



**economy**

# Key Stats



Of 11 peer cities assessed, Calgary has the second highest level of **economic power** comparing GDP per capita

- Deloitte, *Benchmarking Calgary's Competitiveness, 2015*



Of 11 peer cities assessed, Calgary has the second highest level of **economic growth** comparing GDP growth

- Deloitte, *Benchmarking Calgary's Competitiveness, 2015*



**Highest GDP per Capita** in 2019 of major Canadian cities.

- The Conference Board of Canada, Statistics Canada, October 2019



**8 of the Top 10 World Banks** and **9 of the Top 10 Investment Banks** have a presence in Calgary

- The Banker Database, 2019; Investment Banking Scorecard, WSJ, 2019

# Benchmarking Calgary's Competitiveness



- Calgary ranks **1<sup>st</sup> in Population Growth** (*annual population growth rate*)
- Calgary ranks **1<sup>st</sup> in Labour Participation**
- Calgary ranks **1<sup>st</sup> in Education** (*highest education achieved*)
- Calgary ranks **1<sup>st</sup> in Industrial Land Price** (*price per sq. ft.*)
- Calgary ranks **2<sup>nd</sup> in Economic Power** (*GDP per capita*)
- Calgary ranks **2<sup>nd</sup> in Economic Growth** (*GDP growth*)
- Calgary ranks **3<sup>rd</sup> in Diversity** (*immigrant population*)
- Calgary ranks **3<sup>rd</sup> in Research & Development** (*annual R&D expenditures per capita*)
- Calgary ranks **3<sup>rd</sup> in Businesses** per 100 people
- Calgary ranks **4<sup>th</sup> in Commercial Real Estate** (*rent per sq. ft.*)
- Calgary ranks **5<sup>th</sup> in Housing Affordability** (*housing median multiple*)

# Economic Scorecard Competitiveness



**Benchmarking 20 metro regions across 38 indicators:  
22 economic + 16 social**



# Financial Competitiveness



- **8 of the Top 10 World Banks and 9 of the Top 10 Investment Banks** have an office in Calgary.
- Total value of completed merger and acquisition deals in 2016 topped **\$85.6 billion**, equivalent to **more than one-third of all M&A activity** across the country.
- High deal velocity and large deal size, with the average deal size estimated at **\$197 million**, compared to \$99 million in Toronto and \$24 million in Vancouver.
- **Highest concentration** of head offices per capita in Canada, with 73 percent of head offices representing energy and oil field services companies.
- **Wealth management, private equity and asset management services have thrived** in Calgary due to the concentration of private wealth in the city.
- Labour productivity in Calgary's Financial sector is **25 per cent higher** than the Canadian average.

# Economic Indicators Summary



	2012	2013	2014	2015	2016	2017	2018	2019F
<b>GDP Growth</b> Calgary CMA	4.1%	5.5%	6.6%	-3.0%	-3.8%	5.0%	2.9%	-0.4%
<b>Alberta Capital Expenditure on Oil and Gas Extraction</b> (Billions)	\$58.8	\$65.1	\$76.1	\$38.0	\$27.5	\$28.5	\$26.7	\$25.9
<b>Price of Oil</b>								
WTI (EIA STEO Data Browser; \$US/bbl)	\$94.08	\$97.98	\$93.17	\$48.67	\$43.33	\$50.79	\$65.06	\$55.71
WCS (AER; \$US/bbl; Base)	\$57.87	\$58.96	\$43.24	\$22.51	\$29.65	\$38.98	\$38.46	\$43.50
<b>Price of Gas</b>								
Henry Hub Spot Price (EIA STEO Data Browser; \$US/mmbTU)	\$2.75	\$3.73	\$4.39	\$2.63	\$2.51	\$2.99	\$3.15	\$2.57
AECO-C (Bloomberg + Birchcliff Energy Ltd.; \$CDN/GJ; Q1 2020)	\$3.01	\$3.68	\$3.05	\$2.19	\$2.05	\$2.05	\$1.42	\$1.67
<b>Unemployment Rate</b> CMA (December)	4.9%	4.5%	4.5%	6.8%	10.3%	7.6%	7.5%	7.2% January 2020
<b>Net Migration</b> CMA; July 1 to June 30 of previous year; updated annually in February	27,511	35,358	32,439	17,283	13,313	9,965	14,228	20,433
<b>Office Vacancy</b> Downtown (Q4)	5.0%	9.1%	9.8%	17.6%	25.0%	27.7%	26.4%	27.2% Q4 2019
<b>Building Permits</b> CMA (Billions)	\$5.25	\$7.14	\$7.33	\$7.17	\$5.42	\$5.43	\$5.25	\$5.33 YTD December 2019
<b>Benchmark Home Price</b> All Housing Types (December)	\$386,500	\$421,000	\$457,100	\$448,100	\$431,700	\$427,400	\$413,900	\$413,000 December 2019
<b>Housing Starts</b> Single-Detached	5,961	6,402	6,494	4,138	3,489	4,423	3,791	3,200 - 3,500

