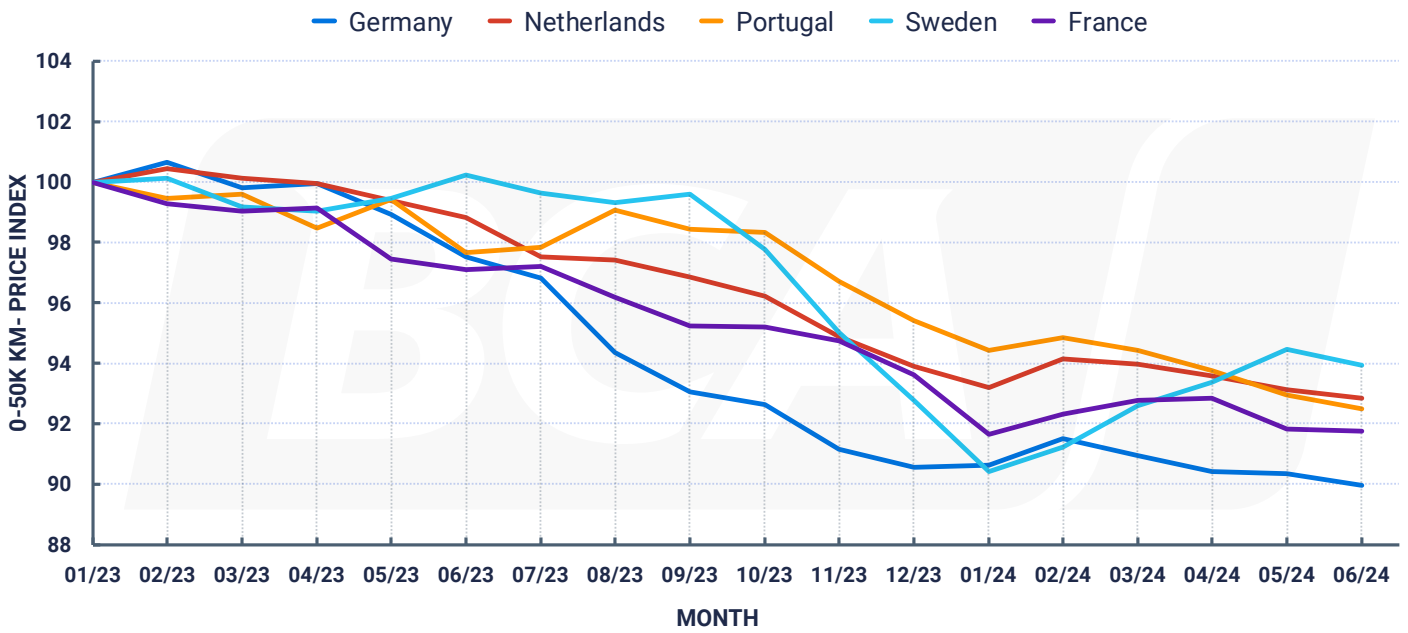
Mileage insight

Trade prices typically move with mileage similarly to age, as the two are highly correlated. However, some differences exist, prompting this separate analysis to capture these variations and identify market risks and opportunities.

