

Current Economic Analysis

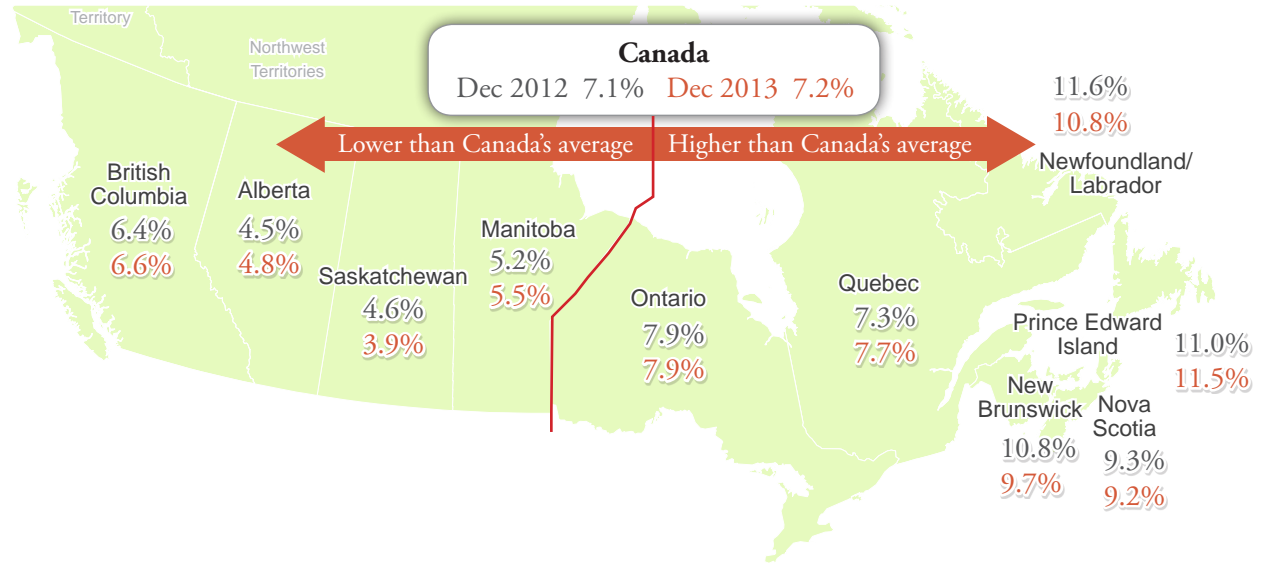
Patrick Walters, City Economist | Estella Scruggs, Corporate Research Analyst

January 30, 2014

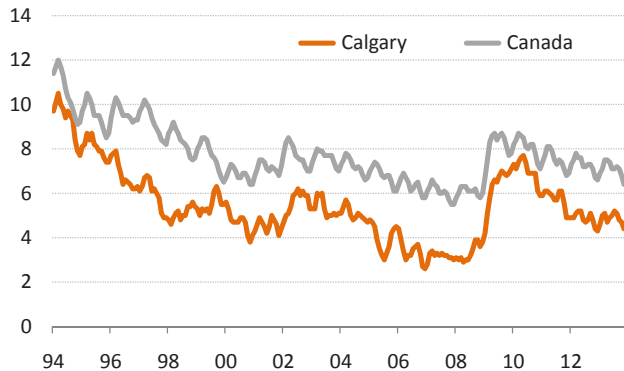
Labour Market (Unadjusted)

- The unemployment rate in the Calgary Economic Region (CER) was 4.4 per cent in December 2013, up from 4.3 per cent for the same time last year. Nationally, the unemployment rate was 6.5 per cent, down from 6.6 per cent in December 2012.
- Total employment in the CER was 846,700 in December 2013, a 3.8 per cent increase from 815,500 in December 2012.
- The CER's working age population was estimated at 1,197,600 in December 2013, up 46,500 from December 2012.

