

A Quarterly Recap of Retail Rental Rate Trends

2024 Q1 in Review

- Number of Participating Rental Companies: 505
- Number of Equipment Types Covered: 240
- Total number of rates collected: 2,224,651

Is the Rental Market Facing a Slowdown Amidst Rising Tides of Uncertainty?

With the most recent projections from the American Rental Association indicating a substantial 7.9 percent surge in 2024, culminating in a staggering \$77.3 billion in construction and general tool rental revenue, but other industry experts indicating slowdowns to come – the question looms: Are we on the cusp of a downturn amidst this apparent growth? Tom Doyle, ARA vice president, program development, underscores the potential for growth, citing tailwinds from interest rates, inflation, and government spending, but is this growth sustainable in the face of mounting uncertainty?

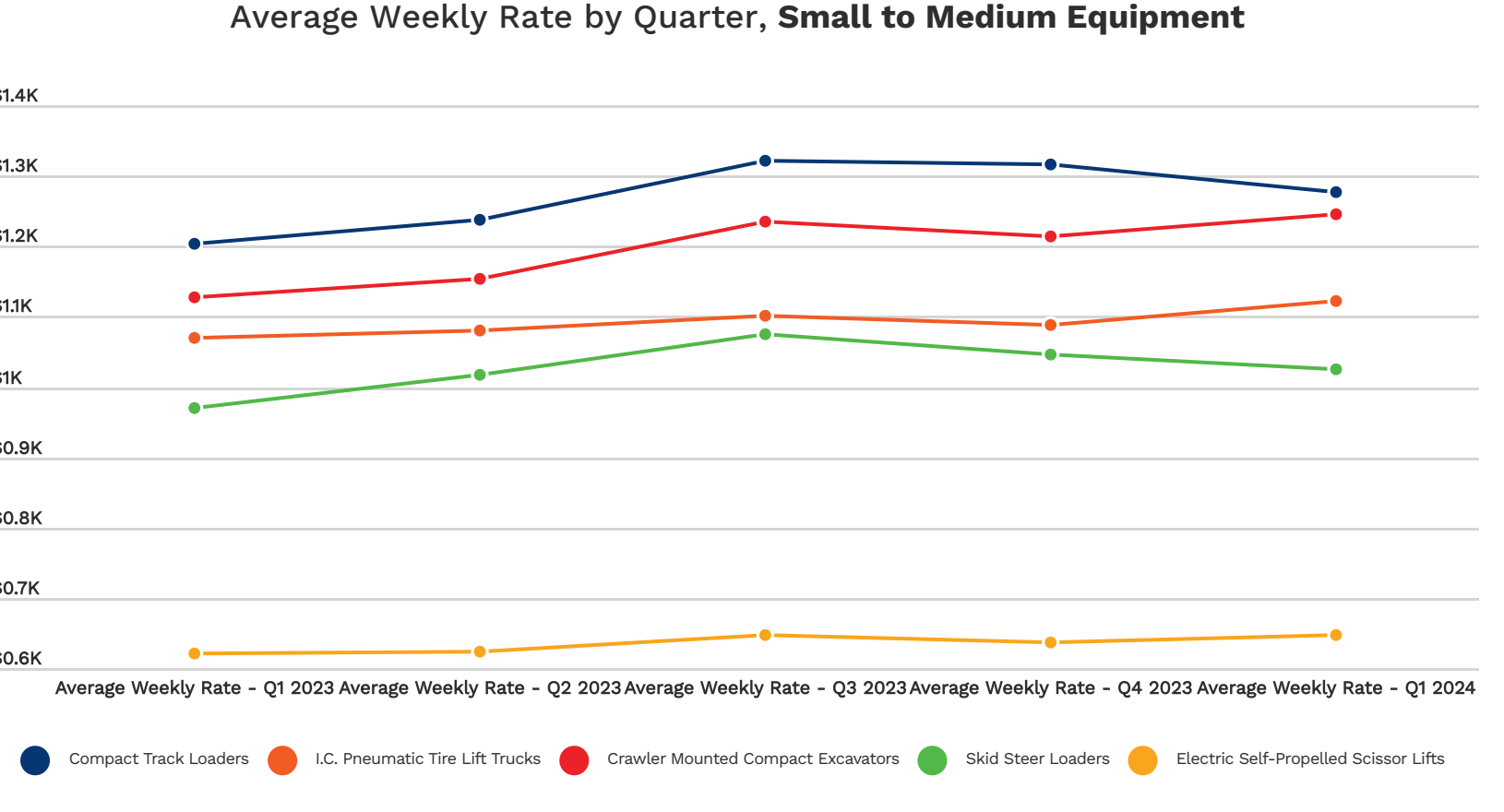
First Quarter in Review

