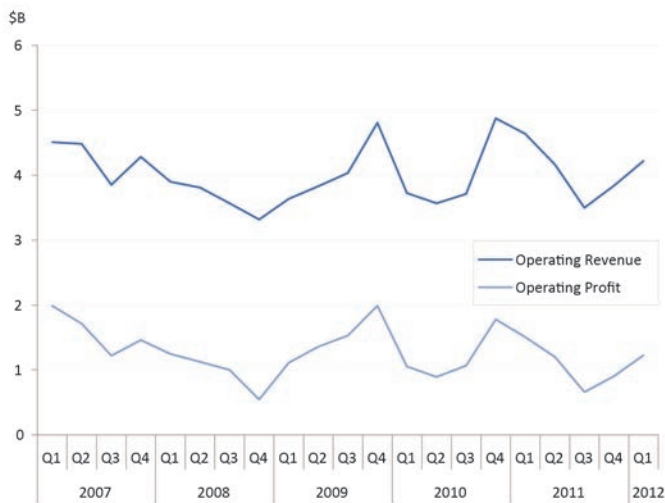


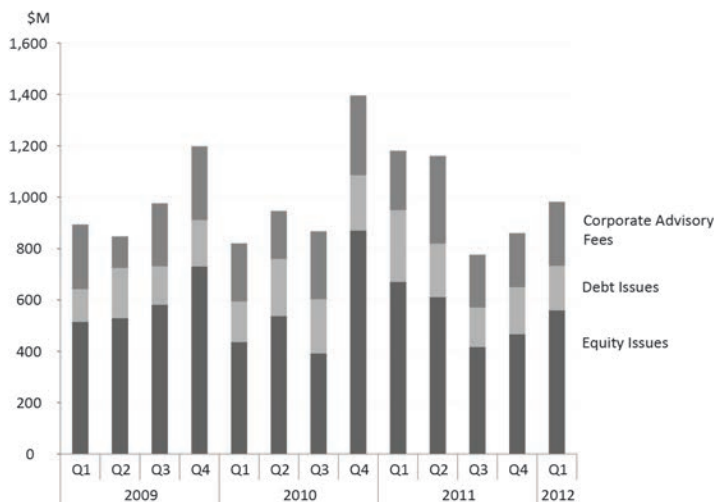
Integrated firms bolster industry profitability, despite faltering business at institutional and retail firms

Industry Operating Results



- Industry performance in the first quarter of 2012 improved significantly from Q4. Operating revenue and profits climbed 10% and 35%, respectively.
- Compared to the same period a year ago, however, operating revenue and profits were down 9% and 19%, with losses broadly based among all firm types and business lines.

Investment Banking Revenue



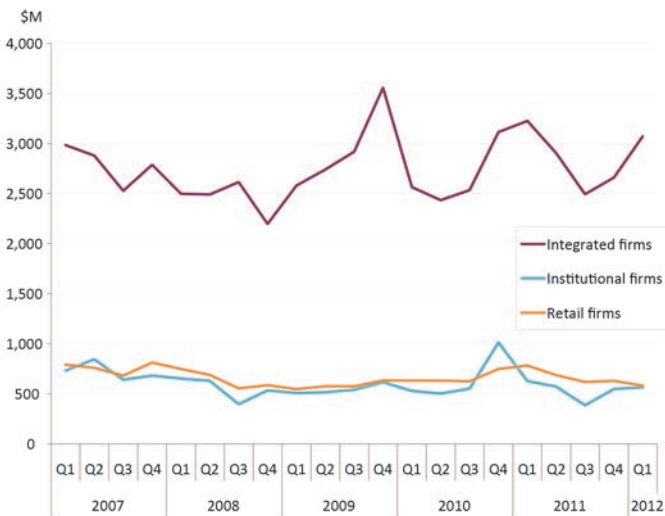
- Investment banking revenue grew 14% in Q1, benefiting from a higher volume of equity issuance and corporate advisory fees.
- A virtually non-existent IPO market together with the persistent interest in preferred shares suggest lingering investor anxiety in equities. Small cap and venture-listed issuers continued to find it difficult to gain traction in the market, and institutional firms which typically handle such deals posted a 4.6% decline in their investment banking revenue.

Trading Revenue



- Industry trading revenue rose 65% compared to Q4 2011.
- Integrated firms posted a double-digit growth in fixed income trading revenue, and equity trading finally booked profit after three consecutive quarterly losses.
- Institutional firms sustained a 38% setback in fixed income trading and a loss of \$5 million on equity trading.

