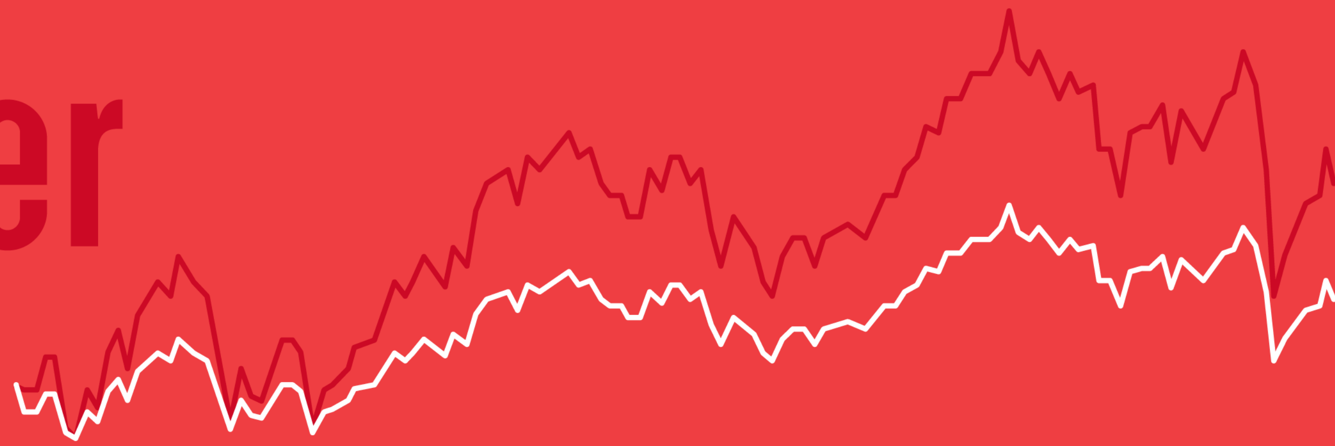
MANAGER RESEARCH | JULY 2026

MORNINGSTAR



The New Active: Canada's ETF Market Evolves

Derivative income and systematic equity strategies are reshaping Canadian active ETFs.

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Manager Research

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Key Takeaways

KEY TAKEAWAYS

Canada's Active ETF Market Is Bigger, Broader, and Still Up for Grabs

Canada's active exchange-traded fund market is expanding rapidly. Assets reached CAD 311.1 billion in May 2026, up 54% over the past year and more than triple their level at the end of 2022. Over the past decade, active ETF assets have compounded at roughly 36% annually.

Active ETFs are gaining share as well as scale. They now account for 35.7% of total Canadian ETF assets, compared with 2.9% in 2010, reflecting a market that is steadily moving beyond its passive-led first chapter.

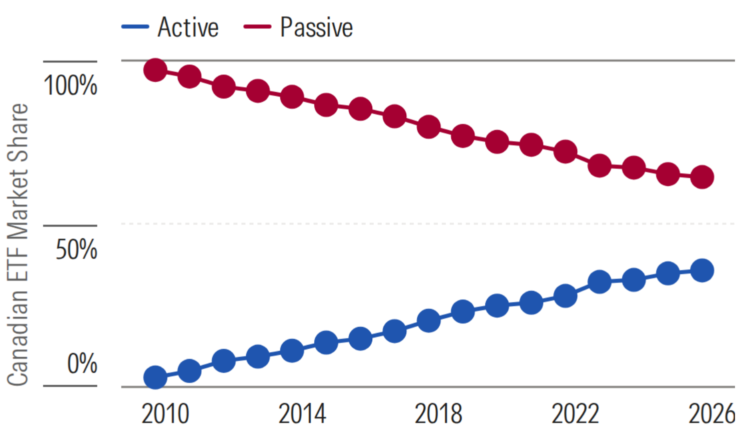
Investors have more choices as active launches have outpaced passive. Canada saw a record 208 active ETF launches in 2025 and 124 more in 2026's first five months.

Active launches have exceeded passive launches every year since 2018, helping active ETFs surpass passive ETFs by fund count in 2023. Today, active ETFs outnumber passive ETFs by roughly 50%, with 975 funds versus 640.

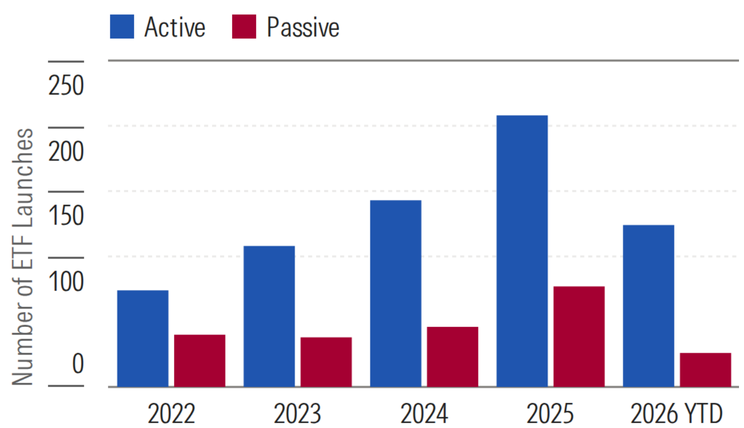
BMO remains Canada's active ETF market-share leader, but its lead has narrowed. Fidelity, BlackRock, and Vanguard have increased their combined share to 33% from 13% since 2020, powered largely by demand for their asset-allocation products.

Other managers have gained share by carving out distinct niches, led by Hamilton Capital and Harvest in the derivative income space.

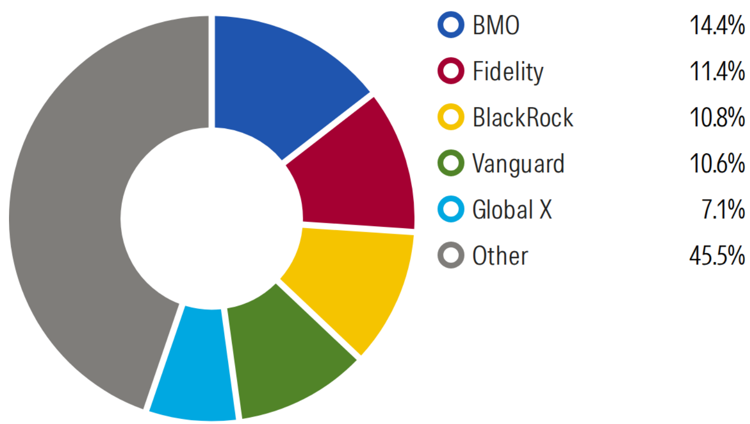
Active ETFs Gain Share From Passive



Active ETF Launches Hit a Record in 2025



No Single Provider Dominates Canada's Active Market



Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix.

Derivative Income, Systematic, and Allocation ETFs Drive the New Active Era

Derivative income ETFs, which generate yield by selling covered calls, along with single-stock ETFs using derivatives or leverage, have driven much of the recent launch surge. Ninety-nine derivative income and single-stock ETFs launched in 2025, followed by another 32 funds in the first five months of 2026.

The single-stock boom has been concentrated among just four firms: LongPoint has launched all single-stock leveraged ETFs, while Harvest, Ninepoint, and Purpose have issued all single-stock derivative income ETFs.

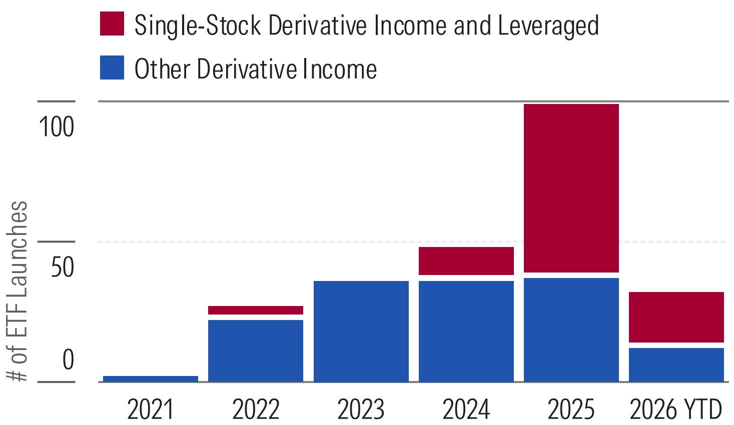
Low-cost, rules-based equity ETFs are gaining traction. Seventeen have launched in the first five months of 2026, all from Avantis (in partnership with CIBC), Mackenzie, Russell Investments, and BMO.

Their fees average 48% below traditional active ETFs within the same category, making them cheap and credible rivals to both active and passive managers.

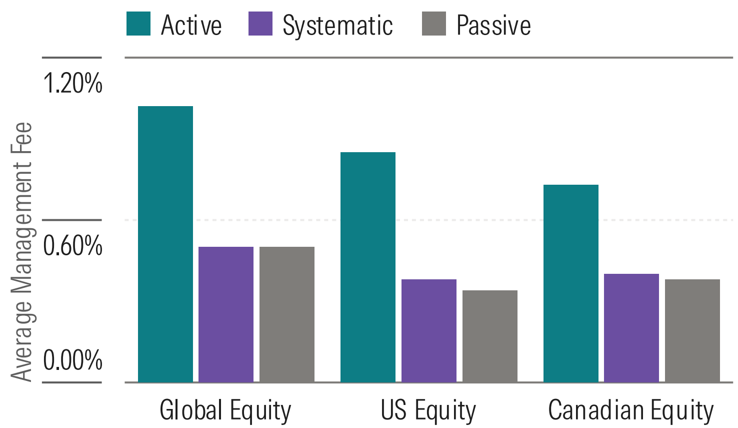
Asset allocation ETFs from BlackRock, Vanguard, and Fidelity remain the largest active ETFs and have attracted the strongest year-to-date flows.

Beyond these mega-funds, systematic strategies have also gained traction. Systematic ETFs have captured 21.0% of active ETF inflows year to date, up from 14.1% in 2025, signaling growing appetite for low-cost, rules-based active strategies.

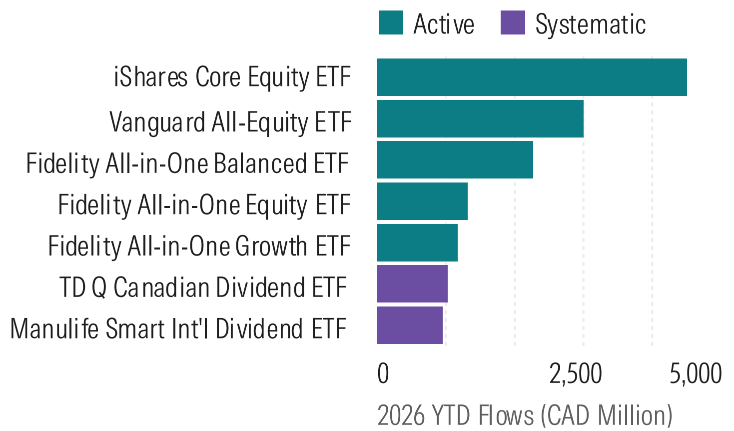
Single-Stock and Derivative Income Launches Surge



Systematic ETFs Offer Active at Passive-Like Fees



Asset-Allocation ETFs Lead 2026 Active Flows



Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix.

