

Current Economic Analysis

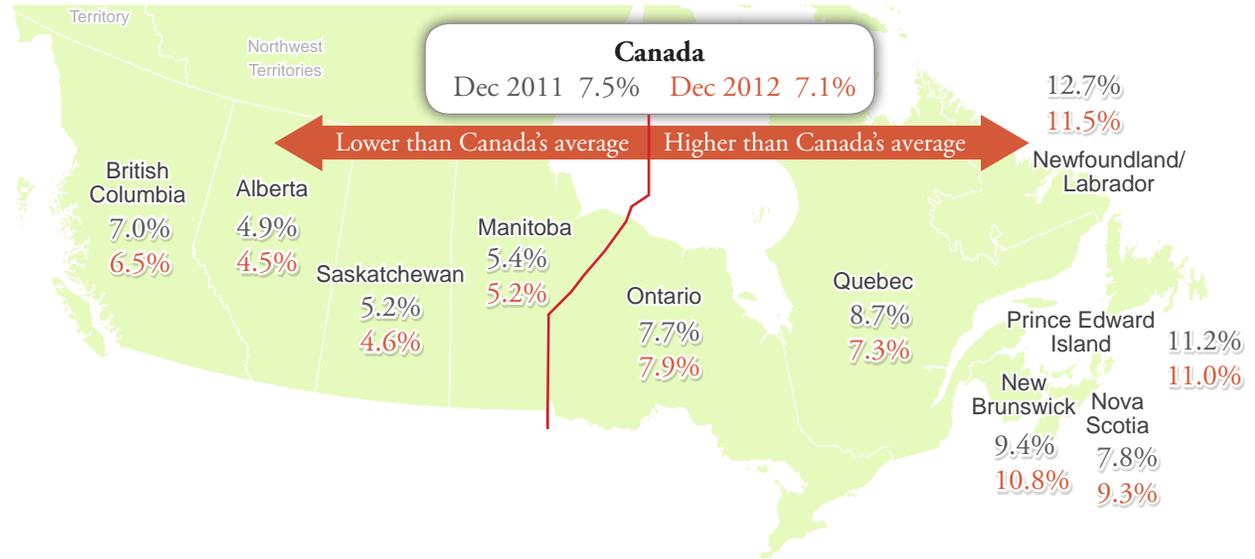
Patrick Walters, City Economist | Estella Scruggs, Corporate Research Analyst

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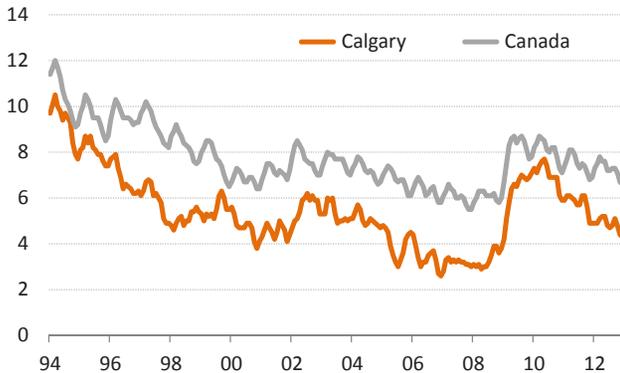
Labour Market

- The unemployment rate in the Calgary Economic Region (CER) was 4.3 per cent in December 2012, down from 4.9 per cent in the same time last year. Nationally, the unemployment rate was 6.6 per cent, down from 6.9 per cent in December 2011.
- Total employment in the CER was 815,500 in December 2012, a 2.7 per cent increase from 794,300 in December 2011.
- The 2012 Civic Census placed Calgary's population at 1,120,200, up from 1,090,900 in 2011, representing an increase of 29,300 persons.

