

Current Economic Analysis

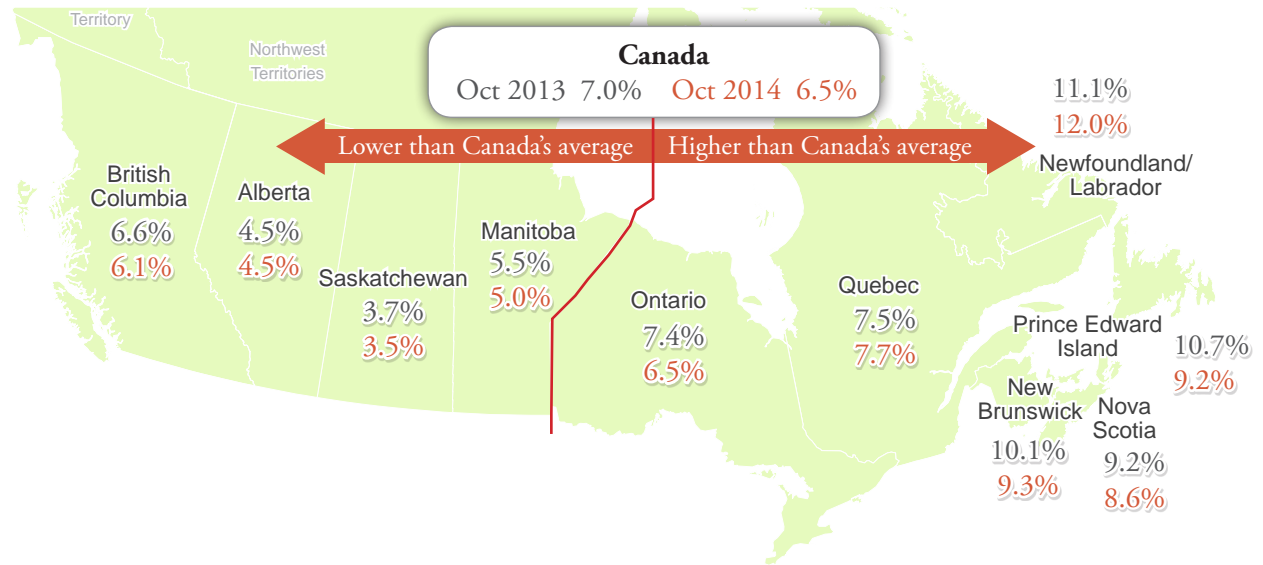
Estella Scruggs, Corporate Research Analyst | Jillian Kohut, Associate Economist

December 1, 2014

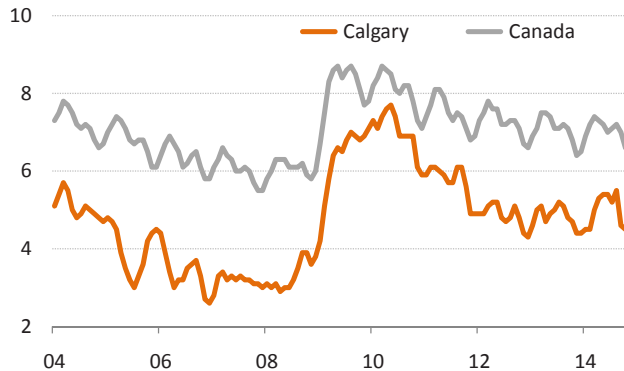
Labour Market (Unadjusted)

- The unemployment rate in the Calgary Economic Region (CER) was 4.5 per cent in October, a 0.1 percentage point drop from September and a decline of 0.2 percentage point from the same time last year. Meanwhile the national rate was 6.6 per cent, down from 6.8 per cent in October 2013.
- Total employment in the CER was 859,000 in October, rising 1.5 per cent year-over-year.
- The total working age population in the city was estimated at 1,235,300 in October, jumping 3.8 per cent from the same time last year.

