



Q2 inquiry levels rose while cases opened moderated from the previous quarter's near record high

In Q2, inquiries increased 7% quarter over quarter and decreased 7% year over year. Total cases opened fell below the near record high of the previous quarter and the record high of the previous year. Banking cases opened decreased 19% from the record high of the previous quarter and decreased 12% year over year. Investment cases rose 14% from Q1 and decreased 37% compared to the same period last year.

During the quarter, fraud was the leading issue for both banking consumers and investors. E-transfers were the leading bank product for consumer complaints followed by credit cards. Common shares replaced mutual funds as the leading product complaint for investors, while fraud replaced investment suitability as the most common investment issue.

Last eight-quarter statistics

In this report, we present preliminary data from Q1 2024 (February 1, 2024 to April 30, 2024) alongside data over the last eight quarters for historical context. All figures are preliminary and subject to change.

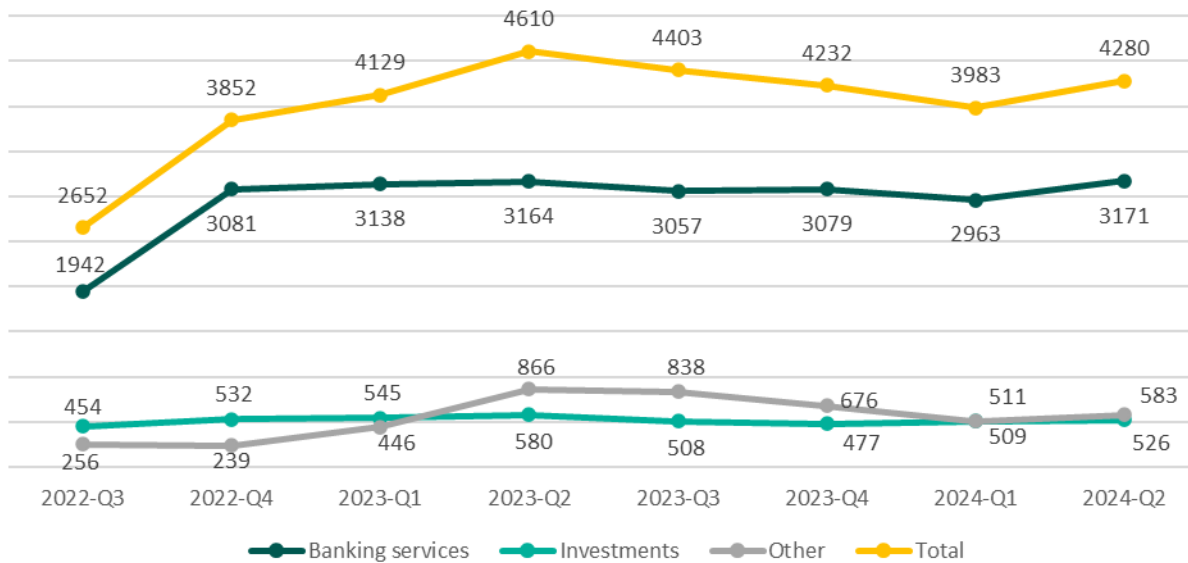
This report includes:

- Inquiries received by industry
- Inquiries received by investment sector
- Total cases opened
- Cases opened by investment sector
- Cases opened by region
- Top 5 banking products
- Top 5 banking issues
- Top 5 investment products
- Top 5 investment issues

About OBSI inquiries

When consumers contact OBSI with a complaint or question about a financial services problem they are having, we record these interactions as inquiries. Assisting consumers with complaint inquiries is an important part of OBSI's work. In addition to helping people file a complaint with OBSI when it falls within our mandate, our intake staff are trained to provide information and assistance to consumers when we are not the appropriate place to help them. This often includes informing them of regulations which apply to their complaint, explaining what steps need to be taken to resolve their issue and directing them to the right contact within their firm or to the appropriate regulator. Inquiry volumes are a leading indicator of future case volumes.

