

Current Economic Analysis

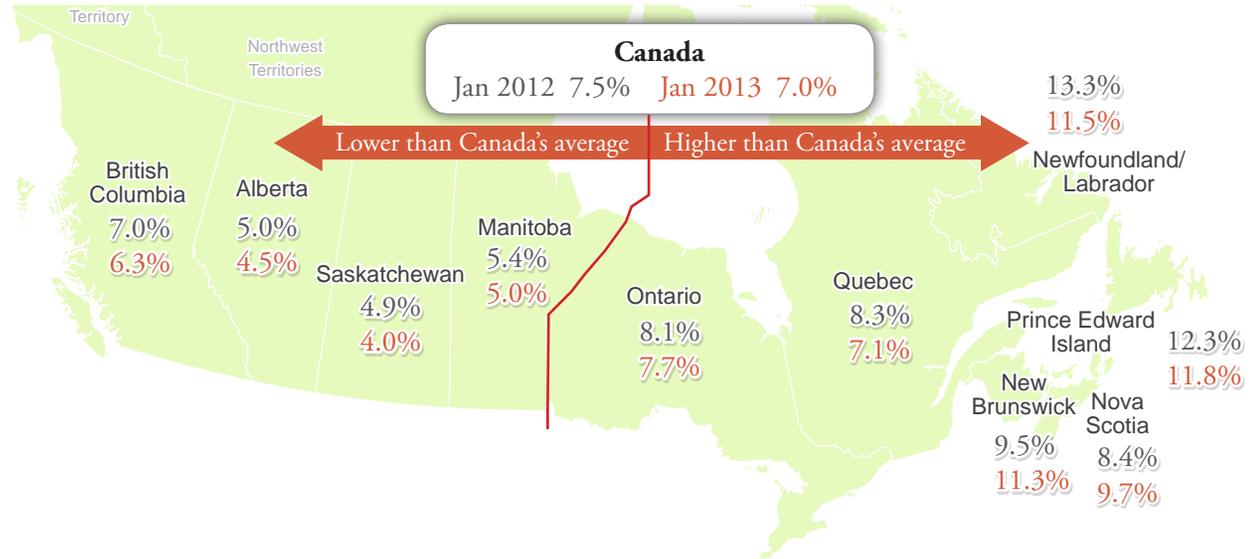
Patrick Walters, City Economist | Estella Scruggs, Corporate Research Analyst

February 28, 2013

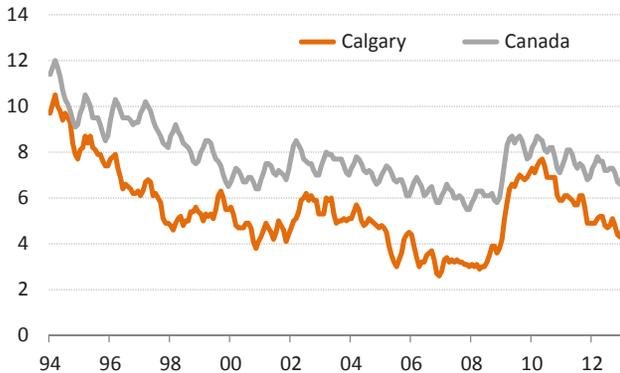
Labour Market

- The unemployment rate in the Calgary Economic Region (CER) was 4.6 per cent in January 2013, down from 4.9 per cent in the same time last year. Nationally, the unemployment rate was 6.9 per cent, down from 7.3 per cent in January 2012.
- Total employment in the CER was 813,800 in January 2013, an increase of 18,000 or 2.3 per cent from 795,800 in January 2012.
- The 2012 Civic Census placed Calgary's population at 1,120,200, up from 1,090,900 in 2011, representing an increase of 29,300 persons.

