Greater Toronto Market Intelligence: July 2026

Monthly Research Note | August 6, 2026

The Story in One Paragraph

June's issue ended on one question: does the third print keep the activity trend alive, and — the harder test — does the Composite's monthly decline finally flatten? July answered the first half emphatically and the second half almost. Sales came in at **5,995, essentially flat year-over-year (-0.9%)** against a **17.8% collapse in new listings** — the sales-to-new-listings ratio (SNLR) tightened for a fourth straight month to **37.1%**, and on a seasonally adjusted basis sales rose from June while listings fell. TRREB even reports its seasonally adjusted Composite **edged up month-over-month — the first positive monthly price signal of this cycle**. But the unadjusted benchmark still slipped 0.7% to **$934,600** (-4.6% YoY, narrowing from -5.4%), and active listings remain **43% above the six-year July norm**. The market is coiling: three months of firming demand into a shrinking-but-still-large glut, price one notch from flat but not through it. The caveat that keeps us honest: the same week, Washington's 50% auto tariffs — aimed at the GTA's industrial heart — were signed, effective August 19.

Macro & Mortgage Dashboard

The capital-cost layer that drives buyer qualification and investor cap rates — plus the Ontario stress block, which remains the loudest in the country. This month the narrative fires: inflation broke lower, growth surprised higher, bond yields went the wrong way, and a tariff aimed squarely at Ontario landed on top.

Bank of Canada / Government of Canada — rate stack as of August 6, 2026

Indicator	Latest	~1 mo ago	~3 mo ago
Bank of Canada (BoC) overnight target	2.25%	2.25%	2.25%
Bank Rate	2.50%	2.50%	3.50%
5-yr Government of Canada (GoC) yield	3.19%	2.99%	3.24%
Prime rate	4.45%	4.45%	4.45%
Best 5-yr fixed (insured, approx.)	~4.04%	~4.09%	~4.14%
OSFI stress-test qualifying rate	~6.04%	~6.1%	~6.1%

- **June CPI decelerated to 2.8%** (from 3.2%), with the Bank's core measures averaging **1.9%** — the first sub-2% core read this cycle. Mostly a gasoline base effect (ex-gasoline CPI flat at 2.2%), but the "no cut while inflation runs hot" framing is retired. The September 2 bar dropped; the tariff item below is what keeps it from dropping further.
- **The BoC held July 15 — sixth straight — and the tone eased**, settling on "the current policy rate remains appropriate" and, for the first time this cycle, "housing activity has been weak but looks to be stabilizing." July's GTA print is about as close to that sentence as any board data in the country.
- **May GDP rose 0.3%**, with the Q2 advance estimate at **+0.8%** (quarterly). Read the composition before crediting a recovery: StatCan attributes much of the strength to one-time factors — **2026 Census hiring** in public

administration, **deferred oil-sands maintenance** (borrowing output from H2), and a **+5.1% jump in real-estate agents' output** on Ontario and BC resale volumes. The GTA-relevant footnote: the one clean export-side gain was pharmaceuticals, while **manufacturing shed 17,000 jobs in June** — the sector the August 19 tariffs now target. The expenditure-based Q2 print lands **August 28**; treat +0.8% as provisional.

- **The 5-yr GoC yield backed up ~20bp to 3.19%** — the quiet bad news. Fixed mortgage rates price off this yield, and it moved away from borrowers in the same month the policy-rate conversation turned dovish.
- **July 20: the US imposed 50% tariffs on Canadian motor vehicles, dairy, and alcohol** under Section 338, effective **August 19**, and CUSMA origin does not exempt covered goods. For the GTA this is not an abstraction — the auto channel runs through Oshawa and Brampton payrolls. Full treatment in § 7.
- **Toronto's own labour market is the soft spot the national numbers hide:** city unemployment sits at 7.2% (June, seasonally adjusted) against 6.5% nationally.

