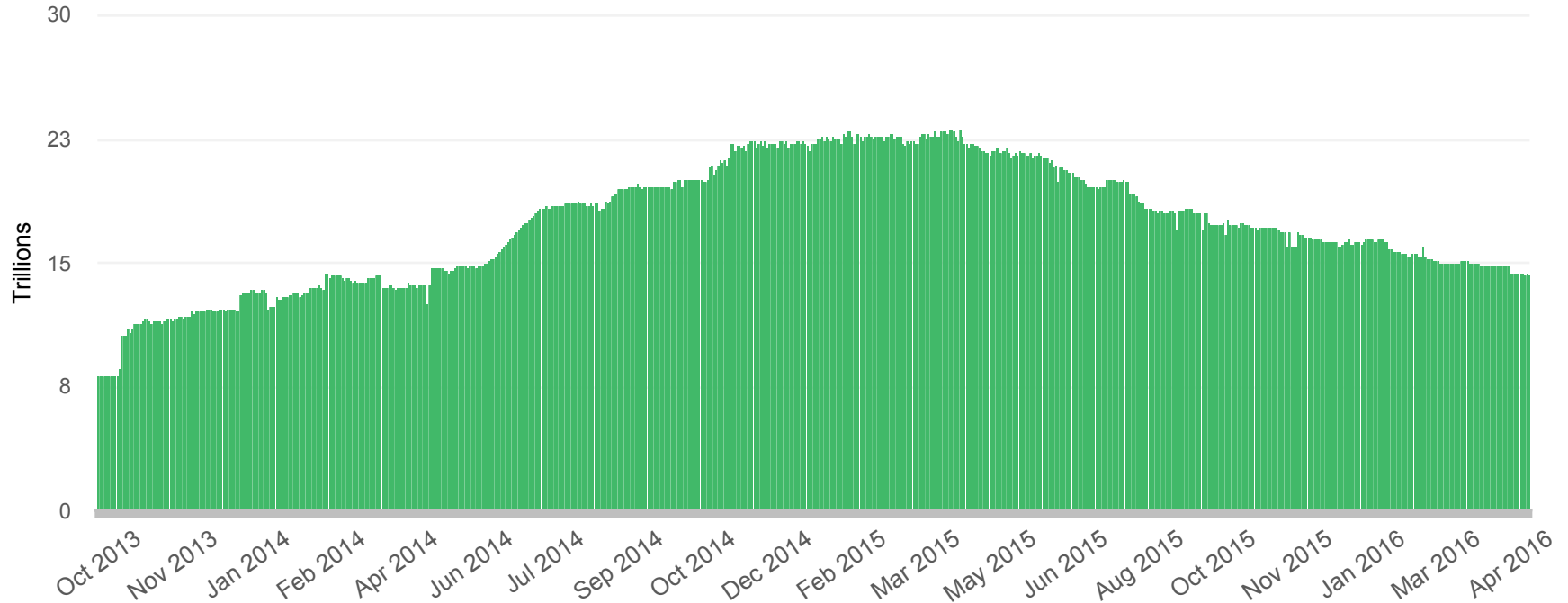


Introduction

- “The beginning of the end, or the end of the beginning”
- Current Trends
- Changes in our world
- Regional Differences
- Trends in Cash vs. Non-Cash
- What are the pointers for the future?

