

# THE TRUCK BLUE BOOK® Commercial Truck Monthly Report

September 2015 in Review | Released October 2015

## Contents

- September at a Glance
- Regional Trends
- Age Trends
- Heavy Duty
  - Prices, Top Models
  - Prices, Top Makes
  - Age Analysis
- Medium Duty
  - Prices, Top Models
  - Prices, Top Makes
  - Age Analysis

September showed resale prices drop for heavy duty, which drove the overall market downward for the month. Medium duty however was up from August after the drop last month. Volume was down after the large increase in August bringing the number of trucks on the market down closer to the amount seen the remainder of this year. Auction prices were down for both heavy and medium duty trucks, but the volume was up significantly month over month.

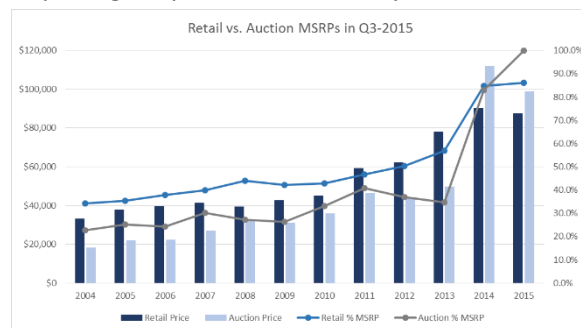
- Volume continues to soar on the auction market for both heavy and medium duty markets.
- Medium duty auction prices saw a decrease after last month's large jump while heavy duty shows the fourth consecutive drop month over month.
- Q3 pricing fell short of Q2 averages on the resale market continuing to drop in September.

## September at a Glance

During September, prices were down 2.8% from August on the overall class 4-8 market. The heavy resale pricing was down 2.7% from August. Medium duty resale prices were up only 0.4% month over month. There was a large shift in volume thus causing the drop in pricing despite a medium duty increase. Resale volume was down 28% in

September after a large jump in August. The August jump was due to a very slow July and the drop in September resulted in volume much closer to averages at the start of the year. Heavy duty resale volume was down 29.1%

while medium was down 20.2%. Auction prices were also down in September with prices 6.1% below August values. The heavy duty pricing was down only 5.5%, which is quite small in comparison to the 20.6% drop in medium duty auction prices. Most of these price drops can be attributed to the large increases in volume on both markets. The overall auction market was up 37% in volume during September resulting primarily from the 38.7% increase in heavy duty trucks with a 24.5% increase on medium duty.

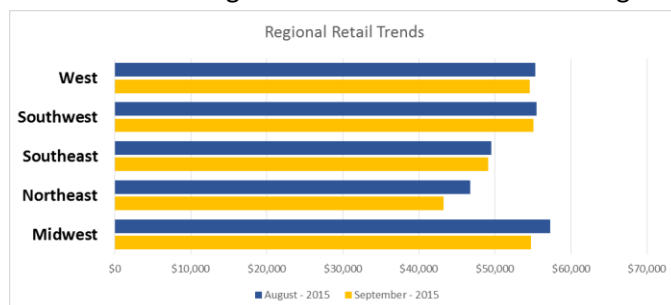


July resale prices were up 7.4% this past month in comparison to September of 2014 with a drop of 3.3% for heavy duty and an increase of 12.5% for medium duty resale prices. The resale volume was also up compared to 2014 ending September 28.4% above 2014. Auction prices were down 33.1% this September compared to last year which was primarily caused by heavy duty auction prices being down 36.8% year over year. Medium duty auction prices were actually up 9.1% compared to 2014. Not only was auction pricing down in September 2015 compared to 2014, but volume was down as well showing a 23.2% drop.

With Q3 ending in September, resale prices were down 11.6% in comparison to Q2. Heavy duty specifically were down 10.1% with medium duty down only 3.9%. Again, due to the shift in volume the overall market drop was impacted more heavily. The medium duty truck prices were up 11.9% from Q3 2014 and heavy duty were down 2.1%. This left the overall commercial truck market up 2.2% from Q3 2014. The resale volume for Q3 was up 2.4% overall due to medium duty almost doubling in the number of trucks available for sale. Heavy duty volume however was down 5.4% for the quarter. Overall, Q3 2015 ended 33.9% above Q3 2014 with heavy duty up 46.3% and medium duty down 9.2%. Auction prices for the quarter were down 18.5% driven by the heavy duty market down 21.3% while medium duty was up 8.3%. Auction volume like resale was also up for Q3 showing an overall increase of 43.7% highly due to Q2 being the slowest quarter in a 3 year span. Heavy duty was up 48.6% for the quarter and medium was up 10.6%.

