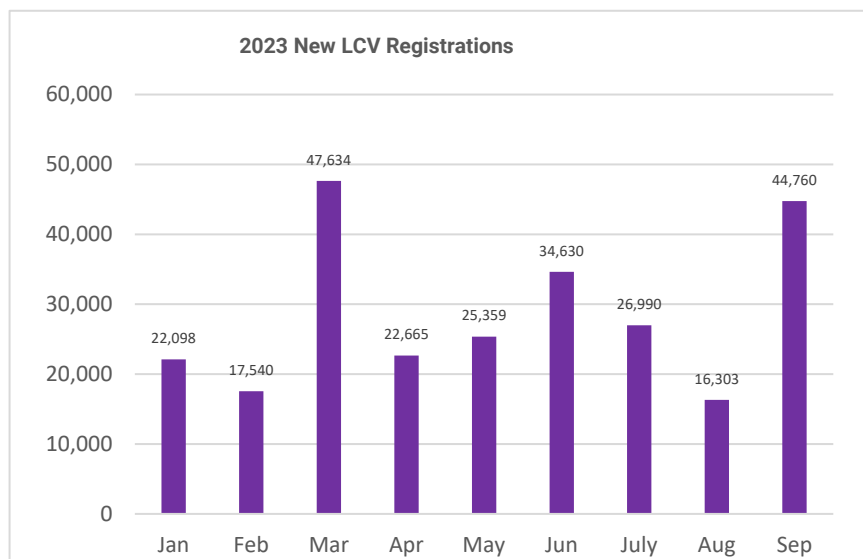


November 2023

LCV market overview

Boom in new LCV Registrations in September as the plate changes



As expected, there was a boom in new LCV registrations in September as the registration plate changed. According to the SMMT's latest report, there were 44,760 new LCVs registered in September, that's 28,457 more than were registered in August.

Year on year registrations were up by 20.8% (44,403) compared to the same period in 2022. However, registrations were down by -9.1% (-25,835) when compared to the pre-pandemic year-to-date average for September.

For what it's worth – November

The overarching comment we heard at our meetings with auction house officials last month was that the used LCV market was steady, unlike the used car market which was struggling.

That doesn't come as a surprise because we have seen this so often before. This of course stems from the fact that, generally, commercial vehicles are purchased for specific business purposes and to fulfil a need. The used car market appears to be more sensitive to economic uncertainty causing buyers to defer making a purchasing decision. We have often heard of car dealers bidding on LCVs when there has been a downturn in retail demand for cars.

Regarding the economic uncertainty, there can be little doubt that the world has become a lot less stable than it was a month ago. As Israel teeters on the edge of all-out war, and the rest of the world quivers over the possible consequences, it seems callous to discuss this in the context of its likely effects on our industry, but they cannot be ignored.

Whilst this conflict is not on our doorstep, neither is the continuing war between Russia and the Ukraine, yet we know only too well the devastating impact it has had on the global economy, the UK economy, and the supply chains across many industries, not least the automotive sector.

Commercial editorial

By cap hpi

Meanwhile, the UK government stoically pushes out statements to the media that their economic policies are working. Inflation remains at 6.7%, with no discernible change over the past month and unemployment has only gone up by 0.2% to 4.2% over the past quarter.

Whether those policies are working or not, and despite the rising cost of living and economic unrest, it seems to be largely business as usual in the used LCV market. Throughout October, auction officials we spoke to consistently reported no issues with the supply of used stock, increasing auction attendance, both at physical and online sales and acceptable conversion rates for the time of year.

Battery Electric Vehicles - BEVs

In last month's edition we took some decisive action to align BEV models with market sentiment. Judging from the price adjustments that were necessary for this edition it seems prices have stabilised as only the City Van sector seem to be bucking the trend.

BEV market - indicative guide price movements by sector

Sector	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
E City Van	-4.0%	-4.0%	-3.9%		
E Small Van	-1.0%	-1.1%	-1.0%	-1.0%	-1.0%
E Medium Van	-1.0%	-1.0%	-1.0%		
E Large Van	-1.0%	-1.0%	-1.0%	-1.0%	-0.9%
E Chassis - Derived	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
E 4x4 Pick-up Lifestyle SUV	-1.0%				
E Minibus				-1.0%	
E Vat Qualifying	-1.0%	-1.0%	-1.0%	-1.0%	

Battery Electric used LCV market – an opinion

There are only so many times you can mention the same old chestnuts when explaining why the BEV LCV market is flatlining and market prices continue to fall. Industry commentators, including ourselves, often blame, range anxiety, battery durability, inadequate battery charging infrastructure, high vehicle purchase prices etc. etc...

In previous editions of Red Book, we've questioned whether there is a viable used BEV LCV market for dealers to tap into at this time. Why would a dealer tie-up funds on expensive BEVs when there is high demand for diesel powered vehicles that can be turned over much faster?

There is no shortage of column inches raving about the latest generation BEV LCV models. Innovative design changes, vehicles with longer ranges, bigger batteries, and faster recharge times, which of course does nothing to endear potential buyers to older generation BEVs.

Caveat Emptor – buyers beware!

From our observations of many used LCV auctions, both physical and online, it's clear that auctioneers do an excellent job when it comes to describing vehicles accurately, particularly when drawing attention to any known vehicle defects and damage. This of course helps the buyer to decide how much to bid, but more importantly, it ensures the auction house has done all it can to make the buyer aware. However, in contract law, it is up to the buyer to be aware.

Commercial editorial

By cap hpi

Something's lacking!

When it comes to selling used BEV LCVs at auctions, generally, we feel something is lacking. All too often we see very brief descriptions of vehicles in the auction catalogues that miss out important features that buyers need to know. We also see auctioneers skirting over the descriptions or not even mention any details at all other than "it's a battery electric vehicle".

Used BEVs – an evolving market

This isn't about looking for someone or something to blame! This is about recognising the BEV LCV market is evolving and everyone involved in remarketing BEVs are still learning.

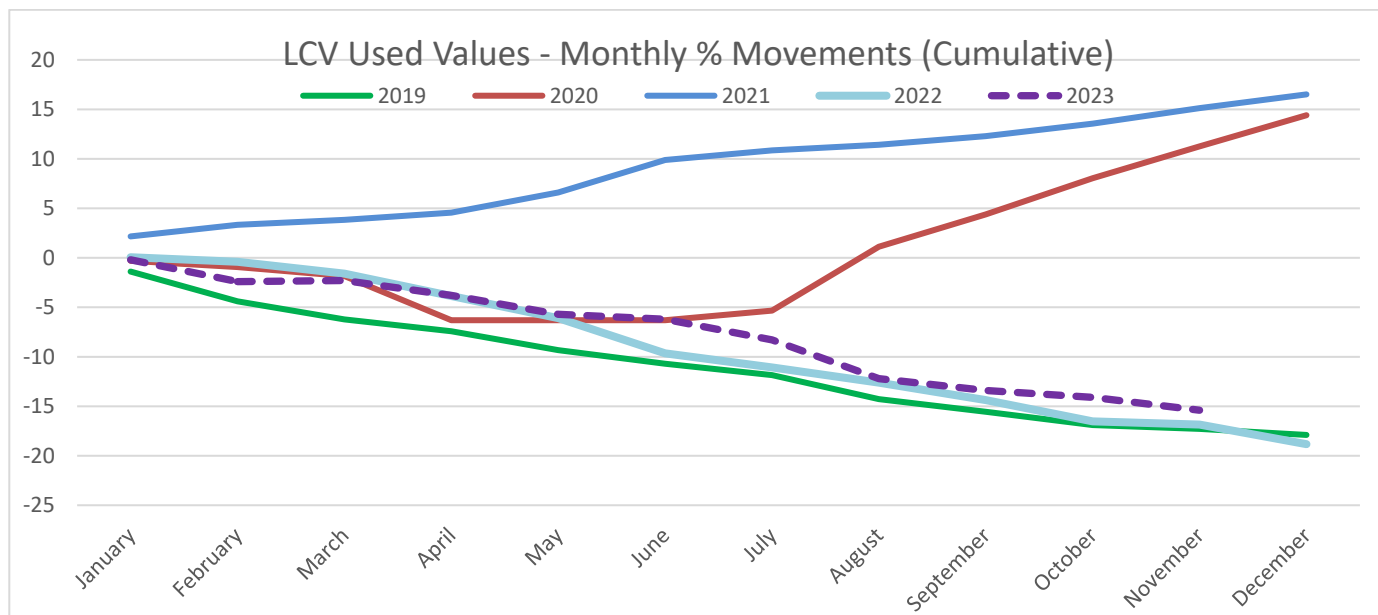
We believe it would be helpful if vehicle descriptions in auction catalogues contained key WLTP information on Combined Range, Payload and Battery Charging rates. Auctioneers need to ensure they clearly communicate this information in between their bid calls. Vendors too need to take responsibility for ensuring this is done.

