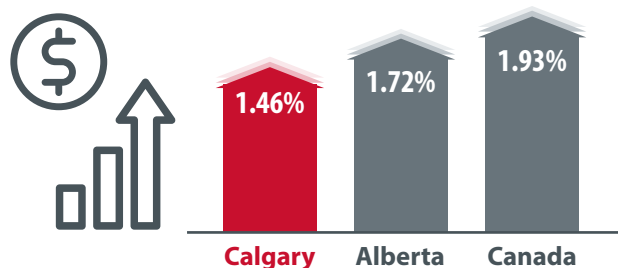
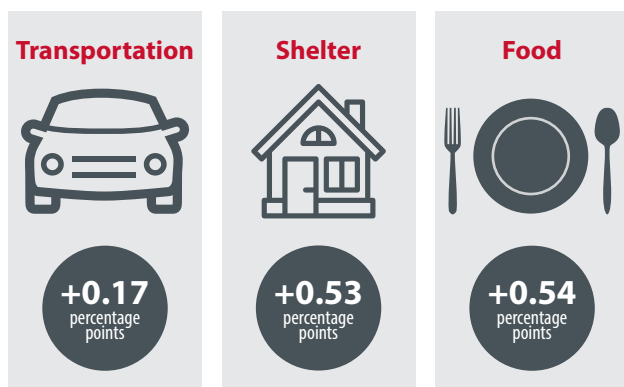


November 2019 Headline Inflation

Comparison is based on 12-month-moving-average of the Consumer Price Index



Major Contributors to Calgary's Inflation Rate



Calgary and Local Conditions Contributing to Inflation

In November 2019, the Consumer Price Index (CPI) increased by 1.46 per cent from November 2018. The estimate reflects the twelve-month moving average that smoothens typically lumpy monthly data updates.

After eleven months, inflation pressure was lower in 2019 than it was over eleven months in 2018. Specifically, the CPI was higher by 1.30 per cent this year, less than 2.21 per cent last year. Last year, it took just seven months to achieve the same pace of inflation.

The most significant contributor to the November 2019 annual inflation rate was the cost of food and shelter. It added 1.07 percentage points to the annual inflation rate. At the same time last year, it contributed 0.77 percentage points to the annual inflation rate.

The second major contributor was transportation. It added 0.17 percentage points to the November 2019 annual inflation rate. The temporary elimination of the carbon tax and stable oil prices have slowed inflation pressure. Last year, transportation costs contributed 1.26 percentage points to the November 2018 annual inflation rate.

Excluding the contribution of transportation, food and shelter costs, the annual average CPI was higher by 0.22 percentage points in November 2019 compared to 0.35 percentage points in November 2018.

External Inflation Conditions and Contributing Factors

For November 2019, the Alberta and Canada-wide annual inflation rates were 1.72 and 1.93 per cent, respectively. The November 2019 annual inflation rate for Calgary was lower than in Canada and Alberta.

Increases to the cost of meat (food) and household textiles put upward pressure on the Alberta annual inflation rate. The cost of gasoline (transportation) and prices for telephone services were much lower than a year ago.

