



Consumer Economic Pulse

WAVE 31: JANUARY 2025

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Four things you should know

Economic anxiety grows as recession fears resurface

Canadians' economic sentiment has deteriorated, with 66% now believing the country is either in or nearing a recession—a significant increase from November 2024.

Pessimism around personal finances has also increased, with 43% feeling pessimistic about their household's financial future.

More Canadians adjusting spending amid financial pressures

With increasing pessimism about family finances, fewer Canadians report being able to comfortably cover household expenses and have money left over.

Meanwhile, a growing number of Canadians adjusted their grocery shopping habits in the past-month, with many actively seeking special deals before making purchases. Fast-food and drive-through purchases have also seen a decline vs. Oct 2024, reflecting more cautious spending behaviour.

Holiday spending left some with debt and added financial strain

Canadians spent an average of \$1,400 during the 2024 holiday season, with parents spending more (\$1,677).

Although many Canadian households managed their holiday spending within their budgets, 36% experienced some level of financial strain, while 20% took on additional debt.

Broadly, this highlights the challenge of balancing holiday expenses with financial well-being.

The GST break had minimal impact on shopping behavior

Although most Canadians were aware of the GST tax break (97%), it did little to influence spending habits.

Few made purchases specifically to take advantage of the break, and the majority have no plans to stock up before it expires.

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Perspective on the economy

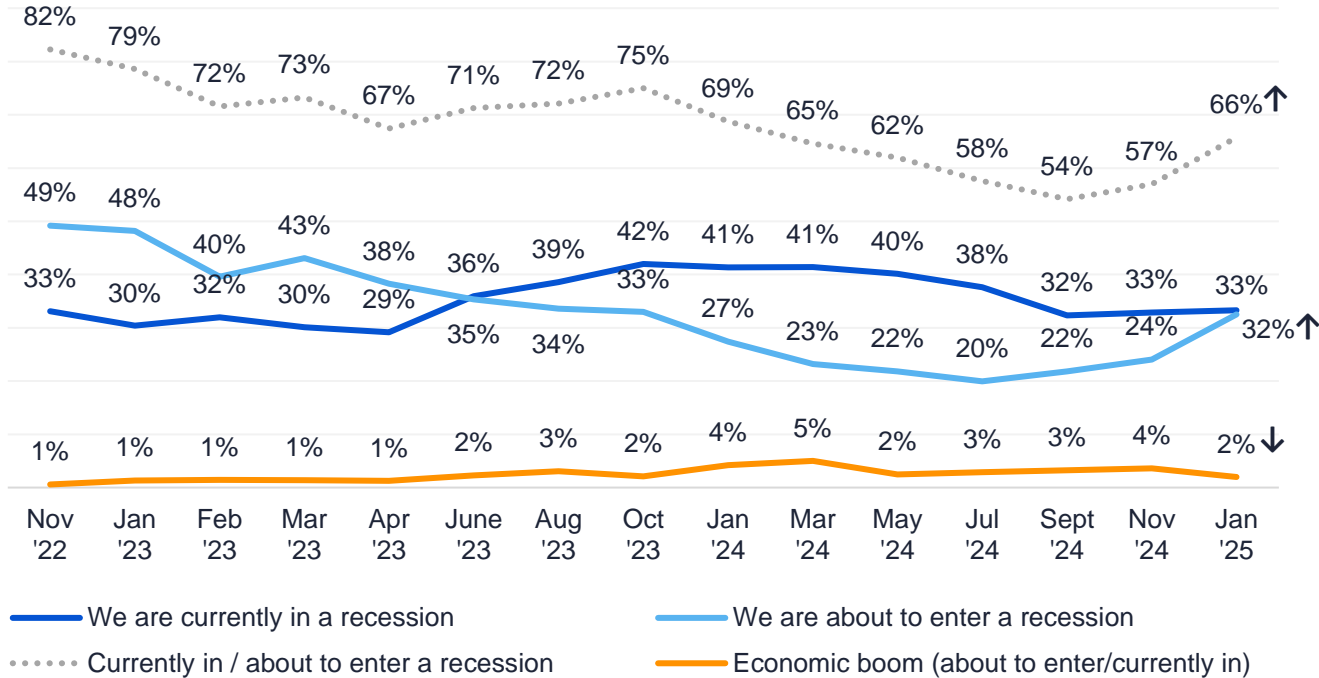
Current state of the economy →

Perceptions of family finances →



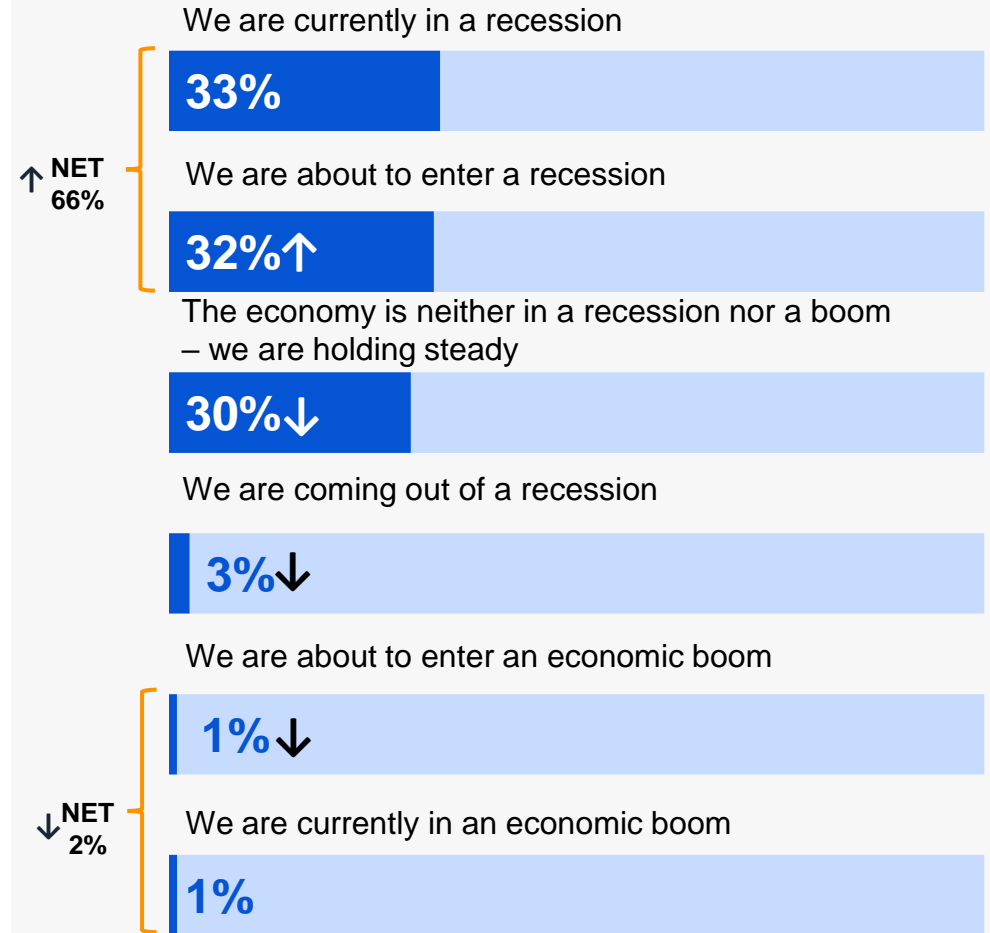
Current state of the economy

More Canadians now believe the country is in or approaching a recession (66%); Driven by the belief that we are about to enter a recession, this metric is a significant increase compared to November 2024 (+9 percentage points).



