

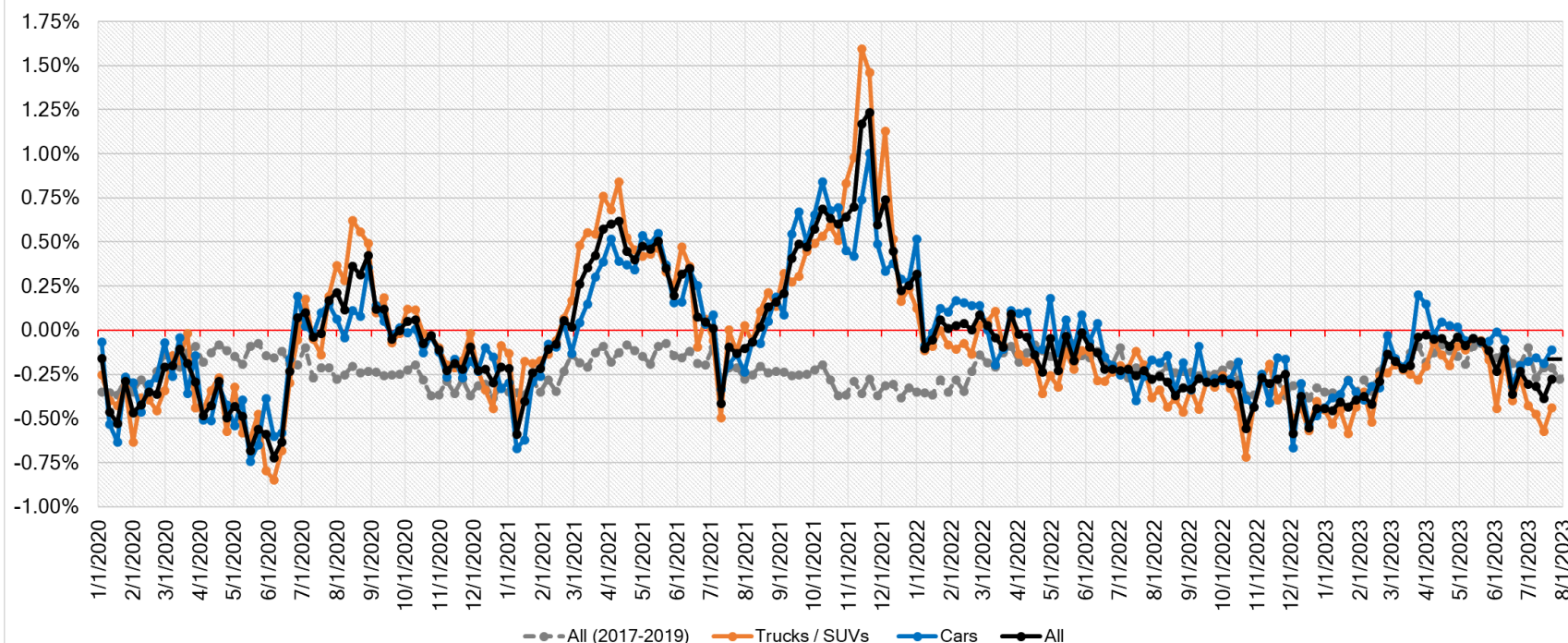
Wholesale Prices, Week Ending July 22nd

The Canadian used wholesale market saw a decline in prices for the week at -0.28%. The Car segment fell by -0.11% and the Truck/SUVs' segment prices declined -0.44%. 2 out of 22 segments' values have increased for the week. The Sporty Car segment was up 0.21% followed by the Mid-Size Car segment at +0.09%. The segments with the largest declines were Compact Luxury Crossover/SUV (-0.73%) followed by Mid-Size Luxury Crossover/SUV (-0.63%).

	This Week	Last Week	2017-2019 Average (Same Week)
Car segments	-0.11%	-0.19%	-0.21%
Truck & SUV segments	-0.44%	-0.57%	-0.21%
Market	-0.28%	-0.38%	-0.21%

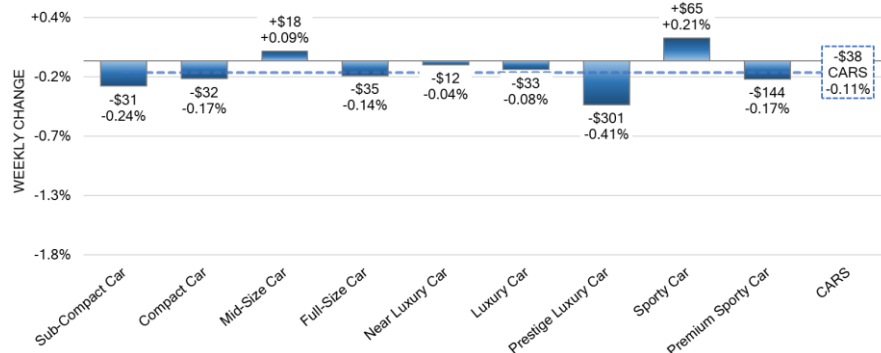
Week Over Week Wholesale Price Changes

(2-8-year-old vehicles)



