

## July 2023: Slight Summer Slowdown

- Nearly \$3 billion flowed into Canadian ETFs in July, bringing year-to-date inflows to \$22.7 billion
- Interest in financials remains strong, while U.S. ETF flow shows evidence of a bias away from large cap
- The money market ETF category has exploded with product development, including nine new launches this year
- 20 new ETFs launched in July – the total number of ETFs in Canada is now 1,356

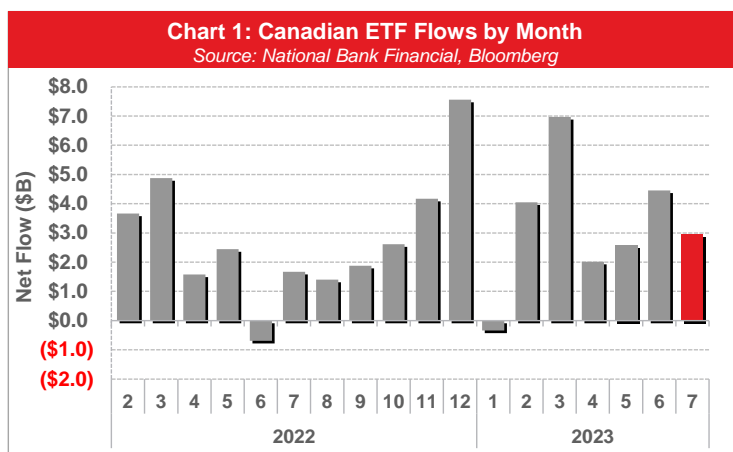
**Summary:** The Fixed Income asset class dominated Canadian ETF inflows again in July. \$1.8 billion went into Fixed Income, doubling the inflows to Equities which were nevertheless healthy at \$940 million. Inflows into all other asset classes were muted by comparison. Money market ETFs remain an investor favourite with \$875 million created in July. ESG (in the form of a large institutional blocks to a single ETF) and Dividend/Income ETFs attracted inflows within the Equity asset class.

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

**Equity ETFs** pulled in \$940 million overall, despite outflows from U.S. (ZSP, XUU, QUU, HXS, XUE, ZUE, FLAM) and broad developed market ETFs (ZEA). Canadian equity ETFs (HXT, XIU) enjoyed the largest inflows among all regions at \$487 million, followed by Emerging Markets (XSEM) at \$366 million and Global equities at \$297 million. Despite redemptions from broad developed markets, the U.S., single country Japan (JAPN/B) enjoyed its winning streak in terms of ETF flows on the back of strong momentum in the Japanese stock market. Equal weighted U.S. (EQL/F) showed up on the leaderboard with \$77 million in flows, consistent with the trend in the U.S. that we've observed in recent weeks in which investors are turning to equal-weight, mid and small-cap U.S. equities to avoid concentration in the mega-cap technology names.

**Fixed Income** ETFs topped the inflow leaderboard with \$1.9 billion created. Money market ETFs led the inflows again with \$875 million created in products such as CSAV, CASH, MNY, HISA, CBIL and PSU/U. Relatedly, ultra-short term floating rate ETF XFR also showed up on the top inflow table. Canada corporate bond registered \$529 million inflows, primarily going into ultra-short term corporate bond ETF ZST. The evergreen Canadian aggregate bond category (VSB, ZAG) surprisingly saw withdrawals of \$23 million while every other fixed income category, including sub-investment grade bonds (ZHY) had inflows in July.

**Flows by Provider and New Launches (Tables 2 - 3):**



**Table 1 - ETF Flows by Category - July YTD 2023**

|                   | AUM (\$M)        | Mkt Shr (%) | July 2023      |             | July YTD 2023   |             |
|-------------------|------------------|-------------|----------------|-------------|-----------------|-------------|
|                   |                  |             | Flow \$M       | Flow/AUM    | Flow \$M        | Flow/AUM    |
| Equity            | \$223,564        |             | \$940          | 0.4%        | \$7,548         | 3.5%        |
| Canada            | \$80,001         | 22%         | \$487          | 0.6%        | \$2,892         | 3.7%        |
| United States     | \$76,393         | 21%         | (\$239)        | -0.3%       | (\$1,771)       | -2.4%       |
| International     | \$67,170         | 19%         | \$693          | 1.1%        | \$6,427         | 10.5%       |
| Fixed Income      | \$109,207        | 30%         | \$1,877        | 1.7%        | \$13,053        | 12.5%       |
| Commodities       | \$1,689          | 0%          | \$7            | 0.4%        | (\$33)          | -2.0%       |
| Multi-Asset       | \$17,975         | 5%          | \$84           | 0.5%        | \$1,405         | 8.9%        |
| Inverse / Levered | \$3,684          | 1%          | \$47           | 1.3%        | \$679           | 22.6%       |
| Crypto-Asset      | \$2,621          | 1%          | \$6            | 0.2%        | \$41            | 2.4%        |
| <b>Total</b>      | <b>\$358,741</b> | <b>100%</b> | <b>\$2,961</b> | <b>0.8%</b> | <b>\$22,693</b> | <b>6.7%</b> |

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

The top 10 ETF issuers in Canada all had inflows in July except for BMO and Mackenzie, both of which suffered small outflows. The largest inflows went to RBC iShares, Horizons and TDAM. Guardian Capital launched two money market ETFs that focus exclusively on T-bills and each welcomed approximately \$20 million in flows, leading to Guardian's 18% flow relative to starting AUM, the highest among all ETF providers in July. Hamilton's percentage flow at 6% ranks the second after Guardian Capital. Hamilton's HMAX and UMAX continue to take in new money.

