



NEWS RELEASE

TMX Group and Clearstream Process First Live Tri-Party Transactions on Canadian Collateral Management Service

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- BMO, CIBC, RBC, Scotiabank and TD participated in the first live transactions
- Marks the first domestic tri-party repo capability within the Canadian market
- Represents an optimized financing solution supporting the cessation of banker's acceptances

TORONTO and LUXEMBOURG, April 30, 2024 /CNW/ - TMX Group Limited (TMX Group), which operates Toronto Stock Exchange and key Canadian post-trade infrastructure including the Canadian Depository for Securities (CDS), and Clearstream Banking S.A. (Clearstream), the international central securities depository of Deutsche Börse Group, today launched the new Canadian Collateral Management Service (CCMS).

Developed by TMX Group and Clearstream, CCMS facilitates the optimization and collateralization of securities finance activities throughout the Canadian market and provides exclusive domestic tri-party repo capabilities to increase liquidity and minimize exposure risk.

BMO, CIBC, RBC, Scotiabank and TD, conducted inaugural trades via the first tri-party repo solution in Canada.

Tri-party repos provide a viable investment alternative for market participants seeking liquidity and to manage risk exposure. This will be especially important after the disappearance of Banker's Acceptances (BAs) following the

cessation of the Canadian Dollar Offer Rate (CDOR) on June 28, 2024.

CCMS will help market participants solve legacy technical challenges and operational limitations by automating the end-to-end lifecycle of a repo trade, optimizing collateral within the market and truly democratizing the repo market.

The first live tri-party repo transactions serve as a crucial enabler for the cessation of BAs, as well as an efficient platform to manage collateral within a T+1 settlement environment. CCMS will also be extending its services to corporate cash tri-party repo for the first time in Canada with subsequent expansions into securities lending and the use of equities collateral later in the year. Additionally, further automation capabilities will be enabled over the coming months.

Harri Vikstedt, Senior Policy Director, Bank of Canada and Co-Chair, Canadian Infrastructure and Market Practices Advisory Group (CIMPA), said: "The introduction of CCMS will promote a well-functioning money market and modernize the Canadian repo landscape. It will help the development of an active two-sided term repo market which will support liquidity in cash products."

Nicholas Chan, MD and Head, Financial Resource Management, BMO Capital Markets and Co-Chair, Canadian Infrastructure and Market Practices Advisory Group (CIMPA), said: "The development of a tri-party repo service represents an advancement in the evolution of liquidity management in Canada, leveraging technology to optimize efficiency, risk management and collateral eligibility in the Canadian market."

Marton Szigeti, Head of Collateral, Lending & Liquidity Solutions at Clearstream, said: "As the financial landscape evolves towards faster and more efficient markets, we stay committed to empowering our clients with reliable and scalable state-of-the-art solutions. Our Canadian Collateral Management Service ensures that our clients can navigate changes like the shift to T+1 with confidence, enabling them to stay ahead in an ever-evolving market environment. We look forward to continuing to anchor and grow our support for the domestic funding and financing market together with TMX Group."

Steve Everett, Head of Post Trade Innovation, TMX Group, said: "Through this collaboration with Clearstream to develop a tailored mobility and liquidity solution for Canada's secured finance sector, TMX Group demonstrates its commitment to deliver innovative, market driven solutions that help to make markets better. The CCMS will enhance our clients' capacity to adapt to the ever-changing collateral demands of modern markets while facilitating the expansion of repos as a viable investment avenue for both Canadian buy and sell-side participants. As the Canadian market moves towards T+1, CCMS will also play a pivotal role in supporting this critical transition."

About TMX Group (TSX:X)

TMX Group operates global markets, and builds digital communities and analytic solutions that facilitate the funding, growth and success of businesses, traders and investors. TMX Group's key operations include [Toronto Stock Exchange](#), [TSX Venture Exchange](#), [TSX Alpha Exchange](#), [The Canadian Depository for Securities](#), [Montréal Exchange](#), [Canadian Derivatives Clearing Corporation](#), [TMX Trayport](#) and [TMX VettaFi](#), which provide listing markets, trading markets, clearing facilities, depository services, technology solutions, data products and other services to the global financial community. TMX Group is headquartered in Toronto and operates offices across North America (Montréal, Calgary, Vancouver and New York), as well as in key international markets including London, Singapore and Vienna. For more information about TMX Group, visit www.tmx.com. Follow TMX Group on X: [@TMXGroup](#).

About Clearstream

Clearstream is the innovative and trusted post-trade business for the global markets. It runs the leading securities and funds servicing ecosystems of tomorrow.

The company operates the German and Luxembourg central securities depositories and an international central securities depository for the Eurobonds market. With 17 trillion Euros in assets under custody, it is one of the world's largest settlement and custody firms for domestic and international securities.

It also delivers premier fund execution, distribution, data and reporting services, covering over 50 fund markets worldwide.

Clearstream is part of Deutsche Börse Group, an international exchange organisation and provider of innovative market infrastructures.

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