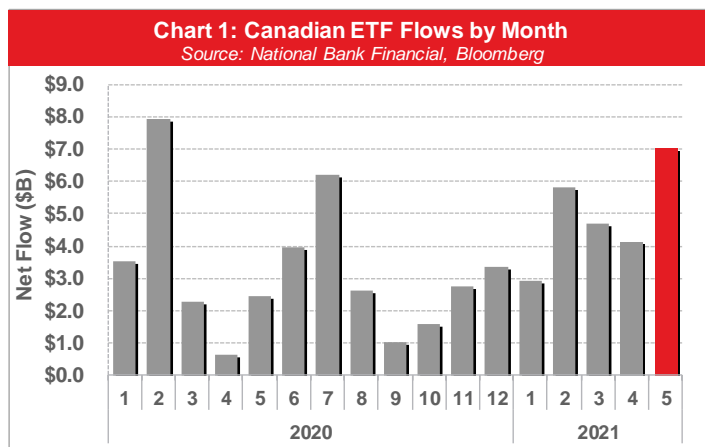


May 2021: Sector Rotation at Play

- Canadian ETFs gathered \$7 billion in May, a 12-month record, bringing YTD inflow to \$25 billion
- Inflows into equity ETFs were widespread among all regions; passive, cap-weighted equity dominated the leaderboard, while outflows from low volatility ETFs abated
- Cash alternative ETFs added to their outflow streak while other bond ETF categories saw inflows
- Demand for crypto-asset ETFs continued in May despite typical eye-watering volatility and drawdowns

Summary: Canadian ETFs amassed \$7 billion in new assets in May, the highest single month of inflow in over a year, driven principally by equity inflows. The brand-spanking new category of “crypto-asset” ETFs took in nearly as many new dollars of assets as Fixed Income did in May; the same is true for all of 2021 year-to-date, despite the fact that the crypto-asset category didn’t exist at the end of 2020. ETFs in both asset classes accumulated more than \$1 billion of net inflows, while Multi-Asset products took in \$642 million. Equity net inflows were strong across the board except for some outflows from emerging markets; the largest creations went to Canada, U.S. and then International equity products. Within fixed income’s monthly inflow of \$1.56 billion, foreign bond ETFs were in the lead, offset by outflows from cash alternative ETFs. Investors withdrew money from Commodity ETFs (namely, gold) for a second month in a row. Crypto-Asset ETFs registered another \$1.3 billion in flows; however, the sharp (but typical) selloff in the space resulted in this category’s overall asset number staying flat at \$2.9 billion.



the sharp (but typical) selloff in the space resulted in this

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

Equity ETFs accounted for more than half of the net ETF flows in May. Passive, cap-weighted equity remains the single most popular sub-group and index-tracking mainstay products like XIU, ZSP, VFV, ZEA and HXT all appear on the inflow leaderboard (Table 4). In a trend that began with the new year, investors still seem to be rotating from growth to value, as evidenced by outflows from technology sector ETFs like TEC (TD Global Tech Leaders) and into financial sector ETFs like XFN (iShares TSX Capped Financials). The outflow streak from low volatility is now at least one year long, but the bleeding has slowed a bit; investors redeemed \$21 million from Low Vol ETFs in May, the smallest withdrawal in the past five months.

Table 1 - ETF Flows by Category - YTD May 2021

	AUM (\$M)	Mkt Shr (%)	May 2021		YTD May 2021	
			Flow \$M	Flow/AUM	Flow \$M	Flow/AUM
Equity	\$175,794		\$3,562	2.1%	\$13,816	8.7%
Canada	\$65,523	24%	\$1,575	2.6%	\$4,775	8.8%
United States	\$58,563	21%	\$1,167	2.0%	\$3,166	5.6%
International	\$51,708	19%	\$821	1.6%	\$5,875	12.3%
Fixed Income	\$82,666	30%	\$1,561	1.9%	\$4,220	4.9%
Commodities	\$2,046	1%	-\$24	-1.2%	\$163	8.7%
Multi-Asset	\$12,217	4%	\$642	5.6%	\$2,931	32.9%
Inverse / Levered	\$1,324	0%	-\$13	-1.0%	\$53	4.4%
Crypto-Asset	\$2,892	1%	\$1,310	44.0%	\$4,027	NA
Total	\$276,940	100%	\$7,039	2.6%	\$25,210	9.8%

