



Canadian Confidence Index

a TNS Canada News Release

November 24, 2011



CANADIANS' CONSUMER CONFIDENCE HALTS DOWNWARD TREND BUT BUYERS STILL NOT IN HOLIDAY SPENDING MOOD: SURVEY

TORONTO, November 24, 2011 – After six months of continuous decline, Canadians' confidence in the economy ticked up very slightly, rising less than a point from 95.2 to 96.0.

"This is likely just a statistical blip; certainly not enough to say that the downward trend in confidence has ended." said Norman Baillie-David, Vice President of TNS Canada and director of the marketing and social research firm's monthly tracking study. *The good news is that at least this shows that the continuing uncertainty in Europe and the US is not doing any more major damage to confidence. In other words, this isn't perhaps the bad news about confidence that we may have been expecting, but it isn't a good news story, at least not yet."*

The *Present Situation Index*, which measures how people feel about the economy right now, rose 1.8 points, from 94.5 to 96.3. This indicates that despite continuing gloomy economic news and uncertain prospects, Canadians are looking around and saying to themselves: *"things maybe going crazy everywhere else, but my own situation right now is still not that bad."*

The *Expectations Index*, which measures people's outlook for the economy six months from now. This Index also rose by 1.5 points from 98.0 to 99.5. *"Continuing uncertainty is making Canadians...well...uncertain."* *There doesn't seem to be any consistent pattern, showing that Canadians really don't know what to make of their prospects six months down the road."* added Mr. Baillie-David.



The *Buy Index*, which measures the extent to which Canadians' feel that now is a good time to purchase a "big ticket item", such as a car or a major household appliance, bucked the trend of the other indices and falling from 93.4 to 92.1, and showing that Canadians can't make up their collective minds as to whether or not now is a good time to purchase. However, with the holiday season around the corner, this does not provide much optimism that consumers will spend in a big way.

The Biggest Holiday Spenders are the ones Cutting Back this Year

In November and December of every year, we add two questions to our consumer confidence survey regarding Canadians' spending intentions for the holiday season. This year, Canadians overall are planning to spend less than last year, continuing a downward trend which began in 2008. On average, Canadians say they are willing to spend \$776 dollars this year, compared to \$812 last year (2010), and \$866 in 2009. While most Canadians say they are likely to spend about the same as last year (59%), it is the proportion of Canadians who normally intend to spend the most (at \$2,000 or more) which has dropped most significantly, causing the average overall intended spend to fall. Last year 12% of Canadians fell into this group, and this has dropped to 9% (which is actually a 25% decrease in this number).

Consumer Confidence Index tracks Canadians' attitudes about the economy each month and is part of a global study conducted by TNS in 18 countries. Three indices are produced each month to show how confidence in the economy is changing: *Present Situation Index*, an *Expectations Index*, and a *Buy Index*. The Canadian fieldwork is conducted using the firm's national bi-weekly telephone omnibus service, TNS Express Telephone. A total of 1,015 nationally representative Canadian adults were interviewed between November 14 and November 18, 2011. For a survey sample of this size, the margin of sampling error is plus or minus 3.1 percentage points, 19 times out of 20.



