

Alberta Economy

Indicators at a Glance

Economic Activity

The Alberta Activity Index (AAX) was up 2.1% year-over-year (y/y) in March, mainly due to robust growth in oil production. Alberta's real GDP by industry grew by 4.9% in 2017, the largest gain among the provinces.

Population

Alberta's population was 4,318,772 as of January 1, 2018, an increase of 1.4% from the year prior. Canada's population grew 1.3% from a year ago.

Migration

Net migration to Alberta was 5,599 in the fourth quarter of 2017. During this time, Alberta welcomed 5,297 net international migrants, while there was a net inflow of interprovincial migrants (+302) for the second consecutive quarter after eight quarters of outflows.

NEW: Employment¹

The economy gained 2,900 jobs in May as modest gains in full-time positions overshadowed marginal losses in part-time. Employment rose 1.6% y/y, reflecting employment gains in the goods sector (+4.9% y/y) and self-employment (+8.3% y/y).

NEW: Unemployment Rate¹

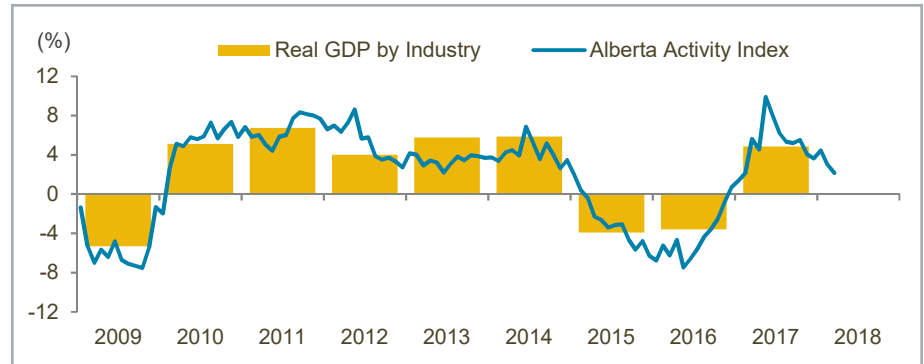
Alberta's unemployment rate fell 0.5 percentage point to 6.2% in May. Canada's unemployment rate remained unchanged at 5.8%.

NEW: Rigs Drilling

The number of active rigs in Alberta averaged 67 in May, up 9.1% y/y. The average rig utilization rate was 16%, up 2.0 percentage points from a year ago.

Economic Activity

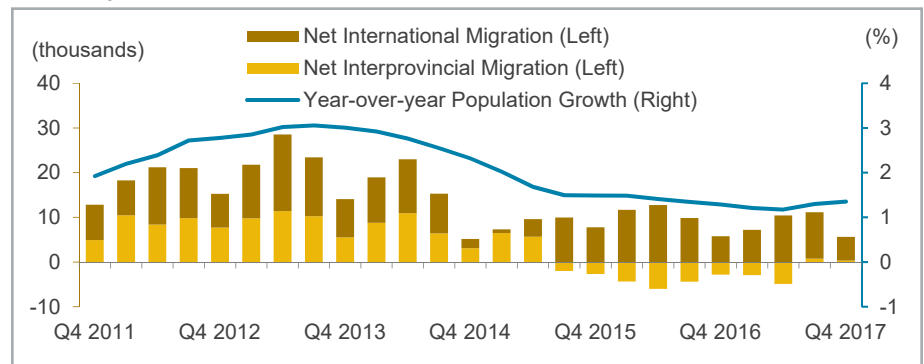
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics

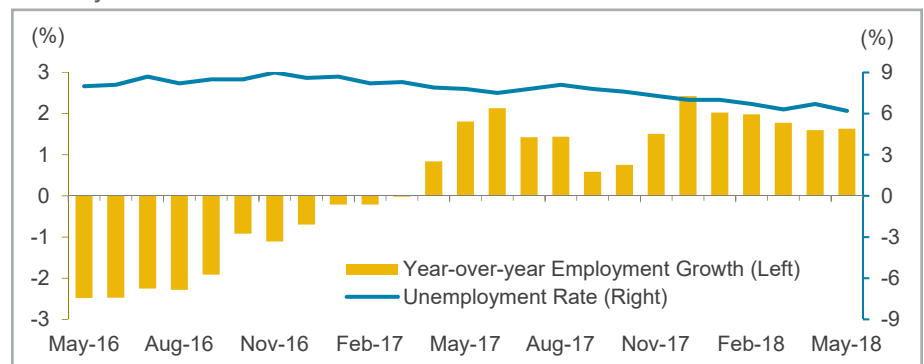
Quarterly



Source: Statistics Canada

Labour Market

Monthly



Source: Statistics Canada

Inflation

The inflation rate in Alberta held steady at 2.3% y/y in April, slightly above the national average. Inflation excluding food and energy also held firm at 1.3% y/y.

