



SUN STILL SHINING ON THE PRAIRIES: RBC CANADIAN CONSUMER OUTLOOK

Residents remain extremely optimistic about economy

TORONTO, July 20, 2011 — People in the Prairies are taking the increasing cost of basics in stride, with just over a third (36 per cent) saying rising food and gas prices have impacted their budgets significantly – the lowest impact in the country – according to the July 2011 RBC Canadian Consumer Outlook Index ([RBC CCO](#)).

While Prairie residents carry an average personal debt of \$11,836 (not including mortgages) – the second lowest such debt in the country – over half (51 per cent) feel they could be doing a better job managing their overall debts. To combat increasing food and gas prices, those impacted in the region plan to comparison shop more (53 per cent), follow a budget more closely (44 per cent) and use their vehicles less (33 per cent).

“Resilient and optimistic are how we would best describe Prairie residents,” said Rob Johnston, regional president, Manitoba, Saskatchewan and North Western Ontario, RBC. “They’re refining their budgets, not only to handle rising daily costs, but also to manage debts and save for the future. All of these are financial goals a financial advisor can help them reach.”

The RBC CCO indicates that people in the Prairies share a rosy outlook for the Canadian economy, with 82 per cent rating the current national economy as good, well above the 66 per cent national average. Manitoba and Saskatchewan residents are also optimistic that the Canadian economy will improve over the upcoming year (48 per cent and 42 per cent respectively).

Meanwhile, according to the most recent [RBC Economic Outlook](#), provincial economies in the region are expected to grow throughout 2011 and 2012.

“Continued global demand for most natural resource products will mean real GDP growth in Saskatchewan of 3.8 per cent for 2011 and 4.7 per cent in 2012,” said Craig Wright, senior vice-president and chief economist, RBC. “Manitoba should benefit from natural resources’ demand as well, which will boost mining activity in the province. With continued growth in manufacturing output in the province, we forecast real GDP growth of 3.6 per cent in 2011 and 3.4 per cent in 2012.”

The RBC CCO is Canada’s most comprehensive consumer assessment of the economy, personal financial situation and economic and purchasing expectations. [Other provincial highlights](#) from the July 2011 RBC CCO include:

- **Vacation:** Due to changing economic factors, over one-quarter (27 per cent) of Manitoba and Saskatchewan residents are more likely to delay vacation plans until next year. Ontarians (34 per cent) are most likely to delay vacation plans; residents in Quebec and Alberta (26 per cent) are the least likely to delay these plans.

- **Personal Financial Situation Outlook:** Personal expectations remained steady, as 41 per cent of Saskatchewan and Manitoba residents expect their personal finances to improve over the next year, just slightly above the national average (39 per cent).
- **Major Purchases:** Half of the residents on the Prairies (50 per cent) have delayed major purchases due to the current economy, up seven per cent since last quarter but still under the national average of 58 per cent.

The national RBC CCO release, full set of regional releases and related comparative data charts can be accessed via www.rbc.com/newsroom/2011/0720-cdn-consumer.html.

About RBC's debt management and other financial advice and interactive tools

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About the RBC Canadian Consumer Outlook Index

Benchmarked as of November 2009, the RBC Canadian Consumer Outlook Index (RBC CCO) was conducted online via Ipsos Reid's national I-Say Consumer Panel. Data was collected between June 9 and 14, 2011 from 4,008 Canadians (671 British Columbia, 591 Alberta, 464 Saskatchewan/Manitoba, 1,099 Ontario, 564 Quebec, 619 Atlantic Canada). Weighting was then employed to balance demographics and ensure that the sample's composition reflects that of the adult population according to Census data and to provide results intended to approximate the sample universe. A survey with an unweighted probability sample of this size and a 100 per cent response rate would have an estimated margin of error of ± 1.65 percentage points, 19 times out of 20, of what the results would have been had the entire population of adults in Canada been polled.

For more information, please contact:

Liz Redston, RBC Public Affairs and Communications, 204 988-3516,
liz.redston@rbc.com

Kathy Bevan, RBC Corporate Communications, 416 974-2727, kathy.bevan@rbc.com