

October 2019

LCV Market Overview

As summer drew to a close, September saw a resurgent LCV Wholesale Market judging from the encouraging trade sales results and from our own observations at the auctions we attended around the country.

With more stock around compared to the previous month and a good mix of models across all LCV sectors, there was plenty of choice to satisfy the needs of most buyers and to suit all pockets.

Auctions were well attended and, for the most part, bristling with activity both in the halls and on the internet. Professional buyers were out in force and clearly on a mission to procure stock. The auctioneers we spoke to, seemingly refreshed from their summer holiday breaks, were generally upbeat and talked enthusiastically about the strength of demand and their improved sales conversion rates. With significant increases in both supply and demand, it remains to be seen if this apparent upturn in the market was just a short term blip caused by pent-up demand over the holiday period or a more sustainable trend.

From a supply perspective, what does appear to be more than just a short term blip is the steadily rising average age and mileage of used LCV stock, albeit occasionally masked by an influx of younger relatively lower mileage ex-rental vehicles.

With new LCV registrations riding high over the past few years we haven't really seen similar increases in the number of used LCVs entering the wholesale market. It's clear that LCV operators have extended vehicle replacement cycles for one reason or another. As you would expect, when such vehicles do come into the used market they are often in poor condition commensurate with their relatively longer usage and, naturally, this affects their appeal to buyers.

Arguably another factor which may have a significant impact on supply is WLTP.

Last month saw WLTP homologation rules coming into force for all newly registered LCVs and it was widely envisaged that this change in legislation would affect the balance between supply and demand of new LCVs both before and after the implementation date.

In the run-up to the WLTP deadline it was predicted that manufacturers would cut back production and vehicle delivery lead times would increase. It was also suggested that some of the larger LCV operators might replace vehicles earlier aiming to take delivery before the September deadline or possibly to take advantage of any manufacturer-led deals on vehicles homologated to the old NEDC rules. It has also been muted that new LCV sales would decrease after September similar to how the new car sales market reacted post WLTP.

As the full SMMT registration figures for September become available we will be in a better position to comment on how this change in legislation may have affected supply in the used LCV wholesale market.

Guide Price Adjustments in this Edition

The guide prices of most models across all LCV sectors have gone down by around 1.3% in this edition, however, there are a large number of exceptions which are listed under the sector headings below.

October: LCV Used Guide Price Movements 3 year / 60k		
LCV Sector	Average % Movement	Average £ Movement
City Van	-1.8%	-£66
Small Van	-2.7%	-£128
Medium Van	-1.1%	-£111
Large Van	-1.3%	-£106
Over 3.5T	-1.4%	-£162
4x4 Pick-up Workhorse	-1.4%	-£126
4x4 Pick-up Lifestyle SUV	-0.1%	-£10
Forward Control Vehicle	-1.0%	-£115
Chassis - Derived	-1.6%	-£158
Mini-bus	-0.3%	-£36
Vat Qualifying	0.1%	£16

City Van

On average the guide values in this sector have gone down by 1.8% (-£66) in this edition. Whilst Ford Fiesta (09-18) models continued to outsell all other models, prices were generally weaker resulting in a downward price movement of 3%. Peugeot Bipper took over the second place slot usually occupied by Corsavan, however, most failed to achieve the guide prices which has led to a downward movement of 4% in the guide. Ford Courier are now making a regular appearance at auctions but have yet to find their true value in the used market.

CITROEN NEMO (16-18) VAN (-2%)

FIAT FIORINO E6 (16-) VAN (-2%)

FORD COURIER (14-) VAN (-3%)

VAUXHALL CORSAVAN (07-19) VAN (0%)

CITROEN NEMO (08-16) VAN (0%)

FIAT FIORINO (08-16) VAN (0%)

FORD FIESTA (09-18) VAN (-3%)

PEUGEOT BIPPER (08-17) VAN (-4%)

Small Van

With an average downward guide price movement of 2.7% (-£128) Small Van prices have fallen by the highest amount in percentages terms. Whilst a 1% downward price movement was applied to most model ranges in this sector there was a large number of exceptions which are listed below.