Average Weekly Earnings¹

Average weekly earnings (AWE) in Alberta decreased 0.4% m/m in March to \$1,149. Earnings have improved 2.6% y/y driven by gains in both the goods and services sectors.

Retail Sales¹

Alberta retail sales increased 0.3% m/m to \$6.8 billion in March. Retail sales were up 2.5% y/y, the sixteenth consecutive month of year-over-year gains.

NEW: Housing Starts¹

Alberta housing starts jumped 23% m/m in May to 36,471 units (annualized) and were up 12% y/y. The increase in multi-family (+23% y/y) starts overshadowed a pullback in single family (-5.0% y/y) starts.

New Housing Price Index

In March, Alberta's New Housing Price Index (NHPI) ticked down 0.4% y/y. The house-only component fell (-0.9% y/y) while land prices were up (+0.6% y/y).

NEW: Building Permits¹

Alberta building permits were up 15% y/y in April to \$1.2 billion, driven by increases in both non-residential permits (+32% y/y) and residential permits (+6.5% y/y).

¹ Seasonally adjusted

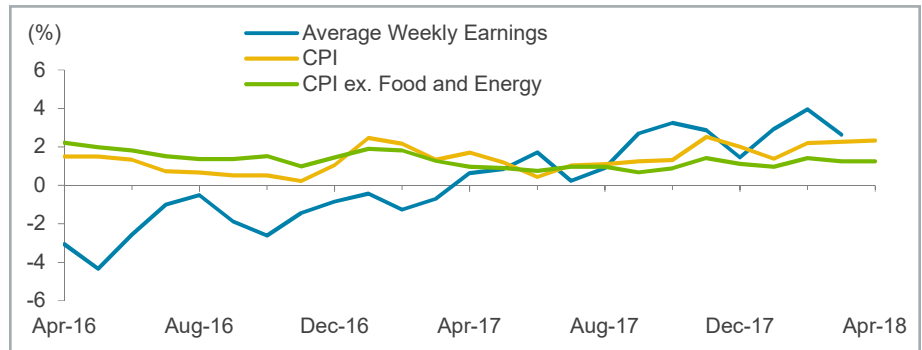
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Inflation and Earnings

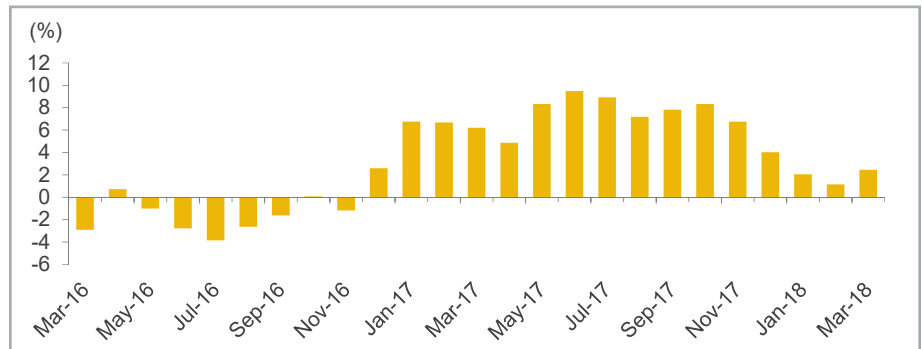
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales

