



“While car segments continued their steeper decline, luxury cars retained value better than other segments last week. Compact Pickup and Compact SUV segments were bright spots.”

Anil Goyal, Vice President of Automotive Valuation and Analytics



Model Years: 2007-2013, Volume Weighted Wholesale Average Values, Weekly Change from 7/24/15 to 7/31/15

Smaller Cars Hit Hardest in Depreciation over the Last 3 Months

- Volume-weighted, overall car values decreased by 0.45% last week. This is similar to the average depreciation rate over the last 12 weeks, but 3/4 of the depreciation rate seen this time last year.
- Smaller cars have dropped the most over the last 3 months, with the Entry Level Car segment dropping by over 9% in value during that period.
- Volume-weighted, overall truck values decreased by 0.19% last week. This is similar to the average depreciation over the last 12 weeks, but 2/3 of the depreciation rate seen this time last year.
- Compact Pickup, Mid-Size Pickup and Full-Size SUV segments have retained their value the best over the last 3 months, changing less than 1%.

Sentiment from the Auction Lanes

Our editors and personnel attend about 60 auctions every week across the country to provide key insights:

“Expensive trucks over \$40K seem to be dropping down somewhat at this week’s auction.” David from TX

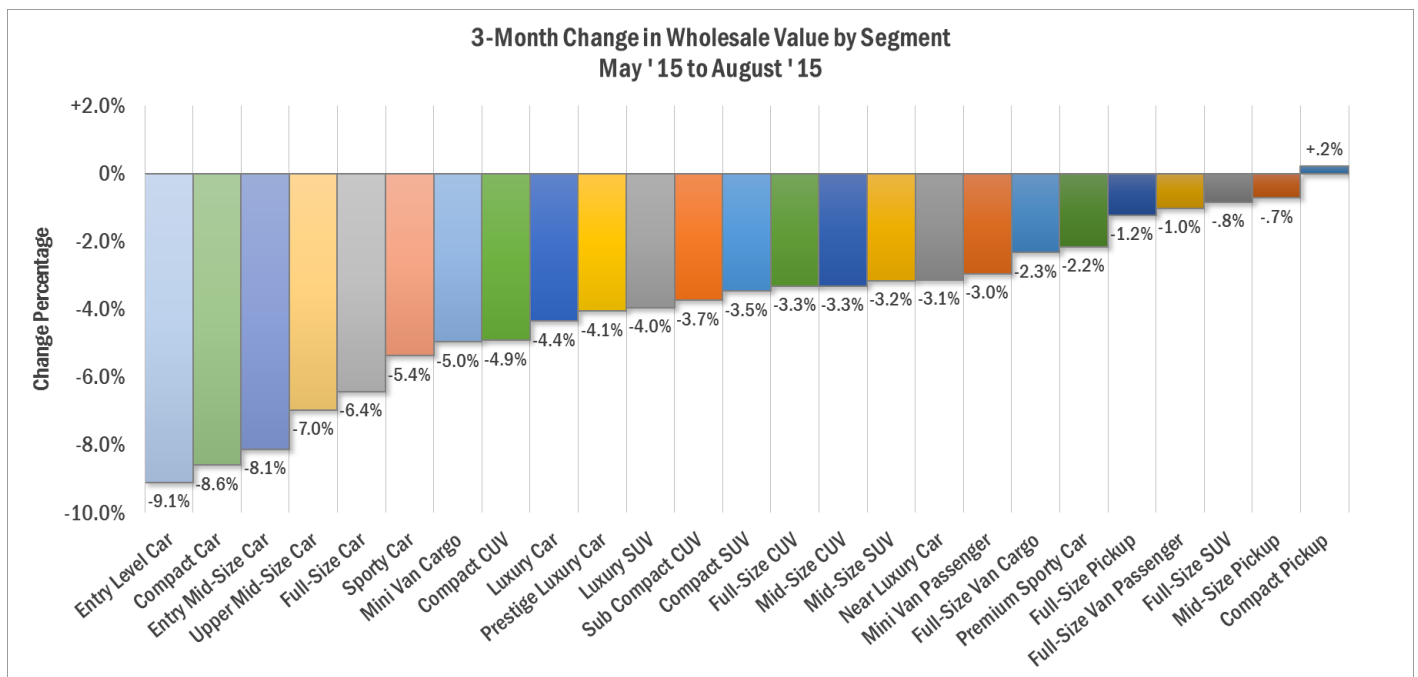
“Car volume was greater than truck at the auction today.” Don from MN