Unemployment Rates, Canada and Provinces (Seasonally adjusted)



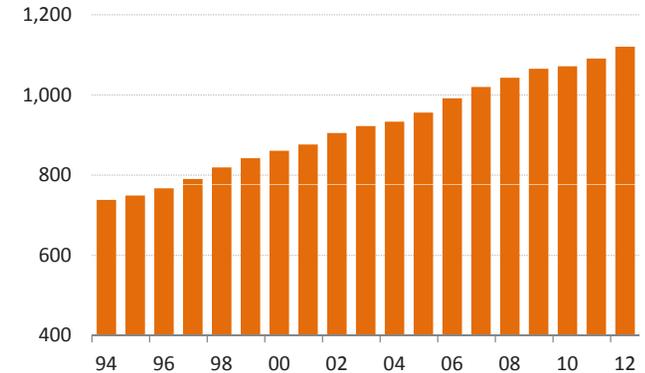
Unemployment Rates (unadjusted, per cent)



Calgary CER: Total Employment (unadjusted, thousands of persons)



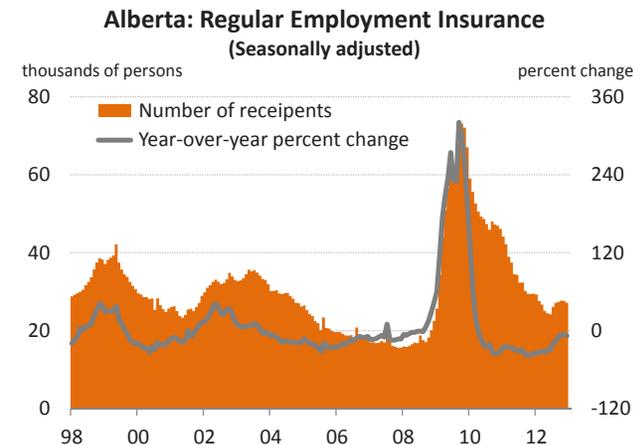
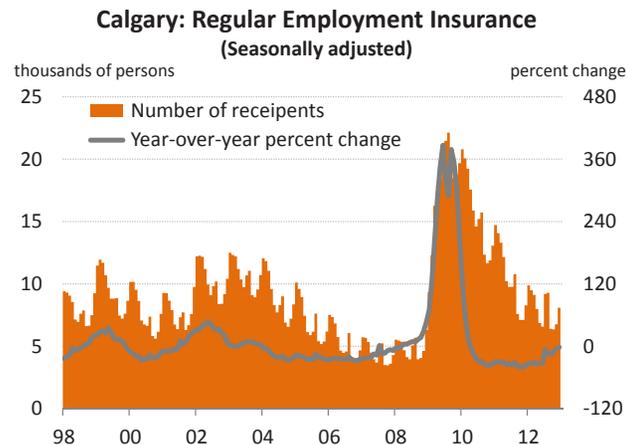
City of Calgary: Total Population (thousands of persons)



Sources: Statistics Canada, City of Calgary Civic Census, Corporate Economics

Labour Market (continued)

