

## June 2021: Another Inflow Record at the Half-Year Mark

- Canadian ETFs gathered \$4.5 billion in June, bringing YTD 2021 total inflow to \$30 billion, the highest half-year calendar period, even after adjustments
- Equity ETFs welcomed \$2.3 billion in June, or over 50% of the total flows; Sector ETFs (principally Financials) alone received close to \$1 billion
- The demand for Fixed Income ETFs was split among Canadian aggregate, corporate and foreign bond ETFs; short-term was preferred over long-term in anticipation of rising rates amid economic recovery
- Crypto-asset ETFs accumulated “merely” \$315 million; a much smaller figure compared with previous months

**Summary:** Canadian ETFs amassed \$4.5 billion in new assets in June, bringing total inflows for the first half of 2021 to \$29.7 billion, surpassing the record for any half-year calendar period by 35% which was set last year. To put things into perspective, when the previous record was set at this point last year, it was largest inflow for any half-year calendar period in the past decade (Chart 2). Now that ETF investors are anticipating a historic post-pandemic recovery, new assets are principally flowing to the Equity asset class to the tune of \$16 billion (over half of the H1 inflows); Fixed Income is a strong, but distant runner-up at \$5.5 billion, while other inflows have been split between the brand new Crypto-Asset category and Multi-Asset products. In June, a “sentiment switch” from growth to value propelled inflows into the Financials sector, while the impressive haul of newly-born Crypto-Asset ETFs continued but started to taper.

### Flows by Asset Class, Category and Product: (Table 1 & Tables 4 - 11)

**Equity** ETFs account for more than half of June’s net ETF flows. Financials sector ETFs (ZEB and XFN) took in close to \$500 million, combined. Materials sector ETFs suffered minor outflows, but other sector categories enjoyed small inflows. Overall, sector ETFs attracted \$920 million. “Broad market” passive equity ETFs and index-tracking mainstay products like TPU, XIC, VEV, XEF, HXC and ZUE gathered a strong \$585 million in June (Table 9), an impressive showing, but a distant second behind the near billion-dollar demand for financial and technology sector ETFs. On the redemption side, the outflow streak from low volatility is now at least one year long, but the bleeding has slowed dramatically; investors redeemed \$11 million from Low Vol ETFs in May, the smallest withdrawal in the past six months. Except for large seasonal institutional outflows from XIU, other outflows were rather benign with Manulife witnessing outflows from several of its factor-based ETFs.

**Fixed Income** ETFs gathered \$1.3 billion in May. Ultra-short term and short-term ETFs (MFT, ZUS/U, XSH) were the most popular sub-category, with Canadian aggregate bonds in

Chart 1: Canadian ETF Flows by Month

Source: National Bank Financial, Bloomberg

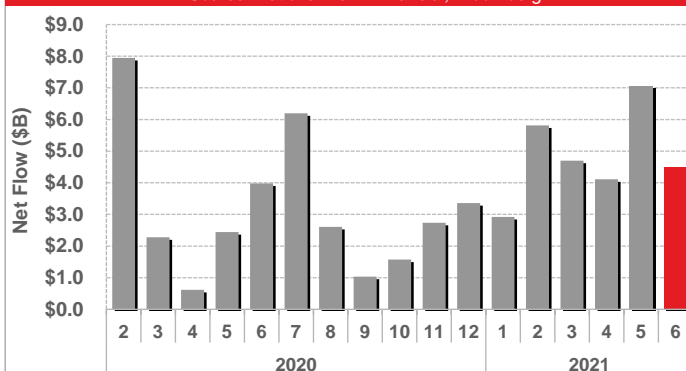
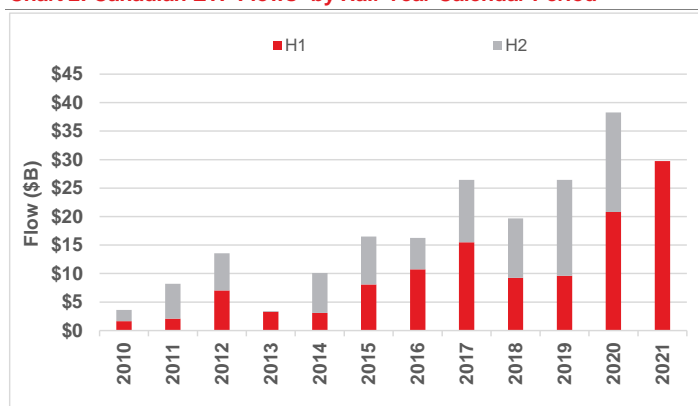


Chart 2: Canadian ETF Flows\* by Half-Year Calendar Period



Source: NBF ETF Research, Bloomberg. \*ETF flows after 2019 are adjusted.

