Inform

Influence

Advance

Create

# Securities Industry Performance

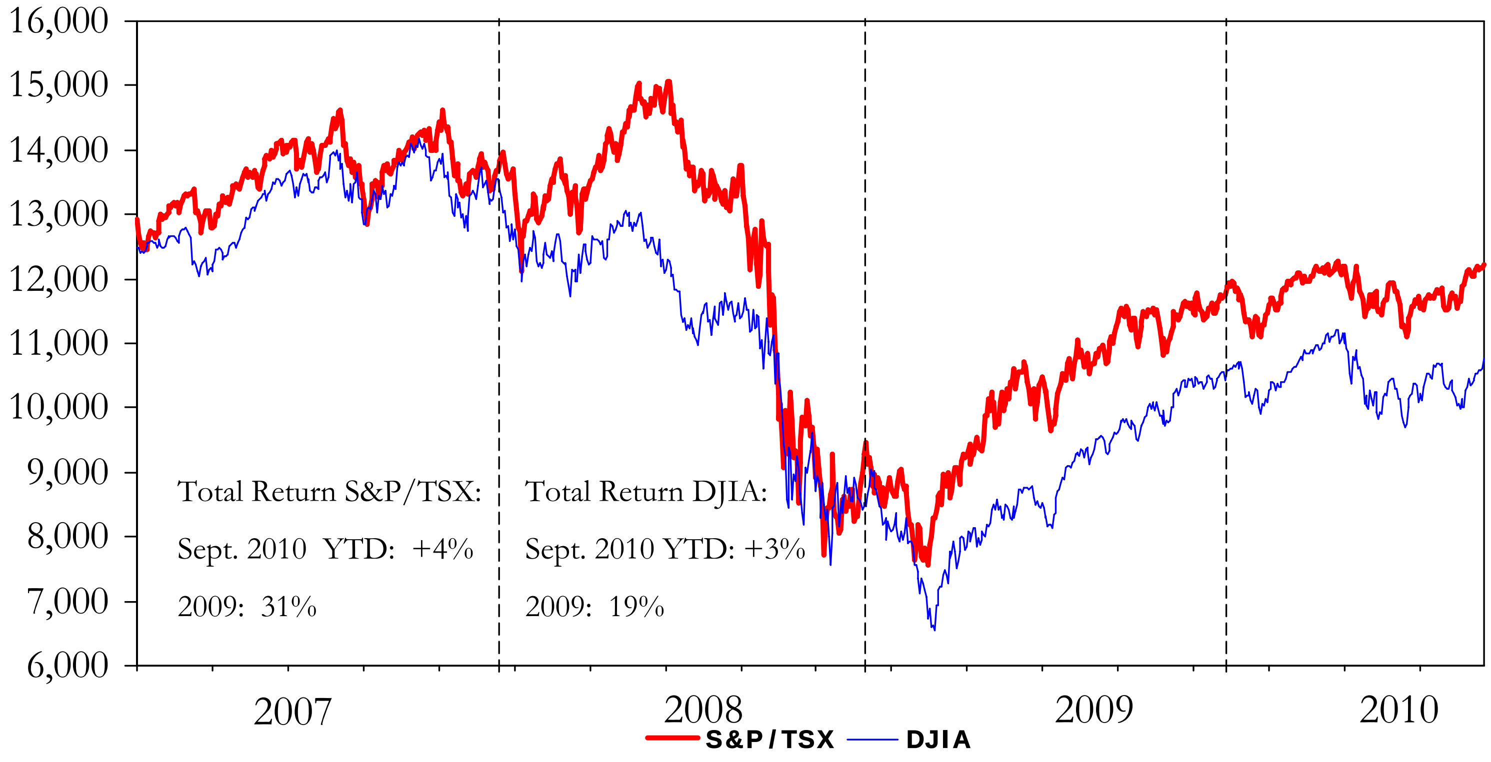
# and

# Current Industry Initiatives

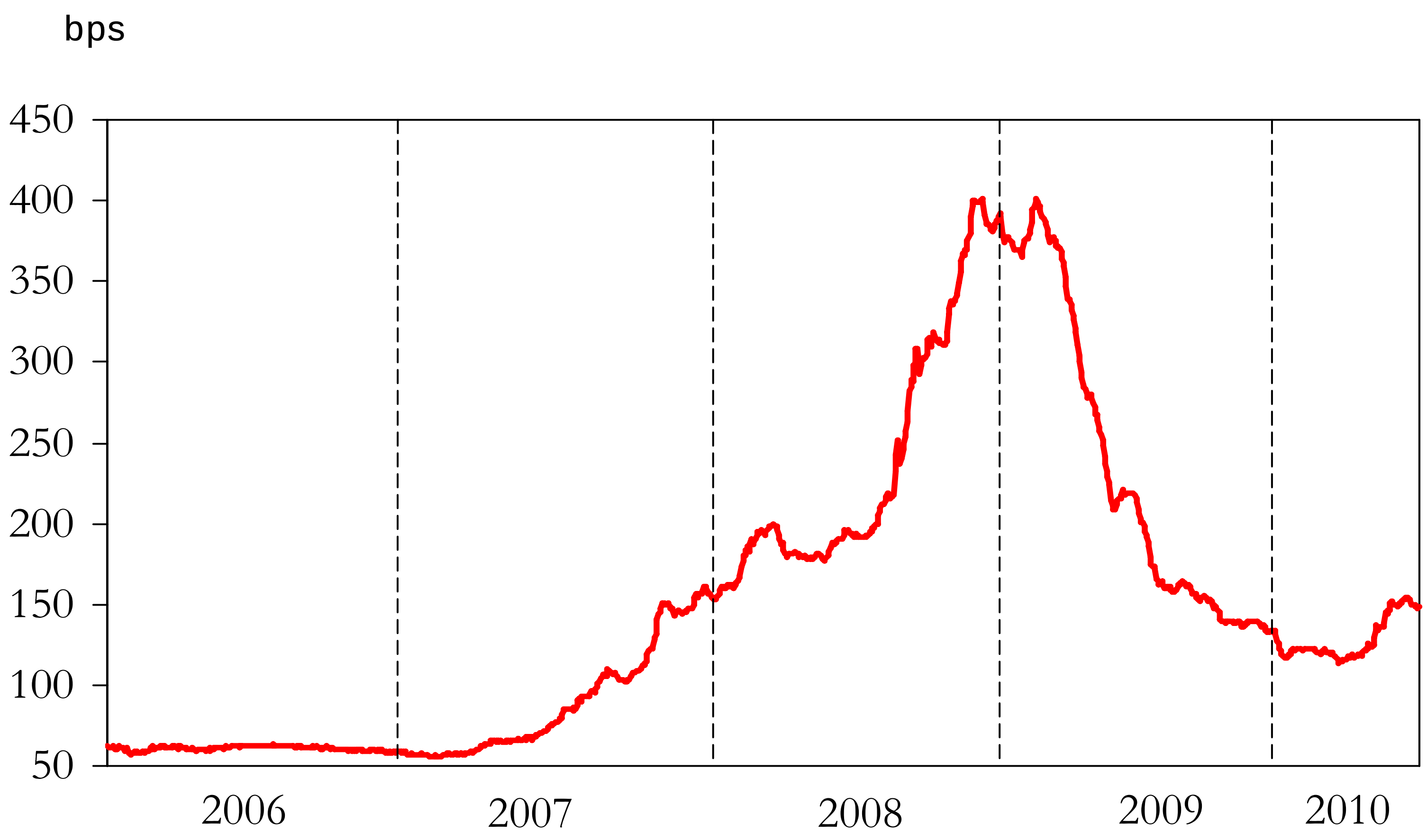
September 24, 2010

INVESTMENT
INDUSTRY ASSOCIATION