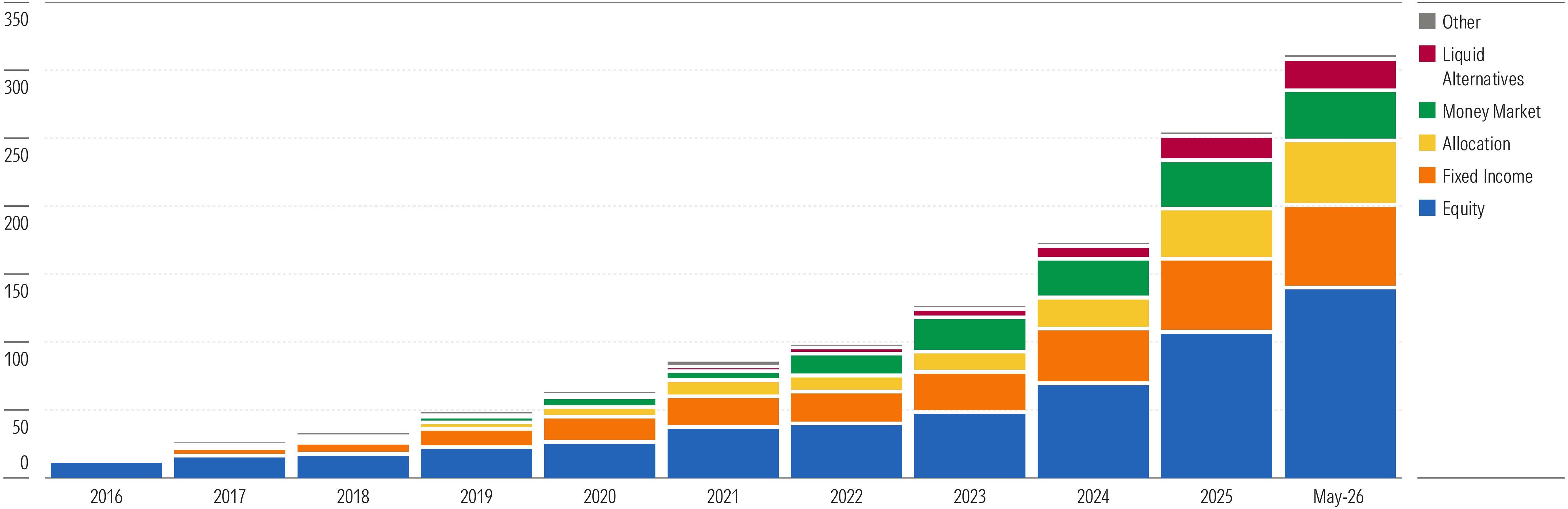
Canada's Active ETF Market at a Glance

Active ETF Assets Have More Than Tripled Since 2022

Canadian active ETF assets reached CAD 311.1 billion in May 2026, up 54% year over year and more than triple their level at the end of 2022, as the broader active ETF growth trend accelerated. Active ETF assets compounded at roughly 36% annually over the past decade, owing to steady flows and market gains.

Canadian Active ETF Assets by Asset Class

CAD Billion

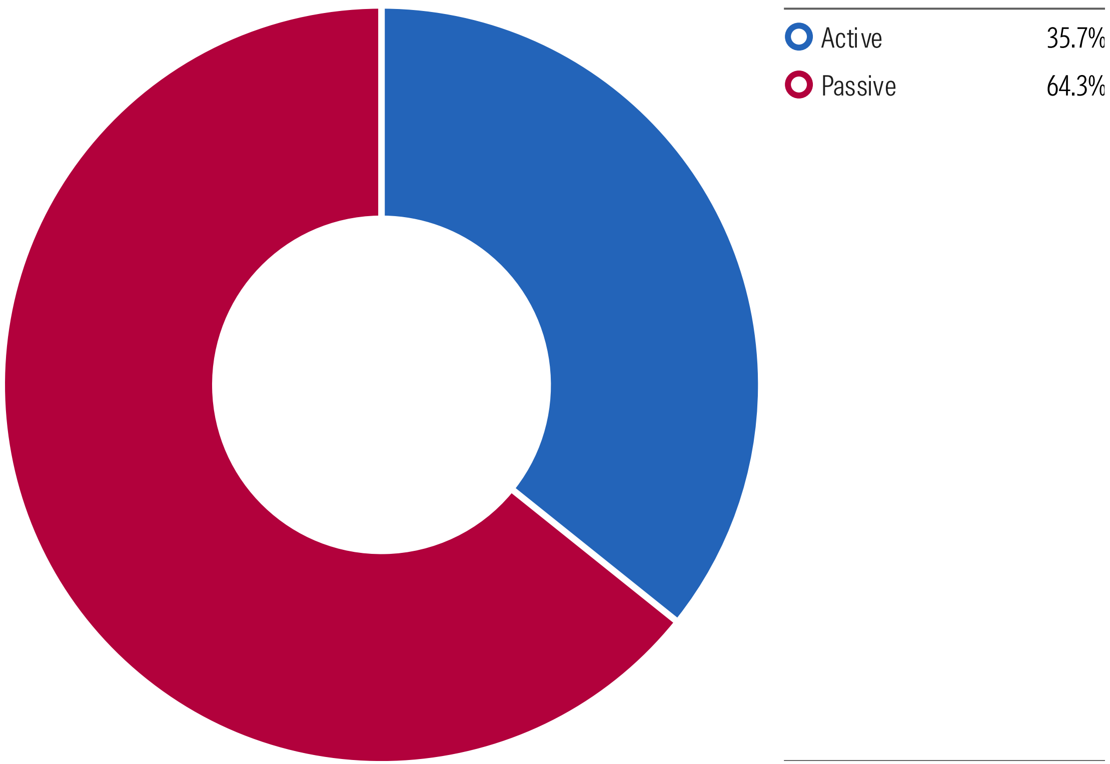


Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix.

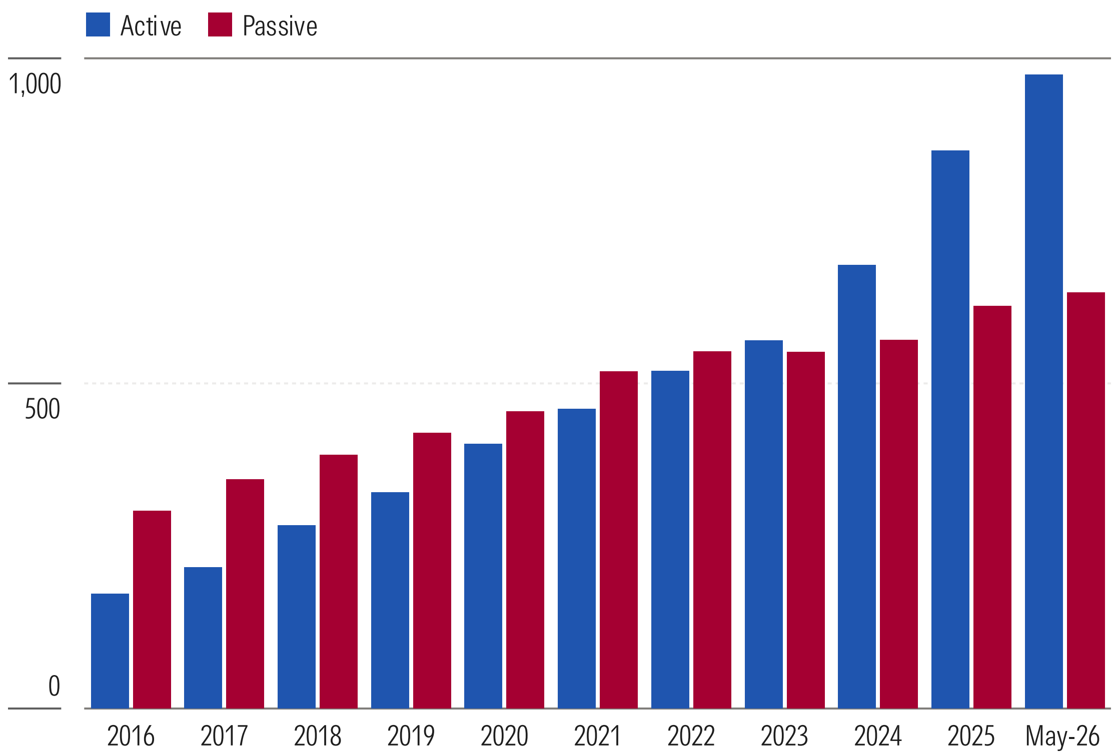
Active ETFs Account for One-Third of Assets and Most Funds

While passive ETFs still hold most assets, active ETFs have led new product development for several years. Active launches have outnumbered passive launches every year since 2018, including a record 208 active ETF launches in 2025 and another 124 in the first five months of 2026. By May 2026, Canada's ETF market included 975 active funds, roughly 50% more than the 640 passive funds.

Canadian ETF Market Share of Assets



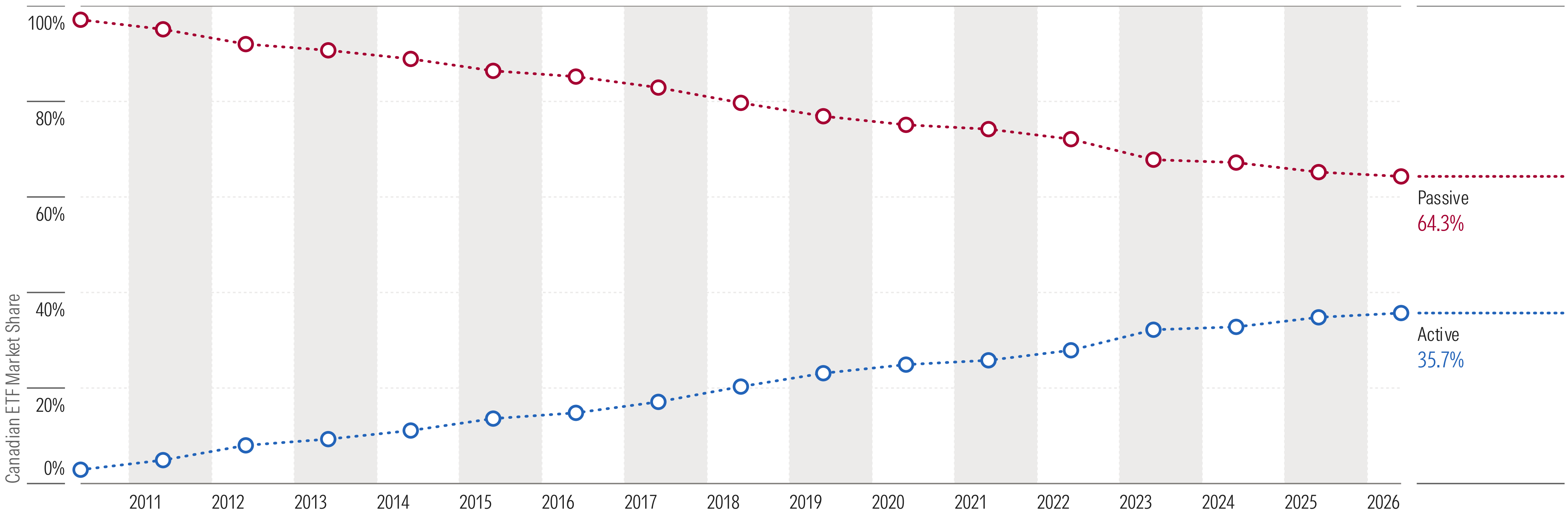
Canadian ETF Fund Count



Passive's Lead Is Narrowing

Active ETFs still trail passive in assets, but the gap is shrinking. Their share of total Canadian ETF assets climbed to 35.7% in May 2026 from 2.9% in January 2010, helped by strong flows and faster long-term growth. Over the past decade, active ETF assets have grown at a 36.2% annualized rate versus 21.3% for passive ETFs, putting active assets on pace to surpass passive assets by 2030 if current growth rates persist.

