

GUIDELINES

May 2015

- Retail pricing holding up despite increased volume
3-6 year-old trucks dominate the market
- Wholesale pricing relatively strong, with exceptions
ProStars disproportionately represented
- Special Study: Where Does the Natural Gas Market Stand?



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COMMERCIAL TRUCK MARKET TRENDS

Market Summary

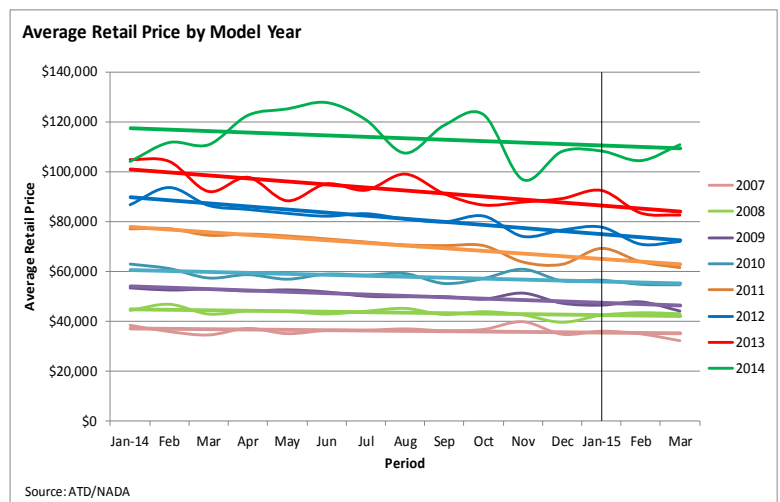
Class 8 sales volume has rebounded nicely so far this spring. Retail and wholesale pricing has held up relatively well despite the increased volume, with a few exceptions. In the medium duty universe, conventional segments look incrementally better than last year, while cabovers may be recovering more notably. A special study looks at the factors currently impacting the market for natural gas power.

Sleeper Tractors – Retail

Through the first quarter of 2015, 3 and 4 year-old sleeper tractors are performing mildly worse than same-period last year, while 5 year-old sleepers are performing moderately better. Specifically :

- 2013’s averaged \$86,105 through March 2015 – a \$2,775 (or 3.1%) decrease over 2012’s this time last year.
- 2012’s averaged \$73,492 through March 2015 – a \$2,672 (or 3.5%) decrease vs. 2011’s this time last year.
- 2011’s averaged \$64,806 through March 2015 – a \$4,413 (or 7.3%) increase over 2010’s this time last year.

See “Average Retail Price by Model Year” graph for detail.



