



First Trust Senior Loan ETF (CAD-Hedged) • FSL, FSL.A

Interim Management Report of Fund Performance
June 30, 2019

(Page intentionally left blank)

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2019

First Trust Senior Loan ETF (CAD-Hedged) **(the “First Trust ETF”)**

This interim management report of fund performance contains financial highlights but does not contain the complete unaudited interim financial report of the First Trust ETF. All references to dollars contained herein are to Canadian dollars.

Securityholders may also contact us to request a copy of the First Trust ETF’s proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosures relating to the First Trust ETF by calling 1-877-622-5552, by writing to us at FT Portfolios Canada Co., 40 King Street West, Suite 5102, Scotia Plaza, Box 312, Toronto, Ontario M5H 3Y2 or by visiting our website at www.firsttrust.ca or SEDAR at www.sedar.com.

Forward-looking Statements

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent beliefs regarding future events. By their nature, forward-looking statements are based on assumptions and are subject to inherent risks and uncertainties. There is significant risk that forward-looking statements will not prove to be accurate. Readers of this document should not place undue reliance on forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the expectations, estimates or intentions expressed or implied in the forward-looking statements. These factors include but are not limited to market and general economic conditions, interest rates, foreign currency exchange rates, the extent of industry sector exposure, the performance of the securities of the issuers held in the portfolio and regulatory developments and the risks detailed in the First Trust ETF’s prospectus. The Manager does not undertake and specifically disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

First Trust Senior Loan ETF (CAD-Hedged)

Management Report of Fund Performance

For the six-month period ended June 30, 2019

Investment Objective and Strategy

The fundamental investment objective of the **First Trust Senior Loan ETF (CAD-Hedged)** (the “First Trust ETF”) is to provide unitholders with a high level of current income by investing primarily in a diversified portfolio of senior floating rate loans and debt securities, with capital appreciation as a secondary objective. The First Trust ETF invests primarily in senior loans, which are generally rated below investment grade debt. Settlement periods for senior secured loans may be longer than for other types of debt securities, such as corporate bonds. The First Trust ETF is not a substitute for holding cash or money market securities.

To achieve its investment objectives, the First Trust ETF will primarily invest in a portfolio of senior floating rate loans which are generally rated at or below BB+ by Standard & Poor’s, or Ba1 or less by Moody’s Investor Services, Inc., or a similar rating by a designated credit rating organization (as defined in NI 81-102) and debt securities. Under normal market conditions, the First Trust ETF will invest at least 80% of its net assets in senior loans, which may include loans that are not secured by any specific collateral of the borrower, loans that have a lower than first lien priority on collateral of the borrower, loans to foreign borrowers, loans in foreign currencies and other loans with characteristics that the portfolio advisor believes qualify as senior loans. The senior loans included in the portfolio often maintain an interest rate duration of less than 90 days; however, the inclusion of LIBOR floors on certain senior loans or other factors may cause interest rate duration to exceed 90 days.

The First Trust ETF will pursue its objectives by seeking senior loans that the portfolio advisor believes exhibit the best combination of attractive fundamental credit characteristics and relative value within the senior loan market. The portfolio advisor seeks to assemble a well-diversified portfolio that includes loans of issuers with strong credit metrics, including strong cash flows and effective management teams. The First Trust ETF may invest in floating rate loans of companies whose financial condition is troubled or uncertain and that may be involved in bankruptcy proceedings, reorganizations or financial restructurings.

The First Trust ETF may invest up to 20% of its net assets in other floating rate debt instruments (including floating rate bonds, floating rate notes, money market instruments, floating rate debentures and tranches of floating rate asset-backed securities, structured notes, made to, or issued by, U.S. and non-U.S. corporations or other business entities), other fixed-rate income producing securities (including, without limitations, U.S. government debt securities, investment grade and below-investment grade corporate debt securities), securities of other investment funds, warrants and equity securities and derivatives. The First Trust ETF will generally seek to hedge substantially all of its U.S. dollar currency exposure back to the Canadian dollar.

Risk

The overall risk for the First Trust ETF during the year remains as discussed in the prospectus for the First Trust ETF.

