

2018

Q2

Securities Industry Performance

Industry

(\$ millions unless otherwise noted)

	Quarter-over-Quarter					Annual Year-over-Year						
	Quarters			% Change		Years				% Change		
	Q2 18	Q1 18	Q2 17	Q2/Q1	Q2 18/17	2017	2016	2015	2014	17/16	16/15	15/14
Number of firms	163	166	166	-1.8%	-1.8%	166	163	168	175	1.84%	-2.98%	-4.0%
Number of employees	42,002	41,265	40,989	1.8%	2.5%	40,865	40,130	39,936	39,918	1.83%	0.49%	0.0%
Revenue												
Commissions	1,412	1,531	1,431	-7.8%	-1.3%	5,697	5,715	5,838	5,800	-0.32%	-2.11%	0.7%
<i>Mutual fund only commissions</i>	602	624	646	-3.5%	-6.8%	2,541	2,567	2,840	2,576	-1.00%	-9.60%	10.2%
Investment banking	1,079	793	1,006	36.1%	7.2%	3,610	3,744	3,246	3,793	-3.57%	15.33%	-14.4%
<i>New issues equity</i>	457	354	485	28.9%	-5.8%	1,681	1,994	1,578	2,057	-15.71%	26.39%	-23.3%
<i>New issues debt</i>	292	177	258	65.5%	13.4%	928	783	814	801	18.47%	-3.81%	1.6%
<i>Corporate advisory fees</i>	329	262	264	25.9%	24.8%	1,002	967	855	934	3.62%	13.15%	-8.5%
Fixed income trading	534	284	218	88.3%	145.1%	1,021	1,439	1,466	1,644	-29.03%	-1.81%	-10.9%
Equity trading	-238	1,063	40	NM	NM	-331	129	8	243	-356%	1547%	-96.8%
Net interest	535	503	332	6.4%	61.1%	1,500	1,070	864	839	40.19%	23.86%	3.0%
Fees	2,026	1,999	1,758	1.3%	15.2%	7,240	5,998	5,343	4,614	20.71%	12.26%	15.8%
Other	313	357	232	-12.2%	35.1%	1,110	1,356	980	983	-18.17%	38.37%	-0.3%
Operating revenue⁴	5,839	5,650	5,228	3.3%	11.7%	21,156	20,275	17,754	17,915	4.35%	14.20%	-0.9%
Operating expenses¹	2,270	2,306	2,169	-1.6%	4.7%	8,588	8,405	8,086	7,739	2.17%	3.95%	4.5%
Operating profit⁴	1,986	1,717	1,547	15.7%	28.4%	6,479	6,335	4,228	4,866	2.28%	49.84%	-13.1%
Net profit (loss)	1,131	952	859	18.8%	31.6%	3,710	3,504	2,063	2,382	5.87%	69.85%	-13.4%
Shareholders' equity	27,077	26,169	24,666	3.5%	9.8%	25,514	23,117	28,373	45,367	10.37%	-18.52%	-37.5%
Regulatory capital	38,654	38,403	39,217	0.7%	-1.4%	37,281	39,009	44,951	62,363	-4.43%	-13.22%	-27.9%
Client cash holdings	57,921	59,686	57,618	-3.0%	0.5%	62,026	59,944	50,677	45,291	3.47%	18.29%	11.9%
Client debt margin outstanding	29,455	31,168	25,886	-5.5%	13.8%	26,267	23,740	21,173	18,913	10.64%	12.12%	12.0%
Productivity² (\$ thousands)	556	548	510	1.5%	9.0%	518	505	445	449	2.47%	13.65%	-0.9%
Annual return³ (%)	17	15	13.9	14.8%	19.9%	15	15	7.3	5.2	-4.07%	108.46%	2.0%

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.

⁴ 2017 includes non-recurring gains from OTC Derivatives Trading.

