



NOTICE TO MEMBERS

No. 2020 - 035

March 17, 2020

UPDATED HAIRCUTS ON GOVERNMENT SECURITIES DEPOSITED AS COLLATERAL

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

Following this review, CDCC has decided to update the haircut values. The updated values will be effective as of Wednesday, March 18th, 2020.

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

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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	Marchande	1.00%	1.50%	2.50%	2.00%
	1 - 3 years	Marchande	1.50%	1.50%	3.00%	2.50%
	3 - 5 years	Marchande	2.00%	2.00%	3.50%	3.50%
	5 - 10 years	Marchande	3.00%	3.00%	5.00%	5.00%
	10 - 20 years	Marchande	3.50%	3.50%	8.00%	8.50%
	20 years and more	Marchande	5.50%	5.50%	8.00%	8.50%

Form of Margin	Eligible asset	Employed Value	Province of Ontario	Province of Quebec	Province of British	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	Marchande	3.00%	3.00%	3.00%	3.00%
	1 - 3 years	Marchande	3.00%	3.00%	3.00%	3.00%
	3 - 5 years	Marchande	3.00%	3.00%	3.00%	3.00%
	5 - 10 years	Marchande	4.00%	5.00%	3.50%	5.00%
	10 - 20 years	Marchande	7.50%	5.50%	7.00%	5.50%
	20 years and more	Marchande	8.00%	6.00%	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	Marchande	2.50%
	1 - 3 years	Marchande	2.50%
	3 - 5 years	Marchande	2.50%
	5 - 10 years	Marchande	3.50%
	10 - 20 years	Marchande	7.00%
	20 years and more	Marchande	11.00%

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