Insolvency & Mortgage Stress — Q1 2026 prints, Ontario lead (unchanged since last issue; Q2 lands ~late August)

Indicator	Latest	YoY	Note
Equifax Ontario mortgage delinquent balance	—	+52.0%	Highest provincial increase in Canada; flow signal, leads CMHC stock arrears ~2 quarters
OSB consumer insolvencies, Ontario	13,913	+14.7%	Largest provincial volume — 38% of national filings; bankruptcies (vs proposals) grew >25% YoY; March was the highest monthly count since 2010
OSB consumer insolvencies, national	37,121	+8.5%	Highest quarterly volume since 2009; per-capita at 2019 levels
Equifax homeowner insolvency, QoQ	—	+11.0%	90%+ chose proposals over bankruptcy

The standing frame: per-capita insolvency regressing to 2019 levels — but 2019's stress was about to be suppressed by pandemic stimulus, and 2026 is a post-intervention environment with no analogous safety net, so the same level is materially worse. The regional divergence remains the clean diagnostic: **Ontario +52%** and BC +36% on mortgage-delinquent balances while the Prairies and Quebec are decreasing — the signature of 2021-vintage renewals, not a national credit shock. On timing: OSB filings are the deeply **lagging** end of the stress cascade (they confirm a regime, never signal one), while the Equifax flow is the earlier gauge within the stress cohort, though still lagging price action. These prints are observed data here and in § 10, **not** a § 9 positioning input — the back-test that would let us weight them hasn't run.

---

1. Monthly Dashboard

Cycle position first. The July story this table tells: demand kept closing its gap while the inventory overhang compressed a third straight month — but both remain far from normal.

Cycle Position vs 6-Year Seasonal Norms (2020-2025)

Metric	July 2026	6-yr July avg (incl. pandemic)	Deviation
Sales	5,995	7,021	-14.6%
New listings	14,484	15,029	-3.6%
Active listings	26,098	18,258	+42.9%

TRREB's machine-readable series begins 2020; the 6-yr average uses all 2020-2025 history and includes the 2020-2021 pandemic distortion. Read the deviation as directional, not precise.

New listings dropped below their seasonal norm for the first time in this downturn — the supply side is now normalizing the fast way, by sellers leaving. The active-listings overhang compressed for a third consecutive month (+52.5% in May → +48.1% → +42.9%) but remains the dominant fact of the market. The sales gap narrowed again (-15.2% in May → -12.1% → -14.6%; July's step back is a quirk of the pandemic-era base — July 2020-21 were monster months — rather than a demand retreat: the year-over-year print was flat and seasonally adjusted sales rose).

Headline Metrics

Metric	July 2026	MoM	YoY
Composite HPI (All TRREB Areas)	$934,600	-0.7%	-4.6%
Detached HPI	$1,221,800	-0.7%	-4.4%
Townhouse HPI	$673,200	-1.0%	-6.2%
Apartment HPI	$535,200	-0.4%	-7.3%
Sales	5,995	SA: up	-0.9%
New listings	14,484	-16.2%	-17.8%
Active listings	26,098	-4.5%	-13.6%
SNLR (TRREB's published ratio)	37.1%	+0.6 pt	+2.4 pt

Every segment's YoY decline **narrowed for a second straight month** (Composite -6.7% → -5.4% → -4.6%). The SNLR — sales as a share of new listings, TRREB's tightness gauge, where **below 40% reads as a buyer's market and 40-60% as balanced** — rose a fourth straight month and now sits 3 points from the balanced-market floor. The segment detail worth flagging: **detached SNLR crossed into balanced territory at 40.7%** (from 38.4%), while apartment slipped to 37.3% (from 37.7%). The tightening is being led by ground-oriented homes; the condo segment is being carried.

2. 416 vs 905 Cross-Board Check

Gloss for new readers: 416 = the City of Toronto; 905 = the surrounding regional municipalities (York, Peel, Durham, Halton, plus the Dufferin/Simcoe outer counties). The condo-heavy core versus the ground-oriented suburbs is the GTA's canonical fault line.

