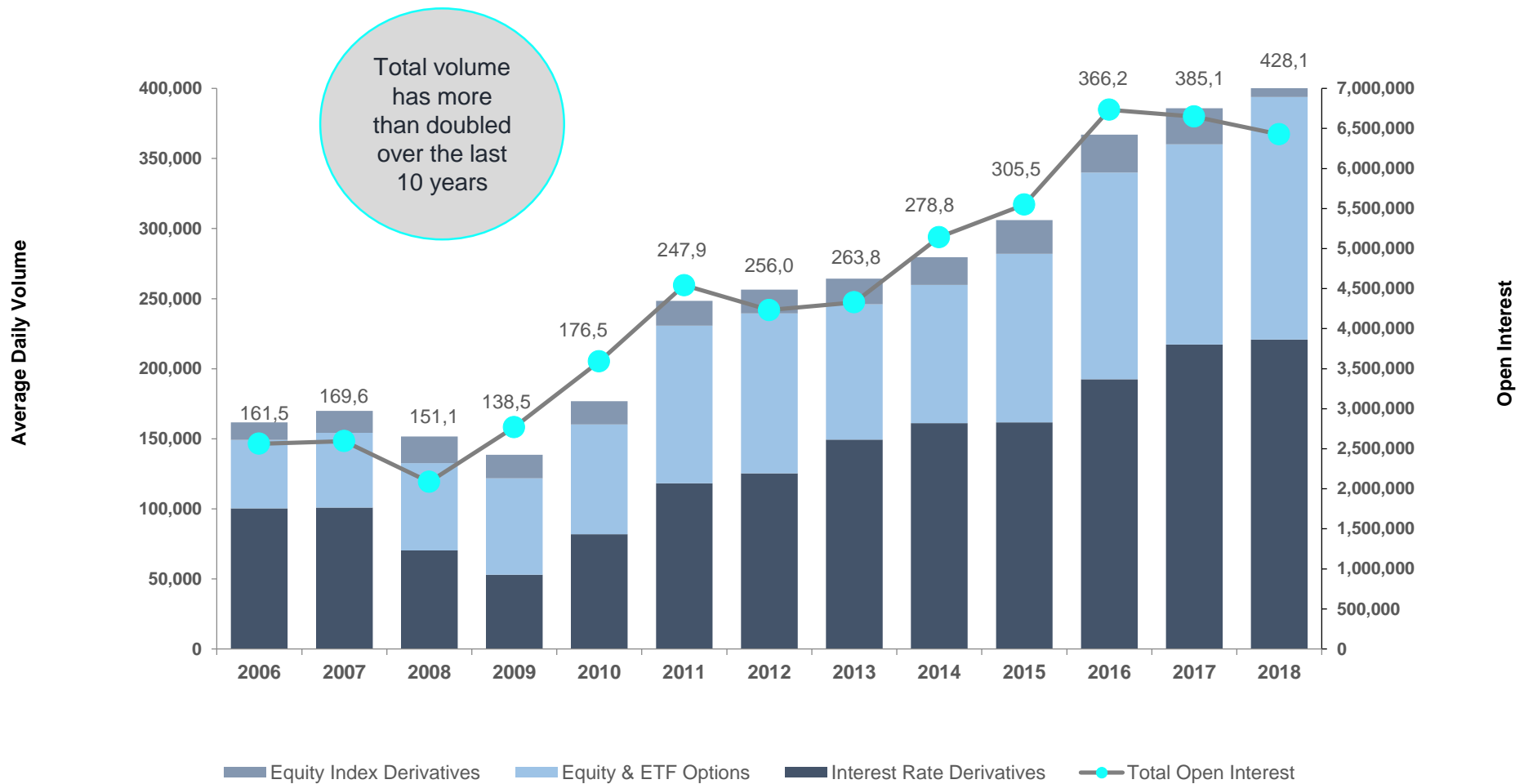


Montréal Exchange Quarterly Derivatives Market Activity Update

Q1 2018

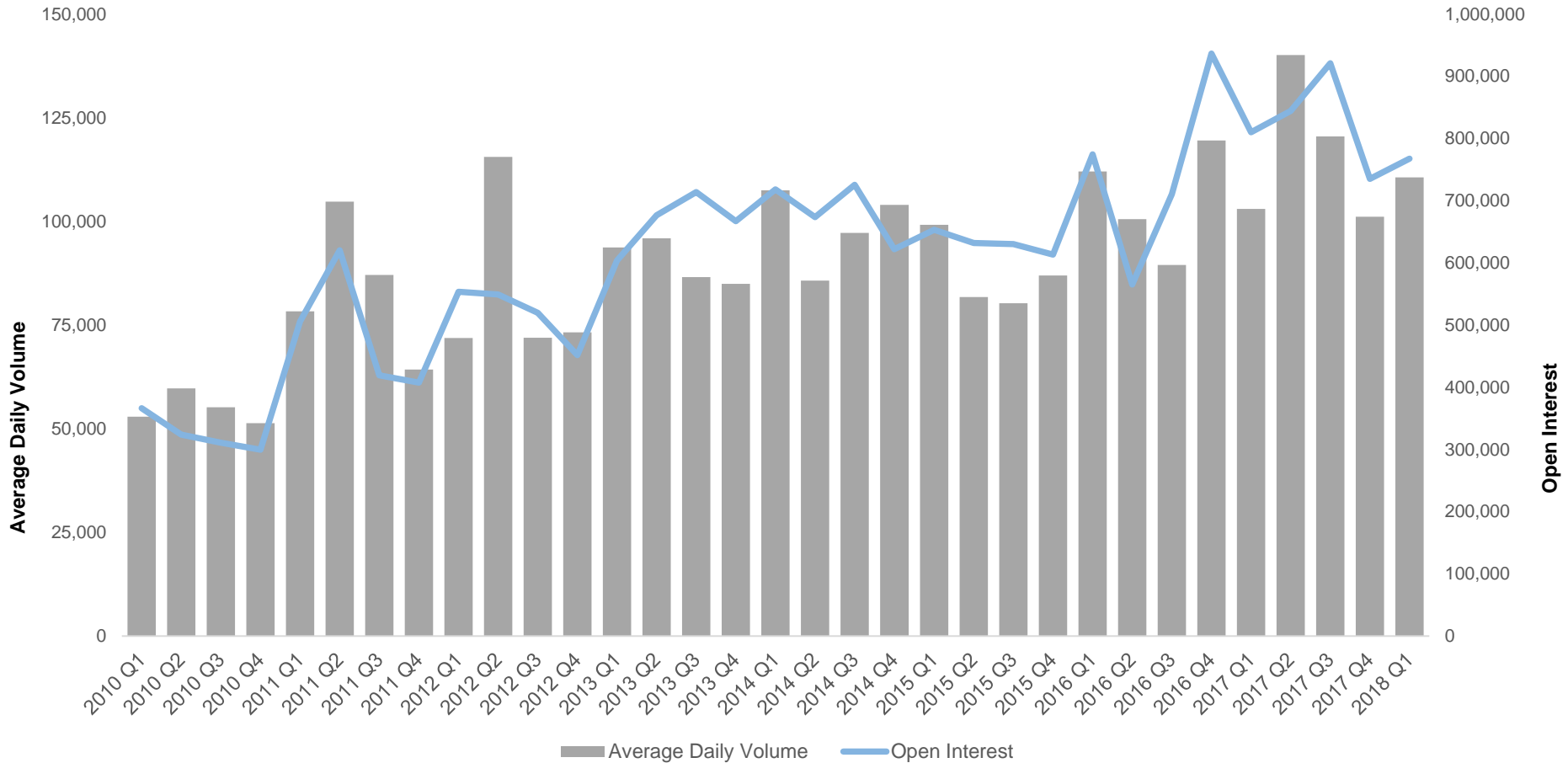


Montréal Exchange Average Daily Volume & Open Interest



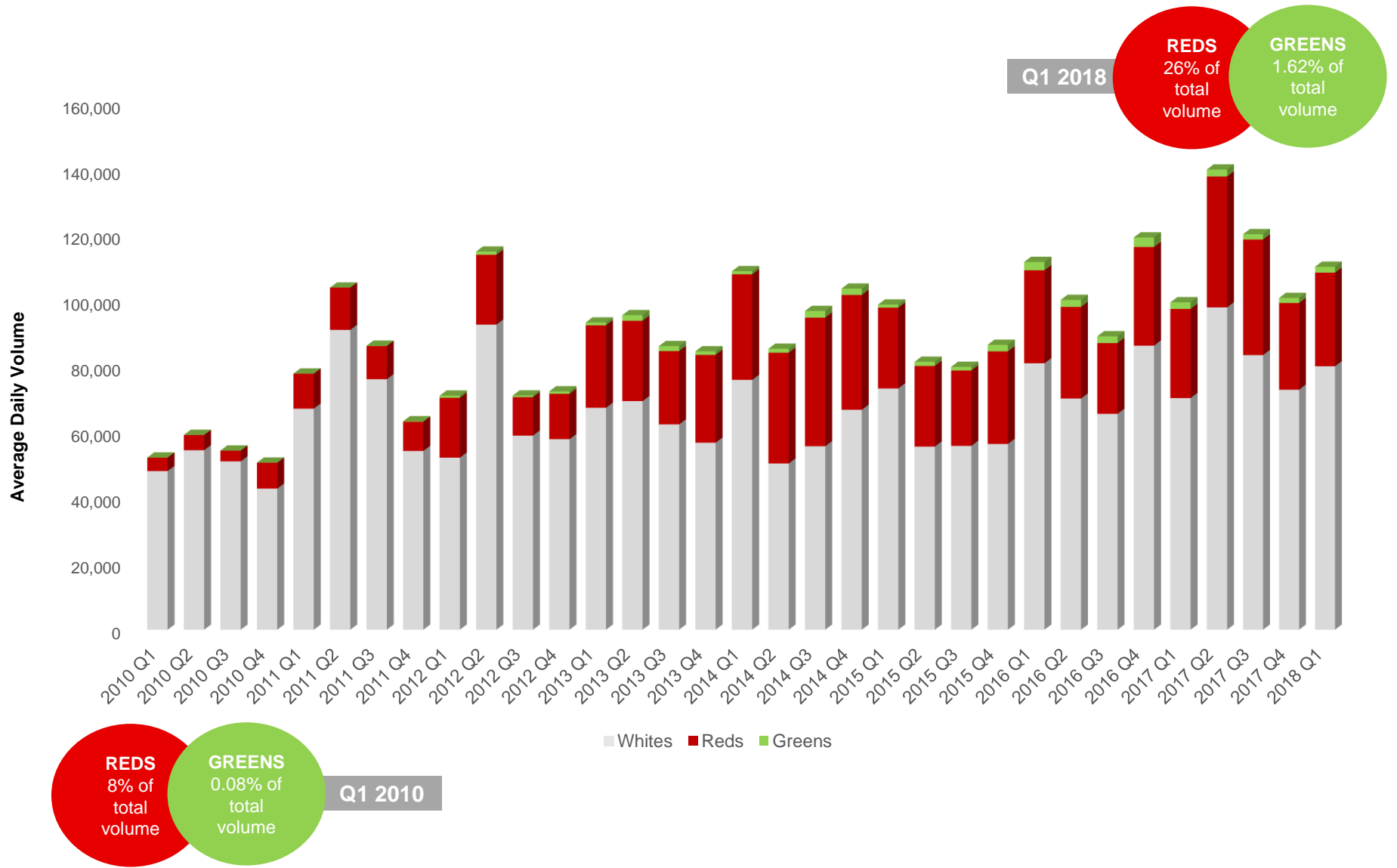
SHORT-TERM INTEREST RATE DERIVATIVES

Three-Month Bankers' Acceptance Futures (BAX) Volume and Open Interest



- Based on Canadian Dollar Offered Rate (CDOR)
- C\$1,000,000 nominal value of Canadian bankers' acceptances with a three-month maturity
- Cash settlement
- Price increment:
 - 0.005 = C\$12.50 per contract for the ten (10) nearest listed contract months, including serials
 - 0.01 = C\$25.00 per contract for all other contract months
- 3 years of quarterly contracts: Whites, Reds and Greens, and two (2) nearest non-quarterly months (serials)

