

# Forstrong Emerging Markets Equity ETF (FEME)

At September 30, 2024



FORSTRONG<sup>®</sup>  
GLOBAL

## Fund Details

<b>Fund name</b>	Forstrong Emerging Markets Equity ETF
<b>Class</b>	ETF Units
<b>Ticker</b>	FEME
<b>Inception Date</b>	August 10, 2023
<b>Management Fee</b>	0.70%
<b>Annual Management Fees &amp; Other Expenses<sup>1</sup></b>	2.00%
<b>Distribution Frequency</b>	Quarterly
<b>CUSIP</b>	346936107
<b>ISIN</b>	CA3469361073
<b>Currency</b>	Canadian Dollar
<b>Currency Exposure</b>	Actively Managed
<b>Exchange</b>	TMX
<b>Investment Manager</b>	Forstrong Global Asset Management Inc.
<b>Eligibility</b>	All registered and non-registered investment accounts
<b>Risk Rating<sup>2</sup></b>	Medium
<b>Assets Under Management<sup>3</sup></b>	\$1,587,866
<b>Number of Holdings</b>	13
<b>Investment Objective</b>	FEME aims to achieve long-term capital growth by primarily investing, directly or indirectly, in a diversified mix of emerging markets securities.

## Overview of the Asset Class

Emerging markets represent a dynamic and rapidly growing asset class that encompasses economies in various stages of development, primarily located in regions such as Asia, Latin America, Africa, and the Middle East. These markets offer investors the potential for higher returns, as they are often characterized by robust economic growth, expanding middle classes, and burgeoning consumer markets. However, they also come with higher volatility and risks due to factors like political instability, currency fluctuations, and regulatory uncertainties. Diversifying into emerging markets can be a strategic move to capture growth opportunities while balancing the associated challenges in a well-rounded investment portfolio.

## Key Selling Features / Benefits

To achieve the investment objective for Forstrong Emerging Markets Equity ETF (FEME), the portfolio manager:

- will utilize an active country, sector and thematic selection process designed to capitalize on the higher volatility and variability of returns typically available in emerging markets
- will seek to profit from the growth opportunities in the developing world, focusing on countries believed to be embracing structural reform and showing improvements in corporate governance, transparency and liquidity
- will utilize a proprietary emerging markets country allocation model, comprised of long, medium and short-term factors critical to relative performance:
  - **long-term factors include:** structural trends, political risk, reform agenda and valuations
  - **medium-term factors include:** degree of global operating leverage, commodity exposures, financial vulnerability and credit cycle
  - **short-term factors include:** technical indicators, behavioural analysis and policy trajectory
- will employ a proprietary emerging markets risk analysis framework to inform the active strategy cash weighting
- may invest, directly or indirectly, in emerging markets equity securities and cash and equivalents from Canada and emerging markets

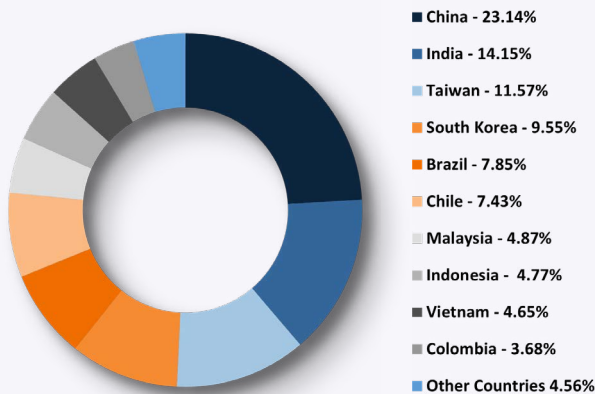
The FEME portfolio is designed for investors with a medium risk tolerance who are seeking to grow their capital over the long-term.

