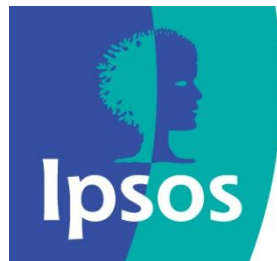


**Rising Food Prices Cause Canadians to be More Frugal,
Make Smarter Food-Buying Decisions**
*Despite Dip in Job Anxiety, Economic Mood in Canada Darkening as
National Index Decreases for First Time in Two Years*

Public Release Date: Thursday, May 16th, 2013, 5:00 AM EST



Ipsos Reid

Ipsos Reid is Canada's market intelligence leader and the country's leading provider of public opinion research. With operations in eight cities, Ipsos Reid employs more than 600 research professionals and support staff in Canada. The company has the biggest network of telephone call centres in Canada, as well as the largest pre-recruited household and on-line panels. Ipsos Reid's 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—all of which provide clients with actionable and relevant information. Ipsos Reid is an Ipsos company, a leading global survey-based market research group. To learn more, visit www.ipsos.ca

***For copies of other news releases, please visit
<http://www.ipsos-na.com/news-polls/>***

© Ipsos Reid

***Washington • New York • Los Angeles • Austin • Chicago • St. Louis • Cincinnati
Minneapolis • Seattle • San Francisco • Vancouver • Calgary • Winnipeg • Toronto
Guelph • Ottawa • Montreal • St. John***



Rising Food Prices Cause Canadians to be More Frugal, Make Smarter Food-Buying Decisions

Despite Dip in Job Anxiety, Economic Mood in Canada Darkening as National Index Decreases for First Time in Two Years

Toronto, ON – Canadians are likely to keep a closer eye on the price tags the next time they're at the grocery store as most believe food prices have gone up and it's had an impact on their shopping habits, according to a new survey conducted by Ipsos Reid on behalf of RBC. Eight in ten (84%) believe food prices have increased in the last year compared to the year before, compared to only 15% who believe they've stayed the same and 1% who believe they've decreased.

Overall, most Canadians feel that rising food prices mean that inflation may rise and they'll need to make better choices when making their trips to the grocery store. Nine in ten (91%) 'agree' (23% strongly/68% somewhat) rising food prices 'means inflation may creep up' while just one in ten (9%) 'disagree' (1% strongly/8% somewhat). An equal proportion (91%) also 'agree' (33% strongly/58% somewhat) that rising food prices 'means they'll have to tighten their belts and make smarter decisions when buying foods', with 9% 'disagreeing' (2% strongly/7% somewhat).

The data reveal that, on average, Canadians spend \$411 per month on groceries, with Quebecers (\$448) leading the pack, and a sizeable portion of Canadians indicate that food price increases have had an impact on their day-to-day budgets. One in three (33%) Canadians cite rising food prices as having a 'significant impact on their budget, while more

than four in ten (43%) say increasing food prices 'have not had a big impact, but they've cut back on other expenses'. Only one in four (24%) indicate 'there has been no impact on their budget' due to rising food prices.

In terms of specific effects on their day-to-day budget, a majority (57%) of Canadians 'comparison shop for food more than before', while four in ten (41%) 'tend to follow a budget more than before and buy less on impulse'. Two in ten (15%) will 'use their vehicle less and make less trips or use public transit or walk more', while one in ten (11%) 'don't use their credit card to pay for day-to-day expenses as much as before'.

Despite Dipping Job Anxiety, Economic Mood in Canada Darkening

With food prices on the rise in Canada, economic sentiment is on the decline as Canadians are not as confident in the national economy in comparison to last quarter. The national overall index has dropped 6 points and now rests at 82, making this the first time in nearly two years that there has been an overall decrease in the national index.

Six in ten (60%) Canadians believe the economy is in 'good' shape, although this is down a significant eight points from last quarter, while four in ten (40%) believe it's in 'bad' shape (up 8 pts. from last quarter). Additionally, more Canadians believe the economy will worsen in the next year (30%) rather than improve (26%), making this the first time since July 2012 where more Canadians are pessimistic for the future than optimistic.

Despite general perceptions of a worsening national economy, this has not translated into increased levels of job anxiety. Two in ten (19%) Canadians indicate that they or someone in their household is worried about losing a job, relaxing after a temporary spike to 24% in February 2013.

RBC CCO REGIONAL HIGHLIGHTS

FOOD PRICES	NAT'L	BC	AB	SK/MB	ON	QC	AC
Have increased the past year	84%	86%	88%	89%	80%	86%	88%
Have had a significant impact on day-to-day budget	33%	32%	24%	37%	33%	38%	36%
Comparison shop more than before	57%	52%	53%	52%	58%	60%	59%
More budget conscious/less impulse buy	41%	45%	37%	40%	41%	40%	47%
Average monthly spend	\$411	\$415	\$440	\$401	\$379	\$448	\$420

ECONOMIC CONFIDENCE	NAT'L	BC	AB	SK/MB	ON	QC	AC
Expect personal financial situation to improve in the next year	35%	33%	37%	41%	35%	34%	34%
Expect Canadian economy to improve in the next year	26%	30%	32%	29%	30%	17%	21%
Anxious about potential job loss in the next year	19%	17%	13%	13%	24%	13%	22%

These are some of the findings of an Ipsos Reid poll conducted between April 2nd to 15th, 2013, on behalf of RBC. For this survey, a sample of 3,024 Canadians from Ipsos' Canadian online panel was interviewed online. Weighting was then employed to balance demographics to ensure that the sample's composition reflects that of the adult population according to Census data and to provide results intended to approximate the sample universe. The precision of Ipsos online polls is measured using a credibility interval. In this case, the poll is accurate to within +/- 2 percentage points had all Canadians adults been polled. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.

© Ipsos Reid



Ipsos Reid

-30-

For more information on this news release, please contact:

*Sean Simpson
Associate Vice President
Ipsos Reid
Public Affairs
(416) 572-4474*

For full tabular results, please visit our website at www.ipsos-na.com. News Releases are available at: <http://www.ipsos-na.com/news-polls/>

© Ipsos Reid

- 4 -

*Washington • New York • Los Angeles • Austin • Chicago • St. Louis • Cincinnati
Minneapolis • Seattle • San Francisco • Vancouver • Calgary • Winnipeg • Toronto
• Guelph • Ottawa • Montreal • St. John*