

## Canada: Prices remained relatively stable in July

By Daren King

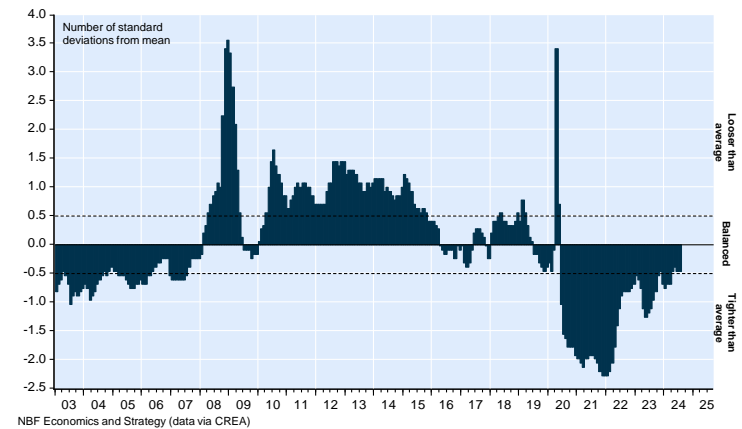
### Highlights:

- The Teranet–National Bank Composite National House Price Index™ remained virtually stable from June to July, with a marginal increase of 0.2% after adjustment for seasonal effects.
- Six of the 11 markets in the composite index were up over the month: Hamilton (+2.3%), Victoria (+1.0%), Halifax (+0.8%), Calgary (+0.7%), Toronto (+0.3%) and Quebec City (+0.2%). Conversely, prices fell in Ottawa-Gatineau (-0.4%), Winnipeg (-0.1%), Vancouver (-0.1%) and Montreal (-0.1%), while they remained stable in Edmonton.
- From July 2023 to July 2024, the composite index rose by 2.0%. Growth was observed in 10 of the 11 cities making up the index, Toronto being the exception (-1.4%). Increases were higher than average in Calgary (+15.1%), Edmonton (+8.4%), Quebec City (+7.5%), Winnipeg (+4.9%), Montreal (+4.4%), Halifax (+2.9%), Ottawa-Gatineau (+2.8%) and Vancouver (+2.1%), while they were lower in Hamilton (+1.3%) and Victoria (+0.6%).

After remaining stable in June, the lethargy continues for house prices in Canada's major urban centers in July, with only marginal growth of 0.2% during the month. This relative stability comes as the resale market fell back slightly during the month after a brief rebound in activity in June, which followed the start of the Bank of Canada's monetary easing cycle. All in all, resale market conditions point to a fairly balanced market between buyers and sellers at national level, reducing pressure on prices (top graph). While record population growth, a shortage of housing supply and the Bank of Canada's forthcoming rate cuts will continue to support the Canadian real estate market in the months ahead, we are cautiously optimistic about the magnitude of any recovery in the housing market in the months ahead and its potential impact on prices. Indeed, many uncertainties remain, including the risk of a further deterioration in the labour market, particularly among young people who are facing the worst affordability conditions in decades (bottom chart). It's true that consumer confidence has been somewhat reinvigorated by the start of overnight rate cuts, but interest rates remain in highly restrictive territory for the time being.

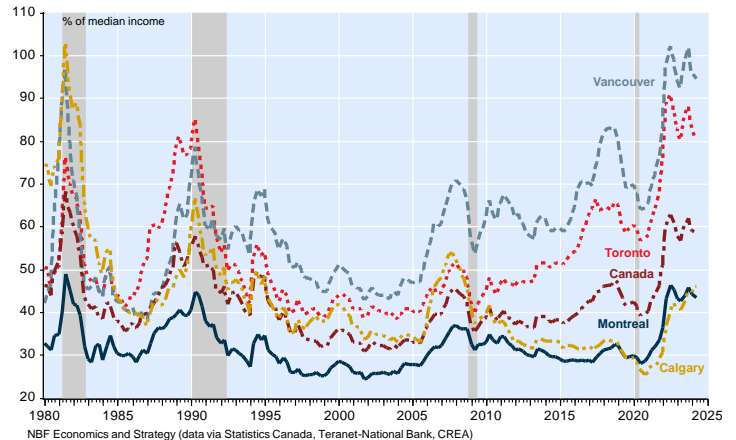
### Canada: Housing market conditions remained balanced

End-of-month-listing-to-sale ratio. Last observation: July 2024



### Canada : Affordability challenges will limit ability to pay

Monthly mortgage payment on median home price, all types of dwellings (25 year amortization, 5-year term)



