

ETF FOCUS LIST



March 2018

Contents

The Focus List.....	3
List Changes.....	5
Additions.....	5
Deletions	5
ETFs of Note.....	6
Fixed Income.....	10
Income / Cash Flow	11
Canadian Equity.....	12
U.S. Equity.....	14
International / Global Equity.....	15
Specialty / Sector	16
ETF Descriptions	17
Fixed Income.....	17
Income / Cash Flow	17
Canadian Equity.....	18
U.S. Equity.....	19
International / Global Equity.....	20
Specialty / Sector	21
Disclaimer	23
About Us	24

The Focus List

% Returns at January 31, 2018											
Name	Ticker	3 Mth	1 Yr.	3 Yr.	5 Yr.	MER	3 Yr. Tracking Error	5 Yr. Tracking Error	3 Yr. Standard Deviation	5 Yr. Standard Deviation	Average Daily Volume
Fixed Income											
PowerShares Senior Loan CAD Hedged ETF	BKL.F	0.94	2.12	2.82	2.40	0.81%	9.13	9.42	3.17	2.91	4K▼
Vanguard Canadian Short Term Bond ETF	VSB	-0.66	-0.56	0.27	1.44	0.11%	0.98	1.06	1.29	1.46	46K▼
BMO Short Corporate Bond Index	ZCS	-0.39	0.38	1.21	2.12	0.12%	1.23	1.27	1.47	1.51	61K▲
iShares Core Cdn Universe Bond Index ETF	XBB	-0.31	1.67	0.49	2.69	0.33%	1.18	1.07	3.54	4.02	61K
Vanguard Canadian Aggregate Bond ETF	VAB	-0.55	1.63	0.50	2.72	0.13%	1.18	1.08	3.57	4.03	48K▼
PowerShares Tactical Bond ETF	PTB	-0.33	1.97	0.92	2.64	0.52%	1.61	1.55	3.24	3.89	10K▲
Income / Cash Flow											
BMO Monthly Income ETF	ZMI	-0.29	5.12	2.94	4.11	0.61%	3.13	3.17	5.01	4.87	6K▲
iShares Diversified Monthly Income Fund	XTR	0.70	5.02	3.43	3.89	0.62%	3.92	3.56	4.92	4.76	45K▲
Canadian Equity											
PowerShares S&P/TSX Comp Low Vol. ETF	TLV	-1.17	7.79	6.75	9.75	0.34%	5.23	5.83	6.11	6.41	7K▲
PowerShares Canadian Dividend ETF	PDC	-1.17	6.18	7.21	9.31	0.55%	4.04	4.64	8.26	7.91	14K▲
PowerShares FTSE RAFI Cdn Fundamental	PXC	1.37	5.84	7.55	8.17	0.51%	4.21	3.77	9.80	9.50	5K↔
Horizons Active Canadian Dividend	HAL	-1.22	5.22	6.19	8.37	0.80%	4.45	5.12	7.88	7.72	3K▲
iShares Core S&P/TSX Capped Composite	XIC	0.38	6.74	5.91	7.74	0.06%	0.53	0.53	7.55	7.56	195K▲
iShares S&P/TSX Completion Index	XMD	-0.55	5.74	3.96	5.19	0.61%	0.85	0.87	8.64	8.70	5K▼
First Asset Morningstar Cdn Momentum	WXM	3.46	11.38	3.63	9.53	0.68%	5.94	6.11	8.88	8.26	9K▼
U.S. Equity											
Vanguard U.S. Total Mkt (C\$ Hedged)	VUS	9.26	24.19	13.08	14.90	0.16%	8.97	9.27	10.39	9.93	18K▲
iShares US Fundamental Index	CLU	9.30	19.02	11.33	13.50	0.72%	-	-	-	-	8K↔
iShares Core S&P 500 Index	XSP	9.77	25.11	13.65	15.28	0.11%	8.76	9.02	10.19	9.63	315K▲

% Returns at January 31, 2018											
Name	Ticker	3 Mth	1 Yr.	3 Yr.	5 Yr.	MER	3 Yr. Tracking Error	5 Yr. Tracking Error	3 Yr. Standard Deviation	5 Yr. Standard Deviation	Average Daily Volume
International / Global Equity											
iShares MSCI EAFE Minimum Volatility Index	XMI	0.52	14.83	6.80	13.13	0.37%	6.29	6.30	10.50	10.67	10K▼
BMO MSCI EAFE Index (C\$ Hedged)	ZDM	1.93	17.63	8.53	10.67	0.23%	7.09	7.34	11.07	9.92	24K▲
iShares International Fundamental Index	CIE	2.27	19.33	8.41	12.18	0.72%	-	-	-	-	10K↔
iShares MSCI World	XWD	3.67	18.46	10.39	16.04	0.47%	1.77	1.49	10.94	9.58	32K▲
First Asset MSCI Eur. Low Risk Wghd C\$Hdg	RWE	-0.51	14.76	6.62	-	0.67%	7.39	-	9.42	-	4K▲
Specialty / Sector											
Vanguard FTSE Emerging Mkts All Cap ETF	VEE	7.13	27.21	8.88	8.98	0.24%	3.29	3.55	12.28	12.17	51K▲
iShares Gold Bullion Fund ETF	CGL	5.65	9.03	0.44	-4.90	0.55%	15.31	16.46	15.30	16.46	37K▼
First Asset Canadian REIT	RIT	2.56	10.05	11.70	10.23	0.97%	10.66	-	6.49	-	15K
BMO Global Infrastructure	ZGI	-6.36	0.75	1.06	11.48	0.61%	1.43	1.26	10.83	10.61	10K▲
iShares S&P/TSX Capped Financials Index	XFN	1.76	10.96	13.44	12.84	0.61%	11.10	11.07	9.70	10.13	288K▲

Source: Morningstar, Fundata, iShares, BMO, Vanguard, Invesco, First Asset

Notes:

- ETFs highlighted in Green represent new additions to the Focus List. ETFs highlighted in Red are being removed from the Focus List
- Returns stated are the market returns of the ETF, including all reinvested dividends and/or distributions.
- Returns do not include the effect of sales commissions or dealer compensation
- The arrows beside the Average Daily Volume show if the average daily volume has increased or decreased over the last report.

List Changes

Additions

iShares Core Canadian Universe Bond Index ETF (TSX: XBB) – The iShares Core Canadian Universe Bond Index ETF is designed to provide broad based exposure to the Canadian investment grade bond market by tracking the performance of the FTSE/TMX Canada Universe Bond Index. The index is very well diversified, holding nearly 1500 individual issues, representing governments and corporate issuers. The ETF uses a sampling process to replicate the index, and at the end of January held more than 1200 issues.