CITROEN BERLINGO (18-) VAN (0%)

FIAT DOBLO CARGO E6 (16-) DROP (-4%)

FIAT DOBLO CARGO E6 (16-) VAN (-4%)

M-B CITAN (13-19) VAN (-5%)

VW CADDY E6 (16-) VAN (-6%)

FIAT DOBLO CARGO (15-19) E6 VAN (-4%)

FORD CONNECT (13-19) T200-T240 VAN (-4%)

FIAT DOBLO CARGO (10-19) COMBI VAN (-4%)

FIAT DOBLO CARGO (10-19) PET VAN (-4%)

FIAT DOBLO CARGO (11-19) DROP (-4%)

FORD CONNECT (09-13) T200-T230 VAN (-4%)

PEUGEOT PARTNER (08-17) VAN (-7%)

VAUXHALL COMBO (12-18) VAN (-4%)

VW CADDY (10-14) C20 VAN CNG (-3%)

PEUGEOT PARTNER E6 (15-19) VAN (-7%)
VW CADDY (15-17) VAN (0%)
CITROEN BERLINGO (08-18) VAN (-2%)
FIAT DOBLO CARGO (10-17) VAN (-4%)

VW CADDY (10-15) C20 VAN (-3%)
FIAT DOBLO CARGO (01-10) PET VAN (-4%)
FIAT DOBLO CARGO (01-10) VAN (-4%)

Medium Van

With an average downward guide price movement of 1.1% (-£111), at first glance it seem prices have held firm in the Medium Van sector. By far the largest sector in terms of sales volumes, the exceptional price performance of Ford Custom models, which outsold all other models, masks the true performance of the sector. As we delved deeper into our research data it was necessary to apply some significant prices changes to some model ranges – as listed below.

FORD TRANSIT CUSTOM VAN E6 (17-) (0%)
M-B VITO E6 (15-) CDi VAN (-5%)
RENAULT TRAFIC E6 (16-) dCi VAN (-2%)
TOYOTA PROACE E6 (16-) VAN (0%)
VW T6 TRANSPORTER E6 (16-) VAN (-2%)
VW T6 TRANSPORTER PETROL (16-19) VAN (-2%)
CITROEN DISPATCH E6 (16-) VAN (-2%)
FIAT SCUDO (07-17) VAN (4%)
FORD TRANSIT CUSTOM VAN E6 (16-18) (2%)
PEUGEOT EXPERT (07-16) VAN (-4%)
RENAULT TRAFIC (14-16) dCi VAN (0%)

TOYOTA PROACE (12-16) VAN (-2%)
VAUXHALL VIVARO E6 (16-19) VAN (0%)
VW T6 TRANSPORTER (15-16) VAN (-5%)
CITROEN DISPATCH (07-16) VAN (-4%)
TOYOTA HI-ACE (03-05) SWB FRIDGE (-2%)
TOYOTA HI-ACE (04-05) LWB FRIDGE (-2%)
TOYOTA HI-ACE (06-12) VAN (-2%)
VAUXHALL VIVARO (14-18) VAN (-2%)
TOYOTA Hi-ACE (96-06) VAN (-2%)
VAUXHALL VIVARO (11-14) VAN (-2%)
VW T5 TRANSPORTER (03-10) VAN (5%)

Large Van

On average the guide values in this sector have gone down by 1.3% (-£106). Most model ranges have had a downward price movement of 1% with the following notable exceptions listed below.

CITROEN RELAY E6 (16-) VAN (0%)
MAN TGE (17-) VAN (-5%)
RENAULT MASTER E6 (16-) dCi VAN (0%)
RENAULT MASTER E6 (16-) dCi WINDOW VAN (0%)
VAUXHALL MOVANO E6 (19-) VAN (-2%)
VW CRAFTER (17-) VAN (-5%)
CITROEN RELAY (14-16) VAN (-5%)
FORD TRANSIT E6 (16-19) T290 - T350 VAN (-4.5%)
M-B SPRINTER E6 (16-) 2-SERIES VAN (-2%)
M-B SPRINTER E6 (16-) 3-SERIES VAN (-2%)
VAUXHALL MOVANO (10-17) VAN (-2%)

