

2015

REGIONAL ECONOMIC OUTLOOK

Kitchener-Waterloo-Barrie



Presented by the Credit Unions of Ontario, the Ontario Chamber of Commerce, and the Guelph Chamber of Commerce.

1

Kitchener-Waterloo-Barrie is creating jobs at a rate that outpaces every other region. The region is expected to add 30,000 jobs over the next two years.

2

The regional unemployment rate, already below the provincial average of 7.3, is expected to shrink to 6.2 percent by 2016.

3

Net migration to the region is expected to be strong, growing at a rate of 1 percent in 2015 and 1.1 percent in 2016 as the region grows by just under 30,000.



Credit Unions of Ontario



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Economic growth in the **Kitchener-Waterloo-Barrie** (KWB) region will gain some momentum during the next two years led by exports and business investment spending in manufacturing and high-tech. However, varied performances in other sectors will result in moderate overall growth. Economic conditions and prospects are uneven across this large region with the Kitchener-Cambridge-Waterloo census metropolitan area (CMA) and the region's other two CMAs (Guelph and Barrie) driving growth and having brighter prospects compared to other areas in the region.

This region has fared relatively well since the last recession, compared to other regions in the province, though not without its difficulties and challenges. The region's more diverse manufacturing sector with its information and communications technology (ICT) sector concentration better absorbs economic and market risks. Significant education institutions in the region provide stability and growth potential for start-ups.

Economic conditions in 2014 were mixed across sectors and industries. Employment grew 1.3 percent following a 2.5 percent gain in 2013 and a 0.4 percent contraction in 2012. Construction employment posted another solid yearly gain due to more residential and non-

residential building construction. However, manufacturing employment did not fare as well with its second consecutive annual decline. Growth in several service-producing industries, notably transportation-warehousing, finance-insurance-real estate, professional-scientific-technical, and information-cultural-recreation, provided an underpinning.

Regional and local ICT output data are not available but Canadian data show a drop in ICT manufacturing offset by a large gain in ICT services output. Ontario's ICT merchandise exports were down six percent year-to-date in October compared to last year, though they are up slightly in Canadian dollars. Information processing equipment investment spending in the U.S. is up modestly in 2014 and it is roughly even with spending last year in Canada. U.S. investment spending is poised to increase in 2015 and 2016 as its economy grows faster resulting in higher local output and exports.

There is a fair likelihood that ICT manufacturing is at or near a cyclical low in the region and in Canada, based on improved demand prospects ahead. The lower Canadian dollar combined with a faster growing U.S. economy will boost exports and company profitability and ultimately investment spending. Lower oil prices may also assist the bottom line for some manufacturers. In addition,

growth in the rest of the global economy will also begin to improve and potentially expand ICT exports.

ICT services activity is growing at a rapid pace and is on a significant long-term uptrend. The future is bright for this sector with ongoing technological innovation in mobility, cloud, security, storage, business intelligence, and big data and analytics. Businesses are constantly looking for ways to reach new customers, better serve existing clients, and to improve their bottom line through efficiencies. Consumer demand for new and improved software and other services is also growing.

Notable regionally-based companies such as BlackBerry announced plans to hire about 350 engineers with many of the positions based in Waterloo. Desire2Learn, another Waterloo-based company, plans to hire 60 to 100 employees. Cogeco Data Services is expanding its Barrie centre, adding 20,000 square feet. Export Development Canada announced US\$850 million in financial assistance to Vodafone with the majority of the money to be spent on BlackBerry's handsets, software and support services.

BlackBerry's downsizing and restructuring appears nearly complete and its new business plan is beginning to show promise. The company rolled out its new Passport and Classic phones. Also, the success of BlackBerry Enterprise Server 12, which manages cross-platform devices such as Android and iPhones, will be critical.

The region's auto-related sector improved with a cyclical rebound in U.S. auto sales, benefitting companies like parts-giant Linamar and vehicle assemblers. Linamar has announced a \$507 million expansion at its operations in Guelph. Honda of Canada recently announced that it is investing about \$857 million over three years in new technologies, worker training and research partnerships with Ontario colleges and universities. With higher U.S. new vehicle sales forecast on the horizon, the ongoing expansion in Asian markets, and the lower Canadian currency, this sector's prospects are improving.

