

# Alberta Economy

## Indicators at a Glance

### Economic Activity

The Alberta Activity Index (AAX) was up 2.1% year-over-year (y/y) in August, with year-to-date growth at 2.9%. Alberta's real GDP by expenditure grew by 4.4% in 2017, the largest gain among the provinces.

### Population

Alberta's population was 4,307,110 as of July 1, 2018, an increase of 1.5% from the year prior. Canada's population also grew 1.4% from a year ago.

### Migration

Net migration to Alberta was 10,378 in the second quarter of 2018. During this time, Alberta welcomed 9,536 net international migrants. The province also recorded a small net inflow of interprovincial migrants (+842).

### Employment<sup>1</sup>

Employment in Alberta gained 23,700 jobs in November, mostly in private sector and full-time work. Employment rose 2.6% y/y, driven by gains in full-time.

### Unemployment Rate<sup>1</sup>

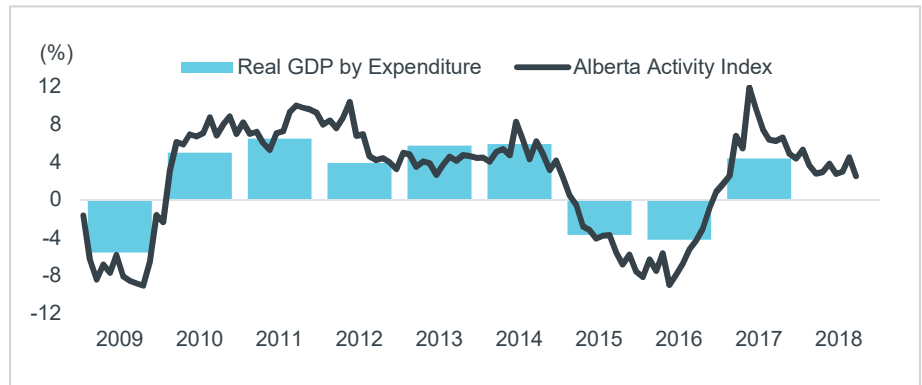
Alberta's unemployment rate fell 1.0 percentage point to 6.3% in November. Canada's unemployment rate edged down 0.2 percentage points to 5.6%.

### Rigs Drilling

The number of active rigs in Alberta averaged 134 in November, down 6.5% y/y. It remained up 5.8% year-to-date due to solid activity in the first half of the year.

### Economic Activity

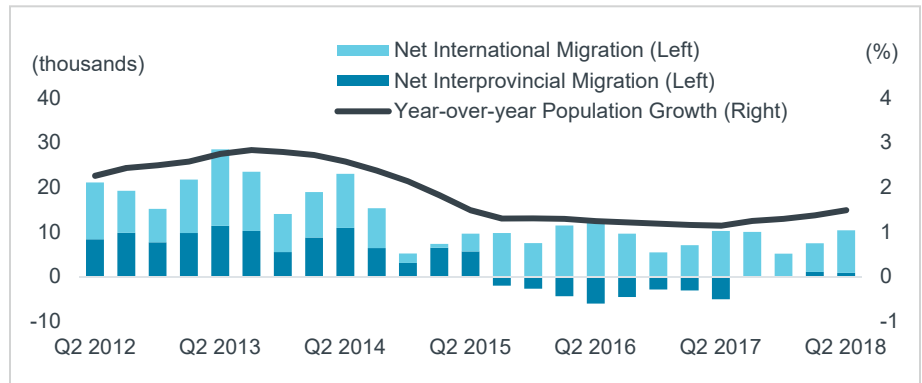
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

