

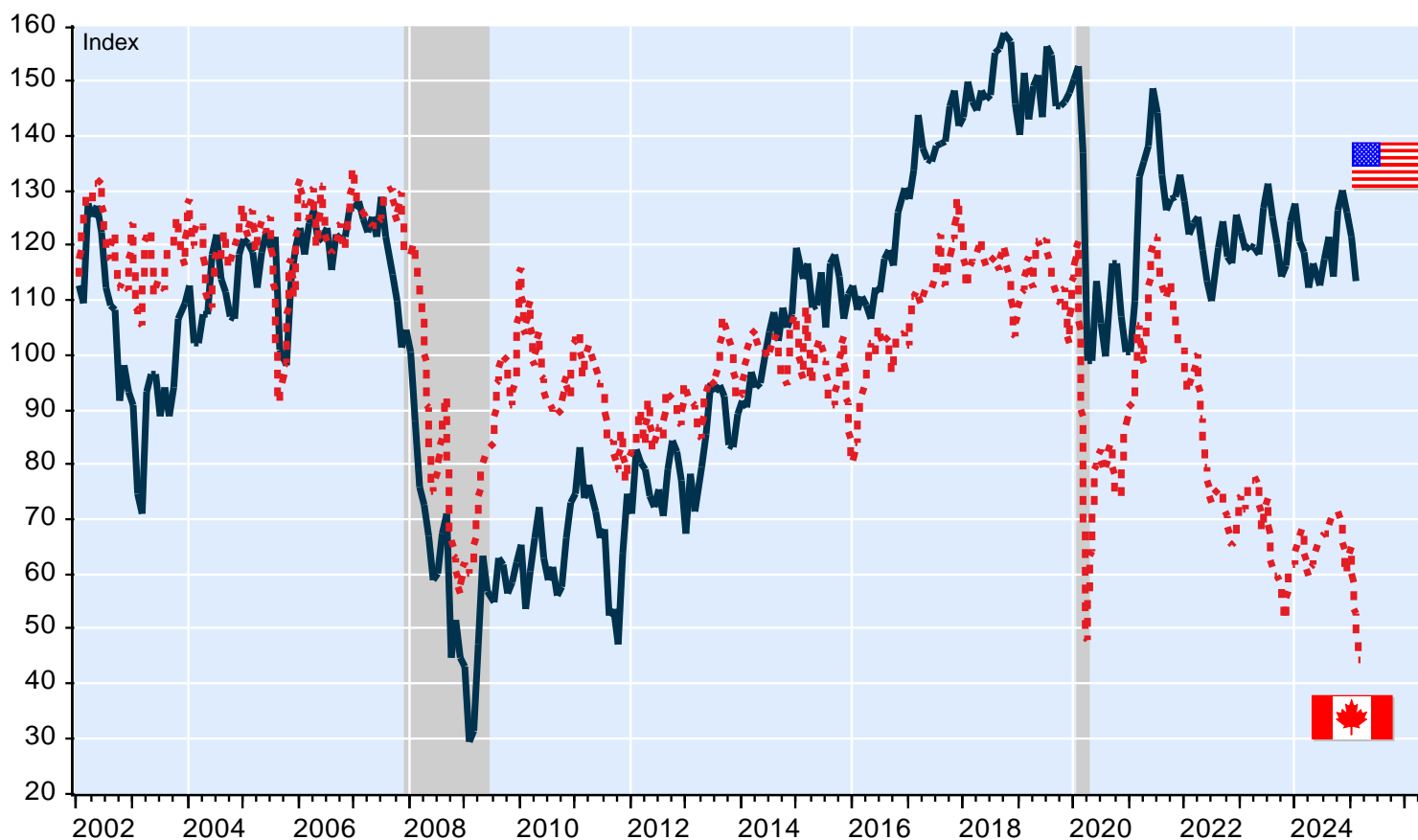
Canada Watch

By Stéfane Marion and Daren King

Canadian consumers are in a foul mood. In fact, their optimism in March has plummeted to the lowest level in modern history—surpassing even the depths of the COVID recession. As today’s *Hot Chart* illustrates, the gap between Canadian and U.S. consumer sentiment remains one worst ever. Job insecurity and an unwillingness to make major purchases—such as a home or a car—are at extreme levels. Consumers have also taken note of the tariff imbroglio that is paralyzing the business plans of many corporations and the economic downside it entails. This sets the stage for weaker consumer spending and slower economic growth in the months ahead. If this trend holds, the recent uptick in consumer inflation—confirmed again this morning for February (see our note [here](#))—is likely to be temporary.

Canada: Consumers have never felt worse

Conference board index of consumer confidence: Canada vs. the U.S.



NBF Economics and Strategy (data from Conference Board)



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