Consumers Council of Canada and the Vulnerable Energy Consumers Coalition (CCC) and (VECC) INTERROGATORY #12 List 1

Interrogatory

Ref: B1/T3/S1 p. 31

Issue 4.0
Issue: Cost of Capital/Capital Structure

Topic: Globalisation

Request:

Ms. McShane refers to the growth in foreign bond issues in Canada and the $6 billion issued in the first quarter of 2006. Please indicate how many of these issues had a natural demand for CDN$ and how many of these issues were swapped into another currency.

Response

While Ms. McShane has not looked at the individual issues, it is not likely that the issuers have a natural demand for Canadian dollars. She has not looked at how many have been swapped into another currency, but she is aware that it is a common practice.