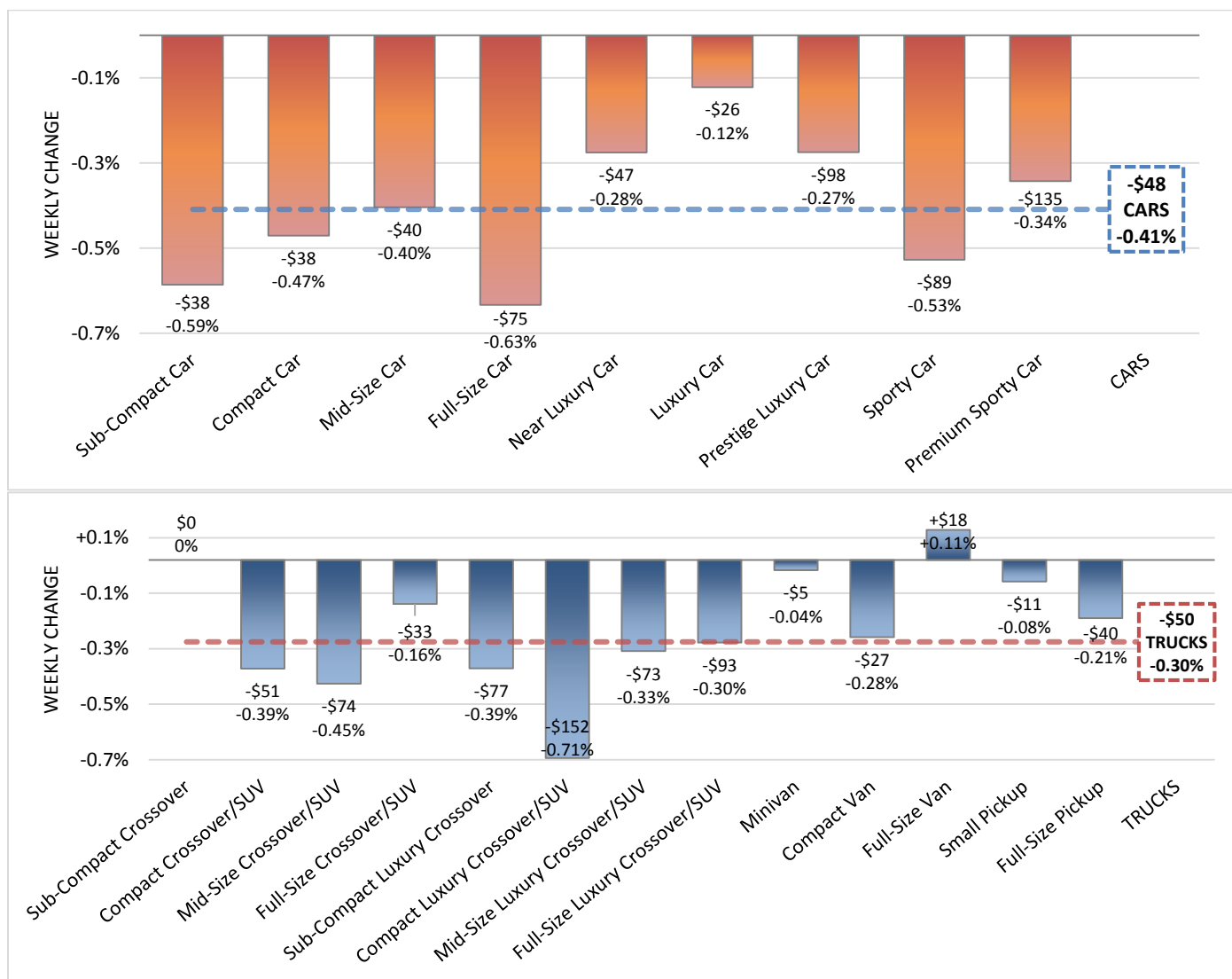




“Weekly depreciation rates are beginning to align with the expected declines of weeks to come.”