Table 1 - ETF Flows by Category - YTD June 2021

	AUM (\$M)	Mkt Shr (%)	June 2021		YTD June 2021	
			Flow \$M	Flow/AUM	Flow \$M	Flow/AUM
Equity	\$182,403		\$2,326	1.3%	\$16,126	10.2%
Canada	\$67,225	24%	\$535	0.8%	\$5,324	9.8%
United States	\$61,712	22%	\$837	1.4%	\$3,971	7.0%
International	\$53,466	19%	\$954	1.8%	\$6,832	14.3%
Fixed Income	\$84,321	29%	\$1,288	1.6%	\$5,533	6.4%
Commodities	\$2,029	1%	\$106	5.2%	\$269	14.3%
Multi-Asset	\$12,823	4%	\$421	3.5%	\$3,355	37.7%
Inverse / Levered	\$1,365	0%	\$47	3.5%	\$97	8.2%
Crypto-Asset	\$3,049	1%	\$315	10.9%	\$4,349	NA
<b>Total</b>	<b>\$285,990</b>	<b>100%</b>	<b>\$4,502</b>	<b>1.6%</b>	<b>\$29,728</b>	<b>11.6%</b>

\*Equity Flows include option strategies; Source: National Bank of Canada, Bloomberg

second place. Cash alternative ETFs were in redemption mode for several months as people have been putting money to work this year, but in June they received renewed interest with \$98 million in net flows, driven almost entirely by HSAV at \$137 million.

**Commodity** ETFs saw \$106 million in creations. Newcomer category **Crypto-Asset** ETFs decelerated with “only” \$315 million in flows in June and patterns diverged between similar product suites from different providers: BTCQ (from 3iQ) topped the inflow leaderboard, while BITC from Ninepoint bled assets.

In the **Multi-Asset** category, growth-oriented (VGRO) and all-equity (VEQT) asset allocation ETFs were more popular than others, perhaps signaling that the risk preference of investors is shifting back towards the high end of the spectrum.

### Flows by Provider, and New Launches (Table 2 - 3):

In June, BMO, Vanguard and CI First Asset registered the largest net inflows, while IA Clarington and Russell Investments welcomed over 20% of flows compared to their starting assets. Year-to-date, the largest three providers (RBC iShares, BMO and Vanguard) have taken up 50% of the total inflows, though it should be noted that they have nearly 70% of market share by assets between them. The providers that logged the largest percentage flows are Scotiabank (to its building-block index-tracking ETFs), Accelerate and Russell Investments.

Eleven ETFs launched in June. A wide range of strategies became available for the first time in Canada, including hydrogen, green bonds, lithium, renewable energy and semiconductor ETFs, among others. Chart 3 on the next page illustrates the number of new ETF launches and delistings that have occurred in Canada by year. For each of the past five years (including the partial year of 2021), well over a hundred new ETFs have launched. Huge waves of new products have launched recently, and in combination with relatively few delistings, there has been a steady increase in the number of products in Canada, now standing at 1,118 individual ETFs.

