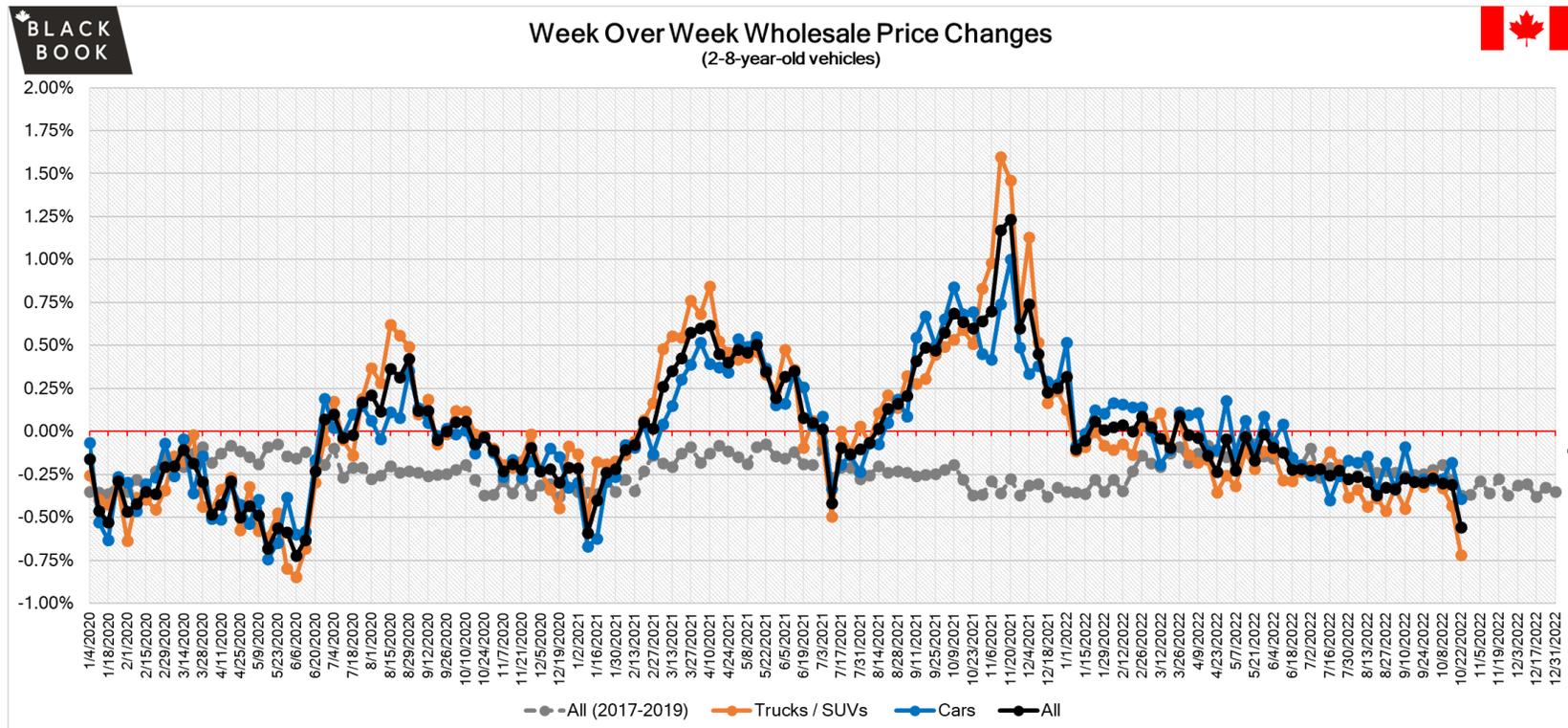


Wholesale Prices, Week Ending October 21st

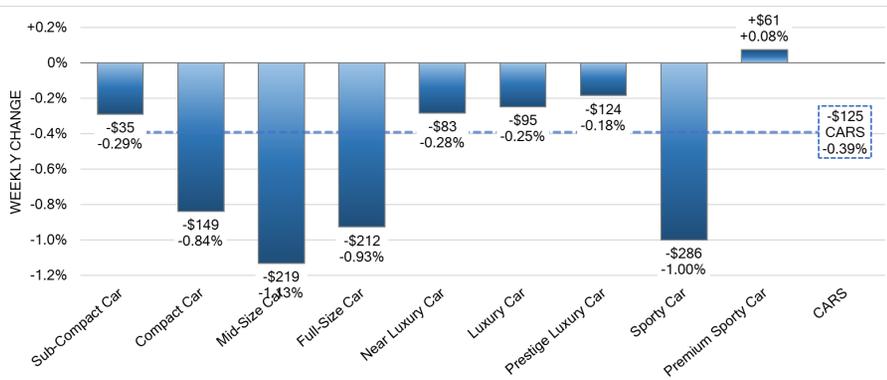
The Canadian used wholesale market saw overall prices decline for the week (-0.56%). Both Car and Truck/SUV segments saw prices decrease, with Truck/SUV's at (-0.72%) and the Car segment following with a (-0.39%) decrease. Only 2 of the 22 segments' values have increased for the week, Sub-Compact Crossover leading with (+0.44%) and Premium Sporty Car following at a (+0.08) increase.