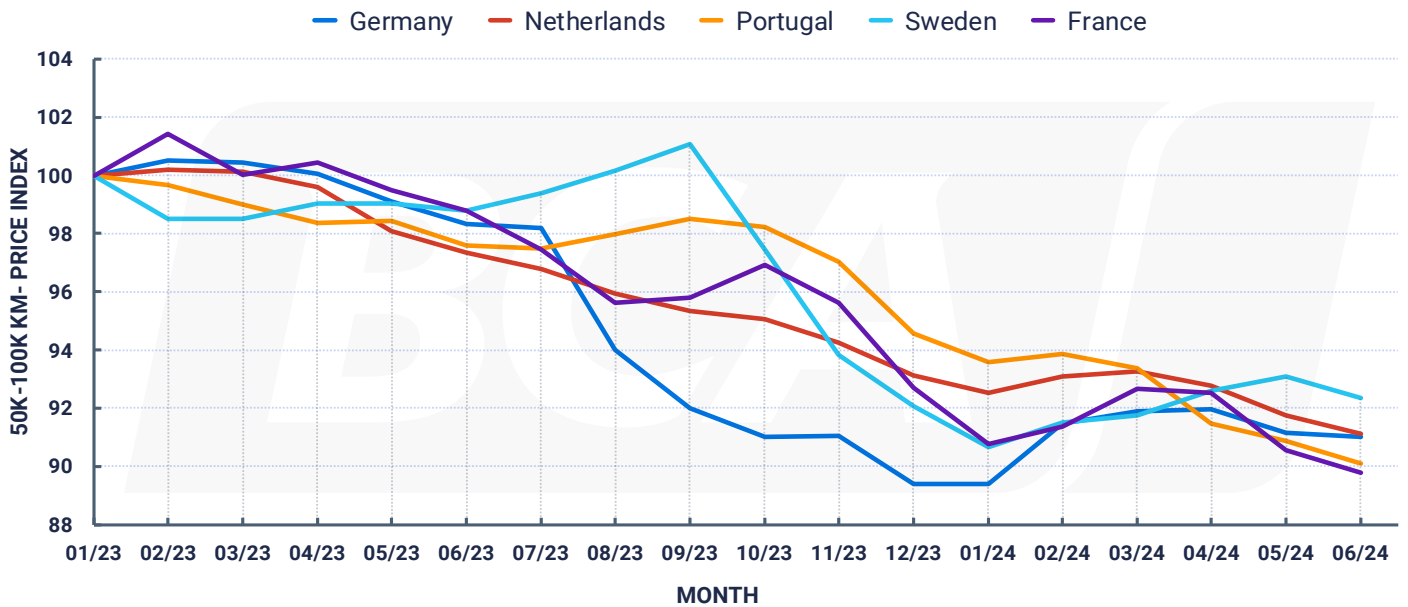
Recent months reveal varying trends across markets and mileage bands. In Portugal and the Netherlands prices kept falling for most mileage profiles. In other countries however, prices are similar to January 2024, having fallen since Easter after an initial rise early 2024, with the exception of Swedish low mileage vehicles where the price kept rising until last month.



