



Northern Citadel Bancorp



As Canada recovers from a trying financial climate, the recent resurgence makes way for promising improvements and opportunities in the year ahead. Northern Citadel has compiled stats from various sources — from the Bank of Canada to the US Federal Reserve.

Bank of Canada Interest Rate

| | |
|-------------------|-------------------|
| July 16, 2014 | 1.00% |
| September 3, 2014 | 1.00% |
| October 23, 2014 | Next meeting date |

Source: Bank of Canada

Bank Prime Lending Rate

| | |
|-------------------|-------------------|
| July 17, 2014 | 3.00% |
| September 4, 2014 | 3.00% |
| October 23, 2014 | Next meeting date |

Source: Bank of Canada

Conventional Mortgage - 5 Year Rate*

| | |
|---------------|-------|
| June 28, 2014 | 4.79% |
| July 16, 2014 | 4.79% |
| July 30, 2014 | 4.79% |

Source: Bank of Canada

*Determinant for high ratio mortgage variable qualifying rate

US Federal Reserve Board Discount Rate

| | |
|--------------------|-------------------|
| June 18, 2014 | 0.00%-0.25% |
| July 30, 2014 | 0.00%-0.25% |
| September 17, 2014 | Next meeting date |

Source: US Federal Reserve

Exchange Rate \$CDN(\$US)

| | |
|-----------------|--------|
| July 30, 2014 | 0.9173 |
| August 13, 2014 | 0.9160 |
| August 27, 2014 | 0.9212 |

Source: Bank of Canada



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Government of Canada Bonds

| Bond Type | July 30, 2014 | August 13, 2014 | August 27, 2014 |
|------------------------------|---------------|-----------------|-----------------|
| 1 year Treasury Bill | 1.03% | 1.02% | 1.01% |
| 3 year Benchmark Bond Yield | 1.14% | 1.09% | 1.12% |
| 5 year Benchmark Bond Yield | 1.52% | 1.52% | 1.52% |
| 10 year Benchmark Bond Yield | 2.16% | 2.07% | 2.00% |

Source: Bank of Canada

Total New Housing Starts (Seasonally adjusted and annualized)

| Province | May 2014 | May 2013 | June 2014 | June 2013 | July 2014 | July 2013 |
|-----------------------|----------|----------|-----------|-----------|-----------|-----------|
| Newfoundland/Labrador | 2,300 | 3,100 | 2,400 | 3,200 | 2,400 | 3,100 |
| PEI | 800 | 1,000 | 700 | 900 | 400 | 700 |
| Nova Scotia | 3,300 | 5,200 | 2,700 | 2,800 | 5,700 | 4,200 |
| New Brunswick | 1,400 | 3,700 | 2,500 | 4,600 | 4,800 | 2,200 |
| Quebec | 41,600 | 38,700 | 36,700 | 35,800 | 37,100 | 36,200 |
| Ontario | 67,400 | 70,300 | 58,100 | 62,300 | 70,300 | 61,500 |
| Manitoba | 7,700 | 5,300 | 5,500 | 7,400 | 9,100 | 11,200 |
| Saskatchewan | 8,200 | 7,600 | 7,700 | 8,500 | 8,700 | 8,300 |
| Alberta | 33,700 | 42,500 | 53,900 | 38,100 | 34,500 | 33,600 |
| British Columbia | 29,700 | 22,000 | 28,500 | 30,500 | 27,000 | 31,900 |
| CANADA | 195,900 | 199,400 | 198,700 | 194,100 | 200,100 | 192,800 |

Source: CMHC Housing Now - August 2013 and August 2014. This seasonally adjusted data goes through stages of revision at different times of the year.

Average MLS® Resale Price for Local Markets

| City | July 2013 | July 2014 |
|------------|-----------|-----------|
| St. John's | \$335,469 | \$338,403 |
| Halifax | \$275,046 | \$287,288 |
| Saint John | \$169,592 | \$182,918 |



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| | | |
|---------------------|-----------|-----------|
| Quebec | \$266,371 | \$274,862 |
| Montreal | \$329,256 | \$338,988 |
| Ottawa | \$362,346 | \$358,600 |
| Toronto | \$513,246 | \$550,700 |
| Hamilton/Burlington | \$389,240 | \$412,694 |
| Winnipeg | \$262,727 | \$268,817 |
| Saskatoon | \$323,441 | \$350,699 |
| Regina | \$311,759 | \$327,104 |
| Calgary | \$438,192 | \$460,790 |
| Edmonton | \$350,649 | \$362,091 |
| Vancouver | \$757,338 | \$805,061 |
| Victoria | \$482,908 | \$496,282 |

