

## 2020 Interim Financial Reports (unaudited)

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First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged) • FDE, FDE.A

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged) • EUR, EUR.A

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

First Trust Canadian Capital Strength ETF • FST, FST.A

First Trust Global Risk Managed Income Index ETF • ETP, ETP.A

First Trust Tactical Bond Index ETF • FTB

First Trust Value Line® Dividend Index ETF (CAD-Hedged) • FUD, FUD.A

First Trust AlphaDEX™ U.S. Financial Sector Index ETF • FHF

First Trust AlphaDEX™ U.S. Energy Sector Index ETF • FHE

First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF • FHD

First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF • FHC, FHC.F

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF • FHH, FHH.F

First Trust AlphaDEX™ U.S. Materials Sector Index ETF • FHM

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF • FHG, FHG.F

First Trust AlphaDEX™ U.S. Technology Sector Index ETF • FHQ, FHQ.F

First Trust AlphaDEX™ U.S. Utilities Sector Index ETF • FHU

First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged) • FSR

First Trust Indxx Innovative Transaction and Process ETF • BLCK

First Trust International Capital Strength ETF • FINT

First Trust Cboe Vest U.S. Equity Buffer ETF – August • AUGB.F

First Trust Cboe Vest U.S. Equity Buffer ETF – November • NOV.B.F

First Trust Cboe Vest U.S. Equity Buffer ETF – February • FEBB.F

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As at June 30, 2020

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# MANAGEMENT REPORT

## Management's Responsibility for Financial Reporting

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)  
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First Trust Cboe Vest U.S. Equity Buffer ETF – November  
First Trust Cboe Vest U.S. Equity Buffer ETF – February

(collectively referred to as the “First Trust ETFs”)

The accompanying interim financial reports have been prepared by FT Portfolios Canada Co., the Manager of the First Trust ETFs, and approved by the Board of Directors of the Manager. The First Trust ETFs' Manager is responsible for the information and representations contained in these interim financial reports and other sections of the interim financial reports. The First Trust ETFs' Manager maintains appropriate procedures to ensure that relevant and reliable information is produced. These interim financial reports have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and International Accounting Standard 34 – Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). The significant accounting policies which management believes are appropriate for the First Trust ETFs are described in Notes 2 and 3 to the interim financial reports.

### Notice to unitholders:

These interim financial reports have not been reviewed by the external auditors of the First Trust ETFs. The First Trust ETFs' Manager will appoint an independent auditor to audit the annual financial statements of the First Trust ETFs for the year ended December 31, 2020 in accordance with Canadian Generally Accepted Auditing Standards.



Andrew Roggensack  
Director



David G. McGarel  
Director

# First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)

## STATEMENTS OF FINANCIAL POSITION

As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	4,673,248	4,108,713
Cash	21,495	16,600
Accrued dividend receivable	29,470	17,554
Derivative assets	23,400	74,556
Other assets	2,796	1,888
	4,750,409	4,219,311
<b>Liabilities</b>		
Accrued liabilities	5,036	6,899
Distributions payable to holders of redeemable units	11,018	9,006
	16,054	15,905
<b>Total net assets attributable to holders of redeemable units</b>	<b>4,734,355</b>	<b>4,203,406</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
Common Class	3,556,576	2,536,258
Advisor Class	1,177,779	1,667,148
<b>Redeemable units outstanding [note 6]</b>		
Common Class	300,600	150,600
Advisor Class	100,000	99,399
<b>Net assets attributable to holders of redeemable units per unit</b>		
Common Class	11.83	16.84
Advisor Class	11.78	16.77

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	66,746	67,608
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	(353,099)	81,107
Net realized gain (loss) on derivatives	(108,178)	27,356
Net realized gain (loss) on foreign exchange	1,553	(272)
Net change in unrealized appreciation (depreciation) of investments	(457,341)	203,550
Net change in unrealized appreciation (depreciation) of derivatives	(51,156)	100,274
	(901,475)	479,623
Foreign exchange gain (loss) on cash	615	422
	(900,860)	480,045
<b>Expenses [note 7]</b>		
Management fees	11,453	13,765
Service fees	7,853	7,589
Transaction costs [note 3 and note 9]	5,289	4,181
HST expense	1,256	1,781
Independent Review Committee fees	457	411
Interest expense	24	7
	26,332	27,734
Expenses waived by the manager	(457)	(411)
	25,875	27,323
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(926,735)</b>	<b>452,722</b>
<b>Withholding taxes</b>	<b>3,932</b>	<b>13,240</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(930,667)</b>	<b>439,482</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
Common Class	(552,347)	293,242
Advisor Class	(378,320)	146,240
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
Common Class	(2.79)	1.65
Advisor Class	(4.81)	1.47

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$) Common Class	June 30 2019 (\$) Common Class	June 30 2020 (\$) Advisor Class	June 30 2019 (\$) Advisor Class
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	2,536,258	2,891,989	1,667,148	1,431,129
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(552,347)	293,242	(378,320)	146,240
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	1,620,300	780,994	548,312	-
Redemption of units	-	(1,554,296)	(645,897)	-
	1,620,300	(773,302)	(97,585)	-
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(47,635)	(46,659)	(13,464)	(20,377)
	(47,635)	(46,659)	(13,464)	(20,377)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	1,020,318	(526,719)	(489,369)	125,863
<b>Net assets attributable to holders of redeemable units, end of period</b>	3,556,576	2,365,270	1,177,779	1,556,992
			<b>June 30 2020 (\$) Total</b>	<b>June 30 2019 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of period</b>			4,203,406	4,323,118
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			(930,667)	439,482
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			2,168,612	780,994
Redemption of units			(645,897)	(1,554,296)
			1,522,715	(773,302)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(61,099)	(67,036)
			(61,099)	(67,036)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>			530,949	(400,856)
<b>Net assets attributable to holders of redeemable units, end of period</b>			4,734,355	3,922,262

See accompanying notes which are an integral part of these financial statements.

# First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(930,667)	439,482
Adjustments for:		
Net realized (gain) loss on sale of investments	353,099	(81,107)
Change in unrealized (appreciation) depreciation of investments and derivatives	508,497	(303,824)
Dividends receivable	(11,916)	(3,833)
Other assets	(908)	(995)
Other liabilities	(1,863)	(51)
Purchases of investments	(4,098,739)	(2,383,501)
Proceeds from the sale of investments	2,723,764	3,174,388
	(1,458,733)	840,559
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	2,168,612	780,994
Amount paid on redemptions of units	(645,897)	(1,554,296)
Distributions paid to unitholders	(59,087)	(70,536)
	1,463,628	(843,838)
<b>Increase (Decrease) in cash for the period</b>	4,895	(3,279)
<b>Cash, beginning of period</b>	16,600	27,370
<b>Cash, end of period</b>	21,495	24,091
Dividends received, net of withholding taxes	50,898	50,535

See accompanying notes which are an integral part of these financial statements.

**First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to provide unitholders with exposure to the performance of a portfolio of dividend paying equity securities domiciled in the emerging markets and selected from the countries represented in the S&P BMI Emerging Markets Index as well as providing unitholders with monthly distributions.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	4,673,248	–	–	4,673,248
Derivative assets	–	23,400	–	23,400
<b>Total</b>	<b>4,673,248</b>	<b>23,400</b>	<b>–</b>	<b>4,696,648</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	4,108,713	–	–	4,108,713
Derivative assets	–	74,556	–	74,556
<b>Total</b>	<b>4,108,713</b>	<b>74,556</b>	<b>–</b>	<b>4,183,269</b>

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Common Class	Advisor Class
Outstanding units – January 1, 2019	200,600	99,399
Redeemable units issued	50,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(100,000)	–
Outstanding units – December 31, 2019	150,600	99,399
Redeemable units issued	150,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	–	(49,399)
Outstanding units – June 30, 2020	300,600	100,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Common Class	Advisor Class <sup>1</sup>
0.65%	1.65%

<sup>1</sup>Includes a service fee of 1.00%



First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital losses and/or non-capital losses as at December 31, 2019 and 2018, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2019	2018	2019	2018
910,940	910,940	–	–

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
7,853	4,181

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
11,453	13,765	2,552	2,056

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI Emerging Markets Index (USD)	293,519	(293,519)	147,826	(147,826)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(25,929)	(0.55)	1,903	0.05

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$259 (December 31, 2019 - \$19). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**Concentration Risk** - The table below summarizes the First Trust ETF's concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Country	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Brazil	18.58	28.26
China	18.36	17.15
India	12.43	12.24
Taiwan	10.95	2.18
Mexico	9.88	14.28
South Africa	9.46	2.62
Chile	6.21	7.75
Colombia	5.77	3.86
Russia	3.23	4.01
Philippines	3.13	–
Indonesia	0.71	0.68
Greece	–	4.01
United States	–	0.71
Total	98.71	97.75

**First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Brazil—18.58%</b>				
Banco Bradesco SA, ADR	7,007	37,705	36,243	0.77
Banco Santander (Brasil) SA, ADR	11,607	93,954	82,255	1.74
Cia Brasileira de Distribuicao, ADR	2,088	36,058	37,049	0.78
Companhia de Saneamento Basico do Estado de Sao Paulo, ADR	2,417	36,225	34,487	0.73
Companhia Energetica de Minas Gerais SA, ADR	41,120	133,461	114,440	2.42
Companhia Paranaense de Energia	11,451	157,494	176,601	3.73
Gerdau SA, ADR	32,732	133,595	131,534	2.78
Telefonica Brasil SA, ADR	9,331	140,624	112,236	2.37
Tim Participacoes SA, ADR	8,799	163,011	154,575	3.26
	<b>932,127</b>		<b>879,420</b>	<b>18.58</b>
<b>Chile—6.21%</b>				
Compania Cervecerias Unidas SA, ADR	1,731	45,809	33,652	0.71
Enel Americas SA, ADR	14,704	172,802	149,916	3.17
Enel Chile SA, ADR	14,704	78,733	75,257	1.59
Sociedad Quimica y Minera de Chile SA, ADR	995	35,335	35,216	0.74
		<b>332,679</b>	<b>294,041</b>	<b>6.21</b>
<b>China—18.36%</b>				
Autohome Inc., ADR	1,064	117,408	109,059	2.30
China Life Insurance Co. Ltd., ADR	5,761	86,531	78,915	1.67
China Petroleum and Chemical Corp. (Sinopec), ADR	2,296	159,973	130,792	2.76
China Telecom Corp. Ltd., ADR	4,294	179,292	163,635	3.46
Huazhu Group Ltd., ADR	2,420	116,819	115,153	2.43
NetEase Inc., ADR	285	121,666	166,134	3.51
PetroChina Co. Ltd., ADR	2,351	127,108	105,550	2.23
		<b>908,797</b>	<b>869,238</b>	<b>18.36</b>
<b>Colombia—5.77%</b>				
Bancolombia SA, ADR	2,110	91,432	75,366	1.59
Ecopetrol SA, ADR	13,101	215,116	197,957	4.18
		<b>306,548</b>	<b>273,323</b>	<b>5.77</b>
<b>India—12.43%</b>				
Dr. Reddy's Laboratories Ltd., ADR	2,552	162,273	183,658	3.88
Infosys Technologies Ltd., ADR	8,992	114,211	117,925	2.49
Vedanta Ltd., ADR	27,947	231,195	212,848	4.50
Wipro Ltd., ADR	16,481	80,680	74,060	1.56
		<b>588,359</b>	<b>588,491</b>	<b>12.43</b>
<b>Indonesia—0.71%</b>				
PT Telekomunikasi Indonesia Persero TBK, ADR	1,136	37,284	33,744	0.71
		<b>37,284</b>	<b>33,744</b>	<b>0.71</b>
<b>Mexico—9.88%</b>				
America Movil SAB de CV, Class 'L', ADR	4,114	75,217	70,876	1.50
Cemex SAB de CV, ADR	45,461	170,917	177,748	3.75
Coca-Cola FEMSA SAB de CV, Series 'L', ADR	1,246	84,113	74,175	1.57
Fomento Economico Mexicano SAB de CV, ADR	358	36,961	30,138	0.64
Grupo Aeroportuario del Centro Norte SAB de CV, ADR	688	36,109	34,699	0.73
Grupo Aeroportuario del Sureste SAB de CV, ADR	526	87,146	80,186	1.69
		<b>490,463</b>	<b>467,822</b>	<b>9.88</b>
<b>Philippines—3.13%</b>				
PLDT Inc., ADR	4,464	148,082	147,933	3.13
		<b>148,082</b>	<b>147,933</b>	<b>3.13</b>
<b>Russia—3.23%</b>				
Mobile TeleSystems PJSC, ADR	12,273	148,161	153,122	3.23
		<b>148,161</b>	<b>153,122</b>	<b>3.23</b>
<b>South Africa—9.46%</b>				
AngloGold Ashanti Ltd., ADR	5,553	176,431	222,318	4.70
Gold Fields Ltd., ADR	17,666	157,417	225,443	4.76
		<b>333,848</b>	<b>447,761</b>	<b>9.46</b>

**First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

<b>Taiwan—10.95%</b>				
ASE Industrial Holding Co. Ltd., ADR	26,742	153,763	164,824	3.48
Chunghwa Telecom Co. Ltd., ADR	655	33,235	35,009	0.74
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	1,626	100,835	125,317	2.65
United Microelectronics Corp., ADR	53,906	192,435	193,203	4.08
	<b>480,268</b>	<b>518,353</b>	<b>518,353</b>	<b>10.95</b>
<b>Total investments</b>		<b>4,706,616</b>	<b>4,673,248</b>	<b>98.71</b>
Transaction costs		(3,090)		
Unrealized appreciation on derivatives - see Schedule 1			23,400	0.49
Other assets, less liabilities			37,707	0.80
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>4,703,526</b>	<b>4,734,355</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount		Currency	Amount	Forward Rate	Current Rate	Appreciation (Depreciation)	\$
				Sell	Sold						
Bank of New York Mellon (The), New York	A-1+	2020-07-31	USD	3,486,292		CAD	4,756,000	0.733	0.737	23,400	
										<b>23,400</b>	

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	7,313,135	11,421,684
Cash	36,882	74,721
Accrued dividend receivable	118,588	114,020
Derivative assets	33,220	110,102
Other assets	3,836	2,936
	7,505,661	11,723,463
<b>Liabilities</b>		
Accrued liabilities	7,754	11,421
Distributions payable to holders of redeemable units	23,620	58,860
	31,374	70,281
<b>Total net assets attributable to holders of redeemable units</b>	<b>7,474,287</b>	<b>11,653,182</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
Common Class	6,056,446	9,882,947
Advisor Class	1,417,841	1,770,235
<b>Redeemable units outstanding [note 6]</b>		
Common Class	324,022	424,022
Advisor Class	75,979	75,979
<b>Net assets attributable to holders of redeemable units per unit</b>		
Common Class	18.69	23.31
Advisor Class	18.66	23.30

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	192,323	426,442
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	(1,916,358)	(165,132)
Net realized gain (loss) on derivatives	(224,899)	182,557
Net realized gain (loss) on foreign exchange	9,742	(7,232)
Net change in unrealized appreciation (depreciation) of investments	(301,340)	740,795
Net change in unrealized appreciation (depreciation) of derivatives	(76,882)	524,206
	(2,317,414)	1,701,636
Foreign exchange gain (loss) on cash	(1,219)	(2,414)
	(2,318,633)	1,699,222
<b>Expenses [note 7]</b>		
Management fees	26,303	45,598
Transaction costs [note 3 and note 9]	13,421	6,711
Service fees	7,229	8,251
HST expense	3,459	5,395
Independent Review Committee fees	1,128	1,476
Interest expense	43	-
	51,583	67,431
Expenses waived by manager	(1,128)	(1,476)
	50,455	65,955
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(2,369,088)</b>	<b>1,633,267</b>
<b>Withholding taxes</b>	<b>20,912</b>	<b>59,030</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(2,390,000)</b>	<b>1,574,237</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
Common Class	(2,063,439)	1,415,863
Advisor Class	(326,561)	158,374
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
Common Class	(5.43)	2.28
Advisor Class	(4.29)	2.08

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$) Common Class	June 30 2019 (\$) Common Class	June 30 2020 (\$) Advisor Class	June 30 2019 (\$) Advisor Class
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	9,882,947	13,702,299	1,770,235	1,548,385
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>	(2,063,439)	1,415,863	(326,561)	158,374
<b>Redeemable unit transactions [note 6]</b>				
Redemption of units	(1,604,723)	(3,280,939)	-	-
	(1,604,723)	(3,280,939)	-	-
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(158,339)	(240,174)	(25,833)	(23,363)
	(158,339)	(240,174)	(25,833)	(23,363)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	(3,826,501)	(2,105,250)	(352,394)	135,011
<b>Net assets attributable to holders of redeemable units, end of period</b>	6,056,446	11,597,049	1,417,841	1,683,396
			<b>June 30 2020 (\$) Total</b>	<b>June 30 2019 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of period</b>			11,653,182	15,250,684
<b>Increase (decrease) in net assets attributable to holders of redeemable units</b>			(2,390,000)	1,574,237
<b>Redeemable unit transactions [note 6]</b>				
Redemption of units			(1,604,723)	(3,280,939)
			(1,604,723)	(3,280,939)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(184,172)	(263,537)
			(184,172)	(263,537)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>			(4,178,895)	(1,970,239)
<b>Net assets attributable to holders of redeemable units, end of period</b>			7,474,287	13,280,445

See accompanying notes which are an integral part of these financial statements.