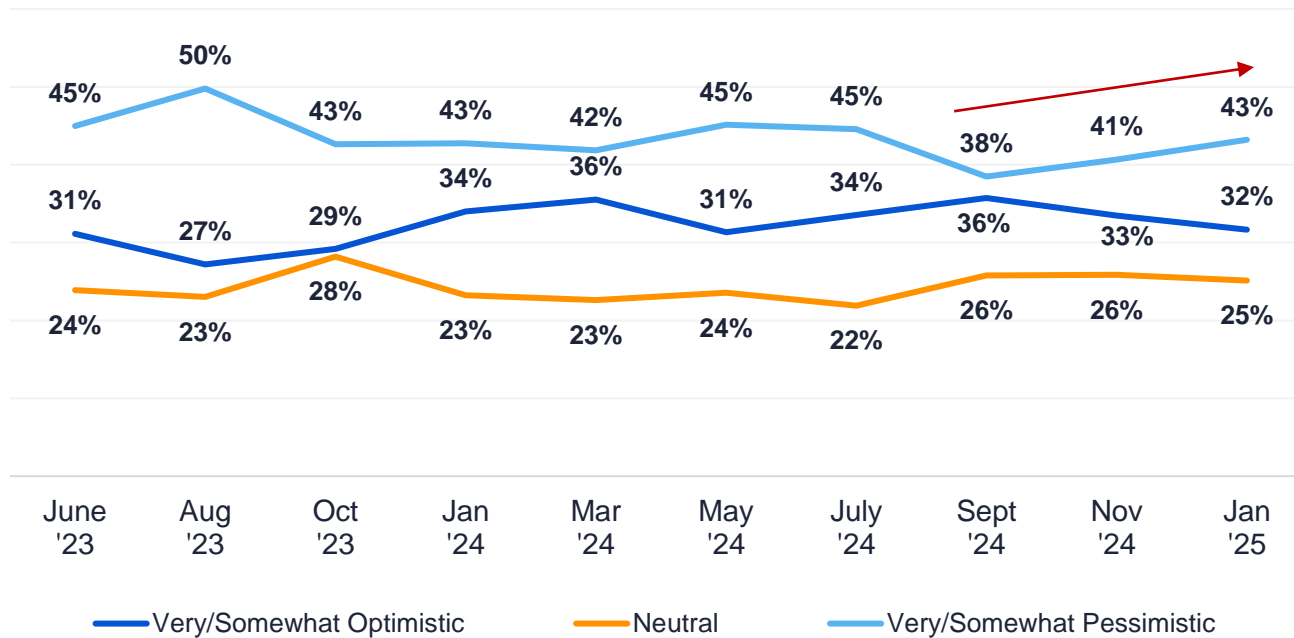
Base: Total n=1,505 | Q: Which of the following best reflects how you feel about the current state of the economy?

JANUARY 16 TO JANUARY 22, 2025



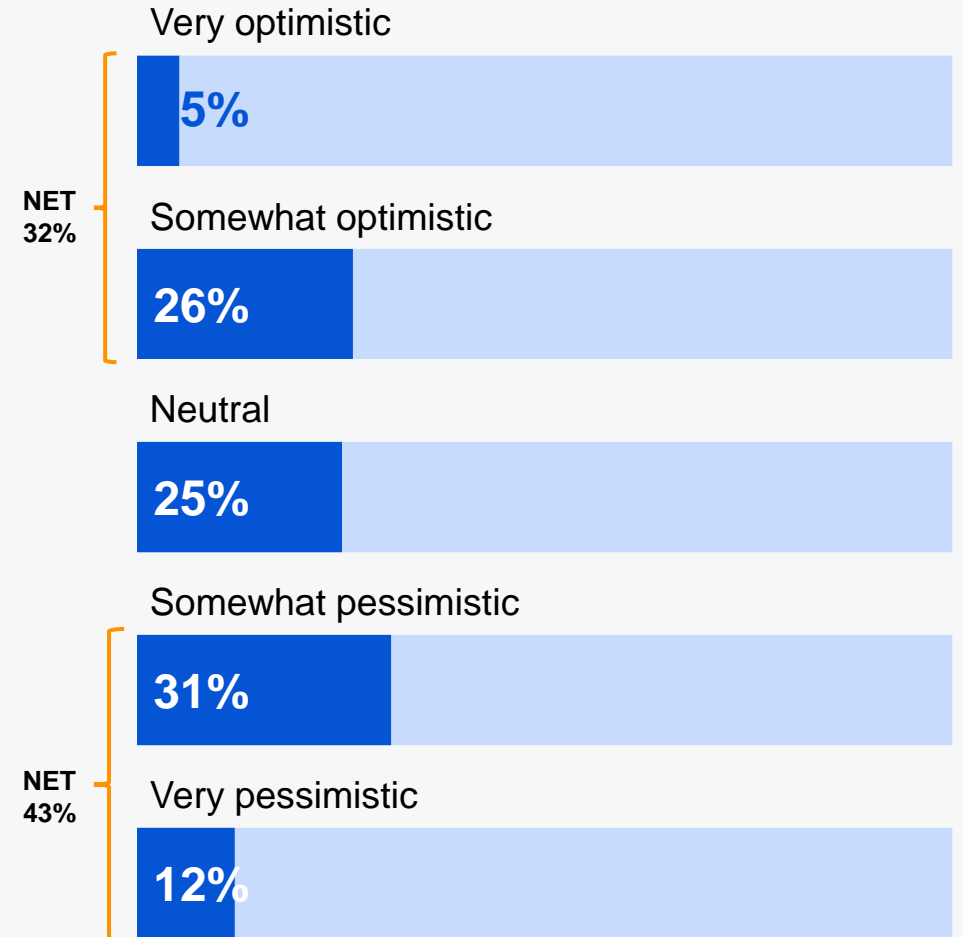
Perception of family finances

Economic pessimism is rising—43% of Canadians now feel pessimistic about their household finances, up 5 points from September 2024.



Base: Total n=1,505 | Q: Thinking specifically about you and your family's finances, how optimistic or pessimistic are you about the year ahead?

JANUARY 16 TO JANUARY 22, 2025



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Affordability / Personal Spending Habits

Ability to Afford household expenses, finances over the past months →

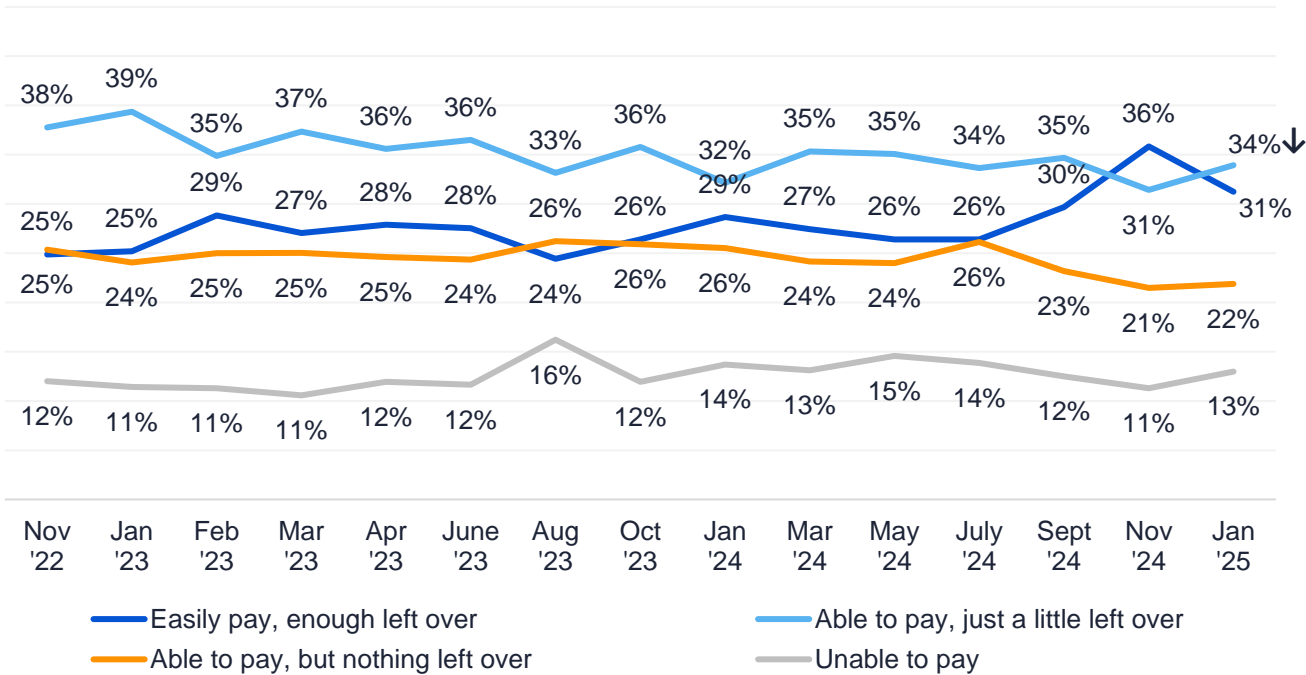
Changing brands to save →

Anticipated Price Changes →



Ability to Afford Household Expenses, Finances Over the Past Month

With increased pessimism about family finances, fewer Canadians now say they can easily cover household expenses and still have money left over (31%; -5pp vs. Nov 2024). This metric has dipped to levels previously seen in September.



