

STRATEGIC SHIFT OR ECONOMIC SHOCK?

A Calculated Strategy to Protect
Industries or a Risky Move
Causing Economic Instability

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NAFTA Vs USMCA

Category	NAFTA (1994)	USMCA (2020)	Trump 2nd Term Plan
Trade Focus	Free trade, tariff reduction	Fairer trade, U.S. job protection	Rebalance trade, reduce Mexico surplus
Auto Rules	62.5% North American content	75% content + \$16/hr wage rule	Block Chinese EVs via Mexico, tighten rules
China Risk	Not relevant	Not addressed	Target Chinese assembly in Mexico
Labor/Enviro	Weak protections	Stronger, enforceable standards	Push stricter enforcement
Digital Trade	Not included	Protected data, no digital tariffs	No major changes
Sunset	None	16-year term, 6-year	Leverage 2026 review for
Tariffs	Reduced/removal	Avoided new tariffs post-deal	Threaten tariffs (auto, immigration, trade leverage)
Agri Access	Limited U.S. access	More U.S. access to Canadian dairy/poultry	No change (could revisit)



USMXCA Key U.S. Concerns Driving Push to Revisit USMCA

1. **Auto Sector:** Loss of U.S. manufacturing jobs / EV supply chain control.
2. **Agriculture:** Seasonal dumping of cheap produce impacts U.S. farmers.
3. **Energy Nationalism:** Mexico favoring PEMEX / CFE — blocks U.S. investment.
4. **China Bypass:** Fears of Chinese goods sneaking in via Mexico.
5. **Weak Labor/Environmental Enforcement:** U.S. unions pushing back.
6. **Key friction points with Canada:** Dairy, Softwood Lumber, Digital Trade, critical minerals (lithium, cobalt, nickel) needed for EVs and batteries. U.S. want to block Chinese control of these resources



💰 How Did the U.S. Get Into This Mess?

✈️ **The 1980s-2000s Outsourcing Boom** : Cheap labor to maximize shareholder value.

🏢 **CEOs got richer, stock prices soared.**

🤝 **Trade Deals Like NAFTA, WTO Entry for China.**

⚠️ **Core Issues Today:**

1. Globalization favors capital, not labor — Money moves, workers don't.

2. Weak enforcement of trade rules — Countries cheat; WTO is slow and weak.

3. Tech and data replaced hard goods — further squeezing middle-class jobs.

4. China's rise: U.S. let China in, believing they'd "**become like us**" — instead, China outplayed the U.S. using **state capitalism**.



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1. Uncertainty & US Tariffs.

2. Supply Chain and Inflation.

**3. Housing Starts, slowdown
and Affordability.**

4. Ontario, Pre-construction.

**5. Political Developments and
Housing Policies.**



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SUPPLY CHAIN AND INFLATION



💰 Inflation Rising Again

- Driven by shelter (rent & mortgage interest), energy, food, and insurance costs.

🏠 Shelter Costs = Biggest Pressure

- Rents and mortgage payments remain high — leading the CPI increase.

📱 Energy & Food Spikes

- Global supply chain issues (Red Sea, OPEC cuts) driving fuel and grocery prices up.


🚧 Tariff Risks Building


- Trump factor — potential tariffs on Canadian auto, steel, lumber.
- Direct impact on Ontario's economy and manufacturing.


🔗 Supply Chain Disruptions Continue


- Construction materials delayed, costs rising.
- New housing supply could stay limited just as demand rebounds.


ONTARIO'S ECONOMIC FAILING GRADES

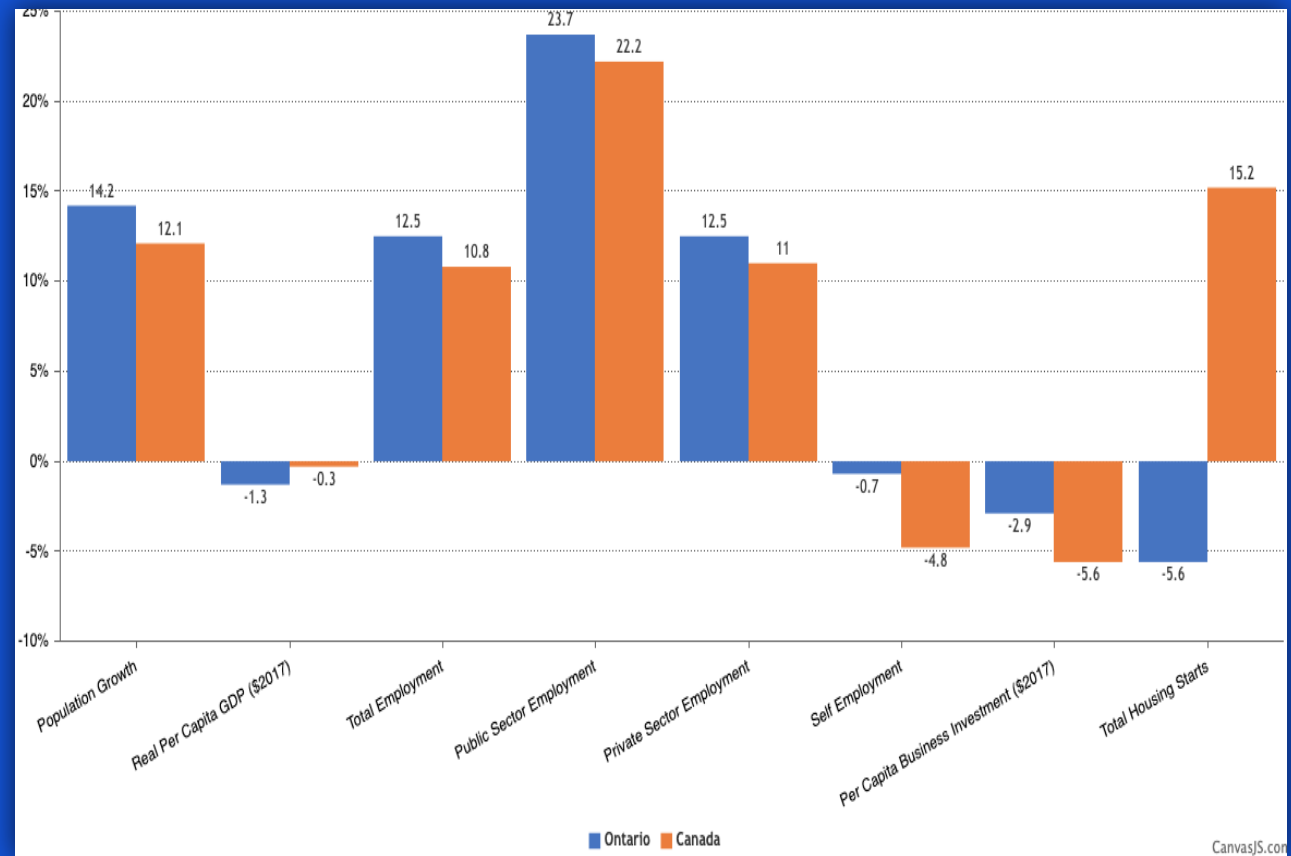
 **Weak Growth:** GDP under 1%, dragged by high rates and weak business investment.

