



## Highlights

- Housing sales rebounded from early year lows yet average housing price continued to decline
- Trade volumes improve but still weak
- B.C. employment declined by 0.5 per cent in August following July's decrease
- The unemployment rate rose to 6.2 per cent

## Lower Mainland housing market remained weak despite uptick in August sales

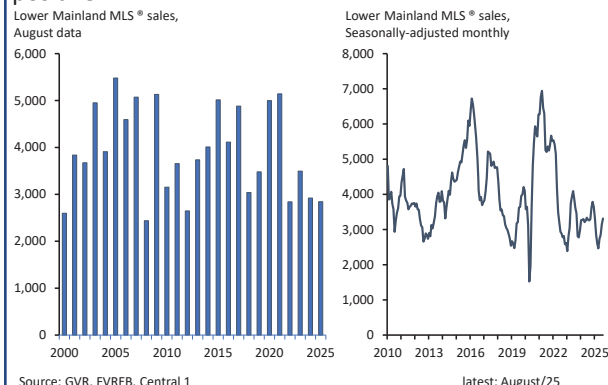
*Bryan Yu, Chief Economist*

Housing market activity in B.C.'s Lower Mainland remained sluggish through August, even with a mild bump in sales after adjusting for seasonal factors. Unadjusted total sales in the region spanning Metro Vancouver and the Fraser Valley reached 2,842 units. This was 3.2 per cent lower than a year ago and compared to a 3.2 per cent drop in July. On a seasonally-adjusted basis, momentum remained positive following the spring downturn, but the market is undoubtedly slow with the fewest August sales since 2012. Fraser Valley real estate board sales were the lowest since 2008. Year-to-date, sales were down 13 per cent. At the current rate of sales, this is likely to be the fewest annual sales since 2008 and 2012.

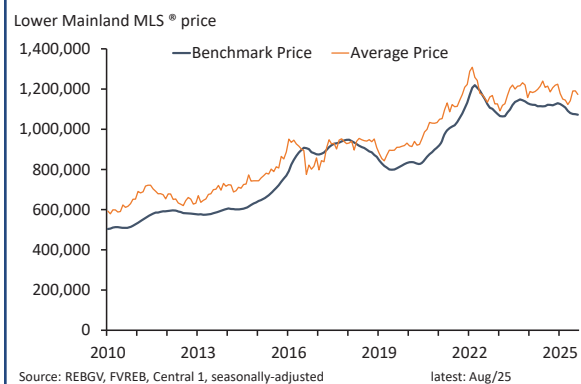
Despite an economy that has shown resilience to the trade war on the back of household spending and solid employment growth in the Metro region, buyers remain hesitant. Uncertainty is an anchor to purchasing in the larger and unaffordable regions amidst risks of economic weakness and prospects of layoffs. Adding to this is an environment of low population growth and a softening rental market which may incentivize some households to rent for a longer period.

While sales have rebounded from early year lows, the market is oversupplied. Resale market inventory is elevated but looks to have peaked on a seasonally-adjusted basis in July but still the highest in more than

## Home sales remain weak through August even as trend positive



## Home price slips in August, but weak demand and high inventory drive downward pressure



a decade with a sales-to-active listings ratio in a sellers' market. Adding to this is an elevated inventory of completed developer-owned units as new projects have struggled to sell through units that were not initially pre-sold.

The subdued conditions continued to weigh on prices. The average price declined to \$1.156 million, which was 2.3 per cent lower than a year ago. On a seasonally-adjusted basis, we calculate a 1.5 per cent monthly decline and 10 per cent off peak. The benchmark price has shown a deeper decline of 4.4 per cent y/y, with deeper declines in the single-family and apartment markets. Sluggish sales and excess inventory will maintain some downward pressure on prices, but a rangebound pattern is expected.