**Table 2 - ETF Flows by Provider - YTD June 2021**

Provider	AUM (\$M)	Mkt Shr (%)	June 2021 Flow (\$M)	June 2021 Flow/AUM	YTD June 2021 Flow (\$M)	YTD June 2021 Flow/AUM
1 RBC iShares	\$88,577	31.0%	\$61	0%	\$4,679	6%
2 BMO	\$75,801	26.5%	\$1,313	2%	\$5,513	7%
3 Vanguard	\$34,104	11.9%	\$755	2%	\$4,724	15%
4 Horizons	\$18,388	6.4%	\$334	2%	\$678	4%
5 CI First Asset	\$13,946	4.9%	\$532	4%	\$1,905	16%
6 Mackenzie*	\$10,260	3.6%	\$296	3%	\$1,861	22%
7 TDAM	\$6,950	2.4%	\$452	7%	\$2,010	45%
8 Purpose	\$4,573	1.6%	\$157	4%	\$904	21%
9 NBI	\$4,413	1.5%	\$104	2%	\$1,140	36%
10 Invesco	\$4,250	1.5%	\$5	0%	\$16	0%
11 Dynamic	\$2,761	1.0%	\$6	0%	\$294	13%
12 Fidelity	\$2,480	0.9%	-\$15	-1%	\$336	16%
13 Franklin Templeton	\$2,274	0.8%	\$7	0%	\$28	1%
14 CIBC	\$2,250	0.8%	\$102	5%	\$778	53%
15 Manulife	\$2,051	0.7%	-\$84	-4%	\$469	32%
16 PIMCO	\$1,972	0.7%	\$43	2%	\$247	14%
17 Desjardins	\$1,864	0.7%	\$34	2%	\$635	55%
18 Harvest	\$1,603	0.6%	\$70	5%	\$528	53%
19 Evolve Funds	\$1,416	0.5%	\$21	2%	\$171	13%
20 AGF	\$1,159	0.4%	-\$4	0%	-\$97	-8%
21 3iQ	\$1,103	0.4%	\$86	8%	\$1,702	NA
22 Hamilton	\$709	0.2%	\$69	11%	\$298	92%
23 Scotia Bank	\$428	0.1%	\$52	14%	\$305	289%
24 Picton Mahoney	\$403	0.1%	\$56	16%	\$169	74%
25 First Trust	\$360	0.1%	\$4	1%	\$19	6%
26 Brompton Funds	\$332	0.1%	\$9	3%	\$24	8%
27 Emerge	\$325	0.1%	\$0	0%	\$142	69%
28 Bristol Gate	\$312	0.1%	-\$3	-1%	\$39	16%
29 Middlefield	\$248	0.1%	\$0	0%	-\$1	0%
30 Ninepoint Partners	\$173	0.1%	\$0	0%	\$82	NA
31 IA Clarington	\$121	0.0%	\$24	26%	\$29	32%
32 Guardian Capital	\$103	0.0%	\$4	4%	\$44	81%
33 Lysander	\$90	0.0%	\$2	2%	\$11	17%
34 Accelerate	\$49	0.0%	\$1	2%	\$26	115%
35 Russell Investments	\$42	0.0%	\$8	22%	\$22	112%
36 Starlight	\$34	0.0%	\$1	2%	\$3	11%
37 Arrow Capital	\$32	0.0%	\$0	0%	\$5	19%
38 SmartBe	\$27	0.0%	\$0	0%	-\$13	-33%
39 NCM Investments	\$4	0.0%	\$1	20%	\$2	NA
40 Caldwell	\$1	0.0%	\$0	0%	\$0	0%
<b>Total</b>	<b>\$285,990</b>	<b>100.0%</b>	<b>\$4,502</b>	<b>1.6%</b>	<b>\$29,728</b>	<b>11.6%</b>

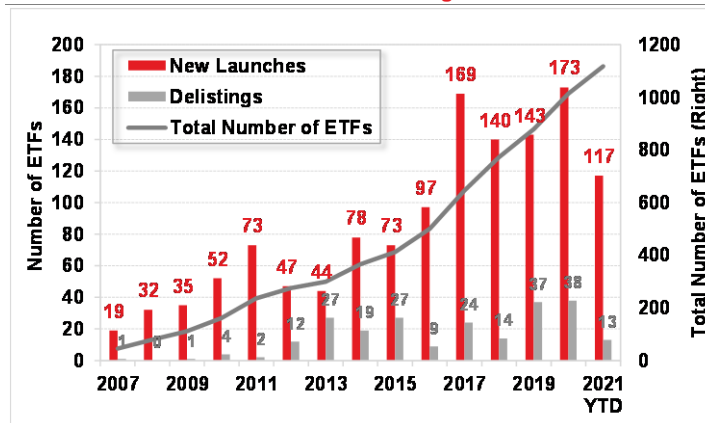
\*Includes Wealthsimple asset and flows. Source: NBF, Bloomberg

**Table 3: New Launches - June 2021**

Name	Ticker	Provider	Focus	Inception
1 BMO US All Cap Equity Fund ETF Series	ZACE CN	BMO	Actively Managed	6/10/2021
2 Dynamic Active Energy Evolution ETF	DXET CN	Dynamic	Energy	6/15/2021
3 Dynamic Active Emerging Markets ETF	DXEM CN	Dynamic	Emerging Markets	6/15/2021
4 Franklin Brandywine Global Sustainable Income Optimiser	FBGO CN	Franklin	Fixed Income	6/29/2021
5 Franklin Clearbridge Sustainable International Growth	FCSI CN	Franklin	International Equity	6/29/2021
6 Franklin Clearbridge Sustainable Global Infrastructure Income	FCII CN	Franklin	Infrastructure	6/29/2021
7 Horizons S&P Green Bond Index ETF	HGGB CN	Horizons	Green Bond	6/2/2021
8 Horizons Global Hydrogen Index ETF	HYDR CN	Horizons	Hydrogen	6/23/2021
9 Horizons Global Lithium Producers Index ETF	HLIT CN	Horizons	Lithium	6/23/2021
10 Horizons Global Semiconductor Index ETF	CHPS/U CN	Horizons	Semiconductor	6/22/2021
11 Horizons Global Semiconductor Index ETF	CHPS CN	Horizons	Semiconductor	6/22/2021

Source: NBF, Providers

**Chart 3: Canada ETF Launches and Delistings**



Source: NBF ETF Research, Bloomberg.

