

A view from the scenic route: The 2025 OTC derivatives report

July 08, 2026

The Ontario Securities Commission (OSC) released the Canadian OTC Derivatives 2025 Annual Report in May (the Report). The OSC obtains its data from public sources and directly from trade repositories. The Report offers findings of interest regarding Canada's OTC markets for investment managers and advisers. Interest rate derivatives remained the dominant asset class in Canada's OTC market, accounting for 88.2 per cent of total gross notional outstanding (GNO) in Q4 2025, with growth driven by swaps and continued adoption of the Canadian Overnight Repo Rate Average (CORRA-CAD) and Secured Overnight interest Rate (SOFR-USD) based products. Canada had 9.2 per cent of the global OTC derivatives market (measured by GNO) in June 2025.

The report also underscores the OSC's increasing focus on data quality. Amendments to the trade reporting rule that took effect on July 25, 2025, together with compliance related remediation, materially affected reported statistics by improving product classification and removing stale or expired trades.

Looking ahead, the most notable regulatory development is the expansion of mandatory central clearing under NI 94-101 – *Mandatory Central Counterparty Clearing of Derivatives and Related Companion Policy*, effective March 25, 2026, to cover certain index credit default swap products in addition to updated interest rate derivatives tied to benchmark transition. More broadly, the report suggests the OSC is taking a more granular, risk-sensitive approach to monitoring derivatives markets, including through the use of risk metrics like DV01, which measures the dollar change in a position's value resulting from a one-basis-point movement in interest rates.

The authors would like to thank [Ray Zhao](#), student-at-law, for her contributions to this insight.

By

[Kimberly Poster](#), [Melissa Ghislanzoni-Foster](#)

Expertise

[Investment Management](#)

BLG | Canada's Law Firm

As the largest, truly full-service Canadian law firm, Borden Ladner Gervais LLP (BLG) delivers practical legal advice for domestic and international clients across more practices and industries than any Canadian firm. With over 800 lawyers, intellectual property agents and other professionals, BLG serves the legal needs of businesses and institutions across Canada and beyond – from M&A and capital markets, to disputes, financing, and trademark & patent registration.

blg.com

BLG Offices

Calgary

Centennial Place, East Tower
520 3rd Avenue S.W.
Calgary, AB, Canada
T2P 0R3

T 403.232.9500
F 403.266.1395

Ottawa

World Exchange Plaza
100 Queen Street
Ottawa, ON, Canada
K1P 1J9

T 613.237.5160
F 613.230.8842

Vancouver

1200 Waterfront Centre
200 Burrard Street
Vancouver, BC, Canada
V7X 1T2

T 604.687.5744
F 604.687.1415

Montréal

1000 De La Gauchetière Street West
Suite 900
Montréal, QC, Canada
H3B 5H4

T 514.954.2555
F 514.879.9015

Toronto

Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada
M5H 4E3

T 416.367.6000
F 416.367.6749

The information contained herein is of a general nature and is not intended to constitute legal advice, a complete statement of the law, or an opinion on any subject. No one should act upon it or refrain from acting without a thorough examination of the law after the facts of a specific situation are considered. You are urged to consult your legal adviser in cases of specific questions or concerns. BLG does not warrant or guarantee the accuracy, currency or completeness of this publication. No part of this publication may be reproduced without prior written permission of Borden Ladner Gervais LLP. If this publication was sent to you by BLG and you do not wish to receive further publications from BLG, you may ask to remove your contact information from our mailing lists by emailing unsubscribe@blg.com or manage your subscription preferences at blg.com/MyPreferences. If you feel you have received this message in error please contact communications@blg.com. BLG's privacy policy for publications may be found at blg.com/en/privacy.

© 2026 Borden Ladner Gervais LLP. Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.