

Alberta Economy

Indicators at a Glance

Economic Activity

The Alberta Activity Index (AAX) was up 2.9% year-over-year (y/y) in May, as eight of the nine indicators were up y/y. 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.

NEW: Employment¹

Alberta's employment takes a pause in July as a gain in service sector was more than offset by a drop in goods sector. Employment remained up 1.7% y/y, reflecting gains in self-employment and full-time jobs.

NEW: Unemployment Rate¹

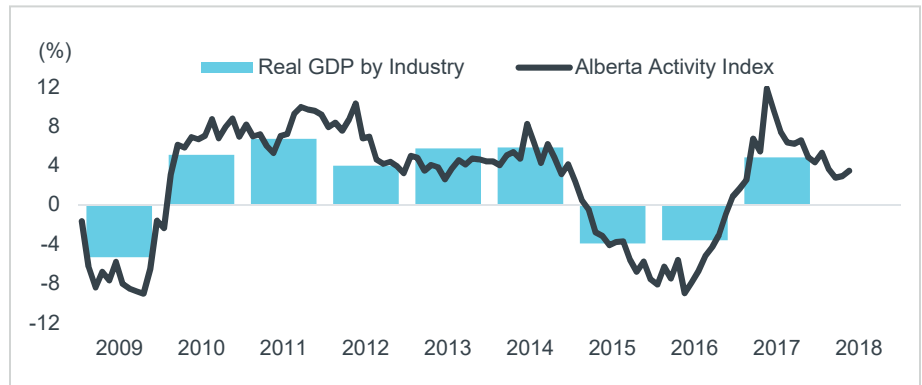
Alberta's unemployment rate ticked up 0.2 percentage point to 6.7% in July. Canada's unemployment rate edged down 0.2 percentage points to 5.8%.

NEW: Rigs Drilling

The number of active rigs in Alberta averaged 143 in July, up 20% y/y. The average rig utilization rate was 34%, up 6.5 percentage points from a year ago.

Economic Activity

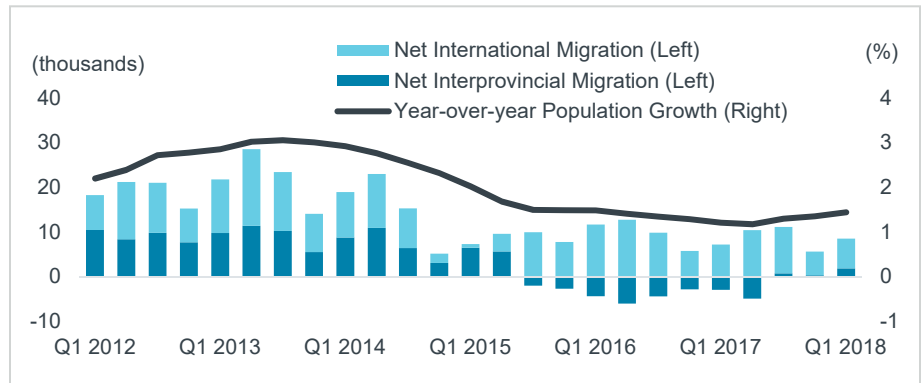
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics

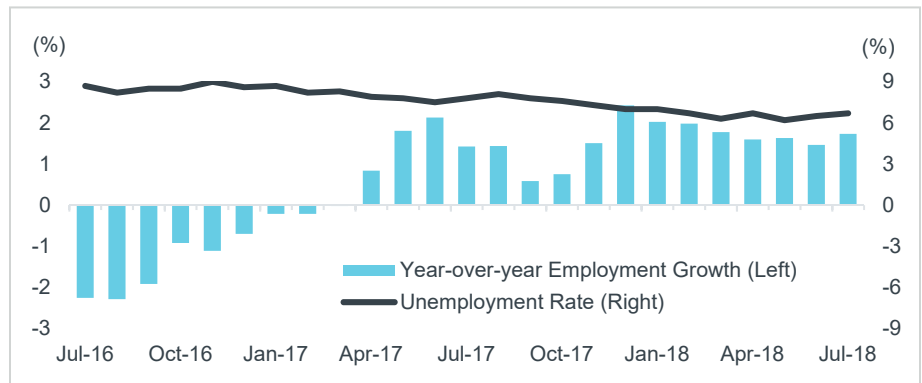
Quarterly



Source: Statistics Canada

Labour Market

Monthly



Source: Statistics Canada

Inflation

The inflation rate in Alberta accelerated to 2.8% y/y in June, up from 2.6% y/y in May. Inflation excluding food and energy was 1.7% y/y.

