Industry Insight

BVRLA

Leasing Outlook

Oct 2021

Out of Stock

How an imbalance between supply and demand is creating new challenges for leasing companies

Market spotlight
Cost increases put pressure on lease rates

Quarterly report
Making the most of growth

Industry outlook
Lengthening lead times

Opinion
Partner insights

In association with: AutoTrader, apd Global Research, cap hpi, International Asset Finance Network Online

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Executive Panel

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Each quarter, we obtain the views of a selection of members of our Executive Panel to enhance our report insights. To join the panel email Phil Garthside at **phil@bvrla.co.uk**.

Market Summary

Businesses are turning to BVRLA members to power future growth as lockdown is lifted. Vehicle orders have soared in recent months, but restricted supplies are an increasing concern.

The rising demand has coincided with ongoing disruption to supply chains caused by a range of factors - from semi-conductor shortages to a lack of HGV drivers - which are requiring careful management of customers to manage expectations.

Leasing executives report lead times stretching up to 12 months. To minimise customer disruption, fleet renewal discussions are taking place much earlier, according to members of the BVRLA executive panel.

This emphasis on customer support reflects the critical role that leasing companies play as business partners, providing advice and expertise on mobility to keep customers moving in a rapidly changing market.

A key focus of this partnership is electric vehicles, as demand soars among business drivers and companies, fuelled by significant tax reductions and preparations for the ban on the sale of new petrol and diesel vehicles proposed for 2030.

While responding to rapid growth, leasing providers are using their expertise to work with customers to identify the wholelife cost implications of change and provide vital support when it comes to infrastructure and in-life management of vehicles.

The BVRLA is also working with industry to urge the Government to maintain the current trajectory of clean vehicle uptake by providing more clarity on future tax rates beyond 2025/26.

Removing potential barriers to growth is vital, as business leaders are concerned that the current economic environment is a breeding ground for inflation.

Strong demand is being limited by shortages of product and labour, which in turn is driving price rises, including the removal of new vehicle discounts.

One executive warned: “There is even a risk of stagflation. Everyone is chasing growth and everything is costing more, from products to labour, throughout the economy.

"There may come a point where focusing on profitability becomes more important than chasing growth, because the investment required is just too expensive. This could dampen the market, so inflation eats away all the growth.”

While an imbalance of supply and demand is a concern for new vehicle sales, it is delivering significant windfalls for remarketing departments, as used vehicle prices continue to rise at an unprecedented rate.

Leasing companies are reporting strong demand across the board, including “encouraging” results for the small number of EVs now entering the market.

BVRLA Fleet Update

The BVRLA fleet remained broadly unchanged in Q2 2021 compared to the same period last year (-0.4% year-on-year), as falling demand for BCH was offset by continuing growth in personal leasing and van sales.

Despite its shrinking size, the business car sector accounts for the majority of plug-in vehicle demand, and as a result was instrumental in reducing BVRLA car fleet CO_2 emissions to a historic low.

“It is just one thing after another... the shutdown, semi-conductor shortages, long lead times, increasing demand, disruption of used prices. It's like a perfect storm...To minimise customer disruption, fleet renewal discussions are taking place much earlier."

BVRLA Fleet Focus Q2 2021

The latest quarterly focus on the BVRLA fleet is based on Q2 2021 data from members. It shows the emerging impact of the pandemic, including a year-on-year fall of 45,000 in the car fleet, but also highlights ongoing trends that are reshaping the market.

Growing consumer demand for leasing is balancing falling sales to businesses, with the business car fleet falling below one million during the second quarter, mainly due to declines in business contract hire; growth in demand for PCH has minimised the overall fleet losses. The van fleet has reached a record high amid soaring demand.

Although businesses are financing fewer cars, the vehicles they choose are some of the greenest available, with electrified models now taking the lion's share of new vehicle orders submitted by companies.

With average leasing contracts stretching to 56,000 miles and 39 months, that leaves just over two replacement cycles until the proposed ban on the sale of new petrol and diesel cars and vans comes into force.

BVRLA DATA HUB

Overall fleet

Total fleet
1,803,810
(-0.4% YEAR-ON-YEAR)

Share of total fleet

	Q2 2020	Q2 2021
Cars	77%	74%
Vans	23%	26%

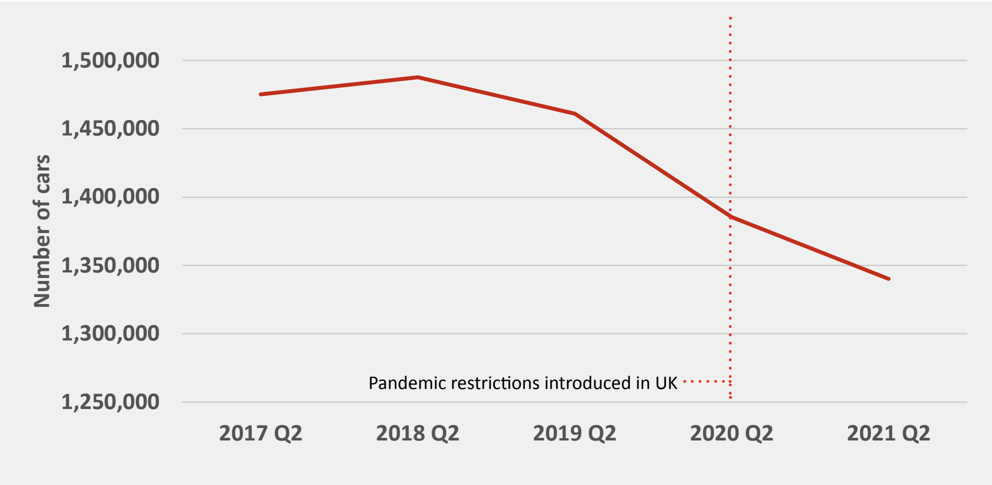
BVRLA fleet falls back as impact of lockdown continues to disrupt market

The total BVRLA fleet for Q2 2021 fell slightly year-on-year. It stood at 1,803,810 vehicles, 0.4% lower than the same period in 2020 and 8.2% below Q2 2019. In total, the fleet has dropped by more than 73,000 vehicles since Q2 2018, entirely because of falling numbers of cars. Cars represented 74% of the fleet in Q2 2021, compared to 79% for the same period in 2017 and 77% for the same period last year, although the rate of year-on-year decline is slowing. By contrast, the share of vans has risen from 21% to 26% over the past four years, with commercial vehicle fleet growth accelerating for Q2 2021.