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

Fixed Income ETFs gathered \$1.6 billion in May. More than half of these inflows were taken up by the Foreign bond category—iShares Global Govt Bond ETF XGGB had the second highest inflow in May, but we also observed inflows into Mackenzie’s MUB and Franklin’s FLGA. Demand for fixed income was widespread among all sub-categories except for cash alternative ETFs (HISA, PSA and HSAV all had outflows). Investors have been deploying cash into risks assets as vaccine rollouts around the world show signs of mitigating the pandemic and its economic effects.

Commodity ETFs suffered from outflows in May; both silver and gold ETFs saw small redemptions, even though both metals trended higher on inflation concerns. Newcomer category **Crypto-Asset ETFs** hauled in another \$1.3 billion in creations, though the flow of assets diverged among similar product suites from different providers: BTCQ and ETHQ (from 3iQ), ETHX/B, BTCX/U and ETHX/U (from CI) all topped the inflow leaderboard, whereas BITC from Ninepoint and BTCC/B from Purpose bled assets.

In the **Multi-Asset category**, Desjardins market neutral ETF (**DANC**) took in \$280 million, or 61% of the previous month's assets. This ETF started to gather inflows in November last year and has been accelerating every month. Demand for asset allocation ETFs remains evergreen—the category has never logged a monthly outflow since it exploded in 2018.

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

The top three providers (RBC iShares, BMO and Vanguard) experienced sizable inflows into their broad-based passive products and asset allocation "ETF of ETFs". Conversely, redemptions from technology sector products and other growth-centered themes drove outflows from Emerge for the second month in a row. May 2021 was a characteristically tumultuous months for crypto assets, as both bitcoin and Ethereum went through rapid 50% drawdowns. Despite the typical volatility, no single flow pattern emerged among the various provider's product suites, though the selling did impact Ninepoint, whose crypto ETF lost \$170 million during the selloff.

16 ETFs launched in May. Only one was fixed income ETF while the rest were all equity with focuses on energy, technology and healthcare sectors: Invesco launched three ETFs tracking indices provided by Nasdaq; Evolve launched CleanBeta versions of passive U.S. and Canadian equity exposures; and Wealthsimple launched Canada's first ETF with a Shariah-compliant mandate.

