

Alberta Economy

Indicators at a Glance

Economic Activity

In 2016, Alberta's real GDP by industry fell by 3.8%, the largest drop among the provinces for the second year in a row. The Alberta Activity Index was up 2.2% year-to-date in February, suggesting a return to economic growth this year.

Population

Alberta's population was 4,280,127 as of January 1, 2017. This was an increase of 1.5% from the year prior. Canada's population grew 1.3% from a year ago.

Migration

Net migration to Alberta was 3,555 in the fourth quarter of 2016. During this time, Alberta welcomed 6,128 net international migrants. However, there was a net outflow of interprovincial migrants (-2,573), the fifth consecutive quarterly decline.

Employment¹

Alberta lost 300 jobs in April. The loses were in part-time positions (-3,200), while 2,900 full-time positions were gained. Employment increased 0.8% year-over-year (y/y).

Unemployment Rate¹

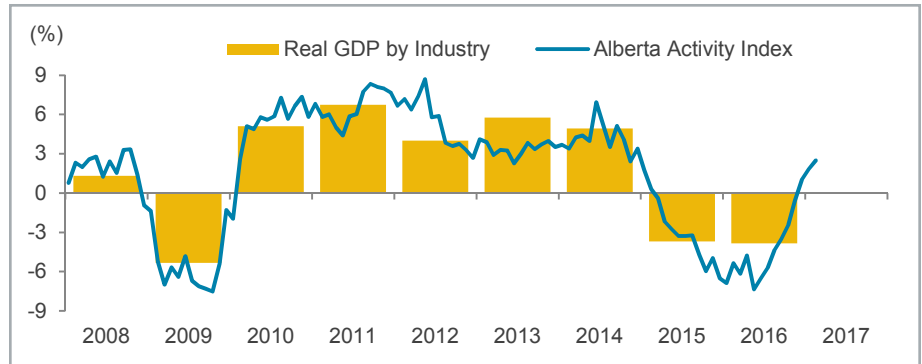
Alberta's unemployment rate fell 0.5 percentage points to 7.9% in April. Canada's unemployment rate dropped to 6.5%.

Rigs Drilling

The number of active rigs in Alberta averaged 85 in April, about 60% below the height of the winter drilling season in January but nearly triple from the same month last year.

Economic Activity

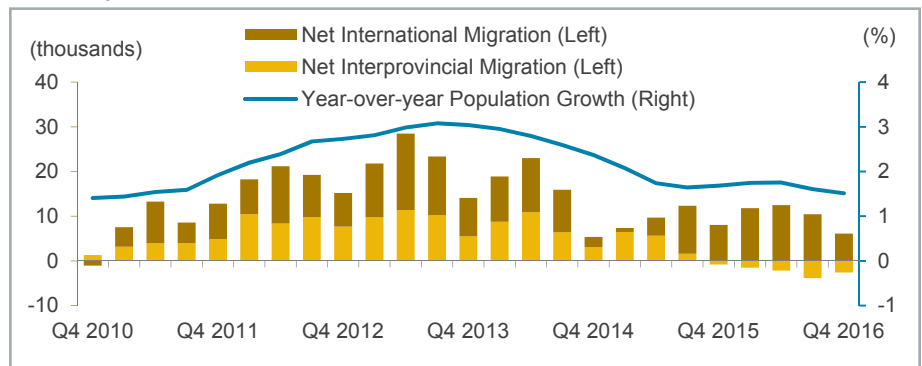
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics

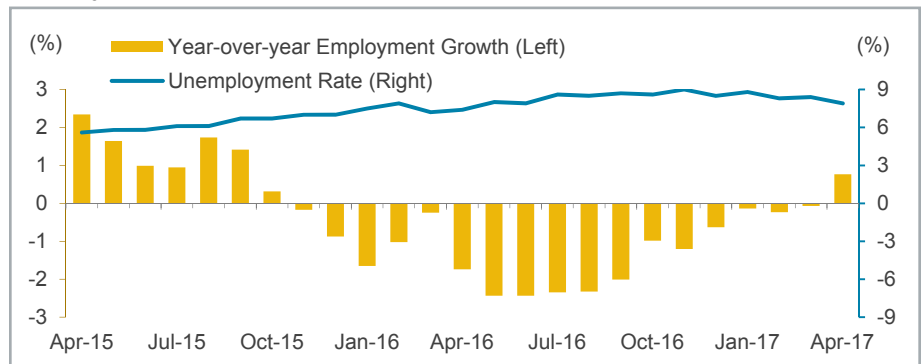
Quarterly



Source: Statistics Canada

Labour Market

Monthly



Source: Statistics Canada

NEW: Inflation

The Alberta Consumer Price Index (CPI) rose 1.7% y/y in April. Gasoline prices were up 20% y/y while food prices (-1.3% y/y) and rent (-1.6% y/y) fell.

Average Weekly Earnings¹

Average weekly earnings (AWE) in Alberta declined 0.2% in February to \$1,108. Weakness in goods-sector earnings (-1.3% m/m) outweighed a modest gain in service-sector earnings (0.5% m/m).

NEW: Retail Sales¹

Following seven uninterrupted monthly gains, Alberta retail sales decreased by 0.5% m/m to \$6.6 billion in March. Retail sales grew 7.2% y/y, the fourth consecutive month of gains.

Housing Starts¹

Alberta housing starts were down 11% m/m in April to 31,218 units (annualized). Housing starts increased 9.0% y/y. Single-family starts rose 35% y/y while multi-family starts were down 3.0% y/y.

New Housing Price Index

Alberta's New Housing Price Index (NHPI) was unchanged in March but was down 0.4% y/y. The house only component was down 1.1% y/y while land prices were up 0.9% y/y.

Building Permits¹

Alberta building permits slipped 0.6% m/m in March to \$1.1 billion. Building permits were up 9.8% y/y. Non-residential permits declined 16% while residential permits were up 36% y/y.

¹ Seasonally adjusted

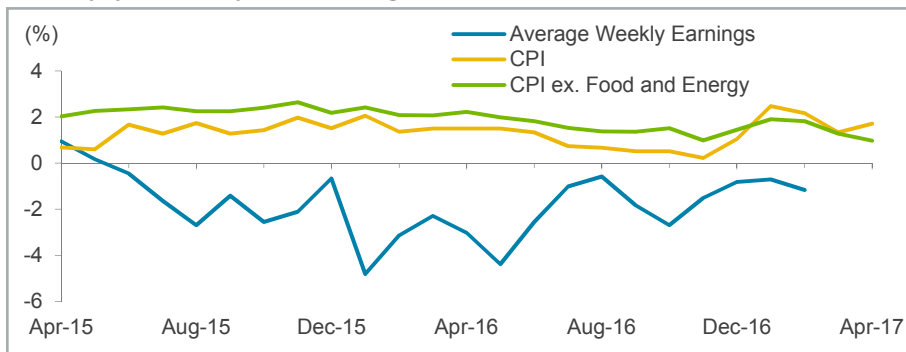
Contact

[Daniel Letcher](#)

780.427.8845

Inflation and Earnings

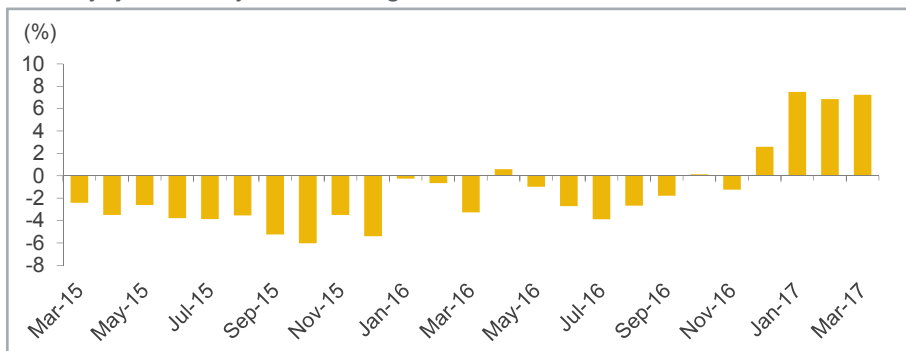
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales

