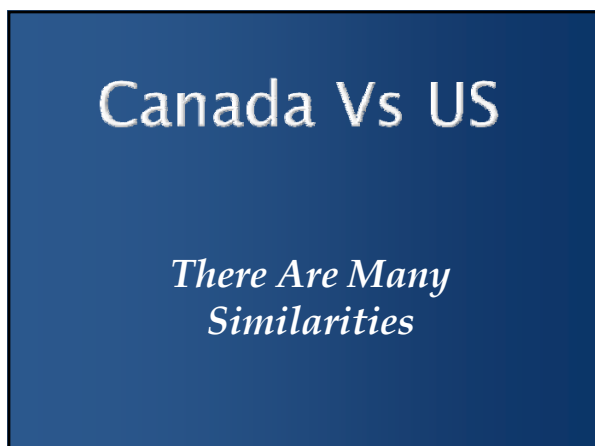


# Canadian Banks VS US Banks

## October 2008



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### Help To Answer The Questions...

- Family
- Friends
- JV partners

#### Canada rated world's soundest bank system: survey

The Oct 9, 2008 2:41pm EDT  
By Rob Taylor  
Reuters

<http://www.reuters.com/article/finance/idMC917884991000001009>

CANBERRA (Reuters) - Canada has the world's soundest banking system, closely followed by Sweden, Luxembourg and Australia, a survey by the World Economic Forum has found as financial crisis and bank failures shake world markets.

But Britain, which once ranked in the top five, has slipped to 44th place behind 11 Icelandic and Peru, after a 10 billion pound (\$35.2 billion) pledge this week by the government to bolster bank balance sheets.

The United States, where some of Wall Street's largest financial names have collapsed in recent weeks, rated only 40, just behind Germany at 39, and smaller ones such as Barbados, Estonia and even Zambia, in southern Africa.

The United States was on Thursday considering buying a slice of debt-laden banks to inject new bank into leading bank new financial institutions can't too wary of one another to lend.

The World Economic Forum's Global Competitiveness Report based on findings on opinions of executives, and handed banks a score between 1.0 (lowest) and 7.0 (highest) regarding a government's health and 7.0 (highest) with sound balance sheets.

Canadian banks received 6.8, just ahead of Sweden (6.7), Luxembourg (6.7), Australia (6.7) and Denmark (6.7).

**RANKINGS**  
1. Canada  
2. Sweden  
3. Luxembourg  
4. Australia  
5. Denmark  
6. Netherlands  
7. Belgium  
8. New Zealand

US banks collectively scored 6.8, narrowly behind the United States, Germany and Switzerland, all with 6.1. France, in 19th place, scored 5.7. For soundness, while Switzerland's banking system scored the same as 16th place, at 6.6, Singapore (5.6).

The ranking index was released as central banks in Europe, the United States, China, Canada, Sweden, and Switzerland, raised interest rates in a bid to end to panic selling on markets and restore trust in the shaky banking system.

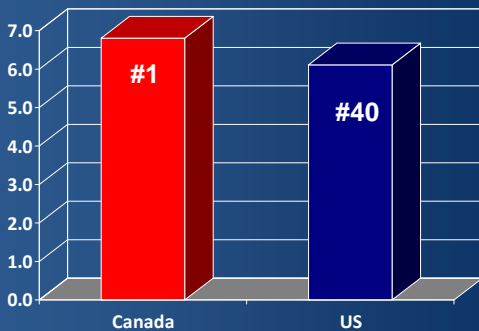
The Netherlands (6.7), Belgium (6.6), New Zealand (6.6), Malta (6.6) rounded out the WEF's banking top 10 with Iceland, whose government substantially pledged last week to guarantee personal and corporate deposits at its major banks.

Also scoring well were Chile (6.1), 18th and Spain, South Africa, Norway, Hong Kong and Finland all rating up in the top 20.

At the bottom of the list was Algeria in 124th place, with its banks scoring 3.9 to be just above Libya (4.0), Lesotho (4.1), the Kyrgyz Republic (4.1) and low Argentina and East Timor (4.2).

