

1 **Q. Further to CA-NP-245 addressed to Dr. Vander Weide, does Dr. Vander Weide**
2 **believe that risk premia based on Canadian market data would be more relevant**
3 **than using the Ibbotson SBBI risk premium derived from US market data in the**
4 **context of this case?**

5
6 A. No. Dr. Vander Weide believes that the Ibbotson[®] SBBI[®] risk premium derived from
7 U.S. market data is more relevant for determining the required risk premium on the
8 market portfolio than risk premia based on Canadian data because the U.S. market data
9 are a better approximation of the returns on a portfolio of all risky securities than
10 Canadian market data.