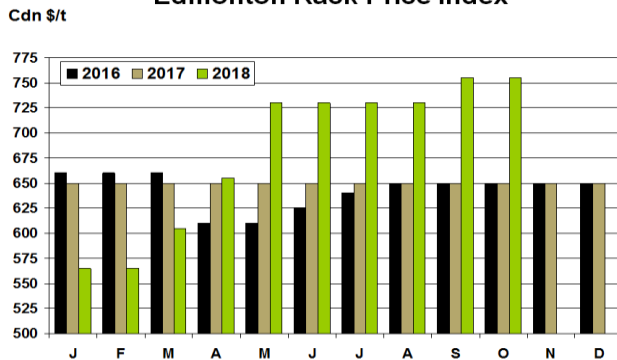


Costing Trends - Alberta

Asphalt Cement Edmonton Rack Price Index

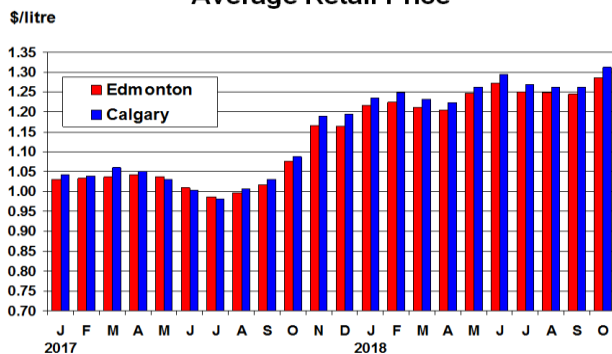


Industry sources

Asphalt Cement (Edmonton Rack – \$C/t)

- The Edmonton rack price index for asphalt cement was unchanged from the previous month in October at \$755 per tonne.
- The rack price in October 2017 was \$650/t.

Diesel Fuel Average Retail Price

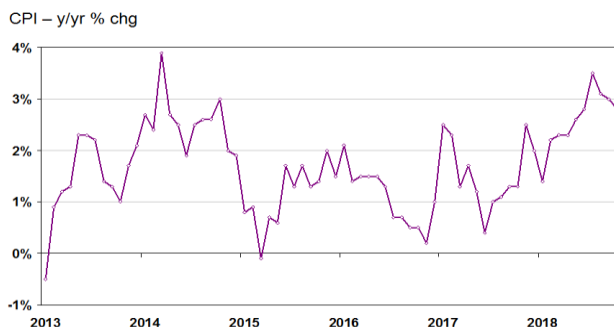


Source: NRCan

Diesel Fuel (Retail price \$/litre)

- Diesel fuel retailed in Calgary on average for \$1.313 per litre in October, up from \$1.262 in September.
- According to NRCan, prices for diesel in Edmonton averaged \$1.286 in October, up from \$1.244 in September.

Alberta Inflation Rate



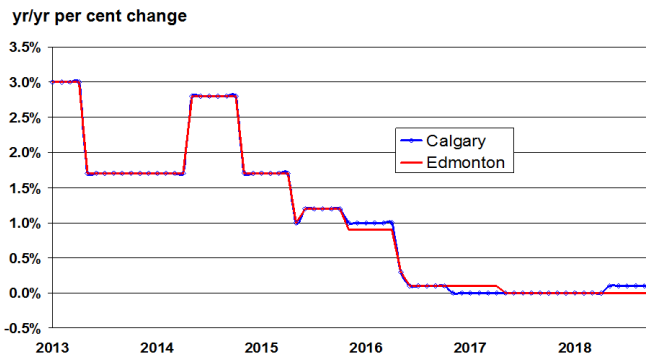
Source: Statistics Canada

Inflation (CPI)

- Alberta's consumer price index was up 2.8% year-over-year (yr/yr) in October, compared with 3% in September.
- The inflation rate in October 2017 stood at 1.3%.

Construction Union Wage Rates

Composite Index

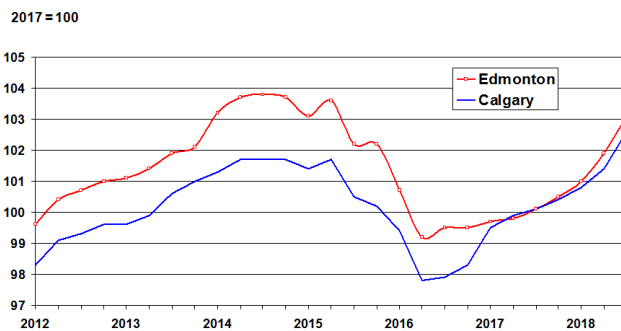


Source: Statistics Canada – includes supplementary payments

Construction Union Wage Rates

- The composite construction union wage rate index for Calgary was up 0.1% yr/yr in October.
- Construction union wage rates in Edmonton remained unchanged from October 2017.

