

Motorcycle editorial

By cap hpi

August 2023

Motorcycle market overview

The UK economy will likely escape a recession. Good news from predictions around the experts pointing to some positivity thanks to an improved outlook for energy prices, a more resilient global environment and although markets are reacting nervously to every bit of news, the underlying trend is an overall positive.

Inflation continues to fall from its peak, but at slower than movements in energy prices would suggest. A major influence has been for the extended period of strikes in the public sector and trains etc. Most of these have now found some sort of solution that will be funded from money already in the system. Forecast headline inflation is to moderate to 5% by 2023 Q4, averaging 7.7% in 2023 and 2.9% in 2024.

New market

The June new market numbers supplied by the Motorcycle Industry Association after a couple of months with negative numbers has an uplift that mirrors the weather.

Positive feedback from dealers looks like its translated into new sales, with a total of 13,518, a little under a thousand increase from 2022, or 7.9%. At the halfway point in the year the total sold amounts to 62,277, 1,686 lower than 2022, a 2.6% negative.

The major positive to be taken from the current market is when we look back to the good old days of 2019 before the cause of current economic hiccoughs, is that June 2019 11,643 and H1 59,465. So, this year sees increases of 16% for the month and 4% improvement at the half-way point.

With the exception of the Touring sector, you would expect to start to slow as purchases for long trips would have already been made at this point in the year, everything else has returned a positive compared to the June from a year ago. A point worth noting is that, even though Scooter has had a reasonable month, the Y-T-D is still significantly lower, and with the continued decline of Moped, reflects the change in riders from the highs of the Covid boom.

June 2023 and Year to Date - New Registrations by Style

Mopeds	Registrations			Market Share (%)		Year to date			Market Share (%)	
	Jun-23	Jun-22	% Change	Jun-23	Jun-22	2023	2022	% Change	2023	2022
Naked	60	59	1.7%	12.4%	9.2%	224	326	-31.3%	9.1%	8.8%
Other	101	115	-12.2%	20.8%	17.9%	523	557	-6.1%	21.1%	15.1%
Scooter	324	469	-30.9%	66.8%	72.9%	1,728	2,802	-38.3%	69.8%	76.0%
Totals	485	643	-24.6%	100.0%	100.0%	2,475	3,685	-32.8%	100.0%	100.0%

Motorcycles	Registrations			Market Share (%)		Year to date			Market Share (%)	
	Jun-23	Jun-22	% Change	Jun-23	Jun-22	2023	2022	% Change	2023	2022
Adventure	2,703	2,696	0.3%	20.9%	22.8%	12,078	12,261	-1.5%	20.4%	20.5%
Competition	490	405	21.0%	3.8%	3.4%	3,419	3,215	6.3%	5.8%	5.4%
Custom	897	826	8.6%	6.9%	7.0%	4,146	4,332	-4.3%	7.0%	7.2%
Modern Classic	1,431	1,423	0.6%	11.1%	12.1%	6,437	6,467	-0.5%	10.8%	10.8%
Naked	3,248	2,793	16.3%	25.1%	23.7%	14,147	12,726	11.2%	23.8%	21.3%
Road Sport	1,169	971	20.4%	9.0%	8.2%	5,126	4,997	2.6%	8.6%	8.3%
Scooter	2,679	2,365	13.3%	20.7%	20.0%	12,335	14,206	-13.2%	20.8%	23.7%
Touring	292	300	-2.7%	2.3%	2.5%	1,551	1,628	-4.7%	2.6%	2.7%
Unspecified	23	20	15.0%	0.2%	0.2%	100	42	138.1%	0.2%	0.1%
Total Motorcycle	12,932	11,799	9.6%	100.0%	100.0%	59,339	59,874	-0.9%	100.0%	100.0%

Tricycles	Registrations			Market Share (%)		Year to date			Market Share (%)	
	Jun-23	Jun-22	% Change	Jun-23	Jun-22	2023	2022	% Change	2023	2022
Other	29	39	-25.6%	0.2%	0.3%	207	117	76.9%	0.3%	0.2%
Scooter	72	42	71.4%	0.6%	0.4%	256	298	-14.1%	0.4%	0.5%