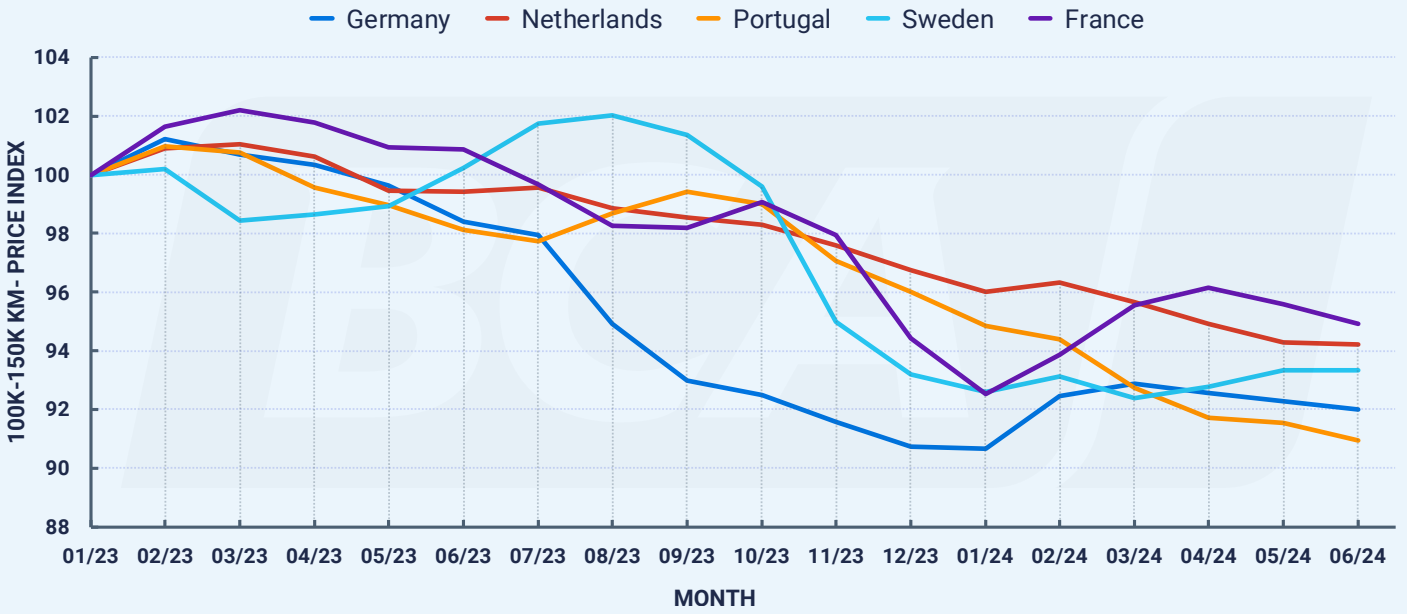
0-50k km



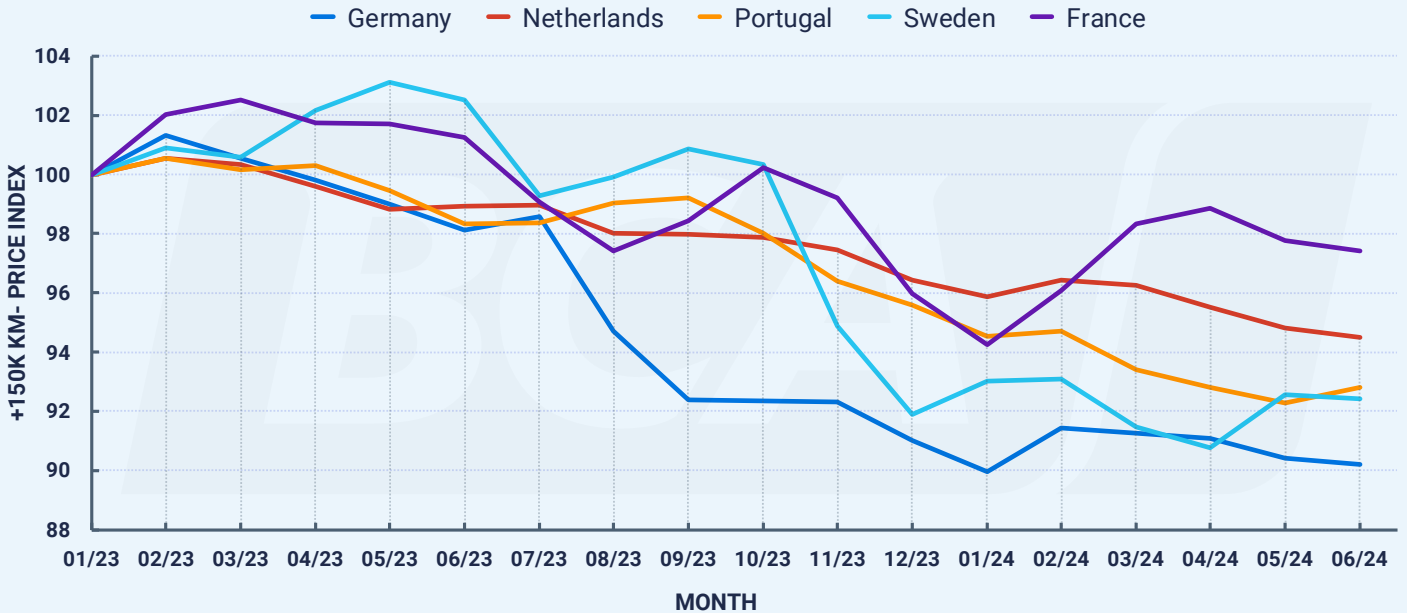
50k-100k km



100k-150k km



150k+ km



Hammer price insight

Since May, price trends were stable across various hammer price profiles.

