

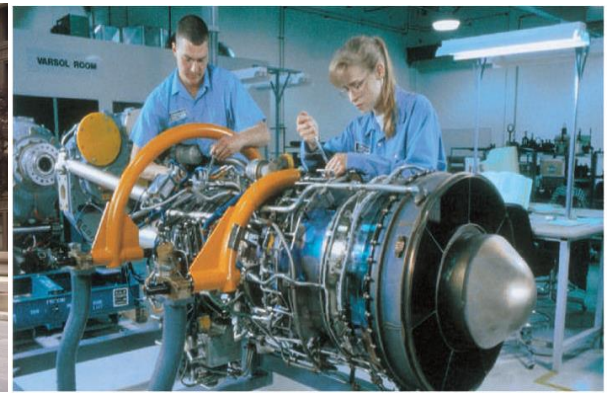


Economic and Fiscal Update

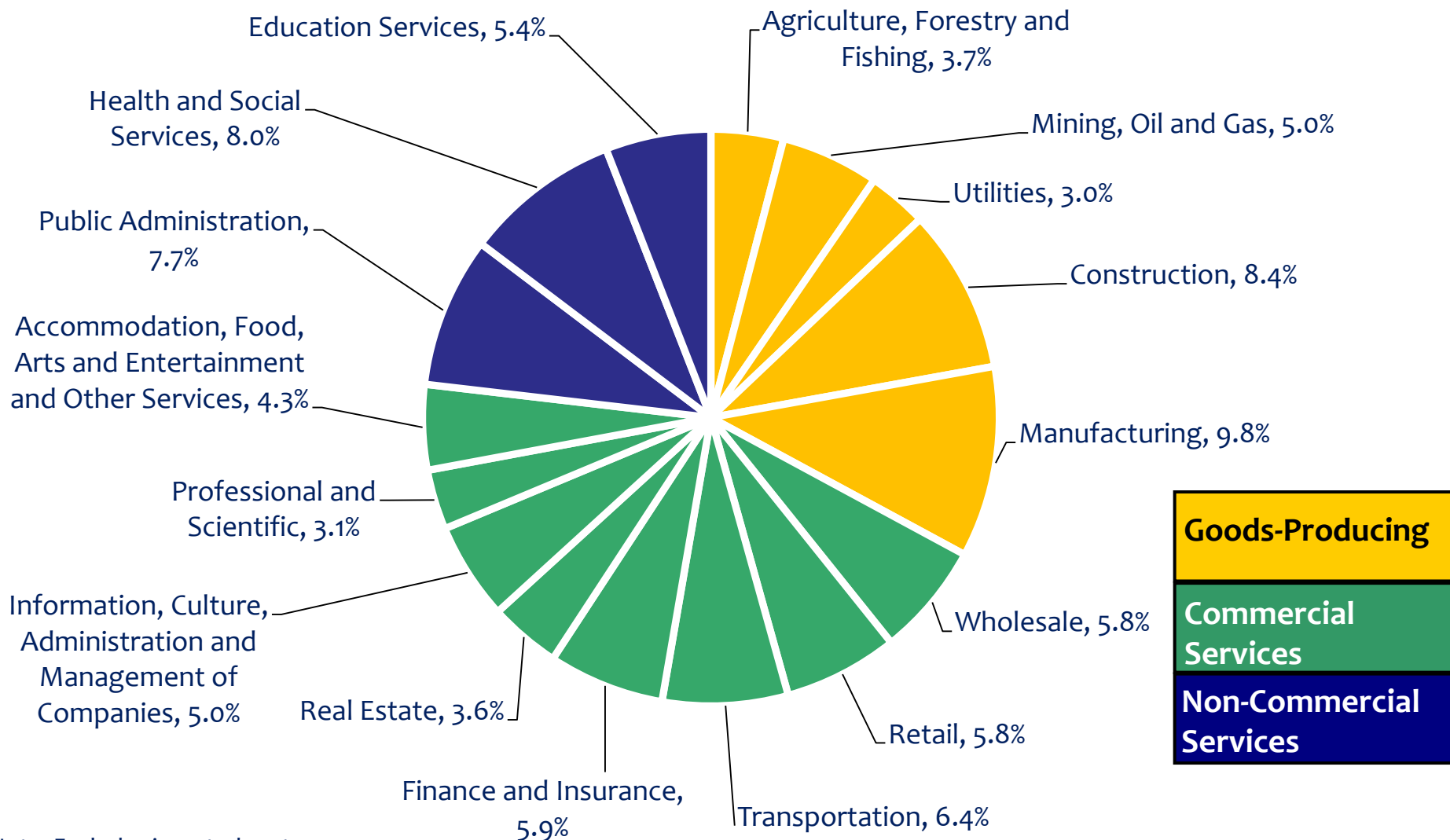
- One of ten Canadian provinces (fifth-largest in population)
- Centrally located in North America with a comprehensive transportation and communication network
- Total area 650,000 km² (about 24 times the area of Massachusetts)
- Population: 1.34 million, the fastest growing province in last three years
- Capital: Winnipeg, Pop. 828,000
- Extensive natural resources (minerals, forests, fertile soil, freshwater lakes)
- Sound credit rating: Moody's: Aa2 (stable) and S&P: A+ (stable)



- The Manitoba economy has a relatively well-balanced industrial base with a majority of medium-sized industries each contributing over 5% to total value-added output
- The range in contribution from the smallest to the largest industry is the narrowest among provinces: many similar sized sectors
- Manitoba is the most stable economy among provinces with steadiest growth in:
 - Real GDP
 - Employment
 - Labour income
 - International exports
 - Manufacturing sales



GDP By Industry Shares, 2016

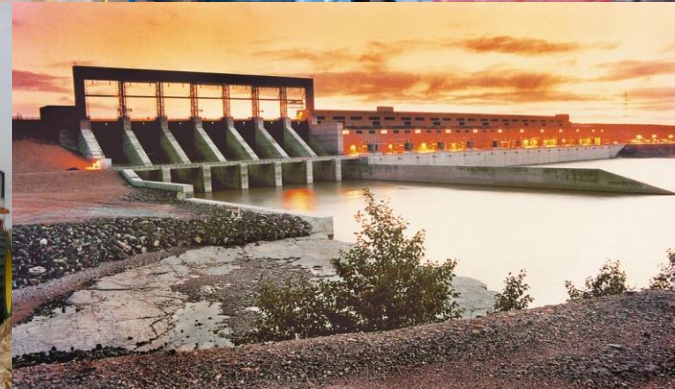


Note: Excludes imputed rent

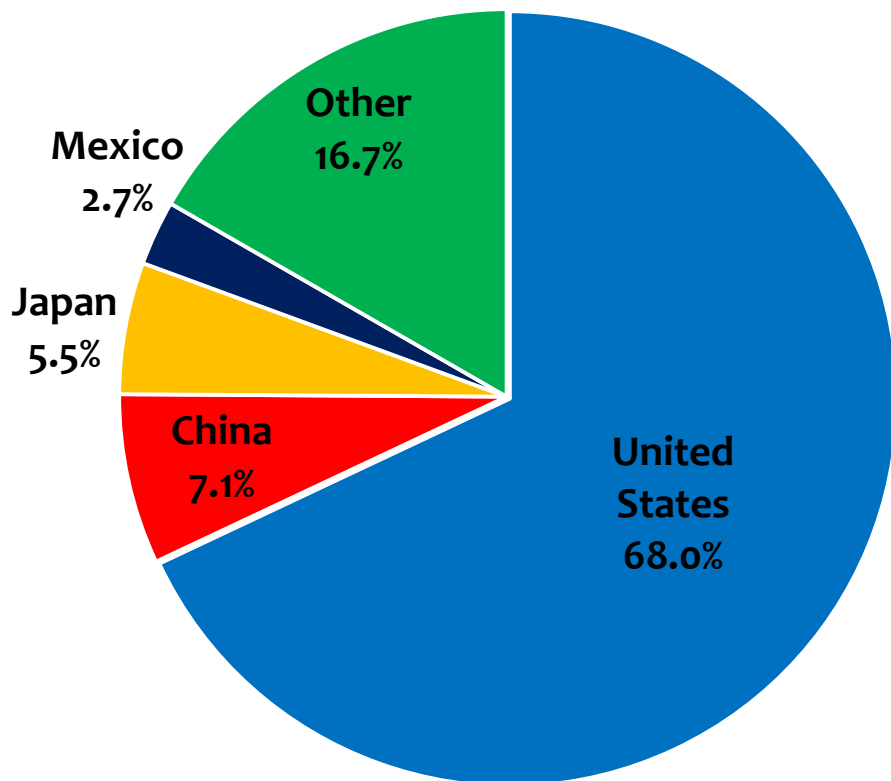


Manitoba's Broad Export Base

- Grains, Oilseeds and Livestock
- Aerospace Components and Service
- Transit and Inter-City Buses
- Processed Food Products
- Machinery and Equipment
- Mining and Oil Extraction
- Electricity (Mostly Hydro)
- Industrial Chemicals
- Pharmaceuticals

