



COMMERCIAL TRUCK

OVERALL

TYPE TRENDS

BRAND TRENDS

REGIONAL TRENDS

How is the Price Stability INDEX calculated?

MARKET ACTIVITY	YEAR OVER YEAR		MONTH OVER MONTH		
	MARKET METRICS		MARKET METRICS	PRICE STABILITY INDEX™	
\$6,231,613,866 MARKET VALUE	VALUES	▼ 15.3% FMV ▲ 7.9% FLV	VALUES	▼ 3.4% FMV ▼ 0.2% FLV	
	VOLUME	▲ 65.5% RESALE ▼ 25.8% AUCTION	VOLUME	▲ 0.2% RESALE ▲ 11.8% AUCTION	

MARKET PERFORMANCE

From March to April 2020, average FMV and FLV on the commercial truck market decreased by 3.4% and 0.2%, respectively. In the same timeframe, the overall number of assets increased by about 21.5%, causing the overall market value to rise by 21.9%.

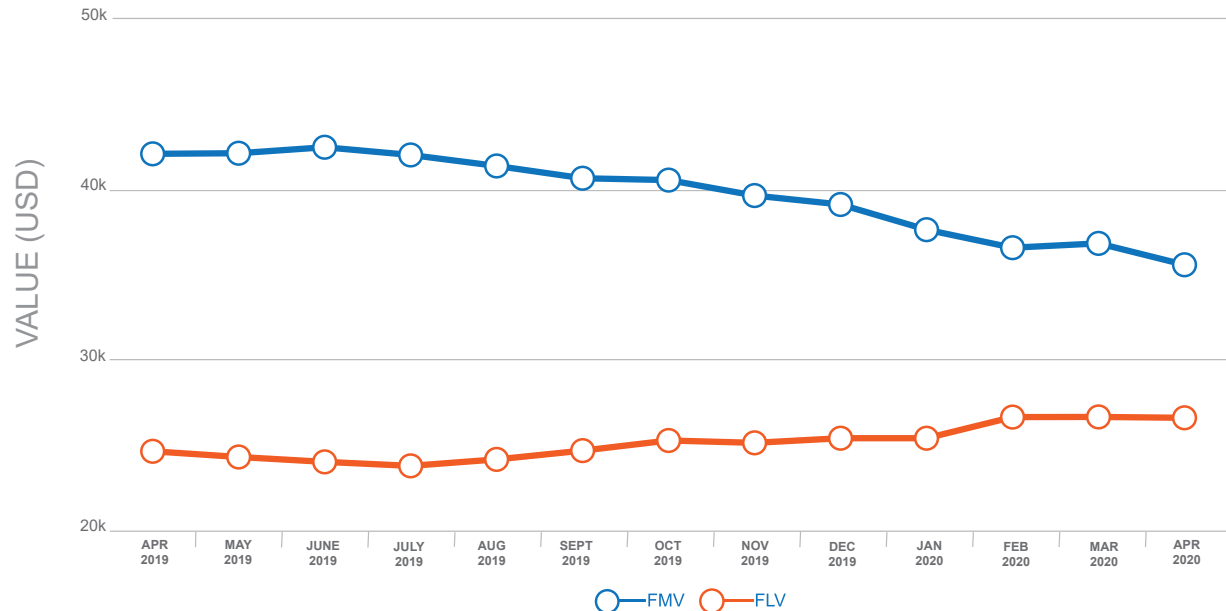
MARKET HIGHLIGHTS

- When comparing April 2019 to 2020, average FMV decreased by 15.3%, while average FLV increased by 7.9%, bringing the two metrics closer together than ever before.
- Average utilization on the auction channel increased 15.4% from March to April 2020, but has fallen 37.4% from April 2019 to April 2020.
- Average age on the auction channel increased by 5.7% month-over-month, while seeing a 33.2% increase year-over-year.

MARKET FORECAST

EquipmentWatch expects to see FMV market activity possibly increase over the next few months.