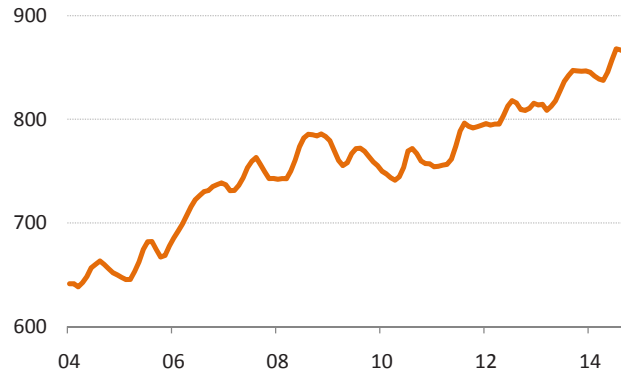
Unemployment Rates, Canada and Provinces (Seasonally adjusted)



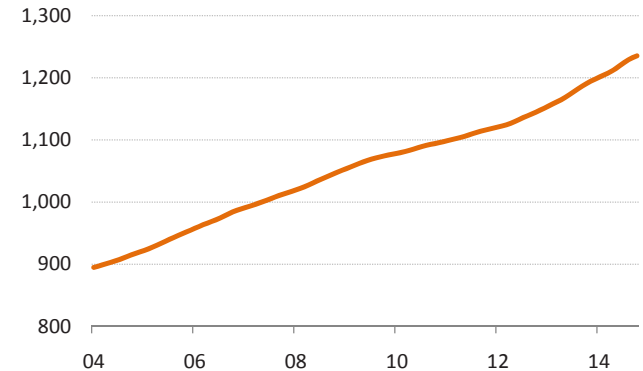
Unemployment Rates (unadjusted, per cent)



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



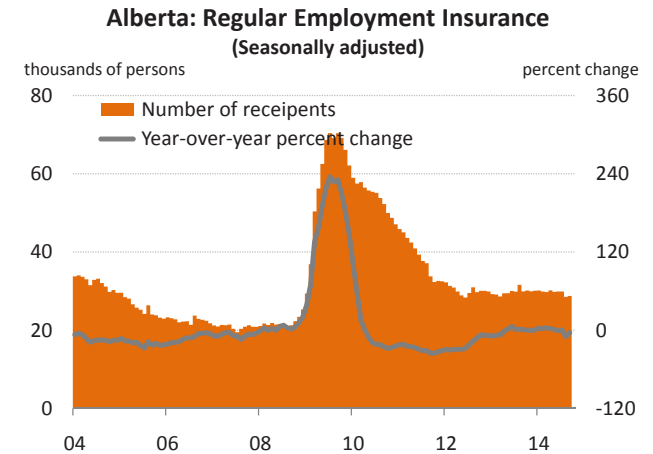
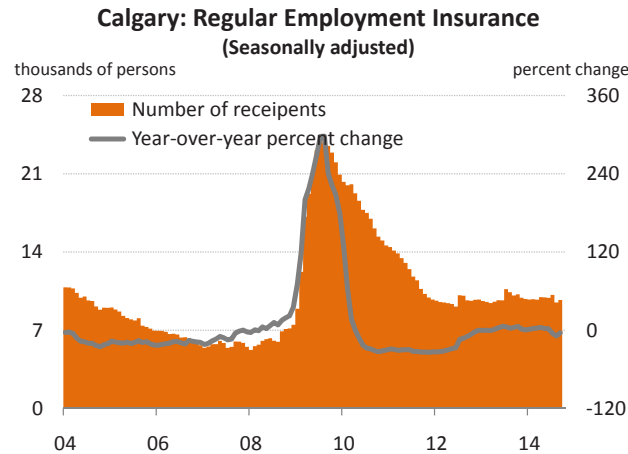
Calgary CER: Working Age Population (unadjusted, thousands of persons)



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

Labour Market (continued)

