



SUPPLEMENTARY REGULATORY CAPITAL DISCLOSURE

FIRST QUARTER 2016

(unaudited)

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This document is available via the Bank's web site: www.nbc.ca



Notes to users

Notes to users:

- 1) This Supplementary Regulatory Capital Disclosure document is unaudited and should be read in conjunction with the 2015 Annual Report. All amounts are in millions of Canadian dollars unless otherwise stated.
- 2) Financial information is available through the Report to Shareholders for all quarters of 2016 and also in the document entitled *Supplementary Financial Information* which is available on the Bank's website at nbc.ca.



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Regulatory Capital and Capital Ratios under Basel III⁽¹⁾

			2016	2015			
			Q1	Q4	Q3	Q2	Q1
(unaudited) (millions of Canadian dollars)		Reference ⁽²⁾	All-in basis				
Common Equity Tier 1 capital: instruments and reserves							
1	Directly issued qualifying common share capital plus related contributed surplus ⁽³⁾	a + a'	2 691	2 681	2 375	2 382	2 365
2	Retained earnings	b	6 593	6 705	6 500	6 231	5 957
3	Accumulated other comprehensive income and other reserves	c	91	145	234	304	362
6	Common Equity Tier 1 capital before regulatory adjustments		9 375	9 531	9 109	8 917	8 684
Regulatory adjustments to Common Equity Tier 1 capital							
7	Prudential valuation adjustments		-	-	-	-	-
8	Goodwill (net of related tax liability)	e	1 557	1 536	1 519	1 439	1 495
9	Intangible assets other than mortgage-servicing rights	f - x	898	908	905	895	891
11	Accumulated other comprehensive income related to cash flow hedges	h	124	123	94	149	116
12	Shortfall of total provisions to expected losses	i	12	-	-	3	-
14	Gains (losses) due to changes in own credit risk on fair valued liabilities	j	28	5	-	(1)	20
15	Defined benefit pension plan assets (net of related tax liability)	k - y	13	154	98	78	3
16	Investments in own shares (if not already netted off contributed surplus on reported balance sheet)		-	4	5	10	-
22	Amount exceeding the 15% threshold		-	-	-	-	-
23	of which: significant investments in the common stock of financials	n	-	-	-	-	-
25	of which: deferred tax assets arising from temporary differences	o	-	-	-	-	-
26	Other deductions or regulatory adjustments to CET1 as determined by OSFI (including regulatory adjustments in respect of own use property)		-	-	-	-	-
28	Total regulatory adjustments to Common equity Tier 1		2 632	2 730	2 621	2 573	2 525
29	Common Equity Tier 1 capital (CET1)		6 743	6 801	6 488	6 344	6 159
Additional Tier 1 capital: instruments							
30	Directly issued qualifying Additional Tier 1 instruments plus related contributed surplus ⁽³⁾	v	1 050	650	650	650	650
31	of which: classified as equity under applicable accounting standards	v + z	1 050	650	650	650	650
32	of which: classified as liabilities under applicable accounting standards	p	-	-	-	-	-
33	Directly issued capital instruments subject to phase out from Additional Tier 1 ^{(3) (4)}	p' + v'	1 161	1 175	1 348	1 348	1 348
36	Additional Tier 1 capital before regulatory adjustments		2 211	1 825	1 998	1 998	1 998
Additional Tier 1 capital: regulatory adjustments							
41	Other deductions from Tier 1 capital as determined by OSFI		-	-	-	3	-
41a	of which: Reverse mortgages		-	-	-	3	-
43	Total regulatory adjustments to Additional Tier 1 capital		-	-	-	3	-
44	Additional Tier 1 capital (AT1)		2 211	1 825	1 998	1 995	1 998
45	Tier 1 capital (T1 = CET1 + AT1)		8 954	8 626	8 486	8 339	8 157
Tier 2 capital: instruments and provisions							
47	Directly issued capital instruments subject to phase out from Tier 2 ^{(3) (5)}	r'	1 010	1 008	1 508	1 508	1 520
50	Collective allowances	t	33	44	33	27	44
51	Tier 2 capital before regulatory adjustments		1 043	1 052	1 541	1 535	1 564
Tier 2 capital: regulatory adjustments							
57	Total regulatory adjustments to Tier 2 capital		-	-	-	-	-
58	Tier 2 capital (T2)		1 043	1 052	1 541	1 535	1 564
59	Total capital (TC = T1 + T2)		9 997	9 678	10 027	9 874	9 721

(1) As requested by the Office of the Superintendent of Financial Institutions (Canada) (OSFI), all the Domestic Systemically Important Banks (D-SIBs) in Canada must fully apply the Basel III deductions and must disclose the all-in-ratios.

(2) Reconciliation with Balance Sheet is presented on page 7.

(3) A complete list of capital instruments and their main features is now available on the Bank's website at nbc.ca under *Investor Relations > Capital & Debt Information > Main Features of Regulatory Capital Instruments*.

(4) Figures as at October 31, 2015 include the redemption of Series 20 preferred shares on November 15, 2015.

(5) Figures as at October 31, 2015 include the November 2, 2015 redemption of \$500 million in notes.



Regulatory Capital and Capital Ratios under Basel III⁽¹⁾ (continued)

		2016	2015			
		Q1	Q4	Q3	Q2	Q1
(unaudited) (millions of Canadian dollars)		All-in basis				
60a	Common Equity Tier 1 Capital RWA (CET1)	69 741	68 835	68 617	67 071	66 264
60b	Tier 1 Capital RWA	70 006	69 094	68 883	67 333	66 534
60c	Total capital RWA	70 233	69 316	69 111	67 557	66 766
Capital ratios						
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	9.7%	9.9%	9.5%	9.5%	9.3%
62	Tier 1 (as a percentage of risk weighted assets) ⁽²⁾	12.8%	12.5%	12.3%	12.4%	12.3%
63	Total capital (as a percentage of risk weighted assets) ^{(2) (3)}	14.2%	14.0%	14.5%	14.6%	14.6%
64	Institution-specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus G-SIB buffer requirement plus D-SIB buffer requirement expressed as a percentage of risk weighted assets)	8.0%	7.0%	7.0%	7.0%	7.0%
67	of which: G-SIB buffer requirement	na	na	na	na	na
67a	of which: D-SIBs buffer requirement	1.0%	na	na	na	na
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	9.7%	9.9%	9.5%	9.5%	9.3%
OSFI all-in target						
69	Common Equity Tier 1 all-in target ratio	8.0%	7.0%	7.0%	7.0%	7.0%
70	Tier 1 capital all-in target ratio	9.5%	8.5%	8.5%	8.5%	8.5%
71	Total capital all-in target ratio	11.5%	10.5%	10.5%	10.5%	10.5%
Amounts below the thresholds for deduction (before risk weighting)						
72	Non-significant investments in the capital of other financial institutions	198	148	193	200	245
73	Significant investments in the common stock of financial institutions	321	412	410	297	345
75	Deferred tax assets arising from temporary differences (net of related tax liabilities)	467	414	427	428	424
Applicable caps on the inclusion of allowance in Tier 2						
76	Allowance eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	33	35	31	27	25
77	Cap on inclusion of allowance in Tier 2 under standardised approach	66	68	60	53	47
78	Allowance eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	8	2	-	19
79	Cap on inclusion of allowance in Tier 2 under internal ratings-based approach	317	310	318	316	313
Capital instruments subject to phase-out arrangements (only applicable between Jan 1, 2018 and Jan 1, 2022)						
82	Current cap on AT1 instruments subject to phase out arrangements	1 162	1 356	1 356	1 356	1 356
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-	-	-	-
84	Current cap on T2 instruments subject to phase out arrangements	1 429	1 667	1 667	1 667	1 667
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-	-	-	-
Transitional Capital Disclosure Template		Transitional basis				
29	Common Equity Tier 1 capital (CET1)	7 748	8 379	8 005	7 808	7 609
45	Tier 1 capital (T1 = CET1 + AT1)	9 334	9 282	9 091	8 930	8 705
59	Total capital (TC = T1 + T2)	10 375	10 334	10 632	10 465	10 274
60	Total risk weighted assets	71 468	70 806	70 591	69 008	72 038
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	10.8%	11.8%	11.3%	11.3%	10.6%
62	Tier 1 (as a percentage of risk weighted assets) ⁽²⁾	13.1%	13.1%	12.9%	12.9%	12.1%
63	Total capital (as a percentage of risk weighted assets) ^{(2) (3)}	14.5%	14.6%	15.1%	15.2%	14.3%

(1) As requested by the Office of the Superintendent of Financial Institutions (Canada) (OSFI), all the Domestic Systemically Important Banks (D-SIBs) in Canada must fully apply the Basel III deductions and must disclose the all-in-ratios.

(2) Ratios as at October 31, 2015 include the redemption of Series 20 preferred shares on November 15, 2015.

(3) Ratios as at October 31, 2015 include the November 2, 2015 redemption of \$500 million in notes.



Leverage Ratio under Basel III

		2016	2015			
		Q1	Q4	Q3	Q2	Q1
Accounting assets vs. leverage ratio exposure – Transitional basis						
1	Total consolidated assets as per published financial statements	219 301	216 090	215 560	207 123	214 474
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(53)	(59)	(70)	(87)	(77)
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-	-	-
4	Adjustment for derivative financial instruments ⁽¹⁾	567	1 924	3 516	4 178	318
5	Adjustment for securities financing transactions ⁽¹⁾	1 826	1 972	1 415	(1 966)	(3 381)
6	Adjustment for off balance-sheet items	19 599	19 585	18 745	18 472	17 761
7	Other adjustments	(3 968)	(3 915)	(5 160)	(4 003)	(4 030)
8	Leverage Ratio Exposure (transitional basis)	237 272	235 597	234 006	223 717	225 065
Leverage ratio common disclosure						
On-balance sheet exposures						
1	On-balance sheet items (excluding derivatives, SFTs and grandfathered securitization exposures but including collateral)	188 359	185 659	180 550	176 215	176 139
2	(Asset amounts deducted in determining Basel III transitional Tier 1 capital)	(2 238)	(2 086)	(2 015)	(1 986)	(1 969)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	186 121	183 573	178 535	174 229	174 170
Derivative exposures						
4	Replacement cost associated with all derivative transactions (i.e., net of eligible cash variation margin)	7 318	5 527	7 370	6 152	7 764
5	Add-on amounts for PFE associated with all derivative transactions	6 262	6 881	8 217	8 363	7 274
6	Gross up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-	-	-	-
7	(Deductions of receivables assets for cash variation margin provided in derivative transactions)	-	-	-	-	-
8	(Exempted CCP-leg of client cleared trade exposures)	-	-	-	-	-
9	Adjusted effective notional amount of written credit derivatives	518	357	311	281	180
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-	-	-	-
11	Total derivative exposures (sum of lines 4 to 10)	14 098	12 765	15 898	14 796	15 218
Securities financing transaction exposures						
12	Gross SFT assets recognised for accounting purposes (with no recognition of netting), after adjusting for sale accounting transactions	15 628	17 702	19 413	23 887	25 597
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(337)	(199)	(729)	(9 547)	(9 570)
14	Counterparty credit risk (CCR) exposure for SFTs	2 163	2 171	2 144	1 880	1 889
15	Agent transaction exposures	-	-	-	-	-
16	Total securities financing transaction exposures (sum of lines 12 to 15)	17 454	19 674	20 828	16 220	17 916
Other off-balance sheet exposures						
17	Off-balance sheet exposure at gross notional amount	55 485	55 438	53 848	52 892	52 948
18	(Adjustments for conversion to credit equivalent amounts)	(35 886)	(35 853)	(35 103)	(34 420)	(35 187)
19	Off-balance sheet items (sum of lines 17 and 18)	19 599	19 585	18 745	18 472	17 761
Capital and Total Exposures - Transitional Basis						
20	Tier 1 capital⁽²⁾	9 334	9 282	9 091	8 930	8 705
21	Total Exposures (sum of lines 3, 11, 16 and 19)	237 272	235 597	234 006	223 717	225 065
Leverage Ratio – Transitional Basis						
22	Basel III leverage ratio	3.9%	3.9%	3.9%	4.0%	3.9%
All-in basis (Required by OSFI)						
23	Tier 1 capital – All-in basis⁽²⁾	8 954	8 626	8 486	8 339	8 157
24	(Regulatory adjustments)	(2 604)	(2 726)	(2 620)	(2 577)	(2 506)
25	Total Exposures	236 906	234 957	233 401	223 126	224 528
26	Leverage ratio – All-in basis	3.8%	3.7%	3.6%	3.7%	3.6%