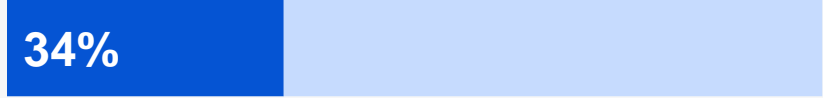
Base: Total n=1,505 | Q: And how would you describe your finances over the last month?

JANUARY 16 TO JANUARY 22, 2025

Able to **easily pay** for my expenses and had **enough money left over** for other things



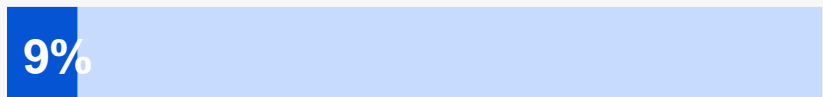
Able to **pay** for my expenses and had **just a little money left over** for other things



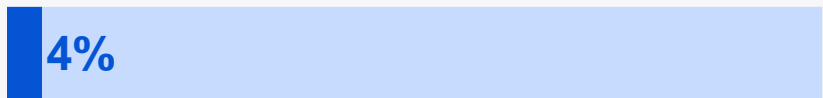
Able to **pay** for all my expenses but **did not have anything left over**



Unable to pay for my expenses and took on a **little additional debt** each month.



Unable to pay for my expenses and took on a **lot of additional debt** each month.



NET 87%

NET 13%

22% of low-income households (<\$50k) were unable to afford their expenses over the last month, compared 15% reporting this in Nov 2024.

Changing brands to save

Despite stronger negative sentiments about family finances, fewer Canadians (45%, -8pp vs. December 2024) reporting switching brands to save money, suggesting that Canadians may be employing other methods of cost-cutting - e.g., limiting fast-food/drive-through purchases or looking for special discounts before purchase, instead of changing brands.



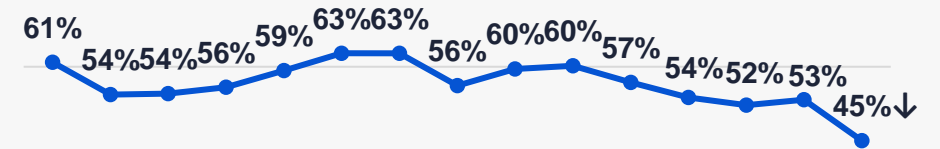
Base: Total n=1,505 | Q: Since the start of the year, have you switched to a different brand/company than you usually purchase from to save money in any of the following areas?

JANUARY 16 TO JANUARY 22, 2025

45%

of Canadians have switched brands in at least one area in order to save money; a significant decrease from December 2024.

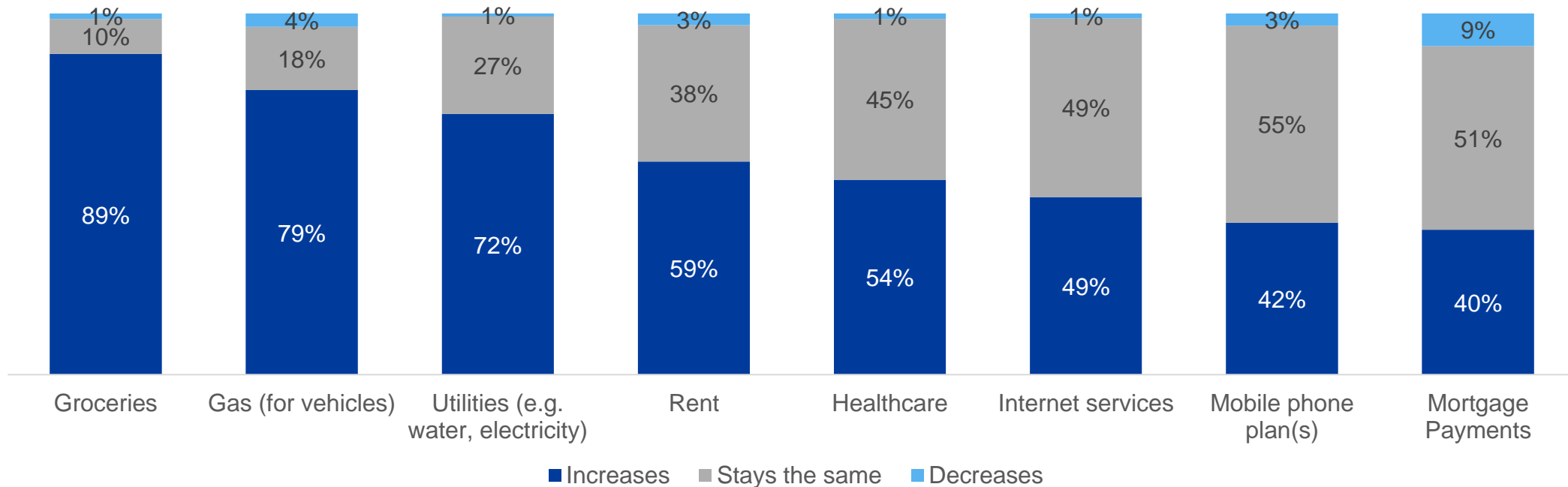
% Have Switched Brands



Oct '23 Nov '23 Jan '24 Feb '24 Mar '24 Apr '24 May '24 June '24 July '24 Aug '24 Sept '24 Oct '24 Nov '24 Dec '24 Jan '25

Anticipated Price Changes In the Next 6 Months

Most Canadians expect grocery prices, gas, and utility costs to rise in the next six months, while fewer anticipate an increase in their mortgage payments. Broadly, this suggests a focus on rising day-to-day expenses, while mortgage cost perceptions may be influenced by recent interest rate cuts.



Base: Total n=1,505 | Q: Looking ahead 6 months from now, do you expect the cost of the following items to increase, stay the same, or decrease

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Grocery and Restaurants

[Changes in habits to save on groceries →](#)

[Dinning habits →](#)

