

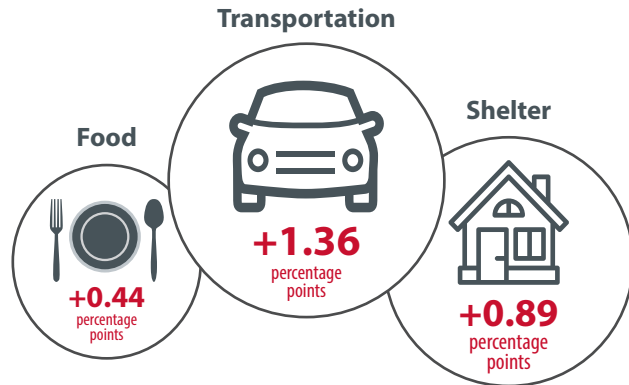
## Headline Inflation Comparison

June 2021



## Major Contributors to Alberta's Inflation Rate

June 2021



## CPI Inflation in the Calgary Census Metropolitan Area Remains High but Slowing Down

In June 2021, the headline consumer price index (CPI) in the Calgary Census Metropolitan Area (CMA) increased by 0.1 per cent from May and by 2.6 per cent over the previous twelve months.

Despite the CPI increasing only slightly between May and June, the twelve-month inflation seen in June remained moderately high at 2.6 per cent. This high year-over-year inflation corresponds to the ongoing recovery from the impacts of the COVID-19 pandemic, which caused unusually low prices in June 2020. However, June's inflation rate represents a slowdown from April and May, which recorded twelve-month inflation rates of 3.1 per cent and 2.9 per cent, respectively.

In June 2021, the cost of shelter increased by 0.6 per cent from the previous month and by 2.9 per cent from June 2020.

## Cost of Transportation Drives Inflation in Alberta

The CPI in Alberta in June 2021 was up by 2.7 per cent from June 2020, less than the twelve-month increase of 3.1 per cent reported for Canada.

The greatest contributor to inflation in Alberta in June was the cost of transportation, adding 1.36 percentage points to total inflation. Gasoline prices, which increased by 36.1 per cent since June 2020, drove the transportation cost increases and represented the largest increase among specific goods and services. The gasoline price increase is explained by a corresponding increase in crude oil prices as global demand has picked up.

The next largest contributors to Alberta's June inflation were shelter and food. Shelter cost increases contributed 0.89 percentage points to total inflation, while food contributed 0.44 percentage points.

Individual products contributing to the rise in food prices included fresh or frozen chicken, which rose by 22.3 per cent since June 2020. Natural gas prices, which rose by 16.9 per cent, contributed to the increase in shelter costs.

The greatest offset to Alberta's price inflation in June came from a decrease in prices for household operations, furnishings and equipment, contributing -0.16 percentage points to total inflation. The individual products and services that reported the largest price decreases were recreational cannabis and telephone services.