Unemployment Rates, Canada and Provinces (Seasonally adjusted)



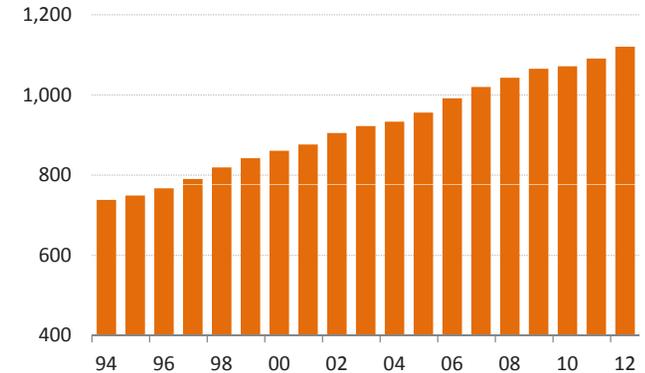
Unemployment Rates (unadjusted, per cent)



Calgary CER: Total Employment (unadjusted, thousands of persons)



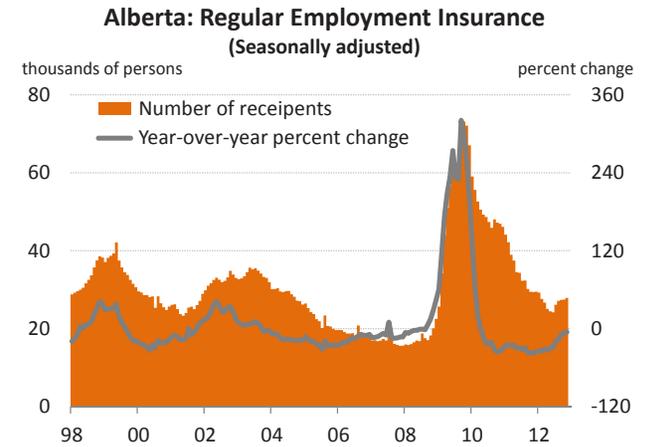
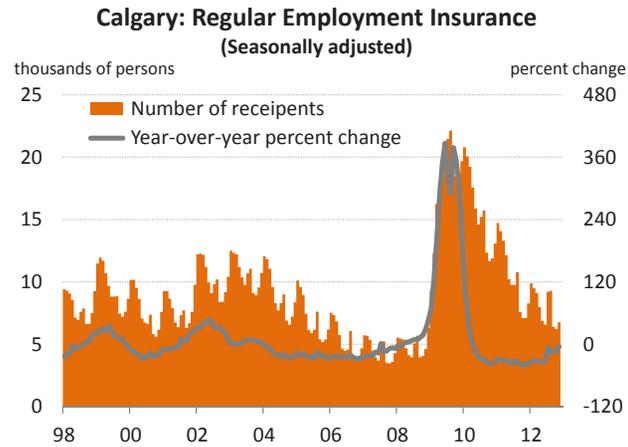
City of Calgary: Total Population (thousands of persons)



Sources: Statistics Canada, City of Calgary Civic Census, Corporate Economics

Labour Market (continued)

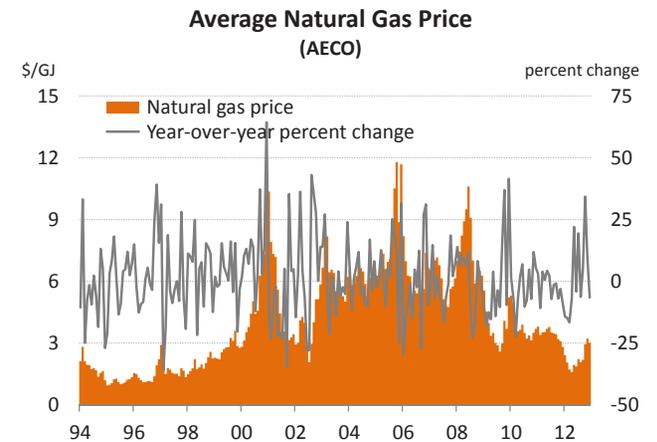
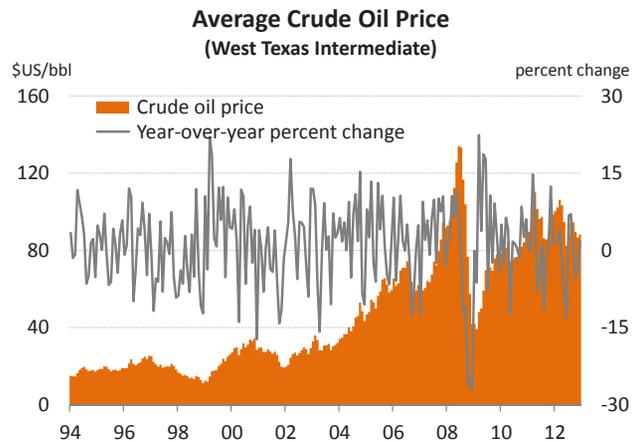
- Between November 2011 and November 2012, the number of Calgarians receiving regular employment insurance fell by 4.9 per cent to 6,760. For Alberta, in the same time period, the number fell by 5.1 per cent to 27,900.



