

Alberta Economy

Indicators at a Glance

NEW: 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).

Employment¹

Employment in Alberta dipped by 2,700 jobs in October as an increase in full-time and self-employment was offset by a decline in part-time. Employment remained up 1.8% y/y, reflecting gains mostly in full-time work.

Unemployment Rate¹

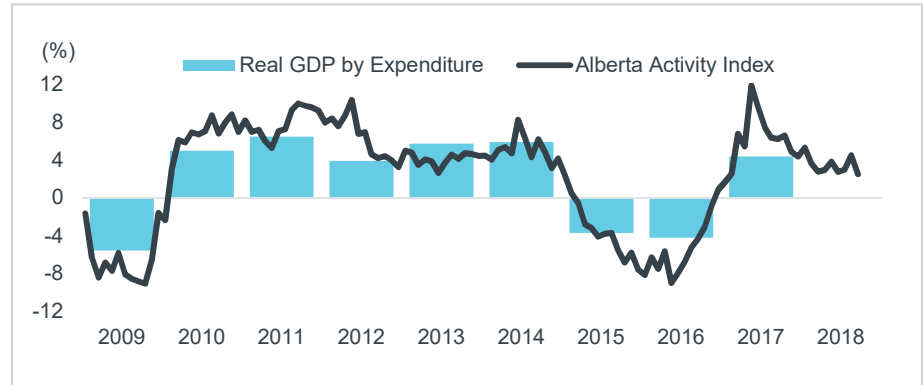
Alberta's unemployment rate jumped 0.3 percentage points to 7.3% in October. Canada's unemployment rate edged down 0.1 percentage points to 5.8%.

Rigs Drilling

The number of active rigs in Alberta averaged 138 in October, up 3.4% y/y. The average rig utilization rate was 34%, up 2.9 percentage points from a year ago.

Economic Activity

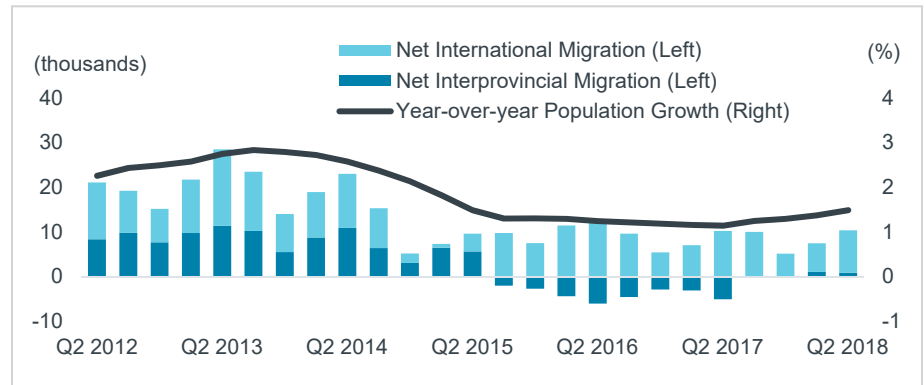
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics

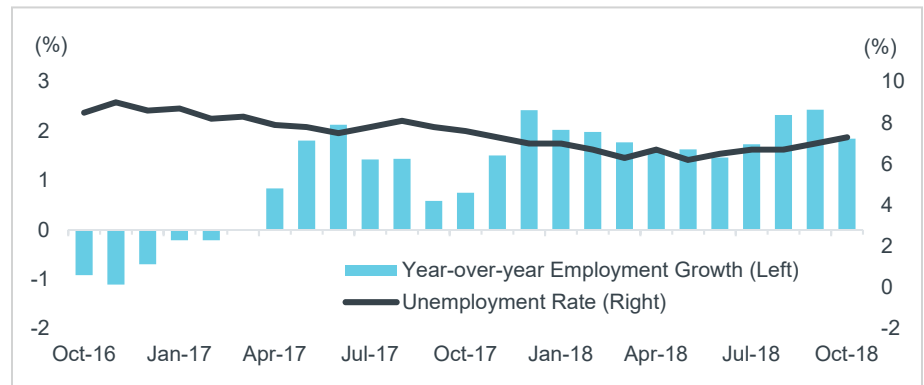
Quarterly



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.