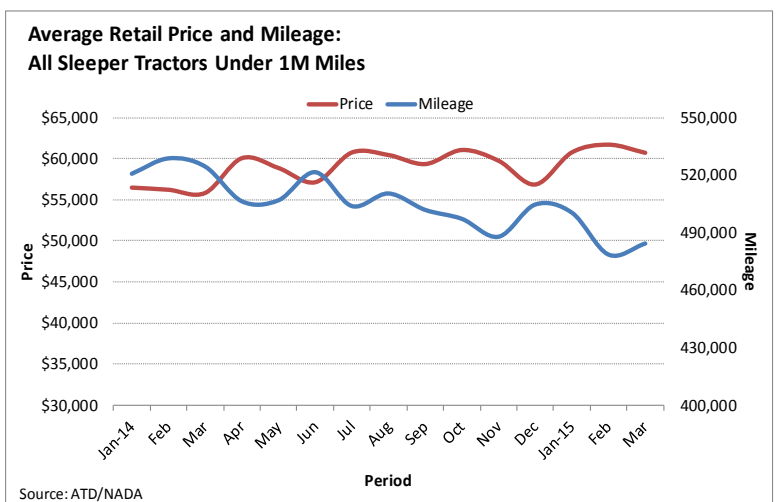
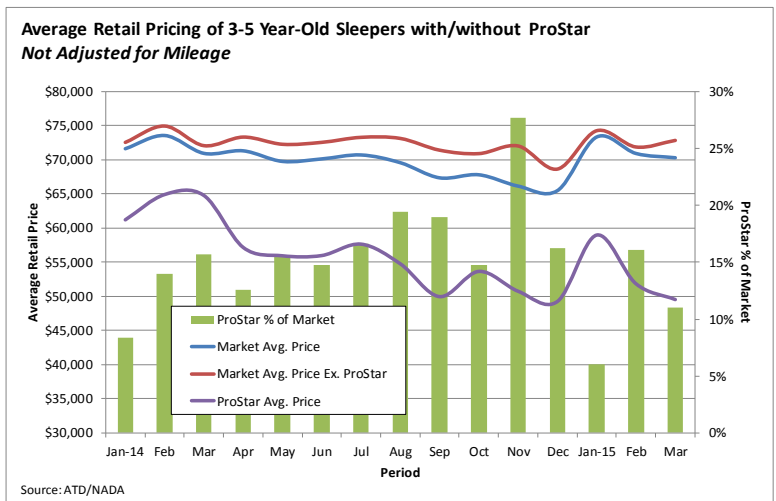
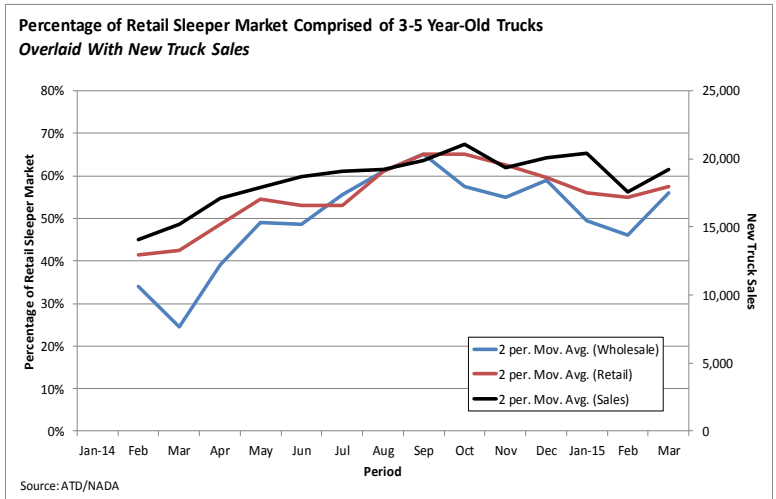
[COMMERCIAL TRUCK MARKET TRENDS *continued*]

The quick analysis is that 2012's and 2013's are down because of increased supply, while 2011's are up because they are the first model year to feature SCR – and the last model year with a meaningful supply of trucks with mileage under 600,000.

Diving deeper, model years 2010-2012 continue to represent the majority of sleepers sold in the retail channel at present, with this cohort comprising a full 58% of our retail sleeper database – 13% more than last year. These trucks are mainly trades resulting from the acceleration in new truck deliveries that started in the 2nd quarter of 2014. See “Percentage of Sleeper Market Comprised of 3-5 Year-Old Trucks” graph for detail.

The International ProStar continues to impact the market, with this model responsible for roughly 0.4% of the depreciation in the 3-5 year-old cohort. The proportion of ProStars comprising our retail database has shrunk since its high point in November of 2014, although the model still makes up more than 10% of 3-5 year-old trucks reported sold. See “Average Retail Pricing... with/without ProStar” graph for detail.

Looking at the market overall, the average used sleeper tractor retailed in March was 74 months old, had 484,315 miles, and brought \$60,730. Month-over-month, this truck was 2 months older, had 5,803 (or 1.2%) more miles, and brought \$989 (or 1.6%) less money. Year-over-year, this average sleeper was 3 months newer, had 41,102 (or 7.8%) fewer miles, and brought \$5,009 (or 9.0%) more money. Again, these positive trends are due to the increasingly younger mix of trucks entering the market. See “Average Retail Price and Mileage” graph for detail.