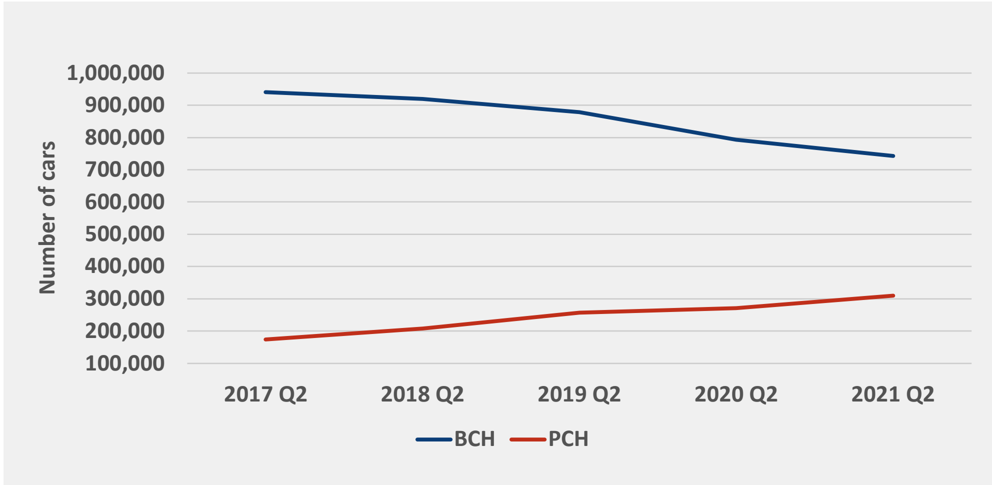
TREND
-36,269
(YEAR-ON-YEAR)
Total fleet size

BVRLA Fleet Focus Q2 2021

Total car fleet



BCH v PCH car fleet



Size of BVRLA car fleet has fallen 77,000 during pandemic

The total BVRLA car fleet fell 3.3% year-on-year in Q2 2021 to 1,340,173, a drop of just over 45,000 vehicles compared to the same period last year. Since Q1 2020 when the pandemic began to take hold of the economy, the car fleet has fallen by 77,678 vehicles. This decline is being driven by a fall in corporate demand, with the business car fleet reduced by more than 120,000 units since Q1 2020. Although the consumer fleet has grown by more than 40,000 vehicles over the same period, this is not enough to prevent an overall decline.

TREND

1,340,173
-3.3% (YEAR-ON-YEAR)
BVRLA CAR FLEET

Business car fleet falls below one million as corporate demand continues to fall

The total size of the business car fleet has fallen below one million to 976,727, including a year-on-year fall of nearly 8% in Q2 2021. BCH represents the majority of business car finance and has taken the brunt of the falls; its share of the car fleet in Q2 is down from 64% in 2017 to 56% in 2021. PCH, the most popular consumer finance option after PCP, has nearly doubled its share from 12% to 23% over the same period. Together they account for 79% of car funding. The finance lease fleet has seen a year-on-year increase in Q2 2021, but it represents a small proportion of the overall fleet.

TREND

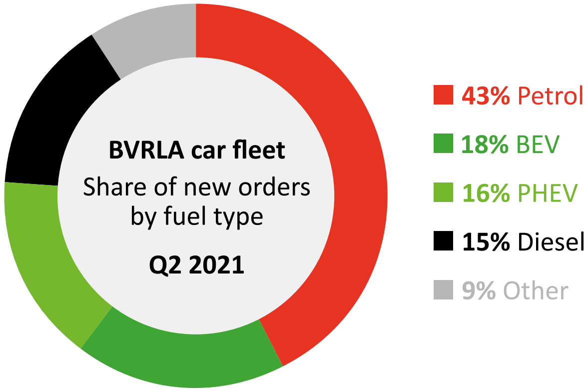
743,154
-6.3% (YEAR-ON-YEAR)
BCH CAR FLEET

TREND

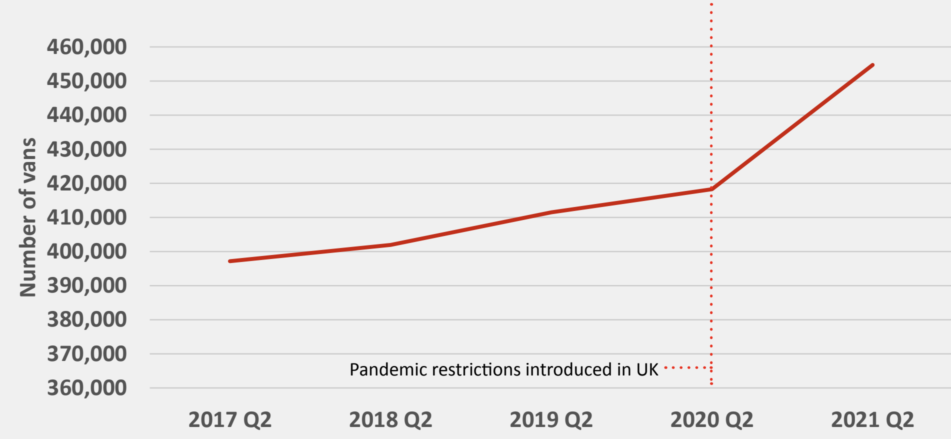
309,978
+14.3% (YEAR-ON-YEAR)
PCH CAR FLEET

BVRLA Fleet Focus Q2 2021

Car fuel choices



Van fleet



Plug-ins reshape BVRLA car fleet as zero-emission demand soars

Pure electric and plug-in hybrid cars accounted for 34% of new vehicle orders during Q2 2021, more than double the demand for diesel, which accounted for 15%. This is reshaping the overall BVRLA fleet, with BEVs and PHEVs each taking around 8% of the fleet. Around 39% of the fleet is currently diesels but this is falling rapidly as drivers switch to alternative fuels or petrol when their contracts end.