Lower Mainland MLS®									
	Actual		m/m % ch		s.a. m/m % ch		y/y % ch		
	2024M08	2025M07	2025M08	2025M07	2025M08	2025M07	2025M08	2025M07	2025M08
Unit Sales	2,921	3,397	2,842	2.2	-16.3	10.6	5.1	-3.2	-2.7
Average Price	1,183,430	1,170,497	1,156,023	-1.8	-1.2	0.1	-1.5	-1.9	-2.3
New Listings	6,601	8,934	6,854	-8.7	-23.3	-0.3	5.2	1.3	3.8
Active Listings	21,091	26,287	25,183	-1.9	-4.2	-2.1	-1.2	20.9	19.4
Sales-to-Active Listings	13.8	12.9	11.3	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		
	2024M08	2025M07	2025M08	2025M07	2025M08	2025M07	2025M08	2025M07	2025M08
Total	1,126,200	1,090,700	1,078,266	-0.7	-1.1	-0.1	-0.2	-3.6	-4.4
Singles	1,832,600	1,767,600	1,747,449	-0.8	-1.1	-0.4	0.1	-3.8	-4.8
Townhome	986,500	963,300	950,199	-0.7	-1.4	0.0	-0.2	-2.8	-3.8
Apartment	713,300	688,600	680,406	-0.8	-1.2	-0.3	-0.5	-3.7	-4.7

Lower Mainland MLS® , Year-to-Date					
	Actual		y/y % ch		
	2024M08	2025M07	2025M08	2025M07	2025M08
Unit Sales	27,802	21,294	24,136	-14.4	-13.2
Average Price	1,212,710	1,167,517	1,166,164	-4.0	-3.8
New Listings	65,329	66,353	73,207	13.0	12.1
Active Listings	18,126	23,331	23,563	31.8	30.0
Sales-to-Active Listings	19.5	13.1	12.9	na	na

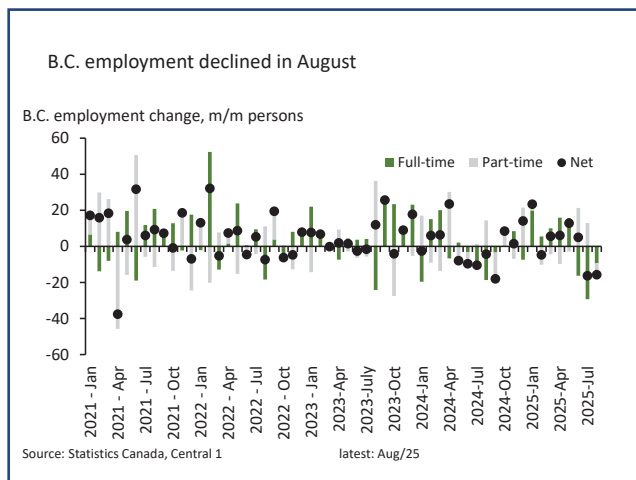
## B.C. labour market reported loss in employment in August

Ivy Ruan, Senior Analyst

Employment in B.C. reported decline following the decrease seen in July, dropping by 0.5 per cent or 15,700 persons in August. Year-over-year employment growth in B.C. was at 0.9 per cent which was just slightly below the national performance of 1.0 per cent. The province's unemployment rate rose to 6.2 per cent from 5.9 per cent in July, which is still below the national average. Labour force participation rate continued to retreat after surging in May. B.C.'s labour force fell 0.1 per cent (4,200 persons) following two consecutive monthly declines. Working-age population growth held at a modest 0.1 per cent. The national labour market performance was largely led by core-aged employment decline in August, with largest provincial decline seen in Ontario, B.C., and Alberta. The average summer youth unemployment rate was 17.9 per cent this year, the highest since summer 2009 outside the pandemic period in 2020.

During the month, both full-time employment and part-time employment in B.C. reported decreases. Full-time employment fell by 0.4 per cent (-9,300 persons) while part-time employment dropped by 1.1 per cent (6,400 person). The Vancouver Census Metropolitan area (CMA) reported a 0.7 per cent (12,400 persons) decrease in its employment level, while the unemployment rate remained at 6.1 per cent.

By sector, declines were concentrated in the services-producing industries (-1.4 per cent or 33,700 persons), offsetting the gains in goods-producing sectors (3.5 per cent or 18,000 persons). The construction sector saw the largest gain in employment (4.4 per cent or 11,400 persons) within the goods sectors, reversing the loss in July. Growth was also reported in the manufacturing sector (3.1 per cent or 5,700 persons) and agriculture sector (9.2 per cent or 1,300 persons). Within the services-producing sector, information, culture, and recreation employment fell by 11.9 per cent or 16,500 persons while the health care and social assistance sector recorded a decline of 2.5 per



cent (10,400 persons) following the modest decline in the previous month. Notable loss in employment was also seen in the educational services sector (-4.7 per cent or 10,500 persons). Wholesale and retail trade sector continued to report growth in employment, with 1.7 per cent (7,600 persons) gain in August.

