

Current Economic Analysis

Patrick Walters, City Economist | Estella Scruggs, Corporate Research Analyst

March 31, 2011



- In February 2011, Calgary's 12-month-moving-average inflation rate remained unchanged at 0.8 per cent. Nationally, the inflation rate increased slightly to 1.9 per cent from 1.8 per cent last month and up from 0.4 per cent a year ago.
- The unemployment rate in Calgary increased to 6.1 per cent in February 2011 from 5.9 per cent a month earlier, but down from 7.1 per cent in the previous year. Nationally, the unemployment rate was 7.7 per cent, up from 7.4 per cent in January 2011 and down from 8.4 per cent in February 2010.
- Total employment in the CER was 754,600 in February 2011, an increase of 7,300 from 747,300 in February 2010.
- In February 2011, the average wage inflation was 0.6 per cent in Calgary compared to 0.8 per cent a year ago. In Alberta, the average wage inflation was 3.5 per cent, up from 1.8 per cent from last February.
- Between January 2010 and January 2011, the number of Calgarians receiving regular employment insurance fell by 6,200 (-29.8 per cent) to 14,590, the 10th consecutive month of year-over-year declines. For Alberta, the number of recipients fell by 14,300 (-24.2 per cent) to 44,760, also the 10th consecutive decline.
- In February 2011, the average price of oil (WTI) was USD\$89.74/bbl, up 0.1 per cent from January 2011. The average price of natural gas was \$3.39/GJ, down 10.9 per cent from last month.
- The Canadian prime business loan rate remained unchanged at 3 per cent in February 2011.
- The Canadian consumer confidence index rose 1.2 points to 89.3 in February – the highest level since May 2010.
- In January, Alberta retail sales were estimated at \$5.2 billion (seasonally adjusted), a 0.5 per cent decrease over the previous month and a 5.5 per cent increase year-over-year.
- Alberta wholesale merchants' sales were estimated at \$5.5 billion (seasonally adjusted) in January 2011, down 0.8 per cent from December 2010 but up 15.8 per cent from January 2010.
- Alberta manufacturing sales were estimated at \$5.4 billion (seasonally adjusted) in January 2011, no change from December 2010 but an increase of 15.4 per cent from January 2010.
- The number of personal bankruptcies in Alberta was 519 in December 2010, down 22.2 per cent from the previous month and 18.1 per cent from December 2009.
- The number of business bankruptcies in Alberta was 44 in December 2010, up 131.6 per cent from November and 37.5 per cent from December 2009.
- In February 2011, total housing starts in Calgary (CMA) reached 627 units, up from 518 units in January but down from 743 units last February.
- Calgary housing sales in February 2011 was 1,917 units, up 48.4 per cent from 1,292 units in January and 0.2 per cent from 1,913 units a year ago.
- February MLS average price for Calgary was \$409,318, up 1.7 per cent from last month's average price of \$402,304, and 2.4 per cent from \$ 399,661 a year ago.

Next release: April 29, 2011

Note: In January 2011, Statistics Canada applied a standard revision to its Labour Force Survey estimates following the release of final population estimates from Census 2006. As a result, the data that are related to employment have been revised accordingly.

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: Statistics Canada, CMHC, CREB, MLS, Bank of Canada, Conference Board of Canada, GLJ Energy Publications, The City of Calgary, Office of the Superintendent of Bankruptcy and others.

