

Toronto Stock Exchange ETF Report

Not Much Time to Celebrate

The first quarter of 2020 kicked off with a couple of major milestones within the Canadian ETF industry. By the end of January 2020, the market cap was at its all-time high of nearly \$207 billion. Then the Toronto Stock Exchange (TSX) celebrated the 30th anniversary of the launch of the world's first exchange-traded fund (ETF), the Toronto 35 Index® Participation Units, or TIPs®. TIPs evolved into what we know today as the iShares S&P/TSX 60 Index ETF (TSX:XIU).

However, not too soon after celebrations of these momentous occasions in Canadian ETF history ended did another momentous event occur when COVID-19 became a reality. The virus had a dire impact on the markets, employment, social norms and most importantly the human toll felt across Canada and around the world. Being in Canada we are very fortunate to have a strong medical system that is built and supported by a solid foundation of amazing frontline workers to whom we are all deeply thankful. Our attention while working from home turns to the role we play in the post-COVID-19 economic recovery.

The S&P/TSX Composite Index, during the month of March, dropped by 37% from its all-time high of 17,944.1 on February 20, 2020, to 11,228.5 on March 23, 2020. Subsequently the market cap of the Canadian ETF Industry at the end of March had dropped to just over \$185 billion. While no one is willing to officially call the bottom, one must look at our recent historical experience during the financial crisis in 2008-2009 as a potential guide to our future. March 9, 2009, was the official bottom of the S&P/TSX Composite Index, with a value of 7,566.9. However shocking the index level may have been, the real story is that 10 days following the bottom the S&P/TSX Composite Index increased 18%, followed by 21%, 39%, 45% and 58% at the 1-month, 3-month, 6-month, and 1-year points post-market-bottom of the index¹, respectively.

The question that looms in this new COVID-19 reality is whether Canada has seen the market bottom or is this a minor recovery in preparation for a second wave of the virus and volatility in the second half of 2020? The TSX provides access to over 730 ETF solutions across 36 providers to participate in this current recovery and the tools you can use to help protect your portfolio from the potential of future volatility.

¹ Source - S&P Capital IQ, May 2020.

New Providers



Caldwell Investment Management Ltd

Caldwell Investment Management Ltd ('Caldwell') launched an actively managed exchange-traded series of units ("ETF units") for the Caldwell U.S. Dividend Advantage Fund (TSX:UDA) in March 2020. Caldwell U.S. Dividend Advantage Fund is designed to provide investors with attractive current income and total return potential by investing primarily in high-quality, U.S. dividend-paying companies with compelling valuations and good prospects for continued business and dividend growth.

Established in 1990, Caldwell provides investment management services to Canadian and international retail and institutional investors. Caldwell's family of investment solutions includes mutual funds, pooled funds and most recently, an actively managed exchange traded fund series of the Caldwell U.S. Dividend Advantage Fund.

Russell Investments



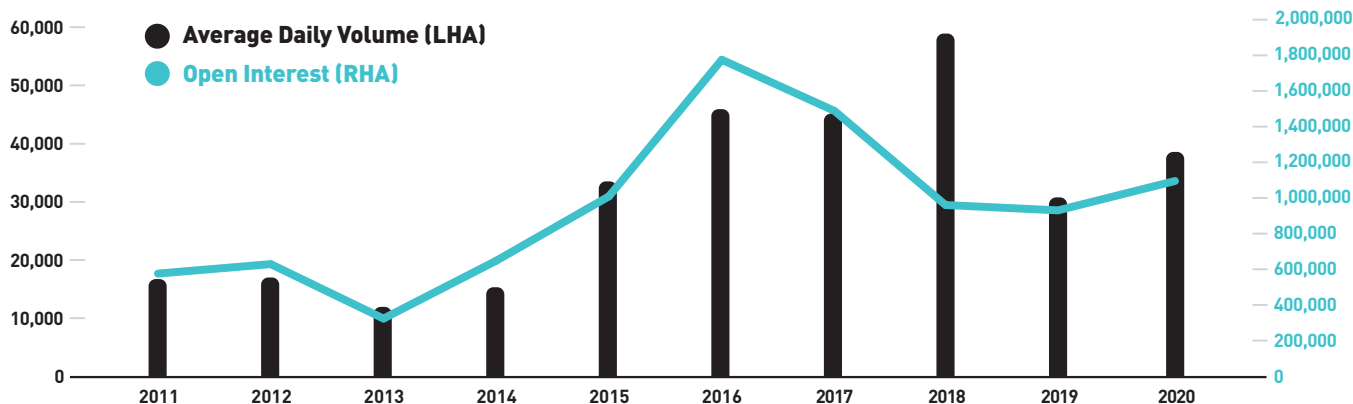
Russell Investments Canada Limited ("Russell Investments Canada") launched Exchange-Traded Fund Series of four existing mutual funds in January 2020: Russell Investments Fixed Income Pool (TSX:RIFI), Russell Investments Global Unconstrained Bond Pool (TSX:RIGU), Russell Investments Global Infrastructure Pool (TSX:RIIN) and Russell Investments Real Assets (TSX:RIRA).

Russell Investments Canada, established in 1985, is a wholly owned subsidiary of Russell Investments Group, Ltd. Russell Investments is a leading global investment firm with CAD\$384.5 billion in assets under management (as of 3/31/2020) and CAD\$3.3 trillion in assets under advisement (as of 12/31/2019) for clients in 32 countries. Headquartered in Seattle, Washington, Russell Investments has offices in major financial centers such as New York, London, Tokyo, Toronto and Shanghai.

