

CFN News, Issue 8 - July 27, 2018

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CANNEX Update

If we had to choose a song title to sum up recent activity in the deposit industry, it would be The Rolling Stones' "**Gimme Shelter**". Why? Because the *Department of Finance Canada* and the *Canada Deposit Insurance Corporation* ("CDIC") have been very active in the deposit insurance space, particularly in the brokered (or nominee) deposits space. We will see enhancements to the Canadian deposit insurance framework which are scheduled to come into force, likely later this year, providing more *shelter*.

Among the forthcoming enhancements, deposit insurance coverage will be extended to deposits held in foreign currencies and deposits with terms greater than 5 years. CANNEX is ready and able to facilitate processing GICs issued in foreign currency and GICs with terms greater than 5 years.



GIC Processing on CFN - YTD Q2 2018 at a Glance

- YTD Q2 2018: **472,107** GIC applications processed - a **42% increase** over YTD Q2 2017
- YTD Q2 2018: Total value of GICs processed **\$25.2 billion** - a **36% increase** over YTD Q2 2017
- YTD Q2 2018 average GIC application size \$53,469
- 97.6% of GIC applications were less than or equal to \$100,000 at YTD Q2 2018
- 35.6% of GIC applications, by number of applications processed, were invested in a 1 year term product, at YTD Q2 2018
- 45.2% of GIC applications, by \$ value of applications processed, were invested in a 1 year term product, at YTD Q2 2018

In our last newsletter we described the first quarter of 2018 as "heady" in terms of GIC purchase activity that was processed through CFN. We had to go to the thesaurus for a new descriptor for Q2. With 30,000 more GICs purchased and a total value increase of more than \$2 billion, we had to call **Q2 2018 formidable!**

Network Notices

We have a number of new CFN Participants currently in the on-boarding stage, so will have to stay

mum on new announcement for now.

Let us know if we can help with introductions to any of our current roster of Issuers or Dealers participating on the CANNEX Financial Network. Click [here](#) for the full list of Issuers and Dealers that use CFN, CANNEX's automated GIC/term deposit application processing and administration service.

CFN Client News

Innovation Credit Union announces submission to OSFI to become federally regulated credit union

July 12, 2018

Introducing Canada's newest bank - Haventree Bank

June 11, 2018

Scotiabank to acquire MD Financial Management and enter into affinity agreement with the Canadian Medical Association, Announces Common Share Offering

May 31, 2018

The Sale of MD Financial Management to Scotiabank - Media Kit

May 31, 2018

Scotiabank to acquire MD Financial Management

May 31, 2018

Industry News, Links and Good Reads

CDIC Consultation Paper - Joint and Trust Account Disclosure By-law (PDF)

July 20, 2018

Bank of Canada raises overnight rate target to 1.5 per cent

July 11, 2018

Bank of Canada - Monetary Policy Report July 2018 (PDF)

July 11 2018

CDIC - Letter to CDIC member institutions regarding the Royal Assent of Budget Implementation Act, 2018, No. 1 (PDF)

July 4, 2018

CDIC - Summary of the Corporate Plan 2018/2019 to 2022/2023 (PDF)

June 5, 2018

CDIC - Guidance for CDIC Coverage of Brokered Deposits, Information Bulletin (PDF)

May 7, 2018

Bank of Canada - Canadian Interest Rate Lookup**Blog Diversion: The Most Important Asset**

July 17, 2018

On the Calendar

September 6-9, 2018

CANNEX will be in attendance as a sponsor at the upcoming **IIROC 2018 Financial and Operations Advisory Section Annual Conference**. The conference will be held in Charlottetown, PEI at the Delta Prince Edward Hotel.

**Tuesday, September 18, 2018**

CANNEX is thrilled to join **SIT** for its 8th annual Deposit Industry Charity Event (DICE). This year's event will be held at Wooden Sticks Golf Course in Uxbridge. We hope to see you on September 18th for a day of golf and networking in support of **Kids Help Phone**. The event brings together financial institutions, dealers, and vendors in the Canadian term deposit industry for this fantastic event—all for a good cause! To date, DICE has raised over \$188,000 with the support of our generous sponsors,

donors, and participants. For more information about the event, please visit the DICE website:

www.depositindustry.ca. Hope to see you there!

2018 Alex Melvin Leadership Award



Left to right: Andrew Melvin, John Little (award winner) and Lowell Aronoff.

Congratulations to **John Little**, winner of the **2018 Alex Melvin Leadership Award**!

This peer-to-peer award honours an individual within the Deposit or Insurance industry who embraces some of the characteristics that Alex modelled so clearly in his life.

Below are a couple highlights of the many admirable personal and professional characteristics that were included in John's nomination:

- John collaborates, listens, asks questions and strives to build solutions that strengthen and advance the industry. This approach has been one of the many contributing factors to John's success.
- John is generous - donating both time and money to charities, boards and local sports teams - to name but a few of his personal contributions.
- One of the most endearing descriptions of John was, "John has a big heart that is always giving and serving others. He is loved, respected and a friend to so many."

Bank of Canada Interest Rate Announcement Dates

September 5th is the next Bank of Canada interest announcement date for 2018.

Upcoming Bank of Canada interest announcement dates for 2018: September 5, October 24* and December 5.

* *Monetary Policy Report* published

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