

TMX Post Trade

2018 Update

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Agenda

- Post Trade Modernization
- Risk Model Changes and Impacts
- Global Trends
- Future Activity

Post Trade Modernization

- Risk System
- Cash Markets and Funding
- Derivatives

Impacts of Risk System Changes

- Delta Hedge Methodology for Options and Futures
- HVaR for Fixed Income and Repo
- Market Liquidity Risk (Concentration) updated
- New Pricing models for IR futures, Share futures and Index futures ; Binomial pricing model for options ; curves updated for bond pricing
- Moving to Real Time risk from Batch in future release

Global Trends to be aware of

- Enhanced Liquidity risk management requirements (more)
- Enhanced operational resilience (focus on cyber)
- Impact of Nasdaq default
- Extraterritoriality challenge related to geo-political events
- Fintech evolution versus revolution

Future Activity

- Focus on improved delivery processes and enhanced customer experience (Business Agile)
- Focus on service models for industry
- Focus on reducing frictions for global trading
- Focus on collateral efficiency

TMX

**THE FUTURE
IS YOURS TO SEE.**