

Canada: Housing prices remain stable in January

By Daren King

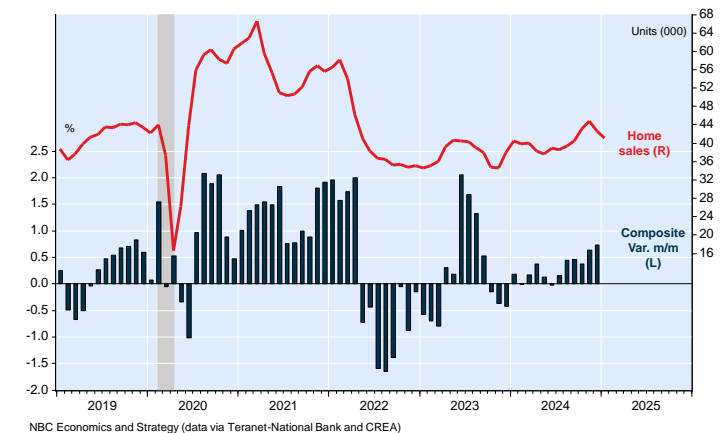
Highlights:

- The Teranet–National Bank Composite National House Price Index™ remained stable from December to January after seasonal adjustment.
- Seven of the 11 markets in the composite index rose during the month: Quebec City (+3.2%), Halifax (+0.9%), Calgary (+0.8%), Ottawa-Gatineau (+0.6%), Victoria (+0.6%), Edmonton (+0.6%) and Montreal (+0.4%). Conversely, prices fell in Winnipeg (-1.5%), Hamilton (-1.4%) and Vancouver (-0.6%), while they remained stable in Toronto.
- From January 2024 to January 2025, the composite index increased by 3.4%. Growth was observed in ten of the 11 cities making up the index, namely Quebec City (+13.6%), Calgary (+8.6%), Montreal (+6.9%), Edmonton (+6.0%), Halifax (+5.9%), Ottawa-Gatineau (+5.0%), Vancouver (+3.7%), Winnipeg (+3.1%), Victoria (+1.9%) and Toronto (+1.0%). Hamilton (-0.3%) was the only market to decline.

After rising steadily by 2.8% over the previous six months, the Teranet-National Bank composite index remained unchanged in January. This loss of momentum comes at a time when transactions in the housing resale market declined in December and again in January due to the uncertainty created by the threat of US tariffs (top graph). In addition, a significant number of sellers decided to put their property up for sale in January, perhaps in anticipation of a high season more vigorous than in recent years. This marked increase in new listings, combined with the decline in sales, shifted real estate market conditions from 'favourable to sellers' to balanced during the month (bottom graph), which could contain price growth in the coming months. However, we believe that the impact of potential tariffs on the confidence of potential buyers will dissipate in the coming months, provided that the repercussions on the labour market remain limited. In addition, the recent interest rate cuts by the Bank of Canada and the increase in the amortization period to 30 years for first-time buyers should continue to support the market in the coming months, but persistent affordability difficulties could limit the extent of the recovery in the most expensive markets.

Canada: Home resale market lost some momentum

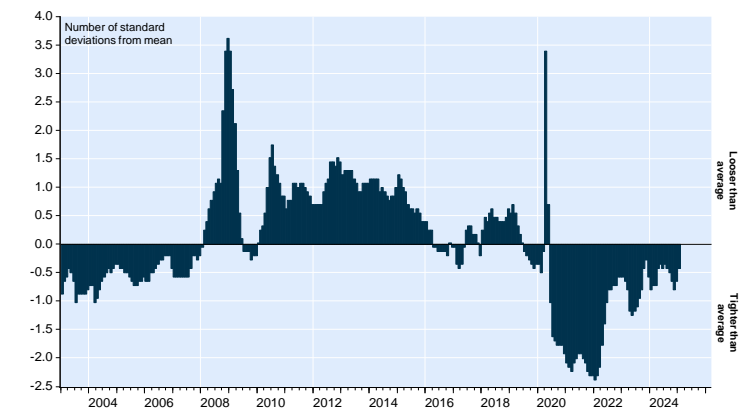
Number of transactions on the home resale market and monthly change (%) in Teranet-NBC HPI, seasonally adjusted



NBC Economics and Strategy (data via Teranet-National Bank and CREA)

Canada: Market conditions loosened in January

End-of-month-listing-to-sale ratio



NBC Economics and Strategy (data via CREA)

