

Question:

Could you give us an update on the Investment Banking Pipeline?

Answer:

The pipeline is reasonable and similar to last quarter particularly in the M&A and advisory fee business. However both the debt and equity origination pipeline has slowed down somewhat since the second half of the 3rd quarter. It is difficult to assess at this point in time whether market conditions will improve sufficiently in Q4 to bring the debt and equity origination pipeline to a similar level as in Q2.

Question:

Where is the gain/loss on loan sales recorded?

Answer:

The difference between loan value (face amount less allowance) and proceeds goes through the income statement. It is recorded in the Provision for Credit Losses if the gain or loss relates to credit, which is typically the case. It is recorded in Other Non-Interest Revenue if the gain or loss relates to other market factors, usually changes in interest rates. In Q3 2004, the \$9MM gain was recorded in the PCL line.