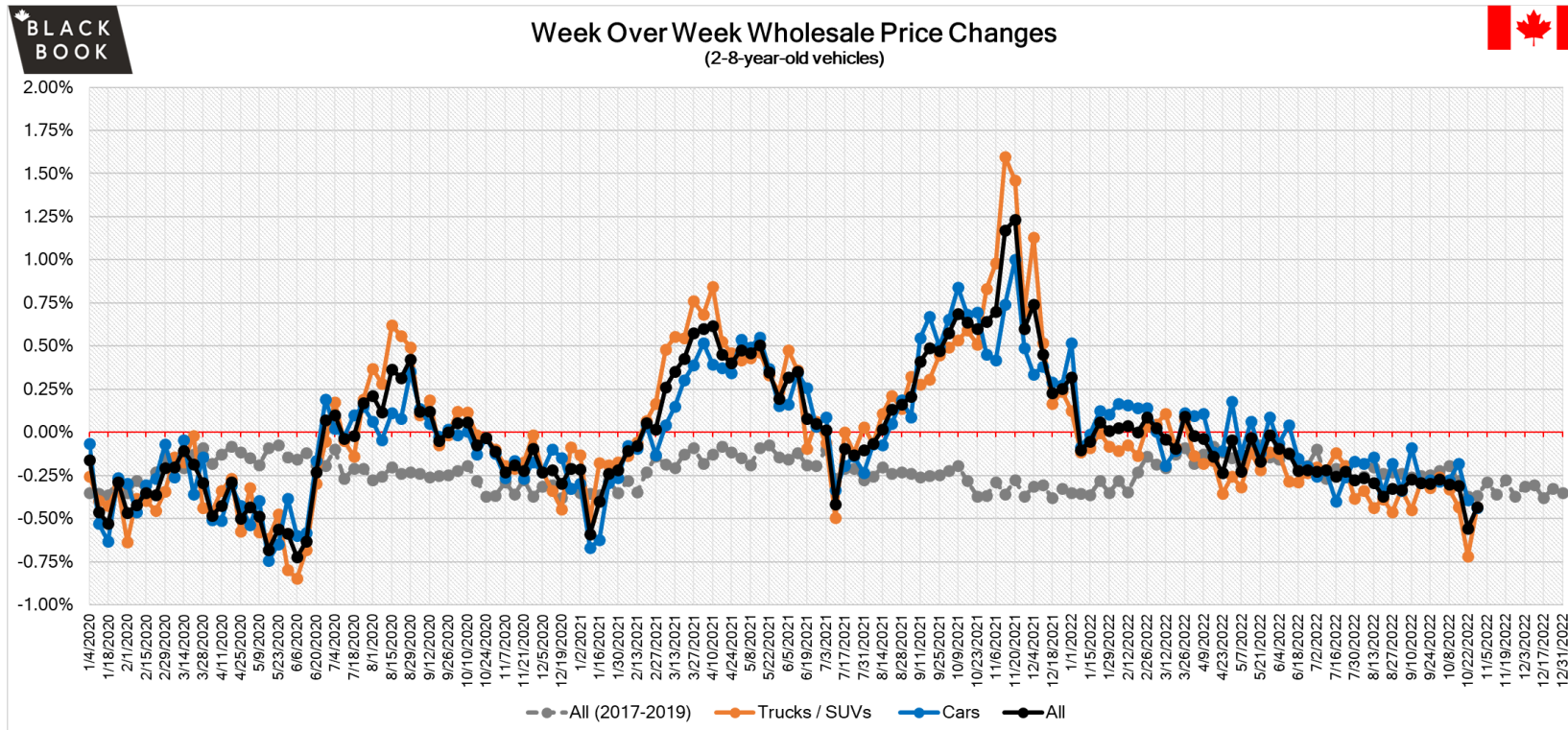


Wholesale Prices, Week Ending October 28th

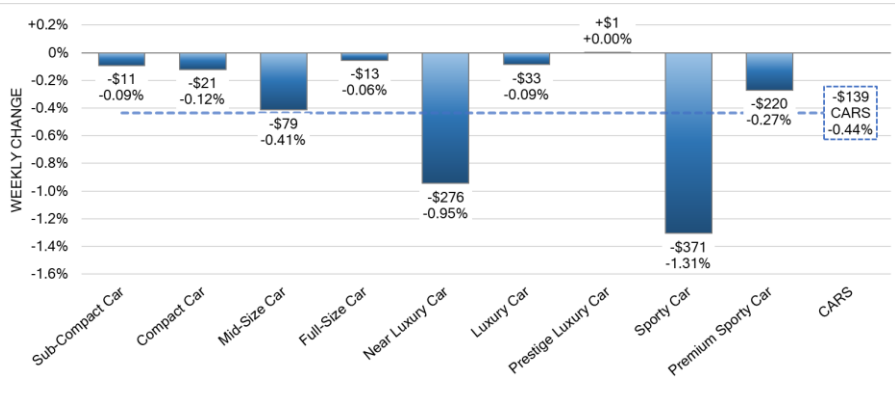
Overall, the Canadian used wholesale market saw prices decline for the week (-0.43%). Both Car and Truck/SUV segments performed similarly with Car segment prices declining (-0.44%) and Truck/SUV segment prices declining (-0.43%) last week. 2 of the 22 segments did have value increases for the week, Sub-Compact Crossover leading with (+0.20%) and Prestige Luxury Car following at a (+0.00%) increase.

