

## MAY 2024 COMMERCIAL VEHICLE MARKET UPDATE

### SUMMARY

Auction and retail pricing in April 2024 was very similar to March, which we consider a mild upside surprise given the drop in sales volume.

### CLASS 8 AUCTION UPDATE

Auction volume of Class 8 sleeper tractors pulled back in April, which is typical for the month. On a mileage-adjusted basis, pricing for these trucks was little changed from March. However, anyone tracking the large number of trucks with very high mileage for their age would be excused for feeling like trucks were bringing less money.

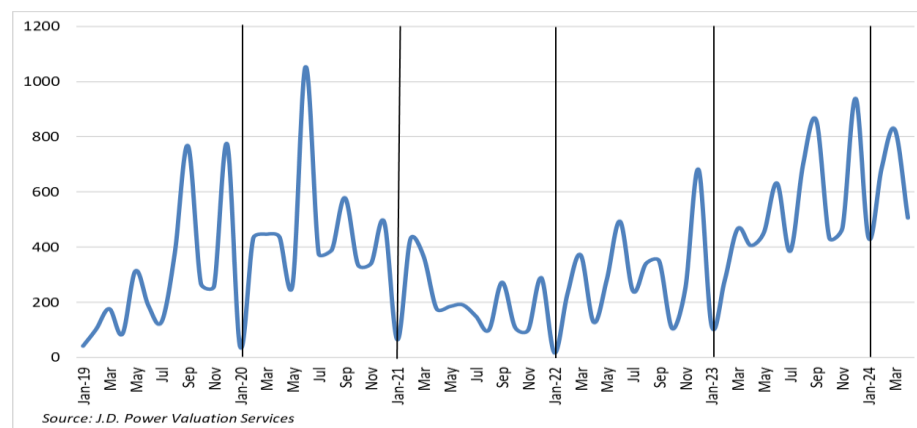
Looking at late-model sleeper tractors, average pricing for our benchmark truck in April was:

- Model year 2021: \$50,173; \$357 (0.7%) higher than March
- Model year 2020: \$32,433; \$640 (2.0%) higher than March
- Model year 2019: \$26,749; \$457 (1.7%) lower than March
- Model year 2018: \$19,301; \$2,197 (10.2%) lower than March

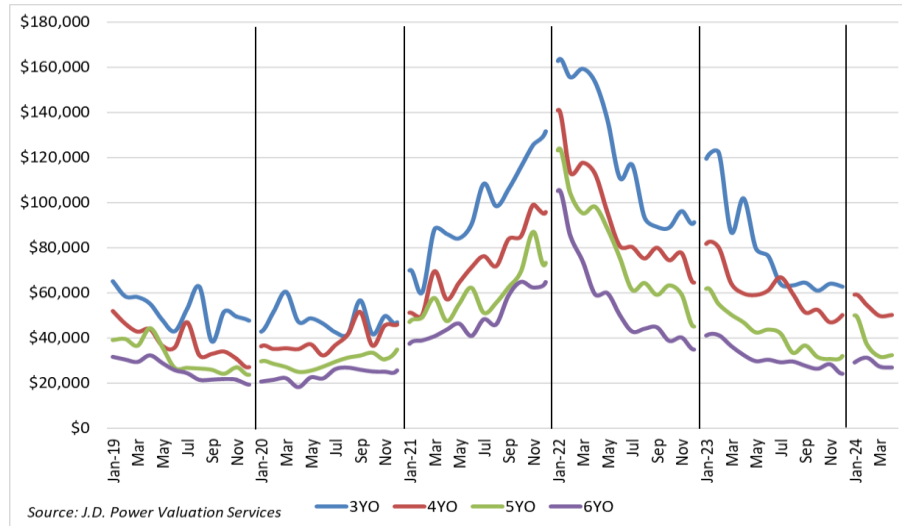
We have eliminated the 2022 model year from this table due to very low volume of trucks sold, which resulted in swings in the averages that were not reflective of the market. We will add this model year back in when volume increases. Otherwise, in April, four- to six-year-old sleepers brought essentially equal money to March, and 21.4% less money than in April 2023. Values for this age group are now about 7% lower than the strong pre-pandemic period of 2018 in nominal figures, or about 23% lower if adjusted for inflation. Current pricing is about 43% higher than the last market nadir in late 2019, or about 18% higher if adjusted for inflation. Depreciation in 2024 is averaging 5.6% per month. Pricing is now roughly halfway between 2018 (strong) and 2019 (weak) levels in real numbers.

