

Toronto Stock Exchange ETF Report

Putting the Brakes on Volatility

With the world's Central banks' focus on using interest rates to combat headline inflation, Canadians are evaluating the personal impact of rising interest, inflation rates and the effect that the volatility is having on their investment portfolios. According to Statistics Canada, the [May 2022 Canadian consumer price index \(CPI\)](#) increased to 7.7% year over year which is an increase of 0.9% over the April 2022 CPI of 6.8%¹. However it should be noted that while the 0.9% increase is significant, the March 2022 CPI had jumped one full percentage point over the February 2022 CPI making it the largest increase in the Canadian CPI since January 1991¹.

CANADIAN CONSUMER PRICE INDEX

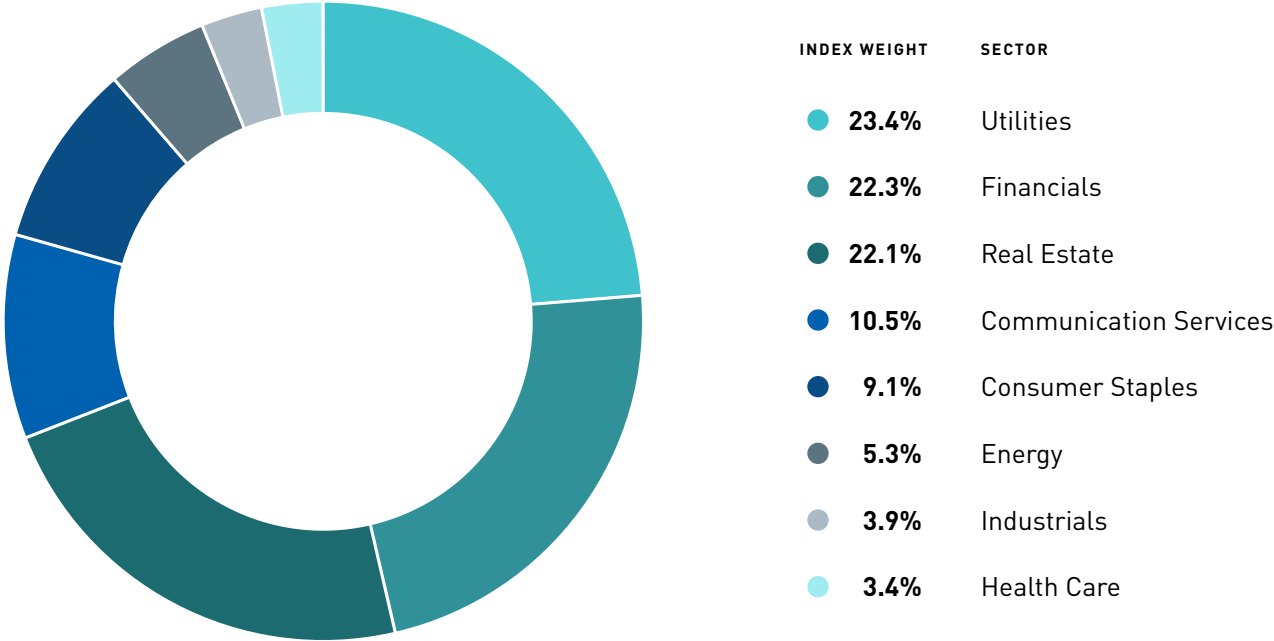
MONTH	CANADIAN CONSUMER PRICE INDEX (CPI)	MONTHLY PERCENTAGE INCREASE OR DECREASE
December 2021	4.8%	+0.1%
January 2022	5.1%	+0.3%
February 2022	5.7%	+0.6%
March 2022	6.7%	+1.0%
April 2022	6.8%	+0.1%
May 2022	7.7%	+0.9%

Source: Statistics Canada, May 2022, <https://www150.statcan.gc.ca/n1/daily-quotidien/220622/dq220622a-eng.htm>

Canadians can certainly wait to see what Statistics Canada discloses as the June and July 2022 CPI values, however they only need to look at their monthly expenses to know that a dollar today has not necessarily been buying them what it used to buy them a year ago. As the Bank of Canada and other central banks are anticipated to continue to aggressively use interest rates to combat inflation, the downstream effect will be added volatility to the market.

Canadian companies are also faced with downward pressure on their performance and earnings. However not all companies are affected equally. For example, the constituent companies on the S&P/TSX Composite Low Volatility Index* are 50 of some of the least volatile stocks within the S&P/TSX Composite Index* (underlying universe index). The S&P/TSX Composite Low Volatility Index includes utilities, financials, real estate, communication services, consumer staples, energy, industrials and health care companies, companies that are typically less affected by volatility in the markets.