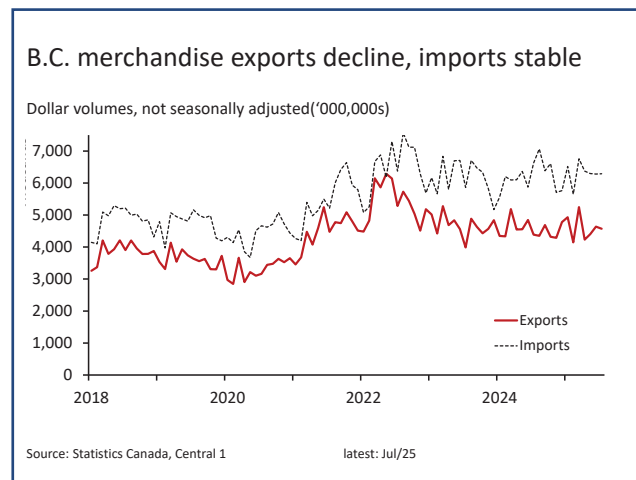
## B.C. sees higher trade with the U.S. in July but volumes still low

*Alan Chow, Business Economist*

Canada's merchandise exports rose by 0.9 per cent in July to a seasonally-adjusted \$61.9 billion. This is the third month they have increased after a decline of 11.3 per cent in April. Imports though, declined 0.7 per cent to a seasonally-adjusted \$66.8 billion during the month. Consequently, the trade deficit shrank to \$4.9 billion, down from the previous month's \$5.9 billion<sup>1</sup>.

The overall rise in exports, led by an increase to the United States, grew in July (5.0 per cent). Imports from the U.S. though declined by 2.2 per cent in the same month. While exports and imports to the United States remain low over the recent four months since tariffs were introduced, the average from the last nine months (Nov 2024 to Jul 2025) is still comparable to the average of the previous 12 months (Nov 23 to Oct 24) suggesting business still have plenty of inventory from higher trade volume seen just before the tariffs. As more goods traded with the U.S. become CUSMA compliant though, volumes should gradually improve and thus, limit the damage new tariffs will cause on the economy.

<sup>1</sup> 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 July 2025 and future revisions are likely.



Provincial data is unadjusted for seasonality and B.C. saw lower merchandise exports in July compared to July. With revisions, exports declined 1.5 per cent to just under \$4.6 billion. A 66.3 per cent increase in farm, fishing, and intermediate food products was offset by a 28.4 per cent decline in metal ore and non-metallic minerals. Imports to B.C. though, stayed about the same, up by only 0.1 per cent. Higher imports of aircraft and other transportation equipment and parts, consumer goods, and energy product were offset by lower imports of industrial equipment, industrial chemicals, plastic, and rubber products, and electronic and electrical equipment and parts. Year-to-date, exports are down slightly (-0.1 per cent) with lower energy exports (-7.1 per cent) and lower forestry products and building and packaging materials exports (-4.1 per cent) offset by higher metal and non-metallic minerals (29.2 per cent) and higher electronic and electrical equipment and parts (20.4 per cent) exports.

Exports to the U.S. from B.C. grew by 13.5 per cent in July compared to June from \$2.3 billion to \$2.6 billion, while imports grew by 2.6 per cent from \$1.87 billion to just above \$1.92 billion. While there was a rise this month, trade tensions remain high and the hike in tariffs on Canadian softwood lumber and sectoral tariffs on aluminum and steel should further impact U.S. trade. The Canadian federal government has provided some help to the industry with loan guarantees and grants to help in product development and market diversification in forestry, but short-term impacts are likely to be felt. Export volumes to the U.S. over the last four months have averaged about 97.3 per cent of what was seen in the year prior to the Trump Administration being elected while import levels are down to 85 per cent.

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