FMV AND FLV TRENDS



	VOLUME CHANGE		AVERAGE AGE		USAGE	
MONTH OVER MONTH	▲ 0.2% RESALE	▲ 11.8% AUCTION	0.0% RESALE	▲ 5.7% AUCTION	▲ 0.1% RESALE	▲ 15.4% AUCTION
YEAR OVER YEAR	▲ 65.5% RESALE	▼ 25.8% AUCTION	▼ 1.0% RESALE	▲ 33.2% AUCTION	▼ 3.8% RESALE	▼ 37.4% AUCTION



COMMERCIAL TRUCK

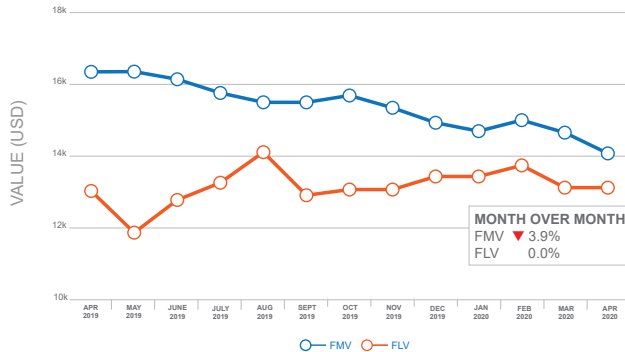
OVERALL

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MEDIUM DUTY CABOVER DAY CAB CHASSIS



Medium duty cabovers saw the largest increase in average utilization on the resale channel between March and April 2020, increasing by 7.3%.

MARKET ACTIVITY MONTH OVER MONTH

▲ 6.2% RESALE
0.0% AUCTION

USAGE TRENDS MONTH OVER MONTH

▲ 7.3% RESALE
0.0% AUCTION

YEAR OVER YEAR

▼ 5.5% RESALE
0.0% AUCTION

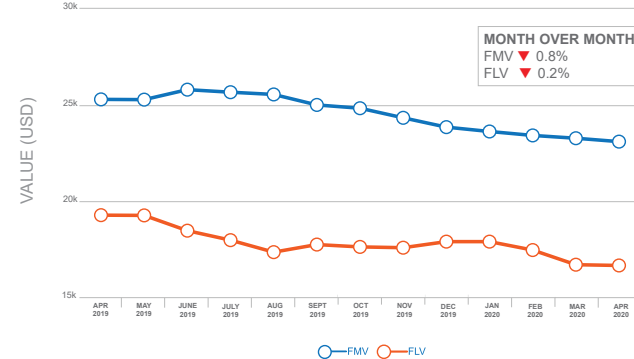
AGE TRENDS MONTH OVER MONTH

▲ 4.5% RESALE
0.0% AUCTION

YEAR OVER YEAR

▲ 47.8% RESALE
0.0% AUCTION

MEDIUM DUTY CONVENTIONAL DAY CAB CHASSIS



FMV market activity for this equipment type was down 9.1% from April 2019 to April 2020.

MARKET ACTIVITY MONTH OVER MONTH

▼ 8.0% RESALE
▼ 50.0% AUCTION

USAGE TRENDS MONTH OVER MONTH

▲ 2.2% RESALE
▲ 14.6% AUCTION

YEAR OVER YEAR

▼ 8.2% RESALE
▼ 1.1% AUCTION

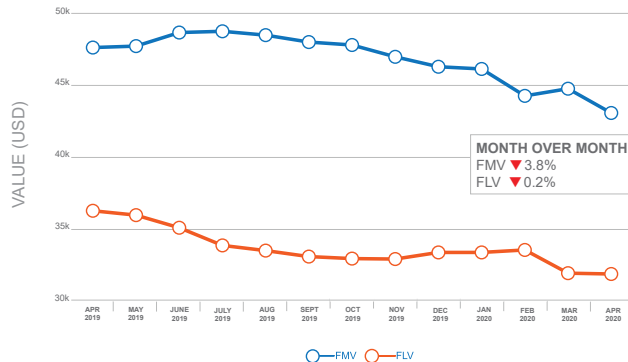
AGE TRENDS MONTH OVER MONTH

▲ 2.4% RESALE
▼ 4.8% AUCTION

YEAR OVER YEAR

▼ 5.0% RESALE
▲ 32.9% AUCTION

HEAVY DUTY CONVENTIONAL DAY CAB CHASSIS



From March to April 2020, this equipment had the largest decrease in average age on the resale channel, dropping by 1.4%.