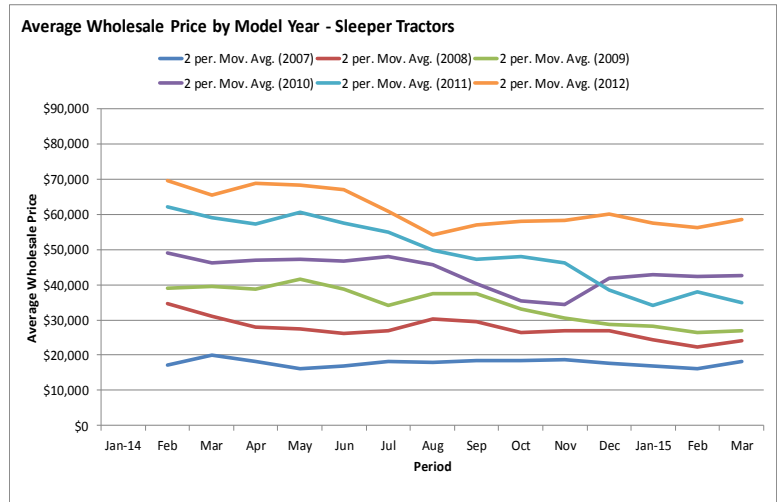
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Sleeper Tractors – Wholesale

3-5 year-old sleeper tractors are behaving differently in the wholesale channel compared to retail. Through the first quarter of 2015, 3 year-old sleeper tractors are performing mildly better than same-period last year, 4 year-old trucks are performing similarly, and 5 year-old trucks are performing notably worse.

Specifically:

- 2013’s averaged \$71,677 through March 2015 – a \$2,327 (or 3.4%) increase over 2012’s this time last year.
- 2012’s averaged \$57,711 through March 2015 – a \$440 (or 0.8%) decrease vs. 2011’s this time last year.
- 2011’s averaged \$34,379 through March 2015 – a \$13,771 (or 28.6%) decrease vs. 2010’s this time last year.



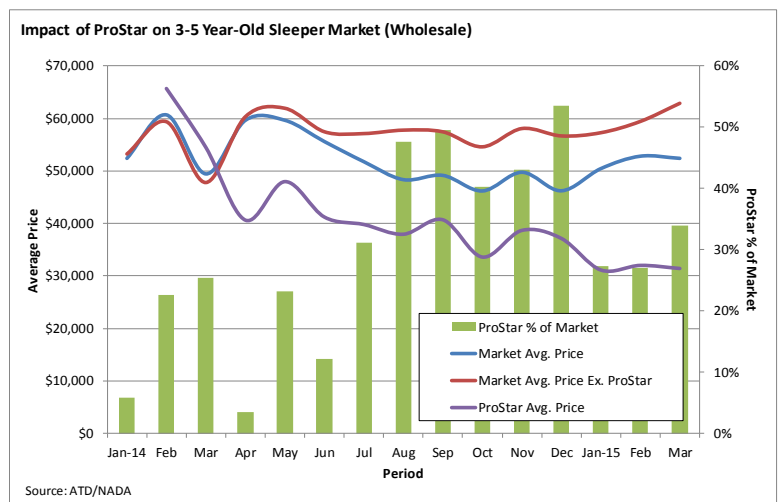
See “Average Wholesale Price by Model Year” graph for detail.

The Cliff’s Notes analysis for the wholesale channel is that dealers and wholesale buyers will still pay solid money for 2012’s and 2013’s with relatively low mileage, while the 2011 model year is disproportionately represented by ProStars.

2013 model year trucks really came on line in March, with trucks of that vintage overtaking 2012’s for the #2 spot behind 2011’s.

Through the first quarter of 2015, 3-5 year-old trucks represented 55% of our wholesale sleeper database, compared to 31% for same-period last year.

