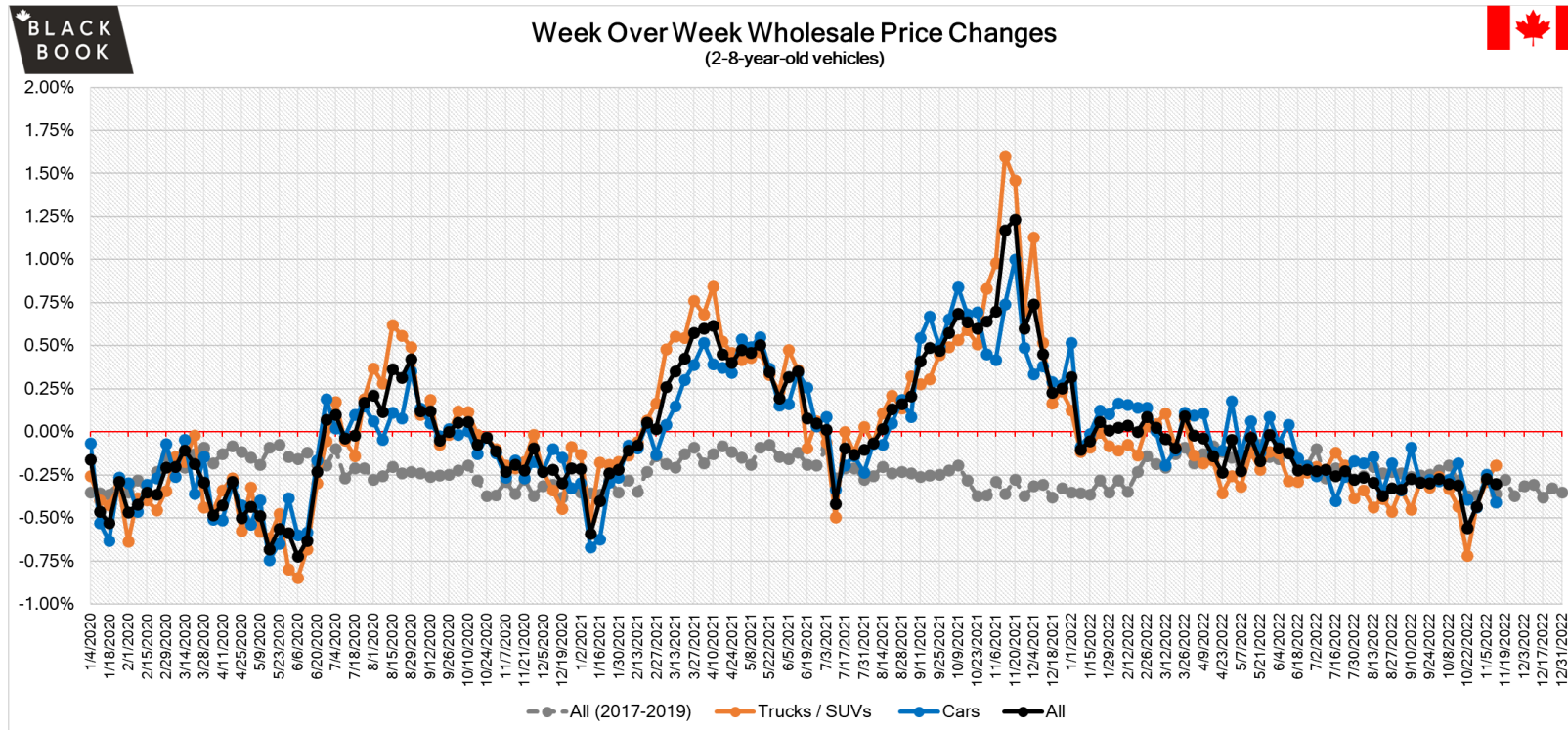


Wholesale Prices, Week Ending November 11th

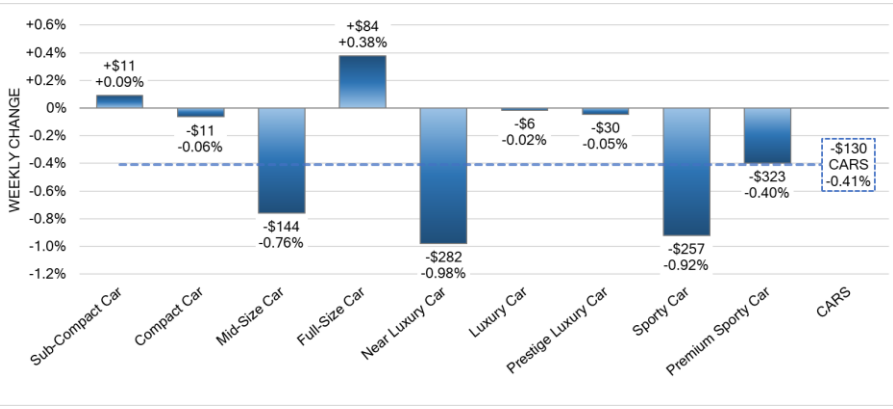
Overall, the Canadian used wholesale market saw prices decline for the week (-0.30%). Both Car and Truck/SUV segments performed similarly with Car segment prices declining (-0.41%) and Truck/SUV segment prices declining (-0.19%) last week. 5 of the 22 segments had value increases for the week, Full-Size Car leading with (+0.38%) and Full Size Van following at a (+0.23%) increase.