Anil Goyal, Senior Vice President of Automotive Valuation and Analytics



Model Years: 2008-2014, Volume Weighted Wholesale Average Values, Weekly Change from 5/27/16 to 6/3/16

Weekly Lows for Cars (3-month) and Trucks (2-month)

- Volume-weighted, overall car values decreased 0.41% last week. For comparison, the average depreciation rate last year was 0.59% at week 22.
- Full-size Car and Sub-compact Car segments received the steepest weekly depreciation rates at 0.63% and 0.59%, respectively. All but two segments depreciation rates were higher than the prior week.
- Volume-weighted, overall truck values decreased 0.30% last week. For comparison, the average depreciation rate last year was 0.25% at week 22.
- The Full-size Van segment was the sole truck segment to increase in value (0.11%).
- The Compact Luxury Crossover/SUV segment received the highest weekly depreciation rate at 0.71%.

Sentiment from the Auction Lanes

Our editors and personnel attend about 60 auctions every week across the country to provide key insights:

"Lots of good clean cars this week and dealers were willing to pay to get them." David from PA

"Wholesale auction prices remain stable in this location." Norm from IL

"Bidding was active today with a lot of clean consignment, dealers say retail has picked up this week." Mark from MI

"Not much complaining about prices today, dealers need inventory." Gene from PA

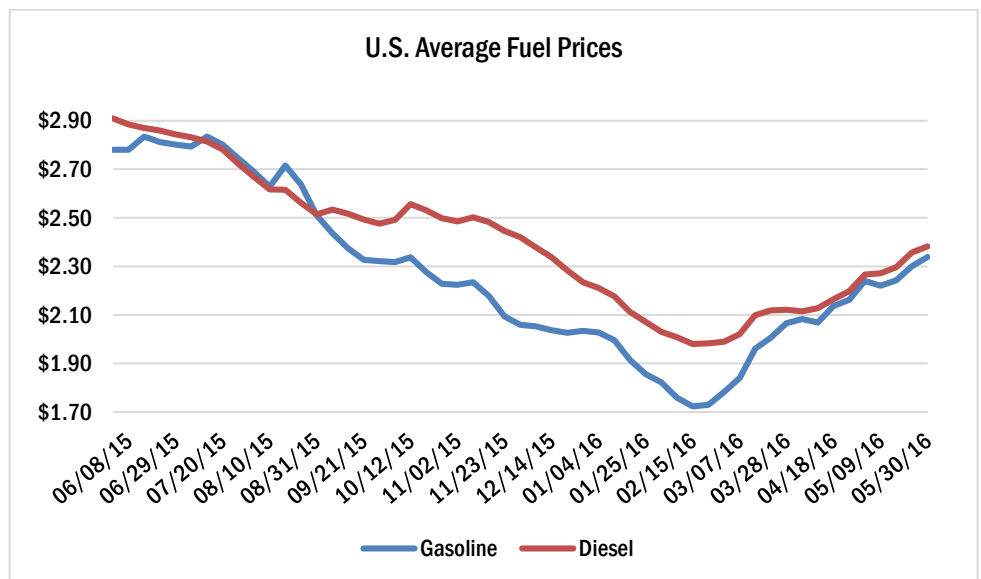
"The market was stronger this week with the big promotional sale going on." Bob from WA

"Consignment was higher this week than last with prices holding up well." Richard from TX



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Fuel Prices hit New Highs for the Year

- Gasoline price increased last week by \$0.039 to \$2.339, \$0.441 below last year.
- Diesel price increased last week by \$0.025 to \$2.382, \$0.527 below last year.

Vehicle Highlight



The all-new **2016 Toyota Tundra** is a Full-size Pickup with a base MSRP of \$29,450 excluding destination charge. Available in six trims including SR, SR5, TRD Pro, Limited, Platinum and 1794 Edition. Three cab configurations include Regular, Double and Crew Max. The Tundra is powered by one of two V8 engines, 4.6L or 5.7L, paired with six-speed automatic transmission and RWD or 4WD (TRD Pro is 4WD only). Close competitors include Chevrolet Silverado 1500, Ford F150, GMC Sierra 1500, Nissan Titan and Ram 1500.