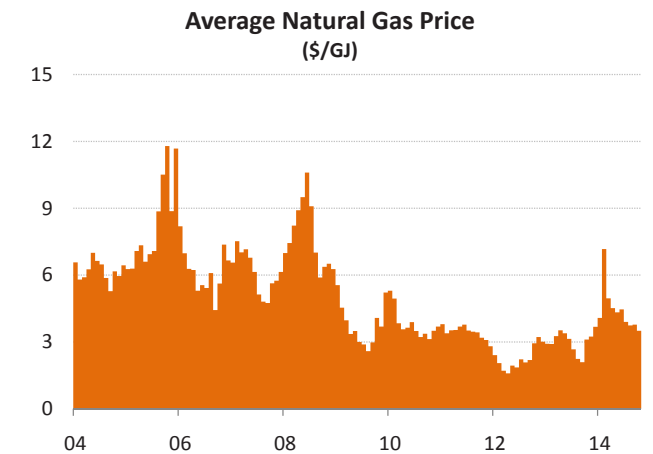
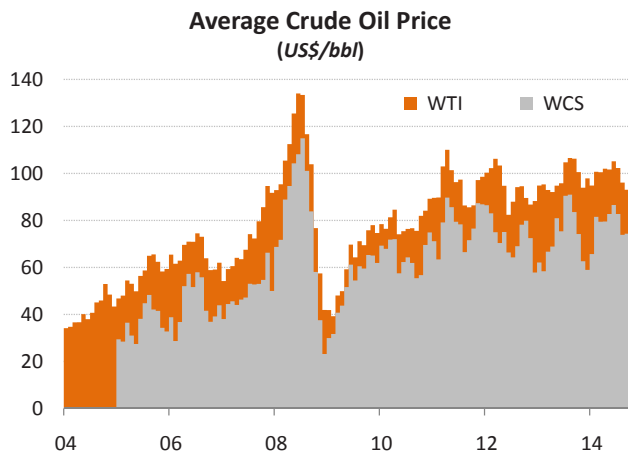
- Between September 2013 and September 2014, the number of Calgarians receiving regular employment insurance benefits fell 4.0 per cent to 9,710 persons. For Alberta, the number declined 3.9 per cent to 28,760 persons.



Sources: Statistics Canada, Corporate Economics

Energy

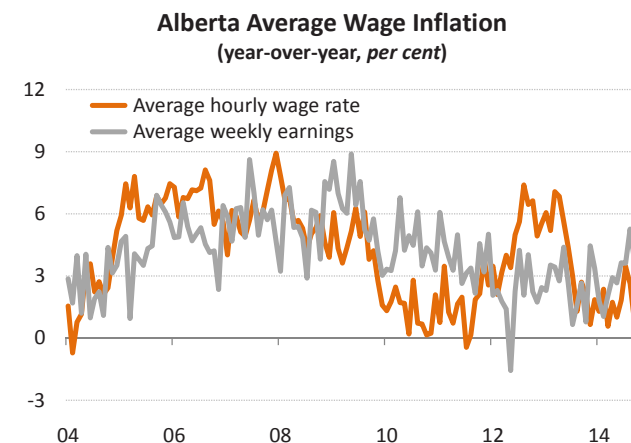
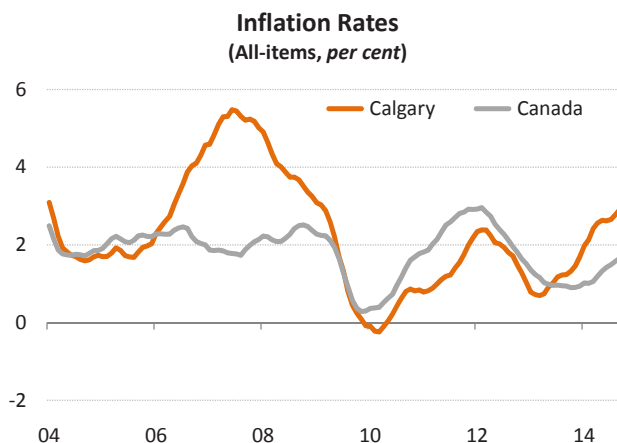
- West Texas Intermediate (WTI) prices continued to tumble in October, dropping 9.4 per cent from September to US\$84.33/bbl. The price for Western Canada Select (WCS) fell 5.0 per cent to US\$70.60/bbl. The differential between WTI and WCS tightened during the month of October to US\$13.73/bbl.
- The average price for natural gas (AECO) was \$3.50/GJ in October, up 12.5 per cent from a year ago but down 7.4 per cent from September.



