

BANK OF CANADA
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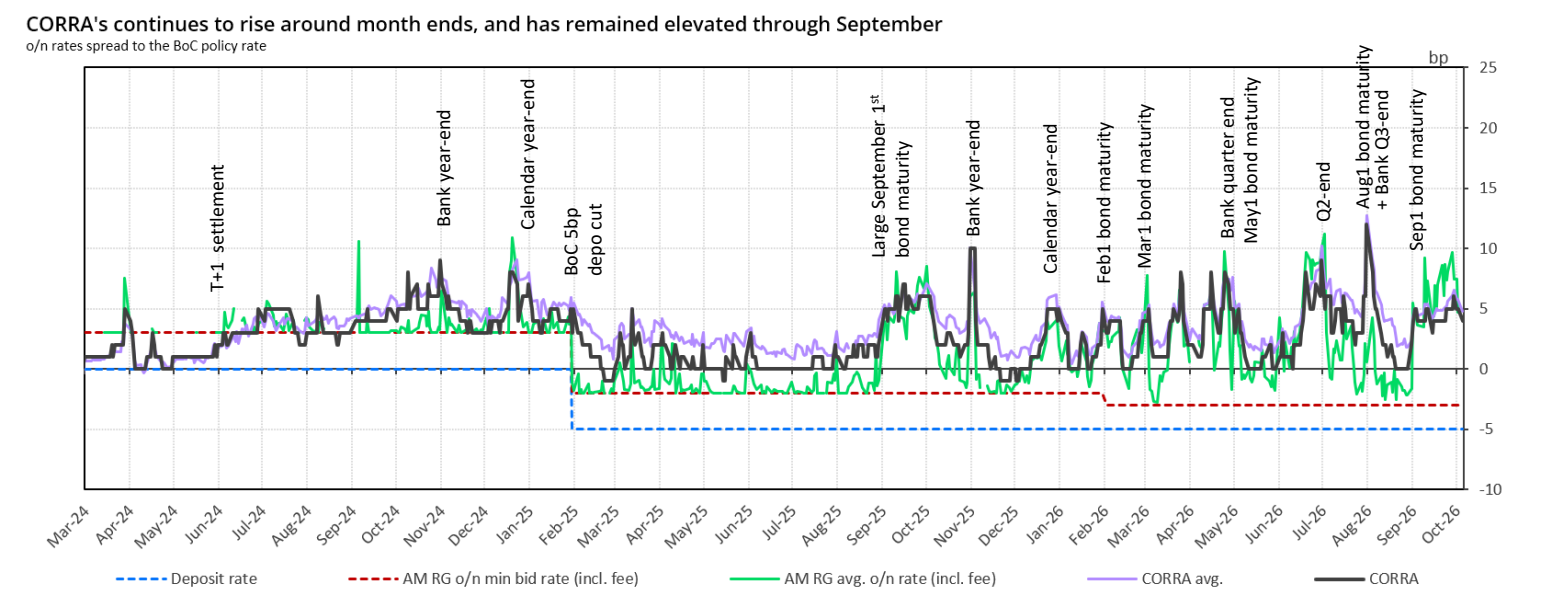
CORRA Update

