

Canadian Automotive Insights

A curated collection of Canadian EV information, analysis, and insights from S&P Global Mobility

HIGHLIGHTS (vs Q2 2024)

- Zero-emission vehicles (ZEVs) account for 1 in 6 new vehicles registered in Canada. ZEVs market share was **16.5%** for Q3 2024; up from 13.4%.
- ZEVs volume increased **14.4%** while total light duty vehicles (GVW =< 8,500 lbs) volume decreased by 6.8%.
- The market share of battery electric vehicles (BEV) increased to **12.2%**; with volume increasing by 15.1%.
- Quebec has the highest rate of electric vehicle adoption of all provinces with ZEVs accounting for **34.6%** of all new registrations.
- Quebec leads in overall volume; accounting for **53.8%** of overall ZEV volume in Canada.

16.5% ZEV

National adoption rate of New Light Duty Vehicle Registrations Q3 2024

14.4% ZEV

Increase volume vs Q2 2024

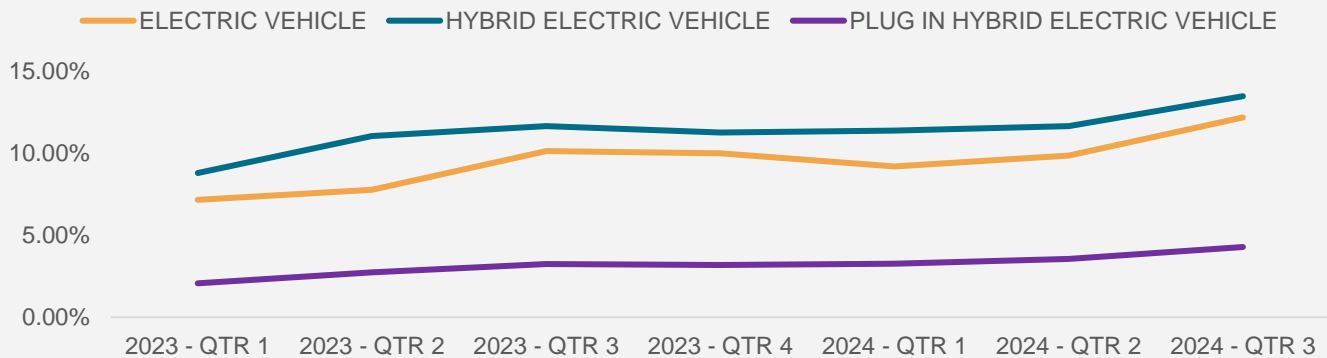
34.6% ZEV

Quebec adoption rate of New Light Duty Vehicle Registrations Q3 2024

12.2% BEV

National adoption rate of New Light Duty Vehicle Registrations Q3 2024

Share of Canadian New Light Duty Vehicle Registrations by Enhanced Fuel Type



Source: S&P Global Mobility

ZEV Registrations Hit New Highs

Light Duty Registrations GVW <= 8500 lbs

Current Status

In the third quarter of 2024, Canada's ZEV market continued its upward trajectory, achieving a new milestone with a 16.5% adoption rate. This means that approximately 1 in every 6 new cars registered in Canada was a ZEV. This growth reflects a 14.4% increase in overall ZEV volume compared to the previous quarter, driven by a 15.1% rise in BEVs and a 12.4% increase in plug-in hybrid electric vehicles (PHEVs).

In Q3 2024, several makes significantly contributed to the growth of ZEVs in Canada. Tesla led the market with a 15.2% increase from Q2, driven by strong demand for its popular models. Chevrolet saw a remarkable 138.0% growth, highlighting the success of its Bolt EV and EUV. Toyota's ZEV sales surged by 72.2%, thanks to the Prius Prime and RAV4 Prime. Hyundai also contributed with a 2.81% increase, supported by the Kona Electric and Ioniq 5. Other notable performers included Mercedes, which experienced a 99.31% rise, and VinFast, with a 66.52% increase, reflecting their expanding presence in the Canadian ZEV market. These manufacturers capitalized on new model introductions, technological advancements, and competitive pricing to drive growth.

