Alberta Government

ECONOMIC OUTLOOK

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Budget 2015

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ECONOMIC OUTLOOK

KEY ENERGY AND ECONOMIC ASSUMPTIONS

Fiscal Year Assumptions	2013-14 Actuals	2014-15 Estimates	2015-16	2016-17	2017-18	2018-19	2019-20
Prices							
Crude Oil Price							
West Texas Intermediate (WTI) (US$/bbl)	99.05	79.87	54.84	62.80	75.14	78.89	83.83
Alberta Wellhead (Cdn$/bbl)[a]	91.23	78.98	50.79	57.55	68.82	75.15	86.24
Western Canadian Select (WCS) (Cdn$/bbl)	80.11	69.86	46.33	51.12	61.77	65.76	74.23
Natural Gas Price							
Alberta Reference Price (ARP) (Cdn$/GJ)	3.28	3.53	2.94	3.17	3.44	3.53	3.64
Production							
Conventional crude oil (000s barrels/day)	583	585	575	566	545	527	510
Raw bitumen (000s barrels/day)	2,064	2,346	2,552	2,676	2,944	3,313	3,567
Natural gas (billions of cubic feet)	4,499	4,700	4,743	4,546	4,399	4,397	4,398
Interest rates							
3-month Canada treasury bills (%)	0.95	0.85	0.60	0.95	1.75	2.00	2.00
10-year Canada bonds (%)	2.40	2.00	2.20	2.90	3.50	3.75	3.75
Exchange Rate (US¢/Cdn$)	94.9	88.3	81.5	83.0	84.0	85.0	86.0

Calendar Year Assumptions	2014 Estimates	2015	2016	2017	2018	2019	2020
Gross Domestic Product (GDP)							
Nominal (millions of dollars)	364,544[b]	334,908	353,885	380,115	403,366	429,141	454,956
% change	7.8[b]	-8.1	5.7	7.4	6.1	6.4	6.0
Real (millions of 2007 dollars)	314,567[b]	315,695	321,209	330,919	341,390	352,435	362,476
% change	3.8[b]	0.4	1.7	3.0	3.2	3.2	2.8
Other Indicators							
Employment (thousands)	2,275	2,288	2,311	2,356	2,407	2,457	2,503
% change	2.2	0.6	1.0	1.9	2.1	2.1	1.9
Unemployment rate (%)	4.7	5.7	5.9	5.3	4.7	4.5	4.4
Average Weekly Earnings (% change)	3.8	1.9	2.2	2.4	2.9	3.3	3.4
Primary Household Income (% change)	6.4[b]	2.4	3.5	4.3	5.4	5.6	5.3
Net Corporate Operating Surplus (% change)	18.2[b]	-50.6	27.2	37.0	16.8	15.3	13.0
Housing starts (number of units)	40,590	33,600	30,500	30,300	31,400	34,400	36,200
Alberta Consumer Price Index (% change)	2.6	0.9	1.5	1.7	2.0	2.1	2.1
Retail Sales (% change)	7.6	2.6	3.4	3.9	5.1	5.6	5.3
Population, July 1 (thousands)	4,122	4,206	4,278	4,349	4,428	4,512	4,596
% change	2.9	2.0	1.7	1.7	1.8	1.9	1.9
Net Migration (thousands)	81.2	50.3	37.4	36.7	45.1	50.3	50.3

[a] Refers to the average price per barrel of Alberta light, medium and heavy oil.

[b] Alberta Treasury Board and Finance estimate.

Fiscal Sensitivities to Key Assumptions, 2015-16[a]

(millions of dollars)

	Change	Net Impact (2015-16)
Oil Price (WTI US$/bbl)	-$1.00	-148
Light/Heavy Oil Price Differential (US$/bbl)	+$1.00	-82
Natural Gas Price (Cdn$/GJ)	-10 Cents	-31
Exchange Rate (US¢/Cdn$)	+ 1 Cent	-61
Interest Rates	+1%	-188
Primary Household Income	-1%	-143

[a] Sensitivities are based on current assumptions of prices and rates and show the effect for a full 12 month period. Sensitivities can vary significantly at different price and rate levels. The energy price sensitivities do not include the potential impact of price changes on the revenue from land sales.

ECONOMIC OUTLOOK 2015–20

LOW OIL PRICES SLOW ALBERTA'S ECONOMY

Alberta's economic expansion will pause in 2015 after five years of exceptional growth. The slowdown is caused by oil prices, which have fallen more than 50% since June 2014. Weaker oil prices will dampen economic activity as energy companies pull back on investment and cut costs. Alberta's labour market, which has attracted people to the province in droves since 2012, is expected to cool significantly in 2015, weighing on interprovincial migration.

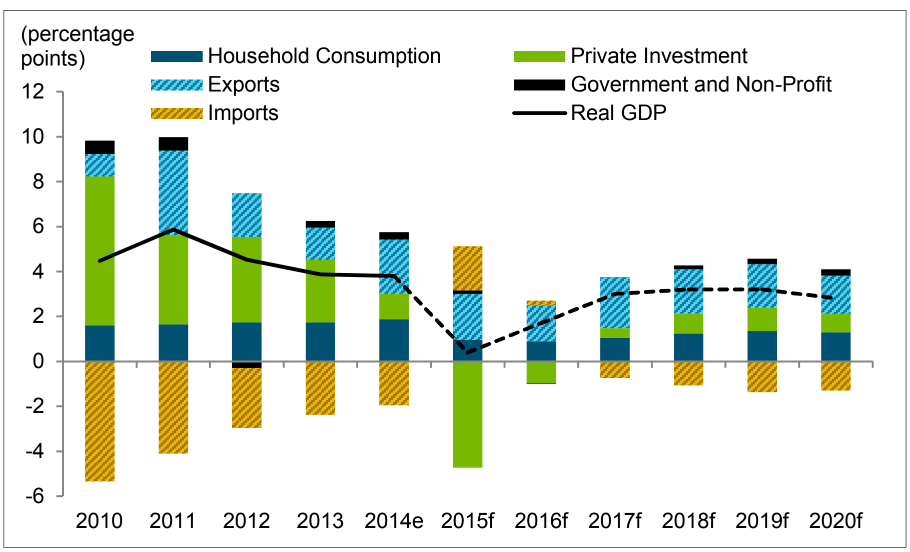
Real GDP is forecast to grow a mere 0.4% in 2015, well below the average annual increase of over 4% since 2010. This weakness will carry into 2016, with growth edging up to 1.7% before normalizing at around 3% in 2017 and over the medium term as oil prices recover. The economy will continue to transition from investment to export-led growth, with real exports expected to rise around 3.5% annually over the forecast period.

The most significant impact of lower oil prices will be on incomes. Nominal GDP, a broad measure of income, is forecast to decline more than 8% in 2015 then gradually improve with energy prices. Corporate profits and Government of Alberta revenue will be hit the hardest, falling well below 2014 levels.

With energy investment declining, trade will drive Alberta's economy in 2015 and 2016 (Chart 1). Exports will increase, lifted by rising oil sands production and a weaker dollar, while imports will decline due to the pullback in investment. A stronger US economy will support many non-energy industries, including agriculture and forestry. All industries will benefit from weaker cost pressures as the Alberta economy performs below its potential over the next two years. Households will add to growth as the population expands and consumers increase spending, although at a much slower pace.

Chart 1: Lower energy investment to weigh on economic growth in 2015

Contribution to Alberta Real GDP Growth



Sources: Statistics Canada and Alberta Treasury Board and Finance

Alberta's GDP growth will pause in 2015 due to weaker energy investment. Over the medium term, growth will normalize to around 3%, driven by exports.

BUSINESS SECTOR

Lower oil prices will force producers to curtail capital spending, slowing oil-related activity. Despite weaker investment, oil sands production will continue to rise, driving export growth. Other sectors will benefit from improved labour availability and reduced cost pressures, along with a weaker dollar and a strengthening US economy.

OIL PRICE OUTLOOK DETERIORATES

The outlook for oil prices has changed dramatically over the past year. Strong crude supply growth, mainly from the US, and lower-than-forecast global oil demand led to an oil market correction in late 2014. OPEC's November decision to not cut production pushed oil prices down further. WTI is forecast at around US$55/bbl in 2015-16, gradually rising to nearly US$84/bbl by 2019-20 as excess supplies are removed from the market (Chart 2). This is in contrast to the *Budget 2014* forecast of above US$90/bbl for 2015-16.

For Alberta producers, a narrower light-heavy differential has partially offset lower world oil prices. The WTI-WCS differential narrowed to US$17/bbl in 2014-15 reflecting strong heavy oil demand, pipeline expansions and crude-by-rail investments. It is expected to widen again to around US$23/bbl by 2017-18 due to constraints in the pipeline network.

Low natural gas prices are expected to persist, with the Alberta Reference Price averaging $2.94/GJ in 2015-16 and staying below $4.00/GJ over the forecast period due to plentiful North American supplies. Prices have been low for five years, and Alberta gas production now represents a small share of exports. Unlike the 2009 downturn, low natural gas prices are not expected to be a significant drag on Alberta's growth.

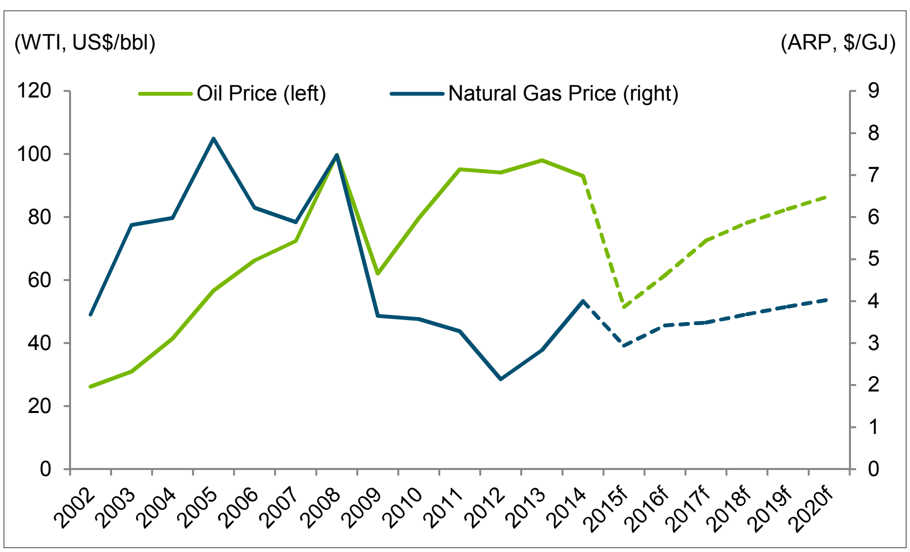
ENERGY INVESTMENT TO CONTRACT

Lower oil prices will significantly reduce corporate profits. Net corporate operating surplus is expected to fall 50% in 2015, not returning to 2014 levels