Average Weekly Earnings¹

Average weekly earnings (AWE) in Alberta decreased 0.2% m/m in May to \$1,150. Earnings have improved 3.4% y/y driven by gains in both the goods and services sectors.

Retail Sales¹

Alberta retail sales jumped 2.0% m/m to \$7.0 billion in May. Retail sales were up 3.7% y/y, the eighteenth consecutive month of year-over-year gains.

NEW: Housing Starts¹

Alberta housing starts jumped 15% m/m in July to 30,106 units (annualized). Compared to the previous year, housing starts dropped 11% driven by declines in both single family and multi-family starts.

NEW: New Housing Price Index

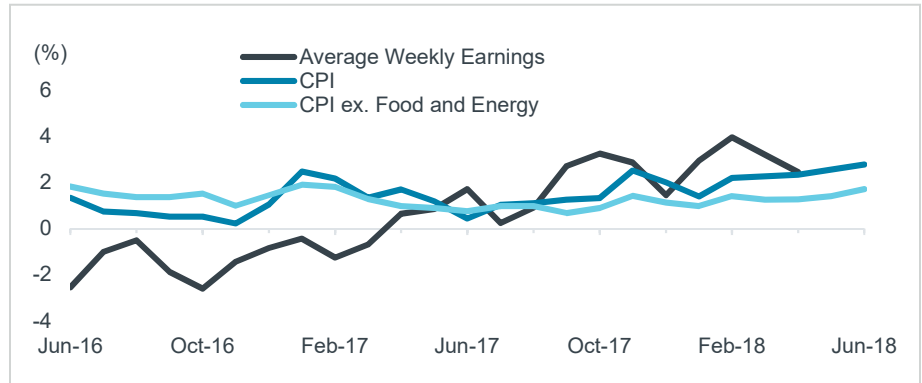
In June, Alberta's New Housing Price Index (NHPI) edged up 0.2% y/y. The house-only component eased 0.3% y/y while land prices were up 0.9% y/y.

NEW: Building Permits¹

Alberta building permits rose 1.9% y/y in June to \$1.2 billion, due to a increase in non-residential permits (+22% y/y) which more than offset a drop in residential permits (-11% y/y).

Inflation and Earnings

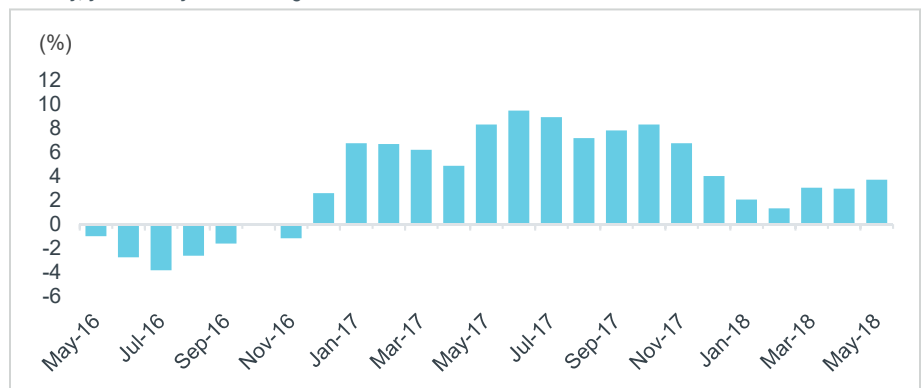
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales

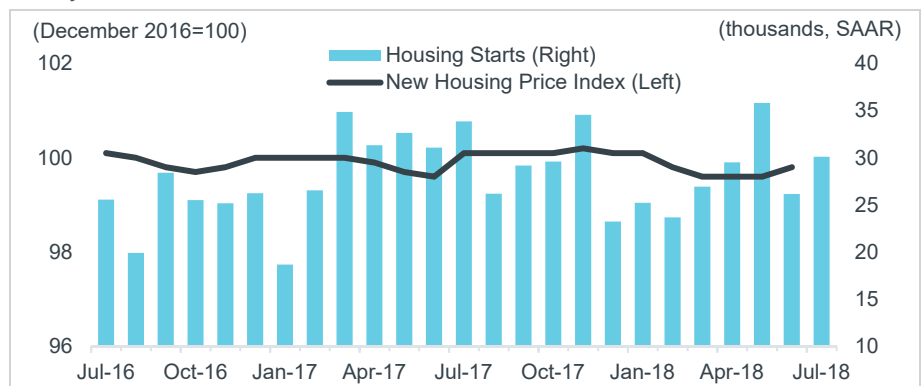
Monthly, year-over-year % change



Source: Statistics Canada

Housing Market

Monthly



Source: Statistics Canada, Canada Mortgage and Housing Corporation

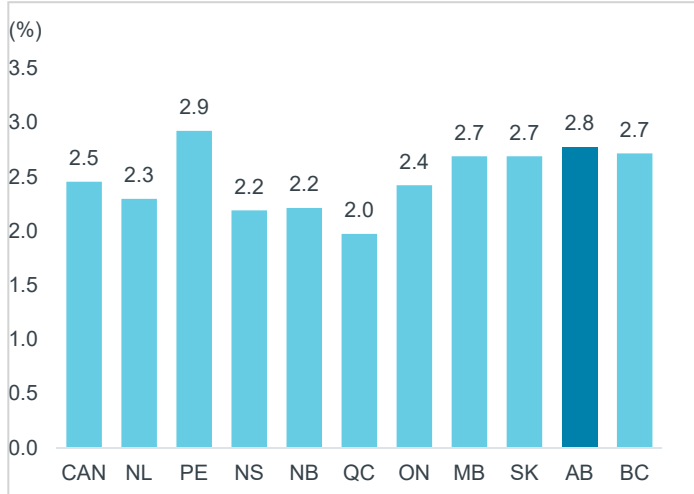
¹ Seasonally adjusted

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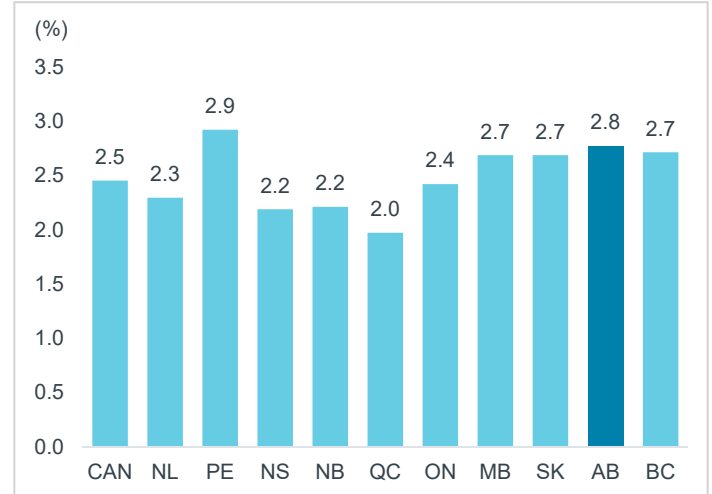
Please see the [Weekly Economic Review](#) for current analysis on the Alberta economy

	Canadian Dollar (US¢/\$CAN)	WTI Oil (\$US/bbl)	NYMEX Natural Gas (\$US/MMBtu)	Alberta Reference Price (\$C/GJ)
Latest (August 9, 2018)	76.69	66.81	2.96	0.78 (May)
Fiscal year-to-date	77.13	68.54	2.83	1.02

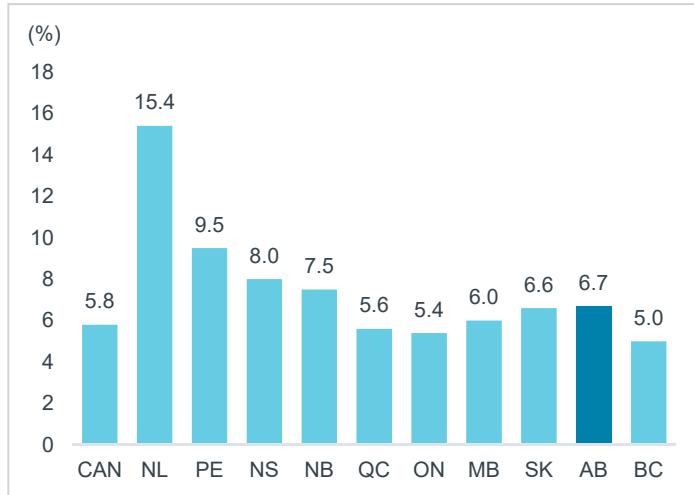
Real GDP by Industry
(2017, year-over-year growth)