For more information, visit russellinvestments.com/ca

MX ETF Sector Overview

ETF Options Average Daily Volume and Open Interest



ETF Options Volume by Provider (Q1 2020 YTD)



iShares	73.86%	iShares	1,822,181
BMO	20.51%	BMO	506,157
BetaPro	5.58%	BetaPro	137,705
Vanguard	0.03%	Vanguard	817

Top 10 Most Traded ETF Options (Volume)

	Symbol	Jan	Feb	Mar	Total
iShares S&P/TSX 60 Index ETF	XIU	261,406	432,485	924,509	1,618,400
BMO Equal Weight Banks Index ETF	ZEB	60,198	42,169	100,889	203,256
BMO S&P 500 Index ETF	ZSP	40,341	64,683	20,632	125,656
Horizons Marijuana Life Sciences Index ETF	HMMJ	59,709	36,427	17,220	113,356
iShares S&P/TSX Capped Energy Index ETF	XEG	39,172	16,144	21,542	76,858
BMO S&P/TSX Capped Composite Index ETF	ZCN	65	40,268	16,694	57,027
BMO Laddered Preferred Shares Index ETF	ZPR	11,888	5,852	27,304	45,044
iShares S&P/TSX Capped REIT Index Fund	XRE	15,017	437	27,846	43,300
BMO MSCI EAFE Hedged To CAD Index ETF	ZDM	42,910	20	59	42,989
BMO Equal Weight Utilities Index ETF	ZUT	12,495	12,181	5,190	29,866

New ETF Listings

Q1 2020

NAME	Fund Family	Listing Date	Symbol
BMO BBB Corporate Bond Index ETF	BMO	February 11, 2020	ZBBB
BMO Canadian MBS Index ETF	BMO	February 11, 2020	ZMBS
BMO High Quality Corporate Bond Index ETF	BMO	February 11, 2020	ZQB
BMO S&P US Mid Cap Index ETF	BMO	February 11, 2020	ZMID
BMO S&P US Small Cap Index ETF	BMO	February 11, 2020	ZSML
BMO Balanced ESG ETF	BMO	January 21, 2020	ZESG
BMO ESG Corporate Bond Index ETF	BMO	January 21, 2020	ESGB
BMO ESG US Corporate Bond Hedged to CAD Index ETF	BMO	January 21, 2020	ESGF
BMO Global High Dividend Covered Call ETF	BMO	January 21, 2020	ZWG
BMO MSCI Canada ESG Leaders Index ETF	BMO	January 21, 2020	ESGA
BMO MSCI EAFE ESG Leaders Index ETF	BMO	January 21, 2020	ESGE
BMO MSCI Global ESG Leader Index ETF	BMO	January 21, 2020	ESGG
BMO MSCI USA ESG Leaders Index ETF	BMO	January 21, 2020	ESGY
BMO Premium Yield ETF	BMO	January 21, 2020	ZPAY
Caldwell U.S. Dividend Advantage Fund ETF	Caldwell Investment	March 16, 2020	UDA
CI Lawrence Park Alternative Investment Grade Credit ETF	CI Funds	January 28, 2020	CRED
CI Marret Alternative Absolute Return Bond ETF	CI Funds	January 28, 2020	CMAR
CI Munro Alternative Global Growth ETF	CI Funds	January 28, 2020	CMAG
CIBC Flexible Yield ETF (CAD-Hedged)	CIBC	January 27, 2020	CFLX
Fidelity Canadian Monthly High Income ETF	Fidelity	January 22, 2020	FCMI
Fidelity Global Monthly High Income ETF	Fidelity	January 22, 2020	FCGI
First Trust Cboe Vest U.S. Equity Buffer ETF - February	First Trust	February 25, 2020	FEBB.F
First Trust Cboe Vest U.S. Equity Buffer ETF - November	First Trust	February 4, 2020	NOVB.F
Harvest US Investment Grade Bond Plus ETF	Harvest Portfolios	January 15, 2020	HUIB

NAME	Fund Family	Listing Date	Symbol
Horizons Cash Maximizer ETF	Horizons ETF	February 6, 2020	NSAV
Horizons S&P/TSX Capped Composite Index ETF	Horizons ETF	February 6, 2020	HXCN
Horizons US Large Cap Index ETF	Horizons ETF	February 6, 2020	HULC
Invesco S&P 500 ESG Index ETF	Invesco	March 5, 2020	ESG
NBI Global Private Equity ETF	National Bank	March 4, 2020	NGPE
NBI High Yield Bond ETF	National Bank	March 4, 2020	NHYB
NBI Sustainable Canadian Bond ETF	National Bank	March 4, 2020	NSCB
NBI Sustainable Canadian Equity ETF	National Bank	March 4, 2020	NSCE
NBI Sustainable Global Equity ETF	National Bank	March 4, 2020	NSGE
PIMCO Managed Conservative Bond Pool	PIMCO	February 14, 2020	PCON
PIMCO Managed Core Bond Pool	PIMCO	February 14, 2020	PCOR
Russell Investments Fixed Income Pool	Russell Investments	January 22, 2020	RIFI
Russell Investments Global Infrastructure Pool	Russell Investments	January 22, 2020	RIIN
Russell Investments Global Unconstrained Bond Pool	Russell Investments	January 22, 2020	RIGU
Russell Investments Real Assets	Russell Investments	January 22, 2020	RIRA
Dynamic Active Global Infrastructure ETF	Scotia	January 20, 2020	DXN
Dynamic Active International Dividend ETF	Scotia	January 20, 2020	DXW
Vanguard Global Aggregate Bond Index ETF (CAD-hedged)	Vanguard Canada	January 23, 2020	VGAB

For more information:

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