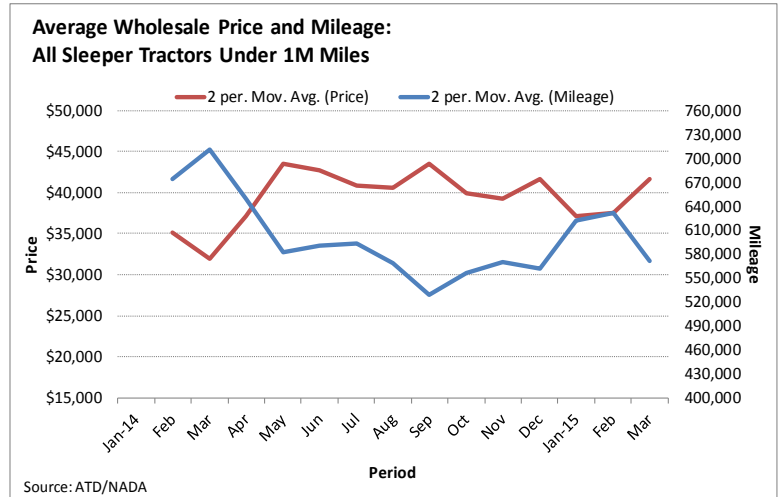
The ProStar makes up a higher proportion of our wholesale database than retail, currently at about 35% of 3-5 year-old sleepers reported sold. Average wholesale pricing of the 3-5 year-old segment looks quite a bit different when the ProStar is factored out. Without the ProStar, the 3-5 year-old cohort actually



[COMMERCIAL TRUCK MARKET TRENDS *continued*]

appreciated about 12% from the first quarter of 2014 to the first quarter of this year. With the ProStar, that figure plummets to a 4% decrease. See “Impact of ProStar on 3-5 Year-Old Sleeper Market (Wholesale)” graph for detail.

As for the market overall, the average used sleeper tractor wholesaled in March was 71 months old, had 517,580 miles, and brought \$44,658. Month-over-month, this truck was 8 months newer, had 106,717 (or 59.6%) fewer miles, and brought \$6,122 (or 15.9%) more money. Year-over-year, this average sleeper was 15 months newer, had 181,920 (or 26.0%) fewer miles, and brought \$12,475 (or 16.5%) more money. Obviously, trade-ins are making a huge impact in the wholesale channel. See “Average Wholesale Price and Mileage” graph for detail.

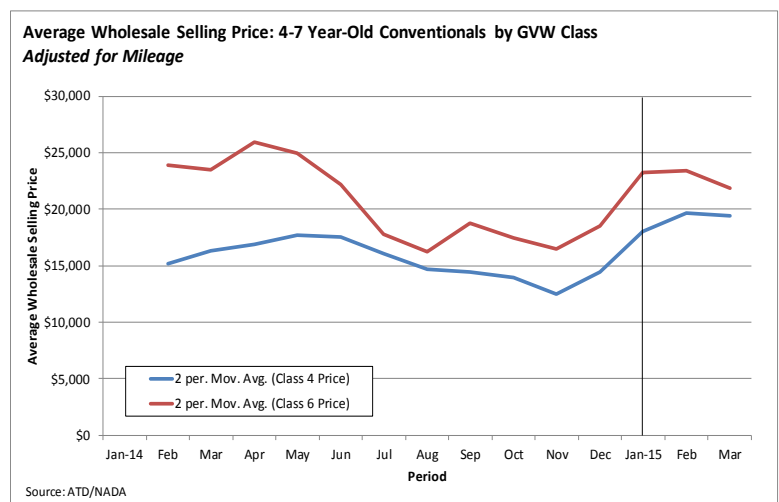


Medium Duty—Class 4 and 6 Conventionals

Volume came back in most segments in March, providing more insight on market performance. Rental fleets and other users of medium duty trucks did not accelerate their purchases of new trucks in the past year to any great extent, so the increased volume is mainly seasonal and not due to increased trade activity.