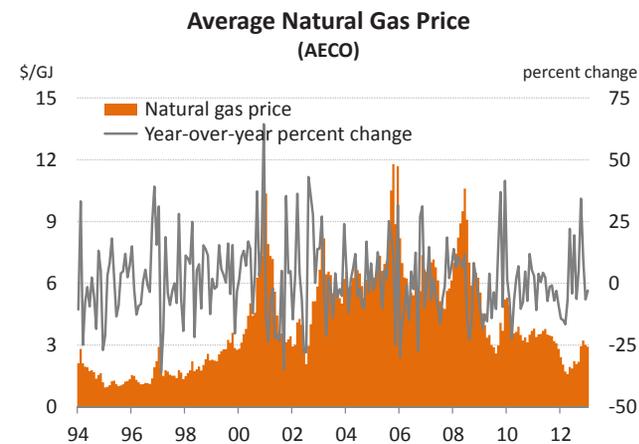
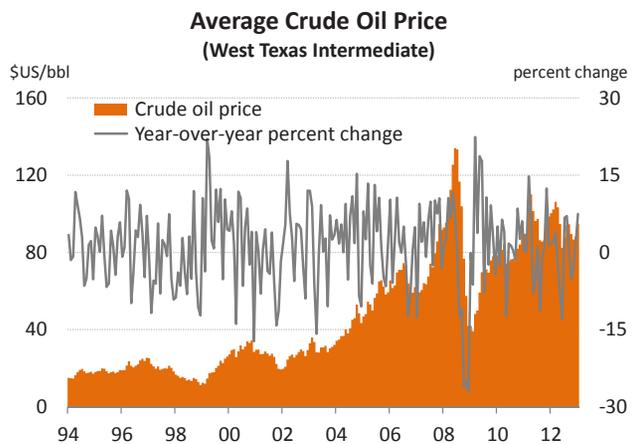
- Between December 2011 and December 2012, the number of Calgarians receiving regular employment insurance fell by 2.3 per cent to 8,090. For Alberta, in the same time period, the number fell by 7.9 per cent to 27,160.



Sources: Statistics Canada, Corporate Economics

Energy

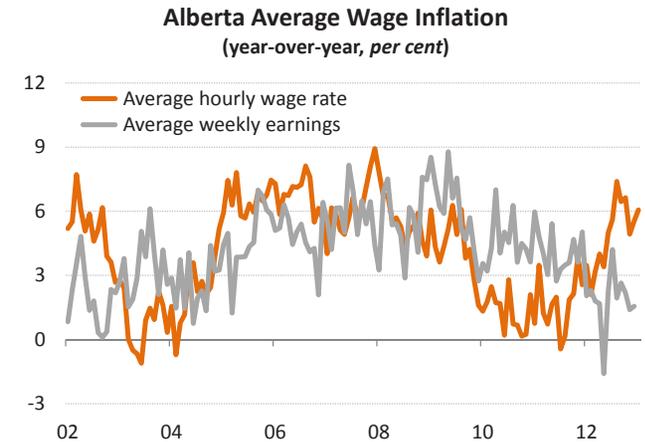
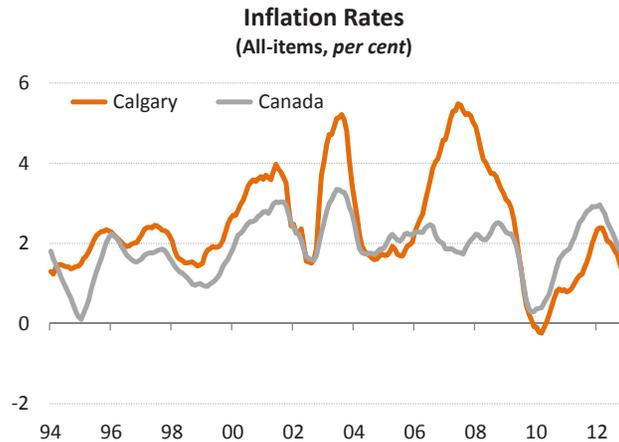
- In January 2013, the average price of crude oil (WTI) was US\$94.83/bbl, up 7.5 per cent from December 2012 but down 5.5 per cent from a year ago.
- The average price of natural gas (AECO) was \$2.92/GJ in January 2013, down 3 per cent from the previous month but up 21.2 per cent from January 2012.