Some other manufacturing operations face a different future. For example, the Schneiders' plant in Kitchener

is laying off over 600 workers and will close in the first quarter of 2015. Owens Corning will be cutting more than 100 jobs at its fibreglass plant in Guelph by 2016 when it shifts some production to Mexico. CCL Industries announced that it will close its aerosol container facility in Penetanguishene by mid-2015 affecting 170 jobs.

Total manufacturing employment in the KWB region declined during 2014 to its lowest level in more than a decade. Performance was uneven across the region with the larger centres such as the Kitchener-Cambridge-Waterloo CMA holding up along with the Guelph and Barrie CMAs to a lesser extent. The bulk of job losses were in smaller centres outside the metro areas, where employment fell to 1996 levels.

The construction industry remains very active in both the residential and non-residential sectors. Residential building permits were up around 12 percent in 2014 while non-residential building permits jumped 35 percent on the strength of a near doubling in government-institutional permits from the \$187 million expansion of Cambridge Memorial Hospital. Other major projects underway include Phase 1 of the ION Light Rail Transit (LRT) project and the Centre of Excellence for Innovation in Aging at the University of Waterloo. The \$160 million Waterloo Corporate Campus project will be completed in phases by 2018.

Transportation improvements such as the LRT and expansion of GO Transit service between Kitchener-Waterloo and Toronto will facilitate residential and commercial development, generate travel-time savings, and make the region more attractive for business relocation and retention.

Housing markets performed well in 2014 with unit sales only slightly lower than in 2013 though the average sale price was about five percent higher. Housing starts more than doubled on a surge in apartment condominium and rental activity in the Kitchener-Cambridge-Waterloo CMA. The area's declining rental vacancy rate may reverse with this supply increase, though demand could outstrip new supply.

The housing outlook is mixed in that new construction will likely decline in 2015 while housing

prices rise further and housing sales remain in the range seen for the past several years. Higher mortgage rates in 2016 will crimp sales demand though some offset from higher employment, income, and population growth should limit the decline.

Non-residential building permits will, not surprisingly, decline in 2015 following the 2014 spike in public permits. However, higher investment activity in 2016 is seen in conjunction with the improving economy. Population growth will remain low by historical

standards but begin to experience rising net migration into the region. A diminishing net interprovincial outflow to the west and a rising intraprovincial net inflow are the main expected unfolding trends while net international migration is seen holding near current levels. Rising intraprovincial net migration reflects the region's attraction as high-tech and higher education centres.

Read on to find out how the Kitchener-Waterloo-Barrie economic region stacks up against the rest of Ontario >>>



REGIONAL ECONOMIC OUTLOOK

Kitchener-Waterloo-Barrie

	2012	2013	2014	2015	2016
Labour Force (000s)	735.3	753.3	757.2	765.0	780.0
<i>% change</i>	-1.1	2.4	0.5	1.0	2.0
Total Employment (000s)	687.0	704.3	713.5	727.0	743.5
<i>% change</i>	-0.4	2.5	1.3	1.9	2.3
Unemployment Rate	6.6	6.5	5.8	5.0	4.7
MLS® Residential Sales	19,977	20,706	21,101	22,000	23,000
<i>% change</i>	2.5	3.6	1.9	4.3	4.5
MLS® Residential Average Price	301,329	313,709	330,413	343,000	356,000
<i>% change</i>	3.9	4.1	5.3	3.8	3.8
Residential Permits (units)	6,325	7,084	7,900	7,500	7,900
<i>% change</i>	-19.2	12.0	11.5	-5.1	5.3
Non-Residential Permits (\$ millions)	987	982	1,325	980	1,100
<i>% change</i>	-29.6	-0.5	34.9	-26.0	12.2
Private Non-Residential Building Permits (\$ millions)	669	732	850	700	800
<i>% change</i>	-26.2	9.5	16.0	-17.6	14.3
Public Non-Residential Building Permits (\$ millions)	318	250	475	280	300
<i>% change</i>	-36.0	-21.4	90.1	-41.1	7.1
Population (000s)	1,271.6	1,285.5	1,298.0	1,311.0	1,325.0
<i>% change</i>	1.2	1.1	1.0	1.0	1.1
Net Migration	10,730	9,141	8,000	8,500	9,200
<i>Net International</i>	4,056	3,583	3,000	2,800	2,800
<i>Net Interprovincial</i>	-1,793	-2,909	-3,000	-2,500	-2,000
<i>Net Intraprovincial</i>	8,467	8,467	8,000	8,200	8,500

Source: Statistics Canada, CREA, Central 1 Credit Union forecasts.