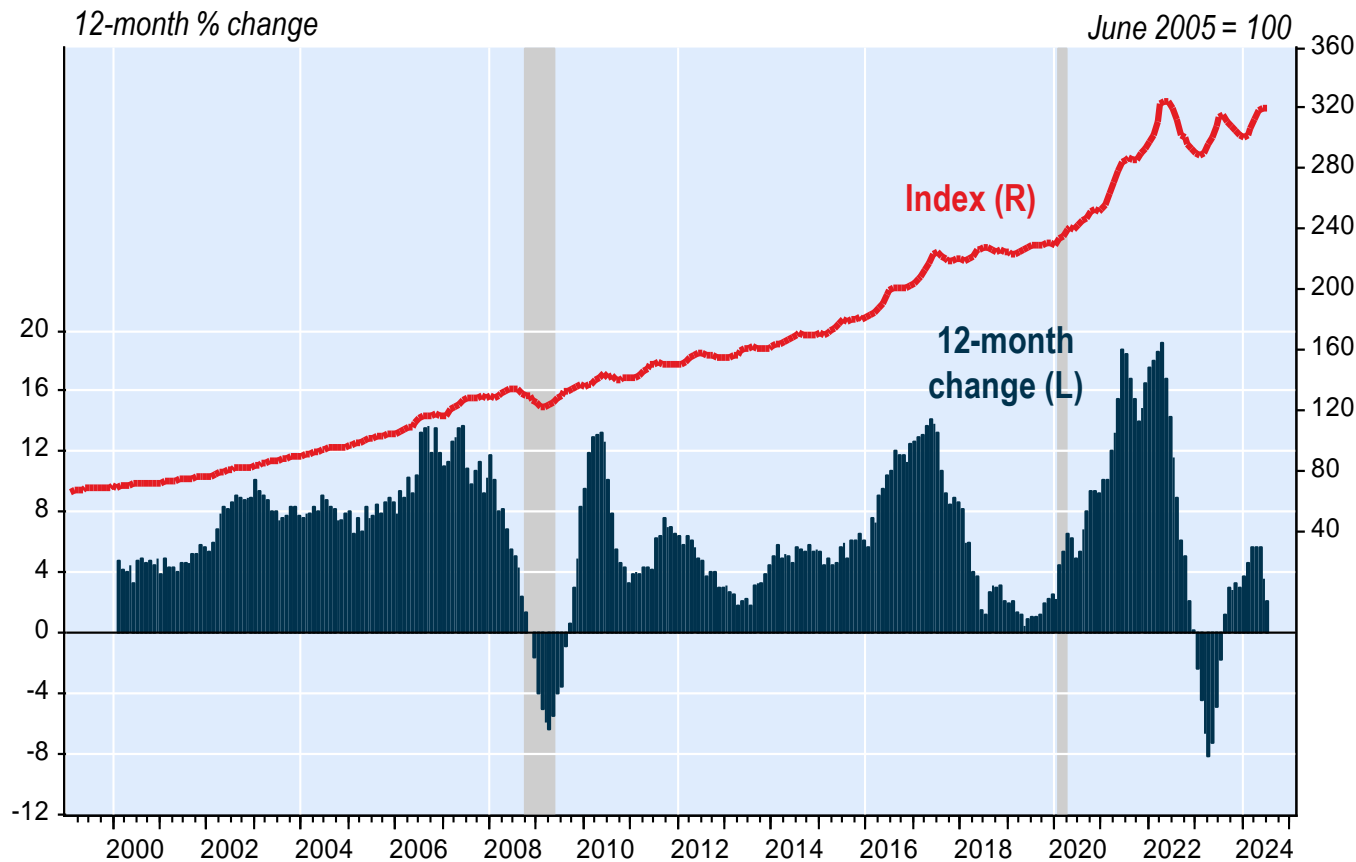


**Note on methodology:**

The Teranet-National Bank House Price Index is based on the repeat sales methodology. The index is built from the price increase observed between two sales of the same property.

Since September 2022, The Teranet–National Bank™ House Price Indices are presented on a raw (unsmoothed) basis, whereas their variation was previously smoothed over three months to allow evening-out month-to-month fluctuations. The unsmoothed version of the price measures allows for earlier detection of changes in market conditions. The provision of the unsmoothed version of the Teranet–National Bank™ indices also allows users to adjust the data to their specific needs.

