ECONOMIC CONFIDENCE REMAINS HIGH DESPITE REPORTS OF ECONOMIC WOE

Expectations About Interest Rates, Home Purchase Intentions, Job Security, and Personal Economic Forecasting Fuel Continued Robust Consumer Economic Confidence

Three-Quarters (73%) Say Overall State of Canadian Economy is "Good," One-Third (32%) Think it will Improve

Ipsos-Reid Canadian Economic Confidence Index Jumps Another 3 Points to Highest Level of 116.88 Since August 2002

Ipsos Reid
Canadian Monthly
Economic Confidence
Indicator

Public Release Date: August 4, 2003 – 6:00 a.m. (EDT)

Ipsos-Reid is Canada's leading marketing research and public affairs company, both in size and reputation. It operates in seven cities and employs more than 300 researchers and support staff in Canada. Ipsos-Reid has the biggest network of telephone call centres, as well as the largest prerecruited household and online panels in Canada. Its Canadian marketing research and public affairs practices are staffed with seasoned research consultants with extensive industry-specific backgrounds offering the premier suite of research vehicles in Canada, including the Ipsos Trend Report, the leading source of public opinion in the country. Ipsos-Reid is a member of the Ipsos Group, the second largest survey-based marketing research company in the world. Visit www.ipsos-reid.com

For copies of other news releases, please visit
http://www.ipsos-reid.com/media/content/PRE_REL.cfm

Washington* ı *New York* ı *Minneapolis* ı *San Francisco
Vancouver* ı *Edmonton* ı *Calgary* ı *Winnipeg* ı *Toronto* ı *Ottawa* ı *Montreal

ECONOMIC CONFIDENCE REMAINS HIGH DESPITE REPORTS OF ECONOMIC WOE

Expectations About Interest Rates, Home Purchase Intentions, Job Security, and Personal Economic Forecasting Fuel Continued Robust Consumer Economic Confidence

Three-Quarters (73%) Say Overall State of Canadian Economy is "Good," One-Third (32%) Think it will Improve

Ipsos-Reid Canadian Economic Confidence Index Jumps Another 3 Points to Highest Level of 116.88 Since August 2002

Toronto, ON–Despite media and economic reports that suggest Canadians should be bracing for potential economic woe, Canadian confidence in the economy remains extremely high. The Monitor, which was conducted in July 2003, indicates that three-quarters (73%) of Canadians to believe the current Canadian economy to be good (68% "good," 5% "very good"), and one-third (32%) continue to think the economy will improve over the next year or so.

The Ipsos-Reid Canadian Economic Confidence Index (116.88), provided exclusively to the Report on Business Section of the Globe and Mail, reveals that positive expectations of interest rate drops, positive home purchase intentions, low job anxiety, and optimistic personal economic forecasting are fuelling economic confidence in this regard.

Four in ten (39%) Canadians continue to think interest rates will go up in the next six months—the lowest percentage since tracking began in August 2002. Another four in ten (40%) continue to think rates will remain unchanged and one in five Canadians (18%) believes interest rates will go down in the next six months—this proportion is virtually identical to June's findings (20%) which is the highest percentage since tracking began in August 2002.

One in ten (12%) Canadians indicate a likelihood that they will purchase a new or another home at this time—6% are "very likely" while 6% are "somewhat likely."

A mere one in five (20%) Canadians are worried about either themselves or someone in their household losing their job—this proportion is identical to June's findings. Record low levels of job anxiety were witnessed in February (16%), March (18%), and April (16%), while during the recession (1993) job anxiety reached 35%.

The percentage of Canadians who feel their own economic situation will improve (38%) has nominally increased since our last sounding in June (35%). Half (50%) continue to think their personal economic situation will remain the same, and one in ten (12%)continue think it will get worse.

If there is any drag on the index elements it is in the areas of big-ticket and day-to-day spending attitudes which continue to drag.

These are the findings of an Ipsos-Reid poll conducted between July 22nd and July 24th, 2003. The poll is based on a randomly selected sample of 1060 adult Canadians. With a sample of this size, the results are considered accurate to within ± 3.1 percentage points, 19 times out of 20, of what they would have been had the entire adult Canadian population been polled. The margin of error will be larger within regions and for other sub-groupings of the survey population. These data were statistically weighted to ensure the sample's regional and age/sex composition reflects that of the actual Canadian population according to the 2001 Census data.

