

MNP DEBT INDEX

Wave 28

March 2024

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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 **2,000 Canadians** from the Ipsos i-Say panel was interviewed from **Mar 8 – Mar 15, 2024**.
- 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 Debt Index has rebounded to 91 points. Canadians are feeling much better about their current personal finances after a year of low scores. With interest rates likely coming down soon, Canadians are feeling much better about their current debt situation, expected debt situation, and ability to absorb interest rate increases – which seem increasingly unlikely. However, scores are being held back likely due to those still concerned with interest rate hikes which will affect their ability to repay their debts and concerns with being pushed towards bankruptcy – after all, mortgages are still coming up for renewal.

Insolvency Rates Steady

Consistent with December 2023, 45% are \$200 or less away from financial insolvency. More state they are already insolvent (31%, +4) but fewer are \$1 to \$200 away from insolvency (14%, -4).

Canadians who are more likely to report being \$200 or less away from insolvency continue to be women, however, the gender gap has reduced slightly. Fewer Canadians with less than \$40K income are close to insolvency, but there are still three in five still at risk.

More Money at Month's End

After all bills and essential expenses are settled, on average, Canadians are left with \$842 at month-end, up \$47. Canadians have seen a bump in month-end finances across most demographics, most notably younger Canadians and those with \$100K+ incomes.

Albertans month-end finances have increased by a significant \$443 from last quarter, putting Albertans taking home \$1334 on average, significantly higher than all other regions.

Positive Sentiment on Debt

Canadians' net personal debt rating has improved significantly to 22 points, an eight-point increase from last quarter. The shift is a result of more who feel their personal debt rating is 'excellent' (41%, +6).

Current debt perceptions have rebounded to match similar levels observed in March 2023. When asked to look back to one year ago, a quarter of Canadians perceive their current debt situation to be much better (27%, +5) and fewer 16% (-6) have rated it much worse. Comparing to five years ago, three in ten (30%, +3) say their debt situation has improved and much fewer (20%, -8) says it has worsened.

Executive Summary

Pandemic Recovery Split

One third of Canadians have recovered financially since the start of the pandemic in 2020 (33%), however, another third say they are worse off financially now than they were pre-pandemic (32%).

Canadians who are worse off financially are mostly aged 35-54 and with lower income. Two in 10 (20%) stated the pandemic did not significantly impact their finances, predominately those aged 55+.

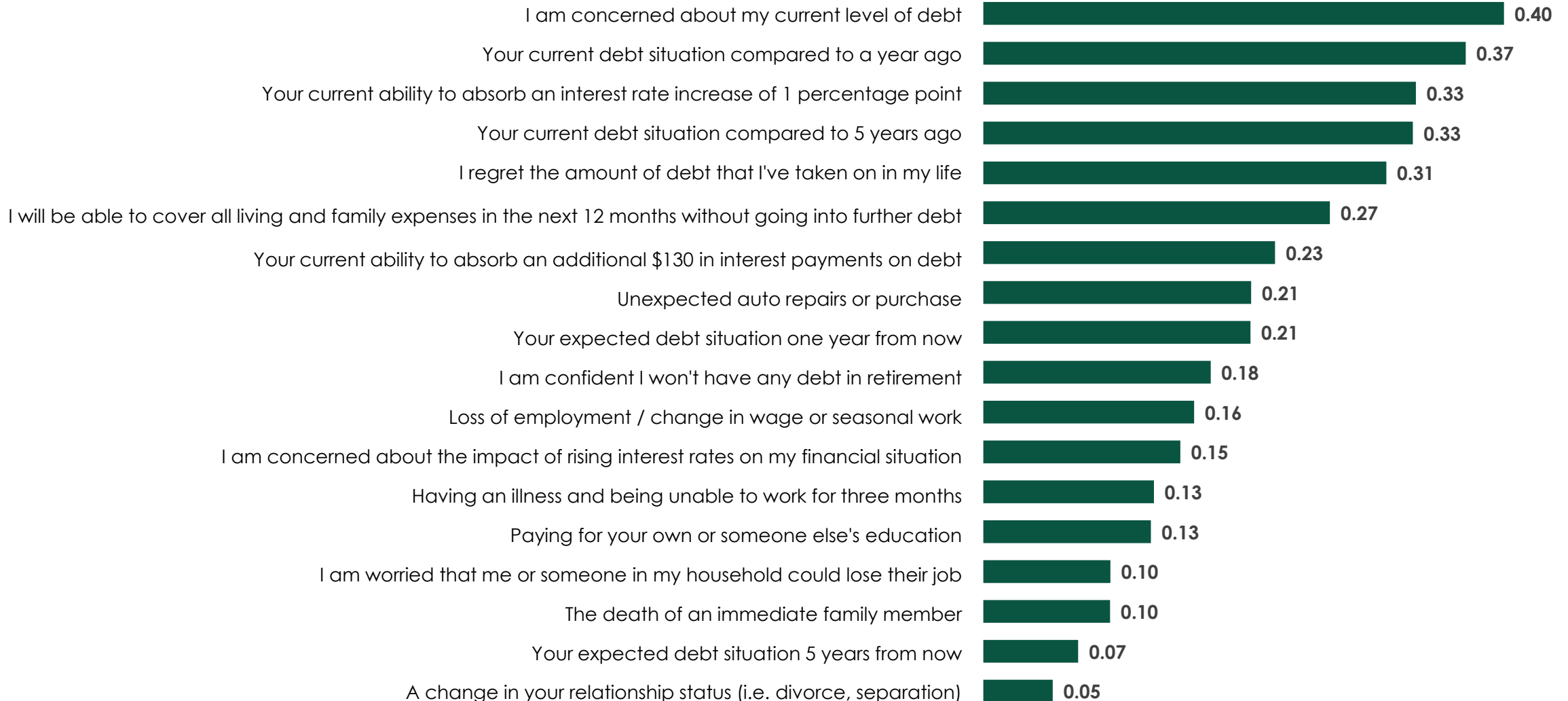
Concerns with Social Squeeze

Half of Canadians are concerned with 'social squeeze' on their personal finances. Specifically, Canadians aged 18-34 (59%) and 35-54 (58%) are most concerned with social squeeze due to having to fulfill expensive social obligations.

While Canadians across most provinces are concerned with social squeeze, Quebecers are significantly less likely to be concerned (40%). Those with poor personal debt ratings are significantly more concerned with 'social squeeze' (75%), given their already precarious financial position.

THE DEBT INDEX

Debt-Index Inputs

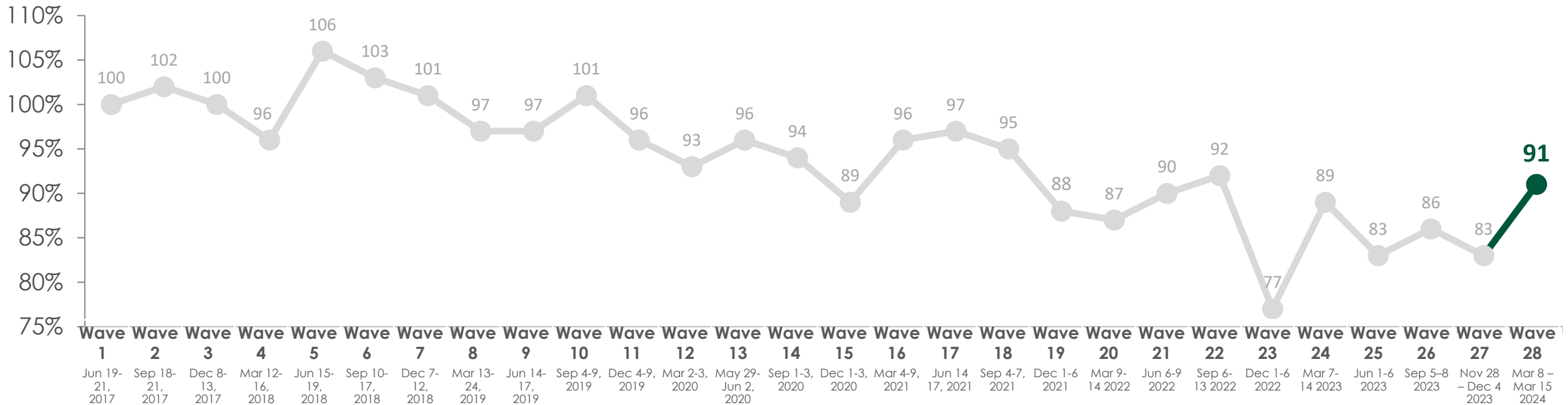


Debt-Index Inputs (Tracking)

| Questi on | Measure | Score | % (Top/Bottom 3 Box) | | | | | | | | | | | | | | | | | | | | | | | | | | | Δ vs. Dec 2023 | |
|--------------|-------------|--------------------------------------------------------------------------------------------------------------|----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------------|----|
| | | | 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 | | |
| 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% | +7 |
| 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% | +5 |
| 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% | +3 |
| 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% | +3 |
| 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% | +3 |
| 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% | +2 |
| 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% | +5 |
| 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% | +1 |
| 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% | +2 |
| 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% | +1 |
| 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% | -1 |
| 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% | - |
| 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% | -1 |
| 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% | +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% | +2 |
| 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% | +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% | -1 |
| 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% | -2 |

Debt-Index Tracking

The MNP Debt Index **has rebounded to 91 points**. Canadians are feeling much better about their current personal finances after a tough year, and with interest rates likely to drop in the short to mid-term. While confidence has not reached benchmark levels in 2017, September 2022 was the last time the debt index reached the 90s.

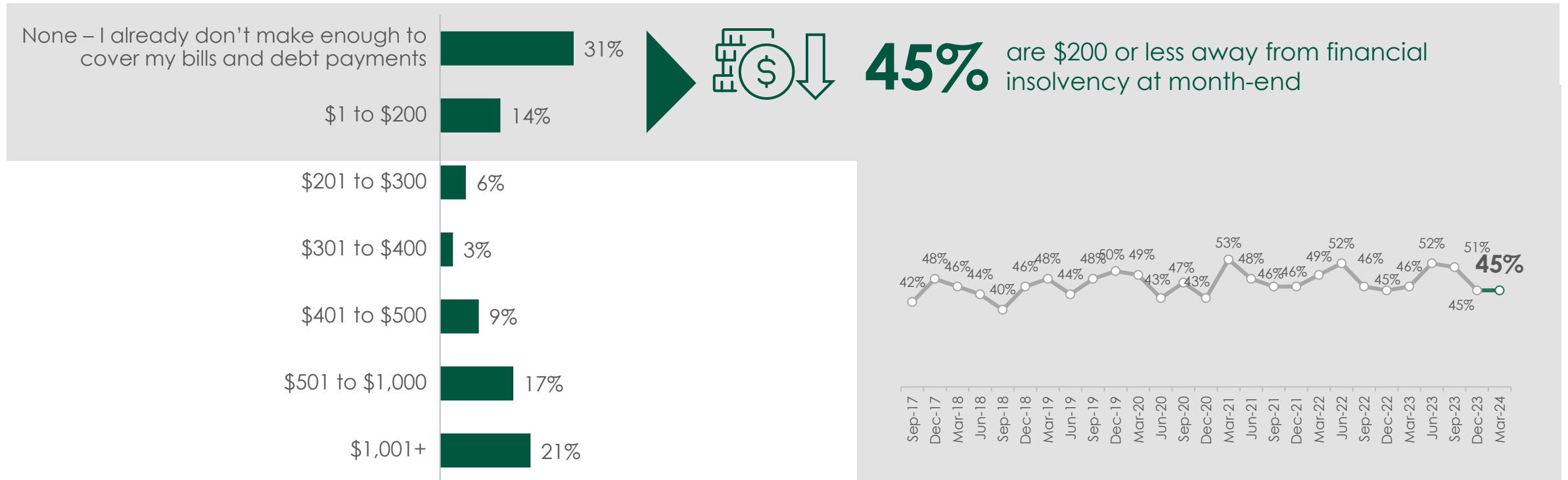


Note on interpretation: **A high debt index score means that Canadians feel positive towards their personal finances**, as well as confident in their ability to cope with unexpected financial situations. A low index score describes the opposite – negative feelings and low confidence.

EVALUATING PERSONAL FINANCES

Finances at Month-End

Consistent with December 2023, 45% are **\$200 or less away from financial insolvency**. However, more state they are already insolvent (31%, +4), and fewer are \$1 to \$200 away from insolvency (14%, -4).