Non-Residential Construction Price Index - Alberta CMAAs



Source: Statistics Canada

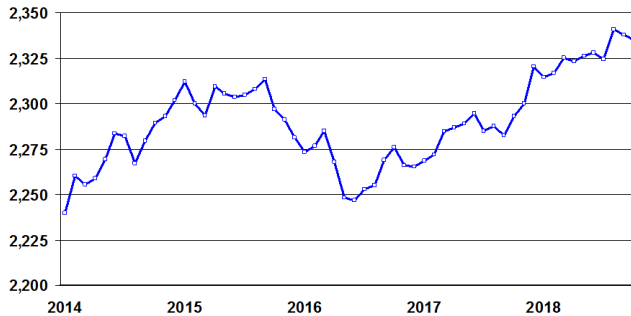
Non-residential Building Construction Price Index

- The non-residential construction price index for Calgary increased in the 3rd quarter by 2.5% from a year earlier.
- The non-res. price index for Edmonton was up by 3% from July through September 2017.

Labour Market Conditions

Employment Alberta

(thousands – seasonally unadjusted)



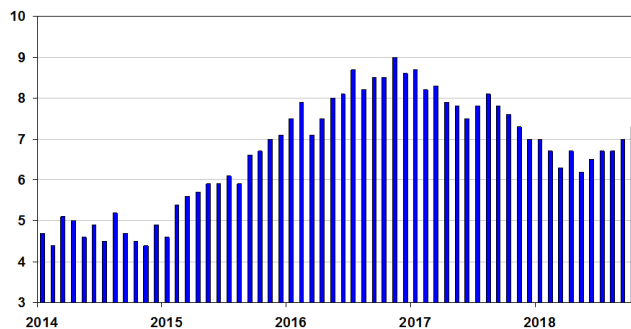
Source: Statistics Canada

Employment

- Total employment in Alberta seasonally adjusted (SA) decreased month-over-month (mo/mo) in October by 2,700 jobs.
- So far this year, the average number of people working has nonetheless increased almost 2% from the first 10 months of 2017.

Unemployment Rate Alberta

% (seasonally adjusted)

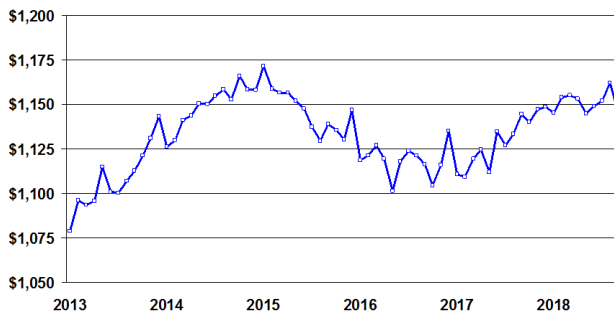


Source: Statistics Canada

Unemployment Rate

- The unemployment rate (SA) in Alberta increased to 7.3% in October, from 7% in September.
- The jobless rate in October 2017 was 7.6%.

Avg. Weekly Earnings Alberta (Seasonally adjusted)



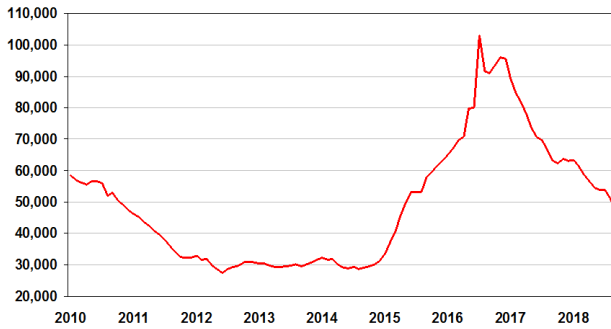
Source: Statistics Canada

Avg. Weekly Earnings (AWE)

- Average weekly earnings (SA) in Alberta decreased 1.5% mo/mo in September to \$1,145, and were largely unchanged yr/yr.
- After three quarters in 2018, Statistics Canada's AWE levels were up on average by 2.4% from the first 9 months of 2017.

