

MNP DEBT INDEX

Wave 32

March 2025

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MNP_{LTD}



Methodology



- These are findings of an Ipsos poll conducted on behalf of MNP.
- For this survey, a sample of **2,003 Canadians** from the Ipsos i-Say panel was interviewed from **March 11 – March 14, 2025**.
- Quotas and weighting were employed to ensure that the sample's composition **reflects the overall population** according to the latest Canadian census information.
- The precision of online polls is measured using a credibility interval. In this case, the results are **accurate to within ± 2.5 percentage points**, 19 times out of 20, of what the results would have been had all Canadian adults been polled.
- Credibility intervals are wider among subsets of the population.
- Due to rounding, not all percentages will add up to 100%.

Executive Summary

The MNP Consumer Debt Index has rebounded to **88 points, a nine point** increase since last quarter which almost returns it to the level recorded in June 2024 (89 points). This improvement has taken place amidst the background of two Bank of Canada interest rate cuts and continued uncertainty regarding potential future tariffs from the United States impacting the Canadian economy. It could be that the on-again-off-again nature of Trump's tariffs is giving some hope to Canadians that they won't fully materialize. Moreover, given economic uncertainty, Canadians appear to have taken steps to improve their financial situation, to insulate themselves from future economic shocks – coupled with interest-rate decreases, of course.

Insolvency Risk Declines

Fewer Canadians (43%, -7) report being \$200 or less away each month from financial insolvency. This is due to significantly fewer Canadians saying they are already insolvent (26% , -9), with no money left over at the end of the month.

The decline of insolvency risk is related to an increase in month-end finances compared to the previous quarter. The average amount of money that Canadians have left over at the end of the month has increased to \$867, up \$77 from the previous quarter.

Personal Debt Rating Improves From All-Time Low Last Quarter

Canadians' net personal debt rating has improved to 22 points, up 14 points from last quarter. This significant increase is due to more Canadians rating their personal debt situation positively (40% , +9) and fewer rating it negatively (18% , -5).

While higher net confidence scores indicate that the cost of living for Canadians has improved, all but one of the six metrics continue to track negative. Of the six, Canadians are most concerned with paying for their own or someone else's education (-16) and loss of employment /change in wage or seasonal work (-11).

Improved Current Debt Situation and Future Debt Expectation

There has been improvement for both Canadians' current debt situation and their expected debt situation, compared to the data collected last quarter.

Three in ten Canadians expect their debt situation one year from now to improve (30%, +3), and fewer believe it will worsen (13%, -6).

There is a slight increase in the proportion of Canadians feeling better about their expected debt in five years (39%, +2), and a decrease in the proportion believing their debt will worsen (11%, -7).

Executive Summary

Uncertainty Impacting Canadians on Debt and Spending, Despite Rate Cuts

The Bank of Canada has cut key interest rates twice in 2025 and is now sitting at 2.75 per cent. While Canadians in many ways are less concerned about interest rates since the previous quarter, economic uncertainty still lingers.

Eight in ten Canadians (81%) say that this uncertainty has them cautious about taking on new debt (likely informing improving debt situations), while three in five (58%) are more concerned about their ability to pay off debt. When it comes to spending, 74% of Canadians have cut back, and 73% have delayed making major purchases or investments.

Canadians Less Concerned About Interest Rates

Most Canadians continue to claim to have a good understanding of how interest impact their financial situation (76%) but in some ways are less concerned about rates than when they were higher.

Compared to the previous quarter, the proportion of Canadians concerned with the impact of interest rates on them personally has declined: if interest rates go up much more I'm afraid that I will be in financial trouble (52%, -5), even if interest rates decline I'm concerned about my ability to repay my debts (43%, -7) and I am concerned that rising interest rates could move me towards bankruptcy (38%, -8).

Divide on Housing Affordability Between Owners and Renters

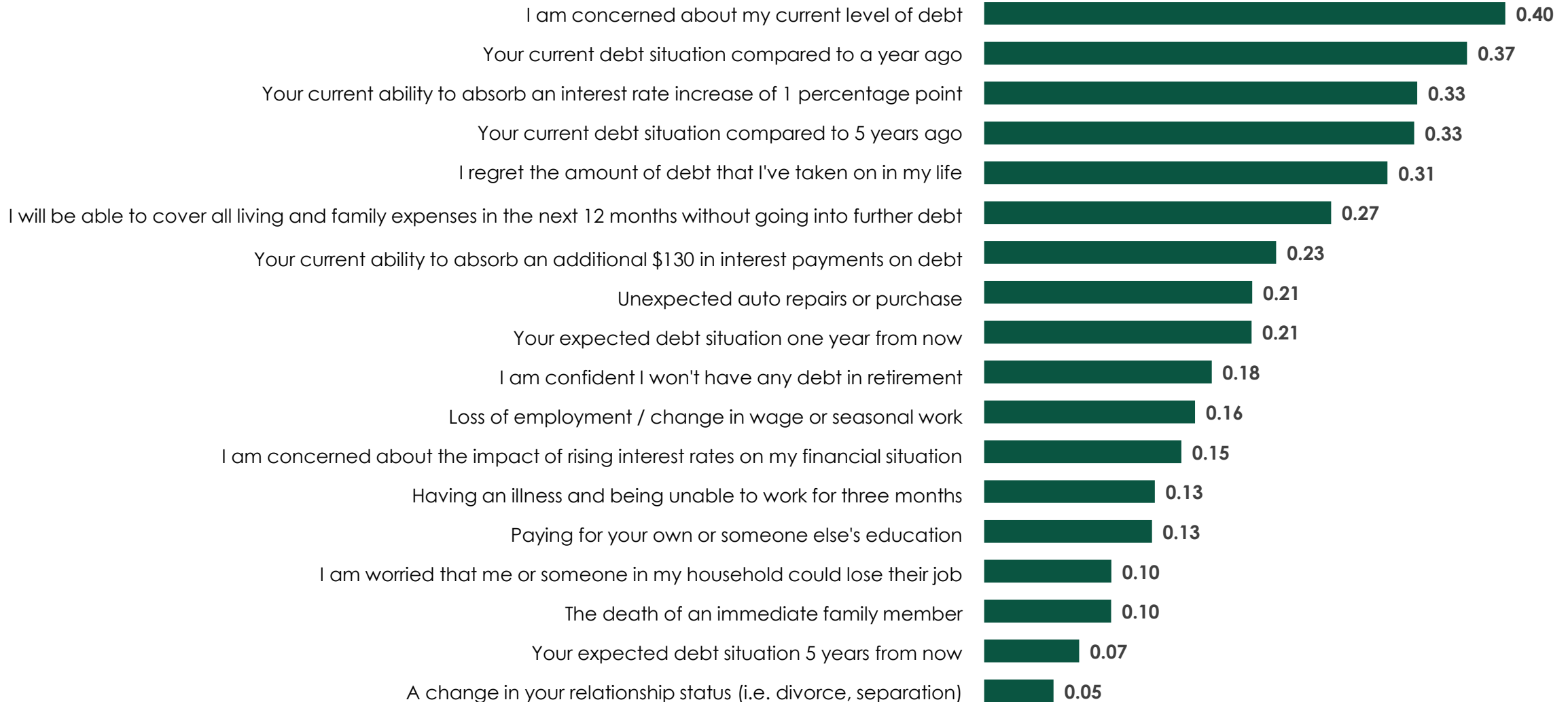
While half of Canadians (52%) believe their housing costs will be unchanged in the next year, 44% feel they will increase.

These results vary considerably depending on ownership status, as 65% of renters believe their housing costs will go up during this time period, while 65% of owners believe their costs will remain unchanged.

Half of Canadians under 55 years of age (18-34, 51%; 35-54, 49%) feel their costs will increase, compared to one third of those over 55 (35%).

THE DEBT INDEX

Debt-Index Inputs

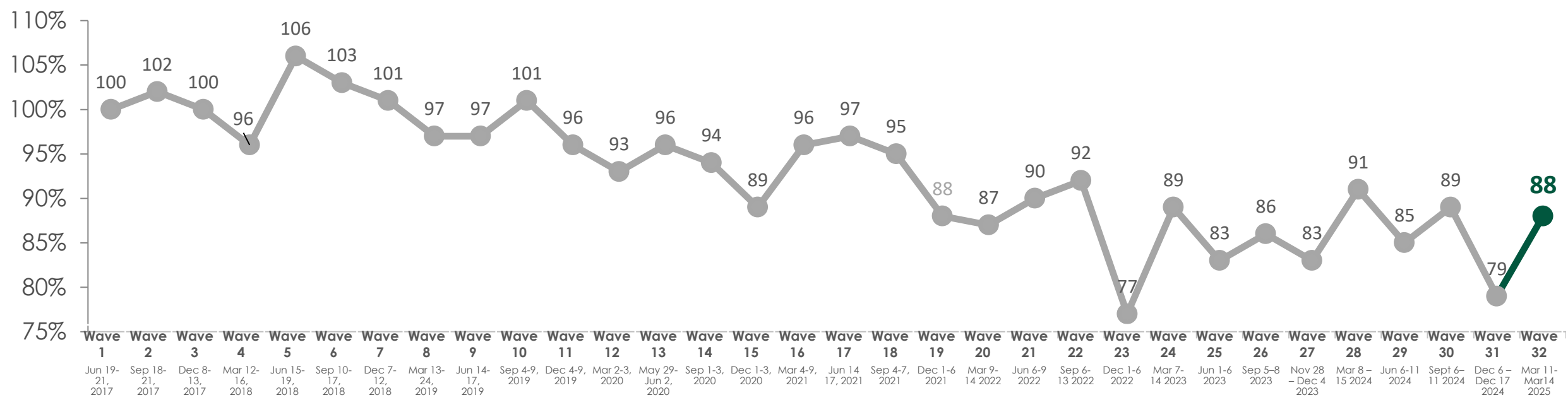


Debt-Index Inputs (Tracking)

| Q# | Measure | | Score | % (Top/Bottom 3 Box) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | Δ vs. Dec 2024 | |
|-----|-------------|--|-------|----------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------------|----|
| | | | | Sep 2017 | Dec 2017 | Mar 2018 | Jun 2018 | Sep 2018 | Dec 2018 | Mar 2019 | Jun 2019 | Sep 2019 | Dec 2019 | Mar 2020 | Jun 2020 | Sep 2020 | Dec 2020 | Mar 2021 | Jun 2021 | Sep 2021 | Dec 2021 | Mar 2022 | Jun 2022 | Sep 2022 | Dec 2022 | Mar 2023 | Jun 2023 | Sep 2023 | Dec 2023 | Mar 2024 | Jun 2024 | Sep 2024 | Dec 2024 | Mar 2025 | |
| 5_1 | % Disagree | I am concerned about my current level of debt | 0.40 | 39% | 41% | 38% | 40% | 38% | 35% | 38% | 38% | 38% | 38% | 31% | 37% | 33% | 34% | 36% | 37% | 36% | 34% | 33% | 35% | 37% | 30% | 30% | 30% | 34% | 30% | 37% | 36% | 34% | 30% | 36% | 6% |
| 3_1 | % Better | Your current debt situation compared to a year ago | 0.37 | 26% | 25% | 24% | 27% | 28% | 27% | 24% | 24% | 27% | 23% | 26% | 27% | 26% | 22% | 26% | 25% | 24% | 24% | 23% | 22% | 23% | 21% | 25% | 24% | 24% | 22% | 27% | 23% | 24% | 21% | 22% | 1% |
| 3_3 | % Better | Your current ability to absorb an interest rate increase of 1 percentage point | 0.33 | 28% | 28% | 27% | 30% | 30% | 28% | 26% | 26% | 28% | 27% | 26% | 28% | 28% | 25% | 26% | 28% | 26% | 24% | 21% | 22% | 25% | 20% | 24% | 22% | 23% | 22% | 25% | 21% | 24% | 20% | 24% | 4% |
| 3_2 | % Better | Your current debt situation compared to 5 years ago | 0.33 | 33% | 32% | 32% | 35% | 35% | 33% | 31% | 33% | 35% | 32% | 34% | 35% | 33% | 31% | 35% | 33% | 35% | 33% | 33% | 31% | 31% | 28% | 32% | 29% | 28% | 27% | 30% | 29% | 30% | 27% | 28% | 1% |
| 5_2 | % Disagree | I regret the amount of debt that I've taken on in my life | 0.31 | 38% | 40% | 35% | 38% | 34% | 35% | 36% | 36% | 37% | 35% | 31% | 36% | 32% | 31% | 33% | 36% | 33% | 30% | 33% | 34% | 35% | 26% | 31% | 28% | 34% | 31% | 34% | 31% | 31% | 29% | 35% | 6% |
| 5_6 | % Agree | I will be able to cover all living and family expenses in the next 12 months without going into further debt | 0.27 | 38% | 35% | 35% | 38% | 37% | 38% | 37% | 35% | 37% | 34% | 35% | 37% | 37% | 34% | 37% | 36% | 38% | 33% | 35% | 36% | 37% | 30% | 34% | 33% | 33% | 33% | 35% | 32% | 33% | 30% | 35% | 5% |
| 3_4 | % Better | Your current ability to absorb an additional \$130 in interest payments on debt | 0.23 | 25% | 23% | 22% | 26% | 28% | 25% | 22% | 22% | 24% | 23% | 22% | 23% | 22% | 20% | 21% | 23% | 23% | 19% | 19% | 19% | 21% | 16% | 21% | 19% | 19% | 19% | 24% | 19% | 22% | 17% | 19% | 2% |
| 4_3 | % Confident | Unexpected auto repairs or purchase | 0.21 | 31% | 31% | 28% | 35% | 33% | 31% | 30% | 30% | 29% | 29% | 27% | 27% | 28% | 28% | 30% | 27% | 27% | 24% | 23% | 27% | 26% | 22% | 26% | 24% | 25% | 24% | 25% | 23% | 25% | 24% | 24% | 0% |
| 3_5 | % Better | Your expected debt situation one year from now | 0.21 | 35% | 35% | 33% | 38% | 39% | 36% | 35% | 36% | 39% | 36% | 36% | 33% | 33% | 30% | 34% | 35% | 34% | 32% | 30% | 30% | 30% | 28% | 31% | 30% | 28% | 28% | 30% | 29% | 31% | 27% | 30% | 3% |
| 5_5 | % Agree | I am confident I won't have any debt in retirement | 0.18 | 33% | 30% | 31% | 34% | 32% | 33% | 32% | 32% | 33% | 34% | 33% | 33% | 34% | 33% | 34% | 34% | 34% | 31% | 32% | 32% | 34% | 29% | 36% | 32% | 32% | 32% | 33% | 33% | 33% | 29% | 31% | 2% |
| 4_6 | % Confident | Loss of employment/change in wage or seasonal work | 0.16 | 28% | 27% | 26% | 29% | 29% | 30% | 27% | 27% | 27% | 27% | 26% | 24% | 26% | 25% | 27% | 27% | 24% | 23% | 24% | 26% | 27% | 21% | 26% | 23% | 26% | 25% | 24% | 23% | 27% | 21% | 24% | 3% |
| 5_3 | % Disagree | I am concerned about the impact of rising interest rates on my financial situation | 0.15 | 29% | 28% | 26% | 26% | 26% | 25% | 27% | 28% | 27% | 27% | 22% | 22% | 23% | 22% | 23% | 26% | 23% | 21% | 19% | 21% | 18% | 16% | 19% | 18% | 18% | 18% | 18% | 18% | 20% | 20% | 20% | 0% |
| 4_2 | % Confident | Having an illness and being unable to work for three months | 0.13 | 30% | 29% | 28% | 31% | 31% | 33% | 29% | 28% | 29% | 27% | 28% | 26% | 27% | 28% | 28% | 30% | 29% | 25% | 25% | 27% | 27% | 21% | 26% | 23% | 26% | 26% | 25% | 25% | 28% | 24% | 26% | 2% |
| 4_1 | % Confident | Paying for your own or someone else's education | 0.13 | 26% | 25% | 24% | 28% | 27% | 29% | 24% | 25% | 24% | 24% | 22% | 24% | 24% | 23% | 22% | 23% | 24% | 21% | 22% | 25% | 24% | 20% | 23% | 24% | 22% | 21% | 22% | 21% | 24% | 20% | 21% | 1% |
| 5_4 | % Disagree | I am worried that me or someone in my household could lose their job | 0.10 | 46% | 45% | 44% | 47% | 44% | 43% | 44% | 44% | 47% | 43% | 41% | 38% | 39% | 38% | 38% | 42% | 44% | 41% | 42% | 43% | 43% | 39% | 40% | 37% | 38% | 39% | 41% | 40% | 42% | 35% | 39% | 4% |
| 4_4 | % Confident | The death of an immediate family member | 0.10 | 27% | 26% | 26% | 29% | 30% | 30% | 25% | 26% | 26% | 26% | 25% | 25% | 26% | 23% | 26% | 26% | 25% | 22% | 23% | 25% | 26% | 21% | 24% | 22% | 22% | 23% | 24% | 22% | 26% | 22% | 23% | 1% |
| 3_6 | % Better | Your expected debt situation 5 years from now | 0.07 | 47% | 44% | 47% | 50% | 50% | 47% | 45% | 47% | 50% | 46% | 48% | 42% | 44% | 42% | 46% | 44% | 46% | 45% | 42% | 37% | 40% | 39% | 40% | 37% | 35% | 38% | 37% | 39% | 41% | 37% | 39% | 2% |
| 4_5 | % Confident | A change in your relationship status (i.e., divorce, separation) | 0.05 | 33% | 31% | 32% | 36% | 32% | 36% | 33% | 34% | 31% | 33% | 33% | 30% | 32% | 29% | 30% | 29% | 28% | 27% | 30% | 30% | 30% | 27% | 29% | 27% | 29% | 28% | 26% | 28% | 30% | 26% | 30% | 4% |