Sources: Statistics Canada, Corporate Economics

Energy

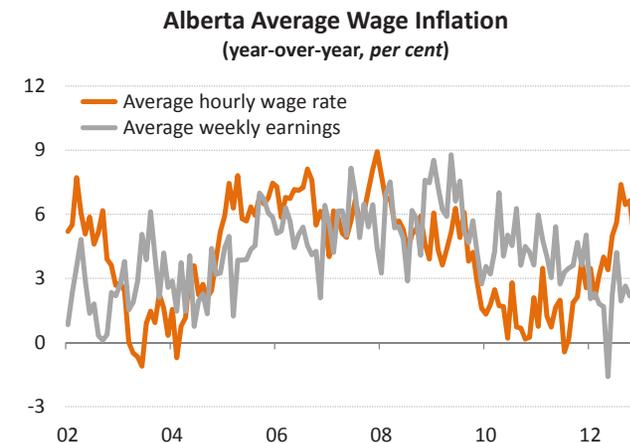
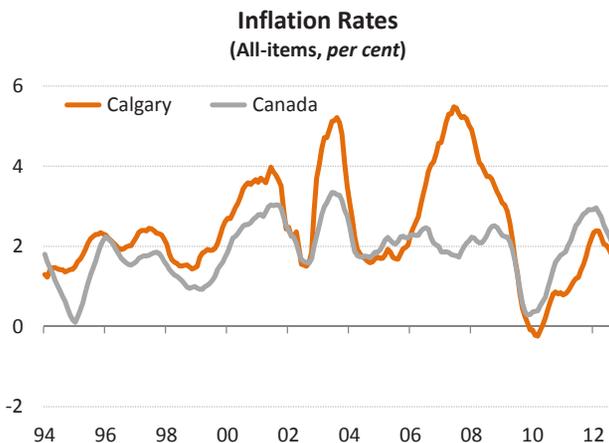
- In December 2012, the average price of crude oil (WTI) was US\$88.25/bbl, up 1.7 per cent from November 2012 but down 10.5 per cent from a year ago.
- The average price of natural gas (AECO) was \$3.01/GJ in December 2012, down 6.5 per cent from the previous month but up 7.1 per cent from December 2011.



Sources: GLJ Energy Publications, Corporate Economics

Prices

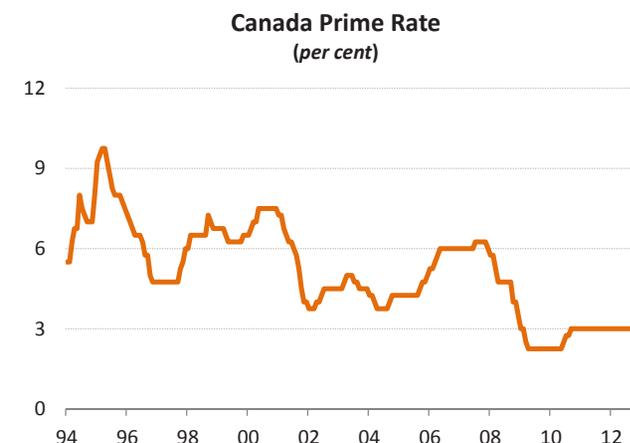
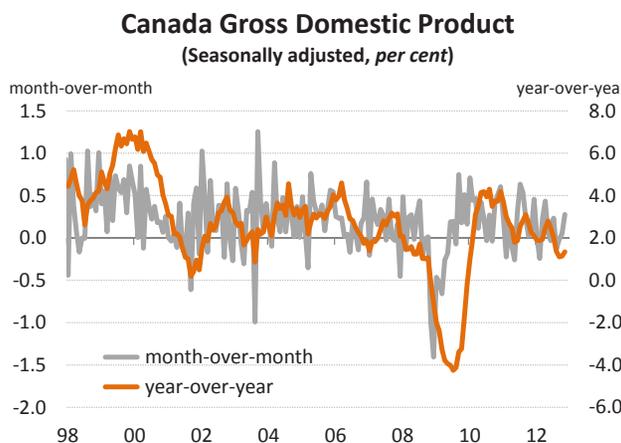
- In December 2012, Calgary's 12-month-moving-average inflation rate decreased to 1 per cent from 1.3 per cent in November 2012 and 2.2 per cent in December 2011. Nationally, the inflation rate also decreased to 1.5 per cent from 1.6 per cent in the previous month and 2.9 per cent in December 2011.
- In Alberta, the average hourly wage inflation rate in December 2012 was 5.5 per cent, increased from 2.6 per cent a year ago. The average weekly earnings rate was 2.1 per cent in November 2012, decreased from 3.6 percent in November 2011.