July's split is a study in composition. By price, the 416 is the shallower market: City of Toronto Composite fell 0.6% MoM and -3.8% **YoY** against the full board's -4.6%, and the city's townhouse segment even printed +0.2% MoM. By product, the two markets barely overlap:

July 2026	416	905	416 share
Detached sales	691	2,098	25%
Semi-detached sales	233	324	42%
Townhouse sales	249	754	25%
Condo apartment sales	1,054	510	67%
Composite HPI, YoY	-3.8%	—	(board -4.6%)
Apartment HPI, YoY	-7.1%	—	(board -7.3%)

Two-thirds of GTA condo transactions happen inside the 416, and three-quarters of detached transactions happen outside it — so "the 416 vs the 905" is substantially "the condo market vs the detached market" wearing geographic clothing. That is why the city's composite looks more resilient (-3.8%) even while its dominant product, the condo apartment, remains the worst-performing segment on the board (-7.1% YoY in the city): the city's composite gets a lift from its scarce, tightly-held ground-oriented stock, while the condo weakness is diluted at the board level by 905 detached.

Within the 905, the July regime medians (on HPI — see § 6 for why flow data can't go this deep) put **York at the top of the table (+0.0% MoM, the only regime that held flat)** and **Halton at the bottom** (-0.9%), with Peel and Durham in between (-0.6% each). A month is a month; but York flat while Halton bleeds is the reverse of the affordability-ladder pattern that dominated the spring, and worth one more month's watch.

---

3. The Theme of the Month: The Third Print

June's issue set the test in one line: two firm months of activity is a pattern; a flat price month would be the first evidence the pattern is reaching price. July delivered the third firm activity month — and price grazed zero without crossing it.

The activity half is no longer arguable. Sales flat YoY (-0.9%) sounds unimpressive until you put it against the supply side: new listings down **17.8%** year-over-year and, for the first time this cycle, below their 6-year seasonal norm. Flat demand into collapsing supply is tightening by definition, and TRREB's seasonally adjusted read — sales up from June, listings down — says the tightening accelerated within the month. The SNLR's march (35.7% → 36.5% → 37.1%) is now four months long. This is precisely the "activity before price" sequence we've been tracking since May, one print further along.

The price half came within a rounding error. The unadjusted Composite fell 0.7% — a fourth consecutive monthly decline, and slightly steeper than June's 0.6%. But TRREB reports the **seasonally adjusted Composite edged up month-over-month** — the first positive SA price print of this cycle — and every segment's year-over-year decline narrowed for a second straight month. Our June trigger asked for "flat-to-positive" on the monthly print; the honest scoring is that the NSA number did not fire it, and the SA number did. When the two disagree, the trend usually belongs to the SA read and the level to the NSA one: price is still falling, more slowly, with the seasonal current now at its back.

The segment split tells you who is doing the tightening. Detached: SNLR through 40% into balanced, benchmark -0.7% MoM but YoY narrowed to -4.4%, and 75% of those transactions are in the 905. Ground-oriented family homes are where the demand recovery is concentrating. Apartments: SNLR eased to 37.3%, benchmark -7.3% YoY — still the board's worst — and § 7.x explains why: the condo segment isn't just fighting soft demand, it's fighting a record wall of completed, unsold, investor-owned supply. Townhouse sits in between (-6.2% YoY), the bridge segment as usual. The

GTA's recovery, if this is one, is being built from the outside in: suburbs before core, houses before condos, end-users before investors.

Where we differ from the board. TRREB President Daniel Steinfeld: "With sales accounting for a larger share of listings, buyers may find there is less room to negotiate moving forward. If current trends continue, home prices could start to level off compared to last year." Chief Information Officer Jason Mercer adds that upside economic surprises "could help bolster consumer confidence and prompt an uptick in home purchases in the months ahead." On the mechanism, we agree — the SNLR is genuinely tightening and it is the right variable to watch. Two things the framing undersells. First, the level: 37.1% is still a buyer's market, and active inventory is still 43% above normal; "less room to negotiate" is a forecast about the direction of leverage, not a description of its current holder. Second, the conditionality: "if current trends continue" now has an August 19 asterisk the size of an auto plant — a 50% tariff on the region's flagship manufacturing export, landing mid-month, against a city labour market already at 7.2% unemployment with manufacturing down 17k jobs in June. The board's conditional is fair; ours is that the condition has never been this exposed to a single dated event.