The WTI oil price forecast for 2015 is about US$40/bbl lower than expected at Budget 2014. *Over the medium term, oil prices are not expected to return to 2014 average levels, while gas prices are forecast to hold near current levels.*

Chart 2: Oil prices drop

Crude Oil and Natural Gas Prices

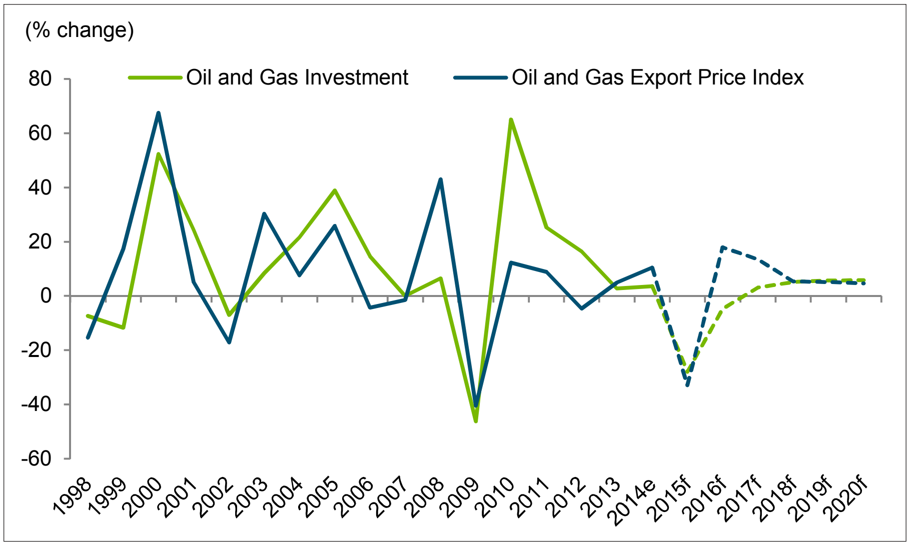


Source: Alberta Energy

until 2018. In response to lower oil prices, producers have announced steep cuts to capital spending. Energy investment is expected to fall by around 30% in 2015 and 5% in 2016, then post moderate growth through the forecast period (Chart 3). It is forecast to stay below 2014 levels, reflecting a shift to production in the oil sands and a leveling-off of capital spending that was underway before the price correction.

Chart 3: Oil and gas investment to fall with prices

Alberta Oil and Gas Investment and Energy Prices



Sources: Statistics Canada and Alberta Treasury Board and Finance

Oil and gas investment moves with prices. The drop in oil prices is expected to lead to much lower energy investment this year and a further decrease in 2016.

The short life cycle of conventional oil investment makes it more sensitive to the near-term price outlook. Consequently, conventional investment is expected to fall by about 40% in 2015. Junior and medium producers, which dominate conventional production, are subject to greater financial constraints. Lower cashflows will hurt their balance sheets and make it more difficult to access capital. Producers are already responding, as drilling activity has dropped dramatically in the first two months of 2015.

The impact on oil sands investment will be less pronounced. Oil sands projects are extremely capital intensive, take several years to construct and have long production life cycles. To reduce capital spending, firms will delay or slow development of some projects and focus on cost containment.

OIL PRODUCTION CONTINUES TO EXPAND

While conventional oil production will be impacted by lower prices in 2015, oil sands production will continue to expand. Projects nearing completion are expected to add over 500,000 barrels per day of production in the next three years, including Kearl Mine, Cold Lake, Foster Creek, Surmont and Christina Lake. Those already operating are not expected to shut-in production, as per barrel operating costs are below expected prices. Even in 2009, for example, production continued to grow steadily as prices fell below US$40/bbl.

Projects that are well into construction, such as Fort Hills, are expected to proceed due to large amounts of sunk capital. Lower investment and project delays in 2015 and 2016, however, may affect production towards the end of the forecast horizon. If prices fall below forecast levels, some production may be at risk, particularly in 2019 and 2020 (Chart 4). Real oil exports are expected to grow over 6% per year over the forecast period, adding significantly to overall exports and economic growth (Chart 5).

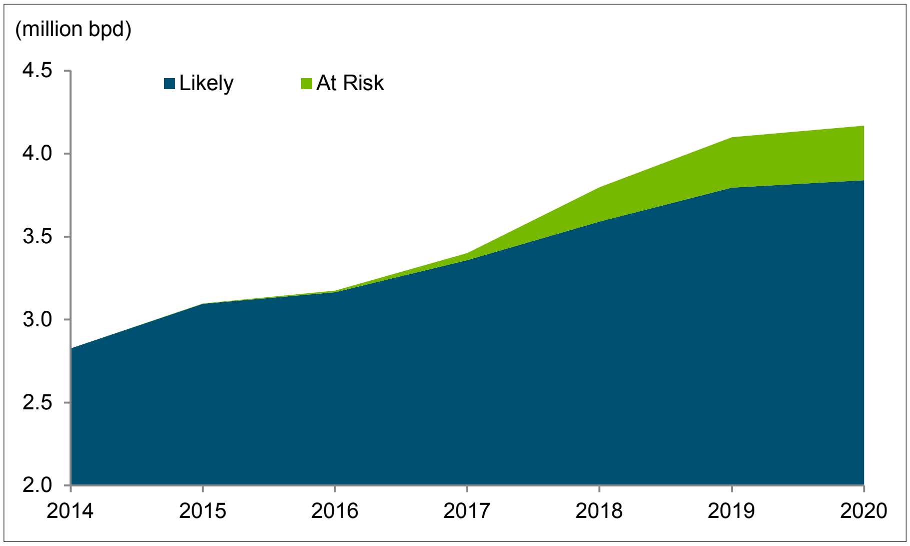
NATURAL GAS EXPORTS TRENDING LOWER

Natural gas exports will continue to decline over the forecast period due to low prices and a glut of North American supply. Natural gas drillers have

Oil production will continue to rise, reflecting oil sands projects already underway. If prices fall below levels currently forecast, future production is at risk.

Chart 4: Oil production to rise as oil sands projects come online

Alberta Oil Production Forecast

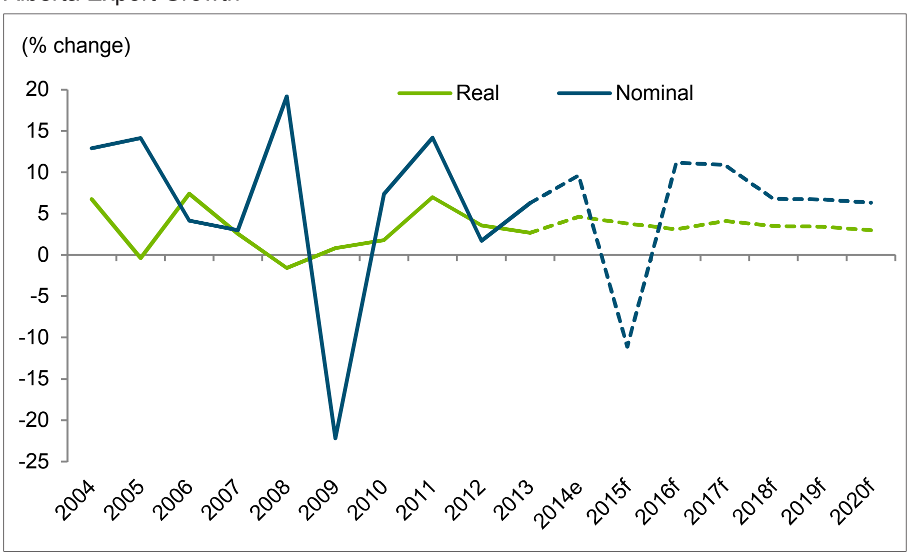


Source: Alberta Energy

Lower oil prices will lead to a negative income shock, reducing Alberta's export earnings. While the value of exports will fall, the volume will keep rising.

Chart 5: Export volumes continue to grow despite nominal decline

Alberta Export Growth



Sources: Statistics Canada and Alberta Treasury Board and Finance

increasingly been targeting natural gas liquids (NGLs), whose prices are tied more closely to oil. Consequently, NGLs make up an increasing share of output and are expected to drive much of the future growth in the sector. Proposed liquefied natural gas terminals on the BC coast present an upside risk, with the potential to raise gas prices and exports above forecast levels.

NON-ENERGY PRODUCTION ON THE RISE

Other Alberta industries, such as forestry, agriculture and manufacturing, will continue to boost output over the forecast period, bolstered by a lower Canadian dollar, easing cost pressures and a stronger US economy.

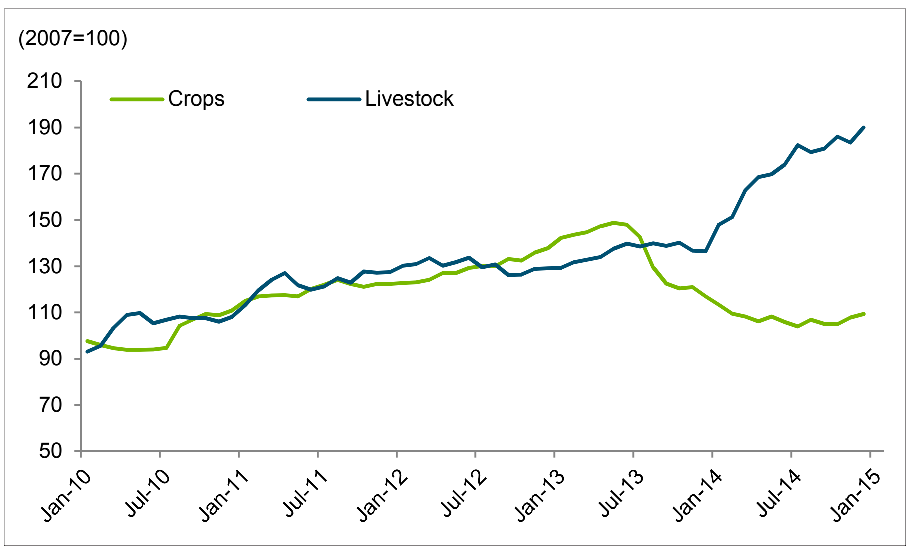
In the manufacturing sector, the plastic and chemical industry has sustained strong levels of investment, raising capacity and exports. The Joffre polyethylene plant expansion, which is due to come on-line late in 2016, will provide an additional lift. Petroleum manufacturing will expand substantially in 2017 with the completion of the $8.5 billion North West Upgrader, which will add 50,000 barrels per day in refining capacity.