Source: Canadian Real Estate Association

Housing Resales and Price Forecasts

Home Resales Forecast (units)

| Province | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014f | 2015f |
|------------------|----------------|------------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|-----------------|
| Atlantic Canada | 26,300 14.8 | 24,500 -6.8 | 22,800 -6.9 | 22,500 -1.3 | 22,500 1.8 | 23,100 0.9 | 21,200 -8.2 | 20,400 -3.8 | 20,500 0.5 |
| Quebec | 80,600 12.6 | 76,800 -4.7 | 79,100 3.0 | 80,000 1.1 | 77,200 -3.5 | 77,400 0.3 | 71,200 -8.0 | 70,100 -1.5 | 69,900 -0.3 |
| Ontario | 214,800 9.4 | 182,300 -15.1 | 197,000 8.1 | 196,700 -0.2 | 201,800 2.6 | 197,600 -2.1 | 198,700 0.6 | 198,200 -0.3 | 195,700 -1.3 |
| Manitoba | 13,900 6.9 | 13,400 -3.6 | 13,100 -2.2 | 13,100 0.0 | 13,900 0.0 | 13,900 0.0 | 13,700 -1.4 | 13,900 1.5 | 13,800 -0.7 |
| Saskatchewan | 12,500 31.6 | 10,500 -16.0 | 11,100 5.7 | 10,900 -1.8 | 13,100 20.2 | 13,900 6.1 | 13,500 -2.9 | 13,900 3.0 | 13,800 -0.7 |
| Alberta | 71,000 -4.1 | 56,000 -21.1 | 57,500 2.7 | 49,700 -13.6 | 53,800 8.2 | 60,400 12.3 | 66,100 9.4 | 70,500 6.7 | 71,000 0.7 |
| British Columbia | 102,800 6.3 | 68,900 -33.0 | 85,00 23.4 | 74,600 -12.2 | 76,700 2.5 | 67,600 -11.9 | 72,900 7.8 | 79,800 9.5 | 78,000 -2.3 |
| CANADA | 522,500 7.7 | 433,100 -17.1 | 466,200 7.6 | 447,900 -3.9 | 459,800 2.7 | 454,300 -1.2 | 457,800 0.8 | 467,200 2.1 | 463,100 -0.9 |

Source: RBC, August 2014



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Home Price Forecast (units)

| Province | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014f | 2015f |
|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|-----------------|----------------|-----------------|
| Atlantic Canada | 172,500 7.7 | 187,200 8.5 | 194,200 3.7 | 203,600 4.8 | 21,300 4.8 | 223,200 4.6 | 227,800 2.1 | 228,900 0.5 | 230,700 0.8 |
| Quebec | 198,000 6.3 | 210,000 6.1 | 216,800 3.2 | 231,900 7.0 | 245,200 5.7 | 255,300 4.1 | 259,600 1.7 | 265,700 2.3 | 265,400 -0.1 |
| Ontario | 296,900 7.7 | 314,900 6.1 | 313,100 -0.6 | 337,400 7.8 | 355,600 5.4 | 379,000 6.6 | 198,700 0.6 | 416,000 5.7 | 421,300 1.3 |
| Manitoba | 200,900 7.7 | 22,600 9.8 | 232,800 5.5 | 254,900 9.5 | 268,700 5.4 | 286,000 6.4 | 393,400 4.8 | 308,500 2.9 | 314,500 1.9 |
| Saskatchewan | 237,000 43.7 | 295,300 24.6 | 288,800 -2.2 | 307,700 6.5 | 321,600 4.5 | 341,400 6.2 | 299,800 4.0 | 362,700 2.1 | 368,100 1.5 |
| Alberta | 370,000 43.7 | 346,800 -6.3 | 324,400 -6.5 | 330,500 1.9 | 330,100 -0.1 | 339,600 2.9 | 353,000 3.9 | 375,500 6.4 | 390,100 3.9 |
| British Columbia | 424,900 11.0 | 457,100 7.6 | 447,000 -2.2 | 493,000 10.3 | 528,100 6.5 | 528,200 0.6 | 524,100 -0.8 | 547,300 4.4 | 551,900 0.8 |
| CANADA | 284,100 11.6 | 299,600 5.5 | 297,800 -0.6 | 319,800 7.4 | 336,000 5.1 | 350,900 4.4 | 359,900 2.5 | 374,900 4.3 | 379,200 1.1 |

Source: RBC, August 2014