The average 4-7 year-old Class 4 conventional wholesaled in March had 105,610 miles and brought \$19,950. Month-over-month, this truck had 11,578 (or 9.9%) fewer miles and brought \$569 (or 2.9%) more money. Year-over-year, this average truck had 6,865 (or 7.0%) more miles and brought \$1,856 (or 10.3%) more money.

The average 4-7 year-old Class 6 conventional wholesaled in March had 163,447 miles and brought \$23,670. Month-over-month, this truck had 37,596 (or 18.7%) fewer miles and brought \$4,587 (or 24.0%) more money. Year-over-year, this average truck had 26,576 (or 19.4%) more miles and brought \$1,476 (or 5.9%) less money. See “Average Wholesale Selling Price: 4-7 Year-Old Conventionals” graph for detail.



[COMMERCIAL TRUCK MARKET TRENDS *continued*]

Comparisons over time look favorable except in the category of volume. Through the first quarter of 2015, there were 35% fewer 4-7 year-old class 4 and 6 trucks reported sold. This difference is not particularly meaningful, since the higher-volume 2008 model year was included in 2014's results but not 2015's. Also, volume has trended upward each month this year. In view of all these factors, we continue to consider the conventional market in gradual improvement.

Medium Duty—Class 3 and 4 Cabovers

The Class 3-4 cabover market reawakened in the first quarter, with volume and pricing both up notably.

In March, the average 4-7 year-old cabover sold wholesale for \$17,326 and had 113,560 miles. Pricing was up by \$473 (or 2.8%) month-over-month, and an impressive \$2,421 (or 16.2%) year-over-year. Mileage was 12,950 (or 10.2%) lower month-over-month, and 8,658 (or 7.1%) lower year-over-year. See “Average Wholesale Selling Price – 4-7 Year-Old Cabovers” graph for detail.

Looking at volume, there were more than 3 times the number of 4-7 year-old class 3 and 4 cabovers reported sold in the first quarter of 2015 compared the same period of 2014. First quarter results provide some evidence that a medium duty cabover recovery may be accelerating.

Special Study—Where Does the Natural Gas Market Stand?

Earlier this month, Rush Enterprises announced a subsidiary called Momentum Fuel Technologies, which will manufacture and install CNG power solutions for Class 6-8 trucks. This development is notable in that it helps to address the chicken/egg scenario in place with natural gas power – namely, that price of components won't come down until volume ramps up, but volume won't ramp up until price of components comes down. Rush's investment provides competition and economy of scale that could potentially improve the cost/benefit equation for some users.

In addition, Cummins Westport is renewing focus on the natural gas market with the



[COMMERCIAL TRUCK MARKET TRENDS *continued*]

introduction of a new ISB6.7 G for medium duty applications. This engine expands Westport's North American natural gas lineup to three – the others being the ISX12 G and the ISL G. The company is also partnering with Agility Fuel Systems to closely integrate Agility's fuel system solutions with Westport's NG engines.

CNG seems to be gaining favor over LNG. The number of CNG fueling stations is many times larger than LNG stations, at roughly 775 public and 700 private, compared to about 70 LNG stations. In addition, on-board storage and fueling is much simpler with CNG. Tank size and weight are still drawbacks with CNG, but continued development is mitigating that factor.

Overall, the low price of diesel is the biggest factor limiting demand for natural gas power. Interest was greater when prices were at the \$4+ level instead of \$3. In the short term, the ample supply of domestic crude will keep the price of refined products at current levels. In the longer term, there's a fairly good chance that the Commerce Department could relax restrictions on exports of domestic crude. Analysts claim that this relaxation won't necessarily increase the price of gasoline or diesel, since international refiners would have access to additional supply. Also, OPEC's domination would be somewhat reduced, since reductions in output on their part would be less effective. On the other hand, it takes a bit of a leap of faith to agree that alleviating the domestic glut of crude will not cause prices of refined products to rise.

