

CIRCULAR 055-18

May 1st, 2018

BASIS TRADES ON CLOSE

On April 27, 2018, Bourse de Montréal Inc. (the “**Bourse**”) self-certified the matter “Introduction of Basis Trades on Close for Index Futures, Sector Index Futures and Share Futures” (Please refer to [Circular 054-18](#)).

The Bourse wishes to inform the market that it will now be possible to enter Basis Trades on Close (“BTC”) starting **June 8, 2018** on the following derivatives:

- Share Futures Contracts; and
- S&P/TSX 60 Index Standards Futures (SXF).

Please refer to the specifications attached to this Circular, which specifications will become effective on **June 7, 2018 after market close**.

In addition, the calculation of the final futures contract price shall take place at 4:10pm for BTC on Share Futures Contracts, and at 4:30pm for BTC for S&P/TSX 60 Index Standards Futures.

Finally, the Bourse also attaches to this Circular the list of symbols that will have to be used in order to benefit from the BTC functionality.

For additional information, please contact the undersigned at 514-871-7880 or by email at gladys.karam@tmx.com

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Bourse de Montréal Inc.

SHARE FUTURES CONTRACTS

SPECIFICATIONS

Underlying	Individual Canadian or international shares.
Trading Unit	One contract represents 100 shares.
Expiry Cycle	Quarterlies: March, June, September and December. Serials: two (2) nearest non-quarterly months.
Price Quotation	Prices are quoted in Canadian dollars and cents per share.
Minimum Price Fluctuation	CAN \$0.01 per share. CAN \$0.001 per share for Basis Trades on Close.
Contract Type	Physically-delivered; delivery of the underlying stocks via the Canadian Depository for Securities Limited (CDS).
Last Trading Day	Trading ceases at 4:00 P.M. (ET) on the third Friday of the contract month, provided it is a business day; if not, the first preceding business day. For Basis Trades on Close, trading ceases at 3:30 P.M. (ET)
Final Settlement Day	The third business day after the last trading day.
Position Reporting Threshold	250 contracts, in the case of stock options and share futures contracts (for all contract months combined of each share future contract) having the same underlying security, by aggregating positions on stock options and share futures contracts, one option contract being equal to one share future contract. While options and share futures contracts must be considered in the aggregate for purposes of the reporting threshold (on a gross basis), positions in options and share futures contracts shall be reported each separately.
Position Limit	Information on position limits can be obtained from the Bourse as they are subject to periodic changes.
Price Limit	A trading halt will be invoked in conjunction with the triggering of “circuit breakers” on the underlying issue.
Trading Hours	<ul style="list-style-type: none"> • Early session*: 6:00 a.m. to 9:15 a.m. (ET) • Regular session: 9:30 a.m. to 4:00 p.m. (ET) • Basis Trades on Close: Regular session: 9:30 a.m. to 3:30 p.m. (ET) • * Note: A trading range of - 5% to + 5% (based on previous day’s settlement price) has been established only for this session.
Clearing Corporation	Canadian Derivatives Clearing Corporation (CDCC).

The information contained in this document is for information purposes only and shall not be construed as legally binding. This document is a summary of the product’s specifications which are set forth in the Rules of Bourse de Montréal Inc. (“Rules of the Bourse”). While Bourse de Montréal Inc. endeavors to keep this document up to date, it does not guarantee that it is complete or accurate. In the event of discrepancies between the information contained in this document and the Rules of the Bourse, the latter shall prevail. The Rules of the Bourse must be consulted in all cases concerning products’ specifications.

[2018-06-08]

SPECIFICATIONS

Underlying	The S&P/TSX 60 Index, which is designed to represent leading companies in leading industries. Market Capitalization: Larger companies, as measured by the float adjusted market capitalization, are considered for the S&P/TSX 60 Index. A company's float adjusted market capitalization is calculated by removing control blocks of 10% or more.
Trading Unit	C\$200 times the S&P/TSX 60 Index Standard Futures contract value.
Expiry Cycle	March, June, September and December.
Price Quotation	Quoted in index points, expressed to two decimals. One index point equals \$200.
Minimum Price Fluctuation	<ul style="list-style-type: none"> • 0.10 index points for outright positions. • 0.01 index points for calendar spreads. • 0.05 index points for outright Basis Trades on Close.
Contract Type	Cash-settled. The final settlement price is the official opening level of the underlying index on the final settlement day.
Last Trading Day	Trading ceases on the trading day prior to the final settlement day.
Final Settlement Day	The third Friday of the contract month, provided it is a business day. If it is not a business day, final settlement will occur on the preceding business day.
Position Reporting Threshold	1,000 futures contracts (standard and mini combined) on the S&P/TSX 60 Index, gross long and short, in all contract months combined.
Position Limit	There are no position limits.
Price Limit	A trading halt will be coordinated with the triggering of "circuit breakers" on the underlying interest.
Minimum Margin Requirements	Information on minimum margin limits can be obtained from the Bourse as they are subject to periodic changes.
Trading Hours	<ul style="list-style-type: none"> • Early session*: 6:00 a.m. to 9:15 a.m. ET • Regular session: 9:30 a.m. to 4:15 p.m. ET • Basis Trades on Close: Regular session: 9:30 a.m. to 3:30 p.m. ET <p>* Note: A trading range of - 5% to + 5% (based on previous day's settlement price) has been established only for this session.</p>
Clearing Corporation	Canadian Derivatives Clearing Corporation (CDCC).
Ticker Symbol	SXF Basis Trade on Close: BSF

