

# Canadians are seven times more likely to say higher interest rates have negative rather than a positive impact on their personal spending

Bloomberg Survey Summary

submitted by Nanos to Bloomberg News, August 2018  
Submission 2018-1236



# Bloomberg

# Summary

Canadians are seven times more likely to say higher interest rates have a negative rather than a positive impact on their personal spending

Overall, Canadians are more likely to say that higher interest rates are having a negative rather than a positive impact on spending.

- **More than four in ten Canadians say higher interest rates are having a negative or somewhat negative impact on their personal spending** - When asked what kind of impact, if any, higher interest rates are having on their personal spending, more than four in ten Canadians say they are having a negative (22%) or a somewhat negative impact (22%) while less than one in ten say they are having a positive impact (two per cent) or a somewhat positive impact (four per cent). Forty-seven per cent say higher interest rates are having no impact on spending and three per cent are unsure. This is consistent with the previous wave of research from April 2018.
- **High interest rates are having a negative net impact of -37.3 on their personal spending of Canadians** – Factoring positive, somewhat positive, somewhat negative and negative impacts, Canadians say higher interest rates are having more of a somewhat negative or negative impact on their personal spending, with a net impact of -37.3. This has decreased slightly from the previous wave in April 2018, which saw a net negative impact of -32.4 of higher interest rates on personal spending by Canadians. Ontario and BC residents reported the least negative net impacts (ON: -24.6; BC: -29.1), while those in the Prairies reported the most negative net impact (-39.0).
- **Canadians under 55 are most likely to say the higher interest rates are having a negative or somewhat negative impact on their personal spending** – Half of Canadians that are between 35 and 54 years old report that the higher interest rates are having a negative (28%) or somewhat negative (21%) impact on their personal spending, while just under half of Canadians that are between 18 and 34 years old report that the higher interest rates are having a negative (22%) or somewhat negative (22%) impact. One third of Canadians that are 55 years old or older report higher interest rates are having a negative (15%) or somewhat negative (20%) impact on their personal spending.

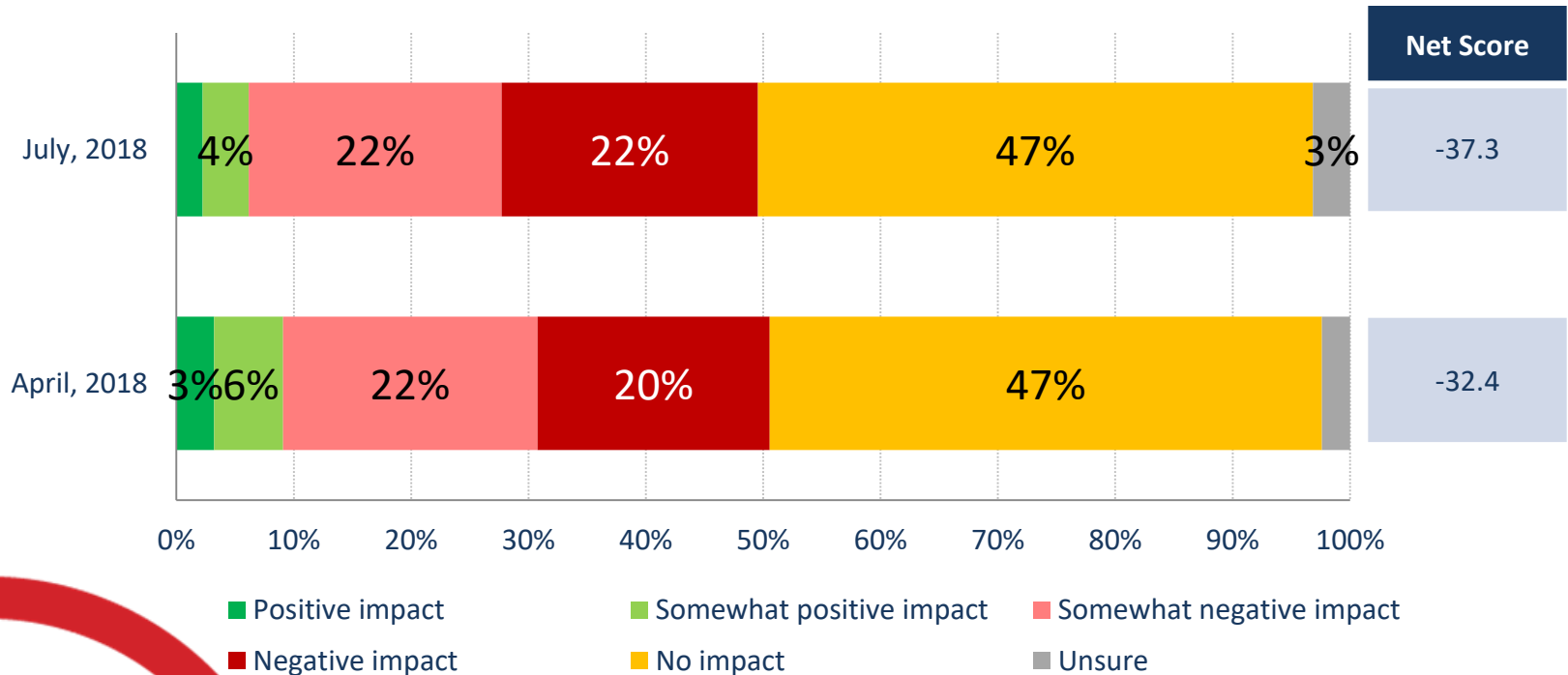
These observations are based on a hybrid telephone and online random survey of 1,000 Canadians, 18 years of age or older, between July 30<sup>th</sup> and August 5<sup>th</sup>, 2018 as part of an omnibus survey. The margin of error for a random survey of 1,000 Canadians is  $\pm 3.1$  percentage points, 19 times out of 20.