The ability of a company/issuer to pay interest and repay principal are not factors controlled by the First Trust ETF’s management. A company may default on their obligation to repay interest and principal which could impact the value of the holdings in the First Trust ETF or the ability to pay a dividend at or above the current level. Companies may also refinance their existing debt (the First Trust ETF’s holdings) which would also impact the level of income available to pay to shareholders.

The First Trust ETF is suitable for investors seeking a high level of current income and potential for capital gains through exposure to a diversified portfolio of below investment grade debt securities.

Results of Operations

General

The First Trust ETF’s total net asset value as of June 30, 2019 was \$67,481,504 or \$18.49 per Common Class unit (“FSL”) and \$18.54 per Advisor Class unit (“FSL.A”). The First Trust ETF’s total net asset value as of December 31, 2018 was \$86,179,765 or \$18.14 per FSL and \$18.21 per FSL.A.

First Trust Senior Loan ETF (CAD-Hedged) Management Report of Fund Performance For the six-month period ended June 30, 2019

For the six-month period ended June 30, 2019, the First Trust ETF paid total cash distributions per unit of \$0.5231 for FSL and \$0.4352 for FSL.A. In addition, the First Trust ETF declared cash distributions per unit of \$0.0750 for FSL and \$0.0700 for FSL.A for record date of June 28, 2019 with payment date of July 8, 2019.

The First Trust ETF held 113 individual positions (0.88% average position size) diversified across 27 industries at the end of the reporting period. The top 10 holdings by issuer accounted for 24.16% of the portfolio. Health Care Providers & Services (19.07%), Software (12.14%), and Hotels, Restaurants & Leisure (7.64%) were the top three industries. By comparison, the First Trust ETF held 119 individual positions (0.84% average position size) across 29 industries with the top 10 holdings by issuer comprising 23.63% of the portfolio at December 30, 2018. The Leveraged Finance Investment Team's investment process combines a balance of rigorous bottom-up fundamental credit analysis and disciplined portfolio construction to select securities for the First Trust ETF.

Investment Performance

For the six-month period ended June 30, 2019, FSL returned 4.36% and FSL.A returned 4.06% compared to S&P/LSTA Leveraged Loan 100 Index (CAD-Hedged) ("Index") return of 6.16%. Unlike the Index, the First Trust ETF's returns are net of fees and expenses.

During the period, the First Trust ETF benefitted from its overweight position and asset selection within the lodging and casinos industry. Within the industry, two casino operators and an online gaming company outperformed the broader market during the first half of 2019. Also benefitting the First Trust ETF was its asset selection within the business equipment & services industry. A consumer packaging services company not held by the First Trust ETF greatly underperformed the broader market, weighing on the benchmark. Another positive contributor to performance was the First Trust ETF's asset selection within the utilities industry as the First Trust ETF's holdings in a power generation company outperformed the broad utilities industry. Partially offsetting these positives were the First Trust ETF's overweight position and asset selection within the health care industry, its asset selection within the leisure goods industry, and the First Trust ETF's cash position. Within the health care industry, the First Trust ETF's holdings in a wound care outpatient services company, a cancer care services company, and a provider of emergency medical services underperformed the broader health care industry during the period. The First Trust ETF's cash position negatively impacted returns due to the market experiencing strong positive returns during the period. Finally, a few of the First Trust ETF's holdings within leisure goods industry underperformed the broader industry.

The First Trust ETF experienced zero defaults during the last twelve-month period. This compares to 17 issuers within the S&P/LSTA Leveraged Loan Index that defaulted during the same period. Since inception, the First Trust ETF has experienced six defaults, which compares to 80 within the S&P/LSTA Leveraged Loan Index.

