

PRESS RELEASE
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BROKERS EXPECT REGISTRATIONS TO SLIP INTO NEUTRAL

- 72% of finance brokers expect new car registrations to level off during 2016
- Car buyer confidence remains high
- Low interest rates key to maintaining buoyant market

The majority of the UK's largest motor finance brokers expect new car registrations will slip into neutral over the course of 2016, according to the latest Paragon Car Finance Headlight Survey. Whilst car buyer confidence remains high – unchanged at 7.1 out of a possible 10 – compared with the previous survey, almost three quarters of brokers (72%) feel that a levelling off in new car sales is on the cards.

One quarter (24%) of brokers surveyed continue to see scope for a further increase in sales in 2016, with only a small minority (4%) expecting registrations to drop.

For those optimistic for further gains on 2015, low interest rates (80%), continued economic growth (60%) and manufacturer support (60%) are highlighted as the most important factors supporting sales.

Meanwhile, brokers say the biggest potential threat to buoyancy comes from the possibility of an interest rate rise (52%), alongside the risk of an over-supply of new cars into the UK market (29%).

Julian Rance, Head of Paragon Car Finance said: "After several years of strong growth, the broker community is clearly expecting to see a gradual cooling off in the rate of new car sales growth.

"Encouragingly, car buyer confidence remains high and with expectations that UK interest rates will now stay lower for longer, we should continue to see healthy levels of activity across the new and used car market in the UK for the foreseeable future".

For the full Winter 2016 Paragon Car Finance Headlight Survey click [here](#).

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NOTES TO EDITORS

About the Paragon Car Finance Headlight Survey: The Paragon Car Finance Headlight Survey is a quarterly survey of the UK's top 30 vehicle finance brokers operating across the UK. Situated at the centre of the UK car market, motor finance brokers link lenders to car dealers, specialist vehicle retailers and car buyers to source vehicle finance for the full spectrum of consumers and businesses across the UK. Active in the market each and every day, brokers are uniquely placed to comment on both the demand for and the supply of finance.

About Paragon Car Finance: Paragon Car Finance is part of Paragon Bank PLC, a British bank with a specialist lending focus. Launched in February 2014, Paragon Bank applies its specialist lending expertise to offer competitive finance packages for customers in a range of carefully selected UK finance markets.

Established in 1985, The Paragon Group of Companies is best-known as the UK's leading specialist buy-to-let lender and consumer finance Group. A FTSE 250 company, the Group has over £11 billion of assets under management and has helped one and half million customers with their finances.

Paragon Group was an active lender in the car finance market between 1998 and 2008, originating in excess of £900 million of business via 2,100 dealers and funding over 100,000 cars.

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