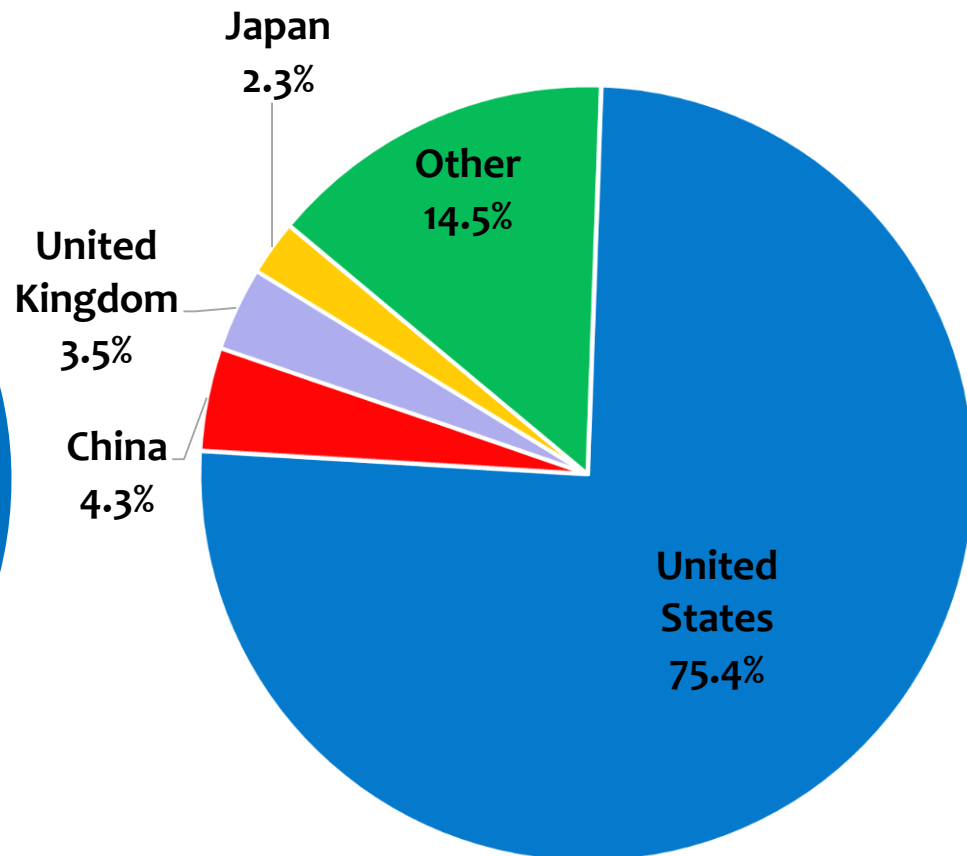


Manitoba Exports, 2016



Manitoba: 32% Non-U.S Exports

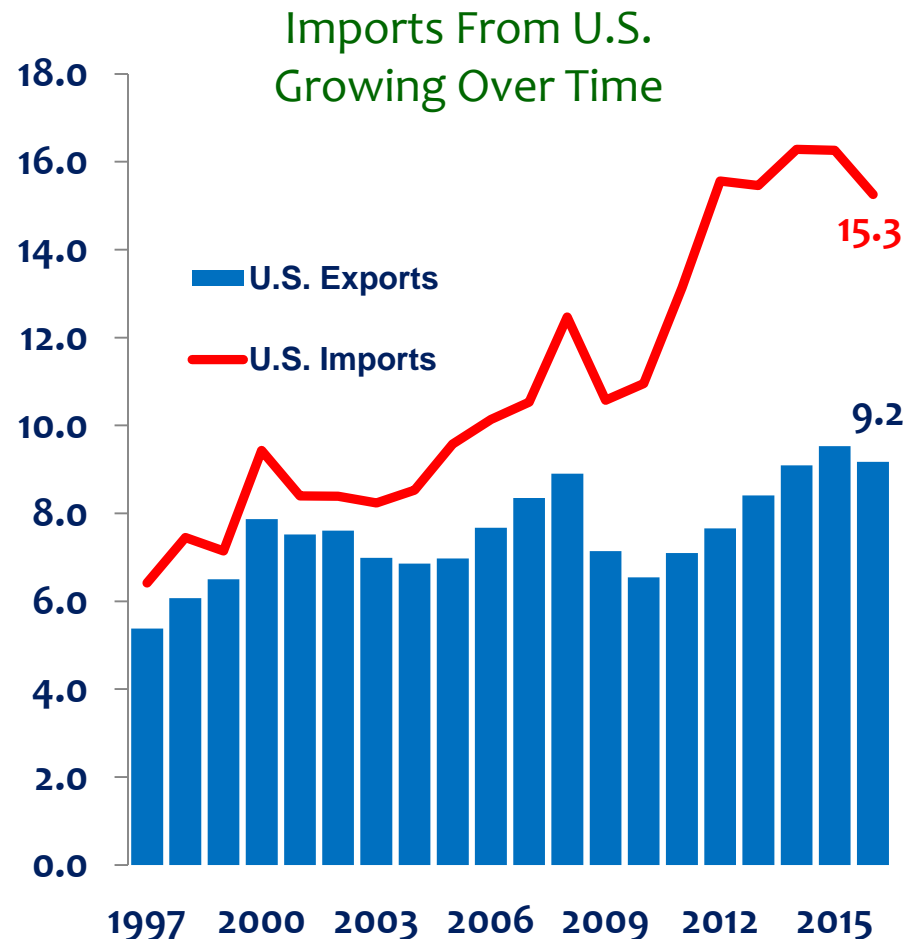
Canada Exports, 2016



Canada: 24.6% Non-U.S Exports

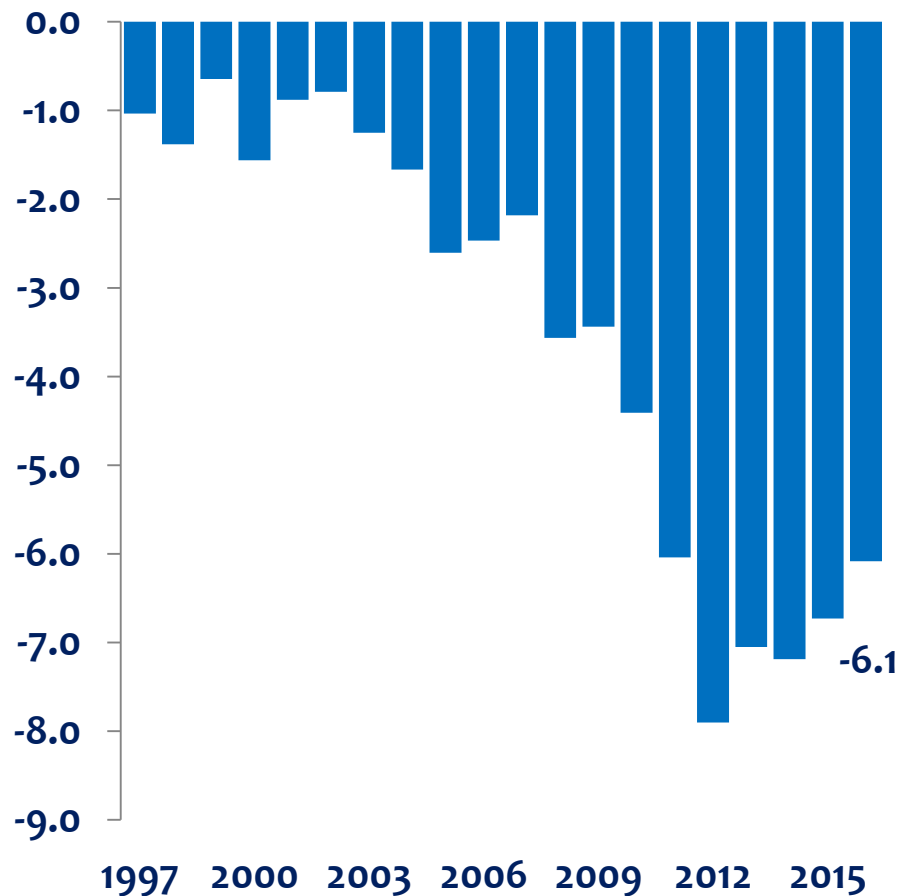
Manitoba Exports and Imports From U.S.

