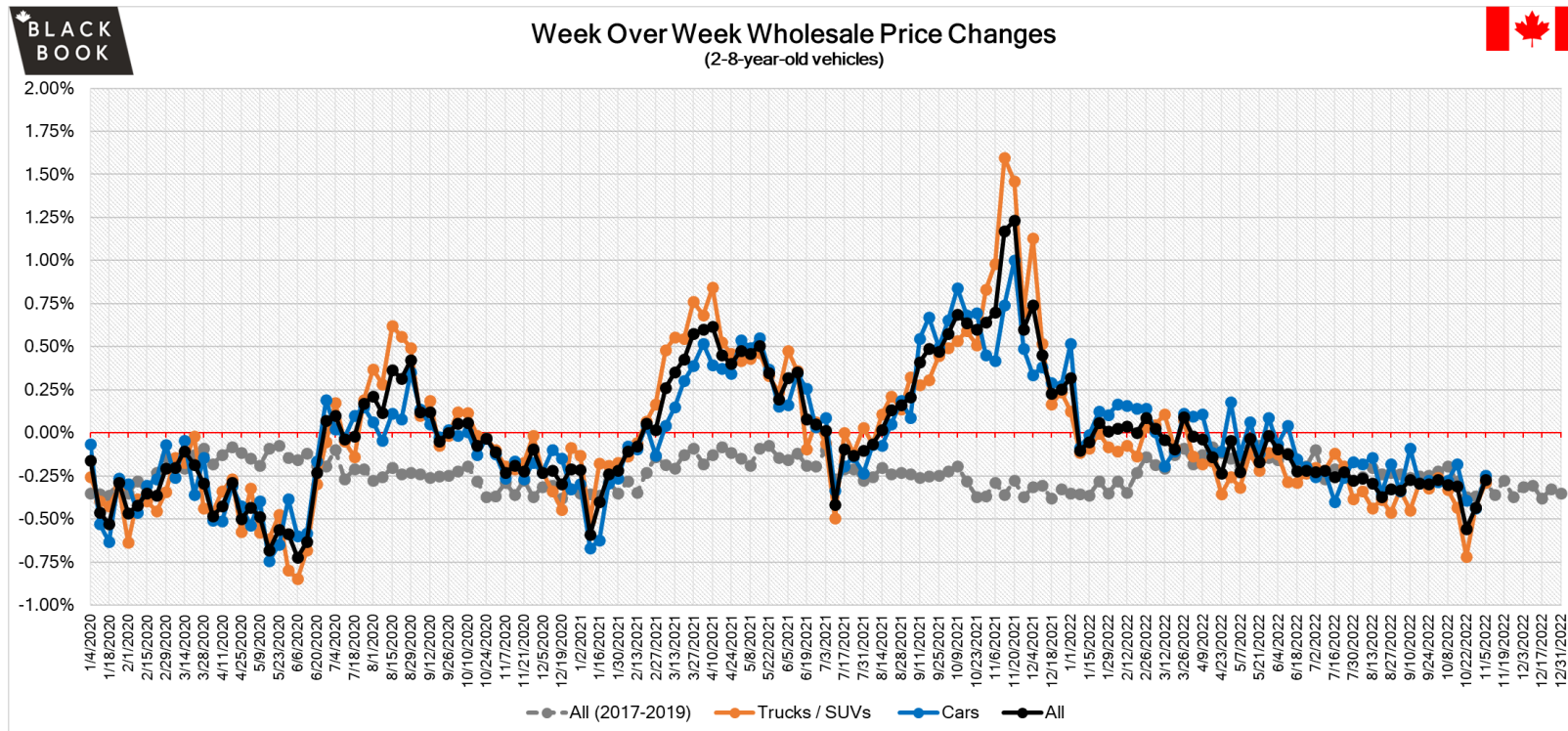


Wholesale Prices, Week Ending November 4th

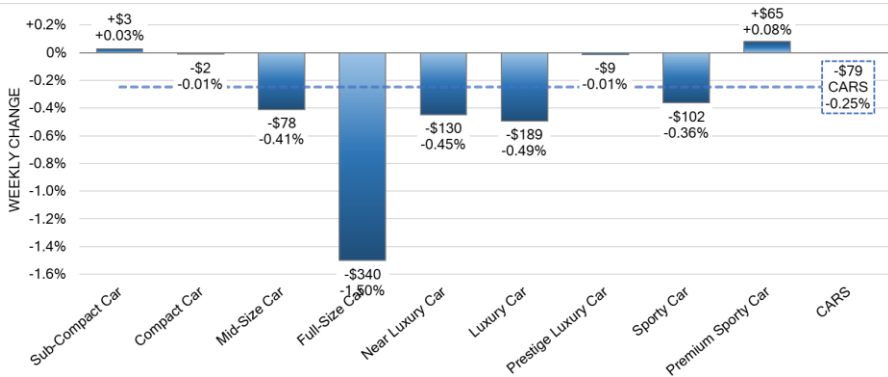
Overall, the Canadian used wholesale market saw prices decline for the week (-0.27%). Both Car and Truck/SUV segments performed similarly with Car segment prices declining (-0.25%) and Truck/SUV segment prices declining (-0.29%) last week. 2 of the 22 segments did have value increases for the week, Sub-Compact Luxury Crossover leading with (+0.04%) and Full-Size Luxury Crossovers following at a (+0.01%) increase.

