

Current Economic Analysis

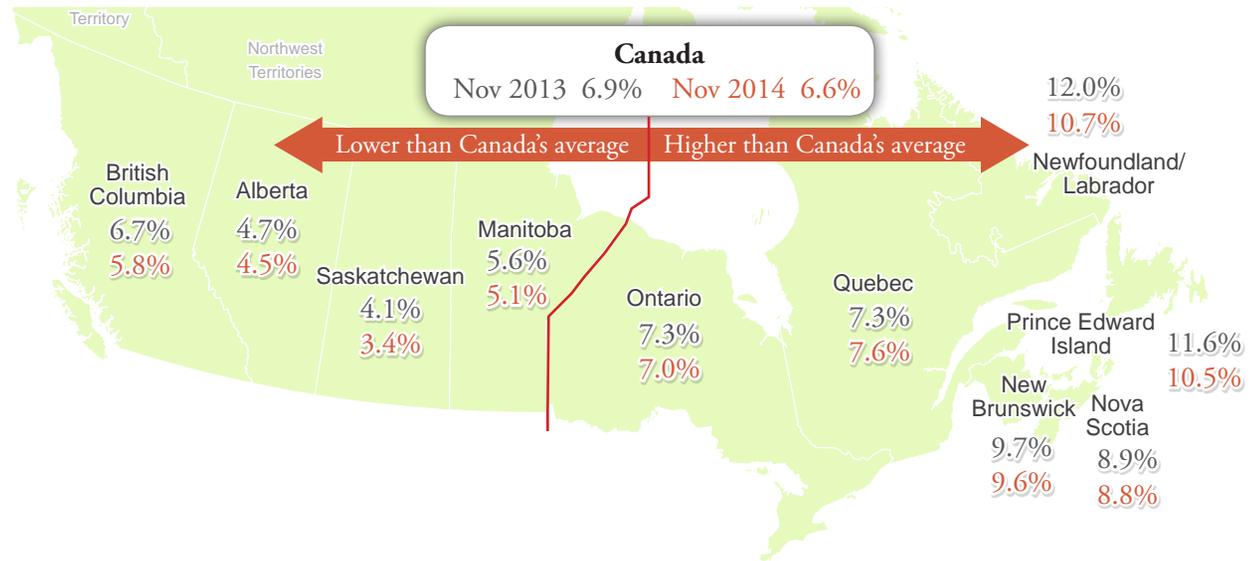
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December 23, 2014

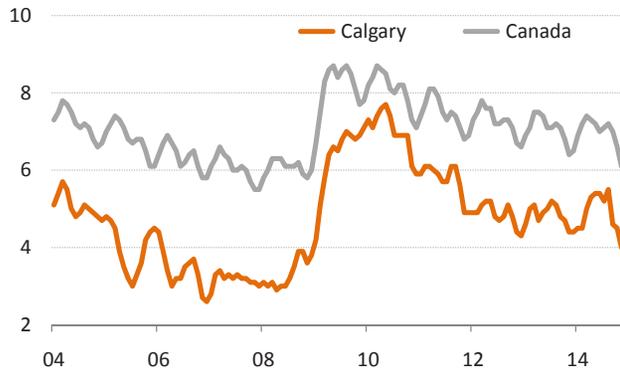
Labour Market (Unadjusted)

- The unemployment rate in the Calgary Economic Region (CER) was 4.0 per cent in November, a 0.5 percentage point drop from October and a decline of 0.4 percentage point from the same time last year. Meanwhile the national rate was 6.1 per cent, down from 6.6 per cent in October and 6.4 per cent from November 2013.
- In November, total employment rose by 1,600 positions. This marked the first job gain since July. An increase of 14,200 positions were observed on an annual basis.
- The total working age population in the city was estimated at 1,237,600 in November, climbing 3.5 per cent from the same time last year.

