

## August 2020:

Vehicle pricing continues to decline as more first-time buyers enter the market

## OVERVIEW

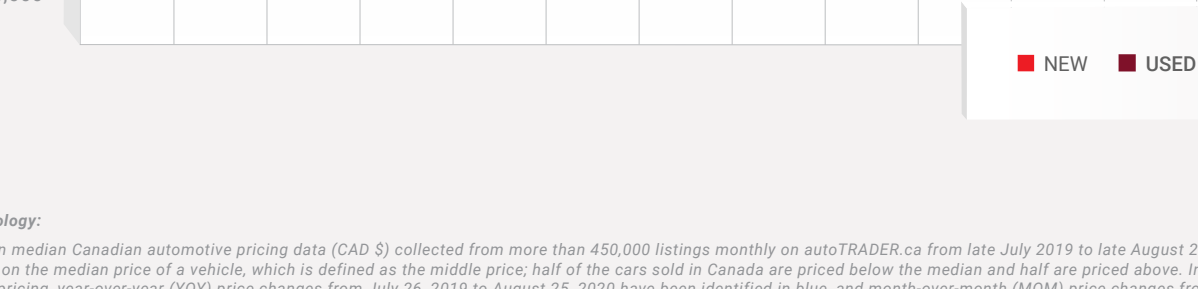
The autoTRADER.ca Price Index offers a monthly view of the Canadian automotive market by analyzing vehicle pricing data associated with over 450,000 new and used vehicle listings, bringing you the latest in pricing shifts and trends over time.

AUGUST 2020

## NATIONAL MEDIAN PRICE

Marketplace Index (Cars, SUVs, Trucks)

**NEW** \$36,470 ▼ 2.9% MOM ▼ 7.2% YOY **USED** \$17,488 ▼ 1.8% MOM ▼ 5.5% YOY



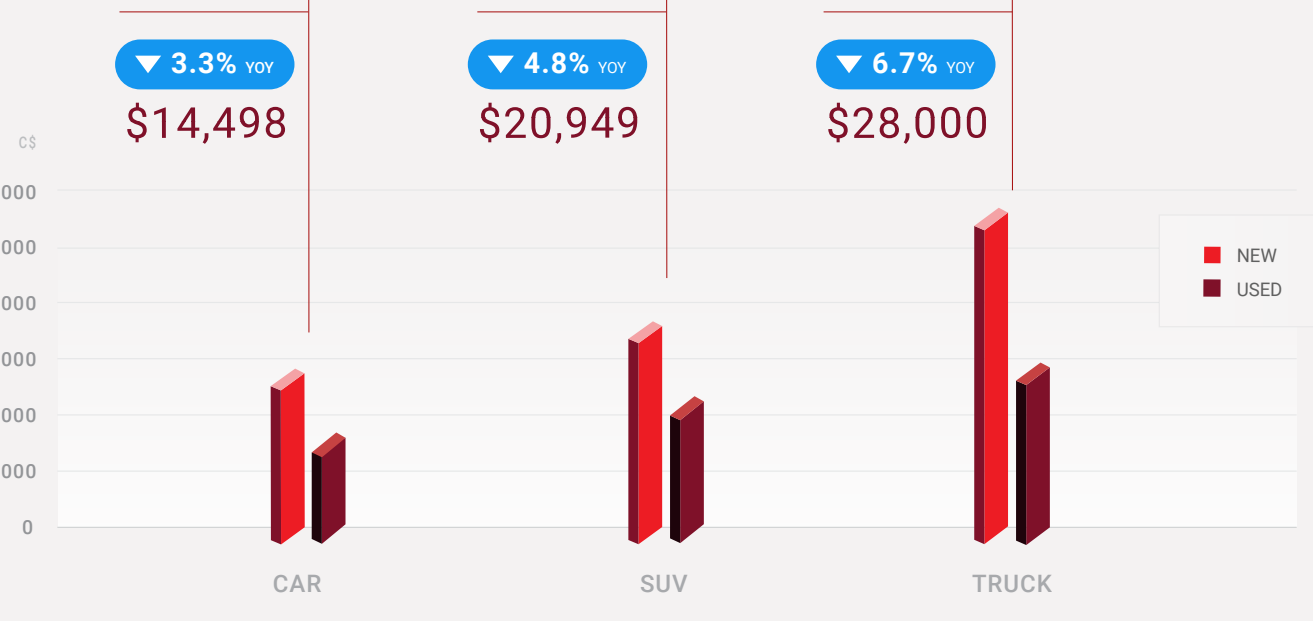
**Methodology:**

Based on median Canadian automotive pricing data (CAD \$) collected from more than 450,000 listings monthly on autoTRADER.ca from late July 2019 to late August 2020. This chart focuses on the median price of a vehicle, which is defined as the middle price; half of the cars sold in Canada are priced below the median and half are priced above. In addition to median pricing, year-over-year (YOY) price changes from July 26, 2019 to August 25, 2020 have been identified in blue, and month-over-month (MOM) price changes from late May/June to late July/August have been identified in light blue. Median price has been charted, rather than average, in order to ensure that high or low price outliers do not skew results. Any changes under 0.1% have been denoted as 0.0%.