Provider	AUM (\$M)	Mkt Shr (%)	May 2021		YTD May 2021	
			Flow (\$M)	Flow/AUM	Flow (\$M)	Flow/AUM
1 RBC iShares	\$87,303	31.5%	\$2,223	3%	\$4,610	6%
2 BMO	\$73,030	26.4%	\$1,320	2%	\$4,201	6%
3 Vanguard	\$32,603	11.8%	\$705	2%	\$3,970	13%
4 Horizons	\$17,731	6.4%	\$57	0%	\$346	2%
5 CI First Asset	\$13,444	4.9%	\$754	6%	\$1,372	12%
6 Mackenzie*	\$9,759	3.5%	\$293	3%	\$1,558	18%
7 TDAM	\$6,219	2.2%	\$102	2%	\$1,561	35%
8 Purpose	\$4,457	1.6%	\$62	1%	\$747	17%
9 NBI	\$4,268	1.5%	-\$31	-1%	\$1,036	33%
10 Invesco	\$4,186	1.5%	\$14	0%	\$11	0%
11 Dynamic	\$2,728	1.0%	\$54	2%	\$288	12%
12 Fidelity	\$2,455	0.9%	-\$27	-1%	\$351	16%
13 Franklin Templeton	\$2,226	0.8%	\$75	3%	\$21	1%
14 CIBC	\$2,126	0.8%	\$83	4%	\$676	46%
15 Manulife	\$2,121	0.8%	\$146	8%	\$553	38%
16 PIMCO	\$1,921	0.7%	\$50	3%	\$204	12%
17 Desjardins	\$1,812	0.7%	\$272	18%	\$601	52%
18 Harvest	\$1,514	0.5%	\$46	3%	\$458	46%
19 Evolve Funds	\$1,367	0.5%	-\$16	-1%	\$143	11%
20 AGF	\$1,136	0.4%	-\$5	0%	-\$93	-8%
21 3iQ	\$1,065	0.4%	\$864	110%	\$1,616	NA
22 Hamilton	\$650	0.2%	\$66	12%	\$229	71%
23 Scotia Bank	\$364	0.1%	\$42	13%	\$253	240%
24 Picton Mahoney	\$347	0.1%	\$38	12%	\$113	50%
25 First Trust	\$346	0.1%	\$18	5%	\$14	4%
26 Brompton Funds	\$319	0.1%	\$5	2%	\$14	5%
27 Bristol Gate	\$299	0.1%	\$3	1%	\$42	18%
28 Emerge	\$277	0.1%	-\$26	-8%	\$142	69%
29 Middlefield	\$231	0.1%	\$0	0%	-\$1	0%
30 Ninepoint Partners	\$176	0.1%	-\$160	-37%	\$82	NA
31 Guardian Capital	\$97	0.0%	\$6	6%	\$41	75%
32 IA Clarington	\$95	0.0%	\$2	2%	\$5	5%
33 Lysander	\$88	0.0%	\$1	1%	\$9	14%
34 Accelerate	\$48	0.0%	\$0	0%	\$25	111%
35 Russell Investments	\$34	0.0%	\$1	1%	\$14	73%
36 Starlight	\$32	0.0%	\$0	1%	\$3	9%
37 Arrow Capital	\$31	0.0%	\$1	2%	\$5	19%
38 SmartBe	\$27	0.0%	\$1	2%	-\$13	-33%
39 NCM Investments	\$4	0.0%	\$1	24%	\$1	NA
40 Caldwell	\$1	0.0%	\$0	0%	\$0	0%
Total	\$276,940	100.0%	\$7,039	2.6%	\$25,210	9.8%

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

Name	Ticker	Focus	Inception
1 Evolve S&P 500 CleanBeta Fund	FIVE/U	ESG	5/10/2021
2 Evolve S&P 500 CleanBeta Fund	FIVE/B	ESG	5/10/2021
3 Evolve S&P 500 CleanBeta Fund	FIVE	ESG	5/10/2021
4 Evolve S&P/TSX 60 CleanBeta Fund	SIXT	ESG	5/10/2021
5 Ninepoint Energy Fund - ETF	NNRG	Energy	5/14/2021
6 Ninepoint Alternative Credit Opportunities Fund - ETF	NACO	Fixed Income	5/14/2021
7 Ninepoint Alternative Health Fund - ETF	NAHF	Health Care	5/13/2021
8 Wealthsimple Shariah World Equity Index ETF	WSHR	Shariah Compliance	5/12/2021
9 Invesco Nasdaq Next Gen 100 Index ETF	QQJR/F	U.S. Large Cap	5/27/2021
10 Invesco Nasdaq 100 Equal Weight Index ETF	QQEQ/F	U.S. Large Cap	5/27/2021
11 Invesco NASDAQ 100 Index ETF	QQC	U.S. Large Cap	5/27/2021
12 Invesco Nasdaq 100 Equal Weight Index ETF	QQEQ	U.S. Large Cap	5/27/2021
13 Invesco Nasdaq Next Gen 100 Index ETF	QQJR	U.S. Large Cap	5/27/2021
14 Evolve FANGMA Index ETF	TECH/U	U.S. Technology	5/6/2021
15 Evolve FANGMA Index ETF	TECH/B	U.S. Technology	5/6/2021
16 Evolve FANGMA Index ETF	TECH	U.S. Technology	5/6/2021