Sources: GLJ Energy Publications, Corporate Economics

Prices

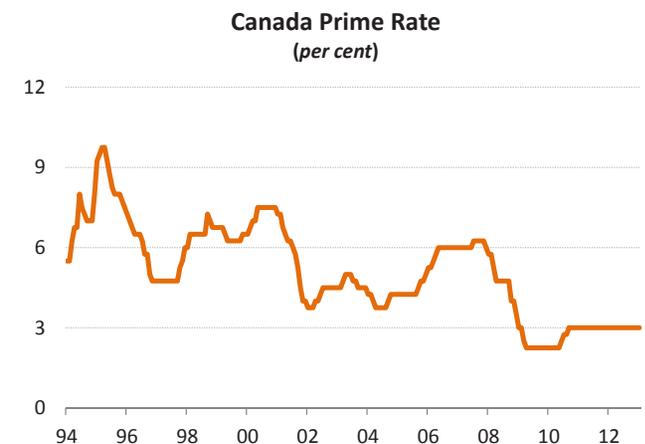
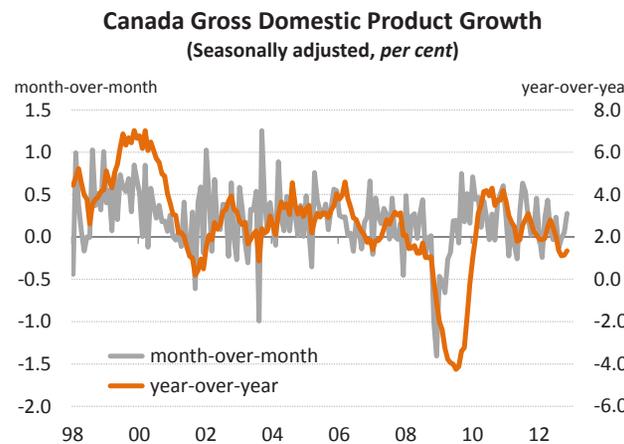
- In January 2013, Calgary's 12-month-moving-average inflation rate decreased to 0.8 per cent from 1 per cent in December 2012 and 2.3 per cent in January 2012. Nationally, the inflation rate also decreased to 1.4 per cent from 1.5 per cent in the previous month and 2.9 per cent in January 2012.
- In Alberta, the average hourly wage inflation rate in January 2013 was 6.1 per cent, increased from 3.5 per cent a year ago. The average weekly earnings growth rate was 1.6 per cent in December 2012, increased from 5 per cent in December 2011.



Sources: Statistics Canada, Corporate Economics

General Indicators

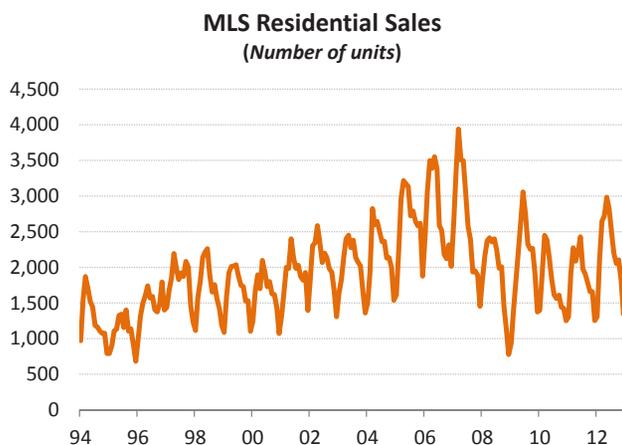
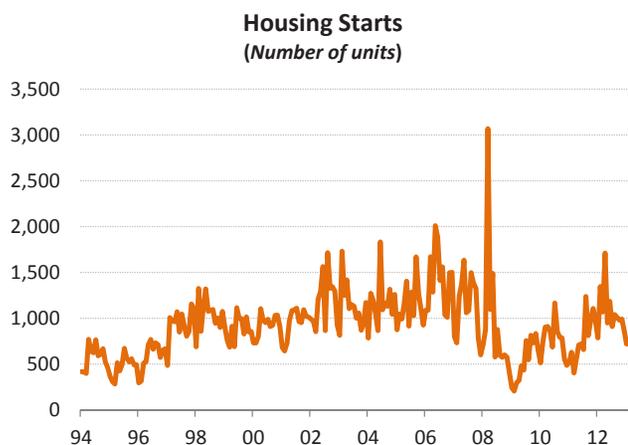
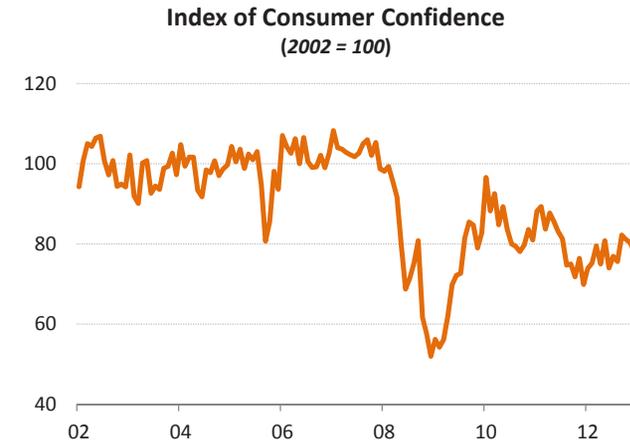
- Canada's real gross domestic product (GDP) growth:
 - ▶ **Month-over-month:** edged up 0.3 per cent in November 2012, following a 0.1 per cent growth in October.
 - ▶ **Year-over-year:** increased 1.3 per cent in November 2012, following a 1.1 per cent growth in October.
- The Canadian prime business loan rate remained unchanged at 3 per cent in January 2013.