OF CANADA

# Canadian vs. U.S Equity Markets



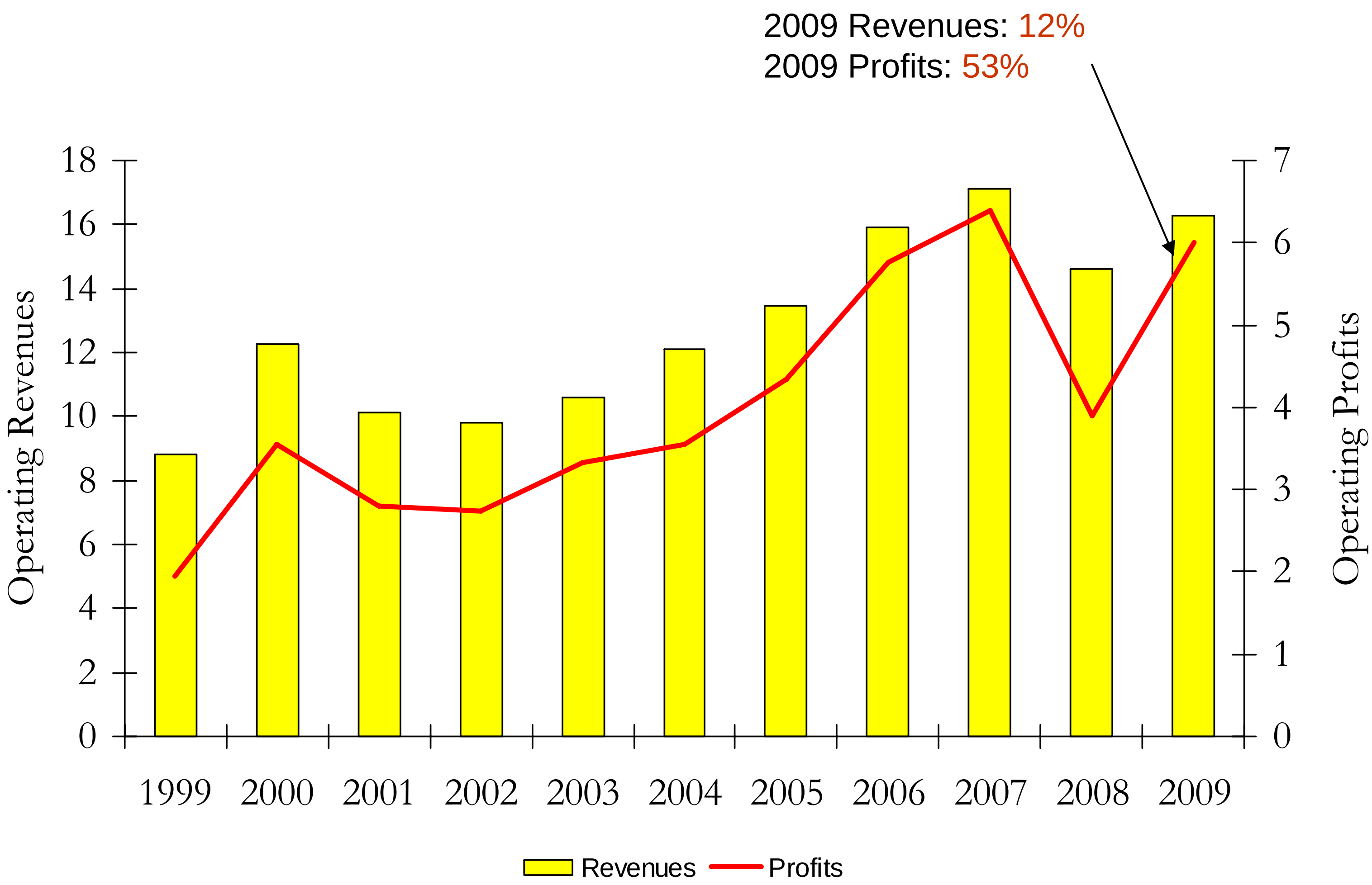
# Canadian Corporate Bond Yield Spreads



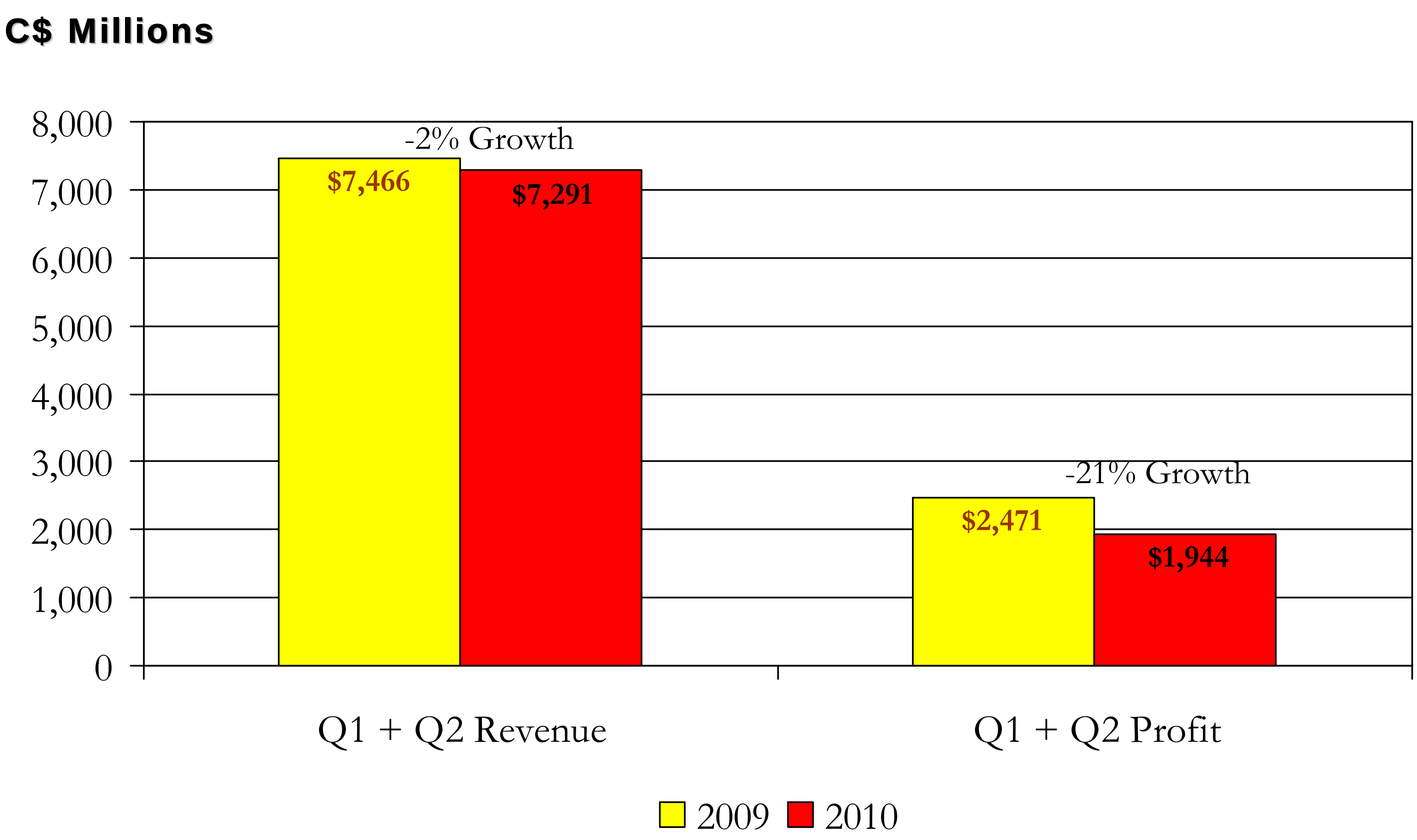

Source: Merrill Lynch Research

# Industry Operating Revenues and Profits

$ billions

