



Market Participants Survey—First Quarter of 2024

April 22, 2024

Results of the first-quarter 2024 survey conducted from March 7 to 15, 2024.

The Market Participants Survey results are based on questionnaire responses from about 30 financial market participants. You can view the latest quarterly data [here](#).

Economic scenario

1.1 What is your forecast for real GDP growth (year-over-year percentage change) in Canada?

GDP growth in Canada (year-over-year % change)	End of 2024	End of 2025
	(n = 26)	(n = 25)
25th percentile of responses	0.5	1.9
Median of responses	1.0	2.1
75th percentile of responses	1.3	2.3

Introduction

The 2024 edition of FP Equities – Preferreds & Derivatives, the ninth edition to be published by Grey House Publishing Canada, is organized into four main sections:

Introductory material includes Bank of Canada content on the current state of financial markets in Canada.

The **Preferred Shares** section lists outstanding publicly and privately held preferred shares with detailed descriptions of their features. Separate tables list convertible, exchangeable and retractable preferred share issues.

The **Ratings** section consists of ratings supplied by **Dominion Bond Rating Service Limited**, dated **May 9, 2024**, (listed by company and by rating).

The **Derivatives** section covers four distinct areas:

Preferred securities – also called hybrid securities as they contain features of both debt and preferred shares – are presented in a tabular format and also with detailed descriptions of their features.

Structured products – trusts created to hold a portfolio of a single or group of similar companies – are presented with detailed descriptions of their features.

Income trusts are presented in a tabular format with each entity listed alphabetically within their area of operations, such as oil and gas, real estate, etc. Details include the trading symbol, description of the assets held, number of units outstanding and a recent closing price.

Warrants which are publicly traded and are outstanding are listed by expiry date. A second table presents warrants alphabetically, by company. Subscription basis, exercise price, expiry date, stock exchange listings and trading symbol are provided for each warrant.

All shares, preferred securities, structured products, Income Trusts and warrants outstanding as at **May 9, 2024** have been included. Trading prices reflect closing price on or recent to **May 9, 2024**.

Abbreviations

A.....	annually	O.....	Canadian Securities Exchange
cl.	class	o/s.....	outstanding
convert.	convertible	pdf.	preferred
cum.	cumulative	pref.	preferred
divd(s).	dividend(s)	pfce.	preference
exchange.	exchangeable	Q.....	quarterly
F.R.	floating rate	redeem.	redeemable
M.....	monthly	reset.	resettable
max.	maximum	retract.	retractable
min.	minimum	S.....	semi-annually
N.....	New York Stock Exchange	ser.	series
NEO.....	NEO Exchange	sh(s).	share(s)
NYSE.....	New York Stock Exchange	T.....	Toronto Stock Exchange
NAV.....	Net Asset Value	TSX.....	Toronto Stock Exchange

Preferred Shares

Preferred shares are fixed income securities. Whereas common share dividends are tied to the earnings of the issuing company, preferred shares entitle the holder to a fixed dividend income. Preferred dividends are not a legal obligation of the company and can therefore be omitted. Most preferred dividends are cumulative, however, meaning that unpaid dividends accumulate and the company is prohibited from paying dividends on its common shares until the arrears have been paid in full.

Preferred shares have a prior claim to assets over common shares in the event of a company's liquidation, dissolution or winding-up. The extent of this claim is limited to a specific dollar amount which is generally at or above par (depending on whether liquidation is voluntary or involuntary). The claim of preferred shares to assets is however subordinate to the claims of creditors and debtholders.

While almost all preferred shares are non-voting, most issues provide for limited voting rights when dividend payments are in arrears and some give shareholders the right to vote, as a class, to elect one or more directors to the board.

Redemption features give the company the right to call, on notice, preferred shares for redemption at a premium over paid-up value. The premium required on redemption usually reduces to nothing over time. On redemption, the company must also pay all dividend arrears and all dividends which have accrued to the date of redemption.

Purchase obligations are another standard feature of preferred share issues. They require the company to purchase for cancellation, in the open market a specified number of shares each year, at or below a stated price, if available. Purchase obligations can be either cumulative or non-cumulative.

In addition to these basic features, a number of sweeteners such as conversion and retraction privileges and floating rate dividends can be incorporated into an issue to make preferred shares even more appealing from the investor's point of view.

