



THE WORST IS OVER FOR MANITOBA'S ECONOMY: RBC ECONOMICS

Revival expected in the mining, agriculture and manufacturing sectors

TORONTO, March 11, 2010 — Manitoba's economy is set to rise by 2.5 per cent in 2010 and four per cent in 2011, as a projected revival in the mining, agriculture and manufacturing sectors takes effect, according to the most recent RBC Economic report.

"A diversified provincial economy and ongoing capital investment last year led to Manitoba being the only province in Canada to show economic growth in 2009, with a 0.2 per cent increase," said Craig Wright, senior vice-president and chief economist, RBC. "However, with spending on a number of large projects winding down, overall capital spending in the province is expected to decrease in 2010. This will result in a more modest recovery compared to most other provinces and below the national growth rate of 3.1 per cent."

The report noted that a recovery in base metal prices has paved the way for increased investment in mineral extraction. In addition, a rise in global growth should boost manufacturing activity in the production of transportation and machinery equipment. This strength, along with an expected recovery in grain production, will make up for an expected drop in capital spending.

The RBC Economics Provincial Outlook assesses the provinces according to economic growth, employment growth, unemployment rates, retail sales and housing starts.

The full report and provincial details are available online as of 8 a.m. EST today www.rbc.com/economics/market/pdf/provfcst.pdf.

- 30 -

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