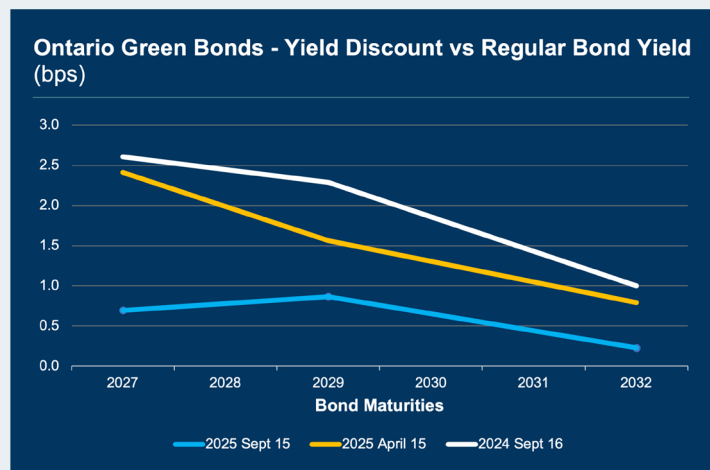


CanDeal Observations

Canadian Fixed Income Markets — Data Driven Insights

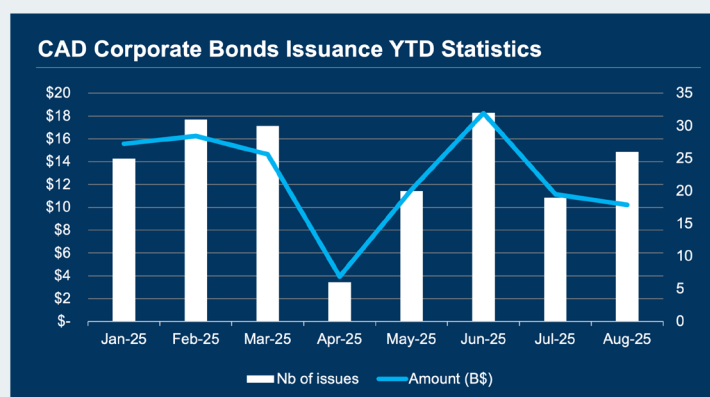
10 October 2025

The shrinking green discount



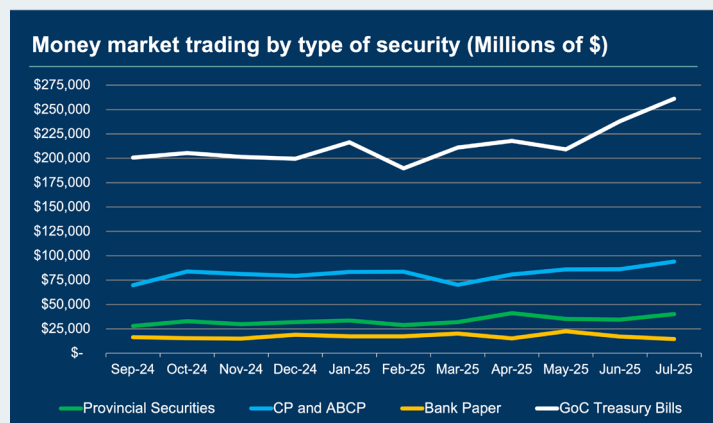
Over the last 12 months, when looking at the difference in yields between regular and green bonds issued by the Province of Ontario, we can see that the yield discount (or price premium) that investors are paying for green bonds has dramatically decreased between 2.6x and 4.4x depending on the bond maturity. This seems like a reflection of the current political environment where sustainability matters are taking a backseat to other priorities. At the same time, the risk around climate change is undeniable and it will be important to monitor how it is priced by the bond market going forward.

Summer sale



It seems that the news of the Canadian corporate bond issuance market's death was greatly exaggerated. After a nice rebound in May, total issued amount reached a peak in June, topping 18.26B\$, more than 2B\$ over the previous 2025 high, attained in February.

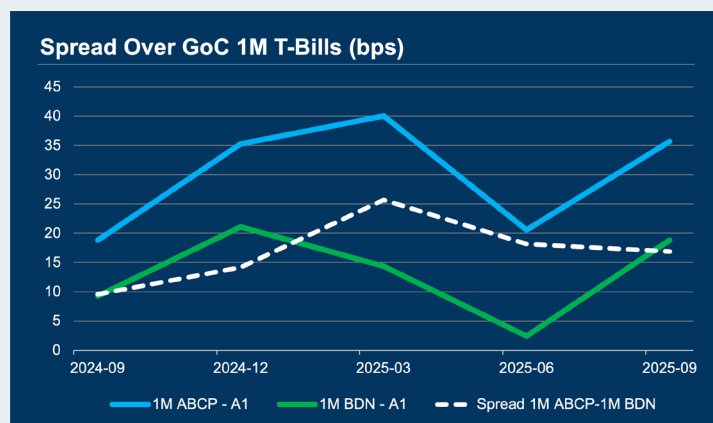
One year after CDOR cessation – The state of money market trading in Canada



