



British Columbia
Securities Commission

BC Capital Market Report 2017

Version 1.0



READER'S NOTES

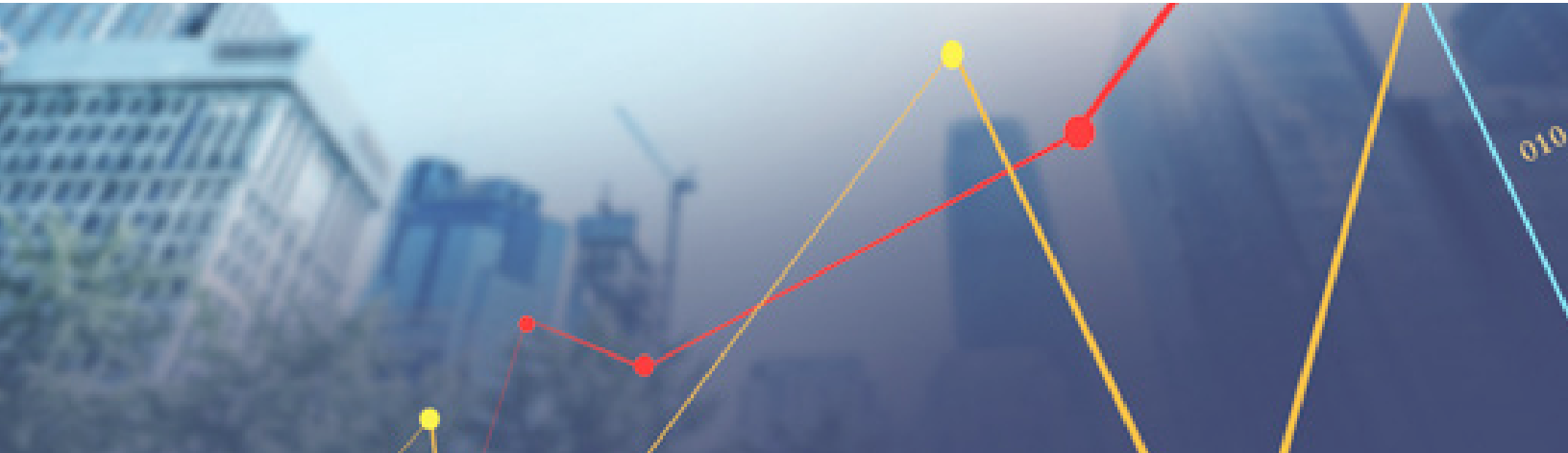
The British Columbia Securities Commission (BCSC) has compiled this report from information reported to us and information provided by stock exchanges. Since not all financings are required to be reported to us, this is a partial view of capital raising activity in BC. Unless otherwise noted, all pages include capital raised by BC companies in and outside of BC.

The term “companies” refers to **all legal entities** (i.e. companies, partnerships, trusts, etc.) except for investment funds.

“TSX” is the **Toronto Stock Exchange**; “TSX-V” is the **TSX Venture Exchange**; and “CSE” is the **Canadian Securities Exchange**.