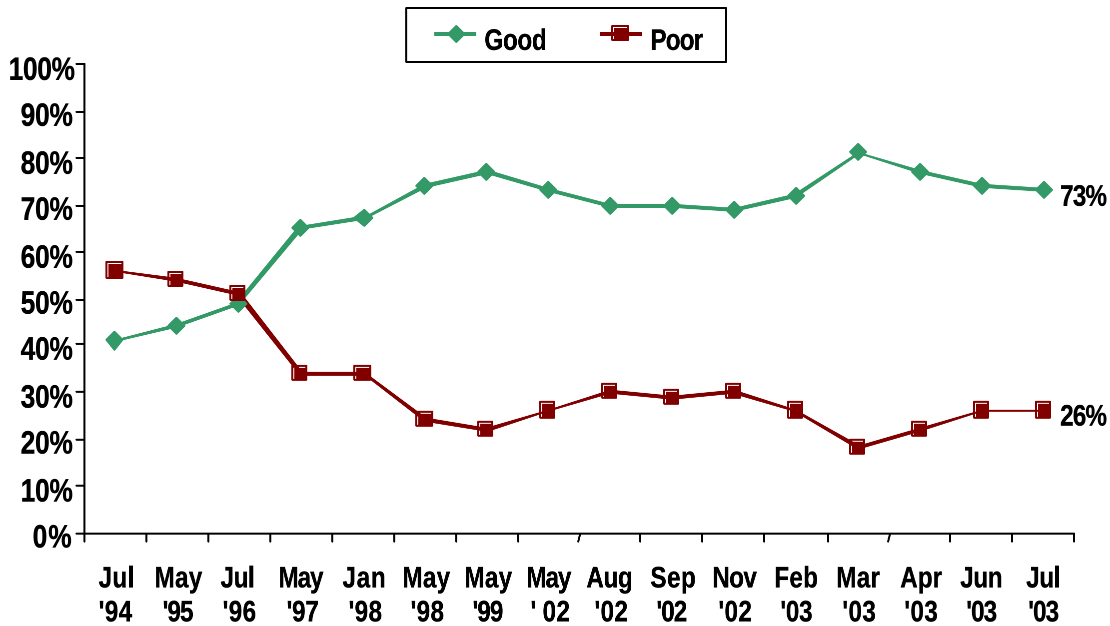
Three-Quarters (73%) Continue to Say Overall State of Canadian Economy is "Good"

Three-quarters (73%) of Canadians describe the current economy as "good" (68% "good," 5% "very good"). This proportion is virtually identical to last month's findings (74%). As a historical measure, March 2003 and January 2001 (81%) witnessed the greatest proportions to describe the economy as "good."

- Residents of Quebec (80%) and Ontario (76%) are the most inclined to describe the current economy as good, followed by residents of Alberta (71%), Saskatchewan/Manitoba (71%), Atlantic Canada (66%), and finally while British Columbia (59%).

- Young adults (81%), men (78%), individuals with some post secondary education or a university degree (76%), and Canadians with an annual household income of $60,000 or more (81%) are most apt to describe the current economy as good.

Overall State of the Canadian Economy



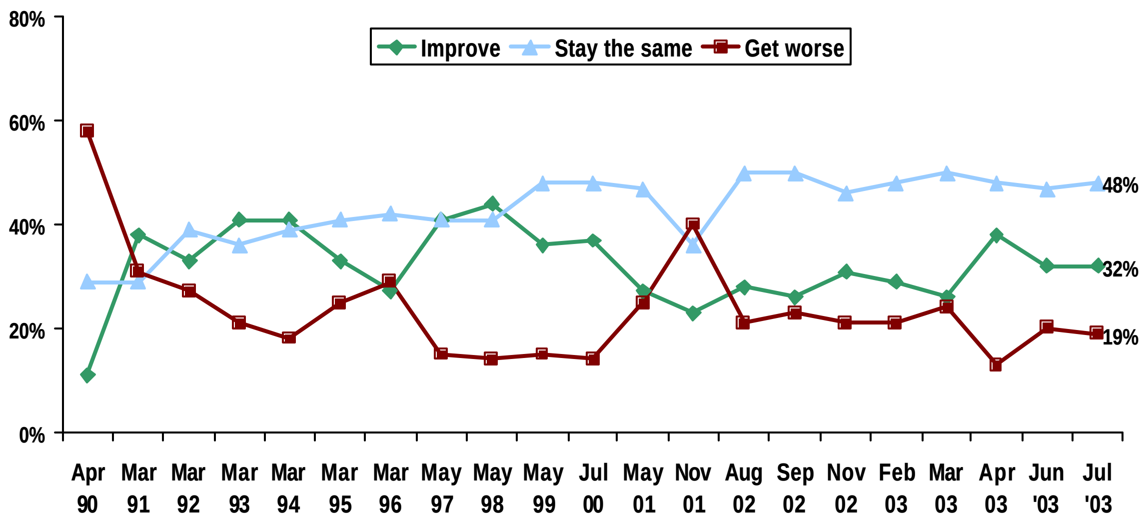
Canadian Economic Forecasting Remains Stable Since June—One in Three (32%) Think Economy will Improve, One in Five (19%) Think it will Get Worse