Recent Developments

At the G20 Summit in June, President Trump spoke with President Xi of China to re-engage in trade talks. Also, during the June Federal Open Market Committee meeting, the Federal Reserve voted to keep the federal funds target rate unchanged using the word "patient" in describing its approach with interest rate policy going forward. The Fed did, however, leave the door open for a potential rate cut by the end of the year. The trade war truce and increased likelihood of accommodative actions from the Federal Reserve supported financial markets during the period. The S&P 500 returned 13.41% YTD, while credit sensitive fixed income asset classes such as high-yield bonds and investment grade bonds returned 9.41% and 8.96% respectively, and senior loans returned 5.15% during the first half of 2019. Bond investors are now anticipating that the Fed will cut rates by the end of July with a 100% probability. With a potential rate cut looming, investors have lightened their exposure to senior loans, a floating rate asset class indirectly tied to the Federal Funds rate, leading to an elevated level of retail outflows during the first half of the year. Ultimately, we believe that risk sentiment in financial markets will hinge upon a trade resolution given the uncertainty a trade war brings to global markets. Therefore, if risk sentiment deteriorates meaningfully, the Fed would likely become more accommodative in response to a significant drawdown in equities, even if the economic data doesn't warrant such a move.

The positive backdrop for the senior loan and high-yield bond asset classes continues to be the fact that the U.S. economy is on solid ground and corporations are performing well. While the Fed is likely to ease interest rates in the

First Trust Senior Loan ETF (CAD-Hedged) Management Report of Fund Performance For the six-month period ended June 30, 2019

near term to assuage markets during the trade dispute with China, we believe this will likely prove temporary. As such, while any Fed interest rate cuts are likely to reduce the income of senior loan investments given that senior loans have floating rate coupons, we continue to believe that senior loans, given their senior secured position in the capital structure, attractive income and low default rate are well positioned as we move through 2019.

As we evaluate new investment opportunities, decisions will continue to be rooted in our rigorous bottom-up credit analysis and our focus will remain on identifying the opportunities that we believe offer the best risk and reward balance.

Related Party Transactions

FT Portfolios Canada Co. is the Manager of the First Trust ETF and is a Canadian affiliate of First Trust Advisors L.P., the investment advisor (the "Advisor") of the First Trust ETF.

Pursuant to terms of the declaration of trust of the First Trust ETF, the Manager provides or arranges for all management, administrative and other services required by the First Trust ETF. The Manager receives a management fee from the First Trust ETF. For further details, please see "Management Fees".

The Manager has retained the Advisor to provide certain services to the First Trust ETF pursuant to an investment advisory agreement. The Advisor receives advisory fees from the Manager out of the management fee.

First Trust Senior Loan ETF (CAD-Hedged)

Management Report of Fund Performance

For the six-month period ended June 30, 2019

Financial Highlights

The following tables show selected key financial information about the First Trust ETF and are intended to help you understand the First Trust ETF's financial performance for the past five years. This information is derived from the First Trust ETF's current unaudited interim financial statements and audited annual financial statements.

Net Asset Value per Unit

FSL	Jun. 30, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2014
Net asset value, beginning of period/year ⁽¹⁾	\$18.14	\$19.29	\$19.60	\$19.02	\$19.89	\$20.12
Increase (Decrease) from operations:						
Total revenue	0.51	1.04	0.91	0.96	1.10	0.96
Total expenses	(0.09)	(0.18)	(0.19)	(0.18)	(0.19)	(0.19)
Realized gains (losses) for the period/year	0.17	(1.34)	1.10	0.60	(2.22)	(1.14)
Unrealized gains (losses) for the period/year	0.29	0.36	(1.38)	0.09	1.16	0.82
Total increase (decrease) from operations ⁽²⁾	\$0.88	\$(0.12)	\$0.44	\$1.47	\$(0.15)	\$0.45
Distributions:						
From income (excluding dividends)	(0.45)	(0.91)	(0.73)	(0.75)	(0.90)	(0.74)
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	(0.05)	(0.12)	-	(0.02)
Total annual distributions ⁽³⁾	\$(0.45)	\$(0.91)	\$(0.78)	\$(0.87)	\$(0.90)	\$(0.76)
Net asset value, end of period/year ⁽⁴⁾	\$18.49	\$18.14	\$19.29	\$19.60	\$19.02	\$19.89