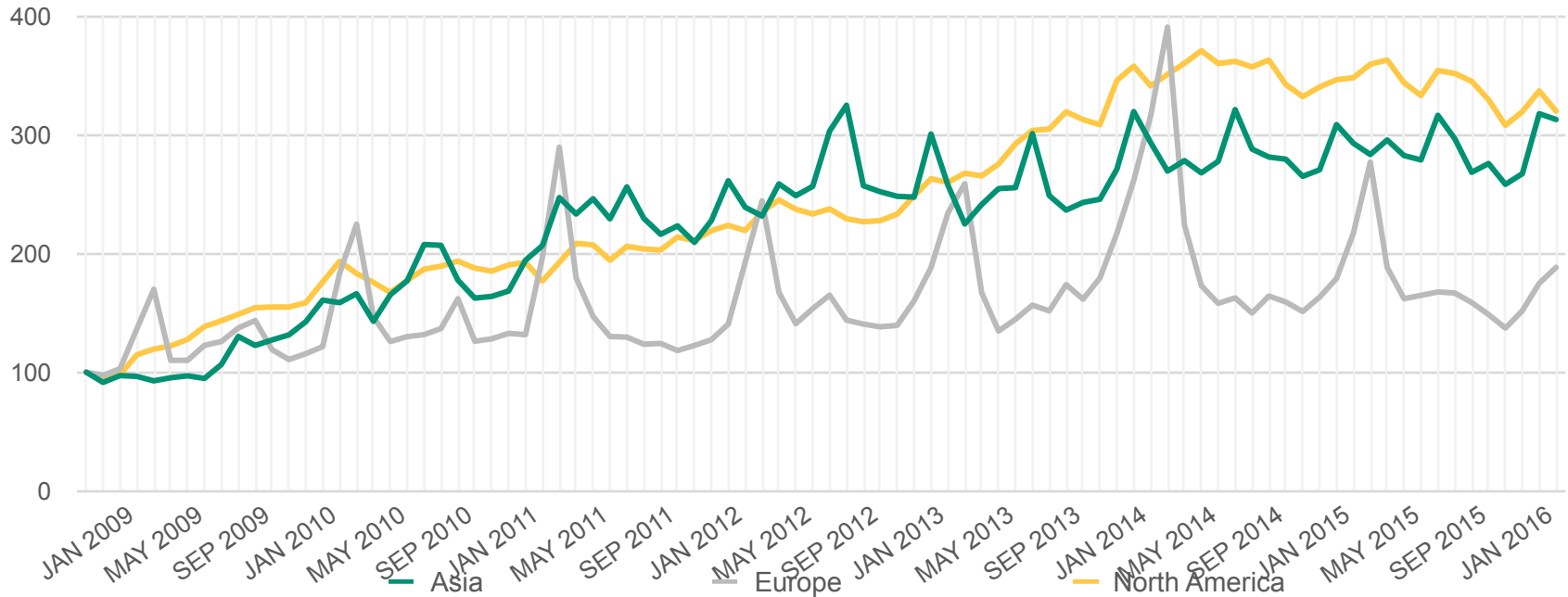
Global Availability - Declines in 2015

Available Assets - Shares / Par Value



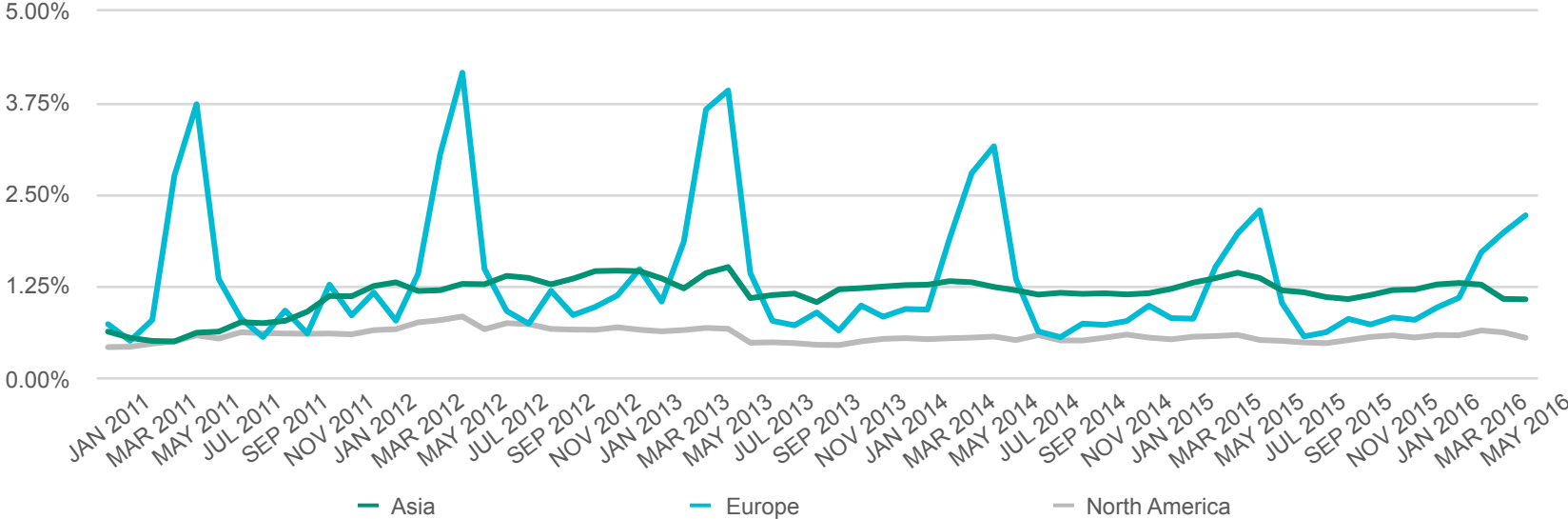
Equity Market Value on Loan Rising

Indexed Equity Market Value on Loan Over Time (Base 100)



