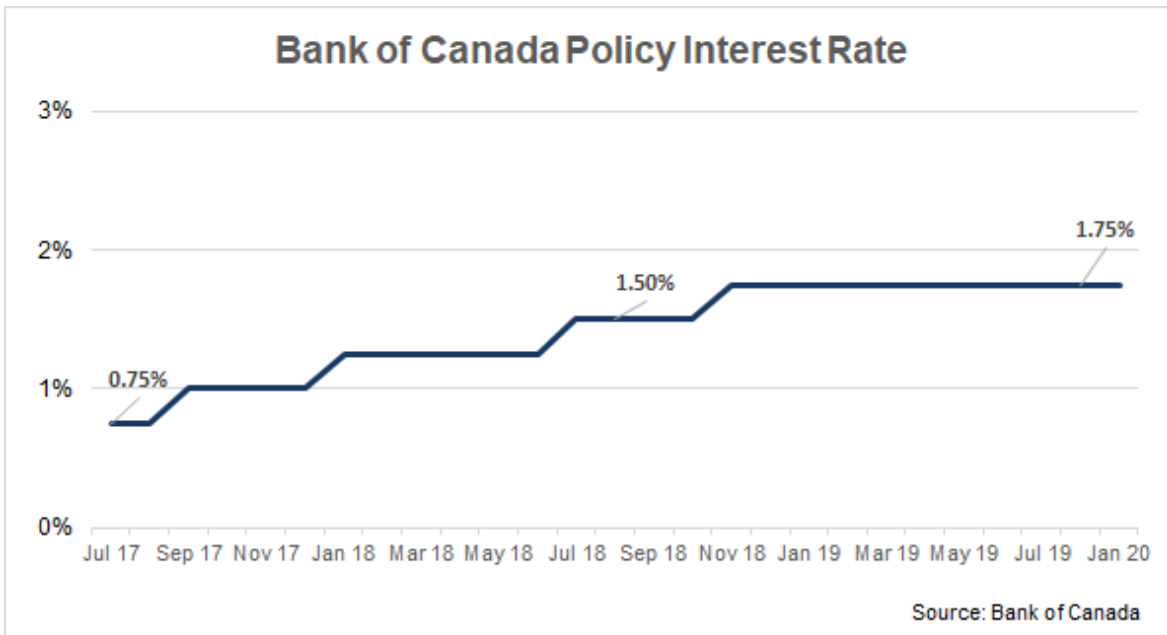


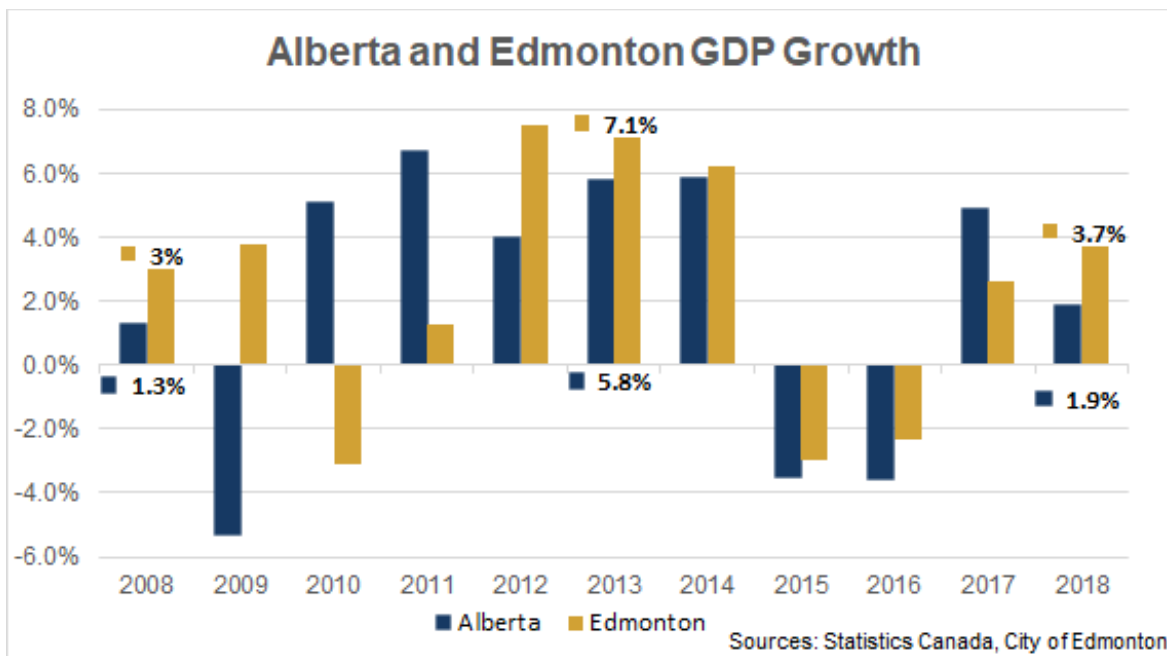
CHBA - EDMONTON REGION ECONOMIC FRAMEWORK

CHBA - Edmonton Region's Economic Framework provides members with a quarterly look at economic and industry related data.