Employment Insurance Recipients Alberta

number of persons (SA)



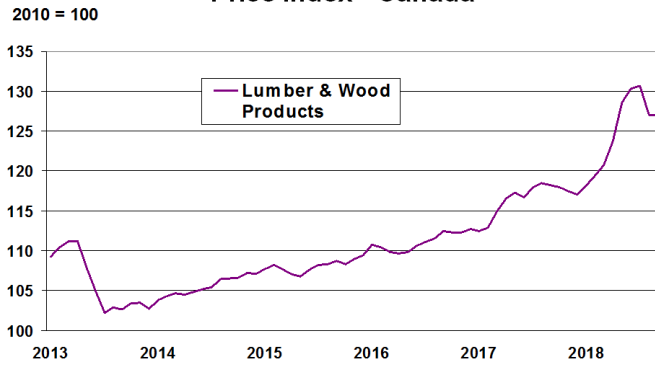
Source: Statistics Canada (receiving regular benefits)

Employment Insurance Claimants (EI)

- The number of EI (SA) recipients in Alberta was down in September by 26.2% yr/yr to 46,750 beneficiaries.
- The average number of EI claimants for the year-to-date has fallen by 26% from the first 9 months of 2017.

Costing Trends - Canada

Building Products Price Index - Canada

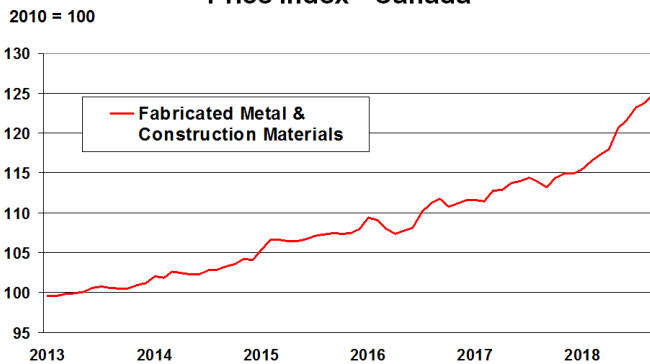


Source: Statistics Canada

Lumber & Wood Products Prices

- The Canadian price index for lumber and wood products was unchanged mo/mo in September but up 7.4% from a year earlier.
- After 9 months in 2018, this component of the Statistics Canada Industrial Products price index was up on average by 7.7% over January to September 2017.

Building Products Price Index - Canada

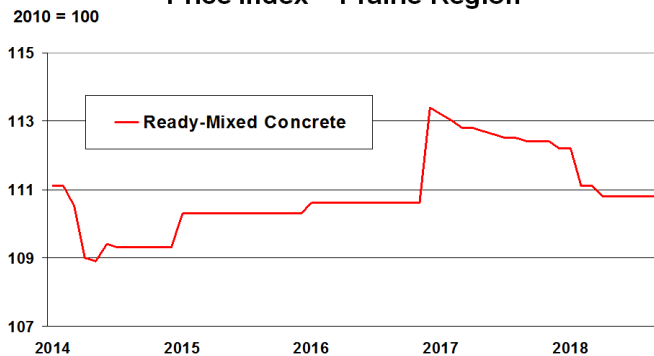


Source: Statistics Canada

Fabricated Metal Products & Construction Materials Prices

- Prices for construction materials and fabricated metal products in Canada increased in September by 10.4% yr/yr.
- For the year-to-date, this StatCan price index has increased on average by 6.2% over the first 9 months of 2017.

Building Products Price Index – Prairie Region

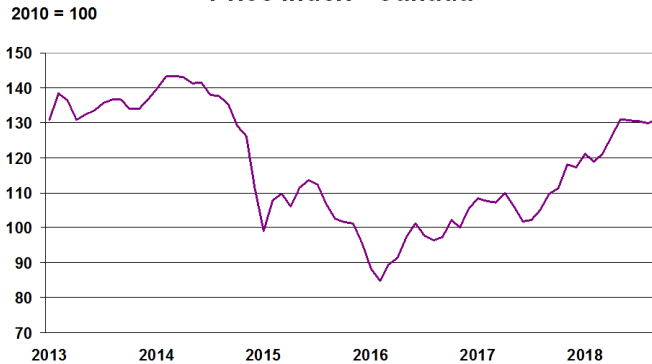


Source: Statistics Canada

Ready-Mixed Concrete Prices

- The price index for ready-mixed concrete on the Canadian prairies remained unchanged mo/mo in September but was down 1.4% yr/yr.
- So far in 2018, this price index had been off by 1.5% on average from the same time frame in 2017.