Operating Revenue by Firm Groups



- Operating revenue and profit at integrated firms advanced 16% and 45%, respectively. This quarter's improvement in industry profitability was mainly driven by the performance of these firms. Operating revenue and profits for integrated firms, however, were still 5% and 15% below one year ago.
- Higher commission revenue combined with moderate gains in other areas offset declining earnings in financing and trading business at institutional firms, and the group managed a 3.3% increase in operating revenue during the quarter.
- Retail firms experienced the most challenges during the quarter with operating revenue for this group of 108 firms sliding 8%, and operating profit plunged in the red.
- Overall industry employment was down 1.5% from Q4 2011 with all the job losses attributed to the retail group of firms.

(\$ millions unless otherwise noted)	Quarter-over-Quarter					Annual Year-over-Year						
	Quarters			% Change		Years				% Change		
	Q1 12	Q4 11	Q1 11	Q1/Q4 11	Q1 12/11	2011	2010	2009	2008	11/10	10/09	09/08
Number of firms	198	201	202	-1.5%	-2.0%	201	201	200	202	0.0%	0.5%	-1.0%
Number of employees	40,215	40,427	40,082	-0.5%	0.3%	40,427	39,917	39,894	40,836	1.3%	0.1%	-2.3%
Revenue												
Commissions	1,430	1,307	1,699	9.4%	-15.8%	5,817	5,631	5,052	5,592	3.3%	11.5%	-9.7%
<i>Mutual fund only commissions</i>	556	520	570	6.9%	-2.5%	2,156	1,950	1,605	1,860	10.6%	21.5%	-13.7%
Investment banking	982	860	1,181	14.1%	-16.9%	3,977	4,029	3,915	3,077	-1.3%	2.9%	27.2%
<i>New issues equity</i>	560	467	671	19.8%	-16.6%	2,165	2,234	2,356	1,580	-3.1%	-5.2%	49.1%
<i>New issues debt</i>	174	183	280	-4.9%	-37.7%	826	809	653	483	2.1%	23.9%	35.2%
<i>Corporate advisory fees</i>	248	210	230	18.1%	7.6%	986	986	906	1,014	0.0%	8.8%	-10.7%
Fixed income trading	343	295	364	16.3%	-5.8%	1,064	1,173	2,109	1,045	-9.3%	-44.4%	101.8%
Equity trading	109	-21	136	619.0%	-19.9%	-1	267	459	-11	-100.5%	-41.8%	4272.7%
Net interest	293	340	339	-13.9%	-13.6%	1,376	1,054	914	1,894	30.5%	15.3%	-51.7%
Fees	788	860	725	-8.4%	8.6%	3,094	2,721	2,385	2,624	13.7%	14.1%	-9.1%
Other	276	197	194	40.2%	42.7%	810	1,004	1,473	371	-19.4%	-31.8%	297.0%
Operating revenue	4,220	3,838	4,637	10.0%	-9.0%	16,136	15,878	16,306	14,593	1.6%	-2.6%	11.7%
Operating expenses¹	1,873	1,874	1,859	-0.1%	0.7%	7,355	6,825	6,555	6,528	7.8%	4.1%	0.4%
Operating profit	1,227	906	1,507	35.4%	-18.6%	4,273	4,789	5,987	3,914	-10.8%	-20.0%	53.0%
Net profit (loss)	701	422	745	66.2%	-5.9%	2,036	2,395	2,869	1,875	-15.0%	-16.5%	53.0%
Shareholders' equity	15,420	15,269	17,375	1.0%	-11.2%	15,269	16,988	15,225	13,507	-10.1%	11.6%	12.7%
Regulatory capital	33,085	30,383	32,959	8.9%	0.4%	30,383	31,647	29,559	27,461	-4.0%	7.1%	7.6%
Client cash holdings	37,679	39,304	38,298	-4.1%	-1.6%	39,304	37,952	36,816	33,677	3.6%	3.1%	9.3%
Client debt margin outstanding	14,408	13,458	14,505	7.1%	-0.7%	13,458	13,731	11,048	8,846	-2.0%	24.3%	24.9%
Productivity² (\$ thousands)	420	380	463	10.5%	-9.3%	399	398	409	357	0.3%	-2.7%	14.4%
Annual return³ (%)	18.2	11.1	17.2	7.1%	1.0%	13.3	14.1	18.8	13.9	-0.8%	-4.7%	5.0%

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

² Annual revenue per employee.

