

Price Index

Q1 2025

The AutoTrader Price Index report delivers a quarterly overview of the Canadian automotive market by examining pricing data from hundreds of thousands of new and used vehicle listings nationwide. The report tracks changes in vehicle prices over time and offers in-depth analysis of consumer buying patterns, inventory availability, average monthly payments, and the most popular vehicles based on search and sales data. This comprehensive report provides valuable insights into the key trends and factors influencing Canada's automotive landscape.

Summary

The Canadian automotive market started 2025 strongly for both new and used vehicles, with March sales boosted by consumers reacting to anticipated tariffs. While new car inventory has largely recovered to pre-pandemic levels, ongoing uncertainty around tariffs is making long-term forecasting difficult, with potential outcomes ranging from flat sales to a 25% decline this year.

Used vehicle demand remains high, partly due to some buyers shifting from new cars and others accelerating purchases to avoid potential future price hikes. However, used car inventory remains tight and is expected to stay constrained until 2027, which may keep prices elevated.

Affordability has improved from pandemic peaks, with new and used vehicles requiring fewer weeks of average earnings to purchase, though still above pre-pandemic levels. The overall outlook is uncertain and will depend on how tariffs evolve, but current trends signal cautious optimism for both consumers and the industry.

Table of Contents

Canadian Automotive Market	3
Marketplace Index	4
Vehicle Purchase Intent	5
Average Monthly Payments (New)	6
Average Monthly Payments (Used)	7
Average Price by Body Type	8
Average Price by Origin	9
Average Price by Region (New)	10
Average Price by Region (Used)	11
Top Searched Vehicles	12
Top Sold Used Vehicles on AutoTrader.ca	13
Vehicle Inventory by Quarter (New)	14
Vehicle Inventory by Quarter (Used)	15

Canadian Automotive Market

March 2025 Update

Aligned with our expectations from the end of last year, we've seen a strong market both for new and used vehicles in the first quarter. One factor we could not forecast at that time, however, was the roll-out of tariffs and their impact on the automotive market. March was a strong month both for new and used vehicle sales, mostly driven by the announcements of upcoming tariffs. Our "no tariff scenario" forecast suggests further uptick in new car sales, but, given the back and forth on tariffs and their inevitable impact on prices, long-term tariffs will impact sales figures, though the scale of the impact remains unknown. Current industry forecasts have a large range from flat to a 25% year-over-year dip, which summarizes the uncertainty around the situation. These conditions have made it difficult to forecast. We will continue to monitor the market and provide updates as the situation becomes clearer.

The used car market was also strong in Q1, with a continued increase in demand, reduced prices, and decreasing interest rates. Just like the new car market, the used market is expected to grow in 2025 with inflation under control and an economy that was chugging along with no concerns of a recession until tariffs came into the picture. Based on sales and pricing figures we analyze on an ongoing basis, tariffs have already impacted the used car market, with some of the demand already shifting from new to used vehicles as well as some consumers accelerating their purchases due to the anticipation of another pandemic-like price increase in the market.

Compared to the previous quarter, there haven't been any unexpected changes in inventory trends for used or new vehicles. At the aggregate level, new car inventory is healthy and back to pre-pandemic levels. Certain OEMs, however, mostly Asian manufacturers, remain behind in availability, partly due to the increase in demand for this segment. Used car inventory is still constrained compared to previous years, as we are starting to see the impact of the new cars that weren't sold during the pandemic. We expect these challenges to continue until 2027, which, in turn, might have further impact on used car prices if the demand continues as it is with low supply. One silver lining in this tariff situation is that lower volume of cars is expected to be exported to the U.S. since used vehicles will also be a subject for tariffs when they are crossing the border, which in turn should help with the supply situation in Canada.

AutoTrader's Vehicle Affordability Index, which measures affordability in consideration of average weekly wages, indicates an improvement in new vehicle affordability, while used vehicle affordability has ticked up slightly in January, which aligns with increased demand and tightness in inventory supply. As of January 2025, (the latest available earnings data from StatsCan*** at time of writing), it takes 29 weeks of average earnings to purchase a used vehicle and 50 weeks for a new car. Although these figures are higher than pre-pandemic levels, they have improved from their peaks of 34 weeks for used and 56 weeks for new vehicles, signaling a positive trend for consumers as well as the Canadian automotive market.

Source: * Distributions of Household Economic Accounts for Income, Consumption, Saving and Wealth of Canadian Households, First Quarter 2025, StatsCan, March 2025. *** AutoTrader Analytics with StatsCan Base Data: Data Table 14-10-0222-01 Employment, Average Hourly and Weekly Earnings (Including Overtime), and Average Weekly Hours for the Industrial Aggregate Excluding Unclassified Businesses, Monthly, Seasonally Adjusted.

