

RV8 market and price review – May 2018

Overview

Our analysis of the RV8 Pricewatch reports over the six months to May 2018 indicates the number of RV8s offered for sale has fallen considerably by around 65% (Woodcote Green) and 33% (Other Colours). The slower rate of price growth seen in the six months to November 2017 has continued into the six months to May 2018 and we can now see prices of Condition 1 cars have peaked. Interestingly the peak is six months later than we have seen with MGBGTV8s. Interestingly the premium for Other Colours over Woodcote Green for Condition 1 cars has flipped in the six months to May 2018 but remains with Exceptional and Condition 2 cars.

Market update

The sustained growth in prices on both Other Colours and Woodcote Green RV8s over the 4 year period 2014 to late 2017, with demand from a combination of enthusiasts seeking an RV8 and the addition of the “alternative investment activity” seen more generally in the classic car market, had lifted Condition 1 prices by 22% (Other Colours) and 35% (Woodcote Green). That suggests the earlier stronger preference for Other Colours over Woodcote Green has reduced a great deal in that period with more recent buyers focusing on the inherent features of what is a luxury classic car with a modern engine management system rather than what many view as a simplistic disdain for Woodcote Green because 79% of production were finished in that colour.

We have some evidence that typically RV8s are selling at around 7% off the asking price but of course for individual cars that reduction depends on the negotiations between the buyer and seller. The price differential of around 27% between Condition 1 and Condition 2 RV8s is broadly the same as seen with MGBGTV8s reflecting the costs of refurbishment or restoration. In our review in November 2017 we noted “for the next 6 to 12 months there are signs the classic car market covering RV8s will continue to level off for a while although the occasional exceptional car will inevitably continue to generate a great deal of interest for both existing and prospective MG V8 owners” and that has been the case. The price trends chart on page 2 shows **Condition 1 Other Colours peaked in the six months to November 2017 and fell back by around 8% to May 2018 and Woodcote Green has flatlined in the last six months.**

Low mileages continue to be a feature of the RV8 market as lower recorded mileages often seen with reimported RV8s from Japan, mostly in Woodcote Green, continue to be a key feature, together with condition, that most buyers see as most important. Upgrades and modifications tend to be seen less with RV8s when compared with MGBGTV8s, mainly fitting alternative alloy wheels and the removal of aircon on reimported RV8s.

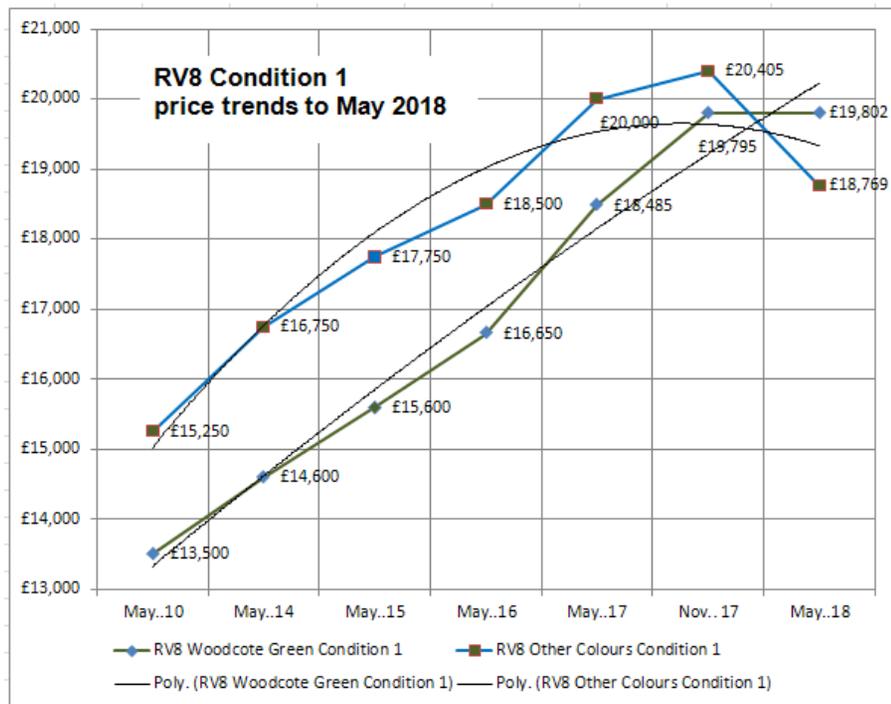
Trends

Our comparative price chart on page 3 showing both MGBGTV8 and RV8 prices since 2010 highlights a puzzle for many observers of the market – the rate of growth of MGBGTV8 prices has run well ahead of RV8s for the last two years 2016/17 but since the six months to November 2017 MGBGTV8 and RV8 Condition 1 prices have converged to £18,770/£19,800. **A Condition 1 RV8 now looks like very good value indeed** with the added luxury of Elm burr internal trim, leather seats and a soft top plus an injected engine.



