



NOVEMBER 2017

SUMMARY

The month of October saw somewhat smaller auctions than we'd seen in the previous month of September, but the results were equally as encouraging.

At the Mercedes-Benz Centre in the heart of Paris, Artcurial hosted a sale of 54 lots with eighteen cars consigned from MB's historic collection of cars.

The sell through rates boasted a strong 80%, with 68% exceeding their high estimate prices.

Car of the evening went to a 300 SL Roadster non-alloy, non disc brake car selling for a very strong €1.38m – One would need to wind the clock back to January 2015 to see prices that strong again confirming our October newsletter's theory we've seen the worst of this cycle.

Interestingly a damaged 300SL Gullwing needing a lengthy restoration sold for €1.1m – eye watering!

A real surprise came from RM at the pre-War American sale which boasted a staggering 95% sell-through rate, up from 92% in 2016. Meanwhile Bonhams only managed 82% down from 88% in 2016. 366 cars in total made their way to new owners in what is being seen as a bit of a revival in pre-War.

Is value being perceived in this part of the market again?

OCTOBER WOUND THE CLOCKS BACK...TO THE 1990'S

BRAND NEW MCLAREN F1 FOUND IN JAPAN £SOLD IN RECORD TIME

If quantum time travel ever becomes a possibility a good tip would be to go back to the period of the current "en vogue" pool of cars, currently the 80's, 90's and 00's, find the perfect car, put it in a secure climate controlled environment and sit back and wait, oh and hope the location doesn't become part of a mandatory purchase scheme for Crossrail. Until we figure out quantum time travel, the next best alternative is to purchase cars like the yellow McLaren recently found in Japan and commissioned and sold by a UK dealer for an undisclosed sum. If you want to know the rumoured amount, feel free to call.

The unregistered car had only covered 148 test miles before being popped into a time capsule by the Japanese owner; clearly someone with a concrete view of future investments. Wonder what else he has locked away, high-cut vest tops, a matching crop top and skirt set?

McLaren F1's said to have been conceived by Dennis/Murray whilst waiting for a delayed plane are on the move again as they reach the psychological 18 to 25 year age spread where interest switches from being a current sports/super car to a vintage or collectable item.

The most recent sale was by Bonhams for \$15.62m in August 2017, they very rarely come up for sale given only 64 road versions were made and most owners are well aware this car is from the next-door stable to the sought after Ferrari 250 GTO.



NEWS

WMG's Jaguar XJ220 Supercar was invited to attend an over-subscribed **SuperCar Breakfast** at Brooklands Circuit Museum, UK hosted by SourceLuxury. Over **150 cars** and respective owners showed up, blessed by glorious sunny weather.



Steve Jobs' Z8 heads to Auction

RM New York will host the sale of the late Steven Jobs' BMW Z8 complete with the Motorola Flip phone, popular (with some) over 17 years ago. Chatter on the street is the car could fetch as much as \$520k at auction later this month which probably means it will eclipse it going by recent predictions.

Z8's reception on launch was mixed but has firmly established itself as a proper future classic.



VERY SMART WATCHES

Global trend or one-off sale?

Look at any discernible car collectors' wrist and you'll notice something interesting and valuable, like the cars they choose. Watch reputations have been made in Hollywood, often as a result of product placement by a clever marketing executive somewhere, such as Steve McQueen's iconic TAG Monaco worn in the film Le Mans. Watches as items of precision engineering have been inextricably linked to cars and motorsport for over a century – the first ever race at Brooklands Circuit in the UK was timed, not by the amount of laps driven.

Like exotic cars, certain watches are worn for precisely the same reason a 250GTO is driven, passion. Yes the 250 GTO will take you from A to B to pick up your weekly, same as the recently auctioned Paul Newman Rolex Daytona will tell you it's a quarter-past-three. But there's something about cars and watches that is emotive; a statement, a display of success and a love of precision. Often patience too after waiting on long exclusive lists. Currently there's a seven year waiting list for the new Rolex Daytona and two and a half years for the new Ferrari Portofino which would be buyers are happy to wait for.

Looking back, October saw Paul Newman's iconic 1968 Rolex Daytona Watch head to Phillips auctioneers in New York being offered by the late Mr. Newman's wife. It was widely tipped the watch would sell well over \$1m, but nobody believed their eyes after just 12 minutes, a buyer paid a whopping \$17.75M for the prized timepiece – the highest price ever paid for a watch. Though like the one-off Ferrari, the mood that day in the auction house would have transcended all that is reasonable. For its provenance, appeal and undisputed history the buyer decided \$17.75m was a price he was happy to pay. The words "drive carefully" engraved on the back suggest hark back to a time when actors did a lot more of their own stunts – Bullet for instance. In 1968 that \$17.75m watch would have cost around \$200 or £1418.50 in today's money.

So will the current generation of Smart watches or electric cars evoke the same passion in collectors in 40 years' time? Will someone pay \$30m for an iWatch that Justin Bieber wore, or £\$88m for a LaFerrari once tested on the Top Gear circuit by Jeremy Clarkson? Are they the new assets of the future or simply commoditized products that get recycled on the launch of the next generation?

People pay \$17.75m for a watch for precisely the same psychological reason they pay \$38.15m for a Ferrari 250 GTO (publicized sales). It does what it says on the tin, but it does do it a whole lot better...doesn't it?



WMG Supports World X Series

WMG Collectable Car Fund Supported the World X Series Rally for the second time this year as 25 supercars started at Blenheim Palace and made their way to Brighton via the Goodwood Motor Circuit.