Unemployment Rates, Canada and Provinces (Seasonally adjusted)



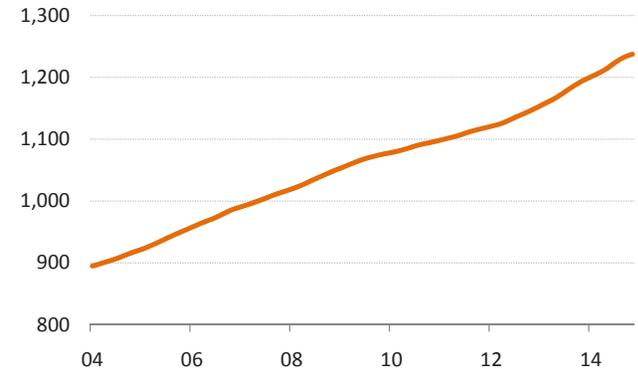
Unemployment Rates (unadjusted, per cent)



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



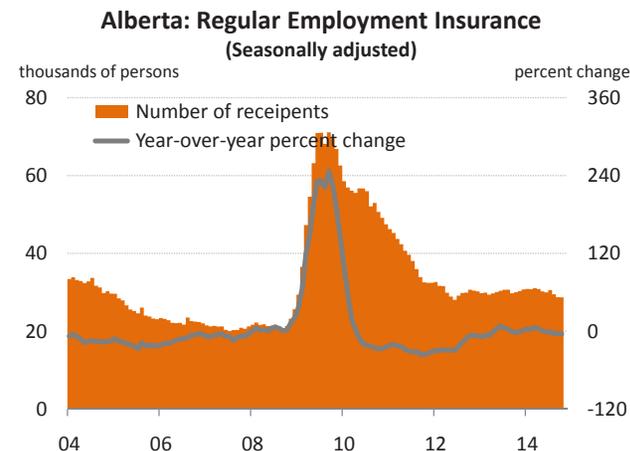
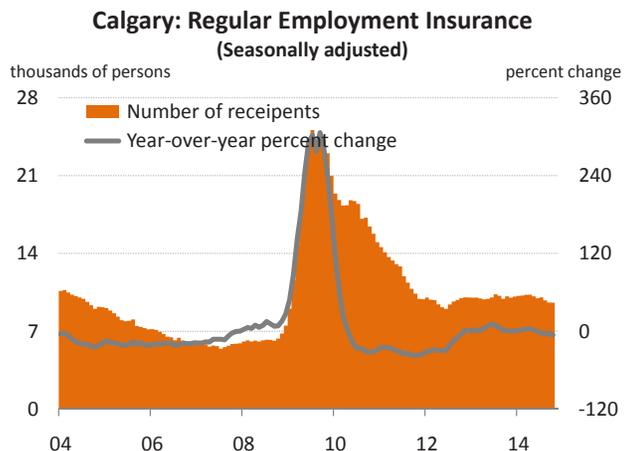
Calgary CER: Working Age Population (unadjusted, thousands of persons)



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

Labour Market (continued)

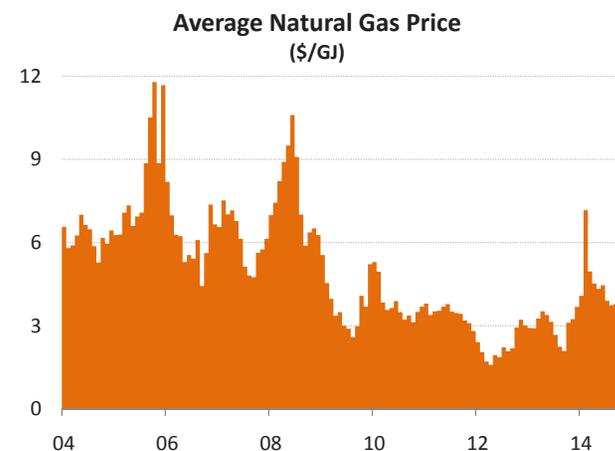
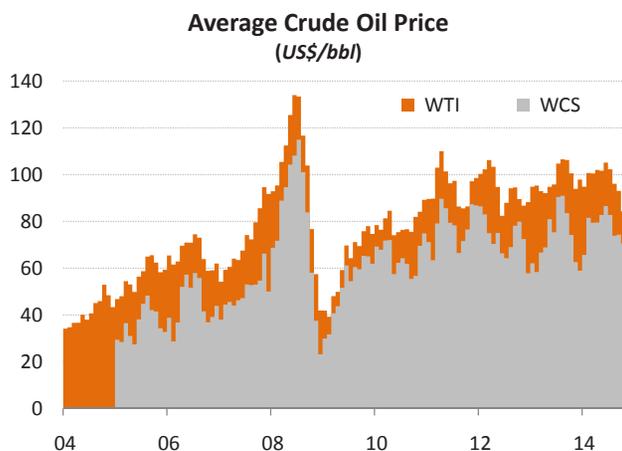
- The number of Calgarians receiving regular employment insurance benefits continued its declining trend for the third straight month. Between October 2013 and October 2014, this number fell 5.6 per cent to 9,570 persons. For Alberta, the number of recipients declined 4.3 per cent to 28,720 persons.