We believe that trade buyers need to fully understand what they are buying and, when they sell on vehicles, that they are fit for their intended purpose. We shouldn't be leaving it down to Caveat emptor.

Overall average guide price movements in this edition

Based on the average price that trade buyers are paying for vehicles in the open market, the average guide price movement we have made in this edition, across all LCV sectors at 3 years/60k is -1.3%.

Used light commercial vehicle cumulative movements 3 years/60k (all sectors)



The chart above depicts the stark contrast in guide price movements between 2019 and 2023.

The purple dotted line represents the average cumulative movements of -15.4% we have made this year across all sectors.

Commercial editorial

By cap hpi

In 2020 and 2021, wholesale market prices rocketed by 14.4% and 16.5% respectively. In total the guide prices increased by a staggering +30.9%.

During 2022, guide prices steadily decreased month on month across all LCV sectors as used LCV stock shortages began to ease. By the end of 2022 the guide prices had dropped by 18.8%. In 2023 YTD, on average the guide prices have move down by -15.4%

YTD Cumulative Movements by sector	3Yr60k
Micro Van	-16.2%
City Van	-13.4%
Small Van	-11.6%
Medium Van	-9.5%
Large Van	-19.4%
Over 3.5T	-0.3%
All Terrain Workhorse	-11.5%
Forward Control Vehicle	-21.2%
Chassis - Derived	-24.7%
All Terrain Lifestyle SUV	-2.5%
Minibus	-3.9%
Vat Qualifying	-0.5%

This table shows the cumulative guide price movements by sector for a 3-year-old plate at 60,000 miles, highlighting the huge variances between sectors.

Research data – sector market share trends

LCV Sector	Aug-23	Sep-23	Oct-23
City Van	3.0%	3.2%	3.0%
Small Van	21.5%	21.9%	20.9%
Medium Van	34.8%	33.5%	32.9%
Large Van	17.4%	17.4%	16.0%
Over 3.5T	0.3%	0.2%	0.4%
4x4 Pick-up Workhorse	1.9%	1.8%	1.9%
4x4 Pick-up Lifestyle SUV	12.4%	13.4%	14.8%
Forward Control Vehicle	0.1%	0.1%	0.1%
Chassis - Derived	5.4%	5.9%	6.8%
Minibus	0.5%	0.5%	0.6%
Vat Qualifying	2.6%	2.2%	2.5%

This table shows how the monthly sales transaction data we collect is broken down into the various LCV sectors. Due to the large amount of data represented in this table, subtle percentage variances can amount to a significant number of sales transactions.

Indicative guide price movements by sector

ICE Sector	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
City Van	-2.1%	-2.2%	-2.3%	-1.9%	-1.9%
Small Van	-1.3%	-1.5%	-1.5%	-1.4%	-1.1%
Medium Van	-4.0%	-3.7%	-2.6%	-2.1%	-1.8%
Large Van	-2.1%	-1.2%	-2.2%	-0.4%	1.7%
Over 3.5T	-0.2%	-0.8%	-1.0%	-0.4%	-0.3%
Chassis - Derived	-0.4%	-0.5%	-0.5%	-0.6%	-0.8%
4x4 All Terrain Lifestyle SUV	-2.2%	-1.0%	-1.0%	-1.0%	-1.0%
4x4 All Terrain Workhorse	-2.4%	-2.6%	-2.1%	-1.7%	-1.8%
Forward Control Vehicle	-0.3%	-0.2%	-0.3%	-0.4%	-0.4%
Minibus	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
Vat Qualifying	0.5%	0.4%	0.5%	0.9%	1.0%

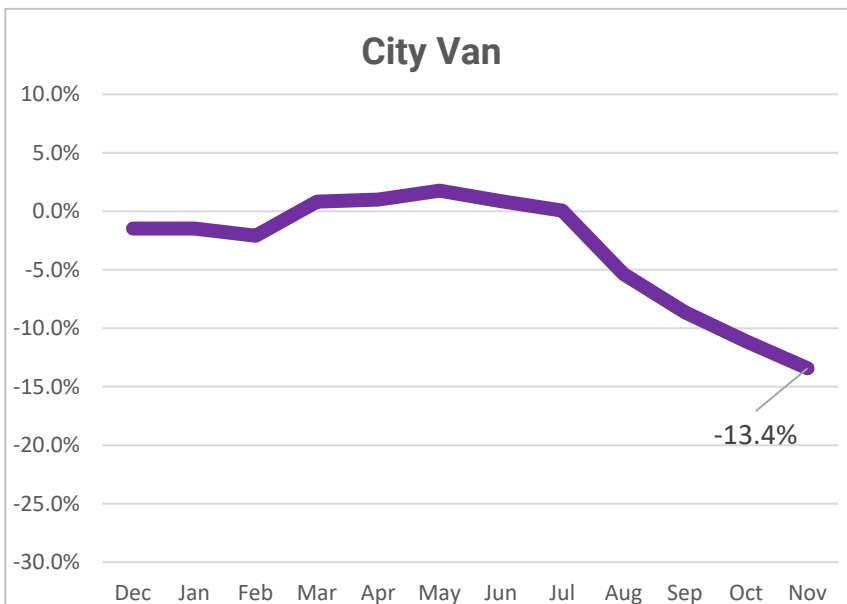
Commercial editorial

By cap hpi

Top 10 Best-selling City Vans - at a glance

26326	FIESTA DIESEL (2012 - 2017) - 1.6 TDCi ECOnetic Van (12-15)
24217	NEMO DIESEL (2008 - 2017) - 1.3 HDi Enterprise [non Start/Stop] (11-16)
40921	FIORINO CARGO DIESEL (2016 ----) - 1.3 16V Multijet Tecnico Van (16-19)
24228	BIPPER DIESEL (2008 - 2017) - 1.3 HDi 75 S [non Start/Stop] (11-15)
30871	TRANSIT COURIER DIESEL (2014 - 2023) - 1.5 TDCi Trend Van (14-18)
34051	CORSAVAN DIESEL (2014 - 2018) - 1.3 CDTi 16V 95ps ecoFLEX Van [Start/Stop] (14-17)
24216	NEMO DIESEL (2008 - 2017) - 1.3 HDi LX [non Start/Stop] (11-16)
14824	NEMO DIESEL (2008 - 2017) - 1.4 HDi LX (08-10)
30869	TRANSIT COURIER DIESEL (2014 - 2023) - 1.5 TDCi Van (14-18)
34479	FIESTA DIESEL (2012 - 2017) - 1.5 TDCi ECOnetic Van (15-17)

City Van cumulative guide price movements – rolling 12 months



Ford Fiesta, Ford Courier, and Vauxhall Corsa market prices were exceptionally strong for the first six months of the year. Prices remained artificially high, largely due to an imbalance between supply and demand. However, there came a point where the price differentials between Small Van, Medium Van and City Vans were unrealistic and, therefore, unsustainable. From around the middle of May, City Van market prices have fallen by around 11.6%.

City Van guide price movements by manufacturer

Manufacturer	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
FIAT	-1.0%	-1.1%	-1.0%	-1.0%	-1.0%
FORD	-3.2%	-3.2%	-3.4%	-3.4%	-3.2%
TOYOTA	-0.9%				
VAUXHALL					-6.0%