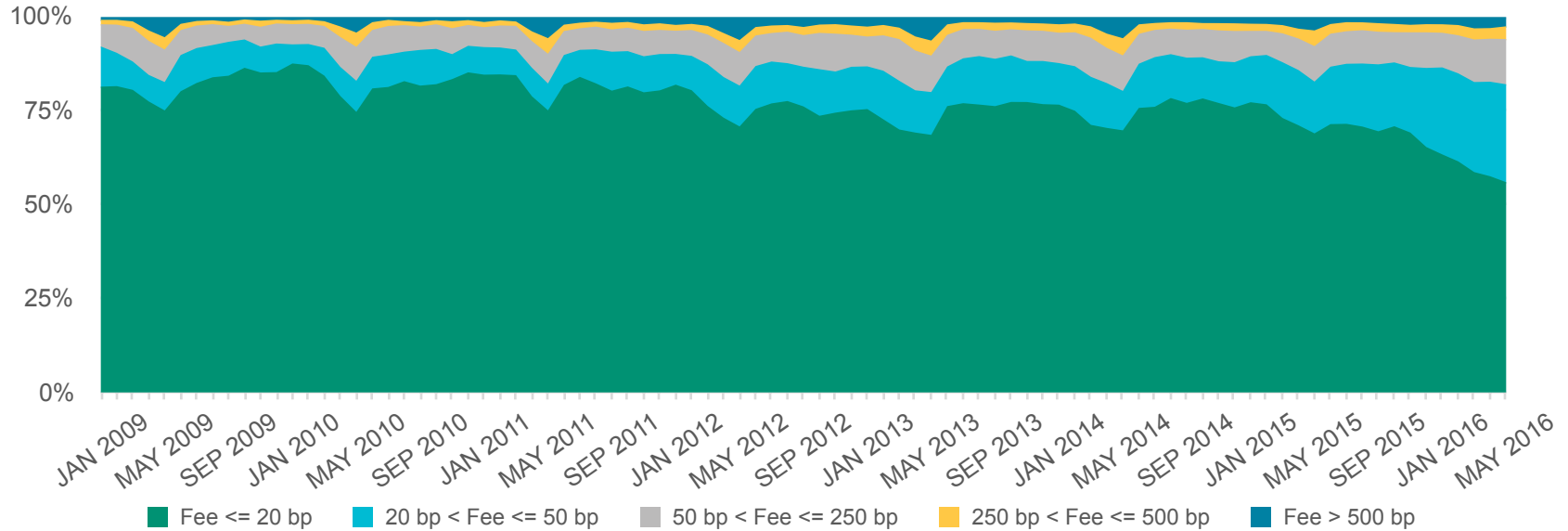
Consistent Equity Borrowing Costs

Average Equity Intrinsic Returns to Loan Over Time



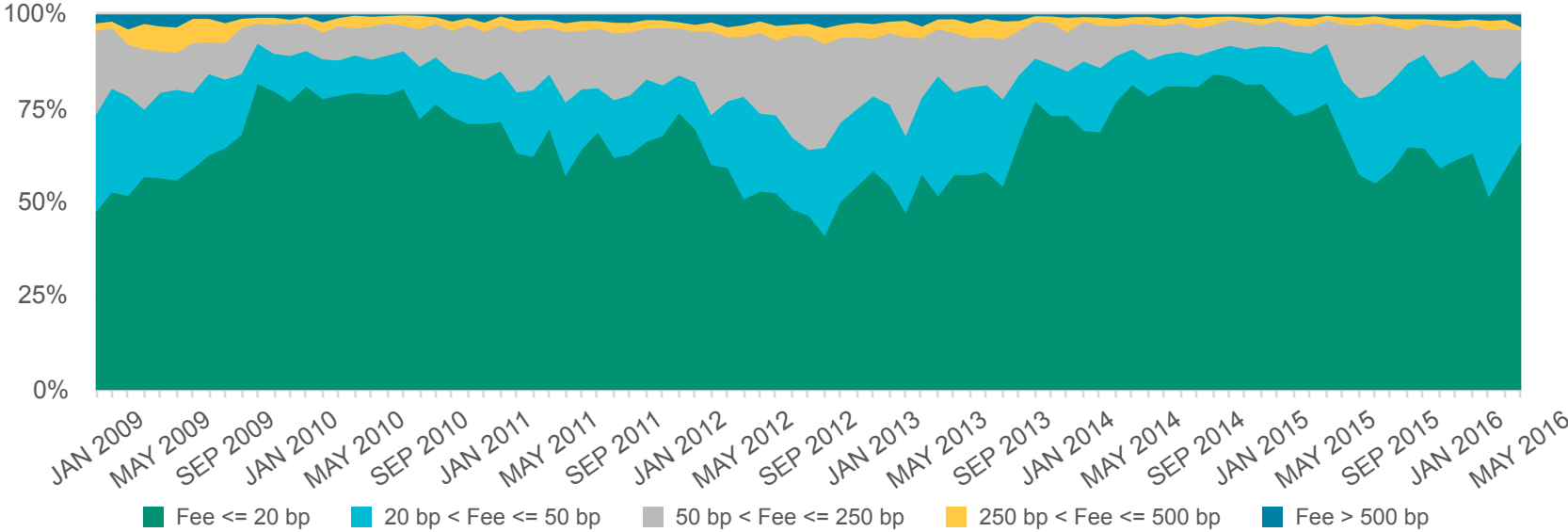
GC Dominates Loan Volume - Global

Relative Loan Volume of G.C. vs Specials Over Time



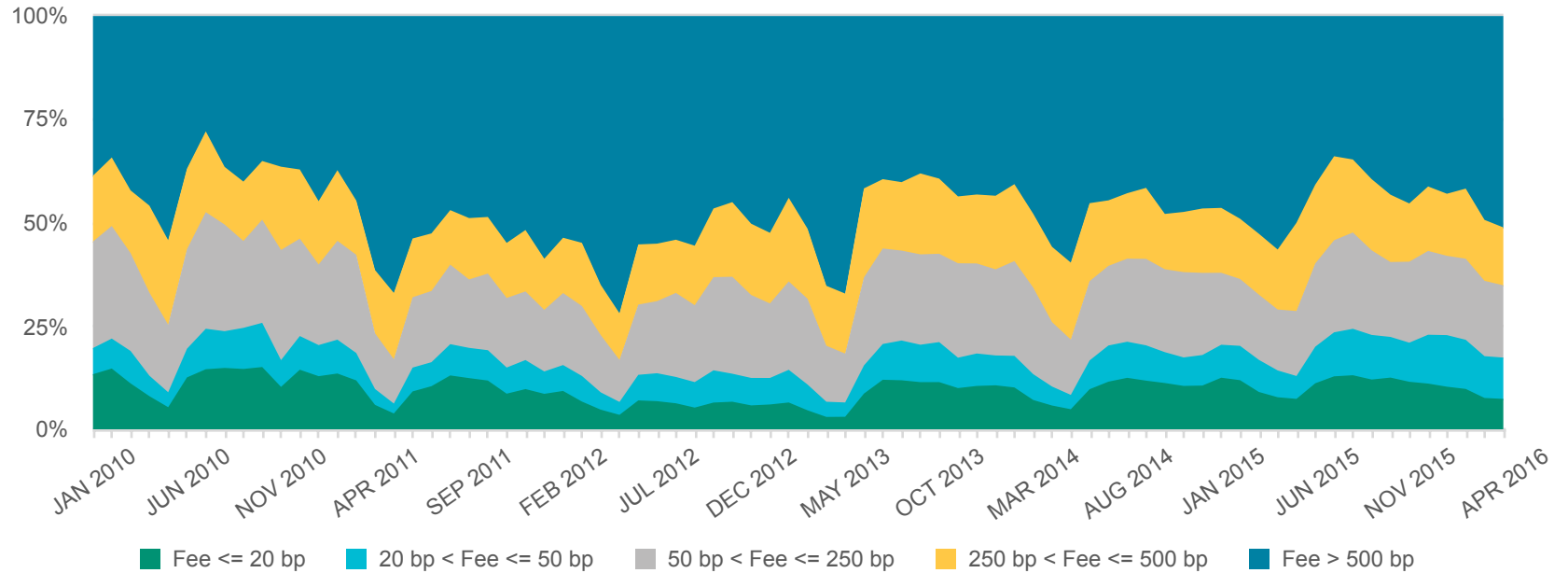
GC Dominates Loan Volume - Canada

Relative Loan Volume of G.C. vs Specials Over Time



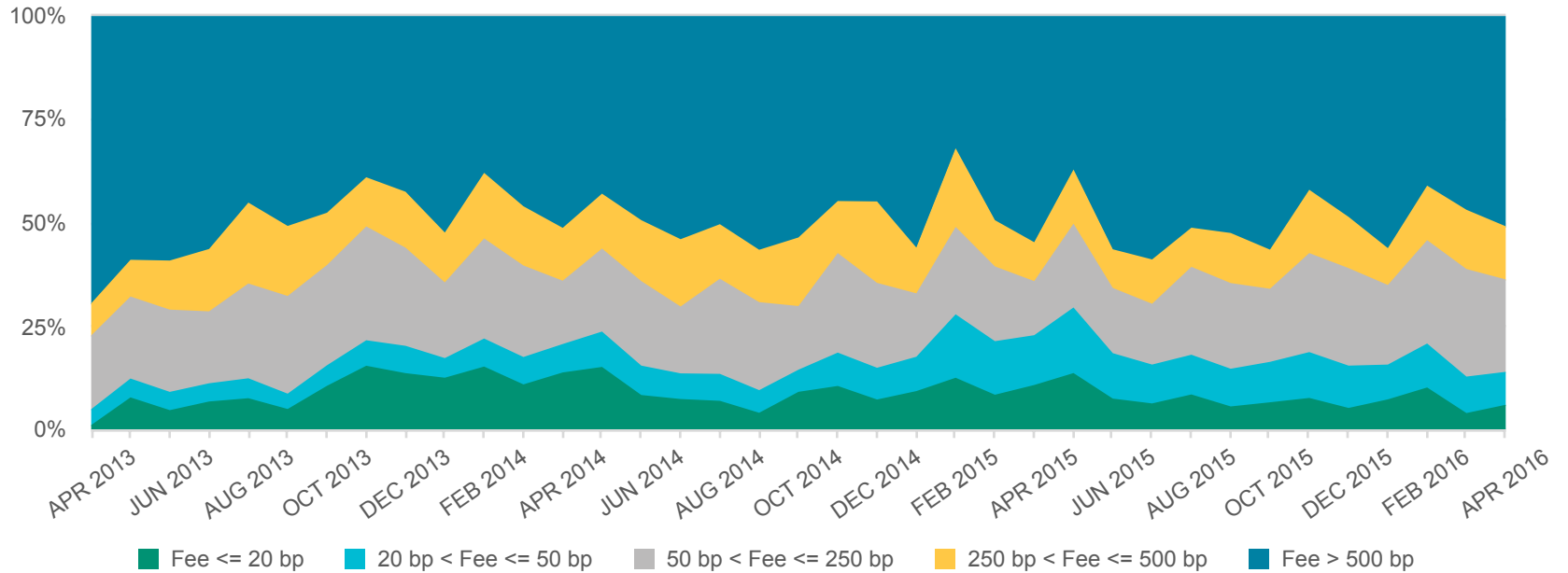
Revenue - Global

Relative Loan Revenue of G.C. vs Specials Over Time



