



<input checked="" type="checkbox"/>	Trading – Interest Rate Derivatives	<input type="checkbox"/>	Back-office – Options
<input type="checkbox"/>	Trading – Equity and Index Derivatives	<input type="checkbox"/>	Technology
<input checked="" type="checkbox"/>	Back-office – Futures	<input type="checkbox"/>	Regulation

**CIRCULAR**  
November 19, 2007

**THIRTY-YEAR GOVERNMENT OF CANADA BOND  
FUTURES CONTRACT (LGB)  
DELIVERABLE CANADIAN GOVERNMENT BOND ISSUES AND  
MARGIN REQUIREMENTS**

For your information, please find enclosed the list of deliverable Canadian Government Bond issues with respect to the **Thirty-Year Government of Canada Bond Futures Contract (LGB)** delivery months. This list is produced in accordance with the Rules of Bourse de Montréal Inc. and Canadian Derivatives Clearing Corporation (CDCC) relating to delivery standards and replaces the one that was distributed on November 9, 2007 (circular no. 174-2007).

Also find the minimum margin requirements for the LGB futures contract in the case of speculators and hedgers as set by the Bourse in collaboration with the Canadian Derivatives Clearing Corporation (CDCC).

For further information, please contact Mr. Frank Barillaro, Project Manager, Regulatory Division, at 514 871-4949, extension 240, or by e-mail at [fbarillaro@m-x.ca](mailto:fbarillaro@m-x.ca).

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Vice-President, Regulatory Division

Encl.

Circular no.: 180-2007

## Appendix I

**DELIVERABLE GOVERNMENT OF CANADA BOND ISSUES  
AND THEIR CONVERSION FACTORS  
(As at November 14, 2007)**

**THIRTY-YEAR GOVERNMENT OF CANADA BOND FUTURES CONTRACTS - LGB**

Government of Canada Bonds		Outstanding	March 2008	June 2008	September 2008	December 2008
Coupon	Maturity	(CAN \$ million)				
5¾%	June 1, 2029	13,201	1.2489	1.2471	N/A	N/A
5¾%	June 1, 2033	13,410	1.2765	1.2750	1.2733	1.2717
5%	June 1, 2037	11,849	1.1714	1.1707	1.1699	1.1691
TOTAL OUTSTANDING DELIVERABLE BONDS (CAN \$ million)			38,460	38,460	25,259	25,259

Conversion factors computed with a yield equal to 4%

**Note:** This list is produced in accordance with the Rules of Bourse de Montréal Inc. and of the Canadian Derivatives Clearing Corporation (CDCC).

### **LGB FUTURES CONTRACT MINIMUM MARGIN REQUIREMENTS**

<b>FUTURES CONTRACT</b>	<b>MARGIN TYPE</b>	<b>PREVIOUS RATE</b>	<b>NEW RATE</b>
<b>LGB - Thirty-year Canadian Government Bond</b>	Speculator	N/A	<b>\$4,400</b>
	Hedger	N/A	<b>\$4,200</b>

Note : The "Speculator" designation applies to all clients, except acceptable institutions, acceptable counterparties, regulated entities and bona fide hedgers, as defined in the Rules and Policies of the Bourse.

<b>MARGIN TYPE</b>	<b>INTEREST RATE FUTURES CONTRACTS</b>
	<b>LGB</b>
<b>SPREADS</b>	\$200

#### **MARGIN ON INTER-COMMODITY SPREAD POSITIONS**

<b>SPREAD POSITION</b>	<b>PREVIOUS MARGIN RATE</b>	<b>NEW MARGIN RATE</b>
<b>LGB - CGB</b>		
Speculator	N/A	<b>\$2,720</b>
Hedger	N/A	<b>\$2,590</b>