Active Versus Passive ETF Assets as a Percentage of Total Canadian ETF Assets



Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix. Assets exclude feeder funds to avoid double counting. Active and passive share projections are based on monthly assets compounded at historical 10-year annualized growth rates and will vary with future market conditions.

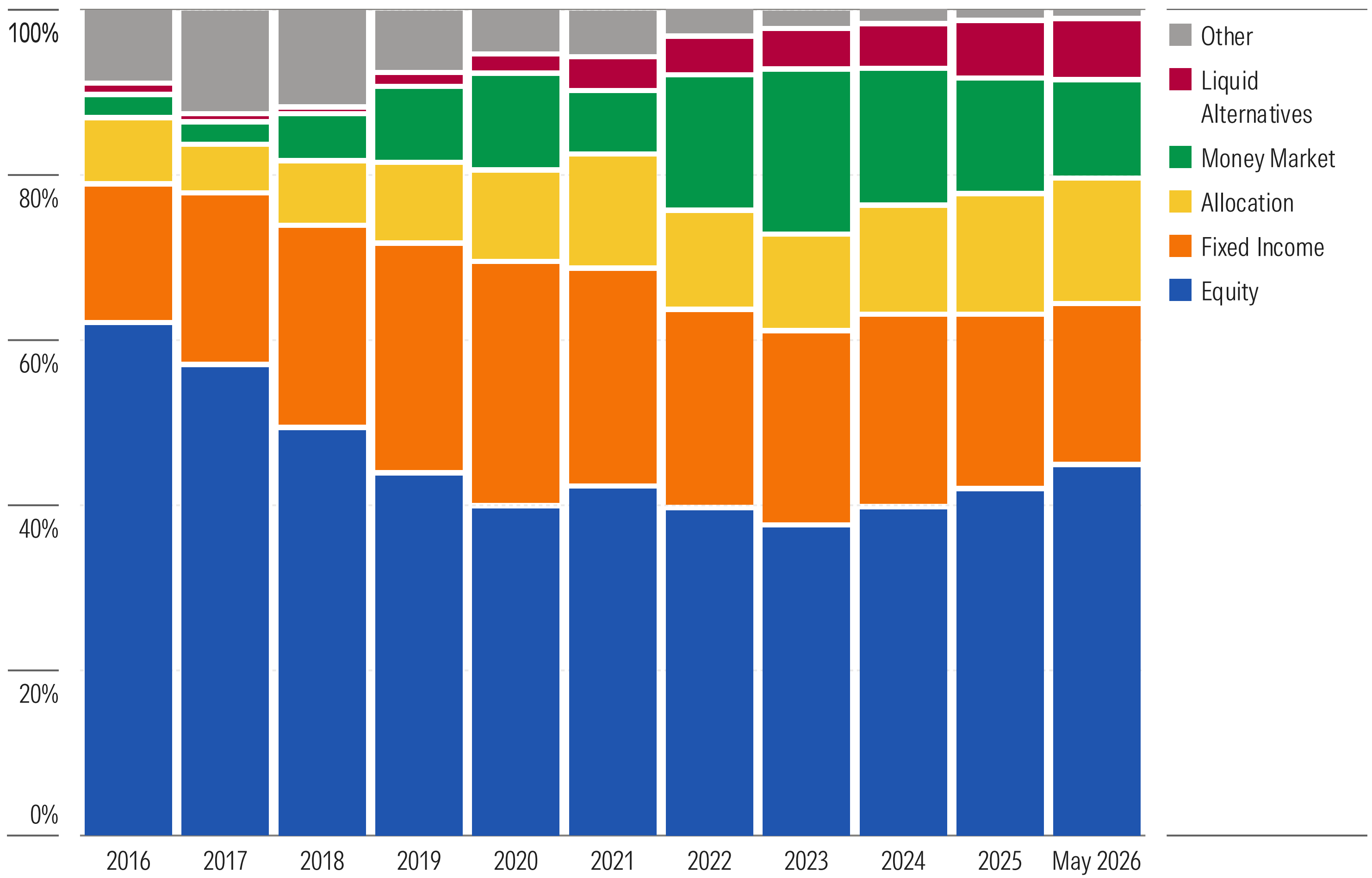
Active ETF Growth Has Broadened Beyond Equities

Equities remain the largest segment of active ETF assets, representing 44.6% of the category—significantly ahead of fixed income's 19.5% share. However, equity's share has fallen from 61.8% in 2016 as allocation, money market, and liquid alternative strategies have expanded.

Allocation ETFs have grown on the back of low-cost, diversified products that combine equity and fixed-income exposure with strategic asset allocation and automatic rebalancing.

Money market ETFs rose to a peak of 20.1% in 2023 from less than 3% of active ETF assets in 2016, supported by higher interest rates. Their share has since declined as rates have eased and other asset classes have attracted stronger relative flows and returns.

Canadian Active ETF Asset Share by Category



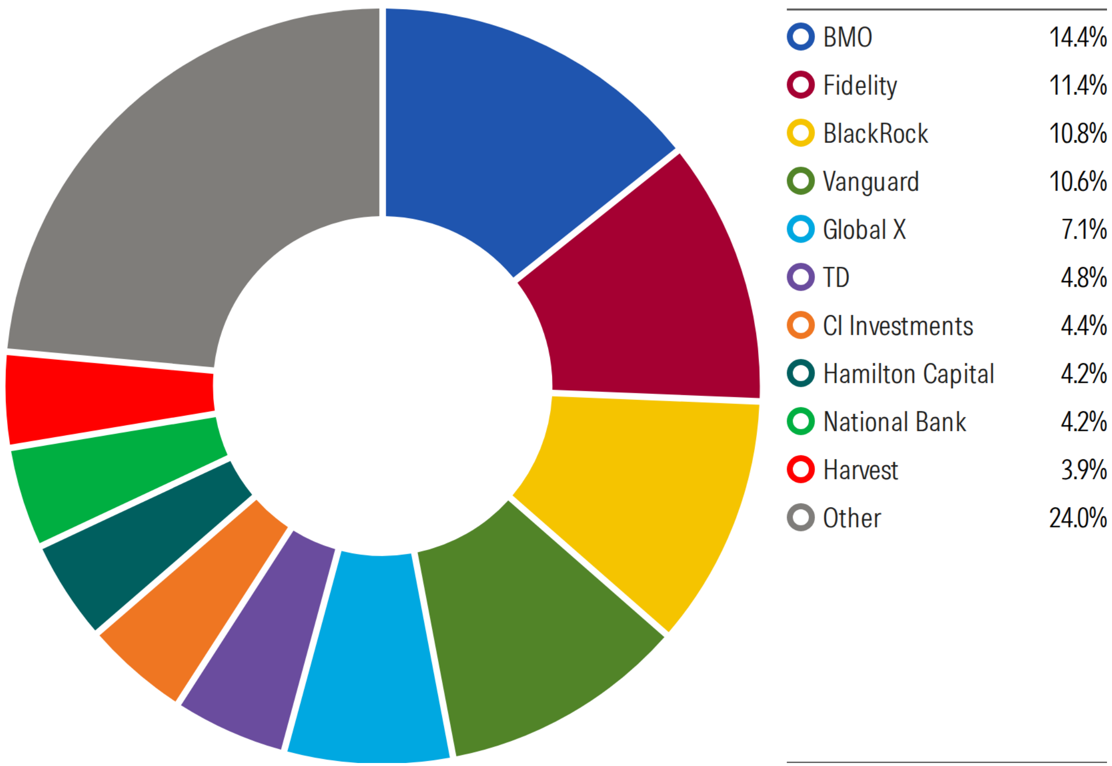
Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix.

CANADA'S ACTIVE ETF MARKET AT A GLANCE

BMO Holds a Narrow Lead as Global Giants Gain

BMO remains Canada's largest active ETF provider, but its lead has narrowed. Its market share fell to 14% in 2026 from 32% in 2020, while Fidelity, BlackRock, and Vanguard lifted their combined share to 33% from 13%, powered by demand for asset-allocation funds.

Canadian Active ETF Asset Share by Provider



Canadian Active ETF Assets and Fund Count by Provider

Provider	Active ETF Assets (CAD Bil)	Market Share	# of Active ETFs
BMO	44.9	14.4%	77
Fidelity	35.5	11.4%	41
BlackRock	33.7	10.8%	18
Vanguard	33.0	10.6%	9
Global X	22.2	7.1%	65
TD	14.9	4.8%	38
CI Investments	13.7	4.4%	57
Hamilton Capital	13.2	4.2%	26
National Bank	13.1	4.2%	37
Harvest	12.2	3.9%	70
Other	74.7	24.2%	537

Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix.

A New Framework for Classifying Active ETFs

Applying Morningstar's Global ETF Classification Framework to Canada

Morningstar's global ETF classification framework divides the ETF universe into three active subcategories and two passive subcategories, creating a clearer way to sort active and passive options. This report applies the framework to Canada for the first time, using the active discretionary, active systematic, and active other classifications to better define the country's growing active ETF market. Category definitions and Canadian ETF examples are below, with further methodology details in the appendix.

