

For the month of June, the First Asset Active Canadian Dividend ETF (the "Fund") had a total return of -0.44%. The Fund outperformed the S&P/TSX Composite TR Index, which was down -0.75%, over the month.

Year-to-date for the period ending June 30, 2017, the Fund has had a total return of 4.81%, outperforming the S&P/TSX Composite TR Index which was up 0.74%, by 407 basis points.

During the month, the Canada 10-year government bond yield backed up 35bps to finish at 1.76%.

For the month, the Fund's top three contributors to total return were: Industrial Alliance (IAG -TSX), contributing +15.6 bps; Cott Corporation (COT - SPX), + 32.3bps; and, Manulife Financial (MFC – TSX), +9.2 bps. The Fund's bottom three performing holdings for the month were: Pure Multi-Family REIT (RUF-U - TSX), (-10.4 bps); Husky Energy (HSE – TSX) (-10.2 bps), and Teck Resources Ltd. (TECK.B - TSX) (-8.6 bps).

Last month the Federal Reserve System ("Fed") raised interest rates 25bp and signaled the potential for another rate hike later this year and three more in 2018. The Fed downplayed recent inflation weakness and predicted a move to above 2% inflation in 2018.

The Fed also provided some details on their plan to reduce the \$4.5T in bonds on its balance sheet which was run-up in the quantitative easing (QE) program. The plan will see reduced bond purchases of \$10B per month ramping up to \$50B. At this rate it would take over four year for the balance sheet to return to levels pre-QE levels.

In Canada, the Bank of Canada signaled the potential for a rate hike given recent economic performance.

We remain constructive on equity markets as economic data continues to improve and we see follow through in positive trends in company's earnings. We continue to favour more pro-growth cyclical sectors such as industrials and technology.

The Fund's top ten holding at April 28th were Waste Connections, Toronto Dominion, Royal Bank, Enbridge, Veresen, TransCanada, Bank of Nova Scotia, CCL Industries, Johnson & Johnson, Algonquin Power,. Combined, these holding represent ~34% of the Fund.

#### Fund Performance

	1 Month	3 Month	6 Month	YTD	1 Year	2 Year	SI <sup>1</sup>
First Asset Active Canadian Dividend ETF	-0.44%	1.34%	4.81%	4.81%	4.16%	4.70%	2.46%
S&P/TSX Composite TR Index	-0.75%	-1.64%	0.74%	0.74%	11.05%	5.27%	1.93%

Source: First Asset as at May 31, 2017

Inception date: September 3, 2014<sup>1</sup>

The S&P/TSX Composite Total Return Index is a capitalization-weighted index designed to measure market activity of stocks listed on the Toronto Stock Exchange. The Index is used as a benchmark to help you understand the Fund's performance relative to the general performance of the broader Canadian equity market.



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Mr. Goswami manages the:

- First Asset Active Canadian Dividend ETF
- First Asset Active Utility & Infrastructure ETF
- First Asset Canadian Dividend Opportunity Fund
- First Asset Utility Plus Fund
- First Asset Energy & Resource Fund

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## First Asset - Smart Solutions™

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