2018

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 18	Q1 18	Q2 17	Q2/Q1	Q2 18/17	2017	2016	2015	2014	17/16	16/15	15/14
Number of firms	10	10	10	0.0%	0.0%	10	10	10	10	0.00%	0.00%	0.0%
Number of employees	26,118	25,548	26,293	2.2%	-0.7%	25,391	25,886	25,590	25,430	-1.91%	1.16%	0.6%
Revenue												
Commissions	925	1,004	965	-7.9%	-4.1%	3,810	3,871	4,019	3,920	-1.57%	-3.69%	2.5%
<i>Mutual fund only commissions</i>	420	436	480	-3.9%	-12.6%	1,858	1,928	2,145	1,916	-3.61%	-10.13%	12.0%
Investment banking	804	537	728	49.8%	10.5%	2,606	2,722	2,291	2,749	-4.27%	18.81%	-16.7%
<i>New issues equity</i>	327	214	359	52.5%	-8.9%	1,202	1,448	1,158	1,540	-17.00%	25.04%	-24.8%
<i>New issues debt</i>	231	150	205	54.4%	12.7%	760	634	652	659	19.89%	-2.81%	-1.0%
<i>Corporate advisory fees</i>	246	173	164	42.6%	50.2%	644	640	481	550	0.58%	33.13%	-12.6%
Fixed income trading	472	212	136	122.8%	247.4%	732	1,162	1,168	1,243	-37.04%	-0.55%	-6.0%
Equity trading	-441	1,072	87	NM	NM	-676	-183	-69	83	-269.65%	-164.51%	-183.1%
Net interest	451	425	291	6.1%	55.0%	1,311	954	746	686	37.38%	27.90%	8.7%
Fees	1,589	1,543	1,390	3.0%	14.3%	5,638	4,691	4,226	3,590	20.18%	11.01%	17.7%
Other	182	211	116	-13.6%	57.1%	690	967	565	601	-28.68%	71.10%	-5.9%
Operating revenue⁴	4,349	4,077	3,885	6.7%	11.9%	15,663	15,188	13,041	12,873	3.13%	16.47%	1.3%
Operating expenses¹	1,594	1,596	1,493	-0.1%	6.8%	5,920	5,808	5,561	5,290	1.93%	4.44%	5.1%
Operating profit⁴	1,654	1,340	1,277	23.4%	29.5%	5,322	5,241	3,327	3,572	1.55%	57.55%	-6.9%
Net profit (loss)	995	785	752	26.7%	32.3%	3,302	3,099	1,752	2,014	6.56%	76.88%	-13.0%
Shareholders' equity	21,645	20,769	19,425	4.2%	11.4%	19,987	17,973	23,420	40,082	11.21%	-23.26%	-41.6%
Regulatory capital	30,145	29,856	31,007	1.0%	-2.8%	28,733	30,896	37,167	53,841	-7.00%	-16.87%	-31.0%
Client cash holdings	48,836	50,164	49,110	-2.6%	-0.6%	52,117	51,281	43,294	38,448	1.63%	18.45%	12.6%
Productivity² (\$ thousands)	666	638	591	4.3%	12.7%	617	587	510	506	5.14%	15.14%	0.7%
Annual return³ (%)	18	15	15.5	21.6%	18.7%	17	17	7.5	5.0	-4.18%	130.48%	2.5%

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.

⁴ 2017 includes non-recurring gains from OTC Derivatives Trading.