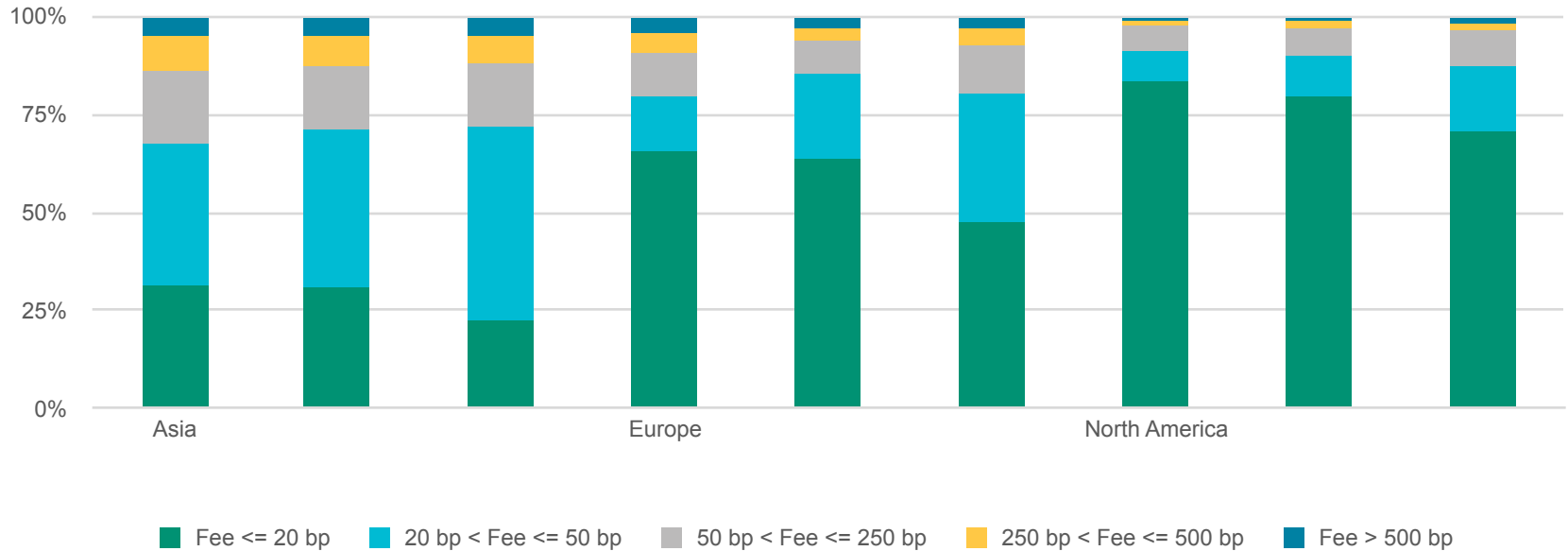
Revenue – Canada

Relative Loan Revenue of G.C. vs Specials Over Time



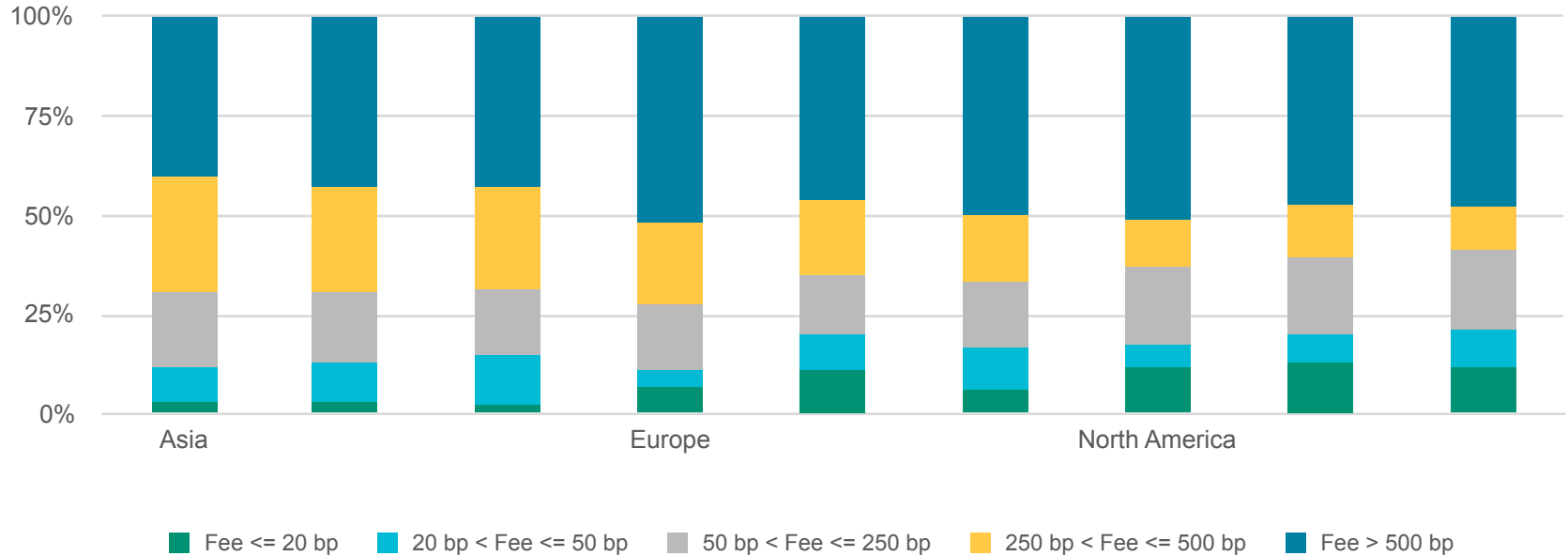
Regional Volume

Relative Loan Volume 2014-2016 YTD



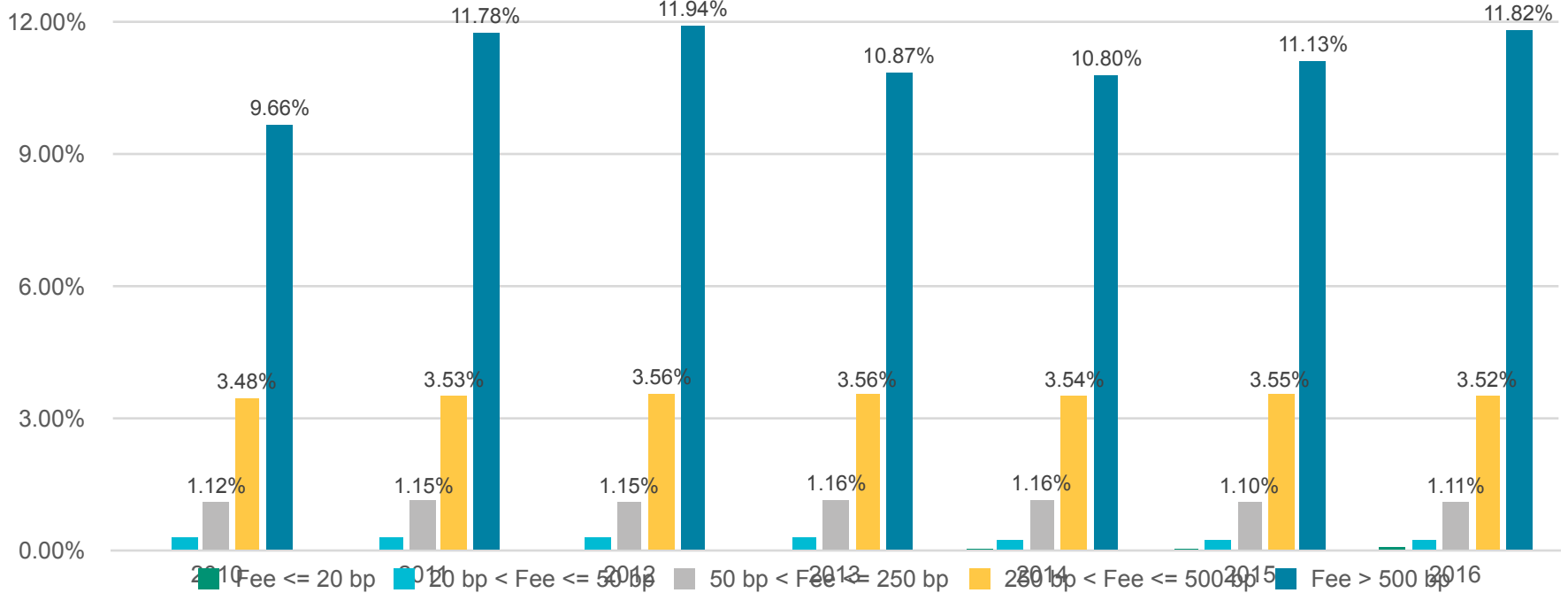
Regional Revenue

Relative Loan Revenue 2014-2016
YTD



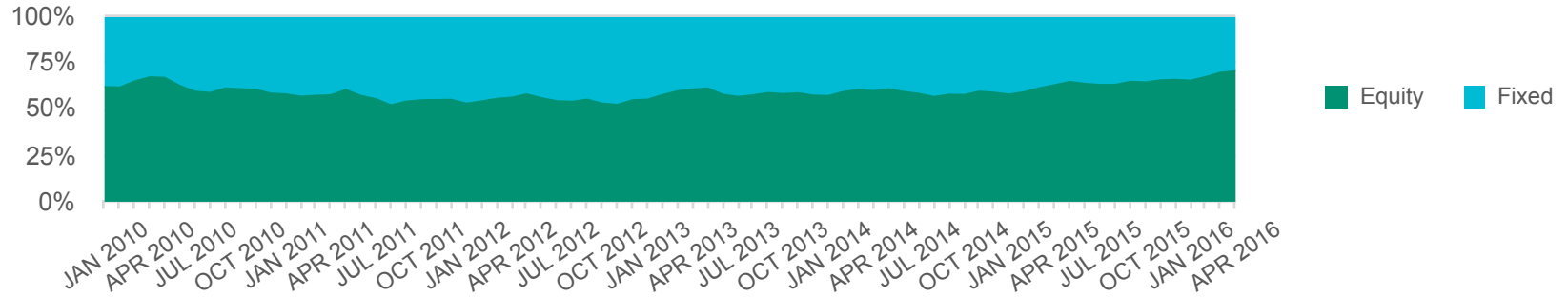
Intrinsic Rate of Specials, Little Change in 2015

Borrowing Cost of Specials over Time (Annualized %)