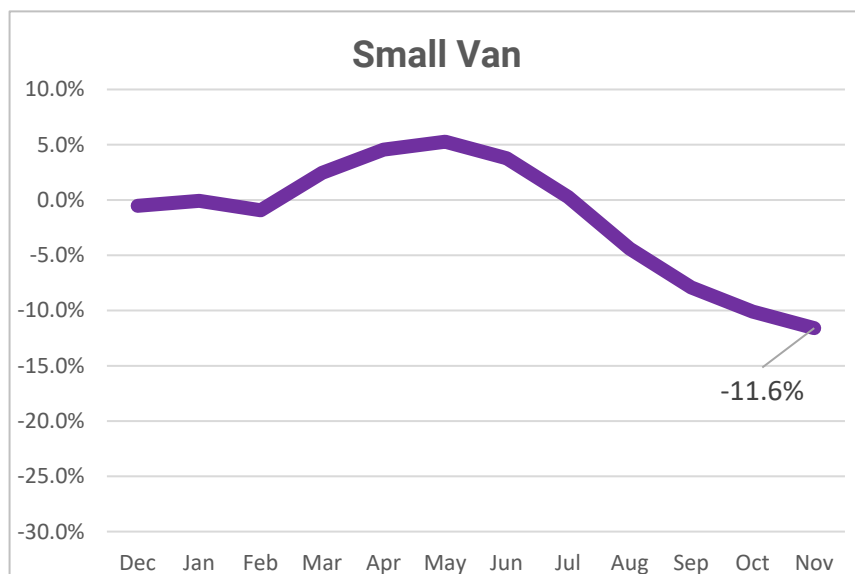
Commercial editorial

By cap hpi

10 Best-selling Small Vans - at a glance

44515	BERLINGO M DIESEL (2018 ----) - 1.5 BlueHDi 1000Kg Enterprise 100ps (19-21)
38471	BERLINGO L1 DIESEL (2008 - 2018) - 1.6 BlueHDi 625Kg Enterprise 75ps (16-18)
38515	PARTNER L1 DIESEL (2015 - 2018) - 850 1.6 BlueHDi 100 Professional Van [non SS] (16-18)
18445	BERLINGO L1 DIESEL (2008 - 2018) - 1.6 HDi 625Kg Enterprise 75ps (10-16)
15182	BERLINGO L1 DIESEL (2008 - 2018) - 1.6 HDi 625Kg LX 75ps (08-16)
44218	COMBO CARGO L1 DIESEL (2018 ----) - 2300 1.5 Turbo D 100ps H1 Sportive Van (19-21)
38513	PARTNER L1 DIESEL (2015 - 2018) - 850 SE 1.6 BlueHDi 100 Van [non Start Stop] (16-18)
26689	TRANSIT CONNECT 200 L1 DIESEL (2013 - 2018) - 1.6 TDCi 115ps Limited Van (14-16)
42534	TRANSIT CONNECT 200 L1 DIESEL (2018 - 2021) - 1.5 EcoBlue 120ps Limited Van (18-21)
42553	TRANSIT CONNECT 210 L2 DIESEL (2018 - 2021) - 1.5 EcoBlue 100ps Trend Van (18-21)

Small Van cumulative guide price movements – rolling 12 months



Fierce competition in the used wholesale market for Small Vans drove up the guide prices to unrealistic levels when compared to some models in the Medium Van and Large Van sectors. However, from June onwards we saw prices dropping sharply. Whilst we expect prices to drop further next month, so far this year the cumulative guide price movements of -11.6% are not far off what we would normally expect to see for a 3year old 60K plate over a year.

Small Van guide price movements by manufacturer

Manufacturer	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
CITROEN	-1.0%	-0.9%	-1.0%	-1.0%	-1.0%
FIAT	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
FORD	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
MERCEDES-BENZ	0.0%	-1.0%	-1.0%	-1.0%	-1.0%
NISSAN	-1.0%	-1.0%	-1.0%	-1.0%	-0.9%
PEUGEOT	-3.9%	-3.9%	-4.1%	-4.0%	-2.3%
RENAULT	-1.0%	-0.9%	-1.0%	-1.1%	-1.0%
TOYOTA	-0.1%	0.0%	0.0%	0.0%	
VAUXHALL	-3.0%	-3.0%	-3.0%	-3.0%	-1.0%
VOLKSWAGEN	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%

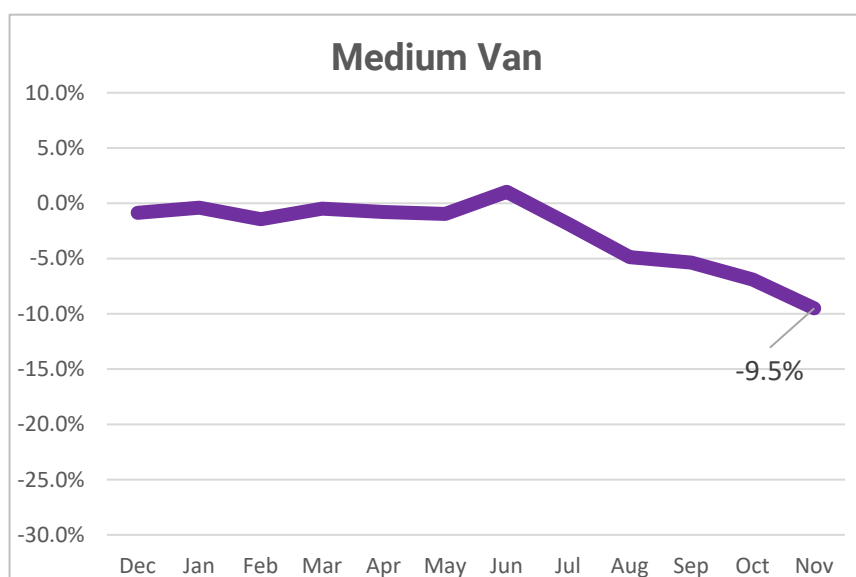
Commercial editorial

By cap hpi

Top 10 Best-selling Medium Vans - at a glance

42060	TRANSIT CUSTOM 280 L1 DIESEL FWD (2017 - 2023) - 2.0 EcoBlue 130ps Low Roof Limited Van (17-23)
42091	TRANSIT CUSTOM 340 L1 DIESEL FWD (2017 - 2023) - 2.0 TDCi 130ps Low Roof Van (17-19)
31650	VIVARO L1 DIESEL (2014 - 2019) - 2900 1.6CDTI 90PS ecoFLEX H1 Van (14-16)
42077	TRANSIT CUSTOM 300 L2 DIESEL FWD (2017 - 2023) - 2.0 EcoBlue 130ps Low Roof Limited Van (17-23)
38112	VIVARO L2 DIESEL (2014 - 2019) - 2900 1.6CDTI 120PS Sportive H1 Van (16-19)
38500	TRAFIC SWB DIESEL (2014 - 2019) - SL29 ENERGY dCi 125 Business+ Van (16-19)
34656	TRANSPORTER T30 SWB DIESEL (2015 - 2020) - 2.0 TDI BMT 102 Startline Van Euro 6 (15-19)
18442	DISPATCH L1 DIESEL (2007 - 2016) - 1000 1.6 HDi 90 H1 Van Enterprise (10-16)
35815	TRANSIT CUSTOM 290 L1 DIESEL FWD (2012 - 2017) - 2.0 TDCi 105ps High Roof Van (16-17)
25475	TRANSIT CUSTOM 290 L2 DIESEL FWD (2012 - 2017) - 2.2 TDCi 125ps Low Roof Limited Van (12-16)

Medium Van cumulative guide price movements – rolling 12 months



Reports from auction officials of there being adequate stock to meet trade demand were borne out by the relatively stable market prices and marginal guide price adjustments that were necessary throughout the first six months of the year. However, reports of increasing numbers of older, higher mileage, damaged stock entering the market took its toll and market prices started to fall from July. VW Transporter prices weakened considerably along with latest shape Renault and Nissan models.

Medium Van - guide price movements by manufacturer

Manufacturer	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
CITROEN	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
FIAT	-1.0%	-1.0%	-1.0%	-0.3%	0.0%
FORD	-2.8%	-2.7%	-3.0%	-2.9%	-2.9%
HYUNDAI				-1.0%	-1.0%
MERCEDES-BENZ	1.0%	1.0%	1.0%	1.0%	1.0%
NISSAN	-7.4%	-7.4%	-4.5%	-3.0%	-1.0%
PEUGEOT	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
RENAULT	-7.9%	-6.2%	-4.9%	-3.5%	-3.0%
RENAULT TRUCKS UK	-7.9%				
TOYOTA	-3.0%	-3.0%	-3.0%	-3.0%	-3.0%
VAUXHALL	-1.0%	-1.0%	-1.0%	-1.0%	0.0%
VOLKSWAGEN	-5.0%	-5.0%	-5.0%	-2.0%	-2.0%