Equipment Type	Daily		Weekly		Monthly	
	Avg. Rental Rate	Avg. Change from Previous Quarter	Avg. Rental Rate	Avg. Change from Previous Quarter	Avg. Rental Rate	Avg. Change from Previous Quarter
Crawler Mounted Hydraulic Excavators	\$927	3.31%	\$2,563	2.20%	\$6,723	1.24%
Standard Crawler Dozers	\$740	0.90%	\$2,220	-0.05%	\$6,252	-0.95%
4-Wd Articulated Wheel Loaders	\$846	6.05%	\$2,418	4.83%	\$6,537	3.40%
Telescoping Boom Rough Terrain Lift Trucks	\$710	5.74%	\$1,811	4.78%	\$4,221	3.88%
Single Drum Vibratory Compactors	\$616	0.06%	\$1,803	-1.64%	\$4,783	-0.67%
I.C. Pneumatic Tire Lift Trucks	\$446	3.55%	\$1,123	3.09%	\$2,777	2.49%
Compact Track Loaders	\$446	-2.80%	\$1,276	-2.98%	\$3,144	-2.52%
Crawler Mounted Compact Excavators	\$435	3.30%	\$1,244	2.41%	\$3,074	2.79%
Skid Steer Loaders	\$345	-1.98%	\$1,026	-1.76%	\$2,470	-1.83%
Electric Self-Propelled Scissor Lifts	\$294	1.80%	\$647	1.71%	\$1,348	0.76%

