

Appraiser Blog

Auto Market Update October 2023



By Tony Rached

[Auto Market Update October 2023](#)

Friday, November 03, 2023

After six weeks of negotiations, the United Auto Workers (UAW) has reached a significant breakthrough with automotive giants Ford, Stellantis, and General Motors. This development comes after a challenging period in the auto market, marked by notable declines, particularly in the Truck segments.

In the latest update, we witnessed a decline of -0.63%, a stark contrast to the -0.20% drop observed the previous week. The general expectation is that once the UAW strike officially concludes, the market will regain its stability, albeit with consistent depreciation trends throughout the rest of the year.

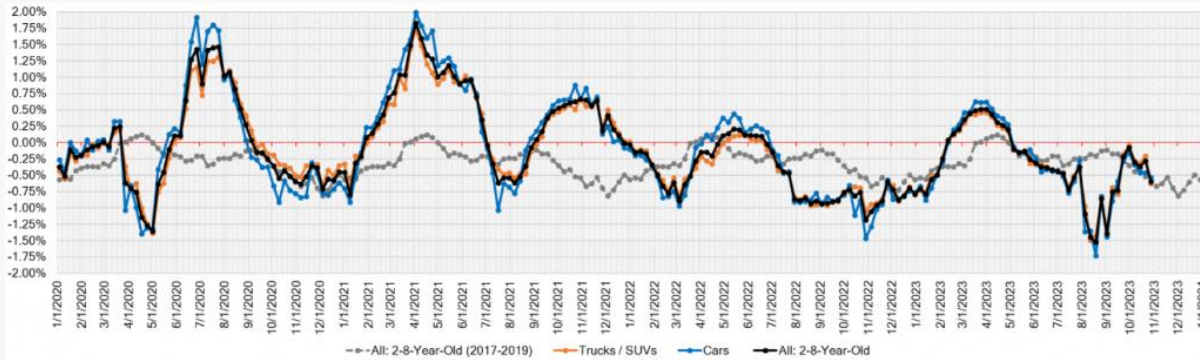
[Auto Market Update October 2023 \(PDF\)](#)

Market Performance Analysis

Here's a closer look at how various segments in the auto market have fared this week compared to the previous week and the same week's average from 2017 to 2019:

	This Week	Last Week	2017-2019 Average (Same Week)
Car segments	-0.53%	-0.46%	-0.57%
Truck & SUV segments	-0.63%	-0.20%	-0.51%
Market	-0.60%	-0.28%	-0.54%

Appraiser Blog

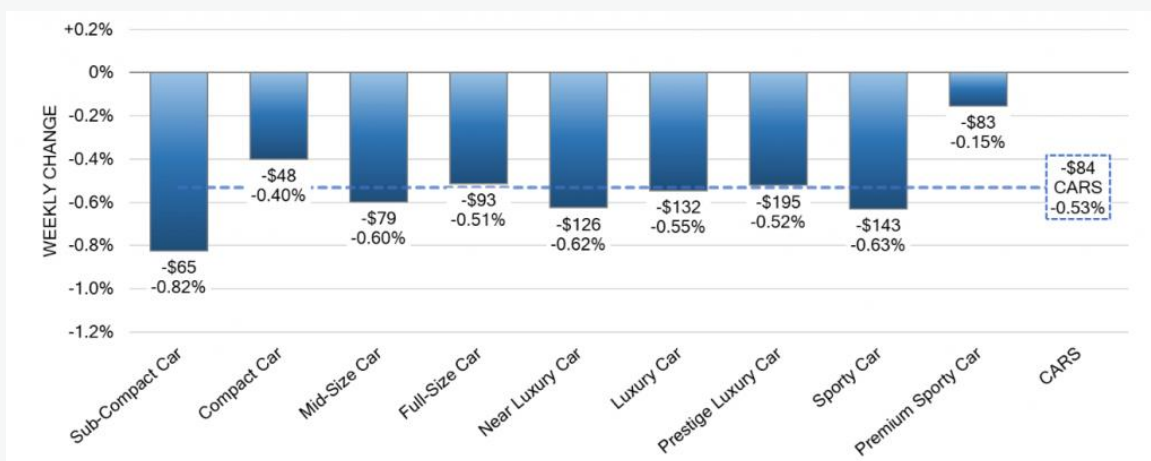


Week Over Week Wholesale Price Changes

Car Segments Analysis

On a volume-weighted basis, the Car segment saw a decrease of -0.53% this week, in contrast to the -0.46% drop observed in the previous week. Notable points include:

- The 0-to-2-year-old Car segments experienced a decline of -0.31%, while the 8-to-16-year-old Cars declined by -0.56%.
- All nine Car segments declined this week.
- Sub-Compact Car had the most significant decline at -0.82%, continuing a trend from the prior week.
- The Premium Sporty Car segment has reported minimal declines, with a decrease of -0.15% this week. Over the last six weeks, this segment has consistently averaged a decline of -0.15% per week.