Marketplace Index

National Average Prices

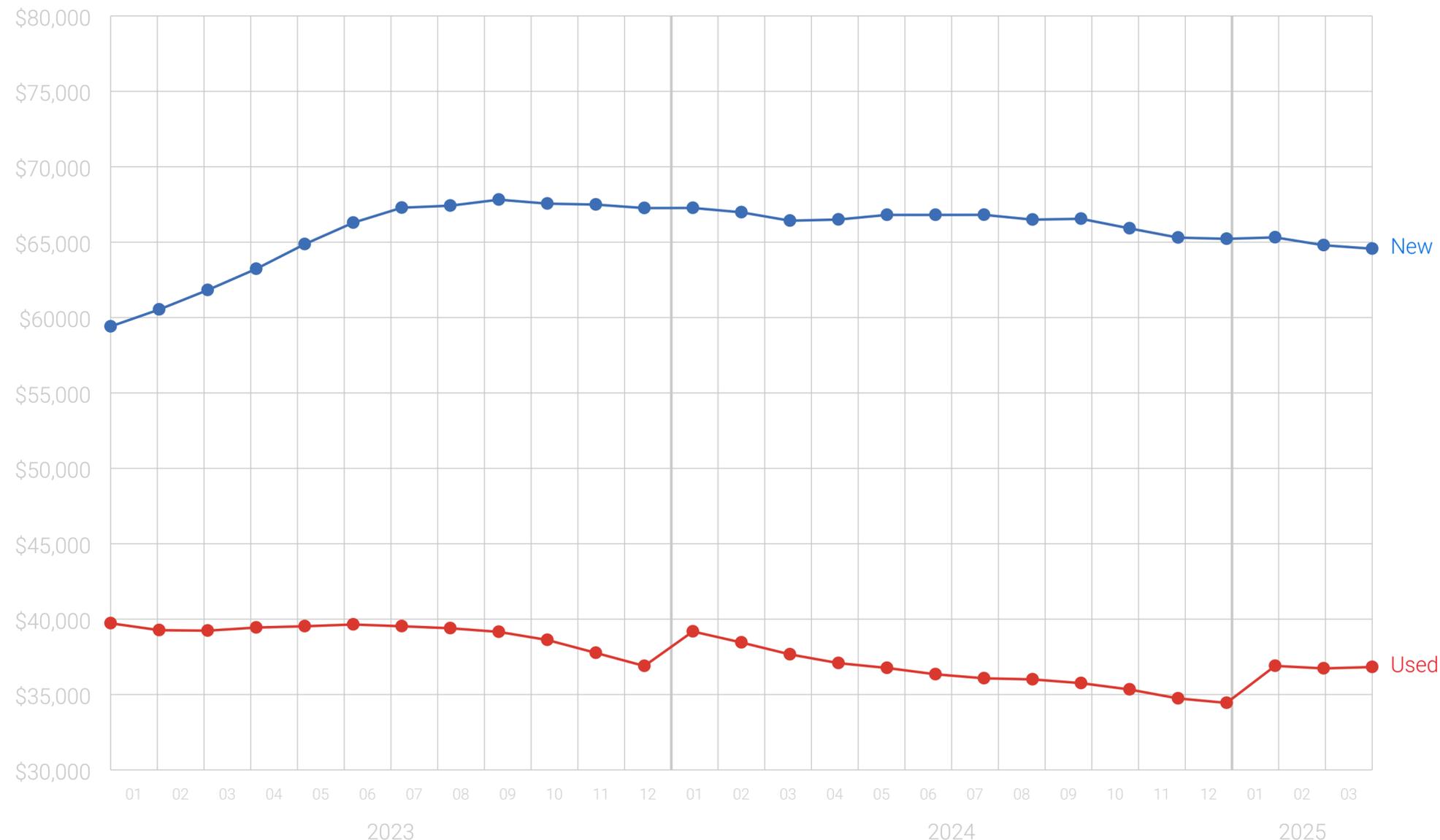
Tariffs are Here & Already Impacting Used Vehicle Prices

The average interest rate for new vehicles edged up 0.1% month-over-month, while prices have dropped for two consecutive months to \$64,564 – a 2.8% year-over-year decline. Currently, both new car prices and interest rates remain stable, supported by healthy inventory levels, though it may be too soon to see the full effects of tariffs. Pricing impacts are inevitable, but the timing, scale, and affected manufacturers remain uncertain. Unlike the pandemic period, dealer lots now have ample inventory, which could help the market weather short-term tariffs.

Used car prices are showing nuance amid tariff discussions. During the pandemic, supply shortages pushed new car shoppers to the used market, raising prices in both segments. A similar trend is emerging as tariffs take effect, with 30% of tariff-impacted buyers (47% of all intenders) in a recent AutoTrader survey saying they would switch to used vehicles. This shift is reflected in increased site activity and a slight month-over-month uptick in used car prices – unusual for March in a typical year. If tariffs are short-lived, these trends are likely to persist.

Battery Electric Vehicle (BEV) prices are down year-over-year: 6.1% for new (\$68,848 average) and 13.8% for used (\$42,595 average). The sudden end of the federal incentive program in January has created confusion, affecting demand. Germany's experience – where incentive cuts led to a 68.8% sales drop – suggests 2025 could be challenging for BEV sales in Canada unless EV policies change. The fate of existing mandates may become clearer after the upcoming federal election.

Looking at segments, luxury used vehicle prices have dropped 7.3% year-over-year, compared to a 1.8% decline for mainstream brands. High inflation and interest rates are driving consumers toward mainstream options, a trend confirmed by both internal and third-party data.



New

\$65,564

▼ -0.4% MOM ▼ -2.8% YOY

Used

\$36,823

▲ 0.3% MOM ▼ -2.2% YOY

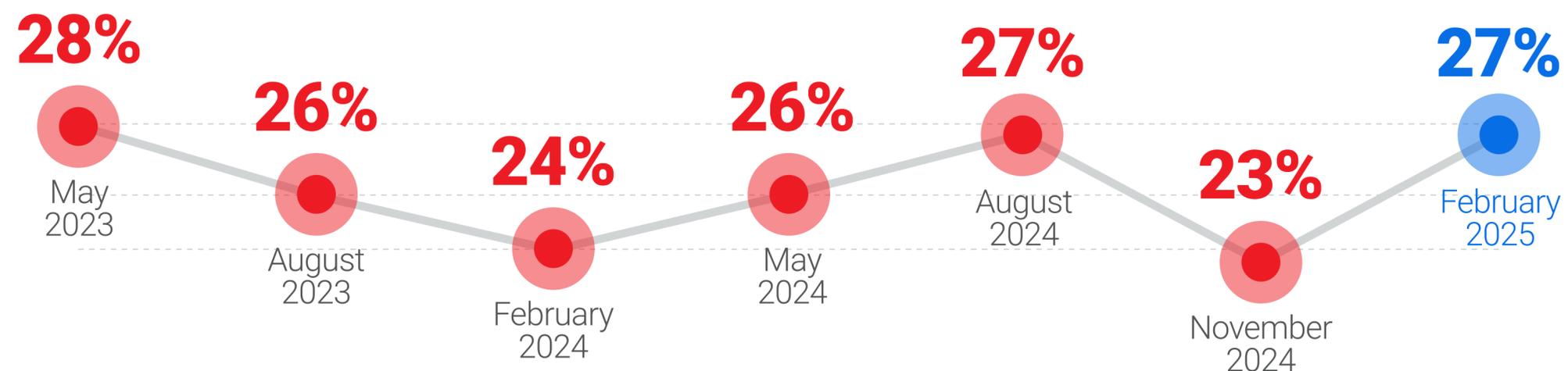


* Subvented New Car Interest Rates from Dealertrack Canada, a Division of TRADER Corporation.

Methodology: Based on average Canadian automotive pricing data (CAD \$) collected from hundreds of thousands of listings monthly on AutoTrader from January 1, 2023 to March 31, 2025. In addition to average pricing, year-over-year (YOY) and month-over-month (MOM) price changes have been identified. The average has been adjusted based on the make and age of the vehicles available on the market during the collection period. The adjustments mean that any fluctuations in inventory won't pull the average too far in one direction or another. Any changes under 0.1% have been denoted as 0.0%.

Vehicle Purchase Intent

Aligned with the increase in demand for both new and used vehicles, purchase intentions also improved in February. This increase is mostly driven by heightened interest in new vehicles, likely due to anticipation of tariffs at that time. We expect these trends to continue, assuming the tariffs are short-lived. However, if the tariffs persist, we may see a decline in purchase intentions and, consequently, in overall demand.