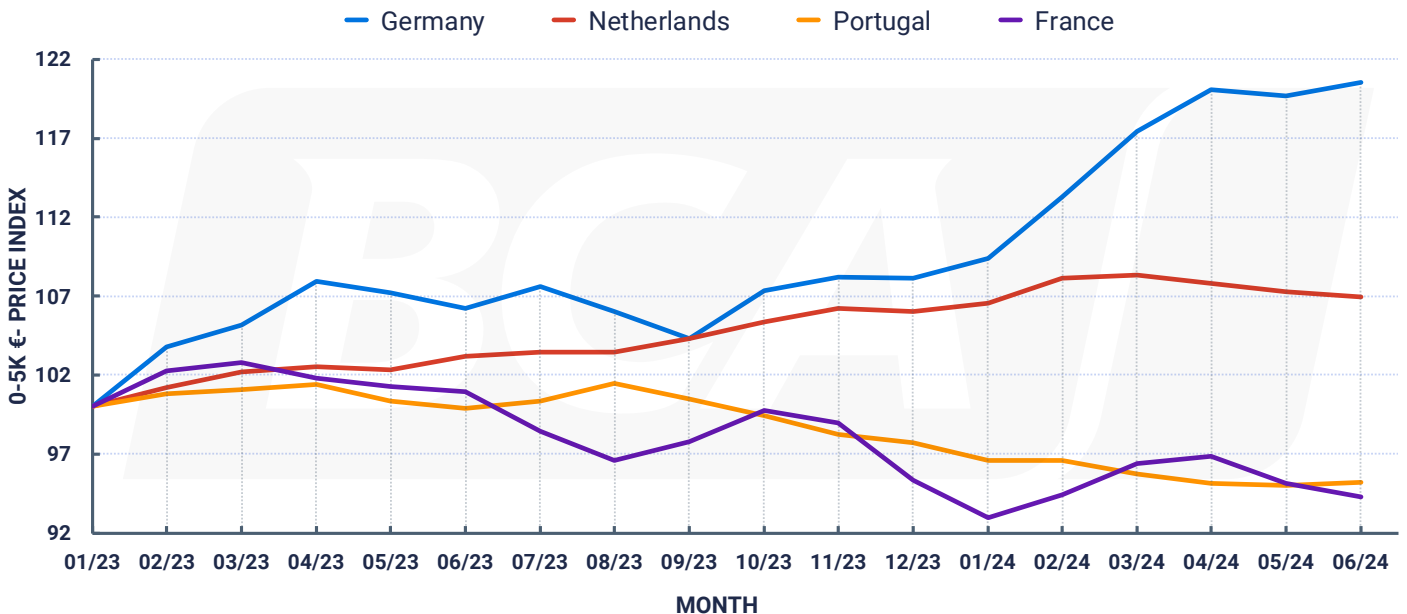
From early 2024 vehicles priced over EUR 20k were declining in almost all countries, with the exception of France.

The price decline for vehicles between EUR 5k and EUR 20k as seen in 2023 halted and prices increased again, except in Portugal and the Netherlands where the downward trend seems to continue.

Most noticeable price increase since beginning 2024 is shown in vehicles under EUR 5k in Germany.