MARKET ACTIVITY MONTH OVER MONTH

▲ 6.7% RESALE
▲ 1.6% AUCTION

USAGE TRENDS MONTH OVER MONTH

▼ 0.5% RESALE
▼ 2.1% AUCTION

YEAR OVER YEAR

▲ 2.8% RESALE
▼ 27.1% AUCTION

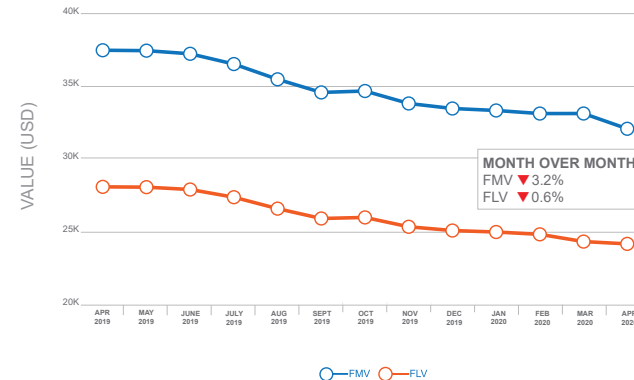
AGE TRENDS MONTH OVER MONTH

▼ 1.4% RESALE
▼ 10.7% AUCTION

YEAR OVER YEAR

▼ 8.0% RESALE
▲ 4.8% AUCTION

HEAVY DUTY CONVENTIONAL DAY CAB TRACTOR



Heavy duty day cab tractors had the largest year-over-year increase in FMV market activity of any of the six equipment types, rising 53.5% from April 2019 to April 2020.

MARKET ACTIVITY MONTH OVER MONTH

▲ 3.3% RESALE
▲ 54.2% AUCTION

USAGE TRENDS MONTH OVER MONTH

▼ 2.6% RESALE
▲ 15.6% AUCTION

YEAR OVER YEAR

▼ 15.6% RESALE
▼ 30.5% AUCTION

AGE TRENDS MONTH OVER MONTH

▼ 1.1% RESALE
▼ 20.5% AUCTION

YEAR OVER YEAR

▼ 19.4% RESALE
▲ 4.3% AUCTION



POWERED BY Price Digests

COMMERCIAL TRUCK

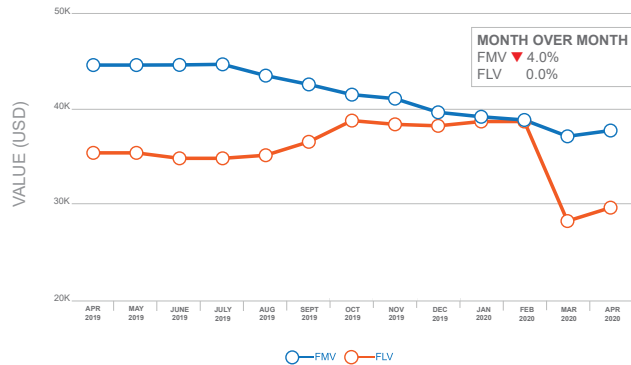
OVERALL

TYPE TRENDS

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REGIONAL TRENDS

HEAVY DUTY CONVENTIONAL SLEEPER TRACTOR



Average age for heavy duty sleepers increased by 16.7% on the auction channel from March to April 2020.

