

Motorcycle editorial

By cap hpi

September 2023

Motorcycle market overview

The UK employment rate April to June 2023, was 0.1% lower than January to March. Although estimates for July show an increase, (up 97,000) on June. Annual growth in pay was 7.8% in April to June 2023, the highest regular annual growth since comparable records began in 2001. Including bonuses it was 8.2%, (affected by the NHS one-off bonus payments in June). In real terms adjusted (for inflation using CPI including owner occupier's housing costs), annual growth for total and regular pay rose on the year, by 0.5% for total pay, and by 0.1% for regular pay. Good news for those getting it and giving hope that for some the spending on things like motorcycles might not be hit as hard as recent doom and gloom might suggest.

But, it could be offset by increased interest rates and private rental paid by tenants in the UK increasing by 5.3% in the year to July 2023, the highest annual percentage change since this UK data series began in January 2016.

House price annual inflation has continued to slow and annual inflation fell to its lowest rate since early 2022. To July 2023, it was 6.4%, down from 7.3% in June, continuing a downward trend since its peak in October 2022.

Falling gas and electricity prices were the main reason for the inflation rate falling. Between June and July 2023, gas prices fell by 25.2%. GDP rose by an estimated 0.2% in the second quarter of 2023. As the recovery is very small and in no way yet a trend, and with the seasonal slow times in our industry around the corner, it's not the time to get complacent.

New market

Jump straight to the bottom line for the monthly registrations in the latest available months figures from the Motorcycle Industry Association and it does not make for positive reading. At around a 1000 less, or 9.1%, with the year to date -3.6%, that in real numbers is 2,689 less. Not the best start to the second half of the year, but if you need to find a reason or more likely an excuse as to why the numbers are in the position they are, see above. The world in general is in a place with no expectations of more than holding its position until the dust settles next year (hopefully). And this year a spanner thrown into the works, is the horrendous weather at the point in the year we would expect to see leisure motorcycles doing well through the summer months.

July 2023 and Year to Date - New Registrations by Style

Mopeds	Registrations			Market Share (%)		Year to date			Market Share (%)	
	Jul-23	Jul-22	% Change	Jul-23	Jul-22	2023	2022	% Change	2023	2022
Naked	53	59	-10.2%	10.4%	7.9%	277	384	-27.9%	9.3%	8.7%
Other	107	141	-24.1%	20.9%	18.9%	633	728	-13.0%	21.2%	16.4%
Scooter	352	546	-35.5%	68.8%	73.2%	2,077	3,318	-37.4%	69.5%	74.9%
Totals	512	746	-31.4%	100.0%	100.0%	2,987	4,430	-32.6%	100.0%	100.0%

Motorcycles	Registrations			Market Share (%)		Year to date			Market Share (%)	
	Jul-23	Jul-22	% Change	Jul-23	Jul-22	2023	2022	% Change	2023	2022
Adventure	1,768	1,827	-3.2%	18.8%	17.9%	13,846	14,088	-1.7%	20.1%	20.1%
Competition	453	500	-9.4%	4.8%	4.9%	3,872	3,715	4.2%	5.6%	5.3%
Custom	760	860	-11.6%	8.1%	8.4%	4,906	5,182	-5.3%	7.1%	7.4%
Modern Classic	1,023	1,194	-14.3%	10.9%	11.7%	7,460	7,661	-2.6%	10.9%	10.9%
Naked	2,231	2,304	-3.2%	23.8%	22.6%	16,378	15,030	9.0%	23.8%	21.5%
Road Sport	865	839	3.1%	9.2%	8.2%	5,991	5,836	2.7%	8.7%	8.3%
Scooter	2,049	2,342	-12.5%	21.8%	23.0%	14,384	16,548	-13.1%	20.9%	23.6%
Touring	213	294	-27.6%	2.3%	2.9%	1,764	1,922	-8.2%	2.6%	2.7%
Unspecified	27	21	28.6%	0.3%	0.2%	127	63	101.6%	0.2%	0.1%
Total Motorcycle	9,389	10,181	-7.8%	100.0%	100.0%	68,728	70,045	-1.9%	100.0%	100.0%