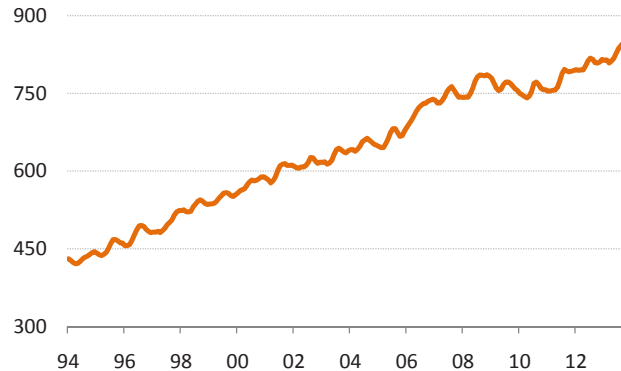
Unemployment Rates, Canada and Provinces (Seasonally adjusted)



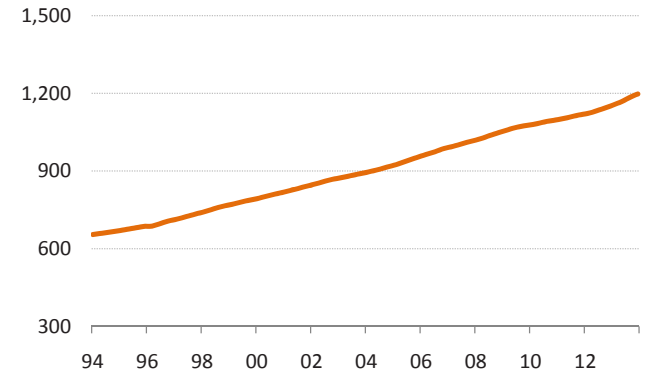
Unemployment Rates (unadjusted, per cent)



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



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

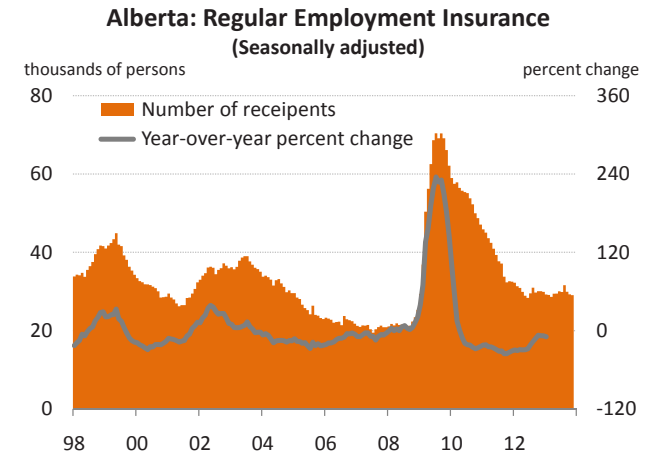
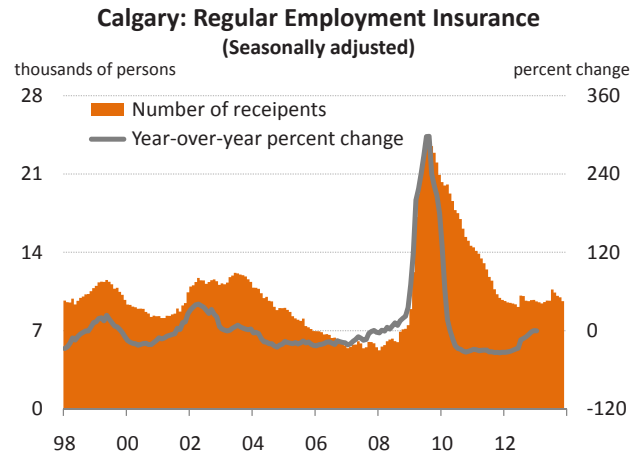


Sources: Statistics Canada, City of Calgary Civic Census, Corporate Economics

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Labour Market (continued)

