

2013

Q4

## Securities Industry Performance

## Industry

(\$ millions unless otherwise noted)	Quarter-over-Quarter					Annual Year-over-Year						
	Quarters			% Change		Years				% Change		
	Q4 13	Q3 13	Q4 12	Q4/Q3	Q4 13/12	2013	2012	2011	2010	13/12	12/11	11/10
<b>Number of firms</b>	189	192	196	-1.6%	-3.6%	189	196	201	201	-3.6%	-2.5%	0.0%
<b>Number of employees</b>	39,357	39,405	39,555	-0.1%	-0.5%	39,357	39,555	40,427	39,917	-0.5%	-2.2%	1.3%
<b>Revenue</b>												
<b>Commissions</b>	1,389	1,323	1,250	5.0%	11.2%	5,516	5,117	5,817	5,631	7.8%	-12.0%	3.3%
<i>Mutual fund only commissions</i>	597	606	550	-1.6%	8.5%	2,435	2,175	2,156	1,950	12.0%	0.9%	10.6%
<b>Investment banking</b>	987	693	1,049	42.4%	-5.9%	3,191	3,565	3,977	4,029	-10.5%	-10.4%	-1.3%
<i>New issues equity</i>	454	335	478	35.4%	-5.0%	1,473	1,782	2,165	2,234	-17.3%	-17.7%	-3.1%
<i>New issues debt</i>	316	219	235	44.7%	34.7%	938	816	826	809	15.0%	-1.2%	2.1%
<i>Corporate advisory fees</i>	217	139	336	55.5%	-35.6%	780	967	986	986	-19.3%	-1.9%	0.0%
<b>Fixed income trading</b>	388	454	262	-14.4%	48.2%	1,791	1,176	1,064	1,173	52.3%	10.5%	-9.3%
<b>Equity trading</b>	64	74	-5	-13.6%	1438.3%	153	118	-1	267	29.5%	8703.7%	-100.5%
<b>Net interest</b>	143	133	285	7.7%	-49.7%	1,945	1,131	1,376	1,054	72.0%	-17.8%	30.5%
<b>Fees</b>	967	938	841	3.1%	15.0%	3,660	3,206	3,094	2,721	14.1%	3.6%	13.7%
<b>Other</b>	456	201	341	127.3%	34.1%	1,073	1,020	810	1,004	5.2%	25.9%	-19.4%
<b>Operating revenue</b>	4,396	3,816	4,023	15.2%	9.3%	17,328	15,332	16,136	15,878	13.0%	-5.0%	1.6%
<b>Operating expenses<sup>1</sup></b>	1,829	1,804	1,808	1.4%	1.2%	7,296	7,249	7,355	6,825	0.6%	-1.4%	7.8%
<b>Operating profit</b>	1,326	890	1,060	49.0%	25.1%	5,395	3,806	4,273	4,789	41.8%	-10.9%	-10.8%
<b>Net profit (loss)</b>	723	477	598	51.5%	20.8%	2,062	2,155	2,036	2,395	-4.3%	5.8%	-15.0%
<b>Shareholders' equity</b>	34,474	18,370	17,087	87.7%	101.8%	34,474	17,087	15,269	16,988	101.8%	11.9%	-10.1%
<b>Regulatory capital</b>	51,414	35,118	34,343	46.4%	49.7%	51,414	34,343	30,383	31,647	49.7%	13.0%	-4.0%
<b>Client cash holdings</b>	42,124	39,653	38,684	6.2%	8.9%	42,124	38,684	39,304	37,952	8.9%	-1.6%	3.6%
<b>Client debt margin outstanding</b>	16,444	15,829	14,432	3.9%	13.9%	16,444	14,432	13,458	13,731	13.9%	7.2%	-2.0%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	447	387	407	15.3%	9.8%	440	388	399	398	13.6%	-2.9%	0.3%
<b>Annual return<sup>3</sup> (%)</b>	8.4	10.4	14.0	-2.0%	-5.6%	6.0	12.6	13.3	14.1	-6.6%	-0.7%	-0.8%

<sup>1</sup> Operating expenses reflect the underlying cost of running the securities firm and exclude commissions, bonuses and other compensation to brokers.

<sup>2</sup> Annual revenue per employee.

<sup>3</sup> Annual return is calculated as net profit/shareholder's equity.

<sup>4</sup> The calculation methodology of some line items have changed to reflect the updated IFRS standard in 2013.