One composition note. The average selling price ($1,003,956, -4.5% YoY) happens to track the HPI this month, but with the sales mix shifting toward 905 detached (the recovering segment), mix-sensitive averages will flatter the market before the mix-controlled HPI does. When those two series diverge in the coming months, trust the HPI.

4. The Rental Layer

The GTA apartment segment carries the country's highest condo-investor share, so the rental math isn't a side story — it is the marginal bid for a third of the market. Read this beside § 3's apartment paragraph and § 7.x's supply wall.

Metric	Latest	YoY	Note
CMHC Toronto-CMA vacancy (Q4 2025 print)	3.0%	—	Highest since 2021; condo-apartment sub-segment tighter (~1.0%)
Avg asking rent, all units (Rentals.ca, June data)	$2,537	-1.9%	Third straight MoM increase (+1.2%)
Avg asking rent, 1-bed (April print, carried)	$2,195	-6.3%	Conservative floor — see note
Implied gross yield, benchmark 1-bed condo	4.77%	—	On $551,900 City-of-Toronto Apartment HPI

The print is unchanged since last issue — the August Rentals.ca report (July data) lands within days — so the read carries: Toronto asking rents have risen three consecutive months, the YoY decline has narrowed to -1.9%, and the 29-month streak of annual declines is one ordinary print from ending. The yield anchor is conservative: the 1-bed figure is April's, and three months of all-unit gains since imply the true number sits higher.

What moved this month is the denominator: the City of Toronto Apartment benchmark fell again, to $551,900 (-7.1% YoY), so the implied gross yield rose to **4.77%** — comfortably above the ~4.04% best 5-yr fixed. That spread (~+73bp) is the widest we've tracked, and structurally wider than Vancouver's (~+13bp), because Toronto's condo prices have corrected harder against rents that are already basing. The catch is § 7.x: a levered buyer today isn't just underwriting rent against mortgage — they're underwriting against a record standing inventory of completed, unsold units whose owners have exactly one alternative to selling: renting them out. The yield says the condo market is repricing toward investability faster than Vancouver's. The supply wall says the finish line keeps being moved.

5. The Supply Story

July's most decisive number is on the supply side: **14,484 new listings, down 17.8% year-over-year and 16.2% from June** — the second consecutive month of double-digit annual decline, and the first month this cycle that new listings undershot their seasonal norm (-3.6% vs the 6-yr average). Active listings followed: 26,098, down 13.6% YoY, with the overhang versus the 6-year norm compressing a third straight month, +52.5% → +48.1% → **+42.9%**.

The tightening mechanism is the same one we described for the spring, running faster: sellers who can wait are leaving rather than cutting. TRREB's own framing — "home sales edged slightly lower... while new listings were down substantially. This suggests that active homebuyers faced more competition" — is arithmetically right, and the SA read (sales up, listings down within the month) says July tightened as it went.

Two cautions before extrapolating. First, +42.9% above normal is still an enormous overhang — at the current pace of compression, reaching the +25-30% zone where sellers historically regain footing takes several more months, and the compression is coming from withdrawal, not absorption: sales are still 15% below norm. Second, the withdrawal is heaviest exactly where the overhang is worst — the condo segment — and § 7.x's completions wave keeps refilling that segment's supply from a source no listing decision controls. Resale sellers can stop listing; developers can't stop completing.

6. Area Scorecard

HPI-based, across the full C/W/E district grid. (A data note: TRREB's Market Watch has thinned its sub-municipality tables — district-level sales/SNLR data survives for only a handful of areas — so this scorecard runs on HPI benchmarks, where the full grid still publishes. Flow commentary stays at region level.)

17 of 58 sub-areas rose MoM — a market still declining on breadth, but no longer uniformly: a month ago the positive count was single digits.