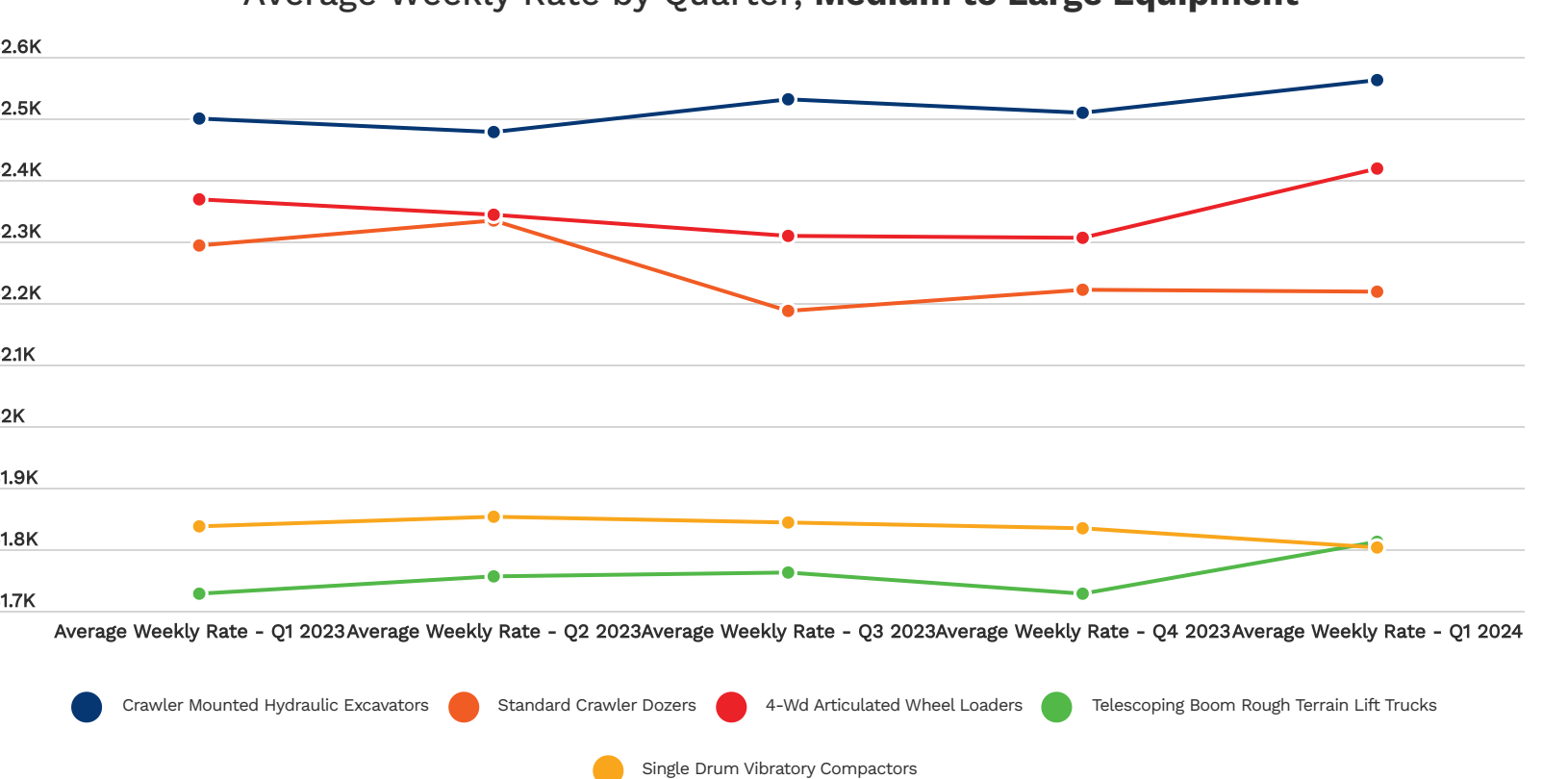
Quarterly change in rates for the top ten equipment types by volume. These retail rental rates are an overall average by equipment type and are derived from average rates advertised by distributors throughout the United States and Canada. All rates included were either publicly advertised online or obtained through exclusive rental house partnerships.

Scott Hazelton, managing director at S&P Global, provides a sobering perspective, noting a deceleration in growth compared to the previous year, alongside a gradual tapering in the coming years. Furthermore, the recent report from the Associated Builders and Contractors reveals a decline in the Construction Backlog Indicator, signaling potential challenges ahead. "Backlog is declining and confidence began to fade modestly," remarks ABC Chief Economist Anirban Basu, hinting at a shifting landscape where project cancellations and postponements could become the new norm.