This study was commissioned by Bloomberg and the research was conducted by Nanos Research.

# Impact of higher interest rates on personal spending

Source: Nanos Research, RDD dual frame hybrid telephone and online random survey, July 30<sup>th</sup> to August 5<sup>th</sup>, 2018, n=1000, accurate 3.1 percentage points plus or minus, 19 times out of 20.

Source: Nanos Research, RDD dual frame hybrid telephone and online random survey between April 28<sup>th</sup> and May 4<sup>th</sup>, 2018, n=1000, accurate 3.1 percentage points plus or minus, 19 times out of 20.



**\*Note: Charts may not add up to 100 due to rounding**

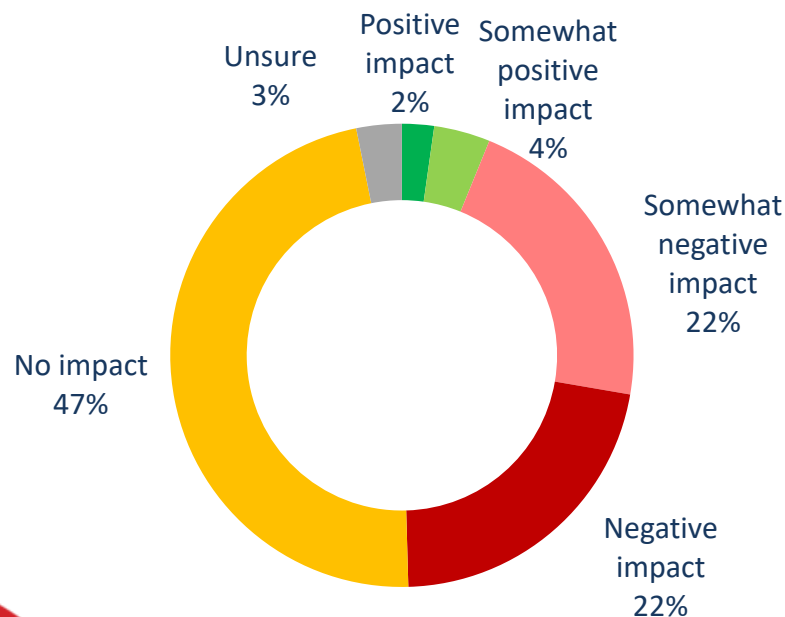
**Data labels less than 3% have been removed for clarity**

**QUESTION** – Are higher interest rates having a positive, somewhat positive, somewhat negative, negative or no impact on your personal spending?

