



SUMMARY

CONSTRUCTION

LIFT/ACCESS

AGRICULTURE

COMMERCIAL TRUCK

MARKET DATA: OCTOBER 2019

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

**\$30,472,007,626**

RESALE  
**\$30,312,562,378**

383,737 Assets

AUCTION  
**\$159,445,248**

8,324 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™
	VALUES	FLV	VALUES	FLV	
<b>CONSTRUCTION</b> \$17,889,182,273 MARKET VALUE 174,409 ASSETS	VALUES ▼ 2.6% FMV VOLUME ▲ 17.5% RESALE	▼ 19.2% FLV ▲ 54.4% AUCTION	VALUES ▼ 0.9% FMV VOLUME ▲ 12.5% RESALE	▼ 3.8% FLV ▼ 40.8% AUCTION	95 — 99.14 — 105 DEFLATED STABLE INFLATED
<b>LIFT/ACCESS</b> \$1,176,103,501 MARKET VALUE 30,721 ASSETS	VALUES ▼ 9.3% FMV VOLUME ▼ 17.8% RESALE	▼ 11.2% FLV ▲ 112.3% AUCTION	VALUES ▼ 1.0% FMV VOLUME ▼ 2.4% RESALE	▼ 2.5% FLV ▼ 56.7% AUCTION	95 — 99.07 — 105 DEFLATED STABLE INFLATED
<b>AGRICULTURE</b> \$7,254,938,783 MARKET VALUE 88,061 ASSETS	VALUES ▼ 1.4% FMV VOLUME ▼ 20.0% RESALE	▼ 9.1% FLV ▲ 24.9% AUCTION	VALUES ▼ 0.5% FMV VOLUME ▲ 12.8% RESALE	▼ 4.3% FLV ▼ 17.2% AUCTION	95 — 99.38 — 105 DEFLATED STABLE INFLATED
<b>COMMERCIAL TRUCK</b> \$4,151,783,069 MARKET VALUE 98,870 ASSETS	VALUES ▼ 13.4% FMV VOLUME ▼ 0.3% RESALE	▲ 9.2% FLV ▲ 26.3% AUCTION	VALUES ▼ 0.3% FMV VOLUME ▲ 13.5% RESALE	▲ 2.4% FLV ▼ 68.0% AUCTION	95 — 99.57 — 105 DEFLATED STABLE INFLATED



SUMMARY

**CONSTRUCTION**

LIFT/ACCESS

AGRICULTURE

COMMERCIAL TRUCK

**CONSTRUCTION**

**OVERALL**

TYPE TRENDS

BRAND TRENDS

REGIONAL TRENDS

How is the Price Stability INDEX calculated?

**MARKET ACTIVITY**

**\$17,889,182,273** **174,409**  
MARKET VALUE ASSETS

**YEAR OVER YEAR**

**MARKET METRICS**

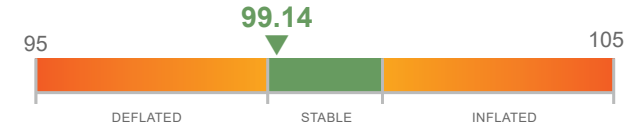
VALUES ▼ **2.6%** ▼ **19.2%**  
FMV FLV  
VOLUME ▲ **17.5%** ▲ **54.4%**  
RESALE AUCTION

**MONTH OVER MONTH**

**MARKET METRICS**

VALUES ▼ **0.9%** ▼ **3.8%**  
FMV FLV  
VOLUME ▲ **12.5%** ▼ **40.8%**  
RESALE AUCTION

**PRICE STABILITY INDEX™**



**MARKET PERFORMANCE**

From September to October, the construction markets saw decreases of 0.9% in average FMV and 3.8% in average FLV. When compared to October of 2018, the average FMV has dropped by about 2.6% and average FLV has declined by over 19%.

