

2013

Q2

## Securities Industry Performance

## Industry

(\$ millions unless otherwise noted)

	Quarter-over-Quarter					Annual Year-over-Year						
	Quarters			% Change		Years				% Change		
	Q2 13	Q1 13	Q2 12	Q2/Q1	Q2 13/12	2012	2011	2010	2009	12/11	11/10	10/09
<b>Number of firms</b>	194	192	198	1.0%	-2.0%	196	201	201	200	-2.5%	0.0%	0.5%
<b>Number of employees</b>	39,571	39,380	40,267	0.5%	-1.7%	39,555	40,427	39,917	39,894	-2.2%	1.3%	0.1%
<b>Revenue</b>												
<b>Commissions</b>	1,386	1,417	1,238	-2.1%	12.0%	5,117	5,817	5,631	5,052	-12.0%	3.3%	11.5%
<i>Mutual fund only commissions</i>	611	621	527	-1.6%	16.0%	2,175	2,156	1,950	1,605	0.9%	10.6%	21.5%
<b>Investment banking</b>	711	800	709	-11.1%	0.3%	3,565	3,977	4,029	3,915	-10.4%	-1.3%	2.9%
<i>New issues equity</i>	319	365	313	-12.5%	1.8%	1,782	2,165	2,234	2,356	-17.7%	-3.1%	-5.2%
<i>New issues debt</i>	229	175	228	30.9%	0.2%	816	826	809	653	-1.2%	2.1%	23.9%
<i>Corporate advisory fees</i>	164	260	168	-37.1%	-2.4%	967	986	986	906	-1.9%	0.0%	8.8%
<b>Fixed income trading</b>	477	472	317	0.9%	50.5%	1,176	1,064	1,173	2,109	10.5%	-9.3%	-44.4%
<b>Equity trading</b>	-160	175	-191	-191.6%	16.0%	118	-1	267	459	n/a	-100.5%	-41.8%
<b>Net interest</b>	469	427	286	9.7%	64.0%	1,131	1,376	1,054	914	-17.8%	30.5%	15.3%
<b>Fees</b>	889	865	785	2.8%	13.3%	3,206	3,094	2,721	2,385	3.6%	13.7%	14.1%
<b>Other</b>	209	207	180	1.0%	16.2%	1,020	810	1,004	1,473	25.9%	-19.4%	-31.8%
<b>Operating revenue</b>	3,981	4,363	3,324	-8.8%	19.8%	15,332	16,136	15,878	16,306	-5.0%	1.6%	-2.6%
<b>Operating expenses<sup>1</sup></b>	1,844	1,818	1,787	1.4%	3.2%	7,249	7,355	6,825	6,555	-1.4%	7.8%	4.1%
<b>Operating profit</b>	1,017	1,390	510	-26.8%	99.4%	3,806	4,273	4,789	5,987	-10.9%	-10.8%	-20.0%
<b>Net profit (loss)</b>	347	515	279	-32.7%	24.4%	2,155	2,036	2,395	2,869	5.8%	-15.0%	-16.5%
<b>Shareholders' equity</b>	17,643	17,219	15,915	2.5%	10.9%	17,087	15,269	16,988	15,225	11.9%	-10.1%	11.6%
<b>Regulatory capital</b>	17,689	17,270	33,664	2.4%	-47.5%	34,343	30,383	31,647	29,559	13.0%	-4.0%	7.1%
<b>Client cash holdings</b>	40,658	38,594	37,366	5.3%	8.8%	38,684	39,304	37,952	36,816	-1.6%	3.6%	3.1%
<b>Client debt margin outstanding</b>	16,158	15,531	13,667	4.0%	18.2%	14,432	13,458	13,731	11,048	7.2%	-2.0%	24.3%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	402	443	330	-9.2%	21.9%	388	399	398	409	-2.9%	0.3%	-2.7%
<b>Annual return<sup>3</sup> (%)</b>	7.9	12.0	7.0	-4.1%	0.9%	12.6	13.3	14.1	18.8	-0.7%	-0.8%	-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.

