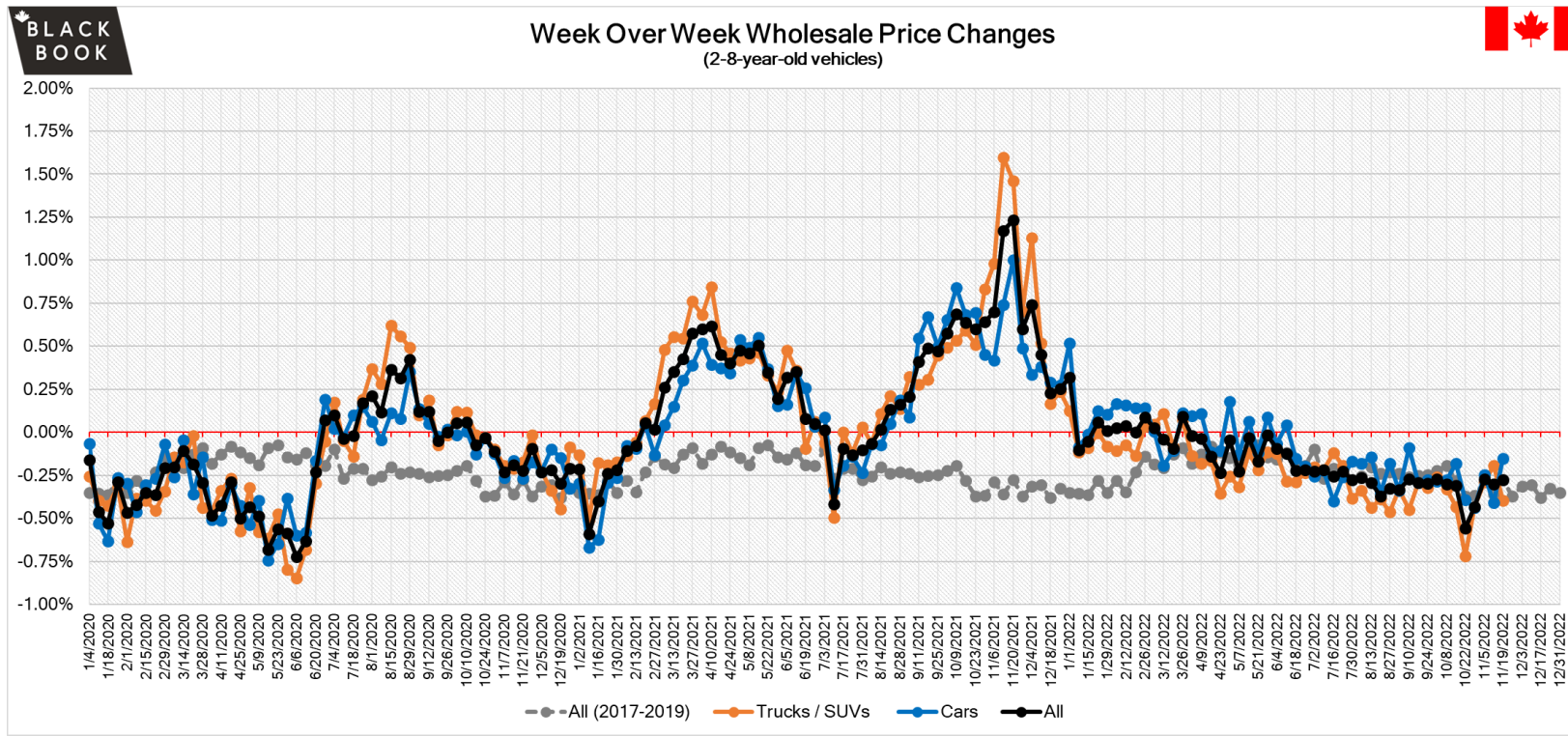


Wholesale Prices, Week Ending November 11th

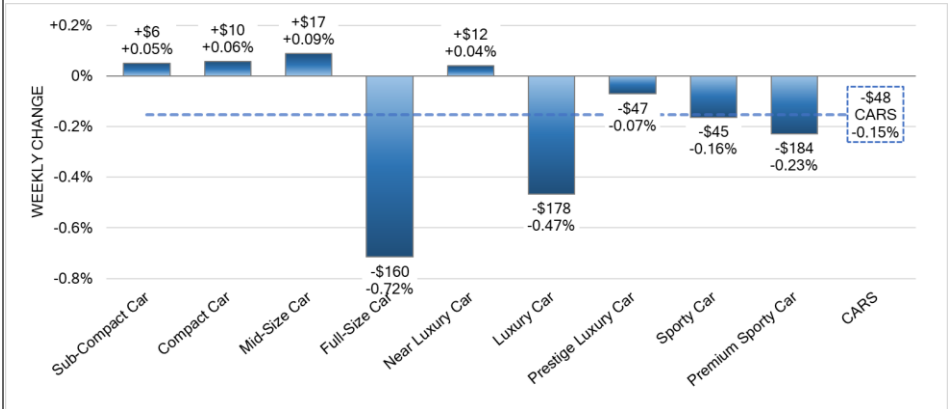
Overall, the Canadian used wholesale market saw prices decline for the week (-0.28%). Both Car and Truck/SUV segments performed similarly with Car segment prices declining (-0.15%) and Truck/SUV segment prices declining (-0.39%) last week. 4 of the 22 segments had value increases for the week, Mid-Size Car leading with (+0.09%) and Compact Car following closely at a (+0.06%) increase.