20 new ETFs were introduced in July. Money market, Technology, covered call, lightly levered and multi-factor were the dominating themes.

*Note: the tables below all use the adjusted flows calculation methodology. (Adjusted for ETF cross-holdings)*

| Provider               | New Methodology (adjusted for ETF-of-ETFs) |               |                |             | Unadjusted       |                |
|------------------------|--|---------------|----------------|-------------|------------------|----------------|
|                        | AUM (\$M)                                  | Mkt Shr (%)   | July 2023      |             | July 2023        |                |
|                        |  |               | Flow (\$M)     | Flow/AUM    | AUM (\$M)        | Flow (\$M)     |
| 1 RBC iShares          | \$101,643                                  | 28.3%         | \$662          | 1%          | \$107,477        | \$722          |
| 2 BMO                  | \$85,913                                   | 23.9%         | -\$40          | 0%          | \$95,690         | \$189          |
| 3 Vanguard             | \$46,661                                   | 13.0%         | \$263          | 1%          | \$57,614         | \$376          |
| 4 Horizons             | \$26,294                                   | 7.3%          | \$528          | 2%          | \$27,204         | \$565          |
| 5 CI GAM               | \$19,406                                   | 5.4%          | \$297          | 2%          | \$19,576         | \$298          |
| 6 Mackenzie*           | \$12,757                                   | 3.6%          | -\$60          | 0%          | \$13,004         | -\$52          |
| 7 TDAM                 | \$10,515                                   | 2.9%          | \$305          | 3%          | \$10,640         | \$308          |
| 8 NBI                  | \$9,844                                    | 2.7%          | \$223          | 2%          | \$9,844          | \$223          |
| 9 Purpose              | \$7,994                                    | 2.2%          | \$124          | 2%          | \$8,205          | \$141          |
| 10 Invesco             | \$5,577                                    | 1.6%          | \$161          | 3%          | \$5,594          | \$161          |
| 11 Fidelity            | \$3,948                                    | 1.1%          | \$150          | 4%          | \$4,389          | \$164          |
| 12 Evolve Funds        | \$3,128                                    | 0.9%          | \$126          | 4%          | \$3,162          | \$126          |
| 13 Harvest             | \$2,967                                    | 0.8%          | \$19           | 1%          | \$3,526          | \$27           |
| 14 Manulife            | \$2,746                                    | 0.8%          | \$24           | 1%          | \$2,746          | \$24           |
| 15 CIBC                | \$2,675                                    | 0.7%          | \$19           | 1%          | \$2,690          | \$19           |
| 16 Dynamic             | \$2,373                                    | 0.7%          | \$32           | 1%          | \$2,373          | \$32           |
| 17 Hamilton            | \$2,319                                    | 0.6%          | \$127          | 6%          | \$2,814          | \$126          |
| 18 PIMCO               | \$2,245                                    | 0.6%          | \$48           | 2%          | \$2,245          | \$48           |
| 19 Desjardins          | \$1,808                                    | 0.5%          | -\$42          | -2%         | \$1,808          | -\$42          |
| 20 Scotia Bank         | \$1,379                                    | 0.4%          | \$8            | 1%          | \$1,379          | \$8            |
| 21 Franklin Templeton  | \$1,223                                    | 0.3%          | -\$33          | -3%         | \$1,223          | -\$33          |
| 22 AGF                 | \$1,176                                    | 0.3%          | -\$10          | -1%         | \$1,176          | -\$10          |
| 23 Picton Mahoney      | \$666                                      | 0.2%          | -\$3           | 0%          | \$666            | -\$3           |
| 24 Ninepoint Partners  | \$660                                      | 0.2%          | -\$28          | -5%         | \$660            | -\$28          |
| 25 Middlefield         | \$542                                      | 0.2%          | -\$4           | -1%         | \$542            | -\$4           |
| 26 Brompton Funds      | \$505                                      | 0.1%          | \$16           | 3%          | \$606            | \$18           |
| 27 First Trust         | \$390                                      | 0.1%          | \$1            | 0%          | \$391            | \$1            |
| 28 Bristol Gate        | \$384                                      | 0.1%          | \$7            | 2%          | \$384            | \$7            |
| 29 Guardian Capital    | \$262                                      | 0.1%          | \$40           | 18%         | \$262            | \$40           |
| 30 Emerge              | \$141                                      | 0.0%          | \$0            | 0%          | \$141            | \$0            |
| 31 3iQ                 | \$128                                      | 0.0%          | \$1            | 1%          | \$128            | \$1            |
| 32 IA Clarington       | \$105                                      | 0.0%          | \$0            | 0%          | \$105            | \$0            |
| 33 Lysander            | \$80                                       | 0.0%          | -\$1           | -2%         | \$80             | -\$1           |
| 34 Mulvihill           | \$79                                       | 0.0%          | \$2            | 2%          | \$79             | \$2            |
| 35 Russell Investments | \$69                                       | 0.0%          | \$1            | 1%          | \$69             | \$1            |
| 36 Accelerate          | \$55                                       | 0.0%          | -\$4           | -6%         | \$61             | -\$3           |
| 37 Arrow Capital       | \$49                                       | 0.0%          | \$2            | 5%          | \$49             | \$2            |
| 38 Starlight           | \$23                                       | 0.0%          | -\$1           | -3%         | \$23             | -\$1           |
| 39 SmartBe             | \$7  | 0.0%          | \$0            | 0%          | \$7              | \$0            |
| 40 Caldwell            | \$5  | 0.0%          | \$0            | 0%          | \$5              | \$0            |
| <b>Total</b>           | <b>\$358,741</b>                           | <b>100.0%</b> | <b>\$2,961</b> | <b>0.8%</b> | <b>\$388,635</b> | <b>\$3,452</b> |

