

Bloomberg Nanos Canadian Confidence Index (BNCCI)

submitted by Nanos, June 20th, 2014 (Project 2013-284)

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Your weekly look
at Canada's
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Consumer confidence slides for third week, possible new negative trend on personal finances should be monitored (June 20th, 2014)

The Bloomberg Nanos Canadian Confidence Index has slid for the third week in succession

The BNCCI, a composite of a weekly measure of financial health and economic expectations, registered at 58.51 compared with last week's 58.69. The Bloomberg Nanos Pocketbook Index is based on survey responses to questions on personal finances and job security. This sub-index was at 58.86 this week compared to 59.27 the previous week. The Bloomberg Nanos Expectations Index, based on surveys for the outlook for the economy and real estate prices, was at 58.15 this week (compared to 58.11 last week).

The average for the BNCCI since 2008 has been 56.91, with a low of 43.28 in December 2008 and a high of 62.92 in December 2009. The index has averaged 58.64 this year.

"The slide in consumer confidence has largely been driven by a decline in positive sentiment in the pocket book sub-

index, primarily related to the state of personal finances, which is currently scraping a 12 month low and is also below the six year average," said Nanos Research Group Chairman Nik Nanos. "The decline in perceptions related to personal finances were somewhat offset by the views on job security."

"The recent rebound in retail spending most likely reflected the improvement in the national economic mood from a year ago. Looking forward, it would not be surprising to observe both a continuation of the recent decline in consumer sentiment and a downturn in retail spending due to rising headline and core inflation, this despite BOC Governor Poloz's insistence that the price rise is primarily due to temporary factors," said Joseph Brusuelas, Sr. Economist Bloomberg, LP.