2013

Q2

Securities Industry Performance

1 of 9

## 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		
	Q2 13	Q1 13	Q2 12	Q2/Q1	Q2 13/12	2012	2011	2010	2009	12/11	11/10	10/09
<b>Number of firms</b>	11	11	11	0.0%	0.0%	11	11	11	11	0.0%	0.0%	0.0%
<b>Number of employees</b>	25,169	24,990	25,720	0.7%	-2.1%	25,146	25,595	24,955	25,131	-1.8%	2.6%	-0.7%
<b>Revenue</b>												
<b>Commissions</b>	971	991	869	-2.0%	11.8%	3,597	3,921	3,767	3,384	-8.3%	4.1%	11.3%
<i>Mutual fund only commissions</i>	468	474	416	-1.1%	12.6%	1,711	1,654	1,471	1,226	3.5%	12.4%	20.0%
<b>Investment banking</b>	521	595	525	-12.5%	-0.8%	2,596	2,726	2,566	2,598	-4.8%	6.2%	-1.2%
<i>New issues equity</i>	231	282	234	-17.9%	-1.4%	1,325	1,390	1,311	1,587	-4.7%	6.0%	-17.4%
<i>New issues debt</i>	190	136	187	39.8%	1.6%	659	699	682	546	-5.7%	2.5%	24.9%
<i>Corporate advisory fees</i>	99	178	103	-44.0%	-3.6%	612	637	573	465	-4.0%	11.2%	23.2%
<b>Fixed income trading</b>	389	347	289	12.4%	34.9%	1,031	800	960	1,690	29.0%	-16.7%	-43.2%
<b>Equity trading</b>	-140	137	-91	-202.2%	-53.8%	166	25	38	332	556.3%	-33.5%	-88.6%
<b>Net interest</b>	374	334	236	12.1%	58.2%	942	1,165	906	790	-19.2%	28.6%	14.7%
<b>Fees</b>	679	649	590	4.6%	15.1%	2,400	2,189	1,994	1,764	9.6%	9.8%	13.0%
<b>Other</b>	127	138	116	-7.6%	9.9%	618	456	415	1,233	35.4%	9.9%	-66.3%
<b>Operating revenue</b>	2,922	3,190	2,534	-8.4%	15.3%	11,350	11,283	10,645	11,792	0.6%	6.0%	-9.7%
<b>Operating expenses<sup>1</sup></b>	1,221	1,215	1,202	0.5%	1.6%	4,817	4,818	4,497	4,300	0.0%	7.1%	4.6%
<b>Operating profit</b>	832	1,078	520	-22.8%	60.0%	3,219	3,212	3,127	4,782	0.2%	2.7%	-34.6%
<b>Net profit (loss)</b>	322	507	306	-36.4%	5.4%	1,978	1,801	1,610	2,422	9.8%	11.9%	-33.5%
<b>Shareholders' equity</b>	12,823	12,377	10,776	3.6%	19.0%	11,902	10,475	11,585	10,029	13.6%	-9.6%	15.5%
<b>Regulatory capital</b>	12,826	12,392	24,259	3.5%	-47.1%	24,989	22,155	22,882	21,372	12.8%	-3.2%	7.1%
<b>Client cash holdings</b>	34,599	32,384	31,733	6.8%	9.0%	33,018	33,088	31,677	31,451	-0.2%	4.5%	0.7%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	464	511	394	-9.0%	17.8%	451	441	427	469	2.4%	3.3%	-9.1%
<b>Annual return<sup>3</sup> (%)</b>	<b>10.1</b>	<b>16.4</b>	<b>11.4</b>	<b>-6.3%</b>	<b>-1.3%</b>	<b>16.6</b>	<b>17.2</b>	<b>13.9</b>	<b>24.1</b>	<b>-0.6%</b>	<b>3.3%</b>	<b>-10.3%</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.