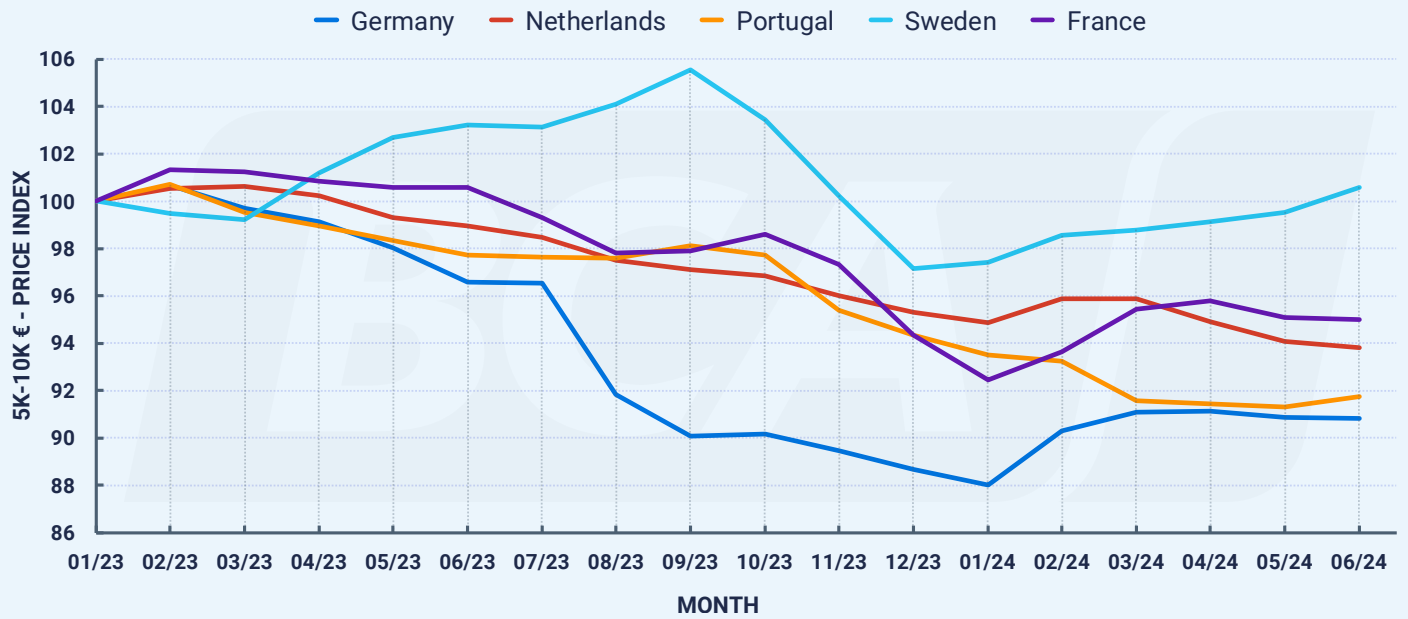


0-5k Euros

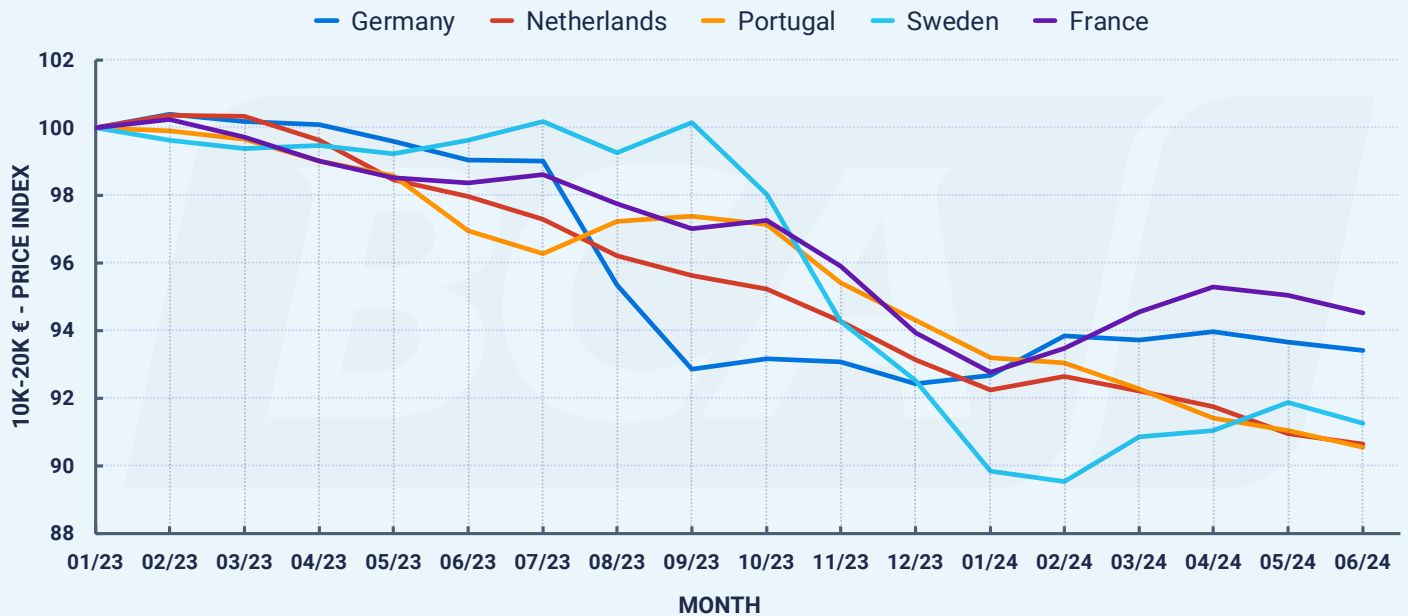


*) No sufficient data for Sweden available to statistically significant present the trendline.