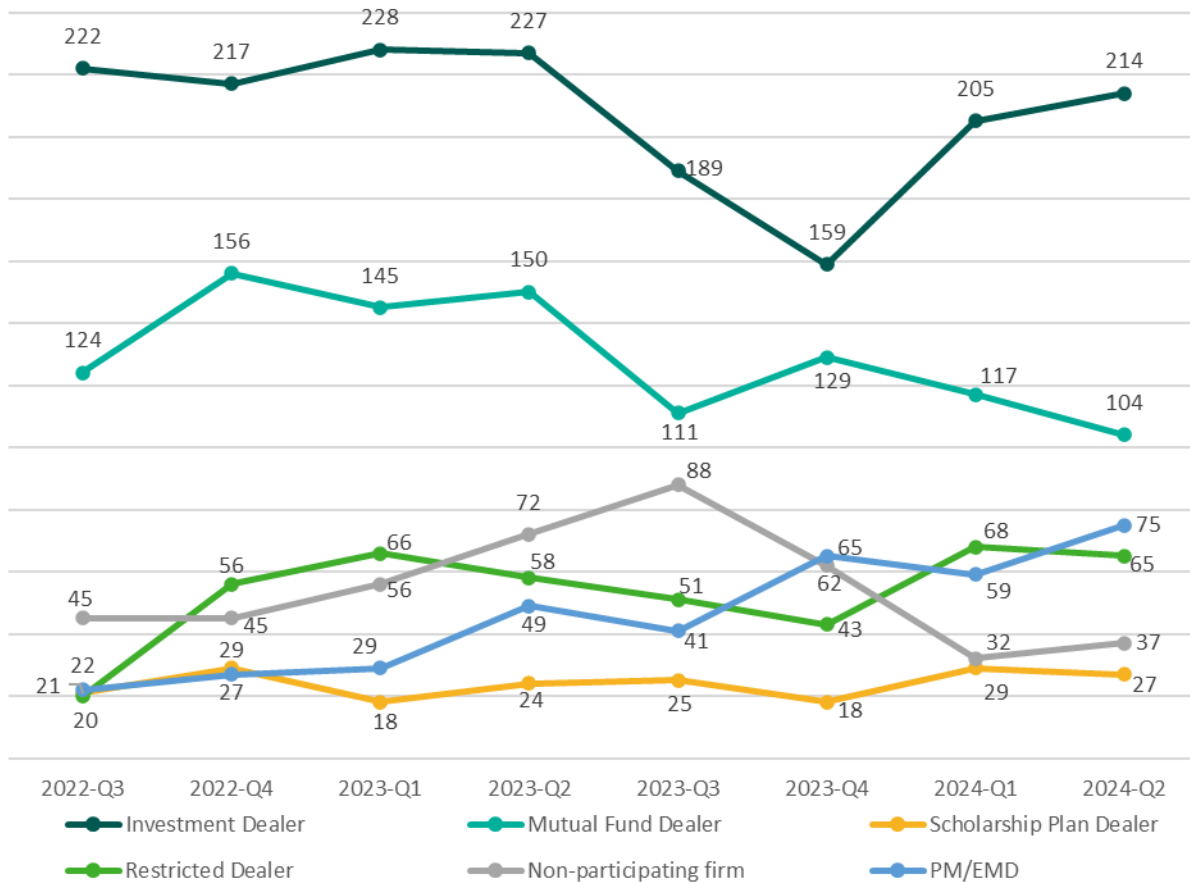
Inquiries Received by Industry: Last 8 Quarters



In the second quarter of 2024, **total consumer inquiries** increased 7%, reversing a recent downward trend.

- In Q2, we received 4,280 inquiries, up 7% quarter over quarter and down 7% year over year.
- **Banking-related** inquiries were up 7% quarter over quarter and flat year over year, accounting for 74% of total inquiries for the quarter.
- **Investment-related** inquiries remained flat quarter over quarter but were down 9% year over year.
- The **Other** category includes inquiries from the consumers of non-participating firms.