January 2020

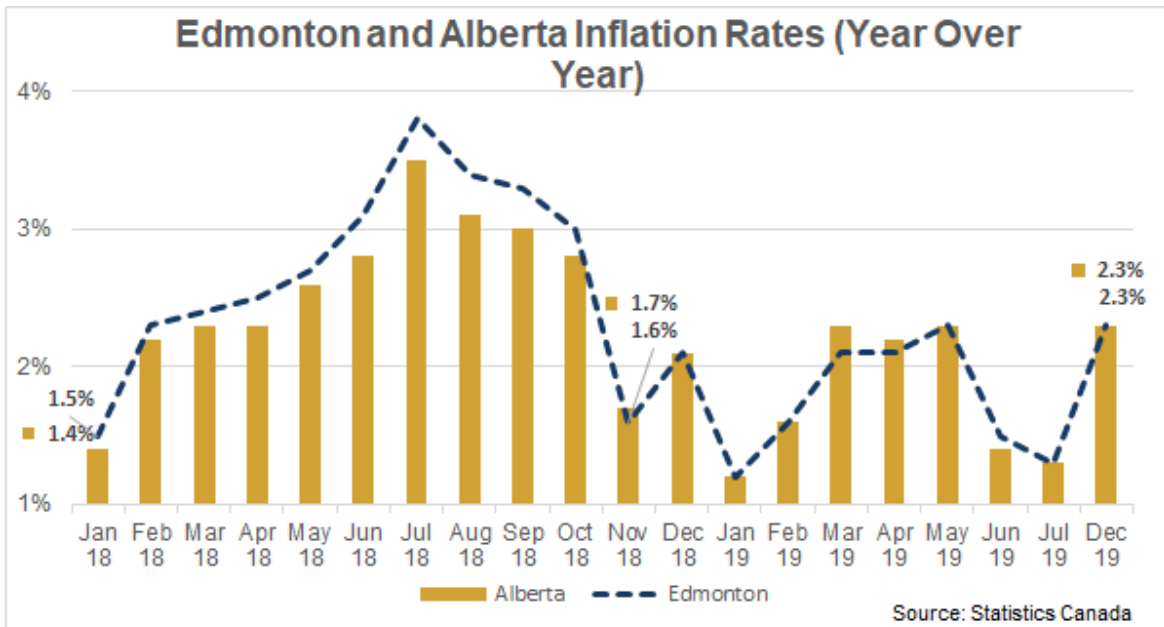


The Bank of Canada kept its policy interest rate at 1.75% on January 22, 2020. The overnight rate is the interest rate at which major financial institutions borrow and lend one-day (or "overnight") funds among themselves. The Bank sets a target level for that rate - referred to as the policy interest rate. Changes in the target for the overnight rate influence other interest rates.

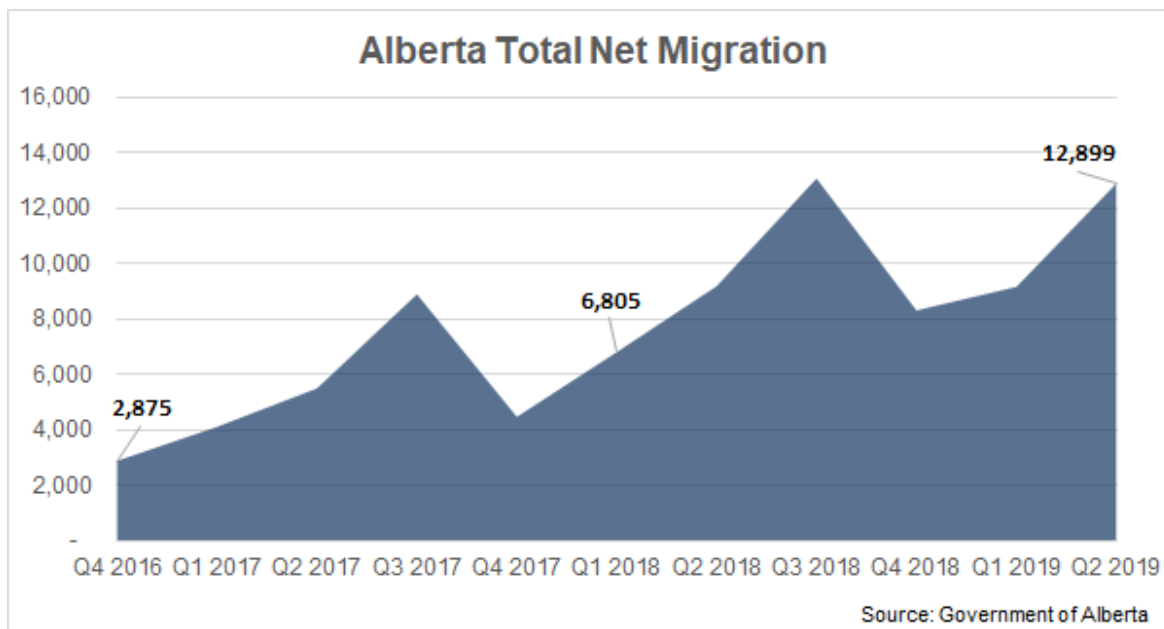


In 2018, Alberta's GDP growth was 1.9%, and Edmonton's was 3.7%. Gross Domestic Product (GDP) is a measure of the economic production which takes place within a set of geographical boundaries. It is measured as a percent change from the previous year.