Notes: Housing sales and prices represent combined activity in real estate boards within the region.



2015

REGIONAL ECONOMIC OUTLOOK

Summary of Ontario



1 Improving external conditions support higher provincial growth.

2 Regional economies boosted by varying degrees.

3 Narrowing regional growth disparities.

SUMMARY

External factors are setting the stage for a better performing Ontario economy and its regional economies. The expected improvement is broadly based across industries and regions, though some manufacturers will experience negative fallout from the decline in exports to oil-producing provinces. Overall, Ontario is a net beneficiary of low oil prices and, when combined with other drivers such as the lower Canadian dollar and faster U.S. economic growth, economic prospects are improving.

Regional economies in southwestern and central Ontario are well-positioned to benefit from the expected improvement in manufacturing, agriculture, and tourism. Business investment gains appear later in the forecast. Domestic economic activity, for example in housing, will also firm up in most regions and will be aided by higher population growth. Northern regions, which are heavily dependent on mining, face less optimistic prospects.

Canadian dollar, and cost savings by consumers and businesses, from lower oil prices, notably in transportation, will push up the province's real GDP growth to 2.7 percent in each of the next two years. This compares to an estimated 1.9 percent in 2014 and 1.3 percent actual in 2013.

The global economic recovery remains uneven and slow, with weakness in Europe, slowing growth in China, recession in Brazil and Russia, and sluggish commodity-based economies offset by firmer growth in the U.S. and U.K. The collapse in oil prices has mixed impacts which will contribute to lower headline inflation in many countries and prompt some central banks to ease or postpone tightening. However, low energy prices will support global economic growth by reallocating some energy-related savings to spending on non-energy goods and services. Oil-producing economies will bear the brunt of this price collapse and will drag down overall economic growth. On balance, however, global growth should receive a lift.

Canada's economic growth will be negatively affected by the oil price collapse, and depending on where oil prices settle and on how long prices remain low, the impact on real GDP growth could



Credit Unions of Ontario



FAVOURABLE EXTERNAL CONDITIONS FOR ONTARIO'S ECONOMY

Ontario stands to benefit from external forces more than at any time in the past 10 years. The combination of higher U.S. growth, the lower

be 0.5 percent in 2015. This will cause the Bank of Canada to hold off on a rate increase until the first quarter of 2016 and possibly later. With the U.S. Fed poised for its first rate increase around mid-2015, the narrowing interest rate differential, along with the widening growth differential, will put downward pressure on the Canadian dollar.

Interprovincial migration flows will reflect the changing economic circumstances between the oil-producing regions of the country and the rest of Canada. Ontario's net interprovincial outflow to Alberta of about 15,000 persons annually will decline and turn into a net inflow, providing a small lift to the province's population growth rate.

There are negative impacts from the oil price collapse that will ripple through Ontario's economy. Less capital expenditure by oil companies will mean less demand for machinery, equipment, fabricated metal products, professional-technical services, and financing from Ontario firms. Job layoffs in the oil patch will translate directly to lower income for commuting workers from Ontario. Lower government revenue from these sources is another negative.

Gauging the net positives and negatives from lower oil prices depends on how low prices will fall and for how long. Current thinking is that it is a net positive for Ontario and other oil-importing provinces.

The housing market will hold up and post further gains under improving economic and population growth, low interest rates, and pent-up demand in some of the province's regions. Markets in the manufacturing regions stand to gain the most given their modest recovery since the recession.

REGIONAL GROWTH ROTATION

Ontario's regional economies are quite diverse in their industry makeup though some dominant aspects exist in several of them. Higher U.S. growth,

reduced oil-related costs, the lower loonie, ongoing low interest rates, and improved provincial growth will benefit all regions, though initial conditions and industry-specifics will contribute to some growth differences. The improved growth backdrop will take time for its benefits to work through the economy with growth gaining momentum through 2016.