(1) Adjustments due to differences between accounting and regulatory netting standards.

(2) Figures as at October 31, 2015 include the redemption of Series 20 preferred shares on November 15, 2015.



Reconciliation between Financial Accounting and Regulatory Capital Balance Sheets⁽¹⁾

(unaudited) (millions of Canadian dollars)	Q1 2016				
	Cross - Reference to Definition of Capital ⁽²⁾	As in Report to Shareholders	Deconsolidation of Insurance ⁽³⁾ and other entities ⁽⁴⁾	Under regulatory scope of consolidation	Of which
Assets					
Cash and deposits with financial institutions		6 589	-	6 589	
Securities		56 436	3 720	60 156	
Assets purchased under reverse repurchase agreements and securities borrowed		15 628	-	15 628	
Loans					
Residential mortgage		44 409	(18 393)	26 016	
Personal and credit card		32 314	(1 388)	30 926	
Business and government		33 411	-	33 411	
Customers' liability under acceptances		8 942	-	8 942	
Less: Allowances for credit losses		(566)	-	(566)	
Collective allowances reflected in Tier 2 regulatory capital	t				(33)
Shortfall of allowances to expected loss	i				12
Allowances not reflected in regulatory capital					(545)
Other assets					
Derivative financial instruments		13 531	-	13 531	
Other		8 607	(52)	8 555	
Goodwill	e				1 557
Intangibles assets	f				1 083
Deferred tax assets					471
Deferred tax assets excluding those arising from temporary differences	g				-
Deferred tax assets arising from temporary differences exceeding regulatory thresholds	o				-
Deferred tax assets - realize through loss carrybacks					4
Deferred tax assets - other temporary differences					467
Defined-benefit pension fund net assets	k				17
Significant investments in other financial institutions					321
Significant investments exceeding regulatory thresholds	m + n				-
Significant investments not exceeding regulatory thresholds					321
Other					5 106
Total assets		219 301	(16 113)	203 188	
Liabilities					
Deposits		131 064	(225)	130 839	
Derivatives financial instruments		9 989	-	9 989	
Other liabilities		65 813	(16 113)	49 700	
Gains and losses due to changes in own credit risk on fair value liabilities	j				28
Deferred tax liabilities					152
Related to goodwill	w				-
Related to intangibles	x				185
Related to pensions	y				4
Other deferred tax liabilities					(37)
Other					49 520
Subordinated debt		1 021	-	1 021	
Regulatory capital amortization of maturing debentures					-
Fair value adjustment and unamortized issuance cost					11
Subordinated debentures used for regulatory capital					1 010
Allowed for inclusion in Tier 2 capital	r				-
Subject to phase out	r'				1 010
Ineligible additional Tier 2 capital					-
Excluded from Tier 2 capital due to cap					-
Total liabilities		207 887	(16 338)	191 549	
Equity Attributable to Shareholders		10 625	-	10 625	
Common shares	a				2 623
Contributed surplus	a'				68
Retained Earnings	b				6 593
Accumulated Other Comprehensive Income (loss)	c				91
Net gains (losses) on instruments designated as cash flow hedges	h				124
Other					(33)
Preferred shares					1 250
Allowed for inclusion in additional Tier 1 capital	v				1 050
Subject to phase out	v'				186
Ineligible additional Tier 1 capital					-
Excluded from additional Tier 1 capital due to cap					14
Non-controlling interests		789	225	1 014	
Innovative instruments					1 014
Allowed for inclusion in additional Tier 1 capital					-
Subject to phase out	p'				975
Excluded from additional Tier 1 capital due to cap					-
Other					39
Portion allowed for inclusion into CET1	d				-
Portion allowed for inclusion into Tier 1 capital	q				-
Portion allowed for inclusion into Tier 2 capital	s				-
Portion not allowed for regulatory capital					-
Total Equity		11 414	225	11 639	
Total Liabilities and Equity		219 301	(16 113)	203 188	

(1) The basis of consolidation used for financial accounting purposes, described in note 1 to the 2015 Annual Report audited consolidated financial statements, may differ from regulatory purposes.

The regulatory consolidation does not include structured entities, where significant risk has been transferred to third parties nor subsidiaries and associates engaged in insurance activities.

(2) The references identify balance sheet components which are used in calculation of regulatory capital on page 4.

(3) Total assets related to Insurance activities and National Bank Life Insurance Company, and other are \$155 million and \$11 million respectively.

(4) The amount is mainly due to securitization entities. For more information on structured entities, please see pages 185 to 188 of the 2015 Annual Report.



Capital Adequacy under Basel III⁽¹⁾

2016							2015			
Q1							Q4	Q3	Q2	Q1
(unaudited) (millions of Canadian dollars)	Exposure at default	Risk-weighted assets				Capital requirement ⁽²⁾	Risk-weighted assets			
		Standardized	AIRB Approach	Other	Total					
Credit risk										
Retail										
Residential mortgages	45 019	356	4 909	-	5 265	421	4 975	4 823	4 920	4 692
Qualifying revolving retail	5 105	-	1 011	-	1 011	81	1 036	973	1 017	1 003
Other retail	15 209	1 932	4 760	-	6 692	535	6 651	6 507	5 589	5 049
Non-retail										
Corporate	55 928	1 891	25 305	-	27 196	2 176	26 662	26 486	25 683	24 155
Sovereign	25 980	-	658	-	658	53	629	578	633	550
Financial institutions	4 431	168	1 041	-	1 209	97	974	835	746	845
Banking book equity ⁽³⁾	580	-	580	-	580	46	593	578	633	589
Securitization	2 958	-	795	-	795	64	798	755	1 582	2 291
Other assets	28 187	-	-	3 842	3 842	307	4 252	4 213	4 754	5 202
<u>Counterparty credit risk</u>										
Corporate	5 148	28	66	-	94	8	96	102	69	80
Sovereign	10 087	-	14	-	14	1	22	16	13	6
Financial institutions	52 797	-	1 415	-	1 415	113	1 402	1 756	1 477	1 423
Trading portfolio	11 428	209	2 688	-	2 897	232	2 774	3 765	3 572	3 743
Credit valuation adjustment charge ⁽⁴⁾		2 423	-	-	2 423	194	2 367	2 434	2 395	2 475
Regulatory scaling factor		-	2 593	-	2 593	207	2 512	2 577	2 511	2 430
Total - Credit risk	262 857	7 007	45 835	3 842	56 684	4 535	55 743	56 398	55 594	54 533
Market risk										
VaR		-	1 266	-	1 266	101	1 262	976	731	693
Stressed VaR		-	1 707	-	1 707	137	1 875	1 225	953	1 086
Interest-rate specific risk		806	-	-	806	64	828	920	864	1 099
Total - Market risk		806	2 973	-	3 779	302	3 965	3 121	2 548	2 878
Operational risk		9 278	-	-	9 278	742	9 127	9 098	8 929	8 853
Total	262 857	17 091	48 808	3 842	69 741	5 579	68 835	68 617	67 071	66 264
Capital ratio under Basel III										
Common Equity Tier 1 (CET1)					9.7%		9.9%	9.5%	9.5%	9.3%
Tier 1 ⁽⁵⁾					12.8%		12.5%	12.3%	12.4%	12.3%
Total ^{(5) (6)}					14.2%		14.0%	14.5%	14.6%	14.6%
Leverage ratio under Basel III					3.8%		3.7%	3.6%	3.7%	3.6%

(1) Figures are presented in an "all-in" basis.

(2) The capital requirement is equal to 8% of risk-weighted assets.

(3) Calculated using the simple risk-weight method.

(4) Calculated based on CET1 risk-weighted assets.

(5) Ratios as at October 31, 2015 include the redemption of Series 20 preferred shares on November 15, 2015.

(6) Ratios as at October 31, 2015 include the November 2, 2015 redemption of \$500 million in notes.



Risk-Weighted Assets Movement by Key Drivers⁽¹⁾

(unaudited) (millions of Canadian dollars)	2016			2015			
	Q1			Q4	Q3	Q2	Q1
	Non-counterparty credit risk	Counterparty credit risk ⁽²⁾	Total	Total	Total	Total	Total
Credit risk – Risk-weighted assets at beginning	49 082	6 661	55 743	56 398	55 594	54 533	52 782
Book size	250	381	631	1 038	146	844	757
Book quality	(30)	(381)	(411)	(365)	80	563	500
Model updates	–	–	–	(1 324)	(168)	–	(229)
Methodology and policy	–	–	–	–	–	–	–
Acquisitions and disposals	–	–	–	–	–	–	–
Foreign exchange movements	539	182	721	(4)	746	(346)	723
Credit risk – Risk-weighted assets at end	49 841	6 843	56 684	55 743	56 398	55 594	54 533
Market risk – Risk-weighted assets at beginning			3 965	3 121	2 548	2 878	3 317
Movement in risk levels ⁽³⁾			(186)	217	23	(330)	(439)
Model updates			–	627	550	–	–
Methodology and policy			–	–	–	–	–
Acquisitions and disposals			–	–	–	–	–
Market risk – Risk-weighted assets at end			3 779	3 965	3 121	2 548	2 878
Operational risk – Risk-weighted assets at beginning			9 127	9 098	8 929	8 853	8 719
Movement in risk levels			151	29	169	76	134
Acquisitions and disposals			–	–	–	–	–
Operational risk – Risk-weighted assets at end			9 278	9 127	9 098	8 929	8 853
Risk-weighted assets at end			69 741	68 835	68 617	67 071	66 264

(1) Figures are presented in an "all-in" basis.

