

FTSE Canada Real Return Bond Index - Index Extension Report

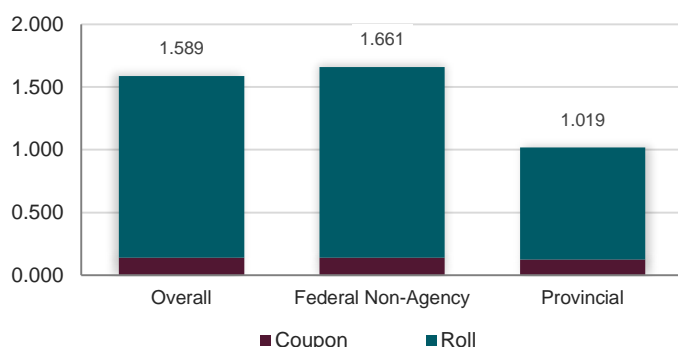
September, 2020

Coupon & Rollout, Rollover & Market Weight Duration Effects - December 1, 2020

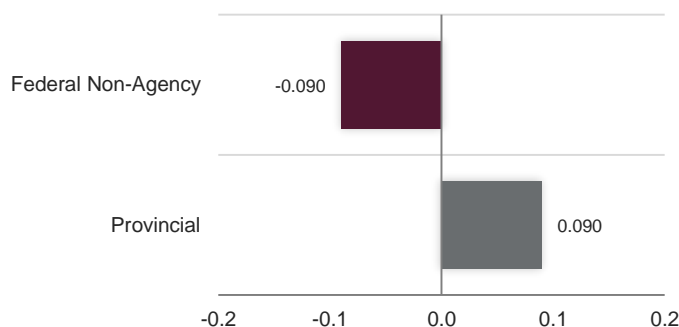
The FTSE Canada Real Return Bond (RRB) Index will experience a duration shift on Dec 1, 2020 as a result of the payment of approximately \$685MM dollars in Dec 1 coupons and \$5.477B rollout of Dec 1, 2021 RRB. Based on simulations as of Sep 23, we expect to see a total cumulative increase in the modified duration of the FTSE Canada Real Return Bond Index of approximately 1.589 years.

FTSE Canada Real Return Bond Index - Simulation as of September 23, 2020*

Change in Mod. Duration by Sector



Change in Sector Weights



Issues rolling out of the FTSE Canada Real Return Bond Index on Dec 1, 2020

Issuer	ID	Coupon	Maturity Date	Amt Outstanding (\$M)
Canada Real Return Bond	10737	4.250	Dec 1, 2021	4,885
Quebec RRB	77308	4.500	Dec 1, 2021	592
Total				5,477

FTSE Canada Real Return Bond Index - Simulation as of September 23, 2020*

Index	Macaulay Duration			Modified Duration		
	Coupon Change	Roll Change	Total Change	Coupon Change	Roll Change	Total Change
Federal Non-Agency	0.140	1.518	1.658	0.140	1.520	1.661
Provincial	0.126	0.895	1.021	0.126	0.892	1.019
Total	0.140	1.447	1.587	0.140	1.449	1.589

Market Value Sector Weights

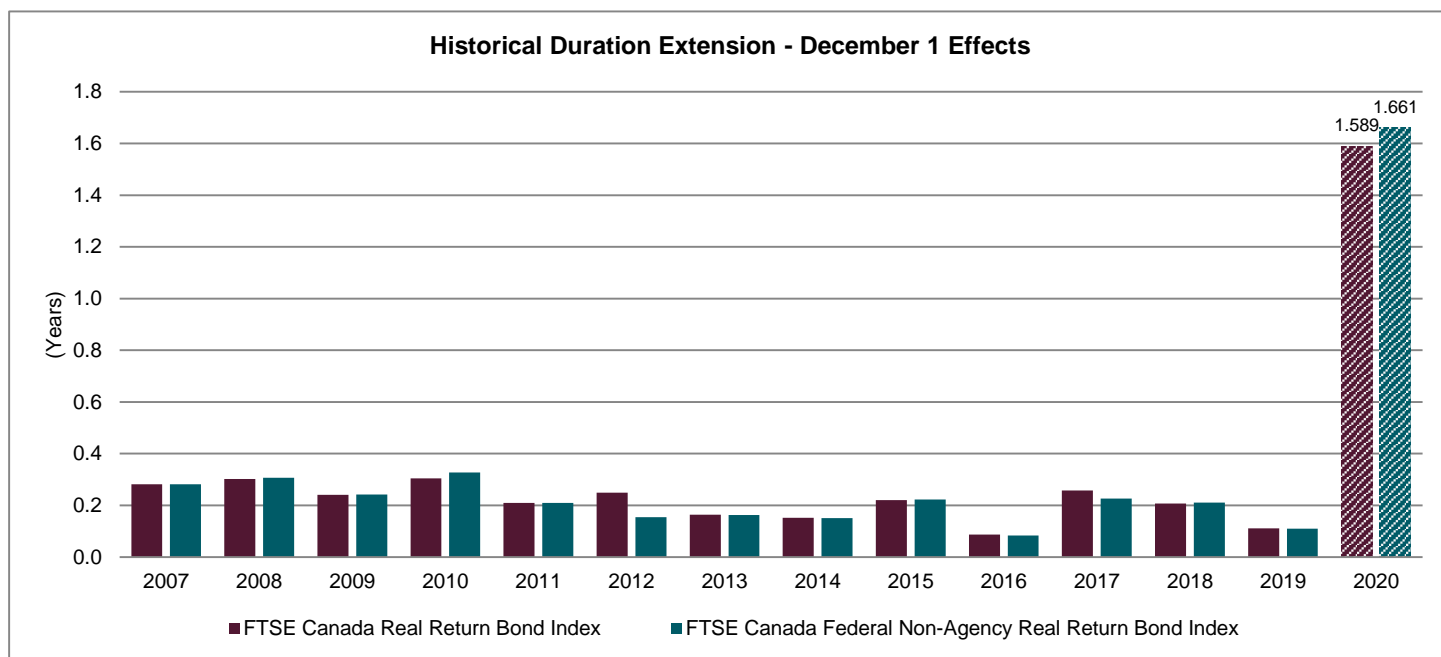
	Before	After	Change
Federal Non-Agency	89.53	89.44	-0.090
Provincial	10.47	10.56	0.090

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* assuming no yield curve shifts, CPI projection based on latest data -0.1

FTSE Canada Real Return Bond Index - Historical Duration Change for Dec 1 Effects **



** Dec 1, 2020 impact is estimated based on data from Sep 23, 2020

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