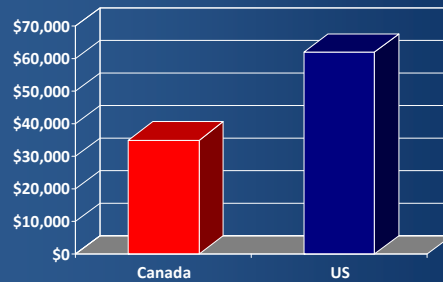
19. France  
20. Japan  
21. Korea  
22. Lithuania  
23. Latvia  
24. Albania  
25. Kazakhstan  
26. Cambodia  
27. Chad  
28. Bulgaria  
29. Romania  
30. Bosnia  
31. Serbia  
32. Montenegro  
33. Macedonia  
34. Kosovo  
35. Timor-Leste  
36. East Timor

### Bank System Health



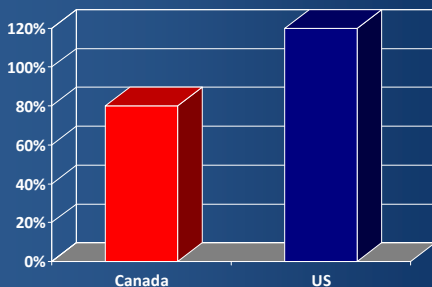
World Economic Forum Global Competitiveness Report 2008-2009.

