

# FTSE Canada Universe Bond Index - Index Extension Report

2018/11/20

## Coupon & Rollout, Rollover & Market Weight Duration Effects - December 3, 2018

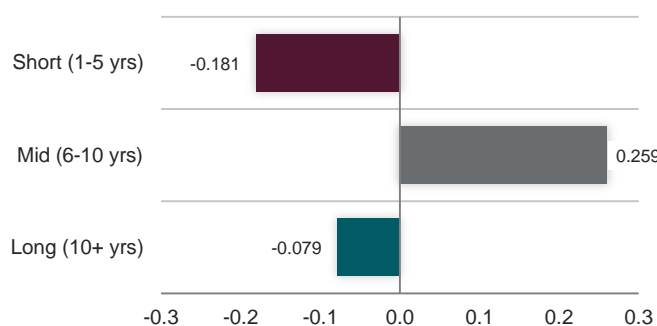
The FTSE Canada Universe Bond Index will experience a duration shift on December 3, 2018 as a result of the payment of approximately \$9.754B dollars in Dec 1-3 coupons, \$9.256M dollars in Dec 1-3 principals, and \$9.681B rollout of Dec 1-3, 2018 bonds. Based on simulations as of November 19, we expect to see a total cumulative increase in the modified duration of the FTSE Canada Universe Bond Index of approximately 0.076 years.

There will also be a shift in the Short, Mid and Long weights of the FTSE Canada Universe Index due to the rollouts and rollovers of the December 1-3 bonds.

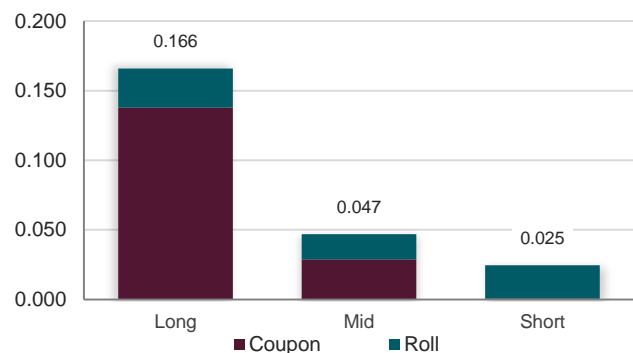
### FTSE Canada Universe Bond Index - Simulation as of November 19, 2018\*