NEW: Average Weekly Earnings¹

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 Sales¹

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

Housing Starts¹

Alberta housing starts declined 18% m/m in October to 18,049 units (annualized). Year-to-date, housing starts have averaged 27,068, 7.9% lower than the same period in the previous year.

New Housing Price Index

Alberta's New Housing Price Index (NHPI) was unchanged in September from the previous month. NHPI is 0.7% lower than a year ago with the house-only component down 1.1% y/y, while land prices were up 0.2% y/y.

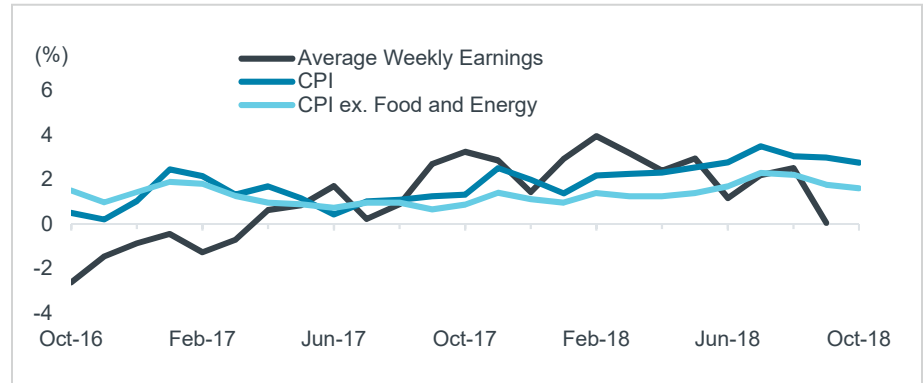
Building Permits¹

Alberta building permits were down 31.0% y/y in September to \$1.0 billion. Year-to-date, construction intentions fell 4.1%, driven by declines in both residential permits and non-residential permits.

¹ Seasonally adjusted

Inflation and Earnings

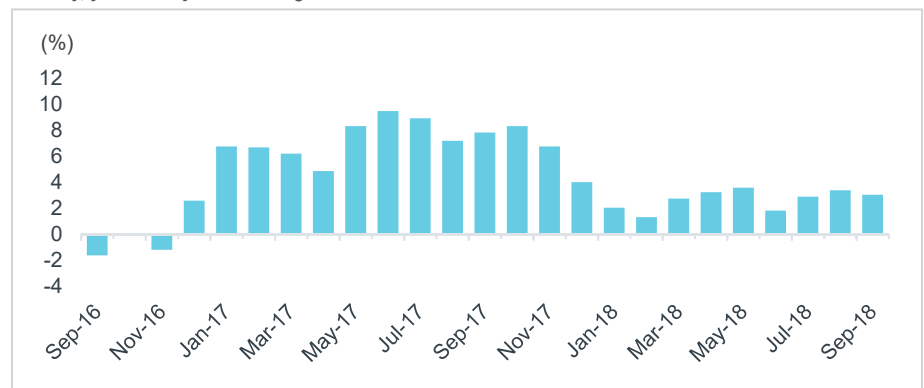
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales

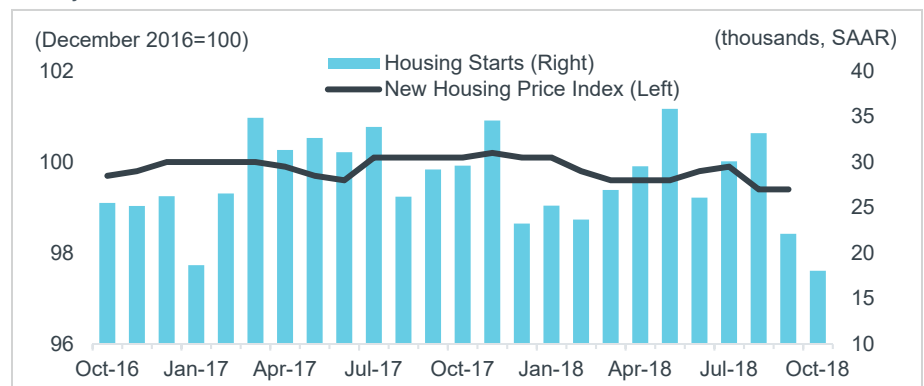
Monthly, year-over-year % change



Source: Statistics Canada

Housing Market

Monthly



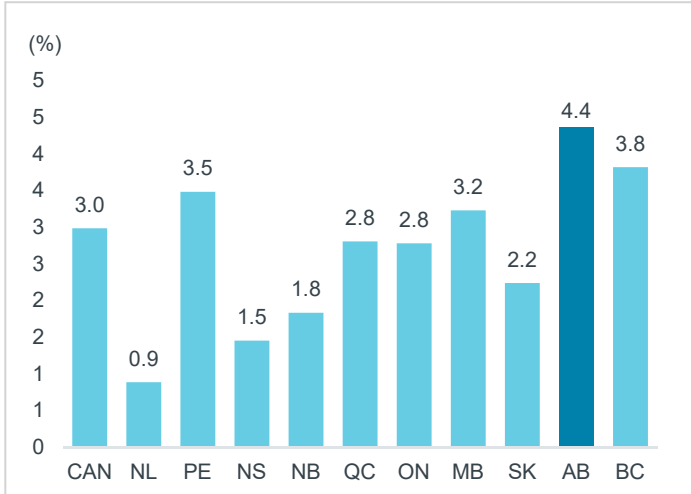
Source: Statistics Canada, Canada Mortgage and Housing Corporation

Contact: [Robert Vanblyderveen](#) at 780.638.5628

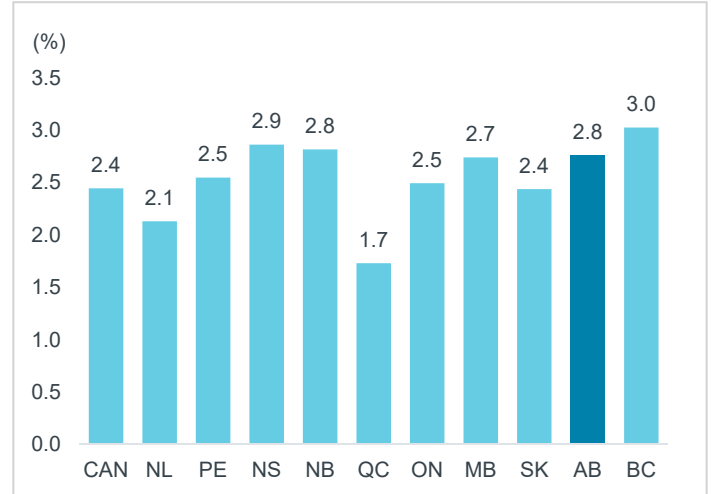
Please see the [Weekly Economic Review](#) for current analysis on the Alberta economy

	Canadian Dollar (US¢/\$CAN)	WTI Oil (\$US/bbl)	NYMEX Natural Gas (\$US/MMBtu)	Alberta Reference Price (\$C/GJ)
Latest (November 29, 2018)	76.84	51.45	4.65	1.03 (September)
Fiscal Year-To-Date	75.33	67.57	3.04	0.98

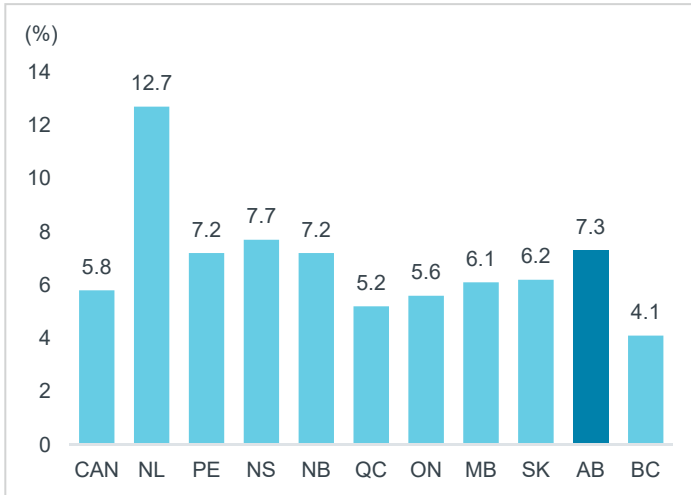
Real GDP by Expenditure
(2017, year-over-year growth)



