



Highlights

- Housing starts up again in February
- Ontario manufacturing sales jumped in January

Multifamily homes see higher starts while single family units falls

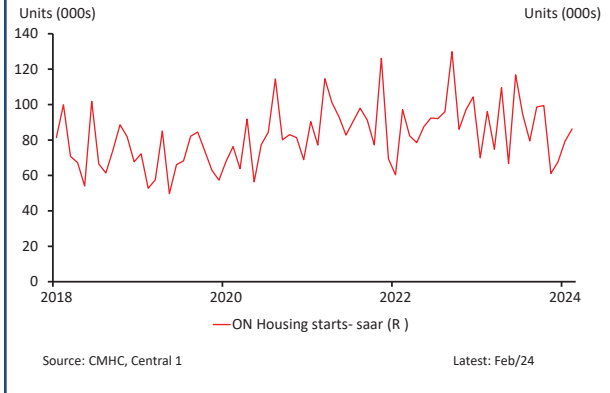
Alan Chow, Business Economist

Ontario's urban centres recorded a higher number of housing starts in February 2024 compared to January 2024. On a seasonally-adjusted basis and at an annual rate, Ontario saw 86,259 housing starts in February 2024. That is up 8.7 per cent compared to the 79,306 starts seen in January 2024. This is the third month in a row housing starts have increased in Ontario, surpassing the six-month average of around 82,000 starts and around the monthly average of 86,000 seen in 2023. Single family units saw a monthly decline of 9.7 per cent from 12,539 units to 11,321 units while multifamily units saw a monthly increase of 12.2 per cent from 66,767 units to 86,259 units.

Out of the 15 urban areas in Ontario, eleven of them saw an increase in housing starts. Toronto saw 56,447 housing starts in February 2024, an increase of 15.5 per cent from 48,888. This number is above the average monthly housing starts seen in 2023, which is around 47,000. Ottawa saw 5,580 units started in February, up from the 3,759 units started in January. Belleville also saw a large jump in housing starts up from 222 units to 1,224 units, which is above last year's monthly average of around 466 units. Thunder Bay saw 1,035 units started, much higher than the 230 units averaged last year. And finally, Sudbury saw a large number of units started in February with seasonally-adjusted annualized rate of 26,163. This was more than last year combined.

Actual housing started (unadjusted) in February 2024 was 6,488 units, down 7 per cent from the 6,980 units started in February 2023. The number of multifamily units started was 5,851, little changed from the 5,811 units started in the same month in 2023. However, the number of single detached homes started was significantly lower, with only 637 housing units compared to

Ontario housing starts climb in February



1,169 housing units started a year earlier. Builders continue to anticipate sluggishness in the higher-end market, despite the expectation of lower interest rates in the future.

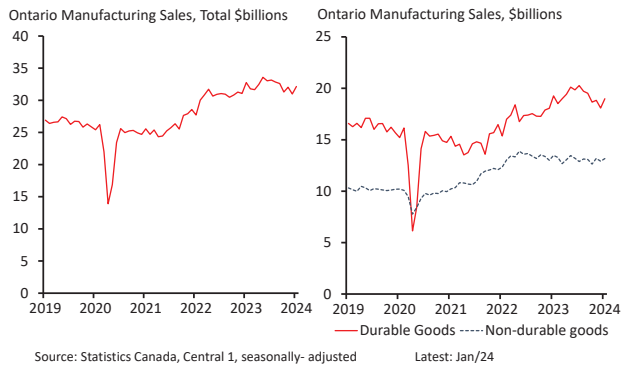
Both durable goods and non-durable goods industries reported growth in sales in January

Ivy Ruan, Economic Analyst

Manufacturing sales rose 3.8 per cent in the month of January compared to December, reversing the loss in sales during the prior month. On a seasonally-adjusted basis, sales rebounded to \$32.2 million. Non-durable goods industries experienced a rise in sales as they were up 2.0 per cent while durable goods industry sales jumped more, up 5.0 per cent. On a year-over-year basis, Ontario manufacturing sales were 1.8 per cent lower than last January.

Within the durable goods industries, the monthly gain in manufacturing sales was led by the 11.4 per cent growth seen in transportation equipment manufacturing, which offset the declines in sales in other sectors. The largest proportional monthly decline in sales was seen in furniture manufacturing, down 6.8 per cent, and computer and electronic product manufacturing, down 14.5 per cent. Fabricated metal product manufacturing also recorded notable declines in sales, down 3.2 per cent in January. The decrease in non-durable goods sales was led by food manufacturing sales, down 1.2 per cent. On yearly basis, both durable goods (down 1.5 per cent) and non-durable goods (down 2.3 per cent) industries in Ontario posted lower manufacturing sales this January.

Ontario manufacturing sales rose in January



Within the metro areas, mixed results in manufacturing sales were seen across regions. Toronto saw a 1.5 per cent increase in manufacturing sales, while Windsor experienced a substantial gain of 59.6 per cent, and Kitchener-Cambridge saw a modest increase of 0.8 per cent. On the other hand, Hamilton experienced a decrease of 2.8 per cent in monthly manufacturing sales. Despite the notable monthly gain in Windsor, its manufacturing sales level in January is still 1.0 per cent lower than the same month in 2023. Toronto's sales level edged up 0.4 per cent compared with last January.

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