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Canadian Confidence Index

a TNS Canadian Facts News Release



Confidence Holding Steady After Major Decline In May

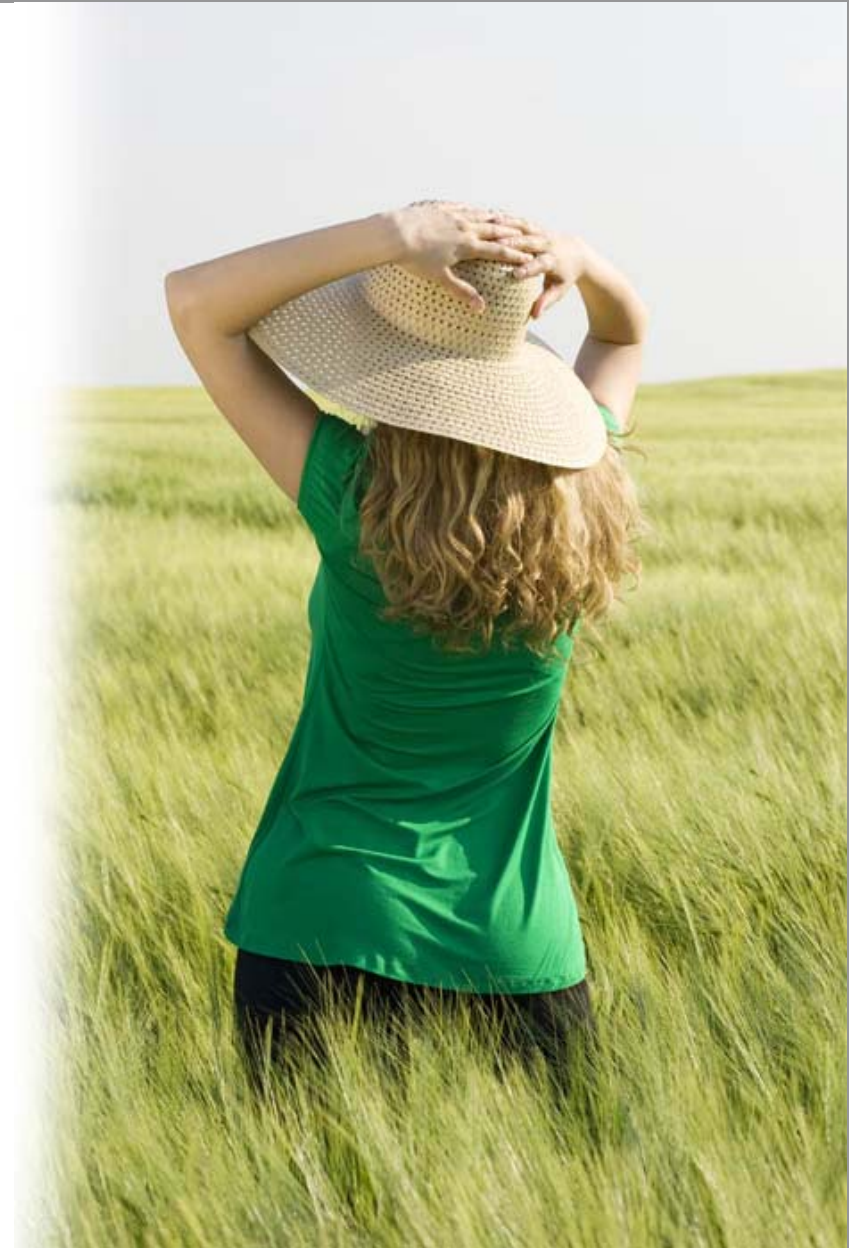
After months of consumer resilience in the face of mixed domestic news about the economy, the May findings from TNS Canadian Facts' *Consumer Confidence Index* showed a dramatic decline in confidence here in Canada. The June values affirm that this is a real decline while not suggesting further erosion of confidence. The *Consumer Confidence Index*, which captures all the variables, now stands at 97.8 (slightly down from 98.1 in May).