I am adding XBB to the ETF Focus List to replace the Vanguard Aggregate Bond Index ETF (TSX: VAB), which had been my top bond pick for the past year or so. There are a couple of reasons for this change. First, when I added VAB, it carried a management fee that was significantly lower than XBB. Until recently, XBB had a management fee of 0.30%, which resulted in an MER of 0.34%. In May 2017, iShares cut the management fee to 0.09%, which results in a significant reduction in the MER and make the two ETFs more competitive from a cost perspective. Further, the outlook for interest rates has shifted, with further increases expected. XBB has a higher exposure to corporate bonds, which results in a higher yield-to-maturity and lower duration, translating into a modestly lower sensitivity to interest rates.

At the end of January, the XBB had just under 70% in government issues, with the balance in corporate credits. In comparison, VAB had more than 77% invested in governments. XBB had a yield to maturity of 2.7% compared to 2.6% for VAB, and a duration of 7.4 years compared with 7.6 years for VAB. This profile favours XBB in a flat or rising yield environment, which is what is expected in the near to medium term as the Bank of Canada and other central banks look to normalize interest rate policy.

VAB remains an excellent way to gain exposure to the broad Canadian bond market, however, I believe that the cut in management fee combined with the outlook for interest rates makes XBB a slightly more attractive option.

Deletions

Vanguard Aggregate Bond Index ETF (TSX: VAB) – I am removing VAB from the ETF Focus List because I believe that as we head into a potentially more challenging interest rate environment, investors will be better served by the iShares Core Canadian Universe Bond Index ETF (TSX: XBB), which carries greater exposure to corporate bonds, meaning a higher yield to maturity and lower interest rate sensitivity.

XBB tracks the FTSE/TMX Canada Universe Bond Index and VAB tracks the Bloomberg Barclays Global Aggregate Canadian Float Adjusted Bond Index. While they are similar, there are some key differences, with the higher corporate weight in the FTSE/TMX Universe being the biggest.

Historically, VAB had modestly outperformed XBB. For the five years ending January 31, VAB earned an annualized 2.72% while XBB returned 2.69%. Now that XBB has substantially reduced its management fee, it is likely that XBB will outperform VAB because of its lower fee hurdle.

VAB remains an excellent way to gain low cost exposure to the broad Canadian bond market, however, I believe that XBB offers more attractive positioning for the expected rate environment, and the new lower management fee further adds to its attractiveness.

ETFs of Note

PowerShares Senior Loan CAD Hedged ETF (TSX: BKL.F) – With interest rates moving higher in recent months, BKL.F was the best performing fixed income ETF on our ETF Focus List, gaining 0.94% for the three months ending January 31. In comparison, the FTSE/TMX Canadian Universe Bond Index lost 0.43%, while the FTSE/TMX Canadian Short-Term Bond Index was lower by 0.54%. This disconnect comes from the nature of the underlying investments, which are senior secured, floating rate bank loans.

Unlike a traditional bond, which pays a regular fixed coupon, bank loans pay a coupon rate that is reset based on a benchmark interest rate, in most cases three-month LIBOR. If the reference rate moves higher, so too will the interest paid to investors. Conversely, if the reference rate is lower, the return to investors will also be lower. This is opposite to traditional bonds which tend to move in the opposite direction of rates.

Because the coupon payments move in tandem with interest rates, floating rate notes can be an excellent investment in a rising yield environment. They have virtually no duration risk, and because most of the loans tend to be unrated, they offer very high yields. The yield to maturity of BKL.F is listed at 5.1%.

There are some drawbacks to this type of investment, with credit risk and risk of default being the largest. However, these risks are somewhat mitigated by the fact that senior secured loans often rank at the top of the capital stack, meaning they will be paid out first in the event of insolvency. Another potential risk would be lack of liquidity, where they may be few buyers. This is what happened to the space in 2008, when the credit markets encountered short-term issues. However, in 2009, these issues were sorted, and trading returned to normal. Further, by investing in the largest and most liquid loans, the liquidity risk is much less for this ETF than it would be with individual loans or with active funds or ETFs that invest in off benchmark issues.

The longer-term return numbers have been less than exciting, with a five-year return of 2.46%. However, much of that is the byproduct of being in a low and falling yield environment. With central banks looking to normalize interest rates in the near to medium, it is highly likely we'll see more upward pressure on yields and overall higher levels of volatility, making floating rate products significantly more attractive than traditional fixed income.

For those looking for a way to reduce their interest rate exposure, but are comfortable taking on some additional credit risk, this is an ETF worth considering.

PowerShares FTSE RAFI Canadian Fundamental ETF (TSX: PXC) – Over the past few quarters, equity markets had largely ignored fundamentals, instead getting caught up in “fun” stories like weed stocks and crypto currency plays. Stocks with no real fundamentals seemed to skyrocket, while higher quality, reasonably valued names just sort of hung around. Low levels of market volatility only exacerbated the situation as many investors seem to have forgotten what a market selloff feels like.

In the past few months, we have seen a slight shift with fundamentals once again starting to matter. It is that shift which allowed the PowerShares FTSE RAFI Canadian Fundamental ETF to have a decent showing for the three months ending January 31. During the period, it rose by 1.4%, outpacing the broader S&P/TSX Composite Index by nearly 100 basis points. Much of this outperformance is the result of its overweight in financial, and underweight in industrials and utilities.

This difference in weightings comes from the way the portfolio is built. Instead of building the portfolio based solely on the market capitalization of a stock, as is done in traditional indexing, fundamental ETFs use factors that are believed to better predict outperformance. These factors include sales, cash flow, book value, and dividends. The main criticism with a traditional market cap weighted index is the potential for overconcentration, as bigger companies take up a disproportionate weight in the portfolio. Fundamental indexing reduces that likelihood, at least at the stock level as position sizes are determined by the fundamental attractiveness.

At the sector level however, the risk of concentration is real, as there are no set limits on sector weights within the ETF. This can result in levels of sector concentration that are as high or even greater than what you would see with a traditional market cap index. For example, at the end of January, the ETF had nearly 65% invested in just two sectors; energy and financials. In comparison, the S&P/TSX Composite Index had approximately 50% in those two sectors.

Theoretically, fundamental indexing should result in a better built, and more diversified portfolio than an index that is simply made up of the largest publicly traded companies in Canada.