Debt-Index Tracking

The MNP Consumer Debt Index **rebounded to 88 points, recovering almost all of the decline recorded last quarter.** This improvement may be partially due to the two Bank of Canada interest rate cuts this year to 2.75%, and a (temporary?) pause on tariffs. Despite this improvement, future optimism levels could be volatile due to uncertainty around Trump's tariffs toward Canada, the possibility of inflation or stagflation, and the Canadian election.



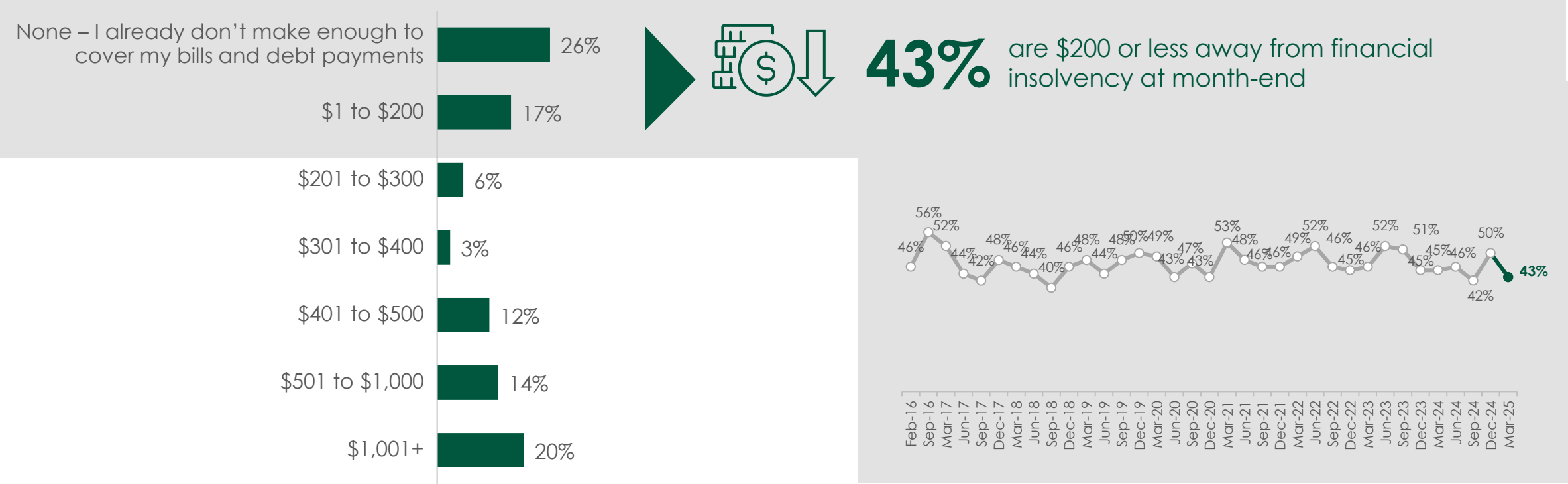
Note on interpretation: A high debt index score means that Canadians feel positive towards their personal finances, as well as confident in their ability to cope with unexpected financial situations. A low index score describes the opposite – negative feelings and low confidence.



EVALUATING PERSONAL FINANCES

Finances at Month-End

Four in ten Canadians (43%, -7) are \$200 or less away each month from financial insolvency. This decline compared to last quarter is due to the decrease in the proportion of Canadians saying they already don't make enough to cover their bills and debt payments (26% , -9). Clearly lower interest rates, and the actions Canadians have taken to reduce spending, are helping to create a little more breathing room at the end of the month.

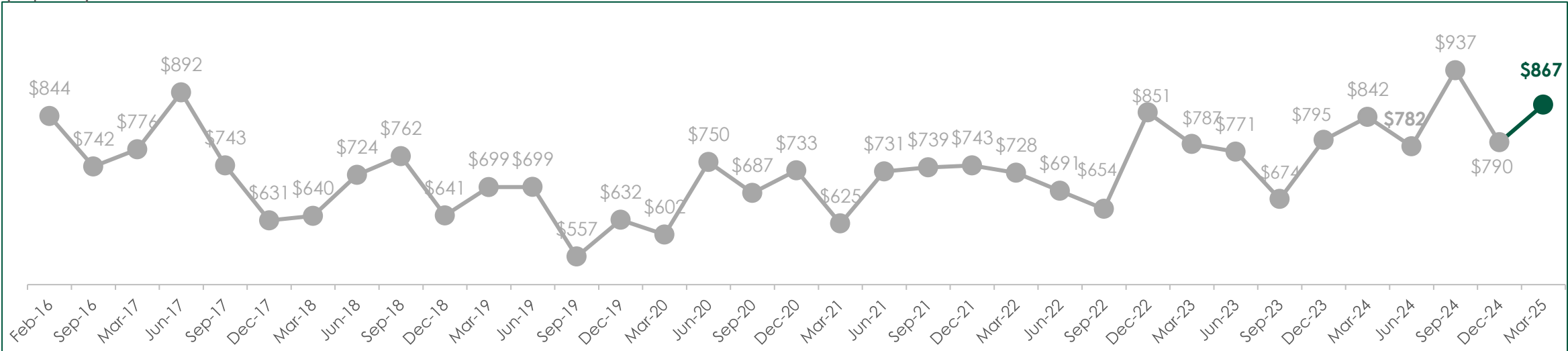


Q1. Thinking about the amount of after-tax income you make each month compared to the amount of your bills and debt obligations each month, how much is left over? In other words, how much wiggle room do you have before you wouldn't be able to pay all your bills and debt payments each month (which is called financial insolvency)?

Base: All Respondents (unweighted) n=2000

Average Finances Left at Month-End

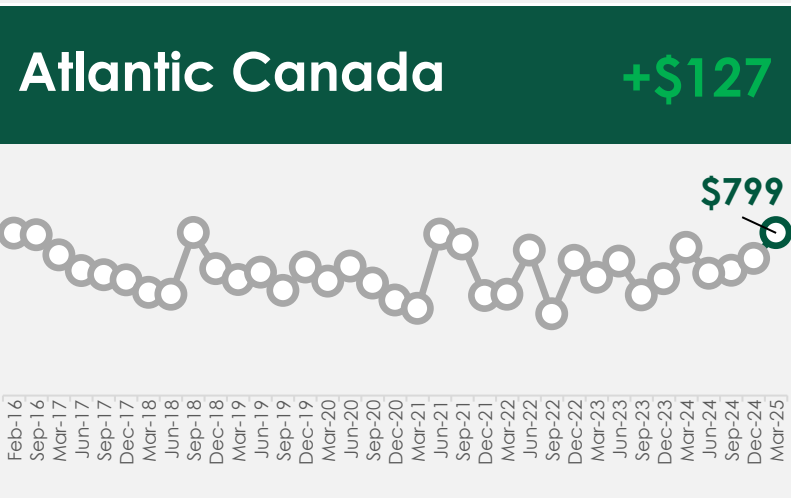
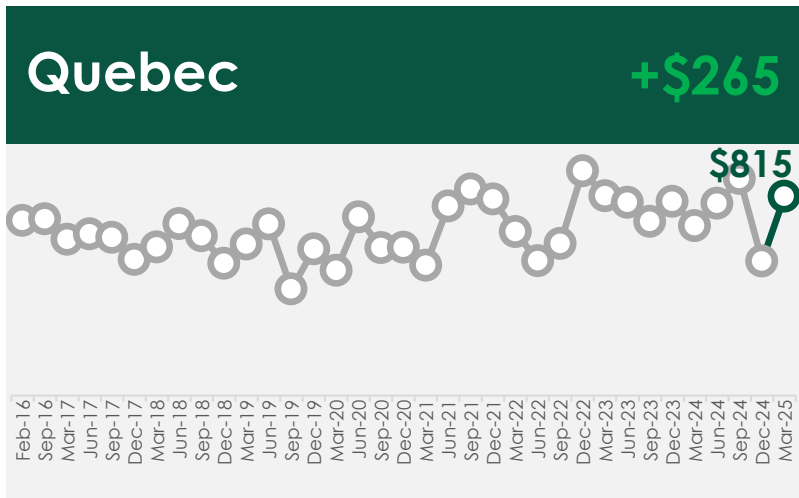
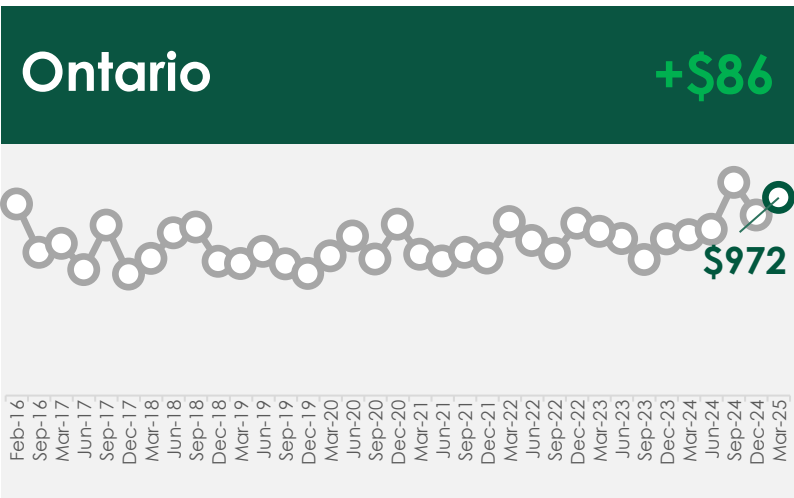
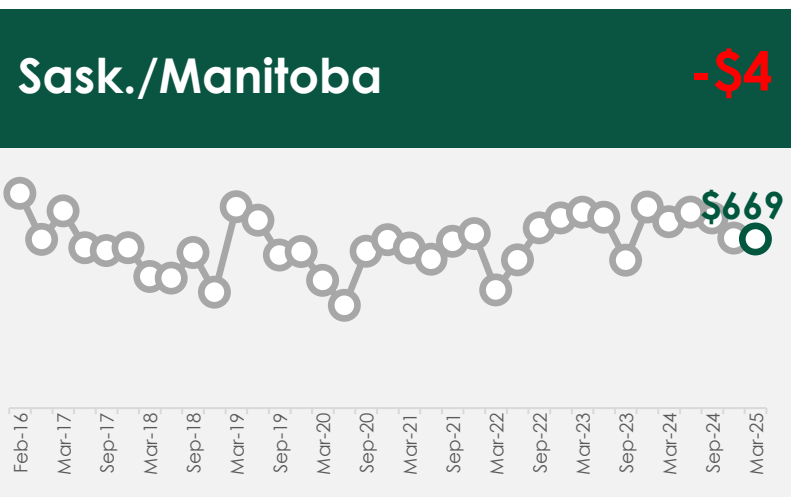
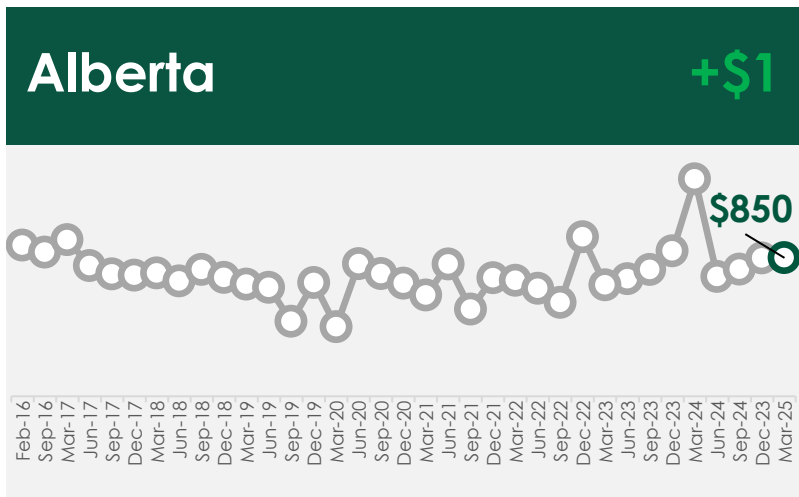
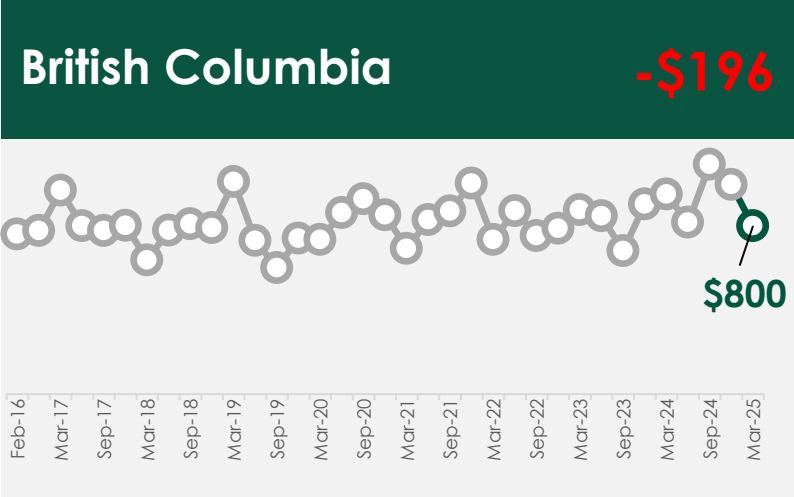
Month-end finances have increased compared to last quarter. The average amount that households are left with at the end of the month is \$867, up \$77. While this is slightly higher than one year ago (\$842), it is still lower than the all-time high reached in September 2024 (\$937). Increases are most pronounced among women (+\$158), 35-54 year olds (+\$147) and those in \$40k to <\$60k households (+\$343).