Firmest (Composite MoM)

Area	MoM	YoY	Read
Toronto W01 (High Park/Roncesvalles)	+2.7%	-2.4%	End-user west-core
Toronto C10 (Davisville/Mt Pleasant)	+1.3%	+3.9%	Midtown; YoY-positive
Toronto E02 (Beaches)	+1.2%	-3.7%	End-user east-core
Toronto W09 (Weston/Humber Heights)	+1.1%	+0.3%	Shallowest drawdown on the board
Toronto C08 (Downtown east)	+0.9%	-9.0%	Condo-core bounce off deep lows

Softest (Composite MoM)

Area	MoM	YoY	Read
Toronto E01 (Riverdale/Leslieville)	-2.6%	+0.3%	Thin, volatile; still YoY-positive

Area	MoM	YoY	Read
Toronto W06 (Mimico/Long Branch)	-1.8%	-2.3%	Condo-heavy lakeshore
Burlington	-1.8%	-0.9%	Halton softness
Oshawa	-1.8%	-6.4%	Durham; auto-employment exposure
Toronto C14 (Willowdale)	-1.7%	-5.4%	Condo-investor North York

The pattern in both tables is the same one § 3 found in the segments: the firm list is dominated by **end-user, ground-oriented 416 neighbourhoods** (W01, C10, E02, the Beaches), while the soft list mixes **condo-investor districts** (C14, W06, C08's neighbour C01 at -1.6%) with the **auto-exposed outer ring** (Oshawa — worth naming three weeks before the tariffs bite). No regime crossed the ±1.0% divergence threshold in opposite directions this month — York's flat +0.0% median against Halton's -0.9% is a lean, not a break — so the regime callout stays quiet.

Peak drawdown leaderboard (Composite, from each area's peak)

Deepest	Drawdown	Shallowest	Drawdown
Toronto C15 (Bayview Village)	-44.3%	Toronto W09	-16.0%
Toronto C08 (Downtown east)	-44.1%	Toronto W05	-22.1%
Milton	-43.1%	New Tecumseth	-22.7%
Toronto C10	-41.8%	Toronto C09 (Rosedale)	-22.9%
Burlington	-39.4%	—	—

The board-wide Composite sits **-32.1% below its March 2022 peak** ($1,376,000 → $934,600) — a correction half again as deep as Greater Vancouver's -20.8%, which is the single most important context for every "GTA is tightening" sentence in this issue: the market that is firming is doing so from a much deeper hole. The deepest damage concentrates where 2021-22 investor leverage concentrated: North York condo corridors (C15, C14), the downtown east condo core (C08), and the pandemic-era exurban surge towns (Milton, Burlington).

7. The Structural Overlay

The macro forces the monthly board data doesn't capture. For the GTA this month, one of them has a date on it.

Trade — the tariff is aimed at this region. On **July 20**, the US imposed an additional **50% tariff on Canadian motor vehicles** (plus dairy and alcohol) under Section 338 of the Tariff Act, effective **August 19**; CUSMA origin does not exempt covered goods, and this stacks on the Section 232 sectoral tariffs already in force. For Vancouver we called this a confidence story. For the GTA it is a payroll story: the auto assembly and parts base runs through **Oshawa (Durham) and Brampton (Peel)**, US vehicle-trade volumes were already down 22% before this escalation, and Ontario **manufacturing shed 17,000 jobs in June** — before the tariff was signed. Toronto unemployment is 7.2% against 6.5% nationally. Ottawa says it is "ready to intensify" negotiations before the effective date, and a blunting is possible; but underwriting a GTA demand recovery today means underwriting the region's single largest manufacturing channel through a dated, signed, adverse policy event. The transmission to housing runs through employment in exactly the 905 regimes — Durham, Peel — where § 2 shows the detached recovery concentrating.

The mortgage-renewal cliff — Ontario remains the epicentre. The financing picture improved and worsened in the same month: June CPI at 2.8% reopened the September 2 cut conversation, while the 5-yr GoC yield rose 20bp — and fixed renewal rates follow the yield, not the policy rate. The leading stress gauge — Equifax Ontario mortgage-delinquent balances, **+52% YoY, the highest in Canada** — sits well above the +40% distress-watch threshold (§ 7.bonus), with the Q2 print due within weeks. Ontario's bankruptcy mix is deteriorating faster than its headline: straight bankruptcies up >25% YoY against +14.7% total filings.

