

British Columbia Economic Review & Outlook

Pacific NW Regional Economic Conference

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Investment
Management
Corporation

Canada & British Columbia Overview

● Canada:

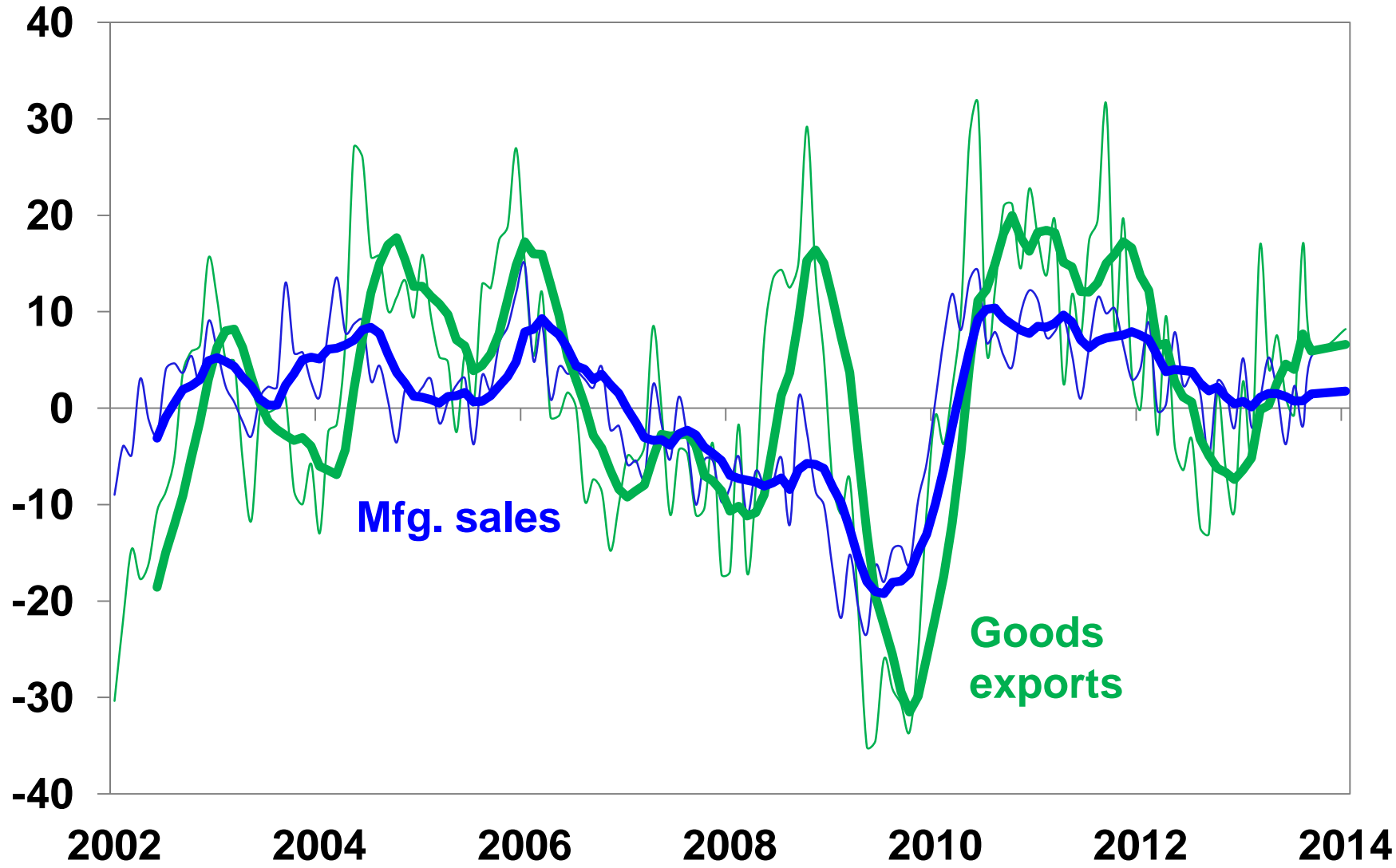
- ~ Lost G-7 lead to U.K. & U.S.
- ~ BRICs still in the doghouse, not great for commodities
- ~ Still hoping for hand-off from consumers & housing to exports & business investment
- ~ Lower C\$ should help

● BC:

- ~ Economy tracking national growth
- ~ Commodity picture mixed – exports up a bit.
- ~ Consumer, housing activity slow
- ~ Lots of large investment projects on drawing board...but outlook for many is highly uncertain

