

With home sales growing a marginal 1.0% month-over-month and new listings rising a slight 0.5% in May, the sales-to-listings ratio remained unchanged and in balanced territory at 53%. The MLS HPI (house price index) fell slightly by 0.2%, marking the ninth consecutive monthly decline and reflecting a 4.8% drop since August 2023. With more interest rates cuts anticipated in the latter half of the year and projected declines in mortgage rates, housing market conditions are expected to improve.

For the first time in over four years, the Bank of Canada cut interest rates by 25 basis points, quoting that "continued evidence that underlying inflation is easing" influenced the Governing Council's decision to reduce rates. The overnight rate now sits at 4.75%. The Central Bank did note that "risks to the inflation outlook remain" and will be "closely watching the evolution of core inflation, inflation expectations, wage growth and corporate pricing behaviour".

May's labour force report reflected softer results, with growth in employment (+26,700) driven entirely by gains in part-time work. The unemployment rate ticked up to 6.2% due to unemployment increasing by more than the labour force. Notably, wage growth accelerated to 5.1% from 4.7%, reflecting levels well above headline inflation.

Number of Residential Sales



37,401
(-6.4% YOY)

Sales-to-Listing Ratio



53%
(-12 points YoY)

Average Home Price



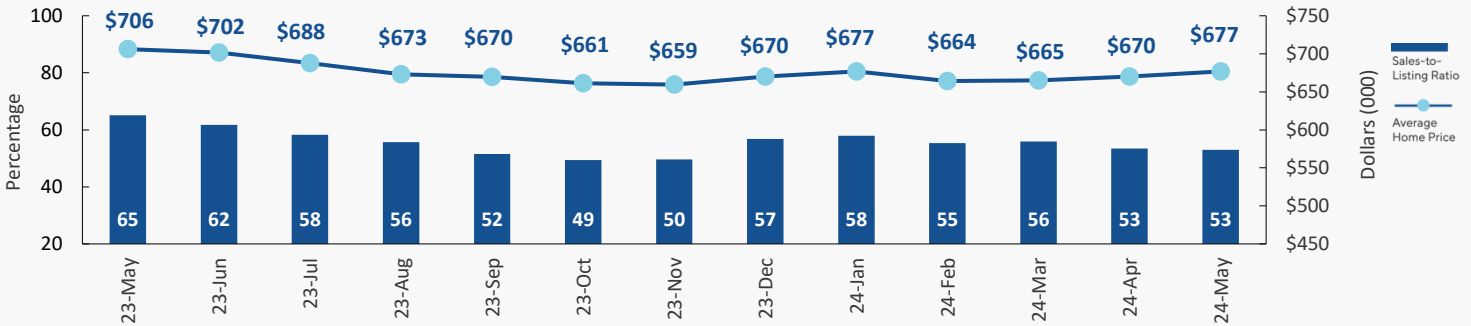
\$676,603
(-4.2% YOY)

Unemployment



6.2%*
(+0.1 points MoM)

National Sales-to-Listing Ratio & Average Home Price Trend



	Number Sold	% YOY	Average Price \$	% YOY	New Listings	% YOY	Sales to Listing Ratio	Market	UE %
GTA	5,167	-23.4	1,111,077	-2.6	13,059	+24.9	40	Balanced	7.8*
Calgary	2,911	-2.0	613,591	+12.4	3,913	+21.9	74	Sellers	8.1 ²
GVA	2,033	-21.6	1,311,544	+2.4	4,508	+10.4	45	Balanced	6.1*
Montreal	3,227	+3.4	620,563	+3.2	5,673	+15.7	57	Balanced	6.0*
Ottawa	1,159	-9.7	649,545	+1.1	2,410	+27.2	48	Balanced	5.5 ²
Quebec City	732	+2.1	406,997	+11.3	986	+11.0	74	Sellers	3.2 ²
Winnipeg	1,145	+14.4	375,680	+3.5	1,575	-1.3	73	Sellers	5.0 ²
Victoria	531	-2.7	987,018	+0.4	1,155	+35.7	46	Balanced	4.7 ²
Halifax	392	-4.9	572,510	+3.2	535	+11.0	56	Balanced	7.2 ²

SOURCE: Statistics Canada and CREA via Haver Analytics; Centris/CREA. This information has been provided by the external sources listed above. Sagen Canada is not responsible for the accuracy, reliability or timeliness of the information supplied by these external sources. This information does not necessarily reflect the views or position of Sagen Canada. Anyone wishing to rely upon this information should consult directly with the source of the information. UE data: * Monthly, seasonally adjusted, the remaining UE data is 3-months moving average, seasonally adjusted.