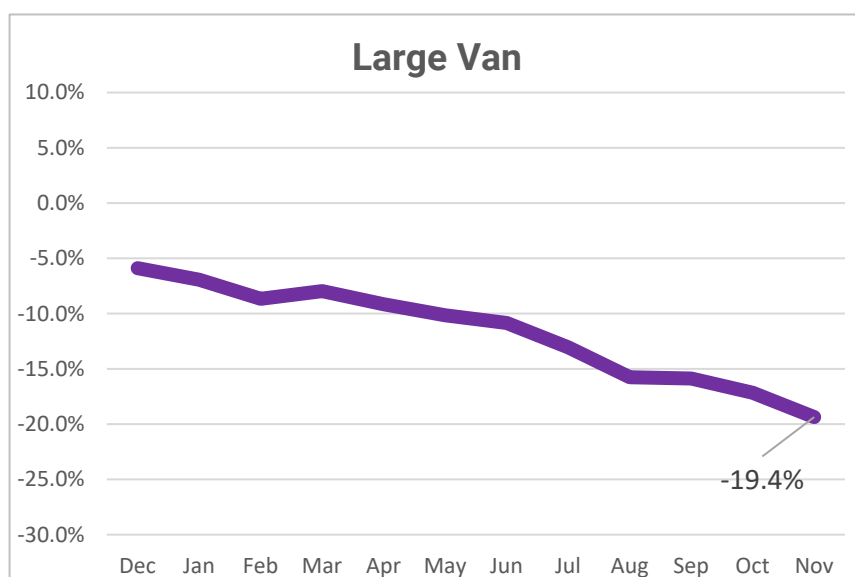
Commercial editorial

By cap hpi

Top 10 Best-selling Large Vans - at a glance

36890	SPRINTER 314CDI MEDIUM DIESEL (2016 - 2018) - 3.5t High Roof Van (16-18)
42952	SPRINTER 314CDI L3 DIESEL RWD (2018 - 2021) - 3.5t H2 Van (18-21)
9104	TRANSIT 260 SWB DIESEL FWD (2006 - 2013) - Low Roof Van TDCi 85ps (06-11)
45432	MOVANO 3500 L3 DIESEL FWD (2019 - 2021) - 2.3 Turbo D 135ps H2 Van (19-21)
38198	BOXER 335 L3 DIESEL (2014 ----) - 2.0 BlueHDi H2 Professional Van 130ps (16-19)
36948	SPRINTER 314CDI LONG DIESEL (2016 - 2018) - 3.5t High Roof Van (16-18)
9551	SPRINTER 313CDI LONG DIESEL (2006 - 2013) - 3.5t High Roof Van (06-13)
22244	TRANSIT 350 LWB DIESEL RWD (2006 - 2013) - High Roof Van TDCi 100ps Euro 5 (11-13)
22118	TRANSIT 260 SWB DIESEL FWD (2006 - 2013) - Low Roof Van TDCi 100ps (11-13)
44603	TRANSIT 350 L3 DIESEL RWD (2019 ----) - 2.0 EcoBlue 130ps H2 Leader Van (19-)

Large Van cumulative guide price movements – rolling 12 months



A steady decline in market prices, well above what we would expect to see for normal age depreciation, sums up our observation of the Large Van sector. Seasonality would usually account for increased demand for large capacity panel vans and Lutons in quarter 4, from the parcel delivery market segment, but that doesn't seem to be the case this year.

Large van - guide price adjustments by manufacturer

Manufacturer	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
CITROEN	-0.5%	0.8%	0.9%	-0.6%	-2.4%
FIAT	-0.5%	0.9%	1.6%	3.6%	5.4%
FORD	-6.0%	-5.9%	-6.0%	-3.9%	13.6%
IVECO	-7.6%	-5.8%	-5.4%	-2.0%	0.5%
LDV				-0.2%	-2.4%
MAN	5.5%	6.8%	7.0%	5.4%	3.5%
MAXUS	-0.4%	0.7%	0.8%		
MERCEDES-BENZ	-5.1%	-3.9%	-3.8%	1.4%	1.1%
NISSAN	-0.5%	0.8%	0.9%	-2.3%	-7.5%
PEUGEOT	5.1%	5.9%	6.1%	4.6%	2.6%
RENAULT	-0.5%	0.8%	0.9%	-0.7%	-1.9%
RENAULT TRUCKS UK	-0.7%	0.4%	0.6%	-1.0%	-1.0%
VAUXHALL	-0.5%	-2.0%	-3.4%	-2.6%	-1.0%
VOLKSWAGEN	2.5%	3.8%	3.9%	2.4%	0.5%

Commercial editorial

By cap hpi

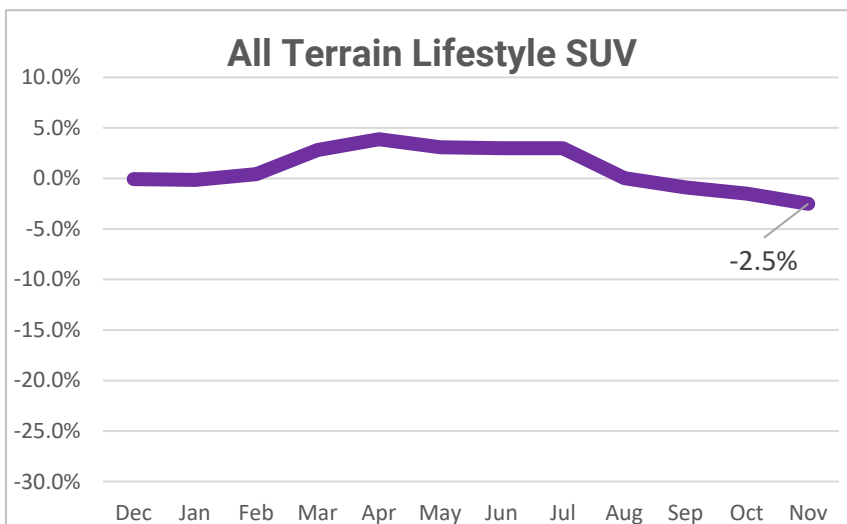
All Terrain (Lifestyle SUV and workhorse sectors)

Please note, the guide prices we publish in all sectors are for vehicles as they appear in the vehicle manufacturer's price list and do not include any manufacturer's optional extras or ancillary equipment. This is a particularly relevant point for 4x4 Pickup. Many of them seen at auction have extras fitted to them including lockable load covers or hardtops and winches etc., which are highly desirable to retail buyers.

Top 10 Best-selling All Terrain Lifestyle/SUV - at a glance

44067	RANGER DIESEL (2019 - 2022) - Pick Up Double Cab Wildtrak 2.0 EcoBlue 213 Auto (19-22)
39511	NAVARA DIESEL (2016 - 2022) - Double Cab Pick Up Tekna 2.3dCi 190 4WD Auto (16-19)
35284	L200 DIESEL (2015 - 2019) - Double Cab DI-D 178 Barbarian 4WD (15-19)
35285	L200 DIESEL (2015 - 2019) - Double Cab DI-D 178 Barbarian 4WD Auto (15-19)
41444	AMAROK A33 DIESEL (2016 - 2020) - D/Cab Pick Up Highline 3.0 V6 TDI 224 BMT 4M Auto (16-18)
38361	HILUX DIESEL (2016 - 2020) - Invincible D/Cab Pick Up 2.4 D-4D (16-20)
35006	RANGER DIESEL (2015 - 2019) - Pick Up Double Cab Wildtrak 3.2 TDCi 200 Auto (15-19)
35064	RANGER DIESEL (2015 - 2019) - Pick Up Double Cab Limited 2 3.2 TDCi 200 Auto (15-19)
19135	NAVARA DIESEL (2010 - 2015) - Double Cab Pick Up Tekna 2.5dCi 190 4WD (10-15)
21668	HILUX DIESEL (2011 - 2016) - Invincible D/Cab Pick Up 3.0 D-4D 4WD 171 (11-16)

All Terrain Lifestyle SUV cumulative guide price movements – rolling 12 months



With a cumulative guide price movement of -2.5%, well below the expected age depreciation rate, demand remains exceptionally strong. Stock has been plentiful; however, condition is king in this sector. Higher spec vehicles with optional extras sell easier, whilst basic and damaged examples are more likely to stick unless realistic reserves are set. Ford Ranger dominated this sector earlier in the year but of late there is a wider mix of models in the market.

All Terrain Lifestyle SUV guide price adjustments by manufacturer

Manufacturer	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
FIAT		-1.2%	-1.1%	-0.9%	-1.1%
FORD	-6.3%	-1.0%	-1.0%	-1.0%	-0.9%
GREAT WALL			-1.0%	-1.2%	-1.2%
ISUZU	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
MERCEDES-BENZ		-1.0%	-1.0%	-1.0%	-1.1%
MITSUBISHI		-3.5%	-1.8%	-1.4%	0.0%
NISSAN	0.0%	0.0%	0.0%	0.0%	0.0%
SSANGYONG	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%
TOYOTA	-0.5%	0.1%	-0.7%	-1.0%	-1.0%
VOLKSWAGEN			-2.9%	-2.9%	-3.0%