 **Record Debt:** Ontario has the highest sub-national debt + stretched households.

 **Housing Crisis:** Supply issues, sky-high prices, and unaffordable rents persist.

 **Low Productivity:** Falling behind in innovation and output per worker.

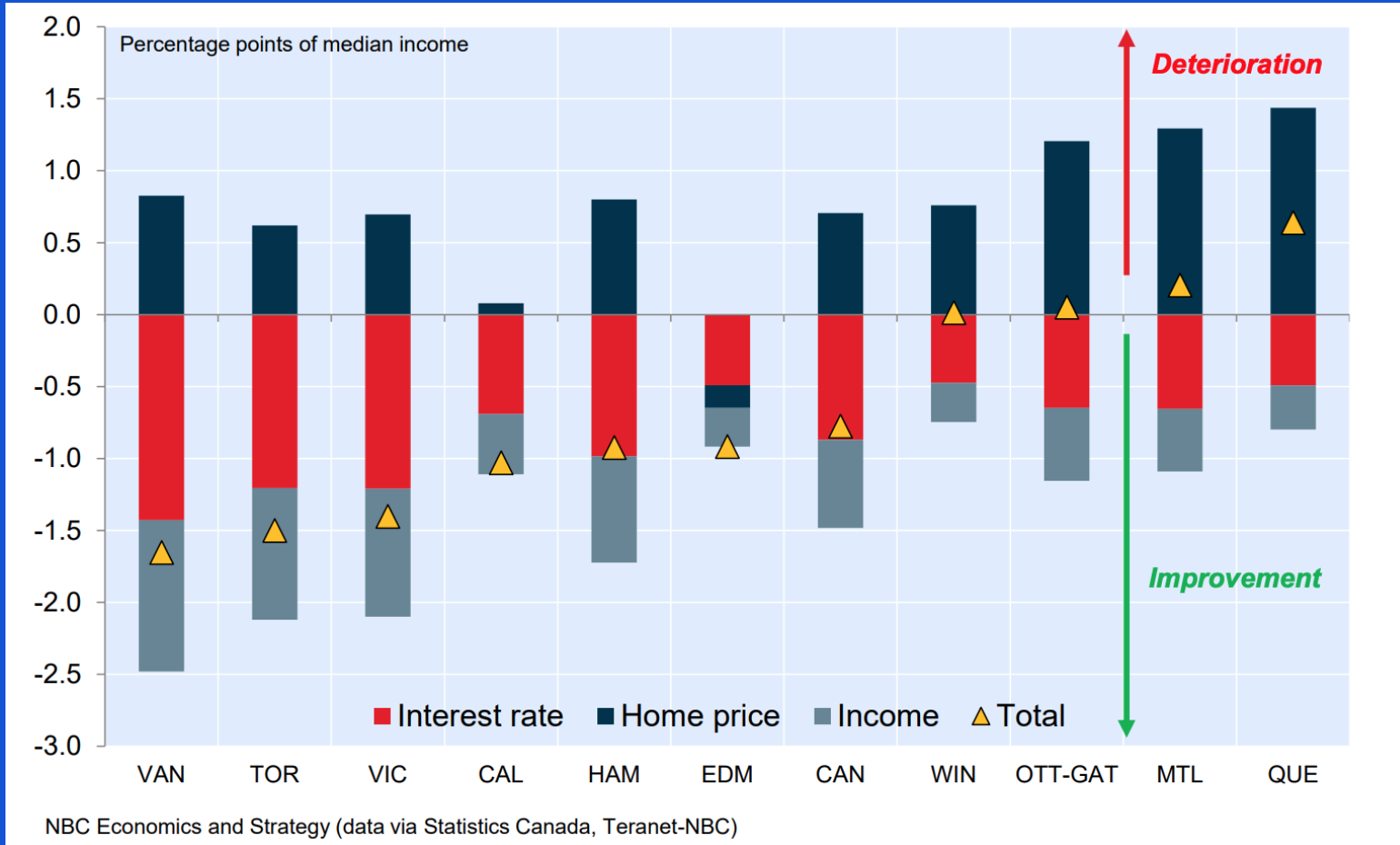
 **Trade & Tariff Risks:** Heavy exposure to U.S. economy, potential Trump tariffs looming



