



COMMERCIAL TRUCK

OVERALL

TYPE TRENDS

BRAND TRENDS

REGIONAL TRENDS

How is the Price Stability INDEX calculated?

MARKET ACTIVITY

\$5,473,316,524
MARKET VALUE

124,873
ASSETS

YEAR OVER YEAR

MARKET METRICS

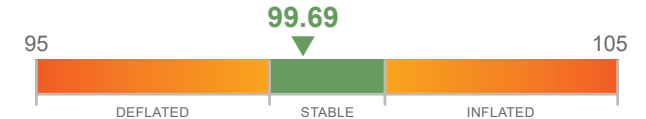
VALUES ▼ **18.5%** FMV ▼ **1.1%** FLV
VOLUME ▲ **26.7%** RESALE ▼ **19.5%** AUCTION

MONTH OVER MONTH

MARKET METRICS

VALUES ▼ **0.6%** FMV ▼ **0.2%** FLV
VOLUME ▲ **6.7%** RESALE ▼ **76.3%** AUCTION

PRICE STABILITY INDEX™



MARKET PERFORMANCE

The overall market value continued to increase from June to July, rising by 6.5% while the total number of assets increased by about 7.0% over the same time period.

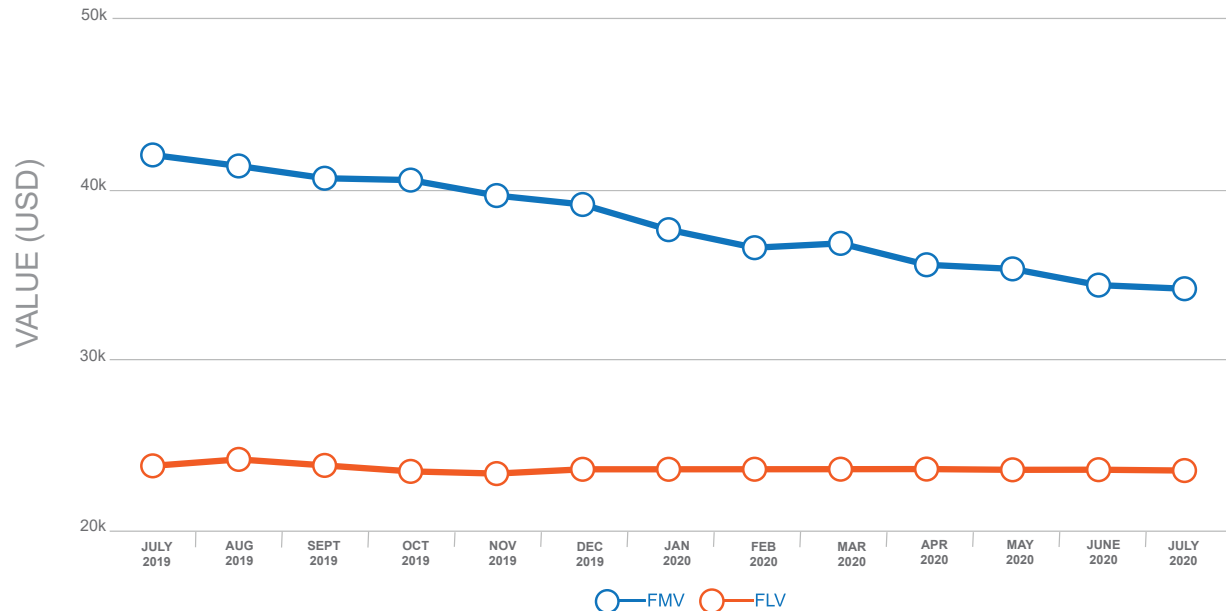
MARKET HIGHLIGHTS

- From June to July, average FMV and FLV remained relatively stable; however, when compared to July 2019 average FMV decreased by 18.5%.
- Both channels saw a month-over-month increase in average age; resale increased by 2.7% and auction by 9.2%.
- Average utilization also increased from June to July on the resale and auction channels, rising by 0.9% and 6.1%, respectively.

MARKET FORECAST

When looking towards August, we could see overall market activity to continue to increase, while average values could remain stable.