B.C. Manufacturing & Exports

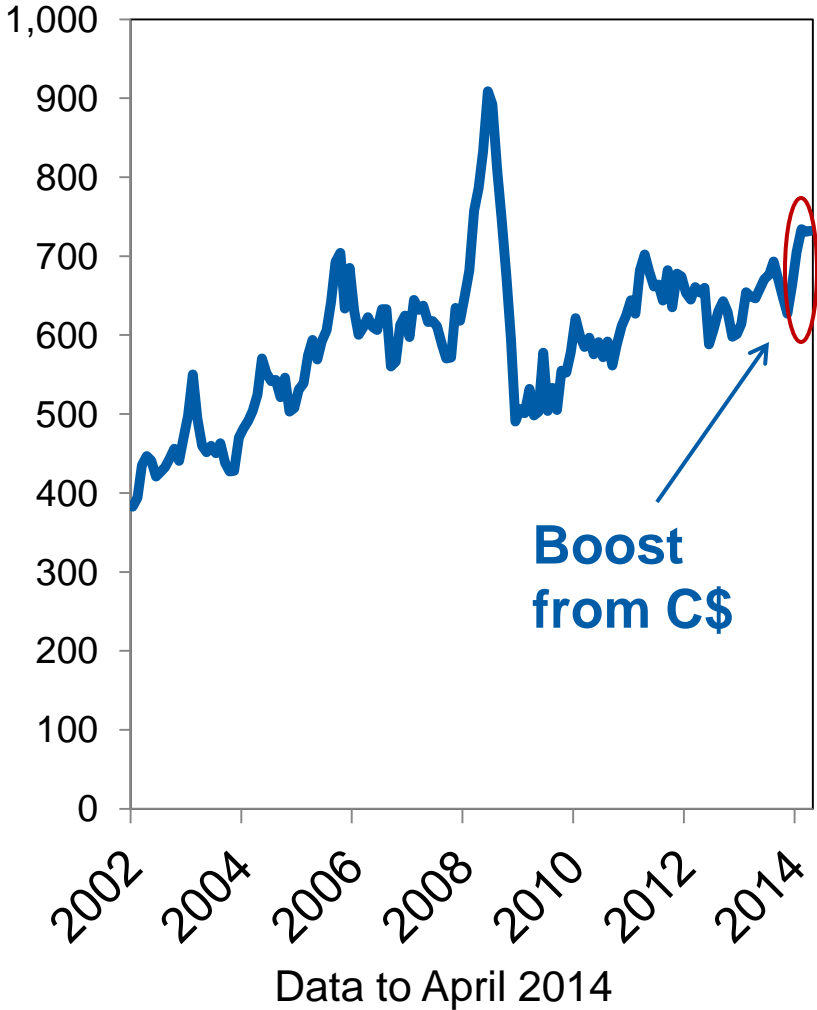
Year/year percentage change in \$ value



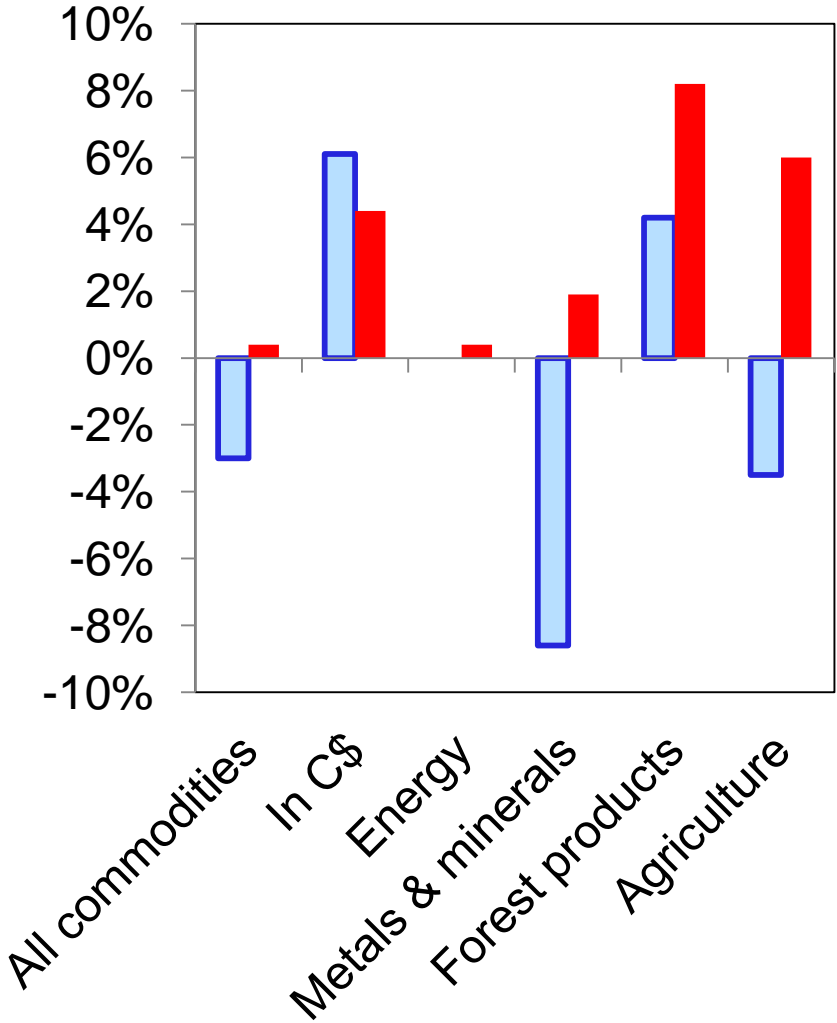
Source: Statistics Canada

Commodity Prices

Bank of Canada commodity price index in C\$ (Jan 1972 = 100)