# Impact of higher interest rates on personal spending

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**Net Score**  
-37.3

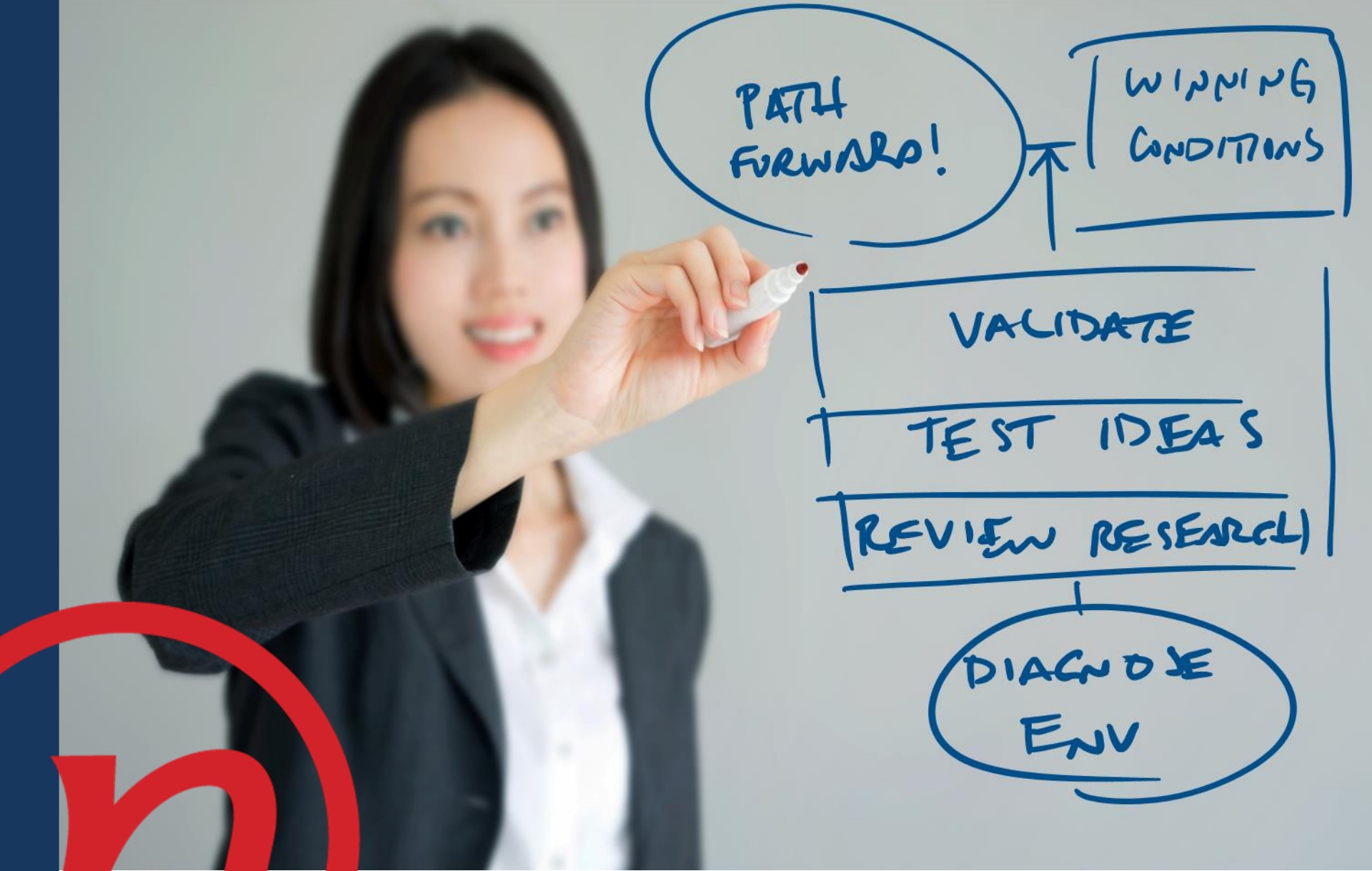


Subgroups	Negative/ Somewhat negative impact
Atlantic (n=100)	39.7%
Quebec (n=250)	53.2%
Ontario (n=300)	40.1%
Prairies (n=200)	40.7%
British Columbia (n=150)	39.5%
Male (n=508)	43.2%
Female (n=492)	43.6%
18 to 34 (n=192)	45.0%
35 to 54 (n=349)	50.2%
55 plus (n=459)	36.3%

\*Weighted to the true population proportion.

**\*Note:** Charts may not add up to 100 due to rounding

**QUESTION** – Are higher interest rates having a positive, somewhat positive, somewhat negative, negative or no impact on your personal spending?



