



EDMONTON MONTHLY KEY ECONOMIC INDICATORS

▲ - Increase from Last period

▼ - Decrease from last period

◀▶ - No change from last period

Indicator ('000 except as indicated)	Indicators for: Aug-09				Indicators for: Jul-09			
	Aug-09	Jul-09	Change From Last Period	Change Yr over Yr	Jul-09	Jun-09	Change From Last Period	Change Yr over Yr
Labour Force Characteristics¹								
Unemployment Rate (%)	▲ 7.6%	7.4%	0.2	4.0	▲ 7.4%	6.7%	0.7	3.5
Labour Force	▲ 675.1	674.3	0.1%	4.1%	▲ 674.3	666	1.2%	3.8%
Employed	▼ 623.8	624.6	-0.1%	-0.2%	▲ 624.6	621.2	0.5%	0.0%
Full-time	▲ 520.5	518.4	0.4%	-2.6%	▲ 518.4	510.6	1.5%	-1.8%
Part-time	▼ 103.3	106.2	-2.8%	13.8%	▼ 106.2	110.6	-4.1%	10.2%
Unemployed	▲ 51.3	49.7	3.1%	120.2%	▲ 49.7	44.8	9.9%	97.2%
Not in labour force	▲ 231.3	230	0.6%	-1.8%	▼ 230	235.9	-2.6%	-1.3%
Participation Rate (%)	▼ 74.5%	74.6%	-0.1	-72.7	▲ 74.6%	73.8%	0.8	1.0
Employment Rate (%)	▼ 68.8%	69.1%	-0.3	-1.0	▲ 69.1%	68.9%	0.3	-1.6
Inflation (CPI Index)²	▲ 122.1	121.8	0.2%	-1.2%	▼ 121.8	122.2	-1.2%	-1.5%
Pre-Owned Housing Statistics³								
Listed	▼ 2,628	2,764	-5.2%	-12.6%	▼ 2,764	3,179	-15.0%	-22.8%
Inventory	▼ 6,445	6,592	-2.3%	-32.9%	▼ 6,592	6,785	-2.9%	-37.2%
Sold	▼ 1,673	2,277	-36.1%	8.6%	▼ 2,277	2,552	-12.1%	27.6%
Average Residential Selling Price (\$)	▼ 300,943	304,430	-1.2%	-3.5%	▲ 304,430	302,667	0.6%	6.0%
New Home Housing Statistics⁴								
Starts	▲ 558	451	19.2%	31.3%	▲ 451	450	0.2%	10.8%
Inventory	▼ 8,496	9,775	-15.1%	-41.4%	▼ 9,775	10,164	-4.0%	-35.1%
Absorbed	▲ 1,636	816	50.1%	74.2%	▲ 816	713	12.6%	-23.7%
Months Supply of Housing⁵	▼ 4.5	5.3	-17.2%	-53.6%	▲ 5.3	5.2	1.9%	-41.0%
Value of Building Permits - City of Edmonton⁶								
Residential (\$millions)	▲ 151.7	78.8	48.1%	137.6%	▲ 78.8	64.8	17.7%	-100.0%
Non-residential (\$millions)	▼ 64.0	83.4	-30.3%	-37.0%	▲ 83.4	70.3	15.7%	-100.0%
Enplaned/Deplaned Passengers at Edmonton International Airport⁷	▲ 571,603	546,065	4.5%	-7.8%	▲ 546,065	481,253	11.9%	-7.6%

Sources and Notes

Data is for the Edmonton CMA except where noted; **n/a** in a cell indicates that the data for this period is not available

¹ Statistics Canada, custom data extraction from Labour Force Survey, three month moving average, unadjusted data.

⁵ Calculated by EEDC: the sum of the pre-owned and new housing inventories divided by the sum of the pre-owned homes sold plus new housing absorbed in the month.

² Statistics Canada, Consumer Price Index

⁶ City of Edmonton

³ Realtors Association of Edmonton, MLS monthly statistics

⁷ Edmonton Airports Authority

⁴ Canadian Mortgage and Housing Corporation



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Commentary

Summary

A year ago the expectation was that the economic fundamentals in Alberta and Edmonton were such that we should be able to ride out the recession at or near the top of the pack. In the early months that appeared to be the case. However, today's numbers provide further evidence that the expectations of a year ago were somewhat optimistic. Edmonton has returned to sustainable levels and should continue to this trend and continue to weather the current economic storm.

Labour Force Characteristics

Edmonton's labour force continued to grow again this month. In the month of August, the labour force grew by 4.1% over a year ago, although employment was down 0.2%. Total employment decreased by 800 over the previous month; cuts in part-time jobs (-2,900) were partially off-set by increases in fulltime jobs (+2,100). Since the Edmonton labour force has been expanding at a faster rate than job creating, the unemployment rate has risen. In August, the employment rate was 7.6%, 0.2 higher than in the previous month. Edmonton's unemployment rate is still well below the Canadian average of 8.7%.

Consumer Price Index

Consumer price indices in August decreased by 1.2% over a year ago. Alberta as a whole also recorded a negative inflation rate at -1.7%. High unemployment rates and changes in housing and energy prices are the main components responsible for the continued deflation in the month of August. These areas continue to hold back Edmontonian's spending on non-essential goods and services and continue to put downward pressure on price increases.

Housing

The Edmonton housing market continues to be a buyers market. August residential sales were down from July, a record month, but up 8.6% year over year. Average house price was down 1.2% from July to \$300,943. Despite high sales, prices haven't been driven up significantly, which shows that it truly is a buyers market. Mortgage rates are still very attractive and sellers are realistic in pricing and if current sales trends continue we should see a decrease in the current inventory surplus.

Building Permits

Residential permits in Edmonton increased again, while non-residential were down in August compared to July. Residential permits increased 48.1% over the previous month and non-residential were down more than 30%. Year-over-year residential permits were up more than 137% and non-residential permits were down 37%. Growth in the residential building permits continues to show a rebound in market conditions back to sustainable levels.

Airport Passenger Traffic

Airport traffic decreased by 7.8% in August compared to the same period in 2008, the busiest month ever at EIA and was the slowest August in the last 2 years. The decrease in passengers maybe a result of travelers staying closer to home rather than travelling longer distances. A decline in September will continue to indicate increased caution on the part of consumers. Year to date numbers are down 8.3%, after a record year in 2008.