Two industry metrics that generally correlate to used truck values, capacity utilization and freight rates, suggest truck pricing still has some depreciation to work through. Capacity utilization estimates put us much closer to 2019 than 2018 currently, and both spot and contract freight rates are below 2019 in real numbers. As such, April's results were somewhat stronger than expected.

Volume of the Three Most Common Sleeper Tractors (3- to 7-Year-Old) Sold Through the Two Largest Nationwide No-Reserve Auctions



Average Auction Hammer Price: 3- to 6-Year-Old Benchmark Sleeper Tractor (Nominal Numbers)



## CLASS 8 RETAIL UPDATE

Retail sales volume was down in April, but trucks that did sell brought money very similar to March.

Overall, the average sleeper tractor retailed in April 2024 was 72 months old, had 452,256 miles and brought \$60,505. Compared with March, this average sleeper was one month older, had 14,976 (3.4%) more miles and brought \$418 (0.7%) less money. Compared with April 2023, this average sleeper was four months older, had 10,852 (2.5%) more miles and brought \$14,062 (18.9%) less money.

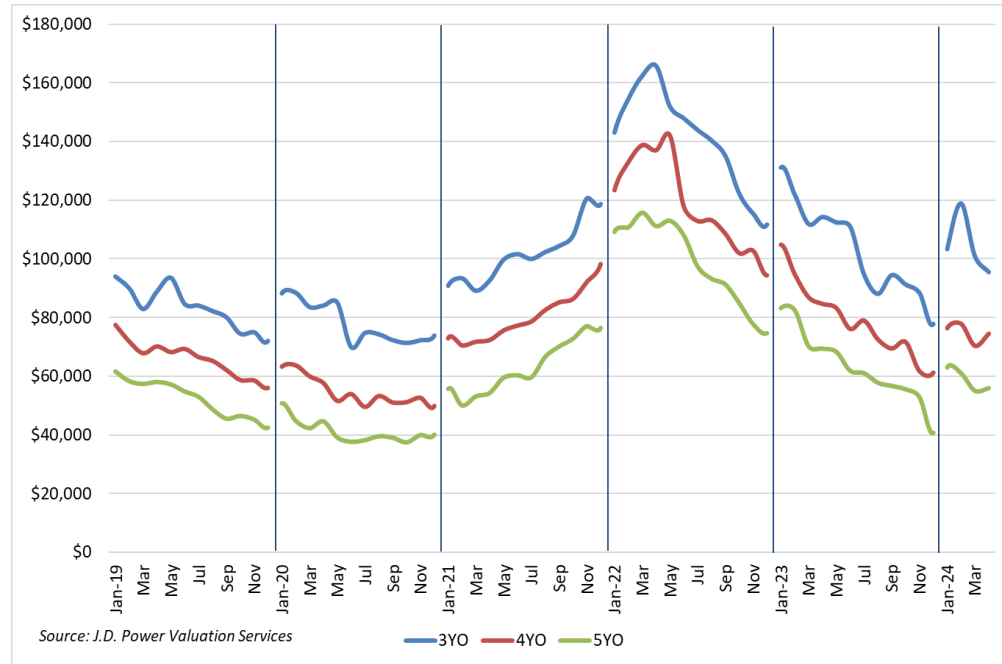
April's average pricing for late-model trucks was as follows:

- Model year 2023: \$137,378 \$261 (0.2%) lower than March
- Model year 2022: \$95,367; \$5,379 (5.4%) lower than March
- Model year 2021: \$74,543; \$4,113 (5.8%) higher than March
- Model year 2020: \$55,868; \$883 (1.6%) higher than March
- Model year 2019: \$43,524; \$250 (0.6%) lower than March
- Model year 2018: \$34,273; \$314 (0.9%) lower than March

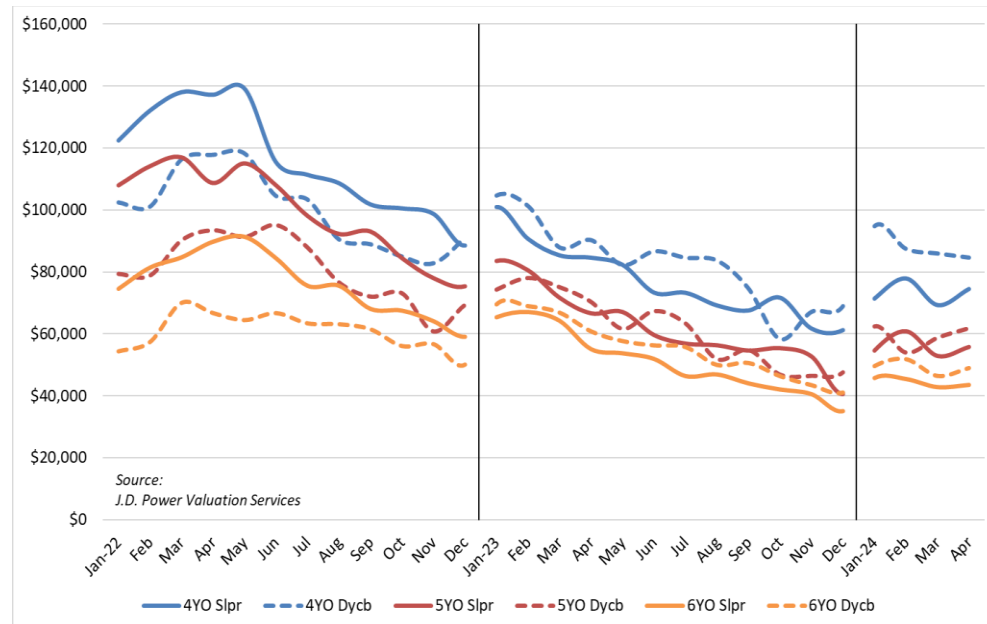
Three- to five-year-old sleeper tractors brought essentially equal money in April 2024 to March, with just 0.2% separating the two months. That group of trucks brought 15.8% less money in April 2024 compared with April 2023. Late-model sleepers are bringing money comparable to the last strong pre-pandemic period of late 2018 in nominal dollars, or about 19% less when adjusted for inflation. Compared with the last weak pre-pandemic period, late-model sleeper values are now running 30% higher in nominal dollars or 7% higher in real dollars. Depreciation in 2024 is averaging 2.3% per month, which is historically typical.

Daycabs continue to bring equal or better money than sleepers after three years of age, apples-to-apples. Compared with March 2024, late-model daycabs brought 2.2% less money in April. Compared with April 2023, this segment brought 11.8% less money. Depreciation in 2024 is averaging 1.3% per month.

Average Retail Selling Price: 3- to 5-Year-Old Aero Sleeper Tractors, Adjusted for Mileage (Nominal Numbers)