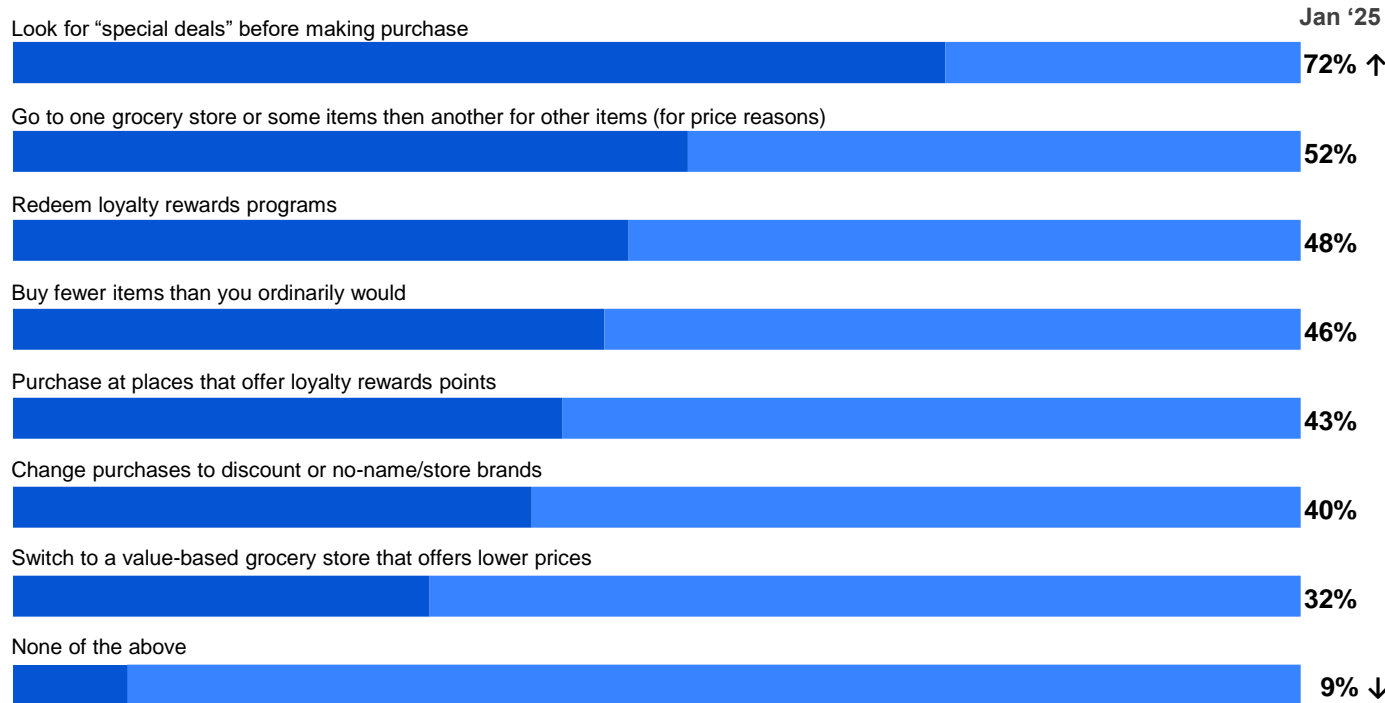
[Dinning habits Overview →](#)



Changes in habits to save on groceries

In January 2025, a growing number of Canadians adjusted their grocery shopping habits in the past month to save money. This trend is largely driven by an increase in those seeking special deals before making purchases (72%).

% Have done in the Last Month



Base: Total n=1,505 | Q: Over the last month have you done any of the following in order to save money on groceries?

JANUARY 16 TO JANUARY 22, 2025

91%

of Canadians have made at least one change in their grocery shopping habits over the last month in order to save money, a significant increase since the fall.

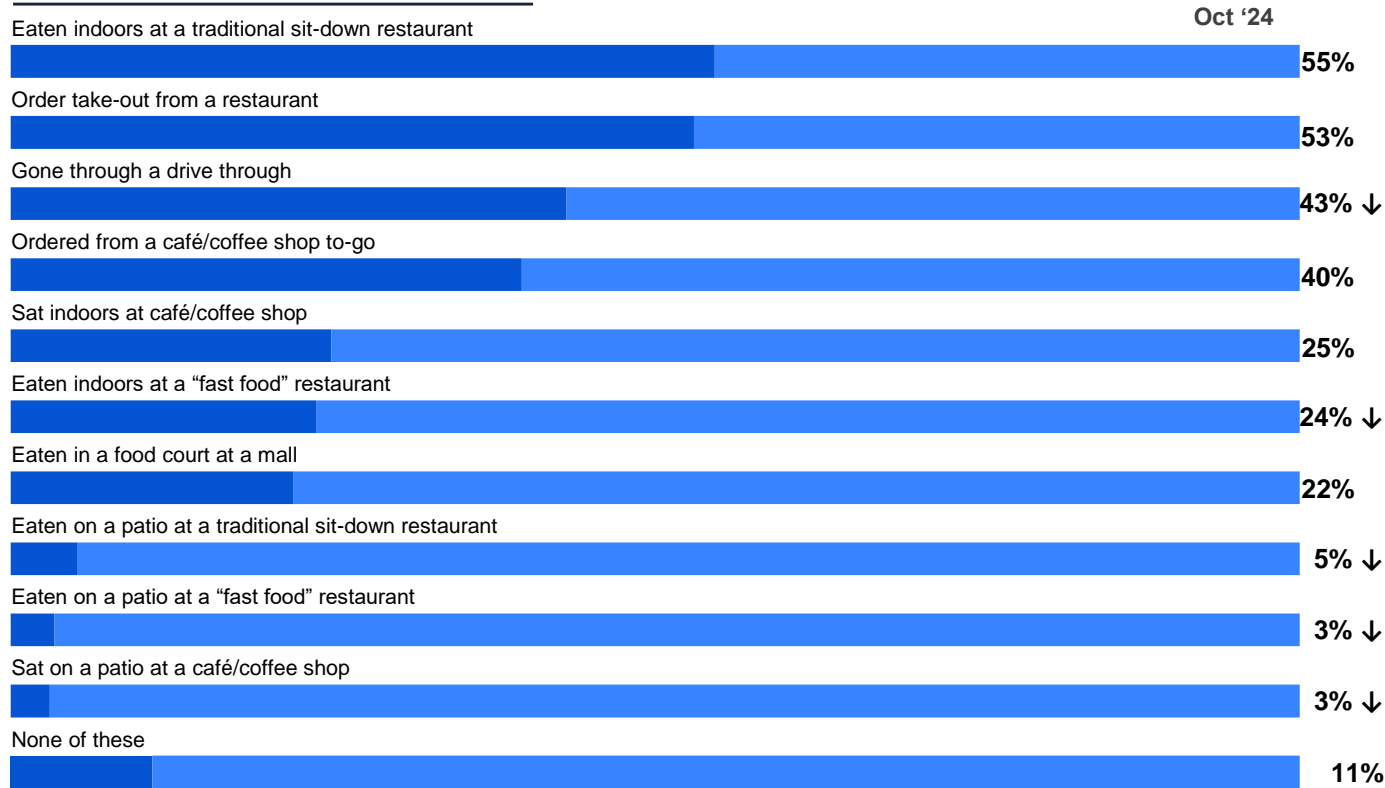
↑ +5 percentage points since October

	Jan '25	Oct '24	July '24	Apr '24	Jan '24	Sept '23	Jun '23	Apr '23	Mar '23	Feb '23
Look for "special deals" before making a purchase	72% ↑	68%	73%	73%	67%	74%	72%	71%	73%	70%
Go to one grocery store or some items then another for other items (for price reasons)	52%	51%	52%	55%	49%	57%	52%	54%	52%	49%
Redeem loyalty rewards programs	48%	47%	48%	52%	47%	50%	47%	42%	39%	41%
Buy fewer items than you ordinarily would	46%	43%	50%	47%	49%	51%	53%	54%	56%	53%
Purchase at places that offer loyalty rewards points	43%	42%	43%	45%	43%	44%	43%	35%	32%	31%
Change purchases to discount or no-name/store brands	40%	43%	46%	51%	42%	51%	47%	52%	52%	48%
Switch to a value-based grocery store that offers lower prices	32%	34%	35%	41%	31%	38%	37%	40%	42%	37%
None of the above	9% ↓	12%	7%	8%	8%	8%	8%	8%	7%	9%

Dining habits

While out-of-home dining remained largely stable in January compared to October 2024, drive-through and fast-food purchases saw a significant decline. This suggests that consumers are finding ways to reduce discretionary spending while still maintaining some lifestyle habits.