SECTOR BREAKDOWN



Source: S&P Dow Jones Indices, June 30, 2022, <https://www.spglobal.com/spdji/en/indices/strategy/sp-tsx-composite-low-volatility-high-dividend-index/#data>

There are many courses of action that investors may take during periods of volatility, from liquidating portfolios to cash or shifting allocations to potentially diversifying in low volatility (or minimum volatility) ETF portfolios. These ETFs typically try to provide market-like returns by combining low volatility stocks, like the ones in the S&P/TSX Composite Low Volatility Index, to help reduce the volatility of portfolios. Ideally a less volatile portfolio, over a longer period of time, has the potential to outperform the market. TSX has 47 different low volatility ETFs listed on its exchange.

TSX LOW VOLATILITY ETFS²

SYMBOL	FUND NAME	TOP SECTOR
ZLB	BMO Low Volatility Canadian Equity ETF	Financial Services
ZLE	BMO Low Volatility Emerging Markets Equity ETF	Financial Services
ZLI	BMO Low Volatility International Equity ETF	Healthcare
ZLD	BMO Low Volatility International Equity Hedged to CAD ETF	Healthcare
ZLU	BMO Low Volatility US Equity ETF	Utilities

ZLU.U	BMO Low Volatility US Equity ETF	Utilities
ZLH	BMO Low Volatility US Equity Hedged to CAD ETF	Utilities
BLOV	Brompton North American Low Volatility Dividend ETF	Consumer Defensive
CDNA	CI Bio-Revolution ETF	Healthcare
DXET	Dynamic Active Energy Evolution ETF	Energy
BANK	Evolve Canadian Banks and Lifecos Enhanced Yield Index Fund	Financial Services
HERO	Evolve E-Gaming Index ETF	Communication Services
EBNK	Evolve European Banks Enhanced Yield ETF	Financial Services
EBNK.B	Evolve European Banks Enhanced Yield ETF	Financial Services
EBNK.U	Evolve European Banks Enhanced Yield ETF	Financial Services
LIFE	Evolve Global Healthcare Enhanced Yield Fund	Consumer Defensive
LIFE.B	Evolve Global Healthcare Enhanced Yield Fund	Consumer Defensive
LIFE.U	Evolve Global Healthcare Enhanced Yield Fund	Consumer Defensive
CALL	Evolve US Banks Enhanced Yield Fund	Financial Services
CALL.B	Evolve US Banks Enhanced Yield Fund	Financial Services
CALL.U	Evolve US Banks Enhanced Yield Fund	Financial Services
FCCL	Fidelity Canadian Low Volatility Index ETF	Financial Services
FCIL	Fidelity International Low Volatility Index ETF	Healthcare
FCLH	Fidelity U.S. Low Volatility Currency Neutral Index ETF	Technology
FCUL	Fidelity U.S. Low Volatility Index ETF	Technology
FCUL.U	Fidelity U.S. Low Volatility Index ETF	Technology
PLV	Invesco Low Volatility Portfolio ETF	Financial Services
ULV.C	Invesco S&P 500 Low Volatility Index ETF	Utilities
ULV.F	Invesco S&P 500 Low Volatility Index ETF	Utilities
ULV.U	Invesco S&P 500 Low Volatility Index ETF	Utilities
ELV	Invesco S&P Emerging Markets Low Volatility Index ETF	Financial Services
ILV	Invesco S&P International Developed Low Volatility Index ETF	Financial Services

ILV.F	Invesco S&P International Developed Low Volatility Index ETF	Financial Services
TLV	Invesco S&P/TSX Composite Low Volatility Index ETF	Real Estate
XMV	iShares MSCI Min Vol Canada Index ETF	Financial Services
XMI	iShares MSCI Min Vol EAFE Index ETF	Healthcare
XML	iShares MSCI Min Vol EAFE Index ETF (CAD-Hedged)	Healthcare
XMM	iShares MSCI Min Vol Emerging Markets Index ETF	Financial Services
XMW	iShares MSCI Min Vol Global Index ETF	Healthcare
XMY	iShares MSCI Min Vol Global Index ETF (CAD-Hedged)	Healthcare
XMU	iShares MSCI Min Vol USA Index ETF	Technology
XMU.U	iShares MSCI Min Vol USA Index ETF	Technology
XMS	iShares MSCI Min Vol USA Index ETF (CAD-Hedged)	Technology
TCLV	TD Q Canadian Low Volatility ETF	Utilities
TILV	TD Q International Low Volatility ETF	Financial Services
TULV	TD Q U.S. Low Volatility ETF	Utilities
VVO	Vanguard Global Minimum Volatility ETF	Healthcare

