



## Economic confidence strongest in the Prairies: RBC Canadian Consumer Outlook

**TORONTO, October 1, 2010** — Prairie residents are the most optimistic in the country about the current Canadian economy with nearly eight-in-ten (78 per cent) rating it as good (up one per cent since June) which is well above the national average of 60 per cent, according to the September *RBC Canadian Consumer Outlook*.

In spite of the region's brimming economic confidence, Prairie residents are intent on keeping their household expenses in check with half (49 per cent) indicating they plan to focus on reducing their debt this year. While 45 per cent of feel they are managing their debt well, more than half (55 per cent) feel that they could be doing a better job of it.

"Even with an improving economy and the two lowest unemployment rates in Canada, it's great to see Prairie residents are focusing on paying down debt," said Rob Johnston, regional president, Manitoba, Saskatchewan and North Western Ontario, RBC. "It's important to understand how solid debt management skills boost your overall financial health and this is where an RBC advisor can help review and manage your debt and help build those skills."

Not surprisingly, Saskatchewan and Manitoba residents are also experiencing the lowest level of job anxiety in the country at only 14 per cent, down two per cent since last quarter and well below the national average of 22 per cent. The overall provincial outlook dropped by eight per cent to 86 points since last quarter.

Other regional highlights include:

- **Local Economy:** Prairie residents' optimism carried over into their outlook for their local economy with 23 per cent expecting it to improve over the next three months, higher than the national average of 19 per cent, but a regional drop of eight per cent since last quarter.
- **Personal Financial Situation (Overall):** With a slight decline (one per cent), twenty-seven per cent of Saskatchewan and Manitoba residents expect an improvement in their personal finances over the next three months, on par with a national average of 26 per cent.

"With the upswing in potash production, coupled with projected gains in the manufacturing, wholesale and retail trade industries, Saskatchewan's GDP is projected to rise to 6.3 per cent," said Craig Wright, senior vice-president and chief economist, RBC. "Manitoba's economy is also expected to grow by 2.0 per cent in 2010 thanks in part to rebounding mining and oil and gas sectors."

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](http://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](http://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  $\pm 1.5$  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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