

Current Economic Analysis

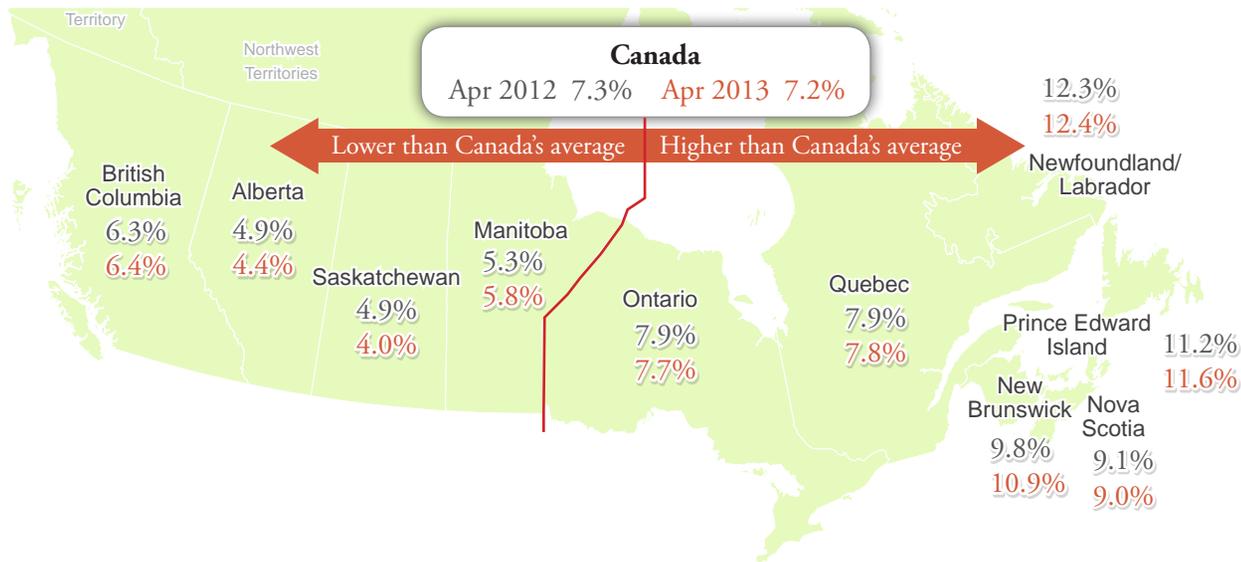
Patrick Walters, City Economist | Estella Scruggs, Corporate Research Analyst

June 4, 2013

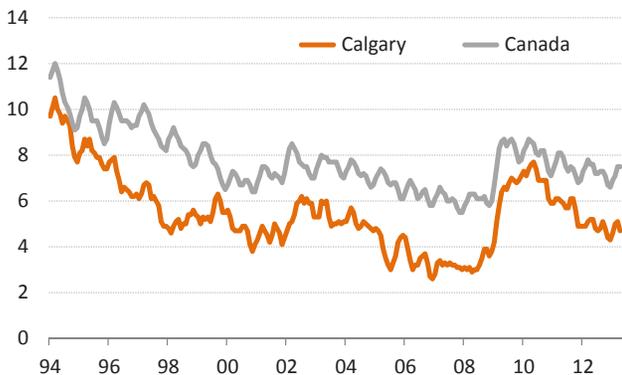
Labour Market (Unadjusted)

- The unemployment rate in the Calgary Economic Region (CER) was 4.7 per cent in April 2013, down from 5.2 per cent in the same time last year. Nationally, the unemployment rate was 7.5 per cent, down from 7.6 per cent in April 2012.
- Total employment in the CER was 812,500 in April 2013, a 2.1 per cent increase from 795,400 in April 2012.
- The CER's working age population was estimated at 1,164,700 in April 2013, up 37,900 from April 2012.