Sources: GLJ Energy Publications, Corporate Economics

Prices

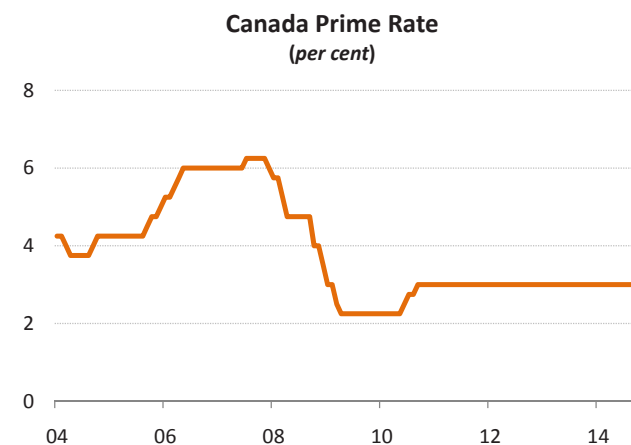
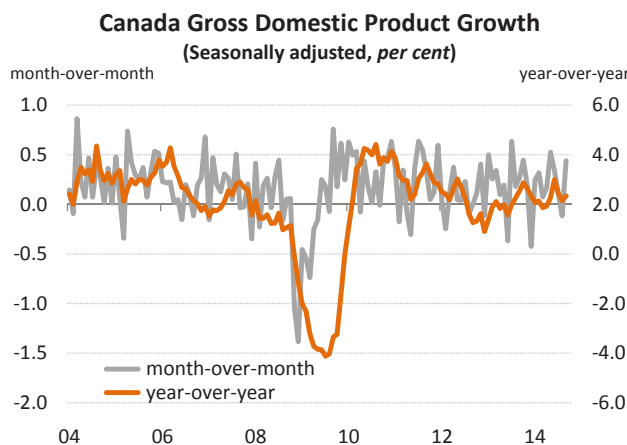
- Calgary's 12-month-moving-average inflation rate crept up again, reaching 3.1 per cent in October. The inflation rate was running 1.8 percentage points higher than October 2013. Nationally, the inflation rate came in at a comparatively benign 1.8 per cent, up from 0.9 per cent the year before.
- During the month of October average hourly wages in Alberta rose 0.6 per cent year-over-year. Average weekly earnings were up 3.7 per cent in August.