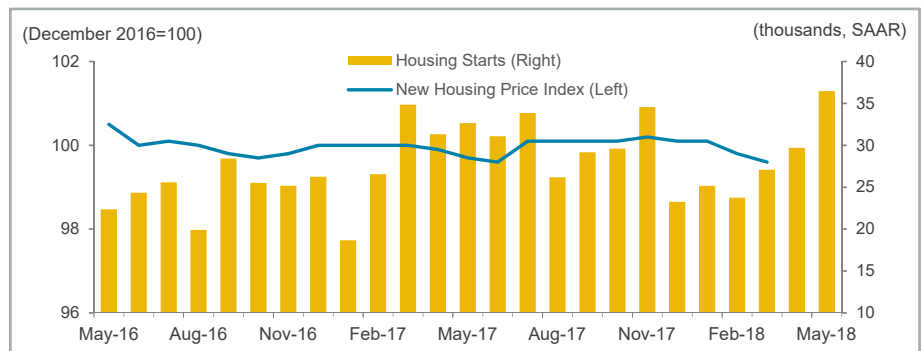
Monthly, year-over-year % change



Source: Statistics Canada

Housing Market

Monthly



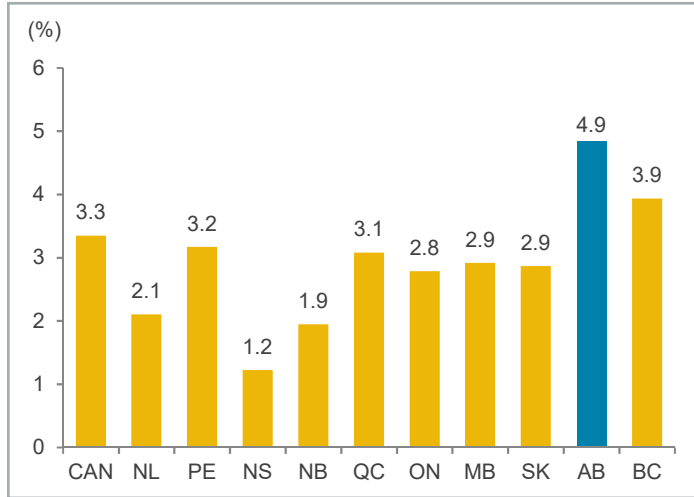
Source: Statistics Canada, Canada Mortgage and Housing Corporation

	Canadian Dollar (US¢/\$CAN)	WTI Oil (\$US/bbl)	NYMEX Natural Gas (\$US/MMBtu)	Alberta Reference Price (\$C/GJ)
Latest (June 07, 2018)	77.09	65.95	2.93	1.54 (March)
Fiscal year-to-date	78.01	67.90	2.79	1.82 (2017-18)

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

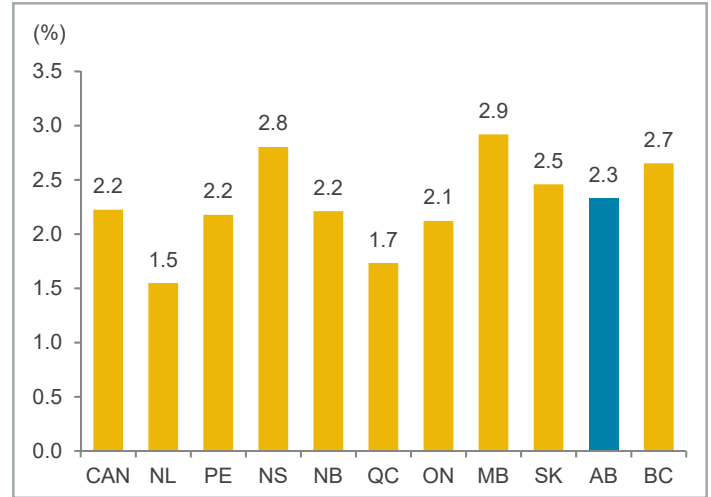
Real GDP by Industry

(2017, year-over-year growth)



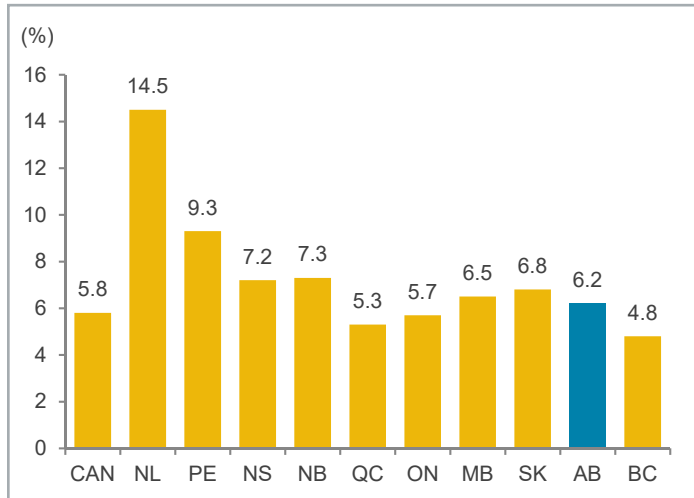
CPI Inflation

(April 2018, year-over-year growth)