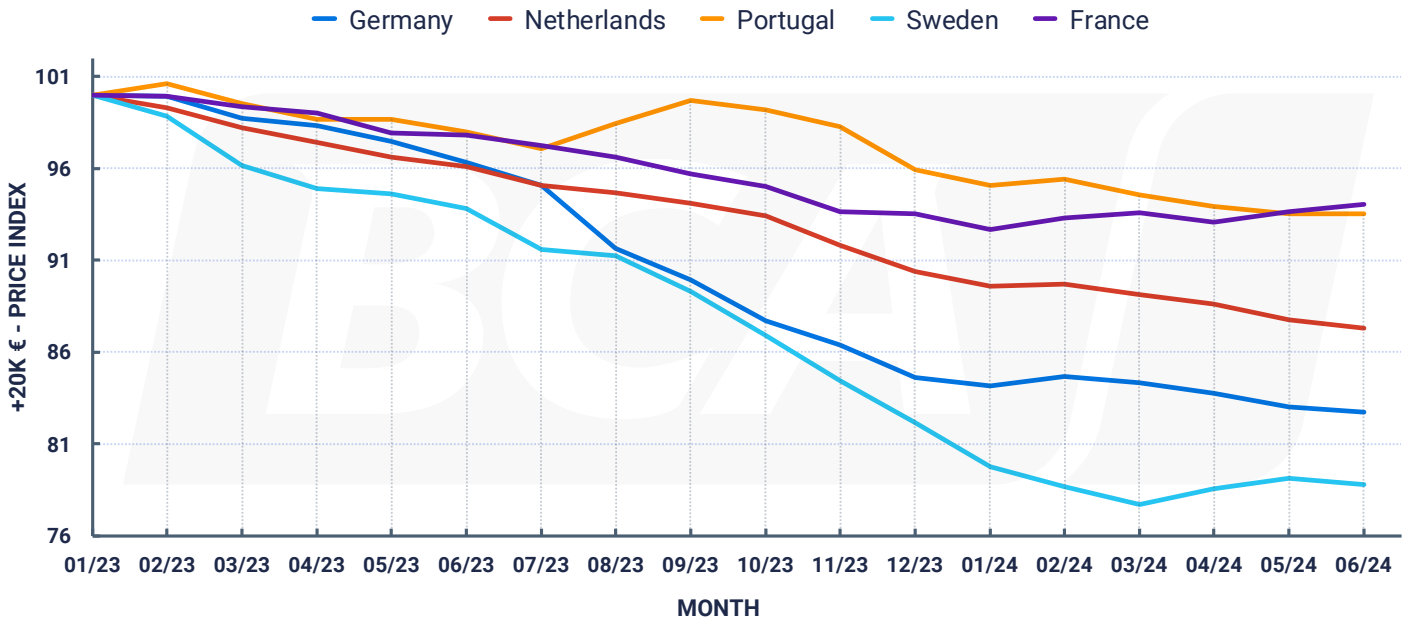
5k-10k Euros



10k-20k Euros



+20k Euros



Most common models

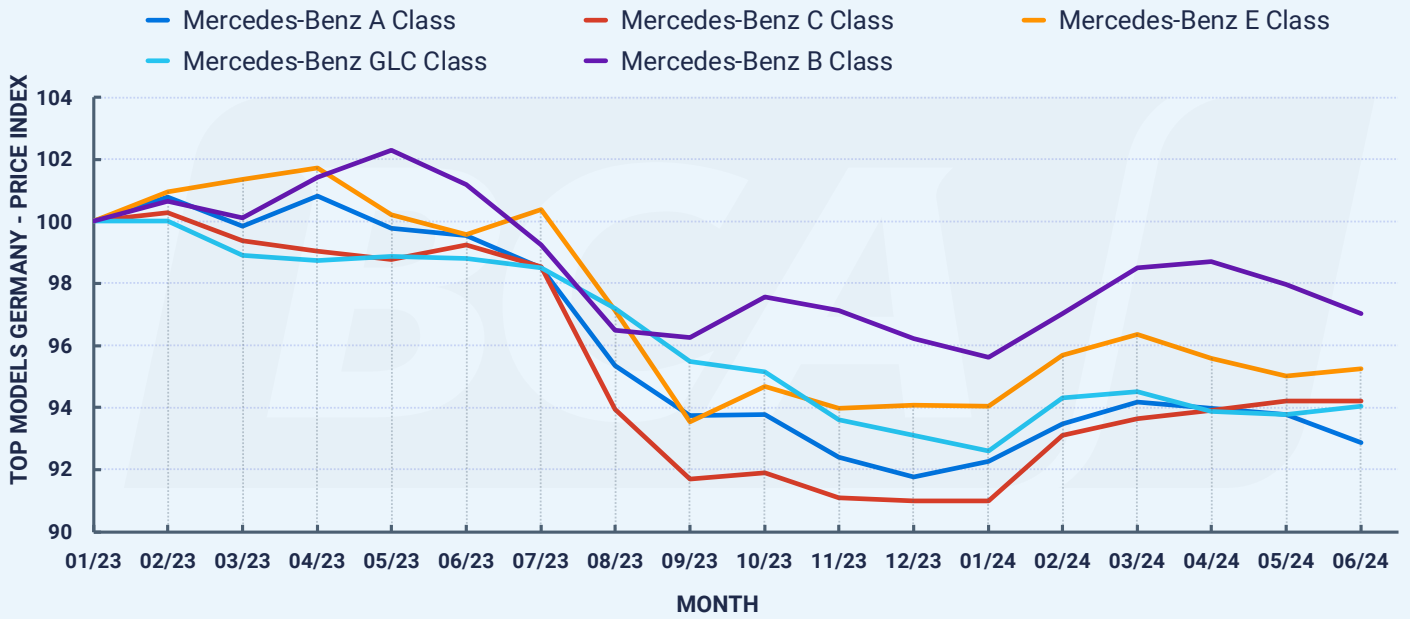
The report includes the price index for the top 5 models where there have been sufficient transactions to evaluate segment trends and ensure representativeness.