Sources: Statistics Canada, Corporate Economics

General Indicators

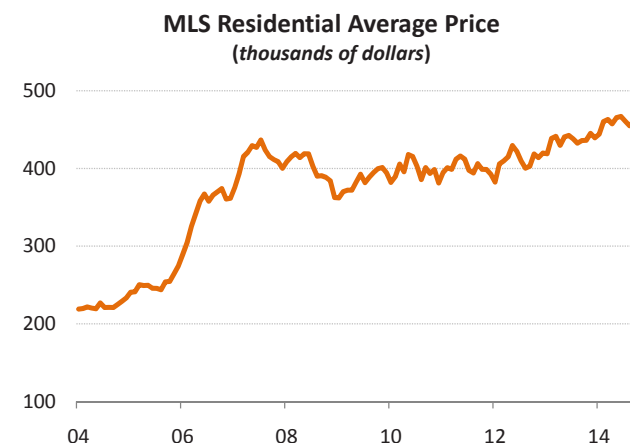
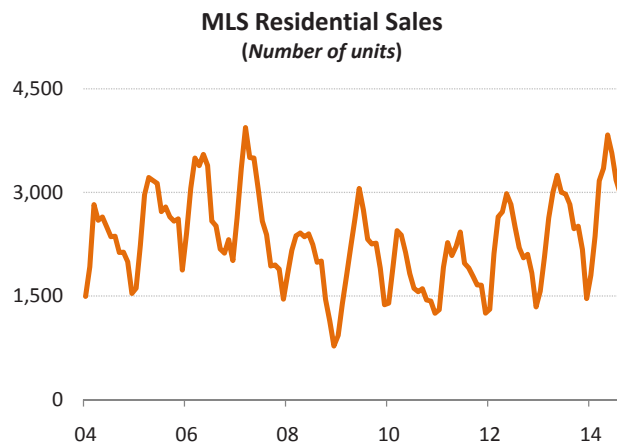
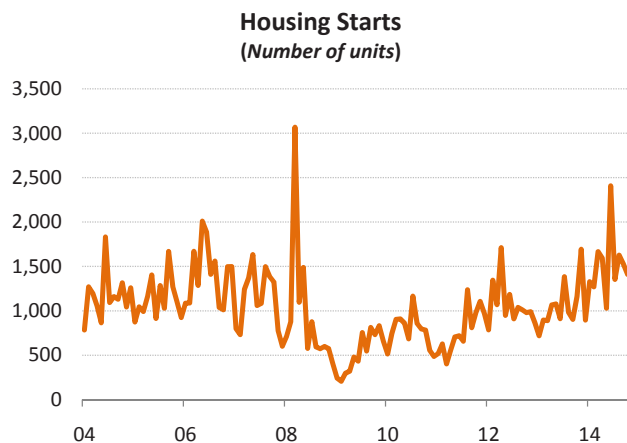
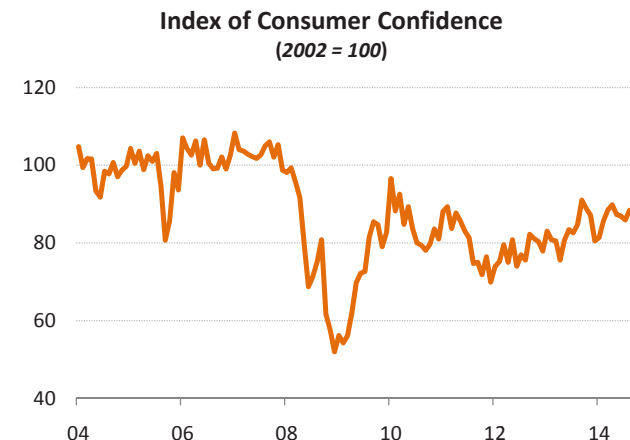
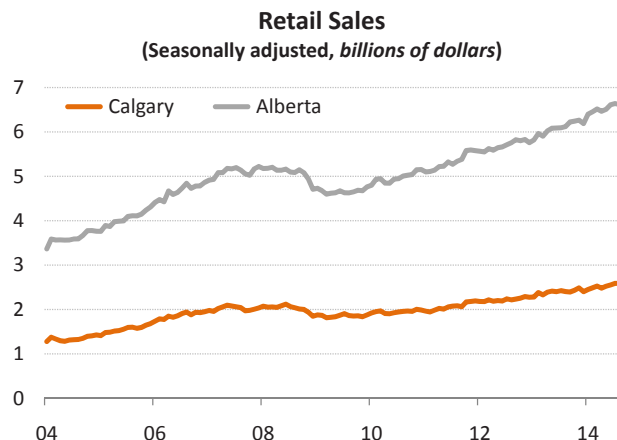
- In September, Canada's real gross domestic product (GDP):
 - ▶ Increased by 0.4 per cent on a monthly basis.
 - ▶ On an annual basis, this amounted to a 2.3 per cent jump from September 2013.
- In October, the prime business loan rate held steady at 3.0 per cent. Rates have been on hold for four years straight.



Sources: Statistics Canada, Bank of Canada, Corporate Economics

Consumer Indicators

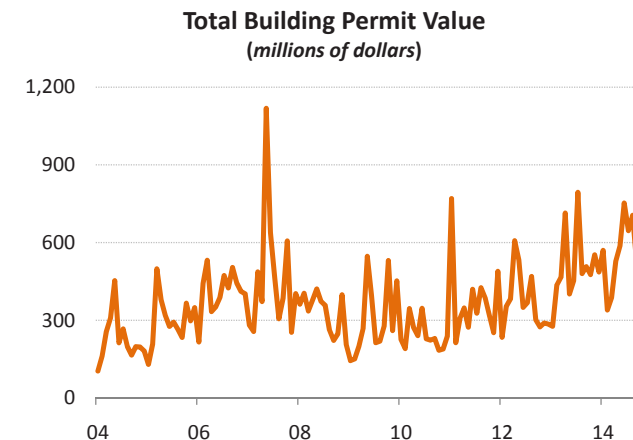
- Total retail trade sales in Alberta amounted to \$6.7 billion during the month of September, a 1.0 per cent increase month-over-month and a leap of 7.4 per cent annually. Calgary's September retail sales totalled \$2.6 billion, as trade activity edged up 0.6 per cent monthly and 8.8 per cent year-over-year.
- The Canadian Consumer Confidence Index (where 2002=100) fell 3.9 points from September to 84.0 in October.
- Housing starts in Calgary slowed in October, falling from 1,528 units in September to 1,410 units. However, this marked an increase of 21.3 per cent from the same time in 2013.
- Resale activity rose 13.5 per cent year-over-year in October. There were 2,848 homes sold compared to 2,510 units during same time last year.
- The average MLS sale price for Calgary climbed 6.6 per cent year-over-year in October, reaching \$465,047.