In the near term, however, the slowdown in oil and gas activity in both the US and Canada will lead to a drop in demand for Alberta's oil-related machinery and fabricated metal, which has surged in recent years. As a result, growth in manufacturing exports will slow by over half in 2015, before picking up over the medium term to just over 3% annually.

In the agriculture sector, market conditions have shifted in favour of the livestock industry (Chart 6). Cattle producers will continue to reap the benefits of higher prices, as the cattle stock in North America has fallen to a near multi-decade low. Prices are expected to remain strong in 2015, which should support higher production in Alberta. On the other hand, cash receipts for crop producers eased in 2014 on lower prices for wheat and canola. Prices should improve slightly in 2015, with crop exports expected to remain near 2014 levels.

Chart 6: Livestock and crop prices move in opposite directions

Alberta Farm Product Price Index



Source: Statistics Canada

Livestock prices have surged and are expected to remain strong in 2015, supporting increased production. Crop prices should edge higher, but are not expected to return to 2013 levels this year.

International trade is critical to the continued growth of Alberta's agriculture and food manufacturing industries. Recent trade agreements should open up additional markets. The economic impact of the recent BSE case in Alberta is expected to be limited, since countries restricting beef imports represent only 4% of Alberta's total market. The largest markets for Alberta beef remain open, including the US and Mexico, although the possibility of further restrictions presents a downside risk.

The tourism industry will benefit from a stronger US economy and the lower Canadian dollar. However, business travel will suffer from the drop in oil-related activity, which will negatively impact the accommodation sector in certain parts of the province.

The forest product sector will continue to expand, aided by stronger forestry product prices, the weaker dollar, as well as rising US and Asian demand. Mills are already operating near capacity, and will need to invest to increase output in existing facilities. Alberta's forestry sector has been resilient in the face of the US housing collapse, with production increasing for four straight years, supported by growing demand in Asia and the recent recovery in US housing.

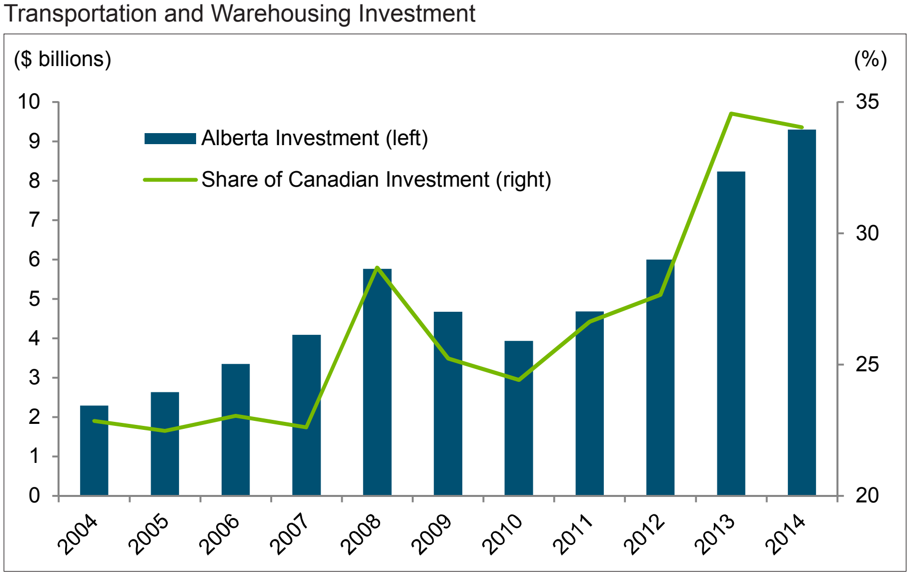
MARKET ACCESS KEY TO ALBERTA'S GROWTH

The transportation sector has witnessed tremendous growth (Chart 7), and will continue to expand over the medium term given the production profile of the oil sands and other sectors. There is a need to build and expand the pipeline infrastructure, with $8.7 billion in capital projects already underway and more expected in Alberta. Bottlenecks in the pipeline system have pushed crude onto the rail network, with the number of cars carrying crude from Western Canada increasing over four-fold since 2011. Energy and rail companies are investing heavily into crude-loading facilities, with loading capacity expected to more than double over the next few years. While transportation capacity

Alberta accounts for more than a third of Canadian investment in transportation and warehousing. More investment is required over the medium term to support Alberta's export-driven growth.

Chart 7: Transportation investment surges as production ramps up

Transportation and Warehousing Investment



Source: Statistics Canada

has increased in Alberta, energy producers will require improved access to international and coastal markets.

MOMENTUM FOR THE CONSTRUCTION SECTOR

Outside the oil and gas sector, non-residential construction started to pick up in the second half of 2013 and building permits have posted solid gains in the past two years. Government capital spending is expected to remain strong this year, while ongoing infrastructure projects in Alberta's major centres should add to construction activity. Recent growth reflects a need to catch up after years of exceptional economic and population gains. The pace of construction will wane in late-2015 and 2016 as economic activity slows, before picking up again in the medium term. Investment in electricity infrastructure is expected to increase over the forecast period as construction continues on several new power plants and transmission lines.

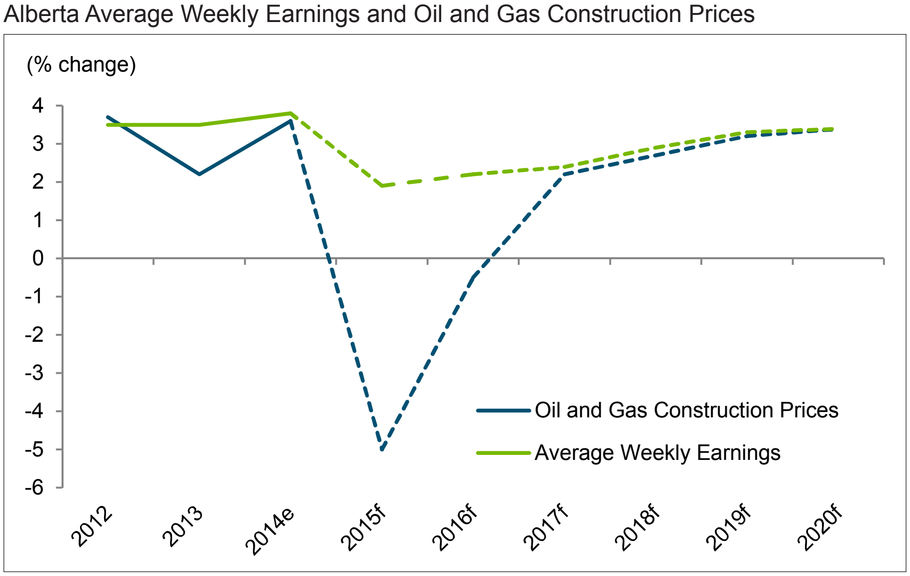
COST PRESSURES EASE

Cost pressures will ease significantly with the pullback in investment. In the energy sector, construction prices are expected to fall (Chart 8). Producers will continue to ask suppliers to cut prices, while seeking out efficiencies in-house. They will also save on royalties, as the royalty rate has declined with energy prices. The price of condensate, which is used to dilute bitumen for transportation, has also come down with oil prices. Lower condensate prices and a weaker Canadian dollar have provided a partial cushion to oil producers.

Other industries will also benefit from lower costs. The slowdown in oil and gas activity will free up labour across the province and help keep wages contained. Average weekly earnings in 2015 are expected to increase only 1.9%, half of 2014's increase. Companies will face lower fuel costs, while refiners and petrochemical manufacturers will benefit from cheaper feedstock.

Chart 8: Cost pressures wane

Alberta Average Weekly Earnings and Oil and Gas Construction Prices



Sources: Statistics Canada and Alberta Treasury Board and Finance

One benefit of slower activity is reduced cost pressures. Construction prices are expected to fall in the oil and gas industry in 2015.

HOUSEHOLD SECTOR:

Households will feel the effects of lower oil prices as spending cuts in the energy sector cause the labour market to cool. Consumer spending will moderate, but still add to economic growth. A rising population, lower interest rates, and falling energy costs will lend support to households in the near term. Over the medium term, the pace of consumer spending will pick up as business activity improves.

LABOUR MARKET COOLING

Alberta's labour market is expected to slacken this year. The average level of employment is forecast to be only 0.6% higher than in 2014. Strong job growth in late 2014 provided momentum heading into 2015, but lower oil prices are starting to have an impact. In February, the province lost 14,000 jobs, erasing January's gain. Employment is expected to fall further for the remainder of the year (Chart 9). As a result, the unemployment rate is expected to increase from 4.7% in 2014 to 5.9% by 2016. Job losses will be concentrated in the energy sector, but other sectors that rely on oil activity, such as professional services, will also be adversely affected. Weakness in the labour market is expected to persist through 2016 before improving as activity in the province picks up, with employment growth moving closer to 2% by 2017.

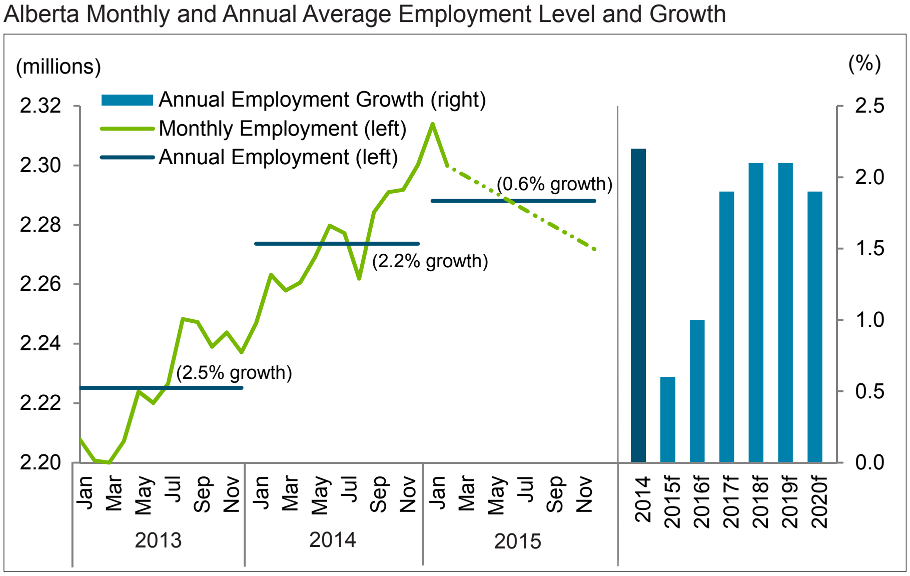
A weaker labour market will translate into softer earnings growth. Growth in household income, a key driver of personal income tax revenue, is forecast to slow by more than half to 2.4% in 2015 and 3.5% in 2016, before improving.