From a performance standpoint, while the shorter-term numbers have lagged the broader markets, the longer-term numbers have outperformed the traditional cap weighted index. However, the volatility has also been higher than the broader markets, which has meant that on a risk adjusted basis, the PXC has lagged XIC. I would suspect that much of this higher volatility is the byproduct of the larger exposure to energy.

Looking ahead, I still believe in the theory behind fundamental indexing, and believe that as the overall level of market volatility increases, a fundamentally constructed index is likely to outperform the traditional cap weighted indices. Further, looking at the valuation levels and growth outlook for PXC, it is well positioned to deliver above average growth over the long term.

iShares Core S&P 500 Index ETF (CAD Hedged) (TSX: XSP) – The S&P 500 continues to be a tough bogey to beat, again posting the strongest results in the period, modestly outpacing both the more broadly diversified, cap weighted **Vanguard U.S. Total Market (TSX: VUS)**, and the fundamentally built **iShares U.S. Fundamental Index (TSX: CLU)**. A higher weighting in technology, healthcare, and financials, combined with less exposure to small and mid-cap names helped to drive the outperformance. A drawback to this positioning is the valuation levels of the portfolio are modestly higher than the other two ETFs, which may create a headwind as we move forward from here.

The foreign currency exposure of XSP is fully hedged, which has helped its recent performance compared with other U.S. equity funds and ETFs that do not hedge their currency exposure. With it likely the U.S. Federal Reserve will move interest rates more quickly than the Bank of Canada, the U.S. dollar would be expected to continue to increase in value. If that scenario plays out, investors may be better off investing in XUS, which provides the same investment exposure, except that the currency exposure remains unhedged.

With a rock bottom MER of 0.11%, this continues to be the U.S. equity ETF to beat.

iShares MSCI World Index ETF (TSX: XWD) – During the period, this was the strongest international / global equity ETF on our ETF Focus List, with a gain of 3.7%. The next strongest performer was the **iShares International Fundamental Index ETF (TSX: CIE)**, which earned 2.3%. The main reason for the outperformance of XWD compared to the other ETFs on the list is its has nearly 60% invested in U.S. equities, while the others have little, if any exposure to the U.S. During the period the U.S. was one of the strongest equity performers.

Returns were muted because of the ETFs unhedged currency exposure. If the currency had been fully hedged, it may have resulted in approximately 500 basis points or so in additional performance. However, had the Canadian dollar gained ground on the greenback, this ETF would have outpaced one that had fully hedged currency exposure.

While this ETF is on my ETF Focus List, it is only there for smaller, less sophisticated investors who are looking for a “one ticker” global equity ETF. For others, they are better off using a pure U.S. equity ETF (like XSP or XUS), combined with a pure EAFE ETF (such as ZEA

or ZDM). This combination will provide a very similar investment exposure at a lower cost. For example, XWD carries an MER of 0.47%. If we were to take 60% of XUS and 40% of ZEA, the combined MER, not including any transaction costs, would be approximately 16 basis points. Over time, this lower fee hurdle will increase the potential return.

Vanguard FTSE Emerging Markets All Cap ETF (TSX: VEE) – Emerging markets continued to outperform developed markets during the three months ending January 31, with China leading the way higher. From a sector standpoint, technology was a leader, as were the commodity sectors, driven by higher crude oil and metals pricing.

Looking ahead, there continues to be a sustained improvement in global economic growth, and within the emerging markets specifically, there is stable to improving numbers being posted throughout Europe and Asia. China has been undergoing a recovery in profitability, and has seen improvements in consumer spending, industrial production, and business investment in the past few quarters. There have also been subtle shifts towards improving the quality and sustainability of growth within China, rather than simply maximizing growth. Elsewhere, economic reform is taking hold in India, and inflation in Brazil is on a downward trajectory. Each of these lays a solid foundation for emerging markets.

Adding to this, valuation levels of emerging markets are well below their more developed peers. For example, the P/E ratio of VEE is listed at 15.3 times, while the iShares Core S&P 500 ETF (TSX: XSP) is carrying a P/E ratio north of 21. Factor in a better than average growth outlook, and the emerging markets story gets even more compelling.

It is not without risks, as the recent tariffs announced by U.S. President Trump have the potential to start a global trade war, which could create a significant headwind for emerging markets that rely heavily on exports. While it is far too early to speculate on how this plays out, the uncertainty of it could see even higher levels of volatility in the near term.

Within the EM space, VEE remains my top pick for low-cost, passive exposure. It offers a broader exposure than the iShares and BMO offering, with just under a quarter of the portfolio invested in small and mid-cap stocks, compared with 8% for BMO and iShares. Over the long-term, this broader exposure would be expected to deliver modestly higher levels of return.

That said, emerging markets is an area where I tend to prefer an actively managed portfolio over a passive portfolio. The reason is there are inefficiencies in the emerging markets that a high quality, active manager can identify and exploit for profit. Within the active space, my top pick is the Trimark Emerging Markets Fund, which is a concentrated portfolio of EM names. I also like Brandes Emerging Markets, which is a more diversified, deep value portfolio. Both would be strong picks for the long-term when compared to a more passive strategy.

Fixed Income

Fund	Ticker	Asset Class	Construction Method	MER	Assets (\$ mil)	Notes
PowerShares Senior Loan CAD Hgd	TSX: BKL.F	Leveraged Loans	Cap Weighted	0.81%	\$72	• Strong quarter on higher yields and narrowing credit spreads. Curve still flattening • Invests in loans with floating rates. • Higher MER may be a drag in flat market
Vanguard Canadian Short Term Bond	TSX: VSB	Short Term Fixed Income	Cap Weighted	0.11%	\$888	• Bank of Canada moved rates higher in January. bringing overnight rate to 1.25%. • Canadian rate outlook more mixed than US • Invests in bonds with 1 – 5 yr. maturities • Holds about 26% corporates
BMO Short Corporate Bond Index	TSX: ZCS	Short Term Fixed Income	Cap Weighted	0.12%	\$1,489	• Corporate bonds outperformed in period as higher yield helped buoy investor demand • Higher YTM and lower duration than index • Holds corp bonds with 1-5 yr. maturities
iShares Core Canadian Universe Bond Index ETF	TSX: XBB	Traditional Bond	Cap Weighted	0.33%	\$1,992	• Replaced VAB in February 2018 • iShares cut Mgmt Fee to 9 bps • Like VAB, but with higher corporate weight, high YTM, and lower duration • Expected to hold up better in volatile mkts
PowerShares Tactical Bond ETF	TSX: PTB	Tactical Bond	Fund of ETFs	0.52%	\$177	• Lagged market as long-term government bond weighed in rising yield environment • With more rate volatility expected, active management should help returns. • Invests in a mix of underlying bond ETFs • A “one-ticket” bond portfolio • Drawback is cost, coming in at 0.52%