(2) Calculated based on CET1 risk-weighted assets.

(3) Also includes foreign exchange movement that is not considered material.



Reconciliation of Balance Sheet with Credit Risk Exposures

(unaudited) (millions of Canadian dollars)	Q1 2016							
	Exposures subject to credit risk capital					Other exposures		Balance sheet
	Drawn		Other exposures			Subject to market risk capital	All other ⁽¹⁾	
	Non-retail	Retail	Securitization	Repo-style transactions	Derivatives financial instruments			
Assets								
Cash and deposits with financial institutions ⁽²⁾	5 933	-	-	-	-	-	656	6 589
Securities								
At fair value through profit or loss	3 835	-	643	-	-	36 802	-	41 280
Available-for-sale	15 034	-	7	-	-	-	115	15 156
	18 869	-	650	-	-	36 802	115	56 436
Securities purchased under reverse repurchase agreements and securities borrowed	-	-	-	15 628	-	-	-	15 628
Loans								
Residential mortgage ⁽³⁾	23 738	20 671	-	-	-	-	-	44 409
Personal and credit card	-	30 926	1 388	-	-	-	-	32 314
Business and government	31 386	2 025	-	-	-	-	-	33 411
	55 124	53 622	1 388	-	-	-	-	110 134
Customers' liability under acceptances	8 942	-	-	-	-	-	-	8 942
Allowance for credit losses	(150)	(27)	-	-	-	-	(389)	(566)
	63 916	53 595	1 388	-	-	-	(389)	118 510
Other								
Derivative financial instruments ⁽²⁾	-	-	-	-	13 531	-	-	13 531
Due from clients, dealers and brokers	-	-	-	-	-	-	419	419
Purchase receivables	-	780	-	-	-	-	759	1 539
Investments in associates and joint ventures	-	-	-	-	-	-	730	730
Premises and equipment	-	1 384	-	-	-	-	460	1 844
Goodwill	-	-	-	-	-	-	1 280	1 280
Intangible assets	-	-	-	-	-	-	1 083	1 083
Other assets	-	-	-	-	-	-	1 712	1 712
	-	2 164	-	-	13 531	-	6 443	22 138
	88 718	55 759	2 038	15 628	13 531	36 802	6 825	219 301

(1) Includes deconsolidated assets related to insurance activities and all other assets that are neither subject to credit nor market risks.

(2) These exposures may also be subject to market risk.

(3) As per Basel definition, NHA MBS pooled and 5 units or more mortgages are included in the non-retail category.



Standardized Credit Risk Exposure Under the Basel Asset Categories and by Risk Weight⁽¹⁾

2016								
Q1								
Risk Weight	0%	20%	35%	50%	75%	100%	150%	Total
Retail								
Residential mortgage	-	-	815	15	279	75	-	1 184
Other retail	-	-	-	-	5 385	-	-	5 385
	-	-	815	15	5 664	75	-	6 569
Non-Retail								
Corporate	-	-	-	-	-	4 408	1	4 409
Sovereign	187	-	-	-	-	-	-	187
Financial Institutions	-	608	-	-	-	47	-	655
	187	608	-	-	-	4 455	1	5 251
Trading	-	-	-	-	-	579	-	579
Total	187	608	815	15	5 664	5 109	1	12 399

2015								
Q4								
Risk Weight	0%	20%	35%	50%	75%	100%	150%	Total
Retail								
Residential mortgage	-	-	857	10	235	67	-	1 169
Other retail	-	-	-	-	5 264	-	-	5 264
	-	-	857	10	5 499	67	-	6 433
Non-Retail								
Corporate	-	-	-	-	-	3 200	1	3 201
Sovereign	248	-	-	-	-	-	-	248
Financial Institutions	-	447	-	-	-	17	-	464
	248	447	-	-	-	3 217	1	3 913
Trading	-	-	-	-	-	519	-	519
Total	248	447	857	10	5 499	3 803	1	10 865

2015								
Q3								
Risk Weight	0%	20%	35%	50%	75%	100%	150%	Total
Retail								
Residential mortgage	-	-	1 209	10	247	67	-	1 533
Other retail	-	-	-	-	5 083	-	-	5 083
	-	-	1 209	10	5 330	67	-	6 616
Non-Retail								
Corporate	-	-	-	-	-	3 904	2	3 906
Sovereign	223	-	-	-	-	-	-	223
Financial Institutions	-	553	-	-	-	17	-	570
	223	553	-	-	-	3 921	2	4 699
Trading	-	-	-	-	-	621	-	621
Total	223	553	1 209	10	5 330	4 609	2	11 936

2015								
Q2								
Risk Weight	0%	20%	35%	50%	75%	100%	150%	Total
Retail								
Residential mortgage	-	-	674	17	181	50	-	922
Other retail	-	-	-	-	3 489	-	-	3 489
	-	-	674	17	3 670	50	-	4 411
Non-Retail								
Corporate	-	-	-	-	-	4 446	1	4 447
Sovereign	229	-	-	-	-	-	-	229
Financial Institutions	-	441	-	-	-	16	-	457
	229	441	-	-	-	4 462	1	5 133
Trading	-	-	-	-	-	374	-	374
Total	229	441	674	17	3 670	4 886	1	9 918

2015								
Q1								
Risk Weight	0%	20%	35%	50%	75%	100%	150%	Total
Retail								
Residential mortgage	-	-	550	-	20	-	-	570
Other retail	-	-	-	-	2 853	-	-	2 853
	-	-	550	-	2 873	-	-	3 423
Non-Retail								
Corporate	-	-	-	-	-	6 465	1	6 466
Sovereign	162	-	-	-	-	-	-	162
Financial Institutions	-	477	-	-	-	-	-	477
	162	477	-	-	-	6 465	1	7 105
Trading	-	-	-	-	-	1 097	-	1 097
Total	162	477	550	-	2 873	7 562	1	11 625

(1) Exposure amounts are the expected gross exposure upon the default of an obligor. These amounts are net of specific allowance but do not reflect the impact of credit risk mitigation and collateral held.

Credit Quality of AIRB Exposure - Retail Portfolios⁽¹⁾

			2016										
			Q1										
			EAD	Notional of undrawn commitments	Exposure weighted-average (EAD %)	Exposure weighted-average (PD %)	Exposure weighted-average (LGD %)	Exposure weighted-average risk weight asset (RWA %)	RWA	Expected Losses (EL)	EL adjusted average risk weight % ⁽²⁾		
(unaudited) (millions of Canadian dollars)	Risk Grade	PD bands											
Canadian residential mortgage and HELOCs	Insured Drawn and Undrawn⁽³⁾	Exceptionally low	0.000% - 0.144%	1 880	–	100%	0.07%	17.6%	3.2%	60	0.2	3%	
		Very low	0.145% - 0.506%	2 241	–	100%	0.30%	10.2%	5.2%	116	0.6	6%	
		Low	0.507% - 1.116%	904	–	100%	0.76%	5.2%	5.3%	48	0.3	6%	
		Low	1.117% - 2.681%	517	–	100%	1.74%	3.3%	5.8%	30	0.3	7%	
		Medium	2.682% - 9.348%	615	–	100%	4.76%	2.7%	8.5%	52	0.8	10%	
		High	9.349% - 99.99%	159	–	100%	25.63%	2.6%	14.0%	22	1.2	22%	
		Default	100.00%	74	–	100%	100.00%	2.8%	23.0%	17	0.9	39%	
					6 390	–	100%	2.63%	10.1%	5.4%	345	4.3	6%
		Uninsured Undrawn⁽⁴⁾	Exceptionally low	0.000% - 0.144%	3 900	9 146	56%	0.05%	22.6%	3.1%	122	0.5	3%
			Very low	0.145% - 0.506%	1 626	3 583	73%	0.26%	23.4%	11.2%	182	0.9	12%
Low	0.507% - 1.116%		171	210	87%	0.70%	23.8%	23.6%	40	0.3	26%		
Low	1.117% - 2.681%		39	52	83%	1.67%	23.4%	40.7%	16	0.2	46%		
Medium	2.682% - 9.348%		12	14	84%	4.20%	23.9%	69.9%	8	0.1	82%		
High	9.349% - 99.99%		2	2	82%	14.84%	23.7%	120.3%	2	0.1	166%		
Default	100.00%		3	4	74%	100.00%	23.3%	291.4%	8	–	291%		
				5 753	13 011	62%	0.20%	22.9%	6.6%	378	2.1	7%	
Uninsured Drawn⁽⁵⁾	Exceptionally low	0.000% - 0.144%	14 950			0.07%	23.0%	4.2%	625	2.5	4%		
	Very low	0.145% - 0.506%	12 222			0.27%	25.5%	12.7%	1 550	8.5	14%		
	Low	0.507% - 1.116%	2 914			0.71%	25.6%	25.4%	741	5.3	28%		
	Low	1.117% - 2.681%	926			1.64%	25.8%	44.2%	409	3.9	49%		
	Medium	2.682% - 9.348%	351			4.65%	25.1%	77.9%	274	4.1	92%		
	High	9.349% - 99.99%	259			28.97%	28.9%	159.9%	414	22.4	268%		
	Default	100.00%	70			100.00%	27.3%	245.9%	173	8.2	392%		
				31 692			0.76%	24.3%	13.2%	4 186	54.9	15%	
Qualifying revolving credit	Exceptionally low	0.000% - 0.144%	2 660	4 679	57%	0.05%	70.6%	2.3%	61	0.9	3%		
	Very low	0.145% - 0.506%	907	601	82%	0.29%	69.7%	10.0%	91	1.8	13%		
	Low	0.507% - 1.116%	572	214	90%	0.78%	70.9%	22.4%	128	3.2	29%		
	Low	1.117% - 2.681%	513	126	96%	1.79%	76.5%	45.3%	232	7.1	63%		
	Medium	2.682% - 9.348%	359	40	101%	4.51%	76.7%	85.2%	306	12.3	128%		
	High	9.349% - 99.99%	72	4	102%	20.69%	74.2%	184.5%	134	11.8	388%		
	Default	100.00%	22	–	104%	100.00%	59.4%	265.4%	59	11.3	897%		
				5 105	5 664	73%	1.39%	71.5%	19.8%	1 011	48.4	32%	
Other retail⁽⁶⁾	Exceptionally low	0.000% - 0.144%	2 272	1 475	85%	0.07%	40.7%	7.2%	164	0.6	8%		
	Very low	0.145% - 0.506%	2 649	366	98%	0.30%	49.6%	26.0%	690	4.0	28%		
	Low	0.507% - 1.116%	2 318	276	98%	0.80%	60.3%	55.2%	1 279	11.3	61%		
	Low	1.117% - 2.681%	1 486	83	99%	1.75%	64.5%	79.4%	1 181	16.8	94%		
	Medium	2.682% - 9.348%	802	28	99%	4.21%	67.2%	96.8%	776	22.3	132%		
	High	9.349% - 99.99%	193	5	97%	20.33%	62.5%	133.5%	258	25.2	296%		
	Default	100.00%	104	6	99%	100.00%	60.8%	397.5%	412	34.3	812%		
				9 824	2 239	95%	2.35%	54.1%	48.4%	4 760	114.5	63%	
			58 764	20 914	87%	1.23%	31.7%	18.2%	10 680	224.2	23%		

(1) Represents retail exposures under the AIRB approach. Amounts are before allowance for credit losses and after credit risk mitigation.

