

Canada's housing market was stagnant in December, with home sales declining 5.8% month-over-month, though they remain 12% higher than last year. New listings also fell by 1.7%, pushing the sales-to-new-listings ratio further into balanced territory at 57%. The MLS HPI (Home Price Index) rose 0.3% month-over-month, supporting subdued price growth through 2025. Rising bond yields and the ongoing threat of U.S. tariffs continues to be a downside risk to housing demand.

December's headline inflation slowed to 1.8% from 1.9% the month before, driven by seasonal factors and the GST/HST break implemented mid-month. However, the three-month trend in core inflation measures (CPI trim and CPI median) rose back above 3%, suggesting inflation readings are likely to rise in the coming months. Despite this, the Bank of Canada cut interest rates again in January due to softer economic growth.

Employment in December rose by 91,000 (+0.4%), with strong gains in both full time and part time jobs. The rise in employment was broad-based across sectors, with 12 in 16 industries seeing gains, 6 of which saw improvements of 10,000 jobs or more. The unemployment rate dropped to 6.7% from 6.8%, down from its highest rate since January 2017. Wage growth notably slowed to 3.8% from 4.1%, reflecting the slowest pace since May 2022. Regionally, 8 out of 10 provinces saw a rise in employment.

Number of Residential Sales



**43,239**

(+12.0% YOY)

Average Home Price



**\$694,617**

(+2.6% YOY)

Sales-to-New Listing Ratio



**57%**

(+1 points YOY)

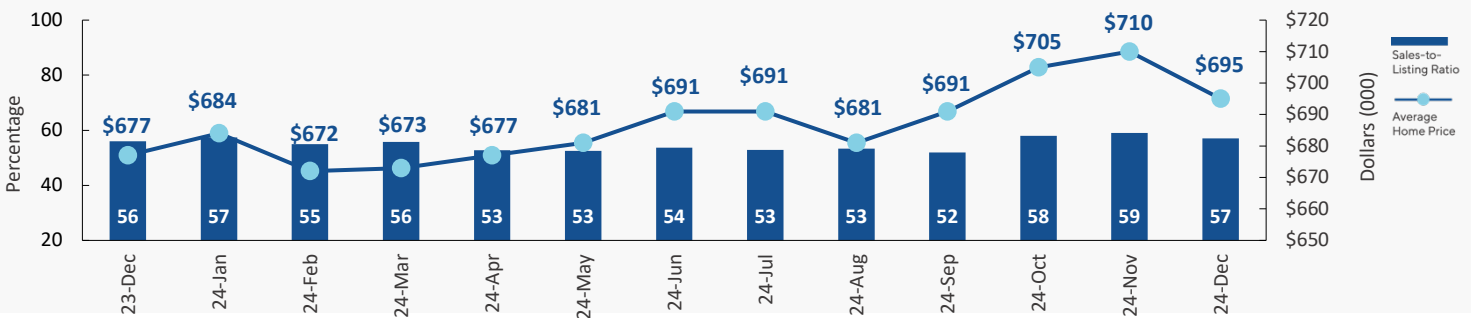
Unemployment



**6.7%\***

(-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	5,359	-6.8	1,122,948	-1.6	13,871	+18.2	39	Buyers	8.6*
Calgary	2,737	-7.0	637,187	+10.9	4,038	+0.8	68	Sellers	7.8 <sup>2</sup>
GVA	2,478	+25.9	1,321,329	+3.3	4,738	+24.4	52	Balanced	6.5*
Montreal	4,248	+52.0	655,995	+6.2	5,833	+10.3	73	Sellers	6.4*
Ottawa	1,009	+4.5	703,720	+3.0	1,814	+16.8	57	Balanced	5.9 <sup>2</sup>
Quebec City	957	+36.9	443,733	+18.7	869	-6.8	110	Sellers	4.5 <sup>2</sup>
Winnipeg	1,191	+13.8	400,133	+3.5	1,612	-5.7	74	Sellers	6.2 <sup>2</sup>
Victoria	628	+19.6	977,847	+1.2	1,076	+12.9	58	Balanced	3.6 <sup>2</sup>
Halifax	476	+4.2	597,390	+10.4	617	+21.0	77	Sellers	5.1 <sup>2</sup>

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.