

Calgary Census Metropolitan Area (CMA)

October 2026
Inflation Review

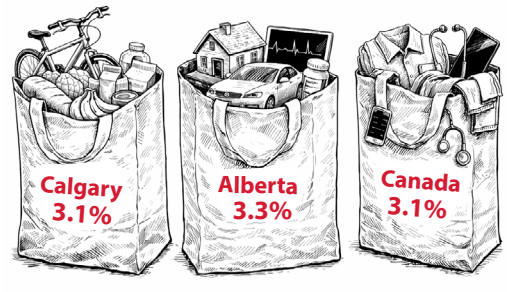
Gurjosh Brar Associate Economist | **Estella Scruggs** Senior Corporate Research Analyst

November 16, 2026

HIGHLIGHTS

Headline Inflation Comparison*

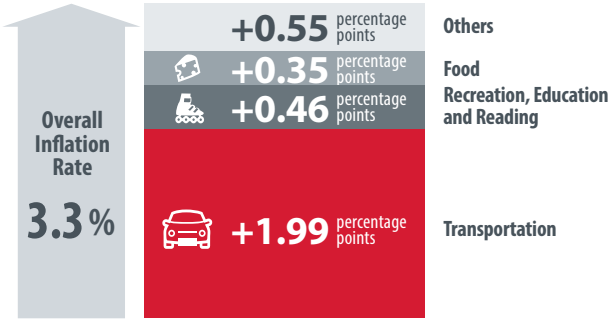
October 2026



*Compared to the same month last year

Main Contributors to Alberta's Inflation Rate

October 2026



Calgary's inflation rate slows for a third straight month

In October 2026, Consumer Price Index (CPI) inflation for the Calgary Census Metropolitan Area (CMA) was 3.1 per cent[1], down from 3.4 per cent in September. Alberta's rate also decreased to 3.3 per cent from 3.6 per cent, while Canada's rate held at 3.1 per cent. Transportation remained the largest contributor to Alberta's rate adding 2.0 percentage points (pp). Excluding food and energy, Alberta prices rose 2.7 per cent compared to 1.8 per cent for Canada. This difference largely reflects a 21.0 per cent increase in passenger vehicle insurance premiums in Alberta, compared to 4.1 per cent nationally. Grocery price inflation (food purchased from stores) slowed to 1.6 per cent in October in the province, the smallest increase in more than five years. By comparison, food purchased from restaurants continues to remain high at 3.1 per cent, setting overall food inflation at 2.1 per cent.

Continued pressure from oil prices

The CPI energy[2] component covers gasoline, natural gas, electricity and other fuels consumers use. In Alberta, the component rose 17.1 per cent in October, led by a 26.0 per cent increase in gasoline. The price of West Texas Intermediate (WTI) crude oil for delivery next month[3] averaged about US$96.9 a barrel in October, up 61.4 per cent from the year before. Natural gas rose 6.9 per cent, while electricity fell 0.5 per cent. Excluding energy, Alberta inflation slowed to 2.6 per cent in October.