The *Present Situation Index*, which captures evaluations of the overall state of the economy and the employment situation, stands at 110.1 (up slightly from 109 in May).

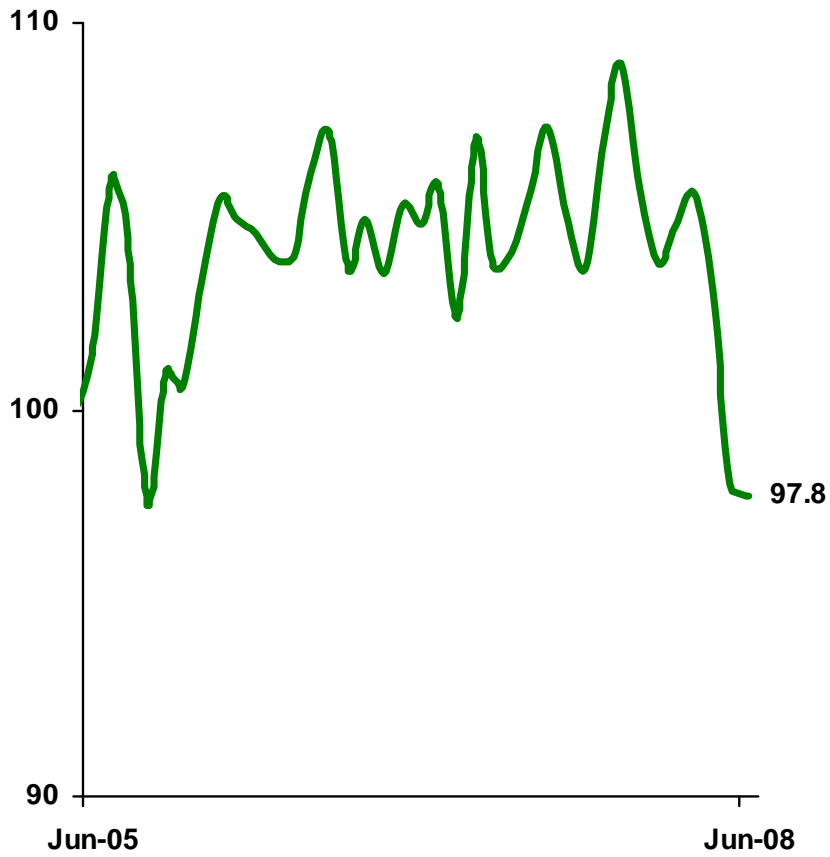
The *Expectations Index*, which measures consumers' estimation of the economy, household income and employment in six months, was also almost unchanged. The June index value is 92.4 (down from 92.9 in May).

The *Buy Index*, which gauges the degree to which people think the current period is a good time to make major purchases, also dropped slightly. The index now sits at 86.8 (down from 88.3 last month).

