

For the month of January, the First Asset Active Canadian Dividend ETF (the "Fund") had a total return of -1.75%. The fund underperformed the S&P/TSX Index, which was down -1.39%, over the month.

During the month, the Canadian 10-year government bond yield went up +24bps to finish at 2.289%.

For the month, some of the top contributors to total return were: Pure Industrial REIT (AAR.U - TSX), contributing +51 bps; Pure Multi-Family REIT (RUF.U - TSX), +8 bps.; and, Royal Bank of Canada (RY - TSX), +8 bps. Some of the laggards in the Fund's holdings for the month were: Pembina Pipeline Corp. (PPL - TSX) (-25bps), TransCanada Corp. (TRP - TSX), (-24 bps); and Enbridge Inc. (ENB - TSX) (-24 bps).

During the month, the Bank of Canada (BOC) raised its overnight lending rate by 25bps. The BOC cited strong economic performance in 2017 and a tightening labour markets as the reasons for the quarter point hike. The BOC also hinted a more cautious outlook given NAFTA uncertainties.

In the US, the Federal Reserve (Fed) left interest rates unchanged citing low inflation allows them to be more measured with rate hikes. This was the last policy decision for Fed Chair Yellen, who will be replaced by Jerome Powell.

In terms of economic data, Canadian Q4 GDP was in-line with expectations. Q4 GDP numbers in the US undershot expectations, but still ended the year on solid footing. Household spending was the most important contributor to overall growth, while private fixed investment also exhibited signs of strength.

With interest rates heading higher we have reduced our Fund weighting in more interest sensitive sectors such as Utilities and Telcos, and have increased our cash weighting in anticipation of volatility and potentially better buying opportunities in the near future.

Fund Performance

	1 Month	3 Month	6 Month	YTD	1 Year	2 Year	SI
First Asset Active Canadian Dividend ETF	-1.75%	-1.57%	2.69%	-1.75%	6.44%	6.99%	2.64%
S&P/TSX Composite TR Index	-1.40%	0.26%	6.85%	-1.40%	6.67%	14.79%	3.57%

Source: First Asset as at January 31, 2018

Inception date: September 3, 2014

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

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