Morningstar ETF Classification Framework

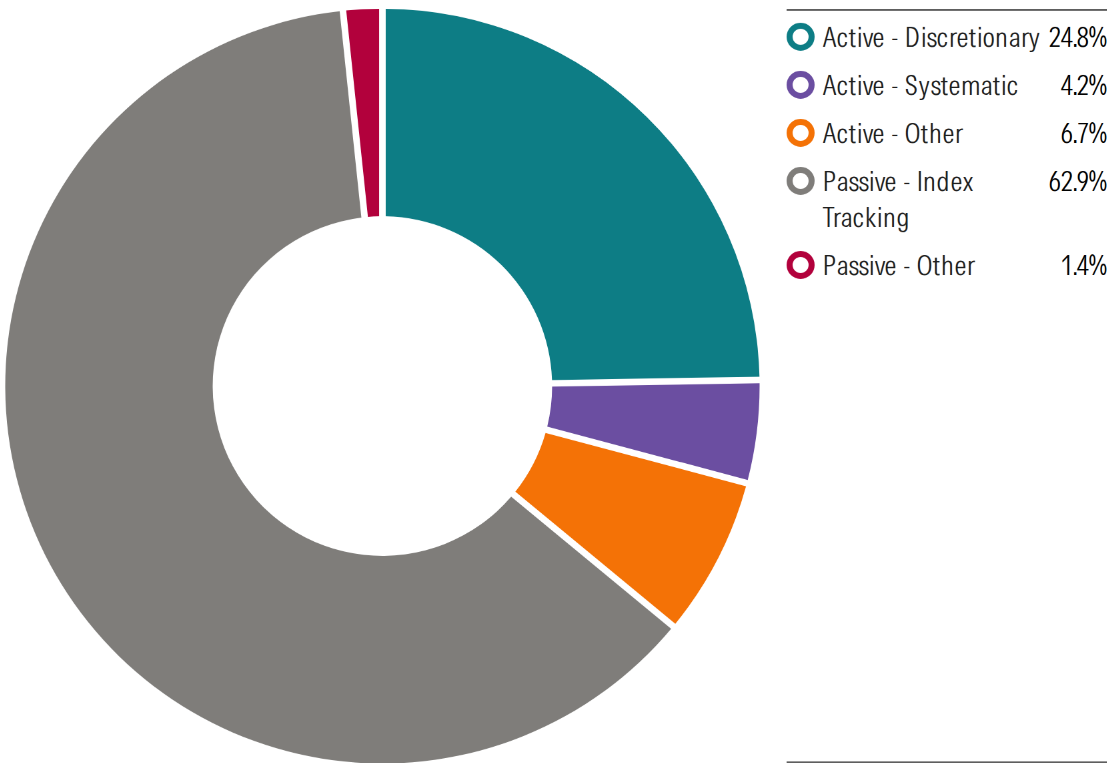
Classification	Definition	Examples
Active - Discretionary	Manager relies primarily on discretionary security selection or allocation.	iShares Core Equity ETF
	Includes allocation ETFs as the allocation decision is discretionary.	BMO Core Plus Bond ETF
		CI High Interest Savings ETF
Active - Systematic	Manager follows a transparent, repeatable, rules-based process with minimal discretion.	TD Q Canadian Dividend ETF
		Mackenzie GQE International Equity ETF
Active - Other	Includes any ETF employing options-based strategies (covered calls, buffers, etc.) and	BMO Covered Call Canadian Banks ETF
	leveraged or inverse single-stock ETFs.	SavvyLong (2X) Shopify ETF
Passive - Index Tracking	ETFs that directly track a broad, transparent, and rules-based index.	S&P 500 Index ETF
		Global X Defence Tech Index ETF
Passive - Other	Includes leveraged and inverse ETFs referencing an index and digital asset ETFs.	3iQ Bitcoin ETF
		BetaPro S&P/TSX 60 2x Daily Bull ETF

Methodology details are provided in the Appendix.

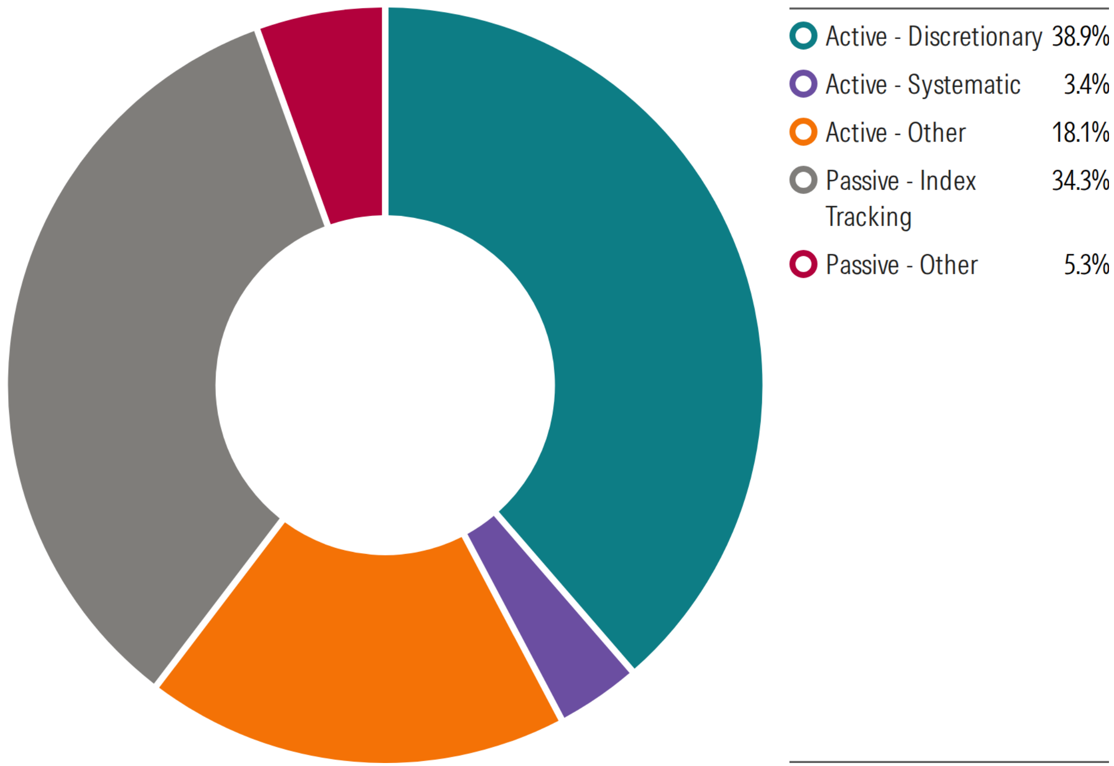
Discretionary Strategies Lead Active Assets and Fund Count

Active discretionary ETFs are the largest active ETF group, accounting for 24.8% of total Canadian ETF assets and 38.9% of ETFs. Active other ranks second by both assets and fund count, driven by covered-call ETFs. Systematic ETFs remain a small segment, representing just 4.2% of assets and 3.4% of funds.

Share of Canadian ETF Assets by Strategy Type



Number of Canadian ETFs by Strategy Type

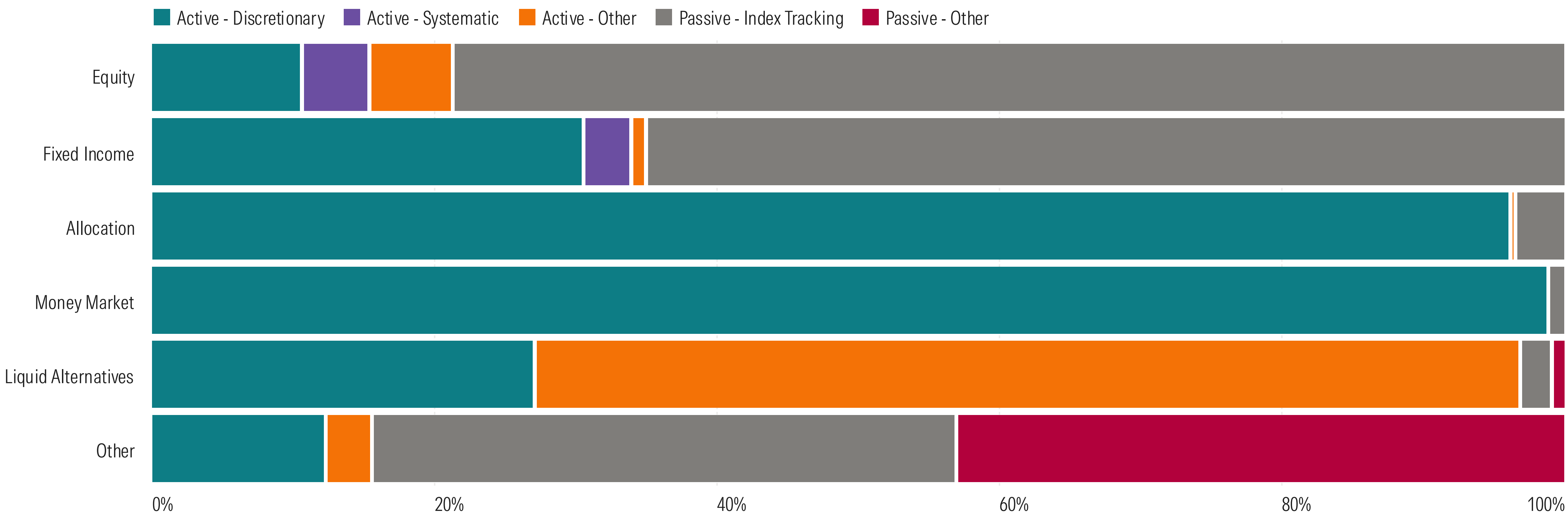


Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix. Assets exclude feeder funds to avoid double counting.

ETF Classification Varies by Asset Class

Equity ETFs remain mostly passive, with 79% of assets in passive index-tracking funds. Allocation ETFs tilt toward active discretionary strategies, reflecting Morningstar's view that strategic asset allocation is an active decision. The "other" categories include niche exposures such as covered-call ETFs, single-stock leveraged or derivative-based ETFs, and funds designed to track bitcoin or other digital assets.

Share of Canadian ETF Assets by Morningstar Category Group and Strategy Type



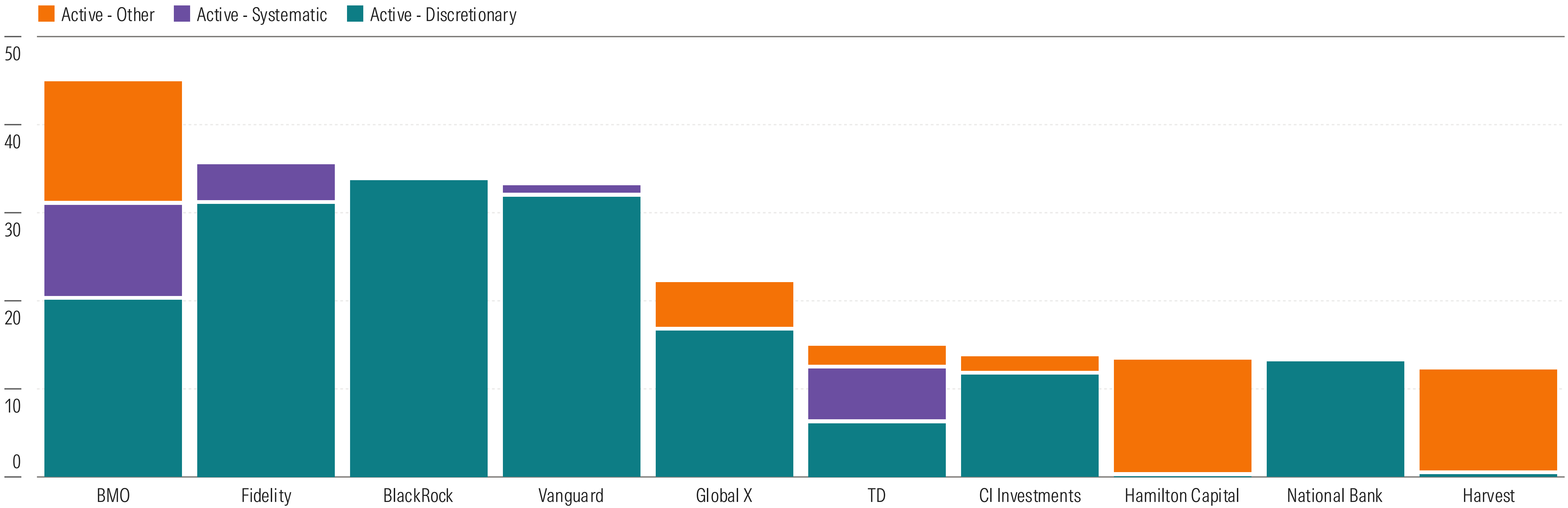
Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix.