Immigration — the GTA is the largest sink. IRCC tightened study-permit financial checks July 24, incremental confirmation of a settled downtrend (2026 issuance target -16% vs 2024). The first-order effect is rental demand — which makes § 4's three months of rising rents despite the cuts more notable, not less — with the ownership drag arriving on a multi-year lag.

§ 7.bonus — Distress & Foreclosure Watch (ACTIVE)

The Ontario Equifax flow signal (+52% YoY) remains above the +40% activation line — the prints are Q1's, unchanged since last issue, with Q2 landing ~late August:

Gauge	Print	Threshold	Status
Equifax ON mortgage delinquent balance YoY	+52.0%	⩾ +40%	Above — active
OSB Ontario filings YoY	+14.7%	⩾ +20%	Below; bankruptcies sub-signal >25%
Ontario power-of-sale listings	not yet measured	2 consecutive ⩾+50% MoM	No GTA feed exists — flagged as a gap, not silently dropped

The +52% is a flow of newly delinquent balances — it says the renewal cliff is producing casualties at an accelerating rate, roughly two quarters before the stock arrears rate and several ahead of insolvency filings. What it does not say is that forced selling has arrived at scale: power-of-sale volumes are the confirming signal, and we currently have no systematic GTA count (an honest gap). The Q2 Equifax print is the single most important number of the next thirty days for this section: a deceleration below +40% would de-activate the watch; a further rise with the tariff shock incoming would begin to look like the front edge of Wave 2.

§ 7.x — Pre-construction / assignment overlay (ACTIVE — fresh Q2 data)

Urbanation's Q2 2026 prints landed, and they cut both ways. New condo sales in the GTHA rose **52% year-over-year to 702 units — the first annual increase since Q3 2023** — driven by the HST elimination on new builds and, tellingly, by **bulk purchases of completed units by investment groups:** sales at completed projects more than tripled to 535 units, meaning three-quarters of the "recovery" was clearance-rack buying, not pre-construction demand. The first half of 2026 was still the **slowest for new condo sales in 27 years**, and sales sit 86% below the 10-year Q2 average. Meanwhile **completed-and-unsold condo inventory hit a record high in Q2** — the appraisal-gap cohort from 2021-22 contracts continues to close into a market well below their strike prices. Urbanation's Shaun Hildebrand: "it's an important signal to see new condo sales respond··· That said, this improvement is coming off an extremely low base, and pre-construction demand remains largely dormant."

The read for the resale apartment segment is unchanged in direction, sharper in detail: the near-term supply wall is still growing (record standing inventory), but a clearing mechanism has finally appeared — deep-discount bulk sales. That is how condo bottoms actually form: not when retail demand returns, but when institutional capital decides the discounts clear the hurdle. One quarter of bulk buying is a data point, not a bottom; it is, however, the first time in this cycle the demand side of the condo ledger has produced any print worth recording. The 2028-29 completions cliff (a pipeline emptying at a 27-year-low sales pace) remains the medium-term other shoe.

8. What Is the Market Actually Telling Us?

Each signal scored on one question: does it push forward prices up (Bullish), down (Bearish), or neither? Timing: **Leading** = turns before prices; **Coincident** = moves with the market; **Lagging** = confirms after. "vs 6-yr" is the 2020-2025 seasonal average (a level, pandemic-inclusive).

Signal	Direction (strength)	Timing	Reading
New listings	Bullish (Mod)	Leading	-17.8% YoY; below 6-yr norm for the first time this cycle
Active listings	Bearish (easing)	Leading	+42.9% vs 6-yr; 3rd straight compression
SNLR	Bullish (Mod)	Coincident	37.1%, 4th straight rise; detached through 40%
Sales momentum	Bullish (Weak)	Coincident	Flat YoY; SA up MoM — third firm print
Segment HPI	Bearish (easing)	Coincident	All negative MoM, but all YoY narrowing; SA Composite ticked up
Asking rents	Bullish (Weak)	Leading	3 straight MoM gains; -1.9% YoY, streak near its end
Condo standing inventory	Bearish (Mod)	Leading	Record high in Q2; bulk sales the first clearing signal
CPI / BoC path	Neutral-to-Bullish	Leading	2.8% headline, 1.9% cores — Sept 2 genuinely two-sided
5-yr GoC yield	Bearish (Weak)	Leading	3.19%, +20bp — renewal rates follow this, not the BoC
US auto tariffs (Aug 19)	Bearish (Mod-Strong)	Leading	Aimed at Oshawa/Brampton payrolls; signed and dated
Toronto labour	Bearish (Mod)	Coincident	City UR 7.2% vs 6.5% national; mfg -17k in June
Equifax ON delinquency	Bearish (Weak)	Lagging-in-stress	+52% — above watch line; Q2 print imminent
GDP (Q2 flash)	Neutral	Lagging	+0.8% quarterly, one-time-heavy; expenditure print Aug 28