(\$ Billions)



Manitoba/U.S. Merchandise Trade Balance

(\$ Billions)

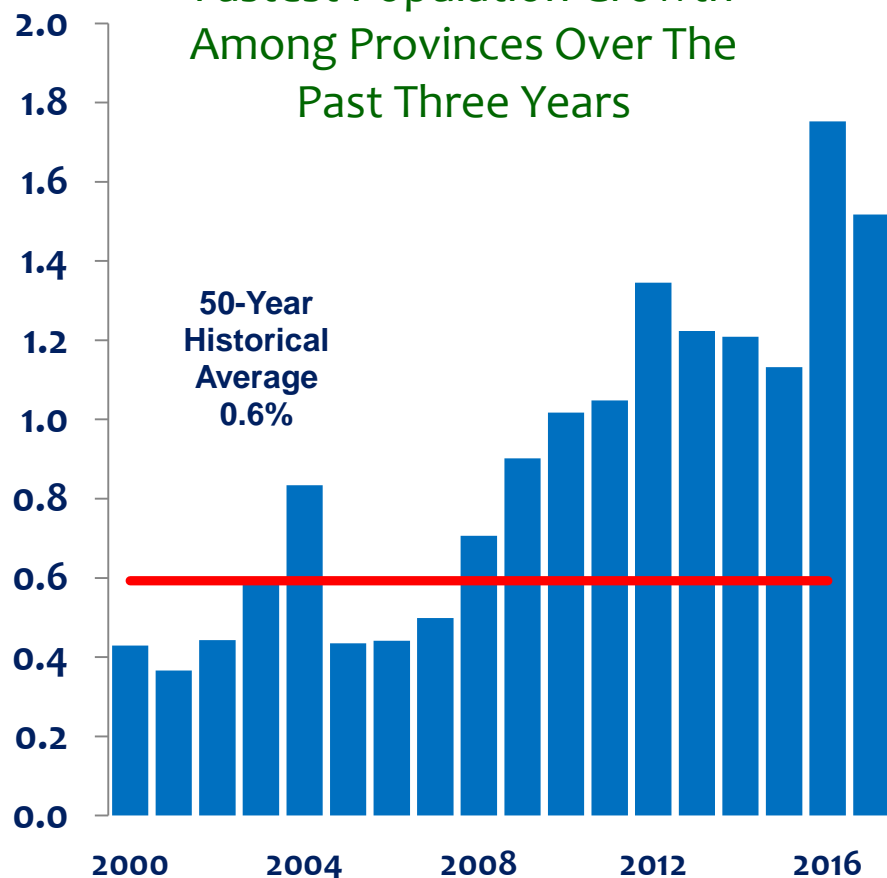


Annual Population Growth, 2000 – 2017

(Per Cent)

Fastest Population Growth
Among Provinces Over The
Past Three Years

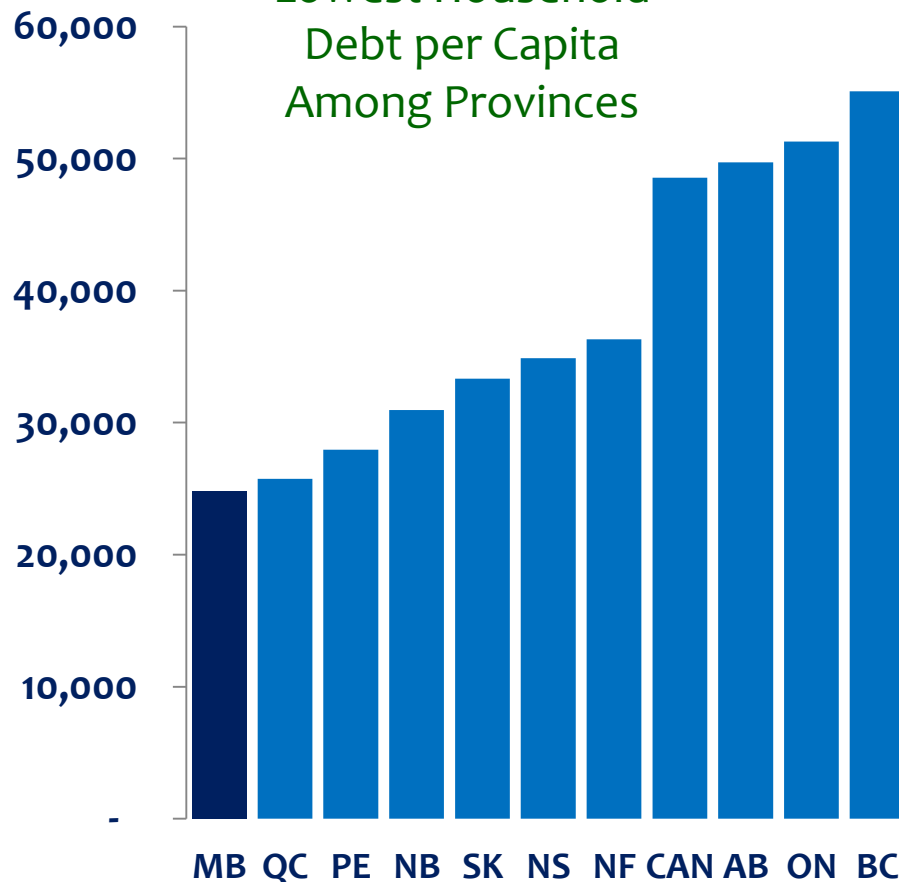
50-Year
Historical
Average
0.6%



Household Debt Per Capita, 2017 Year-To-Date

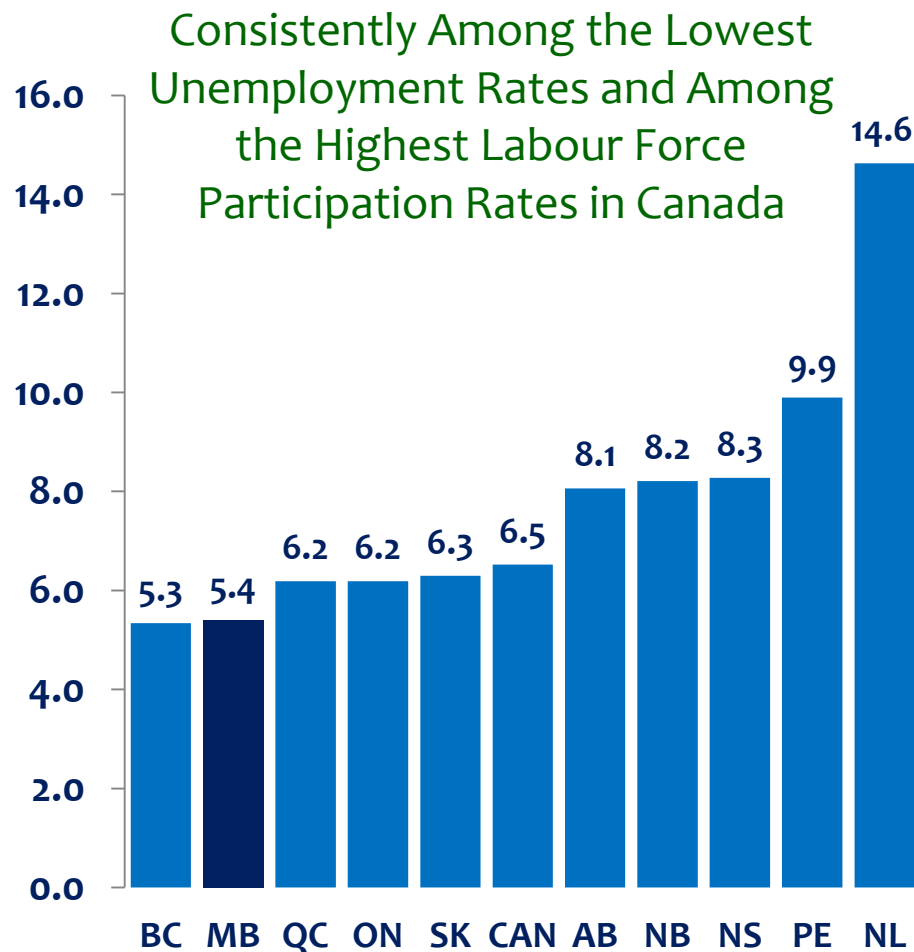
(In Dollars)

Lowest Household
Debt per Capita
Among Provinces



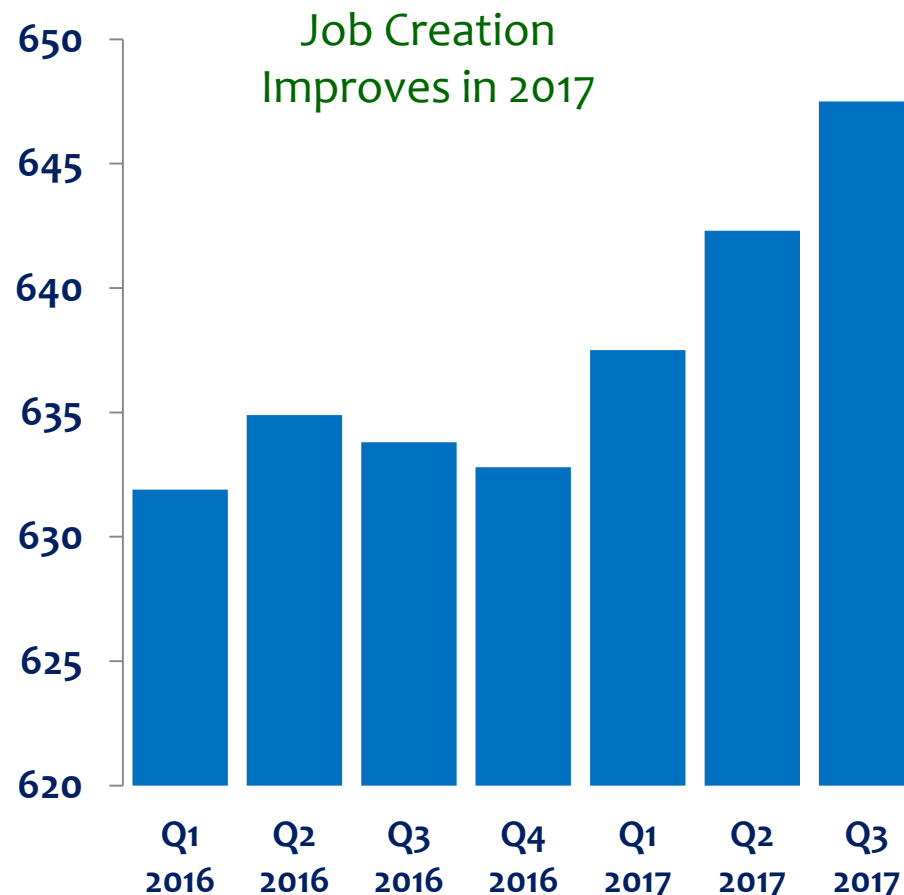
Unemployment Rate, 2017 Year-To-Date

(Per Cent)



