



Glass's New Car Market Trends
May 2005

 **eurotaxGLASS's**
Automotive Business Intelligence



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EXECUTIVE SUMMARY

This is the fifth issue of Glass's New Car Market Trends report, a monthly analysis of the UK's new car market produced by Glass's Market Intelligence Service. This issue of the Report covers new car list price changes up to and including April 2005.

Key findings of Glass's New Car Market Trends Report for May 2005

AVERAGE PRICE OF A NEW SUPERMINI HAS FALLEN OVER THE PAST YEAR

Research by Glass's Market Intelligence Service shows that the list price of the average new supermini (Ford Fiesta, Vauxhall Corsa, Volkswagen Polo, etc) dropped 2.1 per cent, year-on-year, to the end of April – more than for any other type of car. By contrast, list prices across the UK's new car market as a whole increased, albeit by a modest 0.9 per cent, equivalent to an annual rise worth £123.

The average new car list price rise contrasts strongly with the Consumer Price Index - the Government's preferred measure of inflation - that reports a 1.7 per cent increase during the same period. The below-inflation uplift in average list prices for all new cars is part of an ongoing trend. In the face of falling new car registrations and intense competition, manufacturers remain reluctant to pass on rising steel and energy costs in case they put off more prospective buyers.



SECTOR-BY-SECTOR PRICE CHANGES

The 2.1 per cent fall in average supermini list prices, equivalent to a drop of £209, has been partly influenced by the arrival of a new budget model, the Kia Picanto, which has prices starting at just £5,352.

The above-average increase in list prices of compact family cars comes partly as a result of the launch of several new models over the past year – the Astra, Focus and the face-lifted Corolla to name but a few. Typically, these models have come in at around 4 to 6 per cent higher than their predecessors, which has inevitably contributed to new car price inflation in the sector.

The volume-brand upper-medium car sector (Ford Mondeo, Vauxhall Vectra, Toyota Avensis, etc) continues to have some of the fastest rising list prices, with the sector as a whole up 2.7 per cent, or £435, over the past year. This has primarily been led by upgrades and new model introductions. For example, the entry point for the Renault Laguna diesel range is now more expensive, thanks to the 100bhp engine being replaced with a 120bhp unit. In addition, SEAT's Toledo has been radically revised, which has been coupled with a price premium over the outgoing version.

The list price of the average SUV increased in price by 1.5 per cent over the last 12 months. However, if you discount the arrival of the BMW X3 at the prestige end of the market, the average list price rise for the sector would be only 1 per cent.

The biggest list price changes

In pound note terms, the single biggest list price rise in April was for the Audi Allroad 2.7T Quattro Limited Edition Estate, which increased by £970, or 2.9 per cent, to £34,080. The largest single list price reduction last month was for the Renault Vel Satis 3.0 V6 dCi Privilege, which dropped £1,740, or 6.3 per cent, to £25,787, to clear remaining stocks.



TOP 10 CHANGES

Manufacturer	Range	Model	Old Price	New Price	£ Change	% Change
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Top 10 list price increases

Audi	Allroad	2.7T Quattro Limited Edition Estate	£33,110	£34,080	£970	2.9
Audi	Allroad	2.7T Quattro Limited Edition Estate auto	£34,510	£35,480	£970	2.8
Audi	Allroad	2.5TDI Quattro Limited Edition Estate	£29,360	£30,260	£900	3.1
Audi	Allroad	2.5TDI Quattro Limited Edition Estate auto	£30,760	£31,660	£900	2.9
Audi	A6	2.0TD S Line Saloon	£25,970	£26,480	£510	2.0
Audi	A6	2.0TD SE Saloon	£23,250	£23,760	£510	2.2
Audi	A6	2.4 S Line Saloon	£26,370	£26,880	£510	1.9
Audi	A6	2.4 S Line Saloon auto	£27,820	£28,330	£510	1.8
Audi	A6	2.4 SE Saloon	£23,650	£24,160	£510	2.2
Audi	A6	2.4 SE Saloon auto	£25,100	£25,610	£510	2.0

All list price reductions

Renault	Vel Satis	3.0 V6 dCi Privilege auto	£27,527	£25,787	-£1,740	-6.3
Renault	Vel Satis	2.2 dCi Privilege	£23,357	£21,787	-£1,570	-6.7
Kia	Sedona	2.5L MPV	£14,347	£13,342	-£1,005	-7.0
Kia	Cerato	1.6 GS 5 door Hatchback	£9,117	£8,357	-£760	-8.3
Vauxhall	Signum	1.9CDTi (120) Elegance Hatchback	£19,742	£19,287	-£455	-2.3
Vauxhall	Signum	1.9CDTi 16v (150) Elegance Hatchback	£20,242	£19,787	-£455	-2.2
Vauxhall	Signum	1.9CDTi 16v (150) Elegance Hatchback auto	£21,542	£21,087	-£455	-2.1



METHODOLOGY

The list price of the 'average' new car referred to in the monthly Glass's New Car Market Trends report is based on analysis of over 1,000 models across key UK vehicle segments. The data is weighted by sales volumes to ensure the results are representative of the true market trend.

For more information about Glass's New Car Market Trends Report or to discuss how Glass's Market Intelligence Service can help your business, please contact:

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