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

| Ticker    | Name   | Fee (%) |
|-----------|--|---------|
| 1 CMNY    | CI Money Market ETF  | 0.14    |
| 2 UMN/Y   | CI US Money Market ETF   | 0.14    |
| 3 QQQT    | Evolve NASDAQ Technology Index Fund                            | 0.25    |
| 4 QQQT/U  | Evolve NASDAQ Technology Index Fund                            | 0.25    |
| 5 QQQT/B  | Evolve NASDAQ Technology Index Fund                            | 0.25    |
| 6 ESPX/U  | Evolve S&P 500 Enhanced Yield Fund                             | 0.45    |
| 7 GCTB    | Guardian Ultra Short Canadian T Bill Fund                      | 0.12    |
| 8 GUTB/U  | Guardian Ultra-Short US T-Bill Fund                            | 0.12    |
| 9 CNCL    | Horizons Enhanced Canadian Large Cap Equity Covered Call ETF   | 0.65    |
| 10 BNKL   | Horizons Enhanced Equal Weight Banks Index ETF                 | 0.35    |
| 11 BKCL   | Horizons Enhanced Equal Weight Canadian Banks Covered Call ETF | 0.65    |
| 12 CANL   | Horizons Enhanced S&P/TSX 60 Index ETF                         | 0.35    |
| 13 USCL   | Horizons Enhanced US Large Cap Equity Covered Call ETF         | 0.65    |
| 14 HBNK   | Horizons Equal Weight Banks Index ETF                          | 0.00*   |
| 15 IIMF   | Invesco International Developed Dynamic Multifactor ETF        | 0.39    |
| 16 IIMF/F | Invesco International Developed Dynamic Multifactor ETF        | 0.39    |
| 17 IGET   | Invesco Morningstar Global Energy Transition Index ETF         | 0.35    |
| 18 IGET/F | Invesco Morningstar Global Energy Transition Index ETF         | 0.35    |
| 19 IUMF   | Invesco Russell 1000 Dynamic Multifactor ETF                   | 0.34    |
| 20 IUMF/F | Invesco Russell 1000 Dynamic Multifactor ETF                   | 0.34    |

\*Fee rebated to 0.00% until July 31, 2024. Source: NBF ETF Research, Provider

| Ticker | Name   | Flow (\$M) | Flow/AUM |
|--------|--|------------|----------|
| 1      | XSEM iShares ESG Aware MSCI Emerging Markets Index ETF | \$628      | 39%      |
| 2      | ZST BMO Ultra Short-Term Bond ETF                      | \$446      | 71%      |
| 3      | HXT Horizon S&P/TSX 60 Index ETF                       | \$266      | 8%       |
| 4      | CSAV CI High Interest Savings ETF                      | \$260      | 3%       |
| 5      | ZCN BMO S&P/TSX Capped Composite Index ETF             | \$220      | 3%       |
| 6      | CASH Horizons High Interest Savings ETF                | \$214      | 8%       |
| 7      | ZHY BMO High Yield US Corporate Bond CAD-H             | \$209      | 28%      |
| 8      | NSCB NBI Sustainable Canadian Bond ETF                 | \$201      | 19%      |
| 9      | MNY Purpose Cash Management Fund                       | \$158      | 68%      |
| 10     | XIU iShares S&P/TSX 60 Index ETF                       | \$157      | 1%       |
| 11     | VFV Vanguard S&P 500 Index ETF                         | \$147      | 2%       |
| 12     | TEC TD Global Technology Leaders Index ETF             | \$135      | 9%       |
| 13     | TCLB TD Canadian Long Term Federal Bond ETF            | \$101      | 6%       |
| 14     | JAPN/B CI WisdomTree Japan Equity Index ETF            | \$94       | 14%      |
| 15     | HISA High Interest Savings Account Fund                | \$80       | 5%       |
| 16     | EQL/F Invesco S&P 500 Equal Weighted Index ETF         | \$77       | 20%      |
| 17     | CBIL Horizons 0-3 Month T-Bill ETF                     | \$70       | 27%      |
| 18     | ZIC BMO Mid-Term US IG Corporate Bond Index ETF        | \$70       | 850%     |
| 19     | PSU/U Purpose US Cash Fund                             | \$66       | 12%      |
| 20     | XFR iShares Floating Rate Index ETF                    | \$65       | 10%      |

