

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 4,334,025 as of April 1, 2018, an increase of 1.4% from the year prior. Canada's population also grew 1.4% from a year ago.

Migration

Net migration to Alberta was 8,500 in the first quarter of 2018. During this time, Alberta welcomed 6,638 net international migrants. The province also recorded a net inflow of interprovincial migrants (+1,862) for the third quarter in a row after eight quarters of outflows.

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).

Unemployment Rate¹

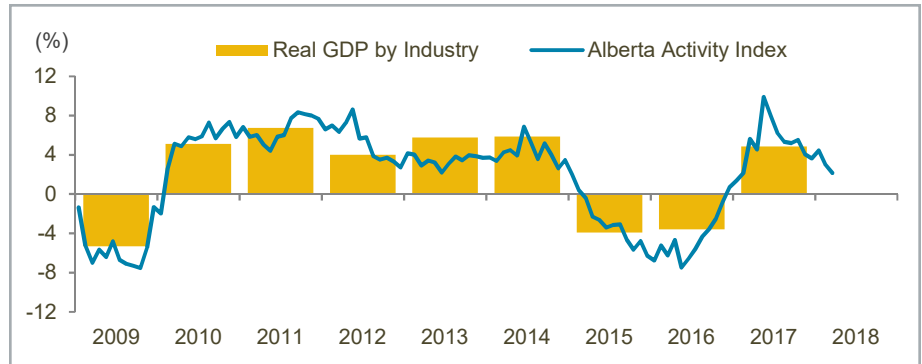
Alberta's unemployment rate fell 0.5 percentage point to 6.2% in May. Canada's unemployment rate remained unchanged at 5.8%.

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

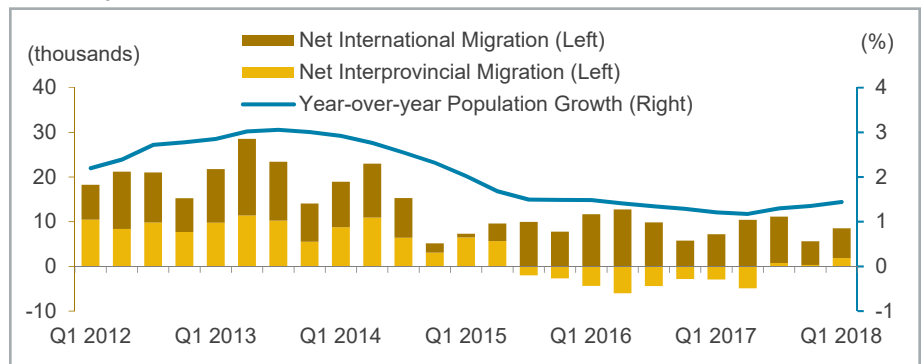
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics

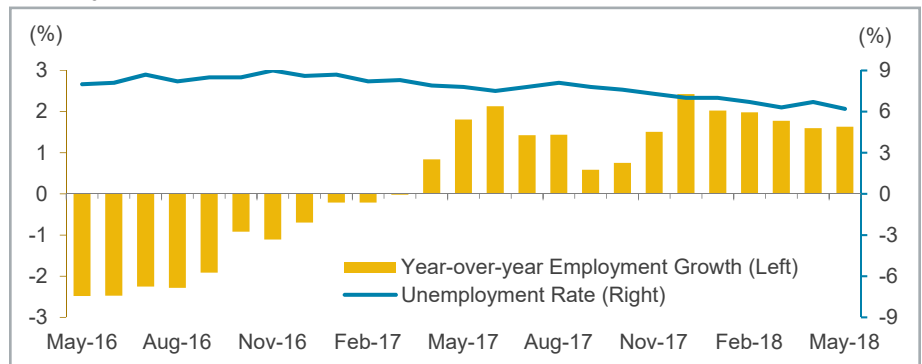
Quarterly



Source: Statistics Canada

Labour Market

Monthly



Source: Statistics Canada

NEW: Inflation

The inflation rate in Alberta accelerated to 2.6% y/y in May, slightly above the national average. Inflation excluding food and energy was 1.4% 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.

NEW: Retail Sales¹

Alberta retail sales edged up 0.2% m/m to \$6.8 billion in April. Retail sales were up 2.2% y/y, the seventeenth consecutive month of year-over-year gains.

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 April, Alberta's New Housing Price Index (NHPI) edged down 0.3% y/y. The house-only component fell 0.9% y/y while land prices were up 0.7% y/y.