	This Week	Last Week	2017-2019 Average (Same Week)
Car segments	-0.39%	-0.18%	-0.44%
Truck & SUV segments	-0.72%	-0.43%	-0.30%
Market	-0.56%	-0.31%	-0.37%



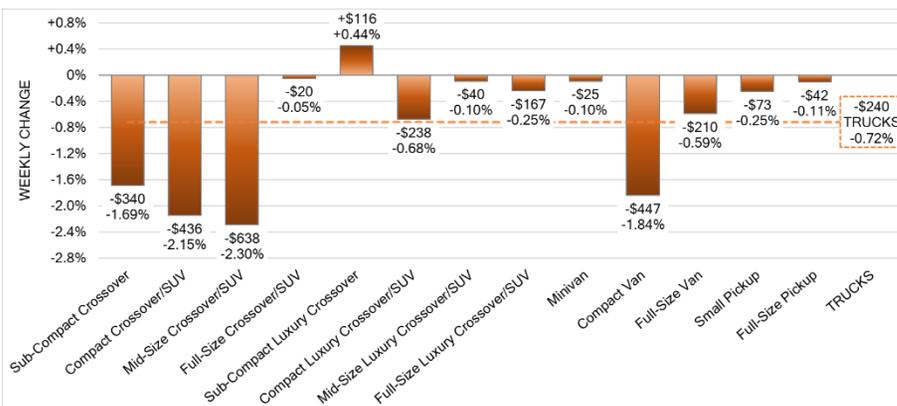
Car Segments

- Overall car segments decreased on average -0.39% last week.
- All except one segment had declines. The segments with the largest depreciation were Mid-Size Car (-1.13%), followed by Sporty Car (-1.00%), Full-Size Car (-0.93%) and Compact Car (-0.84%).
- The one segment with an increase was Premium Sporty Car (+0.08%).