Methodology:

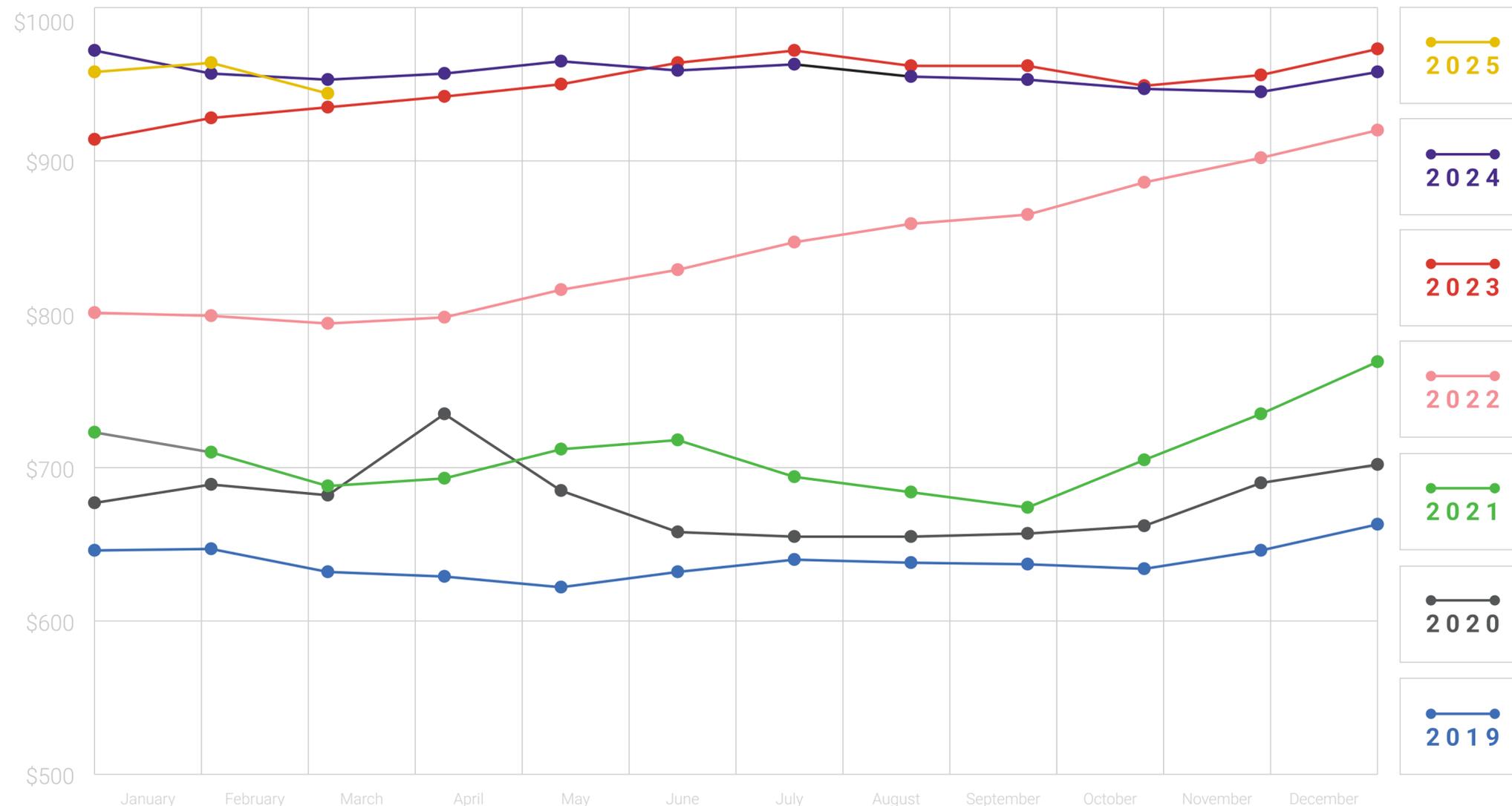
Vehicle Purchase Intention Research Conducted by AutoTrader with DIG Insights, Between Feb 6-12, 2025, with a Representative National Sample of 1,529 Canadians Aged 17-74.

Average Monthly Payments (New)

Interest Rates for New Vehicles Were Stable in the First Quarter

Monthly payments for new vehicles have declined since the beginning of 2024 but have remained relatively stable over the past few months. Barring any major macroeconomic shifts, leading bank economists expect further interest rate cuts, which could have an impact, particularly on new cars. Prices are projected to rise substantially due to tariffs, and manufacturers may use interest rate reductions, as they often do, to stimulate demand if tariffs affect new vehicle sales in the near term.

Source: Dealertrack Canada, a Division of TRADER Corporation, March 2025.



