

Note 13: Deposits

(Canadian \$ in millions)	Payable on demand									
	Interest bearing		Non-interest bearing		Payable after notice		Payable on a fixed date		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Deposits by:										
Banks (1)	818	450	1,864	1,415	3,488	3,448	24,937	28,958	31,107	34,271
Businesses and governments	20,621	17,578	33,968	35,378	62,584	60,331	166,897	162,927	284,070	276,214
Individuals	3,278	3,307	20,044	17,594	89,859	87,627	55,130	54,359	168,311	162,887
Total (2) (3)	24,717	21,335	55,876	54,387	155,931	151,406	246,964	246,244	483,488	473,372
Booked in:										
Canada	21,557	18,937	44,380	40,037	82,905	77,800	145,648	152,894	294,490	289,668
United States	2,259	1,540	11,496	14,229	71,708	73,155	75,517	65,850	160,980	154,774
Other countries	901	858	-	121	1,318	451	25,799	27,500	28,018	28,930
Total	24,717	21,335	55,876	54,387	155,931	151,406	246,964	246,244	483,488	473,372

(1) Includes regulated and central banks.

(2) Includes structured notes designated at fair value through profit or loss.

(3) As at October 31, 2017 and 2016, total deposits payable on a fixed date included \$30,419 million and \$36,261 million, respectively, of federal funds purchased, commercial paper issued and other deposit liabilities. Included in deposits as at October 31, 2017 and 2016 are \$239,279 million and \$233,005 million, respectively, of deposits denominated in U.S. dollars, and \$27,914 million and \$24,097 million, respectively, of deposits denominated in other foreign currencies.

Deposits payable on demand are comprised primarily of our customers' chequing accounts, some of which we pay interest on. Our customers need not notify us prior to withdrawing money from their chequing accounts.

Deposits payable after notice are comprised primarily of our customers' savings accounts, on which we pay interest. Deposits payable on a fixed date are comprised of:

- Various investment instruments purchased by our customers to earn interest over a fixed period, such as term deposits and guaranteed investment certificates. The terms of these deposits can vary from one day to 10 years.
- Federal funds purchased, which are overnight borrowings of other banks' excess reserve funds at the United States Federal Reserve Bank. As at October 31, 2017, we had borrowed \$707 million of federal funds (\$906 million in 2016).
- Commercial paper, which totalled \$8,430 million as at October 31, 2017 (\$9,461 million in 2016).
- Covered bonds, which totalled \$23,108 million as at October 31, 2017 (\$19,705 million in 2016).

The following table presents the maturity schedule for our deposits payable on a fixed date:

(Canadian \$ in millions)	2017	2016
Within 1 year	145,039	155,548
1 to 2 years	25,620	24,683
2 to 3 years	23,323	20,637
3 to 4 years	19,345	11,659
4 to 5 years	15,850	18,005
Over 5 years	17,787	15,712
Total (1)	246,964	246,244

(1) Includes \$221,954 million of deposits, each greater than one hundred thousand dollars, of which \$130,197 million were booked in Canada, \$65,963 million were booked in the United States and \$25,794 million were booked in other countries (\$221,957 million, \$136,382 million, \$58,077 million and \$27,498 million, respectively, in 2016). Of the \$130,197 million of deposits booked in Canada, \$41,418 million mature in less than three months, \$7,922 million mature in three to six months, \$10,574 million mature in six to twelve months and \$70,283 million mature after 12 months (\$136,382 million, \$54,904 million, \$5,020 million, \$13,737 million and \$62,721 million, respectively, in 2016). We have unencumbered liquid assets of \$213,757 million to support these and other deposit liabilities (\$197,722 million in 2016).

Most of our structured note liabilities have been designated at fair value through profit or loss and are accounted for at fair value, which aligns the accounting result with the way the portfolio is managed. The change in fair value of these structured notes was recorded as a decrease of \$72 million in non-interest revenue, trading revenues, and a decrease of \$169 million before tax was recorded in other comprehensive income related to changes in our own credit spread for the year ended October 31, 2017 (a decrease of \$73 million recorded in non-interest revenue, trading revenues, and a decrease of \$201 million related to changes in our own credit spread in 2016). The impact of changes in our own credit spread is measured based on movements in our own credit spread year over year.

The cumulative change in fair value related to changes in our own credit spread that has been recognized since the notes were designated at fair value to October 31, 2017 was an unrealized loss of approximately \$303 million (unrealized loss of approximately \$134 million in 2016), of which \$227 million of this unrealized loss has been recorded in other comprehensive income (\$58 million in 2016).

The fair value and notional amount due at contractual maturity of these notes as at October 31, 2017 were \$13,674 million and \$13,563 million, respectively (\$11,604 million and \$11,768 million, respectively, in 2016).