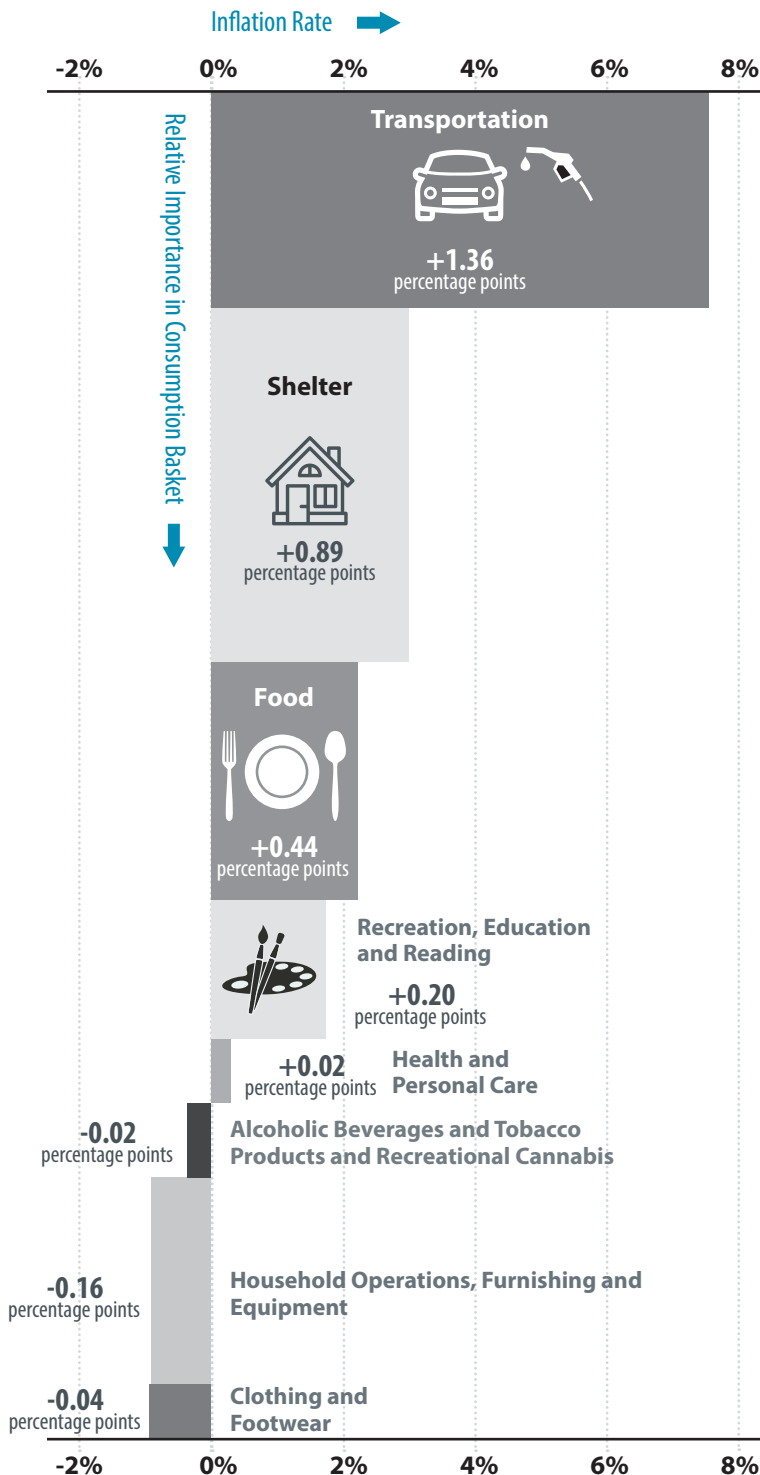
## Inflation Rates

	Relative Importance (%) *	Year-over-year (%)			Year-to-Date (%)		
		Jun-21	May-21	Apr-21	Jun-21	May-21	Apr-21
Calgary: All-items	100.00	2.6	2.9	3.1	2.6	2.4	1.7
Shelter	26.35	2.9	2.0	2.2	1.1	0.5	-0.1
Rented accommodation	5.77	-0.4	-1.0	1.6	-2.2	-2.6	-2.6
Owned accommodation	16.55	2.8	1.4	0.6	2.0	0.8	0.1
Water, fuel and electricity	4.03	7.0	7.2	9.0	1.4	2.7	2.4
Alberta: All-items	100.00	2.7	3.1	3.3	2.8	2.6	2.0
Alberta: All-items excluding food and energy	75.72	1.0	1.3	0.8	1.5	1.3	0.9
Canada: All-items	100.00	3.1	3.6	3.4	2.9	2.6	2.1
Canada: All-items excluding food and energy	77.06	2.2	2.4	1.8	2.1	1.8	1.5

\* CPI basket weights are based on the 2020 expenditure data, modified on June 2021.

Sources: Statistics Canada, Corporate Economics, July 28, 2021.

## Contribution of Consumer Items to Inflation: Alberta June 2021



Sources: Statistics Canada, Corporate Economics, July 28, 2021

Next release: August 18, 2021

## 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](mailto:media.relations@calgary.ca)

For the technical questions, please contact:

**Chukwudi Osuji, Ph.D**  
Acting City Economist  
[chukwudi.osuji@calgary.ca](mailto:chukwudi.osuji@calgary.ca)

**Gilbert Lybbert**  
Associate Economist  
[gilbert.lybbert@calgary.ca](mailto:gilbert.lybbert@calgary.ca)

**Estella Scruggs**  
Corporate Research Analyst  
[estella.scruggs@calgary.ca](mailto:estella.scruggs@calgary.ca)

Many of our publications are available on the internet at [www.calgary.ca/economy](http://www.calgary.ca/economy).

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 contained herein and accepts no liability for any loss arising from any use or reliance on this report.

Sources:

Bank of Canada, Statistics Canada, Corporate Economics.