



SUMMARY

CONSTRUCTION

LIFT/ACCESS

AGRICULTURE

COMMERCIAL TRUCK

MARKET DATA: APRIL 2018

EquipmentWatch remains the largest sales database on the planet with 20x the sales data of any other source.

\$34,222,078,108

RESALE

\$33,980,687,934

435,853 Assets

AUCTION

\$241,390,174

7,974 Assets

The *EquipmentWatch Market Report™* is a monthly resource for the construction, lift/access, agriculture and commercial truck industries to make better-informed decisions by leveraging key **equipment values, market activity, age and usage metrics**.

How is the Price Stability INDEX calculated?

MARKET SUMMARY

For more detailed articles, visit [EquipmentWatch Intelligence online](#).

MARKET ACTIVITY

YEAR OVER YEAR

MARKET METRICS

MONTH OVER MONTH

MARKET METRICS

PRICE STABILITY INDEX™

CONSTRUCTION

\$18,334,904,783

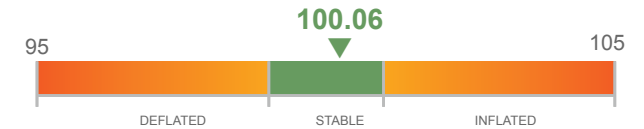
203,479

MARKET VALUE

ASSETS

VALUES	▼ 6.5%	▼ 8.0%
	FMV	FLV
VOLUME	▲ 20.1%	▲ 12.8%
	RESALE	AUCTION

VALUES	▼ 0.7%	▼ 1.4%
	FMV	FLV
VOLUME	▼ 0.2%	▼ 40.2%
	RESALE	AUCTION



LIFT/ACCESS

\$1,141,381,622

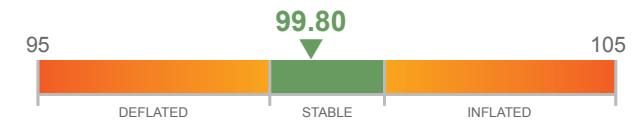
36,669

MARKET VALUE

ASSETS

VALUES	▼ 3.8%	▲ 5.5%
	FMV	FLV
VOLUME	▼ 7.0%	▲ 111.2%
	RESALE	AUCTION

VALUES	▲ 0.1%	▼ 0.2%
	FMV	FLV
VOLUME	▼ 8.6%	▼ 42.2%
	RESALE	AUCTION



AGRICULTURE

\$11,551,723,293

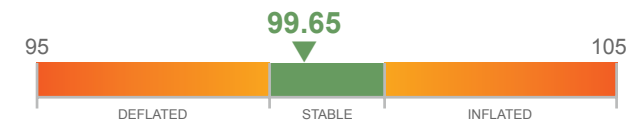
132,221

MARKET VALUE

ASSETS

VALUES	▼ 0.5%	▼ 1.7%
	FMV	FLV
VOLUME	▲ 16.1%	▲ 66.9%
	RESALE	AUCTION

VALUES	▼ 0.4%	▼ 0.3%
	FMV	FLV
VOLUME	▲ 6.6%	▲ 2.5%
	RESALE	AUCTION



COMMERCIAL TRUCK

\$3,194,068,410

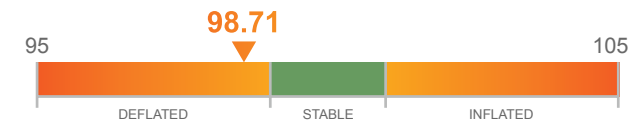
71,458

MARKET VALUE

ASSETS

VALUES	▼ 10.6%	▼ 3.2%
	FMV	FLV
VOLUME	▲ 3.6%	▲ 124.6%
	RESALE	AUCTION

VALUES	▼ 1.3%	▲ 0.5%
	FMV	FLV
VOLUME	▲ 25.3%	▼ 51.8%
	RESALE	AUCTION





Did you miss a previous Market Report?