The one year forecast for the Canadian economy shows half (48%) of Canadians continue to think the economy will stay the same, 32% think it will improve, and 19% think it will get worse—the net score (percentage who feel it will improve minus the percentage who feel it will get worse) is +13. These proportions remain virtually unchanged from June.

- Today, Ontarians (38%) are the most likely to believe the Canadian economy will improve in the year to come, followed by residents of Alberta (34%), residents of British Columbia (31%), Atlantic Canada (28%), Saskatchewan / Manitoba (26%), and finally Quebec (25%).

- Young and older adults (35%) are the most likely to think the Canadian economy will get improve over the next year.

One Year Forecast for the Canadian Economy



Interest Rate Predictions Remain Stable—Four in Ten (39%) Think Rates Will Go Up, Two in Ten (18%) Think Rates Will Go Down

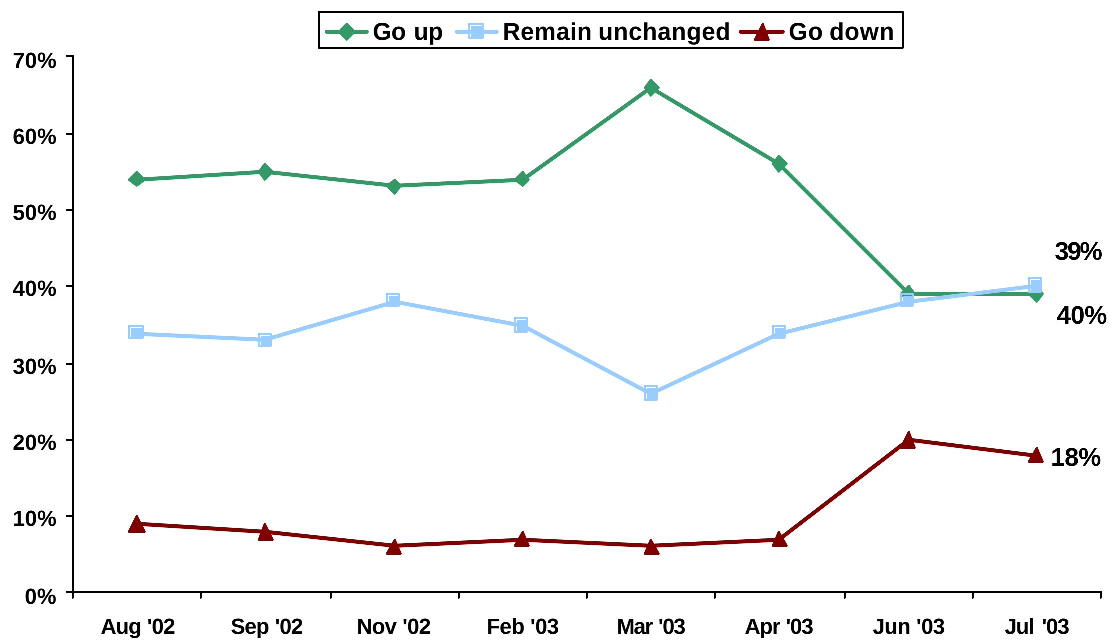
Canadians' predictions for interest rates are virtually the same as they were in June. Four in ten (39%) Canadians continue to think interest rates will go up in the next six months—the lowest percentage since tracking began in August 2002. Another four in ten (40%) continue to think rates will remain unchanged and one in five Canadians (18%) believes interest rates will go down in the next six months—this proportion is virtually identical to June's findings (20%) which is the highest percentage since tracking began in August 2002.