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

Business Indicators

- Alberta's wholesale trade picked up during the month of September, hitting \$7.2 billion (seasonally adjusted). Wholesale trade activity rose 0.1 per cent month-over-month and jumped 8.8 per cent year-over-year.
- Similarly, manufacturing sales increased 1.0 per cent on a monthly basis in September and were up 9.0 per cent year-over-year. Overall sales came in at \$6.7 billion (seasonally adjusted).
- The City of Calgary issued \$712.7 million worth of building permits in October, up from \$510.1 million in September. The total value of building permits for the first ten months of 2014 was \$5.7 billion, up from \$5.0 billion for the same period in 2013.



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

Next update: December 23, 2014

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 have developed reliable methods of forecasting and analysis.

For more information, please contact:

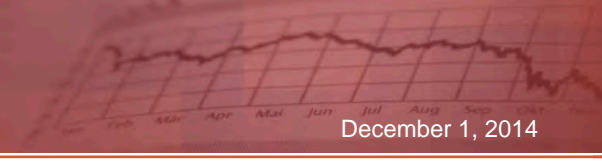
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Many of our publications are available on the internet at www.calgary.ca/economy.

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Current Economic Analysis



City of Calgary Monthly Economic Indicators	2011	2012	2013	2013				2014									
				Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Labour Market																	
Unemployment Rate - Calgary Economic Region (CER) (%)	5.8%	4.9%	4.8%	4.8%	4.7%	4.4%	4.4%	4.5%	4.5%	5.0%	5.3%	5.4%	5.4%	5.2%	5.5%	4.6%	4.5%
Unemployment Rate - Canada (%)	7.5%	7.3%	7.1%	7.1%	6.8%	6.4%	6.5%	6.9%	7.2%	7.4%	7.3%	7.2%	7.0%	7.1%	7.2%	7.0%	6.6%
Employment - CER (Person - 000s)	776.1	806.3	830.0	847.1	846.7	846.4	846.7	845.4	841.7	838.9	837.6	845.4	857.2	868.0	866.9	864.9	859.0
Employment insurance Alberta - Number of recipients (15 years and over), seasonally adjusted **	38,603	30,163	29,793	29,920	30,150	29,950	30,100	30,170	29,910	29,760	30,200	29,800	29,900	29,910	28,540	28,760	
Year-over-year % change **	-28.8%	-20.7%	-1.1%	0.6%	0.3%	-0.4%	0.6%	3.2%	2.7%	3.9%	2.5%	1.2%	-0.5%	0.2%	-9.7%	-3.9%	
Employment insurance Calgary - Number of recipients (15 years and over), seasonally adjusted **	12,108	9,628	9,883	10,110	10,210	9,910	9,800	9,750	9,780	9,740	9,960	9,940	9,900	10,160	9,480	9,710	
Year-over-year % change **	-31.5%	-18.9%	2.6%	4.4%	6.0%	1.8%	0.5%	1.5%	2.6%	3.3%	4.3%	2.6%	2.3%	-4.9%	-8.8%	-4.0%	
City of Calgary Population Estimate (000s)	1,091	1,120	1,157	1,173	1,176	1,179	1,182	1,186	1,189	1,192	1,195	1,198	1,203	1,207	1,213	1,216	1,219
Energy																	
West Texas Intermediate (\$US/barrel)	95.13	94.21	97.97	106.24	100.55	93.93	97.91	94.86	100.67	100.48	102.02	101.65	105.13	102.30	96.08	93.03	84.33
Western Canada Select (\$US/barrel)	77.97	73.17	72.77	83.57	74.21	62.62	58.95	65.69	81.54	79.42	79.56	82.72	86.56	82.73	73.89	74.35	70.60
Alberta Natural Gas (Cdn\$/GJ)	3.43	2.27	3.01	2.09	3.11	3.24	3.68	4.08	7.17	4.96	4.52	4.33	4.46	3.90	3.74	3.78	3.50
