



Highlights

- Toronto housing market reported record low sales and decline in prices
- Ontario merchandise exports rise while imports decline
- Ontario part-time employment decline led the overall loss in August
- The unemployment rate edged down to 7.7 per cent

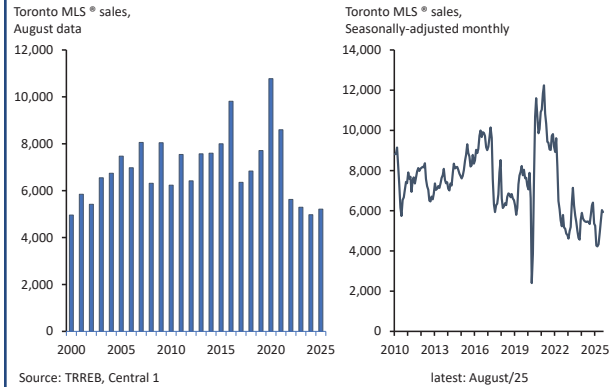
Toronto housing sales remained low in August

Bryan Yu, Chief Economist

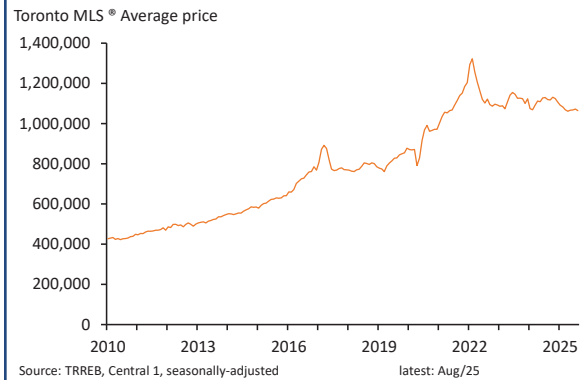
Toronto's housing market remained in its deep funk through August as MLS® sales remained low and prices continued to slide. According to the latest data from TRREB, MLS® sales reached 5,211 units during the month. While this rose 4.7 per cent y/y, notwithstanding last year, this was the fewest same-month sales since 2000, and 28 per cent below the 15-year average for August. On a seasonally-adjusted basis, sales had rebounded in recent months following the plunge induced by tariff uncertainty in the spring, but the upswing stalled in August, by our calculation, with a 1.7 per cent decline. At the current rate of sales, annual sales are tracking about six per cent below a year ago and the lowest in 25 years.

Market conditions are nothing short of dire. While off the recent peak, inventory is near the highest levels since 2008 with a glut of both existing and new home products available. Prices have declined nearly 20 per cent from the 2022 peak, and buyers do not want to catch a potential falling knife. While some tariff uncertainty has abated, risks of job loss persist and the unemployment rate in the region remains high. In higher-priced markets, this risk keeps buyers on the sidelines. Moreover, low population growth has contributed to a weaker rental market amidst rising supply, incentivizing some renters to stay put rather than transition to homeownership.

Toronto sales trend near 25-year low, recent uptick stalls



Toronto home values continue to grind lower on weak demand, excessive inventory



Excess inventory and the buyers' market continues to drag on prices. The average value slipped to \$1.022 million in August, which was down 4.9 per cent y/y, and on a seasonally-adjusted basis down 0.7 per cent m/m. Composite measures point to a broad downturn in prices with single detached product down about 5.6 per cent, and apartments down 8.0 per cent y/y. Buyers' market conditions point to short-term downside to prices in the region, as economic pressures hold back demand.

Toronto MLS® Activity, TRREB

	Actual			m/m % ch		s.a. m/m % ch		y/y % ch	
	2024M08	2025M07	2025M08	2025M07	2025M08	2025M07	2025M08	2025M07	2025M08
Unit Sales	4,975	6,100	5,211	-2.3	-14.6	10.6	-1.7	13.2	4.7
Average Price	1,074,425	1,051,719	1,022,143	-4.5	-2.8	0.5	-0.7	-5.0	-4.9
New Listings	12,547	17,613	14,038	-11.2	-20.3	-2.0	5.1	8.1	11.9
Active Listings	22,653	30,215	27,495	-4.4	-9.0	-3.6	-1.6	26.5	21.4
Sales-to-Active Listings	22.0	20.2	19.0	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	324.2	311	307.504	-1.4	-1.1	-0.0	0.2	-5.4	-5.2
Singles	347.1	331.7	327.801	-1.4	-1.2	0.0	0.1	-5.7	-5.6
Townhome	369.4	343.4	339.996	-2.3	-1.0	-1.0	-0.5	-7.9	-8.0
Apartment	310	291.3	288.207	-1.3	-1.1	-0.3	0.1	-8.1	-7.0

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

	Actual			y/y % ch	
	2024M08	2025M07	2025M08	2025M07	2025M08
Unit Sales	47,096	37,083	42,294	-12.0	-10.2
Average Price	1,122,000	1,088,270	1,080,123	-3.5	-3.7
New Listings	115,188	119,828	133,866	16.7	16.2
Active Listings	17,956	25,760	25,977	49.0	44.7
Sales-to-Active Listings	35.9	20.7	20.5	na	na

Ontario labour market reported decline in August

Ivy Ruan, Senior Analyst

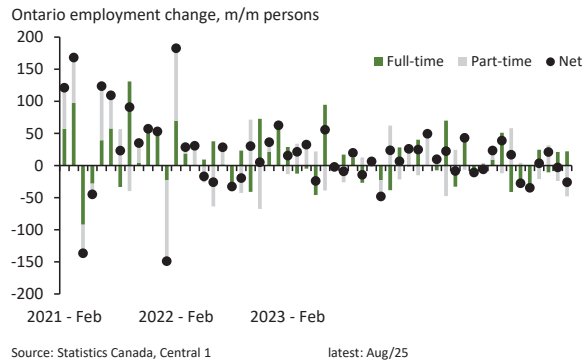
Ontario's labour market reported a negative performance in August, with employment falling 26,000 persons, after a modest decline during the last month, while the unemployment rate edged down to 7.7 per cent from 7.9 per cent in July, almost a full point above the national average. The improvement in Ontario's unemployment rate was the result of a decrease in the labour force (-41,000 persons or -0.5 per cent). The national labour market performance was largely led by a core-aged employment decline in August, with the largest provincial declines 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.