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## Geographic Allocation<sup>4</sup>

As at September 30, 2024



## Top 5 Holdings<sup>4</sup>

As at September 30, 2024

1. Franklin FTSE India ETF
2. Franklin FTSE Taiwan ETF
3. Franklin FTSE South Korea ETF
4. KraneShares CSI China Internet ETF
5. WisdomTree Emerging Markets High Dividend Fund

## Investment Results<sup>5</sup>

As at September 30, 2024

	YTD	1 Month	1 Year	3 Years	5 Years	Since Inception
Total Return (%) <sup>*</sup>	9.57	5.34	11.82	N/A	N/A	4.71

<sup>\*</sup>Performance start date as of August 10, 2023. The indicated rates of returns are the historical annual compounded total returns, including changes in unit value and reinvestment of all distributions for the ETF Class of units. Past performance is not indicative of future results.

## Go Further with Forstrong

### People

Managed by a team of investment professionals with specialized international expertise.

### Process

An active macro approach driven by secular, cyclical and behavioral analysis.

### Performance

GIPS<sup>®</sup>-compliant<sup>6</sup> performance driven by proprietary research.

## Disclaimers:

All information is provided by Forstrong Global Asset Management Inc. (“Forstrong”) as of September 30, 2024, unless otherwise indicated. The contents of this document are provided for illustrative and marketing purposes only. Nothing herein is or shall be deemed to constitute investment, research, tax, financial, or legal advice, nor an opinion or recommendation regarding any products, strategies, or any security in particular or the appropriateness of any investment. Nothing contained in these materials is, or should be construed or used as, an offer, a solicitation of an offer, or an invitation to buy or sell any security, investment, fund, or financial product or instrument, or an endorsement, recommendation, or sponsorship of any entity or security cited or to adopt any particular investment or portfolio strategy. This material contains general information only and does not have regard to the specific investment objectives, financial situation, risk profile, or the particular needs of any specific person who may receive these materials. These materials are not intended for distribution in any jurisdiction where such distribution would be contrary to law. The information herein does not provide a sufficient basis for an investment decision and Forstrong makes no representation as to the suitability of any investment described herein. Investors should assess as to whether the information is appropriate in their individual circumstances and should consult with their own investment, tax, financial, and legal advisors before making any investment decisions.

**1: Management Fees:** The management expense ratio (“MER”) means the ratio, expressed as a percentage, of the expenses of the ETF to its average net asset value, calculated in accordance with Part 15 of National Instrument 81-106, and is based on total expenses, including sales tax (excluding commissions and other portfolio transaction costs), for the stated period for the ETF and is expressed as an annualized percentage of the ETF’s daily average net asset value during the period. Forstrong currently waives or absorbs fees and expenses of the ETF to cap annual management fees and other expenses at 2%. Forstrong may, in its discretion, change or discontinue this practice at any time, without notice.

**2: Risk Rating:** Risk Rating is based on how much the ETF’s returns have changed from year to year. It doesn’t tell you how volatile the ETF will be in the future. The rating can change overtime. An ETF with a low risk rating can still lose money. For more information about the risk rating and specific risks that can affect the ETF’s returns, see the ETF’s simplified prospectus.

**3: Data as at September 30, 2024**

**4:** The holdings and allocation information shown are for illustrative or informational purposes only. All holdings and allocation information is as at September 30, 2024. Holdings and allocations are subject to change. Any specific companies, issuers, funds, ETFs, or indices mentioned are for illustrative or educational purposes only and are not and shall not be deemed to be or construed as a recommendation, offer, or solicitation to buy or sell any securities. Any companies, issuers, funds, or ETFs mentioned do not necessarily represent current or future holdings of the ETF.

**5:** Commissions, management fees, and expenses all may be associated with an investment in the Forstrong Emerging Markets Equity ETF (FEME) (the “ETF”). Please read the ETF’s simplified prospectus, which contains detailed information, and speak to an advisor before investing. The indicated rates of returns 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. Rates of return for periods greater than one year have been annualized. Numbers may not add up to 100% due to rounding. **The ETF is not guaranteed, its value changes frequently, and investors may experience a gain or loss. Past performance may not be repeated.**

**6:** Forstrong Global Asset Management Inc. claims compliance with the Global Investment Performance Standards (GIPS®). GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To obtain a copy of a GIPS® Report(s), contact Forstrong Global Asset Management Inc. at [funds@forstrong.com](mailto:funds@forstrong.com).

All monetary figures are expressed in Canadian dollars unless otherwise noted.