



NOTICE TO MEMBERS

No. 2017 – 017

January 31, 2017

UPDATED HAIRCUTS ON GOVERNMENT SECURITIES DEPOSITED AS COLLATERAL

CDCC revises on a semi-annual basis its haircuts applicable on government securities that are eligible for collateral deposit.

Following this review, the CDCC has decided to update the current haircuts values.

For any further information, please contact the Risk Management Department at (514) 871-3505.

Glenn Goucher
President and Chief Clearing Officer

Canadian Derivatives Clearing Corporation

The Exchange Tower	800 Victoria Square
130 King Street West, 5 th Floor	3 rd Floor
Toronto, Ontario	Montréal, Québec
M5X 1J2	H4Z 1A9
Tel. : 416-367-2470	Tel. : 514-871-3545

www.cdcc.ca



Haircuts

Form of Margin	Eligible asset	Employed Value	CAD	CAD Real Return	U.S.	U.S. Real Return
Government Securities	Canadian Treasury bills, Canadian bonds (including real return bonds and excluding Canada Savings Bonds), U.S. Treasury bills, U.S. Treasury bonds (including TIPS), and certain provincial bonds with a maturity of: 1					
	1 year or less	Market	1.00%	2.50%	3.50%	3.50%
	1 - 3 years	Market	2.00%	2.50%	4.00%	4.00%
	3 - 5 years	Market	2.50%	2.50%	4.50%	5.00%
	5 - 10 years	Market	3.00%	3.50%	6.50%	6.50%
	10 - 20 years	Market	3.50%	4.00%	9.50%	10.50%
	20 years and more	Market	5.50%	5.50%	9.50%	10.50%

Form of Margin	Eligible asset	Employed Value	Province of Ontario	Province of Quebec	Province of British Columbia	Province of Alberta
Government Securities	Canadian Treasury bills, Canadian bonds (including real return bonds and excluding Canada Savings Bonds), U.S. Treasury bills, U.S. Treasury bonds (including TIPS), and certain provincial bonds with a maturity of: 1					
	1 year or less	Market	3.50%	2.50%	3.00%	2.50%
	1 - 3 years	Market	3.50%	2.50%	3.00%	2.50%
	3 - 5 years	Market	3.50%	2.50%	3.00%	2.50%
	5 - 10 years	Market	5.00%	5.50%	4.00%	4.00%
	10 - 20 years	Market	7.00%	6.00%	4.50%	5.50%
	20 years and more	Market	10.50%	6.50%	7.50%	6.50%

Form of Margin	Eligible asset	Employed Value	Province of Manitoba
Government Securities	Canadian Treasury bills, Canadian bonds (including real return bonds and excluding Canada Savings Bonds), U.S. Treasury bills, U.S. Treasury bonds (including TIPS), and certain provincial bonds with a maturity of: 1		
	1 year or less	Market	2.50%
	1 - 3 years	Market	2.50%
	3 - 5 years	Market	2.50%
	5 - 10 years	Market	3.50%
	10 - 20 years	Market	5.50%
	20 years and more	Market	10.50%

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