Instead of paying fixed-rate dividends, the issuer can elect to pay dividends at variable or floating rates which are tied to prime lending rates. **Floating rate dividends** provide an obvious benefit to shareholders in times of rising interest rates. Most floating rate issues offer the protection of a minimum dividend rate, should interest rates fall.

Conversion privileges give shareholders the option of exchanging preferred shares for another class of shares (usually common) at a specified price or conversion rate during a specified time period. The value of the conversion feature depends upon the length of the conversion period and the value of the underlying shares.

Retraction privileges allow the shareholder to force redemption of the preferred shares on a specified date at a specified price. Retractable preferred share issues can carry multiple retraction privileges and frequently contain provisions which allow for the introduction of new conversion features or increased dividend rates, on or about the retraction date.

Aimia Inc.

4.802% Cum. 5-Year Rate Reset Pref., Series 1

Issued: 6,900,000 shs. Jan 20, 2010 \$25.000
 O/S: 5,083,140 shs. Dec 31, 2023
 Dividend: \$1.2005 (Q) Mar 31/Jun 30/Sep 30/Dec 31

Dividend Details: Reset on Mar 31, 2025. Dividend rate will be reset in every fifth year thereafter. The annual dividend rate will be equal to the sum of the five-year Government of Canada Bond Yield plus 3.75%. Dividends are payable on the last business day of March, June, September and December. Previously, annual dividend rate was 1.125000 per sh until Mar 30, 2020.

Redemption: Redeem. on the following dates on min. 30 and max. 60 days' notice as follows:
 Mar 31, 2015.....\$25.00 Mar 31, 2020.....\$25.00
 Redeem. on March 31 in every fifth year thereafter on min. 30 and max. 60 days' notice at \$25.00 per share.

Exchange: Was exchange. on min. 30 days' notice into pfd ser 2 sh as follows:
 On Mar 31, 2015.....\$25.00.....1 On Mar 31, 2020.....\$25.00.....1
 Exchange. on March 31 in every fifth year thereafter.

Lead Underwriter(s): CIBC World Markets Inc., RBC Capital Markets, TD Securities Inc.

Transfer Agent: TSX Trust Company

Registrar: TSX Trust Company

Exchanges: TSX

Symbol: AIM.PR.A

CUSIP: 00900Q202

7.773% Cum. 5-Year Rate Reset Pref., Series 3

Issued: 6,000,000 shs. Jan 15, 2014 \$25.000
 O/S: 1,649,151 shs. Apr 1, 2024
 Dividend: \$1.94325 (Q) Mar 31/Jun 30/Sep 30/Dec 31

Dividend Details: Reset on Mar 31, 2029. Dividend rate will be reset in every fifth year thereafter. The annual dividend rate will be equal to the sum of the five-year Government of Canada Bond Yield plus 4.20%. Dividends are payable on the last business day of March, June, September and December. Previously, annual dividend rate was 1.502500 per sh until Mar 30, 2024.

Redemption: Redeem. on the following dates on min. 30 and max. 60 days' notice as follows:
 Mar 31, 2019.....\$25.00 Mar 31, 2024.....\$25.00
 Redeem. on March 31 in every fifth year thereafter on min. 30 and max. 60 days' notice at \$25.00 per share.

Exchange: Was exchange. on min. 30 days' notice into pfd ser 4 as follows:
 On Mar 31, 2019.....\$25.00.....1 On Mar 31, 2024.....\$25.00.....1
 Exchange. on March 31 in every fifth year thereafter.

Lead Underwriter(s): CIBC World Markets Inc., TD Securities Inc., RBC Capital Markets, BMO Capital Markets

Transfer Agent: TSX Trust Company

Registrar: TSX Trust Company

Exchanges: TSX

Symbol: AIM.PR.C

CUSIP: 00900Q400

Floating Rate Cum. Pref., Series 4

Issued: 2,706,112 shs. Apr 1, 2024 \$25.000
 O/S: 2,706,112 shs. Apr 1, 2024
 Dividend: F.R. (Q) Mar 31/Jun 30/Sep 30/Dec 31

Dividend Details: Quarterly dividend rate is T-bill plus 4.2%.