“Mostly below average prices on a lot of cars as dealers are dumping what they have had on their lots for too long.” Doug from TN

“There seems to be a variety of opinions about the market between dealers. Some say retail is good and some say it’s slow.” Richard from FL

“Very good sale here today with good consignment, good attendance and a very good sale percentage.” Roy from NC

“Consignment for this area is still lower than normal so nice units are harder than ever to find.” Tim from IN



Vehicle Highlight



2016 Mazda CX-3 is available in 3 trims: Sport, Touring and Grand Touring. There are FWD and AWD versions with 146 horsepower, 2.0L SkyActiv engine. Close competitors include other subcompact crossovers such as Jeep Renegade, Fiat 500X and Nissan Juke.

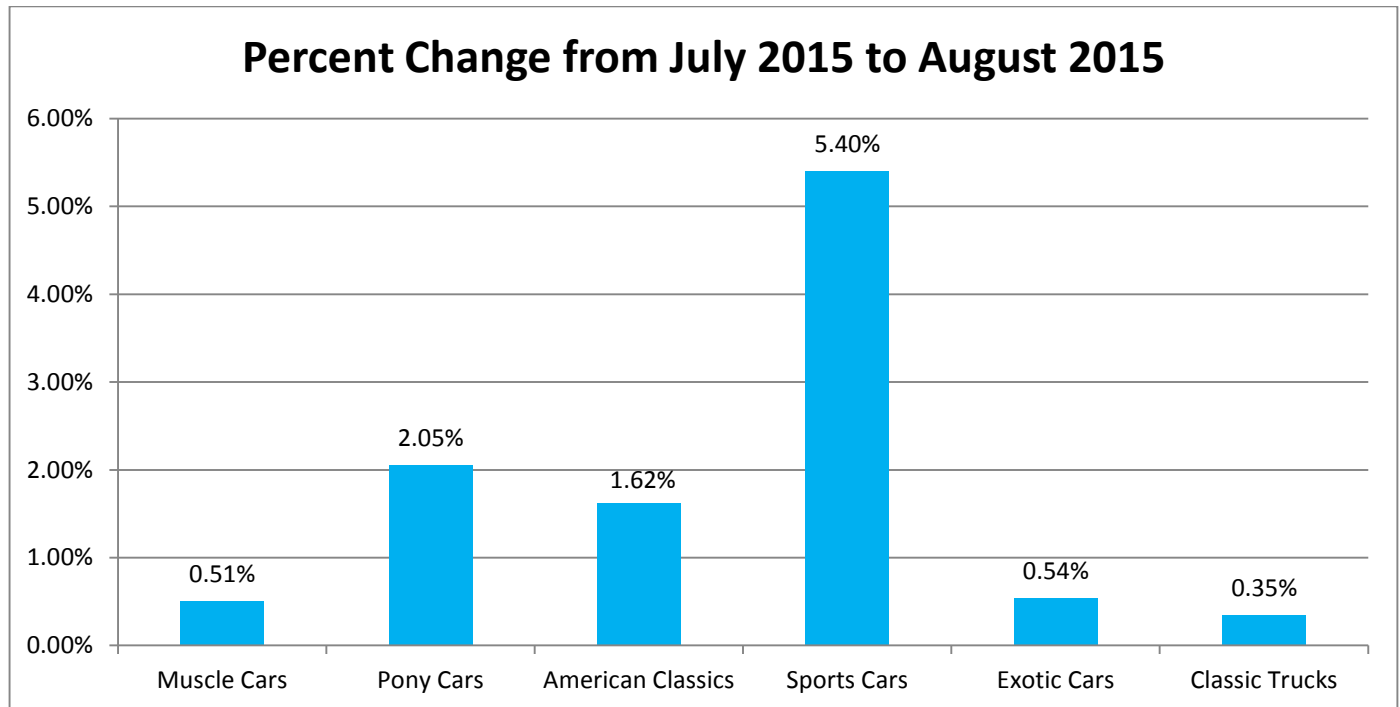
This week’s report includes our **Monthly Edition Supplement on Specialty Markets.**