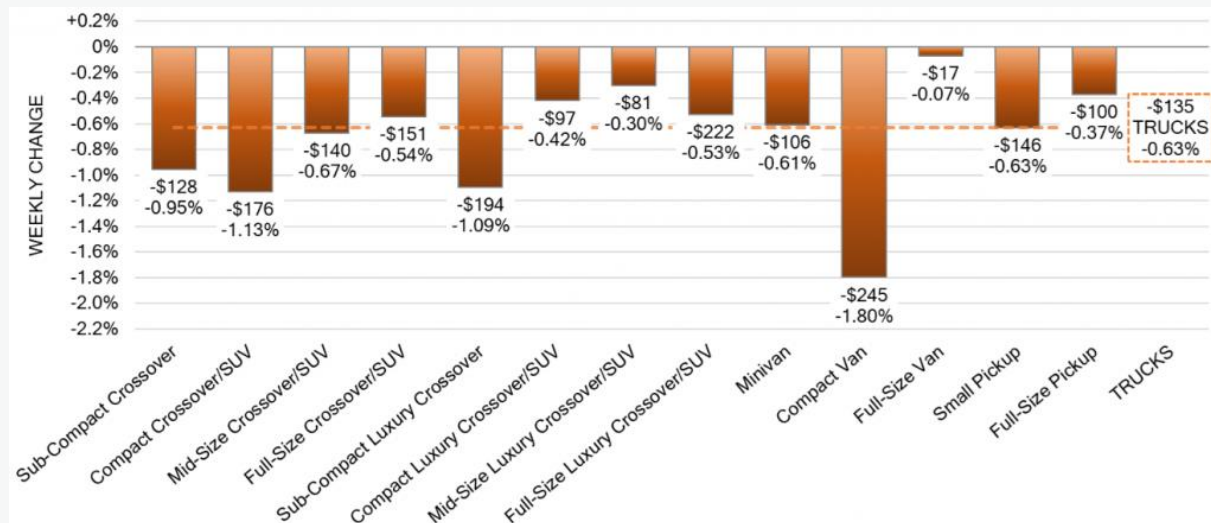
Car Segments

Appraiser Blog

Truck / SUV Segment Analysis

The volume-weighted Truck segment witnessed a notable -0.63% decrease compared to the previous week's depreciation of -0.20%. Key points include:

- 0-to-2-year-old models in the Truck segment declined by an average of -0.52%, while the 8-to-16-year-olds saw a decline of -0.68%.
- All thirteen Truck segments experienced declines this week.
- The Compact Van segment had the most significant decline, falling by -1.80%. Despite being a smaller segment with few competitors, even minor changes have a significant percentage impact.
- The Small Pickup segment experienced an acceleration in its depreciation rate this week, registering a decline of -0.63% in contrast to the -0.24% seen in the previous week. This shift follows two weeks of rising values during the initial stages of the UAW strike, suggesting a reversion to the typical depreciation pattern for this time of the year.

