

FOR IMMEDIATE RELEASE

**CONFIDENCE RECEDES FROM NOVEMBER HIGH: SURVEY**

**Consumers remain upbeat and expect to spend \$961 on holiday purchases**

**TORONTO, December 20, 2007** – With only a few days left to conduct their holiday shopping, Canadians are slightly less enthusiastic about the state of the economy than they were a month ago, suggest the December findings from TNS Canadian Facts' *Consumer Confidence Index*.

"The long term outlook continues to be good as the overall index continues its positive trend," 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 118.9. This represents a decline from 122.8 recorded last month. Although consumers retreated from the three-year high the index reached in November, the overall trend for 2007 has been one of economic strength.

The *Expectations Index*, which measures consumers' estimation of the economy, household income and employment in six months, also declined. The December index value is 100.4 compared to 103.6 in November. Those who think the economy will improve, however, continue to outnumber those who believe that it will get worse (27% are optimistic versus 23% who are pessimistic).

The *Buy Index*, which gauges the degree to which people think the current period is a good time to make major purchases, continues to exhibit the volatility it has shown over the past two years. The index now sits at 93.5, down from 96.0 in November. At present, 39 per cent think it is a good time to make major purchases.

The survey found that Canadians plan to spend \$961 on holiday gifts, decorations or other holiday items this season. While this is marginally lower than their estimated holiday spending recorded last month (\$986), it is down 10 per cent from the December 2006 reading (\$1,056).

“The Canadian dollar has lost some of its lustre since reaching record highs in mid-November, but it still has much more purchasing power than it did one year ago. Despite a modest dampening in consumer sentiment, Canadians remain upbeat and their enthusiasm promises to make retailers pleased this holiday season,” added Jenkins.

*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 December 10 and 13. 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.

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Our 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.

As industry thought leaders, our people deliver innovative thinking and excellent service to global organizations and local clients worldwide. We work in partnership with our clients, meeting their needs for high-quality information, analysis and foresight across our network of over 70 countries.

We are the world's foremost provider of custom research and analysis, combining in-depth industry sector understanding with world-class expertise in the areas of Retail and Shopper Insights, Stakeholder Management, New Product Development, and Brand and Communications. We are a major supplier of consumer panel, media intelligence and internet, TV and radio audience measurement services.

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