Sources: Statistics Canada, Corporate Economics

Energy

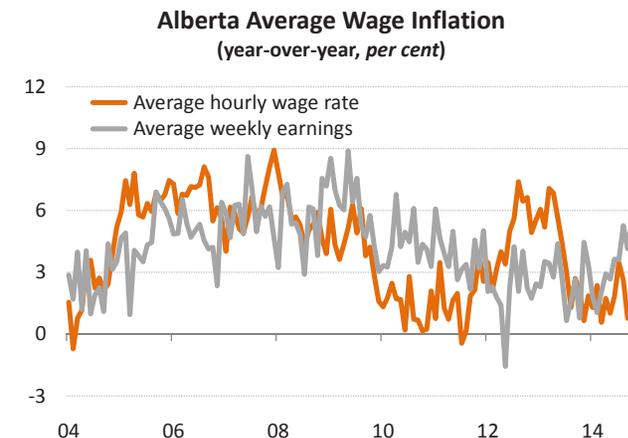
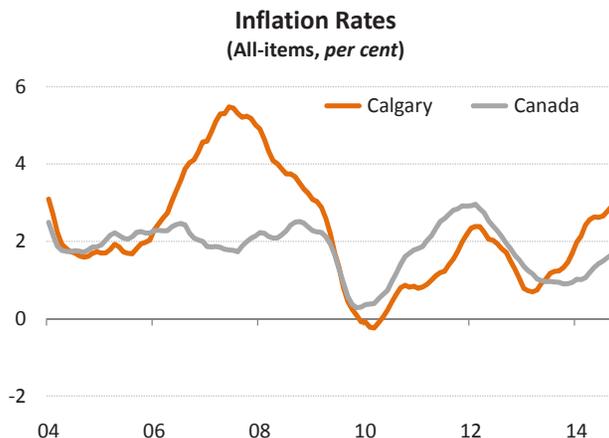
- West Texas Intermediate (WTI) prices continued to tumble in November, dropping 10.1 per cent from October to US\$75.82/bbl. This is the lowest level since September 2010. The price for Western Canada Select (WCS) fell 11.0 per cent to US\$62.87/bbl. The differential between WTI and WCS tightened during the month of November to US\$12.95/bbl.
- Conversely, the average price for natural gas (AECO) climbed to \$3.74/GJ in November, a 6.9 per cent jump from October and 15.4 per cent increase from the same time last year.



