CIBC CAPITAL MARKETS

CIBC Institutional ETF Services

CANADIAN ETF WEEKLY RECAP (CETFA use only)



October 26, 2026

Canadian ETF inflows rose 23% to $5.27B as equities took 84% of total ETF inflows. U.S. equities regained the lead regionally, energy flipped back to inflows, Canadian banks drew buyers over U.S. banks, and utilities saw a second straight week of outflows. Emerging markets debt was the standout in fixed income even as overall fixed income inflows fell 75% WoW. ETF launches this year surpassed 300 products and have gathered about $10B of YTD flows, with the top 10 capturing more than half of those flows as asset gathering remains highly concentrated.

This week's ETF industry developments are packed with investor findings, global ETF insights and a quickly evolving product landscape. ETF ownership rose to 24% of Canadians, up from 20% in February, while ETF investors backed invest-at-home policies at a much higher rate than the general population. CETFA is using the findings to support Allocation to Redeemers (ATR) reform and a Maple Investment TFSA. "Global ETF Survey 2026, ETFs' Next Act: From Access to Selection" found that not every active ETF is chasing alpha, with investors increasingly using ETFs for income, risk management and systematic exposures. The survey also found that options-based ETFs continued to expand beyond income into protection and hedging strategies, with autocallables growing from one U.S. fund to 20 in just over a year. Yet as ETF choice broadens, product complexity remains a key hurdle for investors. Issuers are facing a similar challenge: 245 U.S. ETFs were liquidated through September, already above 2025's record, with 39% of closures involving funds less than a year old as firms become quicker to shut down products that fail to reach scale. ETF growth is no longer constrained by access but by selection. Investors face a wider and more complex menu of choices, while issuers face a higher bar to differentiate products, attract assets and achieve scale.

Weekly Canadian ETF Flows Recap – Canadian ETF inflows rose 23% to $5.27B, lifting YTD net flows to $208.2B, and equities took 84% of the total ($4.42B), up from 61% of the prior week's total. U.S. equities regained the lead at ~$1.7B, more than double the prior week. The standout was a ~$589MM one-week allocation to Scotia's index trackers (SITC, SITU and SITI). Energy swung from outflows to inflows, investors

favoured Canadian banks over U.S. banks, and utilities saw a second week of selling. Trading also rebounded after two weeks of declines: value traded rose 15% to $31.0B, and ZEB's turnover doubled, narrowing XIU's lead as the most-traded ETF. Fixed income moved the other way, with inflows down 75% to $300MM. The prior week's short-term corporate demand faded, and aggregate and long-duration government bond funds saw redemptions. Emerging markets debt was the standout in fixed income and the top region in the asset class. Elsewhere, index fixed income ended with net outflows, leaving active strategies to carry the asset class. In commodities, investors turned bullish on natural gas while precious metals stayed positive even as gold miners fell. Flows also spread beyond the largest issuers, with the top five's share falling to 62% from 72%. On the product side, six new listings pushed YTD launches past 300 and the issuer count to 54, led by NEI's four-fund lineup and two Brompton HighPay sector ETFs.

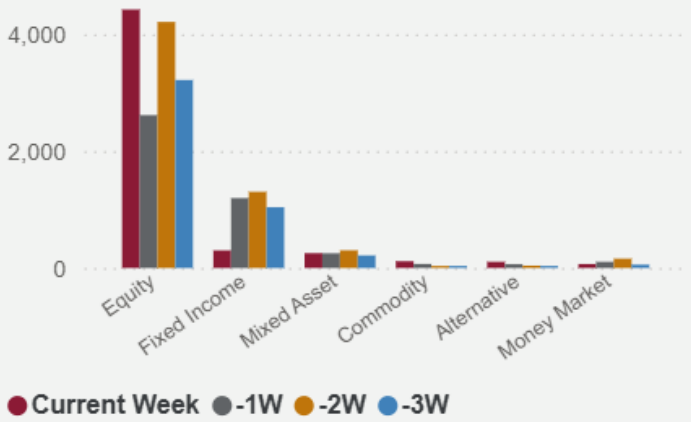
Fund Flow Highlights - Please see report for additional information

Net Weekly Flows ($MM)	YTD Net ETF Flows ($MM)	ETF Volume Traded	ETF AUM ($MM)
5,265	208,257	996,596,615	1,081,113