¹ Source: Statistics Canada, May 2022, <https://www150.statcan.gc.ca/n1/daily-quotidien/220622/dq220622a-eng.htm>

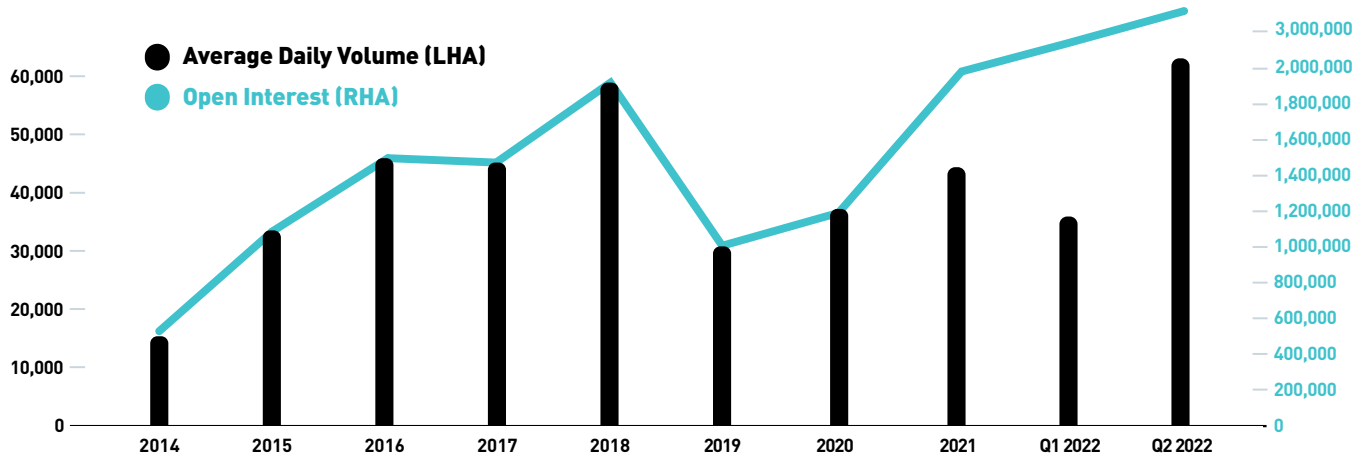
² Source: TSX ETF Investor Centre - June 30, 2022, <https://money.tmx.com/en/etf-centre/>

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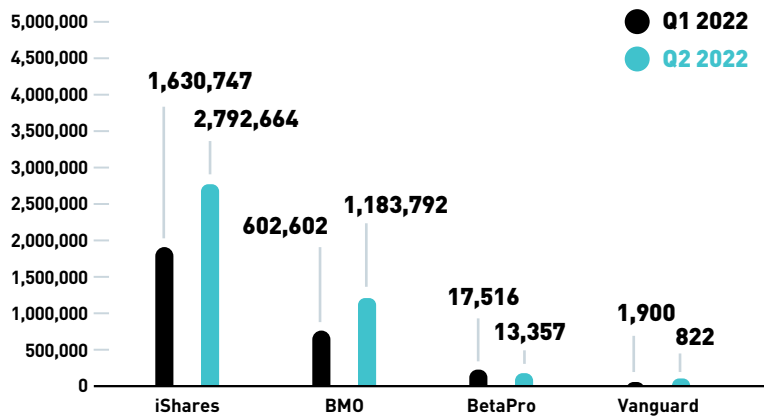
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MX ETF Sector Overview

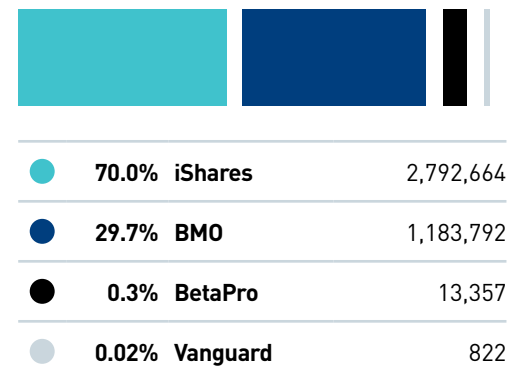
ETF Options Average Daily Volume and Open Interest



2022 Quarterly Volume Evolution per ETF Provider



ETF Options Volume by Provider (Q1 2022)



Top 10 Most Traded ETF Options (Volume)

