

HAC Update for April 22, 2024

	Performance % from April 15 to April 19
HAC	-0.7
S&P 500	-3.1
S&P/TSX 60™ Index	-0.3

Please visit <https://horizonsetfs.com/ETF/hac/#performance-distributions> for the complete historical performance of HAC. Source data: Bloomberg

Portfolio Performance / Transactions/End of Week Holdings*¹

Ticker	Week % Gain**	% Buy/Sell***	% End of Week Holdings****
HXT	-0.3	-7	35
HXS	-3.9		5
XLB	-1.1	-6	6
XLI	-2.0		5
HXE	-1.1	-5	10
HUN	-0.1		1
XLV	0.0	3	6
XLP	1.4	3	9
XME	-0.8		2
UUP	0.2		3
Cash		12	18

Please visit <https://www.horizonsetfs.com/etf/HAC?tab=performance> for the complete historical performance of HAC. Source data: Bloomberg

* Transactions and End of Week Holdings are % of portfolio

** Based on price from a sell/buy during the week where applicable

*** Buy/Sell may not be equal due to use of cash

**** Includes trades on last day of week

Market/Portfolio Comments

Last week, the S&P 500 lost 3.1%. The big news of the week was the poor performance of the technology sector. The technology sector performed poorly as investors started to question the valuation of the technology companies relative to the market.

Last week, the S&P/TSX 60 Index lost 0.3% and HAC lost 0.7%.

The big news of the week in the U.S. will probably be the large amount of companies reporting their Q1 earnings, including some large technology companies. After the poor performance of the technology sector last week, investors will be closely watching to see how the stock market responds to the earnings from Microsoft, Alphabet, Meta, Tesla and other large companies.

Investors will also be watching to see how the stock market reacts to Personal Consumption Expenditure (PCE) Index for March. It is expected to show inflation increased by 2.6% on a year over year basis.

Canadian Stock Market– (HXT)- Decreased Position

The Canadian stock market has a strong seasonal period from October 31 to May 5.

U.S. Stock Market– (HXS)

The U.S. stock market has a strong seasonal period from October 31 to May 5.

Industrials– (XLI)

The industrials sector has a strong seasonal period from January 23 to May 5.

Materials– (XLB)- Decreased Position

The materials sector has a strong seasonal period from January 23 to May 5. Recently, the materials sector has been starting to show some weakness as investors have been shifting their focus to the defensive sectors in the stock market.

Energy– (HXE)- Decreased Position

The energy sector has a strong seasonal period from February 25 to May 9. Recently, the energy sector has been showing some technical weakness as the end of its strong seasonal period ends in the near future.

Health Care– (XLV)- Increased Position

The health care sector has a strong seasonal period from early May to early August. The health care sector has been showing improving performance relative to the S&P 500.

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Consumer Staples– (XLP)-Increased Position

The consumer staples sector has a strong seasonal period from mid-April to late May. The consumer staples sector can continue to outperform the S&P 500 past the end of its seasonal period, particularly if the stock market is struggling.

Metals & Mining– (XME)

The metals and mining sector has a strong seasonal period from late January to early May.

Natural Gas– (HUN)

Natural Gas has a strong seasonal period from mid-March to mid-June. Recently, natural gas has been consolidating in a fairly tight range.

U.S. Dollar vs. World Currencies– (UUP)

The U.S. dollar has a strong seasonal period from early May to the end of June. Recently, the U.S. dollar has been showing strength relative to world currencies.

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ANNUALIZED PERFORMANCE TABLE OF HORIZONS SEASONAL ROTATION ETF (HAC), AS AT MARCH 31, 2024.¹

	1 Mo	3 Mo	6 Mo	YTD	1 YR	3 YR	5YR	10 YR	SIR**
Horizons Seasonal Rotation ETF (HAC)	3.58	6.30	19.80	6.30	20.96	9.52	7.75	7.73	8.09

**PERFORMANCE SINCE INCEPTION ON NOVEMBER 19, 2009. Source: Horizons ETFs.

ANNUALIZED PERFORMANCE TABLES OF HORIZONS ETFS FUNDS HELD BY HORIZONS SEASONAL ROTATION ETF (HAC), AS AT MARCH 31, 2024.¹