Energy and Petroleum Products Price Index - Canada



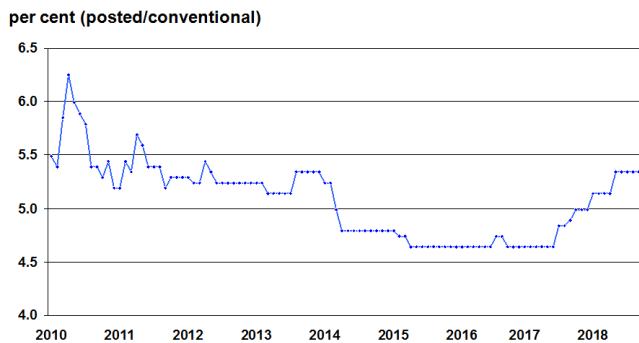
Source: Statistics Canada

Energy & Petroleum Products Prices

- The Canadian energy and petroleum products price index increased in September by 19.2 from a year prior.
- After 3 quarters in 2018, this price index was up on average by just over 19% from January to September of last year.

Financial Indicators

Five-year Mortgage Rate Monthly average

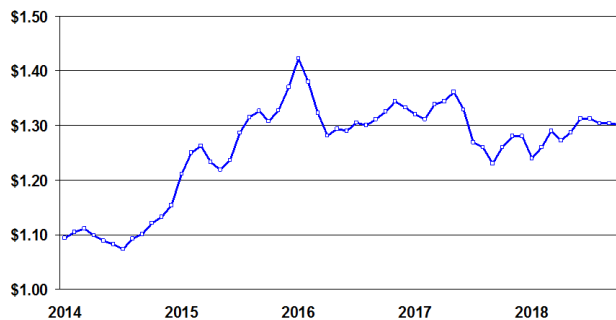


Source: Statistics Canada (Bank of Canada)

Mortgage Rates

- The 5-year conventional mortgage was unchanged mo/mo in October at 5.34%.
- This time last year, the qualifying mortgage rate was 4.99%.

Avg. Monthly Exchange Rate \$US in Canadian funds



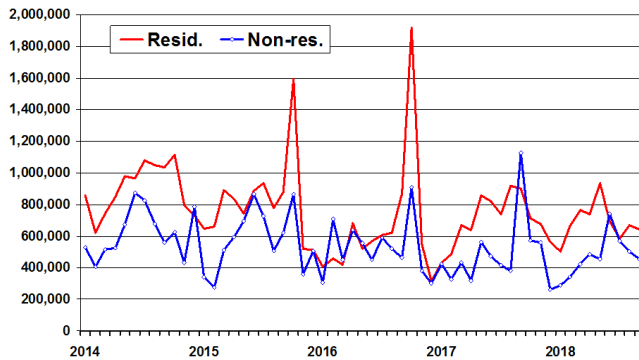
Source: Statistics Canada

Exchange Rate (\$US in \$C)

- The US dollar averaged \$1.30 Canadian in October, unchanged from August and September.
- In October of last year, \$1.26 Canadian was required to purchase \$1.00 US.

Development

Building Permit Values (\$000) Alberta

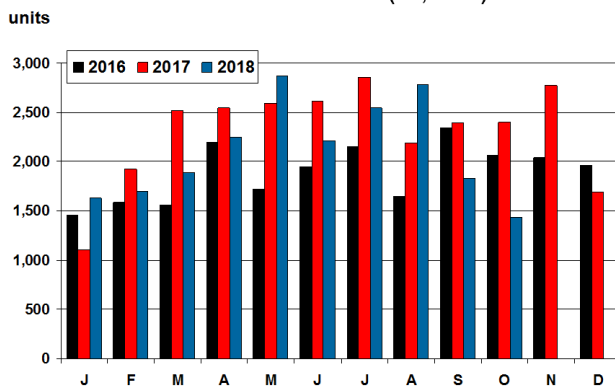


Source: Statistics Canada

Building Permit Values

- The value of building permits (total - unadjusted) in Alberta fell in September by 46% from a year earlier to \$1.1 billion.
- Residential intentions decreased in September by 28% yr/yr to \$643 million while non-residential permit values dropped by 60% from September 2017 to \$455 million.

Total Housing Starts Alberta Cities (10,000+)



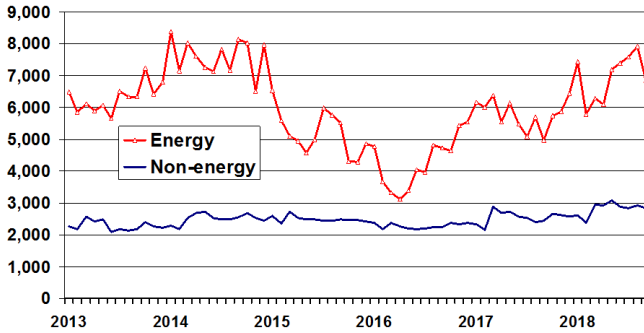
Source: CMHC

Housing Starts

- Total housing starts in Alberta's cities of 10,000+ people declined in October by 40% yr/yr to 1,437 units.
- This was the slowest month for home builders since January 2017.
- For the year-to-date, total starts in urban areas have decreased by 8.3% from the first 10 months of 2017 to 21,218 units.