Sources: Alberta Energy Regulator, Bloomberg + Birchcliff Energy Ltd., Canadian Real Estate Association, CBRE Limited, CMHC, The Conference Board of Canada, Industry Canada, Statistics Canada, U.S. Energy Information Administration

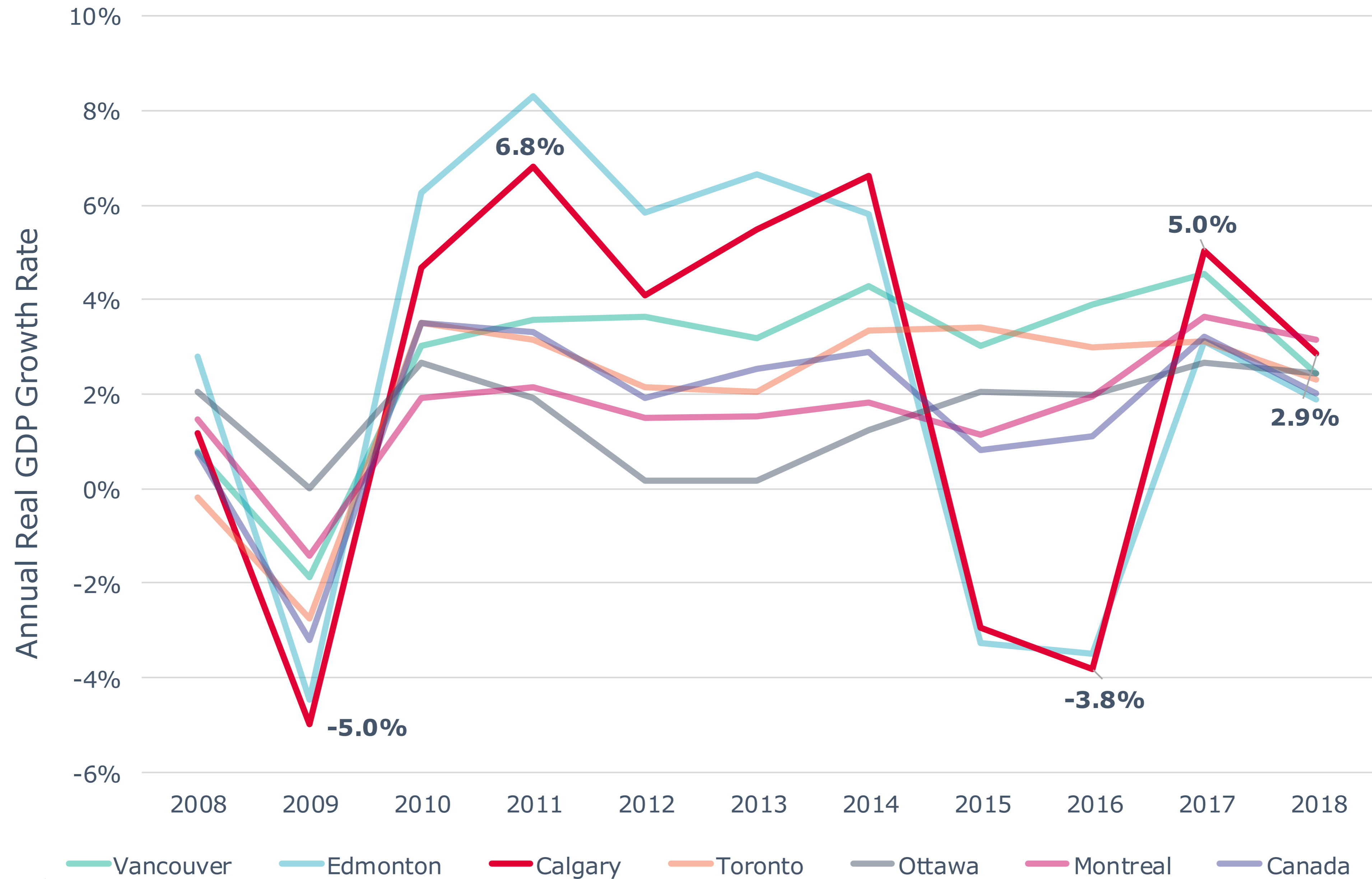
# Major Canadian Cities Comparison



	Vancouver	Edmonton	Calgary	Saskatoon	Toronto	Ottawa	Montreal	Canada
2018 Real GDP Growth	2.5%	1.9%	<b>2.9%</b>	1.1%	2.3%	2.4%	3.2%	2.0%
2019F Real GDP Growth	2.8%	-0.4%	<b>-0.4%</b>	-0.2%	2.0%	1.6%	3.0%	1.3%
CMA Population <small>July 2019</small>	2,691,351	1,447,143	<b>1,514,723</b>	330,674	6,471,850	1,441,118	4,318,505	37,589,262
CMA Population Growth <small>July 2019</small>	1.5%	2.1%	<b>2.1%</b>	2.2%	2.0%	2.1%	1.5%	1.4%
Unemployment Rate <small>January 2020</small>	4.5%	8.2%	<b>7.2%</b>	5.8%	5.5%	4.3%	6.0%	5.5%
Participation Rate <small>January 2020</small>	67.2%	71.7%	<b>72.0%</b>	69.4%	66.9%	69.5%	66.5%	65.4%
Employment Growth <small>January 2020</small>	9,800 0.7%	-12,000 -1.5%	<b>14,700 1.7%</b>	3,600 2.0%	165,700 4.9%	48,100 6.5%	9,200 0.4%	285,200 1.5%
Full-Time Employment Growth <small>January 2020</small>	2.5%	-1.9%	<b>0.9%</b>	1.8%	6.5%	6.0%	0.6%	1.9%
Part-Time Employment Growth <small>January 2020</small>	-4.8%	1.5%	<b>2.8%</b>	8.7%	-2.1%	5.6%	4.2%	-0.1%
Provincial Average Weekly Earnings <small>November 2019</small>	\$1,019.39	\$1,191.07	<b>\$1,191.07</b>	\$1,066.15	\$1,064.56	\$1,064.56	\$968.54	\$1,043.44