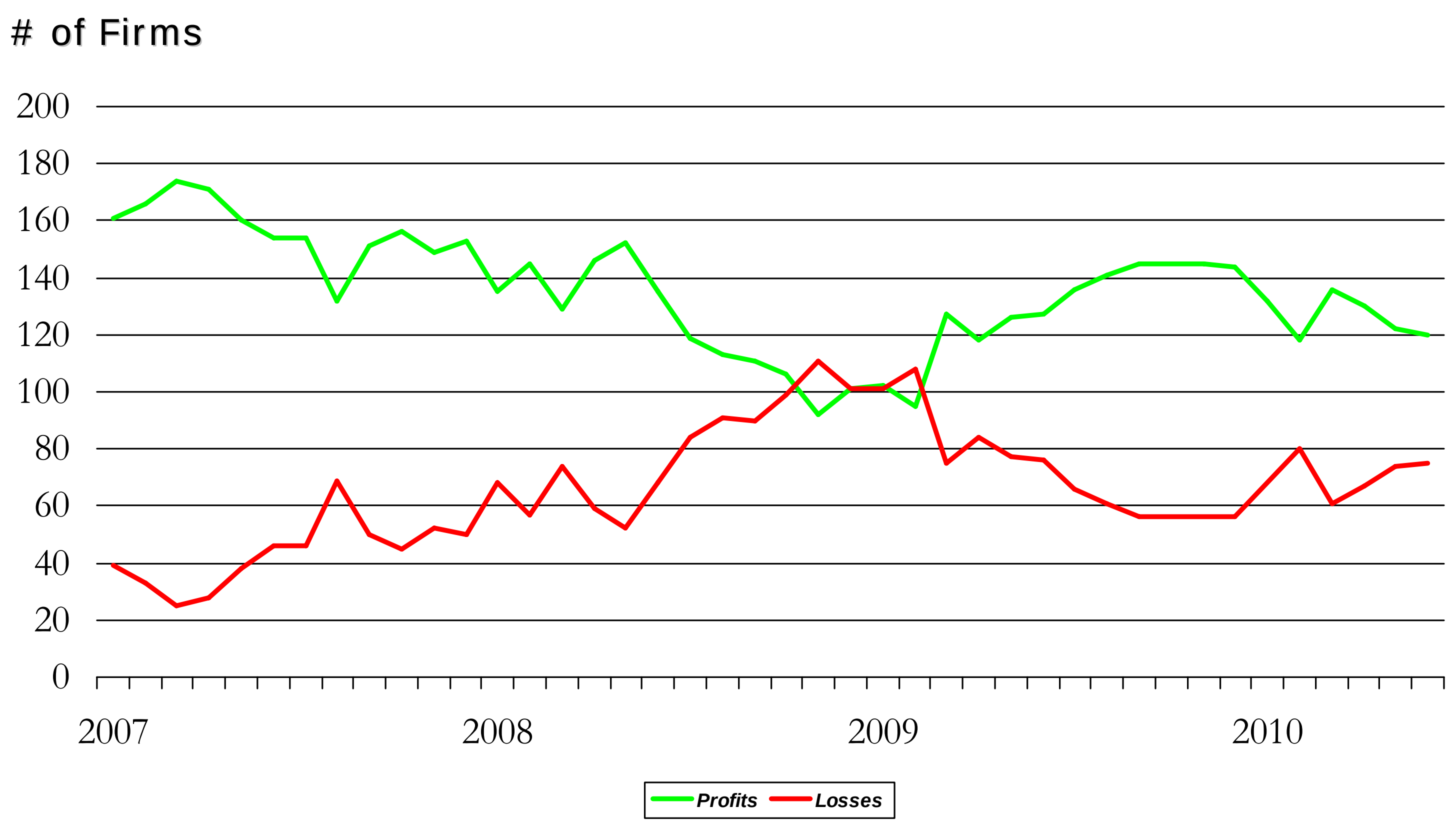


# Operating Revenue & Profit Growth - 2010

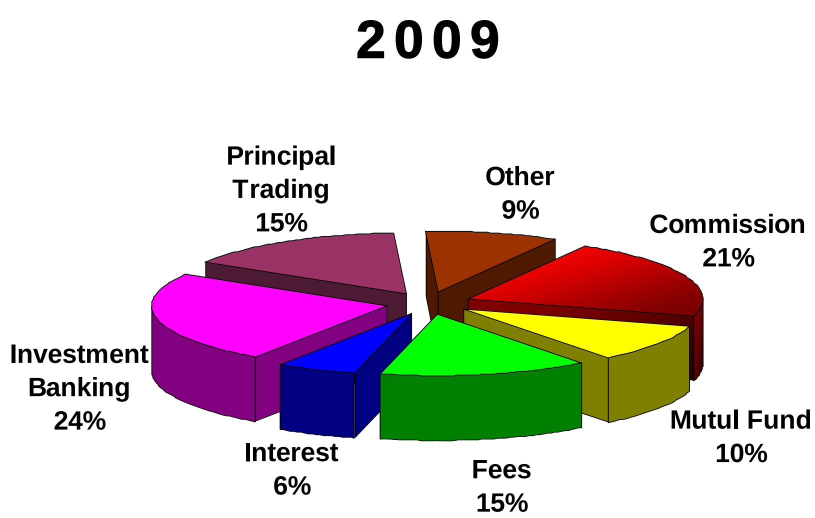


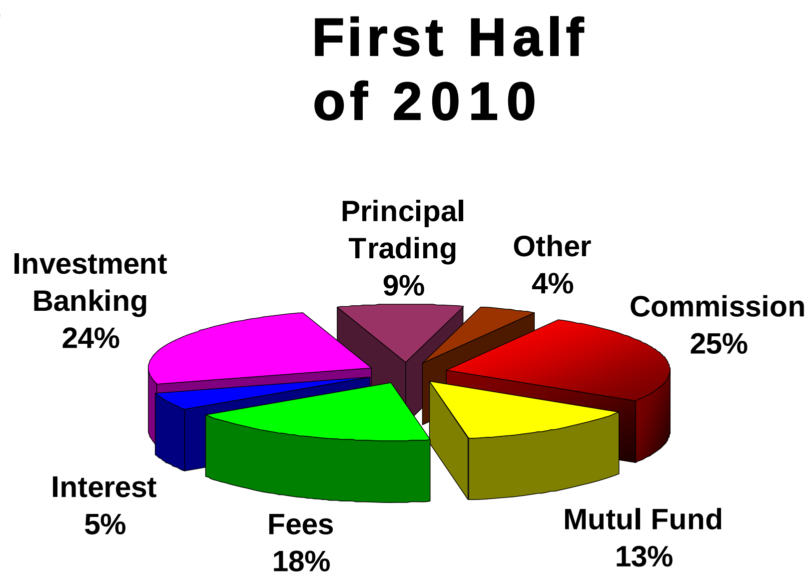
# Number of Firms with Profits & Losses

(Monthly)