Percent of Canadian New Vehicle Registrations 2024

POWERTRAIN	Calendar YTD 2023	Calendar YTD 2024	2023 - QTR 1	2023 - QTR 2	2023 - QTR 3	2023 - QTR 4	2024 - QTR 1	2024 - QTR 2	2024 - QTR 3
BEV	8.4%	10.5%	7.2%	7.8%	10.1%	10.0%	9.2%	9.9%	12.2%
FCEV	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
HEV	10.6%	12.2%	8.8%	11.0%	11.7%	11.3%	11.4%	11.7%	13.5%
PHEV	2.7%	3.7%	2.1%	2.7%	3.2%	3.2%	3.3%	3.5%	4.3%
ICE	78.2%	73.6%	82.0%	78.4%	75.0%	75.5%	76.2%	74.9%	70.1%
ZEV	11.2%	14.2%	9.2%	10.5%	13.4%	13.2%	12.5%	13.4%	16.5%

Note: Canadian Total New Light Duty Vehicle Registrations 2023 - 2024
Source: S&P Global Mobility
ZEV = BEV + PHEV + FCEV

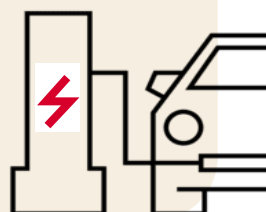
Outlook

The forecast for ZEV adoption in Canada indicates a significant upward trend, with ZEVs expected to account for 15.2% of light duty vehicle sales in 2024, reaching 266,889 units. This growth is projected to continue, with adoption rates rising to 19.0% in 2025, 25.3% in 2026, and 30.7% in 2027. These figures highlight Canada's commitment to sustainable transportation and reducing carbon emissions. However, several risks could impact these projections, including the pace of charging infrastructure development, economic fluctuations influencing consumer purchasing power, potential changes in government policies or incentives, and technological advancements. Addressing these risks will be crucial to achieving the forecasted growth and maintaining the momentum in ZEV adoption.

ZEV Penetration S&P Global Forecast

CURRENT 2024 YTD	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
14.2%	15.2%	19.0%	25.3%	30.7%

Light duty Vehicles ZEV Penetration – October 2024 Sales-based Powertrain forecast



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Provincial Penetration of ZEV Light Duty Vehicle Registrations 2024

Provincial

In Q3 2024, ZEV adoption across Canadian provinces showed significant variation, reflecting regional differences in infrastructure, incentives, and consumer preferences. Quebec led the charge with a remarkable 34.6% adoption rate, up from 28.4% in Q2, driven by strong provincial incentives.

British Columbia followed with a 24.9% adoption rate, maintaining its position as a leader in ZEV adoption due to its robust charging network and environmental policies. Ontario saw a notable increase to 9.0%, reflecting growing consumer interest and supportive policies.

In the Atlantic provinces, Prince Edward Island achieved a 9.6% adoption rate, while Nova Scotia and New Brunswick reached 5.6% and 7.5%, respectively, indicating steady growth.

Alberta and Manitoba also showed progress, with adoption rates of 5.6% and 6.3%. These trends underscore the importance of continued investment in infrastructure and incentives to support the transition to sustainable transportation nationwide.