Active ETF Providers Have Carved Out Distinct Niches

Most managers occupy clear niches within Canada's active ETF market. Hamilton and Harvest lead the active other category, which includes derivative income and leveraged products. BMO and TD differentiate themselves with diversified active ETF lineups across all three active strategy types, while BlackRock, Vanguard, and Fidelity concentrate on traditional active discretionary products, especially asset-allocation ETFs.

Canadian Active ETF Assets by Provider and Strategy Type

CAD Billion



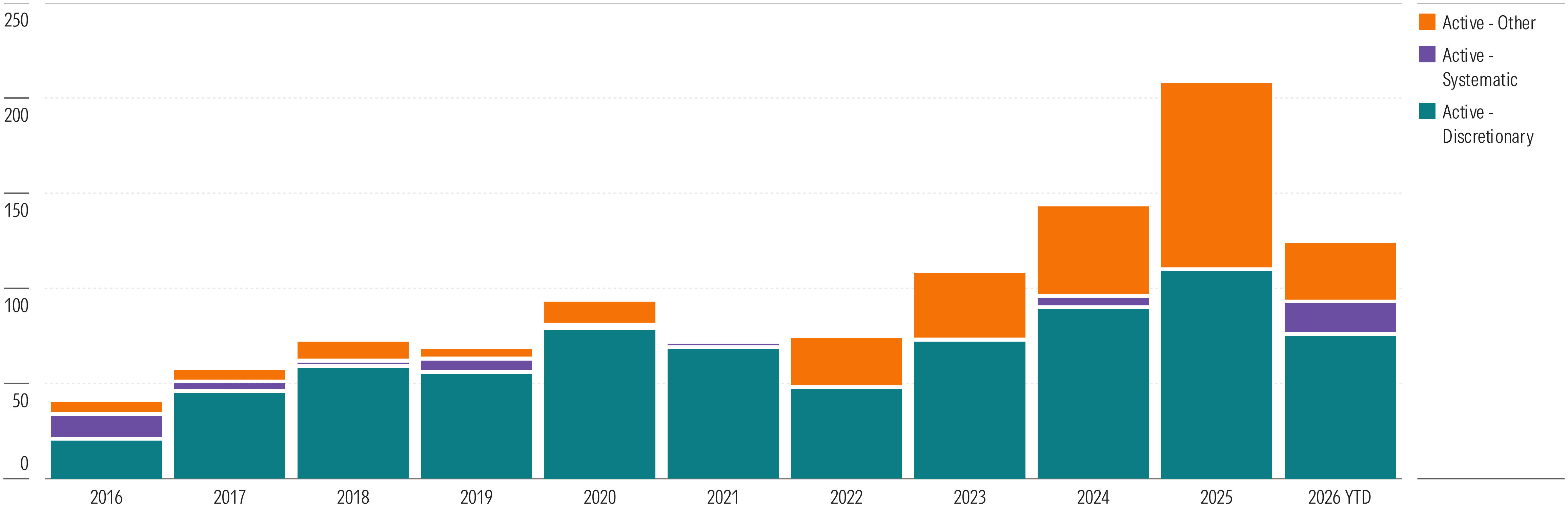
Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix.

Launch Activity and Trends

Active ETF Launches Are Running at Record Pace

Active ETF launches reached a record 208 in 2025, accounting for 73% of all ETF launches. With 124 active ETFs launched in the first five months of 2026 (83% of all ETF launches), the category is on track for another record year. Systematic equity launches have picked up, with 17 new strategies in 2026—the highest number of active systematic ETF launches on record. Niche active ETFs, classified as active other, have also surged since 2022.

Number of Canadian Active ETF Launches by Year

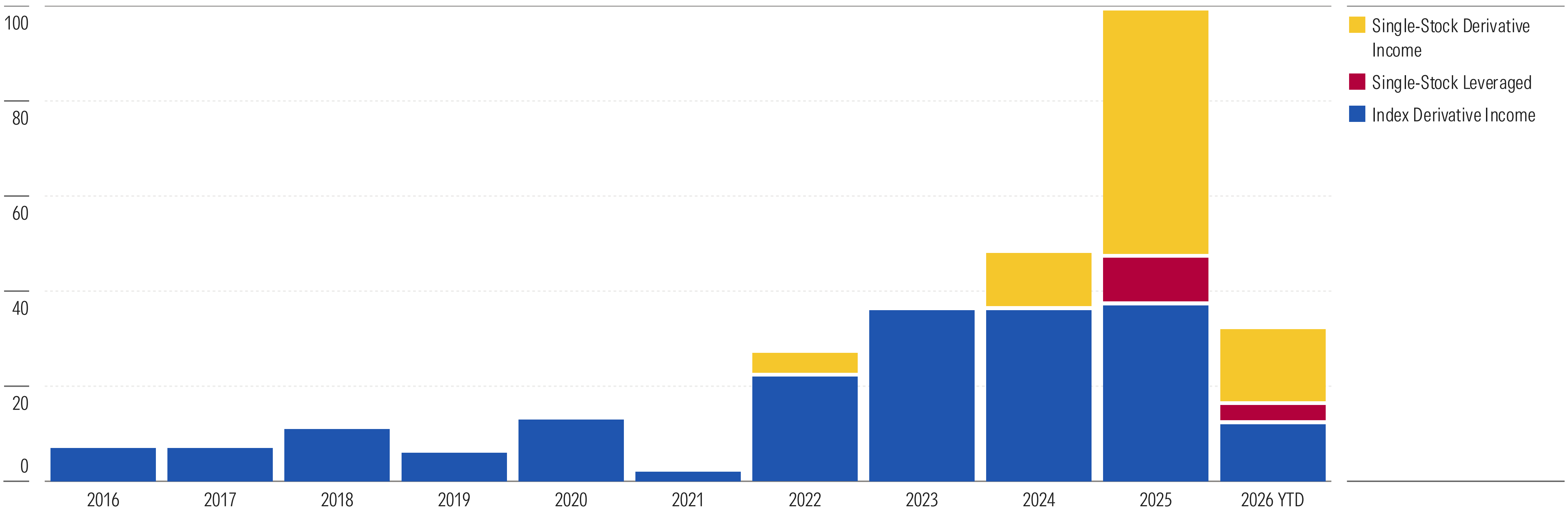


Source: Morningstar Direct. Data as of May 31, 2026.

Derivative Income and Single-Stock Strategies Drove 2025 Launch Spike

Derivative income and single-stock ETFs have driven the surge in active other launches. Derivative income fund launches accelerated in 2022 and peaked in 2025, representing 43% of active ETF launches and 31% of all ETF launches in Canada that year. Single-stock derivative income ETFs were a big part of that spike, with 52 launches in 2025. Providers like Harvest, Ninepoint, and Purpose often offered ETFs with the same or similar exposures; for example, each firm launched Shopify derivative income ETFs in the same August 2025 week.

Breakdown of Active - Other Canadian ETF Launches by Year



Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix.

Systematic Equity Strategies Emerge as 2026 Launch Theme

Systematic equity has been a notable 2026 launch theme. Avantis CIBC, Mackenzie, Russell Investments, and BMO introduced 17 new funds in the year's first five months.

- **Mackenzie GQE**: Quantitative equity strategies using artificial intelligence, machine learning, and multistyle factor tilts, supported by human oversight.
- **Russell Investments**: ETF versions of an established multifactor platform targeting value, momentum, quality, low volatility, growth, and size exposures.
- **BMO Market+**: Benchmark-aware systematic equity strategies using earnings quality, valuation, momentum, profitability, management quality, and sentiment signals.
- **Avantis CIBC**: Equity strategies emphasizing value and profitability, using current prices, book equity, and expected future profits to identify stocks with higher expected returns.

Canadian Systematic ETF Launches in 2026 (January through May)

Name	Ticker	Name	Ticker
Avantis CIBC Canadian Equity ETF	CACE	BMO Market+ All Country World Equity ETF	ZMPW
Avantis CIBC U.S. All-Cap Equity ETF	CAUS	BMO Market+ Canadian Equity ETF	ZMPC
Avantis CIBC U.S. Large Cap Value ETF	CALV	BMO Market+ Global Equity ETF	ZMPG
Avantis CIBC U.S. Small Cap Value ETF	CAUV	BMO Market+ Low Volatility Glbl Eq ETF	ZMLG
Avantis CIBC Global Small Cap Value ETF	CASV	BMO Market+ U.S. Equity ETF	ZMPU
Avantis CIBC International Equity ETF	CADE	Mackenzie GQE Global Balanced ETF	MBQG
Avantis CIBC All-Equity Asset Allc ETF	CAGE	Russell Inv Multi-Factor Cdn Eq PI ETF	RQCA
Avantis CIBC Emerging Markets Equity ETF	CAEM	Russell Inv Multi-Factor Intl Eq PI ETF	RQIN
		Russell Inv Multi-Factor US Eq PI ETF	RQUS

Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix.