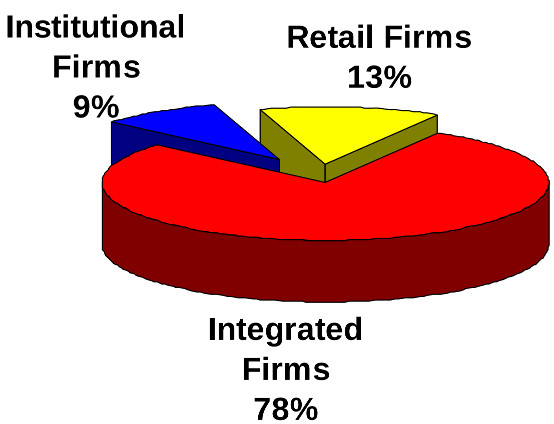
# Industry Revenues by Business Line



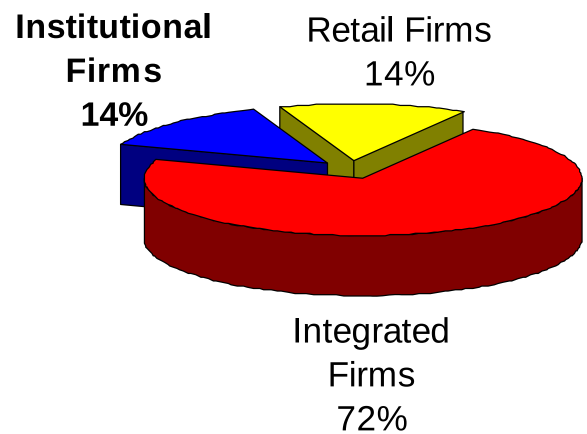



# Industry Revenue Broken by Dealer Category

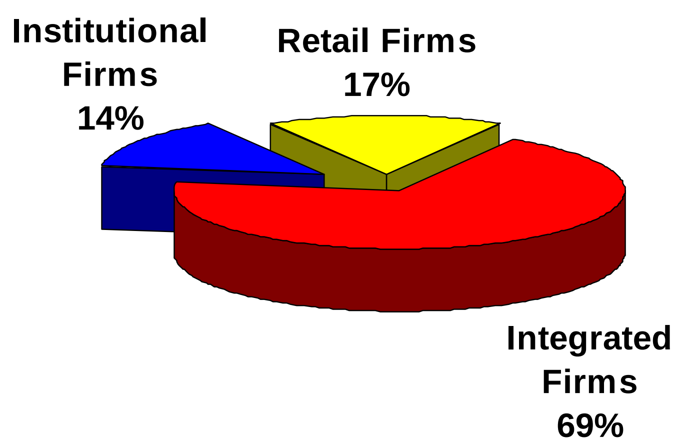
## 2001



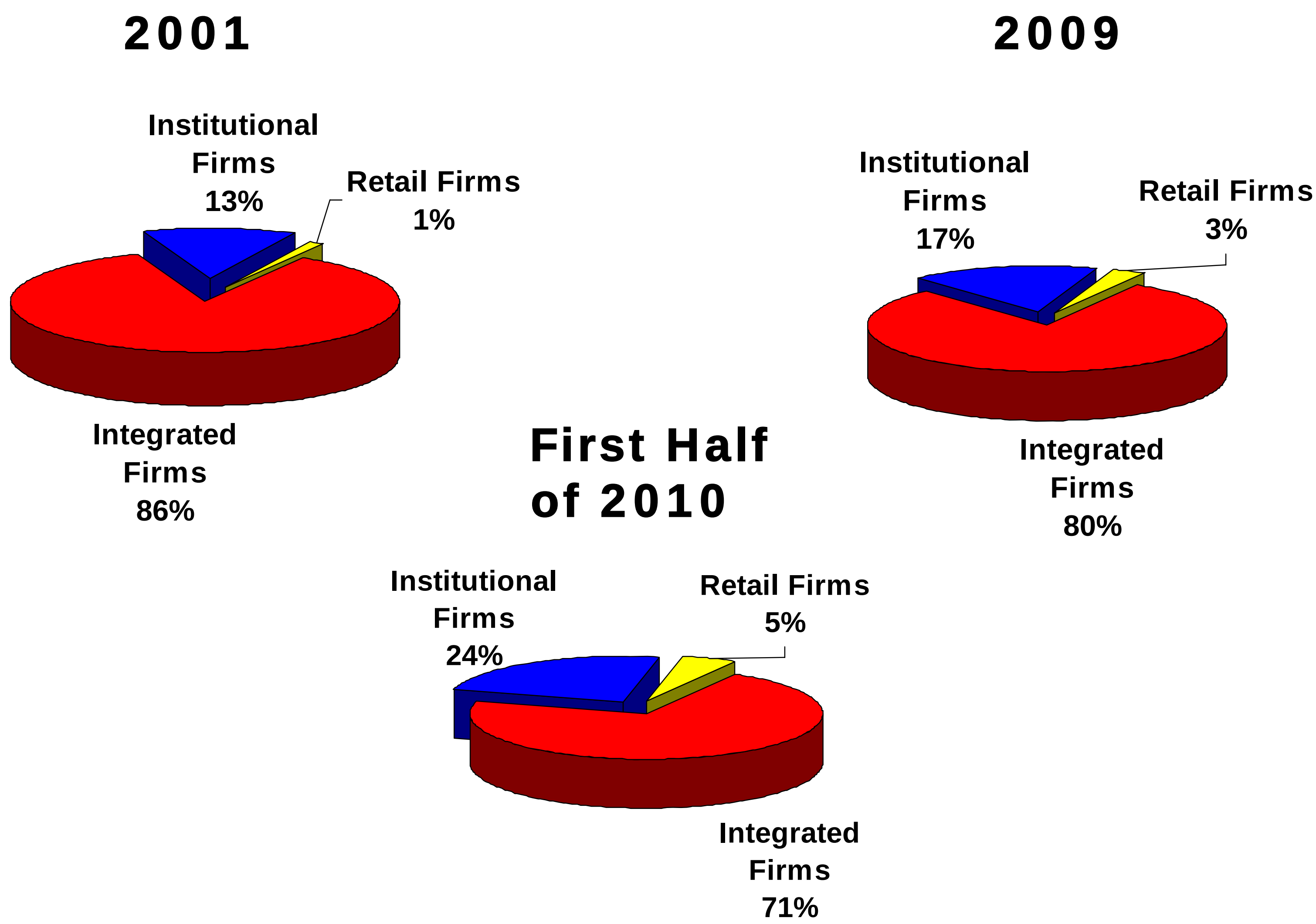