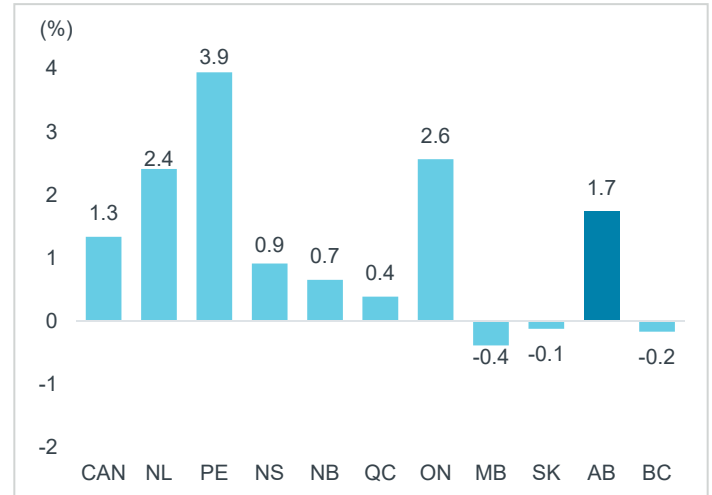
CPI Inflation
(June 2018, year-over-year growth)



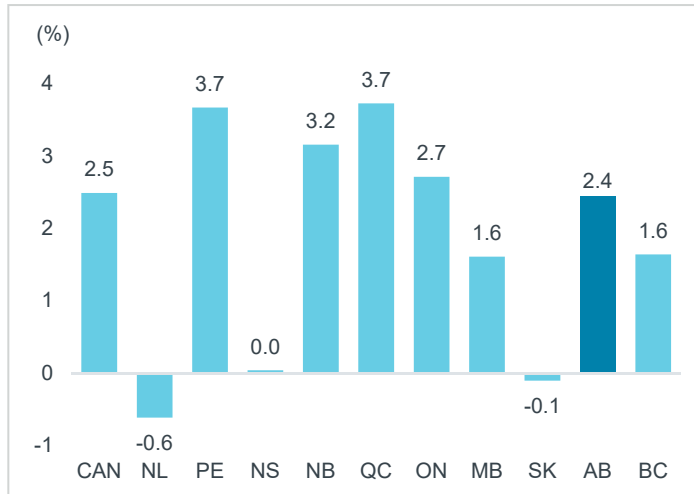
Unemployment Rate
(July 2018)



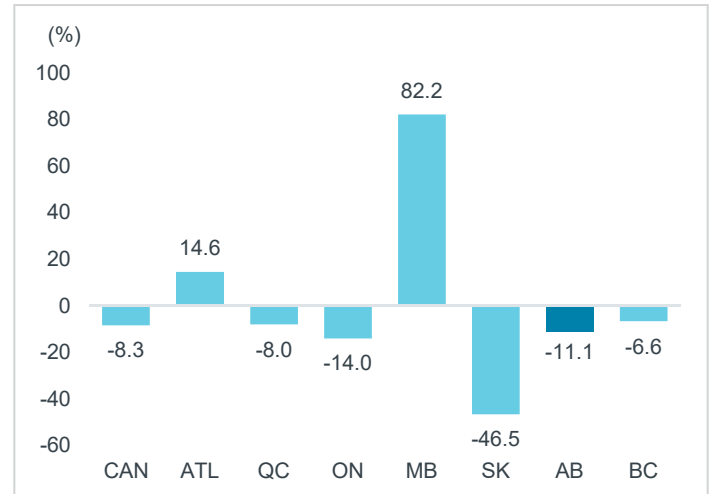
Employment
(July 2018, year-over-year growth)