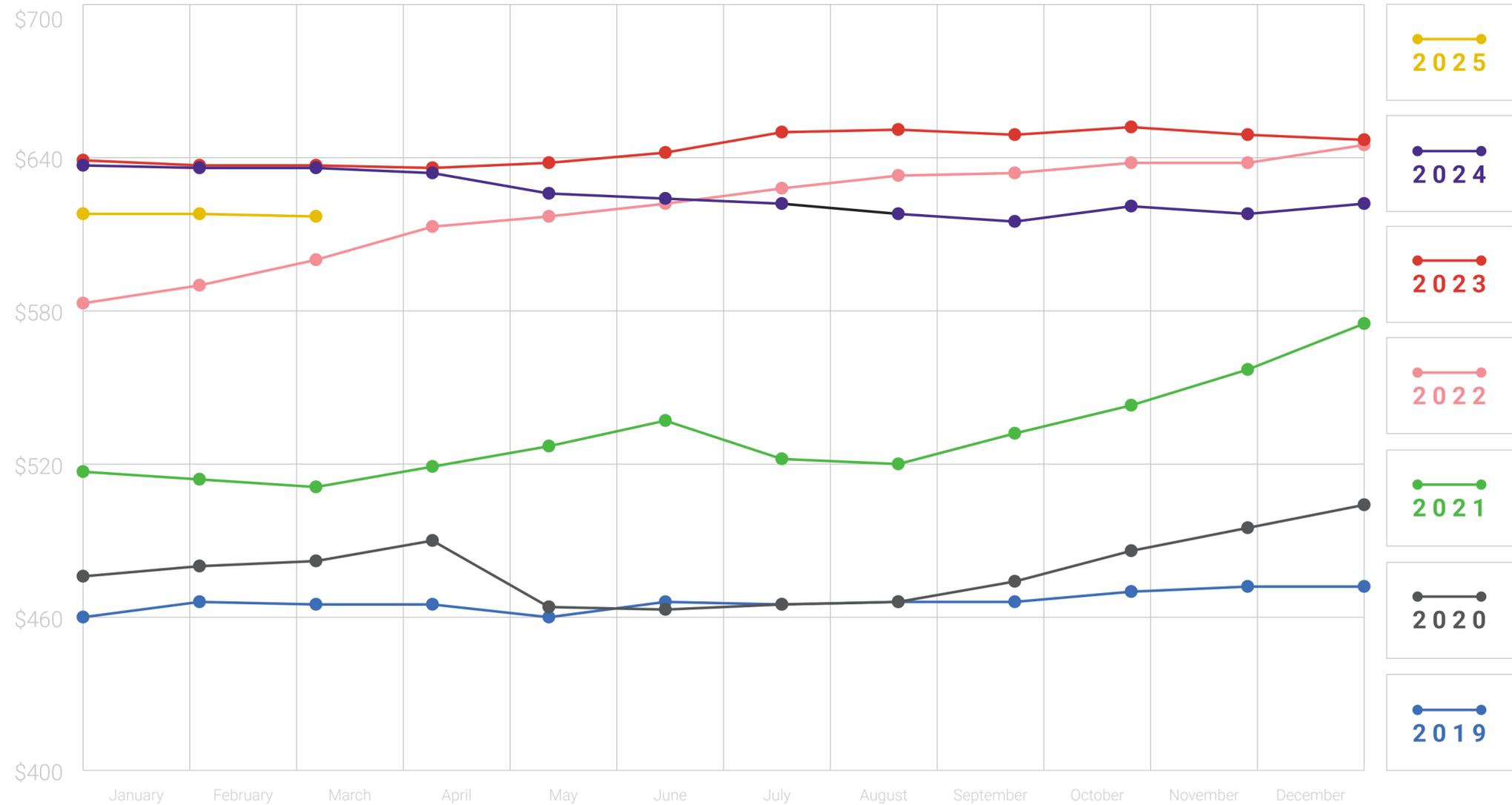
Methodology: Based on average Canadian automotive pricing data (CAD \$) collected from hundreds of thousands of listings monthly on AutoTrader from January 1, 2023 to March 31, 2025. In addition to average pricing, year-over-year (YOY) and month-over-month (MOM) price changes have been identified. The average has been adjusted based on the make and age of the vehicles available on the market during the collection period. The adjustments mean that any fluctuations in inventory won't pull the average too far in one direction or another. Any changes under 0.1% have been denoted as 0.0%.

Average Monthly Payments (Used)

Interest Rates for Used Vehicles Were Stable in the First Quarter

Monthly payments for used vehicles have declined since early 2024 but have remained relatively stable in recent months. Unlike new car interest rates, used vehicle interest rates have seen no major changes over the past few months. While interest rate cuts are anticipated more broadly, the impact on used cars may be more limited, mostly due to higher demand and lower supply levels, unless there are broader market shifts.

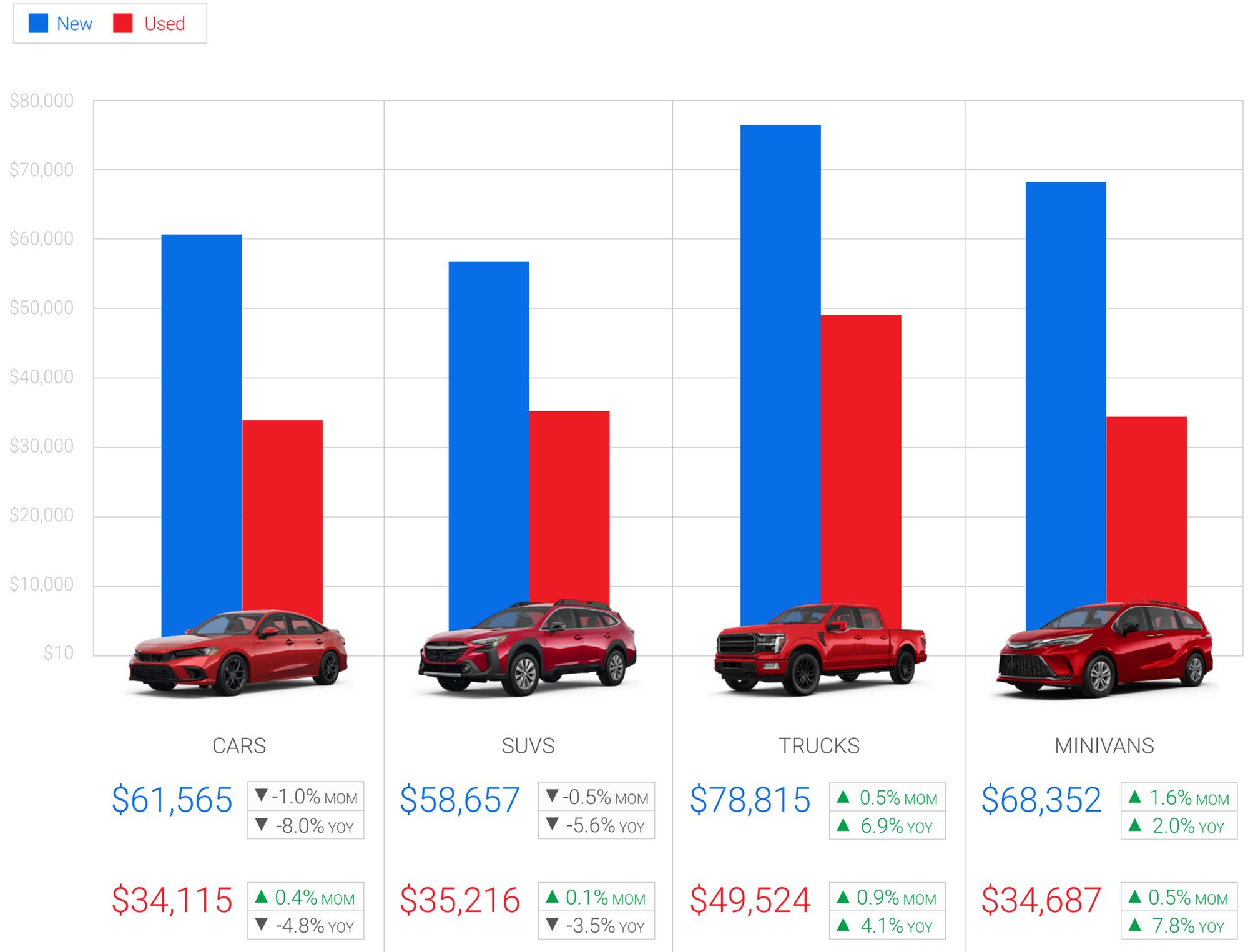
Source: Dealertrack Canada, a Division of TRADER Corporation, March 2025.