### Demographics

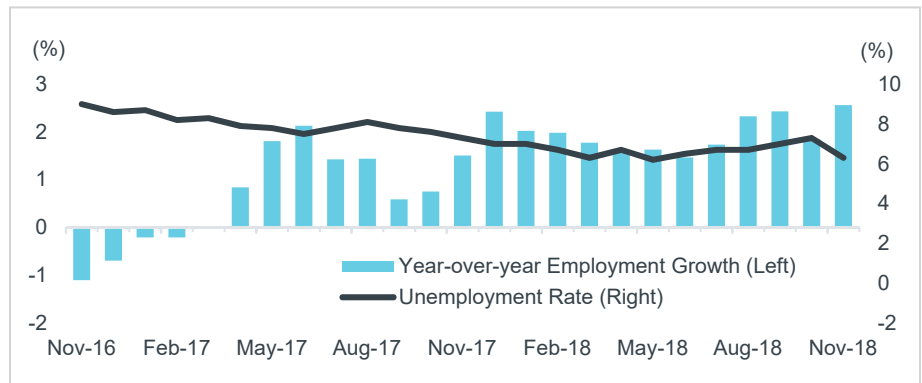
Quarterly



Source: Statistics Canada

### Labour Market

Monthly



Source: Statistics Canada

## Inflation

The inflation rate in Alberta eased slightly in October to 2.8% y/y, down from 3.0% y/y in the previous month. Inflation excluding food and energy stood at 1.6% y/y.

## Average Weekly Earnings<sup>1</sup>

Average weekly earnings (AWE) in Alberta were virtually unchanged from a year ago (0.1% y/y) in September. Gains in the service sector (+2.2% y/y) were offset by lower earnings in the goods sector (-3.6% y/y). On a year-to-date basis, earnings were up 2.3%.

## Retail Sales<sup>1</sup>

Alberta retail sales edged up 0.5% month-over-month (m/m) to \$6.9 billion in September. Year-over-year sales were up 3.0%, led by higher sales at gasoline stations (+23% y/y).

## NEW: Housing Starts<sup>1</sup>

Alberta housing starts increased 45% m/m in November to 26,359 units (annualized). Year-to-date, housing starts have averaged 27,020, 9.5% lower than the same period in the previous year.

## NEW: New Housing Price Index

Alberta's New Housing Price Index (NHPI) edged lower (-0.1% m/m) in October. Compared to a year ago the NHPI is 0.8% lower with the house-only component down 1.3% y/y, while land prices were up 0.2% y/y.

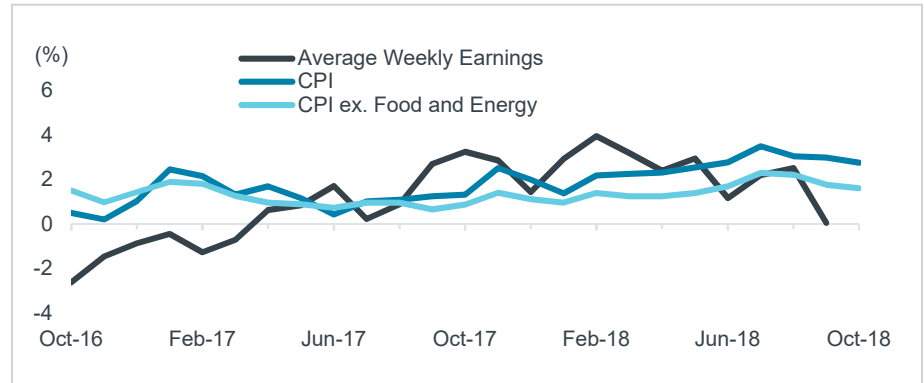
## NEW: Building Permits<sup>1</sup>

Alberta building permits were down 5.4% y/y in October to \$952 million. Year-to-date, construction intentions fell 4.4%, driven by declines in both residential permits and non-residential permits.

