

# Bloomberg Nanos Canadian Confidence Index (BNCCI)

submitted by Nanos, October 18<sup>th</sup>, 2013 (Project 2013-284)

## CANADA INDEX

Your weekly look  
at Canada's  
Economic Mood

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## *BNCCI Analysis (October 18<sup>th</sup>, 2013)*

After some positive movement in the late summer and early fall, Canadian consumer sentiment has slid for the third consecutive week according to the Bloomberg Nanos Canadian Confidence Index.

The BNCCI, a composite of a weekly measure of financial health and economic expectations, registered at 58.03 compared with last week's 58.50. The Bloomberg Nanos Pocketbook Index which is based on survey responses to questions on personal finances and job security. This sub-index was at 60.08 this week compared to 60.79 the previous week. The Bloomberg Nanos Expectations Index, based on surveys for the outlook for the economy and real estate prices, was marginally down to 55.98 this week (compared to 56.22 last week).

Current perceptions related to the perceived future strength of the economy (19.86 positive) are numerically below average for 2013 (21.13 positive) and also below the 2008-2013 overall average (23.83 positive).

The average for the BNCCI since 2008 has been 54.71, with a low of 43.28 in December 2008 and a high of 62.92 in

December 2009. The index has averaged 56.81 this year.

"After weeks of uncertain economic news, now with the US debt ceiling impasse ended and Prime Minister Stephen Harper's focus on a trade deal with Europe, we may see an abatement of the three week slide in Canadian consumer confidence which has occurred" said Nanos Research Group Chairman Nik Nanos.

The loss of confidence in the U.S. economic situation has apparently spilled over into Canadian households and businesses. The recently released Bank of Canada Business Outlook Survey suggests that the business sector is reporting slowing or negative sales growth and a concern for domestic demand going forward. Business intentions for hiring are also declining (although shortages of skilled labor are noteworthy), which will be problematic for households going forward" said Joseph Bruseulas, senior economist at Bloomberg LP.

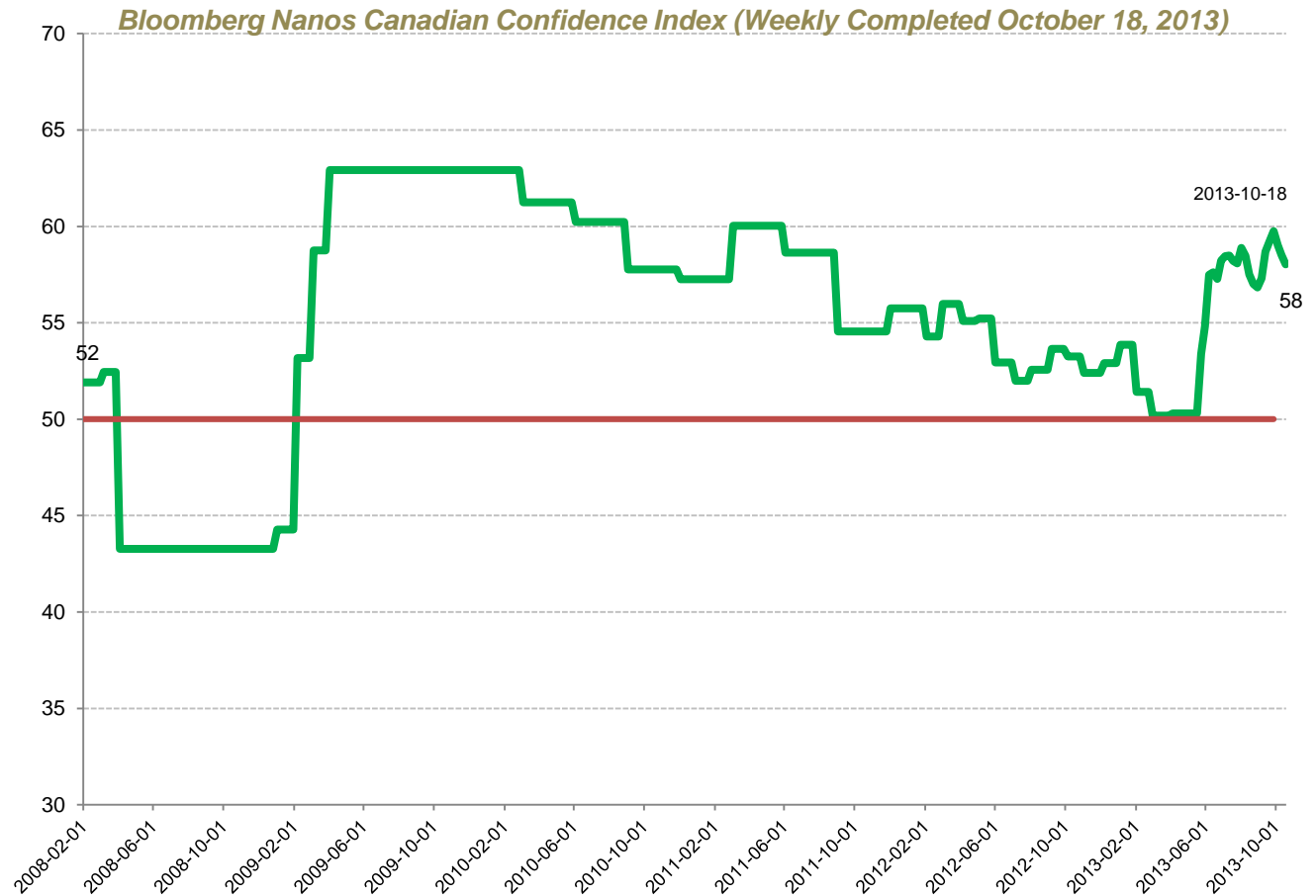
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The BNCCI is a diffusion index comprised of the views of 1,000 Canadians. A score of 50 on the diffusion index indicates that positive and negative views are a wash while scores above or below 50 suggest net positive or net negative views in terms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