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

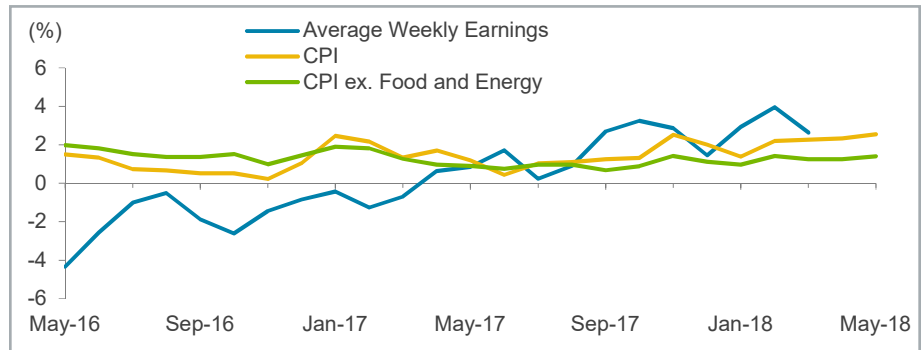
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Inflation and Earnings

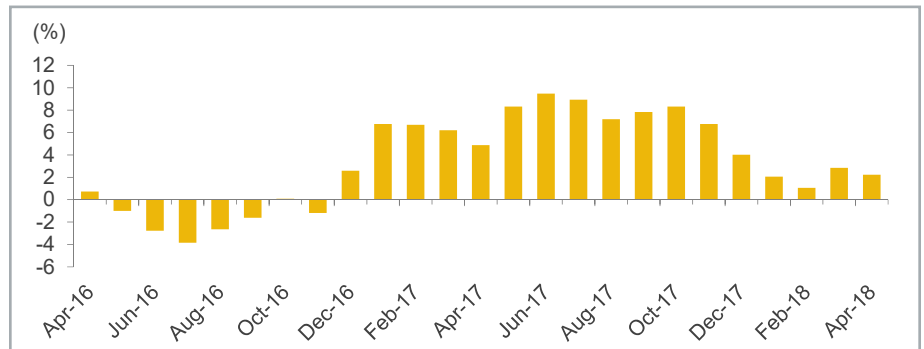
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales

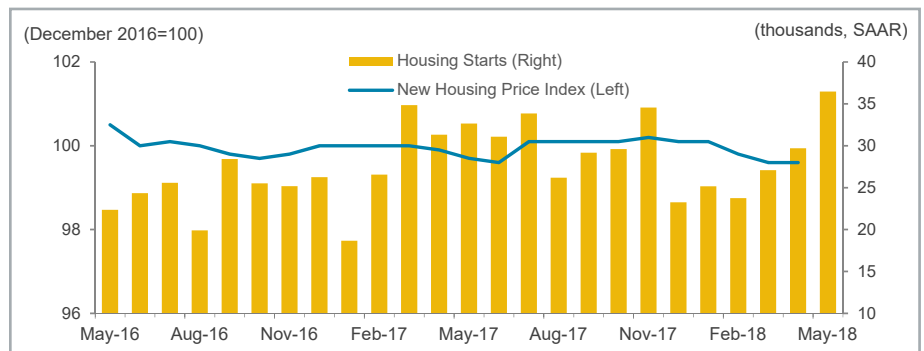
Monthly, year-over-year % change



Source: Statistics Canada

Housing Market

Monthly



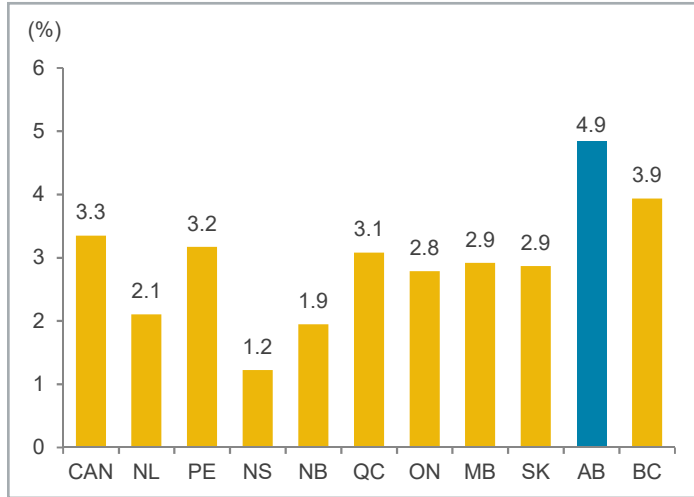
Source: Statistics Canada, Canada Mortgage and Housing Corporation