## Integrated firms

Firms that are national in scope and have extensive retail and institutional operations; includes dealers of the six major chartered banks.

(\$ millions unless otherwise noted)	Quarter-over-Quarter					Annual Year-over-Year						
	Quarters			% Change		Years				% Change		
	Q4 13	Q3 13	Q4 12	Q4/Q3	Q4 13/12	2013	2012	2011	2010	13/12	12/11	11/10
<b>Number of firms</b>	10	11	11	-9.1%	-9.1%	10	11	11	11	-9.1%	0.0%	0.0%
<b>Number of employees</b>	24,989	25,122	25,146	-0.5%	-0.6%	24,989	25,146	25,595	24,955	-0.6%	-1.8%	2.6%
<b>Revenue</b>												
<b>Commissions</b>	971	930	877	4.4%	10.7%	3,862	3,597	3,921	3,767	7.4%	-8.3%	4.1%
<i>Mutual fund only commissions</i>	445	467	431	-4.6%	3.3%	1,854	1,711	1,654	1,471	8.3%	3.5%	12.4%
<b>Investment banking</b>	722	530	729	36.2%	-0.8%	2,369	2,596	2,726	2,566	-8.7%	-4.8%	6.2%
<i>New issues equity</i>	306	261	332	17.1%	-8.0%	1,079	1,325	1,390	1,311	-18.5%	-4.7%	6.0%
<i>New issues debt</i>	278	185	184	50.3%	50.9%	789	659	699	682	19.7%	-5.7%	2.5%
<i>Corporate advisory fees</i>	139	85	212	64.3%	-34.6%	500	612	637	573	-18.3%	-4.0%	11.2%
<b>Fixed income trading</b>	315	332	261	-5.3%	20.7%	1,383	1,031	800	960	34.1%	29.0%	-16.7%
<b>Equity trading</b>	21	77	7	-72.4%	208.7%	96	166	25	38	-42.4%	556.3%	-33.5%
<b>Net interest</b>	138	116	236	19.1%	-41.4%	1,555	942	1,165	906	65.1%	-19.2%	28.6%
<b>Fees</b>	733	723	629	1.3%	16.5%	2,785	2,400	2,189	1,994	16.1%	9.6%	9.8%
<b>Other</b>	382	124	229	208.0%	66.8%	771	618	456	415	24.9%	35.4%	9.9%
<b>Operating revenue</b>	3,283	2,833	2,967	15.9%	10.6%	12,820	11,350	11,283	10,645	13.0%	0.6%	6.0%
<b>Operating expenses<sup>1</sup></b>	1,225	1,228	1,171	-0.2%	4.6%	4,888	4,817	4,818	4,497	1.5%	0.0%	7.1%
<b>Operating profit</b>	1,124	747	920	50.5%	22.2%	4,374	3,219	3,212	3,127	35.9%	0.2%	2.7%
<b>Net profit (loss)</b>	708	469	555	50.8%	27.5%	2,007	1,978	1,801	1,610	1.4%	9.8%	11.9%
<b>Shareholders' equity</b>	29,479	13,547	11,902	117.6%	147.7%	29,479	11,902	10,475	11,585	147.7%	13.6%	-9.6%
<b>Regulatory capital</b>	42,940	26,846	24,989	59.9%	71.8%	42,940	24,989	22,155	22,882	71.8%	12.8%	-3.2%
<b>Client cash holdings</b>	35,760	33,458	33,018	6.9%	8.3%	35,760	33,018	33,088	31,677	8.3%	-0.2%	4.5%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	525	451	472	16.5%	11.3%	513	451	441	427	13.7%	2.4%	3.3%
<b>Annual return<sup>3</sup> (%)</b>	<b>9.6</b>	<b>13.9</b>	<b>18.7</b>	<b>-4.3%</b>	<b>-9.1%</b>	<b>6.8</b>	<b>16.6</b>	<b>17.2</b>	<b>13.9</b>	<b>-9.8%</b>	<b>-0.6%</b>	<b>3.3%</b>

<sup>1</sup> Operating expenses reflect the underlying cost of running the securities firm and exclude commissions, bonuses and other compensation to brokers.

<sup>2</sup> Annual revenue per employee.

<sup>3</sup> Annual return is calculated as net profit/shareholder's equity.

<sup>4</sup> The calculation methodology of some line items have changed to reflect the updated IFRS standard in 2013.