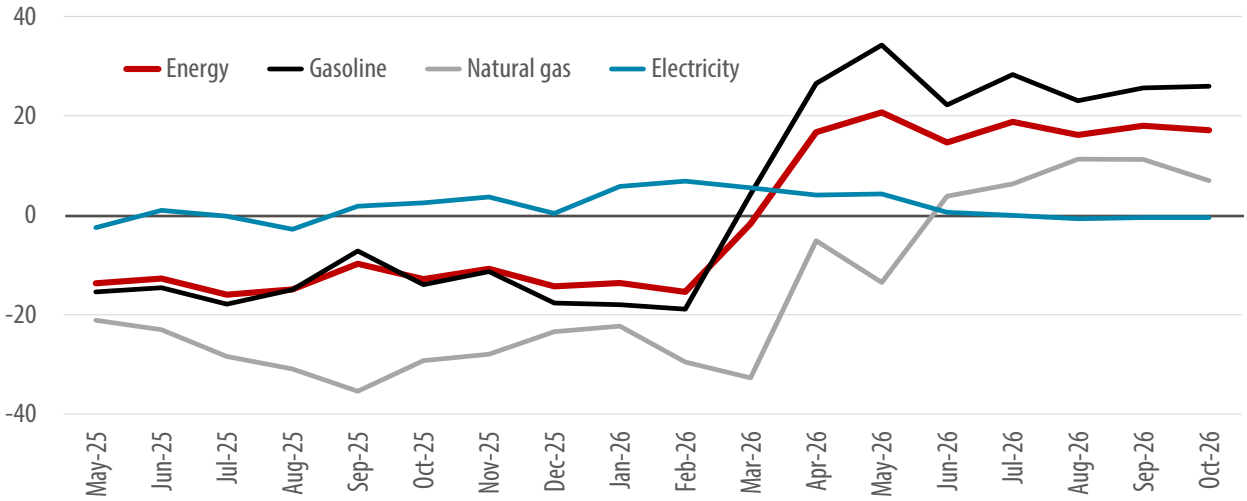
Higher diesel prices have been pushing up freight and production costs this year following the start of the war in Iran. The impact of other CPI components will be gradual, with transportation costs responding first while food and other categories are lagged and can take a year to reflect higher costs. Diesel prices averaged 231.3 cents a litre[4] in Calgary in October, down from the high seen last month, but still up 62.7 per cent from last year.

1 All CPI growth rates are year-over-year unless otherwise specified.
2 The special aggregate energy includes electricity, natural gas, fuel oil and other fuels, gasoline, and fuel, parts and accessories for recreational vehicles.
3 Organization of the Petroleum Exporting Countries (OPEC), Monthly Oil Market Report, November 2026
4 Statistics Canada, Table 18-10-0001-01 Monthly average retail prices for gasoline and fuel oil, by geography

This is a result of both high oil prices and constrained global refinery capacity. Freight rail[5] costs in Canada were up by 10.0 per cent in the second quarter of 2026 and 10.9 per cent in the third quarter. Truck transportation[6] costs were 9.5 per cent higher than a year earlier in the second quarter. While some businesses will initially absorb these costs rather than passing them onto consumers through higher prices, roughly half the firms in the Bank of Canada's third quarter Business Outlook Survey indicate that they plan to pass on cost increases over the next year. (Figure 1).

Figure 1. Alberta CPI: energy and key components

year-over-year percentage change



Source: Source: Statistics Canada, Table 18-10-0004-01

Shelter inflation continues to slow down for Calgary

Calgary's shelter index in the CPI decreased by 0.3 per cent in October, with rents and utilities pulling in opposite directions. Rented accommodation fell 6.0 per cent, due to more supply of apartments. Owned accommodation increased slightly by 1.7 per cent, as slower growth in home prices keeps growth in Statistics Canada's homeowners' replacement cost low. Water, fuel and electricity collectively increased by 5.0 per cent.

Non-residential construction rising faster than headline CPI

Calgary's non-residential building construction price index rose by 5.3 per cent year over year in the third quarter of 2026, above the national average of 4.3 per cent. Metal fabrications, masonry and structural steel framing led the price increase in Calgary. Calgary's residential building construction index rose only 0.7 per cent.

