

Current Economic Analysis

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

August 31, 2011



- In July 2011, Calgary's 12-month-moving-average inflation rate remained unchanged at 1.2 per cent but increased from 0.4 per cent in July 2010. Nationally, the inflation rate also increased to 2.6 per cent from 2.5 per cent last month and 1 per cent in July 2010.
- The unemployment rate in Calgary was 5.7 per cent in July 2011, down from 6.9 per cent in the previous year. Nationally, the unemployment rate was 7.3 per cent, down from 8 per cent in July 2010.
- Total employment in the Calgary Economic Region (CER) was 788,600 in July 2011, an increase of 19,300 from 769,300 in July 2010. There were increases in both full-time employment (17,200) and part-time employment (2,100).
- In July 2011, the average hourly wage in Calgary increased slightly to \$26.28 (0.5 per cent) compared to a year ago. In Alberta, the average hourly wage decreased to \$24.93 (-0.4 per cent) compared to July 2010.
- Between June 2010 and June 2011, the number of Calgarians receiving regular employment insurance fell by 33.5 per cent to 9,710. In Alberta, the number fell by 29.5 per cent to 34,330.
- In July 2011, the average price of oil (WTI) was USD\$97.34/bbl, up 1.1 per cent from June 2011. The average price of natural gas was \$3.51/GJ, down 7.1 per cent from June.
- The Canadian prime business loan rate remained unchanged at 3 per cent in July 2011.
- The Index of Consumer Confidence dropped for a third straight month in July, this time falling 1.8 points to 81.3 (2002 = 100) compared to last month.
- In June 2011, Alberta retail sales were estimated at \$5.2 billion (seasonally adjusted), a 0.3 per cent decrease over the previous month but a 7.4 per cent increase year-over-year.
- Alberta wholesale merchants' sales were estimated at \$6 billion (seasonally adjusted) in June 2011, up 3 per cent from the previous month and up 18.6 per cent from June 2010.
- Alberta manufacturing sales were estimated at \$5.6 billion (seasonally adjusted) in June 2011, down 0.9 per cent from the previous month but up 15.4 per cent from June 2010.
- Canadian real gross domestic product rose 0.2% in June after a 0.3% decrease in May. Real gross domestic product has been hovering around the same level since January 2011.
- In July 2011, total housing starts in Calgary (CMA) reached 658 units, down from 719 units in June and down from 1,166 units a year ago.
- Calgary housing sales in July 2011 was 1,976 units, down 18.7 per cent from 2,431 units in June but up 22.6 per cent from 1,612 units a year ago.
- July's MLS average price for Calgary was \$411,833, down 2.9 per cent from last month's average price of \$424,332, and down 1 per cent from \$416,064 a year ago.

Next release: September 30, 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.

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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.