CITROEN RELAY (06-14) VAN (3%)
FIAT DUCATO (06-14) VAN (-2%)
RENAULT MASTER (10-17) dCi VAN (2%)
VAUXHALL MOVANO (03-10) VAN (-2%)
VW CRAFTER (06-17) VAN (0%)
FORD TRANSIT (06-12) T250 - T350 PET VAN (-2%)
FORD TRANSIT (06-14) T250 - T300 VAN (-2%)
M-B SPRINTER (06-13) 2-SERIES VAN (4%)
M-B SPRINTER (06-13) 3-SERIES VAN (4%)
M-B SPRINTER CNG (09-13) SERIES-3 VAN (4%)
VAUXHALL MOVANO (99-05) VAN (-2%)

4x4 Lifestyle Pick-up SUV

With only a marginal downward guide price movement of 0.1% (-£10) in this edition it seems that the tide has finally turned for 4x4 Lifestyle Pickups and, although there are still some pockets of unsold stock around, the general feeling is the demand is increasing. The guide prices for some model ranges remain level in this edition whilst some have increased.

FIAT FULLBACK (16-) LIFE (-3%)	NISSAN NP300 NAVARA (16-16) LIFE (0%)
ISUZU D-MAX DIESEL (17-) (0%)	TOYOTA HILUX (10-16) D-4D LIFE (0%)
MITSUBISHI L200 (15-) DI-D LIFE (0%)	VW AMAROK (11-17) LIFE (3%)
MITSUBISHI SHOGUN (19 -) (6%)	ISUZU RODEO (03-07) LIFE (2%)
NISSAN NAVARA E6 (16-) LIFE (0%)	MITSUBISHI L200 (01-07) TD/TD 113 LIFE (5%)
TOYOTA HILUX E6 (16-) LIFE (0%)	NISSAN NAVARA (10-16) LIFE (0%)
VW AMAROK (16-) LIFE (0%)	FORD RANGER (09-11) LIFE (-3%)
FORD RANGER (15-19) PICK-UP LIFE (1%)	NISSAN NAVARA (05-07) LIFE (0%)
ISUZU D-MAX DIESEL (12-18) (-2%)	NISSAN NAVARA (06-10) LIFE (0%)
ISUZU RODEO (07-12) LIFE (2%)	NISSAN NAVARA (03-05) LIFE (0%)

4x4 Pick-up Workhorse

On average the guide prices have gone down by 1.4% (-£126) in this edition. The guide values for most model ranges have gone down by 1% with the notable exceptions listed below. Whilst the number of sales in this sector remains relatively low there were more Toyota Hilux models on sale last month. The Euro 6 models, which performed particularly well, have gone up by 5% Euro 5 models remains level.

ISUZU D-MAX DIESEL (17-) (0%)	TOYOTA HILUX (10-16) D-4D WORK (0%)
MITSUBISHI OUTLANDER (07-) WORK (-5%)	ISUZU RODEO (03-06) WORK (0%)
MITSUBISHI OUTLANDER (14-) WORK HYBRID EV (-5%)	NISSAN 1 TON (98-07) PICK-UP (0%)
NISSAN NAVARA E6 (16-) PICK-UP (0%)	NISSAN NAVARA (13-16) PICK UP (0%)
TOYOTA HILUX E6 (16-) WORK (5%)	NISSAN NP300 (08-10) PICK-UP (0%)
ISUZU D-MAX DIESEL (12-18) (0%)	NISSAN TERRANO II (98-07) (0%)
ISUZU RODEO (08-12) WORK (0%)	ISUZU TROOPER (88-05) 4WD (0%)
NISSAN NP300 NAVARA (16-16) PICK-UP (0%)	NISSAN NAVARA (05-08) WORK (0%)
NISSAN PATHFINDER (05-12) DIESEL (0%)	NISSAN NAVARA (02-05) WORK (0%)

Ken Brown

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HGV MARKET OVERVIEW

Whilst auction attendances increased last month as the summer holiday period drew to a close business was expected to spark into action but so far there has been little evidence of it doing so. However, there was a just a slight increase in on-the day sales and conversions of provisional sales increase too so perhaps that can be seen as travelling in the right direction.

The average number of auction entries fell substantially last month which may help quell the amount of stock held by auctions which was previously on the increase. That said, wherever there is sales activity it is evident that Euro 5 values, especially those of 7.5 tonne vehicles are in decline but this is currently the trend across all vehicle types and emission standards. At very best some values are holding steady, but these are the exceptions rather than the norm.

The fact that there is little export activity means more stock needs to be disposed of to the home market, a market which just doesn't have the capacity to soak it all up and with so much stock available it is a buyers' market at the moment.

