



Highlights

- Toronto housing market remained weak despite growth in sales in May
- Ontario full-time employment growth offset decline in part-time employment
- The unemployment rate rose to 7.9 per cent
- Ontario merchandise exports and imports fell in April amidst unstable trade relations with the United States

Toronto housing market sees a housing bump but still a stone cold market

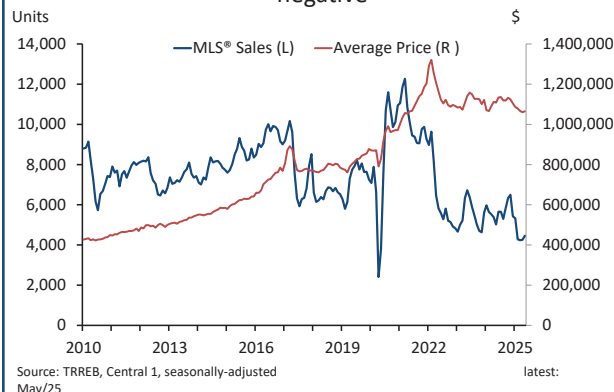
Bryan Yu, Chief Economist

It is too early to be definitive, but Toronto's housing downturn may have reached its nadir in April as sales and prices rebounded modestly in May coinciding with some thawing of the U.S. driven trade war. That said, the market remains stone cold amidst low sales and the highest inventory levels of homes for sales since 2008.

The latest data from the Toronto Regional Real Estate Board (TRREB) showed 6,244 sales in May, marking an 11 per cent y/y decline. While this was an improvement from April's 21 per cent decline, this was 30 per cent below the long-term May average and the lowest since 2000 outside the pandemic lows. On a seasonally-adjusted basis, sales rose about 5 per cent from April but remained near the lowest point since the pandemic, and before that, on par with levels seen during the 2008/09 financial crisis. While a bottom may have formed, the region's housing market remains in a housing recession, driven by affordability woes and the cloud of trade uncertainty hitting the economy. Given the extent of population growth in recent years, this is one of the weakest markets going back decades.

The dearth of home sales is being amplified by a deluge of listings in the market as excess supply spooks already skittish buyers. New listings have been on the upswing through 2024, with May figures up 17 per cent from a year ago. Ample flow of new supply and

Home sales and prices steady in May, but trend remains negative



Inventory jumps 40 per cent y/y, highest since 2008



stale listings already on the market has pushed active inventory to a trend of about 27,000 units which is the highest since the end of 2008, and 45 per cent higher than a year ago. It is likely that some of this upward trend reflects completed but developer owned units that are in the resale pool alongside investor-owned units, but it is clear the region is deep in a buyers' market with a sales-to-active listings ratio of about 20 per cent. This is the lowest on record going back to 2000 for the region.

The region's average price rose by 1.2 per cent to \$1.121 million (+0.4 per cent s.a.) but was still 3.8 per cent lower than a year ago. Geographic and product market composition influences the average price but the composite price index which adjusts for these factors shows a similar trend. The indices nudged higher for the all-unit composite, but continued to decline on

Toronto MLS® Activity, TRREB

	Actual			m/m % ch		s.a. m/m % ch		y/y % ch	
	2024M05	2025M04	2025M05	2025M04	2025M05	2025M04	2025M05	2025M04	2025M05
Unit Sales	7,013	5,601	6,244	11.8	11.5	0.4	4.7	-21.3	-11.0
Average Price	1,165,691	1,107,463	1,120,879	1.3	1.2	-0.6	0.4	-4.2	-3.8
New Listings	18,612	18,836	21,819	9.1	15.8	-3.6	5.3	11.2	17.2
Active Listings	21,760	27,386	30,964	16.7	13.1	1.9	1.1	51.4	42.3
Sales-to-Active Listings	32.2	20.5	20.2	n/a	n/a	n/a	n/a	n/a	n/a
Benchmark Price									
	Actual			m/m % ch		s.a. m/m % ch		y/y % ch	
	2024M05	2025M04	2025M05	2025M04	2025M05	2025M04	2025M05	2025M04	2025M05
Total	336.2	320	321.105	-0.7	0.3	-1.5	0.2	-5.4	-4.5
Singles	360.4	342.9	343.245	-0.6	0.1	-1.3	0.1	-5.4	-4.8
Townhome	378.7	360.6	359.197	-0.8	-0.4	-1.6	-0.3	-5.1	-5.2
Apartment	321.7	299	299.085	-1.5	0.0	-2.6	-0.6	-7.3	-7.0