Manufacturing-oriented economies outside of the Toronto and Kitchener-Waterloo-Barrie regions are beginning to see gains and are poised for faster growth. The composition of manufacturing activities in a region will make a difference as well, but a general improvement is likely in most types of manufacturing. Southwestern regions and the Hamilton-Niagara region are favourably positioned and also have the added advantage of robust agricultural and, in some cases, tourism sectors.

Northern regions will continue to lag because of their large dependence on the mining sector, which faces weak prices and export prospects as long as slow growth persists in emerging markets such as China. However, the wood products sector faces better prospects from rising U.S. housing starts.

One trend not expected to change soon is the dominance of a metropolitan area in a region relative to rural centres. In some regions, economic and population trends are considerably less positive in those rural areas than in the larger, more industry-diversified metro area, which is usually a region's service and distribution hub.



REGIONAL ECONOMIC OUTLOOK

Ontario Summary

LABOUR FORCE					
ECONOMIC REGION	2012	2013	2014	2015	2016
Hamilton-Niagara Peninsula	770.2	758.5	762.5	770.0	779.0
<i>% change</i>	0.8	-1.5	0.5	1.0	1.2
Kingston-Pembroke	229.8	229.0	230.8	230.5	230.0
<i>% change</i>	-2.0	-0.3	0.8	-0.1	-0.2
Kitchener-Waterloo-Barrie	735.3	753.3	757.2	765.0	780.0
<i>% change</i>	-1.1	2.4	0.5	1.0	2.0
London	356.2	355.7	351.3	351.0	352.0
<i>% change</i>	0.3	-0.1	-1.2	-0.1	0.3
Muskoka-Kawarthas	186.7	182.2	197.7	199.5	202.0
<i>% change</i>	-3.5	-2.4	8.5	0.9	1.3
Northeast	276.0	273.3	273.4	272.8	272.5
<i>% change</i>	-2.9	-1.0	0.0	-0.2	-0.1
Northwest	108.6	109.8	106.5	106.6	107.5
<i>% change</i>	1.9	1.1	-3.0	0.1	0.8
Ottawa	745.5	733.8	745.2	751.0	760.0
<i>% change</i>	2.5	-1.6	1.6	0.8	1.2
Stratford-Bruce Peninsula	159.8	159.2	158.8	158.4	159.0
<i>% change</i>	-4.1	-0.4	-0.3	-0.3	0.4
Toronto	3,463.2	3,565.8	3,570.0	3,615.0	3,665.0
<i>% change</i>	1.8	3.0	0.1	1.3	1.4
Windsor-Sarnia	325.8	320.2	322.6	323.8	326.0
<i>% change</i>	0.6	-1.7	0.7	0.4	0.7
Ontario	7,357.1	7,440.8	7,476.0	7,543.6	7,633.0
<i>% change</i>	0.8	1.1	0.5	0.9	1.2

Source: Statistics Canada, Central 1 Credit Union forecasts.



REGIONAL ECONOMIC OUTLOOK

Ontario Summary

Employment					
ECONOMIC REGION	2012	2013	2014	2015	2016
Hamilton-Niagara Peninsula	715.0	705.0	712.3	722.7	733.8
<i>% change</i>	0.8	-1.4	1.0	1.5	1.5
Kingston-Pembroke	213.0	213.5	210.5	213.0	215.1
<i>% change</i>	-2.0	0.2	-1.4	1.2	1.0
Kitchener-Waterloo-Barrie	687.0	704.3	713.5	727.0	743.5
<i>% change</i>	-0.4	2.5	1.3	1.9	2.3
London	328.0	328.1	326.8	329.5	333.0
<i>% change</i>	1.0	0.0	-0.4	0.8	1.1
Muskoka-Kawarthas	172.7	168.4	185.1	187.0	189.5
<i>% change</i>	-2.4	-2.5	9.9	1.0	1.3
Northeast	255.8	252.9	254.8	255.0	255.5
<i>% change</i>	-2.4	-1.1	0.8	0.1	0.2
Northwest	101.3	101.9	99.9	100.3	101.3
<i>% change</i>	2.6	0.6	-2.0	0.4	1.0
Ottawa	697.6	687.4	696.5	706.0	715.5
<i>% change</i>	2.4	-1.5	1.3	1.4	1.3
Stratford-Bruce Peninsula	152.6	150.2	151.2	152.0	153.5
<i>% change</i>	-3.2	-1.6	0.7	0.5	1.0
Toronto	3,164.3	3,274.5	3,285.3	3,333.8	3,392.0
<i>% change</i>	1.5	3.5	0.3	1.5	1.7
Windsor-Sarnia	296.4	293.3	297.2	301.0	305.0
<i>% change</i>	0.5	-1.0	1.3	1.3	1.3
Ontario	6,783.7	6,879.5	6,933.1	7,027.3	7,137.7
<i>% change</i>	0.8	1.4	0.8	1.4	1.6