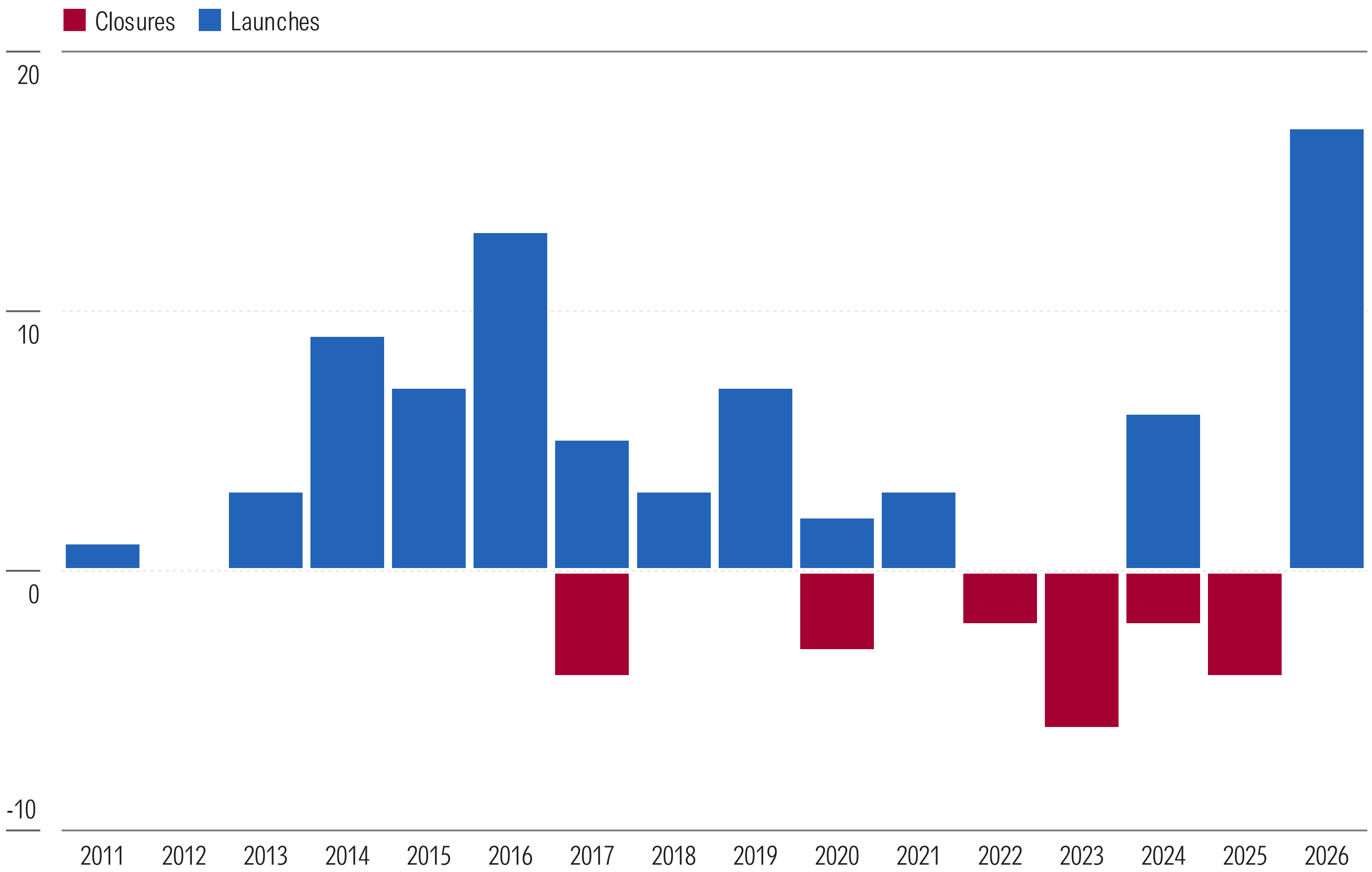
The New Systematic Wave Broadens Factor Exposure

Canada has seen systematic ETFs before. The first wave emerged in the mid-2010s, led largely by rules-based strategies with narrow objectives or single-factor exposures, including dividend and low-volatility ETFs. Many were later consolidated or closed in the early 2020s.

In contrast, recent launches are built around multifactor models that balance several return drivers, rather than offering tactical exposure to a single factor.

In principle, that broader design allows systematic ETFs to compete with both traditional active discretionary funds and low-cost passive broad-market ETFs, offering passive-like efficiency with potential active upside.

Canadian Systematic ETF Launches and Closures by Year

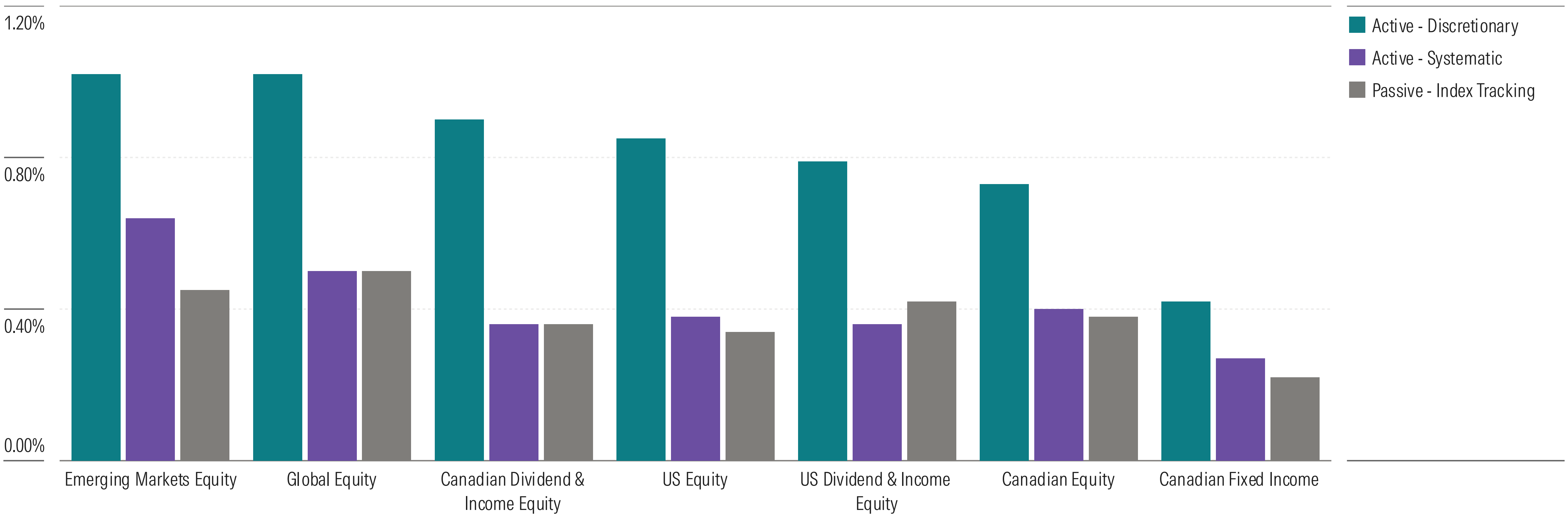


Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix.

Systematic Strategies Narrow the Fee Gap With Passive

Systematic ETFs carry a clear cost advantage over traditional active strategies. Across the seven Morningstar Categories with at least four active systematic ETF constituents, their fees were 48% lower than active discretionary fees on average, and roughly matched passive index-tracking fees in several major equity categories. That pricing puts systematic strategies in direct competition with both active and passive managers.

Average Management Expense Ratio by Morningstar Category and Strategy Type



Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix. Fee comparison based on average management expense ratio of Morningstar Categories with four or more management-expense-ratio-reporting ETF constituents in each of the active discretionary, active systematic, and passive index-tracking universes.

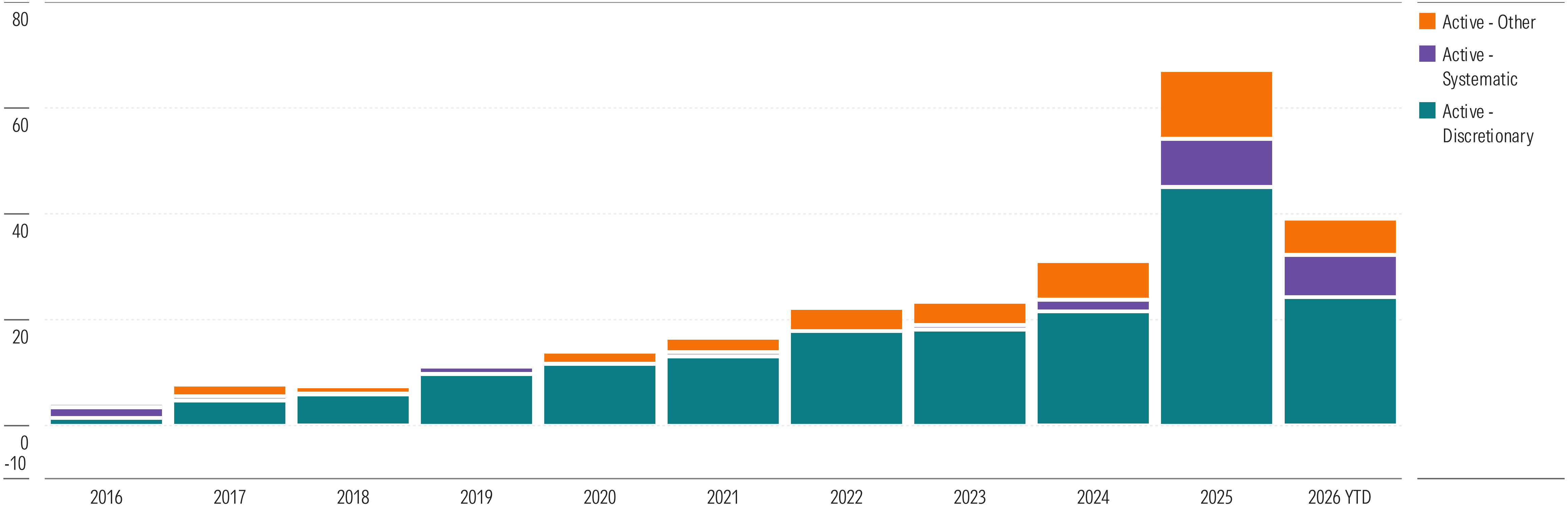
Flows

Active ETF Flows On Pace for Another Record Year

Active ETFs gathered CAD 38.8 billion in net inflows in the first five months of 2026, putting the category on track to exceed 2025's record CAD 67.2 billion—more than twice the 2024 total. Active discretionary strategies led with CAD 23.9 billion in year-to-date inflows, followed by active other at CAD 6.8 billion and active systematic strategies at CAD 8.1 billion.

Annual Net Flows to Canadian Active ETFs

CAD Billion

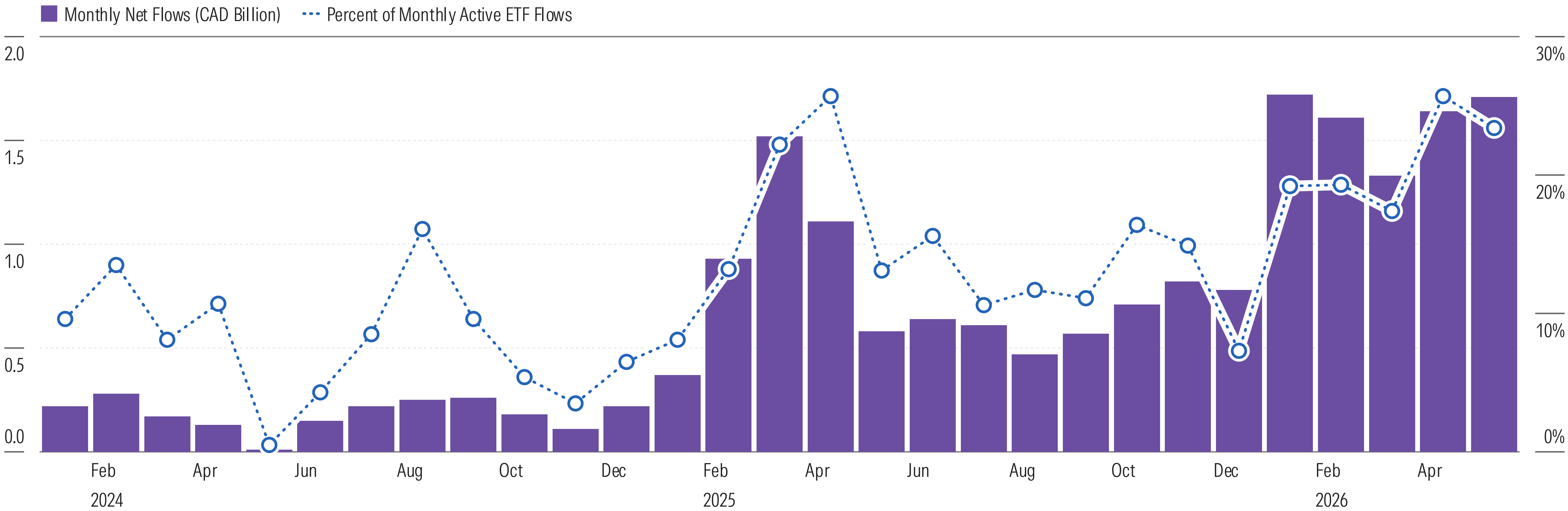


Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix.