## Regional Trends

With overall prices down in September, it should come as no surprise that all five regions showed decreases this past month. The Midwestern region of the US was down 4.4%, which was 5.5% above the national average for the month. Northeast was down 7.7% being the lowest priced region falling 16.8% below the national average. The Southeast was down 0.9% in September, which resulted in being 5.4% below the national average. The Southwest was down only 0.8% being the highest priced region 6.1% above the national average. Lastly, the West was down 1.3% for the month, which was 5.2% above the national average. In terms of volume all five regions were down as well. The Midwest was down



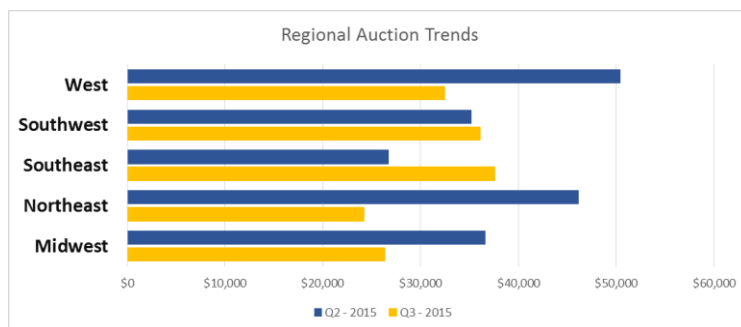
31.7% followed by the Southeast at 31.8%. The remaining regions showed much more similar drops with the Northeast down 22.4%, Southwest down 23.9%, and the West down 23.1%. Comparing Q3 2015 Q2, the regions were down in pricing overall and on heavy duty with only one increase for medium duty. The Midwest was down 6.6%, Northeast 11%,

Southeast 9.3%, Southwest 10.8%, and the West 9.5% below Q2. Both the Southeast and Northeast fell below the national average while the remaining regions ranged between 4% and 6.5% above the national average. Looking at heavy duty resale prices alone the Midwest was down 5.4% resulting in prices 5% above the national average. The Northeast was down 11% falling 12% below national averages, Southeast down 7.9%, Southwest down 8.8%, and the West down 7.3% for the quarter. Four

of the five regions were down in price on the medium duty market with the only exception being the Northeast up 4.2% ending the quarter 2% above the national average. Even though this was the only region with a price increase this quarter, the highest priced region was the Southwest landing 5.7% above the national average. Even though prices were down on the resale market for both September and Q3, they were up compared to September of 2014. All five regions were up year over year ranging between 0.1% in the Southwest to 12.7% in the Northeast. Volume was also up compared to 2014 with the largest increase in the West and the smallest increase being 2% in the Northeast.

Both heavy and medium duty auction prices were down during September resulting in a drop for four of the five regions. The largest drop was in the West down 36.7% from August.

The Midwest was down 16.9%, the Southeast down only 1%, and the Southwest showed the only increase at 22.3%. In terms of market activity in September for trucks at auction, the Midwest was up more than triple that of August and the Southeast was up