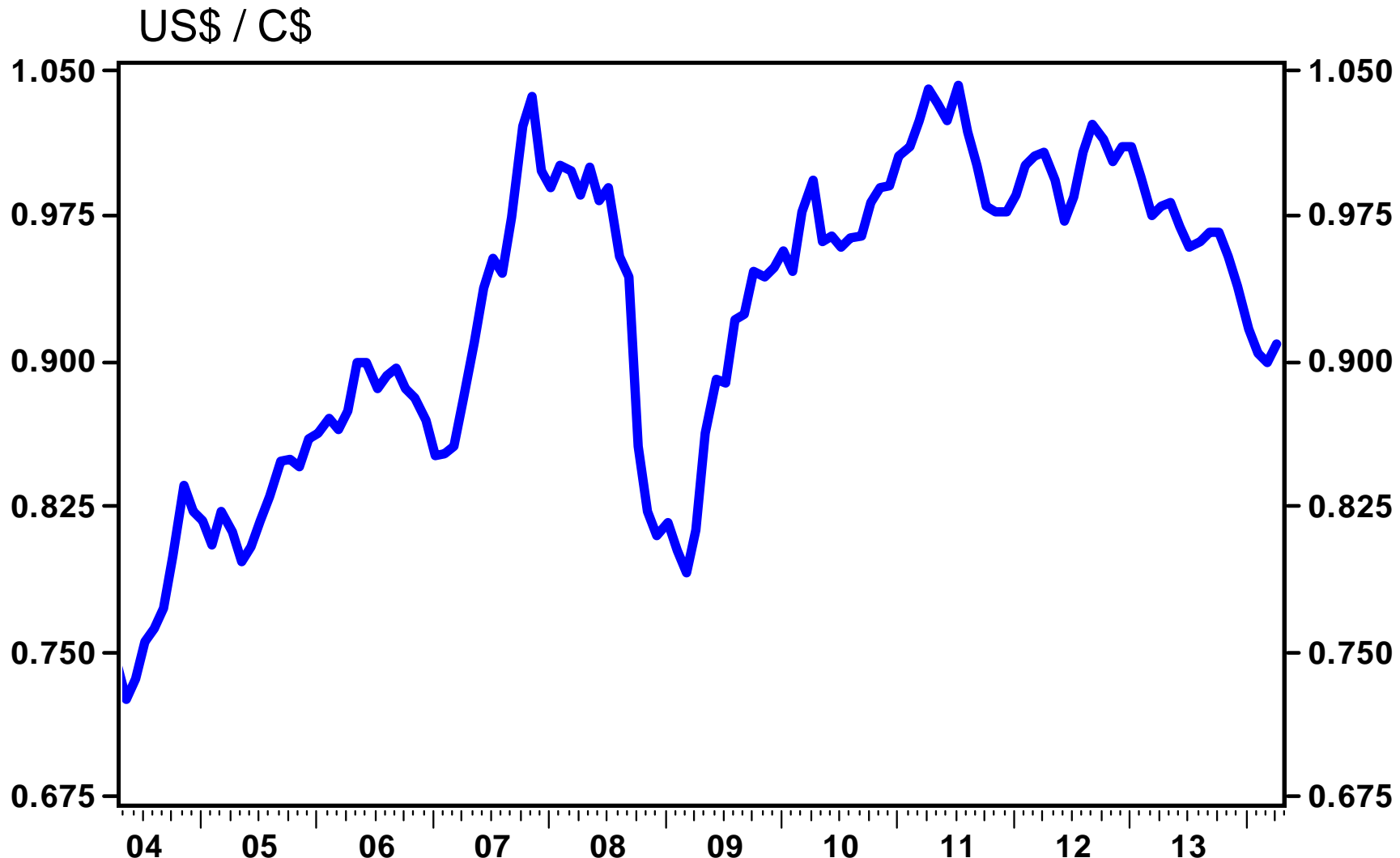


2014 forecast
2015 forecast



Source: Bank of Canada, BMO Capital Markets

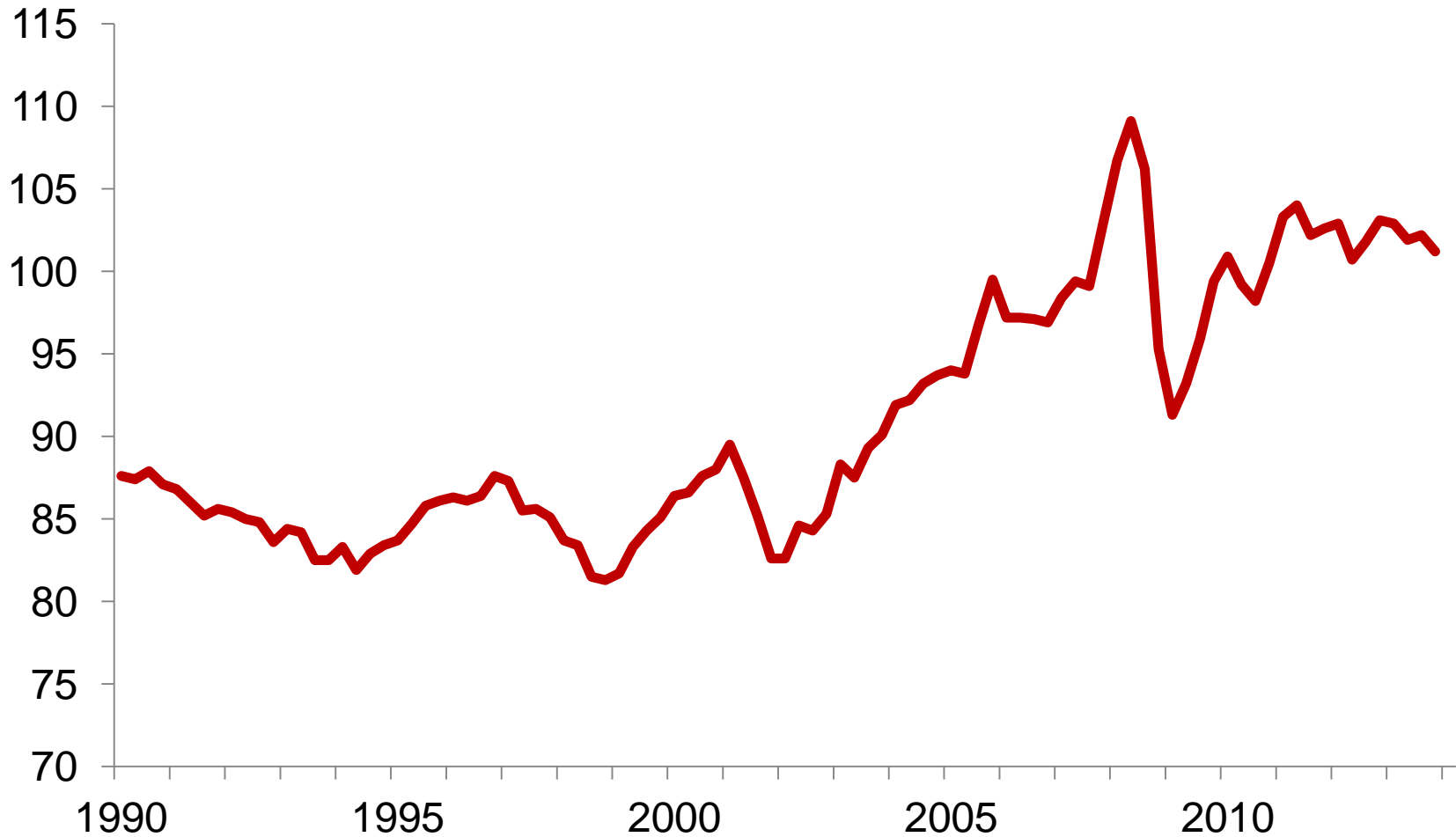
Canadian Dollar



Source: Federal Reserve Bank of New York/Haver Analytics