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Total Tricycles	101	81	24.7%	0.8%	0.7%	463	415	11.6%	0.8%	0.7%
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Summary	Registrations			Market Share (%)		Year to date		YTD	Market Share (%)	
	Jun-23	Jun-22	% Change	Jun-23	Jun-22	2023	2022	% Change	2023	2022
Total Scooter	3,075	2,876	6.9%	22.7%	23.0%	14,319	17,306	-17.3%	23.0%	27.1%
Total Moped, Motorcycle & Tricycles (exc Scooters)	10,443	9,647	8.3%	77.3%	77.0%	47,958	46,657	2.8%	77.0%	72.9%
Total Registrations	13,518	12,523	7.9%	100.0%	100.0%	62,277	63,963	-2.6%	100.0%	100.0%

Electric registrations in June were 15.4% down to 452, but a more dire number for the quest to turn the industry green is the half-year decline of 46.4%. There was the delivery led boom in the sector but also increased commuter usage that has been suggested by some, that car drivers who have been used to EV cars would have been more open to buying a plug in two-wheeler. Whichever is right, or a combination of both, there has to be a question mark around our industries acceptance of the imminent changes in powertrains, or at least the lack of inertia currently.

Powertrain	Month		
	Jun-23	Jun-22	% Change
ICE	13,066	11,989	9.0%
Electric	452	534	-15.4%
Total Registrations	13,518	12,523	7.9%

Powertrain	YTD		
	Jun-23	Jun-22	% Change
ICE	60,353	60,373	0.0%
Electric	1,924	3,590	-46.4%
Total Registrations	62,277	63,963	-2.6%

ICE	Month		
	Jun-23	Jun-22	% Change
0-50cc	321	384	-16.4%
51-125cc	4,173	3,905	6.9%
126-500cc	1,807	1,919	-5.8%
501-750cc	1,543	1,533	0.7%
751-1000cc	2,871	1,842	55.9%
1000cc+	2,350	2,406	-2.3%
Total Registrations	13,065	11,989	9.0%

ICE	YTD		
	Jun-23	Jun-22	% Change
0-50cc	1,738	2,006	-13.4%
51-125cc	18,685	20,419	-8.5%
126-500cc	9,292	10,014	-7.2%
501-750cc	8,038	7,624	5.4%
751-1000cc	11,470	9,043	26.8%
1000cc+	11,129	11,267	-1.2%
Total Registrations	60,352	60,373	0.0%

ELECTRIC	Month		
	Jun-23	Jun-22	% Change
Moped ≤ 4 kW	164	259	-36.7%
Motorcycle ≤ 11 kW	241	231	4.3%
Motorcycle ≤ 35 kW	14	9	55.6%
Motorcycle > 35 kW	16	18	-11.1%
Exempt	12		0.0%
Unknown	5	17	-70.6%
Total Registrations	452	534	-15.4%

ELECTRIC	YTD		
	Jun-23	Jun-22	% Change
Moped ≤ 4 kW	737	1,678	-56.1%
Motorcycle ≤ 11 kW	1,002	1,639	-38.9%
Motorcycle ≤ 35 kW	41	90	-54.4%
Motorcycle > 35 kW	35	75	-53.3%
Exempt	54	39	38.5%
Unknown	55	69	-20.3%
Total Registrations	1,924	3,590	-46.4%

Again, to try to find some positives look to the 751-1000cc band and even if some schemes have bolstered the numbers for the month, the first six months of the year with over a quarter more than 2022 is a stunning result that is more than making up for declines in electric and sub 125cc powerplants.