Tricycles	Registrations	Market Share (%)	Year to date	Market Share (%)
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Motorcycle editorial

By cap hpi

	Jul-23	Jul-22	% Change	Jul-23	Jul-22	2023	2022	% Change	2023	2022
Other	43	60	-28.3%	0.5%	0.6%	250	177	41.2%	0.4%	0.3%
Scooter	70	30	133.3%	0.7%	0.3%	326	328	-0.6%	0.5%	0.5%
Total Tricycles	113	90	25.6%	1.2%	0.9%	576	505	14.1%	0.8%	0.7%

Summary	Registrations			Market Share (%)		Year to date		YTD	Market Share (%)	
	Jul-23	Jul-22	% Change	Jul-23	Jul-22	2023	2022	% Change	2023	2022
Total Scooter	2,471	2,918	-15.3%	24.7%	26.5%	16,787	20,194	-16.9%	23.2%	26.9%
Total Moped, Motorcycle & Tricycles (exc Scooters)	7,543	8,099	-6.9%	75.3%	73.5%	55,504	54,786	1.3%	76.8%	73.1%
Total Registrations	10,014	11,017	-9.1%	100.0%	100.0%	72,291	74,980	-3.6%	100.0%	100.0%

751-1000cc are doing great, perhaps just leave that as the sole comment on the engine tables, as the industry starts to settle back to the type of mix previous to the external forces that changed what was sold for a couple of years. 2024 should show a more realistic comparison to 2023, as the trade returns to something more recognisable to pre-covid years.

A similar situation was also assumed in 2022 as the world exited the pandemic, right up to the Eastern European situation, which arguably had a bigger impact. Perhaps as the world has now adjusted, a return to normality might accelerate. In reality, an election in the UK that is pointing to a quantum shift could rock the boat and don't forget the US elections to round off next year that will also stir things up. And the icing on the cake after all this is the move to green power, not looking easy in our industry if EV registrations are an indicator.

July 2023 and Year to Date - Powertrain and Capacity

Powertrain	Month			Powertrain	YTD		
	Jul-23	Jul-22	% Change		Jul-23	Jul-22	% Change
ICE	9,625	10,368	-7.2%	ICE	69,978	70,741	-1.1%
Electric	389	649	-40.1%	Electric	2,313	4,239	-45.4%
Total Registrations	10,014	11,017	-9.1%	Total Registrations	72,291	74,980	-3.6%

ICE	Month			ICE	YTD		
	Jul-23	Jul-22	% Change		Jul-23	Jul-22	% Change
0-50cc	354	426	-16.9%	0-50cc	2,092	2,432	-14.0%
51-125cc	3,547	3,950	-10.2%	51-125cc	22,233	24,369	-8.8%
126-500cc	1,468	1,802	-18.5%	126-500cc	10,760	11,816	-8.9%
501-750cc	1,094	1,146	-4.5%	501-750cc	9,132	8,770	4.1%
751-1000cc	1,760	1,348	30.6%	751-1000cc	13,230	10,391	27.3%
1000cc+	1,402	1,696	-17.3%	1000cc+	12,531	12,963	-3.3%
Total Registrations	9,625	10,368	-7.2%	Total Registrations	69,978	70,741	-1.1%

ELECTRIC	Month			ELECTRIC	YTD		
	Jul-23	Jul-22	% Change		Jul-23	Jul-22	% Change
Moped ≤ 4 kW	158	320	-50.6%	Moped ≤ 4 kW	895	1,998	-55.2%
Motorcycle ≤ 11 kW	200	266	-24.8%	Motorcycle ≤ 11 kW	1,202	1,905	-36.9%
Motorcycle ≤ 35 kW	3	11	-72.7%	Motorcycle ≤ 35 kW	44	101	-56.4%
Motorcycle > 35 kW	2	17	-88.2%	Motorcycle > 35 kW	37	92	-59.8%
Exempt	12	10	0.0%	Exempt	66	49	34.7%
Unknown	14	25	-44.0%	Unknown	69	94	-26.6%
Total Registrations	389	649	-40.1%	Total Registrations	2,313	4,239	-45.4%

Not much change in the content of the top sellers in the model charts with of course the lower numbers. Worth a mention is what now looks like a regular appearance in both model and manufacturer tables for Royal Enfield.