Collectible Industry Gearing Up for Monterey

“The Monterey Peninsula will play host to a number of high end automobile events in the middle of August. In addition to world class Concours, Rallies, and Vintage Racing, there will be a number of auctions (including Mecum, RM Sothebys, Russo and Steele, Bonhams, Gooding, and Rick Cole) which showcase literally hundreds of truly exceptional collectible vehicles. I expect to see multiple records broken.”



Eric Lawrence, Director of Specialty Markets



- Mecum sold 396 of 600 vehicles (66%) at their first ever Denver, Colorado Auction. Total sales came in at just over \$12,000,000. Attendance for the two day event was roughly 14,000.
- Auctions America sold 173 of 300 lots (58%) at their annual California sale for a total of \$15,400,000. This year’s sale was held in the historic Barker Hangar in Santa Monica.



Photo courtesy of Mecum Auctions

Recent Notable Sales Included:

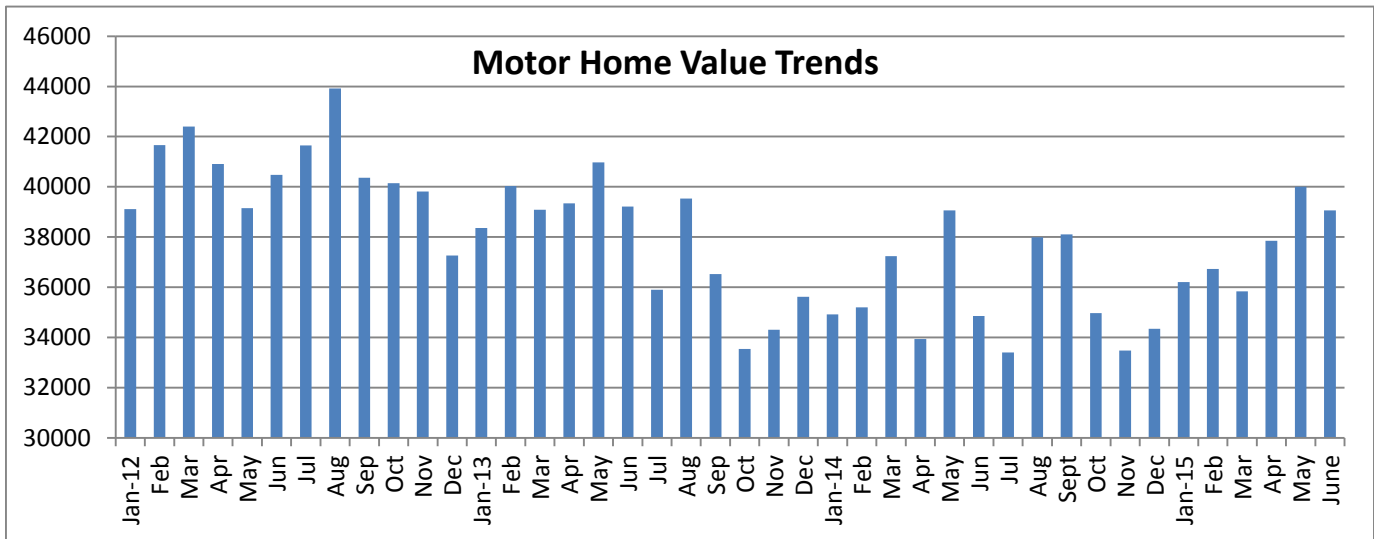
- 2012 Lamborghini Aventador \$285,000 (Mecum)
- 1969 Pontiac Trans Am Ram Air IV \$180,000 (Mecum)
- 1989 Porsche 911 Speedster \$165,000 (Mecum)
- 1969 Oldsmobile Hurst/Olds \$110,000 (Mecum)
- 1967 Porsche 911S Soft Top Targa \$130,000 (Mecum)
- 2004 Ferrari Enzo \$1,700,000 (AA)
- 1967 Ferrari 330 GTS Roadster \$1,475,000 (AA)
- 1989 Lamborghini Countach 25th Anniv \$327,500 (AA)
- 1971 Mercedes Benz 280SE 3.5 Cabrio \$407,000 (AA)