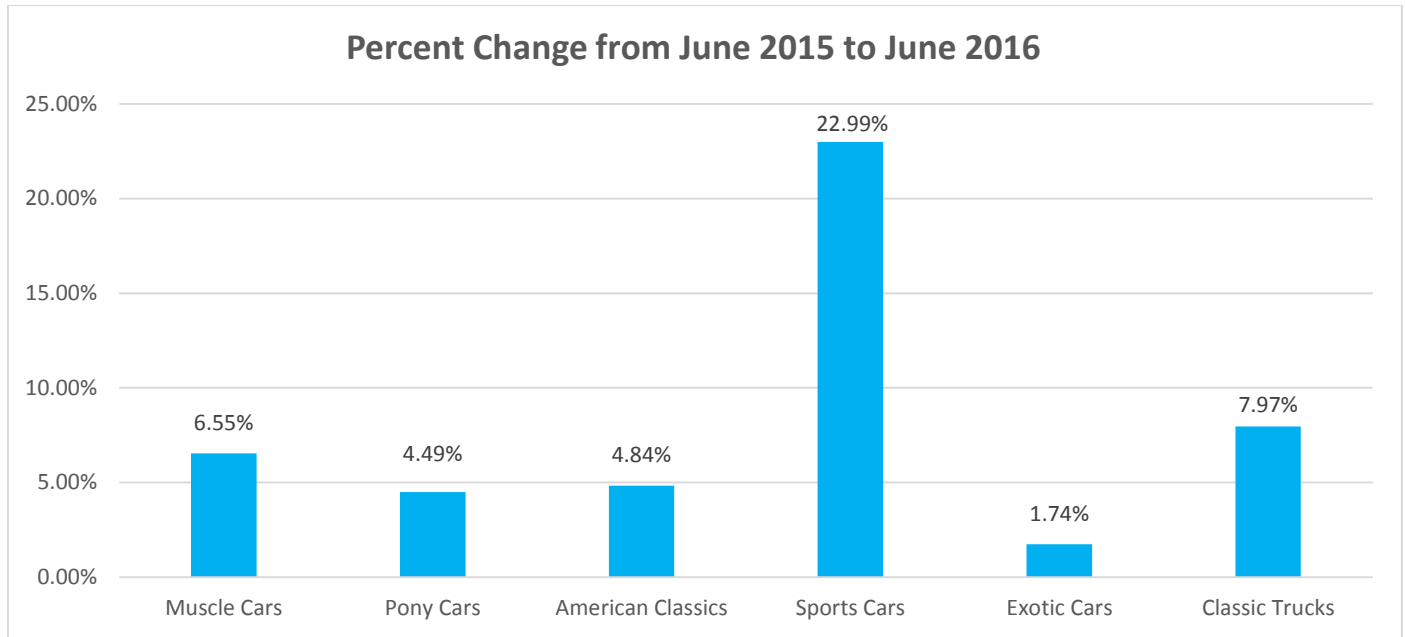
This week's report includes our **Monthly Edition Supplement on Specialty Markets.**

Collectible Car Auctions Are Becoming Year Round Events

“Traditionally, January in Scottsdale was the center of the collectible car universe, but many of the major auction houses have added sales around the country that have grown into significant events in their own right. As I’m writing this Mecum is holding their 2000 vehicle sale in Indianapolis, Russo and Steele is prepping for Newport Beach, and Barrett Jackson is getting ready for their inaugural Northeast auction at Mohegan Sun.”



Eric Lawrence, Director of Specialty Markets



- It probably doesn’t get any classier than the RM Sotheby’s sale held in Monaco in conjunction with the Grand Prix Historique. I didn’t get to attend, but in my mind I picture a scene out of a James Bond movie with guys in tuxedos and ladies in evening gowns. If that’s not true, please don’t ruin my fantasy! Total sales topped \$30,000,000, with several international records being set, and strong performances from modern supercars.
- On a more approachable scale, Auctions America and Carlisle Auctions also recently held events. Although Indiana and Pennsylvania may not be as exotic as Monaco, the sales were well attended and saw some good action, with Auctions America selling just over \$7,000,000 while Carlisle topped \$4,000,000. Both sales attracted quite a few spirited bidders, with sell through ratios reaching 80% and 60% respectively.



