

# Brompton North American Financials Dividend ETF

**TSX:BFIN**

## FUND PROFILE

AS AT JULY 31, 2020

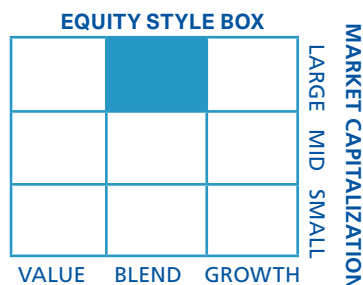
<b>TSX Symbol</b>	CAD Hedged	BFIN
	USD	BFIN.U
<b>CUSIP</b>	BFIN	11221X107
	BFIN.U	11221X206
<b>Inception Date</b>	BFIN	Oct. 17, 2018
	BFIN.U	Aug. 12, 2019
<b>NAV</b>	BFIN	\$17.18
	BFIN.U	\$18.09
<b>Distribution Rate<sup>1</sup></b>	BFIN	5.8%
	BFIN.U	5.5%
<b>Monthly Distribution</b>	BFIN	\$ 0.08333
	BFIN.U	\$ 0.08333
<b>Total Assets</b>		\$25 million
<b>Management Fee</b>		0.75% p.a.
<b>Management Style</b>	Actively Managed	
<b>Manager/PM</b>	Brompton Funds Limited	
<b>Registered Account Eligibility</b>	Yes	
<b>Risk Rating</b>	Medium	

## THIS ETF IS FOR INVESTORS WHO ARE:

- Seeking capital appreciation
- Seeking enhanced income and lower volatility through covered call strategies
- Comfortable with equity risk

**ESG SCORE<sup>2</sup>**

**B+**



**INVESTMENT APPROACH**

**BROMPTON**  
EXCHANGE TRADED FUNDS

## Overview

This ETF provides monthly distributions and the opportunity for capital appreciation through an investment in an actively managed portfolio of large-cap North American-listed financial services companies selected by Brompton, complemented by a proprietary covered call options program.

Our PM team first uses a top-down analysis to identify attractive sub-sectors. Rigorous fundamental analysis focuses the portfolio on at least 15 North American Financial Services Companies with a market capitalization of at least \$5 billion. The PMs then actively set the level of covered call writing with the goal of optimizing distributable cash and total returns, while reducing portfolio volatility.

## Investment Highlights: Financial Sector

Why Invest In North American Financials?

- Brompton believes North American Financial companies are attractively valued
- Brompton believes North American Financial companies have strong dividend growth potential
- Opportunity for Canadian investors to diversify their investment in financials

## Portfolio: July 31, 2020

Sector Allocation	% of Portfolio	Geographic Allocation	% of Portfolio
Diversified Banks	31.0%	United States	66.4%
Data Proc. & Services	12.4%	Canada	27.8%
Investment Banking & Brokerage	11.9%	Ireland	3.2%
Financial Exchanges	10.6%	Cash and short-term inv.	2.5%
Life & Health Insurance	9.5%	<b>Total</b>	<b>100%</b>
Regional Banks	9.0%		
Asst. Management & Cust. Banks	5.2%		
Insurance Brokers	3.2%		
Cash and short-term inv.	2.5%		
Consumer Finance	2.4%		
Multi-sector Holdings	2.3%		
<b>Total</b>	<b>100%</b>		

Top 10 Holdings	% of Portfolio
S&P Global Inc.	8.1%
Bank of America Corp.	7.1%
Mastercard Inc.	6.6%
Morgan Stanley	6.3%
Citigroup Inc.	6.2%
Goldman Sachs Group Inc.	5.5%
National Bank of Canada	5.5%
Brookfield Asset Management Inc.	5.2%
Sun Life Financial Inc.	5.2%
Royal Bank of Canada	5.2%
<b>Total</b>	<b>60.9%</b>

## Portfolio Manager and Manager:



**Laura Lau**  
**BASc (Hons), CFA, DMS**  
Senior Vice President and Chief  
Investment Officer



**Michael Clare**  
**BComm (Hons), CPA, CA, CFA**  
Vice President and Portfolio Manager

Founded in 2000, Brompton is an experienced investment fund manager with income focused investment solutions including TSX traded closed-end funds and exchange-traded funds.

## Historical Performance: July 31, 2020

Annual Compound Returns <sup>3</sup>	YTD	1-YR	Since Inception
Brompton North American Financials Dividend ETF (CAD Hedged)	(15.5%)	(9.7%)	(3.1%)
S&P/TSX Capped Financials Index	(15.5%)	(11.2%)	(2.9%)
S&P 500 Financials Index	(20.8%)	(12.8%)	(4.0%)

<sup>(1)</sup> Distribution rate based on July 31, 2020 closing market price. Source: Thomson Reuters.

<sup>(2)</sup> Source: Thomson Reuters as at July 31, 2020. Reflects the weighted average ESG Score of the companies held in the portfolio. The ESG Score is an overall score of a company based on the reported information in the environmental, social and corporate governance pillars. Letter grades range from D- for the lowest ESG scores to A+ for the highest scores. See [https://www.refinitiv.com/content/dam/marketing/en\\_us/documents/methodology/esg-scores-methodology.pdf](https://www.refinitiv.com/content/dam/marketing/en_us/documents/methodology/esg-scores-methodology.pdf) for more information.

<sup>(3)</sup> Returns are for the periods ended July 31, 2020. Inception date October 17, 2018. The table shows the ETF's compound returns for each period indicated compared with the S&P/TSX Capped Financials Index ("Financials Index") and the S&P 500 Financials Index ("S&P Index") (together the "Indices"). The Financials Index is comprised of constituents of the S&P/TSX Composite Index that are classified as members of the financial sector with individual constituents capped at 25% weight. The S&P Index is comprised of constituents of the S&P 500 Index that are classified as members of the financial sector with individual constituents capped at 25% weight. The ETF invests in at least 15 North American Financial Services companies with market capitalization of at least \$5 billion. It is therefore not expected the ETF's performance will mirror that of the Indices which have more diversified portfolios. Further, the Indices are calculated without the deduction of management fees, fund expenses and trading commissions, whereas the performance of the ETF is calculated after deducting such fees and expenses.

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Commissions, trailing commissions, management fees and expenses all may be associated with exchange-traded fund investments. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Please read the prospectus before investing. Exchange-traded funds are not guaranteed, their values change frequently and past performance may not be repeated.

Certain statements contained in this document constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information may relate to matters disclosed in this document and to other matters identified in public filings relating to the ETF, to the future outlook of the ETF and anticipated events or results and may include statements regarding the future financial performance of the ETF. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts. Actual results may vary from such forward-looking information. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and we assume no obligation to update or revise them to reflect new events or circumstances.

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