Fund	Annualized Returns (%)					Calendar Year Returns (%)						Upside		Downside	
	3mth	1 Yr	3 Yr	5 Yr	10Yr	2017	2016	2015	2014	2013	2012	3Yr	5Yr	3Yr	5Yr
PowerShares Senior Loan	0.94	2.12	2.82	2.40	-	1.36	9.47	-2.29	0.49	3.77	-	1	-2	-28	-37
Vanguard Cdn Sht Term Bond	-0.66	-0.56	0.27	1.44	-	-0.36	1.25	2.02	2.80	1.58	1.76	69	69	45	41
BMO Short Corp. Bond Index	-0.39	0.38	1.21	2.12	-	1.03	2.02	2.36	3.46	2.13	3.80	87	79	26	26
iShares Core Cdn Unv Bond	-0.31	1.67	0.49	2.69	4.20	2.42	1.25	3.30	8.28	-1.31	3.01	109	110	87	90
PowerShares Tactical Bond	-0.33	1.97	0.92	2.64	-	3.08	2.98	2.02	7.68	-2.11	-	100	105	71	84

Note: Source: Morningstar, Fundata, iShares, BMO, Vanguard, Invesco

Income / Cash Flow

Fund	Ticker	Asset Class	Construction Method	MER	Assets (\$ mil)	Notes
BMO Monthly Income Fund	TSX: ZMI	Canadian Neutral Balanced	Fund of ETFs	0.61%	\$102	• Interest sensitives (bonds, dividend paying equities) weighed during period. • Invests in a portfolio of fixed income and high yielding equity ETFs from BMO • Target mix is 50% equity 50% bonds. • Currently 55% equity, 45% bonds, 0% cash • Volatility profile comparable to XTR • Well positioned for long-term growth • A decent one ticket solution for income focused investors. Yields approximately 4.3%
iShares Diversified Monthly Income	TSX: XTR	Fixed Income Balanced	Fund of ETFs	0.62%	\$626	• Remains highly sensitive to rates. More rate volatility expected in near term. • Equity valuations in line with ZMI, however rate sensitivity may be a headwind if we see any upward pressure on yields. • Invests in a mix of income focused ETFs • Emphasis on cash flow. Yields 5.4%

Fund	Annualized Returns (%)					Calendar Year Returns (%)						Upside		Downside	
	3mth	1 Yr	3 Yr	5 Yr	10Yr	2017	2016	2015	2014	2013	2012	3Yr	5Yr	3Yr	5Yr
BMO Monthly Income Fund	-0.29	5.12	2.94	4.11	-	4.97	5.97	-0.58	9.40	3.34	10.24	105	84	103	81
iShares Div. Monthly Income	0.70	5.02	3.43	3.89	5.75	6.61	12.99	-6.04	6.51	2.06	8.37	114	94	88	113

Note: Source: Morningstar, Fundata, iShares, BMO, Vanguard, Invesco

Canadian Equity

Fund	Ticker	Asset Class	Construction Method	MER	Assets (\$ mil)	Notes
PowerShares S&P/TSX Composite Low Volatility ETF	TSX: TLV	Canadian Equity	Rules Based	0.34%	\$366	• Low vol lagged markets on higher weight to interest sensitives; utilities and telcos. • Valuations look attractive relative to peers • Is an ETF made up of the 50 least volatile stocks in the S&P/TSX Composite Index • There are no constraints on sectors, which can result in big sector bets. • Rebal. quarterly. Weighted by volatility
PowerShares Canadian Dividend ETF	TSX: PDC	Cdn Dividend & Income Equity	Rules Based / Cap Weighted	0.55%	\$294	• Lagged in period on interest rate sensitivity • Underlying dividend yield well above index • Invests in the 45 largest TSX traded stocks with stable or rising dividends in past 5 yrs. • Quarterly rebalancing. Overweight telcos • Valuations reasonable. Good growth profile
PowerShares FTSE RAFI Canadian Fundamental	TSX: PXC	Canadian Equity	Fundamental	0.51%	\$243	• Market focus returned to fundamentals, resulting strong showing in period • Energy and financials make up 65% of ETF • Valuations solid. Outlook remains strong
Horizons Active Canadian Dividend	TSX: HAL	Cdn Dividend & Income Equity	Active - Fundamental	0.80%	\$29	• Struggled on overweight to energy, telcos and utilities. Looking for quality div. payers • All cap mandate that is managed using a multifactor quant model. Holds ~50 names • Focuses on the growth, quality of payout and sustainability of the dividend.
iShares Core S&P/TSX Capped Composite	TSX: XIC	Canadian Equity	Cap Weighted	0.06%	\$4,166	• Energy was headwind during period. • Low cost exposure to the TSX Composite • Concentrated in energy, financials & materials. Less concentrated than PXC
iShares S&P/TSX Completion Index	TSX: XMD	Canadian Small / Mid-Cap Equity	Cap Weighted	0.61%	\$221	• Invests the stocks in the S&P/TSX Composite that are not in the S&P/TSX 60 • Very mid-cap focused. I continue to favour mids over small caps, despite the more favourable valuations of the small caps.
First Asset Morningstar Canadian Momentum	TSX: WXM	Canadian Equity	Rules Based	0.68%	\$169	• Best performing Cdn Equity ETF on list • Strong valuation and growth prospects • Universe of stocks is rated and ranked on 6 factors including ROE, EPS Revisions, Earnings Surprises and price changes

Fund	Annualized Returns (%)					Calendar Year Returns (%)						Upside		Downside	
	3mth	1 Yr	3 Yr	5 Yr	10Yr	2017	2016	2015	2014	2013	2012	3Yr	5Yr	3Yr	5Yr
PowerShares S&P/TSX Composite Low Volatility ETF	-1.17	7.79	6.75	9.75	-	10.15	14.90	0.40	16.56	11.35	-	78	80	50	33
PowerShares Canadian Dividend ETF	-1.17	6.18	7.21	9.31	-	10.26	23.37	-8.76	11.74	20.24	15.31	110	99	101	79
PowerShares FTSE RAFI Canadian Fundamental	1.37	5.84	7.55	8.17	-	7.16	29.01	-9.81	6.66	16.19	-	129	116	130	128
Horizons Active Canadian Dividend	-1.22	5.22	6.19	8.37	-	7.18	20.05	-7.20	12.59	19.76	8.78	99	88	94	68
iShares Core S&P/TSX Capped Composite	0.38	6.74	5.91	7.74	4.82	8.98	21.00	-8.62	10.95	12.46	7.01	100	99	101	99
iShares S&P/TSX Completion Index ETF	-0.55	5.74	3.96	5.19	4.55	6.16	19.98	-10.6	5.07	11.99	3.92	102	99	108	104
First Asset Morningstar Canadian Momentum	3.46	11.38	3.63	9.53	-	10.05	9.24	-9.03	17.10	26.76	-	83	89	100	56