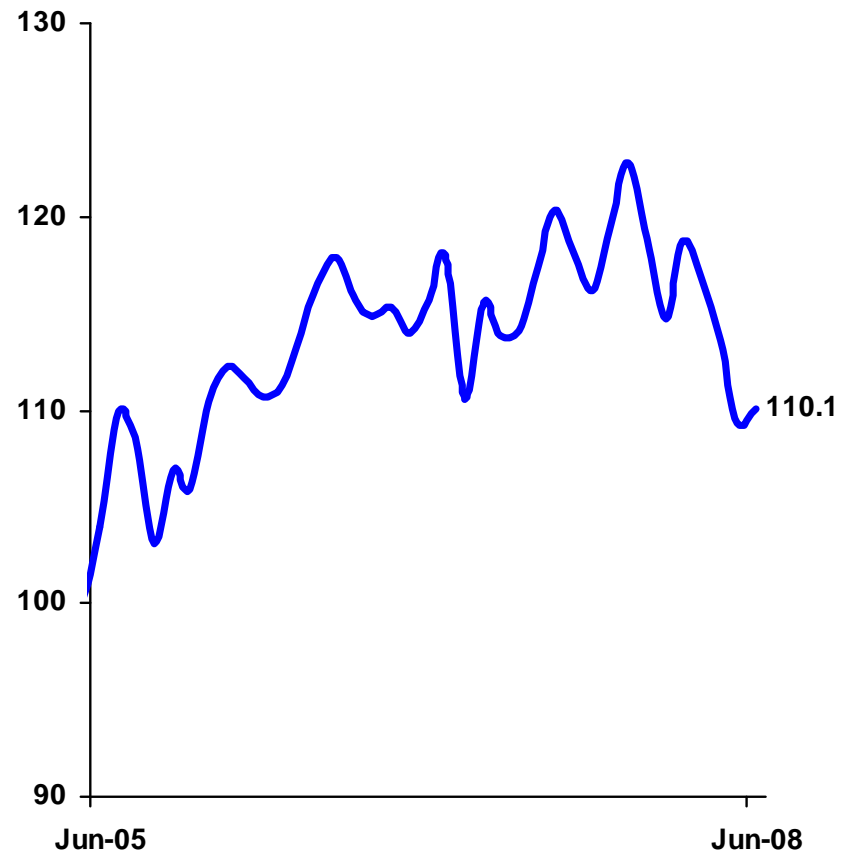
The dramatic decline in confidence that occurred between April and May is troubling given the importance of strong domestic consumer spending for the overall health of our economy. It is interesting that the decline did not continue in June. That said, a dramatically different landscape is apparent by region. Residents of Central Canada are the most negative about the current and future state of the economy, while Albertans, not surprisingly, are the most positive.



