



Bourse de  
Montréal

## Technical Notice

15-005

**TO:** Montréal Exchange (MX) Participants

**FROM:** Market Access Manager

**OBJECT:** Launch of S&P/TSX Capped Utilities Index Futures, S&P/TSX Composite Index Banks (Industry Group) Futures, Options on S&P/TSX Capped Utilities Index and Options on S&P/TSX Composite Index Banks (Industry Group).

**DATE:** June 9, 2015

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Bourse de Montréal Inc. (the “**Bourse**”) is pleased to announce that it will list futures and options on the S&P/TSX Capped Utilities Index Futures, S&P/TSX Composite Index Banks (Industry Group) Futures, Options on S&P/TSX Capped Utilities Index and Options on S&P/TSX Composite Index Banks (Industry Group).

Bourse wishes to advise market participants that such amendments were self-certified in accordance with the self-certification process as established in the *Derivatives Act* (CQLR, Chapter I-14.01). The expansion of the Bourse’s range of sector index products stems from market demand for more targeted sector index derivatives.

S&P/TSX Composite Index Banks (Industry Group) and Capped Utilities Index futures and options contracts will offer the Bourse’s participants the following:

- Better risk management per sector
- The ability to effectively generate returns per specific economic sector
- More efficient use of capital (possibility of margin matching between different contracts, etc.)
- Centralized clearing services and new trading opportunities

The new contracts will be made available for trading at the market open on **July 31, 2015**. To prepare for the launch, customers can download the symbol prior to the launch, enabling them to take the necessary steps to receive the new product within their data dictionary. The contracts will be in a “SUSPENDED” state until the launch.

The new contract specifications can be found below. The contracts will be denominated in Canadian dollars and will be added to the High Speed Vendor Feed (HSVF) using the current messaging protocol. Information on the new contracts will be made available at [www.m-x.ca](http://www.m-x.ca).

## TECHNICAL IMPACT

The following MX services will display the new futures and options:

Service	Impact
HSVF	NO CHANGE
SAIL	
FIX	
TMS	
CLEARING API	
ATR	
DROP COPY	

## GENERAL TEST ENVIRONMENT (GTE)

The new contracts are available in the MX testing environment should clients require testing. Application testing and support is available Mondays through Fridays, from 8:00 AM (EST) to 16:30 PM (EST). After-hours testing is available without support on Mondays through Fridays, from 16:30 PM (EST) to 22:30 PM (EST).

## CONTACT INFORMATION

For additional information on this notice, or if you require technical assistance, please contact the Technical Help Desk.

### Technical Help Desk

Toll-free: 1 877 588-8489

Local: 514 871-7872

[samsupport@m-x.ca](mailto:samsupport@m-x.ca)

## CONTRACT SPECIFICATIONS

S | X | K

# S&P/TSX COMPOSITE INDEX BANKS (Industry Group) FUTURES

### SPECIFICATIONS

<b>Underlying</b>	S&P/TSX Composite Index Banks (Industry Group)
<b>Multiplier</b>	C\$20 X S&P/TSX Composite Index Banks (Industry Group) futures value
<b>Expiry Cycle</b>	March, June, September and December
<b>Price quotation</b>	Quoted in index points, expressed to two decimals.
<b>Minimum price fluctuation</b>	Outright positions: 0.10 index points Calendar spreads: 0.01 index points.
<b>Contract type</b>	Cash settlement.
<b>Last trading day</b>	The trading day prior to the Final Settlement Day.
<b>Final settlement price</b>	The final settlement price is the Official Opening Level of the underlying sector index on the Final Settlement Day.
<b>Final settlement day</b>	The third Friday of the contract month, provided it is a business day. If it is not a business day, the final settlement day will be the first preceding business day.
<b>Position reporting threshold</b>	500 contracts gross long and short in all contract months combined.
<b>Position limit</b>	Information on position limits can be obtained from the Bourse as they are subject to periodic changes. See Circulars.
<b>Price limit</b>	A trading halt in the sector index futures contracts will be invoked in conjunction with the triggering of a "circuit breaker" on the underlying interest.
<b>Minimum margin requirements</b>	Information on minimum margin requirements can be obtained from the Bourse as they are subject to periodic changes. See the Futures contracts margin rates page on the Regulatory Division website.
<b>Symbol</b>	SXK
<b>Trading Hours (Montréal time)</b>	Early session*: 6:00 a.m. to 9:15 a.m. Regular session: 9:30 a.m. to 4:15 p.m.  *A trading range of -5% to +5% (based on previous day's settlement price) has been established only for this session.
<b>Clearing corporation</b>	Canadian Derivatives Clearing Corporation (CDCC)