So what about the market for used natural gas trucks? Given the low build rate of NG trucks – analysts generally predict between 15-20% penetration by 2020 - as well as longer ownership cycles compared to their diesel counterparts, there are still very few of these trucks entering the secondary market. Various large fleets are running substantial numbers of NG trucks, but it will be a few years before these trucks are resold, and even when they are, direct sales to end users could keep that data private.

For reference, other than a block of 24 identical trucks sold last summer, there are zero sales in the NADA database going back to January 2014. We will continue to closely monitor incoming sales data from Manheim, ADESA, regional auctions, individual

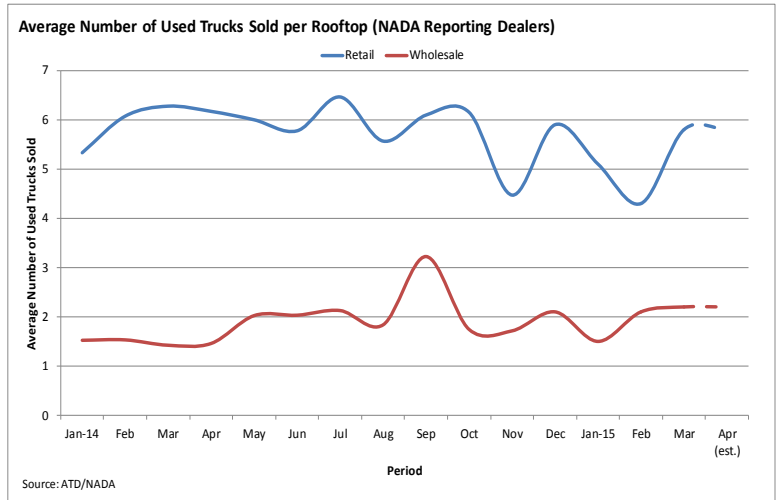
Given the low build rate of NG trucks – analysts generally predict between 15-20% penetration by 2020 - as well as longer ownership cycles compared to their diesel counterparts, there are still very few of these trucks entering the secondary market.

[COMMERCIAL TRUCK MARKET TRENDS *continued*]

dealers, dealer groups, and OEM’s for sales of NG trucks, but we do not expect to see an actionable volume in the short term.

Sales Volume

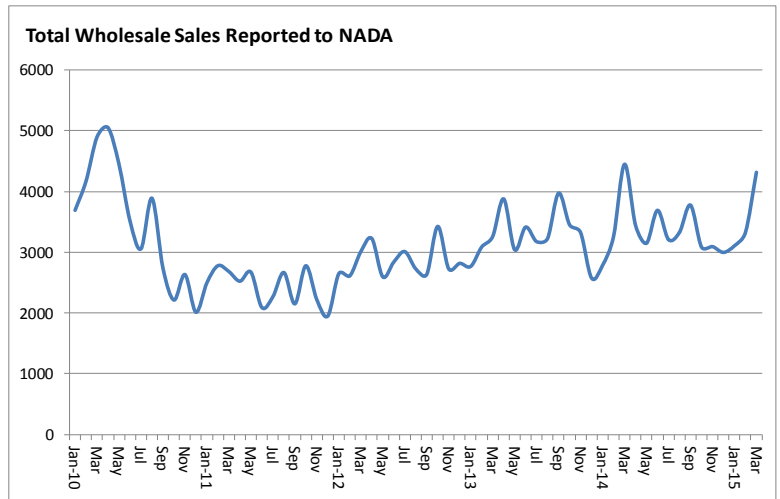
As predicted, buyers returned to dealership lots after the harsh winter, pushing our retail sales per rooftop average to a more typical 5.8. This result is 1.5 trucks higher than February, but 0.5 truck lower than March 2014. We consider the result on par to mildly behind what we would expect, and see more upward than downward pressure going forward. See “Average Number of Used Trucks Sold per Rooftop” graph for detail.