Consumer Confidence Index



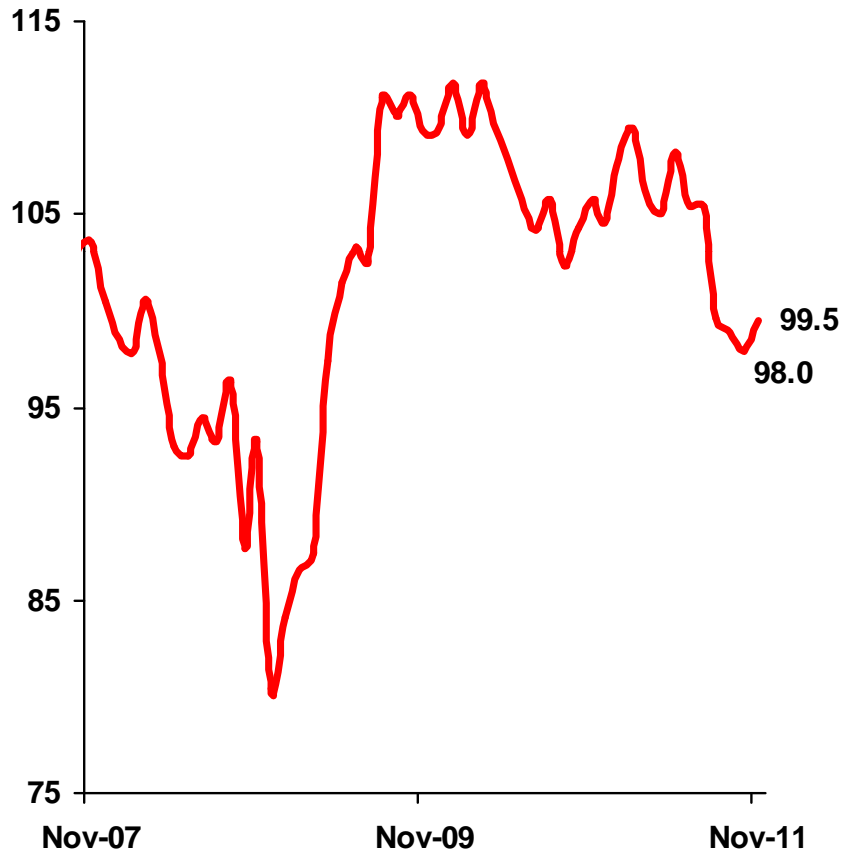
Present Situation Index



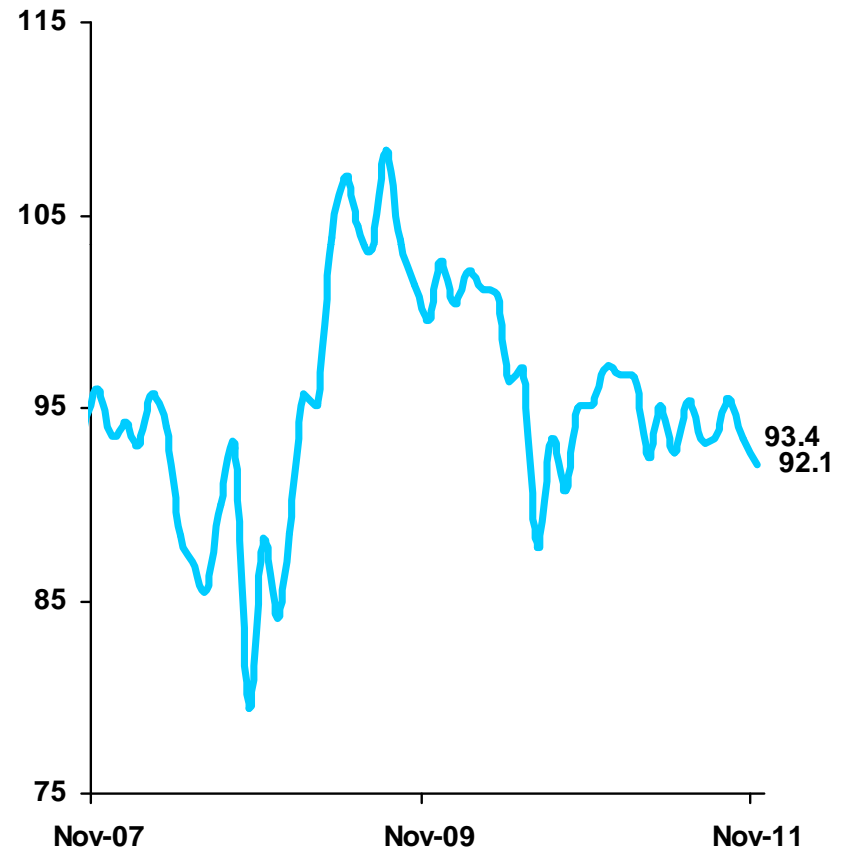
National

consumer confidence index

Expectations Index



Buy Index

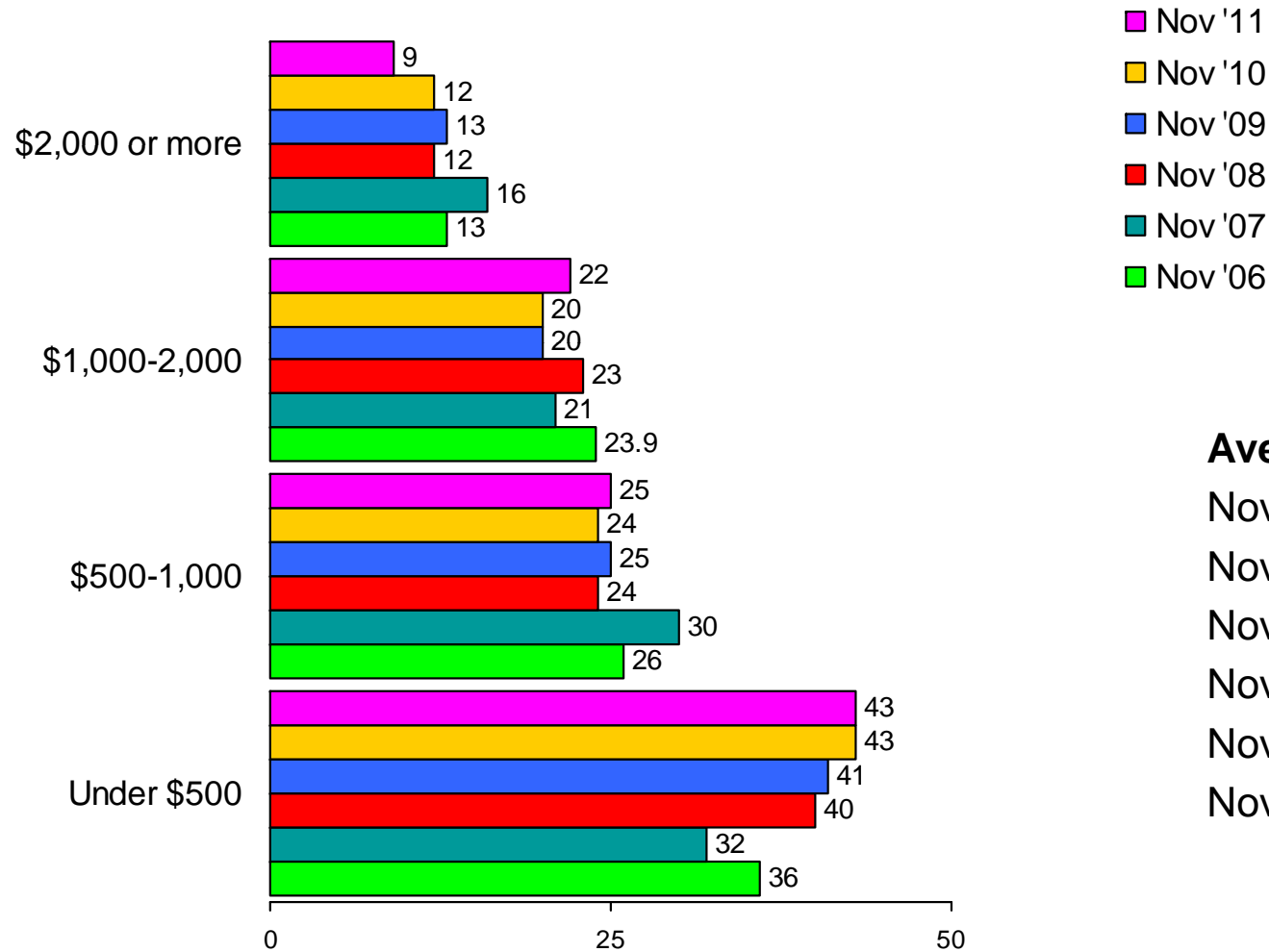