FMV AND FLV TRENDS



	VOLUME CHANGE		AVERAGE AGE		USAGE	
MONTH OVER MONTH	▲ 6.7% RESALE	▼ 76.3% AUCTION	▲ 2.7% RESALE	▲ 9.2% AUCTION	▲ 0.9% RESALE	▲ 6.1% AUCTION
YEAR OVER YEAR	▲ 26.7% RESALE	▼ 19.5% AUCTION	▼ 3.3% RESALE	▲ 12.5% AUCTION	▼ 2.9% RESALE	▲ 7.1% AUCTION



POWERED BY Price Digests

COMMERCIAL TRUCK

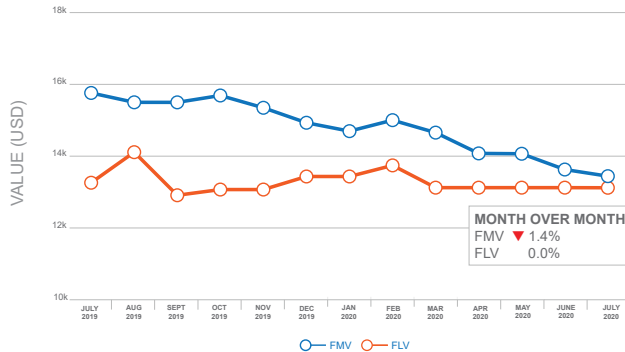
OVERALL

TYPE TRENDS

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REGIONAL TRENDS

MEDIUM DUTY CABOVER DAY CAB CHASSIS



Average utilization for these trucks increased the most on the resale channel, rising 21.9% from June to July. However, they also decreased the most year-over-year with a drop of -9.0%.

MARKET ACTIVITY MONTH OVER MONTH

▼ 15.4% RESALE ▼ 83.3% AUCTION

USAGE TRENDS MONTH OVER MONTH

▲ 21.9% RESALE 0.0% AUCTION

YEAR OVER YEAR

▼ 9.0% RESALE 0.0% AUCTION

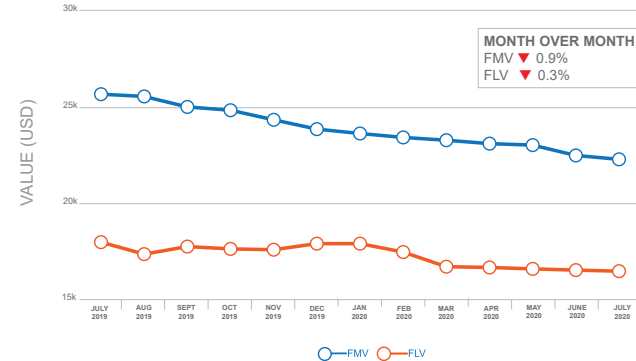
AGE TRENDS MONTH OVER MONTH

▼ 10.7% RESALE ▲ 20.0% AUCTION

YEAR OVER YEAR

▲ 0.1% RESALE ▼ 4.0% AUCTION

MEDIUM DUTY CONVENTIONAL DAY CAB CHASSIS



These medium duty trucks had the highest month-over-month increase in FMV market activity, rising 27.8% from June to July.

MARKET ACTIVITY MONTH OVER MONTH

▲ 27.8% RESALE ▼ 85.3% AUCTION

USAGE TRENDS MONTH OVER MONTH

▲ 8.4% RESALE ▼ 13.6% AUCTION

YEAR OVER YEAR

▼ 6.3% RESALE ▼ 2.0% AUCTION

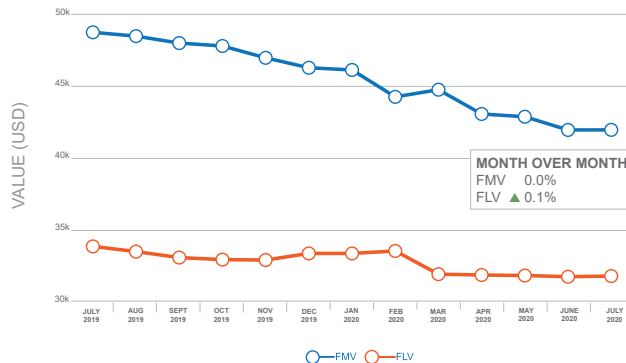
AGE TRENDS MONTH OVER MONTH

▼ 2.5% RESALE ▲ 27.3% AUCTION

YEAR OVER YEAR

▼ 0.7% RESALE ▲ 35.5% AUCTION

HEAVY DUTY CONVENTIONAL DAY CAB CHASSIS



From June to July, average age and utilization on the resale channel decreased, dropping by 3.5% and 8.7%, respectively.

