

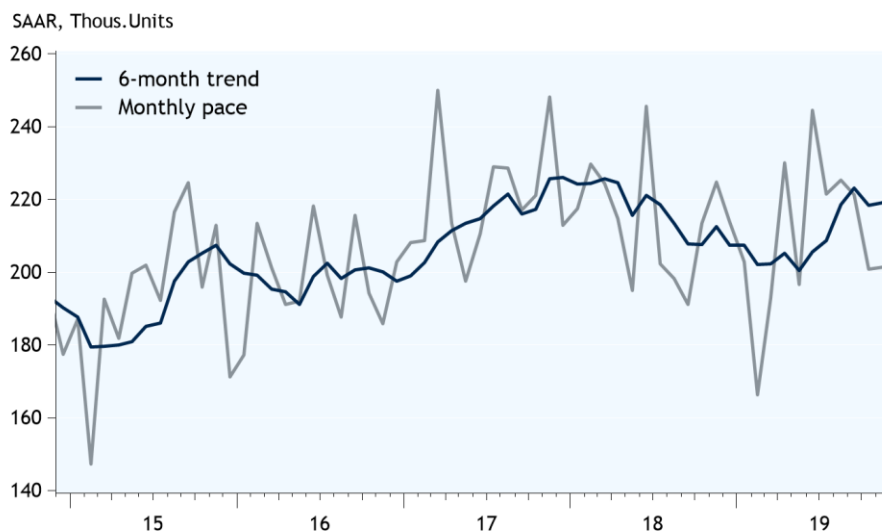
December 9, 2019

Canadian housing starts hold firm

- Housing starts were little changed at 201,000 in November
- Six-month trend still a robust 219,000
- Unemployment rate edged back down to 3.5%

Housing starts held above the 200,000 mark for a sixth consecutive month in November and another solid month for permit issuance (in October) suggests home building will remain firm through the turn of the year. On a six-month trend basis, activity has come off multi-year highs in Quebec and BC, while Ontario and the Prairies have seen a bit of a rebound, but not to earlier levels (particularly for the latter). We expect starts will settle closer to the 200,000 mark going forward rather than the 209,000 pace set year-to-date. So while residential investment should remain a positive contributor to growth near-term, we don't expect Q3's double-digit annualized gain will be repeated.

Canadian housing starts



Josh Nye | Senior Economist, RBC Economics | Royal Bank of Canada | T. (416) 974-3979

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