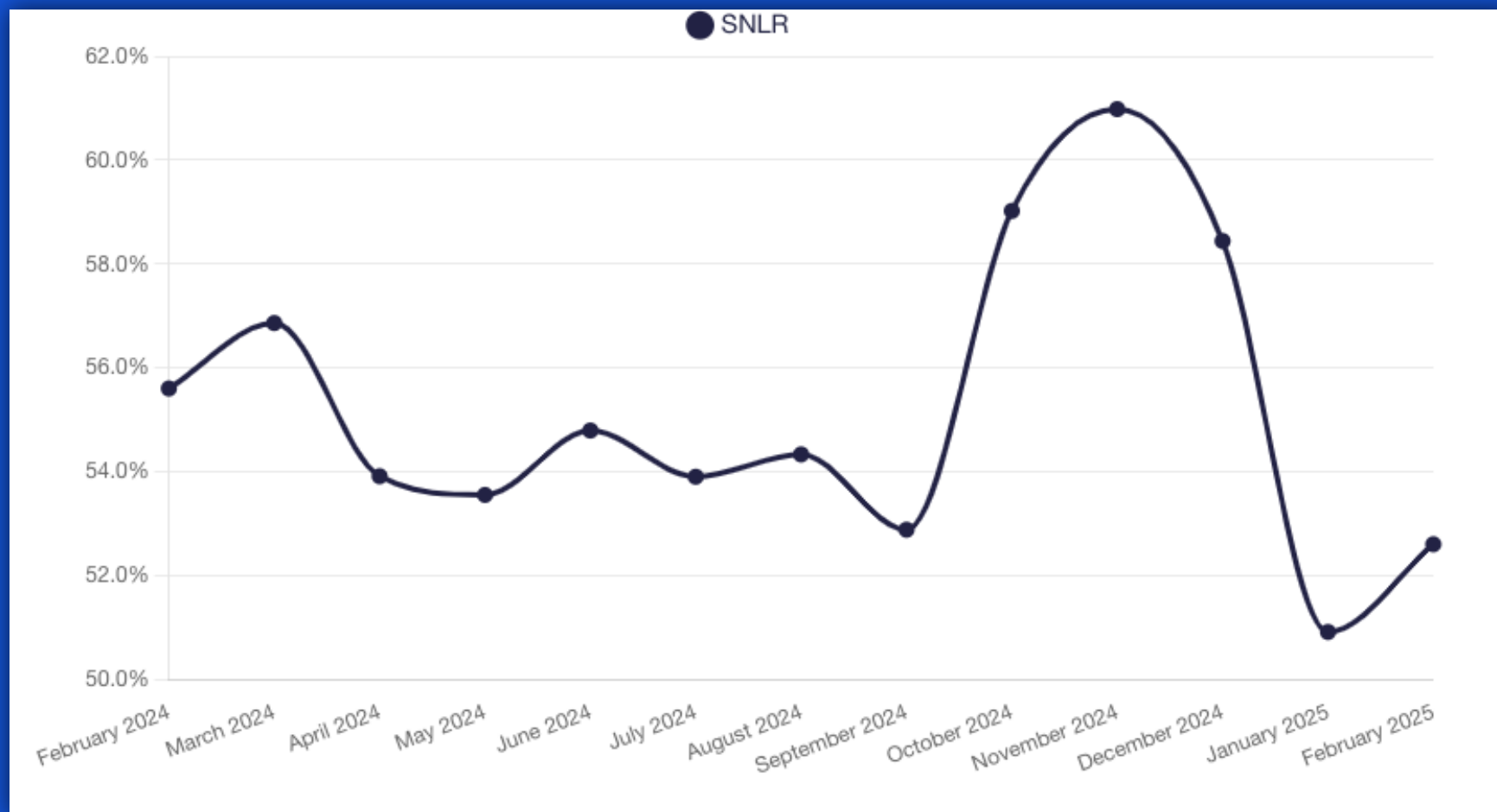
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AFFORDABILITY IMPROVES FOR A FOURTH CONSECUTIVE QUARTER