Systematic ETFs Take Growing Share of Active ETF Inflows

Systematic ETFs remain a small segment of the active ETF market, but investor demand is accelerating. They captured 23.4% of active ETF inflows in May 2026 and averaged 21.0% year to date, a meaningful increase from 8.0% in 2024 and 14.1% in 2025.

Monthly Net Flows to Canadian Active Systematic ETFs



Source: Morningstar Direct. Data as of May 31, 2026. Methodology details are provided in the Appendix.

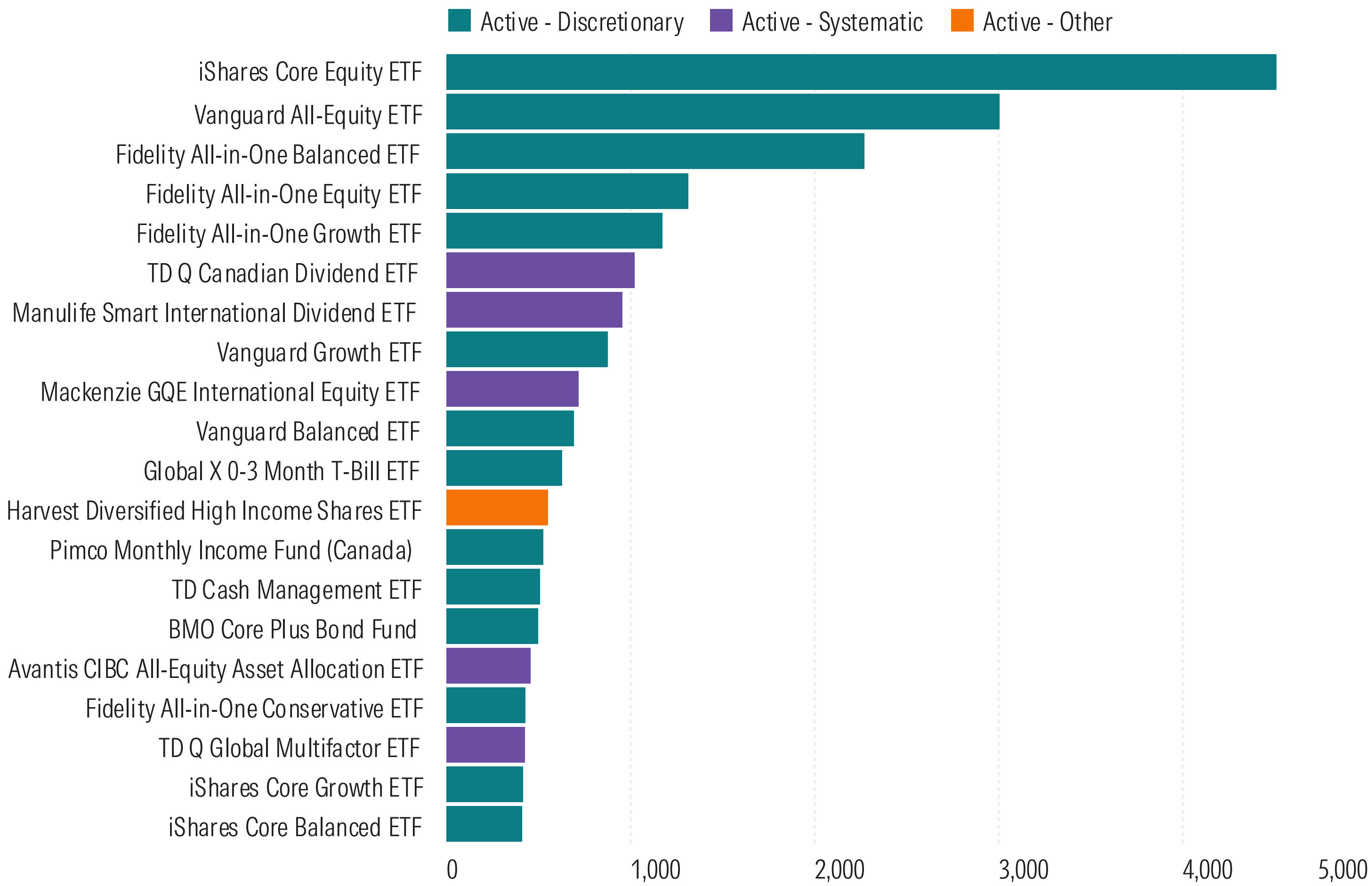
Systematic ETFs Join Allocation Funds Among Flow Leaders

All-in-one asset-allocation ETFs remain a major source of active ETF demand. Half the top 20 active ETFs by year-to-date flows are allocation funds, led by 100% equity portfolios such as iShares Core Equity ETF Portfolio and Vanguard All-Equity ETF Portfolio.

Systematic strategies are also gaining traction. TD Q Canadian Dividend ETF led active systematic flows, while Mackenzie GQE International Equity ETF and the newly launched Avantis CIBC All-Equity ETF also ranked among the top 20.

Harvest Diversified High Income Shares was the top-gathering active-other fund, offering a single-wrapper portfolio of the firm's single-stock derivative income ETFs.

Top 20 Canadian Active ETF Funds by 2026 Year-to-Date Net Flows



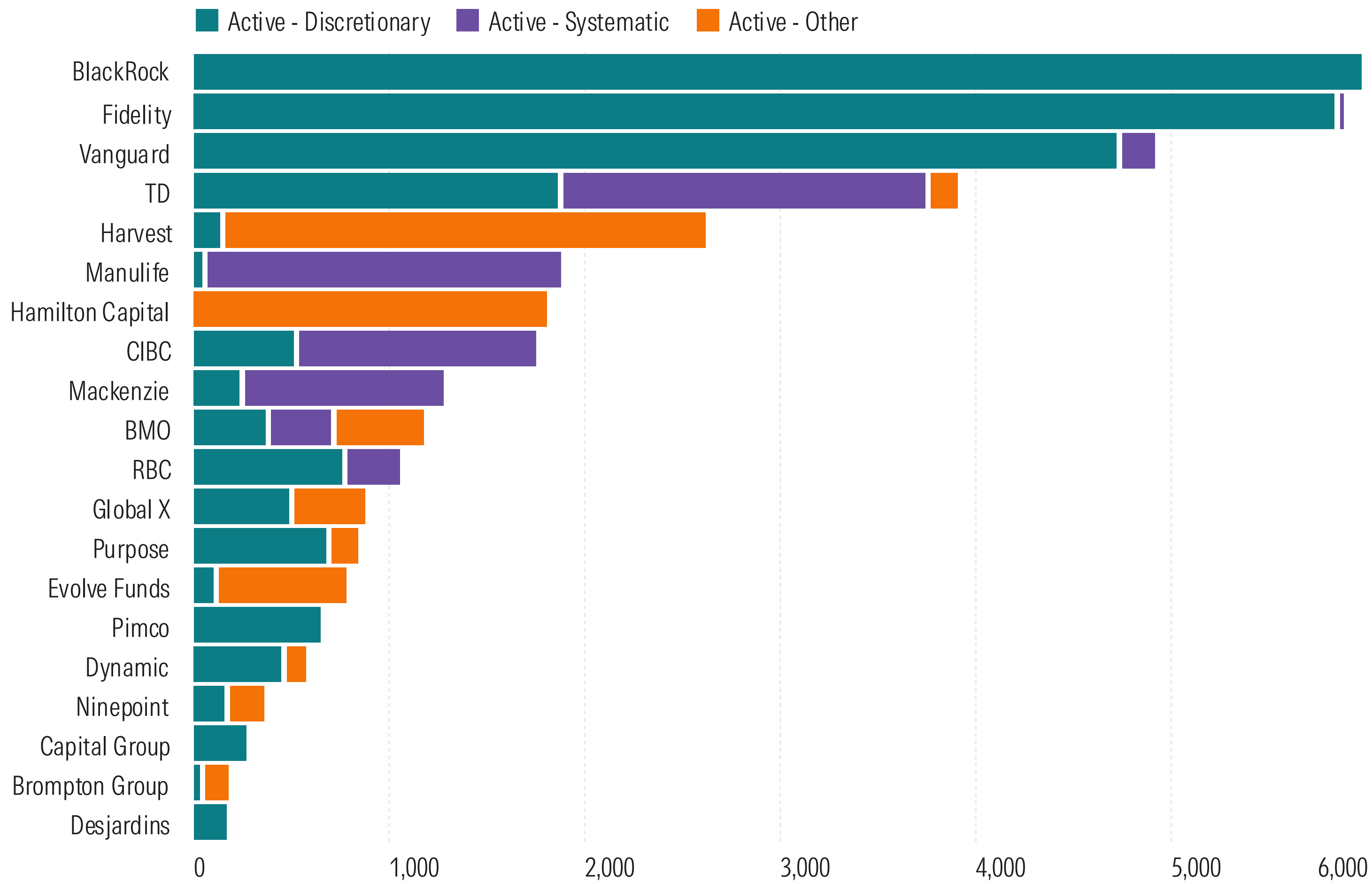
Allocation Giants BlackRock, Fidelity, and Vanguard Lead Year-to-Date Active Flows

Strong demand for allocation ETFs has shaped the 2026 manager flow rankings. BlackRock, Fidelity, and Vanguard rank among the top managers by year-to-date inflows, supported by leading allocation funds such as iShares Core Equity ETF, Fidelity All-in-One Balanced ETF, and Vanguard All-Equity ETF.

Systematic strategies are also influencing the rankings. TD takes fourth place on the strength of its active systematic offerings, while Manulife, CIBC, and Mackenzie have benefited from flows into the systematic Smart-Series, Avantis CIBC, and Mackenzie GQE products.

Harvest and Hamilton Capital rank fifth and seventh, respectively, led by demand for derivative income ETFs.