Note: Source: Morningstar, Fundata, iShares, BMO, Vanguard, Invesco

U.S. Equity

Fund	Ticker	Asset Class	Construction Method	MER	Assets (\$ mil)	Notes
Vanguard U.S. Total Market (C\$ Hedged)	TSX: VUS	U.S. Equity	Cap Weighted	0.16%	\$623	• Small and mid-cap names dragged • One of the lowest cost US equity ETFs • It invests in the U.S. traded VTI, which invests in a well-diversified, all cap portfolio. • Provides exposure to nearly 4,000 U.S. based companies • Currency exposure is fully hedged
iShares US Fundamental Index	TSX: CLU	U.S. Equity	Fundamental	0.72%	\$140	• Higher exposure to SMID was headwind • Fundamentals lagged the broader markets • Better valuation expected to allow for stronger relative showing in volatile mkts. • Holds the largest 1000 U.S. stocks by fundamental value including dividends, cash flow, sales, and book value. • Higher cost is a headwind.
iShares Core S&P 500 Index	TSX: XSP	U.S. Equity	Cap Weighted	0.11%	\$4,175	• Replicates the S&P 500, hedged to CAD. If you want the unhedged, you can use XUS • Valuations look high compared to CLU, but when forward looking growth projections are factored in, this ETF looks stronger. • Remains my top pick for U.S. equities • With Fed likely to move again before the BoC, the unhedged version will likely outperform in potential USD strength/

Fund	Annualized Returns (%)					Calendar Year Returns (%)						Upside		Downside	
	3mth	1 Yr	3 Yr	5 Yr	10Yr	2017	2016	2015	2014	2013	2012	3Yr	5Yr	3Yr	5Yr
Vanguard MSCI U.S. Broad Market (C\$ Hedged)	9.26	24.19	13.08	14.90	-	20.28	11.36	-0.81	13.13	33.90	15.36	72	68	40	51
iShares US Fundamental Index	9.30	19.02	11.33	13.50	7.33	14.82	15.15	-4.07	12.79	35.44	15.39	-	-	-	-
iShares Core S&P 500 Index	9.77	25.11	13.65	15.28	8.30	20.71	11.07	0.54	14.02	32.33	15.41	74	69	39	49

Note: Source: Morningstar, Fundata, iShares, BMO, Vanguard, Invesco

International / Global Equity

Fund	Ticker	Asset Class	Construction Method	MER	Assets (\$ mil)	Notes
iShares MSCI EAFE Minimum Volatility Index	TSX: XMI	International Equity	Rules Based	0.37%	\$256	• Low vol strategies lagged with rising yields • Unhedged currency dragged in period • Valuation remains a bit high • Uses an optimization approach to try to minimize the volatility of the EAFE Index
BMO MSCI EAFE Index (C\$ Hedged)	TSX: ZDM	International Equity	Cap Weighted	0.23%	\$659	• Fully hedged currency position helped. • Replicates MSCI EAFE net of fees. • With Canadian rates likely on hold. ZEA is unhedged, which may do better near term
iShares International Fundamental Index ETF	TSX: CIE	International Equity	Fundamental	0.72%	\$206	• Fundamentals led markets higher, with unhedged currency creating headwind • Invests in the 1000 largest listed companies outside the U.S ranked on sales, cash flow, book value & dividends.
iShares MSCI World	TSX: XWD	Global Equity	Cap Weighted	0.47%	\$545	• U.S. exposure drove most of performance • Unhedged currency hurt in period • Replicates MSCI World Index, net of fees. • A great way to get global equity exposure • More suited to smaller accounts. Larger accounts can buy 60% XUS & 40% ZEA for same exposure at lower cost
First Asset MSCI Europe Low Risk Weighted ETF (Hedged)	TSX: RWE	European Equity	Risk Weighted	0.67%	\$55	• Trailed the index in period • Remains a lower risk way to play Europe • Valuations & growth look better than index • Provides exposure to the 100 least volatile stocks in the MSCI Europe Index • Weights set by risk, not market cap

Fund	Annualized Returns (%)					Calendar Year Returns (%)						Upside		Downside	
	3mth	1 Yr	3 Yr	5 Yr	10Yr	2017	2016	2015	2014	2013	2012	3Yr	5Yr	3Yr	5Yr
iShares MSCI EAFE Min Vol.	0.52	14.83	6.80	13.13	-	13.74	-5.81	27.81	12.91	24.14	-	84	86	89	64
BMO MSCI EAFE Idx (C\$ Hdg)	1.93	17.63	8.53	10.67	-	16.17	6.42	4.71	5.12	26.95	17.04	78	71	65	54
iShares Int'l Fundamental Idx	2.27	19.33	8.41	12.18	4.51	16.73	2.75	12.43	1.61	32.74	13.06	-	-	-	-
iShares MSCI World	3.67	18.46	10.39	16.04	-	14.42	4.11	17.42	14.31	35.69	11.82	99	97	104	104
FA MSCI Eur LR Weighted ETF	-0.51	14.76	6.62	-	-	13.54	1.38	10.82	-	-	-	63	-	53	-