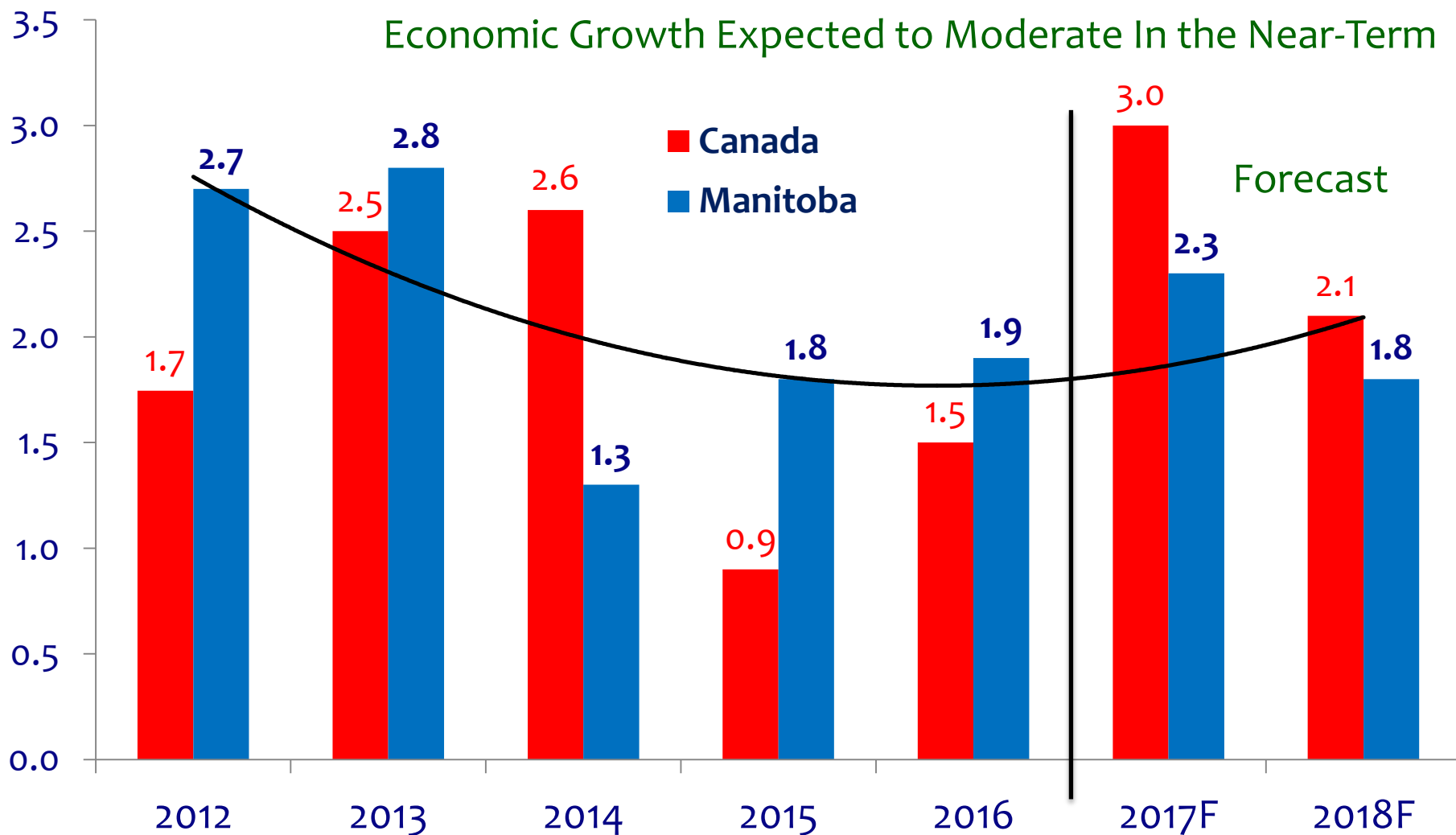
Manitoba Employment, Q1 2016 to Q3 2017

(Quarterly Average In Thousand of Workers)



Real GDP Growth, 2012 – 2018F

(Per Cent)



Manitoba Finance Survey of Economic Forecasts

(As at October 2017)

	2017f		2018f	
	Manitoba	Canada	Manitoba	Canada
	Percent Growth Unless Noted			
Real GDP	2.3	3.0	1.8	2.1
Nominal GDP	4.6	5.4	3.7	4.0
Employment	1.5	1.6	0.8	1.1
Unemployment Rate (%)	5.4	6.5	5.4	6.2
Consumer Prices	1.6	1.7	2.0	1.8

Budget 2017: Responsible Recovery

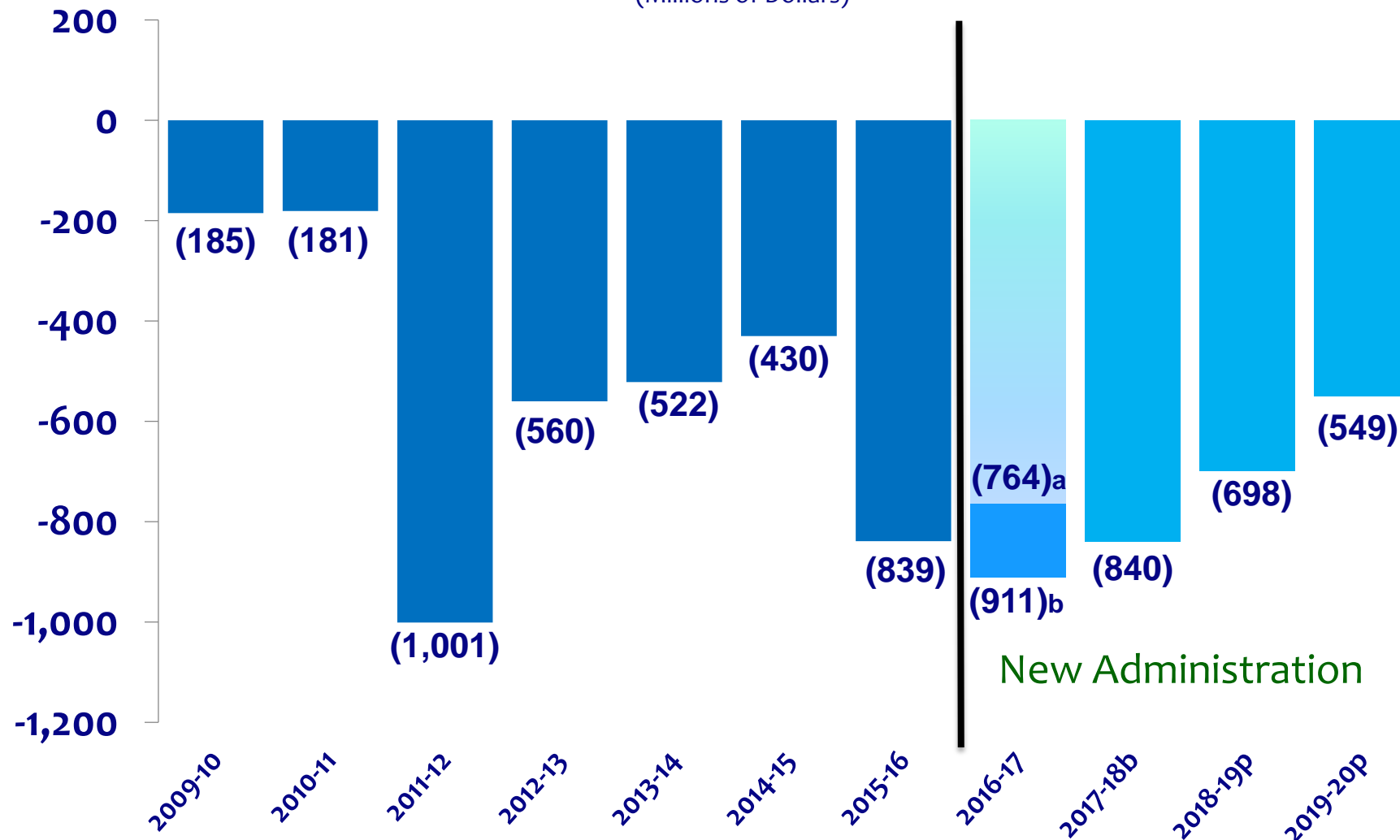
- Restoring credit ratings, meeting budget targets, stabilizing net debt to GDP and sustainable investment in strategic infrastructure

Foundation for Strong Fiscal Fundamentals

- Fiscal Performance Review of core government departments
- Review of all tax credits
- New legislation:
 - *The Fiscal Responsibility and Taxpayer Protection Act*
 - *The Public Service Sustainability Act*
 - *The Health Sector Bargaining Unit Review Act*
 - *The Red Tape Reduction and Government Efficiency Act*