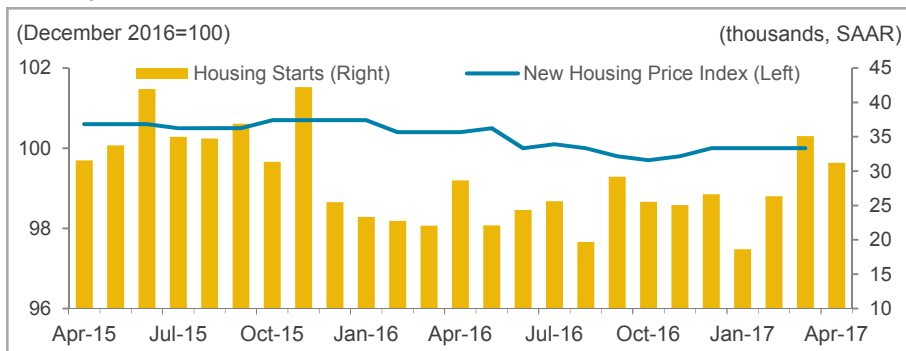
Monthly, year-over-year % change



Source: Statistics Canada

Housing Market

Monthly



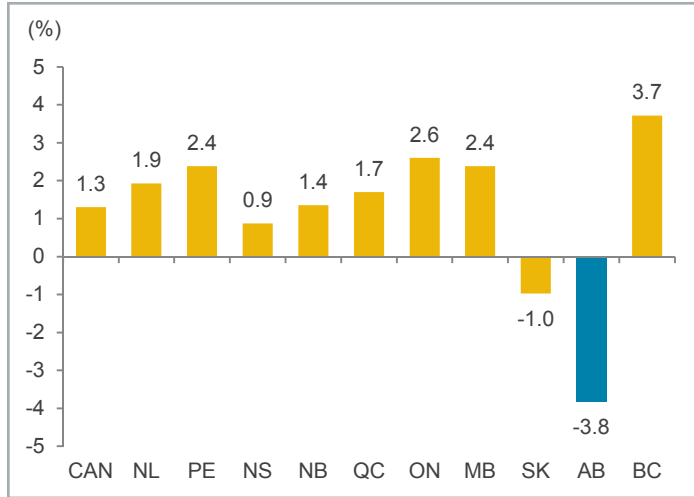
Source: Statistics Canada

| | Canadian Dollar (US¢/\$CAN) | WTI Oil (\$US/bbl) | NYMEX Natural Gas (\$US/MMBtu) | Alberta Reference Price (\$C/GJ) |
|------------------------------|-----------------------------|--------------------|--------------------------------|----------------------------------|
| Latest (May 18, 2017) | 73.45 | 49.35 | 3.18 | 2.20 (March) |
| Fiscal year-to-date | 73.73 | 49.65 | 3.22 | 2.01 |

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

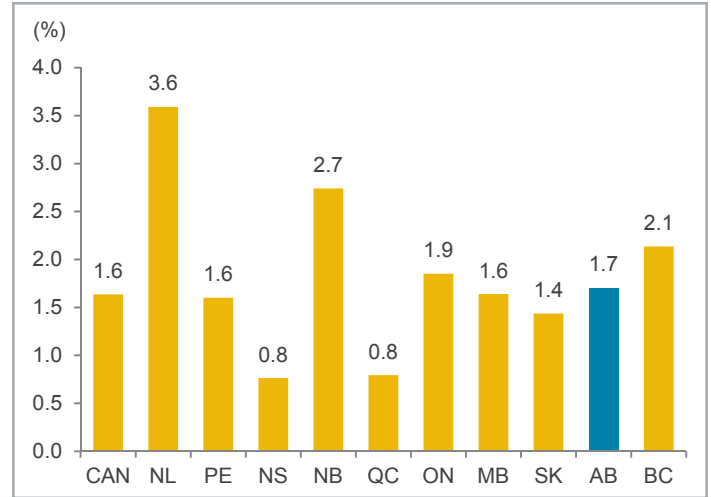
Real GDP by Industry

(2016, year-over-year growth)



