

CANADIAN

VOL 2 ISSUE 4 JULY 2011

# ETF Watch

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## *The* Evolution of ETF Construction

- Exchange Traded Forum 2011  
Toronto Review
- Canada's ETF Providers  
Announce Creation of the  
Canadian ETF Association
- What's in Your 40?  
Tactical Allocations with  
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- Tasting Alpha
- Temporary Dip, or  
Rebel Without A Pause
- Weakness May Present  
Buying Opportunities
- Can ETFs Blow Up? No

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Investors ploughed over \$13 billion into ETFs last month in a broad move into most asset classes. Gold funds in particular shined amid a slowing economy and a rancorous debate in Washington, D.C. over the U.S. debt ceiling. Assets rose just under 1 percent to \$1.108 trillion, as inflows offset sliding stock prices.

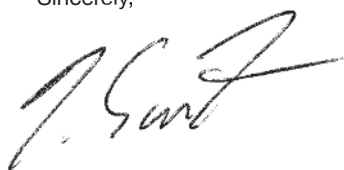
Money flowed into equities, fixed income and commodities, in both the U.S. and Canada as well as internationally, with only leverage, inverse and alternative ETF categories recording outflows, according to data compiled by IndexUniverse.

IndexUniverse July 2011 ETF Fund Flow data highlights include:

- ETF inflows topped \$13 billion in July, with gold funds, in particular, shining brightly amid all the market turmoil last month
- The net inflows were enough to offset declines in stock prices, with total assets in U.S.-listed ETFs rising a bit less than 1 percent to \$1.108 trillion
- Including the \$58 million in inflows in the first half of 2011, year-to-date ETF inflows topped \$73 billion
- Together the world's two biggest physical gold ETFs hauled in a total of \$3.48 billion
- Of those gold bullion ETFs, the SPDR Gold Shares (NYSEArca: GLD) raked in \$2.85 billion and the iShares Gold Trust (NYSEArca: IAU) pulled in \$631.6 million
- The single most popular fund was the SPDR S&P 500 ETF (NYSEArca: SPY), which collected \$3.27 billion in new assets
- Junk bond ETFs also came back into favor in July, after spooked investors began dumping them in June
- The iShares iBoxx \$ High Yield Corporate Bond Fund (NYSEArca: HYG) gathered \$506.3 million, while the SPDR Barclays Capital High Yield Bond ETF (NYSEArca: JNK) added \$407.6 in new assets
- Fueled by new money pouring into SPY and GLD, State Street Global Advisors led all other ETF issuers in asset gathering with \$5.80 billion

Again, we would like to thank our readers and authors for their continued support. We hope you enjoy **Canadian ETF Watch Volume 2, Issue 4**.

Sincerely,



**Tony Sanfelice**, President  
Radius Financial Education



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# Types of ETFs

*There are a variety of **Exchange Traded Funds (ETFs)** that provide investors an opportunity to develop a diversified investment portfolio. ETF sponsors are constantly adding to the types of ETFs available, providing investors with more choice. Many ETFs track the performance of an underlying index or benchmark. The underlying index or benchmark may be broad, or sector-specific, or be linked to commodities or currencies. ETFs have evolved, however, to include those that do not passively track an underlying index or benchmark.*

ETFs can be grouped into different categories, which may include:

## Index ETFs

ETFs that use an index tracking approach generally follow a pre-selected index, called a benchmark, and the return on the ETF will closely correlate with that of the underlying index. Index ETFs follow a variety of indices, including the broad market (both Canadian and international), sectors such as infrastructure or health care, and commodities (including natural gas, oil and gold), as well as indices that offer exposure to dividends or fixed income. The weightings used in the underlying index could be based on market capitalization of the constituents or on fundamental factors such as financial criteria. Index ETFs may also follow indices that adhere to a certain investment style, such as value or growth.

## Inverse and Leveraged ETFs

Inverse ETFs are designed to seek daily investment results that correspond to the inverse daily performance of their underlying index or benchmark. To meet their investment objectives, inverse ETFs use a variety of derivatives such as futures contracts and index swaps to reproduce a daily result that is the opposite of the underlying index or benchmark; so, when the index or benchmark goes down in value on a given day, the inverse ETF will correspondingly go up in value for that given day. Conversely, when the index or benchmark goes up in value, the inverse ETF will correspondingly go down in value. Investing in these ETFs is similar to holding short positions, or using a combination of advanced investment strategies to profit from declining prices.

Leveraged ETFs are designed to seek daily investment results to provide a multiple of the daily performance return of an underlying index or benchmark (for example, 200% the return). They are not intended to provide that same multiple of the return over the mid or long term. Investors should be aware that, while leveraged ETFs typically achieve their stated objective of a multiple of the daily performance of an underlying index on a daily basis, their returns can vary considerably from that stated objective if held for a period longer than one day. Note that some leveraged ETFs are also inverse, in that they track the opposite of the return of an underlying benchmark.

To meet their investment objectives, leveraged ETFs use a variety of derivatives such as futures contracts and index swaps to provide a multiple of the market exposure of the stocks in the fund. Leveraging increases the risk of the investment in such an ETF, in that losses will be magnified by that same multiple.

Inverse and leveraged ETFs are generally intended for use in daily or short-term trading strategies, and are not intended for investors who are looking to hold positions in a security beyond the short-term. Over time, a leveraged fund can drift from its benchmark due to the effects

of compounding, especially during periods of market volatility. Therefore, the return on these ETFs for periods longer than a single day will not correlate with the return of the underlying benchmark. Accordingly, significantly more risk is involved in these types of ETFs than in index ETFs.

It is important that investors clearly understand the nature and risks of any ETF prior to investing.

## Commodity ETFs

Commodity ETFs provide exposure to commodities such as energy (e.g., natural gas or oil), precious metals (e.g., gold, silver or platinum), or livestock and grains, either by (i) holding the physical commodity directly, (ii) tracking the performance of the spot market price through physical forward contracts, or (iii) investing in or tracking the performance of commodity futures contracts. ETFs that hold the physical commodity provide exposure to the spot price of the commodity without the trouble of storing the commodity. ETFs that hold futures provide exposure to futures without the trouble of rolling them over. Most commodity indices are futures price indices, reflecting a change in the price of commodity futures, not in the commodity price.

## Currency ETFs

Currency ETFs provide exposure to currencies and can also hold either the actual currency or futures contracts. Some are designed to be long or short on one currency against others; some are designed to hold a mix of long and short futures positions among several currencies.

## Actively Managed ETFs

Index ETFs are generally designed around a passive strategy and therefore typically have lower management fees. Some ETF providers offer actively managed ETFs that operate more closely to the concept of a mutual fund. These ETFs have an active manager making investment decisions, often with the objective of outperforming rather than tracking a particular benchmark index, but usually with lower management fees than a traditional mutual fund.

## Exchange Traded Notes (ETNs)

Exchange traded notes are debt obligations of the issuer and trade like ETFs. They do not guarantee any return of principal at maturity and do not pay any interest during their term. While they exhibit no tracking error in that their return at maturity is linked to the return of the underlying index (minus expenses), they do exhibit credit risk linked to the issuer. ETNs offer long and short or inverse exposure to commodities and currencies as well as leveraged exposure.

Source: [tmxmoney.com](http://tmxmoney.com)



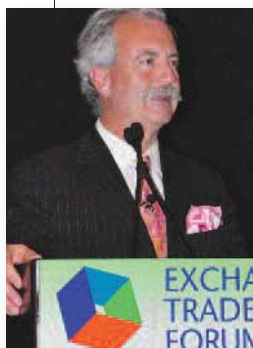
# EXCHANGE TRADED FORUM 2011

May 10<sup>th</sup> & May 11<sup>th</sup>, 2011

WESTIN HARBOUR CASTLE - TORONTO



More than 400 attendees energized the conference centre at the Westin Harbour Castle in Toronto on May 10 & 11, for the second annual **Exchange Traded Forum**.



**Moderator,  
Pat Bolland**

By Diana Cawfield, *Radius Financial Education*

*The **Exchange Traded Forum** initiative was created and launched by **Radius Financial Education (RFE)** to enhance the education and communication of exchange traded products. The target audience comprised of investment professionals looking to further their knowledge in this rapidly expanding and changing market. The forum brought together North America's leading thinkers from academia, journalism, regulatory bodies and investment firms, to freely exchange ideas and opinions to benefit investment professionals and ultimately their clients.*

The panel discussions, presented in a comfortable, easy-chair format, provided a wealth of information, lively discussions and thought-provoking viewpoints.

As one advisor attending the forum aptly said, "You can tell by the turnout just how much interest there is in this area."

A special thanks goes to our corporate partners, including iShares, BMO Financial Group, Horizons ETFs, Vanguard, CIBC Mellon, Claymore ETFs, National Bank Financial, Barclays Capital, CanadaClaims Management, S&P Indices, TMX Group, Investment Executive and KPMG.

The agenda began with opening remarks from moderator **Pat Bolland**, Senior Counsel, Veritas Communications. Pat, formerly from BNN, drew on his engaging and astute skills, stimulating additional questions and discussions during the two-day event.

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A PRESENTATION OF





Kick-starting the agenda, **Trevor Cummings**, Vice President, iShares, BlackRock Asset Management Canada, shared his hands-on insights on *ETF: State of the Nations*. Citing the “exponential growth taking place in ETFs today,” totalling \$40 billion in assets in Canada, he gave a clear and compelling perspective on the increasing popularity and advantages of these products.

During the panel discussion on *Global Economic Update & Forecast for 2012*, **Warren Jestin**, Chief Economist, Scotia Capital, explored the broad and changing global landscape on the road to recovery. “Emerging markets are underpinning the recovery and increasingly driving financial market trends and commodity markets.” **Benjamin Tal**, Deputy Chief Economist, CIBC World Markets, sees no quick recovery in the U.S. housing market – but “there’s been a renaissance in the manufacturing sector in the U.S. – and markets will continue to expand in China and emerging markets.”

The panel discussion on *Index Investing* addressed the many aspects and choices available today and their role in portfolios. The many benefits included cost-efficiency and transparency, but “all ETFs are not equal,” says **Som Seif**, President and CEO, Claymore Investments. With just shy of 200 ETFs in Canada now, **Oliver McMahon**, Director, Head of Product iShares Canada, BlackRock Asset Management, stressed, “it’s key to understand the product that you’re investing in.” It’s important to factor in liquidity and weightings, such as large caps vs. small caps, says **David Blitzler**, Ph.D., Managing Director and Chairman of the S&P Index Committee, S&P Indices.

*Discussions from Top Practitioners* on how to use ETFs as a practitioner, emphasized choosing the right ETF product to maximize a portfolio and fit the risk tolerance of clients. Long-term performance entails exposure to asset classes, rebalancing, and choosing a selective number of ETFs. “Advisor’s must do their due diligence for clients, to understand and know what’s in the ETF,” says **Mark Yamada**, President & CEO, PUR Investing.

**Jaime Purvis**, Executive Vice President, Horizons Exchange Trade Funds, gave a comprehensive presentation on *Advanced ETF Strategies*. Along with ways to use leveraged and inverse products, Jaime spoke on what could be the “next evolution in ETF investing” – active management – which is largely in the U.S. to date.

A duo panel discussion on *Exchange Traded Portfolio Construction* expanded on the importance of asset allocation and diversification to protect capital. **Pat Chiefalo**, Director, Derivatives & Structured Products, National Bank Financial Markets, and **Ioulia Tretiakova**, Director of Quantitative Strategies, PUR Investing, provided valuable insights and examples of ways to create efficient, cost-efficient, client-focused portfolios.

The panel discussion, *Millions of Dollars are Unclaimed from Securities – Class Action Settlements by Institutional Investors!!!* was presented by **Jonathane Ricci**, Barrister, Solicitor & Foreign Legal Consultant and **Paul Battaglia**, Managing Director, both with Canada Claims Management. Canadian securities class actions now represent approximately \$15.9 billion in outstanding claims, and each year millions of dollars are unclaimed. The discussion included why advisors do not and should not typically perform class action claim filing services, and whether legislation is the answer.

The presentation, *Beyond our Borders – What in the World is Going On?* held the audience’s full attention. **Alex Jurshevski**, founder, Recovery Partners, emphasized the need for a “major fiscal retooling in the U.S. – or there will be a crash,” while considering the Canadian dollar as having a safe haven. Alex also provided a cautionary perspective on investing in China.

When it comes to *ETFs: Are They Being used Effectively in a Portfolio*, five panellists shared their views on the many choices and factors that go into building an effective portfolio strategy for clients, that starts with asset allocation.



Continued on page 8

On *Evolutions and Revolutions in Canada's Capital Markets*, **Kevan Cowan**, President, TSX Markets and Group Head of Equities, offered his view on the pace of change in Canada "at the speed of revolution." On the issue of consolidation, that "is shaping the industry," and the proposed UK merge, "we're convinced that pooling our assets will maximize liquidity and opportunities." The discussion sparked lively audience participation.

We finished day one with an animated networking reception that brought together peers and friends after a stimulating day of learning.

Day two proved as action packed and informative. The panel discussion on the *Risks & Regulatory Impact on ETPs*, offered positive viewpoints on the regulatory standards in Canada, but also shared concerns about the growing number of ETFs that has created some confusion. Collectively, the participants stressed the need for adequate education by both advisors and investors on the products that they're buying.

The panel discussion on *Trading Execution* and standards, provided insightful information on trading ETFs, discussing factors such as liquidity and pricing efficiency. **Andrew McOrmond**, Managing Director, WallachBeth Capital LLC, captivated the audience by going "live to Scotty" at a U.S. trading desk, to illustrate an ETF trade execution.

The *Fixed Income* panel of four participants discussed the broad scope of ETF choices across the bond spectrum, along with highlighting the transparency aspect and the risk management factor of essentially 'buying a basket of bonds.'

**Howard Atkinson**, CFA, President, Horizons Exchange Traded Funds, discussed *What's in Your ETF* and investment strategies of ETFs "as a portfolio management tool and good long-term vehicle."

**Jonathan Lemco**, Ph.D., Principal and Senior Analyst, Vanguard, provided insightful presentation slides on *Analyzing Global Developments for Investors*. Sharing many macro views, Jonathan "is not bearish on the U.S.," thinks that emerging markets, lead by Asia, are driving global growth, and is uncertain about the future for the euro zone.



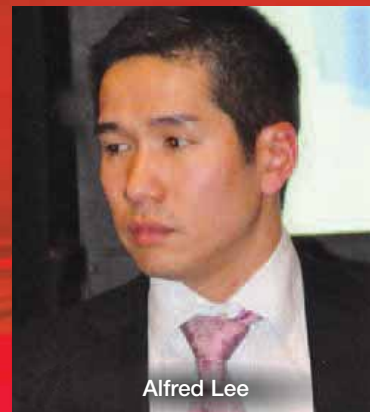
Kevan Cowan



Warren Jestin



Jonathan Lemco



Alfred Lee



David Blitzer



Oliver McMahon



Kevin Gopaul



Som Seif



Som Seif



Neil Bearse



Laslo Kramer, winner of the 47" Sony TV & Judy Street of Radius Financial Education



The sometimes complex world of *Commodities Through ETPs* was discussed by **Jeffrey Logan**, Vice President and Director, Claymore Investments, and **Tim Simard**, Managing Director, National Bank Financial Markets. Using ETFs as a strategy in commodities offers diversification, a good hedge against inflation, and risk reduction – but understand what you invest in!

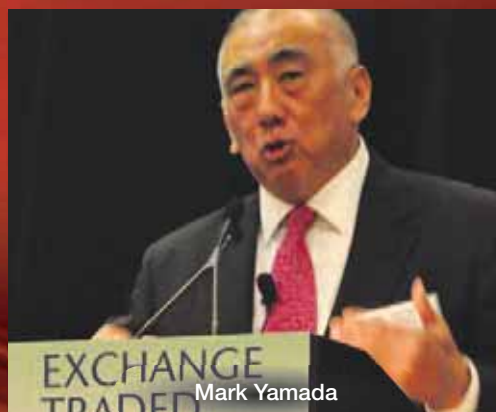
Our keynote speaker, **Richard Jackson**, Director & Senior Fellow, CSIS Global Aging Initiative, discussed *How Global Aging will Reshape the Economy and Financial Markets*. Richard gave a compelling glimpse into the “unprecedented era of hyper aging,” where 27% of the population in Canada in 2050 will be age 65 plus, and discussed the fiscal challenges of “greying means paying.” Among his future forecasts, living standards may slow as the rates of saving and investment decline, while manufacturing and services will accelerate and shift to the needs of the “new silver demographics.”

The last speaker of the day, **Neil Bearse**, Manager, Web-based Marketing, Queen’s School of Business, captivated the audience with *Beyond Friends and Fans: Doing Business on the Social Web*. Consider that at least once per month, 57% of online Canadians participate, either reviewing services or contributing. Using lively video examples, Neil illustrated the power of online sites as marketing tools. When it comes to social media links and the financial industry, “this is a customer services tool, not just a social media tool, so get to know the tools available. Your web site is your restaurant.”

Wrapping up day two, **Radius Financial Education** held a draw for a 47-inch LCD television that was won by **Laslo Kramer**. RFE would like to thank our speakers and sponsors for their invaluable contribution in providing a truly educational event. We would also like to thank everyone who completed an evaluation form. Those comments are essential for planning our upcoming events. [E](#)



Richard Jackson



Mark Yamada



Jaime Purvis



Margaret Gunawan

James Loewen

Ian Merrill

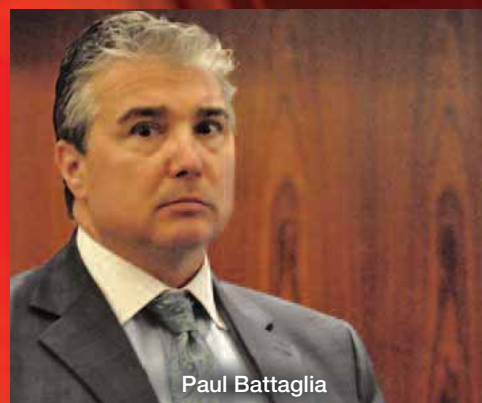
Steve Cook



Andrew McOrmond



Benjamin Tal



Paul Battaglia



# Canada's ETF Providers Announce Creation of the Canadian ETF Association



**New organization will help raise awareness of \$40 billion Canadian ETF industry through education and outreach to private and public sector stakeholders.**



**Howard Atkinson**  
*President,  
Horizons Exchange  
Traded Funds Inc.,  
& Chairman, CETFA*

**Who were the founding members of the Canadian ETF Association (CETFA)? Where did the idea originate from and are there similar organizations in other countries?**

The founding members are BMO ETFs, Claymore Investments and Horizons Exchange Traded Funds. The decision to launch CETFA was the culmination of a number of meetings held between the senior members of each respective firm where we discussed the creation of an ETF industry group that would be able to address industry-wide issues that affect all Canadian ETF providers and have broad implications for all ETF investors.

ETFs have had a phenomenal pace of growth, but it's an industry in its infancy when you compare the size of the ETF industry and its broader influence to other spheres of investment management, such as the mutual fund industry, which is more than 10 times the size of the ETF industry and has a much greater ability to influence investment discourse in Canada, due to its depth of resources.

It can be a daunting task for one ETF provider on its own to champion the merits of ETFs to Canadian investors. Collectively, we have real strength, and of course we all want to champion the merits of ETFs, so it has been a natural and relatively easy process thus far to work together on shared goals.

## CETFA

**How will the CETFA be structured? Is it a non-profit association? Will there be a board of directors? Who will be the initial chairman?**

This is a completely non-profit group in so much as the organization itself will not seek to be profitable. Of course, if successful, more Canadian investors will become familiar with ETFs and their numerous benefits, which should enhance the profitability of the member firms.

The organization is egalitarian, each member firm, regardless of asset-size will have a managing director representing their firm. Each managing director has an equal role in determining the direction of the organization. There will be a chair selected from amongst the managing directors who will serve an as of yet undetermined term length.

The primary role of the Chair will be to serve as a spokesperson for the organization. They will be able to publicly speak on behalf of CETFA and will take a leadership role in building consensus amongst the managing directors. It has been determined that the first chair will be Howard Atkinson, the president of Horizons Exchange Traded Funds.

**What is the main focus of the CETFA? What does it support and what are its short term (1 year) and longer term (3 years) goals and objectives?**

There are two primary goals for CETFA initially. The first is to create more awareness about exchange traded funds and to provide greater depth of education to investors about their usage.

The second goal would be to deal with industry specific issues, whether they are regulatory or structural, that affect all member firms. CETFA can take an activist role on behalf of all ETF providers to improve industry practices and defend the positions of member firms.

As of yet, no timeline has been set for any of these goals. Once the organization is more fully-formed and the infrastructure is put in place specific initiatives will be established.

**Who can join the CETFA? Will members be individuals or firms? What will be the costs associated with membership?**

As previously stated, each membership will be determined by firm. The organization will be open to new members. We haven't fully formed the selection criteria yet, but they would definitely have to be involved in the development and distribution of ETFs.

That said, there are a number of people who are important voices in the ETF industry who are not affiliated with ETF providers, such as investment managers, analysts and advisors. We are hoping CETFA will be able to work in partnership with these people to help build a better ETF industry.

Costs for membership have not yet been determined. The organization will need some financial resources, to build out educational programs, a website, as well as marketing and public relations initiatives. Most of the member firms already have in-house expertise in many of these areas, so true to the form of being providers of low-cost investment solutions, we expect to keep the costs low and utilize voluntary resources where we can. ETF people are pretty committed bunch, so we're confident that finding volunteers will not be too difficult.

**How does CETFA plan to maintain its independence and unbiased in order to effectively promote the ETF industry in Canada?**

This will be an arm's length organization run independently from its member firms. It certainly is not without bias. Our core mandates include the promotion of ETFs and representing the interest of ETF providers. We're going to push that agenda hard. However, we will do this with the utmost respect for transparency and a commitment to balanced investor education. We only want to increase ETF usage, if we can show investors why they should be using ETFs and how to appropriately use them. In our view it's in the interest of the entire investment community to have informed investors. We're confident enough in the merits of ETF investing that informed investors will choose ETFs when they are in fact the right tool for their portfolio.

**What is the current size of the ETF market in Canada? What can we expect the market to reach in 1 year? 3 years? 5 years?**

According to Investor Economics, the current size of the ETF market is approximately \$41 billion. It has grown at an annual rate of about 27% a year – mainly from net sales – over the last five years. We would expect that pace of growth to continue. I don't think it's out of the realm of possibility to see ETF assets double within the next three or four years if this pace of growth continues. Keep in mind that at \$100 billion, ETF assets would still only be one seventh of the current assets in mutual funds. Since the breadth of the ETF market now allows them to be used as an alternative to almost every mutual fund mandate out there, it's clear to see the asset size of the ETF industry is nowhere near its potential.

**Where do you see most of the growth coming from for ETF's in Canada? Institutional, Portfolio Managers, Advisors, or individual investors?**

All of them. Right across the board we're seeing greater uptake from each distribution channel. Direct investors and institutional investors were early adopters of ETF investing. We're seeing increased usage now amongst advisors and portfolio managers as well. I don't think one market is going to be more dominant than the other.

The only caveat is that the advisor channel dominates retail distribution, so in order to have greater ETF penetration with end-investors we'll need to see a greater uptake amongst advisors. We're already seeing that channel pick up and it is being helped by a movement towards fee-based advising.

**In your opinion what impact will the growth of the ETF market in Canada have on other areas of investments? Mutual Funds? Hedge Funds? Stock markets?**

Here's the thing. Any mutual fund or hedge fund in Canada could potentially be an ETF, they're both governed under the same regulations. The ETF is just a structure. It's like asking whether the MP3 was a threat to the music making business. It certainly is to those who wanted to overcharge for music and rely on CD sales. People still make music and can buy much of what I like to listen to on iTunes or another online music provider for a fraction of what it costs to buy on CD.

If you charge a high-management fee and don't deliver returns to necessitate that fee, you're days are numbered in this business. The low-cost nature of ETFs is allowing them to outperform a huge number of more expensive mutual fund mandates. Investors are getting wise to this. I could see many high-quality investment managers eventually migrating to the ETF platform. We're already seeing that in the United States.

**Please elaborate on the monthly reporting and content will CETFA be providing? Will it be available to everyone? Will it be available via website, digital and hard copy?**

It's too early to say at this point. We haven't fully established what we will report and how frequently we will report those statistics.

**A major challenge for financial professionals is satisfying the expectations of a more educated and demanding client base? How will the CETFA educate and support the advisor community in Canada?**

One thing the mutual fund industry does very well is support advisors. They give them investment ideas, help them create portfolio solutions for end-clients, even support them in business building initiatives that have nothing to do with investing. The ETF industry can do that and more. The vast majority of advisors are committed to delivering quality advice to clients, we can play a role in helping them do that. It's not even a hard proposition at this point, use an ETF and cut your client's portfolio cost in half and get better performance.

One challenge is compensation. Advisors have recognized the value of ETFs, but have had barriers to transitioning their business to use ETFs. I think even that barrier is coming down albeit slowly.

Ultimately, I see ETF providers and CETFA playing a really important role in generating ideas for advisors and offering them support tools to help advisors help clients become more familiar with ETFs and how to appropriately use them in a comprehensive investment plan.