- Today, Atlantic Canadians (47%) are most likely to believe interest rates will go up in the next six months, followed by residents of Saskatchewan / Manitoba (43%), Ontario (41%), British Columbia (38%), Quebec (36%), and finally Alberta (30%). Socio-demographic analysis suggests a regional shift in attitude from June—Atlantic Canadians are more pessimistic than they were in June (47% today, 41% June), while Albertans are more optimistic (30% today, 40% June).

- Young adults (48%), women (45%), individuals without a university degree (43%), and Canadians whose annual household income is less than $30,000 (45%) are most likely to believe interest rates will go up over the next six months.

- Men (21%) and university graduates (24%) are most likely to believe interest rates will go down in the next six months.

Six-Month Forecast For Interest Rates



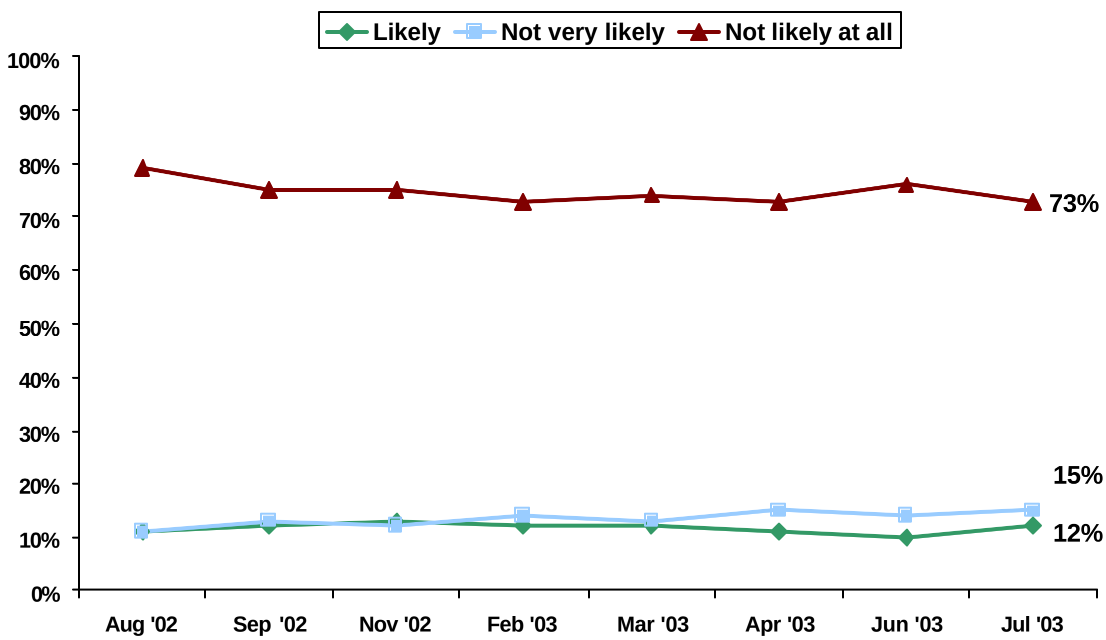
Canadians' Home Purchase Intentions Remain Stable: 12% Likely to Buy at this Time—6% "Very Likely," 6% "Somewhat Likely"

One in ten (12%) Canadians are likely to purchase a new or another home at this time—6% are "very likely" while 6% are "somewhat likely." One in seven (15%) Canadians say they are "not very likely" to buy a home at this time, and three-quarters (73%) say they are "not likely at all." These numbers have remained virtually the same since the question was first asked of Canadians in August of 2002.

- Residents of Ontario (16%) are most likely to be purchasing a home right now, followed by residents of British Columbia (14%), Alberta (12%), Atlantic Canada (9%), Quebec (8%), and finally Saskatchewan / Manitoba (7%).

- Canadians between the ages of 18 and 54 (16% vs. 5%) are most likely to be purchasing a home right now.