Company car tax incentives and strategic changes in preparation for the 2030 ban on the sale of new petrol and diesel cars mean BCH additions are particularly green; pure electric BCH vehicle orders outnumbered diesel by more than two to one in Q2 2021.

TREND

+320%
(YEAR-ON-YEAR)
BEV SHARE OF NEW ORDERS

TREND

-56%
(YEAR-ON-YEAR)
DIESEL SHARE OF NEW ORDERS

It's a van's world

The BVRLA van fleet increased rapidly during Q2 2021, helped by continuing demand for home delivery and increased leisure and business activity as lockdown restrictions were eased.

The BVRLA van fleet leapt 9.1% year-on-year during Q2 2021 to 463,638 vehicles, a new record. Most of this demand came through business contract hire, which accounts for 69% of the total parc, with finance lease taking an 18% market share. Fleet share for both is in line with the long-term average.

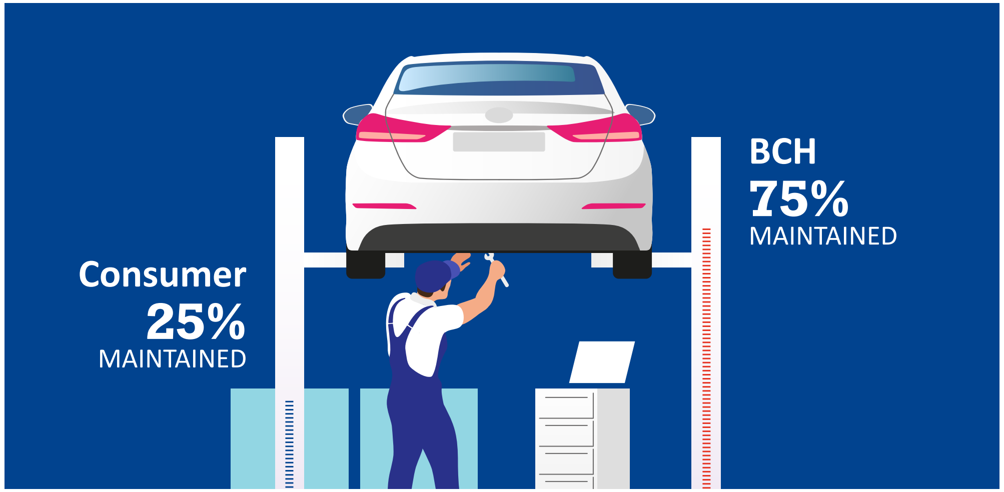
Latest data from the SMMT suggests that meeting demand will be increasingly challenging, with September registrations down nearly 40% year-on-year due to semi-conductor shortages affecting production.

TREND

463,638
+9.1% (YEAR-ON-YEAR)
TOTAL VAN FLEET

BVRLA Fleet Focus Q2 2021

Maintenance contracts - proportion of maintained fleet by funding method



Demand for maintained contracts improves

The proportion of the BVRLA business car fleet with maintained contracts has improved slightly in the past year. Overall, 75% of business contract hire is provided with maintenance contracts, compared to 73% in Q2 2020; 71% of new business contract hire agreements have maintenance included, which is unchanged from a year ago. There is growth in the proportion of PCH vehicles ordered with maintenance packages, although it remains a minority at 25% of the fleet and 27% of new orders, compared to 23% and 24% respectively a year ago. In the van sector, the proportion of the fleet with maintenance included is 56%, compared to 54% a year ago.

TREND
+2.7%
(YEAR-ON-YEAR)
BCH MAINTAINED FLEET

TREND
+8.7%
(YEAR-ON-YEAR)
PCH MAINTAINED FLEET

Regulated contracts

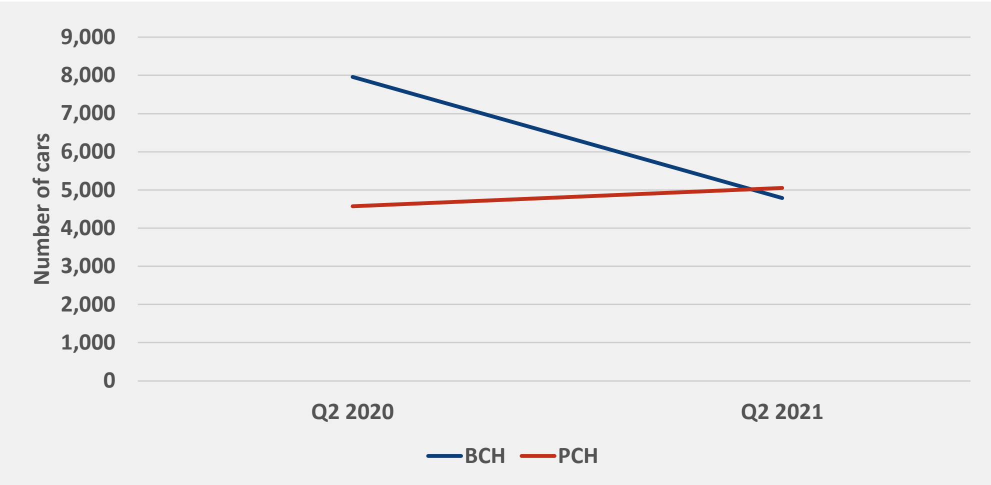
Growth in consumer leasing brings greater regulatory scrutiny for industry

The proportion of the BVRLA car fleet that is regulated is set to rise as an increasing proportion of sales are made to consumers.