**When is the first publication?**

Not yet determined, but we are aiming for something this fall. [E](#)

*Howard Atkinson, President, Horizons Exchange Traded Funds Inc.  
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# CETFA



## In step with market needs

At KPMG, we understand the asset management industry.

Our integrated teams of Audit, Tax, and Advisory professionals help to provide our clients with an in-depth understanding of the markets in which they operate. Through our varied perspectives, we help our clients navigate the potential challenges and take advantage of new opportunities throughout the fund lifecycle—from value creation to realization.

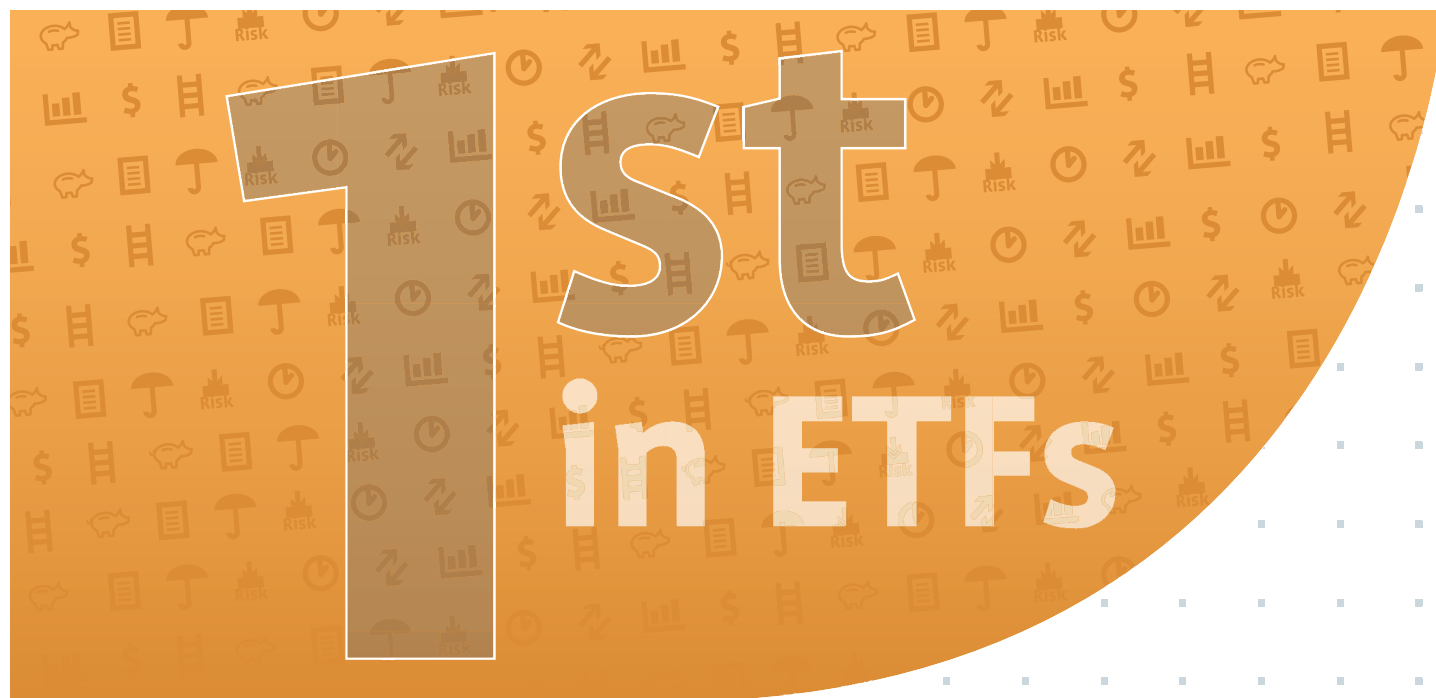
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# The Evolution of ETF Construction



**Most ETFs are linked to traditional capitalization weighted benchmarks that gauge the performance of equity, fixed income, commodity and other markets.**



**Michael Cooke**  
Head of Distribution  
PowerShares Canada  
Invesco

*These indices are useful proxies for the performance of different markets but they weren't necessarily designed to be investments themselves. However, as investors became increasingly aware of the benefits of passive management, benchmark indices gained acceptance as a lower risk solution. While traditional market-capitalization weighted indices are good proxies for overall market performance, they remained flawed as investment strategies.*

Market capitalization-based indices that weight an index by price can systematically overweight overvalued securities and underweight undervalued securities. Three-quarters of European institutional investors recently surveyed viewed traditional market capitalization-based equity and corporate bond indices as problematic. [Source: FT.com, May 1, 2011] In their survey responses, these large investors indicated their belief that cap-weighted equity indices overinvest in overpriced stocks, provide poor diversification and suffer from sector and size biases. Fully half of those surveyed have started to use alternatively weighted equity indices. Invesco PowerShares, a leader in alternative indexing solutions, has recognized and addressed the real need for "intelligent indexing" that goes beyond the traditional index-based approach.

Partnering with Invesco PowerShares, PowerShares Canada has developed a number of non-traditional, or “intelligent indexing”, products for the Canadian market that encompass several types of strategies. Intelligent indices are built to enhance index characteristics such as yield, liquidity, dividend stability and credit quality. In addition, the use of liquidity screens can result in more investible universes of securities relative to other indices in the same asset class.

One example of non-traditional indexing is the Research Affiliates Fundamental Index® (RAFI®) methodology. The RAFI methodology uses fundamental measures of company size – sales, cash flow, dividends and book value – to select and weight an index. By breaking the link between price and portfolio weight, the RAFI methodology eliminates the systematic biases experienced by traditional cap-weighted indices, offering investors enhanced risk-return potential. By using a formulaic, rules-based approach, the RAFI methodology also preserves the advantages of passive investing, including diversification, transparency, broad economic representation and low-cost access to securities markets.

The FTSE RAFI® US 1000 Index has established a five-year track record of live returns generating a full 200 basis points of excess annualized returns (5.32% annualized vs. 3.32% for the five years ended May 31, 2011 relative to the S&P 500 Index). [Source: Zephyr as at May 31, 2011; returns are in U.S. dollars.]

The Fundamental Index® methodology has also been applied to fixed income markets. In traditional fixed-income indices, the biggest debtors get the biggest allocations. In contrast, RAFI® Bond indices assign weights based on measures of economic size. The effect is that prudently managed companies – those better positioned to service their debt – receive higher weights than those that have simply issued the largest volume of bonds. The first fixed-income ETF in Canada based on the RAFI® methodology – the PowerShares Fundamental High Yield® Corporate Bond (CAD hedged) ETF (PFH) – started trading on TSX in late June.

Unlike stocks, exchange-traded funds do not have a fixed number of shares outstanding. Market-makers can issue and redeem shares of an ETF via prescribed numbers of units, or “PNUs,” ranging from 50,000 to 250,000 units at any time to alleviate a supply or demand mismatch. As a result, sellers don't necessarily have to be matched with buyers. Shares of the ETF can be redeemed or created to meet demand. Liquidity, or tradability, can also be an important component of intelligent indexing. In particular, ETFs that employ liquidity screens can potentially offer an additional layer of liquidity and enhance the creation/redemption process described above.

Consider the example of the PowerShares Dynamic Food and Beverage ETF (PBJ:NYSE). On May 11, 2011, an institutional investor sought to purchase 650,000 shares of PBJ. But, with an average daily trading volume on the ETF of approximately 199,000 shares, it didn't appear as though there was enough liquidity in this particular ETF to effectively allow for that large share block to go through. That particular institutional trade represented more than three times the average daily volume of the ETF. If it had been a corporate issuer with these volumes rather than an ETF, there might have been concerns about price disruption or delay in getting that large a trade filled.

But, if we look through to the constituent securities in PBJ, a very liquid, high-quality basket comprised of blue chip stocks such as Hershey Co., Coca-Cola Ltd., Kellogg Co. and General Mills Inc., it was very easy for the market-maker to replicate this basket.

As a result, the 650,000 share trade was executed as one block within the posted bid-ask spread. So again, it illustrates how effectively even a large trade can be executed in a relatively illiquid ETF, assuming there is an investible basket of securities. [Source: Bloomberg]

Invesco PowerShares is leading the intelligent ETF revolution. PowerShares was formed in 2003 and acquired by Invesco in September 2006. Invesco PowerShares, as it is now known, has grown into a top-four provider of global exchange-traded products with sponsored assets now approaching US\$67 billion (as at May 31, 2011). Invesco PowerShares is also among the fastest-growing exchange-traded product providers globally, with assets under management up 21%, or US\$12 billion, so far in 2011 alone, and a compound annual growth rate of assets since 2005 of 94% a year (versus only 53% for the industry). There are 168 PowerShares exchange-traded products listed on nine major stock exchanges around the world and owned in 130 countries.

As of June 2011, PowerShares ETFs are now listed on TSX, offering Canadian investors more convenient access to these index-based solutions. Currently there are six TSX-listed PowerShares ETFs, with more anticipated to come:

- 1 PowerShares 1-5 Year Laddered Investment Grade Corporate Bond Index ETF (PSB:TSX)
- 2 PowerShares Ultra DLUX Long-Term Government Bond Index ETF (PGL:TSX)
- 3 PowerShares Fundamental High Yield Corporate Bond (CAD Hedged) Index ETF (PFH:TSX)
- 4 PowerShares Canadian Dividend Index ETF (PDC:TSX)
- 5 PowerShares Preferred Share Index ETF (PPS:TSX)
- 6 PowerShares QQQ (CAD Hedged) Index ETF (QQC:TSX) 

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<sup>i</sup> Units are not individually redeemable and owners of the units may acquire those units from the Funds and tender those units for redemption to the Funds in Prescribed Numbers of Units (PNUs) only, typically consisting of 50,000 shares.

*Michael Cooke, Head of Distribution, PowerShares Canada, Invesco*  
[michael.cooke@invesco.com](mailto:michael.cooke@invesco.com)

“...as investors became increasingly aware of the benefits of passive management, benchmark indices gained acceptance as a lower risk solution.”



# What's in Your 40?

## Tactical Allocations with Fixed Income ETFs



**With the recent sovereign debt troubles surrounding the United States and Europe, fixed income investments have received more attention lately.**



**Mary Anne Wiley**  
Managing Director,  
Head of iShares  
Distribution,  
BlackRock Asset  
Management Canada  
Limited

*In particular, Canada's debt markets have become an attractive haven for local and foreign investors: According to recent data from Statistics Canada, this year foreign investors more than doubled their investment into Canada's debt markets in May from April due to their lower risk. With this trend continuing, it's no wonder that investors are looking for unique ways to invest in fixed income outside of traditional bond markets. They are noting the strategic plays made by institutional investors using fixed income exchange-traded funds (ETFs) to make tactical allocations to specific fixed income sectors.*

The fixed income market in Canada continues to evolve. In 1994, Government of Canada bonds represented 90 per cent of all secondary trading in the Canadian bond market. By 2010, that share had fallen to 78 per cent. Yet according to the Investment Industry Association of Canada (IIAC), secondary trading in real return bonds has increased by 174 per cent and secondary trading in Canadian corporate bonds increased by 366 per cent over that same period. Today's fixed income market contains thriving, diverse sectors allowing investors to enhance portfolio income, manage risk and improve efficiency in ways previously available only to institutional investors.



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Fixed income ETFs have some unique advantages over direct holding of either cash or bonds. They can offer similar advantages as other equities i.e., diversification and liquidity, so investors are able to target fixed income sectors based on market views. This is especially enticing for aggressive investors or long-term investors who cannot accomplish the same results as precisely and efficiently using the underlying over-the-counter (OTC) bond or derivative markets. The instantaneous diversification and liquidity provided by fixed income ETFs make this application relevant even for sophisticated investors who have robust bond trading capabilities. When compared to traditional bond funds, fixed income ETFs allow investors to take a more active approach to managing the fixed income portion of their portfolios and can provide a shorting mechanism to hedge against broader market exposure.

For example, should one sector start to deteriorate – even if only for a short time – an institutional bond manager with a diverse portfolio may not be able to reduce the exposure to that sector without disrupting the marketplace. This is especially true with illiquid bonds, such as emerging market debt. Fixed income ETFs can offer a solution. The manager could short the equivalent ETF while continuing to hold the illiquid bonds. As that sector moved lower, the illiquid bonds would likely suffer, but the offsetting ETF short would likely do well, effectively neutralizing sector exposure using this tactic. The same approach could apply to any number of fixed income portfolios and is not necessarily restricted to large institutional bond portfolios. Retail investors have come to recognize the benefits of employing a similar sophisticated strategy to mitigate any negative outcomes resulting from volatile sector exposures.

The performance of various fixed income sectors can vary widely year-over-year, so picking the right sector can be critical to success. Much like how investors must assess the merits of each security that make up the equity portion of their portfolio based on their risk profile, investment objectives and timeline, the same consideration should be paid to the remaining “40 per cent” of their portfolio, the fixed income portion.

Just as equity markets can be segmented along sector and industry lines, the fixed income market can be divided in a similar fashion. In addition, the fixed income market can be sliced according to credit and maturity exposures. For example, in Canada, the DEX Universe Bond Index can be segmented into both corporate and government sectors. The index can also be segmented by short, mid- and long maturity exposures. Depending on the index, the corresponding ETF would reflect sectors that have their own unique behaviours resulting in significant dispersion of both performance and volatility.

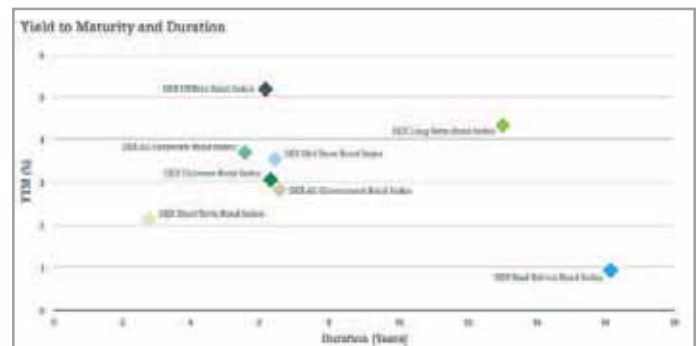
For example, between 2002 and 2005, the DEX Real Return Bond Index enjoyed the best performance ranging in returns from 13.3 to 17.5 per cent. However, this plunged dramatically in 2006 when the DEX Real Return Bond Index suffered its worst performance with a -2.9 per cent return in comparison to other fixed income indexes. By practicing a fixed income sector allocation strategy, ETF investors can better manage volatility due to market movements and easily re-allocate their holdings to sectors that offer better returns.

But as with any investment strategy, risk and return related; the higher the perceived risk, the higher the return demanded by investors. In the fixed income market, the two most important determinants of risk are credit quality and maturity.

Credit quality represents a certain type of risk – the risk that the bond issuer will default on repaying principal or paying interest. Canadian government bonds are backed by the full faith and credit of the respective levels of the Canadian government (federal, provincial or municipal). Corporate bonds, on the other hand, are backed by the strength of the individual corporation that issues them, and thus carry credit risk specific to the issuer. The higher the perceived credit risk of a bond, the greater its yield. In reality, the spread between corporate bonds and Canadian government bonds varies over time,

driven by such factors as economic growth, inflation, government activity and investor sentiment (see figure below). The credit quality spreads indicate how much extra return, via yield, an investor would have for taking on a higher level of credit risk.

Maturity, on the other hand, deals with the date the principal of the fixed income investment comes due and needs to be paid off. When lending out capital to a borrower, the shorter the period of time until the money is returned to the investor, the lower his or her risk. A longer maturity implies greater risk due to increased chances of default and inflation but can potentially deliver greater yield. In reality, the gap between similarly rated bonds of differing maturities varies over time. Maturity spread is influenced by economic factors, investor sentiment and government policy.



Source: BlackRock Asset Management Canada Limited and PC-Bond, a business of TSX Inc. All data is as of June 30, 2011. For the DEX Real Return Bond Index the yield-to-maturity reflects real yield versus nominal yield.

Taking these factors into consideration, the investor can overweight sectors he or she believes will perform better based on market risks while underweighting those he or she believes will decline due to investor sentiment, inflation or a declining economy. Unlike the traditional bond market, which is often neither liquid nor price-transparent, fixed income ETFs allow investors to adjust their exposure to specific sectors easily and at a transparent price.

As with equities, fixed income investments can fluctuate in response to market and economic events. Retail investors, as with their institutional counterparts, are often challenged in maintaining target market exposures in the presence of volatile markets when portfolio weightings may drift. For example, a sudden rally in the equity market, accompanied by a sell-off in bonds can lead to an overweight in equities relative to their investment objectives.

Fixed income ETFs may be used in conjunction with ETFs in other asset classes to provide a liquidity reserve for core investment strategies. This reserve allows investors to quickly and efficiently bring market-driven exposure mismatches back in line by increasing or decreasing ETF holdings.

Each fixed income ETF and the indexes they follow has unique characteristics that determine its performance in a given market environment. Different segments of the bond market will react uniquely to changes in interest rates, economic news and investor sentiment. As with the equity portion of a portfolio, investors are realizing the benefits of using ETFs as tools to make tactical plays on sectors based on market conditions and investment objectives. Investors are increasingly discovering that fixed income ETFs represent a valuable addition to a portfolio and offers the same advantages as any other equity investment. [E](#)

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# Tasting Alpha



## Best Practices for ETF Best Execution: Not Just For Dummies.



Jay Berkman  
Principal,  
JLC Group

*You're a fund manager; you sell a product (some call it a service) that provides a return on capital. Regardless of nomenclature, what you provide is intended to keep your customers coming back every day of the week, every week of the year, for as many years as you're operating your business. Let's call this product "Alpha."*

Many other people are selling Alpha too, albeit under their own brand name, which makes Alpha a commoditized product, and everyone's Alpha is measured according to a numerical "taste" factor.

Note: anybody that's selling Alpha is considered to be a *fiduciary*, which means you have certain ethical obligations to your customers, including but not limited to making sure that your vendors are devoid of any conflicts of interest. You must also abide by an ever-growing list of regulatory requirements imposed by state and federal government agencies.





## Premise #1

The raw ingredients that you and your competitors use to make Alpha are the same (the UPC codes are identical); the difference in taste between your finished products is a function of (3) primary elements\*:

- (i) The cost of acquiring (and disposing of) your raw ingredients ("COAD").
- (ii) Your particular recipe, e.g. plain-tasting stocks, a bouillabaisse of ETFs, or option-centric formulas.
- (iii) Cook time.

*\*Not to be discounted in the course of calculating net Alpha, many chefs also include the cost of operating their "kitchen", which includes overhead, ingredient storage and a variety of administration fees.*

So, here you are, competing every quarter (if not every month) against other "chefs" to deliver the best tasting Alpha, while at the same time, those other chefs are holding out a warm basket of great smelling croissants to lure your customers to their place of business.

## Premise #2

Any chef that's worth his big white hat will agree that after recipe and cook time, the cost of acquiring and disposing of ingredients can be the deciding factor for a great tasting Alpha. That said, let's focus on the where, how, and cost(s) associated with "COAD". Some people call this process 'best execution.'

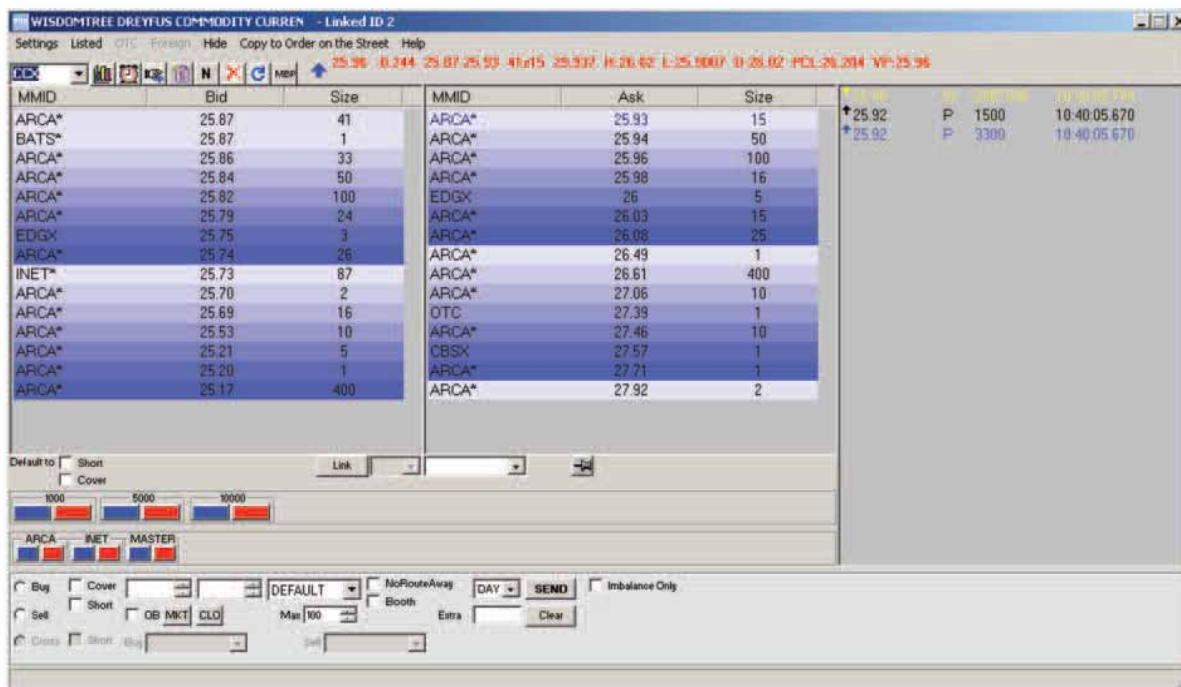
1 However generic the ingredients to Alpha might be, and, as much we'd like to think that 21st century e-commerce technology ensures razor-sharp pricing within "transparent" ingredient e-marketplaces, we all know the price for a case of Coca-Cola at Walmart.com is not the same as the price at Costco.com, no more than the price of a Delta business-class fare between New York and Chicago might be at two competing travel sites that are accessed at the same moment in time. Suffice it to say, other than new-fangled bells and whistles, the ingredients marketplace of today is less-than-transparent, and highly-fragmented; not much different than an old-fashioned spice bazaar.

2 Unless you're one of the few multi-tasking chefs that have the time and resources to "shop" end suppliers, or the kind of chef that's determined to deal directly with one or two end suppliers because they provide you with "free recipe ideas", or throw in a basket of "value-added extras"(without skirting those pesky fiduciary obligations), you're like the vast majority of chefs: you concoct your own recipes, and you outsource ingredient acquisition to professional shoppers ("PROS") to discretely buy the ingredients for you at the most cost efficient price, and necessarily, to help dispose of those ingredients when you've finished using them.

## Premise #3

There are three (3) primary components to COAD:

- i. Transaction fees/commissions. These costs are typically transparent and reasonably competitive. Depending on where you shop, and regardless of whether you transact 50,000 units every month, 500,000 every quarter, or 50 million units every year, your *per unit* transaction cost might be less than a penny, or as much as 3 or 4 cents, if not more. The variance in per unit cost could be a function of the outer box packing material, or those "value-add" products that you get for "free" (e.g. new recipe ideas) from your ingredient supplier.
- ii. "Opportunity Cost." This is *typically higher* than above-noted "per unit transaction cost;" it's the factor by which your end supplier might have been able to sell you ingredients (or buy from you) at a price that's better than advertised in their real-time catalog, or the factor by which your PROS might have been able to negotiate a better price while scouring the marketplace. According to industry expert Andrew McOrmond, Managing Director and co-head the ETF desk at WallachBeth Capital, "...any failure to canvass suppliers properly, coupled with any mistaken nuance when sourcing or negotiating the purchase or sale [of ingredients] could cost you an *additional* three cents, five cents, or maybe even twenty cents per unit. It all depends on the particular ingredient in question, the prevailing bid/offer market, and the skill of your PROS to properly negotiate the price."



Above screen shot illustrates a PROS acquisition of 2,987,000 'units' of a seemingly illiquid 'ingredient', an ETF product that tracks the price of currencies. The 'electronic market' indicated less than 20,000 shares had traded prior to the large block, and less than 15,000 units were offered for sale within ten cents of the 'best price.' The PROS, using a combination of networking tools, sourced and acquired close to 3 million ingredient units from suppliers within the context of the prevailing bid/offer screen-based market, and without disrupting the prevailing market pricing.

Continued on page 20

iii. "Market Impact Cost." This cost is directly related to above (ii); it's the difference between the execution price of the ingredient transaction and the price that would have existed in the absence of a trade. *Market impact costs become particularly noticeable when your recipe calls for anything other than the most popular, actively-shopped ingredients.*

1 If you're bound by some type of agreement to deal with direct end suppliers (who in turn, are in the business of acquiring, disposing or hedging ingredients in the 'wholesale' market in the course of satisfying your "PO's"), they know you're captive to them. This implies they control pricing, not you. This also implies there could be a conflict between what your best interest is (best price) vs. the best interest of your supplier.

2 If you're using a PROS, you'd obviously hope that agent to be discrete, so as not to create a pricing frenzy every time he walks into the bizarre (see above 'market impact' discussion). You'd also like to presume that he's shopping the entire bizarre, including the hidden shops under the tent, as opposed to simply going to the store down the street that provides incentives to PROSs; a practice that's not uncommon in any industry.