Source: NBF, Providers

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

Table 4 - Top Single Long ETF Inflows - May 2021

Ticker	Name	Flow (\$M)	Flow/AUM
1	XIU iShares S&P/TSX 60 Index ETF	\$744	7%
2	XGGB iShares Global Government Bond Index ETF CAD Hedged	\$590	98%
3	ZSP BMO S&P 500 Index ETF	\$496	7%
4	BTCQ 3iQ CoinShares Bitcoin ETF	\$493	63%
5	ESGY BMO MSCI USA ESG Leaders Index ETF	\$392	89%
6	ETHQ 3iQ CoinShares Ether ETF	\$370	10535%
7	DANC Desjardins Alt Long/Short Equity Market Neutral ETF	\$280	61%
8	VFV Vanguard S&P 500 Index ETF	\$189	4%
9	ETHX/B CI Galaxy Ethereum ETF	\$169	159%
10	BTGX/U CI Galaxy Bitcoin ETF	\$164	387%
11	TTP TD Canadian Equity Index ETF	\$148	12%
12	ZEA BMO MSCI EAFE Index ETF	\$138	4%
13	ZFL BMO Long Federal Bond Index ETF	\$118	6%
14	XFN iShares S&P/TSX Capped Financials Index ETF	\$105	8%
15	HXT Horizon S&P/TSX 60 Index ETF	\$103	4%
16	XEF iShares Core MSCI EAFE IMI Index ETF	\$102	3%
17	VGRO Vanguard Growth ETF Portfolio	\$97	4%
18	TERM Manulife Smart Short-Term Bond ETF	\$93	28%
19	ETHX/U CI Galaxy Ethereum ETF	\$83	152%
20	VEQT Vanguard All-Equity ETF Portfolio	\$81	8%

Source: National Bank of Canada, Bloomberg;

Table 5 - Top Single Long ETF Outflows - May 2021

Ticker	Name	Flow (\$M)	Flow/AUM
1	ESGY/BMO MSCI USA ESG Leaders Index ETF	-\$428	-35%
2	BITC Ninepoint Bitcoin ETF	-\$170	-43%
3	HISA High Interest Savings Account Fund	-\$115	-35%
4	HXEM Horizons Emerging Markets Equity Index ETF	-\$113	-26%
5	ZEB BMO Equal Weight Banks Index ETF	-\$106	-10%
6	TEC TD Global Technology Leaders Index ETF	-\$89	-5%
7	XLB iShares Core Canadian Long Term Bond Index ETF	-\$80	-15%
8	XSP iShares Core S&P 500 Index ETF CAD- Hedged	-\$67	-1%
9	BTCC/B Purpose Bitcoin ETF	-\$62	-7%
10	PSA Purpose High Interest Savings ETF	-\$60	-4%
11	ZDM BMO MSCI EAFE Hedged to CAD Index ETF	-\$58	-9%
12	ZGM BMO Equal Weight Global Gold Index ETF	-\$58	-38%
13	FLJA Franklin FTSE Japan Index ETF	-\$57	-28%
14	FCSB Fidelity Canadian Short Term Corporate Bond ETF	-\$47	-18%
15	ZDH BMO International Dividend Hedged to CAD ETF	-\$45	-31%
16	HAHV Horizons Cash Maximizer ETF	-\$43	-4%
17	ZST/L BMO Ultra Short-Term Bond ETF	-\$40	-9%
18	VAB Vanguard Canadian Aggregate Bond Index ETF	-\$35	-1%
19	XWD iShares MSCI World Index ETF	-\$33	-5%
20	ZEM BMO MSCI Emerging Markets Index ETF	-\$23	-1%