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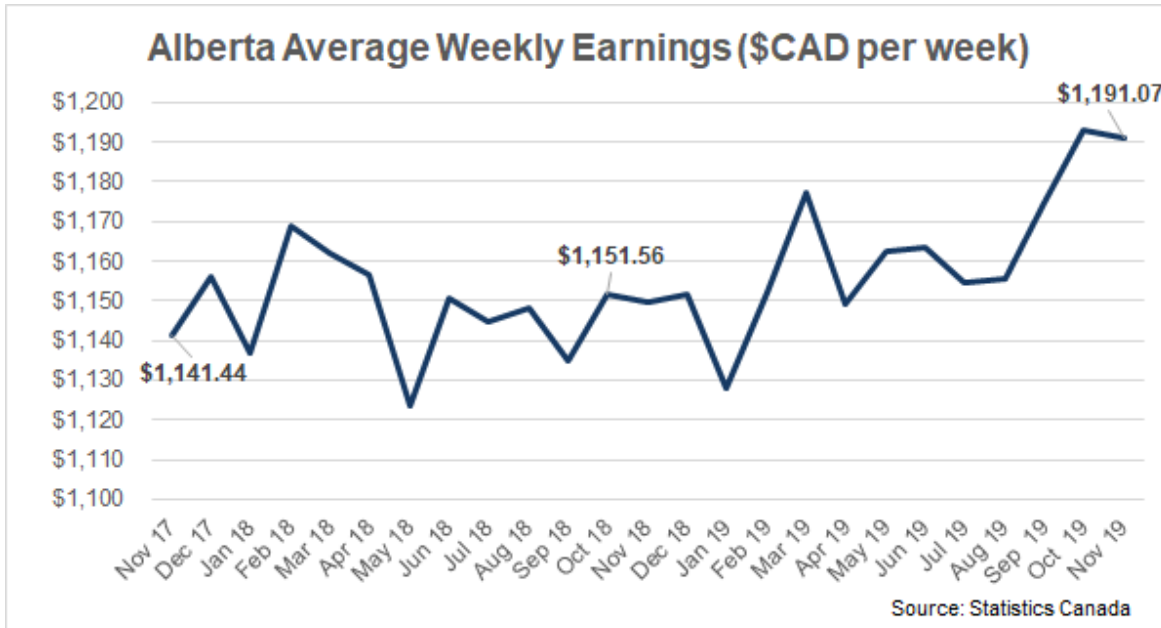


Both Alberta and Edmonton saw their December 2019 inflation rates rise by 2.3% from December 2018. Inflation rate is measured by the Consumer Price Index (CPI). Inflation rates are expressed as year over year percent changes in the price of the major components of the CPI basket, including food, shelter, transportation, and more.

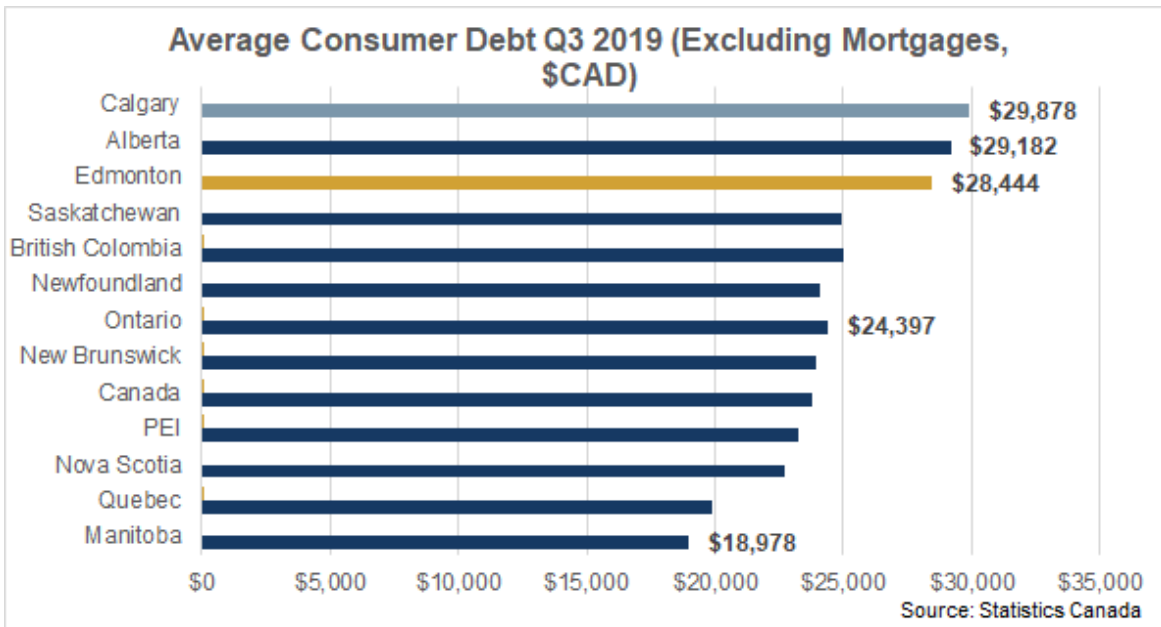


Alberta's total net migration was 12,899 in Q2 2019. This is an increase of 40.7% from 9,165 in Q1 2019. Total net migration includes both net interprovincial migration and net international migration.