RV Activity at Wholesale Auctions Slowing

“The overall used RV market was mixed once again last month, but with a twist. Two months ago motor homes increased in value, while towables decreased. Last month just the opposite happened...motor homes declined while towables increased. We have noted in earlier reports that the summer months tend to see lower wholesale activity since most dealers have already stocked up for their primary selling seasons, and I think it’s important to note that the volume of RVs sold at auction last month was down considerably.”

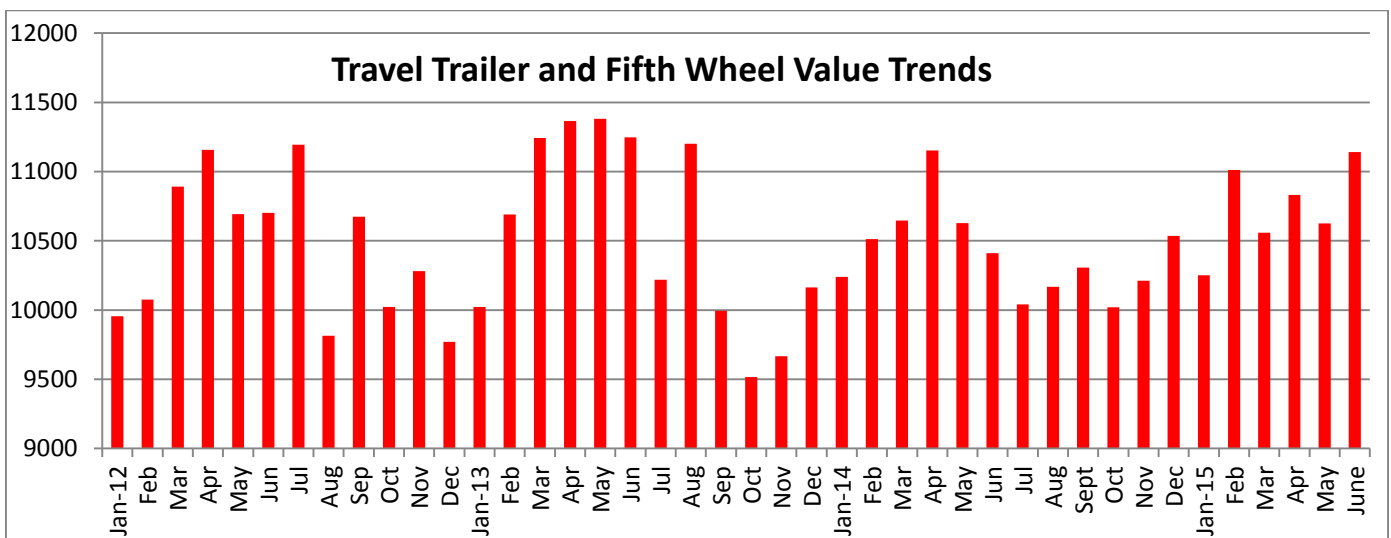


Eric Lawrence, Director of Specialty Markets



For Motor Homes (including Class A, B, and C)

- Average selling price was \$39,058, down \$947 (2.3%) from previous month
- One year ago, the average selling price was \$34,851
- Auction volume was down 26% from previous month



For Towables (including Travel Trailers, Fifth Wheels, and Camping Trailers)