Source: National Bank of Canada, Bloomberg;

Table 6 - ETF Flows by Category - May 2021

Asset Class	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Equity	\$175,794	63%	\$3,562	2.1%
Fixed Income	\$82,666	30%	\$1,561	1.9%
Commodities	\$2,046	1%	-\$24	-1.2%
Multi-Asset	\$12,217	4%	\$642	5.6%
Inverse / Levered	\$1,324	0%	-\$13	-1.0%
Crypto-Asset	\$2,892	1%	\$1,310	44.0%
Total	\$276,940	100%	\$7,039	2.6%

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

Table 9 - Equity ETF Flows by Focus - May 2021

Focus	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Cap-weighted	\$104,229	59%	\$2,333	2.3%
Dividend / Income	\$18,073	10%	\$488	2.8%
Factor: Low Vol	\$8,052	5%	-\$21	-0.3%
Factor: Multi-factor	\$3,955	2%	\$44	1.1%
Factor: Fundamental	\$4,428	3%	\$31	0.7%
Sector	\$23,832	14%	\$354	1.6%
Thematic	\$9,099	5%	\$152	1.7%
Other	\$4,100	2%	\$155	4.0%
Total	\$175,768	100%	\$3,537	2.1%

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

Table 7 - Equity ETF Flows by Geography - May 2021

Geography	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Canada	\$65,523	37%	\$1,575	2.6%
United States	\$58,563	33%	\$1,167	2.0%
DM: Broad	\$20,198	11%	\$427	2.2%
DM: Regional & Country	\$5,433	3%	\$145	2.8%
Emerging Markets	\$6,798	4%	-\$86	-1.3%
Global	\$19,280	11%	\$334	1.8%
Total	\$175,794	100%	\$3,562	2.1%

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

Table 10 - Fixed Income ETF Flows by Type - May 2021

Type	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Canada Aggregate	\$24,363	29%	\$184	0.8%
Canada Government	\$9,051	11%	\$103	1.2%
Canada Corporate	\$13,632	16%	\$261	1.9%
U.S. / North America	\$6,893	8%	\$209	3.1%
Foreign	\$10,889	13%	\$746	7.4%
Sub-Investment Grade	\$4,176	5%	\$106	2.6%
Preferred/Convertible	\$8,393	10%	\$112	1.4%
Cash Alternative	\$5,268	6%	-\$159	-2.9%
Total	\$82,666	100%	\$1,561	1.9%

Source: National Bank of Canada, Bloomberg

Table 8 - Equity ETF Flows by Sector* - May 2021

Sector	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Financials	\$8,067	34%	\$176	2.3%
Real Estate	\$3,524	15%	\$66	1.8%
Technology	\$2,768	12%	-\$48	-1.7%
Materials	\$2,731	11%	\$57	2.3%
Health Care	\$2,163	9%	\$22	1.0%
Energy	\$2,034	9%	-\$3	-0.1%
Utilities	\$1,903	8%	\$77	4.2%
Other	\$644	3%	\$8	1.3%
Total	\$23,832	100%	\$354	1.6%

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

Table 11 - Fixed Income ETF Flows by Maturity - May 2021

Maturity	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Broad/Mixed	\$46,034	56%	\$946	2.1%
Ultra Short Term	\$3,574	4%	\$169	5.0%
Short Term	\$17,699	21%	\$458	2.7%
Mid Term	\$4,950	6%	\$73	1.5%
Long Term	\$3,643	4%	\$20	0.5%
Real Return	\$1,388	2%	\$59	4.5%
Target Maturity	\$111	0%	-\$2	-2.2%
Cash Alternative	\$5,268	6%	-\$159	-2.9%
Total	\$82,666	100%	\$1,561	1.9%

Source: National Bank of Canada, Bloomberg

YTD May 2021 ETF Flows: Tables 12 - 19

The equity asset class has been dominating inflows for the first five months of 2021, taking up over 50% of the year's flows so far. Market cap-weighted, sector (technology and financials) and thematic equity (ESG, travel & leisure and disruptive innovation) drove the inflows. Fixed income and Crypto-Asset categories have each amassed over \$4 billion and Multi-Asset products have enjoyed nearly \$3 billion in flows.