Unemployment Rates, Canada and Provinces (Seasonally adjusted)



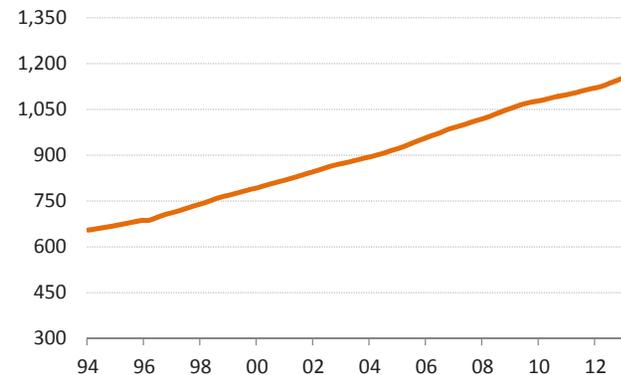
Unemployment Rates (unadjusted, per cent)



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



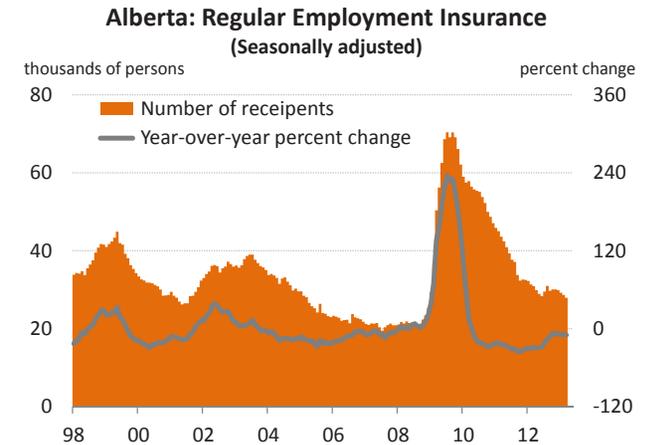
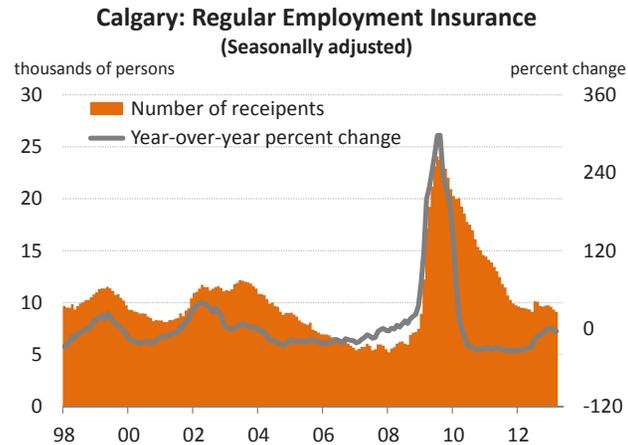
Calgary CER: Working Age Population (unadjusted, thousands of persons)



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

Labour Market (continued)

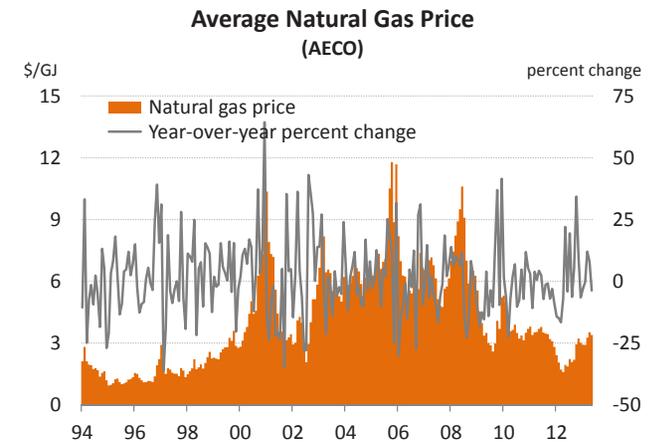
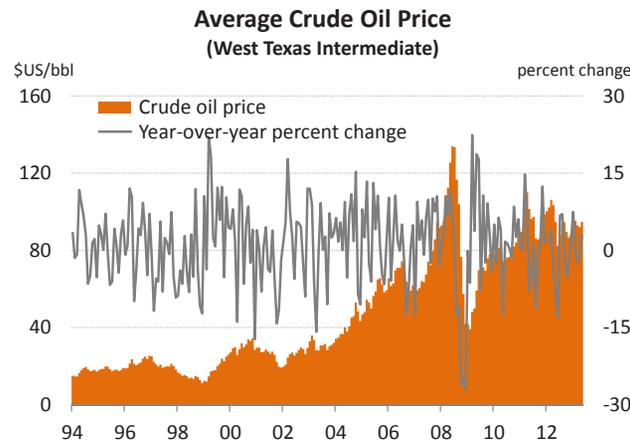
- Between March 2012 and March 2013, the number of Calgarians receiving regular employment insurance fell by 3.9 per cent to 9,110. For Alberta, in the same time period, the number fell by 9.7 per cent to 27,920 year-over-year.