Sources: GLJ Energy Publications, Corporate Economics

Prices

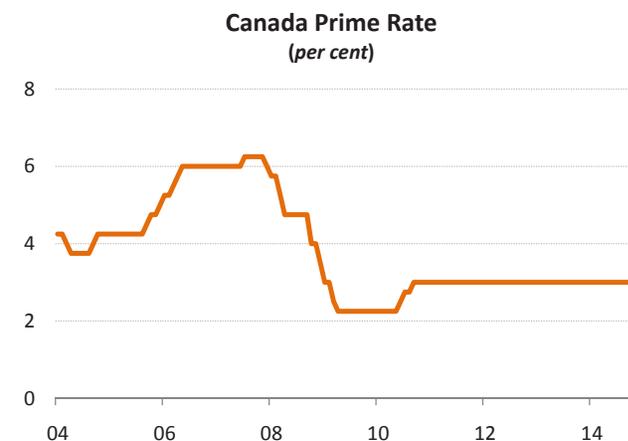
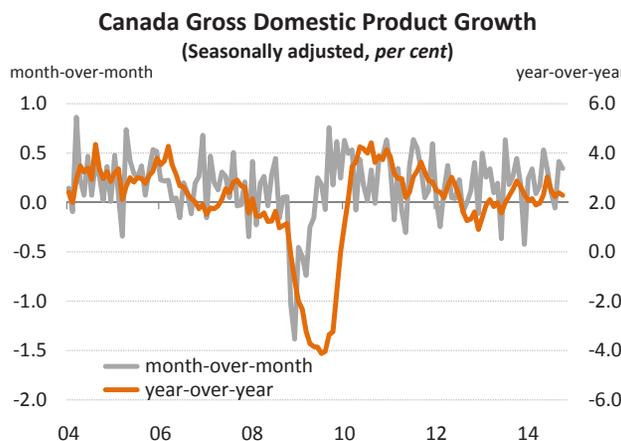
- In November, Calgary's 12-month-moving-average inflation rate was unchanged from the previous month, sitting at 3.1 per cent. The inflation rate was running 1.6 percentage points higher than November 2013. Meanwhile, the national inflation rate came in at a comparatively benign 1.9 per cent, up from 0.9 per cent the year before.
- During the month of November average hourly wages in Alberta rose 1.8 per cent year-over-year. Average weekly earnings were up 5.5 per cent annually in October.



Sources: Statistics Canada, Corporate Economics

General Indicators

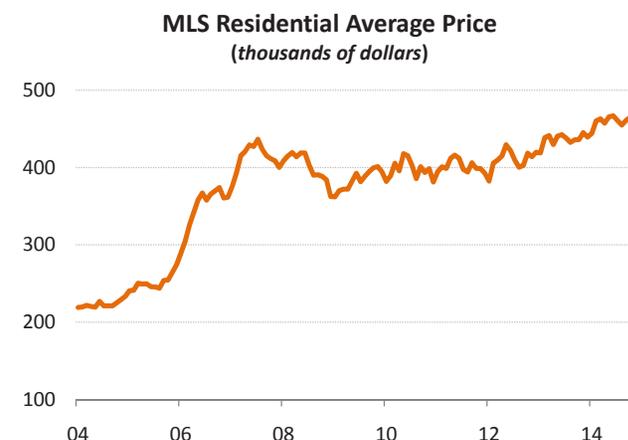
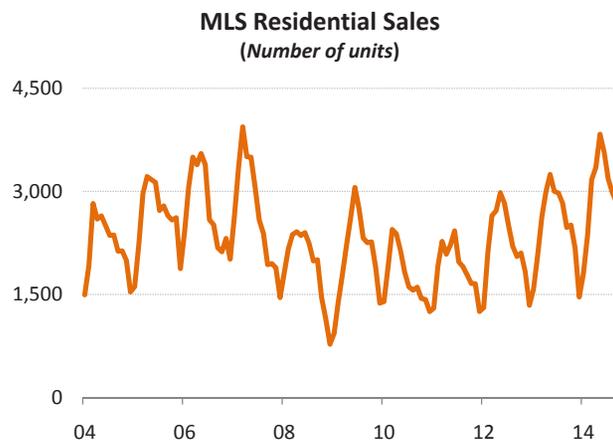
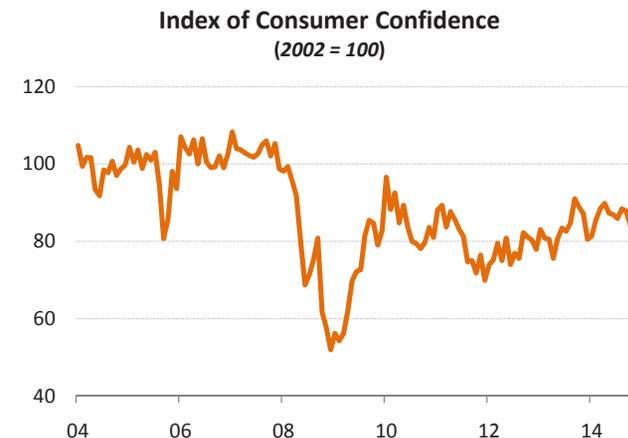
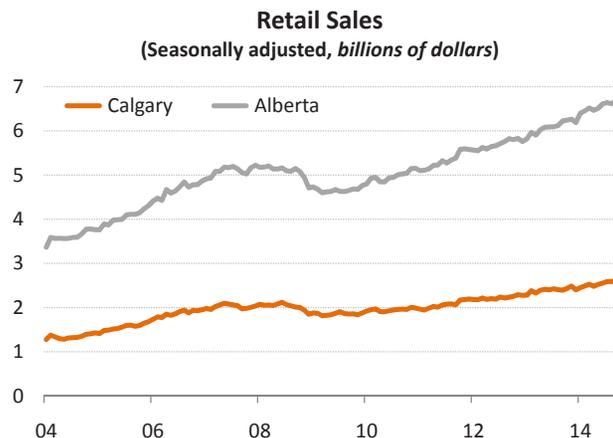
- In October, Canada's real gross domestic product (GDP):
 - ▶ Increased by 0.3 per cent on a monthly basis.
 - ▶ On an annual basis, this amounted to a 2.3 per cent increase from October 2013.
- In November, the prime business loan rate remained unchanged at 3.0 per cent. Rates have been on hold for over four years.



