

H-RXUQDO RI 7D[5HVHDFK YRO QR SS

&DSLWDO JDLQV WD[DWLRQ LQ
HYROXWLRQ LQ D IHGHUDO VH

)UDQoRLV 9DLOODQFRXUW

WKH LQWHUDFWLRQ EHWZHHQ FDSLWDO JDLQV WD[DWLRQ DQG SURYLQFLDO V

LQ DQG WR WR LQ DQG WKHUHDIWHU

7KH DUWLFOH ZLOO VWDUW E\ VHWWLQJ RXW D EULHI KLVWRU\ RI FDSLWDO JDLQV
RI WKH WKUHH LWHPV PHQWLRQHG DERYH ZLOO EH FDUULHG RXW IROORZHG E\ D

.H\ ZRU6DSLWDO JDLQV GHDK WD[HV OLIHWLPH H[HPSWLRQ LQFOXVLRQ UDWH

(PHULWXV SURIHVVURU HFRQRPLFV 8QLYHUVLWp GH 0RQWUpDO DQG
5HVHDFK DQG \$QDO\VLV RI 2UJDQL]DWLRQV &,5\$12
\$QDO\WV 8QLYHUVLW\ RI 6KHUEURRNH DQG DW WKH WLPH RI ZRUNL
8QLYHUVLWp GH 0RQWUpDO 7KLV DUWLFOH LV D UHYLVHG YHUVLRQ R

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

7DEOH ,PSRUWDQFH RI &DSLWDO *DLQV E\ \$PRXQW DQG
7HQ 6HOHFWHG <HUV &\$' ¶ QRPLQDO DQG

	\$	%	&	'	()
<H	7RWDO JDLQV DOO VF	7D[DE DPRXQ FDSLWE	1XPEHL SD\HU UHSRU FDSLWE	&DSL JDLQV WRW WD[D LQFR	RI WD[SD UHSRUV FDSLWE	RI WD[ILOHUV UHSRUWLQJ DO JDLQV
			Q D		Q D	Q D
			Q D		Q D	Q D
			Q D	Q D		Q D



H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

IRU HLWKHU UHYHQXH RU ³FDWFK XS'¶ ,Q RUGHU WR DY
VHHLQJ WKHLU FDSLWDO JDLQV WD[HG ERWK WKURXJKRXW
WKH DEROLWLRQ RI GHDWK WD[HV DQG WKH LQWURGXFW
RXW VLPXOWDQHRXVO\ DW WKH IHGHUDO OHYHO LQ
(GZDUG ,VODQG WKHQ WKH RWKHU WKUHH \$WODQWLF SU
GXWLHV \$OO SURYLQFHV DEROLVKHG VXFFHVLRQ GXWLH
HOLPLQDWHG WKH WD[LQ

7DEOH VKRZV WKH IHGHUDO DQG SURYLQFLDO VXFFHV

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&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

7KHUH GLPHQVLRQV RI /&*(DUH QRZ H[DPLQHG D LWV
LPSDFW RQ UHWLUPHQW LQFRPH DQG F LWV UHODWLR

7KH LPSDFW RI /&*(RQ LQYHVWPHQW

7KH JHQHUDOO\ DYDLODEOH /&*(ORZHUHG WKH HIIHFWLY
WD[DWLRQ 0F.HQ]LH DQG 7KRPSVRQ H[DPLQHG WKH
FRVW RI HTXLW\ ILQDQFLQJ RI FRUSRUDWLRQV LQ RUGHU
DYDLODEOH /&*(RQ LQYHVWPHQW 7KHLU PRGHO LV EDV