Source: Statistics Canada, Central 1 Credit Union forecasts.



REGIONAL ECONOMIC OUTLOOK

Ontario Summary

Unemployment Rate

ECONOMIC REGION	2012	2013	2014	2015	2016
Hamilton-Niagara Peninsula	7.2	7.1	6.6	6.1	5.8
Kingston-Pembroke	7.3	6.8	8.8	7.6	6.5
Kitchener-Waterloo-Barrie	6.6	6.5	5.8	5.0	4.7
London	7.9	7.8	7.0	6.1	5.4
Muskoka-Kawarths	7.5	7.6	6.4	6.3	6.2
Northeast	7.3	7.5	6.8	6.5	6.2
Northwest	6.7	7.2	6.2	5.9	5.8
Ottawa	6.4	6.3	6.5	6.0	5.9
Stratford-Bruce Peninsula	4.5	5.7	4.8	4.0	3.5
Toronto	8.6	8.2	8.0	7.8	7.4
Windsor-Sarnia	9.0	8.4	7.9	7.0	6.4
Ontario	7.8	7.5	7.3	6.8	6.5

Source: Statistics Canada, Central 1 Credit Union forecasts.



REGIONAL ECONOMIC OUTLOOK

Ontario Summary

NON-RESIDENTIAL BUILDING PERMITS

ECONOMIC REGION	2012	2013	2014	2015	2016
Hamilton-Niagara Peninsula	1,491	1,264	925	960	990
<i>% change</i>	<i>100.7</i>	<i>-15.2</i>	<i>-26.8</i>	<i>3.8</i>	<i>3.1</i>
Kingston-Pembroke	299	238	495	230	280
<i>% change</i>	<i>-10.6</i>	<i>-20.5</i>	<i>110.3</i>	<i>-58.0</i>	<i>19.0</i>
Kitchener-Waterloo-Barrie	987	982	1,325	980	1,100
<i>% change</i>	<i>-29.6</i>	<i>-0.5</i>	<i>34.9</i>	<i>-26.0</i>	<i>12.2</i>
London	474	479	435	450	500
<i>% change</i>	<i>-55.5</i>	<i>1.1</i>	<i>-9.3</i>	<i>3.4</i>	<i>11.1</i>
Muskoka-Kawarthas	170	129	240	170	180
<i>% change</i>	<i>23.3</i>	<i>-24.0</i>	<i>85.5</i>	<i>-29.2</i>	<i>5.9</i>
Northeast	359	381	450	400	425
<i>% change</i>	<i>-16.4</i>	<i>6.2</i>	<i>18.1</i>	<i>-11.1</i>	<i>6.3</i>
Northwest	247	194	87	120	140
<i>% change</i>	<i>75.5</i>	<i>-21.8</i>	<i>-55.1</i>	<i>37.9</i>	<i>16.7</i>
Ottawa	1,284	1,179	1,200	1,100	1,220
<i>% change</i>	<i>24.5</i>	<i>-8.2</i>	<i>1.8</i>	<i>-8.3</i>	<i>10.9</i>
Stratford-Bruce Peninsula	262	263	315	285	300
<i>% change</i>	<i>15.2</i>	<i>0.4</i>	<i>19.9</i>	<i>-9.5</i>	<i>5.3</i>
Toronto	5,995	6,193	6,200	6,650	7,000
<i>% change</i>	<i>0.2</i>	<i>3.3</i>	<i>4.9</i>	<i>2.3</i>	<i>3.4</i>
Windsor-Sarnia	598	363	350	375	425
<i>% change</i>	<i>45.6</i>	<i>-39.2</i>	<i>-3.7</i>	<i>7.1</i>	<i>13.3</i>
Ontario	12,166	11,666	12,022	11,720	12,560
<i>% change</i>	<i>2.2</i>	<i>-4.1</i>	<i>3.1</i>	<i>-2.5</i>	<i>7.2</i>

Source: Statistics Canada, Central 1 Credit Union forecasts.