## /// Institutional firms

Firms that generate most of their revenues from servicing institutional clients or through capital market operations.

(\$ millions unless otherwise noted)	Quarter-over-Quarter					Annual Year-over-Year						
	Quarters			% Change		Years				% Change		
	Q4 13	Q3 13	Q4 12	Q4/Q3	Q4 13/12	2013	2012	2011	2010	13/12	12/11	11/10
<b>Number of firms</b>	78	81	79	-3.7%	-1.3%	78	79	78	74	-1.3%	1.3%	5.4%
<b>Number of employees</b>	2,912	2,920	3,115	-0.3%	-6.5%	2,912	3,115	3,108	2,793	-6.5%	0.2%	11.3%
<b>Revenue</b>												
<b>Commissions</b>	124	127	131	-2.1%	-5.3%	534	558	693	655	-4.4%	-19.4%	5.7%
<b>Investment banking</b>	217	127	266	71.1%	-18.6%	642	756	912	1,082	-15.1%	-17.1%	-15.7%
<i>New issues equity</i>	124	54	112	130.8%	11.4%	295	315	523	634	-6.4%	-39.8%	-17.5%
<i>New issues debt</i>	21	21	34	-1.0%	-38.7%	91	103	60	58	-11.5%	71.6%	3.7%
<i>Corporate advisory fees</i>	72	52	121	38.2%	-40.7%	256	338	329	390	-24.3%	2.6%	-15.6%
<b>Fixed income trading</b>	53	102	-13	-48.3%	512.0%	331	93	179	122	256.4%	-48.1%	46.7%
<b>Equity trading</b>	40	-8	-14	587.7%	375.5%	50	-61	-44	145	182.9%	-38.8%	-130.1%
<b>Net interest</b>	-26	-13	18	-101.6%	-244.3%	245	63	49	35	289.4%	29.5%	39.0%
<b>Fees</b>	51	47	50	9.8%	3.5%	200	190	174	104	4.9%	9.4%	67.4%
<b>Other</b>	27	41	72	-33.7%	-62.5%	129	263	173	453	-51.0%	52.2%	-61.8%
<b>Operating revenue</b>	485	422	510	15.1%	-4.8%	2,131	1,863	2,136	2,596	14.4%	-12.8%	-17.7%
<b>Operating expenses<sup>1</sup></b>	260	258	300	0.7%	-13.5%	1,075	1,133	1,056	899	-5.1%	7.3%	17.4%
<b>Operating profit</b>	161	122	139	32.5%	16.1%	860	605	839	1,440	42.2%	-27.8%	-41.7%
<b>Net profit (loss)</b>	29	17	69	63.8%	-58.6%	79	276	213	752	-71.3%	29.6%	-71.7%
<b>Shareholders' equity</b>	3,976	3,862	3,982	3.0%	-0.2%	3,976	3,982	3,632	4,108	-0.2%	9.6%	-11.6%
<b>Regulatory capital</b>	6,983	6,869	7,735	1.7%	-9.7%	6,983	7,735	6,617	7,068	-9.7%	16.9%	-6.4%
<b>Client cash holdings</b>	2,466	1,946	1,756	26.7%	40.4%	2,466	1,756	1,296	1,306	40.4%	35.5%	-0.7%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	667	578	655	15.4%	1.8%	732	598	687	929	22.4%	-13.0%	-26.1%
<b>Annual return<sup>3</sup> (%)</b>	2.9	1.8	6.9	1.1%	-4.1%	2.0	6.9	5.9	18.3	-4.9%	1.0%	-12.4%

<sup>1</sup> Operating expenses reflect the underlying cost of running the securities firm and exclude commissions, bonuses and other compensation to brokers.

<sup>2</sup> Annual revenue per employee.

<sup>3</sup> Annual return is calculated as net profit/shareholder's equity.

<sup>4</sup> The calculation methodology of some line items have changed to reflect the updated IFRS standard in 2013.



## Retail firms

Firms that generate most of their revenues from servicing retail clients.

