

# Motorcycle editorial

By cap hpi

August 2022

## Motorcycle market overview

Just to add to the problems much discussed about the economy, one reason according to some of the political spectrum will be vacating Downing Street. Some will find this a positive, but some won't, what should be evident is, was the former PM the cause of our domestic woes, or as the rest of the world is in a similar place with the cost of living and inflation, which is not going away in the immediate future. The whole world is in a similar position at the moment and irrespective of who is running the UK, the knock-on effect of material shortages and logistic hold-ups will continue to hinder supply to our industry.

### New market

June registration figures are the latest released by the Motorcycle Industry Association (MCIA) and taking the lead from the previous month expectations proved right as the total reduced by 15.7% from the same month in 2021. The headline figure again does not look that encouraging, but if a reminder is needed the buying patterns over the last few years have been out of kilter to the "norm". At the halfway point in the year the overall numbers are still in a positive position of 10.1%, with a 5,858 increase over the 58,105 seen last year.

### June 2022 and Year to Date - New Registrations by Style

Mopeds	Registrations			Market Share (%)		Year to date		YTD	Market Share (%)	
	Jun-22	Jun-21	Change	Jun-22	Jun-21	2022	2021	% Change	2022	2021
Naked	58	77	-24.7%	9.1%	9.9%	324	309	4.9%	8.9%	9.6%
Other	109	65	67.7%	17.2%	8.4%	528	348	51.7%	14.5%	10.8%
Scooter	468	633	-26.1%	73.7%	81.7%	2,800	2,552	9.7%	76.7%	79.5%
Totals	635	775	-18.1%	100.0%	100.0%	3,652	3,209	13.8%	100.0%	100.0%

  

Motorcycles	Registrations			Market Share (%)		Year to date		YTD	Market Share (%)	
	Jun-22	Jun-21	Change	Jun-22	Jun-21	2022	2021	% Change	2022	2021
Adventure	2,673	2,999	-10.9%	22.7%	21.5%	12,163	10,558	15.2%	20.3%	19.4%
Competition	425	346	22.8%	3.6%	2.5%	3,309	2,827	17.0%	5.5%	5.2%
Custom	826	1,124	-26.5%	7.0%	8.0%	4,322	3,810	13.4%	7.2%	7.0%
Modern Classic	1,410	1,429	-1.3%	11.9%	10.2%	6,452	5,530	16.7%	10.8%	10.2%
Naked	2,741	3,102	-11.6%	23.2%	22.2%	12,461	12,691	-1.8%	20.8%	23.3%
Road Sport	1,035	1,191	-13.1%	8.8%	8.5%	5,278	4,271	23.6%	8.8%	7.9%
Scooter	2,367	3,449	-31.4%	20.1%	24.7%	14,206	13,311	6.7%	23.7%	24.5%
Touring	300	329	-8.8%	2.5%	2.4%	1,628	1,355	20.1%	2.7%	2.5%
Unspecified	24	12	100.0%	0.2%	0.1%	45	52	-13.5%	0.1%	0.1%
Totals	11,801	13,981	-15.6%	100.0%	100.0%	59,864	54,405	10.0%	100.0%	100.0%

  

Tricycles	Registrations			Market Share (%)		Year to date		YTD	Market Share (%)	
	Jun-22	Jun-21	Change	Jun-22	Jun-21	2022	2021	% Change	2022	2021
Other	44	56	-21.4%	0.4%	0.4%	144	232	-37.9%	0.2%	0.4%
Scooter	43	51	-15.7%	0.4%	0.4%	303	259	17.0%	0.5%	0.5%
Total Registrations	87	107	-18.7%	0.7%	0.8%	447	491	-9.0%	0.7%	0.9%

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Summary	Registrations			%		Market Share (%)		Year to date	YTD	Market Share (%)	
	Jun-22	Jun-21	Change	Jun-22	Jun-21	2022	2021	% Change	2022	2021	
Total Scooter	2,878	4,133	-30.4%	23.0%	27.8%	17,309	16,122	7.4%	27.1%	27.7%	
Total Moped, Motorcycle & Tricycles (exc Scooters)	9,645	10,730	-10.1%	77.0%	72.2%	46,654	41,983	11.1%	72.9%	72.3%	
Total Registrations	12,523	14,863	-15.7%	100.0%	100.0%	63,963	58,105	10.1%	100.0%	100.0%	

On the subject of all the numbers being different to seasonal variances over a long period, with the rise of smaller capacities over the last couple of years being used for commuting and deliveries, it was only a matter of time before the demand would slow. Perhaps its not demand but supply, or even a mix of both, but suddenly the numbers of the sub 125cc bands are starting to reduce in the monthly figures, but again a reference to the Y-T-D numbers is still showing growth and the highest market share, with over 40% of the years registrations in the two smaller bands.