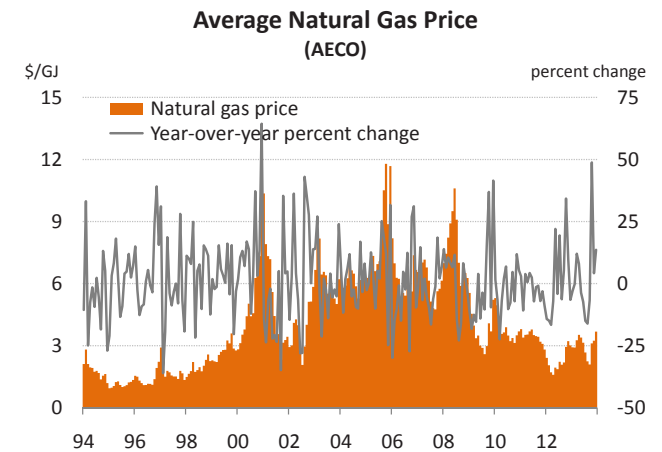
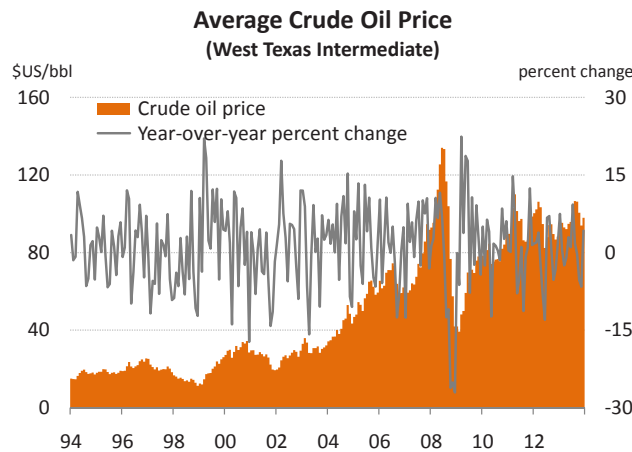
- Between November 2012 and November 2013, the number of Calgarians receiving regular employment insurance fell by 1 per cent to 9,630. For Alberta, during the same time period, the number fell by 3.4 per cent to 29,060 year-over-year.



Sources: Statistics Canada, Corporate Economics

Energy

- In December 2013, the average price for crude oil (WTI) was US\$97.91/bbl, up 4.2 per cent from November 2013 and 10.9 per cent from a year ago.
- The average price for natural gas (AECO) was \$3.68/GJ in December 2013, up 13.6 per cent from the previous month and 22.3 per cent from December 2012.

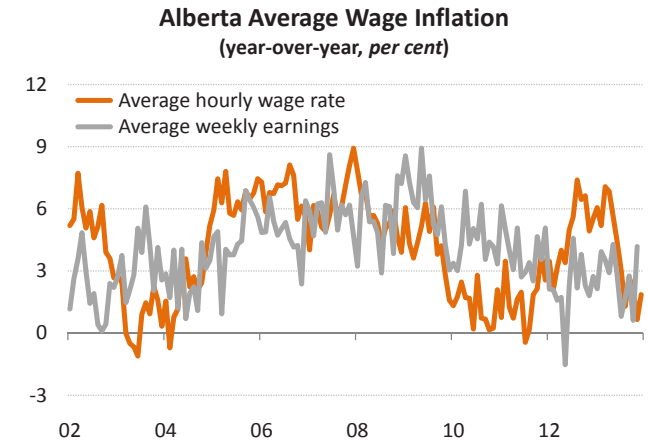
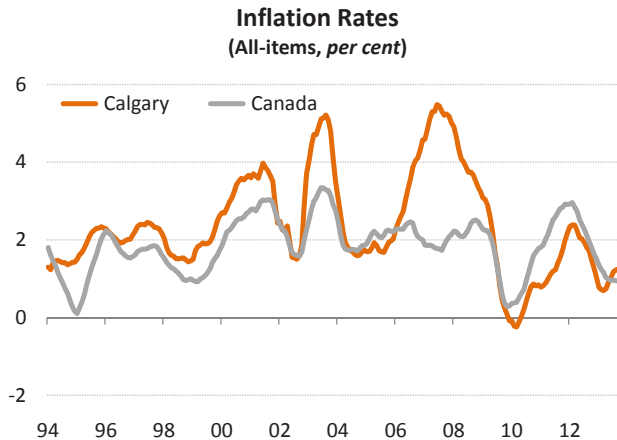