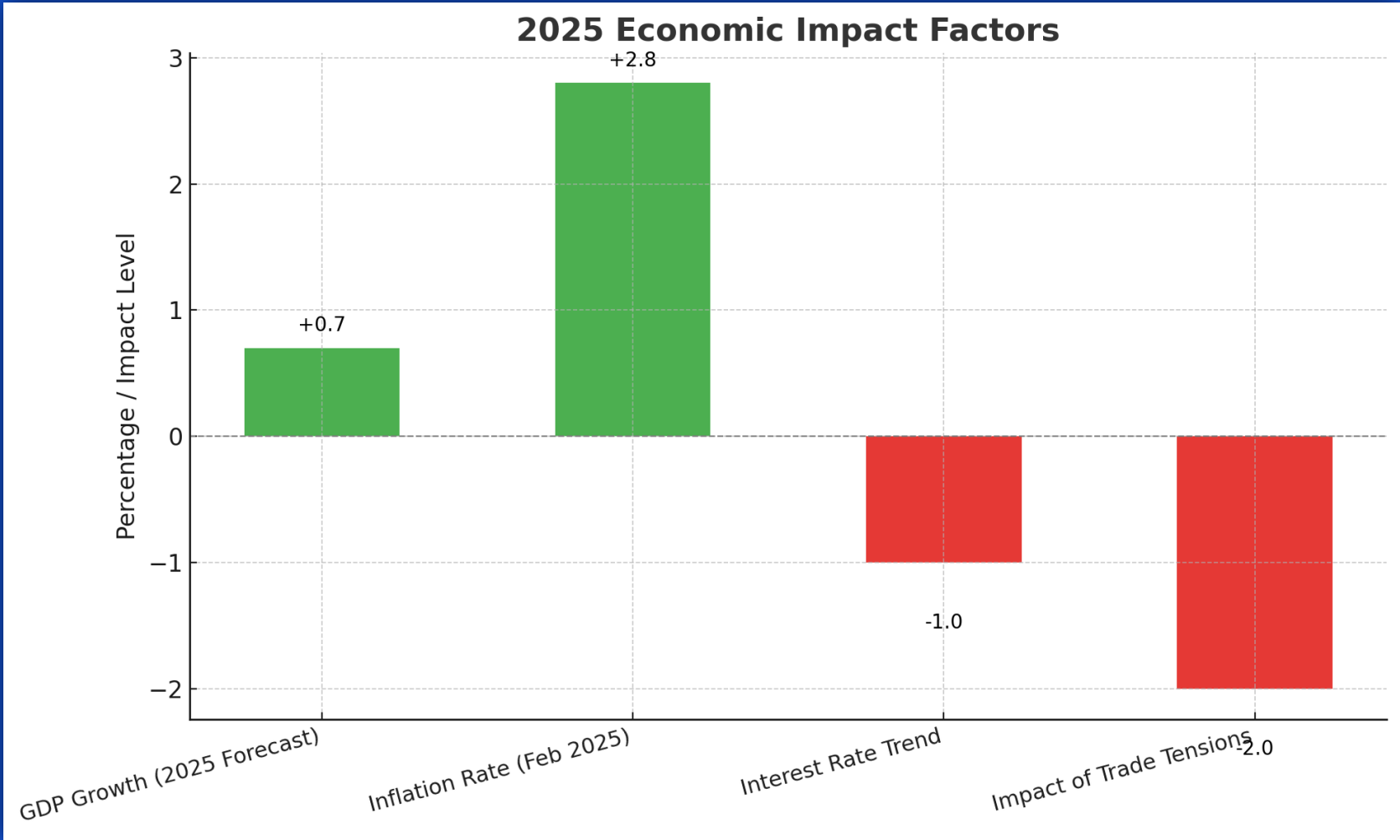
THE SALES TO NEW LISTINGS RATIO (SNLR)



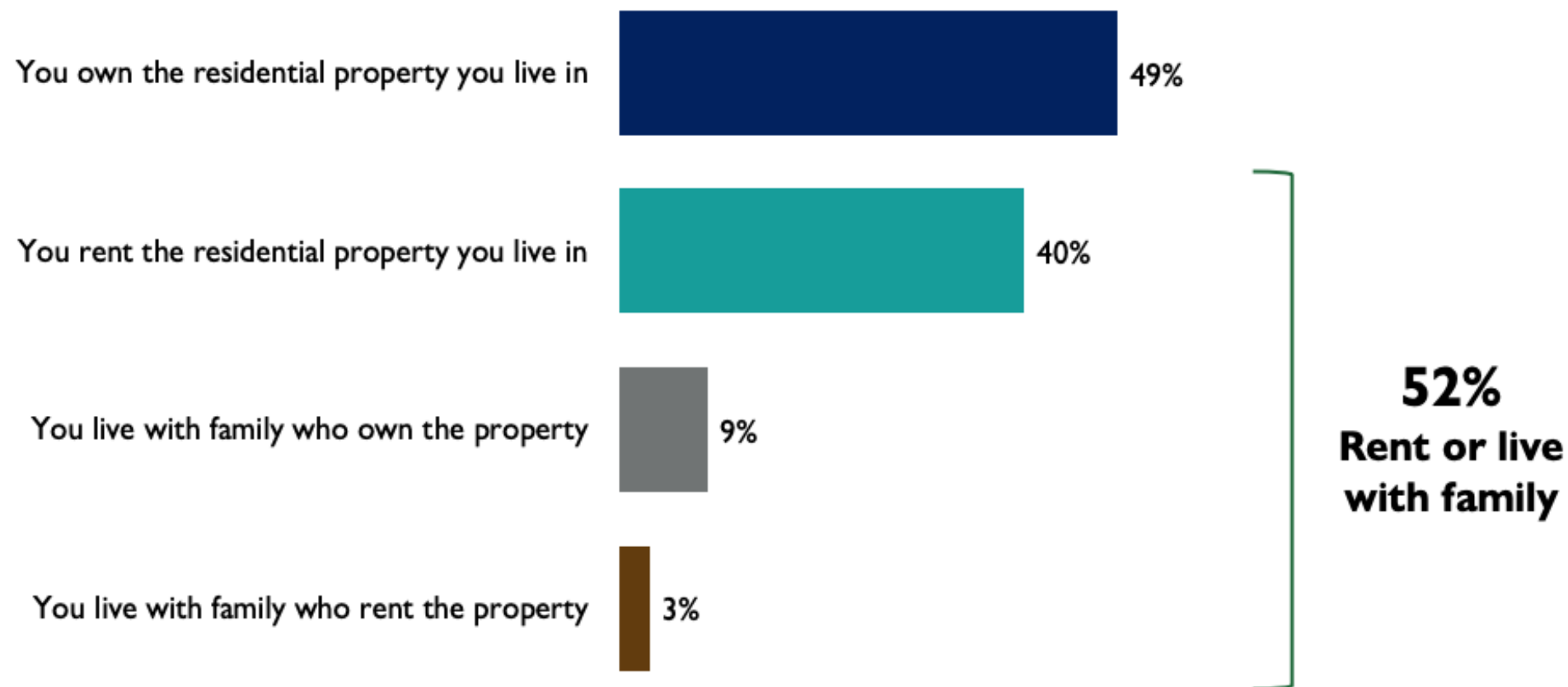
AVERAGE HOME PRICES BY PROVINCE

Province	Average Home Price 	Monthly Price Change (%) 	Annual Price Change (%) 
British Columbia	\$964,349	1.6%	-2.4%
Ontario	\$848,289	1.7%	-2.9%
Quebec	\$515,899	0.8%	7.7%
Alberta	\$509,468	1.3%	5.7%
Nova Scotia	\$451,969	0.6%	6.7%
Manitoba	\$382,440	8.9%	10.3%
Prince Edward Island	\$373,993	-5.8%	-5.6%
Saskatchewan	\$345,688	11.3%	12.9%
Newfoundland and Labrador	\$309,844	-7.6%	-0.1%
Canada	\$668,097	-0.3%	-3.3%