# First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,390,000)	1,574,237
Adjustments for:		
Net realized (gain) loss on sale of investments	1,916,358	165,132
Change in unrealized (appreciation) depreciation of investments and derivatives	378,222	(1,265,001)
Dividends receivable	(4,568)	13,487
Other assets	(900)	(1,605)
Other liabilities	(3,667)	(1,435)
Purchases of investments	(3,814,390)	(5,284,623)
Proceeds from the sale of investments	5,705,241	8,344,329
	1,786,296	3,544,521
<b>Cash flows from (used in) Financing Activities</b>		
Amount paid on redemptions of units	(1,604,723)	(3,280,939)
Distributions paid to unitholders	(219,412)	(328,378)
	(1,824,135)	(3,609,317)
<b>Increase (Decrease) in cash for the period</b>	(37,839)	(64,796)
<b>Cash, beginning of period</b>	74,721	124,165
<b>Cash, end of period</b>	36,882	59,369
Dividends received, net of withholding taxes	166,843	380,899

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the AlphaDEX™ European Dividend Index (the “Index”), net of expenses. The Index results from applying the AlphaDEX™ methodology to a universe of ADRs of European companies that are listed on the NYSE, NYSE Market and NASDAQ exchanges.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	7,313,135	–	–	7,313,135
Derivative assets	–	33,220	–	33,220
<b>Total</b>	<b>7,313,135</b>	<b>33,220</b>	<b>–</b>	<b>7,346,355</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	11,421,684	–	–	11,421,684
Derivative assets	–	110,102	–	110,102
<b>Total</b>	<b>11,421,684</b>	<b>110,102</b>	<b>–</b>	<b>11,531,786</b>

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Common Class	Advisor Class
Outstanding units - January 1, 2019	674,022	75,979
Redeemable units issued	–	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(250,000)	–
Outstanding units – December 31, 2019	424,022	75,979
Redeemable units issued	–	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(100,000)	–
Outstanding units – June 30, 2020	324,022	75,979

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Common Class	Advisor Class <sup>1</sup>
0.60%	1.60%

<sup>1</sup>Includes a service fee of 1.00%



First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital losses and/or non-capital losses as at December 31, 2019 and 2018, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2019	2018	2019	2018
440,199	323,531	–	–

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
13,421	6,711

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
26,303	45,598	3,669	6,655

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI Europe Index (Local Currency)	463,215	(463,215)	619,900	(619,900)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	7,434,699	99.47	11,538,032	99.01
Swiss Francs	(1,086,708)	(14.54)	(981,243)	(8.42)
British Pound Sterling	(1,899,058)	(25.41)	(3,377,807)	(28.99)
Euro	(3,643,958)	(48.75)	(5,875,809)	(50.42)
Total	804,975	10.77	1,303,173	11.18

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$8,050 (December 31, 2019 - \$13,032). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**Concentration Risk** - The table below summarizes the First Trust ETF's concentration risk for period ended June 30, 2020 and year ended December 31, 2019:

Country	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
United Kingdom	25.57	28.90
Netherlands	19.59	16.29
France	16.53	5.65
Switzerland	14.93	8.39
Italy	4.42	3.20
Denmark	4.15	1.60
Ireland	4.01	4.67
Spain	3.21	9.10
Russia	2.16	3.34
Sweden	2.13	1.51
Germany	1.14	4.18
Luxembourg	–	7.85
Norway	–	3.33
Total	97.84	98.01

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Denmark—4.15%</b>				
Novo Nordisk AS, ADR	3,489	271,691	310,157	4.15
		<b>271,691</b>	<b>310,157</b>	<b>4.15</b>
<b>France—16.53%</b>				
Orange SA, ADR	28,710	528,876	463,822	6.21
Sanofi SA, ADR	4,216	284,938	292,192	3.91
TOTAL SA, ADR	9,183	575,606	479,475	6.41
		<b>1,389,420</b>	<b>1,235,489</b>	<b>16.53</b>
<b>Germany—1.14%</b>				
SAP SE, ADR	449	77,150	85,339	1.14
		<b>77,150</b>	<b>85,339</b>	<b>1.14</b>
<b>Ireland—4.01%</b>				
CRH PLC, ADR	6,438	282,540	299,877	4.01
		<b>282,540</b>	<b>299,877</b>	<b>4.01</b>
<b>Italy—4.42%</b>				
Eni SPA, ADR	12,641	459,269	330,701	4.42
		<b>459,269</b>	<b>330,701</b>	<b>4.42</b>
<b>Netherlands—19.59%</b>				
ASML Holding NV, Registered	1,047	360,200	523,120	7.00
Koninklijke Philips NV, ADR	4,555	270,313	289,652	3.88
Royal Dutch Shell PLC, Class 'A', ADR	10,801	695,582	479,348	6.41
STMicroelectronics NV	4,629	92,813	172,254	2.30
		<b>1,418,908</b>	<b>1,464,374</b>	<b>19.59</b>
<b>Russia—2.16%</b>				
Mobile TeleSystems PJSC, ADR	12,940	154,758	161,444	2.16
		<b>154,758</b>	<b>161,444</b>	<b>2.16</b>
<b>Spain—3.21%</b>				
Grifols SA, ADR	3,038	92,478	75,229	1.01
Telefónica SA, ADR	25,188	222,187	164,821	2.20
		<b>314,665</b>	<b>240,050</b>	<b>3.21</b>
<b>Sweden—2.13%</b>				
Telefonaktiebolaget LM Ericsson, Class 'B', ADR	12,586	131,893	158,907	2.13
		<b>131,893</b>	<b>158,907</b>	<b>2.13</b>
<b>Switzerland—14.93%</b>				
Credit Suisse Group AG, ADR	25,393	357,850	355,422	4.76
Logitech International SA, Registered	5,806	321,805	514,079	6.88
Novartis AG, ADR	658	75,959	78,021	1.04
UBS Group AG	10,751	167,554	168,432	2.25
		<b>923,168</b>	<b>1,115,954</b>	<b>14.93</b>
<b>United Kingdom—25.57%</b>				
AstraZeneca PLC, ADR	4,214	267,272	302,580	4.05
BP PLC, ADR	2,486	111,027	78,705	1.05
British American Tobacco PLC, ADR	5,740	319,323	302,510	4.05
GlaxoSmithKline PLC, ADR	4,939	276,137	273,504	3.66
National Grid PLC, ADR	1,007	78,498	83,038	1.11
Pearson PLC, ADR	19,833	181,352	194,670	2.61
RELX Group	2,470	80,511	79,003	1.06
Rio Tinto PLC, ADR	4,267	312,854	325,444	4.35
Vodafone Group PLC, ADR	12,541	306,545	271,389	3.63
		<b>1,933,519</b>	<b>1,910,843</b>	<b>25.57</b>
<b>Total investments</b>		<b>7,356,981</b>	<b>7,313,135</b>	<b>97.84</b>
Transaction costs		(9,580)		
Unrealized appreciation on derivatives - see Schedule 1			33,220	0.45
Other assets, less liabilities			127,932	1.71
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>7,347,401</b>	<b>7,474,287</b>	<b>100.00</b>

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

Schedule 1

Counterparty	Credit				Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation)
	Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold						
Bank of New York Mellon (The), New York	A-1+	2020-07-31	CHF	757,796	CAD	1,091,000	0.695	0.697	4,292	
Bank of New York Mellon (The), New York	A-1+	2020-07-31	EUR	2,388,116	CAD	3,659,000	0.653	0.655	14,434	
Bank of New York Mellon (The), New York	A-1+	2020-07-31	GBP	1,129,050	CAD	1,914,000	0.590	0.594	14,494	
									<b>33,220</b>	

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust Senior Loan ETF (CAD-Hedged)

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	41,838,186	58,946,149
Cash	6,875,424	4,168,290
Accrued interest receivable	152,771	209,297
Receivable for portfolio securities sold	700,622	360,526
Derivative assets	233,777	1,155,596
Other assets	25,610	17,086
	<b>49,826,390</b>	<b>64,856,944</b>
<b>Liabilities</b>		
Accrued liabilities	48,990	65,584
Payable for portfolio securities purchased	2,225,845	1,237,991
Distributions payable to holders of redeemable units	169,697	278,037
	<b>2,444,532</b>	<b>1,581,612</b>
<b>Total net assets attributable to holders of redeemable units</b>	<b>47,381,858</b>	<b>63,275,332</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
Common Class	40,241,694	54,624,759
Advisor Class	7,140,164	8,650,573
<b>Redeemable units outstanding [note 6]</b>		
Common Class	2,334,316	2,934,316
Advisor Class	413,948	463,948
<b>Net assets attributable to holders of redeemable units per unit</b>		
Common Class	17.24	18.62
Advisor Class	17.25	18.65

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Interest income for distribution purposes	1,293,291	2,136,014
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	(205,441)	404,764
Net realized gain (loss) on derivatives	(2,422,477)	593,835
Net realized gain (loss) on foreign exchange	30,584	(17,756)
Net change in unrealized appreciation (depreciation) of investments	(1,139,746)	(933,298)
Net change in unrealized appreciation (depreciation) of derivatives	(921,819)	2,122,717
	<b>(3,365,608)</b>	<b>4,310,276</b>
Foreign exchange gain (loss) on cash	94,675	(290,295)
	<b>(3,270,933)</b>	<b>4,019,981</b>
<b>Expenses [note 7]</b>		
Management fees	228,181	328,259
HST expense	23,364	31,489
Service fees	18,777	2,784
Independent Review Committee fees	6,923	7,493
	<b>277,245</b>	<b>370,025</b>
Expenses waived by the manager	(6,923)	(7,493)
	<b>270,322</b>	<b>362,532</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(3,541,255)</b>	<b>3,657,449</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
Common Class	(3,309,874)	3,612,808
Advisor Class	(231,381)	44,641
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
Common Class	(1.25)	0.88
Advisor Class	(0.54)	0.75

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Senior Loan ETF (CAD-Hedged)

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$) Common Class	June 30 2019 (\$) Common Class	June 30 2020 (\$) Advisor Class	June 30 2019 (\$) Advisor Class
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	54,624,759	85,087,174	8,650,573	1,092,591
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(3,309,874)	3,612,808	(231,381)	44,641
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	936,001	937,902	1,507,796	-
Redemption of units	(10,951,458)	(21,442,912)	(2,623,934)	-
	(10,015,457)	(20,505,010)	(1,116,138)	-
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(1,057,734)	(1,825,504)	(162,890)	(25,196)
	(1,057,734)	(1,825,504)	(162,890)	(25,196)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	(14,383,065)	(18,717,706)	(1,510,409)	19,445
<b>Net assets attributable to holders of redeemable units, end of period</b>	40,241,694	66,369,468	7,140,164	1,112,036
			<b>June 30 2020 (\$) Total</b>	<b>June 30 2019 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of period</b>			63,275,332	86,179,765
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			(3,541,255)	3,657,449
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			2,443,797	937,902
Redemption of units			(13,575,392)	(21,442,912)
			(11,131,595)	(20,505,010)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(1,220,624)	(1,850,700)
			(1,220,624)	(1,850,700)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>			(15,893,474)	(18,698,261)
<b>Net assets attributable to holders of redeemable units, end of period</b>			47,381,858	67,481,504

See accompanying notes which are an integral part of these financial statements.

# First Trust Senior Loan ETF (CAD-Hedged)

<b>STATEMENTS OF CASH FLOW</b>	<b>For the periods ended June 30, 2020 and 2019 (unaudited)</b>	
	<b>June 30 2020 (\$)</b>	<b>June 30 2019 (\$)</b>
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(3,541,255)	3,657,449
Adjustments for:		
Net realized (gain) loss on sale of investments	205,441	(404,764)
Change in unrealized (appreciation) depreciation of investments and derivatives	2,061,565	(1,189,419)
Interest receivable	56,526	10,977
Other assets	(8,524)	(11,547)
Other liabilities	(16,594)	(22,609)
Purchases of investments	(37,703,953)	(20,293,269)
Proceeds from the sale of investments	54,114,487	42,713,265
	15,167,693	24,460,083
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	2,443,797	937,902
Amount paid on redemptions of units	(13,575,392)	(21,442,912)
Distributions paid to unitholders	(1,328,964)	(2,276,951)
	(12,460,559)	(22,781,961)
<b>Increase (Decrease) in cash for the period</b>	<b>2,707,134</b>	<b>1,678,122</b>
<b>Cash, beginning of period</b>	<b>4,168,290</b>	<b>4,720,788</b>
<b>Cash, end of period</b>	<b>6,875,424</b>	<b>6,398,910</b>
Interest received	1,349,817	2,146,991

See accompanying notes which are an integral part of these financial statements.

**First Trust Senior Loan ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks 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.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Bonds and Senior Loans	–	41,824,650	–	41,824,650
Equities	–	–	13,536	13,536
Derivative assets	–	233,777	–	233,777
<b>Total</b>	<b>–</b>	<b>42,058,427</b>	<b>13,536</b>	<b>42,071,963</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Bonds and Senior Loans	–	58,919,791	–	58,919,791
Equities	–	–	26,358	26,358
Derivative assets	–	1,155,596	–	1,155,596
<b>Total</b>	<b>–</b>	<b>60,075,387</b>	<b>26,358</b>	<b>60,101,745</b>

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019. All fair value measurements above are recurring. The reconciliation of investments measured at fair value using unobservable inputs (Level 3) is presented below.

	As at June 30, 2020	As at December 31, 2019
Beginning Balance	26,358	47,259
Purchases	–	–
Sales	–	–
Net Transfers	–	–
Realized Gains (Losses)	–	–
Change in Unrealized Appreciation (Depreciation)	(12,822)	(20,901)
<b>Ending Balance</b>	<b>13,536</b>	<b>26,358</b>

As at June 30, 2020, Level 3 investments were not significant to the First Trust ETF. Equity positions are classified as Level 1 when the security is actively traded, and a reliable price is observable. If equities do not trade frequently and observable prices are not available, fair value is determined using observable market data (e.g. transactions for similar securities of the same issuer) and the fair value is classified as Level 2, unless the determination of fair value requires significant unobservable data, in which case the measurement is classified as Level 3.

The Level 3 investment is valued using a broker quote received through a service provider which is indicative of fair value. The unobservable input used to value the security is the broker quote. The effect of a change in input by 5% increase/decrease will increase/decrease fair value by \$677 (December 31, 2019 – \$1,318).



First Trust Senior Loan ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Common Class	Advisor Class
Outstanding units - January 1, 2019	4,690,010	59,990
Redeemable units issued	344,306	403,958
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(2,100,000)	–
Outstanding units December 31, 2019	2,934,316	463,948
Redeemable units issued	50,000	100,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(650,000)	(150,000)
Outstanding units June 30, 2020	2,334,316	413,948

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Common Class	Advisor Class <sup>1</sup>
0.85%	1.35%

<sup>1</sup>Includes a service fee of 0.50%

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital losses and/or non-capital losses as at December 31, 2019 and 2018, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2019	2018	2019	2018
10,869,375	10,869,375	–	–

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
N/A	N/A

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
228,181	328,259	33,520	48,000

First Trust Senior Loan ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Interest rate risk** - The table below summarizes the First Trust ETF's exposure to Senior Loans and High Yield bonds as at June 30, 2020 and December 31, 2019:

	As at June 30, 2020				
	Less than 1 year (\$)	1-3 years (\$)	3-5 years (\$)	>5 years (\$)	Total (\$)
High Yield Bonds and Senior Loans	674,803	4,223,703	21,146,450	15,779,694	41,824,650
Total	674,803	4,223,703	21,146,450	15,779,694	41,824,650
	As at December 31, 2019				
	Less than 1 year (\$)	1-3 years (\$)	3-5 years (\$)	>5 years (\$)	Total (\$)
High Yield Bonds and Senior Loans	–	6,016,451	30,696,010	22,207,330	58,919,791
Total	–	6,016,451	30,696,010	22,207,330	58,919,791

At June 30, 2020, the weighted average duration of the First Trust ETF was 0.40 years (December 31, 2019 – 0.37 years). If interest rates increased or decreased by 1% at December 31, 2019, with all other variables remaining constant, net assets would have decreased or increased by approximately \$418,247 (December 31, 2019 – \$589,198). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

**Credit risk** – Below are the First Trust ETF's breakdown by credit rating as at June 30, 2020 and December 31, 2019:

Debt Securities by S&P Rating	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
BBB+	–	–
BBB	–	–
BBB-	7.48	3.40
BB+	2.53	1.66
BB	8.47	8.05
BB-	9.29	12.61
B+	20.02	19.81
B	24.41	28.34
B-	8.41	14.04
CCC+	4.04	4.42
CCC	2.21	0.69
CCC-	–	0.08
CC	–	–
C	–	–
D	1.42	0.01
NR	0.03	0.04

First Trust Senior Loan ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(730,722)	(1.54)	489,246	0.77

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$7,307 (December 31, 2019 - \$4,892). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** - The table below summarizes the First Trust ETF's concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Health Care	29.26	31.28
Consumer Discretionary	16.75	15.68
Communication Services	13.70	9.14
Information Technology	12.99	11.70
Financials	9.45	13.52
Industrials	2.79	6.49
Energy	1.69	1.40
Materials	0.89	2.38
Consumer Staples	0.78	1.37
Real Estate	–	0.19
<b>Total</b>	<b>88.30</b>	<b>93.16</b>

The table below summarizes the First Trust ETF's breakdown by geographic exposure as at June 30, 2020 and December 31, 2019:

Country	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
United States	82.57	87.30
Canada	3.45	4.81
Ireland	0.87	0.61
United Kingdom	0.83	–
Luxembourg	0.59	0.44
<b>Total</b>	<b>88.30</b>	<b>93.16</b>

# First Trust Senior Loan ETF (CAD-Hedged)

## Notes to Financial Statements - Specific Information

### For the six-month period ended June 30, 2020 (unaudited)

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

				Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Equities - 0.03%</b>							
Ascent Resources Marcellus Holdings LLC				11,973	49,070	13,410	0.03
Ascent Resources Marcellus Holdings LLC, Warrants				3,100	395	126	0.00
					<b>49,465</b>	<b>13,536</b>	<b>0.03</b>
	Par Value USD	Coupon Rate/Yield	Maturity Date		Average Cost (\$)	Fair Value (\$)	% of Total
<b>High Yield Bonds - 7.83%</b>							
Albertsons Cos. Inc. / Safeway Inc. / New Albertsons L.P. / Albertsons LLC, Callable	55,000	3.500%	15-Feb-23		72,701	75,676	0.16
Bausch Health Cos. Inc., Callable	17,000	5.875%	15-May-23		22,820	23,039	0.05
Brinker International Inc., Callable	50,000	5.000%	01-Oct-24		70,156	63,545	0.13
Colt Merger Sub Inc., Callable	110,000	6.250%	01-Jul-25		150,205	148,776	0.31
Cumulus Media New Holdings Inc., Callable	250,000	6.750%	01-Jul-26		350,944	314,103	0.66
DaVita Inc., Callable	60,000	5.125%	15-Jul-24		83,372	82,963	0.18
Dell International LLC / EMC Corp., Callable	300,000	7.125%	15-Jun-24		426,509	422,324	0.89
Diamond Sports Group LLC / Diamond Sports Finance Co., Callable	48,000	5.375%	15-Aug-26		52,547	47,494	0.10
Level 3 Financing Inc., Callable	11,000	5.375%	15-Aug-22		14,789	14,952	0.03
MEDNAX Inc., Callable	180,000	5.250%	01-Dec-23		239,771	243,783	0.52
MGM Resorts International	50,000	7.750%	15-Mar-22		73,771	69,389	0.15
Nexstar Broadcasting Inc., Callable	366,000	5.625%	01-Aug-24		494,120	501,902	1.06
Peabody Securities Finance Corp., Callable	606,000	6.000%	31-Mar-22		796,122	537,330	1.13
Reynolds Group Issuer Inc. / Reynolds Group Issuer LLC / Reynolds Group Issuer (Luxembourg) SA, Callable	100,000	7.000%	15-Jul-24		136,396	136,460	0.29
Ritchie Bros. Auctioneers Inc., Callable	25,000	5.375%	15-Jan-25		34,421	35,004	0.07
Sanchez Energy Corp., Callable	100,000	7.750%	15-Jun-21		6,572	552	0.00
Sinclair Television Group Inc., Callable	286,000	5.625%	01-Aug-24		385,106	373,754	0.79
Six Flags Entertainment Corp., Callable	150,000	4.875%	31-Jul-24		204,210	182,893	0.39
Tenet Healthcare Corp., Callable	175,000	4.625%	01-Sep-24		231,700	232,458	0.49
TRI Pointe Holdings Inc.	147,000	5.875%	15-Jun-24		204,306	205,685	0.43
					<b>4,050,538</b>	<b>3,712,082</b>	<b>7.83</b>
<b>Senior Loans - 80.44%</b>							
Air Medical Group Holdings Inc.	206,275	4.250%	28-Apr-22		260,386	268,803	0.57
Air Medical Group Holdings Inc.	63,391	5.250%	14-Mar-25		77,915	82,079	0.18
Air Methods Corp.	786,691	4.500%	21-Apr-24		1,010,498	875,545	1.85
Akorn Inc.	524,860	15.500%	16-Apr-21		586,131	674,251	1.43
Alight Inc.	457,268	2.750%	01-May-24		606,205	588,196	1.24
Alliant Holdings Intermediate LLC	483,399	2.750%	09-May-25		620,299	620,622	1.31
Alliant Holdings Intermediate LLC	55,733	3.250%	10-May-25		74,343	71,974	0.15
Altice France SA	60,450	2.750%	31-Jul-25		78,729	77,550	0.16
AMC Entertainment Inc.	318,780	3.000%	22-Apr-26		421,572	312,953	0.66
AmWINS Group Inc.	522,355	3.750%	25-Jan-24		671,472	687,654	1.45
Applied Systems Inc.	182,885	8.000%	19-Sep-25		222,836	247,043	0.52
Aristocrat Technologies Inc.	250,000	1.750%	19-Oct-24		331,927	321,581	0.68
AssuredPartners Inc.	120,248	3.500%	15-Feb-27		161,207	155,786	0.33
Asurion LLC	172,600	6.500%	04-Aug-25		222,807	232,564	0.49
athenahealth Inc.	356,594	4.500%	15-Feb-26		466,528	467,977	0.99
Bausch Health Companies Inc.	957,685	3.000%	01-Jun-25		1,236,517	1,261,643	2.67
BellRing Brands LLC	33,713	6.000%	21-Oct-24		43,934	45,455	0.10
Berry Global Inc.	221,164	2.000%	01-Jul-26		290,699	286,366	0.60
BJ's Wholesale Club Inc.	128,616	2.250%	03-Feb-24		169,027	168,621	0.36
BroadStreet Partners Inc.	270,189	3.250%	31-Jan-27		356,644	348,926	0.74
Cablevision (CSC Holdings LLC)	110,561	2.250%	17-Jul-25		143,181	141,654	0.30
Cablevision (CSC Holdings LLC)	851,004	2.500%	15-Apr-27		1,105,421	1,093,640	2.31
CenturyLink Inc. (Qwest)	603,722	2.250%	15-Mar-27		793,806	770,895	1.63
Change Healthcare Holdings LLC	1,045,402	3.500%	01-Mar-24		1,362,050	1,360,297	2.87
CHG Healthcare Services Inc.	562,973	4.000%	07-Jun-23		722,813	735,087	1.54
Cineworld Group PLC (Crown)	717,883	2.250%	05-Feb-25		944,797	729,574	1.54
Citadel Securities LP	403,708	2.750%	27-Feb-26		535,690	532,087	1.12
CityCenter Holdings LLC	497,442	3.000%	18-Apr-24		655,079	612,691	1.29
CommScope Inc.	134,234	3.250%	06-Apr-26		178,129	172,213	0.36
Cumulus Media Holdings Inc.	124,148	4.750%	31-Mar-26		164,067	156,746	0.33
DaVita Inc.	195,417	1.750%	12-Aug-26		257,687	256,244	0.54
Dell International LLC	500,000	2.750%	16-Sep-25		652,251	660,377	1.39
DuPage Medical Group (Midwest Physician Administrative Services LLC)	442,662	3.500%	15-Aug-24		555,717	562,797	1.19
E.W. Scripps Co. (The)	301,952	2.500%	01-May-26		397,988	386,105	0.81
Endo International PLC	961,425	5.000%	29-Apr-24		1,269,319	1,230,179	2.60
Envision Healthcare Corp.	901,182	3.750%	10-Oct-25		1,147,722	798,297	1.68
Froneri International Ltd.	98,766	2.250%	31-Jan-27		129,966	125,789	0.27