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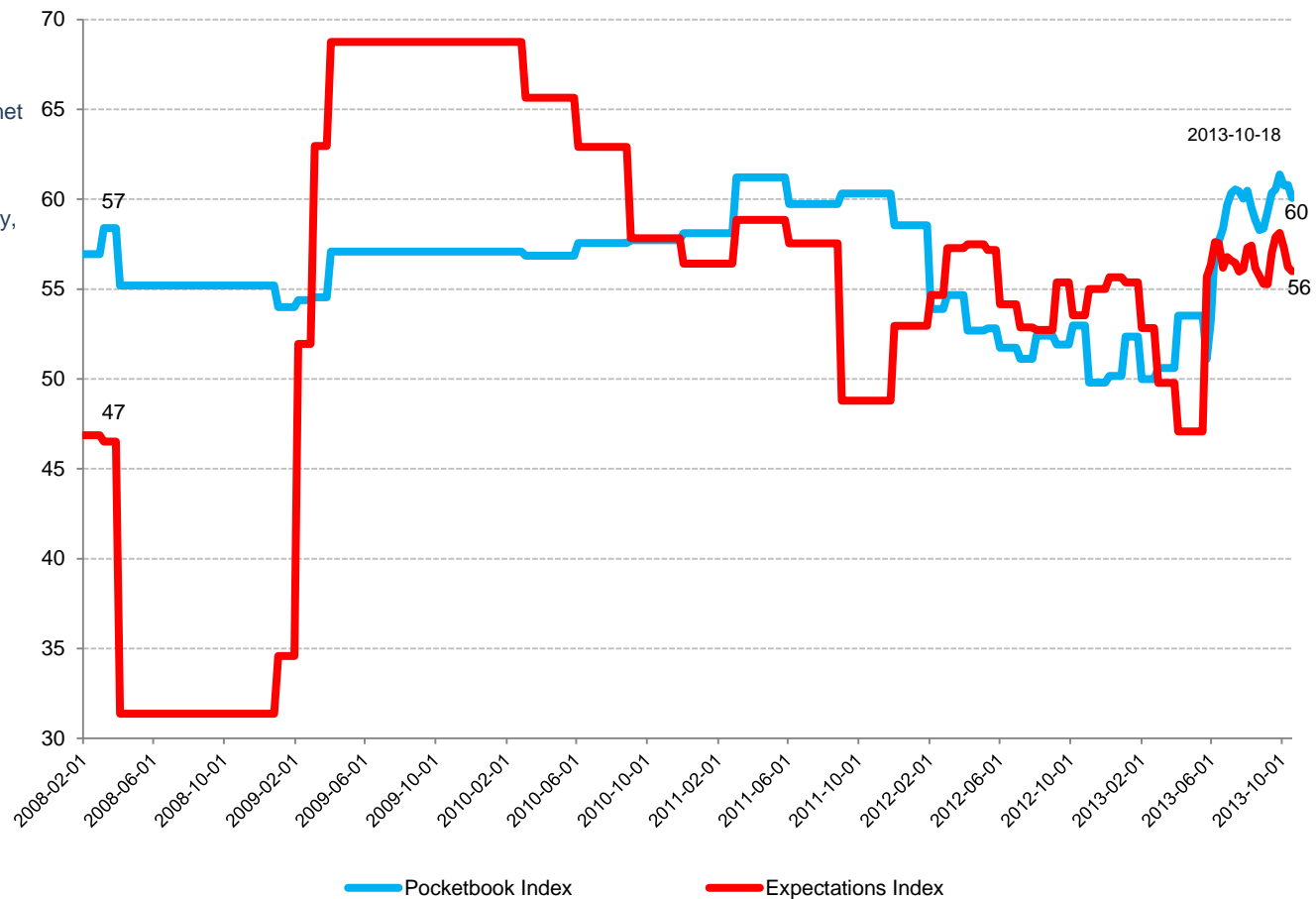
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The BNCCI Pocketbook and Expectations Sub-Indices are comprised of the views of 1,000 Canadians. A score of 50 on the diffusion index indicates that positive and negative views are a wash while scores above or below 50 suggest net positive or net negative 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 October 18, 2013)*





