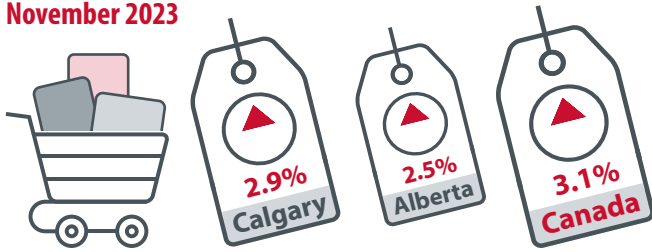


Headline Inflation Comparison

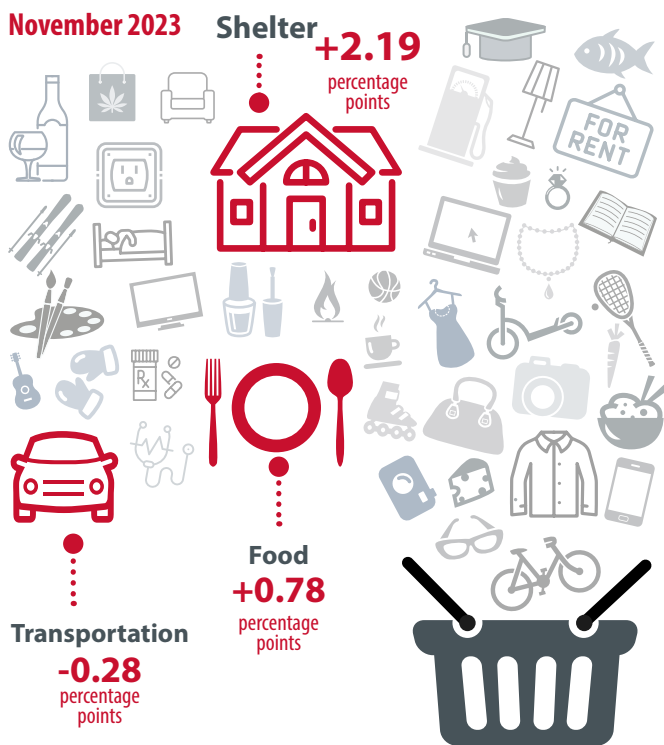
November 2023



Headline inflation slightly ticked up to an average annual rate of 2.9 per cent in Calgary, while the national level remained steady at 3.1 per cent in November 2023.

In November 2023, the headline year-over-year Consumer Price Index (CPI) in the Calgary Census Metropolitan Area (CMA) was 2.9 per cent, a slight increase from the 2.8 per cent recorded in October. Meanwhile, in Alberta, inflation experienced a rise, moving from 2.1 per cent in October to 2.5 per cent in November. Nationally, the CPI remained consistent, with the inflation rate holding steady at 3.1 per cent in November, unchanged from October. Core inflation, which excludes volatile items such as food and energy, has seen an increase, reaching 2.5 per cent in Alberta and 3.5 per cent in Canada for November, up from 2.3 per cent and 3.4 per cent, respectively, in October. These sustained increases reflect persistent inflationary pressures, particularly in shelter costs, along with spikes in travel tour expenses due to Thanksgiving in the US in November. However, these rising costs have been partially offset by decreases in energy prices and more affordable cellular services.

Major Contributors to Alberta's Inflation Rate



Rental Cost Inflation in Calgary is Among the Highest in Canada

In Alberta, a prominent driver of persistent inflation pressure is shelter costs, which have increased by 8.5 per cent, contributing to an overall inflation rise of 2.2 per cent in November. Notably, rental prices in Calgary have seen a significant increase. Among major Census Metropolitan Areas (CMAs) in Canada with a population over one million, Calgary recorded the second highest year-over-year increase in the cost of rented accommodation at 10.8 per cent, trailing only behind Edmonton (12.1 per cent) and surpassing Vancouver (9.2 per cent), Toronto (5.4 per cent), Ottawa (1.9 per cent), and Montreal (7.6 per cent). This trend is largely attributed to structural housing shortages, coupled with growing international and intra-provincial migration. With the [Federal Government's 2023 Fall Economic Statement](#) projecting sustained moderate immigration growth, housing costs may continue to increase if supply improvements are not realized. Additionally, with many mortgage renewals due in 2024 set to face higher interest rates, overall shelter costs could remain persistently high.

How Much Does Inflation Impact Seasonal Expenses in Alberta?

As the holiday season approaches, we've summarized the inflation rates since last November for a list of items typically purchased during this time. Note that these figures are for Alberta, unless otherwise indicated, and represent average changes; individual experiences at stores may vary. Overall, food prices have risen by 4.6 per cent. Specifically, beef, pork and poultry prices have increased by 7.5 per cent, 10.6 per cent and 6.8 per cent, respectively. Home baking has also become more expensive, as the prices of milk, butter, eggs and sugar have

risen by 5.0 per cent, 5.3 per cent, 4.7 per cent and 13.3 per cent, consequently driving up the prices of bakery products by 8.6 per cent. Dining out might hit the wallet harder this year, as food from restaurants has seen an increase of 5.1 per cent while alcoholic beverages have shown a price change of 3.3 per cent. Gasoline prices and air transportation costs have dropped significantly, potentially easing travel costs, but travel tour costs have risen by 26.1 per cent in Canada. Last but not least, nationally, toy and game prices increased by only 0.6 per cent.