MARKET ACTIVITY MONTH OVER MONTH

▼ 8.6% RESALE ▼ 79.7% AUCTION

USAGE TRENDS MONTH OVER MONTH

▼ 3.5% RESALE ▲ 14.1% AUCTION

YEAR OVER YEAR

▲ 3.0% RESALE ▲ 16.2% AUCTION

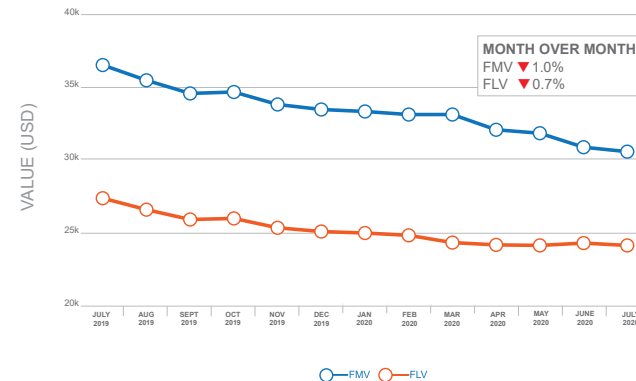
AGE TRENDS MONTH OVER MONTH

▼ 8.7% RESALE ▲ 6.1% AUCTION

YEAR OVER YEAR

▲ 6.2% RESALE ▲ 26.4% AUCTION

HEAVY DUTY CONVENTIONAL DAY CAB TRACTOR



Average age on the auction channel decreased by 10.2% month-over-month for these heavy duty tractors, but was up 4.1% when compared to July 2019.

MARKET ACTIVITY MONTH OVER MONTH

▲ 6.9% RESALE ▼ 72.0% AUCTION

USAGE TRENDS MONTH OVER MONTH

▲ 5.8% RESALE ▲ 0.7% AUCTION

YEAR OVER YEAR

▼ 3.8% RESALE ▼ 3.3% AUCTION

AGE TRENDS MONTH OVER MONTH

▼ 10.2% RESALE ▲ 6.2% AUCTION

YEAR OVER YEAR

▲ 4.1% RESALE ▲ 9.1% AUCTION



COMMERCIAL TRUCK

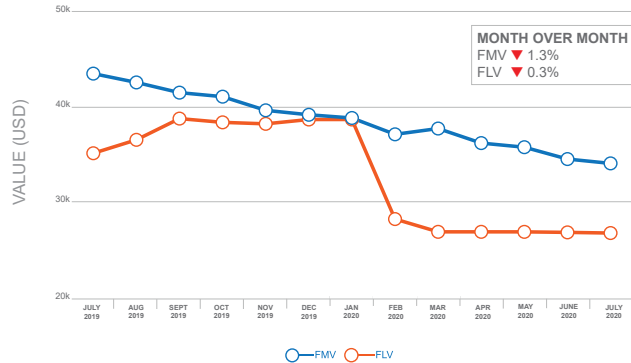
OVERALL

TYPE TRENDS

BRAND TRENDS

REGIONAL TRENDS

HEAVY DUTY CONVENTIONAL SLEEPER TRACTOR



These Sleeper Tractors were the only equipment type to experience a decrease in average age on the auction channel, dropping 5.7% from June to July.

MARKET ACTIVITY MONTH OVER MONTH

▲ 11.0% RESALE
▼ 82.1% AUCTION

USAGE TRENDS MONTH OVER MONTH

▼ 3.6% RESALE
▲ 19.8% AUCTION

YEAR OVER YEAR

▼ 5.0% RESALE
▲ 12.5% AUCTION

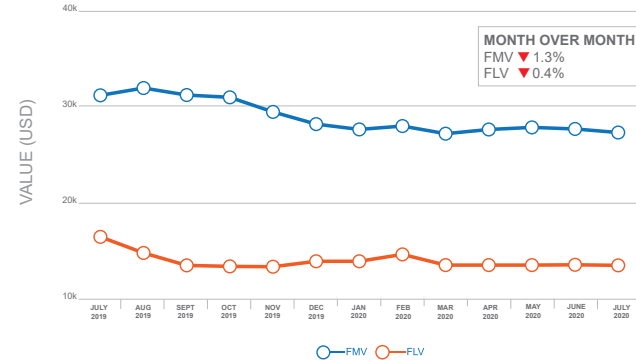
AGE TRENDS MONTH OVER MONTH

▲ 4.8% RESALE
▼ 5.7% AUCTION

YEAR OVER YEAR

▲ 0.7% RESALE
▼ 30.9% AUCTION

MEDIUM DUTY CREW CAB CHASSIS



These trucks saw the largest month-over-month drop (-16.3%) in FMV market activity and the only decrease (-39.2%) year-over-year.

