

The Canadian Maru Household Outlook Index (“MHOI”)

A Monthly Index Tracking of Canadian Citizen-Consumers and their 60-Day Outlook about the Canadian Economy and their Personal Finances

March 7, 2023

Data Collection Methodology for this Month's Wave

These are some of the findings from the Maru Household Outlook Index ("MHOI") released by [Maru Public Opinion](#) that was undertaken by its sample and data collection experts at [Maru/Blue](#) on February 24-27, 2023, among a random selection of 1,531 Canadian adults who are [Maru Voice Canada](#) online panelists. The data collection for the Maru Household Outlook Index ("MHOI") is regularly collected on the last weekend of each month, with the exception that if a holiday is attached to that weekend, it is fielded immediately following that timeframe.

The results were weighted by education, age, gender, and region (and in Quebec, language) to match the population, according to Census data which ensures the sample is representative of the entire adult population of Canada. For comparison purposes, a probability sample of this size has an estimated margin of error (which measures sampling variability) of +/- 2.5%, 19 times out of 20. Respondents could respond in either English or French. When compared to the data tables, discrepancies in or between totals are due to rounding.

Panel and data services provider [Maru/Blue](#) is deeply rooted in the Maru/HUB technology platform and offers on-demand, high-quality, highly scalable online community samples of deeply engaged, known respondents. [Maru Public Opinion](#) is a professional research services channel dedicated to improving its clients' business outcomes. It delivers its services through teams of sector-specific research consultants specializing in Insight Community and Voice of Market technology. This Maru Household Outlook Index ("MHOI") Report is here: [Maru Public Opinion polls Canada](#). Corporate information can be accessed here: [Maru Group](#). Excerpts from this release of findings should be properly attributed, with interpretation subject to clarification or correction.

The Maru Household Outlook Index (“MHOI”) Methodology

At the end of each month, Maru Public Opinion surveys a representative sample of adult Americans to determine their 60-day outlook on a variety of elements related to the American economy, their personal finances, and related matters pertaining to their household. These findings are then computed into an Index referred to as the Maru Household Outlook Index (“MHOI”). The survey began in July 2020 with twenty tracking items tracked monthly, with another two added in February 2021 for a total of twenty-two items. After rigorous analysis, the MHOI was created from sixteen of that total. All twenty-two items continue to be tracked.

The MHOI is derived from a sixteen-item summated rating scale, fourteen of which are on a four-point scale, with each level having a different weight (e.g., “Very Likely =1, while “Not likely at all” = 0). A fifteenth item had a binary response, only the proportion of positive responses (“Moving in the right direction”) was used. The sixteenth item asks respondents to describe how their financial position had changed in the past month, wherein the proportion of respondents whose situation has improved or remained constant was kept (removing “become worse”), with both top options having the same weight in the Index. Each statement score is multiplied by either 1 or -1 depending on whether the attribute is optimistic or pessimistic. The Index scores are added, multiplied by 100, and finally divided by the total for the baseline month (April 2021) to give us the weighted index. Any Index output below a composite score of 100 is considered to be negative/pessimistic. Conversely, any Index output above a composite score of 100 is considered to be positive/optimistic. The resulting measure is both valid and reliable.

The MHOI Index number reported in any given month is based on a “rolling average” formula that combines the incumbent data from that month plus the two previous monthly waves (which triples the usual monthly sample size wave of ~1,500 completed interviews for a total of ~4,500). In order to heighten the freshness of the Index number reported, the incumbent month is given a weight of 45%, the data from the previous month is given a lesser weight of 35%, and the data from the earliest of the three months is given an even lesser weight of 20%. The output from this formula produces the MHOI Index number reported and charted for comparison with previous iterations. A methodology for each wave appears in each report, and a complete list of the components used specifically for the MHOI is found on the next page.



