Hello everyone, if you would please be seated, we will begin our event.

Hello everyone, my name is Eric Lemieux, CEO of Finance Montreal and the International Financial Centre of Montreal. I'm glad to be with you today for this Montreal – New York Seminar Luncheon. This is the third edition of our event in New York and we certainly intend to continue doing this yearly conference. I want to thank Mr. Louis Vachon, President and CEO of National Bank for having accepted our invitation, I am looking forward to hear about his strategy on the Super Regional Banking Model.

So let me present you today's program.

First off I'll say a few words on the main economic topics you should keep on your radar regarding Canada, Quebec and Montreal in 2014. We will then present a short video about Montreal's financial industry. After that, main course will be served. Following which Mr. Terry Didus, Partner from Heenan Blaikie, will introduce our guest speaker, Mr. Louis Vachon.

After Mr. Vachon's presentation we will have a Q&A session and then the closing remarks will be addressed by Mr. John Rooke, Vice-President, Business Development, at the International Financial Centre of Montreal.

So, what's happening in Canada?

Well, as you probably suspect, things are fairly good compared to other developed economies. First, if we take a look at our Central Bank, we have a new Governor, Mr. Stephen Poloz, who entered office last may for a seven year mandate. So with the appointment of Canadian Mark Carney as Governor of the Bank of England and the appointment Ms. Janet Yellen at the Fed, it will be interesting to see how monetary policies will evolve in 2014 under these new leaders. Most recently, on October 23rd, Mr. Poloz released his Monetary Policy Report in which he says:

- The global economy is expected to expand modestly in 2013. However, its near-term dynamic has changed and the composition of growth is now slightly less favourable for Canada.

- Canadian real GDP growth is projected to increase from 1.6 per cent this year to 2.3 per cent next year and 2.6 per cent in 2015. The Bank of Canada expects that the economy will return gradually to full production capacity, around the end of 2015.
- Inflation in Canada has remained low in recent months, and the Bank judged that the substantial monetary policy stimulus currently in place remains appropriate and decided to maintain the target for the overnight rate at 1 per cent.

So as you can see there is clearly some room for the Canadian economy to reach its full potential. And we expect interest rates to continue to stay low for a while. A catalyst for the Canadian economy would naturally be a pickup in the US economy which would stimulate Canadian exports and encourage business investments. So we count on you on that front!

Speaking of international trade, I must talk about the free-trade agreement signed on October 18 between Canada and the European Union, named the Comprehensive Economic Trade Agreement, or CETA. If NAFTA was a first generation of free trade agreements, CETA clearly is a second generation agreement, much broader in scope and complexity. CETA addresses a wide range of issues, including improved access for goods and services; greater certainty, transparency and protection of investments; enhanced cooperation in areas of mutual interest, such as regulatory development and labour mobility; and new opportunities in procurement markets. Once implemented, the agreement is expected to increase two-way bilateral trade in goods and services by 23 % or about 38 billion Canadian dollars.

Now, what’s happening in the province of Quebec, and more specifically in Montreal?

In terms of economic growth, following an increase in real GDP of 1.0% in 2012, economic growth in the province should amount to 1.3% in 2013 and 1.8% in 2014. The unemployment rate has remained relatively stable and currently stands at 7.6%, but is expected to decline next year, to 7.4%.

As for Montreal, we also see an improvement in the labour market. Unemployment is close to its historic lows. The activity rate is near its all-time high and the city’s population continues to grow by close to 35,000 people each year. These improvements are reflected in the Montreal skyline which has changed dramatically over the last few years. For those of you who are familiar with Montreal, real estate development has picked up quite a bit. In fact last month there were more then 100 major construction projects, which represent 15.3 billion dollars of investments.

All this economic activity is supported by the financial services industry. On that front, Montreal's financial scene continues to grow and to develop itself. Finance Montreal, the industrial cluster I lead, now has 23 Governor Members and 12 Associate Members. They include financial institutions, insurance companies, pension funds, hedge funds, the market regulator, the Ministry of Finance, economic development agencies and Quebec's six major universities. All together, these players leave their daily competition aside to resolve common problems and promote Montreal as an International Financial Centre with niche areas of expertise.

So I now invite you to watch this short video on Montreal's financial services industry and learn more about an attractive value proposition for international financiers. After the video, lunch will be served and I immediately wish you all: BON APPETIT!

Thank you!