

Advisory Notice A21-015

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

Bourse de Montréal Inc. (the “Bourse”) wishes to inform market participants that, pursuant to [Circular 183-21](#) and [Circular 184-21](#), 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 8, 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](#) mentioned above.

Change to the minimum price fluctuation

LGB expiry months	Current minimum price fluctuation	New minimum price fluctuation (as of November 8, 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 8, 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.

If you have any questions or require additional information, please do not hesitate to contact us at the below coordinates.

Regards,

Technical Help Desk

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