Click any of the buttons below to download the report

April 2018

January 2018

March 2018

December 2017

February 2018

November 2017





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REGIONAL TRENDS

MARKET ACTIVITY

\$18,334,904,783
MARKET VALUE

203,479
ASSETS

YEAR OVER YEAR

MARKET METRICS

VALUES ▼ **6.5%** ▼ **8.0%**
FMV FLV

VOLUME ▲ **20.1%** ▲ **12.8%**
RESALE AUCTION

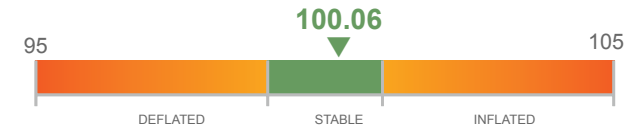
MONTH OVER MONTH

MARKET METRICS

VALUES ▼ **0.7%** ▼ **1.4%**
FMV FLV

VOLUME ▼ **0.2%** ▼ **40.2%**
RESALE AUCTION

PRICE STABILITY INDEX™



MARKET PERFORMANCE

Construction resale markets had a strong month in April 2018, with values growing by 0.7% from March 2018. Auction values remained relatively flat, only decreasing by -0.2% month over month.

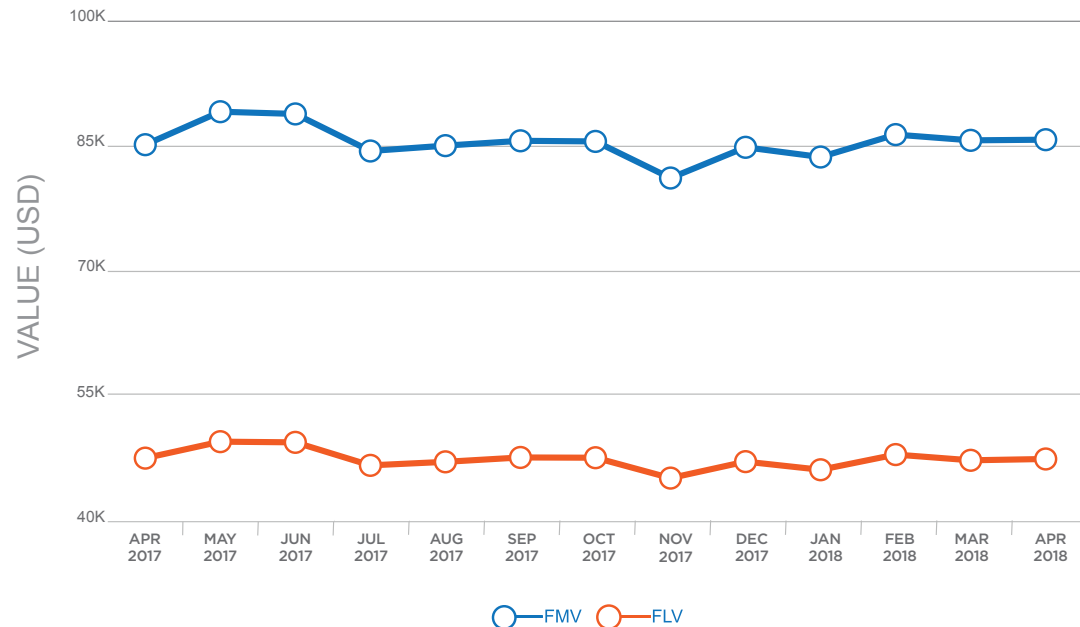
MARKET HIGHLIGHTS

- Unlike March, average age and utilization had small variances in April as compared to last year and the previous month, with no changes of more than plus or minus 7%.
- Auction market activity had a large drop in April, as compared to March, with a -40.2% decrease, while resale markets remained even. Both markets are up over 12% from last April, exhibiting strong growth year over year.
- After consistent declines in average FMV since summer 2017, values on the resale channel appear to be stabilizing in the first few months of 2018.

MARKET FORECAST

May usually exhibits a trend of values decreasing, but with the cold winter continuing into late April in many states, we could see FMVs remain even or slightly increase in the colder states where jobs have just started to get going.

FMV AND FLV TRENDS



MONTH OVER MONTH

VOLUME CHANGE

▼ **0.2%** ▼ **40.2%**
RESALE AUCTION

AVERAGE AGE

▼ **3.5%** ▼ **4.6%**
RESALE AUCTION

USAGE

▼ **1.6%** ▲ **3.0%**
RESALE AUCTION

YEAR OVER YEAR

▲ **20.1%** ▲ **12.8%**
RESALE AUCTION

▲ **3.0%** ▼ **4.0%**
RESALE AUCTION

▼ **7.0%** ▼ **2.4%**
RESALE AUCTION

CONSTRUCTION

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TYPE TRENDS



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\$1,141,381,622
MARKET VALUE**36,669**
ASSETS

