CANADIAN FIXED-INCOME FORUM | CIMPA

SUMMARY OF THE DISCUSSION

Toronto, October 8, 2026, 4:00 to 6:00 p.m.

1. Refresher of competition law compliance for CIMPA

Joshua Chad, competition law counsel, presented the proposed Competition Law Compliance Guidelines, which aim to support CIMPA's work to enhance market efficiency while safeguarding against anti-competitive agreements and the sharing of competitively sensitive information. It was discussed that the guidelines would be adopted at the organizational level, while competition law obligations apply to individual participants. Members were asked to submit feedback to the CIMPA Secretariat ahead of the next meeting, when the guidelines will be brought forward for approval. An informational session using relevant financial-market examples will be arranged, and the approved guidelines will be published on the CIMPA website.

2. CIMPA Vision for the Repo Market and Post-Trade Ecosystem

CIMPA co-chairs presented the CIMPA Vision, which focuses on CIMPA's priorities of expanding tri-party adoption and modernizing central clearing to enhance the efficiency, liquidity, scalability and resilience of the Canadian repo market. Members supported the Vision and were asked to provide further feedback. Members suggested augmenting the presentation material by tailoring the messaging to domestic and foreign market participants and different market segments, illustrating the benefits relative to the current repo market structure, and more clearly articulating the margin, netting, cross-margining and balance-sheet benefits of CCMS and CDCC participation. Next iteration of the Vision will be used to support broader stakeholder outreach planned this autumn and be published on the CIMPA webpage.

3. Canadian Collateral Management Service (CCMS) update

CCMS reported continued progress in platform adoption, with 18 clients live and 8 additional being onboarded. Daily volumes averaged approximately C$6.5–8.5 billion, with 8 clients active daily and 20–25 trades per day. Total turnover had reached approximately C$1.5 trillion. Preparations for the Bank of Canada's onboarding were also progressing as planned, with transition of Bank operations to the CCMS in Q1 2027.

4. CIMPA subgroups update

a. CORRA-based floating-rate BDN subgroup

Members were updated on the revised CDS implementation timeline for the new issuance process. The work will proceed in two phases, with Phase 1 targeted for participant testing in late January 2027 and launch in March 2027, with certain operational processes handled manually by CDS. Phase 2 is targeted for July 2027 with full automation. The subgroup plans to reconvene in November to prepare for testing.

b. Custodian model subgroup

Progress continued on expanding custodian participation in CCMS, with 2 custodians onboarded and 3 additional being onboarded. The first custodian is expected to be enabled as a collateral giver by the end of October. Enabling custodians as both collateral givers and receivers will support broader CCMS participation and the Repo 2.0 initiative. Members also discussed a potential exemption from the repo-agent requirement under NI 81-102 to facilitate investment funds participation. A more detailed proposal will be presented at the next CIMPA meeting.

c. Settlement subgroup

The settlement workstream will be organized with a three-track framework covering (1) operational optimization, (2) structural modernization and (3) tokenization. Near-term priorities focus on Track 1 including additional intraday netting cycles and partial settlement to reduce settlement fails and operational burden. Changes implemented at the CDS level were viewed as more likely to achieve consistent adoption, rather than a voluntary best-practice guidance approach. Track 2 considers longer-term structural improvements, including greater integration with Lynx and more real-time settlement. Proposed Track 3 focuses on tokenization, including features that could add value to a future Canadian tokenized-market framework and its integration with existing settlement infrastructure. The subgroup will prepare more detailed proposals and implementation roadmaps for further discussion at the next meeting.

d. Standardized baskets subgroup

Phase 1 of the GoC GC basket initiative was complete, with the basket available for trading through CCMS and the related CIRO reporting changes in place. Trading volumes remained relatively low but are expected to increase as additional participants are onboarded. Work is moving to Phase 2 on provincial GC baskets, with further subgroup discussions planned ahead of seeking CIMPA approval in December.

e. NHA MBS baskets subgroup

NHA MBS baskets are ready in CCMS OSCAR, with initial live trades scheduled for October 14 and 4 dealers expected to participate. An enhancement to facilitate the selection of eligible NHA MBS pools was also scheduled for release at that time. Work with CanDeal continued on refining the NHA MBS spread-pricing methodology with market participants, pricing providers, and CCMS. A technical session involving trading, quantitative and pricing specialists was scheduled for October 23. The existing and proposed pricing methodologies are expected to operate in parallel before broader implementation.

f. Valuation and haircuts subgroup

CFIF endorsed the CIMPA repo valuation and pricing best-practices document, subject to a minor clarification regarding the exclusion of callable bonds. The document will be finalized and published on the CIMPA webpage.