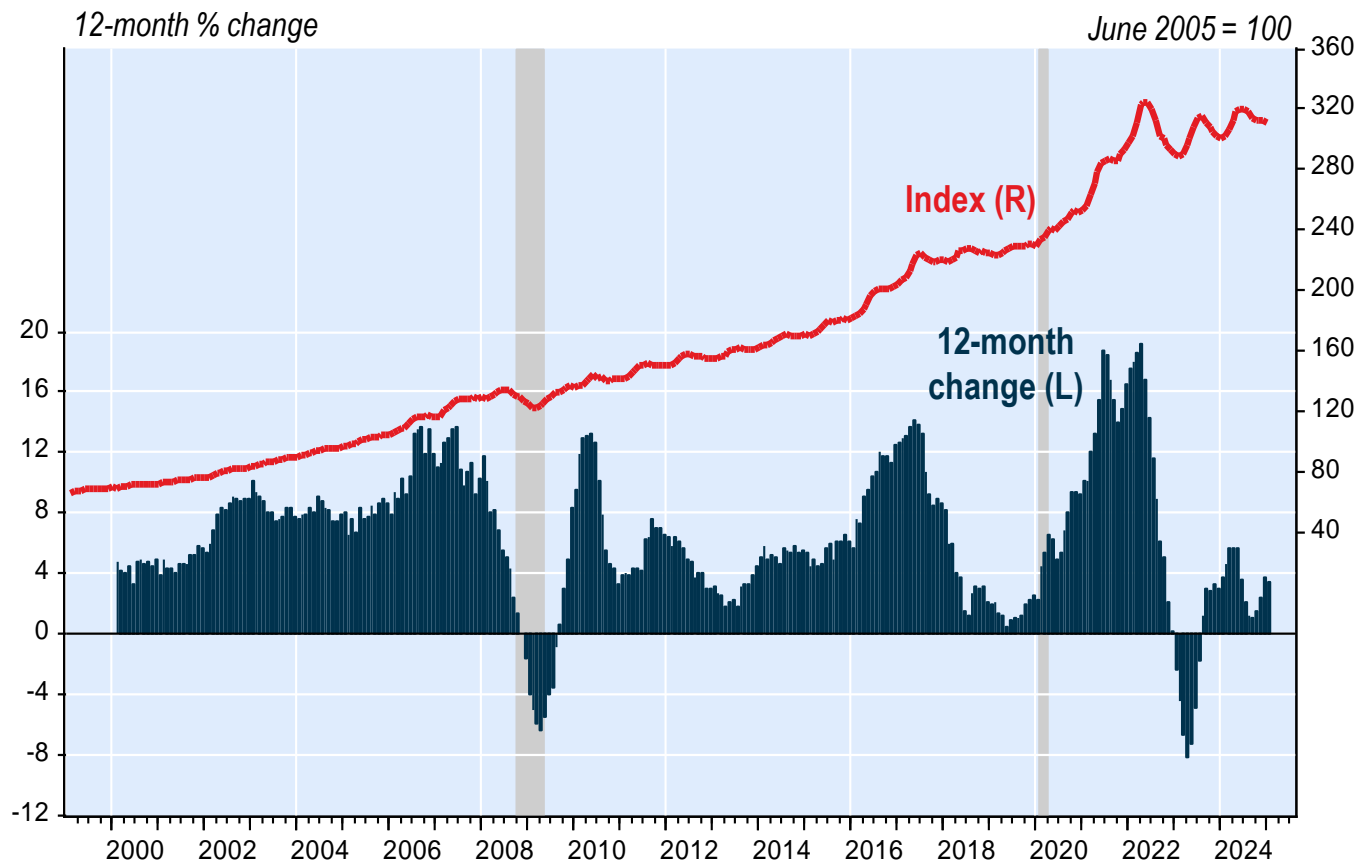


Note on methodology:

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™



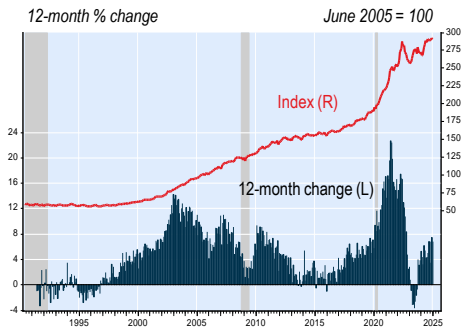


Metropolitan area	Index level * January 2025	% change m/m, NSA	% change m/m, SA	Prev. Month % change m/m, SA	% change y/y, NSA	% change from peak, SA	Peak date, SA
Composite 11	310.13	-0.5%	0.0%	0.7%	3.4%	-0.3%	2022-04
Victoria	283.16	-1.8%	0.6%	-0.3%	1.9%	-4.8%	2022-05
Vancouver	359.14	-2.3%	-0.6%	0.6%	3.7%	-0.6%	2024-12
Calgary	248.99	-0.8%	0.8%	0.7%	8.6%	0.0%	2025-01
Edmonton	209.05	1.0%	0.6%	1.7%	6.0%	0.0%	2025-01
Winnipeg	259.13	-1.9%	-1.5%	0.5%	3.1%	-1.5%	2024-12
Hamilton	361.08	-1.5%	-1.4%	0.2%	-0.3%	-12.2%	2022-05
Toronto	339.63	0.2%	0.0%	0.8%	1.0%	-7.5%	2022-04
Ottawa-Gatineau	262.21	1.3%	0.6%	1.0%	5.0%	0.0%	2025-01
Montreal	290.61	-0.1%	0.4%	0.9%	6.9%	0.0%	2025-01
Quebec	276.35	0.6%	3.2%	-0.2%	13.6%	0.0%	2025-01
Halifax	293.22	-1.1%	0.9%	0.8%	5.9%	0.0%	2025-01
Other metropolitan areas							
Abbotsford-Mission, B.C.	366.65	1.9%	1.2%	0.5%	4.0%	-10.9%	2022-04
Kelowna, B.C.	293.04	-4.0%	-3.4%	4.7%	-2.5%	-5.2%	2022-03
Lethbridge, Alb.	225.56	-2.2%	1.4%	-1.5%	7.3%	-0.1%	2024-11
Barrie, Ont.	322.66	-1.1%	0.2%	-0.4%	3.5%	-14.1%	2022-05
Guelph, Ont.	347.45	0.3%	0.6%	0.5%	3.3%	-8.2%	2022-05
Brantford, Ont.	330.76	-3.6%	-3.7%	-2.1%	-5.2%	-16.2%	2022-05
Kitchener, Ont.	346.40	-0.5%	0.0%	2.2%	2.8%	-10.1%	2022-04
St. Catharines, Ont.	336.72	-0.2%	0.1%	0.7%	2.1%	-9.6%	2022-05
Oshawa, Ont.	347.02	-0.7%	-0.5%	1.2%	0.7%	-14.4%	2022-05
Peterborough, Ont.	317.28	4.1%	1.6%	0.1%	2.8%	-12.9%	2022-05
London, Ont.	311.94	1.2%	1.2%	-0.5%	-0.5%	-11.6%	2022-04
Kingston, Ont.	271.50	-6.5%	-4.0%	1.9%	3.6%	-4.0%	2024-12
Belleville, Ont.	304.04	-0.3%	-3.0%	2.1%	-2.9%	-10.0%	2022-04
Sudbury, Ont.	315.49	2.4%	0.0%	0.3%	7.1%	-1.7%	2024-10
Thunder Bay, Ont.	282.90	-1.0%	-1.4%	1.3%	4.7%	-2.0%	2024-10
Windsor, Ont.	299.11	0.9%	-0.2%	0.5%	1.3%	-9.7%	2022-05
Trois-Rivières, Qc	353.89	3.7%	6.8%	-2.7%	25.5%	0.0%	2025-01
Sherbrooke, Qc	294.40	-1.0%	-4.9%	-0.6%	-1.3%	-7.1%	2024-08

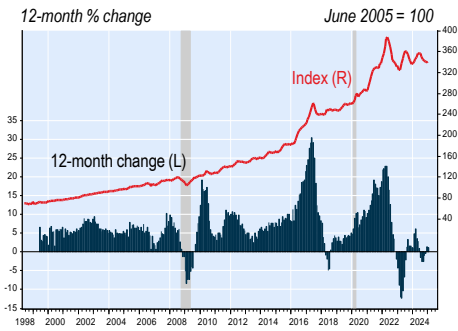
*June 2005=100 except indicated otherwise.