\* assuming no yield curve shifts

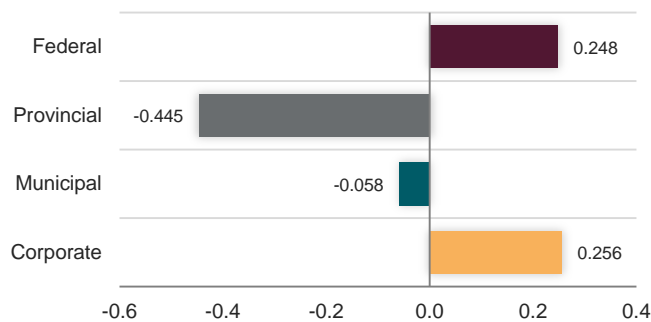
Change in Term Weights



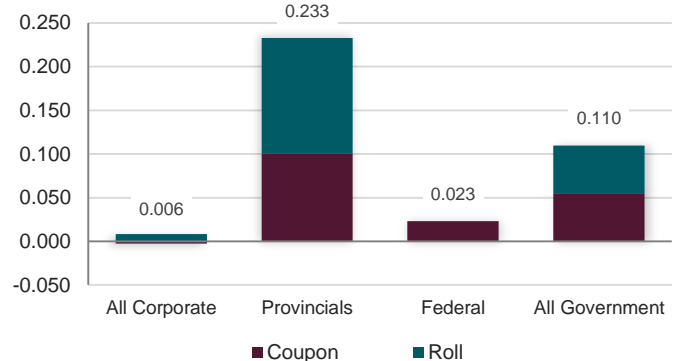
Change in Mod. Duration by Term



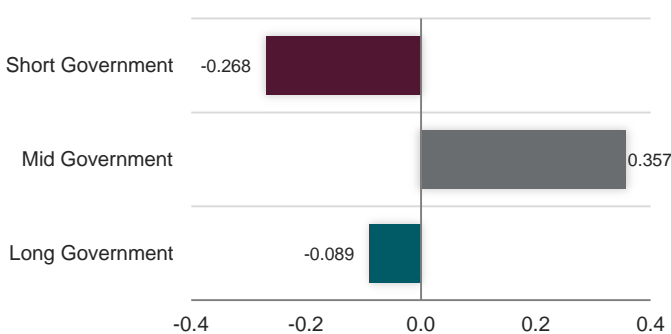
Change in Sector Weights



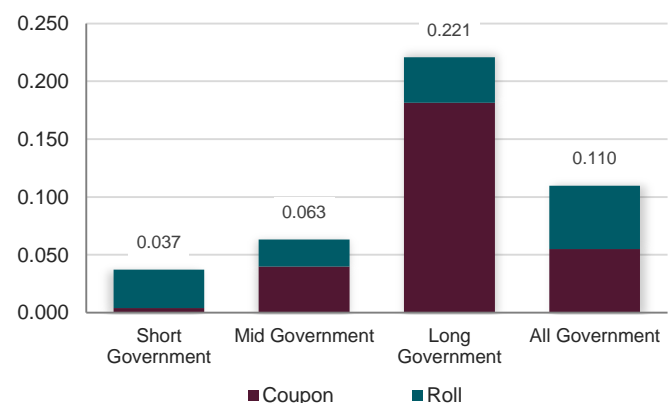
Change in Mod. Duration by Sector



Change in Term Weights - All Government



Change in Mod. Duration - All Government



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## FTSE Canada Universe Bond Index - Simulation as of November 19, 2018\*

Index	Macaulay Duration			Modified Duration		
	Coupon Change	Roll Change	Total Change	Coupon Change	Roll Change	Total Change
Short	0.001	0.025	0.025	0.001	0.024	0.025
Mid	0.029	0.018	0.048	0.029	0.018	0.047
Long	0.140	0.029	0.169	0.138	0.028	0.166
Short Government	0.004	0.034	0.038	0.004	0.033	0.037
Short Federal	-0.003	0.000	-0.003	-0.003	0.000	-0.003
Short Corporate	-0.007	0.005	-0.002	-0.007	0.005	-0.002
Mid Government	0.040	0.024	0.064	0.040	0.023	0.063
Mid Federal	0.030	0.000	0.030	0.030	0.000	0.030
Mid Corporate	-0.001	0.000	-0.001	-0.001	0.000	-0.001
Long Government	0.184	0.040	0.224	0.181	0.039	0.221
Long Federal	0.221	0.000	0.221	0.218	0.000	0.218
Long Provincial	0.173	0.059	0.233	0.171	0.058	0.229
Long Corporate	0.009	0.000	0.009	0.009	0.000	0.009
All Government	0.056	0.055	0.111	0.055	0.055	0.110
Federal	0.023	0.000	0.023	0.023	0.000	0.023
Provincials	0.102	0.135	0.236	0.100	0.132	0.233
All Corporate	-0.003	0.008	0.006	-0.003	0.008	0.006
<b>Universe</b>	<b>0.037</b>	<b>0.040</b>	<b>0.077</b>	<b>0.036</b>	<b>0.039</b>	<b>0.076</b>

### Market Value Term Weights

	Before	After	Change
Short (1-5 yrs)	45.62	45.44	-0.181
Mid (6-10 yrs)	21.54	21.80	0.259
Long (10+ yrs)	32.85	32.77	-0.079
Total	100.00	100.00	

### Market Value Sector Weights

	Before	After	Change
Federal	35.84	36.09	0.248
Provincial	34.42	33.98	-0.445
Municipal	1.91	1.86	-0.058
Corporate	27.82	28.07	0.256

### Market Value Government Weights

	Before	After	Change
Short Government	42.65	42.38	-0.268
Mid Government	22.15	22.50	0.357
Long Government	35.21	35.12	-0.089
Total	100.00	100.00	

\* assuming no yield curve shifts



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## APPENDIX

Issues rolling out of the FTSE Canada Universe Bond Index on December 1-3, 2018

Issuer	ID	Coupon	Maturity Date	Amt Outstanding (\$M)
Montreal	97524	5.45	Dec 1, 2019	556
Alberta	99554	4.00	Dec 1, 2019	1,375
Quebec Finance Corp	117419	2.45	Dec 1, 2019	1,500
Quebec	97923	4.50	Dec 1, 2019	5,000
Emera Inc.	100146	4.83	Dec 1, 2019	225
City of Toronto	99553	4.50	Dec 1, 2019	400
Vancouver	98605	4.90	Dec 1, 2019	125
Canadian Natural Res. Ltd.	131881	2.60	Dec 1, 2019	500
<b>Total</b>				<b>9,681</b>

Issues rolling over from FTSE Canada Mid to FTSE Canada Short Bond Index on December 1-3, 2018

Issuer	ID	Coupon	Maturity Date	Amt Outstanding (\$M)
Alberta	128212	3.40	Dec 1, 2023	500
<b>Total</b>				<b>500</b>

Issues rolling over from FTSE Canada Long to FTSE Canada Mid Bond Index on December 1-3, 2018

Issuer	ID	Coupon	Maturity Date	Amt Outstanding (\$M)
Alberta	149748	2.90	Dec 1, 2028	1,800
Saskatchewan	148775	3.05	Dec 2, 2028	700
<b>Total</b>				<b>2,500</b>



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**Contact FTSE Canada**

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