For Q2 2021, 27% of the car fleet was regulated, but this proportion could increase as the market share of consumer funding, such as PCH, rises. For consumer contracts, 92% of the market is regulated, compared to just 3% of business car contracts. The vast majority of the van market remains unregulated (90%).

BVRLA Fleet Focus Q2 2021

Used vehicle leasing



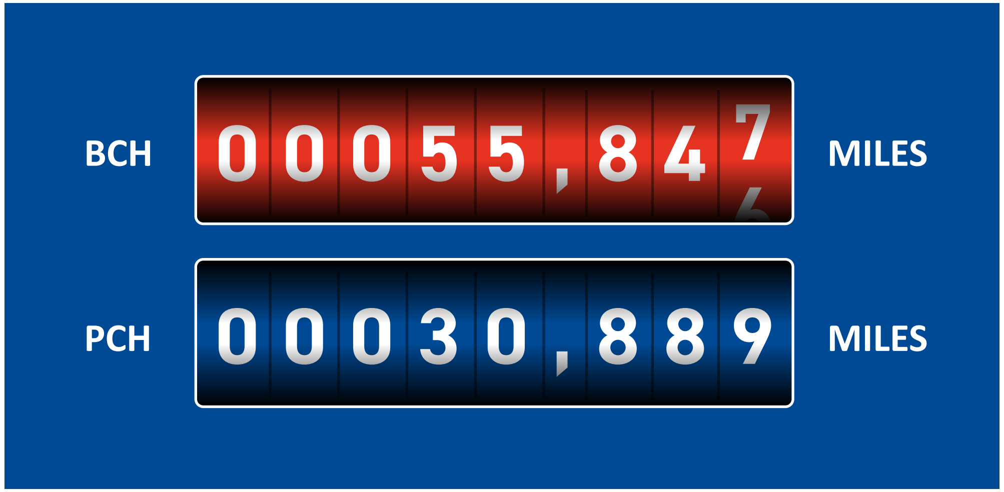
Opportunity remains for used car leasing despite shrinking market

Used car finance remains a tiny proportion of the leasing market and has shown little sign of change over the past year. The total proportion of the fleet accounted for by used vehicles is 1.2% (16,000 cars), more than half of which is accounted for by BCH and PCH contracts. In the past year, there has been a decline driven by a fall in the number of BCH agreements, with the overall market down by more than 2,000 cars. As a result of the fall, the PCH sector accounted for more used leasing demand than the BCH market. Some leasing companies already work with remarketing providers to single out the best used vehicles, including 'late and low' models, for a used car leasing offer.

TREND
4,788
-40% (YEAR-ON-YEAR)
BCH USED CAR LEASING

TREND
5,056
+11% (YEAR-ON-YEAR)
PCH USED CAR LEASING

Contract mileage/duration



Contracted mileage and duration increase across car leasing market

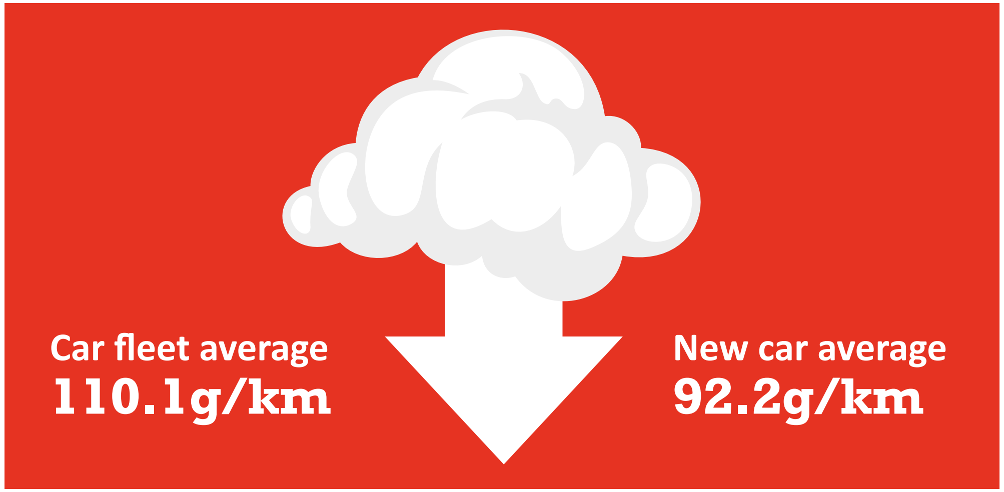
Both the consumer and business lease segments have seen an increase in average contracted mileage compared to the same period in 2020. Business car contract hire is now nearly 56,000 miles and 39 months, compared to 51,300 miles and 38 months in last year's Q2 report. Contracts for consumer leasing increased from an average of 26,000 miles in Q2 2020 to nearly 31,000 in the same period of 2021. Average contract length was static at 37 months.