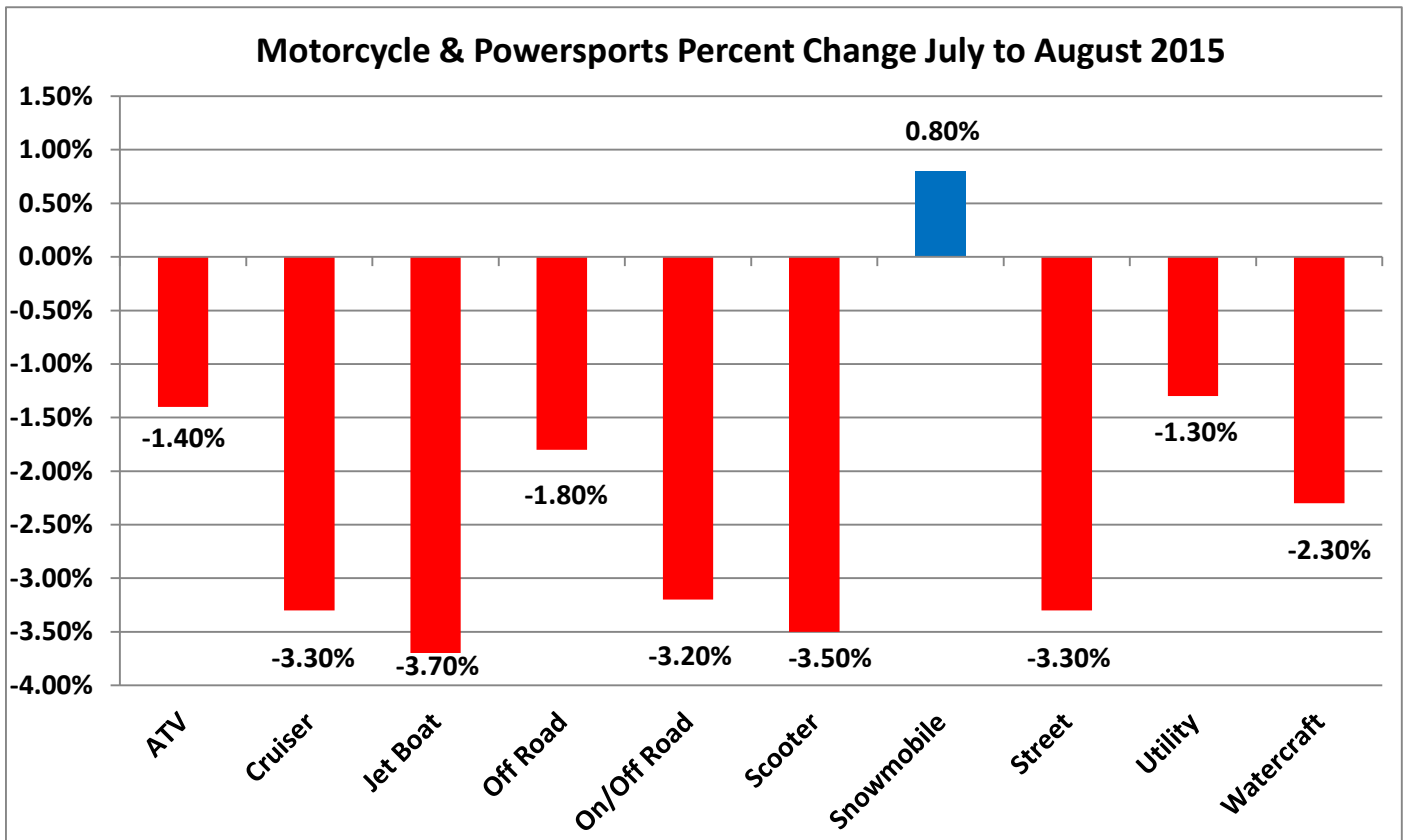
- Average selling price was \$11,140, up \$514 (4.8%) from previous month
- One year ago, the average selling price was \$10,410
- Auction volume was down 34% from previous month

Powersports Market Begins Late Summer Decline

“Prices across most segments in the powersports market are down this month as dealers begin their turn towards the fall sales season where ATVs and utility vehicles represent the majority of their business.”



