



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

## NEWS RELEASE

**For immediate release**

### **Securities Industry Performance: Down, but not out**

Toronto, December 6, 2007 – Amid the fall-out in global credit markets and the resulting swings in equity markets, Canadian investment dealers experienced weakness in most business lines during the July to September period when compared to this year's earlier results. The Investment Industry Association of Canada (IIAC) today released its publication *Securities Industry Performance* for the third quarter of 2007, confirming the pullback. Operating revenues for the quarter totaled \$3.85 billion, off 14 per cent quarter over quarter.

“The third quarter was challenging for investors, issuers and investment dealers. However, continued strong fundamentals in the Canadian economy and record highs in commodities prices, such as oil and gold, foreshadow an encouraging outlook for the industry” said Ian Russell, President and CEO of the Investment Industry Association of Canada.

The widespread repricing of risk and the on going struggles of the asset-backed commercial paper market led to broad-based double-digit declines in most of the industry business lines during the quarter. Particularly hard hit were the investment banking and equity trading segments which were down 24 per cent and 120 per cent respectively for the quarter. Commission revenues were also negatively impacted, down 11 per cent quarter over quarter.

When compared to past third quarter performance the current results were exceptional, with operating revenues and operating profits exceeding the record levels set last year. “Despite the gyrations in the markets, the period's results represent the strongest third quarter on record and are a testament to the resilience of Canadian market participants.” concluded Russell.

Electronic copies of the *Securities Industry Performance* are available at [www.iiac.ca](http://www.iiac.ca).

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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