

Current Economic Analysis

Patrick Walters, City Economist | Estella Scruggs, Corporate Research Analyst

May 31, 2011



- In April 2011, Calgary's 12-month-moving-average inflation rate increased to 1.0 per cent from 0.9 per cent in March and -0.1 per cent in April 2010. Nationally, the inflation rate also increased to 2.1 per cent from 2.0 per cent last month and 0.5 per cent in April 2010.
- The unemployment rate in Calgary was 6.0 per cent in April 2011, down from 7.6 per cent in the previous year. Nationally, the unemployment rate was 8.1 per cent, down from 8.6 per cent in April 2010.
- Total employment in the Calgary Economic Region (CER) was 756,500 in April 2011, an increase of 15,300 from 741,200 in April 2010.
- In April 2011, the average hourly wage in Calgary increased slightly to \$26.18 (0.4 per cent) compared to a year ago. In Alberta, the average hourly wage also increased slightly to \$25.02 (0.7 per cent) compared to last April.
- Between March 2010 and March 2011, the number of Calgarians receiving regular employment insurance fell by 31.2 per cent to 13,230. In Alberta, the number fell by 25.3 per cent to 39,310. March marked the 12th consecutive month of year-over-year decline for both Calgary and Alberta.
- In April 2011, the average price of oil (WTI) was USD\$110.04/bbl, up 6.9 per cent from March 2011. The average price of natural gas was \$3.54/GJ, up 0.6 per cent from March.
- The Canadian prime business loan rate remained unchanged at 3 per cent in April 2011.
- The Canadian consumer confidence index rose 4 points in April 2011 to 87.7 points (2002 = 100). The index is higher than it was 12 months ago, but it remains well below pre-recession levels.
- In March 2011, Alberta retail sales were estimated at \$5.2 billion (seasonally adjusted), a 0.1 per cent decrease over the previous month but a 4.4 per cent increase year-over-year.
- Alberta wholesale merchants' sales were estimated at \$5.6 billion (seasonally adjusted) in March 2011, up 1.9 per cent from February and 12.9 per cent from March 2010.
- Alberta manufacturing sales were estimated at \$5.7 billion (seasonally adjusted) in March 2011, up 3.7 per cent from February 2011 and 17.8 per cent from March 2010.
- The number of personal bankruptcies in Alberta was 680 in March 2011, up 6.9 per cent from the previous month but down 12.4 per cent from March 2010.
- The number of business bankruptcies in Alberta was 26 in March 2011, up 18.2 per cent from February 2011 but down 45.8 per cent from March 2010.
- In April 2011, total housing starts in Calgary (CMA) reached 556 units, up from 403 units in March but down from 909 units last April.
- Calgary housing sales in April 2011 was 2,087 units, down 8.2 per cent from 2,273 units in March and 12.4 per cent from 2,382 units a year ago.
- April MLS average price for Calgary was \$424,746, up 3.4 per cent from last month's average price of \$410,940 and 4.7 per cent from \$405,850 a year ago.

Next release: June 30, 2011

Note: In January 2011, Statistics Canada applied a standard revision to its Labour Force Survey estimates following the release of final population estimates from Census 2006. As a result, the data that are related to employment have been revised accordingly.

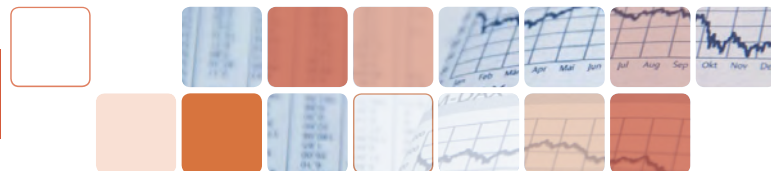
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Sources: Statistics Canada, CMHC, CREB, MLS, Bank of Canada, Conference Board of Canada, GLJ Energy Publications, The City of Calgary, Office of the Superintendent of Bankruptcy and others.

