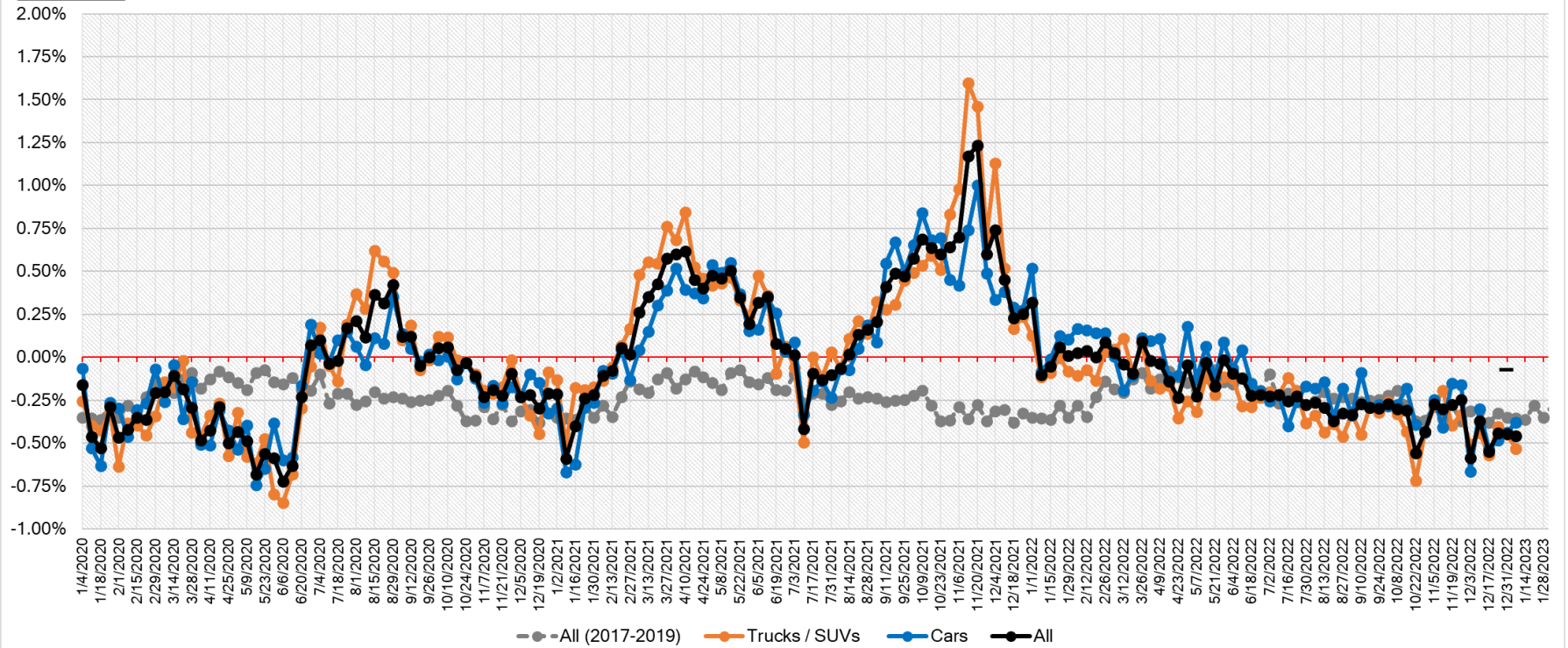


Wholesale Prices, Week Ending January 7th

Overall, the Canadian used wholesale market saw prices decline for the week (-0.46%). The Car segment outperformed the SUV/Truck segment, with Car segment prices declining (-0.38%) and Truck/SUV segment prices declining (-0.53%) last week. All but 1 of the 22 segments had values decrease for the week. There was a (0%) change in Minivans, followed by Prestige Luxury Car at (-0.01%).

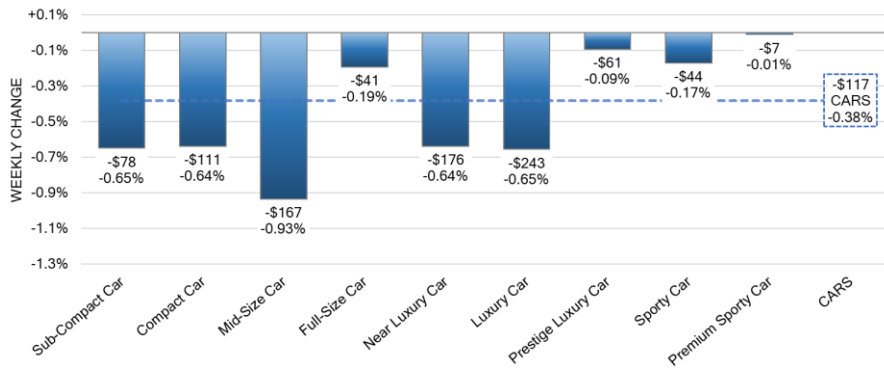
	This Week	Last Week	2017-2019 Average (Same Week)
Car segments	-0.38%	-0.44%	-0.34%
Truck & SUV segments	-0.53%	-0.45%	-0.37%
Market	-0.46%	-0.44%	-0.35%