Wholesale volume wasn’t affected by winter weather, with the first quarter of 2015 outperforming the same months of 2014. March was very strong in both years, with the first quarter of 2015 just edging out same-period 2014 by 254 trucks (or 2.4%). See “Total Wholesale Sales” graph for detail.

Outlook

2012-2010 model-year sleepers will continue to dominate the wholesale and retail markets in the first half of 2015, with 2013’s already playing an increasing role and 2010’s decreasing later on. Our depreciation forecast for 3-6 year-old trucks of roughly 2% per month wholesale and 1-1.5% per month retail remains intact. 2015 looks a lot more like pre-recession years, except without a pre-buy to complicate matters, and with the proportionally higher price of new trucks insulating against more severe depreciation.



Be sure to read our blog twice each week for real-time updates on this and other market data, at www.nada.com/b2b.

[ATD/NADA OFFICIAL COMMERCIAL TRUCK GUIDE® TRENDS]

Monthly Change in ATD/NADA Commercial Truck Guide Value

May 2015 v. April 2015

NADA Segment	2009MY	2010MY	2011MY	2012MY	2013MY*
Commercial Van	↓ -2.5%	↘ -1.1%	↘ -1.1%	↓ -6.1%	↓ -3.4%
Extended Hood	→ 0.0%	↓ -1.9%	↘ -1.4%	↓ -4.8%	↓ -6.2%
Highway Aerodynamic	→ 0.0%	→ -0.4%	↓ -1.9%	↓ -4.5%	↓ -3.7%
Highway Traditional	→ 0.0%	↘ -1.7%	↘ -1.0%	↓ -4.7%	↓ -5.1%
Local/Delivery Daycab	→ 0.0%	→ -0.5%	↘ -1.2%	↓ -3.0%	↓ -4.7%
Medium Duty Cabover	↓ -5.9%	↓ -12.3%	↓ -8.1%	↓ -10.4%	↓ -7.1%
Medium Duty Conventional	↘ -0.9%	↓ -3.5%	↓ -9.5%	↓ -8.9%	↓ -7.1%
Vocational/Construction	↓ -2.0%	↓ -7.7%	↓ -4.6%	↓ -5.6%	↓ -8.9%

*Value movement can be influenced by newly valued vehicles.

Annual Change in ATD/NADA Commercial Truck Guide Value

NADA Segment	5YR	4YR	3YR	2YR	Segment Change
Commercial Van	11.7%	9.8%	22.7%	-7.2%	7.2%
Extended Hood	5.0%	5.7%	-6.2%	8.8%	5.3%
Highway Aerodynamic	1.7%	7.6%	-0.3%	4.9%	4.2%
Highway Traditional	4.3%	8.2%	-0.8%	9.1%	4.6%
Local/Delivery Daycab	2.9%	5.3%	-10.8%	8.0%	12.1%
Medium Duty Cabover	15.2%	10.8%	-3.2%	4.3%	7.3%
Medium Duty Conventional	11.2%	-8.0%	1.6%	2.9%	2.1%
Vocational/Construction	14.7%	9.2%	0.9%	-6.3%	9.1%

*Calculations are based on vehicle age, i.e. values for 1-year-old vehicles in CY2015 are compared against values for 1-year-old vehicles in CY2014.

YTD Change in ATD/NADA Commercial Truck Guide Value

NADA Segment	2009MY	2010MY	2011MY	2012MY	2013MY*	Segment
Commercial Van	-2.5%	-1.2%	-1.2%	-7.1%	-4.3%	-3.4%
Extended Hood	-3.7%	-5.6%	-5.6%	-10.3%	-8.8%	-6.0%
Highway Aerodynamic	-2.7%	-6.1%	-10.2%	-12.1%	-7.0%	-8.0%
Highway Traditional	-4.4%	-8.1%	-5.6%	-10.7%	-8.7%	-8.3%
Local/Delivery Daycab	-2.9%	-4.5%	-5.7%	-8.2%	-8.1%	-3.8%
Medium Duty Cabover	-7.1%	-13.0%	-9.5%	-12.0%	N/A	-8.1%
Medium Duty Conventional	-1.8%	-4.9%	-10.6%	-9.1%	-8.8%	-6.4%
Vocational/Construction	-2.0%	-7.7%	-4.6%	-5.6%	-8.9%	-3.6%