Redemption: Redeem. on the following dates on min. 30 and max. 60 days' notice as follows:
 Mar 31, 2029.....\$25.00 Mar 31, 2034.....\$25.00
 Redeem. on March 31 in every fifth year thereafter on min. 30 and max. 60 days' notice at \$25.00 per share.

On any date after March 31, 2024 that is not an Exchange Date, the company may redeem all or any part of the outstanding Series 4 Preferred Shares, at \$25.50 per sh. together with all declared and unpaid dividends to, but excluding, the redemption date (less tax, if any, required to be deducted and withheld).

DBRS Preferred Share/Securities Ratings, by Issuer

Issuer	Description	DBRS Rating	Last Update
Algonquin Power & Utils	Preferred Shares	Pfd-3	Feb 6, 2024
Artis REIT	Preferred Trust Units	Pfd-3 low	Feb 2, 2024
BCE Inc	First Preferred Shares	Pfd-3	Mar 28, 2024
Bank of Montreal	NVCC Preferred Shares	Pfd-2	Jun 2, 2023
Big Pharma Split Corp	Preferred Shares	Pfd-3 high	Sep 7, 2023
Brompton Lifeco Split	5.25% Preferred Shares	Pfd-3 low	Mar 28, 2024
Brompton Split Banc Corp	5.25% Preferred Shares	Pfd-3	Aug 8, 2023
Brookfield Corp	Cum. & Non-Cum. Preference Shares, Class A and Preferred Securities	Pfd-2	Nov 22, 2023
Brookfield Invts Corp	Senior Preferred Shares	Pfd-2	Nov 22, 2023
Brookfield Office Ppty	Preferred Shares, Class AAA	Pfd-3 low	May 15, 2023
Brookfield Renew Pwr Pfd	Preferred Shares, Series 1	Pfd-3 high	May 26, 2023
CU Inc	Preferred Shares	Pfd-2 high	Jul 25, 2023
Canadian Banc Corp	Floating Rate Preferred Shares	Pfd-3 low	Nov 16, 2023
Canadian Imp Bank of Comm	NVCC Preferred Shares	Pfd-2	Jun 1, 2023
Cdn Large Capital Leaders	Preferred Shares	Pfd-3 high	Dec 20, 2023
Canadian Utilities Ltd	Second Preferred Shares	Pfd-2	Aug 29, 2023
Canadian Western Bank	NVCC Preferred Shares	Pfd-3	Nov 14, 2023
Canoe EIT Income Fund	Preferred Units	Pfd-2 high	Jan 31, 2024
Capital Power Corp	Preferred Shares	Pfd-3 low	Apr 5, 2024
Genovus Energy Inc	Preferred Shares	Pfd-3 high	Dec 18, 2023
Co-operators Gen Ins Co	Non-Cum. Preferred Shares, Class E	Pfd-2	Oct 26, 2023
Dividend 15 Split Corp	Preferred Shares	Pfd-3	Apr 11, 2024
Dividend 15 Split Corp II	Preferred Shares	Pfd-3 low	Jun 28, 2023
Divid Growth Split Corp	5.25% Preferred Shares	Pfd-3 low	Jun 21, 2023
E Split Corp	Preferred Shares	Pfd-3 high	Jun 6, 2023
ECN Capital Corp	Preferred	Pfd-4 high	Aug 24, 2023
Element Fleet Mgmt Corp	Perpetual Preferred Shares	Pfd-3 high	Sep 27, 2023
Empire Life Insurance Co	Preferred Shares	Pfd-2	May 25, 2023

Income Trusts

Income Trusts are designed as a higher-risk alternative to fixed-income securities. Distributions, based on performance of the fund's underlying assets, can vary substantially depending upon commodity prices, as well as volume of business and costs of production.

This section is an alphabetical listing of securities which are neither preferred, nor common, but are in effect units of a special type of incorporated body, known as a trust. Under the terms of their creation, these investment vehicles have special tax status, by virtue of their goal of distributing their annual income to the unit holders, on a tax-advantaged basis.

Oil & Gas Royalty Trusts are investments that provide exposure to resource sectors. The trust purchases a royalty, typically 99%, from a company with producing oil and gas properties. The trust receives royalty income, essentially net cash flow (cash flow, net of certain deductions, such as administrative expenses and management fees). Depending on the tax position of the trust—how much of its income is sheltered with Canadian Oil and Gas Property Expense or other tax pools—unitholders may receive all, or a portion of, the distributions as a return of capital. Under Canadian tax rules, this would reduce the adjusted cost base of the Income Trusts, and the unitholder could have to pay capital gains tax when the units are sold or deemed to be sold. A portion of the distributions can also be deemed a return on capital, and taxable as income.

