

Construction intentions up in November, reflecting strong gains in multi-family permits

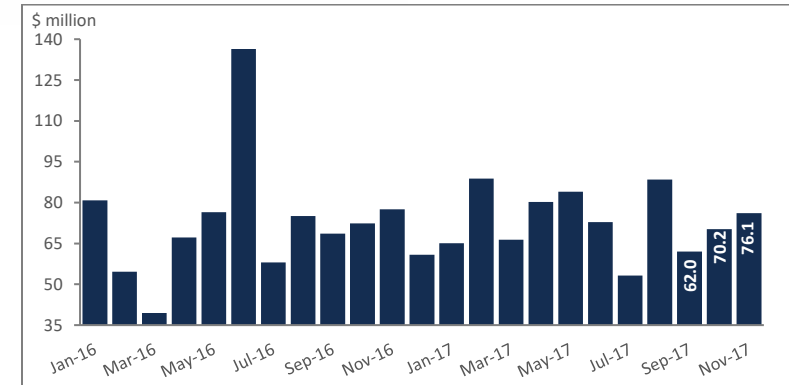
- Construction permits in the Saskatoon CMA increased for the second consecutive month after a decline in September. The total value of permits rose 8.4% from \$70.2 million in October to \$76.1 million in November, mainly as a result of higher residential construction intentions.
- Residential permits jumped 48.4% m/m, reflecting nearly fourfold increase in the value of multi-family dwelling permit and 5.5% gains in single-family permit applications.
- Non-residential permits fell 31.9% m/m as declines in industrial and institutional & government applications offset gains in commercial permits.
- Year-to-date (January through November 2017), the total value of permits is unchanged as weaker commercial (-3.8%) and institutional & government (-48.9%) applications offset gains in residential (+15.2%) and industrial (+17.5%) permits.

“The value of building permits is one of the most watched leading indicators as it signals construction activity six to twelve months ahead. Even though building permits have drifted more than 27% below their five-year average, the most recent data signals a gradual improvement in residential construction activity ahead in 2018.”

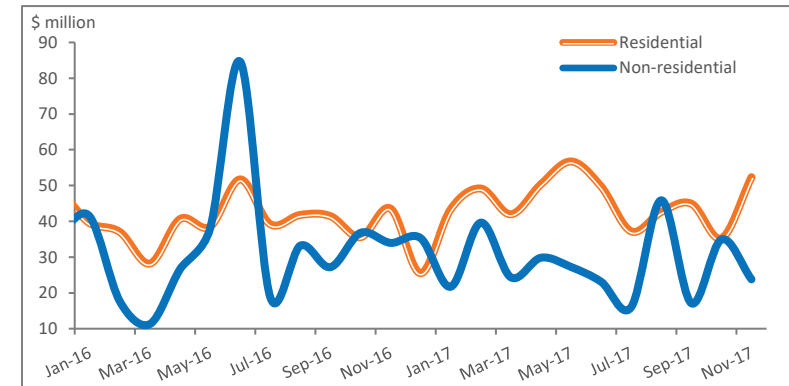
Gabriel Dzathor, Manager – Economic Forecasting and Analysis

Note: Building permits are for the Saskatoon CMA. Stats according to StatCan.

The total value of building permits improved in November...



...due to strong gains in residential permits



Value of building permits, Saskatoon CMA

	2016	YTD-2017	Sept-2017	Oct-2017	Nov-2017
Building permits (\$m)	867.5	806.3	62.0	70.2	76.1
Y/Y % change	-30.4%	0.1%	-9.6%	-3.0%	-1.8%
Residential (\$m)	462.7	503.7	44.9	35.3	52.3
Y/Y % change	-20.7%	15.2%	8.4%	-0.9%	20.2%
Non-residential (\$m)	404.8	303.6	17.1	34.9	23.8
Y/Y % change	-38.9%	-17.8%	-37.1%	-5.0%	-30.0%

Source: Statistics Canada Table 282-0135 (seasonally adjusted)