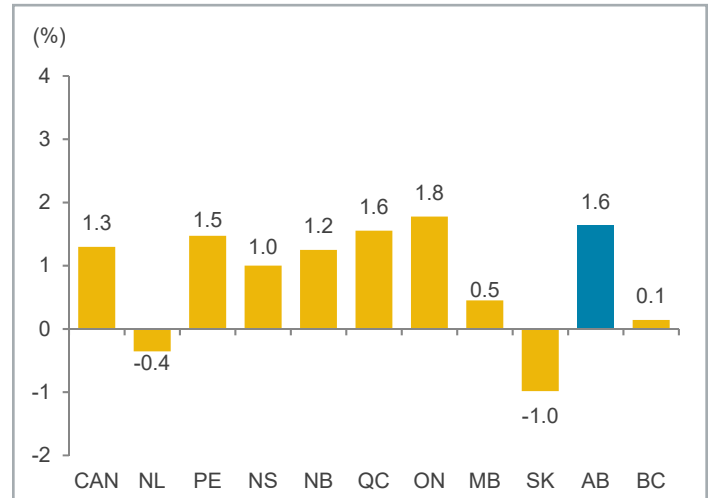
Unemployment Rate

(May 2018)



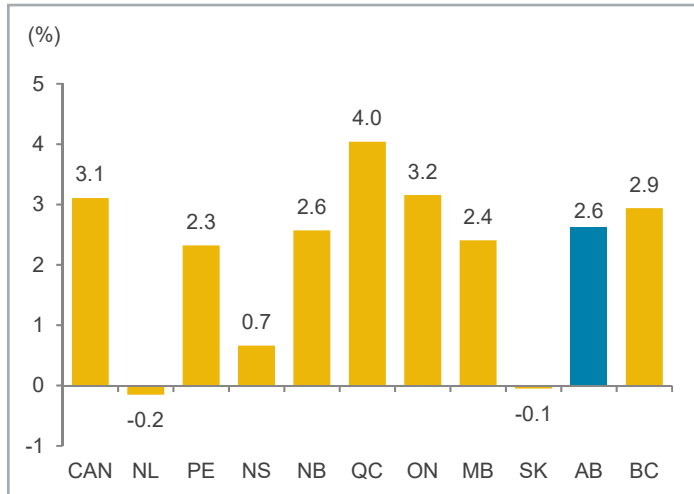
Employment

(May 2018, year-over-year growth)



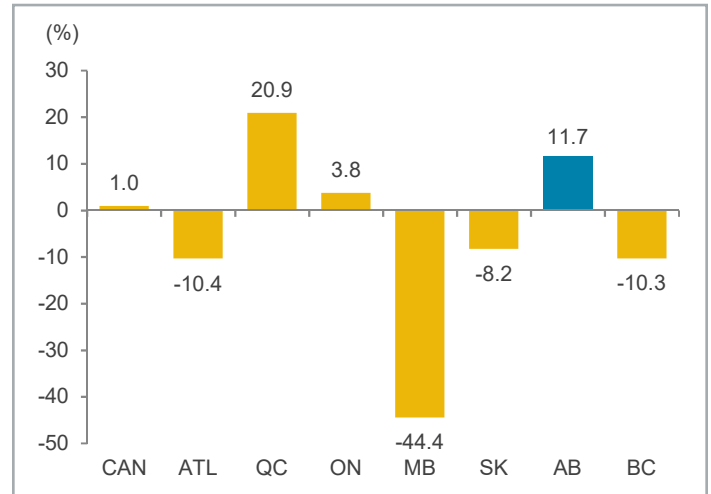
Average Weekly Earnings

(March 2018, year-over-year growth)