Note: Source: Morningstar, Fundata, iShares, BMO, Vanguard, Invesco, First Asset

Specialty / Sector

Fund	Ticker	Asset Class	Construction Method	MER	Assets (\$ mil)	Notes
Vanguard FTSE Emerging Markets All Cap ETF	TSX: VEE	Emerging Markets	Cap Weighted	0.24%	\$864	• Most cost-effective way to play EM • Strong quarter for EM markets • Investor interest remains high. • Economic growth remains strong in EM. • Longer term outlook remains strong
iShares Gold Bullion Fund ETF	TSX: CGL	Commodity	Other	0.55%	\$346	• Inflation still well contained. As global uncertainty rises, gold expected to benefit. • ETF is fully hedged back to Canadian dollars. For unhedged exposure use TSX: MNT
First Asset Canadian REIT ETF	TSX: RIT	Real Estate Equity	Active	0.97%	\$308	• Actively managed REIT portfolio • Better diversified than either XRE or ZRE • Off benchmark issues Morguard and Tricon contributed to underperformance • Significantly overweight multi-residential, industrial and seniors housing
BMO Global Infrastructure	TSX: ZGI	Global Equity	Cap Weighted	0.61%	\$255	• Global rate pressures continue to drag • This focuses on U.S. or Canadian listed companies with > \$500 MM market cap. • Invests in companies involved with infrastructure projects like airports, toll roads, • Provides mix of capital growth and income
iShares S&P/TSX Capped Financials Index	TSX: XFN	Financial Services Equity	Cap Weighted	0.61%	\$1,147	• Invests in the largest banks and insurance companies that trade on the TSX • Banks rallied on higher interest rates, which are positive to their profit margins. • You may want to take some profits

Fund	Annualized Returns (%)					Calendar Year Returns (%)						Upside		Downside	
	3mth	1 Yr	3 Yr	5 Yr	10Yr	2017	2016	2015	2014	2013	2012	3Yr	5Yr	3Yr	5Yr
Vanguard FTSE EM All Cap	7.13	27.21	8.88	8.98	-	22.55	8.10	0.21	8.37	1.05	15.11	88	91	94	96
iShares Gold Bullion Fund ETF	5.65	9.03	0.44	-4.90	-	11.68	8.25	-11.3	-1.50	-28.7	7.08	-	-	-	-
First Asset Canadian REIT ETF	2.56	10.05	11.70	10.23	11.09	11.72	16.88	15.44	11.19	0.05	17.65	55	-	-2	-
BMO Global Infrastructure	-6.36	0.75	1.06	11.48	-	2.97	17.16	-4.05	30.36	22.43	12.87	106	103	107	106
iShares S&P/TSX Cpd Fincl	1.76	10.96	13.44	12.84	8.24	12.54	23.36	-3.71	11.89	26.00	16.42	57	52	19	10

Note: Source: Morningstar, Fundata, iShares, BMO, Vanguard, Invesco

ETF Descriptions

(From Managers)

Fixed Income

PowerShares Senior Loan CAD Hedged (TSX: BKL) - PowerShares Senior Loan (CAD Hedged) Index ETF (BKL) seeks to replicate, before fees and expenses, the performance of the S&P/LSTA (Loan Syndications and Trading Association) U.S. Leveraged Loan 100 Index (CAD Hedged). The index gives investors exposure to the largest 100 loan facilities drawn from a larger benchmark - the S&P/LSTA Leveraged Loan Index.

Vanguard Canadian Short Term Bond Index (TSX: VSB) - The Vanguard Canadian Short-Term Bond Index ETF seeks to track, to the extent reasonably possible and before fees and expenses, the performance of a broad Canadian bond index with a short-term dollar-weighted average maturity. Currently, this Vanguard ETF seeks to track the Barclays Global Aggregate Canadian Government/Credit 1–5-year Float Adjusted Bond Index (or any successor thereto). It invests primarily in public, investment-grade fixed income securities issued in Canada.

BMO Short Corporate Bond Index ETF (TSX: ZCS) – BMO Short Corporate Bond Index ETF has been designed to replicate, to the extent possible, the performance of the FTSE TMX Canada Short Term Corporate Bond Index TM, net of expenses. BMO Short Corporate Bond ETF invests in a variety of debt securities primarily with a term to maturity between one and five years. Securities held in the Index are generally corporate bonds issued domestically in Canada in Canadian dollars, with an investment grade rating.

iShares Core Canadian Universe Bond Index ETF (TSX: XBB) - The fund seeks to provide income by replicating, to the extent possible, the performance of the FTSE TMX Canada Universe Bond Index (the “Index”), net of expenses. Under normal market conditions, the fund will primarily invest in Canadian fixed income securities. The Index is a market capitalization-weighted index consisting of a broadly diversified range which may include any or all of federal, provincial, corporate and municipal bonds. The investment strategy of the fund is to invest in a regularly rebalanced portfolio of bonds, selected by BlackRock from time to time, that closely matches the characteristics of the Index.

PowerShares Tactical Bond ETF (TSX: PTB) – The PowerShares Tactical Bond ETF seeks to achieve income and capital growth by investing primarily in securities of PowerShares ETFs that provide exposure to fixed-income securities. The ETF will make tactical shifts based on economic conditions and opportunities.

Income / Cash Flow

BMO Monthly Income ETF (TSX: ZMI) - BMO Monthly Income ETF has been designed to deliver the performance of an underlying basket of higher yielding BMO ETFs. ETFs are eligible to be selected by having a higher yield than either the equity market represented by the BMO

S&P/TSX Capped Composite Index ETF (ZCN) or the fixed income market represented by the BMO Aggregate Bond Index ETF (ZAG). The holdings are weighted to emphasize yield, with 50 percent investment in each of equity and fixed income and a cap of 20 percent for each security. The ETF is rebalanced and reconstituted semi-annually in July and January. In addition, as ZMI is a fund of fund, the management fees charged are reduced by those accrued in the underlying funds.

iShares Diversified Monthly Income Fund (TSX: XTR) - The iShares Diversified Monthly Income ETF seeks to provide a consistent monthly cash distribution, with the potential for modest long-term capital growth, by investing primarily in Canadian iShares Funds that provide exposure to a diversified portfolio of income-bearing investments. Exposure to these types of income-bearing investments may also be obtained by investing directly in them and/or through the use of derivatives. The investment strategy of XTR is to invest primarily in income-bearing Canadian iShares Funds. XTR will invest in a portfolio that is a diversified representation of income-bearing asset classes, including, but not limited to, common equities, fixed income securities and real estate investment trusts. BlackRock Canada will develop and maintain a strategic asset allocation policy for XTR. The fund will generally rebalance to this allocation policy on a quarterly basis but may also do so more frequently if market conditions warrant. The majority of the XTR's investment exposure will be to Canadian securities, but foreign asset classes may also be included as a result of their income properties or diversification benefits. BlackRock Canada will review, and may adjust, XTR's strategic asset allocation from time to time, as market conditions change, and as the investible universe evolves.

Canadian Equity

PowerShares S&P/TSX Composite Low Volatility ETF (TSX: TLV) - TLV seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the S&P/TSX Composite Low Volatility Index, or any successor thereto. This PowerShares ETF invests, directly or indirectly, primarily in Canadian equity securities. Low-volatility stocks (i.e., securities with a standard deviation of price returns lower than that of the broader market) have historically provided a layer of protection in declining markets by capturing a smaller portion of downside.