Economic Indicators

International Exports from Alberta (\$ Millions)

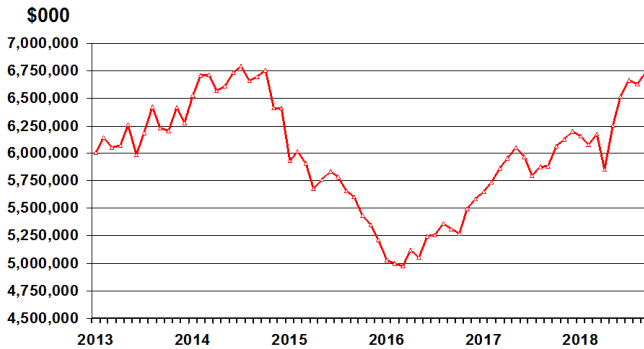


Source: Statistics Canada

International Exports – Alberta

- While declining mo/mo from August, total exports (\$ value) from Alberta increased in September from year-ago levels by 30.4% to \$9.7 billion.
- After 3 quarters in 2018, Alberta’s exports were up by 18.5% from the same time in 2017.

Manufacturing Shipments - Alberta (Seasonally adjusted)

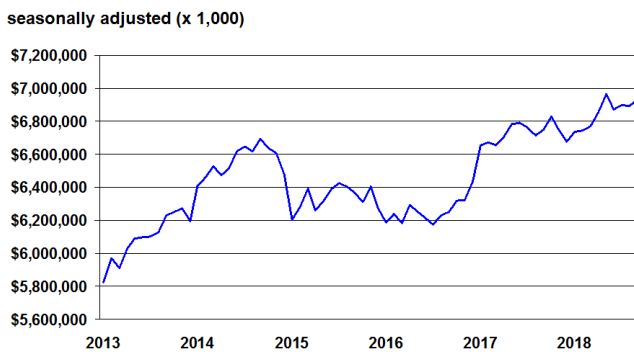


Source: Statistics Canada

Manufacturing Shipments – Alberta

- The value of Alberta’s manufacturing shipments (SA) increased 14% yr/yr in September to \$6.73 billion, reaching the highest level since October 2014.
- For the year-to-date, total sales have increased in value by more than 8% from the first 9 months of 2017.

Retail Sales Alberta

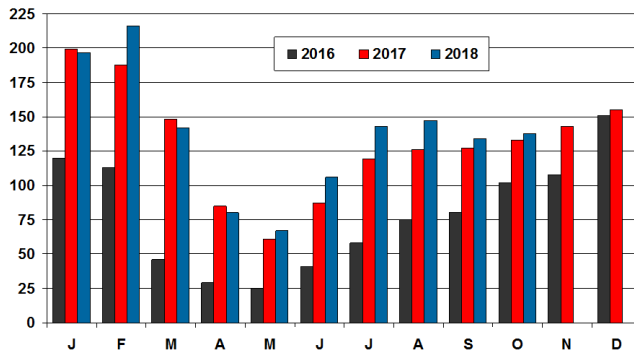


Source: Statistics Canada

Retail Sales – Alberta

- Retail sales (SA) in Alberta increased in September by 2.7% from a year prior to \$6.93 billion.
- So far in 2018, sales have improved by 1.9% from January to September of last year.

Drilling Rigs Active Alberta

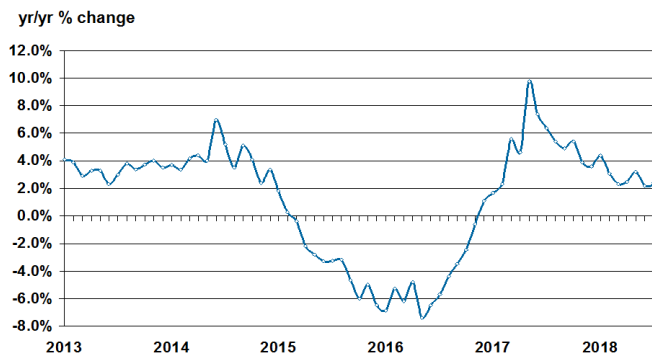


Source: Canadian Association of Oil Drilling Contractors (CAODC)

Drilling Rig Activity - Alberta

- According to the CAODC, 138 drilling rigs were active in Alberta on average in October, up 3.8% from a year earlier.
- So far this year, the average active rig count has increased 7.6% from the first 10 months of 2017.