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

JHQHUDO SXEOLF 7KH\ GLG WKLV IRU WKH SHULF
/&*(\HDUV ,Q WKH FDVH RI IDUPHUV WKH\ QRWHG

,Q SULQFLSOH RQH PLJKW LPDJLQH WKDW WKH IDUP
WD[SUHIHUHQFH IRU UHWLUHPHQW VDYLQJV DYDLOD
QRW DSSHU WR EH WKH FDVH LQ SUDFWLFH \$OPR
EHQHILFLDULHV RI WKH IDUP /&*(PDGH DQ 5563
LQGLYLGXDOV LQ RXU IXOO VDPSOH « 0RUHRYH
DYHUDJH IDUPHU 5563 FRWULEXWLRQ ZDV DW OH
DYHUDJH 5563 FRWULEXWLRQ IRU WKH W\SLFDO LQ
ROG EHQHILFLDULHV DQG WKH PDMRULW\ RI EHQHI
IDUPHU 5563 FRWULEXWLRQ ZDV SHU FHQW KLJ
LQGLYLGXDO LQ RXU IXOO VDPSOH -RJ 6FKDOOHU

7KXV WKH HYLGHQFH GRHV QRW VXSSRUW WKH DUJXPHQ
5563 Q

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

)LJ 7KUH 7D[,QGLFDWRUV 3URSRUWLRQ RI &DQDGL

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

7DEOH ,PSRUWDQFH RI &DSLWDO *DLQV LQ &DSLWDO ,Q
,QWHUYDO &\$' PLOOLRQ FXUUHQW

<H DU	&DSLWDO JDLQV	&DSLWDO LQFRPH FDSLWDO LQFRPH	F

6RXUFH , &\$ PH WD[Y D/DLRLXWWLHFDU V

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

7DEOH ,PSRUWDQFH RI &DSLWDO *DLQV 7RS ,QFRPH *
3HULRG

<H	\$ RI WRWD JDLQV UHS WRS LQFRPH	% FDSLWDO FDSLWDO WKH WRS JURXS	& 6KDUH RI LQFRPH LQFRPH JURXS LQFRPH	PH RI WKH WRS LQ WRWDO

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

7DEOH SUHVHQWV WKH UHODWLYH LPSRUWDQFH LQ WH
FRPSRQHQWV RI WKH /&*(RYHU WLPH 7KH \HDU LV V

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

7DEOH &DSLWDO *DLQV 3HUVRQDO ,QFRPH 7D[([SHQGL
&DQDGD 6L[<HDFV ,QWHUYDO &\$' PLOOLRQ FXU

	\$	%	&	'
<HC	/&*(1RQQFOXVLRQ RI	3DUWLDO	7RWDORQ
H[HPSV	RQ	SULQFLSDO	RI FDSLW	H[SHQGLWXUH

TM

6

H-RXUQDO RI 7D[5HVHDFK

FUHGLW ZDWFK ZDUQLQJV DQG FRPSDULVRQV WKH &DQ
 IHGHUDO JRYHUQPHQW %XGJHW RI LQWURGXFHG F
 XQHPSOR\PHQW LQVXUDQFH GHIHQFH DQG LQWHUQDWLR
 DQG JHQHUDWHG VXUSOXVHV XQWLO 7KH XVH RI
 REMHFW RI SXEOLF SROLF\ GHEDWH 0LQW] DQG :LOVRQ
 3RVFKPDQQ SURSRVHG D UHGXFWRQ LQ WKH FDSLW
 WR 7KHLU UHDVRQLQJ ZDV WKDW EXVLQHVVHV FDC
 FDSLWDO JDLQV LPSOLFLO\ RU GLYLGHQGV H[SOLFLO
 SHUVRQDO ,QFRPH 7D[\$FW UHVXOWHG LQ GLYLGHQGV
 WUHDWPHQW WKDQ FDSLWDO JDLQV ZKHQ WKH LQFOXVLR
 ZDV \$ UHGXFWRQ LQ WKH LQFOXVLRQ UDWH ZRXOG F
 EHZZHHQ WKH WZR W\SHV RI LQFRPH LQ WHUPV RI WKHLU