Sources: Statistics Canada, Corporate Economics

General Indicators

- Real gross domestic product:
 - ▶ **Month-over-month:** edged up 0.3 per cent in November 2011, following a 0.1 per cent growth in October.
 - ▶ **Year-over-year:** increased 1.3 per cent in November 2011, following a 1.1 per cent growth in October.
- The Canadian prime business loan rate remained unchanged at 3 per cent in December 2012.

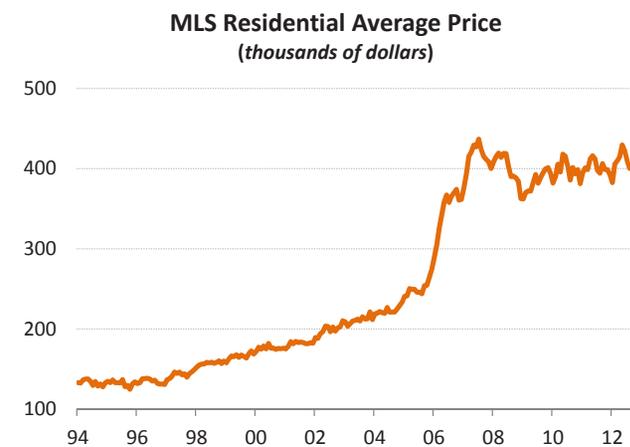
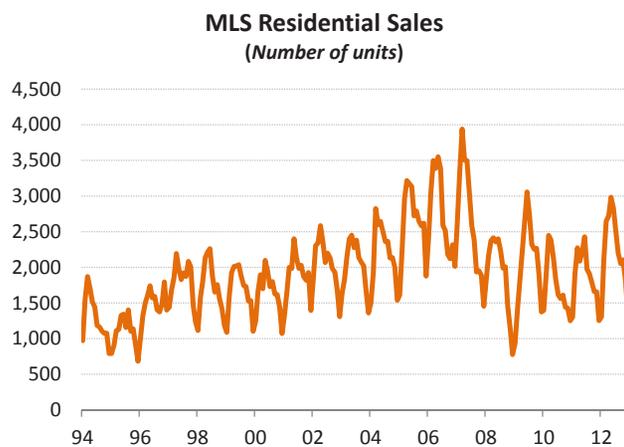
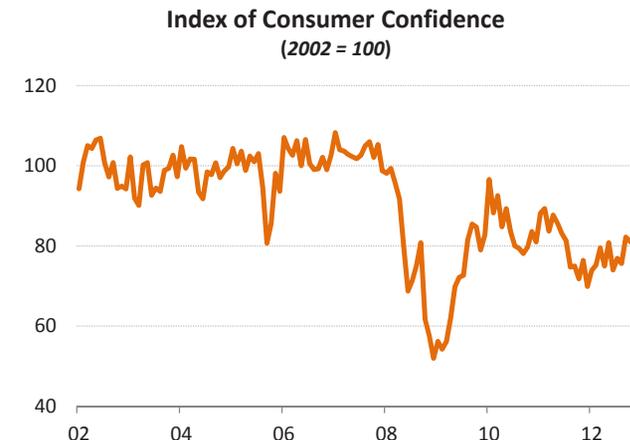
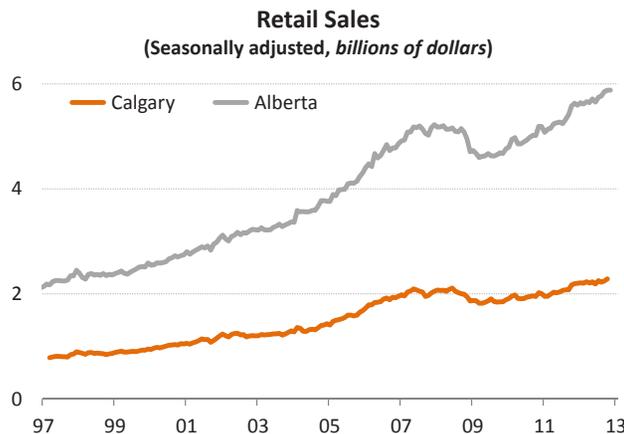