Note: the tables below all use the “new” flows calculation methodology.

**Table 4 - Top Single Long ETF Inflows - June 2021**

Ticker	Name	Flow (\$M)	Flow/AUM
1 ZEB	BMO Equal Weight Banks Index ETF	\$391	37%
2 TPU	TD US Equity Index ETF	\$179	17%
3 TEC	TD Global Technology Leaders Index ETF	\$153	10%
4 HSAV	Horizons Cash Maximizer ETF	\$137	15%
5 DGR/B	CI WisdomTree US Quality Dividend Growth Index ETF	\$134	81%
6 XIC	iShares Core S&P/TSX Capped Composite Index ETF	\$121	2%
7 VFV	Vanguard S&P 500 Index ETF	\$114	2%
8 XFN	iShares S&P/TSX Capped Financials Index ETF	\$103	7%
9 XEF	iShares Core MSCI EAFE IMI Index ETF	\$102	3%
10 VGRO	Vanguard Growth ETF Portfolio	\$100	4%
11 MFT	Mackenzie Floating Rate Income ETF	\$97	14%
12 ZUS/U	BMO Ultra Short-Term US Bond ETF	\$93	130%
13 NUBF	NBI Unconstrained Fixed Income ETF	\$93	4%
14 ZSP/U	BMO S&P 500 Index ETF	\$93	4%
15 BTCC/B	Purpose Bitcoin ETF	\$88	18%
16 IQD/B	CI WisdomTree International Quality Dividend	\$86	166%
17 VEQT	Vanguard All-Equity ETF Portfolio	\$85	8%
18 XSH	iShares Core Canadian Short Term Corporate Bond Index ETF	\$85	6%
19 BTCQ	3iQ CoinShares Bitcoin ETF	\$83	10%
20 ZUE	BMO S&P 500 Hedged to CAD Index ETF	\$79	6%

Source: National Bank of Canada, Bloomberg;

**Table 5 - Top Single Long ETF Outflows - June 2021**

Ticker	Name	Flow (\$M)	Flow/AUM
1 XIU	iShares S&P/TSX 60 Index ETF	-\$670	-6%
2 ZSP	BMO S&P 500 Index ETF	-\$103	-1%
3 RLDR	RBC Vision Women's Leadership MSCI Canada Index ETF	-\$89	-62%
4 XCB	iShares Core Canadian Corporat	-\$87	-6%
5 MINT/B	Manulife Multifactor Developed International Index ETF	-\$85	-13%
6 FQC	CI MSCI Canada Quality Index Class ETF	-\$70	-66%
7 XGD	iShares S&P/TSX Global Gold Index ETF	-\$62	-5%
8 MEME/B	Manulife Multifactor Emerging Markets Index Etf	-\$56	-13%
9 XSP	iShares Core S&P 500 Index ETF CAD- Hedged	-\$46	-1%
10 VBU	Vanguard US Aggregate Bond Index ETF Cad Hedged	-\$44	-11%
11 CSAV	CI High Interest Savings ETF	-\$38	-2%
12 FCGB	Fidelity Global Core Plus Bond ETF	-\$30	-4%
13 MCSM	Manulife Multifactor Canadian Smid Cap Index Etf	-\$28	-19%
14 ZUB	BMO Equal Weight US Banks Hedged to CAD Index ETF	-\$26	-4%
15 XBB	iShares Core Canadian Universe Bond Index ETF	-\$23	-1%
16 DXG	Dynamic Active Global Dividend ETF	-\$22	-2%
17 NXF/B	CI Energy Giants Covered Call ETF	-\$21	-8%
18 XGB	iShares Core Canadian Governm	-\$21	-4%
19 ZEM	BMO MSCI Emerging Markets Index ETF	-\$19	-1%
20 BITC	Ninepoint Bitcoin ETF	-\$19	-15%

Source: National Bank of Canada, Bloomberg;