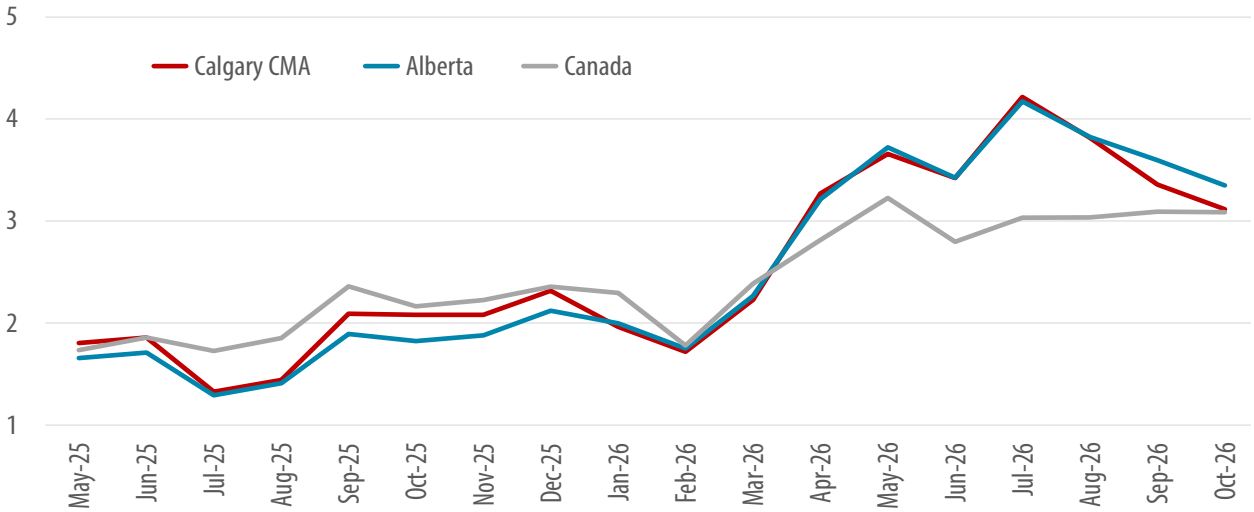
Bank of Canada raises raises policy interest rate to 2.5 per cent

On October 28, the Bank of Canada (BoC) raised its policy interest rate 25 basis points to 2.50 per cent, citing stronger growth, rising inflation expectations and the risk of energy prices spreading into other goods and services. The BoC projected national inflation to be near 3.5 per cent by year-end and stay above 3 per cent through much of 2027; higher rates are meant to slow demand and keep inflation lower. The prime rate rose to 4.70 per cent, lifting the cost of variable-rate mortgages, car loans, and lines of credit. The next interest rate announcement is December 9. (Figure 2).

5 Statistics Canada, Table 18-10-0181-01 Freight Rail Services Price Index, quarterly
6 Statistics Canada, Table 18-10-0281-01 For-hire motor carrier freight services price index, monthly