Some vehicles and trailers continue to circulate auctions on a regular basis with little prospect of finding new homes any time soon because there is just no appetite for it.

Stocks of Euro 6 vehicles are steadily increasing with the emphasis squarely on tractor units and with some vendor's still expectant of premium values for them they will be disappointed to realise that such values are no longer achievable and we are seeing values settle to more realistic levels. Euro 6 dropside across all sectors are relatively scarce and continue to achieve premium values, something that will change once supply increases.

Commercial Vehicle Auctions, (CVA), have announced expansion by opening a new facility in Livingston. The first auction will occur in October followed initially by monthly auctions. They have also advertised an on-site sale on behalf of Scania and are offering "150 modern tractor units & rigid trucks due for unreserved public auction".

Dealers report that whilst trade remains a little quiet at present more of their customers are looking for vehicles which will last them for several years as opposed to two or three years. In view of Euro 6 being the minimum standard for intended low emission zones low mileage Euro 6 rigids are what many seek. This could possibly assist the values of Euro 6 vehicles as the zones start to appear. One common issue is certain and that is the desire for Brexit to be concluded so that business can return to normal, whatever normal may be.

Manufacturers report continued good sales, but the majority of Euro 6 stock is heavily weighted in favour of tractor units, with rigids being far less in number. One manufacturer has seen the quantity of used vehicles for sale double over the last two years which is providing its own challenges so it is looking at increasing the quantity of used vehicle sales through its dealer network in preference to selling through the trade.

The recent demise of several companies such as Axis, Gullivers and TOM has tested those manufacturers affected as repossessions added more to their used stock available which has required careful management and time to mitigate any loss to themselves.

Records from our auction visits indicate that the average number of auction entries decreased by 31% but the number of on-the-day truck increased by just over 4% in relation to total entries whilst trailer sales fell by just over 22% during the same period. This is based on ten auction visits and a total of 1380 viewed lots and as we always remind you these are 'hammer sales' on-the-day and converted provisional sales are not included. One auction reports that the current conversion rates of provisional sales has increased to around 65% an increase of 15%, which, when added to slightly increased hammer sales perhaps things are starting to look up a little..

This month's research indicates that:

- 7.5t to 12t – Values of all types of have fallen again with Euro 5 vehicles being the worst affected as values continue to tumble.
- 13t to 18t – Values across all emission standards have fallen a little this month.
- Multi-wheel rigids – Values of Euro 5 three axle rigids have declined whereas pre Euro 5 and Euro 6 values have remained steady. Four axle rigids have seen values of all but Euro 6 suffer a little.
- Tractor units – Values of 4x2 tractor units across all Euro emissions have declined a little although there are one or two examples where values have held steady. 6x2 values have generally decreased across the board to varying degrees but here too there are some exceptions where values have remained stable. Values of 6x4 and other multi-wheel tractor units are unchanged.
- Trailers – Values across all types have once again declined a touch, including platforms which have performed well until recently.

7.5t to 12t Vehicles

This sector is seeing values of Euro 5 vehicles being adversely affected. High stocks and a decreasing market are doing little to assist. With the exception of dropsides and specialist vehicles there is a wide selection of Euro 5 derivatives available, especially boxes and fridges and just as quick as they sell stocks are quickly replenished with much of the same.

Dropsides remain fairly scarce in relation to other types but even here Euro 5 ones are starting to find the going tough. Pre-Euro 5 and Euro 6 values have also fallen but to a much lesser extent than those of Euro 5. The increasing number of large vans encroaching into the 7.5t market and taking market share is another adverse factor in this struggling sector.

Lots more 7.5t Euro 5 boxes and fridges have hit the market with most being five to seven years old and are predominantly DAF, which is understandable given their market share of new vehicle registrations. Older boxes and fridges are also plentiful so buyers have large, but not necessarily a good, choice to select from. Other 7.5 tonne derivatives are less numerous which aids their saleability but not necessarily values.

Several boxes with sleeper cabs have appeared recently but these are no more saleable than day cabs. Indeed often the opposite is true because 7.5 tonne sleeper cab vehicles usually have higher mileage. Tippers, particularly newer ones are popular lots but their desirability may decline as autumn progresses.