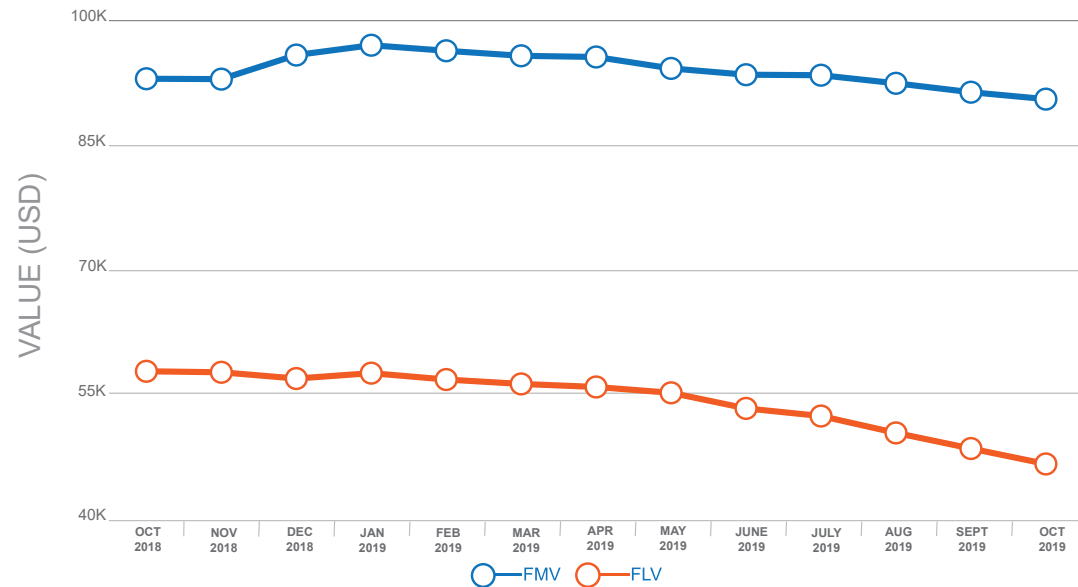
**MARKET HIGHLIGHTS**

- The overall market value of the construction market increased by about 4.6% month-over-month, while the overall number of assets remained even. This means more expensive pieces of equipment have been hitting the market.
- The market activity on the resale channel increased by over 12%, while the auction channel saw a decrease of almost -41% from September to October.
- From September to October, the average age on both channels has increased, the average utilization followed the same trend.

**MARKET FORECAST**

EquipmentWatch expects to see overall values decline slightly again during November, as well as possibly seeing some slight increases in overall market activity.

**FMV AND FLV TRENDS**



	VOLUME CHANGE		AVERAGE AGE		USAGE	
<b>MONTH OVER MONTH</b>	▲ 12.5% RESALE	▼ 40.8% AUCTION	▲ 2.1% RESALE	▲ 9.6% AUCTION	▲ 1.6% RESALE	▲ 8.5% AUCTION
<b>YEAR OVER YEAR</b>	▲ 17.5% RESALE	▲ 54.4% AUCTION	▲ 1.5% RESALE	▼ 1.6% AUCTION	▲ 10.3% RESALE	▼ 10.2% AUCTION



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**OVERALL** TYPE TRENDS BRAND TRENDS REGIONAL TRENDS

[How is the Price Stability INDEX calculated?](#)

**MARKET ACTIVITY**

**\$1,176,103,501**  
MARKET VALUE

**30,721**  
ASSETS

**YEAR OVER YEAR**

**MARKET METRICS**

VALUES ▼ **9.3%** FMV ▼ **11.2%** FLV

VOLUME ▼ **17.8%** RESALE ▲ **112.3%** AUCTION

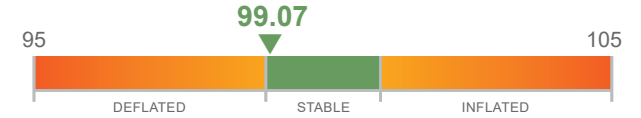
**MONTH OVER MONTH**

**MARKET METRICS**

VALUES ▼ **1.0%** FMV ▼ **2.5%** FLV

VOLUME ▼ **2.4%** RESALE ▼ **56.7%** AUCTION

**PRICE STABILITY INDEX™**



**MARKET PERFORMANCE**

As predicted, the lift markets experienced another slight decrease of FLV and OLV from September to October 2019 with an average of 1.0% and 2.5%, respectively. The market activity on the resale channel declined by only 2.4% from last month, but saw a more substantial decrease of 17.8% when compared to October 2018.

