AutoTrader.ca

Price Index

Q2 2026

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

As anticipated, the first half of 2026 softened following the tariff-driven surge in demand during the same period last year. So far into 2026, while the market moderated, both new and used vehicle sales proved more resilient than expected. Used vehicle sales declined an estimated 2.5% year-over-year in Q2 (-1.0% YTD), while new vehicle sales fell 1.3% (-2.6% YTD)[1], with both segments posting gains in June despite ongoing economic uncertainty.

The market was supported by renewed EV incentives, charging infrastructure investments, and higher gas prices, which boosted demand for new EVs. On the used side, stronger demand for affordable EVs pushed used EV prices up 0.4% year-over-year, contrary to the broader market trend.

Affordability remains the dominant market driver, with weaker demand concentrated among subprime buyers while prime consumers continued to purchase at higher levels than last year. Consistent with AutoTrader research, the Canada-United States-Mexico Agreement (CUSMA) renegotiations have had little influence on vehicle purchase decisions, with affordability continuing to shape consumer behaviour.

Overall, used vehicle prices declined 2.6% year-over-year to $36,690, while new vehicle prices dropped 2.2% to just over $63,000, reflecting a generally stable pricing environment despite continued market uncertainty.

Source: (1) DesRosiers Automotive Consultants, July 2026.

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Q2 2026 Update

We entered 2026 expecting a softer first half of the year following the tariff-driven boost in demand during the same period in 2025. While the Canadian automotive market has moderated, the slowdown has been considerably more modest than anticipated. Both the new and used vehicle markets have remained resilient despite continued economic uncertainty.

Used vehicle sales declined an estimated 2.5% year-over-year during the second quarter[2] and are down only 1.0% year to date. New vehicle sales declined 1.3% in the quarter and 2.6% year to date.[1] Encouragingly, both new and used vehicle sales increased in June, supported in part by an additional selling day, but also reflecting continued consumer demand despite elevated interest rates, inflationary pressures, and geopolitical uncertainty.

Electric vehicles (EVs) remain a key area of strength. Renewed EV incentives under the Electric Vehicle Affordability Program (EVAP), investments in charging infrastructure, and higher fuel prices boosted demand for new EVs, consistent with findings from our annual EV research, which showed increased purchase intentions prior to the policy announcements. Statistics Canada also reported a 15.8% year-over-year increase in EV sales during the first quarter of 2026.

In the used market, demand has remained concentrated in more affordable EVs, while inventory continues to be weighted toward higher-priced models. This supply-demand imbalance pushed average used EV prices up 0.4% year-over-year, contrary to the broader used vehicle market, where prices declined.

Affordability continues to be the dominant market driver. The moderation in used vehicle sales has been concentrated among subprime consumers, whose purchasing power has been disproportionately affected by higher living costs. Prime consumers, by contrast, purchased more used vehicles during both quarters of the first half of the year compared to the same period in 2025, indicating that market softness reflects affordability pressures rather than a broad decline in demand.

Source: (1) DesRosiers Automotive Consultants, July 2026. (2) Dealertrack and AutoTrader Analytics, July 2026.

Canadian Automotive Market

Q2 2026 Update

Overall, average used vehicle prices dipped 2.6% year-over-year to $36,690, while new vehicle prices eased 2.2% to just over $63,000. Although prices continue to normalize, they remain historically high, presenting ongoing affordability challenges. Our Canada-United States-Mexico Agreement (CUSMA) research reinforces that affordability remains the primary driver of vehicle purchase decisions. While consumers are aware of ongoing trade discussions, CUSMA renegotiations are not materially influencing overall purchase intentions. Instead, some shoppers are adapting their purchase choices by considering more affordable options, including switching from a new to a used vehicle (14%) in anticipation of higher new car prices. Broader economic uncertainty is also leading some consumers to delay purchases, but CUSMA itself has had limited influence on current shopping behaviour.

Overall, the Canadian automotive market has proven more resilient than expected in the first half of 2026. Sales volumes remain relatively stable, pricing continues to normalize, and demand is being supported by prime buyers and growing interest in EVs. While affordability challenges persist, particularly for lower-income households, current market conditions suggest a gradual transition toward a more balanced and sustainable market rather than a sharp correction.