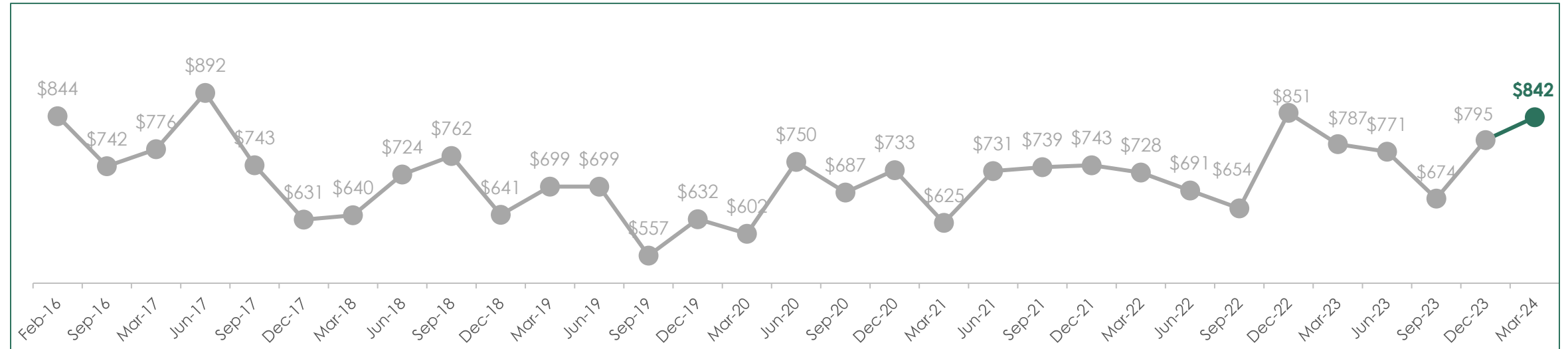


Q1. Thinking about the amount of after-tax income you make each month compared to the amount of your bills and debt obligations each month, how much is left over? In other words, how much wiggle room do you have before you wouldn't be able to pay all your bills and debt payments each month (which is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

Base: All Respondents (unweighted) n=2,001

Average Finances Left at Month-End

After all bills and essential expenses are settled, on average, **Canadians are left with \$842 at month-end**, up \$47. Canadians have seen a bump in month-end finances across most demographics, most notably younger Canadians and those with \$100K+ incomes.



Average Finances Left at Month-End

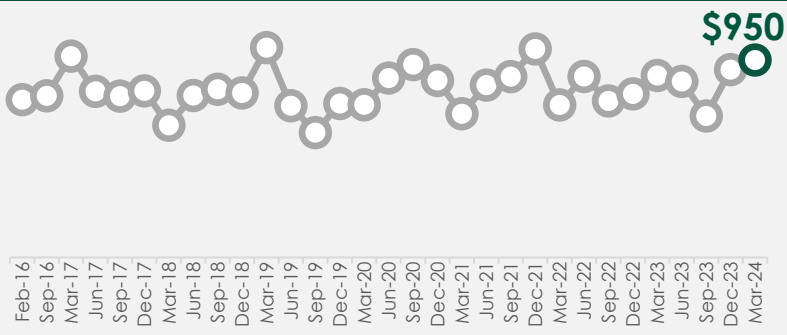
| | Mean (incl. 0) | Gender | | Age | | | Household Income | | | |
|-----------------------------------|----------------|------------------|----------|-------------------|---------|-------|------------------|-------------------|--------------------|--------------------|
| | | Male A | Female B | 18-34 C | 35-54 D | 55+ E | <\$40K G | \$40K to <\$60K H | \$60K to <\$100K I | \$100K+ J |
| Current wave (Mar 2024) | \$842 | \$1,048 B | \$651 | \$1,101 DE | \$700 | \$784 | \$452 | \$696 G | \$858 G | \$1,930 GHI |
| Change since last wave (Dec 2023) | +\$47 | +\$54 | +\$52 | +\$234 | -\$79 | +\$27 | +\$39 | -\$39 | -\$107 | +\$616 |

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)?

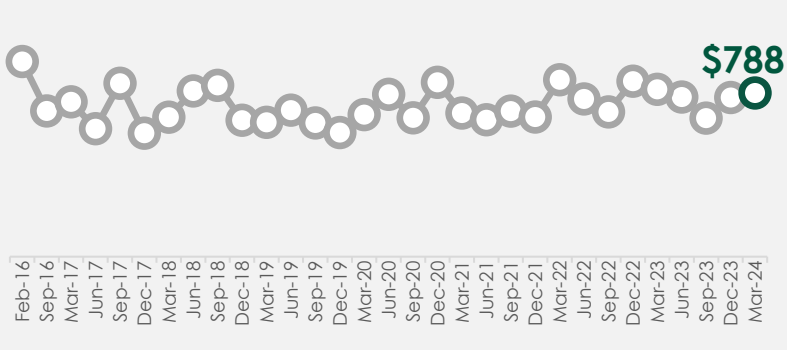
Base: All Respondents (unweighted) n=2,001

Average Finances Left at Month-End (Regional View)

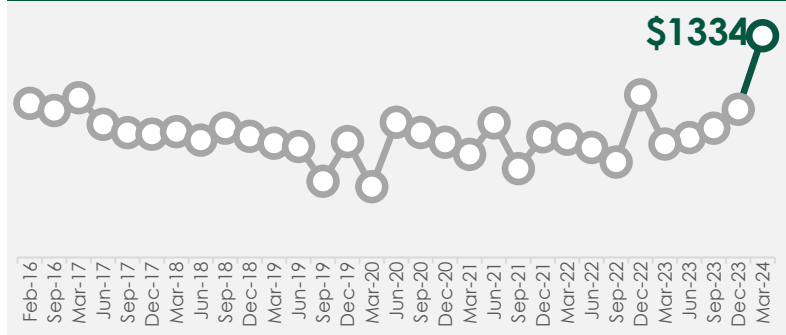
British Columbia +\$46



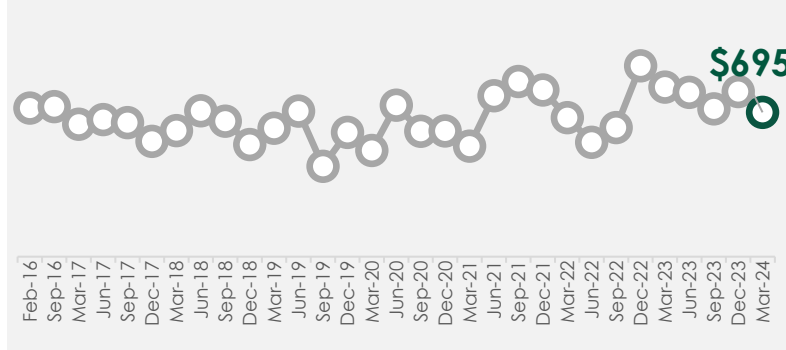
Ontario +\$21



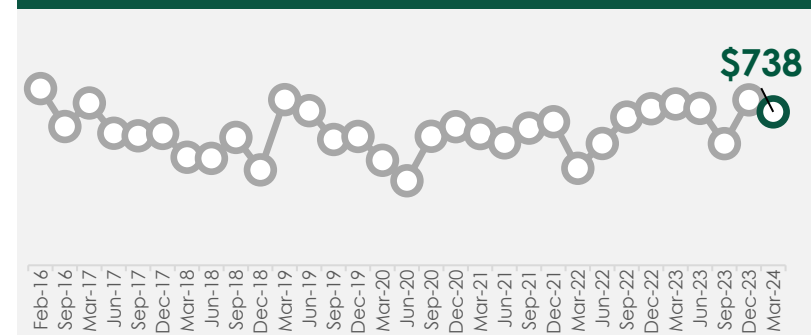
Alberta +\$443



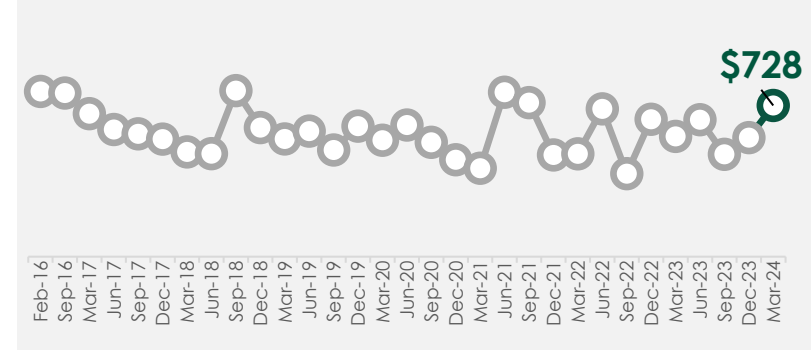
Quebec -\$100



Saskatchewan/Manitoba -\$58



Atlantic Canada +\$155



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)?

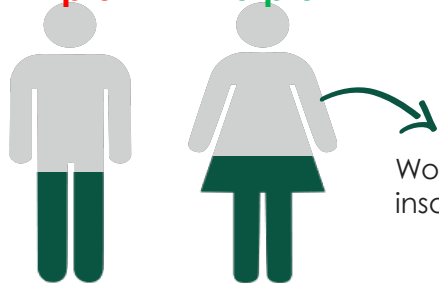
Base: All Respondents (unweighted) n=2,001; BC (n=241); AB (n=197); SK/MB (n=198); ON (n=719); QC (n=455); ATL (n=191).

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

Canadians who report being \$200 or less away from insolvency continue to be women, however, the gender gap has reduced slightly. While fewer Canadians with less than \$40K income are close to insolvency, there are still three in five at risk. Interestingly, British Columbians have seen a notable increase in those at risk of insolvency. Furthermore, Canadians who are concerned with 'social squeeze' are more likely to be at risk of insolvency than those are not.

42% **47%**

+4 pts **-6 pts**



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



Ontario

48%
-1 pt

Followed by residents of:

- Atlantic Canada (**48%**, **-5**)
- Saskatchewan/Manitoba (**45%**, **-9**)
- British Columbia (**45%**, **+7**)
- Quebec (**43%**, **0**)
- Alberta (**34%**, **-3**)



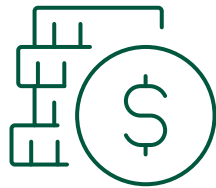
Concerned with Social Squeeze

52%

vs.

Not Concerned with Social Squeeze

33%



<\$40K

60%

-4 pts

vs. \$40K to \$60K (**43%**, **+2**),
\$60K to <\$100K (**32%**, **-6**), and \$100K+ (**25%**, **-3**).



Gen X
49%

+2 pts

vs. Gen Z (**48%**, **-6**), Millennial (**44%**, **-3**) and Boomer (**40%**, **0**).

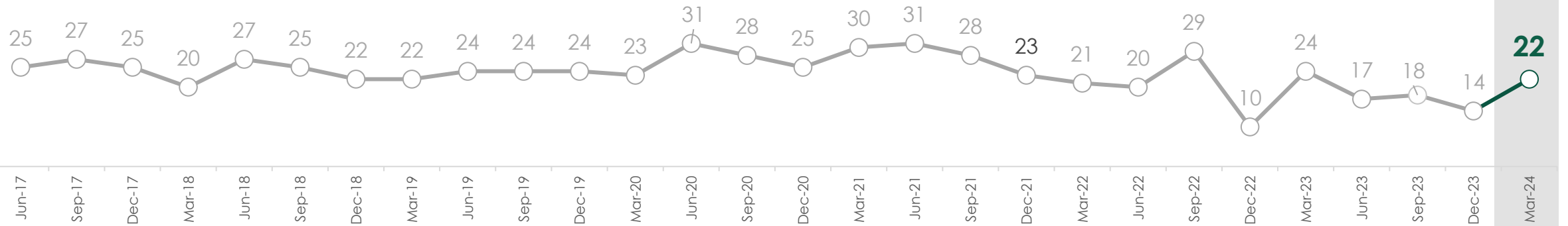
Q1. Thinking about the amount of after-tax income you make each month compared to the amount of your bills and debt obligations each month, how much is left over? In other words, how much wiggle room do you have before you wouldn't be able to pay all your bills and debt payments each month (which is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

Base: All Respondents (unweighted) n=2,001 BC (n=241); AB (n=197); SK/MB (n=198); ON (n=719); QC (n=455); ATL (n=191).

Personal Debt Rating

Canadians' **net personal debt rating has improved significantly to 22 points**, an eight-point increase from last quarter. The shift is a result of more who felt their personal debt rating is 'excellent' (41%, +6).