YEAR OVER YEAR

MARKET METRICS

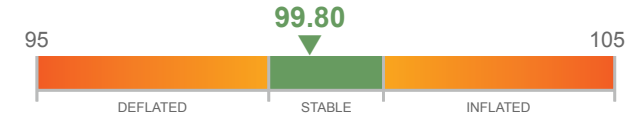
VALUES	▼ 3.8% FMV	▲ 5.6% FLV
VOLUME	▼ 7.0% RESALE	▲ 111.2% AUCTION

MONTH OVER MONTH

MARKET METRICS

VALUES	▲ 0.1% FMV	▼ 0.2% FLV
VOLUME	▼ 8.6% RESALE	▼ 42.2% AUCTION

PRICE STABILITY INDEX™



MARKET PERFORMANCE

In April, lift auction values decreased for the first time since November, but only a slight decrease of -0.2%, while resale values increased slightly by 0.1%. April resale and auction market activity decreased by -8.6% and 42.5%, respectively.

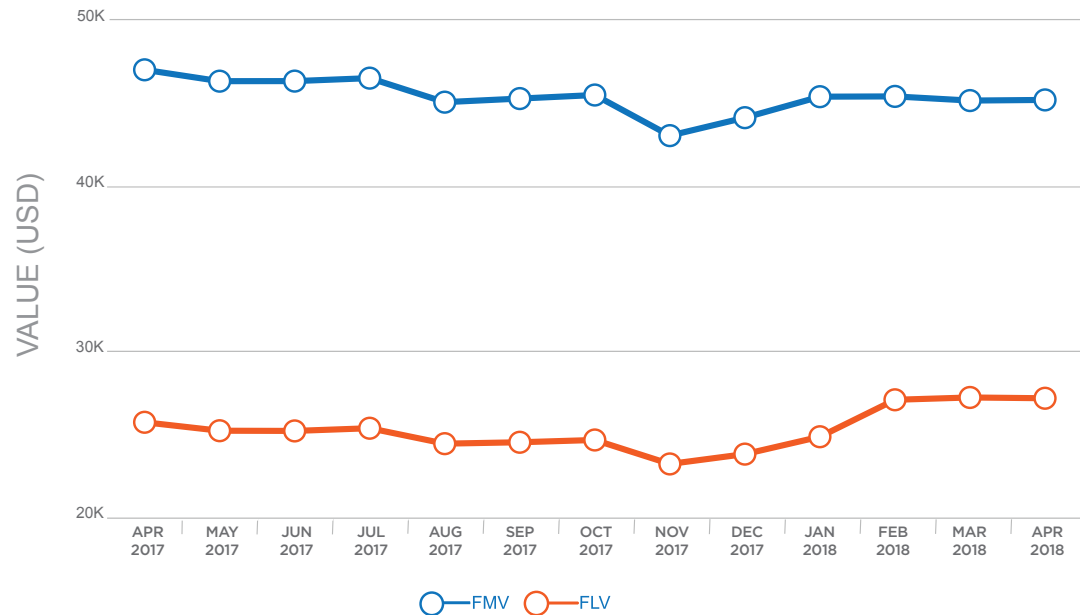
MARKET HIGHLIGHTS

- Average utilization in the resale channel decreased by almost 3%, while the auction channel had an increase of 10.5%.
- Auction market activity decreased from March to April, but was still up 111% from last April. Resale market activity decreased 8.6% from last month and 7% from last April.
- Average age increased in the resale channels, while decreasing in the auction channels, which was the exact opposite trend as last month.

MARKET FORECAST

Looking ahead to May, we should see FMVs increase slightly due to the coming summer months, while FLVs and auction market activity should continue to decrease.

FMV AND FLV TRENDS



	VOLUME CHANGE		AVERAGE AGE		USAGE	
MONTH OVER MONTH	▼ 8.6% RESALE	▼ 42.2% AUCTION	▲ 1.5% RESALE	▼ 10.9% AUCTION	▼ 2.9% RESALE	▲ 10.5% AUCTION
YEAR OVER YEAR	▼ 7.0% RESALE	▲ 111.2% AUCTION	▲ 2.8% RESALE	▼ 13.6% AUCTION	▲ 9.9% RESALE	▲ 18.4% AUCTION