% Have done in the Last Month



Base: Total n=1,505 | Q: Over the last month have you:

JANUARY 16 TO JANUARY 22, 2025

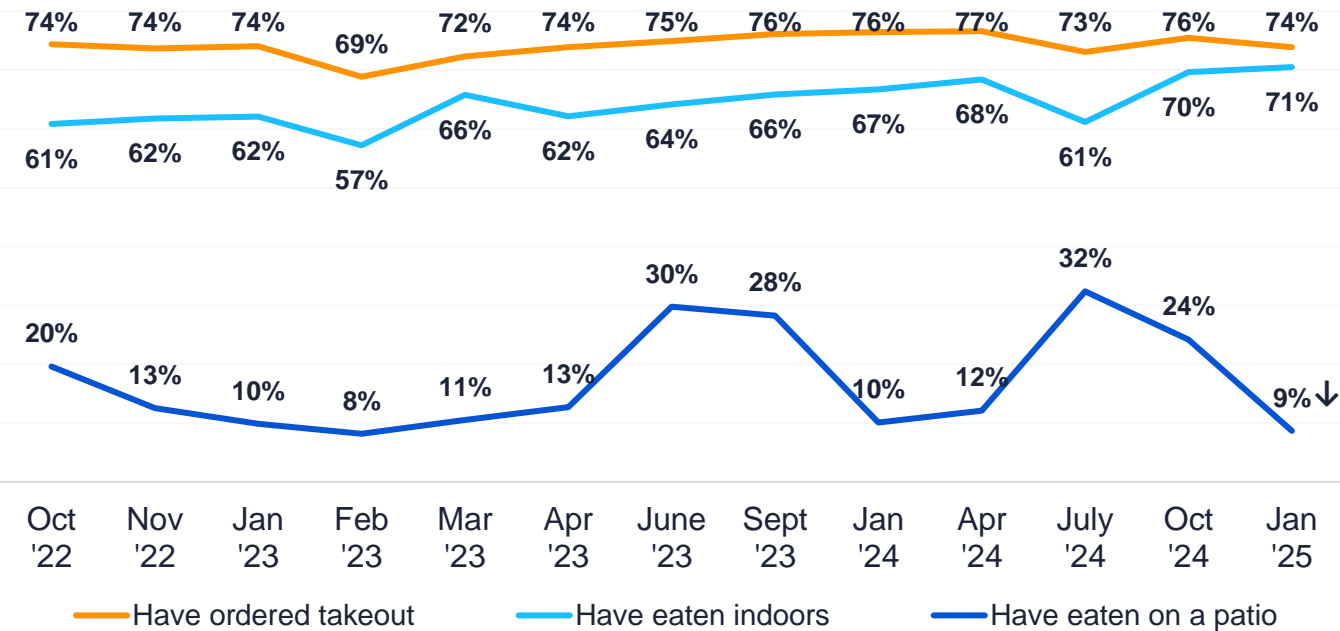
89% of Canadians have visited an out-of-home dining establishment in the past-month

	Jan '25	Oct '24	July '24	Apr '24	Jan '24	Sept '23	Jun '23	Apr '23	Mar '23	Feb '23
Eaten indoors at a traditional sit-down restaurant	55%	54%	47%	54%	51%	49%	48%	46%	50%	44%
Ordered take-out from a restaurant	53%	53%	49%	52%	51%	50%	51%	51%	49%	50%
Gone through a drive through	43% → 49%	43%	46%	47%	47%	46%	46%	45%	40%	
Ordered from a café/coffee shop to-go	40%	42%	38%	40%	40%	41%	40%	38%	37%	33%
Sat indoors at a café/coffee shop	25%	24%	18%	23%	23%	20%	20%	17%	19%	16%
Eaten indoors at a "fast food" restaurant (e.g., McDonald's, Subway, etc.)	24% → 28%	22%	25%	23%	24%	22%	19%	23%	18%	
Eaten in a food court at a mall	22%	20%	15%	17%	21%	17%	15%	15%	16%	12%
Eaten on a patio at a traditional sit-down restaurant	5% → 17%	25%	7%	6%	21%	21%	8%	5%	4%	
Eaten on a patio at a "fast food" restaurant (e.g., McDonald's, Subway, etc.)	3% → 6%	4%	5%	7%	9%	4%	4%	4%	5%	
Sat on a patio at a café/coffee shop	3% → 10%	9%	5%	4%	10%	11%	5%	3%	3%	
None of these	10%	10%	12%	9%	11%	10%	11%	12%	11%	15%

Dining habits overview

Patio dining saw a significant decline in January 2025, likely driven by seasonality. This trend aligns with the levels observed in January 2023 and 2024. The gap between takeout and eating in-restaurant is the closest since measurement began. Eating indoors has climbed 10 points since October 2022.

% Have done in the Last Month



Base: Total n=1,505 | Q: Over the last month have you:

JANUARY 16 TO JANUARY 22, 2025



74%

Have ordered takeout (either take-out or drive through)



71%

Dined indoors at a restaurant, fast food or food court



9%

Dined on a patio at a restaurant or fast food

↓ -15 percentage points since October

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Holiday Spending 🎁

[Holiday spending →](#)

[Holiday spending by category →](#)

[Holiday spending and finances →](#)

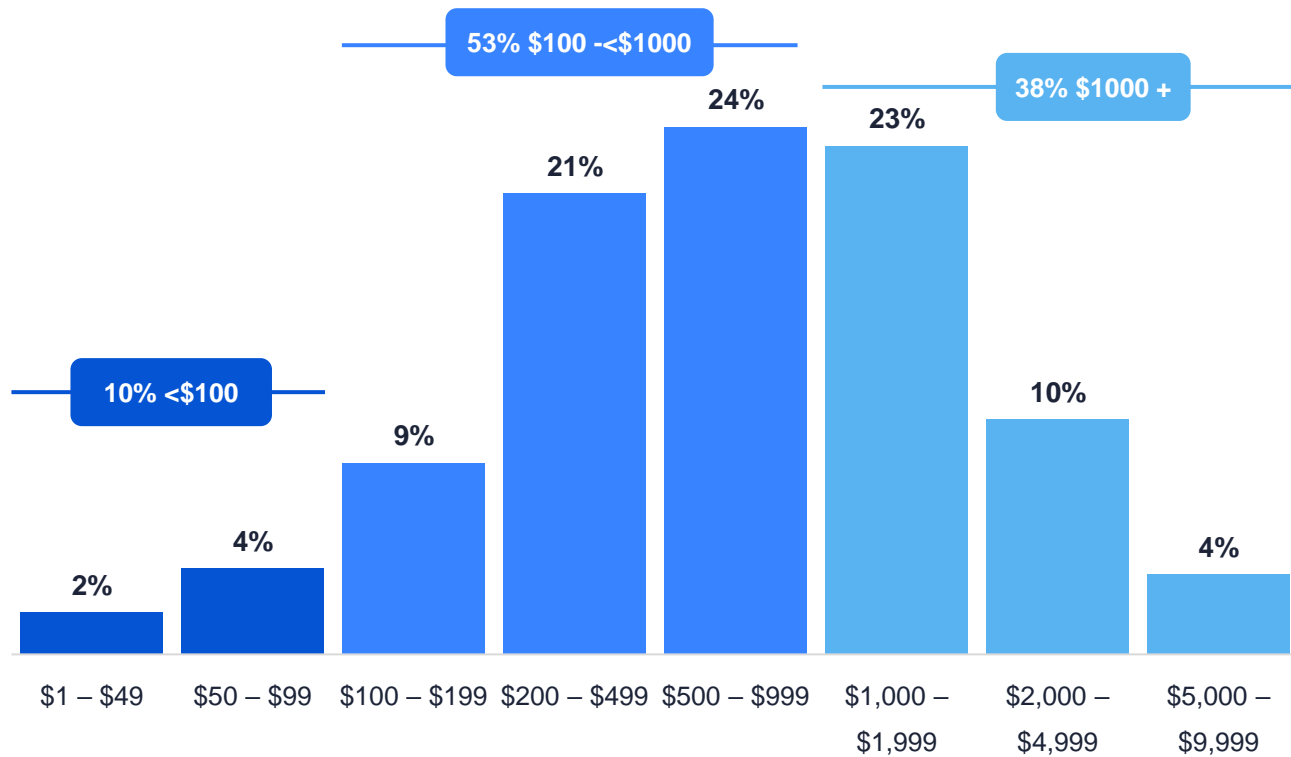
[Holiday spending Debt →](#)

[Holiday Shopping: Online vs. In-Store →](#)



Holiday Spending

On average, Canadians spent approximately \$1,400 on holiday expenses during the 2024 festive season.