Consequently, PROS play a critical role for those working to create the best tasting Alpha. If your PROS sources (or disposes) ingredients at the wrong price, your Alpha will taste less than it could have. And, when your Alpha starts to lose its flavor, that's when your guests will leave your restaurant to source out another chef.

Some chefs are captive to suppliers that offer bulk-rate transaction pricing based on the number of pallets of ingredients that chefs buy or sell, or based on their overall ingredient budget, aka "AUM".

Typically, these suppliers will give "free access" to their super-duper, expert shopper system that allows you to enter orders via their online hub that ostensibly connects you to "great deals." By the way, many of these suppliers aren't really suppliers; they're quasi-PROS who either connect to end suppliers, or to yet other PROS that source ingredients. It's not only the math that's fuzzy in this bizarre market.

For those familiar with Amazon.com, you might know that the "suppliers" pay Amazon a commission every time they do a transaction with an Amazon customer. This means the price on Amazon incorporates a mark-up, as opposed to the price you could have received using a PROS that deals with an end supplier on a direct basis. If you shop frequently on Amazon, it often misses the mark when it comes to the real best prices, which require interrogating multiple, competing sites that are trafficking in those same items. This process is also known as 'price discovery'.

More than a few discerning chefs have figured out the best way to operate the most efficient restaurant; they've weighed the pros, avoided the "cons" and now outsource the ingredient sourcing process to PROS such as WallachBeth Capital and/or other agency-only firms; trading experts that navigate markets with the stealth of top-gun aviators, and otherwise live and breathe to capture the right price, the right way, whenever their chef-clients are entering or exiting any trading position; big or small, simple or complex.

Those on the sell-side of the securities industry are required to follow the "know your customer" rule. Until such time as registered investment advisors, PM's and other fiduciaries are bound by a "know your broker" rule, WallachBeth's Andy McOrmond likens his firm's philosophy to that of retail clothier Sy Syms: "An educated consumer is our best customer." 

Jay Berkman, Principal, JLC Group [jay@jlcgroup.net](mailto:jay@jlcgroup.net)

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# Temporary Dip, or Rebel Without A Pause



**Observation over many years has taught us that the chief losses to investors come from the purchase of low-quality securities at times of favourable business conditions. The purchasers view the current good earnings as equivalent to “earnings power” and assume that prosperity is synonymous with safety.**

Benjamin Graham, *The Intelligent Investor* (fifth edition, 1973)

*Our subject, of course, is not the iconic 1955 American film about emotionally confused and disaffected suburban youth (although there are more investing parallels than one cares to admit). Instead, we are concerned with the recent rebellion by economies to standard post-war monetary prescriptions. Despite record stimulus and interest rates tethered to near-zero, recent growth figures are now showing renewed signs of slowing.*

Indeed, we are again at a critical crossroad. The Fed’s main monetary backstop ended June 30th and the “risk off” trade has gained traction. The S&P 500 has recently closed lower for a record six straight weeks, and, at one point, was down almost 10% from its April high. Powershares’ flagship commodity ETF (NYSE: DBC) has fallen more than 10%. And, the US dollar index – still clinging to the status of global “safe haven” currency – looks to be carving out a bottom.



**Tyler Mordy**  
Director of Research,  
Horizons HAHN  
Investment Stewards  
& Company Inc.



**HORIZONS**  
HAHN INVESTMENT STEWARDS



Is this just a pause in an ongoing bull market, or has the rebound in risk assets since March 2009 run its course? And, are we reading the last rites over the economic expansion that began, as demarcated by the NBER, 24 months ago?

The analytical community is divided on the issue. But a growing consensus believes that a second-half 2011 recovery awaits and the current correction is simply a pause rather than something more protracted.

We are not entirely convinced. Rather, there is mounting evidence that growth – on a global basis – will enter a sustained slowdown over the next few quarters ... very likely into 2012. Admittedly, divining the major inflection points is no easy task. As those labouring in the money management field come to know, cycles begin, and end, unceremoniously. Often, the significance of certain data points and trends is only clear in hindsight. Yet, for tactical macro investors, the turning points are the ones that matter.

**2010 Redux?** Many are drawing a parallel between 2011 and 2010, recalling the temporary soft patch and accompanying market dynamics. Last year, the US economy did enter a short-lived slowdown, prompting the S&P 500 to suffer a 16% setback (*the emerging market broad index was down by 18%*). However, economic growth soon returned and risk assets resumed their upward march.

Now, it is tempting for investors to expect a repeat of last year's experience. After all, "buy the dip" has become today's Pavlovian response to any stock market setback. But the set of circumstances today are markedly different than in 2010, particularly when looking at the wider global economy. Consider some of the key differences:

#### 1 No Double Dipping!

Last summer, Lakshman Achuthan, Chief Economist of the Economic Cycle Research Institute, issued a stern rebuke to the double-dipper camp, who were using ECRI's proprietary indicators to forecast a renewed recession. According to Achuthan, many were misinterpreting their widely followed WLI "weekly leading index" (*which had gone negative*). Historically, a negative WLI reading, on its own, did not signal a recession. Rather, the institute needed to see a "pronounced, pervasive and persistent" decline in the level of the WLI, following a similar decline in their "long leading index" of industrial growth.

Where are we at today? The ECRI's global long-leading indicator topped out earlier this year (importantly, it did so before exogenous events like the Japanese tsunami and Arab Spring), while the WLI has now declined for 9 straight weeks. Indeed, a "pronounced, pervasive and persistent" trend.

#### 2 The Secular Bear Roadmap (or Live Fast, Die Young)

It is no secret that government activism has surged since the onset of the global financial crisis. But, less known, is that deficit-driven economies will experience more frequent bursts and lapses in growth, speeding up the cyclical rhythms compared to "normal" cycles (*recent austerity measures are also accelerating slowing trends*). Why? Because private sector driven expansions produce more organic, sustainable, and longer-lasting recoveries.

Nautilus Capital Research has crunched the numbers on cyclical bulls within secular bears. Looking at 7 cycles since 1907, it turns out that the average duration of the cycle is 26 months with an average S&P 500 increase of 85%. As of last month, we reached month 26 and returned 102% for this cycle (*high set in April*). Last year, we were only 14 months into the cyclical bounce. Taking the view that we have remained in a secular bear since 2000, the current recovery is certainly long in the tooth.

#### 3 Unemployment – A Leading Indicator?

We have long argued that the current economic climate is different primarily because of credit dynamics – the Western private sector faces a longer-running deleveraging period as household balance sheets are repaired (*an ongoing "balance sheet recession"*). Ray Dalio of Bridgewater has theorized – correctly, in our view – that in these post credit-crisis environments, where leverage levels remain dangerously elevated, unemployment figures are likely to be *leading* indicators of the economy (rather than *lagging* indicators, as they have been during normal cycles). The logic is that increases in job losses lead to further mortgage foreclosures and bankruptcies.

Recent employment trends have not been robust. Since March, unemployment claims have trended higher (*429,000 as of last count*), while payroll numbers have not been recovering quickly enough to close the output gap and restore full employment any time soon. During 2010, unemployment claims were trending downward, while payrolls were more robust mid-year.

#### 4 Renewed Credit Stress

While credit strains were mild in mid-2010, there is now mounting evidence of heightening pressures. Euroland's sovereign bond space is clearly the epicentre (*both Spanish and Portuguese cost of borrowing just hit new highs*), but damage is migrating to other credit sectors. For example, during the first half of 2011 the US high yield space yielded just 6.5% (*at that rate, "high yield" was clearly a misnomer*). Since then, however, spreads have again begun widening, backing up about 140 bps since mid-April.<sup>1</sup> Inflows into US high-yield ETFs and funds have also reversed. After record inflows this year, last week saw record net outflows of USD 1.6 billion. The problem, of course, is that when credit markets turn, they don't creep – they gallop, and in unfavourable directions.

#### 5 An Emerging, "Emerging" Slowdown

For many Western consumers, the opiate of near-zero interest rates has lost much of its initial punch. The main issue is that consumers, already loaded with debt, are not choosing to increase their borrowing even though monetary spigots remain wide open. As they say, you can lead a horse to water, but you can't make it drink. Bernanke, not surprisingly, is gnashing his teeth while the office he holds becomes even more impotent.

Meanwhile, in the developing world, policymakers face the opposite problem. While official inflation figures have soared, central banks have responded in force. Brazil's central bank has raised its policy interest rate 4 times this year to 12.25%, while India has increased rates 10 times in the last 16 months to 7.5%. In fact, both yield curves recently inverted (*i.e. longer-dated government yields are now lower than short ones*). In normal environments, monetary policy tightening works with a time lag, so impacts are likely to be felt for the remainder of this year and into 2012. To be sure, an emerging market slowdown has huge implications for the world economy – the majority of world growth originates in these regions (*last year, they accounted for 66% of global growth*). The key point here is that monetary tightening is much more advanced than it was in mid-2010.

**Investment Implications.** What to make of the above? Most still expect that the current soft patch is a transitory phenomenon. In time, that may prove right... but how much time? At this point, the evidence points to a further slowdown... or a much elongated period of slow, slow growth (*what we have call the SSL in the past*) and an attendant adjustment in risk assets.


However, it's important to note that financial markets are not the economy. Of course, there are important linkages that hold over longer periods. But, crucially, markets are forward-looking, quickly discounting the probable future. That means that a persistent slowdown can quickly revise collective expectations and present opportunities earlier than many anticipate.

Continued on page 24

At this stage, global macro ETF investors should consider the following:

- Policy tightening in most emerging markets is at a late stage. Emerging market bonds (NYSE:ELD, ALD) will outperform stocks for now, but remember that most emerging markets remain in secular bull markets and equity markets will recover first. Stay alert to peaking interest rates and be ready to go long the equity complex then.
- Global interest rate expectations will likely downshift further as deceleration in the global economy takes hold. Already, Canada's major banks are ratcheting down their expectations for tighter policy. Messrs. Bernanke and Carney are likely to be on hold for some time yet.
- To date, this US cyclical recovery has set a post-war record. Both stock prices and earnings have soared by close to 100%, while corporate profit margins have gained more than 7% from their Q4 2008 bottom. During the past 40 years, US profit margins have only been higher in 2007 and now stand more than 50% above their long-term average. Given anti-cyclical forces, expect "earnings downgrade" and "margin squeeze" to become popular phrases in some sectors. Continue to overweight defensive companies that have a long history of steady dividends (NYSE: DLN, XLU, XLV).
- Contrary to IEA's and OPEC's forecasts, incremental oil demand is slowing on the back of weaker global growth. The wider set of economically-sensitive commodities face more downward pressure. However, stay long the "monetary" metals – primarily gold – with an overweight in the miners ETF (TSX: XGD). A cyclical commodity downturn is also bullish for import-sensitive non-commodity oriented countries like India.
- While the US dollar remains in a structural bear market, a turning point may have already arrived. Relative to other countries, the US economic slowdown commenced before other countries and austerity is only now gaining support. Both factors are supportive of a counter-trend rally.
- Watch closely the unfolding China slowdown. As capital spending and import demand recede, effects will be felt around the world. Among the major economies, the US is least vulnerable to a Chinese deceleration as its exports to China account for less than 1% of GDP. Germany, Japan, and commodity producers are much more leveraged to China. Stay cautious on these markets.
- It is too early to begin accumulating more risk in globally balanced portfolios. Cyclical and high-beta assets should be avoided for now. However, markets may quickly discount a slower-growth outlook – remain alert to the underlying values this re-pricing will present.

**The Legacy of a Balance Sheet Recession.** The fact that massive fiscal and monetary stimulus has failed to engineer a self-sustaining recovery in the developed world highlights the central challenge of our time – Western economies remain hostage to an ongoing private sector balance sheet recession, relying on government support to drive growth. Over the long term, real recovery will depend on improving fiscal positions and taking some tough medicine – borrowing less, and saving and exporting more. At the same time, countries in the developing world will also need to rebalance, increasing consumption to correct savings and investment imbalances. Putting these prescriptions together, a more balanced global economy should emerge.

But in the short-term, this economic rebel is not likely set for a short pause. Clearly, a continuing downturn will present a most unique challenge in the post-war period. After ultra-low rates, quantitative easing, and unprecedented stimulus, the traditional fiscal and monetary arsenal is empty and policy options are now extremely limited. Expect policymaking to move further into the realm of the unorthodox during this next stage. Investors are advised to stay tactically nimble, seek global opportunities and only cautiously swallow the pills prescribed by central bankers. 

<sup>1</sup> Data from Merrill Lynch US High Yield Master II

Tyler Mordy, Director of Research, Horizons HAHN Investment Stewards & Company Inc. [tmordy@hahninvest.com](mailto:tmordy@hahninvest.com)

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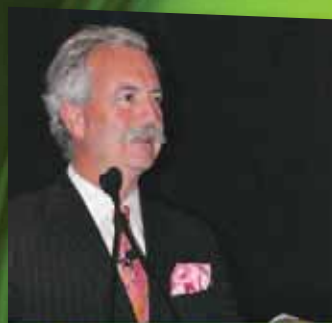
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# Weakness May Present Buying Opportunities



**“Sell in May and go away,” so goes the old adage in the investment world. Does the saying however have any validity or does it exist simply because it rhymes?**



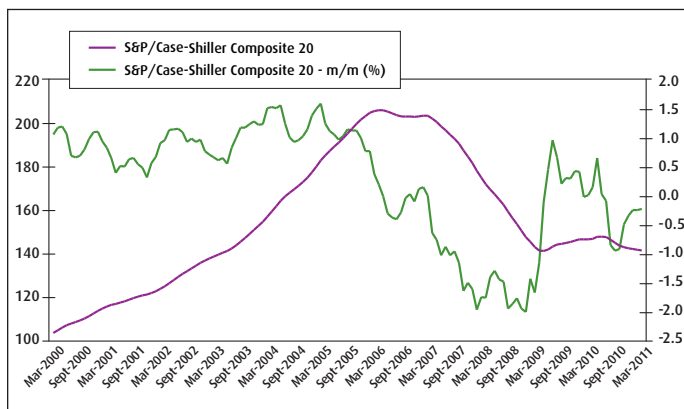
**Alfred Lee**  
Vice President &  
Investment Strategist,  
BMO Asset  
Management

*Undoubtedly, those investors that followed the saying this year would have come out ahead with the major equity markets around the globe experiencing a sizable sell-off over the last several weeks. A number of recent macro-economic events are causing investor sentiment to take a turn for the worse, at least for the short-term.*

For example, the S&P/Case-Shiller 20 City Index<sup>1</sup> fell back below its crisis low, U.S. jobless data is waning and the end of the second instalment of quantitative easing<sup>2</sup> (QE2) is upon us. On the homefront, the implications of a weakening U.S. economy have investors concerned, as it may have supply chain impacts on the U.S. and Canadian trade. In addition, the CME Group Inc.'s recent margin requirement hikes to cool pricing of a number of commodities have also led to the softening of the Canadian equity market. With these concerns in the market, in addition to weaker expected growth out of China and Japan, the second and third largest economies in the world respectively, many of the global equity indices have fallen below or have traded near its 200-day moving average (MA), a key technical support level.

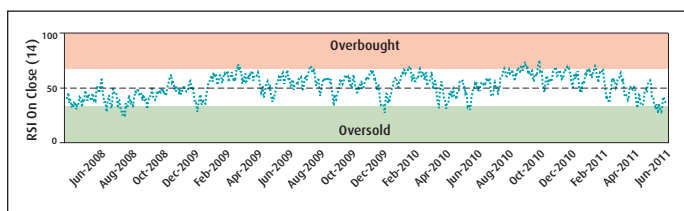
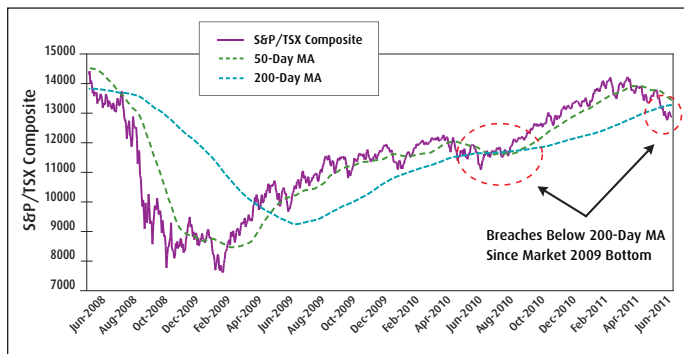
Over the last several weeks, we have received a number of emails inquiring whether this technical event would have long-sustaining bearish implications on the market. We view the market as being characterized by three main time horizons. The first, and longest, is the secular cycle, which can last several business cycles and is caused by large global demographic shifts. The next timeframe is the cyclical cycle, which is largely defined by the business cycle itself. The last, and shortest, of the cycles is the trading cycle which is largely driven by investor sentiment and trade order imbalances. In our view, the current equity market weakness, remains contained in the trading cycle, with shorter-term traders selling and longer-term investors looking for buying opportunities. As such, we believe the current weakness to be a bull-market correction, provided equity markets don't plummet aggressively below the 200-Day MA, an event which would cause the sentiment of longer-term investors, who are currently buyers, to also turn bearish and thus trigger additional selling.

### Equity Markets Turning Down With Macro Concerns



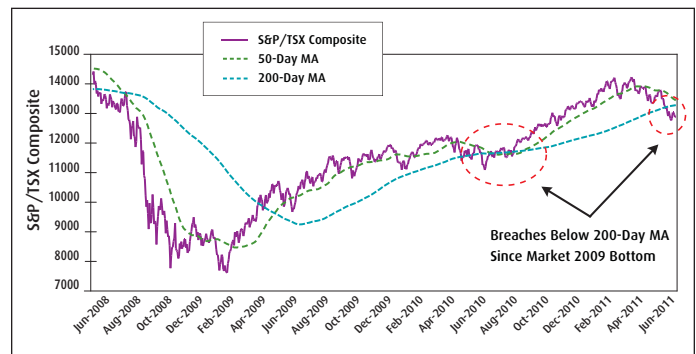
Source: Bloomberg

### Indicators Suggest Equity Markets Oversold



Source: BMO Asset Management Inc., Thompson-Reuters

### July and August Have Historically Shown Lower Volume but Strong Performance



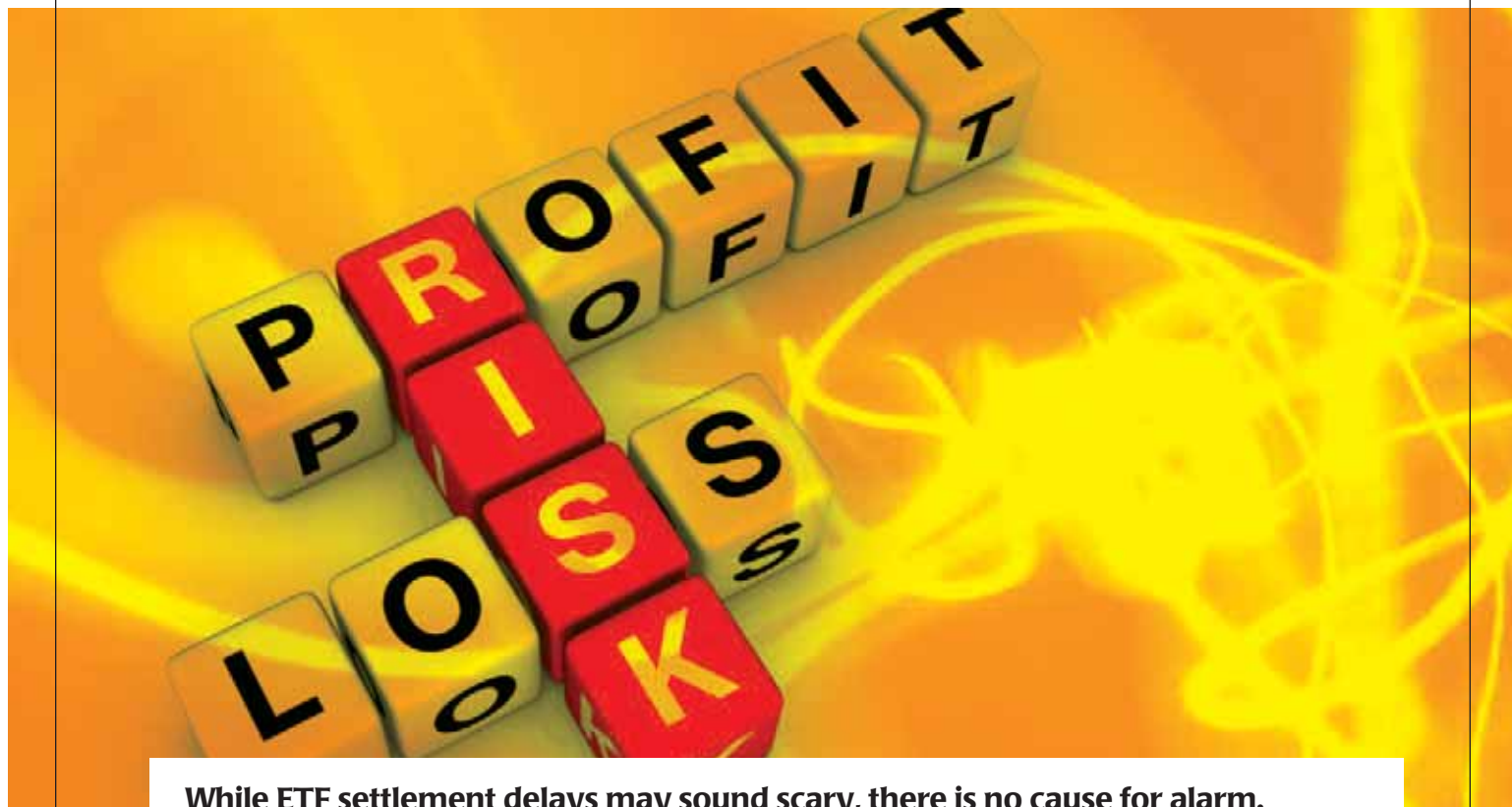
Source: BMO Asset Management Inc., Bloomberg

As we mentioned in our *Trade Opportunity Report*, “**June Weakness**”, we don’t subscribe to the notion that “selling in May and going away” is a winning strategy that can be implemented effectively year after year. However, we do acknowledge that equity markets exhibit some seasonality, with June being one of the weakest months in terms of historical average performance. Additionally, the summer tends to have lower volume levels than other months. Therefore, we do to a degree believe there is some truth to the notion that investors have a tendency to pare down risk assets in favour of more defensive assets before summer. We would also point out that, contrary to popular belief, July and August have historically delivered solid average returns, which may indicate that the current market weakness could lead to buying opportunities. Rather than relying blindly on seasonality, we would however recommend that before stepping back-in to less defensive areas, investors keep an eye on selling pressure to eventually capitulate and momentum to turn back up. [E](#)

Alfred Lee, Vice President & Investment Strategist,  
BMO Asset Management [alfred.lee@bmo.com](mailto:alfred.lee@bmo.com)

In our view,  
the current equity  
market weakness,  
remains contained in  
the trading cycle, with  
shorter-term traders  
selling and longer-term  
investors looking for  
buying opportunities.

# Can ETFs Blow Up? No



**While ETF settlement delays may sound scary, there is no cause for alarm.**



**John Gabriel**  
ETF Strategist -  
Canada,  
Morningstar, Inc.

*The Ewing Marion Kauffman Foundation recently produced a paper that called settlement failures in securities transactions “canaries in the coal mine,” concluding that they pose systemic risk to financial firms and investors.*

The report’s authors trained their sights on exchange-traded funds, citing eye-opening statements including that “ETF fails account for approximately 60 percent of the nearly \$2 billion of daily equity trading fails reported to the [Securities and Exchange Commission], and on some days they account for 90 percent of all exchange-traded fails.”

While the Foundation’s bold statements grabbed our attention, we believe that it overstated the potential risks. The report neglects to explain why settlement failures tend to occur in ETFs, why the instance of settlement failure is far more frequent in ETF shares than stocks, and the actual (and largely nonexistent) implications of settlement failures for investors. While we would agree that there is room for improvement within the existing settlement framework for clearing ETF trades, it is quite a stretch to conclude that delays in the settlement of trades somehow pose “systemic” risk to the financial system.

In order to better understand this phenomenon, let’s walk through the basics.



### **What is a settlement failure?**

A settlement failure occurs when a buyer or seller in a securities transaction fails to deliver either cash or securities to the opposite party in the transaction within the specified settlement period. Equity trades – and these include ETFs because ETFs are considered equities – settle on what is referred to as a “T+3” basis – three days after the transaction occurs. If sellers fail to deliver securities or, less frequently, buyers fail to deliver cash within the specified time frame, the settlement is said to have “failed” – though, as we will discuss in more detail, “delay” may be a more appropriate term than “fail.”

### **Why do settlement failures typically occur?**

Contrary to the claims put forth within the Kauffman paper, fails tend to result from back-office delays and not deliberate “gaming” of the system. We’ll discuss some of the reasons for failures that are unique to ETF shares later in this article.

### **How are settlement failures ultimately resolved?**

Settlement failures usually are resolved when the seller delivers securities or the buyer delivers cash. As we stated previously, the term “fail” is somewhat misleading. While an equity trade that settles on a T+4 basis might be labeled a “failed” trade, it still is ultimately completed, just not within the stipulated time frame.

Even in the case where either party truly fails to deliver either cash or securities, the counterparty to the transaction will still be made whole. In these instances, collateral posted by the parties in the transaction will be used to settle the transaction, whether by purchasing the relevant security for the buyer or delivering cash to a seller.