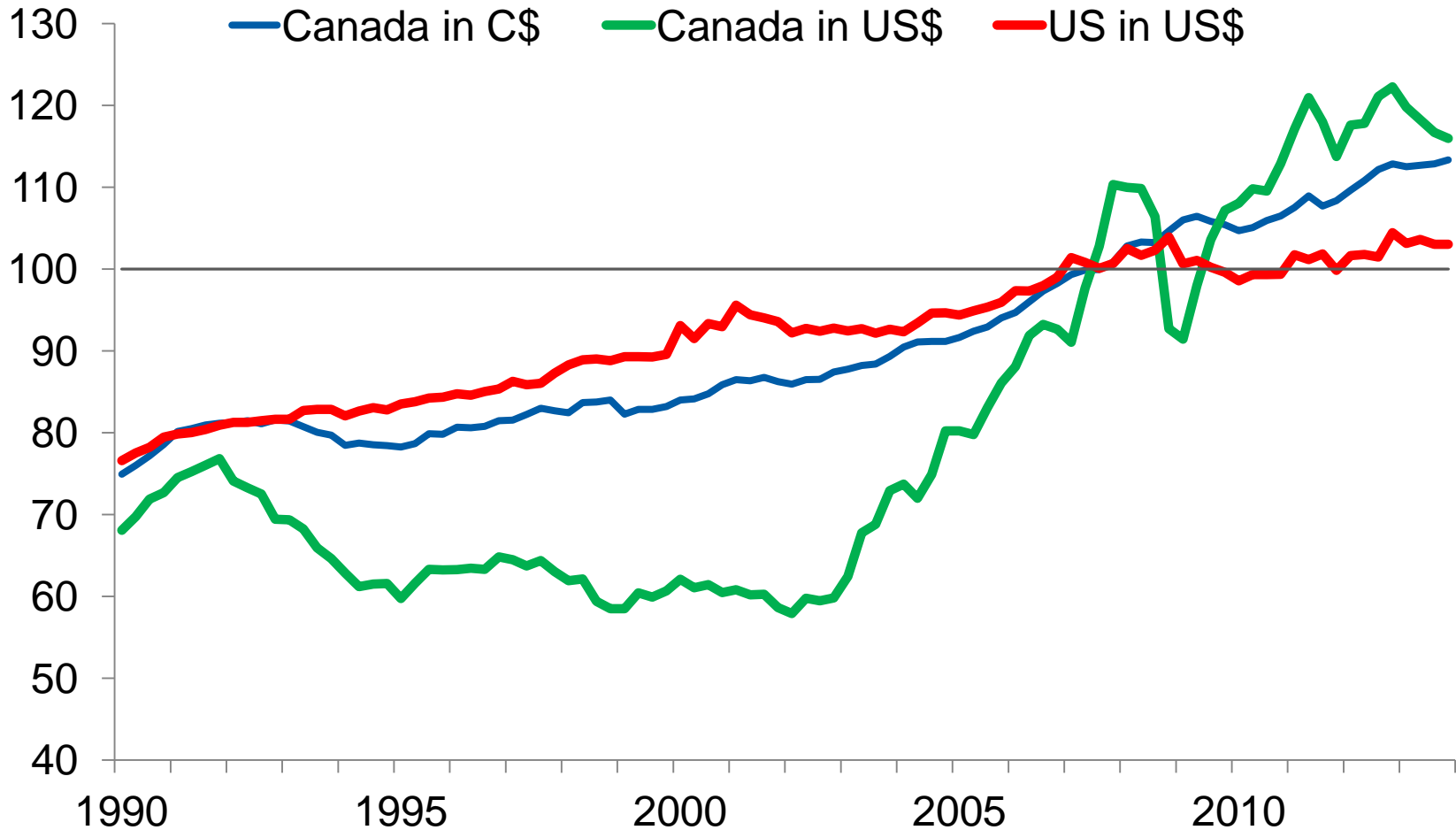
Canada's Terms of Trade

Ratio of export prices to import prices, 2007 = 100



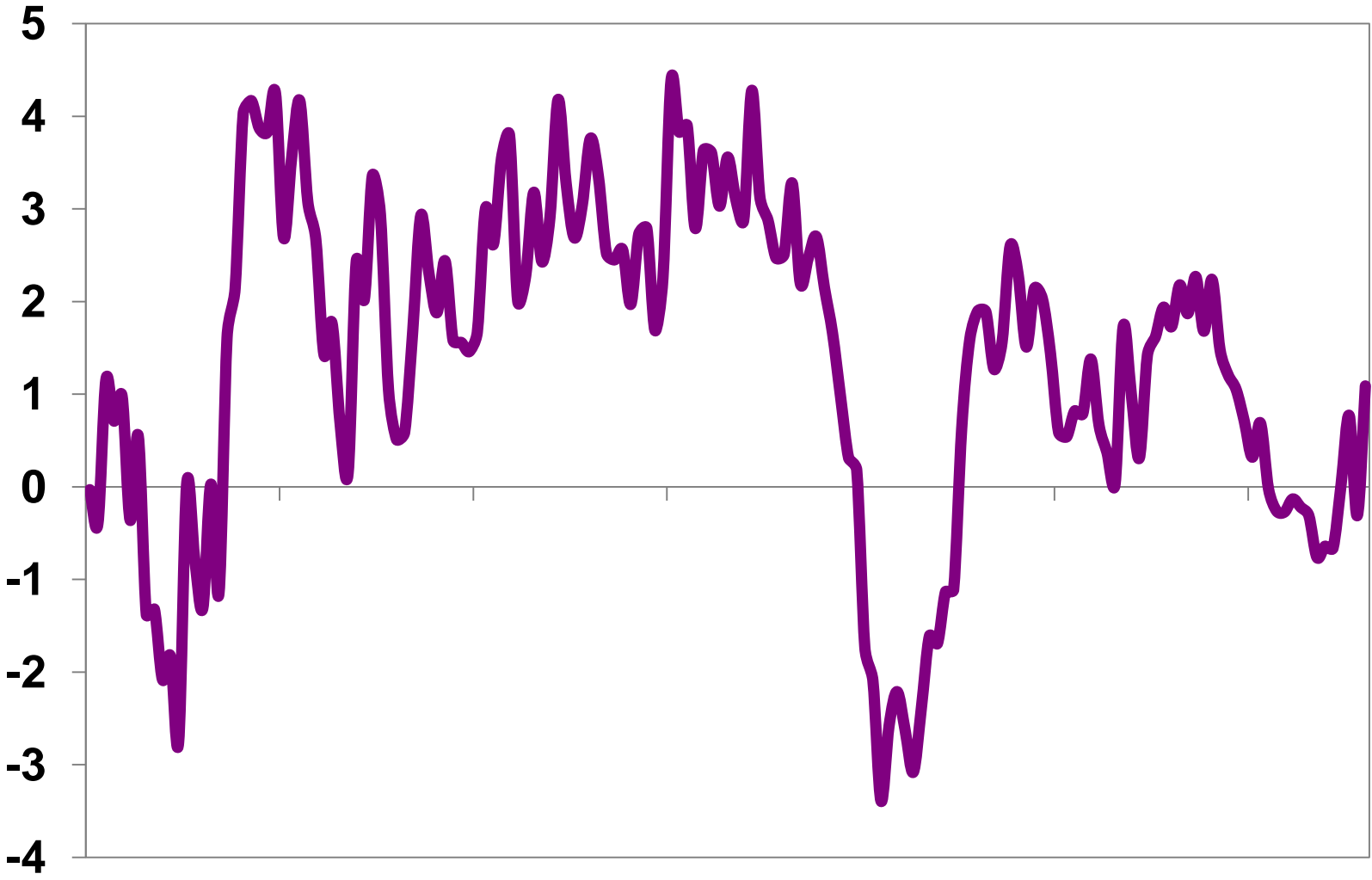
Competitiveness

Unit labour costs (2007=100):