PowerShares Canadian Dividend ETF (TSX: PDC) - PDC seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the NASDAQ Select Canadian Dividend Index, or any successor thereto. This PowerShares ETF invests primarily in Canadian equity securities. PDC invests in liquid, high-yielding securities of Canadian corporations with a track record of growing dividends.

PowerShares FTSE RAFI Canadian Fundamental (TSX: PXC) - The PowerShares FTSE RAFI Canadian Fundamental Index ETF (PXC) seeks to replicate, before fees and expenses, the performance of the FTSE RAFI® Canada Index. This ETF gives investors exposure to all Canadian equities in the FTSE RAFI® Developed ex U.S. 1000 Index, a fundamentally weighted index.

Horizons Active Canadian Dividend ETF (TSX: HAL) – The investment objective of the Horizons Active Canadian Dividend ETF (the “ETF”) is to seek long-term total returns consisting of regular dividend income and modest long-term capital growth. The ETF invests primarily

in equity securities of major North American companies with above average dividend yields. The ETF, to the best of its ability, seeks to hedge its U.S. currency exposure to the Canadian dollar at all times.

iShares Core S&P/TSX Capped Composite Index (TSX: XIC) - The iShares Core S&P/TSX Capped Composite Index ETF seeks to provide long-term capital growth by replicating, to the extent possible, the performance of the S&P®/TSX® Capped Composite Index through investments in the constituent issuers of such index, net of expenses. The index is comprised of the largest (by market capitalization) and most liquid securities listed on the Toronto Stock Exchange, selected by S&P Dow Jones Indices LLC using its industrial classifications and guidelines for evaluating issuer capitalization, liquidity and fundamentals.

iShares S&P/TSX Completion Index (TSX: XMD) - The iShares S&P/TSX Completion Index ETF seeks to provide long-term capital growth by replicating, to the extent possible, the performance of the S&P/TSX Completion Index through investments in the constituent issuers of such index, net of expenses. The index is comprised of all constituents of the S&P/TSX Composite Index that are not in the S&P/TSX 60 Index.

First Asset Morningstar Canadian Momentum Index ETF (TSX: WXM) – The First Asset Morningstar Canada Momentum Index ETF (the "Fund") has been designed to replicate, to the extent possible, the performance of the Morningstar® Canada Target Momentum Index (the "Index") (formerly, Morningstar® Canada Momentum Index), net of expenses. The Index is comprised of liquid equity securities of Canadian companies, utilizing proprietary CPMS methodologies from Morningstar to screen for, among other things, above average returns on equity, with an emphasis on upward earnings estimate revisions and technical price momentum indicators. To qualify for inclusion in the Index, the constituent securities must, among other things, trade on the TSX, be classified as a Canadian issuer, and demonstrate average monthly volume (12 month) in the top third of stocks in the investible universe. The Index is comprised of the top 30 issuers that meet the screening requirements and are equally weighted and rebalanced quarterly.

U.S. Equity

Vanguard MSCI U.S. Broad Market C\$ Hedged (TSX: VUS) - Vanguard U.S. Total Market Index ETF (CAD-hedged) seeks to track, to the extent reasonably possible and before fees and expenses, the performance of a broad U.S. equity index that measures the investment returns of primarily large-capitalization U.S. stocks, which index is hedged to the Canadian dollar. Currently, this Vanguard ETF seeks to track the CRSP US Total Market Index (CAD-hedged) (or any successor thereto). It invests directly or indirectly primarily in stocks of U.S. companies and uses derivative instruments to seek to hedge the U.S. dollar exposure of the securities included in the CRSP US Total Market Index (CAD-hedged) back to the Canadian dollar.

iShares US Fundamental Index (NEO: CLU) - iShares US Fundamental Index ETF seeks to track, less fees and expenses, the FTSE RAFI US 1000 C\$ Hedged Index, comprised of the largest 1,000 US-listed companies by fundamental value. They're selected on the basis of 3

factors aggregated over 5 years: total cash dividends, free cash flow and total sales. Current book equity value is also taken into account. CLU is hedged against U.S. currency risk.

iShares Core S&P 500 Index (TSX: XSP) - The iShares Core S&P 500 Index ETF (CAD-Hedged) seeks to provide long-term capital growth by replicating, to the extent possible, the performance of the S&P 500 Hedged to Canadian Dollars Index, net of expenses. The Index is a market capitalization-weighted index of securities of 500 of the largest U.S. public issuers provided by S&P Dow Jones Indices LLC, hedged to Canadian dollars.

International / Global Equity

iShares MSCI EAFE Minimum Volatility Index (TSX: XMI) - The iShares MSCI EAFE Minimum Volatility Index ETF seeks to provide long-term capital growth by replicating, to the extent possible, the performance of the MSCI EAFE Minimum Volatility Index (USD), net of expenses. The index measures the performance of international equity securities that have lower volatility relative to the equity securities included in the MSCI EAFE Index. The eligible universe of securities is taken from the MSCI EAFE Index, which is a capitalization-weighted index, and then MSCI, Inc. follows a rules-based methodology to determine optimal weights for securities in the index in order to seek to minimize total risk of the MSCI EAFE Index. The index includes stocks from Europe, Australasia, the Middle East and the Far East. Representative companies include consumer staples, financials and health care companies. The Index is optimized in U.S. dollars and reported in Canadian dollars.

BMO MSCI EAFE Hedged to CAD Index ETF (TSX: ZDM) - The BMO MSCI EAFE Hedged to CAD Index ETF has been designed to replicate, to the extent possible, the performance of the MSCI EAFE 100% Hedged to CAD Dollars Index, net of expenses. The Fund invests in developed markets equity, excluding Canada and the U.S. The Manager may use a sampling methodology in selecting investments for the fund. The Fund may also invest in or hold securities intended to replicate the performance of the Index. The foreign currency exposure is hedged back to the Canadian dollar. In addition, as ZDM may hold other underlying ETFs, the management fees charged are reduced by the management fees paid on the underlying ETFs.

iShares International Fundamental Index ETF (NEO: CIE) - iShares International Fundamental Index Fund seeks to track, less fees and expenses the FTSE RAFI Developed ex US 1000 Index, composed of the largest 1000 listed companies incorporated outside the U.S., ranked by 4 fundamental measures of size: sales, cash flows, book value and dividends. It represents 25 separate country/regional indices from Europe, Australasia and the Far East.

iShares MSCI World Index ETF (TSX: XWD) – The iShares MSCI World Index ETF seeks to provide long-term capital growth by replicating, to the extent possible, the performance of the MSCI World Index, net of expenses. The MSCI World Index is a free float-adjusted market capitalization weighted index provided by MSCI, Inc. that is designed to measure the equity market performance of developed markets.

