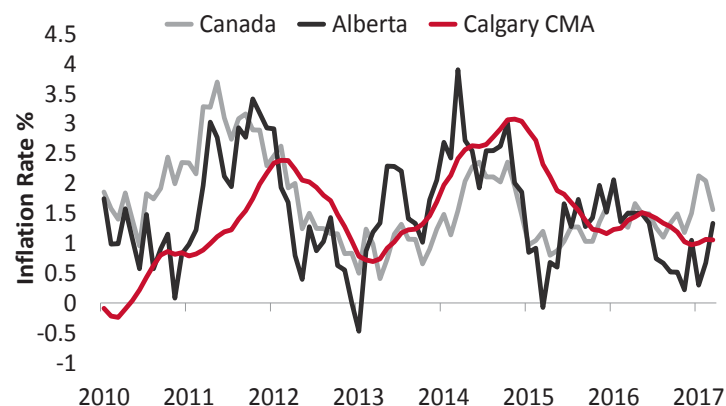


Highlights:

- Inflation in Calgary was 1.06 per cent in March (12-month moving average). We were expecting lower inflation in Calgary this month but retail gasoline prices increased more than expected. Also, it appears that the recent carbon levy is being passed on to consumers in the form of price increases in other goods and services like personal care and recreation activities. Further, prices for food items had been dropping recently in Calgary but that downward trend appears to have all but stopped now.
- Headline inflation in Alberta in March was 1.3 per cent (12-month moving average) down from 2.2 per cent last month and only slightly lower than last year's 1.5 per cent.
- Canada-wide March inflation (12-month moving average) came in at 1.6 per cent with food price declines across the country offsetting rising housing prices in Ontario.

Headline Inflation Comparison

(12MMA, Year-over-year change, January 2010 - March 2017, per cent)



Source: Statistics Canada, Corporate Economics

Next release on May 19, 2017

Inflation Rates

	Relative Importance (%)*	Year-over-year (12 MMA,%)			Month-over-month (12MMA, %)		
		Mar-17	Feb-17**	Mar-16	Mar-17	Feb-17**	Mar-16
Calgary: All-items	100.00	1.06	1.06	1.39	0.07	(0.15)	0.82
Calgary: All-items excluding food and energy	76.49	1.27	1.73	1.99	0.22	0.52	0.68
Food	15.99	(0.71)	(1.55)	2.74	0.43	0.57	(0.43)
Shelter	26.56	(0.12)	0.12	0.31	(0.91)	(1.20)	(0.67)
Rented accommodation	5.40	(2.33)	(2.33)	0.23	(0.24)	(0.16)	(0.23)
Owned accommodation	16.24	0.87	0.82	1.33	(0.05)	(0.05)	(0.11)
Water, fuel and electricity	4.84	(1.42)	(1.08)	(4.01)	(4.13)	(5.48)	(3.80)
Household operations, furnishing and equipment	12.27	(0.42)	(0.16)	2.63	(0.00)	(0.01)	0.25
Clothing and footwear	5.88	0.20	1.89	(1.73)	3.01	1.60	4.75
Transportation	20.44	3.72	7.52	1.18	(0.60)	(1.54)	3.04
Gasoline	3.81	13.47	37.59	(10.01)	(0.69)	(9.76)	20.42
Health and personal care	4.65	1.44	0.83	2.25	0.60	(0.30)	(0.00)
Recreation, education and reading	11.37	4.43	4.76	1.39	0.70	2.21	1.02
Alcoholic beverages and tobacco products	2.83	2.31	1.98	8.40	0.25	0.51	(0.08)
Alberta: All-items	100.00	1.33	2.17	1.50	0.07	(0.22)	0.90
Alberta: All-items excluding food and energy	76.49	1.28	1.81	2.07	0.22	0.45	0.76
Canada: All-items	100.00	1.56	2.05	1.27	0.15	0.15	0.63
Canada: All-items excluding food and energy	74.85	1.71	2.04	1.74	0.32	0.40	0.65

Sources: Statistics Canada, Corporate Economics, April 2017

* 2013 CPI basket weights at January 2015 prices, date modified February 26, 2015

** CPI historical data was adjusted by Statistics Canada on April 21, 2017

Figures in parentheses indicate negative.

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.

For more information, please contact:

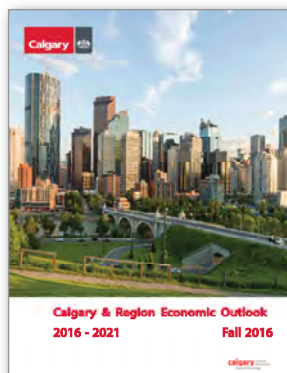
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Many of our publications are available on the internet at www.calgary.ca/inflation.

Forecasting



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- ▶ Current Economic Analysis
- ▶ Labour Market Review
- ▶ Housing Review
- ▶ Inflation Review

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- ▶ A Case of Fiscal Imbalance: The Calgary Experience
- ▶ Diesel Fuel Price Pass-Through in Calgary
- ▶ Calgary Residential and Commercial Real Estate Markets

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Sources: Statistics Canada, Bank of Canada, Corporate Economics