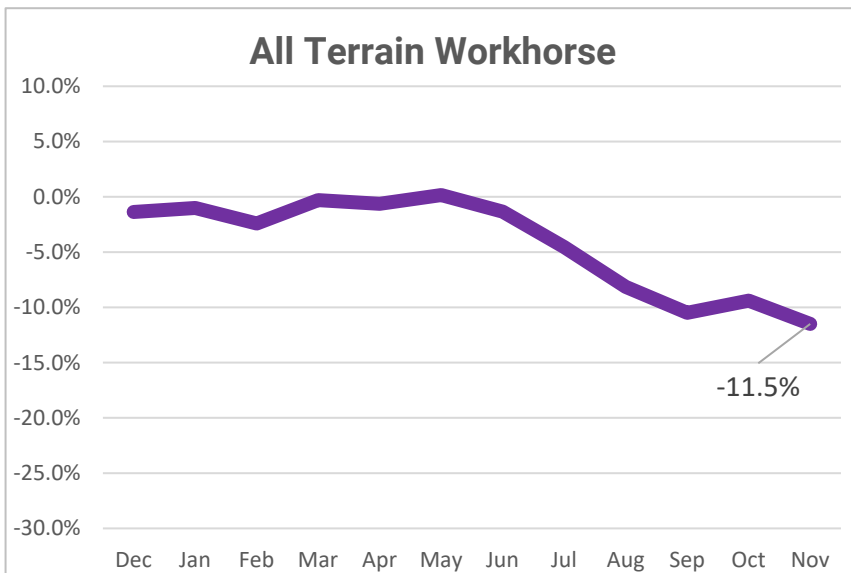
Commercial editorial

By cap hpi

Top 10 Best-selling All Terrain Workhorse - at a glance

43081	DISCOVERY DIESEL (2018 - 2020) - 3.0 SDV6 306 HSE Commercial Auto (18-19)
20727	OUTLANDER DIESEL (2010 - 2013) - 2.2 DI-D GX1 (10-13)
34428	DISCOVERY DIESEL (2013 - 2019) - SE Commercial Sd V6 Auto (15-19)
38352	HILUX DIESEL (2016 - 2020) - Active D/Cab Pick Up 2.4 D-4D TSS (16-20)
34994	RANGER DIESEL (2015 - 2019) - Pick Up Regular XL 2.2 TDCi (15-19)
21665	HILUX DIESEL (2011 - 2016) - HL2 D/Cab Pick Up 2.5 D-4D 4WD 144 (11-13)
49552	DEFENDER 110 DIESEL (2020 ----) - 3.0 D300 Hard Top HSE Auto (20-22)
41604	D-MAX DIESEL (2017 - 2020) - 1.9 Single Cab 4x4 (17-20)
11066	DEFENDER 90 SWB DIESEL (1990 - 2016) - PickUp TDCi (07-11)
34999	RANGER DIESEL (2015 - 2019) - Pick Up Double Cab XL 2.2 TDCi (15-19)

All Terrain Workhorse cumulative guide price movements – rolling 12 months



With a cumulative guide price movement of -11.5% on average, market prices have dropped in line with what we would normally expect for age depreciation of a 3yr 60K plate. However, it's worth noting that most of the downward movements have occurred in the past five months. This is largely attributable to a large influx of lower spec Hilux models which failed to excite trade buyers.

All Terrain Workhorse guide price adjustments by manufacturer

Manufacturer	1Yr20k	2Yr40k	3Yr60k	4Yr80k	5Yr100k
DACIA	-3.0%	-2.9%	-2.8%	-3.0%	-2.8%
FORD	-3.0%	-2.8%	-3.0%	-3.1%	-2.9%
ISUZU	-1.0%	-1.1%	-1.1%	-1.1%	-1.1%
LAND ROVER	-1.5%	-2.0%	-1.8%	-1.9%	-2.0%
MERCEDES-BENZ					-0.9%
MITSUBISHI	0.0%	-1.4%	-1.2%	-1.4%	-1.5%
NISSAN	-3.0%	-3.0%	-3.1%	-3.0%	-3.2%
SSANGYONG			-2.9%	-3.0%	-3.0%
SUZUKI	-2.0%	-2.1%			
TOYOTA	-4.4%	-4.5%	-2.4%	-1.1%	-0.9%

Ken Brown

LCV Valuations Editor

November 2023

HGV market overview

Vehicle stocks remain high, but are high stocks now the norm following the acute shortage of stock following the Covid pandemic?

If so, we may have a problem because whilst the average number of vehicles at auctions remains strong, sales have remained reasonably flat, and so far, this year the average on-the-day gavel sales is 33% of the entry, which is considerably less than a couple of years ago.

Whilst the domestic market for used trucks is a diminishing one, surely it has not diminished to the extent that the current situation is sustainable for any considerable time because high stocks and low sales manifests itself in falling values. This has occurred throughout the year and whilst we keep seeing some signs of hope, they quickly diminish, and values continue to decline.

Currently tractor units account for over 40% of the vehicles sold in average condition, but being so numerous many remain unsold after several attempts and only after a reduction in reserve values will they eventually disappear.

Due to plentiful number of available vehicles some early Euro 6 vehicles are being shunned with the preference being for newer ones, and whilst newer vehicles may be holding value, values of some older ones are drifting away.

It is now do or die time if values are to show any kind of stability by the end of the year as we enter the final run into Christmas. If stock does not start moving now, when will it? And if traditional de-fleets occur as usual in January, the market could be drowned with stock and unfortunately that is unwelcome news for already struggling values.

Used truck and trailer statistics.

Over the last month the average number of truck entries at auctions increased by 4%, whilst the number of on-the-day sales decreased by 5.9%. Sales were 5.9% less than September last year when the average number of entries per auction was 17.9% less than this year.

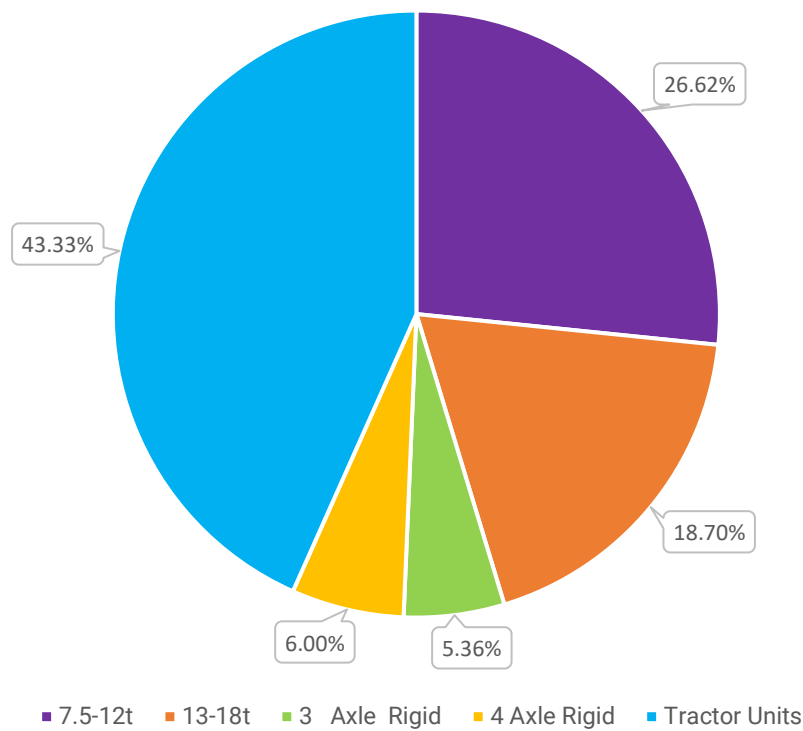
Trailer entries have increased by 12.9% since last month and sales have decreased by 16%. Sales were 40% less than last October when the average number of entries was 5.4% more than this year.

Over the previous month the number of vehicles under seven years of age increased by 5% whilst vehicles over nine years old increased by 1.5%. Trailers saw an increase of 0.7% in those under seven years of age and a decrease of 0.5% in those over nine-year-old.

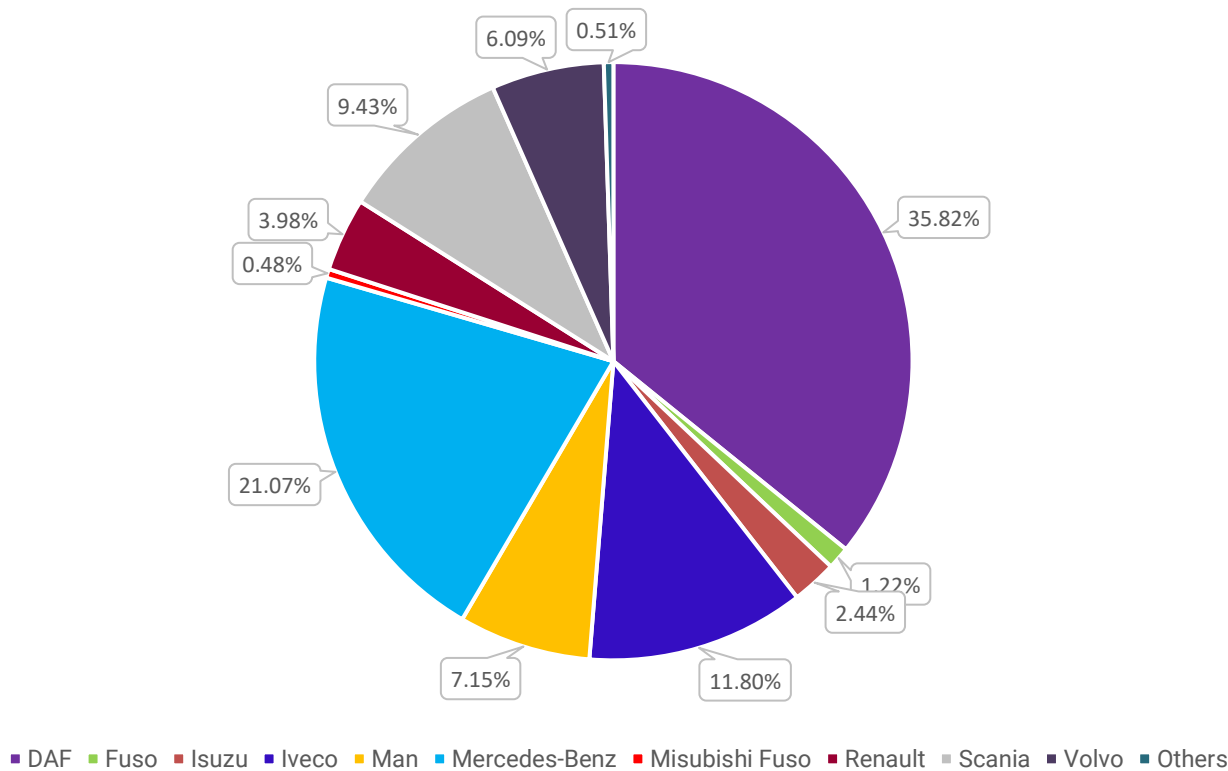
The above statistics are based on eleven auctions and 1920 total lots offered up to and including the 23rd October, and as always, we remind you that these are 'hammer sales' on-the-day and provisional sales which are subsequently successfully converted are not included.

