

SMMT UK New Car and LCV Registrations Outlook to 2023 – at January 2022

Background and context to panel survey

The latest market outlook was set against the uncertain economic environment caused by Covid-19, supply chain issues - notably for semiconductors in the automotive industry, a cost-of-living squeeze, a rising manufacturing cost base, now upward trajectory for interest rates and with tax rises to take effect in April. Noting the market in 2020 was deeply impacted by Covid and in 2021 by supplies issues too. The outlook includes our first view on the BEV market for LCVs. The outlook is revised quarterly in January, April, July and October.

UK new car and light vehicle registrations outlook – January 2022

| <i>thousands</i> | All cars | Diesel cars | BEV cars | PHEV cars | HEV cars | LCVs | BEV LCVs |
|--------------------------------|----------|-------------|----------|-----------|----------|------|----------|
| 2007 – 2016[^] | 2,260 | 1,061 | - | - | - | 288 | - |
| 2016 | 2,693 | 1,285 | 10 | 29 | 50 | 376 | 1 |
| 2019 | 2,311 | 616 | 38 | 35 | 98 | 366 | 3 |
| 2020 | 1,631 | 323 | 108 | 67 | 110 | 293 | 5 |
| 2021 | 1,647 | 235 | 191 | 115 | 147 | 355 | 13 |
| 2022(f) | 1,897 | 190 | 307 | 163 | 198 | 363 | 23 |
| 2023(f) | 2,127 | 169 | 393 | 216 | 242 | 387 | 36 |

[^] = annual average for 2007 to 2016. LCVs = light commercial vehicles to 3.5t gvw.

Diesel include mild hybrids, BEV = Battery electric vehicle, PHEV = Plug-in hybrid electric vehicles, HEV = Hybrid electric vehicles.

Note: There were 16 replies received, 15 views for cars and 9 for vans. The survey is voluntary.

SMMT outlook for 2022 and 2023 – as at January 2022

2022

- New car registrations outlook at 1.897 million, a rise of 15.2% on the 2021 total.
- Diesel car volume of 190,000 units, a fall of -19.0% on 2021 and market share of 10.0%.
- BEV registrations expected to rise by 61.0% to 307,000 units, pushing market share up to 16.2%.
- PHEV registrations forecast to increase by 42.2%, taking market share to 8.6%.
- HEV registrations predicted to rise by 34.2%, with market share of 10.4%.
- LCV registrations at 363,000 units, expected to rise by 2.0% on the 2021 total.
- BEV share of LCV market is expected to rise to 6.4%, at 23,000 units.

2023

- Cars registrations at 2.127 million, predicted to increase by 12.1% on 2021 outlook.
- Diesel car volume of 169,000 units, expected to fall by -11.3% on 2022, with a 7.9% market share.
- BEV registrations predicted to rise by 28.0% on 2022 outlook, increasing market share to 18.5%.
- PHEV registrations envisaged to rise by 32.8% on 2022 outlook, pushing market share to 10.2%.
- HEV registrations predicted to increase by 22.6% on 2022 outlook, with market share of 11.4%.
- LCV registrations at 0.387 million, are expected to rise by 7.1% on the 2022 outlook.
- LCV BEV volumes expected to reach 36,000 units and a 9.4% market share.

Notes: outlooks rounded to nearest 1,000 units.

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 April 2022 and result will be posted by 5 May. The project work is managed by SMMT's Economics team econoweb@smt.co.uk