Fixed Income vs Equity – Loan Volume

Relative Volume Borrowed by Asset Over Time

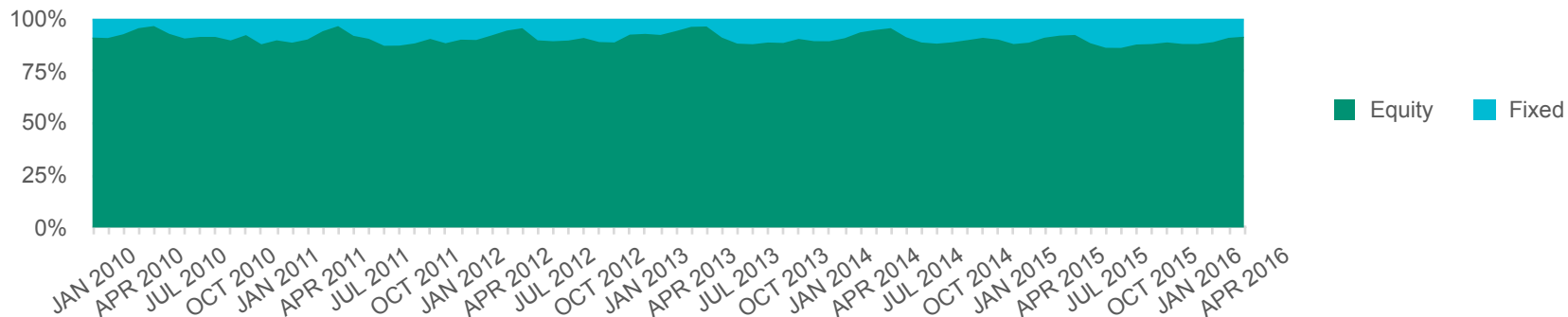


Relative Volume of Asset by Region 2015 – 2016 YTD



Fixed Income vs Equity - Earnings

Relative Revenue by Asset Over Time

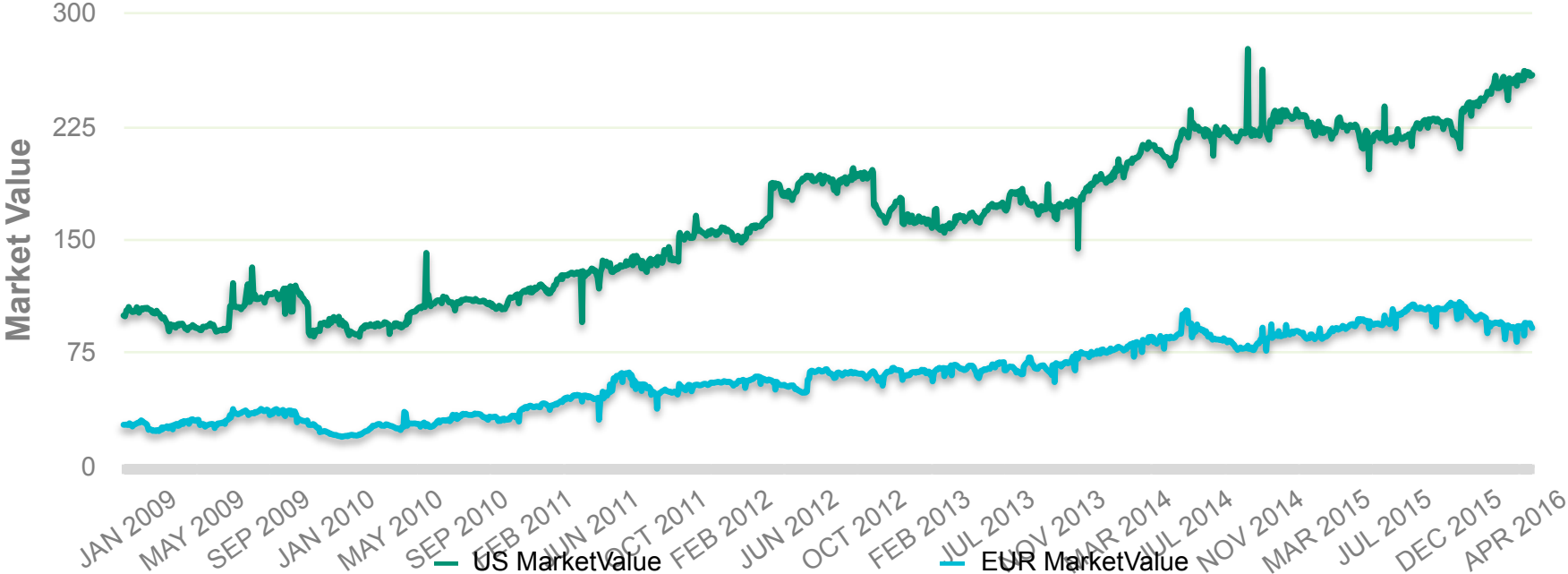


Relative Revenue from Asset by Region in 2015 – 2016 YTD



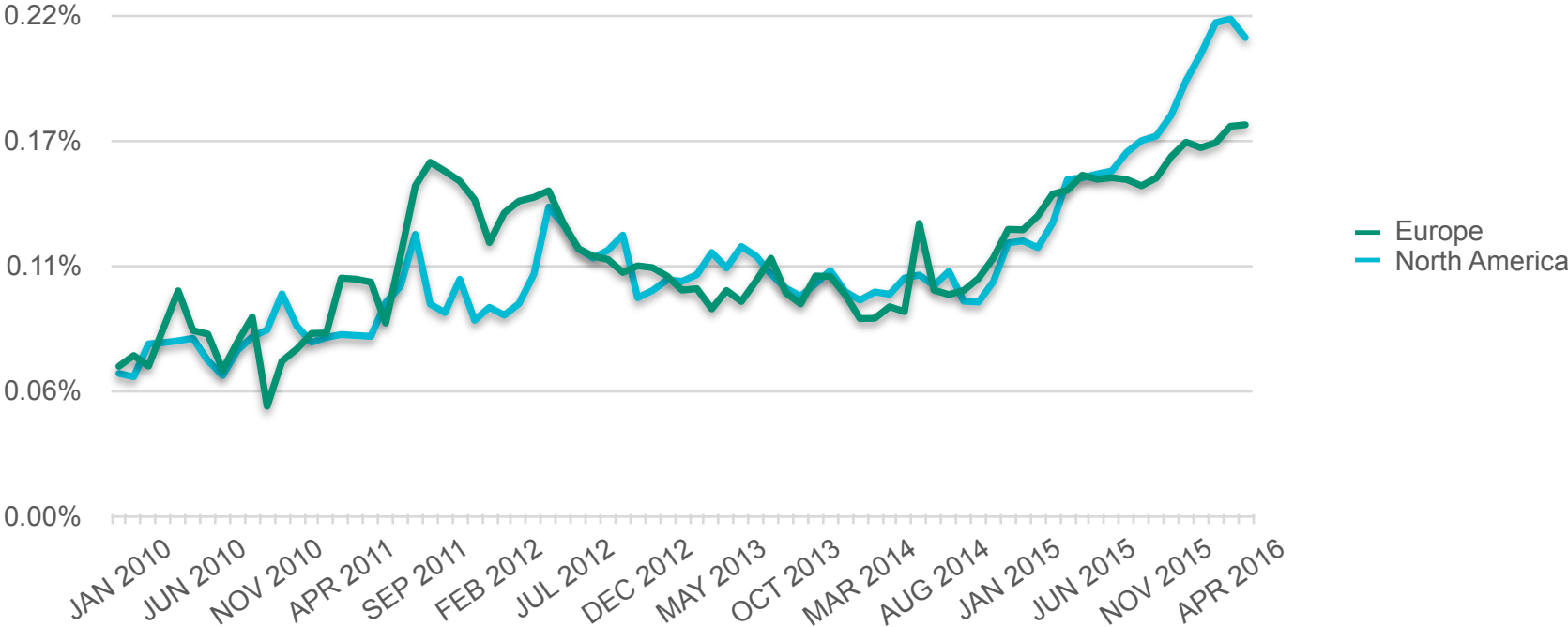
Fixed Income Loan Balances

N A Market Base 100 Europe as relative proportion



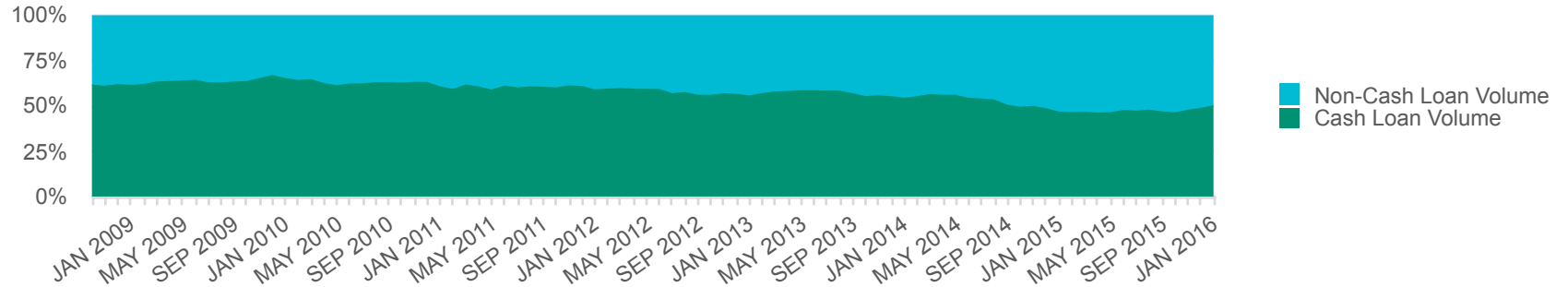
Global Fixed Income Borrowing Cost Rising