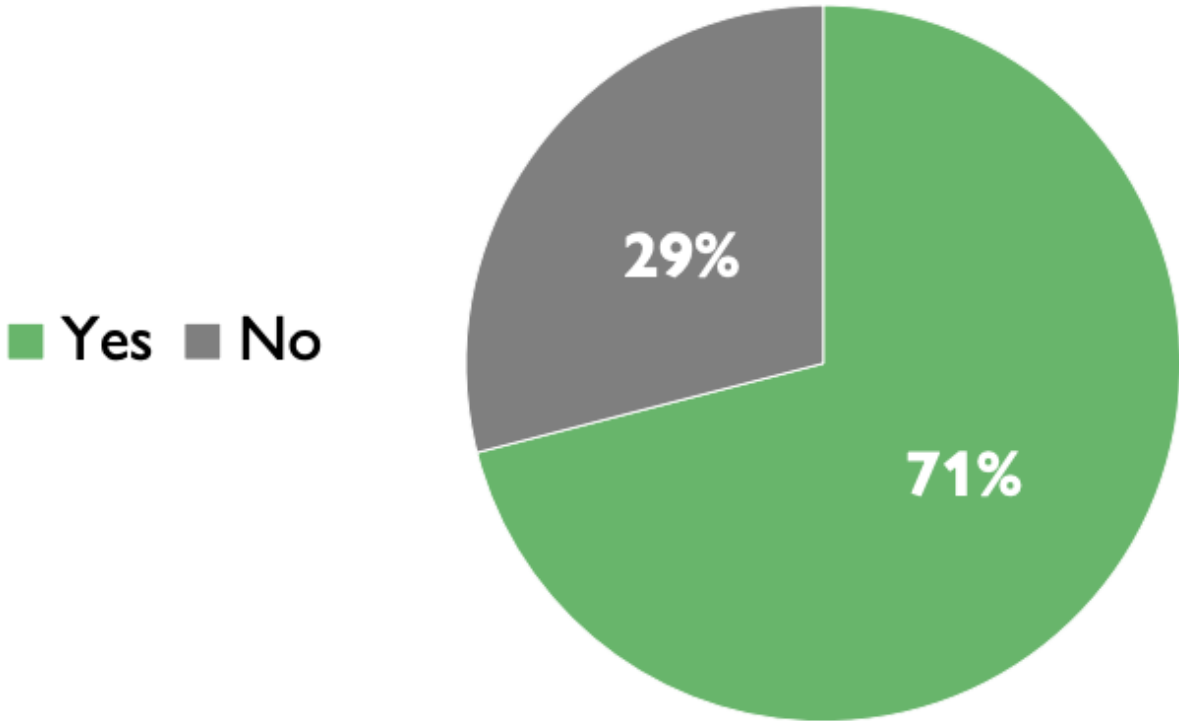
CANADA'S ECONOMIC SNAPSHOT 2025



CURRENT LIVING SITUATION



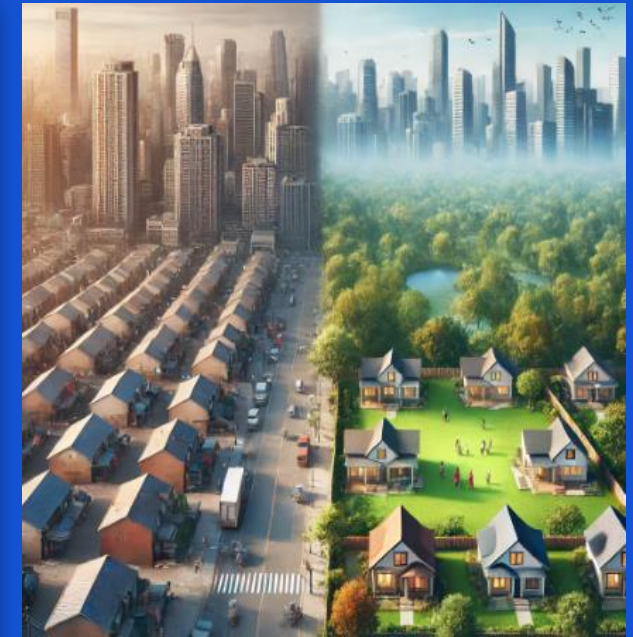
71% OF NON-HOMEOWNERS WOULD LIKE TO OWN A HOME



Column %	18-29	30-44	45-59	60+
Yes	88%	81%	71%	34%
No	12%	19%	29%	66%

URBAN VS. SUBURBAN, CHOOSING THE RIGHT LOCATION

Category	Urban Core	Suburban / Rural
Price Trend	Flat / Softening	Moderate softening / Stable
Buyer Type	Investors, first-timers	Families, move-up buyers
Rental Market	Tight, rental rates rising	Growing rental demand
Inventory	Higher (especially condos)	More balanced, less speculative
MOI	Rising (4-6)	3-4 months in most suburbs
Risk Factor	Pre-construction overload	Distance from city affecting demand