(\$ millions unless otherwise noted)	Quarter-over-Quarter					Annual Year-over-Year						
	Quarters			% Change		Years				% Change		
	Q4 13	Q3 13	Q4 12	Q4/Q3	Q4 13/12	2013	2012	2011	2010	13/12	12/11	11/10
<b>Number of firms</b>	101	100	106	1.0%	-4.7%	101	106	112	116	-4.7%	-5.4%	-3.4%
<b>Number of employees</b>	11,456	11,363	11,294	0.8%	1.4%	11,456	11,294	11,724	12,169	1.4%	-3.7%	-3.7%
<b>Revenue</b>												
<b>Commissions</b>	295	267	242	10.2%	21.9%	1,120	961	1,203	1,208	16.6%	-20.1%	-0.4%
<i>Mutual fund only commissions</i>	149	137	122	8.7%	22.0%	571	471	506	478	21.4%	-6.9%	5.8%
<b>Investment banking</b>	48	36	55	32.4%	-11.8%	180	212	338	381	-15.2%	-37.2%	-11.2%
<i>New issues equity</i>	24	21	34	17.7%	-29.3%	99	142	253	289	-30.4%	-43.8%	-12.6%
<i>New issues debt</i>	18	13	17	38.2%	4.9%	58	53	67	69	8.1%	-20.0%	-3.4%
<i>Corporate advisory fees</i>	6	3	4	106.1%	76.8%	24	17	19	23	39.2%	-10.6%	-16.9%
<b>Fixed income trading</b>	21	19	14	8.3%	48.9%	78	52	86	91	50.5%	-39.9%	-5.8%
<b>Equity trading</b>	3	5	3	-42.5%	3.2%	7	13	17	84	-46.4%	-25.0%	-79.8%
<b>Net interest</b>	31	30	31	4.4%	-0.1%	144	126	162	113	14.6%	-22.0%	43.1%
<b>Fees</b>	182	168	162	8.8%	12.8%	675	616	731	623	9.5%	-15.7%	17.3%
<b>Other</b>	47	36	39	31.5%	20.6%	172	139	180	137	24.2%	-23.0%	31.7%
<b>Operating revenue</b>	628	562	545	11.7%	15.1%	2,377	2,119	2,717	2,637	12.2%	-22.0%	3.0%
<b>Operating expenses<sup>1</sup></b>	345	319	337	8.1%	2.4%	1,332	1,300	1,482	1,428	2.5%	-12.3%	3.8%
<b>Operating profit</b>	41	21	1	90.8%	3604.5%	160	-18	221	222	979.1%	-108.2%	-0.2%
<b>Net profit (loss)</b>	-14	-10	-26	-42.8%	46.5%	-24	-99	22	33	75.5%	-559.6%	-34.7%
<b>Shareholders' equity</b>	1,019	962	1,202	5.9%	-15.3%	1,019	1,202	1,162	1,295	-15.3%	3.5%	-10.3%
<b>Regulatory capital</b>	1,491	1,403	1,619	6.3%	-7.9%	1,491	1,619	1,610	1,697	-7.9%	0.5%	-5.1%
<b>Client cash holdings</b>	3,898	4,249	3,910	-8.2%	-0.3%	3,898	3,910	4,920	4,820	-0.3%	-20.5%	2.1%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	219	198	193	10.8%	13.4%	207	188	232	217	10.6%	-19.0%	6.9%
<b>Annual return<sup>3</sup> (%)</b>	-5.5	-4.0	-8.6	-1.4%	3.2%	-2.4	-8.2	1.9	2.5	5.9%	-10.1%	-0.6%

<sup>1</sup> Operating expenses reflect the underlying cost of running the securities firm and exclude commissions, bonuses and other compensation to brokers.

<sup>2</sup> Annual revenue per employee.

<sup>3</sup> Annual return is calculated as net profit/shareholder's equity.

<sup>4</sup> The calculation methodology of some line items have changed to reflect the updated IFRS standard in 2013.



## Domestic institutional

Firms that generate most of their revenues from servicing institutional clients and have their head office located in Canada.