Base: Total n=1,505 | Q: Thinking about the recent holiday season, approximately how much did you spend this year (2024) (including gifts, meals, parties, holiday events, charitable donations, travel, etc)?

JANUARY 16 TO JANUARY 22, 2025

\$1400 

Mean **holiday spending** by Canadians in 2024

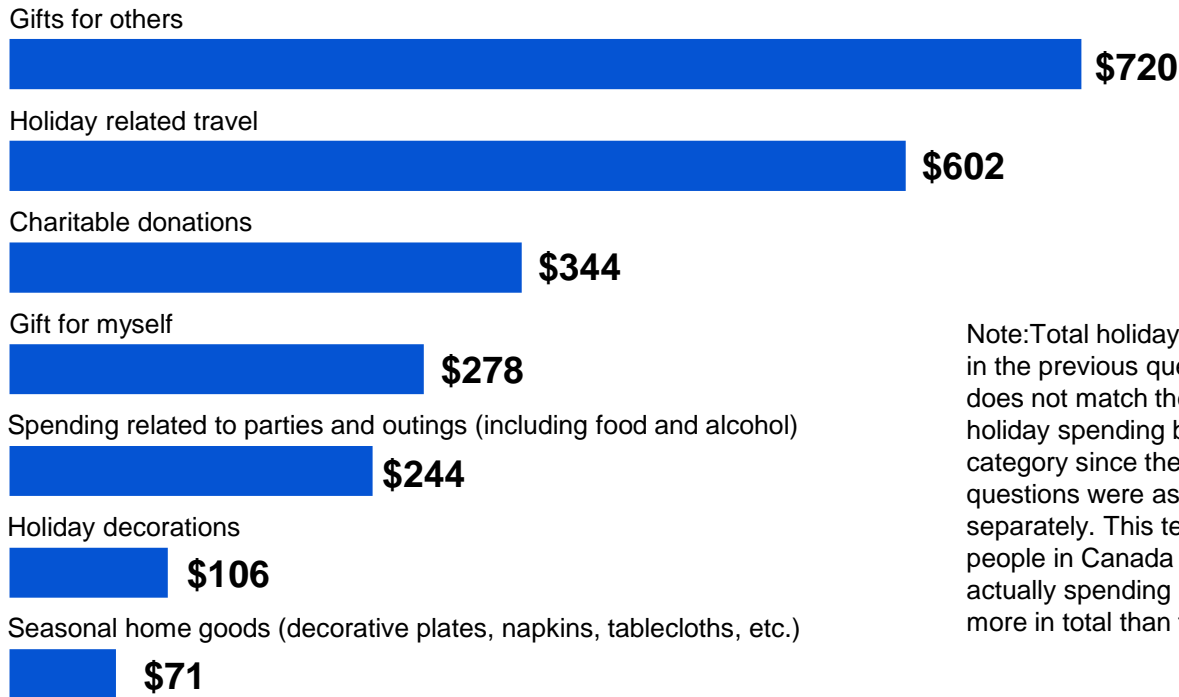


Canadians with **children** spent more during the festive season than those without children (\$1,677 vs. \$1,311)

Holiday Spending by Category

The highest spending was on gifts for others, followed by travel-related expenses as the second highest category.

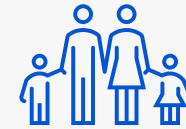
% Mean Holiday Spending (excluding \$0) – Jan '25



Note: Total holiday spending in the previous question does not match the sum of holiday spending by category since these questions were asked separately. This tells us that people in Canada are actually spending much more in total than they think.

Base: Total excl. \$0 n=varies | Q: Approximately how much did you spend on each of the following during the holiday season?

JANUARY 16 TO JANUARY 22, 2025



Canadians with **children** spent more money on gifts for others (Mean: \$845) than those **without** children (Mean: \$679).



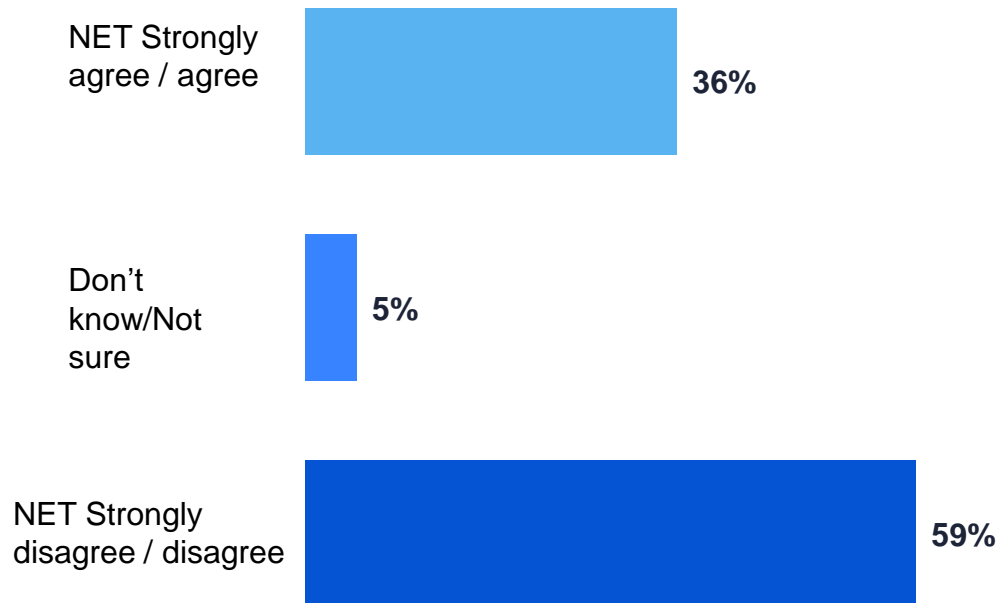
Canadians who spent **more than expected** during the 2024 festive season spent a greater amount on:

- Gifts for others (\$817)
- Holiday related travel (\$815)
- Gifts for themselves (\$391)

Holiday Spending & Finances

The majority of Canadians (59%) indicated that holiday spending did not impact their finances. However, 36% reported experiencing financial strain.

“Holiday spending this year put a lot of pressure on my household’s finances”



Base: Total n=1,505 | Q: To what extent do you agree or disagree with the following statements?

JANUARY 16 TO JANUARY 22, 2025

Canadians aged 18-34 and 35-54 (42% each), BIPOC Canadians (44%), and those with children (48%) were significantly more likely to agree that holiday spending placed substantial pressure on their household finances.

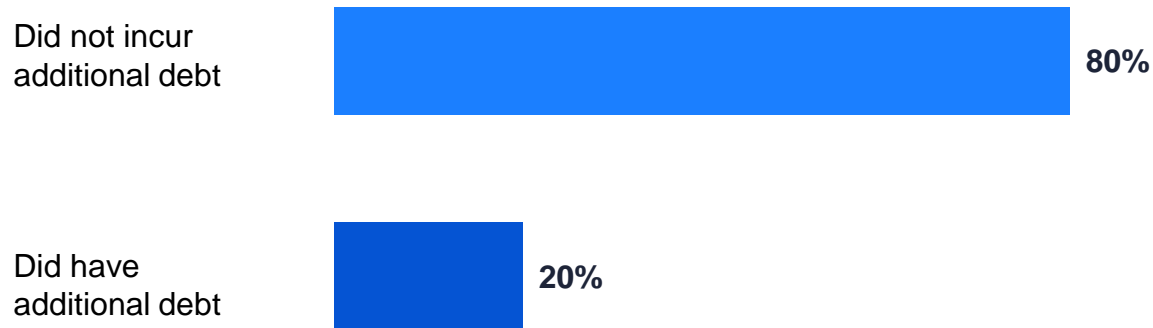
34% 

of Canadians agree that **compared to last year**, holiday spending this year put a lot of pressure on their household finances.