## 2009



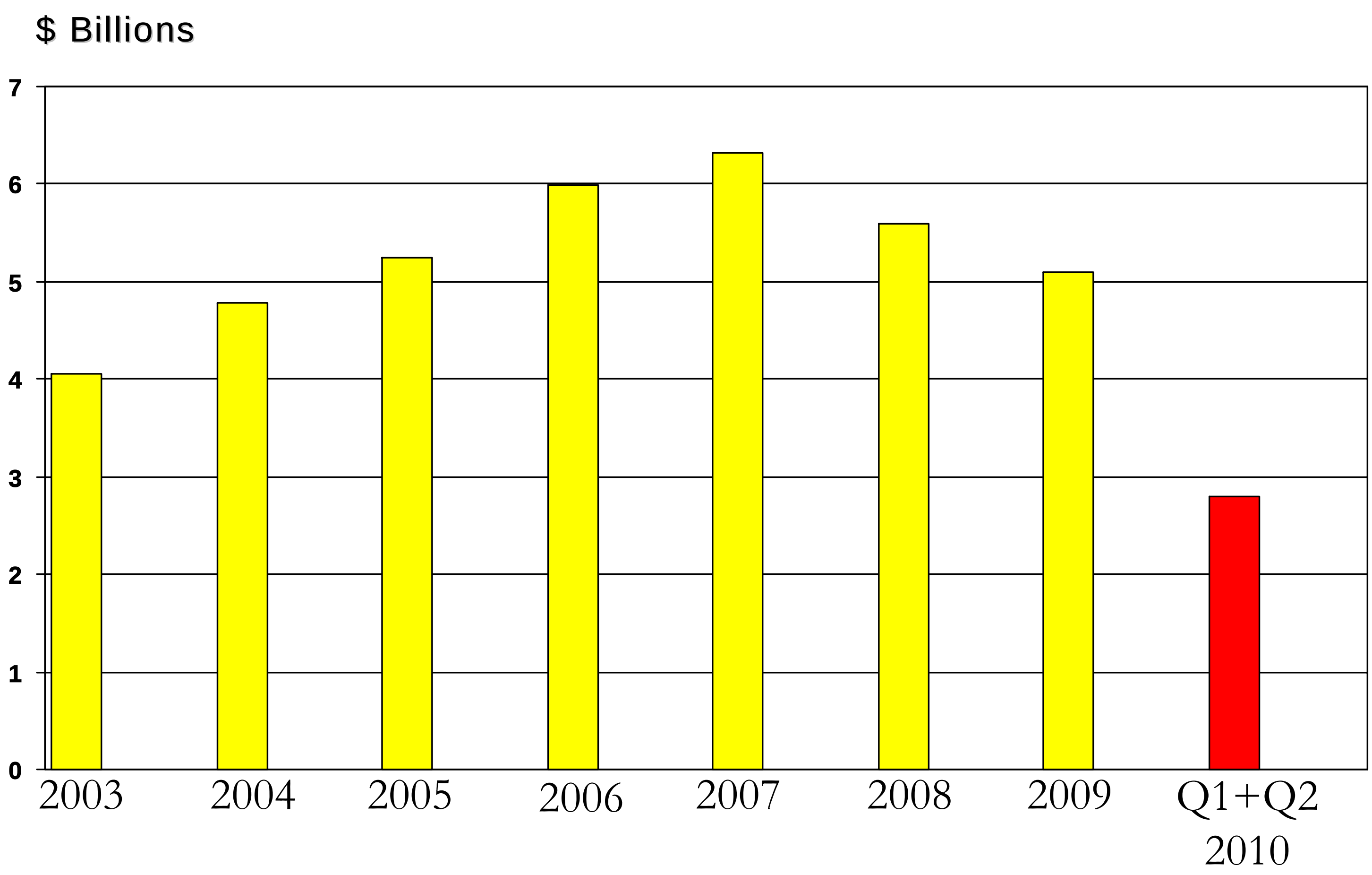

## First Half of 2010



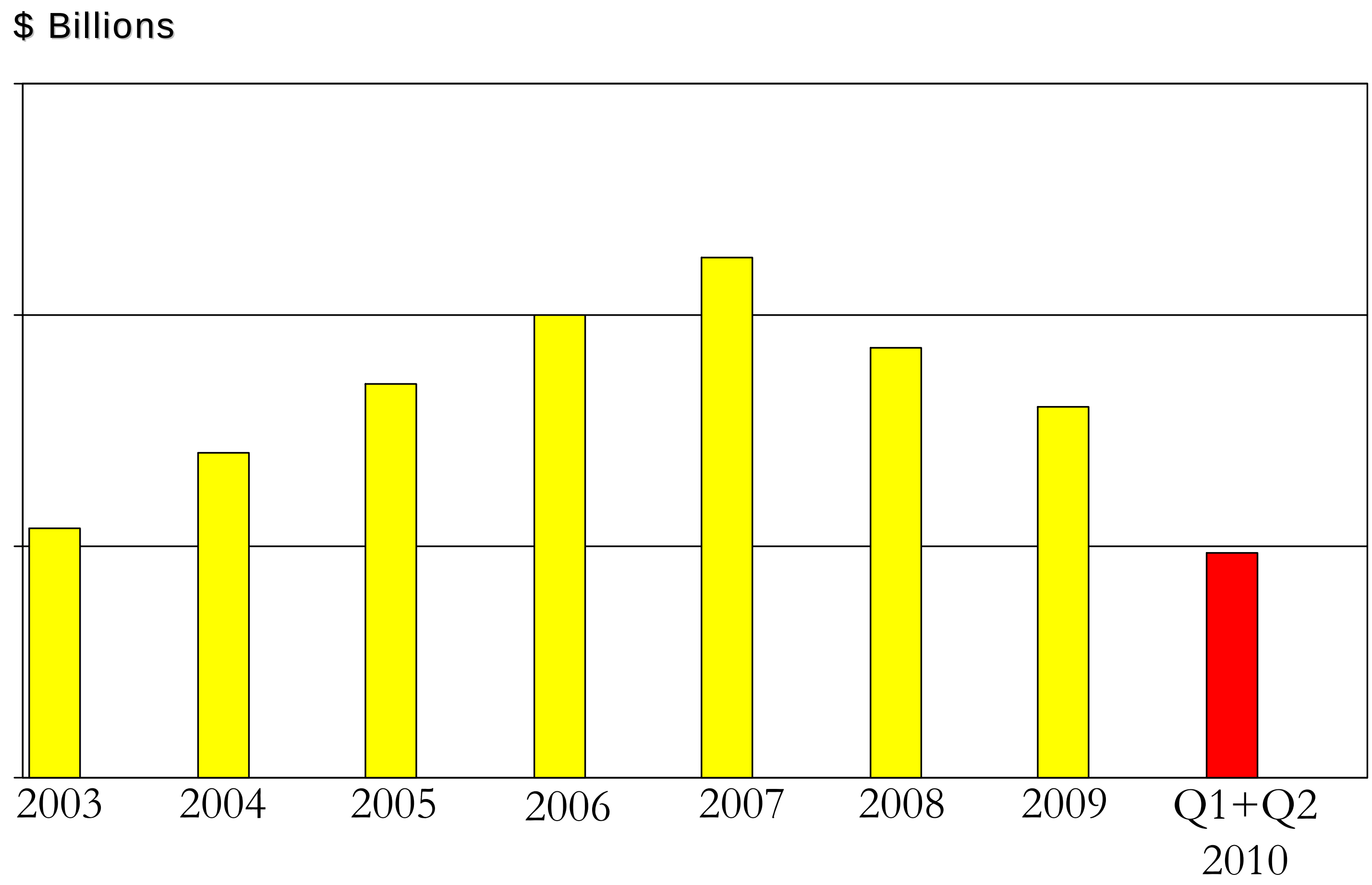
# Industry Profits Broken by Dealer Category



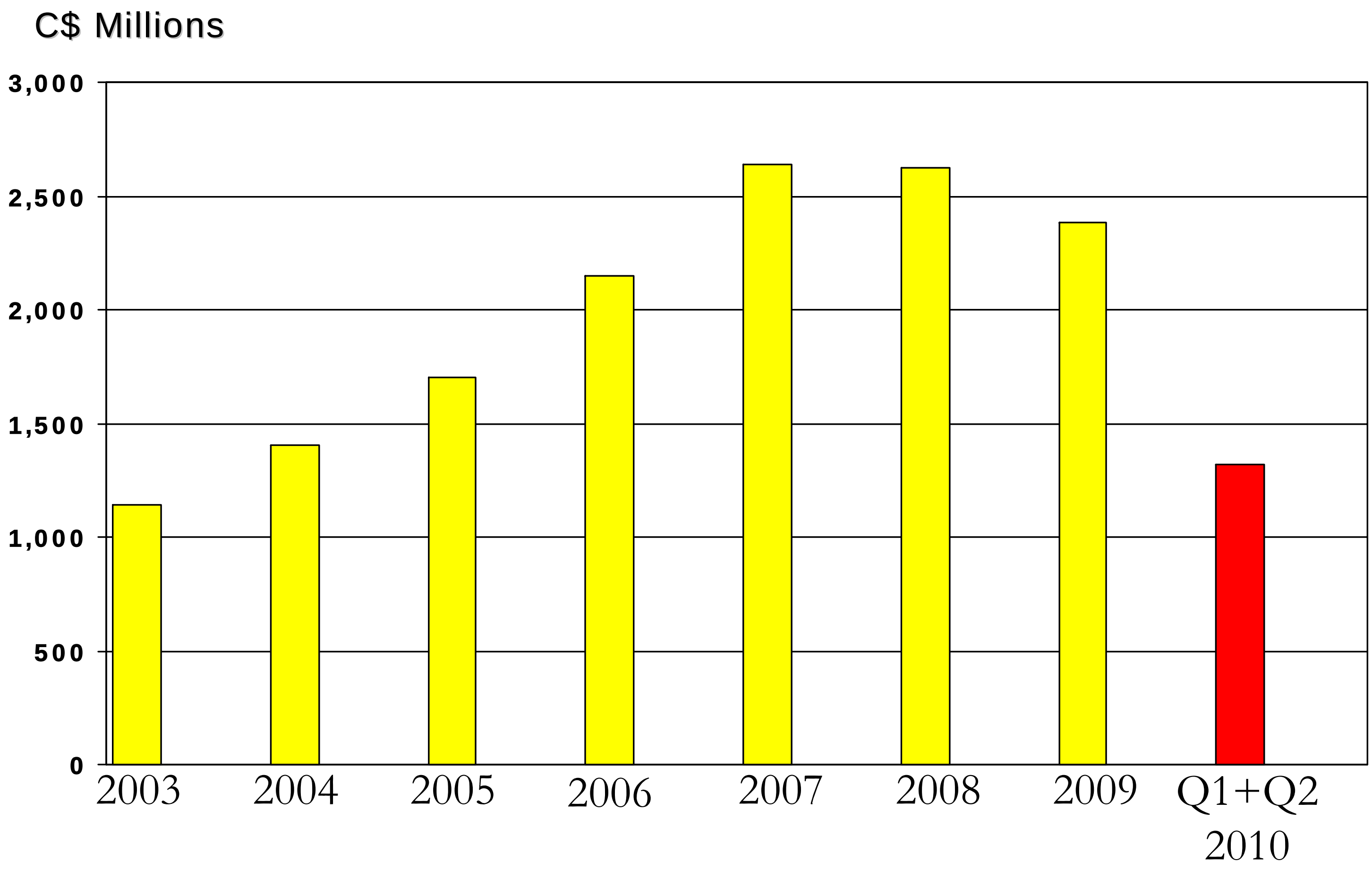
# Commission Revenue
(including mutual fund sales)