Sources: Statistics Canada, Bank of Canada, Corporate Economics

Current Economic Analysis

Consumer Indicators

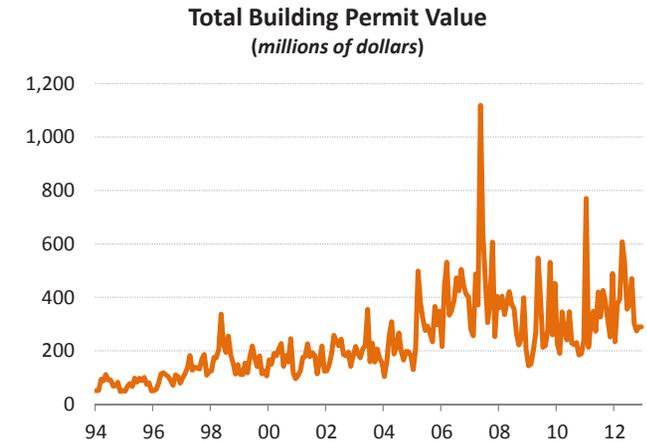
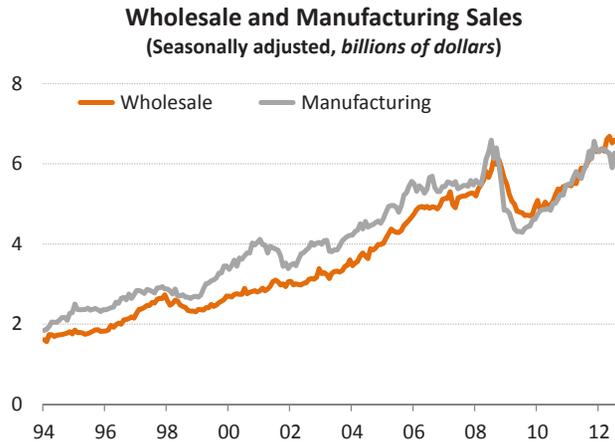
- In November 2012, total retail sales in the CER was estimated at \$2.3 billion, up 1 per cent from October and 5.2 per cent from a year ago. Alberta retail sales remained the same as the previous month, estimating at \$5.9 billion, but a 4.4 per cent increase year-over-year.
- The Index of Consumer Confidence declined in December 2012 by 2.4 points to 77.9 (2002 = 100).
- In December 2012, total housing starts in Calgary (CMA) reached 866 units. The total for the year was 12,841 units, up from 9,292 units in 2011.
- Calgary housing sales in December 2012 was 1,343 units, down 26.7 per cent from 1,831 units in December but up 7.2 per cent from 1,253 units a year ago.
- December's MLS average sale price for Calgary was \$419,811, up 1.4 per cent from last month's average of \$413,921, and 6.9 per cent from \$392,661 a year ago.



Sources: Statistics Canada, Conference Board of Canada, Calgary Real Estate Board (CREB), Canada Mortgage and Housing Corporation (CMHC), Corporate Economics

Business Indicators

- Alberta wholesale merchants' sales were estimated at \$6.7 billion (seasonally adjusted) in November 2012, up 0.8 per cent from the previous month and 4.9 per cent from November 2011.
- Alberta manufacturing sales were estimated at \$6.1 billion (seasonally adjusted) in November 2012, down 1.8 per cent from the previous month and 6.5 per cent from November 2011.
- In December 2012, the total building permit value in the city of Calgary reached \$289 million. The total for the year was estimated at \$4.498 billion, down from \$4.528 billion in 2011.