### Debt Per Capita



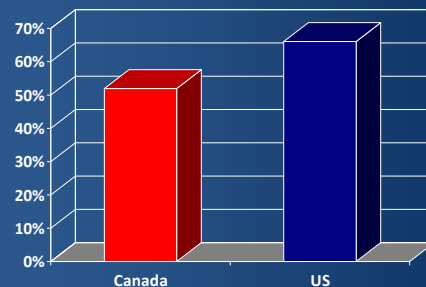
Source: CIBCWM, Sept. 30, 2008

### Mortgage Debt as Share of Income



Source: CIBCWM, Sept. 30, 2008

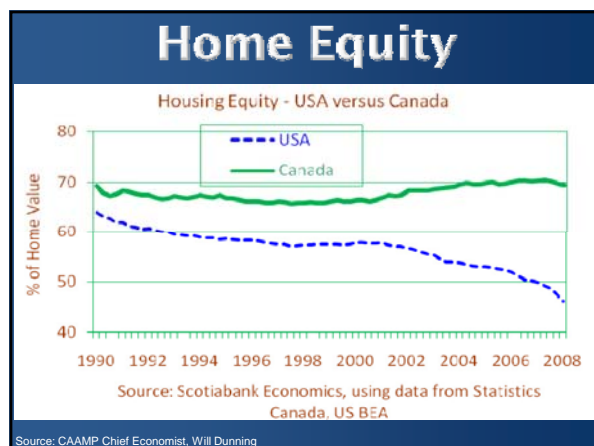
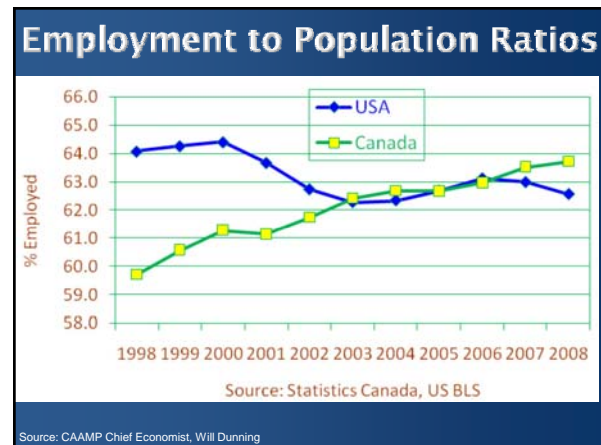
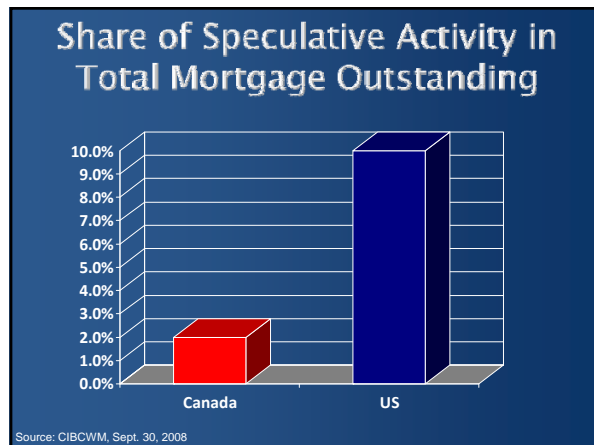
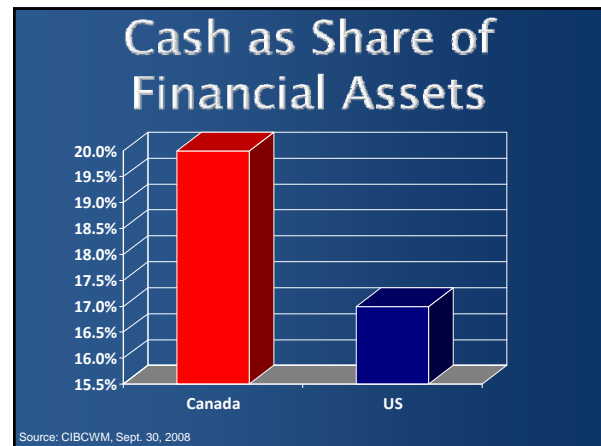
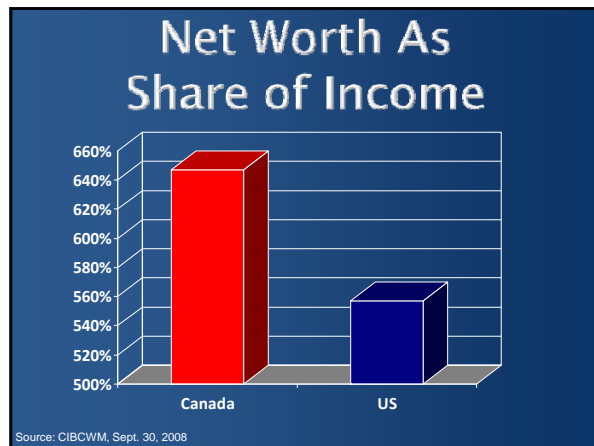
### Consumer Debt As Share of Income



Source: CIBCWM, Sept. 30, 2008

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**Mortgage Debt is only 30% of Total Value of Canadian Homes**

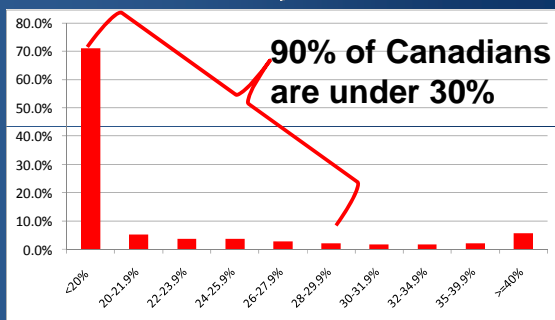
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**Interest  
Deductibility  
In U.S.**

**Canadians  
Want To Get  
Rid Of  
Mortgages  
Quickly!!**

Canadian Home Owners by GDS Ratios, 2006



Source: CIBCWM, Sept. 30, 2008

**Estimated .27%  
Mortgage  
Arrears in  
Canada (3 months)**

**More Than  
1.0+%  
Homes in  
Foreclosure in  
U.S.**

**Canadian  
Regulations**

# Canadian Banks VS US Banks

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**Strict Rules  
&  
CMHC**

**Traditional  
Deposit  
Banks**

**Securitization  
of Mortgages**

**94% of Canadian  
Mortgages  
Remain on  
'Their Books'**

**US Securitizes  
Mortgages...  
Lack of  
Accountability**



**Canada Vs US**

*One of These Things is Not  
Like The Other...*