Net Rating (Excellent minus Terrible)



41%

41%

19%

■ Excellent (8-10) ■ Neutral (4-7) ■ Terrible (1-3)

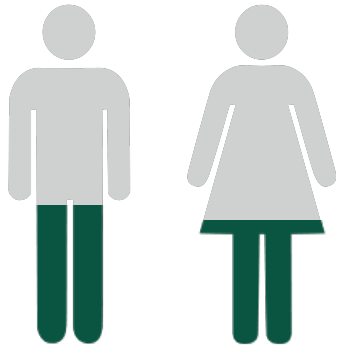
Q2. On a scale of 1 to 10, where 1 is 'terrible' and 10 is 'excellent', how would you rate your personal debt situation?
Base: All Respondents (unweighted) n=2,001

Excellent Personal Debt Self-Assessment

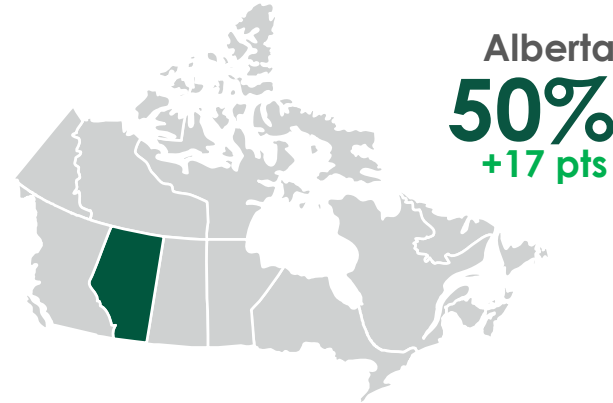
Who is more likely to rate their personal debt situation as 'good'? Assessments are up across most demographics, particularly in Alberta (+17 points).

43%
+5 pts

39%
+7 pts



Women are more likely to say that they are either already insolvent or \$200 or less away from insolvency,



Followed by residents of:

- Ontario (**42%**, +12)
- Quebec (**40%**, 0)
- British Columbia (**35%**, -8)
- Saskatchewan/Manitoba (**35%**, 0)
- Atlantic (**34%**, -2)



vs. \$60K to <\$100K (**43%**, +5), \$40K to \$60K (**38%**, +2), and <\$40K (**31%**, +6).



vs. Gen Z (**33%**, +4), Gen X (**32%**, +1), and Millennial (**29%**, +7).

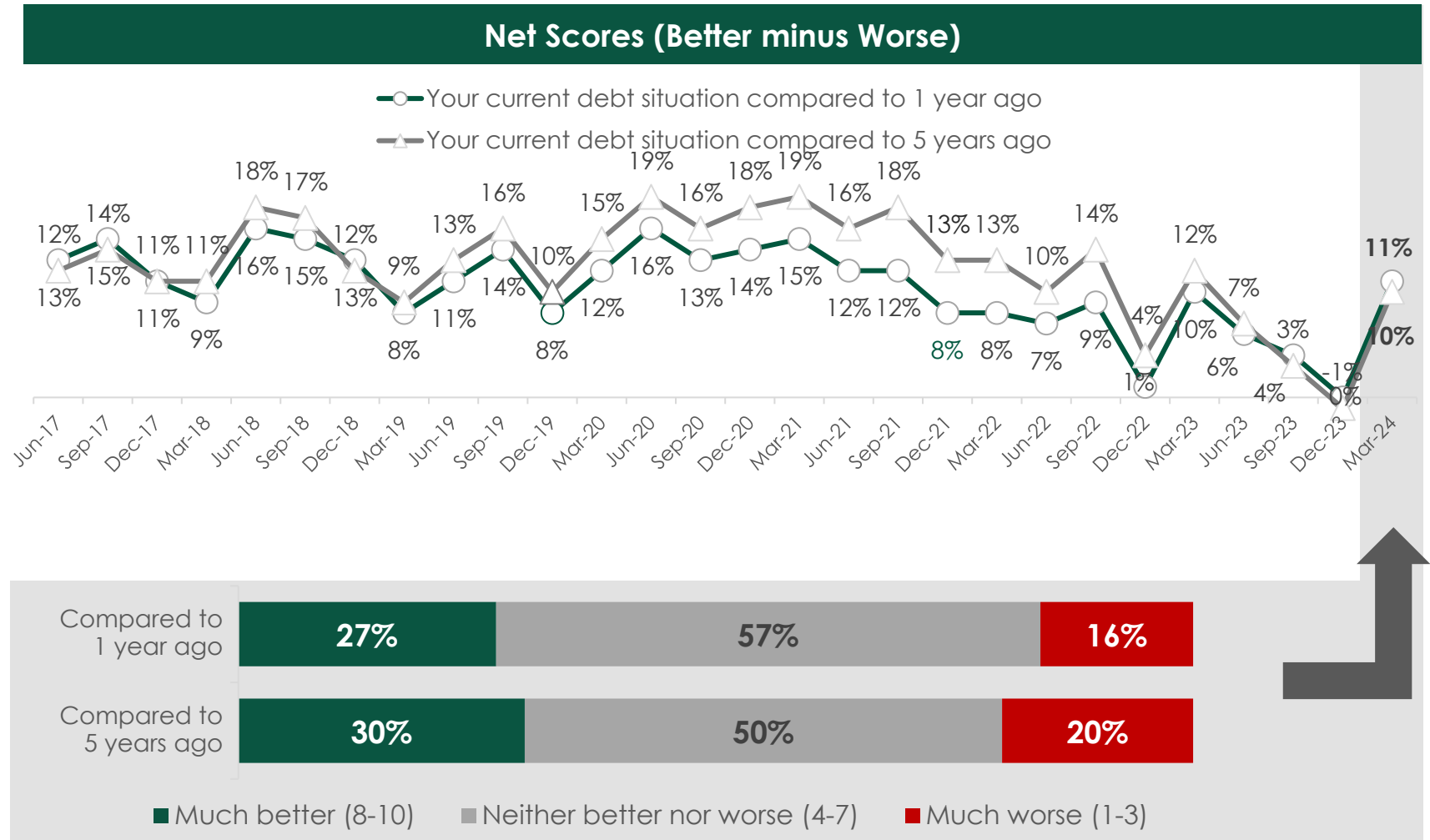
Q2. On a scale of 1 to 10, where 1 is 'terrible' and 10 is 'excellent', how would you rate your personal debt situation? Top three box responses.
Base: All Respondents (unweighted) n=2,001 BC (n=241); AB (n=197); SK/MB (n=198); ON (n=719); QC (n=455); ATL (n=191).

Current Debt Situation

Current debt perceptions have rebounded to match similar levels observed in March 2023.

When asked to **look back to one year ago**, a quarter of Canadians perceive their current debt situation to be much better (27%, +5) and fewer 16% (-6) have rated it much worse.

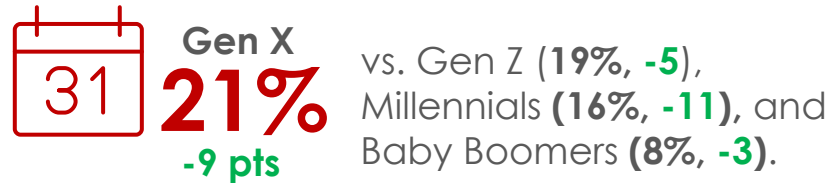
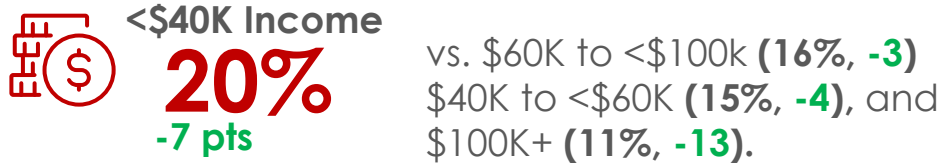
Looking back to five years ago, three in ten (30%, +3) say their debt situation has improved and fewer (20%, -8) say it has worsened.



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=2,001

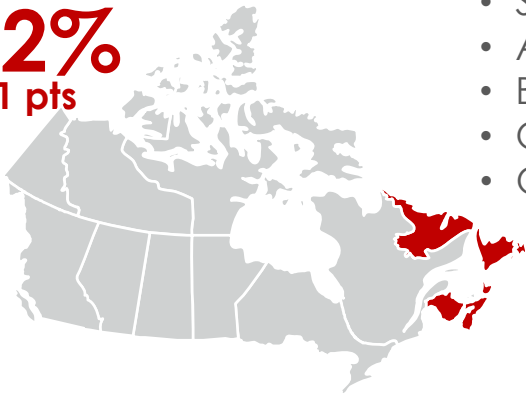
Current Debt Situation: **Worse**

Your current debt situation compared to 1 year ago



Atlantic Canada

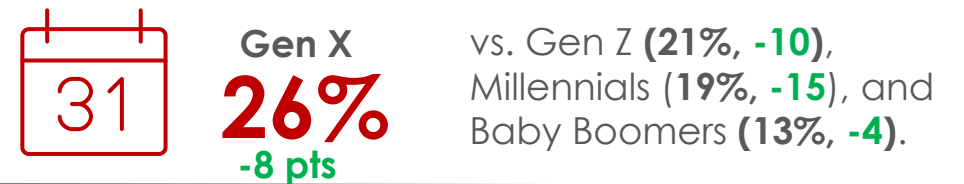
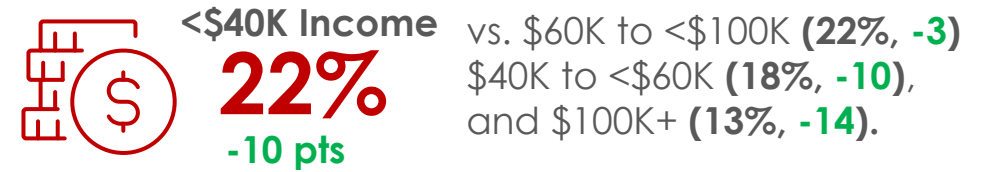
22%
+1 pts



Followed by residents of:

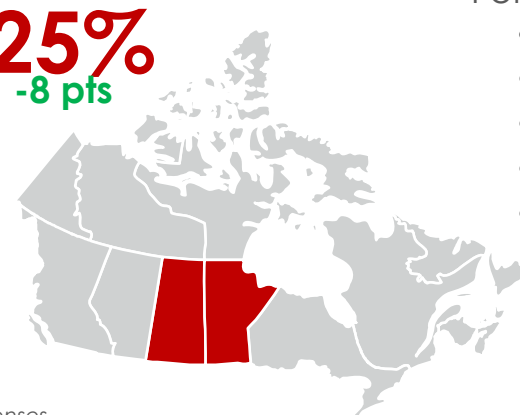
- Saskatchewan/Manitoba (**20%**, -6)
- Alberta (**17%**, -4)
- British Columbia (**16%**, -2)
- Ontario (**15%**, -9)
- Quebec (**12%**, -9)

Your current debt situation compared to 5 years ago



Saskatchewan/Manitoba

25%
-8 pts



Followed by residents of:

- Atlantic Canada (**24%**, -9)
- British Columbia (**21%**, -4)
- Ontario (**20%**, -10)
- Quebec (**17%**, -6)
- Alberta (**17%**, -12)

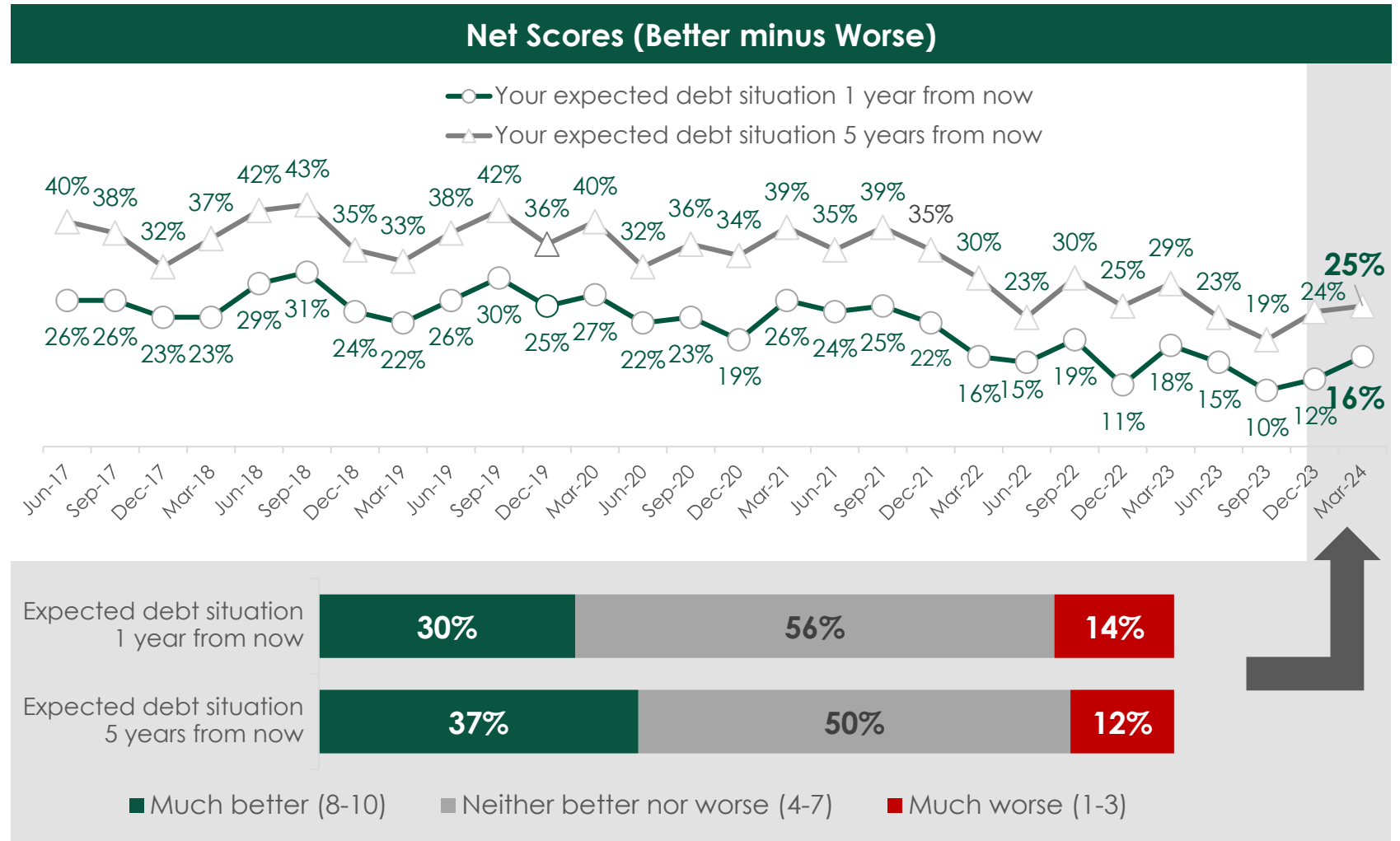
Q3. On a scale of 1 to 10, where 1 is 'much worse' and 10 is 'much better', how would you rate ...? Bottom three box responses.
Base: All Respondents (unweighted) n=2,001 BC (n=311); AB (n=200); SK/MB (n=183); ON (n=712); QC (n=402); ATL (n=193).