# First Trust Senior Loan ETF (CAD-Hedged)

## Notes to Financial Statements - Specific Information

### For the six-month period ended June 30, 2020 (unaudited)

Gentiva Health Services Inc. (Kindred at Home)	96,179	3.250%	02-Jul-25	125,677	126,165	0.27
Golden Nugget Inc.	454,155	3.250%	04-Oct-23	601,029	487,084	1.02
GoodRX Inc.	359,444	2.750%	15-Oct-25	467,336	464,651	0.98
Hostess Brands LLC (HB Holdings)	481,660	3.000%	03-Aug-25	635,397	629,708	1.33
HUB International Ltd.	992,260	3.000%	25-Apr-25	1,291,196	1,278,622	2.69
Hyland Software Inc.	212,522	4.000%	01-Jul-24	275,418	279,729	0.60
iHeartCommunications Inc.	554,394	3.000%	29-Apr-26	732,077	691,809	1.46
Internet Brands Inc. (MH Sub I LLC)	74,395	4.750%	15-Sep-24	98,279	97,211	0.20
IQVIA Inc. (Quintiles)	46,804	1.750%	11-Jun-25	60,832	61,489	0.13
Level 3 Financing Inc.	250,000	1.750%	01-Mar-27	331,199	320,370	0.68
Lumileds (Bright Bidco BV)	652,720	4.500%	30-Jun-24	743,789	381,597	0.79
Mallinckrodt International Finance SA	280,875	3.500%	24-Sep-24	336,845	284,081	0.60
Mallinckrodt International Finance SA	129,947	3.750%	24-Feb-25	163,812	128,343	0.27
McAfee LLC	62,658	3.750%	30-Sep-24	79,237	82,631	0.17
Micro Focus International (MA Financeco LLC)	1,000,000	2.500%	21-Jun-24	1,110,586	1,262,568	2.66
Micro Focus International (MA Financeco LLC)	111,581	5.250%	15-Jun-25	149,789	147,442	0.31
Multiplan Inc. (MPH Acquisition Holdings LLC)	761,634	3.750%	07-Jun-23	1,022,521	981,002	2.07
Nexstar Broadcasting Inc.	643,201	2.750%	19-Sep-26	844,108	828,772	1.75
Packers Holdings LLC	583,094	4.000%	04-Dec-24	749,621	756,382	1.59
Parexel International Corp.	443,397	2.750%	27-Sep-24	556,171	569,227	1.20
Peabody Energy Corp.	75,915	2.750%	31-Mar-25	96,360	55,654	0.12
PG&E Corp.	146,961	5.500%	30-Jun-25	197,028	195,774	0.41
Pharmaceutical Product Development Inc. (PPDI)	706,541	3.500%	18-Aug-22	950,471	946,309	2.00
Pike Corp.	17,127	4.250%	24-Jul-26	22,313	22,529	0.05
Playtika Holding Corp.	206,505	7.000%	10-Dec-24	272,637	279,651	0.59
PUG LLC (Stubhub)	156,843	3.500%	12-Feb-27	206,528	184,451	0.39
Qlik Technologies (Project Alpha Intermediate Holding Inc.)	371,778	4.250%	26-Apr-24	492,936	484,187	1.03
Refinitiv US Holdings Inc.	588,710	3.250%	01-Oct-25	771,711	779,852	1.65
Reynolds Consumer Products LLC	178,530	1.750%	04-Feb-27	235,908	233,152	0.49
Riverbed Technology Inc.	424,709	4.250%	24-Apr-22	556,113	488,718	1.02
Scientific Games International Inc.	217,620	2.750%	14-Aug-24	285,130	260,580	0.55
Select Medical Corp.	292,808	2.500%	06-Mar-25	385,804	376,813	0.80
Simply Good Foods (Atkins Nutritionals Inc.)	34,716	4.750%	07-Jul-24	45,432	45,835	0.10
SolarWinds Holdings Inc.	646,855	2.750%	05-Feb-24	847,184	849,964	1.80
Solera Holdings Inc.	63,771	2.750%	03-Mar-23	84,706	83,398	0.18
Sophos Group PLC (Surf)	301,389	3.500%	05-Mar-27	393,533	391,338	0.83
SS&C European Holdings SARL	471,495	1.750%	16-Apr-25	609,936	610,170	1.29
Stars Group Holdings BV (Amaya)	233,175	3.500%	10-Jul-25	306,397	314,329	0.66
SUSE (Marcel Lux IV SARL)	216,365	3.250%	15-Mar-26	281,749	277,582	0.59
T-Mobile USA Inc.	251,684	3.000%	01-Apr-27	347,136	340,949	0.72
Transdigm Inc.	286,290	2.250%	22-Aug-24	379,039	350,450	0.74
Transdigm Inc.	99,750	2.250%	30-May-25	133,266	121,287	0.26
Twin River Worldwide Holdings Inc.	80,988	2.750%	10-May-26	108,195	100,902	0.21
U.S. Renal Care Inc.	302,020	5.000%	28-Jun-26	390,410	393,565	0.83
US Foods Inc.	63,133	2.000%	31-Aug-26	83,650	79,620	0.17
Veeam Software Holdings Ltd. (VS Buyer LLC)	97,274	3.250%	28-Feb-27	128,486	127,107	0.27
Verscend Technologies Inc.	288,978	4.500%	27-Aug-25	380,059	378,290	0.80
Vertafore Inc.	432,125	3.250%	02-Jul-25	556,181	551,823	1.16
Virgin Media Investment Holdings Ltd.	60,751	2.500%	31-Jan-28	80,673	78,579	0.17
Zayo Group Holdings Inc.	568,296	3.000%	09-Mar-27	753,275	730,566	1.54
				<b>39,682,524</b>	<b>38,112,568</b>	<b>80.44</b>
<b>Total investments</b>				<b>43,782,527</b>	<b>41,838,186</b>	<b>88.30</b>
Unrealized appreciation on derivatives - see Schedule 1					<b>233,777</b>	<b>0.49</b>
Other assets, less liabilities					<b>5,309,895</b>	<b>11.21</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>				<b>43,782,527</b>	<b>47,381,858</b>	<b>100.00</b>

Schedule 1

Counterparty	Counterparty*	Rating of Settlement Date	Currency	Credit		Appreciation		Forward Rate	Current Rate	(Depreciation)	\$
				Amount Sold	Amount Bought	Current	Forward				
CIBC World Markets Inc, Toronto	A-1	2020-07-31	USD	35,249,831	CAD 48,085,000	0.733	0.737				233,777
											<b>233,777</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide


# First Trust Canadian Capital Strength ETF

<b>STATEMENTS OF FINANCIAL POSITION</b> As at June 30, 2020 (unaudited) and December 31, 2019		
	<b>June 30 2020 (\$)</b>	<b>December 31 2019 (\$)</b>
<b>Assets</b>		
Investments (non-derivative financial assets)	40,023,470	60,300,148
Cash	204,652	311,624
Accrued dividend receivable	48,046	84,087
Receivable for portfolio securities sold	31,458	-
Other assets	54,041	46,120
	<b>40,361,667</b>	<b>60,741,979</b>
<b>Liabilities</b>		
Accrued liabilities	84,124	114,316
Distributions payable to holders of redeemable units	142,219	203,719
	226,343	318,035
<b>Total net assets attributable to holders of redeemable units</b>	<b>40,135,324</b>	<b>60,423,944</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units per class</b>		
<b>Advisor Class</b>	22,027,844	27,809,801
<b>Common Class</b>	18,107,480	32,614,143
<b>Redeemable units outstanding [note 6]</b>		
<b>Advisor Class</b>	860,726	960,726
<b>Common Class</b>	592,993	942,993
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Advisor Class</b>	25.59	28.95
<b>Common Class</b>	30.54	34.59
<b>STATEMENTS OF COMPREHENSIVE INCOME</b> For the periods ended June 30, 2020 and 2019 (unaudited)		
	<b>June 30 2020 (\$)</b>	<b>June 30 2019 (\$)</b>
<b>Revenues</b>		
Dividends	565,249	932,288
Interest income for distribution purposes		
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on investments	(2,879,241)	1,009,408
Change in unrealized appreciation (depreciation) of foreign exchange	(237)	429
Change in unrealized appreciation (depreciation) of investments	(4,167,390)	7,506,951
	<b>(6,481,619)</b>	<b>9,449,076</b>
Foreign exchange gain (loss) on cash	(187)	(1,260)
	<b>(6,481,806)</b>	<b>9,447,816</b>
<b>Expenses [note 7]</b>		
Management fees	140,329	210,073
Service fees	118,041	142,701
HST expense	25,668	34,836
Transaction costs [note 3 and note 9]	9,177	9,613
Independent Review Committee fees	6,020	6,804
Interest expense	3	11
	299,238	404,038
Expenses waived by manager	(6,020)	(6,804)
	293,218	397,234
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(6,775,024)</b>	<b>9,050,582</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Advisor Class</b>	(2,918,005)	3,526,372
<b>Common Class</b>	(3,857,019)	5,524,210
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Advisor Class</b>	(3.17)	3.42
<b>Common Class</b>	(5.20)	4.41

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.

  
..... Director

  
..... Director

# First Trust Canadian Capital Strength ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$) Advisor Class	June 30 2019 (\$) Advisor Class	June 30 2020 (\$) Common Class	June 30 2019 (\$) Common Class
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	27,809,801	26,802,768	32,614,143	42,045,843
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(2,918,005)	3,526,372	(3,857,019)	5,524,210
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from redeemable units issued	-	1,282,306	1,178,606	4,929,224
Redemption of redeemable units	(2,766,522)	(2,660,589)	(11,614,492)	(11,461,371)
	(2,766,522)	(1,378,283)	(10,435,886)	(6,532,147)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(97,430)	(106,126)	(213,758)	(369,828)
	(97,430)	(106,126)	(213,758)	(369,828)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	(5,781,957)	2,041,963	(14,506,663)	(1,377,765)
<b>Net assets attributable to holders of redeemable units, end of period</b>	22,027,844	28,844,731	18,107,480	40,668,078
			<b>June 30 2020 (\$) Total</b>	<b>June 30 2019 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of period</b>			60,423,944	68,848,611
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			(6,775,024)	9,050,582
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from redeemable units issued			1,178,606	6,211,530
Redemption of redeemable units			(14,381,014)	(14,121,960)
			(13,202,408)	(7,910,430)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(311,188)	(475,954)
			(311,188)	(475,954)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>			(20,288,620)	664,198
<b>Net assets attributable to holders of redeemable units, end of period</b>			40,135,324	69,512,809

See accompanying notes which are an integral part of these financial statements.

# First Trust Canadian Capital Strength ETF

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(6,775,024)	9,050,582
Adjustments for:		
Net realized (gain) loss on investments	2,879,241	(1,009,408)
Change in unrealized (appreciation) depreciation of investments	4,167,390	(7,506,951)
Dividends receivable	36,041	(17,607)
Other assets	(7,921)	10,820
Other liabilities	(30,192)	(593)
Purchases of investments	(15,682,707)	(23,308,045)
Proceeds from the sale of investments	28,881,296	31,170,058
	13,468,124	8,388,856
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	1,178,606	6,211,530
Amount paid on redemptions of units	(14,381,014)	(14,121,960)
Distributions paid to unitholders	(372,688)	(405,910)
	(13,575,096)	(8,316,340)
<b>Increase (Decrease) in cash for the period</b>	(106,972)	72,516
<b>Cash, beginning of period</b>	311,624	300,474
<b>Cash, end of period</b>	204,652	372,990
Dividends received, net of withholding taxes	601,290	914,680

See accompanying notes which are an integral part of these financial statements.



**First Trust Canadian Capital Strength ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** - The First Trust ETF seeks to provide unitholders with long term capital appreciation by investing primarily in securities traded on a Canadian exchange or market.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	40,023,470	–	–	40,023,470
Total	40,023,470	–	–	40,023,470

	Financial Assets at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	60,300,148	–	–	60,300,148
Total	60,300,148	–	–	60,300,148

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Common Class	Advisor Class
Outstanding units - January 1, 2019	1,392,993	1,060,726
Redeemable units issued	150,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(600,000)	(150,000)
Outstanding units – December 31, 2019	942,993	960,726
Redeemable units issued	50,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(400,000)	(100,000)
Outstanding units – June 30, 2020	592,993	860,726

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Common Class	Advisor Class <sup>1</sup>
0.60%	1.60%

<sup>1</sup>Includes a service fee of 1.00%

First Trust Canadian Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital losses and/or non-capital losses as at December 31, 2019 and 2018, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2019	2018	2019	2018
22,747,482	22,747,482	-	-

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
9,177	9,613

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
140,329	210,073	20,079	33,922

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019 with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P/TSX Composite® Index	2,329,856	(2,329,856)	3,344,465	(3,344,465)

**Concentration Risk** - The table below summarizes the concentration risk as at June 30, 2020 and December 31, 2019:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Financials	24.02	32.15
Information Technology	19.47	11.66
Materials	16.32	12.36
Industrials	15.95	16.22
Consumer Staples	11.89	11.27
Energy	4.08	8.40
Consumer Discretionary	4.04	3.91
Communication Services	3.95	3.83
Total	99.72	99.80

# First Trust Canadian Capital Strength ETF

## Notes to Financial Statements - Specific Information

### For the six-month period ended June 30, 2020 (unaudited)

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Communication Services—3.95%</b>				
BCE Inc.	27,985	1,535,537	1,584,511	3.95
		<b>1,535,537</b>	<b>1,584,511</b>	<b>3.95</b>
<b>Consumer Discretionary—4.04%</b>				
Magna International Inc.	26,794	1,469,872	1,619,965	4.04
		<b>1,469,872</b>	<b>1,619,965</b>	<b>4.04</b>
<b>Consumer Staples—11.89%</b>				
Alimentation Couche-Tard Inc., Class 'B'	37,154	959,298	1,581,646	3.94
Canada Goose Holdings Inc.	51,016	2,554,562	1,608,024	4.01
Metro Inc., Class 'A'	28,283	1,306,491	1,583,848	3.94
		<b>4,820,351</b>	<b>4,773,518</b>	<b>11.89</b>
<b>Energy—4.08%</b>				
Pembina Pipeline Corp.	48,222	2,065,221	1,636,655	4.08
		<b>2,065,221</b>	<b>1,636,655</b>	<b>4.08</b>
<b>Financials—24.02%</b>				
Bank of Nova Scotia	28,882	1,945,560	1,622,591	4.04
Intact Financial Corp.	12,247	1,494,708	1,582,435	3.94
Manulife Financial Corp.	87,975	1,878,922	1,624,898	4.05
Royal Bank of Canada	17,235	1,456,929	1,587,516	3.96
Sun Life Financial Inc.	32,472	1,535,765	1,620,028	4.04
Toronto-Dominion Bank (The)	26,450	1,604,272	1,602,605	3.99
		<b>9,916,156</b>	<b>9,640,073</b>	<b>24.02</b>
<b>Industrials—15.95%</b>				
Canadian National Railway Co.	13,294	1,272,414	1,596,742	3.98
Canadian Pacific Railway Ltd.	4,613	931,043	1,592,961	3.97
Ritchie Bros. Auctioneers Inc.	29,026	1,570,016	1,604,267	3.99
Toromont Industries Ltd.	23,894	1,627,225	1,609,739	4.01
		<b>5,400,698</b>	<b>6,403,709</b>	<b>15.95</b>
<b>Information Technology—19.47%</b>				
CGI Inc.	18,334	1,129,202	1,568,107	3.91
Constellation Software Inc.	1,015	971,529	1,555,883	3.88
Enghouse Systems Ltd.	21,716	916,020	1,574,410	3.92
Kinaxis Inc.	8,067	863,461	1,565,482	3.90
Open Text Corp.	26,914	989,806	1,551,592	3.86
		<b>4,870,018</b>	<b>7,815,474</b>	<b>19.47</b>
<b>Materials—16.32%</b>				
B2Gold Corp.	212,715	1,571,964	1,642,160	4.09
Barrick Gold Corp.	44,373	1,222,920	1,620,946	4.04
CCL Industries Inc., Class 'B'	37,150	2,016,393	1,630,142	4.06
Kirkland Lake Gold Ltd.	29,630	1,369,202	1,656,317	4.13
		<b>6,180,479</b>	<b>6,549,565</b>	<b>16.32</b>
<b>Total investments</b>		<b>36,258,332</b>	<b>40,023,470</b>	<b>99.72</b>
Transaction costs		(12,008)		
Other assets, less liabilities			111,854	0.28
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>36,246,324</b>	<b>40,135,324</b>	<b>100.00</b>

# First Trust Global Risk Managed Income Index ETF

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	23,076,105	28,514,533
Cash	106,363	106,909
Accrued dividend receivable	47,529	118,783
Other assets	40,937	37,785
	23,270,934	28,778,010
<b>Liabilities</b>		
Accrued liabilities	9,759	12,978
Distributions payable to holders of redeemable units	80,363	88,863
	90,122	101,841
<b>Total net assets attributable to holders of redeemable units</b>	<b>23,180,812</b>	<b>28,676,169</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Common Class</b>	22,076,998	26,486,344
<b>Advisor Class</b>	1,103,814	2,189,825
<b>Redeemable units outstanding [note 6]</b>		
<b>Common Class</b>	1,286,214	1,386,214
<b>Advisor Class</b>	63,800	113,800
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Common Class</b>	17.16	19.11
<b>Advisor Class</b>	17.30	19.24

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	494,523	599,465
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(1,600,412)	(287,759)
Net change in unrealized appreciation (depreciation) of investments	(1,310,944)	1,699,394
	(2,416,833)	2,011,100
<b>Expenses [note 7]</b>		
Management fees	76,280	82,428
Transaction costs [note 3 and note 9]	25,687	14,156
Service fees	4,468	5,291
HST expense	4,423	4,890
Independent Review Committee fees	3,278	2,670
	114,136	109,435
Expenses waived by manager	(27,514)	(28,788)
	86,622	80,647
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(2,503,455)</b>	<b>1,930,453</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Common Class</b>	(2,297,082)	1,786,807
<b>Advisor Class</b>	(206,373)	143,646
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Common Class</b>	(1.72)	1.30
<b>Advisor Class</b>	(2.06)	1.27

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Global Risk Managed Income Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$) Common Class	June 30 2019 (\$) Common Class	June 30 2020 (\$) Advisor Class	June 30 2019 (\$) Advisor Class
Net assets attributable to holders of redeemable units, beginning of period	26,486,344	24,818,491	2,189,825	2,049,767
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(2,297,082)</b>	<b>1,786,807</b>	<b>(206,373)</b>	<b>143,646</b>
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	966,141	940,311	-	-
Redemption of units	(2,600,368)	(923,776)	(850,498)	-
	(1,634,227)	16,535	(850,498)	-
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(478,037)	(493,037)	(29,140)	(34,140)
	(478,037)	(493,037)	(29,140)	(34,140)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	<b>(4,409,346)</b>	<b>1,310,305</b>	<b>(1,086,011)</b>	<b>109,506</b>
Net assets attributable to holders of redeemable units, end of period	22,076,998	26,128,796	1,103,814	2,159,273
			<b>June 30 2020 (\$) Total</b>	<b>June 30 2019 (\$) Total</b>
Net assets attributable to holders of redeemable units, beginning of period			28,676,169	26,868,258
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			<b>(2,503,455)</b>	<b>1,930,453</b>
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			966,141	940,311
Redemption of units			(3,450,866)	(923,776)
			(2,484,725)	16,535
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(507,177)	(527,177)
			(507,177)	(527,177)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>			<b>(5,495,357)</b>	<b>1,419,811</b>
Net assets attributable to holders of redeemable units, end of period			23,180,812	28,288,069

See accompanying notes which are an integral part of these financial statements.