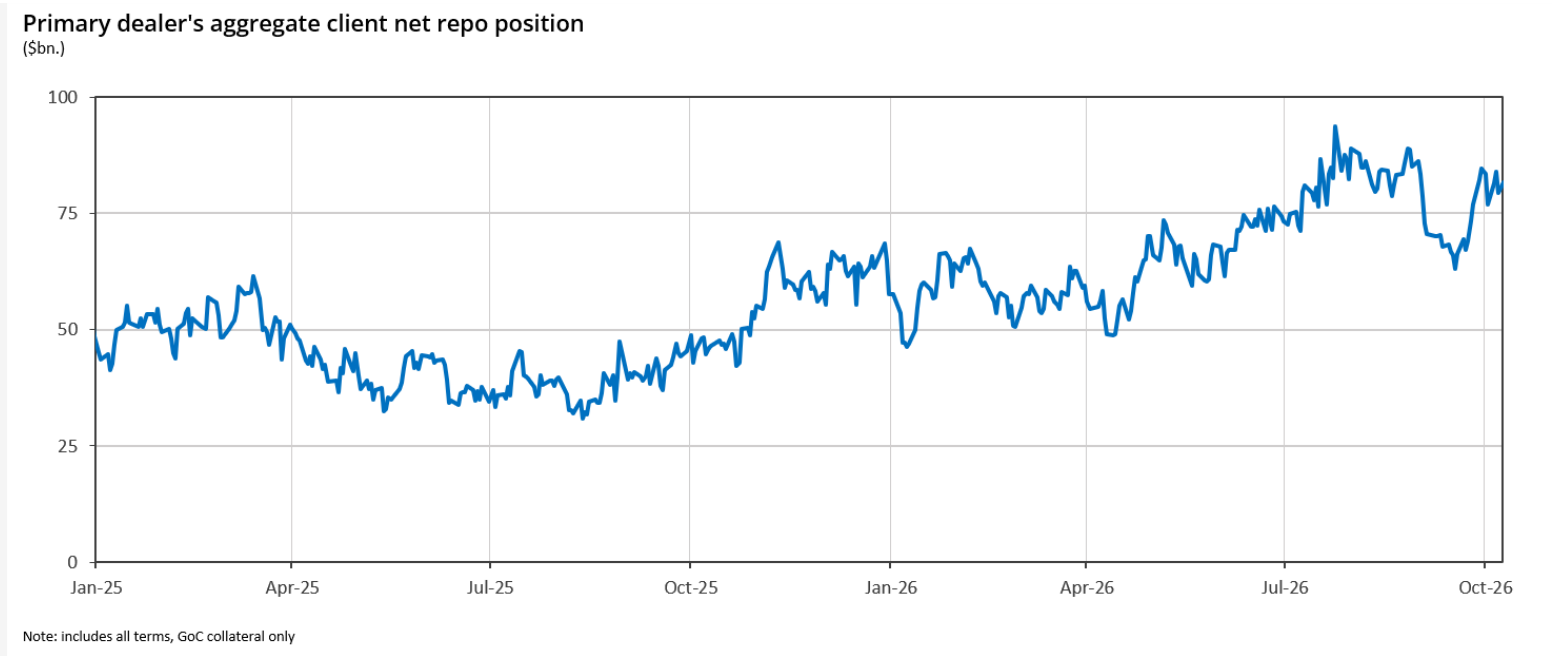
CORRA Advisory Group (CAG) meeting

October 8th, 2026

Since our last meeting in April; CORRA has averaged slightly higher

- CORRA has ranged between 0-12bp above the BoC policy rate (2.25%) with an average spread of 3.4bp.
- Continuing with the recent theme — upward moves in CORRA have come around certain month ends
- Client net repo for GoC's peaked through the summer and has more recently been volatile, but overall, on a slight decline.
- CORRA has been elevated through September, but upper percentiles have remained contained, which has notably compressed their spread over CORRA.



