Motorcycle editorial

By cap hpi

September 2022

Motorcycle market overview

As we start into the last third of the year the latest problems have changed little over the last month. There has been another interest rate increase, possible increase on fuel bills with the cap increase also much talked about in the press. So a bit of a negative vibe around at the moment is added to with UK GDP dropping an estimated 0.1% in Q2 2022, although it is still estimated to be 0.6% up from pre pandemic Q4 2019, the other factors added to the mix are not pointing to sunny uplands for all at the moment. Now there are still some positives in our industry that can give some hope at least in the short term as lack of product is keeping supply and demand in the right ratio to keep prices strong. While reading the below registration numbers, keep in the back of your mind that the UK car numbers are similar for their month comparison to last year at -11.5%, but the first seven months of the year are -9%.

New market

July registration figures are the latest released by the Motorcycle Industry Association (MCIA), with the headline registrations total number down 11.4% from 12,437 to 11,017 on the same month in 2021.

Remember the highs and lows through the year are not what could be classed normal seasonality due to lockdowns. As the year progresses though, the big picture of what's happening will become clearer and 2022 is still up by 4,438 (6.3%) for the first seven months. A couple of sectors that have not had a good month are the two biggest ones as far as market share is concerned, Naked bikes has been the king of the castle for a few years and is still just over a fifth of the registrations but reduced by 12.5% for July 2021. The predominantly commuter orientated Scooter class (bikes) with 23% share in July is the biggest looser down 21.5%, which is similar to the Y-T-D. Over the year so far the share in all the categories are remaining very consistent.

July 2022 and Year to Date - New Registrations by Style

Mopeds	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jul-22	Jul-21	Change	Jul-22	Jul-21	2022	2021	% Change	2022	2021
Naked	59	81	-27.2%	7.9%	10.5%	383	390	-1.8%	8.7%	9.8%
Other	133	72	84.7%	17.9%	9.3%	661	420	57.4%	15.0%	10.5%
Scooter	552	620	-11.0%	74.2%	80.2%	3,354	3,172	5.7%	76.3%	79.7%
Totals	744	773	-3.8%	100.0%	100.0%	4,398	3,982	10.4%	100.0%	100.0%

Motorcycles	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jul-22	Jul-21	Change	Jul-22	Jul-21	2022	2021	% Change	2022	2021
Adventure	1,806	1,988	-9.2%	17.7%	17.2%	13,969	12,546	11.3%	19.9%	19.0%
Competition	520	560	-7.1%	5.1%	4.8%	3,829	3,387	13.0%	5.5%	5.1%
Custom	860	941	-8.6%	8.4%	8.1%	5,182	4,751	9.1%	7.4%	7.2%
Modern Classic	1,194	1,179	1.3%	11.7%	10.2%	7,646	6,709	14.0%	10.9%	10.2%
Naked	2,270	2,593	-12.5%	22.3%	22.4%	14,731	15,284	-3.6%	21.0%	23.2%
Road Sport	873	1,066	-18.1%	8.6%	9.2%	6,151	5,337	15.3%	8.8%	8.1%
Scooter	2,342	2,983	-21.5%	23.0%	25.8%	16,546	16,294	1.5%	23.6%	24.7%
Touring	294	226	30.1%	2.9%	2.0%	1,922	1,581	21.6%	2.7%	2.4%
Unspecified	22	21	4.8%	0.2%	0.2%	67	73	-8.2%	0.1%	0.1%
Totals	10,181	11,557	-11.9%	100.0%	100.0%	70,043	65,962	6.2%	100.0%	100.0%

Tricycles	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jul-22	Jul-21	Change	Jul-22	Jul-21	2022	2021	% Change	2022	2021
Other	61	52	17.3%	0.6%	0.4%	205	284	-27.8%	0.3%	0.4%
Scooter	31	55	-43.6%	0.3%	0.5%	334	314	6.4%	0.5%	0.5%
Total Registrations	92	107	-14.0%	0.9%	0.9%	539	598	-9.9%	0.8%	0.9%

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Summary	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jul-22	Jul-21	Change	Jul-22	Jul-21	2022	2021	% Change	2022	2021
Total Scooter	2,925	3,658	-20.0%	26.5%	29.4%	20,234	19,780	2.3%	27.0%	28.0%
Total Moped, Motorcycle & Tricycles (exc Scooters)	8,092	8,779	-7.8%	73.5%	70.6%	54,746	50,762	7.8%	73.0%	72.0%
Total Registrations	11,017	12,437	-11.4%	100.0%	100.0%	74,980	70,542	6.3%	100.0%	100.0%

Engine size charts might just be the one that tells a bigger story. After large jumps seen during Covid where new riders and delivery users piled on the numbers in the two smaller learner legal engine bands, it was perhaps inevitable that a year-on-year comparison was going to start showing sizable reductions. That said July still saw them sell 45.7% of newly registered bikes, a larger share of the market than seen for the year (so far) which stands at 41.4%, which in itself is marginally down from the 42.5% seen in 2021. The only positive petrol band in July was 126-650cc which is also the largest growth band for the year. The suggestion here is price could be a factor in the purchase of larger bikes and possibly signs of economic pressures. Or just the usual winter slowdown!

