

NOTICE TO MEMBERS

No. 2021 - 062

April 22, 2021

**THRESHOLD AND SURCHARGE VALUES FOR
THE ADDITIONAL MARGIN FOR MARKET LIQUIDITY RISK
OF S&P/TSX COMPOSITE ESG INDEX FUTURES (SCG)**

The additional margin for market liquidity risk covers the liquidity risk arising when the Corporation has to close-out positions at a price different than the market price.

This liquidity risk could be divided into two components: the first one is the inherent market liquidity risk which is mainly associated to the bid-ask spread, and the second one is the additional liquidity risk due to concentrated positions that cannot be liquidated within the bid-ask spread.

The Additional Margin for Market Liquidity Risk methodology will consider an absolute surcharge or a relative surcharge for positions exceeding predetermined thresholds.

The threshold and surcharge values for the S&P/TSX Composite ESG Index Futures (SCG) will be effective **Monday April 26th, 2021**. Details regarding these values can be found below:

SCG			
	LOWER BOUND	UPPER BOUND	MLR PER CONTRACT (\$Value)
1	0	2900	3.13
2	2900	3045	10.09
3	3045	3190	37.64
4	3190	3335	74.10
5	3335	3480	115.69
6	3480	3625	160.53
7	3625	3770	207.47
8	3770	3915	255.75
9	3915	4060	304.85
10	4060	4205	354.39
11	4205	4350	404.10
12	4350	4495	453.78
13	4495	4640	503.27
14	4640	4785	552.46
15	4785	4930	601.28
16	4930	5075	649.66

Canadian Derivatives Clearing Corporation

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SCG			
	LOWER BOUND	UPPER BOUND	MLR PER CONTRACT (\$Value)
17	5075	5220	697.55
18	5220	5365	744.93
19	5365	5510	791.77
20	5510	5655	838.06
21	5655	5800	883.79
22	5800	5945	928.96
23	5945	6090	973.56
24	6090	6235	1017.60
25	6235	6380	1061.09
26	6380	6525	1104.02
27	6525	6670	1146.41
28	6670	6815	1188.27
29	6815	6960	1229.61
30	6960	7105	1270.43
31	7105	7250	1310.75
32	7250	7395	1350.58
33	7395	7540	1389.93
34	7540	7685	1428.81
35	7685	7830	1467.22
36	7830	7975	1505.19
37	7975	8120	1542.72
38	8120	8265	1579.82
39	8265	8410	1616.50
40	8410	8555	1652.78
41	8555	8700	1688.65
42	8700	8845	1724.14
43	8845	8990	1759.24
44	8990	9135	1793.98
45	9135	9280	1828.35
46	9280	9425	1862.37
47	9425	9570	1896.05
48	9570	9715	1929.38
49	9715	9860	1962.39
50	9860	10005	1995.08
51	10005	10150	2027.45

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

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