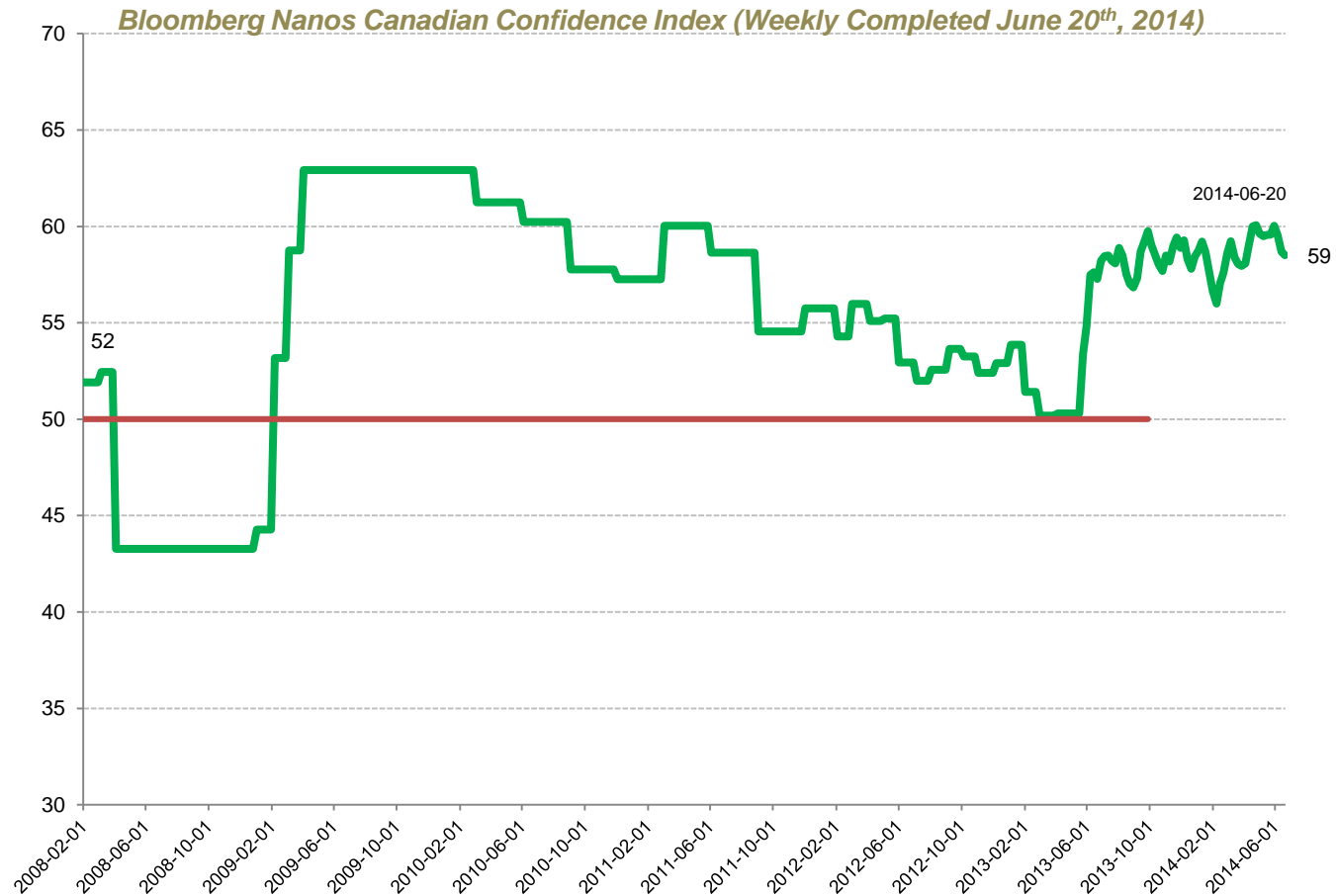
CANADA INDEX

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at Canada's
Economic Mood

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The BNCCI is a diffusion index comprised of the views of 1,000 Canadians. A score of 50 on the diffusion index indicates that positive and negative views are a wash while scores above or below 50 suggest net positive or net negative views in terms of the economic mood of Canadians. The data is based on perceptions related to personal finances, job security, economic strength, and real estate value.



CANADA INDEX

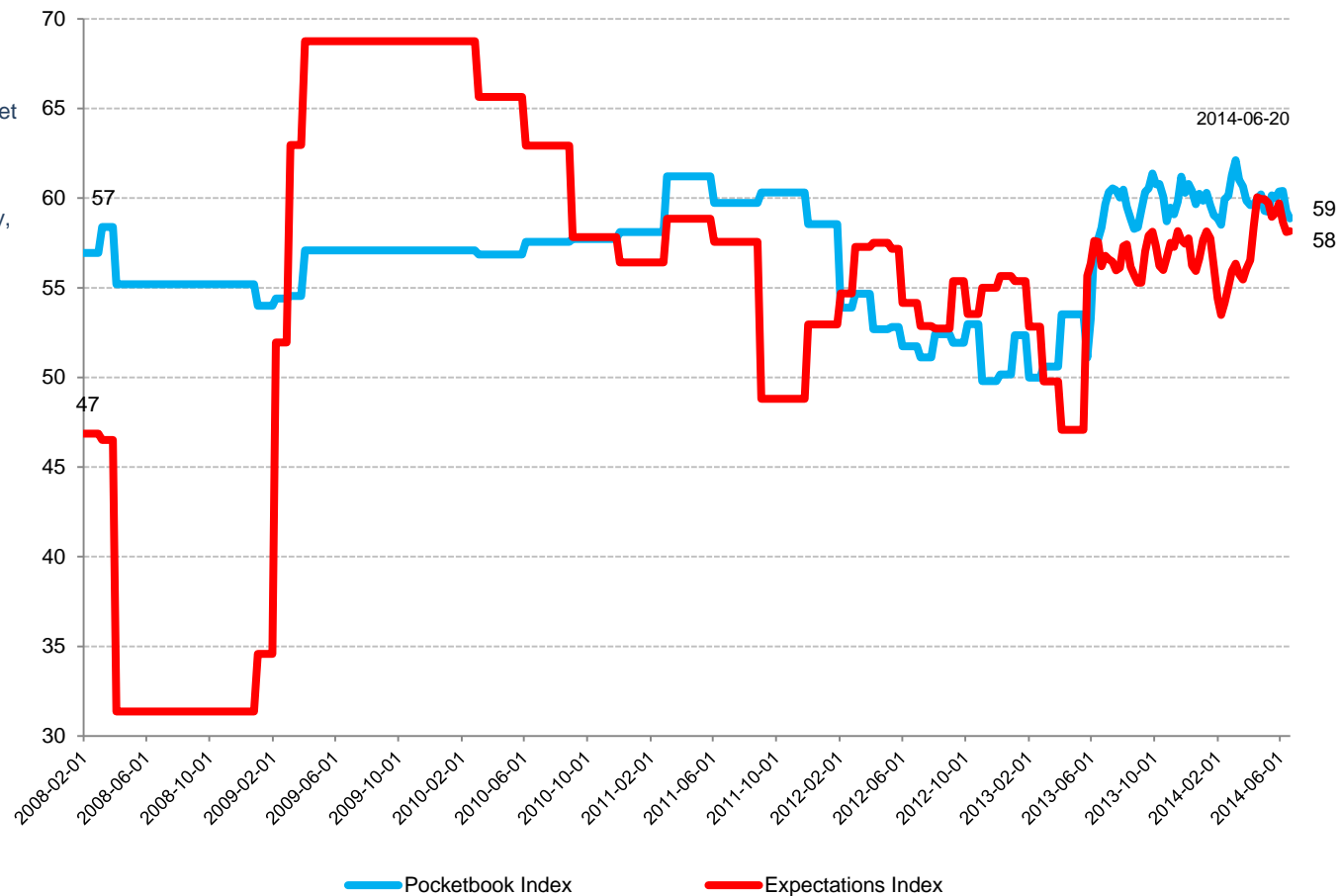
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at Canada's
Economic Mood