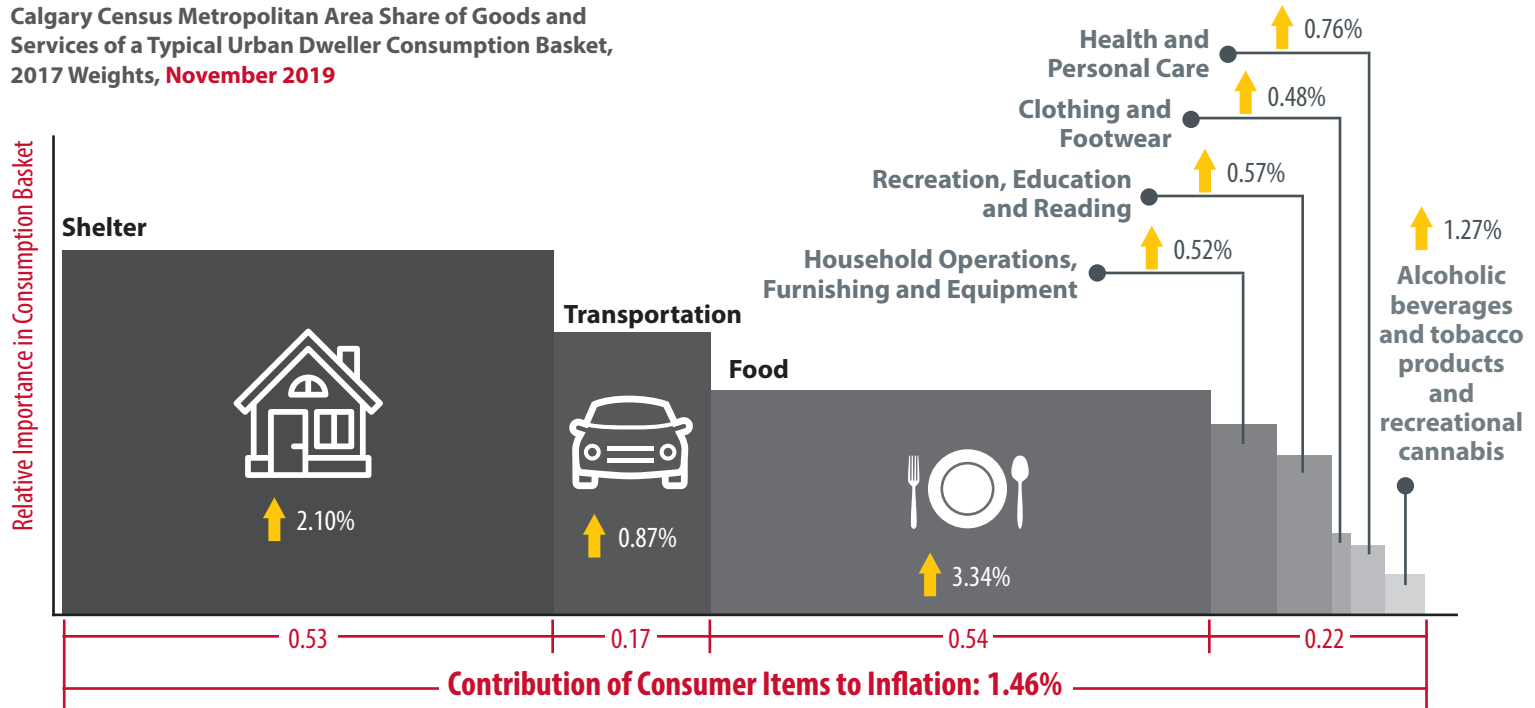
Inflation Rates

	Relative Importance (%) [*]	Year-over-year (12-MMA, %)			Year-to-Date (12-MMA, %)		
		Nov-19	Oct-19	Sep-19	Nov-19	Oct-19	Sep-19
Calgary: All-items	100.00	1.46	1.42	1.51	1.30	1.13	1.02
Calgary: All-items excluding food and energy	76.28	1.59	1.50	1.46	1.43	1.25	1.09
Food	16.59	3.34	3.18	3.03	3.15	2.85	2.53
Shelter	26.26	2.10	2.22	2.24	1.89	1.76	1.59
Rented accommodation	5.68	0.56	0.59	0.46	0.48	0.44	0.27
Owned accommodation	15.48	1.94	1.89	1.79	1.85	1.69	1.51
Water, fuel and electricity	5.09	4.20	5.01	5.63	3.50	3.37	3.32
Household operations, furnishing and equipment	12.93	0.52	0.55	0.65	0.36	0.41	0.47
Clothing and footwear	5.15	0.48	0.01	-0.21	0.50	0.13	-0.11
Transportation	20.28	0.87	0.84	1.38	0.69	0.55	0.58
Gasoline	3.26	-12.40	-11.90	-9.11	-11.93	-11.15	-9.66
Health and personal care	4.81	0.76	0.55	0.43	0.74	0.55	0.41
Recreation, education and reading	10.49	0.57	0.43	0.35	0.48	0.28	0.11
Alcoholic beverages, tobacco products and recreational cannabis	3.48	1.27	1.30	1.49	1.03	0.84	0.76
Alberta: All-items	100.00	1.72	1.68	1.78	1.54	1.37	1.24
Alberta: All-items excluding food and energy	76.28	1.85	1.76	1.73	1.67	1.49	1.32
Canada: All-items	100.00	1.93	1.89	1.93	1.76	1.58	1.42
Canada: All-items excluding food and energy	77.01	2.12	2.09	2.10	1.92	1.75	1.58

* Consumer Price Index (CPI) basket weights are based on the 2017 Survey of Household Spending, modified on February 2019.

Sources: Statistics Canada, Corporate Economics, December 18, 2019

Calgary Census Metropolitan Area Share of Goods and Services of a Typical Urban Dweller Consumption Basket, 2017 Weights, **November 2019**



Sources: Statistics Canada, Corporate Economics, December 18, 2019

Next release: January 22, 2020

Glossary:

Headline Inflation: This is the inflation rate measured using all components of the consumer basket of goods and services.

Core Inflation: This is the inflation rate after excluding food and transportation from the consumer basket of goods and services.

Overnight Rate: The interest rate the Bank of Canada charges commercial banks to borrow money.

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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Sources: Statistics Canada, Bank of Canada, Corporate Economics