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



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		
	Q1 12	Q4 11	Q1 11	Q1/Q4 11	Q1 12/11	2011	2010	2009	2008	11/10	10/09	09/08
Number of firms	11	11	11	0.0%	0.0%	11	11	11	11	0.0%	0.0%	0.0%
Number of employees	25,675	25,595	24,792	0.3%	3.6%	25,595	24,955	25,131	25,973	2.6%	-0.7%	-3.2%
Revenue												
Commissions	1,000	909	1,122	10.0%	-10.8%	3,921	3,767	3,384	3,675	4.1%	11.3%	-7.9%
<i>Mutual fund only commissions</i>	435	411	427	5.8%	1.8%	1,654	1,471	1,226	1,414	12.4%	20.0%	-13.3%
Investment banking	727	597	779	21.7%	-6.7%	2,726	2,566	2,598	1,874	6.2%	-1.2%	38.6%
<i>New issues equity</i>	418	313	390	33.4%	7.2%	1,390	1,311	1,587	967	6.0%	-17.4%	64.1%
<i>New issues debt</i>	139	151	247	-7.9%	-43.8%	699	682	546	405	2.5%	24.9%	34.8%
<i>Corporate advisory fees</i>	170	133	142	27.7%	19.8%	637	573	465	502	11.2%	23.2%	-7.4%
Fixed income trading	291	232	293	25.6%	-0.6%	800	960	1,690	782	-16.7%	-43.2%	116.1%
Equity trading	104	-7	79	1494.0%	31.1%	25	38	332	106	-33.5%	-88.6%	213.2%
Net interest	248	275	290	-9.6%	-14.5%	1,165	906	790	1,488	28.6%	14.7%	-46.9%
Fees	580	547	531	6.2%	9.4%	2,189	1,994	1,764	1,877	9.8%	13.0%	-6.0%
Other	122	108	132	12.8%	-7.8%	456	415	1,233	-1	9.9%	-66.3%	n.a.
Operating revenue	3,072	2,660	3,226	15.5%	-4.8%	11,283	10,645	11,792	9,801	6.0%	-9.7%	20.3%
Operating expenses¹	1,242	1,215	1,235	2.2%	0.6%	4,818	4,497	4,300	4,145	7.1%	4.6%	3.7%
Operating profit	947	652	1,110	45.4%	-14.7%	3,212	3,127	4,782	2,722	2.7%	-34.6%	75.7%
Net profit (loss)	527	361	605	45.8%	-12.9%	1,801	1,610	2,422	1,502	11.9%	-33.5%	61.3%
Shareholders' equity	10,479	10,475	12,128	0.0%	-13.6%	10,475	11,585	10,029	8,637	-9.6%	15.5%	16.1%
Regulatory capital	24,662	22,155	23,526	11.3%	4.8%	22,155	22,882	21,372	19,334	-3.2%	7.1%	10.5%
Client cash holdings	32,047	33,088	31,817	-3.1%	0.7%	33,088	31,677	31,451	28,157	4.5%	0.7%	11.7%
Productivity² (\$ thousands)	479	416	520	15.1%	-8.0%	441	427	469	377	3.3%	-9.1%	24.3%
Annual return³ (%)	20.1	13.8	20.0	6.3%	0.2%	17.2	13.9	24.1	17.4	3.3%	-10.3%	6.8%

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

² Annual revenue per employee.