FSL.A	Jun. 30, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2014
Net asset value, beginning of period/year ⁽¹⁾	\$18.21	\$19.32	\$19.59	\$19.01	\$19.88	\$20.10
Increase (Decrease) from operations:						
Total revenue	0.58	1.06	0.89	1.42	1.12	1.32
Total expenses	(0.14)	(0.29)	(0.31)	(0.29)	(0.30)	(0.30)
Realized gains (losses) for the period/year	0.18	(1.34)	1.10	0.57	(2.21)	(1.14)
Unrealized gains (losses) for the period/year	0.13	0.21	(1.35)	(0.27)	1.43	0.56
Total increase (decrease) from operations ⁽²⁾	\$0.75	\$(0.36)	\$0.33	\$1.43	\$0.04	\$0.44
Distributions:						
From income (excluding dividends)	(0.42)	(0.75)	(0.61)	(0.65)	(0.78)	(0.63)
From dividends	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	(0.11)	-	(0.02)
Total annual distributions ⁽³⁾	\$(0.42)	\$(0.75)	\$(0.61)	\$(0.76)	\$(0.78)	\$(0.65)
Net asset value, end of period/year ⁽⁴⁾	\$18.54	\$18.21	\$19.32	\$19.59	\$19.01	\$19.88

(1) This information is provided as at June 30, 2019 and December 31 of the years shown and is prepared under IFRS.

(2) Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the period/year.

(3) Distributions were paid in cash or reinvested in additional units of the First Trust ETF, or both. Non-cash distributions are reinvested in additional units of the First Trust ETF and subsequently consolidated. Neither the number of units held by the unitholder, nor the net asset per unit of the First Trust ETF change as a result of any non-cash distributions.

(4) This table is not intended to be a reconciliation of beginning to ending net asset value per unit.

First Trust Senior Loan ETF (CAD-Hedged)

Management Report of Fund Performance

For the six-month period ended June 30, 2019

Ratios and Supplemental Data

FSL	Jun. 30, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2014
Net asset value (000's)	\$66,369	\$85,087	\$138,694	\$149,762	\$90,331	\$74,589
Number of units outstanding	3,590,010	4,690,010	7,190,010	7,640,000	4,750,000	3,750,000
Management expense ratio ⁽¹⁾	0.93%	0.94%	0.95%	0.95%	0.94%	0.95%
Management expense ratio before waivers or absorption	0.95%	0.96%	0.97%	0.97%	0.96%	0.98%
Trading expense ratio ⁽²⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate ⁽³⁾	29.42%	166.27%	310.12%	184.19%	134.45%	217.85%
Net asset value per unit	\$18.49	\$18.14	\$19.29	\$19.60	\$19.02	\$19.89

FSL.A	Jun. 30, 2019	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2014
Net asset value (000's)	\$1,112	\$1,093	\$1,159	\$1,175	\$1,901	\$1,988
Number of units outstanding	59,990	59,990	59,990	60,000	100,000	100,000
Management expense ratio ⁽¹⁾	1.50%	1.51%	1.58%	1.52%	1.50%	1.51%
Management expense ratio before waivers or absorption	1.52%	1.52%	1.60%	1.54%	1.52%	1.54%
Trading expense ratio ⁽²⁾	N/A	N/A	N/A	N/A	N/A	N/A
Portfolio turnover rate ⁽³⁾	29.42%	166.27%	310.12%	184.19%	134.35%	217.85%
Net asset value per unit	\$18.54	\$18.21	\$19.32	\$19.59	\$19.01	\$19.88

(1) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period/year and is expressed as an annualized percentage of daily average net asset value during the period/year.

(2) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period/year.

(3) The First Trust ETF's portfolio turnover rate indicates how actively the First Trust ETF's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the First Trust ETF buying and selling all of the securities in its portfolio once in the course of the period/year. The higher a First Trust ETF's portfolio turnover rate in a period/year, the greater the trading cost payable by the First Trust ETF in the period/year, and the greater the chance of an investor receiving taxable capital gains in the period/year. There is not necessarily a relationship between high turnover rate and the performance of a First Trust ETF.

Management Fees

The First Trust ETF will pay the Manager a management fee of 0.85% and, in respect of the FSL.A, an additional amount for a service fee (see "FSL.A Service Fee" below) based on the average daily NAV of the First Trust ETF. The management fee, plus applicable taxes including HST, will be accrued daily and paid monthly in arrears. The Manager may, from time to time in its discretion, waive all or a portion of the management fee charged at any given time.

FSL.A Service Fee

The Manager pays registered dealers a service fee equal to 0.50% per annum of the NAV of the Advisor Class Units held by clients of the registered dealer, plus any applicable taxes. The service fee will be calculated and accrued daily and paid quarterly at the end of each calendar quarter.