Methodology: Based on average Canadian automotive pricing data (CAD \$) collected from hundreds of thousands of listings monthly on AutoTrader from January 1, 2023 to March 31, 2025. In addition to average pricing, year-over-year (YOY) and month-over-month (MOM) price changes have been identified. The average has been adjusted based on the make and age of the vehicles available on the market during the collection period. The adjustments mean that any fluctuations in inventory won't pull the average too far in one direction or another. Any changes under 0.1% have been denoted as 0.0%.

Average Price By Body Type

National

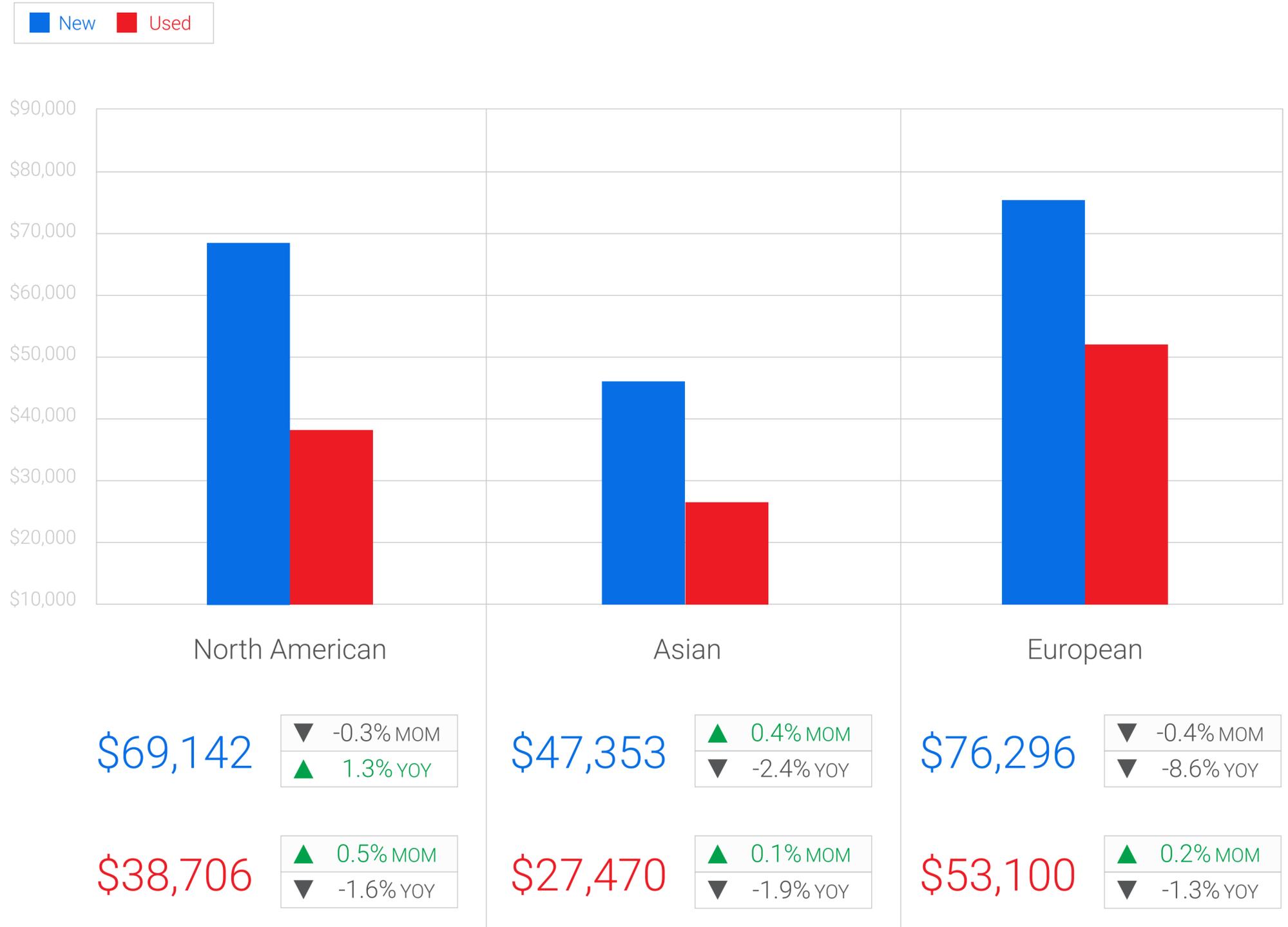


Methodology:
 Based on average Canadian automotive pricing data (CAD \$) collected from hundreds of thousands of listings monthly on AutoTrader from March 1, 2023 to March 31, 2025. In addition to average pricing, year-over-year (YOY) and month-over-month (MOM) price changes have been identified. The average has been adjusted based on the make and age of the vehicles available on the market during the collection period. The adjustments mean that any fluctuations in inventory won't pull the average too far in one direction or another. Any changes under 0.1% have been denoted as 0.0%.