Details of vehicles sales recorded to date this year which are under 11 years old, and which were deemed to be in average condition are illustrated on the following couple of charts.

Sales by vehicle type as a % of total sales in average condition



Sales by Manufacturer as a % of total sales in average condition

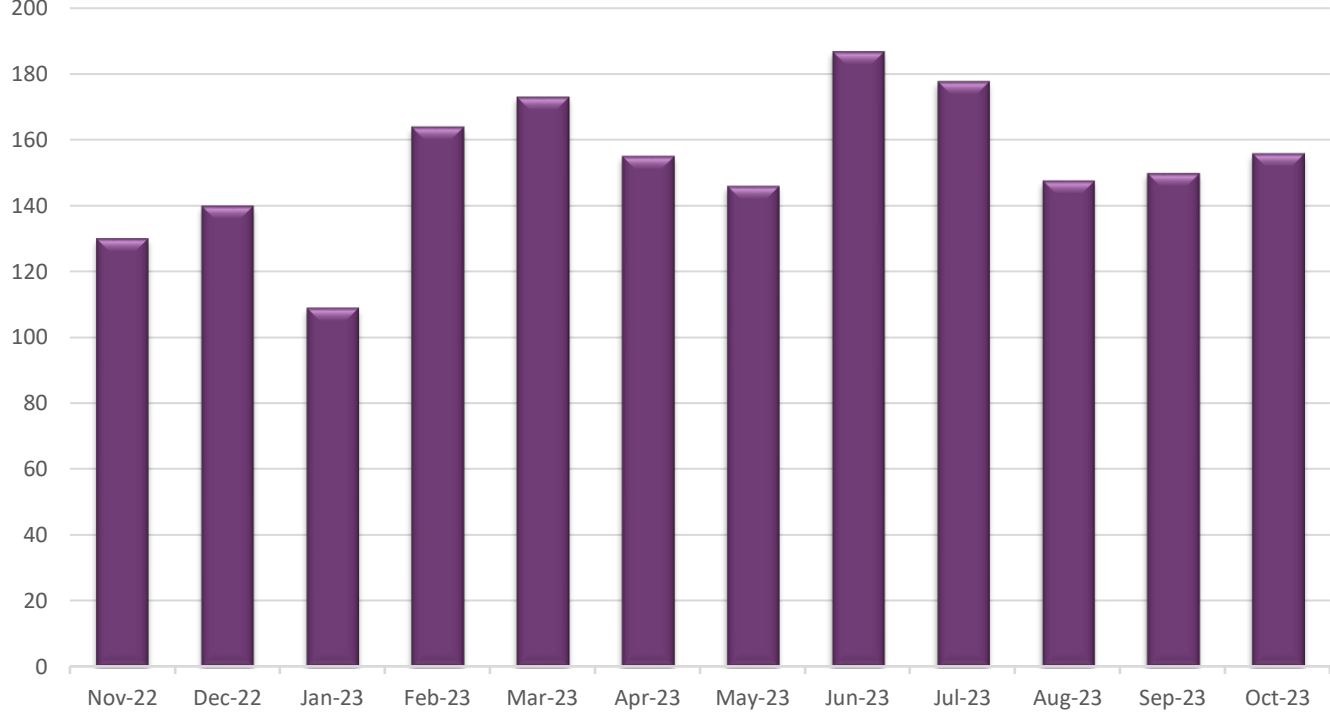


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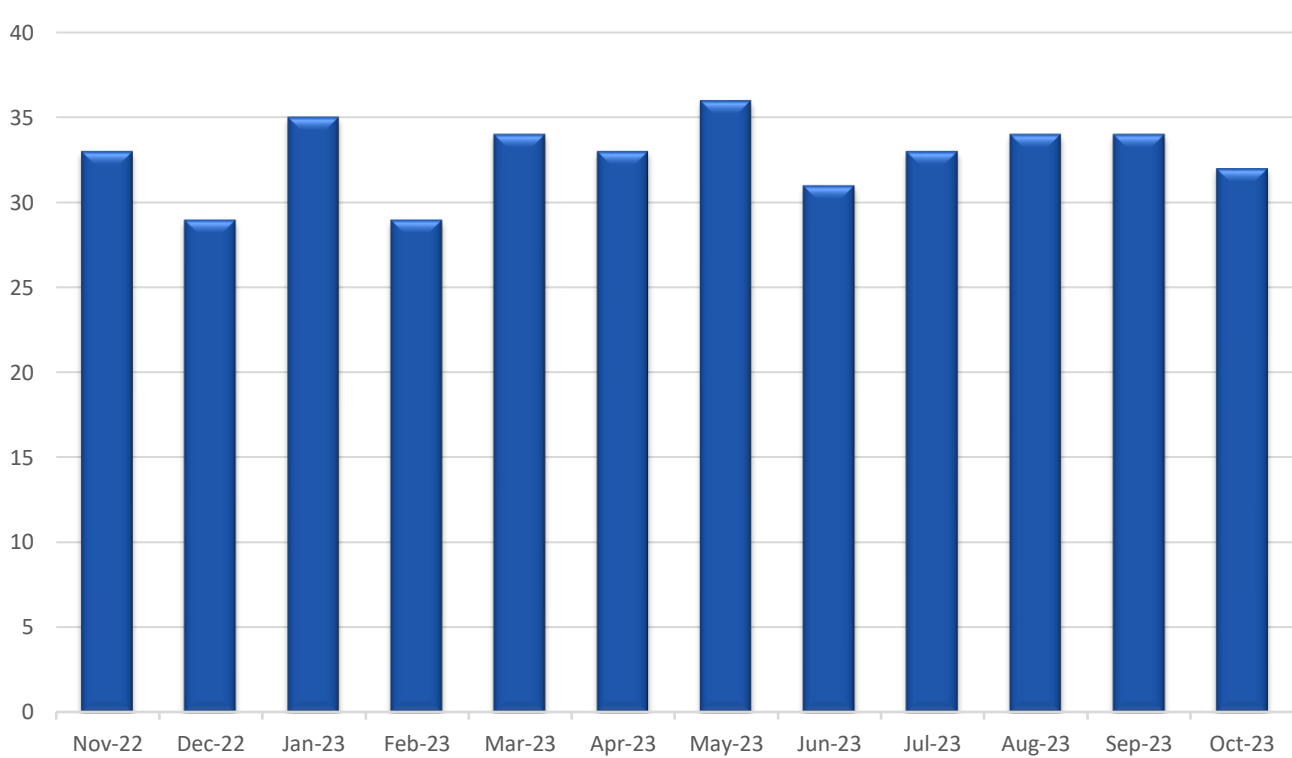
By cap hpi

The following graphs below firstly illustrate the average number of truck lots which have been available at auctions each month followed by the average number of truck sales as a percentage of the average number of truck lots.

