

TSX ETF Report

CELEBRATING 500 ETFs LISTED ON TSX

On March 9, 1990,
TSX listed the
world's first ETF.

TSX reached
100 ETF listings.

On July 5, 2017, First Asset listed the
First Asset U.S. TrendLeaders Index
ETF (TSX: SID). This represented the
500th ETF listed on TSX.

1990

2009

2017

TSX is extremely proud to be home to 23 ETF providers and 500 products. As the ETF space continues to grow, you can continue to look to this quarterly report for all your relevant ETF news, regulatory updates, and upcoming educational events.



500 ETFs LISTED ON TSX

NEW PROVIDERS



Desjardins

Wealth Management

GLOBAL ASSET MANAGEMENT

DESJARDINS GLOBAL ASSET MANAGEMENT

Desjardins Global Asset Management, part of the Desjardins Group, launched their initial suite of seven exchange traded funds (ETFs) on April 3, 2017 and an eighth fund on May 3, 2017.

The ETFs are comprised of three different asset class categories, including the Canadian Fixed Income category comprising of a Universe, Short-Term and 2 laddered strategies, one Government and one Corporate, Canadian Preferred Shares, and Equity funds of the major investment jurisdictions that are based upon indices designed to control volatility using a Multifactor - Multiweighting approach.

EXCEL FUNDS MANAGEMENT INC.

Excel Funds Management Inc. entered the ETF space on May 17, 2017 with 2 innovative ETFs that focus on global asset allocation with different risk profiles.

The Excel ETFs (EXGB, EXGG) combine the use of big data quants and behavioral finance to make asset allocation decisions that are balanced weekly with flexible limits on all asset classes to generate a steady return profile over the long term.

The EXGB ETF is like a hybrid bond which aims to generate stable returns by investing in a combination of bonds and equities. It is designed to provide investors with positive returns and downside protection in different market conditions, making it a suitable alternative to bonds.

The EXGG ETF aims to generate a risk return profile similar to the global balanced funds that are currently the core of a Canadian investor's portfolio.

FRANKLIN TEMPLETON INVESTMENTS

Franklin Templeton announced the launch of two active and two strategic beta ETFs. As a 70 year veteran in active management globally they are bringing that discipline and expertise to the ETF vehicle.

Their launch in Active and Strategic Beta ETFs reflects their ongoing commitment to help investors achieve better outcomes. The Canadian launch follows the launch in the U.S. in 2016 and is part of their global expansion in the Active and Strategic Beta market.

MANULIFE INVESTMENTS

Manulife Investments entered the ETF space on April 17, 2017 with the launch of four multifactor ETFs. The underlying indices that these ETFs are designed to track were developed by Dimensional Fund Advisors Canada ULC ("Dimensional"), a pioneer of multifactor investing, using their time-tested multifactor approach and taking into account efficient implementation of those strategies into indices which could be passively managed, using Dimensional's proprietary Index Memory™ technique. The ETFs cover the Canadian, U.S. and Developed International regions.