In Germany, each of the top-selling Mercedes models show similar trends: a sharp decrease in Q3 2023 followed by a positive shift since January 2024. Since April, the GLC, and C Class models stabilized, while the A and B Class models observed further price drops. Despite the recent month's decline for E Class, a positive shift can now be detected in June.

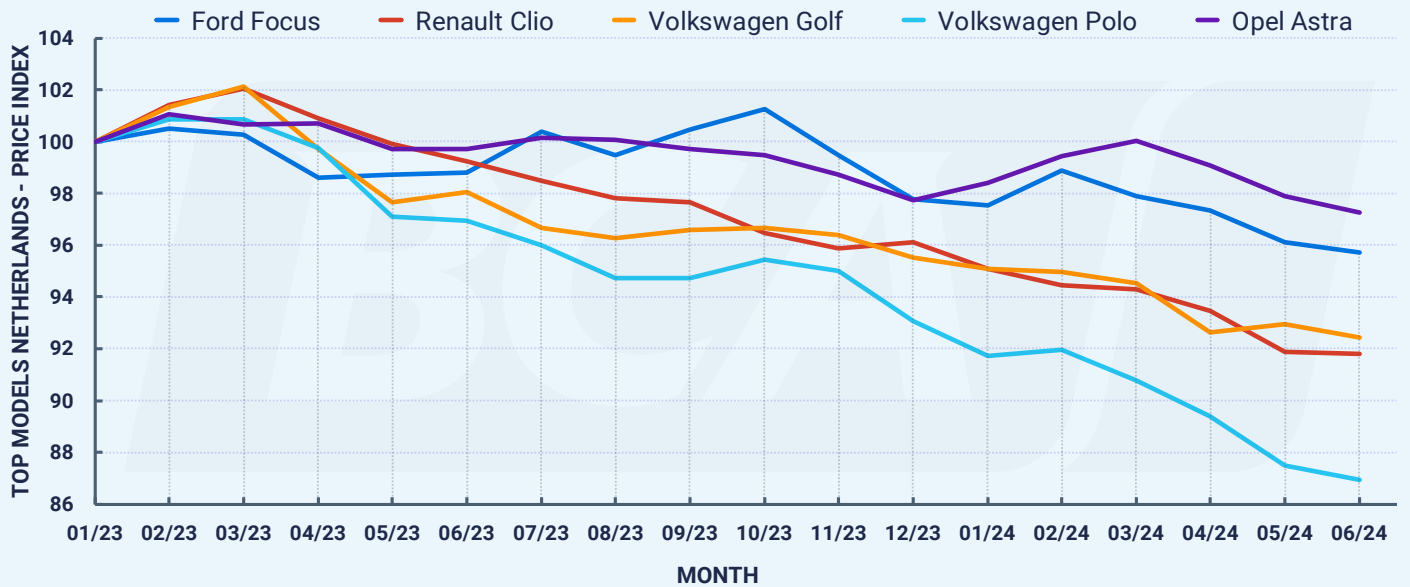
In the Netherlands, the Volkswagen Polo and Golf, and Renault Clio observed a continued decrease in prices since last year. However, prices of Golf and Clio have stabilized since May. Ford Focus and Opel Astra showed a positive trend early in 2024 but did not exceed the baseline due to a larger drop in 2023, and have been declining again in the recent months.