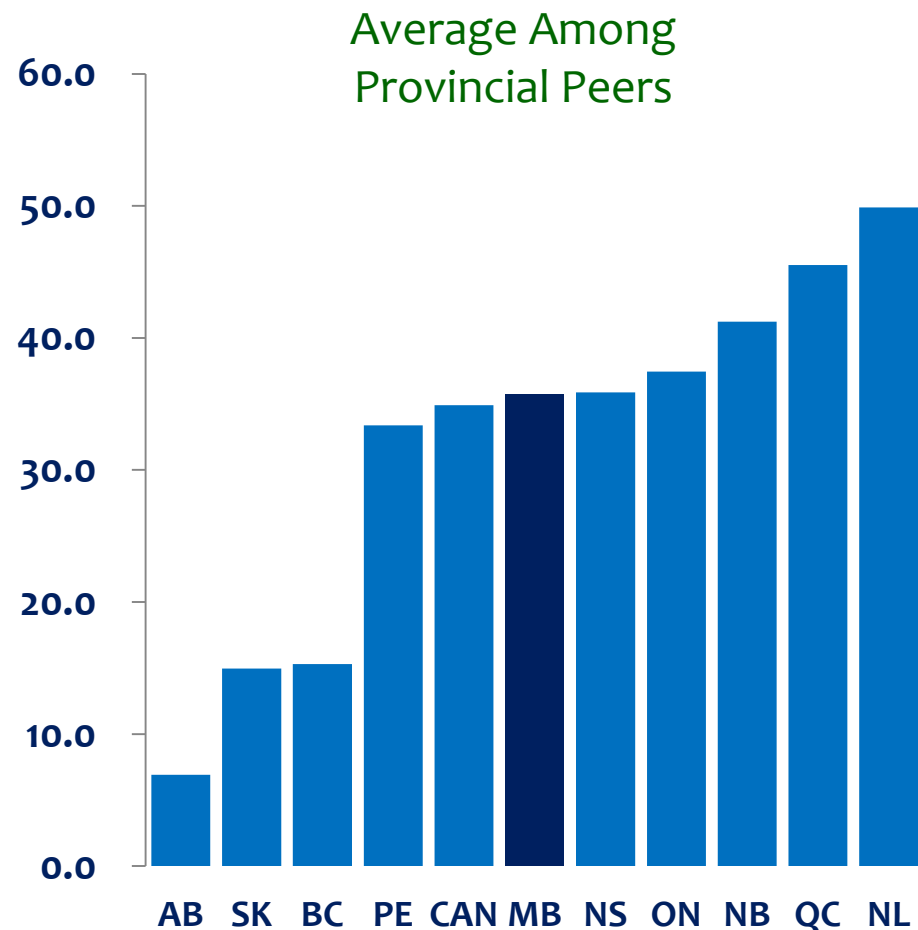
Annual Surplus (Deficit) 2009-10 to 2019-2020p

(Millions of Dollars)



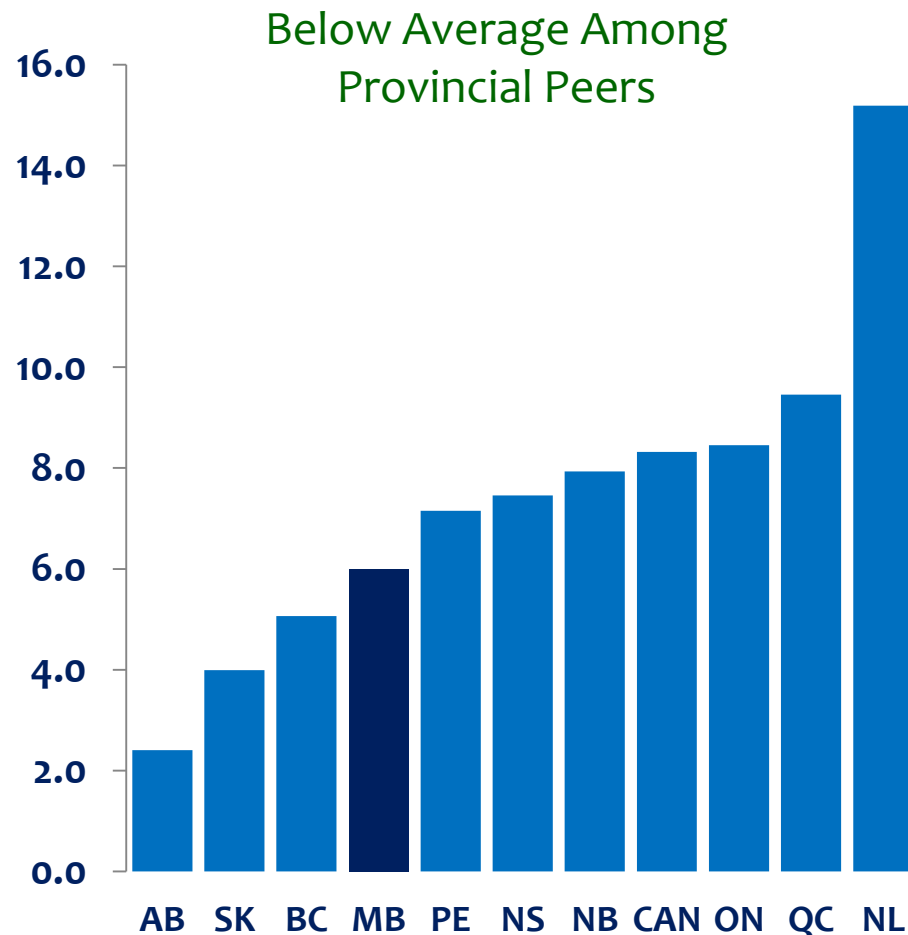
Net Debt to GDP Ratio, 2017 - 2018B

(Per Cent)