REGIONAL ECONOMIC OUTLOOK

Ontario Summary

RESIDENTIAL BUILDING PERMITS

ECONOMIC REGION	2012	2013	2014	2015	2016
Hamilton-Niagara Peninsula	5,416	4,975	5,000	5,300	5,700
<i>% change</i>	2.6	-8.1	0.5	6.0	7.5
Kingston-Pembroke	1,928	2,050	1,850	1,850	2,000
<i>% change</i>	-6.7	6.3	-9.8	0.0	8.1
Kitchener-Waterloo-Barrie	6,325	7,084	7,900	7,500	7,900
<i>% change</i>	-19.2	12.0	11.5	-5.1	5.3
London	3,121	2,971	2,875	3,000	3,300
<i>% change</i>	39.1	-4.8	-3.2	4.3	10.0
Muskoka-Kawarthas	1,737	1,819	2,100	2,150	2,260
<i>% change</i>	8.0	4.7	15.4	2.4	5.1
Northeast	1,484	1,305	1,100	1,000	1,000
<i>% change</i>	-7.5	-12.1	-15.7	-9.1	0.0
Northwest	429	450	390	400	425
<i>% change</i>	-28.0	4.9	-13.3	2.6	6.3
Ottawa	8,211	6,643	8,950	7,800	8,000
<i>% change</i>	2.7	-19.1	34.7	-12.8	2.6
Stratford-Bruce Peninsula	1,079	1,088	1,050	1,075	1,125
<i>% change</i>	-6.0	0.8	-3.5	2.4	4.7
Toronto	38,841	40,256	35,000	36,500	38,500
<i>% change</i>	14.9	3.6	-13.1	4.3	5.5
Windsor-Sarnia	1,313	1,492	1,425	1,500	1,600
<i>% change</i>	10.5	13.6	-4.5	5.3	6.7
Ontario	69,884	70,133	67,640	68,075	71,810
<i>% change</i>	6.9	0.4	-3.6	0.6	5.5

Source: Statistics Canada, Central 1 Credit Union forecasts.



REGIONAL ECONOMIC OUTLOOK

Ontario Summary

MLS RESIDENTIAL SALES

ECONOMIC REGION	2012	2013	2014	2015	2016
Hamilton-Niagara Peninsula	20,572	21,048	22,274	23,000	24,000
<i>% change</i>	-5.2	3.0	5.8	3.3	4.3
Kingston-Pembroke	7,685	7,272	7,095	7,200	7,350
<i>% change</i>	3.0	-5.4	-2.4	1.4	2.1
Kitchener-Waterloo-Barrie	19,977	20,706	21,101	22,000	23,000
<i>% change</i>	2.5	3.6	1.9	4.3	4.5
London	9,787	9,783	10,405	10,800	11,200
<i>% change</i>	-1.2	0.0	6.4	3.8	3.7
Muskoka-Kawarthas	8,439	8,573	9,054	9,300	9,600
<i>% change</i>	3.2	1.6	5.6	2.7	3.2
Northeast	6,515	6,167	5,842	5,750	5,700
<i>% change</i>	-1.7	-5.3	-5.3	-1.6	-0.9
Northwest	2,056	2,053	2,264	2,300	2,375
<i>% change</i>	-1.0	-0.1	10.3	1.6	3.3
Ottawa	17,184	16,539	16,472	16,750	17,400
<i>% change</i>	0.2	-3.8	-0.4	1.7	3.9
Stratford-Bruce Peninsula	3,806	3,700	4,017	4,200	4,350
<i>% change</i>	4.9	-2.8	8.6	4.6	3.6
Toronto	93,765	94,588	99,193	100,500	102,800
<i>% change</i>	-3.9	0.9	5.7	1.9	2.3
Windsor-Sarnia	7,834	8,110	8,255	8,500	8,800
<i>% change</i>	1.2	3.5	1.8	3.0	3.5
Ontario	197,620	198,539	205,972	210,300	216,575
<i>% change</i>	-1.9	0.5	3.7	2.1	3.0

Source: Statistics Canada, Central 1 Credit Union forecasts.