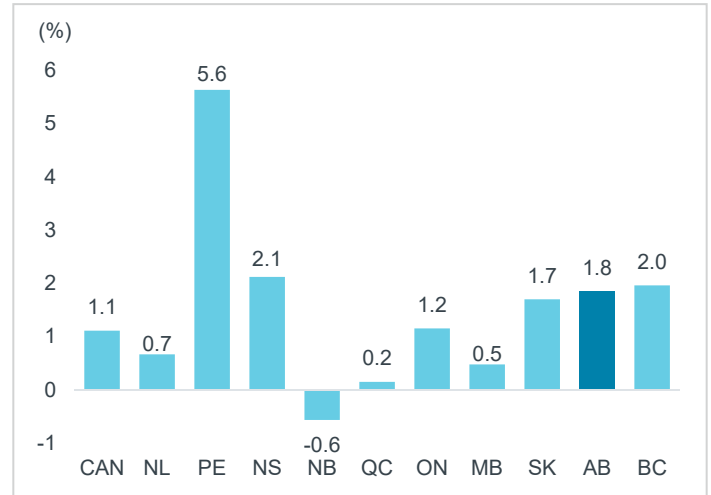
CPI Inflation
(October 2018, year-over-year growth)



Unemployment Rate
(October 2018)



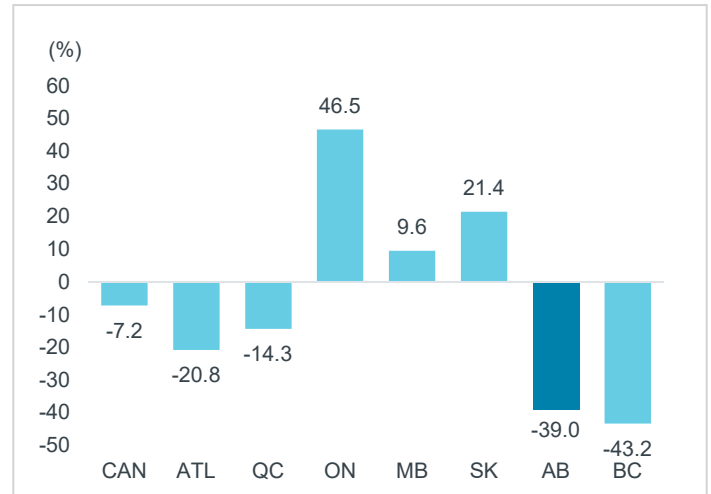
Employment
(October 2018, year-over-year growth)



Average Weekly Earnings
(September 2018, year-over-year growth)



Housing Starts
(October 2018, SAAR, year-over-year growth)