Home Purchase Intentions



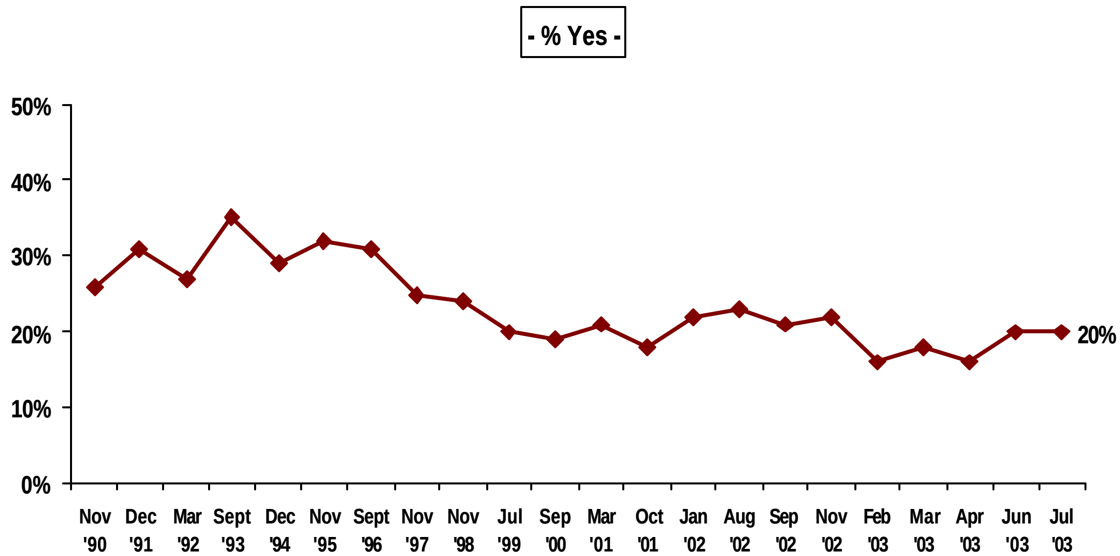
Job Anxiety Remains Low—One in Five (20%) Canadians Worried about Job Loss

A mere one in five (20%) Canadians are worried about either themselves or someone in their household losing their job—this proportion is identical to June's findings. Record low levels of job anxiety were witnessed in February (16%), March (18%), and April (16%), while during the recession (1993) job anxiety reached 35%.

- Residents of British Columbia (29%) continue to be the most worried about losing their job or someone in their household losing their job, followed by residents of Ontario (21%), Alberta (18%), Quebec (18%), Saskatchewan / Manitoba (16%), and Atlantic Canada (15%).

- Canadians under the age of 55 (24%), and those with an annual household income less than $30,000 (26%) are the most worried about losing their job or someone in their household losing their job.

Canadians' Job Anxiety



One-Year Forecast for Personal Financial Prospects Suggests Four in Ten (38%) Think their Situation will Improve, Half (50%)Think it will Stay the Same

The percentage of Canadians who feel their own economic situation will improve (38%) has nominally increased since our last sounding in June (35%). Half (50%) continue to think their personal economic situation will remain the same, and one in ten (12%) continue think it will get worse. The net score (percentage who feel it will improve minus the percentage who feel it will get worse) therefore is +26, up from +22 in June.

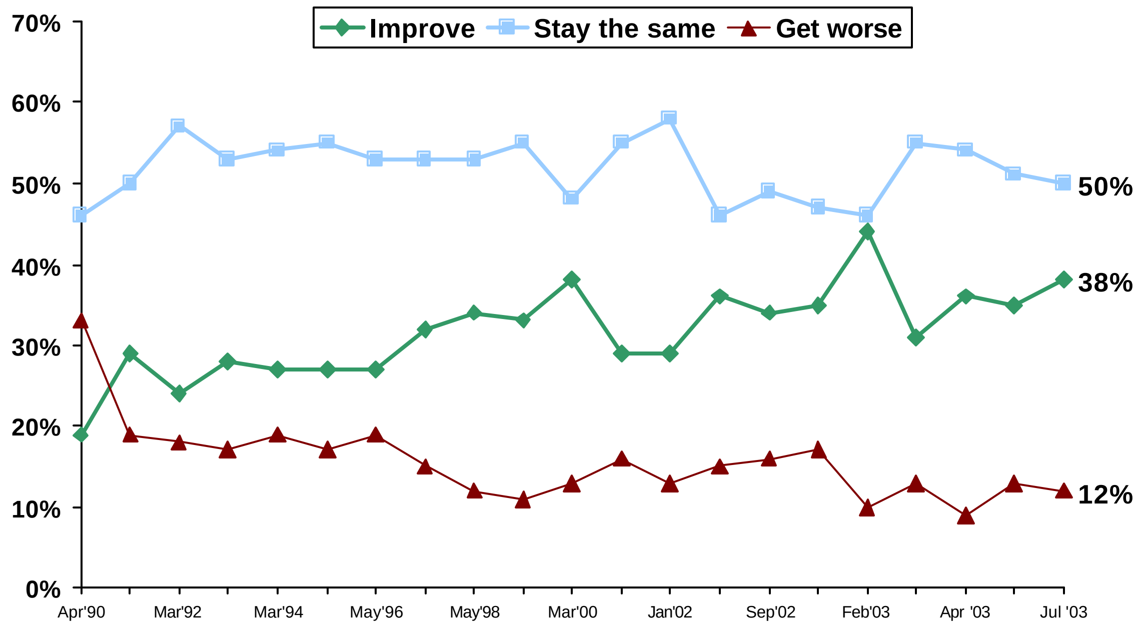
- Residents of Ontario (45%) are most likely to say their personal economic situation will improve, followed by residents of Alberta (38%), Atlantic Canada (35%), Saskatchewan / Manitoba (34%), Quebec (33%), and British Columbia (31%).