Holiday Spending Debt

One-in-five Canadians reported taking on additional debt due to holiday shopping.

“Which of the following best reflects your holiday spending this year?”



Base: Total n=1,505 | Q: Which of the following best reflects your holiday spending this year?

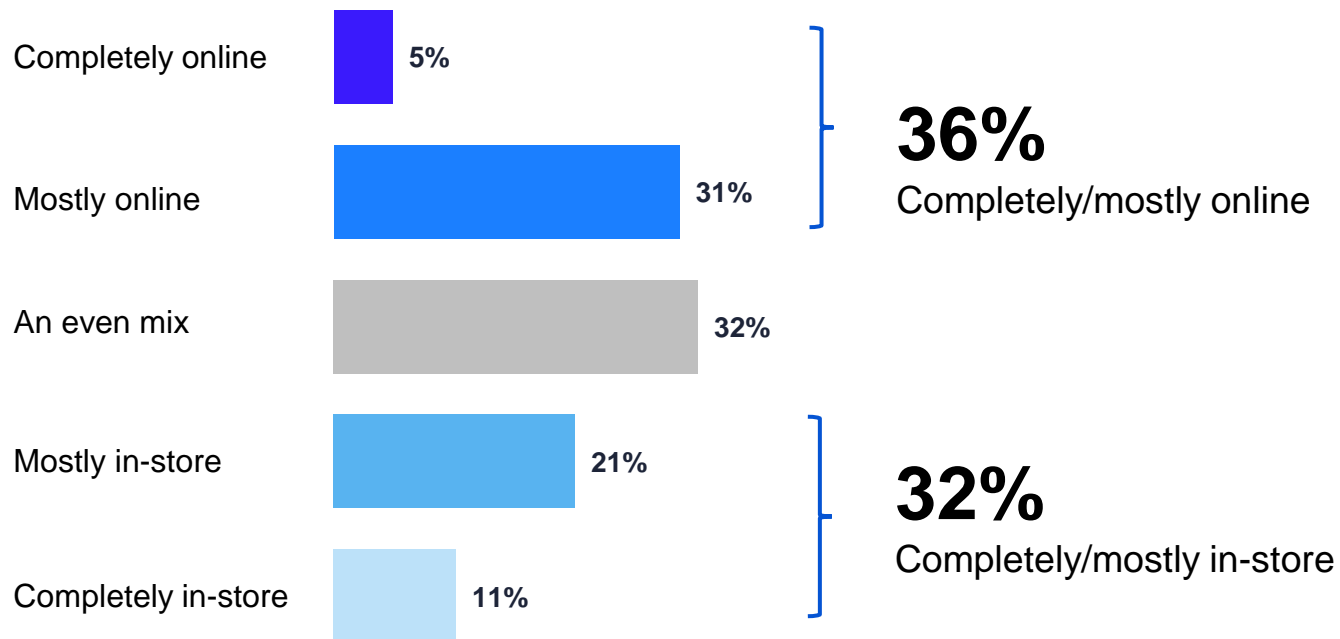
JANUARY 16 TO JANUARY 22, 2025

Among those who took on additional debt during the festive season, the trend was primarily driven by:

- Canadians with children (32%)
- 35–54-year-olds (27%)
- Those with a household income below \$50K (26%).

Holiday Shopping: Online vs. In-Store 2024

The majority of Canadians adopted a hybrid shopping approach during the 2024 holiday season - they combined both online and in-store shopping rather than relying solely on one method.



Base: This year excl. NA (n=1,390) | Q. And this year (2024), about how much of your holiday shopping did you do online vs. in-store?

JANUARY 16 TO JANUARY 22, 2025



Online shopping is more common among those **under 55** and among higher income households.

Those with children are also more likely to shop online than those without children.

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GST Break

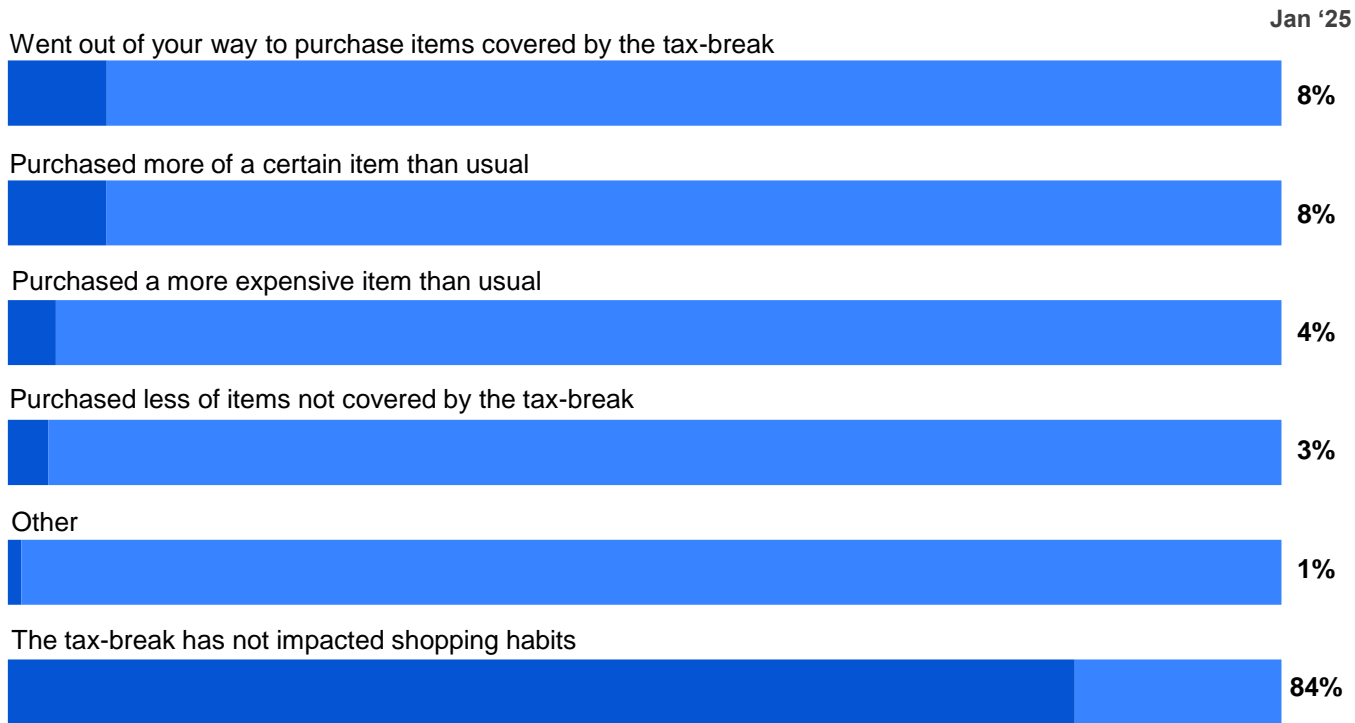
Impact of GST Break →

Plans Before End of Tax-break →



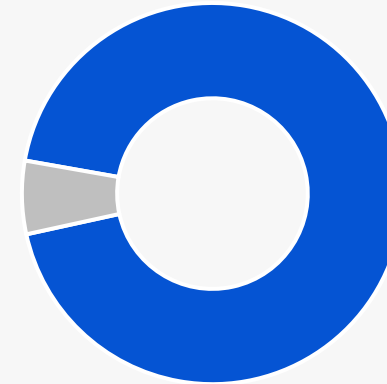
Impact of GST Break

The tax break had minimal influence on spending - 84% of those aware of the tax break reported that it did not change their shopping habits.



Base: Total n= 1505 | Q: Prior to the start of this survey, were you aware of the GST tax-break?
 Base: Aware of GST Tax-break n = 1453 | Q: In what ways, if at all, has this GST break impacted your shopping habits?