Source: National Bank of Canada, Bloomberg

| Ticker | Name  | Flow (\$M) | Flow/AUM |
|--------|---|------------|----------|
| 1      | ZSP BMO S&P 500 Index ETF                             | -\$379     | -5%      |
| 2      | ZEI BMO MSCI EAFE Index ETF                           | -\$224     | -4%      |
| 3      | ZEM BMO MSCI Emerging Markets Index ETF               | -\$167     | -12%     |
| 4      | VSB Vanguard Canadian Short-Term Bond Index ETF       | -\$162     | -13%     |
| 5      | ZAG BMO Aggregate Bond Index ETF                      | -\$161     | -3%      |
| 6      | XMA iShares S&P/TSX Capped Materials Index ETF        | -\$157     | -53%     |
| 7      | PSA Purpose High Interest Savings Fund                | -\$142     | -4%      |
| 8      | ZFL BMO Long Federal Bond Index ETF                   | -\$142     | -5%      |
| 9      | XIC iShares Core S&P/TSX Capped Composite Index ETF   | -\$122     | -2%      |
| 10     | XUU iShares Core S&P US Total Market Index ETF        | -\$110     | -5%      |
| 11     | QUU Mackenzie US Large Cap Equity Index ETF           | -\$60      | -3%      |
| 12     | XFN iShares S&P/TSX Capped Financials Index ETF       | -\$59      | -4%      |
| 13     | ZEF BMO Emerging Markets Bond CAD-H                   | -\$56      | -9%      |
| 14     | ZCH BMO MSCI China ESG Leaders Index ETF              | -\$53      | -42%     |
| 15     | XEI iShares S&P/TSX Composite High Dividend Index ETF | -\$48      | -4%      |
| 16     | HXS Horizons S&P 500 Index ETF                        | -\$45      | -2%      |
| 17     | XUS iShares Core S&P 500 Index ETF                    | -\$44      | -1%      |
| 18     | ZUE BMO S&P 500 Hedged to CAD Index ETF               | -\$42      | -2%      |
| 19     | PGL Invesco Long Term Government Bond Index ETF       | -\$39      | -11%     |
| 20     | FLAM Franklin FTSE US Index ETF                       | -\$37      | -16%     |

Source: National Bank of Canada, Bloomberg

| Asset Class       | AUM (\$M)        | Mkt Shr     | Flow (\$M)     | Flow/AUM    |
|-------------------|------------------|-------------|----------------|-------------|
| Equity            | \$223,564        | 62%         | \$940          | 0.4%        |
| Fixed Income      | \$109,207        | 30%         | \$1,877        | 1.7%        |
| Commodities       | \$1,689          | 0%          | \$7            | 0.4%        |
| Multi-Asset       | \$17,975         | 5%          | \$84           | 0.5%        |
| Inverse / Levered | \$3,684          | 1%          | \$47           | 1.3%        |
| Crypto-Asset      | \$2,621          | 1%          | \$6            | 0.2%        |
| <b>Total</b>      | <b>\$358,741</b> | <b>100%</b> | <b>\$2,961</b> | <b>0.8%</b> |

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

| Focus                | AUM (\$M)        | Mkt Shr     | Flow (\$M)   | Flow/AUM    |
|----------------------|------------------|-------------|--------------|-------------|
| Cap-weighted         | \$128,747        | 58%         | -\$53        | 0.0%        |
| Dividend / Income    | \$23,926         | 11%         | \$159        | 0.7%        |
| Factor: Low Vol      | \$7,937          | 4%          | \$49         | 0.6%        |
| Factor: Multi-factor | \$3,072          | 1%          | \$1          | 0.0%        |
| Factor: Fundamental  | \$5,237          | 2%          | \$52         | 1.0%        |
| Sector               | \$29,761         | 13%         | -\$3         | 0.0%        |
| Thematic             | \$17,063         | 8%          | \$569        | 3.5%        |
| ESG**                | \$11,772         | 5%          | \$589        | 5.4%        |
| Other                | \$7,820          | 3%          | \$167        | 2.2%        |
| <b>Total</b>         | <b>\$223,564</b> | <b>100%</b> | <b>\$940</b> | <b>0.4%</b> |

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

\*\* Only includes ESG ETFs under Thematic category

| Geography              | AUM (\$M)        | Mkt Shr     | Flow (\$M)   | Flow/AUM    |
|------------------------|------------------|-------------|--------------|-------------|
| Canada                 | \$80,001         | 36%         | \$487        | 0.6%        |
| United States          | \$76,393         | 34%         | -\$239       | -0.3%       |
| DM: Broad              | \$25,181         | 11%         | -\$83        | -0.3%       |
| DM: Regional & Country | \$6,681          | 3%          | \$113        | 1.8%        |
| Emerging Markets       | \$8,016          | 4%          | \$366        | 5.1%        |
| Global                 | \$27,292         | 12%         | \$297        | 1.1%        |
| <b>Total</b>           | <b>\$223,564</b> | <b>100%</b> | <b>\$940</b> | <b>0.4%</b> |

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

| Type                  | AUM (\$M)        | Mkt Shr     | Flow (\$M)     | Flow/AUM    |
|-----------------------|------------------|-------------|----------------|-------------|
| Canada Aggregate      | \$30,130         | 28%         | -\$23          | -0.1%       |
| Canada Government     | \$12,973         | 12%         | \$81           | 0.6%        |
| Canada Corporate      | \$13,998         | 13%         | \$529          | 3.9%        |
| U.S. / North America  | \$8,985          | 8%          | \$112          | 1.3%        |
| Foreign               | \$10,943         | 10%         | \$39           | 0.4%        |
| Sub-Investment Grade  | \$4,075          | 4%          | \$245          | 6.4%        |
| Preferred/Convertible | \$5,676          | 5%          | \$19           | 0.3%        |
| Money Market          | \$22,426         | 21%         | \$875          | 4.1%        |
| <b>Total</b>          | <b>\$109,207</b> | <b>100%</b> | <b>\$1,877</b> | <b>1.7%</b> |

Source: National Bank of Canada, Bloomberg

| Sector       | AUM (\$M)       | Mkt Shr     | Flow (\$M)  | Flow/AUM    |
|--------------|-----------------|-------------|-------------|-------------|
| Financials   | \$11,333        | 38%         | \$50        | 0.5%        |
| Energy       | \$3,662         | 12%         | -\$19       | -0.6%       |
| Technology   | \$3,558         | 12%         | \$124       | 3.7%        |
| Health Care  | \$3,084         | 10%         | -\$8        | -0.3%       |
| Real Estate  | \$2,927         | 10%         | -\$18       | -0.6%       |
| Utilities    | \$2,460         | 8%          | \$15        | 0.6%        |
| Materials    | \$2,055         | 7%          | -\$156      | -7.4%       |
| Other        | \$682           | 2%          | \$8         | 1.4%        |
| <b>Total</b> | <b>\$29,761</b> | <b>100%</b> | <b>-\$3</b> | <b>0.0%</b> |