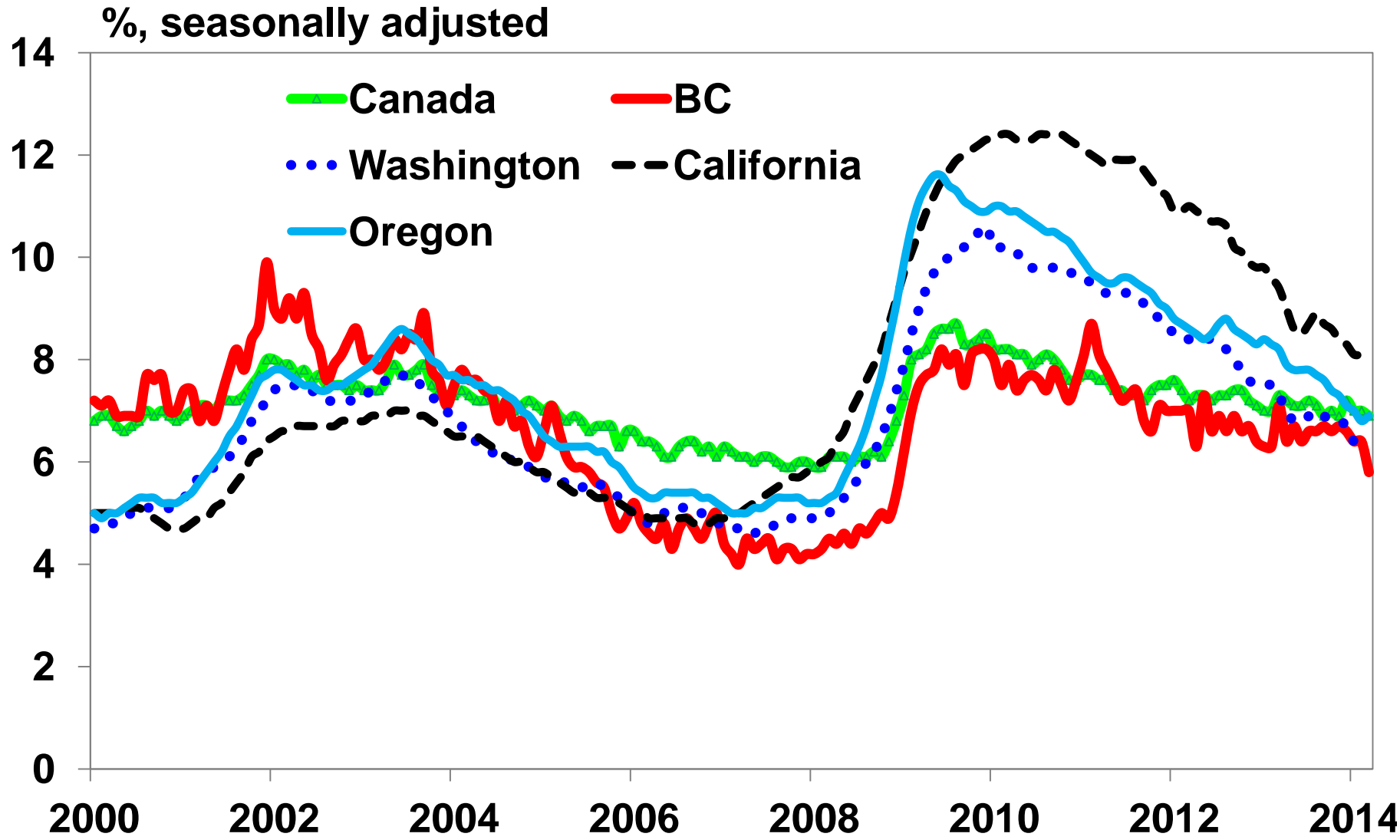


B.C. Employment

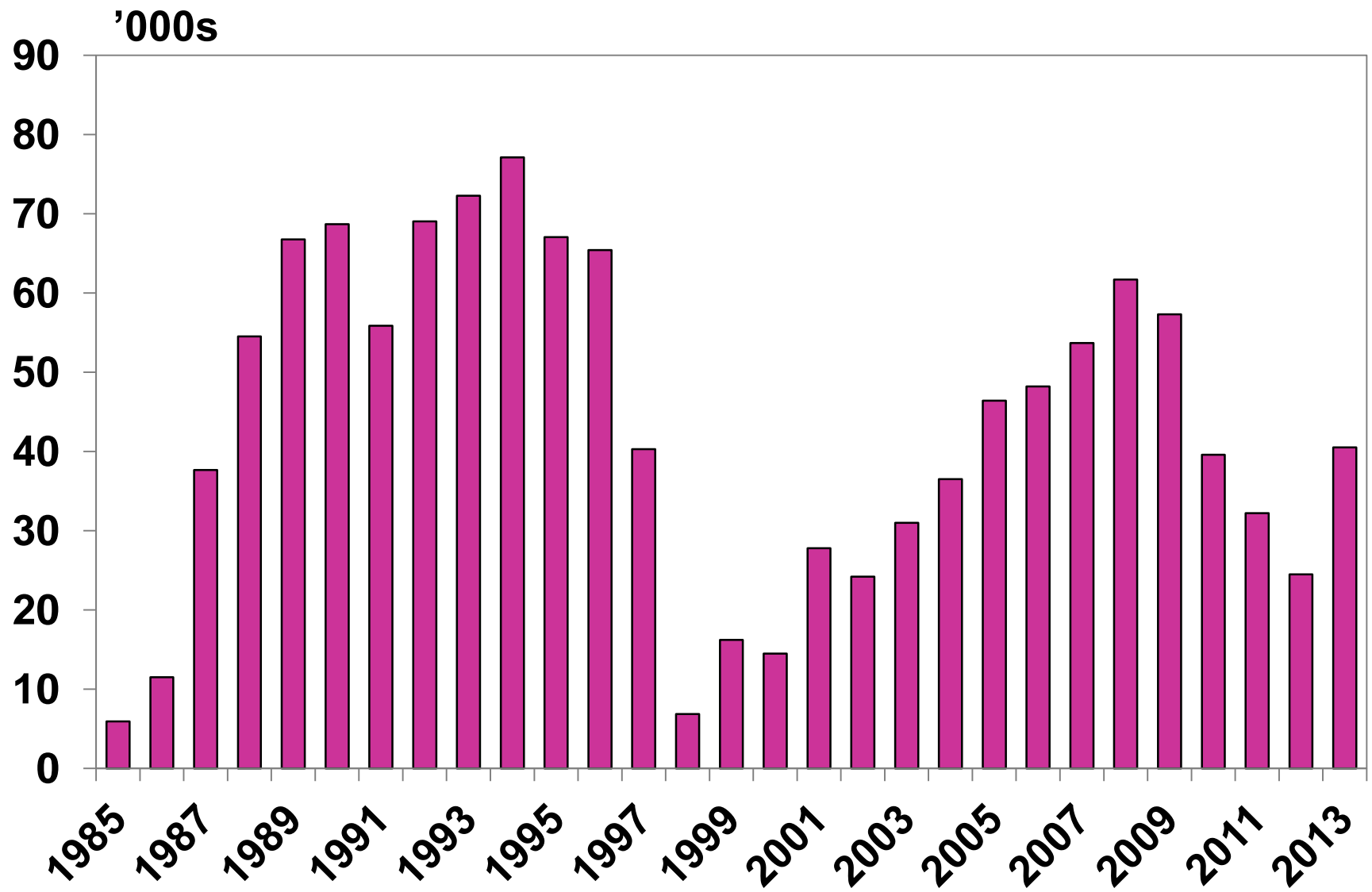
Year/year percentage change



Unemployment Rates



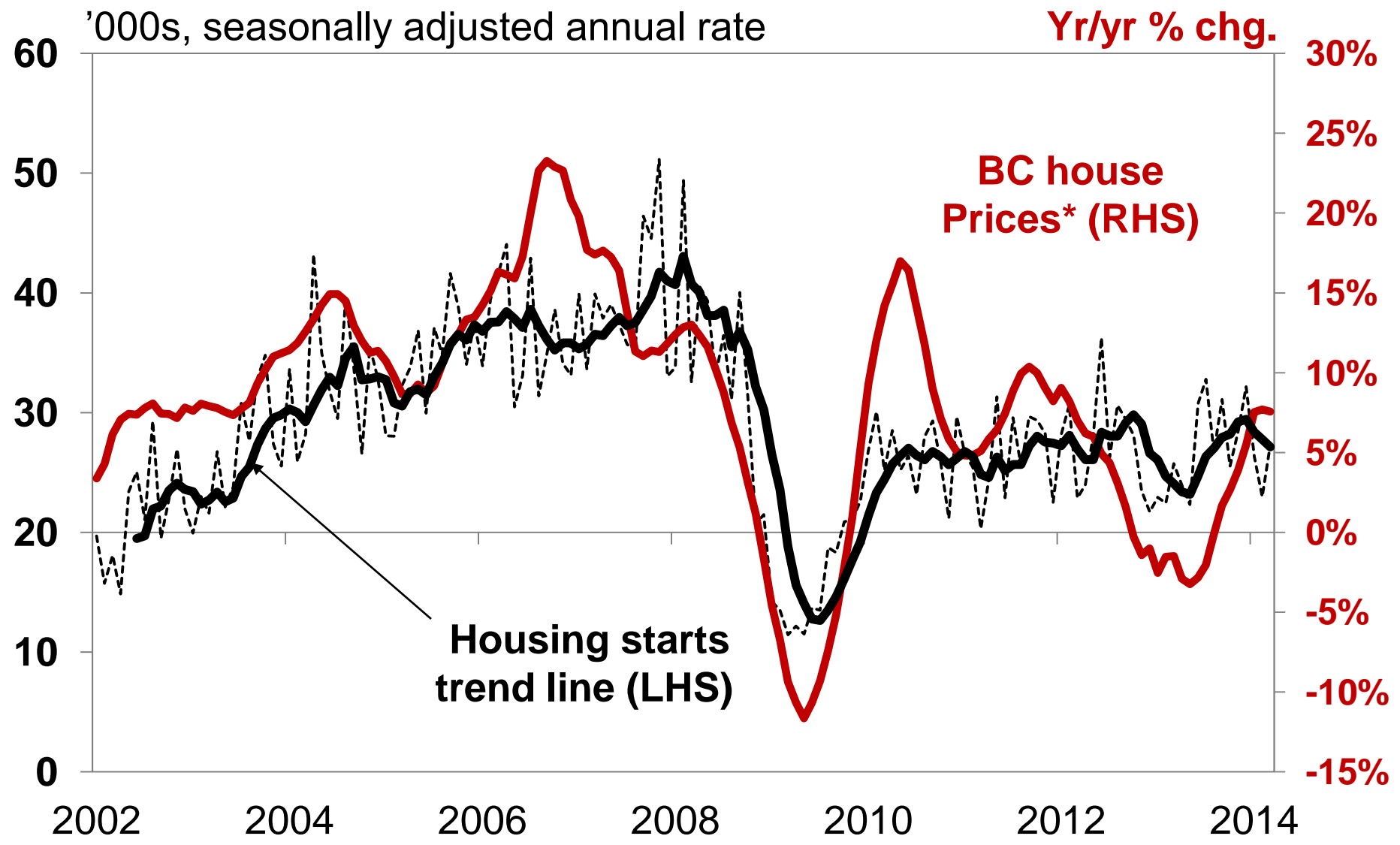
B.C. Total Net Migration*