Marketplace Index

National Average Prices

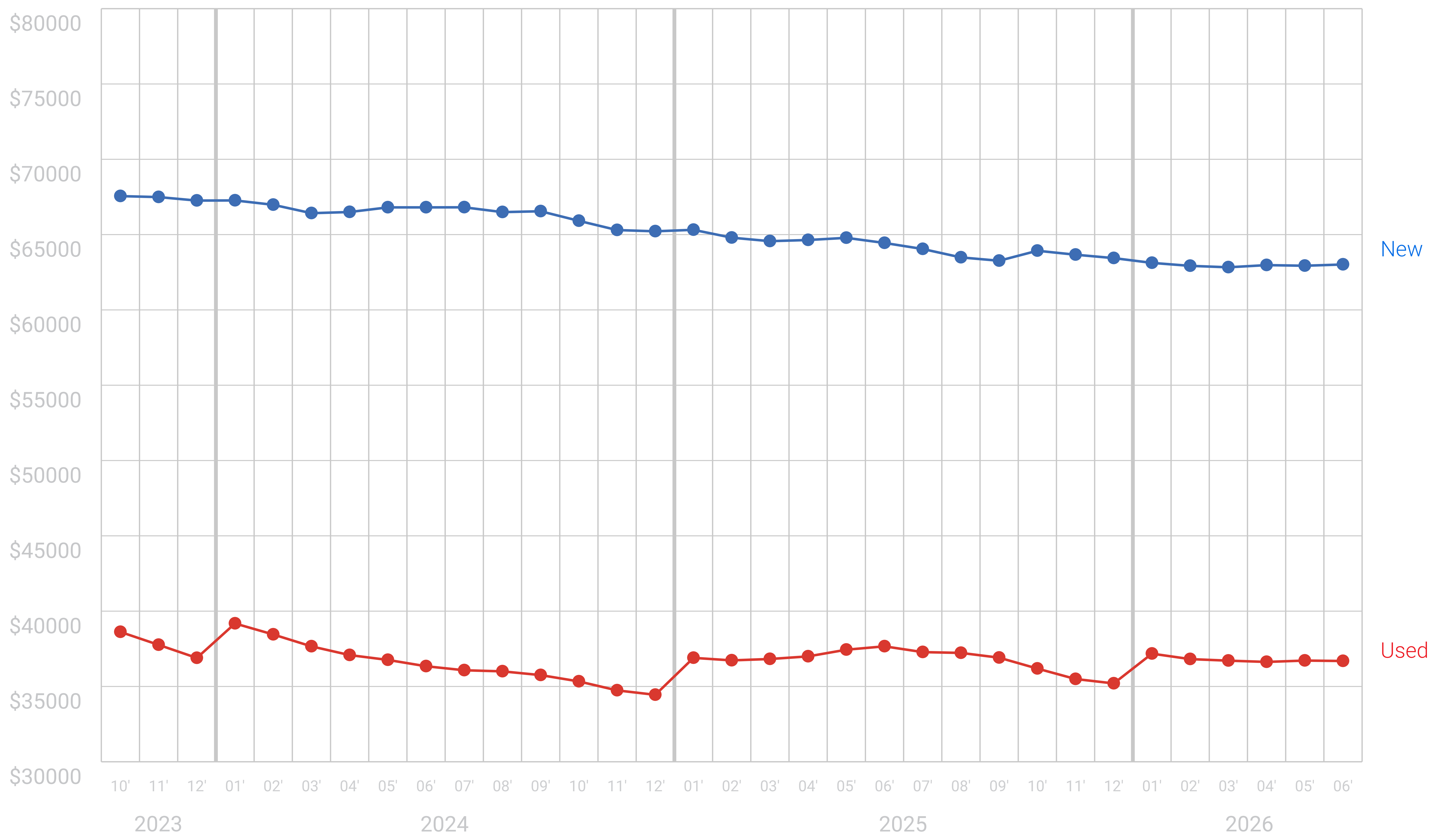
Used Car Prices are Trending Down but EVs are Getting More Expensive

Despite the June decline in used car prices, it was softer and more nuanced than usual given the increased interest in EVs due to higher gas prices. Moreover, while we do not expect the ongoing Canada-United States-Mexico Agreement (CUSMA) negotiations to drive an abrupt increase in demand or prices, prolonged negotiations could contribute to broader market uncertainty. Our CUSMA research suggests that affordability will remain the primary driver of purchase decisions, with some consumers delaying purchases or shifting toward more affordable vehicles if uncertainty persists.

As seen during the pandemic and last year's tariff period, shifts in the new car market tend to impact used vehicle prices more rapidly and more significantly. If trade uncertainty persists, used prices could face further pressure. Conversely, a normalization in trade relations with the U.S. would likely lead to a gradual price decline following typical seasonal patterns.

More broadly, used car prices are unlikely to return to pre-pandemic levels due to tighter supply, sustained demand, and structural factors such as population growth and electrification. The entry of Chinese electric vehicles (EVs) could introduce some downward pressure, although expected volumes in Canada remain relatively low.

Overall, both new and used markets are more stable, with inventory improving and prices settling into a new normal.