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

| Maturity         | AUM (\$M)        | Mkt Shr     | Flow (\$M)     | Flow/AUM    |
|------------------|------------------|-------------|----------------|-------------|
| Broad/Mixed      | \$50,775         | 46%         | \$462          | 0.9%        |
| Ultra Short Term | \$4,506          | 4%          | \$499          | 12.4%       |
| Short Term       | \$15,845         | 15%         | -\$220         | -1.4%       |
| Mid Term         | \$6,050          | 6%          | \$165          | 2.8%        |
| Long Term        | \$6,980          | 6%          | -\$13          | -0.2%       |
| Real Return      | \$1,307          | 1%          | -\$25          | -1.9%       |
| Target Maturity  | \$1,319          | 1%          | \$133          | 11.2%       |
| Money Market     | \$22,426         | 21%         | \$875          | 4.1%        |
| <b>Total</b>     | <b>\$109,207</b> | <b>100%</b> | <b>\$1,877</b> | <b>1.7%</b> |

Source: National Bank of Canada, Bloomberg

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**YTD July ETF Flows (Tables 12 - 21):**

Canadian ETFs have taken in \$22.7 billion in the first seven months of the year, led by fixed income at \$13 billion with equity in a distant second place at \$7.5 billion created. Multi-Asset saw creation of \$1.4 billion year-to-date, led by asset allocation portfolio ETFs. “All equity” and Growth profiles are more popular than other, lower risk asset allocation profiles.

Equity inflows are quite bifurcated. Market cap weighted, multi-factor and fundamental factor ETFs had outflows, whereas dividend/income, sector, ESG and non-ESG thematic ETFs saw creations. The financials sector is the most popular with \$1.4 billion in creation and healthcare is in a distant second place with inflows of \$331 million.

All regions other than the U.S. have been gathering assets this year. Canada, broad developed market, emerging market and global regions each saw inflows of more than \$2 billion, whereas U.S. bled \$1.8 billion in outflows led by ZSP, as investors continue to take profits off the table from U.S. equities.

As for fixed income, the enthusiasm for money market or “cash-like” exposure seems unstoppable, especially now that these ETFs are yielding in the neighborhood of 5% after fees. Money market ETFs had inflows of \$6.5 billion year-to-date, or 40% relative to 2022 year-end assets, followed by Canada government bond ETFs at \$2.7 billion, then Canada aggregate bond ETFs at \$1.8 billion. The “money market” ETF category has exploded with new products investing in short-term securities such as T-bills and commercial paper; it’s possible this wave of launches was spurred by a newly fertile rate environment combined with a regulatory review of banks offering the deposits that underlie the super-popular cash alternative ETFs. Year-to-date, nine new money market ETFs were launched in Canada, a record pace for this \$22 billion category.

ESG ETF flows year to date, Table 20: ESG ETF XSEM received several institutional-sized order totaling \$628 million in July. NBI’s sustainable bond ETF NSCB also welcomed inflows of \$201 million.

| Ticker | Name | Flow (\$M)                                       | Flow/AUM      |
|--------|------|--|---------------|
| 1      | CSAV | CI High Interest Savings ETF                     | \$2,488 47%   |
| 2      | XSEM | iShares ESG Aware MSCI Emerging Markets          | \$2,222 5243% |
| 3      | CASH | Horizons High Interest Savings ETF               | \$1,557 108%  |
| 4      | NREA | NBI Global Real Assets Income ETF                | \$1,079 2363% |
| 5      | VFV  | Vanguard S&P 500 Index ETF                       | \$1,025 15%   |
| 6      | NSCB | NBI Sustainable Canadian Bond ETF                | \$888 255%    |
| 7      | ZEB  | BMO Equal Weight Banks Index ETF                 | \$843 27%     |
| 8      | ZEA  | BMO MSCI EAFE Index ETF                          | \$785 15%     |
| 9      | ZFL  | BMO Long Federal Bond Index ETF                  | \$767 39%     |
| 10     | HBB  | Horizons Cdn Select Universe Bond ETF            | \$659 23%     |
| 11     | HISA | High Interest Savings Account Fund               | \$570 53%     |
| 12     | TCLB | TD Canadian Long Term Federal Bond ETF           | \$538 41%     |
| 13     | TDB  | TD Canadian Aggregate Bond Index ETF             | \$536 108%    |
| 14     | HEB  | Hamilton Canadian Bank Equal-Weight Index ETF    | \$505 NA      |
| 15     | HMAX | Hamilton Canadian Financials Yield Maximizer Etf | \$476 NA      |
| 16     | NUBF | NBI Unconstrained Fixed Income ETF               | \$436 22%     |
| 17     | ZGB  | BMO Government Bond Index ETF                    | \$429 85%     |
| 18     | CBIL | Horizons 0-3 Month T-Bill ETF                    | \$407 NA      |
| 19     | ZMU  | BMO Mid-Term US IG Corporate Bond CAD H          | \$404 16%     |
| 20     | VEQT | Vanguard All-Equity ETF Portfolio                | \$391 18%     |