REGIONAL ECONOMIC OUTLOOK

Ontario Summary

MLS RESIDENTIAL AVERAGE SALE PRICE					
ECONOMIC REGION	2012	2013	2014	2015	2016
Hamilton-Niagara Peninsula	314,450	333,673	352,833	365,500	380,000
<i>% change</i>	6.5	6.1	5.7	3.6	4.0
Kingston-Pembroke	240,440	247,163	247,935	248,500	251,000
<i>% change</i>	2.5	2.8	0.3	0.2	1.0
Kitchener-Waterloo-Barrie	301,329	313,709	330,413	343,000	357,000
<i>% change</i>	3.9	4.1	5.3	3.8	4.1
London	237,516	243,155	251,964	259,000	268,000
<i>% change</i>	3.2	2.4	3.6	2.8	3.5
Muskoka-Kawarthas	292,001	300,793	319,358	330,000	342,000
<i>% change</i>	1.8	3.0	6.2	3.3	3.6
Northeast	209,857	212,386	216,113	217,000	218,000
<i>% change</i>	4.7	1.2	1.8	0.4	0.5
Northwest	182,447	195,100	208,909	217,000	223,500
<i>% change</i>	11.0	6.9	7.1	3.9	3.0
Ottawa	327,656	334,320	339,785	344,000	350,000
<i>% change</i>	2.4	2.0	1.6	1.2	1.7
Stratford-Bruce Peninsula	219,790	226,108	233,598	239,000	247,000
<i>% change</i>	1.0	2.9	3.3	2.3	3.3
Toronto	504,377	529,948	573,183	602,500	633,500
<i>% change</i>	7.2	5.1	8.2	5.1	5.1
Windsor-Sarnia	172,177	179,294	186,650	196,000	205,000
<i>% change</i>	3.3	4.1	4.1	5.0	4.6
Ontario	384,455	402,595	430,984	448,587	467,858
<i>% change</i>	5.3	4.7	7.1	4.1	4.3

Source: Statistics Canada, Central 1 Credit Union forecasts.



REGIONAL ECONOMIC OUTLOOK

Ontario Summary

POPULATION					
ECONOMIC REGION	2012	2013	2014	2015	2016
Hamilton-Niagara Peninsula	1,423.0	1,432.6	1,443.0	1,453.0	1,465.5
% change	0.8	0.7	0.7	0.7	0.9
Kingston-Pembroke	466.7	467.1	467.2	467.2	467.1
% change	0.3	0.1	0.0	0.0	0.0
Kitchener-Waterloo-Barrie	1,271.6	1,285.5	1,298.0	1,311.0	1,325.0
% change	1.2	1.1	1.0	1.0	1.1
London	657.7	662.9	667.5	673.5	680.0
% change	1.0	0.8	0.7	0.9	1.0
Muskoka-Kawarthas	378.2	379.9	381.5	383.0	385.5
% change	0.6	0.5	0.4	0.4	0.7
Northeast	565.7	563.5	562.0	560.5	559.0
% change	-0.2	-0.4	-0.3	-0.3	-0.3
Northwest	240.4	239.8	239.0	238.5	238.0
% change	-0.1	-0.3	-0.3	-0.2	-0.2
Ottawa	1,297.8	1,308.3	1,318.0	1,330.0	1,342.0
% change	1.0	0.8	0.7	0.9	0.9
Stratford-Bruce Peninsula	299.8	299.2	298.6	298.3	298.3
% change	-0.1	-0.2	-0.2	-0.1	0.0
Toronto	6,172.7	6,261.2	6,348.7	6,440.0	6,535.0
% change	1.6	1.4	1.4	1.4	1.5
Windsor-Sarnia	638.5	638.1	637.5	637.2	637.7
% change	0.1	-0.1	-0.1	0.0	0.1
Ontario	13,412.0	13,538.0	13,661.0	13,792.2	13,933.1
% change	1.1	0.9	0.9	1.0	1.0

Source: Statistics Canada, Central 1 Credit Union forecasts.

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