Alberta Activity Index (AAX)



Source: Alta TB & Finance

Alberta Activities Index (AAX)

- The Alberta Activities Index (AAX) was up in August by 3.9% yr/yr.
- After 8 months this year, the AAX was up on average by 3% from January to August 2017.

COSTING TRENDS - ALBERTA													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
ASPHALT CEMENT - EDMONTON RACK (C\$/T)													
2016	660	660	660	610	610	625	640	650	650	650	650	650	642.9
2017	650	650	650	650	650	650	650	650	650	650	650	650	650.0
2018	565	565	605	655	730	730	730	730	755	755			682.0
Industry Sources													
AVERAGE RETAIL PRICE - DIESEL FUEL (\$/litre) - CALGARY													
2016							0.940	0.925	0.931	0.994	0.960	0.981	0.955
2017	1.042	1.040	1.061	1.051	1.030	1.003	0.981	1.006	1.031	1.088	1.190	1.194	1.060
2018	1.236	1.249	1.233	1.224	1.262	1.294	1.269	1.262	1.262	1.313			1.260
AVERAGE RETAIL PRICE - DIESEL FUEL (\$/litre) - EDMONTON													
2016							0.901	0.896	0.907	0.962	0.946	0.974	0.931
2017	1.031	1.033	1.037	1.043	1.037	1.009	0.987	0.997	1.016	1.076	1.166	1.165	1.050
2018	1.216	1.225	1.212	1.205	1.248	1.273	1.251	1.249	1.244	1.286			1.241
Source: NRCan													
INFLATION RATE (CPI Composite - All Items - yr/yr % Chng.)													
2016	2.1%	1.4%	1.5%	1.5%	1.5%	1.3%	0.7%	0.7%	0.5%	0.5%	0.2%	1.0%	1.1%
2017	2.5%	2.2%	1.3%	1.7%	1.2%	0.4%	1.0%	1.1%	1.3%	1.3%	2.5%	2.0%	1.5%
2018	1.4%	2.2%	2.3%	2.3%	2.6%	2.8%	3.5%	3.1%	3.0%	2.8%			2.6%
Source: Statistics Canada													
CONSTRUCTION UNION WAGE RATES (Composite Index - yr/yr % Chng.) - CALGARY*													
2016	0.9%	0.9%	0.9%	0.9%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.4%
2017	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2018	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%			0.1%
CONSTRUCTION UNION WAGE RATES (Composite Index - yr/yr % Chng.) - EDMONTON*													
2016	0.9%	0.9%	0.9%	0.9%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	0.4%
2017	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2018	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			0.0%
Source: Statistics Canada * inc. Supplementary payments													
NON-RESIDENTIAL BUILDING CONSTRUCTION PRICE INDEX (yr/yr % Chng.) - CALGARY													
2016			-2.0%			-3.8%			-2.6%			-1.9%	-2.6%
2017			0.1%			2.1%			2.2%			2.1%	1.6%
2018			1.3%			1.5%			2.5%				1.8%
NON-RESIDENTIAL BUILDING CONSTRUCTION PRICE INDEX (yr/yr % Chng.) - EDMONTON													
2016			-2.3%			-4.2%			-2.6%			-2.6%	-2.9%
2017			-1.0%			0.6%			0.6%			1.0%	0.3%
2018			1.3%			2.1%			3.0%				2.1%
Source: Statistics Canada (Series revised 2018Q1)													

