

ADVICE FOR LIFE



Market Watch:

Interest Rates, Cost of Everyday Essentials and the Housing Market



Mortgage Renewals: A Step-by-Step Approach



Mortgage Renewal vs. Mortgage Refinance: Understanding the Difference



MARKET WATCH

As spring arrives, many Canadians continue to navigate a complex economic environment. Questions around interest rates, the cost of everyday essentials, and global developments remain top of mind, especially as international events continue to influence financial markets closer to home.

On March 18, 2026, the Bank of Canada held its key interest rate at 2.25%, extending a period of rate stability. In its announcement, the Bank acknowledged ongoing global uncertainty, noting that geopolitical tensions in the Middle East have increased volatility in energy prices and financial markets, while also heightening risks to the global economy. It further cautioned that higher oil and natural gas prices are expected to put upward pressure on global inflation in the near term. The next scheduled interest rate announcement is set for April 29, 2026.¹

Inflation showed signs of easing in February. Statistics Canada reported that the Consumer Price Index rose 1.8% compared to a year earlier, down from 2.3% in January. Despite this progress, many households continue to feel the strain of higher everyday costs. Grocery prices remain a challenge, up 4.1% year over year and more than 30% higher than they were in February 2021, reflecting the cumulative impact Canadians have experienced over the past several years.²

The labour market also showed signs of cooling. Statistics Canada reported that employment declined by 84,000 jobs in February, bringing the unemployment rate to 6.7%. At the same time, wage growth continued, with average hourly wages rising 3.9% year over year to \$37.56. For those currently working, higher wages have helped offset some cost pressures, even as broader economic uncertainty persists.³

From a longer-term perspective, periods like this are not unusual. Recent global market commentary highlights that capital markets have historically demonstrated resilience through geopolitical events. While volatility can feel unsettling, reactions across energy markets, equities, bonds, and currencies have, so far, been more measured than might otherwise be expected.⁴



Ontario Housing Market

Canada's housing market continues to adjust. Nationally, average home prices were down 4.8% compared to a year earlier, with the average price reaching \$663,828 in February 2026. Housing activity remained subdued, with the Canadian Real Estate Association reporting a 1.3% month over month decline in home sales.⁵ Activity has been particularly slow across much of Ontario, including the corridor between Windsor and Toronto.

Policy developments are also shaping the landscape. Bill C4 received Royal Assent on March 12, eliminating the federal GST for first time buyers purchasing new homes priced at \$1 million or less, and reducing GST on new homes priced between \$1 million and \$1.5 million. For some buyers, this may provide modest relief and improve affordability.⁶

Our advisors are ready to help. If your mortgage renewal is approaching or you are just getting into the home market, now is a great time to understand your options.

[Book an appointment](#) with one of our mortgage specialists or call 1.877.560.0100.

¹ Bank of Canada — Bank of Canada maintains policy rate at 2.25% (March 18, 2026): <https://www.bankofcanada.ca/2026/03/fad-press-release-2026-03-18/>

² Statistics Canada — The Daily: Consumer Price Index, February 2026 (Released March 16, 2026): <https://www150.statcan.gc.ca/n1/daily-quotidien/260316/dq260316a-eng.htm>

³ Statistics Canada — Labour Force Survey, February 2026 (Released March 13, 2026): <https://www150.statcan.gc.ca/n1/daily-quotidien/260313/dq260313a-eng.pdf>

⁴ Global Markets Commentary — March 2026 (external market commentary)

⁵ CREA — Canadian Housing Activity Stays Quiet in February 2026 (March 17, 2026): <https://www.crea.ca/media-hub/news/canadian-housing-activity-stays-quiet-in-february-2026/>

⁶ Residential Construction Council of Ontario (RESCON) — RESCON applauds passage of Bill C 4 (Posted March 17, 2026)

Mortgage Renewals, a Thoughtful, Step-by-Step Approach

If your mortgage is coming up for renewal, it can feel like a significant moment, especially if your current term began during a very different interest rate environment. The good news is that a renewal also offers an opportunity: a chance to pause, reflect, and ensure your mortgage still supports your life as it looks today.

Here is a clear, practical approach to help you prepare with confidence.



Step 1: Understand your timing

Most lenders reach out a few months before your term ends. Knowing your renewal date early gives you time to explore options and make decisions without unnecessary pressure.

Step 2: Review your current mortgage

Start with the basics: your interest rate, remaining balance, payment amount, and term length. It's also helpful to review features that matter to you, such as prepayment options, flexibility to increase payments, or the ability to make lump sum contributions.

Step 3: Gather key information

Having important documents ready, such as proof of income, a recent mortgage statement, and property tax or insurance details, can make conversations smoother and help you feel organized and prepared.

Step 4: Check in on your broader financial picture

Your renewal decision should reflect your real life, not just today's rate. A brief review of your monthly budget, other debts, and upcoming milestones, such as renovations, changes in income, or long-term savings goals, can provide valuable clarity.

Step 5: Explore your options

Renewal may allow you to adjust your term length, payment structure, or mortgage type. Some people prioritize stability and predictability, while others value flexibility. There is no one size fits all solution, what matters most is choosing an option that aligns with your goals and comfort level.

