MGRV8 market and price review – May 2021

Caution

Our UK market review and updated price guide are subject to an important caution as the classic car market has not been able to function as normal over the last 6 months with the various Covid social contact and movement regulations in the UK. Hopefully from June the relaxations set out in the UK Government's "Roadmap" will help the market considerably. So our updated MGBGTV8 price guide for the 6 months to the end of April 2021 and market review are at best an indication rather than a guide.

Overview

Over the last 6 months we have seen:

- **Significant Covid social contact constraints in the UK** with a lockdown when major gatherings were required to cease with tough restrictions in areas with exceptionally high numbers of Covid cases and then Lockdown 3.
- **Continued classic car market activity** in the UK but with a reduced flow of MGV8s advertised for sale and many auction houses nimbly continuing to adapt to the constraints over physical auctions and establishing effective online auctions. Sadly we have seen signs that some MGV8 sales are likely to have been distress sales where the seller may have been suffering financial stress from the Covid constraints on their business or on their employment situation. Generally buyer interest and activity has been lower than in earlier 6 month periods, particularly during a deep winter period.
- **Classic car press has reported online auction activity has been noticeable** in the sub £20,000 classic car market, particularly with classics from the 1980s and 1990s.
- **Rumours of a resurgence of the alternative investor activity in the classic car market** remain as many people with increased bank balances during lockdown will be looking for alternative places to hold their funds. That could easily stimulate another period of "alternative investor" activity with some deciding to move cash into classic cars. When we last saw alternative investors active in the market there was a tendency for them to buy classic car "cherries" like Astons, Jaguars and Ferraris but there were also clear signs that their buying activity reached more modest segments of the classic car market like MGV8s. Over the next 6 months our Pricewatch team will continue to monitor signs of alternative investor activity.

Market activity over the last 6 months

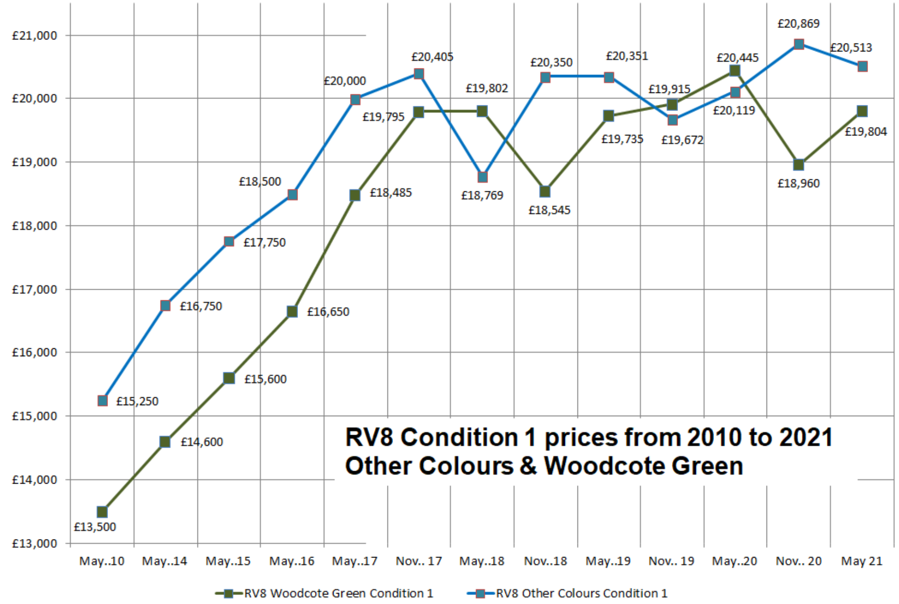
Our data shows the number of RV8s seen on offer in the 6 months to the start of May 2021 was **42** very similar to the 43 seen in the 6 months to May 2020 and massively lower than the peak of 93 seen in the 6 months to November 2019. However our data suggests much of the market activity in the 6 months to May 2020 was prior to the Covid issues becoming a serious concern and then the introduction of serious restrictions on social contacts and unnecessary travel. Clearly the initial lockdown measures introduced by the various regions of the UK did have had an impact on MGV8 sales activity and particularly auctions as "mass public gatherings". What we saw was more classic car auction houses had moved quickly to set up more sophisticated online auctions, alongside the established online auction sites, and many buyers and sellers were gradually adapting to the new online arrangements. With the Lockdown 3 constraints Covid compliant arrangements for showroom visits, inspections and test drives together with sanitising procedures were difficult. With private sales one might have expected a logical step for existing advertisers or those wishing the sell an MGV8 might be to postpone their offer to sell a car and indeed a fall in "private sale" adverts has been seen.