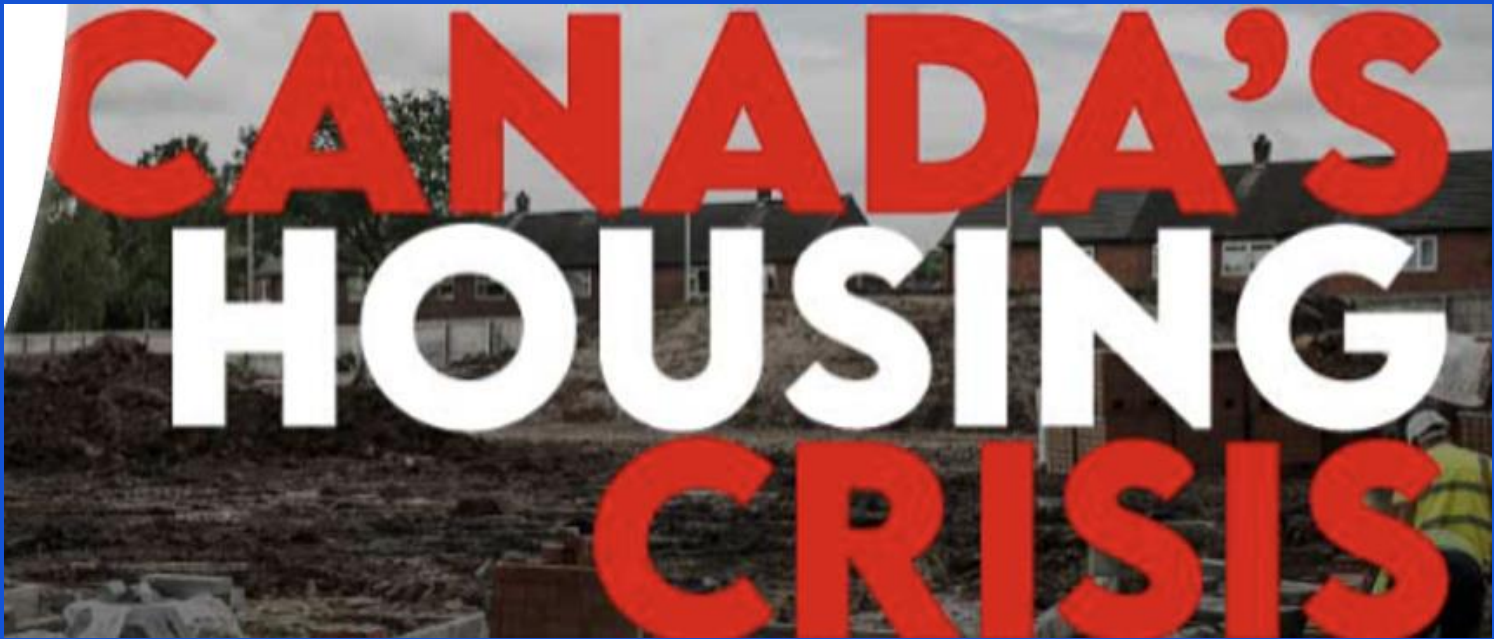
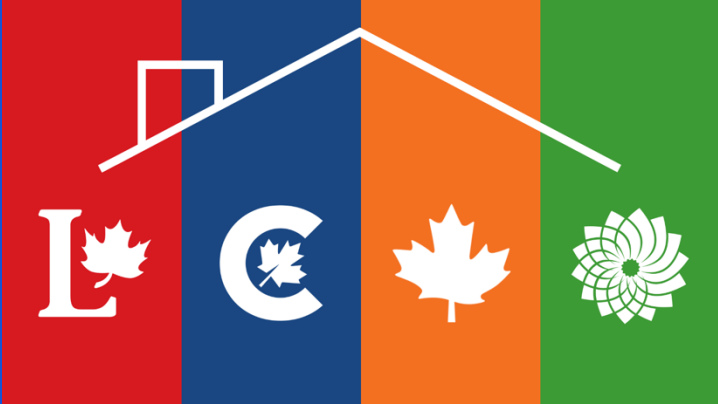
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- ✓ Buyers Expect Deals or Price Drop
- ✓ Sellers, Re-Listing Seasons

FOMO

**FOMO HAS LEFT THE
MARKET**

PROMISES VS. REALITY: WHO'S GOT THE PLAN TO SOLVE CANADA'S HOUSING MESS?



HOUSING POLICIES



CA Federal:

- **National Housing Strategy** – \$82B for affordable housing.
- **Bill C-56** – GST removed on new rental builds (until 2030).
- **Mortgage changes** – Cap raised to **\$1.5M**, 30-year amortization for new builds/first-time buyers.

Ontario:











- **New Ontario Building Code** – Effective **Jan 1, 2025** (3-month transition).

Municipal:

- **Housing Accelerator Plan** – Fast-tracking development, private sector partnerships.
- **New Building Code rollout** – Aligns with provincial changes.