Expected Debt Situation

Canadians' perceptions of their expected debt situation in the future continue to climb after reaching record lows in September 2023.

Looking ahead to **one year from now**, 3 in 10 Canadians expect their debt situation to improve (30%, +2) and fewer believe it will worsen (14%, -2).

Looking **five years into the future**, similar proportions of Canadians are feeling better about their expected debt (37%, -1) and fewer believe that their debt situation will worsen (12%, -2).



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=2,001

Expected Debt Situation: **Worse**

Your expected debt situation 1 year from now



<\$40K Income
20%
+1 pts

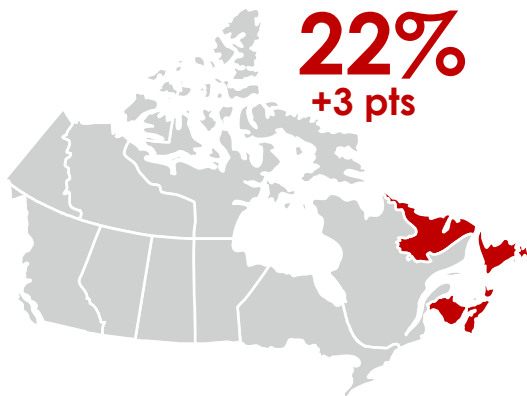
vs. \$60K to <\$100K (16%, 0),
\$40K to <\$60K (15%, +2) and
\$100K+ (11%, -5).



Gen X
21%
0 pts

vs. Millennials (16%, -4),
Gen Z (19%, +5) and Baby
Boomers (8%, -1).

Atlantic Canada



Followed by residents of:

- Sask./Manitoba (20%, +5)
- Alberta (17%, 0)
- British Columbia (16%, +4)
- Ontario (15%, -3)
- Quebec (12%, -1)

Your expected debt situation 5 years from now



<\$40K Income
22%
+5 pts

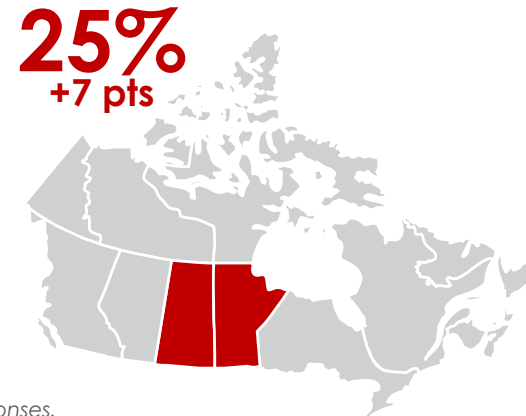
vs. \$60K to <\$100K (22%, +10),
\$40K to <\$60K (18%, +4) and
\$100K+ (13%, +2).



Gen X
26%
+6 pts

vs. Gen Z (21%, +10),
Millennials (19%, +5) and
Baby Boomers (13%, +3).

Sask./Manitoba



Followed by residents of:

- Atlantic Canada (24%, +7)
- British Columbia (21%, +11)
- Ontario (20%, +6)
- Alberta (17%, +2)
- Quebec (17%, +5)

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.

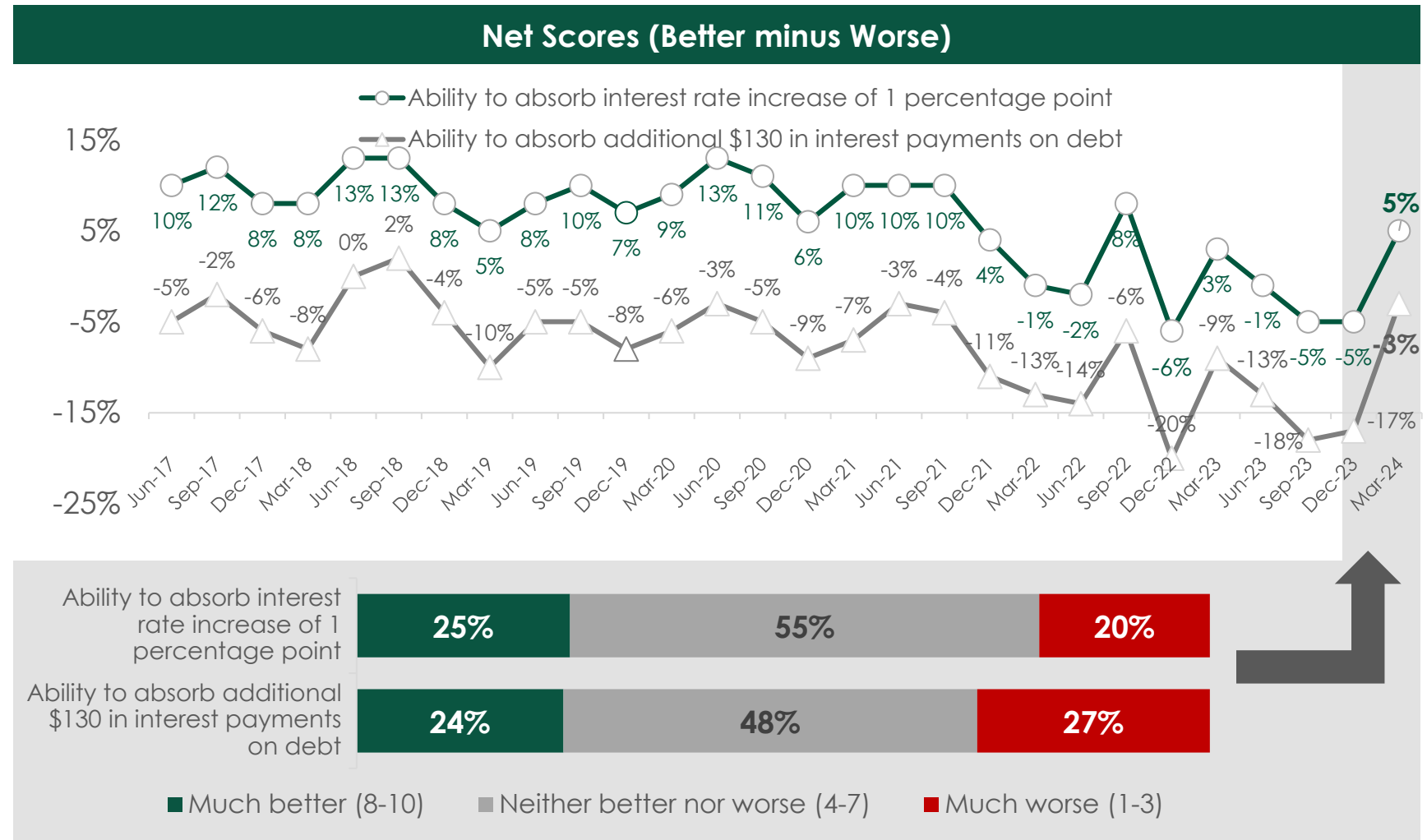
Base: All Respondents (unweighted) n=2,001 BC (n=241); AB (n=197); SK/MB (n=198); ON (n=719); QC (n=455); ATL (n=191).

Current Ability to Absorb Interest Rate Increase

Canadians' perception of their ability to absorb additional interest rate increases has improved significantly compared to last quarter.

Net score when phrased as a **one percentage point increase** has improved by 10 points to 5%.

Net ability to absorb **an extra \$130 in interest payments** improved significantly, up 14 percentage points to -3%.



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=2,001

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

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



<\$40K Income
25% -8 pts

vs. \$40K to <\$60K (**21%**, -3),
\$60K to <\$100K (**18%**, -5) and
\$100K+ (**16%**, -11).



Gen X
30% -4 pts

vs. Millennials (**19%**, -16),
Gen Z (**18%**, -2) and
Boomers (**12%**, -2).

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



<\$40K Income
35% -8 pts

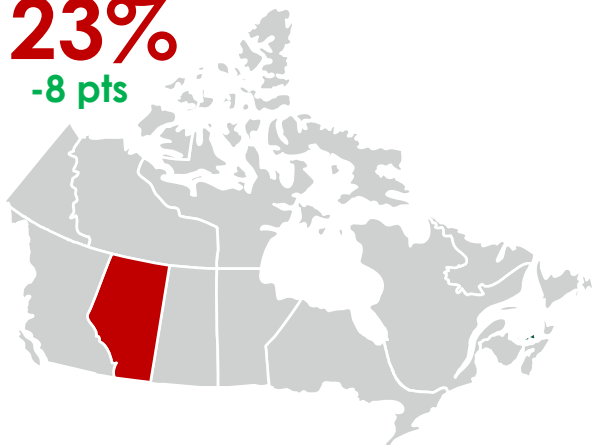
vs. \$40K to <\$60K (**32%**, -9),
\$60K to <\$100K (**24%**, -6)
and \$100K+ (**17%**, -13).



Gen X
38% -4 pts

vs. Millennials (**27%**, -13),
Boomers (**22%**, -7) and
Gen Z (**19%**, -14).

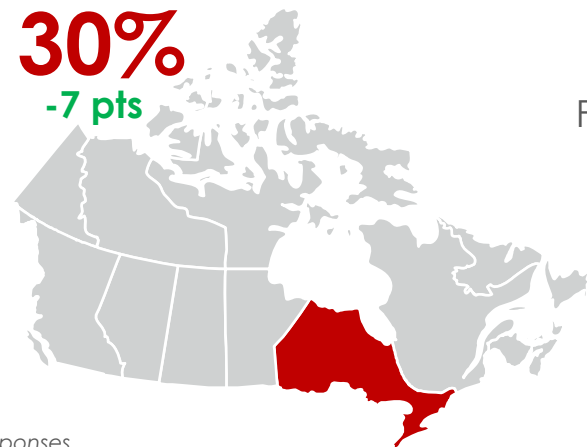
Alberta
23%
-8 pts



Followed by residents of:

- Sask./Manitoba (**21%**, -5)
- Atlantic Canada (**21%**, -12)
- Ontario (**20%**, -7)
- Quebec (**19%**, -6)
- British Columbia (**17%**, -4)

