

NOTICE TO MEMBERS

No. 2021 - 162

November 3, 2021

MODIFICATION TO THE SPECIFICATIONS OF THE 30-YEAR GOVERNMENT OF CANADA BOND FUTURES (LGB) CONTRACT

Canadian Derivatives Clearing Corporation (CDCC) wishes to inform the Clearing Members that, pursuant to [Notice to Members 124-21](#) and [Notice to Members 159-21](#), the following changes to the 30-year Government of Canada bond futures contracts (LGB) will apply to all currently listed contracts and onwards expiries as of **Monday November 8, 2021**.

Change to the maturity range of the LGB delivery standards:

| LGB delivery standards (maturity criteria) | Current Requirement | NEW Requirement (applicable as of November 1, 2021 to the December 2021 expiry and onwards) |
|--|------------------------|---|
| Government of Canada bonds which have a remaining time to maturity of... (as of the first day of the delivery month, calculated by rounding down to the nearest whole three-month period) | not less than 25 years | not less than 28.5 years |

Note: The updated deliverable Government of Canada bond issues and conversion factors applicable to the listed LGB contracts (based on the new contract specifications) are available in [Circular 183-21](#).

Change to the minimum price fluctuation

| LGB expiry months | Current minimum price fluctuation | New minimum price fluctuation (as of November 1, 2021) |
|--|-----------------------------------|--|
| December 2021 and subsequent months (LGBZ21 and onwards) | 0.01 = C\$10 | 0.05 = C\$50 |

Note: The quotation and trading of strategies involving the LGB contract will use the smallest minimum price fluctuation of the components. Example: A 30Y/10Y GoC bond futures curve spread (LGB/CGB strategy) will be quoted and traded in 0.01 = C\$10 increments.

Change to the minimum block threshold during the regular trading hours

| LGB minimum volume threshold for block transactions | Current threshold | New threshold (as of November 1, 2021) |
|---|-------------------|---|
| From 6am ET until the end of the trading day | 100 contracts | 250 contracts |

Note: The prescribed time delay of 15 minutes to report a block transaction on the LGB contract during the regular trading hours is not impacted by this change.

For further information, please contact the Market Operations Department at 514 871-7871. Clearing Members may contact the CDCC's Corporate Operations department or direct email inquiries to cdcc-ops@tmx.com.

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