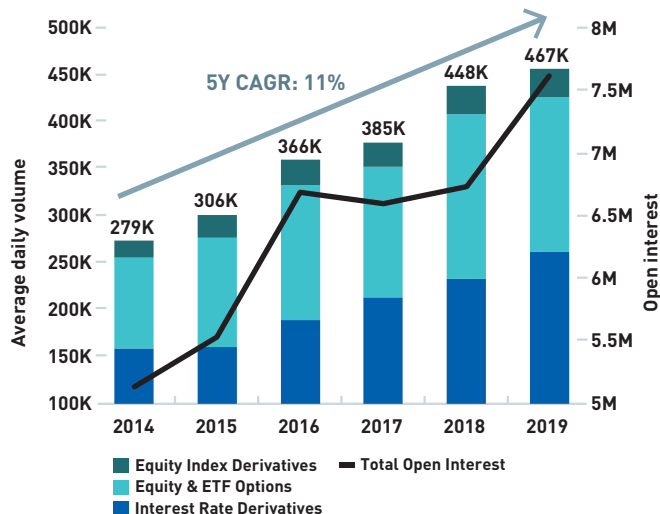


MONTRÉAL EXCHANGE

Q3 2019 Highlights

Multiple achievements done in Q3, the third highest quarterly volume of all time!

Total YTD ADV of 467k contracts, up 8% YoY.



Many records established, with a strong performance in August and September!

- Extended Hours average daily volume record: **21k** (Aug)
- All products ADV of 519k in September, **up 27%** vs Sep 2018

5Y Bond Futures (CGF) volume up 22% vs Q2 2019

Daily volume record: **61k** (Aug 27)

Monthly volume record: **24k ADV** (Aug)

Equity Derivatives Record

SXF - Daily volume record: **277k** (Sep 16)

SXF - Extended Hours monthly volume record: **1.4k ADV** (Sep)

Equity Options - Open interest record: **4.6M** (Sep 18)

Share Futures - BTC monthly volume record: **18k ADV** (Sep)

Share Futures - Monthly volume record: **27k ADV** (Sep)

BAX Futures and Options (OBX) are gaining traction!

BAX - Open interest record: **1.2M** (Sep 9)

OBX - Average daily volume (5k) up **6%** vs Q3 2018

OBX - Monthly volume record in 2019: **8.2k ADV** (Sep)

OBX - Open interest (252k) up **37%** vs end of Q3 2018

Product highlights	ADV (YTD)	YoY CHG (%)
BAX	119k	9%
CGF	15k	1068%
CGB	129k	18%
SXF	31k	8%
Share Futures	16k	442%
Equity Options	119k	4%

Comments:

- **Interest Rate Market:** Canadian rate expectations changed during the quarter, bringing some volatility to BAX contracts. One rate cut appears to be in play next year based on **BAX contract prices** at quarter end. The yield curve remains inverted on the short-end and relatively flat up to 10Y.
- **Equity Market:** The Canadian stock market ended slightly higher but some volatility was observed in the constituents, especially in the Health Care sector which was down 30%. Defensive sectors recorded the best performances.

Key Milestones and Facts

Extended Hours 1-year anniversary!

Since launch (Oct 9, 2018), the average daily volume on products available for trading between 2:00 a.m. and 6:00 a.m. (ET) has increased significantly as market quality continuously improves. Q3 statistics during the extended hours period:

Product	Q3 ADV	Growth vs Q2
All products	13.5k	12%
CGB	8.1k	31%
SXF	1k	64%

Revamped Market Making Program!

MX has revamped its Extended Hours market making program for its flagship products (BAX & CGB) & has also launched a new market making program for the CGF. Take advantage of competitive on-screen markets as of 2:00 a.m. ET!

Save the date for CADC 2020!

The 20th edition of the CADC conference will take place on June 9, 2020, at the magnificent **Four Seasons Hotel Montréal**. The event will feature a full day of panels and presentations pertaining to the Canadian derivatives industry. More details to come in upcoming publications.

CORRA Futures

MX is currently working on renewing its product offering based on the Canadian Overnight Repo Rate Average ("CORRA"). More details will be posted on the new [CORRA futures web page](#) as this project evolves. To stay abreast of the interest rate benchmark transition in Canada, we invite our participants to visit the [Canadian alternative reference rate website](#).

CGF: Delivery standards modifications

The remaining maturity range of deliverable Government of Canada bonds has been changed to 4.5-5.5 years and the minimum amount outstanding criteria has been changed to C\$3B. These modifications are effective since July 25 and are applied to the December 2019 and following contracts.

[Click here](#) for more information.

CGB: Additional reporting time for large block transaction

A new reporting time and block volume threshold have been implemented for CGB. Effective as of August 2, market participants have 30 minutes to report block transactions over 3,500 contracts done during regular hours (6:00 a.m. to 4:30 p.m. ET). [Click here](#) for more information.

SXO & USX: New market making programs

New market making programs have recently been launched on the S&P/TSX 60 Index Options (SXO) and the US Dollar option (USX) to provide robust market quality conditions throughout the day and enhance liquidity.

Inclusion of "BIC" block trades on SXF and Sector Index futures in STTRF portal

Effective as of September 24, block trades priced at a basis to index close (BIC) on the S&P/TSX 60 Index and Sector Index futures will be integrated into the special terms transaction reporting form (STTRF). The "smart forms" are interactive and serve to minimize the number of potentially erroneous or rejected submissions.

New Pre-Trade Risk Control application

MX has launched its new exchange-hosted web user interface on September 23! The functionality gives clearing members the ability to set specific controls to mitigate risk exposure on behalf of market participants. It also allows the setting of specific and global pre-trade controls on internal and client order flows to MX. Now available on "TMX Connect" platform. [Click here](#) for more information.

Did you know...

- OptionsPlay is hosting a [series of webinars](#) to bring exclusive options education and actionable trading ideas and content to market participants. Make sure to register!
- CGB has turned 30 years old in September! The product is healthier than ever with a 10-year compounded annual growth rate (CAGR) of 21%!

For more information:

INTEREST RATE DERIVATIVES

irderivatives@tmx.com

EQUITY DERIVATIVES

equityderivatives@tmx.com

m-x.ca

The information provided in this document 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. (the "Bourse") recommends that you consult your own advisors in accordance with your needs. All references in this document to specifications, rules and obligations concerning a product are subject to the rules, policies and procedures of the Bourse and its clearinghouse, the Canadian Derivatives Clearing Corporation, which prevail over this document. Although care has been taken in the preparation of this document, the Bourse 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 the content of this document any time and without prior notice. Neither the Bourse, 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®, CGB®, CGF®, SXF®, MX® and OBX® are registered trademarks of Bourse de Montréal Inc. TMX® is a registered trademark of TSX Inc. used under license. © 2019 Bourse de Montréal Inc., all rights reserved.

The S&P/TSX 60 Index is a product 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 S&P/TSX 60 Index 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 S&P/TSX 60 Index or any data related thereto.