First Trust Senior Loan ETF (CAD-Hedged)
Management Report of Fund Performance
For the six-month period ended June 30, 2019

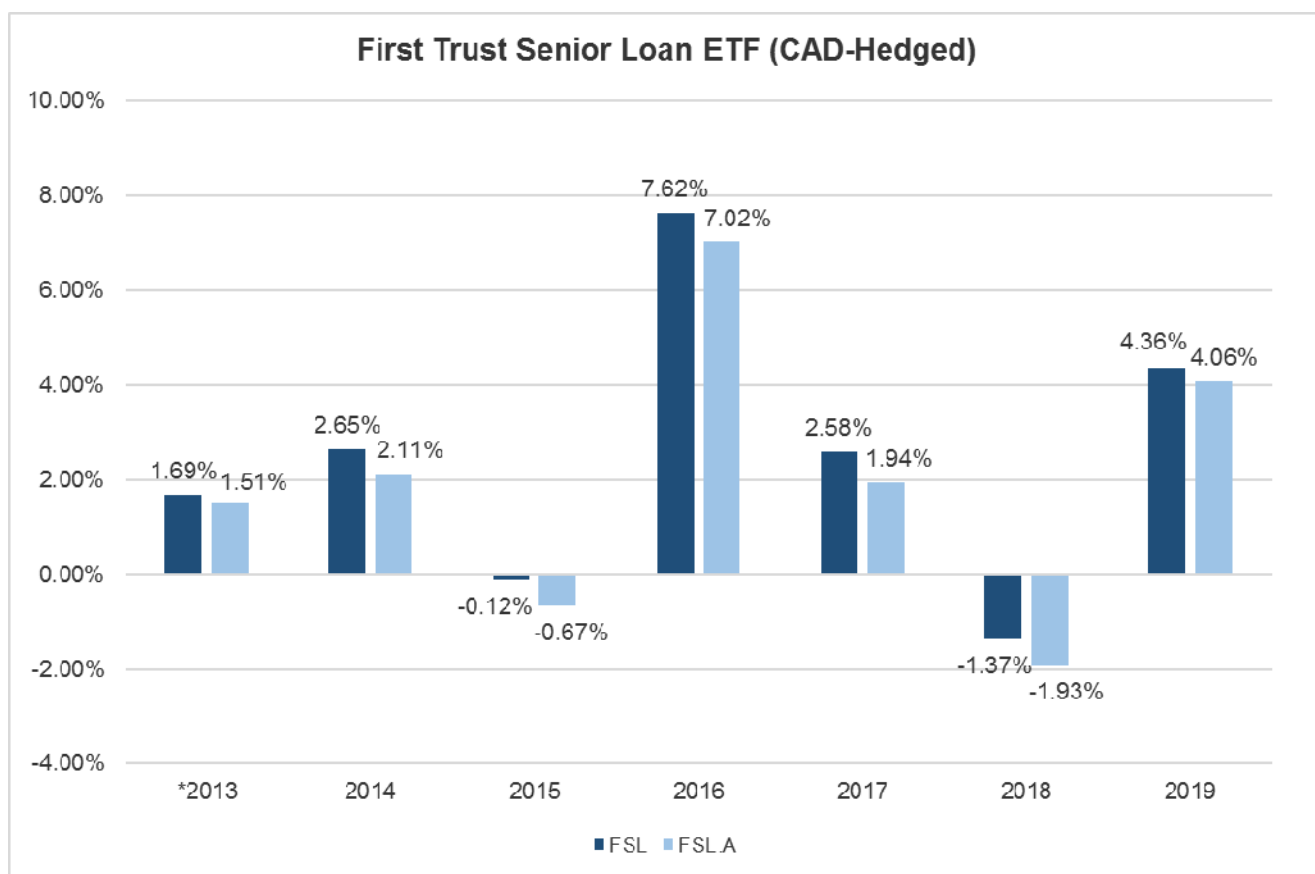
Past Performance

General

The past performance information shown assumes that all distributions made by the First Trust ETF in the periods shown were reinvested in additional securities of the First Trust ETF. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the First Trust ETF has performed in the past does not necessarily indicate how it will perform in the future.