Average number of truck lots per auction



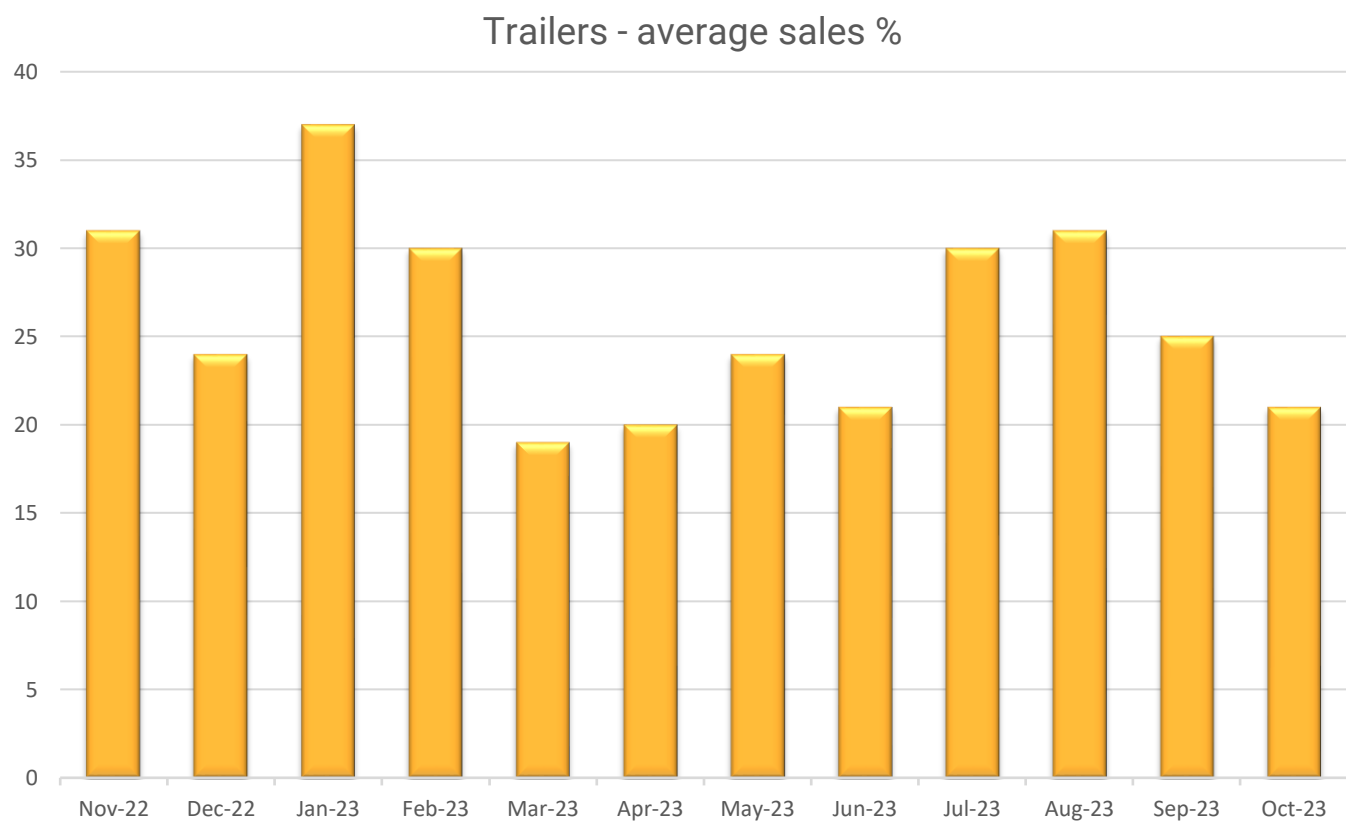
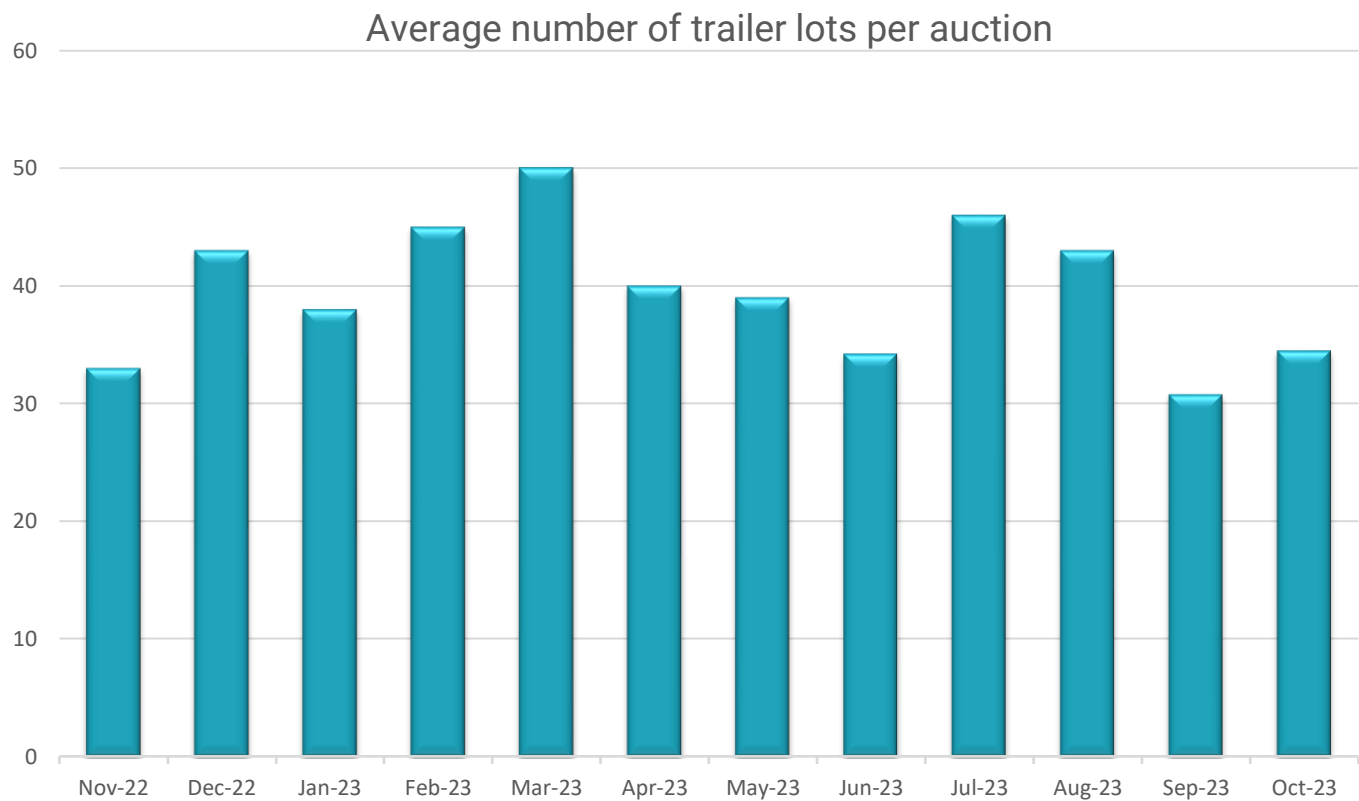
Trucks - average sales %



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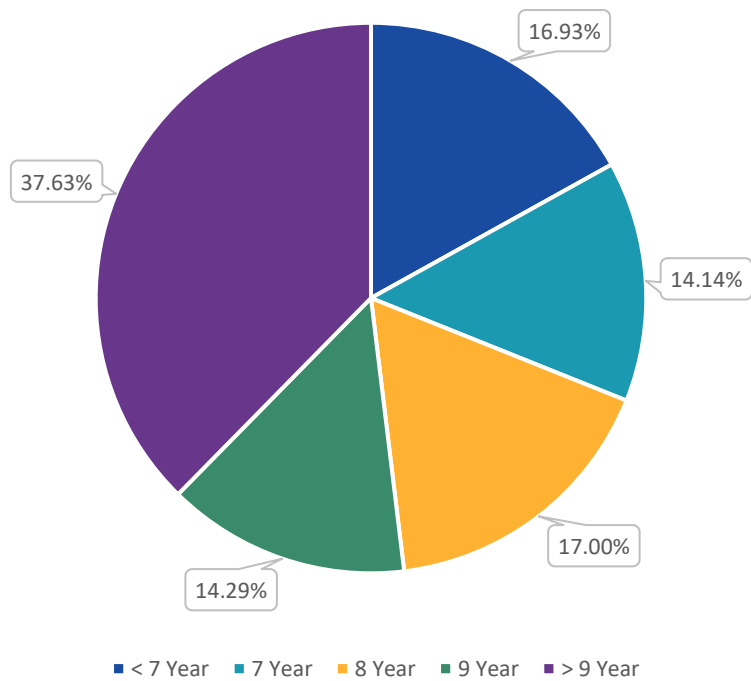
By cap hpi

The next two graphs below firstly illustrate the average number of trailer lots which have been available at auctions each month followed by the average number of trailer sales as a percentage of the average number of trailer lots.