As the various regions in the UK moved out of lockdown advertising and sales activity is likely to increase and some physical auctions will reappear and it's very likely more MGV8s will be seen on offer through adverts, traders' showrooms and at auctions with greater sales activity, particularly over the May to October 2021 period when seasonal interest in classic cars tends to rise in any case.

In the short term with an increase in MGV8s seen offered for sale enthusiasts keen to get an MGV8 may see good buying opportunities whilst prices continue the general flatline pattern we have seen for some time (see chart below). The supply of MGV8s offered for sale may be restrained initially before that increased buyer activity brings about a rise in prices and then potential sellers offering their cars for sale.

Market

Condition 1 RV8s in Other Colours at **£20,513** has seen a continued return to prices above the peaks seen in May 2019 and prices of Condition 1 RV8s in Woodcote Green at **£19,804** have recovered by some 4.5% from the fall in November 2020 by over 7% to **£18,960**. The premium for Condition 1 Other Colours over Woodcote Green has fallen to 3.6% (£710) from the 9.6% (£1,909) in November 2020.



Note: no consistent time scale prior to May 2017 so earlier data & trend indicative only.

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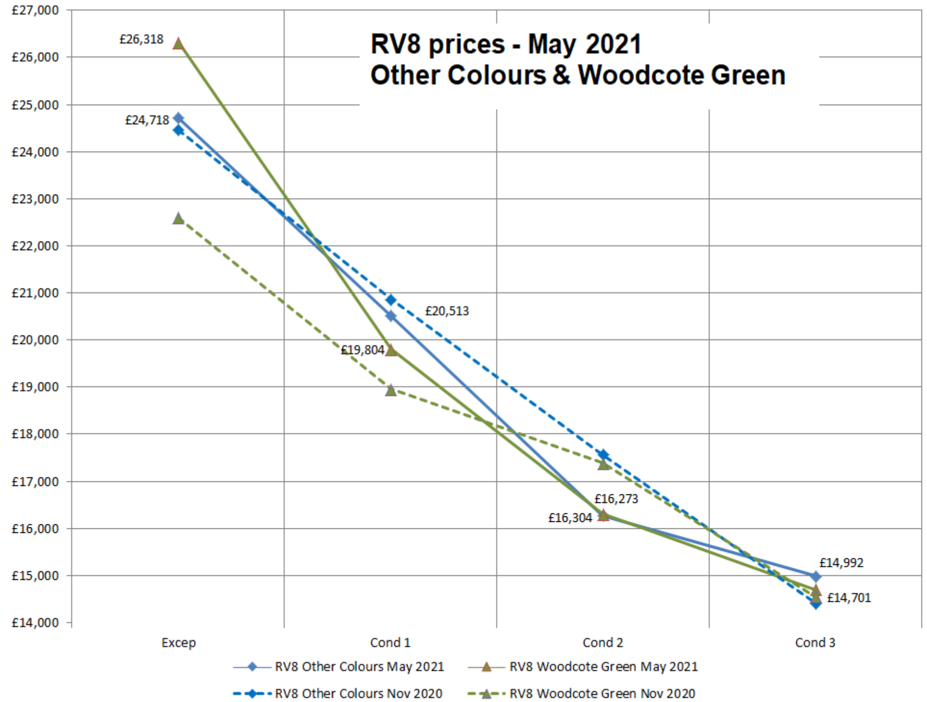
Comparing price charts for 6 months to November 2020 and May 2021

