



## Canadian Dollar Trading Ranges

January 31, 2002

Dear Financial Market Professional:

In order to enhance both transparency and consistency in the establishment of daily Canadian dollar trading ranges in North America, the Canadian Committee for Professionalism (CCFP), in conjunction with the Canadian Foreign Exchange Committee (CFEC) and the Financial Markets Association of Canada (FMAC) have proposed the following guidelines:

- The sole medium used in determining the dealing range in the Canadian dollar on a given day in North America will be the Reuters Matching system. IMM ranges and trades executed through voice brokers will not be included.
- The time of day over which the North American range will be recorded will be from 7:00 a.m. – 5:00 p.m. E.S.T.
- An aggregate amount of USD \$5.0 million must trade at the offered or bid price or a posted price must deal a minimum of three times to qualify for inclusion in the range. Transactions between branches of the same institution will not qualify for inclusion in the daily range.
- Ranges will be established for the Canadian dollar in North America when either the U.S. or Canadian market is open.
- We recommend that a similar methodology be adopted in Far East and European markets. We will work in consultation with respective Associations/Committees in these regions to provide assistance as required.
- Specific questions or disputes should be referred to the Chair, CCFP, or the President, FMAC for resolution, unless the member institution of the aforementioned individuals is involved. In that instance, the Chair, CFEC will be asked to arbitrate.

If you have any questions or comments regarding this recommendation, please feel free to contact any of the undersigned. Copies of this letter are available online at the FMAC Web site at [www.fmac.ca](http://www.fmac.ca).

Sincerely,

**Sheryl Kennedy**  
Chair, CFEC

**Sharon Grewal**  
President, FMAC

**Karl Berger**  
Chair, CCFP