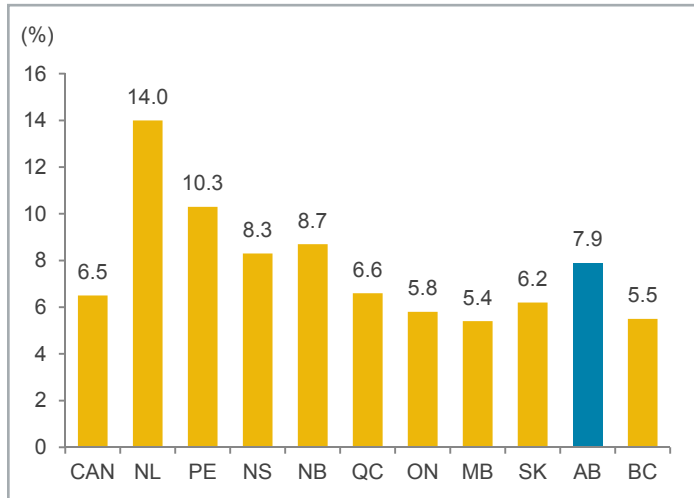
CPI Inflation

(April 2017, year-over-year growth)



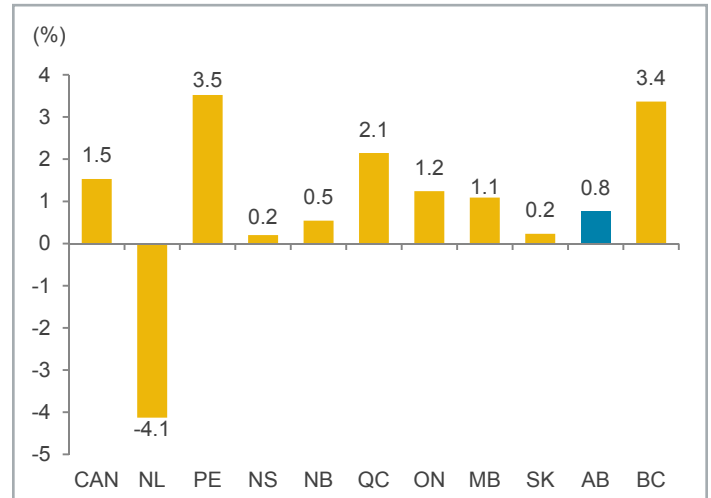
Unemployment Rate

(April 2017)



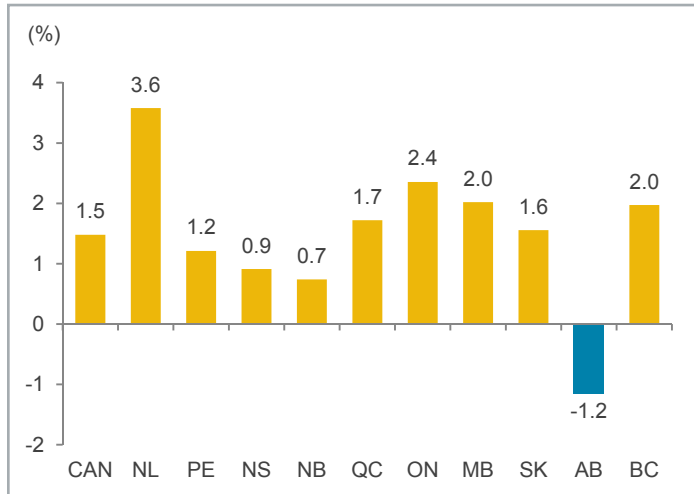
Employment

(April 2017, year-over-year growth)