MARKET ACTIVITY MONTH OVER MONTH

▼ 0.9% RESALE
▼ 50.0% AUCTION

USAGE TRENDS MONTH OVER MONTH

0.0% RESALE
0.0% AUCTION

YEAR OVER YEAR

▼ 1.3% RESALE
▼ 81.0% AUCTION

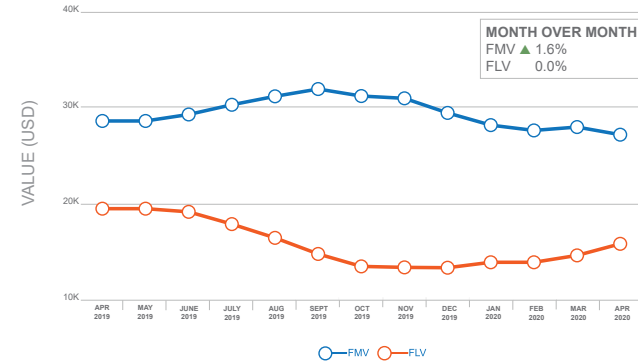
AGE TRENDS MONTH OVER MONTH

▲ 0.4% RESALE
▲ 16.7% AUCTION

YEAR OVER YEAR

▲ 1.0% RESALE
▲ 21.4% AUCTION

MEDIUM DUTY CREW CAB CHASSIS



This truck type was the only one to see a decrease in year-over-year FMV market activity, falling by over 22%.

MARKET ACTIVITY MONTH OVER MONTH

▼ 0.8% RESALE
0.0% AUCTION

USAGE TRENDS MONTH OVER MONTH

▲ 0.4% RESALE
0.0% AUCTION

YEAR OVER YEAR

▲ 5.1% RESALE
0.0% AUCTION

AGE TRENDS MONTH OVER MONTH

▲ 0.1% RESALE
0.0% AUCTION

YEAR OVER YEAR

▲ 11.9% RESALE
0.0% AUCTION



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REGIONAL TRENDS

MARKET DATA: APRIL 2020

MONTH OVER MONTH ANALYSIS

\$6,231,613,866

138,795

MARKET VALUE

ASSETS

MARKET PERFORMANCE

Average FMV and FLV decreased across all six brands with the exception of Hino, whose average FMV increased by 0.1% from March to April 2020.

MARKET HIGHLIGHTS

- From April 2019 to April 2020, FMV market activity increased across all six brands with Hino and Kenworth having the largest increases of 160% and 171.5%, respectively.
- Average age on the resale channel for all six brands remained relatively unchanged month-over-month, while Peterbilt saw a 17% year-over-year drop.
- Volvo saw the largest increase in average utilization on the auction channel, rising significantly by 569.8% from March to April 2020.

MARKET FORECAST

EquipmentWatch expects FMV market activity to possibly see continued growth next month, which could cause average FMVs to continue to slowly decline.