Bloomberg

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The BNCCI Pocketbook and Expectations Sub-Indices are comprised of the views of 1,000 Canadians. A score of 50 on the diffusion index indicates that positive and negative views are a wash while scores above or below 50 suggest net positive or net negative views in terms of the economic mood of Canadians. The data for the Pocketbook Index is based on perceptions related to personal finances and job security, and the data for the Expectations Index is based on perceptions related to economic strength and real estate value.

Bloomberg Nanos Canadian Pocketbook and Expectations Indices (Weekly Completed June 20th, 2014)



CANADA INDEX

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Canadian Consumer
Confidence Index
Data Summary for
June 20th, 2014*

| | BNCCI | | | | |
|-----------------------------|-------------------|------------------------|----------------------------|--------------------------|-------------------|
| This week | 58.51 | | | | |
| Last week | 58.69 | | | | |
| 2014 high | 60.07 | April 25 | | | |
| 2014 low | 56.00 | Feb 07 | | | |
| 2014 average | 58.64 | | | | |
| 2008 average | 49.21 | Worst full year | | | |
| 2010 average | 59.13 | Best full year | | | |
| Dec 31, 2008 | 43.28 | Record low | | | |
| Dec 31, 2009 | 62.92 | Record high | | | |
| Overall index average | 56.91 | | | | |
| Individual Measures: | | | | | |
| Positive ratings | This week | Last week | Average 2014 | Average 2008-2014 | |
| Personal finances | 16.97 | 17.46 | 19.75 | 19.43 | |
| Canadian economy | 21.07 | 21.53 | 21.52 | 22.92 | |
| Job security | 69.16 | 70.01 | 66.42 | 64.74 | |
| Real estate | 42.73 | 41.19 | 39.26 | 35.94 | |
| Full Ratings | Better off | Worse off | No change | Don't know | |
| Personal finances | 16.97 | 26.69 | 54.88 | 1.46 | |
| | Stronger | Weaker | No change | Don't know | |
| Canadian Economy | 21.07 | 19.02 | 53.62 | 6.29 | |
| | Secure | Somewhat secure | Somewhat not secure | Not secure | Don't know |
| Job security | 48.26 | 20.90 | 4.67 | 8.21 | 17.96 |
| | Increase | Stay the same | Decrease | Don't know | |
| Real estate | 42.73 | 41.98 | 12.17 | 3.12 | |