W#v2QWDULR FRQWH[W RI WKH UHIRUPV

7XUQLQJ WR WKH 2QWDULR FRQWH[W LW VXIIHUG LQ
 LQ SDUW E\ HFRQRPLF GLIILFXOWLHV DVVRFLDWHG ZLWK
 6WDWHV)UHH 7UDGH \$JUHHPHQW &8)7\$ WKH SUHGHFHV
 7UDGH \$JUHHPHQW 1\$)7\$ RI 7KH OHIW OHDQLQJ S
 3DUW\ 1'3 JRYHUQPHQW LQ SRZHU WKHQ FKRVL WR LQFX
 GHEW WR VWLPXODWH WKH HFRQRP\ 7KH HOHFWLRQ
 &RQVHUFDWLYH 3& JRYHUQPHQW LQ ZDV DVVRFLDWH
 RI WKH SURYLQFLDO JRYHUQPHQW DQG WKXV SURYLQFLDO
 ZDV IRU PRUH DXWRQRP\ LQ FROOHFWLQJ SURYLQFLDO SI
 V RQZDUG WR %LUG 9DLOODQFRXUW SURYLQ
 FROOHFWV LWV SHUVRQDO LQFRPH WD[LWVHOI WD[HG SI
 D VXUWD[RQ WKH EDVLF IHGHUDO LQFRPH WD[μWD[RQ
 WKURXJK YDULRXV VXUWD[HV RU WD[FUHGLWV *XLPRQ
 JRYHUQPHQW DGPLQLVWHUHG ERWK IHGHUDO DQG SURYL
 FKDUJH ZLWK RQO\ RQH WD[IRUP IRU WD[SD\HUV WR ILC
 SURYLQFHV OLWWOH OHHZD\ LQ VHWWLQJ WKH SURJUHVV
 KDG WR XVH WKH VWUXFWXUH RI WKH IHGHUDO LQFRPH V
 HDFK EUDFNHW DQG IHGHUDO WD[UDWHV ± DV D EXLOGLQ
 RQ WD[V\VWHP 2QWDULR WKUHDWHQHG WR IROORZ LQ
 RZQ SHUVRQDO LQFRPH WD[7KH IHGHUDO JRYHUQPHQW
 SURYLQFHV V\VWHP WD[HEDWV RQ 2 WFKL QFRPH WD[pRQ/ LQFRPH
 LQFRPH WD[RRG HWRG HLGU WKHLU RZQ QXPEHU RI WD[EUD
 WKHLU UHVSHFWLYH UDWHV WKH\ ZHUH VWLOO WR EH UH

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

QXPHURXV IODZV LQ WKH V\WHP D LQFHQWLYHV WR
UHDOORFDWH DQG UHLQYHVW E D QHJDWLYH LPSDFW R
LQ &DQDGD DQG PRYHPHQW RI FDSLWDO LQ WKH LQWHUQ
IRU LQIODWLRQ RU WHPSRUDU\ LQFRPH VKRFNV DQG G
FRQVLGHUHG LQ JUHDWHU GHWDLO DV IROORZV

,Q WKH SUHVHQFH RI FDSLWDO JDLQV WD[HV LQYHVWR
DVVHWV XQWLO WKH UHWXUQ GLIIHUHQWLDO LV VXILFLH
RQ WKH GLVSRVDO RI DVVHWV \$EH\VNHUD 5RVHQEORR
DV WKH μORFN LQ HIIHFW¶ UHGXFHV WKH DPRXQW RI FD
5HGFWLRQV LQ WKH WD[UDWHV RQ FDSLWDO JDLQV UH
WKH FRVW RI VZLWFKLQJ GHFUHDVHV

