

Annual inflation for May 2012 was 2.1 per cent

Statistics Canada estimated that consumer prices rose, on average, by 0.32 per cent in Calgary, 0.40 per cent in Alberta and 1.24 per cent in Canada, for the month of May 2012 over May 2011. In this period on an annual (12-month-moving-average) basis, inflation was 2.1 per cent in Calgary, 2.2 per cent in Alberta and 2.5 per cent in Canada.

The inflation rate in Calgary was driven by prices increase in water, fuel and electricity (11.6 per cent), gasoline (9.8 per cent), transportation (3.7 per cent) and food (3.3 per cent). Lower prices for clothing and footwear (-1.5 per cent) and recreation, education and reading (-0.1 per cent) served to moderate the rate of price inflation.

- Water, fuel and electricity accounts for a 5.7 per cent share of the household budget and therefore added 0.656 percentage points to the overall inflation rate.
- Transportation costs account for 21.1 per cent of the household budget and therefore added 0.787 percentage points to the overall inflation rate. The transportation cost increase was driven by increases in the price of gasoline (13.1 per cent).
- Finally, food prices rose by an average of 3.3 per cent and accounted for an average of 15 per cent of household expenditures. Consequently, food added 0.494 percentage points to the overall inflation rate.

Next release: July 20, 2012

Inflation Rates

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

	Relative Importance (%)*	May-12 (%)	Apr-12 (%)	May-11 (%)
Calgary: All-items	100.0	2.1	2.2	1.1
Calgary: All-items excluding food and energy	74.7	1.1	1.0	0.5
Food	15.0	3.3	3.4	1.6
Shelter	27.0	2.1	2.3	1.2
Owned accommodation	16.4	0.7	0.7	0.8
Water, fuel and electricity	5.7	11.6	13.4	5.9
Household operations, furnishing and equipment	11.5	1.7	1.5	0.1
Clothing and footwear	5.3	(1.5)	(1.6)	(2.4)
Transportation	21.1	3.7	4.4	3.1
Gasoline	5.3	9.8	13.1	8.8
Health and personal care	5.0	3.2	3.2	3.1
Recreation, education and reading	11.9	(0.1)	(0.1)	(0.4)
Alcoholic beverages and tobacco products	3.2	1.7	1.6	0.2
Alberta: All-items	100.0	2.2	2.4	1.3
Alberta: All-items excluding food and energy	74.7	1.2	1.1	0.6
Canada: All-items	100.0	2.5	2.7	2.3
Canada: All-items excluding food and energy	73.9	1.5	1.6	1.5

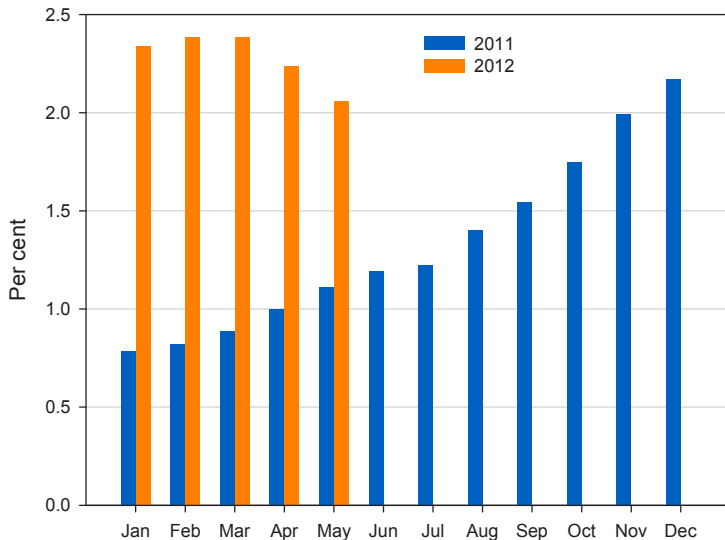
Source: Statistics Canada, Corporate Economics, June 2012

*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)

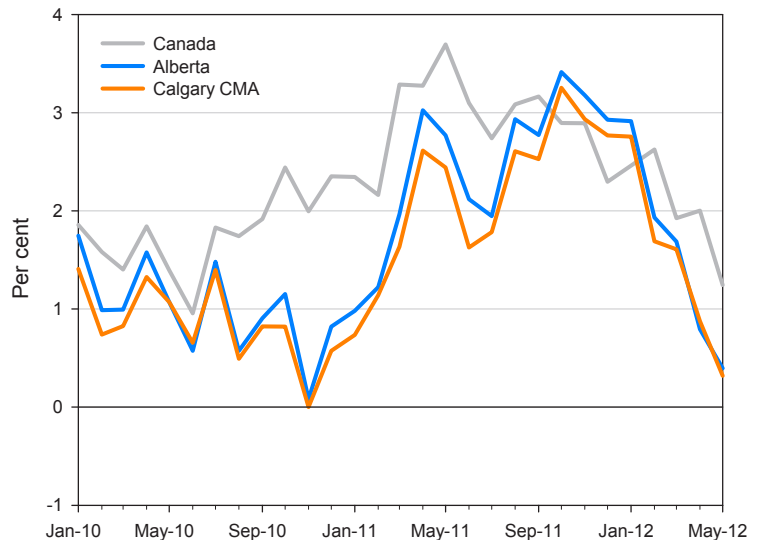
(12-month-moving-average, January 2011 - May 2012, per cent)



Source: Statistics Canada, Corporate Economics, June 2012

Inflation rates (all-items) comparison

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



Source: Statistics Canada, Corporate Economics, June 2012

Who We Are

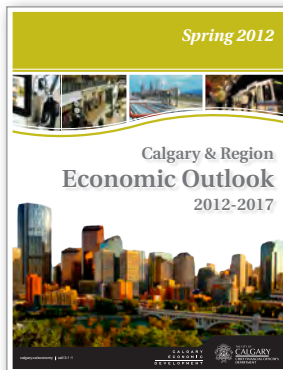
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For more information, please contact:

Patrick Walters
403.268.1335 or patrick.walters@calgary.ca

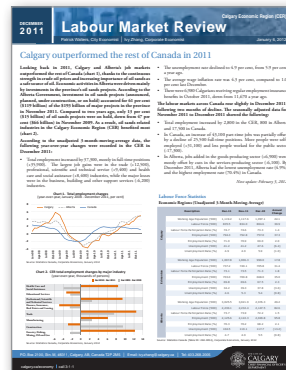
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- ▶ Calgary & Region Economic Outlook
- ▶ Energy Reports on Natural Gas and Crude Oil

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- ▶ Labour Market Review
- ▶ Inflation Review
- ▶ Current Economic Analysis
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- ▶ A Case of Fiscal Imbalance: The Calgary Experience
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Corporate Research Analyst: Estella Scruggs

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Sources: Statistics Canada, Corporate Economics.