WMG will continue to support the World X Series in 2018 on 2 confirmed events – the one day Blenheim Palace to Trafalgar Square via the Cotswolds on 30th June and the London, Paris, Monaco, Barcelona 14th – 16th September. 4 Countries in 3 days with 5 star accommodation, drinks, and dinner parties.

Any drivers interested in joining us on the World X Series rallies or other WMG hosted events, please send us an email at events@wmgfunds.com



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WMG'S DRIVER TESTS THE NEW PORSCHE 991.2 CUP CAR

Silverstone Circuit, UK

WMG's resident racing driver/ car fund manager Richard Hawken tested the new generation Porsche 911 GT3 Carrera Cup Car, dubbed the 991.2 on a cold, misty day at the home of F1, Silverstone Circuit, UK recently.



"Arriving at the circuit I was met with many concerned faces about the conditions which had started off being cold and damp with chilly, misty air. Quite possibly the worst kind of weather for a race car – too wet for slicks, too dry for wets. After a brief chat with the engineers we opted for a wet set up on the suspension (soft) on slick tyres to give the car the best chance of generating heat into the tyre surface and the all-important grip".

After 4 or 5 installation laps scrubbing the new Michelin tyres to work heat into them, Hawken decided it was time to try a flying lap. *"When I went to full throttle for the first time I was impressed by how much more responsive the new car is".* The new generation 991.2 GT3 Cup Car now produces 490bhp and 480nm of torque from its new 4 litre (up from 3.8) flat 6 boxer engine. *"With the reworked chassis and quicker engine, the car is very drivable, particularly out of the corners, you just have to remember the weight is in the rear and beyond the limit they [911's in general] are very unforgiving"*

Hawken's aim post-test is to raise the required sponsorship to campaign a full season with Porsche in 2018.

F1 GEARBOX OR MANUAL, WHICH IS BETTER?

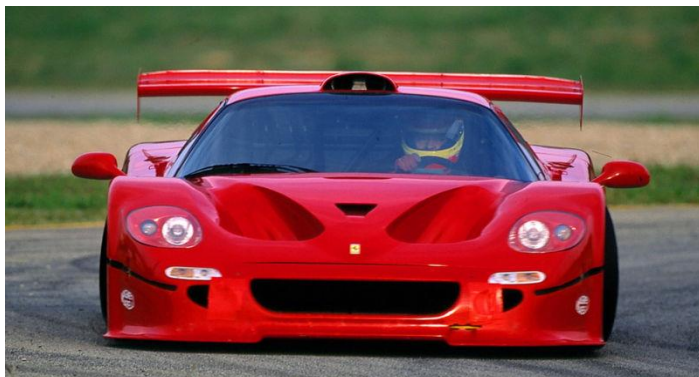
Should we stick with the stick?

20 years ago the Ferrari 355 was *the* car to own if you were doing well and enjoyed a nice drive in the country on a sunny Sunday afternoon. At the time manufactures were introducing F1 styled semi-automatic gearboxes that could change cogs in the blink of an eye. Ferrari did such a good job of persuading new owners F1 semi-auto was the way forward, that a clutch pedal was a thing of the past, that now today 20 years on it's hard to find a 355 manual (don't even mention Spyder). As such they are commanding a hefty premium over the F1's. Currently a same colour, same mileage, same owner car in manual is around 15% more than its F1 gearbox equivalent.

However, with the latest generations there is much less of a choice with most cars being offered with only 1 gearbox option. Fortunately clutch and gearbox technology has advanced considerably to the point where cars can change gear in around 50 to 80 milliseconds, versus a snail-like 500 ms for the average manual driver. The fastest is just 8 ms.

COMING OF AGE, FERRARI'S ROAD LEGAL F1 CAR – F50 SUPERCAR

Ferrari's F50 built to celebrate 50 years of motorsport was for many years considered a flop, partly due to the fact it was slower than the car it replaced and the somewhat controversial styling of the time. The F50 lacked the brutality of the twin turbo V8 in the F40, it also weighed more and utilised air much better which made it on paper, slower. The engine being a normally aspirated 4.7l V12 was considered a step back in time. The chassis however was state-of-the-art made with Cytec aerospace carbon fibre in a monocoque design which everything important then hung or swung off; solid mounted engine and drivetrain weighing just 1400kg.



The engine that debuted in the first of the F50's in 1995 was a revised longer stroke version of the 641 1990 F1 motor. Controversy surrounded the car not taking the F1 championship that year, blame placed on an "incident" between a Ferrari driver and a certain Brazilian gentleman.

Just 349 F50's rolled off the production line in total, 3 of which were made into savagely fast lightweight GT versions, apparently axed for a lack of R&D funding to properly develop the car, though it is reported by supercars.net that the F50 GTs lapped the Ferrari test track as fast as the prototype F1 racers of the day.



Recently demand for the F50 has changed: the cars are now over 20 years old and in demand with collectors who perhaps already own the 288 GTO, F40 and Enzo. 5 years ago a good, low mileage F50 could have been bought for c£350-£400k, even in the holygrail Nero black of which only 4 were produced. 2 Nero cars were shipped to the US and 1 was crashed and written off (carbon doesn't repair easily). We hear the car was repaired unofficially...be warned the lure of a cheap looking Nero F50 - always check chassis numbers with the factory!

A good low mileage (less than 10k) Rosso Corsa car of which there are 302 will now cost you between £2-£2.5m, yes they've had a meteoric rise over the last 5 years away from the casual observer. A black car with less than 5k miles will set you back nearer £3m.

So despite the ambivalence towards the F50 it would seem the car is now a welcome member of the club, good enough for a seat at the top table of the best of the best Ferraris. Given only 349 examples exist, finding one however might be trickier than you think.