

November 2019

## LCV Market Overview

Amidst all the furore we seen over the past month and the constant barrage of media warnings that uncertainty over Brexit is having a damaging effect on the economy, it was business as usual at the used LCV auctions we attended last month. Apart from a noticeable lull in activity during the second week of October, which we believe was largely brought about by a blip in supply of used stock, attendances were high and bidding was strong both in the halls and on the internet. In fact, some auction sale managers we spoke to reported that October had been their busiest month so far.

This sentiment is borne out in the research data we have gathered over the past month. As the table below shows, most LCV sectors performed remarkably well against the October guide values considering the current unstable political climate and gloomy economic outlook.

### Sales Performance Trend by Sector

	August	September	October
LCV Sector	Performance	Performance	Performance
City Van	94.20%	97.04%	96.02%
Small Van	96.50%	96.59%	98.49%
Medium Van	98.37%	99.27%	101.11%
Large Van	98.32%	98.81%	100.27%
Over 3.5T	104.60%	101.46%	103.93%
4x4 Pick-up Workhorse	98.44%	99.57%	101.64%
4x4 Pick-up Lifestyle SUV	97.12%	100.80%	101.24%
Forward Control Vehicle	105.86%	99.86%	102.28%
Chassis - Derived	98.44%	96.41%	99.23%
Mini-bus	100.37%	103.68%	102.16%
Vat Qualifying	100.42%	100.94%	99.16%
<b>Total Market</b>	<b>97.57%</b>	<b>98.49%</b>	<b>99.96%</b>

With an average downward guide price movement of 0.4% in this edition, market prices remained relatively stable last month but as always some sectors fared better than others. Only the City Van and Small van sectors bucked the current upward trend. Medium and Large panel van prices were notably strong as we would expect at this point in the year but perhaps the best news for some vendors is the upturn in both Lifestyle and Workhorse 4x4 Pick-up prices.

As we often see during Autumn and the run up to Christmas, demand for large and medium vans tend to increase, although this year we have noticed that prices have weakened on Luton Vans, particularly if they don't have a tail lift. Demand may have been quenched to some extent by increased availability of lo-loader models in the marketplace which, arguably, are better suited to delivery operations.

## Guide Price Adjustments in this Edition

The guide prices of most models across of the LCV sector as a whole have gone down on average by around 0.4% in this edition.

Using 3 years / 60,000 miles as a benchmark, the average percentage and monetary movements shown in the table below give an indication of the extent of the price adjustments that were necessary in order to reflect current market prices for this edition.

Since age is one of the key factors that affects the rate at which a vehicle's value depreciates we would normally expect market prices to fall slightly month on month as each plate we value is effectively one month older. The amount by which the guide values change in order to track market prices serves as an indication of the strength of market in each sector. This month the strength of the 4x4 Lifestyle Pick-up sector is reflected by a positive average guide price movement.

November: LCV Used Guide Price Movements 3 year / 60k		
LCV Sector	Average % Movement	Average £ Movement
City Van	-4.9%	-£174
Small Van	-1.1%	-£52
Medium Van	1.3%	£125
Large Van	-0.4%	-£30
Over 3.5T	-0.7%	-£82
4x4 Pick-up Workhorse	-0.7%	-£59
4x4 Pick-up Lifestyle SUV	0.4%	£48
Forward Control Vehicle	-1.0%	-£116
Chassis - Derived	-0.7%	-£66
Mini-bus	-0.2%	-£27
Vat Qualifying	-0.9%	-£102

## Supply Trend: Auction Catalogue Entries

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19 MTD
Auction Entries % Var	-7%	-48%	68%	6%	2%	-8%	28%	-11%	7%	-14%	-9%	-11%
Average age (Months)	63	63	59	60	61	62	58	56	59	59	59	59
Average Mileage	78,883	78,312	75,974	75,974	76,365	77,283	72,114	66,591	70,673	71,057	711,181	70,853

Whilst the month-to-date auction entries for October are down by 11% compared to September, we expect that by the end of the month the total number of auction entries will have increased considerably. There was a noticeable shortage of stock during the second week of October which resulted in some vendors cancelling their auction sales.

The average age of stock remains at 59 months for the fourth month in succession. This is a reflection of the larger proportion of ex-rental stock we continue to see at auctions. This is also having an impact on the average mileage of used stock with last month being no exception at 70,853 miles.

From the conversations we've had with auctioneers and senior auction officials, their main concern seems to be the uncertainty over the supply of used stock and the feeling that first life vehicle operators might be holding off replacing vehicles as if hedging their bets over how wider economic factors might affect their businesses. Most would agree that, whilst there are concerns over some sectors and individual models, demand for used LCVs remain high.