Source: B.C. Stats

* International plus inter-provincial

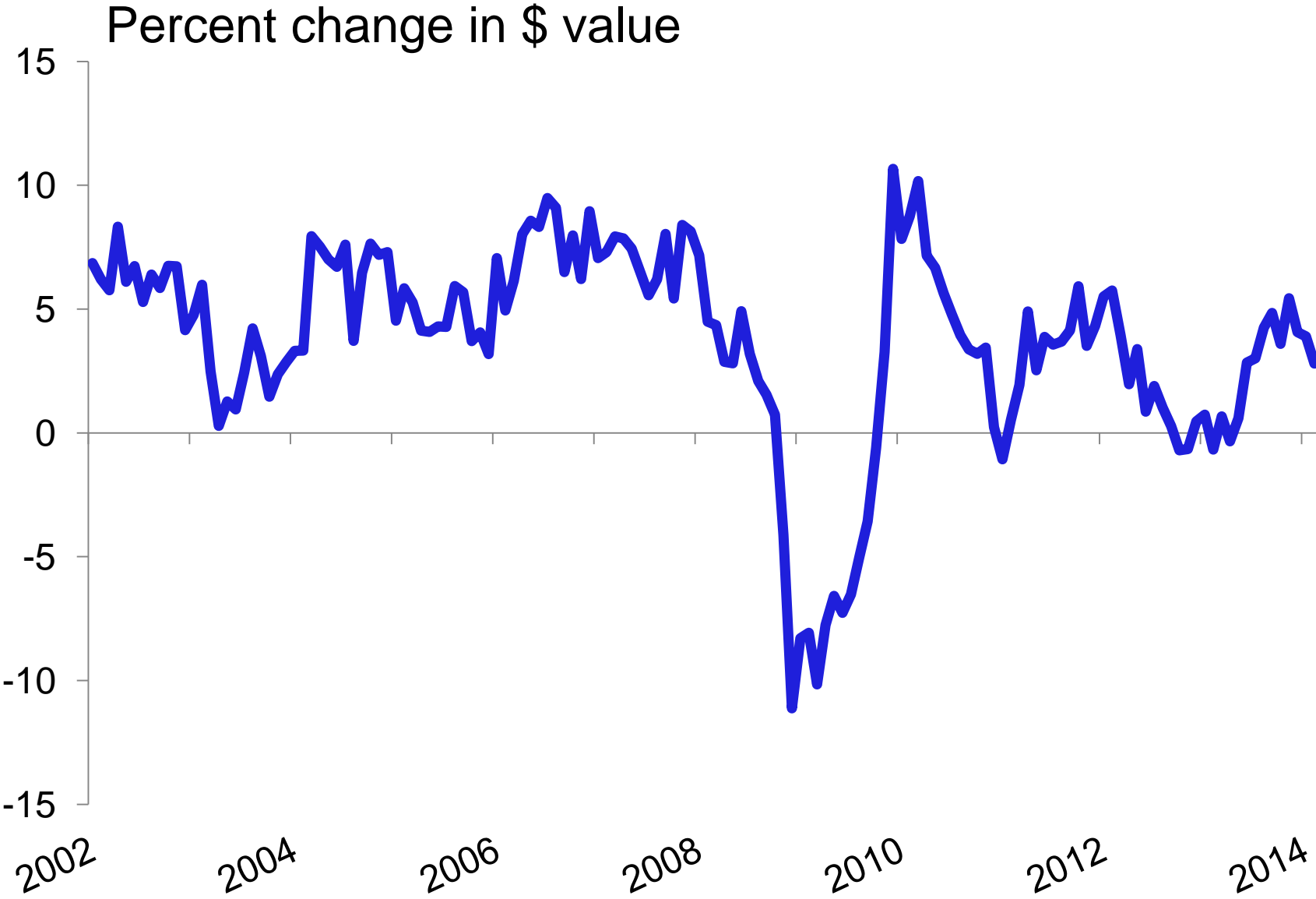
B.C. Housing Starts & Prices



Source: CMHC, Teranet, bcIMC calculations

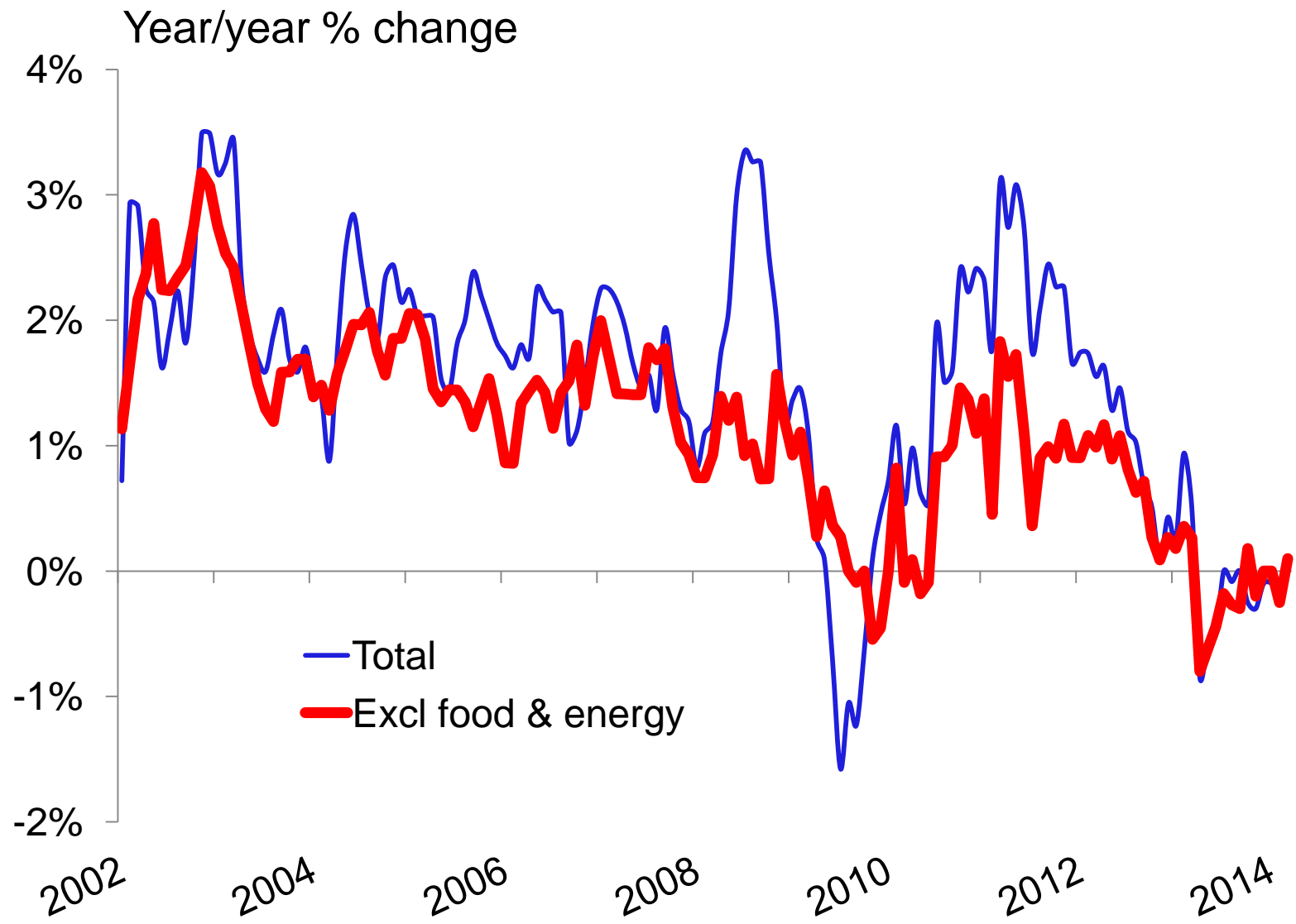
* Vancouver & Victoria composite