(2) EL adjusted average risk weight is calculated as (RWA + 12.5 x EL) / EAD.

(3) Includes insured drawn and undrawn retail mortgages and home equity lines of credit.

(4) Includes only uninsured undrawn retail mortgages and home equity lines of credit.

(5) Includes only uninsured drawn retail mortgages and home equity lines of credit.

(6) Includes all other drawn and undrawn retail exposures.



Credit Quality of AIRB Exposure - Retail Portfolios⁽¹⁾

			2015								
			Q4								
			EAD	Notional of undrawn commitments	Exposure weighted-average (EAD %)	Exposure weighted-average (PD %)	Exposure weighted-average (LGD %)	Exposure weighted-average risk weight asset (RWA %)	RWA	Expected Losses (EL)	EL adjusted average risk weight % ⁽²⁾
Canadian residential mortgage and HELOCs	Risk Grade	PD bands									
Insured Drawn and Undrawn ⁽³⁾	Exceptionally low	0.000% - 0.144%	1 960	–	100%	0.07%	17.9%	3.3%	64	0.3	3%
	Very low	0.145% - 0.506%	2 255	–	100%	0.30%	10.2%	5.1%	116	0.6	5%
	Low	0.507% - 1.116%	915	–	100%	0.76%	5.2%	5.3%	48	0.4	6%
	Low	1.117% - 2.681%	469	–	100%	1.70%	3.4%	5.8%	27	0.3	7%
	Medium	2.682% - 9.348%	670	–	100%	5.22%	2.7%	8.8%	59	0.9	11%
	High	9.349% - 99.99%	161	–	100%	26.81%	2.6%	13.9%	22	1.1	23%
	Default	100.00%	69	–	100%	100.00%	2.9%	23.3%	16	1.1	44%
				6 499	–	100%	2.62%	10.3%	5.4%	352	4.7
Uninsured Undrawn ⁽⁴⁾	Exceptionally low	0.000% - 0.144%	4 077	9 339	58%	0.05%	22.6%	3.1%	127	0.5	3%
	Very low	0.145% - 0.506%	1 389	3 244	70%	0.25%	23.5%	11.1%	155	0.8	12%
	Low	0.507% - 1.116%	111	146	81%	0.72%	23.7%	23.8%	26	0.2	26%
	Low	1.117% - 2.681%	31	40	81%	1.71%	23.7%	41.6%	13	0.1	47%
	Medium	2.682% - 9.348%	9	12	84%	4.29%	23.9%	71.2%	7	0.1	84%
	High	9.349% - 99.99%	1	1	84%	15.53%	23.4%	124.4%	2	0.1	175%
	Default	100.00%	2	3	65%	100.00%	24.0%	300.2%	5	–	300%
				5 620	12 785	62%	0.16%	22.9%	6.0%	335	1.8
Uninsured Drawn ⁽⁵⁾	Exceptionally low	0.000% - 0.144%	15 219			0.07%	23.1%	4.2%	640	2.6	4%
	Very low	0.145% - 0.506%	11 730			0.27%	25.5%	12.6%	1 478	8.1	13%
	Low	0.507% - 1.116%	2 713			0.72%	25.5%	25.5%	693	5.0	28%
	Low	1.117% - 2.681%	799			1.69%	25.4%	44.4%	355	3.4	50%
	Medium	2.682% - 9.348%	424			4.87%	26.4%	84.1%	356	5.5	100%
	High	9.349% - 99.99%	186			27.04%	28.2%	149.3%	278	14.5	247%
	Default	100.00%	73			100.00%	27.4%	249.5%	181	8.4	394%
				31 144			0.70%	24.4%	12.8%	3 981	47.5
Qualifying revolving credit	Exceptionally low	0.000% - 0.144%	2 717	4 681	58%	0.05%	71.0%	2.3%	63	1.0	3%
	Very low	0.145% - 0.506%	919	610	82%	0.29%	70.0%	10.1%	92	1.9	13%
	Low	0.507% - 1.116%	577	219	90%	0.78%	71.2%	22.5%	130	3.2	29%
	Low	1.117% - 2.681%	522	135	95%	1.79%	76.8%	45.4%	237	7.2	63%
	Medium	2.682% - 9.348%	366	44	101%	4.56%	77.4%	86.6%	318	12.7	130%
	High	9.349% - 99.99%	74	4	102%	20.59%	73.6%	183.4%	136	11.9	384%
	Default	100.00%	23	–	104%	100.00%	58.8%	263.3%	60	11.3	877%
				5 198	5 693	74%	1.40%	71.9%	19.9%	1 036	49.2
Other retail ⁽⁶⁾	Exceptionally low	0.000% - 0.144%	2 309	1 433	86%	0.07%	40.0%	7.1%	163	0.6	7%
	Very low	0.145% - 0.506%	2 645	379	98%	0.30%	49.7%	26.0%	689	4.0	28%
	Low	0.507% - 1.116%	2 295	271	98%	0.80%	60.4%	55.2%	1 268	11.2	61%
	Low	1.117% - 2.681%	1 513	85	99%	1.75%	64.5%	79.4%	1 201	17.1	94%
	Medium	2.682% - 9.348%	729	29	99%	4.35%	66.2%	95.8%	698	20.7	131%
	High	9.349% - 99.99%	188	5	98%	21.64%	62.6%	132.2%	249	26.2	306%
	Default	100.00%	108	7	96%	100.00%	60.3%	390.5%	420	35.4	803%
				9 787	2 209	95%	2.40%	53.8%	47.9%	4 688	115.2
			58 248	20 687	87%	1.21%	31.8%	17.8%	10 392	218.4	23%

(1) Represents retail exposures under the AIRB approach. Amounts are before allowance for credit losses and after credit risk mitigation.

(2) EL adjusted average risk weight is calculated as (RWA + 12.5 x EL) / EAD.

(3) Includes insured drawn and undrawn retail mortgages and home equity lines of credit.

(4) Includes only uninsured undrawn retail mortgages and home equity lines of credit.

(5) Includes only uninsured drawn retail mortgages and home equity lines of credit.

(6) Includes all other drawn and undrawn retail exposures.

AIRB Credit Risk Exposure - Back-Testing⁽¹⁾

	2016						2015					
	Q1						Q4					
	Average estimated (PD %)	Actual default rate (%)	Average estimated (LGD %) ⁽²⁾	Actual (LGD %) ⁽³⁾	Estimated (EAD %) ⁽⁴⁾	Actual (EAD %) ⁽⁴⁾	Average estimated (PD %)	Actual default rate (%)	Average estimated (LGD %) ⁽²⁾	Actual (LGD %) ⁽³⁾	Estimated (EAD %) ⁽⁴⁾	Actual (EAD %) ⁽⁴⁾
(unaudited) (millions of Canadian dollars)												
Retail portfolio⁽⁵⁾												
Uninsured residential mortgages incl. Home equity line of credit ⁽⁶⁾	0.43%	0.20%	28.06%	6.92%	96.89%	78.91%	0.43%	0.20%	29.45%	7.05%	97.42%	75.74%
Insured residential mortgages ⁽⁷⁾	1.39%	0.93%	2.80%	na	na	na	1.36%	0.94%	2.83%	na	na	na
Qualifying revolving retail	1.43%	1.21%	72.43%	78.68%	99.69%	97.48%	1.40%	1.22%	73.94%	78.31%	99.64%	97.45%
Other retail	1.81%	1.77%	70.02%	61.30%	92.86%	93.31%	1.81%	1.90%	68.32%	60.07%	92.46%	92.32%
Wholesale & Sovereign portfolio⁽⁸⁾												
Corporate	1.69%	0.56%	41.99%	28.98%	82.85%	79.03%	1.67%	0.77%	42.26%	33.16%	83.12%	73.91%
Sovereign ⁽⁹⁾	0.04%	0.00%	11.54%	na	81.00%	na	0.04%	0.00%	11.54%	na	81.00%	na
Financial Institutions ⁽⁹⁾	0.62%	0.00%	39.00%	na	100.00%	na	0.62%	0.00%	39.00%	na	100.00%	na

	2015											
	Q3						Q2					
	Average estimated (PD %)	Actual default rate (%)	Average estimated (LGD %) ⁽²⁾	Actual (LGD %) ⁽³⁾	Estimated (EAD %) ⁽⁴⁾	Actual (EAD %) ⁽⁴⁾	Average estimated (PD %)	Actual default rate (%)	Average estimated (LGD %) ⁽²⁾	Actual (LGD %) ⁽³⁾	Estimated (EAD %) ⁽⁴⁾	Actual (EAD %) ⁽⁴⁾
(unaudited) (millions of Canadian dollars)												
Retail portfolio⁽⁵⁾												
Uninsured residential mortgages incl. Home equity line of credit ⁽⁶⁾	0.46%	0.20%	27.44%	6.86%	98.11%	78.38%	0.47%	0.20%	26.36%	5.72%	97.72%	83.58%
Insured residential mortgages ⁽⁷⁾	1.48%	0.95%	2.78%	na	na	na	1.47%	0.92%	2.78%	na	na	na
Qualifying revolving retail	1.41%	1.18%	74.22%	80.23%	95.94%	96.82%	1.48%	1.20%	76.40%	80.31%	95.75%	96.33%
Other retail	1.82%	1.88%	69.26%	62.61%	92.44%	89.46%	1.78%	1.79%	68.62%	62.27%	92.26%	90.50%
Wholesale & Sovereign portfolio⁽⁸⁾												
Corporate	1.63%	0.74%	40.57%	24.93%	82.75%	67.85%	1.64%	0.75%	39.03%	29.94%	82.34%	71.94%
Sovereign ⁽⁹⁾	0.03%	0.00%	11.54%	na	81.00%	na	0.03%	0.00%	11.54%	na	81.00%	na
Financial Institutions ⁽⁹⁾	0.64%	0.00%	39.00%	na	100.00%	na	0.70%	0.00%	39.00%	na	100.00%	na

- (1) Actual and estimated parameters are reported on a three-month lag. For example, for Q1 2016, estimated percentages are as of October 31, 2014 and actual percentages reflect experience in the following 12 months.
- (2) Estimated LGD reflects loss estimates under a downturn economic scenario and is based on defaulted accounts.
- (3) Actual LGD includes indirect costs and discount rate and is based on defaulted accounts on which recovery process is completed.
- (4) Estimated and actual EAD are computed for revolving products only and are based on defaulted accounts.
- (5) Retail PD and EAD are based on account weighted average whilst retail LGD is based on exposure weighted average.
- (6) Actual and estimated EAD for residential mortgage is computed only for Home equity lines of credit since the conventional residential mortgages are non-revolving.
- (7) Actual LGD for insured residential mortgages is n/a to reflect the credit risk mitigation from government backed entities.
- (8) Wholesale and Sovereign's PD is based on borrower weighted average whilst the LGD and EAD are based on facility weighted average.
- (9) Actual LGD for the Financial Institutions and Sovereign are na because no defaulted facilities recovery were completed during the period. Actual EAD are na because no default was observed during the period.