## City Van

Overall City Vans continues to struggle as the worst performing LCV sector achieving on average just over 96% of the guide.

Ford Fiesta (09-18) model outsold all other models in this sector, however, market prices lagged behind the guide by around 4%. Vauxhall Corsavan came in second place in terms of sector market share with prices holding up well against the guide at 98%. Peugeot Bipper and Citroen Nemo continue to struggle achieving 93% and 92% of the guide values respectively.

Whilst a downward price adjustment of 1% was applied to most model ranges to allow for age depreciation, it was necessary to make some significantly larger price adjustments to the models listed below.

CITROEN NEMO (16-18) VAN (-6%)  
FIAT FIORINO E6 (16- ) VAN (-6%)  
FORD COURIER (14- ) VAN (-4%)  
PEUGEOT BIPPER (16-18) VAN (-6%)

VAUXHALL ASTRAVAN (06-13) VAN (-5%)  
CITROEN NEMO (08-16) VAN (-6%)  
FORD FIESTA (09-18) VAN (-5%)  
PEUGEOT BIPPER (08-17) VAN (-6%)

## Small Van

With an average price performance of 98.49%, the guide values have gone down by 1.1% (£52) on average in this edition.

Ford Connect outsold all other models in this sector last month with the FORD CONNECT (13-19) T200-T240 VAN range, which contains a mixture of Euro 5 and Euro 6 models achieving around 98% of the guide. However, there was a clear disparity between the performances of Euro 5 and Euro 6 models. Consequently Euro 6 model values have gone down by 4% whilst Euro 5 models are unchanged.

We have applied a downward guide price movement of 1% to most model ranges, however, there are a number models which have had significant larger movements as listed below.

FIAT DOBLO CARGO E6 (16- ) VAN (0%)  
FORD CONNECT (18- ) T200-T240 VAN FACELIFT (-5%)  
FIAT DOBLO CARGO (15-19) E6 VAN (0%)  
VAUXHALL COMBO E6 (16-19) VAN (0%)  
CITROEN BERLINGO (08-18) VAN (-2%)  
FIAT DOBLO CARGO (10-17) VAN (1%)

FORD CONNECT (09-13) T200-T230 VAN (-5%)  
PEUGEOT PARTNER (08-17) VAN (-2%)  
FORD CONNECT (02-07) T200 PET VAN (-5%)  
FORD CONNECT (02-08) T210 PET VAN (-5%)  
FORD CONNECT (02-09) T200-T230 VAN (-5%)  
FORD CONNECT (06-07) T210 VAN (-5%)

## Medium Van

By far the largest LCV sector and serving as a barometer for the state of the used LCV market as whole October was an exceptionally strong month for Medium Van sector. Whilst the overall price performance was just over 101% of the guide, out of 52 'live' model ranges it was only necessary to move the guide prices downward on two of them for this edition. As for the other 50 model ranges, 20 ranges have seen market price increases whilst 30 remain level.

FORD TRANSIT CUSTOM VAN E6 (17- ) (1%)	RENAULT TRAFIC (14-16) dCi VAN (1%)
M-B VITO E6 (15- ) CDi VAN (3%)	TOYOTA PROACE (12-16) VAN (1%)
NISSAN NV300 (16- ) VAN (1%)	VW T6 TRANSPORTER (15-16) VAN (4%)
RENAULT TRAFIC E6 (16- ) dCi VAN (1%)	FORD TRANSIT CUSTOM VAN (12-17) (3%)
TOYOTA PROACE E6 (16- ) VAN (1%)	M-B VITO (03-11) CDi FRIDGE (3%)
CITROEN DISPATCH E6 (16- ) VAN (-5%)	M-B VITO (03-11) CDi VAN (3%)
FIAT SCUDO (07-17) VAN (1%)	M-B VITO (03-11) DUALINER VAN (3%)
FORD TRANSIT CUSTOM VAN E6 (16-18) (1%)	RENAULT TRAFIC (06-14) dCi VAN (1%)
M-B VITO (10-15) CDi VAN (3%)	VAUXHALL VIVARO (14-18) VAN (1%)
M-B VITO (10-15) DUALINER VAN (3%)	M-B VITO (05-07) PET VAN (3%)
PEUGEOT EXPERT (07-16) VAN (-2%)	VAUXHALL VIVARO (11-14) VAN (1%)

## Large Van

On average the guide values in the Large Van sector have gone down by 0.4% in this edition, however, whilst most model ranges have had a downward price movement of 1% to allow for age depreciation, there are large number of ranges listed below which have had quite a mixed bag of guide price changes.