Sources: Statistics Canada, The City of Calgary, Corporate Economics

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 developed reliable methods of forecasting and analysis.

For more information, please contact:

Patrick Walters

403.268.1335 or patrick.walters@calgary.ca

Estella Scruggs

403.268-5556 or estella.scruggs@calgary.ca

Many of our publications are available on the internet at www.calgary.ca/economy.

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Current Economic Analysis

City of Calgary Monthly Economic Indicators	2009	2010	2011	2011		2012											
				Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Labour Market																	
Unemployment Rate - Calgary Economic Region (CER) (%)	6.3%	7.0%	5.8%	4.9%	4.9%	4.9%	4.9%	5.1%	5.2%	5.2%	4.8%	4.7%	4.8%	5.1%	4.8%	4.4%	4.3%
Unemployment Rate - Canada (%)	8.1%	8.1%	7.5%	6.8%	6.9%	7.3%	7.5%	7.8%	7.6%	7.6%	7.2%	7.2%	7.3%	7.3%	7.1%	6.7%	6.6%
Employment - CER (Person - 000s)	765	755	776	792.8	794.3	795.8	794.4	795.4	795.4	803.5	812.7	818.0	815.8	809.4	808.6	810.6	815.5
Employment Insurance Alberta - # of recipients, seasonally adjusted	56,556	49,778	34,563	29,410	29,490	29,260	27,650	26,700	25,060	24,470	24,200	26,150	27,140	27,380	27,480	27,900	
<i>Year-over-year % change</i>	<i>217.3%</i>	<i>-0.3%</i>	<i>-30.9%</i>	<i>-37.3%</i>	<i>-36.1%</i>	<i>-33.7%</i>	<i>-34.4%</i>	<i>-31.5%</i>	<i>-33.1%</i>	<i>-29.1%</i>	<i>-29.5%</i>	<i>-19.0%</i>	<i>-16.1%</i>	<i>-9.3%</i>	<i>-6.7%</i>	<i>-5.1%</i>	
Employment insurance Calgary - # of recipients, unadjusted	17,747	15,671	10,404	7,110	8,280	9,890	9,490	9,120	7,990	6,870	6,580	9,200	9,290	6,410	6,230	6,760	
<i>Year-over-year % change</i>	<i>261.9%</i>	<i>-11.7%</i>	<i>-33.6%</i>	<i>-40.2%</i>	<i>-36.6%</i>	<i>-32.8%</i>	<i>-32.6%</i>	<i>-31.4%</i>	<i>-34.2%</i>	<i>-32.8%</i>	<i>-32.7%</i>	<i>-5.8%</i>	<i>-13.8%</i>	<i>-15.4%</i>	<i>-12.3%</i>	<i>-4.9%</i>	
City of Calgary Population Estimate (000s)	1,065 [#]	1,072 [#]	1,091 [#]	1,108	1,110	1,113	1,115	1,118	1,120	1,123	1,127	1,130	1,132	1,135	1,138	1,142	1,145
Energy																	
West Texas Intermediate (\$US/barrel)	61.78	79.52	95.13	97.16	98.58	100.32	102.26	106.21	103.35	94.72	82.41	87.95	94.16	94.56	89.57	86.74	88.25
Alberta Natural Gas (Cdn\$/GJ)	3.78	3.80	3.43	3.09	2.81	2.41	2.05	1.71	1.59	1.94	1.86	2.22	2.08	2.19	2.94	3.22	3.01
Prices																	
Inflation Rate - Calgary Census Metropolitan Area (CMA) (%)	-0.1%	0.8%	2.2%	2.0%	2.2%	2.3%	2.4%	2.4%	2.2%	2.1%	2.0%	1.9%	1.8%	1.7%	1.5%	1.3%	1.0%
Inflation Rate - Canada (%)	0.3%	1.8%	2.9%	2.9%	2.9%	2.9%	3.0%	2.8%	2.7%	2.5%	2.4%	2.3%	2.1%	2.0%	1.8%	1.6%	1.5%
