

Market Watch

May 2018

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Economic Indicators

Real GDP Growthⁱ		
Q1	2018	▼ 1.3%
Toronto Employment Growthⁱⁱ		
April	2018	▼ 2.6%
Toronto Unemployment Rate		
April	2018	▲ 5.9%
Inflation Rate (Yr./Yr. CPI Growth)ⁱⁱ		
April	2018	▼ 2.2%
Bank of Canada Overnight Rateⁱⁱⁱ		
May	2018	-- 1.25%
Prime Rate^{iv}		
May	2018	-- 3.45%
Mortgage Rates May 2018		
1 Year	▲	3.49%
3 Year	▲	4.30%
5 Year	▲	5.34%

Sources and Notes:

i - Statistics Canada, Quarter-over-quarter growth, annualized

ii - Statistics Canada, Year-over-year growth for the most recently reported month

iii - Bank of Canada, Rate from most recent Bank of Canada announcement

iv - Bank of Canada, Rates for most recently completed month

GTA REALTORS® Release May Stats

TORONTO, ONTARIO, June 4, 2018 – Greater Toronto Area REALTORS® reported 7,834 sales through TREB's MLS® System in May 2018. This result was down by 22.2 per cent compared to May 2017. While the number of sales was down year-over-year, the annual rate of decline was less than reported in February, March and April, when sales were down by more than 30 per cent. On a month-over-month basis, seasonally adjusted May sales were basically flat compared to April.

Supply of homes available for sale continued to be an issue. New listings were down by 26.2 per cent. The fact that new listings were down by more than sales in comparison to last year means that competition increased between buyers. Recent polling conducted by Ipsos for TREB suggests that listing intentions are down markedly since the fall.

"Home ownership remains a sound long-term investment. Unfortunately, many home buyers are still finding it difficult find a home that meets their needs. In a recent Canadian Centre for Economic Analysis study undertaken for the Toronto Real Estate Board, it was found that many people are over-housed in Ontario, with over five million extra bedrooms. These people don't list their homes for sale, because they feel there are no alternative housing types for them to move into. Policy makers need to focus more on the 'missing middle' – home types that bridge the gap between detached houses and condominium apartments," said Mr. Syrianos.

The MLS® Home Price Index (HPI) Composite Benchmark was down by 5.4 per cent year-over-year. The average selling price for all home types combined was down by 6.6 per cent to \$805,320. On a seasonally adjusted basis, the average selling price was up by 1.1 per cent compared to April 2018.

"Market conditions are becoming tighter in the Greater Toronto Area and this will provide support for home prices as we move through the second half of 2018 and into 2019. There are emerging indicators pointing toward increased competition between buyers, which generally leads to stronger price growth. In the City of Toronto, for example, average selling prices were at or above average listing prices for all major home types in May," said Jason Mercer, TREB's Director of Market Analysis.

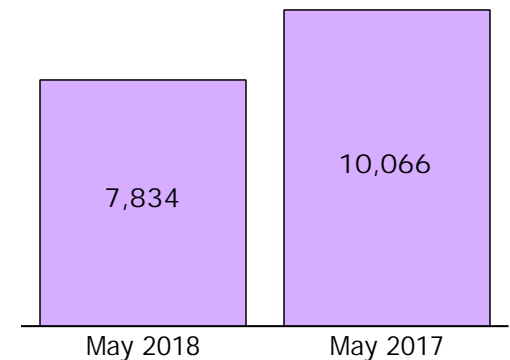
Sales & Average Price By Major Home Type^{1,7} May 2018

	Sales			Average Price		
	416	905	Total	416	905	Total
2018						
Detached	782	2,562	3,344	\$1,426,094	\$929,401	\$1,045,553
Semi - Detached	242	405	647	\$1,067,128	\$665,628	\$815,803
Townhouse	303	997	1,300	\$741,296	\$609,923	\$640,543
Condo Apartment	1,745	648	2,393	\$602,804	\$455,413	\$562,892

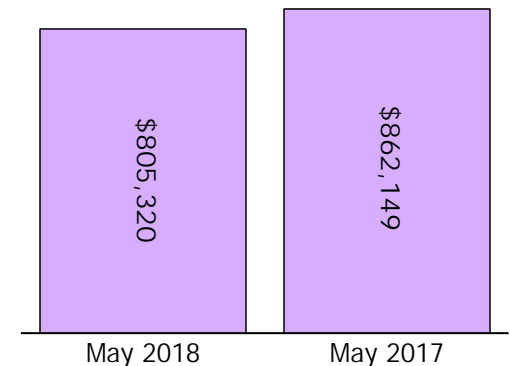
Year-Over-Year Per Cent Change

Detached	-30.4%	-27.9%	-28.5%	-5.6%	-9.0%	-8.2%
Semi - Detached	-30.1%	-28.9%	-29.4%	0.3%	-2.3%	-1.2%
Townhouse	-17.2%	-12.2%	-13.4%	-0.1%	-3.1%	-2.5%
Condo Apartment	-13.8%	-19.9%	-15.5%	6.5%	1.2%	5.7%

TREB MLS® Sales Activity^{1,7}



TREB MLS® Average Price^{1,7}



Year-Over-Year Summary^{1,7}

	2018	2017	% Chg.
Sales	7,834	10,066	-22.2%
New Listings	19,022	25,764	-26.2%
Active Listings	20,919	18,477	13.2%
Average Price	\$805,320	\$862,149	-6.6%
Average DOM	20	11	81.8%