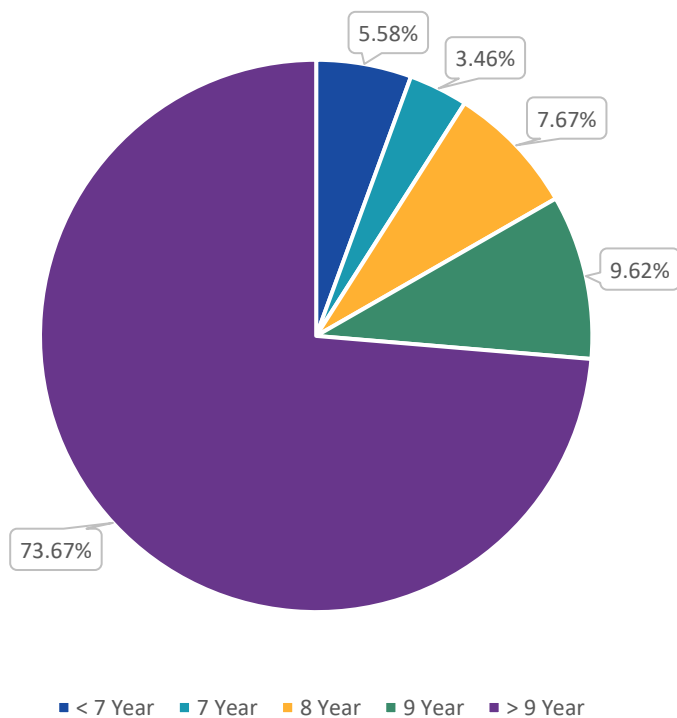


The following illustrates the age profile of trucks and trailers seen at auctions during 2023. The age of entries shown as a percentage of the total truck and trailer lots viewed.

Truck auction lots by age



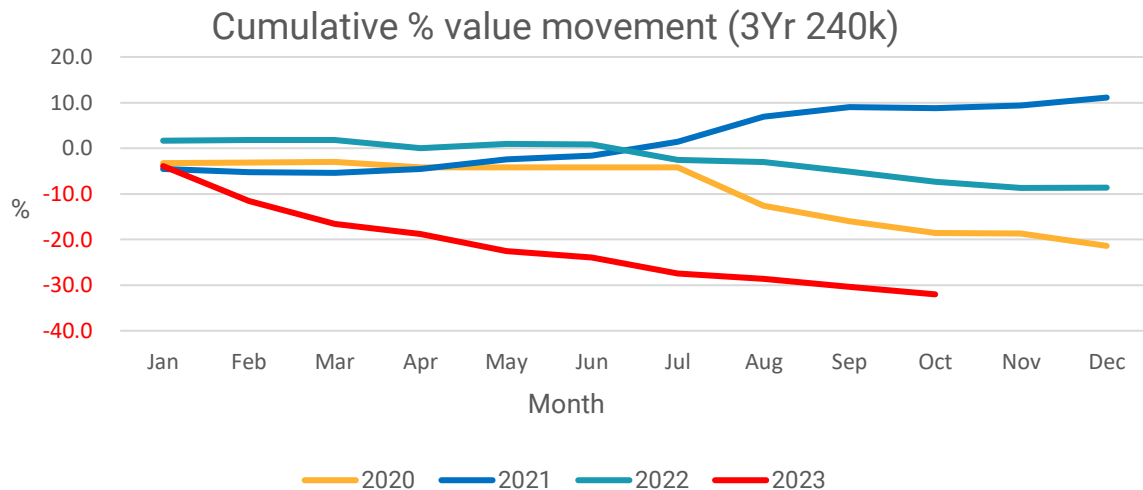
Trailer auction lots by age



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By cap hpi

Finally, the following graph illustrates the cumulative % value change over recent years.



Figures for all the above graphs are correct up to and including 23rd October 2023.

Sector Summary

7.5t to 12t vehicles

- Values of some Euro 6 vehicles have fallen again but it all depends on the chassis/body derivative. Many values remain steady with a handful increasing.
Values of all earlier Euro standards have reduced a little.

Plenty more Euro 6 7.5t boxes have flowed into the market which are predominantly DAF's. Many are selling but values remain under pressure. Older boxes are also plentiful, and buyers continue to have a wide choice to select from which is adversely affecting their value.

Most other examples in this sector which are currently on offer are over six years old and only the best examples are selling.

Dropsides and tippers have appeared on the auction circuit and whilst some are new enough and tidy enough to provoke strong interest, mileage plays a crucial factor in prices paid and on the whole both have struggled a little recently.

Curtains are far fewer than boxes in number and often sell well more easily when they appear, but they too are subject to the caveats in order to realise best value.

Car transporters always provoke good interest, especially when end users are present. Numerous 7.5t Isuzu day cab double decker's have proved popular as did a selection of 7.5t and 10t crew cab tilt and slide examples from a respected lease company which were based mainly on MAN TGL and Mercedes-Benz Atego chassis.

13t to 18t vehicles

- Values of some Euro 6 vehicles have fallen again but it all depends on the chassis/body derivative. Many values remain steady with a handful increasing.
Values of all earlier Euro standards have fallen slightly.

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A good number 18 tonne boxes and curtains, again mainly DAF's, have appeared at auction recently and values continue to be adversely affected, especially early Euro 6 models. However, many were new enough to provoke strong bidding especially so for the low mileage examples which played a significant factor in prices paid.

Plenty of vehicles sold on the day but it was those with high mileages which failed to sell, that said, the provisional bids may have been strong enough to have secured their sale.

Despite it being the buying season for gritters, there are few signs of any additional interest at present, but this may change with the first cold snap of the season.

Refuse trucks are selling but only if the price is right and tippers and skip loaders remain popular but this may change as we progress into winter and any needing remedial work sees their desirability decrease.

Glass carriers are not commonly seen and usually attract little interest, which was again the case on a couple of DAF LF's which achieved bids in the region of chassis cab value, which is really what they are.

Multi-wheelers

- Values of some Euro 6 three axle vehicles have reduced but many remain steady. Values of four axle vehicles have on the whole remained stable with just handful of values declining.
Values of pre-Euro 6 vehicles have declined slightly.

With a few exceptions the run of the mill three axle derivatives are not selling so easily unless they are late registered or have low kilometres.

Boxes continue to be remain relatively scarce when compared to curtains and fridges which are in good supply but are of varying age and quality. Platforms are also readily available, some carrying cranes but again often their condition does not necessarily play in their favour. Except for tippers four-axle variants are less common and continue to maintain buyer interest.

Some of the cement mixers mentioned last month have reappeared and they are still struggling to attract sufficient interest for them to sell. Refuse trucks of varying combinations have been available to purchase with examples on Dennis Elite and Mercedes Econic chassis being in the majority, but a smattering of other types has also been available of late including on DAF and MAN chassis and these too are garnering little interest.

Car carriers have been mentioned in previous editorials and whilst complete rigs often struggle to sell rigids seem to fare much better. A pair of tidy 16 plate DAF FAR CF330 double deck examples selling for around £70,000 each.

Tractor units

- The values of some Euro 6 three axle models have again reduced, but the values for many remain the same. Pre-Euro 6 6x2 values have also fallen a little this month.
The values of most Euro 6 4x2's has declined with the values of pre-Euro 6 4x2 models remaining unchanged.

More 6x2 examples continue to flow into an already saturated market and there is a broad selection of most marques and specifications, to choose from. A smaller number of Euro 5 examples have appeared, and these too are finding some difficulty in finding new homes.

Vehicles aged over five years old are plentiful at present and they often struggle to sell but those that do are showing signs of decreasing values. There are far fewer under five years old and those that appear at auction are often finance

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By cap hpi

repossessions, cancelled orders or close of business sales. The newest vehicle spotted of late was a 23 plate MAN TGS 24.480 GM cab with 111, (yes 111), kilometres. It reached a best bid of £75,000 but failed to sell.

Euro 5 examples are slowly becoming less common but those too are struggling unless they sport a manual gearbox in which case, they have more success in finding new homes.

4x2 variants are far less numerous than 6x2 examples and often sell a little quicker but condition, mileage, specification and quite often the badge on the front grille, influence the eventual outcome.

Trailers

- Trailers – Values for most derivatives have fallen.

The number of trailers available has grown slightly but with a decline in on-the-day auction sales things are a little unsteady in the trailer market and values remain under pressure except for some curtains which are doing reasonably well at the moment.

This is time of the year when ready to roll box and curtain trailers are usually in most in demand when they are purchased to supplement an operator's short-term additional requirements in the pre-Christmas period. However, there is little sign of any strong demand at present.

Good quality newer trailers, irrespective of body type are attracting reasonable offers but the age and condition of many trailers currently available is not conducive to further use and they are unlikely to find buyers quickly.

Tippers of all types often provoke interest and fridges have been a little more popular recently.

Rob Smith

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