# First Trust Global Risk Managed Income Index ETF

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,503,455)	1,930,453
Adjustments for:		
Net realized (gain) loss on sale of investments	1,600,412	287,759
Change in unrealized (appreciation) depreciation of investments	1,310,944	(1,699,394)
Dividends receivable	71,254	56,964
Other assets	(3,152)	5,344
Other liabilities	(3,219)	(1,117)
Purchases of investments	(24,054,742)	(15,899,494)
Proceeds from the sale of investments	26,581,814	15,872,995
	2,999,856	553,510
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	966,141	940,311
Amount paid on redemptions of units	(3,450,866)	(923,776)
Distributions paid to unitholders	(515,677)	(527,177)
	(3,000,402)	(510,642)
<b>Increase (Decrease) in cash for the period</b>	(546)	42,868
<b>Cash, beginning of period</b>	106,909	70,684
<b>Cash, end of period</b>	106,363	113,552
Dividends received, net of withholding taxes	565,777	656,429

See accompanying notes which are an integral part of these financial statements.

**First Trust Global Risk Managed Income Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the NASDAQ Global Risk Managed Income Index<sup>SM</sup>, net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of the Index.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets at Fair Value (\$)			
	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	23,076,105	–	–	23,076,105
Total	23,076,105	–	–	23,076,105

	Financial Assets at Fair Value (\$)			
	As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	28,514,533	–	–	28,514,533
Total	28,514,533	–	–	28,514,533

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Common Class	Advisor Class
Outstanding units - January 1, 2019	1,386,214	113,800
Redeemable units issued	100,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(100,000)	(50,000)
Outstanding units – December 31, 2019	1,386,214	113,800
Redeemable units issued	50,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(150,000)	(50,000)
Outstanding units – June 30, 2020	1,286,214	63,800

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>	
Common Class	Advisor Class <sup>2</sup>
0.41%	0.91%

<sup>1</sup>Pays a management fee up to a maximum of 0.60%

<sup>2</sup>Includes a service fee of 0.50%

First Trust Global Risk Managed Income Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital losses and/or non-capital losses as at December 31, 2019 and 2018, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2019	2018	2019	2018
818,997	892,910	-	-

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
25,687	14,156

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at periods ended June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
76,280	82,428	7,839	9,520

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and interest rates. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Reference Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
NASDAQ Global Risk Managed Income Index <sup>SM</sup>	1,088,339	(1,088,339)	1,396,529	(1,396,529)

**Concentration Risk** - The table below summarizes the concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Bonds	60.56	47.33
REITs and Preferred Shares	14.03	12.20
Equities	13.65	20.37
Senior Loans	11.31	19.54
Total	99.55	99.44



# First Trust Global Risk Managed Income Index ETF

## Notes to Financial Statements - Specific Information

### For the six-month period ended June 30, 2020 (unaudited)

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.55%</b>				
BMO Emerging Markets Bond Hedged to CAD Index ETF	188,074	2,891,638	2,862,486	12.35
BMO Equal Weight REITs Index ETF	29,161	567,091	577,388	2.49
BMO Equal Weight Utilities Index ETF	23,983	393,303	487,814	2.10
BMO High Yield US Corporate Bond Hedged to CAD Index ETF	245,406	3,283,112	3,072,483	13.25
BMO Mid-Term US IG Corporate Bond Index ETF	58,748	1,188,107	1,243,108	5.36
First Trust Senior Loan ETF (CAD-Hedged)	152,578	2,798,065	2,622,816	11.31
Horizons Cdn Select Universe Bond ETF	20,482	1,017,721	1,053,799	4.55
iShares Canadian Corporate Bond Index ETF	30,171	650,567	677,641	2.92
iShares Canadian Government Bond Index ETF	43,868	978,999	1,033,091	4.46
iShares Convertible Bond Index ETF, Convertible Bonds	138,038	2,456,157	2,306,615	9.95
iShares Core Canadian Long Term Bond Index ETF	20,117	500,483	558,448	2.41
iShares Core S&P / TSX Composite High Dividend Index ETF	37,599	753,395	641,439	2.77
iShares Global Monthly Dividend Index ETF (CAD-Hedged)	38,580	677,179	614,193	2.65
iShares Global Real Estate Index ETF	15,763	446,523	426,074	1.84
iShares S&P/TSX Canadian Preferred Share Index ETF	213,107	2,491,843	2,248,279	9.70
iShares S&P/TSX Capped Financials Index ETF	12,284	440,976	398,616	1.72
Vanguard Canadian Short-Term Bond Index ETF	50,311	1,218,359	1,230,607	5.31
Vanguard FTSE Canadian High Dividend Yield Index ETF	30,195	887,309	873,541	3.77
Vanguard U.S. Dividend Appreciation Index ETF	2,728	136,450	147,667	0.64
<b>Total Exchange Traded Funds</b>		<b>23,777,277</b>	<b>23,076,105</b>	<b>99.55</b>
<b>Total investments</b>		<b>23,777,277</b>	<b>23,076,105</b>	<b>99.55</b>
Transaction costs		(12,706)		
Other assets, less liabilities			104,707	0.45
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>23,764,571</b>	<b>23,180,812</b>	<b>100.00</b>

# First Trust Tactical Bond Index ETF

## STATEMENTS OF FINANCIAL POSITION

As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	5,596,576	10,950,117
Cash	24,727	22,508
Accrued dividend receivable	5,029	33,000
Other assets	3,353	2,591
	5,629,685	11,008,216
<b>Liabilities</b>		
Accrued liabilities	3,354	5,451
Distributions payable to holders of redeemable units	17,500	30,000
	20,854	35,451
<b>Total net assets attributable to holders of redeemable units</b>	<b>5,608,831</b>	<b>10,972,765</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>5,608,831</b>	<b>10,972,765</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>350,000</b>	<b>600,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>16.03</b>	<b>18.29</b>

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	152,880	316,098
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(1,502,503)	(837,410)
Net realized gain on foreign exchange	27	-
Net change in unrealized appreciation (depreciation) of investments	248,715	1,535,039
	(1,100,881)	1,013,727
Foreign exchange gain (loss) on cash	(45)	-
	(1,100,926)	1,013,727
<b>Expenses [note 7]</b>		
Management fees	22,900	47,376
Transaction costs [note 3 and note 9]	20,858	13,868
HST expense	2,215	4,543
Independent Review Committee fees	1,179	1,839
Interest expense	19	-
	47,171	67,626
Expenses waived by manager	(1,179)	(1,839)
	45,992	65,787
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(1,146,918)</b>	<b>947,940</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(1,146,918)</b>	<b>947,940</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(2.09)</b>	<b>0.91</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Tactical Bond Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	10,972,765	21,576,719
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(1,146,918)	947,940
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	-	912,466
Redemption of units	(4,059,516)	(6,391,783)
	(4,059,516)	(5,479,317)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(157,500)	(305,000)
	(157,500)	(305,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units, for the period</b>	(5,363,934)	(4,836,377)
<b>Net assets attributable to holders of redeemable units, end of period</b>	5,608,831	16,740,342

See accompanying notes which are an integral part of these financial statements.

# First Trust Tactical Bond Index ETF

## STATEMENTS OF CASH FLOW

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,146,918)	947,940
Adjustments for:		
Net realized (gain) loss on sale of investments	1,502,503	837,410
Change in unrealized (appreciation) depreciation of investments	(248,715)	(1,535,039)
Dividends receivable	27,971	78,754
Other assets	(762)	(1,616)
Other liabilities	(2,097)	(2,306)
Purchases of investments	(17,427,774)	(13,209,687)
Proceeds from the sale of investments	21,527,527	18,688,836
	4,231,735	5,804,292
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	912,466
Amount paid on redemptions of units	(4,059,516)	(6,391,783)
Distributions paid to unitholders	(170,000)	(320,000)
	(4,229,516)	(5,799,317)
<b>Increase (Decrease) in cash for the period</b>	<b>2,219</b>	<b>4,975</b>
<b>Cash, beginning of period</b>	<b>22,508</b>	<b>50,850</b>
<b>Cash, end of period</b>	<b>24,727</b>	<b>55,825</b>
Dividends received, net of withholding taxes	180,851	394,852

See accompanying notes which are an integral part of these financial statements.

**First Trust Tactical Bond Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the NASDAQ Canadian Preservation Index CAD TR<sup>SM</sup> (the “Index”), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The below fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	5,596,576	–	–	5,596,576
Total	5,596,576	–	–	5,596,576
	Financial Assets at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	10,950,117	–	–	10,950,117
Total	10,950,117	–	–	10,950,117

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units
Outstanding units - January 1, 2019	1,200,000
Redeemable units issued	50,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(650,000)
Outstanding units – December 31, 2019	600,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(250,000)
Outstanding units – June 30, 2020	350,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.50%

First Trust Tactical Bond Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital losses and/or non-capital losses as at December 31, 2019 and 2018, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2019	2018	2019	2018
1,128,319	799,718	-	-

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
20,858	13,868

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
22,900	47,376	2,968	7,400

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and interest rates. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
NASDAQ Canadian Preservation Index CAD TR <sup>SM</sup>	297,268	(297,268)	511,331	(511,331)

**Concentration Risk** - The table below summarizes the First Trust ETF's concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Exchange-Traded Funds	99.78	99.79
Total	99.78	99.79

First Trust Tactical Bond Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.78%</b>				
BMO Aggregate Bond Index ETF	67,770	1,075,594	1,135,825	20.25
BMO Long Federal Bond Index ETF	53,629	1,076,904	1,118,701	19.95
iShares 1-5 Year Laddered Government Bond Index ETF	59,071	1,077,449	1,082,181	19.29
iShares Canadian Government Bond Index ETF	47,460	1,076,459	1,117,683	19.93
iShares Canadian Universe Bond Index ETF	34,024	1,075,234	1,142,186	20.36
<b>Total Exchange Traded Funds</b>		<b>5,381,640</b>	<b>5,596,576</b>	<b>99.78</b>
<b>Total investments</b>		<b>5,381,640</b>	<b>5,596,576</b>	<b>99.78</b>
Transaction costs		(3,114)		
Other assets, less liabilities			12,255	0.22
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>5,378,526</b>	<b>5,608,831</b>	<b>100.00</b>

# First Trust Value Line® Dividend Index ETF (CAD-Hedged)

## STATEMENTS OF FINANCIAL POSITION

As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	16,555,674	18,167,488
Cash	65,135	67,706
Accrued dividend receivable	37,826	31,707
Derivative assets	80,207	333,078
Other assets	8,291	6,101
	16,747,133	18,606,080
<b>Liabilities</b>		
Accrued liabilities	24,273	23,724
Distributions payable to holders of redeemable units	30,804	32,304
	55,077	56,028
<b>Total net assets attributable to holders of redeemable units</b>	<b>16,692,056</b>	<b>18,550,052</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
Common Class	11,616,101	13,984,787
Advisor Class	5,075,955	4,565,265
<b>Redeemable units outstanding [note 6]</b>		
Common Class	452,160	452,160
Advisor Class	197,835	147,835
<b>Net assets attributable to holders of redeemable units per unit</b>		
Common Class	25.69	30.93
Advisor Class	25.66	30.88

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	314,571	342,875
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	(811,239)	1,035,243
Net realized gain (loss) on derivatives	(681,922)	124,386
Net realized gain (loss) on foreign exchange	12,408	(689)
Net change in unrealized appreciation (depreciation) of investments	(1,540,296)	1,194,356
Net change in unrealized appreciation (depreciation) of derivatives	(252,870)	385,499
	(2,959,348)	3,081,670
Foreign exchange gain (loss) on cash	(2,563)	(41)
	(2,961,911)	3,081,629
<b>Expenses [note 7]</b>		
Management fees	61,595	71,134
Service fees	22,237	20,438
HST expense	8,708	8,779
Transaction costs [note 3 and note 9]	3,843	2,329
Independent Review Committee fees	2,275	1,977
Interest expense	135	9
	98,793	104,666
Expenses waived by manager	(2,275)	(1,977)
	96,518	102,689
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(3,058,429)</b>	<b>2,978,940</b>
<b>Withholding taxes</b>	<b>43,090</b>	<b>45,103</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(3,101,519)</b>	<b>2,933,837</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
Common Class	(2,417,855)	2,354,813
Advisor Class	(683,664)	579,024
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
Common Class	(4.93)	4.03
Advisor Class	(4.09)	3.92

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director



# First Trust Value Line® Dividend Index ETF (CAD-Hedged)

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$) Common Class	June 30 2019 (\$) Common Class	June 30 2020 (\$) Advisor Class	June 30 2019 (\$) Advisor Class
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	13,984,787	10,207,766	4,565,265	3,748,115
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(2,417,855)	2,354,813	(683,664)	579,024
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	2,629,551	8,028,883	1,229,660	-
Redemption of units	(2,404,865)	(7,230,896)	-	-
	224,686	797,987	1,229,660	-
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(175,517)	(189,071)	(35,306)	(25,502)
	(175,517)	(189,071)	(35,306)	(25,502)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	(2,368,686)	2,963,729	510,690	553,522
<b>Net assets attributable to holders of redeemable units, end of period</b>	11,616,101	13,171,495	5,075,955	4,301,637
			<b>June 30 2020 (\$) Total</b>	<b>June 30 2019 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of period</b>			18,550,052	13,955,881
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			(3,101,519)	2,933,837
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			3,859,211	8,028,883
Redemption of units			(2,404,865)	(7,230,896)
			1,454,346	797,987
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(210,823)	(214,573)
			(210,823)	(214,573)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>			(1,857,996)	3,517,251
<b>Net assets attributable to holders of redeemable units, end of period</b>			16,692,056	17,473,132

See accompanying notes which are an integral part of these financial statements.

# First Trust Value Line® Dividend Index ETF (CAD-Hedged)

<b>STATEMENTS OF CASH FLOW</b>	<b>For the periods ended June 30, 2020 and 2019 (unaudited)</b>	
	<b>June 30 2020 (\$)</b>	<b>June 30 2019 (\$)</b>
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(3,101,519)	2,933,837
Adjustments for:		
Net realized (gain) loss on sale of investments	811,239	(1,035,243)
Change in unrealized (appreciation) depreciation of investments and derivatives	1,793,166	(1,579,855)
Dividends receivable	(6,119)	(11,446)
Other assets	(2,190)	(3,125)
Other liabilities	549	4,045
Purchases of investments	(12,522,160)	(15,388,461)
Proceeds from the sale of investments	11,782,440	14,344,068
	(1,244,594)	(736,180)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	3,859,211	8,028,883
Amount paid on redemptions of units	(2,404,865)	(7,230,896)
Distributions paid to unitholders	(212,323)	(203,323)
	1,242,023	594,664
<b>Increase (Decrease) in cash for the period</b>	<b>(2,571)</b>	<b>(141,516)</b>
<b>Cash, beginning of period</b>	<b>67,706</b>	<b>208,280</b>
<b>Cash, end of period</b>	<b>65,135</b>	<b>66,764</b>
Dividends received, net of withholding taxes	265,362	286,326

See accompanying notes which are an integral part of these financial statements.

**First Trust Value Line® Dividend Index ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the Value Line® Dividend Index (the “Index”) on a currency hedged basis, net of expenses. The Index is a modified equal-dollar weighted index comprised of U.S. exchange-listed securities of companies that pay above-average dividends and have the potential for capital appreciation.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	16,555,674	–	–	16,555,674
Derivative assets	–	80,207	–	80,207
<b>Total</b>	<b>16,555,674</b>	<b>80,207</b>	<b>–</b>	<b>16,635,881</b>

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	18,167,488	–	–	18,167,488
Derivative assets	–	333,078	–	333,078
<b>Total</b>	<b>18,167,488</b>	<b>333,078</b>	<b>–</b>	<b>18,500,566</b>

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Common Class	Advisor Class
Outstanding units - January 1, 2019	402,160	147,835
Redeemable units issued	300,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(250,000)	(50,000)
Outstanding units – December 31, 2019	452,160	147,835
Redeemable units issued	100,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(100,000)	–
Outstanding units – June 30, 2020	452,160	197,835

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Common Class	Advisor Class <sup>1</sup>
0.70%	1.70%

<sup>1</sup>Includes a service fee of 1.00%

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital losses and/or non-capital losses as at December 31, 2019 and 2018, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2019	2018	2019	2018
83,701	543,047	-	-

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
3,843	2,329

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
61,595	71,134	9,750	11,542

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500 Index (CAD-Hedged)	824,403	(824,403)	722,144	(722,144)
Dow Jones U.S. Select Dividend™ Index USD	852,930	(852,930)	889,807	(889,807)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	369,828	2.22	269,646	1.45

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$3,698 (December 31, 2019 - \$2,696). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
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**Concentration Risk** - The table below summarizes the concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
<i>Canada</i>		
Financials	3.12	2.93
Communication Services	1.04	1.46
Information Technology	1.04	0.98
Utilities	0.53	0.49
Industrials	0.53	0.48
<i>United States</i>		
Utilities	22.67	21.07
Financials	17.74	20.04
Industrials	15.01	11.61
Consumer Staples	8.98	9.73
Information Technology	4.81	3.88
Health Care	4.28	3.39
Materials	3.73	3.41
Consumer Discretionary	2.62	3.38
Communication Services	2.15	1.95
Energy	0.52	1.45
<i>International</i>		
Switzerland	2.65	2.43
United Kingdom	1.54	2.45
Japan	1.53	0.95
Bermuda	1.02	1.47
India	0.56	0.49
Taiwan	0.54	0.49
France	0.52	0.97
Ireland	0.52	0.97
Belgium	0.51	0.49
Denmark	0.51	0.49
Hong Kong	0.51	–
Germany	–	0.49
<b>Total</b>	<b>99.18</b>	<b>97.94</b>