Average Fixed Income Returns to Loan Over Time

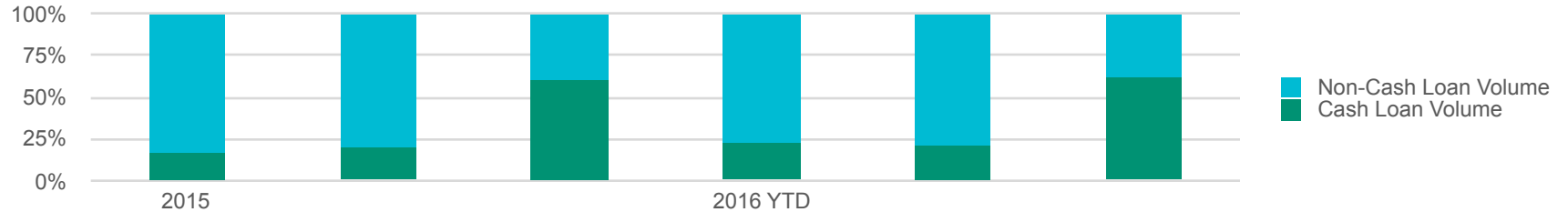


Cash vs Non-Cash

Relative Global Loan Volume by Collateral over time

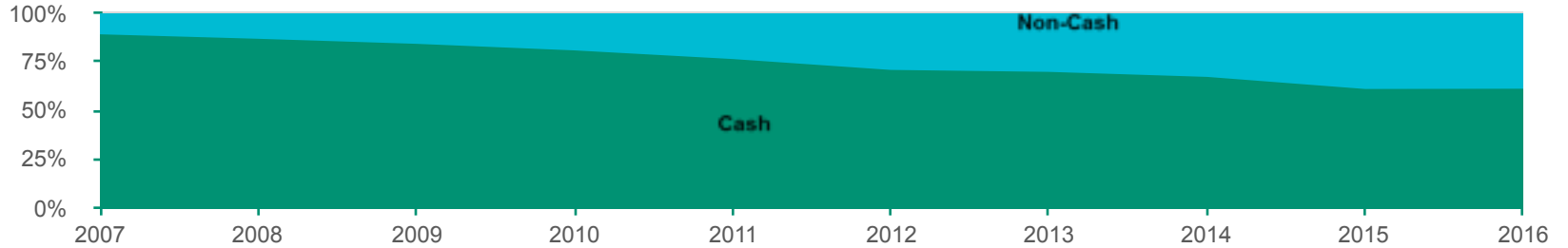


Relative Loan Volume by Collateral 2015 – 2016 YTD

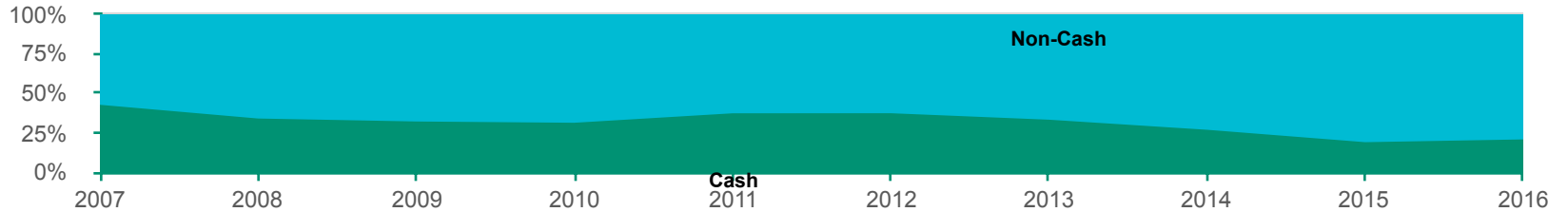


Collateral - U.S. vs Europe

Relative Amount of Cash and Non-Cash Collateral Used in US Over Time

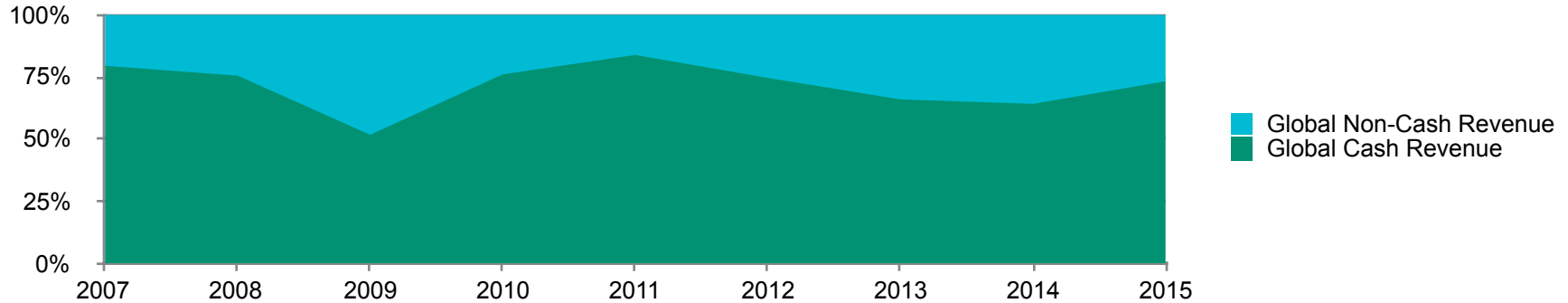


Relative Amount of Cash and Non-Cash Collateral Used in Europe Over Time



Cash vs. Non-Cash - Revenue

Relative Global Loan Revenue by Collateral Over Time

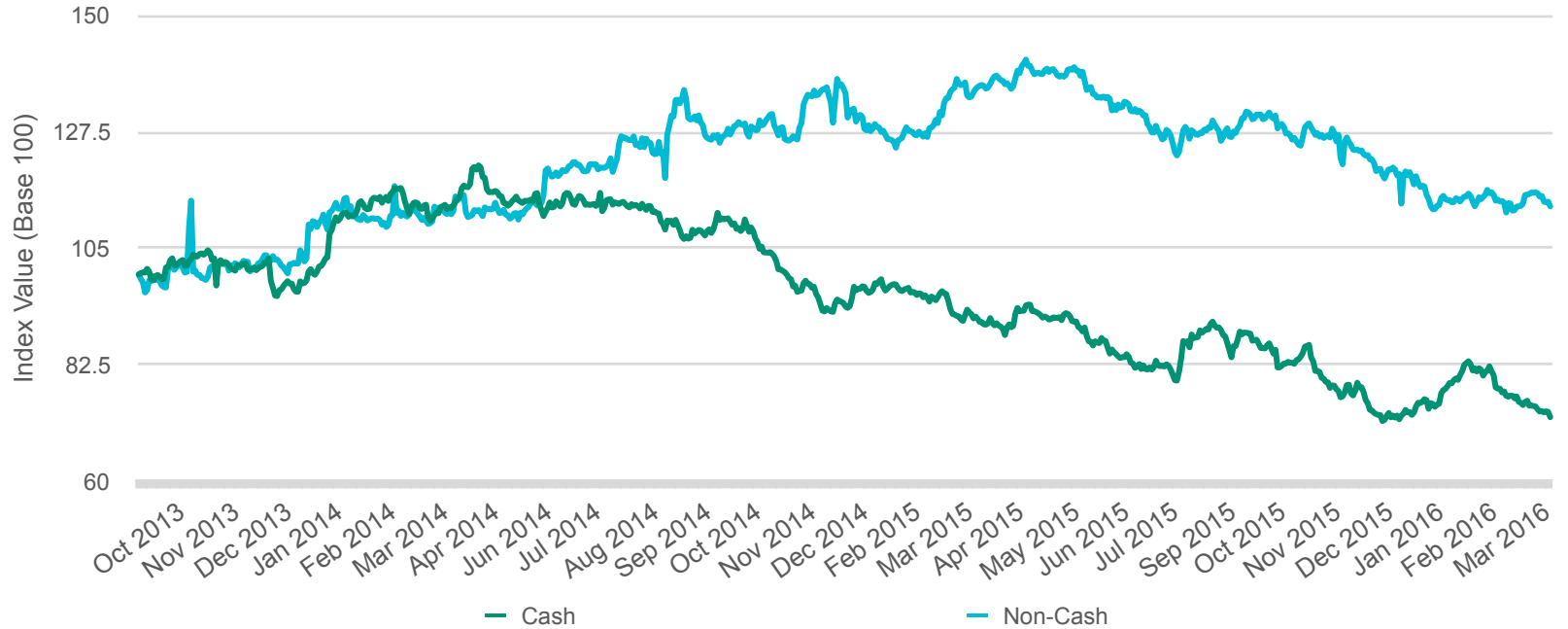