Ontario
30%
-7 pts



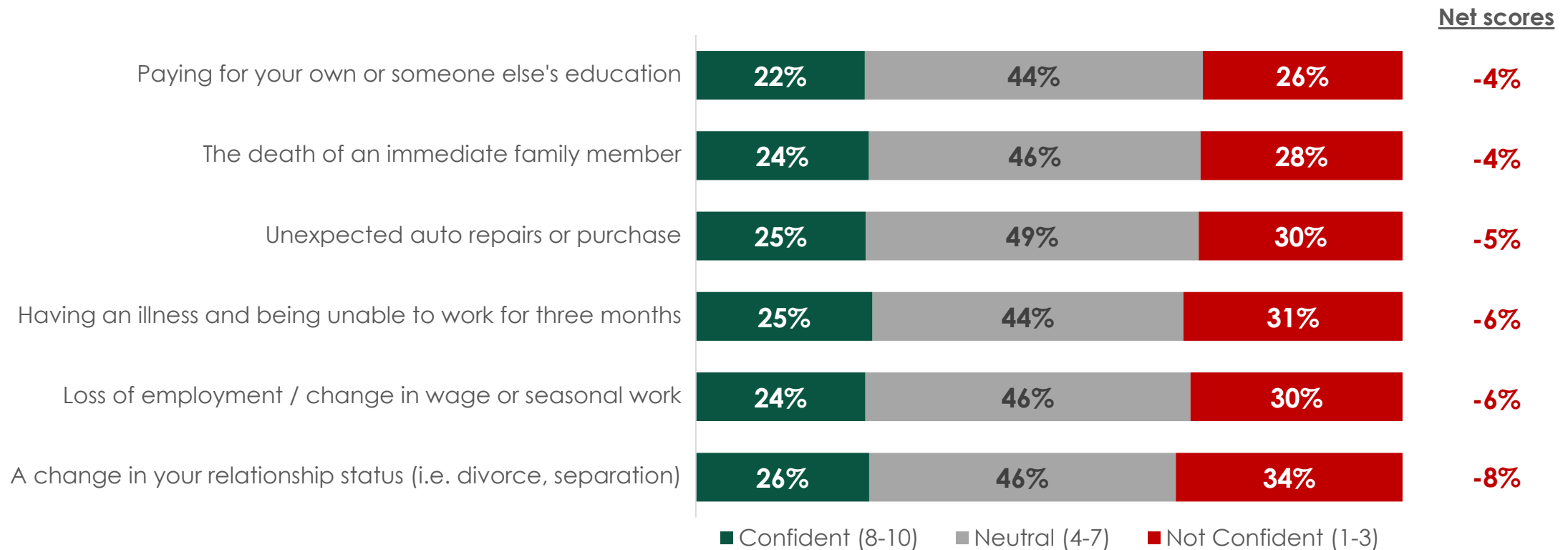
Followed by residents of:

- Alberta (**28%**, -9)
- Atlantic Canada (**27%**, -17)
- Sask./Manitoba (**25%**, -9)
- Quebec (**25%**, -10)
- British Columbia (**24%**, -6)

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=2,001 BC (n=241); AB (n=197); SK/MB (n=198); ON (n=719); QC (n=455); ATL (n=191).

Confidence in Ability to Cope

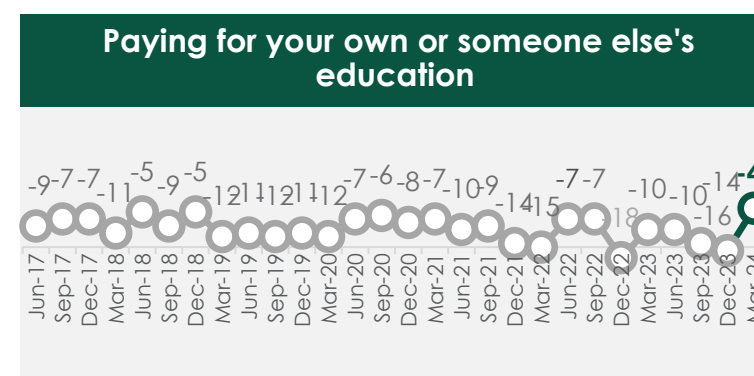
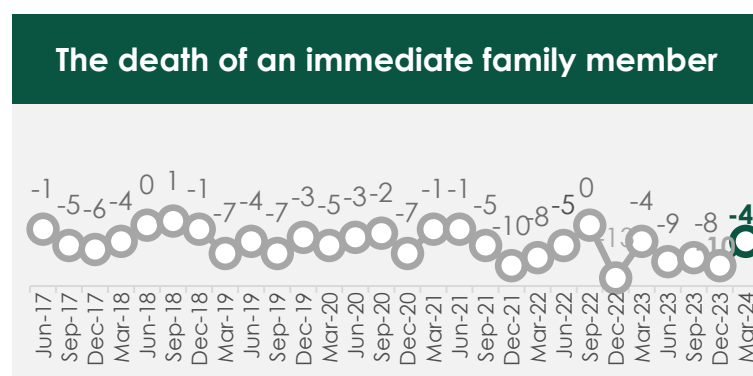
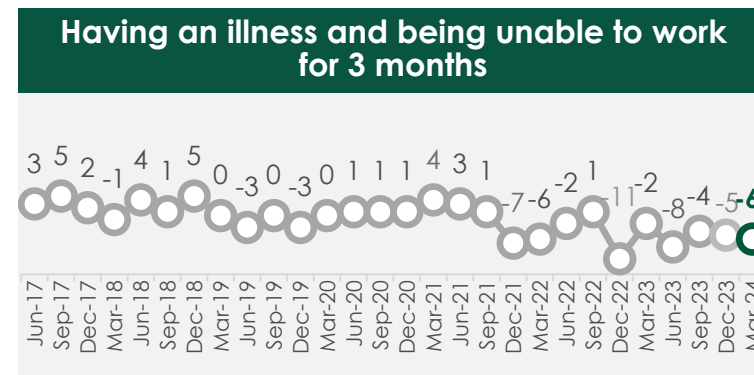
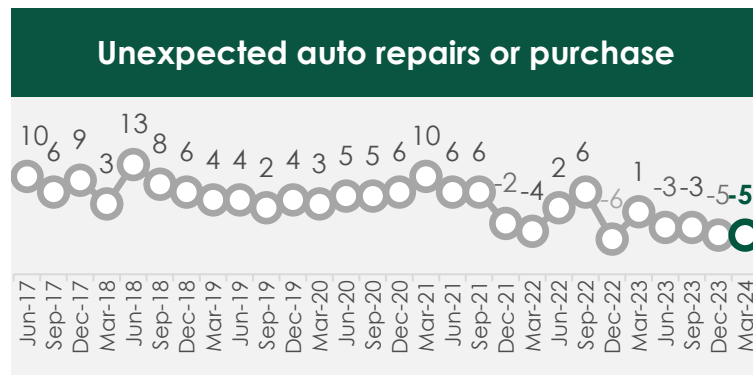
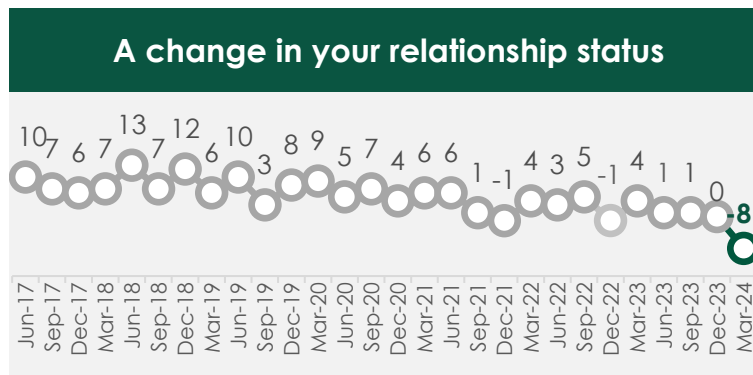
Canadians remain pessimistic about their ability to cope with life's unexpected expenses as net confidence is negative across the board.



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=2,001

Confidence in Ability to Cope – Net Scores

Net confidence scores on coping with life changes have remained in the negative across the board but there are improvements in coping with the death of an immediate family member (-4%, +6) and paying for your own or someone else's education (-4%, +10 pts).



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=2,001

Not Confident in Ability to Cope

A change in your relationship status



<\$40K

33%
+4 pts

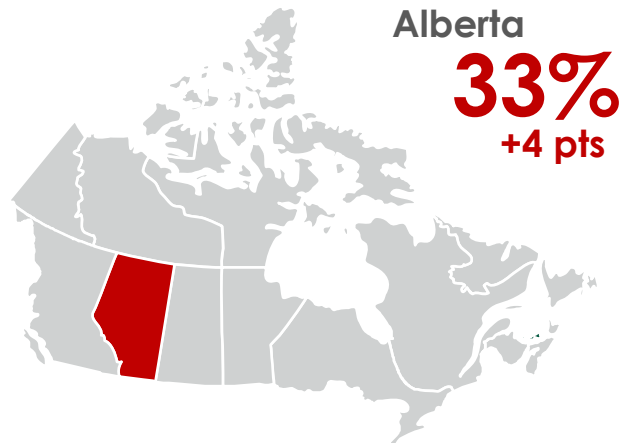
Vs. \$40K to <\$60K (**26%**, +2),
\$60K to \$100K (**26%**, -1)
and \$100K+ Income (**22%**, -8).



Gen X

34% +2 pts

Vs. Millennials (**31%**, -4),
Gen Z (**22%**, -3), and
Baby Boomers (**22%**, +2).



Followed by residents of:

- Sask./Manitoba (**33%**, 0)
- Atlantic Canada (**32%**, -4)
- British Columbia (**28%**, +4)
- Ontario (**27%**, -1)
- Quebec (**23%**, -2)

Unexpected auto repairs or purchase



<\$40K Income

37% 0 pts

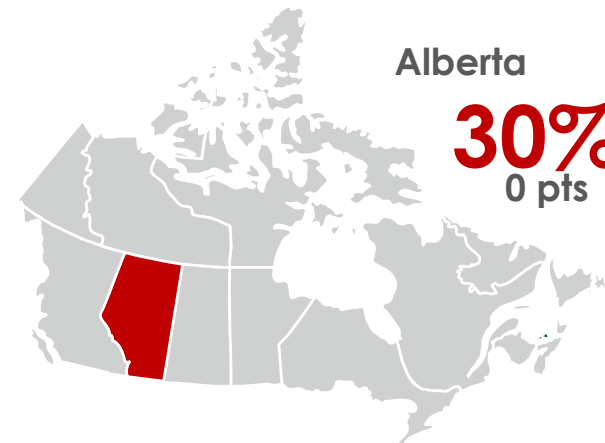
vs. \$40K to <\$60K (**24%**, -2),
\$60K to <\$100K (**23%**, -3)
and \$100K+ (**15%**, -9).



Gen X

35% 0 pts

vs. Millennials (**29%**, -5),
Gen Z (**24%**, -7)
And Boomers (**16%**, -3).



Followed by residents of:

- Atlantic (**30%**, -3)
- Ontario (**28%**, -3)
- Sask./Manitoba (**26%**, -2)
- British Columbia (**23%**, -4)
- Quebec (**22%**, -3)

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=2,001 BC (n=241); AB (n=197); SK/MB (n=198); ON (n=719); QC (n=455); ATL (n=191).

Not Confident in Ability to Cope

Having an illness and being unable to work for 3 months



Gen X
42% +3 pts

vs. Millennials (**33%**, -5), Gen Z (**31%**, -2) and Baby Boomers (**19%**, +1).



\$40K Income
37% +2 pts

vs. <\$40K to 60K (**35%**, +8), \$60K to <\$100K (**29%**, +1) and \$100K+ (**21%**, -11).

Atlantic Canada

36%
+3 pts

Followed by residents of:

- Alberta (**34%**, +1)
- Sask./Manitoba (**32%**, +4)
- Ontario (**32%**, -2)
- British Columbia (**30%**, -2)
- Quebec (**26%**, +2)



The death of an immediate family member



Gen X
37% -2 pts

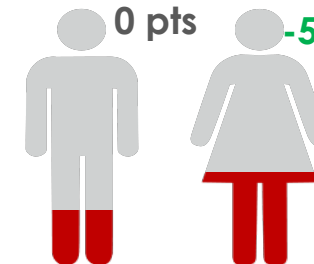
vs. Gen Z (**34%**, +3), Millennial (**33%**, -6) and Baby Boomers (**20%**, -3).

<\$40K Income
39% +3 pts



vs. \$40K to <\$60K (**29%**, -1), \$60K to <\$100K (**25%**, -5) and \$100K+ (**21%**, -13).

26% 0 pts **39%** -5 pts



Atlantic Canada

40%
+4 pts

Followed by residents of:

- Ontario (**34%**, -2)
- Sask./Manitoba (**33%**, +5)
- British Columbia (**29%**, -6)
- Alberta (**29%**, -5)
- Quebec (**23%**, -3)



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=2,001 BC (n=241); AB (n=197); SK/MB (n=198); ON (n=719); QC (n=455); ATL (n=191).

Not Confident in Ability to Cope

Loss of employment/change in wage or seasonal work



Gen X
42% +3 pts

vs. Millennial (**35%**, -8),
Gen Z (**28%**, -8) and
Baby Boomers (**16%**, -2).

\$40K to <\$60K



36% +7 pts

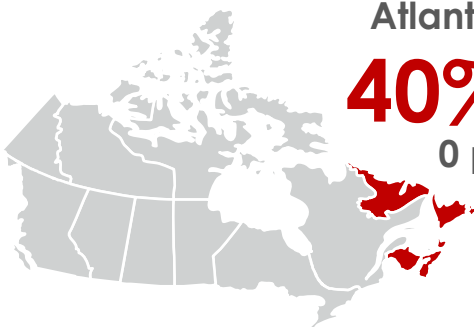
vs. <\$40K (**32%**, -1), \$60K
to <\$100K (**27%**, -5) and
\$100K+ (**26%**, -10).