In the medium term, population aging will impact the labour market. The labour force participation rate is expected to fall as more people enter the 65+ age cohort and retire. By 2020, the unemployment rate is forecast to decline to 4.4%.

Employment growth is forecast to slow to 0.6% in 2015. This annual increase masks significant job declines that are expected between February and the end of 2015. Job creation will pick up as economic growth accelerates.

Chart 9: Employment expected to fall from February 2015 levels

Alberta Monthly and Annual Average Employment Level and Growth



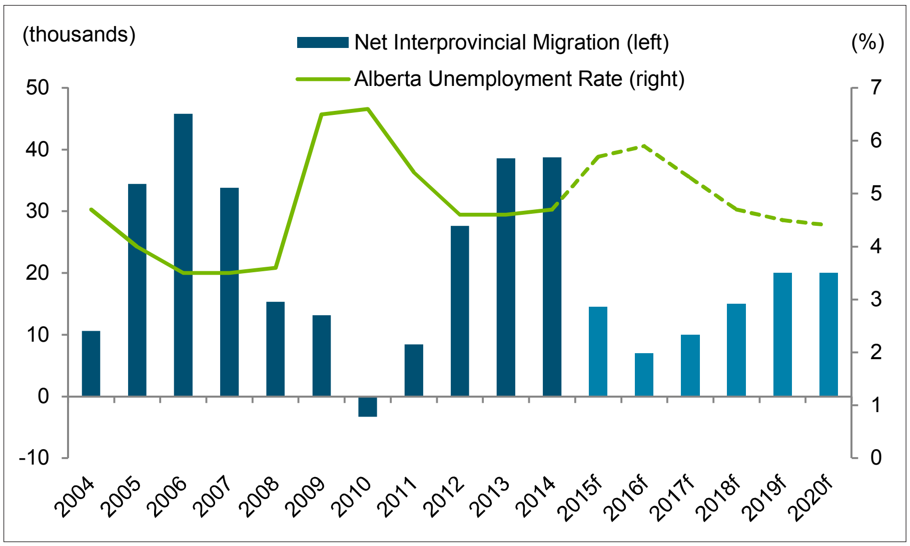
Sources: Statistics Canada and Alberta Treasury Board and Finance

INTERPROVINCIAL MIGRATION PULLS BACK

The flow of people to Alberta from other provinces is expected to slow as Alberta's economy takes a breather and prospects improve elsewhere. The province is forecast to add 14,500 residents from other provinces in the 2015 census year (ending July 1) and 7,000 in 2016, compared with 38,700 in 2014 (Chart 10). Wages in Alberta are still significantly higher than the national average, which will encourage people to stay. Despite the slowdown, 2% population growth is expected this year and 1.7% in 2016, before picking up slightly over the medium term (Chart 11). Immigration, which is slower to react to economic changes, will be an important source of growth. Efforts by the federal government to reduce the backlog of applications should support continued immigration.

Chart 10: A cooling labour market slows interprovincial migration

Alberta Interprovincial Migration and Unemployment Rate

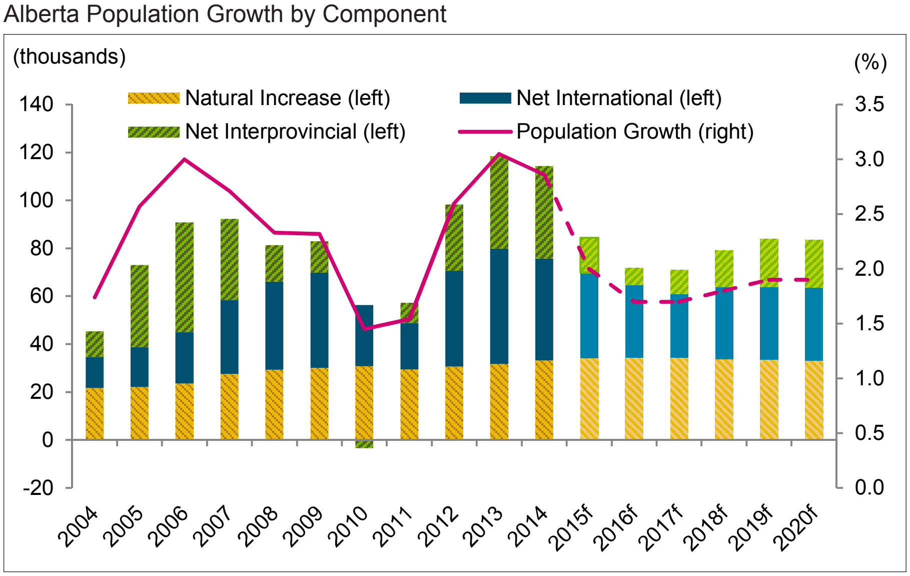


Sources: Statistics Canada and Alberta Treasury Board and Finance

Net interprovincial migration stays positive over the forecast period, but slows in 2015 and 2016 due to weaker labour market conditions.

Chart 11: Natural increase and immigration to drive population gains

Alberta Population Growth by Component



Sources: Statistics Canada and Alberta Treasury Board and Finance

Immigration has posted steady gains over the past decade and is less sensitive to the economic cycle. It will remain an important source of population growth, along with natural increase.

Net outflows of non-permanent residents are expected, reflecting federal changes to the Temporary Foreign Worker program. Natural increase will account for nearly half of the growth in population over the forecast period, thanks to Alberta's relatively young population.

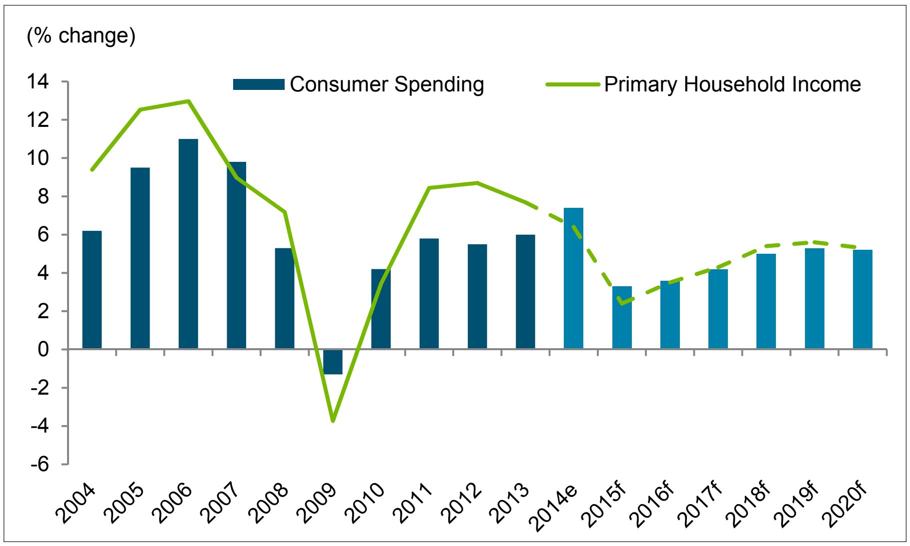
SPENDING SLOWS, WHILE INFLATION EASES

With income growth softening, households will spend at a much slower pace than they have in the previous five years (Chart 12). Even so, consumers are forecast to make a positive contribution to economic growth. Growth in real spending is forecast to average just over 2% in the next two years, less than half of 2014's pace, before improving over the medium term. While households will

Consumers have been a major source of economic growth since 2010. They will continue to add to growth in 2015 and 2016, though their contribution will wane as income gains slow.

Chart 12: Consumers keep spending, but at a much slower rate

Alberta Nominal Household Consumption and Income

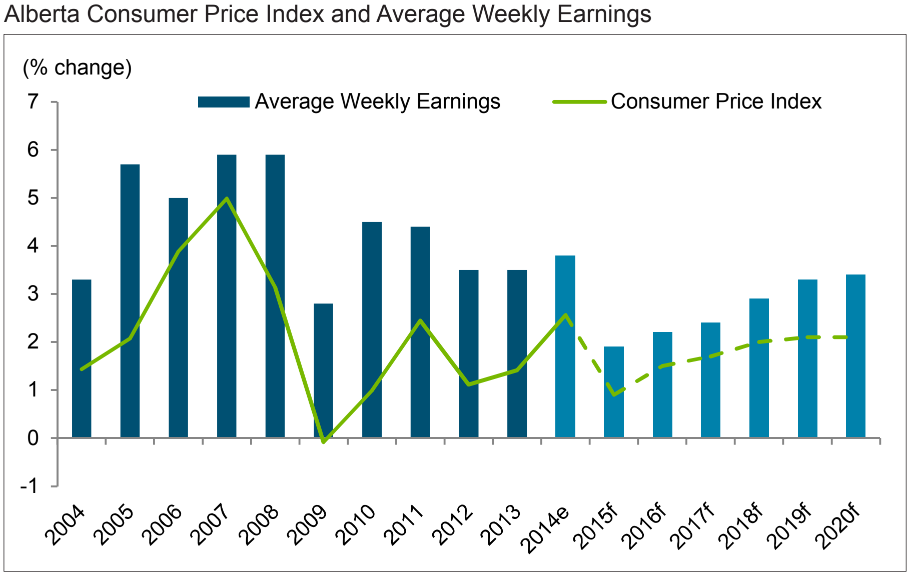


Sources: Statistics Canada and Alberta Treasury Board and Finance

Inflation is forecast to hit a six-year low in 2015 due to lower energy costs and slower economic activity. Inflation will rebound with energy prices and the economy. Real income gains are expected as average weekly earnings outpace inflation.

Chart 13: Wage and inflation pressures soften

Alberta Consumer Price Index and Average Weekly Earnings



Sources: Statistics Canada and Alberta Treasury Board and Finance

temper discretionary purchases, low interest rates and gasoline prices should provide a lift. Spending will also be supported by continued gains in population and real income.