Average Price By Origin

By Manufacturer

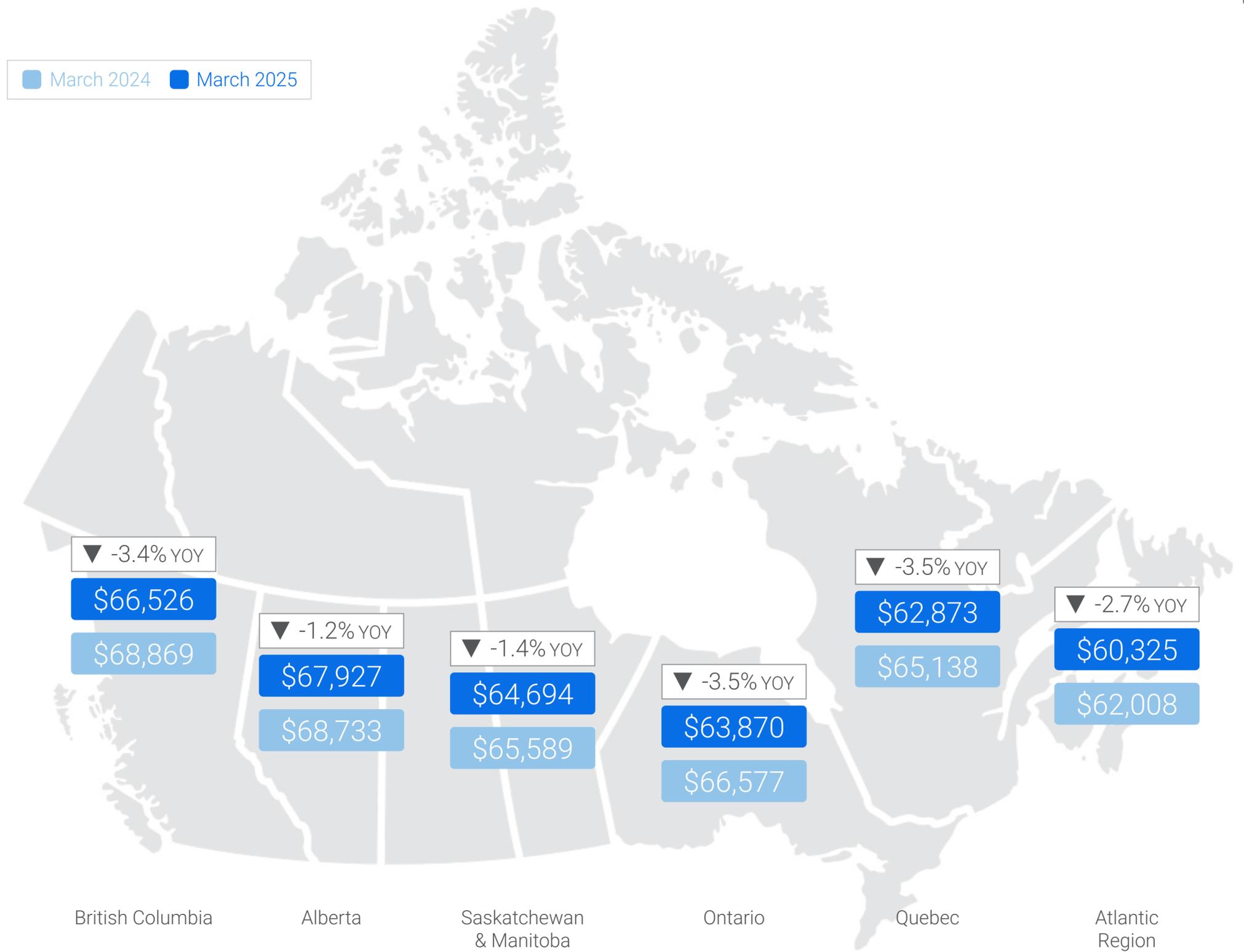


Methodology:
 Based on average Canadian automotive pricing data (CAD \$) collected from hundreds of thousands of listings monthly on AutoTrader from March 1, 2023 to March 31, 2025. In addition to average pricing, year-over-year (YOY) and month-over-month (MOM) price changes have been identified. The average has been adjusted based on the make and age of the vehicles available on the market during the collection period. The adjustments mean that any fluctuations in inventory won't pull the average too far in one direction or another. Any changes under 0.1% have been denoted as 0.0%.



Average Price (New)

By Region



Methodology:

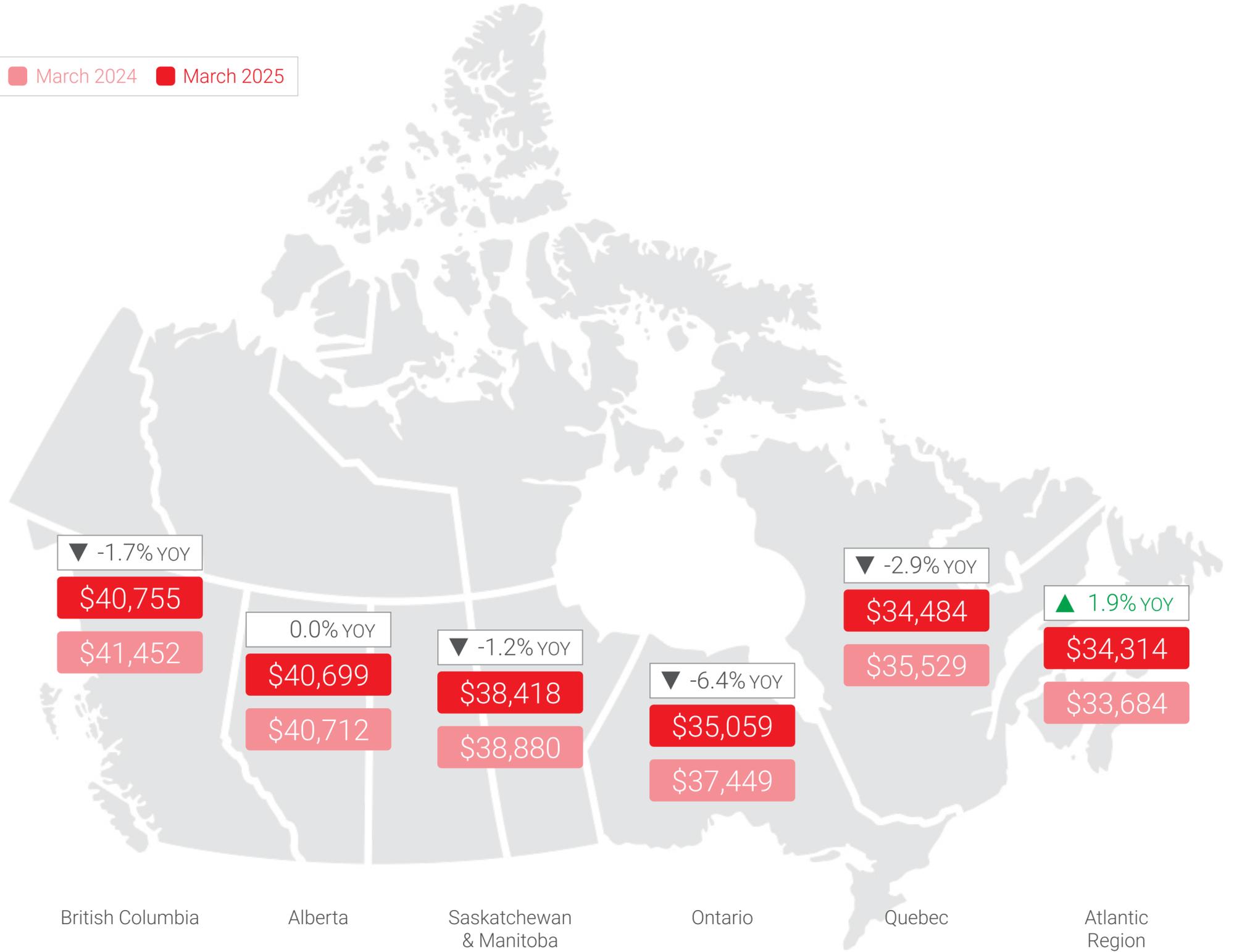
Based on average Canadian automotive pricing data (CAD \$) collected from hundreds of thousands of used vehicle listings monthly on AutoTrader in March 2023 and March 2025. The Atlantic region is defined as: Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland & Labrador. Due to limited population size, the territories are excluded, and Manitoba and Saskatchewan have been combined. The average has been adjusted based on the make and age of the vehicles available on the market during the collection period. The adjustments mean that any fluctuations in inventory won't pull the average too far in one direction or another. Any changes under 0.1% have been denoted as 0.0%.