Atlantic Canada

40%
0 pts

Followed by residents of:

- Ontario (**34%**, -1)
- Alberta (**32%**, 0)
- Sask./Manitoba (**29%**, -3)
- British Columbia (**27%**, -6)
- Quebec (**22%**, -5)



Paying for your own or someone else's education



Gen X
42% +2 pts

vs. Millennial (**36%**, -6),
Gen Z (**33%**, -2) and
Baby Boomers (**26%**, -4).

<\$40K Income



47%
+6 pts

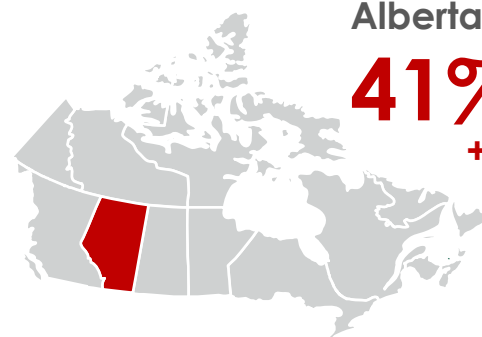
vs. \$40K to <\$60K (**37%**, +1),
\$60K to <\$100K (**28%**, -8)
and \$100K+ (**19%**, -12)

Alberta

41%
+6 pts

Followed by residents of:

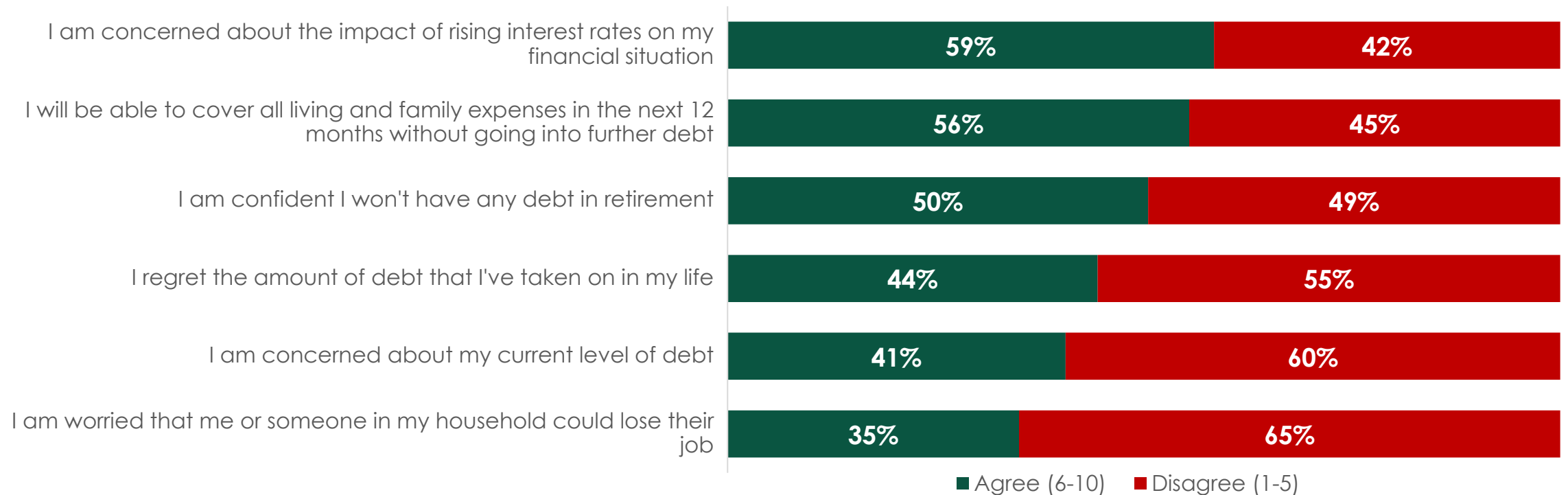
- Atlantic Canada (**39%**, -6)
- Ontario (**38%**, -3)
- Sask./Manitoba (**33%**, -3)
- British Columbia (**30%**, -8)
- Quebec (**26%**, -1)



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=2,001 BC (n=241); AB (n=197); SK/MB (n=198); ON (n=719); QC (n=455); ATL (n=191).

Evaluating Personal Finances

Three in five Canadians agree they are concerned about the impact of rising interest rates on their financial situation (59%,-3). More than half say they will be able to cover all living/family expenses in the next year without going further into debt (56%, +3).

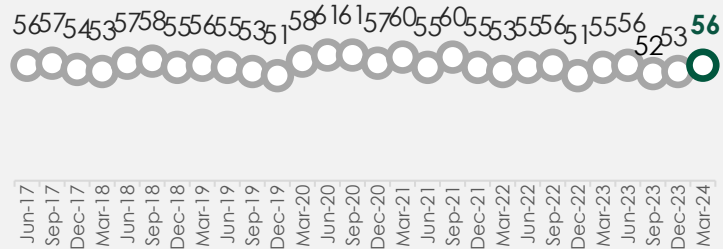


Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2,001

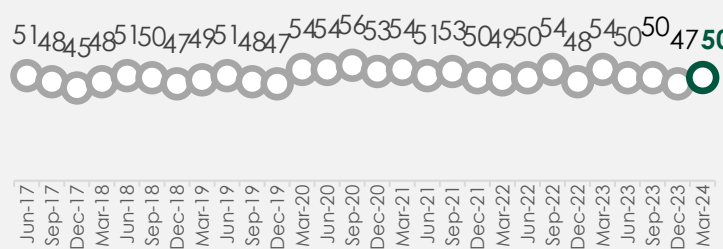
Evaluating Personal Finances – Agree (6-10)

Canadian households' are less concerned about their current level of debt (-6), less concerned with the impacts of rising interest rates (-3), and are less likely to regret the amount of debt they have taken on (-3).

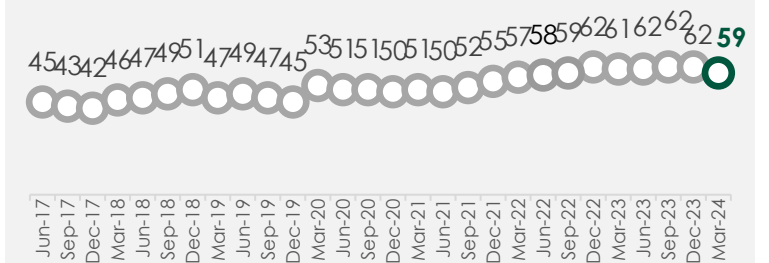
I will be able to cover all living and family expenses in the next 12 months without going into further debt



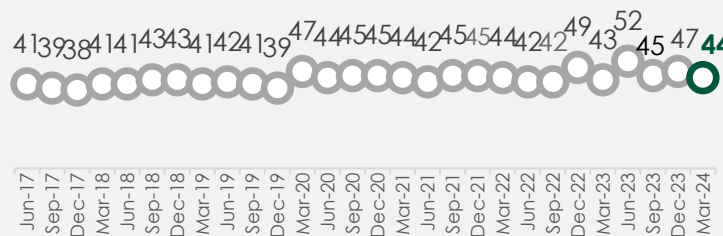
I am confident I won't have any debt in retirement



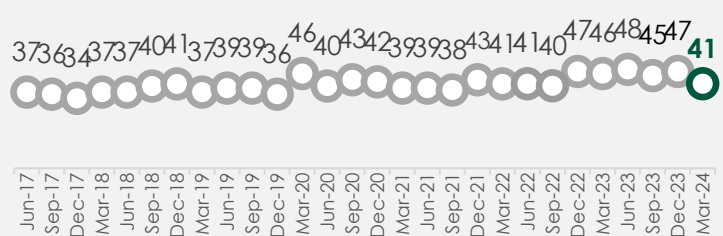
I am concerned about the impact of rising interest rates on my financial situation



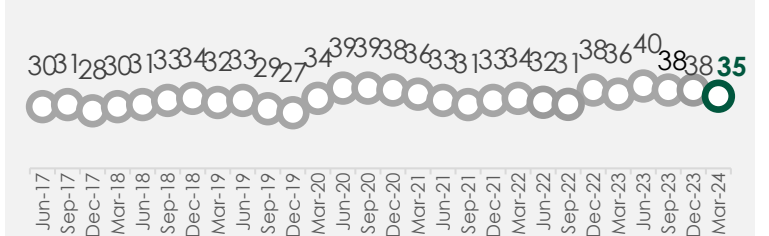
I regret the amount of debt that I've taken on in my life



I am concerned about my current level of debt



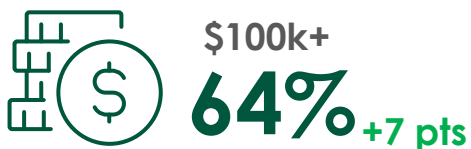
I am worried that me or someone in my household could lose their job



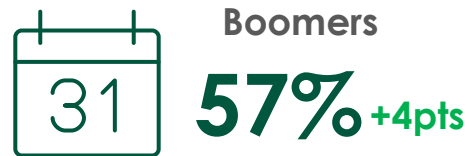
Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2,001

Evaluating Personal Finances – Agree (6-10)

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



vs. \$60K to <\$100K (**51%**, -4)
\$40K<\$60K (**46%**, +2) and
<\$40K (**44%**, +4).

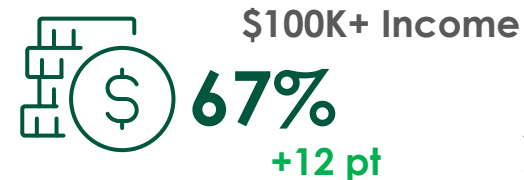


vs. Gen Z (**51%**, +3),
Millennials (**50%**, +2), and
Gen X (**44%**, -1).

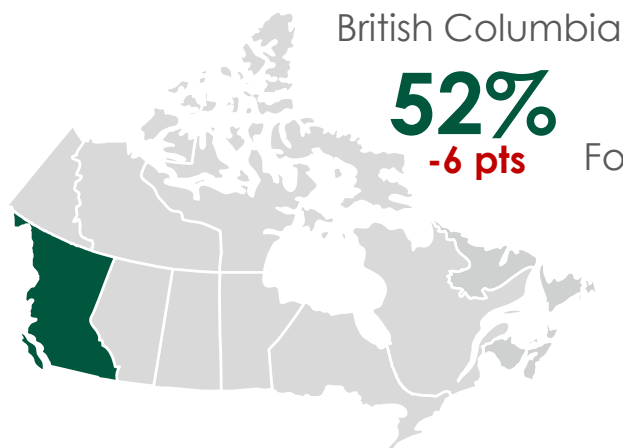
I will be able to cover all living and family expenses in the next 12 months without going into further debt



Vs. Millennials (**50%**, +10),
Gen Z (**47%**, -4) and
Gen X (**47%**, -1).

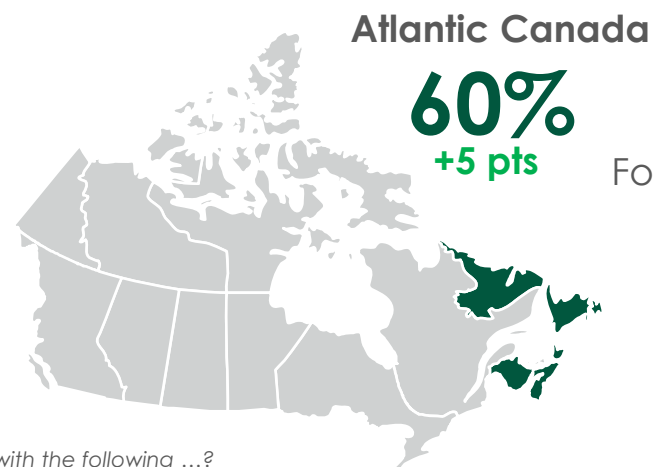


vs. \$60K to <\$100K (**60%**, +2),
\$40K to <\$60K (**53%**, -2) and
<\$40K (**48%**, +3).



Followed by residents of:

- Sask./Manitoba (**51%**, +6)
- Ontario (**51%**, +6)
- Alberta (**50%**, +3)
- Quebec (**50%**, -1)
- Atlantic Canada (**47%**, +3)



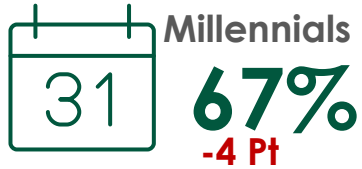
Followed by residents of:

- British Columbia (**58%**, -9)
- Ontario (**58%**, +11)
- Alberta (**57%**, +10)
- Sask./Manitoba (**56%**, +3)
- Quebec (**52%**, -2)

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=2,001 BC (n=241); AB (n=197); SK/MB (n=198); ON (n=719); QC (n=455); ATL (n=191).