<sup>1</sup> Seasonally adjusted

## Inflation and Earnings

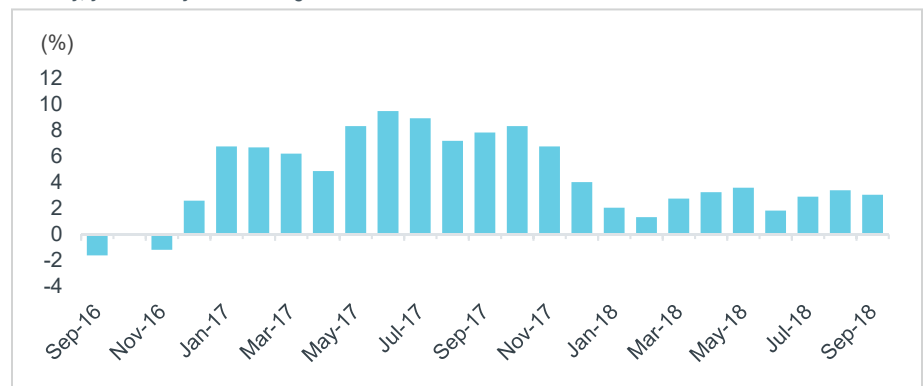
Monthly, year-over-year % change



Source: Statistics Canada

## Retail Sales

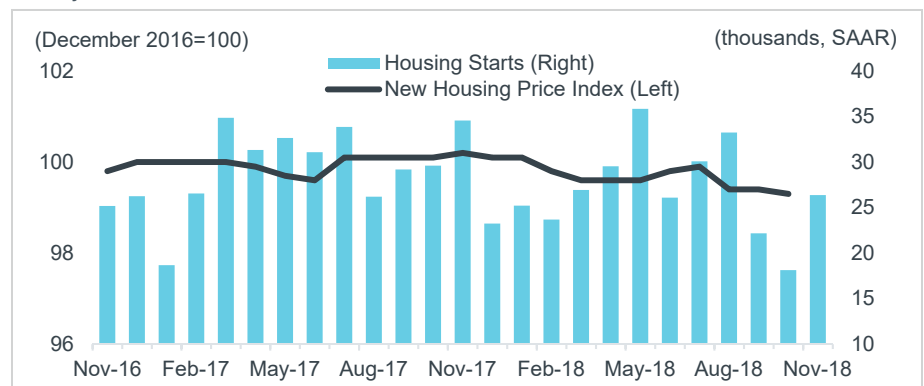
Monthly, year-over-year % change



Source: Statistics Canada

## Housing Market

Monthly



Source: Statistics Canada, Canada Mortgage and Housing Corporation

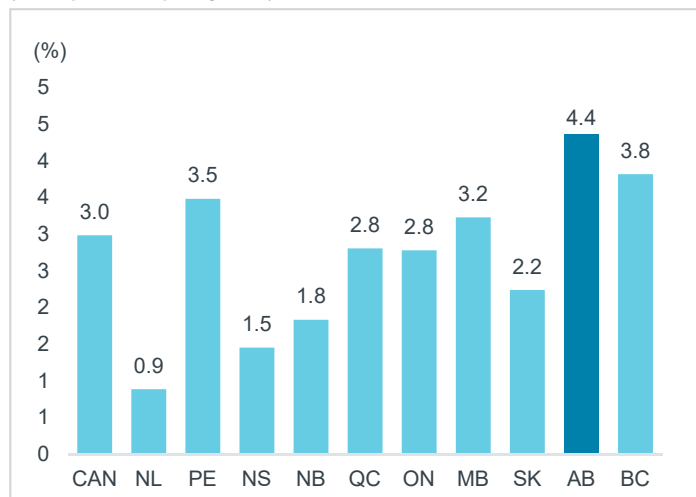
Contact: [Robert Vanblyderveen](#) at 780.638.5628

Please see the [Weekly Economic Review](#) for current analysis on the Alberta economy

	Canadian Dollar (\$US/\$CAN)	WTI Oil (\$US/bbl)	NYMEX Natural Gas (\$US/MMBtu)	Alberta Reference Price (\$C/GJ)
Latest (December 13, 2018)	74.86	52.58	4.12	1.03 (September)
Fiscal Year-To-Date	76.74	66.71	3.12	0.98