Source: National Bank of Canada, Bloomberg;

| Ticker | Name  | Flow (\$M)                                      | Flow/AUM      |
|--------|-------|---|---------------|
| 1      | ZSP   | BMO S&P 500 Index ETF                           | -\$1,438 -15% |
| 2      | HCA   | Hamilton Canadian Bank Mean Reversion Index ETF | -\$487 -88%   |
| 3      | XIC   | iShares Core S&P/TSX Capped Composite Index ETF | -\$485 -5%    |
| 4      | XSB   | iShares Core Canadian Short Term Bond Index ETF | -\$476 -17%   |
| 5      | ZSP/U | BMO S&P 500 Index ETF                           | -\$433 -17%   |
| 6      | VSP   | Vanguard S&P 500 Index ETF CAD-hedged           | -\$422 -17%   |
| 7      | ZCPB  | BMO Core Plus Bond Fund ETF                     | -\$411 -25%   |
| 8      | XSP   | iShares Core S&P 500 Index ETF CAD- Hedged      | -\$381 -5%    |
| 9      | QEBL  | Mackenzie Emerging Markets Local Currency Bond  | -\$364 -45%   |
| 10     | ZAG   | BMO Aggregate Bond Index ETF                    | -\$352 -5%    |
| 11     | VSB   | Vanguard Canadian Short-Term Bond Index ETF     | -\$308 -23%   |
| 12     | HXT   | Horizon S&P/TSX 60 Index ETF                    | -\$308 -8%    |
| 13     | FSF   | CI Global Financial Sector ETF                  | -\$301 -38%   |
| 14     | BTCQ  | 3iQ Bitcoin ETF                                 | -\$270 -104%  |
| 15     | CBH   | iShares 1-10 Year Laddered Corporate Bond Index | -\$262 -43%   |
| 16     | ZEM   | BMO MSCI Emerging Markets Index ETF             | -\$199 -14%   |
| 17     | XUU   | iShares Core S&P US Total Market Index ETF      | -\$190 -9%    |
| 18     | ZFS   | BMO Short Federal Bond Index ETF                | -\$163 -14%   |
| 19     | XUS   | iShares Core S&P 500 Index ETF                  | -\$158 -4%    |
| 20     | CLF   | iShares 1-5 Year Laddered Government Bond Index | -\$157 -22%   |

Source: National Bank of Canada, Bloomberg;

Tables continue on the next page

**Table 14 - ETF Flows by Category - July YTD 2023**

| Asset Class         | AUM (\$M)        | Mkt Shr     | Flow (\$M)      | Flow/AUM    |
|---------------------|------------------|-------------|-----------------|-------------|
| Equity              | \$223,564        | 62%         | \$7,548         | 4%          |
| Fixed Income        | \$109,207        | 30%         | \$13,053        | 13%         |
| Commodities         | \$1,689          | 0%          | -\$33           | -2%         |
| Multi-Asset         | \$17,975         | 5%          | \$1,405         | 9%          |
| Inverse / Leveraged | \$3,684          | 1%          | \$679           | 23%         |
| Crypto-Asset        | \$2,621          | 1%          | \$41            | 2%          |
| <b>Total</b>        | <b>\$358,741</b> | <b>100%</b> | <b>\$22,693</b> | <b>6.7%</b> |

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

**Table 15 - Equity ETF Flows by Geography - July YTD 2023**

| Geography              | AUM (\$M)        | Mkt Shr     | Flow (\$M)     | Flow/AUM    |
|------------------------|------------------|-------------|----------------|-------------|
| Canada                 | \$80,001         | 36%         | \$2,892        | 4%          |
| United States          | \$76,393         | 34%         | -\$1,771       | -2%         |
| DM: Broad              | \$25,181         | 11%         | \$1,570        | 6%          |
| DM: Regional & Country | \$6,681          | 3%          | \$490          | 8%          |
| Emerging Markets       | \$8,016          | 4%          | \$2,260        | 38%         |
| Global                 | \$27,292         | 12%         | \$2,108        | 9%          |
| <b>Total</b>           | <b>\$223,564</b> | <b>100%</b> | <b>\$7,548</b> | <b>3.5%</b> |

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

**Table 16 - Equity ETF Flows by Sector\* - July YTD 2023**

| Sector       | AUM (\$M)       | Mkt Shr     | Flow (\$M)     | Flow/AUM  |
|--------------|-----------------|-------------|----------------|-----------|
| Financials   | \$11,333        | 38%         | \$1,431        | 13%       |
| Energy       | \$3,667         | 12%         | \$20           | 0%        |
| Technology   | \$3,558         | 12%         | \$20           | 1%        |
| Health Care  | \$3,084         | 10%         | \$331          | 11%       |
| Real Estate  | \$2,927         | 10%         | -\$11          | 0%        |
| Utilities    | \$2,460         | 8%          | \$150          | 6%        |
| Materials    | \$2,055         | 7%          | -\$175         | -8%       |
| Other        | \$677           | 2%          | \$63           | 13%       |
| <b>Total</b> | <b>\$29,761</b> | <b>100%</b> | <b>\$1,831</b> | <b>6%</b> |

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

**Table 17 - Equity ETF Flows by Focus - July YTD 2023**

| Focus                | AUM (\$M)        | Mkt Shr     | Flow (\$M)     | Flow/AUM    |
|----------------------|------------------|-------------|----------------|-------------|
| Cap-weighted         | \$128,747        | 58%         | -\$450         | 0%          |
| Dividend / Income    | \$23,926         | 11%         | \$1,438        | 6%          |
| Factor: Low Vol      | \$7,937          | 4%          | \$35           | 0.4%        |
| Factor: Multi-factor | \$3,072          | 1%          | -\$51          | -2%         |
| Factor: Fundamental  | \$5,237          | 2%          | -\$213         | -4%         |
| Sector               | \$29,761         | 13%         | \$1,831        | 6%          |
| Thematic             | \$17,063         | 8%          | \$3,913        | 33%         |
| ESG**                | \$11,772         | 5%          | \$2,781        | 34%         |
| Other                | \$7,820          | 3%          | \$1,045        | 17%         |
| <b>Total</b>         | <b>\$223,564</b> | <b>100%</b> | <b>\$7,548</b> | <b>3.5%</b> |