Sources: Statistics Canada, Corporate Economics

Energy

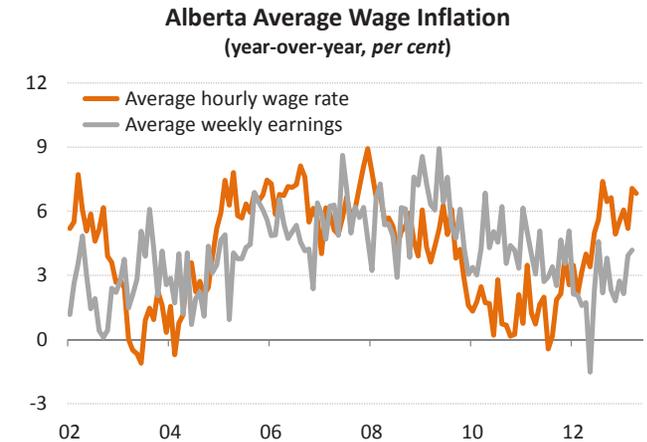
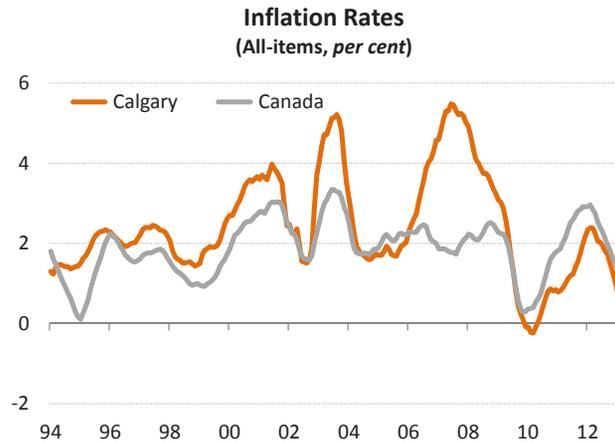
- In April 2013, the average price of crude oil (WTI) was US\$92.07/bbl, down 1 per cent from March 2013 and 10.9 per cent from a year ago.
- The average price of natural gas (AECO) was \$3.52/GJ in April 2013, up 8 per cent from the previous month and 121.4 per cent from April 2012.