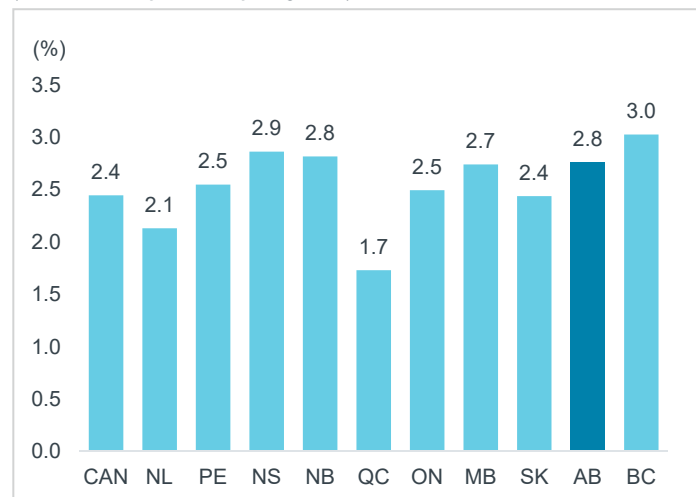
### Real GDP by Expenditure

(2017, year-over-year growth)



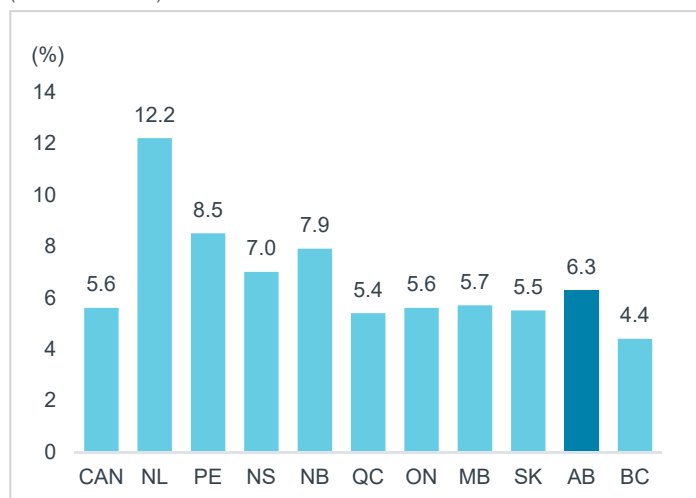
### CPI Inflation

(October 2018, year-over-year growth)



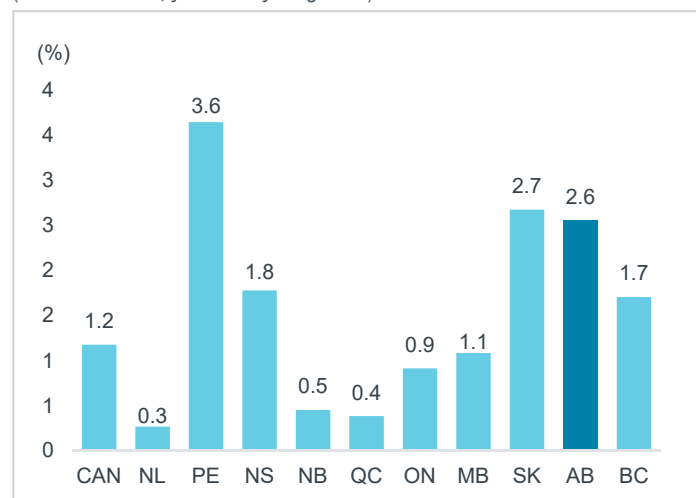
### Unemployment Rate

(November 2018)