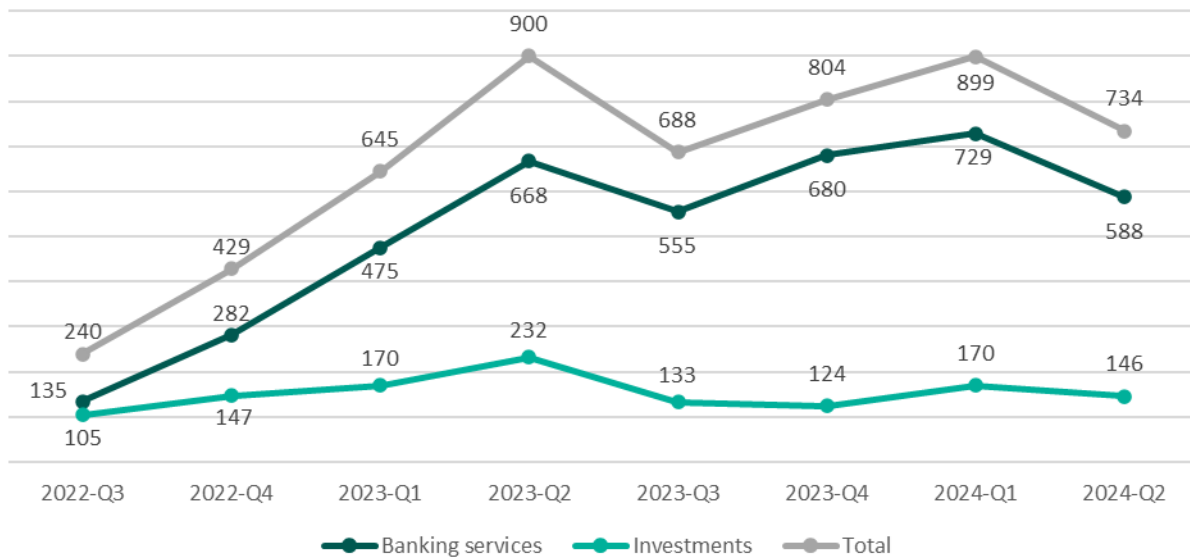
Inquiries Received by Investment Sector: Last 8 Quarters



In Q2, **investment-related** inquiries remained flat quarter over quarter but were down 9% year over year.

- **Investment dealer** inquiries increased 4% quarter over quarter but decreased 6% year over year.
- **Mutual fund dealer** inquiries decreased by 11% quarter over quarter and 31% year over year.
- **Portfolio manager/exempt market dealer** inquiries were up 27% quarter over quarter and by more than half (53%) year over year.
- **Restricted dealer** inquiries remained flat quarter over quarter but increased 12% year over year.
- **Scholarship plan dealer** inquiries were down 7% quarter over quarter and up 13% year over year.
- Inquiries from **non-participating firms (NPFs)** increased by 16% quarter over quarter but decreased by nearly half year over year. NPF inquiries relate to investment firms that are not subject to provincial securities regulations requiring them to provide access to OBSI services.

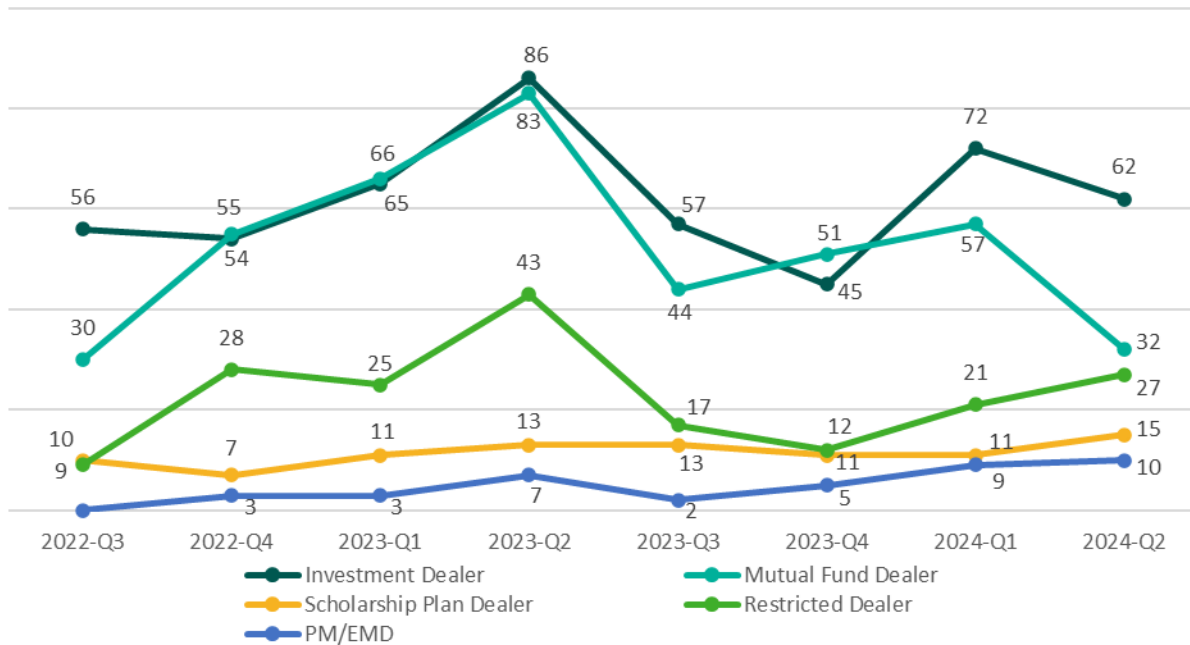
Total Cases Opened: Last 8 Quarters



In Q2, **total cases opened** decreased from the near record high seen in the previous quarter and record high of the previous year.