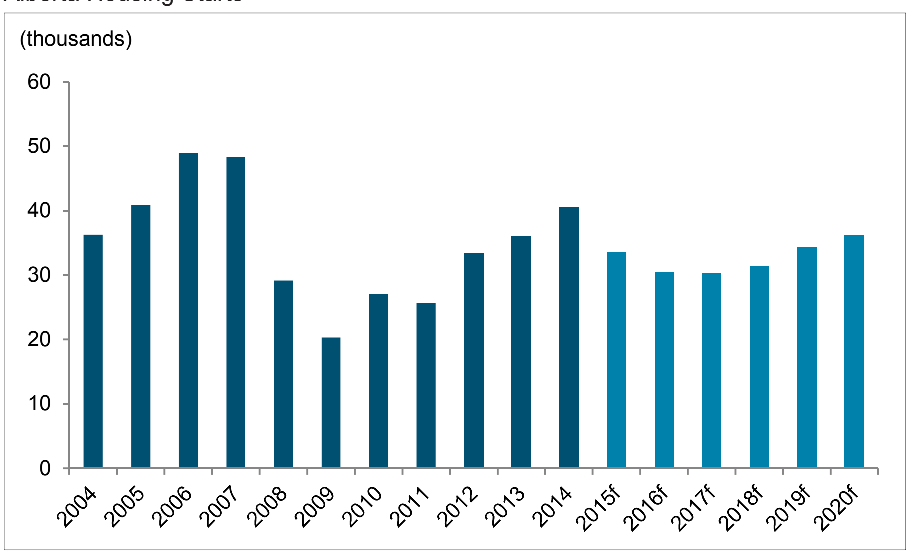
As in the business sector, households will benefit from weaker inflationary pressures in the near term (Chart 13). Consumer prices are expected to increase by only 0.9% in 2015 and 1.5% 2016, mainly because of lower energy costs. Shelter costs, which kept inflation elevated in 2014, are expected to moderate significantly in the near term.

SOFT LANDING FOR HOUSING

Alberta's housing sector has been tight until recently. A change in sentiment following the oil price plunge has quickly pushed the resale market from a seller's to a buyer's market. Resale activity has declined and prices have softened. Despite changing conditions, residential construction is expected to hold up better than during the 2009 downturn. The rental market remains tight and housing inventories are at near-record lows, as record migration in the past three years has created a need for more housing. Housing has remained relatively affordable, especially in markets outside of Calgary that have seen minimal price gains. The recent interest rate cut and resulting lower mortgage rates will partially offset weakening demand. Residential permits from late 2014 and strong housing starts in January and February suggest that residential investment will continue to expand in early 2015 before slowing later in the year and into 2016. Housing starts are forecast to drop by 17% to 33,600 in 2015, falling further to 30,500 in 2016 before increasing steadily to 36,200 by 2020 (Chart 14).

Chart 14: Alberta demand for new housing to weaken

Alberta Housing Starts



Sources: Canadian Mortgage and Housing Corporation and Alberta Treasury Board and Finance

A softer labour market will cool housing demand, but there are some offsetting factors: low new home inventories, a tight rental market, rock-bottom interest rates and relatively affordable housing.

GLOBAL ECONOMY

The global economy will stay on the same moderate growth track as in 2014, at just over 3% in both 2015 and 2016. A stronger US economy, historically low interest rates and weaker oil prices will provide a boost. However, a sluggish Euro Area economy will limit the upside. The outlook for emerging markets is mixed, as lower oil prices will hurt energy producers, but benefit oil importers like China and India.

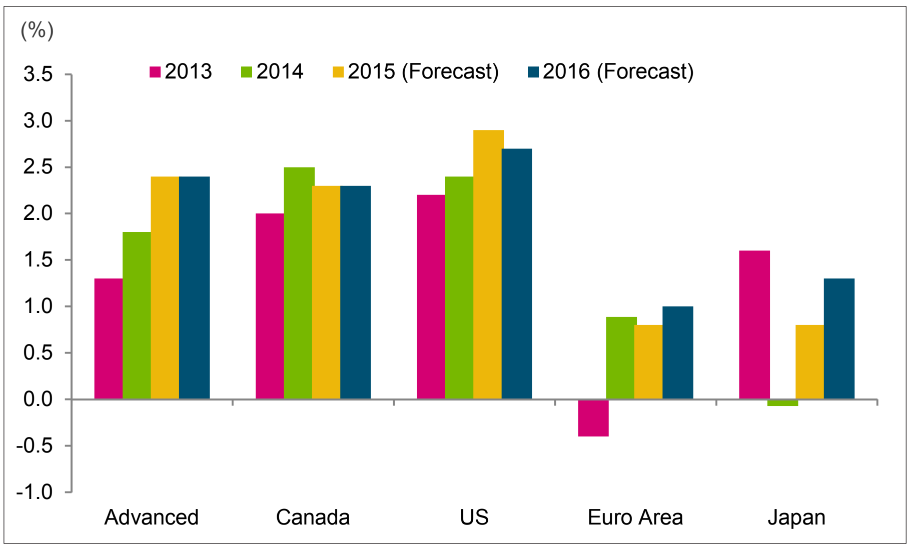
US ECONOMY IN FULL RECOVERY

The US economy has gained momentum, with GDP growth forecast to accelerate to 2.9% in 2015 and 2.7% in 2016 (Chart 15). Consumers are increasingly confident about the economic outlook (Chart 16). Low household debt, stronger

The US will be a major engine of growth in 2015, while economic woes continue in the Euro Area.

Chart 15: Diverging fortunes for advanced economies

Real GDP Growth

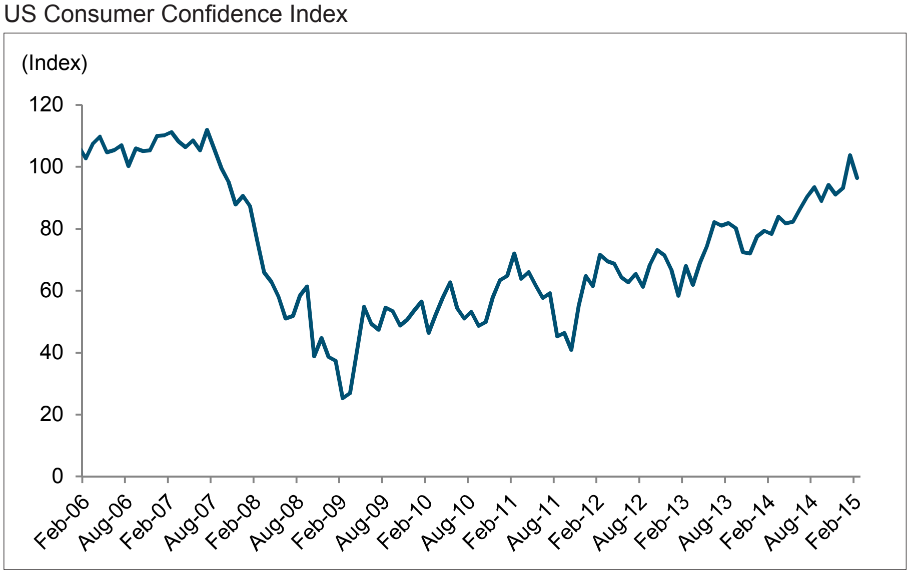


Sources: International Monetary Fund and Alberta Treasury Board and Finance

US consumers are becoming more confident, paving the way for future spending growth.

Chart 16: US confidence on the rise

US Consumer Confidence Index



Source: The Conference Board

labour markets, and lower energy prices will increase purchasing power and fuel consumer spending. Years of cautious consumption by households has created pent-up demand, which will help drive spending over the next two years. Growth of around 2.5% per year is expected in the medium term.

The pick-up in US growth comes despite continued weakness in the rest of the global economy. The world's largest economy derives a significant share of its output from consumer spending and is less reliant on exports. A self-reinforcing cycle is developing among improving labour markets, demand for goods and services and business investment.

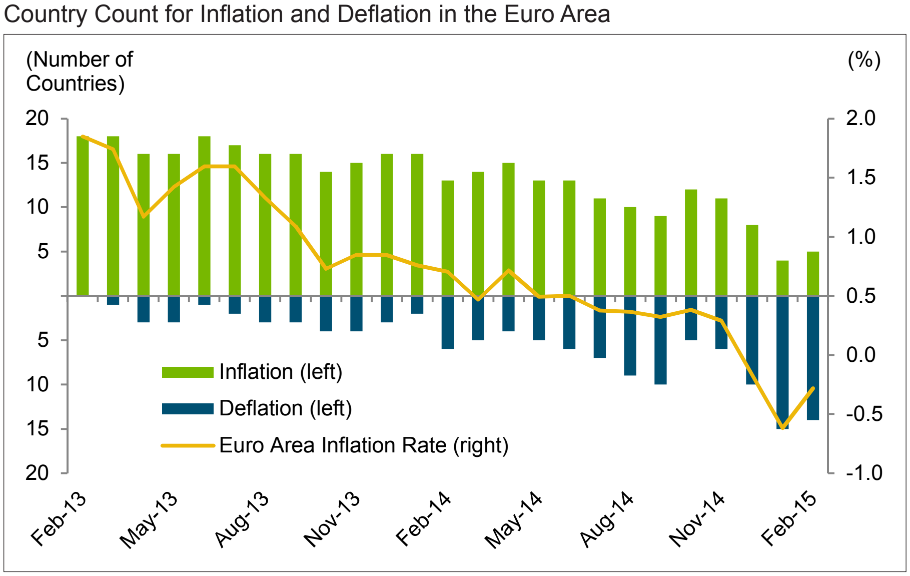
MODEST GROWTH IN THE EURO AREA AND JAPAN

In the Euro Area, real GDP growth is expected to remain tepid at around 1% in 2015 and 2016. Recently announced monetary stimulus and a weaker Euro will provide a much-needed boost, but challenges remain. The Euro Area closed out 2014 with real GDP at effectively the same level as in the summer of 2011. Unemployment remains alarmingly high across the continent, especially for younger workers. Moreover, 14 out of the 19 Euro members are now experiencing falling consumer prices, or deflation (Chart 17). As in 2011, a recovery is being threatened by uncertainty about Greece. A deteriorating Greek economy and unstable public finances make a Greek exit from the common currency increasingly likely, which would be a setback to the Euro Area's fragile economy.

Japan is Alberta's third largest export market and the world's fourth largest economy. Real GDP growth in Japan is expected to remain weak at around 1% in both 2015 and 2016. To break its deflationary cycle, the Bank of Japan embarked on a massive monetary stimulus program. The results have been mixed; prices have stopped falling, but inflation remains below target. The unemployment rate has fallen to 15-year lows, but real GDP growth has been disappointing. Japan will still have to deal with challenges posed by a declining working age population and increased regional competition.

Chart 17: Euro Area slips into deflation

Country Count for Inflation and Deflation in the Euro Area



Source: Statistical Office of the European Communities

More than half of the countries in the Euro Area are experiencing falling consumer prices. Concerns over deflation and weak growth pushed the European Central Bank to introduce more aggressive stimulus measures.

