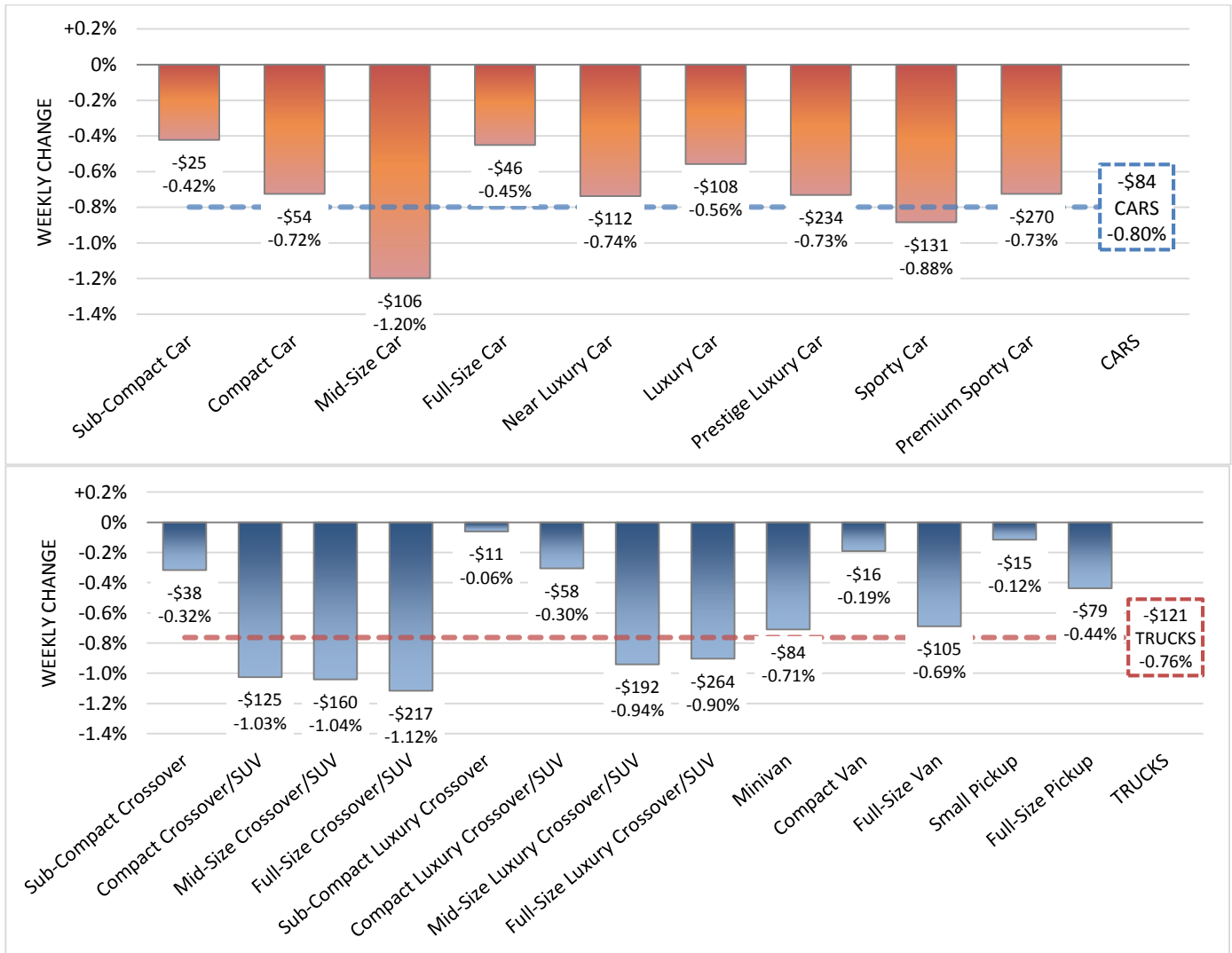




“Typical seasonality trend of the higher depreciation in the fourth quarter continue. Crossover/SUV values which have been strong all year, are also starting to see steeper declines.”

Anil Goyal, Senior Vice President of Automotive Valuation and Analytics



Model Years: 2008-2014, Volume Weighted Wholesale Average Values, Weekly Change from 10/21/16 to 10/28/16

Steeper Market Decline Continues

- Volume weighted, overall car segment values decreased by 0.80% last week, higher than the depreciation rate of 0.69% seen in the previous four weeks.
- Mid-Size Car and Sporty Car segments declined the most by 1.20% and 0.88%, respectively.
- Volume-weighted, overall truck segment (including pickup, SUVs and vans) values decreased by 0.76% last week, higher than the depreciation rate of 0.57% seen in the previous four weeks.
- Most Crossover/SUV segments declined higher in value, led by Full-Size Crossover/SUV segment declining the most by 1.12% last week.