Retail Sales



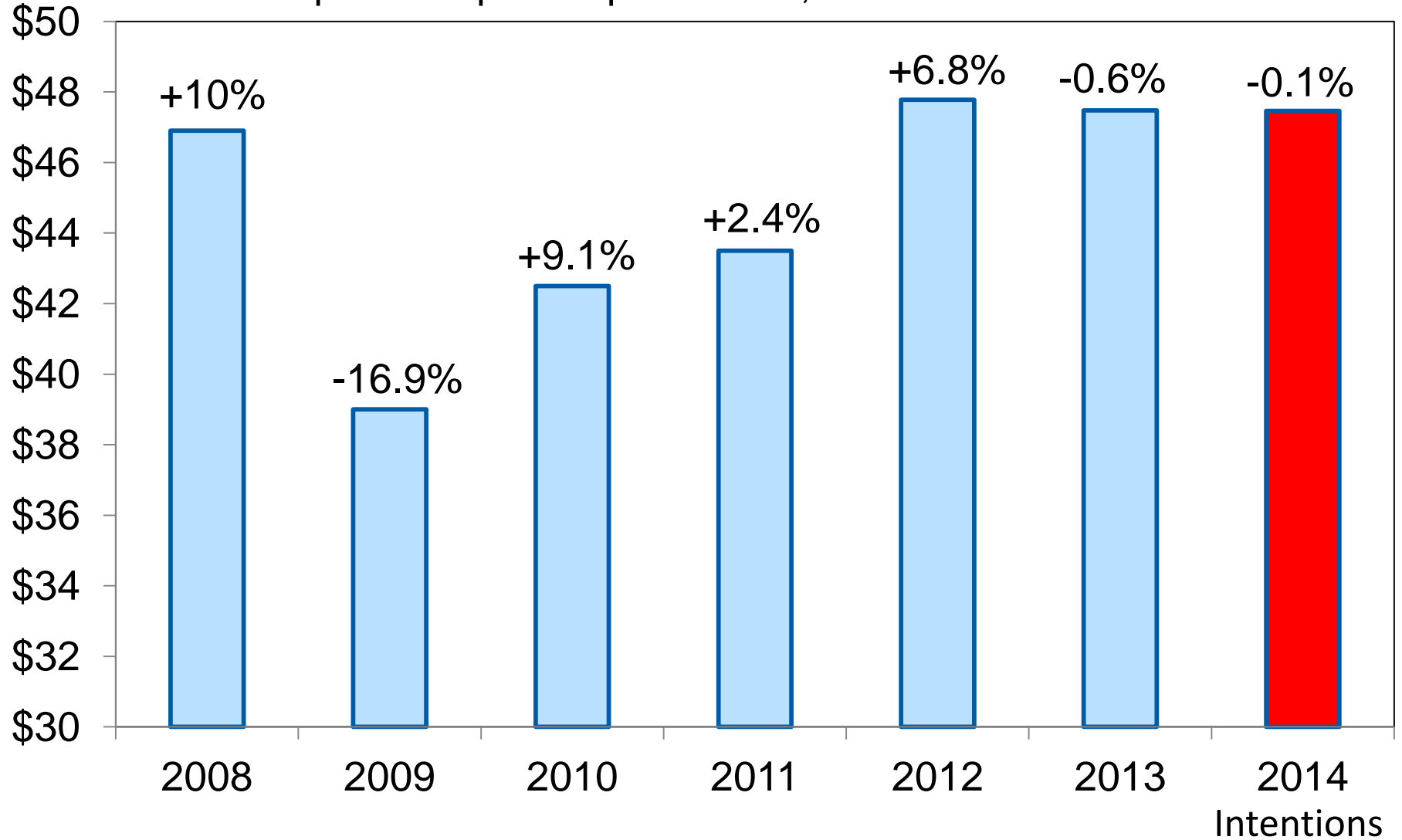
Source: Statistics Canada

B.C. Consumer Price Index



B.C. Capital Expenditures

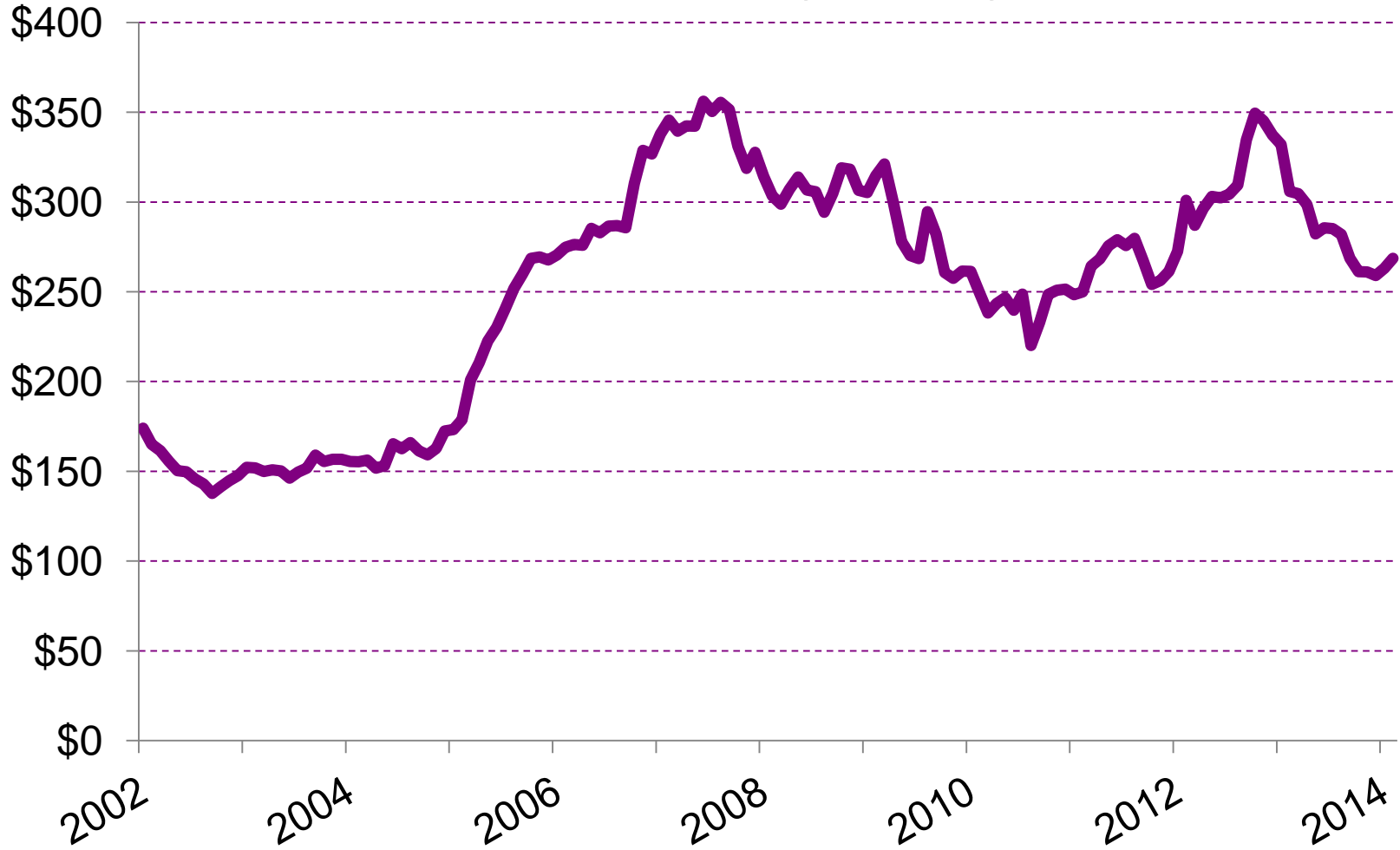
Private & public capital expenditures, billions



