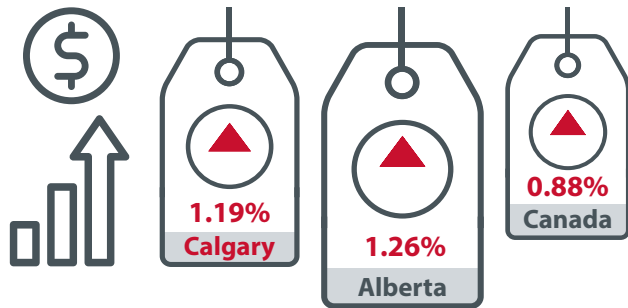


### November 2020 Headline Inflation

Comparison is based on 12-month-moving-average of the Consumer Price Index



### Major Contributors to Calgary's Inflation Rate November 2020



### Calgary's Inflation Conditions and Contributing Factors

In November 2020, the Consumer Price Index (CPI) in Calgary CMA increased by 1.2 per cent on a twelve-month-moving-average\* basis. The year-over-year CPI increased by 1.3 per cent from November 2019.

The year-to-date inflation for the last eleven months was 1.1 per cent in November 2020 compared to 1.3 per cent in November 2019. It took ten months in 2019 to reach the same pace of year-to-date inflation observed in November of 2020.

The major contributor to the November 2020 inflation was the cost of food and shelter. It added a 0.8 percentage point to the year-to-date inflation in 2020, lower than the 1.1 percentage points contribution to the inflation rate in November 2019.

Transportation was the second largest contributor to inflation in November. It added 0.3 percentage points to the year-to-date inflation rate in November 2020.

The largest contributor to the decline of inflation was household operations, furnishing and equipment, and it contributed -0.1 percentage points to the total inflation.

### External Inflation Conditions and Contributing Factors

The largest annual inflation ticket-item in Alberta in November 2020 was the increase in natural gas prices caused by colder weather and an expected increase in demand. The least annual inflation ticket-item was electricity.