Sentiment from the Auction Lanes

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

“There were lots of no-sales today in the dealer lanes but the lease lanes performed well.” David from TX

“Sales were better today than last week with units \$12000 and under selling the best.” Doug from TN

“Steady market here with domestic trucks selling the best.” Gene from PA

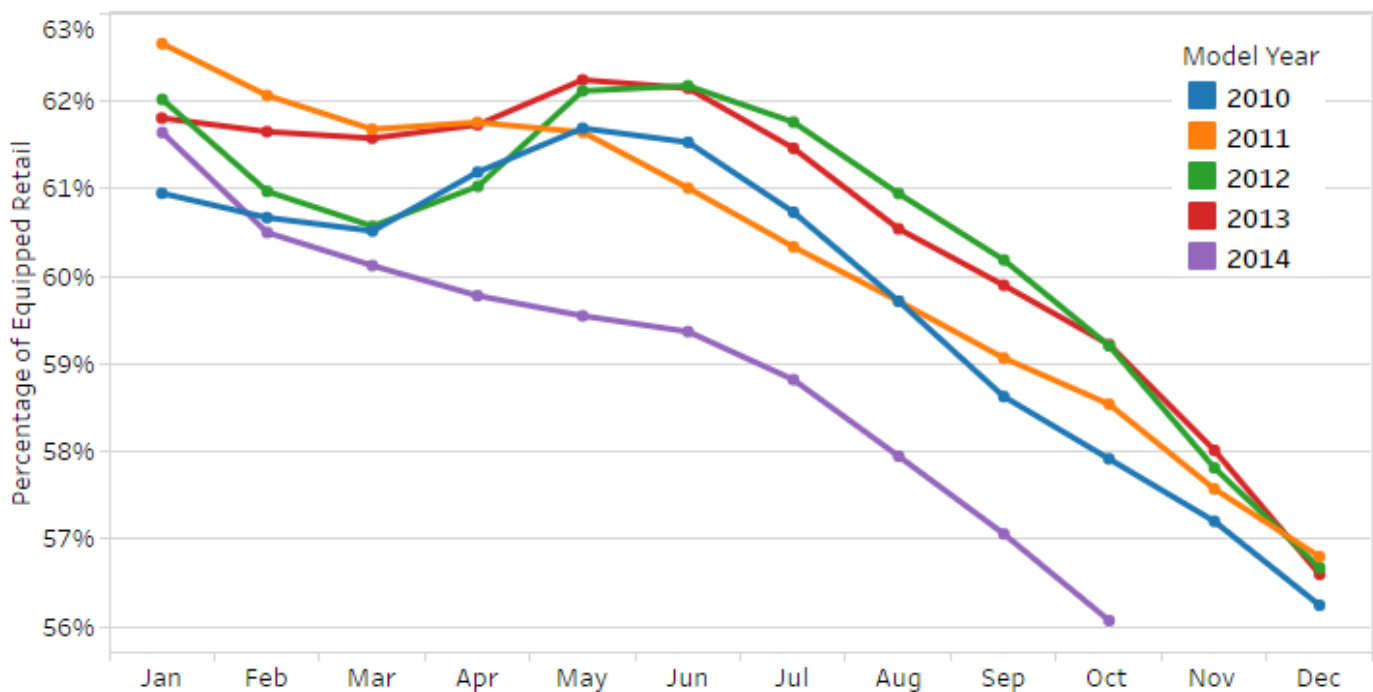
“Activity and prices were up slightly this week over last.” Norm from IL

“There was more available volume today but the market has gotten softer here.” Bob from WA



Seasonality Trends

Retention of 2-Year Old Vehicles



Past seasonality trends show that the vehicle depreciation is typically highest in the 4th quarter. This year is looking to be no different except that the retention values are lower this year than the trends in the previous four years.

Vehicle Highlight



2017 Mercedes-Benz B-Class B250e is a battery electric vehicle that can go up to 87 miles on a charge and gets a combined 84 MPGe, per the EPA. It utilizes a 177-hp electric motor that powers the front wheels. The base MSRP starts at \$39,900 excluding factory destination charge. Close competitor is BMW i3.

1745 N. Brown Rd., Suite 130, Lawrenceville, GA 30043 | 1.866.452.1400

www.blackbook.com | info@blackbook.com

Opt-in to receive reports from Black Book at <http://www.blackbook.com/insights/market-insights>