

Annual inflation for March 2012 was 2.4 per cent

Statistics Canada estimated that consumer prices increased by 1.61 per cent in Calgary, 1.69 per cent in Alberta and 1.93 per cent in Canada, for the month of March 2012 over March 2011. In this period on an annual basis, inflation rose by 2.4 per cent in Calgary, 2.6 per cent in Alberta and 2.8 per cent in Canada.

The inflation rate in Calgary was driven by price increase in water, fuel and electricity (17.7 per cent), transportation (4.6 per cent) and food (3.5 per cent).

- Water, fuel and electricity accounts for a 5.7 per cent share of the household budget and therefore added 1.004 percentage points to the overall inflation rate.
- Transportation costs account for 21.1 per cent of the household budget and therefore added 0.97 percentage points to the overall inflation rate. The transportation cost increase was driven by increases in the price of gasoline (15.1 per cent).
- Finally, food prices rose by an average of 3.5 per cent and accounted for an average of 15 per cent of household expenditures. Consequently, food added 0.520 percentage points to the overall inflation rate.

Next release: May 18, 2012

Inflation Rates

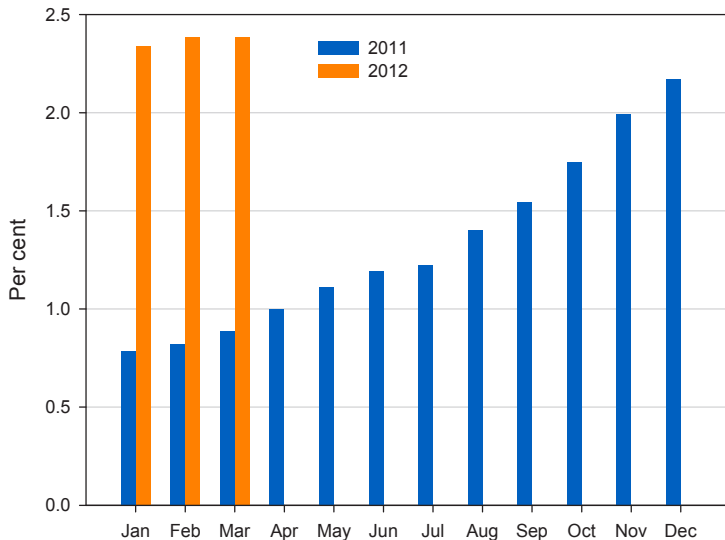
(12-Month-Moving-Average or average inflation rate for the past 12 months)

	Relative Importance (%)*	Mar-12 (%)	Feb-12 (%)	Mar-11 (%)
Calgary: All-items	100.0	2.4	2.4	0.9
Calgary: All-items excluding food and energy	74.7	0.9	0.8	0.6
Food	15.0	3.5	3.4	1.3
Shelter	27.0	2.8	2.8	0.6
Owned accommodation	16.4	0.6	0.6	0.7
Water, fuel and electricity	5.7	17.7	17.2	2.6
Household operations, furnishing and equipment	11.5	1.3	1.4	0.2
Clothing and footwear	5.3	(2.2)	(2.1)	(1.7)
Transportation	21.1	4.6	4.8	2.7
Gasoline	5.3	15.1	16.8	5.7
Health and personal care	5.0	3.0	2.9	3.7
Recreation, education and reading	11.9	(0.1)	(0.1)	(0.3)
Alcoholic beverages and tobacco products	3.2	1.4	1.2	0.2
Alberta: All-items	100.0	2.6	2.7	1.0
Alberta: All-items excluding food and energy	74.7	1.0	0.9	0.7
Canada: All-items	100.0	2.8	3.0	2.0
Canada: All-items excluding food and energy	73.9	1.6	1.6	1.4

Source: Statistics Canada, Corporate Economics, April 2012
*2009 CPI basket weights at April 2011 prices, Alberta and Canada, date modified December 2011
Figures in red and parentheses indicate negative.

Calgary CMA inflation rate (all-items)

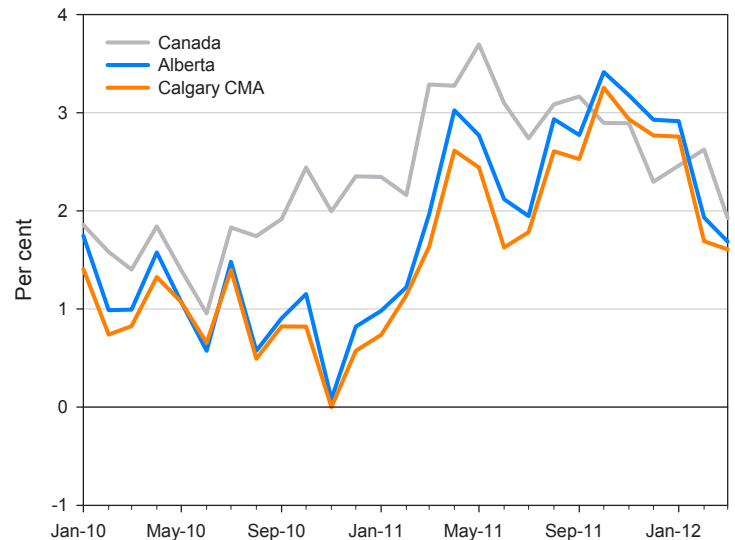
(12-month-moving-average, January 2011 - March 2012, per cent)



Source: Statistics Canada, Corporate Economics, April 2012

Inflation rates (all-items) comparison

(year-over-year change, January 2010 - March 2012, per cent)



Source: Statistics Canada, Corporate Economics, April 2012

Who We Are

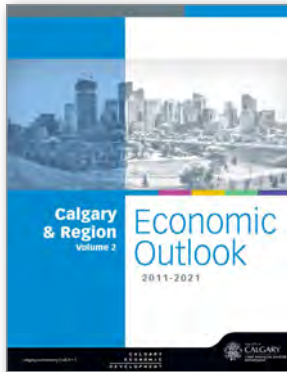
Corporate Economics provides services in four areas: forecasting, information provision, policy analysis and consulting. We also monitor the current economic trends which allows us to develop unique insights on how external events are impacting the local economy and the Municipal government. We are experienced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

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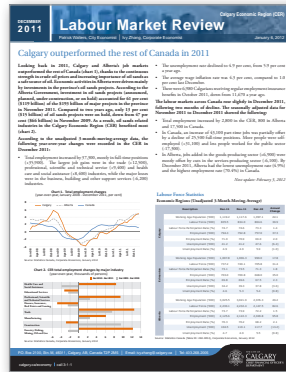
Many of our publications are available on the internet at www.calgary.ca/economy.

Forecasting



- ▶ Calgary & Region Economic Outlook
- ▶ Energy Reports on Natural Gas and Crude Oil

Information Provision



- ▶ Labour Market Review
- ▶ Inflation Review
- ▶ Current Economic Analysis
- ▶ Construction Inflation

Policy Analysis



- ▶ A Case of Fiscal Imbalance: The Calgary Experience
- ▶ Diesel Fuel Price Pass-Through in Calgary
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Sources: Bank of Canada, Statistics Canada, Corporate Economics.