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 18	Q1 18	Q2 17	Q2/Q1	Q2 18/17	2017	2016	2015	2014	17/16	16/15	15/14
Number of firms	62	64	66	-3.1%	-6.1%	65	66	68	71	-1.52%	-2.94%	-4.2%
Number of employees	2,336	2,306	2,439	1.3%	-4.2%	2,333	2,384	2,701	2,951	-2.14%	-11.74%	-8.5%
Revenue												
Commissions	131	136	141	-3.9%	-7.2%	542	598	579	617	-9.34%	3.33%	-6.1%
Investment banking	185	168	193	10.1%	-4.1%	720	804	755	830	-10.43%	6.52%	-9.0%
<i>New issues equity</i>	76	72	76	5.1%	-0.4%	300	408	315	387	-26.56%	29.46%	-18.5%
<i>New issues debt</i>	39	17	35	133.5%	11.3%	105	88	99	85	18.86%	-11.15%	16.1%
<i>Corporate advisory fees</i>	71	80	82	-11.3%	-14.0%	316	307	341	358	2.90%	-9.86%	-4.8%
Fixed income trading	37	39	54	-4.1%	-30.7%	174	159	237	328	9.66%	-32.99%	-27.6%
Equity trading	196	-15	-50	NM	NM	310	288	69	151	7.61%	317.24%	-54.4%
Net interest	4	4	-5	3.3%	-174.4%	-12	-20	-19	-67	39.71%	-3.32%	71.2%
Fees	41	57	59	-28.0%	-30.0%	229	260	216	242	-11.89%	20.19%	-10.6%
Other	57	59	62	-3.5%	-7.9%	179	176	222	203	1.84%	-20.69%	9.2%
Operating revenue	464	497	493	-6.6%	-5.9%	1,897	2,265	2,059	2,303	-16.23%	10.02%	-10.6%
Operating expenses¹	245	258	286	-5.1%	-14.4%	1,068	1,135	1,103	1,100	-5.89%	2.88%	0.2%
Operating profit	179	198	167	-9.9%	6.9%	656	957	775	965	-31.49%	23.53%	-19.7%
Net profit (loss)	58	77	62	-24.8%	-6.9%	170	286	208	235	-40.46%	37.53%	-11.7%
Shareholders' equity	3,696	3,687	3,867	0.2%	-4.4%	3,861	3,825	3,779	4,261	0.95%	1.22%	-11.3%
Regulatory capital	6,265	6,339	6,348	-1.2%	-1.3%	6,378	6,310	6,160	6,997	1.07%	2.43%	-12.0%
Client cash holdings	2,276	2,615	2,424	-13.0%	-6.1%	2,528	2,512	2,483	2,453	0.65%	1.16%	1.2%
Productivity² (\$ thousands)	794	861	809	-7.8%	-1.8%	813	950	762	780	-14.39%	24.64%	-2.3%
Annual return³ (%)	6	8	6.4	-25.0%	-2.6%	4	7	5.5	5.5	-37.00%	27.20%	0.0%

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.