## /// 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		
	Q2 13	Q1 13	Q2 12	Q2/Q1	Q2 13/12	2012	2011	2010	2009	12/11	11/10	10/09
<b>Number of firms</b>	82	81	80	1.2%	2.5%	79	78	74	72	1.3%	5.4%	2.8%
<b>Number of employees</b>	3,027	3,075	3,279	-1.6%	-7.7%	3,115	3,108	2,793	2,801	0.2%	11.3%	-0.3%
<b>Revenue</b>												
<b>Commissions</b>	141	142	141	-0.9%	0.0%	558	693	655	623	-19.4%	5.7%	5.1%
<b>Investment banking</b>	143	156	140	-8.1%	2.0%	756	912	1,082	1,052	-17.1%	-15.7%	2.9%
<i>New issues equity</i>	63	54	54	15.3%	16.2%	315	523	634	568	-39.8%	-17.5%	11.6%
<i>New issues debt</i>	22	28	26	-20.7%	-16.0%	103	60	58	51	71.6%	3.7%	13.7%
<i>Corporate advisory fees</i>	59	74	60	-20.5%	-2.8%	338	329	390	433	2.6%	-15.6%	-9.9%
<b>Fixed income trading</b>	76	101	23	-24.8%	224.0%	93	179	122	249	-48.1%	46.7%	-51.0%
<b>Equity trading</b>	-20	38	-92	-151.3%	78.6%	-61	-44	145	46	-38.8%	-130.1%	215.2%
<b>Net interest</b>	60	59	17	1.9%	244.7%	63	49	35	33	29.5%	39.0%	6.1%
<b>Fees</b>	45	57	43	-22.1%	2.6%	190	174	104	77	9.4%	67.4%	35.1%
<b>Other</b>	36	25	26	40.4%	35.3%	263	173	453	101	52.2%	-61.8%	348.5%
<b>Operating revenue</b>	480	578	300	-16.9%	60.0%	1,863	2,136	2,596	2,182	-12.8%	-17.7%	19.0%
<b>Operating expenses<sup>1</sup></b>	284	273	263	4.0%	8.0%	1,133	1,056	899	923	7.3%	17.4%	-2.6%
<b>Operating profit</b>	160	252	1	-36.3%	12456.4%	605	839	1,440	1,025	-27.8%	-41.7%	40.5%
<b>Net profit (loss)</b>	30	3	2	760.2%	1504.3%	276	213	752	444	29.6%	-71.7%	69.4%
<b>Shareholders' equity</b>	3,865	3,910	3,993	-1.2%	-3.2%	3,982	3,632	4,108	3,972	9.6%	-11.6%	3.4%
<b>Regulatory capital</b>	3,908	3,953	7,772	-1.1%	-49.7%	7,735	6,617	7,068	6,607	16.9%	-6.4%	7.0%
<b>Client cash holdings</b>	1,727	2,005	1,806	-13.9%	-4.3%	1,756	1,296	1,306	859	35.5%	-0.7%	52.0%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	635	752	366	-15.6%	73.4%	598	687	929	779	-13.0%	-26.1%	19.3%
<b>Annual return<sup>3</sup> (%)</b>	<b>3.1</b>	<b>0.4</b>	<b>0.2</b>	<b>2.7%</b>	<b>2.9%</b>	<b>6.9</b>	<b>5.9</b>	<b>18.3</b>	<b>11.2</b>	<b>1.0%</b>	<b>-12.4%</b>	<b>7.1%</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.



