

April 2023

Motorcycle market overview

Perhaps you think it feels like we are just moving from one dilemma to another at the moment, or is it just they have been longer over the last three years? The latest over this last period is the collapse of the Silicon Valley Bank, the biggest failure of a US bank since the 2008 banking crisis. Even though President Biden has said all customer deposits will be covered, there was still a run on the bank after the contagion that spread faster than the pandemic from two years ago.

The fallout and people's actions were more about irrational fear for their money, an understandable concern in some ways, but it temporarily made matters worse. This was then followed by the takeover of Credit Suisse, accompanied with further falling of confidence and more importantly "value" in the larger banking sector globally.

At the time of writing this latest hurdle is just taking off so how far it will go is yet to be seen and how long the recovery will be. The longer-term effect on interest rates is yet to be seen, as is any longer term or lasting upset in the motorcycle market.

New market

The MCIA have released the latest monthly figures for February and as seen below the negative start to the year has continued. Two months don't indicate the year will be a poor one, but it leaves a bad taste in the mouth at the beginning of the year. The big selling month of March will round off the first quarter, but the lag in collating and reporting will not allow us to see them until next month's publication. Initial signs from feedback are suggesting a similar amount of business being done to 2022, so no predictions of catch up yet when comparing this year to Q1 2022.

The bottom line number as far as a percentage is concerned is -7.6% for the month, or the number value of 398 less than last year's 5,212. When comparing the Year-To-Date (YTD) against 2022 it's 7.2% down, in numbers, 820 less than the 11,399 from 12 months ago. A point on the continuing and rapid change in the types of users, then subsequent model mix is starting to become very evident as the increases in the smaller commuter and food delivery peaked, but are now returning to some sort of normality (if there is ever going to be any again). After the sharp increase in Moped sales over the Covid years there is the return to a truer market demand, which sees a large decline of 39.9% for the month ay YTD a quarter less hitting the road, remember though in absolute number terms the sector is still relatively small.

Motorcycle types faired a little better as only a couple of hundred less then last year and -4.3%. A couple of good performances from Modern Classic and Competition sectors, but again smaller numbers in the groups not picking up the slack from the larger selling types, particularly Scooter which is currently the largest one but has lost a fifth of its sales compared to 2022.

February 2023 and Year to Date - New Registrations by Style

Mopeds	Registrations			Market Share (%)		Year to date			Market Share (%)	
	Feb-23	Feb-22	% Change	Feb-23	Feb-22	2023	2022	% Change	2023	2022
Naked	24	32	-25.0%	8.4%	6.8%	49	60	-18.3%	7.9%	7.1%
Other	65	49	32.7%	22.6%	10.4%	126	123	2.4%	20.4%	14.6%
Scooter	198	389	-49.1%	69.0%	82.8%	442	657	-32.7%	71.6%	78.2%
Totals	287	470	-38.9%	100.0%	100.0%	617	840	-26.5%	100.0%	100.0%

Motorcycles	Registrations			Market Share (%)		Year to date			Market Share (%)	
	Feb-23	Feb-22	% Change	Feb-23	Feb-22	2023	2022	% Change	2023	2022
Adventure	625	696	-10.2%	13.9%	14.8%	1,603	1,990	-19.4%	16.2%	19.0%
Competition	446	378	18.0%	9.9%	8.0%	912	1,003	-9.1%	9.2%	9.6%
Custom	260	323	-19.5%	5.8%	6.9%	535	674	-20.6%	5.4%	6.4%
Modern Classic	426	299	42.5%	9.5%	6.4%	950	736	29.1%	9.6%	7.0%
Naked	945	820	15.2%	21.0%	17.4%	2,086	1,880	11.0%	21.1%	17.9%
Road Sport	324	295	9.8%	7.2%	6.3%	723	667	8.4%	7.3%	6.4%
Scooter	1,379	1,752	-21.3%	30.6%	37.2%	2,826	3,308	-14.6%	28.6%	31.5%
Touring	90	135	-33.3%	2.0%	2.9%	231	227	1.8%	2.3%	2.2%

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Unspecified	8	8	0.0%	0.2%	0.2%	18	10	80.0%	0.2%	0.1%
Total Motorcycle	4,503	4,706	-4.3%	100.0%	100.0%	9,884	10,495	-5.8%	100.0%	100.0%

Tricycles	Registrations			Market Share (%)		Year to date		Market Share (%)		
	Feb-23	Feb-22	% Change	Feb-23	Feb-22	2023	2022	% Change	2023	2022
Other	14	4	250.0%	0.3%	0.1%	48	15	220.0%	0.5%	0.1%
Scooter	10	32	-68.8%	0.2%	0.7%	30	49	-38.8%	0.3%	0.5%
Total Tricycles	24	36	-33.3%	0.5%	0.8%	78	64	21.9%	0.8%	0.6%