EMERGING MARKET GROWTH DIVERGES

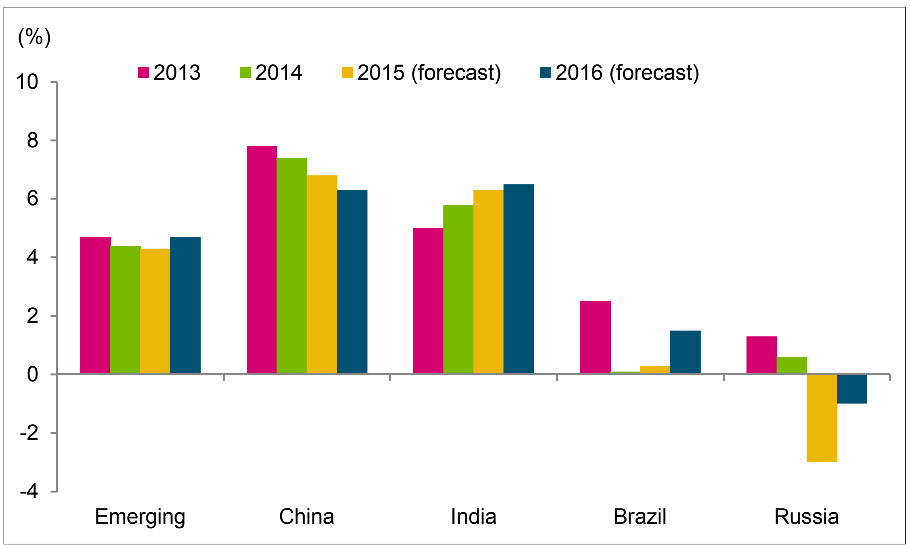
Emerging markets are key to Alberta's growth, given their role in driving global demand and commodity prices. Growth in emerging markets is expected to hold steady at just over 4% in 2015, but prospects vary by region. China remains a growth leader, but is on a slower path, which has dampened oil demand. China's economy will continue to transition away from a reliance on savings, industrial investment and low-cost manufactured exports, and towards domestic consumption, services and improving labour productivity. Chinese GDP is expected to expand by 7% in 2015, down slightly from 2014 and well below the 10% growth rates leading up to the global recession.

India's economic outlook has improved, aided by recent pro-market reforms. Real GDP growth of between 6-7% is expected in both 2015 and 2016. India and China are large commodity importers, especially of energy products, and declining commodity prices will benefit those economies. Other emerging markets, notably OPEC members, Russia and many South American countries will suffer from lower commodity prices (Chart 18).

Lower oil prices have different implications for emerging markets. They will help India and China, which are large oil importers, but hurt large oil producers like Brazil and Russia.

Chart 18: Prospects mixed for emerging markets

Real GDP Growth



Source: International Monetary Fund

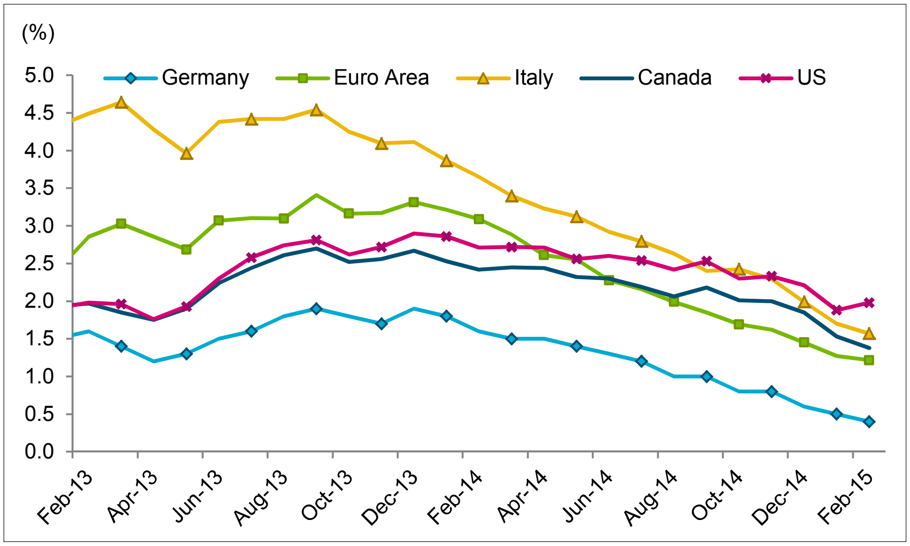
LOW INTEREST RATES TO PERSIST

Low interest rates should persist longer than previously expected as central banks confront the risk of deflation. The European Central Bank stepped up monetary stimulus with a €60 billion monthly asset purchase program similar in size and design to the US Federal Reserve (the Fed) program. Following these measures, yields on Euro Area bonds have fallen (Chart 19). A number of other countries, including China, India and Canada, have also loosened monetary policy.

In contrast, the Fed is looking to tighten monetary policy. Now finished its Quantitative Easing program, it is one of the few central banks contemplating a rate increase. This has caused the US dollar to strengthen sharply as investors search for yield. A stronger dollar weakens inflation and hurts US exporters. As a result, the Fed is likely to be cautious in raising interest rates.

Chart 19: Long-term bond yields are falling

10-Year Government Bond Yields



Source: Haver Analytics

Expectations of weak inflation and continued global monetary stimulus have suppressed bond yields to levels not seen since the Second World War. Investors expect interest rates to remain low as central banks fight against deflation.

CANADIAN GROWTH PATTERNS SHIFT, LOONIE SINKS

After growing by 2.5% in 2014, Canada's economy is expected to slow to 2.1% in 2015, before picking up to 2.3% in 2016. The slowdown in 2015 is primarily due to the negative impact of lower oil prices. Much of this impact will come from reduced investment in the oil and gas sector, which accounts for one-third of Canadian non-residential investment.

Household, corporate and public balance sheets will also be affected by lower oil prices. For those whose earnings are tied to the energy sector, consumer spending will slow in 2015. There will be some offset from lower fuel costs for households and businesses. However, as Canada is a large net exporter of crude oil, the fall in oil prices will be a net negative for economic growth.

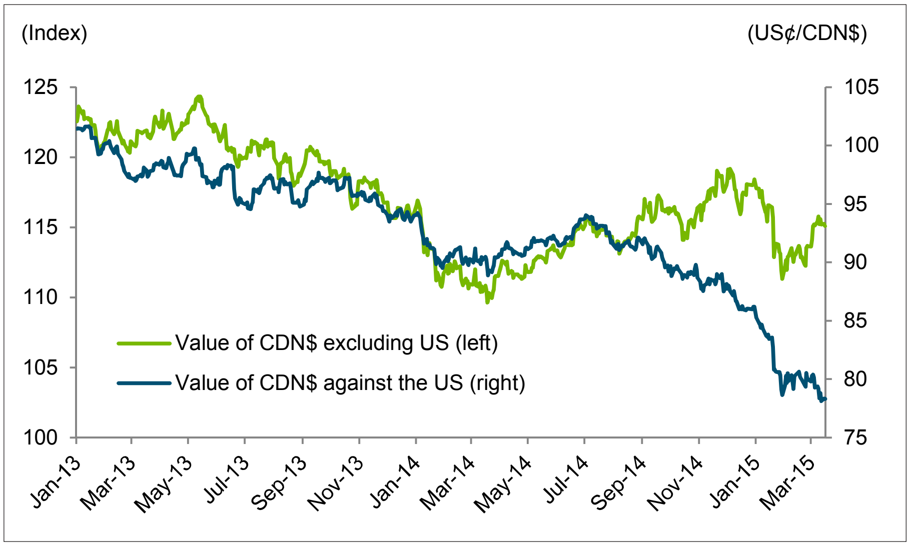
The Canadian dollar is expected to remain just above US¢80/CDN$ in 2015-16 due to US dollar strength and the expectation that the US Federal Reserve will raise rates ahead of the Bank of Canada. The dollar is expected to appreciate slightly to US¢86/CDN$ by 2019-20 as commodity prices improve. While the dollar has been falling for over a year, the decline has been particularly steep since January. In order to insulate the Canadian economy from lower oil prices, the Bank of Canada cut its target interest rate by 25 basis points to 0.75% in January. This surprised markets, causing the Canada-US exchange rate to fall by two cents in one day (Chart 20).

The combination of low interest rates, a weaker Canadian dollar and a rebounding US economy should help Canada's manufacturing and export sectors (Chart 21). Growth will shift towards provinces that rely less on resource production, such as Ontario and BC. This will alter interprovincial migration trends, as employment prospects in the energy sector weaken and fewer workers gravitate to oil producing provinces. Canada's economy in 2015 is expected to be fueled by exports and consumer spending, as energy investment pulls back and residential investment slows. In 2016, GDP growth is expected to improve as resource prices drift higher.

Over the past year, the Canadian dollar has lost roughly 15 cents against the US dollar. A strong US dollar has played a major role in the Loonie's depreciation.

Chart 20: The loonie is falling and the greenback is rising

Canadian Dollar Against the US Dollar and Trade-Weighted Basket of Currencies

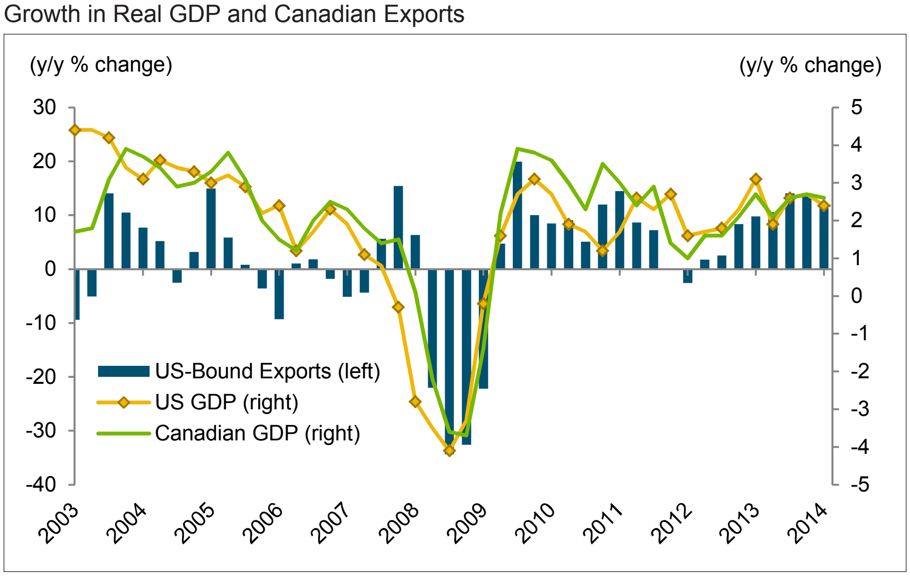


Source: Bank of Canada

Canadian GDP tracks the US economy very closely. A pick up in the US will provide a boost to Canada, but lower oil prices will constrain growth.