	This Week	Last Week	2017-2019 Average (Same Week)
Car segments	-0.25%	-0.44%	-0.28%
Truck & SUV segments	-0.29%	-0.43%	-0.30%
Market	-0.27%	-0.43%	-0.29%



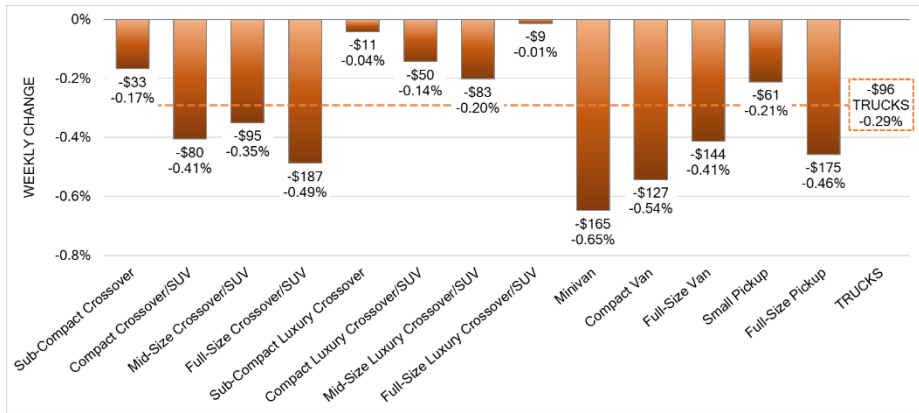
Car Segments

- Overall car segments decreased on average -0.25% last week.
- Segments with the largest declines were Full-Size Car (-1.50%), followed by Luxury Car (-0.49%), Near Luxury Car (-0.45%) and Mid-Size Car (-0.41%).
- There were two segments with increases. Those were Premium Sporty Car (+0.08%) and Sub-Compact Car (+0.03%).