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

Table 12 - Top ETF Inflows - YTD May 2021

Ticker	Name	Flow (\$M)	Flow/AUM
1	BTCC 3iQ CoinShares Bitcoin ETF	\$1,242	NA
2	ZCN BMO S&P/TSX Capped Composite Index ETF	\$1,153	26%
3	TEC TD Global Technology Leaders Index ETF	\$983	170%
4	ESGY BMO MSCI USA ESG Leaders Index ETF	\$784	2465%
5	ZGB BMO Government Bond Index ETF	\$770	149%
6	ZAG BMO Aggregate Bond Index ETF	\$764	14%
7	BTCC/B Purpose Bitcoin ETF	\$739	NA
8	VFV Vanguard S&P 500 Index ETF	\$725	20%
9	ESGYF BMO MSCI USA ESG Leaders Index ETF	\$701	NA
10	XGGB iShares Global Government Bond Index ETF CAD Hedged	\$659	119%
11	VGRO Vanguard Growth ETF Portfolio	\$642	36%
12	XIU iShares S&P/TSX 60 Index ETF	\$590	6%
13	HXCN Horizons S&P/TSX Capped Composite Index ETF	\$563	64%
14	DANC Desjardins Alt Long/Short Equity Market Neutral ETF	\$521	244%
15	XEF iShares Core MSCI EAFE IMI Index ETF	\$480	11%
16	XSB iShares Core Canadian Short Term Bond Index ETF	\$445	18%
17	VEQT Vanguard All-Equity ETF Portfolio	\$439	77%
18	TERM Manulife Smart Short-Term Bond ETF	\$420	5582%
19	TTP iShares Global Government Bond Index ETF CAD H	\$418	47%
20	VALTU CI Gold Bullion Fund	\$392	NA

Source: National Bank of Canada, Bloomberg;

Table 13 - Top ETF Outflows - YTD May 2021

Ticker	Name	Flow (\$M)	Flow/AUM
1	ZUE BMO S&P 500 Hedged to CAD Index ETF	-\$991	-44%
2	PSA Purpose High Interest Savings ETF	-\$723	-30%
3	CSAV CI High Interest Savings ETF	-\$623	-23%
4	HISA High Interest Savings Account Fund	-\$313	-59%
5	HXEM Mackenzie US IG Corporate Bond Index ETF CAD-H	-\$277	-46%
6	QUIG Mackenzie US Investment Grade Corporate Bond Index ETF	-\$258	-39%
7	ZPL BMO Long Provincial Bond Index ETF	-\$224	-41%
8	HBB Invesco 1-5 Year Laddered IG Corporate Bond	-\$220	-13%
9	ZGD BMO Equal Weight Global Index ETF	-\$216	-62%
10	FQC CI MSCI Canada Quality Index Class ETF	-\$184	-69%
11	ZPR BMO Laddered Preferred Share Index ETF	-\$182	-9%
12	CLG iShares 1-10 Year Laddered Government Bond Index ETF	-\$179	-35%
13	XSP iShares Core S&P 500 Index ETF CAD- Hedged	-\$173	-3%
14	HAB Horizons Active Corporate Bond ETF	-\$163	-27%
15	ZLB BMO Low Volatility Canadian Equity ETF	-\$161	-6%
16	ZSP BMO S&P 500 Index ETF	-\$157	-2%
17	ZFM BMO Mid Federal Bond Index ETF	-\$143	-28%
18	ZFS BMO Short Federal Bond Index ETF	-\$132	-25%
19	CGL iShares Gold Bullion ETF	-\$131	-14%
20	FLUS Franklin Libertyqt US Equity Index Etf	-\$129	-52%