Toronto MLS® Activity, TRREB , Year-to-Date

	Actual			y/y % ch	
	2024M05	2025M04	2025M05	2025M04	2025M05
Unit Sales	30,517	18,496	24,740	-21.3	-18.9
Average Price	1,124,295	1,084,787	1,093,896	-2.4	-2.7
New Listings	68,381	60,557	82,376	21.7	20.5
Active Listings	14,700	21,885	23,701	69.2	61.2
Sales-to-Active Listings	43.3	21.2	21.0	na	na

a monthly basis for townhome and apartments. The composite index is down about five per cent for singles and townhomes on a year-over-year basis but tumbled 7 per cent for apartment units which have fallen out of favour. Oversupply of listings points to further price reductions.

Ontario labour market reported minimal change in May

Ivy Ruan, Senior Analyst

Ontario's labour market showed little improvement in May, with employment holding flat after two consecutive monthly declines and the unemployment rate edging up to 7.9 per cent—nearly a full point above the national average, highlighting ongoing economic weakness. May's employment result was largely driven by a rebound in wholesale and retail trade, which had been hit hardest by tariffs in March and April.

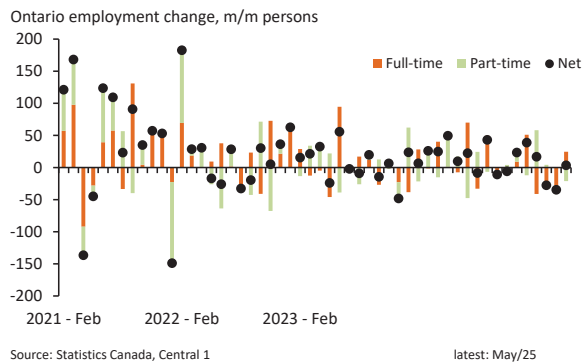
Ontario's year-over-year employment growth continued to decelerate (1.7 per cent in March vs 0.9 per cent in April vs 0.7 per cent in May) and was below the national performance at 1.4 per cent. The working-age population edged up in Ontario (0.1 per cent), while the provincial labour participation rate in May remained the same at 65.0 per cent. Full-time hiring paused the momentum of consecutive monthly decreases, up by

0.4 per cent or 24,600 persons, offsetting the decline in part-time employment (-1.4 per cent or -21,100 persons).

Windsor and Oshawa Census Metropolitan Area (CMA), both heavily reliant on the auto-manufacturing sector—one of the hardest hit by tariff threats—experienced declines in employment, with their three-month moving averages falling by 1.3 per cent and 0.4 per cent, respectively. Unemployment rates rose to 10.8 per cent in Windsor and 9.1 per cent in Oshawa. In Toronto CMA, the three-month moving average employment declined by 0.4 per cent in May, while the unemployment rate edged up from 8.6 per cent to 8.8 per cent.

In Ontario's goods-producing sectors, the seasonally adjusted employment fell 0.9 per cent (-13,400 persons), driven by declines in construction (-1.3 per cent or -7,500 persons) while the services-producing sectors saw 0.3 per cent growth (16,700 persons) in employment. The agriculture and manufacturing sector also saw decreases in employment. Consecutive monthly growth (2.3 per cent or 1,600 persons) in utilities employment was reported since this February. In the services-producing sector, seven out of the 11 industry classifications saw employment gains with the increase led by wholesale and retail trade, where

Ontario full-time employment gain offset part-time loss



employment recovered 28,600 people (2.5 per cent). Notable growth was also seen in business, building and other support services (3.4 per cent or 9,400 persons) and finance, insurance, real estate, rental and leasing (1.1 per cent or 7,800 persons). On the other hand, employment decreased significantly in public administration (-3.4 per cent or 16,600 persons) and accommodation and food services (-2.1 per cent or 9,200 persons).