CITROEN RELAY E6 (16- ) VAN (1%)	RENAULT TRUCKS MASTER (10-15) VAN (1%)
IVECO DAILY E6 (14- ) VAN (1%)	VAUXHALL MOVANO (03-10) VAN (0%)
NISSAN NV400 E6 (16- ) VAN (0%)	FORD TRANSIT (06-14) T250 - T300 VAN (3%)
PEUGEOT BOXER E6 (16-19) VAN (1%)	FORD TRANSIT (06-14) T330 - T350 VAN (-5%)
PEUGEOT BOXER E6 (16-19) WINDOW VAN (1%)	IVECO DAILY (06-09) VAN (1%)
RENAULT MASTER E6 (16- ) dCi VAN (0%)	IVECO DAILY (06-10) 3.5t VAN (1%)
RENAULT MASTER E6 (16-) dCi WINDOW VAN (0%)	M-B SPRINTER (06-13) 2-SERIES VAN (-2%)
RENAULT TRUCKS MASTER E6 (16- ) VAN (0%)	M-B SPRINTER (06-13) 3-SERIES VAN (-2%)
VAUXHALL MOVANO E6 (16-19) VAN (0%)	RENAULT MASTER (03-10) dCi VAN (0%)
VAUXHALL MOVANO E6 (19- ) VAN FACELIFT (0%)	RENAULT MASTER (04-05) RWD VAN (0%)
CITROEN RELAY (14-16) VAN (-3%)	RENAULT MASTER VI (98-04) VAN (0%)
IVECO DAILY (14-17) VAN (1%)	RENAULT TRUCKS MASTER (03-10) dCi VAN (0%)
M-B SPRINTER E6 (16- ) 2-SERIES VAN (-2%)	VAUXHALL MOVANO (99-05) VAN (0%)
M-B SPRINTER E6 (16- ) 3-SERIES VAN (-2%)	IVECO DAILY (99-04) S CLASS VAN (1%)
NISSAN NV400 (11- ) VAN (0%)	IVECO DAILY (99-07) L CLASS VAN (1%)
PEUGEOT BOXER (14-16) VAN (0%)	IVECO DAILY CNG (04-07) VAN (1%)
RENAULT MASTER (14-16) dCi WINDOW VAN (0%)	IVECO UNIJET DAILY (03-06) L CLASS VAN (1%)
RENAULT TRUCKS MASTER (14-16) VAN (0%)	IVECO UNIJET DAILY (03-07) C CLASS VAN (1%)
VAUXHALL MOVANO (10-17) VAN (1%)	IVECO UNIJET DAILY (03-07) S CLASS VAN (1%)
CITROEN RELAY (06-14) VAN (-5%)	IVECO UNIJET DAILY (04-06) S CLASS FRIDGE (1%)
IVECO DAILY (09-15) VAN (1%)	IVECO UNIJET DAILY (05-06) C CLASS FRIDGE (1%)
RENAULT MASTER (10-17) dCi VAN (1%)	

## 4x4 Lifestyle Pick-up SUV

The average price performance of most models in the Lifestyle SUV sector continues to show significant improvement as reflected by the many upward price adjustments shown below. That said, we continue to witness that only the cleanest, highest spec models with hard tops or secure load covers are selling with any kind of ease. It's also still true to say that many of these are making only CAP Average condition guide prices when they were in fact CAP Clean!

Traditionally this is the time of year when we would expect interest to increase in 4x4 Pick-ups but we also believe that market prices have now fallen to a more sustainable level and some models look exceptional value for money.

FIAT FULLBACK (16- ) LIFE (-5%)	TOYOTA HILUX (10-16) D-4D LIFE (2%)
GREAT WALL (12- ) (-6%)	VW AMAROK (11-17) LIFE (1%)
ISUZU D-MAX DIESEL (17- ) (3%)	FORD RANGER (11-16) PICK-UP LIFE (1%)
MAZDA BT50 (15- ) DI-D LIFE (1%)	ISUZU RODEO (03-07) LIFE (-4%)
NISSAN NAVARA E6 (16- ) LIFE (0%)	MAZDA BT50 (01-07) TD/TD 113 LIFE (1%)
TOYOTA HILUX E6 (16- ) LIFE (4%)	NISSAN NAVARA (10-16) LIFE (1%)
VW AMAROK (16- ) LIFE (0%)	TOYOTA HILUX (01-10) PICK-UP LIFE (4%)
ISUZU D-MAX DIESEL (12-18) (0%)	NISSAN NAVARA (05-07) LIFE (0%)
ISUZU RODEO (07-12) LIFE (-4%)	NISSAN NAVARA (06-10) LIFE (0%)
MAZDA BT50 (06-16) DI-D LIFE (1%)	