	1 Mo	3 Mo	6 Mo	YTD	1 YR	3 YR	5YR	10 YR	SIR**
Horizons Natural Gas ETF (HUN)	-0.88	-1.16	-23.84	-1.16	-29.70	6.39	0.27	-3.55	-10.05

**PERFORMANCE SINCE INCEPTION ON JUNE 24 2009. Source: Horizons ETFs.

	1 Mo	3 Mo	6 Mo	YTD	1 YR	3 YR	5YR	10 YR	SIR**
Horizons S&P/TSX 60™ Index ETF (HXT)	3.74	6.31	15.59	6.31	14.35	9.48	10.29	8.28	8.00

**PERFORMANCE SINCE INCEPTION ON SEPTEMBER 10 2010. Source: Horizons ETFs.

	1 Mo	3 Mo	6 Mo	YTD	1 YR	3 YR	5YR	10 YR	SIR**
Horizons S&P 500® Index ETF (HXS.U) (In US dollars)	3.17	10.42	23.20	10.42	29.32	11.03	14.57	12.48	13.24

**PERFORMANCE SINCE INCEPTION ON November 30, 2010. Source: Horizons ETFs.

	1 Mo	3 Mo	6 Mo	YTD	1 YR	3 YR	5YR	10 YR	SIR**
Horizons S&P/TSX Capped Energy Index ETF (HXE)	9.31	18.84	7.99	18.84	28.96	39.46	17.38	2.69	3.84

**PERFORMANCE SINCE INCEPTION ON SEPTEMBER 16, 2013. Source: Horizons ETFs.

¹The 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. Additionally, index returns do not take into account management, operating or trading expenses that may be incurred in replicating the index. The rates of return above are not indicative of future returns. The ETFs are not guaranteed, their values change frequently, and past performance may not be repeated. The indices are not directly investible. Only the returns for periods of one year or greater are annualized returns.

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HORIZONS ETFs
by Mirae Asset

Commissions, management fees and expenses all may be associated with an investment in the Horizons Seasonal Rotation ETF (“HAC” or the “ETF”) managed by Horizons ETFs Management (Canada) Inc. The ETF is not guaranteed, its value changes frequently and past performance may not be repeated. The ETF may have exposure to leveraged investment techniques that magnify gains and losses and which may result in greater volatility in value and could be subject to aggressive investment risk and price volatility risk. Such risks are described in the prospectus. The prospectus contains important detailed information about the ETF. **Please read the prospectus before investing.**

The ETF is an alternative mutual fund within the meaning of National Instrument 81-102 Investment Funds (“NI 81-102”) and is permitted to use strategies generally prohibited by conventional mutual funds, such as the ability to invest more than 10% of their net asset value in securities of a single issuer or the ability to borrow cash. While these strategies will only be used in accordance with the ETF’s investment objectives and strategies, during certain market conditions they may accelerate the risk that an investment in the ETF Shares decreases in value. The ETF will comply with all requirements of NI 81-102, as such requirements may be modified by exemptive relief obtained on behalf of the ETF.

Horizons Total Return Index ETFs (“Horizons TRI ETFs”) are generally index-tracking ETFs that use an innovative investment structure known as a Total Return Swap to deliver index returns in a low-cost and tax-efficient manner. Unlike a physical replication ETF that typically purchases the securities found in the relevant index in the same proportions as the index, most Horizons TRI ETFs use a synthetic structure that never buys the securities of an index directly. Instead, the ETF receives the total return of the index through entering into a Total Return Swap agreement with one or more counterparties, typically large financial institutions, which will provide the ETF with the total return of the index in exchange for the interest earned on the cash held by the ETF. Any distributions which are paid by the index constituents are reflected automatically in the net asset value (NAV) of the ETF. As a result, the Horizons TRI ETF receives the total return of the index (before fees), which is reflected in the ETF’s share price, and investors are not expected to receive any taxable distributions. Certain Horizons TRI ETFs (Horizons Nasdaq-100[®] Index ETF and Horizons US Large Cap Index ETF) use physical replication instead of a total return swap. The Horizons Cash Maximizer ETF and Horizons USD Cash Maximizer ETF use cash accounts and do not track an index but rather receive interest paid on cash deposits that can change over time.

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