## 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		
	Q2 13	Q1 13	Q2 12	Q2/Q1	Q2 13/12	2012	2011	2010	2009	12/11	11/10	10/09
<b>Number of firms</b>	101	100	107	1.0%	-5.6%	106	112	116	117	-5.4%	-3.4%	-0.9%
<b>Number of employees</b>	11,375	11,315	11,268	0.5%	0.9%	11,294	11,724	12,169	11,962	-3.7%	-3.7%	1.7%
<b>Revenue</b>												
<b>Commissions</b>	275	284	229	-3.2%	20.1%	961	1,203	1,208	1,045	-20.1%	-0.4%	15.6%
<i>Mutual fund only commissions</i>	141	145	113	-3.1%	25.0%	471	506	478	375	-6.9%	5.8%	27.5%
<b>Investment banking</b>	47	48	44	-2.8%	7.3%	212	338	381	265	-37.2%	-11.2%	43.8%
<i>New issues equity</i>	25	29	25	-12.0%	0.3%	142	253	289	201	-43.8%	-12.6%	43.8%
<i>New issues debt</i>	16	11	15	51.4%	11.8%	53	67	69	56	-20.0%	-3.4%	23.2%
<i>Corporate advisory fees</i>	5	9	4	-39.2%	35.5%	17	19	23	8	-10.6%	-16.9%	187.5%
<b>Fixed income trading</b>	12	25	5	-54.4%	145.9%	52	86	91	169	-39.9%	-5.8%	-46.2%
<b>Equity trading</b>	-1	0	-9	-513.0%	85.8%	13	17	84	81	-25.0%	-79.8%	3.7%
<b>Net interest</b>	35	35	32	0.3%	8.7%	126	162	113	91	-22.0%	43.1%	24.2%
<b>Fees</b>	166	159	151	4.4%	9.4%	616	731	623	544	-15.7%	17.3%	14.5%
<b>Other</b>	46	44	38	5.2%	22.5%	139	180	137	138	-23.0%	31.7%	-0.7%
<b>Operating revenue</b>	579	595	490	-2.8%	18.2%	2,119	2,717	2,637	2,322	-22.0%	3.0%	13.6%
<b>Operating expenses<sup>1</sup></b>	339	330	322	2.7%	5.2%	1,300	1,482	1,428	1,332	-12.3%	3.8%	7.2%
<b>Operating profit</b>	25	61	-11	-58.6%	328.6%	-18	221	222	180	-108.2%	-0.2%	23.3%
<b>Net profit (loss)</b>	-5	5	-29	-213.1%	81.2%	-99	22	33	3	-559.6%	-34.7%	1000.0%
<b>Shareholders' equity</b>	956	931	1,145	2.6%	-16.5%	1,202	1,162	1,295	1,224	3.5%	-10.3%	5.8%
<b>Regulatory capital</b>	955	925	1,633	3.3%	-41.5%	1,619	1,610	1,697	1,580	0.5%	-5.1%	7.4%
<b>Client cash holdings</b>	4,332	4,204	3,827	3.0%	13.2%	3,910	4,920	4,820	4,506	-20.5%	2.1%	7.0%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	204	211	174	-3.3%	17.1%	188	232	217	194	-19.0%	6.9%	11.6%
<b>Annual return<sup>3</sup> (%)</b>	-2.3	2.1	-10.2	-4.4%	7.9%	-8.2	1.9	2.5	0.2	-10.1%	-0.6%	2.3%

<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.