TREND
+9%
(YEAR-ON-YEAR)
BCH CONTRACT MILEAGE

TREND
+18%
(YEAR-ON-YEAR)
PCH CONTRACT MILEAGE

BVRLA Fleet Focus Q2 2021

BVRLA fleet CO_2 emissions

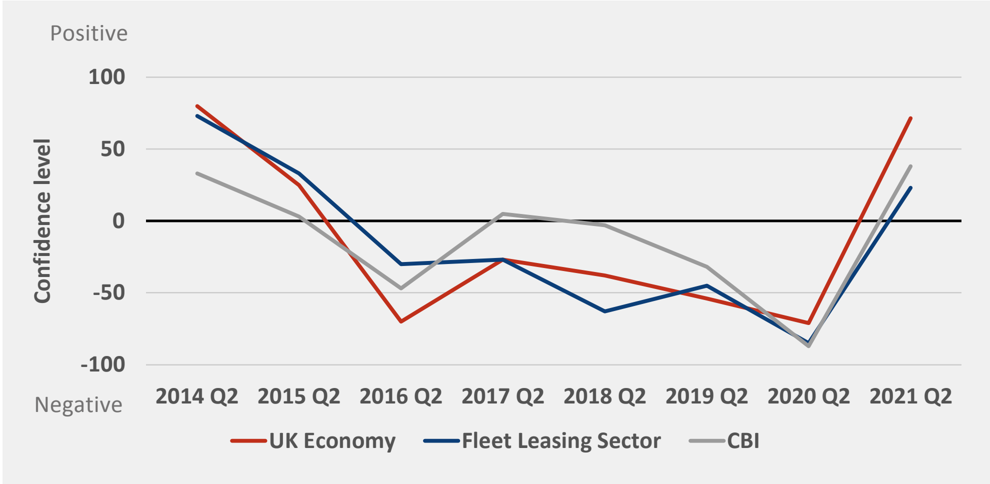


BVRLA fleet emissions return to historic lows as plug-in fleet grows

BVRLA average car fleet emissions have returned to a historic low of 110.1g/km, the level first achieved two years ago before a spike in official emissions figures was caused by the introduction of the WLTP test regime. New car registrations were down to 92.2g/km during Q2 2021, compared to 109g/km for the same period last year, with electrified vehicles driving much of the reduction. Van emissions remain roughly unchanged year-on-year, but this could change in the next year as greater volumes of electric LCVs become available.

TREND
-15%
(YEAR-ON-YEAR)
NEW CAR CO_2 EMISSIONS

Industry confidence



Surge in confidence despite fears of shortages and price rises

Leasing executives are cautious but confident about the road ahead for the leasing industry. Although shortages could limit supply, they are seeing strong demand from customers which is expected to underpin an economic recovery. The majority say they expect the UK economy to improve in the next six months.

Their views are reflected by the broader business community represented by CBI research, although their enthusiasm may be cooled during the rest of 2021 by supply chain issues. These have yet to dampen industry expectations for the future of the fleet leasing sector, with the majority of leasing executives predicting the market will perform well despite ongoing disruption.

TREND
+108 points
(YEAR-ON-YEAR)
CHANGE IN LEASING CONFIDENCE LEVEL

BVRLA Member Outlook

Inflation and shortages threaten industry recovery

Leasing leaders are questioning whether the welcome oasis of recovery risks turning into a mirage as a variety of factors threaten to undermine growth.

While order banks are strong, in some cases reaching record levels, efforts to meet demand are being thwarted by increasingly restricted supply.

There are a variety of factors at play, including increased competition for available stock and new vehicle production problems caused by the semi-conductor shortage. A national shortage of lorry drivers is also making vehicle logistics more complex, which affects everything from parts deliveries to fuel and can exacerbate delays in production. In response, executives are encouraging customers to extend replacement cycles or change their orders to select from available stock.

They are also engaging with customers much earlier to discuss vehicle replacement and manage expectations.

One business leader said: “We are extending contracts and if somebody is going to replace vehicles next March, we are having to contact them now. For vans, we are ordering now for delivery in September 2022.”

In an environment of such high demand and low supply, the balance of power is switching to suppliers. Leasing executives report that discounts are being reduced or removed altogether, putting inflationary pressure on leasing rates.

One executive added: “It could drive a coach and horses through car policies. If grades are based on leasing rates, then cars could start to disappear from choice lists. This rise is happening across the board.”

In contrast, business leaders report that windfall gains in the used vehicle market continue to break records.

“The same vehicle sitting there doing nothing has gone up 25% in value and that is pretty well everything,” said an executive panel member. “I have never seen anything like this in all my life.”

But the cyclical nature of the market is driving an air of caution with the certain knowledge that balance will return to the market.

As one leasing director said: “There must surely be a point with price rises that people stop buying, because it is unprecedented to see values go up the way they have, and keep going.”

He argued that such “wildly inflated” values on disposal should not undermine a cautious approach to setting future residual values, as the balance of supply and demand will change.

A cautious approach is certainly needed for electric vehicles, which now dominate new car orders, as it remains unclear how they will perform in the used car market as volumes increase.

Car and van fleet forecast

	2017 Q2	2018 Q2	2019 Q2	2020 Q2	2021 Q2	2022 Q2 Forecast	Forecast change Q2 21-22
CARS	1,475,161	1,487,622	1,461,078	1,385,338	1,340,173	1,377,000	3%
VANS	401,200	406,664	416,241	424,925	463,638	482,000	4%
TOTAL	1,876,361	1,894,286	1,877,319	1,810,263	1,803,810	1,860,000	3%

* Based on forecasts from eight BVRLA members. Total sample 650,000 vehicles. Fleet size forecast data rounded to nearest 1,000; percentage change based on actual figures.

Car fleet forecast by fuel type

	2017 Q2	2018 Q2	2019 Q2	2020 Q2	2021 Q2	Q2 2022 Fore-cast	Fleet size Q2 2021	Forecast fleet size Q2 2022	Forecast fleet size change Q2 21-22
Petrol	20%	24%	31%	34%	37%	36%	495,863	493,000	-0.6%
Diesel	75%	70%	62%	51%	39%	35%	522,667	475,000	-9.1%
BEV	0.1%	0.3%	0.5%	2%	8%	13%	111,234	183,000	65%
PHEV	3%	3.8%	4.5%	5%	7%	12%	99,172	159,000	60%
Other	1.9%	1.9%	2%	8%	9%	4%	111,242	67,000	-40%

BVRLA Member Outlook

Executives are watching the market closely for guidance to support future decisions, with one saying: "If the industry sees that normal demand and supply is applying to used EVs in the same way as petrol or diesel, that will give a tremendous boost of confidence in terms of how we set residual values."