AUGUST 2020

## NATIONAL MEDIAN PRICE

By Body Type



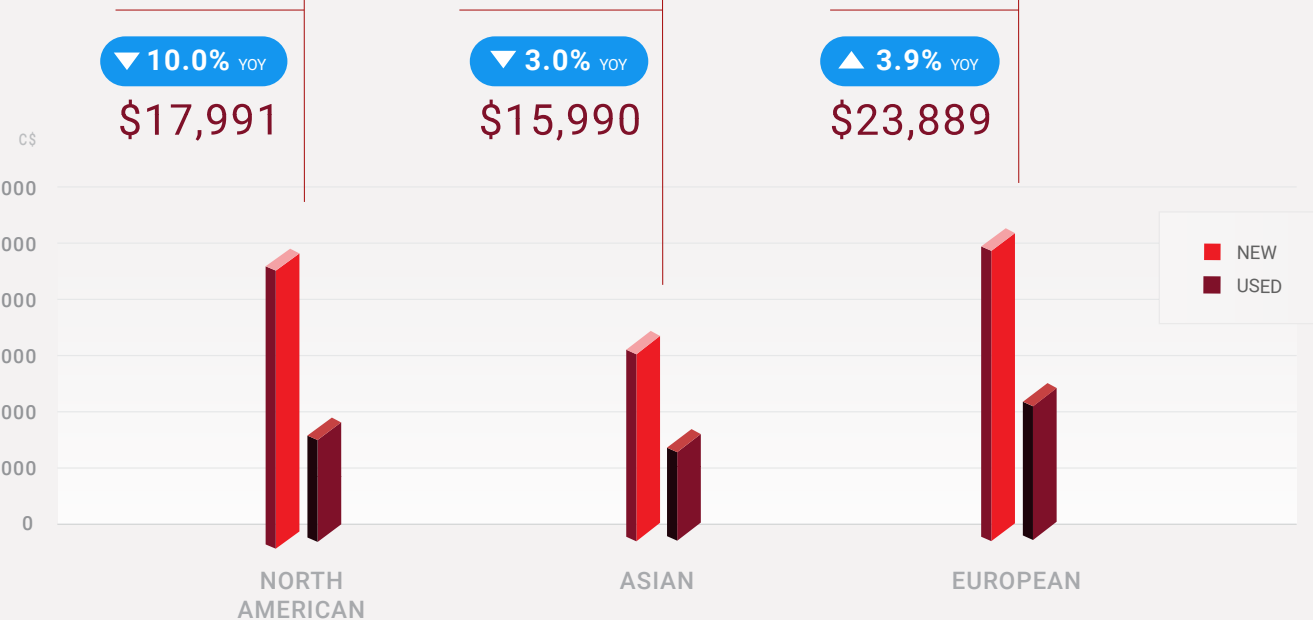
**Methodology:**

Based on median Canadian automotive pricing data (CAD \$) collected from more than 450,000 listings monthly on autoTRADER.ca from late July 2019 to late August 2020, segmented by vehicle type (car, SUV, truck). This chart focuses on the median price of a vehicle, which is defined as the middle price; half of the cars sold in Canada are priced below the median and half are priced above. In addition to median pricing, year-over-year (YOY) price changes from July 26, 2019 to August 25, 2020 have been identified in blue, and month-over-month (MOM) price changes from late May/June to late July/August have been identified in light blue. Median price has been charted, rather than average, in order to ensure that high or low price outliers do not skew results. Any changes under 0.1% have been denoted as 0.0%.