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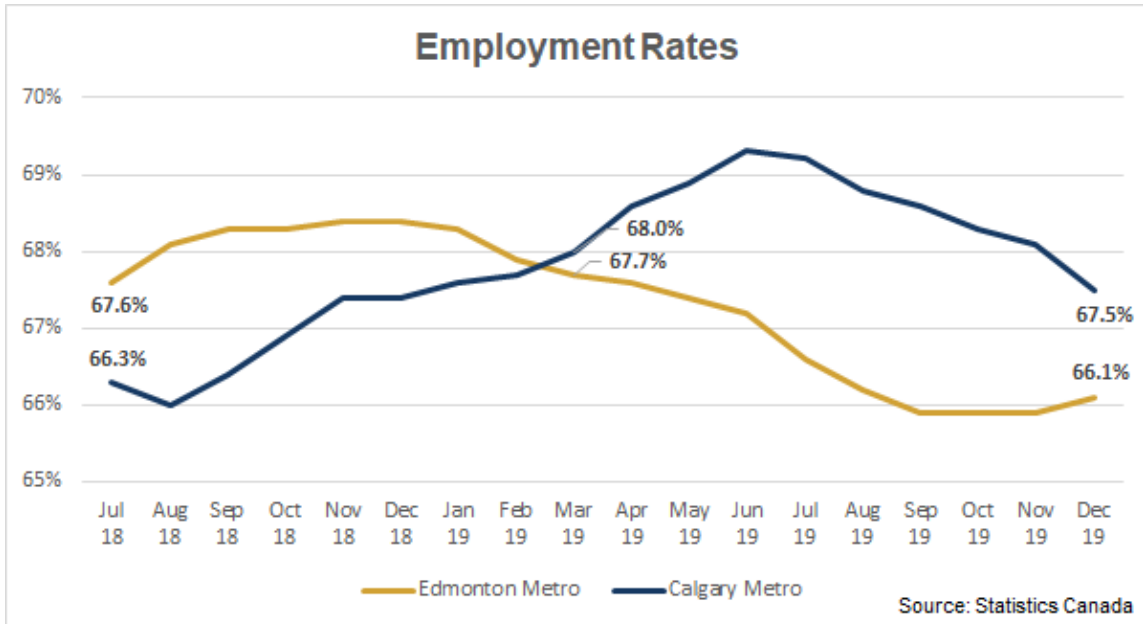


In Alberta, the average weekly earnings for November 2019 were \$1,191.07, up 3.6% from November 2018. Average weekly earnings measure total weekly earnings (including overtime) divided by the number of employees.

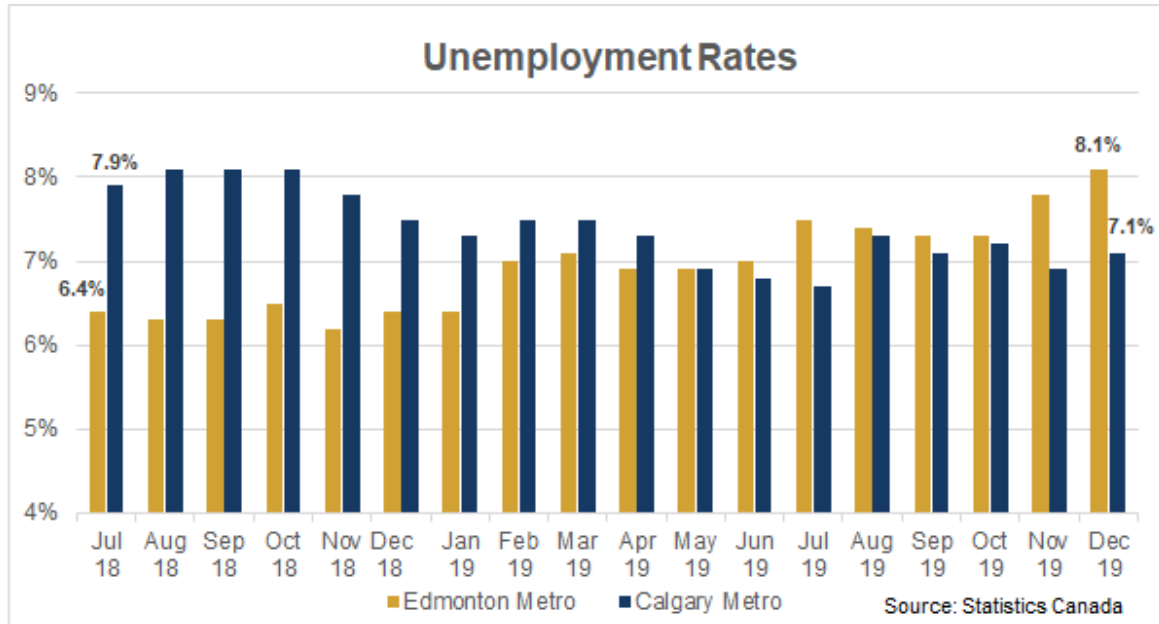


In Q3 2019, Albertans recorded an average debt of \$29,182, a 0.4% year-over-year decrease. Average debts in Calgary and Edmonton were \$29,878 and \$28,444; a 0.5% and 0.3% year-over-year decreases respectively.