Prices																	
Inflation Rate - Calgary Census Metropolitan Area (CMA) (%)	2.2%	1.0%	1.7%	1.2%	1.3%	1.5%	1.7%	2.0%	2.1%	2.4%	2.6%	2.6%	2.6%	2.7%	2.8%	2.9%	3.1%
Inflation Rate - Canada (%)	2.9%	1.5%	0.9%	0.9%	0.9%	0.9%	0.9%	1.0%	1.0%	1.1%	1.2%	1.3%	1.4%	1.5%	1.6%	1.7%	1.8%
Average Hourly Wage Rate - Alberta y-o-y % change	1.7%	4.8%	3.9%	2.7%	2.1%	0.7%	1.9%	1.3%	2.4%	0.6%	1.7%	1.0%	1.8%	3.5%	2.6%	0.8%	0.6%
Average Weekly Earnings* - Alberta y-o-y % change	3.9%	2.1%	2.7%	2.7%	0.8%	4.5%	3.4%	1.8%	1.0%	2.1%	2.9%	2.7%	3.6%	3.6%	5.3%	3.7%	
General Indicators																	
Canadian Real GDP y-o-y % change - (Chained 2007 dollar)	3.0%	2.0%	2.1%	2.5%	2.9%	2.6%	2.3%	2.1%	2.1%	1.9%	1.9%	2.3%	3.0%	2.5%	2.2%	2.3%	
Prime Lending Rate - Bank of Canada (%)	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%	3.00%
Consumer Indicators																	
Retail Sales - Alberta, seasonally adjusted (\$billions)	63.9	68.3	73.0	6.2	6.2	6.3	6.2	6.4	6.5	6.5	6.5	6.5	6.6	6.6	6.6	6.7	
Retail Sales - CER, seasonally adjusted (\$billions)	24.8	26.7	28.7	2.4	2.4	2.5	2.4	2.5	2.5	2.5	2.5	2.5	2.6	2.6	2.6	2.6	
Index of Consumer Confidence - Canada	80.6	77.7	83.2	91.0	88.9	87.1	80.5	81.4	85.7	88.5	89.8	87.3	86.9	85.9	88.4	87.9	84.0
Housing Starts - Calgary CMA	9,292	12,841	12,584	904	1,162	1,693	896	1,328	1,270	1,667	1,592	1,030	2,407	1,354	1,627	1,528	1,410
Number of Personal Bankruptcies - Alberta	7,029	5,759	4,689	375	383	323	284	336	302	365	367	369	329	296	289	313	
Calgary Residential Unit Sales MLS	22,466	26,634	29,954	2,475	2,510	2,173	1,464	1,802	2,363	3,170	3,348	3,832	3,569	3,177	2,976	2,837	2,848
Calgary Residential Sales to New Listings Ratio MLS	53.69	66.33	73.17	68.18	75.65	90.73	112.88	56.77	67.36	72.08	67.22	66.64	69.63	72.37	71.13	66.99	75.44
Calgary Residential Average Price MLS (\$thousands)	401.9	410.8	436.6	435.9	436.2	445.1	439.4	444.2	460.3	463.0	457.5	465.6	467.0	460.8	455.0	461.1	465.0
Business Indicators																	
Wholesale Sales - Alberta, seasonally adjusted (\$billions)	70.0	77.5	79.3	6.6	6.8	6.8	6.6	6.8	6.9	7.0	7.0	7.0	7.2	7.2	7.2	7.2	
Manufacturing Sales - Alberta, seasonally adjusted (\$billions)	69.9	71.7	73.8	6.2	6.3	6.4	6.2	6.4	6.5	6.5	6.5	6.6	6.9	6.9	6.6	6.7	
Number of New Businesses - Calgary	4,300	3,770	3,890	665	481	524	257	0	471	406	331	287	243	403	363	358	502
Number of Business Closures - Calgary	2,380	2,445	2,581	211	156	215	118	1	606	189	159	237	154	210	140	125	205
Number of Business Bankruptcies - Alberta	264	230	137	13	15	8	14	7	11	6	9	13	3	7	11	5	
City of Calgary Total Value of Building Permits (\$millions)	4,528.3	4,447.7	6,045.0	507.2	476.4	552.9	486.4	569.8	339.5	387.5	528.2	587.4	752.7	645.7	705.0	510.1	712.7

* Taken from April Civic Census * Average weekly earnings is wage rate with benefits (including overtime) ** In March 2013, employment insurance data have been reconstructed with a new methodology by Statistics Canada. This change has affected the data over the entire historical period.