BAX Reds and Greens Volume



BAX Bid-Ask Spread Improvement

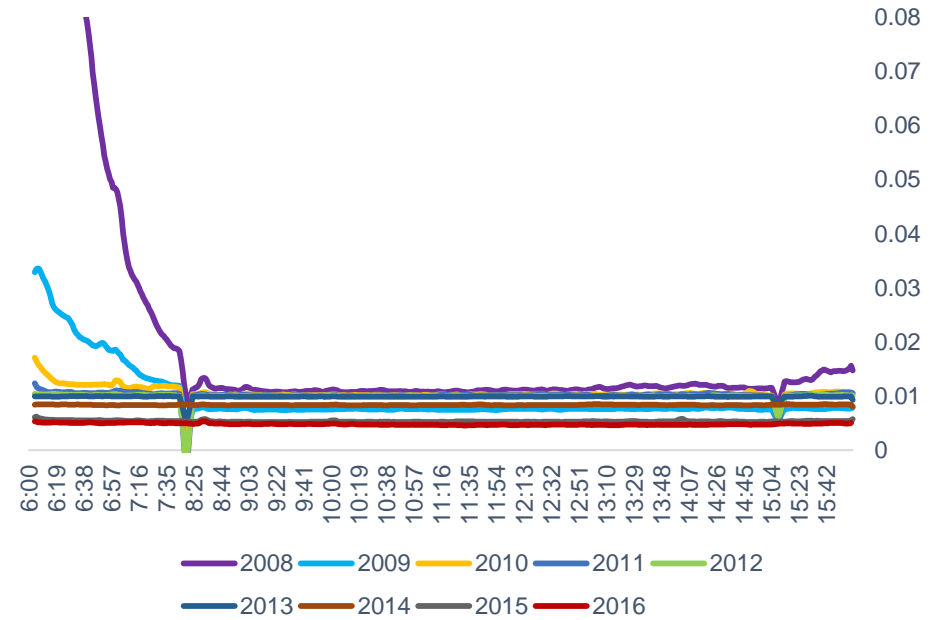
Daily Average of BAX Bid-Ask Spread



Note: 20-day moving average of daily average bid-ask spread (8:20-16:00)

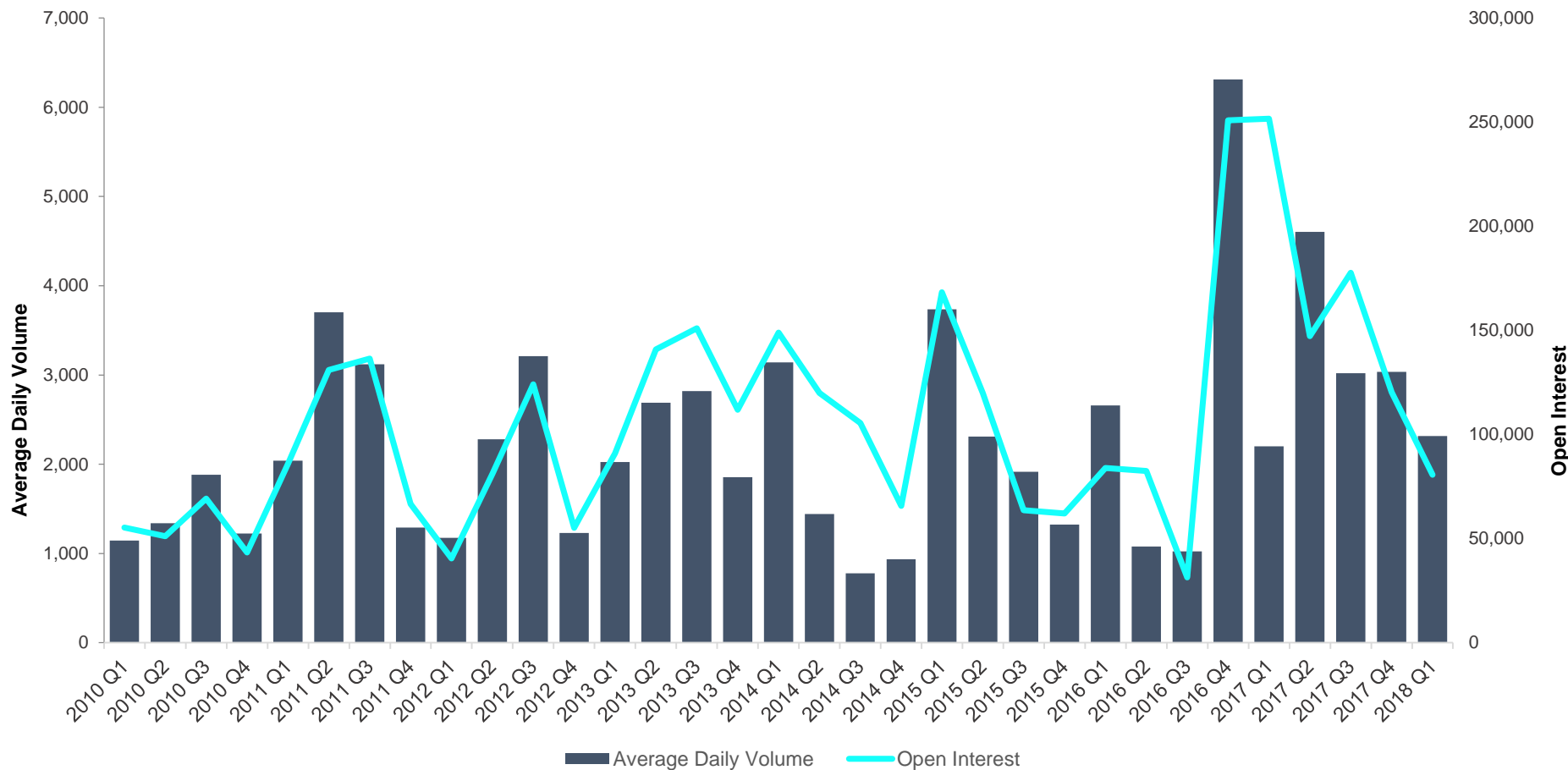
* BAX front month was used to compute bid-ask spreads