New

$63,016 ▲ 0.1% MOM ▼ 2.2% YOY

Used

$36,690 ▼ 0.1% MOM ▼ 2.6% YOY

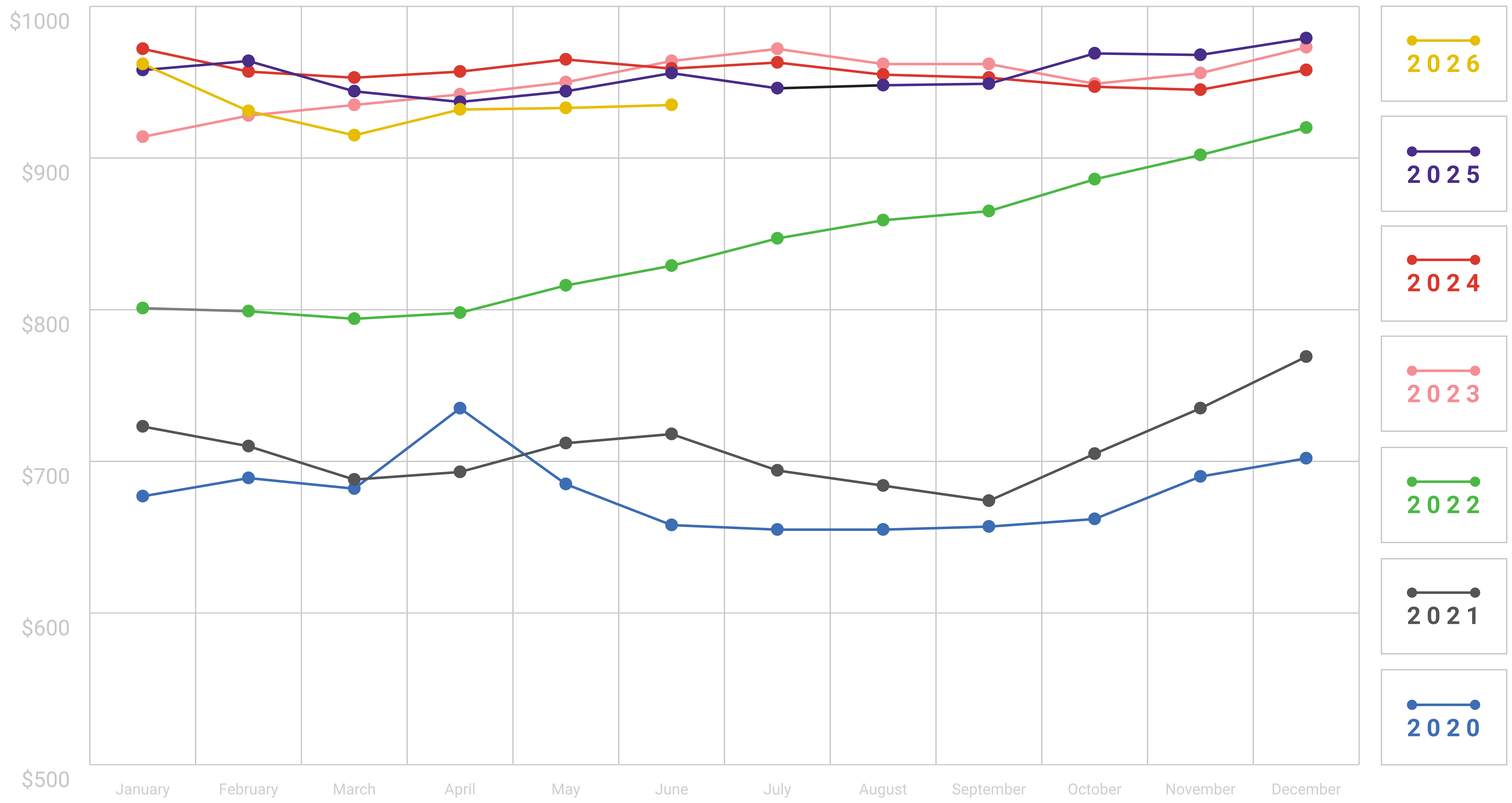
Methodology: Based on average Canadian automotive pricing data (CAD $) collected from hundreds of thousands of listings monthly on AutoTrader from June 1, 2024 to June 30, 2026. In addition to average pricing, year-over-year (YOY) and month-over-month (MOM) price changes have been identified. The average 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 (New)

New Car Monthly Payments Remain Stable

New vehicle monthly payments have also come down from last year's peak, now averaging $935, a 2.2% decline year-over-year.[3] Looking ahead, the upcoming Canada-United States-Mexico Agreement (CUSMA) review and ongoing tariff discussions could contribute to broader market uncertainty. Our CUSMA research suggests consumers expect trade policies to influence vehicle prices, based on trends observed through the pandemic and the tariff period from last year, which may reinforce affordability-focused purchasing behaviour. For now, however, we don't expect a meaningful shift in monthly payments. Inventory remains healthy, demand has been relatively steady, and interest rates are expected to stay broadly stable.

Source: (3) Dealertrack Canada, a Division of AutoTrader, July 2026.