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



/// 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		
	Q1 12	Q4 11	Q1 11	Q1/Q4 11	Q1 12/11	2011	2010	2009	2008	11/10	10/09	09/08
Number of firms	79	78	77	1.3%	2.6%	78	74	72	69	5.4%	2.8%	4.3%
Number of employees	3,263	3,108	3,103	5.0%	5.2%	3,108	2,793	2,801	2,926	11.3%	-0.3%	-4.3%
Revenue												
Commissions	166	151	208	10.3%	-20.2%	693	655	623	777	5.7%	5.1%	-19.8%
Investment banking	183	192	294	-4.6%	-37.9%	912	1,082	1,052	938	-15.7%	2.9%	12.2%
<i>New issues equity</i>	87	105	195	-16.8%	-55.3%	523	634	568	438	-17.5%	11.6%	29.7%
<i>New issues debt</i>	23	16	16	41.7%	38.1%	60	58	51	42	3.7%	13.7%	21.4%
<i>Corporate advisory fees</i>	73	71	83	3.0%	-11.8%	329	390	433	458	-15.6%	-9.9%	-5.5%
Fixed income trading	33	53	37	-37.9%	-10.6%	179	122	249	94	46.7%	-51.0%	164.9%
Equity trading	-5	-21	27	78.2%	-117.4%	-44	145	46	-61	-130.1%	215.2%	175.4%
Net interest	13	29	8	-55.9%	67.0%	49	35	33	212	39.0%	6.1%	-84.4%
Fees	57	83	37	-32.0%	53.8%	174	104	77	79	67.4%	35.1%	-2.5%
Other	119	61	17	94.4%	586.4%	173	453	101	174	-61.8%	348.5%	-42.0%
Operating revenue	566	548	628	3.3%	-10.0%	2,136	2,596	2,182	2,214	-17.7%	19.0%	-1.4%
Operating expenses¹	301	306	243	-1.6%	23.9%	1,056	899	923	990	17.4%	-2.6%	-6.8%
Operating profit	299	198	301	50.9%	-0.5%	839	1,440	1,025	947	-41.7%	40.5%	8.2%
Net profit (loss)	205	69	98	198.6%	110.1%	213	752	444	382	-71.7%	69.4%	16.2%
Shareholders' equity	4,025	3,632	3,965	10.8%	1.5%	3,632	4,108	3,972	3,803	-11.6%	3.4%	4.4%
Regulatory capital	7,030	6,617	6,955	6.2%	1.1%	6,617	7,068	6,607	6,118	-6.4%	7.0%	8.0%
Client cash holdings	1,677	1,296	1,641	29.4%	2.2%	1,296	1,306	859	1,326	-0.7%	52.0%	-35.2%
Productivity² (\$ thousands)	694	705	810	-1.6%	-14.4%	687	929	779	757	-26.1%	19.3%	3.0%
Annual return³ (%)	20.4	7.6	9.9	12.8%	10.6%	5.9	18.3	11.2	10.0	-12.4%	7.1%	1.1%

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

² Annual revenue per employee.

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



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		
	Q1 12	Q4 11	Q1 11	Q1/Q4 11	Q1 12/11	2011	2010	2009	2008	11/10	10/09	09/08
Number of firms	108	112	114	-3.6%	-5.3%	112	116	117	122	-3.4%	-0.9%	-4.1%
Number of employees	11,277	11,724	12,187	-3.8%	-7.5%	11,724	12,169	11,962	11,937	-3.7%	1.7%	0.2%
Revenue												
Commissions	264	248	369	6.4%	-28.6%	1,203	1,208	1,045	1,140	-0.4%	15.6%	-8.3%
<i>Mutual fund only commissions</i>	122	111	142	9.7%	-14.5%	506	478	375	440	5.8%	27.5%	-14.8%
Investment banking	72	71	107	1.7%	-33.0%	338	381	265	265	-11.2%	43.8%	0.0%
<i>New issues equity</i>	55	49	86	11.0%	-36.2%	253	289	201	176	-12.6%	43.8%	14.2%
<i>New issues debt</i>	12	16	16	-21.8%	-22.0%	67	69	56	36	-3.4%	23.2%	55.6%
<i>Corporate advisory fees</i>	5	6	5	-15.1%	-13.4%	19	23	8	54	-16.9%	187.5%	-85.2%
Fixed income trading	19	10	35	94.7%	-46.2%	86	91	169	170	-5.8%	-46.2%	-0.6%
Equity trading	10	8	30	36.5%	-65.2%	17	84	81	-56	-79.8%	3.7%	244.6%
Net interest	32	36	41	-11.8%	-22.4%	162	113	91	194	43.1%	24.2%	-53.1%
Fees	150	230	158	-34.7%	-4.6%	731	623	544	667	17.3%	14.5%	-18.4%
Other	35	28	44	25.8%	-19.2%	180	137	138	198	31.7%	-0.7%	-30.3%
Operating revenue	582	630	783	-7.6%	-25.7%	2,717	2,637	2,322	2,578	3.0%	13.6%	-9.9%
Operating expenses¹	330	353	381	-6.6%	-13.5%	1,482	1,428	1,332	1,394	3.8%	7.2%	-4.4%
Operating profit	-20	56	96	-135.9%	-120.9%	221	222	180	245	-0.2%	23.3%	-26.5%
Net profit (loss)	-31	-8	42	-289.3%	-172.9%	22	33	3	-8	-34.7%	1000.0%	137.5%
Shareholders' equity	917	1,162	1,282	-21.1%	-28.4%	1,162	1,295	1,224	1,067	-10.3%	5.8%	14.7%
Regulatory capital	1,394	1,610	2,478	-13.5%	-43.8%	1,610	1,697	1,580	1,744	-5.1%	7.4%	-9.4%
Client cash holdings	3,954	4,920	4,840	-19.6%	-18.3%	4,920	4,820	4,506	4,194	2.1%	7.0%	7.4%
Productivity² (\$ thousands)	206	215	257	-3.9%	-19.7%	232	217	194	216	6.9%	11.6%	-10.1%
Annual return³ (%)	-13.5	-2.7	13.3	-10.8%	-26.7%	1.9	2.5	0.2	-0.7	-0.6%	2.3%	1.0%