	Canadian Dollar (US¢/\$CAN)	WTI Oil (\$US/bbl)	NYMEX Natural Gas (\$US/MMBtu)	Alberta Reference Price (\$C/GJ)
Latest (June 21, 2018)	75.13	65.54	2.98	1.26
Fiscal year-to-date	77.69	67.56	2.82	1.26

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

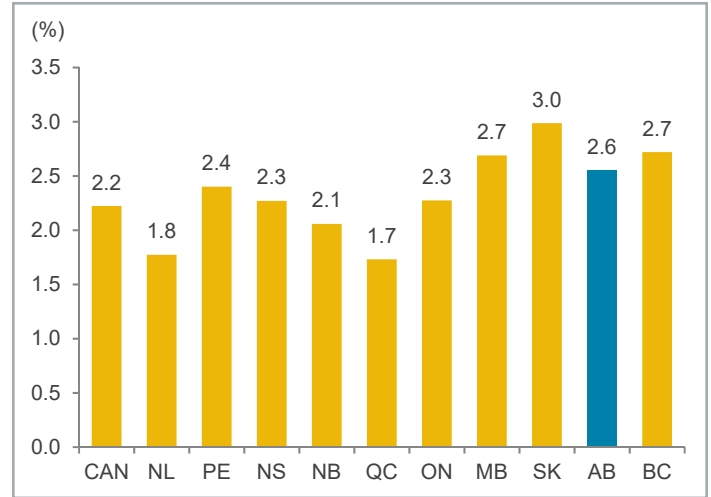
Real GDP by Industry

(2017, year-over-year growth)



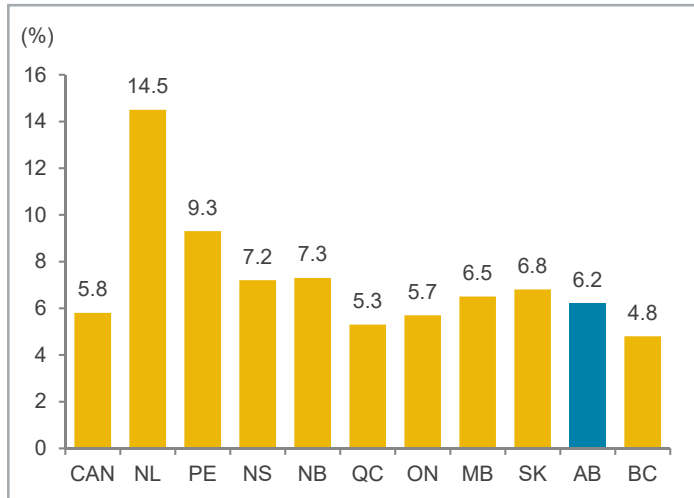
CPI Inflation

(May 2018, year-over-year growth)



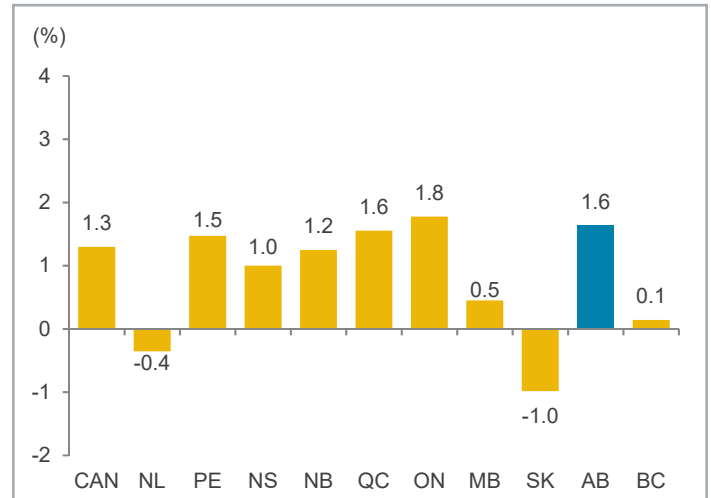
Unemployment Rate

(May 2018)