## 4x4 Pick-up Workhorse

This month sees only a slight downward adjustment of around 0.7% to the guide values in the workhorse sector as the 4x4 Pickup renaissance continues. However, worthy of note are some significant increases to the guide values of LAND ROVER DISCOVERY (18- ) EURO 6 models and LAND ROVER (07-11) DEFENDER 90 110 130 TDCi models.

LAND ROVER DISCOVERY (18- ) EURO 6 (9%)	LAND ROVER (07-11) DEFENDER 90 110 130 TDCi (4%)
MAZDA BT50 (15- ) DI-D WORK (-5%)	MAZDA BT50 (00-16) (4%)
MAZDA BT50 (07- ) WORK (-3%)	TOYOTA HILUX (10-16) D-4D WORK (1%)
MAZDA BT50 (14- ) WORK HYBRID EV (-3%)	MAZDA BT50 (00-06) PET (4%)
MAZDA BT50 (14-18) (4%)	NISSAN NAVARA (13-16) PICK UP (1%)
TOYOTA HILUX E6 (16- ) WORK (1%)	TOYOTA HILUX (07-10) D-4D WORK (1%)

**Ken Brown**  
LCV Valuations Editor

## HGV MARKET OVERVIEW

On the whole auctions were thriving places last month and as the Christmas period approaches increased activity is often the case and although the number of auction entries climbed again, so did the number of on-the-day sales.

Vehicles which have appeared at more than one sale continue to be an ongoing problem for both vendors and auctions because selling something which nobody has a desire for, or at an unrealistic reserve value is difficult to manage for any period of time, so something needs to give. Once, such vehicles were the staple diet of exporters, but the absence of many exporters from the auction circuit and with domestic buyers being more cautious in their purchasing one wonders where such vehicles will eventually end up.

Included in this month's figures is an on-site sale held at Worksop by CVA on behalf of Scania Finance where all of the one hundred and fourteen entries sold in what was an unreserved sale. The result of vehicles being moved on in order to reduce stock has adversely affected the values of some Scania's, particularly tractor units which have fallen this month.

Generally Euro 5 values continue to suffer and with an increasing selection of Euro 6 vehicles available buyers are becoming more discerning and vehicles that would have been quickly snapped up just a few months ago are being shunned in favour of tidier examples with lower kilometres. Euro 6 dropside which have been strong performers recently have seen values fall more than other Euro 6 derivatives as their supply has increased.

Some dealer's report that it remains relatively quiet at present with few incoming enquiries, one stating that the traditionally quiet summer holiday period has continued and business has yet to pick up. On the other hand several traders confirmed that they are reasonably busy at present with some having potential deals in the pipeline which will be fulfilled once they locate the right vehicle at the right price.

Manufacturer sales remain buoyant with Euro 6 rigids still selling particularly well. One manufacturer reporting that further close management of vehicle returns is being used to maximise the potential revenues for used Euro 6 vehicles. Communicating with their customers in advance of when vehicles are due to return suggests that there is less chance of the customer requesting any last minute extension. Any extensions which are granted are strictly judged on a commercial basis and when agreed it is for a maximum of three months only. This appears to be a win-win situation as returning vehicles can be pre-sold and the existing customers are committing to new vehicles.

Records from our auction visits indicate that the average number of auction entries increased by over 21% and the number of on-the-day truck increased by just over 12% in relation to total entries whilst trailer sales rose by almost 12% during the same period. This is based on nine auction visits and a total of 1586 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 remains around the same as the previous month.

This month's research indicates that:

- 7.5t to 12t – Generally values of all types of have fallen again, exceptions being some pre-Euro 5 vehicles where values have remained steady. Most Euro 5 and Euro 6 vehicles with a few exceptions have seen values fall.
- 13t to 18t – Values of Euro 5 vehicles have steadied a little as have some pre-Euro 5 derivatives. Euro 6 values continue to be pressured.

- Multi-wheel rigids – Values of most derivatives are down with Euro 5 vehicles once again being the most adversely affected. Tractor units – Values of 4x2 tractor units across all Euro emissions have again declined although there are one or two examples where values have held steady. 6x2 values have generally decreased across the board to varying degrees but there are a few exceptions where values have remained stable. Values of 6x4 and other multi-wheel tractor remain unchanged.
- Trailers – Values across all types have once again declined slightly despite increased sales activity.