First Asset MSCI Europe Low Risk Weighted ETF (TSX: RWE) – The Fund has been designed to replicate, to the extent possible, the performance of the MSCI Europe Risk Weighted Top 100 Index Hedged to CAD (the “Index”), net of expenses. The index is based on a traditional market capitalization weighted parent index, MSCI Europe Index, which includes developed Europe large and mid-capitalization stocks. Constructed using a simple, but effective and transparent process, each security of the parent index is reweighted so that stocks with lower risk are given higher index weights. The final constituents of the MSCI Europe Risk Weighted Top 100 Index are determined by ranking these security level risk weights and taking the top 100 subset securities. The Indexes seek to emphasize stocks with lower historical return variance and tend to have a bias towards lower size and lower risk stocks. Historically, the Index has exhibited lower realized volatility in comparison to its parent index. At all times, at least 90% of the foreign currency exposure will be hedged back to the Canadian dollar.

Specialty / Sector

Vanguard FTSE Emerging Markets All Cap ETF (TSX: VEE) - Vanguard FTSE Emerging Markets All Cap Index ETF seeks to track, to the extent reasonably possible and before fees and expenses, the performance of a broad emerging markets index. Currently, this Vanguard ETF seeks to track the FTSE Emerging Markets All Cap China A Inclusion Index (or any successor thereto). It invests directly or indirectly primarily in stocks of companies located in emerging markets.

iShares Gold Bullion Fund ETF (TSX: CGL) - The fund seeks to replicate the performance of the price of physical gold bullion, less the fund’s fees and expenses. The fund is not actively managed. To achieve its objective, the fund invests in long-term holdings of unencumbered gold bullion, in 100 or 400 troy ounce international bar sizes. In accordance with its investment objective, strategy, policies and restrictions, the assets of the fund consist of gold bullion that the fund purchases and holds, cash, permitted gold certificates, if any, and forward contracts relating to the currency hedge.

First Asset Canadian REIT ETF (TSX: RIT) - First Asset Canadian REIT ETF (the "Fund") will invest in an actively managed portfolio comprised primarily of securities of Canadian real estate investment trusts ("REITs"), real estate operating corporations ("REOCs") and corporations involved in real estate related services. The fund may also invest up to 30% of its net asset value in securities of non-Canadian REITs, REOCs and corporations involved in real estate related services.

BMO Global Infrastructure (TSX: ZGI) - BMO Global Infrastructure Index ETF has been designed to replicate, to the extent possible, the performance of the Dow Jones Brookfield Global Infrastructure North American Listed Index (Index), net of expenses. The ETF invests in and holds the Constituent Securities of the Index in the same proportion as they are reflected in the Index. The Dow Jones Brookfield Global Infrastructure North American Listed Index (Index) is a float-adjusted market capitalization weighted Index. To be eligible for inclusion in the Index, a company must have a minimum float-adjusted market capitalization of US\$500 million as well as a minimum three-month average daily trading volume of US\$1 million. Securities of constituent issuers also must be listed in Canada or the United States. More than 70% of

a potential constituent issuer's cash flows must be derived from the development, ownership, lease, concession or management of infrastructure assets.

iShares S&P/TSX Capped Financials Index (TSX: XFN) - The iShares S&P/TSX Capped Financials Index ETF seeks to provide long-term capital growth by replicating, to the extent possible, the performance of the S&P/TSX Capped Financials Index, net of expenses. The index is comprised of constituents of the S&P/TSX Composite Index in GICS Sector 40, but excluding GICS Industry Group 4040 – Real Estate. Constituents are capped at 25% weight.

Disclaimer

Financial Information provided by Fundata Canada. (c) Fundata Canada. All Rights Reserved.

Information is from sources believed to be reliable. Every effort is made to ensure its accuracy; however, we cannot be responsible for inaccuracies or omissions in any of the data.

Information used in this analysis is historic in nature. Past performance is no guarantee of future performance.

Monthly Standard Deviation is the most recent 60-month historical standard deviation of returns.

Sharpe Ratio is a measure of risk adjusted returns. The higher the ratio, the better the manager has been at delivering more return for less risk.

Alpha represents the excess return which the manager has been able to deliver over and above the applicable benchmark.

Beta represents the volatility of the fund relative to its applicable benchmark. A beta of one means that there is a level of volatility equal that of the benchmark. A beta in excess of one indicates that the volatility is greater than the benchmark, while a beta of less than one indicates that volatility is less than the benchmark.

Correlation measures the similarity in return patterns between the fund and a benchmark. The correlation will range between -1 and +1. A correlation close to +1 indicates that the fund and the index have very similar return patterns. A correlation close to -1 indicates that the returns are almost opposite, while a correlation close to zero indicates no relationship.

Historic returns are calculated using the monthly return data in our database. Slight variations in return results will be attributable to decimal rounding and number truncation.

This is not a solicitation from Paterson & Associates to sell mutual funds or any financial product. For additional information, please contact your advisor or refer to the important information found in the mutual fund prospectus. - All Information is for Broker Use Only.

About Us

Dave Paterson is the Director of Research, Investment Funds for D.A. Paterson & Associates Inc. Paterson & Associates is an independent consulting firm specializing in providing research and due diligence on a wide range of different investment products including mutual funds, exchange traded funds, hedge funds and other exempt market products to financial advisors, individual investors and investment dealers.

Dave has worked in the mutual fund industry since 1994. Prior to starting his own firm in 2002, he worked for a variety of respected mutual fund companies and money managers including the Mackenzie Financial, Guardian Group of Funds, the Bank of Montreal and Jones Heward. In these roles, Dave has had the opportunity to work with some of the most respected money managers in the country.

Using this knowledge, Dave has developed a unique analytical approach which focuses on identifying the funds which have consistently delivered strong, risk adjusted returns on both an absolute and relative basis.

In 2011, Dave took over the publication and editor duties of Gordon Pape's Mutual Fund and ETF Update and Top Funds Report, the most widely read mutual fund newsletters in the country. He is also regularly quoted in the Financial Post, Globe and Mail and the FundLibrary.com and has appeared on BNN.

Dave was awarded the Chartered Financial Analyst (CFA) designation in 2000 and holds a Bachelor of Commerce (Finance) from the University of Windsor.