Sources: Statistics Canada, Bank of Canada, Corporate Economics

Consumer Indicators

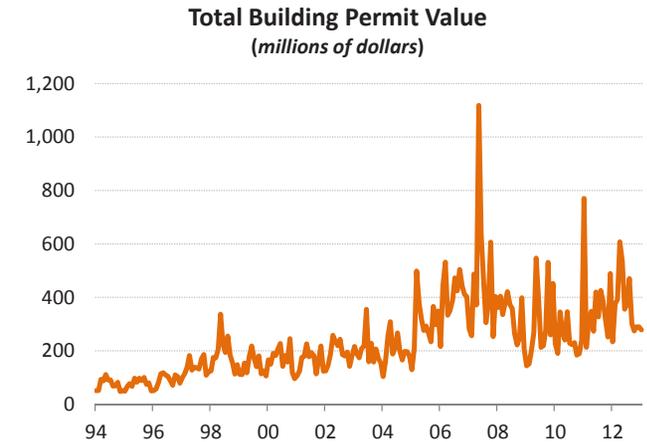
- In December 2012, total retail sales in the CER was estimated at \$2.3 billion, down 1.9 per cent from November but up 2.4 per cent from a year ago. Alberta retail sales were estimated at \$5.7 billion, indicating a 2.5 per cent decrease over the previous month but a 1.9 per cent increase year-over-year.
- The Index of Consumer Confidence increased in January 2013 by 5.1 points to 83 (2002 = 100).
- In January 2013, total housing starts in Calgary (CMA) reached 719 units, down from 866 units in last December and 786 units a year ago.
- Calgary housing sales in January 2013 was 1,572 units, up 17.1 per cent from 1,343 units in last December and 20.2 per cent from 1,308 units a year ago.
- January's MLS average sale price for Calgary was \$418,938, down 0.2 per cent from last month's average of \$419,811, but up 9.5 per cent from \$382,468 a year ago.



Sources: Statistics Canada, Conference Board of Canada, Calgary Real Estate Board (CREB), Canada Mortgage and Housing Corporation (CMHC), Corporate Economics

Business Indicators

- Alberta wholesale merchants' sales were estimated at \$6.6 billion (seasonally adjusted) in December 2012, down 1.3 per cent from the previous month but up 4.1 per cent from a year ago.
- Alberta manufacturing sales were estimated at \$5.8 billion (seasonally adjusted) in December 2012, down 4.5 per cent from the previous month and 9 per cent from a year ago.
- In January 2013, the total building permit value in the city of Calgary reached \$279 million, a 3.8 per cent decrease from last month's total of \$289 million, but a 19.1 per cent increase from \$234 million a year ago.