&DSLWDO JDLQV WD[HV SRVH D VLJQLILFDQW FRQFHUQ
EXVLQHVVHV DQG VWDUW XSV DV WKH UHZDUG JLYHQ WR

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

\$WODQWLF SURYLQFHV 4XpEHF DQG 2QWDULR WKH VKDU
WD[ILOHUV ZKLOH LQ WKH :HVW SUDLULH SURYLQFHV D
REXHUYHG 7DEOH VKRZV D JURZWK LQ WKH VKDUH RI F
WRS LQFRPH JURXSV LQ RI FDSLWDO JDLQV ZHUH
WKDW DFFRXQW IRU RI WD[ILOHUV 7KLV FRQFHQWUD
SDUW WR ~~DQDGD~~ ~~WV~~ ~~RI~~ ~~Q~~ E\ VRPH DV D SRVVLEOH WDUJHW
LQWURGXFHG D QHZ PD[LXP SHU ~~VK~~ ~~D~~ ~~Q~~ ~~D~~ ~~Q~~ ~~R~~ ~~P~~ ~~H~~ ~~U~~ ~~D~~ ~~W~~ ~~B~~ ~~Q~~
2FWREHU ,Q WKH OHDG XS WR WKH IHGHUDO EXGJ
LQGLFDWHG WKDW WKH\ IHDUHG DQ LQFUHDVH LQ WKH LQ

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

7DEOH 6KDUH RI &DSLWDO *DLQV 7RS 7KUHH ,QFRPH *
DQG 9DOXH &DQDGD DQG

<U	±	±	
	1XPEHU	9DOXH	9DOXH

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

SODQQLQJ XVLQJ SULYDWH FRUSRUDWLRQV 2FWREHU

H-RXUQDO RI 7D[5HVHDFK

&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

-RJ 9 0 6FKDOOHU + μ5HWLUHPHQW LQFRPH DQG WKH OLIH
RI TXDOLILHG IDUP SURSHUW\ DQG VP &DQDGD &DQDGD &DQDGD
3ROLF\ \$QDO\ VH GHO3RO6W\$SXHSS 6 6

0F.HQ]LH . - 7KRPSVRQ \$ - μ7KH LPSDFW RI WKH FDSLWDO
&DQDGLDQ 3XEOLF 3ROLF\ \$QDO\ VH GHO3RO6W\$SXHSS 3RSLWLTXH

0LQLVWU\ RI)LQDQFH 20WDULR EXGJHW %DODQFHG EXGJHWV ± E
SDSHURURQRW 0D\ KWWS ZZZ DUFKLYHV JRY RQ FD HQ K
217\$5,2B B%8'*(7 SGI

0LQW] - 0 5LFKDUGVRQ 6 5 μ7KH OLIHWLPH &DQDGD JDLQV
3XEOLF 3ROLF\ \$QDO\ VH GHO3RO6W\$SXHSS 3RSLWLTXH

0LQW] - 0 :LOVRQ 7 \$ μ5HDOL]DWLRQ DQG UHYHQXH HIIHFW
&DQDGLDQ 3XEOLF 3ROLF\ \$QDO\ VH GHO3RO6W\$SXHSS 3RSLWLTXH

0LQW] - 0 :LOVRQ &DSLWDO]LQJ RQ FXWV &R+RDSL, QVWLWXWH
&RPPHQWU\ 1R)HEUXDU\
KWWSV ZZZ FGKRZH RUJ VLWHV GHIDXOW ILOHV DWWDFKPHQV

5REVRQ : % 0LQW] - 0 3RVFKPDQQ) %XGJHWLQJ IRU JUR
VPDUW ILVFDO SROLF\ &' +RZH ,QVWLWXWH &RPPHQW
KWWSV ZZZ FGKRZH RUJ VLWHV GHIDXOW ILOHV DWWDFKPHQV

5R\DO &RPPLVVLRQ RQ 7D[DWLRQ . &DQDGD &DQDGD &DQDGD
RQ 7D[DWLRQ 3ULQWHU 2WWDZD &DUWHU &RPPLVVLRQ

5XL] \$OPHQGUDO 9 9DLOODQFRXUW) μ&KRRVLQJ WR EH GL
WKH VXEQDWLRQDO OHYHO LQ &DQDGD DQG 6SDLQ ,QVWLWX