Canada-U.S. Securities Summit
Welcome and Opening Remarks
As prepared for delivery

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Good morning. I'm Randy Snook, executive vice president of business policies and practices at SIFMA. Along with our colleagues at the Investment Industry Association of Canada, I want to welcome you to today's Canada-U.S. Securities Summit.

On behalf of SIFMA and the IIAC, I would like to thank all of our speakers for their participation in today's program. We are very glad to have Phyllis Yaffe, Consul-General from the Consulate General of Canada in New York here to provide opening remarks, as well as Donald Coxe, Chairman of Coxe Advisors, who will share his views on the outlook for the capital markets under the new U.S. Administration. As well, I'd like to welcome Jamie Feehely, managing director at DBRS Ratings Limited, who will share his views on the Canadian housing market. I also want to thank the Canadian Securities Exchange, DBRS, Federated, Aequitas NEO Exchange, NASDAQ and TMX for their sponsorship of this event. And, of course, our thanks go out to IIAC, especially Ian Russell and his staff, for jointly hosting this event with us for the fifth time.

The U.S. and Canada share the world's largest and most comprehensive trading relationship, which supports millions of jobs in each country. Canada was the leading export market for 33 out of the 50 U.S. states in 2016. Canada and the U.S. also have one of the world's largest investment relationships. In 2015, the latest data available, the U.S. was Canada's largest direct foreign investor and Canada was the fifth-largest direct foreign investor in the U.S.

To highlight the relationship further, Canada had $3.0 trillion of gross activity in U.S. securities with the U.S. in 2016, while the U.S. had $1.6 trillion of gross activity of foreign securities from Canada. Also, Canada held $974.1 billion of U.S. securities, including Treasuries, agencies, corporate bonds and stocks, as of December 2016, while the U.S. held $752.3 billion of securities from Canada. Our first panel today is extremely timely and will discuss the future of cross-border trade, especially in the context of a likely NAFTA renegotiation.

While we have a new Administration, SIFMA's mission and charge from members remains the same – to serve as the voice of the financial services industry and advocate for policies and practices that support robust capital markets and economic growth that benefits clients and job creation across the country. We are committed to providing the Trump Administration with the industry's insight and expertise on priority issues, just as we have with previous Administrations.

We are encouraged that the new Administration has indicated it plans to pursue a pro-growth agenda and brings a fresh perspective on the way we approach financial regulations and the path to reforms. As you may have heard, the President issued an Executive Order outlining "core principles" of his Administration and has tasked Treasury Secretary Mnuchin to file a report within 120 days on possible regulatory reforms.

This is an opportunity to step back, assess the current regulations and see how we can eliminate duplicative or outdated rules and coordinate among agencies in order to make our capital markets more effective and efficient. The U.S. is not alone in this endeavor as, for example, Europe already has initiated its own "Call for Evidence" that has led to proposed changes in the European ruleset.

This is not a new concept. In fact, SIFMA has long called for a cumulative review of financial regulations including those put in place since 2008, and we commend the Trump Administration for taking this action. Financial services is one of the most regulated sectors in the U.S. economy. It is imperative to ensure that our financial regulatory framework does not unnecessarily impede capital formation that drives job creation, economic growth and investor opportunity in this country.

The industry has commissioned several studies to jumpstart and encourage a comprehensive regulatory review, including a 2016 Oliver Wyman report to review Basel reforms, and a 2015 report by PwC on the state of global market liquidity. Research found early warning signals that implementation of new rules is creating higher costs which are likely to be transmitted the broader economy.

SIFMA is developing its own proposal and approach to regulatory reform we and look forward to providing our observations and recommendations to the Treasury and members of the Financial Stability Oversight Council.

Today's event is a forum for constructive dialogue on these and other issues, including current and prospective economic and financial conditions in our two countries. With that, I thank you again for your participation in this conference. I am pleased to introduce Ian Russell, president and CEO of the IIAC. Ian has been leading the IIAC since its inauguration in April 2006. Prior to his appointment at the IIAC, Mr. Russell was Senior Vice-President, Industry Relations and Representation, at the Investment Dealers Association of Canada. In January 2014, Ian was appointed Chair of the International Council of Securities Associations, making him the first Canadian in 20 years to serve in this capacity. We are grateful to have Ian and his colleagues with us today in this longstanding partnership.