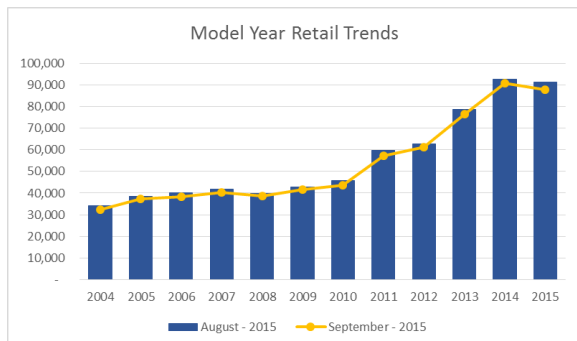


four times the number of trucks. The Southwest and West were down though at 79.4% and 47.1% respectively. Q3 prices also varied compared to Q2. The Midwest was down 28% falling 19% below the national average. The Northeast down 47.5% was 20.8% the national average. The Southeast and Southwest were both the only regions to increase in price between quarters up 40.6% and 2.7% respectively. The West however saw a large drop at 35.5% still only falling 0.1% below the national average. Heavy duty auction prices were down 29.8% in the Midwest, 54.1% in the Northeast, and 37.4% in the West. The Southwest remained stagnant while the Southeast was up 35.6% which resulted in prices 12.2% above the national average. The lowest priced region was the Midwest falling 20.9% below the national average. Medium duty showed increases in both the Midwest and West up 45.5% and 9.1% respectively. Even though the Midwest saw such a large increase in pricing they landed 63.3% below the national average. The Northeast was down 11.1%, Southeast only 0.7%, and the Southwest was down 21.7%. The highest priced region was the West averaging prices 21% above the national average. The year over year trends for the auction market were not much different from the monthly and quarterly trends. The Midwest was down 54.9% from September 2014, Southeast down 5.7%, and the West down 62.4%. In terms of volume, the Midwest was down 13.2% year over year, Southwest down 73.8%, and the West down 62%. The only volume increase for September compared to last year was in the Southeast and it was up nearly double.

## Model Year Trends

Resale prices were down in every model year with the minimum at 4.9% on 2004 models and the maximum at 2% on 2014 models. The 2015 model year trucks priced below the 2014 model year averages. The largest price gap between model years was between the 2013 and 2012 truck models. Resale volume in September was also down all around. The largest drop was on the 2010 model trucks

at 35.4% and the smallest was 17.3% on 2015 models. The lowest volume on the commercial truck market belonged to the 2014 models and the largest was on 2012's. 45.9% of the used truck market

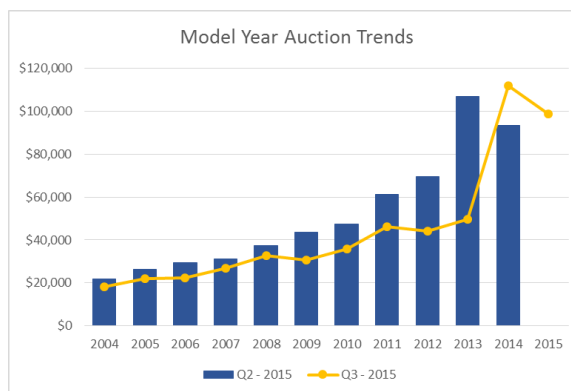


was held by 2011 and newer models, which was up from the 16.1% in August. Q3 resale prices were down the most on 2015 models 30.1% below Q2. This was followed by decreases on the 2014 and 2013 models down 11.7% and 11.6% respectively. There was only one price increase between Q2 and Q3, which was on the 2005 model years up 1.2%. Resale volume was up on most model years in Q3 due to such a slow Q2. The highest percentage change was on the

2014 models. The smallest change was on the 2015 model year trucks down 0.6% from Q2.

Auction prices in September were up on 2010 and newer model trucks. They were down on 2009 back to 2004's with the exception of 2007 model year trucks. The largest increase was on the 2012 models up 54.8% from August. The largest decrease was on the 2006 trucks down 41.1%. The largest price gap between model years was between 2013 and 2014 model trucks. The auction volume for September showed that 67.6% of the market fell between model years 2009 and 2005, which is to be expected.

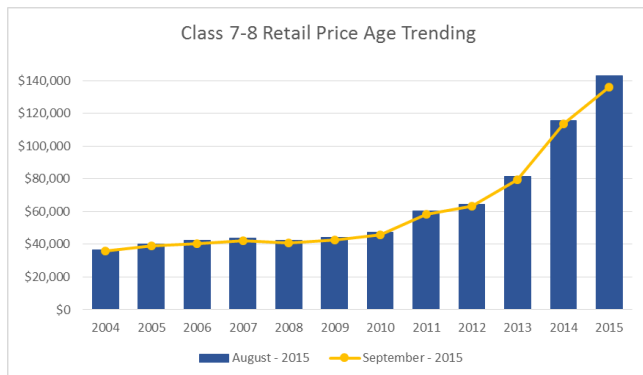
There were almost no 2014 and 2015 models sold this past month. The model year with the most volume were the 2008 trucks. The only drops month over month were on the 2012 and 2015 model year trucks. In terms of quarterly trends, Q3 showed auction prices down for all years except 2014, which was up 20.2%. The majority of the model years were down between 16% and 24%. The largest drop was on the 2013 models down 53.4% from Q2. Q3 showed more 2015 trucks on the auction market than any other quarter. The highest increase in volume for the quarter was on the 2010 model. The only model year with a drop was the 2011 truck.