Housing Starts

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



Alberta Economic Indicators

	2016	2017	2018YTD	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18
Alberta Activity Index (y/y % change)	-4.5	5.1	3.2	3.6	4.4	3.0	2.1		
Population¹									
Population (thousands)	4,236	4,286	4,319		4,319				
y/y % change	1.4	1.2	1.4		1.4				
Net Interprovincial Migration	-15,108	-15,131	1,045		302				
Net International Migration	42,102	33,210	15,660		5,297				
Labour Market									
NEW Employment (thousands, SA)	2,264	2,287	2,321	2,320	2,315	2,317	2,325	2,323	2,326
m/m change (thousands)				20.4	-5.9	2.3	8.3	-1.8	2.9
y/y % change	-1.6	1.0	1.8	2.4	2.0	2.0	1.8	1.6	1.6
NEW Unemployment Rate (% , SA)	8.1	7.8	6.6	7.0	7.0	6.7	6.3	6.7	6.2
NEW Participation Rate (% , SA)	72.5	72.4	71.9	72.4	72.2	71.9	71.9	72.0	71.6
Average Weekly Earnings (\$, SA)	1,119	1,130	1,149	1,149	1,145	1,154	1,149		
y/y % change	-2.4	1.0	3.2	1.5	2.9	4.0	2.6		
Household Sector									
Retail Sales (\$ million, SA)	74,997	80,318	20,220	6,678	6,736	6,733	6,751		
y/y % change	-1.1	7.1	1.9	4.0	2.0	1.2	2.5		
New Vehicle Sales (units, thousands)	224	249	53	16	16	15	21		
y/y % change	-7.6	11.3	-2.9	0.5	7.5	-8.3	-5.9		
Consumer Price Index (y/y % change)	1.1	1.6	2.0	2.0	1.4	2.2	2.3	2.3	
Excluding Food & Energy	1.7	1.1	1.2	1.1	1.0	1.4	1.3	1.3	
NEW Housing Starts (SAAR, 000's)	24.5	29.5	28.4	23.2	25.2	23.7	27.1	29.7	36.5
y/y % change	-34.2	20.1	-1.3	-11.4	34.8	-10.6	-22.3	-5.2	11.7
New Housing Price Index (y/y % change)	-0.5	-0.2	-0.2	0.1	0.1	-0.2	-0.4		
Resale Home Sales	54,848	57,220	17,972	5,678	5,003	4,512	4,265	4,192	
y/y % change	-7.6	4.3	-7.7	17.8	3.9	-11.1	-11.1	-12.3	
Sales to New Listing Ratio	0.50	0.50	0.47	0.58	0.54	0.49	0.43	0.42	
MLS Average Resale Prices (\$ thousands)	397	398	391	386	395	396	387	384	
y/y % change	0.3	0.4	-2.1	-4.6	-0.9	0.2	-3.6	-4.0	
Consumer Bankruptcies (level)	5,427	5,008	1,196	350	383	384	429		
y/y % change	26.8	-7.7	-9.5	-12.7	-2.0	-9.9	-14.9		
Business Sector									
NEW Goods Exports (customs based,\$ million)	79,213	100,167	36,323	9,032	10,045	8,116	9,144	9,018	
y/y % change	-14.3	26.5	6.3	13.9	18.2	-0.5	-1.4	9.4	
NEW Energy Products (\$ million)	51,594	69,526	25,480	6,456	7,436	5,780	6,196	6,067	
y/y % change	-17.5	34.8	5.7	16.5	20.7	-3.7	-2.9	9.2	
NEW Agricultural Products (\$ million)	6,284	7,316	2,477	607	667	450	670	690	
y/y % change	-2.9	16.4	0.8	9.6	6.3	-14.8	-2.9	12.6	
NEW Rigs Drilling	79	131	140	155	197	211	142	80	67
y/y % change	-34.0	66.0	2.4	2.9	-0.9	12.4	-4.0	-5.3	9.1
Manufacturing Shipments (\$ million, SA)	62,597	70,940	18,462	6,198	6,199	6,105	6,159		
y/y % change	-8.1	13.3	7.5	11.8	10.6	6.9	5.2		
Wholesale Trade (\$ million, SA)	71,442	78,032	20,235	6,637	6,700	6,790	6,744		
y/y % change	-9.8	9.2	8.5	8.0	10.0	10.0	5.6		
NEW Building Permits (\$ million, SA)	14,200	14,245	4,833	1,130	1,106	1,261	1,261	1,205	
y/y % change	-15.2	0.3	4.4	35.4	-12.2	11.9	5.3	15.4	
NEW Residential Permits (\$ million, SA)	7,930	8,400	3,069	760	689	839	818	723	
y/y % change	-19.7	5.9	13.9	69.7	7.0	25.2	16.7	6.5	
NEW Non-Residential Permits (\$ million, SA)	6,270	5,845	1,764	371	417	422	443	482	
y/y % change	-8.8	-6.8	-8.8	-4.3	-32.4	-7.5	-10.7	31.8	
Non-Res. Building Cons. Price Index ² (y/y % change)	-2.8	1.0	1.3	1.6			1.3		

¹ Population data presented on a census year basis (July 1– June 30).
The current census year 2017.

² Quarterly, average of Calgary and Edmonton

YTD 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