Structured Products are structured to own debt and/or equity of a company engaged in a resource-oriented or other business. Whereas a royalty trust distributes the bulk of its cash flow derived from royalty income, an income trust distributes cash flow through interest on debentures and dividends from shares. Unlike a royalty trust, a tax shield on distributions is not available to an income trust.

Real Estate Investment Trusts are closed-end investment trusts that normally invest in income-producing properties. They often operate with balance sheets that are more conservative than those of traditional real estate companies. Typically, borrowing is limited to no more than 50% of adjusted assets, and they do not normally invest in raw land or engage in speculative development. REITs typically pay out 90% of distributable income. The capital cost allowance available to the REIT will reduce taxable income at the trust level but will not affect the amount of cash that can be distributed to unitholders of the REIT. The portion of distributed income which is not immediately taxable to the unitholder is treated as a return of capital and reduces the unitholder's cost base.

This table is organized into five trust groupings as follows:

- (1) Business Trusts, (2) Oil & Gas Royalty Trusts, (3) Real Estate Investment Trusts, (4) Structured Products.

References for Table

Recent Price	Latest closing price to May 9, 2024
Rate	Total distributions declared in the last twelve months, or less if recently issued. (n.a. - new issue, no distributions declared yet)
DRIP	Dividend Reinvestment Plan. At their option, unitholder can elect to receive additional units in lieu of cash payment.
NAV	Net Asset Value. Holders have the option to request redemption at NAV. In other cases, some funds are redeemable under specific circumstances and others are not redeemable until termination.
Termination Date	Date at which the trust will be wound up and the assets divided.
Assets held in Portfolio	Describes the holdings, or purpose of the trust.
Note 1	o/s amounts do not include shares or other securities exchangeable into trust units.

Trust Units

Issuer	O/S Amount	O/S Date	Recent Price	Rate	DRIP	Redeem.	Termination Date	Exchange	Symbol	Assets held in Portfolio
Business Trusts										
A&W Rev Royalties Incm Fd	20,383,114	Dec 31, 2023	\$29.59	\$1.92	yes			T	AW.UN	Royalties of 3% on sales generated by A&W restaurants in the Royalty Pool
Alaris Eqty Ptnrs Incm Tr	45,498,191	Dec 31, 2023	\$16.17	\$1.36				T	AD.UN	Provides alternative financing primarily to private companies in North America in return for royalties or distributions.
Boston Pizza Royalties	21,278,563	Dec 31, 2023	\$15.80	\$1.356				T	BPF.UN	Royalties of 4% on total sales from Boston Pizza restaurants in the Royalty Pool
Chemtrade Logistics Incm	115,536,668	Dec 31, 2023	\$8.71	\$0.66	yes			T	CHE.UN	Chemical by-product removal, storage, marketing and distribution services, primarily to the mining industry
DRI Healthcare Trust	56,358,240	Dec 31, 2023	US\$16.16	US\$0.34				T	DHT.UN	Owns and acquires pharmaceutical royalties.
Dream Impact Trust	17,571,967	Dec 31, 2023	\$3.84	\$0.64				T	IMPCT.UN	Invests in hard asset alternative investments with a focus on real estate, real estate lending and infrastructure, including renewable power.
Keg Royalties Income Fund	11,353,500	Dec 31, 2023	\$14.70	\$1.1352				T	KEG.UN	Royalties of 4% of gross sales from the Keg restaurants in the Royalty Pool
Richards Pkg Income Fund	10,955,007	Dec 31, 2023	\$31.68	\$1.32				T	RPI.UN	Full-service rigid packaging distributor targeting small and medium-sized North American businesses
SIR Royalty Income Fund	8,375,567	Dec 31, 2023	\$13.27	\$1.14				T	SRV.UN	Royalties of 6% of the pooled revenues from SIR Restaurants in Canada (including Jack Astor's Bar and Grill, Canyon Creek Chop House, Alice Fazzoletti Italian Crabshack and reds Bistro & Bar)

Real Estate Investment Trusts