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

\*\* Only includes ESG ETFs under Thematic category

**Table 18 - Fixed Income ETF Flows by Type - July YTD 2023**

| Type                  | AUM (\$M)        | Mkt Shr     | Flow (\$M)      | Flow/AUM     |
|-----------------------|------------------|-------------|-----------------|--------------|
| Canada Aggregate      | \$30,130         | 28%         | \$1,793         | 6%           |
| Canada Government     | \$12,973         | 12%         | \$2,700         | 25%          |
| Canada Corporate      | \$13,998         | 13%         | \$523           | 4%           |
| U.S. / North America  | \$8,985          | 8%          | \$1,148         | 10%          |
| Foreign               | \$10,943         | 10%         | \$589           | 5%           |
| Sub-Investment Grade  | \$4,075          | 4%          | \$135           | 3%           |
| Preferred/Convertible | \$5,676          | 5%          | -\$310          | -5%          |
| Money Market          | \$22,426         | 21%         | \$6,475         | 40%          |
| <b>Total</b>          | <b>\$109,207</b> | <b>100%</b> | <b>\$13,053</b> | <b>12.5%</b> |

Source: National Bank of Canada, Bloomberg

**Table 19 - Fixed Income ETF Flows by Maturity - July YTD 2023**

| Maturity         | AUM (\$M)        | Mkt Shr     | Flow (\$M)      | Flow/AUM     |
|------------------|------------------|-------------|-----------------|--------------|
| Broad/Mixed      | \$50,775         | 46%         | \$4,479         | 9%           |
| Ultra Short Term | \$4,506          | 4%          | \$641           | 16%          |
| Short Term       | \$15,845         | 15%         | -\$1,666        | -9%          |
| Mid Term         | \$6,050          | 6%          | \$392           | 5%           |
| Long Term        | \$6,980          | 6%          | \$2,194         | 44%          |
| Real Return      | \$1,307          | 1%          | -\$108          | -7%          |
| Target Maturity  | \$1,319          | 1%          | \$646           | 73%          |
| Money Market     | \$22,426         | 21%         | \$6,475         | 40%          |
| <b>Total</b>     | <b>\$109,207</b> | <b>100%</b> | <b>\$13,053</b> | <b>12.5%</b> |

Source: National Bank of Canada, Bloomberg

**Table 20 - Canada listed ESG ETF Flows by Categories\* - July 2023**

| Category               | AUM (\$M)       | AUM (%)     | July 2023    |             | July YTD 2023  |              |
|------------------------|-----------------|-------------|--------------|-------------|----------------|--------------|
|                        |                 |             | Flow (\$M)   | Flow/AUM    | Flow (\$M)     | Flow/AUM     |
| Equity                 | \$12,799        | 83%         | \$577        | 4.8%        | \$2,643        | 28.5%        |
| Broad - Canada         | \$3,019         | 20%         | \$19         | 0.6%        | \$349          | 14.0%        |
| Broad - U.S.           | \$2,744         | 18%         | \$6          | 0.2%        | \$78           | 3.3%         |
| Broad - DM             | \$1,546         | 10%         | \$12         | 0.8%        | \$108          | 8.0%         |
| Broad - EM             | \$2,629         | 17%         | \$574        | 29.9%       | \$2,190        | 665.5%       |
| Broad - Global         | \$1,311         | 8%          | -\$1         | -0.1%       | \$16           | 1.4%         |
| Environment            | \$1,051         | 7%          | -\$24        | -2.3%       | -\$58          | -5.8%        |
| Clean Energy           | \$271           | 2%          | -\$6         | -2.1%       | -\$28          | -9.0%        |
| Social                 | \$150           | 1%          | -\$3         | -1.7%       | -\$19          | -12.3%       |
| Infrastructure         | \$77            | 0%          | -\$2         | -2.0%       | \$6            | 8.1%         |
| Commodities            | \$14            | 0%          | \$0          | 0.0%        | \$1            | 10.2%        |
| Multi-Asset            | \$175           | 1%          | \$1          | 0.5%        | \$12           | 7.9%         |
| Fixed Income           | \$2,487         | 16%         | \$197        | 8.6%        | \$916          | 56.7%        |
| <b>Total Displayed</b> | <b>\$15,474</b> | <b>100%</b> | <b>\$775</b> | <b>5.4%</b> | <b>\$3,572</b> | <b>32.4%</b> |