## 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		
	Q2 13	Q1 13	Q2 12	Q2/Q1	Q2 13/12	2012	2011	2010	2009	12/11	11/10	10/09
<b>Number of firms</b>	59	58	57	1.7%	3.5%	56	57	54	52	-1.8%	5.6%	3.8%
<b>Number of employees</b>	2,053	2,105	2,268	-2.5%	-9.5%	2,122	2,279	2,013	2,090	-6.9%	13.2%	-3.7%
<b>Revenue</b>												
<b>Commissions</b>	90	91	90	-1.3%	0.4%	362	470	448	439	-22.8%	4.8%	2.1%
<b>Investment banking</b>	84	77	100	8.5%	-16.0%	478	666	781	684	-28.3%	-14.7%	14.2%
<i>New issues equity</i>	43	48	48	-10.0%	-11.3%	265	481	574	468	-44.9%	-16.1%	22.6%
<i>New issues debt</i>	5	9	13	-40.8%	-59.4%	41	25	17	17	62.8%	49.6%	0.0%
<i>Corporate advisory fees</i>	36	21	39	71.3%	-7.7%	171	159	190	198	7.5%	-16.2%	-4.0%
<b>Fixed income trading</b>	7	5	7	45.5%	-0.6%	34	13	17	38	152.3%	-21.8%	-55.3%
<b>Equity trading</b>	-25	-18	-45	-40.2%	44.2%	-67	-44	101	113	-52.2%	-143.3%	-10.6%
<b>Net interest</b>	9	8	7	10.0%	36.7%	24	28	20	19	-14.9%	40.0%	5.3%
<b>Fees</b>	24	36	20	-31.9%	20.2%	98	101	93	69	-3.6%	9.0%	34.8%
<b>Other</b>	17	23	13	-28.0%	25.6%	184	54	341	25	243.6%	-84.3%	1264.0%
<b>Operating revenue</b>	206	223	191	-7.5%	7.5%	1,113	1,288	1,801	1,388	-13.6%	-28.5%	29.8%
<b>Operating expenses<sup>1</sup></b>	148	137	149	7.4%	-0.9%	601	630	554	548	-4.6%	13.7%	1.1%
<b>Operating profit</b>	32	41	16	-21.5%	105.0%	321	444	1,008	635	-27.7%	-56.0%	58.7%
<b>Net profit (loss)</b>	-9	-16	-14	45.0%	34.4%	113	73	536	277	54.9%	-86.4%	93.5%
<b>Shareholders' equity</b>	1,202	1,218	1,241	-1.3%	-3.1%	1,270	1,171	1,737	1,685	8.5%	-32.6%	3.1%
<b>Regulatory capital</b>	1,228	1,243	2,594	-1.2%	-52.7%	2,597	1,749	2,325	1,943	48.5%	-24.8%	19.7%
<b>Client cash holdings</b>	904	989	968	-8.6%	-6.6%	894	967	618	555	-7.5%	56.4%	11.4%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	401	423	338	-5.2%	18.8%	524	565	895	664	-7.2%	-36.8%	34.7%
<b>Annual return<sup>3</sup> (%)</b>	-3.0	-5.4	-4.4	2.4%	1.4%	8.9	6.2	30.9	16.4	2.7%	-24.7%	14.4%

<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.



## 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		
	Q2 13	Q1 13	Q2 12	Q2/Q1	Q2 13/12	2012	2011	2010	2009	12/11	11/10	10/09
<b>Number of firms</b>	23	23	23	0.0%	0.0%	23	21	20	20	9.5%	5.0%	0.0%
<b>Number of employees</b>	974	970	1,011	0.4%	-3.7%	993	829	780	711	19.8%	6.3%	9.7%
<b>Revenue</b>												
<b>Commissions</b>	51	51	51	-0.1%	-0.6%	196	223	208	183	-12.3%	7.2%	13.7%
<b>Investment banking</b>	60	79	41	-24.3%	46.1%	278	246	301	367	12.9%	-18.1%	-18.0%
<i>New issues equity</i>	20	7	6	193.3%	251.7%	50	42	60	99	20.1%	-30.7%	-39.4%
<i>New issues debt</i>	17	19	13	-11.6%	25.0%	62	35	41	34	78.0%	-15.3%	20.6%
<i>Corporate advisory fees</i>	23	53	22	-56.6%	5.9%	167	170	200	234	-2.1%	-14.9%	-14.5%
<b>Fixed income trading</b>	69	96	16	-28.2%	318.2%	59	166	106	212	-64.2%	56.3%	-50.0%
<b>Equity trading</b>	6	56	-46	-89.9%	112.2%	6	0	44	-67	n/a	-99.7%	165.7%
<b>Net interest</b>	51	51	11	0.6%	375.5%	39	21	15	14	89.8%	37.7%	7.1%
<b>Fees</b>	20	22	23	-6.2%	-12.7%	93	73	11	8	27.6%	561.0%	37.5%
<b>Other</b>	19	2	13	881.3%	45.5%	79	119	111	76	-33.8%	7.5%	46.1%
<b>Operating revenue</b>	275	356	109	-22.8%	152.5%	750	848	796	794	-11.5%	6.5%	0.3%
<b>Operating expenses<sup>1</sup></b>	137	136	115	0.6%	19.4%	532	426	345	375	25.0%	23.3%	-8.0%
<b>Operating profit</b>	128	210	-15	-39.2%	979.8%	284	395	432	390	-28.0%	-8.6%	10.8%
<b>Net profit (loss)</b>	39	20	16	95.3%	148.2%	163	140	215	167	16.4%	-34.9%	28.7%
<b>Shareholders' equity</b>	2,662	2,692	2,753	-1.1%	-3.3%	2,712	2,462	2,371	2,287	10.2%	3.8%	3.7%
<b>Regulatory capital</b>	2,680	2,710	5,178	-1.1%	-48.2%	5,138	4,868	4,742	4,664	5.5%	2.7%	1.7%
<b>Client cash holdings</b>	823	1,016	838	-19.0%	-1.7%	863	330	688	304	161.7%	-52.1%	126.3%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	1,128	1,466	430	-23.1%	162.1%	755	1,023	1,021	3,350	-26.1%	0.2%	-69.5%
<b>Annual return<sup>3</sup> (%)</b>	<b>5.8</b>	<b>2.9</b>	<b>2.3</b>	<b>2.9%</b>	<b>3.6%</b>	<b>6.0</b>	<b>5.7</b>	<b>9.1</b>	<b>9.7</b>	<b>0.3%</b>	<b>-3.4%</b>	<b>-0.7%</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.