Sources: GLJ Energy Publications, Corporate Economics

Current Economic Analysis

Prices

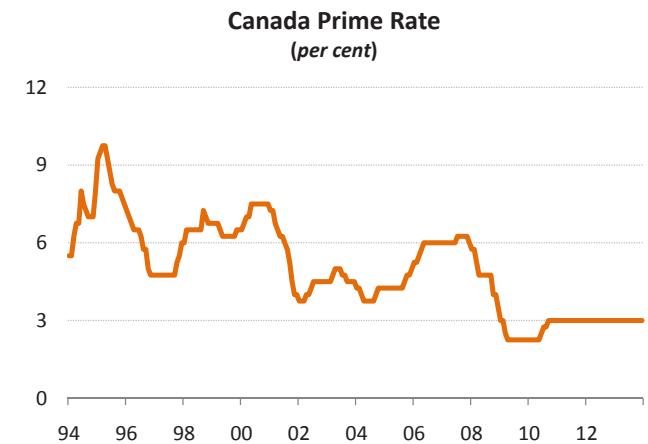
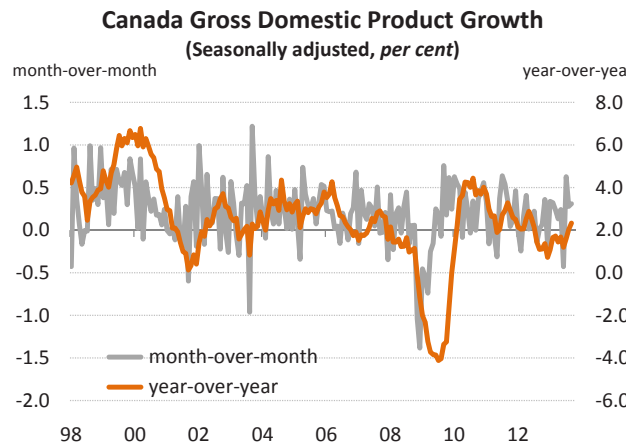
- In December 2013, Calgary's 12-month-moving-average inflation rate increased to 1.7 per cent from 1.5 per cent in November 2013 and 1 per cent in December 2012. Nationally, the inflation rate remained unchanged at 0.9 per cent in December 2013 from the previous month, but decreased from 1.5 per cent in December 2012.
- In Alberta, the average hourly wage inflation rate in December 2013 was 1.9 per cent, decreased from 5.5 per cent a year ago. The average weekly earnings growth rate was 4.2 per cent in November 2013, increased from 1.8 per cent in November 2012.



Sources: Statistics Canada, Corporate Economics

General Indicators

- Canada's real gross domestic product (GDP) growth:
 - ▶ **Month-over-month:** grew 0.3 per cent in October 2013, a fourth consecutive monthly increase.
 - ▶ **Year-over-year:** increased 2.7 per cent in October 2013, following a 2.4 per cent growth in September 2013.
- The Canadian prime business loan rate remained unchanged at 3 per cent in December 2013.