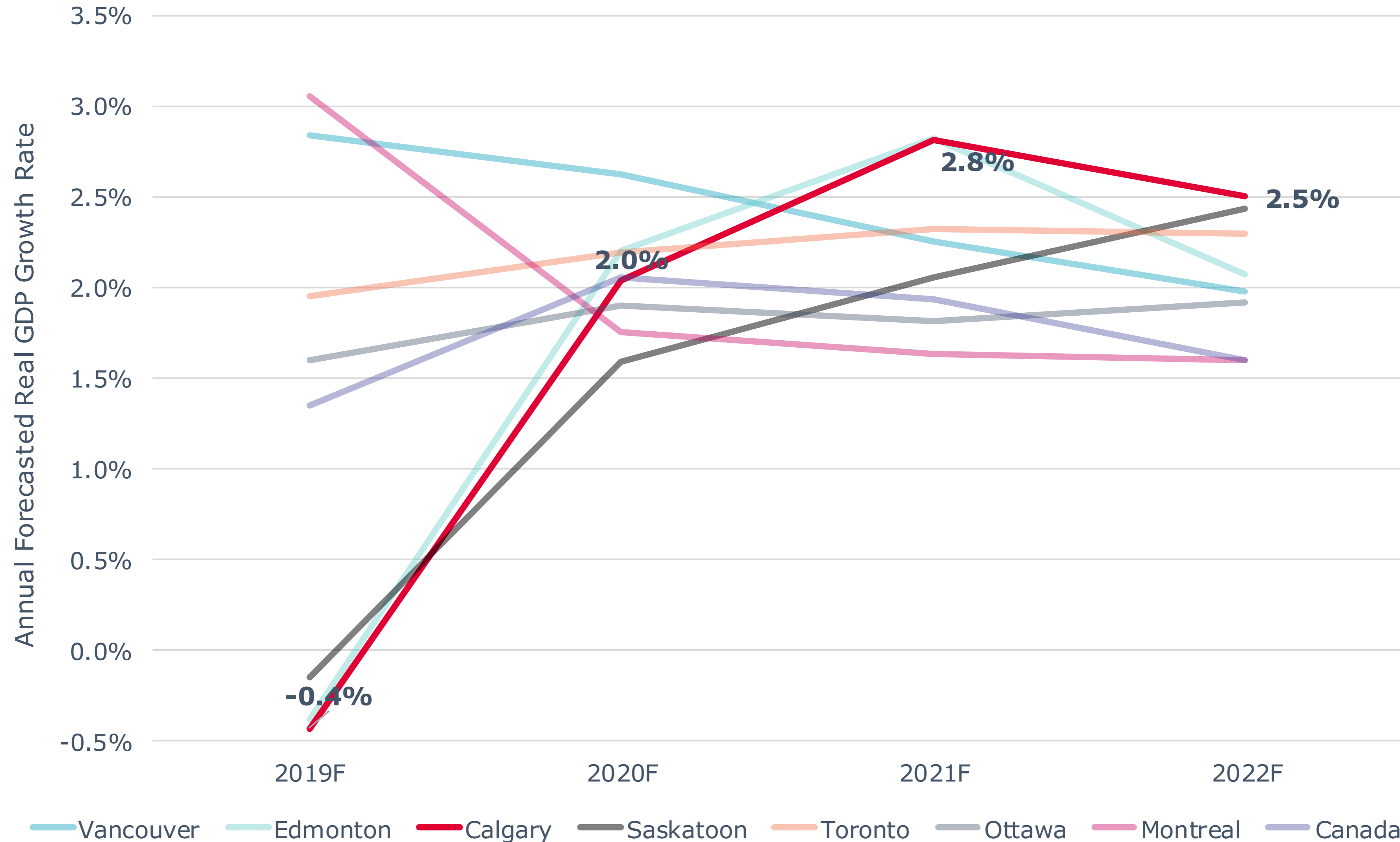
Source: Conference Board of Canada, Statistics Canada