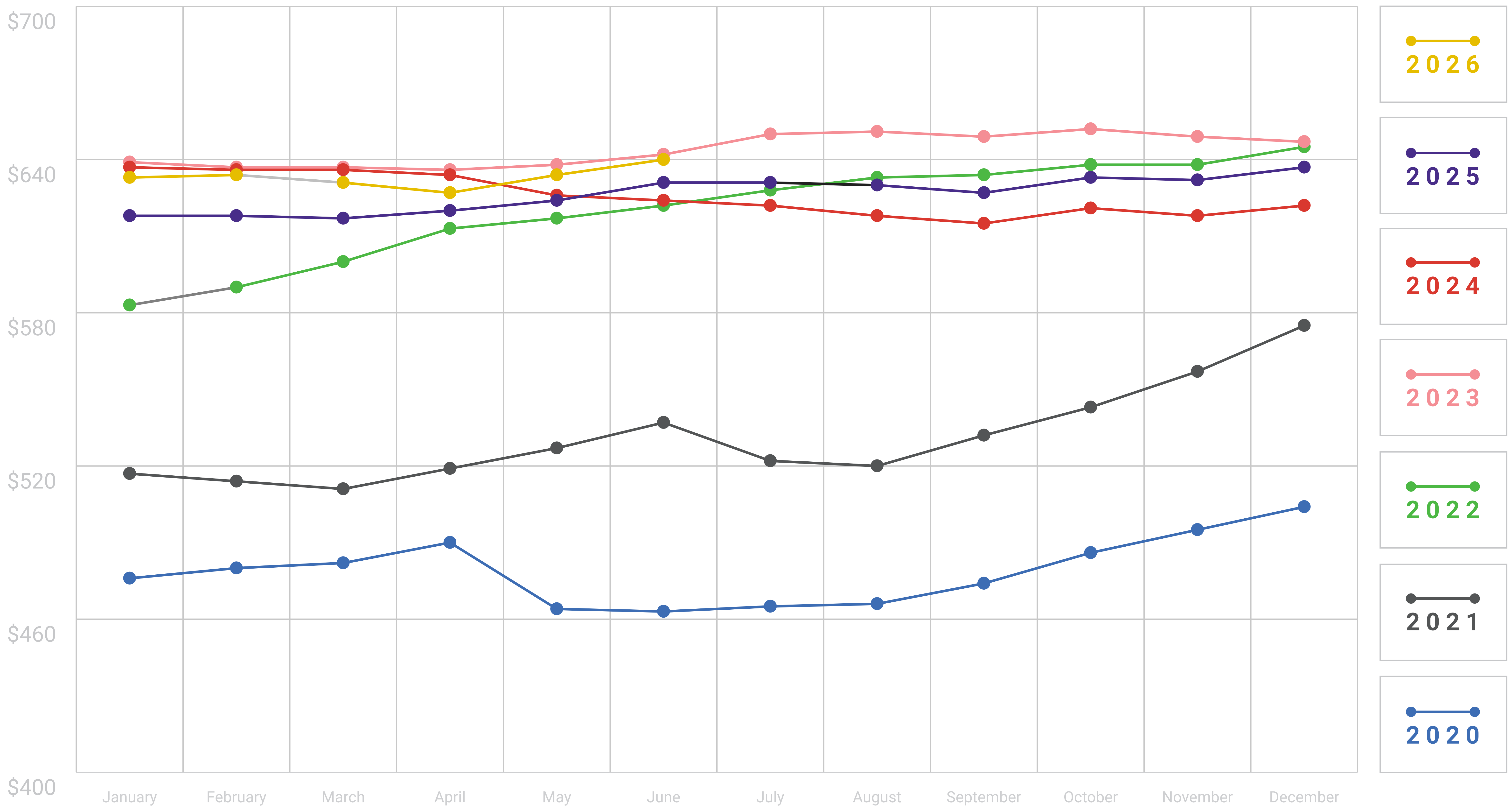


Average Monthly Payments (Used)

Used Car Payments are Steady

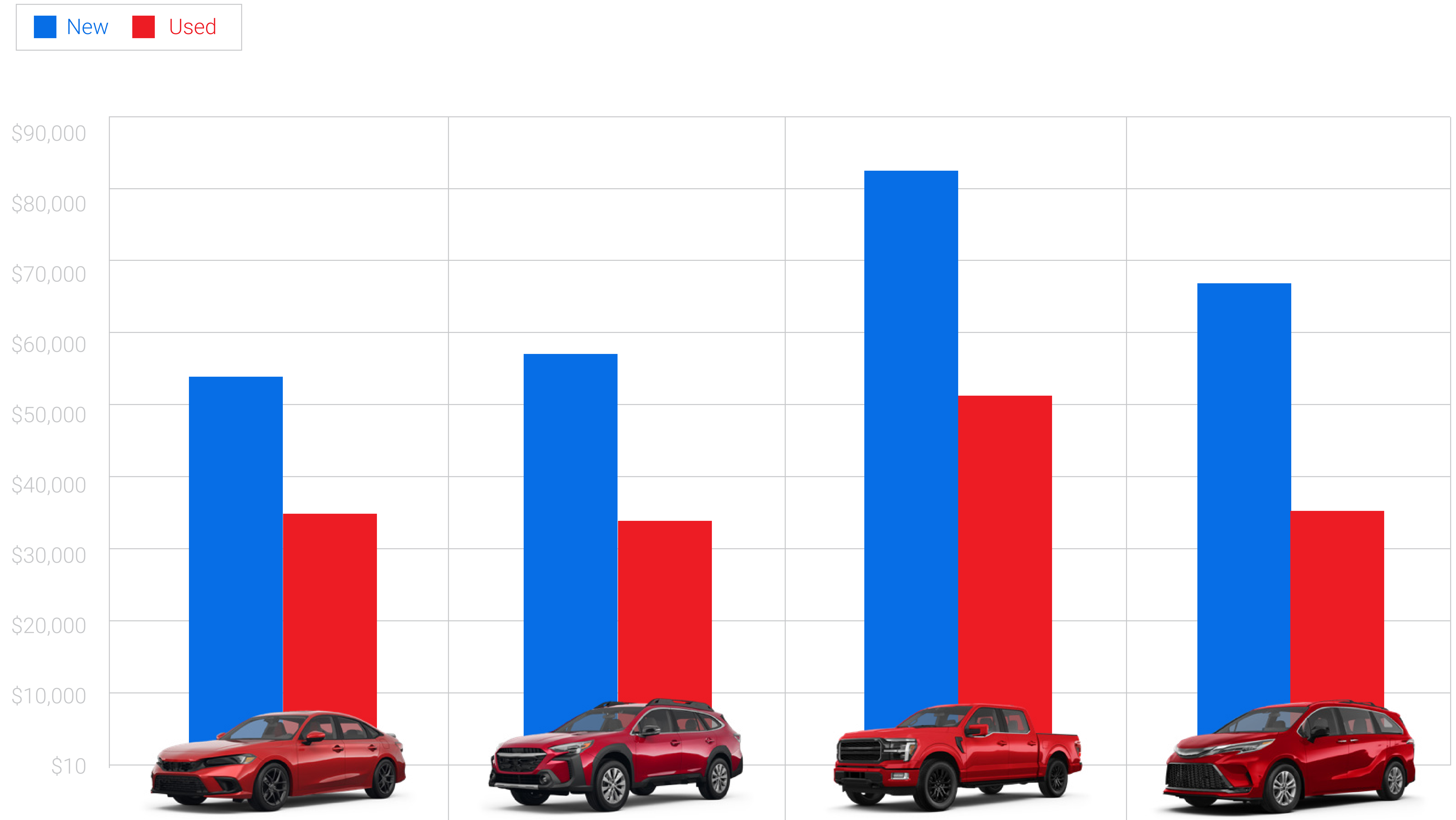
Used vehicle monthly payments are currently averaging $640, about 0.9% higher than a year ago.[3] Looking ahead, we don't expect much change. Vehicle prices are likely to remain relatively stable are there is limited room for further interest rate cuts and consumer demand is expected to hold up. Consequently, monthly payments should stay elevated but broadly steady throughout the remainder of the year.

Source: (3) Dealertrack Canada, a Division of AutoTrader, July 2026.