Euro 6 fridges, like dropsides are relatively scarce, so currently attract additional interest, however specification plays a big part in the desirability of fridges. Isuzu and Mitsubishi fridges are also quite numerous but they are being traded with the preference being for manual gearboxes, automatics having greater difficulty finding buyers.

13t to 18t Vehicles

Boxes and curtains of around seven to ten years old are readily available but buyers are showing a preference for Euro 6 vehicles and this is starting to affect the values of older vehicles which are beginning to struggle finding buyers. Even tidy low mileage late Euro 5 examples are not having the best of times.

Unlike 7.5t vehicles there are far fewer Euro 6 18 tonne vehicles appearing in the open market at present, even so values of the ones that are appearing are starting to soften and the intense bidding and high values once achieved can now be resigned to history.

The continuing flow of Euro 4 and Euro 5 13 tonne and 15 tonne Mercedes-Benz Atego fridges continues and whilst all have seen better days most were finding buyers, possibly due to realistic reserve values, however, as more continue to appear sales are starting to dry up and the values being achieved reflective of their condition, mileage and specification, many of which carry undesirable fridge units.

Dropsides, tippers and any type of vehicle carrying a crane remain popular but only if mileage and condition meet expectations. Skip loaders have been plentiful recently and even Euro 6 examples are appearing often as was the case at one auction where a batch of five 15 plate DAF LF 220's with 300-350,000 kilometres. Interest was strong and four of the five sold outright.

A couple of removal boxes appeared recently and as is generally the case with such vehicles age and high mileage are not conducive to them quickly finding buyers.

Multi-wheelers

Boxes remain relatively scarce whilst there is a steady supply of curtains and fridges of varying age and quality on a most chassis. Platforms and dropsides are numerous, many of them carrying cranes but as always, when supply exceeds demand values start to be stretched and vehicles fail to sell.

A number of cement mixers of varying age and manufacture have appeared of late but even the tidiest ones have struggled to attract sufficient interest for them to sell. Somewhat akin to refuse trucks, cement mixers will sell if they are fit for immediate use and someone has a job for them. If not they are likely to stick around a little until they become cheap enough for traders to take a risk on them.

Interest in tippers remains reasonably flat unless they are in exceptional condition and carry a crane, in which case the opposite is true. Plant carriers and beavertails are always popular auction entries and there has been a good supply of them from a well-known plant hire company.

There has been a good supply of complete car transporter rigs and as usual they were met with little enthusiasm. One example was a 13 plate Mercedes-Benz Actros 1842 rig with 2.5m Streamspace sleeper cab and 340,000 kilometres. It has now appeared at a few sales and it is struggling to muster bids in the low teens.

Refuse trucks continue to struggle to find new homes and some of the bids submitted account for them being cut up and scrapped, especially so on many older examples.

Hook loaders attract attention providing they are presentable and in a useable condition. Several have recently successfully found new homes whilst cable lifts on similar chassis didn't fare so well. Cable lifts are a little more niche market and they carry less prospect of buyers being able to quickly re-sell them which subdues interest.

Tractor Units

With a large choice of Euro 5 and Euro 6 to select from, even later registered examples are struggling to sell but those that do indicate values are declining. 6x2's examples of all marques are available with the vast majority being to distribution specification.

That considered, some Euro 5 6x2 models are having a little bit of a renaissance with some DAF's, Mercedes-Benz, Scania and Volvo models seeing values remain stable. Some pre-Euro 5 examples have performed likewise but on the whole values are drifting and as always specification, condition and mileage influences desirability.

4x2 tractor units are far fewer and whilst most values have fallen a little they are not falling as quickly as 6x2 values.

Trailers

Surprisingly over a period of several months the vast numbers of trailers available has steadily dwindled to the position where there are far fewer trailers in the open market and the days of auction car parks being full of them are gone.

Good quality trailers are attracting more attention but the majority of trailers available are old and are not out of sorts with buyer requirements.

Tri-axle box trailers, once numerous around auction sites are being actively sought after in good condition by several traders who now have Christmas enquiries to fulfil and limited time to do so.

Good quality curtains, especially double deck variants are also popular at present along with quality platforms which are relatively scarce.

Tipper are trading steadily but tankers are struggling a little and low-loaders are in demand and as long as they meet buyers expectations they sell easily and often for high values.

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