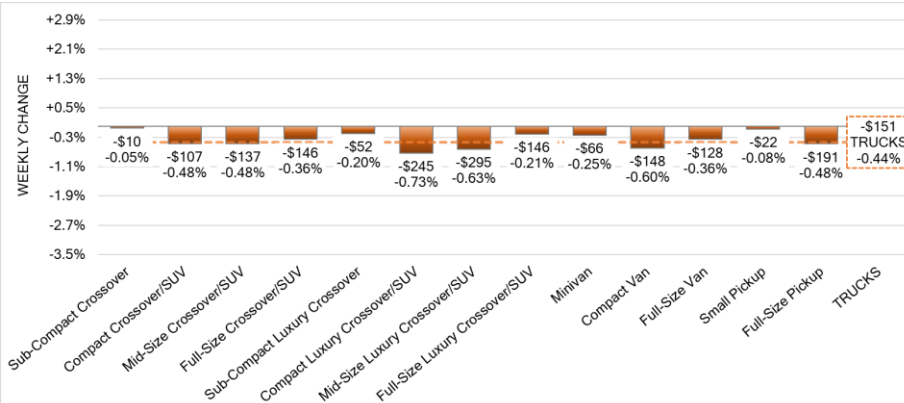
Car Segments

- There was an overall decrease of -0.11% seen in the Car segments last week.
- Seven of the nine segments showed a decrease in pricing. The segments with the largest decrease were Prestige Luxury Car (-0.41%), followed by Sub-Compact Car at (-0.24%) and both Compact Car & Premium Sporty Car tie for (-0.17%).
- The two segments that showed an increase in pricing are Sporty Car at (+0.21%) and Mid-Size Car at (+0.09%).