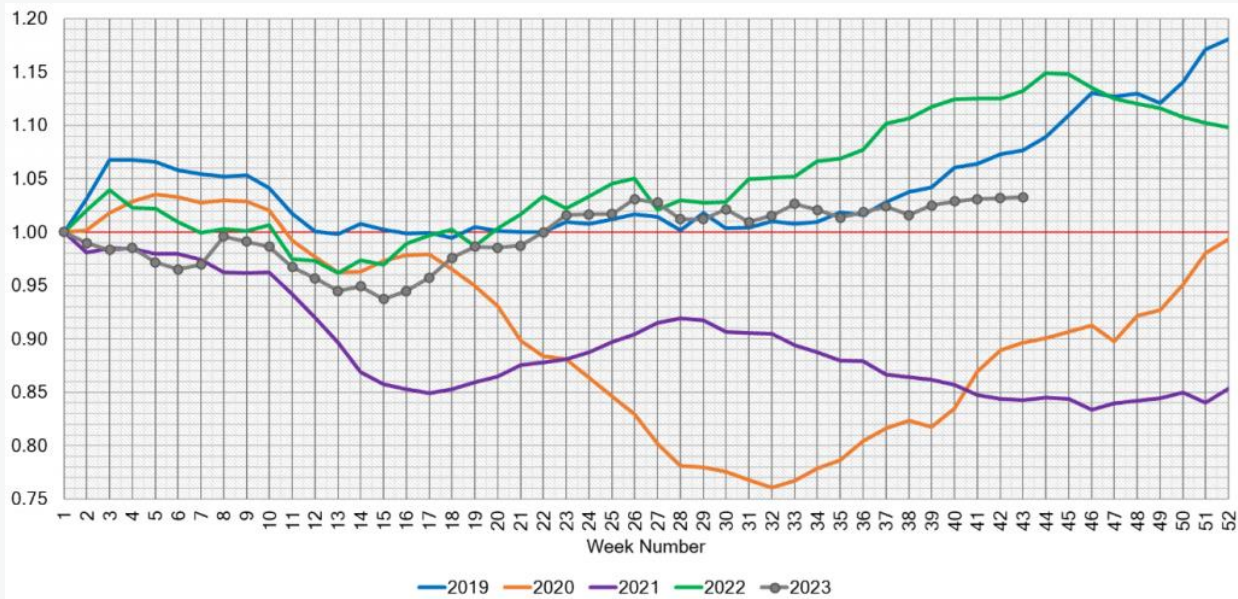


Truck Segments

Used Retail and Wholesale Insights

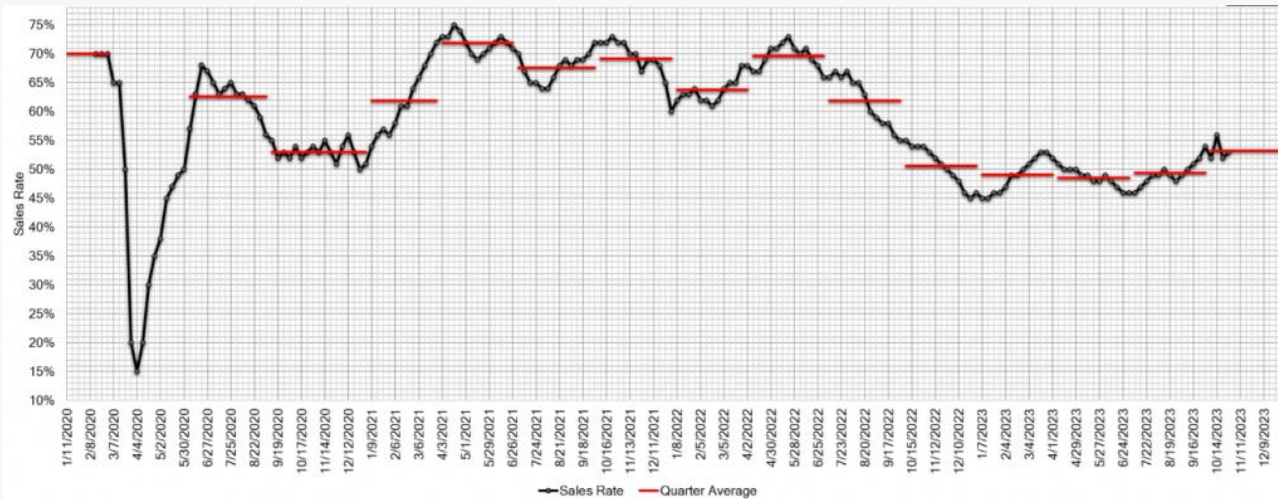
The Used Retail Active Listing Volume Index currently stands at 1.03 points. The resolution of the UAW strike is good news for new car franchise dealers.

Appraiser Blog



Used Retail Listing Volume Index

The wholesale market showed further declines in all segments of cars and trucks last week. However, auction conversion rates saw a slight increase, suggesting that sellers are becoming more flexible to secure sales. The estimated Average Weekly Sales Rate dropped to 52% last week.



Estimated Average Weekly Sales Rate at US Auctions

Appraiser Blog

In conclusion, as the UAW strike nears its end and the auto market adjusts to these developments, it's essential to monitor how these changes will impact various segments. The market is expected to stabilize as new agreements are reached, and we will continue to provide weekly updates to keep you informed about the latest trends and shifts in the automotive industry.