Distribution of Gross Credit Risk Exposure (Non-Retail Portfolio by Industries)

Non-Retail Portfolio	2016						2015						2015					
	Q1						Q4						Q3					
	EAD - Gross Exposure ⁽¹⁾																	
	Drawn	Undrawn commitments	Other	Repo-style transactions	OTC Derivatives	Total	Drawn	Undrawn commitments	Other	Repo-style transactions	OTC Derivatives	Total	Drawn	Undrawn commitments	Other	Repo-style transactions	OTC Derivatives	Total
Agriculture	3 586	190	6	-	-	3 782	3 509	190	6	-	-	3 705	3 314	178	6	-	-	3 498
Oil and Gas	3 204	1 661	62	-	-	4 927	3 175	1 921	66	-	-	5 162	3 244	2 154	57	-	-	5 455
Mining	494	397	34	-	-	925	391	380	124	-	-	895	381	449	110	-	-	940
Utilities	1 979	1 944	374	-	-	4 297	1 758	2 023	367	-	-	4 148	1 646	1 642	240	-	-	3 528
Construction ⁽²⁾	2 179	1 191	210	-	-	3 580	2 185	1 263	207	-	-	3 655	2 273	1 312	215	-	-	3 800
Manufacturing	3 641	2 125	266	-	-	6 032	3 573	1 978	268	-	-	5 819	3 656	1 826	283	-	-	5 765
Wholesale Trade	1 735	634	55	-	-	2 424	1 814	533	50	-	-	2 397	1 760	552	66	-	-	2 378
Retail Trade	3 094	851	51	-	-	3 996	2 830	1 002	49	-	-	3 881	2 917	921	58	-	-	3 896
Transportation	2 062	1 573	79	-	-	3 714	1 932	1 562	80	-	-	3 574	1 840	1 667	77	-	-	3 584
Communications	1 321	522	288	-	-	2 131	1 212	545	283	-	-	2 040	1 185	534	279	-	-	1 998
Finance and Insurance	19 801	1 568	671	66 444	852	89 336	18 847	1 670	660	72 179	1 127	94 483	16 182	1 379	817	74 218	727	93 323
Real Estate ⁽³⁾	7 914	587	32	59	-	8 592	7 508	554	32	63	-	8 157	7 119	623	46	70	-	7 858
Professional Services	943	715	352	-	-	2 010	980	685	348	-	-	2 013	1 051	639	351	-	-	2 041
Education & Health Care	2 758	1 073	7	-	-	3 838	2 453	1 069	6	-	-	3 528	2 566	738	5	-	-	3 309
Other Services	4 049	1 077	286	-	-	5 412	3 988	988	250	-	-	5 226	4 521	868	199	112	-	5 700
Government	4 314	1 238	11	674	1	6 238	3 974	1 243	11	615	-	5 843	3 706	1 233	7	1 032	-	5 978
Other	2 374	161	602	-	-	3 137	1 895	-	625	-	-	2 520	1 785	1	599	-	-	2 385
Total - Non-retail⁽⁴⁾	65 448	17 507	3 386	67 177	853	154 371	62 024	17 606	3 432	72 857	1 127	157 046	59 146	16 716	3 415	75 432	727	155 436

Non-Retail Portfolio	2015						2015						2014					
	Q2						Q1						Q4					
	EAD - Gross Exposure ⁽¹⁾																	
	Drawn	Undrawn commitments	Other	Repo-style transactions	OTC Derivatives	Total	Drawn	Undrawn commitments	Other	Repo-style transactions	OTC Derivatives	Total	Drawn	Undrawn commitments	Other	Repo-style transactions	OTC Derivatives	Total
Agriculture	3 124	180	4	-	-	3 308	3 064	188	4	-	-	3 256	2 938	165	4	-	-	3 107
Oil and Gas	3 652	2 007	40	-	-	5 699	3 350	2 149	31	-	-	5 530	2 995	2 211	36	-	-	5 242
Mining	320	365	104	-	-	789	371	306	116	-	-	793	255	252	104	-	-	611
Utilities	1 544	1 766	230	-	1	3 541	1 490	1 582	220	-	-	3 292	1 184	1 752	210	-	4	3 150
Construction ⁽²⁾	2 036	1 068	193	-	-	3 297	1 751	1 108	195	-	-	3 054	1 736	1 117	156	-	-	3 009
Manufacturing	3 462	1 836	268	-	-	5 566	3 374	1 972	283	-	-	5 629	3 471	1 842	243	-	-	5 556
Wholesale Trade	1 762	547	66	-	-	2 375	1 782	655	57	-	-	2 494	1 867	658	51	-	-	2 576
Retail Trade	3 198	793	62	-	-	4 053	3 074	972	40	-	-	4 086	3 075	903	40	-	-	4 018
Transportation	1 679	1 881	66	-	-	3 626	1 680	1 612	73	-	-	3 365	1 231	1 677	57	-	-	2 965
Communications	1 166	653	283	-	-	2 102	1 213	611	348	-	-	2 172	1 364	599	265	-	-	2 228
Finance and Insurance	14 931	1 300	740	73 666	1 041	91 678	16 294	1 359	1 257	71 450	611	90 971	18 224	1 241	1 129	69 975	699	91 268
Real Estate ⁽³⁾	6 847	704	27	78	-	7 656	6 521	725	22	78	-	7 346	6 425	608	22	77	-	7 132
Professional Services	1 010	712	327	-	-	2 049	1 106	767	336	-	-	2 209	1 443	828	314	-	-	2 585
Education & Health Care	2 341	708	5	-	-	3 054	2 494	729	5	-	-	3 228	2 607	666	5	-	-	3 278
Other Services	4 207	1 005	210	1	-	5 423	4 145	998	206	12	-	5 361	3 554	844	169	-	-	4 567
Government	3 689	1 410	7	1 161	-	6 267	4 091	1 098	5	1 698	-	6 892	3 321	1 106	5	651	-	5 083
Other	1 660	-	683	-	-	2 343	978	-	366	8	-	1 352	1 159	-	370	1	-	1 530
Total - Non-retail⁽⁵⁾	56 628	16 935	3 315	74 906	1 042	152 826	56 778	16 831	3 564	73 246	611	151 030	56 849	16 469	3 180	70 704	703	147 905

(1) EAD amounts are after securitization and exclude trading related portfolio.

(2) Includes some public private partnership and project finance loans.

(3) Includes non residential mortgages (5 units and more).

(4) This total excludes SME retail exposure.



Gross Credit Risk Exposure at Default in Europe⁽¹⁾

(unaudited) (millions of Canadian dollars)	2016						2015						2015					
	Q1						Q4						Q3					
	Drawn	Undrawn commitments	Repo-style transactions ⁽²⁾	OTC derivatives	Other off-balance sheet items ⁽³⁾	Total	Drawn	Undrawn commitments	Repo-style transactions ⁽²⁾	OTC derivatives	Other off-balance sheet items ⁽³⁾	Total	Drawn	Undrawn commitments	Repo-style transactions ⁽²⁾	OTC derivatives	Other off-balance sheet items ⁽³⁾	Total
Greece	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ireland	1	-	865	1	-	867	-	-	784	-	784	-	-	-	-	-	-	
Italy	-	-	-	-	1	1	-	-	-	-	-	-	-	-	-	-	1	
Portugal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Spain	25	-	-	-	134	159	30	-	-	102	133	25	-	-	2	133	160	
Total GIIPS	26	-	865	1	135	1 027	30	-	784	102	917	25	-	-	2	134	161	
France	98	-	1 254	250	285	1 887	47	4	1 794	502	2 567	89	2	2 419	505	286	3 301	
Germany	4	-	-	27	57	88	6	103	-	23	176	1	108	254	23	42	428	
United Kingdom	135	5	4 452	1 058	13	5 663	269	5	3 831	786	4 901	661	2	4 946	876	1	6 486	
Other Europe	165	-	1 076	286	21	1 548	195	12	847	308	1 378	71	5	951	377	20	1 424	
Total - Credit Risk	428	5	7 647	1 622	511	10 213	547	124	7 256	1 620	9 939	847	117	8 570	1 783	483	11 800	

Adjustment to exposure for collateral	Drawn	Undrawn commitments	Net Repo-Style transactions and OTC derivatives	Other off-balance sheet items ⁽³⁾	Total	Drawn	Undrawn commitments	Net Repo-Style transactions and OTC derivatives	Other off-balance sheet items ⁽³⁾	Total	Drawn	Undrawn commitments	Net Repo-Style transactions and OTC derivatives	Other off-balance sheet items ⁽³⁾	Total
Total - Net Credit Risk⁽⁴⁾	428	5	1 838	511	2 782	547	124	1 969	392	3 032	847	117	1 802	483	3 249

(unaudited) (millions of Canadian dollars)	2015						2015						2014					
	Q2						Q1						Q4					
	Drawn	Undrawn commitments	Repo-style transactions ⁽²⁾	OTC derivatives	Other off-balance sheet items ⁽³⁾	Total	Drawn	Undrawn commitments	Repo-style transactions ⁽²⁾	OTC derivatives	Other off-balance sheet items ⁽³⁾	Total	Drawn	Undrawn commitments	Repo-style transactions ⁽²⁾	OTC derivatives	Other off-balance sheet items ⁽³⁾	Total
Greece	-	-	-	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-
Ireland	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1 026	-	-	1 026
Italy	-	-	-	-	-	-	-	-	-	1	1	-	-	-	50	-	2	
Portugal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Spain	24	-	-	1	134	159	26	-	-	134	160	27	-	-	1	134	162	
Total GIIPS	24	-	-	1	135	160	26	-	-	135	161	27	-	1 076	1	136	1 240	
France	63	2	1 468	570	291	2 394	20	4	31	586	936	17	3	1 239	681	294	2 234	
Germany	131	122	239	16	41	549	-	-	1	15	55	-	-	173	18	35	226	
United Kingdom	622	3	4 541	852	1	6 019	1 062	6	3 129	773	4 971	590	4	3 808	684	2	5 088	
Other Europe	148	7	518	448	20	1 141	30	16	85	383	545	91	10	1 739	331	46	2 217	
Total - Credit Risk	988	134	6 766	1 887	488	10 263	1 138	26	3 246	1 757	6 668	725	17	8 035	1 715	513	11 005	

Adjustment to exposure for collateral	Drawn	Undrawn commitments	Net Repo-Style transactions and OTC derivatives	Other off-balance sheet items ⁽³⁾	Total	Drawn	Undrawn commitments	Net Repo-Style transactions and OTC derivatives	Other off-balance sheet items ⁽³⁾	Total	Drawn	Undrawn commitments	Net Repo-Style transactions and OTC derivatives	Other off-balance sheet items ⁽³⁾	Total
Total - Net Credit Risk⁽⁴⁾	988	134	2 019	488	3 629	1 138	26	1 792	501	3 457	725	17	2 538	513	3 793

(1) Exposure at default is the expected gross exposure upon the default of an obligor. This amount is before any specific allowance or partial write-offs and does not reflect the impact of credit risk mitigation and collateral held. This table excludes Equity exposures.