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

² Annual revenue per employee.

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



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		
	Q1 12	Q4 11	Q1 11	Q1/Q4 11	Q1 12/11	2011	2010	2009	2008	11/10	10/09	09/08
Number of firms	58	57	56	1.8%	3.6%	57	54	52	49	5.6%	3.8%	6.1%
Number of employees	2,285	2,279	2,315	0.3%	-1.3%	2,279	2,013	2,090	2,146	13.2%	-3.7%	-2.6%
Revenue												
Commissions	109	99	148	9.9%	-26.2%	470	448	439	517	4.8%	2.1%	-15.1%
Investment banking	118	136	232	-13.1%	-49.3%	666	781	684	635	-14.7%	14.2%	7.7%
<i>New issues equity</i>	80	91	185	-12.6%	-56.9%	481	574	468	389	-16.1%	22.6%	20.3%
<i>New issues debt</i>	6	9	5	-25.8%	18.5%	25	17	17	9	49.6%	0.0%	88.9%
<i>Corporate advisory fees</i>	32	36	42	-11.5%	-24.6%	159	190	198	237	-16.2%	-4.0%	-16.5%
Fixed income trading	8	-6	6	241.7%	45.9%	13	17	38	25	-21.8%	-55.3%	52.0%
Equity trading	-16	0	8	n.a.	-302.0%	-44	101	113	-127	-143.3%	-10.6%	189.0%
Net interest	6	6	7	-7.3%	-16.4%	28	20	19	50	40.0%	5.3%	-62.0%
Fees	32	21	34	54.1%	-5.1%	101	93	69	64	9.0%	34.8%	7.8%
Other	113	14	5	684.6%	2292.7%	54	341	25	57	-84.3%	1264.0%	-56.1%
Operating revenue	371	271	439	36.9%	-15.7%	1,288	1,801	1,388	1,222	-28.5%	29.8%	13.6%
Operating expenses¹	162	154	160	5.4%	1.6%	630	554	548	502	13.7%	1.1%	9.2%
Operating profit	156	81	201	93.2%	-22.3%	444	1,008	635	484	-56.0%	58.7%	31.2%
Net profit (loss)	109	17	62	547.1%	75.7%	73	536	277	137	-86.4%	93.5%	102.2%
Shareholders' equity	1,276	1,171	1,561	9.0%	-18.2%	1,171	1,737	1,685	1,563	-32.6%	3.1%	7.8%
Regulatory capital	1,870	1,749	2,182	6.9%	-14.3%	1,749	2,325	1,943	1,900	-24.8%	19.7%	2.3%
Client cash holdings	890	967	1,123	-7.9%	-20.7%	967	618	555	833	56.4%	11.4%	-33.4%
Productivity² (\$ thousands)	649	475	759	36.6%	-14.5%	565	895	664	569	-36.8%	34.7%	16.6%
Annual return³ (%)	34.0	5.7	15.8	28.3%	18.2%	6.2	30.9	16.4	8.8	-24.7%	14.4%	7.7%

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

² Annual revenue per employee.