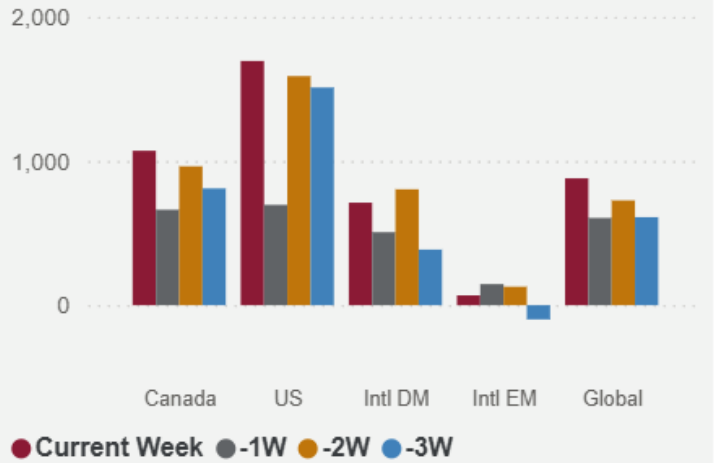
Largest ETF Blocks in Canada

Date	Ticker	Fund Name	Quantity	Price	Value ($MM)
October 23	ZEB	BMO Equal Weight Banks Index ETF	3,750,000	$74.2000	$278.25
October 21	SITC	Scotia Canadian Large Cap Equity Index Tracker ETF	4,493,538	$47.1556	$211.90
October 21	SITU	Scotia US Equity Index Tracker ETF	3,732,850	$49.3303	$184.14
October 21	SITI	Scotia International Equity Index Tracker ETF	4,466,552	$36.2102	$161.73
October 20	XIU	iShares S&P/TSX 60 Index ETF	3,000,000	$53.7998	$161.40
October 23	MKB	Mackenzie Canadian Strategic Fixed Income ETF	6,921,014	$18.7836	$130.00
October 20	XIU	iShares S&P/TSX 60 Index ETF	1,950,000	$54.2200	$105.73
October 23	ZEB	BMO Equal Weight Banks Index ETF	1,286,500	$74.4200	$95.74

Fund Flow by Asset Class ($MM)



Equity ETF Flows by Region ($MM)



New ETFs in Canada - Current Week

Ticker	Fund Name	Fund Asset Class	Strategy	Geography
NEBP	NEI Balanced ETF Portfolio	Mixed Asset	Balanced	Global
NECP	NEI Conservative Income ETF Portfolio	Mixed Asset	Conservative	Global
NEGP	NEI Growth ETF Portfolio	Mixed Asset	Growth	Global
NESB	NEI Global Short-Term Bond Fund	Fixed Income	Aggregate	Global
PAYB	Brompton Financials HighPay ETF	Equity	Sector	Global
PAYT	Brompton Technology HighPay ETF	Equity	Sector	Global

ETF Industry News and Developments Recap – In “ETF Investors Back Invest-At-Home Policies at 62%: CETFA Survey,” the Canadian ETF Association (CETFA) found that ETF ownership rose to 24% of Canadians, up from 20% in February. ETF investors also backed invest-at-home policies at a much higher rate than the general population, 62% versus 45%, with better tax treatment the most selected incentive. CETFA is using the findings to push for Allocation to Redeemers (ATR) reform and a Maple Investment TFSA that would match contributions for investing in Canadian-listed securities. Globally, Trackinsight's "Global ETF Survey 2026, ETFs' Next Act: From Access to Selection" notes that not every active ETF is chasing alpha. Many are built for income, risk management or systematic exposure, so each should be judged against a benchmark that fits its job. Fixed income ETFs gathered $460.1B through July, nearly twice equity's pace relative to assets. Most of that went into high-quality, short-maturity bonds, while active strategies took 36.7% of fixed income flows. Options strategy ETFs reached $384.3B as investors moved beyond income into protection and hedging, and autocallables went from one US fund to 20 in just over a year. Even so, complexity remains the top barrier to options-based ETFs. Thematic flows of $68.0B went mainly to infrastructure, electrification and defense rather than back to the 2021 digital-disruption trade. Nearly half of self-directed investors surveyed have bought an ETF before fully reviewing it, so clear disclosure matters as much as product design. Issuers are feeling the same pressure to choose. According to “ETF Liquidations Accelerate as Issuers Cut Losses on Young, Small Funds,” 245 ETFs in the U.S. were liquidated through September, already above 2025's record of 208. About 39% of them were less than a year old, double last year's share, as issuers such as Fidelity, KraneShares and USCF close small thematic and single-stock leveraged funds.

Global ETF Product Filings Recap – ETF filings this week were concentrated in the U.S.. Issuers continued to build around AI, with proposed funds targeting hyperscalers, AI infrastructure debt, and semiconductor equipment companies, while digital asset innovation expanded through filings for protected bitcoin strategies, bitcoin treasury company ETFs, and leveraged Zcash products. The pipeline also featured a range of alternative income and risk-managed strategies, including hedged equity, floating-rate credit, hybrid debt securities, and multi-asset income solutions. At the more specialized end of the market, filings included ETFs tied to Elon Musk-related companies, stocks referenced by NVIDIA CEO Jensen Huang, and thematic autocallable income structures, underscoring issuers' continued focus on differentiated exposures and outcome-oriented ETF strategies.

CIBC Economics: The Week Ahead – In the U.S., the Fed has reason to hike rates given persistently high core inflation, but comments from several FOMC members suggest they may delay until December to avoid acting near the midterm elections. While markets see little chance of a hike now, we think the odds are higher than priced in, and any pause would likely come with dissents supporting a hike, keeping December on the table. We expect Chair Warsh to say little on this in the press conference, while other FOMC members emphasize the likelihood of another hike soon. We are slightly above consensus on core PCE inflation, which should more than offset any modest downside surprise in Q3 GDP, with growth still expected around 2.8%. In Canada, we have moved our forecast for the first Bank of Canada hike to October, based solely on Governor Macklem’s comments rather than economic data, which show little evidence that energy inflation is feeding into core CPI. If the BoC hikes, the statement and Monetary Policy Report will need to justify the move, as a first-rate hike in a cycle is unlikely to be interpreted as dovish.

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