

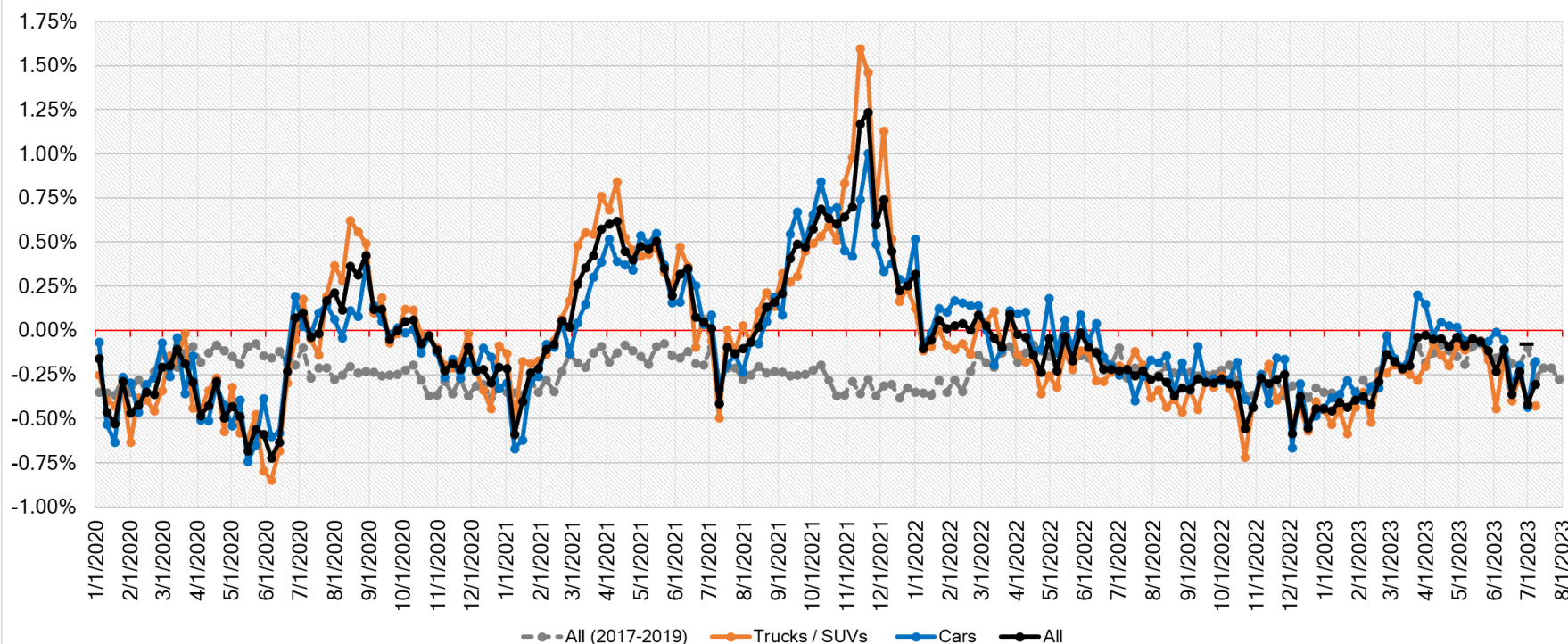
Wholesale Prices, Week Ending July 1st

The Canadian used wholesale market saw a decline in prices for the week at -0.31%. The Car segment fell by -0.18% and the Truck/SUVs' segment prices declined -0.43%. 5 out of 22 segments' values have increased for the week. Compact Van leads with +0.50% and Small Pickup follows behind at +0.17%. The segments with the largest declines were Full-Size Luxury Crossover/SUV (-0.71%) followed by Mid-Size Luxury Crossover/SUV (-0.60%).

	This Week	Last Week	2017-2019 Average (Same Week)
Car segments	-0.18%	-0.20%	-0.25%
Truck & SUV segments	-0.43%	-0.26%	-0.29%
Market	-0.31%	-0.23%	-0.27%

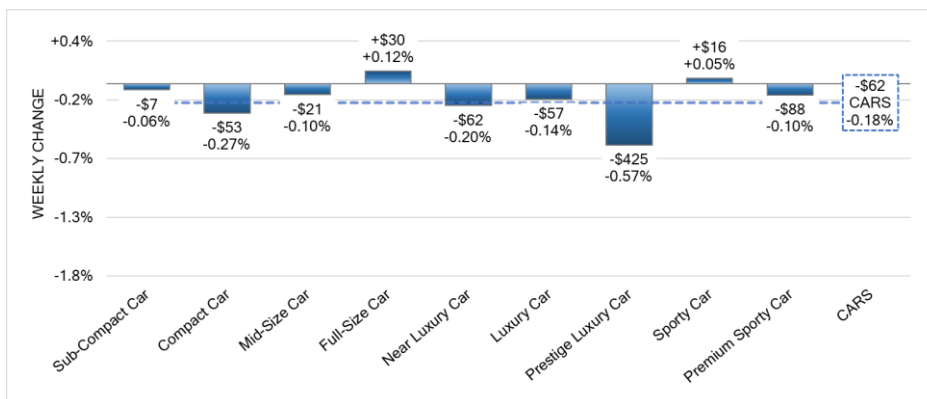
Week Over Week Wholesale Price Changes

(2-8-year-old vehicles)