- Young adults (58%) and men (42%) are most likely to say their personal economic situation will improve.

- Canadians 35 years of age or older (15%) and Canadians with an annual household income less than $30,000 (19%) are most likely to say their personal economic situation will get worse.

Ipsos Ipsos Reid

One Year Forecast for Personal Financial Prospects



One-Quarter (26%) Intend to Spend More on Big-Ticket Items than Last Year, One-Third (32%) Plan to Spend Less

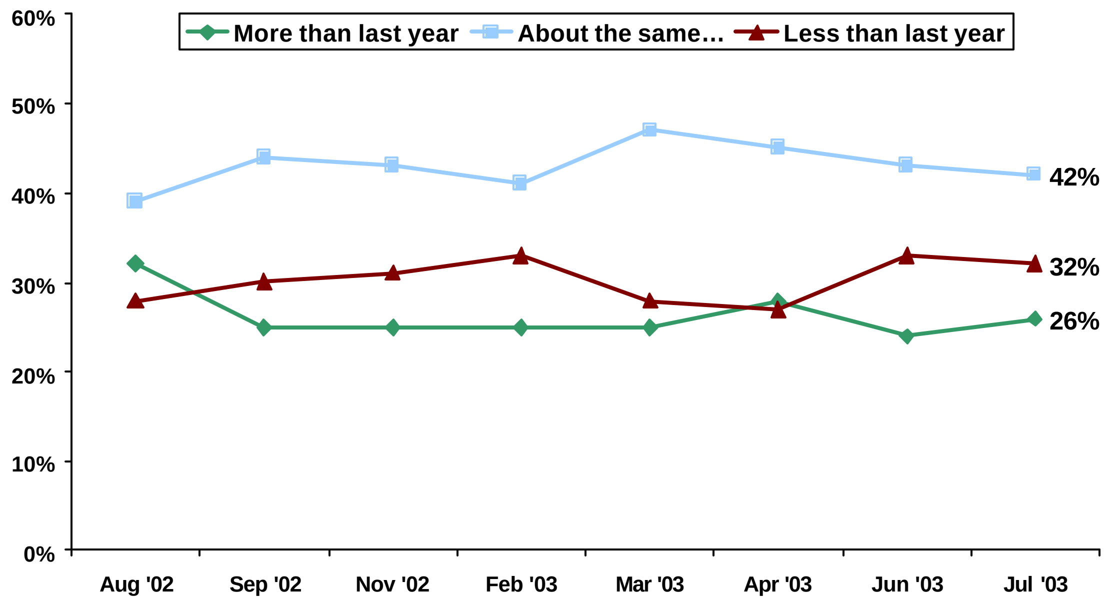
Canadians' spending intentions vis-à-vis major purchases such as a car, household appliances, or vacations has remained relatively stable since the fall of 2002. Today, one-quarter (26%) of Canadians say they expect to spend more on big-ticket items in the next year than they did last year, one-third (32%) say they will spend less than they did last year, and four in ten (42%) continue to say they will spend about the same amount. (The net score—percentage who intend to spend more than last year minus the percentage who intend to spend less than last year—is -6.