- **Total** cases opened decreased 18% quarter over quarter and decreased 12% year over year.
- **Banking** cases opened decreased 19% quarter over quarter, after reaching an eight-quarter high in Q1, and decreased 12% year over year.
- **Investment** cases opened decreased 14% quarter over quarter and decreased 37% from Q2 2023's record high.

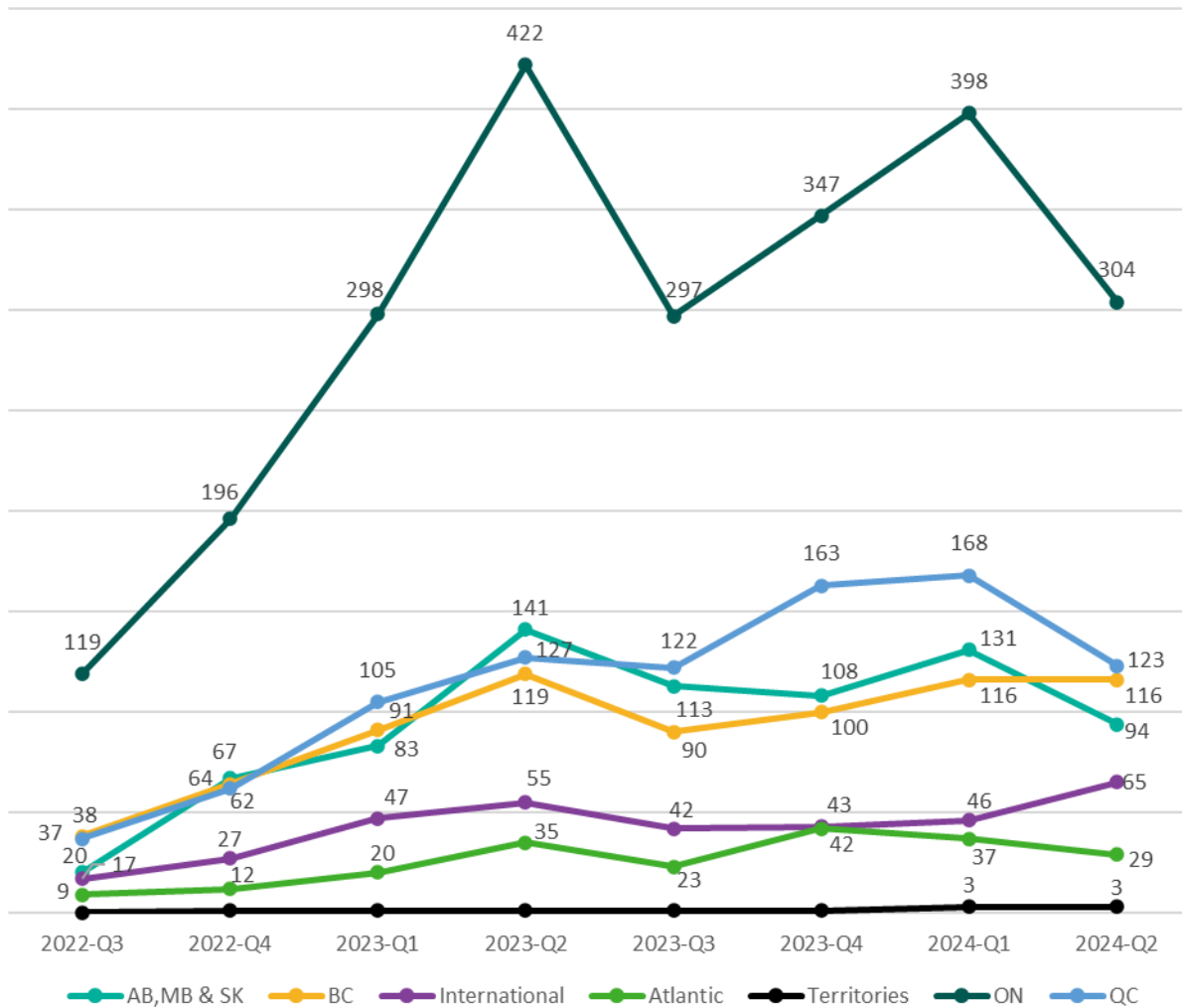
Cases Opened by Investment Sector: Last 8 Quarters



In the second quarter, **investment** cases opened decreased 14% quarter over quarter and decreased 37% from Q2 2023's record high.