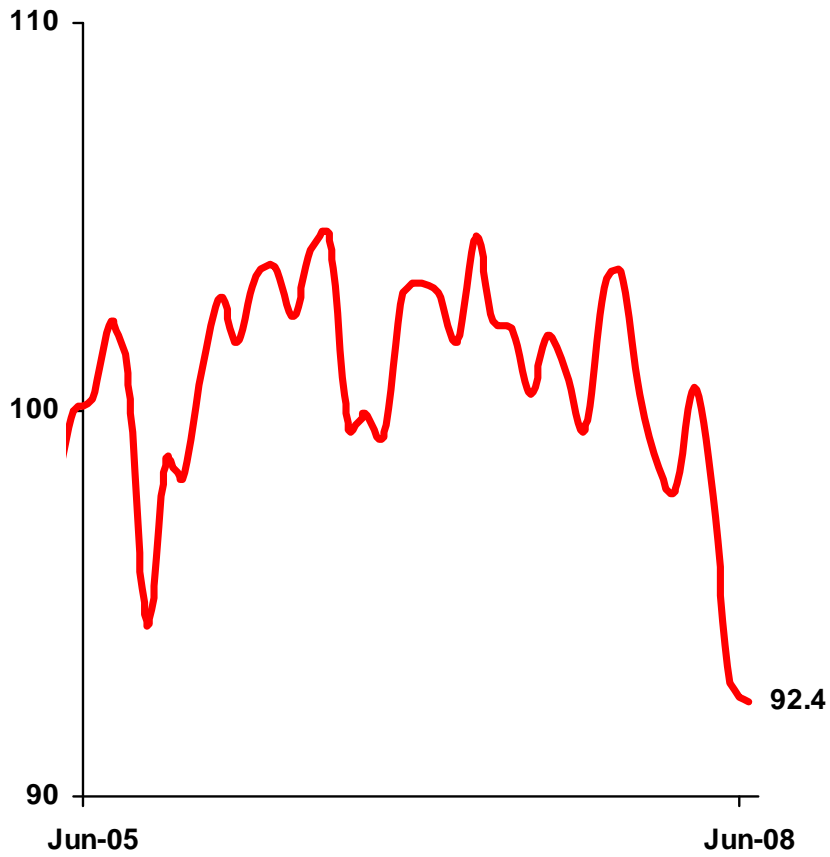
Consumer Confidence Index



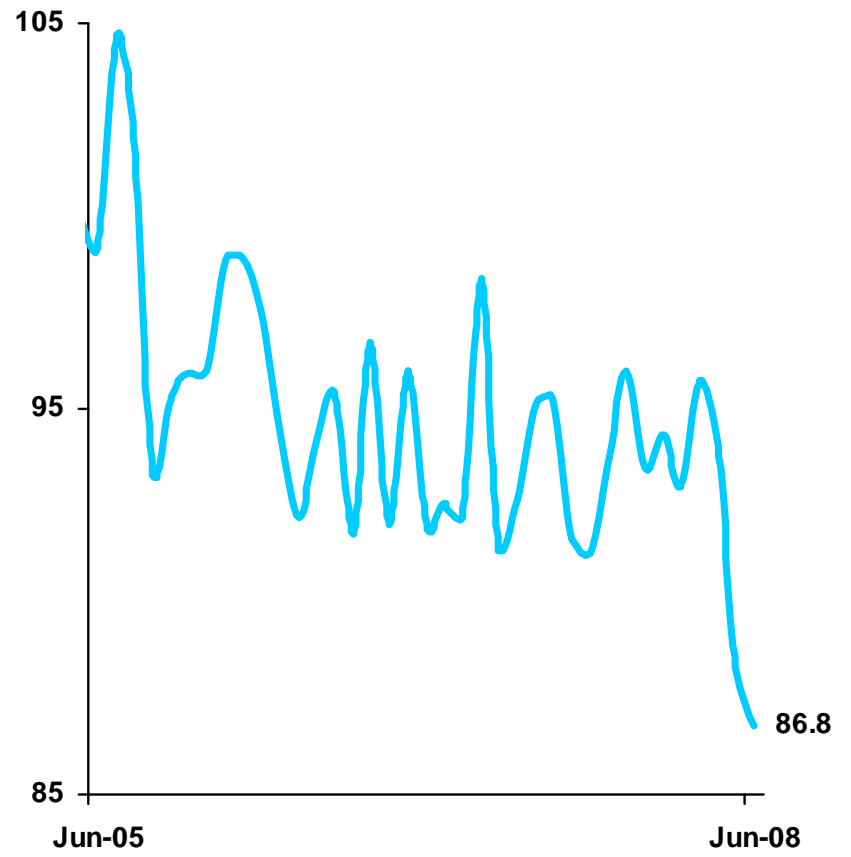
Present Situation Index



Expectations Index



Buy Index



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 6 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 Dr. Richard Jenkins:

An accomplished researcher, Dr. Jenkins is responsible for TNS Canadian Facts' public sector research. This includes traditional public opinion and market research as well as all research conducted by the Social and Policy Research Group at TNS. He is also the primary spokesperson for TNS Canadian Facts for news interviews and analysis of recent trends in public opinion and market behaviour.

Dr. Jenkins has more than nine years of experience, derived from both academic and private sector experience, as a researcher of public opinion and public policy. He has published articles in a number of respected peer-reviewed journals, including the Canadian Journal of Political Science, and chapters in a number of edited books, including the State of the Federation (2001) and the Review of Economic Performance and Social Progress (2002) and continues to contribute to our collective understanding of politics through his recent publications on turnout and attitudes about democracy.

Dr. Jenkins holds an Honours and Masters degree in Political Studies from Queen's University and a Doctoral Degree in Political Science from the University of British Columbia. His academic training focused on public opinion (including both methodological and substantive issues), public policy and Canadian politics. Before joining TNS Canadian Facts, Dr. Jenkins spent two years at EKOS Research Associates and two years as an Assistant Professor in Political Studies at Queen's University, where he taught Canadian politics, democracy and election, and statistics. He is a member of MRIA and a number of professional associations devoted to the study of public opinion and politics.

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