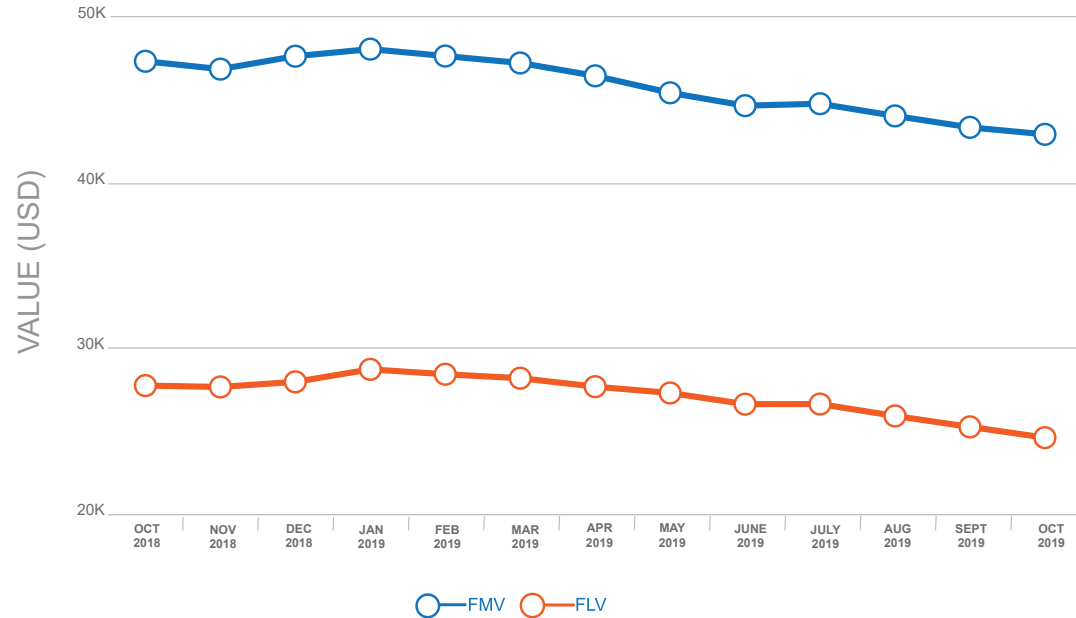
**MARKET HIGHLIGHTS**

- Auction market activity saw a significant drop of 56.7% from September 2019 to October 2019, however when compared to October 2018, market activity has increased by over 100%.
- There was another large drop of about 30% in the overall number of assets from September to October 2019 along with a decrease of about 13% in the overall lift market value.
- The resale channel showed little change in month-over-month and year-over-year utilization, while the auction channel saw an increase of 2.6% from September to October 2019 and a decrease of 8.6% when compared to October 2018.

**MARKET FORECAST**

When looking ahead to November 2019, we expect both FLV and FMV values to continue decreasing.

**FMV AND FLV TRENDS**



	VOLUME CHANGE		AVERAGE AGE		USAGE	
<b>MONTH OVER MONTH</b>	▼ <b>2.4%</b> RESALE	▼ <b>56.7%</b> AUCTION	▲ <b>0.1%</b> RESALE	▲ <b>12.6%</b> AUCTION	▲ <b>1.1%</b> RESALE	▲ <b>2.6%</b> AUCTION
<b>YEAR OVER YEAR</b>	▼ <b>17.8%</b> RESALE	▲ <b>112.3%</b> AUCTION	▼ <b>3.6%</b> RESALE	▲ <b>10.3%</b> AUCTION	▲ <b>0.6%</b> RESALE	▼ <b>8.6%</b> AUCTION



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How is the Price Stability INDEX calculated?

**MARKET ACTIVITY**

**YEAR OVER YEAR**

**MARKET METRICS**

**MONTH OVER MONTH**

**MARKET METRICS**

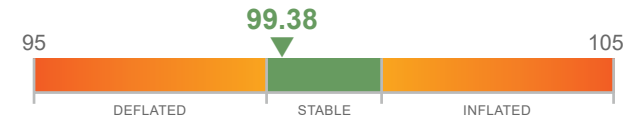
**PRICE STABILITY INDEX™**

**\$7,254,938,783**  
MARKET VALUE

**88,061**  
ASSETS

VALUES ▼ **1.4%** FMV ▼ **9.1%** FLV  
VOLUME ▼ **20.0%** RESALE ▲ **24.9%** AUCTION

VALUES ▼ **0.5%** FMV ▼ **4.3%** FLV  
VOLUME ▲ **12.8%** RESALE ▼ **17.2%** AUCTION



**MARKET PERFORMANCE**

Market activity on the resale channel dropped 20% from October 2018 to October 2019, which dropped FMV by 1.4%. The average utilization was up 24.1% between October 2018 and October 2019, which is a change from October 2018's year-over-year drop in average usage by 6.4% and FMV's year-over-year increase of 2.5% from 2017.