July 2022 and Year to Date - New Registrations by Engine Band

Engine Band	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jul-22	Jul-21	Change	Jul-22	Jul-21	2022	2021	% Change	2022	2021
0-50cc	1,075	1,149	-6.4%	9.8%	9.2%	6,671	5,789	15.2%	8.9%	8.2%
51-125cc	3,950	4,525	-12.7%	35.9%	36.4%	24,370	24,193	0.7%	32.5%	34.3%
126-650cc	2,305	2,287	0.8%	20.9%	18.4%	15,623	13,264	17.8%	20.8%	18.8%
651-1000cc	1,991	2,504	-20.5%	18.1%	20.1%	15,353	14,430	6.4%	20.5%	20.5%
Over 1000cc	1,696	1,972	-14.0%	15.4%	15.9%	12,963	12,866	0.8%	17.3%	18.2%
Total Registrations	11,017	12,437	-11.4%	100.0%	100.0%	74,980	70,542	6.3%	100.0%	100.0%

Power band - Electric	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jul-22	Jul-21	Change	Jul-22	Jul-21	2022	2021	% Change	2022	2021
Under 1kw	24	9	166.7%	0.2%	0.1%	110	45	144.4%	0.1%	0.1%
1-4kw	447	653	-31.5%	4.1%	5.3%	3,216	2,839	13.3%	4.3%	4.0%
4-11kw	79	22	259.1%	0.7%	0.2%	446	103	333.0%	0.6%	0.1%
11-15kw	7	3	133.3%	0.1%	0.0%	84	6	1300.0%	0.1%	0.0%
15-35kw	4	7	-42.9%	0.0%	0.1%	17	30	-43.3%	0.0%	0.0%
Over 35kw	17	15	13.3%	0.2%	0.1%	93	72	29.2%	0.1%	0.1%
Unknown	71	25	184.0%	0.6%	0.2%	273	258	5.8%	0.4%	0.4%
Total Electric Registrations	649	734	-11.6%	5.7%	5.8%	4,239	3,353	26.4%	5.5%	4.7%

July 2022 - Highest Registering Model by Style

Mopeds	Highest Registering Model by style	Jul-22
Naked	Rieju MRT 50	11
Other	Surron LIGHT BEE	40
Scooter	Lexmoto ECHO PLUS 50 LJ 50 QT-6L	39

Motorcycles	Highest Registering Model by style	Jul-22
Adventure	Honda CRF 300 L	127
Competition	KTM 300 EXC	29
Custom	Royal Enfield METEOR 350	180
Modern Classic	Royal Enfield CLASSIC 350	145
Naked	Honda CBF 125 M	172
Road Sport	Suzuki GSXS 1000 T	89
Scooter	Honda PCX 125	389
Touring	Honda NT 1100	62

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Tricycles	Highest Registering Model by style	Jul-22
Other	BRP CAN-AM SPYDER RT LTD	9
Scooter	Piaggio MP3 300 SPORT	21

July 2022 - Highest Registering Model by Engine Size

ICE Engine Band	Highest Registering Model by Engine Band	Jul-22
0-50cc	Lexmoto ECHO PLUS 50 LJ 50 QT-6L	39
51-125cc	Honda PCX 125	389
126-650cc	Royal Enfield METEOR 350	180
651-1000cc	Yamaha MT-07 ABS	111
Over 1000cc	BMW R 1250 GS ADVENTURE	120

Electric Power Band	Highest Registering Model by Power Band	Jul-22
Under 1kw	Keeway E-ZI MINI	20
1-4kw	Vmoto SUPER SOCO CPX	44
4-11kw	Scutum SEAT MO ESCOOTER 125	28
11-15kw	BMW CE 04	7
15-35kw	Zero Motorcycles FXE ZF7.2	3
Over 35kw	Zero Motorcycles SR/S ZF15.6	5

New Registrations by Brand

Major Brands	Jul-22
Honda	1,804
Yamaha	1,083
Triumph	713
BMW	608
KTM	608
Royal Enfield	581
Lexmoto	533
Kawasaki	382
Ducati	324
Suzuki	287

To finish up on comparisons as will probably be the norm for the rest of the year we again look back on pre Covid 2019. The outlook for headline total registrations isn't that bad, not only a significant monthly rise of 11.1% but also 5,599 year-to-date increase (8.1%). Again though the slight cause for concern is the reduction of the two larger size bands and consequences that follow as far as profitability as the ones in these bands tend to be large ticket ones.