Marketplace Analysis: Average Weekly Rate Trends

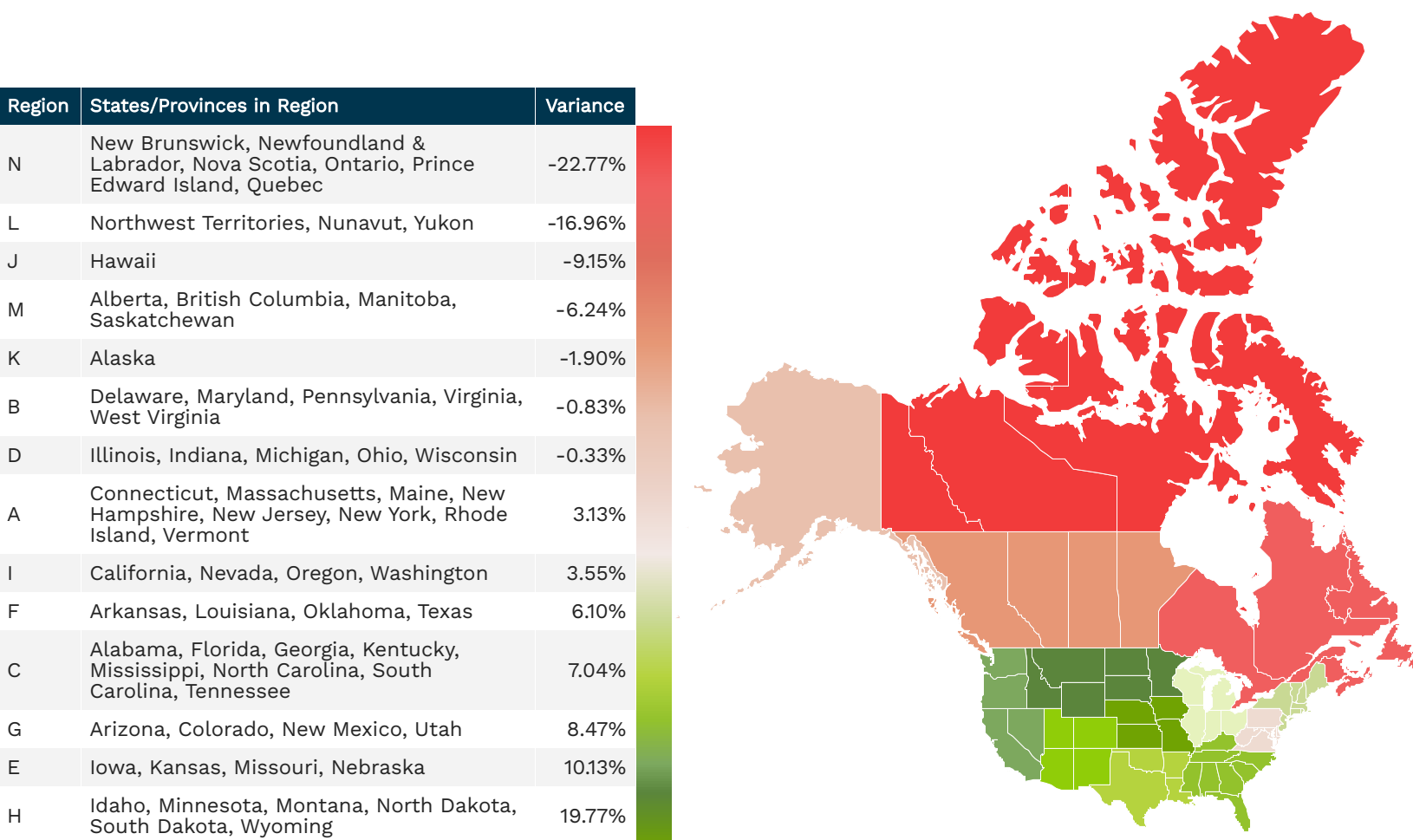


Marketplace Analysis: Average Weekly Rate Trends



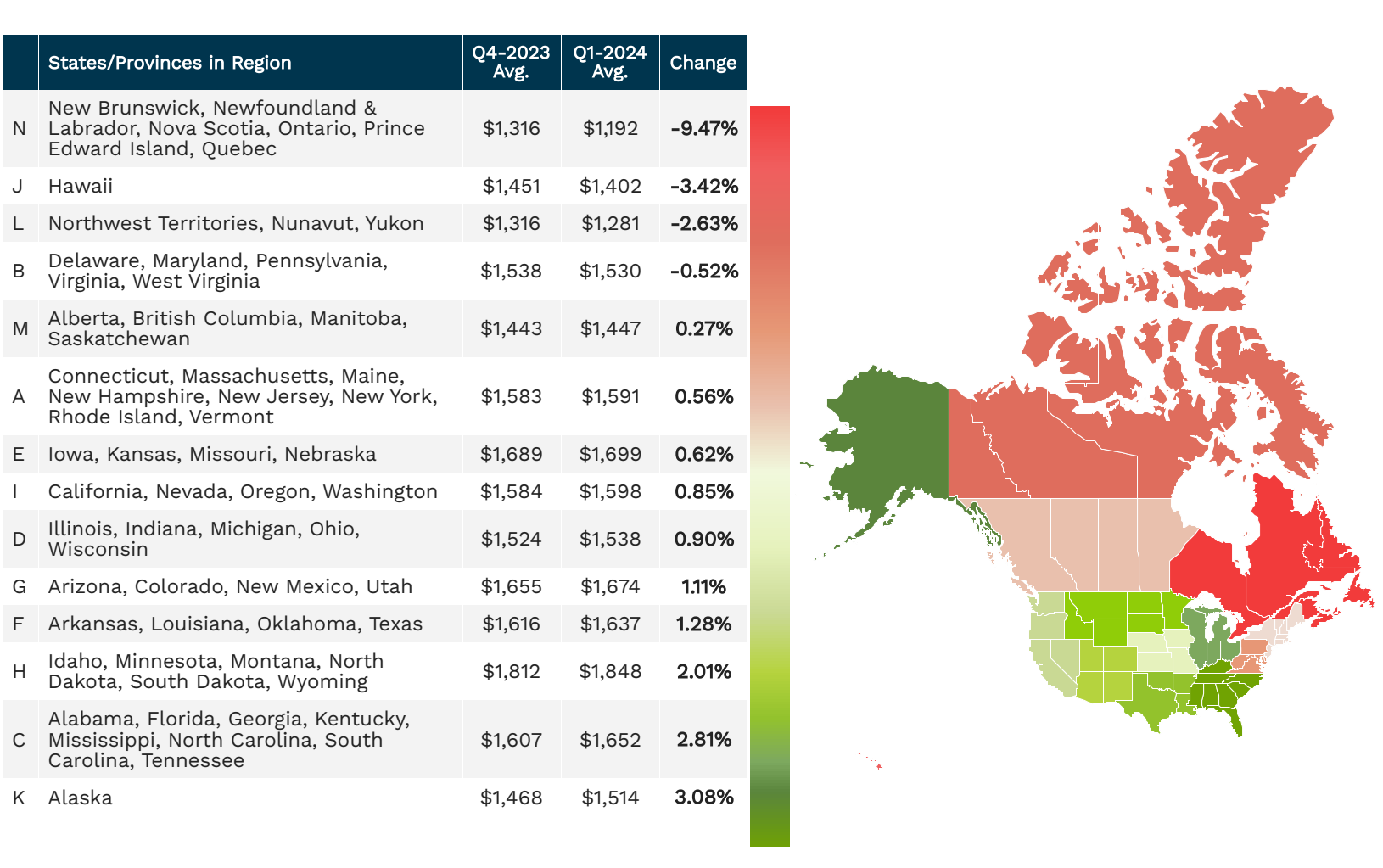
As we navigate these turbulent waters, it's imperative for industry stakeholders to remain vigilant, adapt to changing market dynamics, and leverage insights to navigate potential headwinds on the horizon. With uncertainty lingering, the ability to spot trends and proactively adjust strategies will be paramount in ensuring continued success in the rental market.

Marketplace Analysis: Regional Variance



These regional rate modifiers represent the regional deviation from the average for a select group of equipment categories. In the instances where there may be insufficient data for a region within an equipment category the modifier shown is based on a comparison of all equipment categories. Canadian data was collected and converted into U.S. dollars using the current exchange rate of 0.802 USD to CAD.

Marketplace Analysis: Percent Change in Regional Variance from Q4 2023 to Q1 2024



This quarter reveals some interesting dichotomies in equipment rental rates, revealing intriguing shifts that demand attention. Leading by telegraphing a robust increase of 4.83% are 4-Wd Articulated Wheel Loaders, followed closely by Telescoping Boom Rough Terrain Lift Trucks at 4.78%, and I.C. Pneumatic Tire Lift Trucks at 3.09%. But amidst these upward trajectories, lies a tale of contrasts. Compact Track Loaders experienced a notable decrease of -2.98%, trailed by Skid Steer Loaders at -1.76%, and Single Drum Vibratory Compactors at -1.64%.