Photo Courtesy of RM Sotheby’s

Notable Sales Include:

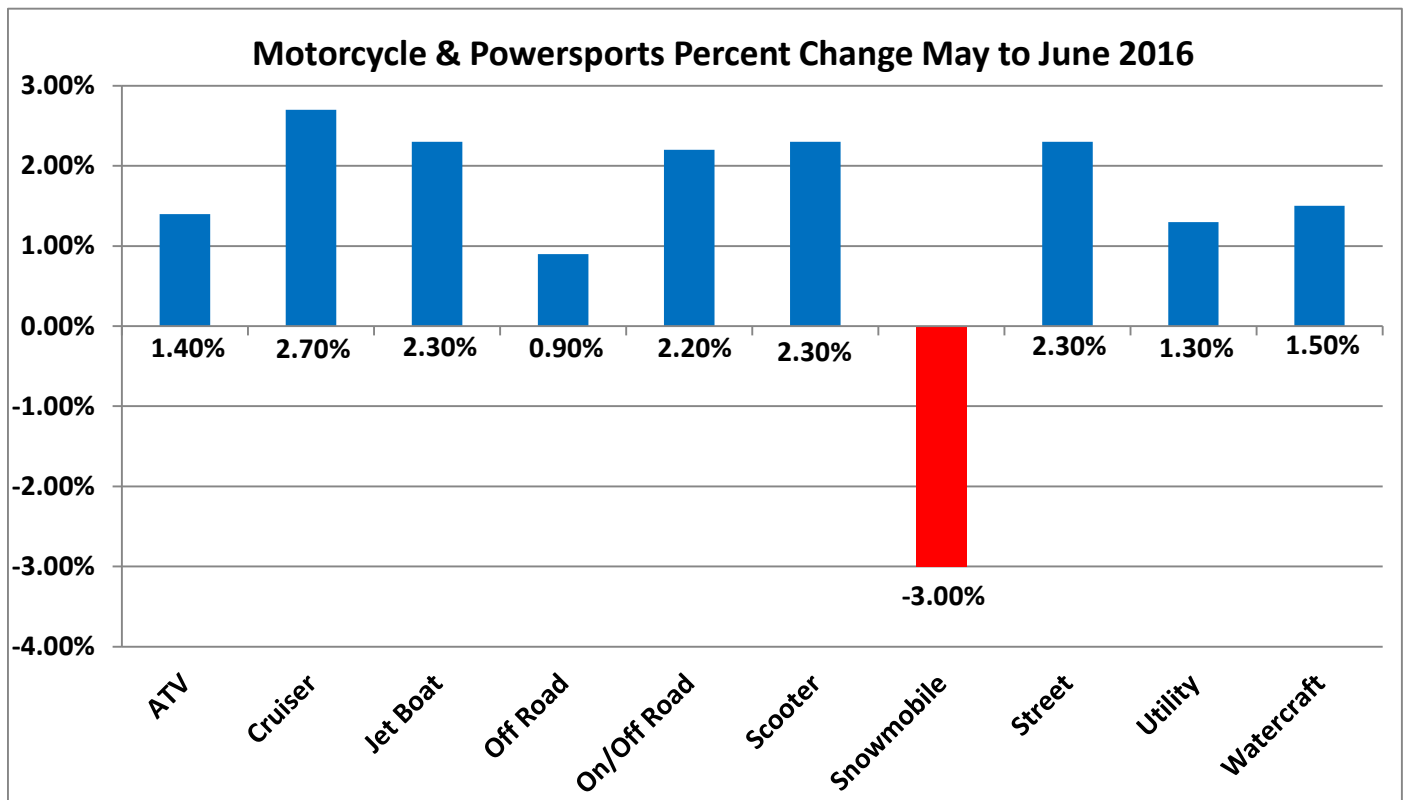
- 1948 Tucker \$1,500,000 (RMS)
- 1951 Ferrari 340 America Barchetta \$8,150,000 (RMS)
- 1966 Ferrari 275 GTS \$2,000,000 (RMS)
- 1955 Mercedes Benz 300SL Gullwing \$1,370,000 (RMS)
- 1995 Lamborghini Diablo SE30 Jota \$750,000 (RMS)
- 1988 Porsche 959 Komfort \$1,000,000 (RMS)
- 1973 Porsche 911 Carrera RS Touring \$683,000 (RMS)
- 1968 Ferrari 365 GT 2+2 \$247,500 (AA)
- 1970 Ford Mustang Boss 429 \$238,700 (AA)
- 1968 Shelby GT500 Fastback \$159,500 (AA)



Powersports Market On the Rise

“After last month’s mixed bag, where some model years and segments went up while others declined a bit, prices are up across the board. This pattern generally occurs a month or two earlier in most years. Could it be weather related?”