(2) Represents securities purchased under reverse repurchase agreements and sold under repurchase agreements, and securities borrowed and loaned.

(3) Letters of guarantee and credit that represent the Bank's commitment to make payments in the event that a client cannot meet its financial obligations to third parties.

(4) For drawn, undrawn and Other off-balance sheet exposures, eligible financial collateral is taken into account in the Bank's Loss Given Default (LGD) models.



Formation of Gross Impaired Loans and Allowance for Credit Losses

(unaudited) (millions of Canadian dollars)

Formation of Gross Impaired Loans ⁽¹⁾ (by sector)	2016	2015				2014				YTD		Full Year	
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2016	2015	2015	2014
Opening balance	457	449	446	389	486	411	417	417	395	457	486	486	395
Write-offs													
Retail	(23)	(23)	(18)	(21)	(21)	(19)	(18)	(19)	(20)	(23)	(21)	(83)	(76)
Commercial	(20)	(11)	(16)	(15)	(62)	(14)	(10)	(10)	(3)	(20)	(62)	(104)	(37)
Wealth Management	(2)	(1)	(1)	(1)	(1)	(2)	(1)	(1)	(1)	(2)	(1)	(4)	(5)
Corporate	-	-	(6)	-	-	-	-	-	-	-	-	(6)	-
Total write-offs	(45)	(35)	(41)	(37)	(84)	(35)	(29)	(30)	(24)	(45)	(84)	(197)	(118)
Formation													
Retail	23	23	16	28	22	29	20	15	36	23	22	89	100
Commercial	(5)	19	24	65	(37)	79	2	15	9	(5)	(37)	71	105
Wealth Management	4	1	4	1	2	2	1	-	1	4	2	8	4
Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total formation	22	43	44	94	(13)	110	23	30	46	22	(13)	168	209
Closing balance	434	457	449	446	389	486	411	417	417	434	389	457	486

(1) Credit card receivables are not included

Formation of Gross Impaired Loans (by activity)	2016	2015				2014				YTD		Full Year	
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2016	2015	2015	2014
Opening balance	457	449	446	389	486	411	417	417	395	457	486	486	395
Classified as impaired during the period	145	135	149	187	107	196	142	139	127	145	107	578	604
Transferred to not impaired during the period	(3)	(5)	(7)	(8)	(3)	(4)	(6)	(7)	(2)	(3)	(3)	(23)	(19)
Net repayments	(91)	(64)	(78)	(62)	(100)	(63)	(88)	(77)	(57)	(91)	(100)	(304)	(285)
Write-offs	(64)	(53)	(60)	(54)	(97)	(50)	(48)	(48)	(40)	(64)	(97)	(264)	(186)
Recoveries of loans previously written off	(4)	(5)	(5)	(7)	(5)	(3)	(4)	(5)	(5)	(4)	(5)	(22)	(17)
Disposals of loans	-	-	-	-	(1)	(1)	(2)	(2)	(1)	-	(1)	(1)	(6)
Exchange and other movements	(6)	-	4	1	2	-	-	-	-	(6)	2	7	-
Closing balance	434	457	449	446	389	486	411	417	417	434	389	457	486

Allowance for Credit Losses	2016	2015				2014				YTD		Full Year	
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	2016	2015	2015	2014
Allowances at beginning	569	561	563	561	604	593	592	589	578	569	604	604	578
Write-offs	(68)	(58)	(65)	(61)	(103)	(54)	(54)	(54)	(47)	(68)	(103)	(287)	(209)
Recoveries of amounts written off in previous years	5	5	6	5	5	7	4	4	6	5	5	21	21
Charge to income statement (provision for credit losses)	63	61	56	57	54	57	49	51	51	63	54	228	208
Disposal of loans	-	-	-	-	1	1	2	2	1	-	1	1	6
Exchange and other movements	(3)	-	1	1	-	-	-	-	-	(3)	-	2	-
Allowances at end	566	569	561	563	561	604	593	592	589	566	561	569	604

Gross Credit Exposure by Residual Contractual Maturity⁽¹⁾

(unaudited) (millions of Canadian dollars)	2016				2015							
	Q1				Q4				Q3			
	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total
Retail												
Residential mortgages	28 416	15 175	244	43 835	28 320	14 630	313	43 263	28 107	14 392	390	42 889
Qualifying revolving retail	5 105	-	-	5 105	5 198	-	-	5 198	5 016	-	-	5 016
Other retail	5 193	2 768	1 863	9 824	5 265	2 736	1 786	9 787	5 278	2 741	1 732	9 751
	38 714	17 943	2 107	58 764	38 783	17 366	2 099	58 248	38 401	17 133	2 122	57 656
Non-retail												
Corporate	34 930	18 286	3 451	56 667	33 479	18 609	3 140	55 228	30 851	19 572	2 488	52 911
Sovereign	19 110	10 778	5 992	35 880	19 200	10 345	5 791	35 336	19 632	8 397	5 809	33 838
Financial Institutions	54 571	1 984	18	56 573	57 338	2 749	2 482	62 569	57 807	3 836	2 345	63 988
	108 611	31 048	9 461	149 120	110 017	31 703	11 413	153 133	108 290	31 805	10 642	150 737
Trading book	1 973	5 376	3 500	10 849	1 050	5 714	3 035	9 799	2 139	6 177	3 066	11 382
Total	149 298	54 367	15 068	218 733	149 850	54 783	16 547	221 180	148 830	55 115	15 830	219 775

(unaudited) (millions of Canadian dollars)	2015								2014			
	Q2				Q1				Q4			
	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total	Within 1 year	1 to 5 years	Over 5 years	Total
Retail												
Residential mortgages	27 971	13 292	295	41 558	27 260	13 465	249	40 974	26 560	13 503	270	40 333
Qualifying revolving retail	5 089	1	-	5 090	4 984	-	-	4 984	5 027	-	-	5 027
Other retail	5 223	2 790	1 604	9 617	5 292	2 632	1 545	9 469	5 316	2 650	1 503	9 469
	38 283	16 083	1 899	56 265	37 536	16 097	1 794	55 427	36 903	16 153	1 773	54 829
Non-retail												
Corporate	31 884	17 981	2 405	52 270	34 091	14 366	1 503	49 960	34 279	13 835	1 441	49 555
Sovereign	17 871	6 767	5 834	30 472	22 855	6 217	5 611	34 683	24 358	6 244	5 162	35 764
Financial Institutions	55 630	6 903	2 418	64 951	52 071	6 901	310	59 282	49 592	6 733	6	56 331
	105 385	31 651	10 657	147 693	109 017	27 484	7 424	143 925	108 229	26 812	6 609	141 650
Trading book	1 538	6 713	2 769	11 020	1 942	5 597	2 840	10 379	1 180	6 028	2 268	9 476
Total	145 206	54 447	15 325	214 978	148 495	49 178	12 058	209 731	146 312	48 993	10 650	205 955

(1) Gross credit exposure is the expected exposure upon the default of an obligor before any specific allowances or credit risk mitigation.



Credit Risk Mitigation - Guarantees and Credit Derivatives

(unaudited) (millions of Canadian dollars)	2016		2015			
	Q1		Q4		Q3	
Total exposure covered by:	Standardized ⁽¹⁾	AIRB ⁽²⁾	Standardized ⁽¹⁾	AIRB ⁽²⁾	Standardized ⁽¹⁾	AIRB ⁽²⁾
Retail						
Residential mortgage	541	5 534	593	5 615	948	6 106
Qualifying revolving retail	-	-	-	-	-	-
Other retail	2 809	299	2 646	299	2 622	301
	3 350	5 833	3 239	5 914	3 570	6 407
Non-retail						
Corporate	1 107	2 489	636	2 529	1 135	2 448
Sovereign	-	-	-	-	-	-
Financial Institutions	-	-	-	-	-	-
	1 107	2 489	636	2 529	1 135	2 448
Trading book	-	34	-	19	-	9
Total	4 457	8 356	3 875	8 462	4 705	8 864

(unaudited) (millions of Canadian dollars)	2015				2014	
	Q2		Q1		Q4	
Total exposure covered by:	Standardized ⁽¹⁾	AIRB ⁽²⁾	Standardized ⁽¹⁾	AIRB ⁽²⁾	Standardized ⁽¹⁾	AIRB ⁽²⁾
Retail						
Residential mortgage	403	5 822	373	5 823	327	5 960
Qualifying revolving retail	-	-	-	-	-	-
Other retail	2 177	303	2 139	306	2 095	306
	2 580	6 125	2 512	6 129	2 422	6 266
Non-retail						
Corporate	546	2 284	733	2 255	485	2 553
Sovereign	-	-	-	-	-	-
Financial Institutions	-	-	-	-	-	11
	546	2 284	733	2 255	485	2 564
Trading book	-	3	-	4	-	110
Total	3 126	8 412	3 245	8 388	2 907	8 940

(1) No eligible financial collateral.

(2) For exposures under the AIRB approach, eligible financial collateral is taken into account in the Bank's Loss Given Default (LGD) models. Separate disclosure of eligible financial collateral is, therefore, not required.