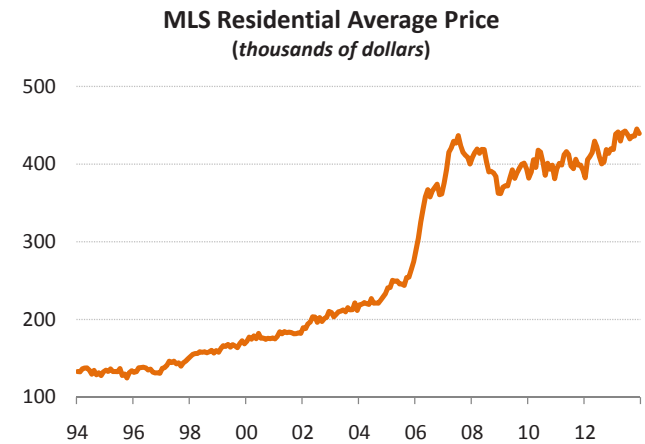
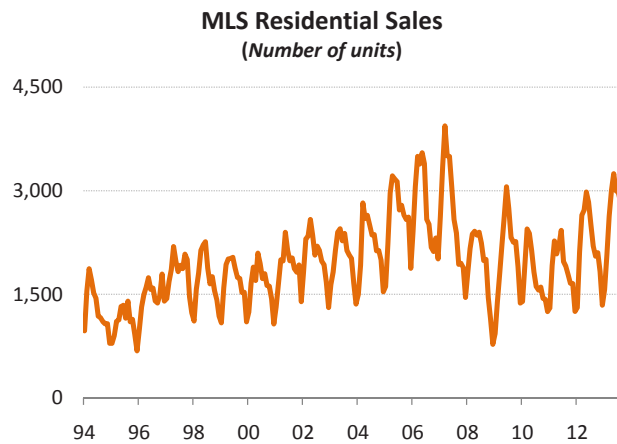
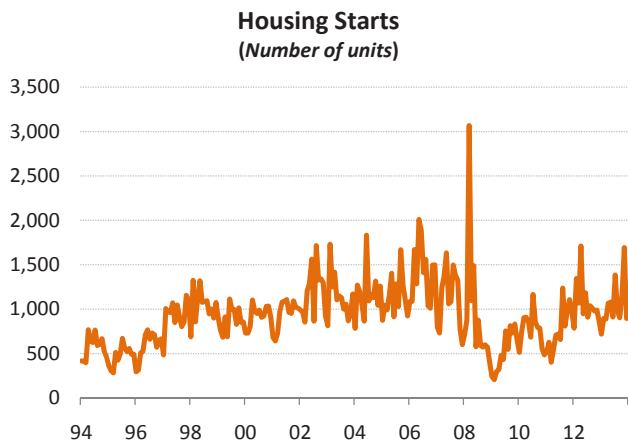
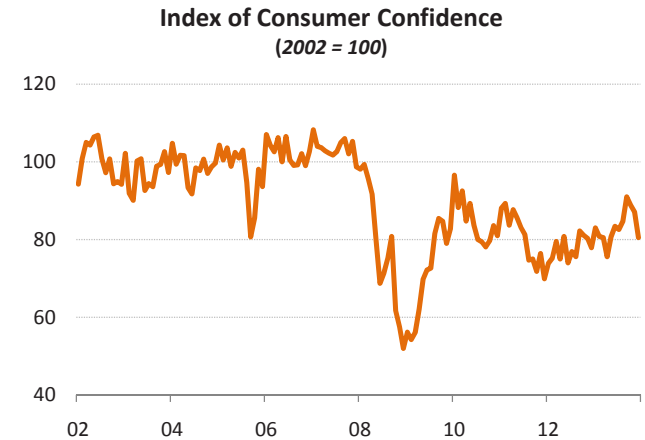
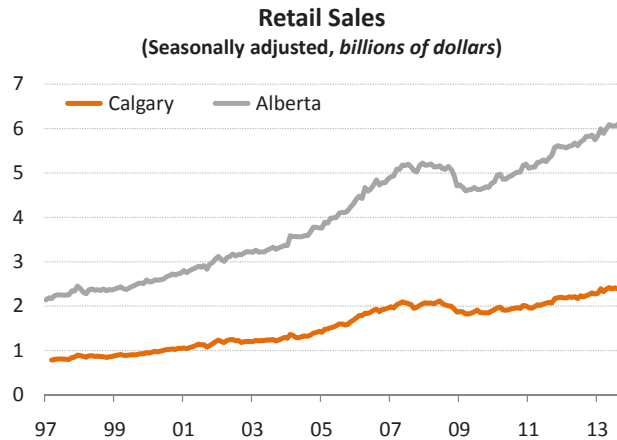


Sources: Statistics Canada, Bank of Canada, Corporate Economics

Current Economic Analysis

Consumer Indicators

- In November 2013, total retail sales in the CER was estimated at \$2.5 billion (seasonally adjusted), up 2.4 per cent from August and 7.8 per cent from a year ago. Alberta retail sales were estimated at \$6.2 billion (seasonally adjusted), indicating a 0.6 per cent increase over the previous month and a 6.8 per cent increase year-over-year.
- The Index of Consumer Confidence in December has declined for a third consecutive month, dropping 6.6 points from November to 80.5 (2002=100).
- In December 2013, total housing starts in Calgary (CMA) reached 896 units, down from 1,693 units in November but up from 866 units a year ago.
- Calgary housing sales in December was 1,464 units, down 32.6 per cent from 2,173 units in November but up 9 per cent from 1,343 units a year ago.
- December's MLS average sale price for Calgary was \$439,389, down 1.3 per cent from November's average of \$445,114, but up 4.7 per cent from \$419,811 a year ago.