The Canadian MHOI Survey Items

Thinking of the state of the economy, would you say it is...? [Choose one]

- **Moving in the right direction**
- **On the wrong track**

Specifically focused on your financial position, would you say it has...? [Choose one]

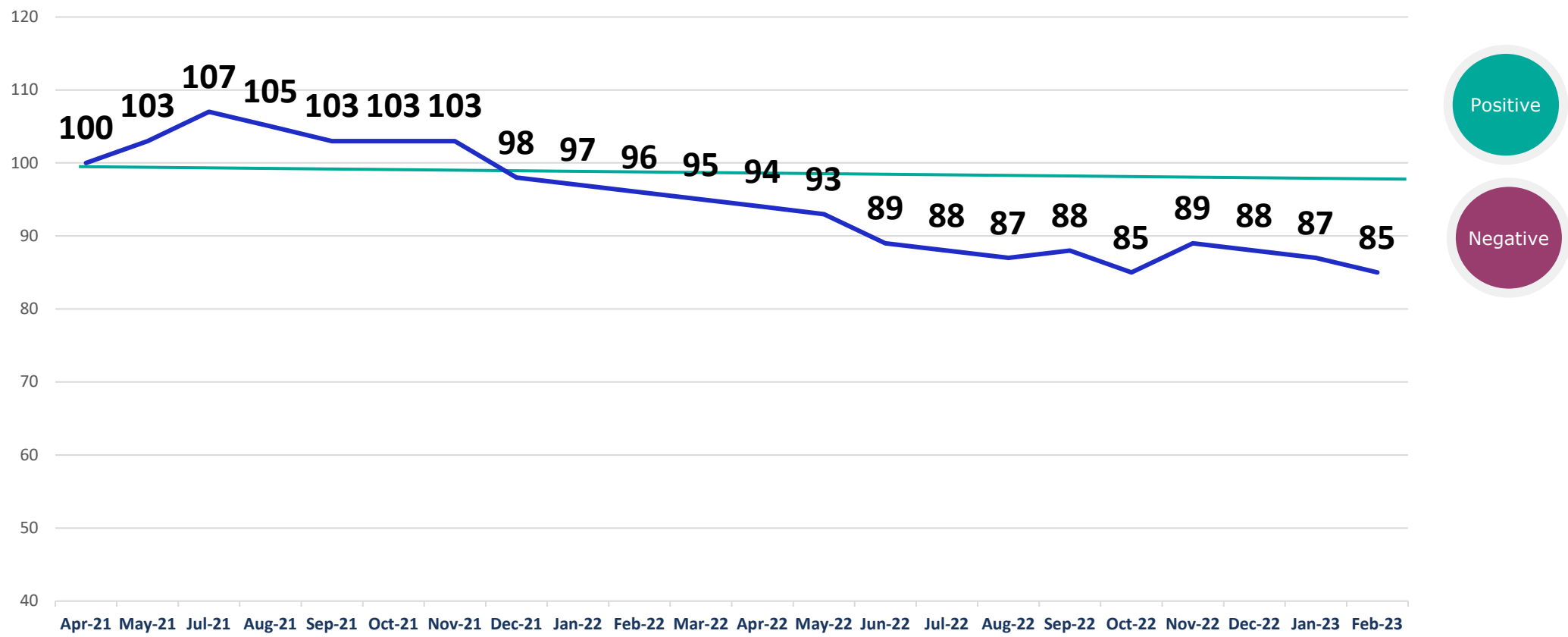
- **Improved since last month**
- **Remain the same over the last month**
- **Become worse since last month**

Over the next sixty (60) days...

[Very Likely/Somewhat Likely/Not Very Likely/Not Likely at All] [Choose one]
[Randomize]

- **The national economy will improve**
- **The local economy where I live will improve**
- **I will be worried about my personal/family day-to-day finances**
- **I will have enough personal/family investments and savings for the future**
- **I will have the ability to purchase the products needed for me/our family**
- **I will likely declare bankruptcy**
- **I will default on making payments on major loans or a mortgage**
- **I will purchase big ticket items like a car or furniture**
- **I will buy a house**
- **I will invest in the financial markets because now is a good time to do so**
- **I will put away money for my retirement/old age security**
- **I will have more than two months of savings to cover any unexpected costs or needs**
- **I will struggle to make ends meet**
- **I will lose or be laid off from my job because of lack of business/work**

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The Canadian Maru Household Outlook Index ("MHOI") is at **85** (which is **negative/pessimistic** because it is under the base Index of 100), **down two points (-2)** from last month's measure of **87**. In contrast, the most recent high-water mark was recorded in July 2021 when it topped **107** (which is **positive/optimistic** because it is over the base Index of **100**).

The MHOI has slumped back to where it was in October 2022 in a tie for its worst measure since the index began tracking in April 2021.

What's driving the sixty-day outlook Index this month?