⁴ 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		
	Q2 18	Q1 18	Q2 17	Q2/Q1	Q2 18/17	2017	2016	2015	2014	17/16	16/15	15/14
Number of firms	91	92	90	-1.1%	1.1%	91	87	90	94	4.60%	-3.33%	-4.3%
Number of employees	13,548	13,411	12,257	1.0%	10.5%	13,141	11,860	11,645	11,537	10.80%	1.85%	0.9%
Revenue												
Commissions	356	391	325	-8.9%	9.5%	1,344	1,246	1,240	1,263	7.88%	0.44%	-1.8%
<i>Mutual fund only commissions</i>	181	186	164	-2.5%	10.4%	677	632	681	644	7.05%	-7.21%	5.7%
Investment banking	89	88	85	1.7%	4.6%	285	218	200	213	30.50%	8.79%	-6.1%
<i>New issues equity</i>	54	68	49	-20.2%	10.0%	179	138	104	130	29.85%	32.10%	-19.8%
<i>New issues debt</i>	22	10	19	116.3%	20.2%	63	60	63	57	4.83%	-4.14%	10.0%
<i>Corporate advisory fees</i>	12	9	17	35.1%	-27.6%	42	20	33	26	112.06%	-39.98%	27.6%
Fixed income trading	24	33	28	-25.4%	-12.5%	115	118	60	74	-2.33%	97.32%	-18.7%
Equity trading	7	5	4	26.8%	83.4%	36	24	8	8	48.90%	200.34%	-1.0%
Net interest	80	74	46	7.9%	74.7%	201	136	137	220	48.13%	-0.99%	-37.6%
Fees	395	399	310	-0.8%	27.6%	1,374	1,047	901	783	31.19%	16.21%	15.1%
Other	74	87	53	-14.6%	39.3%	241	213	193	178	13.04%	10.43%	8.1%
Operating revenue	1,020	1,076	857	-5.2%	19.0%	3,490	3,002	2,740	2,740	16.24%	9.57%	0.0%
Operating expenses¹	431	452	391	-4.7%	10.4%	1,599	1,462	1,422	1,348	9.37%	2.84%	5.4%
Operating profit	148	179	108	-17.5%	36.6%	395	319	212	329	23.86%	50.63%	-35.6%
Net profit (loss)	78	90	45	-13.1%	75.1%	237	119	103	132	99.23%	15.56%	-22.1%
Shareholders' equity	1,736	1,713	1,374	1.3%	26.3%	1,666	1,319	1,174	1,025	26.29%	12.36%	14.6%
Regulatory capital	2,244	2,208	1,862	1.6%	20.6%	2,170	1,802	1,623	1,526	20.42%	11.00%	6.4%
Client cash holdings	6,809	6,906	6,084	-1.4%	11.9%	7,380	6,151	4,900	4,389	19.98%	25.53%	11.6%
Productivity² (\$ thousands)	301	321	280	-6.2%	7.7%	266	253	235	237	4.96%	7.53%	-0.9%
Annual return³ (%)	18	21	13.0	-14.2%	38.6%	14	9	8.8	12.9	58.14%	2.60%	-4.1%

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.

⁴ 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		
	Q2 18	Q1 18	Q2 17	Q2/Q1	Q2 18/17	2017	2016	2015	2014	17/16	16/15	15/14
Number of firms	36	37	38	-2.7%	-5.3%	37	41	45	47	-9.76%	-8.89%	-4.3%
Number of employees	1,359	1,352	1,465	0.5%	-7.2%	1360	1,481	1,751	1,981	-8.17%	-15.42%	-11.6%
Revenue												
Commissions	85	86	88	-1.1%	-3.7%	337	384	372	434	-12.29%	3.31%	-14.3%
Investment banking	88	115	70	-23.2%	26.4%	308	412	376	490	-25.20%	9.45%	-23.2%
<i>New issues equity</i>	59	56	45	4.6%	30.1%	194	245	201	324	-20.75%	21.96%	-38.0%
<i>New issues debt</i>	9	6	7	65.1%	34.0%	24	24	23	26	0.90%	2.69%	-11.4%
<i>Corporate advisory fees</i>	21	53	19	-61.6%	8.0%	90	143	152	140	-37.21%	-6.04%	8.8%
Fixed income trading	3	4	5	-31.3%	-46.7%	13	15	-7	28	-14.86%	320.95%	-124.4%
Equity trading	-3	0	-9	NM	-69.5%	14	27	-17	-26	-48.34%	258.32%	35.0%
Net interest	8	7	-1	3.7%	NM	7	3	17	15	117.67%	-81.99%	13.4%
Fees	10	10	24	-0.4%	-60.0%	106	154	120	137	-31.31%	28.67%	-12.8%
Other	10	15	11	-34.5%	-10.5%	45	69	68	62	-34.34%	0.87%	10.4%
Operating revenue	201	236	188	-15.2%	6.7%	830	1,064	929	1,139	-21.99%	14.53%	-18.5%
Operating expenses¹	110	111	120	-1.5%	-8.5%	455	560	558	573	-18.83%	0.33%	-2.6%
Operating profit	60	95	38	-36.7%	58.3%	239	365	223	365	-34.65%	63.65%	-38.8%
Net profit (loss)	7	41	3	-83.4%	129.6%	0	99	-20	52	-99.53%	595.32%	-138.5%
Shareholders' equity	749	750	746	-0.2%	0.4%	713	822	913	1,377	-13.22%	-9.92%	-33.7%
Regulatory capital	1,037	1,020	994	1.7%	4.3%	991	1,078	1,162	1,963	-8.05%	-7.26%	-40.8%
Client cash holdings	1,103	1,302	1,210	-15.3%	-8.9%	1,318	1,269	1,428	1,467	3.84%	-11.14%	-2.7%
Productivity² (\$ thousands)	590	700	513	-15.6%	15.0%	610	719	531	575	-15.11%	35.51%	-7.7%
Annual return³ (%)	4	22	1.6	-83.3%	128.7%	0	12	-2.2	3.8	-99.46%	647.87%	-6.0%

