

Bank of Canada
Supplementary Information of Balance Sheet Loans and Receivables
As at 31 July 2010

Table 1 : Loans and receivables – Composition details
(\$ millions)

Others Advances to CPA members ¹	6.3
Term PRA ²	0.0
Term Repos for Balance Sheet Management ³	2,942.0
SPRA ⁴	0.0
	<u>2,942.0</u>
Other	2.3
Total Loans and receivables	2,950.6
	=====

Table 2 : Market value and composition of securities purchased under term purchase and resale agreements

	(\$ millions)	
Securities issued or guaranteed by the Government of Canada	0.0	0.0 %
Securities issued or guaranteed by a provincial government	0.0	0.0 %
Securities issued by a municipality	0.0	0.0 %
Corporate securities ⁵	0.0	0.0 %
Asset backed Commercial Paper ⁶	<u>0.0</u>	0.0 %
Total Securities backing Term PRAs outstanding	0.0	0.0%
	=====	
Term PRA outstanding	0.0	
	=====	
Collateralization	0.0 %	

Table 3 : Market value of securities purchased under Term Repo for Balance Sheet Management

	(\$ millions)
Securities issued by the Government of Canada	3,015.5
	=====
Term Repos for balance sheet management outstanding	2,942.0
	=====
Collateralization	102%

¹ Overnight advances are secured by securities eligible as collateral under the Bank's Standing Liquidity Facility. For more information see <http://www.bankofcanada.ca/en/financial/securities.pdf>

² See Table 2 for details regarding the securities used in Term PRA operations.

³ See Table 3 for details regarding the securities used in Term Repo operations

⁴ SPRA are overnight purchase and resale operations conducted using Government of Canada securities unless otherwise specified

⁵ Minimum issuer credit rating for short-term corporate debt is R1 (low) by DBRS, A-1 (mid) by S&P, or P1 by Moody's. Corporate bonds with long-term issuer ratings below A (low) by DBRS, A- by S&P and A3 by Moody's are acceptable as long as the minimum long-term issuer ratings are at least two of the following: BBB or higher by DBRS, BBB or higher by S&P or Baa2 or higher by Moody's. For new eligibility requirements effective January 19, 2010, details are available at: http://www.bankofcanada.ca/en/notices_fmd/2009/terms190110.pdf

⁶ Asset Backed Commercial Paper must meet the eligibility criteria and conditions necessary to be acceptable as collateral under the Bank of Canada's Standing Liquidity Facility. Details are available at <http://www.bankofcanada.ca/en/financial/securities.pdf>

Effective 19 July 2010

Margin Requirements

Collateral type	Remaining Maturity ⁷					
	up to 1 year	>1-3 years	>3-5 years	>5-10 years	>10-35 years	>35 years
Securities issued by the Government of Canada	0.5%	1.0%	1.5%	2.0%	2.5%	
Government of Canada - stripped coupons and residuals	0.5%	1.0%	1.5%	2.0%	3.0%	
Securities guaranteed by the Government of Canada (including Canada Mortgage Bonds and NHA mortgage-backed securities)	1.0%	1.5%	2.0%	2.5%	3.5%	
Government of Canada guaranteed - stripped coupons and residuals	1.0%	1.5%	2.5%	4.0%	4.5%	
Securities issued by a provincial government	1.5%	2.0%	2.5%	3.0%	4.0%	4.5%
Provincial government – stripped coupons and residuals	1.5%	2.0%	3.0%	4.5%	6.0%	14.5%
Securities guaranteed by a provincial government	2.0%	2.5%	3.0%	3.5%	4.5%	5.0%
Provincial government guaranteed – stripped coupons and residuals	2.0%	2.5%	3.5%	5.0%	6.5%	15.0%
Securities issued by a municipal government rated by DBRS: R-1(mid) or better / AA(low) or better, rated by Moody's: Aa3 or better rated by S&P: A-1(high) / AA- or better	2.5%	3.0%	3.5%	4.0%	5.0%	5.5%
Securities issued by a municipal government rated by DBRS: R-1(low) / A(low) to A(high) rated by Moody's: P-1 / A3 to A1 rated by S&P: A-1(mid) / A- to A+	4.5%	5.0%	5.5%	6.0%	7.0%	7.5%
Bankers' acceptances, promissory notes, commercial paper, including those of foreign issuers rated by DBRS: R-1(mid) or better rated by S&P: A-1(high)	3.0%					
Bankers' acceptances, promissory notes, commercial paper, including those of foreign issuers rated by DBRS: R-1(low) rated by Moody's: P-1 rated by S&P: A-1(mid)	5.0%					
Asset-backed commercial paper (minimum of two ratings: R-1(high) by DBRS, F-1+ by Fitch, P-1 by Moody's, or A-1+ by S&P)	7.5%					

⁷ For securities with a remaining maturity of up to one year, margins are adjusted by term divided by 365.

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Margin Requirements (continued)

Collateral type	Remaining Maturity					
	up to 1 year	>1-3 years	>3-5 years	>5-10 years	>10-35 years	>35 years
Corporate and foreign-issuer bonds rated by DBRS: AA(low) or better, rated by Moody's: Aa3 or better rated by S&P: AA- or better	3.0%	3.5%	4.0%	6.5%	8.5%	9.0%
Corporate and foreign- issuer bonds rated by DBRS: A(low) to A(high) rated by Moody's: A3 to A1 rated by S&P: A- to A+	5.0%	5.5%	6.0%	8.5%	10.5%	11.0%
Securities issued by the United States Treasury*	1.0%	1.0%	1.5%	3.0%	4.5%	
Non-mortgage loan portfolio: The Bank will provide a collateral-to-portfolio value of 60%; i.e., 60% of the reported value of the loan portfolio, implying a haircut of 40%.						

* Note: An additional 4% (not adjusted for term divided by 365) will be added to the margin requirements for securities issued by the United States Treasury to account for foreign exchange risk.