	This Week	Last Week	2017-2019 Average (Same Week)
Car segments	-0.41%	-0.25%	-0.44%
Truck & SUV segments	-0.19%	-0.29%	-0.27%
Market	-0.30%	-0.27%	-0.36%



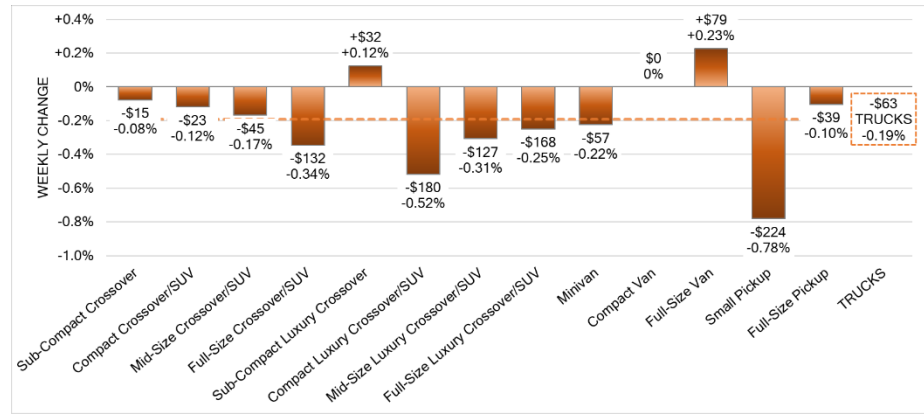
Car Segments

- Last week overall car segments decreased on average -0.41%.
- Seven segments had decreases. The ones with the largest declines were Near Luxury Car (-0.98%), followed by Sporty Car (-0.92%), Mid-Size Car (-0.76%) and Premium Sporty Car (-0.40%).
- There were two segments with increases. Those were Full-Size Car (+0.38%) and Sub-Compact Car (+0.09%).