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*Bloomberg Nanos  
Canadian Consumer  
Confidence Index  
Data Summary for  
Oct-18, 2013*

	<b>BNCCI</b>	
This week	58.03	
Last week	58.50	
2013 high	59.75	Sep-27
2013 low	50.19	Mar-31
2013 average	56.81	
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	54.71	

**Individual Measures:**

	<b>Positive ratings</b>	<b>This week</b>	<b>Last week</b>	<b>Average 2013</b>	<b>Average 2008-2013</b>	
Personal finances		21.51	21.57	19.66	19.16	
Canadian economy		20.10	19.86	21.09	23.76	
Job security		66.59	68.39	63.37	63.69	
Real estate		37.45	36.83	34.73	33.95	
	<b>Full Ratings</b>	<b>Better off</b>	<b>Worse off</b>	<b>No change</b>	<b>Don't know</b>	
Personal finances		21.51	25.05	52.65	0.80	
		<b>Stronger</b>	<b>Weaker</b>	<b>No change</b>	<b>Don't know</b>	
Canadian Economy		20.10	21.53	53.02	5.35	
		<b>Secure</b>	<b>Somewhat secure</b>	<b>Somewhat not secure</b>	<b>Not secure</b>	<b>Don't know</b>
Job security		46.83	19.76	5.21	7.54	20.67
		<b>Increase</b>	<b>Stay the same</b>	<b>Decrease</b>	<b>Don't know</b>	
Real estate		37.45	47.95	12.09	2.52	

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		This Week	Last Week	4 Weeks Ago	3 Months Ago	1 Year Ago (Oct)	12 Month High	12 Month Low	12 Month Average
<b>Bloomberg Nanos Canadian Consumer Confidence Index Data Summary for Oct-18, 2013</b>	<b>Canada</b>								
	Economic Mood	58.03	58.50	59.23	58.21	53.25	59.75	50.19	56.40
	Pocketbook Index	60.08	60.79	60.55	60.44	52.97	61.37	49.80	57.14
	Expectations Index	55.98	56.22	57.91	55.97	53.54	58.13	47.07	55.67
	<b>Economic Mood by Demographic</b>								
	<b>Region</b>								
	Atlantic	52.51	52.62	54.86	55.62	51.55	58.15	45.65	52.85
	Quebec	56.63	56.70	57.02	56.13	50.86	57.02	47.60	54.53
	Ontario	57.72	58.61	57.80	57.45	54.87	60.45	48.76	56.57
	Prairies	63.33	64.83	66.55	63.20	59.22	67.42	52.74	61.16
British Columbia	57.59	56.79	58.83	58.00	50.06	59.81	45.86	55.20	
<b>Age</b>									
18 to 29	60.11	62.54	64.88	60.30	59.10	66.04	51.32	59.96	
30 to 39	59.57	60.73	60.55	61.28	54.57	67.32	53.18	59.60	
40 to 49	57.47	57.51	57.93	59.22	50.65	59.36	46.60	55.53	
50 to 59	57.00	55.61	56.28	55.83	51.59	58.34	47.11	53.96	
60 plus	56.41	56.48	56.76	55.11	52.42	56.76	46.81	53.65	
<b>Income</b>									
\$0 to \$14,999	48.23	48.14	45.66	52.89	43.75	54.03	41.86	48.31	
\$15,000 to \$29,999	54.07	54.63	53.38	50.86	49.05	56.15	40.76	51.07	
\$30,000 to \$44,999	53.69	54.54	57.92	56.97	49.32	59.23	44.78	54.65	
\$45,000 to \$59,999	58.05	59.44	55.57	59.30	53.77	60.30	48.65	55.25	
\$60,000 to \$74,999	55.71	56.79	61.01	53.13	57.39	61.68	51.50	56.48	
\$75,000 or more	62.08	62.79	63.18	61.89	59.24	64.68	53.49	60.82	
<b>Home</b>									
Own	58.01	58.38	59.33	58.07	56.01	59.90	50.82	56.90	
Rent	57.95	59.12	59.17	58.74	49.73	59.90	46.92	55.63	

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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](http://www.bloomberg.com/news/canada) or [www.nanosresearch.com](http://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 October 18<sup>th</sup>, 2013.

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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