GST ELIMINATION FOR FIRST-TIME HOMEBUYERS

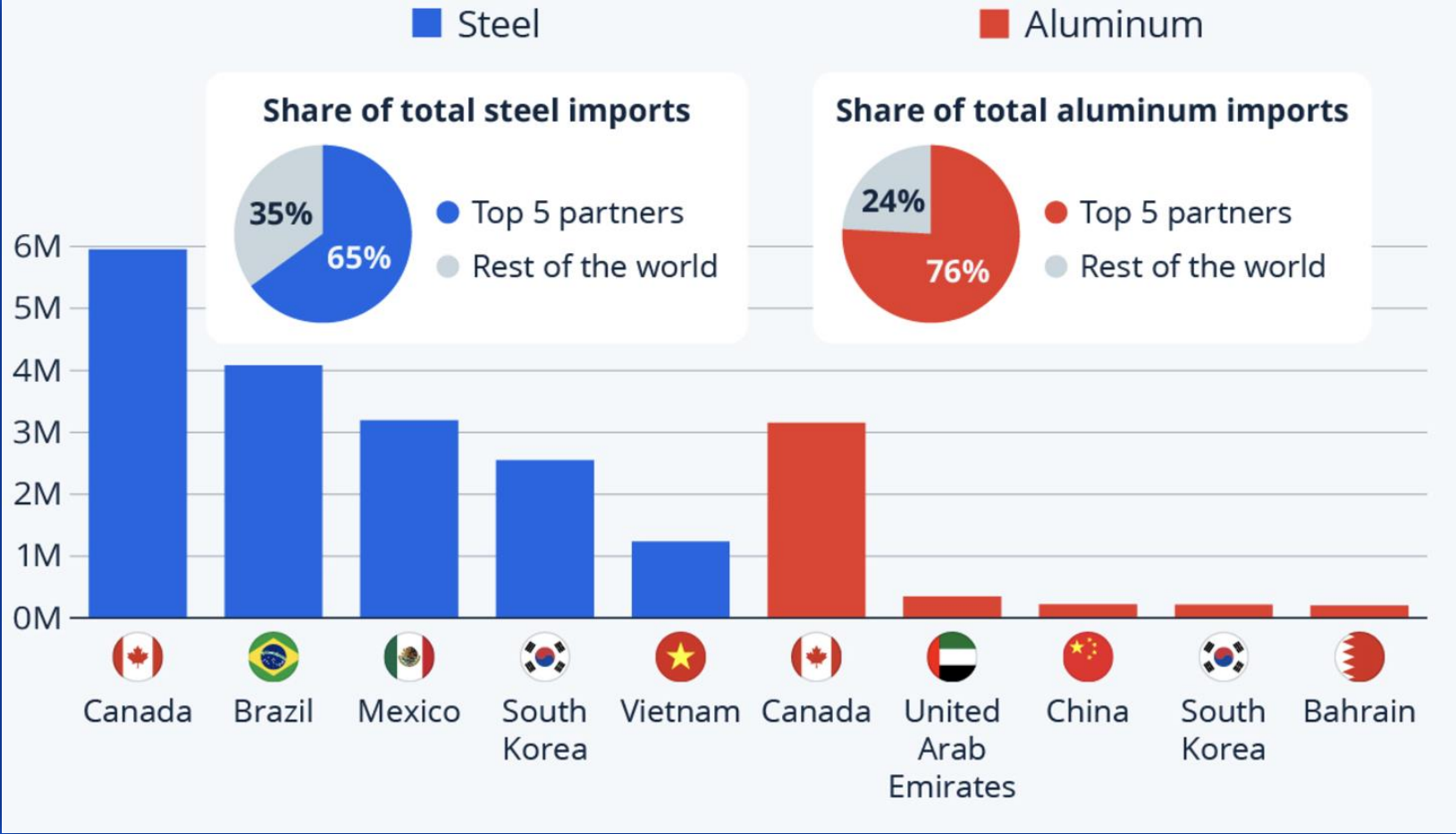
Pros (Benefits)	Cons (Concerns / Risks)
 Immediate Savings – Up to \$50,000 saved upfront	 Stimulates Demand – Could drive prices higher short-term
 Helps Affordability for first-time buyers	 Doesn't Apply to Resale Market (where most first-time buyers buy)
 Encourages New Home Construction	 Benefits Developers More – Could pad builder profits
 Targeted (homes under \$1M) – Avoids luxury subsidy	 Temporary Relief – Doesn't address ongoing ownership costs
 Supports New Supply Pipeline	 Limited Supply Response – Without zoning reform, supply won't catch up



AMERICA FIRST OR AMERICA ALONE?

Trump seems too misinformed to realize the importance of building international alliances, even for countries like the US

CAN THE U.S. BECOME INDEPENDENT FROM CANADIAN STEEL AND ALUMINUM?



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Factor	Reality / Challenge
Current Dependence	Canada supplies 6.56 million tons of steel and 56% of U.S. aluminum imports (2023). 🇨🇦🇺🇸
Why Canada?	Proximity = lower transportation costs, integrated supply chains, high-quality, stable trade partner
U.S. Production Limits	U.S. produces significant steel but lacks enough aluminum smelting capacity (high energy cost industry)
Energy & Environmental Costs	Aluminum is energy-intensive. Shifting production fully to the U.S. would raise costs and emissions.
Industrial Impact	U.S. industries (auto, construction, aerospace) rely on Canadian inputs —quick replacement is unrealistic
Alternative Sources	Possible (Russia, China, Middle East), but politically risky, unreliable, or expensive



AMERICA FIRST – REAL STRATEGY OR POLITICAL CHAOS?

✔ Real Strategy (Economic Nationalism)	⚠ Political Chaos / Short-Term Gain
Tariffs as leverage to renegotiate trade deals (USMCA, China Phase 1)	Unpredictable tariffs hurt U.S. consumers, farmers, and manufacturers
Focus on reshoring jobs (steel, auto, energy)	Harmed allies like Canada, Europe, Mexico — created trade tensions
Push for U.S. energy independence	Short-term wins — but many jobs didn't return as promised
Pressured NATO and trade partners to contribute more	Damaged U.S. global leadership reputation
Appealed to working-class voters in industrial states	No clear long-term plan — policies reversed or contradicted each other
Reframed global trade dynamics	Used as a campaign tool — created crises, claimed to solve them

CAN YOU BUILD AN ALL-CANADIAN HOME?