Banking Book Equity

(unaudited)
(millions of Canadian dollars)

	2016				2015							
	Q1				Q4				Q2			
	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)
Public	282	–	282	(56)	312	–	312	(20)	309	–	309	(10)
Private	298	35	263	56	281	35	246	51	269	34	235	39
	580	35	545	–	593	35	558	31	578	34	544	29

(unaudited)
(millions of Canadian dollars)

	2015								2014			
	Q2				Q1				Q4			
	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)	Total exposures	Unfunded commitments	On balance sheet exposures at carrying value	Gross unrealized gains (losses)
Public	359	–	359	45	313	–	313	23	272	–	272	29
Private	274	30	244	21	276	30	246	20	206	35	171	25
	633	30	603	66	589	30	559	43	478	35	443	54



Credit Derivative Positions (notional amounts)

	2016				2015							
	Q1				Q4				Q3			
	Credit portfolio ⁽¹⁾		Trading		Credit portfolio ⁽¹⁾		Trading		Credit portfolio ⁽¹⁾		Trading	
	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold
(unaudited) (millions of Canadian dollars)												
Credit default swaps												
Indices, singles names and other	63	21	1 319	533	59	20	991	364	39	-	901	348
Tranches on indices	-	-	-	-	-	-	-	21	-	-	-	-
Total return swaps	-	-	186	-	-	-	157	-	-	-	183	-
Credit options	-	-	63	63	-	-	26	26	-	-	13	-

	2015				2014							
	Q2				Q1				Q4			
	Credit portfolio ⁽¹⁾		Trading		Credit portfolio ⁽¹⁾		Trading		Credit portfolio ⁽¹⁾		Trading	
	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold	Protection purchased	Protection sold
(unaudited) (millions of Canadian dollars)												
Credit default swaps												
Indices, singles names and other	36	-	809	316	51	-	847	219	56	-	851	286
Tranches on indices	-	-	-	-	-	-	-	1	-	-	-	1
Total return swaps	-	-	72	-	-	-	30	-	-	-	33	6
Credit options	-	-	12	12	-	-	-	-	-	-	39	39

(1) Protection sold solely for the purpose of reducing protection purchased.



Derivatives Financial Instruments According to Basel Definition

	2016		2015		
	Q1	Q4	Q3	Q2	Q1
(unaudited) (millions of Canadian dollars)					
Under Basel III					
Foreign Exchange Related Contracts					
Swaps	205 049	187 833	162 669	157 410	150 030
Options					
- purchased	10 381	9 943	7 946	6 932	5 780
- sold	11 660	10 507	8 441	7 299	6 663
Exchange traded and OTC futures contracts	30 470	24 491	25 699	21 758	22 398
Total notional amount	257 560	232 774	204 755	193 399	184 871
Replacement cost					
- gross	6 551	4 246	5 553	4 283	7 195
- net ⁽¹⁾	3 962	2 715	3 045	2 145	3 037
Future credit risk	2 035	1 869	1 653	1 927	1 455
Credit equivalent ⁽²⁾	5 997	4 584	4 697	4 072	4 492
Risk-weighted equivalent ⁽³⁾	1 810	1 337	1 390	1 174	1 407
Interest Rate Related Contracts					
Swaps	437 908	418 765	444 988	440 470	429 950
Options					
- purchased	19 424	8 019	42 558	61 582	54 989
- sold	12 293	5 101	39 293	37 712	61 376
Exchange traded and OTC futures contracts	7 506	12 142	12 315	4 819	7 093
Total notional amount	477 131	444 027	539 154	544 583	553 408
Replacement cost					
- gross	7 190	5 746	6 073	5 538	7 261
- net ⁽¹⁾	1 648	1 509	1 491	1 837	1 795
Future credit risk	1 606	1 581	1 753	1 804	1 683
Credit equivalent ⁽²⁾	3 254	3 090	3 244	3 641	3 478
Risk-weighted equivalent ⁽³⁾	875	955	981	948	1 052
Financial Futures					
Total notional amount	108 307	78 345	152 997	131 541	117 475
Equity and Commodity Contracts					
Total notional amount	42 108	41 373	43 574	39 527	40 224
Replacement cost					
- gross	3 416	2 877	3 101	2 557	3 342
- net ⁽¹⁾	3 084	2 572	2 803	2 189	2 939
Future credit risk	1 693	1 693	3 967	3 766	3 723
Credit equivalent ⁽²⁾	4 777	4 265	6 770	5 956	6 662
Risk-weighted equivalent ⁽³⁾	537	520	1 465	1 543	1 464
Credit Derivatives					
Total notional amount (trading only) ⁽⁵⁾	2 164	1 585	1 445	1 221	1 097
Total Return Swap Notional Amount ^{(4) (5)}	25 101	25 122	23 497	22 149	20 896
Replacement cost ⁽⁵⁾					
- gross	90	92	81	78	65
- net ⁽¹⁾	40	37	30	31	40
Future credit risk	929	1 020	837	804	358
Credit equivalent ⁽²⁾	969	1 057	867	835	398
Risk-weighted equivalent ⁽³⁾	81	135	71	90	72
Total Derivatives					
Total notional amount	912 371	823 226	965 422	932 420	917 971
Replacement cost					
- gross	17 247	12 961	14 808	12 456	17 863
- net ⁽¹⁾	8 734	6 833	7 369	6 202	7 811
Future credit risk	6 263	6 163	8 210	8 301	7 219
Credit equivalent ⁽²⁾	14 997	12 996	15 578	14 504	15 030
Risk-weighted equivalent ⁽³⁾	3 303	2 947	3 907	3 755	3 995

(1) Net replacement cost is gross positive replacement cost with consideration of master netting agreements without consideration of collateral.

(2) Includes the impact of master netting agreements but excludes collateral.

(3) Risk weighted amounts reported are net of impact of collaterals and master netting agreements.

(4) Securitised exposure recognized for capital ratio but not for consolidated balance sheet purposes due to IFRS standards.

(5) Trading Credit Derivatives only.



Over The Counter Derivatives Financial Instruments Settled by Central Counterparties

	2016			2015					
	Q1			Q4			Q3		
	Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded	
		Settled by central counterparties	Not settled by central counterparties		Settled by central counterparties	Not settled by central counterparties		Settled by central counterparties	Not settled by central counterparties
(unaudited) (millions of Canadian dollars)									
Interest rate contracts	132 266	318 318	134 854	80 417	295 829	146 126	225 609	317 422	149 120
Foreign exchange contracts	179	-	257 381	220	-	232 554	198	-	204 557
Equity, commodity and credit derivative contracts ⁽¹⁾	14 122	1 513	53 738	12 936	1 319	53 825	14 848	1 065	52 603

	2015						2014		
	Q2			Q1			Q4		
	Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded		Exchange-traded contracts	OTC-Traded	
		Settled by central counterparties	Not settled by central counterparties		Settled by central counterparties	Not settled by central counterparties		Settled by central counterparties	Not settled by central counterparties
(unaudited) (millions of Canadian dollars)									
Interest rate contracts	221 512	303 423	151 189	224 179	274 351	172 353	90 132	254 318	180 994
Foreign exchange contracts	200	-	193 199	200	-	184 671	175	-	145 607
Equity, commodity and credit derivative contracts ⁽¹⁾	11 180	1 003	50 714	11 964	744	49 509	13 067	672	51 037

(1) Credit derivative contracts in non-trading book are excluded.

Aggregate Amount of Securitization Exposures

(unaudited) (millions of Canadian dollars)	2016						2015								
	Q1			Q4			Q3			Q2			Q1		
	Banking Book		Trading book	Banking Book		Trading book	Banking Book		Trading book	Banking Book		Trading book	Banking Book		Trading book
	On balance sheet	Off balance sheet	On balance sheet	On balance sheet	Off balance sheet	On balance sheet	On balance sheet	Off balance sheet	On balance sheet	On balance sheet	Off balance sheet	On balance sheet	On balance sheet	Off balance sheet	On balance sheet
Bank's own assets															
Traditional exposures															
Insured Mortgage loans															
Retained ⁽¹⁾	3 420	-	-	2 584	-	-	1 989	-	-	1 841	-	-	1 976	-	-
Credit Cards															
Retained ⁽¹⁾															
Seller's interest	164	340	-	206	404	-	156	312	-	193	385	-	192	359	-
Purchased ⁽²⁾	89	-	-	89	-	-	80	-	-	86	-	-	85	-	-
Total - Bank's own assets	3 673	340	-	2 879	404	-	2 225	312	-	2 120	385	-	2 253	359	-
Third party assets															
Sponsored															
Traditional exposures ⁽³⁾															
Residential Mortgages - Insured	-	1 204	7	-	1 368	14	-	1 360	27	-	1 237	27	-	1 405	21
Residential Mortgages - conventional	-	483	3	-	480	5	-	354	7	-	276	6	-	244	4
Fleet Lease Receivables	-	263	1	-	242	2	-	242	5	-	242	5	-	99	1
Auto Floorplans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Auto Loans	-	141	1	-	144	1	-	207	4	-	233	5	-	264	4
Purchased															
Traditional exposures															
Insured Mortgage loans - MBS	5 240	-	1 390	4 878	-	1 356	4 500	-	1 153	4 446	-	1 038	3 971	-	834
Credit Cards - ABS	89	-	68	89	-	49	86	-	107	86	-	81	-	-	78
Home Equity - ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial mortgage back securities (CMBS)	13	-	-	13	-	-	14	-	-	61	-	3	61	-	3
Collateralized debt obligation (CDO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized mortgage obligation (CMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Synthetic exposures															
CDX tranches	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
Resecuritized exposures															
Master Asset Vehicules ⁽⁴⁾	545	-	-	545	-	-	531	-	-	1 028	821	-	1 056	825	-
Commercial paper not included in the Pan-Canadian restructuring plan	102	-	-	102	-	-	105	-	-	103	-	-	101	-	-
Collateralized mortgage obligation (CMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Third party assets	5 989	2 091	1 470	5 627	2 234	1 427	5 236	2 163	1 303	5 724	2 809	1 165	5 189	2 837	946
Total - Bank	9 662	2 431	1 470	8 506	2 638	1 427	7 461	2 475	1 303	7 844	3 194	1 165	7 442	3 196	946

(1) The Retained exposures for insured mortgage loans and credit card receivables are treated under the AIRB Framework as if they remained on the Bank's balance sheet.

(2) The credit card receivable purchased held from Bank's own assets securitization represent the Bank's interest in investment grade subordinated notes issued.

(3) Sponsored Traditional exposures comprise Bank's committed amount to the Fusion Trust and Clarity Trust liquidity facility lines as well as the Bank's purchased note of Fusion Trust and Clarity Trust.

(4) Resecuritized exposures comprise the carrying value of the restructured notes held by the Bank and the Bank's committed amount to the margin funding facility related to the MAV.