The proposed CIMPA haircut best practices note received constructive feedback from major pension funds and will be refined accordingly. The revised document will be published as a white paper on the CIMPA webpage for broader industry consultation before returning to CFIF for endorsement.

g. Fail fee governance subgroup

CFIF endorsed the fail-fee best-practices document, which will be published on the CIMPA webpage. Members were also updated on assessment of potential tax implications as well as dissemination of settlement-fail reports and draft invoices. The current phase is a trial, with any decision to activate fail fees to be informed by a longer time series of data, lessons learned during the current phase and further industry discussion.

h. Repo central clearing subgroup

CDCC presented its phased Repo 2.0 roadmap, covering expanded securities eligibility, operational enhancements, cleared GC repo through CCMS and broader buy-side access. A regulatory filing was planned for November to expand eligibility to securities issued by Canadian provinces and provincially or federally regulated entities. Implementation is targeted for late Q1 2027, subject to regulatory approval. CDCC's key 2027 priority will be connecting with CCMS to support centrally cleared dealer-to-dealer GC repo, targeted for Q4 2027.

The access models workstream is exploring sponsored repo and other access models for buy-side participants, including legal, custody, and operational requirements, as well as opportunities for risk optimization and cross-margining. Members emphasized the importance of clearly articulating the potential margin, netting and balance-sheet benefits under different transaction scenarios.

5. Updates on TMX/CDS/CCMS list of prioritized technical investments

A CDS representative provided an update on the technology investment roadmap and the capacity available to support industry-driven initiatives in 2027. Approximately 75% of CDS technology capacity is allocated to committed deliveries and mandatory initiatives, with the remainder available for industry priorities. The 2027 roadmap includes several CIMPA workstream initiatives, including the CORRA-based floating-rate BDN project. Capacity has also been reserved for an emerging industry priority to be determined through ongoing CIMPA work. A finalized roadmap and execution plan will be presented at the next CIMPA meeting following internal review and approval.

6. Other business

The next CIMPA meeting is tentatively scheduled for December 1, 2026. Proposed dates for the 2027 quarterly meetings will be circulated for member feedback.

Meeting participants:

CIMPA members:
Nick Chan, BMO Capital Markets (Co-Chair)
André Zanga, Casgrain & Company Limited
Karen McMeekin, CDCC
Steve Everett, CDS
Nicolas Poisson, Fiera Capital
Arthur Kolodziejczyk, RBC IS (represented by Imran Sheri)
Brian Tinney, RPIA
Robert Dias, Scotiabank (represented by Ciaran Dayal)
Travis Keltner, State Street
Adnann Syed, TD Asset Management

Observers:
Cherry Li, BMO Capital Markets
Andrew Munn, CanDeal
Elie Elkhal, CDCC
Kelsey Gunderson, CDS
Manisha Ramji, CDS
Fabrice Tomenko, Clearstream
Lisa Mantello, Osler, Hoskin & Harcourt LLP
Joshua Chad, McMillan LLP
Todd Evans, Securities and Investment Management Association

Subgroup co-leads:
Alasdair Graham, BMO
Aaron Carter, CIBC
Dennis You, CMHC
Breiffni McCormack, RBC IS (represented by Stephen Isgar)
Ciaran Dayal, Scotiabank
Michael Van Hees, Scotiabank

Bank of Canada:
Philippe Muller (Co-Chair)
Xuezhi Liu (Secretariat)
Zahir Antia
Danny Auger
Wendy Chan
Mehak Khatter
Michael Mueller
Maks Padalko
Adrian Walton