- **Investment dealer** cases decreased 14% quarter over quarter and 28% year over year.
- **Mutual fund dealer** cases declined 44% from Q1 2024 and 61% from the prior year.
- **Restricted dealer** cases increased 29% quarter over quarter but declined 37% year over year.
- **Scholarship plan dealer** cases remained at low levels, but still reached an eight-quarter high while remaining relatively flat year over year.
- **Portfolio manager/exempt market dealer** cases remained at low levels but reached an eight-quarter high and increased year over year.

Cases Opened by Region: Last 8 Quarters

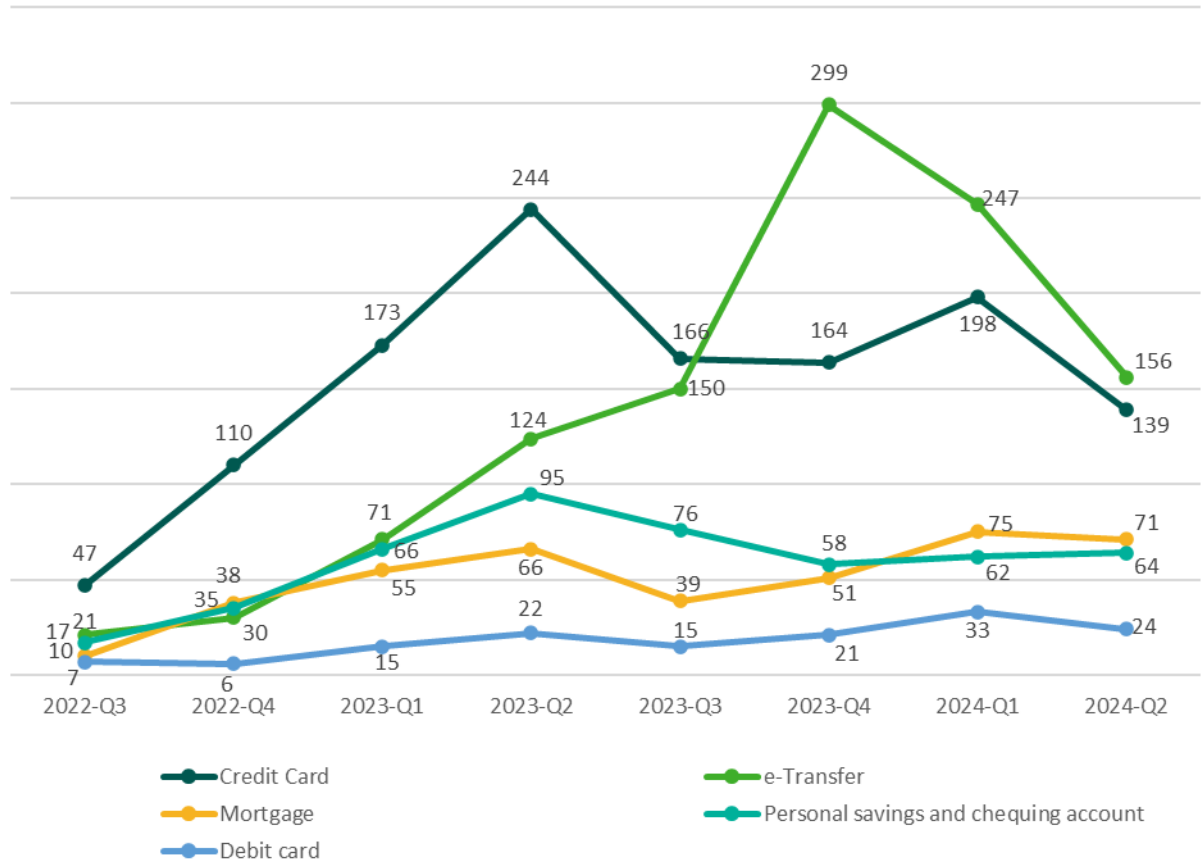


In Q2, cases opened declined quarter over quarter in most regions except BC and the Territories while international cases reached an eight-quarter high.

- **Ontario** cases decreased 24% quarter over quarter and 28% year over year, down from the eight-quarter high in 2023 Q2.
- **Quebec** cases decreased 27% quarter over quarter, down from the 2024 Q1 eight-quarter high, and remained flat year over year.
- Cases from the **Prairie provinces** decreased 28% quarter over quarter and 33% year over year, continuing a decline from the eight-quarter high seen in the previous year.
- **BC** cases were flat quarter over quarter and year over year.
- Cases in the **Territories** remained at low levels but reached an eight-quarter high and increased year over year.