HIGHLIGHTS



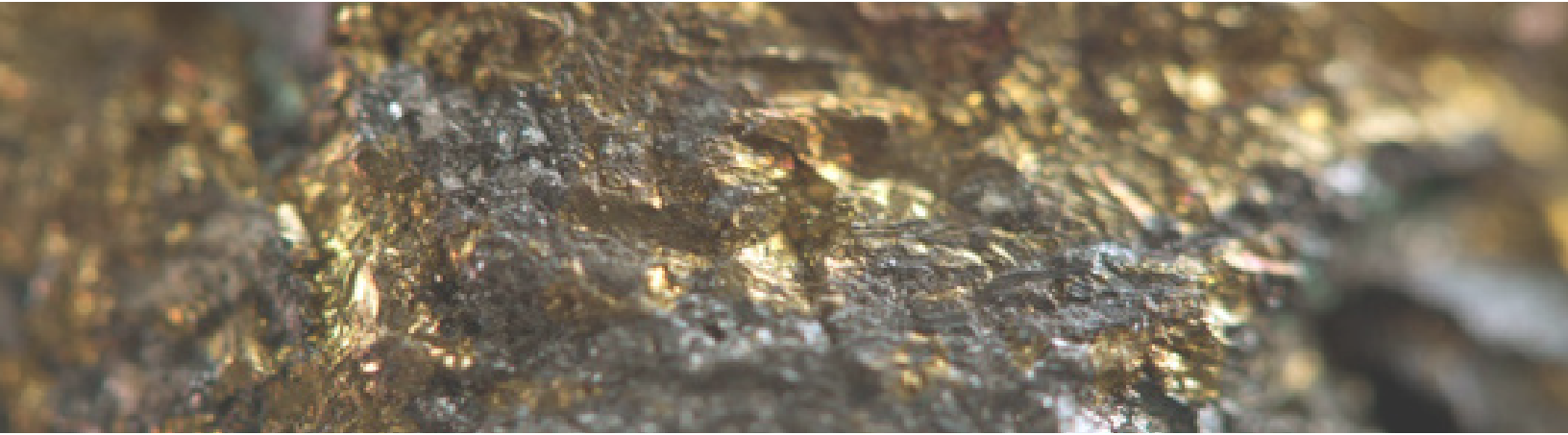
BC CAPITAL MARKETS CONTINUE TO GROW

- TOTAL CAPITAL RAISED IS UP 37% OVERALL
 - \$57 billion raised compared to \$41 billion in 2016
 - Number of companies and investment funds involved up 14% to 2,662 from 2,331 in 2016

THE CAPITAL RAISED CAN BE BROKEN DOWN AS FOLLOWS:

- CAPITAL RAISED BY BC COMPANIES INCREASED 9%
 - \$15 billion raised in 2017 compared to \$14 billion in 2016
 - Number of BC companies raising capital increased 8% to 1,267 from 1,169 in 2016
- CAPITAL RAISED BY NON-BC COMPANIES FROM BC INVESTORS IN THE PRIVATE PLACEMENT MARKET INCREASED BY 38%
 - \$10 billion invested compared to \$7 billion in 2016
 - Number of non-BC companies increased 23% to 1,125 from 916 in 2016
- CAPITAL RAISED BY BC INVESTMENT FUNDS AND BY NON-BC INVESTMENT FUNDS FROM BC INVESTORS INCREASED BY 57%
 - \$32 billion compared to \$20 billion in 2016
 - Number of funds involved increased 10% to 270 from 246 in 2016

HIGHLIGHTS (CONT.)



MINING INDUSTRY REMAINED THE LARGEST CAPITAL RAISER IN BC

- 662 BC MINING COMPANIES RAISED \$6 BILLION – 39% OF THE \$15 BILLION RAISED BY BC COMPANIES
 - 95% of the capital raised was by companies listed on an exchange

REAL ESTATE WAS THE NEXT LARGEST SECTOR

- 131 BC COMPANIES RAISED \$3 BILLION – 21% OF THE \$15 BILLION RAISED BY BC COMPANIES
 - 77% of the capital raised was by BC companies not listed on an exchange

INVESTMENT IN BC COMPANIES IN THE CANNABIS AND TECHNOLOGY SECTORS INCREASED SIGNIFICANTLY

- 55 companies in the cannabis sector raised \$1 billion – a 425% increase from 2016
- 123 companies in the technology sector raised \$1 billion – a 292% increase from 2016. Technology sector includes companies focused on blockchain and cryptocurrency, among others

HIGHLIGHTS (CONT.)

BC IS AN INCUBATOR FOR LISTED COMPANIES

- BCSC REGULATES ALMOST HALF OF CANADA'S LISTED COMPANIES
 - Of the 2,972 companies listed on the three main exchanges in Canada, the BCSC regulates 1,401 (47%) of them of which 1,277 (43%) are located in BC. Most of these companies are small. They represent 8% of the market capitalization of companies listed on the three exchanges
 - 300 of the BC companies are listed on the senior exchange (TSX) and 51% of them are graduates from the TSX-V
- MOST LISTED VENTURE COMPANIES ARE BC-BASED
 - 1,124 of the BC companies (88%) are listed on the two junior exchanges (TSX-V and CSE). These BC companies represent 53% of the companies listed and 43% of the market capitalization on these exchanges



TOTAL CAPITAL RAISED

BC COMPANIES

2017 - \$15b 1,267 companies
2016 - \$14b 1,169 companies

LISTED COMPANIES

2017 - \$12b 943 companies
2016 - \$11b 903 companies

NON-LISTED COMPANIES

2017 - \$3b 324 companies
2016 - \$3b 266 companies
(all through private placements)