Sources: GLJ Energy Publications, Corporate Economics

Prices

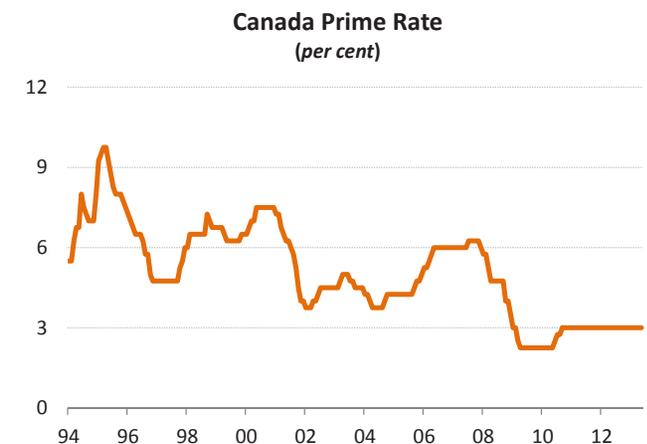
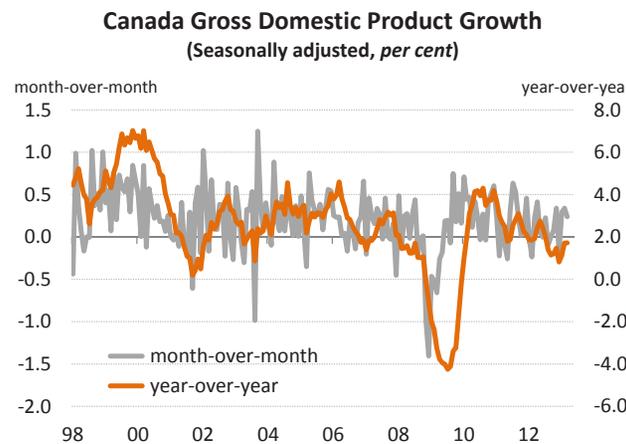
- In April 2013, Calgary's 12-month-moving-average inflation rate remained unchanged at 0.7 per cent compared to the previous month but down from 2.2 per cent in April 2012. Nationally, the inflation rate decreased to 1 per cent from 1.2 per cent in the previous month and 2.7 per cent in April 2012.
- In Alberta, the average hourly wage inflation rate in April 2013 was 6.8 per cent, increased from 4 per cent a year ago. The average weekly earnings growth rate was 4.2 per cent in March 2013, increased from 1.6 per cent in March 2012.



Sources: Statistics Canada, Corporate Economics

General Indicators

- Canada's real gross domestic product (GDP) growth:
 - ▶ **Month-over-month:** edged up 0.2 per cent in March 2013, following a 0.3 per cent increase in February 2013.
 - ▶ **Year-over-year:** increased 1.7 per cent in March 2013, following a 1.7 per cent growth in February 2013.
- The Canadian prime business loan rate remained unchanged at 3 per cent in April 2013.