Step 6: Talk it through and move forward

You don't have to navigate renewal on your own. A conversation with an advisor can help you understand trade-offs, compare options fairly, and move forward with confidence.

A mortgage renewal is more than a notice in the mail. It's a chance to reset with clarity and ensure your housing costs remain aligned with your overall financial well-being.

Ready to Take the Next Step?

Whether you're approaching a mortgage renewal or simply starting to think ahead, an Alterna advisor is here to help. Our approach is grounded in listening first, understanding your full financial picture, and supporting you with clear, practical guidance, at every step.



Talk to an **Alterna advisor** or call **1.877.560.0100** to explore your mortgage options and move forward with confidence.

STAY UPDATED WITH REAL-TIME RATES

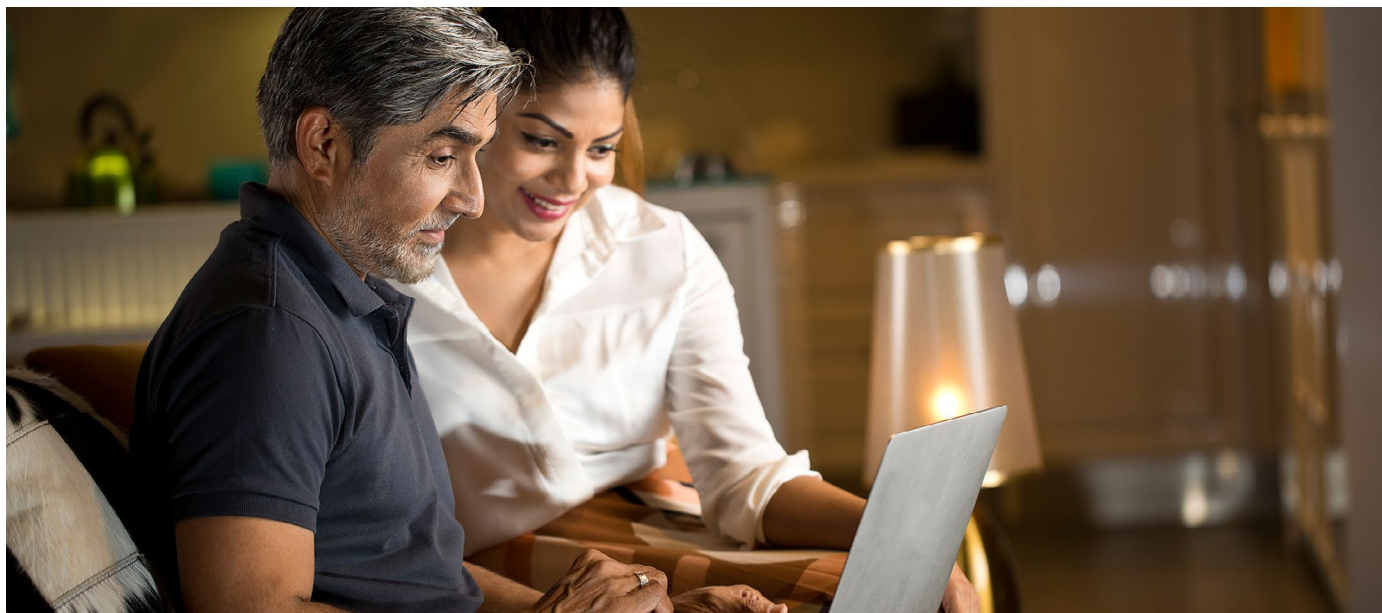
Rates frequently change. Scan with your phone camera to stay updated on our featured promotional rates on mortgages, term deposits and more.



Ontario's housing market is currently experiencing a **strong buyer market**, with approximately **six months of inventory available**.*

*<https://wahi.com/ca/en/housing-market/on>

Mortgage Renewal vs. Mortgage Refinance: Understanding the Difference



Once you begin thinking about renewal, a common question follows: should you simply renew your mortgage, or is it time to refinance? While the terms are sometimes used interchangeably, they serve different purposes.

Mortgage Renewal: Continuing your existing mortgage

A renewal occurs when your current term ends and you select a new term for the remaining balance on your mortgage. In most cases, renewal is about continuing what you already have, without borrowing additional funds.

Renewal is a natural point to review details that influence your monthly payments and peace of mind, such as term length and whether a fixed or variable rate best suits your priorities. It's also an opportunity to confirm that your mortgage still reflects your current goals and circumstances.

Mortgage Refinance: Making a more significant change

Refinancing involves replacing your existing mortgage with a new one. This option can allow you to borrow additional funds by accessing a portion of your home's equity.

People often consider refinancing to fund major expenses, consolidate higher interest debt, or support a longer-term financial goal. Because refinancing can involve fees or other costs, depending on timing and mortgage terms, it's important to fully understand how it applies to your situation before proceeding.

A simple way to frame the decision

If your primary goal is to continue your mortgage with the same balance, you're likely exploring a renewal. If you're looking to access equity, borrow more, or make a significant structural change, refinancing may be part of the conversation.

Either way, taking time to clarify what you're trying to achieve, and understanding the trade-offs involved, can help you make a more confident decision.

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Our advisors are ready to help you explore your mortgage options.
Schedule your appointment [HERE](#) or call **1.877.560.0100**.

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