MARKET ACTIVITY MONTH OVER MONTH

▼ 16.3% RESALE
▼ 28.6% AUCTION

USAGE TRENDS MONTH OVER MONTH

▼ 3.4% RESALE
▼ 18.0% AUCTION

YEAR OVER YEAR

▼ 1.0% RESALE
▼ 15.8% AUCTION

AGE TRENDS MONTH OVER MONTH

▲ 23.3% RESALE
▲ 31.7% AUCTION

YEAR OVER YEAR

▲ 3.2% RESALE
▼ 0.4% AUCTION



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OVERALL

TYPE TRENDS

BRAND TRENDS

REGIONAL TRENDS

MARKET DATA: JUNE 2020

\$5,473,316,524

MARKET VALUE

124,873

ASSETS

MONTH OVER MONTH ANALYSIS

MARKET PERFORMANCE

Average FLV and FMV remained fairly stable across all six brands from June to July with the largest decrease being -1.0% and the only increase being 0.1%.

MARKET HIGHLIGHTS

- Peterbilt showed the largest increase in FMV market activity, rising 29.1% from June to July; meanwhile Kenworths decreased the most, dropping 16.7% in the same timeframe.
- Average age on the auction channel increased month-over-month for all brands except Kenworth, which declined by 16.5%.
- From June to July, Hino saw the largest increase (5.6%) in average utilization on the resale channel, while Freightliners saw the largest decrease (-22.6%).

MARKET FORECAST

We predict average FMV and FLV could continue to decrease slightly or remain stable in the next month, while market activity should pick up across most brands.