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
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SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>CANADIAN EQUITIES</b>				
<b>Communication Services—1.04%</b>				
BCE Inc.	1,539	90,842	87,272	0.52
TELUS Corp.	3,763	88,429	85,672	0.52
		<b>179,271</b>	<b>172,944</b>	<b>1.04</b>
<b>Financials—3.12%</b>				
Bank of Montreal	1,175	101,272	84,624	0.51
Bank of Nova Scotia	1,557	105,005	87,173	0.52
Canadian Imperial Bank of Commerce	943	94,679	85,736	0.51
Royal Bank of Canada	959	92,103	88,272	0.53
Sun Life Financial Inc.	1,771	93,777	88,358	0.53
Toronto-Dominion Bank (The)	1,438	97,961	87,089	0.52
		<b>584,797</b>	<b>521,252</b>	<b>3.12</b>
<b>Industrials—0.53%</b>				
Canadian National Railway Co.	743	88,712	89,340	0.53
		<b>88,712</b>	<b>89,340</b>	<b>0.53</b>
<b>Information Technology—1.04%</b>				
Shaw Communications Inc., Class 'B'	3,861	97,153	85,754	0.51
Thomson Reuters Corp.	950	73,258	87,663	0.53
		<b>170,411</b>	<b>173,417</b>	<b>1.04</b>
<b>Utilities—0.53%</b>				
Fortis Inc.	1,714	83,324	88,609	0.53
		<b>83,324</b>	<b>88,609</b>	<b>0.53</b>
		<b>1,106,515</b>	<b>1,045,562</b>	<b>6.26</b>
<b>UNITED STATES EQUITIES</b>				
<b>Communication Services—2.15%</b>				
AT&T Inc.	2,167	95,069	88,934	0.53
Comcast Corp., Class 'A'	1,697	95,950	89,804	0.54
Omnicom Group Inc.	1,237	110,008	91,692	0.55
Verizon Communications Inc.	1,172	88,625	87,718	0.53
		<b>389,652</b>	<b>358,148</b>	<b>2.15</b>
<b>Consumer Discretionary—2.62%</b>				
Genuine Parts Co.	744	86,732	87,834	0.53
Home Depot Inc. (The)	262	67,168	89,104	0.53
McDonald's Corp.	348	84,870	87,152	0.52
Starbucks Corp.	865	95,900	86,419	0.52
Target Corp.	533	86,927	86,781	0.52
		<b>421,597</b>	<b>437,290</b>	<b>2.62</b>
<b>Consumer Staples—8.98%</b>				
Archer-Daniels-Midland Co.	1,631	89,775	88,348	0.53
Campbell Soup Co.	1,310	76,204	88,265	0.53
Clorox Co. (The)	301	82,200	89,643	0.54
Coca-Cola Co. (The)	1,427	90,584	86,558	0.52
Colgate-Palmolive Co.	893	81,122	88,816	0.53
CVS Health Corp.	1,015	88,311	89,526	0.54
General Mills Inc.	1,061	71,492	88,801	0.53
Hershey Co. (The)	500	83,799	87,986	0.53
Hormel Foods Corp.	1,348	88,922	88,336	0.53
J.M. Smucker Co. (The)	599	88,184	86,045	0.51
Kellogg Co.	978	81,724	87,710	0.52
Kimberly-Clark Corp.	459	76,880	88,081	0.53
Mondelez International Inc., Class 'A'	1,246	79,141	86,490	0.52
PepsiCo Inc.	498	81,289	89,419	0.53
Procter & Gamble Co. (The)	554	77,103	89,930	0.54
Sysco Corp.	1,186	93,710	88,009	0.53
Walgreens Boots Alliance Inc.	1,509	109,725	86,841	0.52
		<b>1,440,165</b>	<b>1,498,804</b>	<b>8.98</b>

**First Trust Value Line® Dividend Index ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

<b>Energy—0.52%</b>				
Chevron Corp.	712	95,172	86,251	0.52
		<b>95,172</b>	<b>86,251</b>	<b>0.52</b>
<b>Financials—17.74%</b>				
Aflac Inc.	1,790	101,556	87,557	0.53
Allstate Corp. (The)	672	97,266	88,485	0.53
Arthur J. Gallagher & Co.	675	74,406	89,338	0.54
Assurant Inc.	620	85,252	86,940	0.52
AvalonBay Communities Inc.	418	97,790	87,755	0.53
Bank of America Corp.	2,650	85,977	85,444	0.51
Bank of Hawaii Corp.	1,035	99,673	86,288	0.52
Bank of New York Mellon Corp. (The)	1,694	100,424	88,886	0.53
BlackRock Inc.	118	69,318	87,161	0.52
Camden Property Trust	704	94,415	87,184	0.52
Capitol Federal Financial Inc.	5,948	102,078	88,906	0.53
Cincinnati Financial Corp.	1,039	105,912	90,317	0.54
CME Group Inc.	373	85,085	82,308	0.49
CNA Financial Corp.	2,003	107,532	87,425	0.52
Discover Financial Services	1,208	86,998	82,147	0.49
Erie Indemnity Co., Class 'A'	355	88,743	92,486	0.55
Federal Realty Investment Trust	770	107,713	89,074	0.53
First American Financial Corp.	1,305	83,792	85,075	0.51
Franklin Resources Inc.	3,008	103,299	85,634	0.51
Goldman Sachs Group Inc. (The)	321	88,397	86,121	0.52
Hanover Insurance Group Inc.	637	104,742	87,629	0.53
Hartford Financial Services Group Inc. (The)	1,668	100,239	87,296	0.52
JPMorgan Chase & Co.	674	92,147	86,067	0.52
M&T Bank Corp.	601	112,247	84,831	0.51
MetLife Inc.	1,767	88,725	87,607	0.53
Mid-America Apartment Communities Inc.	571	80,430	88,891	0.53
PNC Financial Services Group Inc.	601	96,236	85,843	0.51
Prologis Inc.	705	78,469	89,327	0.54
Public Storage Inc.	343	96,120	89,355	0.54
Reinsurance Group of America Inc.	782	111,641	83,275	0.50
T. Rowe Price Group Inc.	520	70,353	87,185	0.52
Travelers Cos. Inc. (The)	561	90,090	86,862	0.52
U.S. Bancorp	1,707	101,890	85,327	0.51
WP Carey Inc.	950	86,998	87,250	0.52
		<b>3,175,953</b>	<b>2,961,276</b>	<b>17.74</b>
<b>Health Care—4.28%</b>				
AbbVie Inc.	671	86,996	89,437	0.54
Amgen Inc.	279	75,887	89,337	0.54
Bristol-Myers Squibb Co.	1,134	81,650	90,524	0.54
Gilead Sciences Inc.	862	89,171	90,039	0.54
Johnson & Johnson	455	83,160	86,868	0.52
Merck & Co. Inc.	850	87,216	89,236	0.53
Pfizer Inc.	1,971	98,991	87,499	0.52
Quest Diagnostics Inc.	594	73,198	91,899	0.55
		<b>676,269</b>	<b>714,839</b>	<b>4.28</b>
<b>Industrials—15.01%</b>				
3M Co.	416	96,058	88,097	0.53
C.H. Robinson Worldwide Inc.	847	90,812	90,910	0.54
Caterpillar Inc.	519	86,555	89,131	0.53
Cummins Inc.	379	74,715	89,148	0.53
Deere & Co.	422	77,780	90,033	0.54
Dover Corp.	685	78,834	89,797	0.54
Emerson Electric Co.	1,062	86,374	89,433	0.54
Fastenal Co.	1,554	63,633	90,380	0.54
FedEx Corp.	475	80,323	90,422	0.54
General Dynamics Corp.	424	88,101	86,033	0.52
Honeywell International Inc.	450	88,837	88,333	0.53
Hubbell Inc.	519	81,255	88,328	0.53

**First Trust Value Line® Dividend Index ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

Illinois Tool Works Inc.	380	74,990	90,203	0.54
Lockheed Martin Corp.	174	76,946	86,202	0.52
MSC Industrial Direct Co. Inc., Class 'A'	913	89,494	90,247	0.54
Norfolk Southern Corp.	381	85,782	90,813	0.54
Parker Hannifin Corp.	357	64,566	88,824	0.53
Raytheon Technologies Corp.	1,003	104,593	83,906	0.50
Republic Services Inc.	803	88,833	89,447	0.54
Robert Half International Inc.	1,273	85,838	91,302	0.55
Rockwell Automation Inc.	310	69,868	89,642	0.54
Snap-On Inc.	484	92,983	91,012	0.54
Stanley Black & Decker Inc.	482	81,724	91,205	0.55
Union Pacific Corp.	388	84,596	89,058	0.53
United Parcel Service Inc., Class 'B'	610	85,684	92,072	0.55
W.W. Grainger Inc.	215	89,887	91,698	0.55
Waste Management Inc.	629	88,337	90,440	0.54
Watsco Inc., Class 'A'	371	77,885	89,502	0.54
		<b>2,335,283</b>	<b>2,505,618</b>	<b>15.01</b>
<b>Information Technology—4.81%</b>				
Amdocs Ltd.	1,068	93,856	88,271	0.53
Analog Devices Inc.	542	80,804	90,241	0.54
Automatic Data Processing Inc.	434	89,782	87,726	0.52
Avnet Inc.	2,341	85,959	88,622	0.53
Cisco Systems Inc.	1,445	85,057	91,495	0.55
Intel Corp.	1,086	74,224	88,211	0.53
International Business Machines Corp.	539	92,673	88,373	0.53
Paychex Inc.	879	82,523	90,395	0.54
Texas Instruments Inc.	521	74,739	89,807	0.54
		<b>759,617</b>	<b>803,141</b>	<b>4.81</b>
<b>Materials—3.73%</b>				
Air Products and Chemicals Inc.	276	68,933	90,475	0.54
Avery Dennison Corp.	574	95,622	88,906	0.54
Dow Inc.	1,563	89,759	86,490	0.52
DuPont de Nemours Inc.	1,232	90,347	88,863	0.53
International Flavors & Fragrances Inc.	522	88,026	86,783	0.52
PPG Industries Inc.	629	77,035	90,568	0.54
Sonoco Products Co.	1,273	92,024	90,369	0.54
		<b>601,746</b>	<b>622,454</b>	<b>3.73</b>
<b>Utilities—22.67%</b>				
Allete Inc.	1,193	113,207	88,447	0.53
Alliant Energy Corp.	1,346	83,850	87,419	0.52
Ameren Corp.	924	85,443	88,261	0.53
American Electric Power Co. Inc.	809	87,570	87,468	0.52
Atmos Energy Corp.	652	96,220	88,144	0.53
Avangrid Inc.	1,573	100,919	89,648	0.54
Avista Corp.	1,837	107,332	90,753	0.54
Black Hills Corp.	1,170	100,651	89,998	0.54
Chesapeake Utilities Corp.	743	87,598	84,731	0.51
CMS Energy Corp.	1,110	81,127	88,035	0.53
Consolidated Edison Inc.	914	97,897	89,254	0.53
Dominion Energy Inc.	784	79,286	86,405	0.52
DTE Energy Co.	611	90,515	89,171	0.53
Duke Energy Corp.	791	90,234	85,791	0.51
El Paso Electric Co.	983	94,421	89,413	0.54
Entergy Corp.	673	100,222	85,711	0.51
Essential Utilities Inc.	1,554	80,693	89,114	0.53
Eversource Energy	1,089	85,020	87,656	0.52
FirstEnergy Corp.	775	75,368	87,612	0.52
FirstEnergy Corp.	1,644	89,218	86,553	0.52
Hawaiian Electric Industries Inc.	1,804	95,035	88,315	0.53
IDACORP Inc.	752	96,404	89,197	0.53
MDU Resources Group Inc.	3,027	98,991	91,148	0.55
MGE Energy Inc.	1,025	94,969	89,768	0.54



**First Trust Value Line® Dividend Index ETF (CAD-Hedged)**  
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**For the six-month period ended June 30, 2020 (unaudited)**

New Jersey Resources Corp.	2,064	112,432	91,488	0.55
NextEra Energy Inc.	264	69,782	86,078	0.52
NiSource Inc.	2,809	97,859	86,719	0.52
Northwest Natural Holding Co.	1,169	99,600	88,541	0.53
NorthWestern Corp.	1,195	99,294	88,450	0.53
OGE Energy Corp.	2,116	101,700	87,215	0.52
ONE Gas Inc.	862	98,310	90,168	0.54
Otter Tail Corp.	1,670	103,839	87,944	0.53
Pinnacle West Capital Corp.	890	99,583	88,554	0.53
Portland General Electric Co.	1,516	98,244	86,050	0.52
PPL Corp.	2,476	94,854	86,859	0.52
Public Services Enterprise Group Inc.	1,328	94,029	88,630	0.53
Sempra Energy	546	87,968	86,897	0.52
South Jersey Industries Inc.	2,645	102,424	89,735	0.54
Southern Co. (The)	1,194	82,871	84,048	0.50
Spire Inc.	987	99,940	88,048	0.53
UGI Corp.	2,040	116,270	88,070	0.53
WEC Energy Group Inc.	743	79,671	88,412	0.53
Xcel Energy Inc.	1,002	74,414	85,020	0.51
		<b>4,025,274</b>	<b>3,784,938</b>	<b>22.67</b>
		<b>13,920,728</b>	<b>13,772,759</b>	<b>82.51</b>
<b>INTERNATIONAL EQUITIES</b>				
<b>Belgium—0.51%</b>				
Anheuser-Busch InBev NV, ADR	1,282	109,472	85,804	0.51
		<b>109,472</b>	<b>85,804</b>	<b>0.51</b>
<b>Bermuda—1.02%</b>				
Axis Capital Holdings Ltd.	1,523	98,362	83,863	0.50
Everest Re Group Ltd.	306	88,110	85,660	0.52
		<b>186,472</b>	<b>169,523</b>	<b>1.02</b>
<b>Denmark—0.51%</b>				
Novo Nordisk AS, ADR	960	74,549	85,340	0.51
		<b>74,549</b>	<b>85,340</b>	<b>0.51</b>
<b>France—0.52%</b>				
Sanofi SA, ADR	1,243	74,835	86,147	0.52
		<b>74,835</b>	<b>86,147</b>	<b>0.52</b>
<b>Hong Kong—0.51%</b>				
China Mobile Ltd., ADR	1,867	96,466	85,265	0.51
		<b>96,466</b>	<b>85,265</b>	<b>0.51</b>
<b>India—0.56%</b>				
Infosys Technologies Ltd., ADR	7,131	88,461	93,519	0.56
		<b>88,461</b>	<b>93,519</b>	<b>0.56</b>
<b>Ireland—0.52%</b>				
Medtronic PLC	699	88,132	87,020	0.52
		<b>88,132</b>	<b>87,020</b>	<b>0.52</b>
<b>Japan—1.53%</b>				
Canon Inc., ADR	3,107	108,798	84,235	0.51
Honda Motor Co. Ltd., ADR	2,421	89,549	84,009	0.50
Toyota Motor Corp., ADR	509	85,867	86,813	0.52
		<b>284,214</b>	<b>255,057</b>	<b>1.53</b>
<b>Switzerland—2.65%</b>				
ABB Ltd., ADR	2,984	80,337	91,392	0.55
Chubb Ltd.	512	89,135	88,013	0.53
Garmin Ltd.	669	76,765	88,553	0.53
Novartis AG, ADR	720	80,195	85,372	0.51
TE Connectivity Ltd.	806	86,286	89,234	0.53
		<b>412,718</b>	<b>442,564</b>	<b>2.65</b>
<b>Taiwan—0.54%</b>				
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	1,165	71,034	89,787	0.54
		<b>71,034</b>	<b>89,787</b>	<b>0.54</b>

First Trust Value Line® Dividend Index ETF (CAD-Hedged)  
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<b>United Kingdom—1.54%</b>				
Diageo PLC, ADR	464	90,472	84,656	0.51
GlaxoSmithKline PLC, ADR	1,583	85,733	87,661	0.52
Unilever PLC, ADR	1,141	84,294	85,010	0.51
	<b>260,499</b>	<b>257,327</b>	<b>1.54</b>	
<b>Total investments</b>	<b>16,774,095</b>	<b>16,555,674</b>	<b>99.18</b>	
Transaction costs		(2,073)		
Unrealized appreciation on derivatives - see Schedule 1			80,207	0.48
Other assets, less liabilities			56,175	0.34
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>	<b>16,772,022</b>	<b>16,692,056</b>	<b>100.00</b>	

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount	Currency	Amount	Forward Rate	Current Rate	Appreciation (Depreciation)	\$
Bank of New York Mellon (The), New York	A-1+	2020-07-31	USD	11,949,861	CAD	16,302,000	0.733	0.737	80,207	
									<b>80,207</b>	

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust AlphaDEX™ U.S. Financial Sector Index ETF

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	3,701,802	6,187,800
Cash	23,969	39,199
Accrued dividend receivable	7,430	11,400
Other assets	734	617
	<b>3,733,935</b>	<b>6,239,016</b>
<b>Liabilities</b>		
Accrued liabilities	2,780	4,217
Distributions payable to holders of redeemable units	21,750	29,000
	<b>24,530</b>	<b>33,217</b>
<b>Total net assets attributable to holders of redeemable units</b>	<b>3,709,405</b>	<b>6,205,799</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>3,709,405</b>	<b>6,205,799</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>150,000</b>	<b>200,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>24.73</b>	<b>31.03</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	84,214	107,761
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(317,221)	99,443
Net realized gain (loss) on foreign exchange	86	(64)
Net change in unrealized appreciation (depreciation) of investments	(195,444)	714,636
	<b>(428,365)</b>	<b>921,776</b>
Foreign exchange gain (loss) on cash	207	(232)
	<b>(428,158)</b>	<b>921,544</b>
<b>Expenses [note 7]</b>		
Management fees	17,113	23,704
Transaction costs [note 3 and note 9]	2,613	1,720
HST expense	2,107	2,779
Independent Review Committee fees	630	658
Interest expense	23	1
	<b>22,486</b>	<b>28,862</b>
Expenses waived by manager	(630)	(658)
	<b>21,856</b>	<b>28,204</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(450,014)</b>	<b>893,340</b>
<b>Withholding taxes</b>	<b>11,650</b>	<b>15,444</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(461,664)</b>	<b>877,896</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(461,664)</b>	<b>877,896</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(2.46)</b>	<b>3.75</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ U.S. Financial Sector Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	6,205,799	6,635,895
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(461,664)	877,896
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	3,181,418	-
Redemption of units	(5,158,148)	(1,532,682)
	(1,976,730)	(1,532,682)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(58,000)	(60,250)
	(58,000)	(60,250)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	(2,496,394)	(715,036)
<b>Net assets attributable to holders of redeemable units, end of period</b>	3,709,405	5,920,859

See accompanying notes which are an integral part of these financial statements

# First Trust AlphaDEX™ U.S. Financial Sector Index ETF

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(461,664)	877,896
Adjustments for:		
Net realized (gain) loss on sale of investments	317,221	(99,443)
Change in unrealized (appreciation) depreciation of investments	195,444	(714,636)
Dividends receivable	3,970	22,807
Other assets	(117)	(303)
Other liabilities	(1,437)	(8,862)
Purchases of investments	(5,983,520)	(3,223,828)
Proceeds from the sale of investments	7,956,853	4,730,099
	2,026,750	1,583,730
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	3,181,418	-
Amount paid on redemptions of units	(5,158,148)	(1,532,682)
Distributions paid to unitholders	(65,250)	(53,750)
	(2,041,980)	(1,586,432)
<b>Increase (Decrease) in cash for the period</b>	(15,230)	(2,702)
<b>Cash, beginning of period</b>	39,199	33,631
<b>Cash, end of period</b>	23,969	30,929
Dividends received, net of withholding taxes	76,534	115,124

See accompanying notes which are an integral part of these financial statements.