- Considering regional net spending scores, residents of British Columbia (-17) are most likely to be cutting back on big-ticket purchases, followed by residents of Alberta (-14), Saskatchewan/Manitoba (-14), Atlantic Canadians (-12), and Ontario (-8). Residents of Quebec, on the other hand, are most likely to be spending more (+8).

- Young adults (36%) and individuals with an annual household income greater than $60,000 (29%) are most likely to be spending more on major purchases in the year to come than they did the year before.

- Canadians with an annual household income less than $30,000 (37%) are most likely to be spending less on major purchases in the year to come than they did last year.

Major Purchase Spending Intentions



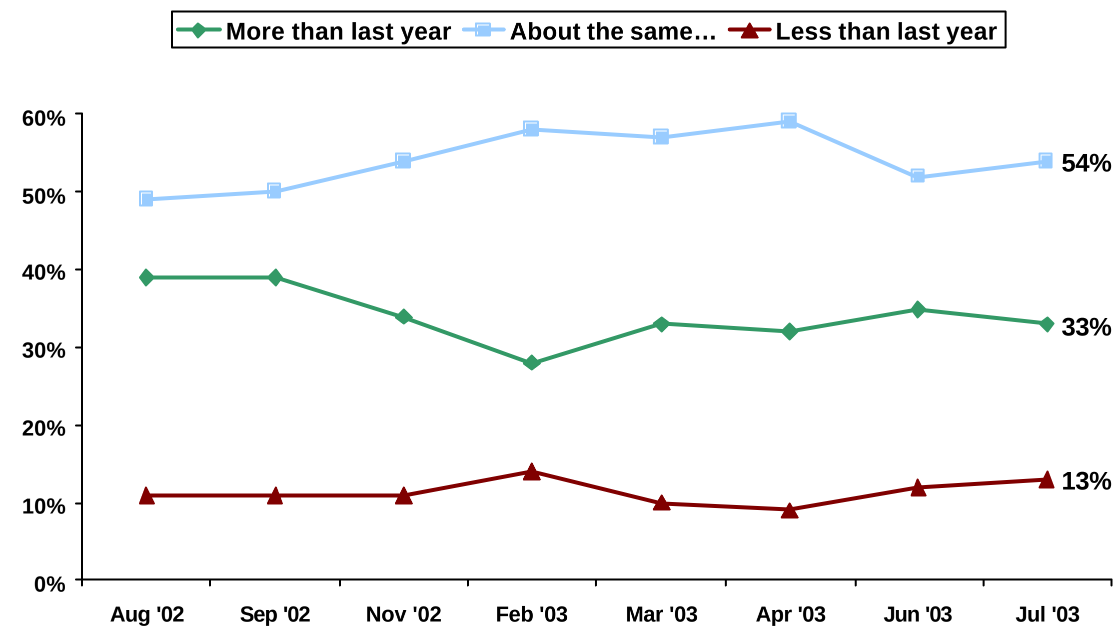
One-Third (33%) of Canadians Intend to Spend More on Everyday Items than Last Year, Half (54%) Intend to Spend the Same

Since November approximately one-third (33% today) of Canadians have said they plan to spend more on day-to day expenses such as groceries, clothing, or other personal goods in the next year than they did the year before. Half (54%) of Canadians intend to spend about the same amount, and one in ten (13%) continue to say they intend to spend less on day-to-day items than they did last year. (Today the net score—percentage who intend to spend more than last year minus the percentage who intend to spend less than last year—is +20.

* Considering regional net spending scores, residents of Alberta (+36) are most likely to spend more on day-to-day expenses in the next year than they did the year before, followed by residents of Saskatchewan/Manitoba (+31), Atlantic Canada (+26), Ontario (+20), Quebec (+15), and finally British Columbia (+9).

* Women (15%) and Canadians with an annual household income of less than $60,000 (16%) are most likely to spend less on day-to-day expenses in the next year than they did the year before.

