

## Cooler Canadian housing market may be good for parts of economy: CIBC

BY THE CANADIAN PRESS NOVEMBER 29, 2012



One of the country's big banking groups has issued a report saying that a cooling in Canadian house prices may not be all bad news.

**Photograph by:** Gerry Kahrmann, Vancouver Sun

TORONTO - One of the country's big banking groups has issued a report saying that a cooling in Canadian house prices may not be all bad news.

The CIBC World Markets says the slowing of Canadian home sales will "take a bite" out of economic growth but adds there could be "winners as well as losers across the economy."

CIBC economist Avery Shenfeld recognizes that a home owner may have to lower retirement spending if the property brings in less money when it's sold.

On the other hand, Shenfeld says, first-time buyers may welcome a letup in home prices and may have more money available for retail spending.

It's the latest in a series of CIBC reports that downplay some of the concerns about the potential for a devastating U.S.-style crash in residential real-estate.

More pessimistic analysts have warned some types of Canadian real-estate in some markets are overpriced and at risk of tipping into a rapid decline.