



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: May-09				Indicators for: Apr-09			
	May-09	Apr-09	Change From Last Period	Change Yr over Yr	Apr-09	Mar-09	Change From Last Period	Change Yr over Yr
Labour Force Characteristics¹								
Unemployment Rate (%)	▲ 6.3%	5.4%	0.9	2.4	▲ 5.4%	5.0%	0.4	1.6
Labour Force	▲ 657.3	649.9	1.1%	2.9%	▲ 649.9	649.4	0.1%	1.9%
Employed	▲ 616.2	614.7	0.2%	0.3%	▼ 614.7	617.0	-0.4%	0.2%
Full-time	▲ 503.5	499.1	0.9%	-0.7%	▼ 499.1	501.0	-0.4%	-0.9%
Part-time	▼ 112.7	115.5	-2.5%	5.3%	▼ 115.5	116	-0.4%	5.2%
Unemployed	▲ 41.2	35.2	14.6%	67.5%	▲ 35.2	32.5	7.7%	46.1%
Not in labour force	▼ 242.3	247.7	-2.2%	0.7%	▲ 247.7	246.2	0.6%	3.0%
Participation Rate (%)	▲ 73.1%	72.4%	0.7	-71.9	▼ 72.4%	72.5%	-0.1	-0.2
Employment Rate (%)	◀▶ 68.5%	68.5%	0.0	-1.0	▼ 68.5%	68.9%	-0.6	-1.4
Inflation (CPI Index)²	▲ 121.6	120.5	0.9%	-0.2%	▼ 120.5	120.9	-0.2%	-0.6%
Pre-Owned Housing Statistics³								
Listed	▲ 3,180	3,019	5.1%	-25.9%	▲ 3,019	2,891	4.2%	-32.5%
Inventory	▼ 7,435	7,539	-1.4%	-32.4%	▲ 7,539	7,476	0.8%	-28.9%
Sold	▲ 2,161	1,843	14.7%	18.7%	▲ 1,843	1,380	25.1%	1.1%
Average Residential Selling Price (\$)	▲ 300,787	293,491	2.4%	-7.4%	▲ 293,491	285,654	2.7%	-8.2%
New Home Housing Statistics⁴								
Starts	▼ 346	355	-2.6%	-41.0%	▲ 355	135	62.0%	-48.0%
Inventory	▼ 10,706	11,217	-4.8%	-33.8%	▼ 11,217	11,346	-1.2%	-32.2%
Absorbed	▲ 576	481	16.5%	-40.7%	▼ 481	490	-1.9%	-52.8%
Months Supply of Housing⁵	▼ 6.6	8.1	-21.8%	-31.9%	▼ 8.1	10.1	-24.7%	-15.5%
Value of Building Permits - City of Edmonton⁶								
Residential (\$millions)	▲ 68.7	63.5	7.6%	-29.7%	▼ 63.5	111.9	-76.2%	-100.0%
Non-residential (\$millions)	▲ 104.6	93.3	10.8%	-31.3%	▼ 93.3	96.5	-3.3%	-100.0%
Enplaned/Deplaned Passengers at Edmonton International Airport⁷	▼ 488,415	526,066	-7.7%	-8.5%	▼ 526,066	526,699	-0.1%	1.5%

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

While economic commentators frequently point out that the worldwide global downturn has been the most significant since the Depression, the May indicators continue to show that the impact on Edmonton has been much less muted. Edmonton has felt the impact of the downturn but mainly in the form of a cut in the previous high growth returning Edmonton to a relatively steady state compared to the same period a year ago.

Labour Force Characteristics

On a year-over-year basis, Edmonton has shown positive employment and labour force growth in each month of 2009. In May, Edmonton experienced an increase in employment of 1,500 persons (0.4%) compared to a year earlier. In May, Edmonton was the only major Canadian city to experience an increase in employment. Meanwhile, the labour force grew by 18,000 persons. Between natural growth and net migration Edmonton has continued to expand its labour force during the global downturn. Since the Edmonton labour force has been expanding at a faster rate than job creation, the unemployment rate has risen. With a 6% unemployment rate in May, Edmonton had the second lowest rate of the major Canadian cities, and well below the Canadian average of 8.4%.

Consumer Price Index

Consumer price indices in May dropped by 0.2% in Edmonton, 0.7% in Alberta, and rose slightly by 0.1% in Canada over a year ago. The price declines for Edmonton, in April and May, are the largest since 2004 and in Alberta since 2002. Canada wide price increase was the slowest since 1995. In the first half of 2008 inflation in Edmonton was in excess of 4.0 per cent year-over-year, now in May, Edmonton is seeing continuing deflation for the first time since 2004. The weakened economy including concerns over increasing unemployment rates and job security held back Edmontonian's spending on non-essential goods and services and continues to put downward pressure on price increases.

Housing

The Edmonton housing market continues to be a buyers market. Although average selling price did increase 2.4% over last month, it is down 7.4% from last year. While the listings of pre-owned homes have declined from the same period in 2008 there is still substantial inventory available. Sales have increased in May compared to last month and May 2008. With low interest rates affordability has improved and if the labour force continues to expand, one can expect to see the current surplus of properties for sale slowly erode.

Building Permits

Both residential and non-residential building permits increased in May compared to April. Residential permits increased 7.6% over the previous month and non-residential were up almost 11%. Year-over-year residential permits were down almost 30% and non-residential permits were down over 31%. The economic downturn derailed the booming growth of the Edmonton construction sector.

Airport Passenger Traffic

Airport traffic decreased by 8.5% in May compared to the same period in 2008 and was the slowest May in the last 2 years. The decrease in passengers maybe a result of travellers staying closer to home rather than travelling longer distances. The H1N1 virus scare may have contributed to the decline. We are also through the winter vacation period during which many trips are booked well in advance. A decline in June will begin to indicate increased caution on the part of consumers. Year to date numbers are only down 3.2% and given that air transportation tends to decline early on in an economic downturn, this is another indicator that Edmonton is currently weathering the global economic downturn better than most communities.