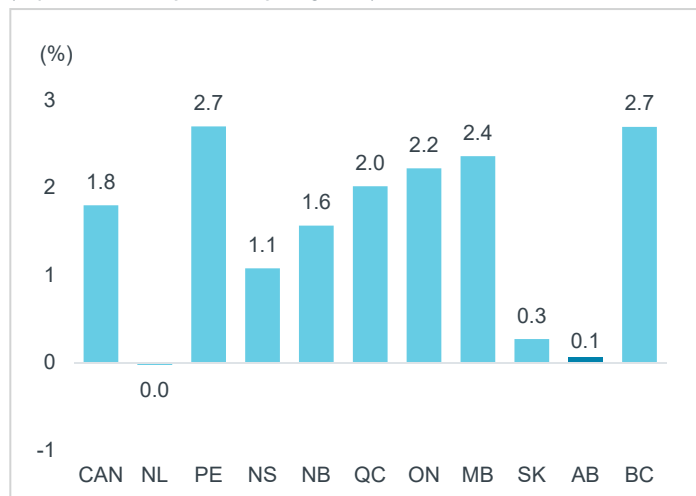
### Employment

(November 2018, year-over-year growth)



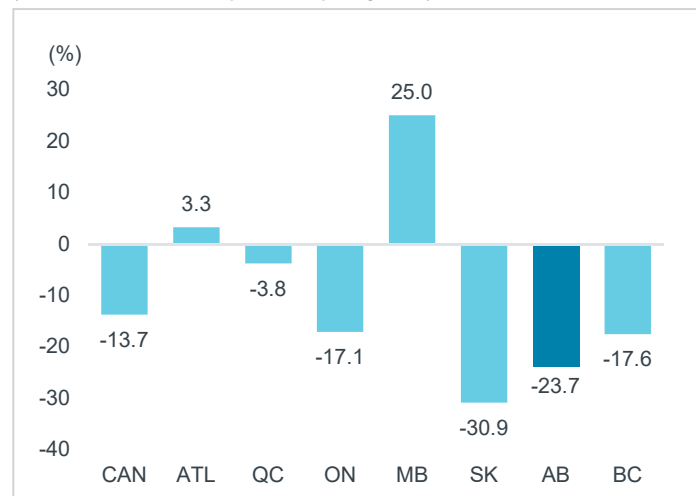
### Average Weekly Earnings

(September 2018, year-over-year growth)



### Housing Starts

(November 2018, SAAR, year-over-year growth)