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City of Calgary Monthly Economic Indicators	2008	2009	2010	2010									2011				
				Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
General Indicators																	
Inflation (12 month moving average)																	
Calgary Census Metropolitan Area (CMA)	3.2%	-0.1%	0.8%	-0.2%	-0.1%	0.0%	0.2%	0.4%	0.6%	0.8%	0.9%	0.8%	0.8%	0.8%	0.8%	0.9%	1.0%
Canada	2.4%	0.3%	1.8%	0.4%	0.5%	0.6%	0.7%	1.0%	1.2%	1.4%	1.6%	1.7%	1.8%	1.8%	1.9%	2.0%	2.1%
Unemployment Rate																	
Calgary Economic Region (C.E.R.)	3.3%	6.3%	7.0%	7.4%	7.6%	7.7%	7.4%	6.9%	6.9%	6.9%	6.9%	6.1%	5.9%	5.9%	6.1%	6.1%	6.0%
Canada	6.1%	8.1%	8.1%	8.7%	8.6%	8.5%	8.1%	8.0%	8.2%	8.2%	7.8%	7.3%	7.1%	7.4%	7.7%	8.1%	8.1%
C.E.R. Employment (Person - 000s)	768	765	755	744	741	745	754	769	772	767	760	757	757	754	755	756	757
Employment insurance Alberta - # of recipients (seasonally adjusted)	17,702	56,556	49,848	52,630	50,540	49,260	48,680	47,370	45,900	48,020	47,210	47,120	46,130	44,350	42,130	39,310	
Year-over-year % change	5.7%	217.3%	-0.2%	19.6%	-0.8%	-13.0%	-22.6%	-24.0%	-20.9%	-33.1%	-35.4%	-34.6%	-31.2%	-24.9%	-24.2%	-25.3%	
Employment insurance Calgary - # of recipients (unadjusted)	4,903	17,747	15,645	19,240	17,570	15,900	14,630	15,180	15,700	12,280	11,600	11,810	12,990	14,590	14,010	13,230	
Year-over-year % change	9.7%	261.9%	-11.8%	18.3%	-2.0%	-13.7%	-24.1%	-29.3%	-29.1%	-35.2%	-37.2%	-36.9%	-34.0%	-29.8%	-30.2%	-31.2%	
City of Calgary Population Estimate (000s) [†]	1,043 [#]	1,065 [#]	1,072 [#]	1,071	1,072	1,073	1,075	1,077	1,079	1,081	1,082	1,083	1,085	1,086	1,088	1,090	1,091
West Texas Intermediate (\$US/barrel)	99.64	61.78	79.52	81.31	84.58	74.12	75.40	76.38	76.68	75.55	81.97	84.14	89.23	89.62	89.74	102.98	110.04
Alberta Natural Gas (Cdn\$/GJ)	7.73	3.78	3.80	3.84	3.57	3.64	3.89	3.49	3.22	3.37	3.13	3.50	3.69	3.80	3.39	3.52	3.54
Canadian real GDP y-o-y % Change - (Chained 2002 dollar)	0.6%	-2.6%	3.3%	3.1%	3.4%	3.8%	4.0%	3.8%	4.2%	3.5%	3.6%	3.2%	3.3%	3.3%	3.0%	2.8%	
Canadian real GDP m-o-m % Change - (Chained 2002 dollar)	NA	NA	NA	0.5%	0.0%	0.1%	0.3%	0.0%	0.3%	-0.1%	0.3%	0.4%	0.5%	0.5%	-0.1%	0.3%	
Prime lending rate - Bank of Canada (%)	4.73%	2.40%	2.60%	2.25%	2.25%	2.25%	2.50%	2.75%	2.75%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Consumer Indicators																	
Hourly earnings - Alberta (\$) Year-over-year % change	5.6%	4.4%	1.3%	2.5%	1.7%	1.7%	0.2%	2.8%	0.7%	0.7%	0.2%	0.2%	2.1%	0.8%	3.5%	1.2%	0.7%
Hourly earnings - Calgary (\$) Year-over-year % change	5.8%	3.7%	1.0%	1.8%	1.9%	2.2%	0.7%	1.0%	0.3%	0.8%	0.3%	0.6%	1.0%	0.3%	0.6%	-0.2%	0.4%
Retail sales - Alberta (\$ billions)	61.1	56.0	59.6	5.0	4.9	4.9	4.9	4.9	5.0	5.0	5.1	5.2	5.2	5.2	5.2	5.2	
Consumer confidence - Canada	77.7	71.4	84.7	92.5	84.8	89.3	83.6	80.0	79.4	78.1	79.7	83.6	81.0	88.1	89.3	83.7	87.7
Housing starts - Calgary CMA	11,438	6,318	9,262	904	909	862	685	1,166	858	796	784	555	486	518	627	403	556
# of personal bankruptcies - Alberta	6,066	9,986	8,150	776	744	672	778	626	615	732	700	667	519	578	636	680	
Calgary Housing (# of units sold) MLS	23,137	24,880	20,996	2,446	2,382	2,133	1,824	1,612	1,562	1,606	1,442	1,427	1,251	1,292	1,917	2,273	2,087
Household sales/listing ratio - Calgary	41.77	61.13	47.97	45.01	43.98	41.42	38.14	44.83	45.70	41.47	46.16	57.33	84.24	36.28	47.97	51.95	49.88
Current month average house price - Calgary Metro (\$000)	412.9	394.8	409.6	420.7	405.9	433.0	433.2	416.1	395.9	410.7	403.7	411.2	389.9	402.3	409.3	410.9	424.7
Year-over-year % change of Calgary City MLS average prices	-2.9%	-4.4%	3.7%	10.9%	7.8%	9.8%	7.6%	5.3%	-0.5%	-0.4%	-1.5%	-0.9%	-3.0%	1.7%	2.4%	-2.3%	4.7%
Business Indicators																	
Wholesale sales - Alberta - seasonally adjusted (\$billions)	68.7	59.0	62.9	5.0	5.1	5.0	5.1	5.2	5.3	5.5	5.5	5.6	5.6	5.6	5.6	5.7	
Manufacturing sales - Alberta - seasonally adjusted (\$billions)	70.4	54.5	59.8	4.9	4.9	5.0	4.8	4.8	5.0	5.1	5.2	5.2	5.4	5.4	5.5	5.7	
# of new businesses	**	**	**	72	166	218	365	236	269	374	571	553	649	NA	19 ⁺⁺	224	656
# of business closures - Calgary	**	**	**	305	185	136	229	162	211	174	141	198	197	NA	476 ⁺⁺	271	164
# of business bankruptcies - Alberta	447	405	378	48	37	35	23	27	30	34	24	19	44	30	22	26	

** Tracking of these indicators commenced in late 2008. Some comparative historical data has not been obtained ++ February figures are YTD to February 28 of the year # Taken from April Civic Census † Revised monthly data based on April 2010 Civic Census Revised Data