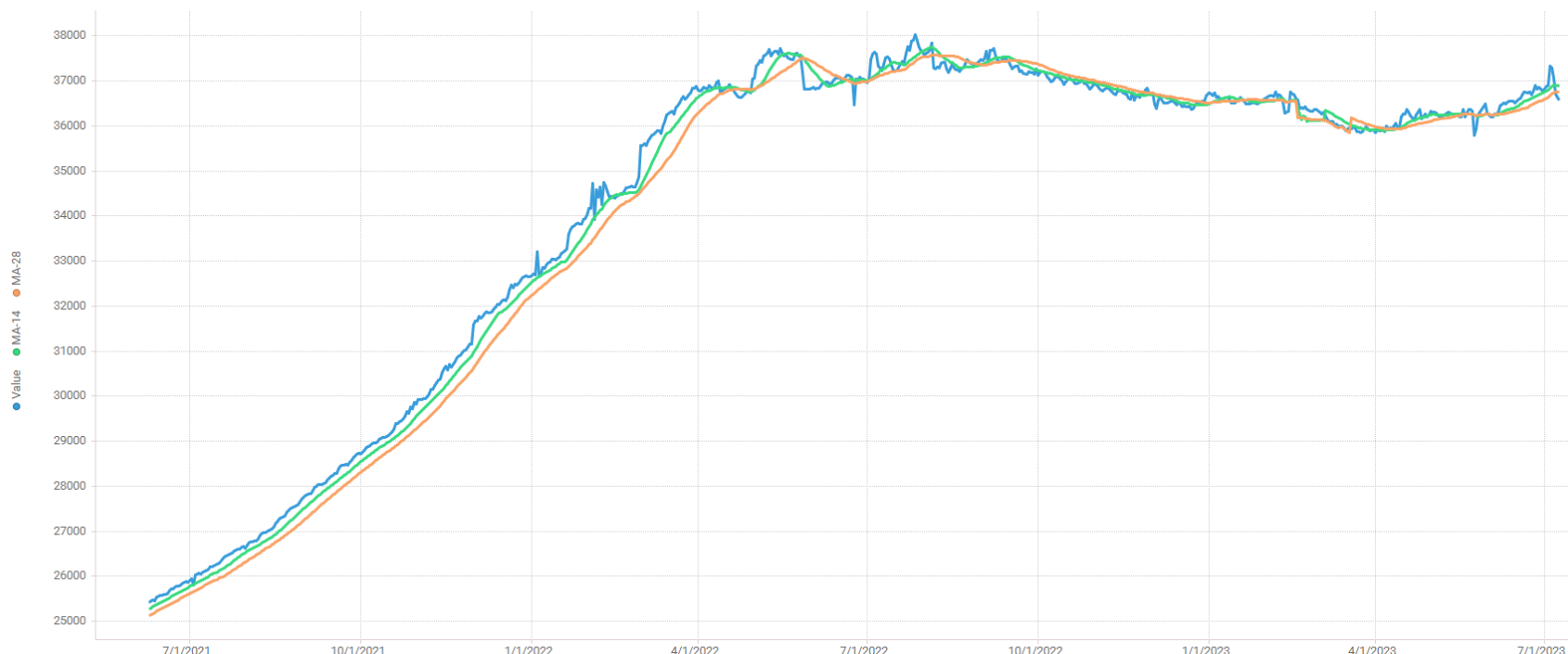
Truck Segments

- Last week overall truck segments decreased on average by -0.44%.
- All thirteen truck segments had decreases. Compact Luxury Crossover/SUV had the largest decline (-0.73%), followed by Mid-Size Luxury Crossover/SUV (-0.63%) and Compact Van (-0.60%).
- Three segments had the same depreciation (-0.48%). Mid-Size Crossover/SUV, Compact Crossover/SUV and Full-Size Pickup were among the three.



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 \$36,900. Analysis is based on approximately 184,000 vehicles listed for sale on Canadian dealer lots.



Wholesale

The Canadian market continued to decrease, and the overall decrease was larger than the historical average. Supply remains low with high 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. Many segments saw a change in average value of more than \$100 this week as the Truck and SUV segments fell the most. Conversion rates were quite varied. Some observed sell rates were as low as 16% and as high as 73% but most were in the 25-45% range. Last week we saw less sellers dropping floors, which has been contributing to lanes with lower sell rates.

Canadian Black Book's Market Insights

Economics & Government

- Consumer Price Inflation fell to 2.8% in June of 2023 which is the lowest rate in over a year and below market expectations of 3%. The core trimmed-mean rate fell less than expected to 3.7%.
- Raw material price purchased by manufacturers in Canada fell by 1.5% month over month
- Canadian 10-year bond yields fell to 3.35%.
- The Canadian dollar is around \$0.758 this Monday morning up from \$0.756 a week prior.

U.S. Market

In the U.S., overall, Car and Truck segments decreased -0.53% last week; the prior week decreased by -0.73%. Volume-weighted Car segments decreased -0.59%, compared to the prior week's -0.77% decrease:

- The 0-to-2-year-old Car segments were also down, but only by -0.46%; 8-to-16-year-old Cars declined -0.56%.
- All nine Car segments decreased last week.
- Compact (-0.94%) and Full-Size (-0.90%) Car segments had the largest declines last week; both with increases in depreciation from the week prior of -0.77% and -0.86%, respectively.
- The luxury segments had smaller depreciation last week; for example, the Prestige Luxury Car segment was down -0.40%, compared with the week prior's depreciation of -0.71%.

Volume-weighted Truck segments decreased by -0.50%; the previous week decreased -0.70%:

- The 0-to-2-year-old Truck segments reported a similar decline last week (-0.50%), but the 8-to-16-year-olds declined less, down -0.44%.
- All thirteen Truck segments reported a decrease last week.
- Compact Luxury Crossover/SUV (-0.87%), Sub-Compact Luxury Crossover/SUV (-0.96%), and Compact Van (-0.86%) reported the largest Truck segment declines last week.
- The Full-Size Pickup (-0.32%) segment is declining, but the rate of decline continues to be lower than the overall market average. Last week's decline was the seventh consecutive week, for an average weekly depreciation rate of -0.32%.

Industry News

- B.C. port workers have rejected the tentative agreement that had ended the strike action last week, as they believe a 4-year agreement is too long a duration before coming to the bargaining table again – this once again continues to impact the availability of auto parts, raw materials, and new vehicles.
- As the first Japanese carmaker to do so, Nissan has come to an agreement with Tesla to utilize their Supercharger network in North America once their new vehicles are provided adapters sometime next year.
- Hyundai launches its 5th generation of one of its longest standing nameplates, the Santa Fe, and as we've seen some polarizing designs come from the Korean manufacturer as of late, this one is no different – taking on a very boxy and rugged appearance the family crossover moves to a larger overall footprint with greater cargo capacity.
- It's now well-known that electric vehicles lose range in cold weather, but Recurrent, an EV battery analytics firm, found that range is also negatively impacted as temperatures rise, as much as 31% range degradation when the mercury hits 37 degrees Celsius.

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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