# Mutual Fund Revenues

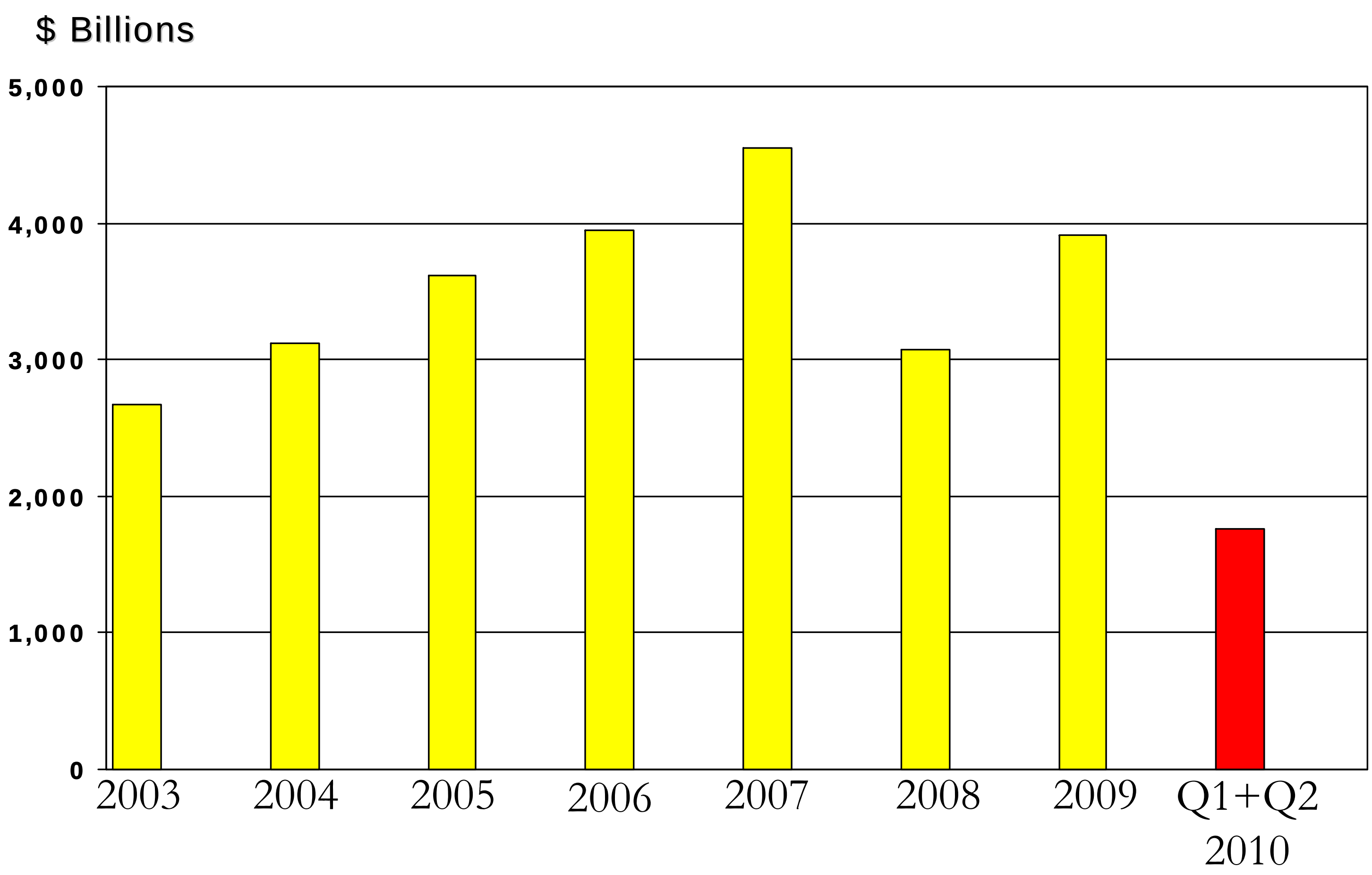


# Fee Revenue

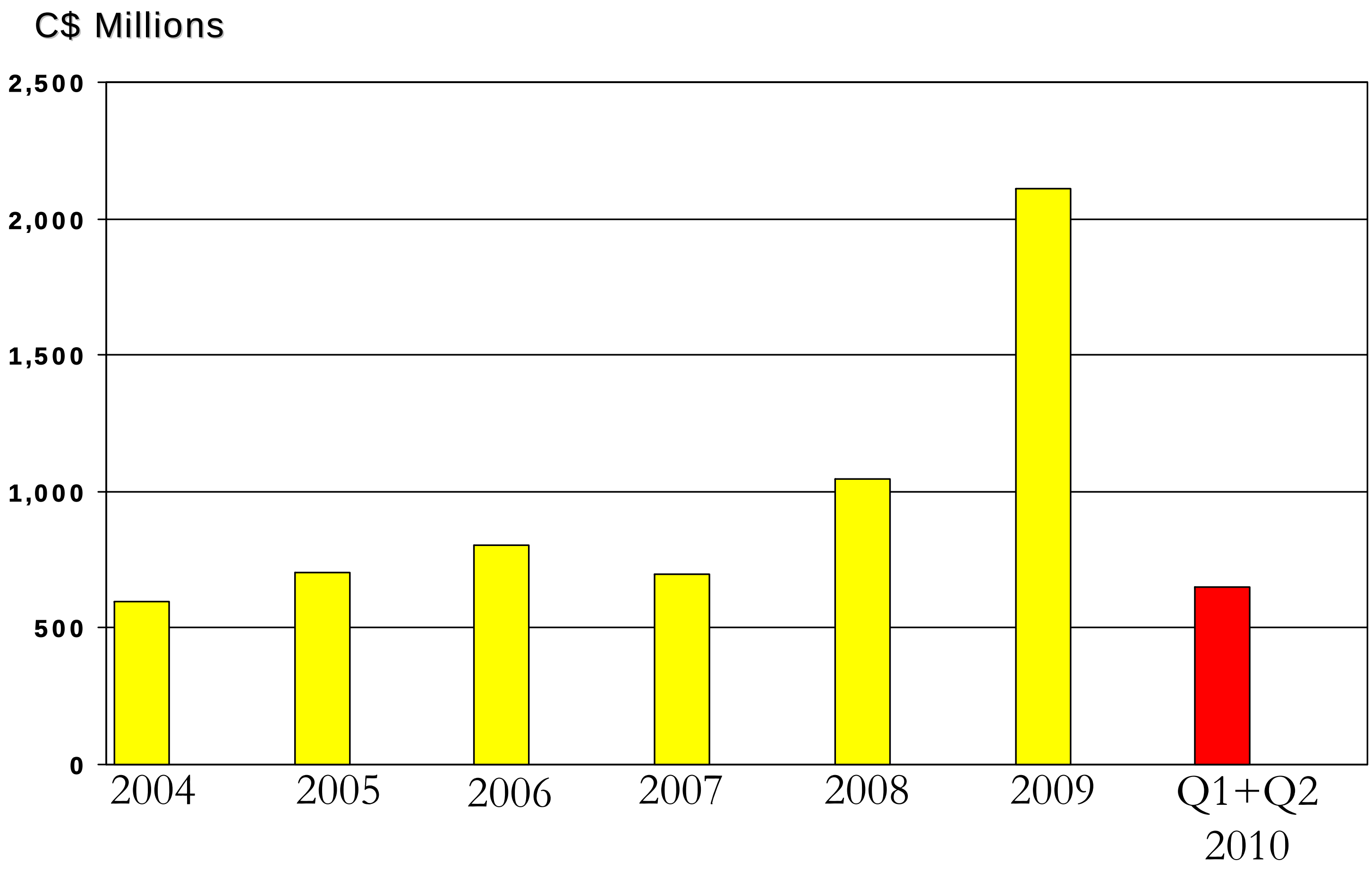


C$ Millions
3,000
2,500
2,000
1,500
1,000
500
0
2003
2004
2005
2006
2007
2008
2009
Q1+Q2 2010