PROSPECTUS

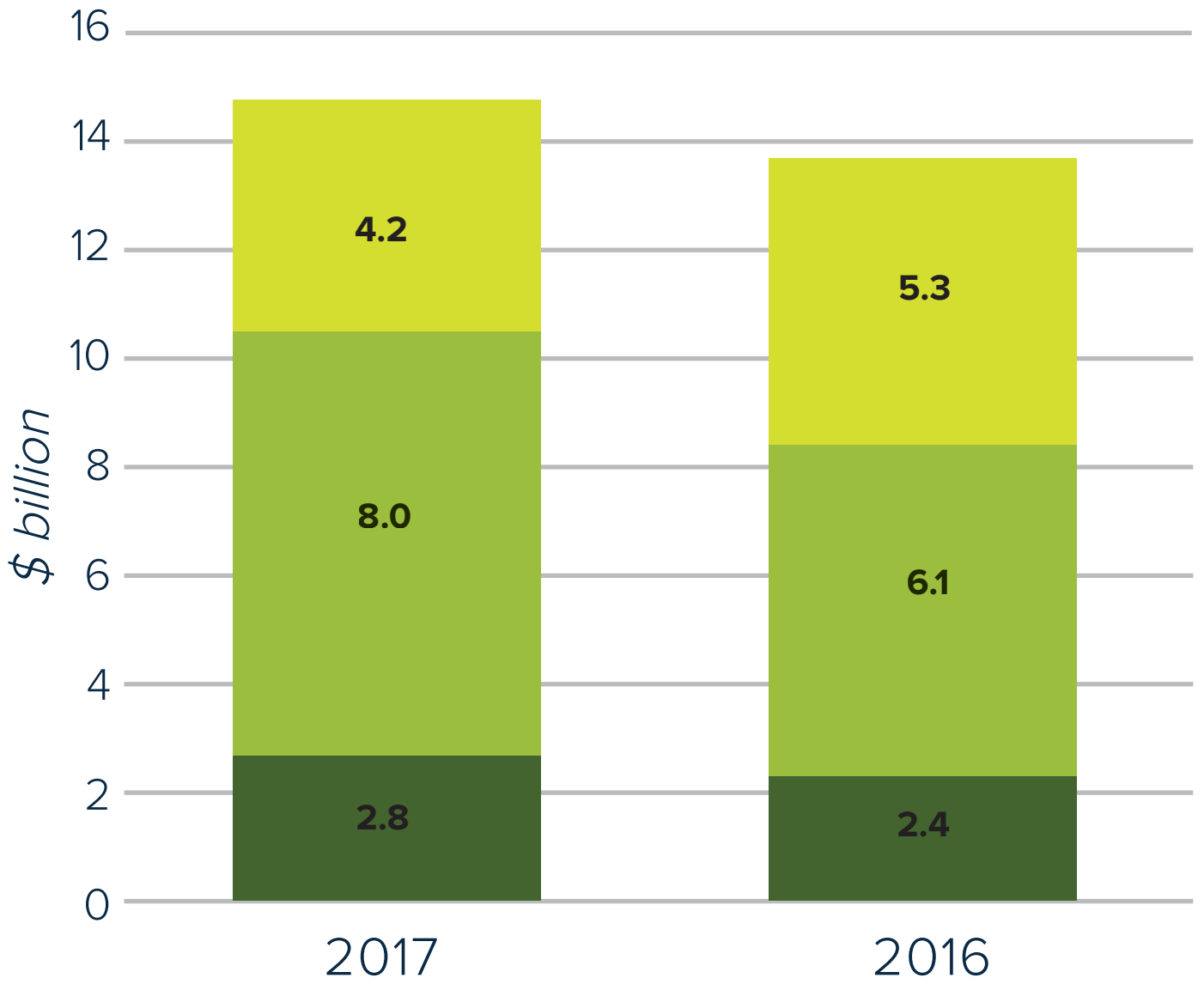
2017 - \$5b 118 companies
2016 - \$5b 103 companies

PRIVATE PLACEMENT

2017 - \$7b 825 companies
2016 - \$6b 800 companies

CAPITAL RAISED BY BC COMPANIES, BY SOURCE

(Totals: 2017 - \$15 billion; 2016 - \$14 billion)