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City of Calgary Monthly Economic Indicators	2008	2009	2010	2010							2011						
				Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
General Indicators																	
Inflation (12 month moving average)																	
Calgary Census Metropolitan Area (CMA)	3.2%	-0.1%	0.8%	0.2%	0.4%	0.6%	0.8%	0.9%	0.8%	0.8%	0.8%	0.8%	0.9%	1.0%	1.1%	1.2%	1.2%
Canada	2.4%	0.3%	1.8%	0.7%	1.0%	1.2%	1.4%	1.6%	1.7%	1.8%	1.8%	1.9%	2.0%	2.1%	2.3%	2.5%	2.6%
Unemployment Rate																	
Calgary Economic Region (C.E.R.)	3.3%	6.3%	7.0%	7.4%	6.9%	6.9%	6.9%	6.9%	6.1%	5.9%	5.9%	6.1%	6.1%	6.0%	5.9%	5.7%	5.7%
Canada	6.1%	8.1%	8.1%	8.1%	8.0%	8.2%	8.2%	7.8%	7.3%	7.1%	7.4%	7.7%	8.1%	8.1%	7.9%	7.5%	7.3%
C.E.R. Employment (Person - 000s)	768	765	755	754	769	772	767	760	757	757	754	755	756	757	762	774	789
Employment insurance Alberta - # of recipients (seasonally adjusted)	17,702	56,556	49,848	48,680	47,370	45,900	48,020	47,210	47,120	46,130	44,350	42,130	39,080	37,020	34,610	34,330	
Year-over-year % change	5.7%	217.3%	-0.2%	-22.6%	-24.0%	-20.9%	-33.1%	-35.4%	-34.6%	-31.2%	-24.9%	-24.2%	-25.7%	-26.8%	-29.7%	-29.5%	
Employment insurance Calgary - # of recipients (unadjusted)	4,903	17,747	15,645	14,600	15,180	15,700	12,280	11,600	11,810	12,990	14,590	14,010	13,230	12,060	10,130	9,710	
Year-over-year % change	9.7%	261.9%	-11.8%	-24.3%	-29.3%	-29.1%	-35.2%	-37.2%	-36.9%	-34.0%	-29.8%	-30.2%	-31.2%	-31.4%	-36.2%	-33.5%	
City of Calgary Population Estimate (000s) [†]	1,043 [†]	1,065 [†]	1,072 [†]	1,075	1,076	1,078	1,080	1,081	1,083	1,084	1,086	1,088	1,089	1,091	1,093	1,095	1,097
West Texas Intermediate (\$US/barrel)	99.64	61.78	79.52	75.40	76.38	76.68	75.55	81.97	84.14	89.23	89.62	89.74	102.98	110.04	101.39	96.29	97.34
Alberta Natural Gas (Cdn\$/GJ)	7.73	3.78	3.80	3.89	3.49	3.22	3.37	3.13	3.50	3.69	3.80	3.39	3.52	3.54	3.69	3.78	3.51
Canadian real GDP y-o-y % Change - (Chained 2002 dollar)	0.6%	-2.6%	3.3%	4.1%	4.0%	4.3%	3.6%	3.7%	3.4%	3.4%	3.4%	3.1%	2.8%	2.8%	2.1%	2.0%	
Canadian real GDP m-o-m % Change - (Chained 2002 dollar)	NA	NA	NA	0.3%	0.0%	0.3%	-0.1%	0.3%	0.4%	0.5%	0.5%	-0.1%	0.2%	-0.0%	-0.3%	0.2%	
Prime lending rate - Bank of Canada (%)	4.73%	2.40%	2.60%	2.50%	2.75%	2.75%	3.00%	3.00%	3.00%	3.00%	3.00%	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%	0.2%	2.8%	0.7%	0.7%	0.2%	0.2%	2.1%	0.8%	3.5%	1.2%	0.7%	1.6%	2.0%	-0.4%
Hourly earnings - Calgary (\$) Year-over-year % change	5.8%	3.7%	1.0%	0.7%	1.0%	0.3%	0.8%	0.3%	0.6%	1.0%	0.3%	0.6%	-0.2%	0.4%	0.3%	1.3%	0.5%
Retail sales - Alberta (\$ billions)	61.1	56.0	59.6	4.9	4.9	5.0	5.0	5.1	5.2	5.2	5.2	5.2	5.1	5.2	5.2	5.2	
Consumer confidence - Canada	77.7	71.4	84.7	83.6	80.0	79.4	78.1	79.7	83.6	81.0	88.1	89.3	83.7	87.7	85.6	83.1	81.3
Housing starts - Calgary CMA	11,438	6,318	9,262	685	1,166	858	796	784	555	486	518	627	403	556	707	719	658
# of personal bankruptcies - Alberta	6,066	9,986	8,150	778	626	615	732	700	667	519	578	636	680	640	617		
Calgary Housing (# of units sold) MLS	23,137	24,880	20,996	1,824	1,612	1,562	1,606	1,442	1,427	1,251	1,292	1,917	2,273	2,087	2,220	2,431	1,976
Household sales/listing ratio - Calgary	41.77	61.13	47.97	38.14	44.83	45.70	41.47	46.16	57.33	84.24	36.28	47.97	51.95	49.88	47.82	55.25	52.32
Current month average house price - Calgary Metro (\$000)	412.9	394.8	409.6	433.2	416.1	395.9	410.7	403.7	411.2	389.9	402.3	409.3	410.9	424.7	428.5	424.3	411.8
Year-over-year % change of Calgary City MLS average prices	-2.9%	-4.4%	3.7%	7.6%	5.3%	-0.5%	-0.4%	-1.5%	-0.9%	-3.0%	1.7%	2.4%	-2.3%	4.7%	-1.1%	-2.1%	-1.0%
Business Indicators																	
Wholesale sales - Alberta - seasonally adjusted (\$billions)	68.7	59.0	62.9	5.1	5.2	5.3	5.5	5.5	5.6	5.6	5.6	5.6	5.7	5.5	5.8	6.0	
Manufacturing sales - Alberta - seasonally adjusted (\$billions)	70.4	54.5	59.8	4.8	4.8	5.0	5.1	5.2	5.2	5.4	5.4	5.5	5.7	5.8	5.6	5.6	
# of new businesses	**	**	**	365	236	269	374	571	553	649	0	19	224	656	572	137	507
# of business closures - Calgary	**	**	**	229	162	211	174	141	198	197	0	476	271	164	215	160	191
# of business bankruptcies - Alberta	447	405	378	23	27	30	34	24	19	44	30	22	26	17	22		

** 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