Sources: Statistics Canada, The City of Calgary, Corporate Economics

Next update: March 28, 2013

Who We Are

Corporate Economics provides services in four areas: forecasting, information provision, policy analysis and consulting. We also monitor the current economic trends which allows us to develop unique insights on how external events are impacting the local economy and the Municipal government. We are experienced at researching different economic topics and developed reliable methods of forecasting and analysis.

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Many of our publications are available on the internet at www.calgary.ca/economy.

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Current Economic Analysis

City of Calgary Monthly Economic Indicators	2010	2011	2012	2011	2012												2013
				Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Labour Market																	
Unemployment Rate - Calgary Economic Region (CER) (%)	7.0%	5.8%	4.9%	4.9%	4.9%	4.9%	5.1%	5.2%	5.2%	4.8%	4.7%	4.8%	5.1%	4.8%	4.4%	4.3%	4.6%
Unemployment Rate - Canada (%)	8.1%	7.5%	7.3%	6.9%	7.3%	7.5%	7.8%	7.6%	7.6%	7.2%	7.2%	7.3%	7.3%	7.1%	6.7%	6.6%	6.9%
Employment - CER (Person - 000s)	755.2	776.1	806.3	794.3	795.8	794.4	795.4	795.4	803.5	812.7	818.0	815.8	809.4	808.6	810.6	815.5	813.8
Employment Insurance Alberta - # of recipients, seasonally adjusted	49,778	34,563	26,708	29,490	29,260	27,650	26,700	25,060	24,470	24,200	26,150	27,140	27,380	27,690	27,630	27,160	
<i>Year-over-year % change</i>	-0.3%	-30.9%	-21.3%	-36.1%	-33.7%	-34.4%	-31.5%	-33.1%	-29.1%	-29.5%	-19.0%	-16.1%	-9.3%	-6.0%	-6.1%	-7.9%	
Employment insurance Calgary - # of recipients, unadjusted	15,671	10,404	8,003	8,280	9,890	9,490	9,120	7,990	6,870	6,580	9,200	9,290	6,410	6,350	6,760	8,090	
<i>Year-over-year % change</i>	-11.7%	-33.6%	-23.1%	-36.6%	-32.8%	-32.6%	-31.4%	-34.2%	-32.8%	-32.7%	-5.8%	-13.8%	-15.4%	-10.6%	-4.9%	-2.3%	
City of Calgary Population Estimate (000s)	1,072*	1,091*	1,120*	1,110	1,113	1,115	1,118	1,120	1,123	1,127	1,130	1,132	1,135	1,138	1,142	1,145	1,148
Energy																	
West Texas Intermediate (\$US/barrel)	79.52	95.13	94.21	98.58	100.32	102.26	106.21	103.35	94.72	82.41	87.95	94.16	94.56	89.57	86.74	88.25	94.83
Alberta Natural Gas (Cdn\$/GJ)	3.80	3.43	2.27	2.81	2.41	2.05	1.71	1.59	1.94	1.86	2.22	2.08	2.19	2.94	3.22	3.01	2.92
Prices																	
Inflation Rate - Calgary Census Metropolitan Area (CMA) (%)	0.8%	2.2%	1.0%	2.2%	2.3%	2.4%	2.4%	2.2%	2.1%	2.0%	1.9%	1.8%	1.7%	1.5%	1.3%	1.0%	0.8%
Inflation Rate - Canada (%)	1.8%	2.9%	1.5%	2.9%	2.9%	3.0%	2.8%	2.7%	2.5%	2.4%	2.3%	2.1%	2.0%	1.8%	1.6%	1.5%	1.4%