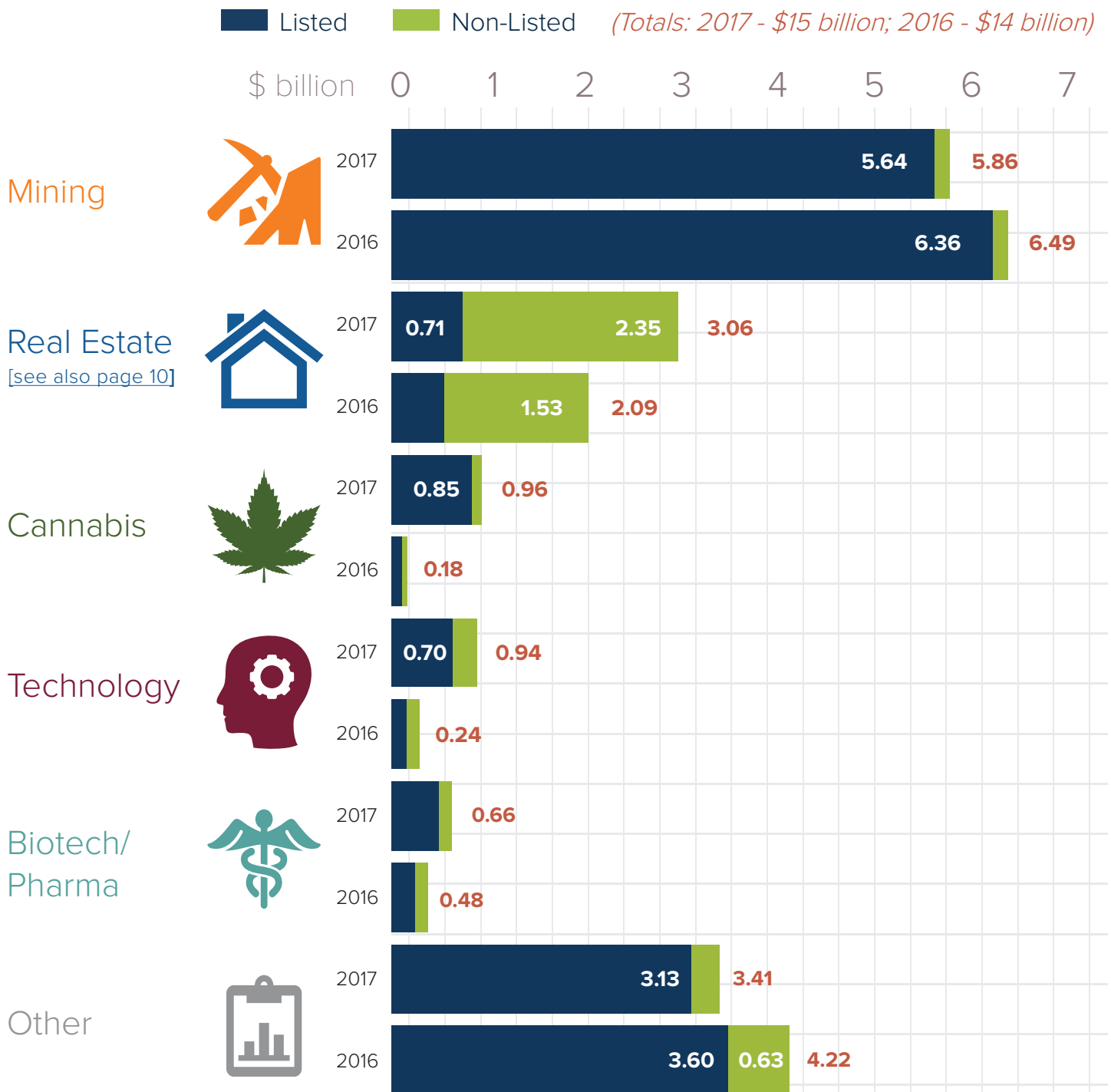


- Raised under a prospectus from investors in and outside of BC
- Raised in the private placement market from investors outside of BC
- Raised in the private placement market from BC investors [\[see also page 11\]](#)

CAPITAL RAISED BY BC COMPANIES, BY INDUSTRY

Highlights:

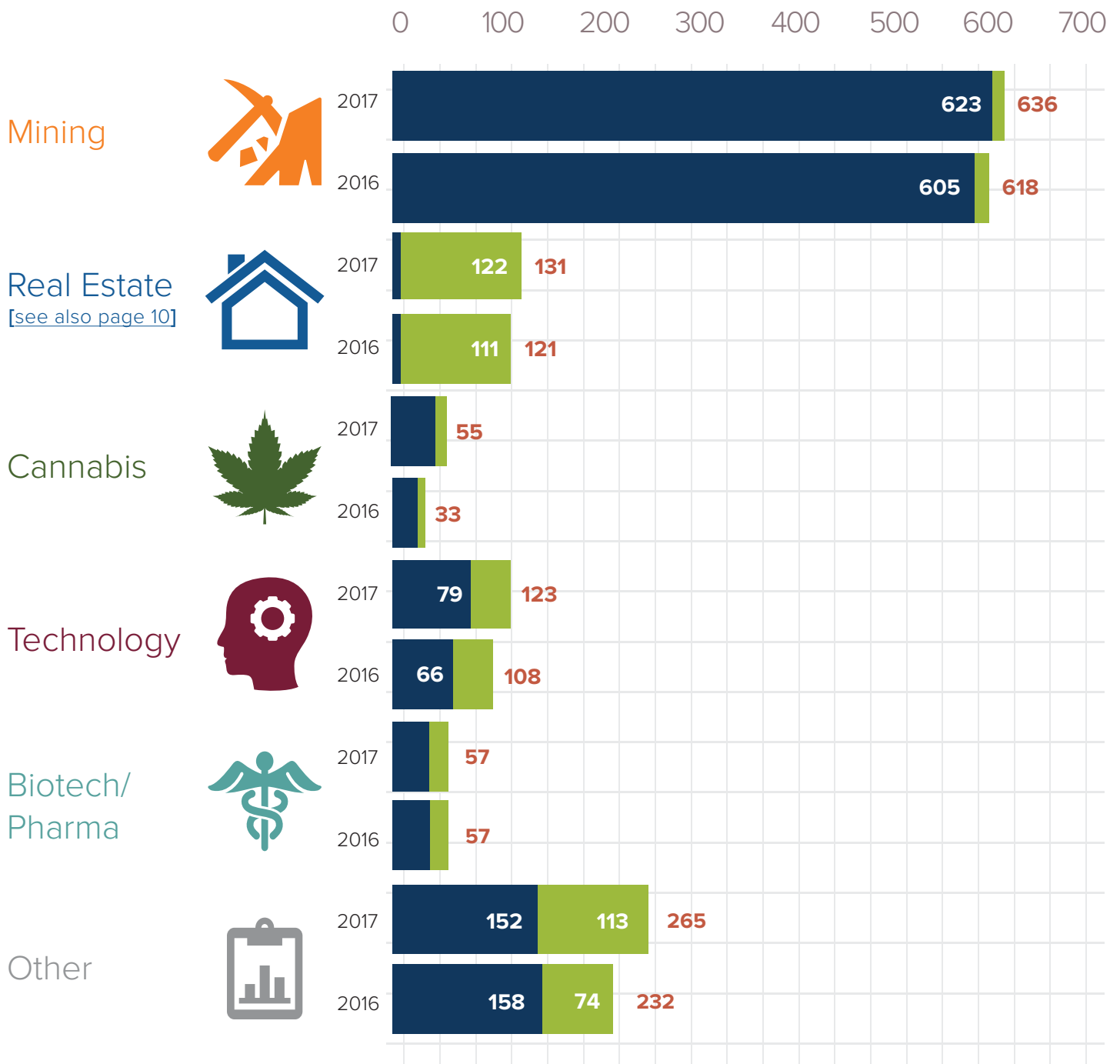
- Mining raised the most capital. Capital raised but fell moderately (10%)
- Real estate investment increased 46%
- The emerging industry sectors, including cannabis and technology, had the largest percentage increase compared to 2016



NUMBER OF BC COMPANIES RAISING CAPITAL, BY INDUSTRY

(Totals: 2017 - 1,267; 2016 - 1,169)