Intraday BAX Bid-Ask Spread



Note: Five minute averages of the bid-ask spread

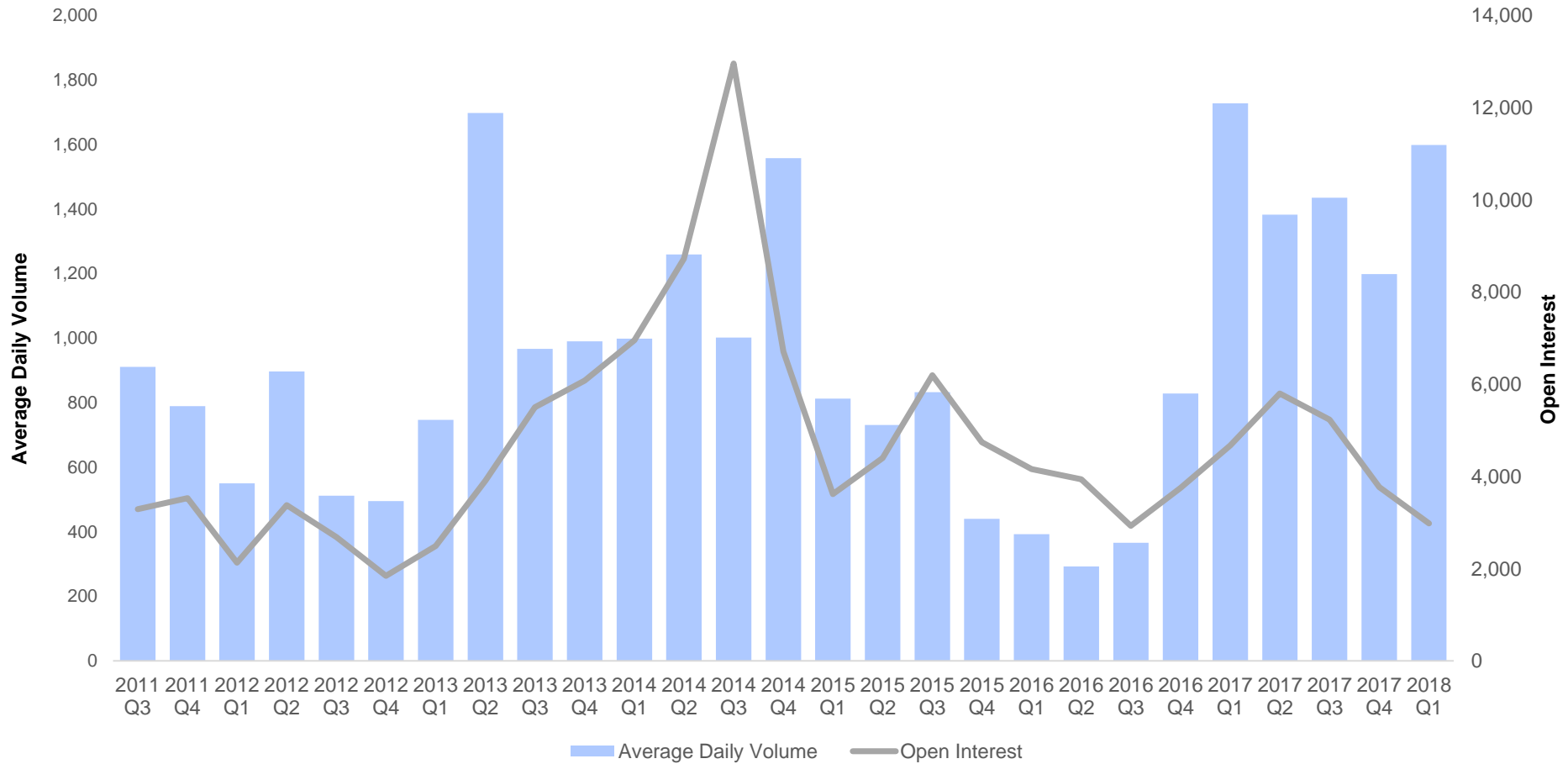
Options on BAX (OBX) Volume and Open Interest