## June 2022 and Year to Date - New Registrations by Engine Band

Engine Band	Registrations			%		Market Share (%)		Year to date	YTD	Market Share (%)	
	Jun-22	Jun-21	Change	Jun-22	Jun-21	2022	2021	% Change	2022	2021	
0-50cc	918	1,091	-15.9%	7.3%	7.3%	5,596	4,640	20.6%	8.7%	8.0%	
51-125cc	3,905	5,017	-22.2%	31.2%	33.8%	20,420	19,668	3.8%	31.9%	33.8%	
126-650cc	2,513	2,542	-1.1%	20.1%	17.1%	13,318	10,977	21.3%	20.8%	18.9%	
651-1000cc	2,781	3,221	-13.7%	22.2%	21.7%	13,362	11,926	12.0%	20.9%	20.5%	
Over 1000cc	2,406	2,992	-19.6%	19.2%	20.1%	11,267	10,894	3.4%	17.6%	18.7%	
Total Registrations	12,523	14,863	-15.7%	100.0%	100.0%	63,963	58,105	10.1%	100.0%	100.0%	

Power band - Electric	Registrations			%		Market Share (%)		Year to date	YTD	Market Share (%)	
	Jun-22	Jun-21	Change	Jun-22	Jun-21	2022	2021	% Change	2022	2021	
Under 1kw	17	11	54.5%	0.1%	0.1%	86	36	138.9%	0.1%	0.1%	
1-4kw	377	543	-30.6%	3.0%	3.7%	2,748	2,186	25.7%	4.3%	3.8%	
4-11kw	65	17	282.4%	0.5%	0.1%	367	81	353.1%	0.6%	0.1%	
11-15kw	8	1	700.0%	0.1%	0.0%	77	3	2466.7%	0.1%	0.0%	
15-35kw	1	5	-80.0%	0.0%	0.0%	13	23	-43.5%	0.0%	0.0%	
Over 35kw	18	15	20.0%	0.1%	0.1%	76	57	33.3%	0.1%	0.1%	
Unknown	48	41	17.1%	0.4%	0.3%	223	233	-4.3%	0.3%	0.4%	
Total Electric Registrations	534	633	-15.6%	4.1%	4.2%	3,590	2,619	37.1%	5.5%	4.4%	

If the above is causing some mild confusion as to where the industry currently is, again as is becoming normal and a more realistic way to compare this years performance by looking pre-covid. As much discussed over two years, the rise of small capacities, particularly the Moped sector is very evident, but is it sustainable? What the concern is as we compare the two is that if the afore mentioned learner legal sector was not as robust as it has been, would the numbers for total PTW be in a negative? And don't forget the larger capacity machines are more often the big ticket/higher margin types. A point to consider is why is the larger end of the market suffering, is it the lack of stock, due to parts or money. Perhaps the funding problems have not as yet hit the market, the stock would be the preferable reason as there is more chance of recovery over a shorter period of time. One thing we should do is not rush into a panic mode in assuming the cause before some clarity is seen and reacting in the wrong way. To try and find a positive, the 125-650cc bracket is holding up and might be a sign that riding is still popular with licence holders, but more budget conscious or even more hopefully the new smaller capacity riders progressing are sticking with riding.