**Table 6 - ETF Flows by Category - June 2021**

Asset Class	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Equity	\$182,403	64%	\$2,326	1.3%
Fixed Income	\$84,321	29%	\$1,288	1.6%
Commodities	\$2,029	1%	\$106	5.2%
Multi-Asset	\$12,823	4%	\$421	3.5%
Inverse / Levered	\$1,365	0%	\$47	3.5%
Crypto-Asset	\$3,049	1%	\$315	10.9%
<b>Total</b>	<b>\$285,990</b>	<b>100%</b>	<b>\$4,502</b>	<b>1.6%</b>

\*Equity Flows include option strategies; Source: National Bank of Canada, Bloomberg

**Table 7 - Equity ETF Flows by Geography - June 2021**

Geography	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Canada	\$67,225	37%	\$535	0.8%
United States	\$61,712	34%	\$837	1.4%
DM: Broad	\$20,669	11%	\$346	1.7%
DM: Regional & Country	\$5,620	3%	\$129	2.4%
Emerging Markets	\$6,971	4%	-\$17	-0.3%
Global	\$20,206	11%	\$496	2.6%
<b>Total</b>	<b>\$182,403</b>	<b>100%</b>	<b>\$2,326</b>	<b>1.3%</b>

\*Equity Flows include option strategies; Source: National Bank of Canada, Bloomberg

**Table 8 - Equity ETF Flows by Sector\* - June 2021**

Sector	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Financials	\$8,633	34%	\$648	8.0%
Real Estate	\$3,700	15%	\$53	1.4%
Technology	\$3,166	13%	\$159	5.7%
Materials	\$2,417	10%	-\$35	-1.3%
Health Care	\$2,261	9%	\$24	1.1%
Energy	\$2,209	9%	\$23	1.2%
Utilities	\$1,976	8%	\$41	2.2%
Other	\$663	3%	\$6	1.0%
<b>Total</b>	<b>\$25,026</b>	<b>100%</b>	<b>\$920</b>	<b>3.8%</b>

\*Includes all geo focuses and Covered Call Strategies; Source: NBF, Bloomberg

**Table 9 - Equity ETF Flows by Focus - June 2021**

Focus	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Cap-weighted	\$107,965	59%	\$585	0.6%
Dividend / Income	\$18,671	10%	\$377	2.1%
Factor: Low Vol	\$8,154	4%	-\$11	-0.1%
Factor: Multi-factor	\$4,164	2%	\$152	3.8%
Factor: Fundamental	\$4,551	2%	\$43	1.0%
Sector	\$25,026	14%	\$920	3.9%
Thematic	\$9,514	5%	\$99	1.1%
Other	\$4,358	2%	\$160	3.9%
<b>Total</b>	<b>\$182,403</b>	<b>100%</b>	<b>\$2,326</b>	<b>1.3%</b>

\*Equity Flows include option strategies; Source: National Bank of Canada, Bloomberg

**Table 10 - Fixed Income ETF Flows by Type - June 2021**

Type	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Canada Aggregate	\$24,730	29%	\$237	1.0%
Canada Government	\$9,258	11%	\$106	1.2%
Canada Corporate	\$13,916	17%	\$304	2.2%
U.S. / North America	\$7,141	8%	\$126	1.8%
Foreign	\$11,180	13%	\$241	2.2%
Sub-Investment Grade	\$4,333	5%	\$106	2.5%
Preferred/Convertible	\$8,422	10%	\$71	0.8%
Cash Alternative	\$5,339	6%	\$98	1.9%
<b>Total</b>	<b>\$84,321</b>	<b>100%</b>	<b>\$1,288</b>	<b>1.6%</b>

Source: National Bank of Canada, Bloomberg

**Table 11 - Fixed Income ETF Flows by Maturity - June 2021**

Maturity	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Broad/Mixed	\$46,590	55%	\$289	0.6%
Ultra Short Term	\$3,840	5%	\$279	7.8%
Short Term	\$18,142	22%	\$494	2.8%
Mid Term	\$5,060	6%	\$44	0.9%
Long Term	\$3,843	5%	\$87	2.4%
Real Return	\$1,392	2%	-\$7	-0.5%
Target Maturity	\$115	0%	\$4	3.4%
Cash Alternative	\$5,339	6%	\$98	1.9%
<b>Total</b>	<b>\$84,321</b>	<b>100%</b>	<b>\$1,288</b>	<b>1.6%</b>

Source: National Bank of Canada, Bloomberg

## YTD June 2021 ETF Flows: Tables 12 - 19

The themes that define Canadian ETF flows in H1 2021 are distributed across the leaderboard tables: Bitcoin, ESG, broad-based Equity, short-term bond and asset-allocation portfolios are all popular; while cash alternative, long bond, gold and low volatility ETFs all witnessed withdrawals.