Synthesis, weighting the leading signals. The board-data signals have never looked better this cycle: supply normalizing, ratio tightening four months running, rents basing, the SA price print grazing positive. If the GTA were a closed system, the leading column would justify real optimism. It is not a closed system. The two heaviest leading bearish signals — the tariff and the condo supply wall — are precisely the two forces the board data cannot see until they land, and both have dates (August 19; the ongoing completions schedule). The synthesis is therefore conditional in a way June's wasn't: the internal recovery is real and now three months deep, and the external threat to it is no longer diffuse "uncertainty" but a signed policy instrument aimed at the region's industrial base. August's data will be the first to referee the collision. Until it does, the honest position is that the coil is winding — and something outside the housing market holds the release.

9. Positioning Framework

Not personal advice — a read for the typical subscriber. Leading signals are genuinely mixed with a dated external risk; we hold the patient stance but, for the first time this cycle, with an asymmetry across segments.

For buyers. The market is tightening under your feet — slowly, from a deep hole, but four months of SNLR gains is a trend, not noise. The segment asymmetry is the actionable part. **Detached, especially 905:** the SNLR has crossed into balanced, sellers are withdrawing, and the negotiating window is visibly narrower than it was in spring — though the tariff's employment shadow falls exactly here (Durham, Peel), which argues against panic-buying into the tightening. **Condos, especially 416 core:** the leverage remains overwhelmingly yours — a record wall of completed inventory, motivated assignment sellers, and a segment SNLR that eased even as the board tightened. A buyer who needs a condo has no urgency signal anywhere in the data; a buyer who wants ground-oriented space has a mild one. September 2 is a live cut possibility; don't anchor on it.

For sellers. Detached owners: the first faintly favourable tape in over a year — SNLR in your segment is in balanced territory and inventory is draining. Price realistically and July's conditions will find you a buyer; price to 2022 nostalgia and you'll join the withdrawal statistics. Condo owners: nothing in July improved your position, and § 7.x's record standing inventory means your competition now includes developers running clearance sales to investment groups. If you don't need to sell, the rental market — three months of rising rents — is a materially better parking spot than the resale market. If you do, the bulk-sale discounts being printed are the honest comp for what clearing actually costs.

For investors. The Toronto condo yield math is now the most interesting in the country: 4.77% implied gross on the benchmark against a ~4.04% best fixed — a spread Vancouver investors would envy — with rents basing and the price denominator still falling. The Q2 bulk-buying print says institutional money has started to agree. The reasons retail should still wait are § 7.x and § 7.bonus: the standing-inventory record means the exit remains crowded for years, and the +52% delinquency flow says the forced-supply pipeline hasn't peaked. The disciplined version of interest here is watching two numbers — the Q2 Equifax print (late August) and whether bulk-sale volume repeats in Q3 — not bidding on the yield spread alone. The insolvency prints remain observation-only until the back-test runs; they are not a positioning input.

10. What to Watch Next Month

Report Card — grading last month's calls

June set eight triggers and one decisive question — does the third print keep the activity trend alive, and does the Composite's monthly decline finally flatten? July's answer: activity yes, unambiguously; price grazed zero (SA positive) without crossing it (NSA -0.7%). The conditional framing held.

