

OFA Video Update October 2026 (FES)

[Rob] Hi and welcome, this is the post *Fall Economic Statement* update from the Ontario Financing Authority.

My name is Rob Yeung, I am the Acting CEO, and I'm joined today by Muneeb Chaudhary and JP Lamoureux. Together we're going to give you an update on the fiscal situation at the Province of Ontario and an update on our borrowing program.

Despite a challenging economic and geopolitical backdrop, the economy of the Province of Ontario has remained remarkably resilient.

Furthermore, we have had very beneficial access into the domestic and international capital markets with a very broad investor base. This gives us the flexibility to manage our borrowing program prudently, respond to changing market conditions, and be opportunistic with respect to our approach to markets.

[Muneeb] Looking at the Fiscal Outlook, Ontario's deficit in 2026–27 is projected to be 16.9 billion dollars—an increase of 3.1 billion dollars from the outlook published in the *2026 Budget*.

While the updated economic outlook continues to present challenges, one of the encouraging developments in this year's *Fall Statement*, is that despite a larger deficit than originally forecast, Ontario's debt burden metrics have continued to improve.

Ontario remains at or below its targets for two of its three debt burden measures throughout the medium-term outlook.

These results reflect the Province's continued focus on making progress in managing its debt burden, with the debt-to-GDP and interest-to-revenue ratios remaining better than targets now and through the medium-term outlook, even in a challenging economic environment.

The debt-to-revenue ratio continues to be the most challenging target to achieve, but Ontario has demonstrated its ability to bring this ratio below its 200 per cent target by achieving this consecutively in the 2023–24 and 2024–25 fiscal years.

While the current economic environment will temporarily raise the level of this ratio, the government remains committed to, and has proven it has the capability to, reattain this target.

[JP] Progress on our debt burden metrics provides an important foundation for Ontario's borrowing program.

Compared to the 2026 Budget, our long-term borrowing forecast for this fiscal year has increased to 51.1 billion dollars. While Ontario's borrowing requirements remain sizable, we're well positioned to complete this year's program.

The Province continued to respond to volatile market conditions and leveraged strong investor demand to remain well ahead of an even-paced borrowing program.

As of the release of the *Fall Statement* we have completed 71 per cent or, 36.3 billion dollars of this year's long-term borrowing giving us considerable flexibility as we move through the remainder of the fiscal year.

Ontario plans to increase short-term borrowing by 8 billion dollars in 2026–27 and by a further 6 billion dollars next fiscal year. This approach further diversifies Ontario's investor base and strengthens the Province's ability to access short-term liquidity across multiple markets.

In today's environment, having that additional liquidity provides flexibility and helps ensure Ontario remains prepared to respond to changing market conditions.

[Muneeb] JP, you mentioned that Ontario has been able to stay well ahead of its borrowing program. With everything we've seen in the global markets this year, what are you hearing from investors, and how has Ontario's access to global capital markets held up?

[JP] The good news is that investor demand for Ontario remains very strong.

We've continued to see consistent access to both Canadian and international capital markets, despite periods of volatility.

What's particularly encouraging is that Ontario's credit spreads have shown remarkable performance throughout the year, demonstrating continued investor confidence in the Province.

Our Investor Relations program also continues to play an important role as we're actively engaging investors around the world to share Ontario's story.

Those engagements and conversations have helped maintain broad investor support and have reinforced Ontario's reputation as one of the world's most recognized and well-followed sub-sovereign borrowers.

[Muneeb] JP, you and the team have also been focused on expanding and diversifying the Province's funding toolkit. Can you speak a little bit more about that?

[JP] Absolutely!

Diversification remains one of the most important strengths of Ontario's borrowing program.

It's critical that we maintain access to multiple funding sources, investor groups, currencies and markets.

Over the past year we've continued to build on that strategy by expanding private placement activity, exploring new funding opportunities, and enhancing the tools and systems that support our treasury operations.

One of the most notable developments has been the introduction of Ontario's ECP programme.

The market response has been extremely positive. Demand during the program's initial launch exceeded expectations and complemented the success we've already seen through our U.S. Commercial Paper program.

Together with Ontario's T-bills, U.S. Commercial Paper, and the introduction of Ontario's new ECP programme, we continue to diversify our funding sources and improve our ability to access short-term liquidity across multiple markets.

[Muneeb] That's a significant accomplishment, thank you for sharing.

And to our viewers, we'd like to thank you for watching our *Fall Economic Statement* update.

We hope it has provided useful insight into Ontario's fiscal position, economic outlook, and prudent approach to borrowing and debt management.