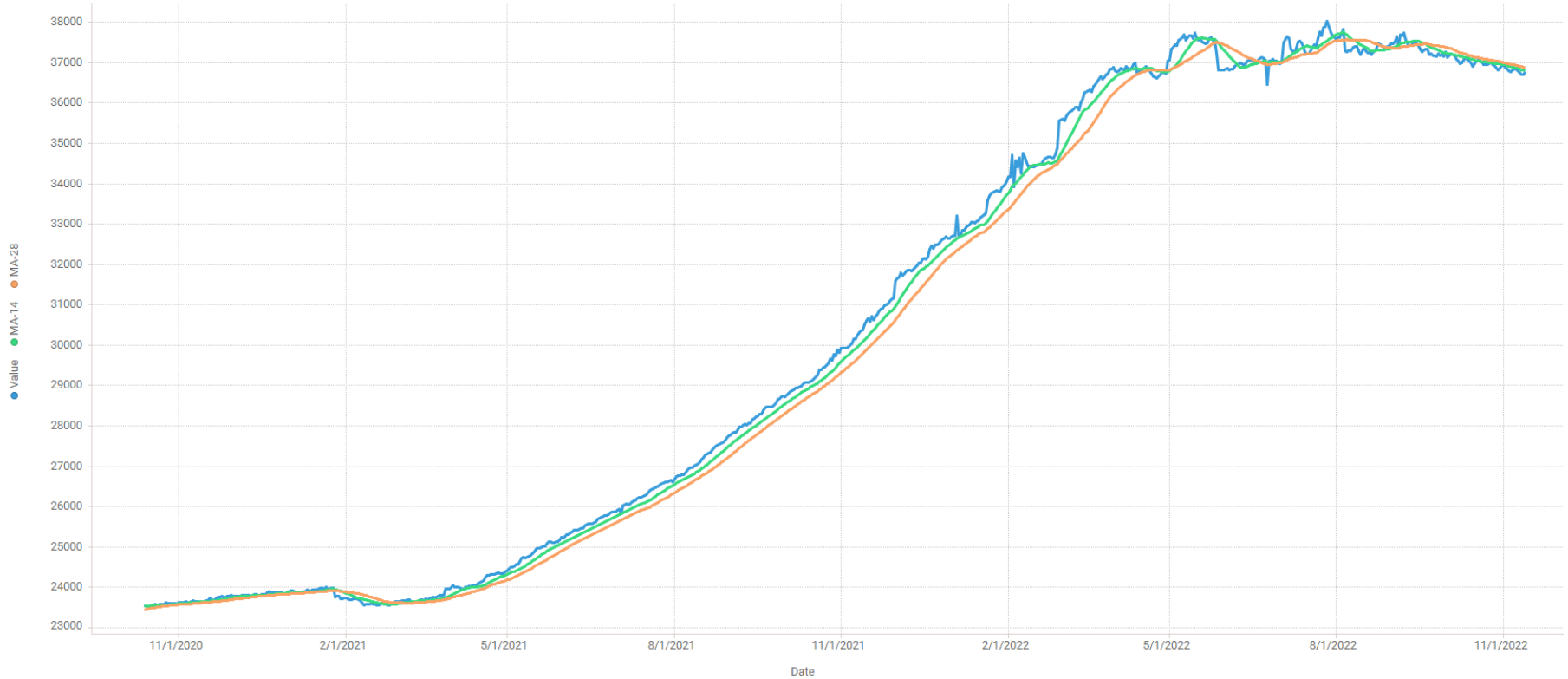
Truck Segments

- Overall truck segments decreased on average by -0.19% last week.
- Segments with the largest declines last week were Small Pickup (-0.78%), followed by Compact Luxury Crossover/ SUV (-0.52%), and Full-Size Crossover (-0.34%).
- There were two segments with increases. Full Size Van (+0.23%), and Sub-Compact Luxury Crossover/SUV (+0.12%).



Used Retail Prices & Listing Volumes

The average listing price for used vehicles decreased slightly week-over-week, as the 14-day moving average was at roughly \$36,825. 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 similar to 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 31% but most were in the 45-55% 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 Bank of Canada is expected to continue to raise interest rates throughout the winter to contain inflation. "We do think we still need to raise rates a little bit further," Macklem told CBC News in an interview this week. "How far, we will see."
- Canadian 10 year movement bond yield fell slightly to 3.1% last week after hitting a 12 year high of 3.7% hit earlier in the month of October.
- Ontario expects to lower its deficit to \$12.9 billion
- The Canadian dollar strengthened Friday last week hitting \$0.755 last week which was the highest in a month.
- Bank of Canada governor Tiff Macklem expects low income earners to be hardest hit by the current high inflationary period.

U.S. Market

In the U.S., overall, Car and Truck segments decreased -0.96% last week; the prior week decreased by -1.05%.

Volume-weighted Car segments decreased -1.02%, compared to the prior week's decrease of -1.28%:

- All nine Car segments decreased last week; four of the nine had declines greater than -1%.
- The Car segments have declined on average -1.17% per week over the last four weeks.
- Full-Size (-1.41%) and Mid-Size Car (-1.36%) had the largest declines last week, but the level of depreciation was less than the previous week's declines of -1.46% and -1.63%, respectively.
- Premium Sporty Car continues to decline (-0.59%), but declines have been lowest of all the Car segments over the past 6 weeks.

Volume-weighted Truck segments decreased by -0.92%; the previous week had a decrease of -0.94%:

- All thirteen Truck segments reported declines last week. Seven of the nine segments had declines greater than 1%.
- The Minivan segment continues to experience large drops, -1.63% last week. The segment has now declined an average of -1.90% over the past 3 weeks.
- Full-Size Van had another week of minimal declines, -0.16% compared with the prior week's -0.15%.
- Full-Size Pickup (-0.44%) had a fifteenth week with declines that were less than the overall market level depreciation.

Industry News

- TRADER Corporation has signed an agreement to acquire Cox Automotive's Canadian operations of DealerTrack, as well as Kelley Blue Book, VinSolutions, Dealer.com and Xtime
- Genesis Motors Canada has announced the Electrified GV70 as their 3rd fully electric vehicle within their lineup that will join the GV60 and Electrified G80
- Honda introduces the 11th generation of the Accord which will be more focused on efficiency in 2023 by removing the 2.0T 4-cylinder and stick solely with its equally impressive 1.5T engine and Hybrid powertrains. This vehicle follows an onslaught of new products over the last few months, where Honda has released new generations of its HR-V, CR-V and Pilot SUVs.
- In anticipation of a "chemical plateau" for lithium battery cathode composition, Automakers have been spending huge sums of money in search of the next big thing, allowing for development and adoption of the next generation of battery technology that can increase range while reducing charge times and most importantly maintain cheap and easy mass production targets.
- Ford Canada is opening negotiations to dealers on whether they will enroll in their EV retailer program called "Model e Certified Elite" or a lesser investment to enter the "Model e Certified" program which will begin in 2024 and support Ford Canada's goals for EV market development.

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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