

## JULY 2024 COMMERCIAL VEHICLE MARKET UPDATE

### SUMMARY

Auction volume increased notably in June 2024, but pricing decreased only moderately. Retail volume was depressed, but pricing changed minimally.

### CLASS 8 AUCTION UPDATE

A substantial volume of Class 8 sleeper tractors was sold in June, which is not unusual for the month. Pricing decreased moderately compared to May, but the second quarter saw very little depreciation on average.

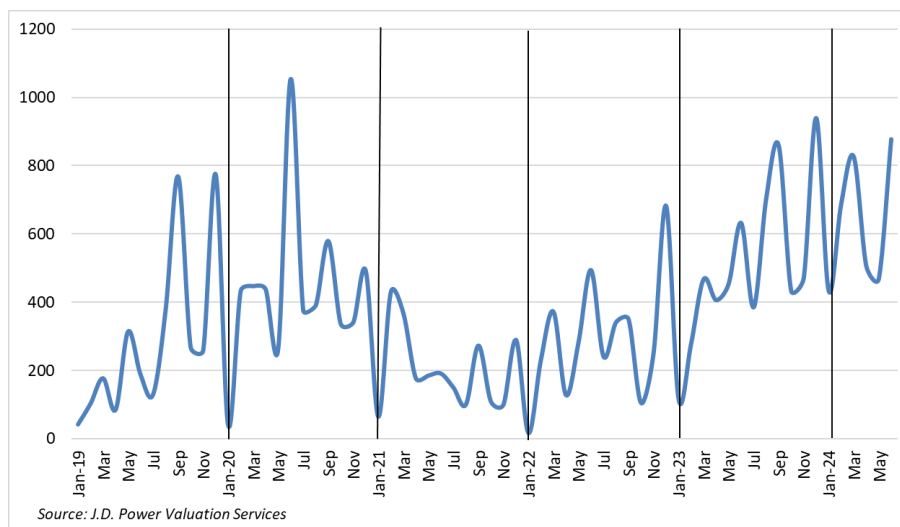
Looking at late-model sleeper tractors, average pricing for our benchmark truck in June was:

- Model year 2021: \$43,669; \$3,128 (6.7%) lower than May
- Model year 2020: \$37,962; \$2,716 (7.7%) higher than May
- Model year 2019: \$26,578; \$2,120 (6.4%) lower than May
- Model year 2018: \$16,755; \$12,328 (42.4%) lower than May

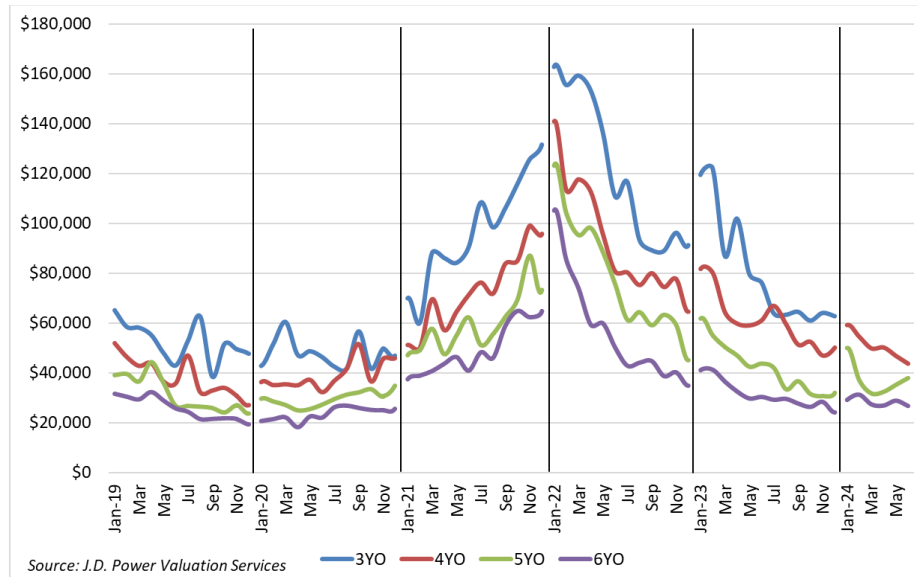
The unusual drop in model-year 2018 selling prices is due to a return to a more normal mix of make, model, and specs after an anomalous May. Otherwise, in June, selling prices for four- to six-year-old sleepers dipped 2.3% compared to May, ending a three-month run of essentially unchanged values. Values for this age group are about 8% lower than the strong pre-pandemic period of 2018 in nominal figures, or about 24% 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 3.5% per month, but the entirety of that depreciation occurred in the January-March period.

Price stability in an oversupplied market suggests a market floor. In the absence of any notably negative economic data, we can expect minimal to moderate depreciation in the short term.

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 shockingly low in June, but pricing stabilized and was only slightly lower than in May.

Overall, the average sleeper tractor retailed in June was 68 months old, had 443,999 miles and brought \$56,134. Compared with May, this average sleeper was three months newer, had 5,655 (1.3%) more miles and brought \$3,626 (6.1%) less money. Compared with June 2023, this average sleeper was six months newer, had 16,161 (3.5%) fewer miles and brought \$12,464 (18.2%) less money.