**First Trust AlphaDEX™ U.S. Financial Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the StrataQuant® Financials Index ("Index"), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Financial Services Sector.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	3,701,802	–	–	3,701,802
<b>Total</b>	<b>3,701,802</b>	<b>–</b>	<b>–</b>	<b>3,701,802</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	6,187,800	–	–	6,187,800
<b>Total</b>	<b>6,187,800</b>	<b>–</b>	<b>–</b>	<b>6,187,800</b>

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units
Outstanding units – January 1, 2019	250,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2019	200,000
Redeemable units issued	150,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(200,000)
Outstanding units – June 30, 2020	150,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.70%

First Trust AlphaDEX™ U.S. Financial Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital losses and/or non-capital losses as at December 31, 2019 and 2018, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2019	2018	2019	2018
422,266	–	–	–

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
2,613	1,720

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
17,113	23,704	2,459	3,416

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Financial Services Index	192,481	(192,481)	301,794	(301,794)
Russell 1000® Index	208,102	(208,102)	288,052	(288,052)
S&P 500 Financials Index	185,563	(185,563)	264,727	(264,727)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	3,707,875	99.96	6,204,126	99.97

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$37,079 (December 31, 2019 – \$62,041). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust AlphaDEX™ U.S. Financial Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**Concentration Risk** – The table below summarizes the concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Financials	95.29	94.37
Information Technology	4.51	3.02
Industrials	–	1.07
Communication Services	–	0.87
Consumer Discretionary	–	0.38
Total	99.80	99.71



# First Trust AlphaDEX™ U.S. Financial Sector Index ETF

## Notes to Financial Statements - Specific Information

### For the six-month period ended June 30, 2020 (unaudited)

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Financials—95.29%</b>				
Aflac Inc.	203	11,658	9,930	0.27
Alleghany Corp.	25	20,404	16,601	0.45
Allstate Corp. (The)	238	29,228	31,338	0.84
Ally Financial Inc.	1,922	45,305	51,743	1.40
American Financial Group Inc.	99	11,713	8,529	0.23
American International Group Inc.	1,144	46,058	48,426	1.31
Arch Capital Group Ltd.	766	29,928	29,794	0.80
Arthur J. Gallagher & Co.	267	29,374	35,338	0.95
Associated Banc-Corp.	1,084	25,491	20,132	0.54
Assured Guaranty Ltd.	1,075	40,258	35,624	0.96
Athene Holding Ltd.	1,463	55,983	61,949	1.67
Bank of America Corp.	327	11,025	10,543	0.28
Bank of New York Mellon Corp. (The)	412	22,521	21,618	0.58
Bank OZK	1,661	45,604	52,924	1.43
BankUnited Inc.	1,165	33,912	32,028	0.86
Berkshire Hathaway Inc., Class 'B'	199	51,495	48,227	1.30
BOK Financial Corp.	512	35,781	39,231	1.06
Brown & Brown Inc.	1,003	46,867	55,502	1.50
Chimera Investment Corp.	3,048	33,603	39,766	1.07
Cincinnati Financial Corp.	481	51,038	41,812	1.13
CIT Group Inc.	2,104	58,172	59,213	1.60
Citigroup Inc.	517	33,912	35,866	0.97
Citizens Financial Group Inc.	1,159	35,932	39,714	1.07
CNA Financial Corp.	223	8,732	9,733	0.26
Comerica Inc.	945	48,675	48,880	1.32
Credit Acceptance Corp.	108	42,574	61,436	1.66
Cullen/Frost Bankers Inc.	124	12,277	12,577	0.34
Discover Financial Services	778	39,083	52,906	1.43
East West Bancorp Inc.	847	38,605	41,672	1.12
Eaton Vance Corp.	430	21,592	22,533	0.61
Evercore Inc., Class 'A'	789	62,985	63,112	1.70
Everest Re Group Ltd.	113	30,046	31,633	0.85
F.N.B. Corp.	2,957	34,599	30,108	0.81
Fidelity National Financial Inc.	1,460	53,948	60,771	1.64
Fifth Third Bancorp	1,868	43,697	48,894	1.32
First American Financial Corp.	856	52,573	55,804	1.50
First Citizens Bancshares Inc.	21	11,101	11,547	0.31
First Hawaiian Inc.	419	12,163	9,807	0.26
First Horizon National Corp.	2,704	33,767	36,563	0.99
First Republic Bank	84	11,114	12,087	0.33
Franklin Resources Inc.	2,176	61,352	61,948	1.67
Goldman Sachs Group Inc. (The)	45	10,896	12,073	0.33
Hanover Insurance Group Inc.	76	11,220	10,455	0.28
Hartford Financial Services Group Inc. (The)	787	42,167	41,188	1.11
Huntington Bancshares Inc.	1,689	25,338	20,717	0.56
Interactive Brokers Group Inc., Class 'A'	505	30,492	28,637	0.77
Intercontinental Exchange Inc.	86	9,863	10,695	0.29
Invesco Ltd.	3,055	47,311	44,627	1.20
Janus Henderson Group PLC	2,371	53,203	68,111	1.84
Jefferies Financial Group Inc.	2,657	54,703	56,091	1.51
Kemper Corp.	488	50,797	48,045	1.30
KeyCorp	1,337	20,703	22,108	0.60
Lincoln National Corp.	527	23,051	26,322	0.71
M&T Bank Corp.	134	23,187	18,914	0.51

**First Trust AlphaDEX™ U.S. Financial Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

Markel Corp.	30	37,602	37,599	1.01
MarketAxess Holdings Inc.	83	34,037	56,444	1.52
Marsh & McLennan Cos. Inc.	160	20,072	23,322	0.63
Mercury General Corp.	681	40,765	37,674	1.02
MetLife Inc.	713	35,488	35,350	0.95
MFA Financial Inc.	23,433	50,013	79,214	2.14
MGIC Investment Corp.	5,720	55,219	63,599	1.71
Morgan Stanley	408	22,041	26,753	0.72
Morningstar Inc.	60	9,716	11,483	0.31
Navient Corp.	2,875	33,742	27,439	0.74
New Residential Investment Corp.	5,536	30,310	55,841	1.51
Old Republic International Corp.	2,382	53,672	52,743	1.42
OneMain Holdings Inc.	1,900	52,450	63,299	1.71
PacWest Bancorp	1,548	48,094	41,422	1.12
People's United Financial Inc.	628	11,564	9,864	0.27
Pinnacle Financial Partners Inc.	369	22,049	21,035	0.57
PNC Financial Services Group Inc.	72	11,057	10,284	0.28
Popular Inc.	623	34,154	31,438	0.85
Principal Financial Group Inc.	443	23,592	24,983	0.67
Progressive Corp. (The)	492	48,457	53,509	1.44
Prudential Financial Inc.	418	35,557	34,559	0.93
Raymond James Financial Inc.	110	10,604	10,279	0.28
Regions Financial Corp.	1,546	25,408	23,339	0.63
Reinsurance Group of America Inc.	259	33,637	27,581	0.74
RenaissanceRe Holdings Ltd.	186	39,390	43,187	1.16
S&P Global Inc.	89	28,508	39,810	1.07
Santander Consumer USA Holdings Inc.	2,611	53,777	65,258	1.76
SEI Investments Co.	150	10,235	11,196	0.30
Signature Bank	86	12,183	12,483	0.34
SLM Corp.	1,929	21,828	18,410	0.50
Starwood Property Trust Inc.	1,353	20,455	27,479	0.74
State Street Corp.	130	10,572	11,216	0.30
Sterling Bancorp	2,654	41,024	42,228	1.14
SVB Financial Group	46	12,353	13,460	0.36
Synovus Financial Corp.	1,241	35,506	34,589	0.93
T. Rowe Price Group Inc.	142	18,686	23,808	0.64
TCF Financial Corp.	612	18,169	24,444	0.66
Texas Capital Bancshares Inc.	1,251	49,233	52,428	1.41
Travelers Cos. Inc. (The)	70	10,694	10,838	0.29
Two Harbors Investment Corp.	7,280	25,156	49,812	1.34
Umpqua Holdings Corp.	1,272	24,992	18,374	0.50
Unum Group	2,420	60,185	54,505	1.47
Virtu Financial Inc.	1,332	39,461	42,676	1.15
Voya Financial Inc.	171	10,903	10,830	0.29
Webster Financial Corp.	606	23,106	23,538	0.63
Wells Fargo & Co.	483	26,399	16,786	0.45
Western Alliance Bancorp	227	11,768	11,671	0.31
White Mountains Insurance Group Ltd.	40	51,555	48,220	1.30
Wintrust Financial Corp.	422	26,001	24,990	0.67
Zions Bancorporation NA	814	35,950	37,573	1.01
		<b>3,324,465</b>	<b>3,534,704</b>	<b>95.29</b>
<b>Information Technology—4.51%</b>				
FactSet Research Systems Inc.	84	29,626	37,458	1.01
IHS Markit Ltd.	231	20,130	23,677	0.64
Moody's Corp.	131	38,327	48,860	1.32
MSCI Inc., Class 'A'	126	45,266	57,103	1.54
		<b>133,349</b>	<b>167,098</b>	<b>4.51</b>
<b>Total investments</b>		<b>3,457,814</b>	<b>3,701,802</b>	<b>99.80</b>
Transaction costs		(946)		
Other assets, less liabilities			7,603	0.20
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>3,456,868</b>	<b>3,709,405</b>	<b>100.00</b>

# First Trust AlphaDEX™ U.S. Energy Sector Index ETF

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	1,504,983	1,385,652
Cash	8,769	1,153
Accrued dividend receivable	215	5,719
Other assets	673	634
	1,514,640	1,393,158
<b>Liabilities</b>		
Accrued liabilities	1,003	899
Redemptions payable	302,727	-
	303,730	899
<b>Total net assets attributable to holders of redeemable units</b>	<b>1,210,910</b>	<b>1,392,259</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>1,210,910</b>	<b>1,392,259</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>200,000</b>	<b>150,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>6.05</b>	<b>9.28</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	15,501	33,788
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(241,945)	458,150
Net realized gain (loss) on foreign exchange	176	(33)
Net change in unrealized appreciation (depreciation) of investments	(259,589)	313,087
	(485,857)	804,992
Foreign exchange gain (loss) on cash	152	(487)
	(485,705)	804,505
<b>Expenses [note 7]</b>		
Management fees	3,756	20,854
Transaction costs [note 3 and note 9]	1,265	5,339
HST expense	450	2,164
Independent Review Committee fees	139	579
Interest expense	-	1
	5,610	28,937
Expenses waived by manager	(139)	(579)
	5,471	28,358
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(491,176)</b>	<b>776,147</b>
<b>Withholding taxes</b>	<b>6,773</b>	<b>4,932</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(497,949)</b>	<b>771,215</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(497,949)</b>	<b>771,215</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(2.94)</b>	<b>1.48</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ U.S. Energy Sector Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	1,392,259	1,586,768
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(497,949)	771,215
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	970,206	13,248,498
Redemption of units	(653,606)	(14,092,080)
	316,600	(843,582)
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	(3,000)
	-	(3,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	(181,349)	(75,367)
<b>Net assets attributable to holders of redeemable units, end of period</b>	1,210,910	1,511,401

See accompanying notes which are an integral part of these financial statements.

# First Trust AlphaDEX™ U.S. Energy Sector Index ETF

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(497,949)	771,215
Adjustments for:		
Net realized (gain) loss on sale of investments	241,945	(458,150)
Change in unrealized (appreciation) depreciation of investments	259,589	(313,087)
Dividends receivable	5,504	(393)
Other assets	(39)	(548)
Other liabilities	104	(203)
Purchases of investments	(1,342,912)	(18,072,433)
Proceeds from the sale of investments	722,047	18,915,335
	(611,711)	841,736
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	970,206	13,248,498
Amount paid on redemptions of units	(350,879)	(14,092,080)
Distributions paid to unitholders	-	-
	619,327	(843,582)
<b>Increase (Decrease) in cash for the period</b>	<b>7,616</b>	<b>(1,846)</b>
<b>Cash, beginning of period</b>	<b>1,153</b>	<b>11,262</b>
<b>Cash, end of period</b>	<b>8,769</b>	<b>9,416</b>
Dividends received, net of withholding taxes	14,232	28,463

See accompanying notes which are an integral part of these financial statements.

**First Trust AlphaDEX™ U.S. Energy Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the StrataQuant® Energy Index ("Index"), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Energy Sector.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	1,504,983	–	–	1,504,983
Total	1,504,983	–	–	1,504,983
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	1,385,652	–	–	1,385,652
Total	1,385,652	–	–	1,385,652

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units
Outstanding units – January 1, 2019	150,000
Redeemable units issued	1,250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1,250,000)
Outstanding units – December 31, 2019	150,000
Redeemable units issued	150,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(100,000)
Outstanding units – June 30, 2020	200,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.70%

First Trust AlphaDEX™ U.S. Energy Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital losses and/or non-capital losses as at December 31, 2019 and 2018, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2019	2018	2019	2018
-	-	1,162,837	1,340,866

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
1,265	5,339

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
3,756	20,854	882	1,035

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Energy Index	57,760	(57,760)	89,271	(89,271)
Russell 1000® Index	71,928	(71,928)	76,441	(76,441)
S&P 500 Energy Index	62,268	(62,268)	92,196	(92,196)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	1,511,477	124.82	1,391,493	99.94

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$15,115 (December 31, 2019 - \$13,915). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

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First Trust AlphaDEX™ U.S. Energy Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

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**Concentration Risk** – The table below summarizes the First Trust ETF’s concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Energy	123.34	99.53
Materials	0.95	–
Total	124.29	99.53



**First Trust AlphaDEX™ U.S. Energy Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Energy—123.34%</b>				
Antero Resources Corp.	23,979	111,713	82,687	6.83
Baker Hughes Co.	1,085	25,398	22,669	1.87
Cabot Oil & Gas Corp.	995	26,787	23,207	1.92
ChampionX Corp.	3,964	53,582	52,524	4.34
Cheniere Energy Inc.	170	9,368	11,152	0.92
Chesapeake Energy Corp.	494	76,977	3,286	0.27
Chevron Corp.	156	22,302	18,898	1.56
Cimarex Energy Co.	676	38,473	25,229	2.08
Concho Resources Inc.	134	12,701	9,369	0.77
ConocoPhillips	925	64,114	52,768	4.36
Continental Resources Inc.	3,729	88,968	88,745	7.33
Devon Energy Corp.	2,474	61,099	38,088	3.15
Diamondback Energy Inc.	870	75,279	49,394	4.08
EOG Resources Inc.	794	71,427	54,608	4.51
EQT Corp.	1,611	29,270	26,026	2.15
Exxon Mobil Corp.	600	48,221	36,427	3.01
First Solar Inc.	159	9,120	10,685	0.88
Halliburton Co.	831	18,577	14,644	1.21
Helmerich & Payne Inc.	729	25,841	19,309	1.60
Hess Corp.	171	13,570	12,028	0.99
HollyFrontier Corp.	1,161	62,200	46,024	3.80
Kinder Morgan Inc.	819	19,885	16,867	1.39
Kosmos Energy Ltd.	19,086	57,480	43,012	3.55
Marathon Oil Corp.	8,660	102,363	71,952	5.94
Marathon Petroleum Corp.	1,206	65,507	61,201	5.05
Murphy Oil Corp.	3,719	81,808	69,675	5.75
Noble Energy Inc.	1,886	27,675	22,941	1.90
Occidental Petroleum Corp.	984	40,469	24,446	2.02
ONEOK Inc.	784	31,711	35,358	2.92
Parsley Energy Inc., Class 'A'	3,979	66,485	57,692	4.76
Patterson-UTI Energy Inc.	7,274	50,448	34,267	2.83
PBF Energy Inc.	4,024	56,681	55,941	4.62
Phillips 66	425	49,895	41,485	3.43
Pioneer Natural Resources Co.	325	46,412	43,107	3.56
Range Resources Corp.	2,499	16,083	19,101	1.58
Targa Resources Corp.	2,474	44,554	67,409	5.57
Valero Energy Corp.	501	50,426	40,007	3.30
Williams Cos. Inc. (The)	404	9,428	10,432	0.86
WPX Energy Inc.	9,341	96,056	80,907	6.68
		<b>1,858,353</b>	<b>1,493,567</b>	<b>123.34</b>
<b>Materials—0.95%</b>				
Valvoline Inc.	435	9,262	11,416	0.95
		<b>9,262</b>	<b>11,416</b>	<b>0.95</b>
<b>Total investments</b>		<b>1,867,615</b>	<b>1,504,983</b>	<b>124.29</b>
Transaction costs		<b>(1,304)</b>		
Other assets, less liabilities			<b>(294,073)</b>	<b>(24.29)</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>1,866,311</b>	<b>1,210,910</b>	<b>100.00</b>

# First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	3,586,529	2,778,720
Cash	13,693	14,090
Accrued dividend receivable	1,545	2,394
Other assets	2,358	1,315
	3,604,125	2,796,519
<b>Liabilities</b>		
Accrued liabilities	2,140	1,879
Distributions payable to holders of redeemable units	11,250	10,650
	13,390	12,529
<b>Total net assets attributable to holders of redeemable units</b>	<b>3,590,735</b>	<b>2,783,990</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>3,590,735</b>	<b>2,783,990</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>150,000</b>	<b>100,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>23.94</b>	<b>27.84</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	60,688	41,365
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(2,764,275)	96,084
Net realized gain (loss) on foreign exchange	147	(181)
Net change in unrealized appreciation (depreciation) of investments	(209,215)	278,486
	(2,912,655)	415,754
Foreign exchange gain (loss) on cash	(205)	(161)
	(2,912,860)	415,593
<b>Expenses [note 7]</b>		
Management fees	24,935	16,707
HST expense	2,198	1,480
Independent Review Committee fees	908	466
Transaction costs [note 3 and note 9]	508	893
Interest expense	13	3
	28,562	19,549
Expenses waived by manager	(908)	(466)
	27,654	19,083
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(2,940,514)</b>	<b>396,510</b>
<b>Withholding taxes</b>	<b>8,138</b>	<b>5,731</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(2,948,652)</b>	<b>390,779</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(2,948,652)</b>	<b>390,779</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(10.76)</b>	<b>2.15</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	2,783,990	2,394,148
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(2,948,652)	390,779
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	20,134,042	2,552,726
Redemption of units	(16,360,395)	-
	3,773,647	2,552,726
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(18,250)	(28,000)
	(18,250)	(28,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	806,745	2,915,505
<b>Net assets attributable to holders of redeemable units, end of period</b>	3,590,735	5,309,653

See accompanying notes which are an integral part of these financial statements.

# First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(2,948,652)	390,779
Adjustments for:		
Net realized (gain) loss on sale of investments	2,764,275	(96,084)
Change in unrealized (appreciation) depreciation of investments	209,215	(278,486)
Dividends receivable	849	7,798
Other assets	(1,043)	(692)
Other liabilities	261	(6,247)
Purchases of investments	(21,113,931)	(4,381,420)
Proceeds from the sale of investments	17,332,632	1,834,142
	(3,756,394)	(2,530,210)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	20,134,042	2,552,726
Amount paid on redemptions of units	(16,360,395)	-
Distributions paid to unitholders	(17,650)	(21,000)
	3,755,997	2,531,726
<b>Increase (decrease) in cash for the period</b>	(397)	1,516
<b>Cash, beginning of period</b>	14,090	14,480
<b>Cash, end of period</b>	13,693	15,996
Dividends received, net of withholding taxes	53,399	43,432

See accompanying notes which are an integral part of these financial statements.