Average Price (Used)

By Region

■ March 2024
 ■ March 2025



Methodology:

Based on average Canadian automotive pricing data (CAD \$) collected from hundreds of thousands of used vehicle listings monthly on AutoTrader in March 2023 and March 2025. The Atlantic region is defined as: Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland & Labrador. Due to limited population size, the territories are excluded, and Manitoba and Saskatchewan have been combined. The average has been adjusted based on the make and age of the vehicles available on the market during the collection period. The adjustments mean that any fluctuations in inventory won't pull the average too far in one direction or another. Any changes under 0.1% have been denoted as 0.0%.



Top Searched Vehicles

National (February Ranks In Brackets)

1. Ford F-150 (#1)		New \$75,201	Used \$41,690
2. Toyota RAV4 (#2)		\$43,846	\$33,441
3. Honda Civic (#3)		\$39,019	\$16,886
4. Honda CR-V (#4)		\$44,331	\$28,828
5. BMW 3 Series (#6) ▲		\$70,994	\$29,377
6. Ford Mustang (#8) ▲		\$64,266	\$42,721
7. Chevrolet Corvette (#12) ▲		\$132,857	\$91,918
8. Toyota Tacoma (#5) ▼		\$61,066	\$44,575
9. Toyota Corolla (#13) ▲		\$32,138	\$23,530
10. Toyota 4Runner (#7) ▼		\$66,744	\$50,956

Methodology:

Based on the top ten most commonly searched vehicles for new and used listings, on AutoTrader in March 2025. Prices indicated refer to the average new and average used price for each vehicle, averaged across all trim levels. Rankings for the month of February appear in brackets for reference. The average has been adjusted based on the make and age of the vehicles available on the market during the collection period. The adjustments mean that any fluctuations in inventory won't pull the average too far in one direction or another.

Top Sold Used Vehicles on AutoTrader.ca

National



1. Ford F-150



2. Toyota RAV4



3. Honda CR-V



4. RAM 1500



5. Honda Civic Sedan



6. Hyundai Elantra



7. Nissan Rogue



8. Ford Escape



9. Toyota Corolla



10. GMC Sierra 1500

Methodology:
Based on site analytics from AutoTrader.ca.



Vehicle Inventory (New)

By Quarter

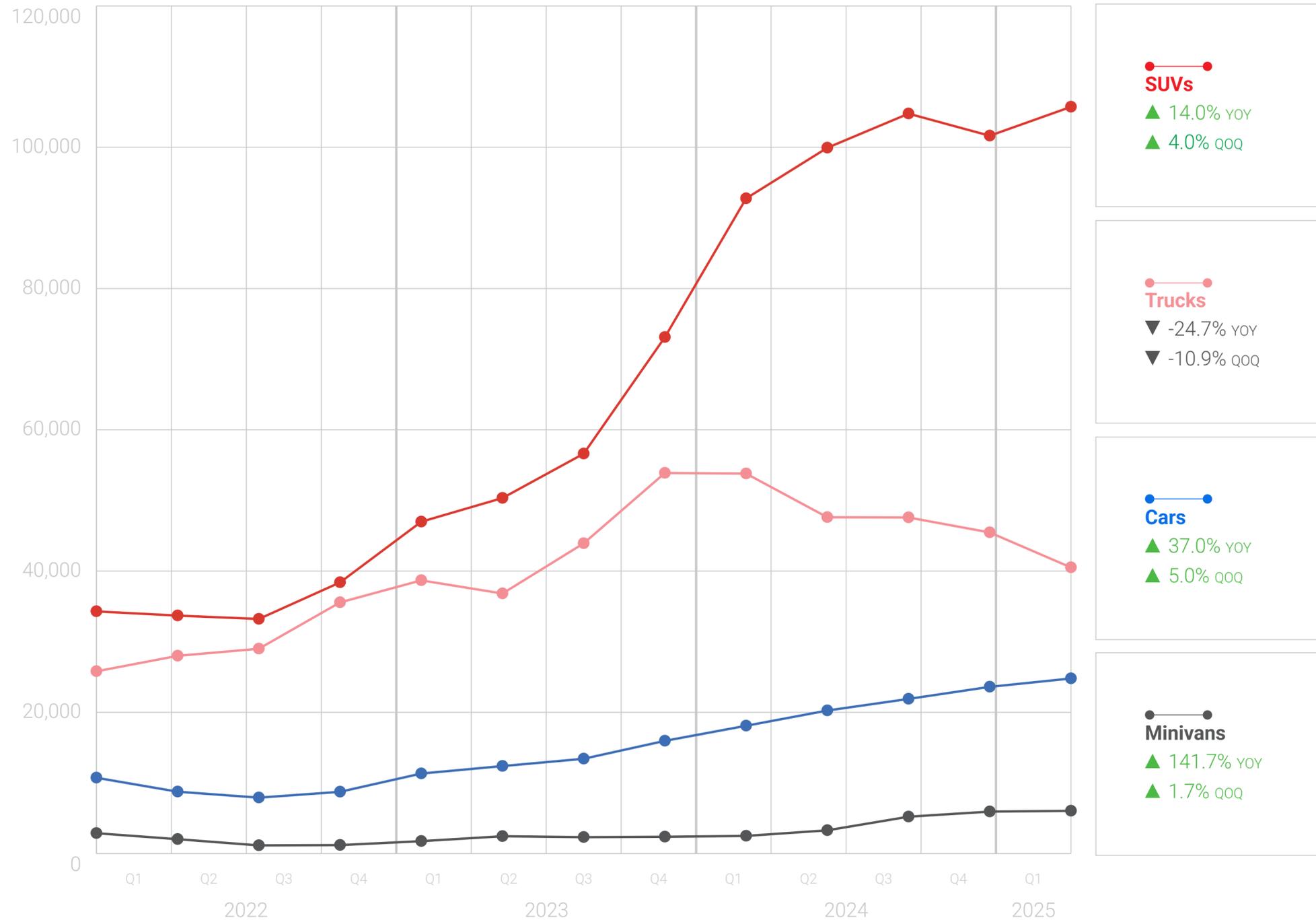
New Inventory Levels Are Healthy

Aside from light trucks, the uptick in new car inventory continues. Inventory is no longer an issue in the market, but if the current tariffs on autos persist, we may start to see some impact on availability, given that the supply chain between Canada, Mexico, and the U.S. is very tight, and disruptions in these supply chains are likely to affect production levels. As a countermeasure, if demand decreases due to tariff-related price increases, which is what we expect to see, this could potentially balance out the reduction in production levels, as some manufacturers are expected to produce fewer cars during these uncertain times. These dynamics will differ from one OEM to another depending on demand, their production decisions, and the impact on their vehicle prices.