# Annual Real GDP Growth Rates Across Canada

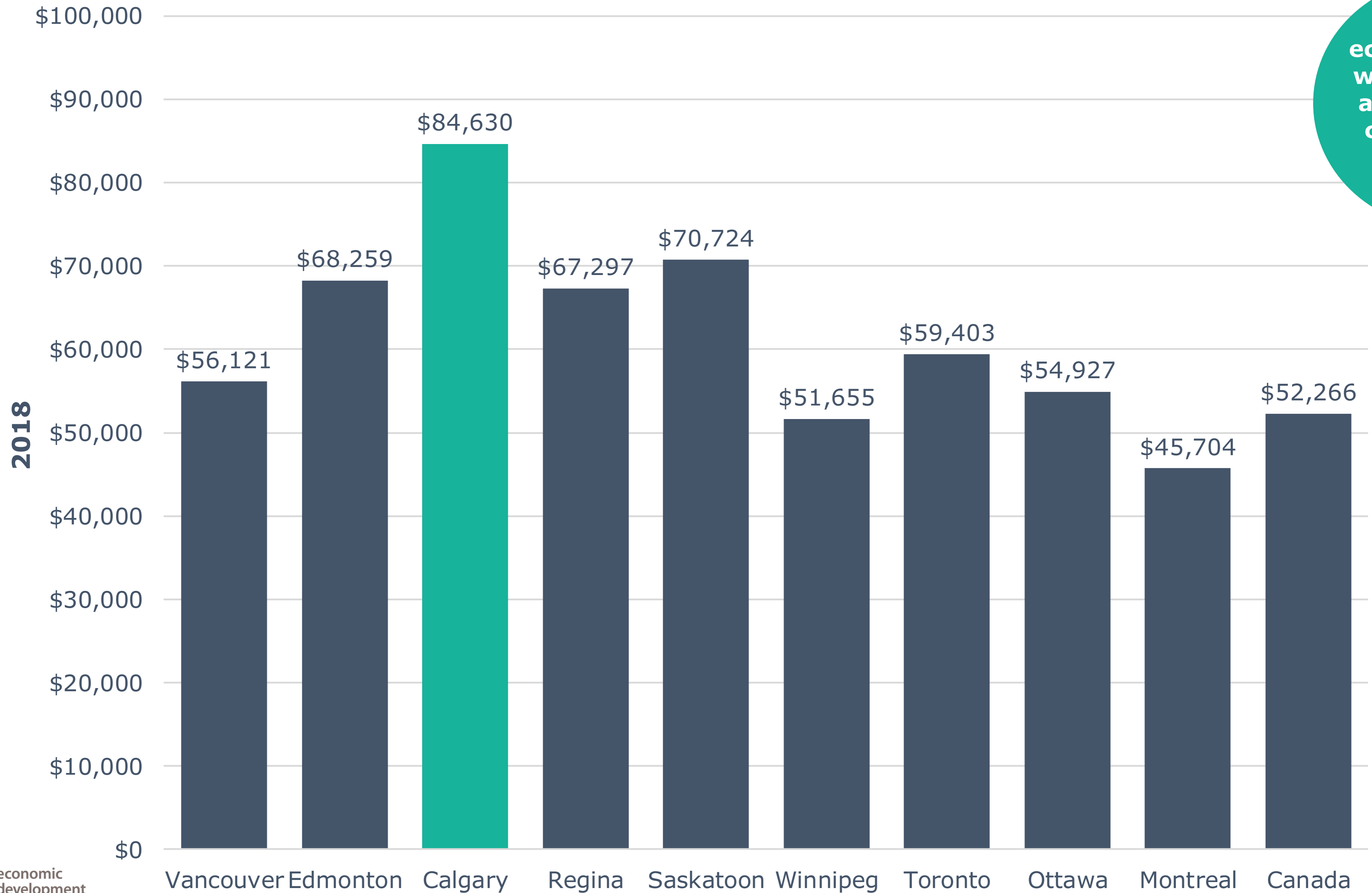




# Annual Forecasted Real GDP Growth Rates Across Canada

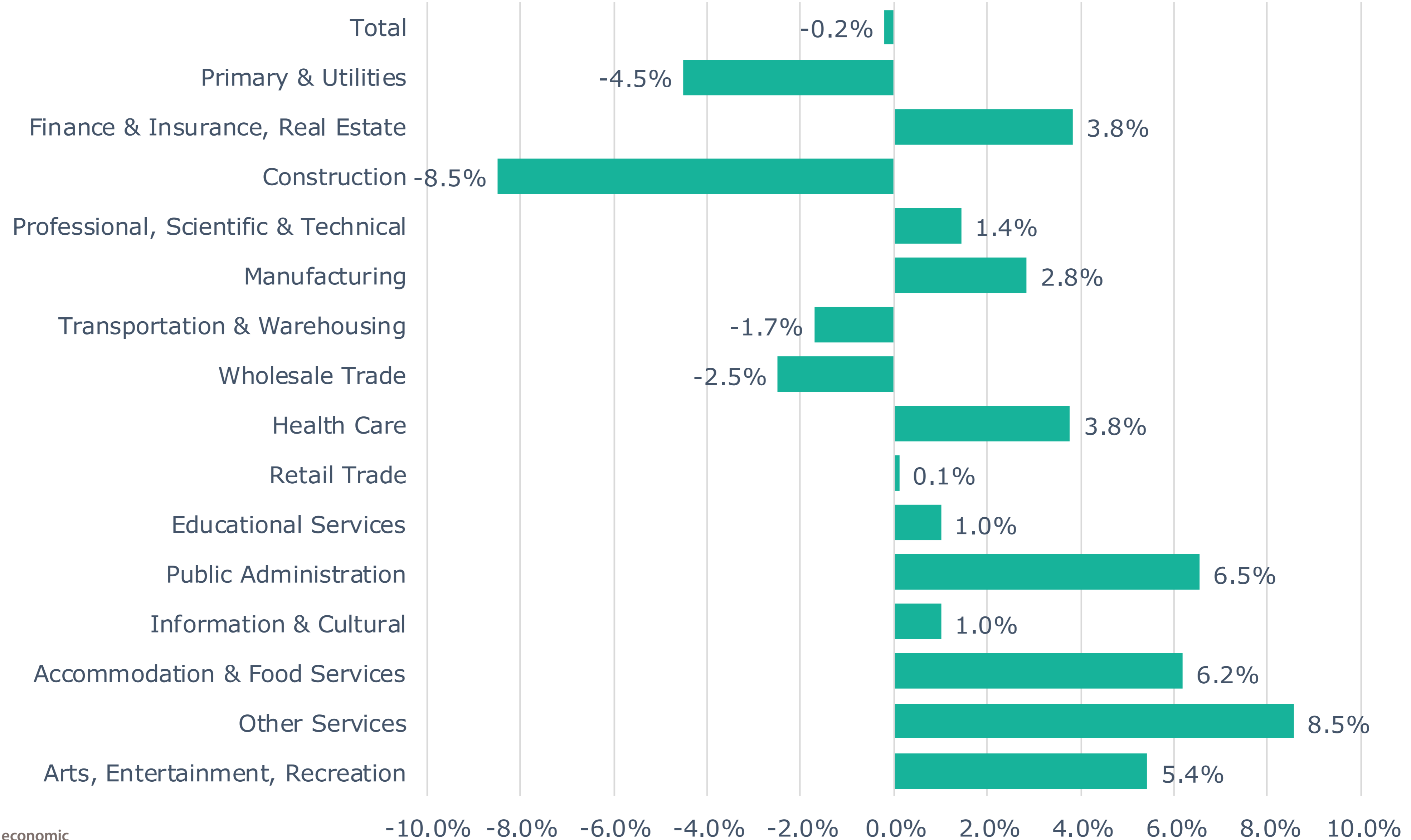


# Annual GDP per Capita Across Canada



A leader in economic power, with the highest annual GDP per capita of major cities in Canada

