



## **SASKATCHEWAN'S ECONOMY SET TO REBOUND: RBC ECONOMICS**

### **Rising commodity prices and increased investment expected to lead the charge**

**TORONTO, March 11, 2010** — Saskatchewan's economy is set to grow 3.6 per cent in 2010 amidst improved capital investment, an expected increase in agricultural output and rising commodity prices, according to a new report by RBC Economics.

"The past year was challenging as economic activity in the province dropped three per cent due to falling commodity prices, particularly for potash, and a decline in grain production," said Craig Wright, senior vice-president and chief economist, RBC. "The outlook is much brighter this year, as growth prospects in both the U.S. and emerging economies will boost natural resource commodity prices, along with a recovery in capital spending."

A recently released Private and Public Investment Intentions survey showed an increase in capital spending of 5.5 per cent this year, led by a sharp increase in government stimulus spending and a more moderate rise in private sector investment. The overall increase represents the fastest gain among all of the Western Provinces.

"Growth will be fuelled by an expected strengthening in natural resource prices for potash, oil, natural gas and grains," added Wright. "This development should result in Saskatchewan achieving the highest economic growth rate among all provinces in 2011 at 4.6 per cent."

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](http://www.rbc.com/economics/market/pdf/provfcst.pdf).

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