Average Price By Body Type

National



	CARS	SUVS	TRUCKS	MINIVANS
New	$53,986	$57,601	$82,045	$67,936
New MOM	▼ 0.7% MOM	▲ 0.4% MOM	▼ 0.2% MOM	▲ 0.4% MOM
New YOY	▼ 12.3% YOY	▼ 1.4% YOY	▲ 2.3% YOY	▼ 1.5% YOY
Used	$35,294	$33,953	$50,632	$35,141
Used MOM	▲ 1.7% MOM	▼ 0.4% MOM	▼ 1.6% MOM	▼ 0.2% MOM
Used YOY	▼ 1.1% YOY	▼ 4.2% YOY	▼ 2.3% YOY	▲ 0.8% YOY

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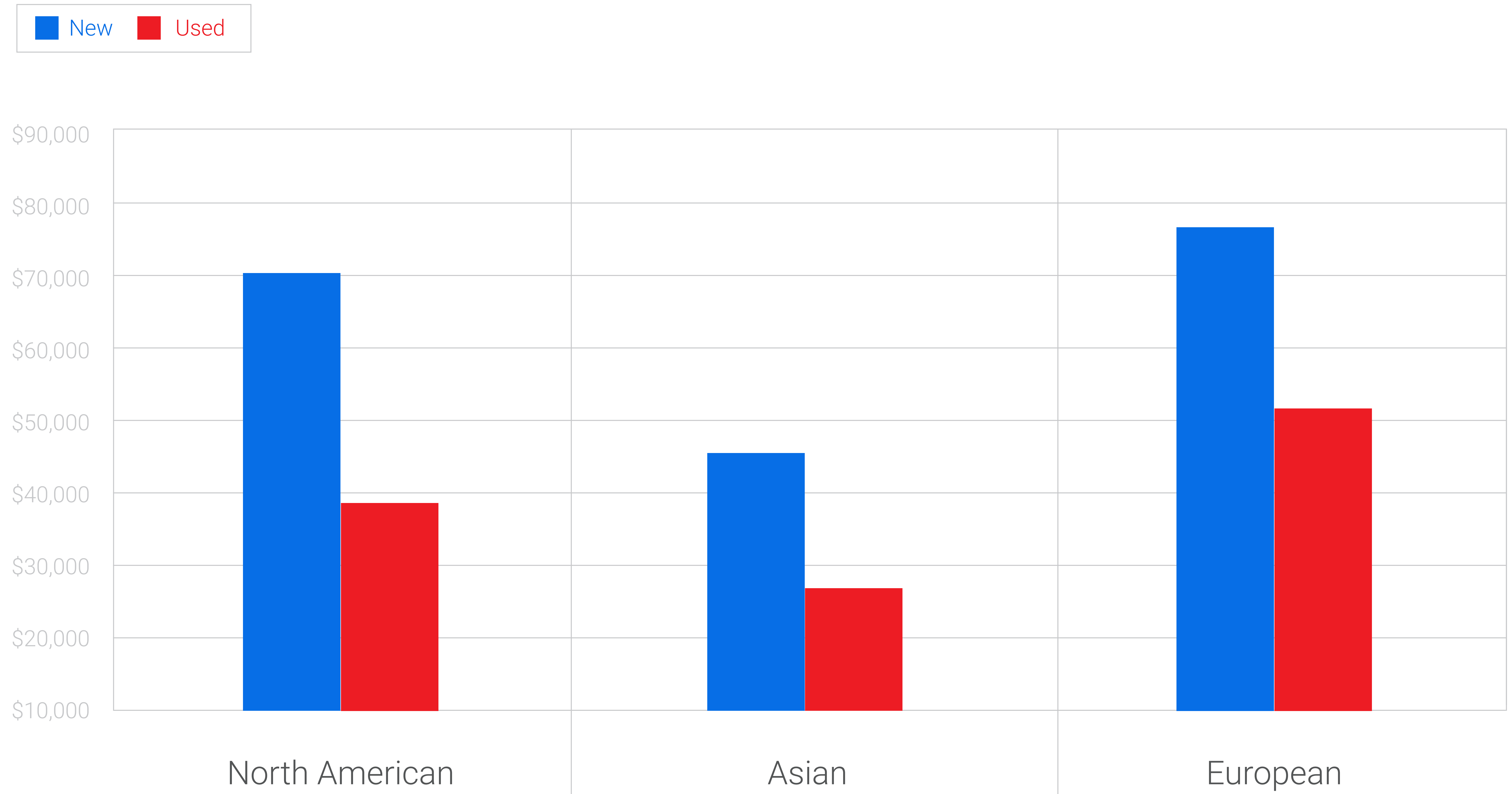
Average Price By Origin

By Manufacturer



	North American	Asian	European
New	$70,295	$45,707	$76,739
	▲ 0.7% MOM	▲ 0.4% MOM	▼ 1.2% MOM
	▲ 1.6% YOY	▼ 3.1% YOY	▼ 1.0% YOY
Used	$38,952	$27,582	$51,421
	▲ 0.3% MOM	▲ 0.4% MOM	▼ 1.3% MOM
	▼ 2.1% YOY	▼ 1.5% YOY	▼ 5.2% YOY