Scott Yarbrough, Motorcycle & Powersports Editor



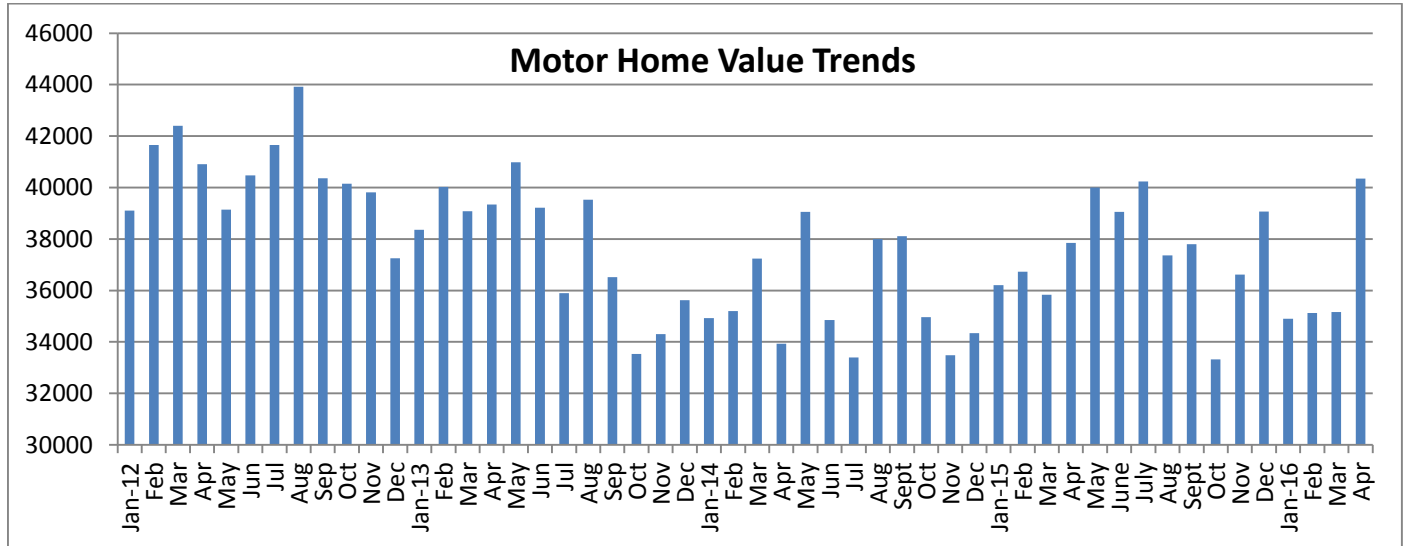
- Cruisers are up the most with an average increase of \$205 (2.7%) across the entire segment. Breaking it down a little further, domestic V-Twins are up a bit more than the metric units.
- The Scooter, Street, and Dual Sport segments are all up a bit less, with an average increase of 2.3% this month.
- All of the off-road segments are up about half as much as the street vehicles. The ATVs are up by \$53 (1.4%), Utility Vehicles increased by \$104 (1.3%), and the Off-Road bikes rose the least, with a net gain of \$21 (0.9%).
- The Personal Watercraft are up by \$97 (1.5%), while the Jet Boats showed a much bigger gain of \$482 (2.3%).
- Snowmobiles dropped another \$155 (3%), though very few of them are passing through the auctions right now, typical for this time of year.

Travel Trailer Values Hit All Time High

“The values of travel trailers sold at auction hit their all-time high this past month, closing above \$12,000 for the first time. Not to be outdone, motorized units surged fifteen percent to break through the \$40,000 barrier, something they have not done since May of 2013. Auction volume was up significantly, dealers were in a buying mood, and the quality of units was much higher than in recent months. Industry publications have been tracking an uptick in consumer interest in RVs, and the increased auction activity seems to affirm their analysis.”