**First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the StrataQuant® Consumer Discretionary Index ("Index"), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Consumer Discretionary Sector.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	3,586,529	–	–	3,586,529
<b>Total</b>	<b>3,586,529</b>	<b>–</b>	<b>–</b>	<b>3,586,529</b>

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	2,778,720	–	–	2,778,720
<b>Total</b>	<b>2,778,720</b>	<b>–</b>	<b>–</b>	<b>2,778,720</b>

There have been no transfers from one Level to another for period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units
Outstanding units – January 1, 2019	100,000
Redeemable units issued	100,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(100,000)
Outstanding units – December 31, 2019	100,000
Redeemable units issued	750,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(700,000)
Outstanding units – June 30, 2020	150,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.70%

First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital losses and non-capital losses as at December 31, 2019 and 2018 were as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2019	2018	2019	2018
36,015	-	-	-

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
508	893

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
24,935	16,707	1,894	3,050

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Consumer Discretionary and Services Index	207,331	(207,331)	127,134	(127,134)
Russell 1000® Index	187,978	(187,978)	133,445	(133,445)
S&P 500 Consumer Discretionary Index	201,847	(201,847)	122,612	(122,612)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	3,587,652	99.91	2,781,964	99.93

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$35,877 (December 31, 2019 - \$27,820). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**Concentration Risk** – The table below summarizes the First Trust ETF’s concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Consumer Discretionary	80.93	78.36
Communication Services	9.86	15.15
Information Technology	4.95	0.24
Consumer Staples	2.99	4.00
Industrials	1.15	1.79
Health Care	–	0.27
Total	99.88	99.81

# First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF

## Notes to Financial Statements - Specific Information

### For the six-month period ended June 30, 2020 (unaudited)

#### SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Communication Services—9.86%</b>				
Carvana Co.	293	38,367	47,813	1.33
Discovery Inc., Series 'A'	1,062	35,880	30,421	0.85
Fox Corp., Class 'A'	874	35,550	31,823	0.89
News Corp., Class 'A'	575	9,560	9,258	0.26
Nexstar Broadcasting Group Inc., Class 'A'	179	22,980	20,338	0.57
Omnicom Group Inc.	94	8,037	6,968	0.19
Sinclair Broadcast Group Inc., Class 'A'	642	20,251	16,089	0.45
Sirius XM Holdings Inc.	2,091	17,699	16,663	0.46
Spotify Technology SA	170	37,473	59,588	1.66
Trade Desk Inc. (The)	84	34,837	46,357	1.29
ViacomCBS Inc., Class 'B'	1,920	61,869	60,786	1.69
Walt Disney Co. (The)	53	8,630	8,024	0.22
		<b>331,133</b>	<b>354,128</b>	<b>9.86</b>
<b>Consumer Discretionary—80.93%</b>				
2U Inc.	760	29,016	39,166	1.09
Advance Auto Parts Inc.	55	10,285	10,636	0.30
Alaska Air Group Inc.	945	44,760	46,519	1.30
Amazon.com Inc.	14	44,535	52,435	1.46
Aptiv PLC	210	22,338	22,215	0.62
Aramark	517	19,259	15,841	0.44
AutoNation Inc.	736	41,922	37,550	1.05
AutoZone Inc.	6	9,000	9,189	0.26
Best Buy Co. Inc.	181	19,819	21,444	0.60
BorgWarner Inc.	848	39,212	40,639	1.13
Burlington Stores Inc.	65	17,782	17,378	0.48
Capri Holdings Ltd.	2,492	59,781	52,878	1.47
CarMax Inc.	96	11,163	11,671	0.32
Carnival Corp.	2,042	56,537	45,520	1.27
Carter's Inc.	157	19,055	17,201	0.48
Chipotle Mexican Grill Inc., Class 'A'	16	20,262	22,859	0.64
Cinemark Holdings Inc.	2,027	43,208	31,784	0.88
Columbia Sportswear Co.	148	15,491	16,191	0.45
Copa Holdings SA, Class 'A'	356	22,760	24,436	0.68
Copart Inc.	235	25,426	26,566	0.74
D.R. Horton Inc.	607	42,320	45,694	1.27
Delta Air Lines Inc.	943	35,255	35,910	1.00
Dick's Sporting Goods Inc.	972	44,813	54,446	1.52
Dollar Tree Inc.	70	7,826	8,808	0.24
Domino's Pizza Inc.	64	31,444	32,099	0.89
eBay Inc.	172	9,524	12,247	0.34
Etsy Inc.	134	12,049	19,325	0.54
Expedia Group Inc.	183	17,663	20,422	0.57
Extended Stay America Inc.	2,826	44,328	42,931	1.19
Floor & Decor Holdings Inc., Class 'A'	161	10,706	12,601	0.35
Foot Locker Inc.	1,220	52,974	48,297	1.34
Ford Motor Co.	3,341	30,558	27,577	0.77
Gap Inc. (The)	2,934	48,027	50,268	1.40
Garmin Ltd.	138	16,460	18,267	0.51
General Motors Co.	994	37,941	34,141	0.95
Gentex Corp.	728	26,545	25,469	0.71
Genuine Parts Co.	77	9,086	9,090	0.25
Goodyear Tire & Rubber Co. (The)	2,773	35,941	33,675	0.94
Graham Holdings Co., Class 'B'	79	43,938	36,752	1.02
Grand Canyon Education Inc.	135	17,371	16,592	0.46



**First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

H&R Block Inc.	733	19,216	14,210	0.40
Hanesbrands Inc.	2,624	39,917	40,219	1.12
Harley-Davidson Inc.	852	27,765	27,494	0.77
Hilton Grand Vacations Inc.	1,023	30,412	27,152	0.76
Home Depot Inc. (The)	55	17,065	18,705	0.52
Hyatt Hotels Corp., Class 'A'	561	45,273	38,302	1.07
International Game Technology PLC	2,712	32,684	32,768	0.91
Interpublic Group of Cos. Inc. (The)	319	8,355	7,432	0.21
JetBlue Airways Corp.	3,005	43,577	44,467	1.24
John Wiley & Sons Inc., Class 'A'	275	15,562	14,560	0.40
Kohl's Corp.	1,843	61,027	51,968	1.45
Las Vegas Sands Corp.	122	9,202	7,543	0.21
Lear Corp.	254	40,127	37,593	1.05
Leggett & Platt Inc.	387	17,367	18,468	0.51
Lennar Corp., Class 'A'	541	42,124	45,258	1.26
Live Nation Inc.	114	8,123	6,861	0.19
LKQ Corp.	787	30,427	27,993	0.78
Lowe's Cos. Inc.	60	9,622	11,006	0.31
Lululemon Athletica Inc.	109	38,594	46,171	1.29
Macy's Inc.	5,477	62,106	51,157	1.42
MGM Resorts International	2,279	61,237	51,979	1.45
Mohawk Industries Inc.	353	50,232	48,767	1.36
Netflix Inc.	55	30,495	33,977	0.95
New York Times Co. (The), Class 'A'	525	25,716	29,956	0.83
Nike Inc., Class 'B'	195	25,388	25,957	0.72
Norwegian Cruise Line Holdings Ltd.	2,454	62,040	54,737	1.52
NVR Inc.	2	8,993	8,848	0.25
Penske Automotive Group Inc.	738	41,345	38,784	1.08
Planet Fitness Inc., Class 'A'	106	9,603	8,716	0.24
Polaris Inc.	335	39,420	42,091	1.17
Pool Corp.	105	32,835	38,755	1.08
PulteGroup Inc.	925	43,451	42,734	1.19
PVH Corp.	715	55,295	46,641	1.30
Ralph Lauren Corp.	309	34,254	30,422	0.85
Rollins Inc.	446	25,282	25,667	0.71
Ross Stores Inc.	119	16,323	13,771	0.38
Royal Caribbean Cruises Ltd.	836	61,531	57,088	1.59
Service Corp. International	264	14,164	13,938	0.39
Six Flags Entertainment Corp.	412	12,702	10,745	0.30
Skechers U.S.A. Inc., Class 'A'	680	30,852	28,969	0.81
Southwest Airlines Inc.	580	25,946	26,914	0.75
Starbucks Corp.	78	7,987	7,793	0.22
Target Corp.	174	28,038	28,330	0.79
Tesla Motors Inc.	51	52,374	74,763	2.08
Thor Industries Inc.	383	42,064	55,391	1.54
TJX Cos. Inc. (The)	216	16,133	14,826	0.41
Toll Brothers Inc.	1,397	61,300	61,809	1.72
Tractor Supply Co.	244	34,924	43,656	1.22
TripAdvisor Inc.	297	9,171	7,665	0.21
United Airlines Holdings Inc.	852	37,287	40,033	1.11
Urban Outfitters Inc.	1,889	51,355	39,032	1.09
Vail Resorts Inc.	35	8,124	8,655	0.24
Wendy's Co. (The)	347	10,013	10,260	0.29
Whirlpool Corp.	241	41,849	42,380	1.18
Williams-Sonoma Inc.	380	37,654	42,308	1.18
Wyndham Destinations Inc.	238	8,991	9,105	0.25
Yum China Holdings Inc.	379	24,918	24,734	0.69
	<b>2,924,211</b>	<b>2,906,252</b>	<b>80.93</b>	

**First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

<b>Consumer Staples—2.99%</b>				
Costco Wholesale Corp.	94	38,812	38,694	1.08
Estée Lauder Cos. Inc. (The), Class 'A'	65	16,816	16,650	0.46
Ollie's Bargain Outlet Holdings Inc.	111	11,023	14,715	0.41
Tapestry Inc.	2,077	48,588	37,446	1.04
		<b>115,239</b>	<b>107,505</b>	<b>2.99</b>
<b>Industrials—1.15%</b>				
AMERCO Inc.	36	15,983	14,769	0.41
Fortune Brands Home & Security Inc.	119	9,772	10,328	0.29
KAR Auction Services Inc.	861	19,145	16,084	0.45
		<b>44,900</b>	<b>41,181</b>	<b>1.15</b>
<b>Information Technology—4.95%</b>				
Activision Blizzard Inc.	174	16,541	17,929	0.50
Dolby Laboratories Inc., Class 'A'	191	15,524	17,080	0.48
Electronic Arts Inc.	161	25,230	28,863	0.80
Sabre Corp.	2,721	26,499	29,774	0.83
Take-Two Interactive Software Inc.	174	30,948	32,969	0.92
Zynga Inc.	3,926	42,897	50,848	1.42
		<b>157,639</b>	<b>177,463</b>	<b>4.95</b>
<b>Total investments</b>		<b>3,573,122</b>	<b>3,586,529</b>	<b>99.88</b>
Transaction costs		(50)		
Other assets, less liabilities			4,206	0.12
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>3,573,072</b>	<b>3,590,735</b>	<b>100.00</b>

# First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF

## STATEMENTS OF FINANCIAL POSITION

As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	3,385,045	2,277,696
Cash	19,367	19,573
Accrued dividend receivable	2,811	2,422
Derivative assets	4,497	18,104
	3,411,720	2,317,795
<b>Liabilities</b>		
Accrued liabilities	3,980	3,448
Distributions payable to holders of redeemable units	9,625	17,000
	13,605	20,448
<b>Total net assets attributable to holders of redeemable units</b>	<b>3,398,115</b>	<b>2,297,347</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	2,472,826	1,285,323
<b>Hedged Units</b>	925,289	1,012,024
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	100,000	50,000
<b>Hedged Units</b>	50,000	50,000
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	24.73	25.71
<b>Hedged Units</b>	18.51	20.24

## STATEMENTS OF COMPREHENSIVE INCOME

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	28,703	76,130
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	(22,222)	13,856
Net realized gain (loss) on derivatives	(30,362)	33,291
Net realized gain (loss) on foreign exchange	525	(2,165)
Net change in unrealized appreciation (depreciation) of investments	(61,392)	308,486
Net change in unrealized appreciation (depreciation) of derivatives	(13,607)	109,823
	(98,355)	539,421
Foreign exchange gain (loss) on cash	(186)	10,546
	(98,541)	549,967
<b>Expenses [note 7]</b>		
Management fees	8,408	23,361
HST expense	949	2,815
Transaction costs [note 3 and note 9]	533	1,519
Independent Review Committee fees	313	648
Interest expense	-	1
	10,203	28,344
Expenses waived by manager	(313)	(648)
	9,890	27,696
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(108,431)</b>	<b>522,271</b>
<b>Withholding taxes</b>	<b>4,155</b>	<b>11,107</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(112,586)</b>	<b>511,164</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	(31,101)	163,326
<b>Hedged Units</b>	(81,485)	347,838
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	(0.50)	1.87
<b>Hedged Units</b>	(1.63)	1.39

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)	June 30 2020 (\$)	June 30 2019 (\$)
	Units	Units	Hedged Units	Hedged Units
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	1,285,323	2,279,556	1,012,024	4,327,839
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(31,101)	163,326	(81,485)	347,838
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	1,229,104	-	-	-
Reinvested distributions	17,935	-	2,000	-
Redemption of units	-	(1,248,638)	-	-
	1,247,039	(1,248,638)	2,000	-
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(13,000)	(8,500)	(7,250)	(22,500)
Capital gains	(15,435)	-	-	-
	(28,435)	(8,500)	(7,250)	(22,500)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	1,187,503	(1,093,812)	(86,735)	325,338
<b>Net assets attributable to holders of redeemable units, end of period</b>	2,472,826	1,185,744	925,289	4,653,177
			<b>June 30 2020 (\$)</b>	<b>June 30 2019 (\$)</b>
			<b>Total</b>	<b>Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of period</b>			2,297,347	6,607,395
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			(112,586)	511,164
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			1,229,104	-
Reinvested distributions			19,935	-
Redemption of units			-	(1,248,638)
			1,249,039	(1,248,638)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(20,250)	(31,000)
Capital gains			(15,435)	-
			(35,685)	(31,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>			1,100,768	(768,474)
<b>Net assets attributable to holders of redeemable units, end of period</b>			3,398,115	5,838,921

See accompanying notes which are an integral part of these financial statements.

# First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(112,586)	511,164
Adjustments for:		
Net realized (gain) loss on sale of investments	22,222	(13,856)
Change in unrealized (appreciation) depreciation of investments and derivatives	74,999	(418,309)
Dividends receivable	(389)	664
Other liabilities	532	(634)
Purchases of investments	(2,468,554)	(3,453,419)
Proceeds from the sale of investments	1,277,591	4,663,640
	(1,206,185)	1,289,250
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	1,229,104	-
Amount paid on redemptions of units	-	(1,248,638)
Distributions paid to unitholders	(23,125)	(52,350)
	1,205,979	(1,300,988)
<b>Increase (decrease) in cash for the period</b>	(206)	(11,738)
<b>Cash, beginning of period</b>	19,573	42,867
<b>Cash, end of period</b>	19,367	31,129
Dividends received, net of withholding taxes	24,159	65,687

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the StrataQuant® Consumer Staples Index ("Index"), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Consumer Staples Sector.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	3,385,045	–	–	3,385,045
Derivative assets*	–	4,497	–	4,497
Total	3,385,045	4,497	–	3,389,542
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	2,277,696	–	–	2,277,696
Derivative assets*	–	18,104	–	18,104
Total	2,277,696	18,104	–	2,295,800

\* The derivative assets and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2019	100,000	250,000
Redeemable units issued	–	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(50,000)	(200,000)
Outstanding units – December 31, 2019	50,000	50,000
Redeemable units issued	50,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	–	–
Outstanding units – June 30, 2020	100,000	50,000

First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Units	Hedged Units
0.70%	0.70%

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – There were no net capital losses nor non-capital losses as at December 31, 2019 and 2018.

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
533	1,519

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at periods ended June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
8,408	23,361	1,965	3,397

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
<b>Units</b>				
Russell 1000® Consumer Staples Index	153,100	(153,100)	96,551	(96,551)
Russell 1000® Index	136,488	(136,488)	77,929	(77,929)
S&P 500 Consumer Staples Index	154,514	(154,514)	95,593	(95,593)
<b>Hedged Units</b>				
Russell 1000® Consumer Staples Index USD	167,122	(167,122)	110,240	(110,240)
Russell 1000® Index USD	153,366	(153,366)	91,597	(91,597)
S&P 500 Consumer Staples Index USD	172,408	(172,408)	110,352	(110,352)

First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	2,484,587	73.12	1,305,652	56.83

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$24,846 (December 31, 2019 - \$13,057). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Consumer Staples	85.05	96.52
Health Care	8.23	–
Consumer Discretionary	6.34	2.62
Total	99.62	99.14



**First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Consumer Discretionary—6.34%</b>				
Nu Skin Enterprises Inc., Class 'A'	4,149	207,447	215,337	6.34
		<b>207,447</b>	<b>215,337</b>	<b>6.34</b>
<b>Consumer Staples—85.05%</b>				
Altria Group Inc.	469	24,618	24,991	0.74
Archer-Daniels-Midland Co.	1,546	83,339	83,744	2.46
Brown-Forman Corp., Class 'B'	653	56,620	56,436	1.66
Campbell Soup Co.	1,964	112,086	132,330	3.89
Casey's General Stores Inc.	684	125,193	138,844	4.09
Church & Dwight Co. Inc.	848	82,633	88,991	2.62
Clorox Co. (The)	419	104,954	124,785	3.67
Coca-Cola Co. (The)	1,229	76,240	74,548	2.19
Conagra Brands Inc.	1,236	52,628	59,015	1.74
CVS Health Corp.	917	78,543	80,882	2.38
Dollar General Corp.	600	142,826	155,182	4.57
Flowers Foods Inc.	884	25,323	26,835	0.79
General Mills Inc.	687	50,454	57,499	1.69
Herbalife Nutrition Ltd.	622	37,835	37,982	1.12
Hershey Co. (The)	547	101,487	96,257	2.83
Hormel Foods Corp.	389	22,290	25,492	0.75
Ingredion Inc.	961	116,565	108,286	3.19
J.M. Smucker Co. (The)	327	47,550	46,973	1.38
Kellogg Co.	1,209	103,032	108,427	3.19
Kimberly-Clark Corp.	142	25,684	27,249	0.80
Kraft Heinz Co. (The)	2,199	83,558	95,203	2.80
Kroger Co. (The)	1,204	45,136	55,330	1.63
Lamb Weston Holdings Inc.	635	59,621	55,113	1.62
McCormick & Co. Inc.	257	52,714	62,597	1.84
Molson Coors Beverage Co., Class 'B'	1,394	102,339	65,026	1.91
Mondelez International Inc., Class 'A'	362	24,695	25,128	0.74
Monster Beverage Corp.	1,289	108,125	121,306	3.57
PepsiCo Inc.	604	102,838	108,452	3.19
Philip Morris International Inc.	249	26,412	23,683	0.70
Pilgrim's Pride Corp.	4,003	123,648	91,788	2.70
Post Holdings Inc.	219	25,936	26,051	0.77
Procter & Gamble Co. (The)	495	76,711	80,353	2.37
Sprouts Farmers Markets Inc.	4,877	137,894	169,432	4.99
TreeHouse Foods Inc.	821	54,190	48,819	1.44
Tyson Foods Inc., Class 'A'	1,253	109,231	101,571	2.99
US Foods Holding Corp.	5,119	147,060	137,045	4.03
Walgreens Boots Alliance Inc.	1,189	83,797	68,425	2.01
		<b>2,833,805</b>	<b>2,890,070</b>	<b>85.05</b>
<b>Health Care—8.23%</b>				
AmerisourceBergen Corp.	1,024	121,557	140,089	4.12
McKesson Corp.	670	124,889	139,549	4.11
		<b>246,446</b>	<b>279,638</b>	<b>8.23</b>
<b>Total investments</b>		<b>3,287,698</b>	<b>3,385,045</b>	<b>99.62</b>
Transaction costs		(332)		
Unrealized appreciation on derivatives - see Schedule 1			4,497	0.14
Other assets, less liabilities			8,573	0.24
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>3,287,366</b>	<b>3,398,115</b>	<b>100.00</b>

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First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

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Schedule 1

Counterparty	Credit		Settlement Date	Currency	Amount		Currency	Amount	Forward Rate	Current Rate	Appreciation (Depreciation)
	Rating of Counterparty*	Sell			Sold	Buy					
Bank of New York Mellon (The), New York	A-1+	2020-07-31	USD	669,990		CAD	914,000	0.733	0.737	4,497	
										<b>4,497</b>	

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust AlphaDEX™ U.S. Health Care Sector Index ETF

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	17,878,232	10,107,917
Cash	66,403	18,064
Accrued dividend receivable	4,944	4,120
Derivative assets	6,096	21,350
Other assets	2,572	1,692
	17,958,247	10,153,143
<b>Liabilities</b>		
Accrued liabilities	11,477	6,854
	11,477	6,854
<b>Total net assets attributable to holders of redeemable units</b>	<b>17,946,770</b>	<b>10,146,289</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	16,683,039	8,948,671
<b>Hedged Units</b>	1,263,731	1,197,618
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	500,000	300,000
<b>Hedged Units</b>	50,000	50,000
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	33.37	29.83
<b>Hedged Units</b>	25.27	23.95

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	35,649	105,925
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	285,110	154,882
Net realized gain (loss) on derivatives	(41,069)	7,434
Net realized gain (loss) on foreign exchange	(25)	(856)
Net change in unrealized appreciation (depreciation) of investments	1,183,631	1,010,254
Net change in unrealized appreciation (depreciation) of derivatives	(15,254)	26,181
	1,448,042	1,303,820
Foreign exchange gain (loss) on cash	396	1,190
	1,448,438	1,305,010
<b>Expenses [note 7]</b>		
Management fees	41,288	49,805
HST expense	4,487	5,388
Independent Review Committee fees	1,541	1,381
Transaction costs [note 3 and note 9]	1,475	2,484
Interest expense	-	10
	48,791	59,068
Expenses waived by manager	(1,541)	(1,381)
	47,250	57,687
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>1,401,188</b>	<b>1,247,323</b>
<b>Withholding taxes</b>	<b>5,051</b>	<b>5,501</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>1,396,137</b>	<b>1,241,822</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	1,330,024	1,127,649
<b>Hedged Units</b>	66,113	114,173
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	3.89	2.31
<b>Hedged Units</b>	1.32	2.28

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ U.S. Health Care Sector Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)	June 30 2020 (\$) Hedged Units	June 30 2019 (\$) Hedged Units
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	8,948,671	12,897,954	1,197,618	997,192
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	1,330,024	1,127,649	66,113	114,173
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	7,937,050	2,651,712	-	-
Redemption of units	(1,532,706)	(6,927,020)	-	-
	6,404,344	(4,275,308)	-	-
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	-	(55,000)	-	(4,000)
	-	(55,000)	-	(4,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	7,734,368	(3,202,659)	66,113	110,173
<b>Net assets attributable to holders of redeemable units, end of period</b>	16,683,039	9,695,295	1,263,731	1,107,365
			<b>June 30 2020 (\$) Total</b>	<b>June 30 2019 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of period</b>			10,146,289	13,895,146
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			1,396,137	1,241,822
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			7,937,050	2,651,712
Redemption of units			(1,532,706)	(6,927,020)
			6,404,344	(4,275,308)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			-	(59,000)
			-	(59,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>			7,800,481	(3,092,486)
<b>Net assets attributable to holders of redeemable units, end of period</b>			17,946,770	10,802,660

See accompanying notes which are an integral part of these financial statements.