Source: National Bank of Canada, Bloomberg;

Table 14 - ETF Flows by Category - YTD May 2021

Asset Class	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Equity	\$175,794	63%	\$13,816	9%
Fixed Income	\$82,666	30%	\$4,220	5%
Commodities	\$2,046	1%	\$163	9%
Multi-Asset	\$12,217	4%	\$2,931	33%
Inverse / Leveraged	\$1,324	0%	\$53	4%
Crypto-Asset	\$2,892	1%	\$4,027	NA
Total	\$276,940	100%	\$25,210	9.8%

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

Table 15 - Equity ETF Flows by Geography - YTD May 2021

Geography	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Canada	\$65,523	37%	\$4,775	9%
United States	\$58,563	33%	\$3,166	6%
DM: Broad	\$20,198	11%	\$1,744	9%
DM: Regional & Country	\$5,433	3%	\$538	10%
Emerging Markets	\$6,798	4%	\$81	1%
Global	\$19,280	11%	\$3,512	23%
Total	\$175,794	100%	\$13,816	8.7%

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

Table 16 - Equity ETF Flows by Sector* - YTD May 2021

Sector	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Financials	\$8,067	34%	\$685	10%
Real Estate	\$3,524	15%	\$159	5%
Technology	\$2,768	12%	\$1,042	62%
Materials	\$2,731	11%	\$8	0%
Health Care	\$2,163	9%	\$104	5%
Energy	\$2,034	9%	\$143	10%
Utilities	\$1,903	8%	\$231	14%
Other	\$644	3%	\$121	26%
Total	\$23,832	100%	\$2,492	13%

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

Table 17 - Equity ETF Flows by Focus - YTD May 2021

Focus	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Cap-weighted	\$104,229	59%	\$5,873	6%
Dividend / Income	\$18,073	10%	\$1,099	6%
Factor: Low Vol	\$8,052	5%	-\$547	-7%
Factor: Multi-factor	\$3,955	2%	\$7	0%
Factor: Fundamental	\$4,428	3%	\$476	13%
Sector	\$23,832	14%	\$2,492	13%
Thematic	\$9,099	5%	\$3,557	70%
Other	\$4,100	2%	\$833	28%
Total	\$175,768	100%	\$13,790	8.7%

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

Table 18 - Fixed Income ETF Flows by Type - YTD May 2021

Type	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Canada Aggregate	\$24,363	29%	\$1,442	6%
Canada Government	\$9,051	11%	\$478	5%
Canada Corporate	\$13,632	16%	\$1,337	10%
U.S. / North America	\$6,893	8%	\$70	1%
Foreign	\$10,889	13%	\$1,878	19%
Sub-Investment Grade	\$4,176	5%	\$400	8%
Preferred/Convertible	\$8,393	10%	\$281	4%
Cash Alternative	\$5,268	6%	-\$1,665	-24%
Total	\$82,666	100%	\$4,220	4.9%

Source: National Bank of Canada, Bloomberg

Table 19 - Fixed Income ETF Flows by Maturity - YTD May 2021

Maturity	AUM (\$M)	Mkt Shr	Flow (\$M)	Flow/AUM
Broad/Mixed	\$46,034	56%	\$4,458	10%
Ultra Short Term	\$3,574	4%	\$204	6%
Short Term	\$17,699	21%	\$1,432	9%
Mid Term	\$4,950	6%	-\$185	-3%
Long Term	\$3,643	4%	-\$150	-3%
Real Return	\$1,388	2%	\$119	9%
Target Maturity	\$111	0%	\$6	2%
Cash Alternative	\$5,268	6%	-\$1,665	-24%
Total	\$82,666	100%	\$4,220	4.9%

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 2 - 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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