



## Ontario's economic confidence slips: RBC Canadian Consumer Outlook

**TORONTO, October 1, 2010** — Ontarian's economic confidence slipped the most of all regions across Canada with an 18 point decline (from 97 to 79 points) over the previous quarter, according to the September *RBC Canadian Consumer Outlook*. Just 57 per cent of Ontarians believe the state of the economy is good, down nine points from June and compared to 60 per cent nationally.

While their views on the economy may not be overly optimistic, Ontarians are focused on the financial picture at home and debt management with 52 per cent saying they plan to reduce their debt in the next year or so, and 43 per cent indicating they plan on spending less. A majority of Ontario residents (82 per cent) don't undertake an official credit/debt review on a yearly basis, slightly above the national average of 78 per cent; however, 64 per cent say they keep close track of their debt. Four-in-ten (38 per cent) are confident that they are managing their debt well and 19 per cent say they're just keeping their head above water.

"Despite a dip in economic confidence, many Ontarians are being proactive and focusing on financial matters that are within their control," said Laura Gaaney, regional president, Ontario South West, RBC. "An important part of anyone's overall financial wellbeing is debt management and an RBC advisor can help develop a plan to keep debt in balance and realize financial success."

Nearly three-in-ten (26 per cent) Ontario households are experiencing job anxiety, up four points from last quarter. Just 28 per cent believe the national economy has improved in the last three months, a dramatic decrease of 15 points. Looking ahead, the outlook remains gloomy with fewer than three in ten (27 per cent) believing it will improve in the next three months (down 10 points), and a minority (46 per cent, down 12 points from June) now think it will improve over the next year.

Other provincial highlights include:

- **Local Economy:** Only two-in-ten (20 per cent) believe their local economy has improved (down five points) in the last three months, while the same proportion (20 per cent, down six points) sees it improving in the next three months.
- **Personal Financial Situation:** Just four-in-ten (37 per cent) believe their own personal situation will improve in the next year (down five points from last quarter).

"The uncertainty of the U.S. economy and the rapid slowing of Ontario's housing market will hamper Ontario's economic growth in the last half of 2010," said Craig Wright, senior vice-president and chief economist, RBC. "However, Ontario's economy will settle down and post an average growth rate of 3.5 per cent in 2010, just slightly stronger than the national average of 3.3 per cent."

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.

### **For more information, please contact:**

Suzanne Willers, RBC Corporate Communications, (416) 974-2727  
Gillian McArdle, RBC Media Relations, (416) 974-5506