FREIGHTLINER

VALUE TRENDS

▼ 0.9% FMV ▼ 0.2% FLV

USAGE TRENDS

▼ 22.6% RESALE ▲ 19.8% AUCTION

MARKET ACTIVITY

▲ 20.9% RESALE ▼ 65.7% AUCTION

AGE TRENDS

▲ 2.0% RESALE ▲ 9.6% AUCTION

HINO

VALUE TRENDS

▼ 0.9% FMV ▼ 0.3% FLV

USAGE TRENDS

▲ 5.6% RESALE ▲ 11.9% AUCTION

MARKET ACTIVITY

▼ 5.8% RESALE ▼ 93.7% AUCTION

AGE TRENDS

▼ 1.0% RESALE ▲ 19.2% AUCTION

INTERNATIONAL

VALUE TRENDS

▲ 0.1% FMV ▼ 0.1% FLV

USAGE TRENDS

▼ 3.0% RESALE ▲ 12.2% AUCTION

MARKET ACTIVITY

▼ 2.7% RESALE ▼ 67.3% AUCTION

AGE TRENDS

▲ 10.4% RESALE ▲ 4.4% AUCTION

KENWORTH

VALUE TRENDS

▼ 1.0% FMV ▼ 0.2% FLV

USAGE TRENDS

▼ 1.1% RESALE ▼ 26.6% AUCTION

MARKET ACTIVITY

▼ 16.7% RESALE ▼ 89.4% AUCTION

AGE TRENDS

▼ 9.3% RESALE ▼ 16.5% AUCTION

PETERBILT

VALUE TRENDS

▼ 0.9% FMV ▼ 0.2% FLV

USAGE TRENDS

▲ 5.0% RESALE ▼ 15.4% AUCTION

MARKET ACTIVITY

▲ 29.1% RESALE ▼ 73.6% AUCTION

AGE TRENDS

▼ 11.7% RESALE ▲ 12.5% AUCTION

VOLVO

VALUE TRENDS

▼ 0.6% FMV ▼ 0.3% FLV

USAGE TRENDS

▲ 1.0% RESALE ▼ 2.2% AUCTION

MARKET ACTIVITY

▲ 13.9% RESALE ▼ 85.6% AUCTION

AGE TRENDS

▲ 9.8% RESALE ▲ 20.2% AUCTION



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REGIONAL TRENDS

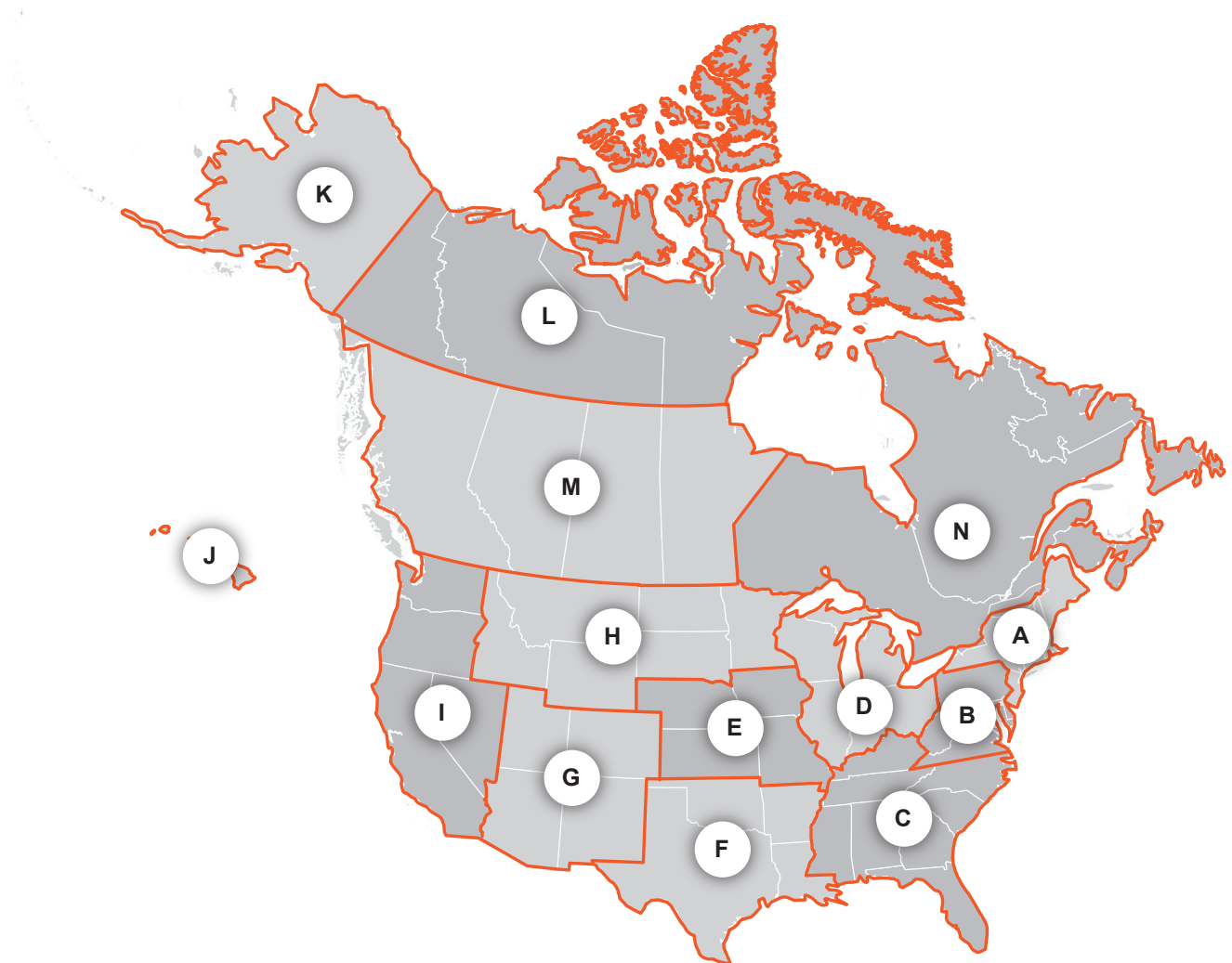
After a month of deflation across the board, our analysis shows indices for all regions were stable for the month of July. Region G had the highest Price Stability Index™ of 99.82, while region A was the lowest at 99.46.

EQUIPMENTWATCH PRICE STABILITY INDEX BY REGION

Region	Price Stability INDEX	Description
A	99.46	Stable
B	99.55	Stable
C	99.65	Stable
D	99.72	Stable
E	99.80	Stable
F	99.71	Stable
G	99.82	Stable
H	99.79	Stable
I	99.70	Stable
J	NA*	NA*
K	NA*	NA*
L	NA*	NA*
M	99.60	Stable
N	99.63	Stable

*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:

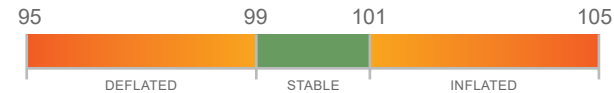
$$P_L = \frac{\sum(p_{c,t_n}) * (q_{c,t_0})}{\sum(p_{c,t_0}) * (q_{c,t_0})}$$

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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