| Average Finances Left at Month-End | | | | | | | | | | |
|--------------------------------------|-------------------|-----------------|-------------|------------|------------|----------|------------------|-------------------------|--------------------------|-------------------|
| | Mean (incl. 0) | Gender | | Age | | | Household Income | | | |
| | | Male A | Female B | 18-34 C | 35-54 D | 55+ E | <\$40K G | \$40K to <\$60K H | \$60K to <\$100K I | \$100K+ J |
| Current wave (March 2025) | \$867 | \$1004 B | \$753 | \$925 | \$828 | \$860 | \$409 | \$929 G | \$864 G | \$1502 GHI |
| Change since last wave (Dec 2024) | +\$77 | +\$5 | +\$158 | -\$51 | +\$147 | +\$106 | -\$49 | +\$343 | +\$74 | +\$51 |

Q1. Thinking about the amount of after-tax income you make each month compared to the amount of your bills and debt obligations each month, how much is left over? In other words, how much wiggle room do you have before you wouldn't be able to pay all your bills and debt payments each month (which is called financial insolvency)?
Base: All Respondents (unweighted) n=2000

Average Finances Left at Month-End (Regional View)

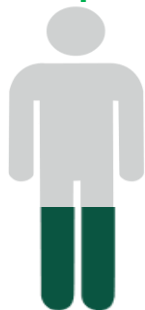


Q1. Thinking about the amount of after-tax income you make each month compared to the amount of your bills and debt obligations each month, how much is left over? In other words, how much wiggle room do you have before you wouldn't be able to pay all your bills and debt payments each month (which is called financial insolvency)?
Base: All Respondents (unweighted) n=2000, BC (n=259); AB (n=220); Sask./Manitoba(n=172); ON (n=780); QC (n=437); ATL (n=132).

Finances at Month-End – % \$200 or less from insolvency

Half of Canadian women report being \$200 or less away from insolvency, though this proportion has dropped (48%, -7). Geographically, residents of British Columbia (48%, +2) and Quebec (48%, -5) are most likely to be close to insolvency at month-end. Three in five Gen Z Canadians (60%, +7) are close to insolvency at month end, the only group to have increased over the last quarter.

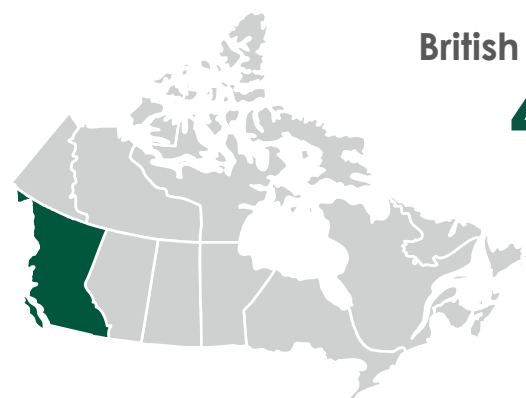
37%
-7 pts



48%
-7 pts



Women are significantly more likely to be insolvent at month-end.

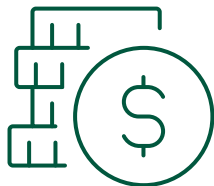


British Columbia

48%
+2 pts

Followed by residents of:

- Quebec (48%, -5)
- Alberta (45%, +2)
- Atlantic (44%, -5)
- SK/MB (41%, -8)
- Ontario (38%, -13)



<\$40K
65%
+1 pt

vs. \$40K to \$60K (41%, -11),
\$60K to <\$100K (33%, -12),
and \$100K+ (22%, -10).



Gen Z
60%
+7 pts

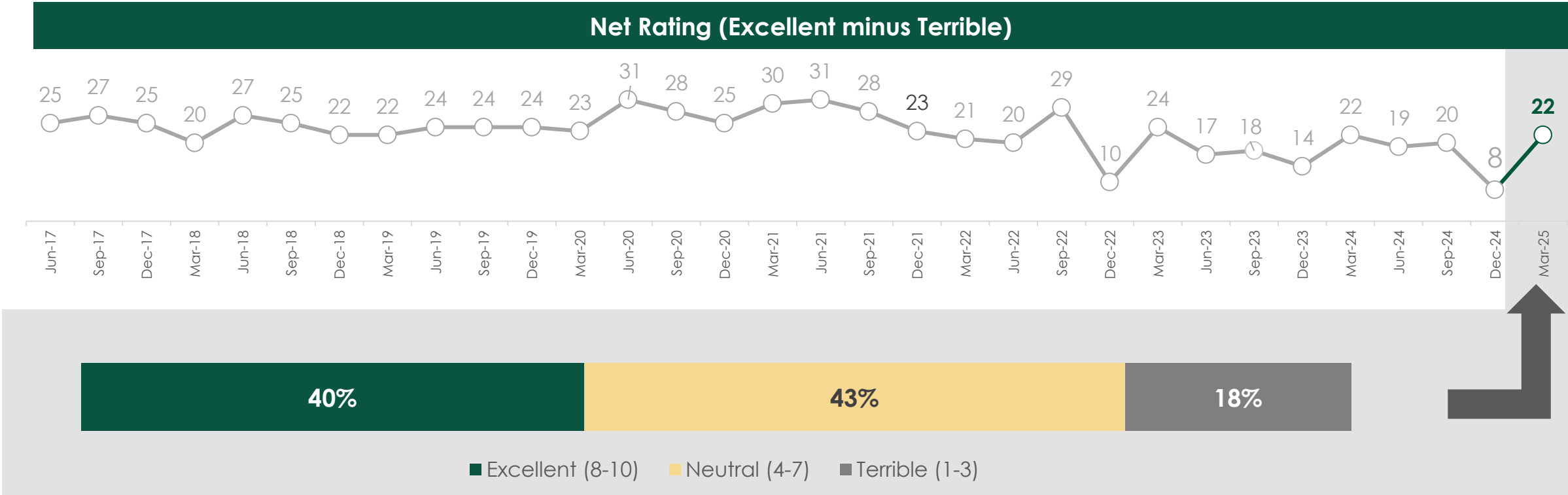
vs. Gen X (45%, -6), Millennial (43%, -9) and Boomer (35%, -10).

Q1. Thinking about the amount of after-tax income you make each month compared to the amount of your bills and debt obligations each month, how much is left over? In other words, how much wiggle room do you have before you wouldn't be able to pay all your bills and debt payments each month (which is called financial insolvency)?

Base: All Respondents (unweighted n=2000, BC (n=259); AB (n=220); Sask./Manitoba(n=172); ON (n=780); QC (n=437); ATL (n=132), <\$40K (n=418); \$40K - <\$60K (n=317); \$60K - <\$100K (n=484); \$100K+ (n=592).

Personal Debt Rating

Canadians' net personal debt rating has recovered from the all-time low reached last quarter and is on par with March last year. This improvement is due to more Canadians rating their personal debt situation positively (40% , +9) and fewer rating it negatively (18% , -5).



Q2. On a scale of 1 to 10, where 1 is 'terrible' and 10 is 'excellent', how would you rate your personal debt situation?
Base: All Respondents (unweighted) n=2,000

Excellent Personal Debt Self-Assessment

Who is more likely to rate their personal debt situation as 'good'? Assessments are up for almost all demographic segments, most notably for: Ontario residents (43%, +15), \$40-\$60k households (44%, +19) and Gen X (38%, +15).

41%
+8 pts

39%
+10 pts



Men and Women have a similar likelihood to rate themselves as having a good personal debt situation.

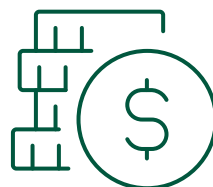


Sask./Manitoba

45%
+1 pts

Followed by residents of:

- Ontario (**43%**, +15)
- Atlantic Canada (**39%**, -2)
- British Columbia (**37%**, Unch)
- Alberta (**36%**, +8)
- Quebec (**36%**, +9)



\$100K+ Income

45%
+4 pts

vs. \$40K to \$60K (**44%**, +19),
\$60K to \$100K (**41%**, +5), and
<\$40K (**31%**, +10).



Boomers

58%
+8 pts

vs. Gen X (**38%**, +15), Gen Z (**32%**, +5),
and Millennial (**29%**, +10).

