BTAL

AGF U.S. Market Neutral Anti-Beta Fund

Analyst Report

This ETF is part of a suite of "market neutral" products offered by QuantShares, a unique lineup of funds that has the potential to appreciate (or lose value) in any type of market. Because BTAL maintains equal long and short dollar positions, its performance is independent of the overall market; rather, it depends on how certain sub-sets (or factors) of the U.S. equity market perform relative to one another. As such, these securities can be used in a number of different ways. Since they should exhibit very low correlations to both stock and bond markets, some may see BTAL as a tool for smoothing out portfolio volatility--essentially a diversifying agent within traditional stock-and-bond portfolios. Others who believe the methodology has the potential to exploit market inefficiencies may see it as a means of generating alpha over both long and short time periods.

Specifically, BTAL is designed to capture the spread return between high beta and low beta stocks; the portfolio maintains long positions in low beta stocks and short positions in high beta stocks. As such, BTAL can be generally expected to perform well when the market declines and to struggle when markets are climbing. This strategy is certainly nothing new; investors have been implementing strategies designed to capture the spreads between asset classes or sub-classes for decades. But the availability of this strategy within the ETF wrapper is a new innovation; it gives investors an opportunity to access a technique that may be time consuming and quite expensive if implemented individually through a single ticker symbol that brings all the efficiencies of ETFs.

There are a couple interesting aspects of BTAL (and all QuantShares ETFs for that matter). The underlying portfolios are sector neutral, which ensures that the fund isn't simply long in sectors that traditionally exhibit low betas (such as utilities) and short sectors that have high

TAL consists of both
ctor of the market.
ual weighted, which

ETF TRENDS ETF DATABASE

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ESG Themes and Scores

N/A	N/A	N/A
ESG Rate	Global Percentile	Peer Percentile

Performance Data

	BTAL	ETF Database Category Average	Factset Segment Average
1 Month	-6.02%	2.29%	1.58%
3 Month	-9.59%	3.26%	1.81%
YTD Return	9.62%	13.68%	7.38%
1 Year Return	0.59%	15.39%	8.14%
3 Year Return	4.42%	3.85%	1.55%
5 Year Return	-2.80%	2.53%	1.24%

Top 5 Holdings

Symbol	Holding	% Assets
Other	U.S. Dollar	102.19%
Other		0.70%
MSTR	MicroStrategy Incorporated Class A	0.51%
ERIE	Erie Indemnity Company Class A	0.49%
RNR	RenaissanceRe Holdings Ltd.	0.47%

Vitals

Issuer	AGF
Brand	AGF
Structure	ETF
Expense Ratio	1.43%
Inception	Sep 13, 2011
Index Tracked	N/A

ETF Database Themes

Category	Long-Short
Asset Class	Alternatives
Asset Class Size	N/A
Asset Class Style	N/A
Region (General)	North America
Region (Specific)	U.S.

FactSet Classifications

Segment	Alternatives: Hedge Fund Strategies
Category	Hedge Fund Strategies
Focus	Long/Short
Niche	Market Neutral
Strategy	Active
Weighting	Proprietary

As of 2024-12-08