The Equity asset class has been dominating inflows for the first half of 2021, taking up over 50%, or \$16 billion of the year's flows so far. Market cap-weighted ETFs occupy 40% of total Equity flows, with sector (technology and financials) and thematic equity (ESG, travel & leisure and disruptive innovation) each contributing another 20% of total Equity flows. Dividend and factor-based ETFs share the balance of equity flows. Within market cap-weighted ETFs, we observed noticeable inflows into small and mid cap ETFs; while these flows are low in dollar terms, they represent 38% of the category's starting AUM. Such inflows into "growthy" or higher-risk categories started to accelerate in Q1 along with news for vaccine rollouts and the economy reopening, but the pace of inflows slowed down in Q2. Value factor-based ETFs shared the same trend – year to date, the category grew by 64% compared to its starting assets and monthly inflows peaked in March.

Fixed income amassed \$5.5 billion in 2021 so far. Canadian aggregate bond, Canadian corporate bond and Foreign bond (global government bond, global unconstrained bond and emerging market bond) each took in between \$1 billion - \$2 billion in flows, whereas cash alternative ETFs suffered redemptions amounting to \$1.6 billion as investors deploy cash to perhaps riskier asset classes.

Crypto-Asset gathered \$4.3 billion; a brand-new category only introduced in early 2021. This category enjoyed gangbuster inflows right out of the gate, some of which might have come from investors switching from closed-end crypto-asset funds to ETFs. However, the frenzy took a pause around the time of a 50% drawdown in this asset class in May.

Multi-Asset ETFs have gathered \$3.4 billion year-to-date. The most popular ETFs in this category have been Desjardins' market neutral ETF (DANC) in addition to Vanguard and iShares's asset allocation portfolio ETFs.



**Table 12 - Top ETF Inflows - YTD June 2021**

Ticker	Name	Flow (\$M)	Flow/AUM
1 <b>BTCQ</b>	3iQ CoinShares Bitcoin ETF	\$1,325	NA
2 <b>ZCN</b>	BMO S&P/TSX Capped Composite Index ETF	\$1,192	26%
3 <b>TEC</b>	TD Global Technology Leaders Index ETF	\$1,136	196%
4 <b>VVF</b>	Vanguard S&P 500 Index ETF	\$839	23%
5 <b>BTCQ/B</b>	Purpose Bitcoin ETF	\$826	NA
6 <b>ZAG</b>	BMO Aggregate Bond Index ETF	\$806	15%
7 <b>ESGY</b>	BMO MSCI USA ESG Leaders Index ETF	\$786	2471%
8 <b>ZGB</b>	BMO Government Bond Index ETF	\$774	149%
9 <b>VGRO</b>	Vanguard Growth ETF Portfolio	\$741	41%
10 <b>XGGF</b>	iShares Global Government Bond Index ETF CAD Hedged	\$725	131%
11 <b>ESGY/B</b>	BMO MSCI USA ESG Leaders Index ETF	\$701	NA
12 <b>XEF</b>	iShares Core MSCI EAFE IMI Index ETF	\$587	14%
13 <b>HXCN</b>	Horizons S&P/TSX Capped Composite Index ETF	\$554	63%
14 <b>DANC</b>	Desjardins Alt Long/Short Equity Market Neutral ETF	\$547	256%
15 <b>VEQT</b>	Vanguard All-Equity ETF Portfolio	\$524	92%
16 <b>XSB</b>	iShares Core Canadian Short Term Bond Index ETF	\$517	20%
17 <b>TERM</b>	Manulife Smart Short-Term Bond ETF	\$486	6457%
18 <b>TTP</b>	TD Canadian Equity Index ETF	\$481	54%
19 <b>VALTU</b>	CI Gold Bullion Fund	\$464	NA
20 <b>VBAL</b>	Vanguard Balanced ETF Portfolio	\$418	31%

Source: National Bank of Canada, Bloomberg;