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.

⁴ 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		
	Q2 18	Q1 18	Q2 17	Q2/Q1	Q2 18/17	2017	2016	2015	2014	17/16	16/15	15/14
Number of firms	26	27	28	-3.7%	-7.1%	28	25	23	24	12.00%	8.70%	-4.2%
Number of employees	977	954	974	2.4%	0.3%	973	903	950	970	7.75%	-4.95%	-2.1%
Revenue												
Commissions	46	51	53	-8.7%	-12.9%	205	214	207	183	-4.04%	3.38%	13.1%
Investment banking	97	53	123	82.2%	-21.4%	412	392	378	339	5.09%	3.61%	11.5%
<i>New issues equity</i>	17	16	32	7.2%	-46.4%	105	164	114	63	-35.70%	43.50%	82.4%
<i>New issues debt</i>	30	11	28	168.9%	5.6%	80	64	76	59	25.60%	-15.43%	28.4%
<i>Corporate advisory fees</i>	50	26	64	91.7%	-21.8%	226	164	188	218	37.87%	-12.94%	-13.5%
Fixed income trading	35	35	49	-1.1%	-29.1%	162	144	244	300	12.21%	-41.00%	-18.6%
Equity trading	199	-15	-42	NM	NM	296	260	86	178	13.83%	202.05%	-51.5%
Net interest	-4	-4	-4	4.1%	-0.3%	-19	-22	-36	-82	15.51%	38.92%	56.1%
Fees	32	48	35	-33.6%	-9.4%	123	106	97	105	16.33%	9.69%	-7.6%
Other	47	44	51	7.0%	-7.3%	134	107	154	141	25.17%	-30.30%	8.6%
Operating revenue	263	260	304	1.2%	-13.4%	1,067	1,201	1,130	1,164	-11.14%	6.32%	-2.9%
Operating expenses¹	135	147	166	-7.9%	-18.7%	614	575	545	527	6.71%	5.49%	3.4%
Operating profit	118	103	130	14.8%	-9.0%	417	591	552	601	-29.43%	7.12%	-8.1%
Net profit (loss)	51	35	59	43.7%	-13.9%	170	187	228	184	-9.19%	-17.96%	24.2%
Shareholders' equity	2,947	2,937	3,122	0.4%	-5.6%	3,148	3,003	2,866	2,884	4.82%	4.76%	-0.6%
Regulatory capital	5,228	5,319	5,354	-1.7%	-2.3%	5,387	5,232	4,998	5,034	2.95%	4.69%	-0.7%
Client cash holdings	1,174	1,313	1,214	-10.6%	-3.3%	1,211	1,244	1,055	986	-2.68%	17.89%	7.1%
Productivity² (\$ thousands)	1,078	1,090	1,248	-1.2%	-13.7%	1,097	1,330	1,189	1,200	-17.53%	11.85%	-0.9%
Annual return³ (%)	7	5	7.6	43.2%	-8.8%	5	6	8.0	6.4	-10.09%	-24.55%	1.6%

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.