LIFT/ACCESS

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TYPE TRENDS



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YEAR OVER YEAR

MARKET METRICS

\$11,551,723,293
MARKET VALUE

132,221
ASSETS

VALUES

▼ 0.5%
FMV

▼ 1.7%
FLV

VOLUME

▲ 16.1%
RESALE

▲ 66.9%
AUCTION

VALUES

▼ 0.4%
FMV

▼ 0.3%
FLV

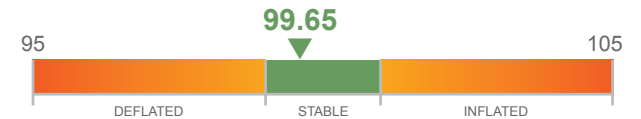
VOLUME

▲ 6.6%
RESALE

▲ 2.5%
AUCTION

MONTH OVER MONTH

PRICE STABILITY INDEX™



MARKET PERFORMANCE

There have been marginal decreases in values, but nothing highly significant relative to last month. The areas of the Agricultural Market that have experienced the greatest changes are Utilization, and Market Activity.

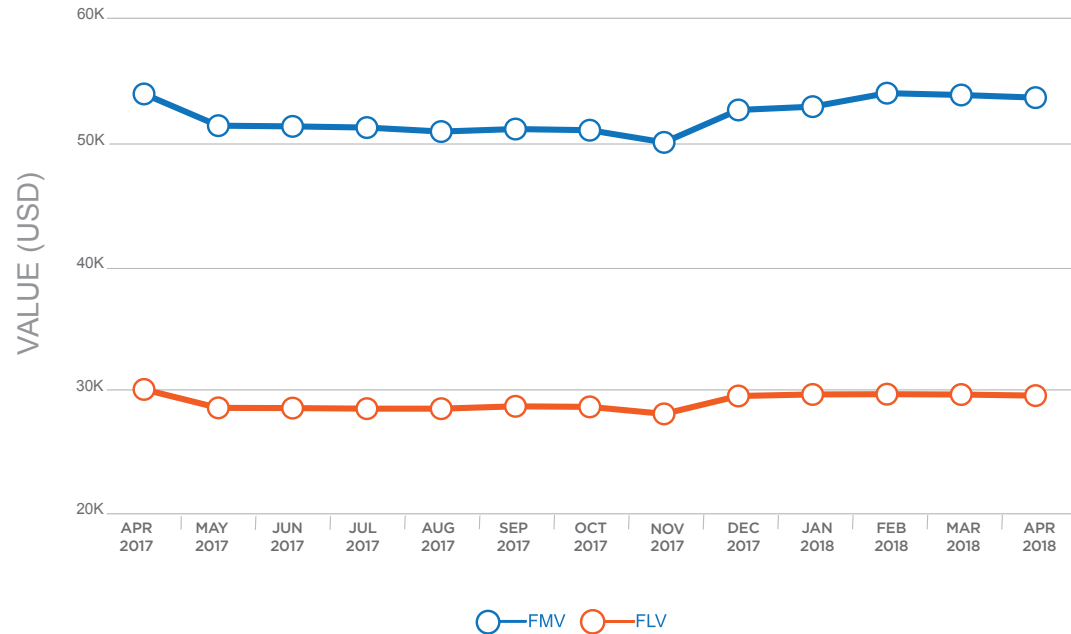
MARKET HIGHLIGHTS

- Age has varying increases and decreases, and this is because of the increase in volume in the market.
- While yearly increases of utilization have experienced significant gains, the auction channel has experienced large increases in utilization relative to last month by 11.5%.
- Though volume changes have increased across both channels, yearly changes show the largest variance, with FMV volume increasing by 16.1% and FLV volume by 66.9%.

MARKET FORECAST

With most planting seasons ending in the second quarter, and harvesting seasons starting in the third quarter, expect marginal changes in values until harvesting season is about to occur.