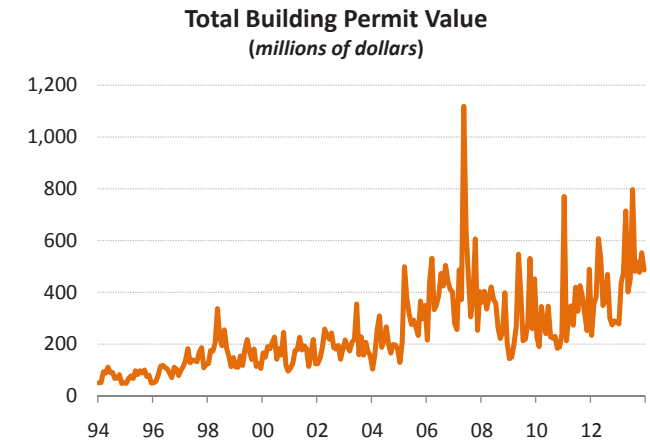
Sources: Statistics Canada, Conference Board of Canada, Calgary Real Estate Board (CREB), Canada Mortgage and Housing Corporation (CMHC), Corporate Economics

Current Economic Analysis



Business Indicators

- Alberta wholesale merchants' sales were estimated at \$6.7 billion (seasonally adjusted) in November 2013, down 2.4 per cent from the previous month but up 1.5 per cent from a year ago.
- Alberta manufacturing sales were estimated at \$6.4 billion (seasonally adjusted) in November 2013, up 0.6 per cent from the previous month and 7.1 per cent from the same time last year.
- In December 2013, the total building permit value in the city of Calgary reached \$486 million, a 12 per cent decrease from November's total of \$553 million, but a 70.6 per cent increase from \$285 million a year ago. The total building permit value for the entire year of 2013 was \$6.1 billion, up from \$4.4 billion for 2012.