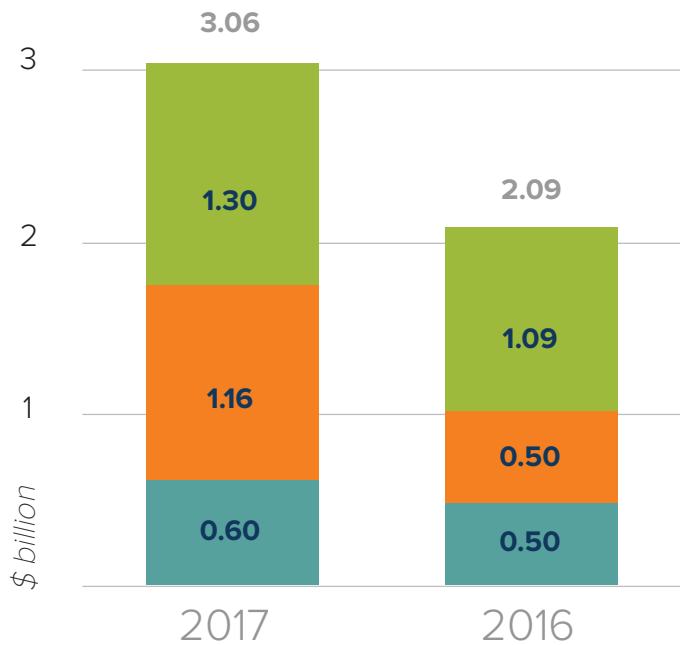
■ Listed ■ Non-Listed



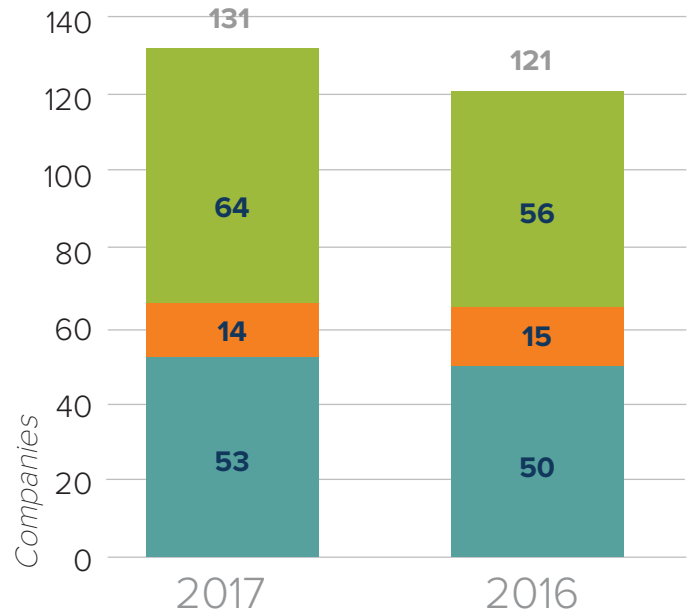
BC REAL ESTATE COMPANIES RAISING MONEY FROM INVESTORS IN AND OUTSIDE BC



Capital Raised



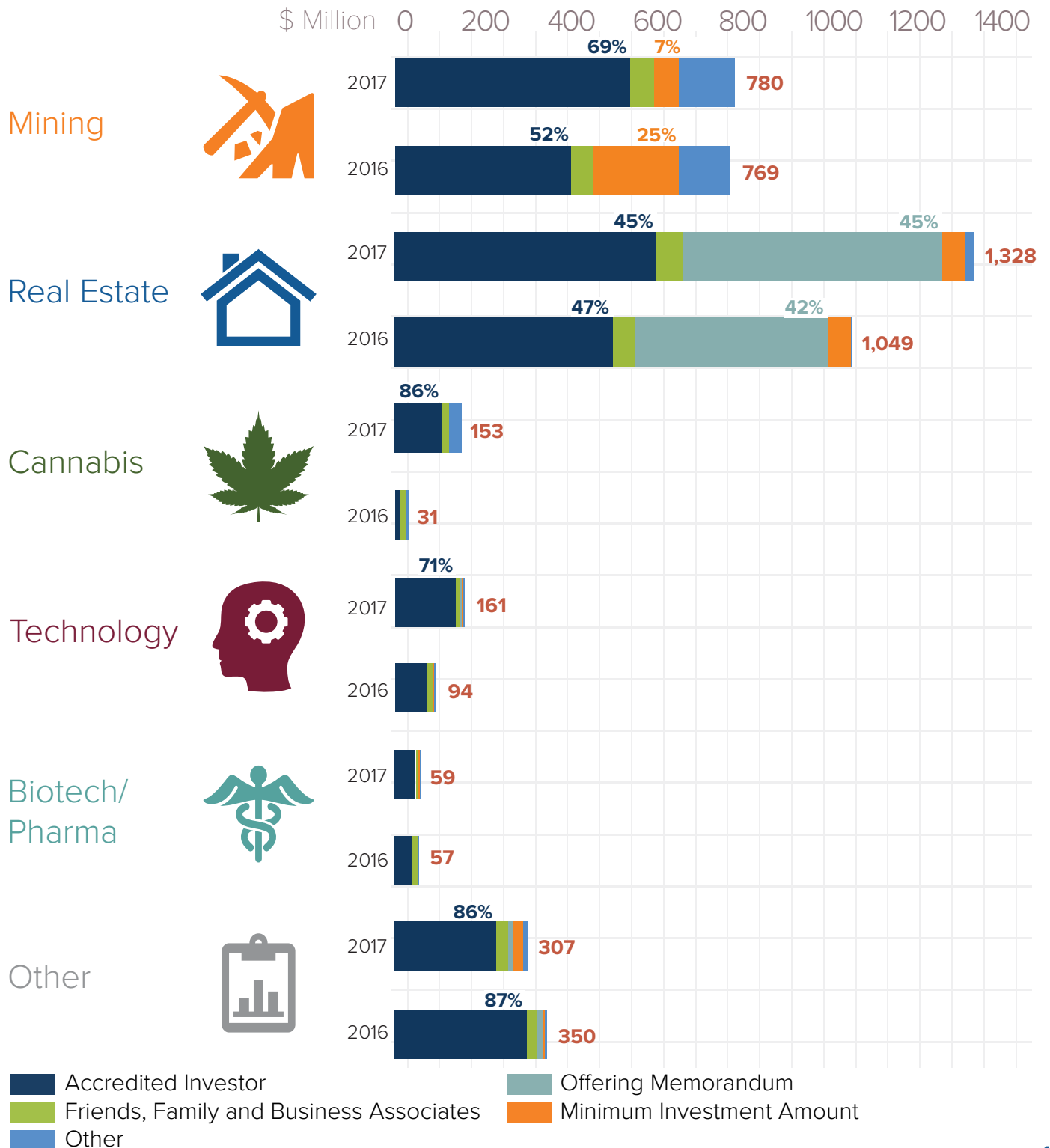
Number of BC Companies