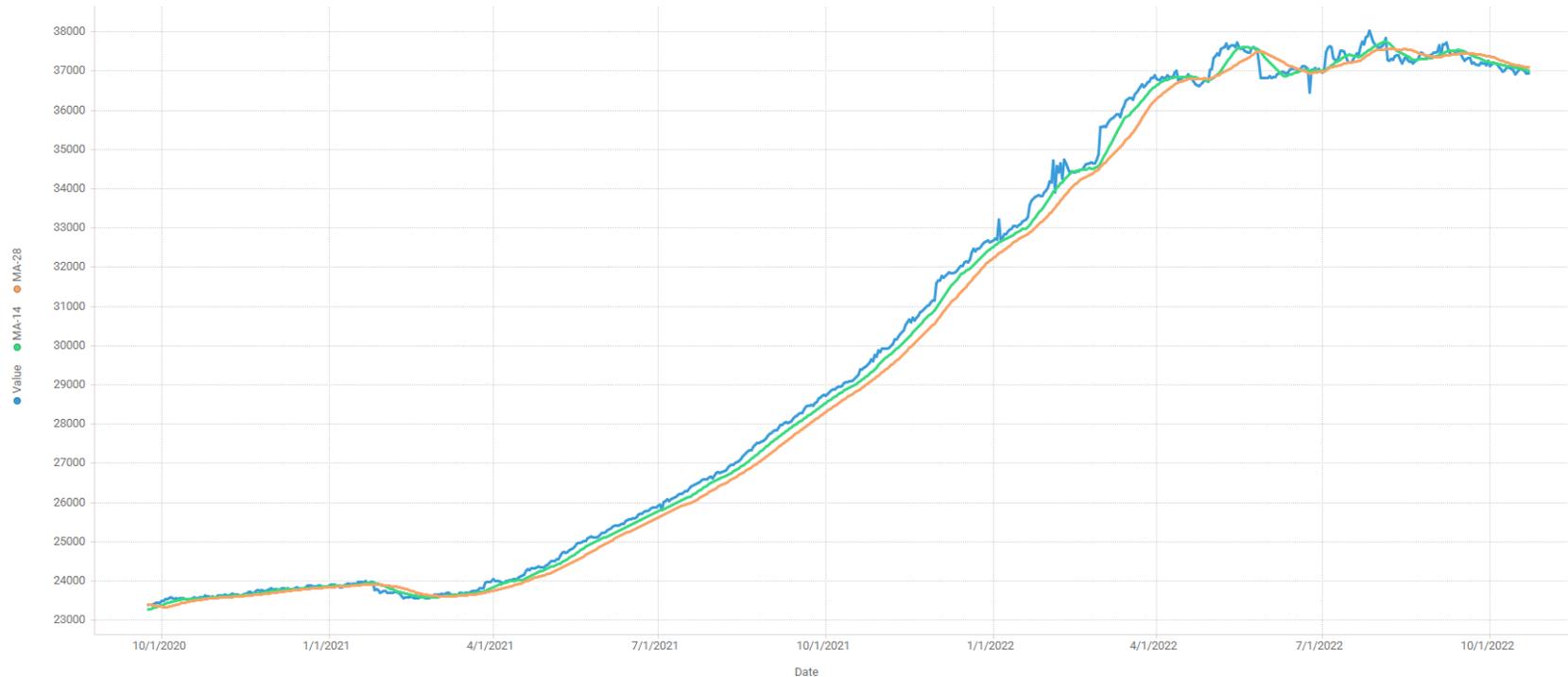
Truck Segments

- Overall truck segments decreased on average -0.72% last week.
- Several segments showed large decreases. Among those were Mid-Size Crossover with the largest drop (-2.30%), followed by Compact Crossover (-2.15%), Compact Van (-1.84%) and Sub-Compact Crossover/SUV (-1.69%).
- The only segment with an increase was Sub-Compact Luxury Crossover (+0.44%).



Used Retail Prices & Listing Volumes

The average listing price for used vehicles increased slightly week-over-week, as the 14-day moving average declined to \$37,000. Analysis is based on approximately 120,000 vehicles listed for sale on Canadian dealer lots.



Wholesale

The Canadian wholesale market decreased further last week. The overall decreases were larger than the prior week's declines. Supply remains low with demand for more recent and clean condition vehicles on both sides of the border. Upstream channels continue to tap supply before it can be available to wholesale markets.

Conversion rates were similar to last week. Some observed sell rates were as high as 77% but most were in the 40-50% range. Last week we saw less sellers dropping floors, which has been contributing to lanes with improved sell rates.

Canadian Black Book's Market Insights

Economics & Government

- Canadian inflation rate decreased to 6.9% in September 2022 from a 39-year peak of 8.1% in June 2022. Inflation was expected to be 6.8% by market estimates. Prices increases slowed for transportation for 8.7% from 10.3% in the prior month.
- Canadian new home prices dropped 0.1% from the previous month. This is the first decrease since November 2019.
- Housing starts in Canada increased by 11% over the previous month to 299,589 units in September of 2022, against market expectations of 263,000 units as reported by Canada Mortgage and Housing Corporation.
- The Canadian dollar remains to trade over the past week between \$0.723 to \$0.733.

U.S. Market

In the U.S., overall, Car and Truck segments decreased -0.76% last week; the prior week decreased by -0.82%.

Volume-weighted Car segments decreased -0.89%, compared to the prior week's decrease of -1.11%:

- All nine Car segments decreased last week.
- Three segments reported declines greater than 1% last week: Compact Car (-1.01%), Near Luxury Car (-1.11%), and Prestige Luxury Car (-1.23%). All three of these segments also had declines exceeding 1% the week prior.
- Premium Sporty Car depreciation has slowed in recent weeks for an average weekly depreciation over the last three weeks of -0.36%.

Volume-weighted Truck segments decreased by -0.70%; the previous week had a decrease of -0.67%:

- All thirteen truck segments reported declines.
- Compact (-0.22%) and Full-Size (-0.25%) Van continue to decline, but are reporting the smallest declines across all of the segments.
- Compact Crossovers (-0.82%) have remained consistent with the rate of decline over the last 6 weeks, with an average weekly decline of -0.86%.

Industry News

- The current wholesale market has declined in value by 0.56% this past week, which is the largest week-over-week decrease in over 18 months; values were pushed down by mainstream car segments as well as Compact and Midsize Crossover segments.
- The Canadian International Auto Show (CIAS) is set to return in February 2023, after a 2-year hiatus due to the pandemic; it plans to be a more immersive experience for attendees compared to auto shows in previous years.
- Automotive Parts Manufacturers' Association's (APMA) Project Arrow concept vehicle was partially unveiled at the organizations Conference in Windsor last Wednesday as part of the buzz around this all-electric and fully autonomous Canadian-sourced development vehicle
- Imperial Oil has announced a partnership deal with FLO to expand its network of electric chargers across Canada through its ESSO and Mobil-branded wholesalers
- Zero-emission vehicle market share in Canada has reached 7.2% in the first half of 2022, which is higher than the 5.2% share back in 2021; most of this growth has come from battery-electric vehicles even with the semiconductor shortages still in full swing.

About Canadian Black Book

For 60 years, Canadian Black Book has been the trusted and unbiased Canadian automotive industry source for vehicle values. Today the company has grown into a leading data provider of vehicle valuations, residual value forecast solutions and VIN decoding. Canadian Black Book tools and information are considered 'The Authority' for vehicle values, not only by car dealers and manufacturers, but also the leasing, finance, insurance, and wholesale sectors. In 2020, Canadian Black Book brought to market its Enhanced Vehicle Matching (EVM) solution, which allows the industry to more consistently decode 17-digit VINs down to a specific trim package, allowing a more precise vehicle valuation.

Contact

Canadian Black Book

p. 1.800.562.3150

e. info@canadianblackbook.com

www.canadianblackbook.com