In France, all top selling models experienced significant price decreases in 2023, despite the Renault Mégane having a resurgence in October. Prices trended upward in early 2024 but this reversed between March and April.

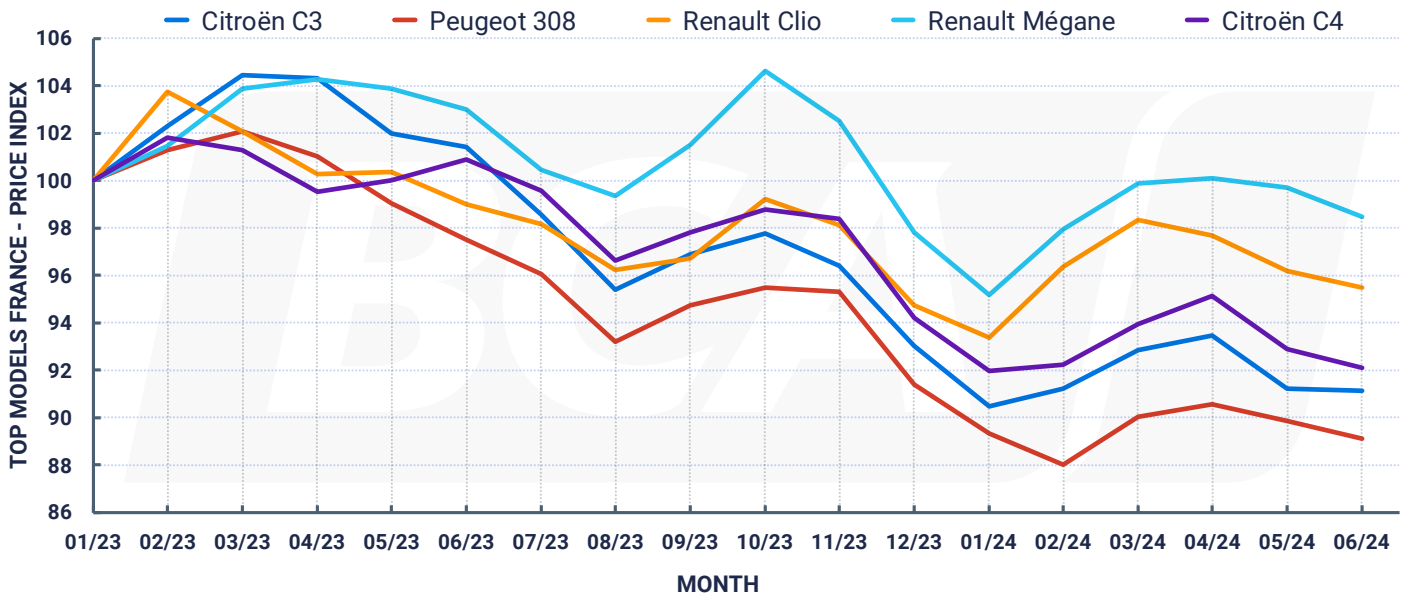
Germany



The Netherlands



France



Appendix

About BCA

BCA stands out as a frontrunner in European remarketing, bolstering the used car supply chain. By offering a wide array of services, including remarketing, vehicle purchasing, transportation, customer assistance, and customizable platforms, BCA caters to the needs of OEMs, lease companies, financial institutions, and dealers, facilitating their buying and selling processes.



Copyright

All information about market and price developments and charts in this publication may be used with the following source attribution: BCA EU Price Insight Report 2024.

Information

Please acknowledge that certain market trends might not be captured in the Price Index profiles of this report, as some categories may have insufficient representation in their respective profiles.

Additional information

For further information, kindly reach out to Tobias Münch (tobias.muench@bca.com) or your local BCA team.

Methodology

The Price Index uses BCA sales data from various EU markets to assess price trends and quickly identify changes. It compares predictions from BCA's pricing models with actual sale prices: if sale prices exceed predictions, the index rises; if they fall short, the index drops. This method isn't affected by changes in the mix of vehicles offered on the BCA platform.

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