Average Hourly Wage Rate - Alberta y-o-y % change	1.3%	1.7%	4.8%	2.6%	3.5%	2.1%	3.2%	4.0%	3.4%	5.0%	5.6%	7.4%	6.5%	6.6%	4.9%	5.5%	6.1%
Average Weekly Earnings* - Alberta y-o-y % change	4.5%	4.1%	NA	5.0%	2.0%	2.3%	1.8%	1.7%	-1.6%	2.2%	4.2%	1.9%	2.6%	2.2%	1.4%	1.6%	
General Indicators																	
Canadian Real GDP y-o-y % change - (Chained 2007 dollar)	3.4%	2.6%	NA	2.1%	1.9%	1.9%	1.9%	2.5%	2.8%	2.5%	2.0%	1.4%	1.1%	1.1%	1.3%		
<i>Canadian Real GDP m-o-m % change - (Chained 2007 dollar)</i>	--	--	--	0.5%	0.0%	-0.2%	0.2%	0.4%	0.1%	0.0%	0.2%	-0.1%	0.0%	0.1%	0.3%		
Prime Lending Rate - Bank of Canada (%)	2.60%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Consumer Indicators																	
Retail Sales - Alberta, seasonally adjusted (\$billions)	59.7	63.9	68.7	5.6	5.6	5.6	5.7	5.6	5.7	5.7	5.7	5.8	5.8	5.9	5.9	5.7	
Retail Sales - CER, seasonally adjusted (\$billions)	23.4	24.8	26.8	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.3	2.2	2.2	2.3	2.3	2.3	
Index of Consumer Confidence - Canada	84.7	80.6	77.7	69.9	73.9	75.2	79.5	75.0	80.8	74.0	76.9	75.6	82.2	81.1	80.3	77.9	83.0
Housing Starts - Calgary CMA	9,262	9,292	12,841	970	786	1,345	1,069	1,711	949	1,184	910	1,039	1,012	980	990	866	719
# of Personal Bankruptcies - Alberta	8,150	7,029	NA	483	517	533	568	523	515	484	489	454	421	489	420		
Calgary Residential Unit Sales MLS	20,996	22,466	26,634	1,253	1,308	2,113	2,647	2,720	2,982	2,832	2,502	2,198	2,054	2,104	1,831	1,343	1,572
Calgary Residential Sales to New Listings Ratio MLS	48.09	53.69	66.33	86.29	39.30	56.42	58.45	62.24	60.29	65.06	70.03	64.67	60.11	69.44	84.07	105.83	48.04
Calgary Residential Average Price MLS (\$thousands)	397.4	401.9	410.8	392.7	382.5	405.7	409.8	414.9	429.5	422.1	409.7	400.3	402.8	418.7	413.9	419.8	418.9
Business Indicators																	
Wholesale Sales - Alberta, seasonally adjusted (\$billions)	61.7	70.5	78.3	6.3	6.3	6.4	6.3	6.6	6.7	6.5	6.6	6.6	6.5	6.6	6.6	6.6	
Manufacturing Sales - Alberta, seasonally adjusted (\$billions)	60.1	70.9	74.3	6.3	6.3	6.4	6.4	6.3	6.3	5.9	6.3	6.3	6.4	6.2	6.0	5.8	
# of New Businesses - Calgary	3,537	4,300	3,770	299	NA	101	473	200	162	475	202	445	293	549	533	299	
# of Business Closures - Calgary	2,503	2,380	2,445	140	NA	601	189	162	290	122	239	124	215	225	124	140	
# of Business Bankruptcies - Alberta	378	264	NA	18	20	25	19	20	28	22	16	10	21	18	15		
City of Calgary Total Building Permit Value (\$millions)	2913.0	4528.3	4498.1	488.8	233.9	375.5	392.0	607.8	533.8	355.6	372.8	470.3	302.5	274.6	290.0	289.4	278.5

Taken from April Civic Census * Average weekly earnings is wage rate with benefits (including overtime)