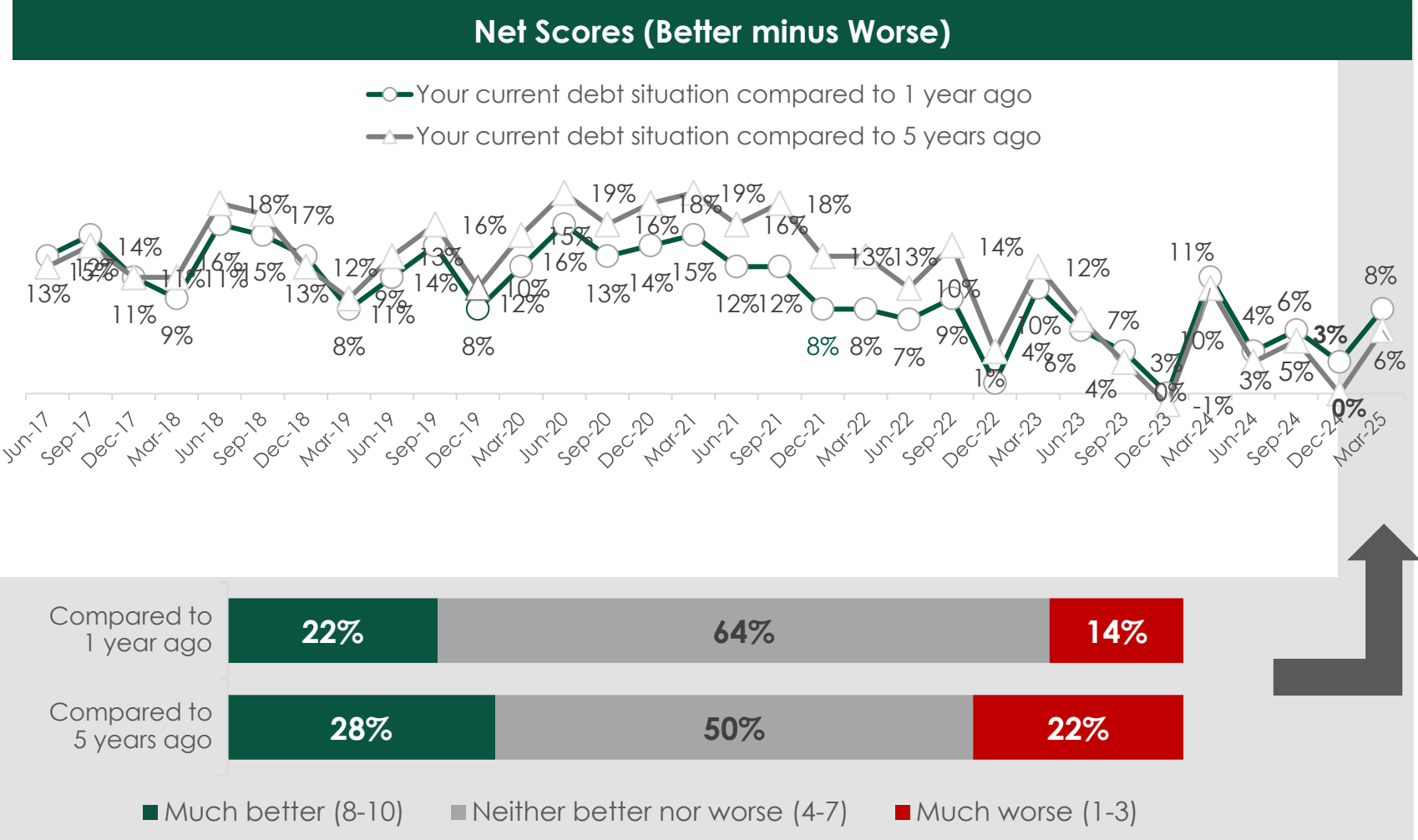
Q2. On a scale of 1 to 10, where 1 is 'terrible' and 10 is 'excellent', how would you rate your personal debt situation? Top three box responses.
Base: All Respondents (unweighted) (unweighted n=2000, BC (n=259); AB (n=220); Sask./Manitoba(n=172); ON (n=780); QC (n=437); ATL (n=132).

Current Debt Situation

Current debt perceptions have improved compared to the previous quarter.

When asked to **look back to one year ago**, the proportion of Canadians who perceive their current debt situation to be much better is relatively unchanged (22%, +1) the number who see it as much worse has dropped considerably (14%, -10).

Looking back to five years ago, the improvement in the net score versus last quarter is almost entirely due to the decline in the proportion who view it as much worse (22%, -5).



Q3. On a scale of 1 to 10, where 1 is 'much worse' and 10 is 'much better', how would you rate ...?
Base: All Respondents (unweighted) n=2,000

Current Debt Situation: **Worse**

Your current debt situation compared to 1 year ago



<\$ 40K
19%
-8 pts

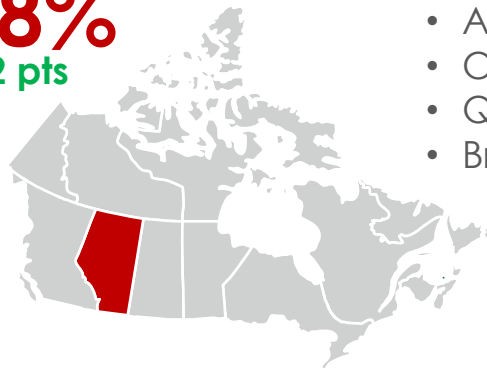
vs. <\$40K to <\$60K (13%, -17)
\$60K to <\$100K (11%, -12), and
\$100K+ (11%, -7.).



Gen X
20%
-7 pts

Vs. Millennials (16%, -13),
Gen Z (13%, -13) and
Baby Boomers (6%, -9).

Alberta
18%
-2 pts



Followed by residents of:

- Sask./Manitoba (16%, -4)
- Atlantic Canada (15%, -7)
- Ontario (14%, -12)
- Quebec (13%, -11)
- British Columbia (9%, -15)

Your current debt situation compared to 5 years ago

<\$40K Income



29%
-2 pts

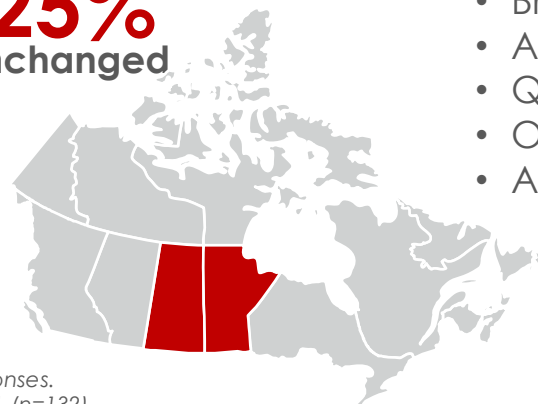
vs. \$60K to <\$100K (22%, -1)
<\$40K to <\$60k 19%, -12), and
\$100K+(18%, -4).



Gen Z
30%
+4 pts

Gen X (27%, -4),
Millennials (26%, -6), and
Baby Boomers (11%, -7).

Sask./Manitoba
25%
Unchanged



Followed by residents of:

- British Columbia (24%, -5)
- Alberta (24%, -2)
- Quebec (23%, -2)
- Ontario (21%, -8)
- Atlantic Canada (15%, -4)

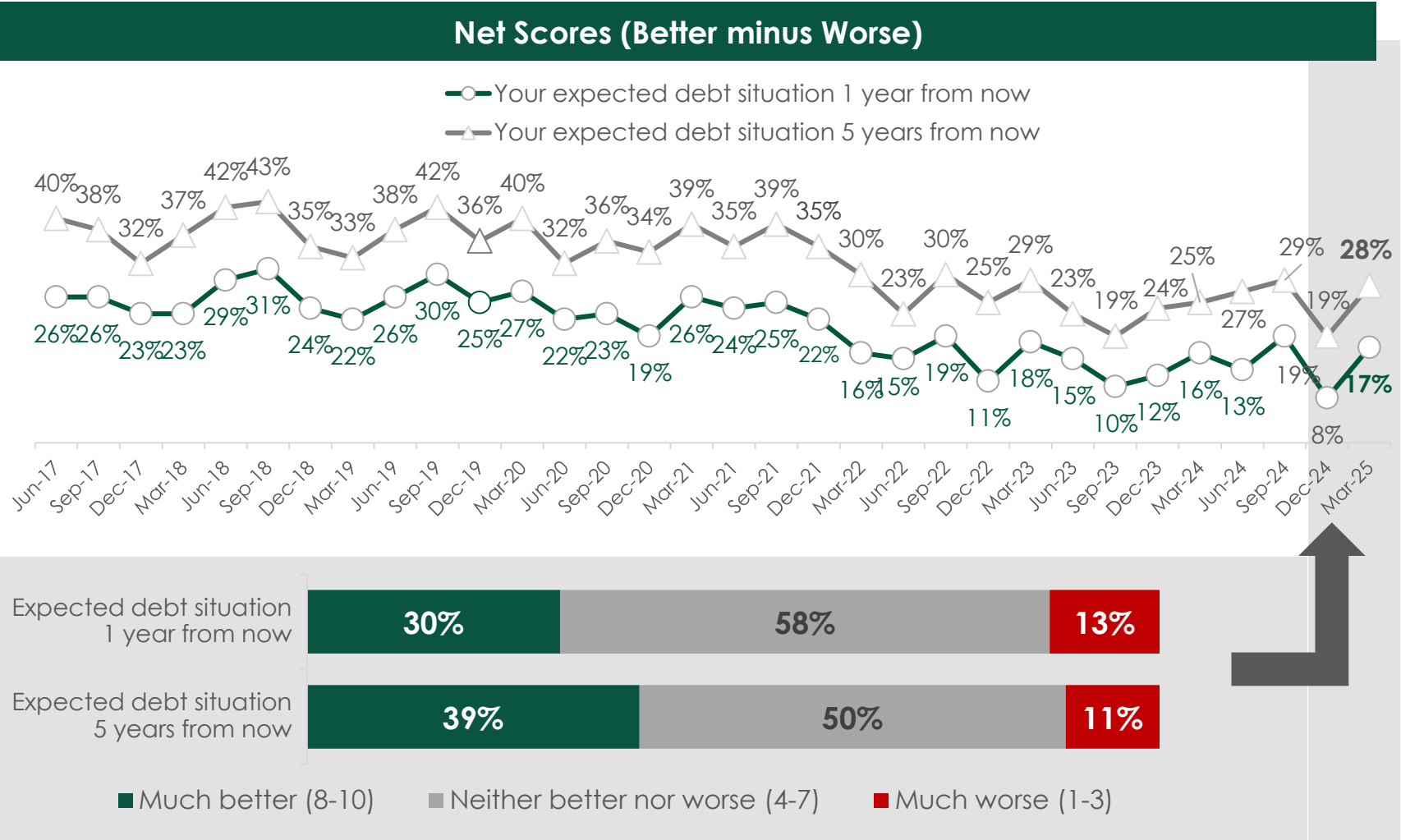
Q3. On a scale of 1 to 10, where 1 is 'much worse' and 10 is 'much better', how would you rate ...? Bottom three box responses.
Base: All Respondents (unweighted) n=2,000 BC (n=259); AB (n=220); Sask./Manitoba(n=172); ON (n=780); QC (n=437); ATL (n=132).

Expected Debt Situation

The expected debt situation of Canadians in the future has improved considerably since last quarter.

Three in ten Canadians expect their debt situation one year from now to improve (30%, +3), and fewer believe it will worsen (13%, -6).

There is a slight increase in the proportion of Canadians feeling better about their expected debt in five years (39%, +2), and a decrease in the number believing their debt will worsen (11%, -7).



Q3. On a scale of 1 to 10, where 1 is 'much worse' and 10 is 'much better', how would you rate ...?
Base: All Respondents (unweighted) n=2,000

Expected Debt Situation: **Worse**

Your expected debt situation 1 year from now



<\$40K Income

19%

-6 pts

vs. \$ 40K to <\$60K (12%, -7) and \$
\$60K to <\$100K (9%, -8), and
\$100K+ (9%, -6).



Gen X

16%

-9 pts

vs. Millennials (15%, -5) and
Gen Z (11%, -2),
Baby Boomers (8%, -7).

Quebec

15%

-8 pts

Followed by residents of:

- Sask./Manitoba (14%, -2)
- Atlantic Canada (14%, -1)
- British Columbia (13%, -5)
- Alberta (12%, -4)
- Ontario (10%, -9)

Your expected debt situation 5 years from now



<\$40K Income

16%

-8 pts

vs. <\$40K to <\$60K (9%, -10),
\$60K to <\$100K (9%, -6), and
\$100K+ (7%, -3).



Gen X

14%

-7 pts

vs. Gen Z (13%, -2),
Millennials (10%, -8.) and
Baby Boomers (8%, -7).

Quebec

15%

-8 pts

Followed by residents of:

- Atlantic Canada (15%, -4)
- Sask./Manitoba (11%, -4)
- Ontario (9%, -8)
- Alberta (9%, -6)
- British Columbia (9%, -3)

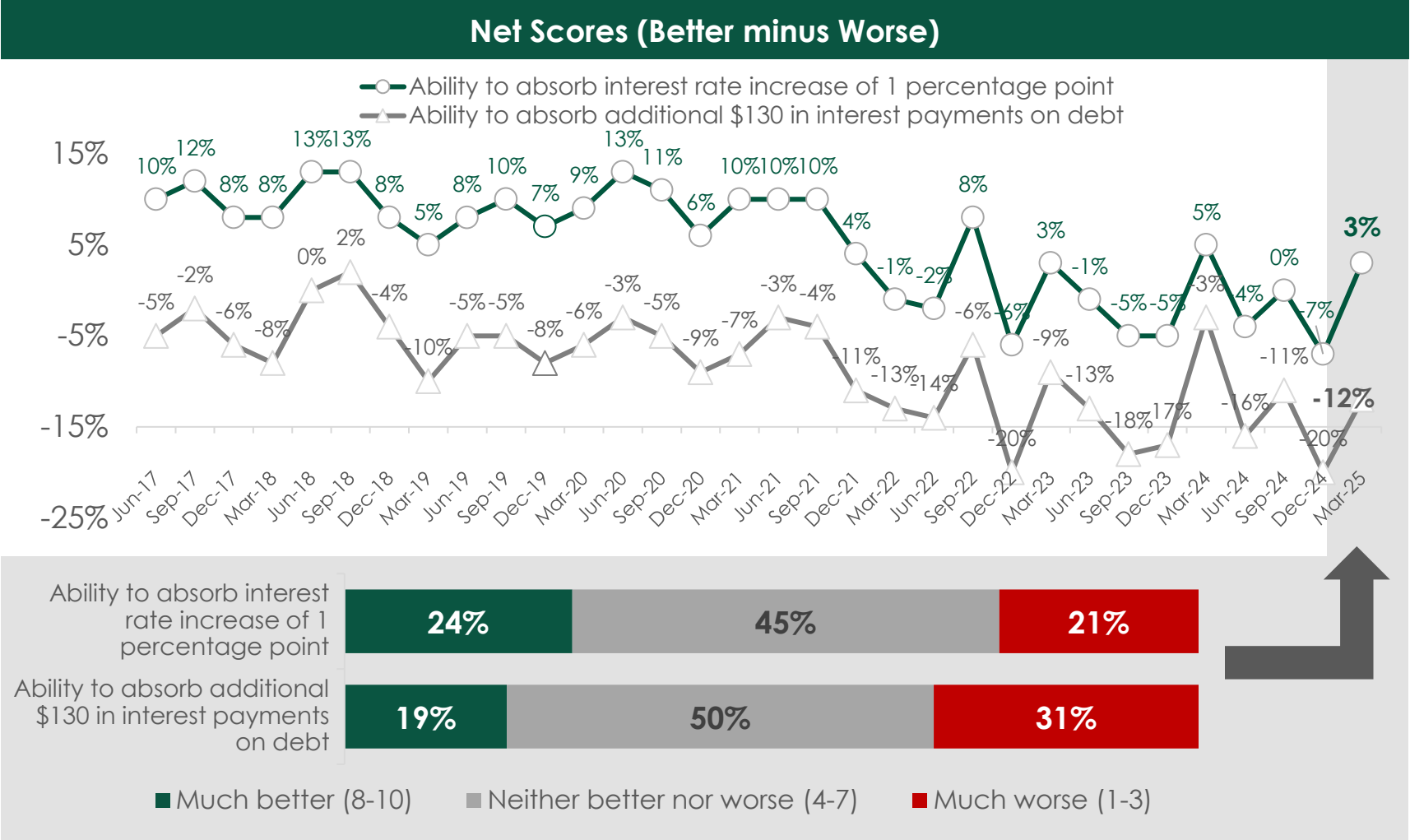
Current Ability to Absorb Interest Rate Increase

Canadians' perception of their ability to absorb additional interest rate increases has rebounded after a sharp drop last quarter.