EXCEL ETF



**FRANKLIN TEMPLETON
INVESTMENTS**

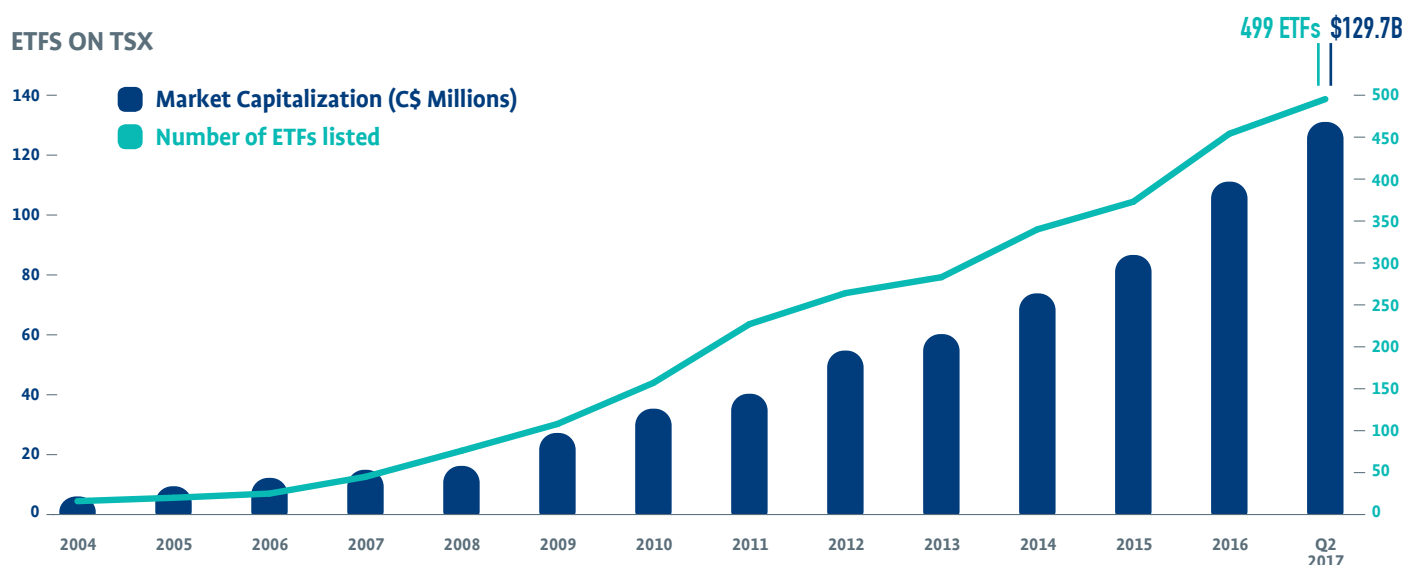


Manulife

Investments

TSX ETF SECTOR OVERVIEW

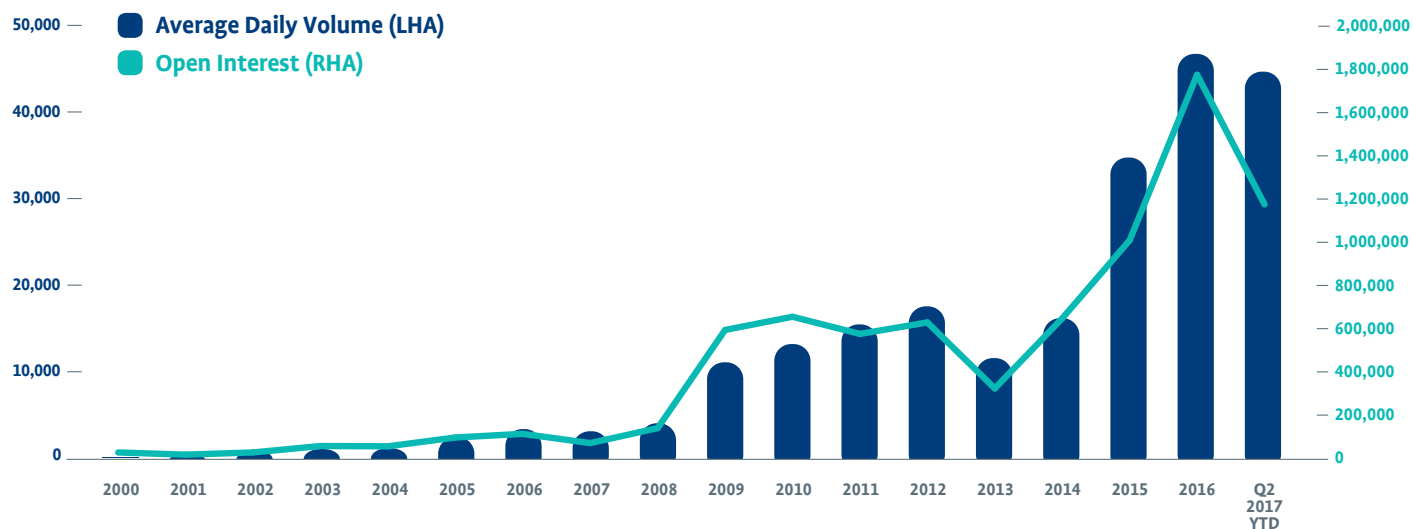
ETFs ON TSX



Source: TSX Market Intelligence Group

MX ETF OPTIONS OVERVIEW

ETF OPTIONS AVERAGE DAILY VOLUME AND OPEN INTEREST



TOP 10 MOST TRADED ETF OPTIONS (VOLUME)