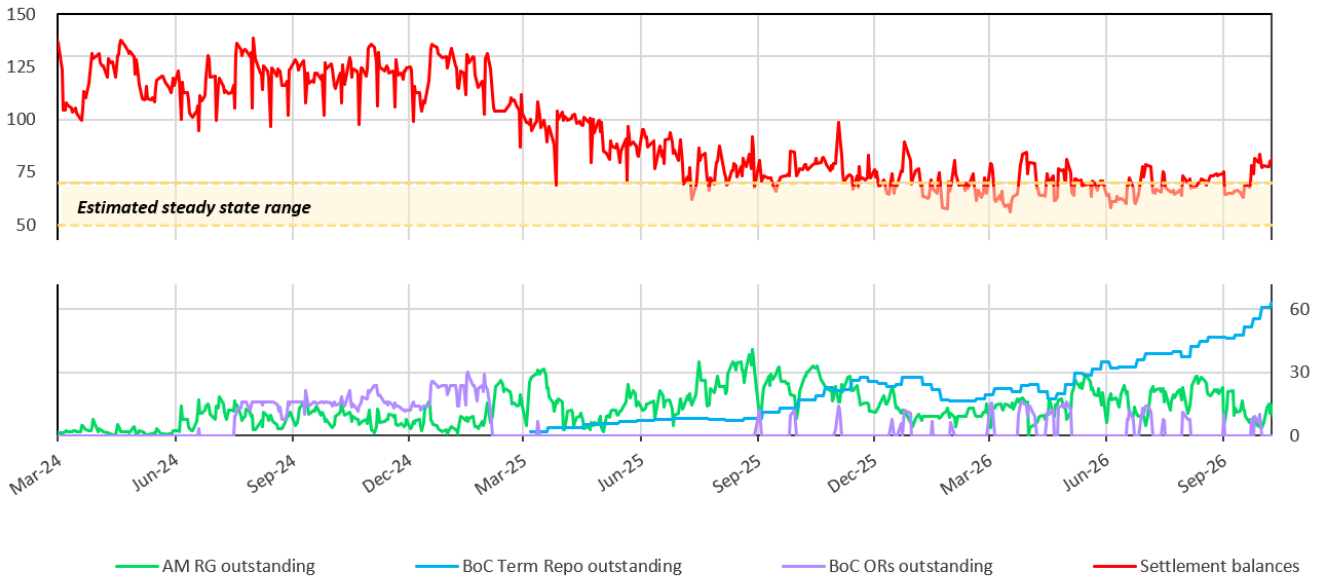


Settlement balances have generally been elevated

- Settlement balances have averaged $69bn since our last meeting (high: $83bn, low: $58bn, std.dev: $5bn)
- Term repos continue to become the dominant share of settlement balances.
- DG Gravelle recently highlighted how the relatively new 2-week term repo has been complimenting the use of OR operations for funding market pressures.
- T-Bills assets on the BoC's balance sheet remain relatively small as the BoC has been purchasing only 1% of primary auction sizes.

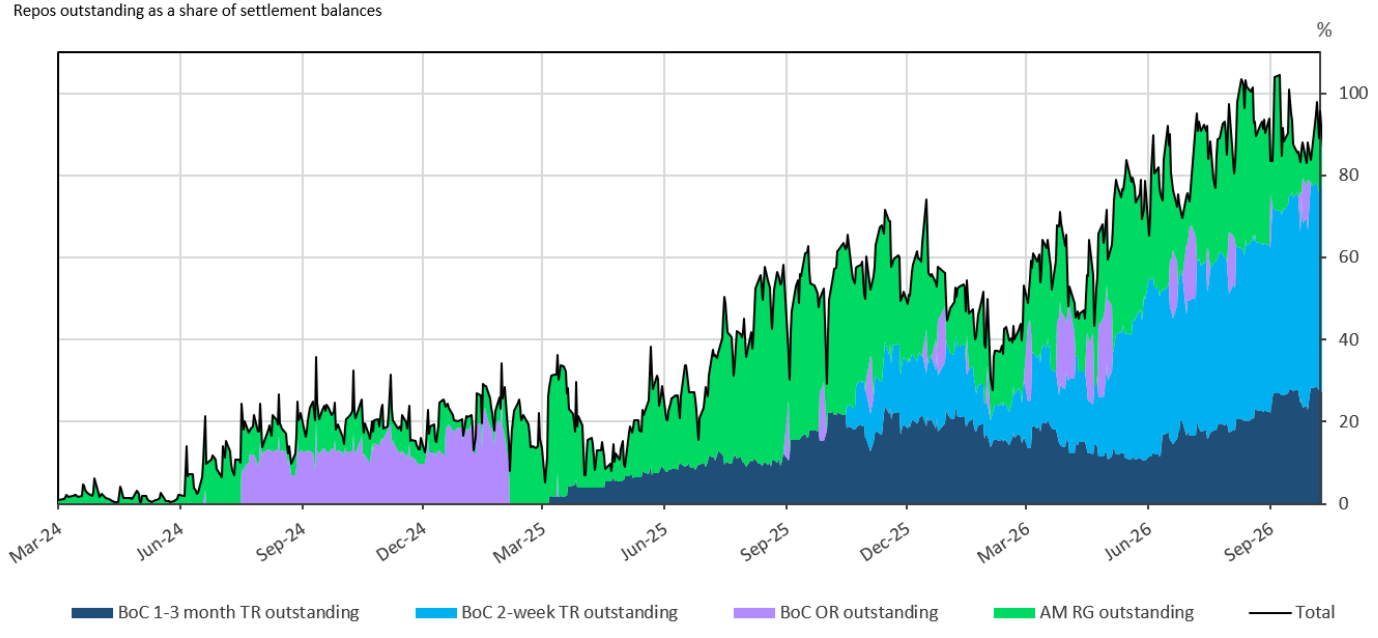
Settlement balances have recently been mostly at or above the upper end of the estimated steady state range

Repos and settlement balances outstanding ($bn)



BoC term repos have increasingly been the primary source of support for settlement balances

Repos outstanding as a share of settlement balances



Thank you