Week Over Week Wholesale Price Changes
(2-8-year-old vehicles)



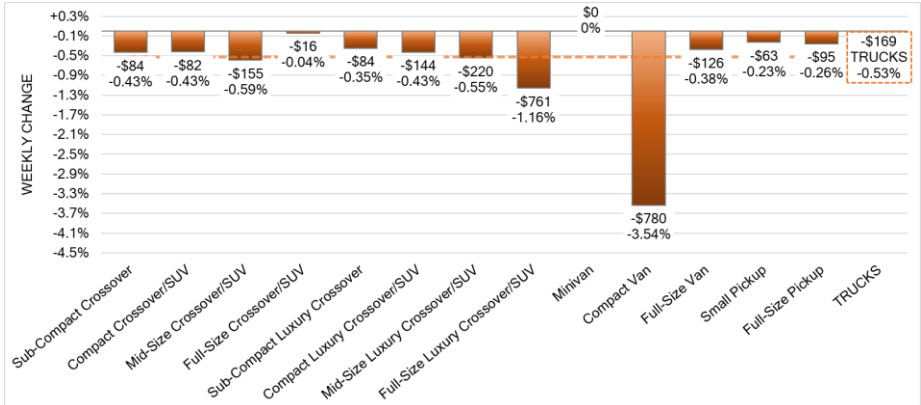
Car Segments

- Last week, overall car segments decreased on average by -0.38%.
- All segments had decreases. The segment with the largest decline was Mid-Size Car (-0.93%). Sub-Compact Car and Luxury Car depreciated the same amount (-0.65%).
- Two other segments depreciated the same amount. Those were Compact Car and Near Luxury Car (-0.64%).