AUGUST 2020

## MEDIAN PRICE

By Manufacturer Origin



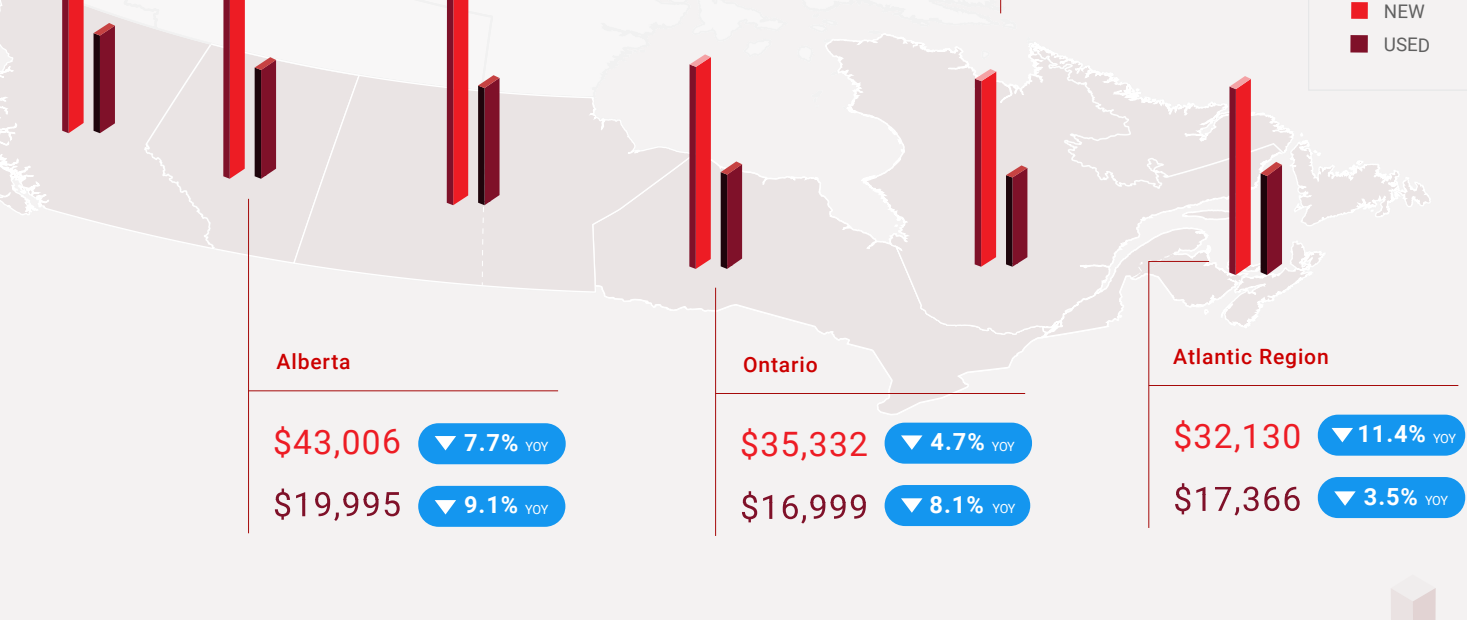
**Methodology:**

Based on median Canadian automotive pricing data (CAD \$) collected from more than 450,000 listings monthly on autoTRADER.ca from late July 2019 to late August 2020, segmented by manufacturer origin (North America, Asia, Europe). This chart focuses on the median price of a vehicle, which is defined as the middle price; half of the cars sold in Canada are priced below the median and half are priced above. In addition to median pricing, year-over-year (YOY) price changes from July 26, 2019 to August 25, 2020 have been identified in blue. Median price has been charted, rather than average, in order to ensure that high or low price outliers do not skew results. Any changes under 0.1% have been denoted as 0.0%.

AUGUST 2020

## NATIONAL MEDIAN PRICE

By Region



**Methodology:**

Based on the top ten most commonly searched vehicles for new and used listings, on autoTRADER.ca from late July 2020 to late August 2020. Prices indicated refer to the median new and median used price for each vehicle, averaged across all trim levels.

AUGUST 2020

## NATIONAL TOP SEARCHED VEHICLES

(July ranks appear in brackets)

1. Ford F-150 (#1)	NEW	\$52,814	USED	\$24,000
	NEW	\$44,080	USED	\$25,500
2. Ford Mustang (#2)	NEW	\$44,080	USED	\$25,500
	NEW	\$58,169	USED	\$17,900
3. BMW 3 Series (#3)	NEW	\$58,169	USED	\$17,900
	NEW	\$60,681	USED	\$28,500
4. Mercedes Benz C-Class (#4)	NEW	\$60,681	USED	\$28,500
	▲	\$31,070	▲	\$8,784
5. Honda Civic (#6)	▼	\$164,687	▼	\$109,888
	▲	\$88,368	▲	\$47,500
6. Porsche 911 (#5)	▲	\$32,683	▲	\$21,495
	▲	\$100,754	▲	\$54,999
7. Chevrolet Corvette (#7)	▼	\$54,042	▼	\$30,815
	▼	\$54,042	▼	\$30,815
8. Toyota RAV4 (#10)	NEW	\$54,042	USED	\$30,815
	NEW	\$54,042	USED	\$30,815
9. BMW M (#9)	NEW	\$54,042	USED	\$30,815
	NEW	\$54,042	USED	\$30,815
10. Jeep Wrangler (#8)	NEW	\$54,042	USED	\$30,815
	NEW	\$54,042	USED	\$30,815

**Methodology:**

Based on the top ten most commonly searched vehicles for new and used listings, on autoTRADER.ca from late July 2020 to late August 2020. Prices indicated refer to the median new and median used price for each vehicle, averaged across all trim levels.