(\$ millions unless otherwise noted)	Quarter-over-Quarter					Annual Year-over-Year						
	Quarters			% Change		Years				% Change		
	Q4 13	Q3 13	Q4 12	Q4/Q3	Q4 13/12	2013	2012	2011	2010	13/12	12/11	11/10
<b>Number of firms</b>	55	58	56	-5.2%	-1.8%	55	56	57	54	-1.8%	-1.8%	5.6%
<b>Number of employees</b>	1,946	1,953	2,122	-0.4%	-8.3%	1,946	2,122	2,279	2,013	-8.3%	-6.9%	13.2%
<b>Revenue</b>												
<b>Commissions</b>	87	83	86	4.5%	0.2%	351	362	470	448	-3.0%	-22.8%	4.8%
<b>Investment banking</b>	148	87	178	71.0%	-16.9%	396	478	666	781	-17.2%	-28.3%	-14.7%
<i>New issues equity</i>	94	49	91	93.9%	3.9%	233	265	481	574	-12.0%	-44.9%	-16.1%
<i>New issues debt</i>	8	6	14	39.4%	-42.3%	28	41	25	17	-32.0%	62.8%	49.6%
<i>Corporate advisory fees</i>	45	32	73	42.0%	-37.8%	134	171	159	190	-21.7%	7.5%	-16.2%
<b>Fixed income trading</b>	5	24	8	-81.0%	-44.0%	40	34	13	17	19.4%	152.3%	-21.8%
<b>Equity trading</b>	-29	-24	-12	-17.7%	-148.6%	-97	-67	-44	101	-45.1%	-52.2%	-143.3%
<b>Net interest</b>	2	3	6	-22.4%	-59.8%	32	24	28	20	35.1%	-14.9%	40.0%
<b>Fees</b>	40	25	25	56.8%	56.1%	125	98	101	93	27.8%	-3.6%	9.0%
<b>Other</b>	18	14	34	24.3%	-48.7%	72	184	54	341	-60.8%	243.6%	-84.3%
<b>Operating revenue</b>	270	212	327	27.8%	-17.3%	920	1,113	1,288	1,801	-17.3%	-13.6%	-28.5%
<b>Operating expenses<sup>1</sup></b>	138	138	148	-0.4%	-6.6%	561	601	630	554	-6.7%	-4.6%	13.7%
<b>Operating profit</b>	76	42	112	83.4%	-31.7%	201	321	444	1,008	-37.3%	-27.7%	-56.0%
<b>Net profit (loss)</b>	26	-13	44	299.9%	-41.9%	-13	113	73	536	-111.2%	54.9%	-86.4%
<b>Shareholders' equity</b>	1,196	1,171	1,270	2.1%	-5.8%	1,196	1,270	1,171	1,737	-5.8%	8.5%	-32.6%
<b>Regulatory capital</b>	1,793	1,771	2,597	1.2%	-31.0%	1,793	2,597	1,749	2,325	-31.0%	48.5%	-24.8%
<b>Client cash holdings</b>	1,464	1,016	894	44.1%	63.8%	1,464	894	967	618	63.8%	-7.5%	56.4%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	555	433	616	28.2%	-9.9%	473	524	565	895	-9.9%	-7.2%	-36.8%
<b>Annual return<sup>3</sup> (%)</b>	8.6	-4.4	13.9	12.9%	-5.3%	-1.1	8.9	6.2	30.9	-9.9%	2.7%	-24.7%

<sup>1</sup> Operating expenses reflect the underlying cost of running the securities firm and exclude commissions, bonuses and other compensation to brokers.

<sup>2</sup> Annual revenue per employee.

<sup>3</sup> Annual return is calculated as net profit/shareholder's equity.

<sup>4</sup> The calculation methodology of some line items have changed to reflect the updated IFRS standard in 2013.



## Foreign institutional

Firms that generate most of their revenues from servicing institutional clients and have their head office located offshore.