ALBERTA LABOUR MARKET CONDITIONS													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
EMPLOYMENT (X,000 SA)													
2016	2,273.4	2,276.6	2,285.1	2,267.8	2,248.3	2,246.8	2,252.9	2,255.2	2,269.1	2,275.8	2,265.9	2,265.5	2,265.2
2017	2,268.6	2,271.8	2,284.6	2,286.8	2,288.9	2,294.6	2,285.0	2,287.6	2,282.4	2,292.9	2,300.0	2,320.4	2,288.6
2018	2,314.5	2,316.8	2,325.1	2,323.3	2,326.2	2,328.2	2,324.6	2,340.8	2,337.9	2,335.2			2,327.3
UNEMPLOYMENT RATE (% SA)													
2016	7.5	7.9	7.1	7.5	8.0	8.1	8.7	8.2	8.5	8.5	9.0	8.6	8.1
2017	8.7	8.2	8.3	7.9	7.8	7.5	7.8	8.1	7.8	7.6	7.3	7.0	7.8
2018	7.0	6.7	6.3	6.7	6.2	6.5	6.7	6.7	7.0	7.3			6.7
AVG. WEEKLY EARNINGS (\$ SA)													
2016	1,119	1,121	1,127	1,119	1,102	1,118	1,124	1,121	1,116	1,104	1,116	1,135	1,119
2017	1,111	1,109	1,119	1,125	1,112	1,135	1,127	1,133	1,144	1,140	1,147	1,149	1,129
2018	1,145	1,154	1,155	1,153	1,145	1,149	1,152	1,162	1,145				1,151
EI CLAIMANTS (SA)													
2016	64,980	67,110	69,700	70,780	79,680	80,150	102,950	91,640	90,850	93,370	95,990	95,490	83,558
2017	89,320	84,680	81,580	77,670	73,630	70,680	69,590	66,470	63,370	62,350	63,820	63,160	72,193
2018	63,300	61,350	58,800	56,560	54,630	53,870	53,960	51,120	46,750				55,593
TOTAL NET MIGRATION (ALBERTA - QUARTERLY)													
2016			7,072			6,569			5,055			2,587	21,283
2017			3,960			5,163			9,837			4,838	23,798
2018			7,483			10,378							17,861

Source: Statistics Canada
SA=seasonally adjusted

COSTING TRENDS - CANADA													
INDUSTRIAL PRODUCT PRICE INDEXES													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
LUMBER & OTHER WOOD PRODUCTS PRICE INDEX (CANADA)													
2016	110.8	110.4	109.8	109.7	109.8	110.6	111.1	111.5	112.5	112.3	112.3	112.7	111.1
2017	112.5	112.9	114.9	116.5	117.3	116.7	118.0	118.5	118.2	118.0	117.5	117.0	116.5
2018	118.2	119.5	120.8	123.7	128.6	130.3	130.7	127.0	127.0				125.1
FABRICATED METAL PRODUCTS & CONSTRUCTION MATERIALS PRICE INDEX (CANADA)													
2016	109.4	109.1	108	107.4	107.8	108.1	110.1	111.2	111.8	110.8	111.2	111.6	109.7
2017	111.6	111.4	112.7	113.0	113.7	114.0	114.4	113.9	113.2	114.4	114.9	114.9	113.5
2018	115.5	116.5	117.3	118.0	120.6	121.7	123.2	123.8	125.0				120.2
READY-MIXED CONCRETE (PRAIRIE REGION)													
2016	110.6	110.6	110.6	110.6	110.6	110.6	110.6	110.6	110.6	110.6	110.6	113.4	110.8
2017	113.2	113	112.8	112.8	112.7	112.6	112.5	112.5	112.4	112.4	112.4	112.2	112.6
2018	112.2	111.1	111.1	110.8	110.8	110.8	110.8	110.8	110.8				111.0
ENERGY & PETROLEUM PRODUCTS PRICE INDEX (CANADA)													
2016	88.3	84.7	89.3	91.3	97.3	101.2	97.7	96.4	97.3	102.2	100.0	105.5	95.9
2017	108.3	107.5	107.2	109.9	106.0	101.7	102.1	105.0	109.7	111.2	118.1	117.3	108.7
2018	121.1	118.9	121.1	126.1	131.1	130.6	130.5	129.8	130.8				126.7

Source: Statistics Canada

FINANCIAL INDICATORS													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
CONVENTIONAL MORTGAGE (5-YEAR POSTED RATE %)													
2016	4.64	4.64	4.64	4.64	4.64	4.64	4.74	4.74	4.64	4.64	4.64	4.64	4.66
2017	4.64	4.64	4.64	4.64	4.64	4.64	4.84	4.84	4.89	4.99	4.99	4.99	4.78
2018	5.14	5.14	5.14	5.14	5.34	5.34	5.34	5.34	5.34	5.34			5.26
AVG. MONTHLY EXCHANGE RATE (\$US in \$C)													
2016	1.42	1.38	1.32	1.28	1.29	1.29	1.31	1.30	1.31	1.33	1.34	1.33	1.33
2017	1.32	1.31	1.34	1.34	1.36	1.33	1.27	1.26	1.23	1.26	1.28	1.28	1.30
2018	1.24	1.26	1.29	1.27	1.29	1.31	1.31	1.30	1.30	1.30			1.29