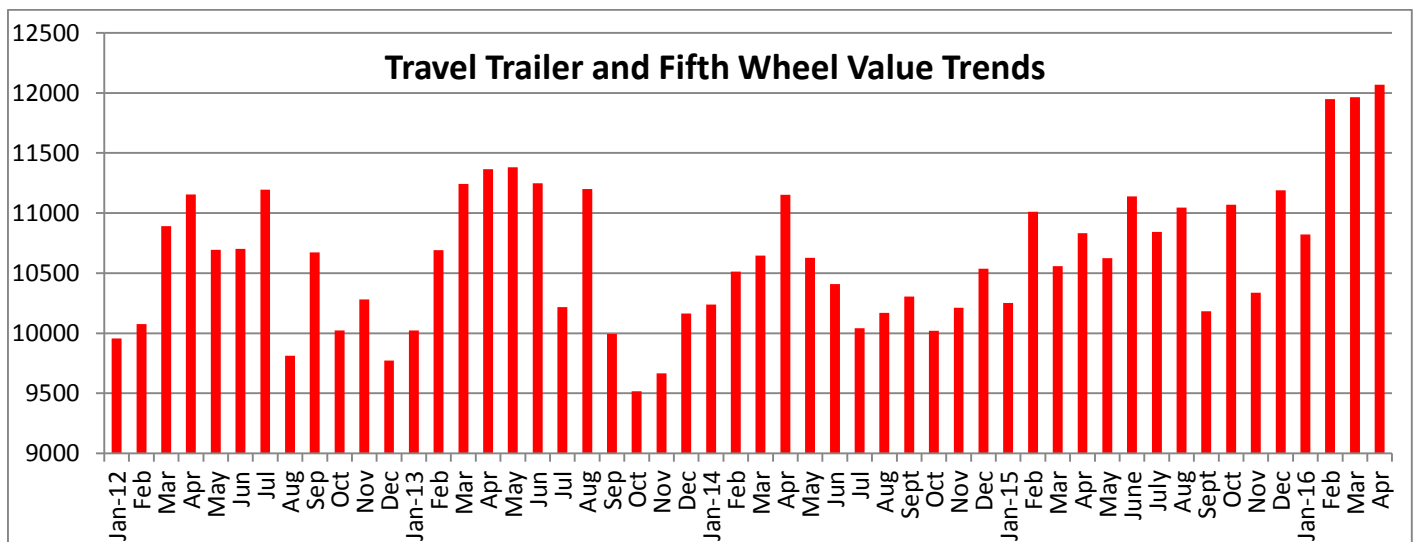


Eric Lawrence, Director of Specialty Markets



For Motor Homes (including Class A, B, and C)

- Average selling price was \$40,350, up \$5,182 (15%) from previous month
- One year ago, the average selling price was \$37,850
- Auction volume was up 28% from previous month



For Towables (including Travel Trailers, Fifth Wheels, and Camping Trailers)

- Average selling price was \$12,069, up \$104 (0.8%) from previous month
- One year ago, the average selling price was \$10,832
- Auction volume was up 10% from previous month

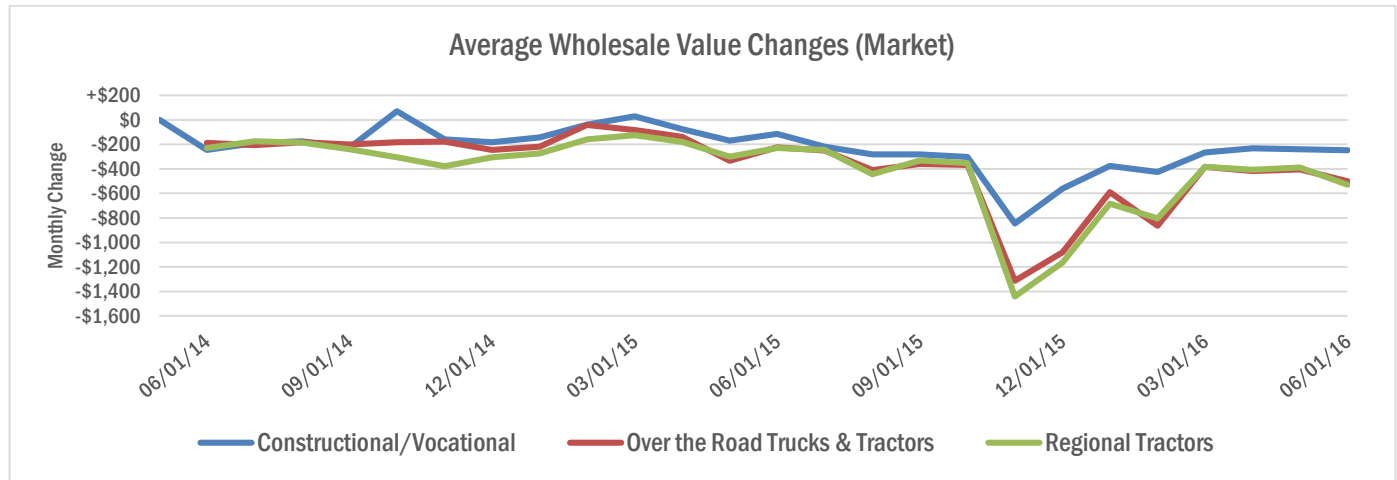
Truck volumes continues to escalate at auction through May