# Calgary CMA 2018/2019F Year-Over-Year Real GDP Growth Rate by Industry



# Calgary Historical GDP by Industry

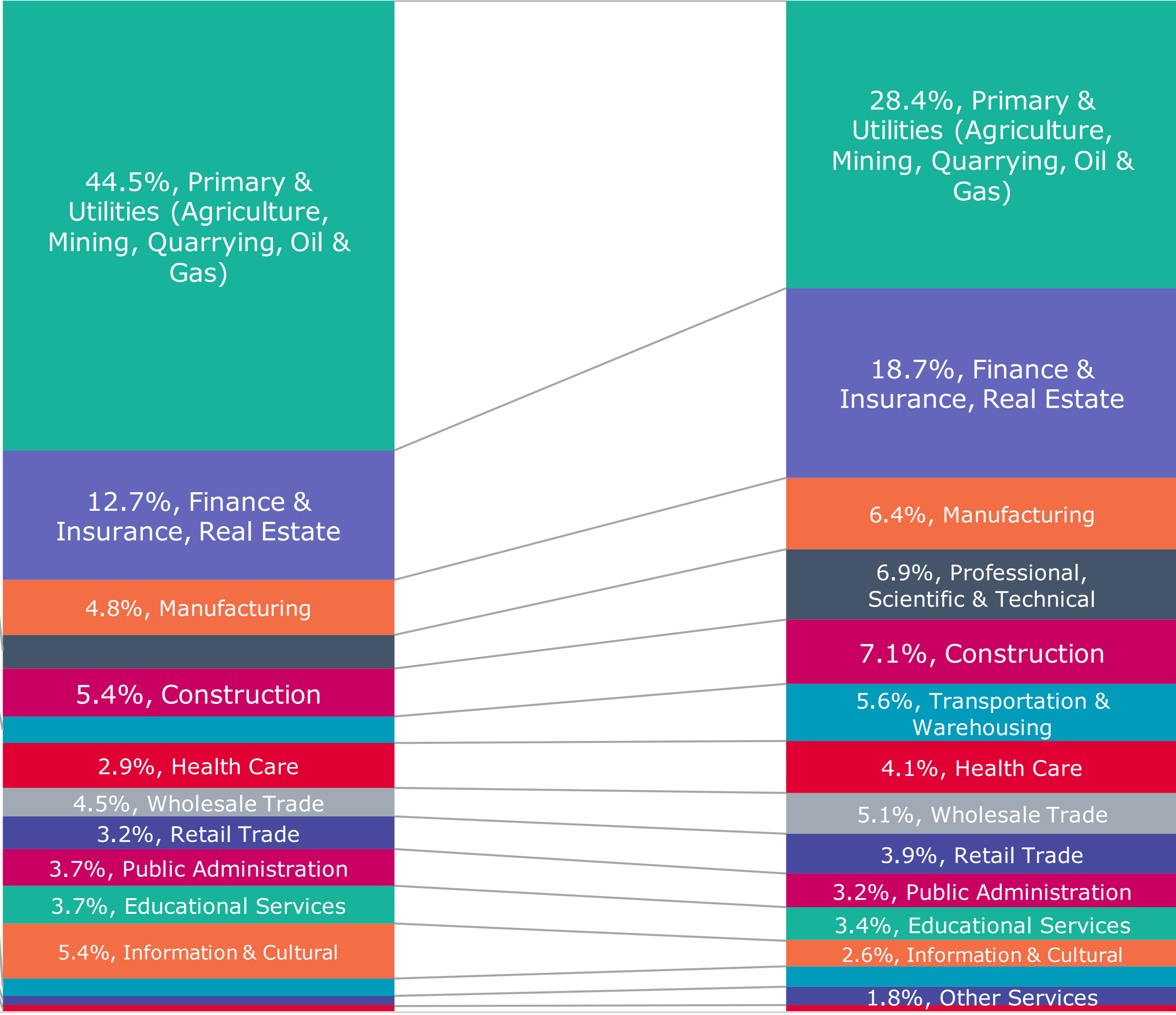
Calgary's economy is diversifying

**Total GDP \$50.99 Billion**

**Total GDP \$125.76 Billion**

3.4%, Professional, Scientific & Technical  
 2.5%, Transportation & Warehousing  
 1.7%, Accommodation & Food Services  
 1.0%, Other Services  
 0.7%, Arts, Entertainment, Recreation