	This Week	Last Week	2017-2019 Average (Same Week)
Car segments	-0.44%	-0.39%	-0.42%
Truck & SUV segments	-0.43%	-0.27%	-0.31%
Market	-0.43%	-0.56%	-0.37%



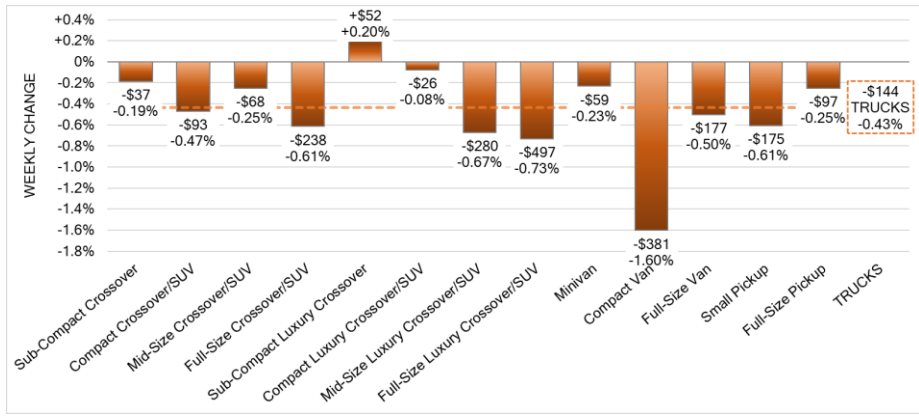
Car Segments

- Overall car segments decreased on average -0.44% last week.
- Segments with the largest declines were Sporty Car (-1.31%), followed by Near Luxury Car (-0.95%), Mid-Size Car (-0.41%) and Premium Sporty Car (-0.27%).
- There was only one segment with a negligible increase and that was Prestige Luxury Car.