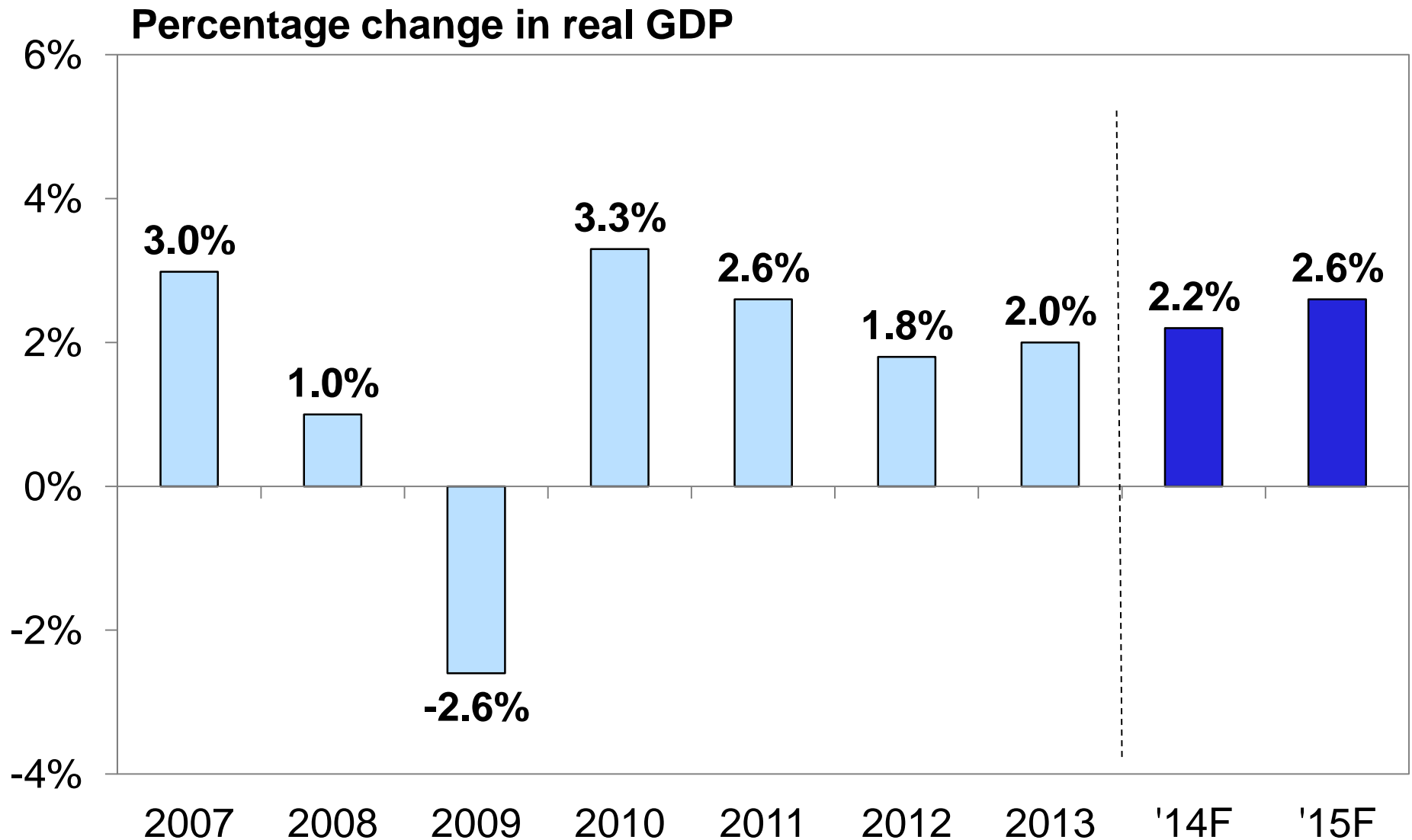
Source: Statistics Canada

B.C. Non-residential Building Permits

\$ billions, 12-month trailing average



B.C. Economic Outlook



Source: Statistics Canada, private sector forecasts