



CAUTION ABOUT THE B.C. ECONOMY TAKES ITS TOLL ON HOLIDAY SHOPPING, ACCORDING TO RBC CANADIAN CONSUMER OUTLOOK

Many British Columbians expect to spend less this year

TORONTO, December 1, 2009 — RBC today established a new monthly benchmark index – the most comprehensive consumer index in Canada – describing Canadian consumers' assessment of the economy and their personal financial situation. The inaugural *RBC Canadian Consumer Outlook* report found that British Columbians are most likely to think that their local economies are worse now than they were three months ago (46 per cent), compared to the national average (35 per cent).

Caution is expected to take its toll on holiday shopping, as many British Columbians (44 per cent) say they will spend less this year and an equal number say they will spend the same as last year. One in five respondents from B.C. (16 per cent) will not be buying gifts at all during the holiday season. On average, British Columbians expect to spend \$1,098 on holiday purchases, including gifts, decorations and entertaining, compared to the national average of \$1,218.

Looking forward to 2010, British Columbians are optimistic that the national economy will improve over the next year (64 per cent), but are more cautious when it comes to improvements in the national economy in the next three months (44 per cent). They are also cautiously optimistic about the prospects for their local economies over the next three months, with 32 per cent expecting it to improve, while 19 per cent expect it to worsen.

“Our new index shows that British Columbians, like many other Canadians, may be feeling unsure,” said Graham MacLachlan, regional president, British Columbia, RBC. “A financial plan, good budgeting and some contingency funds can definitely help one sleep better at night, and we’re here in the community to lend a hand with financial advice and solutions.

The report also measures Canadians' perception of current conditions compared to three months ago, as well as short term (three month) prospects for their personal finances, their job anxiety and a number of other factors. Provincial highlights include:

- **Job Anxiety:** Three in ten British Columbians (29 per cent) are experiencing job anxiety, tied with Ontario for second-highest in the country, behind only Alberta (36 per cent). Conversely, only 12 per cent of households from Manitoba and Saskatchewan expressed concern about losing their job or being laid off.
- **Personal Financial Situation (Overall):** British Columbians, along with respondents from Saskatchewan and Manitoba, are most likely to say their personal financial situation is worse than three months ago (43 per cent), compared to national average (39 per cent). However, British Columbians are also among the most optimistic (second only to Atlantic Canadians) for the next three months, with three in ten (32 per cent) expecting their personal financial situation to improve over that time period, compared to the national average (27 per cent). British Columbians are the least optimistic for their prospects over the next year, with only one in three (34 per cent) expecting improvement in their personal financial situation, compared to the national average (38 per cent).

“The Canadian economy is experiencing a fragile recovery and British Columbians have been noticeably shaken by the instability of the past year,” said Dawn Desjardins, assistant chief economist, RBC. “The good news is that we have likely turned the corner, and while the road may be bumpy for the next few months, British Columbians can look forward to taking centre-stage with the 2010 Olympic games.”

About The RBC Monthly Canadian Consumer Outlook Index

The RBC Monthly Canadian Consumer Outlook Index was established on December 1, 2009, based on the results of an online survey of 1,018 Canadians, ages 18 and over, conducted between November 9 and 16, 2009. 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 ± 3.1 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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