JANUARY 16 TO JANUARY 22, 2025



97%
 of Canadians are aware of the GST break

Younger Canadians aged 18-34 are the most likely to perceive the GST break as having influenced their shopping (29% vs. 12% among those aged 35+)

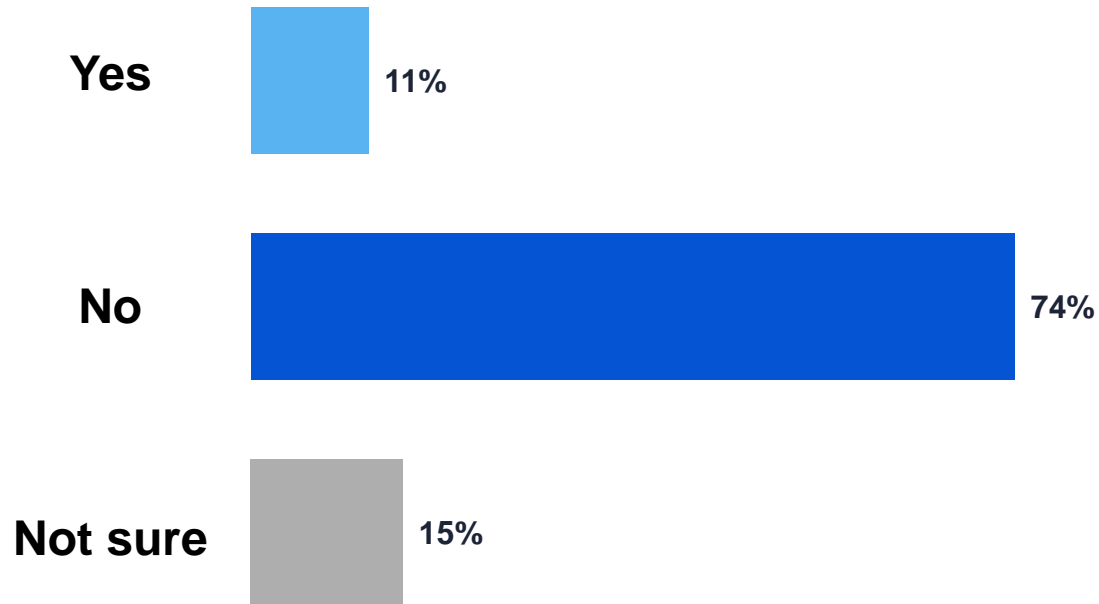
Among those who said that the GST break has had an impact on their purchases:

- **48%** went out of their way to make a purchase covered by the break
- **48%** purchased more of a certain item than usual

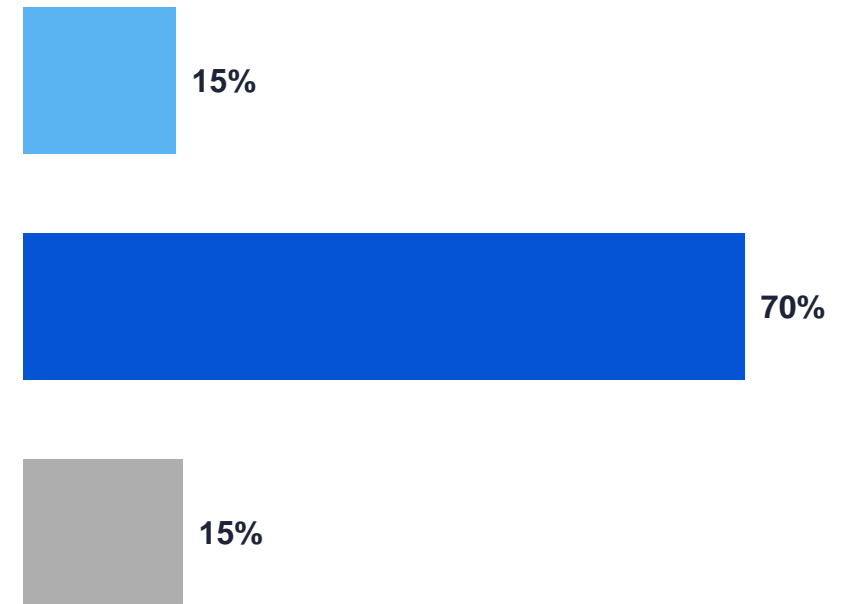
Plans Before End of Tax-Break

Limited stockpiling behaviour as a result of the GST break - 70% of those aware of the GST break do not plan to stock up on items covered by the tax break.

“Do you plan to make any purchases you might not ordinarily make specifically to take advantage of the break?”



“Do you plan on stocking up on any items covered by the tax-break?”



Base: Aware of GST Break (n=1,453) | Q. Before the tax-break ends, do you anticipate making any purchases that you might not ordinarily make to take advantage of the break?
Base: Aware of GST Break (n=1,453) | Q. And before the tax-break ends, do you plan on stocking up on any items covered by the tax-break?

Methodology

Field Window

Wave 31: January 16 to 22, 2025

Next Field Date: February 2025

Study

With inflation continuing to ease, many households are still adjusting to higher prices and the cost of living. The Angus Reid Group conducts a monthly tracker to understand Canadians' purchasing behaviors and perceptions of the economy.

This study has been running since May of 2022.

Sample

Wave 31: n=1,505

For this wave, a nationally representative sample of n=1,505 Canadian Adults (age 18+ yrs.) who are members of the Angus Reid Forum.

The sample frame was balanced and weighted on age, gender, region and education according to the latest census data. For comparison purposes only, a probability sample of this size would yield a margin of error of +/- 2.5 percentage points at a 95% confidence level.



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Contact Us:

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Appendix

Field Window

Wave 1:	May 19-24, 2022
Wave 2:	Jun 20-22, 2022
Wave 3:	Jul 19-21, 2022
Wave 4:	Aug 18-22, 2022
Wave 5:	Sep 23-27, 2022
Wave 6:	Oct 26-28, 2022
Wave 7:	Nov 23-25, 2022
Wave 8:	Jan 10-12, 2023
Wave 9:	Feb 17-21, 2023
Wave 10:	Mar 14-16, 2023
Wave 11:	Apr 19-21, 2023
Wave 12:	May 30-Jun 2, 2023
Wave 13:	Jun 23-26, 2023
Wave 14:	July 20-24, 2023
Wave 15:	Aug 25-28, 2023
Wave 16:	Sep 21-26, 2023
Wave 17:	Oct 27-31, 2023
Wave 18:	Nov 27-29, 2023
Wave 19:	Jan 15-18, 2024
Wave 20:	Feb 16-22, 2024
Wave 21:	Mar 20-22, 2024
Wave 22:	Apr 22-24, 2024
Wave 23:	May 28-31, 2024
Wave 24:	Jul 4-9, 2024
Wave 25:	Jul 26-31, 2024
Wave 26:	Aug 22-27, 2024
Wave 27:	Oct 3-8, 2024
Wave 28:	Oct 15-21, 2024
Wave 29:	Nov 13-18, 2024
Wave 30:	Dec 3-6, 2024
Wave 31:	January 16-22, 2025

Sample

Wave 1:	n=1,530
Wave 2:	n=1,503
Wave 3:	n=1,503
Wave 4:	n=1,508
Wave 5:	n=1,507
Wave 6:	n=1,502
Wave 7:	n=1,509
Wave 8:	n=1,505
Wave 9:	n=1,507
Wave 10:	n=1,505
Wave 11:	n=1,503
Wave 12:	n=1,503
Wave 13:	n=1,502
Wave 14:	n=1,502
Wave 15:	n=1,502
Wave 16:	n=1,503
Wave 17:	n=1,510
Wave 18:	n=1,507
Wave 19:	n=1,505
Wave 20:	n=1,509
Wave 21:	n=1,505
Wave 22:	n=1,503
Wave 23:	n=1,520
Wave 24:	n=1,500
Wave 25:	n=1,506
Wave 26:	n=1,506
Wave 27:	n=1,511
Wave 28:	n=1,501
Wave 29:	n=1,512
Wave 30:	n=1,506
Wave 31:	n=1,505

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The sample frame was balanced and weighted on age, gender, region and education according to the latest census data. For comparison purposes only, a probability sample of this size would yield a margin or error of +/- 2.5 percentage points at a 95% confidence level.