Their concerns about consumer attitudes to electric vehicles are reflected in order banks and predicted future demand. Industry leaders expect strong growth in plug-in demand as drivers and businesses are encouraged by positive experiences from early adopters. For business contract hire, tax incentives have accelerated EV adoption and companies are also keen to show their green credentials to maintain access to contracts and tenders that have green clauses. This is likely to continue, particularly if the government provides long-term certainty over tax rates. Pure electric vehicles already account for nearly one-third of new orders for business contract hire.

Together with PHEVs, they account for nearly 60% of new BCH orders. By contrast, plug-in vehicles account for only 12% of new personal contract hire orders. 65% of consumers choose petrol. A halfway house is salary sacrifice, where companies can offer their entire workforce access to tax efficient car schemes. 64% of new salary sacrifice orders are for BEVs. One fleet executive said: "Things like salary sacrifice and BIK incentives are really supporting change, but also the environmental agenda is much bigger than it has ever been, including being required to qualify for tenders."

Another added: "I hear about customers who have got their investment plans in for 2022 and they are very ambitious with a big chunk of that spending focused on switching to electric cars or vans."

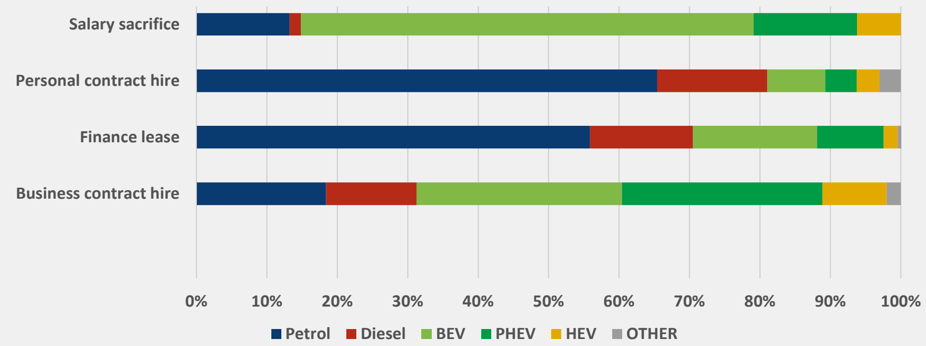
Providing support will be a priority, especially when it comes to concerns about infrastructure and real-world range compared to official figures.

One executive said: "We have had to take some vehicles back because they just weren't fit for purpose. Customers thought they had a range of 240 miles and they were getting 150 miles."

Another executive panel member commented: "We are moving from range anxiety to infrastructure anxiety. Drivers are asking whether chargers will be available when they arrive to plug in, if 'pumps' will be working, and whether they will deliver the promised charging speed."

While business drivers will have an employer or fleet manager to turn to, consumers could bring their questions and any problems directly to the leasing company, and they are much more likely to turn to online review sites to make their voice heard if they feel their needs aren't being met. This will require leasing companies to ensure customer service processes can quickly respond to issues as they arise without being affected by changing working patterns as staff switch between the office and home working.

Fuel choices by funding method Q2 2021



Car fleet forecast by funding type

	2017 Q2	2018 Q2	2019 Q2	2020 Q2	2021 Q2	2022 Q2 Forecast	Forecast change Q2 21-22
BCH	941,116	919,231	878,366	793,171	743,154	711,000	-4%
PCH	174,298	207,790	256,528	271,264	309,978	334,000	8%
TOTAL	1,115,414	1,127,021	1,134,894	1,064,435	1,053,132	1,045,000	-1%
BCH	84%	82%	77%	75%	71%	68%	
PCH	16%	18%	23%	25%	29%	32%	

* Based on forecasts from eight BVRLA members. Total sample 650,000 vehicles. Fleet size forecast data rounded to nearest 1,000; percentage change based on actual figures.

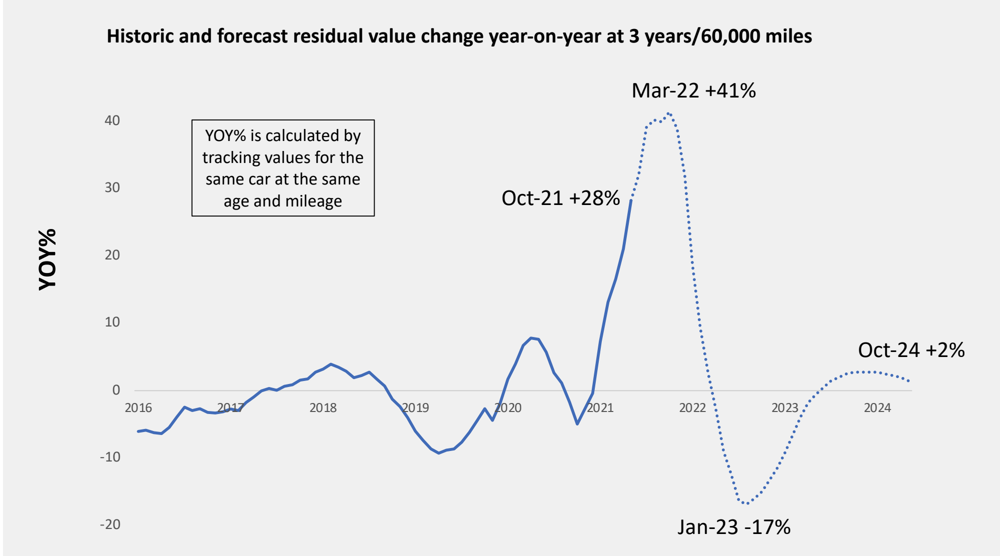
Opinion - used market prices

cap hpi

Dylan Setterfield
Head of Forecast Strategy, cap hpi

“The current market is not sustainable and values will soften next year.”