Net score when phrased as a **one percentage point increase** has increased by 10 points to +3.

Net ability to absorb **an extra \$130 in interest payments** increased by 8 points to -12%.

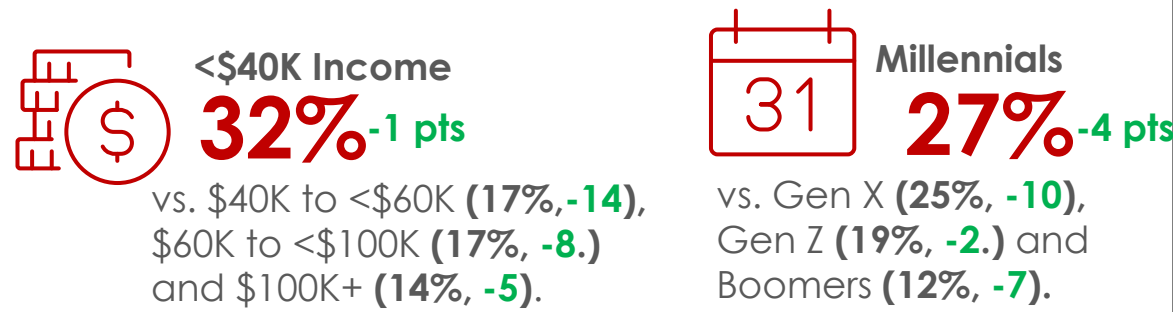
Additional rate cuts in 2025 may lead to increasing net scores, though unprecedented volatility regarding the economy could well offset this. The Bank of Canada has not given more forward guidance on the future of rates.



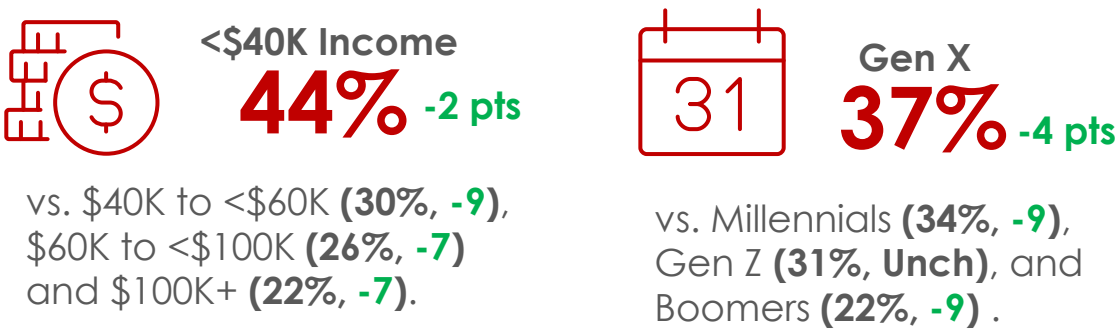
Q3. On a scale of 1 to 10, where 1 is 'much worse' and 10 is 'much better', how would you rate ...?
Base: All Respondents (unweighted) n=2,000

Current Ability to Absorb Interest Increase: **Worse**

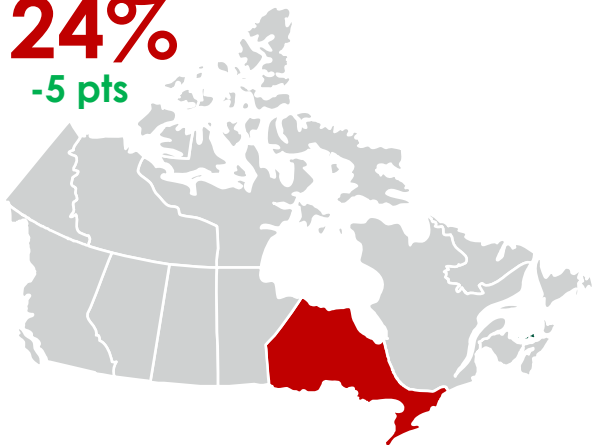
Your current ability to absorb an interest rate increase of 1 percentage point



Your current ability to absorb an additional \$130
in interest payments on debt



Quebec
24%
-5 pts



- Followed by residents of:
- British Columbia (23%, +2)
 - Alberta (20%, -2)
 - Atlantic (20%, -4)
 - Ontario (19%, -11)
 - Sask./Manitoba (16%, -13)

Alberta
36%
-1 pts

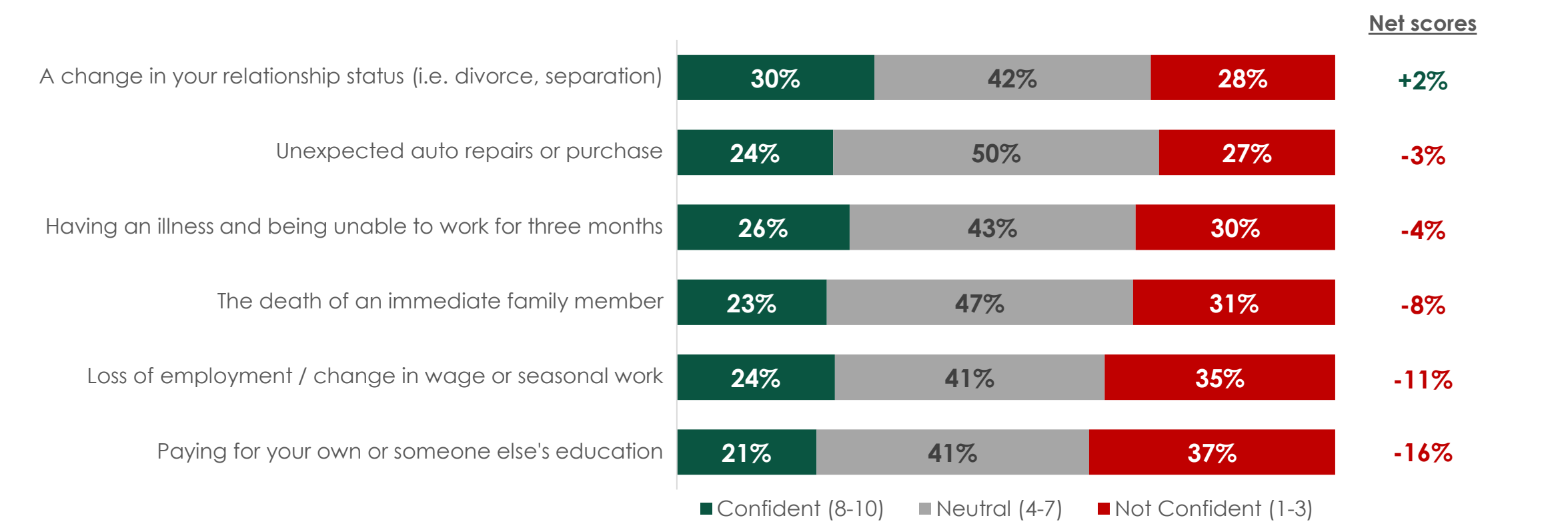


- Followed by residents of:
- Sask./Manitoba (35%, -2)
 - Quebec (32%, -4)
 - British Columbia (31%, Unch)
 - Atlantic (29%, -12)
 - Ontario (28%, -12)

Q3. On a scale of 1 to 10, where 1 is 'much worse' and 10 is 'much better', how would you rate ...? Bottom three box responses.
Base: All Respondents (unweighted) n=2000 BC (n=259); AB (n=220); Sask./Manitoba (n=172); ON (n=780); QC (n=437); ATL (n=132).

Confidence in Ability to Cope

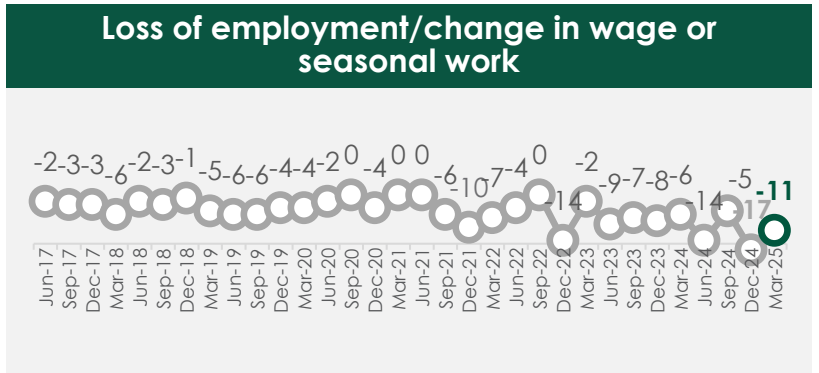
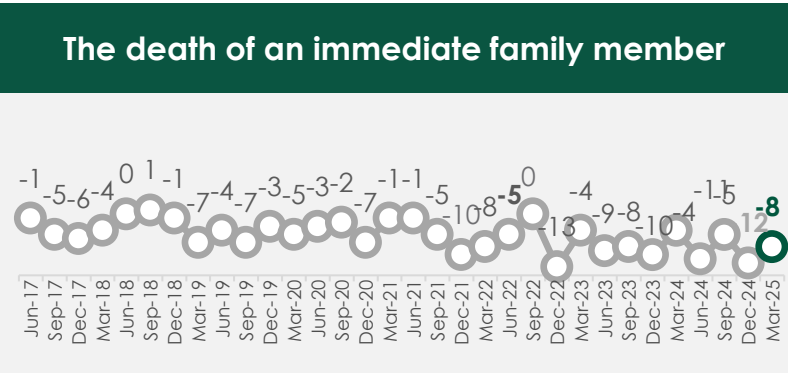
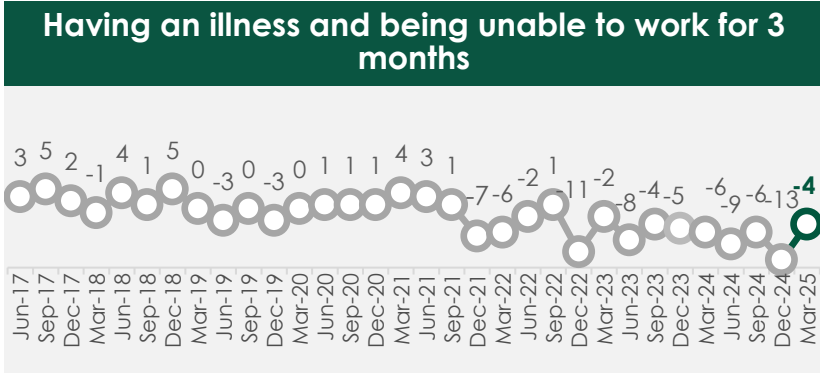
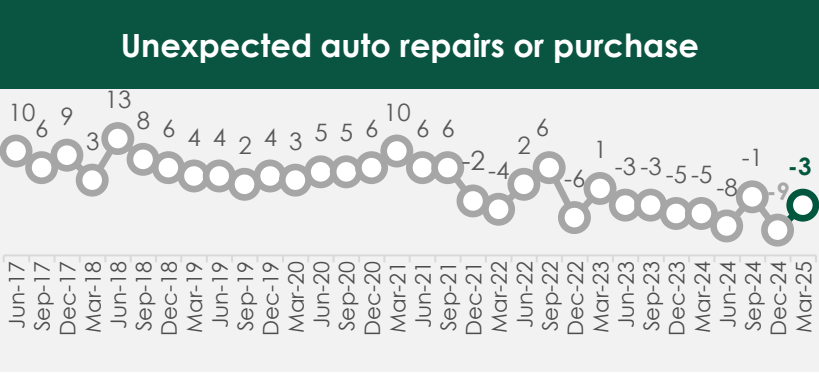
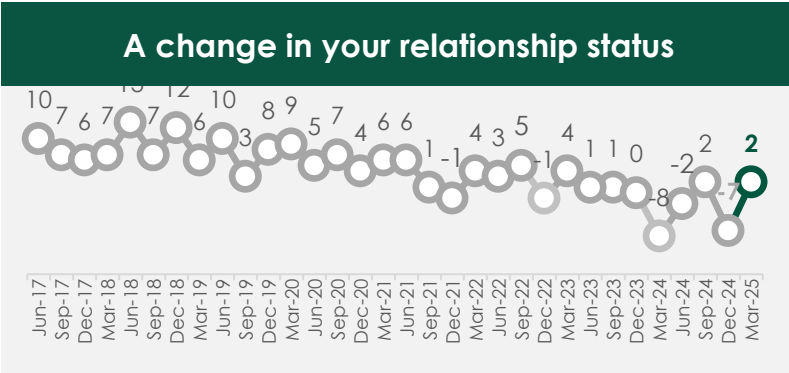
Canadians continue to be pessimistic about their ability to cope with unexpected expenses. Net confidence remains negative in five of six metrics. This quarter a change in your relationship status has the highest net score (+2%) and paying for your own or someone else's education the lowest (-16%).