2.1%, Accommodation & Food Services  
 0.7%, Arts, Entertainment, Recreation



1987

2018

Source: The Conference Board of Canada, October 2019

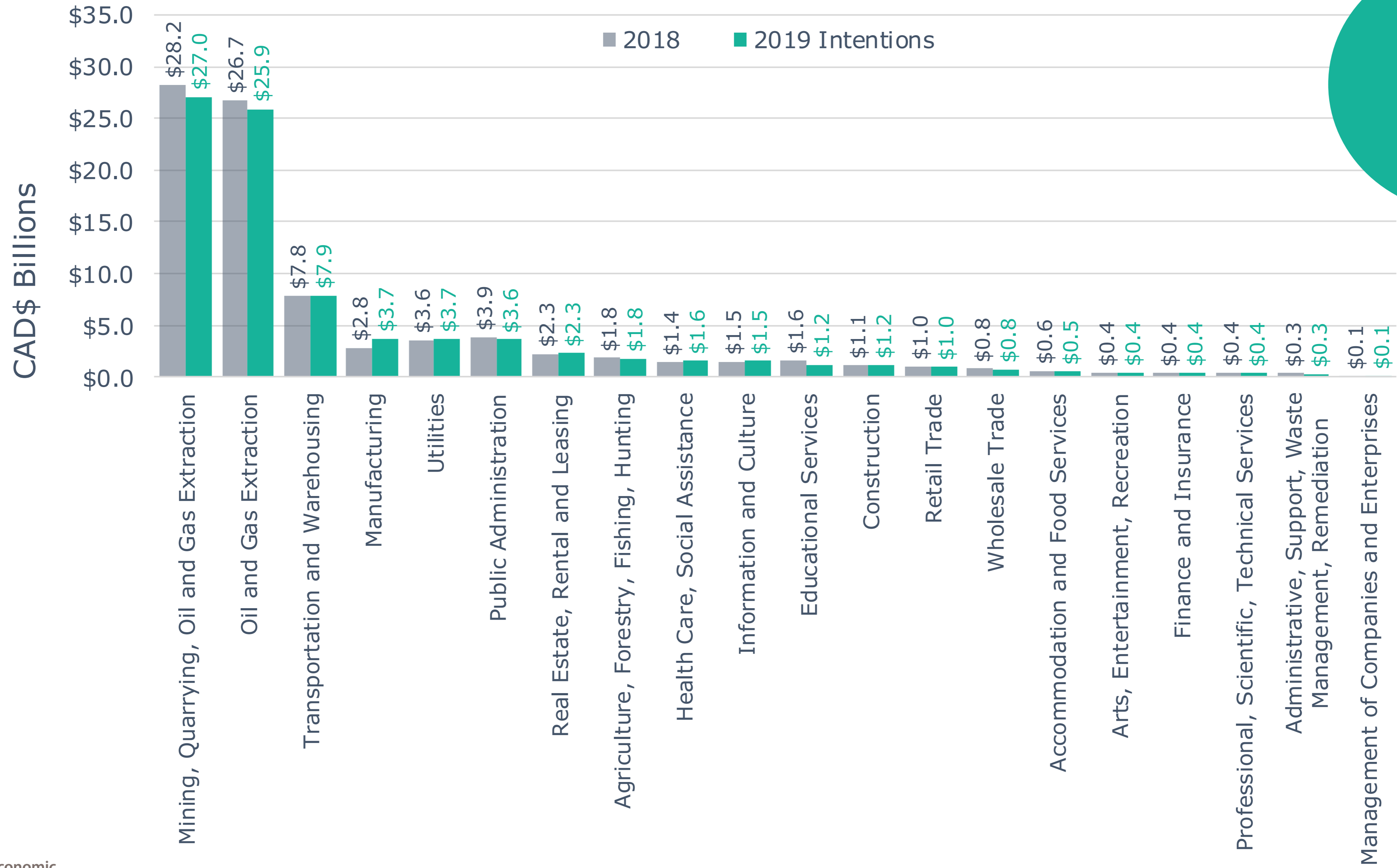
# Calgary Forecast GDP by Industry



	2019 (2012 \$ Millions)	2022 (2012 \$ Millions)	Total change 2019-2022(%)
<u>Goods-Producing Industries</u>	50,676	54,575	7.1%
Manufacturing	9,194	9,760	5.8%
Construction	7,394	7,944	6.9%
Primary and Utilities	34,088	36,870	7.5%
<u>Services-Producing Industries</u>	74,826	80,066	6.5%
Wholesale Trade	4,995	5,440	8.2%
Retail Trade	4,954	5,370	7.8%
Transportation and Warehousing	6,945	7,450	6.8%
Information and Cultural industries	3,268	3,366	2.9%
Finance, Insurance and Real Estate and Leasing	24,458	26,541	7.8%
Professional, Scientific and Technical Services	8,798	9,062	2.9%
Educational Services	4,110	4,335	5.2%
Health Care and Social Assistance	6,676	7,279	8.3%
Arts, Entertainment and Recreation	938	991	5.3%
Accommodation and Food Services	2,744	2,939	6.6%
Other Services	2,445	2,670	8.4%
Public Administration	4,494	4,623	2.8%
<b>All Industries</b>	<b>125,502</b>	<b>134,641</b>	<b>6.8%</b>