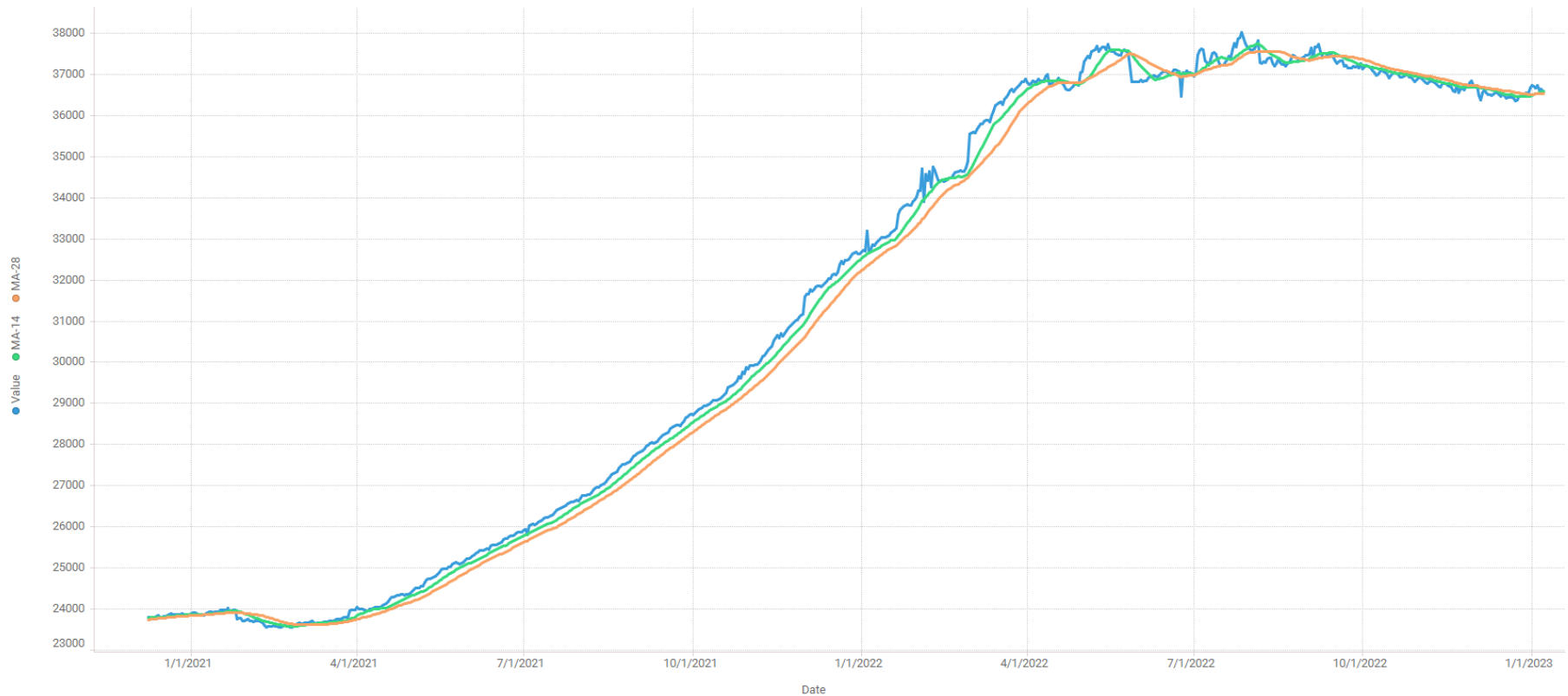
Truck Segments

- Last week, overall truck segments decreased on average by -0.53%.
- Segments with the largest declines were Compact Van (-3.54%), and Full-Size Luxury Crossover (-1.16%) followed by Md-Size Crossover (0.59%) and Mid-Size Luxury Crossover/SUV (-0.55%).
- Other segments with the same notable declines were Sub-Compact Crossover, Compact Crossover, and Compact Luxury Crossover (-0.43%).



Used Retail Prices & Listing Volumes

The average listing price for used vehicles was consistent week-over-week, as the 14-day moving average was at roughly \$36,525. 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 larger than the historical average. 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 35% but most were in the 45-60% range. Last week we saw more sellers dropping floors, which has been contributing to lanes with higher sell rates.

Canadian Black Book's Market Insights

Economics & Government

- Canada added 104,000 jobs in December bringing the unemployment rate to a 5 month low of 5.0%
- Consumer confidence rebounded to 49.34 in December from 46.62 in November and not far off the 50.3 level seen in the past summer according to Ipsos polls.
- Canada's total value of building permits increased by 14.1% month over month to 11.03 billion.
- The Canadian dollar increased slightly to \$0.747 this Monday.

U.S. Market

In the U.S., overall, Car and Truck segments decreased -0.71% last week; the prior week decreased by -0.79%.

Volume-weighted Car segments decreased -0.67%, compared to the prior week's decrease of -0.77%:

- All nine Car segments decreased last week, with two of the nine reporting declines greater than 1% (Prestige Luxury Car, -1.09%; Near Luxury Car, -1.07%).
- Compact Car depreciation dramatically slowed last week to -0.31%, after the previous six weeks averaged a decline of -0.88% per week.
- Premium Sporty Car (-0.44%) has been consistently reporting declines below the average for the rest of the Car segments, -0.49% per week over the last six weeks compared to the overall Car segment average weekly decline of -0.76%.

Volume-weighted Truck segments decreased by -0.73%; the previous week had a decrease of -0.80%:

- All thirteen Truck segments reported declines last week, with four of those reporting a decline of over 1% (Sub-Compact Luxury, -1.12%; Full-Size Crossover/SUV, -1.06%; Compact Crossover/SUV, -1.06%; Compact Van, -1.05%).
- Compact Van has not been as strong as the Full-Size Van segment, but overall, the segment has had low depreciation each week in 2022. In recent weeks, the level of depreciation has increased. Last week was the first time the segment has exceeded a depreciation of 1% since January of 2021.

Industry News

- After tremendous anticipation the Automotive Parts Manufacturers' Associations "Project Arrow" electric development vehicle made its debut at the Consumer Electronics Show in Las Vegas, showcasing the 3-year long project executed by 99.9% Canadian companies to present to the world that Canada is a leader in net zero mobility.
- We can now conclude that 4.4million total vehicles were cut from 2022 global production as the semiconductor shortage persists; AutoForecast Solutions estimates global production of 2.7million vehicles will be cut from 2023 production schedules.
- As we shore up the numbers in for the Canadian market in 2022, Automakers sold 1.49million vehicles last year, 9.1% lower than in 2021, and the lowest recorded annual sales total since 2009.
- EV carmaker Tesla will begin using Canadian sourced Lithium in its EV batteries by mid-2023 as it turns to Piedmont Lithium Inc., and their Lithium mine in Val-d'Or, Quebec.
- Mercedes-Benz is planning to bring 10,000 high-power EV chargers to North America, Europe, China and other markets by the end of the decade, giving EV drivers better access to fast-charging.

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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