Ontario's year-over-year employment growth remained subdued (0.3 per cent) and was well below the national performance of 1.0 per cent. The working-age population edged up from July in Ontario (0.1 per

cent), while the provincial labour participation rate in August dropped to 64.7 per cent. Full-time hiring continued to increase following the gain in July, up by 0.3 per cent or 22,100 persons, yet only partially offsetting the decrease in part-time employment (-3.2 per cent or 48,000 persons).

Among the Census Metropolitan Area (CMA), labour market results were mixed in August. St. Catharines-Niagara experienced a monthly decrease in employment (based on three-month average data), falling by 1.3 per cent (3,200 persons). Oshawa reported a 1.6 per cent (3,800 persons) growth in employment during the same period. In Toronto CMA, three-month average employment reported a consecutive monthly decline at 0.2 per cent (7,200 persons) in August, while the unemployment rate edged down from 9.0 per cent to 8.9 per cent. Although Windsor reported a modest decrease in employment in August, it still recorded the highest unemployment rate (11.1 per cent) across Canada's 20 largest census metropolitan areas in August as it continued to face the tariff-related uncertainty to its local manufacturing sector.

Ontario part-time employment loss offset full-time gain



In Ontario’s goods-producing sectors, the overall employment level had virtually no change from the previous month. The employment gain in the manufacturing (0.3 per cent or 2,300 persons) sector was offset by the declines in agriculture (-1.2 per cent or 700 persons) and natural resources (-2.9 per cent or 1,300 persons) sectors. The services-producing sectors reported a 0.4 per cent (25,500 persons) decline in employment level, leading the overall employment decline in August. Six out of the eleven industry classifications saw employment losses with the decline led by educational services, where employment fell by 17,900 people (-2.9 per cent). A notable decline was also seen in professional, scientific and technical services (-1.5 per cent or 13,600 persons). On the other hand, wholesale and retail trade sector (0.9 per cent or 10,100 persons) reversed the loss in employment from July. Employment also grew in business, building and other support services (3.0 per cent or 7,700 persons).

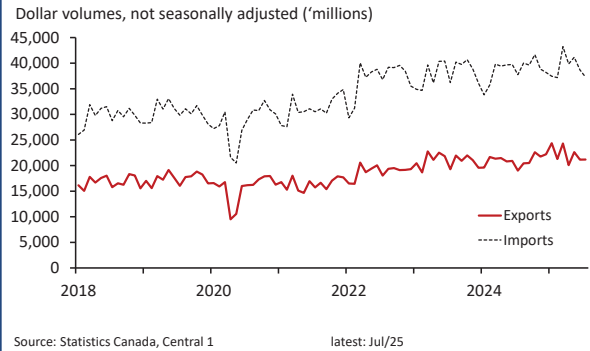
Ontario merchandise exports to U.S. strengthen

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 billion¹.

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 July 2025 and future revisions are likely.

Ontario imported decline further while exports stable



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 – Oct 24) suggesting businesses 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 to the economy.

Provincial data is unadjusted for seasonality and Ontario noted marginally higher merchandise exports in July, up 0.1 per cent at \$21.2 billion. Lower exports of motor vehicles and parts, farm, fishing and intermediate food products were offset by higher exports of energy products, metal ore and non-metallic minerals, consumer goods and industrial machinery. Imports were also down 3.6 per cent or \$1.3 billion to \$37.2 billion, dragged down by a 19.3 per cent or \$1.9 billion decline in motor vehicle and parts and partially offset by higher metal and non-metallic mineral products. Year-to-date, exports are still up 7.0 per cent or \$10 billion with metal and non-metallic minerals up 28.5 per cent or \$8.9 billion and motor vehicles and parts slightly offsetting this, down \$3.6 per cent or \$1.4 billion. Year-to-date imports are up 3.3 per cent or \$8.8 billion with consumer goods up 4.3 per cent or \$2.4 billion and metal ore and non-metallic minerals up 41.1 per cent or \$3.0 billion.

Exports to the United States from Ontario increased by 9.4 per cent, while imports declined by 3.1 per cent on a monthly basis. Although the average for Apr – Jul 2025 have seen exports to the U.S. down 7.6 per cent compared to the average from the year before the Trump Administration was elected (Nov 2023 – Oct 2024), the average monthly volume from Nov 2024 – Jul 2025 is up 3.2 per cent compared to the same period. Exports to the UK are seeing a bump over the last five months, averaging \$3.4 billion versus \$1.9 billion from Mar 2024 – Feb 2025, despite being down 34.1 per cent from the previous month to \$2.4 billion. Imports from the U.S. between Nov 2024 to July 2024 are 1.7 per cent lower than they were between Nov 2023 – Oct 2024.

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