Year-on-year change in residual values at 3 years/60,000 miles - 2016-24



Extraordinary. Crazy. Just two words we are increasingly using to describe the current state of used car values. Strong consumer demand has persisted since dealerships re-opened and is now combining with reduced supply, breaking records and defying expectations. At the end of August, we expected values to remain robust but to increase by less than in previous months: we predicted around +2%.

Four weeks later, values had risen by a staggering +5.9%, the second highest percentage rise (behind May’s +6.7%), but the highest average pound note increase (+£860 at 36/60) following six months of successive price hikes. This leaves three-year-old values at a bewildering +28% year-over-year, compared to average historical model aging of -4% over the same period. Off the scale.

At the time or writing, we still think values will stay healthy this year, with increases at lower levels than in recent months. Even with increases of between 1% and 2% for October to December, a time when most sectors have always tended to see their heaviest depreciation, this is likely to leave three-year-old values at +40% year-over-year. Compare this to the previous record of +20.6% at the height of the recovery from the financial crisis in January 2010. Remarkable.

So, will there be a crash? Will the bubble burst? We don’t think so. Even if consumer demand weakens (and we expect it to), there are now significant problems with supply. Until recently, the new car supply shortage had only resulted in reductions in trade volume of between 5-10%, but at the end of September this has now increased to around 15% and is set to climb further. It’s not just semi-conductors. Problems exist for various raw materials, components and systems, combined with transportation issues. During August there were Covid spikes in Malaysia, Thailand and Japan, disrupting supply chains in general and the semi-conductor process in particular and by early September the number of automotive plants disrupted leapt within three weeks to double the previous peak of the semi-conductor shortage.

No-one really knows what happens next, but new car supply will certainly continue to be constrained into 2022. Brands will recover at different rates, fleets will return extended vehicles, PCPs will start to churn and at some stage next year the market will begin to correct itself. Not a crash, but repairing logical relationships and returning values to more sensible positions against cost new. List price increases would ease the situation somewhat but will be unpopular in an inflation sensitive environment.

Forecasts have increased considerably, but significant negative adjustments have been made – the current market is not sustainable and values will soften next year. A brand-new market will have been set for some vehicles, others will reduce in price considerably, the trick is to work out which is which. Interesting times.

Opinion - customer satisfaction

GLOBAL RESEARCH

Dr Andrew Skelhorn
Research and Insight Director, APD Global Research

"Vehicle and parts supply problems, magnified by the global semi-conductor shortage, have had a significant impact upon customer scores."

In this quarter's Leasing Outlook, we compare customer and driver satisfaction with leasing companies and brokers over the last 24 months, as well as analysing survey comments using APD's Sentiment.360 analytics tool to discover what lies behind overall satisfaction (CSAT) and Net Promotor Scores (NPS).

Trends

CSAT scores in Q3 2021 have dropped back down to early pandemic levels in most areas, namely service and repair, vehicle order and short-term rental, but they have increased for the vehicle delivery process (see CSAT Trends).

NPS scores have declined in all areas since the start of the year, with the fall in Q3 being most pronounced with vehicle order and service or repair (see NPS Trends).

Customer sentiment - derived from their verbatim comments - has also shown a drop back to Q1 levels of positivity in the third quarter of this year, with only 45% of comments being positive, as opposed to 52% in Q2.

Factors

An analysis of factors and driver comments shows that the most frequent positive sentiment revolved around the professionalism and politeness of staff and delivery drivers, efficient service, and vehicle cleanliness. Negative sentiment for vehicle delivery highlighted lead times, communication, and vehicle cleanliness. For service events the issues were authorisation, communication, and failure to repair first time around.

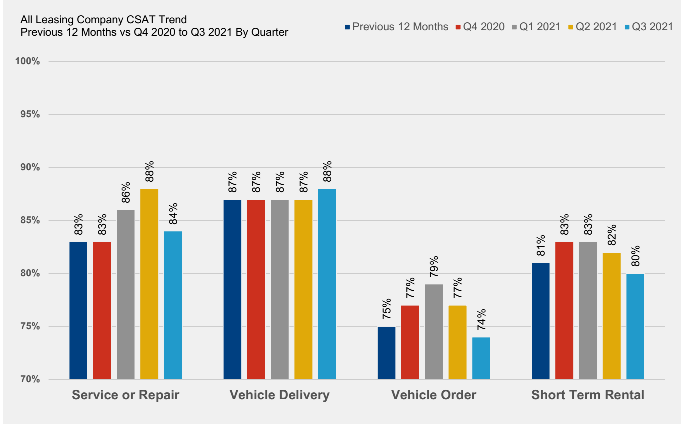
Electric vehicles have also presented a challenge in terms of Covid restricted handovers hampering the explanation of unfamiliar controls.

Shortages

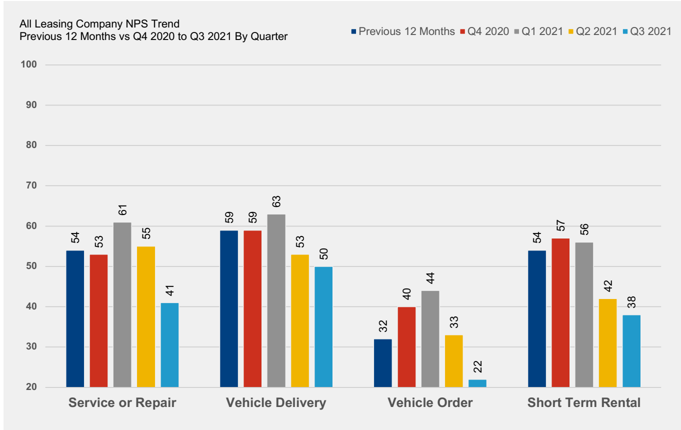
Vehicle and parts supply problems, have had a significant impact upon customer CSAT and NPS scores. This has become more pronounced during Q3. A growing range of models cannot be delivered within expected timescales, and many leasing companies and brokers have failed to manage expectations at the point of order, or to communicate ongoing delays in delivery times to minimise the frustration.