Summary	Registrations			Market Share (%)		Year to date		YTD	Market Share (%)	
	Feb-23	Feb-22	% Change	Feb-23	Feb-22	2023	2022	% Change	2023	2022
Total Scooter	1,587	2,173	-27.0%	33.0%	41.7%	3,298	4,014	-17.8%	31.2%	35.2%
Total Moped, Motorcycle & Tricycles (exc Scooters)	3,227	3,039	6.2%	67.0%	58.3%	7,281	7,385	-1.4%	68.8%	64.8%
Total Registrations	4,814	5,212	-7.6%	100.0%	100.0%	10,579	11,399	-7.2%	100.0%	100.0%

Again, when looking at the mix of engine size, particularly taking into account EV's, there is a back story hidden in plain sight that is perhaps inevitable. Strip out electric that despite a large percentage decrease, in real terms is 200 down for the month, a similar number to fossil fuelled machines, but leaving petrol a more palatable 3.7% lower in the month and even easier on the eye a minus 2.9% YTD.

February 2023 and Year to Date - Powertrain and Capacity

Month				YTD			
Powertrain	Feb-23	Feb-22	% Change	Powertrain	Feb-23	Feb-22	% Change
ICE	4,594	4,772	-3.7%	ICE	10,158	10,463	-2.9%
Electric	220	440	-50.0%	Electric	421	936	-55.0%
Total Registrations	4,814	5,212	-7.6%	Total Registrations	10,579	11,399	-7.2%

Month				YTD			
ICE	Feb-23	Feb-22	% Change	ICE	Feb-23	Feb-22	% Change
0-50cc	220	241	-8.7%	0-50cc	476	453	5.1%
51-125cc	1,997	2,298	-13.1%	51-125cc	4,248	4,419	-3.9%
126-500cc	817	829	-1.4%	126-500cc	1,823	2,148	-15.1%
501-750cc	487	407	19.7%	501-750cc	1,135	1,079	5.2%
751-1000cc	487	402	21.1%	751-1000cc	1,076	1,043	3.2%
1000cc+	586	595	-1.5%	1000cc+	1,400	1,321	6.0%
Total Registrations	4,594	4,772	-3.7%	Total Registrations	10,158	10,463	-2.9%

Month				YTD			
ELECTRIC	Feb-23	Feb-22	% Change	ELECTRIC	Feb-23	Feb-22	% Change
Moped ≤ 4 kW	67	229	-70.7%	Moped ≤ 4 kW	147	393	-62.6%
Motorcycle ≤ 11 kW	122	197	-38.1%	Motorcycle ≤ 11 kW	225	480	-53.1%
Motorcycle ≤ 35 kW	2	2	0.0%	Motorcycle ≤ 35 kW	5	18	-72.2%
Motorcycle > 35 kW	2	4	-50.0%	Motorcycle > 35 kW	3	13	-76.9%
Exempt	7	5	40.0%	Exempt	13	24	-45.8%
Unknown	20	3	566.7%	Unknown	28	8	250.0%
Total Registrations	220	440	-50.0%	Total Registrations	421	936	-55.0%

The last of the tables don't throw up too many insights differing from the usual, with a couple of points worth a note. Honda in three figures is a rare bird, as it widens the gap between them and the others, plus how many decades is it since a BSA made a showing?

February 2023 - Highest Registering Model by Style

Moped	Best Selling Models	Feb-23
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New Registrations by Brand

Best Selling Brands	Feb-23
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Naked	Rieju MRT 50	8	Honda	936
Other	Sur-ron LIGHT BEE	18	Yamaha	630
Scooter	Peugeot KISBEE 50	20	BMW	323

Motorcycle	Best Selling Models	Feb-23
Adventure	BMW R 1250 GS ADVENTURE	35
Competition	KTM 300 EXC SIX DAYS	24
Custom	Keeway SUPERLIGHT	33
Modern Classic	Royal Enfield CLASSIC 350	36
Naked	Honda CBF 125 M	105
Road Sport	BMW S 1000 RR	46
Scooter	Yamaha NMAX 125	262
Touring	Multiple Items	19

Tricycle	Best Selling Models	Feb-23
Other	Morgan 3 WHEELER	4
Scooter	Piaggio MP3 530 EXCLUSIVE	6

February 2023 - Highest Registering Model by Engine Size

ICE	Best Selling Models	Feb-23
0-50cc	Peugeot KISBEE 50	20
51-125cc	Yamaha NMAX 125	262
126-500cc	Royal Enfield CLASSIC 350	36
501-750cc	BSA GOLD STAR	35
751-1000cc	BMW S 1000 RR	46
1000cc+	BMW R 1250 GS ADVENTURE	35

Electric	Best Selling Models	Feb-23
Moped ≤ 4 kW	Sur-ron LIGHT BEE	18
Motorcycle ≤ 11 kW	Vmoto SUPER SOCO CPX	30
Motorcycle ≤ 35 kW	BMW CE 04 15kW	2
Motorcycle > 35 kW	Multiple Items	1
Exempt	Electric Motion EPURE	3

Every so often we give the ACEM European industry body figures an airing for the five largest Motorcycle markets in the continent. It's a good opportunity to compare and judge how the UK domestic market is performing. In the great scheme of things, as you see below, despite some negative comments that occasionally get thrown in locally, we're not in a too bad a place.