June 2023 - Highest Registering Model by Style

Moped	Best Selling Models	Jun-23
Naked	Rieju MRT 50 SM	13
Other	Sur-ron LIGHT BEE	32
Scooter	Peugeot KISBEE 50	30

Motorcycle	Best Selling Models	Jun-23
Adventure	BMW R 1250 GS	271
Competition	Sur-ron ULTRA BEE	36

New Registrations by Brand

Best Selling Brands	Jun-23
Honda	2,382
Yamaha	1,593
Triumph	1,457
BMW	1,423
Suzuki	728
Kawasaki	664
KTM	596

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Custom	Royal Enfield SUPER METEOR 650	97	Royal Enfield	520
Modern Classic	Royal Enfield HNTR 350	123	Ducati	428
Naked	Honda CBF 125 M	215	Lexmoto	325
Road Sport	Kawasaki NINJA 1000 SX	117		
Scooter	Honda PCX 125	468		
Touring	BMW R 1250 RT	77		

Tricycle	Best Selling Models	Jun-23
Other	BRP CAN-AM RYKER 900 ACE	10
Scooter	Yamaha TRICITY 300	36

May 2023 - Highest Registering Model by Engine Size

ICE	Best Selling Models	Jun-23
0-50cc	Peugeot KISBEE 50	30
51-125cc	Honda PCX 125	468
126-500cc	Royal Enfield HNTR 350	123
501-750cc	Triumph TRIDENT	134
751-1000cc	Triumph STREET TRIPLE RS	166
1000cc+	BMW R 1250 GS	271

Electric	Best Selling Models	Jun-23
Moped ≤ 4 kW	Sur-ron LIGHT BEE	32
Motorcycle ≤ 11 kW	E-Max VSA - VS1	56
Motorcycle ≤ 35 kW	BMW CE 04 15kW	14
Motorcycle > 35 kW	LiveWire ONE	12
Exempt	Electric Motion EPURE RACE	8

After a split from the Harley -Davidson parent company, setting up a separate entity, the stand-alone electric offering from across the Atlantic makes its first appearance in the charts for best selling models. As it has just been launched it could be a stretch to expect similar numbers in the future if these are demos. Little else is out of the ordinary or worthy a mention in the last few charts, but Triumph perhaps so with a couple in there at the top end of the engine capacity bands, that suggest some sort of influence beyond natural customer demand is working to get it there.

Used market

As could be expected with a decent month in the new market, the used bike activity over the last research period has not been subject to much criticism from dealers with buyers still showing interest and buying, going from June into July, but towards the end of July there is increasing opinion of a sudden stop in sales. As Q3 is now underway, historically as the retail demand would start to tail off, the trade buyers would pre-empt this by less activity in replacing stock in the showrooms. As we know over a period of a decade or so, that as availability of used bikes reduced, not only have prices risen, but the winter trade price lull has all but disappeared with only minor downward adjustments for a short period. This temporary seasonal reduction was always difficult to predict in advance, depending on many factors beyond just economic and including such things as weather – remember five years or so ago when summer went into and past September with a trade buying rush into the last quarter of the year? Well, until it happens there is always doubt around the timing, but conversations have started, suggesting that the time is nigh. This edition consequently has some minor adjustments where research suggests a requirement, but no sweeping movements, until the short term opinion becomes a longer trend.

Auction

There has been little change generally in the auction system as far as number of entries and as with the used market research suggests, price. One change worth a note is the first new physical sale to open since the pandemic move to virtual buying. It has been mentioned before in this editorial that buying a motorcycle, especially in the trade where there is little recourse for faults not apparent in a picture. There has been conversation around the effect on price when reliance is on a description by someone perhaps not looking for the same potential faults as a buyer doing a physical inspection would.

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With newer bikes, such as entries at BCA that consist of a large number of three year old PCP returns, often low mileage, the chance is more likely that condition is not as big a factor as it would be in 5 year and older models.

It is good news that there has been another auction added to the motorcycle calendar and better news that it is joining MAG Rotherham as a physical sale. One sale in the last research period was a good start, just off the A1 at Newark Motor Auctions, with 60 entries of a mixed bag from main dealer high end part-exchanges to various older bikes and scooters of a mixed bag of ages. Run by an experienced bike auction staff, it was widely promoted to both trade and punters that resulted in a strong attendance. With just over 80% sold and prices averaging around CAP figures, conversations with the lads would suggest that as mentioned above, the ability to get up close to and hear bikes running is essential to instilling confidence to buyers.

