SMMT UK New Car and LCV Registrations Outlook to 2024 at July 2023

Background and context to panel survey

The latest market outlook was set after a strong growth run in the new car and LCV markets this year, as supply issues resolve, and despite the still weak and challenging economic setting. The cost-of-living crisis, high inflation and rising interest rates remain a constraint. We also move into major uncertainties in 2024 with the introduction of the Zero Emission Vehicle Mandate, and tougher rules of origin requirements for electric vehicles to avoid tariffs between trade with the EU. The outlook is revised quarterly in January, April, July and October. To note, the BEV/PHEV/HEV shares are outlooks for the overall market, and should not be confused with levels achievable by each vehicle manufacturer (as required in the ZEV Mandate).

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| **UK new car and light vehicle registrations outlook – July 2023**

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| *thousands* | All carsTotal | PetrolCars | Diesel cars | BEV cars | PHEV cars | HEVcars | All LCV total | BEV LCVs |
| 2016 | 2,693 | 1,319 | 1,285 | 10 | 29 | 50 | 376 | 1 |
| 2019 | 2,311 | 1,525 | 616 | 38 | 35 | 98 | 366 | 3 |
| 2020 | 1,631 | 1,023 | 323 | 108 | 67 | 110 | 293 | 5 |
| 2021 | 1,647 | 960 | 235 | 191 | 115 | 147 | 355 | 13 |
| 2022 | 1,614 | 902 | 155 | 267 | 101 | 188 | 282 | 17 |
| *2023(f)* | *1,847* | *1,006* | *139* | *330* | *134* | *239* | *328* | *23* |
| *2024 (f)* | *1,951* | *968* | *115* | *440* | *155* | *273* | *329* | *37* |

 *LCVs = light commercial vehicles to 3.5t gvw. Fuel type split is within the total market data**Diesel include mild hybrids. BEV = Battery electric vehicle; PHEV = Plug-in hybrid electric vehicle; HEV = Hybrid electric vehicles.**Note: There were 15 replies received for cars and 9 for vans. The survey is voluntary.* |

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| SMMT outlook for 2023 & 2024 – as at July 20232023* New car registrations outlook at 1.847 million, representing an increase of 14.4% on the 2022 total
* BEV registrations are expected to rise 23.4% to 330,000 units, taking market share to 17.8%
* PHEV registrations are expected to increase 31.8% to 134,000 units, to a 7.2% market share
* HEV registrations are envisaged to rise 27.4% to 239,000 units, to a 13.0% market share
* Diesel registrations are expected to fall -10.6% to 139,000 units, cutting market share to 7.5%
* LCV registrations outlook at 328,000 units, which would be a 16.1% rise on the 2022 total
* BEV share of LCV market is expected to be 7.1% at 23,000 units, after a 39.3% volume rise

2024* Car registrations outlook at 1.951 million, which would be a 5.6% increase on the 2023 outlook
* BEV market outlook is 440,000 units, a 33.6% rise on the 2023 outlook with a market share of 22.6%
* PHEV registrations are envisaged to rise 15.6% to 155,000 units, with a market share of 7.9%
* HEV registrations are predicted to rise 14.2% to 273,000 units, with a market share of 14.0%
* Diesel registrations expected to fall -17.2% on 2023, with a market share declining to 5.9%
* LCV registrations outlook at 329,000 units, a modest 0.5% rise on the 2023 outlook
* LCV BEV share is expected to rise to 11.2%, after a 57.6% rise in volumes to 37,000 units

*Notes: outlooks rounded to nearest 1,000 units (% changes based on the exact outlook).**Reasonable care has been taken in preparing this information. It is not an exclusive aid for market analysis. Other sources and market intelligence should be reviewed.* |

**Next revision and contact:** The outlook is scheduled to be next revised in October 2023 and the results will be posted by 6 November. The project work is managed by SMMT’s Economics team econoweb@smmt.co.uk