July 2023 - Highest Registering Model by Style

New Registrations by Brand

Motorcycle editorial

By cap hpi

Moped	Best Selling Models	Jul-23
Naked	Rieju MRT 50 SM	11
Other	Sur-ron LIGHT BEE	23
Scooter	Peugeot KISBEE 50	25

Motorcycle	Best Selling Models	Jul-23
Adventure	BMW R 1250 GS ADVENTURE	130
Competition	Sur-ron ULTRA BEE	42
Custom	Royal Enfield SUPER METEOR 650	107
Modern Classic	Royal Enfield HNTR 350	111
Naked	Honda CBF 125 M	169
Road Sport	Kawasaki NINJA 1000 SX	86
Scooter	Yamaha NMAX 125	276
Touring	BMW R 1250 RT	41

Tricycle	Best Selling Models	Jul-23
Other	BRP CAN-AM RYKER 900 ACE	8
Scooter	Yamaha TRICITY 300	40

Best Selling Brands	Jul-23
Honda	1,672
Yamaha	1,207
KTM	664
BMW	647
Kawasaki	625
Triumph	611
Royal Enfield	508
Suzuki	466
Lexmoto	362
Keeway	254

July 2023 - Highest Registering Model by Engine Size

ICE	Best Selling Models	Jul-23
0-50cc	Peugeot KISBEE 50	25
51-125cc	Yamaha NMAX 125	276
126-500cc	Royal Enfield HNTR 350	111
501-750cc	Royal Enfield SUPER METEOR 650	107
751-1000cc	Yamaha TRACER 9 GT+	88
1000cc+	BMW R 1250 GS ADVENTURE	130

Electric	Best Selling Models	Jul-23
Moped ≤ 4 kW	Sur-ron LIGHT BEE	23
Motorcycle ≤ 11 kW	Sur-ron ULTRA BEE	42
Motorcycle ≤ 35 kW	BMW CE 04 15kW	3
Motorcycle > 35 kW	Multiple Items	1
Exempt	Electric Motion EPURE RACE	8

Used market

It's been a different game over the last research period in the used market. What was a steady summer season with feet through the doors, half the way through rainy season, what you would more often call July, the interest virtually stopped for some retailers.

This appeared to be widespread and although a possible glitch, the dealers we had conversations with were not that positive. Even though smaller independent dealers have had a slower month, there is still some better activity being reported by larger dealers where a multi franchise is likely to attract some business on the back of varied new bike offers. Also, the possibility of clean part-exchanges priced more for the current market rather than higher prices earlier in the season when stock was harder to source. Consequently, with current market conditions, there have been small downward movements applied across a wide range of models.

Auction

As would be expected from reports during research, the auction houses have shown a similar reduction in the desire for traders to buy. This has manifested in lower amount sold from the entries and an overall reduction of around 3% in prices. As always at the tail end of the year the lower sales conversion of entries is not necessarily proportional to demand, particularly from dealer entries as they tend to be taken in swap or purchased earlier in the year at a time when values are higher. This tends to result in vendors expectations of slightly higher values than is perhaps achievable as the tide turns pre-winter slowdown. The manifestation of all this and market conditions is less than 50% of lotted machines selling.

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End notes

Kawasaki's results for the first quarter of their new fiscal year to 30th June is looking better than the overall market. With Q1 powersports divisional revenue 14.2% up (to £788.9m). Increased motorcycles to Europe and off-road/utility vehicles to the US market helped the positive movement, even though there were fewer motorcycles sold in South-East Asia. Operating profit consequently increased by 11% (to £78.3m).