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



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



Alberta Economic Indicators

	2016	2017	2018YTD	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18
Alberta Activity Index (y/y % change)	-4.5	5.1	3.0	3.1	2.3	2.5	2.9		
Population¹									
Population (thousands)	4,236	4,286	4,334			4,334			
y/y % change	1.4	1.2	1.4			1.4			
Net Interprovincial Migration	-15,108	-15,131	2,907			1,862			
Net International Migration	42,102	33,210	22,298			6,638			
Labour Market									
NEW Employment (thousands, SA)	2,264	2,287	2,323	2,317	2,325	2,323	2,326	2,328	2,325
m/m change (thousands)				2.3	8.3	-1.8	2.9	2.0	-3.6
y/y % change	-1.6	1.0	1.7	2.0	1.8	1.6	1.6	1.5	1.7
NEW Unemployment Rate (% , SA)	8.1	7.8	6.6	6.7	6.3	6.7	6.2	6.5	6.7
NEW Participation Rate (% , SA)	72.5	72.4	71.9	71.9	71.9	72.0	71.6	71.8	71.7
Average Weekly Earnings (\$, SA)	1,119	1,130	1,152	1,154	1,155	1,153	1,150		
y/y % change	-2.4	1.0	3.2	4.0	3.2	2.4	3.4		
Household Sector									
Retail Sales (\$ million, SA)	74,997	80,318	34,084	6,744	6,790	6,838	6,976		
y/y % change	-1.1	7.1	2.6	1.3	3.0	3.0	3.7		
New Vehicle Sales (units, thousands)	224	249	100	15	21	22	25		
y/y % change	-7.6	11.3	-2.4	-8.3	-5.9	-4.8	1.1		
Consumer Price Index (y/y % change)	1.1	1.6	2.3	2.2	2.3	2.3	2.6	2.8	
Excluding Food & Energy	1.7	1.1	1.3	1.4	1.3	1.3	1.4	1.7	
NEW Housing Starts (SAAR, 000's)	24.5	29.5	28.2	23.7	26.9	29.5	35.8	26.2	30.1
y/y % change	-34.2	20.1	-5.5	-10.8	-22.7	-5.8	9.7	-15.8	-11.1
NEW New Housing Price Index (y/y % change)	-0.5	-0.2	-0.1	-0.2	-0.4	-0.3	-0.1	0.2	
Resale Home Sales	54,848	57,219	26,745	4,512	4,265	4,209	4,318	4,438	
y/y % change	-7.6	4.3	-6.3	-11.1	-11.1	-11.9	-4.2	-3.2	
Sales to New Listing Ratio	0.50	0.50	0.45	0.49	0.43	0.41	0.39	0.42	
MLS Average Resale Prices (\$ thousands)	397	398	390	396	387	384	385	391	
y/y % change	0.3	0.4	-2.5	0.2	-3.6	-4.0	-3.8	-2.7	
Consumer Bankruptcies (level)	5,427	5,008	2,053	384	429	405	452		
y/y % change	26.8	-7.7	-6.2	-9.9	-14.9	-0.5	-1.7		
Business Sector									
Goods Exports (customs based,\$ million)	79,213	100,558	57,128	8,150	9,256	9,032	10,294	10,277	
y/y % change	-14.3	26.9	10.9	-0.8	-1.7	7.6	15.3	27.6	
Energy Products (\$ million)	51,594	69,976	40,244	5,783	6,315	6,099	7,225	7,386	
y/y % change	-17.5	35.6	11.3	-4.7	-3.3	6.8	16.2	34.9	
Agricultural Products (\$ million)	6,284	7,315	3,813	481	663	672	685	645	
y/y % change	-2.9	16.4	1.6	-8.9	-3.8	9.6	-3.6	10.5	
NEW Rigs Drilling	79	131	135	211	142	80	67	106	143
y/y % change	-34.0	66.0	6.7	12.4	-4.0	-5.3	9.1	21.2	20.2
Manufacturing Shipments (\$ million, SA)	62,597	70,940	30,434	6,078	6,118	5,810	6,272		
y/y % change	-8.1	13.3	4.4	6.4	4.5	-1.9	3.3		
Wholesale Trade (\$ million, SA)	71,442	78,032	34,387	6,819	6,782	6,817	7,272		
y/y % change	-9.8	9.2	8.5	10.4	6.2	7.4	8.7		
NEW Building Permits (\$ million, SA)	14,200	14,245	7,263	1,261	1,278	1,193	1,210	1,216	
y/y % change	-15.2	0.3	2.6	11.9	6.7	14.3	-3.6	1.9	
NEW Residential Permits (\$ million, SA)	7,930	8,400	4,523	839	836	709	790	659	
y/y % change	-19.7	5.9	7.9	25.2	19.2	4.6	4.2	-10.8	
NEW Non-Residential Permits (\$ million, SA)	6,270	5,845	2,741	422	442	484	419	556	
y/y % change	-8.8	-6.8	-5.0	-7.5	-11.0	32.4	-15.6	22.5	
Non-Res. Building Cons. Price Index ² (y/y % change)	-2.8	1.0	1.3		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 (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