2022 Motorcycle Registrations in Largest European Markets ICE & EV												
Period	France	%	Germany	%	Italy	%	Spain	%	UK	%	Total	%
2022 - Jan - March	45,702	2.3%	48,543	17.0%	60,278	-0.4%	38,922	16.3%	26,381	48.4%	219,826	11.1%
2022 - Jan - June	108,069	-6.4%	117,838	1.7%	161,563	-2.8%	91,877	10.7%	60,297	9.8%	539,644	0.8%
2022 - Jan - Sept.	154,665	-7.9%	173,756	-0.5%	227,426	-3.3%	135,800	6.2%	90,192	3.5%	781,839	-1.4%
2022 - All year	193,356	-6.6%	199,410	0.1%	271,383	0.7%	176,961	6.3%	109,327	1.9%	950,437	0.1%

Used market

As the nights lengthen with hopefully more of the warmer weather seen recently, the season starts in earnest. Feedback so far is quite positive, certainly a brighter outlook than in some other industries. Word is that even though the traffic onto sales floors is perceivably lower than feels normal, the actual number of sales are similar to the past couple of years for the same period. Perhaps to avoid temptation for the ones not in a positive enough place to commit now or the rainy-day savers, they don't visit. As seen in the last global meltdown over a decade ago though, the PTW industry is feeling the pinch less than a lot of others.

After the usual slight peak at the beginning of the year, prices have stabilised in advance of the potential rush of new plate swappers entering the market. Although primarily a trade guide there is also indicators of retail prices and

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several conversations have been had that as things get tighter for sales and costs still rising, margins have needed to increase to keep the boat on an even keel. Not an industry wide discussion in the past, but in a time of “needs must” a subject that requires more concentration. More research will be carried out with a view to increasing suggested margins in our figures. Prices in this month’s release have been moved in both directions as research dictates, what is worth a mention though is soon to be modern classics that still fit into the age range we report but are getting scarcer have received some lifts.

Auction

As with the research from dealers, the auction results over the last month are indicating more stability as in results seen in the previous month. With average results over the whole sale coming in around just below 4% lower than the reported CAP figures, if purchase costs are factored into the hammer price, they are suggesting generally the individual changes made are sensible for the current market.

Hovering at just below three-quarters sold the figure is better than over winter sales but below the highs seen when stock was perhaps more difficult to get coming out of pandemic lockdowns. That said there was more sold units that were outside the parameters we use our products, ie bits missing and crash damage etc. so as seen for a few years now, focus for buyers is leaning more to reducing reconditioning costs or lower workshop times.

End notes

Kawasaki has filed for trademarks on a name and logo for its hydrogen motorcycle project, they also, like other manufacturers, have plans concerning infrastructure as well as projects for its actual use. The possibility of commercialising the supply chain of hydrogen, includes using the Kawasaki Coastal Area in Kawasaki City, Kanagawa, being used as a “hydrogen receiving site” for hydrogen exported from Victoria, Australia.

Following on from the Kawasaki news researchers from the RMIT University in Melbourne have developed a new, less expensive way of splitting salt water to produce green hydrogen. Currently salt water for hydrogen production is via electrolysis but has large costs in the desalination process. They say the majority of hydrogen production is currently done via fossil fuels, generating over 800 million tonnes of carbon dioxide (CO₂). The current electrolysis method using seawater produces a lot of chlorine (up to four-times the amount required by the Earth), so also damaging to the environment even though eliminating carbon emissions. Instead, their solution eliminates both carbon and chlorine from the output of its production methods.

The proposed petrol and diesel ban, aimed for 2035, could be threatened after a number of EU nations that includes Germany, Italy, Poland and Bulgaria are indicating opposition to the move. As Germany are the major influencer in the bloc their stance on the internal combustion engine might give some hope for those who think electric power is not the only way to an environmentally friendly future. This ICE powered future might not point to continued use of petrol and diesel vehicles beyond 2035, indicates another alternative to simply switching over to battery power, but possibly leading to increased development of e-fuels and bio-fuels. Battery power is still included in future plans but infrastructure in some nations nowhere near ready for an all-electric future yet. Remember we already have a network in the country, that stores and sells liquid fuel.

Yamaha has announced that it has begun to use ‘green aluminium’ for motorcycle production starting with larger capacity and off-road competition models. The manufacturer says it is the first time the metal has been used in the production of Japanese motorcycles. Green aluminium is called so because of the refining process of the alloy, that instead of traditional methods, it uses renewable energy sources that emit around 60% less CO₂ compared to traditional methods. This is following the manufacturers target of carbon neutrality across the brand 2050, including exclusively using sustainable materials in manufacturing processes, and using more plant-based resins.