FREIGHTLINER

VALUE TRENDS

▼ 3.3% FMV ▼ 3.4% FLV

USAGE TRENDS

▲ 4.1% RESALE ▼ 19.7% AUCTION

MARKET ACTIVITY

▲ 0.8% RESALE ▼ 20.7% AUCTION

AGE TRENDS

▼ 0.2% RESALE ▼ 4.2% AUCTION

HINO

VALUE TRENDS

▲ 0.1% FMV ▲ 0.1% FLV

USAGE TRENDS

▲ 1.8% RESALE 0.0% AUCTION

MARKET ACTIVITY

▼ 4.3% RESALE 0.0% AUCTION

AGE TRENDS

▲ 1.2% RESALE 0.0% AUCTION

INTERNATIONAL

VALUE TRENDS

▼ 3.3% FMV ▼ 3.3% FLV

USAGE TRENDS

▼ 0.9% RESALE ▲ 62.1% AUCTION

MARKET ACTIVITY

▲ 2.0% RESALE ▼ 11.5% AUCTION

AGE TRENDS

▼ 0.7% RESALE ▼ 8.0% AUCTION

KENWORTH

VALUE TRENDS

▼ 3.2% FMV ▼ 3.3% FLV

USAGE TRENDS

▼ 0.4% RESALE ▼ 16.0% AUCTION

MARKET ACTIVITY

0.0% RESALE ▲ 33.3% AUCTION

AGE TRENDS

▲ 2.3% RESALE ▼ 18.1% AUCTION

PETERBILT

VALUE TRENDS

▼ 3.2% FMV ▼ 3.1% FLV

USAGE TRENDS

▼ 2.2% RESALE ▲ 10.9% AUCTION

MARKET ACTIVITY

▲ 5.3% RESALE ▲ 56.9% AUCTION

AGE TRENDS

▼ 3.1% RESALE ▼ 25.7% AUCTION

VOLVO

VALUE TRENDS

▼ 4.5% FMV ▼ 4.5% FLV

USAGE TRENDS

▲ 2.0% RESALE ▲ 569.8% AUCTION

MARKET ACTIVITY

▼ 14.4% RESALE ▲ 0.0% AUCTION

AGE TRENDS

▼ 1.4% RESALE ▲ 64.1% AUCTION



COMMERCIAL TRUCK

OVERALL

TYPE TRENDS

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REGIONAL TRENDS

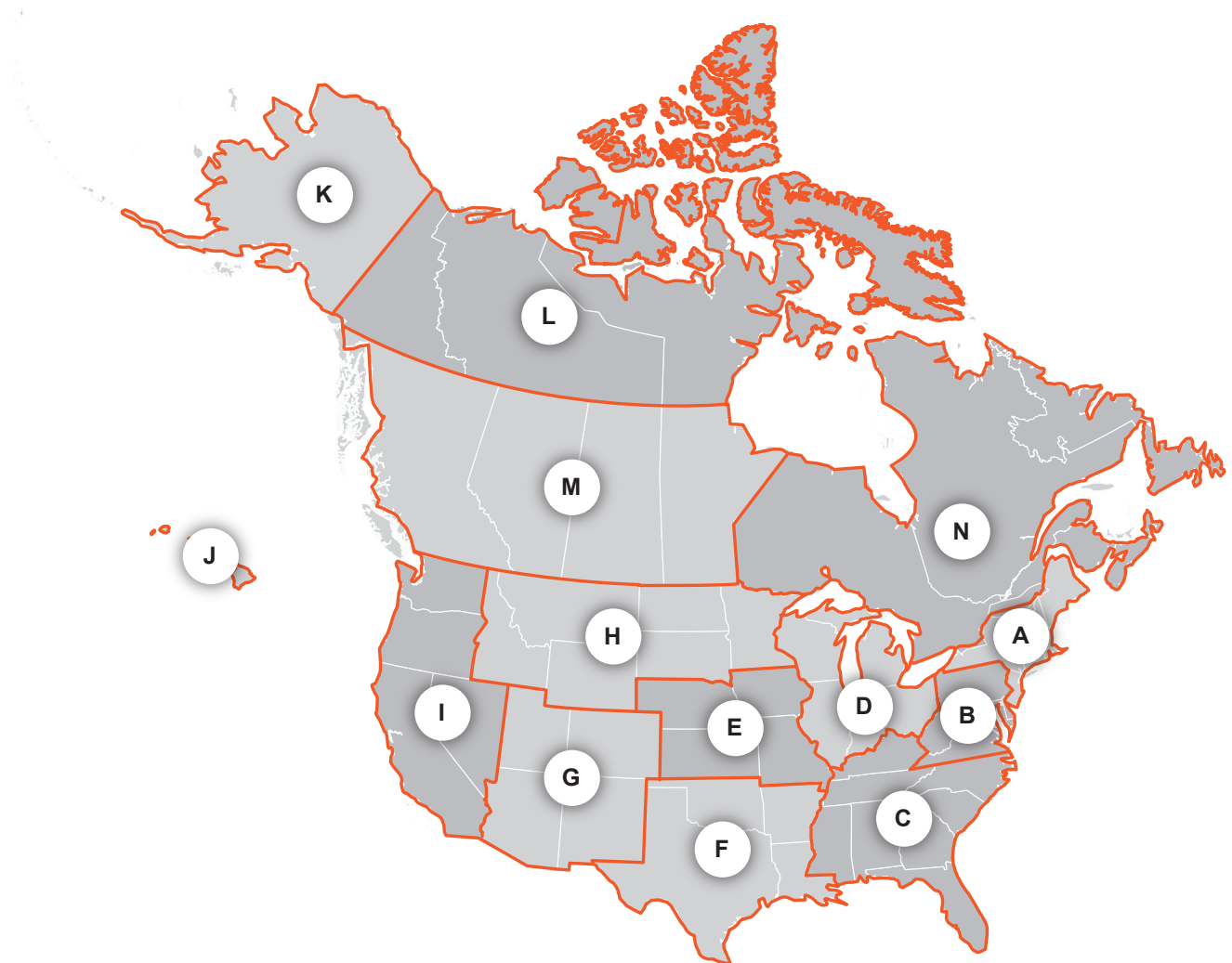
Every region was deflated in April, which was due to a large decrease in average FMVs. Region H had the lowest Price Stability Index™ of 96.68, while region A had the highest at 97.59.