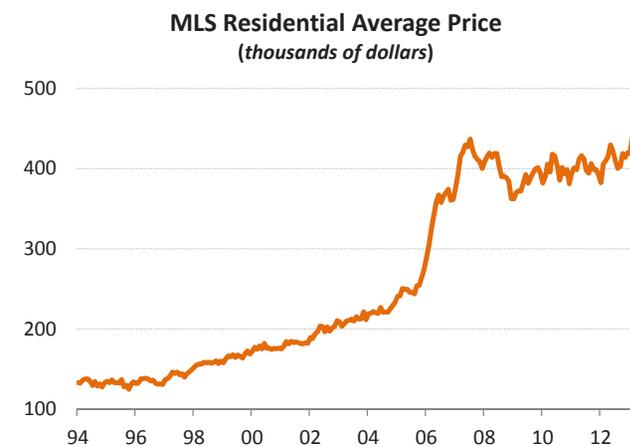
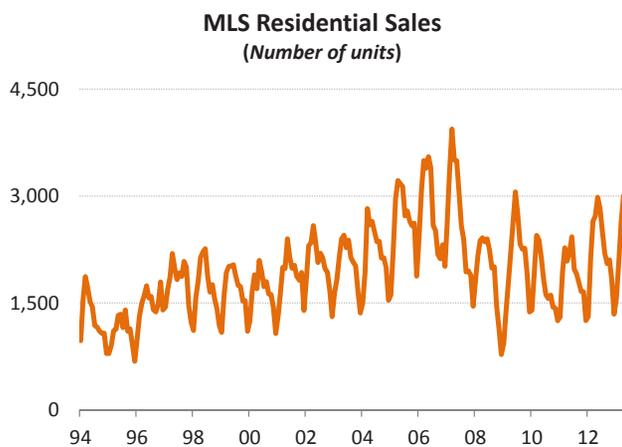
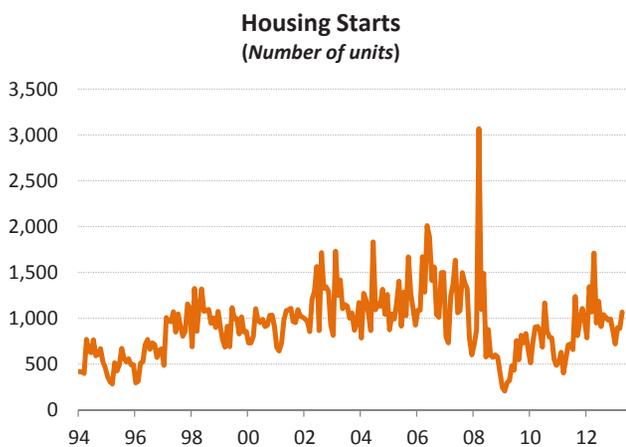
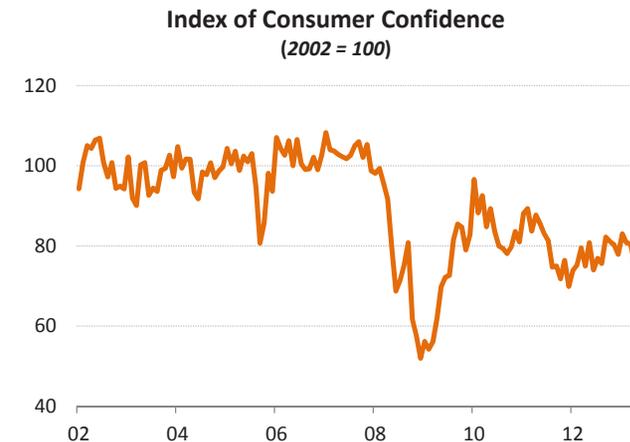


Sources: Statistics Canada, Bank of Canada, Corporate Economics

Current Economic Analysis

Consumer Indicators

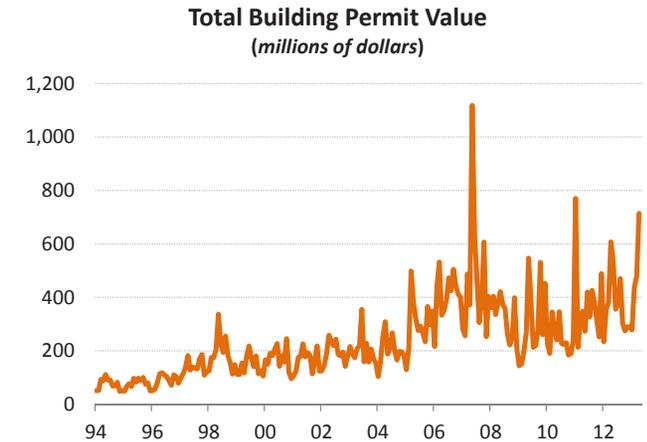
- In March 2013, total retail sales in the CER was estimated at \$2.3 billion (seasonally adjusted), down 2.9 per cent from February but up 4.8 per cent from a year ago. Alberta retail sales were estimated at \$5.9 billion (seasonally adjusted), indicating a 1.8 per cent decrease over the previous month but a 4.7 per cent increase year-over-year.
- The Index of Consumer Confidence decreased in April 2013, dropping 4.9 points to 75.6 (2002 = 100) from March 2013.
- In April 2013, total housing starts in Calgary (CMA) reached 1,067 units, up from 890 units in March but down from 1,711 units a year ago.
- Calgary housing sales in April 2013 was 3,003 units, up 14.1 per cent from 2,631 units in March and 10.4 per cent from 2,720 units a year ago.
- April's MLS average sale price for Calgary was \$429,717, down 2.7 per cent from March's average of \$441,424, but up 3.6 per cent from \$414,932 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 \$6.4 billion (seasonally adjusted) in March 2013, down 3.5 per cent from the previous month but up 2.8 per cent from a year ago.
- Alberta manufacturing sales were estimated at \$6.2 billion (seasonally adjusted) in March 2013, down 0.7 per cent from the previous month and 2 per cent from a year ago.
- In April 2013, the total building permit value in the city of Calgary reached \$714 million, a 49.8 per cent increase from March's total of \$477 million, and a 17.6 per cent increase from \$607 million a year ago.