End notes

Ducati has published their motorcycle delivery figures for the first half of 2023, showing a 5% global growth compared to the same period last year. The total for the first six months of 2023 is 34,976.

Ducati's home market perhaps unsurprisingly the brand's largest, saw 6,639 bikes delivered in Italy, a 10% growth. But growth was higher in the USA, at an 11% growth with 4,505 motorcycles delivered, making it Ducati's second largest market and Germany a 13% growth with 4,217 bikes delivered, making it the third-largest market for Ducati. The most popular bike in their range globally, was the Multistrada V4, with 6,382 delivered of all its variants. This first half-year was Ducati's best ever in terms of deliveries.

Here is something a little bit outside of the envelope as it has been announced Suzuki have made a deal with Japanese innovators SkyDrive to begin manufacturing an electric aircraft for carrying one to three passengers. The 'flying cars' will be built at the automotive company's Shizuoka Prefecture plant, but the company will remain the property of SkyDrive. Plans are for production of the vehicles to begin in 2024, using the Suzuki expertise to assist with laying the foundations that will allow production to take place, including securing human resources. This is after Suzuki confirmed in 2022 that it was helping SkyDrive carry out R&D, for at the time, a smaller and lighter single-person flying car project. The product that SkyDrive will be producing is a Vertical Take-off and Landing (VTOL) aircraft, the SD-05. It carries a pilot and two passengers, with a nine-mile range and powered by 12 motors. It's getting like the predictions from sci-fi movies as battery power and alternative transport is developing at an increasing rate. Anyone ready for a baco-foil suit?

Another study has been done that again makes the testing target for a zero emissions future even more difficult to believe its achievable. The study points out some of the challenges and highlights some of the knock-on effects of lithium mining on the environment. The report, titled 'Achieving Zero Emissions with More Mobility and Less Mining' has been created by the Climate + Community Project and some of the problems it raises could possibly be fixed by the motorcycle industry.

One point touched on is how electric vehicles are causing a lithium mining boom. Estimates are that around 88 million tonnes of Lithium are on the planet but around a quarter of that number being viable to be used. If the unlikely event that every internal combustion car on the planet was replaced today with an electric one, the amount of mining necessary would be devastating for the environment.

One way Lithium is mined is called brine extraction. This process takes salt-rich water pumped out of the ground and into evaporation pools. It is left to evaporate and over time an increasing amount of lithium is deposited in the pools. What is also left are toxic chemicals, which can seep into water courses, contaminate soil and even become airborne causing a health risk. Ganzizhou Rongda Lithium mine in Tibet has been blamed for poisoning the nearby Liqi River, killing almost all the fish and the livestock that drinks from it.

How are electric motorcycles better? The main thing would be to help reduce lithium use because of their size. A Tesla Plaid S has a battery capacity of 100kWh, there is around 62kg of lithium used in the production of one battery. The 2022 Energica Experia, as an example, is one of the bigger electric bikes on the market based on battery size. Its 22.5kWh battery uses far less lithium by comparison, but the problem is how big a proportion of potential electric car buyers would move to two-wheels and reduce lithium demand?

Half a century ago a motorcycle was the first vehicle bought by large numbers of people as they became self-mobile, but in the intervening time motorcycles and the people that ride have been seen in a less favourable light. A positive story in a national newspaper has said that riding a motorcycle could actually be beneficial in a number of ways. The

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story on Express.co.uk website is unusually positive about riders and highlights the good that riding a motorcycle can do. The source of the article is road safety charity and training provider, IAM Roadsmart, who have launched the campaign to try and highlight motorcycles to the government and accept them as a viable form of alternative transport. Research carried out by the IAM has revealed that out of 2,000 motorists questioned, just 22% realised that motorcycles improve air quality, (motorcycles on average produce less than half the emissions of cars). The data also showed that less than half of the people surveyed thought that motorcycles could cut congestion, confirming that most non-riding motorists are unaware of the ways bikes can help in built-up areas, with research suggesting that just a 10% shift from driving to riding could reduce congestion on the UK's roads by as much as 40%.