Current Economic Analysis

Patrick Walters, City Economist | Estella Scruggs, Corporate Research Analyst

March 31, 2011



City of Calgary Monthly Economic Indicators	2008	2009	2010	2010												2011	
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
General Indicators																	
Inflation (12 month moving average)																	
Calgary Census Metropolitan Area (CMA)	3.2%	-0.1%	0.8%	-0.1%	-0.2%	-0.2%	-0.1%	0.0%	0.2%	0.4%	0.6%	0.8%	0.9%	0.8%	0.8%	0.8%	0.8%
Canada	2.4%	0.3%	1.8%	0.4%	0.4%	0.4%	0.5%	0.6%	0.7%	1.0%	1.2%	1.4%	1.6%	1.7%	1.8%	1.8%	1.9%
Unemployment Rate																	
Calgary Economic Region (C.E.R.)	3.3%	6.3%	7.0%	7.3%	7.1%	7.4%	7.6%	7.7%	7.4%	6.9%	6.9%	6.9%	6.9%	6.1%	5.9%	5.9%	6.1%
Canada	6.1%	8.1%	8.1%	8.2%	8.4%	8.7%	8.6%	8.5%	8.1%	8.0%	8.2%	8.2%	7.8%	7.3%	7.1%	7.4%	7.7%
C.E.R. Employment (Person - 000s)	768	765	755	750	747	744	741	745	754	769	772	767	760	757	757	754	755
Employment insurance Alberta - # of recipients (seasonally adjusted)	17,702	56,556	49,848	59,060	55,610	52,630	50,540	49,260	48,680	47,370	45,900	48,020	47,210	47,120	46,130	44,760	
Year-over-year % change	5.7%	217.3%	-0.2%	130.0%	62.7%	19.6%	-0.8%	-13.0%	-22.6%	-24.0%	-20.9%	-33.1%	-35.4%	-34.6%	-31.2%	-24.2%	
Employment insurance Calgary - # of recipients (unadjusted)	4,903	17,747	15,645	20,790	20,060	19,240	17,570	15,900	14,630	15,180	15,700	12,280	11,600	11,810	12,990	14,590	
Year-over-year % change	9.7%	261.9%	-11.8%	122.6%	63.0%	18.3%	-2.0%	-13.7%	-24.1%	-29.3%	-29.1%	-35.2%	-37.2%	-36.9%	-34.0%	-29.8%	
City of Calgary Population Estimate (000s) [†]	1,043 [#]	1,065 [#]	1,072 [#]	1,070	1,071	1,071	1,072	1,073	1,075	1,077	1,079	1,081	1,082	1,083	1,085	1,086	1,088
West Texas Intermediate (\$US/barrel)	99.64	61.78	79.52	78.40	76.45	81.31	84.58	74.12	75.40	76.38	76.68	75.55	81.97	84.14	89.23	89.62	89.74
Alberta Natural Gas (Cdn\$/GJ)	7.73	3.78	3.80	5.30	4.95	3.84	3.57	3.64	3.89	3.49	3.22	3.37	3.13	3.50	3.69	3.80	3.39
Canadian real GDP y-o-y % Change - (Chained 2002 dollar)	0.6%	-2.6%	3.3%	1.6%	2.0%	3.1%	3.4%	3.8%	4.0%	3.8%	4.2%	3.5%	3.6%	3.2%	3.3%	3.3%	
Canadian real GDP m-o-m % Change - (Chained 2002 dollar)	NA	NA	NA	0.5%	0.2%	0.5%	0.0%	0.1%	0.3%	0.0%	0.3%	-0.1%	0.3%	0.4%	0.5%	0.5%	
Prime lending rate - Bank of Canada (%)	4.73%	2.40%	2.60%	2.25%	2.25%	2.25%	2.25%	2.25%	2.50%	2.75%	2.75%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Consumer Indicators																	
Hourly earnings - Alberta (\$) Year-over-year % change	5.6%	4.4%	1.3%	1.3%	1.8%	2.5%	1.7%	1.7%	0.2%	2.8%	0.7%	0.7%	0.2%	0.2%	2.1%	0.8%	3.5%
Hourly earnings - Calgary (\$) Year-over-year % change	5.8%	3.7%	1.0%	1.0%	0.8%	1.8%	1.9%	2.2%	0.7%	1.0%	0.3%	0.8%	0.3%	0.6%	1.0%	0.3%	0.6%
Retail sales - Alberta (\$ billions)	61.1	56.0	59.5	4.8	4.9	5.0	4.9	4.8	4.8	4.9	5.0	5.0	5.1	5.2	5.2	5.2	
Consumer confidence - Canada	77.7	71.4	84.7	96.6	88.3	92.5	84.8	89.3	83.6	80.0	79.4	78.1	79.7	83.6	81.0	88.1	89.3
Housing starts - Calgary CMA	11,438	6,318	9,262	514	743	904	909	862	685	1,166	858	796	784	555	486	518	627
# of personal bankruptcies - Alberta	6,066	9,986	8,150	684	637	776	744	672	778	626	615	732	700	667	519		
Calgary Housing (# of units sold) MLS	23,137	24,880	20,996	1,398	1,913	2,446	2,382	2,133	1,824	1,612	1,562	1,606	1,442	1,427	1,251	1,292	1,917
Household sales/listing ratio - Calgary	41.77	61.13	47.97	40.09	47.22	45.01	43.98	41.42	38.14	44.83	45.70	41.47	46.16	57.33	84.24	36.28	47.97
Current month average house price - Calgary Metro (\$000)	412.9	394.8	409.6	395.4	399.7	420.7	405.9	433.0	433.2	416.1	395.9	410.7	403.7	411.2	389.9	402.3	409.3
Year-over-year % change of Calgary City MLS average prices	-2.9%	-4.4%	3.7%	5.7%	5.4%	10.9%	7.8%	9.8%	7.6%	5.3%	-0.5%	-0.4%	-1.5%	-0.9%	-3.0%	1.7%	2.4%
Business Indicators																	
Wholesale sales - Alberta - seasonally adjusted (\$billions)	68.7	59.0	62.6	5.1	4.9	5.0	5.0	4.9	5.0	5.2	5.4	5.5	5.5	5.5	5.6	5.5	
Manufacturing sales - Alberta - seasonally adjusted (\$billions)	70.4	54.5	60.3	4.7	5.1	5.1	4.9	5.0	4.8	4.8	5.0	5.1	5.2	5.2	5.4	5.4	
# of new businesses	**	**	**	NA	64 ⁺⁺	72	166	218	365	236	269	374	571	553	649	NA	19 ⁺⁺
# of business closures - Calgary	**	**	**	290	275	305	185	136	229	162	211	174	141	198	197	NA	476 ⁺⁺
# of business bankruptcies - Alberta	447	405	378	27	30	48	37	35	23	27	30	34	24	19	44		

** Tracking of these indicators commenced in late 2008. Some comparative historical data has not been obtained ++ February figures are YTD to February 28 of the year # Taken from April Civic Census † Revised monthly data based on April 2010 Civic Census Revised Data