# Alberta Economic Indicators

	2016	2017	2018YTD	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
Alberta Activity Index (y/y % change)	-4.5	5.1	2.9	2.3	2.5	3.7	2.1		
<b>Population<sup>1</sup></b>									
Population (thousands)	4,196	4,244	4,307		4,307				
y/y % change	1.2	1.1	1.5		1.5				
Net Interprovincial Migration	-15,108	-15,559	1,438		842				
Net International Migration	41,304	32,324	31,098		9,536				
<b>Labour Market</b>									
Employment (thousands, SA)	2,264	2,287	2,330	2,328	2,325	2,341	2,338	2,335	2,359
m/m change (thousands)				2.0	-3.6	16.2	-2.9	-2.7	23.7
y/y % change	-1.6	1.0	1.9	1.5	1.7	2.3	2.4	1.8	2.6
Unemployment Rate (% , SA)	8.1	7.8	6.7	6.5	6.7	6.7	7.0	7.3	6.3
Participation Rate (% , SA)	72.5	72.4	72.0	71.8	71.7	72.1	72.2	72.3	72.1
Average Weekly Earnings (\$ , SA)	1,119	1,130	1,151	1,149	1,152	1,162	1,145		
y/y % change	-2.4	1.0	2.4	1.2	2.2	2.5	0.1		
<b>Household Sector</b>									
Retail Sales (\$ million, SA)	74,997	80,318	61,669	6,872	6,897	6,895	6,931		
y/y % change	-1.1	7.1	2.7	1.8	2.9	3.4	3.0		
<b>NEW</b> New Vehicle Sales (units, thousands)	224	249	205	24	20	21	21	20	
y/y % change	-7.6	11.3	-3.9	-2.7	-10.1	-4.8	-6.0	-3.3	
Consumer Price Index (y/y % change)	1.1	1.6	2.6	2.8	3.5	3.1	3.0	2.8	
Excluding Food & Energy	1.7	1.1	1.6	1.7	2.3	2.2	1.8	1.6	
<b>NEW</b> Housing Starts (SAAR, 000's)	24.5	29.5	27.0	26.1	30.1	33.2	22.2	18.1	26.4
y/y % change	-34.2	20.1	-9.5	-16.1	-11.2	26.9	-24.0	-38.8	-23.7
<b>NEW</b> New Housing Price Index (y/y % change)	-0.5	-0.2	-0.3	0.2	-0.2	-0.7	-0.7	-0.8	
Resale Home Sales	54,931	57,325	44,390	4,436	4,464	4,560	4,429	4,194	
y/y % change	-7.6	4.4	-5.0	-3.2	-0.2	-0.4	-4.2	-6.9	
Sales to New Listing Ratio	0.50	0.49	0.45	0.42	0.46	0.46	0.46	0.44	
MLS Average Resale Prices (\$ thousands)	396	398	388	390	385	387	387	385	
y/y % change	0.2	0.4	-2.5	-2.8	-2.6	-2.1	-1.5	-3.4	
Consumer Bankruptcies (level)	5,427	5,008	4,143	445	427	423	348	447	
y/y % change	26.8	-7.7	-2.6	2.3	30.2	-6.0	-13.9	-0.7	
<b>Business Sector</b>									
Goods Exports (customs based, \$ million)	79,213	100,930	98,699	10,276	10,434	10,841	9,722	10,773	
y/y % change	-14.3	27.4	18.3	25.6	34.4	33.0	30.8	28.3	
Energy Products (\$ million)	51,861	70,544	70,435	7,406	7,617	7,927	6,904	7,714	
y/y % change	-17.2	36.0	21.0	31.7	45.1	37.3	38.4	33.9	
Agricultural Products (\$ million)	6,720	7,876	6,571	679	595	552	626	756	
y/y % change	-2.6	17.2	0.5	7.3	5.4	-1.1	11.3	-2.4	
Rigs Drilling	79	131	136	106	143	147	134	138	134
y/y % change	-34.0	66.0	5.8	21.2	20.2	16.7	5.1	3.4	-6.5
Manufacturing Shipments (\$ million, SA)	62,597	70,940	57,063	6,522	6,664	6,629	6,729		
y/y % change	-8.1	13.3	8.5	9.9	15.3	13.1	15.1		
Wholesale Trade (\$ million, SA)	71,442	78,032	62,110	6,843	7,001	6,969	6,944		
y/y % change	-9.8	9.2	6.9	4.9	3.8	6.7	5.2		
<b>NEW</b> Building Permits (\$ million, SA)	14,200	14,245	11,309	1,204	1,052	1,060	997	952	
y/y % change	-15.2	0.3	-4.4	1.0	-2.5	-11.2	-32.2	-5.4	
<b>NEW</b> Residential Permits (\$ million, SA)	7,930	8,400	6,679	639	558	575	533	520	
y/y % change	-19.7	5.9	-3.6	-13.4	-15.4	-26.0	-22.9	-14.3	
<b>NEW</b> Non-Residential Permits (\$ million, SA)	6,270	5,845	4,630	565	494	484	464	432	
y/y % change	-8.8	-6.8	-5.5	24.4	17.8	16.4	-40.4	8.0	
Non-Res. Building Cons. Price Index <sup>2</sup> (y/y % change)	-2.8	1.0	1.9	1.8			2.7		

<sup>1</sup> Population data presented on a census year basis (July 1– June 30). The current census year 2018.

<sup>2</sup> Quarterly, average of Calgary and Edmonton

YTD (year-to-date).

"SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

All annual data is unadjusted.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada). All historical data are subject to revision