

The First Asset Active Utility & Infrastructure ETF (the "Fund") had a total return of +1.46% during the month of April outperforming the S&P/TSX Capped Utility TR Index (the "Benchmark") which was up +0.11%, as well as the S&P/TSX Composite TR Index which was up +0.44%, over the month.

During the month the Canada 10-year government bond yields backed up 8 bps to finish at 1.55%. On average, the Canadian Energy Infrastructure group is trading at a 255 bps spread to 10-year bond yields, 132bps above the long term average of 123bps.

In the middle of April, we attended the Canadian Association of Petroleum Producers Conference in Toronto where we met up with a number of pipeline and midstream companies. Compared to last year the tone of the conference was more positive with energy prices higher, a seemingly more pro-energy government in the U.S. and activity levels in certain areas such as the Montney and Duvernay increasing. A number of the companies have a robust backlog of projects that when built should allow them to deliver higher cash flows and increase dividends.

For the month, the Fund's top three performing holdings based on approximate contribution to total return were: Pattern Energy Group Inc. (PEGI - SPX), contributing +24 bps; Enercare Inc. (ECI -TSX), 17 bps; and, TransCanada Corp. (TRP - TSX) 16 bps. The Fund's bottom three performing holdings for the month were: Boralex Inc. (BLX - TSX), (-16 bps); Keyera Corp. (KEY - TSX), (-9 bps); and Tidewater Midstream & Infrastructure Inc. (TWM - TSX) (-9 bps).

2016 was a record year for Mergers and Acquisitions in Canadian energy infrastructure with over \$100B of total transactions, which was highlighted by Enbridge's US\$46B takeover of Spectra Energy. The trend has continued with Altagas's \$8.4B takeover of WGL Holdings earlier this year, and more recently Pembina \$9.7B takeover of Veresen. We expect the consolidation to continue as companies look for enhanced scale to compete for larger projects.

We continue to have a preference of pipeline and midstream names over utilities and power producers.

April Monthly Recap

- On April 4th, Pembina (TSX: PPL) announced its 2018 outlook with EBITDA (Earnings before interest, tax, depreciation and amortization) guidance of \$1.8B to \$1.9B which was a slight increase from consensus as well as 6.25% dividend increase.
- On April 19th TransAlta Power (TSX: TA) announced a plan to accelerate the transition to clean power by 2020 through early retirement and conversion to gas-fired generation of its existing coal generating stations in Alberta.
- On April 28th, Northland Power (TSX: NPI) confirmed that its 600MW Gemini offshore wind project in Netherlands achieved project completion under budget and on schedule.
- On May 1st, Pembina (TSX: PPL) announced they were acquiring Veresen (TSX: VSN) in a \$9.7B deal which represents a 21.8% premium to VSN's 20-day weighted average share price.

The Fund's top ten holding at March 31st were Algonquin Power, Boralex, TransCanada, Fortis, Enbridge, Northland Power, Emera, Parkland, Nextera Energy, Keyera. Combined, these holding represent ~44% of the Fund.

Fund Performance

	1 Month	3 Month	6 Month	YTD	1 Year	3 Year	5 Year	10 Year	SI ¹
First Asset Active Utility & Infrastructure ETF	1.46%	6.86%	5.70%	7.17%	15.52%	8.03%	9.67%	8.01%	6.81%
S&P/TSX Capped Utilities TR Index	0.11%	5.84%	5.31%	7.38%	16.21%	8.89%	6.45%	6.52%	8.23%

Source: First Asset as at April 28, 2017

Inception date: February 17, 2005¹



Manash Goswami, CFA, CPA, CMA
Portfolio Manager
First Asset Investment Management Inc.

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

1 (877) 642-1289 | www.firstasset.com | info@firstasset.com



First Asset - Smart Solutions™

First Asset, a CI Financial Company, is a Canadian investment firm delivering a comprehensive suite of smart ETF solutions. Rooted in strong fundamentals, First Asset's smart solutions strive to deliver better risk-adjusted returns than the broad market while helping investors achieve their personal financial goals.

This communication is intended for informational purposes only and is not, and should not be construed as, investment and/or tax advice to any individual. Particular investments and/or trading strategies should be evaluated relative to each individual's circumstances. Individuals should seek the advice of professionals, as appropriate, regarding any particular investment.

Commissions, trailing commissions, management fees and expenses all may be associated with investments in exchange traded funds. Please read the prospectus before investing. Exchange traded funds are not guaranteed, their values change frequently and past performance may not be repeated. The indicated rates of return of the Fund are the historical annual compounded total returns, including changes in unit value and do not take into account sales, redemption or optional charges or income taxes payable by a security holder that would have reduced returns. Performance is calculated net of fees. The opinions contained in this document are solely those of the Portfolio Manager, First Asset Investment Management Inc., at the indicated date of the information and are subject to change without notice. Some of the statements contained in this document may be considered forward looking statements which provide current expectations or forecasts of future events. Such forward-looking statements reflect the Portfolio Manager's current expectations or forecasts of future events and are based on information currently available to the Portfolio Manager. Such forward looking statements are not guarantees of future performance or events and involve risks and uncertainties. Actual results may differ materially from those described in such forward-looking statements as a result of various factors. These factors include, but are not limited to, general economic, political and market factors globally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events. First Asset and the Portfolio Manager do not undertake any obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as expressly required by law. This document includes information that has been obtained from third party sources. Although the Portfolio Manager believes that these independent sources are generally reliable, the accuracy and completeness of such information is not guaranteed and has not been independently verified. The Portfolio Manager assumes no responsibility for any losses or damages, whether direct or indirect, which arise from the use of this information and expressly disclaims liability for any errors or omissions in this information. The Fund is managed by First Asset Investment Management Inc., a subsidiary of First Asset Capital Corp. (FA Capital). ™First Asset and its logo are trademarks of FA Capital, a wholly owned subsidiary of CI Financial Corp. which is listed on the Toronto Stock Exchange under the symbol "CIX". ©CI FINANCIAL is a registered trademark of CI Investment Inc., used under license.