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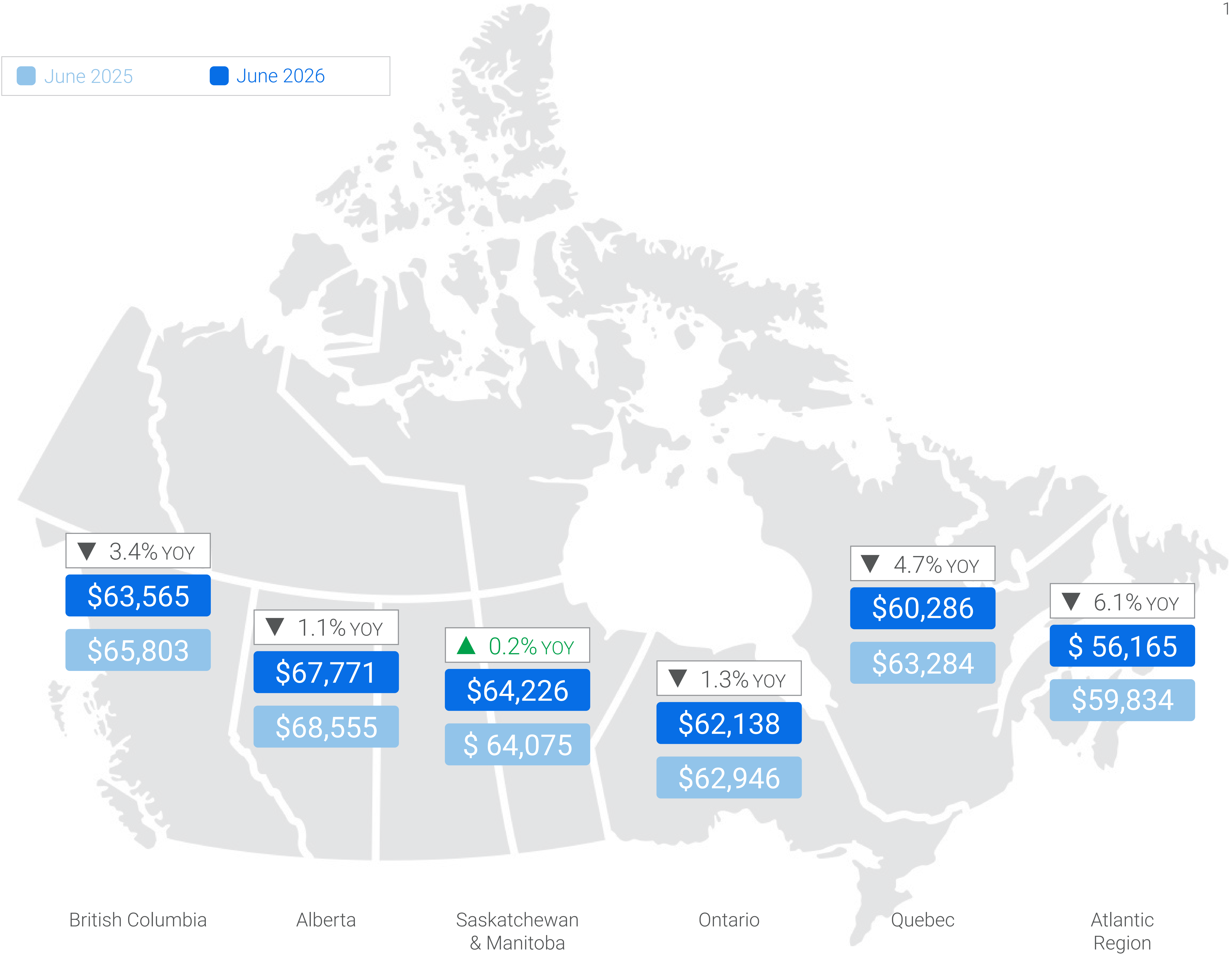
Average Price (New)

By Region



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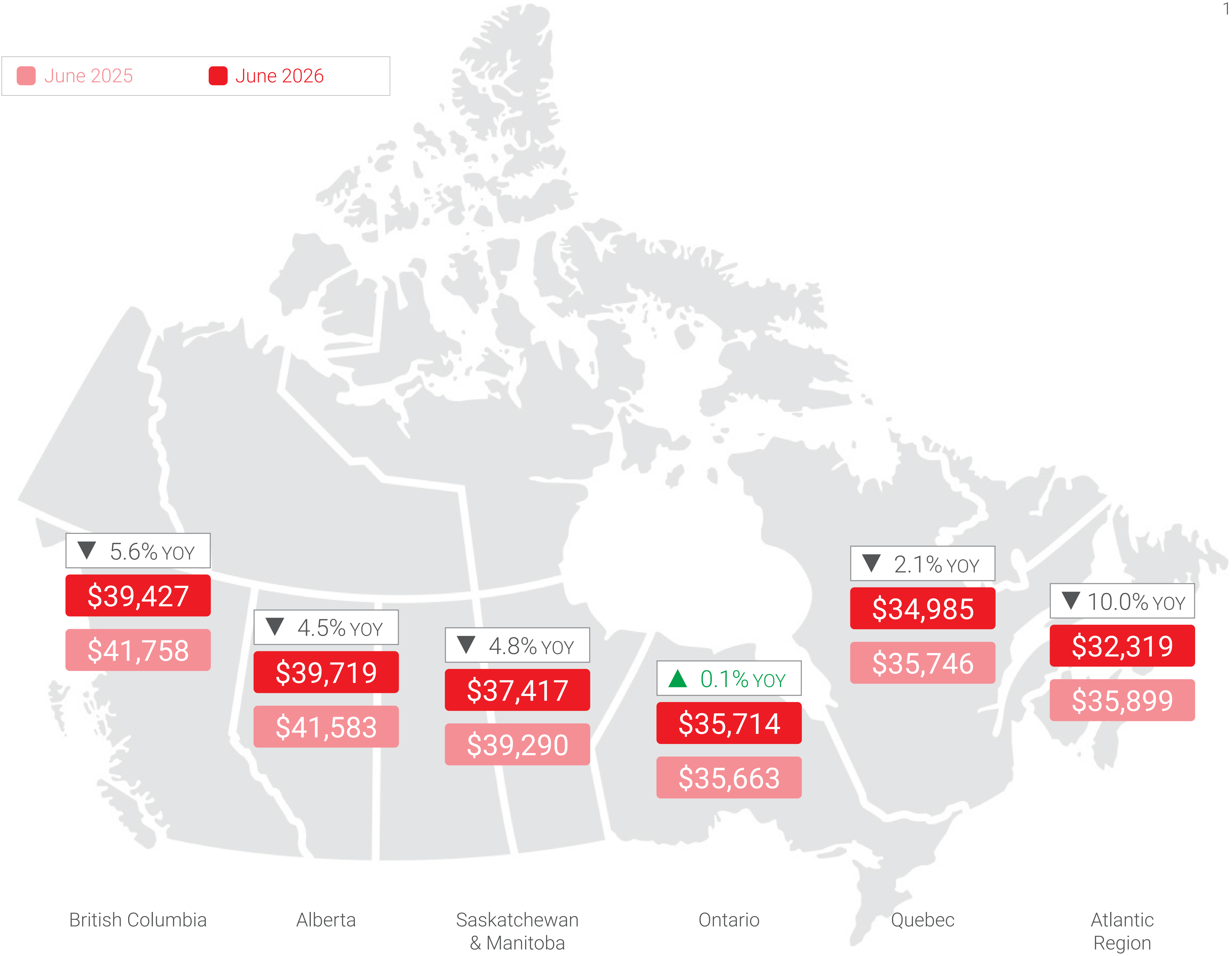
Average Price (Used)

