



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

News Release

For immediate release

Securities Industry Performance: Canadian securities industry weathers the 2007 storm

Toronto, March 7, 2007 – Total earnings for Canadian investment dealers bounced back from the challenging third quarter to finish 2007 on solid ground. Today, the Investment Industry Association of Canada (IIAC) released its publication *Securities Industry Performance* for the fourth quarter, showing operating revenues amounting to \$4.28 billion, an increase of 11% over the previous quarter. For the year, the industry delivered strong results that culminated in record performance.

“Despite the obstacles in 2007, notably volatile equity markets and unsettled credit conditions, the industry still delivered extraordinary returns for the year,” said Ian Russell, President and CEO, IIAC.

Most of the industry’s main business lines experienced growth in 2007, albeit at a more moderate pace than the year before. Strong mutual fund, fee based, and investment banking revenues highlighted the banner year. Proprietary trading was the only segment to miss the mark. Catapulted by the results of a stellar first half, the securities industry posted a record operating profit for the year.

With 2007 now behind us, performance in 2008 will depend on how quickly the trouble in the credit markets will subside. “Fortunately, investors and issuers have shown resilience in weathering difficult conditions and the industry’s diversification across business lines will cushion earnings volatility,” concluded Russell.

Electronic copies of the *Securities Industry Performance* are available at 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, the Investment Industry Association 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.

- 30 -

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