## Heavy Duty Trends

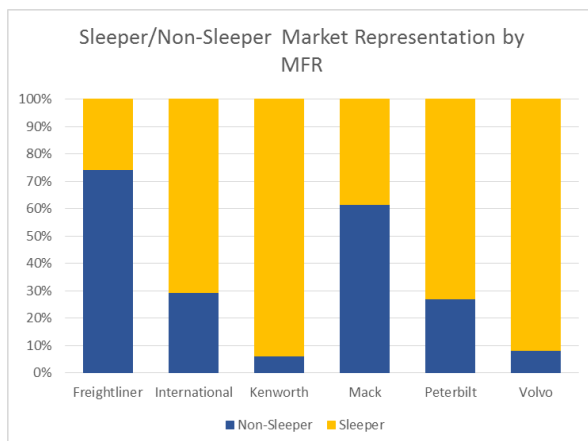
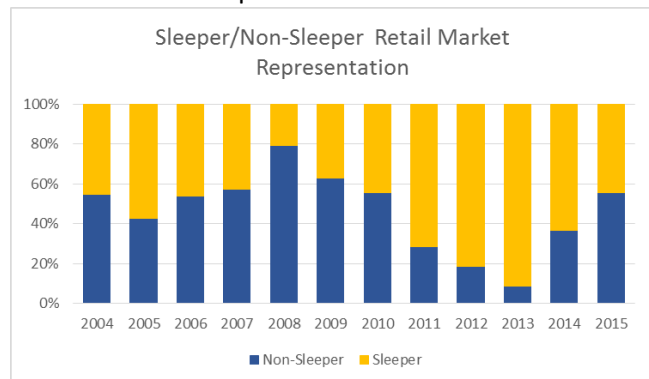
The heavy duty commercial trucks saw a drop in used pricing for September with an overall decrease of 2.7% with no price increases in September. The largest drop was on the 2015 model year trucks at 4.9%. The 2007 through 2011 models were all down 3.6%. The smallest drop in price for the month was on the 2014's down 1.6% from August. Sleeper cab tractors were down 0.8% between August and September. There was only one model year increase which was on the 2014 model year trucks at 0.7%. The largest drop was on the 2008 models down 7.8%. The second largest drop was for the 2015 trucks down 7.6% from August. This heavily drove the drop in the overall heavy truck pricing for the 2015 model year trucks. The day cab trucks were down 1.6% month over month. The largest price drop was

6% on the 2013 models. The largest increase was on the 2004 models up 4.3% from August. The largest price gap was between the 2013 and 2012 models showing 87% higher values for 2013 trucks.



Resale volume for heavy duty trucks was down 29.1% for the month. Sleepers were down 37.6% while day cab trucks were down only 12.6% which is quite high but nothing compared to the sleepers. During August 33.8% of the heavy duty trucks on the used resale market

were day cabs leaving 66.2% as sleepers. During September the large drop in sleeper volume resulted in a shift showing 41.7% of the market being day cabs and 58.3% being sleepers. The 2013 model year trucks showed 91.4% sleeper tractors and the 2012's were 81.6% sleepers. The newer models showed a much more even distribution with 2015 models having 55.6% of the market in day cab tractors. The market trends shift on older years as the 2008 model year trucks show 79.1% of heavy duty trucks being day cabs. Peterbilt showed the largest percentage shift month over month going from 12.4% day cabs up to 27% in September. Kenworth only had 6.2% of their used trucks on the market being day cabs. Freightliner shows the largest percentage of day cabs at 74% while Volvo showed a slight shift towards day cabs in September rising to 8.1% for the month.



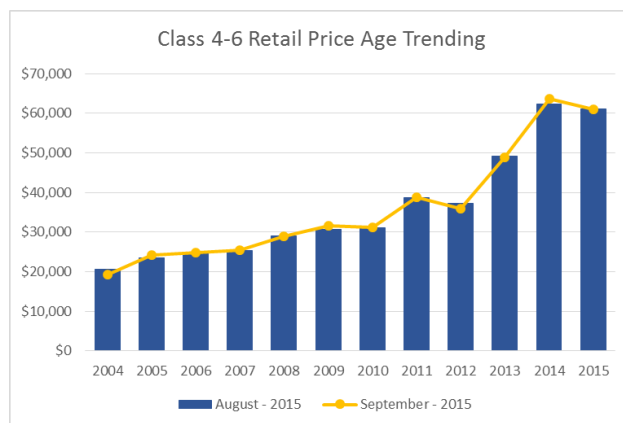
The truck brand with the largest percentage drop in pricing for September was on the Internationals down 2.1%. The only other brand with a price drop out of the top five was for Kenworth down 1.4%; to go along with these price decreases the volume was down for both of these brands decreasing by 32% and 12.4% respectively. The largest volume drops for the month were down Peterbilt and Volvo both down over 60% month over month. This resulted in a few increases bringing prices up 4.1% for Peterbilt and 1.7% for Volvo. Not only did Peterbilt see the largest