**Teranet-National Bank National Composite House Price Index™**



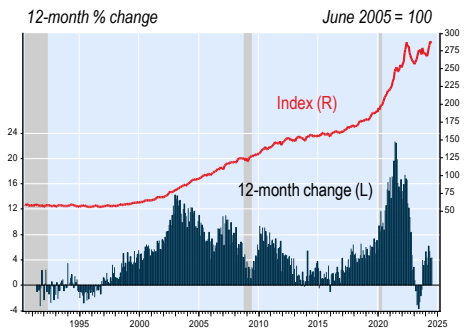


Metropolitan area	Index level *	% change m/m, NSA	% change m/m, SA	Prev. Month % change m/m, SA	% change y/y, NSA	% change from peak, SA	Peak date, SA
	July 2024						
Composite 11	319.32	0.3%	0.2%	0.0%	2.0%	-2.9%	2022-04
Victoria	296.45	1.9%	1.0%	-0.1%	0.6%	-5.7%	2022-05
Vancouver	373.34	0.2%	-0.1%	-0.4%	2.1%	-2.4%	2022-04
Calgary	252.43	1.3%	0.7%	0.1%	15.1%	0.0%	2024-07
Edmonton	207.88	1.0%	0.0%	2.1%	8.4%	0.0%	2024-06
Winnipeg	273.11	3.0%	-0.1%	3.8%	4.9%	-2.0%	2022-05
Hamilton	381.61	2.9%	2.3%	-2.0%	1.3%	-12.8%	2022-05
Toronto	355.69	-0.1%	0.3%	0.2%	-1.4%	-8.8%	2022-04
Ottawa-Gatineau	266.25	0.2%	-0.4%	-0.8%	2.8%	-6.2%	2022-04
Montreal	285.57	-0.7%	-0.1%	-0.3%	4.4%	-0.5%	2023-10
Quebec	260.86	0.8%	0.2%	1.2%	7.5%	-0.1%	2024-03
Halifax	294.52	-0.2%	0.8%	-0.7%	2.9%	-2.2%	2023-12
<b>Other metropolitan areas</b>							
Abbotsford-Mission, B.C.	366.65	0.7%	1.0%	0.4%	1.3%	-14.4%	2022-04
Kelowna, B.C.	301.09	0.5%	0.0%	-2.2%	-0.9%	-6.2%	2022-07
Lethbridge, Alb.	228.93	2.0%	-0.2%	1.3%	8.9%	-0.2%	2024-06
Barrie, Ont.	339.28	-1.2%	-0.3%	0.2%	-1.2%	-15.3%	2022-05
Guelph, Ont.	354.64	2.8%	2.0%	0.9%	-0.5%	-11.8%	2022-04
Brantford, Ont.	356.66	-1.4%	-2.3%	1.8%	-1.9%	-15.4%	2022-05
Kitchener, Ont.	356.29	0.2%	0.5%	-2.0%	-2.3%	-13.3%	2022-04
St. Catharines, Ont.	346.60	0.4%	0.1%	-0.7%	0.1%	-12.5%	2022-05
Oshawa, Ont.	367.46	-0.3%	1.0%	0.5%	-0.2%	-13.7%	2022-05
Peterborough, Ont.	321.47	-0.9%	-1.3%	-2.1%	-3.9%	-18.9%	2022-05
London, Ont.	323.93	1.0%	0.9%	-0.6%	0.6%	-14.3%	2022-04
Kingston, Ont.	283.63	-0.1%	0.7%	0.9%	3.2%	-6.8%	2022-05
Belleville, Ont.	317.34	1.2%	1.2%	-2.7%	1.6%	-10.9%	2022-04
Sudbury, Ont.	316.25	-0.4%	-0.8%	2.6%	3.4%	-5.4%	2023-08
Thunder Bay, Ont.	287.55	-3.2%	-1.9%	3.6%	9.6%	-1.9%	2024-06
Windsor, Ont.	307.63	-0.6%	-0.1%	-2.3%	2.3%	-12.4%	2022-05
Trois-Rivières, Qc	326.43	2.3%	1.8%	-0.8%	10.8%	0.0%	2024-07
Sherbrooke, Qc	294.64	-0.8%	-0.7%	0.4%	8.1%	-1.7%	2024-01
Saint John, NB (June 2018=100)	187.20	4.4%	4.1%	-6.5%	10.1%	-2.7%	2024-05
Moncton, NB (June 2018=100)	202.49	-3.2%	-2.7%	-1.8%	8.2%	-7.8%	2024-03

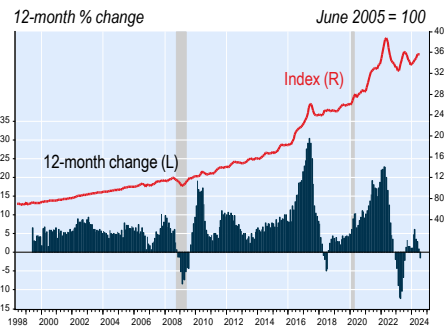
\*June 2005=100 except indicated otherwise.