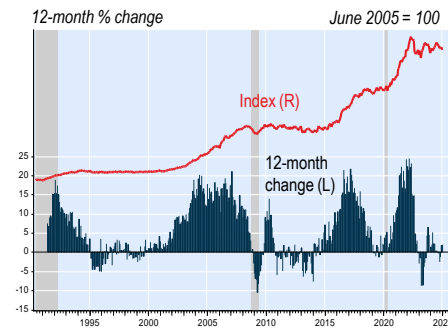
Montreal



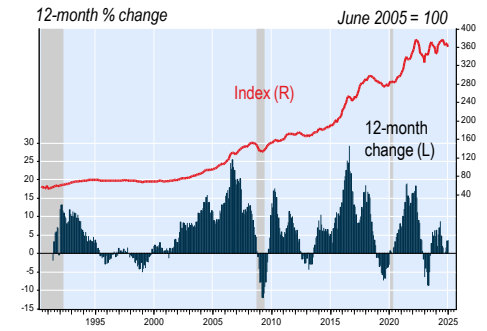
Toronto



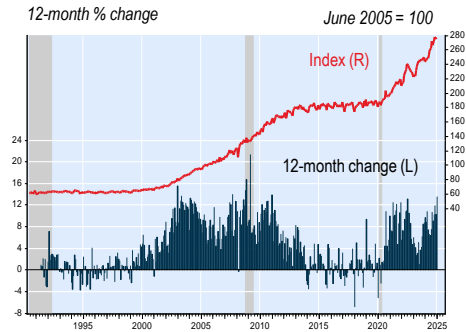
Victoria



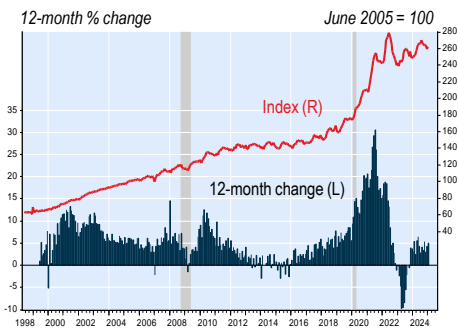
Vancouver



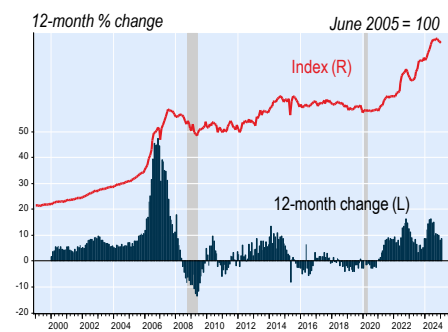
Quebec City



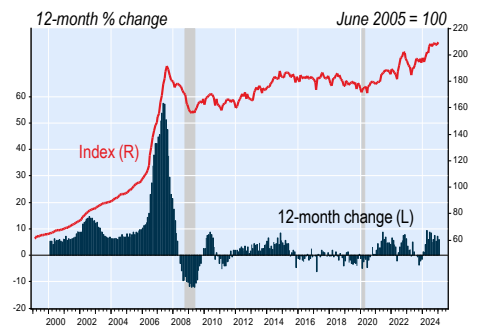
Ottawa-Gatineau



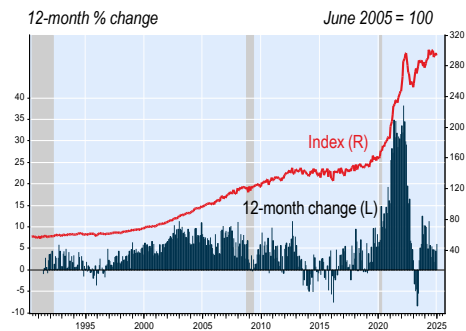
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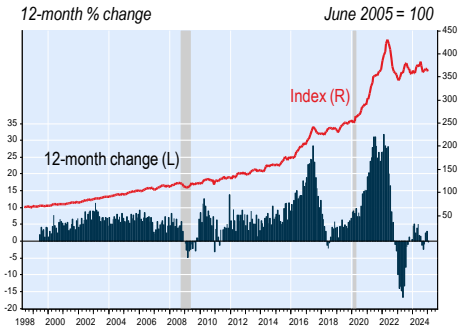
Edmonton



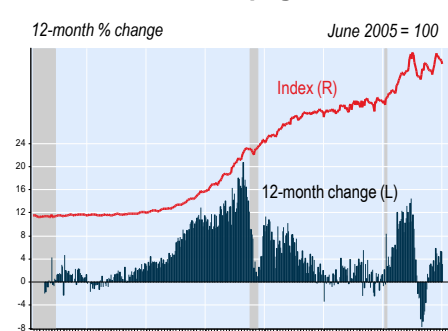
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