Holiday Shopping Results



Planned Holiday Spending

consumer confidence index



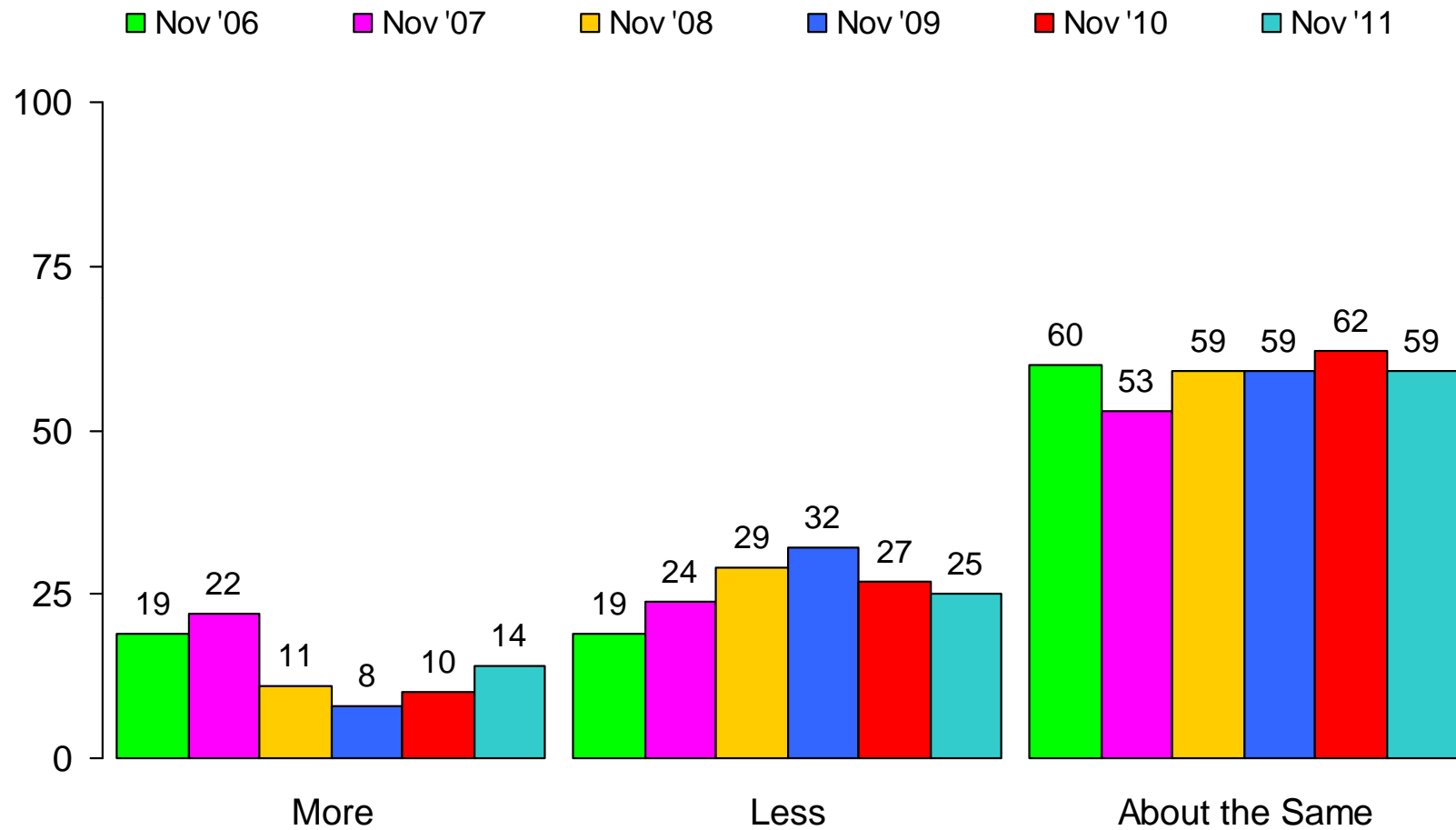
Average:
 November '11: \$776
 November '10: \$812
 November '09: \$866
 November '08: \$897
 November '07: \$986
 November '06: \$877

