

## First Trust launches family of AlphaDEX™ Dividend ETFs in Canada

Firm brings highly successful rules-based fundamental stock selection methodology to Canadian investors

TORONTO, May 15, 2013 /CNW/ - FT Portfolios Canada Co., a privately owned company and an affiliate of Chicago based First Trust Portfolios L.P., a U.S. registered broker-dealer, is pleased to announce that the first three First Trust AlphaDEX™ Dividend ETFs have completed their initial offering of units for both the common class and advisor class units of the ETFs and are scheduled to commence trading on Wednesday, May 15th on the Toronto Stock Exchange.

**First Trust AlphaDEX™ Canadian Dividend Plus ETF** (TSX: FDY, FDY.A), will primarily invest in a portfolio of higher yielding Canadian dividend paying stocks, as well as provide Unitholders with monthly distributions. In addition, First Trust AlphaDEX™ Canadian Dividend Plus ETF will from time to time write call options on a portion of the portfolio in order to produce additional income.

**First Trust AlphaDEX™ U.S. Dividend Plus ETF (CAD-Hedged)** (TSX: FUD, FUD.A), will primarily invest in a portfolio of higher yielding U.S. dividend paying stocks, as well as provide Unitholders with monthly distributions. In addition, First Trust AlphaDEX™ U.S. Dividend Plus ETF (CAD-Hedged) will from time to time write call options on a portion of the portfolio in order to produce additional income.

**First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)** (TSX: FDE, FDE.A), will primarily invest in a portfolio of dividend paying equity securities domiciled in emerging markets and selected from the countries represented by the S&P/BMI Emerging Markets Index. The ETF will also provide Unitholders with monthly distributions.

"Today, FT Portfolios Canada Co. is making available the successful rules-based AlphaDEX™ fundamental stock selection methodology to Canadian investors with our first set of Fundamentally Weighted Dividend ETFs" said Fraser Howell, FT Portfolio Canada's President & Chief Financial Officer. "The First Trust AlphaDEX™ Dividend ETF family provides investors with broad market exposure to higher yielding dividend paying stocks across different geographies."

"When you look at the Canadian ETF marketplace today, the majority of ETFs and assets under management are tied to market capitalization weighted indices which, by their very nature, overweight larger potentially overvalued companies and underweight smaller, potentially undervalued companies" adds Karl Cheong, the Senior Vice President, Head of Product Development at FT Portfolios Canada. "We believe this is an optimal time for Canadians to diversify their portfolios into fundamental strategies and we are committed to providing investors

with opportunities to capitalize on companies that may have stronger investment merit through ETFs using the proprietary AlphaDEX™ methodology."

### **About First Trust's AlphaDEX™ Investment Methodology**

The AlphaDEX™ methodology stems from the belief that market capitalization weighted benchmarks exhibit an inherent flaw in terms of its portfolio design. AlphaDEX™ is a transparent and repeatable weighting methodology grounded in fundamentals in order to exploit mispricings and potential drawbacks of market capitalization weighted benchmarks.

The First Trust AlphaDEX™ ETFs are merit based. The methodology selects companies from a base universe and divides them into growth and value buckets. The growth stocks are evaluated by five metrics and allocated a score based on:

- 3, 6 and 12 month price appreciation
- One year sales growth
- Sales-to-price ratio

The value stocks are evaluated by three metrics and allocated a score based on:

- Book value-to-price
- Cash flow-to-price
- Return-on-assets

The AlphaDEX™ methodology assigns the highest weight in each AlphaDEX™ ETF to the highest scoring stocks. The goal is to create a portfolio that emphasizes the "best" growth stocks and "best" value stocks while eliminating less fundamentally attractive stocks. This scalable methodology has led to a successful global, investable family of fundamentally weighted ETFs.

"The AlphaDEX™ methodology provides the investment marketplace with a hybrid approach of blending the desired features of a traditional passive index tracking ETF with the risk management and filtering process of active management" says Bobby Eng, Senior Vice President, Head of Sales at FT Portfolios Canada. "We believe this will be the next evolution for the Canadian ETF marketplace."

### **About First Trust**

The First Trust companies are a well-respected global enterprise with a history in the U.S. market since 1991 and in Canada since 1996. First Trust Advisors L.P., the portfolio advisor for the First Trust AlphaDEX™ ETFs, has approximately US\$12 billion in ETF assets under management and approximately US \$70 billion in total assets under supervision or management. First Trust is the umbrella name used for its various businesses conducted in Europe, Canada and the U.S.



For further information about FT Portfolios Canada's ETFs can be found at [www.firsttrust.ca](http://www.firsttrust.ca) or at [www.firsttrustetfs.ca](http://www.firsttrustetfs.ca)

*Commissions, management fees and expenses all may be associated with investments in exchange traded funds. Please read the prospectus before investing. Exchange traded funds are not guaranteed, their values change frequently and past performance may not be repeated.*

SOURCE: FT Portfolios Canada Co.

For further information:

Media Contact

Fraser Howell, President  
FT Portfolios Canada Co.  
330 Bay Street, Suite 1300  
Toronto, Ontario  
M5H 2S8  
Email: [FraserHowell@firsttrust.ca](mailto:FraserHowell@firsttrust.ca)  
Phone: 416-865-8054