Evaluating Personal Finances – Agree (6-10)

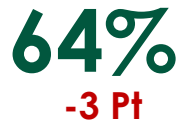
I am concerned about the impact of rising interest rates on my financial situation



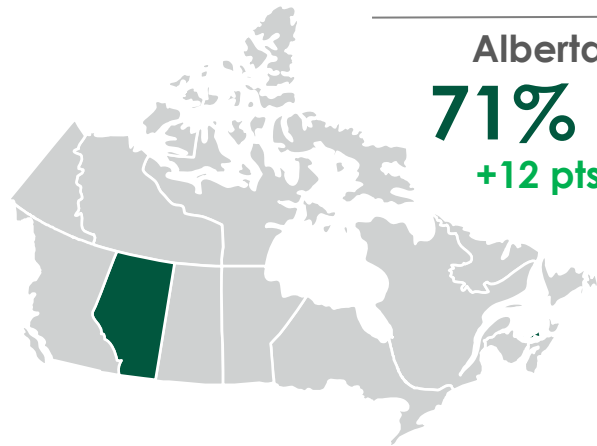
vs. Gen X (65%, -3),
Gen Z (56%, -4) and
Baby Boomers (47%, -1).



\$100K+ Income



vs. \$60K to <\$100K (60%, -7),
<\$40K (57%, -1) and
\$40K to <\$60K (56%, -1).



Alberta



Followed by residents of:

- Ontario (63%, +1)
- Atlantic Canada (60%, -9)
- Sask./Manitoba (57%, -5)
- British Columbia (56%, -7)
- Quebec (48%, -8)

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



vs. Millennials (50%, -8),
Gen Z (45%, -9) and
Baby Boomers (33%, +2).



\$100K+ Income



vs. \$40K to <60K (46%, -8)
<\$40K (44%, -3) and
\$60K to <100K (44%, -3)



Sask./Manitoba



Followed by residents of:

- British Columbia (51%, +8)
- Atlantic (48%, -5)
- Alberta (47%, -2)
- Ontario (42%, -9)
- Quebec (40%, -3)

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=2,001 BC (n=241); AB (n=197); SK/MB (n=198); ON (n=719); QC (n=455); ATL (n=191).

Evaluating Personal Finances – Agree (6-10)

I am concerned about my current level of debt

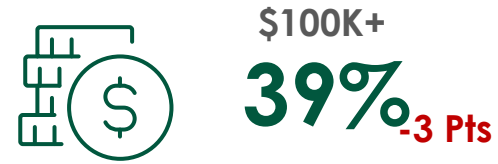


vs. \$40K to <\$60K (43%, -8),
<\$40K (42%, -6) and
\$60K - <\$100K (36%, -10).

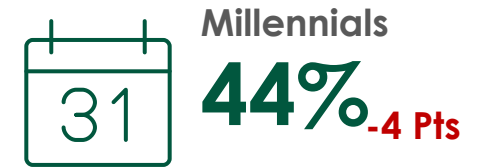


vs. Gen X (48%, -x),
Gen Z (48%, -x) and
Baby Boomers (22%, -x).

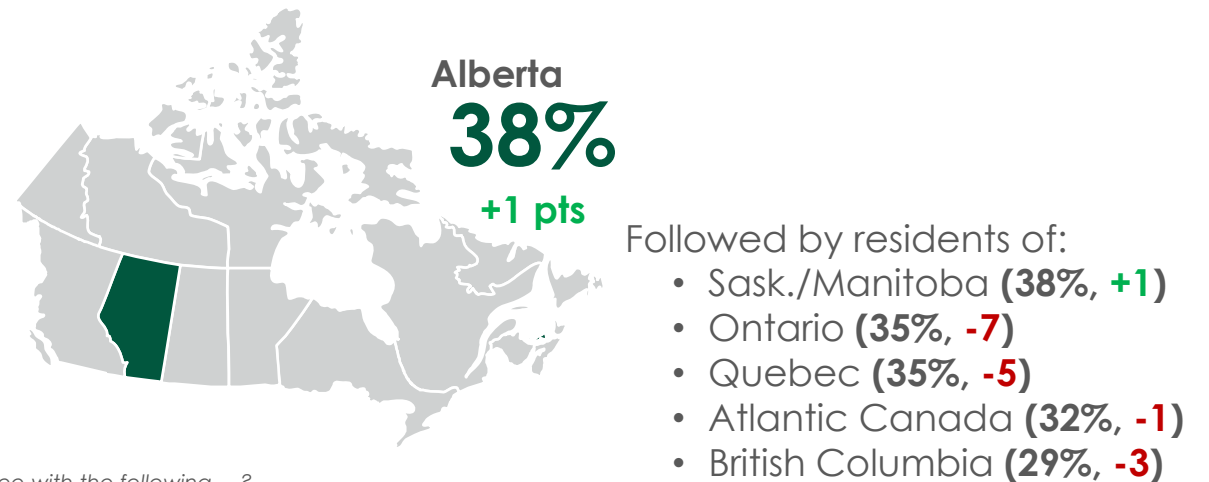
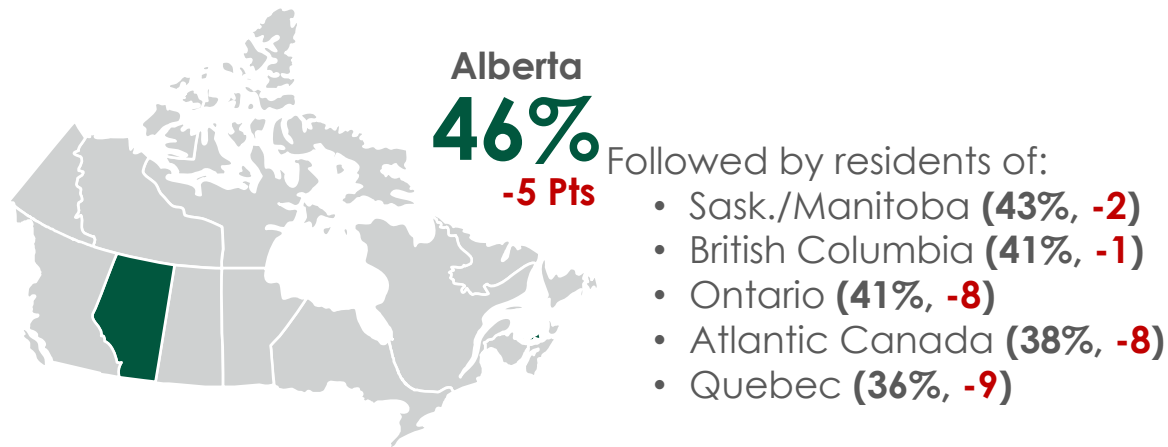
I am worried that me or someone in my household could lose their job



vs. \$40K to <\$60K (38%, +8),
\$60K to <\$100K (33%, -8) and
<\$40K (32%, -8).



vs. Gen X (42%, -4),
Gen Z (41%, -12) and
Baby Boomers (17%, -2).

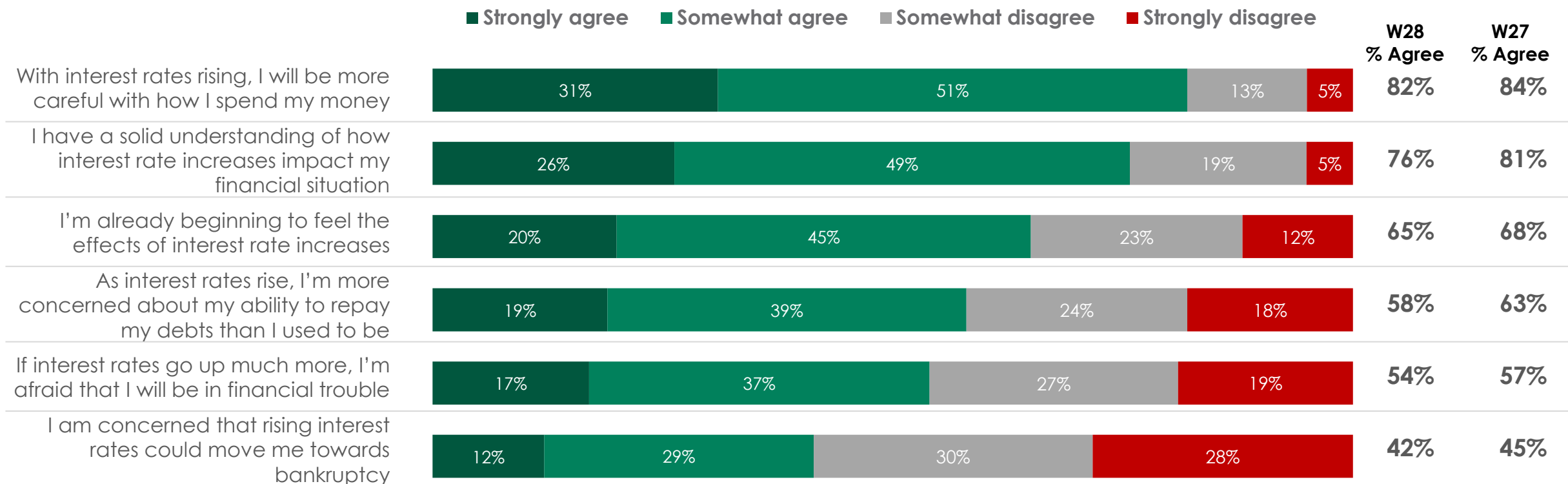


Q5. On a scale of 1 to 10, where 1 is 'strongly disagree' and 10 is 'strongly agree', how much do you agree or disagree with the following ...?
Base: All Respondents (unweighted) n=2,001 BC (n=241); AB (n=197); SK/MB (n=198); ON (n=719); QC (n=455); ATL (n=191).

INTEREST RATES

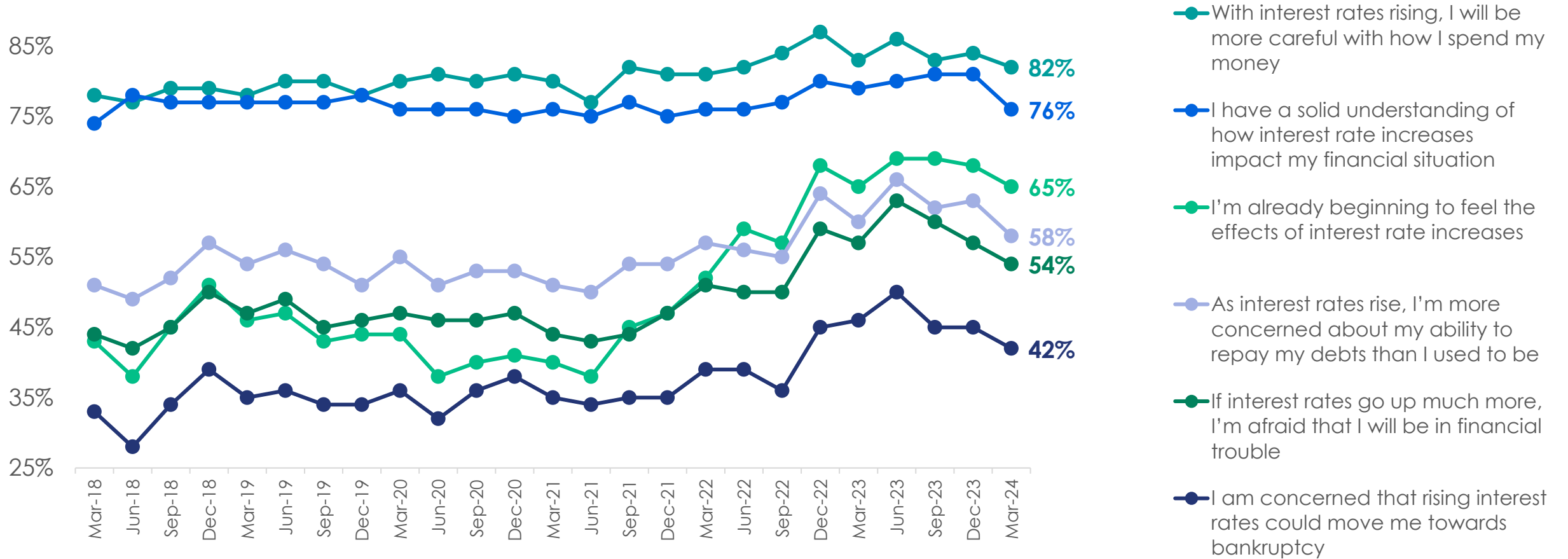
Attitudes Towards Interest Rates

Overall, attitudes towards interest rates has softened compared to last quarter. Most Canadians continue to agree that with interest rates rising, they will be more careful with how they spend their money (82%, -2). Fewer Canadians agree they have a solid understanding of how interest rate increases impact their financial situation (76%, -5) and as interest rates rises, they are concerned about their ability to repay their debt (58%, -5).