Top 20 Canadian Active ETF Providers by 2026 Year-to-Date Flows



The Largest Active ETFs by Asset Class

Low-Cost Allocation ETFs Lead Canada's Active ETF Rankings

Asset-allocation funds dominate Canada's active ETF market, accounting for the four largest funds by assets and nine of the top 20 overall. The iShares Core Equity ETF, the all-equity option in the iShares Canadian asset-allocation suite, is the market leader with more than CAD 18 billion in assets. Competition has increasingly shifted to fees; Vanguard cut its allocation ETF fees from 22 to 17 basis points in November 2025, and BlackRock matched that level the following month.

Largest Canadian Active ETFs - All Categories

Top 10 by Assets

Name	Ticker	Category	Assets (CAD Mil)
iShares Core Equity ETF	XEQT	Equity	18,412
Vanguard All-Equity ETF	VEQT	Equity	14,700
Vanguard Growth ETF	VGRO	Allocation	10,144
Fidelity All-in-One Balanced ETF	FBAL	Allocation	8,962
Global X High Interest Savings ETF	CASH	Money Market	6,709
BMO Low Volatility Canadian Equity ETF	ZLB	Equity	6,101
BMO Money Market Fund ETF	ZMMK	Money Market	5,703
Vanguard Balanced ETF	VBAL	Allocation	5,440
Fidelity All-in-One Equity ETF	FEQT	Equity	4,976
iShares Core Growth ETF	XGRO	Allocation	4,830

Largest Canadian Active ETFs - All Categories

Next 10 by Assets

Name	Ticker	Category	Assets (CAD Mil)
CI High Interest Savings ETF	CSAV	Money Market	4,717
Fidelity All-in-One Growth ETF	FGRO	Allocation	4,703
Pimco Monthly Income ETF	PMIF	Fixed Income	4,686
BMO Covered Call Canadian Banks ETF	ZWB	Equity	4,336
BMO Ultra Short-Term Bond ETF	ZST	Fixed Income	3,529
iShares Core Balanced ETF	XBAL	Allocation	3,217
Purpose High Interest Savings Fund	PSA	Money Market	3,105
TD Q Canadian Dividend ETF	TQCD	Equity	3,034
NBI Unconstrained Fixed Income ETF	NUBF	Fixed Income	2,987
BMO Core Plus Bond ETF	ZCPB	Fixed Income	2,905

Source: Morningstar Direct. Data as of May 31, 2026.

Income and Low Volatility Are Popular Themes in Active Equity ETFs

Excluding all-equity allocation ETFs such as iShares Core Equity, Canada's most popular active equity strategies are outcome-oriented, targeting income generation or lower volatility. Income strategies include dividend-focused and covered-call approaches, often focused on Canadian companies. The systematic BMO Low Volatility Canadian Equity ETF leads the category with CAD 6.1 billion in assets.

Largest Canadian Active ETFs - Equity

Top 10 by Assets

Name	Ticker	Assets (CAD Mil)	Strategy Type
BMO Low Volatility Canadian Equity ETF	ZLB	6,101	Active - Systematic
BMO Covered Call Canadian Banks ETF	ZWB	4,336	Active - Other
TD Q Canadian Dividend ETF	TQCD	3,034	Active - Systematic
BMO Global Equity Active ETF	BGEQ	2,850	Active - Discretionary
Fidelity Global Innovators ETF Sr L	FINN	2,670	Active - Discretionary
Hamilton Canadian Fincls YLD Mxmzr ETF	HMAX	2,352	Active - Other
BMO Low Volatility US Equity ETF (CAD)	ZLU	2,346	Active - Systematic
NBI Sustainable Canadian Equity ETF	NSCE	2,311	Active - Discretionary
BMO CA High Dividend Covered Call ETF	ZWC	2,296	Active - Other
BMO Covered Call Utilities ETF	ZWU	2,169	Active - Other

Largest Canadian Active ETFs - Equity

Next 10 by Assets

Name	Ticker	Assets (CAD Mil)	Strategy Type
NBI Global Real Assets Income Fund ETF	NREA	1,752	Active - Discretionary
Manulife Smart International Div ETF	IDIV.B	1,730	Active - Discretionary
TD Active Global Enhanced Dividend ETF	TGED	1,725	Active - Other
BMO Canadian Dividend ETF	ZDV	1,723	Active - Discretionary
Harvest Healthcare Leaders Income ETF	HHL	1,689	Active - Other
Mackenzie GQE International Equity ETF	MIQE	1,544	Active - Systematic
Manulife Smart Dividend ETF	CDIV	1,458	Active - Discretionary
Hamilton Utilities YIELD MAXIMIZER ETF	UMAX	1,326	Active - Other
CI Global Artificial Intelligence C$	CIAI	1,233	Active - Discretionary
Fidelity Global Small Cap Opps ETF	FCGS	1,207	Active - Discretionary

Source: Morningstar Direct. Data as of May 31, 2026.

Active Fixed-Income Leaders Take Different Paths

Canada's largest active fixed-income ETFs span a wide range of approaches. Pimco Monthly Income ETF, a global multisector fund, leads the category, while BMO Ultra Short-Term Bond ETF ranks second with a quasi-money-market profile focused on bonds maturing within one year. NBI Unconstrained Fixed Income ETF adds global bond and derivative exposure, whereas BMO Core Plus Bond ETF leans more heavily toward domestic fixed income.

Largest Canadian Active ETFs - Fixed Income
Top 10 by Assets

Name	Ticker	Assets (CAD Mil)	Strategy Type
Pimco Monthly Income ETF	PMIF	4,686	Active - Discretionary
BMO Ultra Short-Term Bond ETF	ZST	3,529	Active - Discretionary
NBI Unconstrained Fixed Income ETF	NUBF	2,987	Active - Discretionary
BMO Core Plus Bond ETF	ZCPB	2,905	Active - Discretionary
NBI Sustainable Canadian Bond ETF	NSCB	2,839	Active - Discretionary
CIBC Active Investment Grade Corp Bd ETF	CACB	2,349	Active - Discretionary
Fidelity Global Core Plus Bond ETF	FCGB	1,604	Active - Discretionary
Purpose Global Bond ETF	BND	1,454	Active - Discretionary
NBI High Yield Bond ETF	NHYB	1,448	Active - Discretionary
RBC Canadian Discount Bond ETF	RCDB	1,384	Active - Discretionary

Largest Canadian Active ETFs - Fixed Income
Next 10 by Assets

Name	Ticker	Assets (CAD Mil)	Strategy Type
Mackenzie Unconstrained Bond ETF	MUB	1,195	Active - Discretionary
Mackenzie Canadian Strategic Fxd Inc ETF	MKB	914	Active - Discretionary
Dynamic Active Discount Bond ETF	DXDB	806	Active - Discretionary
TD Select Short Term Corp Bd Ldr ETF	TCSB	790	Active - Discretionary
Manulife Smart Core Bond ETF	BSKT	754	Active - Systematic
Manulife Smart Short-Term Bond ETF	TERM	734	Active - Systematic
Fidelity Absolute Income ETF	FCAB	722	Active - Discretionary
CI Global Short-Term Bond ETF	CGSB	692	Active - Discretionary
CI Enhanced Govt ETF	FGO	684	Active - Discretionary
BMO Ultra Short-Term Bond ETF	ZST.L	617	Active - Discretionary

Source: Morningstar Direct. Data as of May 31, 2026.

Yield-Oriented Strategies Lead Outside Traditional Asset Classes

Beyond equities, fixed income, and allocation, the largest active ETFs are concentrated in money market, derivative income, and preferred share strategies. Money market funds remain popular in both Canadian- and US-dollar formats, while yield-oriented strategies occupy many of the top spots outside traditional asset classes.

Largest Canadian Active ETFs - Money Market

Top 10 by Assets

Name	Ticker	Assets (CAD Mil)	Strategy Type
Global X High Interest Savings ETF	CASH	6,709	Active - Discretionary
BMO Money Market Fund ETF Series	ZMMK	5,703	Active - Discretionary
CI High Interest Savings ETF	CSAV	4,717	Active - Discretionary
Purpose High Interest Savings Fund	PSA	3,105	Active - Discretionary
iShares Premium Money Market ETF Comm	CMR	2,662	Active - Discretionary
Global X 0-3 Month T-Bill ETF CAD	CBIL	2,225	Active - Discretionary
Global X Cash Maximizer Corporate Cl ETF	HSAV	1,922	Active - Discretionary
Purpose Cash Management ETF	MNY	1,800	Active - Discretionary
Evolve High Interest Savings Account ETF	HISA	1,273	Active - Discretionary
Purpose US Cash ETF	PSU.U	1,062	Active - Discretionary

Largest Canadian Active ETFs - Other Categories

Top 10 by Assets

Name	Ticker	Assets (CAD Mil)	Strategy Type
Harvest Diversified High Income ETF A	HHIS	1,769	Active - Other
Evolve Canadian Banks & Lfcs Enh Yld Fd	BANK	1,069	Active - Other
Global X Active Preferred Share ETF Comm	HPR	939	Active - Discretionary
RBC Canadian Preferred Share ETF	RPF	665	Active - Discretionary
Brompton Split Corp. PreferredShareETF	SPLT	644	Active - Discretionary
PICTON Market Neutral Equity Alt ETF	PFMN	627	Active - Discretionary
Dynamic Active Preferred Shares ETF	DXP	620	Active - Discretionary
Harvest Diversified Monthly Income ETF A	HDIF	537	Active - Other
Harvest Strategy Inc. En High Income ETF	MSTE	453	Active - Other
TD Active Preferred Share ETF	TPRF	447	Active - Discretionary

Source: Morningstar Direct. Data as of May 31, 2026.

Appendix

ETF Classification Methodology

Morningstar classifies ETFs using a standardized framework designed to distinguish passive index-tracking products from active strategies, while applying consistent rules to edge cases such as leveraged, inverse, cryptocurrency, options-based, and defined-outcome products. The classification is intended to supplement existing index fund tagging rather than replace it. Manual overrides may be applied in limited cases when prior tagging decisions or fund disclosures support a different classification.

Passive - Index Tracking

Funds in this group directly track a broad, transparent, rules-based index.

Passive - Other

Funds in this group are classified as index funds but do not fit the standard passive index-tracking category. Examples include leveraged or inverse ETFs referencing an index, spot crypto ETFs that directly hold digital assets, and certain crypto-related index funds. These products are treated as passive because their exposure is rules-based or mechanically linked to an index or asset, but they are separated from traditional index trackers because of their structure, exposure type, or implementation.

Active - Discretionary

Funds in this group rely primarily on manager judgment in security selection, portfolio construction, or asset allocation.

Active - Systematic

Funds in this group follow a transparent, repeatable, rules-based investment process with limited portfolio manager discretion. These strategies may use quantitative models or codified investment rules to drive security selection and portfolio construction.

Active - Other

Funds in this group fall into specialized product types such as defined-outcome strategies, derivative income strategies, single-stock leveraged or inverse ETFs, options-based strategies, or products referencing hand-picked baskets of securities. This category captures products where the exposure, structure, or implementation makes them distinct from traditional discretionary or active strategies.

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