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Engine Band	Registrations			Market Share (%)		Year to date		YTD	Market Share (%)	
	Jun-22	Jun-19	Change	Jun-22	Jun-19	2022	2019	% Change	2022	2019
0-50cc	918	593	54.8%	7.3%	5.1%	5,596	3,047	83.7%	8.7%	5.1%
51-125cc	3,905	3,329	17.3%	31.2%	28.6%	20,420	17,146	19.1%	31.9%	28.8%
126-650cc	2,513	2,298	9.4%	20.1%	19.7%	13,318	12,777	4.2%	20.8%	21.5%
651-1000cc	2,781	2,914	-4.6%	22.2%	25.0%	13,362	13,896	-3.8%	20.9%	23.4%
Over 1000cc	2,406	2,509	-4.1%	19.2%	21.5%	11,267	12,599	-10.6%	17.6%	21.2%
<b>Total Registrations</b>	<b>12,523</b>	<b>11,643</b>	<b>7.6%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>63,963</b>	<b>59,465</b>	<b>7.6%</b>	<b>100.0%</b>	<b>100.0%</b>

## June 2022 - Highest Registering Model by Style

Mopeds	Highest Registering Model by style	Jun-22
Naked	Yamasaki F31-50	11
Other	Surron LIGHT BEE	27
Scooter	Lexmoto ECHO PLUS 50 LJ 50 QT-6L	28

Motorcycles	Highest Registering Model by style	Jun-22
Adventure	BMW R 1250 GS ADVENTURE	212
Competition	Aprilia RX 125	22
Custom	Royal Enfield METEOR 350	143
Modern Classic	Royal Enfield CLASSIC 350	143
Naked	Triumph TRIDENT	225
Road Sport	Suzuki GSXS 1000 T	147
Scooter	Yamaha NMAX 125	255
Touring	Honda NT 1100	93

Tricycles	Highest Registering Model by style	Jun-22
Other	BRP CAN-AM RYKER 900 ACE	18
Scooter	Piaggio MP3 300 SPORT	23

## June 2022 - Highest Registering Model by Engine Size

ICE Engine Band	Highest Registering Model by Engine Band	Jun-22
0-50cc	Lexmoto ECHO 50	28
51-125cc	Yamaha NMAX 125	255
126-650cc	Honda CRF 300 L	194
651-1000cc	Triumph TRIDENT	225
Over 1000cc	BMW R 1250 GS ADVENTURE	212

Electric Power Band	Highest Registering Model by Power Band	Jun-22
Under 1kw	Keeway E-ZI MINI	16
1-4kw	Vmoto SUPER SOCO TC MAX	36
4-11kw	Silence S01	18
11-15kw	BMW CE 04	8
15-35kw	Zero Motorcycles DSR ZF14.4	1
Over 35kw	Harley-Davidson LIVEWIRE 20	5

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## New Registrations by Brand

Major Brands	Jun-22
Honda	2,200
Triumph	1,514
Yamaha	1,234
BMW	1,018
Royal Enfield	584
Lexmoto	570
KTM	487
Suzuki	464
Kawasaki	439
Piaggio	351

## Used market

Over the last decade, or even a bit longer, the exporting of stock into the Euro zone has caused the domestic stock availability to become increasingly difficult, which has of course been the cause of the large increases in prices, particularly in more recent years. What perhaps has been less obvious is the differential in the seasons. The trade buys just before retail demand, so in the past this has been seen prices start to rise just after the Christmas break and reduce at varying points before autumn, dependent usually on the weather and a month or so before retail buyers hang their riding gear up for the winter. It made sense not to carry too much stock through the winter when the trade went quiet and heating/lighting bills are higher. As stock became more difficult to find, dealers with cash-flow that allowed, started to buy earlier and even more brought forward the trade purchases for the following season. The fallout from this is conversations at this time of year moved from "lower prices, less stock" to "might be able to get stock more reasonably priced but at least more chance to get some". The consequence of all this is that the old peaks and troughs between seasons has stabilised over the year to the point where it is barely discernible. There have been some tweaks this month, but generally the plateau of mid-summer prices is continuing with little signs of change.

## Auction

The auction houses are not seeing any change over the latest research period. The numbers are reduced as dealer's are hanging onto sellable stock and no room is needed because of the much mentioned availability. Compound this with returns at the end of PCP agreements remaining within the dealer network via part-exchange, or being sold privately. Conversations with buyers are sometimes colourful with realised bids being difficult to understand for them when comparing against retails seen. The prices being paid for the overall sales are close to reported in most cases with the odd outliers leading to further research and alteration where required. High sold percentages are the norm as the demand remains high, but entries low.