Relative Loan Revenue by Collateral 2015 (YTD)

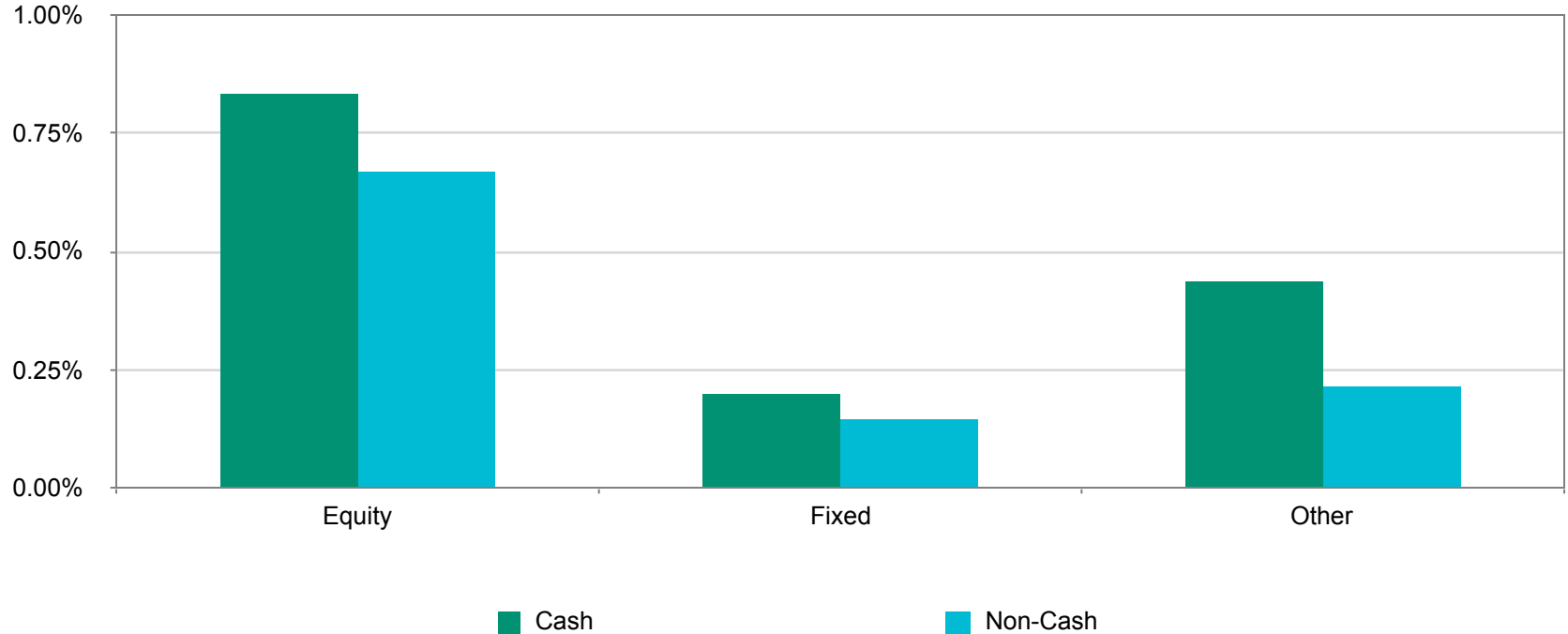


US 2-Year Collateral Volume Growth

Comparative Growth (Base 2013-10-01)



NA 2015 Comparative Revenue Rate by Asset



2016 What to look for

- **Regulation**

- Capital requirement
- Borrower diversification
- Repo regulations
- Reporting requirements
- Money market reform
- Shadow banking
- German 90 day holding period

- **Collateral trends**

- **Fixed Income cost to borrow and volume**

- **The trends in deep specials**

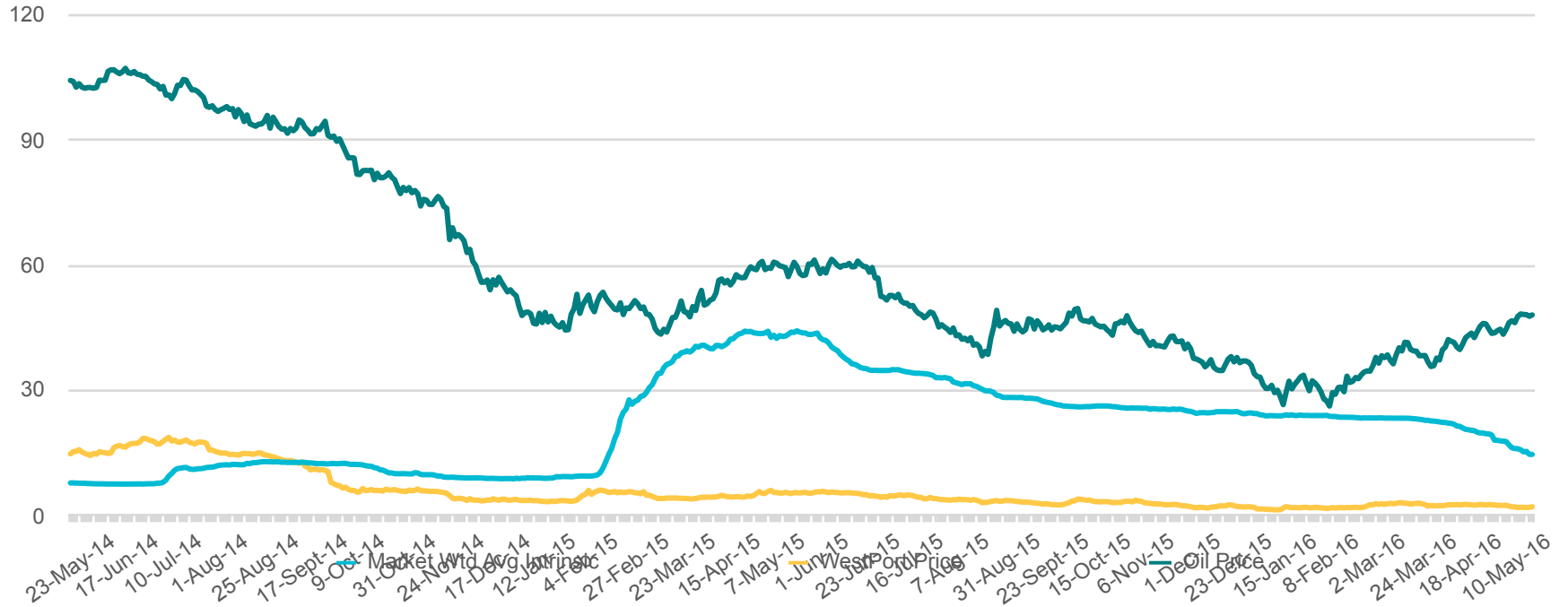
- **Will market volatility continue and will it help**