percentage increase in price, but they remain the highest priced brand on the market. Freightliner is still pricing well below the remainder 19% below the average brand. Freightliner also saw the smallest volume drop down only 6.8%.

Top 5 Heavy Duty Manufacturer Retail Prices			
	August 2015	September 2015	Difference
Freightliner	\$42,735	\$44,190	3.4%
International	\$53,600	\$52,470	-2.1%
Kenworth	\$67,332	\$66,404	-1.4%
Peterbilt	\$68,316	\$71,132	4.1%
Volvo	\$55,629	\$56,576	1.7%

## Medium Duty Trends

The medium duty market saw an overall increase of 0.4% with the largest increase on the 2009 model year truck at 3.4% between August and September. The second largest increase was for the 2005 model year trucks up 3.2% month over month. There were a few price decreases as well thus resulting in the small change month over month. The largest drop in price was on the 2004 model year down 6.3% from August. The smallest price change was on the 2006 models down only 0.1%. The resale volume for medium duty commercial trucks was down 20.2% in September. The largest month over month percentage drop was 30.3% for the 2012 model year. The only volume increase was 7% on the 2004 model trucks.



The medium duty truck brand with the largest price decrease month over month was Freightliner down 6.7% keeping them priced well below the average. The Hino and International brands saw a price increase between August and September. With medium duty volume down it was to be expected that all five top brands showed volume decreases. The Ford trucks were down 18% below August, Hino down 19%, and the Isuzu trucks down 15%. The smallest drop was for Freightliner down only 1% while the largest was the International down 28%. These volume trends fall in line with these brands also being the most extreme price changes for the month.

Top 5 Medium Duty Manufacturer Retail Prices			
	August 2015	September 2015	Difference
Ford	\$44,770	\$43,528	-2.8%
Freightliner	\$28,965	\$27,031	-6.7%
Hino	\$42,767	\$43,012	0.6%
International	\$40,468	\$42,118	4.1%
Isuzu	\$36,291	\$36,097	-0.5%

## Model Year Pricing Trends

### Monthly Change in Trucks

#### *August 2015 vs September 2015*

	2008MY	2009MY	2010MY	2011MY	2012MY	2013MY	2014MY
Heavy Non-Sleeper	-0.9%	-2.3%	0.7%	-4.2%	-0.5%	-9.3%	-3.0%
Heavy Sleeper	-8.0%	-3.2%	-1.6%	-3.1%	-1.7%	-3.0%	0.7%
Medium	0.3%	2.6%	0.2%	-0.1%	-3.2%	-0.8%	2.2%
Light	-6.1%	4.2%	1.1%	2.8%	-1.9%	1.5%	-2.5%

### YTD Change in Trucks

#### *January 2015 - September 2015*

	2008MY	2009MY	2010MY	2011MY	2012MY	2013MY	2014MY
Heavy Non-Sleeper	-0.5%	-11.9%	-10.2%	-3.7%	-16.1%	-5.5%	-4.5%
Heavy Sleeper	6.4%	-18.0%	-12.1%	2.2%	2.3%	-6.8%	-13.5%
Medium	-8.7%	-2.3%	-13.3%	-9.9%	-21.7%	-14.0%	10.3%
Light	-11.7%	7.3%	12.9%	8.7%	-5.9%	14.9%	-11.1%

### YOD Change in Trucks

#### *September 2014 - September 2015*

	2008MY	2009MY	2010MY	2011MY	2012MY	2013MY	2014MY
Heavy Non-Sleeper	-5.5%	-4.5%	-22.4%	-28.6%	-30.8%	-24.6%	-22.0%
Heavy Sleeper	-6.8%	-13.5%	-1.9%	-12.1%	-12.5%	-13.3%	-15.9%
Medium	-14.0%	10.3%	3.3%	-4.3%	-22.6%	-4.2%	-30.7%
Light	14.9%	-11.1%	88.7%	123.2%	25.9%	12.8%	19.1%