“Rising depreciation is often a key result of rising numbers of available trucks at auction”

Charles Cathey, Editor – Heavy Duty Truck Data



How long it will last? We’re not too sure, but while we continued to monitor the used truck wholesale results through most of May we noticed values drop as the available number of 2010 and newer used trucks we saw at auction increase a little over 25%. With June comes several more auctions on the docket than we saw in May. We will attend many of these sales either in person or via the internet. Through all of this the construction/vocational segment has remained strong and will probably continue to do well into the summer months.



DATE	Constructional/Vocational			Over the Road Trucks & Tractors			Regional Tractors			MODEL YEARS
	Value	\$ Change	% Change	Value	\$ Change	% Change	Value	\$ Change	% Change	
06/01/16	78,169	-444	-0.6%	64,638	-1177	-1.8%	55,474	-1074	-1.9%	2013-2014
05/01/16	78,613	-360	-0.5%	65,815	-813	-1.2%	56,548	-914	-1.6%	2013-2014

- 2013-2014 HD Construction/Vocational segment dropped an average of \$444 (0.6%) in May compared to the average decline of \$360 (0.5%) in April.
- 2013-2014 HD Over the Road Tractor segment dropped an average of \$1177 (1.8%) in May compared to the average drop of \$813 (1.2%) in April.
- 2013-2014 HD Regional Tractor segment dropped an average of \$1074 (1.9%) in May compared to the average depreciation of \$914 (1.6%) in April.

DATE	Constructional/Vocational			Over the Road Trucks & Tractors			Regional Tractors			MODEL YEARS
	Value	\$ Change	% Change	Value	\$ Change	% Change	Value	\$ Change	% Change	
06/01/16	37,873	-248	-0.7%	31,309	-501	-1.6%	23,272	-531	-2.2%	2005-2012
05/01/16	38,121	-239	-0.6%	31,809	-405	-1.3%	23,803	-389	-1.6%	2005-2012

- 2005-2012 HD Construction/Vocational segment dropped an average of \$248 (0.7%) in May compared to the \$239 (0.6%) in April.
- 2005-2012 HD Over the Road Tractor segment dropped an average of \$501 (1.6%) in May compared to \$405 (1.3%) average depreciation in April.
- 2005-2012 HD Regional Tractor segment dropped an average of \$531 (2.2%) in May compared to the average drop of \$389 (1.6%) in April.

Medium Duty Truck Segment continues to drop



“We saw a greater rate of decline in the Medium Duty Truck segment.”

Bret Swanson, Editor – Medium Duty Truck Data

This past month with saw a greater rate of decline in the Medium Duty Truck wholesale market. This decline is in line what we saw this time last year. The 4 to 11 year old models came down on average, \$220 or 1.2%. This time last year, that average decline for this group was, \$192 or -1.0%. The 2 to 3 year old models followed the same trend. The average amount of decline was \$377 or 0.9% this past month. This time last year, that average decline was \$368 or 0.9%.

DATE	Medium Duty			MODEL YEARS	DATE	Medium Duty			MODEL YEARS
	Value	\$ Change	% Change			Value	\$ Change	% Change	
06/01/16	18,130	-220	-1.2%	2005-2012	06/01/16	40,040	-377	-0.9%	2013-2014
06/01/15	18,554	-192	-1.0%	2004-2011	06/01/14	39,972	-368	-0.9%	2011-2012

Diesel prices continue to rise. The national average price per gallon now stands at, \$2.38. That is \$.16 more than last month. It is still better than the average price of \$2.91 per gallon, one year ago. Which is \$.53 lower than this time last year.