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



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		
	Q1 12	Q4 11	Q1 11	Q1/Q4 11	Q1 12/11	2011	2010	2009	2008	11/10	10/09	09/08
Number of firms	21	21	21	0.0%	0.0%	21	20	20	20	5.0%	0.0%	0.0%
Number of employees	978	829	788	18.0%	24.1%	829	780	711	780	6.3%	9.7%	-8.8%
Revenue												
Commissions	57	51	60	11.3%	-5.3%	223	208	183	260	7.2%	13.7%	-29.6%
Investment banking	65	56	62	16.2%	5.2%	246	301	367	303	-18.1%	-18.0%	21.1%
<i>New issues equity</i>	8	14	10	-45.0%	-26.9%	42	60	99	49	-30.7%	-39.4%	102.0%
<i>New issues debt</i>	16	7	11	120.0%	47.7%	35	41	34	33	-15.3%	20.6%	3.0%
<i>Corporate advisory fees</i>	41	35	40	18.1%	1.7%	170	200	234	220	-14.9%	-14.5%	6.4%
Fixed income trading	25	59	31	-58.1%	-20.1%	166	106	212	69	56.3%	-50.0%	207.2%
Equity trading	11	-21	20	153.9%	-42.6%	0	44	-67	66	-99.7%	165.7%	-201.5%
Net interest	7	23	1	-68.9%	723.5%	21	15	14	162	37.7%	7.1%	-91.4%
Fees	24	62	3	-61.1%	818.7%	73	11	8	15	561.0%	37.5%	-46.7%
Other	5	47	13	-88.2%	-56.3%	119	111	76	118	7.5%	46.1%	-35.6%
Operating revenue	195	277	189	-29.6%	3.3%	848	796	794	992	6.5%	0.3%	-20.0%
Operating expenses¹	138	152	83	-8.8%	66.9%	426	345	375	488	23.3%	-8.0%	-23.2%
Operating profit	143	118	100	21.7%	43.5%	395	432	390	463	-8.6%	10.8%	-15.8%
Net profit (loss)	97	52	36	86.1%	169.3%	140	215	167	245	-34.9%	28.7%	-31.8%
Shareholders' equity	2,748	2,462	2,404	11.6%	14.3%	2,462	2,371	2,287	2,239	3.8%	3.7%	2.1%
Regulatory capital	5,160	4,868	4,773	6.0%	8.1%	4,868	4,742	4,664	4,218	2.7%	1.7%	10.6%
Client cash holdings	787	330	518	138.8%	51.9%	330	688	304	493	-52.1%	126.3%	-38.3%
Productivity² (\$ thousands)	799	1,338	959	-40.3%	-16.8%	1,023	1,021	3,350	1,272	0.2%	-69.5%	163.4%
Annual return³ (%)	14.1	8.5	6.0	5.6%	8.1%	5.7	9.1	9.7	10.9	-3.4%	-0.7%	-1.2%

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

² Annual revenue per employee.

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



/// 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		
	Q1 12	Q4 11	Q1 11	Q1/Q4 11	Q1 12/11	2011	2010	2009	2008	11/10	10/09	09/08
Number of firms	33	34	34	-2.9%	-2.9%	34	35	35	34	-2.9%	0.0%	2.9%
Number of employees	5,718	6,114	6,235	-6.5%	-8.3%	6,114	6,231	6,072	6,018	-1.9%	2.6%	0.9%
Revenue												
Commissions	140	137	208	1.9%	-32.6%	662	675	605	659	-1.9%	11.6%	-8.2%
<i>Mutual fund only commissions</i>	74	71	82	5.2%	-9.9%	302	285	227	268	6.0%	25.6%	-15.3%
Investment banking	52	51	73	2.3%	-28.9%	233	271	192	156	-14.1%	41.1%	23.1%
<i>New issues equity</i>	39	34	57	15.9%	-31.7%	163	195	128	107	-16.4%	52.3%	19.6%
<i>New issues debt</i>	10	13	14	-26.3%	-26.9%	57	61	48	27	-6.2%	27.1%	77.8%
<i>Corporate advisory fees</i>	3	4	3	-17.5%	23.8%	12	16	17	22	-22.5%	-5.9%	-22.7%
Fixed income trading	14	4	29	297.4%	-50.7%	57	71	134	136	-20.0%	-47.0%	-1.5%
Equity trading	4	4	8	12.3%	-46.9%	-5	40	42	-50	-111.6%	-4.8%	184.0%
Net interest	16	21	23	-22.4%	-30.8%	93	62	49	104	49.7%	26.5%	-52.9%
Fees	84	85	87	-1.3%	-3.4%	354	321	288	292	10.4%	11.5%	-1.4%
Other	17	15	24	11.9%	-31.1%	96	71	57	58	35.5%	24.6%	-1.7%
Operating revenue	327	316	452	3.5%	-27.6%	1,491	1,511	1,367	1,356	-1.3%	10.5%	0.8%
Operating expenses¹	180	204	219	-11.4%	-17.8%	847	819	752	780	3.4%	8.9%	-3.6%
Operating profit	17	-19	57	189.9%	-69.9%	51	117	122	29	-56.2%	-4.1%	320.7%
Net profit (loss)	4	-19	22	122.7%	-80.2%	-7	34	31	-29	-120.2%	9.7%	206.9%
Shareholders' equity	607	798	886	-24.0%	-31.5%	798	900	804	894	-11.3%	11.9%	-10.1%
Regulatory capital	874	1,051	1,904	-16.9%	-54.1%	1,051	1,115	987	1,094	-5.8%	13.0%	-9.8%
Client cash holdings	2,868	3,791	3,929	-24.3%	-27.0%	3,791	3,890	3,620	2,745	-2.6%	7.5%	31.9%
Productivity² (\$ thousands)	229	207	290	10.6%	-21.0%	244	242	225	225	0.5%	7.7%	-0.1%
Annual return³ (%)	2.8	-9.5	9.8	12.3%	-6.9%	-0.9	3.8	3.9	-3.2	-4.7%	-0.1%	7.1%