Case Studies



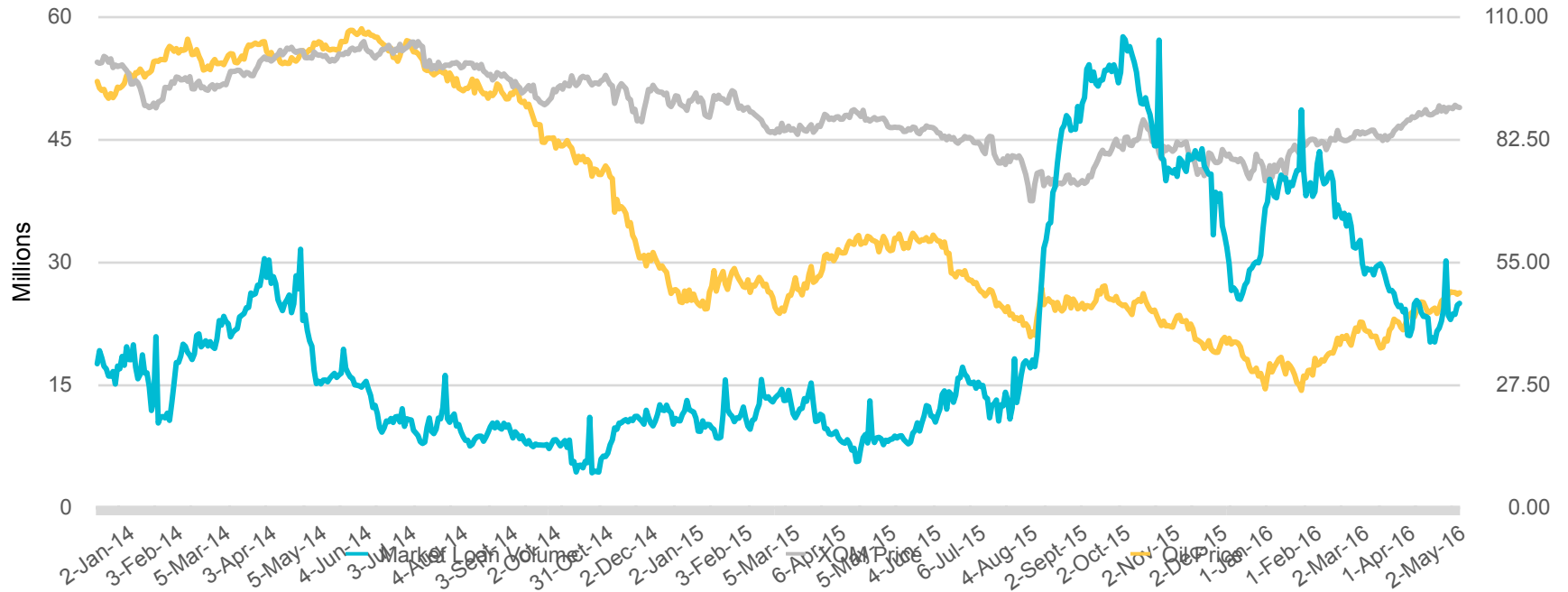
Case Study - Westport Innovations

Westport Innovations Inc.

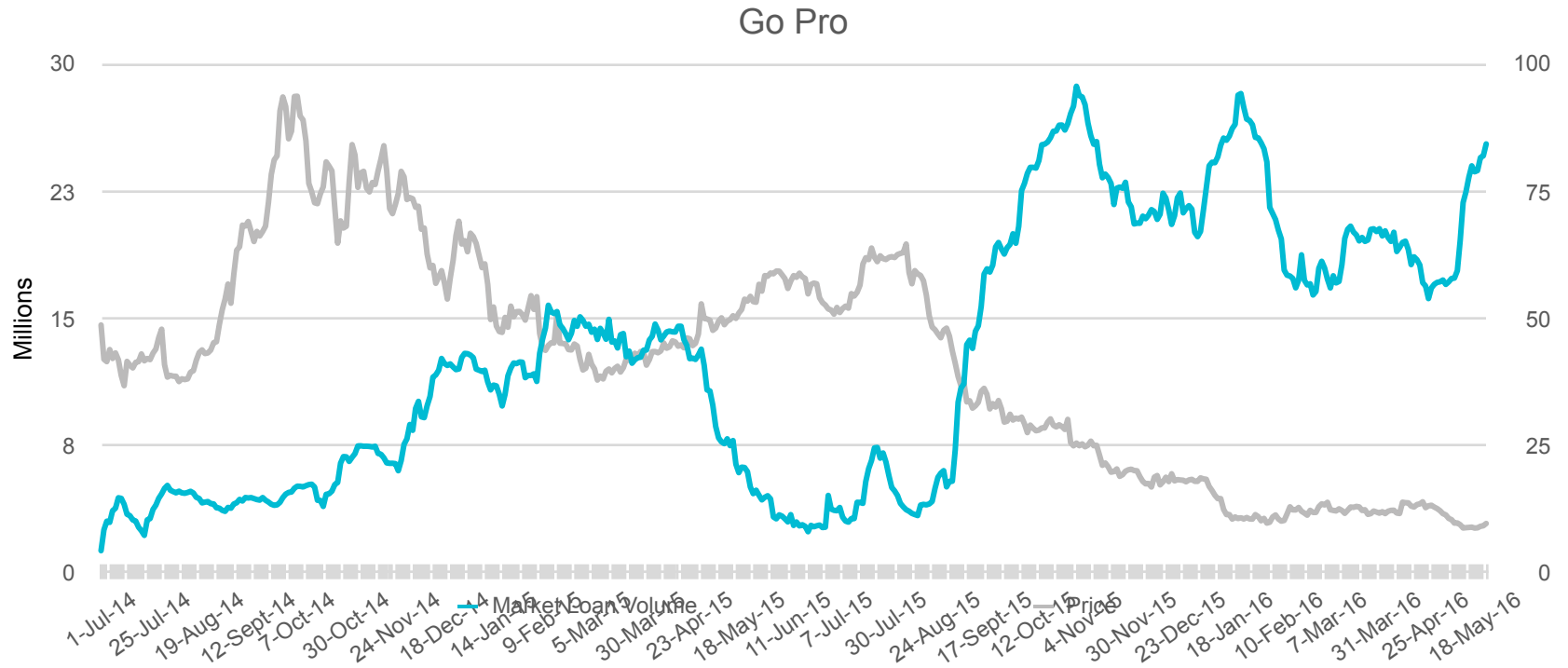


Case Study – Exxon Mobil

XOM



Case Study - GoPro



Empowering
the Financial World