Price guide - November 2020	Excep	Cond 1	Cond 2	Cond 3
MG RV8 Woodcote Green	£22,599	**£18,960**	£17,386	£14,555
MG RV8 Other Colours	£24,463	**£20,869**	£17,569	£14,415
RV8 price guide - May 2021	**Excep**	**Cond 1**	**Cond 2**	**Cond 3**
MG RV8 Woodcote Green	£26,318	**£19,804**	£16,304	£14,701
MG RV8 Other Colours	£24,718	**£20,513**	£16,273	£14,992
Price change Nov 20/May 21				
Woodcote Green	16.5%	4.5%	-6.2%	1.0%
Other Colours	1.0%	-1.7%	-7.4%	4.0%
Other Colours premium (£)	-£1,600	£710	-£32	£291
Other Colours premium (%)	-6.1%	3.6%	-0.2%	2.0%



Price chart for the four RV8 condition classes with the prices for **May 2021 as a solid line** and those for **November 2020 as a dotted line** alongside. **Other Colours** are the blue lines and **Woodcote Green** are the green lines.

Condition 1 prices are often seen as the main guide to the market and over the last 6 months the data shows prices for Other Colours fell back slightly (-1.7%) to **£20,513** whereas Woodcote Green saw a recovery of 4.5% to **£19,804**.. Nigel Guild at Former Glory noted "Woodcote RV8s are back in fashion for top examples and UK spec cars as ever will command a premium, but there is a severe lack of supply at present."

Exceptional condition prices always depend on what Exceptional cars are on offer and in the recent 6 months there were 17 RV8s on offer with one priced at £40,000 at the top end of the class. Prices well above our guide prices of £25,000 to £26,000 are often seen for Exceptional condition RV8s.

Condition 2 prices - Woodcote Green prices fell by nearly 6.2% to **£16,304** and Other Colours fell by 7.4% to **£16,273** but based on only two high mileage UK spec RV8s in Oxford Blue seen offered for sale.

Condition 3 prices – one high mileage RV8 in BRG was seen with 100,000 miles on the clock at £15,500, but as Nigel says "nobody is interested, although it is a great driver in very good order."

Low mileages are still the expectation for many buyers in the RV8 market but lower priced and well maintained examples with 60,000 or 70,000 miles are often very good value. With 70,000 miles that is only 2,500 miles a year!

Number of RV8s seen offered for sale in the 6 months to May 2021

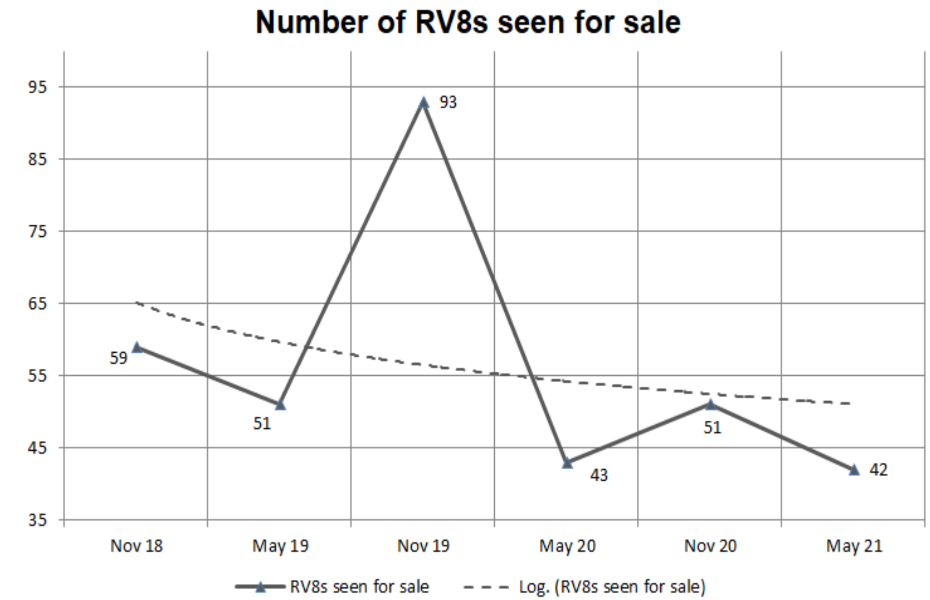


Chart with the numbers of RV8s seen offered for sale during each 6 months period since November 2018 shows an 18% drop to **42** in the 6 months to May 2021 compared with 51 in the 6 months to November 2020.