

FOR IMMEDIATE RELEASE

## CONSUMER SENTIMENT IN LINE WITH ECONOMIC NEWS: SURVEY

### High Fuel Prices Yet To Dampen Enthusiasm

**TORONTO, June 27, 2007** – The June sounding of the TNS Canadian Facts *Consumer Confidence Index* shows that consumers continue to have an overwhelmingly positive outlook about the current state of the economy.

“The optimistic tone evident in consumer sentiment bodes well for the next quarter even as uncertainty continues about fuel prices, the impact of the dollar on exports and the possibility of rate hikes to combat inflation,” said Richard Jenkins, vice-president of TNS Canadian Facts and director of the marketing research firm’s monthly tracking study.

The *Present Situation Index*, which captures evaluations of the overall state of the economy and the employment situation, now stands at 117.5, a rise of 3.4 points from May. Almost two thirds (64%) think the economy is very or fairly good and 47 per cent think there are many or very many jobs available. While Quebec and Ontario continue to be less optimistic about the current economy than other regions, even in Canada’s two largest manufacturing provinces optimism reigns (52 and 62 per cent, respectively, think the economy is very or fairly good).

The *Expectations Index*, which measures consumers’ estimation of the economy, household income and employment six months from now, fell slightly to 100.4. This dip continues a three month decline in expectations. Just over one quarter (26%) think the economy will be better in six months compared with 17 per cent who expect it to be worse.

“Given the current situation is so good, it is probably not surprising that few think that it will get even better. That said, only a small percentage think it will get worse,” added Jenkins.

The *Buy Index*, which gauges the degree to which people think the current period is a good time to make major purchases, has fluctuated wildly across the half year. The index now sits at 95.1 which is up from 92.6 in May. More people continue to think this is a good time to buy (38%) than a poor time to buy (18%), but Canadians are clearly more conservative today than they were three years ago when lower interest rates were driving positive sentiments.

*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 June 4 and 9, 2007. The survey results are considered accurate to 3.1 percentage points, 19 times out of 20.

TNS Canadian Facts ([www.tns-cf.com](http://www.tns-cf.com)) is one of Canada's most prestigious full-service marketing, opinion and social research organizations.

### **About TNS**

TNS is a market information group:

- The world’s largest provider of custom research and analysis
- A leader in political and social polling
- A major supplier of consumer panel, media intelligence and TV and radio audience measurement services.

TNS operates across a global network in over 70 countries, allowing us to provide internationally consistent, up-to-the-minute and high quality information and analysis.

The group’s employees deliver innovative thinking and excellent service to local and multi-national clients worldwide. In the custom business, they combine in-depth sector knowledge with expertise in the areas of new product development, positioning and segmentation research, brand and advertising research and stakeholder management.

TNS' strategic goal is to be recognized as the global leader in delivering value added information and insights that help our clients to make more effective decisions.

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**Media Contacts:**

**Richard W. Jenkins**

Vice President, Corporate Director, Public Opinion Research

Tel: (613) 230-4408 x101

e-mail: richard.jenkins@tns-global.com

**David Stark**

Vice President, Public Affairs

Tel: (416) 924-5751 x238

e-mail: david.stark@tns-global.com