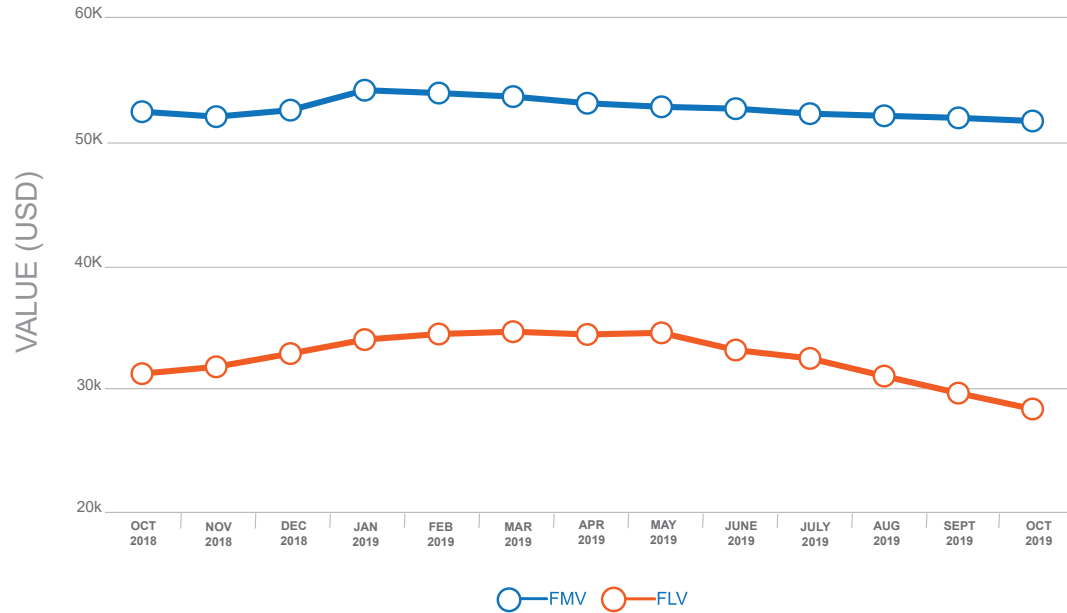
**MARKET HIGHLIGHTS**

- Volume on the auction channel was down 17.2% between September and October 2019, but increased 24.9% from October 2018. This was quite unlike the 17.9% decrease in activity from October 2017 to 2018.
- Average age for both the resale and auction channels was up 13.4% and 20.3%, respectively from September to October 2019 as the average usage for both channels increased as well.
- While the September to October 2019 changes in market activity were as expected compared to previous years, FMV and FLV were down when October typically increases.

**MARKET FORECAST**

EquipmentWatch expects values to continue their decline in November and begin to rise yet again moving into 2020.

**FMV AND FLV TRENDS**



	VOLUME CHANGE		AVERAGE AGE		USAGE	
<b>MONTH OVER MONTH</b>	▲ 12.8% RESALE	▼ 17.2% AUCTION	▲ 13.4% RESALE	▲ 20.3% AUCTION	▲ 32.8% RESALE	▲ 16.4% AUCTION
<b>YEAR OVER YEAR</b>	▼ 20.0% RESALE	▲ 24.9% AUCTION	▼ 1.0% RESALE	▲ 16.2% AUCTION	▲ 48.9% RESALE	▲ 21.4% AUCTION



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How is the Price Stability INDEX calculated?

**MARKET ACTIVITY**

**\$4,151,783,069**  
MARKET VALUE

**98,870**  
ASSETS

**YEAR OVER YEAR**

**MARKET METRICS**

VALUES ▼ **13.4%** ▲ **9.2%**  
FMV FLV

VOLUME ▼ **0.3%** ▲ **26.3%**  
RESALE AUCTION

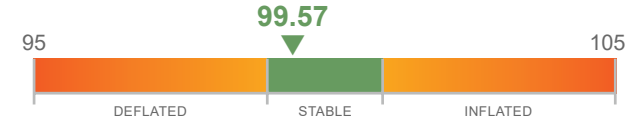
**MONTH OVER MONTH**

**MARKET METRICS**

VALUES ▼ **0.3%** ▲ **2.4%**  
FMV FLV

VOLUME ▲ **13.5%** ▼ **68.0%**  
RESALE AUCTION

**PRICE STABILITY INDEX™**



**MARKET PERFORMANCE**

The FMVs continued to decline from September of 2019 to October of 2019, dropping by 0.3%, indicating that values on the resale channel may begin to level out. The overall commercial truck market value across both channels has dropped 1.9% from September to October 2019 and the overall volume is down about 4.7% over the same time period.