**Table 13 - Top ETF Outflows - YTD June 2021**

Ticker	Name	Flow (\$M)	Flow/AUM
1 <b>ZUE</b>	BMO S&P 500 Hedged to CAD Index ETF	-\$912	-41%
2 <b>PSA</b>	Purpose High Interest Savings ETF	-\$732	-30%
3 <b>CSAV</b>	CI High Interest Savings ETF	-\$660	-25%
4 <b>HISA</b>	High Interest Savings Account Fund	-\$315	-60%
5 <b>HXEM</b>	Horizons Emerging Markets Equity Index ETF	-\$277	-46%
6 <b>ZSP</b>	BMO S&P 500 Index ETF	-\$260	-3%
7 <b>FQC</b>	CI MSCI Canada Quality Index Class ETF	-\$254	-95%
8 <b>QUIG</b>	Mackenzie US IG Corporate Bond Index ETF CAD-Hedged	-\$233	-35%
9 <b>ZPL</b>	BMO Long Provincial Bond Index ETF	-\$226	-42%
10 <b>ZGD</b>	BMO Equal Weight Global Gold Index ETF	-\$222	-64%
11 <b>XSP</b>	iShares Core S&P 500 Index ETF CAD-Hedged	-\$220	-3%
12 <b>HBB</b>	Horizons Cdn Select Universe Bond ETF	-\$216	-13%
13 <b>CLG</b>	iShares 1-10 Year Laddered Government Bond Index ETF	-\$169	-33%
14 <b>ZLB</b>	BMO Low Volatility Canadian Equity ETF	-\$161	-6%
15 <b>HAB</b>	Horizons Active Corporate Bond ETF	-\$156	-26%
16 <b>ZPR</b>	BMO Laddered Preferred Share Index ETF	-\$142	-7%
17 <b>WXM</b>	CI Morningstar Canada Momentum Index ETF	-\$133	-16%
18 <b>ZFM</b>	BMO Mid Federal Bond Index ETF	-\$131	-25%
19 <b>FLUS</b>	Franklin Liberty US Equity Index Etf	-\$129	-52%
20 <b>CGL</b>	iShares Gold Bullion ETF	-\$123	-13%

Source: National Bank of Canada, Bloomberg;

**Table 14 - ETF Flows by Category - YTD June 2021**

Asset Class	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Equity	\$182,403	64%	\$16,126	10%
Fixed Income	\$84,321	29%	\$5,533	6%
Commodities	\$2,029	1%	\$269	14%
Multi-Asset	\$12,823	4%	\$3,355	38%
Inverse / Leveraged	\$1,365	0%	\$97	8%
Crypto-Asset	\$3,049	1%	\$4,349	NA
<b>Total</b>	<b>\$285,990</b>	<b>100%</b>	<b>\$29,728</b>	<b>11.6%</b>

\*Equity Flows include option strategies; Source: National Bank of Canada, Bloomberg;

**Table 15 - Equity ETF Flows by Geography - YTD June 2021**

Geography	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Canada	\$67,225	37%	\$5,324	10%
United States	\$61,712	34%	\$3,971	7%
DM: Broad	\$20,669	11%	\$2,096	10%
DM: Regional & Country	\$5,620	3%	\$666	12%
Emerging Markets	\$6,971	4%	\$62	1%
Global	\$20,206	11%	\$4,007	27%
<b>Total</b>	<b>\$182,403</b>	<b>100%</b>	<b>\$16,126</b>	<b>10.2%</b>

\*Equity Flows include option strategies; Source: National Bank of Canada, Bloomberg;

**Table 16 - Equity ETF Flows by Sector\* - YTD June 2021**

Sector	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Financials	\$8,633	34%	\$1,333	19%
Real Estate	\$3,700	15%	\$207	7%
Technology	\$3,166	13%	\$1,201	71%
Materials	\$2,417	10%	-\$27	-1%
Health Care	\$2,261	9%	\$128	6%
Energy	\$2,209	9%	\$166	12%
Utilities	\$1,976	8%	\$271	17%
Other	\$663	3%	\$132	29%
<b>Total</b>	<b>\$25,026</b>	<b>100%</b>	<b>\$3,411</b>	<b>17%</b>

\*Includes all geo focuses and Covered Call Strategies; Source: NBF, Bloomberg;

**Table 17 - Equity ETF Flows by Focus - YTD June 2021**

Focus	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Cap-weighted	\$107,965	59%	\$6,454	7%
Dividend / Income	\$18,671	10%	\$1,476	9%
Factor: Low Vol	\$8,154	4%	-\$557	-7%
Factor: Multi-factor	\$4,164	2%	\$159	4%
Factor: Fundamental	\$4,551	2%	\$520	14%
Sector	\$25,026	14%	\$3,411	17%
Thematic	\$9,514	5%	\$3,671	72%
Other	\$4,358	2%	\$993	34%
<b>Total</b>	<b>\$182,403</b>	<b>100%</b>	<b>\$16,126</b>	<b>10.2%</b>