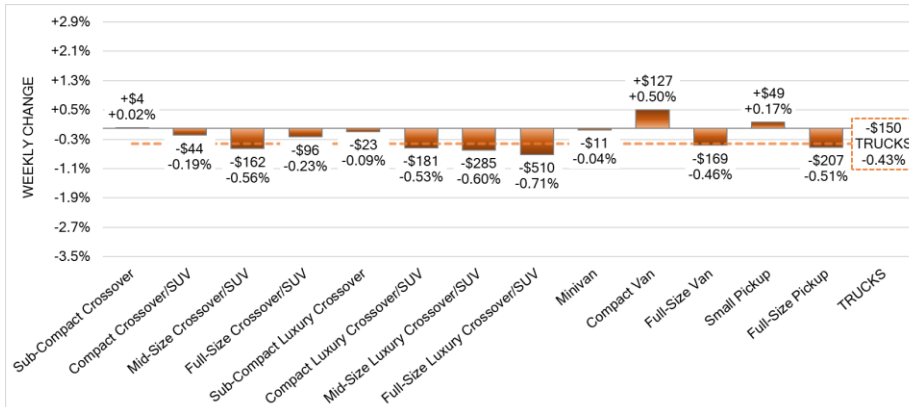
Car Segments

- There was an overall decrease of -0.18% seen in Car segments last week.
- Two of the nine car segments showed an increase in pricing. Full-Size Car had the largest increase at $(+0.12\%)$, followed by Sporty Car at $(+0.05\%)$.
- The segments with the largest decrease in pricing were Prestige Luxury Car at a (-0.57%) decrease, followed by Compact Car at (-0.27%) and Near Luxury Car (-0.20%) and Sub-Compact Car (-0.06%) .