	SYMBOL	JAN	FEB	MAR	APR	MAY	JUN	YTD
iShares S&P/TSX* 60 Index ETF	XIU	734,546	450,950	1,256,277	547,996	563,552	494,182	4,047,503
iShares S&P/TSX* Capped Energy Index ETF	XEG	10,252	20,719	118,880	8,121	223,357	153,552	534,881
iShares S&P/TSX* Global Gold Index ETF	XGD	38,455	20,697	84,308	62,005	20,139	61,618	287,222
BMO S&P/TSX* Equal Weight Banks Index ETF	ZEB	10,171	60,269	47,359	47,736	39,931	53,729	259,195
BMO S&P 500 Index ETF	ZSP	20,114	10,066	55,097	20,054	60,085	40	165,456
BMO S&P/TSX* Capped Composite Index ETF	ZCN	15	65,500	10,035	10,040	22,335	20	107,945
BMO MSCI EAFE Hedged To CAD Index ETF	ZDM	10	10,000	4,045	5,000	19,000	10,010	48,065
BMO Equal Weight Utilities Index ETF	ZUT	6,520	6,061	7,322	1	9,001	2,330	31,235
iShares S&P 500 Index ETF (CAD-Hedged)	XSP	4,006	2,812	7,626	1,476	868	7,994	24,782
BetaPro NYMEX Crude Oil Bull + ETF	HOU	2,880	1,797	4,275	3,268	5,398	5,583	23,201

Source: Montreal Exchange

*The indices noted above are the products of S&P Dow Jones Indices LLC ("SPDJ") and TSX Inc. ("TSX"). Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and TSX® is a registered trademark of TSX. SPDJ, Dow Jones, S&P and TSX do not sponsor, endorse, sell or promote any products based on the above-noted indices and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions or interruptions of the indices listed above or any data related thereto.

ETF FACTS NOW REQUIRED FOR CANADIAN EXCHANGE-TRADED FUNDS



The Canadian Securities Administrators (the CSA) released a rule on December 8, 2016 requiring ETF Facts to be prepared and delivered post-trade. The form of ETF Facts is set out in new Form 41-101F4 Information Required in an ETF Facts Document. The final rule looks much like the one that was proposed in June 2015¹; however, the CSA made some changes in response to comments, which are highlighted below. The rule came into force on March 8, 2017, with a two-year phased-in implementation period for both ETF managers and dealers.

Below is a summary of the new requirements for ETF providers. For a broader overview of the new requirements, please read the the full [BLG report](#).

DELIVERY REQUIREMENT

The new requirements amend the existing regime for buy-side dealer delivery of the summary documents, and explicitly provide that the obligation to deliver a prospectus under securities legislation does not apply in respect of ETFs. Instead, a dealer that receives an order to purchase ETF securities must deliver or send to the purchaser the most recently filed ETF Facts within two days of purchase. Despite receiving comments referring to the costly changes required to accommodate this delivery requirement, the CSA mandated delivery by dealers of the ETF Facts to all purchasers of ETF securities. Accordingly, dealer infrastructure that links delivery of the summary documents to trade confirmations will have to be reconfigured to ensure delivery of ETF Facts to all purchasers of ETF securities.

Finally, while the new rule mandates post-trade delivery of the ETF Facts, the CSA broadly hinted that pre-sale delivery is not off the regulatory drawing board, and that they continue to explore the feasibility of pre-trade delivery for ETF Facts to match the delivery requirements applicable to trades in mutual fund securities.