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

Next update: February 27, 2014

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											
				Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Labour Market																	
Unemployment Rate - Calgary Economic Region (CER) (%)	7.0%	5.8%	4.9%	4.4%	4.3%	4.6%	5.0%	5.1%	4.7%	4.9%	5.0%	5.2%	5.1%	4.8%	4.7%	4.4%	4.4%
Unemployment Rate - Canada (%)	8.1%	7.5%	7.3%	6.7%	6.6%	6.9%	7.1%	7.5%	7.5%	7.4%	7.1%	7.1%	7.2%	7.1%	6.8%	6.4%	6.5%
Employment - CER (Person - 000s)	755.2	776.1	806.3	810.6	815.5	813.8	814.4	808.7	812.5	817.8	827.1	836.5	842.3	847.1	846.7	846.4	846.7
Employment insurance Alberta - # of recipients (15 years and over), seasonally adjusted **	54,065	38,603	30,163	30,070	29,910	29,240	29,120	28,630	29,450	29,460	30,040	29,860	31,600	29,920	29,260	29,060	
Year-over-year % change **	-0.5%	-28.8%	-20.7%	-7.8%	-8.0%	-9.3%	-7.1%	-7.4%	-1.5%	1.9%	5.8%	1.2%	2.0%	0.6%	-2.7%	-3.4%	
Employment insurance Calgary - # of recipients (15 years and over), seasonally adjusted **	17,622	12,108	9,628	9,730	9,750	9,610	9,530	9,430	9,550	9,690	9,680	10,680	10,400	10,110	9,980	9,630	
Year-over-year % change **	-0.8%	-31.5%	-18.9%	-2.0%	0.0%	-0.3%	0.1%	-0.5%	1.4%	3.6%	6.1%	5.4%	3.1%	4.4%	3.6%	-1.0%	
City of Calgary Population Estimate (000s)	1,072	1,091	1,120	1,137	1,140	1,142	1,145	1,147	1,150	1,153	1,157	1,162	1,166	1,171	1,175	1,178	1,181
Energy																	
West Texas Intermediate (\$US/barrel)	79.52	95.13	94.21	86.74	88.25	94.83	95.32	92.96	92.07	94.79	95.80	104.70	106.54	106.24	100.55	93.93	97.91
Alberta Natural Gas (Cdn\$/GJ)	3.80	3.43	2.27	3.22	3.01	2.92	2.91	3.26	3.52	3.39	3.14	2.67	2.24	2.09	3.11	3.24	3.68
Prices																	
Inflation Rate - Calgary Census Metropolitan Area (CMA) (%)	0.8%	2.2%	1.0%	1.3%	1.0%	0.8%	0.7%	0.7%	0.7%	0.9%	1.0%	1.2%	1.2%	1.2%	1.3%	1.5%	1.7%
Inflation Rate - Canada (%)	1.8%	2.9%	1.5%	1.6%	1.5%	1.4%	1.2%	1.2%	1.0%	1.0%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.9%
Average Hourly Wage Rate - Alberta y-o-y % change	1.3%	1.7%	4.8%	4.9%	5.5%	6.1%	5.2%	7.1%	6.8%	5.6%	4.4%	3.0%	1.3%	2.7%	2.1%	0.7%	1.9%
Average Weekly Earnings* - Alberta y-o-y % change	4.4%	4.0%	2.1%	1.8%	2.7%	2.1%	3.9%	3.5%	2.9%	4.3%	2.8%	0.8%	1.7%	2.8%	0.6%	4.2%	
General Indicators																	
Canadian Real GDP y-o-y % change - (Chained 2007 dollar)	3.5%	2.7%	1.8%	1.4%	0.7%	1.1%	1.7%	1.8%	1.5%	1.7%	1.3%	1.7%	2.1%	2.4%	2.7%		
Canadian Real GDP m-o-m % change - (Chained 2007 dollar)	--	--	--	0.4%	-0.2%	0.3%	0.3%	0.3%	0.1%	0.2%	-0.4%	0.6%	0.2%	0.3%	0.3%		
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	5.9	5.7	5.8	6.0	5.9	6.0	6.1	6.1	6.1	6.1	6.2	6.2	6.2	
Retail Sales - CER, seasonally adjusted (\$billions)	23.4	24.8	26.7	2.3	2.3	2.3	2.4	2.3	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.5	
Index of Consumer Confidence - Canada	84.7	80.6	77.7	80.3	77.9	83.0	80.8	80.5	75.6	80.7	83.4	82.6	84.7	91.0	88.9	87.1	80.5
Housing Starts - Calgary CMA	9,262	9,292	12,841	990	866	719	896	890	1,067	1,078	912	1,385	982	904	1,162	1,693	896
# of Personal Bankruptcies - Alberta	8,150	7,029	5,759	420	346	446	412	429	464	434	375	385	379	375	383		
Calgary Residential Unit Sales MLS	20,996	22,466	26,634	1,831	1,343	1,572	2,071	2,631	3,003	3,247	3,002	2,976	2,830	2,475	2,510	2,173	1,464
Calgary Residential Sales to New Listings Ratio MLS	48.09	53.69	66.33	84.07	105.83	48.04	59.58	62.27	64.39	65.76	75.29	78.30	76.94	68.18	75.65	90.73	112.88
Calgary Residential Average Price MLS (\$thousands)	397.4	401.9	410.8	413.9	419.8	418.9	438.8	441.4	429.7	440.7	442.5	438.2	432.6	435.9	436.2	445.1	439.4
Business Indicators																	
Wholesale Sales - Alberta, seasonally adjusted (\$billions)	61.4	69.9	77.5	6.6	6.5	6.5	6.7	6.4	6.5	6.6	6.5	6.7	6.6	6.6	6.8	6.7	
Manufacturing Sales - Alberta, seasonally adjusted (\$billions)	60.6	71.1	73.5	6.0	5.9	6.1	6.2	6.1	6.0	6.2	6.2	6.4	6.5	6.2	6.4	6.4	
# of New Businesses - Calgary	3,537	4,300	3,770	533	337	NA	549	344	271	244	153	124	278	665	481	524	257
# of Business Closures - Calgary	2,503	2,380	2,445	124	154	NA	785	243	165	209	146	140	193	211	156	215	118
# of Business Bankruptcies - Alberta	378	264	230	15	16	10	14	15	11	9	9	9	7	13	15		
City of Calgary Total Building Permit Value (\$millions)	2,913.0	4,528.3	4,447.7	289.5	285.2	278.5	437.4	476.7	714.1	402.1	453.0	796.6	481.6	516.9	477.5	552.9	486.4

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.