Share of Canadian ZEV New Vehicle Registrations 2024

Province	Calendar YTD 2023	Calendar YTD 2024	YOY Rate Change	2023 - QTR 1	2023 - QTR 2	2023 - QTR 3	2023 - QTR 4	2024 - QTR 1	2024 - QTR 2	2024 - QTR 3	QOQ Rate Change
Quebec	19.2%	29.7%	10.5%	15.4%	18.3%	22.8%	24.0%	25.0%	28.4%	34.6%	6.3%
British Columbia	22.5%	22.9%	0.4%	20.0%	20.6%	26.5%	24.3%	21.9%	21.8%	24.9%	3.1%
Yukon*	7.5%	11.3%	3.8%	4.7%	7.7%	10.4%	14.6%	10.6%	12.3%	10.3%	-2.0%
Prince Edward Island	7.1%	8.5%	1.4%	5.6%	6.2%	9.3%	8.1%	7.1%	8.7%	9.6%	0.9%
Ontario	7.4%	8.0%	0.5%	6.2%	7.2%	8.7%	8.6%	7.0%	7.8%	9.0%	1.2%
New Brunswick	4.9%	7.0%	2.2%	3.2%	4.8%	6.3%	6.1%	6.0%	7.4%	7.5%	0.1%
Manitoba	3.7%	5.0%	1.4%	2.8%	3.4%	4.8%	3.8%	3.4%	5.1%	6.3%	1.2%
Nova Scotia	4.1%	4.8%	0.7%	3.7%	3.5%	5.1%	5.2%	4.2%	4.5%	5.6%	1.2%
Alberta	4.1%	4.7%	0.5%	3.3%	3.8%	5.1%	4.9%	4.2%	4.2%	5.6%	1.4%
Northwest Territories*	1.4%	2.3%	0.9%	0.4%	2.0%	1.9%	1.8%	0.4%	2.3%	3.9%	1.6%
Saskatchewan	2.7%	3.0%	0.3%	1.9%	2.5%	3.6%	2.6%	2.6%	2.8%	3.5%	0.7%
Newfoundland	2.8%	2.7%	-0.1%	1.8%	2.7%	3.7%	2.9%	2.4%	2.7%	2.9%	0.3%
Nunavut*	0.8%	1.7%	0.9%	0.0%	2.0%	0.0%	4.2%	5.8%	0.0%	1.2%	1.2%
National	11.2%	14.2%	3.0%	9.2%	10.5%	13.4%	13.2%	12.5%	13.4%	16.5%	3.1%

Note: Canadian Total New Light Duty ZEV Vehicle Registrations 2024
Source: S&P Global Mobility
* Sales based

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3 Metros - Penetration of ZEV Light Duty Vehicle Registrations 2024

Montréal

Montréal led the way with a significant increase in ZEV adoption, rising from 22.2% in 2023 to 32.8% in 2024. The city saw a year-over-year volume growth of 67.7%, with a notable quarter-over-quarter increase of 18.6% in Q3. The top models driving this growth were the Tesla Model Y, Chevrolet Equinox EV, and Tesla Model 3, highlighting strong consumer interest in both established and emerging electric vehicles.

Toronto

Toronto experienced a modest rise in ZEV adoption, moving from 9.2% in 2023 to 9.6% in 2024. The year-over-year growth was 7.4%, with an 8.0% increase from Q2 to Q3. The Tesla Model Y and Model 3 were the top choices, followed by the Mitsubishi Outlander, indicating a preference for both electric and plug-in hybrid options.

Vancouver

Vancouver maintained a high level of ZEV adoption, slightly decreasing from 27.1% in 2023 to 26.9% in 2024. Despite this, the city achieved a 0.9% year-over-year growth and a 9.6% increase from Q2 to Q3. The Tesla Model Y and Model 3 led the market, with the Toyota RAV4 Prime also ranking highly, reflecting a strong demand for both fully electric and hybrid vehicles.

These trends demonstrate the varying dynamics of ZEV adoption across Canada's major cities, with Montréal showing the most significant growth, while Toronto and Vancouver continue to build on their existing foundations with popular models leading the charge.

