With Chevrolet set to unveil the new Corvette C8 ZR1 in 2025, and GM performing strongly in the domestic market, now is an opportune time to analyze and predict stock price patterns for GM. Over the years, GM has successfully launched various car lines, from Camaros to Buick Envisions. Yet, none symbolize Americana quite like the Corvette, a staple since 1953 and now entering its eighth generation. Of all its trims, the ZR1—first introduced in 1970 and only produced intermittently—remains the most coveted among enthusiasts. Given the significant anticipation surrounding this model, this analysis aims to explore how the release of the new ZR1 might impact GM's stock prices.

The ‘ZR1’ package was only available for a handful of years; the last was in 2010 and 2019, so starting from 2010 and onward would be a perfect start. From the first chart, the closing price has been very volatile for almost 15 years. It started very strong at around $40 in 2010, having highs of more than $60 and lows at less than $10. One interesting fact about the stock is that there seems to be a correlation between the year of ZR1 releases and high closing prices. For example, notable highs were in 2010, 2018, & 2019; all years in which a ZR1 or Z51 performance package was made available the same year. The biggest peak, however, happened after 2020, which coincides with the release of the newest generation of the Corvette, the C8. This makes sense because the C8 is the best-selling Corvette in 50 years.

After pulling historical data and making the closing price graph, next was a correlation matrix to show how there’s a strong correlation between open and closed prices. According to the heatmap correlation matrix, the correlation is a strong and positive one, as one increases, the other one also increases. The correlation of 1 between “low” and “high” indicates that there’s a strong correlation between the two, as well as “open” and “close”. The correlation between volume with open, close, low, and high is a low one, indicating that on days with higher trading volume, prices might slightly decrease, but the relationship is very weak.

With both these graphs and alongside their findings, a regression test model was performed. To do so, a predictive linear regression model was constructed to predict the GM stock price. The model showed both actual and predicted values, showing its accuracy. The time range was from July 2021 to January 2024, and the predictive model was very accurate when compared to the actual price. For example, the prediction for July 2022 was around $30 and the actual value was spot on. Both the findings of the correlations and the predictive model can now give us a hypothesis for the effect that the ZR1 price will have on GM stock price.

To put it in Laymen’s terms, there’s a strong indicator that the 2025 ZR1 release will increase the stock price of GM. We have historical precedence from 2010, 2018, and 2019, that it will most likely occur. Also concerning the critically acclaimed and wildly successful of the current generation the C8’s run has had, the closing price for the stock would reach prices even higher than its peak in 2021, which was over $60. In due time, let’s see if that’s right.