	Symbol	April	May	June	Total
iShares S&P/TSX 60 Index ETF	XIU	605,239	993,652	876,854	2,475,745
BMO Equal Weight Banks Index ETF	ZEB	221,379	261,740	484,623	967,742
iShares S&P/TSX Capped Energy Index ETF	XEG	102,179	58,807	113,823	274,809
Purpose Bitcoin ETF CAD ETF non-currency hedged units	BTCC	16,856	34,829	54,911	106,596
BMO S&P 500 Index ETF	ZSP	60,989	155	30,146	91,290
BMO S&P/TSX Capped Composite Index ETF	ZCN	30,865	301	35,799	66,965
Purpose Ether ETF	ETHH	6,672	18,711	31,490	56,873
iShares S&P/TSX Global Gold Index ETF	XGD	4,712	825	20,676	26,213
BMO MSCI EAFE Hedged To CAD Index ETF	ZDM	30	20,130	5,083	25,243
BMO Equal Weight Utilities Index ETF	ZUT	10,031	5,036	10,040	25,107

Equity Trading Data

	TMX	NASDAQ	NEO	MATCHNOW	CSE	ICX	LQ	LYNX	OMEGA
2021 Q2	48.36%	26.89%	11.52%	5.86%	2.63%	0.00%	0.00%	0.06%	4.67%
2021 Q3	49.15%	25.94%	11.07%	6.25%	2.17%	0.00%	0.00%	0.07%	5.34%
2021 Q4	49.72%	24.86%	10.51%	6.06%	2.95%	0.00%	0.00%	0.09%	5.80%
2022 Q1	53.49%	23.56%	10.26%	4.93%	2.34%	0.00%	0.00%	0.07%	5.34%
2022 Q2	52.09%	23.49%	9.77%	5.47%	1.88%	0.00%	0.00%	0.21%	7.08%

*continous trading - excluding Intentional Crosses, Odd lots and Auctions

Top Traded Symbols

Symbol	2022 Q2 - Volume
HND	428,828,059
XIU	297,924,599
XEG	233,918,071
HOD	197,077,049
HQD	113,270,829
HQU	89,575,247
ZEB	70,336,080
BTCC.B	65,091,318
HNU	64,084,272
HSD	60,009,220

Symbol	2022 Q2 - Value
XIU	\$9,250,970,696
XEG	\$3,713,499,073
HXT	\$2,730,834,781
ZEB	\$2,607,454,049
HNU	\$1,877,845,357
XSP	\$1,563,546,546
XIC	\$1,550,378,913
HND	\$1,362,423,456
VFV	\$1,212,254,355
HOU	\$1,180,253,699

Note: Including Auctions, Odd Lots, Intentional Crosses - Alpha and TSX

Top Traded Fund Families

Fund Family	2022 Q2 - Volume
Horizons ETFs	1,434,066,620
RBC iShares	954,123,087
BMO ETF	325,952,041
Purpose Investments	188,467,394
CI Global Asset Management	144,228,552
Vanguard Canada	110,329,997
Harvest ETFs	50,546,758
Evolve ETFs	30,695,574
Hamilton ETFs	23,451,399
TD ETFs	18,876,361

Fund Family	2022 Q2 - Value
RBC iShares	\$25,429,463,452
Horizons ETFs	\$15,931,857,724
BMO ETF	\$9,379,050,311
Vanguard Canada	\$4,963,165,160
CI Global Asset Management	\$1,531,914,085
Purpose Investments	\$1,437,374,891
Mackenzie Investments	\$576,537,339
Invesco Canada	\$521,082,268
Harvest ETFs	\$491,168,888
Evolve ETFs	\$422,979,723

Note: Including Auctions, Odd Lots, Intentional Crosses - Alpha and TSX

NAME	Fund Family	Listing Date	Symbol
CI Floating Rate Income Fund	CI GAM	April 18, 2022	CFRT
CI Galaxy Blockchain ETF	CI GAM	May 03, 2022	CBCX
CI Galaxy Metaverse ETF	CI GAM	May 03, 2022	CMVX
CI Global High Yield Credit Private Pool	CI GAM	April 07, 2022	CGHY CGHY.U
Harvest Canadian Equity Income Leaders ETF	Harvest Portfolios	June 13, 2022	HLIF
Horizons Copper Producers Index ETF	Horizons ETF	May 17, 2022	COPP
iShares Cybersecurity and Tech Index ETF	BlackRock/iShares	May 02, 2022	XHAK
iShares Exponential Technologies Index ETF	BlackRock/iShares	May 02, 2022	XEXP
iShares Genomics Immunology and Healthcare Index ETF	BlackRock/iShares	May 02, 2022	XDNA
iShares Global Clean Energy Index ETF	BlackRock/iShares	May 02, 2022	XCLN
Picton Mahoney Fortified Alpha Alternative Fund	Picton Mahoney	May 09, 2022	PFAA

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