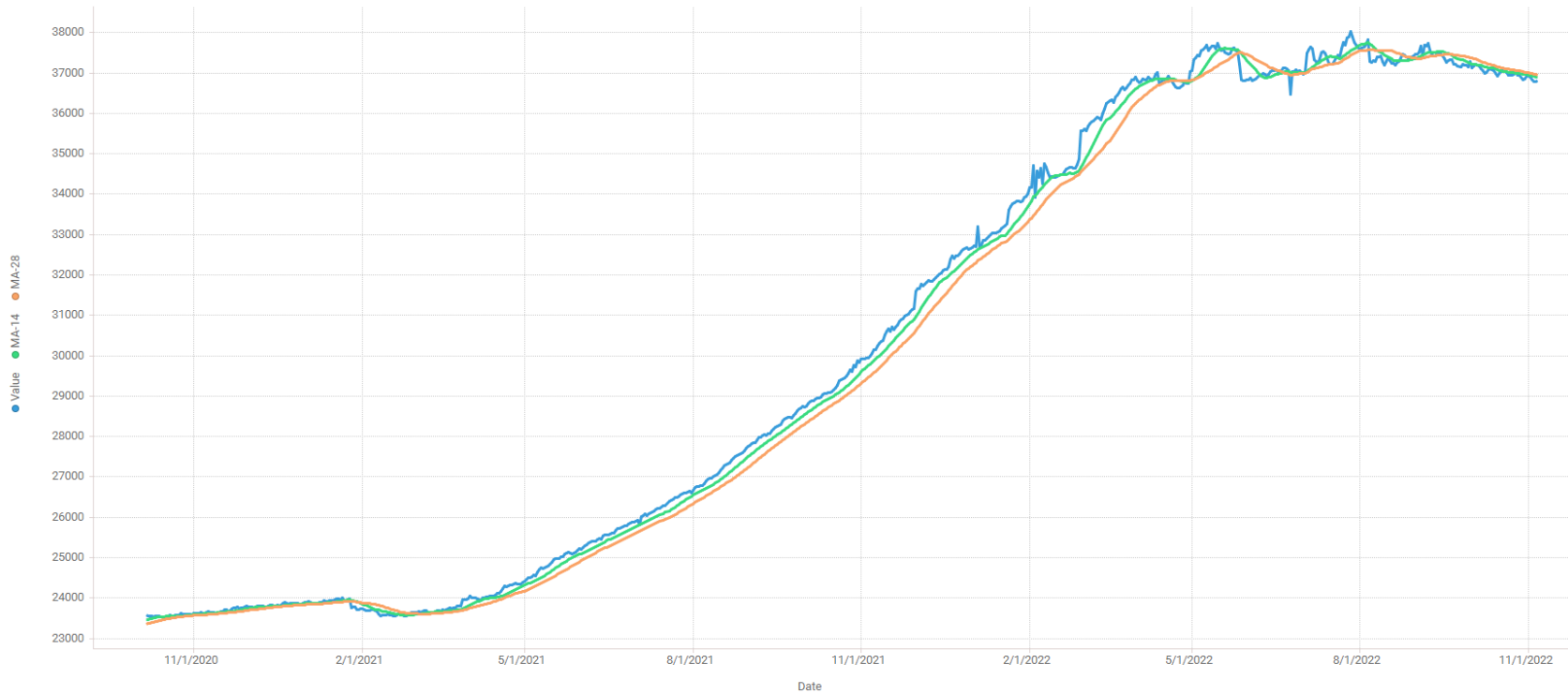
Truck Segments

- Overall truck segments decreased on average by -0.29% last week.
- Segments with the largest declines last week were Minivan (-0.65%), followed by Compact Van (-0.54%), and Full-Size Crossover (-0.49%).
- There were two segments that had small decreases. Sub-Compact Luxury Crossover/SUV (-0.04%), and Full-Size Luxury Crossover/ SUV (-0.01)



Used Retail Prices & Listing Volumes

The average listing price for used vehicles decreased slightly week-over-week, as the 14-day moving average remained at roughly \$36,900. 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 smaller 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 low as 22% but most were in the 40-50% range. Last week we saw similar levels sellers dropping floors, which has been contributing to lanes with improved sell rates.

Canadian Black Book's Market Insights

Economics & Government

- The Canadian economy added 108,300 jobs in October 2022 which was much more than the expected gain of 10,000. This increase was the highest gain since February 2022 and all the gains were in full-time employment. Even with the gains in employment, the unemployment rate in Canada remained unchanged at 5.2%.
- Canadian 10 year movement bond yield grew to 3.4% getting every closer to a 12 year high of 3.7% hit earlier in the month of October.
- The trade surplus in Canada rose to 1.1 billion in September of 2022 from 0.6 billion in August. The 1.1 billion was still lower than market expectations of 1.3 billion.
- The Canadian dollar strengthened hitting \$0.742 last week which was the highest in a month.

U.S. Market

In the U.S., overall, Car and Truck segments decreased -1.05% last week; the prior week decreased by -1.19%.

Volume-weighted Car segments decreased -1.28%, compared to the prior week's decrease of -1.47%:

- All nine Car segments decreased last week, and six of the nine had declines greater than -1%.
- The Car segments have declined on average -1.19% per week over the last four weeks.
- Mid-Size Car had the largest decline at -1.63%. Full-Size (-1.46%), Compact (-1.45%), and Sub-Compact (-1.44%) were not far behind.
- The luxury segments reported smaller declines than the mainstream segments. Premium Sporty Car had the smallest decline at -0.44%, followed by Near Luxury Car at -0.95%.

Volume-weighted Truck segments decreased by -0.94%; the previous week had a decrease of -1.05%:

- All thirteen Truck segments reported declines last week. Seven of the nine segments had declines greater than 1%.
- Full-Size Van (-0.15%) continues to experience minimal declines. The segment is averaging a decline of only -0.17% per week over the last 4 weeks, compared to the overall Truck market, which is averaging -0.84% for the same period.
- The Minivan segment had a second consecutive week of large declines, at -1.56%, compared with the prior week's -2.50% drop.

Industry News

- October Sales in Canada were the lowest they've been in almost 15 years, says Desrosiers Automotive Consultants as this past month was 5.3% lower than last October and the lowest on record since 2009.
- Canadian Parts/Assembly supplier, Magna International Inc., says "the supply picture is improving and helping boost their bottom line, but disruptions continue to weigh on operations and profits" as the supply chain has not improved as much as initially thought for the 2nd half of this year.
- Google Canada has reported that nationally we have reached an EV tipping point now that adoption is over 5% of the market, assuming that consideration of EVs is now a consumer need and not an emerging trend.
- The EV trend to offer both a front and rear trunk seems to be a divisive feature of new BEV platforms as manufacturers who offer it (about a third of available models) echo its novelty and utility, while another third stress the importance of in-cabin room and comfort, forgoing the "frunk" for overall interior space.

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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