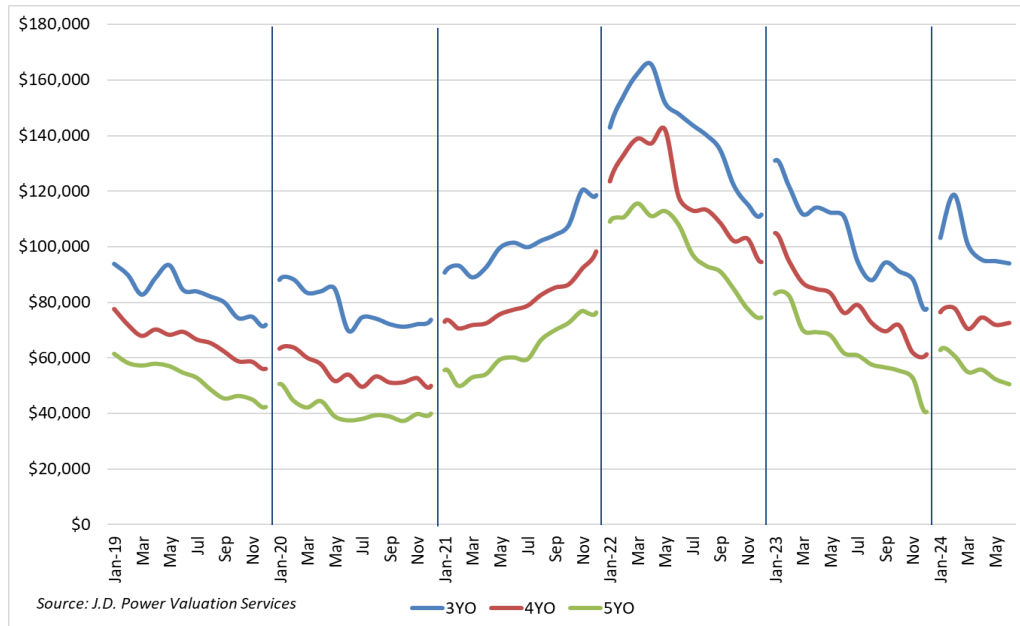
June's average pricing for late-model trucks was as follows:

- Model year 2023: \$120,953 \$9,162 (7.0%) lower than May
- Model year 2022: \$94,082; \$800 (0.8%) lower than May
- Model year 2021: \$72,559; \$674 (0.9%) higher than May
- Model year 2020: \$50,627; \$1,788 (3.4%) lower than May
- Model year 2019: \$41,856; \$953 (2.2%) lower than May
- Model year 2018: \$28,766; \$2,487 (8.0%) lower than May

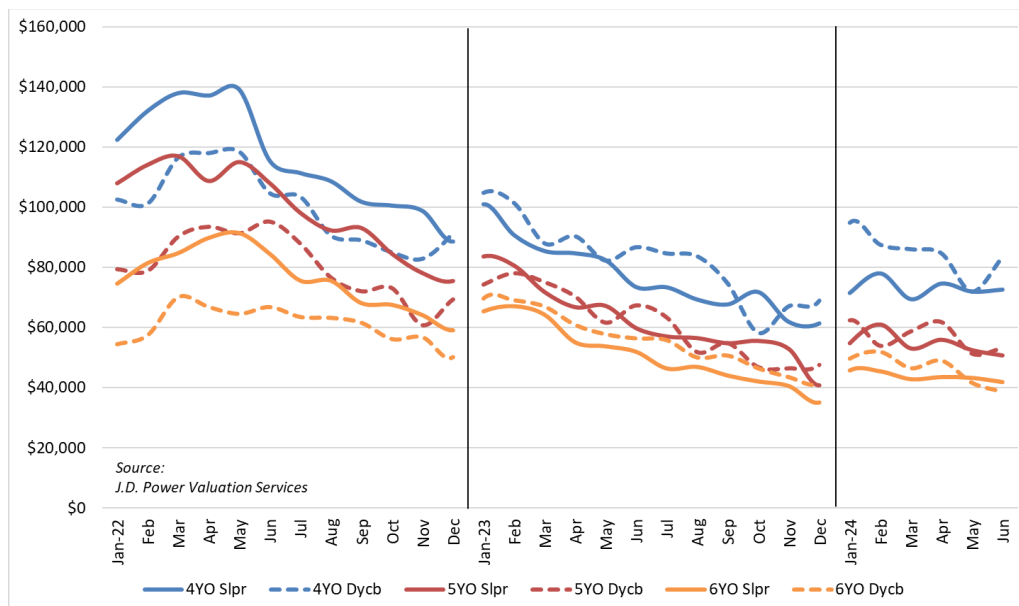
Three- to five-year-old sleeper tractors brought 0.9% less money in June than May, and 12.7% less than June 2023. Late-model sleepers are bringing slightly less money than the last strong pre-pandemic period of early 2019 in nominal dollars, or about 20% less when adjusted for inflation. Compared with the last weak pre-pandemic period, late-model sleeper values are running 23% higher in nominal dollars or essentially equal money in real dollars. Depreciation in 2024 is averaging 2.5% per month, which is historically typical.