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LIST OF SYMBOLS FOR THE BASIS TRADE ON CLOSE FUNCTIONALITY « BTC »

Future Underlying	Associated Future Symbol	BTC Symbol
S&P/TSX 60 INDEX	SXF	BSF
AGNICO-EAGLE MINES LIMITED	FAE	BAE
ALIMENTATION COUCHE TARD SUB VOTIN	FTA	BTA
ARC RESOURCES LTD.	FAX	BRX
BANK OF MONTREAL	FBO	BOM
BANK OF NOVA SCOTIA	FNS	BSN
BARRICK GOLD CORP	FBA	BAB
BCE INC	FBC	BEC
BLACKBERRY LTD	FBB	BBY
BOMBARDIER INC CLASS B	FBD	BDB
BROOKFIELD ASSET MANAGEMENT INC CL	FBM	BMD
CAMECO CORPORATION	FOC	BCZ
CANADIAN IMPERIAL BANK OF COMMERCE	FCB	BMC
CANADIAN NATIONAL RAILWAY COMPANY	FCN	BCW
CANADIAN NATURAL RESOURCES LIMITED	FCQ	BCQ
CANADIAN PACIFIC RAILWAY LTD	FCP	BPR
CANADIAN TIRE LTD CLASS A	FCT	BCY
CCL INDUSTRIES INC.	FCI	BII
CENOVUS ENERGY INC	FVE	BCV
CGI GROUP INC CLASS A	FGI	BIB
CRESCENT POINT ENERGY CORP	FCG	BPG
DOLLARAMA INC	FDO	BDA
EMERA INC	FMA	BRA
ENBRIDGE INC	FEB	BEB
ENCANA	FEA	BNA
FIRST QUANTUM MINERALS LTD	FMQ	BQM
FORTIS INC. (CANADA)	FFS	BFI
FRANCO NEVADA CORP	FFV	BVF
GEORGE WESTON LTD.	FWN	BWO
GILDAN ACTIVEWEAR INC.	FGW	BGW
GOLDCORP INC	FGG	BGO
HUSKY ENERGY INC.	FHS	BHU
IMPERIAL OIL LTD.	FMO	BIM
INTER PIPELINE LTD	FPL	BPI
KINROSS GOLD CORP	FKK	BKO

LOBLAW COS. LTD.	FLL	BLW
MAGNA INTERNATIONAL INC.	FMI	BMI
MANULIFE FINANCIAL CORP	FMF	BMN
METRO INC	FMU	BMU
NATIONAL BANK OF CANADA	FNB	BNB
NUTRIEN LTD.	FNU	BNU
OPEN TEXT CORPORATION	FOP	BOP
PEMBINA PIPELINE CORP.	FPP	BPP
POWER CORPORATION OF CANADA	FPW	BPW
RESTAURANTS BRANDS INTERNATIONAL I	FQR	BQR
ROGERS COMMUNICATIONS NON-VOTING I	FIR	BIC
ROYAL BANK OF CANADA	FRY	BYR
SAPUTO INC.	FSA	BSA
SHAW COMMUNICATIONS INC CLASS B	FSJ	BSJ
SNC-LAVALIN GROUP INC.	FCL	BCL
SUN LIFE FINANCIAL INC	FLF	BLF
SUNCOR ENERGY INC.	FSU	BSU
TECK RESOURCES B LTD	FTK	BTK
TELUS CORP.	FTC	BTS
THOMSON REUTERS CORP	FRT	BRT
TORONTO DOMINION	FTD	BTD
TRANSCANADA CORPORATION	FRP	BRP
VALEANT PHARMACEUTICALS INTERNATIONAL	FRV	BVR
WASTE CONNECTIONS INC.	FWC	BWN
WHEATON PRECIOUS METALS CORP.	FPM	BSL