EQUIPMENTWATCH PRICE STABILITY INDEX BY REGION

Region	Price Stability INDEX	Description
A	97.59	Deflated
B	97.27	Deflated
C	97.16	Deflated
D	96.99	Deflated
E	96.83	Deflated
F	96.96	Deflated
G	96.73	Deflated
H	96.68	Deflated
I	97.18	Deflated
J	NA*	NA*
K	NA*	NA*
L	NA*	NA*
M	97.06	Deflated
N	97.18	Deflated

*Insufficient data. See Appendix for explanation.

*See Appendix for regions.





APPENDIX

INTRODUCTION

The Truck Blue Book Commercial Truck Report is a compilation of a wide array of Truck Blue Book's data, designed to bring you an in-depth look at used equipment markets over the last month.

This Appendix is designed to answer your questions regarding this report. Here we define and illustrate how we think about values, market activity, age, usage, and regional influence for the most common types of commercial trucks seen on used markets across North America.

OUR DATA

Selection Criteria for OEMs and Subtypes

Price Digests tracks Resale and Auction prices and activity for over 920 models across 38 manufacturers throughout North America. With over \$93 billion in observed equipment transactions, Truck Blue Book is your primary source for intelligence regarding the used commercial truck market.

The data in this report is divided into the top six truck types based on their market share from January 2019 to December 2019. They're listed in the table to the right.

Commercial Trucks

Heavy Duty: Conventional - Sleeper (Heavy Tractor)
Heavy Duty: Conventional - Day Cab (Heavy Tractor)
Heavy Duty: Conventional - Day Cab (Heavy Cab Chassis)
Medium Duty: Conventional - Day Cab (Cab Chassis)
Medium Duty: Cabover - Day Cab (Cab Chassis)
Medium Duty: Crew (Cab Chassis)

We have also limited the scope of the EquipmentWatch Market Report to the following brands in each market:

Commercial Truck

International
Freightliner
Volvo
Kenworth
Peterbilt
Hino



APPENDIX

THE PRICE STABILITY INDEX™

Academic justification

The Price Stability Index™ is a new metric for understanding the market for used commercial trucks. It measures resale price variations based on the movement of market prices and market activity among the equipment types and manufacturers presented above.

Methodology and Calculation

The Price Stability Index™ is based on the Laspeyres Index, one of the many economic indices used to monitor changes in prices over time. To calculate it, we use the framework provided by the Laspeyres Index:

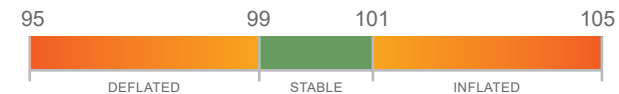
$$P_L = \frac{\sum(p_{c,t_n}) * (q_{c,t_0})}{\sum(p_{c,t_0}) * (q_{c,t_0})}$$

This equation sums the product of prices in the current month and quantity of the previous month and divides that by the product of prices in the previous month and quantity in the previous month.

We have modified this method to track the change in prices for each equipment type from month-to-month against the change in market activity for each equipment type month to month.

Interpretation

The Price Stability Index™ can be thought of as an index of price capacity. In more formal terms, it measures how efficiently used markets adjust to equilibrium given previous levels of prices and market activity. There are three primary ranges in the Price Stability Index™, as noted below:



When the Price Stability Index™ is higher than 101, that indicates that equipment is valued at a higher level than expected, given last month's prices and amount of market activity. We categorize this range as "Inflated".