Ontario's labour market continued to face headwinds in May, as shifting U.S. tariff policies weighed on business and consumer confidence. The month also marked the start of the summer job season for students, with the Labour Force Survey indicating a broad rise in student unemployment. Ontario is projected to experience a sharper decline in employment in typical summer roles—especially in retail sales—compared to other regions in Canada.

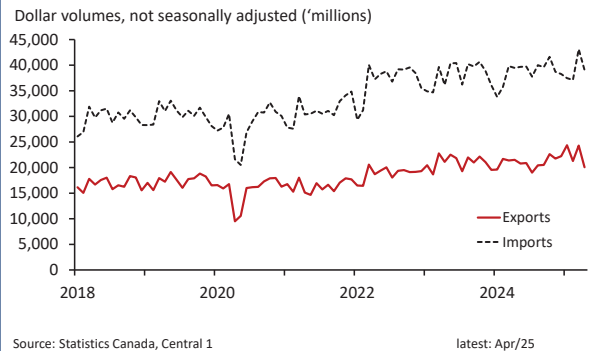
Ontario merchandise exports decline; imports fall in April

Eloho Ennah, Economic Analyst

In April, Canada's international trade balance was notably impacted by US tariffs as merchandise exports and imports showed significant declines, consequently widening Canada's trade deficit with the world to the highest on record, up from \$2.3 billion in March to \$7.1 billion. On a seasonally adjusted basis, exports decreased by 10.8 per cent, while imports fell by 3.5 per cent¹. View our [national commentary](#) for more information.

¹ It should be noted that Statistics Canada cautions on the use of recent import data as the Canada Border Service Agency Assessment and Revenue Management system transition initiative has delayed the receiving of receipts. Estimate values were used for November 2024 to April 2025 and future revisions are likely. Also, an appreciating Canadian dollar during the month also contributed to lower exports.

Ontario exports and imports fall in April



Although provincial data is unadjusted for seasonality, Ontario saw lower merchandise exports in April, falling by 6.7 per cent year-over-year as exports reached \$20.1 billion. This was as a result of lower motor vehicle and parts exports (-12.7 per cent y/y or \$738.9 million). Aircraft and other transportation equipment and parts exports also decreased substantially by 52.5 per cent (-\$358.1 million), while basic and industrial chemical, plastic and rubber products exports reduced by 16.4 per cent (-\$230.4 million). Energy exports also decreased sharply by 48.6 per cent (-\$168.9 million) while industrial machinery, equipment and parts exports receded by 11.3 per cent (-\$201.6 million). In contrast, farm, fishing and intermediate food products exports and metal and non-metallic mineral products exports were the only two categories noting gains during the period, up by 7.0 per cent (\$60.8 million) and 11.0 per cent (\$519.9 million), respectively.

On a yearly basis, non-seasonally adjusted imports to Ontario declined by 1.0 per cent (-\$412.1 million) to reach \$39.0 billion, as motor vehicles and parts imports decreased by 22.8 per cent (-\$2.4 billion) while industrial machinery, equipment and parts imports also fell by 7.1 per cent (-\$285.9 million) during the period. On the other hand, metal and non-metallic mineral products imports increased by 25.0 per cent (\$782.5 million) while metal ores and non-metallic minerals imports rose by 59.5 per cent (\$594.7 million).

Exports to the United States from Ontario decreased by 13.7 per cent, while imports fell by 16.5 per cent on a year-over-year basis. Imports from other countries rose by 5.7 per cent but exports declined by 13.6 per cent. During a season of unstable trade relations between Canada and the U.S., the proportion of Ontario exports to the U.S. and imports from have been on the decline for two consecutive months. Exports from the province to the U.S. made up 70.2 per cent of total exports, compared to 80.8 per cent in January. Imports from the U.S. also made up 46.4

per cent of total imports during the month, compared to 52.0 per cent in January. While the proportion was greater in earlier months as companies had front run tariffs, April figures show the continued strong trade ties between Ontario and the United States. Long-lasting auto-tariffs and increased tariffs on aluminum and steel will continue to negatively impact sectors like manufacturing, which are dominant in the province, likely leading to more production curtailments and layoffs. Retaliatory tariffs and a weak economy would also suppress import growth as well.

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