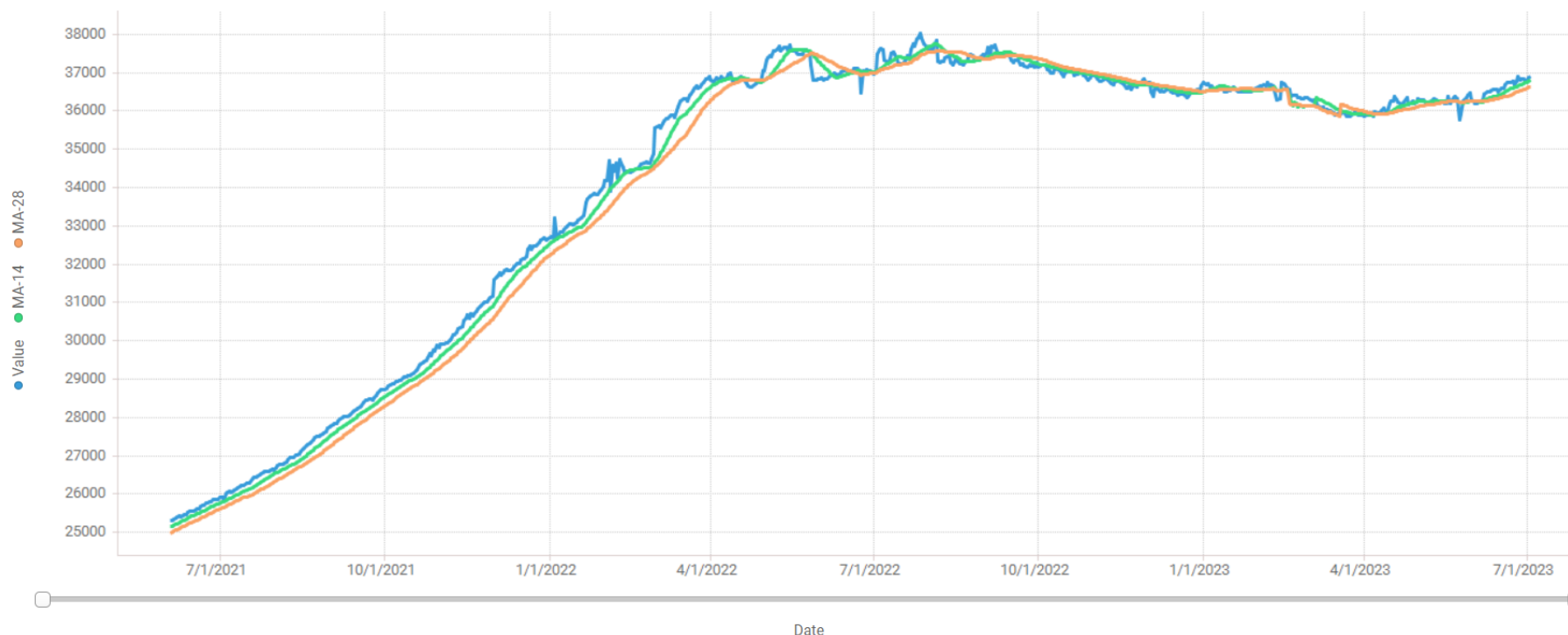
Truck Segments

- Overall truck segments decreased on average by -0.43% last week.
- Ten of the thirteen truck segments had decreases. Full-Size Luxury Crossover/SUV had the most significant decline (-0.71%) , followed by Mid-Size Luxury Crossover/SUV (-0.60%) and Mid-Size Crossover/SUV (-0.56%) .
- Three segments had an increase. Compact Van had the largest $(+0.50\%)$, followed by Small Pickup $(+0.17\%)$ and Sub-Compact Crossover $(+0.02\%)$.



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 \$36,600. 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 similar to 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 13% but most were in the 35-50% 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

- Inflation fell in Canada to 3.4% in May of 2023 down from 4.4% the previous month. This marked the lowest inflation since June 2021.
- The yield on the Canadian 10-year government bond fell toward the 3.2% level in late June.
- GDP in Canada is expected to have grown by 0.4% in May 2023.
- Average weekly earnings of non-farm payroll employees in Canada rose to 2.9% year-on-year to \$1,194 in April 2023, after a 1.4% advance in the prior month.
- The Canadian dollar is around \$0.755 this Monday morning down from \$0.760 a week prior.

U.S. Market

In the U.S., overall, Car and Truck segments decreased -0.42% last week; the prior week decreased by -0.42%. Volume-weighted Car segments decreased -0.42%, compared to the prior week's -0.44% decrease:

- The other age units we track had similar trends last week, with the 0-to-2-year-old down -0.32% and 8-to-16-year-old Cars declining -0.37%.
- The Sub-Compact Car segment reported the largest decline last week at -0.68%. This marks the ninth consecutive week of declines for the segment with an average weekly change of -0.52%.
- Sporty Car has been up and down in recent weeks with small changes, but last week the segment the segment declined -0.18%. Pre-COVID, the Sporty Car segment began to report declines around the beginning of June.

Volume-weighted Truck segments decreased by -0.45%; the previous week decreased -0.41%:

- The 0-to-2-year-old Truck segments reported a smaller decline last week (-0.40%), as did the 8-to-16-year-olds that declined -0.33%.
- Compact luxury Crossovers and Compact Vans reported the largest declines last week, down -0.77% and -0.76%, respectively. Both segments had an increase in depreciation from the week prior with the Crossovers down -0.42% and Vans down -0.35%.
- Full-Size Vans had the smallest decline with a drop of only -0.17%. This is the smallest weekly change for the segment since the first week of May.

Industry News

- The Port of Vancouver is expecting a long-shore workers' strike which would further disrupt logistical delays that are already making headlines – the incoming strike looks to highlight on the possible impacts of port automation projects that could limit the number of jobs available to long-shore workers, as well as cost of living increases and an end to contracted out work.
- Add Volvo and Electrify Canada/America to the list of organizations inking deals with Tesla to utilize its Supercharger network by 2025. Volvo will provide Tesla's North American Charging Standard connectors to its vehicles for Supercharger charging and Electrify Canada/America will offer those same connectors to its own network of chargers.
- Hyundai Motor Co. is looking to expand its EV manufacturing through a second facility, and Canada is among contenders for a plant location, says Don Romano, Hyundai Auto Canada CEO – this news comes as Hyundai is currently looking to begin construction on its first EV plant in Georgia.
- The count of manufacturers looking to lay groundwork for EV production and development in Canada may soon tick up to 5, as Ontario Premier, Doug Ford says General Motors, Toyota, and Honda are all looking to expand battery facilities in Ontario.
- A new auction platform start-up named MintList looks to bid for dealer business in Ontario, as this auction operates by way of consumers listing their own vehicles to registered dealers from the comfort of their own home – this Vancouver-based company makes its first steps outside of Western Canada as it looks to launch mid-July.

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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