\*Equity Flows include option strategies; Source: National Bank of Canada, Bloomberg;

**Table 18 - Fixed Income ETF Flows by Type - YTD June 2021**

Type	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Canada Aggregate	\$24,730	29%	\$1,685	7%
Canada Government	\$9,258	11%	\$585	6%
Canada Corporate	\$13,916	17%	\$1,644	12%
U.S. / North America	\$7,141	8%	\$202	2%
Foreign	\$11,180	13%	\$2,121	22%
Sub-Investment Grade	\$4,333	5%	\$506	10%
Preferred/Convertible	\$8,422	10%	\$352	5%
Cash Alternative	\$5,339	6%	-\$1,562	-22%
<b>Total</b>	<b>\$84,321</b>	<b>100%</b>	<b>\$5,533</b>	<b>6.4%</b>

Source: National Bank of Canada, Bloomberg;

**Table 19 - Fixed Income ETF Flows by Maturity - YTD June 2021**

Maturity	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Broad/Mixed	\$46,590	55%	\$4,758	10%
Ultra Short Term	\$3,840	5%	\$485	14%
Short Term	\$18,142	22%	\$1,929	12%
Mid Term	\$5,060	6%	-\$137	-2%
Long Term	\$3,843	5%	-\$63	-1%
Real Return	\$1,392	2%	\$112	9%
Target Maturity	\$115	0%	\$10	3%
Cash Alternative	\$5,339	6%	-\$1,562	-22%
<b>Total</b>	<b>\$84,321</b>	<b>100%</b>	<b>\$5,533</b>	<b>6.4%</b>

Source: National Bank of Canada, Bloomberg;

## Appendix 1 - Glossary

**AUM (Assets Under Management):** AUM is expressed in local currency, which is the Canadian dollar for the purpose of this report.

**Flow/AUM (Flow as % AUM):** Net flow as a percentage of assets under management from the beginning of the period.

**Flow:** The net dollar amount of fund creations and redemptions for the period based on daily NAV and daily changes in Shares Outstanding. Flows are expressed in local currency, which is the Canadian dollar for the purpose of this report.

**Market Share (%):** category's AUM as % of the total AUM.

**MER (Management Expense Ratio):** Manager's 2019 annual fee for managing and administering the fund, expressed as a percentage of total fund value. In most cases this includes fees from investing in other ETFs. Where audited MER is unavailable or if the fee has been significantly reduced recently, the MER is estimated using the Stated Management Fee and sales tax.

Canadian MER does not include trading commissions incurred by the ETF, nor does it include trading expenses (such as swap or forward fees). An asterisk (\*) indicates that the fund pays additional expenses such as swap or forward fees, which are normally reported under trading expenses. The asterisk can also indicate that the fund charges a performance fee. Data are sourced from annual fillings.

**NAV (Net Asset Value per share):** ETF price is used when NAV is not available.

*All numbers are as of last month's final business day.*

### **Appendix 3 - Equity ETF Categories**

We group Equity ETFs into the categories below. These groupings follow NBF's discretion and can differ from the ETF Provider's definition and classification from other sources.

**Cap-Weighted:** A fund that weights securities based on the total or float-adjusted market capitalization of each security.

**Dividend/Income:** A fund with primary goal of providing income. We classify a fund as belonging to the Income category when its strategy focuses on providing income, or the fund self-identifies as using an income strategy even though it may incorporate other factors in addition to income.

**Fundamental:** A fund that selects and/or weights securities based on fundamental metrics from a company's financial statements such as balance sheet. Strategies include Value, Growth, Quality, RAFI Fundamental, Earnings, etc.

**Low Vol or Risk:** A fund that aims to achieve reduced portfolio volatility, either by screening for low volatility stocks, low beta stocks and/or minimizing the portfolio volatility.

**Multi-Factor:** ETFs that consider more than one NBF-defined factor including Income, Fundamental and Risk.

**Sector:** ETFs that provide exposure to broad industry sectors classified by the Global Industry Classification Standard (GICS) or other similar classifications. This category contains all sector funds, including ones that screen and/or weight the portfolio using factors.

**Thematic:** ETFs that provide niche exposures such as blockchain technology, infrastructure, Marijuana companies, Socially Responsible Investing, technology sub-sectors, agriculture, water, sentiment & behavior, etc. This category contains all thematic funds, including ones that screen and/or weight the portfolio using factors.

**Other:** Any non-cap weighted strategy that is not covered by otherwise defined categories. This includes momentum, equal-weight, share buyback, high beta, proprietary, actively managed, tactical rotation, price-weighted, etc.

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