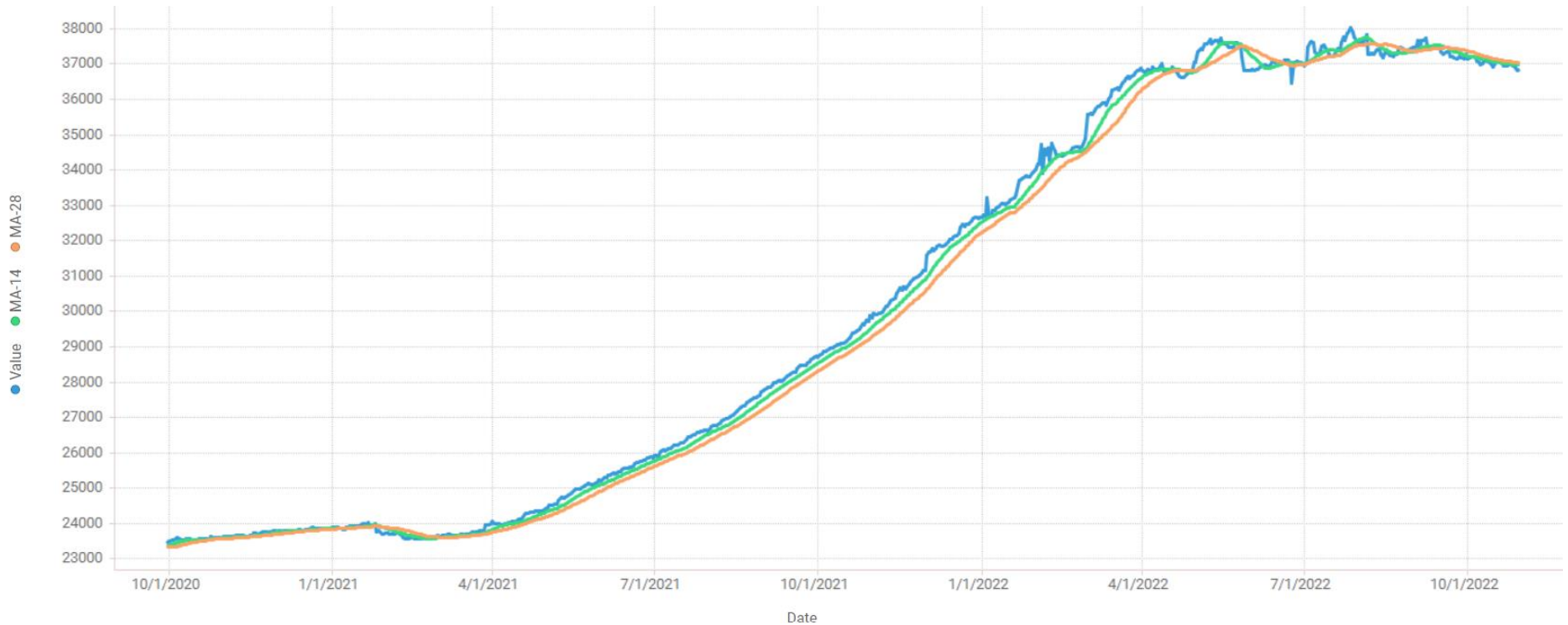
Truck Segments

- Overall truck segments decreased on average -0.43% last week.
- Segments with the largest declines last week were Compact Van (-1.60%), followed by Full-Size Luxury Crossover (-0.73%), Mid-Size Luxury Crossover (-0.67%) and both Small Pickup and Full-Size Crossover (-0.61%).
- The only segment with an increase was Sub-Compact Luxury Crossover (+0.20%)



Used Retail Prices & Listing Volumes

The average listing price for used vehicles increased slightly week-over-week, as the 14-day moving average remained at roughly \$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 73% but most were in the 40-50% range. Last week we saw more sellers dropping floors, which has been contributing to lanes with improved sell rates.

Canadian Black Book's Market Insights

Economics & Government

- The Canadian federal government recorded a budget deficit of 2.5 billion in August 2022 which was down from a deficit of 9.8 billion in August 2021. Revenues increased 12% to 3.6 billion while expenses were down 12.9% to 4.8 billion excluding net actuarial losses.
- Canadian GDP increased 0.4% on a quarter-by-quarter basis in Q3 of 2022.
- Bank of Canada increased interest rates again another 50 bps to 3.75%. This increase was below the market expectation of a 75 bps hike. The lower increase was likely due to the annual consumer inflation easing for a third month to 6.9% in September.
- The Canadian dollar strengthened hitting \$0.737 last week which was the highest in a month.

U.S. Market

In the U.S., overall, Car and Truck segments decreased -1.19% last week; the prior week decreased by -0.76%.

Volume-weighted Car segments decreased -1.47%, compared to the prior week's decrease of -0.89%:

- All nine Car segments decreased last week.
- Five of the nine Car segments reported a decline greater than 1%; Sub-Compact led the declines at -3.68%, followed by Mid-Size (-2.55%), Full-Size (-1.72%), Prestige Luxury (-1.54%), and Sporty (-1.35%).
- Premium Sporty Car reported the smallest decline of -0.43%, but still larger than the prior week's -0.37% drop.

Volume-weighted Truck segments decreased by -1.05%; the previous week had a decrease of -0.70%:

- All thirteen Truck segments reported declines last week.
- Five of the thirteen Truck segments reported a decline greater than 1%; Sub-Compact Crossover (-2.46%) and Minivan (-2.50%) had the largest declines, followed by Mid-Size (-1.43%), Sub-Compact Luxury (-1.35%), and Compact Crossover (-1.33%).
- Full-Size Pickup slowed the rate of declines, reporting a drop of -0.31%, compared to -0.51% the week prior.

Industry News

- Production numbers for 2023 are already getting altered as we move closer to the new year with global volumes set to lose between 2 and 3 million vehicles, on top of what has been lost already from semiconductor shortages and supply chain issues.
- Okotoks Volkswagen has opened as the brand's first Satellite Dealership; located in Alberta, this dealership is 4 times smaller in size than the next VW store in the area and is a look at how Dealerships may be operating in the future.
- Cadillac is providing customers of the new Lyriq electric SUV either \$750 worth of charging credits to FLO chargers or full payment for the installation and cost of a Level 2 charging system to their home as a way to incentivize sales of the all-new GM EV
- Canadian Black Book gears up for its upcoming TalkAUTO Industry conference that will be held on November 10th.
- There are 274 million metric tons of nickel found within a 4.4 million square foot space of the Pacific Ocean that mining companies are now focused on removing, with environmental groups looking to impede the surge to extract these materials, this could support or hinder EV production long-term.

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.

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