- Real estate entities
- Other mortgage entities
- Mortgage investment corporations

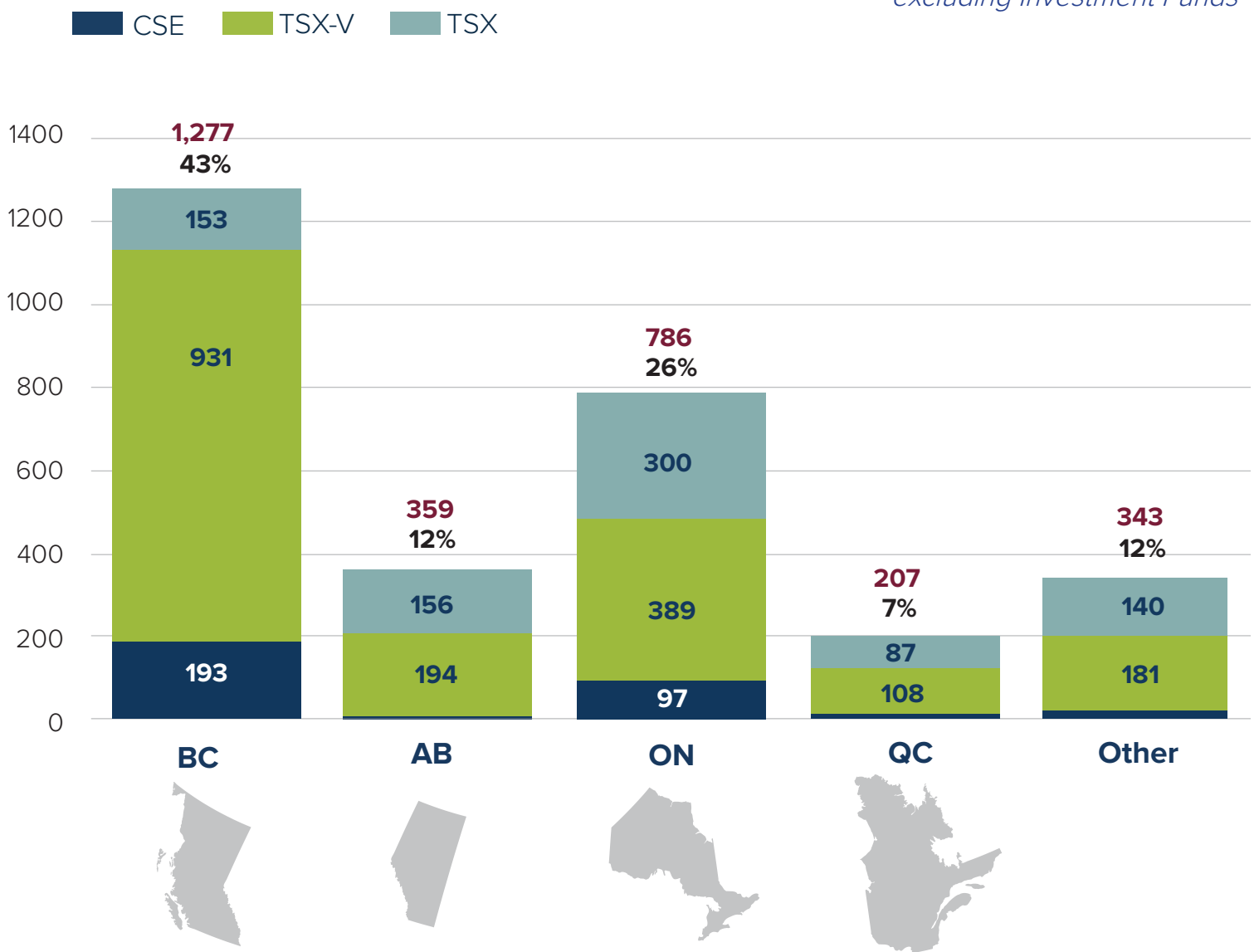
CAPITAL RAISED IN BC IN THE PRIVATE PLACEMENT MARKET, BY INDUSTRY AND EXEMPTION

(Totals: 2017 - \$2.8 billion; 2016 - \$2.4 billion)