Day-to-Day Purchase Spending Intentions

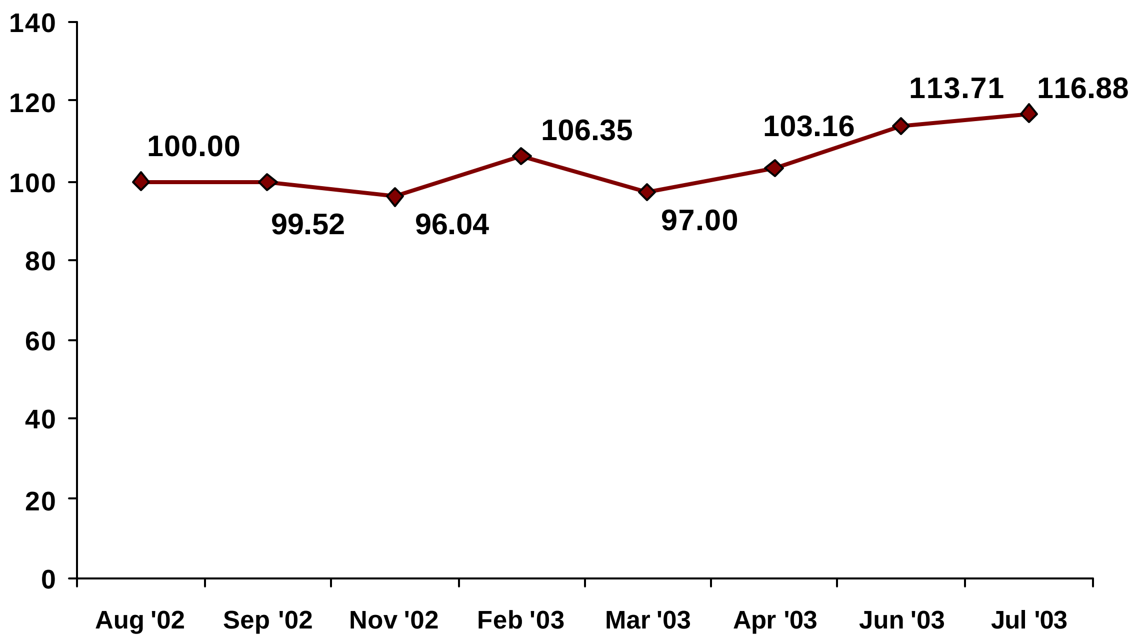


Ipsos-Reid Canadian Economic Confidence Index Jumps Another 3 Points to Highest Level of 116.88 Since August 2002

The Ipsos-Reid Canadian Economic Confidence Index score for August 2002 is 100.00 because that was when it was first constructed; the chart outlines how economic forecasting has fluctuated since that time. June's index of 113.71 was a predictor for the positive descriptions of the economy today (73% "good / very good"). Today's index of 116.88 outlines the above-mentioned ongoing optimism with regards to the state of the economy for the year to come.

Upon examining the individual attributes that make up the index or economic forecasting we learn that it is primarily expectations that interest rates will go down in the next six months (+13.1% weighted change) that is fuelling the current confidence in the economy, but home purchasing intentions (+4.0% weighted change), job security (+3.1% weighted change), and to a lesser degree expectations that personal economic situation will improve (-0.9% weighted change) also play a role. Expectations about major purchases in the next year (-2.6% weighted change) and expectations about day-to-day spending in the next year (-1.5% weighted change) are factors which may soften the current optimism in the economy.

The Ipsos-Reid Canadian Economic Confidence Index



The Canadian Economic Confidence Index developed by Ipsos-Reid functions as a predictor for the Canadian economy. The index is based on the question: "Thinking about the next year or so, do you, yourself, generally feel that the Canadian economy will…improve, stay the same, or get worse?" The improvement of the economy is attributed to six features: one-year forecast for personal financial prospects; Canadians' job security; Canadians' home purchase intentions; Canadians' predictions for interest rates; spending intentions on big-ticket items; and spending intentions on everyday items. These six attributes are then weighted for importance, which is based on the magnitude of difference between their assigned reward and penalty scores. % Expectations that own economic situation will improve makes up 16.6% of the index; Job security (% Yes) makes up 27.1% of the index; % Likely of purchasing a home in the next six months makes up 20.8% of the index; % Expectations about interest rates in the next six months (% will go down) makes up 12.9% of the index; % Expectations about *major purchases in the next year (% spend more) makes up 12.8% of the index; and %Expectations about day-to-day spending in the next year (% spend more) makes up 9.8% of the index).*

-30-

For more information on this news release, please contact:

John Wright
Senior Vice-President
Ipsos-Reid Public Affairs
(416) 324-2900

For full tabular results, please visit our website at www.ipsos-reid.com***. News Releases are available at*** http://www.ipsos-reid.com/media/content/PRE_REL.cfm