Share of Canadian ZEV New Vehicle Registrations 2024

CMA	Calendar YTD 2023	Calendar YTD 2024	Year over Year Volume	2023 - QTR 4	2024 - QTR 1	2024 - QTR 2	2024 - QTR 3	Quarter over Quarter Volume
Montréal	22.2%	32.8%	67.7%	26.8%	28.1%	31.6%	37.8%	18.6%
Toronto	9.2%	9.6%	7.4%	10.9%	8.3%	9.1%	11.4%	8.0%
Vancouver	27.1%	26.9%	0.9%	29.9%	25.7%	25.4%	29.7%	9.6%

Note: Canadian Total New Light Duty Vehicle Registrations 2024
Source: S&P Global Mobility

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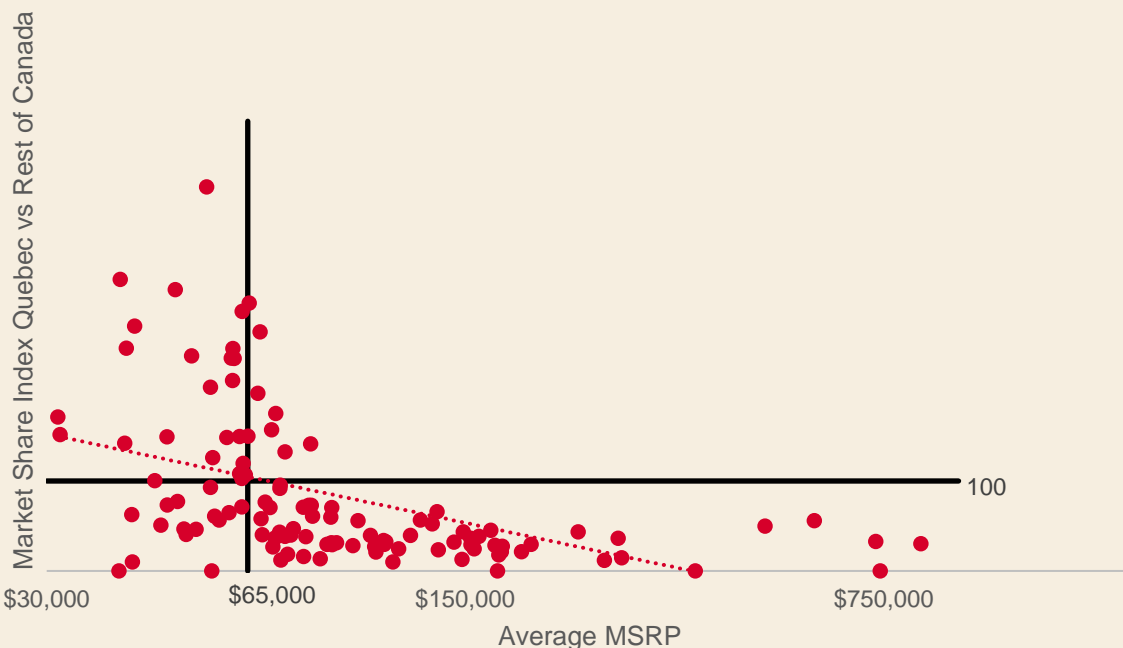
Deep Dive into Quebec Penetration of ZEV Light Duty Vehicle Registrations 2024

In Q3 2024, Quebec solidified its position as the leader in ZEV adoption in Canada, with a remarkable 21.3% increase in ZEV volume, even as the overall light vehicle market declined by 0.6%. This growth underscores the effectiveness of provincial and federal incentives which have successfully encouraged consumers to transition to cleaner vehicles. Quebec accounted for 53.8% of all ZEV registrations in Canada, up from 50.8% in Q2, highlighting its dominant role in the national market. The ZEV industry in Canada grew by over 9,000 units quarter over quarter, with more than 7,000 of these units registered in Quebec alone. Excluding Quebec, the national ZEV growth rate was 7.3%, compared to 14.1% with Quebec included, demonstrating the province's significant contribution to the country's sustainable transportation goals.