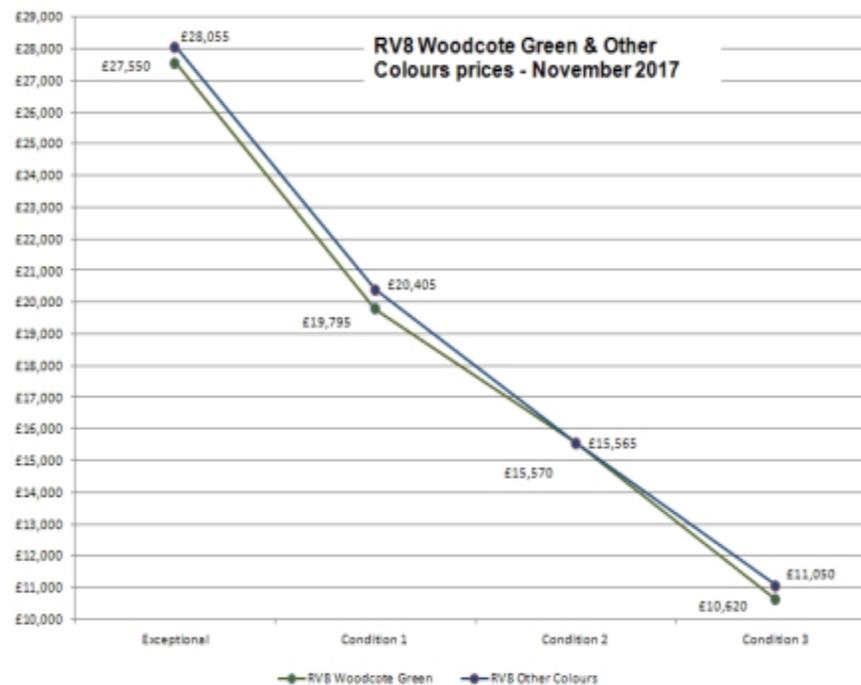
		Exceptional	Condition 1	Condition 2	Condition 3
RV8 Woodcote Green	May 2018	£22,935	£19,800	£15,630	£10,620
mainly reimports	Rise Nov/May	-16.8%	0.0%	0.4%	0.0%
	Nov 2017	£27,550	£19,795	£15,570	£10,620
	Rise May/Nov	19%	7%	5%	0%
	May 2017	£23,245	£18,485	£14,795	£10,620
	Rise YonY	-2%	11%	20%	19%
	May 2016	£23,600	£16,650	£12,300	£8,950
	Rise YonY	18%	7%	0%	9%
	2015	£20,000	£15,600	£12,250	£8,200
	Rise YonY		7%	1%	1%
	2014		£14,600	£12,150	£8,100
	Rise YonY		8%	8%	8%
	2010		£13,500	£11,250	£7,500
	Rise 2010/17		37%	32%	42%
		Exceptional	Condition 1	Condition 2	Condition 3
RV8 Other Colours	May 2018	£23,950	£18,770	£17,200	£11,050
both UK spec & Japan spec	Rise Nov/May	-14.6%	-8.0%	10.5%	0.0%
	Nov 2017	£28,055	£20,405	£15,565	£11,050
	Rise May/Nov	10%	2%	-2%	0%
	May 2017	£25,470	£20,000	£15,945	£11,050
	Rise YonY	-9%	8%	4%	0%
	May 2016	£28,050	£18,500	£15,300	£11,050
	Rise YonY	12%	4%	0%	7%
	2015	£25,000	£17,750	£15,300	£10,300
	Rise YonY		6%	4%	5%
	2014		£16,750	£14,700	£9,800
	Rise YonY		10%	9%	9%
	2010		£15,250	£13,500	£9,000
	Rise 2010/17		31%	18%	23%

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Price trends chart for Condition 1 RV8s from 2010 to May 2018

The price trends chart for 2010 to May 2018 shows Condition 1 Other Colours peaked in the six months to November 2017 and fell back by around 8% to May 2018 and Woodcote Green has flatlined in the last six months.