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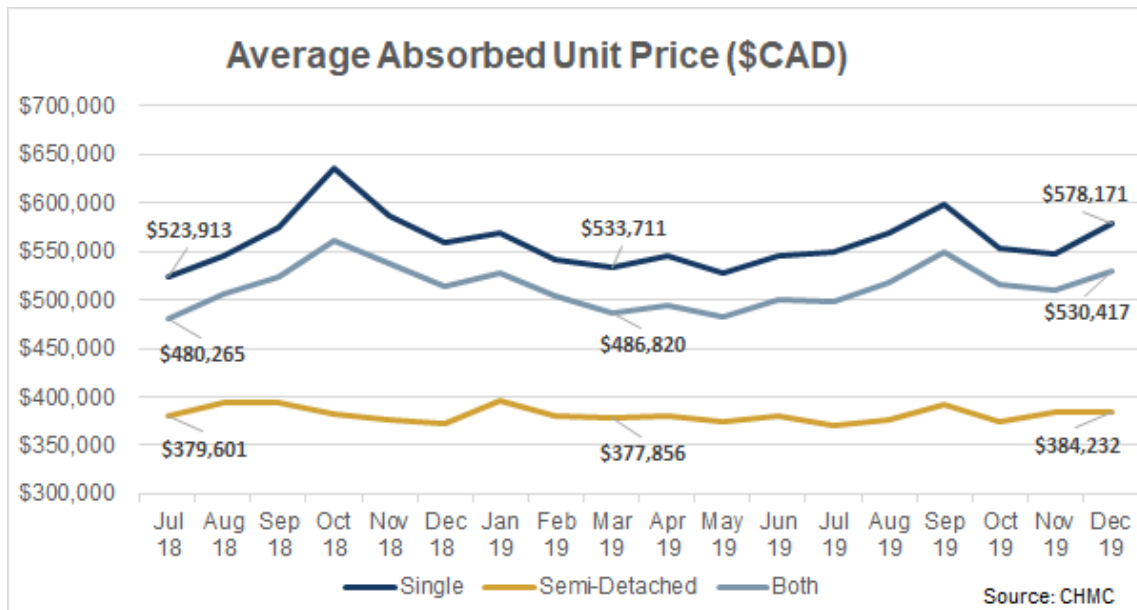


The Edmonton Metropolitan Region's employment rate for December 2019 was 66.1%, Calgary Metropolitan Region's was 67.5%. Employment rate is the percentage of the population aged 15 and older who are employed.

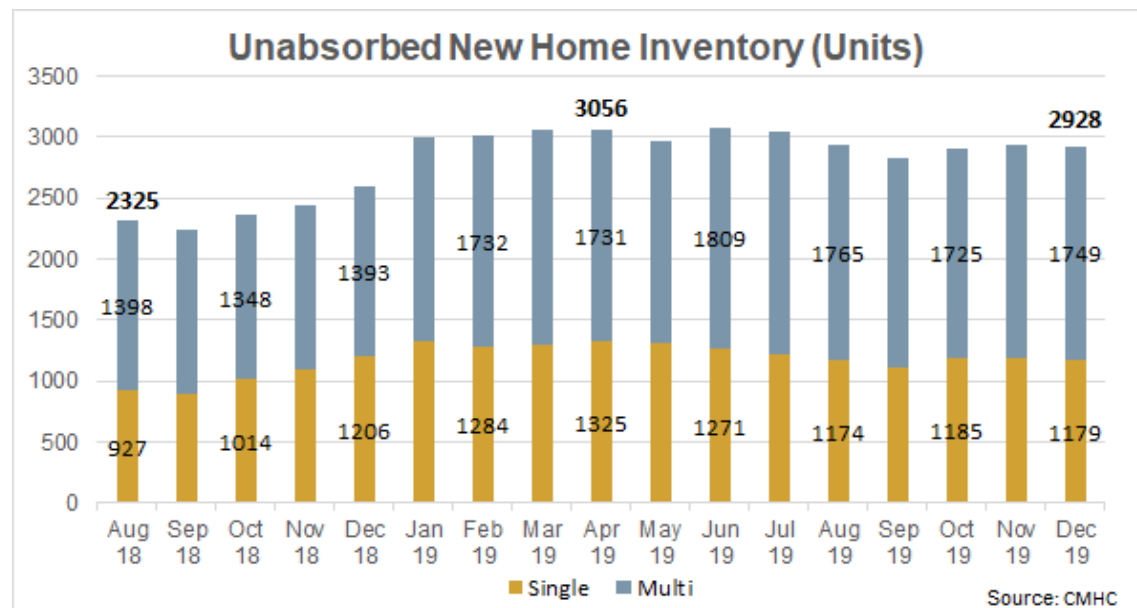


The Edmonton Metropolitan Region's unemployment rate for December 2019 was 8.1%, Calgary Metropolitan Region's was 7.1%. The unemployment rate is the percentage of unemployed workers in the total labour force (employed + unemployed).