CANADA INDEX

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Economic Mood

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Canadian Consumer
Confidence Index
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| | | This Week | Last Week | 4 Weeks Ago | 3 Months Ago | 1 Year Ago (June) | 12 Month High | 12 Month Low | 12 Month Average |
|-------------------------------------|----------------------|-----------|-----------|-------------|--------------|-------------------|---------------|--------------|------------------|
| Canada | | | | | | | | | |
| | Economic Mood | 58.51 | 58.69 | 59.58 | 58.05 | 57.27 | 60.07 | 56.00 | 58.48 |
| | Pocketbook Index | 58.86 | 59.27 | 60.01 | 60.64 | 58.35 | 62.11 | 58.29 | 59.92 |
| | Expectations Index | 58.15 | 58.11 | 59.16 | 55.46 | 56.19 | 60.05 | 53.48 | 57.04 |
| | | | | | | | | | |
| Economic Mood by Demographic | | | | | | | | | |
| Region | | | | | | | | | |
| | Atlantic | 53.58 | 52.80 | 54.40 | 53.22 | 49.67 | 58.15 | 49.67 | 53.56 |
| | Quebec | 58.02 | 58.20 | 56.33 | 56.03 | 54.32 | 59.15 | 53.59 | 56.37 |
| | Ontario | 57.90 | 58.00 | 58.84 | 59.28 | 60.14 | 61.14 | 54.50 | 58.58 |
| | Prairies | 63.73 | 63.56 | 65.80 | 61.67 | 61.28 | 67.84 | 61.00 | 63.91 |
| | British Columbia | 56.87 | 58.34 | 61.59 | 57.31 | 56.29 | 62.71 | 53.90 | 57.82 |
| | | | | | | | | | |
| Age | | | | | | | | | |
| | 18 to 29 | 63.01 | 64.84 | 64.16 | 63.44 | 58.48 | 66.08 | 57.68 | 62.04 |
| | 30 to 39 | 56.73 | 55.22 | 61.79 | 60.79 | 64.49 | 67.32 | 55.22 | 60.79 |
| | 40 to 49 | 58.25 | 58.47 | 58.24 | 56.16 | 55.67 | 61.79 | 55.66 | 57.97 |
| | 50 to 59 | 58.07 | 57.96 | 57.32 | 54.39 | 54.56 | 58.93 | 51.93 | 56.05 |
| | 60 plus | 56.42 | 56.58 | 56.95 | 55.84 | 54.63 | 57.54 | 53.82 | 56.04 |
| | | | | | | | | | |
| Income | | | | | | | | | |
| | \$0 to \$14,999 | 47.34 | 50.91 | 50.30 | 54.56 | 48.88 | 57.19 | 40.92 | 48.64 |
| | \$15,000 to \$29,999 | 48.79 | 51.38 | 54.68 | 54.45 | 53.79 | 57.75 | 45.72 | 52.95 |
| | \$30,000 to \$44,999 | 54.17 | 53.53 | 56.12 | 51.50 | 56.83 | 59.23 | 51.24 | 55.27 |
| | \$45,000 to \$59,999 | 56.40 | 55.59 | 59.44 | 57.51 | 55.76 | 60.30 | 52.18 | 57.20 |
| | \$60,000 to \$74,999 | 59.07 | 60.24 | 62.43 | 57.69 | 57.10 | 63.21 | 52.92 | 59.23 |
| | \$75,000 or more | 63.43 | 63.38 | 62.52 | 62.56 | 62.89 | 64.68 | 60.41 | 62.64 |
| | | | | | | | | | |
| Home | | | | | | | | | |
| | Own | 58.55 | 58.78 | 59.61 | 57.31 | 58.11 | 60.12 | 56.62 | 58.52 |
| | Rent | 57.85 | 58.22 | 57.98 | 60.25 | 55.33 | 61.98 | 53.88 | 58.33 |

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About the Bloomberg Nanos Canadian Confidence Index

The Bloomberg Nanos Canadian Confidence Index (BNCCI) is a weekly measurement of the economic mood of Canadians on the strength of the economy, job security, real estate in their neighbourhood, and their personal financial situation. It is a composite of those variables and has two sub indices: a Bloomberg Nanos Expectations Sub-index on forward views; and, Bloomberg Nanos Pocketbook Index on their personal economic situation. The longitudinal data on the index begins in 2008 and is a significant data source for decision-makers.

For more information, visit www.bloomberg.com/news/canada or www.nanosresearch.com

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Methodology

Methodology

The BNCCI is produced by the Nanos Research Corporation, headquartered in Canada, which operates in Canada and the United States. The data is based on random telephone interviews with 1,000 Canadian consumers (land- and cell-lines), using a four week rolling average of 250 respondents each week, 18 years of age and over. The random sample of 1,000 respondents may be weighted using the latest census information for Canada. The interviews are compiled into a four week rolling average of 1,000 interviews where each week, the oldest group of 250 interviews is dropped and a new group of 250 interviews is added. The views of 1,000 respondents are compiled into a diffusion index from 0 to 100. A score of 50 on the diffusion index indicates that positive and negative views are a wash while scores above 50 suggest net positive views, while those below 50 suggest net negative views in terms of the economic mood of Canadians.

A random telephone survey of 1,000 consumers in Canada is accurate 3.1 percentage points, plus or minus, 19 times out of 20. This report is based on the four waves of tracking ending June 20th, 2014.

The following questions are used for the index calculations:

- Thinking of your personal finances, are you better off, worse off, or has there been no change over the past year? (Overall Confidence Index and Pocketbook Sub-Index)
- Would you describe your job, at this time, as secure, somewhat secure, somewhat not secure, or not at all secure? (Overall Confidence Index and Pocketbook Sub-Index)
- In the next six months, do you think the Canadian economy will become stronger, weaker, or will there be no change? (Overall Confidence Index and Expectations Sub-Index)
- In the next six months, do you believe that the value of real estate in your neighbourhood will increase, stay the same or decrease? (Overall Confidence Index and Expectations Sub-Index)

About Bloomberg

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About Nanos

Nanos is one of North America's most trusted research and strategy organizations. Our team of professionals is regularly called upon by senior executives to deliver superior intelligence and market advantage whether it be helping to chart a path forward, managing a reputation or brand risk or understanding the trends that drive success. Services range from traditional telephone surveys, through to elite in-depth interviews, online research and focus groups. Nanos clients range from Fortune 500 companies through to leading advocacy groups interested in understanding and shaping the public landscape. Whether it is understanding your brand or reputation, customer needs and satisfaction, engaging employees or testing new ads or products, Nanos provides insight you can trust.



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