Source: Bank of Canada

DEVELOPMENT - ALBERTA													
BUILDING PERMIT VALUES (X\$000)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
NON-RESIDENTIAL													
2016	305,919	708,380	449,793	636,112	556,628	449,977	590,857	519,968	463,258	907,243	380,469	301,562	6,270,166
2017	422,634	325,680	433,327	316,598	561,755	469,494	413,945	380,224	1,128,724	573,812	557,328	261,361	5,844,882
2018	290,195	341,233	423,853	485,171	453,223	742,041	567,671	501,806	455,198				4,260,391
RESIDENTIAL													
2016	407,431	458,676	417,667	680,338	521,004	568,717	605,355	619,732	869,707	1,915,259	551,218	314,886	7,929,990
2017	432,277	484,618	669,295	637,028	854,200	819,492	737,971	914,983	897,460	712,312	677,097	563,271	8,400,004
2018	504,316	665,268	766,329	737,589	935,933	695,290	583,856	666,582	643,253				6,198,416
Source: Statistics Canada													
TOTAL HOUSING STARTS - URBAN AREAS													
2016	1,453	1,585	1,557	2,201	1,722	1,947	2,150	1,653	2,339	2,064	2,043	1,963	22,632
2017	1,102	1,926	2,520	2,546	2,588	2,613	2,858	2,188	2,393	2,402	2,774	1,687	27,624
2018	1,628	1,693	1,892	2,253	2,870	2,208	2,543	2,786	1,826	1,437			21,218

Source: CMHC

ECONOMIC INDICATORS													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
INTERNATIONAL EXPORTS FROM ALBERTA (\$000,000)													
2016	7,154.9	5,843.2	5,705.3	5,373.9	5,580.7	6,232.9	6,175.9	7,066.7	6,980.5	7,023.8	7,774.9	7,922.1	78,835
2017	8,499.8	8,151.7	9,270.1	8,243.5	8,864.6	8,059.8	7,613.4	8,102.5	7,429.8	8,400.4	8,490.4	9,032.1	100,158
2018	10,045.1	8,149.5	9,243.1	9,035.5	10,292.4	10,268.6	10,424.2	10,849.4	9,686.8				87,995
MANUFACTURING SHIPMENTS FROM ALBERTA (\$000,000 SA)													
2016	4,991.3	4,936.1	4,994.4	5,183.3	5,140.7	5,265.9	5,200.1	5,321.5	5,314.9	5,255.6	5,476.8	5,569.3	62,650
2017	5,651.4	5,739.9	5,866.8	5,958.9	6,053.5	5,966.3	5,795.7	5,880.0	5,885.2	6,066.2	6,126.1	6,197.9	71,188
2018	6,156.8	6,077.8	6,173.6	5,854.9	6,255.8	6,521.7	6,664.2	6,629.2	6,728.7				57,063
RETAIL SALES - ALBERTA (\$000,000 SA)													
2016	6,189.2	6,238.4	6,183.8	6,295.0	6,250.7	6,214.2	6,176.0	6,231.4	6,251.3	6,320.1	6,324.3	6,435.1	75,110
2017	6,655.0	6,674.2	6,654.2	6,707.8	6,783.8	6,792.8	6,759.8	6,713.4	6,748.6	6,829.2	6,748.5	6,677.8	80,745
2018	6,736.0	6,744.2	6,770.6	6,856.7	6,966.7	6,871.7	6,897.4	6,894.9	6,930.6				61,669
Source: Statistics Canada													
DRILLING RIGS ACTIVE - ALBERTA													
2016	120	113	46	29	25	41	58	75	80	102	108	151	79
2017	199	188	148	85	61	87	119	126	127	133	143	155	131
2018	197	216	142	80	67	106	143	147	134	138			137
Source: CAODC													
CAPITAL SPENDING, OIL & GAS EXTRACTION - CANADA (\$000,000)													
2015			15,590			12,404			13,202			11,433	52,629
2016			10,108			8,536			9,582			9,812	38,038
2017			10,321			9,840			10,708			12,313	43,182
2018			10,540			9,230							19,770
Source: Statistics Canada													
ALBERTA ACTIVITY INDEX (AAX - yr/yr % Chng.)													
2016	-6.9%	-5.3%	-6.2%	-4.8%	-7.4%	-6.5%	-5.7%	-4.4%	-3.5%	-2.5%	-0.6%	1.1%	-4.4%
2017	1.7%	2.3%	5.6%	4.7%	9.8%	7.6%	6.4%	5.4%	4.9%	5.4%	3.9%	3.6%	5.1%
2018	4.4%	3.1%	2.3%	2.5%	3.2%	2.2%	2.4%	3.9%					3.0%
Source: Alta Treasury Board & Finance													