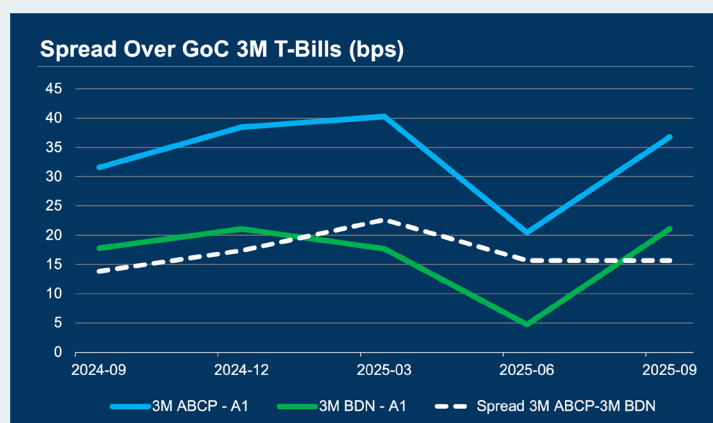
The chart above has been produced by CanDeal using data published by the Canadian Investment Regulatory Organization (CIRO-OCRI) and available [here](#).

Using statistics published by CIRO, the chart here shows monthly secondary market trading for money market instruments by type.

A year after the last BA was traded in Canada, we can see that a large portion of the BA's volume has been redirected to... T-Bills. Increased borrowing from the federal and provincial governments has led to a 31.8% surge in T-Bills volumes over 12 months. We can also see an uptick in CP and ABCP volumes while Bank Paper volumes have trended down lately.



As seen here, spreads for A1-rated ABCP's and BDN's have been volatile over the last year. Most notably, a spread compression is seen here around June 2025 for both types of instruments, in both 1-month and 3-month maturities. This was potentially driven by an increased demand for Money Market products as investors may have been looking for a safe haven while tariff uncertainty persisted. The spread between ABCP's and BDN's, after widening considerably from September 2024 to March 2025, seem to have come down and stabilized over the last few months, both in the 1-month and 3-month maturities.



OSFI B-15 Unpacked

Insights from the Field: What ICE Is Hearing

On October 1, 2025, Intercontinental Exchange (ICE) hosted a [webinar](#), *OSFI B-15 Unpacked – From policy to climate risk management practice*, moderated by **Robin Hanlon**, CanDeal DNA's Head of Strategic Partnerships. As ICE works closely with Canadian banks, insurers, and regulators to develop climate risk solutions, several consistent themes have emerged:

OSFI's Approach

ICE has heard from many institutions that OSFI is focusing on the fundamentals and acknowledging that both they and the industry are learning together. Many institutions expect **non-trivial modifications to the framework in Q4 2025** as OSFI refines its guidance.

Responsiveness and Industry Engagement

OSFI has encouraged open dialogue on technical queries with the industry, and this has resulted in a greater understanding of the operational challenges institutions are facing, which has helped to build momentum.

Data Coverage Remains a Major Hurdle

Despite the thoughtful regulatory approach, **data remains a significant challenge**—especially for less widely available datasets. Real estate and private company data are particularly complex, and institutions are investing heavily in sourcing data for assessing climate risks. ICE has seen firsthand the effort going into the private markets space, where transparency is limited and modelling is essential. Real estate brings the challenge of a lack of standardized identifiers, meaning the integration of this data into asset models that often revolve around industry standard codes is complex.

Fixed Income Complexity and Opportunity

ICE's focus on fixed income—especially private issuers—supports clients with **multi-asset class portfolios**. The intersection of climate risk and private credit is where many institutions are struggling, driving ICE's development of tools to help bridge that gap.

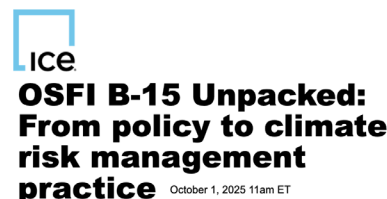
Prescriptive Templates Enable Scalable Solutions

OSFI's prescriptive reporting templates are demanding. When the webinar audience was asked to identify key challenges faced when completing them, **33% cited data aggregation** as their biggest challenge, with another **33% identifying regulatory interpretation**. **22% were challenged by the calculation** and **11% considered all of the actions**, which included timing, to be problematic. Interestingly, in a second question, 33% of respondents had completed the Standardized Climate Scenario Analysis and used the opportunity to integrate this into their climate risk management workflows – representing a success for OSFI and its original aims.

The template returns do offer a silver lining: they allow firms like ICE to develop **technical, reusable solutions** that reduce the burden of data aggregation. Without these standardized formats, institutions would be left to solve these challenges independently, often at great cost.

Learning from Past Regulatory Challenges

Overcoming similar challenges of complex regulations in recent years—whether in ESG, financial benchmarks, or transparency mandates—has enabled ICE to help Canadian institutions navigate this new landscape with confidence.



Speakers



Christine Rhodes
TD Bank

Robin Hanlon
CanDeal

C.J. Heng
Foresters Financial

Kasper Brandt
ICE

Mary Dirheimer-Massat
ICE



**Access the
webinar recording**