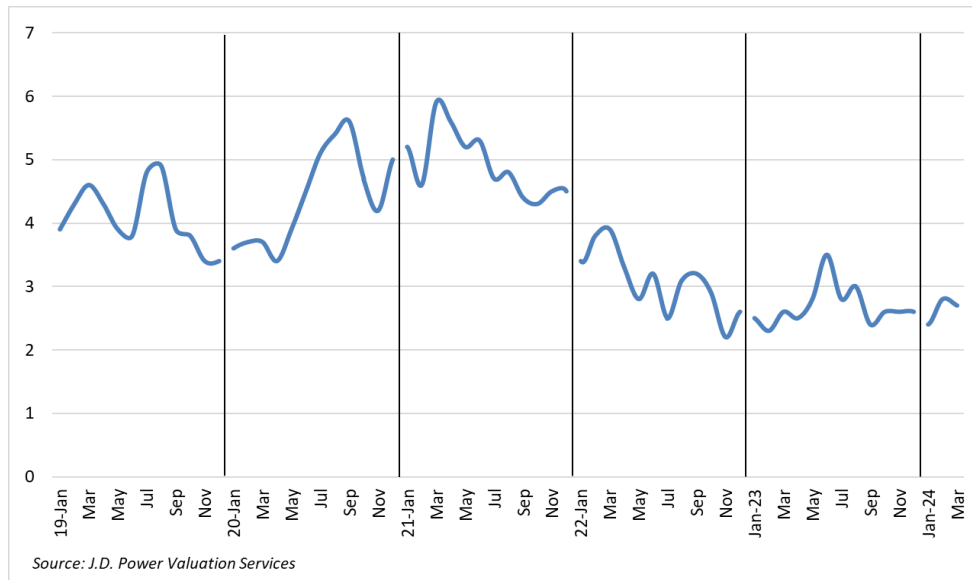


Avg. Retail Selling Price: 4- to 6-Year-Old Aerodynamic Sleepers and Daycabs, Adj. for Mileage (Nominal Numbers)

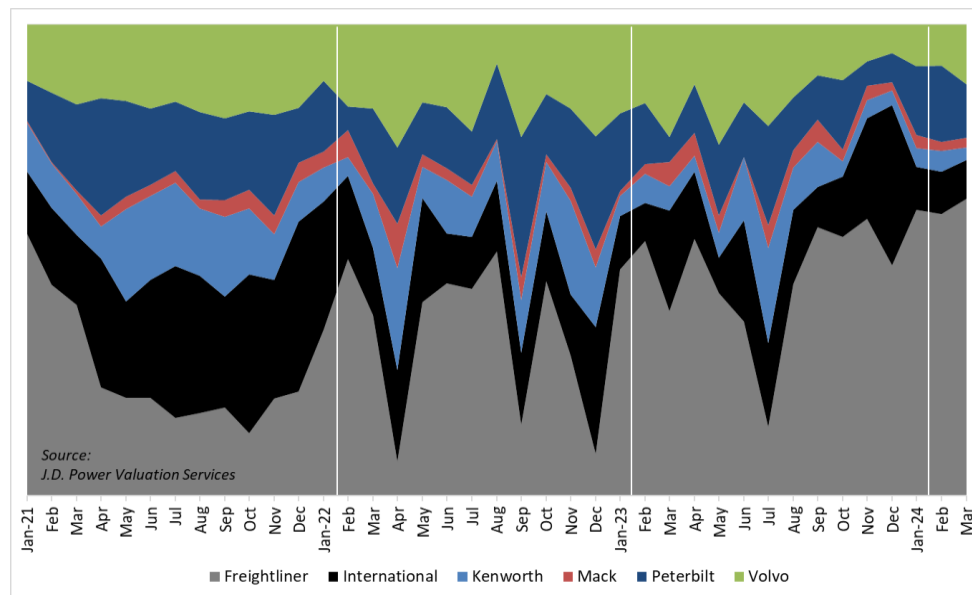


April's retail environment was unexpectedly weak, with sales per rooftop averaging a dismal 2.1 trucks. This figure is 0.5 truck lower than March, and the worst result since the Great Recession. April is not typically a weak month for retail sales, so we could be entering the late-spring doldrums a little early.

Number of Trucks Retailed per Dealership Rooftop



Relative Proportion of Retail Sales Reported by OEM (3- to 5-Year-Old Sleeper Tractors)



**This monthly update is a broad and general sample of J.D. Power analytical capabilities. For information about our valuation products, residual forecasting, make and model benchmarking, raw data and other services, contact Chris Visser at [chris.visser@jdpa.com](mailto:chris.visser@jdpa.com), visit our website at [jdpowervalues.com](http://jdpowervalues.com) or download our MarketValues app.**