Q4. On a scale of 1 to 10, where 1 is 'not at all confident' and 10 is 'extremely confident', how confident are you in your ability to cope with the following life changes without increasing your debt?
Base: All Respondents (unweighted) n=2000

Confidence in Ability to Cope – Net Scores

All net confidence scores are higher compared to last quarter, though not all are higher on a year over year basis: death of an immediate family member (-8 vs. -4 in March 2024), loss of employment (-11 vs. -6 in March 2024) and paying for your own or someone else's education (-16 vs. -4 in March 2024).



Q4. On a scale of 1 to 10, where 1 is 'not at all confident' and 10 is 'extremely confident', how confident are you in your ability to cope with the following life changes without increasing your debt?
Base: All Respondents (unweighted) n=2000

Not Confident in Ability to Cope

A change in your relationship status



\$60K to \$100K

30%

-3 pts

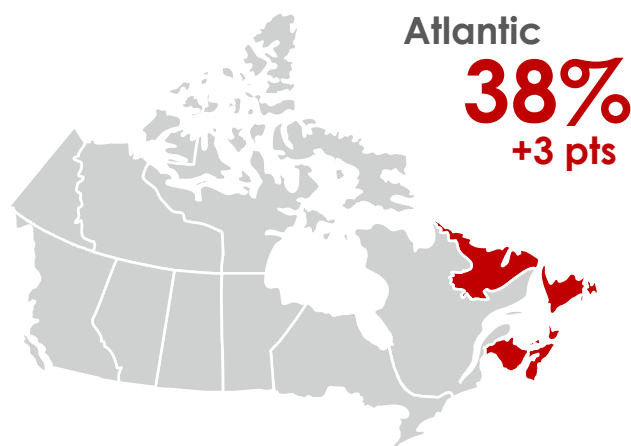
Vs. \$100K+ (**30%, +1**),
<\$40K Income (**27%, -7**)
and \$40K to <\$60K (**27%, -9**).



Gen X

36% -1 pts

Vs. Millennial (**35%, -6**),
Gen Z (**21%, -6**), and
Baby Boomers (**18%, -5**).



Followed by residents of:

- Alberta (**35%, +7**)
- Sask./Manitoba (**32%, +1**)
- Ontario (**29%, -6**)
- British Columbia (**26%, -6**)
- Quebec (**22%, -8**)

Unexpected auto repairs or purchase



<\$40K Income

37% -4 pts

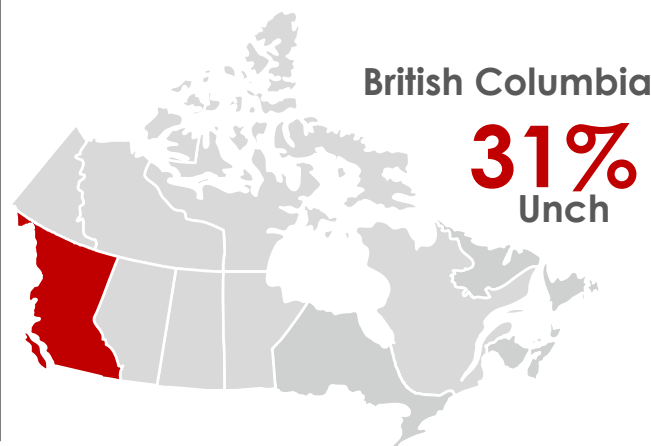
vs. \$40K to <\$60K (**26%, -11**),
\$60K to <\$100K (**24%, -7**)
and \$100K+ (**18%, -4**).



Gen Z

41% +8 pts

vs. Gen X (**34%, Unch**),
Millennial (**33%, -8**)
And Boomers (**23%, Unch**).



Followed by residents of:

- Alberta (**34%, Unch**)
- Quebec (**33%, -4**)
- Ontario (**31%, -5**)
- Sask./Manitoba (**31%, -2**)
- Atlantic (**29%, -2**)

Q4. On a scale of 1 to 10, where 1 is 'not at all confident' and 10 is 'extremely confident', how confident are you in your ability to cope with the following life changes without increasing your debt? Bottom three box responses.
Base: All Respondents (unweighted) n=2000 BC (n=259); AB (n=220); Sask./Manitoba(n=172); ON (n=780); QC (n=437); ATL (n=132)

Not Confident in Ability to Cope

Having an illness and being unable to work for 3 months



Gen Z
41% +6 pts

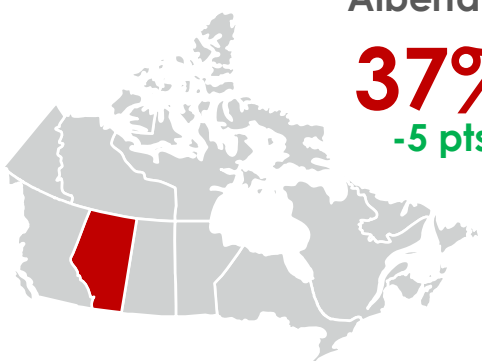
vs. Gen X (38%, -6),
Millennial (37%, -7), and
Baby Boomers (13%, -12).



<\$40K Income

35% -9 pts

vs. \$40K to <\$60K (30%, -7.),
\$60K to <\$100K (30%, -5) and
\$100K+ (24%, -8).



Alberta

37%
-5 pts

Followed by residents of:

- British Columbia (33%, +5)
- Quebec (31%, -2)
- Sask./Manitoba (30%, -5)
- Atlantic (28%, -7)
- Ontario (27%, -16)

The death of an immediate family member



Millennial
40% -2 pts

vs. Gen Z (39%, +3),
Gen X (33%, -2) and
Baby Boomers (17%, -7).

<\$40K Income

39% -3 pts

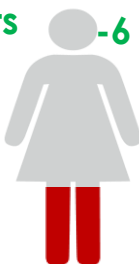


vs. \$40K to <\$60K (30%, -3),
\$60K to <\$100K (27%, -1) and
<\$100K (24%, -6).

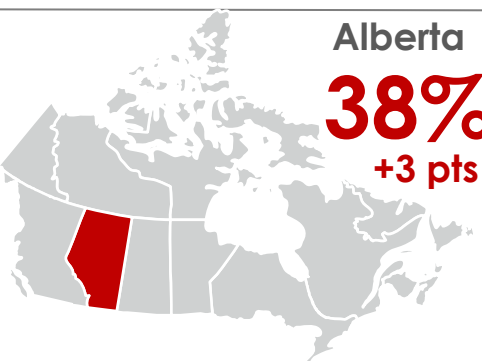
27% **34%**



-1 pts



-6 pts



Alberta

38%
+3 pts

Followed by residents of:

- British Columbia (37%, +10)
- Atlantic (37%, +4)
- Ontario (30%, -10)
- Sask./Manitoba (29%, -2)
- Quebec (24%, -5)

Q4. On a scale of 1 to 10, where 1 is 'not at all confident' and 10 is 'extremely confident', how confident are you in your ability to cope with the following life changes without increasing your debt? Bottom three box responses.
Base: All Respondents (unweighted) n=2000 BC (n=259); AB (n=220); Sask./Manitoba (n=172); ON (n=780); QC (n=437); ATL (n=132).

Not Confident in Ability to Cope

Loss of employment/change in wage or seasonal work



Gen X
45%
+2 pts

vs. Millennial (**42%**, -2),
Gen Z (**38%**, -2) and
Baby Boomers (**18%**, -7).

<\$40K Income



37%
-6 pts

vs. <\$60K to <\$100K (**34%**, -2),
\$40K to <\$60K (**33%**, -3), and
\$100K+ (**33%**, unch).

Alberta

42%
Unch

Followed by residents of:

- British Columbia (**38%**, +8)
- Sask./Manitoba (**36%**, +7)
- Ontario (**35%**, -8)
- Atlantic (**32%**, -10)
- Quebec (**29%**, -6)

Paying for your own or someone else's education



Gen X
43% unch

vs. Millennial (**41%**, -3),
Gen Z (**38%**, +4) and
Baby Boomers (**27%**, -1).

<\$40K Income



49%
+6 pts

vs. \$40K to <\$60K (**38%**, -4),
\$60K to <\$100K (**35%**, -1)
and \$100K+ (**23%**, -6)

Alberta

48%
+8 pts

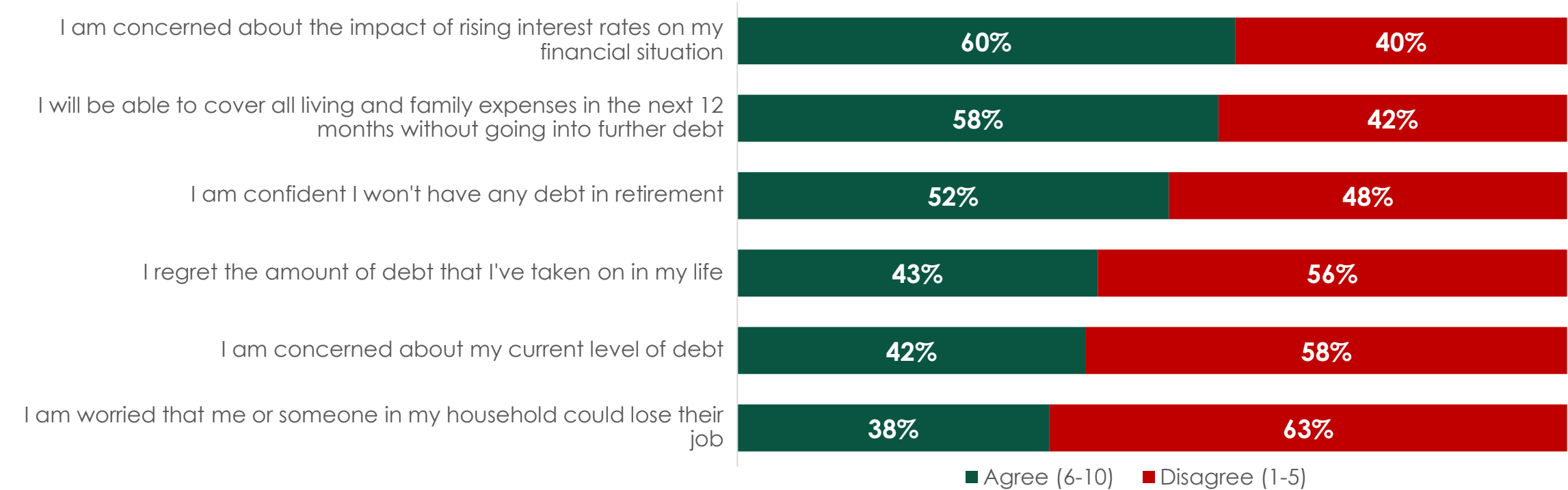
Followed by residents of:

- British Columbia (**42%**, +3)
- Atlantic (**40%**, +1)
- Ontario (**38%**, -5)
- Sask./Manitoba (**33%**, -7)
- Quebec (**28%**, Unch)

Q4. On a scale of 1 to 10, where 1 is 'not at all confident' and 10 is 'extremely confident', how confident are you in your ability to cope with the following life changes without increasing your debt? Bottom three box responses.
Base: All Respondents (unweighted) n=2000 BC (n=259); AB (n=220); Sask./Manitoba(n=172); ON (n=780); QC (n=437); ATL (n=132).

Evaluating Personal Finances

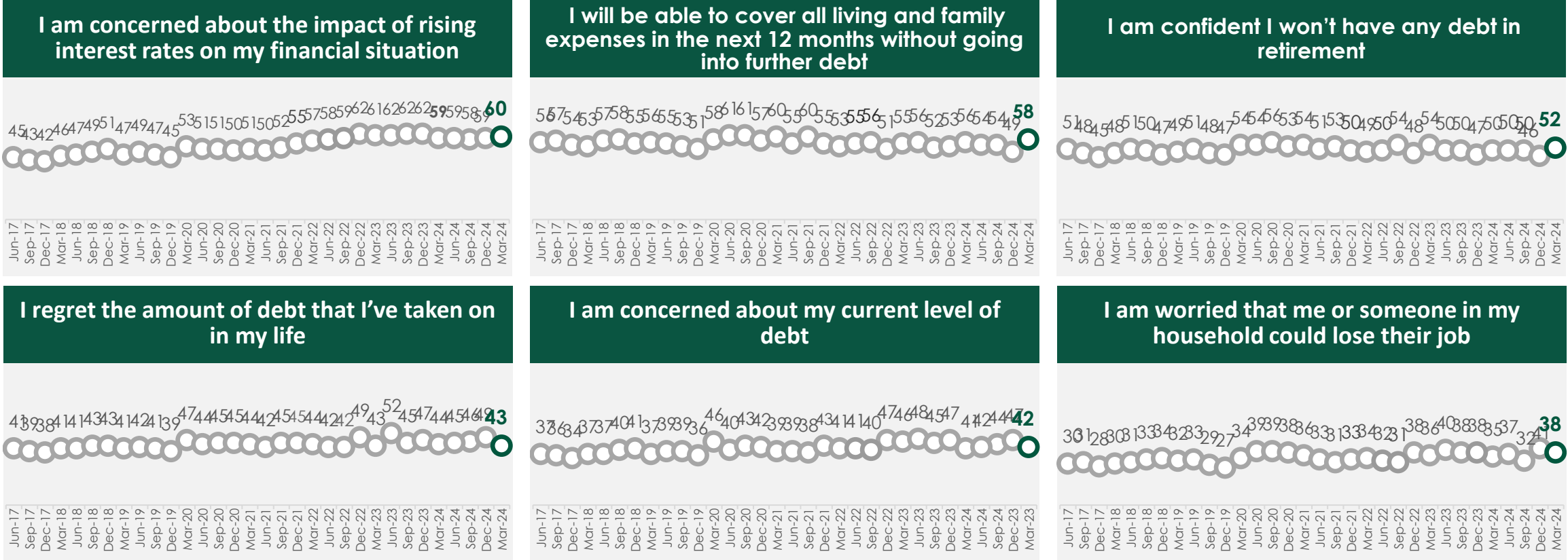
Three in five feel they will be able to cover their expenses in the next 12 months without going into further debt (58%, +9), a similar portion though are concerned about the impact of interest rates on their financial situation (60%, +1). Half are confident they won't have debt in retirement (52%, +6), though four in ten are concerned about their current debt level (42%, -5) and a similar proportion regret the amount of debt they have taken on (43%, -6).



Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2000

Evaluating Personal Finances – Agree (6-10)

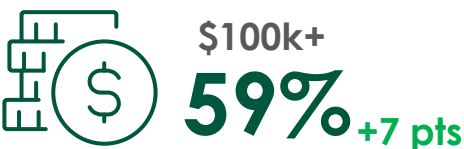
Canadians' evaluation of their personal finances are generally more positive this quarter. A higher proportion believe they won't have debt in retirement (52%, +6) and will be able to cover living expenses in the next year without needing more debt (58%, +9). Fewer regret the amount of debt they've taken (43%, -6), are concerned about their level of debt (42%, -5) and are worried about someone in their household losing their job (38%, -3). The proportion concerned about the impact of rising interest rates has remained stable (60%, +1). Despite lower interest rates, the proportion concerned about the impact of rising interest rates is very close to the highest level recorded historically for this study (62%)



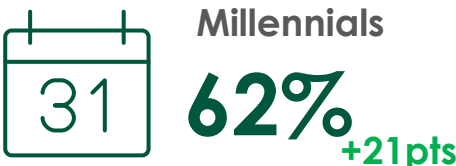
Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2000

Evaluating Personal Finances – Agree (6-10)

I am confident I won't have any debt in retirement

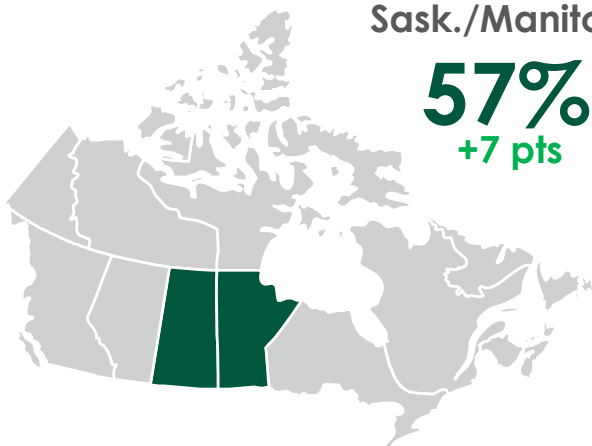


vs. \$60K to <\$100K (55%, +6)
\$40K to <\$60K (52%, +6) and
<\$40K (43%, +4).



vs. Gen X (49%, +3),
Boomers (47%, -3), and
Gen Z (46%, -6).

Sask./Manitoba



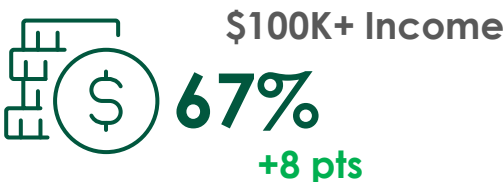
Followed by residents of:

- Ontario (55%, +11)
- Quebec (53%, +8)
- Atlantic Canada (53%, +14)
- British Columbia (44%, -7)
- Alberta (43%, -8)

I will be able to cover all living and family expenses in the next 12 months without going into further debt

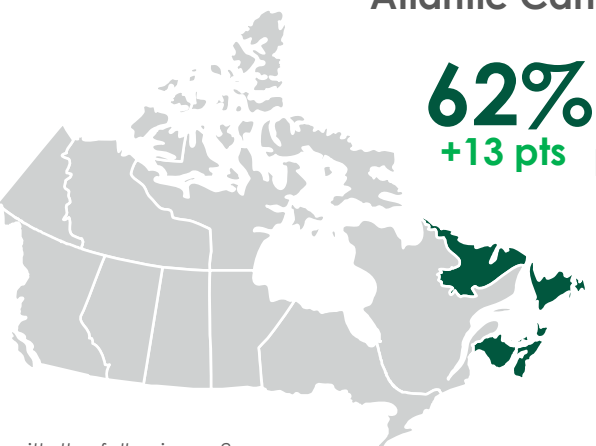


Vs. Gen Z (54%, +11),
Gen X (53%, +11) and
Millennials (50%, +10).



vs. \$60K to <\$100K (57%, +5),
\$40K to <\$60K (57%, +8) and
<\$40K (52%, +13).

Atlantic Canada



Followed by residents of:

- Sask./Manitoba (62%, +5)
- Ontario (59%, +11)
- British Columbia (58%, +7)
- Quebec (55%, +9)
- Atlantic Canada (55%, 0)

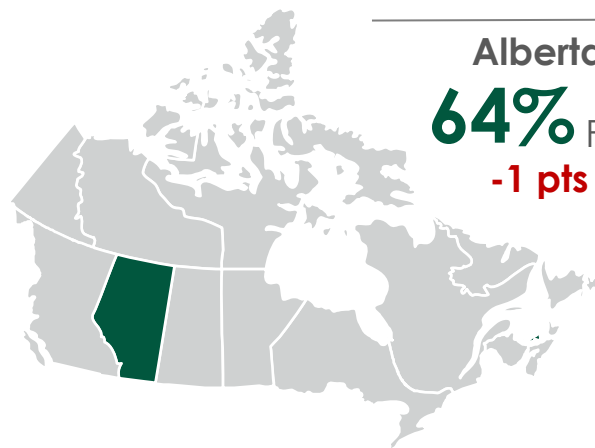
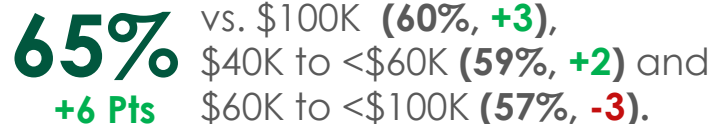
Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2000 BC (n=259); AB (n=220); Sask./Manitoba(n=172); ON (n=780); QC (n=437); ATL (n=132).

Evaluating Personal Finances – Agree (6-10)

I am concerned about the impact of rising interest rates on my financial situation



<\$40K Income



Alberta

64%

-1 pts

- Followed by residents of:
- Atlantic Canada (**64%**, **+10**)
 - Ontario (**60%**, **-4**)
 - Quebec (**58%**, **+4**)
 - Sask./Manitoba (**58%**, **+5**)
 - British Columbia (**57%**, **+7**)

I regret the amount of debt that I've taken on in my life



\$60K to <\$100K Income

46%
unch

vs. <\$40K (**45%**, **-9**)
\$40K to <\$60K (**44%**, **-9**) and
\$100K (**40%**, **-9**)



Atlantic Canada

53%

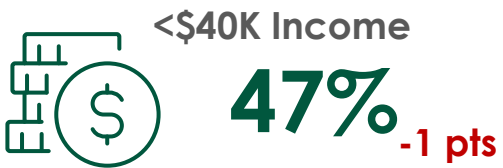
+7 Pt

- Followed by residents of:
- Sask./Manitoba (**49%**, **+8**)
 - Alberta (**46%**, **-10**)
 - Quebec (**43%**, **-5**)
 - Ontario (**43%**, **-9**)
 - British Columbia (**40%**, **-7**)

Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2000 BC (n=259); AB (n=220); Sask./Manitoba(n=172); ON (n=780); QC (n=437); ATL (n=132).

Evaluating Personal Finances – Agree (6-10)

I am concerned about my current level of debt

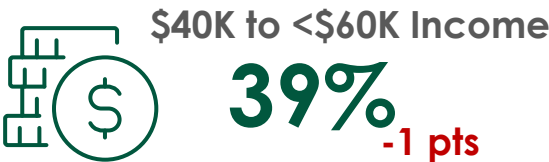


vs. \$60K to <\$100K (42%, -6),
\$100K+ (41%, -3) and
\$40K to <\$60K (38%, -12).

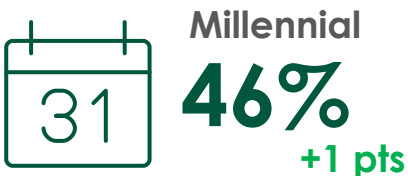


vs. Gen Z (50%, -5),
Gen X (47%, -3) and
Baby Boomers (26%, -5).

I am worried that me or someone in my household
could lose their job



vs. \$100K (38%, -2)
\$60K to <\$100K (37%, -3), and
<\$40K+ (36%, -6).



vs. Gen X (44%, -4),
Gen Z (44%, -5) and
Baby Boomers (20%, -5).

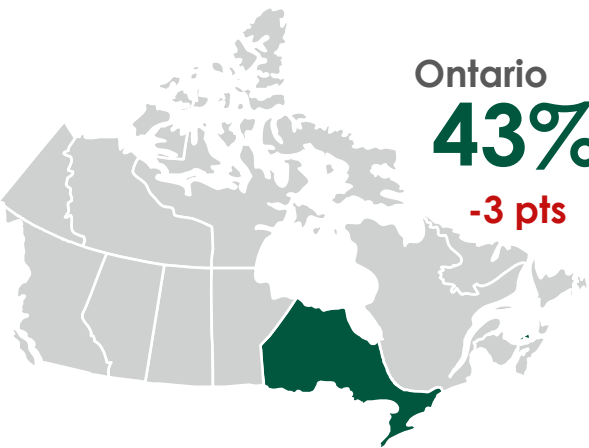


Atlantic Canada

44%
+3 pts

Followed by residents of:

- Ontario (43%, -9)
- Quebec (42%, -2)
- Sask./Manitoba (40%, +1)
- British Columbia (40%, +2)
- Alberta (39%, -13)



Ontario

43%
-3 pts

Followed by residents of:

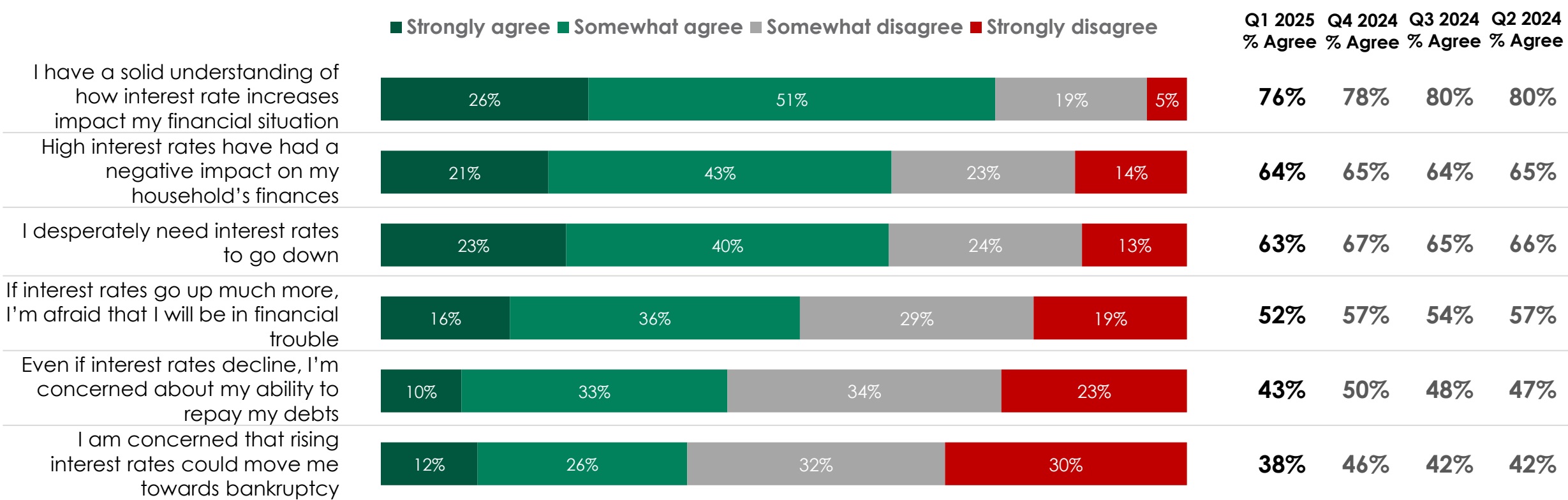
- Quebec (37%, -7)
- Atlantic Canada (35%, +2)
- Sask./Manitoba (35%, +7)
- British Columbia (32%, +4)
- Alberta (32%, -10)

Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2000 BC (n=259); AB (n=220); Sask./Manitoba(n=172); ON (n=780); QC (n=437); ATL (n=132).

