SMMT UK New Car and LCV Registrations Outlook to 2025 at July 2024

Background and context to panel survey

The latest market outlook for the new car and LCV markets out to 2025 trims back the overall market outlook after a further downward view for battery electric vehicles (BEVs). The economic setting is now firmer and the new Labour government and potential falls in interest rates hopefully may provide more stability and optimism ahead. However, the challenge of transitioning the market remains significant whilst consumers remain constrained by the cost of living crisis. The outlook is revised quarterly in January, April, July and October.

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| **UK new car and light vehicle registrations outlook – July 2024**

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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 |
| 2022 | 1,614 | 902 | 155 | 267 | 101 | 188 | 282 | 17 |
| 2023 | 1,903 | 1,066 | 142 | 315 | 141 | 239 | 341 | 20 |
| *2024 (f)* | *1,968* | *1,042* | *120* | *364* | *171* | *271* | *351* | *23* |
| *2025 (f)* | *2,029* | *963* | *97* | *480* | *193* | *296* | *362* | *44* |

*LCVs = light commercial vehicles to 3.5t gvw. Fuel type split is within the total market data. Diesel and petrol include mild hybrids. BEV = Battery electric vehicle; PHEV = Plug-in hybrid electric vehicle; HEV = Hybrid electric vehicles.*  |

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| SMMT outlook for 2024 to 2025 – as at July 20242024* New car market outlook at 1.968 million, a 3.4% rise on 2023 (compared with 1.984mn said in April)
* BEV market is expected to rise 15.7% and take an 18.5% market share (vs 19.8% said in April)
* PHEV market anticipated to rise 21.0%, pushing market share to 8.7%
* HEV share is expected to rise to 13.8%, following a 13.6% rise in volumes
* Diesel registrations are anticipated to fall -15.9%, pushing market share down to 6.1%
* Petrol registrations are expected to fall -2.3%, with market share falling to 52.9%
* New LCV market outlook is 351,000 units, a 2.8% rise on 2023 (compared with 353,000 said in April)
* LCV BEV volumes are expected to rise 13.7% this year and increase share to 6.6% (vs 8.3% in April)

2025* Car registrations expected to surpass two million units for first time since 2019, up 3.1% to 2.029 million
* BEV market share anticipated to rise to 23.7% (vs 25% said in April), with volumes up 31.9%
* PHEV market is anticipated to rise 21.0% on the 2024 outlook, increasing market share to 9.5%
* HEV market share is expected to climb to 14.6%, after a 9.1% volume rise
* Diesel market share is anticipated to slip to 4.8%, after a -19.0% drop in volumes
* Petrol market to decline -7.6% and reduce market share to 47.5%
* LCV market outlook is 362,000 units, up 3.2% on our 2024 outlook (we said 366,000 units in April)
* LCV BEV share is expected to reach 12.0% (we said 13.4% in April), with volumes up 89.5%

*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 2024 and the results will be posted by 5 November. The project work is managed by SMMT’s Economics team econoweb@smmt.co.uk