



Quebec's economic confidence modestly declines compared to rest of country: RBC Canadian Consumer Outlook

Debt management continues to be an area of focus for Quebec consumers

TORONTO, October 1, 2010 — Sliding from last quarter, a majority of Quebec residents describe the outlook for the Canadian economy as good (58 per cent, down six points from June, and slightly below the 60 per cent recorded nationally), according to the September *RBC Canadian Consumer Outlook*.

Debt management continues to be an area of focus for Quebec consumers with 49 per cent saying they are going to focus on reducing their debt in the next year or so, while 34 per cent say they plan on spending less. More than two-thirds (68 per cent) don't undertake an official credit/debt review on a yearly basis, yet 54 per cent say they keep close track of their debt. While 41 per cent of Quebec residents are confident that they are managing their debt well, 14 per cent say they're just keeping their head above water.

"With the modest decline in confidence, it's no surprise that Quebec residents are focusing on debt management and reduction," said Patrice Sieber, regional operating officer, Quebec, RBC. "An RBC advisor can help you borrow with confidence and undertake an annual credit review to help you successfully manage your debt."

Optimism over the longer term has also dropped with 39 per cent of Quebecers believing the national economy will improve over the next year (down nine points since June and below the national average of 46 per cent). Nearly two-in-ten Quebec households (17 per cent) are experiencing job anxiety, which is up one point since June, but below the national average of 22 per cent.

Overall, the September *RBC Quebec Consumer Outlook* is down six points from 108 to 102 since June. Quebec is the only province to remain higher than its baseline of 100 points since its inception six months ago.

Other provincial highlights include:

- **Local Economy:** 18 per cent of Quebecers think the local economy has improved since June (down three points since June) and 17 per cent think it will pick up (down three points) over the next three months, which is slightly below the national average (19 per cent).
- **Personal Financial Situation:** One quarter (25 per cent) of Quebecers say their personal financial situation has improved (up three points since June) compared to three months ago. Over the next three months, 27 per cent of Quebec residents think their personal financial situation will improve, unchanged since June. Forty per cent think their own personal financial situation will improve (up one point) over the next year, just one point above the national average.

“We expect Quebec’s economy to remain resilient in the period ahead despite some of its sub-sectors continuing to face challenges,” said Craig Wright, senior vice-president and chief economist, RBC. “Quebec’s economy is projected to grow by 3.0 per cent in 2010 and 3.1 per cent in 2011 – growth rates that have not been reached in 10 years.”

RBC provides advice and tools to help clients manage their debt including the following credit principles:

- Choose the credit solution that is right for you by aligning your credit choices with your values and your financial circumstances
- Set goals and use debt wisely to achieve them
- Manage your debt effectively by determining how much you can realistically afford and stay within your means
- Make sure you have a repayment plan – manage your debt; don’t let it manage you
- Understand the true cost of your debt – pay high interest rate debt first.

Whether Canadians want to borrow with confidence, get more from their everyday banking, protect what’s important, save and invest or take care of their businesses, the RBC Advice Centre www.rbcadvicecentre.com can help answer their questions. Advice videos are updated regularly to reflect current trends and to answer the questions that are top of mind with Canadians. Interactive tools and calculators provide customized information covering many facets of personal finance. With the guidance of RBC advisors who are available to chat live, Canadians have access to free, no-obligation professional advice about RBC products and services and personalized one-on-one service. In addition, all personal RBC online banking clients have access, at no cost, to myFinance Tracker www.rbcroyalbank.com/myfinancetracker, RBC’s new online financial management tool, and will enable them to create a set budget and track their spending habits.

About The RBC Canadian Consumer Outlook Index

The *RBC Canadian Consumer Outlook Index*, benchmarked as of November 2009, is conducted online via Ipsos Reid’s national I-Say Consumer Panel to 4,292 Canadians (642 British Columbia, 473 Alberta, 500 Saskatchewan/Manitoba, 1,360 Ontario, 848 Quebec, 469 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. Data collection was September 1-9, 2010. 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 ± 1.5 percentage points, 19 times out of 20, of what the results would have been had the entire population of adults in Canada been polled.

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