INTEREST RATES

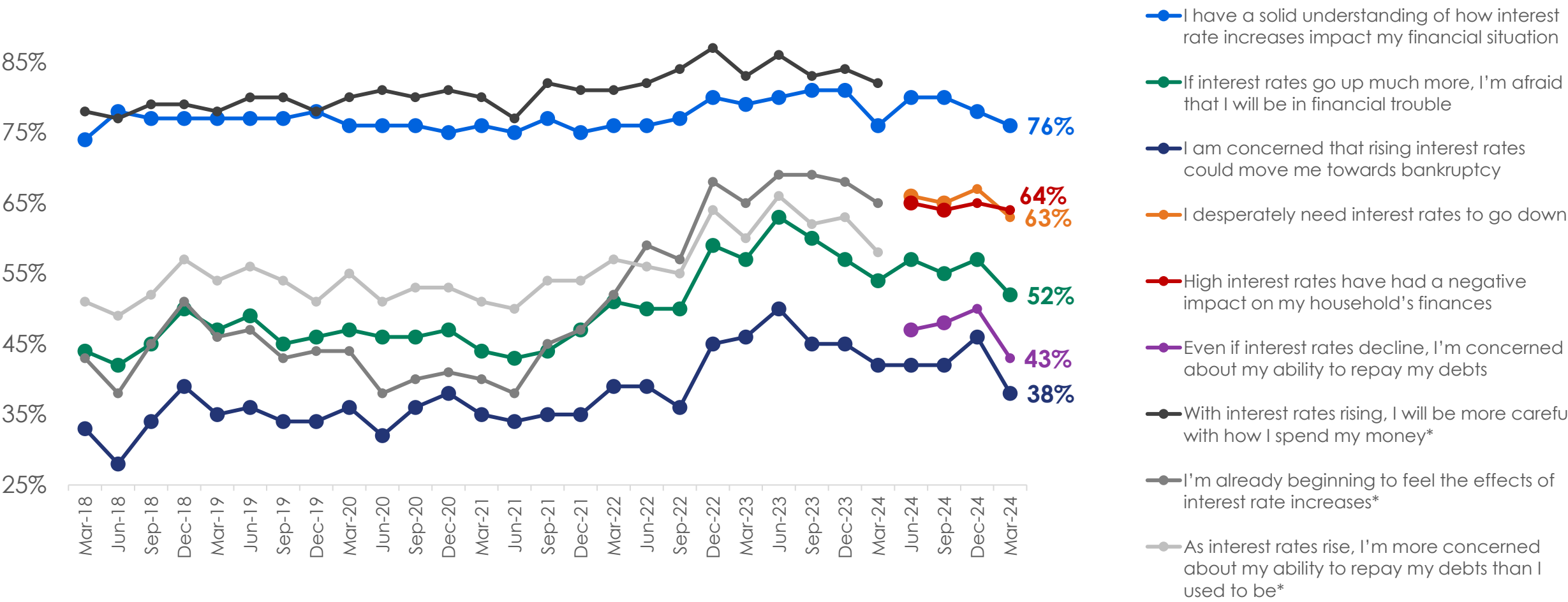
Attitudes Towards Interest Rates

Most Canadians indicate they have a solid understanding of how interest rates impact their financial situation, though the proportion has eroded slowly (76%, -2 vs. W31, -4 vs. W30 & W29). With continued interest rate declines some metrics regarding the concern of interest rates have dropped: I desperately need interest rates to go down (63%, -4), if interest rates go up much more, I'm afraid that I will be in financial trouble (52%, -5) and I am concerned that rising interest rates could move me toward bankruptcy (38%, -8).



Q7. To what extent do you agree or disagree with the following?
Base: All Respondents (unweighted) n=(2000)

Attitudes Towards Interest Rates Tracking (T2B)



Q7. To what extent do you agree or disagree with the following?
 Base: All Respondents (unweighted) n=2000
 *Statements removed in Jun 2024.

Attitudes Towards Interest Rates

Canadians 18-54 are most likely to have concerns about the impact of interest rates on their financial situation. Females are more likely to indicate they desperately need interest rates to go down, and that if interest rates go up they will be in financial trouble. Regionally, Quebecers are most likely to feel that rising interest rates could push them toward bankruptcy and those in Saskatchewan and Manitoba are least likely to indicate that if interest rates go up they will be in financial trouble.

| % Agree (Top 2 Box) | | | | | | | | | | | | | | | | |
|---|-----------|--------|----------|---------|---------|--------|--------|------|---------|-------|---------|-------|------------------|-------------------|--------------------|-----------|
| | | Gender | | Age | | | Region | | | | | | Household Income | | | |
| | Top 2 Box | Male A | Female B | 18-34 C | 35-54 D | 55+ E | BC A | AB B | SK/MB C | ON D | QC E | ATL F | <\$40K G | \$40K to <\$60K H | \$60K to <\$100K I | \$100K+ J |
| I have a solid understanding of how interest rate increases impact my financial situation | 76% | 77% | 76% | 71% | 74% | 83% CD | 75% | 78% | 78% | 75% | 78% | 81% | 73% | 73% | 77% | 85% GHI |
| High interest rates have had a negative impact on my household's finances | 64% | 63% | 64% | 73% E | 75% E | 47% | 62% | 64% | 59% | 66% E | 59% | 71% | 67% | 64% | 62% | 63% |
| I desperately need interest rates to go down | 63% | 59% | 68% A | 74% E | 70% E | 51% | 65% | 64% | 60% | 61% | 65% | 72% | 69% J | 66% | 61% | 57% |
| If interest rates go up much more, I'm afraid that I will be in financial trouble | 52% | 49% | 55% A | 68% E | 63% E | 31% | 51% | 50% | 38% | 52% C | 55% C | 56% C | 59% J | 52% | 52% | 45% |
| Even if interest rates decline, I'm concerned about my ability to repay my debts | 43% | 42% | 43% | 52% E | 50% E | 30% | 44% | 45% | 42% | 40% | 46% | 45% | 57% HIJ | 40% | 39% | 32% |
| I am concerned that rising interest rates could move me towards bankruptcy | 38% | 36% | 40% | 54% DE | 45% E | 20% | 36% | 34% | 32% | 37% | 45% BCD | 34% | 45% IJ | 40% J | 35% | 30% |

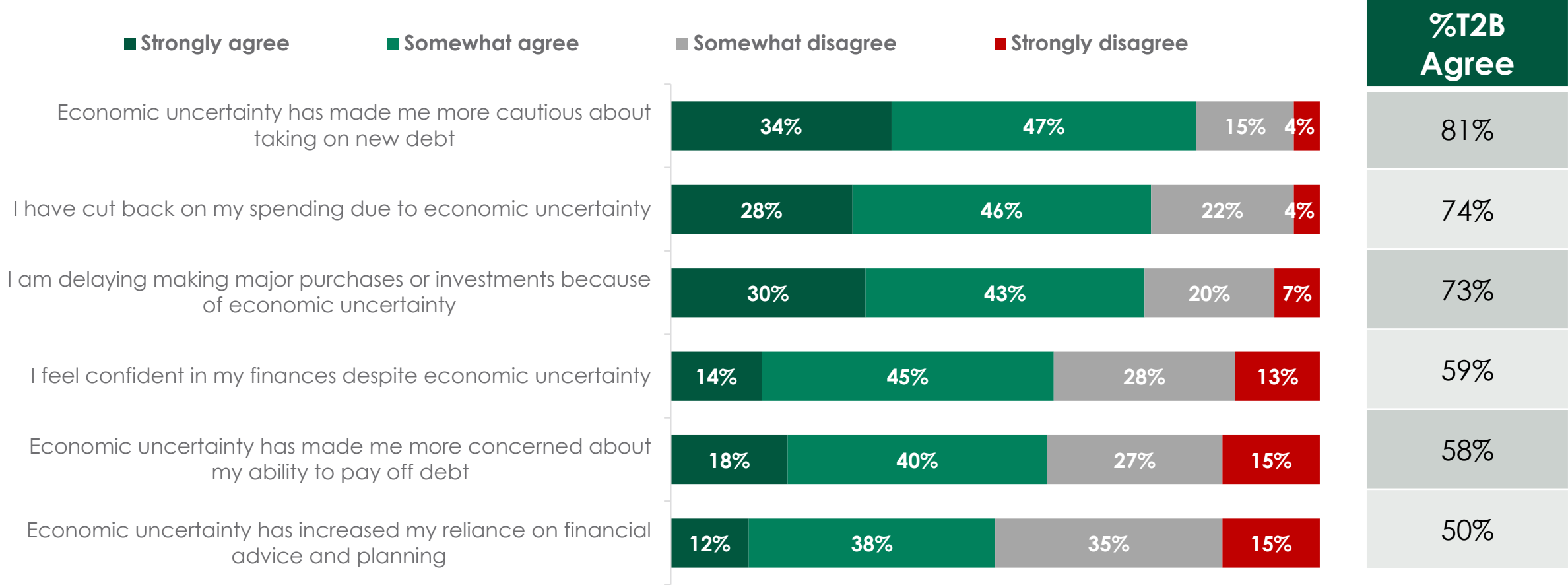
Q7. To what extent do you agree or disagree with the following?
Base: All Respondents (unweighted) n=(2000) Male (n=853); Female (n=1112); 18-34 (n=377);35-54 N (n=824); 55+ (n=799), <\$40K (n=418), \$40K to <\$60k (n=317), \$60K to <\$100K (n=484), \$100K+ (n=592), BC (n=259), AB (n=220), Sask./Manitoba(n=172), ON (n=780), QC (n=437), ATL (n=132)



Economic Uncertainty

Perceptions of Economic Uncertainty

Economic uncertainty has caused most Canadians to be more cautious taking on new debt (81%), and three in five feel concerned about their ability to pay off their debt. Three in four indicate economic uncertainty has made them cutback on their spending (74%) or delay making major purchases or investments (73%). Despite this level of concern three in five feel confident in their finances (59%).



Q32.2. To what extent do you agree or disagree with the following statements
Base: All Respondents (unweighted) n=(2000).



Perceptions of Economic Uncertainty by demographics

Canadians 18-54 are more likely to indicate that economic uncertainty has caused them to cut back on spending, delay major purchases or investments, rely more on financial advice and planning or made them more concerned about their ability to pay off debt.

| | | Gender | | Age | | | Region | | | | | | Household Income | | | |
|---|-------|-----------|-------------|------------|------------|----------|---------|---------|------------|---------|---------|----------|------------------|-------------------------|--------------------------|--------------|
| | Total | Male A | Female B | 18-34 C | 35-54 D | 55+ E | BC A | AB B | SK/MB C | ON D | QC E | ATL F | <\$40K G | \$40K to <\$60K H | \$60K to <\$100K I | \$100K+ J |
| % T2B Agree | | | | | | | | | | | | | | | | |
| Economic uncertainty has made me more cautious about taking on new debt | 81% | 80% | 82% | 81% | 83% | 79% | 79% | 83% | 75% | 81% | 81% | 86% | 79% | 81% | 84% | 79% |
| I have cut back on my spending due to economic uncertainty | 74% | 70% | 77% A | 74% E | 81% CE | 67% | 74% | 75% C | 63% | 75% C | 73% | 76% | 76% | 71% | 72% | 70% |
| I am delaying making major purchases or investments because of economic uncertainty | 73% | 69% | 77% A | 82% E | 78% E | 62% | 75% | 71% | 66% | 76% C | 70% | 76% | 75% | 72% | 74% | 68% |
| I feel confident in my finances despite economic uncertainty | 59% | 64% B | 55% | 51% | 52% | 71% CD | 58% | 54% | 65% | 58% | 62% | 60% | 52% | 59% | 63% G | 68% GH |
| Economic uncertainty has made me more concerned about my ability to pay off debt | 58% | 55% | 61% A | 65% E | 71% E | 42% | 58% | 60% | 53% | 58% | 56% | 69% CE | 65% HI | 55% | 55% | 57% |
| Economic uncertainty has increased my reliance on financial advice and planning | 50% | 48% | 53% | 63% DE | 53% E | 39% | 46% | 48% | 49% | 52% | 50% | 58% | 52% | 50% | 49% | 49% |

Anticipated Housing Costs in Next Year

Two in three Canadian home renters (65%) feel their housing costs will increase within the next year, while the same proportion of Canadian homeowners (65%) feel their housing costs will remain the same. Regionally, two in three Atlantic residents (67%) anticipate their housing costs will stay the same.

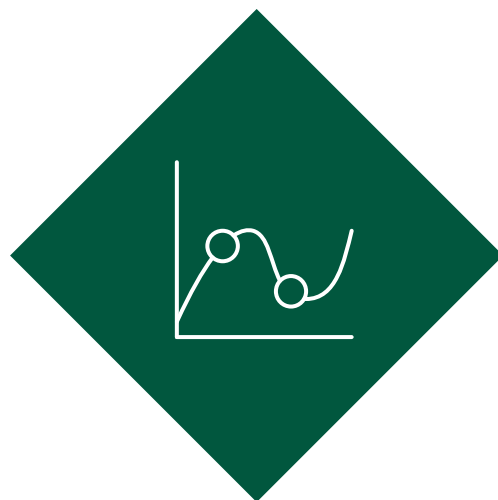
| | | Housing | | Gender | | Age | | | Region | | | | | | Household Income | | | |
|---------------|-------|----------|-----------|-----------|-------------|------------|------------|----------|---------|---------|------------|---------|---------|----------|------------------|-------------------------|--------------------------|--------------|
| | Total | Own A | Rent B | Male A | Female B | 18-34 C | 35-54 D | 55+ E | BC A | AB B | SK/MB C | ON D | QC E | ATL F | <\$40K G | \$40K to <\$60K H | \$60K to <\$100K I | \$100K+ J |
| Increase | 44% | 30% | 65% A | 43% | 45% | 51% E | 49% E | 35% | 39% | 43% | 43% | 45% F | 51% AF | 32% | 52% J | 43% J | 46% J | 34% |
| Stay the same | 52% | 65% B | 32% | 53% | 51% | 46% | 45% | 63% CD | 58% E | 53% | 53% | 52% | 46% | 67% BDE | 47% | 53% | 51% | 60% GI |
| Decrease | 4% | 5% | 2% | 3% | 4% | 3% | 6% E | 2% | 3% | 4% | 4% | 4% | 4% | 2% | 1% | 4% | 4% | 6% G |

MEDIA ANGLES



MNP Debt Index Improves Considerably as Interest Rates Drop Further

Canadians have more money at end of month, as lower interest rates and spending reduction creates some breathing room



Personal Debt Assessments Rebounds From Lowest Score Last Quarter

Net scores for personal debt rating has climbed by 14 points to 22%. This is consistent with the increase in confidence in the ability to cover expenses in the next year without going into further debt (58%, +9).



Insolvency Risk Drops

Four in ten Canadians (43%, -7) are now \$200 or less away each month from not being able to make ends meet. This is a result of **significantly fewer Canadians saying they already can't pay their bills and debts (26% , -9).**



Economic Uncertainty Impacting Canadians Feelings on Debt & Spending

81% of Canadians indicate economic uncertainty has made them more cautious on taking new debt. Three in four have cut back on spending (74%) or making major purchases or investments (73%).

About Ipsos

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You act better when you are sure.