Category	Key Points / Findings
Core Canadian Strengths	✅ Lumber, concrete, drywall, steel, aluminum, and labour are Canadian-sourced and strong supply
Imported Dependencies	❌ HVAC, electrical, appliances, plumbing components, finishes (often US, China, Europe)
Trade War Impact	⚠️ 25% US tariffs increase material costs, disrupt supply chains, reduce consumer confidence
Technical Possibility	✅ Technically possible, especially for simple structures (garden suites, small custom builds)
Economic Reality	❌ Not cost-effective or scalable for large-volume builders (e.g., Mattamy)
Future Outlook	🌐 Canada needs diverse trade partners ; total domestic-only sourcing unlikely or inefficient

CANADA'S HOUSING INVESTMENT, AND POLICY CHALLENGE

- ✓ Canada's housing stock to restore affordability, 21.7 million units.
- ✓ Low-cost scenario: \$472,376 per unit.
- ✓ High-cost scenario: \$520,274 per unit.
- ✓ \$1.653 trillion (low-cost) to \$1.821 trillion (high-cost).
- ✓ \$330.6 billion to \$364.2 billion per year.



MOBILIZE CAPITAL AND INCREASE SAVINGS



Shift Taxes to Spending, Not Income.



Reduce Government Borrowing.



Cut Red Tape.



Create More Competition in Banking.



Attract More Foreign Investment.



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The logo for RE/MAX Hallmark, featuring a stylized house icon with a red, white, and blue striped roof.

CANADA ELECTIONS

INDIA
TODAY

WHO CAN TAKE ON TRUMP?



TRUMP'S TARIFF ANNOUNCEMENT & MARKET REACTION

Date/Event	Action / News	Market Impact / Stats
March 5, 2025 - Initial Tariff Announcement	Trump announces broad tariffs on various imported goods targeting China, Europe, and Canada.	<ul style="list-style-type: none"> 📉 S&P 500: -1.8% 📉 Nasdaq: -2.6% Investor fear spikes
March 8-10, 2025 - Sell-off Intensifies	Concerns about inflation and corporate earnings drive sell-off.	<ul style="list-style-type: none"> 📉 Tech stocks (Nvidia, Tesla) drop sharply Volatility index surges
March 15, 2025 - Adjustment Rumors Surface	Reports emerge that the Trump administration may target tariffs more narrowly and allow exemptions.	<ul style="list-style-type: none"> 📈 Markets stabilize Selling pressure eases
March 24, 2025 - Trump Softens Stance	Trump announces targeted tariffs effective April 2; hints at sector-specific exemptions .	<ul style="list-style-type: none"> 🚀 Dow Jones: +600 points 📈 Tech rebounds (Nvidia, GM soar)
Market Outlook (Late March 2025)	Markets regain confidence, but investors remain cautious of further trade news.	<ul style="list-style-type: none"> S&P 500 recovers most losses Nasdaq tech-heavy index rebounds



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DIRTY 15 NATIONS






- 1.China
- 2.European Union (EU)
- 3.India
- 4.Japan
- 5.South Korea
- 6.Russia
- 7.Vietnam
- 8.Brazil
- 9.Mexico
- 10.Canada
- 11.Australia
- 12.Turkey
- 13.Indonesia
- 14.Malaysia
- 15.Taiwan



Trump Spins Giant Wheel to
Decide When to Announce
Tariffs

**TRUMP IS EVEN
FLEXIBLE ON
BEING FLEXIBLE**



Market Segment	Markets & Prices	Trend / Takeaway
 Most Expensive	<ul style="list-style-type: none"> - Greater Vancouver: \$1,185,100 (+0.91%) - Greater Toronto: \$1,073,900 (+0.36%) - Victoria: \$878,700 (+0.99%) 	<ul style="list-style-type: none"> - Remain least affordable - Minimal growth suggests possible price stabilization
 Mid-Range	<ul style="list-style-type: none"> - Hamilton-Burlington: \$812,600 (-0.84%) - Kitchener-Waterloo: \$729,900 (-0.01%) - Ottawa: \$658,300 (+1.29%) - Barrie District: \$723,500 (-1.16%) 	<ul style="list-style-type: none"> - Barrie District facing price correction after strong growth - Hamilton and KW slightly soft - Ottawa stable with modest growth
 Affordable/Entry-Level	<ul style="list-style-type: none"> - Regina: \$317,700 (+0.44%) - Saint John: \$324,800 (-4.08%) - Winnipeg: \$373,700 (+2.89%) 	<ul style="list-style-type: none"> - Saint John remains most affordable but saw the largest decline - Winnipeg steady growth, becoming attractive for buyers and investors
 Top Growth Markets	<ul style="list-style-type: none"> - Quebec CMA: \$403,300 (+5.00%) - Winnipeg: +2.89% - Edmonton: +2.33% - Montreal CMA: +2.25% 	<ul style="list-style-type: none"> - Quebec CMA leads the country in price growth - Winnipeg, Edmonton show balanced growth and affordability
 Moderate Declines	<ul style="list-style-type: none"> - Saint John: -4.08% - Barrie District: -1.16% - Ottawa: -1.16% - Hamilton-Burlington: -0.84% 	<ul style="list-style-type: none"> - Barrie and Ottawa seeing mild corrections - Saint John faces deeper adjustment but remains most affordable

CANADIAN REAL ESTATE KEY MARKET SEGMENTS & TAKEAWAYS





- ✓ **This is the market to attack, not sit back.**
- ✓ **Knowledge is your edge** — master rates, economic signals, and your market.
- ✓ **Push generational wealth moves** — this is a once-in-a-decade repositioning window.
- ✓ **No time for dreamers** — price sharp or walk away.

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**THANK YOU!
ANY QUESTIONS?**