### **What are the implications of settlement failures for investors?**

Let’s ask a question: In all of the time that you have been investing, have you ever been adversely affected by a settlement failure? Odds are that most investors will respond “no” to this question. This is because the settlement process is something that goes largely unnoticed by investors. Investors gain (or cede) economic exposure to securities at the time a transaction is completed, at what we can describe as “T=0.” Whether a trade ultimately settles at T+3 or T+4 will have no impact on an investor’s returns or access to cash proceeds. And, in fact, investors virtually never even see in their accounts that any trade ever “failed” to settle.

### **What explains the fact that ETFs seem to be disproportionately affected by settlement failures?**

There are a number of reasons why ETFs are disproportionately affected by settlement failures. First among these is the sheer velocity of some ETFs’ share bases relative to those of most traditional equities. For example, over the past three months, an average of 19% of the shares of SPDR S&P 500 (SPY) have changed hands on a daily basis. Meanwhile, shares of Citigroup (C), which regularly sits atop the list of the most heavily traded stocks, have turned over 1.7% on an average day over the trailing three-month period. Given that the velocity of SPY shares is more than 10 times that of one of the most heavily traded individual stocks on the planet, one mathematically would expect to see a greater incidence of settlement failures in shares of SPY and other similarly heavily traded ETFs.

More important still, investors should understand the identities of the various parties in an ETF trade and how they might differ from those involved in a typical equity transaction. Most stock trades take place between two investors: a buyer and a seller. This makes sense given that publicly traded companies have finite numbers of shares outstanding at any time. ETF trades are very different.

More often than not, there is a market maker that is party to a transaction in ETF shares. Market makers actively participate in the ETF market to arbitrage away any discrepancies between the price of an ETF’s shares and its net asset value. These market makers can create and redeem ETF shares at any time, based on market demand. The creation/redemption mechanism means that the number of shares in a given ETF always is in flux.

Given the nature of ETF trading, market makers often will need to create new ETF shares to settle trades. Oftentimes the process to create new shares will not be initiated until two days after the transaction occurs, or “T+2.” Then, this process often takes two days to complete once it has been initiated, meaning that newly created ETF shares won’t be delivered until T+4 or later. So, by that point, the trade’s settlement would be defined as having “failed,” even though it simply has been delayed and fully settles at T+4 or T+5. The ETF creation/redemption mechanism, along with the very high velocity of many ETFs’ share bases, explains why settlement failures are more frequent in ETF shares than in common equities.

### **Is there any incentive that would lead to intentional failures to deliver?**

Yes. There is a financing rate that is implicit to the settlement process. If this financing rate is lower than the cost of borrowing securities or cash to settle a transaction, there may be some small incentive for a party to temporarily delay delivery (the difference between these two rates). However, this financing rate nonetheless does represent an actual cost to sellers and ultimately acts as an incentive for them to deliver their securities to the buyer. We would note that, unlike for pure equities, where the only way to create more shares is to issue a secondary offering, an ETF issuer easily can create more shares to remedy the situation fairly quickly.

### **Why do some ETFs experience more-frequent settlement failures than others?**

As we stated earlier, the degree to which ETFs are affected by settlement failures is positively correlated with the velocity of their share bases. For instance, the aforementioned example of SPDR S&P 500 accounts for more than a fourth of the value of all ETF settlement failures.

### **Does this issue pose a systemic risk? Why or why not?**

No. To say that settlement failures represent a potential source of systemic risk grossly overstates the potential problems they pose. Settlement failures in ETF shares more often than not are the result of back-office inefficiencies that result in minor delays to the ultimate completion of ETF trades. There is one point on which we can agree with the Kauffman Foundation: There is room to improve the settlement process for ETF shares with the aim of reducing the number of settlement failures. But this is a process that is best undertaken by initiating a constructive dialogue with the relevant parties (the Depository Trust & Clearing Corporation, exchanges, market makers, ETF providers, and investors) and not through conjuring fears of systemic failure resulting from delays in settling trades. [E](#)

*John Gabriel, ETF Strategist - Canada, Morningstar, Inc.  
john.gabriel@morningstar.com*

Most stock trades take place  
between two investors:  
a buyer and a seller.

# Announcements

## XTF Capital Corp. Launches ETFs

**Toronto, May 31, 2011** – XTF Capital Corp. is pleased to announce the launch of four XTF Capital eXchange Traded Funds (“XTFs”). Two of these XTFs – Can-60 Income ETF and Can- Energy Income ETF will begin trading on the Toronto Stock Exchange (“TSX”) tomorrow, under the following ticker symbols:

Fund	Common Units	Advisor Units
Can-60 Income ETF	LXF	LXFA
Can-Energy Income ETF	OXF	OXFA

The other two - Can-Financials Income ETF and Can-Materials Income ETF begin trading on the TSX on Friday, June 3, 2011.

XTF Capital's mission is to create the next dimension of exchange traded funds, delivering superior risk adjusted solutions to Canadian investors.

The following is a brief description of each of the offerings:

Can-60 Income ETF (“Can-60 XTF”) - The investment objective of Can-60 XTF is to provide holders, through an actively managed portfolio, with (i) quarterly cash distributions, (ii) the opportunity for capital appreciation by investing on an equal weight basis in a portfolio of the securities of the issuers publicly disclosed as being included in the S&P/TSX 60 Index, from time to time, and (iii) lower overall volatility of returns on the portfolio than would be experienced by owning a portfolio of securities of such issuers directly.

Can-Energy Income ETF (“Can-Energy XTF”) - The investment objective of the Can-Energy XTF is to provide holders, through an actively managed portfolio, with (i) quarterly cash distributions, (ii) the opportunity for capital appreciation by investing on an equal weight basis in a portfolio of securities of the 25 largest issuers measured by market capitalization chosen from the S&P/TSX Capped Energy Index and (iii) lower overall volatility of returns on the portfolio than would be experienced by owning a portfolio of securities of such issuers directly.

Can-Financials Income ETF (“Can-Financials XTF”) - The investment objective of the Can- Financials XTF is to provide holders, through an actively managed portfolio, with (i) quarterly cash distributions, (ii) the opportunity for capital appreciation by investing on an equal weight basis in a portfolio of securities of issuers publicly disclosed as being included in the S&P/TSX Capped Financials Sector Index and (iii) lower overall volatility of returns on the portfolio than would be experienced by owning a portfolio of securities of such issuers directly.

Can-Materials Income ETF (“Can-Materials XTF”) - The investment objective of the Can-Materials XTF is to provide holders, through an actively managed portfolio, with (i) quarterly cash distributions, (ii) the opportunity for capital appreciation by investing on an equal weight basis in a portfolio of securities of the 25 largest issuers measured by market capitalization chosen from the S&P/TSX Capped Materials Index and (iii) lower overall volatility of returns on the portfolio than would be experienced by owning a portfolio of securities of such issuers directly.

In the case of each XTF, the Manager will invest in a portfolio of investments and will actively manage the call option writing program, and rebalance the portfolios, as applicable. In each case, the XTF's portfolio will initially be approximately equal weighted, and each month the Manager will employ a covered call option writing program on approximately, and not more than, 25% of the securities of each portfolio issuer, in order to seek to earn attractive tax effective income from dividends and call option premiums, lower the overall volatility of returns associated with owning a portfolio of these securities, and to generate capital appreciation.

Each XTF portfolio will be rebalanced as soon as practicable, in the determination of the Manager, at the end of each calendar quarter, so that immediately following such rebalancing, the constituent portfolio issuers are approximately equally weighted.

XTF Capital is a First Asset Company. First Asset is a Canadian wealth management company that manages and administers approximately \$2.6 billion in assets as of May 31, 2011. First Asset offers a diverse range of investment products including exchange listed investment funds and mutual funds covering a variety of domestic and global mandates.

For further information, please contact **Rob MacNiven**, Investor Relations, XTF Capital at **1 855 983 3837** or visit **www.xtf.ca**.

## PowerShares Changes the Canadian ETF Landscape

### Globally recognized ETF family establishes footprint on TSX

**Toronto, June 15, 2011** – Invesco is extremely pleased to introduce two PowerShares exchange-traded funds (ETFs) listed on Toronto Stock Exchange (TSX), the company's first-ever ETF launch on a Canadian exchange.

Part of the Invesco family and recognized for its strong record of innovation, Invesco PowerShares is the world's fourth-largest ETF provider with US\$61 billion in sponsored assets (as at March 31, 2011). This ground-breaking launch represents another significant expansion into the ETF market for Invesco, which has a proven history of creating products designed to meet the diverse needs of investors worldwide.

“The arrival of PowerShares ETFs on TSX establishes an exciting new footprint in the Canadian marketplace, expanding the range of next-generation ETF solutions available to investors in Canada,” said Ben Fulton, Invesco PowerShares managing director of global ETFs. “The PowerShares brand began with innovation, and we remain a highly innovative firm looking to grow and expand to markets around the globe.”

With PowerShares ETFs now listed on TSX, “Canadian investors have even greater access to the best that the world of Invesco has to offer,” said Peter Intraligi, President and Chief Operating Officer of Invesco's operations in Canada.

Continued on page 32

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# Announcements

Continued from : PowerShares Changes the Canadian ETF... page 35

The following two ETFs have closed the initial offering of their units and will begin trading on TSX when the market opens today:

- **PowerShares 1-5 Year Laddered Investment Grade Corporate Bond Index ETF (PSB)**, with a management fee of 0.25%, seeks to replicate, before fees and expenses, the performance of the DEX Investment Grade 1-5 Year Laddered Corporate Bond Index, which is comprised only of Canadian investment-grade corporate bonds rated “BBB” or higher in the composite PC-Bond rating, and divided into five buckets with staggered maturity levels from one to five years. PSB’s income distribution frequency is monthly.

- **PowerShares Ultra DLUX Long Term Government Bond Index ETF (PGL)**, with a management fee of 0.25%, seeks to replicate, before fees and expenses, the performance of the DEX Ultra DLUX Long Government Bond Index, a market-capitalization-weighted index consisting primarily of Canadian federal and provincial government and supranational entity bonds denominated in Canadian dollars with a remaining effective term to maturity of greater than 10 years and rated “A” or higher in the composite PC-Bond rating. PGL’s income distribution frequency is monthly.

“PowerShares ETFs represent a low-cost complement to actively managed mutual funds that can help investors build better portfolios,” said Michael Cooke, Vice President, PowerShares Canada.

To learn more about PowerShares ETFs, please visit [www.powershares.ca](http://www.powershares.ca).

## Invesco Launches Three More PowerShares ETFs on TSX

**New offerings complement income-generating ETFs introduced on June 15**

**Toronto, June 16, 2011** – Further to yesterday’s press release announcing the launch of two new income-generating PowerShares exchange-traded funds (ETFs) on Toronto Stock Exchange (TSX), Invesco is pleased to introduce one equity and two equity-income PowerShares ETFs on TSX.

All five of the following PowerShares ETFs have now closed the initial offering of their units and will be available for trading on TSX when the market opens today.

### Equity-income:

- **PowerShares Canadian Preferred Share Index ETF (PPS)**, with a management fee of 0.45%, seeks to replicate, before fees and expenses, the performance of the Indxis Select Canadian Preferred Share Index, which is comprised of select preferred shares of Canadian companies that trade on TSX. PPS’s income distribution frequency is monthly.

- **PowerShares Canadian Dividend Index ETF (PDC)**, with a management fee of 0.50%, seeks to replicate, before fees and expenses, the performance of the Indxis Select Canadian Dividend Index, which comprises companies incorporated in Canada, traded on a major Canadian exchange and having stable or increasing annual regular dividend payments for the past five or more consecutive years. PDC’s income distribution frequency is monthly.

### Equity:

- **PowerShares QQQ (CAD Hedged) Index ETF (QQC)**, with a management fee of 0.32%, seeks to replicate, before fees and expenses, the performance of the NASDAQ-100 Currency Hedged CAD Index, which is designed to represent returns for the NASDAQ – 100 Index® (NDX) (the “Underlying Index”), with all or substantially all of the direct U.S. dollar exposure of the Underlying Index hedged back to the Canadian dollar. The NASDAQ-100 Index includes 100 of the largest domestic (United States) and international non-financial securities listed on The NASDAQ Stock Market based on market capitalization. QQC’s income distribution frequency is quarterly.

### Fixed income:

- **PowerShares 1-5 Year Laddered Investment Grade Corporate Bond Index ETF (PSB)**, with a management fee of 0.25%, seeks to replicate, before fees and expenses, the performance of the DEX Investment Grade 1-5 Year Laddered Corporate Bond Index, which is comprised only of Canadian investment-grade corporate bonds rated “BBB” or higher in the composite PC-Bond rating, and divided into five buckets with staggered maturity levels from one to five years. PSB’s income distribution frequency is monthly.

- **PowerShares Ultra DLUX Long Term Government Bond Index ETF (PGL)**, with a management fee of 0.25%, seeks to replicate, before fees and expenses, the performance of the DEX Ultra DLUX Long Government Bond Index, a market-capitalization-weighted index consisting primarily of Canadian federal and provincial government and supranational entity bonds denominated in Canadian dollars with a remaining effective term to maturity of greater than 10 years and rated “A” or higher in the composite PC-Bond rating. PGL’s income distribution frequency is monthly.

To learn more about PowerShares ETFs, please visit [www.powershares.ca](http://www.powershares.ca).

## Invesco adds to TSX-listed PowerShares ETF family

**New intelligent fixed-income ETF joins the PowerShares lineup**

**Toronto, June 21, 2011** – Invesco today announces the launch of PowerShares Fundamental High Yield Corporate Bond (CAD Hedged) Index ETF, the first fixed-income ETF in Canada to use the Research Affiliates Fundamental Index® (RAFI®) methodology. This new ETF has now closed the initial offering of its units and will be available for trading on TSX when the market opens today.

This latest offering brings the total of TSX-listed PowerShares ETFs to six, and builds on Invesco’s six-year-old partnership with Research Affiliates (RA), which developed this intelligent indexing methodology.

With a management fee of 0.65%, PowerShares Fundamental High Yield Corporate Bond (CAD Hedged) Index ETF (PFH) seeks to replicate, before fees and expenses, the performance of the RAFI® High Yield Bond CAD Hedged Index, which is comprised of U.S.-dollar-denominated bonds registered for sale in the United States and whose issuers are public companies listed on major U.S. stock exchanges. This Index hedges all or substantially all of its direct U.S.-dollar exposure back to the Canadian dollar. PFH's income distribution frequency is monthly.

"This new addition to our family of fixed-income PowerShares ETFs provides Canadian investors with a truly intelligent ETF option," said Michael Cooke, Vice President, PowerShares Canada. "The RAFI Fundamental Index methodology goes beyond traditional capitalization-weighted indices, weighting securities according to fundamental economic factors. The result, we believe, is a more balanced, intelligent approach to security selection."

To learn more about PowerShares ETFs, please visit [www.powershares.ca](http://www.powershares.ca)

## Global X Funds Declare First Monthly Distributions For Income Producing ETFs

**New York – July 1, 2011** – Global X Funds, the New York based provider of exchange traded funds, today announced the first monthly distributions for the Global X Canada Preferred ETF (CNPF) and the Global X SuperDividend™ ETF (SDIV). The funds started trading on May 25, 2011 and June 9, 2011 respectively. It is anticipated that future ex-dividend dates will be the first of the month. Please consult [www.globalxfunds.com](http://www.globalxfunds.com) to verify pay dates.

CNPF is the first ETF to target Canadian companies that issue preferred stock. For investors seeking income, preferred shares are an asset class worth considering due to their unique combination of bond and equity characteristics. SDIV provides exposure to 100 companies worldwide that rank among the highest dividend yielding equity securities in the world. It offers exposure to a broad range of countries and sectors.

The table below summarizes the distribution schedule for each ETF, as of July 1, 2011.

For all Funds:

Ex-Date: 7/1/2011 Record Date: 7/6/2011 Payable Date: 7/13/2011

Ticker	ETF Name	Income Distribution Per Share
CNPF	Global X Canada Preferred ETF	\$0.064906
SDIV	Global X SuperDividend™ ETF	\$0.101054696 *

\*Note: This payment covers a partial month from inception June 9, 2011.

For more information, please visit [www.globalxfunds.com](http://www.globalxfunds.com)

## South Korean Fund Company to Buy BetaPro Management

**ETF business valued at \$150 million**

**Friday, July 15, 2011** – Jovian Capital Corp. (TSX: JOV) announced on Friday that it will sell its exchange traded fund business to South Korea-based mutual fund company Mirae Asset Global Investments Co., Ltd.

The sale includes Jovian's approximately 58% interest in BetaPro Management Inc., the manager of the Horizons BetaPro family of exchange traded funds, along with additional shares owned by minority shareholders of the ETF business. The value of the ETF business is estimated to be \$150 million, with Jovian's stake valued at \$90 million.

The sale also includes:

- AlphaPro Management Inc., a subsidiary of BetaPro and the manager and trustee of the actively managed Horizons AlphaPro family of ETFs;
- BetaPro's approximately 40% interest in BetaShares Holdings Pty. Ltd., the parent company of BetaShares Capital Ltd., an Australian company that offers ETFs on the Australian Securities Exchange;
- Jovian's wholly-owned subsidiary Horizons Exchange Traded Funds Inc., which provides sales, marketing and client service for the entire suite of Horizons ETFs; and
- Jovian's wholly-owned subsidiary JovInvestment Management Inc., a provider of investment advisory and administration services to a broad range of clients, including ETFs, public mutual funds, closed-end funds, hedge funds and principal protected notes

The transaction is expected to close in about 120 days. It's subject to various conditions, including regulatory and contractual consents and approvals.

Jovian's interest in Hahn Investment Stewards & Company Inc., a global wealth manager of ETF portfolios for private and institutional investors, is not part of the transaction.

The agreement provides for upward or downward adjustment to the purchase price in the event of changes to the working capital of the ETF business between now and closing.

"We are pleased to have reached an agreement with Mirae," said Philip Armstrong, CEO of Jovian, in announcing the deal.

Since Jovian initially invested in the ETF business in 2006, it's grown to have more than \$3 billion in assets under management, Armstrong noted.

The deal transaction represents a "substantial" return on Jovian's investment, he said.

"We feel that it is an opportune time to realize the value that has been created since our initial investment in BetaPro and its affiliated companies," Armstrong said. "While these businesses have opportunities for future growth, they require a global distribution platform as well as considerable resources to continue growing the Horizons ETFs brand in the increasingly competitive global marketplace."

"We are very pleased to be partnering with Mirae to continue to grow our business and expand into other international markets," said Adam Felesky, CEO of BetaPro and AlphaPro.

Felesky noted that Mirae is South Korea's largest mutual fund manager, and has widespread global reach.

"With their support, we look to continue developing innovative new ETF products to meet growing demand from investors in Canada and internationally."

# ETF Spotlight

## XTF Capital: The NeXt Dimension of eXchange Traded Funds

### Call Options

A call option is a contract which allows the purchaser to benefit from a rise in the stock price over a limited time period. Each contract has a stated exercise, or “strike”, price which is the price at which the purchaser has the option to buy the underlying stock. If the stock price rises above the exercise price, the purchaser will exercise their option. If the stock price falls below the exercise price, the purchaser will let the worthless option expire. The price of the option will be determined based on the difference between the stock price and the exercise price, the volatility of the underlying stock (where greater volatility leads to a higher price) and the time to expiration of the option contract (where a longer time period leads to a higher price).

A covered call option strategy is implemented by selling a call option contract while owning an equivalent number of shares of the underlying stock. This is generally considered to be a conservative strategy because it decreases the risk of stock ownership while providing additional income; however, it caps upside potential on price increases above the strike price at which the call option is sold. For example, if you own ABC Co. which is trading at \$10 and sell a call option with a strike price of \$10.50, you do not get any capital appreciation above \$10.50 if the stock price of ABC Co. rises through the \$10.50 strike price prior to the expiry of the option. The covered call option strategy allows the portfolio to generate additional income from the call option premiums in addition to the dividend income from the underlying stocks.

### XTF's 25% Covered Call Option Strategy

An option “contract” consists of 100 shares of the issuer in question, so in order to write on 25% of the shares of a specific company a portfolio must own at least 400 shares. As an example, consider a portfolio that holds 400 shares of ABC Co.(ABC) at a current price of \$50, for a total value of \$20,000. At-the-money (ATM) call options (exercise at \$50) that expire in 30 days are valued at a premium of \$2.00 per contract. To implement a 25% covered call strategy, the portfolio writes call options on 100 ABC shares (one contract) and receives \$200 in premium. The balance of the portfolio (75%) is considered uncovered and thereby entitled to all of the potential capital appreciation.

If the stock price remains at \$50, the call option contract is not exercised, and the portfolio benefits from the premium received. The new portfolio value is \$20,200.

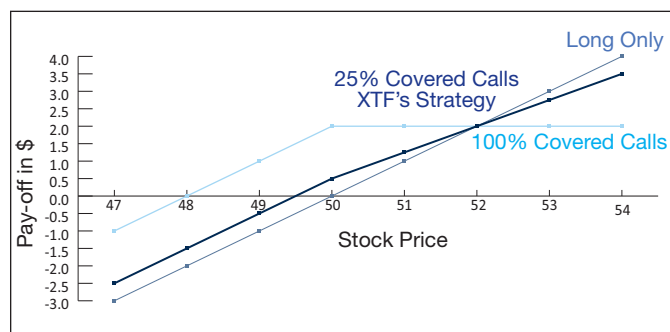
**Payoff without exercise:** Premium received adjusted for any difference in stock price. If the stock price drops to \$49.50, the calls are not exercised, but the portfolio value drops. The new portfolio value is \$20,000 (\$19,800 + \$200) which is the break even point. The portfolio will devalue at any price below \$49.5.

**Break even point:** Stock purchase price less premium received.

If the stock price rises to \$51, the calls are exercised at \$50 eliminating the benefit of the rising stock price on 25% of the portfolio (ie: you forgo \$100 in capital appreciation), except for the premium received. The new portfolio value is \$20,500 ((300\*\$51) + (100\*\$50) + (100\*\$2)).

**Payoff with exercise and capital appreciation:** Premium received adjusted for any difference between stock price and exercise price.

### Price Track



### Impact of Market Conditions on 25% Covered Call Option Strategy

The covered call option strategy is most effective in sideways to slightly rising markets. XTF Capital's strategy will capture at least 75% of the upside in a sharply rising market, and provide some downside protection in declining markets.

When the stock price rises significantly and exceeds the exercise price, the call option will move “into-the-money”. This caps the gain for the call option seller based on the premium received which is equal to 25% of the portfolio in this strategy.

The strategy only provides limited protection when the stock price declines significantly, as the decline of the underlying stock portfolio is partially offset by the call premium received.

Please visit [www.xtf.ca](http://www.xtf.ca) for more information, or call 1.855.983.3837





# WAISC 2011

September 19-21

## 10<sup>th</sup> Annual World Alternative Investment Summit Canada

### KEYNOTE SPEAKER



**Sebastian Mallaby**

Paul A. Volcker senior fellow for international economics at the Council on Foreign Relations and author of *More Money Than God*.



- Don't miss your chance to hear **Sebastian Mallaby** explain why the future of finance lies in the history of a misunderstood financial vehicle
- **Richard Atkinson** will discuss why your clients need your help when planning their retirement
- Grow your business through **Social Media** with **Neil Bearse**, Manager Web-based Marketing, Queen's School of Business
- Hear from over **25 Exempt Market Product** and **Hedge Fund Managers** as they discuss their strategies to provide Alpha
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10<sup>th</sup>  
Anniversary!

# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
*Horizons BetaPro S&P/TSX Gbl Gold Bear	HGD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	20.8125
*Horizons BetaPro S&P/TSX Gbl Gold Invr	HIG	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	13.586
BMO Junior Gas Index ETF	ZJN	BMO Funds	Morningstar/TSX Resource Equity CAD	11.7958
*Horizons BetaPro S&P 500 Bull	HSU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	9.91
*Horizons BetaPro S&P/TSX Cap Fincls Bull	HFU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	9.8681
BMO Junior Oil Index ETF	ZJO	BMO Funds	Morningstar/TSX Resource Equity CAD	9.4823
*Horizons BetaPro COMEX Gold Bullion Bull	HBU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	8.8111
BMO Dow Jones Ind Avg Hdgd CAD Index ETF	ZDJ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	8.353
*Horizons BetaPro NASDAQ 100 Bull	HQU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	7.788
iShares DJ Canada Select Dividend Index	XDV	iShares ETFs	S&P/TSX Composite TR	6.4759
Claymore S&P/TSX Canadian Div ETF Comm	CDZ	Claymore	S&P/TSX Composite TR	6.3976
iShares Russell 2000 Index C\$-Hedged	XSU	iShares ETFs	Russell 2000 CAD	6.1488
*Horizons BetaPro U.S. Dollar Bear	HDD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	6.0653
Claymore S&P/TSX Canadian Div ETF Adv	CDZ/A	Claymore	S&P/TSX Composite TR	6.0046
iShares S&P 500 Index C\$-Hedged	XSP	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	5.8701
*Horizons BetaPro U.S. 30-Year Bond Bull	HTU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	5.7756
BMO US Equity Hedged CAD Index ETF	ZUE	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.4842
*Horizons AlphaPro Global Dividend ETF	HAZ	AlphaPro Management	MSCI World GR CAD	5.4465
Claymore Gbl Monthly Adv Div ETF Comm	CYH	Claymore	MSCI World GR CAD	5.4168
Claymore US Fundamental ETF-C\$Hdgd Comm	CLU	Claymore	S&P 500 TR (Bank of Canada) CAD	5.4001
BMO NASDAQ 100 Equity Hedged CAD Idx ETF	ZQQ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.1667
iShares DJ Canada Select Value Index	XCV	iShares ETFs	S&P/TSX Composite TR	5.103
Claymore Gbl Monthly Adv Div ETF Adv	CYH/A	Claymore	MSCI World GR CAD	5.0252
Claymore US Fundamental ETF-C\$Hdgd Adv	CLU/A	Claymore	S&P 500 TR (Bank of Canada) CAD	4.9941
iShares Diversified Monthly Income	XTR	iShares ETFs	S&P/TSX Composite TR	4.5636
iShares Alternatives Complt Port Builder	XAL	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	4.3348
*Horizons AlphaPro Dividend ETF	HAL	AlphaPro Management	S&P/TSX Composite TR	4.1029
iShares Global Completion Port Builder	XGC	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	3.7606
iShares Growth Core Portfolio Builder	XGR	iShares ETFs	Morningstar CAN Bal Gbl 60/40 CAD	3.5759
Claymore Balanced Inc CorePort ETF Comm	CBD	Claymore	Morningstar CAN Bal 50/50 CAD	3.5665
*Horizons BetaPro S&P/TSX Gbl Bmtls Bear	HMD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	3.4747
Claymore Balanced Inc CorePort ETF Adv	CBD/A	Claymore	Morningstar CAN Bal 50/50 CAD	3.0535
iShares Conservative Core Port Builder	XCR	iShares ETFs	Morningstar CAN Bal Gbl Con CAD	2.7467
BMO China Equity Hedged CAD ETF	ZCH	BMO Funds	MSCI China GR CAD	2.6946
Claymore Intl Fundamental Idx ETF Common	CIE	Claymore	MSCI EAFE GR CAD	2.3413
Claymore US Fundamental ETF non-hdgd Com	CLU/C	Claymore	S&P 500 TR (Bank of Canada) CAD	2.1528
Claymore Balanced Gr CorePort ETF Comm	CBN	Claymore	Morningstar CAN Bal Gbl Agg CAD	2.1064
iShares MSCI World Index	XWD	iShares ETFs	MSCI World GR CAD	2.0785
*Horizons AlphaPro Balanced ETF	HAA	AlphaPro Management	Morningstar CAN Bal Cdn Agg CAD	2.0551
Claymore Intl Fundamental Idx ETF Adv	CIE/A	Claymore	MSCI EAFE GR CAD	1.9626
Claymore US Fundamental ETF non-hdgd Adv	CLU.B	Claymore	S&P 500 TR (Bank of Canada) CAD	1.7794
iShares Jantzi Social Index	XEN	iShares ETFs	S&P/TSX Composite TR	1.715
Claymore Balanced Gr CorePort ETF Adv	CBN/A	Claymore	Morningstar CAN Bal Gbl Agg CAD	1.5988
*Horizons AlphaPro Seasonal Rotation ETF	HAC	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	1.5756
Claymore CAN Fndmental Idx ETF Common	CRQ	Claymore	S&P/TSX Composite TR	1.5279
Claymore S&P Global Water ETF Common	CWW	Claymore	CIBC WM 91 Day Treasury Bill CAD	1.3184
Claymore CAN Fndmental Idx ETF Adv	CRQ/A	Claymore	S&P/TSX Composite TR	1.1525
Claymore S&P Global Water ETF Adv	CWW/A	Claymore	CIBC WM 91 Day Treasury Bill CAD	0.946
Claymore Broad Emerging Markets ETF Comm	CWO	Claymore	MSCI EM GR CAD	0.8743
*Horizons AlphaPro S&P/TSX 60 Eq Wght ETF	HEW	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	0.5708

# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
Claymore Broad Emerging Markets ETF Adv	CWO/A	Claymore	MSCI EM GR CAD	0.5
Claymore China ETF Common	CHI	Claymore	MSCI China GR CAD	0.4561
iShares S&P/TSX 60 Index	XIU	iShares ETFs	S&P/TSX Composite TR	0.4388
BMO Intl Equity Hedged CAD Idx ETF	ZDM	BMO Funds	MSCI EAFE GR CAD	0.3825
iShares MSCI EAFE Index C\$-Hedged	IUNTF	iShares ETFs	MSCI EAFE GR CAD	0.2848
Claymore China ETF Advisor	CHV/A	Claymore	MSCI China GR CAD	0.0853
iShares S&P/TSX Capped Composite Index	XIC	iShares ETFs	S&P/TSX Composite TR	-0.016
BMO Dow Jones Canada Titans 60 Index ETF	ZCN	BMO Funds	S&P/TSX Composite TR	-0.6039
Claymore BRIC ETF Common	CBQ	Claymore	MSCI EM GR CAD	-0.8393
*Horizons BetaPro S&P/TSX Cap Engy Invrs	HIE	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-0.8766
*Horizons BetaPro S&P/TSX 60 Bull	HXU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.1909
Claymore BRIC ETF Adv	CBQ/A	Claymore	MSCI EM GR CAD	-1.2061
*Horizons BetaPro S&P/TSX 60 Inverse	HIX	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.304
iShares S&P/TSX Completion Index	ISPTF	iShares ETFs	S&P/TSX Completion TR	-1.4204
*Horizons BetaPro MSCI Emerging Mkts Bull	HJU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.7031
iShares China Index	XCH	iShares ETFs	MSCI China GR CAD	-1.9362
Claymore Inverse 10 Yr Government Bd ETF	CIB	Claymore	BofAML Canada Broad Market TR CAD	-1.947
iShares MSCI Emerging Markets Idx	XEM	iShares ETFs	MSCI EM GR CAD	-2.1605
BMO Emerging Markets Equity Index ETF	ZEM	BMO Funds	MSCI EM GR CAD	-2.7989
*Horizons BetaPro S&P/TSX 60 Bear	HXD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-3.1094
*Horizons BetaPro S&P/TSX Cap Energy Bear	HED	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-3.3335
iShares DJ Canada Select Growth Index	XCG	iShares ETFs	S&P/TSX Composite TR	-3.7432
Claymore Global Agriculture ETF Common	COW	Claymore	CIBC WM 91 Day Treasury Bill CAD	-4.1236
*Horizons BetaPro NYMEX Natural Gas Bear	HBNMF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-4.174
iShares S&P/TSX SmallCap Index	XCS	iShares ETFs	S&P/TSX Completion TR	-4.4771
Claymore Global Agriculture ETF Advisor	COW/A	Claymore	CIBC WM 91 Day Treasury Bill CAD	-4.4809
BMO S&P/TSX EqWt Glb BM Hdgd CAD Idx ETF	ZMT	BMO Funds	Morningstar/TSX Resource Equity CAD	-5.6176
Claymore JPN Fndmental ETF-C\$Hdgd Common	CJP	Claymore	S&P/TOPIX 150 TR CAD	-5.6337
iShares S&P Latin America 40 Idx	XLA	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-5.8373
*Horizons BetaPro S&P/TSX Cap Energy Bull	HZBRF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-5.9102
Claymore JPN Fndmental ETF-C\$Hdgd Adv	CJP/A	Claymore	S&P/TOPIX 150 TR CAD	-5.987
*Horizons BetaPro S&P/TSX Cap Fincl Invrs	HIF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-6.1767
iShares MSCI Brazil Idx	XBZ	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-6.8531
*Horizons BetaPro MSCI Emerging Mkts Bear	HJD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-6.8704
*Horizons BetaPro U.S. Dollar Bull	HDU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-7.4827
*Horizons BetaPro U.S. 30-Year Bond Bear	HTD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-7.744
Claymore S&P/TSX Global Mining ETF Comm	CMW	Claymore	S&P/TSX Global Gold TR CAD	-8.7025
*Horizons BetaPro NYMEX Crude Oil Bear	HOD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-8.9388
Claymore S&P/TSX Global Mining ETF Adv	CMW/A	Claymore	S&P/TSX Global Gold TR CAD	-9.0374
iShares S&P CNX Nifty India Index	XID	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-9.518
iShares S&P/TSX Capped Materials Index	XMA	iShares ETFs	Morningstar/TSX Resource Equity CAD	-9.9369
*Horizons AlphaPro Gartman ETF	HAG	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	-10.9379
*Horizons BetaPro S&P/TSX Cap Fincls Bear	HFD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.197
*Horizons BetaPro NASDAQ 100 Bear	HQD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.7839
*Horizons BetaPro COMEX Gold Bullion Bear	HBD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.9125
iShares S&P/TSX Global Gold Index	XGD	iShares ETFs	S&P/TSX Global Gold TR CAD	-13.0981
*Horizons BetaPro S&P 500 Bear	HSD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-13.2891
*Horizons BetaPro NYMEX Crude Oil Bull	HZ0ZF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-13.3268
BMO India Equity Hedged CAD ETF	ZID	BMO Funds	CIBC WM 91 Day Treasury Bill CAD	-13.9949
*Horizons BetaPro S&P/TSX Glb Bmtls Bull	HMU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-15.0302



# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
BMO Junior Gold Index ETF	ZJG	BMO Funds	S&P/TSX Global Gold TR CAD	-15.4803
*Horizons BetaPro NYMEX Natural Gas Bull	HNUZF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-20.0705
*Horizons BetaPro S&P/TSX GIBI Gold Bull	HZNSF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-27.5674
iShares S&P Global Healthcare Idx C\$-Hdg	XHC	iShares ETFs	MSCI World/Health Care GR CAD	
iShares NASDAQ 100 Index C\$-Hdg	XQQ	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	
iShares S&P/TSX Equity Income Index Fund	XEI	iShares ETFs	S&P/TSX Composite TR	
iShares S&P/TSX Global Base Metals Idx	XBM	iShares ETFs	Morningstar/TSX Resource Equity CAD	
BMO Dow Jones Ind Avg Hdgd CAD Index ETF	ZDJ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	8.353
BMO Global Infrastructure Index ETF	ZGI	BMO Funds	MSCI World GR CAD	6.7986
iShares DJ Canada Select Dividend Index	XDV	iShares ETFs	S&P/TSX Composite TR	6.4759
Claymore S&P/TSX Canadian Div ETF Comm	CDZ	Claymore	S&P/TSX Composite TR	6.3976
iShares Russell 2000 Index C\$-Hedged	XSU	iShares ETFs	Russell 2000 CAD	6.1488
Claymore S&P/TSX Canadian Div ETF Adv	CDZ/A	Claymore	S&P/TSX Composite TR	6.0046
iShares S&P 500 Index C\$-Hedged	XSP	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	5.8701
BMO US Equity Hedged CAD Index ETF	ZUE	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.4842
*Horizons AlphaPro Global Dividend ETF	HAZ	AlphaPro Management	MSCI World GR CAD	5.4465
Claymore GIBI Monthly Adv Div ETF Comm	CYH	Claymore	MSCI World GR CAD	5.4168
Claymore US Fundamental ETF-C\$Hdgd Comm	CLU	Claymore	S&P 500 TR (Bank of Canada) CAD	5.4001
BMO NASDAQ 100 Equity Hedged CAD Idx ETF	ZQQ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.1667
iShares DJ Canada Select Value Index	XCV	iShares ETFs	S&P/TSX Composite TR	5.103
Claymore GIBI Monthly Adv Div ETF Adv	CYH/A	Claymore	MSCI World GR CAD	5.0252
Claymore US Fundamental ETF-C\$Hdgd Adv	CLU/A	Claymore	S&P 500 TR (Bank of Canada) CAD	4.9941
iShares Diversified Monthly Income	XTR	iShares ETFs	S&P/TSX Composite TR	4.5636
iShares Alternatives Compt Port Builder	XAL	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	4.3348
iShares S&P/TSX NA Pref Stock CA-Hgd ETF	XPF	iShares ETFs	MSCI North America GR CAD	4.3158
*Horizons AlphaPro Dividend ETF	HAL	AlphaPro Management	S&P/TSX Composite TR	4.1029
iShares Global Completion Port Builder	XGC	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	3.7606
iShares Growth Core Portfolio Builder	XGR	iShares ETFs	Morningstar CAN Bal GIBI 60/40 CAD	3.5759
Claymore Balanced Inc CorePort ETF Comm	CBD	Claymore	Morningstar CAN Bal 50/50 CAD	3.5665
Claymore Balanced Inc CorePort ETF Adv	CBD/A	Claymore	Morningstar CAN Bal 50/50 CAD	3.0535
iShares Conservative Core Port Builder	XCR	iShares ETFs	Morningstar CAN Bal GIBI Con CAD	2.7467
BMO China Equity Hedged CAD ETF	ZCH	BMO Funds	MSCI China GR CAD	2.6946
iShares S&P/TSX Capped Info Tech Index	XIT	iShares ETFs	NASDAQ 100 PR CAD	2.3755
Claymore Intl Fundamental Idx ETF Common	CIE	Claymore	MSCI EAFE GR CAD	2.3413
Claymore Global Infrs ETF Common	CIF	Claymore	MSCI World GR CAD	2.232
Claymore US Fundamental ETF non-hdgd Com	CLU/C	Claymore	S&P 500 TR (Bank of Canada) CAD	2.1528
Claymore Balanced Gr CorePort ETF Comm	CBN	Claymore	Morningstar CAN Bal GIBI Agg CAD	2.1064
iShares MSCI World Index	XWD	iShares ETFs	MSCI World GR CAD	2.0785
*Horizons AlphaPro Balanced ETF	HAA	AlphaPro Management	Morningstar CAN Bal Cdn Agg CAD	2.0551
Claymore Intl Fundamental Idx ETF Adv	CIE/A	Claymore	MSCI EAFE GR CAD	1.9626
Claymore Global Infrs ETF Adv	CIF/A	Claymore	MSCI World GR CAD	1.8559
Claymore US Fundamental ETF non-hdgd Adv	CLU.B	Claymore	S&P 500 TR (Bank of Canada) CAD	1.7794
iShares Jantzi Social Index	XEN	iShares ETFs	S&P/TSX Composite TR	1.715
Claymore Balanced Gr CorePort ETF Adv	CBN/A	Claymore	Morningstar CAN Bal GIBI Agg CAD	1.5988
*Horizons AlphaPro Seasonal Rotation ETF	HAC	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	1.5756
Claymore CAN Fndmental Idx ETF Common	CRQ	Claymore	S&P/TSX Composite TR	1.5279
Claymore CAN Fndmental Idx ETF Adv	CRQ/A	Claymore	S&P/TSX Composite TR	1.1525
Claymore Broad Emerging Markets ETF Comm	CWO	Claymore	MSCI EM GR CAD	0.8743
*Horizons AlphaPro S&P/TSX 60 Eq Wght ETF	HEW	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	0.5708
Claymore Broad Emerging Markets ETF Adv	CWO/A	Claymore	MSCI EM GR CAD	0.5

# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
Claymore China ETF Common	CHI	Claymore	MSCI China GR CAD	0.4561
iShares S&P/TSX 60 Index	XIU	iShares ETFs	S&P/TSX Composite TR	0.4388
BMO Intl Equity Hedged CAD Idx ETF	ZDM	BMO Funds	MSCI EAFE GR CAD	0.3825
iShares MSCI EAFE Index C\$-Hedged	IUNTF	iShares ETFs	MSCI EAFE GR CAD	0.2848
Claymore China ETF Advisor	CHI/A	Claymore	MSCI China GR CAD	0.0853
iShares S&P/TSX Capped Composite Index	XIC	iShares ETFs	S&P/TSX Composite TR	-0.016
BMO Dow Jones Canada Titans 60 Index ETF	ZCN	BMO Funds	S&P/TSX Composite TR	-0.6039
Claymore BRIC ETF Common	CBQ	Claymore	MSCI EM GR CAD	-0.8393
Claymore BRIC ETF Adv	CBQ/A	Claymore	MSCI EM GR CAD	-1.2061
iShares S&P/TSX Completion Index	ISPTF	iShares ETFs	S&P/TSX Completion TR	-1.4204
iShares China Index	XCH	iShares ETFs	MSCI China GR CAD	-1.9362
iShares MSCI Emerging Markets Idx	XEM	iShares ETFs	MSCI EM GR CAD	-2.1605
BMO Emerging Markets Equity Index ETF	ZEM	BMO Funds	MSCI EM GR CAD	-2.7989
iShares DJ Canada Select Growth Index	XCG	iShares ETFs	S&P/TSX Composite TR	-3.7432
iShares S&P/TSX SmallCap Index	XCS	iShares ETFs	S&P/TSX Completion TR	-4.4771
Claymore JPN Fndmental ETF-C\$Hdgd Common	CJP	Claymore	S&P/TOPIX 150 TR CAD	-5.6337
iShares S&P Latin America 40 Idx	XLA	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-5.8373
Claymore JPN Fndmental ETF-C\$Hdgd Adv	CJP/A	Claymore	S&P/TOPIX 150 TR CAD	-5.987
iShares MSCI Brazil Idx	XBZ	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-6.8531
iShares S&P CNX Nifty India Index	XID	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-9.518
*Horizons AlphaPro Gartman ETF	HAG	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	-10.9379
BMO India Equity Hedged CAD ETF	ZID	BMO Funds	CIBC WM 91 Day Treasury Bill CAD	-13.9949
BMO Monthly Income ETF	ZMI	BMO Funds	Morningstar CAN Bal 50/50 CAD	
iShares NASDAQ 100 Index C\$-Hdg	XQQ	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	
iShares S&P/TSX Equity Income Index Fund	XEI	iShares ETFs	S&P/TSX Composite TR	
BMO Dow Jones Ind Avg Hdgd CAD Index ETF	ZDJ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	8.353
iShares DJ Canada Select Dividend Index	XDV	iShares ETFs	S&P/TSX Composite TR	6.4759
Claymore S&P/TSX Canadian Div ETF Comm	CDZ	Claymore	S&P/TSX Composite TR	6.3976
iShares Russell 2000 Index C\$-Hedged	XSU	iShares ETFs	Russell 2000 CAD	6.1488
Claymore S&P/TSX Canadian Div ETF Adv	CDZ/A	Claymore	S&P/TSX Composite TR	6.0046
iShares S&P 500 Index C\$-Hedged	XSP	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	5.8701
BMO US Equity Hedged CAD Index ETF	ZUE	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.4842
*Horizons AlphaPro North American Gr ETF	HAW	AlphaPro Management	S&P 500 TR (Bank of Canada) CAD	5.462
*Horizons AlphaPro Global Dividend ETF	HAZ	AlphaPro Management	MSCI World GR CAD	5.4465
Claymore Gbl Monthly Adv Div ETF Comm	CYH	Claymore	MSCI World GR CAD	5.4168
Claymore US Fundamental ETF-C\$Hdgd Comm	CLU	Claymore	S&P 500 TR (Bank of Canada) CAD	5.4001
BMO NASDAQ 100 Equity Hedged CAD Idx ETF	ZQQ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.1667
iShares DJ Canada Select Value Index	XCV	iShares ETFs	S&P/TSX Composite TR	5.103
Claymore Gbl Monthly Adv Div ETF Adv	CYH/A	Claymore	MSCI World GR CAD	5.0252
Claymore US Fundamental ETF-C\$Hdgd Adv	CLU/A	Claymore	S&P 500 TR (Bank of Canada) CAD	4.9941
iShares Diversified Monthly Income	XTR	iShares ETFs	S&P/TSX Composite TR	4.5636
iShares Alternatives Complt Port Builder	XAL	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	4.3348
iShares S&P/TSX NA Pref Stock CA-Hgd ETF	XPF	iShares ETFs	MSCI North America GR CAD	4.3158
*Horizons AlphaPro Preferred Share ETF	HPR	AlphaPro Management	S&P/TSX Composite TR	4.1241
iShares Global Completion Port Builder	XGC	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	3.7606
iShares Growth Core Portfolio Builder	XGR	iShares ETFs	Morningstar CAN Bal Gbl 60/40 CAD	3.5759
Claymore Balanced Inc CorePort ETF Comm	CBD	Claymore	Morningstar CAN Bal 50/50 CAD	3.5665
Claymore Balanced Inc CorePort ETF Adv	CBD/A	Claymore	Morningstar CAN Bal 50/50 CAD	3.0535
iShares Conservative Core Port Builder	XCR	iShares ETFs	Morningstar CAN Bal Gbl Con CAD	2.7467
BMO China Equity Hedged CAD ETF	ZCH	BMO Funds	MSCI China GR CAD	2.6946

# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
Claymore Intl Fundamental Idx ETF Common	CIE	Claymore	MSCI EAFE GR CAD	2.3413
Claymore US Fundamental ETF non-hdgd Com	CLU/C	Claymore	S&P 500 TR (Bank of Canada) CAD	2.1528
Claymore Balanced Gr CorePort ETF Comm	CBN	Claymore	Morningstar CAN Bal Gbl Agg CAD	2.1064
iShares MSCI World Index	XWD	iShares ETFs	MSCI World GR CAD	2.0785
*Horizons AlphaPro Balanced ETF	HAA	AlphaPro Management	Morningstar CAN Bal Cdn Agg CAD	2.0551
Claymore Intl Fundamental Idx ETF Adv	CIE/A	Claymore	MSCI EAFE GR CAD	1.9626
Claymore US Fundamental ETF non-hdgd Adv	CLU.B	Claymore	S&P 500 TR (Bank of Canada) CAD	1.7794
iShares Jantzi Social Index	XEN	iShares ETFs	S&P/TSX Composite TR	1.715
Claymore Balanced Gr CorePort ETF Adv	CBN/A	Claymore	Morningstar CAN Bal Gbl Agg CAD	1.5988
*Horizons AlphaPro Seasonal Rotation ETF	HAC	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	1.5756
Claymore CAN Fndmental Idx ETF Common	CRQ	Claymore	S&P/TSX Composite TR	1.5279
Claymore CAN Fndmental Idx ETF Adv	CRQ/A	Claymore	S&P/TSX Composite TR	1.1525
Claymore Broad Emerging Markets ETF Comm	CWO	Claymore	MSCI EM GR CAD	0.8743
*Horizons AlphaPro S&P/TSX 60 Eq Wght ETF	HEW	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	0.5708
Claymore Broad Emerging Markets ETF Adv	CWO/A	Claymore	MSCI EM GR CAD	0.5
Claymore China ETF Common	CHI	Claymore	MSCI China GR CAD	0.4561
iShares S&P/TSX 60 Index	XIU	iShares ETFs	S&P/TSX Composite TR	0.4388
BMO Intl Equity Hedged CAD Idx ETF	ZDM	BMO Funds	MSCI EAFE GR CAD	0.3825
iShares MSCI EAFE Index C\$-Hedged	IUNTF	iShares ETFs	MSCI EAFE GR CAD	0.2848
Claymore China ETF Advisor	CHI/A	Claymore	MSCI China GR CAD	0.0853
iShares S&P/TSX Capped Composite Index	XIC	iShares ETFs	S&P/TSX Composite TR	-0.016
BMO Dow Jones Canada Titans 60 Index ETF	ZCN	BMO Funds	S&P/TSX Composite TR	-0.6039
Claymore BRIC ETF Common	CBQ	Claymore	MSCI EM GR CAD	-0.8393
Claymore BRIC ETF Adv	CBQ/A	Claymore	MSCI EM GR CAD	-1.2061
iShares S&P/TSX Completion Index	ISPTF	iShares ETFs	S&P/TSX Completion TR	-1.4204
*Horizons AlphaPro North American Val ETF	HAV	AlphaPro Management	S&P 500 TR (Bank of Canada) CAD	-1.8531
Claymore Inverse 10 Yr Government Bd ETF	CIB	Claymore	BofAML Canada Broad Market TR CAD	-1.947
iShares MSCI Emerging Markets Idx	XEM	iShares ETFs	MSCI EM GR CAD	-2.1605
BMO Emerging Markets Equity Index ETF	ZEM	BMO Funds	MSCI EM GR CAD	-2.7989
iShares DJ Canada Select Growth Index	XCG	iShares ETFs	S&P/TSX Composite TR	-3.7432
Claymore Global Agriculture ETF Common	COW	Claymore	CIBC WM 91 Day Treasury Bill CAD	-4.1236
*Horizons BetaPro NYMEX Natural Gas Bear	HBNNF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-4.174
iShares S&P/TSX SmallCap Index	XCS	iShares ETFs	S&P/TSX Completion TR	-4.4771
Claymore Global Agriculture ETF Advisor	COW/A	Claymore	CIBC WM 91 Day Treasury Bill CAD	-4.4809
Claymore JPN Fndmental ETF-C\$Hdgd Common	CJP	Claymore	S&P/TOPIX 150 TR CAD	-5.6337
iShares S&P Latin America 40 Idx	XLA	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-5.8373
Claymore JPN Fndmental ETF-C\$Hdgd Adv	CJP/A	Claymore	S&P/TOPIX 150 TR CAD	-5.987
iShares MSCI Brazil Idx	XBZ	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-6.8531
iShares S&P CNX Nifty India Index	XID	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-9.518
iShares S&P/TSX Capped Materials Index	XMA	iShares ETFs	Morningstar/TSX Resource Equity CAD	-9.9369
*Horizons AlphaPro Gartman ETF	HAG	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	-10.9379
*Horizons BetaPro COMEX Gold Bullion Bear	HBD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.9125
BMO India Equity Hedged CAD ETF	ZID	BMO Funds	CIBC WM 91 Day Treasury Bill CAD	-13.9949
*Horizons BetaPro NYMEX Natural Gas Bull	HNUZF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-20.0705
iShares S&P/TSX Equity Income Index Fund	XEI	iShares ETFs	S&P/TSX Composite TR	
iShares NASDAQ 100 Index C\$-Hdg	XQQ	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	
*Horizons BetaPro S&P/TSX Gbl Gold Bear	HGD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	20.8125
*Horizons BetaPro S&P/TSX Gbl Gold Invr	HIG	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	13.586
*Horizons BetaPro S&P/TSX Cap Fncils Bull	HFU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	9.8681
BMO Dow Jones Ind Avg Hdgd CAD Index ETF	ZDJ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	8.353



# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
*Horizons BetaPro NASDAQ 100 Bull	HQU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	7.788
Claymore S&P/TSX Canadian Div ETF Comm	CDZ	Claymore	S&P/TSX Composite TR	6.3976
iShares Russell 2000 Index C\$-Hedged	XSU	iShares ETFs	Russell 2000 CAD	6.1488
*Horizons BetaPro U.S. Dollar Bear	HDD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	6.0653
Claymore S&P/TSX Canadian Div ETF Adv	CDZ/A	Claymore	S&P/TSX Composite TR	6.0046
iShares S&P 500 Index C\$-Hedged	XSP	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	5.8701
*Horizons BetaPro U.S. 30-Year Bond Bull	HTU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	5.7756
BMO US Equity Hedged CAD Index ETF	ZUE	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.4842
*Horizons AlphaPro North American Gr ETF	HAW	AlphaPro Management	S&P 500 TR (Bank of Canada) CAD	5.462
*Horizons AlphaPro Global Dividend ETF	HAZ	AlphaPro Management	MSCI World GR CAD	5.4465
Claymore Gbl Monthly Adv Div ETF Comm	CYH	Claymore	MSCI World GR CAD	5.4168
Claymore US Fundamental ETF-C\$Hdgd Comm	CLU	Claymore	S&P 500 TR (Bank of Canada) CAD	5.4001
BMO NASDAQ 100 Equity Hedged CAD Idx ETF	ZQQ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.1667
iShares DJ Canada Select Value Index	XCV	iShares ETFs	S&P/TSX Composite TR	5.103
Claymore Gbl Monthly Adv Div ETF Adv	CYH/A	Claymore	MSCI World GR CAD	5.0252
Claymore US Fundamental ETF-C\$Hdgd Adv	CLU/A	Claymore	S&P 500 TR (Bank of Canada) CAD	4.9941
iShares Diversified Monthly Income	XTR	iShares ETFs	S&P/TSX Composite TR	4.5636
iShares Alternatives Complt Port Builder	XAL	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	4.3348
*Horizons AlphaPro Dividend ETF	HAL	AlphaPro Management	S&P/TSX Composite TR	4.1029
iShares Global Completion Port Builder	XGC	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	3.7606
iShares Growth Core Portfolio Builder	XGR	iShares ETFs	Morningstar CAN Bal Gbl 60/40 CAD	3.5759
Claymore Balanced Inc CorePort ETF Comm	CBD	Claymore	Morningstar CAN Bal 50/50 CAD	3.5665
*Horizons BetaPro S&P/TSX Gbl BmtIs Bear	HMD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	3.4747
Claymore Balanced Inc CorePort ETF Adv	CBD/A	Claymore	Morningstar CAN Bal 50/50 CAD	3.0535
iShares Conservative Core Port Builder	XCR	iShares ETFs	Morningstar CAN Bal Gbl Con CAD	2.7467
BMO China Equity Hedged CAD ETF	ZCH	BMO Funds	MSCI China GR CAD	2.6946
Claymore Intl Fundamental Idx ETF Common	CIE	Claymore	MSCI EAFE GR CAD	2.3413
Claymore US Fundamental ETF non-hdgd Com	CLU/C	Claymore	S&P 500 TR (Bank of Canada) CAD	2.1528
Claymore Balanced Gr CorePort ETF Comm	CBN	Claymore	Morningstar CAN Bal Gbl Agg CAD	2.1064
iShares MSCI World Index	XWD	iShares ETFs	MSCI World GR CAD	2.0785
*Horizons AlphaPro Balanced ETF	HAA	AlphaPro Management	Morningstar CAN Bal Cdn Agg CAD	2.0551
Claymore Intl Fundamental Idx ETF Adv	CIE/A	Claymore	MSCI EAFE GR CAD	1.9626
Claymore US Fundamental ETF non-hdgd Adv	CLU.B	Claymore	S&P 500 TR (Bank of Canada) CAD	1.7794
iShares Jantzi Social Index	XEN	iShares ETFs	S&P/TSX Composite TR	1.715
Claymore Balanced Gr CorePort ETF Adv	CBN/A	Claymore	Morningstar CAN Bal Gbl Agg CAD	1.5988
*Horizons AlphaPro Seasonal Rotation ETF	HAC	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	1.5756
Claymore CAN Fndmental Idx ETF Common	CRQ	Claymore	S&P/TSX Composite TR	1.5279
Claymore CAN Fndmental Idx ETF Adv	CRQ/A	Claymore	S&P/TSX Composite TR	1.1525
Claymore Broad Emerging Markets ETF Comm	CWO	Claymore	MSCI EM GR CAD	0.8743
*Horizons AlphaPro S&P/TSX 60 Eq Wght ETF	HEW	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	0.5708
Claymore Broad Emerging Markets ETF Adv	CWO/A	Claymore	MSCI EM GR CAD	0.5
Claymore China ETF Common	CHI	Claymore	MSCI China GR CAD	0.4561
iShares S&P/TSX 60 Index	XIU	iShares ETFs	S&P/TSX Composite TR	0.4388
BMO Intl Equity Hedged CAD Idx ETF	ZDM	BMO Funds	MSCI EAFE GR CAD	0.3825
iShares MSCI EAFE Index C\$-Hedged	IUNTF	iShares ETFs	MSCI EAFE GR CAD	0.2848
Claymore China ETF Advisor	CHI/A	Claymore	MSCI China GR CAD	0.0853
iShares S&P/TSX Capped Composite Index	XIC	iShares ETFs	S&P/TSX Composite TR	-0.016
BMO Dow Jones Canada Titans 60 Index ETF	ZCN	BMO Funds	S&P/TSX Composite TR	-0.6039
Claymore BRIC ETF Common	CBQ	Claymore	MSCI EM GR CAD	-0.8393
*Horizons BetaPro S&P/TSX Cap Engy Invrs	HIE	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-0.8766

# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
*Horizons BetaPro S&P/TSX 60 Bull	HXU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.1909
Claymore BRIC ETF Adv	CBQ/A	Claymore	MSCI EM GR CAD	-1.2061
*Horizons BetaPro S&P/TSX 60 Inverse	HIX	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.304
iShares S&P/TSX Completion Index	ISPTF	iShares ETFs	S&P/TSX Completion TR	-1.4204
*Horizons BetaPro MSCI Emerging Mkts Bull	HJU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.7031
*Horizons AlphaPro North American Val ETF	HAV	AlphaPro Management	S&P 500 TR (Bank of Canada) CAD	-1.8531
Claymore Inverse 10 Yr Government Bd ETF	CIB	Claymore	BofAML Canada Broad Market TR CAD	-1.947
iShares MSCI Emerging Markets Idx	XEM	iShares ETFs	MSCI EM GR CAD	-2.1605
BMO Emerging Markets Equity Index ETF	ZEM	BMO Funds	MSCI EM GR CAD	-2.7989
*Horizons BetaPro S&P/TSX 60 Bear	HXD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-3.1094
*Horizons BetaPro S&P/TSX Cap Energy Bear	HED	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-3.3335
iShares DJ Canada Select Growth Index	XCG	iShares ETFs	S&P/TSX Composite TR	-3.7432
Claymore Global Agriculture ETF Common	COW	Claymore	CIBC WM 91 Day Treasury Bill CAD	-4.1236
iShares S&P/TSX SmallCap Index	XCS	iShares ETFs	S&P/TSX Completion TR	-4.4771
Claymore Global Agriculture ETF Advisor	COW/A	Claymore	CIBC WM 91 Day Treasury Bill CAD	-4.4809
Claymore JPN Fndmental ETF-C\$Hdgd Common	CJP	Claymore	S&P/TOPIX 150 TR CAD	-5.6337
iShares S&P Latin America 40 Idx	XLA	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-5.8373
*Horizons BetaPro S&P/TSX Cap Energy Bull	HZBRF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-5.9102
Claymore JPN Fndmental ETF-C\$Hdgd Adv	CJP/A	Claymore	S&P/TOPIX 150 TR CAD	-5.987
*Horizons BetaPro S&P/TSX Cap Fincl Invrs	HIF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-6.1767
iShares MSCI Brazil Idx	XBZ	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-6.8531
*Horizons BetaPro MSCI Emerging Mkts Bear	HJD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-6.8704
*Horizons BetaPro U.S. Dollar Bull	HDU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-7.4827
*Horizons BetaPro U.S. 30-Year Bond Bear	HTD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-7.744
iShares S&P CNX Nifty India Index	XID	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-9.518
*Horizons AlphaPro Gartman ETF	HAG	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	-10.9379
*Horizons BetaPro S&P/TSX Cap Fincls Bear	HFD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.197
*Horizons BetaPro NASDAQ 100 Bear	HQD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.7839
*Horizons BetaPro COMEX Gold Bullion Bear	HBD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.9125
*Horizons BetaPro S&P 500 Bear	HSD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-13.2891
*Horizons BetaPro S&P/TSX Gbl BMTls Bull	HMU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-15.0302
*Horizons BetaPro NYMEX Natural Gas Bull	HNUZF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-20.0705
*Horizons BetaPro S&P/TSX Gbl Gold Bull	HZNSF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-27.5674
iShares S&P/TSX Equity Income Index Fund	XEI	iShares ETFs	S&P/TSX Composite TR	
iShares NASDAQ 100 Index C\$-Hdg	XQQ	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	
iShares S&P/TSX Capped Con Staples Idx	XST	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	
*Horizons BetaPro S&P/TSX Gbl Gold Bear	HGD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	20.8125
*Horizons BetaPro S&P/TSX Gbl Gold Invrs	HIG	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	13.586
BMO Junior Gas Index ETF	ZJN	BMO Funds	Morningstar/TSX Resource Equity CAD	11.7958
*Horizons BetaPro S&P 500 Bull	HSU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	9.91
*Horizons BetaPro S&P/TSX Cap Fincls Bull	HFU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	9.8681
BMO Junior Oil Index ETF	ZJO	BMO Funds	Morningstar/TSX Resource Equity CAD	9.4823
*Horizons BetaPro COMEX Gold Bullion Bull	HBU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	8.8111
BMO Dow Jones Ind Avg Hdgd CAD Index ETF	ZDJ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	8.353
*Horizons BetaPro NASDAQ 100 Bull	HQU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	7.788
BMO Global Infrastructure Index ETF	ZGI	BMO Funds	MSCI World GR CAD	6.7986
iShares DJ Canada Select Dividend Index	XDV	iShares ETFs	S&P/TSX Composite TR	6.4759
Claymore S&P/TSX Canadian Div ETF Comm	CDZ	Claymore	S&P/TSX Composite TR	6.3976
iShares Russell 2000 Index C\$-Hedged	XSU	iShares ETFs	Russell 2000 CAD	6.1488
*Horizons BetaPro U.S. Dollar Bear	HDD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	6.0653

# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
Claymore S&P/TSX Canadian Div ETF Adv	CDZ/A	Claymore	S&P/TSX Composite TR	6.0046
iShares S&P 500 Index C\$-Hedged	XSP	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	5.8701
*Horizons BetaPro U.S. 30-Year Bond Bull	HTU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	5.7756
BMO US Equity Hedged CAD Index ETF	ZUE	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.4842
*Horizons AlphaPro Global Dividend ETF	HAZ	AlphaPro Management	MSCI World GR CAD	5.4465
Claymore Gbl Monthly Adv Div ETF Comm	CYH	Claymore	MSCI World GR CAD	5.4168
Claymore US Fundamental ETF-C\$Hdgd Comm	CLU	Claymore	S&P 500 TR (Bank of Canada) CAD	5.4001
iShares DJ Canada Select Value Index	XCV	iShares ETFs	S&P/TSX Composite TR	5.103
Claymore Gbl Monthly Adv Div ETF Adv	CYH/A	Claymore	MSCI World GR CAD	5.0252
Claymore US Fundamental ETF-C\$Hdgd Adv	CLU/A	Claymore	S&P 500 TR (Bank of Canada) CAD	4.9941
Claymore CAN Fnci Monthly Inc ETF Comm	FIE	Claymore	Morningstar CAN Bal Cdn Agg CAD	4.8517
iShares Diversified Monthly Income	XTR	iShares ETFs	S&P/TSX Composite TR	4.5636
Claymore CAN Fnci Monthly Inc ETF Adv	FIE/A	Claymore	Morningstar CAN Bal Cdn Agg CAD	4.4789
iShares Alternatives Complt Port Builder	XAL	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	4.3348
iShares S&P/TSX NA Pref Stock CA-Hgd ETF	XPF	iShares ETFs	MSCI North America GR CAD	4.3158
*Horizons AlphaPro Dividend ETF	HAL	AlphaPro Management	S&P/TSX Composite TR	4.1029
iShares Global Completion Port Builder	XGC	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	3.7606
Claymore S&P/TSX CDN Pref ETF Common	CPD	Claymore	S&P/TSX Composite TR	3.6562
iShares Growth Core Portfolio Builder	XGR	iShares ETFs	Morningstar CAN Bal Gbl 60/40 CAD	3.5759
Claymore Balanced Inc CorePort ETF Comm	CBD	Claymore	Morningstar CAN Bal 50/50 CAD	3.5665
*Horizons BetaPro S&P/TSX Gbl Bmtis Bear	HMD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	3.4747
Claymore S&P/TSX CDN Pref ETF Adv	CPD/A	Claymore	S&P/TSX Composite TR	3.3989
Claymore Balanced Inc CorePort ETF Adv	CBD/A	Claymore	Morningstar CAN Bal 50/50 CAD	3.0535
iShares Conservative Core Port Builder	XCR	iShares ETFs	Morningstar CAN Bal Gbl Con CAD	2.7467
BMO China Equity Hedged CAD ETF	ZCH	BMO Funds	MSCI China GR CAD	2.6946
Claymore Intl Fundamental Idx ETF Common	CIE	Claymore	MSCI EAFE GR CAD	2.3413
BMO S&P/TSX Equal Weight Oil&Gas Idx ETF	ZEO	BMO Funds	Morningstar/TSX Resource Equity CAD	2.276
Claymore Global Infrs ETF Common	CIF	Claymore	MSCI World GR CAD	2.232
Claymore US Fundamental ETF non-hdgd Com	CLU/C	Claymore	S&P 500 TR (Bank of Canada) CAD	2.1528
Claymore Balanced Gr CorePort ETF Comm	CBN	Claymore	Morningstar CAN Bal Gbl Agg CAD	2.1064
iShares MSCI World Index	XWD	iShares ETFs	MSCI World GR CAD	2.0785
*Horizons AlphaPro Balanced ETF	HAA	AlphaPro Management	Morningstar CAN Bal Cdn Agg CAD	2.0551
Claymore Intl Fundamental Idx ETF Adv	CIE/A	Claymore	MSCI EAFE GR CAD	1.9626
Claymore Global Infrs ETF Adv	CIF/A	Claymore	MSCI World GR CAD	1.8559
Claymore US Fundamental ETF non-hdgd Adv	CLU.B	Claymore	S&P 500 TR (Bank of Canada) CAD	1.7794
iShares Jantzi Social Index	XEN	iShares ETFs	S&P/TSX Composite TR	1.715
Claymore Balanced Gr CorePort ETF Adv	CBN/A	Claymore	Morningstar CAN Bal Gbl Agg CAD	1.5988
*Horizons AlphaPro Seasonal Rotation ETF	HAC	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	1.5756
Claymore CAN Fndmental Idx ETF Common	CRQ	Claymore	S&P/TSX Composite TR	1.5279
Claymore CAN Fndmental Idx ETF Adv	CRQ/A	Claymore	S&P/TSX Composite TR	1.1525
Claymore Broad Emerging Markets ETF Comm	CWO	Claymore	MSCI EM GR CAD	0.8743
*Horizons AlphaPro S&P/TSX 60 Eq Wght ETF	HEW	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	0.5708
Claymore Broad Emerging Markets ETF Adv	CWO/A	Claymore	MSCI EM GR CAD	0.5
Claymore China ETF Common	CHI	Claymore	MSCI China GR CAD	0.4561
iShares S&P/TSX 60 Index	XIU	iShares ETFs	S&P/TSX Composite TR	0.4388
BMO Intl Equity Hedged CAD Idx ETF	ZDM	BMO Funds	MSCI EAFE GR CAD	0.3825
iShares MSCI EAFE Index C\$-Hedged	IUNTF	iShares ETFs	MSCI EAFE GR CAD	0.2848
Claymore China ETF Advisor	CHI/A	Claymore	MSCI China GR CAD	0.0853
BMO Equal Weight Utilities Index ETF	ZUT	BMO Funds	CIBC WM 91 Day Treasury Bill CAD	0.0638
iShares S&P/TSX Capped Composite Index	XIC	iShares ETFs	S&P/TSX Composite TR	-0.016



# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
BMO Dow Jones Canada Titans 60 Index ETF	ZCN	BMO Funds	S&P/TSX Composite TR	-0.6039
Claymore BRIC ETF Common	CBQ	Claymore	MSCI EM GR CAD	-0.8393
*Horizons BetaPro S&P/TSX Cap Envy Invrs	HIE	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-0.8766
*Horizons BetaPro S&P/TSX 60 Bull	HXU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.1909
Claymore BRIC ETF Adv	CBQ/A	Claymore	MSCI EM GR CAD	-1.2061
*Horizons BetaPro S&P/TSX 60 Inverse	HIX	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.304
iShares S&P/TSX Completion Index	ISPTF	iShares ETFs	S&P/TSX Completion TR	-1.4204
iShares S&P/TSX Capped Energy Index	XEG	iShares ETFs	Morningstar/TSX Resource Equity CAD	-1.4958
*Horizons BetaPro MSCI Emerging Mkts Bull	HJU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.7031
Claymore Oil Sands Sector ETF Common	CLO	Claymore	Morningstar/TSX Resource Equity CAD	-1.7899
iShares China Index	XCH	iShares ETFs	MSCI China GR CAD	-1.9362
Claymore Inverse 10 Yr Government Bd ETF	CIB	Claymore	BofAML Canada Broad Market TR CAD	-1.947
Claymore Oil Sands Sector ETF Adv	CLO/A	Claymore	Morningstar/TSX Resource Equity CAD	-2.1574
iShares MSCI Emerging Markets Idx	XEM	iShares ETFs	MSCI EM GR CAD	-2.1605
BMO Emerging Markets Equity Index ETF	ZEM	BMO Funds	MSCI EM GR CAD	-2.7989
*Horizons BetaPro S&P/TSX 60 Bear	HXD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-3.1094
*Horizons BetaPro S&P/TSX Cap Energy Bear	HED	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-3.3335
iShares DJ Canada Select Growth Index	XCG	iShares ETFs	S&P/TSX Composite TR	-3.7432
*Horizons BetaPro NYMEX Natural Gas Bear	HBNMF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-4.174
iShares S&P/TSX SmallCap Index	XCS	iShares ETFs	S&P/TSX Completion TR	-4.4771
Claymore JPN Fndmental ETF-C\$Hdgd Common	CJP	Claymore	S&P/TOPIX 150 TR CAD	-5.6337
iShares S&P Latin America 40 Idx	XLA	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-5.8373
*Horizons BetaPro S&P/TSX Cap Energy Bull	HZBRF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-5.9102
Claymore JPN Fndmental ETF-C\$Hdgd Adv	CJP/A	Claymore	S&P/TOPIX 150 TR CAD	-5.987
*Horizons BetaPro S&P/TSX Cap Fincl Invrs	HIF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-6.1767
iShares MSCI Brazil Idx	XBZ	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-6.8531
*Horizons BetaPro MSCI Emerging Mkts Bear	HJD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-6.8704
*Horizons BetaPro U.S. Dollar Bull	HDU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-7.4827
*Horizons BetaPro U.S. 30-Year Bond Bear	HTD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-7.744
*Horizons BetaPro NYMEX Crude Oil Bear	HOD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-8.9388
iShares S&P CNX Nifty India Index	XID	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-9.518
*Horizons AlphaPro Gartman ETF	HAG	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	-10.9379
*Horizons BetaPro S&P/TSX Cap Fincls Bear	HFD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.197
*Horizons BetaPro NASDAQ 100 Bear	HQD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.7839
*Horizons BetaPro COMEX Gold Bullion Bear	HBD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.9125
*Horizons BetaPro S&P 500 Bear	HSD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-13.2891
*Horizons BetaPro NYMEX Crude Oil Bull	HZOZF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-13.3268
BMO India Equity Hedged CAD ETF	ZID	BMO Funds	CIBC WM 91 Day Treasury Bill CAD	-13.9949
*Horizons BetaPro S&P/TSX Glb BMTls Bull	HMU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-15.0302
*Horizons BetaPro NYMEX Natural Gas Bull	HNUZF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-20.0705
*Horizons BetaPro S&P/TSX Gbl Gold Bull	HZNSF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-27.5674
BMO Monthly Income ETF	ZMI	BMO Funds	Morningstar CAN Bal 50/50 CAD	
iShares S&P/TSX Equity Income Index Fund	XEI	iShares ETFs	S&P/TSX Composite TR	
*Horizons BetaPro S&P 500 Bull	HSU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	9.91
*Horizons BetaPro COMEX Gold Bullion Bull	HBU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	8.8111
BMO Dow Jones Ind Avg Hdgd CAD Index ETF	ZDJ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	8.353
*Horizons BetaPro NASDAQ 100 Bull	HQU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	7.788
BMO S&P/TSX Equal Weight Banks Index ETF	ZEB	BMO Funds	MSCI World/Finance GR CAD	7.4177
iShares DJ Canada Select Dividend Index	XDV	iShares ETFs	S&P/TSX Composite TR	6.4759
Claymore S&P/TSX Canadian Div ETF Comm	CDZ	Claymore	S&P/TSX Composite TR	6.3976

# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
iShares Russell 2000 Index C\$-Hedged	XSU	iShares ETFs	Russell 2000 CAD	6.1488
Claymore S&P/TSX Canadian Div ETF Adv	CDZ/A	Claymore	S&P/TSX Composite TR	6.0046
iShares S&P 500 Index C\$-Hedged	XSP	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	5.8701
iShares S&P/TSX Capped Financials Index	XFN	iShares ETFs	MSCI World/Finance GR CAD	5.653
BMO US Equity Hedged CAD Index ETF	ZUE	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.4842
*Horizons AlphaPro Global Dividend ETF	HAZ	AlphaPro Management	MSCI World GR CAD	5.4465
Claymore Gbl Monthly Adv Div ETF Comm	CYH	Claymore	MSCI World GR CAD	5.4168
Claymore US Fundamental ETF-C\$Hdgd Comm	CLU	Claymore	S&P 500 TR (Bank of Canada) CAD	5.4001
Claymore Eq Wght Banc & Lifeco ETF Comm	CEW	Claymore	MSCI World/Finance GR CAD	5.1152
iShares DJ Canada Select Value Index	XCV	iShares ETFs	S&P/TSX Composite TR	5.103
Claymore Gbl Monthly Adv Div ETF Adv	CYH/A	Claymore	MSCI World GR CAD	5.0252
Claymore US Fundamental ETF-C\$Hdgd Adv	CLU/A	Claymore	S&P 500 TR (Bank of Canada) CAD	4.9941
Claymore CAN Fincl Monthly Inc ETF Comm	FIE	Claymore	Morningstar CAN Bal Cdn Agg CAD	4.8517
Claymore Eq Wght Banc & Lifeco ETF Adv	CEW/A	Claymore	MSCI World/Finance GR CAD	4.723
iShares Diversified Monthly Income	XTR	iShares ETFs	S&P/TSX Composite TR	4.5636
Claymore CAN Fincl Monthly Inc ETF Adv	FIE/A	Claymore	Morningstar CAN Bal Cdn Agg CAD	4.4789
iShares Alternatives Complt Port Builder	XAL	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	4.3348
iShares S&P/TSX NA Pref Stock CA-Hgd ETF	XPF	iShares ETFs	MSCI North America GR CAD	4.3158
*Horizons AlphaPro Preferred Share ETF	HPR	AlphaPro Management	S&P/TSX Composite TR	4.1241
*Horizons AlphaPro Dividend ETF	HAL	AlphaPro Management	S&P/TSX Composite TR	4.1029
iShares Global Completion Port Builder	XGC	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	3.7606
iShares Growth Core Portfolio Builder	XGR	iShares ETFs	Morningstar CAN Bal Gbl 60/40 CAD	3.5759
Claymore Balanced Inc CorePort ETF Comm	CBD	Claymore	Morningstar CAN Bal 50/50 CAD	3.5665
Claymore Global Real Estate ETF Common	CGR	Claymore	FTSE EPRA/NAREIT Dvlp PR CAD	3.1457
Claymore Balanced Inc CorePort ETF Adv	CBD/A	Claymore	Morningstar CAN Bal 50/50 CAD	3.0535
Claymore Global Real Estate ETF Adv	CGR/A	Claymore	FTSE EPRA/NAREIT Dvlp PR CAD	2.7722
iShares Conservative Core Port Builder	XCR	iShares ETFs	Morningstar CAN Bal Gbl Con CAD	2.7467
BMO China Equity Hedged CAD ETF	ZCH	BMO Funds	MSCI China GR CAD	2.6946
Claymore Intl Fundamental Idx ETF Common	CIE	Claymore	MSCI EAFE GR CAD	2.3413
Claymore US Fundamental ETF non-hdgd Com	CLU/C	Claymore	S&P 500 TR (Bank of Canada) CAD	2.1528
Claymore Balanced Gr CorePort ETF Comm	CBN	Claymore	Morningstar CAN Bal Gbl Agg CAD	2.1064
iShares MSCI World Index	XWD	iShares ETFs	MSCI World GR CAD	2.0785
*Horizons AlphaPro Balanced ETF	HAA	AlphaPro Management	Morningstar CAN Bal Cdn Agg CAD	2.0551
Claymore Intl Fundamental Idx ETF Adv	CIE/A	Claymore	MSCI EAFE GR CAD	1.9626
Claymore US Fundamental ETF non-hdgd Adv	CLU.B	Claymore	S&P 500 TR (Bank of Canada) CAD	1.7794
iShares Jantzi Social Index	XEN	iShares ETFs	S&P/TSX Composite TR	1.715
Claymore Balanced Gr CorePort ETF Adv	CBN/A	Claymore	Morningstar CAN Bal Gbl Agg CAD	1.5988
*Horizons AlphaPro Seasonal Rotation ETF	HAC	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	1.5756
Claymore CAN Fndmental Idx ETF Common	CRQ	Claymore	S&P/TSX Composite TR	1.5279
Claymore CAN Fndmental Idx ETF Adv	CRQ/A	Claymore	S&P/TSX Composite TR	1.1525
Claymore Broad Emerging Markets ETF Comm	CWO	Claymore	MSCI EM GR CAD	0.8743
*Horizons AlphaPro S&P/TSX 60 Eq Wght ETF	HEW	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	0.5708
Claymore Broad Emerging Markets ETF Adv	CWO/A	Claymore	MSCI EM GR CAD	0.5
Claymore China ETF Common	CHI	Claymore	MSCI China GR CAD	0.4561
iShares S&P/TSX 60 Index	XIU	iShares ETFs	S&P/TSX Composite TR	0.4388
BMO Intl Equity Hedged CAD Idx ETF	ZDM	BMO Funds	MSCI EAFE GR CAD	0.3825
iShares MSCI EAFE Index C\$-Hedged	IUNTF	iShares ETFs	MSCI EAFE GR CAD	0.2848
Claymore China ETF Advisor	CHI/A	Claymore	MSCI China GR CAD	0.0853
iShares S&P/TSX Capped Composite Index	XIC	iShares ETFs	S&P/TSX Composite TR	-0.016
BMO Dow Jones Canada Titans 60 Index ETF	ZCN	BMO Funds	S&P/TSX Composite TR	-0.6039

# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
Claymore BRIC ETF Common	CBQ	Claymore	MSCI EM GR CAD	-0.8393
Claymore BRIC ETF Adv	CBQ/A	Claymore	MSCI EM GR CAD	-1.2061
iShares S&P/TSX Completion Index	ISPTF	iShares ETFs	S&P/TSX Completion TR	-1.4204
*Horizons BetaPro MSCI Emerging Mkts Bull	HJU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.7031
*Horizons AlphaPro North American Val ETF	HAV	AlphaPro Management	S&P 500 TR (Bank of Canada) CAD	-1.8531
iShares China Index	XCH	iShares ETFs	MSCI China GR CAD	-1.9362
iShares MSCI Emerging Markets Idx	XEM	iShares ETFs	MSCI EM GR CAD	-2.1605
BMO Emerging Markets Equity Index ETF	ZEM	BMO Funds	MSCI EM GR CAD	-2.7989
iShares DJ Canada Select Growth Index	XCG	iShares ETFs	S&P/TSX Composite TR	-3.7432
iShares S&P/TSX SmallCap Index	XCS	iShares ETFs	S&P/TSX Completion TR	-4.4771
Claymore JPN Fndmental ETF-C\$Hdgd Common	CJP	Claymore	S&P/TOPIX 150 TR CAD	-5.6337
iShares S&P Latin America 40 Idx	XLA	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-5.8373
Claymore JPN Fndmental ETF-C\$Hdgd Adv	CJP/A	Claymore	S&P/TOPIX 150 TR CAD	-5.987
iShares MSCI Brazil Idx	XBZ	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-6.8531
*Horizons BetaPro NYMEX Crude Oil Bear	HOD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-8.9388
iShares S&P CNX Nifty India Index	XID	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-9.518
BMO Eq Weight US Banks Hdgd CAD Idx ETF	ZUB	BMO Funds	MSCI World/Finance GR CAD	-10.7172
*Horizons AlphaPro Gartman ETF	HAG	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	-10.9379
BMO India Equity Hedged CAD ETF	ZID	BMO Funds	CIBC WM 91 Day Treasury Bill CAD	-13.9949
*Horizons BetaPro NYMEX Natural Gas Bull	HNUZF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-20.0705
BMO Monthly Income ETF	ZMI	BMO Funds	Morningstar CAN Bal 50/50 CAD	
iShares S&P/TSX Equity Income Index Fund	XEI	iShares ETFs	S&P/TSX Composite TR	
BMO Covered Call Canadian Banks ETF	ZWB	BMO Funds	CIBC WM 91 Day Treasury Bill CAD	
BMO Eq Wght US HlthCare Hdgd CAD Idx ETF	ZUH	BMO Funds	MSCI World/Health Care GR CAD	15.4987
BMO Dow Jones Ind Avg Hdgd CAD Index ETF	ZDJ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	8.353
iShares Russell 2000 Index C\$-Hedged	XSU	iShares ETFs	Russell 2000 CAD	6.1488
iShares S&P 500 Index C\$-Hedged	XSP	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	5.8701
BMO US Equity Hedged CAD Index ETF	ZUE	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.4842
*Horizons AlphaPro North American Gr ETF	HAW	AlphaPro Management	S&P 500 TR (Bank of Canada) CAD	5.462
*Horizons AlphaPro Global Dividend ETF	HAZ	AlphaPro Management	MSCI World GR CAD	5.4465
Claymore Gbl Monthly Adv Div ETF Comm	CYH	Claymore	MSCI World GR CAD	5.4168
Claymore US Fundamental ETF-C\$Hdgd Comm	CLU	Claymore	S&P 500 TR (Bank of Canada) CAD	5.4001
BMO NASDAQ 100 Equity Hedged CAD Idx ETF	ZQQ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.1667
Claymore Gbl Monthly Adv Div ETF Adv	CYH/A	Claymore	MSCI World GR CAD	5.0252
Claymore US Fundamental ETF-C\$Hdgd Adv	CLU/A	Claymore	S&P 500 TR (Bank of Canada) CAD	4.9941
iShares Diversified Monthly Income	XTR	iShares ETFs	S&P/TSX Composite TR	4.5636
iShares Alternatives Complt Port Builder	XAL	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	4.3348
*Horizons AlphaPro Dividend ETF	HAL	AlphaPro Management	S&P/TSX Composite TR	4.1029
iShares Global Completion Port Builder	XGC	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	3.7606
iShares Growth Core Portfolio Builder	XGR	iShares ETFs	Morningstar CAN Bal Gbl 60/40 CAD	3.5759
Claymore Balanced Inc CorePort ETF Comm	CBD	Claymore	Morningstar CAN Bal 50/50 CAD	3.5665
Claymore Balanced Inc CorePort ETF Adv	CBD/A	Claymore	Morningstar CAN Bal 50/50 CAD	3.0535
iShares Conservative Core Port Builder	XCR	iShares ETFs	Morningstar CAN Bal Gbl Con CAD	2.7467
BMO China Equity Hedged CAD ETF	ZCH	BMO Funds	MSCI China GR CAD	2.6946
Claymore Intl Fundamental Idx ETF Common	CIE	Claymore	MSCI EAFE GR CAD	2.3413
Claymore US Fundamental ETF non-hdgd Com	CLU/C	Claymore	S&P 500 TR (Bank of Canada) CAD	2.1528
Claymore Balanced Gr CorePort ETF Comm	CBN	Claymore	Morningstar CAN Bal Gbl Agg CAD	2.1064
iShares MSCI World Index	XWD	iShares ETFs	MSCI World GR CAD	2.0785
*Horizons AlphaPro Balanced ETF	HAA	AlphaPro Management	Morningstar CAN Bal Cdn Agg CAD	2.0551
Claymore Intl Fundamental Idx ETF Adv	CIE/A	Claymore	MSCI EAFE GR CAD	1.9626



# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
Claymore US Fundamental ETF non-hdgd Adv	CLU.B	Claymore	S&P 500 TR (Bank of Canada) CAD	1.7794
iShares Jantzi Social Index	XEN	iShares ETFs	S&P/TSX Composite TR	1.715
Claymore Balanced Gr CorePort ETF Adv	CBN/A	Claymore	Morningstar CAN Bal Gbl Agg CAD	1.5988
*Horizons AlphaPro Seasonal Rotation ETF	HAC	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	1.5756
Claymore CAN Fndmental Idx ETF Common	CRQ	Claymore	S&P/TSX Composite TR	1.5279
Claymore CAN Fndmental Idx ETF Adv	CRQ/A	Claymore	S&P/TSX Composite TR	1.1525
Claymore Broad Emerging Markets ETF Comm	CWO	Claymore	MSCI EM GR CAD	0.8743
*Horizons AlphaPro S&P/TSX 60 Eq Wght ETF	HEW	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	0.5708
Claymore Broad Emerging Markets ETF Adv	CWO/A	Claymore	MSCI EM GR CAD	0.5
Claymore China ETF Common	CHI	Claymore	MSCI China GR CAD	0.4561
iShares S&P/TSX 60 Index	XIU	iShares ETFs	S&P/TSX Composite TR	0.4388
BMO Intl Equity Hedged CAD Idx ETF	ZDM	BMO Funds	MSCI EAFE GR CAD	0.3825
iShares MSCI EAFE Index C\$-Hedged	IUNTF	iShares ETFs	MSCI EAFE GR CAD	0.2848
Claymore China ETF Advisor	CHI/A	Claymore	MSCI China GR CAD	0.0853
iShares S&P/TSX Capped Composite Index	XIC	iShares ETFs	S&P/TSX Composite TR	-0.016
BMO Dow Jones Canada Titans 60 Index ETF	ZCN	BMO Funds	S&P/TSX Composite TR	-0.6039
Claymore BRIC ETF Common	CBQ	Claymore	MSCI EM GR CAD	-0.8393
Claymore BRIC ETF Adv	CBQ/A	Claymore	MSCI EM GR CAD	-1.2061
iShares S&P/TSX Completion Index	ISPTF	iShares ETFs	S&P/TSX Completion TR	-1.4204
*Horizons AlphaPro North American Val ETF	HAV	AlphaPro Management	S&P 500 TR (Bank of Canada) CAD	-1.8531
iShares MSCI Emerging Markets Idx	XEM	iShares ETFs	MSCI EM GR CAD	-2.1605
BMO Emerging Markets Equity Index ETF	ZEM	BMO Funds	MSCI EM GR CAD	-2.7989
iShares DJ Canada Select Growth Index	XCG	iShares ETFs	S&P/TSX Composite TR	-3.7432
iShares S&P/TSX SmallCap Index	XCS	iShares ETFs	S&P/TSX Completion TR	-4.4771
Claymore JPN Fndmental ETF-C\$Hdgd Common	CJP	Claymore	S&P/TOPIX 150 TR CAD	-5.6337
Claymore JPN Fndmental ETF-C\$Hdgd Adv	CJP/A	Claymore	S&P/TOPIX 150 TR CAD	-5.987
iShares MSCI Brazil Idx	XBZ	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-6.8531
iShares S&P CNX Nifty India Index	XID	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-9.518
*Horizons AlphaPro Gartman ETF	HAG	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	-10.9379
BMO India Equity Hedged CAD ETF	ZID	BMO Funds	CIBC WM 91 Day Treasury Bill CAD	-13.9949
iShares S&P/TSX Equity Income Index Fund	XEI	iShares ETFs	S&P/TSX Composite TR	
iShares NASDAQ 100 Index C\$-Hdg	XQQ	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	
iShares S&P Global Healthcare Idx C\$-Hdg	XHC	iShares ETFs	MSCI World/Health Care GR CAD	
*Horizons BetaPro S&P/TSX Gbl Gold Bear	HGD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	20.8125
*Horizons BetaPro S&P/TSX Gbl Gold Invs	HIG	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	13.586
BMO Junior Gas Index ETF	ZJN	BMO Funds	Morningstar/TSX Resource Equity CAD	11.7958
*Horizons BetaPro S&P 500 Bull	HSU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	9.91
*Horizons BetaPro S&P/TSX Cap Fincls Bull	HFU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	9.8681
BMO Junior Oil Index ETF	ZJO	BMO Funds	Morningstar/TSX Resource Equity CAD	9.4823
BMO Dow Jones Ind Avg Hdgd CAD Index ETF	ZDJ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	8.353
*Horizons BetaPro NASDAQ 100 Bull	HQU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	7.788
BMO Global Infrastructure Index ETF	ZGI	BMO Funds	MSCI World GR CAD	6.7986
Claymore S&P/TSX Canadian Div ETF Comm	CDZ	Claymore	S&P/TSX Composite TR	6.3976
iShares Russell 2000 Index C\$-Hedged	XSU	iShares ETFs	Russell 2000 CAD	6.1488
Claymore S&P/TSX Canadian Div ETF Adv	CDZ/A	Claymore	S&P/TSX Composite TR	6.0046
iShares S&P 500 Index C\$-Hedged	XSP	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	5.8701
*Horizons BetaPro U.S. 30-Year Bond Bull	HTU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	5.7756
iShares S&P/TSX Capped Financials Index	XFN	iShares ETFs	MSCI World/Finance GR CAD	5.653
BMO US Equity Hedged CAD Index ETF	ZUE	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.4842
*Horizons AlphaPro North American Gr ETF	HAW	AlphaPro Management	S&P 500 TR (Bank of Canada) CAD	5.462

# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
*Horizons AlphaPro Global Dividend ETF	HAZ	AlphaPro Management	MSCI World GR CAD	5.4465
Claymore Gbl Monthly Adv Div ETF Comm	CYH	Claymore	MSCI World GR CAD	5.4168
Claymore US Fundamental ETF-C\$Hdgd Comm	CLU	Claymore	S&P 500 TR (Bank of Canada) CAD	5.4001
BMO NASDAQ 100 Equity Hedged CAD Idx ETF	ZQZ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.1667
iShares DJ Canada Select Value Index	XCV	iShares ETFs	S&P/TSX Composite TR	5.103
Claymore Gbl Monthly Adv Div ETF Adv	CYH/A	Claymore	MSCI World GR CAD	5.0252
Claymore US Fundamental ETF-C\$Hdgd Adv	CLU/A	Claymore	S&P 500 TR (Bank of Canada) CAD	4.9941
iShares Diversified Monthly Income	XTR	iShares ETFs	S&P/TSX Composite TR	4.5636
iShares Alternatives Complt Port Builder	XAL	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	4.3348
iShares S&P/TSX NA Pref Stock CA-Hgd ETF	XPF	iShares ETFs	MSCI North America GR CAD	4.3158
*Horizons AlphaPro Dividend ETF	HAL	AlphaPro Management	S&P/TSX Composite TR	4.1029
iShares Global Completion Port Builder	XGC	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	3.7606
iShares Growth Core Portfolio Builder	XGR	iShares ETFs	Morningstar CAN Bal Gbl 60/40 CAD	3.5759
Claymore Balanced Inc CorePort ETF Comm	CBD	Claymore	Morningstar CAN Bal 50/50 CAD	3.5665
*Horizons BetaPro S&P/TSX Gbl BMTls Bear	HMD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	3.4747
Claymore Balanced Inc CorePort ETF Adv	CBD/A	Claymore	Morningstar CAN Bal 50/50 CAD	3.0535
iShares Conservative Core Port Builder	XCR	iShares ETFs	Morningstar CAN Bal Gbl Con CAD	2.7467
BMO China Equity Hedged CAD ETF	ZCH	BMO Funds	MSCI China GR CAD	2.6946
iShares S&P/TSX Capped Info Tech Index	XIT	iShares ETFs	NASDAQ 100 PR CAD	2.3755
Claymore Intl Fundamental Idx ETF Common	CIE	Claymore	MSCI EAFE GR CAD	2.3413
Claymore Global Infrs ETF Common	CIF	Claymore	MSCI World GR CAD	2.232
Claymore US Fundamental ETF non-hdgd Com	CLU/C	Claymore	S&P 500 TR (Bank of Canada) CAD	2.1528
Claymore Balanced Gr CorePort ETF Comm	CBN	Claymore	Morningstar CAN Bal Gbl Agg CAD	2.1064
iShares MSCI World Index	XWD	iShares ETFs	MSCI World GR CAD	2.0785
*Horizons AlphaPro Balanced ETF	HAA	AlphaPro Management	Morningstar CAN Bal Cdn Agg CAD	2.0551
Claymore Intl Fundamental Idx ETF Adv	CIE/A	Claymore	MSCI EAFE GR CAD	1.9626
Claymore Global Infrs ETF Adv	CIF/A	Claymore	MSCI World GR CAD	1.8559
Claymore US Fundamental ETF non-hdgd Adv	CLU.B	Claymore	S&P 500 TR (Bank of Canada) CAD	1.7794
iShares Jantzi Social Index	XEN	iShares ETFs	S&P/TSX Composite TR	1.715
Claymore Balanced Gr CorePort ETF Adv	CBN/A	Claymore	Morningstar CAN Bal Gbl Agg CAD	1.5988
*Horizons AlphaPro Seasonal Rotation ETF	HAC	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	1.5756
Claymore CAN Fndmental Idx ETF Common	CRQ	Claymore	S&P/TSX Composite TR	1.5279
Claymore S&P Global Water ETF Common	CWW	Claymore	CIBC WM 91 Day Treasury Bill CAD	1.3184
Claymore CAN Fndmental Idx ETF Adv	CRQ/A	Claymore	S&P/TSX Composite TR	1.1525
Claymore S&P Global Water ETF Adv	CWW/A	Claymore	CIBC WM 91 Day Treasury Bill CAD	0.946
Claymore Broad Emerging Markets ETF Comm	CWO	Claymore	MSCI EM GR CAD	0.8743
*Horizons AlphaPro S&P/TSX 60 Eq Wght ETF	HEW	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	0.5708
Claymore Broad Emerging Markets ETF Adv	CWO/A	Claymore	MSCI EM GR CAD	0.5
Claymore China ETF Common	CHI	Claymore	MSCI China GR CAD	0.4561
iShares S&P/TSX 60 Index	XIU	iShares ETFs	S&P/TSX Composite TR	0.4388
BMO Intl Equity Hedged CAD Idx ETF	ZDM	BMO Funds	MSCI EAFE GR CAD	0.3825
iShares MSCI EAFE Index C\$-Hedged	IUNTF	iShares ETFs	MSCI EAFE GR CAD	0.2848
Claymore China ETF Advisor	CHI/A	Claymore	MSCI China GR CAD	0.0853
iShares S&P/TSX Capped Composite Index	XIC	iShares ETFs	S&P/TSX Composite TR	-0.016
BMO Dow Jones Canada Titans 60 Index ETF	ZCN	BMO Funds	S&P/TSX Composite TR	-0.6039
Claymore BRIC ETF Common	CBQ	Claymore	MSCI EM GR CAD	-0.8393
*Horizons BetaPro S&P/TSX Cap Engy Invr	HIE	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-0.8766
*Horizons BetaPro S&P/TSX 60 Bull	HXU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.1909
Claymore BRIC ETF Adv	CBQ/A	Claymore	MSCI EM GR CAD	-1.2061
*Horizons BetaPro S&P/TSX 60 Inverse	HIX	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.304

# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
iShares S&P/TSX Completion Index	ISPTF	iShares ETFs	S&P/TSX Completion TR	-1.4204
iShares S&P/TSX Capped Energy Index	XEG	iShares ETFs	Morningstar/TSX Resource Equity CAD	-1.4958
*Horizons BetaPro MSCI Emerging Mkts Bull	HJU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.7031
*Horizons AlphaPro North American Val ETF	HAV	AlphaPro Management	S&P 500 TR (Bank of Canada) CAD	-1.8531
iShares China Index	XCH	iShares ETFs	MSCI China GR CAD	-1.9362
iShares MSCI Emerging Markets Idx	XEM	iShares ETFs	MSCI EM GR CAD	-2.1605
BMO Emerging Markets Equity Index ETF	ZEM	BMO Funds	MSCI EM GR CAD	-2.7989
*Horizons BetaPro S&P/TSX 60 Bear	HXD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-3.1094
*Horizons BetaPro S&P/TSX Cap Energy Bear	HED	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-3.3335
iShares DJ Canada Select Growth Index	XCG	iShares ETFs	S&P/TSX Composite TR	-3.7432
Claymore Global Agriculture ETF Common	COW	Claymore	CIBC WM 91 Day Treasury Bill CAD	-4.1236
iShares S&P/TSX SmallCap Index	XCS	iShares ETFs	S&P/TSX Completion TR	-4.4771
Claymore Global Agriculture ETF Advisor	COW/A	Claymore	CIBC WM 91 Day Treasury Bill CAD	-4.4809
Claymore JPN Fndmental ETF-C\$Hdgd Common	CJP	Claymore	S&P/TOPIX 150 TR CAD	-5.6337
iShares S&P Latin America 40 Idx	XLA	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-5.8373
*Horizons BetaPro S&P/TSX Cap Energy Bull	HZBRF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-5.9102
Claymore JPN Fndmental ETF-C\$Hdgd Adv	CJP/A	Claymore	S&P/TOPIX 150 TR CAD	-5.987
*Horizons BetaPro S&P/TSX Cap Finc'l Invs	HIF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-6.1767
iShares MSCI Brazil Idx	XBZ	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-6.8531
*Horizons BetaPro MSCI Emerging Mkts Bear	HJD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-6.8704
*Horizons BetaPro U.S. Dollar Bull	HDU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-7.4827
*Horizons BetaPro NYMEX Crude Oil Bear	HOD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-8.9388
iShares S&P CNX Nifty India Index	XID	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-9.518
*Horizons AlphaPro Gartman ETF	HAG	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	-10.9379
*Horizons BetaPro S&P/TSX Cap Finc'l Bear	HFD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.197
*Horizons BetaPro NASDAQ 100 Bear	HQD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.7839
*Horizons BetaPro COMEX Gold Bullion Bear	HBD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.9125
*Horizons BetaPro S&P 500 Bear	HSD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-13.2891
BMO India Equity Hedged CAD ETF	ZID	BMO Funds	CIBC WM 91 Day Treasury Bill CAD	-13.9949
*Horizons BetaPro S&P/TSX Gbl BMTls Bull	HMU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-15.0302
*Horizons BetaPro NYMEX Natural Gas Bull	HNUZF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-20.0705
*Horizons BetaPro S&P/TSX Gbl Gold Bull	HZNSF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-27.5674
BMO Monthly Income ETF	ZMI	BMO Funds	Morningstar CAN Bal 50/50 CAD	
iShares S&P/TSX Equity Income Index Fund	XEI	iShares ETFs	S&P/TSX Composite TR	
iShares S&P/TSX Capped Con Staples Idx	XST	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	
iShares NASDAQ 100 Index C\$-Hdg	XQQ	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	
iShares S&P/TSX Capped REIT Index	XRE	iShares ETFs	FTSE EPRA/NAREIT Dvlp PR CAD	14.1783
BMO Equal Weight REITs Index ETF	ZRE	BMO Funds	FTSE EPRA/NAREIT Dvlp PR CAD	11.3245
Claymore S&P/TSX Canadian Div ETF Comm	CDZ	Claymore	S&P/TSX Composite TR	6.3976
iShares Russell 2000 Index C\$-Hedged	XSU	iShares ETFs	Russell 2000 CAD	6.1488
Claymore S&P/TSX Canadian Div ETF Adv	CDZ/A	Claymore	S&P/TSX Composite TR	6.0046
iShares S&P 500 Index C\$-Hedged	XSP	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	5.8701
BMO US Equity Hedged CAD Index ETF	ZUE	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.4842
*Horizons AlphaPro Global Dividend ETF	HAZ	AlphaPro Management	MSCI World GR CAD	5.4465
Claymore Gbl Monthly Adv Div ETF Comm	CYH	Claymore	MSCI World GR CAD	5.4168
Claymore US Fundamental ETF-C\$Hdgd Comm	CLU	Claymore	S&P 500 TR (Bank of Canada) CAD	5.4001
iShares DJ Canada Select Value Index	XCV	iShares ETFs	S&P/TSX Composite TR	5.103
Claymore Gbl Monthly Adv Div ETF Adv	CYH/A	Claymore	MSCI World GR CAD	5.0252
Claymore US Fundamental ETF-C\$Hdgd Adv	CLU/A	Claymore	S&P 500 TR (Bank of Canada) CAD	4.9941
Claymore CAN Finc'l Monthly Inc ETF Comm	FIE	Claymore	Morningstar CAN Bal Cdn Agg CAD	4.8517



# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
iShares Diversified Monthly Income	XTR	iShares ETFs	S&P/TSX Composite TR	4.5636
Claymore CAN Finci Monthly Inc ETF Adv	FIE/A	Claymore	Morningstar CAN Bal Cdn Agg CAD	4.4789
iShares Alternatives Complt Port Builder	XAL	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	4.3348
iShares S&P/TSX NA Pref Stock CA-Hgd ETF	XPF	iShares ETFs	MSCI North America GR CAD	4.3158
iShares Global Completion Port Builder	XGC	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	3.7606
iShares Growth Core Portfolio Builder	XGR	iShares ETFs	Morningstar CAN Bal Gbl 60/40 CAD	3.5759
Claymore Balanced Inc CorePort ETF Comm	CBD	Claymore	Morningstar CAN Bal 50/50 CAD	3.5665
Claymore Global Real Estate ETF Common	CGR	Claymore	FTSE EPRA/NAREIT Dvlp PR CAD	3.1457
Claymore Balanced Inc CorePort ETF Adv	CBD/A	Claymore	Morningstar CAN Bal 50/50 CAD	3.0535
Claymore Global Real Estate ETF Adv	CGR/A	Claymore	FTSE EPRA/NAREIT Dvlp PR CAD	2.7722
iShares Conservative Core Port Builder	XCR	iShares ETFs	Morningstar CAN Bal Gbl Con CAD	2.7467
BMO China Equity Hedged CAD ETF	ZCH	BMO Funds	MSCI China GR CAD	2.6946
Claymore Intl Fundamental Idx ETF Common	CIE	Claymore	MSCI EAFE GR CAD	2.3413
Claymore Global Infrs ETF Common	CIF	Claymore	MSCI World GR CAD	2.232
Claymore US Fundamental ETF non-hdgd Com	CLU/C	Claymore	S&P 500 TR (Bank of Canada) CAD	2.1528
Claymore Balanced Gr CorePort ETF Comm	CBN	Claymore	Morningstar CAN Bal Gbl Agg CAD	2.1064
iShares MSCI World Index	XWD	iShares ETFs	MSCI World GR CAD	2.0785
*Horizons AlphaPro Balanced ETF	HAA	AlphaPro Management	Morningstar CAN Bal Cdn Agg CAD	2.0551
Claymore Intl Fundamental Idx ETF Adv	CIE/A	Claymore	MSCI EAFE GR CAD	1.9626
Claymore Global Infrs ETF Adv	CIF/A	Claymore	MSCI World GR CAD	1.8559
Claymore US Fundamental ETF non-hdgd Adv	CLU.B	Claymore	S&P 500 TR (Bank of Canada) CAD	1.7794
iShares Jantzi Social Index	XEN	iShares ETFs	S&P/TSX Composite TR	1.715
Claymore Balanced Gr CorePort ETF Adv	CBN/A	Claymore	Morningstar CAN Bal Gbl Agg CAD	1.5988
*Horizons AlphaPro Seasonal Rotation ETF	HAC	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	1.5756
Claymore CAN Fndmental Idx ETF Common	CRQ	Claymore	S&P/TSX Composite TR	1.5279
Claymore CAN Fndmental Idx ETF Adv	CRQ/A	Claymore	S&P/TSX Composite TR	1.1525
Claymore Broad Emerging Markets ETF Comm	CWO	Claymore	MSCI EM GR CAD	0.8743
*Horizons AlphaPro S&P/TSX 60 Eq Wght ETF	HEW	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	0.5708
Claymore Broad Emerging Markets ETF Adv	CWO/A	Claymore	MSCI EM GR CAD	0.5
Claymore China ETF Common	CHI	Claymore	MSCI China GR CAD	0.4561
iShares S&P/TSX 60 Index	XIU	iShares ETFs	S&P/TSX Composite TR	0.4388
BMO Intl Equity Hedged CAD Idx ETF	ZDM	BMO Funds	MSCI EAFE GR CAD	0.3825
iShares MSCI EAFE Index C\$-Hedged	IUNTF	iShares ETFs	MSCI EAFE GR CAD	0.2848
Claymore China ETF Advisor	CHI/A	Claymore	MSCI China GR CAD	0.0853
iShares S&P/TSX Capped Composite Index	XIC	iShares ETFs	S&P/TSX Composite TR	-0.016
BMO Dow Jones Canada Titans 60 Index ETF	ZCN	BMO Funds	S&P/TSX Composite TR	-0.6039
Claymore BRIC ETF Common	CBQ	Claymore	MSCI EM GR CAD	-0.8393
Claymore BRIC ETF Adv	CBQ/A	Claymore	MSCI EM GR CAD	-1.2061
iShares S&P/TSX Completion Index	ISPTF	iShares ETFs	S&P/TSX Completion TR	-1.4204
Claymore Inverse 10 Yr Government Bd ETF	CIB	Claymore	BofAML Canada Broad Market TR CAD	-1.947
iShares MSCI Emerging Markets Idx	XEM	iShares ETFs	MSCI EM GR CAD	-2.1605
BMO Emerging Markets Equity Index ETF	ZEM	BMO Funds	MSCI EM GR CAD	-2.7989
iShares DJ Canada Select Growth Index	XCG	iShares ETFs	S&P/TSX Composite TR	-3.7432
iShares S&P/TSX SmallCap Index	XCS	iShares ETFs	S&P/TSX Completion TR	-4.4771
Claymore JPN Fndmental ETF-CSHdgd Common	CJP	Claymore	S&P/TOPIX 150 TR CAD	-5.6337
Claymore JPN Fndmental ETF-CSHdgd Adv	CJP/A	Claymore	S&P/TOPIX 150 TR CAD	-5.987
iShares MSCI Brazil Idx	XBZ	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-6.8531
*Horizons BetaPro NYMEX Crude Oil Bear	HOD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-8.9388
iShares S&P CNX Nifty India Index	XID	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-9.518
*Horizons AlphaPro Gartman ETF	HAG	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	-10.9379

# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
*Horizons BetaPro NYMEX Natural Gas Bull	HNUZF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-20.0705
iShares S&P/TSX Equity Income Index Fund	XEI	iShares ETFs	S&P/TSX Composite TR	
BMO Monthly Income ETF	ZMI	BMO Funds	Morningstar CAN Bal 50/50 CAD	
*Horizons BetaPro S&P/TSX Gbl Gold Bear	HGD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	20.8125
*Horizons BetaPro S&P/TSX Gbl Gold Invrs	HIG	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	13.586
*Horizons BetaPro S&P 500 Bull	HSU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	9.91
*Horizons BetaPro S&P/TSX Cap Fincls Bull	HFU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	9.8681
BMO Junior Oil Index ETF	ZJO	BMO Funds	Morningstar/TSX Resource Equity CAD	9.4823
*Horizons BetaPro COMEX Gold Bullion Bull	HBU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	8.8111
BMO Dow Jones Ind Avg Hdgd CAD Index ETF	ZDJ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	8.353
*Horizons BetaPro NASDAQ 100 Bull	HQU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	7.788
iShares Russell 2000 Index C\$-Hedged	XSU	iShares ETFs	Russell 2000 CAD	6.1488
*Horizons BetaPro U.S. Dollar Bear	HDD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	6.0653
iShares S&P 500 Index C\$-Hedged	XSP	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	5.8701
*Horizons BetaPro U.S. 30-Year Bond Bull	HTU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	5.7756
BMO US Equity Hedged CAD Index ETF	ZUE	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.4842
*Horizons AlphaPro North American Gr ETF	HAW	AlphaPro Management	S&P 500 TR (Bank of Canada) CAD	5.462
Claymore Gbl Monthly Adv Div ETF Comm	CYH	Claymore	MSCI World GR CAD	5.4168
Claymore US Fundamental ETF-C\$Hdgd Comm	CLU	Claymore	S&P 500 TR (Bank of Canada) CAD	5.4001
BMO NASDAQ 100 Equity Hedged CAD Idx ETF	ZQQ	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.1667
Claymore Gbl Monthly Adv Div ETF Adv	CYH/A	Claymore	MSCI World GR CAD	5.0252
Claymore US Fundamental ETF-C\$Hdgd Adv	CLU/A	Claymore	S&P 500 TR (Bank of Canada) CAD	4.9941
iShares Diversified Monthly Income	XTR	iShares ETFs	S&P/TSX Composite TR	4.5636
iShares Alternatives Complt Port Builder	XAL	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	4.3348
*Horizons AlphaPro Dividend ETF	HAL	AlphaPro Management	S&P/TSX Composite TR	4.1029
iShares Global Completion Port Builder	XGC	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	3.7606
iShares Growth Core Portfolio Builder	XGR	iShares ETFs	Morningstar CAN Bal Gbl 60/40 CAD	3.5759
Claymore Balanced Inc CorePort ETF Comm	CBD	Claymore	Morningstar CAN Bal 50/50 CAD	3.5665
*Horizons BetaPro S&P/TSX Gbl BMTls Bear	HMD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	3.4747
Claymore Balanced Inc CorePort ETF Adv	CBD/A	Claymore	Morningstar CAN Bal 50/50 CAD	3.0535
iShares Conservative Core Port Builder	XCR	iShares ETFs	Morningstar CAN Bal Gbl Con CAD	2.7467
BMO China Equity Hedged CAD ETF	ZCH	BMO Funds	MSCI China GR CAD	2.6946
iShares S&P/TSX Capped Info Tech Index	XIT	iShares ETFs	NASDAQ 100 PR CAD	2.3755
Claymore Intl Fundamental Idx ETF Common	CIE	Claymore	MSCI EAFE GR CAD	2.3413
Claymore US Fundamental ETF non-hdgd Com	CLU/C	Claymore	S&P 500 TR (Bank of Canada) CAD	2.1528
Claymore Balanced Gr CorePort ETF Comm	CBN	Claymore	Morningstar CAN Bal Gbl Agg CAD	2.1064
iShares MSCI World Index	XWD	iShares ETFs	MSCI World GR CAD	2.0785
*Horizons AlphaPro Balanced ETF	HAA	AlphaPro Management	Morningstar CAN Bal Cdn Agg CAD	2.0551
Claymore Intl Fundamental Idx ETF Adv	CIE/A	Claymore	MSCI EAFE GR CAD	1.9626
Claymore US Fundamental ETF non-hdgd Adv	CLU.B	Claymore	S&P 500 TR (Bank of Canada) CAD	1.7794
iShares Jantzi Social Index	XEN	iShares ETFs	S&P/TSX Composite TR	1.715
Claymore Balanced Gr CorePort ETF Adv	CBN/A	Claymore	Morningstar CAN Bal Gbl Agg CAD	1.5988
*Horizons AlphaPro Seasonal Rotation ETF	HAC	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	1.5756
Claymore CAN Fndmental Idx ETF Common	CRQ	Claymore	S&P/TSX Composite TR	1.5279
Claymore S&P Global Water ETF Common	CWW	Claymore	CIBC WM 91 Day Treasury Bill CAD	1.3184
Claymore CAN Fndmental Idx ETF Adv	CRQ/A	Claymore	S&P/TSX Composite TR	1.1525
Claymore S&P Global Water ETF Adv	CWW/A	Claymore	CIBC WM 91 Day Treasury Bill CAD	0.946
Claymore Broad Emerging Markets ETF Comm	CWO	Claymore	MSCI EM GR CAD	0.8743
*Horizons AlphaPro S&P/TSX 60 Eq Wght ETF	HEW	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	0.5708
Claymore Broad Emerging Markets ETF Adv	CWO/A	Claymore	MSCI EM GR CAD	0.5

# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
Claymore China ETF Common	CHI	Claymore	MSCI China GR CAD	0.4561
iShares S&P/TSX 60 Index	XIU	iShares ETFs	S&P/TSX Composite TR	0.4388
BMO Intl Equity Hedged CAD Idx ETF	ZDM	BMO Funds	MSCI EAFE GR CAD	0.3825
iShares MSCI EAFE Index C\$-Hedged	IUNTF	iShares ETFs	MSCI EAFE GR CAD	0.2848
Claymore China ETF Advisor	CHI/A	Claymore	MSCI China GR CAD	0.0853
iShares S&P/TSX Capped Composite Index	XIC	iShares ETFs	S&P/TSX Composite TR	-0.016
BMO Dow Jones Canada Titans 60 Index ETF	ZCN	BMO Funds	S&P/TSX Composite TR	-0.6039
Claymore BRIC ETF Common	CBQ	Claymore	MSCI EM GR CAD	-0.8393
*Horizons BetaPro S&P/TSX Cap Engy Invrs	HIE	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-0.8766
*Horizons BetaPro S&P/TSX 60 Bull	HXU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.1909
Claymore BRIC ETF Adv	CBQ/A	Claymore	MSCI EM GR CAD	-1.2061
*Horizons BetaPro S&P/TSX 60 Inverse	HIX	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.304
iShares S&P/TSX Completion Index	ISPTF	iShares ETFs	S&P/TSX Completion TR	-1.4204
*Horizons BetaPro MSCI Emerging Mkts Bull	HJU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-1.7031
*Horizons AlphaPro North American Val ETF	HAV	AlphaPro Management	S&P 500 TR (Bank of Canada) CAD	-1.8531
Claymore Inverse 10 Yr Government Bd ETF	CIB	Claymore	BoFAML Canada Broad Market TR CAD	-1.947
iShares MSCI Emerging Markets Idx	XEM	iShares ETFs	MSCI EM GR CAD	-2.1605
BMO Emerging Markets Equity Index ETF	ZEM	BMO Funds	MSCI EM GR CAD	-2.7989
*Horizons BetaPro S&P/TSX 60 Bear	HXD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-3.1094
*Horizons BetaPro S&P/TSX Cap Energy Bear	HED	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-3.3335
iShares DJ Canada Select Growth Index	XCG	iShares ETFs	S&P/TSX Composite TR	-3.7432
*Horizons BetaPro NYMEX Natural Gas Bear	HBNNF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-4.174
iShares S&P/TSX SmallCap Index	XCS	iShares ETFs	S&P/TSX Completion TR	-4.4771
Claymore JPN Fndmental ETF-C\$Hdgd Common	CJP	Claymore	S&P/TOPIX 150 TR CAD	-5.6337
*Horizons BetaPro S&P/TSX Cap Energy Bull	HZBRF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-5.9102
Claymore JPN Fndmental ETF-C\$Hdgd Adv	CJP/A	Claymore	S&P/TOPIX 150 TR CAD	-5.987
*Horizons BetaPro S&P/TSX Cap Fincl Invrs	HIF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-6.1767
iShares MSCI Brazil Idx	XBZ	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-6.8531
*Horizons BetaPro MSCI Emerging Mkts Bear	HJD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-6.8704
*Horizons BetaPro U.S. Dollar Bull	HDU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-7.4827
*Horizons BetaPro U.S. 30-Year Bond Bear	HTD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-7.744
*Horizons BetaPro NYMEX Crude Oil Bear	HOD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-8.9388
iShares S&P CNX Nifty India Index	XID	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-9.518
*Horizons AlphaPro Gartman ETF	HAG	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	-10.9379
*Horizons BetaPro S&P/TSX Cap Fincls Bear	HFD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.197
*Horizons BetaPro NASDAQ 100 Bear	HQD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.7839
*Horizons BetaPro COMEX Gold Bullion Bear	HBD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-12.9125
*Horizons BetaPro S&P 500 Bear	HSD	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-13.2891
*Horizons BetaPro NYMEX Crude Oil Bull	HZOZF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-13.3268
BMO India Equity Hedged CAD ETF	ZID	BMO Funds	CIBC WM 91 Day Treasury Bill CAD	-13.9949
*Horizons BetaPro S&P/TSX Gbl BMTls Bull	HMU	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-15.0302
*Horizons BetaPro NYMEX Natural Gas Bull	HNUZF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-20.0705
*Horizons BetaPro S&P/TSX Gbl Gold Bull	HZNSF	BetaPro Management	CIBC WM 91 Day Treasury Bill CAD	-27.5674
iShares S&P Global Healthcare Idx C\$-Hdg	XHC	iShares ETFs	MSCI World/Health Care GR CAD	
iShares NASDAQ 100 Index C\$-Hdg	XQQ	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	
BMO Global Infrastructure Index ETF	ZGI	BMO Funds	MSCI World GR CAD	6.7986
iShares DJ Canada Select Dividend Index	XDV	iShares ETFs	S&P/TSX Composite TR	6.4759
Claymore S&P/TSX Canadian Div ETF Comm	CDZ	Claymore	S&P/TSX Composite TR	6.3976
iShares Russell 2000 Index C\$-Hedged	XSU	iShares ETFs	Russell 2000 CAD	6.1488
Claymore S&P/TSX Canadian Div ETF Adv	CDZ/A	Claymore	S&P/TSX Composite TR	6.0046



# ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
iShares S&P 500 Index C\$-Hedged	XSP	iShares ETFs	S&P 500 TR (Bank of Canada) CAD	5.8701
BMO US Equity Hedged CAD Index ETF	ZUE	BMO Funds	S&P 500 TR (Bank of Canada) CAD	5.4842
*Horizons AlphaPro Global Dividend ETF	HAZ	AlphaPro Management	MSCI World GR CAD	5.4465
Claymore Gbl Monthly Adv Div ETF Comm	CYH	Claymore	MSCI World GR CAD	5.4168
Claymore US Fundamental ETF-C\$Hdgd Comm	CLU	Claymore	S&P 500 TR (Bank of Canada) CAD	5.4001
iShares DJ Canada Select Value Index	XCV	iShares ETFs	S&P/TSX Composite TR	5.103
Claymore Gbl Monthly Adv Div ETF Adv	CYH/A	Claymore	MSCI World GR CAD	5.0252
Claymore US Fundamental ETF-C\$Hdgd Adv	CLU/A	Claymore	S&P 500 TR (Bank of Canada) CAD	4.9941
iShares Diversified Monthly Income	XTR	iShares ETFs	S&P/TSX Composite TR	4.5636
iShares Alternatives Complit Port Builder	XAL	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	4.3348
iShares S&P/TSX NA Pref Stock CA-Hgd ETF	XPF	iShares ETFs	MSCI North America GR CAD	4.3158
*Horizons AlphaPro Dividend ETF	HAL	AlphaPro Management	S&P/TSX Composite TR	4.1029
iShares Global Completion Port Builder	XGC	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	3.7606
iShares Growth Core Portfolio Builder	XGR	iShares ETFs	Morningstar CAN Bal Gbl 60/40 CAD	3.5759
Claymore Balanced Inc CorePort ETF Comm	CBD	Claymore	Morningstar CAN Bal 50/50 CAD	3.5665
Claymore Balanced Inc CorePort ETF Adv	CBD/A	Claymore	Morningstar CAN Bal 50/50 CAD	3.0535
iShares Conservative Core Port Builder	XCR	iShares ETFs	Morningstar CAN Bal Gbl Con CAD	2.7467
BMO China Equity Hedged CAD ETF	ZCH	BMO Funds	MSCI China GR CAD	2.6946
Claymore Intl Fundamental Idx ETF Common	CIE	Claymore	MSCI EAFE GR CAD	2.3413
Claymore Global Infrs ETF Common	CIF	Claymore	MSCI World GR CAD	2.232
Claymore US Fundamental ETF non-hdgd Com	CLU/C	Claymore	S&P 500 TR (Bank of Canada) CAD	2.1528
Claymore Balanced Gr CorePort ETF Comm	CBN	Claymore	Morningstar CAN Bal Gbl Agg CAD	2.1064
iShares MSCI World Index	XWD	iShares ETFs	MSCI World GR CAD	2.0785
Claymore Intl Fundamental Idx ETF Adv	CIE/A	Claymore	MSCI EAFE GR CAD	1.9626
Claymore Global Infrs ETF Adv	CIF/A	Claymore	MSCI World GR CAD	1.8559
Claymore US Fundamental ETF non-hdgd Adv	CLU.B	Claymore	S&P 500 TR (Bank of Canada) CAD	1.7794
iShares Jantzi Social Index	XEN	iShares ETFs	S&P/TSX Composite TR	1.715
Claymore Balanced Gr CorePort ETF Adv	CBN/A	Claymore	Morningstar CAN Bal Gbl Agg CAD	1.5988
*Horizons AlphaPro Seasonal Rotation ETF	HAC	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	1.5756
Claymore CAN Fndmental Idx ETF Common	CRQ	Claymore	S&P/TSX Composite TR	1.5279
Claymore S&P Global Water ETF Common	CWW	Claymore	CIBC WM 91 Day Treasury Bill CAD	1.3184
Claymore CAN Fndmental Idx ETF Adv	CRQ/A	Claymore	S&P/TSX Composite TR	1.1525
Claymore S&P Global Water ETF Adv	CWW/A	Claymore	CIBC WM 91 Day Treasury Bill CAD	0.946
Claymore Broad Emerging Markets ETF Comm	CWO	Claymore	MSCI EM GR CAD	0.8743
*Horizons AlphaPro S&P/TSX 60 Eq Wght ETF	HEW	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	0.5708
Claymore Broad Emerging Markets ETF Adv	CWO/A	Claymore	MSCI EM GR CAD	0.5
Claymore China ETF Common	CHI	Claymore	MSCI China GR CAD	0.4561
iShares S&P/TSX 60 Index	XIU	iShares ETFs	S&P/TSX Composite TR	0.4388
BMO Intl Equity Hedged CAD Idx ETF	ZDM	BMO Funds	MSCI EAFE GR CAD	0.3825
iShares MSCI EAFE Index C\$-Hedged	IUNTF	iShares ETFs	MSCI EAFE GR CAD	0.2848
Claymore China ETF Advisor	CHI/A	Claymore	MSCI China GR CAD	0.0853
BMO Equal Weight Utilities Index ETF	ZUT	BMO Funds	CIBC WM 91 Day Treasury Bill CAD	0.0638
iShares S&P/TSX Capped Composite Index	XIC	iShares ETFs	S&P/TSX Composite TR	-0.016
BMO Dow Jones Canada Titans 60 Index ETF	ZCN	BMO Funds	S&P/TSX Composite TR	-0.6039
Claymore BRIC ETF Common	CBQ	Claymore	MSCI EM GR CAD	-0.8393
Claymore BRIC ETF Adv	CBQ/A	Claymore	MSCI EM GR CAD	-1.2061
iShares S&P/TSX Completion Index	ISPTF	iShares ETFs	S&P/TSX Completion TR	-1.4204
iShares MSCI Emerging Markets Idx	XEM	iShares ETFs	MSCI EM GR CAD	-2.1605
BMO Emerging Markets Equity Index ETF	ZEM	BMO Funds	MSCI EM GR CAD	-2.7989
iShares DJ Canada Select Growth Index	XCG	iShares ETFs	S&P/TSX Composite TR	-3.7432

## ETF FUND PERFORMANCE (as of June 30, 2011)

ETF Name	Ticker	Fund Family	Index	Year To Date
iShares S&P/TSX SmallCap Index	XCS	iShares ETFs	S&P/TSX Completion TR	-4.4771
Claymore JPN Fndmental ETF-CSHdgd Common	CJP	Claymore	S&P/TOPIX 150 TR CAD	-5.6337
iShares S&P Latin America 40 Idx	XLA	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-5.8373
Claymore JPN Fndmental ETF-CSHdgd Adv	CJP/A	Claymore	S&P/TOPIX 150 TR CAD	-5.987
iShares MSCI Brazil Idx	XBZ	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-6.8531
iShares S&P CNX Nifty India Index	XID	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	-9.518
*Horizons AlphaPro Gartman ETF	HAG	AlphaPro Management	CIBC WM 91 Day Treasury Bill CAD	-10.9379
BMO India Equity Hedged CAD ETF	ZID	BMO Funds	CIBC WM 91 Day Treasury Bill CAD	-13.9949
iShares S&P/TSX Equity Income Index Fund	XEI	iShares ETFs	S&P/TSX Composite TR	
BMO Monthly Income ETF	ZMI	BMO Funds	Morningstar CAN Bal 50/50 CAD	
iShares S&P/TSX Capped Utilities Fund	XUT	iShares ETFs	CIBC WM 91 Day Treasury Bill CAD	

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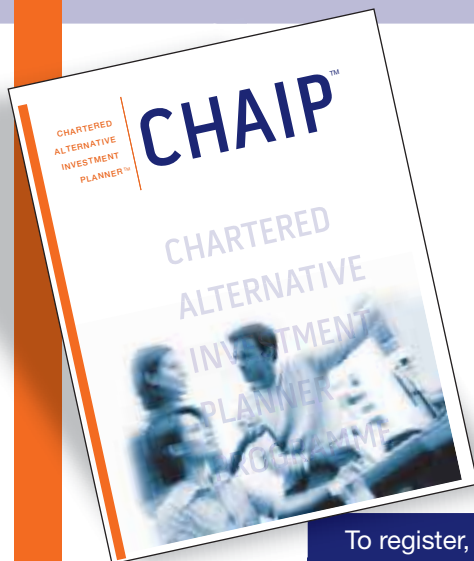
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