



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

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Good morning. I'm Ken Bentsen, president and CEO of SIFMA and CEO of GFMA. 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 both the Governor of the Bank of Canada, Stephen Poloz, and our U.S. Ambassador to Canada, Bruce Heyman. I also want to thank DBRS, TMX, Stikeman Elliot, Milbank and Paul Weiss 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 fourth 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 35 out of the 50 U.S. states in 2015, and a larger market for U.S. goods than all 28 countries of the EU combined in that same year. Canada and the U.S. also have one of the world's largest investment relationships: the U.S. is Canada's largest foreign investor and Canada is the fourth-largest foreign investor in the U.S.

To highlight the relationship further, Canada had \$2.8 trillion of gross activity in U.S. securities with the U.S. in 2015, while the U.S. had \$1.7 trillion of gross activity of foreign securities from Canada. Also, Canada held \$856.3 billion of U.S. securities, including Treasuries, agencies, corporate bonds and stocks, as of January 2016, while the U.S. held \$633.3 billion of securities from Canada, including sovereign and corporate bonds and stocks, as of the same date. And, the relationship goes well beyond the economic. The cultural and political ties are equally strong and important.

Financial institutions in Canada and the U.S. strongly agree on the broad objectives of financial regulatory reform: to create safety and soundness in the financial system, while balancing that goal with the need to encourage economic growth and job creation. Regulators in both our countries have agreed on several specific initiatives related to these objectives, many of which the financial industry has also supported. Certainly, our financial market system is vastly safer and more resilient than it was at the onset of the financial crisis. Central to this undertaking has been – and remains – balancing the efforts to reduce systemic risk while still ensuring well-functioning markets and the efficient allocation of capital in the U.S. and on a global scale. The importance of global consistency and coordination cannot be overstated, as our global markets make us all intertwined.

Canada, like the U.S., is an active participant in the Basel and FSB process, and has a long history of involvement in the global standard setting bodies. To date, the Basel Committee has been very aggressive in its reform program on capital levels and liquidity. It has a similarly aggressive program for 2016 which if not properly calibrated could constrain capital and liquidity even further. We would encourage an assessment of the coherence and economic impact of reforms before additional standards are imposed on the industry and, by extension, investors and consumers. Achieving regulatory balance is crucial, and as we work to find the right mix of regulation and oversight, it is



imperative that, globally, policies keep pace with, and appropriately govern, a rapidly-evolving, interconnected and technology-driven financial marketplace.

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. Now it is my great honor and privilege to introduce our next speaker, Ambassador Bruce Heyman. The Ambassador was confirmed as President Obama's personal representative to Canada in March 2014. He is a 33 year veteran of Goldman Sachs, where he served as a regional managing director of the Midwest private wealth management group, which covers 13 states and half of Canada. Ambassador Heyman has served as a board member for the Chicago Council on Global Affairs and the Northwestern Memorial Hospital Foundation. He also served as an advisor to the Fix the Debt CEO Council of the Committee for a Responsible Federal Budget. He has been a member of The Economic Club of Chicago, The Executives' Club of Chicago, and the Facing History and Ourselves Chicago Advisory Board. A magna cum laude graduate with both a B.A. and an M.B.A. from Vanderbilt University, the Ambassador continues to maintain close ties to his alma mater. He is past president of the Alumni Board and a former member of the Board of Visitors at the university's Owen Graduate School of Management. Please join me in welcoming Ambassador Heyman.