- Quoted in points where each 0.01 point (1 basis point) represents C\$25
- Price increment:
 - 0.005 = C\$12.50 per contract
 - 0.001 = C\$2.50 per contract for cabinet trades

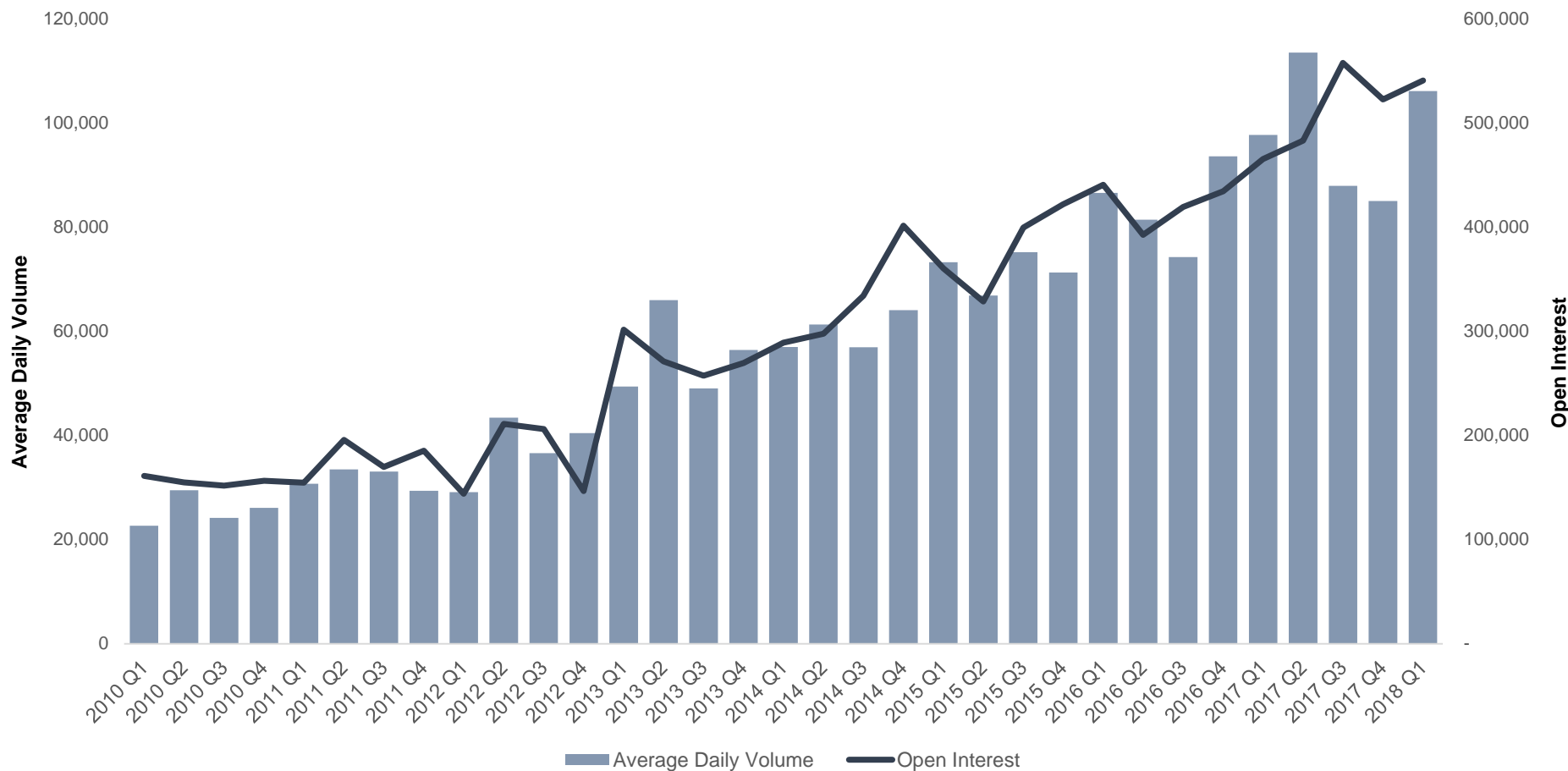
GOVERNMENT OF CANADA BOND FUTURES

Five-Year Government of Canada Bond Futures (CGF) Volume and Open Interest



- C\$100,000 nominal value of a Government of Canada bond with a 6% notional coupon
- Physical delivery of eligible Government of Canada bonds
- Price increment: 0.01 = C\$10 per contract