Average Hourly Wage Rate - Alberta y-o-y % change	4.4%	1.3%	1.7%	3.9%	2.6%	3.5%	2.1%	3.2%	4.0%	3.4%	5.0%	5.6%	7.4%	6.5%	6.6%	4.9%	5.5%
Average Weekly Earnings* - Alberta y-o-y % change	6.1%	4.5%	4.1%	3.6%	5.0%	2.0%	2.3%	1.8%	1.7%	-1.6%	2.2%	4.2%	1.9%	2.6%	2.2%	2.1%	
General Indicators																	
Canadian Real GDP y-o-y % change - (Chained 2007 dollar)	-3.0%	3.4%	2.6%	2.3%	2.1%	1.9%	1.9%	1.9%	2.5%	2.8%	2.5%	2.0%	1.4%	1.1%	1.1%	1.3%	
<i>Canadian Real GDP m-o-m % change - (Chained 2007 dollar)</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>0.1%</i>	<i>0.5%</i>	<i>0.0%</i>	<i>-0.2%</i>	<i>0.2%</i>	<i>0.4%</i>	<i>0.1%</i>	<i>0.0%</i>	<i>0.2%</i>	<i>-0.1%</i>	<i>0.0%</i>	<i>0.1%</i>	<i>0.3%</i>	
Prime Lending Rate - Bank of Canada (%)	2.40%	2.60%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Consumer Indicators																	
Retail Sales - Alberta, seasonally adjusted (\$billions)	56.0	59.7	63.9	5.6	5.6	5.6	5.6	5.7	5.6	5.7	5.7	5.7	5.8	5.9	5.9	5.9	
Retail Sales - CER, seasonally adjusted (\$billions)	22.3	23.4	24.8	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.3	2.2	2.2	2.3	2.3	
Index of Consumer Confidence - Canada	71.4	84.7	80.6	76.4	69.9	73.9	75.2	79.5	75.0	80.8	74.0	76.9	75.6	82.2	81.1	80.3	77.9
Housing Starts - Calgary CMA	6,318	9,262	9,292	1,106	970	786	1,345	1,069	1,711	949	1,184	910	1,039	1,012	980	990	866
# of Personal Bankruptcies - Alberta	9,986	8,150	7,029	577	483	517	533	568	523	515	484	489	454	421	489	420	
Calgary Residential Unit Sales MLS	24,880	20,996	22,466	1,656	1,253	1,308	2,113	2,647	2,720	2,982	2,832	2,502	2,198	2,054	2,104	1,831	1,343
Calgary Residential Sales to New Listings Ratio MLS	61.14	48.09	53.69	70.29	86.29	39.30	56.42	58.45	62.24	60.29	65.06	70.03	64.67	60.11	69.44	84.07	105.83
Calgary Residential Average Price MLS (\$thousands)	384.3	397.4	401.9	398.7	392.7	382.5	405.7	409.8	414.9	429.5	422.1	409.7	400.3	402.8	418.7	413.9	419.8
Business Indicators																	
Wholesale Sales - Alberta, seasonally adjusted (\$billions)	59.0	61.7	70.5	6.4	6.3	6.3	6.4	6.3	6.6	6.7	6.5	6.6	6.6	6.5	6.6	6.7	
Manufacturing Sales - Alberta, seasonally adjusted (\$billions)	54.0	60.1	70.9	6.6	6.3	6.3	6.4	6.4	6.3	6.3	5.9	6.3	6.3	6.4	6.2	6.1	
# of New Businesses - Calgary	3,075	3,537	4,300	535	299	NA	101	473	200	162	475	202	445	293	549	533	337
# of Business Closures - Calgary	2,623	2,503	2,380	205	140	NA	601	189	162	290	122	239	124	215	225	124	154
# of Business Bankruptcies - Alberta	405	378	264	19	18	20	25	19	20	28	22	16	10	21	18	15	
City of Calgary Total Building Permit Value (\$millions)	3,656	2,913	4,528	252	489	234	376	392	608	534	356	373	470	302	275	290	289

Taken from April Civic Census * Average weekly earnings is wage rate with benefits (including overtime)