When the Price Stability Index™ is lower than 99, it indicates that equipment is valued at a lower level than expected, given last month's prices and market activity. We categorize this range as "Deflated".

When the Price Stability Index™ is between 99 and 101, it is typically demonstrating that equipment prices and market activity are moving appropriately towards market equilibrium. We categorize this range as "Stable".

It is important to note that a higher rating on the Price Stability Index™ does not necessarily imply that used markets are better than a lower rating. For some, price inflation is desirable; for others, it is undesirable. However, all parties involved in buying or selling equipment on used markets can use the Price Stability Index™ to easily understand how prices in a particular region or equipment market are moving relative to the previous month.



APPENDIX

SECTION GUIDES

Overall Trends

This page is an overview of each market. The graph highlights an overall FMV and FLV trend line for all of the equipment types and manufacturers in the report for the last 13 months. It also displays very general month over month and year over year trends across the entire market.

Type Trends

This page subsets the analysis of the previous page across each of the key equipment types in this report.

Brand Trends

This page shows some of the key month over month trends for the manufacturers represented in this report, including equipment values, usage, market activity, and age trends.

Regional Trends

This page shows the Price Stability Index™ for each of the 14 regions, using the same calculation method as the Price Stability Index™ shown on the first page of the report. The states and provinces which make up each region are listed in the table below.

Note that due to regional disparity in market activity, some regions with very little or no market activity in the last month are excluded from the analysis. These are marked with “NA” on the map.

Country	Region	State/Province
USA	A	CT, DE, MA, ME, NH, NJ, MY, RI, VT
USA	B	MD, P, VA, WV
USA	C	AL, FL, GA, KY, MS, NC, SC, TN
USA	D	IL, IN, MI, OH, WI
USA	E	IA, KS, MO, NE
USA	F	AR, LA, OK, TX
USA	G	AZ, CO, NM, UT
USA	H	ID, MN, MT, ND, SD, WY
USA	I	CA, NV, OR, WA
USA	J	HI
USA	K	AK
CAN	L	NT, NU, YT
CAN	M	AB, BC, MB, SK
CAN	N	NB, NL, NS, ON, PE, QC



APPENDIX

FAQS

Why did you limit the equipment types in this report?

Truck Blue Book tracks activity for over twenty unique equipment types each month. For the truck market, we selected the most popular equipment types, based on the frequency of appearance on the resale and auction channels.

Why are there only 6 manufacturers in this report?

Truck Blue Book tracks market activity for 38 unique manufacturers each month. We selected the top 6 manufacturers. As the markets shift and prominence on used changes, we will adjust our selections accordingly.

Why don't you use OLV?

Orderly Liquidation Value, or OLV, is a third major category of values. These are the values of an asset given a single seller and multiple potential buyers given a long or indefinite timeframe in which to dispose. Given the lack of clarity around the time dimension, we have chosen not to make assumptions about the orderly liquidation process. However, OLV is typically between FLV and FMV in gross value.

IMPORTANT DEFINITIONS

Fair Market Value (FMV): the value of an asset sold to a single buyer under no compulsion.

Forced Liquidation Value (FLV): the value of an asset sold at a properly advertised and conducted auction in which the seller is under compulsion to sell on an as-is, where-is basis as of a specific date.

Market Activity: A measure of the total number of observations collected by Truck Blue Book, including publicly-available dealer listings, auction results, and final sales data.

Meter Reads: A measure of usage that varies by equipment market. For most equipment types, this represents engine hours at the time of observation

Age: the age of an asset, based on model year and the year of observation.

ABOUT TRUCK BLUE BOOK AND PRICE DIGESTS

Truck Blue Book is the trusted source for commercial truck data and intelligence. Truck Blue Book produces the leading business-to-business valuations for dealers, insurance, government, financial and tax professionals. Since 1928, Truck Blue Book has served as an industry leader in truck values powered by big-data.

For over 100 years, Price Digests has served the vehicle data and risk mitigation needs of the insurance, finance, government, and dealer markets through its portfolio of Values, VIN and Specs data solutions for the commercial truck, automobile, boat, powersport, and recreational vehicle asset classes.

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