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

² Annual revenue per employee.

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



/// 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		
	Q1 12	Q4 11	Q1 11	Q1/Q4 11	Q1 12/11	2011	2010	2009	2008	11/10	10/09	09/08
Number of firms	75	78	80	-3.8%	-6.3%	78	81	82	88	-3.7%	-1.2%	-6.8%
Number of employees	5,559	5,610	5,952	-0.9%	-6.6%	5,610	5,938	5,890	5,919	-5.5%	0.8%	-0.5%
Revenue												
Commissions	124	111	161	11.9%	-23.3%	540	533	440	480	1.4%	21.1%	-8.3%
<i>Mutual fund only commissions</i>	47	40	60	17.6%	-20.8%	204	192	148	172	6.1%	29.7%	-14.0%
Investment banking	20	20	34	0.1%	-41.8%	106	110	73	110	-4.0%	50.7%	-33.6%
<i>New issues equity</i>	16	16	29	0.4%	-45.1%	89	94	73	69	-4.8%	28.8%	5.8%
<i>New issues debt</i>	2	2	2	5.8%	9.9%	9	9	8	9	4.8%	12.5%	-11.1%
<i>Corporate advisory fees</i>	2	2	3	-9.8%	-46.3%	7	7	-8	32	-4.1%	187.5%	-125.0%
Fixed income trading	4	6	6	-27.6%	-26.5%	29	20	35	34	44.8%	-42.9%	2.9%
Equity trading	6	4	22	60.5%	-72.1%	22	43	38	-6	-49.7%	13.2%	733.3%
Net interest	16	15	18	2.6%	-11.5%	69	51	42	89	35.0%	21.4%	-52.8%
Fees	66	145	71	-54.2%	-6.1%	376	302	256	375	24.6%	18.0%	-31.7%
Other	19	13	19	41.6%	-4.3%	84	66	81	140	27.7%	-18.5%	-42.1%
Operating revenue	255	313	331	-18.8%	-23.1%	1,226	1,125	966	1,222	9.0%	16.5%	-20.9%
Operating expenses¹	150	150	162	0.0%	-7.7%	635	609	580	614	4.3%	5.0%	-5.5%
Operating profit	-37	75	39	-149.6%	-195.0%	170	105	57	216	62.1%	84.2%	-73.6%
Net profit (loss)	-35	11	21	-421.9%	-269.4%	28	-1	-27	21	2942.9%	96.3%	-228.6%
Shareholders' equity	310	364	396	-14.7%	-21.6%	364	395	420	173	-7.9%	-6.0%	142.8%
Regulatory capital	520	560	574	-7.1%	-9.4%	560	582	593	650	-3.8%	-1.9%	-8.8%
Client cash holdings	1,087	1,130	910	-3.8%	19.4%	1,130	930	886	1,448	21.5%	5.0%	-38.8%
Productivity² (\$ thousands)	183	223	222	-18.0%	-17.7%	219	189	164	206	15.3%	15.5%	-20.6%
Annual return³ (%)	-45.5	12.0	21.0	-57.5%	-66.5%	7.8	-0.3	-6.4	12.1	8.1%	6.2%	-18.6%

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

² Annual revenue per employee.

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



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