AT NADA USED CAR GUIDE

What's New

The NADA Appraisal Suite is launched! Tired of the back and forth? Turn your entire appraisal process into something your customers can truly understand. Select NADA Appraisal, starting at \$99/month with an annual subscription, or upgrade to NADA AppraisalPRO to include additional market data from trusted industry sources. Both provide you with an official appraisal document, backed by NADA, which gives customers the confidence to sign. Learn more at nada.com/appraisal or call 866.974.6232.

On the Road

On May 18 – 19 in San Diego, CA, Steve Stafford, John Beckman and Jonathan Banks will attend the Auto Finance Risk Summit.

Say, “Hi” to Jonathan Banks and Doug Ott May 20 – 21 at Drive '15, the CU Direct Lending and Marketing Conference, in Las Vegas.

This May 27 – 29, meet up with Steve Stafford, Larry Dixon and John Beckman at the National Automotive Finance Association's Non-Prime Auto Financing Conference in Plano, TX.

Doug Ott will attend the League of Southeastern Credit Unions and Affiliates June 17 – 19 in Orlando, FL.

Mike Stanton and Jim Dodd will be in attendance at the National Independent Auto Dealers Convention in Las Vegas, June 22 – 25.

About NADA Used Car Guide

Since 1933, NADA Used Car Guide has earned its reputation as the leading provider of vehicle valuation products, services and information to businesses throughout the United States and worldwide. NADA's team collects and analyzes over one million combined automotive and truck wholesale and retail transactions per month. Its guidebooks, auction data, analysis and data solutions offer automotive/truck, finance, insurance and government professionals, the timely information and reliable solutions they need to make better business decisions. Visit nada.com/b2b to learn more about solutions for your business and nada.com/usedcar to stay abreast of the latest used and new vehicle market trends.

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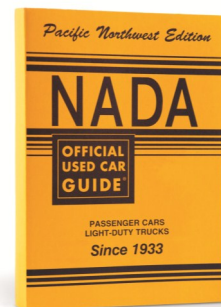
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NADA CONSULTING SERVICES

NADA's market intelligence team leverages a database of nearly 200 million transactions and more than 100 economic and market-related series to describe the factors driving current trends to help industry stakeholders make more informed decisions. Analyzing data at both wholesale and retail levels, the team continuously provides content that is both useful and usable to dealers, financial institutions, businesses and consumers.

Complemented by NADA's analytics team, which maintains and advances NADA's internal forecasting models and develops customized forecasting solutions for clients, the market intelligence team is responsible for publishing white papers, special reports and the Commercial Vehicle Blog. Throughout every piece of content, the team strives to go beyond what is happening in the industry to confidently answer why it is happening and how it will impact the market in the future.

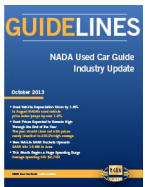
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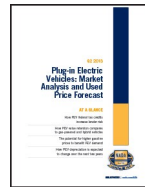
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ADDITIONAL RESOURCES



Guidelines

Updated monthly with a robust data set from various industry sources and NADA's own proprietary analytical tool, *Guidelines* provides the insight needed to make decisions in today's market.



White Papers

NADA's white papers and special reports aim to inform industry stakeholders on current and expected used vehicle price movement to better maximize today's opportunities and manage tomorrow's risk.



NADA Perspective

Leveraging data from various industry sources and NADA's analysts, *NADA Perspective* takes a deep dive into a range of industry trends to determine why they are happening and what to expect in the future.



Commercial Vehicle Blog

Written and managed by Senior Analyst Chris Visser, the Commercial Vehicle Blog analyzes market data, lends insight into industry trends and highlights relevant events.

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