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

Next update: June 3, 2013

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.

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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	2010	2011	2012	2012										2013			
				Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Labour Market																	
Unemployment Rate - Calgary Economic Region (CER) (%)	7.0%	5.8%	4.9%	5.1%	5.2%	5.2%	4.8%	4.7%	4.8%	5.1%	4.8%	4.4%	4.3%	4.6%	5.0%	5.1%	4.7%
Unemployment Rate - Canada (%)	8.1%	7.5%	7.3%	7.8%	7.6%	7.6%	7.2%	7.2%	7.3%	7.3%	7.1%	6.7%	6.6%	6.9%	7.1%	7.5%	7.5%
Employment - CER (Person - 000s)	755.2	776.1	806.3	795.4	795.4	803.5	812.7	818.0	815.8	809.4	808.6	810.6	815.5	813.8	814.4	808.7	812.5
Employment insurance Alberta - # of recipients (15 years and over), seasonally adjusted **	54,065	38,603	30,163	30,910	29,910	28,910	28,380	29,520	30,970	29,730	30,070	30,070	29,910	29,240	28,670	27,920	
Year-over-year % change **	-0.5%	-28.8%	-20.7%	-29.1%	-29.5%	-29.3%	-27.8%	-21.7%	-16.6%	-12.0%	-7.0%	-7.8%	-8.0%	-9.3%	-8.5%	-9.7%	
Employment insurance Calgary - # of recipients (15 years and over), seasonally adjusted **	17,622	12,108	9,628	9,480	9,420	9,350	9,120	10,130	10,090	9,680	9,630	9,730	9,750	9,610	9,340	9,110	
Year-over-year % change **	-0.8%	-31.5%	-18.9%	-31.7%	-30.0%	-28.2%	-26.9%	-14.2%	-12.0%	-9.5%	-6.0%	-2.0%	0.0%	-0.3%	-1.9%	-3.9%	
City of Calgary Population Estimate (000s)	1,072 ^f	1,091 ^f	1,120 ^f	1,118	1,120	1,123	1,127	1,130	1,132	1,135	1,138	1,142	1,145	1,148	1,152	1,155	1,158
Energy																	
West Texas Intermediate (\$US/barrel)	79.52	95.13	94.21	106.21	103.35	94.72	82.41	87.95	94.16	94.56	89.57	86.74	88.25	94.83	95.32	92.96	92.07
Alberta Natural Gas (Cdn\$/GJ)	3.80	3.43	2.27	1.71	1.59	1.94	1.86	2.22	2.08	2.19	2.94	3.22	3.01	2.92	2.91	3.26	3.52
Prices																	
Inflation Rate - Calgary Census Metropolitan Area (CMA) (%)	0.8%	2.2%	1.0%	2.4%	2.2%	2.1%	2.0%	1.9%	1.8%	1.7%	1.5%	1.3%	1.0%	0.8%	0.7%	0.7%	0.7%
Inflation Rate - Canada (%)	1.8%	2.9%	1.5%	2.8%	2.7%	2.5%	2.4%	2.3%	2.1%	2.0%	1.8%	1.6%	1.5%	1.4%	1.2%	1.2%	1.0%
Average Hourly Wage Rate - Alberta y-o-y % change	1.3%	1.7%	4.8%	3.2%	4.0%	3.4%	5.0%	5.6%	7.4%	6.5%	6.6%	4.9%	5.5%	6.1%	5.2%	7.1%	6.8%
Average Weekly Earnings* - Alberta y-o-y % change	4.4%	4.0%	2.1%	1.6%	1.7%	-1.5%	2.3%	4.6%	2.2%	3.8%	2.3%	1.8%	2.7%	2.1%	3.9%	4.2%	
General Indicators																	