# Investment Banking Revenue

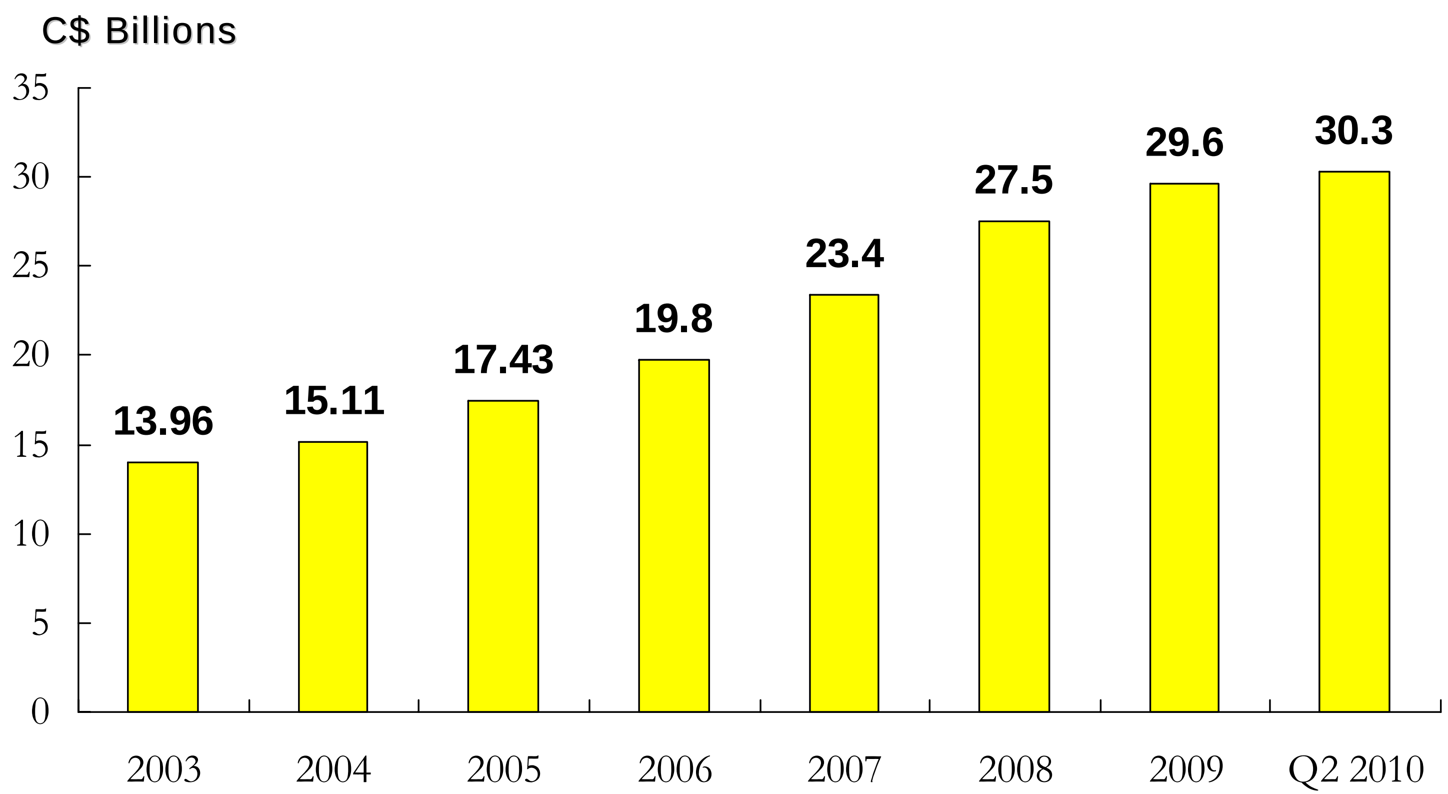


# Fixed Income Trading Revenue

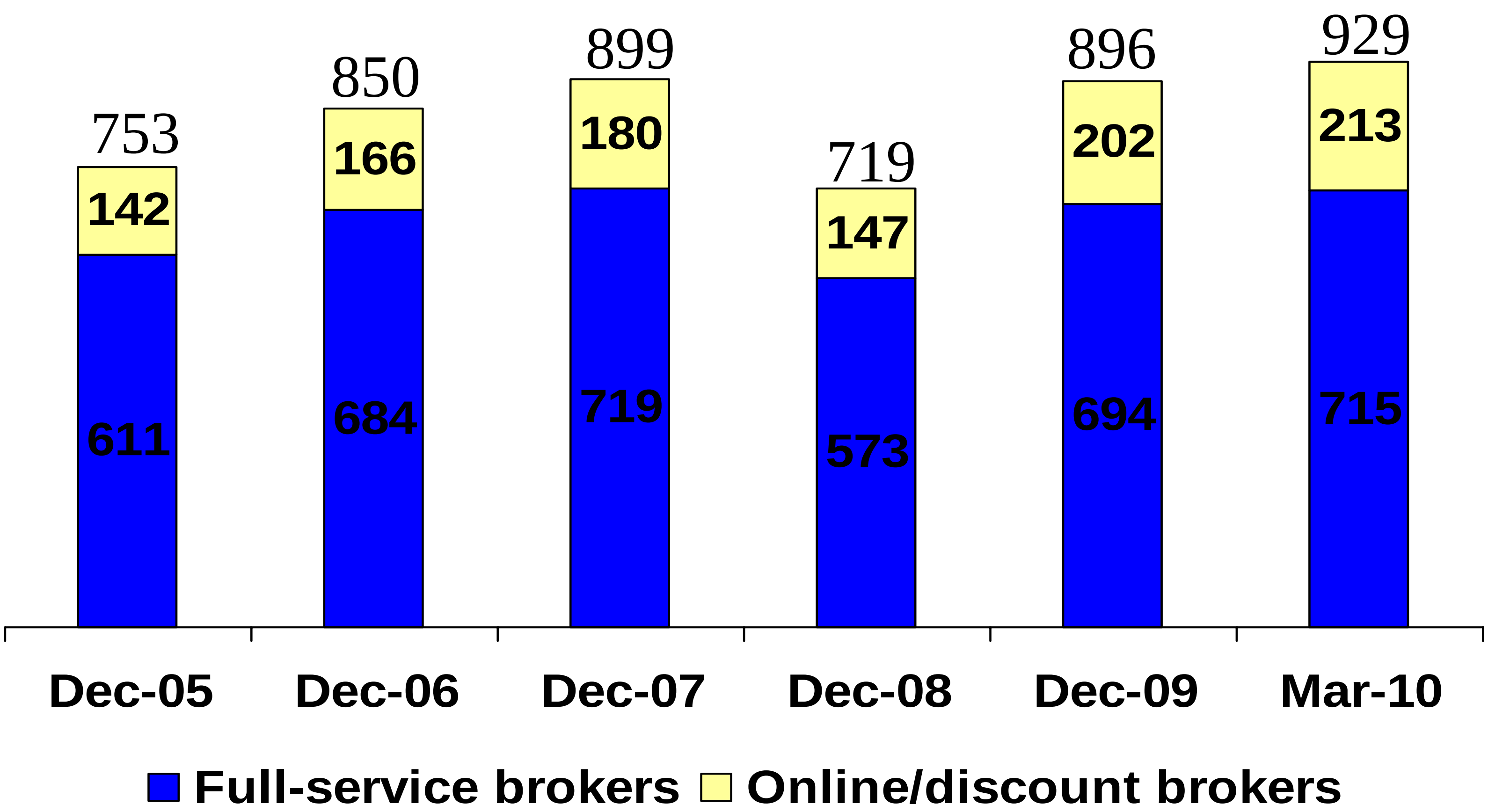


# Industry Employment

# Regulatory Capital

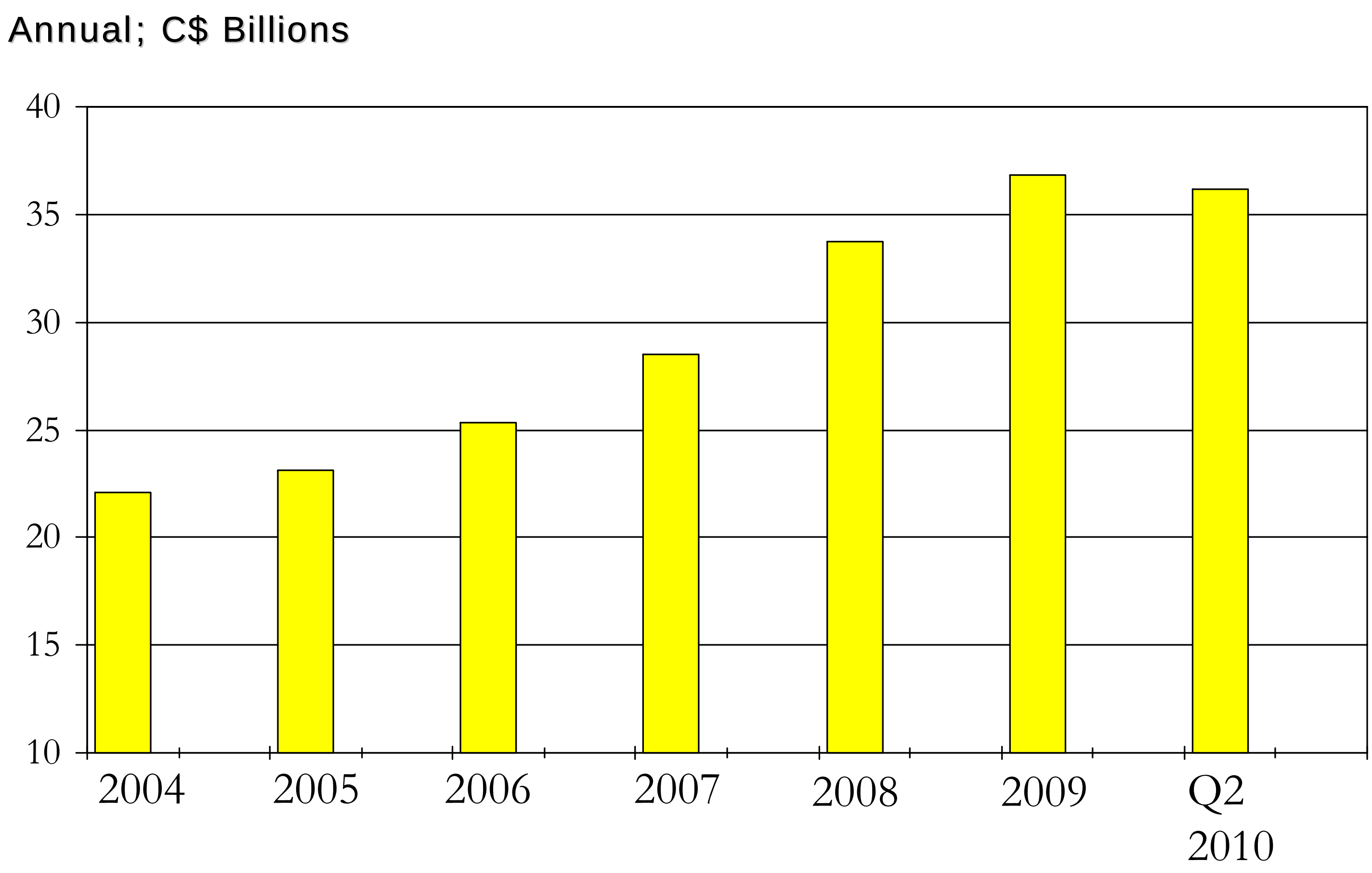


# Retail Client Assets in Brokerage Industry (C$ billions)



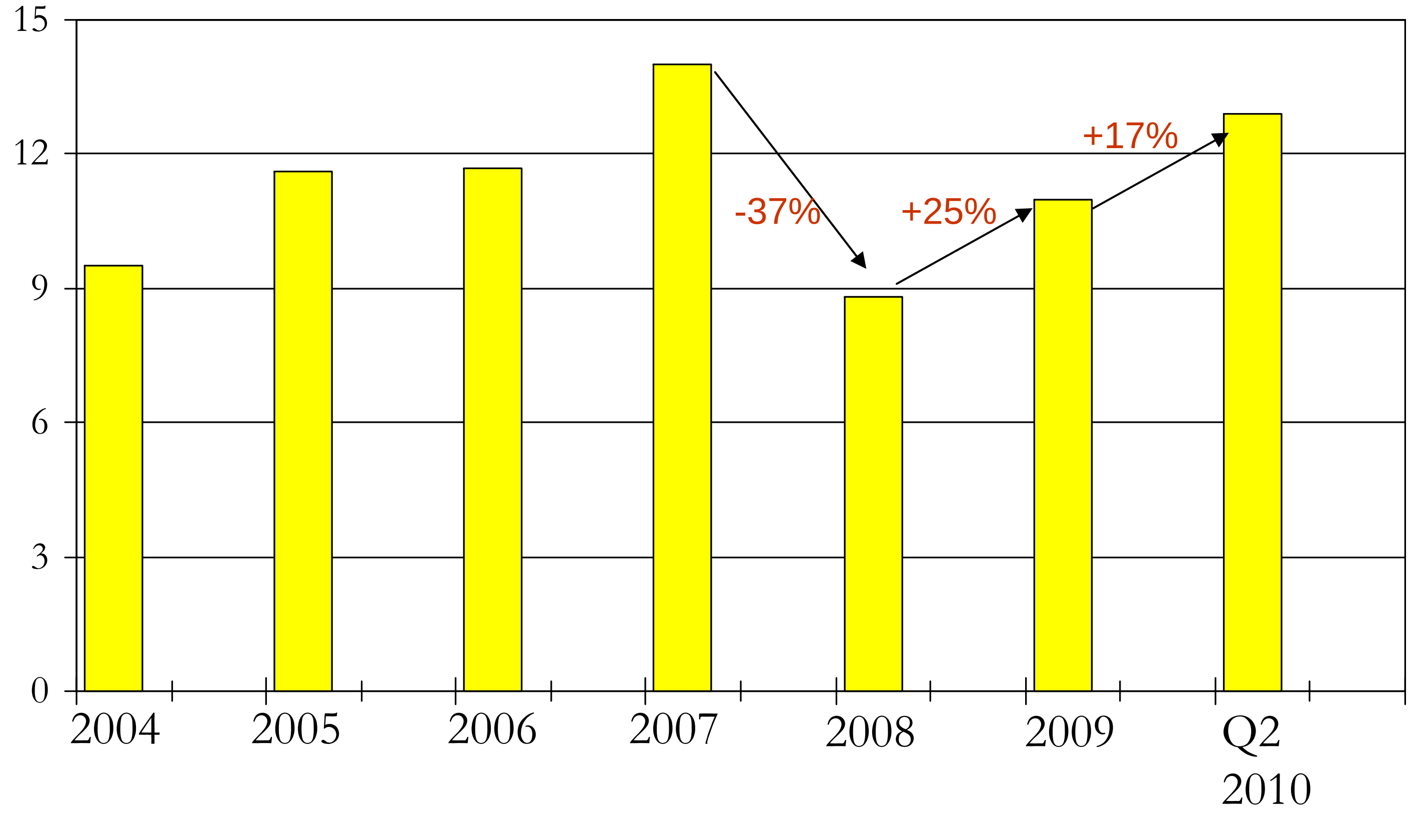

Source: Investor Economics

# Client Cash Holdings



# Client Margin Debt

Annual; C$ Billions



# Industry Outlook

- Pace of economic recovery slows
- Investor Confidence tested again
- Revenues and margins under pressure
- ‘New Regulatory Environment’ impacts most business areas

# IIAC Advocacy and Member Support Initiatives

- **CRTC Decision on Do Not Call Regulations**
- **GST on Brokerage Commissions**
- **OTC Derivatives Clearing**
- **FATCA/ Cost-basis regulations**
- **5th Annual Securities Day on Parliament Hill**
- **Visit www.iiac.ca for activity updates**

Questions?