TRANSITION

The CSA provide for a staged transition of the new rule. Below we have summarized the relevant transition dates for fund managers and dealers:

	SEPTEMBER 1, 2017	NOVEMBER 12, 2018	DECEMBER 10, 2018
MANAGERS	Summary documents can no longer be filed for new or existing ETFs. Managers that file their final renewal prospectus after March 8, 2017 and before September 1, 2017 can choose to transition to ETF Facts in 2017 or wait until the next renewal cycle in 2018.	All existing ETFs must have filed ETF Facts by this date. Managers that did not transition to ETF Facts before September 1, 2017 must do so before November 12, 2018.	N/A
DEALERS		For ETFs that start using ETF Facts, dealers relying on the existing dealer relief ² can start delivering ETF Facts rather than summary documents. Dealers can continue to rely on the dealer relief to send or deliver a summary document or ETF Facts to an investor to whom a trade confirmation is required to be delivered (rather than all purchasers).	Dealers must deliver ETF Facts to all investors.

Please contact BLG's Investment Management practice group, or the authors of this article, if you require assistance in drafting a new form of ETF Facts to use as a template, or if you have any questions on the final rule.

AUTHORS

Carol E. Derk
CDerk@blg.com
416 367-6181

Whitney Bell
WBell@blg.com
416 367-6151

¹ Please see *Marrying the Rules for ETFs and Mutual Funds? Canadian Securities Administrators Propose New "ETF Facts" to be Delivered to Investors Post-Trade*: Investment Management Bulletin, Borden Ladner Gervais LLP, June 2015.

² The original Dealer Relief issued in 2013 was reissued in the fall of 2015, and contemplates that if a manager of an ETF files an ETF Facts, the dealer will use the ETF Facts instead of a summary document to satisfy its obligations under the Dealer Relief.

NEW ETF LISTINGS - Q2 2017

NAME	FUND FAMILY	LISTING DATE	SYMBOL
Desjardins 1-5 year Laddered Canadian Corporate Bond Index ETF	Desjardins	April 3, 2017	DCC
Desjardins 1-5 year Laddered Canadian Government Bond Index ETF	Desjardins	April 3, 2017	DCG
Desjardins Canada Multifactor-Controlled Volatility ETF	Desjardins	April 3, 2017	DFC
Desjardins Canadian Preferred Share Index ETF	Desjardins	April 3, 2017	DCP
Desjardins Canadian Short Term Bond Index ETF	Desjardins	April 3, 2017	DCS
Desjardins Canadian Universe Bond Index ETF	Desjardins	April 3, 2017	DCU
Desjardins USA Multifactor-Controlled Volatility ETF	Desjardins	April 3, 2017	DFU
Horizons Medical Marijuana Life Sciences Index ETF	Horizons ETF	April 5, 2017	HMMJ
BMO Global Consumer Discretionary Hedged to CAD Index ETF	BMO	April 7, 2017	DISC
BMO Global Consumer Staples Hedged to CAD Index ETF	BMO	April 7, 2017	STPL
BMO Global Banks Hedged to CAD Index ETF	BMO	April 7, 2017	BANK
BMO Global Insurance Hedged to CAD Index ETF	BMO	April 7, 2017	INSR
Manulife Multifactor U.S. Large Cap Index ETF	Manulife	April 17, 2017	MULC MULC.B
Manulife Multifactor Canadian Large Cap Index ETF	Manulife	April 17, 2017	MCLC
Manulife Multifactor U.S. Mid Cap Index ETF	Manulife	April 17, 2017	MUMC MUMC.B
Manulife Multifactor Developed International Index ETF	Manulife	April 17, 2017	MINT MINT.B
Desjardins Developed ex-USA ex-Canada Multifactor-Controlled Volatility ETF	Desjardins	May 3, 2017	DFD
RBC Quant Global Real Estate Leaders ETF	RBC ETF	May 9, 2017	RGRE RGRE.U
Excel Global Balanced Asset Allocation ETF	Excel Funds	May 17, 2017	EXGB
Excel Global Growth Asset Allocation ETF	Excel Funds	May 17, 2017	EXGG
Franklin Liberty Canadian Investment Grade Corporate ETF	Franklin Templeton	May 30, 2017	FLCI
Franklin Liberty Risk Managed Canadian Equity ETF	Franklin Templeton	May 30, 2017	FLRM
Franklin LibertyQT International Equity Index ETF	Franklin Templeton	June 5, 2017	FLDM
Franklin LibertyQT U.S. Equity Index ETF	Franklin Templeton	June 5, 2017	FLUS
Purpose Short Duration Tactical Bond Fund	Purpose Investments	June 8, 2017	SBND
iShares Core MSCI Canadian Quality Dividend Index ETF	Blackrock/iShares	June 13, 2017	XDIV
iShares Core MSCI Global Quality Dividend Index ETF	Blackrock/iShares	June 13, 2017	XDG
iShares Core MSCI US Quality Dividend Index ETF	Blackrock/iShares	June 13, 2017	XDU
iShares Core MSCI Global Quality Dividend Index ETF (CAD-Hedged)	Blackrock/iShares	June 16, 2017	XDGH
iShares Core MSCI US Quality Dividend Index ETF (CAD-Hedged)	Blackrock/iShares	June 16, 2017	XDUH
Global REIT Leaders Income ETF	Harvest Portfolios	June 23, 2017	HGR
WisdomTree Yield Enhanced Canada Aggregate Bond Index ETF	WisdomTree	June 26, 2017	CAGG
WisdomTree Yield Enhanced Canada Short-Term Aggregate Bond Index ETF	WisdomTree	June 26, 2017	CAGS