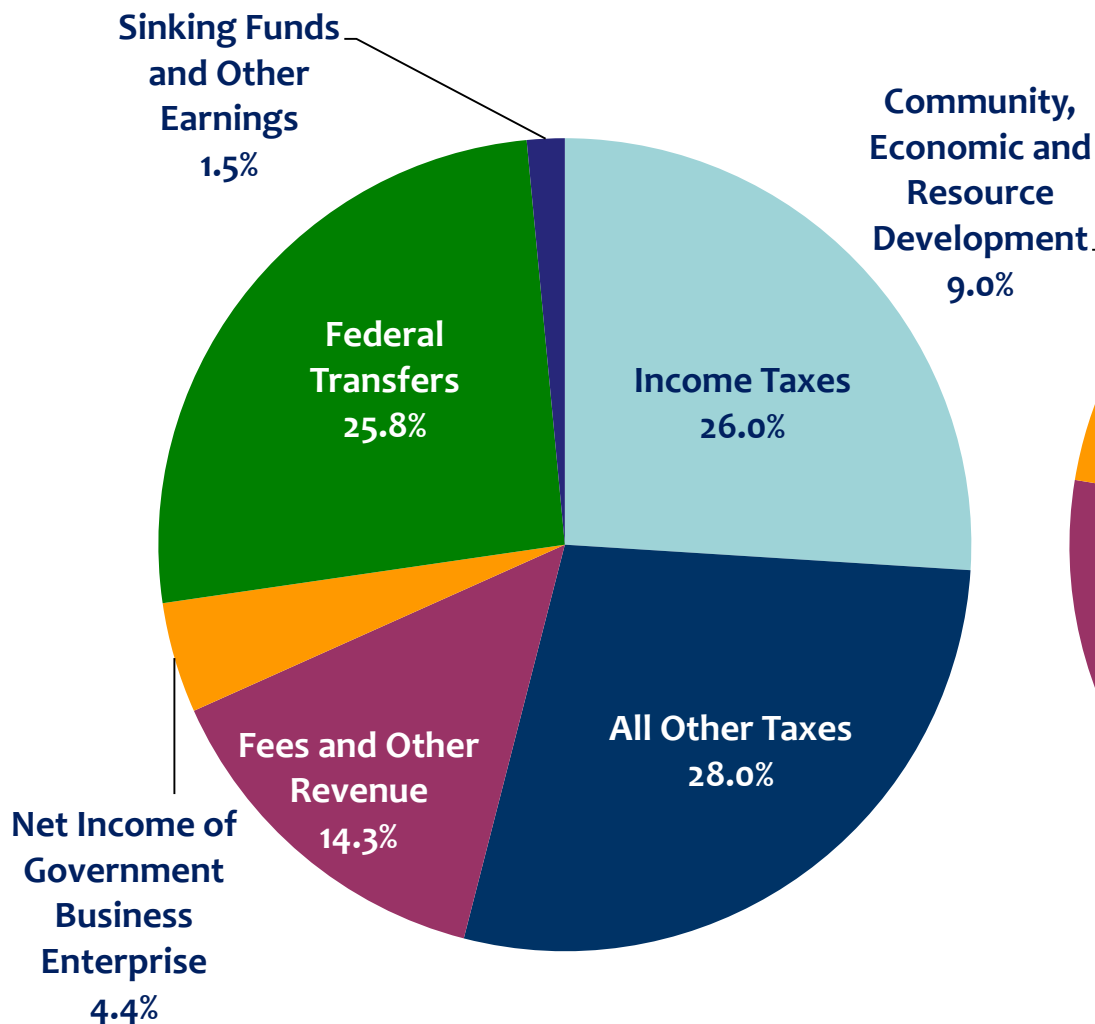


Interest on Debt to Revenue, 2017 - 2018B

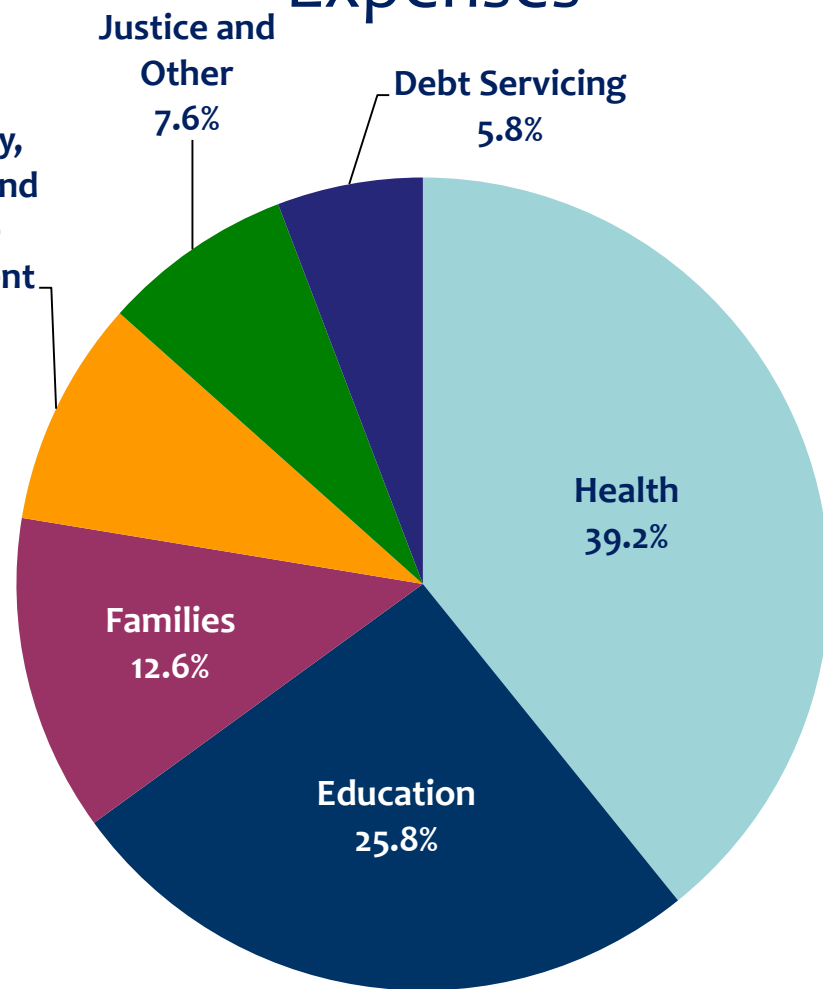
(Cent/Revenue)



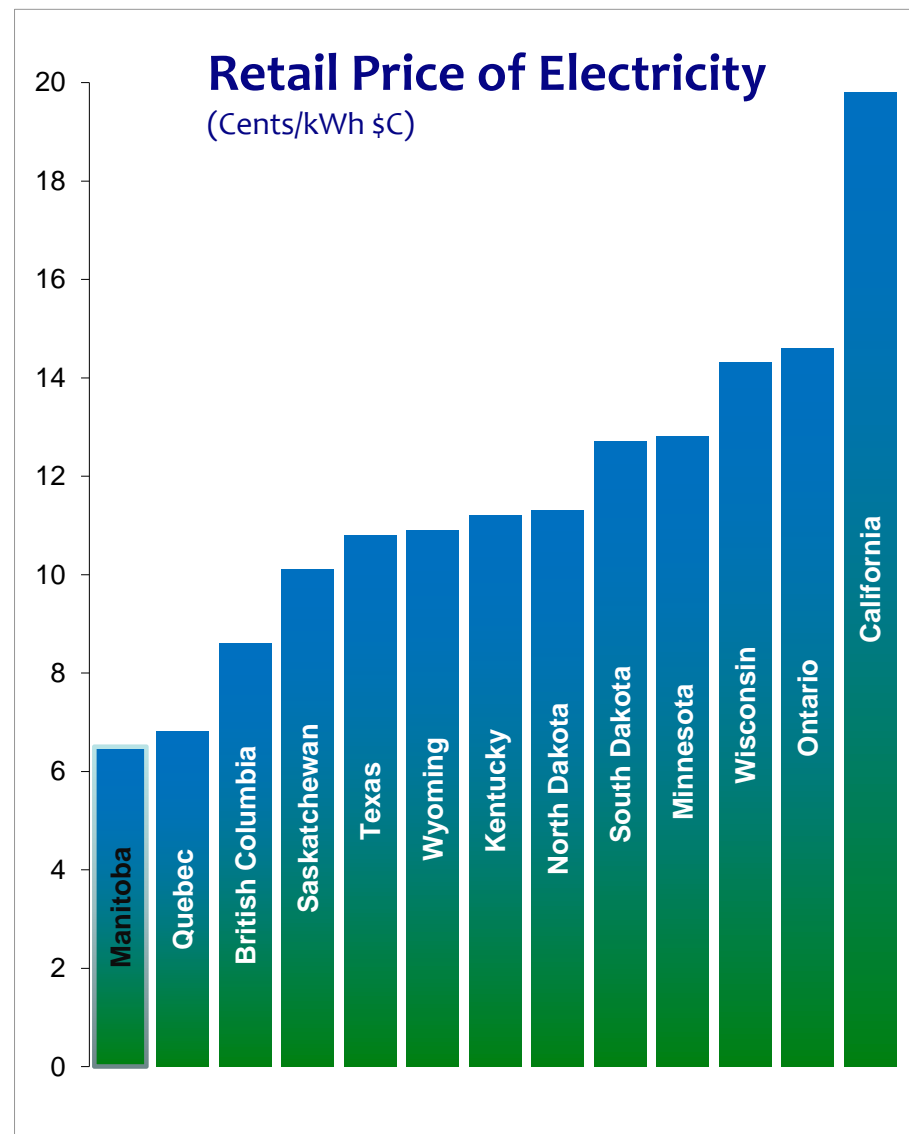
Revenues



Expenses



- 97.5% of electricity generation is hydro, 2.3% is wind and 0.2% is thermal.
- Roughly 1/4 of the electricity generated is exported outside of Manitoba (U.S., Canada).
- Manitoba Hydro's current generation capacity is 5,680 MW, with an additional 4,400 MW more of potential generation identified.



- Manitoba Hydro is currently investing in both a major generation project and transmission project.



Keeyask

Hydro Generating Station Project

Design Capacity:

695 MW

Anticipated Completion:
2021/22

Anticipated Cost: \$8.7B



Bipole III

Transmission Line Project

Design Capacity:

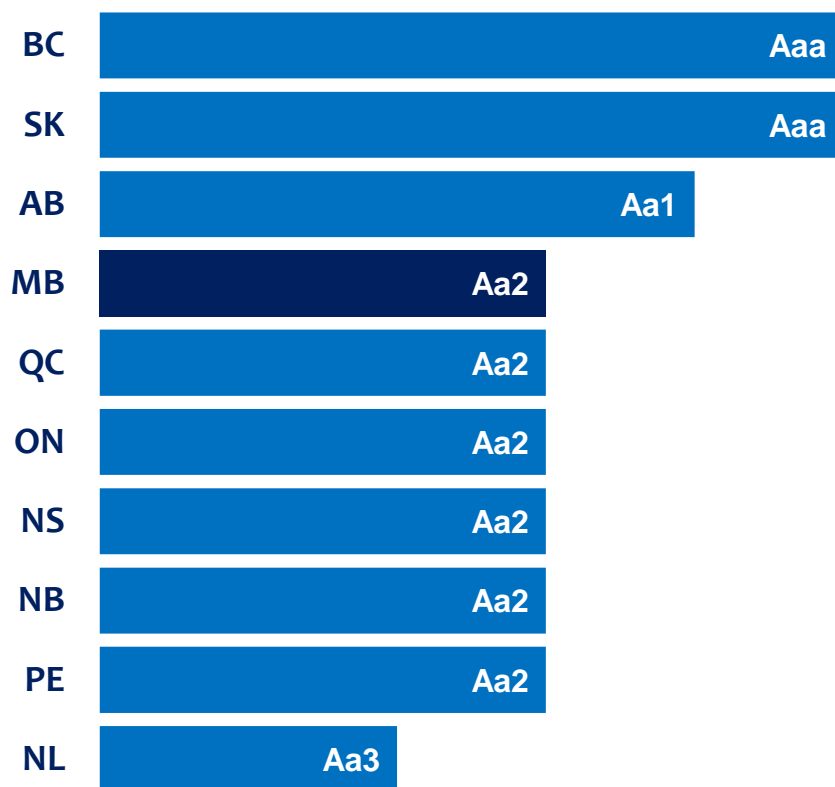
1,364 km

Anticipated Completion:
2018/19

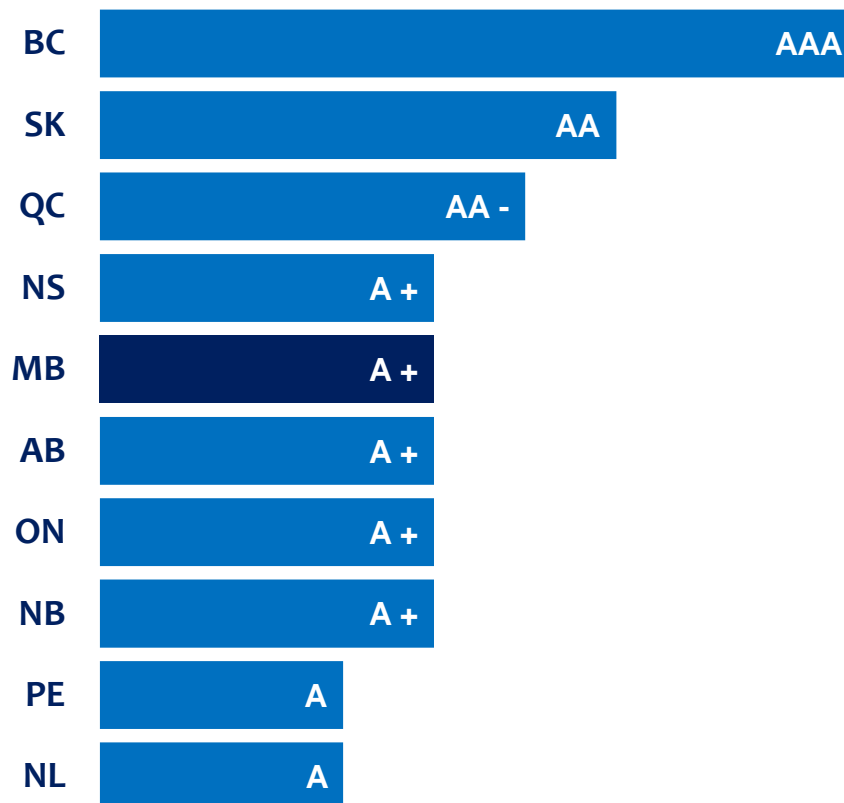
Anticipated Cost: \$5.0B

- Manitoba's credit rating remains strong given elevated global economic uncertainty.
- Manitoba's credit rating is generally the highest among non-resource rich provincial economies.

