



## **NOTICE TO MEMBERS**

No. 2023 - 089

June 29, 2023

### **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 June 30<sup>th</sup> 2023. CDCC is employing its discretion to set haircuts at 100% of corresponding Bank of Canada haircuts for all ISINs.

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

Anne Linardakis  
Director, Business Operations  
CDCC

## 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 |                |       |                 |        |                  |
|                       | 3 months or less  | Market         | 0.25% | 0.25%           | 5.00%  | 5.00%            |
|                       | 3 months - 1 year   | Market         | 0.50% | 0.50%           | 5.25%  | 5.25%            |
|                       | 1 - 3 years   | Market         | 1.00% | 1.00%           | 5.75%  | 5.75%            |
|                       | 3 - 5 years   | Market         | 1.50% | 1.50%           | 6.25%  | 6.25%            |
|                       | 5 - 10 years  | Market         | 2.00% | 2.00%           | 7.50%  | 7.50%            |
|                       | 10 - 20 years   | Market         | 3.50% | 3.50%           | 10.00% | 10.00%           |
|                       | 20 - 35 years   | Market         | 6.00% | 6.00%           | 13.00% | 13.00%           |
|                       | 35 years and more   | Market         | 6.50% | 6.50%           |        |                  |

| 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 |                |                     |                    |                              |                     |
|                       | 3 months or less  | Market         | 1.50%               | 1.50%              | 1.50%                        | 1.50%               |
|                       | 3 months - 1 year   | Market         | 1.75%               | 1.75%              | 1.75%                        | 1.75%               |
|                       | 1 - 3 years   | Market         | 2.50%               | 2.50%              | 2.50%                        | 2.50%               |
|                       | 3 - 5 years   | Market         | 3.00%               | 3.00%              | 3.00%                        | 3.00%               |
|                       | 5 - 10 years  | Market         | 3.50%               | 3.50%              | 3.50%                        | 3.50%               |
|                       | 10 - 20 years   | Market         | 5.00%               | 5.00%              | 5.00%                        | 5.00%               |
|                       | 20 - 35 years   | Market         | 8.50%               | 8.50%              | 8.50%                        | 8.50%               |
|                       | 35 years and more   | Market         | 9.00%               | 9.00%              | 9.00%                        | 9.00%               |

| 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 |                |                      |
|                       | 3 months or less  | Market         | 1.50%                |
|                       | 3 months - 1 year   | Market         | 1.75%                |
|                       | 1 - 3 years   | Market         | 2.50%                |
|                       | 3 - 5 years   | Market         | 3.00%                |
|                       | 5 - 10 years  | Market         | 3.50%                |
|                       | 10 - 20 years   | Market         | 5.00%                |
|                       | 20 - 35 years   | Market         | 8.50%                |
|                       | 35 years and more   | Market         | 9.00%                |

### Canadian Derivatives Clearing Corporation

100 Adelaide Street W 1700-1190 av des Canadiens-de-Montréal  
3<sup>rd</sup> Floor P.O. Box 37  
Toronto ON M5H 1S3 Montreal, Quebec H3B 0G7  
416.367.2470 514.871.3545  
www.cdcc.ca