Join us for a local installment of the ETF Exchange, the TSX ETF Lunch and Learn series for Investment Advisors and Portfolio Managers, where you will hear from industry experts who will share their insights on the ETF sector.

OCT 03

VICTORIA, BC
Tuesday, October 3, 2017

→ REGISTER

OCT 04

KELOWNA, BC
Wednesday, October 4, 2017

→ REGISTER

OCT 05

VANCOUVER, BC
Thursday, October 5, 2017

→ REGISTER

NATIONAL SPONSORS



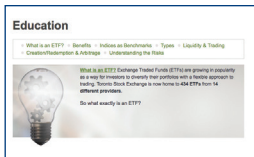
REGIONAL SPONSOR



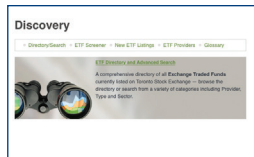
CE Credit: All dates listed are to be confirmed pending approval from IIROC.

LEARN MORE ABOUT ETFs AT:

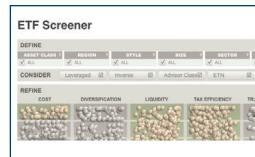
ETF EDUCATION



ETF DISCOVERY



ETF SCREENER



tmx.com/etf

FOR MORE INFORMATION, PLEASE CONTACT:

Dani Lipkin, Head, Business Development, ETFs, CEFs, and Structured Notes, Toronto Stock Exchange

at 416 814-8874 or dani.lipkin@tmx.com

Follow @tsx_tsxv

© 2017 TSX Inc. All rights reserved. Do not sell, reproduce or modify this document without TSX Inc.'s prior written consent. All information as at June 30, 2017. All dollar figures are in CDN funds.

This newsletter is provided for informational purposes only and is not, and should not be construed as, an invitation to purchase or sell any of the securities or ETFs referred to herein. TMX Group and its affiliates do not endorse or recommend any of the referenced ETFs nor should any statement in this newsletter be construed as investment, financial or other advice and should not be relied upon for such advice. Listing on TSX does not guarantee the future performance of an ETF. Please seek professional advice to evaluate specific securities or other contents in this newsletter. The views, opinions and advice provided in this newsletter reflect those of the individual authors/presenters. The presentations/materials are not reviewed or endorsed by TMX Group or its affiliated companies. TMX, the TMX design, TMX Group, Toronto Stock Exchange, and TSX are the trademarks of TSX Inc. All other trademarks used herein are the property of their respective owners.