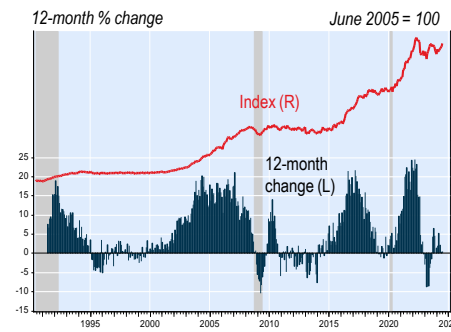
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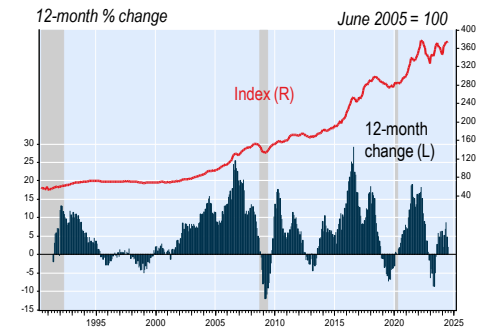
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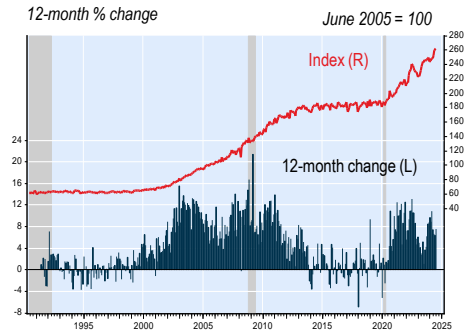
## Victoria



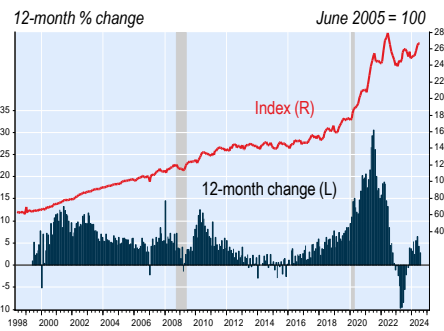
## Vancouver



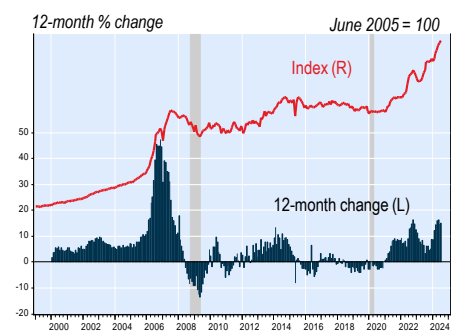
## Quebec City



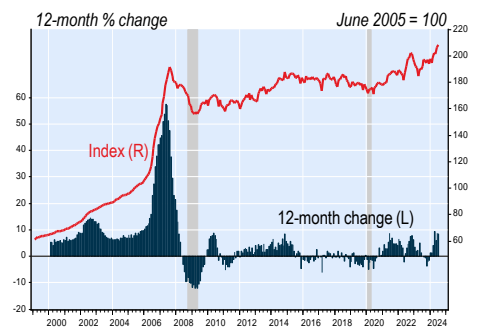
## Ottawa-Gatineau



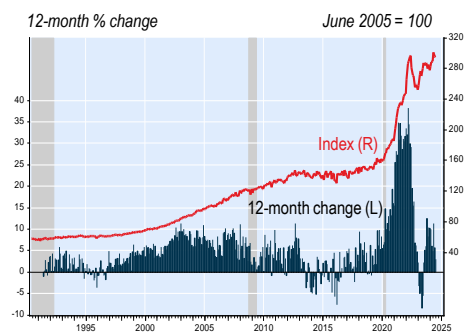
## Calgary



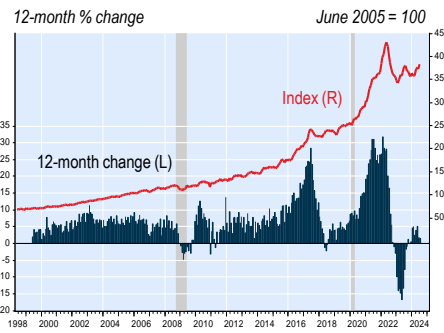
## Edmonton



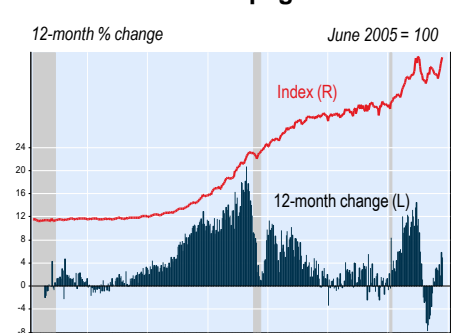
## Halifax



## Hamilton



## Winnipeg



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