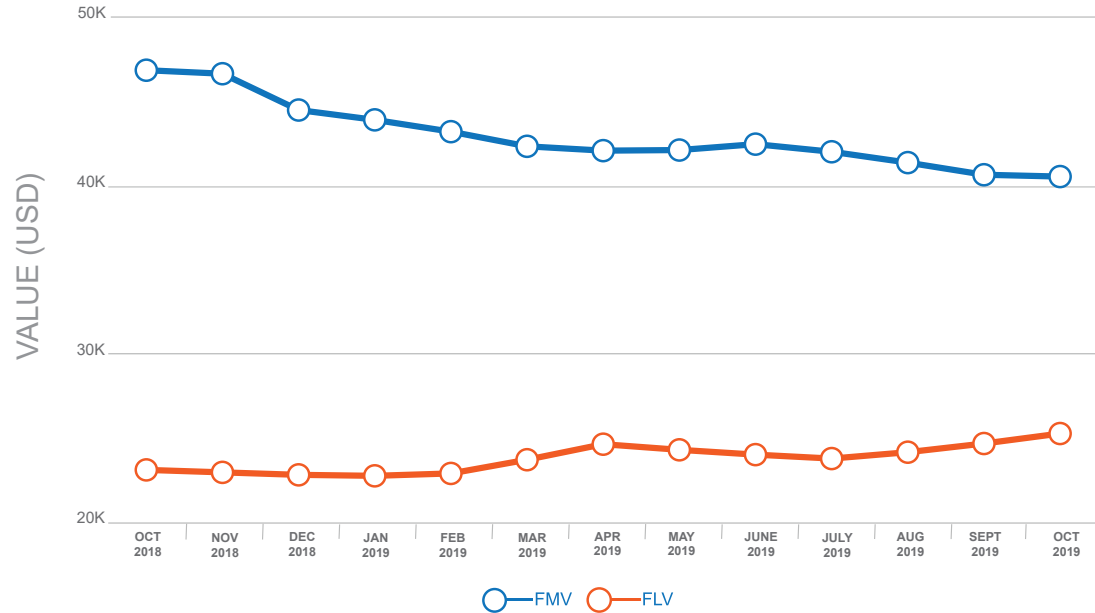
**MARKET HIGHLIGHTS**

- While the average age on the resale channel rose 3.2% in October compared to September 2019, the average usage decreased 1.9% as market activity increased 13.5%. This indicates the trucks remaining on the lots were older and had lower mileage than seen in the previous month.
- Average age is up on both the resale and auction channels from September to October 2019 by 3.2% and 5.0%, respectively, which could be individuals getting rid of their older trucks to make space in their inventory for upcoming new models.
- Usage remained relatively the same from September to October 2019, dropping by 1.9% and 2.6% on the resale and auction channels, respectively. However, the mileage for the assets on the auction channel dropped significantly, almost 11% from October of 2018 to October of 2019.

**MARKET FORECAST**

The auction channel is continuing to show healthy growth in value, and looking forward, should continue to do so while the resale channel will have values level off as the year is ending.

**FMV AND FLV TRENDS**



	VOLUME CHANGE		AVERAGE AGE		USAGE	
<b>MONTH OVER MONTH</b>	▲ 13.5% RESALE	▼ 68.0% AUCTION	▲ 3.2% RESALE	▲ 5.0% AUCTION	▼ 1.9% RESALE	▼ 2.6% AUCTION
<b>YEAR OVER YEAR</b>	▼ 0.3% RESALE	▲ 26.3% AUCTION	▼ 14.4% RESALE	▲ 15.9% AUCTION	▲ 3.5% RESALE	▼ 10.8% AUCTION



## 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:

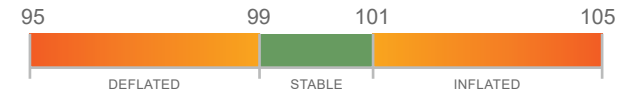
$$P_L = \frac{\sum(p_{c,t_n}) * (q_{c,t_0})}{\sum(p_{c,t_0}) * (q_{c,t_0})}$$

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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