- **International** cases reached an eight-quarter high and rose 18% compared to the same period last year.
- Cases in the **Atlantic** provinces declined 22% from the previous quarter and 17% from the previous year.

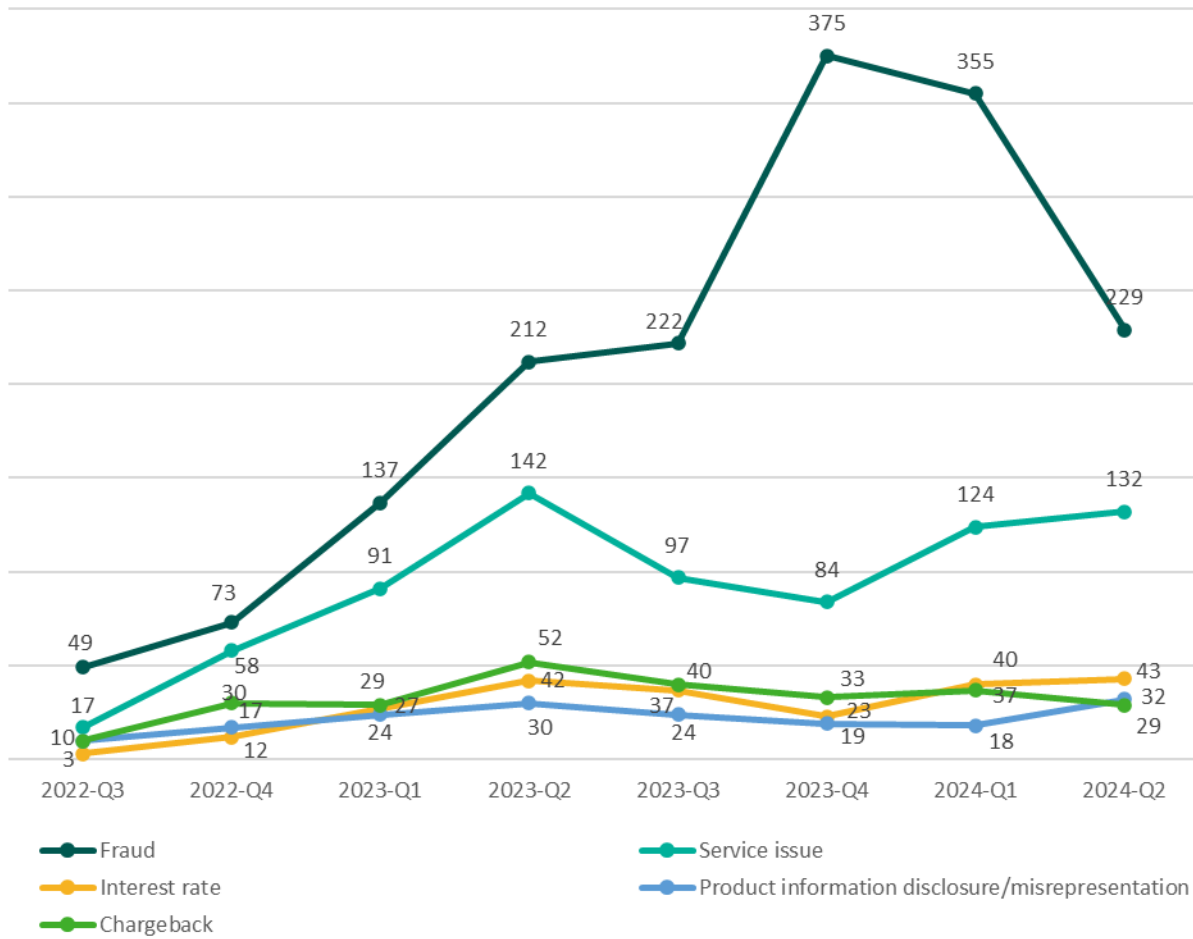
Top 5 Banking Products: Last 8 Quarters



In Q2, the top 5 banking product complaints remained unchanged from the previous quarter, with **e-transfers** remaining the most common complaint among banking consumers.

- **E-transfer** cases decreased 37% quarter over quarter but increased 26% year over year.
- **Credit card** cases decreased 30% quarter over quarter and 43% year over year.
- **Mortgage** cases remained flat compared to the previous quarter and previous year.
- Cases related to **personal savings and chequing accounts** were flat quarter over quarter but fell 33% below the eight-quarter high seen in 2023 Q2.
- **Debit card** cases saw a 27% quarter-over-quarter decline but remained flat year over year.