FMV AND FLV TRENDS



MONTH OVER MONTH

VOLUME CHANGE

▲ 6.6%
RESALE

▲ 2.5%
AUCTION

AVERAGE AGE

▼ 1.9%
RESALE

▲ 4.9%
AUCTION

USAGE

▲ 0.6%
RESALE

▲ 11.5%
AUCTION

YEAR OVER YEAR

▲ 16.1%
RESALE

▲ 66.9%
AUCTION

▲ 11.9%
RESALE

▼ 12.9%
AUCTION

▲ 24.3%
RESALE

▲ 35.4%
AUCTION

AGRICULTURE

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\$3,194,068,410
MARKET VALUE**71,458**
ASSETS

YEAR OVER YEAR

MARKET METRICS

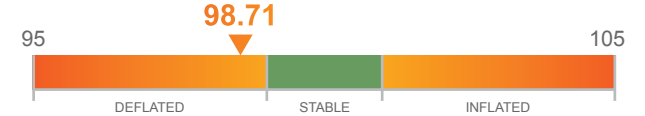
VALUES	▼ 10.6% FMV	▼ 3.2% FLV
VOLUME	▲ 3.6% RESALE	▲ 124.6% AUCTION

MONTH OVER MONTH

MARKET METRICS

VALUES	▼ 1.1% FMV	▲ 0.5% FLV
VOLUME	▲ 25.3% RESALE	▼ 51.8% AUCTION

PRICE STABILITY INDEX™



MARKET PERFORMANCE

The market activity last month was up 25.3% on the resale channel which was expected. The increase in the number of trucks also dropped the average age with higher usage for the month. These volume and age changes caused the drop in FMV below where it was during March.

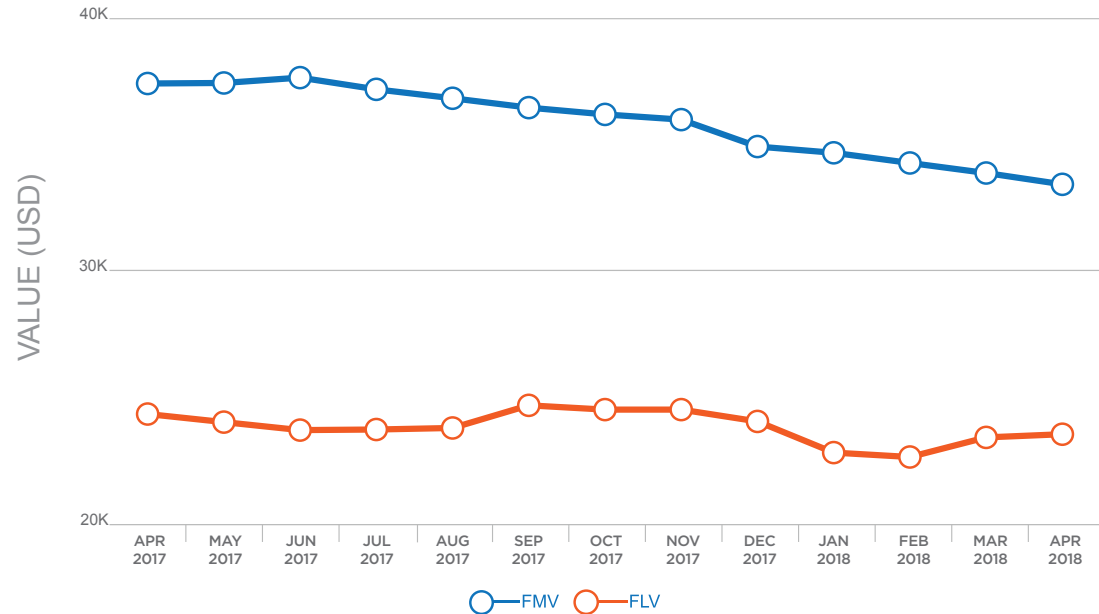
MARKET HIGHLIGHTS

- FLV continued to rise narrowing the gap between FLV and FMV for the month.
- Both the resale and auction channels showed large volume increases over last year resulting in year over year drops for both FMV and FLV.
- The average usage for the auction and resale channels was up for the month despite the minimal change in auction age and 4.5% drop in resale age.

MARKET FORECAST

Expect to see a more positive change in FMV throughout the coming months and a drop in FLV along with it.

FMV AND FLV TRENDS



	VOLUME CHANGE		AVERAGE AGE		USAGE	
MONTH OVER MONTH	▲ 25.3% RESALE	▼ 51.8% AUCTION	▼ 4.5% RESALE	▲ 0.8% AUCTION	▲ 18.4% RESALE	▲ 1.0% AUCTION
YEAR OVER YEAR	▲ 3.6% RESALE	▲ 124.6% AUCTION	▼ 0.6% RESALE	▲ 2.1% AUCTION	▼ 8.7% RESALE	▲ 41.2% AUCTION

COMMERCIAL TRUCK



APPENDIX

INTRODUCTION

The EquipmentWatch Market Report is a compilation of a wide array of EquipmentWatch's data, designed to bring you an in-depth look at used equipment markets over the last month.