Ten-Year Government of Canada Bond Futures (CGB) Volume and Open Interest



- C\$100,000 nominal value of a Government of Canada bond with a 6% notional coupon
- Physical delivery of eligible Government of Canada bonds
- Price increment: 0.01 = C\$10 per contract

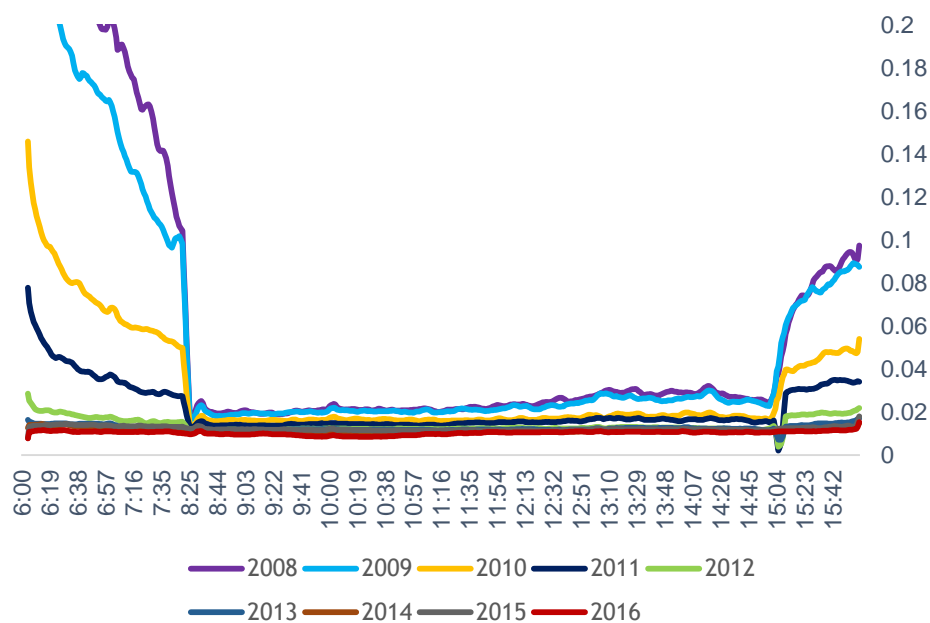
CGB Bid-Ask Spread Improvement

Daily Average of CGB Bid-Ask Spread



Note: 20-day moving average of daily average bid-ask spread (8:20-16:00)

Intraday CGB Bid-Ask Spread



Note: Five minute averages of the bid-ask spread

OFF-EXCHANGE TRANSACTIONS

Block Trades and Cross Transactions

BLOCK TRADES	ELIGIBLE PRODUCTS	MINIMUM VOLUME THRESHOLD
	ONX	1,000 contracts
	OIS	200 contracts
	BAX (Reds and Greens)	Reds: 1,000 contracts / Greens: 500 contracts
	OBX	2,000 contracts
	CGB	1,500 contracts
	CGZ/CGF/LGB	500 contracts
	Futures Contracts on S&P/TSX Indices <i>(Only block trades priced at a basis to the index close, BIC) *</i>	100 contracts (execution of block trades priced at a BIC)
PRESCRIBED TIME DELAY IS 15 MINUTES FOR ALL ELIGIBLE PRODUCTS		

CROSS TRANSACTIONS	ELIGIBLE PRODUCTS	MINIMUM VOLUME THRESHOLD	PRESCRIBED TIME DELAY
	ONX/OIS	No Threshold	<ul style="list-style-type: none"> • 5 seconds (front month) • 15 seconds (remaining expiry months & strategies)
	BAX	No Threshold	<ul style="list-style-type: none"> • 5 seconds (first four quarterly months, excluding serials) • 15 seconds (remaining expiry months & strategies)
	OBX/OGB	<ul style="list-style-type: none"> • ≥ 250 contracts • < 250 contracts 	<ul style="list-style-type: none"> • 0 seconds (all expiry months & strategies) • 5 seconds (all expiry months & strategies)
	Government of Canada Bond Futures Contracts	No Threshold	<ul style="list-style-type: none"> • 5 seconds
	Futures Contracts on S&P/TSX	<ul style="list-style-type: none"> • ≥ 100 contracts • < 100 contracts 	<ul style="list-style-type: none"> • 0 seconds (all expiry months) • 5 seconds (all expiry months & strategies)
	Canadian Share Futures Contracts	<ul style="list-style-type: none"> • ≥ 100 contracts • < 100 contracts 	<ul style="list-style-type: none"> • 0 seconds (all expiry months & strategies) • 5 seconds (all expiry months & strategies)

Note: Cross transactions available on other products

Exchange for Physical (EFP)

Transaction whereby two parties enter into an agreement in which one party purchases a cash market position and simultaneously sells a corresponding futures contract position and the other party sells the cash market position and simultaneously purchases the corresponding futures contract position.

