

# HAC Update for October 3, 2022

	Gain % from September 26 to September 30
HAC	-1.1
S&P 500	-2.9
S&P/TSX 60™ Index	-0.5

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\*<sup>1</sup>

Ticker	Week % Gain**	% Buy/Sell***	% End of Week Holdings****
XLV	-1.0	-2	0
DLR	1.7		3
XLP	-2.4	4	15
HUG	0.6	-2	2
HTB	0.6	-6	3
XLU	-8.7	-7	0
XLB	1.6	2	0
XLY	0.2	5	0
HXS	-1.1	10	10
HURA	0	1	1
Cash		-5	71

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 2.9%. The big news of the week was the Bank of England switching from a quantitative tightening policy to quantitative easing. This was done in order to support the bond market as some UK pension funds were forced to sell some of their bond positions in order to meet margin requirements. The Bank of England claims that the quantitative easing program is temporary. Initially, investors cheered the Bank of England's action as it could indicate that the Federal Reserve and other central banks were also set to become more dovish and back-off the implementation of their tight monetary policies. It did not take too long for investors to change their stance once again and see that the Bank of England's change in policy might be a sign of bigger economic problems. As a result, the S&P 500 corrected lower on Thursday and Friday.

This week the big news will probably be the Nonfarm Payroll report expected to be released on Friday. It is expected that 250 thousand jobs were created in September (tradingeconomics.com, October 1, 2022).

Last week, the S&P/TSX 60 Index lost 0.5% and HAC lost 1.1%.

### Consumer Staples– (XLP)- Increased Position

The consumer staples sector, on average, over the long-term has been one of the top performing major sectors in the stock market in October. Last week, the consumer staples sector was negative, but managed to outperform the S&P 500. Last week, HAC added to its consumer staples sector position.

### Health Care – (XLV/FHH)- Exited Position

The health care sector is in its strong seasonal period which lasts into October. Recently the health care sector has been showing signs of weakness. Last week, HAC exited its position in the health care sector.

### US Dollar– (DLR)

The US dollar starts its strong seasonal period in early May. Last week, the US dollar was positive relative to the Canadian dollar.

### US Government Bonds– (HTB)- Reduced Position

US government bonds tend to have a strong seasonal period from early May to early October. The seasonal sweet spot for US government bonds occurs in August and September. Last week, HAC reduced its position in US government bonds.



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## **Gold– (HUG) - Reduced Position**

Gold has a strong seasonal period that lasts from early July to early October. Last week, HAC reduced its position in gold.

## **Utilities– (XLU) - Exited Position**

The utilities sector tends to perform well in the summer months and into autumn. Last week, the utilities sector was negative and underperformed the S&P 500. Last week, HAC exited its position in the utilities sector.

## **Consumer Discretionary– (XLY)- Exited Short-Sell Position**

The consumer discretionary sector tends to be weak in September. Last week, HAC exited its short sell position in the consumer discretionary sector.

## **Materials– (XLB)- Exited Short-Sell Position**

The materials sector, on average over the long-term, tends to perform poorly in the month of September. Last week, HAC exited its short sell position in the materials sector.

## **US Stock Market– (HXS)- Initiated Position**

The US stock market tends to perform well in the first few days of October. Last week, HAC initiated a position in the S&P 500.

## **Uranium– (HURA)- Initiated Position**

The uranium sector has a strong seasonal period that lasts from early October to mid-January. Last week, HAC initiated a position in the uranium sector.

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ANNUALIZED PERFORMANCE TABLE OF HORIZONS SEASONAL ROTATION ETF (HAC), AS AT AUGUST 31, 2022.<sup>1</sup>

	1 Mo	3 Mo	6 Mo	YTD	1 YR	3 YR	5YR	10 YR	SIR**
Horizons Seasonal Rotation ETF (HAC)	-1.13	-2.80	-5.41	-6.66	-4.02	3.18	5.40	6.86	7.19

\*\*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 AUGUST 31, 2022.<sup>1</sup>

	1 Mo	3 Mo	6 Mo	YTD	1 YR	3 YR	5YR	10 YR	SIR**
Horizons US Dollar Currency ETF (DLR)	2.73	4.18	3.97	4.11	4.26	-0.45	1.46	2.94	2.93

\*\*PERFORMANCE SINCE INCEPTION ON APRIL 6, 2011. Source: Horizons ETFs.

	1 Mo	3 Mo	6 Mo	YTD	1 YR	3 YR	5YR	10 YR	SIR**
Horizons US 7-10 Year Treasury Bond ETF (HTB)	-1.31	2.03	-5.66	-8.04	-9.05	-3.28	1.16	--	1.23

\*\*PERFORMANCE SINCE INCEPTION ON APRIL 7, 2015 Source: Horizons ETFs.

	1 Mo	3 Mo	6 Mo	YTD	1 YR	3 YR	5YR	10 YR	SIR**
Horizons Gold ETF (HUG)	-2.99	-7.40	-10.50	-7.18	-7.01	1.53	2.83	-1.88	2.56

\*\*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 Global Uranium Index ETF (HURA)	14.17	18.10	10.18	10.85	38.25	43.10	--	--	34.28

\*\*PERFORMANCE SINCE INCEPTION ON MAY 15, 2019. 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)	-1.66	-0.30	-5.73	-13.17	-7.96	11.43	12.49	15.56	15.03

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

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**HORIZONS** ETFs  
by Mirae Asset

<sup>1</sup>The indicated rates of return are the historical annual compounded total returns, including changes in unit/share 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. 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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