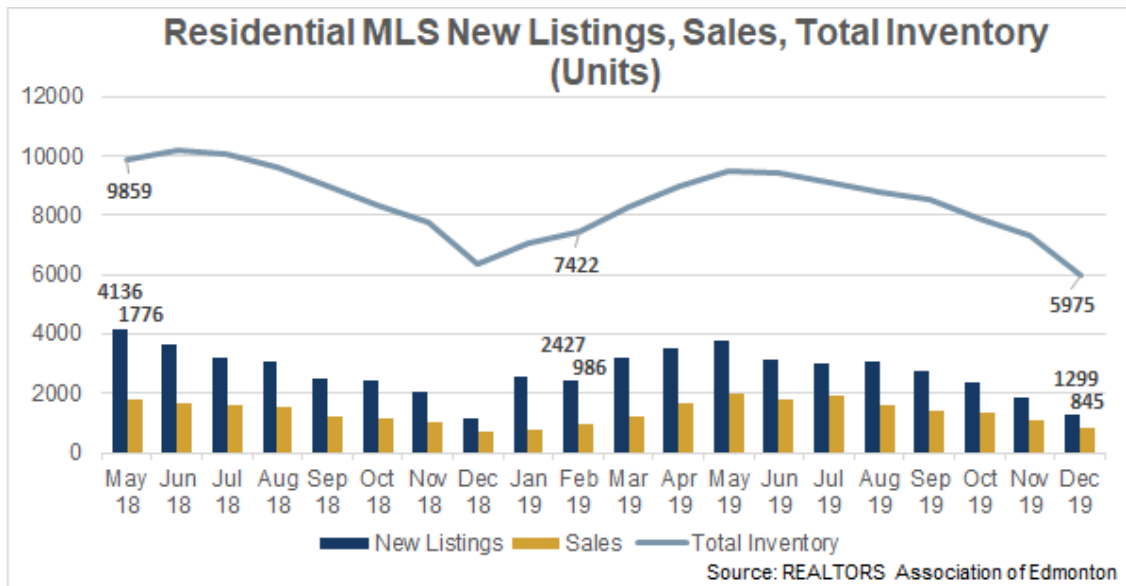
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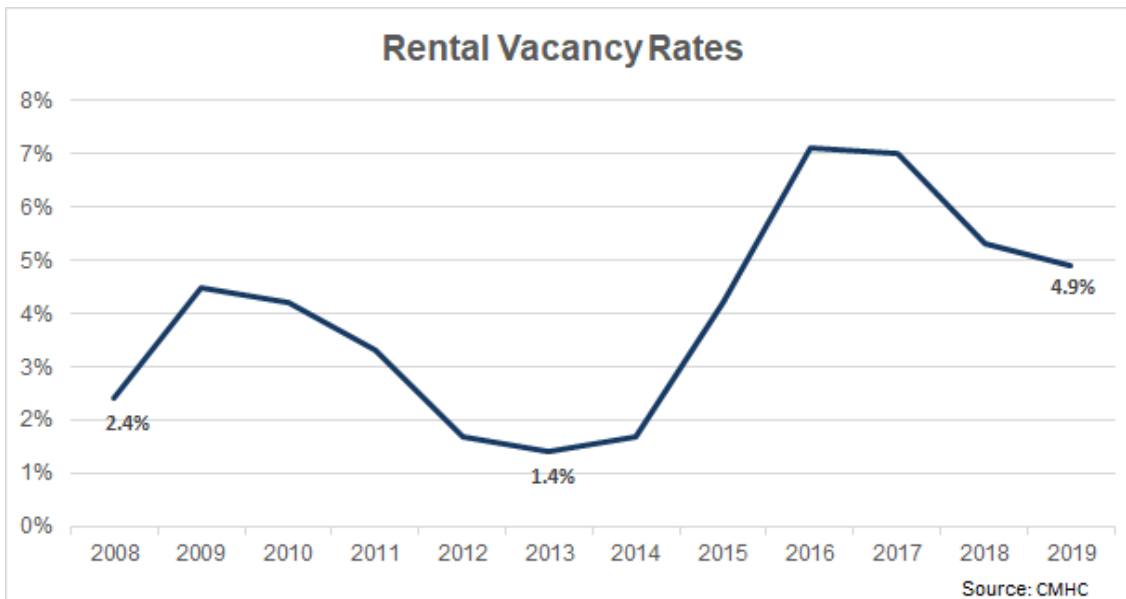
The average absorbed unit price in the Edmonton Metropolitan Region (including both single and semi-detached) was \$530,417 in December 2019 - up 3.9% from last month's average price. An 'absorbed' housing unit is one that has been sold or rented. The graph above shows the average price of absorbed units by single, semi-detached, or both.