By Region



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Top Searched Vehicles

National (Q1 2026 Ranks In Brackets)

Vehicle		New	Used
1. **Honda Civic** (#6) ▲		$39,722	$19,556
2. **Toyota RAV4** (#5) ▲		$51,919	$34,239
3. **Ford F-150** (#2) ▼		$79,751	$43,216
4. **Chevrolet Corvette** (#3) ▼		$134,906	$90,028
5. **Ford Mustang** (#4) ▼		$62,598	$41,822
6. **Honda CR-V** (#9) ▲		$45,518	$27,753
7. **Porsche 911** (#1) ▼		-	$228,109
8. **Toyota Crorolla** (#12) ▲		$31,243	$22,725
9. **Toyota Tacoma** (#11) ▲		$60,752	$45,691
10. **Toyota 4Runner** (#13) ▲		$71,968	$48,612

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Top Sold Used Vehicles on AutoTrader.ca

National

1. Ford F-150

2. Nissan Rogue

3. RAM 1500

4. GMC Sierra 1500

5. Chevrolet Silverado 1500

6. Volkswagen Tiguan

7. Honda CR-V

8. Honda Civic Sedan

9. Honda CR-V Hybrid

10. Toyota RAV4

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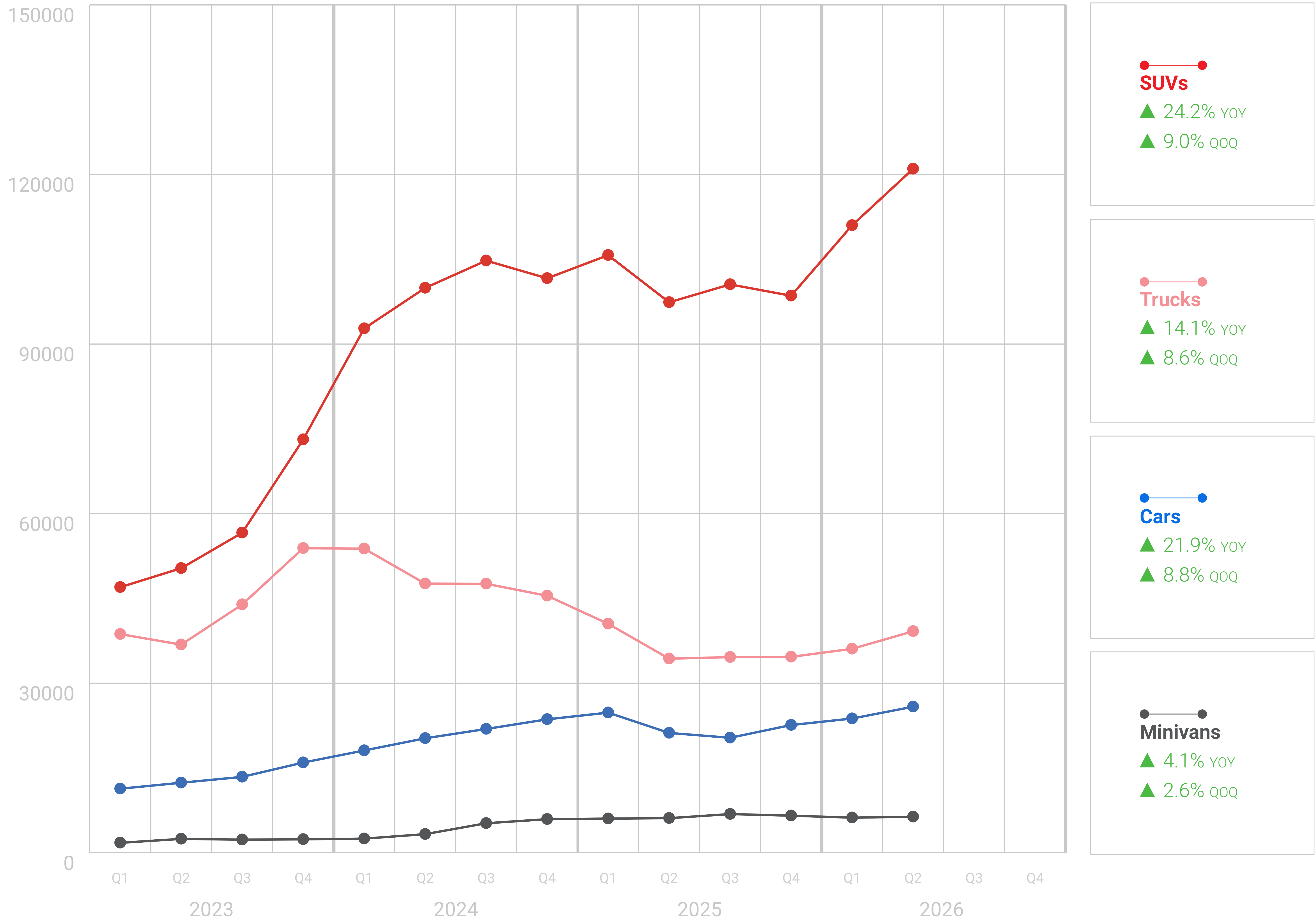
Vehicle Inventory (New)

By Quarter

Availability Improves, However, Differences Remain Across Brands

Continuing the trend observed over the past few quarters, modest declines in new vehicle sales coupled with stable production levels have led to a gradual increase in vehicle availability, particularly within the popular SUV segment.