	This Week	Last Week	2017-2019 Average (Same Week)
Car segments	-0.15%	-0.41%	-0.38%
Truck & SUV segments	-0.39%	-0.19%	-0.17%
Market	-0.28%	-0.30%	-0.27%



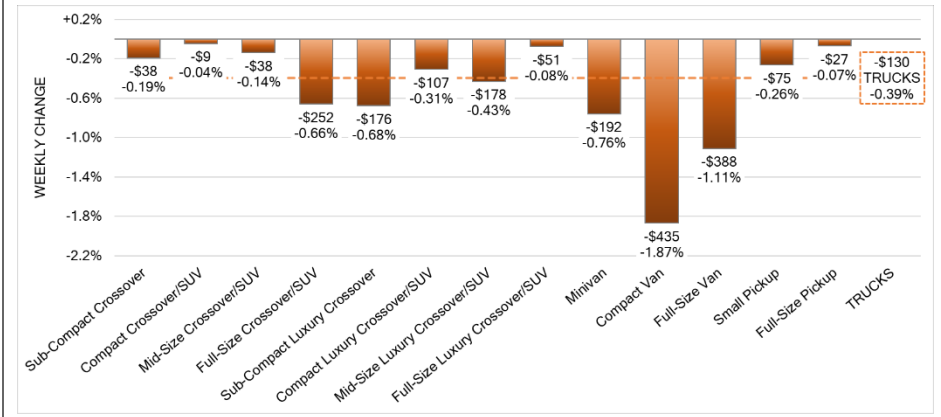
Car Segments

- Overall car segments decreased slightly last week by -0.15%.
- Five segments had decreases. Full-Size Car had the largest drop (-0.72%), followed by Luxury Car (-0.47%), Premium Sporty Car (-0.23%), Sporty Car (-0.16%) and lastly Prestige Luxury Car (-0.07%).
- Four segments had slight increases, all less than 0.10%. The segment with the highest was Mid-Size Car (+0.09%).