Daycabs sold in June recovered some of May's drop but continue to trend closer to sleepers as supply increases. Late-model daycabs brought 6.2% more money in June than May. Compared with June 2023, this segment brought 16.8% less money. Average monthly depreciation in 2024 for this segment is currently equal to sleepers, at 2.5%.

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

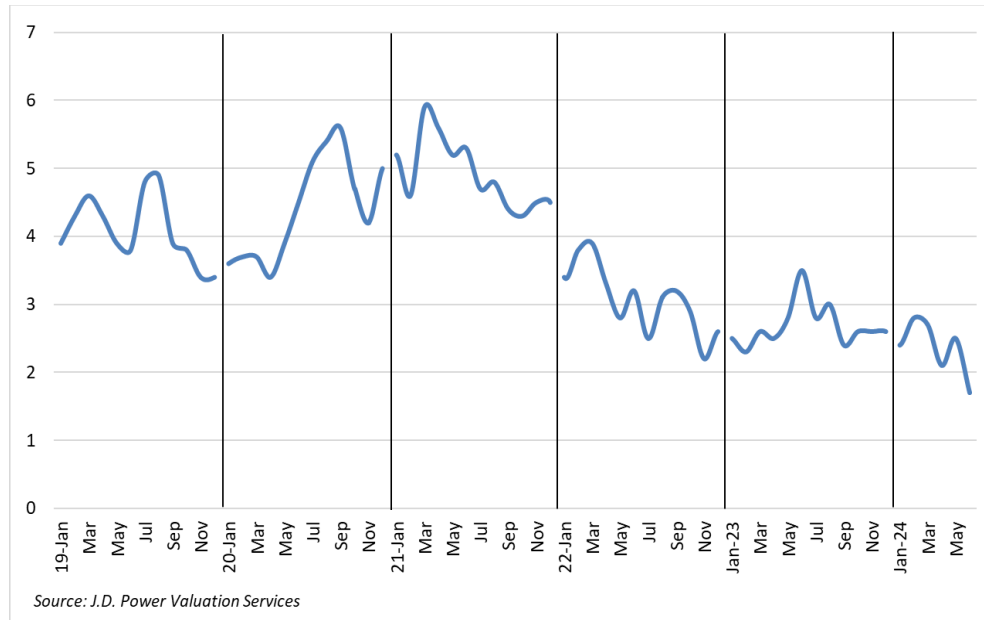


Avg. Retail Selling Price: 4- to 6-Year-Old Aerodynamic Sleepers and Daycabs, Adj. for Mileage (Nominal Numbers)

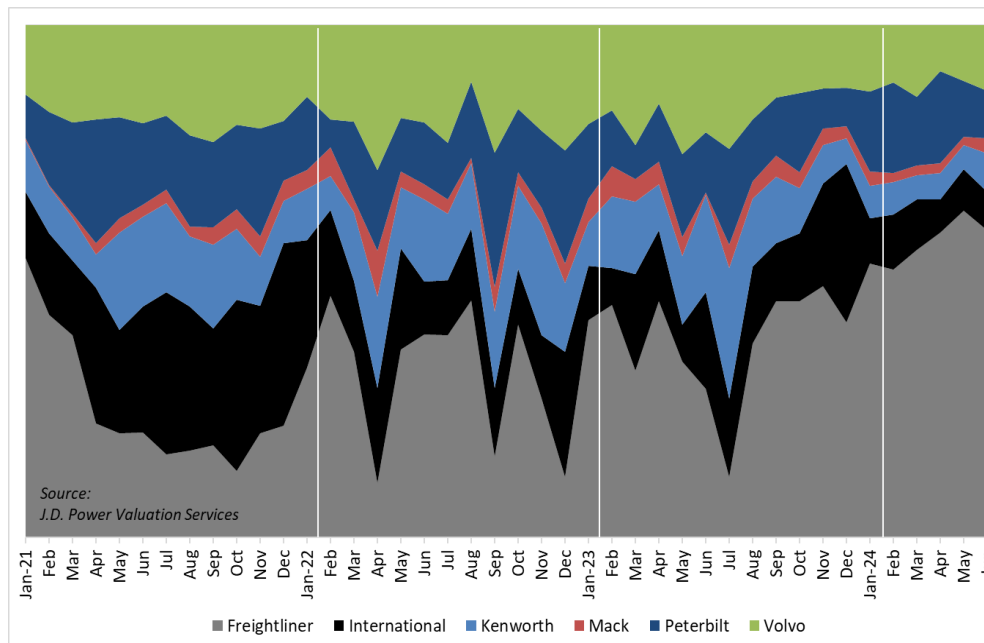


June is typically a weaker month for retail sales as the industry is in working mode as opposed to acquisition mode. However, this month's result was downright dismal—the lowest since the Great Recession. Finance and equity conditions have of course been very difficult for individuals and small fleets for over two years now, and it is possible the usual quadrennial pre-election jitters have set in early. July should recover a bit, but we are still in a low-demand environment.

Number of Trucks Retained 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.**