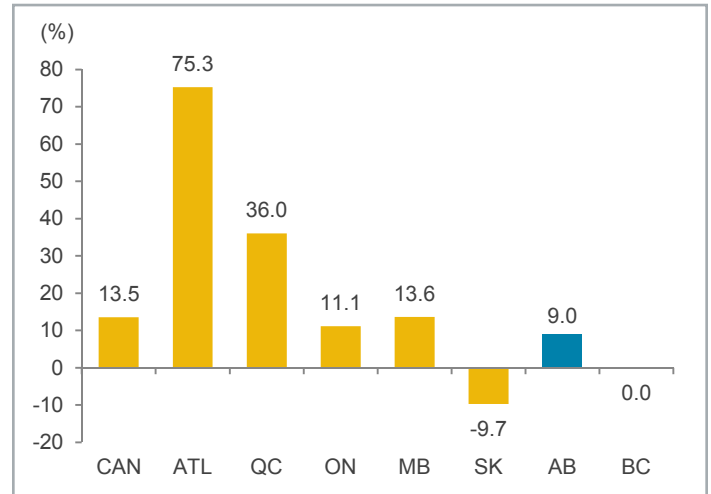
Average Weekly Earnings

(March 2017, year-over-year growth)



Housing Starts

(April 2017, SAAR, year-over-year growth)