Scott Yarbrough, Motorcycle & Powersports Editor



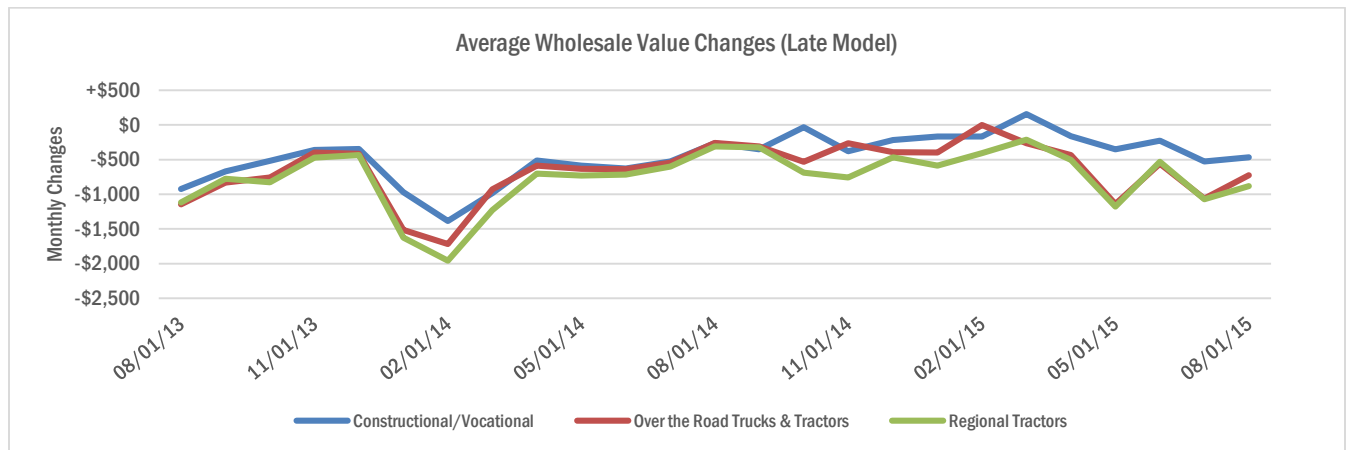
- Coinciding with the end of summer, personal watercraft are down \$141 on average, while the jet boat segment has shown a rather large drop of \$799.
- The street bikes and cruiser segments have dropped by 3.3% each, representing average drops of \$240 for the street bikes and \$271 for the cruisers.
- Within the cruiser segment, domestic V-Twins depreciated less than the metric units.
- ATVs and utility vehicles, which are typically in higher demand during the fall months, declined by a little less than 1.5% each with drops of \$55 and \$105 respectively.
- Snowmobiles, while scarce at the auctions, showed a small increase of \$33 on average this month, and will likely continue to increase in value throughout the rest of the year.

Truck Values Remain Stable

“Even with the introduction of the 2014 model year hitting our depreciation results for the first time this month, it is impressive how all three late model segments depreciated less in July than they did in June. Could it be that more small fleets that traditionally buy new trucks are instead purchasing late models at somewhat higher prices?”



Charles Cathey, Editor – Heavy Duty Truck Data



DATE	Constructional/Vocational			Over the Road Trucks & Tractors			Regional Tractors			MODEL YEARS
	Value	\$ Change	% Change	Value	\$ Change	% Change	Value	\$ Change	% Change	
08/01/15	86,094	-470	-0.5%	80,624	-727	-0.9%	71,473	-882	-1.2%	2013-2014
07/01/15	76,594	-528	-0.7%	71,473	-1061	-1.5%	62,349	-1074	-1.7%	2012-2013

- 2013-2014 HD construction/vocational segment dropped \$470 (.5%) in July on average compared with a drop of \$528 (.7%) in June for 2012-2013 year models.
- 2013-2014 HD over the road tractor segment dropped \$727 (.9%) in July on average compared with a drop of \$1061 (1.5%) in June for 2012-2013 year models.
- 2013-2014 HD regional tractor segment dropped \$882 (1.2%) in July on average compared with a drop of \$1074 (1.7%) in June for 2012-2013 year models.