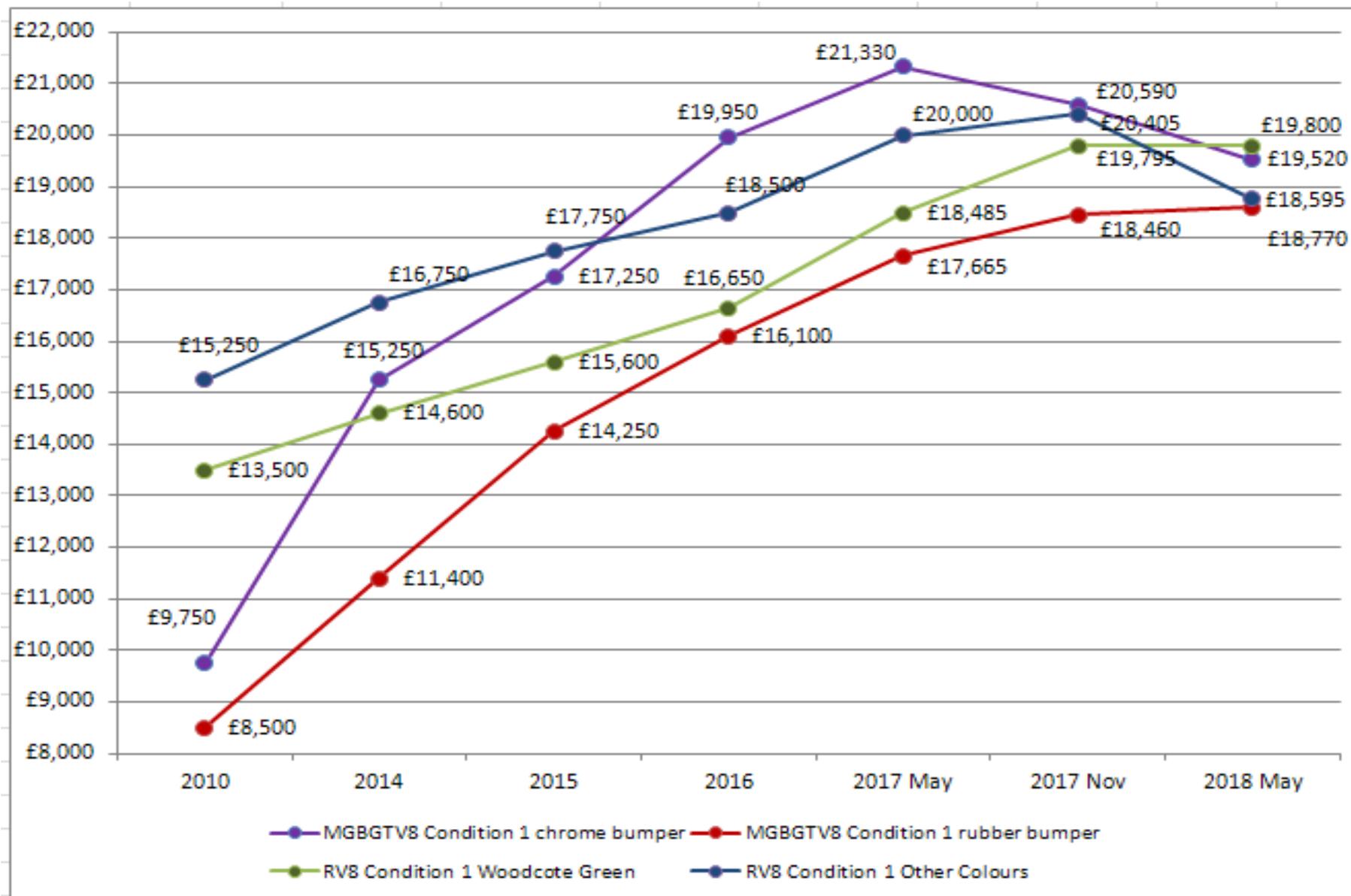


RV8 price chart for the six months to November 2017

It's included for reference so you can compare with the chart for the six months to May 2018 on page 1.

See our comparative price chart showing both MGBGTV8 and RV8 prices since 2010 on page 3 below.

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Our comparative price chart shows both MGBGTV8 and RV8 prices since 2010

It highlights a puzzle for many observers of the market – the rate of growth of MGBGTV8 prices has run well ahead of RV8s for the last two years 2016/17 but since the six months to November 2017 MGBGTV8 and RV8 Condition 1 prices have converged to £18,770/£19,800. A Condition 1 RV8 now looks like very good value indeed with the added luxury of Elm burr internal trim, leather seats and a soft top plus an injected engine.