



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

News Release

For immediate release

Securities Industry Performance: Markets Weaken First Quarter Results

Toronto, May 28, 2008 – Earnings for firms in the Canadian securities industry fell sharply in the first quarter due to difficult market conditions. Today, the Investment Industry Association of Canada (IIAC) released its publication [Securities Industry Performance](#) for the first quarter of 2008, revealing a 9% drop in operating revenues and 15% drop in operating profits from the previous quarter, and 14% and 37% declines respectively year over year. Investment banking revenues, which fell 34% on the quarter, lead a broad-based decline in most of the industry's main business lines. The fall-off in performance this quarter will make it a challenge for the industry to extend its current streak of five consecutive years of record-setting performance.

“The downturn comes as little surprise given the sharp collapse in share prices, perceived vulnerabilities in the global financial system and uncertainties in the economic and financial outlook,” said Ian Russell, President and CEO, IIAC. “Industry fundamentals are sound. Business conditions for the securities industry will strengthen as credit and economic conditions recover and confidence in the markets is restored,” concluded Mr. Russell.

Securities Industry Performance is available online at www.iiac.ca.

The Investment Industry Association of Canada (IIAC) advances the position of the Canadian investment industry on regulatory and public policy issues. As the professional association for the industry, IIAC has a mandate to promote efficient, fair and competitive capital markets for Canada while helping its member firms across the country succeed in the industry.

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For more information:
Katie O'Dell
Public Affairs Consultant
Tel. (416) 687-5478
kodell@iiac.ca