Chart 21: Canadian economy benefits from US strength

Growth in Real GDP and Canadian Exports



Sources: Statistics Canada and US Bureau of Economic Analysis

SUMMARY

Following a robust 5-year expansion, Alberta's economy will slow significantly in 2015, weighed down by lower oil prices. Nevertheless, a contraction in real economic activity is not expected. Contributions from trade and consumer spending are forecast to keep the economy growing at a very modest rate of 0.4%, offsetting the effects of sharply lower energy investment. The economy will improve as oil prices climb, but growth will remain weak at 1.7% in 2016 before moving closer to the historical trend of around 3% over the medium term.

In the global economy, growth is expected to hold fairly steady, led by a stronger US. Lower oil prices should support global growth, but Euro Area struggles are expected to continue. Canada's economy will benefit from faster US growth and a weaker Canadian dollar, but will be constrained by lower oil prices.

RISKS TO THE ECONOMIC OUTLOOK

- Oil prices are forecast to improve gradually. A further drop in oil prices could arise from weakening global demand or a slow supply response to low prices. Should low prices persist or fall further, Alberta's outlook would weaken.
- There are also upside risks to oil prices. Political instability threatens oil production in Nigeria, Libya and Iraq. Sanctions may also affect Russia's ability to sustain production. Finally, OPEC could cut production to support prices.
- Without improved market access, Alberta oil producers could see the return of large and volatile price discounts. A higher-than-expected reliance on rail will weigh on royalties, and could impact other sectors that also rely on this mode of transport.
- Exchange rate markets remain highly volatile. An appreciation of the Canadian dollar above forecast levels, for example due to a weakening US dollar, would hurt Alberta exporters. Conversely, a depreciation of the Loonie would boost revenues and export activity.
- Emerging economies remain vulnerable to financial market shocks, as concerns remain over financial stability. A further slowdown in these markets would weigh on commodity prices, hurting Alberta's growth prospects.
- Lower-than-expected migration poses downside risk to Alberta's economy. This would weigh on housing and consumer related activity, slowing the province's growth.

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ANNEX

BENCHMARKING TABLES

Oil Price Benchmark

West Texas Intermediate (US$/bbl)

Organization	2015	2016	2017	2018	2019
National Forecasting Agencies					
Conference Board of Canada (Feb/15)	56.00	69.07	75.57	78.77	80.97
IHS Global Insight (Feb/15)	42.30	58.82	74.64	87.90	98.69
Centre for Spatial Economics (Jan/15)	55.00	70.00	80.00	90.00	92.00
Banks and Investment Dealers					
Credit Suisse (Jan/15)	56.00	72.00	75.00	75.00	75.00
CIBC World Markets (Jan/15)	73.00	88.00	n/a	n/a	n/a
Goldman Sachs (Jan/15)	47.15	65.00	65.00	65.00	n/a
Peters & Co. (Feb/15)	52.66	60.85	65.92	65.92	65.92
RBC Capital Markets (Feb/15)	53.00	77.00	79.00	84.00	84.00
Scotiabank (Feb/15)	54.00	65.00	n/a	n/a	n/a
Toronto Dominion Bank (Jan/15)	47.00	65.00	n/a	n/a	n/a
Laurentian Bank (Feb/15)	75.00	85.00	n/a	n/a	n/a
Industry Analysts					
U.S. Energy Information Administration (Feb/15)	55.02	71.00	n/a	n/a	n/a
GLJ Petroleum Consultants (Jan/15)	62.50	75.00	80.00	85.00	90.00
Sproule Associates Limited (Jan/15)	65.00	80.00	90.00	91.35	92.72
Confidential Forecasts Provided to Alberta Energy[a]					
Average	48.67	61.36	74.62	80.99	85.95
High	75.00	88.00	90.00	91.35	98.69
Low	42.30	56.90	65.00	65.00	65.92
Average of All Private Forecasts	54.58	68.87	75.59	80.56	85.31
Government of Alberta (calendar year)	51.47	61.51	72.52	78.24	82.60

[a] Alberta Energy also surveys, on a confidential basis, private sector forecasts from PIRA, KBC, BMO Capital Markets, IHS CERA, and Wood Mackenzie. The annual figures presented here are the average forecast prices from these sources. High/ Low forecasts may represent one of the confidential forecasts.

Includes forecasts finalized on or before February 24, 2015.

Both the Government of Alberta and the private sector overestimated the WTI oil price for 2014, by 3.6% and 1.8% respectively.

How Oil Price Forecasters Fared in *Budget 2014*

West Texas Intermediate (US$/bbl)

Organization	How did they do in *Budget 2014*?
National Forecasting Agencies (3)	96.04
Banks and Investment Dealers (10)	93.14
Industry Analysts (3)	95.72
Confidential Forecasts (5)	96.35
Average	94.69
Government of Alberta (calendar year)	96.35
Actual	93.00

Sources: Alberta Energy and Alberta Treasury Board and Finance

Natural Gas Price Benchmark

Henry Hub (US$/MMBTU)[a]

Organization	2015	2016	2017	2018	2019
National Forecasting Agencies					
Conference Board of Canada (Feb/15)	4.28	4.53	5.06	5.59	5.83
IHS Global Insight (Feb/15)	3.26	3.50	3.87	4.13	4.35
Centre for Spatial Economics (Jan/15)	3.96	4.44	4.78	5.29	5.21
Banks and Investment Dealers					
Credit Suisse (Jan/15)	2.90	4.20	4.50	4.50	4.50
CIBC World Markets (Jan/15)	3.25	3.75	n/a	n/a	n/a
Goldman Sachs (Feb/15)	3.08	3.80	3.60	3.60	n/a
Peters & Co. (Feb/15)	3.05	3.30	3.63	3.63	3.63
RBC Capital Markets (Feb/15)	3.25	4.00	4.25	4.50	4.50
Scotiabank (Feb/15)	3.00	3.25	n/a	n/a	n/a
Toronto Dominion Bank (Jan/15)	3.30	3.60	n/a	n/a	n/a
Industry Analysts					
U.S. Energy Information Administration (Feb/15)	3.05	3.47	3.73	3.81	3.88
GLJ Petroleum Consultants (Jan/15)	3.31	3.75	4.00	4.25	4.50
Sproule Associates Limited (Jan/15)	3.25	3.75	4.00	4.50	5.00
Confidential Forecasts Provided to Alberta Energy[b]					
Average	3.43	3.71	3.79	3.92	4.06
High	4.28	4.53	5.06	5.59	5.83
Low	2.90	3.25	3.41	3.31	3.12
Average of All Private Forecasts	3.34	3.77	4.02	4.23	4.41
Government of Alberta (calendar year)	3.05	3.40	3.75	3.94	4.14

[a] The natural gas price is the US price of gas at Henry Hub Louisiana, as this is the benchmark for natural gas prices in the rest of North America. The Alberta Government forecast in the table above is the Alberta Reference Price (used in natural gas royalty calculations) adjusted for the exchange rate and transportation costs to be equivalent to the price of Alberta natural gas at Henry Hub Louisiana.

[b] The Alberta Department of Energy also surveys, on a confidential basis, private sector forecasts from PIRA, Petral, IHS CERA, BMO Capital Markets and Wood McKenzie. The annual figures presented here are the average forecast prices from these sources. High/ Low forecasts may represent one of the confidential forecasts.

Includes forecasts finalized on or before February 24, 2015.

How Natural Gas Price Forecasters Fared in *Budget 2014*

Henry Hub (US$/MMBTU)

Organization	How did they do in *Budget 2014*?
National Forecasting Agencies (3)	3.82
Banks and Investment Dealers (10)	4.09
Industry Analysts (3)	4.13
Confidential Forecasts (4)	3.69
Average	3.98
Government of Alberta (calendar year)	3.80
Actual	4.28

Sources: Alberta Energy and Alberta Treasury Board and Finance

Both the Government of Alberta and the private sector slightly underestimated natural gas prices in 2014, by 11.2% and 7.0% respectively.

Canadian Short-Term Interest Rate Benchmark

3-month Government of Canada Treasury Bills (%)

Organization	2015	2016	2017	2018	2019
National Forecasting Agencies					
Conference Board of Canada (Feb/15)	1.06	1.56	2.54	3.48	3.71
IHS Global Insight (Feb/15)	0.48	0.75	2.76	3.50	3.50
Centre for Spatial Economics (Jan/15)	1.00	2.39	3.33	3.76	4.07
Banks					
BMO Capital Markets (Feb/15)	0.38	0.73	n/a	n/a	n/a
CIBC World Markets (Feb/15)	0.46	0.84	n/a	n/a	n/a
RBC Royal Bank (Feb/15)	0.85	2.15	n/a	n/a	n/a
Scotiabank (Feb/15)	0.50	0.53	n/a	n/a	n/a
Toronto Dominion Bank (Jan/15)	0.45	0.65	n/a	n/a	n/a
Laurentian Bank (Feb/15)	0.50	0.50	n/a	n/a	n/a
National Bank (Jan/15)	1.22	1.96	n/a	n/a	n/a
High	1.22	2.39	3.33	3.76	4.07
Low	0.38	0.50	2.54	3.48	3.50
Average of All Private Forecasts	0.69	1.21	2.88	3.58	3.76
Government of Alberta (calendar year)	0.60	0.80	1.60	2.00	2.00

Includes forecasts finalized on or before February 24, 2015.

Canadian Long-Term Interest Rate Benchmark

10-Year Government of Canada Bonds (%)

Organization	2015	2016	2017	2018	2019
National Forecasting Agencies					
Conference Board of Canada (Feb/15)	2.73	3.46	4.04	4.54	4.76
IHS Global Insight (Feb/15)	1.82	3.00	3.51	3.56	3.56
Centre for Spatial Economics (Jan/15)	2.90	4.19	4.63	4.66	5.07
Banks					
BMO Capital Markets (Feb/15)	1.45	1.89	n/a	n/a	n/a
CIBC World Markets (Feb/15)	1.78	2.44	n/a	n/a	n/a
RBC Royal Bank (Feb/15)	2.55	3.45	n/a	n/a	n/a
Scotiabank (Feb/15)	1.73	2.29	n/a	n/a	n/a
Toronto Dominion Bank (Jan/15)	1.65	2.24	n/a	n/a	n/a
Laurentian Bank (Feb/15)	1.64	2.65	n/a	n/a	n/a
National Bank (Jan/15)	2.49	2.75	n/a	n/a	n/a
High	2.90	4.19	4.63	4.66	5.07
Low	1.45	1.89	3.51	3.56	3.56
Average of All Private Forecasts	2.07	2.84	4.06	4.25	4.46
Government of Alberta (calendar year)	1.90	2.80	3.50	3.75	3.75

Includes forecasts finalized on or before February 24, 2015.