## S&P/TSX COMPOSITE INDEX BANKS (Industry Group) OPTIONS

SPECIFICATIONS	
<b>Underlying</b>	S&P/TSX Composite Index Banks (Industry Group)
<b>Multiplier</b>	C\$10 per S&P/TSX Composite Index Banks (Industry Group) point.
<b>Contract Months</b>	At a minimum, the nearest three months plus the next two months in the designated quarterly cycle: March, June, September and December. Annual expiry of December for long term options.
<b>Minimum fluctuation of the option premium</b>	For premiums of less than 0.10 index points: 0.01 index point = C\$0.10 per contract For premiums of 0.10 index points and over: 0.05 index point = C\$0.50 per contract.
<b>Strike prices</b>	Set at a minimum interval of 10 index points.
<b>Contract type</b>	European style. Cash settlement.
<b>Last trading day</b>	The trading day prior to the Expiration Day.
<b>Expiration day</b>	The third Friday of the contract month, provided it is a business day. If it is not a business day, expiration will occur on the first preceding business day.
<b>Final settlement price</b>	The final settlement price is the Official Opening Level of the underlying index on the Expiration Day.
<b>Position reporting threshold</b>	1,000 contracts gross long and short in all contract months combined.
<b>Position limit</b>	Information on position limits can be obtained from the Bourse as they are subject to periodic changes. See Circulars.
<b>Price limit</b>	A trading halt will be invoked in conjunction with the triggering of a "circuit breaker" on the underlying interest.
<b>Symbol</b>	SXJ
<b>Trading Hours (Montréal time)</b>	9:31 a.m. to 4:15 p.m.
<b>Clearing Corporation</b>	Canadian Derivatives Clearing Corporation

**SPECIFICATIONS**

<b>Underlying</b>	S&P/TSX Capped Utilities Index
<b>Multiplier</b>	C\$200 X S&P/TSX Capped Utilities Index futures value
<b>Contract months</b>	March, June, September and December
<b>Price quotation</b>	Quoted in index points, expressed to two decimals.
<b>Minimum fluctuation price</b>	Outright positions: 0.10 index points Calendar spreads: 0.01 index points
<b>Contract type</b>	Cash settlement.
<b>Last trading day</b>	The trading day prior to the Final Settlement Day.
<b>Final settlement price</b>	The final settlement price is the Official Opening Level of the underlying sector index on the Final Settlement Day.
<b>Final settlement day</b>	The third Friday of the contract month, provided it is a business day. If it is not a business day, the final settlement day will be the first preceding business day.
<b>Position reporting threshold</b>	500 contracts gross long and short in all contract months combined.
<b>Position limit</b>	Information on position limits can be obtained from the Bourse as they are subject to periodic changes. See Circulars.
<b>Price limit</b>	A trading halt in the sector index futures contracts will be invoked in conjunction with the triggering of a "circuit breaker" on the underlying interest.
<b>Minimum margin requirements</b>	Information on minimum margin requirements can be obtained from the Bourse as they are subject to periodic changes. See the Futures contracts margin rates page on the Regulatory Division website.
<b>Symbol</b>	SXU
<b>Trading Hours (Montréal time)</b>	Early session*: 6:00 a.m. to 9:15 a.m. Regular session: 9:30 a.m. to 4:15 p.m.  *A trading range of -5% to +5% (based on previous day's settlement price) has been established only for this session.
<b>Clearing corporation</b>	Canadian Derivatives Clearing Corporation (CDCC)

SPECIFICATIONS	
<b>Underlying</b>	S&P/TSX Capped Utilities Index
<b>Multiplier</b>	C\$100 per S&P/TSX Capped Utilities Index point.
<b>Contract months</b>	At a minimum, the nearest three months plus the next two months in the designated quarterly cycle: March, June, September and December. Annual Expiry of December for long term options.
<b>Minimum fluctuation of the option premium</b>	For premiums of less than 0.10 index points: 0.01 index point = C\$1 per contract For premiums of 0.10 index points and over: 0.05 index point = C\$5.
<b>Strike prices</b>	Set at a minimum interval of 5 index points.
<b>Contract type</b>	European style. Cash settlement.
<b>Last trading day</b>	The trading day prior to the Expiration Day.
<b>Expiration day</b>	The third Friday of the contract month, provided it is a business day. If it is not a business day, expiration will occur on the first preceding business day.
<b>Final settlement price</b>	The final settlement price is the Official Opening Level of the underlying index on the Expiration Day.
<b>Position reporting threshold</b>	1,000 contracts gross long and short in all contract months combined.
<b>Position limit</b>	Information on position limits can be obtained from the Bourse as they are subject to periodic changes. See Circulars.
<b>Price limit</b>	A trading halt will be invoked in conjunction with the triggering of a "circuit breaker" on the underlying interest.
<b>Symbol</b>	SXV
<b>Trading Hours (Montréal time)</b>	9:31 a.m. to 4:15 p.m.
<b>Clearing Corporation</b>	Canadian Derivatives Clearing Corporation

We thank you for your cooperation.

Mark Bourcier  
Market Access Manager

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