Capital Requirements for Securitization Exposures Under Securitization Framework

(unaudited) (millions of Canadian dollars)	2016							2015										
	Q1				Q4				Q3									
	Banking Book		Trading book		Banking Book		Trading book		Banking Book		Trading book							
	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet						
RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	
Bank's own assets⁽¹⁾																		
Credit Cards																		
Seller's interest exposure ⁽²⁾	164	109	340	49	-	-	206	133	404	60	-	-	156	100	312	46	-	-
Purchased	89	41	-	-	-	-	89	41	-	-	-	-	86	38	-	-	-	-
Total - Bank's own assets	253	150	340	49	-	-	295	174	404	60	-	-	242	138	312	46	-	-
Third party assets																		
Securitized																		
7% - 30%	60	11	2 091	156	68	47	60	11	2 234	158	49	29	61	11	2 163	151	107	66
35% - 100%	43	32	-	-	-	-	43	32	-	-	-	-	39	29	-	-	-	-
150% - 850%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1250 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Equity - ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized mortgage obligation (CMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Resecuritized																		
7% - 30%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35% - 100%	529	238	-	-	-	-	529	238	-	-	-	-	501	226	-	-	-	-
150% - 850%	113	303	-	-	-	-	112	300	-	-	-	-	104	274	-	-	-	-
1250 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Master Asset Vehicles	4	55	-	-	-	-	5	59	-	-	-	-	5	64	-	-	-	-
Commercial paper not included in the Pan-Canadian restructuring plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized mortgage obligation (CMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Third party assets	749	639	2 091	156	68	47	749	640	2 234	158	49	29	710	604	2 163	151	107	66
Total	1 002	789	2 431	205	68	47	1 044	814	2 638	218	49	29	952	742	2 475	197	107	66

(unaudited) (millions of Canadian dollars)	2015							2014										
	Q2				Q1				Q4									
	Banking Book		Trading book		Banking Book		Trading book		Banking Book		Trading book							
	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet	On balance sheet	Off balance sheet						
RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	RBA/Inferred Ratings Exposure Amount	Risk-Weighted Assets	
Bank's own assets⁽¹⁾																		
Credit Cards																		
Seller's interest exposure ⁽²⁾	193	126	385	57	-	-	192	130	359	49	-	-	203	135	376	51	-	-
Purchased	86	38	-	-	-	-	85	38	-	-	-	-	-	-	-	-	-	-
Total - Bank's own assets	279	164	385	57	-	-	277	168	359	49	-	-	203	135	376	51	-	-
Third party assets																		
Securitized																		
7% - 30%	109	15	1 989	141	81	154	61	5	2 012	144	78	60	14	2	2 130	151	63	44
35% - 100%	38	28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150% - 850%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
1250 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home Equity - ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	19
Collateralized mortgage obligation (CMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	57
Others	-	-	-	-	-	-	-	-	-	-	3	41	-	-	-	-	4	51
Resecuritized																		
7% - 30%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35% - 100%	1 010	430	820	328	-	-	924	505	825	330	-	-	966	526	831	324	-	-
150% - 850%	84	178	-	-	-	-	170	486	-	-	-	-	168	479	-	-	-	-
1250 %	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Master Asset Vehicles	37	462	-	-	-	-	63	784	-	-	-	-	55	691	-	-	-	-
Commercial paper not included in the Pan-Canadian restructuring plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collateralized mortgage obligation (CMO)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	29
Total - Third party assets	1 278	1 113	2 809	469	84	195	1 218	1 780	2 837	474	81	101	1 203	1 698	2 961	475	76	201
Total	1 557	1 277	3 194	526	84	195	1 495	1 948	3 196	523	81	101	1 406	1 833	3 337	526	76	201

(1) Since inception, no capital has been assessed for the Bank's early amortization provisions associated with the securitized credit cards portfolio because the excess spread of the underlying portfolio has remained above the threshold for which capital charge would be incurred.

(2) Seller's interest exposure are treated under AIRB Approach.

Asset Securitization - Managed Loans

	2016					2015									
	Q1					Q4					Q3				
	Total gross loans ⁽¹⁾	Gross impaired loans and other past due loans ⁽²⁾	Net write-offs	Securitization activities for the quarter ended	Exposure amount intended to be securitized	Total gross loans ⁽¹⁾	Gross impaired loans and other past due loans ⁽²⁾	Net write-offs	Securitization activities for the quarter ended	Exposure amount intended to be securitized	Total gross loans ⁽¹⁾	Gross impaired loans and other past due loans ⁽²⁾	Net write-offs	Securitization activities for the quarter ended	Exposure amount intended to be securitized
(unaudited) (millions of Canadian dollars)															
Banking Book															
Insured mortgage loans	16 535	-	-	1 650	-	16 151	-	-	2 022	-	15 467	-	-	1 733	-
Credit card receivables	1 389	8	13	-	-	1 389	8	13	461	-	1 355	8	13	530	-
Total	17 924	8	13	1 650	-	17 540	8	13	2 483	-	16 822	8	13	2 263	-
Trading Book															
Insured mortgage loans	3 814	-	-	359	407	3 562	-	-	845	684	3 038	-	-	279	810

	2015					2014									
	Q2					Q1					Q4				
	Total gross loans ⁽¹⁾	Gross impaired loans and other past due loans ⁽²⁾	Net write-offs	Securitization activities for the quarter ended	Exposure amount intended to be securitized	Total gross loans ⁽¹⁾	Gross impaired loans and other past due loans ⁽²⁾	Net write-offs	Securitization activities for the quarter ended	Exposure amount intended to be securitized	Total gross loans ⁽¹⁾	Gross impaired loans and other past due loans ⁽²⁾	Net write-offs	Securitization activities for the quarter ended	Exposure amount intended to be securitized
(unaudited) (millions of Canadian dollars)															
Banking Book															
Insured mortgage loans	15 527	-	-	1 351	-	15 347	-	-	1 082	-	15 250	-	-	1 595	-
Credit card receivables	1 411	9	15	398	-	1 365	9	10	-	-	1 365	5	13	-	-
Total	16 938	9	15	1 749	-	16 712	9	10	1 082	-	16 615	5	13	1 595	-
Trading Book															
Insured mortgage loans	2 815	-	-	185	318	2 680	-	-	330	282	2 398	-	-	266	242

(1) Notional amount.

(2) Comprises impaired loans and fully secured loans that are 90 days or more past due and for which, in the opinion of management, there is reasonable assurance that principal and interest will ultimately be collected.

Credit card receivables are not classified as impaired loans but, instead, are written off when payments are 180 days in arrears.



GLOSSARY

Advanced Internal Ratings-Based (AIRB) approach	See risk-weighted assets below.
Banking Book Equities	Banking book equities comprise mainly exposures held for strategic and other reasons.
Capital Ratio	The Bank's capital divided by risk-weighted assets. The Bank's capital can be either CET1 Capital, Tier 1 capital or Total capital, producing three different capital ratios.
Common Equity Tier 1 (CET1) capital	Common Equity Tier 1 capital consists of common shareholders' equity less goodwill, intangible assets and other capital deductions. Common Equity Tier 1 capital ratio is calculated by dividing Common Equity Tier 1 capital by risk-weighted assets.
Corporate	All direct credit risk exposures to corporations, partnerships and proprietorships, exposures guaranteed by those entities.
Credit Risk	Credit risk is the risk of a financial loss if an obligor does not fully honour its contractual commitments to the Bank. Obligors may be borrowers, issuers, counterparties or guarantors. Credit risk is the most significant risk facing the Bank in the normal course of business. The Bank is exposed to credit risk not only through its direct lending activities and transactions but also through commitments to extend credit, letters of guarantee, letters of credit, over-the-counter derivatives trading, available-for-sale debt securities, securities purchased under reverse repurchase agreements, deposits with financial institutions, brokerage activities and transactions carrying a settlement risk for the Bank such as irrevocable fund transfers to third parties via electronic payment systems.
Drawn exposure	The amount of credit risk exposure resulting from loans already advanced to the customer.
Exposure at default (EAD)	An estimate of the amount of exposure to a customer at the event of, and at the time of, default.
Financial institutions	All direct credit risk exposures to deposit-taking institutions and regulated securities firms, and exposures guaranteed by those entities.
Leverage ratio	The leverage ratio is calculated by dividing the amount of Tier 1 capital by the total exposure. Total exposure is defined as the sum of on-balance-sheet assets (including derivative exposures and securities financing transaction exposures) and off-balance-sheet items. Assets deducted from Tier 1 capital are also deducted from the total exposure.
Loss given default (LGD)	An estimate of the amount of exposure to a customer that will not be recovered following a default by that customer, expressed as a percentage of the exposure at default.
Market risk	Market risk is the risk of financial loss resulting from adverse movements in underlying market factors. Market risk at the Bank arises from its participation in market-making, trading, investment and asset/liability management activities.
Operational risk	Operational risk is the risk of loss resulting from an inadequacy or a failure ascribable to people, processes, technology or external events. Operational risks are present in every activity of the Bank. Theft, fraud, unauthorized transactions, system errors, human error, amendments to or misinterpretation of acts and regulations, litigation or disputes with clients or property damage are just a few examples of events likely to cause financial loss, harm the Bank's reputation or result in regulatory penalties or sanctions.
Other off-balance sheet	Letters of guarantee, documentary letters of credit and securitized assets that represent the Bank's commitment to make payments in the event that a client cannot meet its financial obligations to third parties.
Other retail	This exposure class includes consumer loans, SME credit card receivables, SME loans (excluding mortgages of five units or more), and other personal loans.
Over-the-counter derivatives (OTC)	The amount of credit risk exposure resulting from derivatives that trade directly between two counterparties, rather than through exchanges.
Probability of default (PD)	An estimate of the likelihood of default for any particular customer which occurs when that customer is not able to repay its obligations as they become contractually due.
Qualifying revolving retail (QRR)	This exposure class includes lines of credit and credit card receivables.
Repo-style transactions	Financial obligations related to securities sold (repos) or repurchased (reverse repos) pursuant to an agreement under which the securities will be repurchased (repos) or resold (reverse repos) on a specified date and at a specified price. Such an agreement is a form of short-term funding (repos) or collateralized lending (reverse repos). Repo-style transactions also include loaned and borrowed securities that are off-balance sheet.
Retail Residential Mortgage	This exposure class includes loans to individuals against residential property (four units or less) and lines of credit secured by equity in residential property (HELOC).
Risk-weighted assets (RWA)	Assets are risk weighted according to the guidelines established by the Office of the Superintendent of Financial Institutions. In the standardized calculation approach, factors are applied to the face value of certain assets in order to reflect comparable risk levels. In the advanced approach, risk-weighted assets are derived from the Bank's internal models which represents the Bank's own assessment of the risks it incurs. Off-balance sheet instruments are converted to balance sheet (or credit) equivalents by adjusting the notional values before applying the appropriate risk-weighting factors.
Scaling Factor	An add-on of 6% is applied as a calibration adjustment to the risk weighted assets amount for credit risk assessed under the AIRB approach.
Sovereign	All direct credit risk exposures to governments, central banks and certain public sector entities, and exposures guaranteed by those entities.
Standardized approach	See risk-weighted assets.
Tier 1 capital	Tier 1 capital ratio consists of Common Equity Tier 1 capital and Additional Tier 1 instruments, namely, eligible non-cumulative preferred shares and the eligible amount of innovative instruments. Tier 1 capital ratio is calculated by dividing Tier 1 capital by risk-weighted assets.
Tier 2 capital	Tier 2 capital is mainly comprised of subordinated debentures and the collective allowance.
Total capital	Total capital is the sum of Tier 1 and Tier 2 capital. Total capital ratio is calculated by dividing total capital, less adjustments or regulatory deductions, by risk-weighted assets.
Undrawn commitments	The amount of credit risk exposure resulting from loans that have not been advanced to a customer, but which a customer may be entitled to draw in the future.