

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 GHDWK WD[HV OLIHWLPH H[HPSWLRQ LQFOXVLRQ UDWH

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(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



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&DSLWDO JDLQV WD[DWLRQ LQ &DQDGD

IRU HLWKHU UHYHQXH RU <sup>3</sup>FDWFK XS'¶ ,Q RUGHU WR DY  
VHHLQJ WKHLU FDSLWDO JDLQV WD[HG ERWK WKURXJKRXW  
WKH DEROLWLRQ RI GHDWK WD[HV DQG WKH LQWURGXF  
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

7KHUHH GLPHQVLRQV RI /&\*( DUH QRZ H[DPLQHG D LWV  
LPSDFW RQ UHWLUHPHQW 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

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&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 FRQWULEXWLRQ ZDV DW OH  
DYHUDJH 5563 FRQWULEXWLRQ IRU WKH W\SLFDO LQ  
ROG EHQHILFLDULHV DQG WKH PDMRULW\ RI EHQHI  
IDUPHU 5563 FRQWULEXWLRQ 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#2QWDULR FRQWH[W RI WKH UHIRUPV

7XUQLQJ WR WKH 2QWDULR FRQWH[W LW VXIIHUG LQ  
 LQ SDUW E\ HFRQRPLF GLILFXOWLHV 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  
 &RQVHUYDWLYH 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[ HEDWLRQ 2 WFKL QFRPH μWD[ pRQ/ LQFRPH  
 LQFRPH V\VWHP WD[ HEDWLRQ 2 WFKL QFRPH μWD[ pRQ/ LQFRPH  
 LQFRPH V\VWHP WD[ HEDWLRQ 2 WFKL QFRPH μWD[ pRQ/ LQFRPH  
 WKHLU UHVSHFWLYH UDWHV WKH\ ZHUH VWLOO WR EH UH



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&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\VHNHUD 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

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&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 ~~VKDD~~ ~~Q~~ ~~FRPH~~ ~~UW~~ ~~W~~ ~~B~~  
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	<del>9DOXH</del>	1XPEHU
			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