## /// 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		
	Q2 13	Q1 13	Q2 12	Q2/Q1	Q2 13/12	2012	2011	2010	2009	12/11	11/10	10/09
<b>Number of firms</b>	31	31	33	0.0%	-6.1%	33	34	35	35	-2.9%	-2.9%	0.0%
<b>Number of employees</b>	5,491	5,507	5,709	-0.3%	-3.8%	5,547	6,114	6,231	6,072	-9.3%	-1.9%	2.6%
<b>Revenue</b>												
<b>Commissions</b>	143	146	119	-2.4%	19.5%	503	662	675	605	-24.1%	-1.9%	11.6%
<i>Mutual fund only commissions</i>	84	85	67	-1.8%	24.3%	284	302	285	227	-6.0%	6.0%	25.6%
<b>Investment banking</b>	34	32	28	8.0%	21.4%	142	233	271	192	-39.0%	-14.1%	41.1%
<i>New issues equity</i>	15	15	13	-3.8%	12.9%	88	163	195	128	-46.2%	-16.4%	52.3%
<i>New issues debt</i>	16	9	13	68.6%	18.7%	45	57	61	48	-21.0%	-6.2%	27.1%
<i>Corporate advisory fees</i>	4	7	2	-46.8%	100.3%	9	12	16	17	-26.6%	-22.5%	-5.9%
<b>Fixed income trading</b>	14	22	-3	-36.4%	588.7%	29	57	71	134	-48.8%	-20.0%	-47.0%
<b>Equity trading</b>	-2	-2	-7	-17.8%	74.7%	3	-5	40	42	163.9%	-111.6%	-4.8%
<b>Net interest</b>	18	18	17	-0.1%	10.5%	64	93	62	49	-30.7%	49.7%	26.5%
<b>Fees</b>	91	86	84	6.6%	8.2%	340	354	321	288	-4.0%	10.4%	11.5%
<b>Other</b>	21	20	16	2.5%	34.5%	64	96	71	57	-33.2%	35.5%	24.6%
<b>Operating revenue</b>	319	322	254	-0.9%	25.7%	1,146	1,491	1,511	1,367	-23.1%	-1.3%	10.5%
<b>Operating expenses<sup>1</sup></b>	189	182	178	4.2%	6.1%	719	847	819	752	-15.1%	3.4%	8.9%
<b>Operating profit</b>	11	17	-19	-35.2%	156.5%	-15	51	117	122	-129.7%	-56.2%	-4.1%
<b>Net profit (loss)</b>	-4	-7	-21	35.8%	79.5%	-51	-7	34	31	-635.0%	-120.2%	9.7%
<b>Shareholders' equity</b>	670	638	583	5.0%	14.8%	643	798	900	804	-19.4%	-11.3%	11.9%
<b>Regulatory capital</b>	668	631	858	6.0%	-22.1%	838	1,051	1,115	987	-20.3%	-5.8%	13.0%
<b>Client cash holdings</b>	2,875	2,849	2,817	0.9%	2.1%	2,783	3,791	3,890	3,620	-26.6%	-2.6%	7.5%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	233	234	178	-0.6%	30.7%	207	244	242	225	-15.3%	0.5%	7.7%
<b>Annual return<sup>3</sup> (%)</b>	-2.6	-4.3	-14.7	1.7%	12.1%	-7.9	-0.9	3.8	3.9	-7.0%	-4.7%	-0.1%

<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.