(\$ millions unless otherwise noted)	Quarter-over-Quarter					Annual Year-over-Year						
	Quarters			% Change		Years				% Change		
	Q4 13	Q3 13	Q4 12	Q4/Q3	Q4 13/12	2013	2012	2011	2010	13/12	12/11	11/10
<b>Number of firms</b>	23	23	23	0.0%	0.0%	23	23	21	20	0.0%	9.5%	5.0%
<b>Number of employees</b>	966	967	993	-0.1%	-2.7%	966	993	829	780	-2.7%	19.8%	6.3%
<b>Revenue</b>												
<b>Commissions</b>	37	44	45	-14.4%	-16.1%	182	196	223	208	-6.8%	-12.3%	7.2%
<b>Investment banking</b>	68	40	88	71.5%	-21.9%	247	278	246	301	-11.4%	12.9%	-18.1%
<i>New issues equity</i>	30	5	21	476.6%	44.3%	62	50	42	60	23.5%	20.1%	-30.7%
<i>New issues debt</i>	12	15	19	-17.1%	-36.1%	63	62	35	41	2.2%	78.0%	-15.3%
<i>Corporate advisory fees</i>	26	20	47	32.1%	-45.0%	122	167	170	200	-26.9%	-2.1%	-14.9%
<b>Fixed income trading</b>	48	78	-21	-38.3%	330.4%	291	59	166	106	390.3%	-64.2%	56.3%
<b>Equity trading</b>	69	16	-3	319.7%	2516.2%	147	6	0	44	2327.1%	4313.9%	-99.7%
<b>Net interest</b>	-28	-16	13	-78.9%	-326.8%	213	39	21	15	443.8%	89.8%	37.7%
<b>Fees</b>	12	21	24	-45.9%	-52.1%	75	93	73	11	-19.2%	27.6%	561.0%
<b>Other</b>	9	27	38	-64.7%	-75.1%	57	79	119	111	-28.2%	-33.8%	7.5%
<b>Operating revenue</b>	215	210	183	2.3%	17.6%	1,212	750	848	796	61.5%	-11.5%	6.5%
<b>Operating expenses<sup>1</sup></b>	122	119	153	2.0%	-20.2%	514	532	426	345	-3.4%	25.0%	23.3%
<b>Operating profit</b>	85	80	27	6.1%	212.4%	659	284	395	432	131.8%	-28.0%	-8.6%
<b>Net profit (loss)</b>	3	30	25	-90.2%	-88.1%	92	163	140	215	-43.7%	16.4%	-34.9%
<b>Shareholders' equity</b>	2,780	2,691	2,712	3.3%	2.5%	2,780	2,712	2,462	2,371	2.5%	10.2%	3.8%
<b>Regulatory capital</b>	5,190	5,097	5,138	1.8%	1.0%	5,190	5,138	4,868	4,742	1.0%	5.5%	2.7%
<b>Client cash holdings</b>	1,002	930	863	7.7%	16.2%	1,002	863	330	688	16.2%	161.7%	-52.1%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	891	870	737	2.4%	20.9%	1,254	755	1,023	1,021	66.0%	-26.1%	0.2%
<b>Annual return<sup>3</sup> (%)</b>	0.4	4.5	3.7	-4.1%	-3.3%	3.3	6.0	5.7	9.1	-2.7%	0.3%	-3.4%

<sup>1</sup> Operating expenses reflect the underlying cost of running the securities firm and exclude commissions, bonuses and other compensation to brokers.

<sup>2</sup> Annual revenue per employee.

<sup>3</sup> Annual return is calculated as net profit/shareholder's equity.

<sup>4</sup> The calculation methodology of some line items have changed to reflect the updated IFRS standard in 2013.



## /// Retail full service

Firms that generate most of their revenues from servicing retail clients and have their own front and back offices.

(\$ millions unless otherwise noted)	Quarter-over-Quarter					Annual Year-over-Year						
	Quarters			% Change		Years				% Change		
	Q4 13	Q3 13	Q4 12	Q4/Q3	Q4 13/12	2013	2012	2011	2010	13/12	12/11	11/10
<b>Number of firms</b>	32	31	33	3.2%	-3.0%	32	33	34	35	-3.0%	-2.9%	-2.9%
<b>Number of employees</b>	5,449	5,420	5,547	0.5%	-1.8%	5,449	5,547	6,114	6,231	-1.8%	-9.3%	-1.9%
<b>Revenue</b>												
<b>Commissions</b>	153	141	125	8.5%	22.4%	582	503	662	675	15.8%	-24.1%	-1.9%
<i>Mutual fund only commissions</i>	91	83	73	9.2%	24.2%	343	284	302	285	20.8%	-6.0%	6.0%
<b>Investment banking</b>	33	23	36	43.3%	-7.0%	122	142	233	271	-14.1%	-39.0%	-14.1%
<i>New issues equity</i>	12	10	19	23.9%	-38.5%	51	88	163	195	-41.3%	-46.2%	-16.4%
<i>New issues debt</i>	17	12	15	44.5%	12.1%	53	45	57	61	17.6%	-21.0%	-6.2%
<i>Corporate advisory fees</i>	5	2	2	127.5%	199.7%	17	9	12	16	91.0%	-26.6%	-22.5%
<b>Fixed income trading</b>	19	14	9	41.5%	106.2%	68	29	57	71	134.1%	-48.8%	-20.0%
<b>Equity trading</b>	0	1	0	-13.4%	37.0%	-2	3	-5	40	-180.2%	163.9%	-111.6%
<b>Net interest</b>	14	14	16	5.1%	-11.5%	76	64	93	62	17.8%	-30.7%	49.7%
<b>Fees</b>	96	93	87	3.5%	10.3%	365	340	354	321	7.3%	-4.0%	10.4%
<b>Other</b>	20	21	17	-2.1%	21.0%	83	64	96	71	28.4%	-33.2%	35.5%
<b>Operating revenue</b>	336	305	290	10.2%	15.9%	1,293	1,146	1,491	1,511	12.9%	-23.1%	-1.3%
<b>Operating expenses<sup>1</sup></b>	191	176	189	8.6%	1.1%	738	719	847	819	2.6%	-15.1%	3.4%
<b>Operating profit</b>	10	5	-14	88.9%	169.8%	53	-15	51	117	449.2%	-129.7%	-56.2%
<b>Net profit (loss)</b>	-17	-8	-28	-111.8%	37.3%	-37	-51	-7	34	27.4%	-635.0%	-120.2%
<b>Shareholders' equity</b>	658	682	643	-3.6%	2.2%	658	643	798	900	2.2%	-19.4%	-11.3%
<b>Regulatory capital</b>	863	883	838	-2.3%	3.0%	863	838	1,051	1,115	3.0%	-20.3%	-5.8%
<b>Client cash holdings</b>	2,816	2,897	2,783	-2.8%	1.2%	2,816	2,783	3,791	3,890	1.2%	-26.6%	-2.6%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	247	225	209	9.6%	17.9%	237	207	244	242	14.9%	-15.3%	0.5%
<b>Annual return<sup>3</sup> (%)</b>	-10.5	-4.8	-17.2	-5.7%	6.6%	-5.6	-7.9	-0.9	3.8	2.3%	-7.0%	-4.7%