⁴ 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		
	Q2 18	Q1 18	Q2 17	Q2/Q1	Q2 18/17	2017	2016	2015	2014	17/16	16/15	15/14
Number of firms	30	30	28	0.0%	7.1%	29	27	27	29	7.41%	0.00%	-6.9%
Number of employees	6,187	6,165	6,050	0.4%	2.3%	5,982	5,893	5,827	5,706	1.51%	1.13%	2.1%
Revenue												
Commissions	192	214	186	-10.3%	3.3%	753	719	683	657	4.78%	5.22%	4.1%
<i>Mutual fund only commissions</i>	104	107	107	-2.6%	-2.7%	421	408	426	396	3.20%	-4.29%	7.6%
Investment banking	59	65	64	-8.5%	-7.5%	204	149	150	156	36.75%	-0.89%	-3.5%
<i>New issues equity</i>	30	47	30	-35.7%	1.3%	111	77	65	80	44.46%	17.71%	-18.2%
<i>New issues debt</i>	20	10	18	109.5%	12.5%	60	57	60	54	4.54%	-4.48%	11.2%
<i>Corporate advisory fees</i>	9	8	16	10.3%	-46.5%	33	15	25	22	119.59%	-40.61%	13.7%
Fixed income trading	18	26	22	-29.1%	-17.6%	90	89	44	49	0.71%	104.47%	-10.3%
Equity trading	3	3	3	-12.7%	-2.0%	21	12	2	-2	74.86%	551.47%	185.0%
Net interest	52	47	29	10.4%	79.6%	124	78	83	149	59.06%	-5.52%	-44.4%
Fees	208	211	173	-1.5%	20.0%	734	560	497	433	30.99%	12.66%	14.7%
Other	28	30	22	-9.5%	25.4%	92	85	82	85	8.67%	3.66%	-3.0%
Operating revenue	560	596	505	-6.1%	10.8%	2,018	1,692	1,541	1,525	19.25%	9.82%	1.0%
Operating expenses¹	240	250	228	-3.9%	5.4%	908	846	829	755	7.29%	2.10%	9.7%
Operating profit	107	125	77	-14.8%	38.4%	327	176	105	188	85.77%	68.08%	-44.3%
Net profit (loss)	60	65	34	-6.7%	77.4%	174	70	31	95	148.82%	124.38%	-67.2%
Shareholders' equity	1,014	987	847	2.8%	19.8%	940	793	716	668	18.58%	10.78%	7.2%
Regulatory capital	1,292	1,263	1,131	2.2%	14.2%	1,213	1,076	972	906	12.77%	10.71%	7.3%
Client cash holdings	5,025	5,160	4,676	-2.6%	7.5%	5,196	4,711	3,521	3,139	10.30%	33.80%	12.2%
Productivity² (\$ thousands)	362	387	334	-6.5%	8.4%	337	287	264	267	17.53%	8.54%	-1.1%
Annual return³ (%)	24	26	16.1	-9.2%	48.1%	19	9	4.4	14.2	105.81%	106.51%	-9.9%

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.