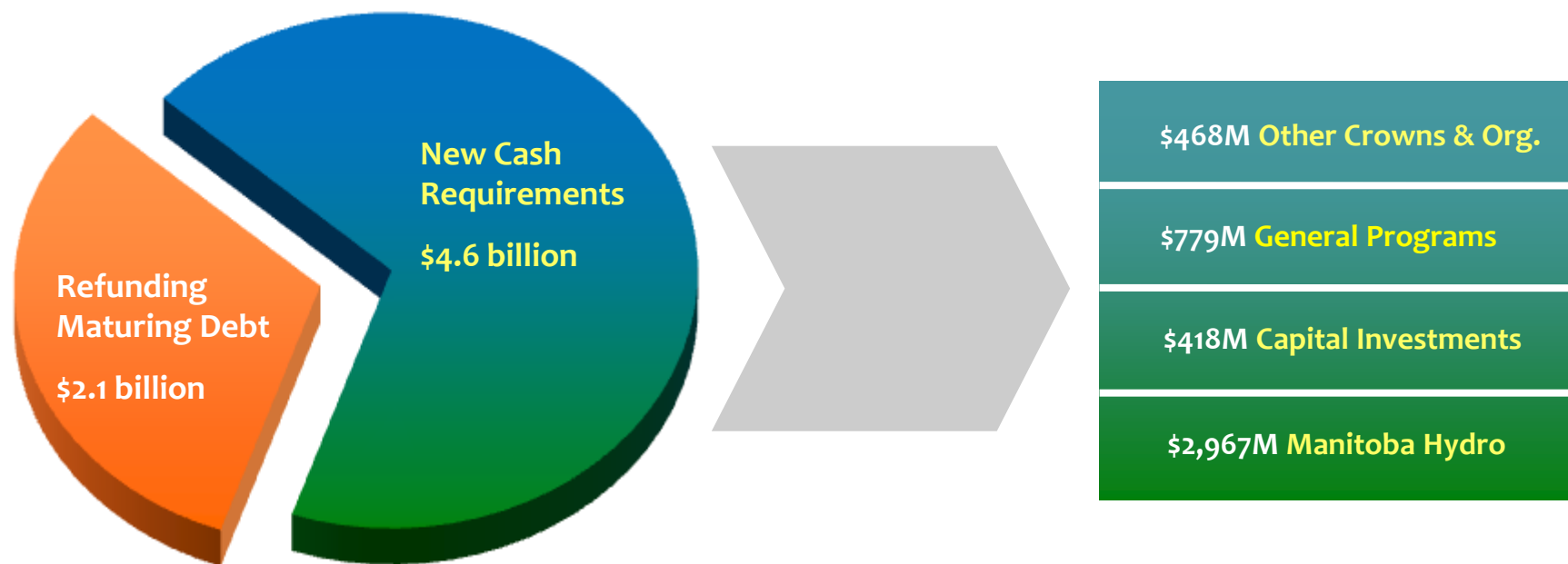
Moody's Credit Ratings



S&P Credit Ratings

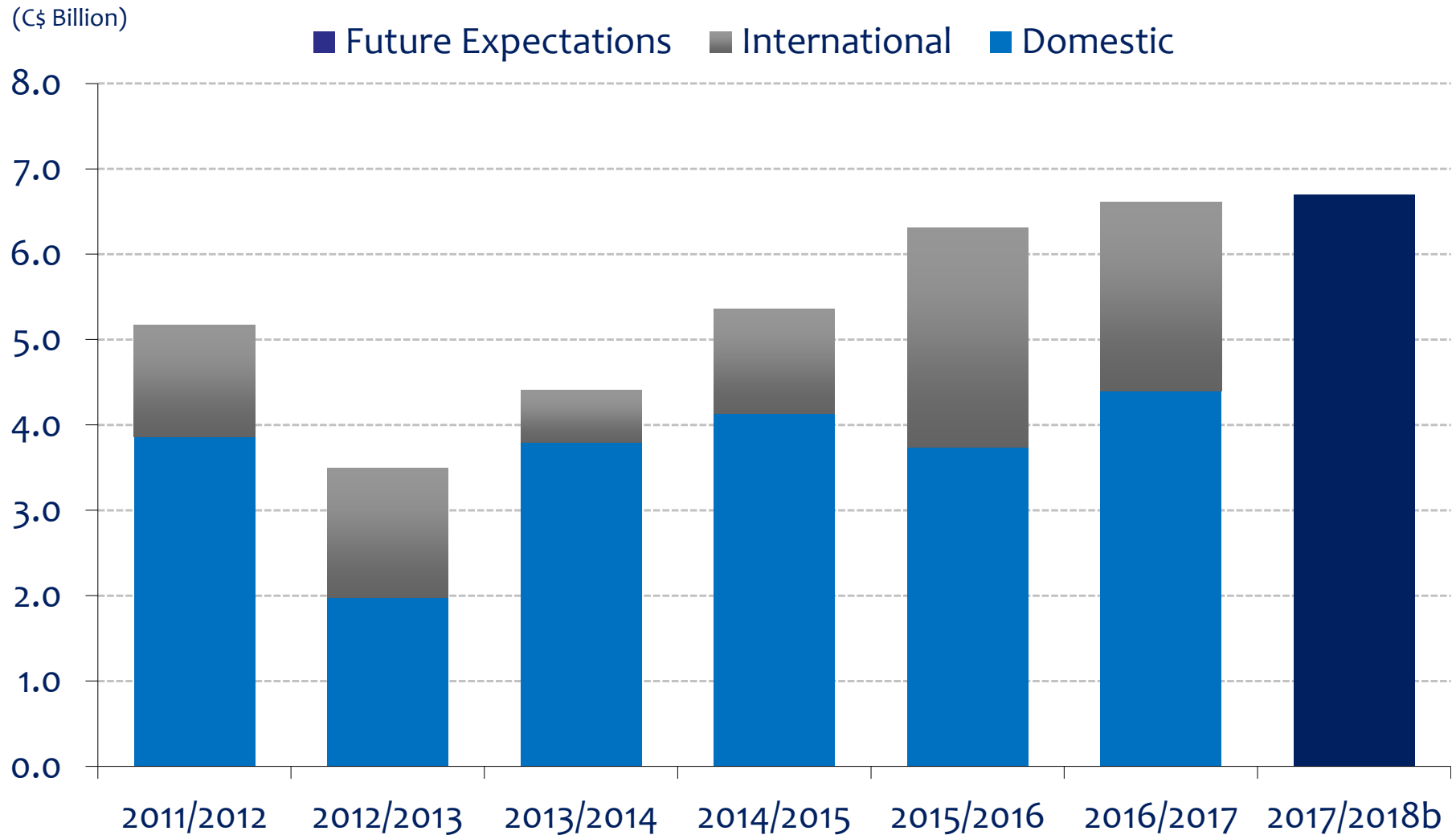


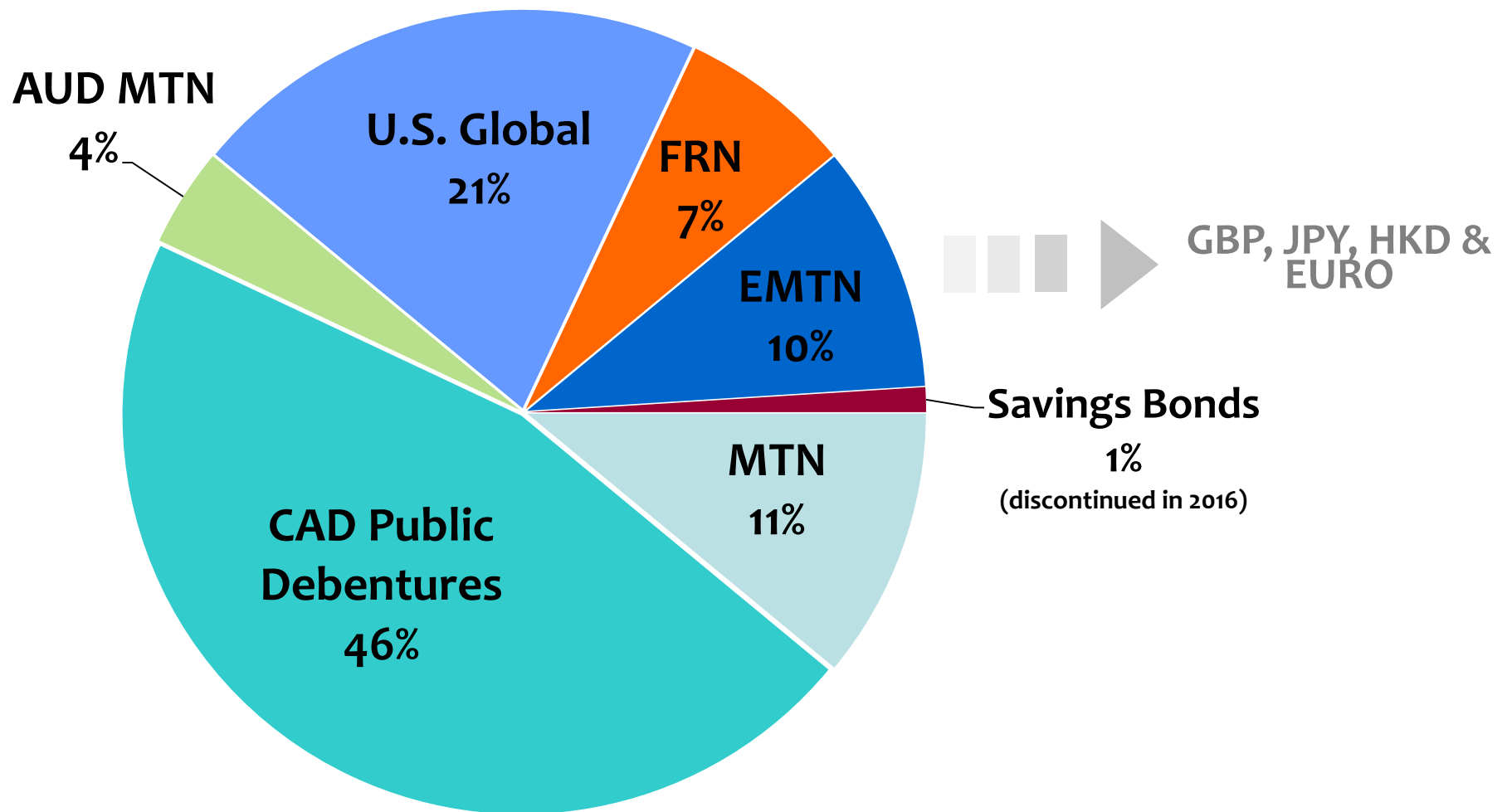
C\$6.7 billion



- Budget 2017 was tabled on April 11, 2017.
- Expected borrowing requirements for fiscal year 2017/18 are C\$6.7 billion.
- Planned funding through both domestic and international capital markets.
- To date, we have funded \$4.9 billion, 72% of our needs for fiscal 2017/2018.

Borrowing Program



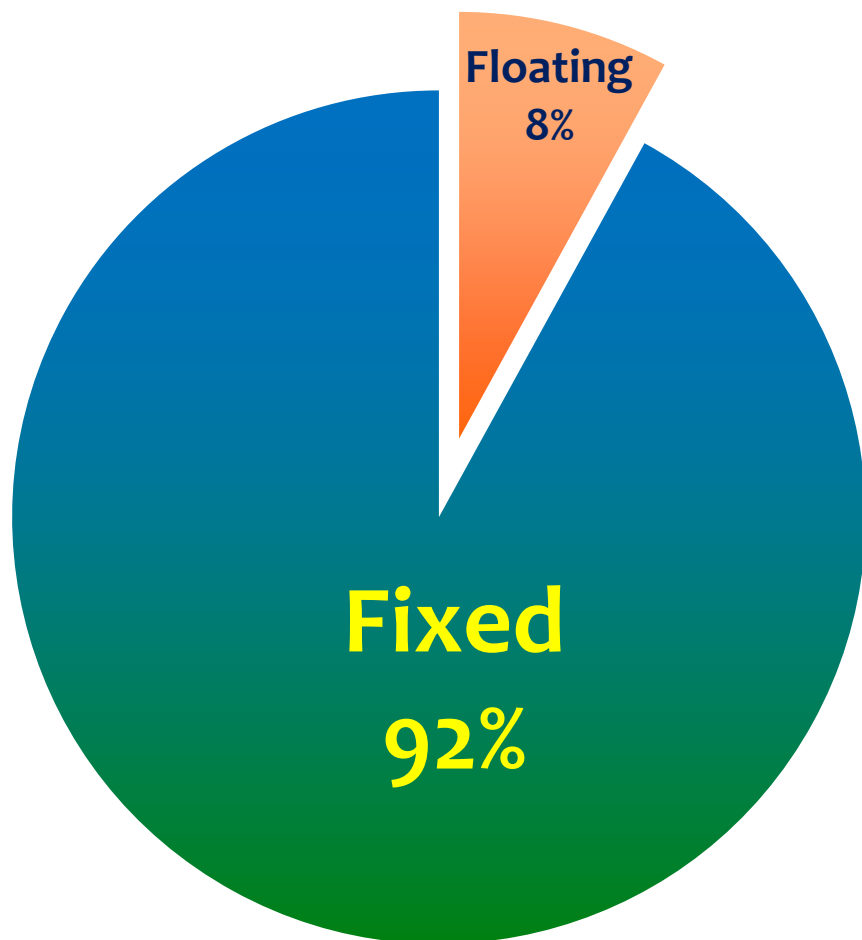


Debt Maturity Profile

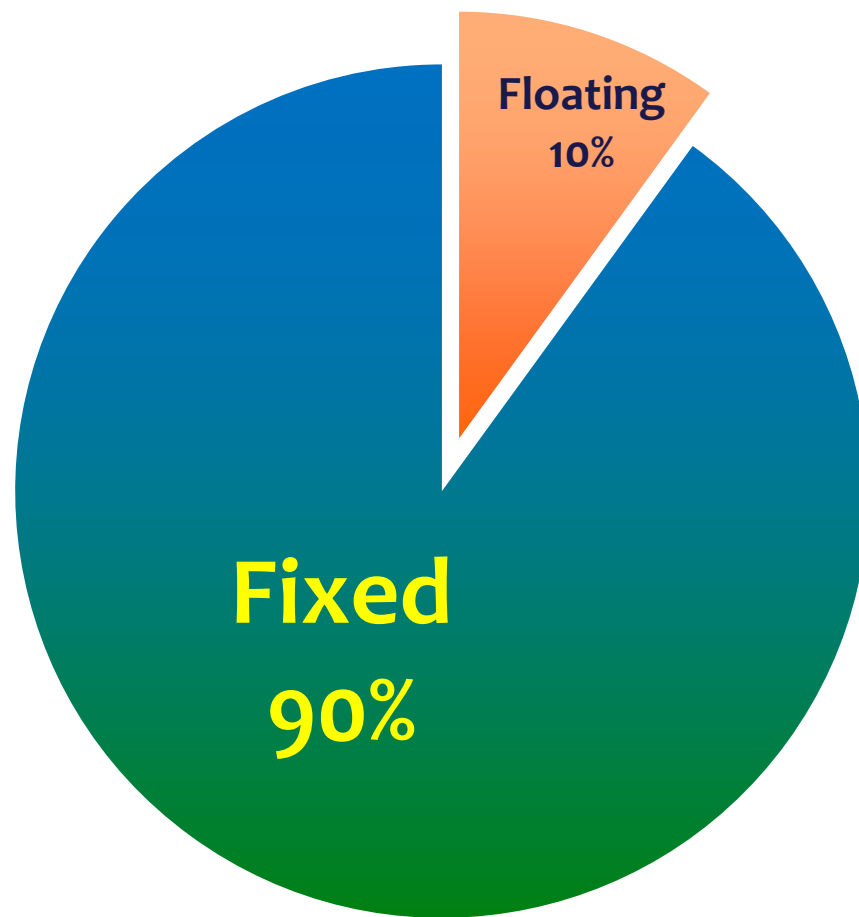
(C\$ Billion)



March 31, 2016



March 31, 2017



Thank you!

Regularly updated Economic and
Financial Reports are available on the
internet at:

www.gov.mb.ca/finance