Exchange for Risk (EFR)

Transaction whereby two parties enter into an agreement in which one party purchases an over-the-counter derivative instrument and simultaneously sells a corresponding futures contract and the other party sells the over-the-counter derivative instrument and simultaneously purchases the corresponding futures contract.

EFP and EFR transactions permitted on following instruments:

- Interest rate futures contracts

- Futures contracts on S&P/TSX
- Canadian Share Futures Contracts

Riskless Basis Cross Transactions

- Riskless basis cross transactions on listed futures contracts on S&P/TSX indices and on listed Share Futures contracts
- An Approved Participant and the customer may prearrange a transaction outside of the electronic trading system in which the price of a stock index futures contract or a share futures contract to the customer is determined to be the average price of cash market transactions entered into by and for the account of the Approved Participant in the components of the underlying index or the underlying security, respectively, plus a spread (basis) as mutually agreed between the Approved Participant and the customer.

© 2018 Bourse de Montréal Inc. All rights reserved.

Certain initiatives described in this document are presented to you for information purposes only and shall not be considered as a final determination by Bourse de Montréal Inc. and the Canadian Derivatives Clearing Corporation of any aspect of these initiatives. The statements made in this document and any ideas or concepts introduced or explained in this framework are subject to change at any time, at the discretion of Bourse de Montréal Inc. and/or the Canadian Derivatives Clearing Corporation. Please note that certain initiatives are also subject to the approval of Bourse de Montréal Inc.'s board of directors, the Canadian Derivatives Clearing Corporation's board of directors and of all governmental and regulatory authorities having jurisdiction over Bourse de Montréal Inc. and/or the Canadian Derivatives Clearing Corporation. The content of this document does not prevail over the Rules of Bourse de Montréal Inc. and the Canadian Derivatives Clearing Corporation or any other applicable regulation.

The information provided in this document, including financial and economic data, quotes and any analysis or interpretation thereof, is provided solely for information purposes and shall not be construed in any jurisdiction as providing any advice or recommendation with respect to the purchase or sale of any derivative instrument, underlying security or any other financial instrument or as providing legal, accounting, tax, financial or investment advice. Bourse de Montréal Inc. recommends that you consult your own advisors in accordance with your needs before making decision to take into account your particular investment objectives, financial situation and individual needs. Although care has been taken in the preparation of this document, Bourse de Montréal Inc. and/or its affiliates do not guarantee the accuracy or completeness of the information contained in this document and reserve the right to amend or review, at any time and without prior notice, the content of this document. Neither Bourse de Montréal Inc. nor any of its affiliates, directors, officers, employees or agents shall be liable for any damages, losses or costs incurred as a result of any errors or omissions in this document or of the use of or reliance upon any information appearing in this document.

“BAX®”, “OBX®”, “ONX®”, “OIS-MX®”, “CGZ®”, “CGF®”, “CGB®”, “LGB®”, “OGB®”, “SXO®”, “SXF®”, “SXM®”, “SCF®”, “SXA®”, “SXB®”, “SXH®”, “SXY®”, and “USX®” are registered trademarks of Bourse de Montréal Inc. “OBW™”, “OBY™”, “OBZ™”, “SXX™”, “SXU™”, “SXJ™”, “SXV™”, Montréal Exchange and the Montréal Exchange logo are trademarks of Bourse de Montréal Inc.

The “S&P/TSX 60 Index”, “S&P/TSX Composite Index”, “S&P/TSX Global Gold Index”, “S&P/TSX Capped Financials Index”, “S&P/TSX Capped Information Technology Index”, “S&P/TSX Capped Energy Index”, “S&P/TSX Composite Index Banks (Industry Group)”, “S&P/TSX Capped Utilities Index” (collectively, the “Indices”) are products of S&P Dow Jones Indices LLC (“SPDJI”) and TSX Inc. (“TSX”). Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC (“S&P”); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (“Dow Jones”); and TSX® is a registered trademark of TSX. SPDJI, Dow Jones, S&P and TSX do not sponsor, endorse, sell or promote any products based on the Indices and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions or interruptions of the Indices or any data related thereto.