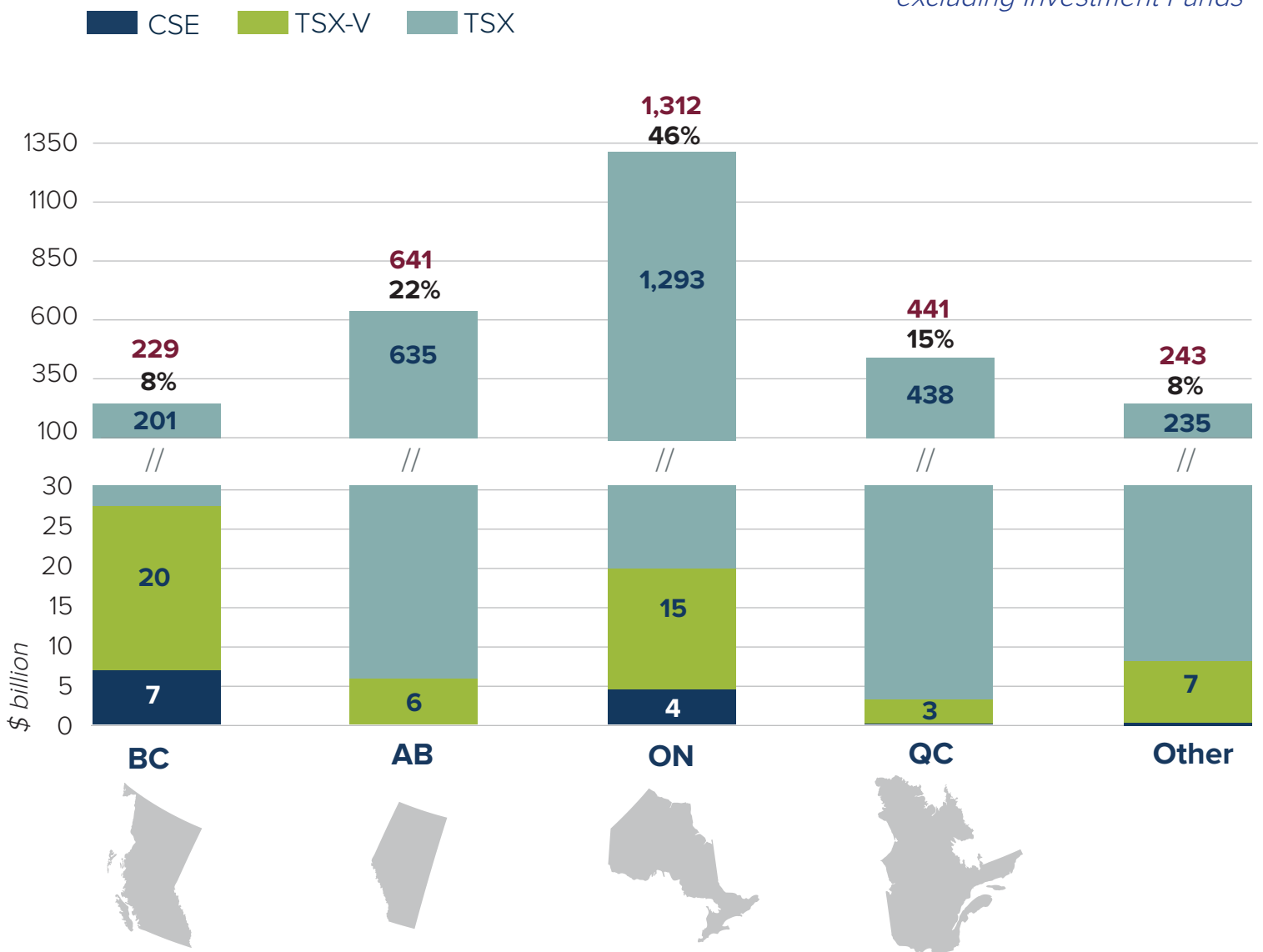
NUMBER OF LISTED COMPANIES, BY JURISDICTION AND EXCHANGE

*As at December 31, 2017 (from TSX, TSX-V, & CSE data)
excluding Investment Funds*



MARKET CAPITALIZATION OF LISTED COMPANIES, BY JURISDICTION AND EXCHANGE

As at December 31, 2017 (from TSX, TSX-V, & CSE data)
excluding Investment Funds





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