Edmonton Metropolitan Area had 2928 completed and unabsorbed new homes in December 2019, down slightly from 2941 in November 2019. An unabsorbed unit is a new home that is finished construction and is available for sale.



In December 2019, there were 1299 new residential listings (down 30% monthly), 845 residential sales (down 23.3% monthly), and 5975 units of residential inventory at the end of the month (down 18.2% monthly) in the Edmonton Metropolitan Region, according to MLS data. Month/month %change is shown in brackets. Total inventory is measured at month's end.



The Edmonton Metropolitan Region's rental vacancy rate was 4.9% in 2019, down from 5.3% in 2018. The rental vacancy rate is an economic indicator which measures the percentage of rental homes that are vacant within a given area.

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ECONOMIC FRAMEWORK



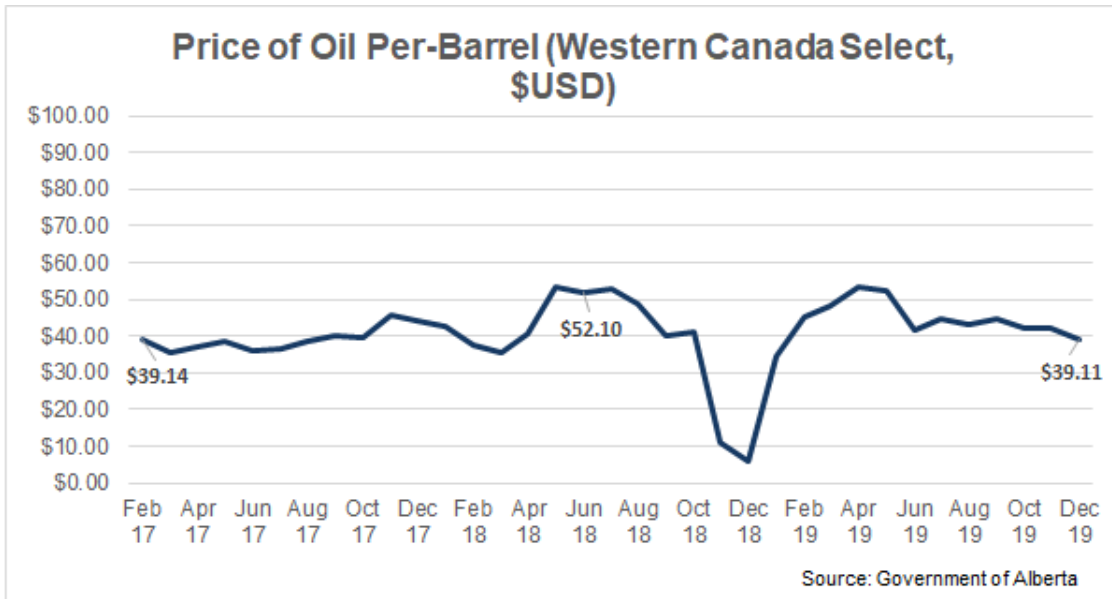
Alberta Preliminary Actual Housing Starts										
December / 2018 - 2019										
Urban Centres		Singles			Multiples			Total		
		2018	2019	% chg.	2018	2019	% chg.	2018	2019	% chg.
Centres 100,000+	Calgary CMA	223	352	57.8%	307	1,778	479.2%	530	2,130	301.9%
	Calgary City	151	271	79.5%	239	1,697	610.0%	390	1,968	404.6%
	Calgary other muni's	72	81	12.5%	68	81	19.1%	140	162	15.7%
	Edmonton CMA	332	338	1.8%	306	404	32.0%	638	742	16.3%
	Edmonton City	264	242	-8.3%	225	325	44.4%	489	567	16.0%
	Edmonton other muni's	68	96	41.2%	81	79	-2.5%	149	175	17.4%
	Beaumont	14	13	-7.1%	2	4	100.0%	16	17	6.3%
	Fort Saskatchewan	2	9	350.0%	--	7	--	2	16	700.0%
	Leduc	10	17	70.0%	53	22	-58.5%	63	39	-38.1%
	Sherwood Park	3	4	33.3%	2	--	--	5	4	-20.0%
	Spruce Grove	8	6	-25.0%	8	32	300.0%	16	38	137.5%
	St. Albert	6	3	-50.0%	--	10	--	6	13	116.7%
Stony Plain	--	1	--	6	2	--	6	3	-50.0%	
Centres 50,000-99,999	Grande Prairie CA	7	11	57.1%	6	10	66.7%	13	21	61.5%
	Lethbridge CA	33	23	-30.3%	12	8	-33.3%	45	31	-31.1%
	Medicine Hat CA	9	1	-88.9%	4	--	--	13	1	-92.3%
	Red Deer CA	7	9	28.6%	--	6	--	67	15	-77.6%
	Wood Buffalo CA	7	8	14.3%	5	--	--	12	8	-33.3%
Centres 10,000+	Total Urban Starts	618	742	20.1%	700	2,206	215.1%	1,318	2,948	123.7%