Source: National Bank of Canada, Bloomberg

Tables continue on the next page



| Table 21 - ETF Flows by Provider - July YTD 2023 |  |               |                 |             |                  |                 |  |
|--|--|---------------|-----------------|-------------|------------------|-----------------|--|
| Provider   | New Methodology (adjusted for ETF-of-ETFs) |               |                 | Unadjusted  |                  |                 |  |
|  | AUM (\$M)                                  | Mkt Shr (%)   | July YTD 2023   |             | July YTD 2023    |                 |  |
|  |  |               | Flow (\$M)      | Flow/AUM    | AUM (\$M)        | Flow (\$M)      |  |
| 1 RBC iShares                                    | \$101,643                                  | 28.3%         | \$3,193         | 3%          | \$107,477        | \$3,522         |  |
| 2 BMO  | \$85,913                                   | 23.9%         | \$2,466         | 3%          | \$95,690         | \$3,305         |  |
| 3 Vanguard                                       | \$46,661                                   | 13.0%         | \$1,975         | 4%          | \$57,614         | \$2,854         |  |
| 4 Horizons                                       | \$26,294                                   | 7.3%          | \$2,844         | 12%         | \$27,204         | \$3,037         |  |
| 5 CI GAM   | \$19,406                                   | 5.4%          | \$2,697         | 13%         | \$19,576         | \$2,755         |  |
| 6 Mackenzie*                                     | \$12,757                                   | 3.6%          | -\$186          | -1%         | \$13,004         | -\$158          |  |
| 7 TDAM   | \$10,515                                   | 2.9%          | \$1,716         | 21%         | \$10,640         | \$1,744         |  |
| 8 NBI  | \$9,844                                    | 2.7%          | \$3,211         | 50%         | \$9,844          | \$3,211         |  |
| 9 Purpose  | \$7,994                                    | 2.2%          | \$814           | 12%         | \$8,205          | \$848           |  |
| 10 Invesco                                       | \$5,577                                    | 1.6%          | \$577           | 12%         | \$5,594          | \$574           |  |
| 11 Fidelity                                      | \$3,948                                    | 1.1%          | \$735           | 23%         | \$4,389          | \$888           |  |
| 12 Evolve Funds                                  | \$3,128                                    | 0.9%          | \$832           | 38%         | \$3,162          | \$824           |  |
| 13 Harvest                                       | \$2,967                                    | 0.8%          | \$308           | 11%         | \$3,526          | \$504           |  |
| 14 Manulife                                      | \$2,746                                    | 0.8%          | \$211           | 9%          | \$2,746          | \$211           |  |
| 15 CIBC  | \$2,675                                    | 0.7%          | \$106           | 4%          | \$2,690          | \$108           |  |
| 16 Dynamic                                       | \$2,373                                    | 0.7%          | \$92            | 4%          | \$2,373          | \$92            |  |
| 17 Hamilton                                      | \$2,319                                    | 0.6%          | \$872           | 48%         | \$2,814          | \$926           |  |
| 18 PIMCO   | \$2,245                                    | 0.6%          | \$142           | 7%          | \$2,245          | \$142           |  |
| 19 Desjardins                                    | \$1,808                                    | 0.5%          | \$115           | 7%          | \$1,808          | \$115           |  |
| 20 Scotia Bank                                   | \$1,379                                    | 0.4%          | \$1             | 0%          | \$1,379          | \$1             |  |
| 21 Franklin Templeton                            | \$1,223                                    | 0.3%          | -\$177          | -13%        | \$1,223          | -\$177          |  |
| 22 AGF   | \$1,176                                    | 0.3%          | \$41            | 4%          | \$1,176          | \$41            |  |
| 23 Picton Mahoney                                | \$666                                      | 0.2%          | \$85            | 15%         | \$666            | \$85            |  |
| 24 Ninepoint Partners                            | \$660                                      | 0.2%          | -\$10           | -2%         | \$660            | -\$10           |  |
| 25 Middlefield                                   | \$542                                      | 0.2%          | \$201           | 66%         | \$542            | \$201           |  |
| 26 Brompton Funds                                | \$505                                      | 0.1%          | \$49            | 9%          | \$606            | \$76            |  |
| 27 First Trust                                   | \$390                                      | 0.1%          | -\$9            | -2%         | \$391            | -\$8            |  |
| 28 Bristol Gate                                  | \$384                                      | 0.1%          | \$52            | 18%         | \$384            | \$52            |  |
| 29 Guardian Capital                              | \$262                                      | 0.1%          | \$22            | 9%          | \$262            | \$22            |  |
| 30 Emerge  | \$141                                      | 0.0%          | -\$6            | -6%         | \$141            | -\$6            |  |
| 31 3iQ   | \$128                                      | 0.0%          | -\$267          | -96%        | \$128            | -\$267          |  |
| 32 IA Clarington                                 | \$105                                      | 0.0%          | -\$11           | -10%        | \$105            | -\$11           |  |
| 33 Lysander                                      | \$80                                       | 0.0%          | -\$1            | -1%         | \$80             | -\$1            |  |
| 34 Mulvihill                                     | \$79                                       | 0.0%          | \$21            | NA          | \$79             | \$21            |  |
| 35 Russell Investments                           | \$69                                       | 0.0%          | \$18            | 36%         | \$69             | \$18            |  |
| 36 Accelerate                                    | \$55                                       | 0.0%          | -\$8            | -13%        | \$61             | -\$8            |  |
| 37 Arrow Capital                                 | \$49                                       | 0.0%          | \$10            | 25%         | \$49             | \$10            |  |
| 38 Starlight                                     | \$23                                       | 0.0%          | -\$1            | -5%         | \$23             | -\$1            |  |
| 39 SmartBe                                       | \$7  | 0.0%          | -\$16           | -69%        | \$7              | -\$16           |  |
| 40 Caldwell                                      | \$5  | 0.0%          | \$0             | 7%          | \$5              | \$0             |  |
| <b>Total</b>                                     | <b>\$358,741</b>                           | <b>100.0%</b> | <b>\$22,713</b> | <b>6.8%</b> | <b>\$388,635</b> | <b>\$25,523</b> |  |

\*Includes Wealthsimple asset and flows. Source: NBF, Bloomberg  
Evermore and NCM are no longer in the provider table but contributed to the outflows.

### 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 2022 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 filings.

**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 & behaviour, 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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