<sup>1</sup> Operating expenses reflect the underlying cost of running the securities firm and exclude commissions, bonuses and other compensation to brokers.

<sup>2</sup> Annual revenue per employee.

<sup>3</sup> Annual return is calculated as net profit/shareholder's equity.

<sup>4</sup> The calculation methodology of some line items have changed to reflect the updated IFRS standard in 2013.



## /// Retail introducers

Firms that generate most of their revenues from servicing retail clients and typically do not have back offices (use a “carrier” firm to manage their back office).

(\$ millions unless otherwise noted)	Quarter-over-Quarter					Annual Year-over-Year						
	Quarters			% Change		Years				% Change		
	Q4 13	Q3 13	Q4 12	Q4/Q3	Q4 13/12	2013	2012	2011	2010	13/12	12/11	11/10
<b>Number of firms</b>	69	69	73	0.0%	-5.5%	69	73	78	81	-5.5%	-6.4%	-3.7%
<b>Number of employees</b>	6,007	5,943	5,747	1.1%	4.5%	6,007	5,747	5,610	5,938	4.5%	2.4%	-5.5%
<b>Revenue</b>												
<b>Commissions</b>	142	126	117	12.1%	21.4%	538	458	540	533	17.4%	-15.2%	1.4%
<i>Mutual fund only commissions</i>	58	54	49	8.0%	18.7%	228	187	204	192	22.2%	-8.2%	6.1%
<b>Investment banking</b>	15	13	19	13.5%	-20.6%	58	70	106	110	-17.3%	-33.4%	-4.0%
<i>New issues equity</i>	12	11	15	12.3%	-17.6%	47	54	89	94	-12.9%	-39.4%	-4.8%
<i>New issues debt</i>	1	1	2	-20.9%	-49.9%	5	8	9	9	-44.4%	-13.6%	4.8%
<i>Corporate advisory fees</i>	2	1	2	65.5%	-14.6%	6	8	7	7	-19.9%	18.9%	-4.1%
<b>Fixed income trading</b>	2	6	5	-68.4%	-61.5%	10	22	29	20	-57.7%	-22.4%	44.8%
<b>Equity trading</b>	2	4	2	-46.2%	-1.8%	9	10	22	43	-5.8%	-54.8%	-49.7%
<b>Net interest</b>	17	16	15	3.8%	12.2%	69	62	69	51	11.3%	-10.4%	35.0%
<b>Fees</b>	87	75	75	15.3%	15.8%	309	276	376	302	12.1%	-26.7%	24.6%
<b>Other</b>	27	15	22	77.9%	20.3%	90	75	84	66	20.6%	-11.4%	27.7%
<b>Operating revenue</b>	292	257	255	13.6%	14.2%	1,083	973	1,226	1,125	11.3%	-20.6%	9.0%
<b>Operating expenses<sup>1</sup></b>	154	143	147	7.4%	4.1%	594	581	635	609	2.4%	-8.6%	4.3%
<b>Operating profit</b>	31	16	15	91.5%	108.2%	107	-3	170	105	3658.0%	-101.8%	62.1%
<b>Net profit (loss)</b>	3	-2	2	321.6%	106.8%	12	-48	28	-1	125.8%	-270.3%	2942.9%
<b>Shareholders' equity</b>	361	279	559	29.3%	-35.4%	361	559	364	395	-35.4%	53.7%	-7.9%
<b>Regulatory capital</b>	628	520	782	20.7%	-19.7%	628	782	560	582	-19.7%	39.7%	-3.8%
<b>Client cash holdings</b>	1,083	1,352	1,127	-19.9%	-3.9%	1,083	1,127	1,130	930	-3.9%	-0.3%	21.5%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	194	173	178	12.4%	9.2%	180	169	219	189	6.5%	-22.5%	15.3%
<b>Annual return<sup>3</sup> (%)</b>	<b>3.8</b>	<b>-2.2</b>	<b>1.2</b>	<b>6.0%</b>	<b>2.6%</b>	<b>3.5</b>	<b>-8.7</b>	<b>7.8</b>	<b>-0.3</b>	<b>12.1%</b>	<b>-16.5%</b>	<b>8.1%</b>