In contrast to this, the relief when a vehicle is actually delivered has been reflected in an increased CSAT score here, but not in their likelihood to recommend the leasing company or broker. Should this trend continue, it could adversely influence re-purchase intentions.

CSAT Trends



NPS Trends



Opinion - used market overview

AutoTrader

Ian Plummer
Commercial Director, Auto Trader

"September marked 18 months of consecutive price growth, but the first time it has ever exceeded 20%."

With what we're seeing at the fuel pumps at the moment, it feels very appropriate to take a closer look at what is happening within the used electric car market. On Auto Trader, the impact of the panic buying of petrol and diesel across the UK led to an immediate surge in consumer engagement for both new and used EVs as the traditional range anxiety associated with electric was quickly overtaken by a new sense of fuel anxiety.

The number of advert views for new and used EVs increased a record 47% and 64% respectively from the first weekend of the fuel crisis (24th September) to 3rd October. We also saw a huge uplift in the number of people sending electric enquiries to retailers, with one sent every 1.8 minutes, which is almost twice the August average. This suggests that people weren't simply flirting with the idea of electric but were encouraged to actively pursue a purchase. Retailers have been reporting extremely strong order-take for brand new EVs in September, and according to our sales proxy data, EVs accounted for 1.6% of used cars sold during the final week of September, up from 0.9% two weeks prior and four times on the same period last year.

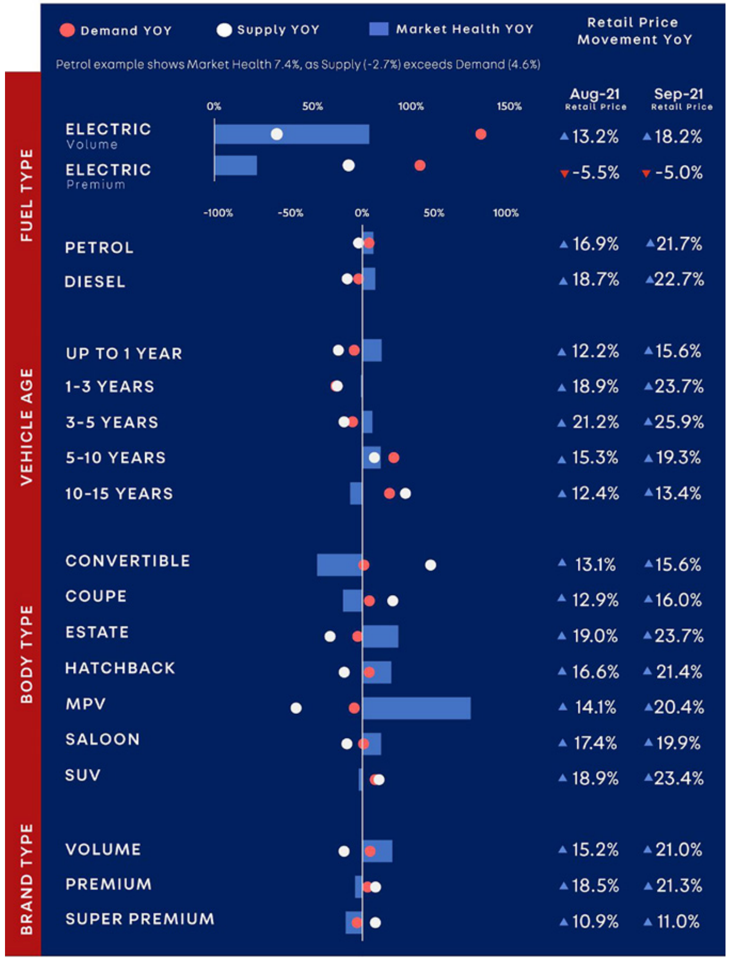
Retailers are making the most of the opportunity to maximise the profit on their EV stock. In contrast to the traditional strategy of making price reductions, we have seen those selling electric adjusting upwards: on the 28th September, retailers added an average of £156 to the price of their EVs.

This will have contributed to the massive 21.4% year-on-year increase in used car prices we saw more generally in September. It not only marks 18 months of consecutive price growth, but the first time it's ever exceeded 20%.

The question is of course, is whether the fuel crisis will be seen as a catalyst for lasting change or just a temporary shift. There is no doubt it provided a boost, but we have seen evidence of this positive trend starting long before. Due to stock shortages, the number of EVs advertised on our marketplace has been gradually reducing this year, but advert views have continued to increase regardless. For example, despite there being 2% fewer EVs advertised in September versus January 2021, there were 79% more advert views. We are still a long way off the government's 2030 target, and traditional barriers to entry such as price and infrastructure will continue, but concern about petrol availability won't end when the pumps start up again. Therefore, this increased interest represents a unique opportunity to incentivise car owners to make the switch.

Demand, supply, market health & price movement

Charts show yoy growth - Market Health (blue bar), Demand (red) and Supply (white), with pricing movements.



For full data, visit the BVRLA data hub at:
https://www.bvrla.co.uk/resource/bvrla-data-hub.html

This report provides a consolidated view of the Quarterly Leasing Survey and the forward-looking Leasing Outlook report. In addition to the data highlights provided in this report, you can now access an extensive list of tables as part of the Quarterly Leasing Survey online, by following the link provided above.

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