

Car market grows for seventh month in a row

- **9.4% increase in registrations in February 2023**
 - **Used car market is becoming structured**
 - **An aging fleet in 2022**
 - **Motorcycle market is in great shape**

For the seventh month in a row, new car market (NCVs) is up again. In February 2023, registrations rose by 9.4%. However, the basis for comparison is low itself as in February 2022, sales had fallen by 13%.

NCV's market dynamism to be put into perspective.

AAA DATA, the augmented data expert, records 126,237 new car registrations in February 2023, versus 115,383 in February 2022 and 172 438 in 2019, known as the last year of reference before the pandemic outbreak.

In this upward trend, three brands seem to play their cards right: Skoda, showing the most significant growth (+38% with 2,935 units), followed by runner up Nissan (+35,4% with 2 944 units) and Dacia (+33,9% with 11 900 registrations).

Overall, since the beginning of the year, the new car market is up 9.1% to 238,176 registrations.

Julien Billon, CEO of AAA DATA: *"The current trend is positive, vehicles ordered months ago are coming on the market. However, we should not overlook that the level of orders is decreasing (-9% in January 2023). If this keeps up, the inventory waiting to be put on the road will run out in the first half of 2023 and the second semester will, as it stands, be paved with obstacles".*

In general, the new car market for passengers is increasingly concentrated on three customer segments: first, individuals who account for 49% of the market (44% in February 2022). Companies come as a runner up representing 16% of the market (15% in 2022), followed by full service leasing companies with 14% of the market (16% in 2022). Dealers demo cars and

garage vehicles, on the other hand, fall by 13% in February 2023 to account for 12% of the market, whereas they still accounted for 15% of the market a year earlier.

A, C and D-SUV segments praised by buyers

In February 2023, demand continue to shift towards body styles of a certain size. According to the new segmentation recently introduced by AAA DATA, the C-segment (i.e., compact cars), which accounts for 14% of the NPV market, has seen its registrations increase by 32%. Regarding D-SUV (family SUV's), which account for 7% of the market, they jumped by 59%. However, smaller models have not had their final say yet: the A segment (i.e., city cars), which accounts for 7% of the market, is showing good growth (+25%)

The used car market, affected by low emission zones related constraints.

The used car market continues to decline, still heavily affected by manufacturers having a hard time in filling orders for new vehicles from private individuals. The market is also impacted by constraints associated with low emissions zones (LEZ). Overall, the market fell by 6.6% in February 2023 with 418,585 registrations.

Since January 1st 2023, all Crit'Air 5 or vehicles without stickers, are now subject to traffic restrictions or bans in the EPZs of major cities. In 2024, Crit'Air 4 will follow the lead then Crit'Air 3 in January 2025. Predictably, Crit'Air 5 vehicles registrations, which still account for more than 1% of the market, plummeted by 16.5%. Crit'Air 4 (7% of the market) plunged by 12.6% and Crit'Air 3 (22% of the market) by more than 9.7%. Even vehicles with a Crit'Air 2 stickers (35% of the market) saw a drop in registrations (-9.4%), but is however due to the difficulty for potential buyers to find affordable models.

The second-hand business, a sector becoming more structured

Setting up labels enabling a better knowledge of car's history, development of buying and reselling platforms, arrival of new entrants like Aramis auto...In twelve years, the used car market has become highly structured and professionalized. Between 2011 and 2022, B2C and B2B transactions have increased by 8 points, representing 42% of all transactions, while transactions between private individuals have decreased by 10 points, to 49%. Other transactions flows, notably C2B, remain stable.

An aging fleet

It is a paradox : in the context of energy transition, the car fleet is inexorably aging. In 2022, the circulating car fleet is stable (+0.3%) to 41.2 million units. Compared to 2021, the average age of cars increases significantly to 11.3 years (11 years in 2021). In Paris, though, the average age is 9.8 years and 8.6 years in the Hauts de Seine department (92). The most polluting vehicles i.e., Crit'Air 3,4,5 (and not eligible), still represent a very large share of the fleet: 37%, compared to 39% in 2021.

Engines wise, more than half of the fleet is made up of diesel-powered vehicles (51%), 40% of gasoline-powered models and the remaining part is divided between hybrids (4.1%) and electric vehicles, which still account for only 1.5% of the fleet, so far.

The motorcycle market, in great shape

While the two-wheeler show was held in Lyon from February 23 to 26 the motorcycle market has been on the rise since the beginning of 2023. After a 7% drop in the new model segment, due, most particularly, to electric components shortage, the upturn seems to be in order. Anticipating the start of the motorcycle sales season, which traditionally begins in March, new motorcycle registrations soared by 18.7% in February 2023, with 14.305 new motorcycles. Over the first two months of the year, the market grew by 13.8% with 25,779 registrations.

Honda tops the podium, with 21.6% of the market, and sees its registration increase by 27.3%, followed by runner-up Yamaha (17,2% of the market) by 19.1% and BMW (9.3% of the market), rising by 9.8%.

Press contact :

aaadata@rumeurpublique.fr

Ingrid Seithumer – 06 64 10 91 78

Diane Loth – 06 22 73 56 43

À propos de AAA DATA :

AAA DATA leverages historical and extensive driven valued data expertise. We detect the right insights on consumers trend and the market to predict uses of tomorrow and deliver our customers tailor-made solutions. AAA DATA uses and builds a reliable and proven database. Thanks to our strong data repository and expertise, AAA DATA shapes and provides powerful cutting-edge solutions to anticipate tomorrow's needs in a wide range of consumer sectors.

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