## AUGUST SUMMARY

autoTRADER.ca continues to closely monitor Canadian car pricing trends month-over-month and year-over-year, leveraging robust data from over 450,000 new and used vehicle listings on the marketplace. Between July 26 and August 25, 2020, national median new and used vehicle listing prices recorded declines for the fourth consecutive month while the autoTRADER.ca marketplace observed another record month for visitor traffic at 25 million visits, following a three-month high. This surge in consumer demand, coupled with a shortage of vehicle availability has led to a supply and demand mismatch in the market. This dynamic typically results in increased vehicle prices but other factors such as the increase in unemployment rates and uncertainty in the market appear to be weighing prices in the opposite direction. We will continue to monitor these pricing behaviours as longer-term pandemic impacts on supply begin to materialize and report our findings in next month's Price Index.

### National new and used vehicle prices decline for fourth consecutive month

The median retail price of a new vehicle across Canada settled at \$36,470 in August, representing a decline of 7.2% year-over-year and 2.9% on month-over-month. Meanwhile, the median price of a used vehicle was \$17,488, accounting for a 5.5% decrease year-over-year and a 1.8% decrease compared to last month. This decline in used vehicle prices has occurred consistently since May 2020.

### New truck prices record first month-over-month price increase since April

After 243 months of consecutive pricing declines, the median price of new trucks increased year-over-year by \$55,243, accounting for a 1.1% increase month-over-month basis and 2.9% increase year-over-year. When examining other body types on the market, new sedans settled the month at \$28,045 representing a month-over-month decrease of 0.4% and a year-over-year increase of 2.9%. New SUV prices experienced a decline of 0.9% month-over-month and 2.0% year-over-year arriving at \$36,157.

Used vehicles experienced declines across all body types. SUVs settled at \$20,949, a decline of 0.2% month-over-month and 4.8% year-over-year. Used truck prices recorded a 0.4% decline month-over-month and 6.7% year-over-year, while used sedan prices recorded a 0.7% decline month-over-month and 3.3% decline year-over-year.

### North American new and used vehicle prices continue downward slide

New North American vehicles, which settled at \$48,307, saw a \$4,710 month-over-month and 0.8% year-over-year. European new vehicles flat at \$50,780 accounting for an increase of 0.1% month-over-month and 0.2% year-over-year. New vehicles manufactured in Asia experienced a month-over-month decline of 1.4% but an increase of 2.5% year-over-year. We are seeing most of the year-over-year pricing gains dissolve as dealers look to move inventory and interest rates remain favourable for Canadian consumers.

Used vehicle prices are down across Asian and Domestic manufacturers. North American vehicles continued to experience a decline in August with a 1.6% decrease month-over-month and a 10.0% decline year-over-year. Asian manufacturers also experienced a similar decline as the median price of used vehicles were down 3.0% year-over-year at \$15,990, despite remaining level month-over-month. Used European vehicle prices are up 1.7% month-over-month and 3.9% year-over-year with a median price of \$23,889.

### Alberta, Manitoba and Saskatchewan record highest median vehicle prices while prices in Québec and Atlantic Canada remain most affordable

Looking at how regionality impacts prices across Canada, new vehicle prices are down in all provinces once again. British Columbia experienced the largest pricing decline of 5.3% month-over-month followed by Alberta with a 2.6% decline, and Manitoba and Saskatchewan with a 1.9% decline. Alberta currently has the highest median new vehicle price at \$43,006 compared to Atlantic Canada, with the lowest median price of \$32,130.

Used vehicle prices are experiencing declines in Ontario, British Columbia and Québec, while prices increased month-over-month in Atlantic Canada and remained level in Alberta. Manitoba and Saskatchewan recorded the largest month-over-month decline of 4.1%, while prices in Manitoba and Saskatchewan experienced an increase of 2.2%. The highest used vehicle prices are found in Manitoba and Saskatchewan at \$20,999 while Québec remains the most economical at \$15,995.