Overall, market conditions remain stable, with no material changes in inventory trends. That said, availability continues to vary significantly across brands. While some manufacturers are still facing relatively tight inventory levels, others have accumulated ample stock, allowing for increased incentive activity to stimulate demand.



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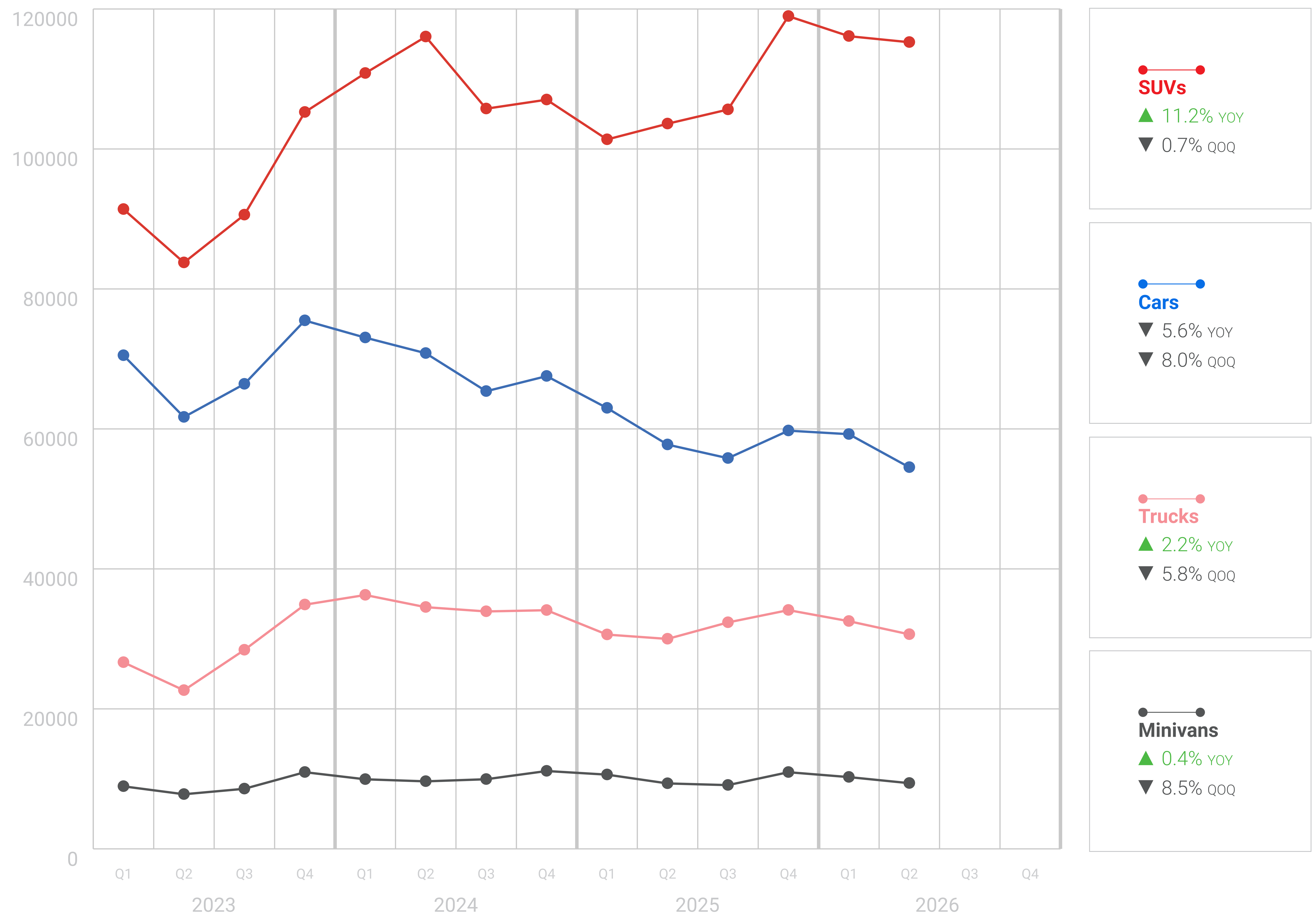
Vehicle Inventory (Used)

By Quarter

Used Inventory Holds Steady with Modest Year-Over-Year Gain

Used vehicle inventory remains relatively stable, with a modest year-over-year increase in Q2. Days' supply improved to 44 days, up from 41 days a year ago, reflecting a healthier balance between supply and demand. However, we are seeing low availability on used electric vehicles (EVs), given the increased demand from the beginning of March due to higher gas prices. There is a slight uptick in availability, but affordable EV supply remains tight, pushing the average EV listing prices to the higher side.

Structural supply constraints remain in place. Lower new vehicle production and sales from 2020 to 2023 continue to limit off-lease volumes and used vehicle supply. These effects are expected to persist through 2027. At the same time, reciprocal tariffs have reduced used vehicle exports, supporting domestic inventory, although anecdotal evidence suggests Canada-United States-Mexico Agreement (CUSMA) compliant vehicles continue to be exported to the U.S. in strong numbers due to robust consumer demand.



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