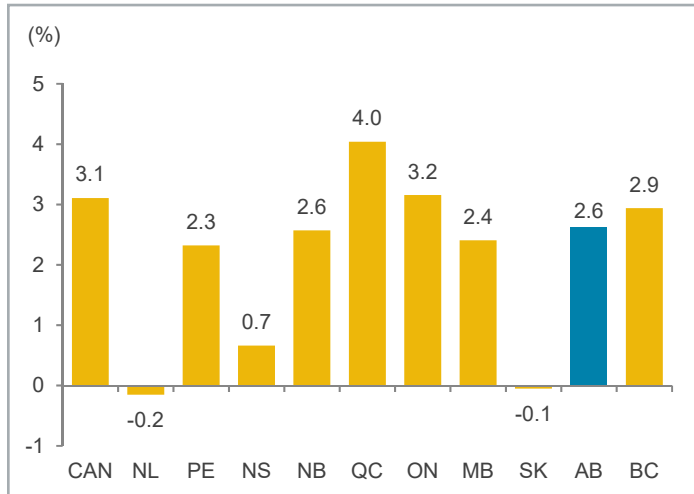
Employment

(May 2018, year-over-year growth)



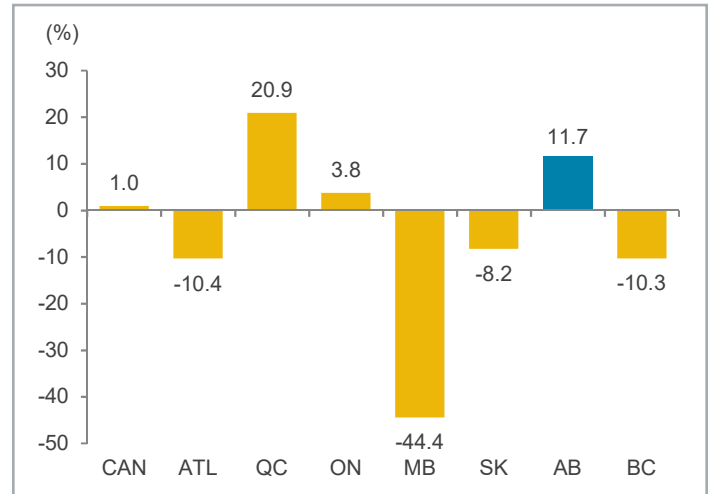
Average Weekly Earnings

(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	4,334		4,319			4,334	
y/y % change	1.4	1.2	1.4		1.4			1.4	
Net Interprovincial Migration	-15,108	-15,131	2,907		302			1,862	
Net International Migration	42,102	33,210	22,298		5,297			6,638	
Labour Market									
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
Unemployment Rate (% , SA)	8.1	7.8	6.6	7.0	7.0	6.7	6.3	6.7	6.2
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									
NEW Retail Sales (\$ million, SA)	74,997	80,318	27,029	6,678	6,736	6,726	6,777	6,790	
y/y % change	-1.1	7.1	2.0	4.0	2.0	1.0	2.8	2.2	
New Vehicle Sales (units, thousands)	224	249	75	16	16	15	21	22	
y/y % change	-7.6	11.3	-3.5	0.5	7.5	-8.3	-5.9	-4.8	
NEW Consumer Price Index (y/y % change)	1.1	1.6	2.1	2.0	1.4	2.2	2.3	2.3	2.6
Excluding Food & Energy	1.7	1.1	1.3	1.1	1.0	1.4	1.3	1.3	1.4
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	-0.3	
Resale Home Sales	54,848	57,219	22,264	5,678	5,003	4,512	4,265	4,209	4,275
y/y % change	-7.6	4.3	-7.1	17.8	3.9	-11.1	-11.1	-11.9	-5.1
Sales to New Listing Ratio	0.50	0.50	0.45	0.58	0.54	0.49	0.43	0.41	0.38
MLS Average Resale Prices (\$ thousands)	397	398	389	386	395	396	387	384	384
y/y % change	0.3	0.4	-2.5	-4.6	-0.9	0.2	-3.6	-4.0	-4.2
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									
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	
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	
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	
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	24,121	6,198	6,157	6,077	6,106	5,781	
y/y% change	-8.1	13.3	4.5	11.8	9.8	6.4	4.3	-2.4	
NEW Wholesale Trade (\$ million, SA)	71,442	78,032	27,002	6,637	6,697	6,783	6,738	6,783	
y/y% change	-9.8	9.2	8.0	8.0	10.0	9.8	5.5	6.8	
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	
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	
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