Q. Approximately how much will you spend on holiday gifts, decorations or other holiday items this season?

* Don't know = 1-2%

Holiday Spending Compared to Last Year

consumer confidence index



Q. Would you say that you are spending more, less or about the same on holiday items as you spent last year?

Don't know: 1%

About the CCI study



Seven questions make up the core survey of Consumer Confidence. While the overall CCI index uses all 7 questions to produce an index score, there are three sub-indices that rely on some of the questions.

CCI Index: Includes all 7 variables

Present Situation Index:

- How would you describe your country's current economic situation?
- How would you describe your country's current employment situation?

Expectations Index:

- What do you think will be your country's economic situation in the next 6 months?
- What do you think will be your country's employment situation in the next 6 months?
- What do you think your income will be in 6 months time?

Buy Index:

- Taking into consideration the cost of things today and the financial situation in general, to what extent would you say that now is a good or bad time to buy products such as: a house or apartment, a car, household appliances such as a washing machine, a refrigerator, a TV set etc.?

About Norman Baillie-David:

Norman (“Norm”) Baillie-David is Vice President, Director of Public Opinion Research, and Head of Qualitative Research and Strategy for TNS Canada. He also leads the TNS office in the National Capital Region, as well as sitting on the TNS Global Steering Committee for Political and Social Research.

Over his twenty-five year plus career, Norm has designed and managed more than 1,000 surveys in a wide-variety of areas, ranging from high-technology to consumer products, and Norman is a recognized “expert” in complex survey methodology design and multivariate statistical analysis. He is in frequent demand by the media and market research industry in Canada to speak on the comparisons and contrasts of public opinion in Quebec and the rest of Canada, and has published widely. In addition, Norm has conducted assignments in more than 40 different countries around the world, and has a keen interest in cross-cultural issues, especially related to public opinion, the economy, and the use of technology.

As a bilingual and bicultural Montrealer originally, Norman is one of those rare researchers who conducts research in a seamless and transparent manner among both English and French Canadians, with each group believing that he is “one of their own”. The result is a keen insider’s perspective on sentiments across the country among both English and French. Having conducted more than 1,200 surveys and many more focus groups, Norm is constantly abreast of what Canadian consumers across the country are thinking and feeling about their prospects.

Before joining TNS Canada, Norm was Managing Partner of an Ottawa-based public opinion research and management consulting firm (2001-2009). He spent most of his preceding career at a major management consulting firm, as well as three years with a well-known Quebec market research firm. He is a Certified Marketing Research Professional (CMRP), member of the Market Research Intelligence Association (MRIA), and he served as a President of the Ottawa Chapter from 2002 to 2004.

If you would like to add proprietary questions to the CCI study, obtain full tabular results, receive a historical time series for all the index scores, or if you have other inquiries about CCI, please contact:

For more information please contact:

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