Quebec's ZEV market showed a strong preference for models eligible for provincial and federal incentives, with many vehicles priced under \$65,000. The Chevrolet Bolt EV and EUV, with average MSRPs around \$31,000 and \$31,500, respectively, were popular choices, benefiting from incentives up to \$12,000. These models had higher market shares in Quebec compared to the rest of Canada, with the Bolt EV at 0.3% versus 0.2% elsewhere. The Hyundai Kona also saw significant success, contributing 5.9% in Quebec compared to 1.9% outside, supported by its competitive pricing and high ZEV index of 3.1. The Nissan Leaf and Toyota Prius Prime, both eligible for incentives, also performed well, with the Leaf at 1.2% in Quebec versus 0.5% elsewhere. The Chevrolet Equinox EV, with a ZEV index of 4.3, further highlights Quebec's focus on affordable, incentive-eligible models.

Notably, 75% of the models with an MSRP below \$65,000 have a higher market share in Quebec than in the rest of Canada. This trend underscores the impact of financial incentives on consumer choices, driving Quebec's leadership in ZEV adoption and highlighting the province's strategic focus on making sustainable transportation accessible and appealing to a broad range of consumers.

Quebec Make Model Preference by MSRP



Note: Canadian Total New Light Duty ZEV Vehicle Registrations 2024, Canadian Advertised Inventory Data
Source: S&P Global Mobility

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Medium Heavy-Duty Vehicles

Thus far in 2024, the zero-emission vehicle (ZEV) industry for medium heavy-duty vehicles in Canada is experiencing varied performance across different weight classes.

Class 2B

Electric vehicles in this category saw a decline, with 1,126 units accounting for 2.8% of the market, down from 4.6% in 2023. This indicates a need for renewed focus on incentives and infrastructure to boost adoption.

Class 3

This class showed promising growth, with 63 electric vehicles registered, marking a new entry into the market compared to none in 2023. This suggests increasing interest and potential for expansion in this segment.

Class 4 and Class 5

Class 4 electric vehicles increased slightly to 14 units, contributing 0.4%, up from 0.2% in 2023. Class 5 also saw new entries with 5 electric vehicles, indicating early-stage growth and potential for future development.

Class 6 and Class 7

Both classes experienced declines. Class 6 saw a drop to 28 units (1.6% from 5.9%), and Class 7 decreased significantly to 63 units (1.6% from 16.5%). These declines highlight challenges in these segments, possibly due to infrastructure or cost barriers.

Class 8

Electric vehicles in Class 8 increased to 112 units, representing 0.5% of the market, up from 0.2% in 2023. Additionally, 4 fuel cell electric vehicles (FCEV) were introduced, marking a new development. Hybrid electric vehicles in this class decreased to 170 units, down from 274, indicating a shift towards fully electric options.

Overall, while some classes show growth and new entries, others face challenges that need addressing to enhance ZEV adoption in the medium heavy duty vehicle sector. Continued investment in technology and infrastructure will be crucial for future expansion.

Medium Heavy-Duty Registrations – Quarter 3 2024

GVW Category	Powertrain	Calendar YTD 2024	Calendar YTD 2023
Class 2B	ELECTRIC VEHICLE	2.8%	4.6%
Class 3	ELECTRIC VEHICLE	0.2%	0.0%
Class 4	ELECTRIC VEHICLE	0.4%	0.2%
Class 5	ELECTRIC VEHICLE	0.1%	0.0%
Class 6	ELECTRIC VEHICLE	1.6%	5.9%
Class 7	ELECTRIC VEHICLE	1.6%	16.5%
Class 8	ELECTRIC VEHICLE	0.5%	0.2%
Class 8	FUEL CELL ELECTRIC VEHICLE	0.0%	0.0%
National		1.2%	2.1%

Note: Canadian Total New Medium Heavy Duty Vehicle Registrations 2023 - 2024
Source: S&P Global Mobility

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