While **less Canadians this month believe they will lose their job or will be laid off** because of a lack of business/work over the next sixty days compared to last month (positive), **more agree** (negatively) **that the state of the Canadian economy is on the wrong track** and **less believe their personal financial position has improved** since last month, they **have enough personal/family investments and savings for the future**, they **have more than two months of savings to cover any unexpected costs or needs**, and they **will invest in the financial markets because now is a good time to do so**.

Positive

Less Canadians believe they will lose their job or will be laid off because of a lack of business/work: one in ten (11%, down four percentage points from 15% last month/very likely 3%, down two percentage points from 5%) believe this may occur over the next sixty days. This outlook on potential job loss is comparable to the findings from September 2022 (11%, 4% very likely), while the highest level of potential job insecurity dates back to November 2020 (15%, 5% very likely). Those most likely to believe they will lose their job over the next sixty days live in British Columbia (17%, +5), are the youngest (18-34, 28%, -7), have the lowest income (<\$50k, 15%, +1) and are women (12%, -2).



Negative

More Canadians believe that the state of the Canadian economy is on the wrong track: two-thirds (**66%**, up two percentage points from 64% last month) hold this view versus one-third (**34%**, -2) who believe it's moving in the right direction. This negative perspective parallels September 2022 before reaching its highest level in October 2022 (70%). The last time a majority of Canadians believed the economy was moving in the right direction was in November 2022 (54%), with its peak in July 2021 (57%).

Those most likely to believe the state of the Canadian economy is on the wrong track live in Manitoba/Saskatchewan (73%, +5). Atlantic Canada (73%, +13), are those who are middle-aged (35-54, 72% n/c), those who earn the least (<\$50k, 68%, +4) and the most (\$100k+, 67%, +12), and are women (69%, +3). Those most likely to believe the state of the economy is moving in the right direction are from both British Columbia (41%, +2) and Québec (36%, -4), are the youngest (18-34, 38%, -8), are middle-income earners (35%, +2) and are men (36%, -1).

Less Canadians believe their personal financial position has improved since last month: one in ten (**10%**, down three percentage points from 13% last month) believe their personal financial situation has improved over the last month compared to those who believe it has worsened (**28%** n/c). Those who believe their financial position has remained the same are higher (**63%** +3). The gap score for this month (the difference between those who say their personal financial position has improved minus worsened) is -18 (10%, -28%)—which is the gap score that occurred in December 2022 (11%, -29%), compared to the highest recorded since tracking began in February 2021 which surfaced in June 2022 (-27,8%, -35%).

Less Canadians believe they will have enough personal/family investments and savings for the future: 55% (down four percentage points from 59% last month). These results are the second lowest reported (54% in March 2022) since tracking began in July 2020. Those most likely say they don't have enough savings for the future reside in Alberta (52%, +5), are middle-aged Canadians (35-54, 43%, -5), are those with the lowest income (<\$50k, 43%, -3) and are women (50%, -4).

Less Canadians believe that they will have more than two months of savings to cover any unexpected costs or needs: 62% (down three percentage points from 65% last month), and the results parallel those measured in October 2022 (62%). This ties in with the lowest level found among Canadians for this metric since tracking began in July 2020 and has occurred three previous times dating back to December 2020. The highest level recorded for this measure was in April 2022 (68%). Those who reveal they don't have savings are most likely to be found in Alberta (48%, n/c) and Manitoba/Saskatchewan (46% ,+11), who are both young (18-34, 47%, +11) and middle-aged (45%, +2), are those with the lowest income (<\$50k, 50%, +5) and are women (38%, +3).

Less Canadians say they will invest in the financial markets because now is a good time to do so: three in ten (**31%**, down four percentage points from 35% last month) hold this view which is parallel to the same finding in October 2022. The highest level of agreement with this sentiment was in November 2022 (39%), while the lowest occurred in September 2020 (26%). Those most likely to indicate that now is a good time to invest in the financial markets reside in British Columbia (38%, n/c) are the youngest Canadians (18-34, 44%, -6), those with the highest income (\$100k+, 44%, -8) and are men (33%, -8).

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Maru Public Opinion is a research and insight channel of the [Maru Group](#). The division operates a polling division for clients and collaborative media partners. A full description of the channel and access to polls released into the public domain can be found at [Maru Public Opinion Canada](#)

[Maru Public Opinion](#) does not carry out any polling for any political party.

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