# Methodology

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Nanos conducted an RDD dual frame (land- and cell-lines) hybrid telephone and online random survey of 1,000 Canadians, 18 years of age or older, between July 30<sup>th</sup> and August 5<sup>th</sup>, 2018 as part of an omnibus survey. Participants were randomly recruited by telephone using live agents and administered a survey online. The results were statistically checked and weighted by age and gender using the latest Census information and the sample is geographically stratified to be representative of Canada.

Individuals were randomly called using random digit dialling with a maximum of five call backs.

The margin of error for a random survey of 1,000 Canadians is  $\pm 3.1$  percentage points, 19 times out of 20.

The research was commissioned by Bloomberg News and was conducted by Nanos Research.

Note: Charts may not add up to 100 due to rounding.

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# Technical Note

Element	Description
Organization who commissioned the research	Bloomberg News
Final Sample Size	1000 Randomly selected individuals.
Margin of Error	±3.1 percentage points, 19 times out of 20.
Mode of Survey	RDD dual frame (land- and cell-lines) hybrid telephone and online omnibus survey
Sampling Method Base	The sample included both land- and cell-lines RDD (Random Digit Dialed) across Canada.
Demographics (Captured)	Atlantic Canada, Quebec, Ontario, Prairies, British Columbia; Men and Women; 18 years and older. Six digit postal code was used to validate geography.
Fieldwork/Validation	Live interviews with live supervision to validate work as per the MRIA Code of Conduct
Number of Calls	Maximum of five call backs.
Time of Calls	Individuals were called between 12-5:30 pm and 6:30-9:30pm local time for the respondent.
Field Dates	July 30 <sup>th</sup> to August 5 <sup>th</sup> , 2018.
Language of Survey	The survey was conducted in both English and French.

Element	Description
Weighting of Data	The results were weighted by age and gender using the latest Census information (2016) and the sample is geographically stratified to ensure a distribution across all regions of Canada. See tables for full weighting disclosure
Screening	Screening ensured potential respondents did not work in the market research industry, in the advertising industry, in the media or a political party prior to administering the survey to ensure the integrity of the data.
Excluded Demographics	Individuals younger than 18 years old; individuals without land or cell lines could not participate.
Stratification	By age and gender using the latest Census information (2016) and the sample is geographically stratified to be representative of Canada. Smaller areas such as Atlantic Canada were marginally oversampled to allow for a minimum regional sample.
Estimated Response Rate	Nine percent, consistent with industry norms.
Question Order	Question order in the preceding report reflects the order in which they appeared in the original questionnaire.
Question Content	This was module four of an omnibus survey. Previous modules were about unprompted issues of national concern, NATO/Russia and carbon tax, Trudeau and asylum seekers.
Question Wording	The questions in the preceding report are written exactly as they were asked to individuals.
Survey Company	Nanos Research
Contact	Contact Nanos Research for more information or with any concerns or questions. <a href="http://www.nanosresearch.com">http://www.nanosresearch.com</a> Telephone:(613) 234-4666 ext. Email: info@nanosresearch.com.

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## **Nanos Research**

North America Toll-free

1.888.737.5505

[info@nanosresearch.com](mailto:info@nanosresearch.com)





# Tabulations



2018-1236 – Bloomberg/Nanos Survey – July – STAT SHEET

			Region						Gender		Age		
			Canada 2018-07	Atlantic	Quebec	Ontario	Prairies	British Columbia	Male	Female	18 to 34	35 to 54	55 plus
Are higher interest rates having a positive, somewhat positive, somewhat negative, negative or no impact on your personal spending?	Total	Unwgt N	1000	100	250	300	200	150	508	492	192	349	459
		Wgt N	1000	100	250	300	200	150	491	509	271	340	389
	Positive impact	%	2.2	2.8	2.4	3.3	1.4	0.5	2.3	2.2	0.8	1.8	3.6
	Somewhat positive impact	%	3.9	2.0	4.7	4.4	2.3	5.2	4.1	3.8	3.0	2.6	5.8
	Somewhat negative impact	%	21.5	17.7	28.6	19.2	19.2	20.1	21.4	21.7	22.5	21.7	20.7
	Negative impact	%	21.9	22.0	24.6	20.9	21.5	19.4	21.8	21.9	22.5	28.5	15.6
	No impact	%	47.3	49.0	37.2	49.4	53.7	50.1	47.7	46.9	47.4	41.9	51.9
	Unsure	%	3.2	6.4	2.5	2.7	1.9	4.7	2.8	3.5	3.9	3.6	2.3

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