



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

News Release

For immediate release

Canadian debt markets steered through the turbulence

Toronto, March 28, 2008 – There is no doubt that the late summer re-pricing of global credit risk reverberated through the Canadian financial system. Due to the augmented volatility, corporate financings in the second half took a step back. More specifically, Maple issuance accounted for only \$4.9 billion, 18% of the \$26.9 billion issued throughout the year. Similarly, asset-backed securities, which have been on the rise for the past four years, slowed tremendously down 65% year over year. The Investment Industry Association of Canada (IIAC) today released its periodical [*An Issue of Debt: Inside Canada's Debt Markets*](#) that included analysis and results for the year that was.

Nevertheless, debt financings reached new heights in 2007. Total debt issuance soared to \$205 billion, an increase of 10.7% year over year. And as financings accelerated, trading figures met the record reached in 2006. “All in all, it was a strong year for the debt markets. However, looking out, the direction of interest rates will be downward and global economies show signs of lower than anticipated growth,” said Ian Russell, President and CEO, IIAC. “The level of debt financings will likely moderate this year,” continued Russell.

The IIAC publication also recapitulates federal bankruptcy and insolvency statutes modernized to bring Canadian rules in line with the U.S. and the E.U., and the implementation of federal budget measures designed to address withholding taxes for cross-border interest payments.

The Investment Industry Association of Canada (IIAC), formerly the industry association arm of the Investment Dealers Association of Canada (IDA), 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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