This Appendix is designed to answer your questions regarding this report. Here we define and illustrate how we think about values, market activity, age, Usage, and regional influence for the most common types of equipment seen on used markets across North America.

OUR DATA

Selection Criteria for OEMs and Subtypes

EquipmentWatch tracks Resale and Auction prices and activity for over 15,000 models across 389 manufacturers throughout North America. With over \$800 billion in collected equipment transactions, EquipmentWatch is your primary source for intelligence regarding used equipment markets.

The data in this report is divided into four distinct equipment markets: Construction, Lift/Access, Agriculture, and Commercial Trucks. For each market, we selected the top equipment types based on their market share from January 2015 to December 2015. They're listed in the table to the right.

Construction	Lift/Access	Agriculture	Commercial Trucks
4-Wd Articulated Wheel Loaders	Electric Self Propelled Scissor Lifts	Track Tractors	Heavy Duty: Conventional - Sleeper (Heavy Tractor)
Articulated Frame Graders	I.C. Pneumatic Tire Lift Trucks	Balers	Heavy Duty: Conventional - Day Cab (Heavy Tractor)
Articulated Rear Dumps	I.C. Self Propelled Telescopic Boom Aerial Lifts	Combines	Heavy Duty: Conventional - Day Cab (Heavy Cab Chassis)
Compact Track Loaders	I.C. Self-Propelled Articulating Boom Aerial Lifts	Corn Headers	Medium Duty: Conventional - Day Cab (Cab Chassis)
Crawler Mounted Compact Excavators	Telescoping Boom Rough Terrain Lift Trucks	Wheel Tractors	Medium Duty: Cabover - Day Cab (Cab Chassis)
Crawler Mounted Hydraulic Excavators	I.C. Cushion Tire Lift Trucks	Planters	Medium Duty: Crew (Cab Chassis)
Large Generator Sets			
Single Drum Vibratory Compactors			
Skid Steer Loaders			
Standard Crawler Dozers			
Tandem Vibratory Compactors			
Tractor-Loader-Backhoes			



APPENDIX

We have also limited the scope of the EquipmentWatch Market Report to the following brands in each market:

Construction	Lift/Access	Agriculture	Commercial Truck
Bobcat	Caterpillar	Deere	International
Case	Genie	Case IH	Freightliner
Caterpillar	JLG	New Holland	Volvo
Deere	Sky Trak	Massey Ferguson	Kenworth
Komatsu	Skyjack	Challenger	Peterbilt
Volvo	Hyster	Kubota	Hino

THE EQUIPMENTWATCH PRICE STABILITY INDEX™

Academic justification

The EquipmentWatch Price Stability Index™ is a new metric for understanding used equipment markets for used heavy equipment. It measures resale price capacity based on the movement of market prices and market activity among the equipment types and manufacturers presented above.

Methodology and Calculation

The EquipmentWatch Price Stability Index™ is based on the Laspeyres Index, one of the many economic indices used to monitor changes in prices over time. To calculate it, we use the framework provided by the Laspeyres Index:

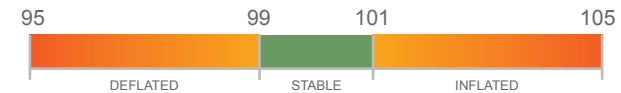
$$P_L = \frac{\sum(p_{c,t_n}) * (q_{c,t_0})}{\sum(p_{c,t_0}) * (q_{c,t_0})}$$

This equation sums the product of prices in the current month and quantity of the previous month and divides that by the product of prices in the previous month and quantity in the previous month.

We have modified this method to track the change in prices for each equipment type from month-to-month against the change in market activity for each equipment type month to month.

Interpretation

The EquipmentWatch Price Stability Index™ can be thought of as an index of price capacity. In more formal terms, it measures how efficiently used markets adjust to equilibrium given previous adjustments in prices and market activity. There are three primary ranges in the EquipmentWatch Price Stability Index™, as noted below:



When the EquipmentWatch Price Stability Index™ is higher than 101, that indicates that equipment is valued at a higher level than expected, given last month's prices and amount of market activity. We categorize this range as "Inflated".

When the EquipmentWatch Price Stability Index™ is lower than 99, it indicates that equipment is valued at a lower level than expected, given last month's prices and market activity. We categorize this range as "Deflated".