Canada / United States Exchange Rate Benchmark
(US¢/Cdn$)

Organization	2015	2016	2017	2018	2019
National Forecasting Agencies					
Conference Board of Canada (Feb/15)	84.9	87.4	88.3	88.6	88.9
IHS Global Insight (Feb/15)	77.5	81.8	87.3	89.7	90.7
Centre for Spatial Economics (Jan/15)	85.0	85.4	85.7	86.2	86.4
Banks					
BMO Capital Markets (Feb/15)	79.4	81.8	n/a	n/a	n/a
CIBC World Markets (Feb/15)	77.8	81.0	n/a	n/a	n/a
Credit Suisse (Jan/15)	80.0	86.0	88.0	88.0	88.0
RBC Capital Markets (Feb/15)	78.0	81.0	85.0	88.0	88.0
Scotiabank (Feb/15)	76.3	76.0	n/a	n/a	n/a
Toronto Dominion Bank (Jan/15)	79.3	80.3	n/a	n/a	n/a
Laurentian Bank (Feb/15)	79.3	85.0	n/a	n/a	n/a
National Bank (Jan/15)	83.3	87.0	n/a	n/a	n/a
High	85.0	87.4	88.3	89.7	90.7
Low	76.3	76.0	85.0	86.2	86.4
Average of All Private Forecasts	80.1	83.0	86.8	88.1	88.4
Government of Alberta (calendar year)	81.4	82.6	83.9	84.8	85.8

Includes forecasts finalized on or before February 24, 2015.

Alberta Real Gross Domestic Product Benchmark
(% change)

Organization	2014	2015	2016	2017	2018	2019
National Forecasting Agencies						
Conference Board of Canada (Feb/15)	4.0	-1.5	1.2	1.8	1.8	2.6
IHS Global Insight (Feb/15)	3.9	1.7	1.5	2.9	2.9	2.6
Centre for Spatial Economics (Jan/15)	3.6	0.8	1.7	1.9	2.7	2.9
Banks						
BMO Capital Markets (Feb/15)	3.5	0.5	2.2	n/a	n/a	n/a
CIBC World Markets (Feb/15)	4.1	-0.3	2.3	n/a	n/a	n/a
RBC Royal Bank (Feb/15)	4.1	0.6	0.9	n/a	n/a	n/a
Scotiabank (Feb/15)	3.9	0.6	1.6	n/a	n/a	n/a
Toronto Dominion Bank (Jan/15)	3.8	0.5	1.8	n/a	n/a	n/a
Laurentian Bank (Mar/15)	3.7	0.7	2.1	n/a	n/a	n/a
National Bank (Feb/15)	4.3	0.1	2.2	n/a	n/a	n/a
Other						
Canada Mortgage and Housing Corporation (Q1/15)	3.8	1.9	2.0	n/a	n/a	n/a
High	4.3	1.9	2.3	2.9	2.9	2.9
Low	3.5	-1.5	0.9	1.8	1.8	2.6
Average of All Private Forecasts	3.9	0.5	1.8	2.2	2.5	2.7
Government of Alberta (calendar year)	3.8	0.4	1.7	3.0	3.2	3.2

Includes forecasts finalized on or before March 4, 2015.

Light-Heavy Oil Price Differential Benchmark

WTI-WCS Price Differential (US$ per barrel)

Organization	2015	2016	2017	2018	2019
National Forecasting Agencies					
Conference Board of Canada (Feb/15)	16.25	15.19	14.65	14.79	14.67
Centre for Spatial Economics (Jan/15)	15.50	19.73	22.55	25.37	25.93
Banks and Industry Analysts					
GLJ Petroleum Consultants (Jan/15)	16.30	16.20	17.00	17.80	18.60
Sproule Associates Limited (Jan/15)	13.57	14.64	16.47	16.72	16.97
Peters & Co (Feb/15)	14.56	14.39	16.16	16.16	16.16
RBC Capital Markets (Feb/15)	11.25	14.38	16.20	18.32	18.32
Credit Suisse (Jan/15)	15.25	16.50	17.00	17.00	17.00
Confidential Forecasts Provided to Alberta Energy[a]					
Average	14.55	16.20	18.23	15.34	15.75
High	11.25	8.61	6.24	4.74	4.84
Low	20.00	21.50	26.08	25.37	25.93
Average of All Private Forecasts	14.62	16.00	17.60	16.91	17.20
Government of Alberta (calendar year)	15.34	19.94	23.00	24.00	20.00

[a] The Alberta Department of Energy also surveys, on a confidential basis, private sector forecasts from KBC, IHS CERA, PIRA, Wood MacKenzie and BMO. The annual figures presented here are the average forecast prices from these sources.

Includes forecasts finalized on or before February 24, 2015.

Alberta Housing Starts Benchmark

(thousands)

Organization	2015	2016	2017	2018	2019
National Forecasting Agencies					
Conference Board of Canada (Feb/15)	26.4	28.0	28.7	31.0	33.2
IHS Global Insight (Feb/15)	36.4	36.9	37.8	37.1	36.1
Centre for Spatial Economics (Jan/15)	34.5	33.3	32.7	34.1	36.2
Banks					
BMO Capital Markets (Feb/15)	32.0	32.0	n/a	n/a	n/a
CIBC World Markets (Feb/15)	28.0	34.0	n/a	n/a	n/a
RBC Royal Bank (Feb/15)	27.5	30.8	n/a	n/a	n/a
Scotiabank (Feb/15)	36.0	34.0	n/a	n/a	n/a
Toronto Dominion Bank (Jan/15)	33.5	32.3	n/a	n/a	n/a
Laurentian Bank (Mar/15)	31.7	30.5	n/a	n/a	n/a
National Bank (Feb/15)	25.0	24.0	n/a	n/a	n/a
Other					
Canada Mortgage and Housing Corporation (Q1/15)	36.0	34.5	n/a	n/a	n/a
High	36.4	36.9	37.8	37.1	36.2
Low	25.0	24.0	28.7	31.0	33.2
Average of All Private Forecasts	31.5	31.8	33.1	34.1	35.2
Government of Alberta (calendar year)	33.6	30.5	30.3	31.4	34.4

Includes forecasts finalized on or before March 4, 2015.

Alberta Primary Household Income Benchmark
(% change)

National Forecasting Agencies	2014	2015	2016	2017	2018	2019
Conference Board of Canada (Feb/15)	6.9	1.1	3.2	4.9	4.6	4.7
IHS Global Insight (Feb/15)	5.9	3.3	3.7	5.1	4.9	4.4
Centre for Spatial Economics (Jan/15)	3.5	3.6	4.2	4.4	5.2	6.0
High	6.9	3.6	4.2	5.1	5.2	6.0
Low	3.5	1.1	3.2	4.4	4.6	4.4
Average of All Private Forecasts	5.4	2.7	3.7	4.8	4.9	5.0
Government of Alberta (calendar year)	6.4	2.4	3.5	4.3	5.4	5.6

Includes forecasts finalized on or before March 4, 2015.

Alberta Net Corporate Operating Surplus Benchmark
(% change)

National Forecasting Agencies	2014	2015	2016	2017	2018	2019
Conference Board of Canada (Feb/15)	12.8	-54.6	25.0	7.7	3.4	5.7
IHS Global Insight (Feb/15)	6.0	-5.1	-2.6	4.5	5.1	2.7
Centre for Spatial Economics (Jan/15)	23.3	-54.4	65.3	26.4	19.4	1.6
High	23.3	-5.1	65.3	26.4	19.4	5.7
Low	6.0	-54.6	-2.6	4.5	3.4	1.6
Average of All Private Forecasts	14.0	-38.0	29.2	12.9	9.3	3.3
Government of Alberta (calendar year)	18.2	-50.6	27.2	37.0	16.8	15.3

Includes forecasts finalized on or before March 4, 2015.

Alberta Employment Benchmark
(% change)

Organization	2015	2016	2017	2018	2019
National Forecasting Agencies					
Conference Board of Canada (Feb/15)	0.0	0.9	1.9	1.7	1.7
IHS Global Insight (Feb/15)	0.5	0.8	1.9	1.5	1.0
Centre for Spatial Economics (Jan/15)	0.7	1.3	1.6	2.2	2.1
Banks					
BMO Capital Markets (Feb/15)	0.3	0.4	n/a	n/a	n/a
CIBC World Markets (Feb/15)	-0.4	2.0	n/a	n/a	n/a
RBC Royal Bank (Feb/15)	0.4	0.8	n/a	n/a	n/a
Scotiabank (Feb/15)	0.8	0.8	n/a	n/a	n/a
Toronto Dominion Bank (Jan/15)	0.2	0.8	n/a	n/a	n/a
Laurentian Bank (Mar/15)	0.8	0.9	n/a	n/a	n/a
National Bank (Feb/15)	0.0	0.8	n/a	n/a	n/a
Other					
Canada Mortgage and Housing Corporation (Q1/15)	1.7	1.6	n/a	n/a	n/a
High	1.7	2.0	1.9	2.2	2.1
Low	-0.4	0.4	1.6	1.5	1.0
Average of All Private Forecasts	0.5	1.0	1.8	1.8	1.6
Government of Alberta (calendar year)	0.6	1.0	1.9	2.1	2.1

Includes forecasts finalized on or before March 4, 2015.

Alberta Unemployment Rate Benchmark

(%)

Organization	2015	2016	2017	2018	2019
National Forecasting Agencies					
Conference Board of Canada (Feb/15)	5.6	5.8	5.0	4.6	4.4
IHS Global Insight (Feb/15)	4.9	4.9	4.6	4.6	4.5
Centre for Spatial Economics (Jan/15)	5.6	5.8	5.5	4.9	4.4
Banks					
BMO Capital Markets (Feb/15)	5.2	5.5	n/a	n/a	n/a
CIBC World Markets (Feb/15)	6.8	5.8	n/a	n/a	n/a
RBC Royal Bank (Feb/15)	5.7	5.3	n/a	n/a	n/a
Scotiabank (Feb/15)	5.0	4.9	n/a	n/a	n/a
Toronto Dominion Bank (Jan/15)	5.3	5.6	n/a	n/a	n/a
Laurentian Bank (Mar/15)	5.5	5.7	n/a	n/a	n/a
National Bank (Feb/15)	5.1	5.3	n/a	n/a	n/a
Other					
Canada Mortgage and Housing Corporation (Q1/15)	5.2	5.3	n/a	n/a	n/a
High	6.8	5.8	5.5	4.9	4.5
Low	4.9	4.9	4.6	4.6	4.4
Average of All Private Forecasts	5.4	5.4	5.0	4.7	4.4
Government of Alberta (calendar year)	5.7	5.9	5.3	4.7	4.5

Includes forecasts finalized on or before March 4, 2015.