Source: CMHC

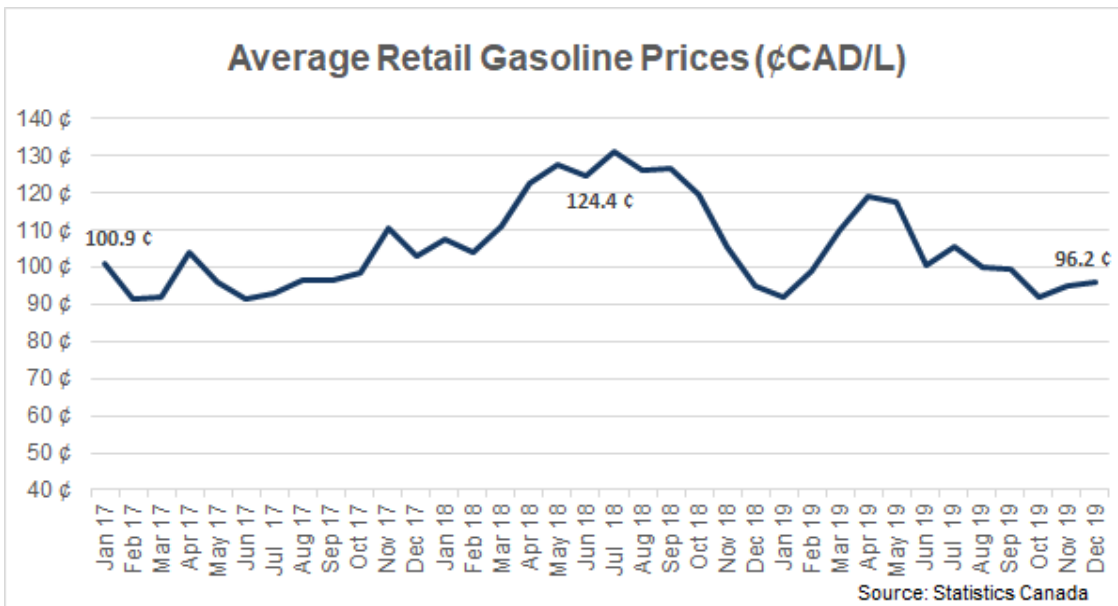
Alberta Preliminary Actual Housing Starts										
Year-to-date (January - December / 2018 - 2019)										
Urban Centres		Singles			Multiples			Total		
		2018	2019	% chg.	2018	2019	% chg.	2018	2019	% chg.
Centres 100,000+	Calgary CMA	3,791	3,535	-6.8%	7,180	8,374	16.6%	10,971	11,909	8.5%
	Calgary City	2,736	2,685	-1.9%	6,614	7,947	20.2%	9,350	10,632	13.7%
	Calgary other muni's	1,055	850	-19.4%	566	427	-24.6%	1,621	1,277	-21.2%
	Edmonton CMA	4,814	4,140	-14.0%	5,224	6,580	26.0%	10,038	10,720	6.8%
	Edmonton City	3,549	3,077	-13.3%	4,454	5,528	24.1%	8,003	8,605	7.5%
	Edmonton other muni's	1,265	1,063	-16.0%	770	1,052	36.6%	2,035	2,115	3.9%
	Beaumont	141	117	-17.0%	67	75	11.9%	208	192	-7.7%
	Fort Saskatchewan	75	84	12.0%	88	72	-18.2%	163	156	-4.3%
	Leduc	200	153	-23.5%	158	168	6.3%	358	321	-10.3%
	Sherwood Park	42	37	-11.9%	82	90	9.8%	124	127	2.4%
	Spruce Grove	148	113	-23.6%	116	104	-10.3%	264	217	-17.8%
	St. Albert	146	87	-40.4%	140	297	112.1%	286	384	34.3%
Stony Plain	37	22	-40.5%	11	99	800.0%	48	121	152.1%	
Centres 50,000-99,999	Grande Prairie CA	121	135	11.6%	46	96	108.7%	167	231	38.3%
	Lethbridge CA	385	345	-10.4%	175	292	66.9%	560	637	13.8%
	Medicine Hat CA	84	46	-45.2%	262	42	-84.0%	346	88	-74.6%
	Red Deer CA	116	98	-15.5%	156	146	-6.4%	272	244	-10.3%
	Wood Buffalo CA	206	107	-48.1%	356	39	-89.0%	562	146	-74.0%
Centres 10,000+	Total Urban Starts	9,517	8,406	-11.7%	13,399	15,569	16.2%	22,916	23,975	4.6%

Source: CMHC

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Western Canada Select (WCS) averaged US\$39.11 a barrel in December 2019, 555% higher than December 2018. The 2019 January-December average price is up 15.1% from the 2018 January-December average.



In December 2019, the average retail price for regular unleaded gasoline in the Edmonton Metropolitan Region was 96.2¢/L, up 1.3% year-year. This data includes self-serving gasoline stations in the Edmonton Metropolitan Region.

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