



May 11, 2012

2012-028

Toronto Stock Exchange (TSX) Market on Close (MOC) eligibility and ETF Volatility Parameters

This notice is to announce that effective **May 14, 2012** the **BMO Dow Jones Titian 60 Index ETF** will be added to the TSX MOC Facility in addition to the securities announced in PO Notice # 2012-027. On Monday May 14, 2012 all TSX equity symbols and the following three ETFs will be enabled for the TSX MOC facility:

<u>Symbol</u>	<u>Description</u>
XIU	iShares S&P/TSX 60 Index Fund ETF
HXT	Horizons S&P/TSX 60 Index ETF
ZCN	BMO Dow Jones Titian 60 Index ETF

The addition of these securities is in response to feedback received through a consultative process with representatives of the MOC user community.

ETF Volatility Parameters

To support market quality the ETFs (XIU, HXT, ZCN) added to the TSX MOC facility will have their Price Movement Extension (PME) parameter set to **1%** and Closing Price Acceptance (CPA) parameter set to **3%**, which will differ from the current TSX MOC volatility parameters of PME = 3% and CPA = 10%.

MOC Volatility Parameters

Price Movement Extension (PME) Parameter

The Price Movement extension parameter is used to determine whether or not the Calculated Closing Price (CCP) at the end of the continuous trading session is acceptable. The PME will allow a percent range off of the VWAP of the last 20 minutes of regular market trading and the last board-lot sale price from the continuous market. If the CCP exceeds the PME parameter the symbol will be transitioned into a price movement extension state where additional offsetting



The MOC facility provides equal access and opportunity in setting the closing price, increased price discovery efficiency and reduced volatility of the closing price for symbols eligible for the MOC facility. The TSX MOC facility includes equity listed symbols as well as exchange traded funds based on participant demand and feedback.

Participating Organizations should contact their TMX Account Manager with any questions or for a list of securities that will be eligible for the TSX MOC facility effective May 14, 2012.

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About TMX Group (TSX-X)

TMX Group's key subsidiaries operate cash and derivative markets for multiple asset classes including equities, fixed income and energy. Toronto Stock Exchange, TSX Venture Exchange, TMX Select, Montreal Exchange, Canadian Derivatives Clearing Corporation, Natural Gas Exchange, Boston Options Exchange (BOX), Shorcan, Shorcan Energy Brokers, Equicom and other TMX Group companies provide listing markets, trading markets, clearing facilities, data products and other services to the global financial community. TMX Group