Sources: Statistics Canada, Bank of Canada, Corporate Economics

Consumer Indicators

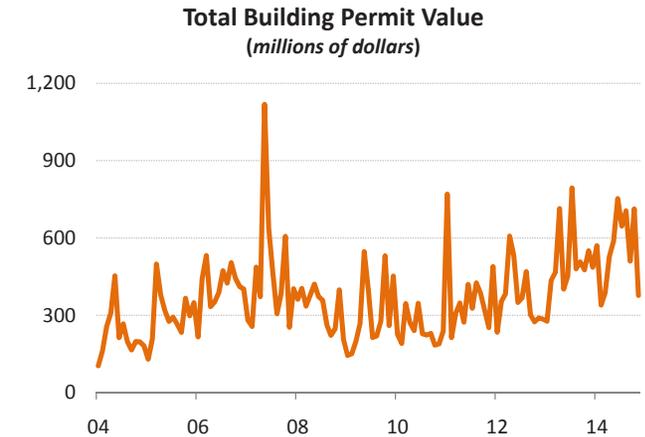
- Alberta's October retail sales were \$6.7 billion, which was very similar to the September total, but up of 7.4 per cent annually. For Calgary, retail sales amounted to \$2.6 billion in October as trade activity inched up 0.6 per cent month-over-month and 7.9 per cent jump year-over-year.
- The Canadian Consumer Confidence Index (where 2002=100) dipped in November for the third consecutive month, dropping 1.3 points from October to 82.7.
- Housing starts in Calgary slowed significantly in November, falling 23.5 per cent from October to 1,078 units. This marked a 36.3 per cent drop from the same time in 2013.
- Resale activity rose 5.5 per cent year-over-year in November. There were 2,292 homes sold compared to 2,173 units during the same time last year.
- The average MLS sale price for Calgary climbed 3.8 per cent year-over-year in November, reaching \$462,031.



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

Business Indicators

- During the month of October, Alberta's wholesale trade reached \$7.2 billion (seasonally adjusted). Total trade activity rose 0.1 per cent on a monthly basis and jumped 7.3 per cent annually. Similarly, manufacturing sales increased 1.3 per cent on a monthly basis in October, and were up 8.7 per cent year-over-year. Overall sales came in at \$6.8 billion (seasonally adjusted).
- The City of Calgary issued \$377 million worth of building permits in November. On a year-to-date basis, the total value of building permits was \$6.1 billion, up from \$5.6 billion for the same period in 2013.



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

Next update: January 29, 2015

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.