Source: The Conference Board of Canada, October 2019

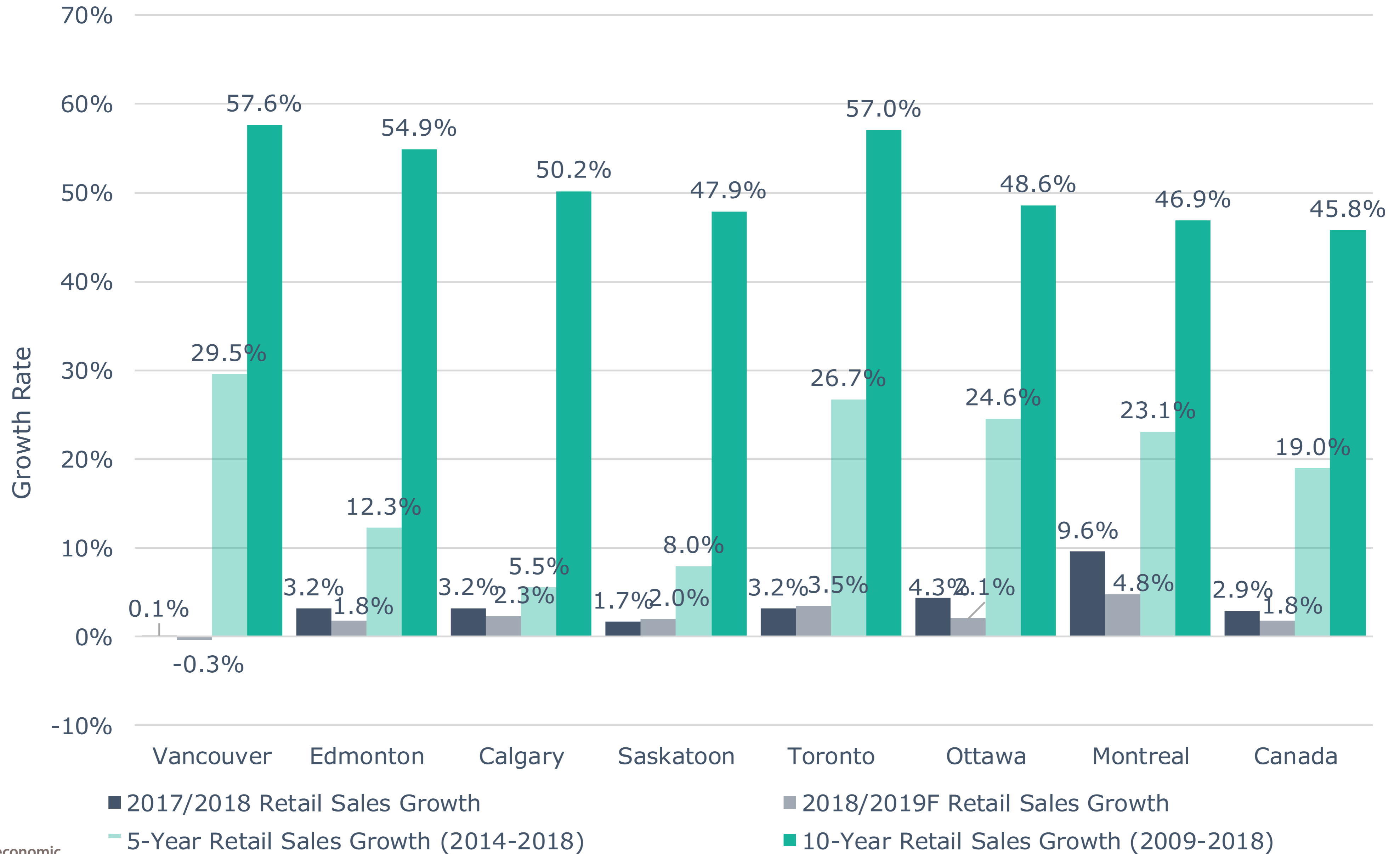
# Alberta Capital Spending by Industry



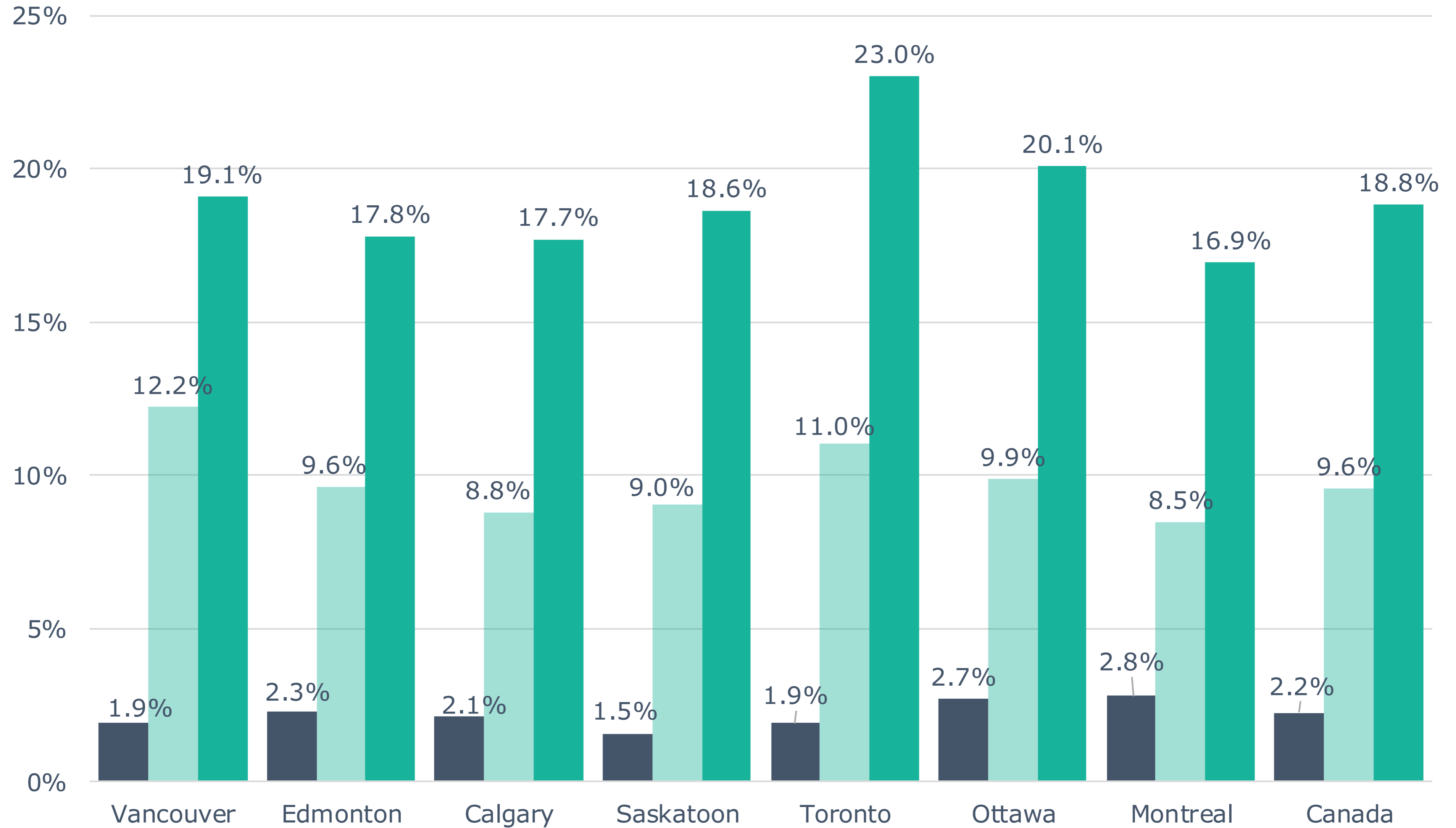
**2019F  
CAPEX of  
\$59.7B**

**2018  
CAPEX of  
\$60.5B**

# Retail Sales Growth Across Canada



# Inflation Growth Across Canada



■ Year-Over-Year Growth Rate   ■ 5-Year Total Growth rate (2014-2019)   ■ 10-Year Total Growth Rate (2009-2019)