June trigger	July outcome	Grade
Active vs 6-yr norm stays >+40% (bearish)	+42.9% (from +48.1%) — above the line, 3rd straight compression	held, moderating
Condo closings stress / discounts widen (bearish)	Record standing inventory (fired); but sales +52% YoY on bulk buys — first clearing signal	mixed — see § 7.x
Ontario delinquency Q2 rises (bearish)	Q2 print lands ~late August	pending
Manufacturing: 2nd month of losses (bearish)	July LFS releases Aug 7 — tomorrow	pending
Composite MoM flat-to-positive (bullish)	NSA -0.7% (not fired); SA edged positive — first of cycle	grazed, not crossed
SNLR crosses 40% (bullish)	37.1% overall (not fired); detached crossed at 40.7%	partial — segment first
Toronto rents YoY turns positive (bullish)	Same June-data print (-1.9%); August report lands in days	pending
BoC Sept 2 cut or easing guidance (bullish)	Decision ahead; July's hold already leaned dovish	pending

Nothing decisively fired in either direction — July moved every dial one more notch along June's trajectory without crossing any threshold. That is itself the finding: the month extended the pattern rather than testing it. The tests all have dates, and they cluster in the next four weeks.

Grading June's thesis: "activity before price" survives a third month intact, and June's refusal to promote the board's "renewed price growth" from forecast to fact was again correct — price is still falling on the unadjusted print. What June's issue could not have weighted is the July 20 tariff signing; the "CUSMA limbo" thread it carried has hardened into a dated, GTA-aimed policy event, which shifts the risk from chronic to acute.

This month's triggers

Bearish (external shock and stress confirmation):

Trigger	This month	Bearish if…
Auto tariffs (eff. Aug 19)	signed	take effect as written; layoff announcements in Oshawa/Brampton follow
July LFS (Aug 7)	mfg -17k in June	second month of manufacturing losses; Toronto UR toward 7.5%
Equifax ON delinquency Q2 (~late Aug)	+52% (Q1)	rises further with tariffs incoming
July CPI (Aug 19)	2.8%	tariff pass-through visible in goods prices — closes the Sept 2 cut window

Bullish (the coil releases):

Trigger	This month	Bullish if…
Composite MoM, NSA (Aug)	-0.7%	prints flat-to-positive — the unadjusted zero-cross
SNLR overall	37.1%	crosses 40%; apartment SNLR stops easing
Toronto rents YoY (Aug report, days away)	-1.9%	turns positive — ends the 29-month streak
Active vs 6-yr norm	+42.9%	falls below +40% for the first time since 2023
BoC Sept 2	two-sided	a cut, or explicit easing guidance
Q2 GDP expenditure (Aug 28)	+0.8% flash	confirms the flash — recession fear stays retired

Key Metrics Summary

Metric	July 2026	MoM	YoY	vs 6-yr norm
Sales	5,995	SA: up	-0.9%	-14.6%
New listings	14,484	-16.2%	-17.8%	-3.6%
Active listings	26,098	-4.5%	-13.6%	+42.9%
SNLR	37.1%	+0.6 pt	+2.4 pt	—
Composite HPI	$934,600	-0.7%	-4.6%	—
Detached HPI	$1,221,800	-0.7%	-4.4%	—
Townhouse HPI	$673,200	-1.0%	-6.2%	—
Apartment HPI	$535,200	-0.4%	-7.3%	—
416 Composite	$928,200	-0.6%	-3.8%	—
Drawdown from Mar-2022 peak	-32.1%	—	—	—
Implied 1-bed condo gross yield	4.77%	—	—	—
BoC overnight	2.25%	—	—	6th hold

Data: 79 monthly TRREB Market Watch + HPI reports (Jan 2020 - Jul 2026). This note is analytical commentary based on board data and analyst judgment; it is not investment advice. All forward-looking framings carry material uncertainty. Sources: TRREB July 2026 Market Watch + MLS HPI; Bank of Canada; Statistics Canada (CPI June 2026, GDP May 2026, LFS June 2026); Rentals.ca National Rent Report (July 2026); CMHC Rental Market Survey; OSB + Equifax Q1 2026 insolvency prints; Urbanation Q2 2026 condo market reports; Bloomberg-Nanos Confidence Index.