Canadian Real GDP y-o-y % change - (Chained 2007 dollar)	3.4%	2.6%	1.8%	1.9%	2.4%	2.8%	2.4%	2.0%	1.4%	1.1%	1.2%	1.5%	0.8%	1.1%	1.7%	1.7%	
Canadian Real GDP m-o-m % change - (Chained 2007 dollar)	--	--	--	0.2%	0.4%	0.1%	0.0%	0.2%	-0.1%	0.0%	0.1%	0.3%	-0.2%	0.3%	0.3%	0.2%	
Prime Lending Rate - Bank of Canada (%)	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%	3.00%
Consumer Indicators																	
Retail Sales - Alberta, seasonally adjusted (\$billions)	59.7	63.9	68.3	5.6	5.6	5.7	5.6	5.7	5.7	5.8	5.8	5.9	5.7	5.8	6.0	5.9	
Retail Sales - CER, seasonally adjusted (\$billions)	23.4	24.8	26.7	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.3	2.3	2.4	2.3	
Index of Consumer Confidence - Canada	84.7	80.6	77.7	79.5	75.0	80.8	74.0	76.9	75.6	82.2	81.1	80.3	77.9	83.0	80.8	80.5	75.6
Housing Starts - Calgary CMA	9,262	9,292	12,841	1,069	1,711	949	1,184	910	1,039	1,012	980	990	866	719	896	890	1,067
# of Personal Bankruptcies - Alberta	8,150	7,029	5,759	568	523	515	484	489	454	421	489	420	346	446	412	429	
Calgary Residential Unit Sales MLS	20,996	22,466	26,634	2,647	2,720	2,982	2,832	2,502	2,198	2,054	2,104	1,831	1,343	1,572	2,071	2,631	3,003
Calgary Residential Sales to New Listings Ratio MLS	48.09	53.69	66.33	58.45	62.24	60.29	65.06	70.03	64.67	60.11	69.44	84.07	105.83	48.04	59.58	62.27	64.39
Calgary Residential Average Price MLS (\$thousands)	397.4	401.9	410.8	409.8	414.9	429.5	422.1	409.7	400.3	402.8	418.7	413.9	419.8	418.9	438.8	441.4	429.7
Business Indicators																	
Wholesale Sales - Alberta, seasonally adjusted (\$billions)	61.4	69.9	77.5	6.3	6.5	6.6	6.4	6.5	6.5	6.5	6.5	6.6	6.5	6.5	6.7	6.4	
Manufacturing Sales - Alberta, seasonally adjusted (\$billions)	60.1	70.9	74.8	6.3	6.3	6.1	6.0	6.2	6.0	6.2	6.0	6.0	5.9	6.1	6.2	6.2	
# of New Businesses - Calgary	3,537	4,300	3,770	473	200	162	475	202	445	293	549	533	337	NA	549	344	271
# of Business Closures - Calgary	2,503	2,380	2,445	189	162	290	122	239	124	215	225	124	154	NA	785	243	165
# of Business Bankruptcies - Alberta	378	264	230	19	20	28	22	16	10	21	18	15	16	10	14	12	
City of Calgary Total Building Permit Value (\$millions)	2,913.0	4,528.3	4,466.4	382.7	607.4	533.8	355.6	372.8	470.3	302.5	274.6	290.0	289.4	278.5	437.4	476.7	714.1

^f Taken from April Civic Census * Average weekly earnings is wage rate with benefits (including overtime) ** In March 2013, employment insurance data have been reconstructed with a new methodology by Statistics Canada. This change has affected the data over the entire historical period.