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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										
				Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Labour Market																	
Unemployment Rate - Calgary Economic Region (CER) (%)	5.8%	4.9%	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%	4.0%
Unemployment Rate - Canada (%)	7.5%	7.3%	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%	6.1%
Employment - CER (Person - 000s)	776.1	806.3	830.0	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	860.6
Employment insurance Alberta - Number of recipients (15 years and over), seasonally adjusted **	38,608	30,258	30,128	30,010	30,330	30,750	30,890	30,790	31,080	30,860	30,260	29,990	30,580	29,500	28,730	28,720	
Year-over-year % change **	-28.8%	-20.5%	-0.2%	-2.2%	-0.4%	1.7%	3.7%	2.9%	5.6%	3.8%	0.6%	-1.3%	-0.2%	-3.8%	-3.5%	-4.3%	
Employment insurance Calgary - Number of recipients (15 years and over), seasonally adjusted **	12,158	9,688	10,045	10,140	10,020	10,120	10,180	10,210	10,280	10,290	10,140	9,970	10,050	9,780	9,580	9,570	
Year-over-year % change **	-31.5%	-18.7%	3.8%	1.6%	-0.3%	0.8%	1.6%	1.8%	3.3%	4.3%	2.2%	-0.7%	-2.6%	-4.0%	-3.4%	-5.6%	
City of Calgary Population Estimate (000s)	1,091	1,120	1,157	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	1,221
Energy																	
West Texas Intermediate (\$US/barrel)	95.13	94.21	97.97	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	75.82
Western Canada Select (\$US/barrel)	77.97	73.17	72.77	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	62.87
Alberta Natural Gas (Cdn\$/GJ)	3.43	2.27	3.01	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	3.74
Prices																	
Inflation Rate - Calgary Census Metropolitan Area (CMA) (%)	2.2%	1.0%	1.7%	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%	3.1%
Inflation Rate - Canada (%)	2.9%	1.5%	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%	1.9%
Average Hourly Wage Rate - Alberta y-o-y % change	1.7%	4.8%	3.9%	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%	1.8%
Average Weekly Earnings* - Alberta y-o-y % change	3.9%	2.1%	2.7%	0.8%	4.5%	3.4%	1.8%	1.0%	2.1%	2.9%	2.7%	3.6%	3.6%	5.3%	4.2%	5.5%	
General Indicators																	
Canadian Real GDP y-o-y % change - (Chained 2007 dollar)	3.0%	2.0%	2.1%	2.9%	2.6%	2.3%	2.1%	2.2%	1.9%	2.0%	2.3%	3.0%	2.5%	2.2%	2.4%	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	6.3	6.2	6.4	6.5	6.5	6.5	6.5	6.6	6.6	6.6	6.7	6.7	
Retail Sales - CER, seasonally adjusted (\$billions)	24.8	26.7	28.7	2.4	2.5	2.4	2.5	2.5	2.5	2.5	2.5	2.6	2.6	2.6	2.6	2.6	
Index of Consumer Confidence - Canada	80.6	77.7	83.2	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	82.7
Housing Starts - Calgary CMA	9,292	12,841	12,584	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	1,078
Number of Personal Bankruptcies - Alberta	7,029	5,759	4,689	383	323	284	336	302	365	367	369	329	296	289	313		
Calgary Residential Unit Sales MLS	22,466	26,634	29,954	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	2,292
Calgary Residential Sales to New Listings Ratio MLS	53.69	66.33	73.17	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	83.13
Calgary Residential Average Price MLS (\$thousands)	401.9	410.8	436.6	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	462.0
Business Indicators																	
Wholesale Sales - Alberta, seasonally adjusted (\$billions)	70.0	77.5	79.3	6.8	6.8	6.6	6.8	6.9	7.0	7.0	7.0	7.2	7.2	7.2	7.2	7.2	
Manufacturing Sales - Alberta, seasonally adjusted (\$billions)	69.9	71.7	73.8	6.3	6.4	6.2	6.4	6.5	6.5	6.5	6.6	6.9	6.9	6.7	6.8	6.8	
Number of New Businesses - Calgary	4,300	3,770	3,890	481	524	257	0	471	406	331	287	243	403	363	358	502	406
Number of Business Closures - Calgary	2,380	2,445	2,581	156	215	118	1	606	189	159	237	154	210	140	125	205	138
Number of Business Bankruptcies - Alberta	264	230	137	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	6,042.0	476.4	549.9	486.4	569.8	339.5	387.5	528.2	587.4	752.7	645.7	705.0	510.1	712.7	377.0

* Taken from April Civic Census * Average weekly earnings is wage rate with benefits (including overtime) ** In December 2014, employment insurance data have been reconstructed with a new methodology by Statistics Canada. This change has affected the data over the entire historical period.