Alberta Economic Indicators

	2016	2017	2018YTD	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18
NEW Alberta Activity Index (y/y % change)	-4.5	5.1	2.9	3.2	2.3	2.5	3.7	2.1	
Population¹									
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			
Labour Market									
Employment (thousands, SA)	2,264	2,287	2,327	2,326	2,328	2,325	2,341	2,338	2,335
m/m change (thousands)				2.9	2.0	-3.6	16.2	-2.9	-2.7
y/y % change	-1.6	1.0	1.9	1.6	1.5	1.7	2.3	2.4	1.8
Unemployment Rate (% , SA)	8.1	7.8	6.7	6.2	6.5	6.7	6.7	7.0	7.3
Participation Rate (% , SA)	72.5	72.4	72.0	71.6	71.8	71.7	72.1	72.2	72.3
NEW Average Weekly Earnings (\$, SA)	1,119	1,130	1,151	1,145	1,149	1,152	1,162	1,145	
y/y % change	-2.4	1.0	2.4	3.0	1.2	2.2	2.5	0.1	
Household Sector									
Retail Sales (\$ million, SA)	74,997	80,318	61,669	6,967	6,872	6,897	6,895	6,931	
y/y % change	-1.1	7.1	2.7	3.6	1.8	2.9	3.4	3.0	
New Vehicle Sales (units, thousands)	224	249	185	25	24	20	21	21	
y/y % change	-7.6	11.3	-4.0	1.1	-2.7	-10.1	-4.8	-6.3	
Consumer Price Index (y/y % change)	1.1	1.6	2.6	2.6	2.8	3.5	3.1	3.0	2.8
Excluding Food & Energy	1.7	1.1	1.6	1.4	1.7	2.3	2.2	1.8	1.6
Housing Starts (SAAR, 000's)	24.5	29.5	27.1	35.8	26.1	30.1	33.2	22.1	18.0
y/y % change	-34.2	20.1	-7.9	9.8	-16.1	-11.2	26.7	-24.2	-39.0
New Housing Price Index (y/y % change)	-0.5	-0.2	-0.3	-0.1	0.2	-0.2	-0.7	-0.7	
Resale Home Sales	54,931	57,325	44,390	4,318	4,436	4,464	4,560	4,429	4,194
y/y % change	-7.6	4.4	-5.0	-4.2	-3.2	-0.2	-0.4	-4.2	-6.9
Sales to New Listing Ratio	0.50	0.49	0.45	0.39	0.42	0.46	0.46	0.46	0.44
MLS Average Resale Prices (\$ thousands)	396	398	388	385	390	385	387	387	385
y/y % change	0.2	0.4	-2.5	-3.8	-2.8	-2.6	-2.1	-1.5	-3.4
Consumer Bankruptcies (level)	5,427	5,008	3,696	452	445	427	423	348	
y/y % change	26.8	-7.7	-2.9	-1.7	2.3	30.2	-6.0	-13.9	
Business Sector									
Goods Exports (customs based, \$ million)	79,213	100,930	87,878	10,271	10,269	10,424	10,849	9,687	
y/y % change	-14.3	27.4	17.2	14.5	25.5	34.3	33.1	30.3	
Energy Products (\$ million)	51,594	70,346	62,545	7,200	7,393	7,595	7,921	6,841	
y/y % change	-17.5	36.3	19.6	15.1	31.9	45.3	37.8	37.3	
Agricultural Products (\$ million)	6,284	7,310	5,370	683	630	565	523	554	
y/y % change	-2.9	16.3	1.1	-4.0	8.0	6.5	-1.0	10.3	
Rigs Drilling	79	131	136	67	106	143	147	134	138
y/y % change	-34.0	66.0	7.2	9.1	21.2	20.2	16.7	5.1	3.4
Manufacturing Shipments (\$ million, SA)	62,597	70,940	57,063	6,256	6,522	6,664	6,629	6,729	
y/y % change	-8.1	13.3	8.5	3.0	9.9	15.3	13.1	15.1	
Wholesale Trade (\$ million, SA)	71,442	78,032	62,110	7,297	6,843	7,001	6,969	6,944	
y/y % change	-9.8	9.2	6.9	9.1	4.9	3.8	6.7	5.2	
Building Permits (\$ million, SA)	14,200	14,245	10,378	1,205	1,204	1,052	1,069	1,009	
y/y % change	-15.2	0.3	-4.1	-4.0	1.0	-2.5	-10.4	-31.4	
Residential Permits (\$ million, SA)	7,930	8,400	6,179	780	639	558	584	544	
y/y % change	-19.7	5.9	-2.2	2.9	-13.4	-15.4	-24.8	-21.4	
Non-Residential Permits (\$ million, SA)	6,270	5,845	4,199	425	565	494	484	466	
y/y % change	-8.8	-6.8	-6.7	-14.5	24.4	17.8	16.4	-40.2	
Non-Res. Building Cons. Price Index ² (y/y % change)	-2.8	1.0	1.9		1.8			2.7	

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

² 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