Alberta Economic Indicators

| | 2015 | 2016 | 2017YTD | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 | Apr-17 |
|---|--------|--------|---------|--------|--------|--------|--------|--------|--------|
| Alberta Activity Index (y/y % change) | -3.0 | -4.4 | 2.2 | -0.6 | 1.0 | 1.8 | 2.5 | | |
| Population¹ | | | | | | | | | |
| Population (thousands) | 4,180 | 4,253 | 4,280 | | | 4,280 | | | |
| y/y % change | 1.7 | 1.8 | 1.5 | | | 1.5 | | | |
| Net Interprovincial Migration | 21,594 | -2,877 | -6,423 | | | -2,573 | | | |
| Net International Migration | 16,743 | 43,041 | 16,572 | | | 6,128 | | | |
| Labour Market | | | | | | | | | |
| Employment (thousands, SA) | 2,301 | 2,264 | 2,279 | 2,262 | 2,267 | 2,268 | 2,269 | 2,289 | 2,289 |
| m/m change (thousands) | | | | -12.4 | 5.7 | 0.2 | 1.3 | 20.4 | -0.3 |
| y/y % change | 1.2 | -1.6 | 0.1 | -1.2 | -0.6 | -0.1 | -0.2 | -0.1 | 0.8 |
| Unemployment Rate (% , SA) | 6.0 | 8.1 | 8.4 | 9.0 | 8.5 | 8.8 | 8.3 | 8.4 | 7.9 |
| Participation Rate (% , SA) | 73.0 | 72.5 | 72.8 | 72.9 | 72.7 | 72.9 | 72.5 | 73.1 | 72.7 |
| Average Weekly Earnings (\$, SA) | 1,146 | 1,119 | 1,110 | 1,116 | 1,135 | 1,111 | 1,108 | | |
| y/y % change | -0.3 | -2.4 | -0.9 | -1.5 | -0.8 | -0.7 | -1.2 | | |
| Household Sector | | | | | | | | | |
| NEW Retail Sales (\$ million, SA) | 76,019 | 75,110 | 19,949 | 6,324 | 6,435 | 6,653 | 6,665 | 6,631 | |
| y/y % change | -4.0 | -1.2 | 7.2 | -1.2 | 2.6 | 7.5 | 6.8 | 7.2 | |
| NEW New Vehicle Sales (units, thousands) | 242 | 224 | 54 | 19 | 16 | 15 | 17 | 23 | |
| y/y % change | -12.7 | -7.6 | 8.6 | 7.7 | 3.4 | 3.4 | 5.4 | 15.1 | |
| NEW Consumer Price Index (y/y % change) | 1.1 | 1.1 | 1.9 | 0.2 | 1.0 | 2.5 | 2.2 | 1.3 | 1.7 |
| Excluding Food & Energy | 2.3 | 1.7 | 1.5 | 1.0 | 1.4 | 1.9 | 1.8 | 1.3 | 1.0 |
| Housing Starts (SAAR, 000's) | 37.3 | 24.5 | 27.8 | 25.1 | 26.6 | 18.6 | 26.3 | 35.1 | 31.2 |
| y/y % change | -8.1 | -34.2 | 15.0 | -40.6 | 4.5 | -20.1 | 15.8 | 59.1 | 9.0 |
| New Housing Price Index (y/y % change) | 0.7 | -0.5 | -0.5 | -0.9 | -0.7 | -0.7 | -0.4 | -0.4 | |
| NEW Resale Home Sales | 56,477 | 52,169 | 19,448 | 3,974 | 4,670 | 4,754 | 4,974 | 4,790 | 4,930 |
| y/y % change | -21.3 | -7.6 | 16.6 | -10.9 | 6.2 | 15.8 | 24.7 | 13.8 | 12.7 |
| NEW Sales to New Listing Ratio | 0.52 | 0.49 | 0.54 | 0.44 | 0.53 | 0.55 | 0.57 | 0.52 | 0.52 |
| NEW MLS Average Resale Prices (\$ thousands) | 393 | 395 | 397 | 397 | 401 | 394 | 390 | 402 | 401 |
| y/y % change | -1.9 | 0.4 | 2.5 | 2.6 | 1.4 | 2.7 | 1.0 | 4.0 | 2.5 |
| Consumer Bankruptcies (level) | 4,280 | 5,427 | 817 | 465 | 401 | 391 | 426 | | |
| y/y % change | 10.9 | 26.8 | -6.4 | 28.5 | 6.9 | 0.3 | -11.8 | | |
| Business Sector | | | | | | | | | |
| Goods Exports (customs based,\$ million) | 92,441 | 79,134 | 26,086 | 7,788 | 8,037 | 8,502 | 7,981 | 9,603 | |
| y/y % change | -24.0 | -14.4 | 39.5 | 15.2 | 10.3 | 18.8 | 36.6 | 68.3 | |
| Energy Products (\$ million) | 62,500 | 51,780 | 18,745 | 5,454 | 5,648 | 6,162 | 5,830 | 6,754 | |
| y/y% change | -31.5 | -17.2 | 59.4 | 26.8 | 16.0 | 29.2 | 59.0 | 103.2 | |
| Agricultural Products (\$ million) | 6,474 | 6,269 | 1,853 | 611 | 554 | 631 | 527 | 695 | |
| y/y % change | 0.2 | -3.2 | 20.3 | 7.7 | 2.0 | 30.2 | 8.1 | 22.2 | |
| Rigs Drilling | 120 | 79 | 155 | 108 | 151 | 199 | 188 | 148 | 85 |
| y/y% change | -52.6 | -34.0 | 102.0 | -4.9 | 57.3 | 65.7 | 67.0 | 227.1 | 193.9 |
| NEW Manufacturing Shipments (\$ million) | 68,483 | 62,560 | 17,099 | 5,477 | 5,569 | 5,635 | 5,686 | 5,779 | |
| y/y% change | -13.9 | -8.6 | 14.6 | 1.6 | 6.5 | 12.9 | 15.2 | 15.7 | |
| Wholesale Trade (\$ million) | 79,801 | 74,448 | 13,256 | 6,236 | 6,373 | 6,534 | 6,722 | | |
| y/y% change | -6.0 | -6.7 | 5.0 | -2.2 | 0.5 | 1.3 | 8.9 | | |
| Building Permits (\$ million, SA) | 16,753 | 14,200 | 3,448 | 1,077 | 834 | 1,221 | 1,117 | 1,110 | |
| y/y% change | -8.2 | -15.2 | -3.3 | -5.7 | -32.9 | 9.0 | -22.1 | 9.8 | |
| Residential Permits (\$ million, SA) | 9,876 | 7,930 | 1,976 | 601 | 461 | 625 | 661 | 689 | |
| y/y % change | -8.8 | -19.7 | 10.1 | -0.4 | -35.2 | -1.6 | 1.7 | 35.6 | |
| Non-Residential Permits (\$ million, SA) | 6,877 | 6,270 | 1,472 | 476 | 373 | 596 | 456 | 421 | |
| y/y% change | -7.4 | -8.8 | -16.8 | -11.6 | -29.7 | 22.9 | -41.8 | -16.3 | |
| Non-Res. Building Cons. Price Index ² (y/y % change) | -0.7 | -2.8 | -0.9 | | -2.2 | | | -0.9 | |

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.

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