When the EquipmentWatch Price Stability Index™ is between 99 and 101, it is typically demonstrating that equipment prices and market activity are moving appropriately towards market equilibrium. We categorize this range as "Stable".

It is important to note that a higher rating on EquipmentWatch Price Stability Index™ does not necessarily imply that used markets are better than a lower rating. For some, price inflation is desirable; for others, it is undesirable. However, all parties involved in buying or selling equipment on used markets can use the EquipmentWatch Price Stability Index™ to easily understand how prices in a particular region or equipment channel are moving relative to the previous month.



APPENDIX

SECTION GUIDES

The Introduction

In the top left, we exhibit a tally of the estimated market value of market activity last month in the Resale channel and Auction channel.

In the main table, we display market activity and assets for each market, along with month over month and year over year changes in Fair Market Value and Forced Liquidation Value.

Overall Trends

This page is an overview of each channel. The graph highlights an overall FMV and FLV trend line for all of the equipment types and manufacturers in the report for the last 13 months. It also displays very general month over month and year over year trends across the entire channel.

Type Trends

This page subsets the analysis of the previous page across each of the key equipment types in this report.

Brand Trends

This page shows some of the key month over month trends for the manufacturers represented in this report, including equipment values, Usage, market activity, and age trends.

Regional Trends

This page shows the EquipmentWatch Price Stability Index™ for each of the 14 regions, using the same calculation method as the EquipmentWatch Price Stability Index™ shown on the first page of the report. The states and provinces which make up each region are listed in the table to the right.

Note that due to regional disparity in market activity, some regions with very little or no market activity in the last month are excluded from the analysis. These are marked with “NA” on the map.

Country	Region	State/Province
USA	A	CT, DE, MA, ME, NH, NJ, MY, RI, VT
USA	B	MD, P, VA, WV
USA	C	AL, FL, GA, KY, MS, NC, SC, TN
USA	D	IL, IN, MI, OH, WI
USA	E	IA, KS, MO, NE
USA	F	AR, LA, OK, TX
USA	G	AZ, CO, NM, UT
USA	H	ID, MN, MT, ND, SD, WY
USA	I	CA, NV, OR, WA
USA	J	HI
USA	K	AK
CAN	L	NT, NU, YT
CAN	M	AB, BC, MB, SK
CAN	N	NB, NL, NS, ON, PE, QC

FAQS

Why did you limit the equipment types in this report?

EquipmentWatch tracks market activity for over a hundred unique equipment types each month. For each channel, we selected the most popular equipment types, based on the frequency of appearance on the resale and auction channels.

Why are there only 24 manufacturers in this report?

EquipmentWatch tracks market activity for almost 400 unique manufacturers each month. For each market, we selected the top 6 manufacturers. As the markets shift and prominence on used markets changes, we will adjust our selections accordingly.



APPENDIX

Why don't you use OLV?

Orderly Liquidation Value, or OLV, is a third major category of values. These are the values of an asset given a single seller and multiple potential buyers given a long or indefinite timeframe in which to dispose. Given the lack of clarity around the time dimension, we have chosen not to make assumptions about the orderly liquidation process. However, OLV is typically between FLV and FMV in gross value.

IMPORTANT DEFINITIONS

Fair Market Value (FMV): the value of an asset sold to a single buyer under no compulsion.

Forced Liquidation Value (FLV): the value of an asset sold at a properly advertised and conducted auction in which the seller is under compulsion to sell on an as-is, where-is basis as of a specific date.

Market Activity: A measure of the total number of observations collected by EquipmentWatch, including publicly-available dealer listings, auction results, and final sales data.

Meter Reads: A measure of Usage that varies by equipment market. For most equipment types, this represents engine hours at the time of observation.

Age: the age of an asset, based on model year and the year of observation.

ABOUT EQUIPMENTWATCH

EquipmentWatch is the trusted source for heavy equipment data and intelligence. EquipmentWatch produces the leading database information products for the construction equipment industry and is the world leader in heavy construction research and serves more than 15,000 professional, high-volume users of construction and lift-truck data. Our online and print products are valuable tools in decisions surrounding the purchase, valuation, operation, and disposal of equipment.

For nearly 50 years, EquipmentWatch has served contractors, equipment manufacturers, dealers, rental companies, lenders and insurers, and government agencies involved in heavy civil construction.

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