## 7.5t to 12t Vehicles

An increasing number of Euro 5 7.5t boxes have flowed into the market which are predominantly DAF's. Tidy ones are selling but values remain under pressure. Older boxes are plentiful and buyers continue to have a wide choice to select from.

Most examples in this sector 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 and clean enough to provoke good interest, mileage continues to play a major factor in the prices paid and on the whole whilst both have performed well of late dropside values particularly remain under pressure.

Curtains are far fewer in number than boxes and often sell when they appear but they too are subject to the aforementioned caveats in relation to condition and mileage in order to produce best value.

Car transporters always provoke good interest, especially when end users are present at a sale and they generally are when batches of vehicles are offered. Several 12t Renault Midlum 220 crew cab tilt and slide vehicles proved popular with most selling as they appeared despite most carrying high mileages.

More 7.5t Euro 5 fridges have appeared once again they are predominantly DAF, older fridges remain plentiful so buyers have a large choice to select from.

## 13t to 18t Vehicles

A good number of 18t boxes and curtains, once again mainly DAF's, have appeared at auction recently and values of Euro 6 examples are starting to be affected whilst surprisingly values of Euro 5 examples have remained steady.

Most Euro 6 vehicles were new enough to provoke good interest particularly on the low mileage examples which played a big factor in prices paid. Whilst the majority of the vehicles sold on the day those with high mileages struggled and some failed to sell.

Ten year old 13t Mercedes Benz Atego fridges, some from a wholesale food distribution company others from a contract hire and rental operation, continue to appear in numbers and sales have progressed steadily despite their generally poor specification and condition. Values paid reflect condition and body specification and as values fall even the worst examples are beginning to entice some buyers.

Being the buying season for gritters, currently there are few signs of any additional interest, perhaps this may change once we endure our first cold spell of the season. Refuse trucks are selling but only if the price is right whilst both tippers and skip loaders remain popular lots but this could well change as we progress towards winter.

## Multi-wheelers

With a few exceptions run of the mill three axle derivatives are not selling so easily unless they are late registered or have low kilometres. Euro 6 examples remain relatively scarce whilst Euro 5 example of most body types are readily available, the result being values are suffering.

Boxes continue to be remain relatively scarce when compared to curtains and fridges which are in good supply but some are of questionable quality. Platforms are abundant, especially ones carrying cranes but once again age and condition do not necessarily play in their favour.

With the exception of tippers and hook loaders four-axle variants are less common especially so at Euro 6 and they continue to sustain buyer interest.

Car carriers have been mentioned in previous editorials and recently stocks have grown from the odd solitary example to several with a couple being within six years of age, including a Euro 6 example but interest is sadly deficient.

## Tractor Units

More Euro 5 6x2 examples continue to flow into an already saturated market and there is a good selection of most marques and specifications, to choose from. Euro 6 vehicles aged four to six years old are plentiful at present and they often struggle to produce the necessary interest to sell but those that do are showing signs of decreasing values.

Scania's values have been particularly affected this month due to the unreserved auction held on behalf of Scania Finance by CVA, this sale was undoubtedly a success in relation to the high conversion rate of the sale. However, the consequence being that it has adversely affected current values as most of the stock offered at the sale were 6x2 tractor units, many identical.

Usually it is the time of year where Christmas requirements need fulfilling but at the moment there is little signs of any increased activity. Perhaps things may progress as we move into November.

Older examples, mainly over ten years old, are less numerous and which often sport a manual gearbox are having a little more success at 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, but here too values are in decline as volumes increase.

6x4 and multi-wheel tractor units remain scarce and often sell with little difficulty as they appear.

## Trailers

The number of trailers available is currently in decline and with an increase in on-the-day auction sales things are reasonably steady in the trailer market except for values which have again fallen slightly.

This time of the year is usually when ready to run box and curtain trailers are in high demand, being purchased to supplement operator's short-term additional demands in the run up to the Christmas period.

Good quality newer trailers, irrespective of body type are attracting interest but the age and condition of many trailers currently available show little promise of that, so they are unlikely to find buyers quickly.

Tippers of all types generally provoke interest and fridges have been a little more popular recently. Skeletals, whether locked or extendable, which were so plentiful not so long ago continue to struggle a little but are showing signs of promise and double deck trailers are proving no more popular at auction than straight frame examples.

**Rob Smith**

HGV Valuations Editor