<sup>1</sup> Operating expenses reflect the underlying cost of running the securities firm and exclude commissions, bonuses and other compensation to brokers.

<sup>2</sup> Annual revenue per employee.

<sup>3</sup> Annual return is calculated as net profit/shareholder's equity.

<sup>4</sup> The calculation methodology of some line items have changed to reflect the updated IFRS standard in 2013.







## Comments please!

*Securities Industry Performance* is produced quarterly by the Investment Industry Association of Canada (IIAC).

To join the distribution list, please email [capitalmarkets@iiac.ca](mailto:capitalmarkets@iiac.ca).

We want to hear from you. Send suggestions for future editions and feedback to [capitalmarkets@iiac.ca](mailto:capitalmarkets@iiac.ca).

**Eon Song, CFA**

Analyst, Capital Markets

[esong@iiac.ca](mailto:esong@iiac.ca)

T 416.687.5480



## Addresses

**Toronto (Head Office)**

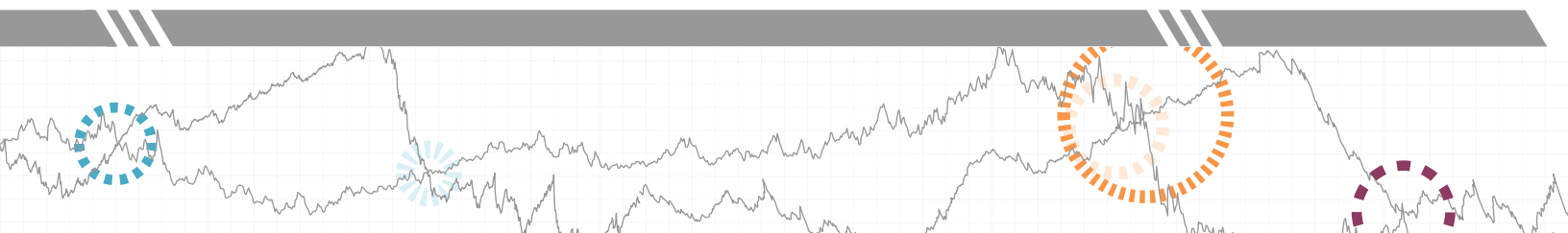
11 King St West  
Suite 1600  
Toronto, ON M5H 4C7  
T 416.364.2754 or  
1.855.252.4422  
F 416.364.4861

**Montreal**

1 Place Ville Marie  
Suite 2001  
Montreal, QC H3B 2C4  
T 514.843.8950  
F 514.866.2115

**Vancouver**

701 West Georgia St  
Suite 1500  
Vancouver, BC V7Y 1C6  
T 604.637.1676  
F 604.801.5911



**IIAC ACCVM**

INVESTMENT INDUSTRY ASSOCIATION OF CANADA  
ASSOCIATION CANADIENNE DU COMMERCE DES VALEURS MOBILIÈRES