### Inflation Rates

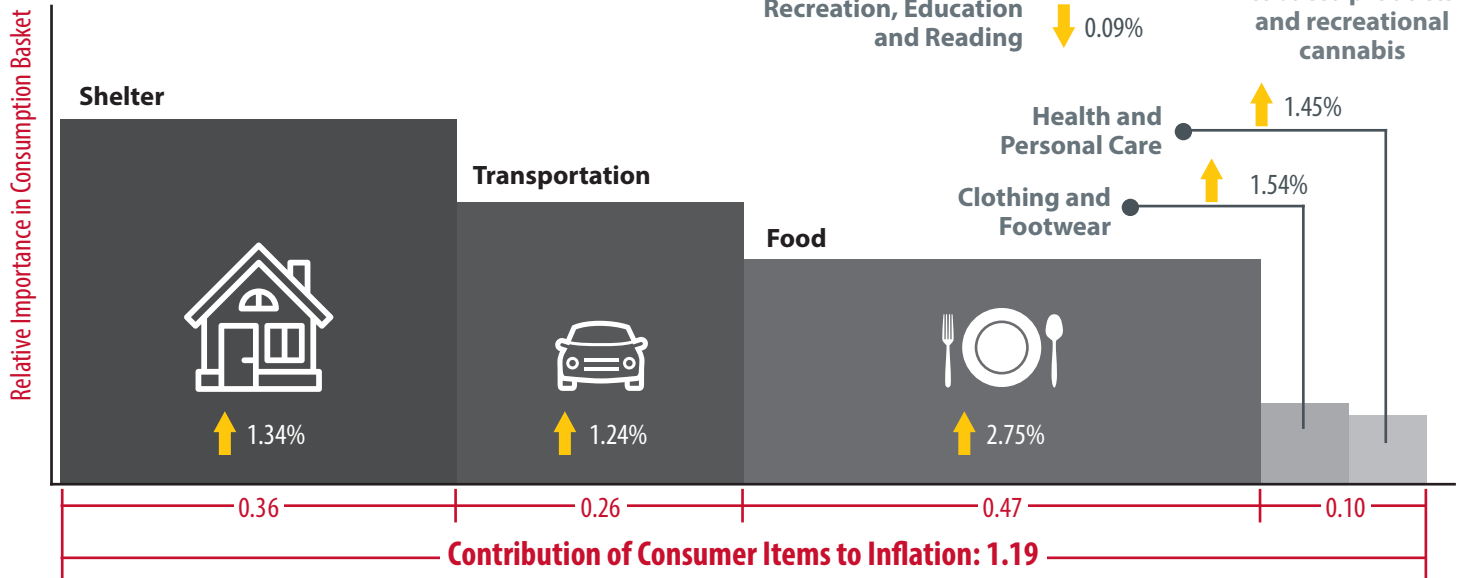
	Relative Importance (%) <sup>*</sup>	Year-over-year (12-MMA, %)			Year-to-Date (12-MMA, %)		
		Nov-20	Oct-20	Sep-20	Nov-20	Oct-20	Sep-20
Calgary: All-items	100.00	1.19	1.19	1.26	1.05	0.91	0.84
Calgary: All-items excluding food and energy	76.28	1.22	1.37	1.44	1.15	1.08	1.00
Food	16.59	2.75	2.90	3.04	2.48	2.34	2.14
Shelter	26.26	1.34	1.34	1.40	1.16	1.05	0.93
Rented accommodation	5.68	0.63	0.48	0.71	0.55	0.40	0.48
Owned accommodation	15.48	1.46	1.52	1.62	1.30	1.20	1.09
Water, fuel and electricity	5.09	1.37	1.31	1.04	0.97	0.78	0.52
Household operations, furnishing and equipment	12.93	-0.41	-0.57	-0.65	-0.33	-0.41	-0.41
Clothing and footwear	5.15	1.54	2.07	2.49	1.13	1.33	1.44
Transportation	20.28	1.24	1.04	0.76	1.04	0.69	0.41
Gasoline	3.26	-11.31	-12.13	-13.55	-11.37	-11.43	-11.37
Health and personal care	4.81	1.45	1.45	1.53	1.23	1.09	1.01
Recreation, education and reading	10.49	-0.09	0.09	0.35	-0.26	-0.26	-0.17
Alcoholic beverages, tobacco products and recreational cannabis	3.48	-0.06	0.29	0.47	0.00	0.17	0.23
Alberta: All-items	100.00	1.26	1.26	1.33	1.05	0.91	0.84
Alberta: All-items excluding food and energy	76.28	1.29	1.44	1.51	1.15	1.08	1.00
Canada: All-items	100.00	0.88	0.96	1.03	0.66	0.59	0.51
Canada: All-items excluding food and energy	77.01	1.23	1.23	1.31	1.07	0.92	0.84

On a twelve-month-moving-average basis, the Consumer Price Index (CPI) for Alberta and Canada in November 2020 rose by 1.3 and 0.9 percent, respectively. In November 2020, the year-over-year CPI rose 1.3 per cent in Alberta and 1.0 per cent in Canada.

\* Consumer Price Index (CPI) basket weights are based on the 2017 Survey of Household Spending, modified on February 2019.

Sources: Statistics Canada, Corporate Economics, December 16, 2020

Calgary Census Metropolitan Area Share of Goods and Services of a Typical Urban Dweller Consumption Basket, 2017 Weights, **November 2020**



Sources: Statistics Canada, Corporate Economics, December 16, 2020

Next release: January 20, 2021

\* Twelve-month-moving average is done by taking an average over a 12-month consecutive data series. The discussion of CPI here is on a twelve-month-moving-average unless stated otherwise.

## Glossary:

**Headline Inflation:** This is the inflation rate measured using all components of the consumer basket of goods and services.

**Core Inflation:** This is the inflation rate after excluding food and transportation from the consumer basket of goods and services.

**Overnight Rate:** The interest rate the Bank of Canada charges commercial banks to borrow money.

## 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.

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Sources: Statistics Canada, Bank of Canada, Corporate Economics