

## Horizons Cdn Select Universe Bond ETF (HBB:TSX)

### Summary of Investment Portfolio

As at September 30, 2016

<b>Asset Mix</b>	<b>Net Asset Value</b>	<b>% of ETF's Net Asset Value</b>
Index Swaps <sup>(1)</sup>	\$ 6,400,896	2.91%
Cash and Cash Equivalents <sup>(2)</sup>	220,509,659	100.15%
Other Assets less Liabilities	(6,725,146)	-3.06%
	<b>\$ 220,185,409</b>	<b>100.00%</b>

<b>Top Holdings</b>	<b>% of ETF's Net Asset Value</b>
Index Swaps (notional value \$213,666,671)	2.91%

<b>Top 25 Securities</b>	<b>% Weighting in Underlying Index</b>
<b>In the Underlying Index* – Solactive Canadian Select Universe Bond Index</b>	
Government of Canada	29.45%
Province of Ontario	16.86%
Canada Housing Trust No. 1	10.97%
Province of Quebec	8.77%
Royal Bank of Canada	2.81%
Province of British Columbia	2.51%
Toronto-Dominion Bank (The)	1.85%
Hydro-Quebec	1.74%
Bank of Nova Scotia (The)	1.60%
Bank of Montreal	1.46%
Bell Canada	1.22%
Canadian Imperial Bank of Commerce	1.17%
Province of Alberta	1.13%
Province of Manitoba	0.94%
TELUS Corp.	0.84%
Hydro One Inc.	0.79%
Province of New Brunswick	0.65%
HSBC Bank Canada	0.61%
Province of Saskatchewan	0.58%
CU Inc.	0.56%
Rogers Communications Inc.	0.52%
Province of Nova Scotia	0.49%
Greater Toronto Airports Authority	0.49%
TransCanada PipeLines Ltd.	0.49%
407 International Inc.	0.43%

<sup>(1)</sup> The value presented for the index swap(s) represents the amount receivable/(payable) from/(to) the counterparty of the ETF's total return swap agreement as at the date of this report.

<sup>(2)</sup> Cash and cash equivalents includes collateral pledged to the counterparty of the ETF's total return swap agreement.

\* These positions represent the aggregate positions of the top 25 constituent issuers of the Underlying Index. The ETF is exposed to the performance of the Underlying Index on a total return basis through a total return swap agreement.

The summary of investment portfolio may change due to the ongoing portfolio transactions of the ETF. The most recent interim and annual reports are available at no cost by calling toll free 1-866-641-5739, or (416) 933-5745, by writing to us at Horizons ETFs Management (Canada) Inc., 26 Wellington Street East, Suite 700, Toronto, Ontario, M5E 1S2, or by visiting our website at [www.horizonsetfs.com](http://www.horizonsetfs.com) or through SEDAR at [www.sedar.com](http://www.sedar.com).