

Saskatoon rental price continue to lag the general rate of inflation

- Rents in Saskatoon fell 0.4% y/y in January, the 17th successive decline since September 2016. Only three other major cities – St. John’s, Calgary and Edmonton – posted declines.
- Saskatoon tenants currently pay the lowest rent in Western Canada. In 2017, the average monthly rent for a two-bedroom apartment was \$1,084, compared to \$1,120 in Regina, \$1,235 in Calgary and \$1,558. Over the same period, the all-items consumer price index (inflation) rose 1.8%.

Provincially, rents are rising slowly

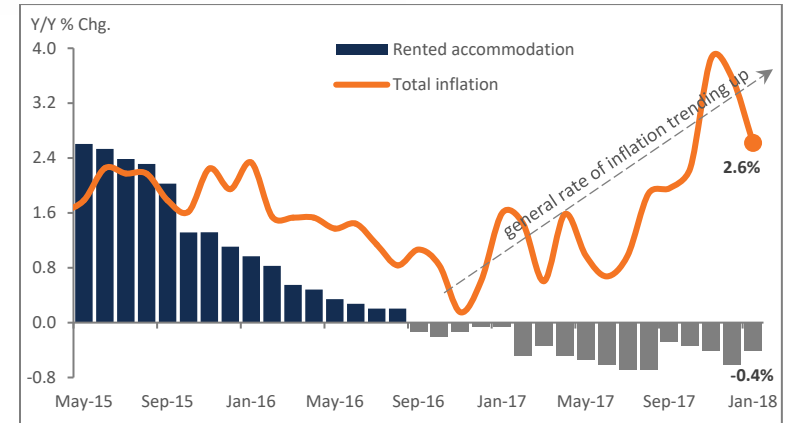
- Rents in the province were up 0.2% y/y in January, the seventh consecutive increase since July 2017. This, against the backdrop of underlying higher inflation (2.5%), represents a reduction in real terms. Excluding shelter cost, inflation in Saskatchewan was 2.7% in January.

“The January data paints a picture of falling rents in YXE, as landlords continue to offer discounts and rental incentives in response to historically high vacancy rate (9.4%). With ongoing improvement in economic conditions in the Region and strong population growth, we can expect to see stronger rental demand and gradual withdrawal of rental incentives.”

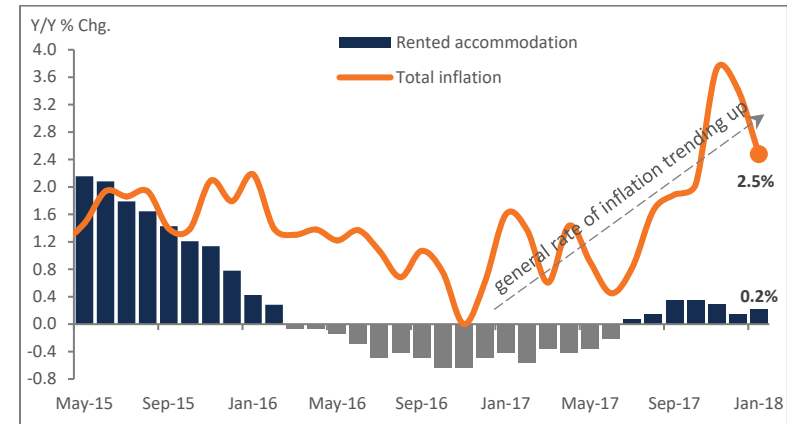
Gabriel Dzathor, Manager – Economic Forecasting and Analysis

¹ Inflation numbers are for the city of Saskatoon, not CMA. The rented accommodation price index, reflects what tenant pay landlords.

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Provincially, rental prices were up 0.2% y/y in January 2018



Consumer Price Index & rented accommodation price index

	2016	2017	YTD 2018	Nov 2017	Dec 2017	Jan 2018
Saskatoon, total Inflation	1.2%	1.8%	2.6%	3.9%	3.6%	2.6%
Rented accommodation	0.3%	-0.5%	-0.4%	-0.4%	-0.6%	-0.4%
SK, total inflation	1.1%	1.7%	2.5%	3.7%	3.4%	2.5%
Rented accommodation	-0.3%	-0.1%	0.2%	0.3%	0.1%	0.2%

Source: Statistics Canada Table 326-0020 (seasonally adjusted)