**SMMT NEW CAR REGISTRATIONS**  
4 April 2024 (data for March 2024)  
**High-res charts and data available via Dropbox:** [**https://www.dropbox.com/scl/fo/o4m3wc1cq5b8iz15vqbp7/h?rlkey=icgvyehdn3b999767piqp72xs&dl=0**](https://www.dropbox.com/scl/fo/o4m3wc1cq5b8iz15vqbp7/h?rlkey=icgvyehdn3b999767piqp72xs&dl=0)

**March new car market sustains growth as manufacturers shore up electrified demand**

* New car registrations rise 10.4% in best March since 2019 and 20th consecutive month of growth.
* Overall increase driven by fleet investment with weak confidence constraining private retail demand.
* Industry calls for EV incentives with battery electric car market off the pace.

**Thursday 4 April, 2024** The UK new car market clocked up its 20th consecutive month of growth in March, with a 10.4% rise in registrations. In what is typically the busiest month of the year due to the new numberplate, 317,786 new cars reached the road with a 24 plate – the best March performance since 2019, although still -30.6% below pre-pandemic levels.1

Growth was again driven by fleet investment, up 29.6% as the sector continues to recover following the constrained supply of previous years. Registrations by private buyers fell by -7.7%, with a challenging economic backdrop of low growth, weak consumer confidence and high interest rates. The small business registration segment, meanwhile, declined -8.0%.

Petrol cars retained the lion’s share of the market, at 55.7%, with registrations up 9.2% year on year, as diesel volumes fell -2.7% to account for just 7.3% of demand. Uptake of hybrid electric vehicles (HEVs) reached record levels, rising by 19.6% to 44,550 units and 14.0% of the market, while the biggest percentage growth was recorded by plug-in hybrids, up by more than a third to 24,517 units, or 7.7% of all new registrations. Conversely, while battery electric vehicle (BEV) registration volumes were at their highest ever recorded levels, market share fell by one percentage point from the same month last year, down to 15.2%. Registrations rose 3.8%, with only fleets showing any volume growth.

The fall in BEV market share within a growing market underscores the need for government to support consumers to speed up fleet renewal. Large fleets continue to drive BEV uptake, thanks to compelling tax incentives but while registration volumes increased in March, market share declined. A tough economic backdrop makes it ever more challenging for consumers to invest in these new technologies.

Manufacturers themselves are offering generous incentives, helping more drivers switch to zero emission vehicles and deliver government and industry carbon targets, but this cannot be sustained indefinitely.3 A full market transition needs incentives not just for fleet and business buyers but private retail buyers as well, something that would bring the UK into line with other major markets. Temporarily halving VAT on BEVs, revising the threshold for the expensive car supplement on Vehicle Excise Duty next April, and abolishing the ‘pavement penalty’ on public EV charging by equalising VAT rates to 5% in line with home charging, would make a significant difference to consumers, helping more of them move to zero emission vehicles sooner.

**Mike Hawes, SMMT Chief Executive**, said, “Market growth continues, fuelled by fleets investing after two tough years of constrained supply. A sluggish private market and shrinking EV market share, however, show the challenge ahead. Manufacturers are providing compelling offers, but they can’t single-handedly fund the transition indefinitely. Government support for private consumers – not just business and fleets – would send a positive message and deliver a faster, fairer transition on time and on target.”

**Notes to editors**

1 March 2019: 458,054 registrations

2 Private BEV registrations down -XX% on March 2023 and -XX% on Q1 2023

3 What Car research shows [EV discounts have increased by 204%](https://www.whatcar.com/best/the-biggest-ev-discounts/n26336) since January 2023

**About SMMT and the UK automotive industry**

The Society of Motor Manufacturers and Traders (SMMT) is one of the largest and most influential trade associations in the UK. It supports the interests of the UK automotive industry at home and abroad, promoting the industry to government, stakeholders and the media.

The automotive industry is a vital part of the UK economy and integral to supporting the delivery of the agendas for levelling up, net zero, advancing global Britain, and the plan for growth. Automotive-related manufacturing contributes £78 billion turnover and £16 billion value added to the UK economy, and typically invests around £3 billion each year in R&D. With more than 208,000 people employed in automotive manufacturing, and some 800,000 in total across the wider sector, the industry trades globally, with exports worth £94 billion accounting for 10% of all UK goods exports.

More than 25 manufacturing brands build more than 70 models of vehicles in the UK, plus an array of specialist small volume manufacturers, supported by some 2,500 supply chain businesses and some of the world's most skilled engineers. Many of these jobs are outside London and the Southeast, with wages that are around 14% higher than the UK average. The automotive sector also supports jobs in other key sectors – including advertising, finance and logistics.

More detail on UK Automotive available in SMMT's Motor Industry Facts publication at [www.smmt.co.uk/reports/smmt-motor-industry-facts/](http://www.smmt.co.uk/reports/smmt-motor-industry-facts/)

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