DATE	Constructional/Vocational			Over the Road Trucks & Tractors			Regional Tractors			MODEL YEARS
	Value	\$ Change	% Change	Value	\$ Change	% Change	Value	\$ Change	% Change	
08/01/15	41,647	-280	-0.7%	37,591	-409	-1.1%	29,759	-444	-1.5%	2005-2012
07/01/15	35,295	-218	-0.6%	32,217	-249	-0.8%	24,641	-245	-1.0%	2004-2011

- 2005-2012 HD construction/vocational segment dropped \$280 (.7%) in July on average compared with a drop of \$218(.6%) in June for 2004-2011 year models.
- 2005-2012 HD over the road tractor segment dropped \$409 (1.1%) in July on average compared with a drop of \$249 (.8%) in June for 2004-2011 year models.
- 2005-2012 HD regional tractor segment dropped \$444(1.5%) in July on average compared with a drop of \$245 (1.0%) in June for 2004-2011 year models.



Continued Stability in the Medium Duty Segment

“The continued decline in diesel prices is putting a damper on growth for NG fuels.”

Bret Swanson, Editor – Medium Duty Truck Data

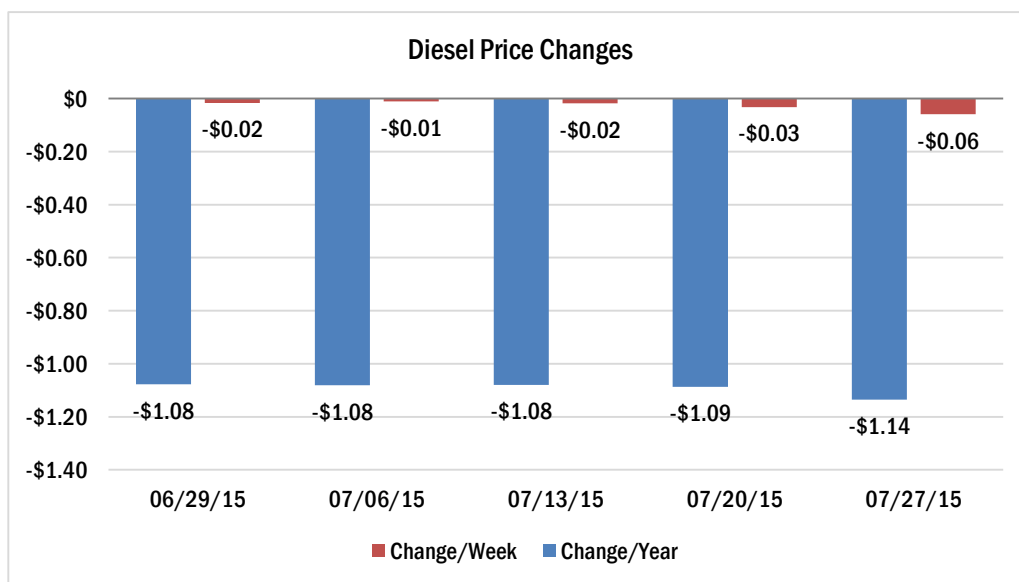
As we head into August, the Medium Duty segment is staying fairly stable. Looking at how these trucks performed for the past two months, we see that in June, the four to ten year old trucks on average, dropped \$179. In July, this same group had an average decline of \$249. This same type of pattern shows up with the one and two year old models as well. In June, this group declined on average, \$473 compared to July’s decline of \$425.

Diesel prices are continuing their downward trek. This time two months ago, the national average for a gallon of diesel stood at \$2.91. With the steady decline since then, that number has dropped to \$2.78 per gallon. As the price of diesel drops, it is making it harder to see a return when making the change from diesel to NG fuels.

DATE	Medium Duty Trucks			MODEL YEARS
	Value	\$ Change	% Change	
08/01/15	20,984	-249	-1.2%	2005-2012
07/01/15	18,375	-179	-1.0%	2004-2011

DATE	Medium Duty Trucks			MODEL YEARS
	Value	\$ Change	% Change	
08/01/15	46,675	-425	-0.9%	2013-2014
07/01/15	40,437	-473	-1.2%	2012-2013

The price per gallon of diesel has made slight moves down for 9 consecutive weeks. The national average stands at \$2.723 per gallon. Compared to a year ago, diesel is lower by \$1.14.



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