Figure 2. Consumer price index comparison

year-over-year percentage change



Source: Statistics Canada, Table 18-10-0004-01

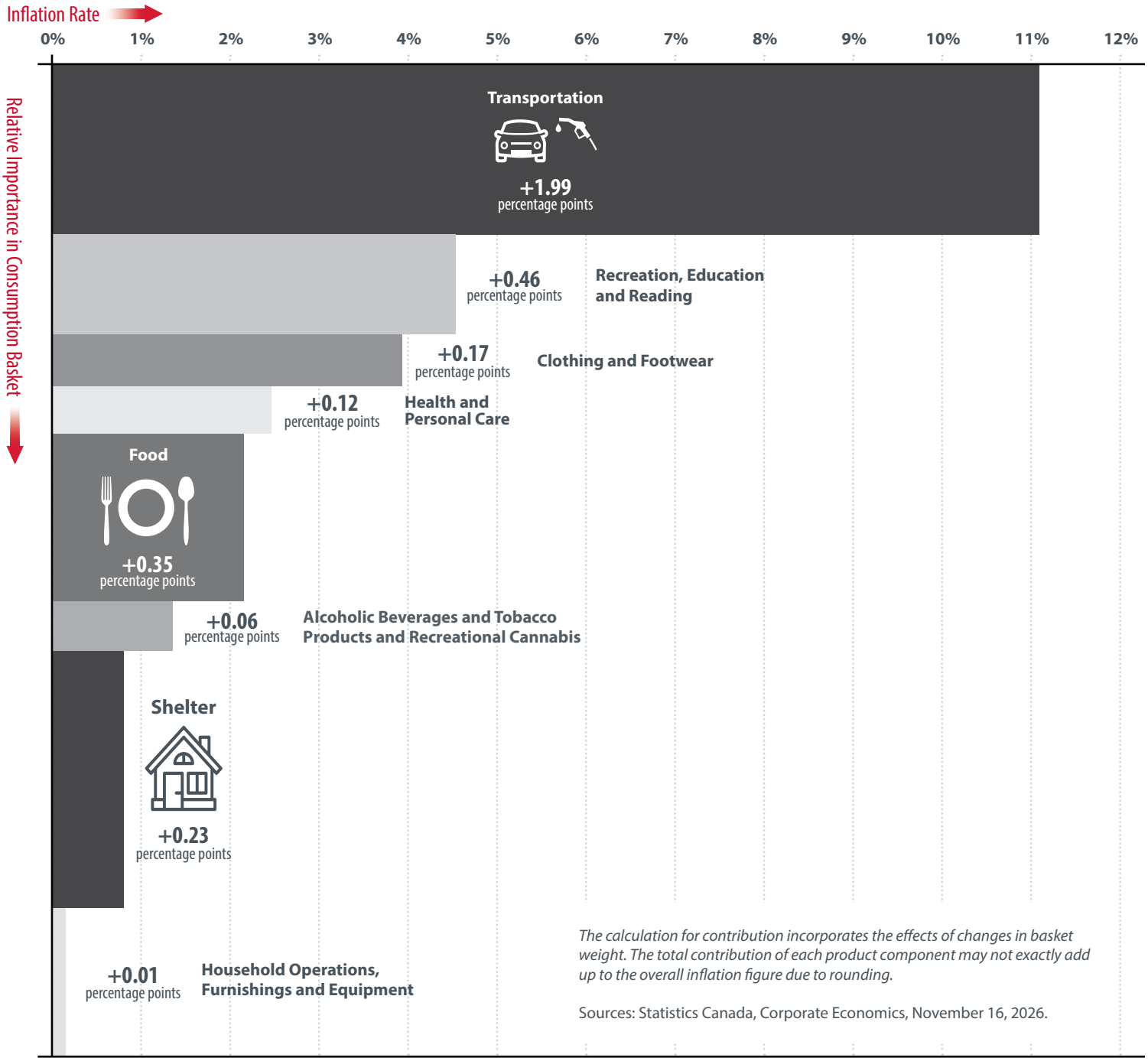
Inflation Rates

	Relative Importance (%)*	Year-over-year (%)		
		Oct-26	Sep-26	Aug-26
Calgary: All-items	**100.00**	**3.1**	**3.4**	**3.8**
Shelter	27.28	-0.3	0.0	1.2
Rented accommodation	6.29	-6.0	-4.9	-0.5
Owned accommodation	17.68	1.7	1.6	1.3
Water, fuel and electricity	3.31	5.0	5.8	5.6
Alberta: All-items	**100.00**	**3.3**	**3.6**	**3.8**
Alberta: All-items excluding food and energy	77.24	2.7	2.9	3.0
Canada: All-items	**100.00**	**3.1**	**3.1**	**3.0**
Canada: All-items excluding food and energy	76.40	1.8	2.1	2.1

* CPI basket weights are based on the 2025 expenditure data, modified in June 2026.
Sources: Statistics Canada, Corporate Economics, November 16, 2026.

Data sources: Statistics Canada.
Table 18-10-0004-01 Consumer Price Index, monthly, not seasonally adjusted

Contribution of Consumer Items to Inflation: **Alberta** October 2026



The calculation for contribution incorporates the effects of changes in basket weight. The total contribution of each product component may not exactly add up to the overall inflation figure due to rounding.

Sources: Statistics Canada, Corporate Economics, November 16, 2026.

Next release: December 14, 2026

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 media inquiry, please contact The Media Line at **403.828.2954** or **media.relations@calgary.ca**

For the technical questions, please contact:

Chris Jacyk
Manager, Economics, Regulatory, Long-Range Financial Planning
chris.jacyk@calgary.ca

Todd Godfrey
Leader, Economic Analysis
todd.godfrey@calgary.ca

Gurjosh Brar
Associate Economist
gurjosh.brar@calgary.ca

Estella Scruggs
Senior Corporate Research Analyst
estella.scruggs@calgary.ca

The City of Calgary provides this information in good faith. However, the aforementioned organization makes no representation, warranty or condition, statutory express or implied, takes no responsibility for any errors and omissions which may be contained herein and accepts no liability for any loss arising from any use or reliance on this report.