



CIRCULAR 019-20
February 14, 2020

**MARGIN RELIEF FOR S&P/TSX INDEX STANDARD FUTURES (“SXF”)
AND S&P/TSX INDEX MINI FUTURES (“SXM”) COMBINATIONS**

Margins are determined by Bourse de Montréal Inc. (the “Bourse”), in collaboration with the Canadian Derivatives Clearing Corporation (“CDCC”), using industry-accepted methodologies. They are designed to provide some level of protection against market movements on open positions. Margins are applicable to all positions in Listed Products on the Bourse.

In the case of the S&P/TSX Index Standard Futures (“SXF”) and S&P/TSX Index Mini Futures (“SXM”), these products are entirely correlated (both futures have the same underlying interest). As such, offsetting positions with the same expiry month in the Client account of a CDCC Clearing Member¹ are subject to credits that reduce the overall initial margin. For example, if a Client account holds 4 SXM against 1 SXF, there is margin relief provided that both contracts have the same expiry month.

Accordingly, the Bourse deems it is permissible to provide margin relief for fully offset SXF-SXM combinations with the same expiry month, effective immediately. This margin relief for Client accounts of Approved Participants will be reflected on the [Futures contracts margin rates page](#) of the website of the Regulatory Division of the Bourse.

For more information or for any questions, contact the Regulatory Division, at 514 787 6530 or toll-free in Canada and the US at 1 800 361 5353 ext. 46530, toll-free in Great Britain or France at 00 800 36 15 35 35 ext. 46530, or by email at info.mxr@tmx.com.

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¹ A Client account of a CDCC Clearing Member differs from the Client account of an Approved Participant.