## End notes

The quest for zero-emission is becoming an even bigger talking point around the motorcycle industry as there is talk that the challenge of the UK Governments 2035 deadline is too close. Recently The National Motorcyclists Council (NMC) has voiced opposition. The NMC says "The government is making a mistake by trying to force the pace of motorcycle decarbonisation and must not ignore the voice of motorcyclists as proposals are developed." A good point made in the statement is "Motorcycle manufacture is a global, not local, matter. As a result, the UK should only move on globally agreed net-zero timetables and not seek to force this via a UK-only set of arbitrary targets - which will make little difference to the global CO2 picture in any case." Additionally, the NMC suggests that the government's decision and goals are happening too soon for manufacturers. Electric motorcycles have not yet become a popular choice for bikers, and they still make up just a small percentage of the market share. The NMC says that "by forcing the pace of change in just one market, the Government instead risks potential market withdrawal by manufacturers, with a subsequent reduction of choice for riders and economic damage to the motorcycle sector."

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The MCIA has also made public its objection and has requested the government rethink its decision to end sales of new non-zero emission motorcycles by 2035. The MCIA says: "Making up just 0.5% of UK domestic transport emissions, this news is a missed opportunity to allow industry more time to adapt, and for technology to catch up. Our case to Government explained why this sector needs a different approach, in particular where our products are primarily used for sport and leisure activities." The MCIA and its members will continue to push the case for why large capacity motorcycles need more time to phase out.

Now on top of all this said by our domestic groups there has recently been a decision by The European Parliament to end the sales of new, the end carbon-emitting combustion vehicles by 2035 has been confirmed. At the end of May, they voted to end the sales of new combustion vehicles by the target date. The confirmation was required because of an attempt by some countries to push forward an amendment to the legislation that would delay the end of combustion sales to 2040 in favour of a more gradual approach, that amendment has been rejected by European lawmakers, who instead are pushing on with the 2035 end date. There has also been countries such as Germany who have asked for exceptions to be granted for internal combustion engines that run on synthetic fuels, partly due to the lack of infrastructure in place for electric vehicles. Internal combustion engines that run on synthetic - not fossil fuels - would also be zero-emission and they could also be used in older modified vehicles.

The concern the domestic groups have for the readiness of the industry with respect to the deadline is laudable, there is a real concern that models or infrastructure will not be ready and more likely insufficient of both. Initially comments made that the UK was going to be first, are now looking like the EU will now be implementing a similar timeline. So perhaps development will not be left down to UK only manufacturers? A positive in all this is the accelerated development here could give us a lead on a world platform and a stretching target can have an effect that technology advances quicker than it would at its own pace. Just look at a time of war when the need is there new and better product, things get done.

By 2026, Formula One is expected to be using fully synthetic fuels and MotoGP is planning to race with fuels which are 40%-synthetic by 2024, and fully synthetic by 2027. In a similar way of thinking, as in the racing world, they are targeting new ways, new solutions which in the past has worked its way down to road vehicles and if something can be made to work in the extreme conditions where performance to the limit is the aim, it can be made to work in everyday life.

And on a final word, if noise and a reciprocating engine is a must for riding enjoyment, here is some news from the Ministry of Defence. The RAF and Zero Petroleum have won a Guinness World Record for the world's first successful flight using only synthetic fuel. In November 2021 the RAF's Project MARTIN completed its first flight using synthetic fuels, a world first. Zero Petroleum's synthetic UL91 fuel is manufactured by extracting hydrogen from water and carbon from atmospheric carbon dioxide. Using energy generated from renewable sources like wind or solar, these are combined to create the synthetic fuel. The reason being whilst green technologies like electric and hydrogen are viable for many RAF platforms, high-performance aircraft require a liquid fuel alternative, to maintain operational capabilities. The engine performed as if it were running fossil fuel but ran at a lower temperature. This means using synthetic fuel could also increase engine lifespan as well as a significant carbon saving. Paddy Lowe, CEO Zero Petroleum said: This unique project with the Royal Air Force demonstrates the validity of our synthetic fuel and the potential it has to eliminate fossil CO2 emissions from a number of difficult but critical sectors, including transport which currently accounts for 23% of the global total. ZERO® SynAvGas was developed in just five months and ran successfully in the aircraft as a whole-blend without any modification whatsoever to the aircraft or the engine. The engine manufacturer Rotax's measurements and the test pilot's observations showed no difference in power or general performance compared to standard fossil fuel.