

FOR IMMEDIATE RELEASE

## **CANADIANS START YEAR IN DOWNWARD FUNK: SURVEY**

### **Recessionary talk in U.S. driving confidence down**

**TORONTO, January 24, 2008** – Canadians are much less enthusiastic about the state of the economy than they were several months ago, suggest the January findings from TNS Canadian Facts' *Consumer Confidence Index*.

“In the face of recessionary talk in the U.S. and across the board stock market losses, Canadians have become naturally more cautious,” 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 114.7 (down from 118.9 in December). After a positive trend throughout 2007, with confidence peaking in November, the January 2008 retreat brings the Present Situation Index back to its May 2007 range.

The decline in consumer confidence is most apparent when one considers expectations about the future. The *Expectations Index*, which measures consumers’ estimation of the economy, household income and employment in six months, also declined for the second consecutive month. The January index value is 98.5 compared to 100.4 in December. Not since the fall of 2005 has the *Expectations Index* been this low.

The *Buy Index*, which gauges the degree to which people think the current period is a good time to make major purchases, is the only measure that has not declined. The index now sits at 94.3 (and is up slightly from 93.5 recorded last month).

“Although consumer confidence in Canada is still high and may have been overstated last fall, it is too early to speculate how consumers will react to a continued barrage of negative economic news emanating from the U.S., especially if Canadian bad news stories also appear,” 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 January 13 and 17, 2008. For a survey sample this size, the margin of sampling error is plus or minus 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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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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