Motorcycle-turnover in developed countries grew by 10.4% (to £279.6m), with total Q1 unit sales 2% up (to 50,000), and with wholesale volumes shipped to Europe rocketing by 63.6% (to 18,000), but US numbers 17.4% down (to 19,000). A less encouraging performance was seen in emerging markets as motorcycle declined by 21.2% (to £110.3m) in Asia and South America where overall unit sales fell by 37.5% (to 45,000). In the Philippines, units were 37% down (to 29,000), and Indonesia down by 63.6% (to 4,000), and China down by 16.7% (to 5,000).

With better raw material and parts supplies, Yamaha's motorcycle business was able to increase global shipments and sales in the first half of 2023. Total worldwide revenue in the six-months increased by 16.5% (to £3.861bn). Asia had the lions share as turnover was 14.4% up (to £2.254bn) and developed markets grew by 15.8% (to £1.038bn).

Latin America and other emerging markets increased 26.8% (to £569m), operating profit grew by an impressive 71.7% (to £339m) and operating margin increased from 6% to 8.8%. Worldwide units were up 5% to 2.462 million bikes sold. Asian countries received 1.961 million of these (up 5.1%), and a gold medal market for them was Indonesia with a rise of 36%, and India and the Philippines up 8% and 7% respectively. The remaining emerging markets were 3.1% up to 297,000.

Closer to us in the developed world, European sales increased by 12% (to 121,000), with related revenue 21.8% up (to £653m). North America volume grew by 25% (to 45,000) with revenue up 35.8% (to £224m). The cloud around the silver lining was the company's domestic sales in Japan as they retreated by 20.8% (to 38,000) and subsequently revenue lowered by 20.9% (to £122m).

A recent study has revealed that 58% of people in the UK want noise cameras to be introduced and enforced to stop people using loud exhausts. The majority of people in the UK polled want noise cameras to be enforced, because it's deemed there are too many loud vehicles in residential areas. The RAC study has found, in comparison that 22% of people opposed to the idea and 20% were on the fence as unsure. 34% of people said they "regularly hear loud revving engines or excessively loud exhausts,"

Grant Shapps, the Secretary of State for Transport, is "inviting residents to lobby their MP to submit applications to take part," according to the BMF. "We want those in Britain's noisiest streets, who are kept up at night by unbearable revving engines and noisy exhausts, to come forward with the help of volunteer areas to test and perfect the latest innovative technology," said Shapps.

British charity Two Wheels for Life had one of its most successful Day of Champions events during last weekend's British MotoGP race weekend at Silverstone, raising £275,000.

The figure is significantly higher than the 2022 total of £206,550, with all the funds being used to support life-saving transport for healthcare programmes operating in some of the most remote areas in Africa.

The Day of Champions auction, which featured riders from MotoGP, Moto2 and Moto3 classes, alone raised over £90,000 with additional funds coming from Day of Champions tickets, paddock entry and ride-in sales, two further weekend auctions, the helmet park, a Ducati UK fundraising dinner, Moto X2 two-seater rides and a weekend raffle.

British MotoGP 2023

Two Wheels for Life CEO and founder Andrea Coleman said: "All of us at Two Wheels for Life would like to thank everybody who came to Day of Champions and who got involved over the weekend. We are so grateful to Dorna, the teams and riders who bring incredible items as well as their energy and enthusiasm to the auctions. We are proud of our sport and the impact we can have on the world."

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The highlights of the live auction included £10,000 for a MotoGP Legends painting signed by many of the most famous riders in MotoGP, a Jake Dixon helmet he was wearing when he took a recent Moto2 race win at Assen sold for £3000, a Jack Miller oil drum chair went for £3000, and a pair of signed Marc Marquez boots sold for £4700.

A unique offering of VIP tickets to the end of season FIM gala dinner sold for £4000 and will see the buyers spending the evening with all of the motorcycle world champions across all disciplines. While a large, hand-built display case filled with signed knee sliders from many of the top MotoGP riders that sold for £6000.