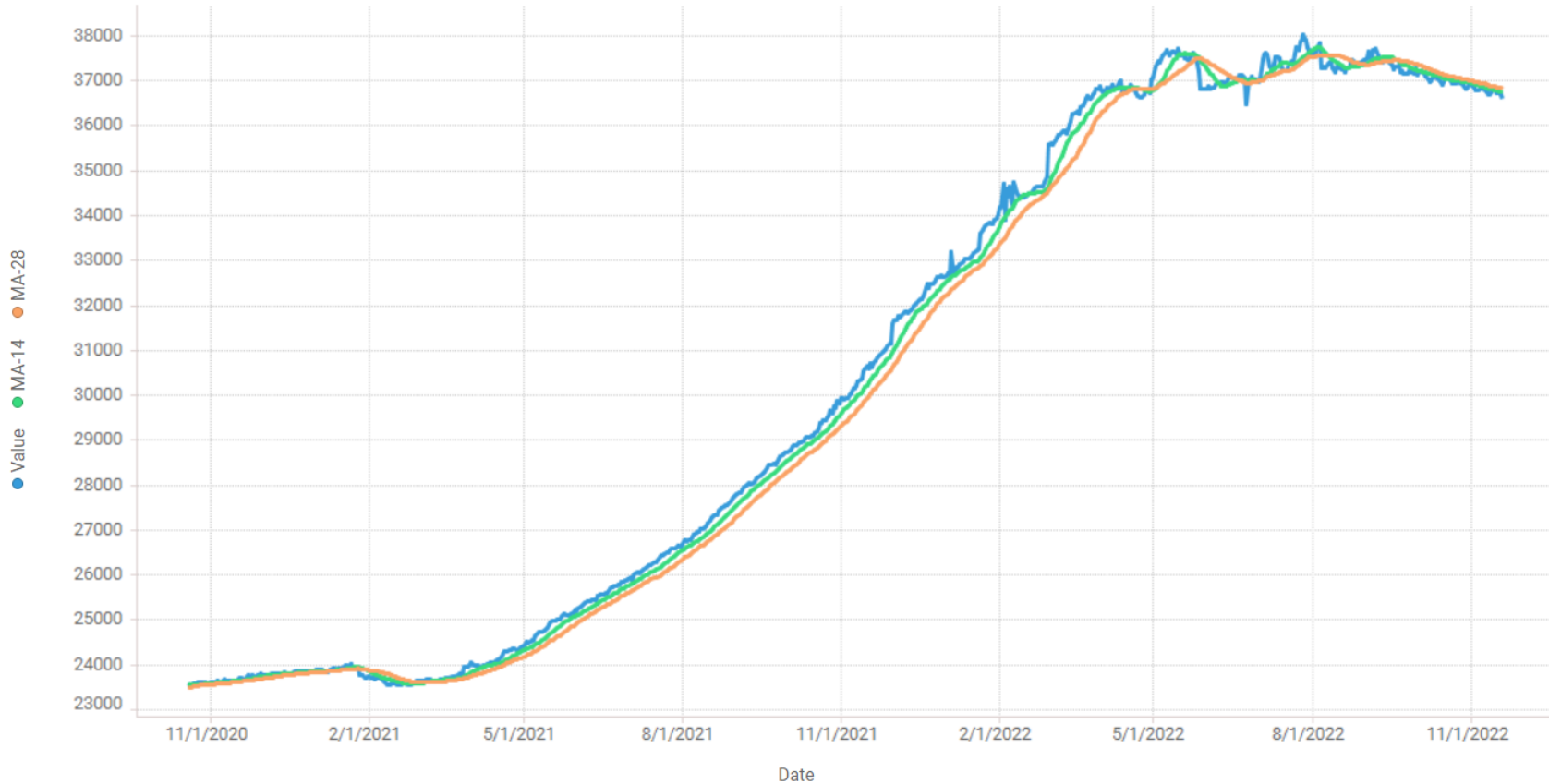
Truck Segments

- Overall truck segments decreased on average by -0.39% last week.
- All segments decreased. Segments with the largest declines last week were Compact Van (-1.87%), followed by Full-Size Vans (-1.11%), and Minivans (-0.76%).
- Segments with smaller declines were Compact Crossovers (-0.04%), and Full-Size Pickup (-0.07%).



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 \$36,770. Analysis is based on approximately 200,000 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 16% 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

- Foreign investors reduced their exposure to Canadian securities by 22.3 billion CAD in September which was the largest reduction since December 2018.
- The annual inflation rate in Canada was 6.9% in October 2022 which was the same as the prior month. Food prices in Canada rose by 10.1% from a year earlier which has been one of the leading high inflation consumer goods.
- Housing starts in Canada decreased 11% over the previous month to 267,055 units in October. This was slightly below market expectations of 270,000 units according to the Canada Mortgage and Housing Corporation.
- The Canadian dollar weakened over the last week hitting \$0.741 to start this week.

U.S. Market

In the U.S., overall, Car and Truck segments decreased -0.89% last week; the prior week decreased by -0.96%.

Volume-weighted Car segments decreased -0.94%, compared to the prior week's decrease of -1.02%:

- All nine Car segments decreased last week, and two of the nine had declines greater than -1%.
- The Car segments have declined on average -1.12% per week over the last six weeks.
- Mid-Size Car reported the largest Car segment decline last week at -1.28%. The segment has now had large declines for the last four weeks with an average weekly depreciation rate of -1.70%.
- Full-Size Car has slowed the level of decline last week to -1.14%, compared with the prior three weeks average change of -1.53%.

Volume-weighted Truck segments decreased by -0.87%; the previous week had a decrease of -0.92%:

- All thirteen Truck segments reported declines last week. Six of the nine segments had declines greater than 1%.
- Full-Size Van had the smallest decline at -0.06%.
- Sub-Compact Crossover had the largest decline last week at -1.34%. The segment has now averaged -1.54% per week for the past four weeks.
- Minivan had another large week of declines, but the -1.10% was lower than the average for the last three weeks of -1.90%.

Industry News

- Vietnamese EV startup, VinFast, has opened its first Canadian store last week at Yorkdale Mall in Toronto, as its first EV to Canada, the VF8, nears its earliest deliveries.
- GM CEO Mary Barra informed the industry last week that by 2025 their electric-vehicle program will be profitable through methods of increasing scale as well as lowering costs by utilizing their new 2nd generation Ultium battery pack that reduces costs by a further 40% compared to the current one.
- Canada is falling behind in EV adoption compared to the rest of the world; BloombergNEF released a statement reporting that worldwide EV adoption increased 70% in the 1st half of 2022 when compared to last year and Canada is just "catching up" on EV's, with China selling 56% of all EV's, Europe at 28%, and the U.S. at 11%.
- The strong job market looks to keep up demand for vehicles as we enter a short recession amidst the pandemic and global supply shortages; this should enable overall retained value to stay strong through this period
- The Government of Ontario looks to keep the provincial tax cut on fuel prices of 5.7 cents per litre until at least the end of 2023.

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