Q7. To what extent do you agree or disagree with the following?
Base: All Respondents (unweighted) n=2,001

Attitudes Towards Interest Rates Tracking (T2B)



Q7. To what extent do you agree or disagree with the following?
 Base: All Respondents (unweighted) n=2,001

Attitudes Towards Interest Rates

Women and Canadians aged 35-54 are most likely to agree that with interest rates rising, they will be more careful with how they spend their money. Canadians aged 18-34 are most likely to be concerned with rising

| % Agree (Top 2 Box) | | | | | | | | | | | | | | | | |
|-------------------------------------------------------------------------------------------------|------------|--------|--------------|---------------|--------------|---------------|--------|--------------|---------|--------------|--------------|----------------|------------------|-------------------|--------------------|---------------|
| | Top 2 Box | Gender | | Age | | | Region | | | | | | Household Income | | | |
| | | 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 |
| With interest rates rising, I will be more careful with how I spend my money | 82% | 79% | 85% A | 83% | 84% E | 80% | 79% | 83% | 84% | 82% | 82% | 86% | 84% | 80% | 80% | 86% |
| I have a solid understanding of how interest rate increases impact my financial situation | 76% | 75% | 76% | 71% | 74% | 81% CD | 78% | 76% | 75% | 74% | 80% D | 71% | 69% | 71% | 83% GH | 86% GH |
| I'm already beginning to feel the effects of interest rate increases | 65% | 63% | 66% | 73% E | 72% E | 52% | 66% | 69% E | 65% | 66% E | 58% | 67% | 68% H | 59% | 67% H | 64% |
| As interest rates rise, I'm more concerned about my ability to repay my debts than I used to be | 58% | 57% | 59% | 69% E | 68% E | 41% | 60% | 62% | 57% | 58% | 54% | 62% | 62% | 57% | 57% | 58% |
| If interest rates go up much more, I'm afraid that I will be in financial trouble | 54% | 52% | 56% | 68% E | 66% E | 34% | 58% | 54% | 53% | 54% | 51% | 58% | 60% | 56% | 50% | 51% |
| I am concerned that rising interest rates could move me towards bankruptcy | 42% | 42% | 41% | 60% DE | 49% E | 22% | 39% | 44% | 46% | 40% | 40% | 51% ADE | 51% HIJ | 41% | 37% | 36% |

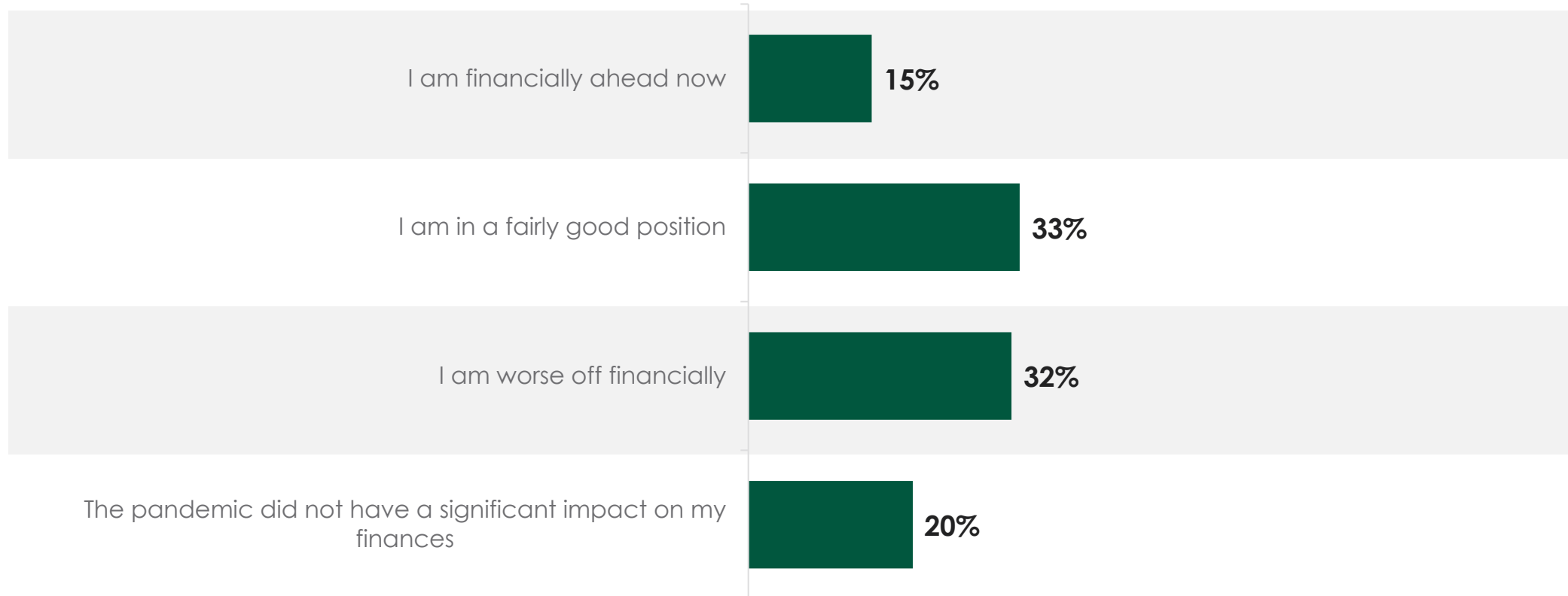
Q7. To what extent do you agree or disagree with the following?

Base: All Respondents (unweighted) n=2,001 Male (n=926); Female (n=1063); 18-34 (n=498); 35-54 N (n=786); 55+ (n=717), <\$40K (n=503), \$40K to <\$60k (n=331), \$60K to <\$100K (n=517), \$100K+ (n=473), BC (n=241), AB (n=197), SK/MB (n=198), ON (n=719), QC (n=455), ATL (n=191)

Impact of Debt on Personal Finance and Mental Health

Pandemic Recovery

One third of Canadians have recovered financially since the start of the pandemic in 2020 (33%), however, another third say they are worse off financially now than they were pre-pandemic (32%). Two in 10 stated the pandemic did not have a significant impact on their finances.



Q28_1. Reflecting on your financial situation at the start of the pandemic in 2020, how would you compare your current financial status?
Base: All Respondents (unweighted) n=2,001

Pandemic Recovery Demographics

Canadians who are worse off financially are mostly aged 35-54 and with lower income. Not surprisingly, those with \$100K+ income are significantly more likely to be financially ahead now compared to other income brackets (27%). A quarter of those aged 55+ felt the pandemic did not have significant impact on their finances (26%).

| | Total | Gender | | Age | | | Region | | | | | | Household Income | | | |
|----------------------------------------------------------------------|------------|--------------|-------------|------------|---------------|---------------|---------|---------|------------|---------|---------|----------|------------------|-------------------------|--------------------------|----------------|
| | | 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 am financially ahead now | 15% | 18% B | 12% | 18% | 14% | 14% | 12% | 16% | 11% | 15% | 18% | 13% | 7% | 15% G | 17% G | 27% GHI |
| I am in a fairly good position | 33% | 32% | 34% | 36% | 30% | 34% | 35% | 30% | 39% | 32% | 34% | 30% | 32% | 30% | 37% | 34% |
| I am worse off financially | 32% | 31% | 32% | 30% | 40% CE | 26% | 32% | 30% | 29% | 34% | 28% | 37% | 39% IJ | 34% J | 29% J | 23% |
| The pandemic did not have a significant impact on my finances | 20% | 19% | 21% | 16% | 16% | 26% CD | 21% | 25% | 21% | 19% | 20% | 19% | 22% | 21% | 17% | 17% |

Q28_1. Reflecting on your financial situation at the start of the pandemic in 2020, how would you compare your current financial status?

Base: All Respondents (unweighted) n=2,001 Male (n=926); Female (n=1063); 18-34 (n=498); 35-54 (n=786); 55+ (n=717), <\$40K (n=503), \$40K to <\$60k (n=331), \$60K to <\$100K (n=517), \$100K+ (n=473), BC (n=241), AB (n=197), SK/MB (n=198), ON (n=719), QC (n=455), ATL (n=191)

'Social Squeeze' on Canadians

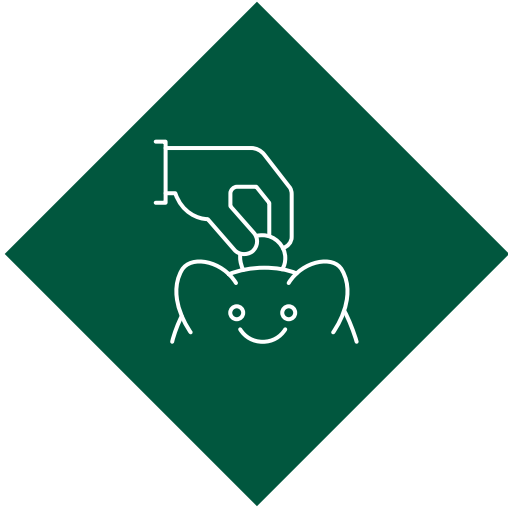
Half of Canadians are concerned with 'social squeeze' on their personal finances. Specifically, Canadians aged 18-34 (59%) and 35-54 (58%) are most concerned with social squeeze likely due to paying for their own or supporting social financial obligations. While Canadians across most provinces are concerned with social squeeze, Quebecers are significantly less likely to be concerned (40%). Those with poor personal debt ratings are significantly more concerned with 'social squeeze' (75%).

| | Total | Insolvent † | Gender | | Age | | | Region | | | | | | Household Income | | | | Personal Debt Rating | |
|-----------------------------|------------|-------------|------------|------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|------------------|--------------|------------------|-------------------|--------------------|--------------|----------------------|--------------------|
| | | | 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 | Poor (1-3) K | Excellent (8-10) L |
| T2B - Concerned | 49% | 59% | 49% | 50% | 59% E | 58% E | 35% | 48% | 52% E | 56% E | 53% E | 40% | 52% E | 54% | 49% | 49% | 49% | 75% L | 31% |
| Very concerned | 17% | 25% | 19% | 16% | 21% E | 20% E | 12% | 16% | 22% E | 20% E | 18% E | 12% | 22% E | 21% I | 20% | 14% | 18% | 43% L | 8% |
| Somewhat concerned | 32% | 34% | 30% | 34% | 38% E | 38% E | 23% | 33% | 30% | 36% | 35% E | 28% | 31% | 33% | 30% | 35% | 31% | 32% L | 23% |
| B2B – Not Concerned | 43% | 29% | 43% | 43% | 35% | 34% | 57% CD | 43% C | 39% | 36% | 40% | 54% ABCDF | 42% C | 37% | 44% | 46% G | 48% G | 21% | 64% K |
| Not very concerned | 28% | 20% | 27% | 29% | 28% | 23% | 33% D | 27% | 25% | 28% | 25% | 37% ABCDF | 25% | 26% | 29% | 29% | 29% | 14% | 36% K |
| Not at all concerned | 15% | 9% | 16% | 14% | 7% | 11% | 24% CD | 16% C | 14% | 8% | 15% C | 17% C | 17% C | 11% | 15% | 17% G | 19% G | 7% | 28% K |
| Don't know | 7% | 9% | 8% | 7% | 6% | 8% | 8% | 9% | 9% | 8% | 7% | 6% | 6% | 9% J | 7% | 5% | 3% | 4% | 6% |

Wave28_2. In the next 12 months, how concerned are you about social squeeze on your personal finances? This includes social financial obligations such as expenses to attend/travel to/support social events e.g. birthdays, weddings, baby showers, graduations, celebrations, etc.

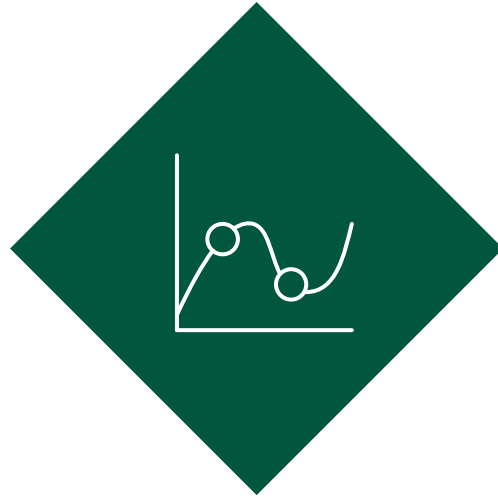
Base: All Respondents (unweighted) n=2,001

MEDIA ANGLES



MNP Debt Index Rebounds Significantly

Perceptions of personal debt rating, current debt rating, and expected debt situation have improved.



Canadians Finally Have a Little More in their Pockets at End of Month

Less than half of Canadians are on the brink of insolvency and month-end finances are up



One in three (31%) Canadians Say They're Financially Behind Compared to Start of Pandemic

Those aged 35-54, lower-income Canadians most likely to say they're behind where they were 4 years ago



Young Canadians Facing 'Social Squeeze'

Over half of young Canadians are concerned with paying or supporting social financial obligations

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