Year by Year Returns

The bar chart below shows the First Trust ETF's performance, per class, for the six-month period ended June 30, 2019, for the years ended December 31, and for the period from commencement of operations to December 31, 2013 and illustrates how the investment fund's performance has changed from year to year. The chart also shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



*First Trust ETF Commencement: August 28, 2013

First Trust Senior Loan ETF (CAD-Hedged)
Management Report of Fund Performance
For the six-month period ended June 30, 2019

Summary of Investment Portfolio

The table sets out the percentage (based on total net asset value) of the First Trust ETF's top 25 holdings, by issuer, as at June 30, 2019. This summary of portfolio holdings may change due to ongoing portfolio transactions of the First Trust ETF. A quarterly update is available at www.firsttrust.ca.

Top 25 Issuers	% of ETF Total Net Asset Value
Nexstar Broadcasting Inc	3.29%
Multiplan Inc (MPH)	2.61%
Change Healthcare Holdings	2.58%
Stars Group Holdings B.V. (Amaya)	2.43%
Endo LLC	2.35%
Sotera Health Holdings, LLC (Sterigenics)	2.27%
Ortho-Clinical Diagnostics Holdings Luxembourg	2.18%
Bausch Health Companies Inc. (Valeant)	2.17%
ClubCorp Club Operations, Inc.	2.17%
USI, Inc. (fka Compass Investors Inc.)	2.10%
Quikrete Holdings, Inc.	2.01%
Duff & Phelps Corporation (Deerfield Dakota)	1.99%
Amwins Group, Inc.	1.94%
Misys Financial Software Ltd. (Almonde, Inc.) (Finastra)	1.92%
AlixPartners, LLP	1.90%
Asurion, LLC (fka Asurion Corporation)	1.79%
Gates Global LLC	1.77%
Envision Healthcare Corporation	1.72%
Vertafore, Inc.	1.71%
CDRH Parent, Inc. (Healogics, Inc.)	1.61%
DuPage Medical Group (Midwest Physician Admin. Services, LLC)	1.60%
21st Century Oncology Holdings, Inc.	1.56%
Micro Focus International (MA Financeco, LLC)	1.54%
Surgery Centers Holdings, Inc.	1.53%
Versant Health (Wink Holdco, Inc.)	1.48%
Total	50.22%

Portfolio Breakdown

The table sets out the percentage (based on total net asset value) of the First Trust ETF's portfolio, by sector, as at June 30, 2019.

Sector Weightings	% of ETF Total Net Asset Value
Health Care	34.31%
Consumer Discretionary	14.78%
Information Technology	12.37%
Financials	11.26%
Communication Services	7.75%
Industrials	6.90%
Materials	3.69%
Consumer Staples	1.59%
Energy	1.21%
Cash and Cash Equivalents	9.63%
Other Assets, Less Liabilities	(3.50)%
Total	100.00%

First Trust Senior Loan ETF (CAD-Hedged)
Management Report of Fund Performance
For the six-month period ended June 30, 2019

The table sets out the percentage (based on total net asset value) of the First Trust ETF's portfolio excluding cash and equity, by country, as at June 30, 2019.

Country Weightings	% of ETF Total Net Asset Value
United States	87.04%
Canada	5.24%
Ireland	0.55%
Luxembourg	0.42%
Spain	0.34%
Netherlands	0.15%
United Kingdom	0.14%
Total	93.87%

The table sets out the percentage (based on total net asset value) of the First Trust ETF's portfolio excluding equity, by credit rating, as at June 30, 2019.

S&P Rating	% of ETF Total Net Asset Value
BBB+	0.00%
BBB	0.00%
BBB-	3.38%
BB+	1.51%
BB	5.90%
BB-	10.31%
B+	24.94%
B	28.31%
B-	16.39%
CCC+	2.72%
CCC	0.36%
CCC-	0.00%
CC	0.00%
C	0.00%
D	0.00%
NR	0.06%
Total	93.87%

FT Portfolios Canada Co.

40 King Street West, Suite 5102
Scotia Plaza, Box 312
Toronto, Ontario M5H 3Y2

www.firsttrust.ca