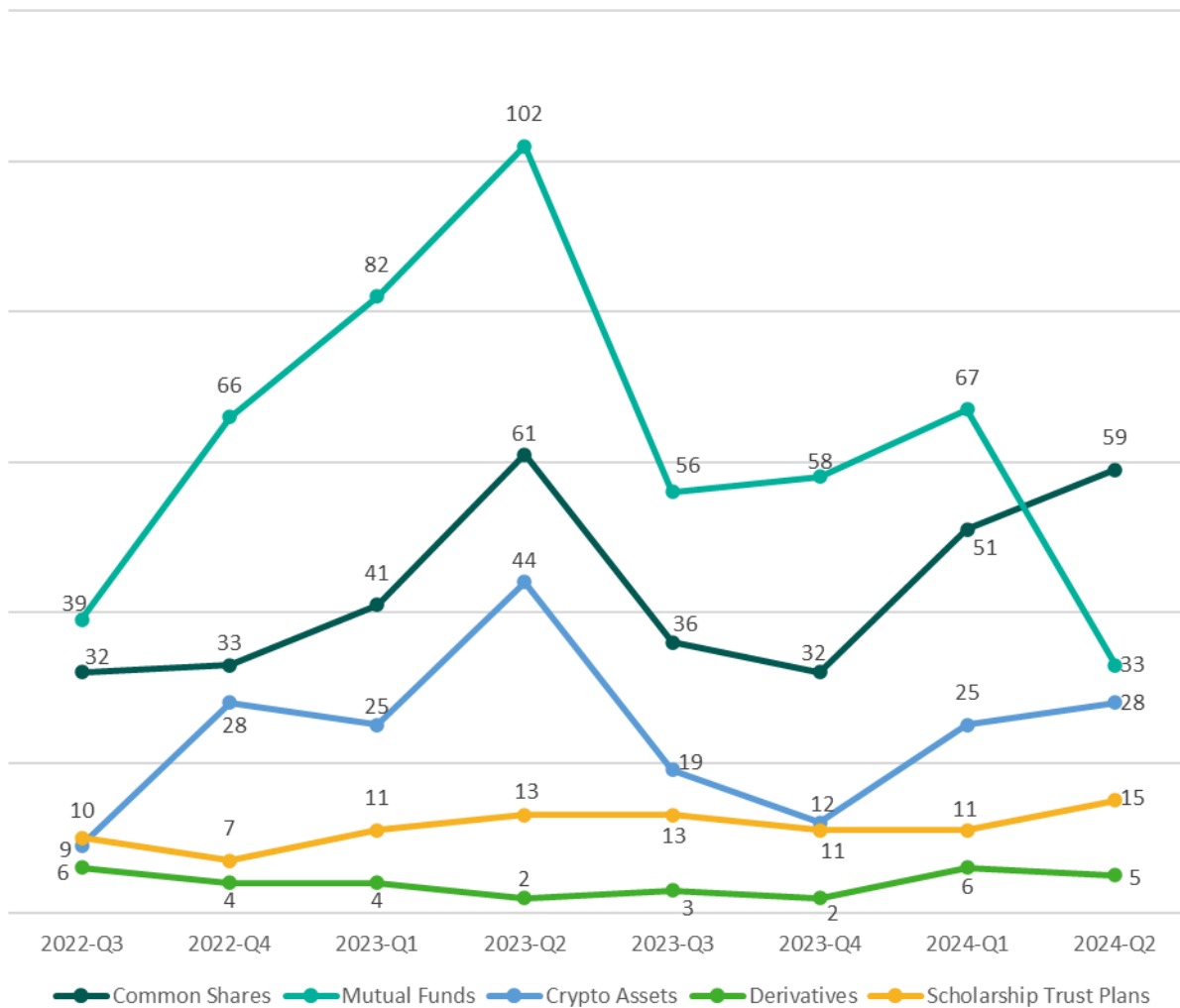
Top 5 Banking Issues: Last 8 Quarters



In Q2, **fraud** cases declined significantly but continued to be the leading complaint among banking consumers.

- **Fraud** cases declined 35% compared to the last quarter and were flat year over year.
- **Service issue** cases increased 7% quarter and down 7% year over year.
- **Interest rate** related cases increased 7% quarter over quarter but were flat year over year.
- **Product information disclosure and misrepresentation** cases increased 78% quarter over quarter and were up slightly year over year.
- **Chargeback** cases decreased 22% quarter over quarter and decreased 44% year over year.