New Battery Electric Vehicle (BEV) inventory continues to increase due to existing mandates, (up 30.3% year-over-year at time of writing). With federal incentives suspended, we expect a challenging year ahead for the Electric Vehicle (EV) market.

Methodology:

This data is the average of the total number of used automotive listings for the quarter on AutoTrader segmented by vehicle type (car, SUV, truck, minivan). Based on total listings, the data will be analyzed on a year-over-year and quarter-over-quarter basis to identify overall inventory availability in the market. Given that AutoTrader is the largest automotive marketplace in Canada, the data represents a snapshot of the overall Canadian automotive market.



Vehicle Inventory (Used)

By Quarter

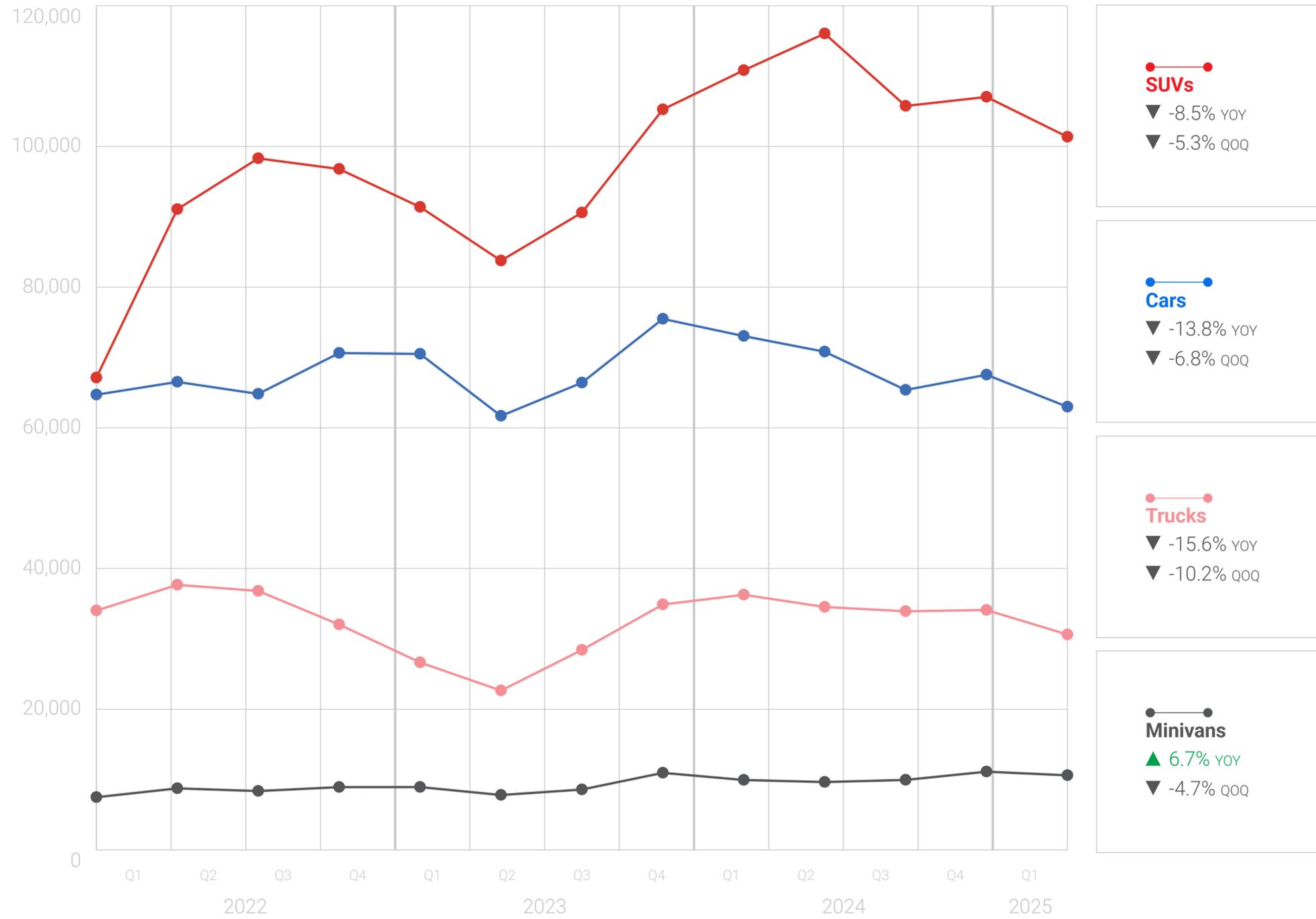
Used car inventory remains tight, a trend we've highlighted in recent reports. This is mainly due to three factors:

1. The reduced production and sales of new vehicles from 2020 to 2023 are now starting to limit the supply of used cars, especially as fewer lease returns return to the market.
2. Demand for used vehicles has increased recently, putting additional pressure on available inventory.
3. The weak Canadian dollar drove more exports of used cars to the U.S., further reducing supply here at home.

As a result, overall availability remains constrained compared to last year. As mentioned, one silver lining for the automotive market is that since tariffs are applied to used cars, we expect that this would reduce the volume of vehicles exported south of the border. This, in turn, could help improve used car supply during times when the Canadian dollar is weak against the U.S. greenback.

Methodology:

This data is the average of the total number of used automotive listings for the quarter on AutoTrader segmented by vehicle type (car, SUV, truck, minivan). Based on total listings, the data will be analyzed on a year-over-year and quarter-over-quarter basis to identify overall inventory availability in the market. Given that AutoTrader is the largest automotive marketplace in Canada, the data represents a snapshot of the overall Canadian automotive market.



Price Index

Q1 2025

Please direct all inquiries to:

 media.inquiries@trader.ca

 tradercorporation.com/press