

Horizons ETFs Launches the Horizons Global Risk Parity ETF

New Active ETF will be the first in Canada to utilize a Risk Parity strategy

TORONTO, July 21, 2016 — Horizons ETFs Management (Canada) Inc. and its affiliate, AlphaPro Management Inc. (collectively “**Horizons ETFs**”), are pleased to announce the launch of the Horizons Global Risk Parity ETF (“**HRA**”), an actively managed ETF strategy designed to keep risk levels balanced across the asset classes it invests in, regardless of market conditions.

Units of the exchange traded fund (“**ETF**”) will begin trading today on the Toronto Stock Exchange (“**TSX**”) under the ticker symbol “**HRA**”.

HRA is sub-advised by ReSolve Asset Management Inc. (“**ReSolve**”), a Toronto-based asset manager that specializes in managing ETF portfolios and has more than 20 years of experience in institutional risk management.

HRA uses a portfolio allocation strategy known as Risk Parity theory — an approach that seeks to ensure each asset class in the portfolio contributes balanced amounts of risk in order to reach the optimal level of diversification. This approach also seeks to ensure that investors can generate returns from a diverse basket of global asset classes, which have the opportunity to thrive under a variety of economic conditions.

“When investors think of a balanced portfolio, it’s the typical ‘60/40’ split between stocks and bonds that comes to mind; however, these so-called ‘balanced’ portfolios have performed poorly during financial crises because they were only diversified on a capital basis and not according to asset class risk,” says Steve Hawkins, Co-CEO, Horizons ETFs. *“HRA strives to keep risk levels across asset classes similar to one another, which can result in lower overall volatility and potentially higher risk-adjusted returns.”*

By investing in a wide array of asset classes and sectors through the use of ETFs, HRA’s investment strategy seeks to create a risk-optimized portfolio that can adapt to changing market conditions. HRA can invest in the following asset classes and sectors: global equity markets, global fixed income instruments and inflation hedges such as gold bullion, real estate and Treasury Inflation Protected Securities (TIPS). In addition, the ETF will have an actively managed currency hedging strategy that will aim to reduce the impact of foreign exchange risk.

“HRA adds to our growing suite of ETF strategists and is the first actively managed ETF in Canada to employ a dynamic risk parity strategy, which can provide a constant risk profile for the ETF, regardless of market conditions,” added Mr. Hawkins. *“With new and unexpected global macroeconomic factors emerging all the time, we think ReSolve’s asset allocation approach will not only allow investors to get exposure to a globally diversified portfolio, but will allow for exposure with a lower risk profile than a traditional ‘balanced’ strategy.”*

“We’re excited to launch HRA not just because it’s the first Risk Parity ETF available to Canadians, but because in uncertain times like this, diversification and risk management are more important than ever,” said Mike Philbrick, President, ReSolve Asset Management. *“That’s why our favorite feature is HRA’s expected low correlation to stocks and bonds. As a result, HRA should provide exceptional diversification benefits when held alongside traditional portfolios. According to CIO Magazine, 74% of U.S. institutional investors have embraced risk parity to add balance to their portfolios. Canadian investors have largely been shut out of this opportunity - until now.”*

HRA has closed its initial offering of units and will begin trading on the TSX when the market opens this morning.

About ReSolve Asset Management Inc.

ReSolve Asset Management Inc. is a Toronto-based investment management firm that delivers ETF Managed Portfolio Solutions focused on global asset allocation, currently advising and managing assets of \$218 million. In serving advisors, institutions and individual investors in both Canada and the United States, ReSolve puts research and education at the center, with abundant resources at its research blog (GestaltU.com) and risk parity education portal (RiskParity.ca). The firm offers its strategies via Separately Managed Accounts, an Accredited Investor Fund, and now, an ETF. Visit InvestReSolve.com for more information.

About Horizons ETFs Management (Canada) Inc. (www.HorizonsETFs.com)

Horizons ETFs Management (Canada) Inc. and its affiliate AlphaPro Management Inc. are innovative financial services companies, which combined make up one of the largest families of exchange traded funds in Canada. The Horizons ETFs’ product suite includes a broadly diversified range of solutions for investors of all experience levels to meet their investment objectives in a variety of market conditions. Horizons ETFs currently has more than \$6 billion of assets under management and has 74 ETFs listed on the Toronto Stock Exchange. Horizons ETFs Management (Canada) Inc. and AlphaPro Management Inc. are members of the Mirae Asset Global Investments Group.

For more information:

Olivia Fazekas
Manager, Public Relations
Horizons ETFs Management (Canada) Inc.
(416) 640-8255
ofazekas@horizonsetfs.com

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Certain statements contained in this news release constitute forward-looking information within the meaning of Canadian securities laws. Forward-looking information may relate to a future outlook and anticipated distributions, events or results and may include statements regarding future financial performance. In some cases, forward-looking information can be identified by terms such as "may", "will", "should", "expect", "anticipate", "believe", "intend" or other similar expressions concerning matters that are not historical facts. Actual results may vary from such forward-looking information. Horizons ETFs undertakes no obligation to update publicly or otherwise revise any forward-looking statement whether as a result of new information, future events or other such factors which affect this information, except as required by law.