Engine Band	Registrations		%	Market Share (%)		Year to date		YTD	Market Share (%)	
	Jul-22	Jul-19	Change	Jul-22	Jul-19	2022	2019	% Change	2022	2019
0-50cc	1,075	674	59.5%	9.8%	6.8%	6,671	3,721	79.3%	8.9%	5.4%
51-125cc	3,950	3,306	19.5%	35.9%	33.3%	24,370	20,452	19.2%	32.5%	29.5%
126-650cc	2,305	1,970	17.0%	20.9%	19.9%	15,623	14,747	5.9%	20.8%	21.3%
651-1000cc	1,991	2,179	-8.6%	18.1%	22.0%	15,353	16,075	-4.5%	20.5%	23.2%
Over 1000cc	1,696	1,787	-5.1%	15.4%	18.0%	12,963	14,386	-9.9%	17.3%	20.7%
Total Registrations	11,017	9,916	11.1%	100.0%	100.0%	74,980	69,381	8.1%	100.0%	100.0%

Used market

Little change in the used market with what has become the pattern we have seen over a period stretching back several years with stock difficult to find, normally at or around this time of year would see the thoughts of dealers be one of ease back on stock levels and prices paid in the pre-winter preparations for lower retail activity. Not so again as lower than desirable stock levels are topped up while possible. Mentioned more than once in this latest research period by dealers is that larger dealer groups are chasing bikes in large numbers and can push prices higher. Groups chasing larger quantities of used bikes to fill large showroom areas is nothing new in the industry. At the moment though there are a couple expanding quite rapidly so therefore accelerating the buying rather than spread over a period of time. Once stock levels are close to optimum it then becomes a position of maintenance, or replacing sold units as necessary. At the moment towards the end of the summer season the quest for used machines is not as desperate as it was six months ago, but is something that is still there and feedback is not pointing to any weakening of prices, so therefore this month little has changed and some are even still pointing to increases. Over the next few weeks it will become clearer if there has been unsold new stock that will attract schemes to help them out of the door and as a result possibly lower used values, but little of this is currently having that particular knock on effect.

Auction

Frequent visitors to this section will have worked out the pattern over the last year of massively lower entries throughout the auction system. Later in the year, historically it has been more likely dealers will start to clear the decks of unwanted stock via auction, but as retail units have been short in supply the part-exchanges usually traded or auctioned have been retained for retail. There are still some appearing from dealers who have a stock time limit and do not sell directly to traders, but as we are coming to the time when entries taken in swap at higher summer prices are offered during a period of lower trade, it becomes harder to reach reserves and causes more unsold. That point has not yet been reached and generally high sold penetrations are continuing to be achieved with prices not suggesting negative movements required yet.

End notes

Here’s an interesting one from a Belgian designer. E-core is a technology in development to allow combustion bikes to be converted to run on electric power as well as powering future ones. Low-power bikes of the 125cc types don’t have as much of a power and range disadvantage when in the electric form as they would in high capacity internal combustion engine ones. The designer, Benjamin Surain also predicts a time soon where not only all the new smaller two-wheelers are electric, but also a lot of the old ones, so is developing “E-core,” to be an exchangeable electric motor which an old ICE could be swapped for. It is aimed at mopeds, which are popular globally. Initially a version is being designed specifically aimed at 50cc four-strokes, in the 2-3kW range (3-5 hp). The intention is for mopeds across the spectrum, not just from one brand. The idea will stretch to re-engineering existing petrol bikes to electric, rather than scrapped, which perhaps is better for the environment. The downside here is that to convert the existing one might be dependent on the cost of the powertrain being feasible when compared to cost new of an “electric from new” in the type targeted initially, and are more likely to be at the bottom end of the price spectrum.

Claimed to be the first in London. Pay as you go: ‘Shared e-scooter’ scheme launched to cut carbon footprint. A new shared e-scooter scheme is being piloted by eco transport company, HumanForest. The project is targeted at delivery scooter riders with the aim of giving flexible access to sustainable transport and reducing carbon emissions in the process. “The first shared and truly green eMoped scheme gives Londoners another tool to improve air quality and cut carbon,” HumanForest’s Agustin Guilisasti said. “As petrol prices reach record-highs, this is a timely launch for businesses to embrace sustainable transport through a shared service with maximum flexibility. We are excited to welcome this new type of user into our community.” Founded in London in 2020, initially launching a shared ‘eBicycle’ scheme. The new scheme is similar, but aimed at the start for purely delivery riders who predominantly currently use petrol scooters. The trial starts initially with 100 vehicles, expanding to 200 through the year and which will be rented by business delivery riders across London. The specially-kitted eScoots are Chinese-built, twin-battery, 125cc equivalent machines with a claimed 70-mile range, USB charger, GPS tracker and alarm, phone holder plus a topbox which holds a HumanForest helmet. Users, have to upload their Compulsory Basic Training (CBT) certificate or driving licence to the HumanForest App to be verified before use.