



# Bank of Canada Announces Term PRA Transaction

Notice - Tuesday, April 15, 2008, 09:30 (ET)

As part of its continuing provision of liquidity in support of the efficient functioning of financial markets, the Bank of Canada announced today that it will enter into a 28-day term purchase and resale agreement (PRA) as follows:

Amount	Transaction and Settlement	Maturity
\$2 billion	17 April 2008	15 May 2008

The list of eligible securities for these transactions is comprised of the following:

- Securities issued by the Government of Canada
- Securities guaranteed by the Government of Canada (this category includes Canada Mortgage Bonds and NHA mortgage-backed securities with a minimum pool size of \$75 million)
- Securities issued or guaranteed by a provincial government
- Bankers' acceptances and bearer deposit notes, having a remaining term to maturity not exceeding one hundred and eighty days

Securities used in the term PRA transactions will be subject to the same margin requirements as those applicable in SLF transactions.

The total amount of assets acquired on any day through term PRA operations will be announced on the Bank's web site by 16:45 (ET). The assets will also be reported on the Bank of Canada's balance sheet.

To offset the temporary increase in assets associated with this transaction, the Bank will sell \$2 billion of Government of Canada treasury bills to primary dealers on 16 April 2008, to settle on 17 April 2008.

The case for further operations will be reviewed in light of conditions in financial markets.

Content Type(s): **Press, Market notices**