⁴ 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		
	Q2 18	Q1 18	Q2 17	Q2/Q1	Q2 18/17	2017	2016	2015	2014	17/16	16/15	15/14
Number of firms	61	62	62	-1.6%	-1.6%	62	60	63	65	3.33%	-4.76%	-3.1%
Number of employees	7,361	7,246	6,207	1.6%	18.6%	7,159	5,967	5,818	5,831	19.98%	2.56%	-0.2%
Revenue												
Commissions	164	177	139	-7.3%	18.0%	591	527	557	607	12.11%	-5.41%	-8.2%
<i>Mutual fund only commissions</i>	77	79	57	-2.4%	35.6%	255	224	255	248	14.04%	-12.10%	2.7%
Investment banking	30	23	21	30.7%	42.5%	81	68	50	57	18.73%	35.90%	-12.9%
<i>New issues equity</i>	24	21	20	15.0%	19.2%	68	60	39	50	13.27%	53.63%	-22.4%
<i>New issues debt</i>	2	1	0	NM	NM	3	3	3	3	10.20%	2.74%	-9.2%
<i>Corporate advisory fees</i>	4	1	1	NM	NM	9	5	8	4	89.46%	-37.99%	106.0%
Fixed income trading	6	7	6	-12.0%	5.6%	26	29	16	25	-11.68%	78.22%	-34.9%
Equity trading	4	2	1	95.5%	279.3%	15	12	6	10	22.95%	95.15%	-39.9%
Net interest	28	27	17	3.6%	64.6%	77	58	55	72	33.42%	5.83%	-23.6%
Fees	188	188	137	0.1%	37.1%	640	487	404	349	31.42%	20.58%	15.6%
Other	46	56	32	-17.3%	45.0%	148	128	111	94	15.94%	15.43%	18.0%
Operating revenue	461	480	359	-4.0%	28.4%	1,472	1,309	1,199	1,214	12.45%	9.16%	-1.2%
Operating expenses¹	191	202	163	-5.7%	17.1%	691	617	593	593	12.06%	4.05%	0.0%
Operating profit	41	54	39	-23.8%	5.2%	68	143	107	141	-52.33%	33.57%	-24.0%
Net profit (loss)	18	25	11	-29.4%	61.4%	63	50	72	37	25.82%	-30.35%	93.2%
Shareholders' equity	721	726	527	-0.7%	36.8%	725	526	458	357	37.92%	14.82%	28.4%
Regulatory capital	952	945	731	0.8%	30.3%	956	726	652	620	31.75%	11.42%	5.1%
Client cash holdings	1,784	1,746	1,408	2.2%	26.7%	2,184	1,440	1,379	1,251	51.65%	4.41%	10.3%
Productivity² (\$ thousands)	250	265	231	-5.5%	8.2%	206	219	206	208	-6.11%	6.25%	-1.0%
Annual return³ (%)	10	14	8.3	-29.0%	17.9%	9	10	15.7	10.4	-13.29%	-36.18%	5.3%

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.

⁴ 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.

We want to hear from you. Send suggestions for future editions and feedback to capitalmarkets@iiac.ca.

Jack Rando, CFA
Managing Director,
Capital Markets
jrando@iiac.ca
T 416.687.5477

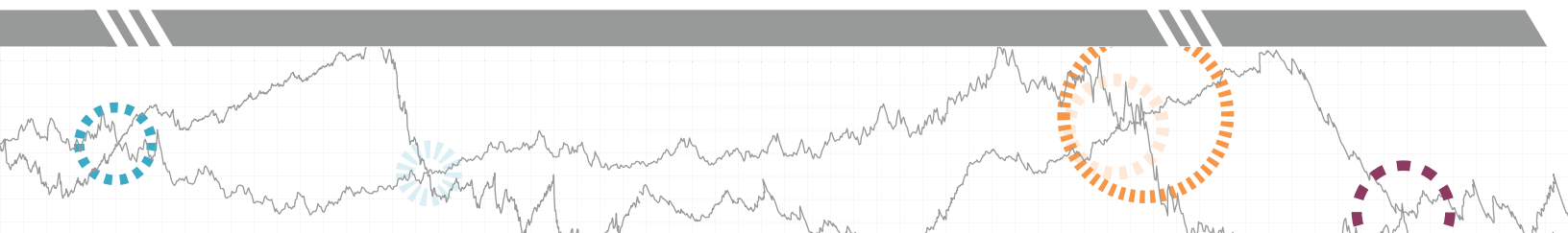


Addresses

Toronto (Head Office)
100 Wellington St W
Suite 1910
Toronto, ON M5K 1H6
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



IIAC ACCVM

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