## /// 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		
	Q2 13	Q1 13	Q2 12	Q2/Q1	Q2 13/12	2012	2011	2010	2009	12/11	11/10	10/09
<b>Number of firms</b>	70	69	74	1.4%	-5.4%	73	78	81	82	-6.4%	-3.7%	-1.2%
<b>Number of employees</b>	5,884	5,808	5,559	1.3%	5.8%	5,747	5,610	5,938	5,890	2.4%	-5.5%	0.8%
<b>Revenue</b>												
<b>Commissions</b>	132	138	110	-4.1%	20.7%	458	540	533	440	-15.2%	1.4%	21.1%
<i>Mutual fund only commissions</i>	57	60	45	-5.0%	26.1%	187	204	192	148	-8.2%	6.1%	29.7%
<b>Investment banking</b>	13	17	16	-23.1%	-18.0%	70	106	110	73	-33.4%	-4.0%	50.7%
<i>New issues equity</i>	10	13	12	-21.5%	-13.4%	54	89	94	73	-39.4%	-4.8%	28.8%
<i>New issues debt</i>	1	2	2	-51.3%	-49.3%	8	9	9	8	-13.6%	4.8%	12.5%
<i>Corporate advisory fees</i>	2	2	2	-11.1%	-21.3%	8	7	7	-8	18.9%	-4.1%	187.5%
<b>Fixed income trading</b>	-2	4	8	-154.6%	-128.0%	22	29	20	35	-22.4%	44.8%	-42.9%
<b>Equity trading</b>	1	2	-1	-67.4%	142.6%	10	22	43	38	-54.8%	-49.7%	13.2%
<b>Net interest</b>	17	17	16	0.7%	6.7%	62	69	51	42	-10.4%	35.0%	21.4%
<b>Fees</b>	74	73	67	1.7%	10.9%	276	376	302	256	-26.7%	24.6%	18.0%
<b>Other</b>	25	23	22	7.5%	14.0%	75	84	66	81	-11.4%	27.7%	-18.5%
<b>Operating revenue</b>	260	273	236	-5.0%	10.1%	973	1,226	1,125	966	-20.6%	9.0%	16.5%
<b>Operating expenses<sup>1</sup></b>	150	148	143	0.8%	4.2%	581	635	609	580	-8.6%	4.3%	5.0%
<b>Operating profit</b>	14	44	8	-67.4%	76.7%	-3	170	105	57	-101.8%	62.1%	84.2%
<b>Net profit (loss)</b>	-1	12	-8	-109.4%	85.9%	-48	28	-1	-27	-270.3%	2942.9%	96.3%
<b>Shareholders' equity</b>	286	294	562	-2.5%	-49.1%	559	364	395	420	53.7%	-7.9%	-6.0%
<b>Regulatory capital</b>	287	294	774	-2.5%	-63.0%	782	560	582	593	39.7%	-3.8%	-1.9%
<b>Client cash holdings</b>	1,457	1,355	1,011	7.5%	44.2%	1,127	1,130	930	886	-0.3%	21.5%	5.0%
<b>Productivity<sup>2</sup> (\$ thousands)</b>	177	188	170	-6.2%	4.0%	169	219	189	164	-22.5%	15.3%	15.5%
<b>Annual return<sup>3</sup> (%)</b>	-1.5	16.0	-5.6	-17.5%	4.0%	-8.7	7.8	-0.3	-6.4	-16.5%	8.1%	6.2%

<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.





## 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  
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



**IIACACCVM**

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