Inflation Rates

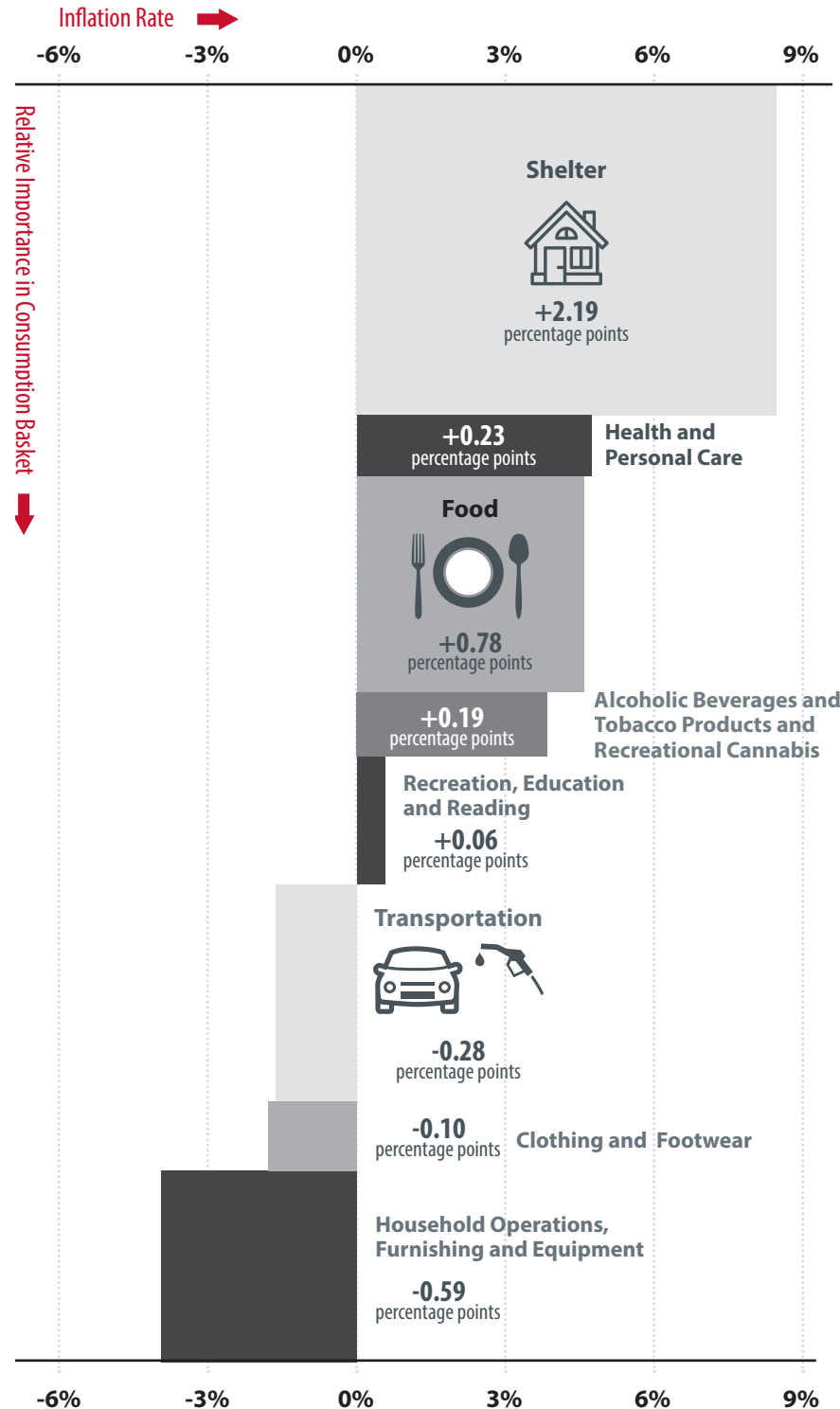
	Relative Importance (%) *	Year-over-year (%)			Year-to-Date Average (%)
		Nov-23	Oct-23	Sep-23	
Calgary: All-items	100.00	2.9	2.8	4.4	3.8
Shelter	25.89	9.6	10.3	11.6	7.3
Rented accommodation	5.91	10.8	11.7	8.5	7.3
Owned accommodation	16.14	9.6	9.6	9.6	9.4
Water, fuel and electricity	3.85	8.4	11.1	22.5	1.4
Alberta: All-items	100.00	2.5	2.1	3.7	3.4
Alberta: All-items excluding food and energy	76.10	2.5	2.3	2.5	3.7
Canada: All-items	100.00	3.1	3.1	3.8	4.0
Canada: All-items excluding food and energy	76.57	3.5	3.4	3.2	4.1

* CPI basket weights are based on the 2022 expenditure data, modified in June 2023.

Sources: Statistics Canada, Corporate Economics, December 19, 2023.

Contribution of Consumer Items to Inflation: Alberta

November 2023



Sources: Statistics Canada, Corporate Economics, December 19, 2023.

Next release: January 16, 2024

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:

Bank of Canada, Statistics Canada, Corporate Economics.