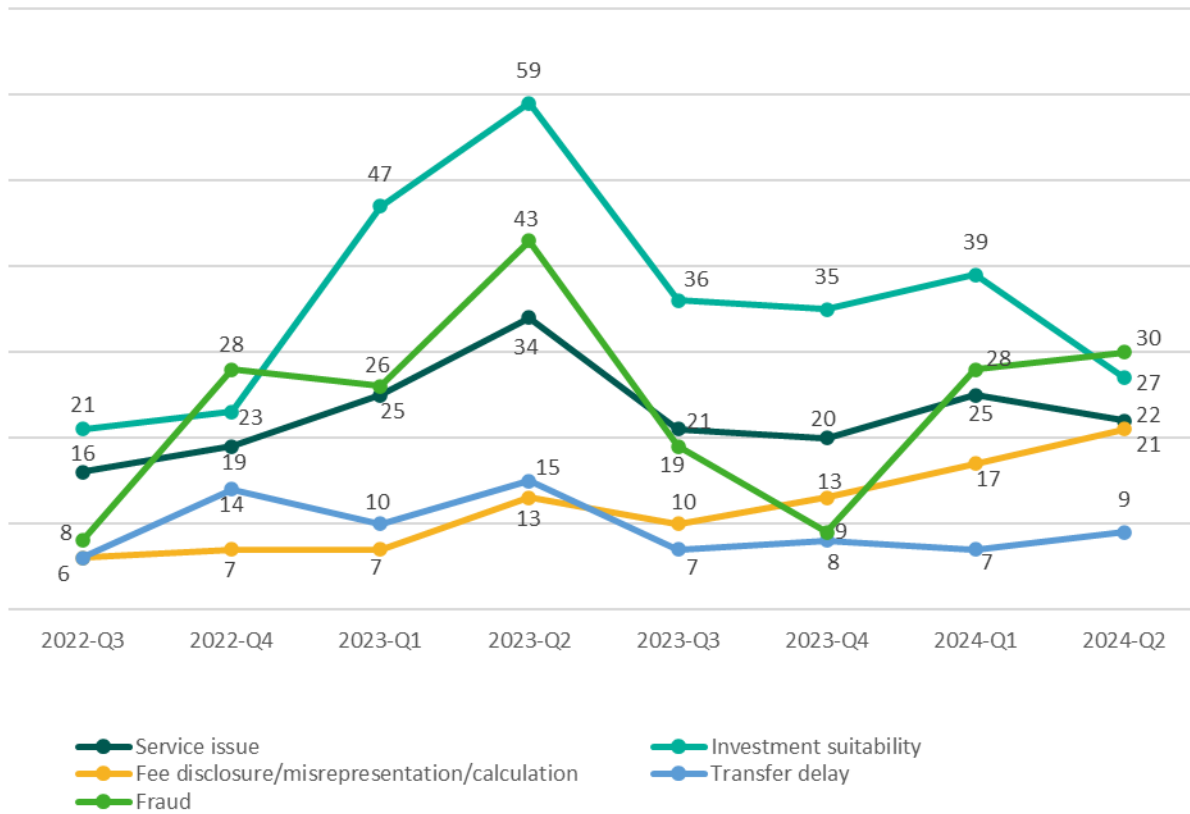
Top 5 Investment Products: Last 8 Quarters



In Q2, **common shares** were the top product concern for investors for the first time in recent quarters as mutual fund complaints saw a significant decline during the quarter.

- **Common share** cases rose 16% quarter over quarter but remained flat year over year.
- **Mutual funds** cases decreased by over half (51%) quarter over quarter and decreased 68% year over year.
- **Crypto assets** complaints increased 12% compared to the previous quarter and decreased 36% year over year.
- **Scholarship trust plan** cases increased 36% from the past quarter and increased 15% year over year.
- **Derivatives** cases were flat quarter over quarter and more than doubled year over year.

Top 5 Investment Issues: Last 8 Quarters



In the second quarter, **fraud** became the leading issue among investors, exceeding investment suitability cases for the first time in recent quarters.

- **Fraud** cases increased 7% quarter over quarter but were 30% below last year's levels.
- **Investment suitability** cases were down 31% quarter over quarter and 54% year over year.
- **Service issue** cases decreased 12% compared to the prior quarter and 35% compared to same quarter last year.
- **Fee-related** cases were up by 24% quarter over quarter and 62% year over year.
- **Transfer delay** cases increased 29% quarter over quarter and decreased 40% year over year.