# First Trust AlphaDEX™ U.S. Health Care Sector Index ETF

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	1,396,137	1,241,822
Adjustments for:		
Net realized (gain) loss on sale of investments	(285,110)	(154,882)
Change in unrealized (appreciation) depreciation of investments and derivatives	(1,168,377)	(1,036,435)
Dividends receivable	(824)	843
Other assets	(880)	(1,086)
Other liabilities	4,623	(1,084)
Purchases of investments	(12,812,648)	(11,946,154)
Proceeds from the sale of investments	6,511,074	16,247,723
	(6,356,005)	4,350,747
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	7,937,050	2,651,712
Amount paid on redemptions of units	(1,532,706)	(6,927,020)
Distributions paid to unitholders	-	(59,000)
	6,404,344	(4,334,308)
<b>Increase (Decrease) in cash for the period</b>	<b>48,339</b>	<b>16,439</b>
<b>Cash, beginning of period</b>	<b>18,064</b>	<b>9,746</b>
<b>Cash, end of period</b>	<b>66,403</b>	<b>26,185</b>
Dividends received, net of withholding taxes	29,774	101,267

See accompanying notes which are an integral part of these financial statements.

**First Trust AlphaDEX™ U.S. Health Care Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the StrataQuant® Health Care Index ("Index"), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Health Care Sector.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	17,878,232	–	–	17,878,232
Derivative assets*	–	6,096	–	6,096
<b>Total</b>	<b>17,878,232</b>	<b>6,096</b>	<b>–</b>	<b>17,884,328</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	10,107,917	–	–	10,107,917
Derivative assets*	–	21,350	–	21,350
<b>Total</b>	<b>10,107,917</b>	<b>21,350</b>	<b>–</b>	<b>10,129,267</b>

\* The derivative assets and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2019	500,000	50,000
Redeemable units issued	100,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(300,000)	–
<b>Outstanding units – December 31, 2019</b>	<b>300,000</b>	<b>50,000</b>
Redeemable units issued	250,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(50,000)	–
<b>Outstanding units – June 30, 2020</b>	<b>500,000</b>	<b>50,000</b>

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee	
Units	Hedged Units
0.70%	0.70%

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – There were no net capital losses nor non-capital losses as at December 31, 2019 and 2018.

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
1,475	2,484

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at periods ended June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
41,288	49,805	10,157	7,473

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
<b>Units</b>				
Russell 1000® Health Care Index	886,019	(886,019)	516,450	(516,450)
Russell 1000® Index	800,559	(800,559)	521,647	(521,647)
S&P 500 Health Care Index	875,029	(875,029)	526,982	(526,982)
<b>Hedged Units</b>				
Russell 1000® Health Care Index USD	961,370	(961,370)	548,527	(548,527)
Russell 1000® Index USD	887,827	(887,827)	571,315	(571,315)
S&P 500 Health Care Index USD	966,929	(966,929)	573,400	(573,400)

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	16,703,395	93.07	8,973,141	88.44

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$167,034 (December 31, 2019 - \$89,731). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Health Care	99.62	99.62
Total	99.62	99.62



**First Trust AlphaDEX™ U.S. Health Care Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Health Care—99.62%</b>				
Abbott Laboratories	1,806	214,422	224,170	1.25
AbbVie Inc.	1,247	140,436	166,212	0.93
Acadia Healthcare Co. Inc.	7,777	208,475	265,218	1.48
Agilent Technologies Inc.	1,329	142,568	159,442	0.89
Agios Pharmaceuticals Inc.	1,341	81,600	97,363	0.54
Alexion Pharmaceuticals Inc.	2,117	305,190	322,582	1.80
Alnylam Pharmaceuticals Inc.	2,341	387,351	470,715	2.62
Amgen Inc.	235	67,609	75,248	0.42
Anthem Inc.	838	294,909	299,184	1.67
Baxter International Inc.	1,759	201,047	205,608	1.15
Becton	206	69,181	66,916	0.37
Biogen Inc.	805	306,189	292,397	1.63
BioMarin Pharmaceutical Inc.	2,253	278,447	377,257	2.10
Bio-Rad Laboratories Inc., Class 'A'	728	386,076	446,222	2.49
Bio-Techne Corp.	752	226,272	269,593	1.50
Boston Scientific Corp.	1,459	68,665	69,544	0.39
Bristol-Myers Squibb Co.	3,413	248,121	272,449	1.52
Bruker Corp.	1,328	71,032	73,342	0.41
Centene Corp.	4,289	347,826	370,035	2.06
Cerner Corp.	2,265	203,071	210,789	1.17
Charles River Laboratories International Inc.	1,129	224,975	267,232	1.49
Chemed Corp.	589	316,491	360,687	2.01
Cigna Corp.	1,438	344,339	366,336	2.04
Cooper Cos. Inc. (The)	344	134,228	132,464	0.74
Danaher Corp.	344	69,895	82,582	0.46
Dexcom Inc.	946	312,687	520,651	2.90
Edwards Lifesciences Corp.	1,512	144,505	141,861	0.79
Eli Lilly and Co.	1,029	192,417	229,355	1.28
Encompass Health Corp.	3,981	347,261	334,707	1.87
Envista Holdings Corp.	17,055	455,968	488,315	2.72
Exelixis Inc.	8,287	255,117	267,085	1.49
Gilead Sciences Inc.	2,545	270,623	265,835	1.48
Guardant Health Inc.	2,735	295,422	301,239	1.68
HCA Healthcare Inc.	528	81,190	69,574	0.39
Henry Schein Inc.	1,881	129,883	149,107	0.83
Hill-Rom Holdings Inc.	1,418	198,096	211,335	1.18
Horizon Therapeutics PLC	6,424	284,004	484,726	2.70
Humana Inc.	813	349,033	427,971	2.38
ICU Medical Inc.	472	121,414	118,103	0.66
IDEXX Laboratories Inc.	590	211,492	264,453	1.47
Illumina Inc.	173	69,421	86,982	0.48
Incyte Corp.	1,299	148,207	183,353	1.02
Insulet Corp.	1,148	233,697	302,759	1.69
Intuitive Surgical Inc.	193	139,695	149,305	0.83
Ionis Pharmaceuticals Inc.	1,007	71,923	80,604	0.45
Jazz Pharmaceuticals PLC	1,909	325,004	285,964	1.59
Johnson & Johnson	727	139,511	138,798	0.77
Laboratory Corp. of America Holdings	752	157,050	169,584	0.94
Masimo Corp.	1,074	268,069	332,424	1.85
Merck & Co. Inc.	1,856	200,381	194,849	1.09
Moderna Inc.	3,177	157,950	276,944	1.54
Molina Healthcare Inc.	1,362	258,596	329,094	1.83
Mylan NV	6,381	181,744	139,299	0.78
Neurocrine Biosciences Inc.	1,646	231,465	272,622	1.52

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

Penumbra Inc.	1,180	264,559	286,464	1.60
PerkinElmer Inc.	632	79,627	84,161	0.47
Pfizer Inc.	2,912	145,796	129,274	0.72
PRA Health Sciences Inc.	571	75,605	75,418	0.42
Quest Diagnostics Inc.	1,183	157,787	183,024	1.02
Regeneron Pharmaceuticals Inc.	523	322,901	442,807	2.47
ResMed Inc.	1,290	248,566	336,250	1.87
Sarepta Therapeutics Inc.	974	153,178	212,018	1.18
Seattle Genetics Inc.	2,210	338,817	509,810	2.84
STERIS PLC	1,361	273,193	283,510	1.58
Stryker Corp.	287	72,626	70,208	0.39
Teleflex Inc.	162	65,504	80,051	0.45
Thermo Fisher Scientific Inc.	504	190,365	247,924	1.38
UnitedHealth Group Inc.	1,021	382,064	408,833	2.28
Universal Health Services Inc., Class 'B'	1,440	217,871	181,595	1.01
Varian Medical Systems Inc.	463	79,074	77,012	0.43
Vertex Pharmaceuticals Inc.	1,072	349,324	422,502	2.35
West Pharmaceutical Services Inc.	1,248	267,840	384,891	2.14
Zimmer Biomet Holdings Inc.	471	66,654	76,322	0.43
Zoetis Inc.	1,213	176,931	225,673	1.26
	<b>15,498,522</b>	<b>17,878,232</b>	<b>99.62</b>	
<b>Total investments</b>	<b>15,498,522</b>	<b>17,878,232</b>	<b>99.62</b>	
Transaction costs		(771)		
Unrealized appreciation on derivatives - see Schedule 1			6,096	0.03
Other assets, less liabilities			62,442	0.35
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>	<b>15,497,751</b>	<b>17,946,770</b>	<b>100.00</b>	

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount		Currency	Amount	Forward Rate	Current Rate	Appreciation (Depreciation) \$
				Sell	Sold					
Bank of New York Mellon (The), New York	A-1+	2020-07-31	USD	908,225		CAD	1,239,000	0.733	0.737	6,096
										<b>6,096</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust AlphaDEX™ U.S. Materials Sector Index ETF

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	1,088,762	1,181,495
Cash	4,768	11,073
Accrued dividend receivable	1,536	17,756
Receivable for portfolio securities sold	-	82,639
Other assets	822	829
	1,095,888	1,293,792
<b>Liabilities</b>		
Accrued liabilities	715	20,314
Payable for portfolio securities purchased	-	2,535
Distributions payable to holders of redeemable units	-	69,000
	715	91,849
<b>Total net assets attributable to holders of redeemable units</b>	<b>1,095,173</b>	<b>1,201,943</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>1,095,173</b>	<b>1,201,943</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>50,000</b>	<b>50,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>21.90</b>	<b>24.04</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	18,171	69,106
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(135,161)	(129,461)
Net realized gain (loss) on foreign exchange	184	118
Net change in unrealized appreciation (depreciation) of investments	16,361	361,104
	(100,445)	300,867
Foreign exchange gain (loss) on cash	248	(384)
	(100,197)	300,483
<b>Expenses [note 7]</b>		
Management fees	3,668	15,423
HST expense	483	1,779
Transaction costs [note 3 and note 9]	418	503
Independent Review Committee fees	136	428
Interest expense	51	-
	4,756	18,133
Expenses waived by manager	(136)	(428)
	4,620	17,705
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(104,817)</b>	<b>282,778</b>
<b>Withholding taxes</b>	<b>1,953</b>	<b>6,695</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(106,770)</b>	<b>276,083</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(106,770)</b>	<b>276,083</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(2.13)</b>	<b>1.51</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ U.S. Materials Sector Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	1,201,943	2,210,615
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(106,770)	276,083
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	1,073,193	7,200,341
Redemption of units	(1,073,193)	(7,241,216)
	-	(40,875)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	(106,770)	235,208
<b>Net assets attributable to holders of redeemable units, end of period</b>	1,095,173	2,445,823

See accompanying notes which are an integral part of these financial statements.

# First Trust AlphaDEX™ U.S. Materials Sector Index ETF

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(106,770)	276,083
Adjustments for:		
Net realized (gain) loss on sale of investments	135,161	129,461
Change in unrealized (appreciation) depreciation of investments	(16,361)	(361,104)
Dividends receivable	16,220	440
Other assets	7	(226)
Other liabilities	(19,599)	48
Purchases of investments	(1,689,033)	(8,200,497)
Proceeds from the sale of investments	1,743,070	8,195,528
	62,695	39,733
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	1,073,193	7,200,341
Amount paid on redemptions of units	(1,073,193)	(7,241,216)
Distributions paid to unitholders	(69,000)	-
	(69,000)	(40,875)
<b>Increase (Decrease) in cash for the period</b>	<b>(6,305)</b>	<b>(1,142)</b>
<b>Cash, beginning of period</b>	<b>11,073</b>	<b>8,223</b>
<b>Cash, end of period</b>	<b>4,768</b>	<b>7,081</b>
Dividends received, net of withholding taxes	32,438	62,851

See accompanying notes which are an integral part of these financial statements.

**First Trust AlphaDEX™ U.S. Materials Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the StrataQuant® Materials Index ("Index"), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Materials and Processing Sector.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	1,088,762	–	–	1,088,762
<b>Total</b>	<b>1,088,762</b>	<b>–</b>	<b>–</b>	<b>1,088,762</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	1,181,495	–	–	1,181,495
<b>Total</b>	<b>1,181,495</b>	<b>–</b>	<b>–</b>	<b>1,181,495</b>

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units
Outstanding units – January 1, 2019	100,000
Redeemable units issued	1,600,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1,650,000)
Outstanding units – December 31, 2019	50,000
Redeemable units issued	50,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	50,000
Outstanding units – June 30, 2020	50,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.70%

First Trust AlphaDEX™ U.S. Materials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** - The net capital losses and/or non-capital losses as at December 31, 2019 and 2018, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2019	2018	2019	2018
-	-	-	291,651

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019:

Transaction Cost (\$)	
2020	2019
418	503

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
3,668	15,423	632	1,369

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Materials and Processing Index	56,360	(56,360)	63,619	(63,619)
Russell 1000® Index	56,665	(56,665)	66,860	(66,860)
S&P 500 Materials Index	56,813	(56,813)	61,551	(61,551)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	1,093,922	99.89	1,199,215	99.77

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$10,939 (December 31, 2019 - \$11,992). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

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First Trust AlphaDEX™ U.S. Materials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

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**Concentration Risk** – The table below summarizes the First Trust ETF’s concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Materials	83.10	84.81
Industrials	16.31	13.49
Total	99.41	98.30



First Trust AlphaDEX™ U.S. Materials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Industrials—16.31%</b>				
Fastenal Co.	675	31,074	39,258	3.58
GrafTech International Ltd.	2,599	31,561	28,157	2.57
Hexcel Corp.	567	33,528	34,808	3.18
Howmet Aerospace Inc.	1,212	21,518	26,080	2.38
Timken Co. (The)	816	42,436	50,394	4.60
	<b>160,117</b>	<b>178,697</b>	<b>178,697</b>	<b>16.31</b>
<b>Materials—83.10%</b>				
Air Products and Chemicals Inc.	53	14,933	17,374	1.59
Albemarle Corp.	281	28,343	29,455	2.69
Alcoa Corp.	854	7,224	13,032	1.19
Ashland Global Holdings Inc.	316	23,478	29,644	2.71
Avery Dennison Corp.	155	20,527	24,008	2.19
Cabot Corp.	808	39,321	40,642	3.71
Celanese Corp.	216	25,263	25,318	2.31
CF Industries Holdings Inc.	582	26,095	22,234	2.03
Chemours Co. (The)	1,190	24,423	24,799	2.26
Domtar Corp.	1,219	47,848	34,935	3.19
Dow Inc.	180	10,869	9,960	0.91
DuPont de Nemours Inc.	155	6,999	11,180	1.02
Eastman Chemical Co.	566	44,886	53,511	4.89
Ecolab Inc.	68	14,166	18,366	1.68
Element Solutions Inc.	1,262	15,807	18,589	1.70
FMC Corp.	65	7,724	8,791	0.80
Freeport-McMoRan Inc., Class 'B'	1,563	16,145	24,551	2.24
Huntsman Corp.	1,462	31,687	35,667	3.26
International Flavors & Fragrances Inc.	103	14,411	17,124	1.56
International Paper Co.	678	32,974	32,409	2.96
Linde PLC	30	7,785	8,639	0.79
LyondellBasell Industries NV, Class 'A'	531	48,742	47,377	4.32
Mosaic Co. (The)	486	12,222	8,254	0.75
NewMarket Corp.	28	15,787	15,223	1.39
Newmont Corp.	466	27,644	39,059	3.57
Nucor Corp.	732	44,148	41,152	3.76
Olin Corp.	1,356	31,867	21,152	1.93
Reliance Steel & Aluminum Co.	301	42,348	38,792	3.54
Royal Gold Inc.	120	15,873	20,253	1.85
Scotts Miracle-Gro Co. (The), Class 'A'	258	36,026	47,100	4.30
Southern Copper Corp.	562	22,614	30,343	2.77
Steel Dynamics Inc.	1,170	42,559	41,441	3.78
United States Steel Corp.	834	11,120	8,175	0.75
Univar Solutions Inc.	491	6,667	11,238	1.03
Westlake Chemical Corp.	553	38,141	40,278	3.68
	<b>856,666</b>	<b>910,065</b>	<b>910,065</b>	<b>83.10</b>
<b>Total investments</b>		<b>1,016,783</b>	<b>1,088,762</b>	<b>99.41</b>
Transaction costs		(135)		
Other assets, less liabilities			6,411	0.59
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>1,016,648</b>	<b>1,095,173</b>	<b>100.00</b>

# First Trust AlphaDEX™ U.S. Industrials Sector Index ETF

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	5,960,207	10,034,610
Cash	26,692	37,980
Accrued dividend receivable	3,462	29,234
Derivative assets	8,748	40,019
Other assets	3,533	2,663
	6,002,642	10,144,506
<b>Liabilities</b>		
Accrued liabilities	3,983	14,792
Distributions payable to holders of redeemable units	18,750	14,350
	22,733	29,142
<b>Total net assets attributable to holders of redeemable units</b>	<b>5,979,909</b>	<b>10,115,364</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
Units	4,153,426	7,887,435
Hedged Units	1,826,483	2,227,929
<b>Redeemable units outstanding [note 6]</b>		
Units	150,000	250,000
Hedged Units	100,000	100,000
<b>Net assets attributable to holders of redeemable units per unit</b>		
Units	27.69	31.55
Hedged Units	18.26	22.28

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	65,635	77,442
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	(933,863)	491,446
Net realized gain (loss) on derivatives	(82,676)	37,629
Net realized gain (loss) on foreign exchange	1,149	58
Net change in unrealized appreciation (depreciation) of investments	(263,888)	1,632,603
Net change in unrealized appreciation (depreciation) of derivatives	(31,271)	119,286
	(1,244,914)	2,358,464
Foreign exchange gain (loss) on cash	(20)	(4,139)
	(1,244,934)	2,354,325
<b>Expenses [note 7]</b>		
Management fees	24,674	40,640
HST expense	2,338	4,360
Transaction costs [note 3 and note 9]	1,951	2,303
Independent Review Committee fees	906	1,128
Interest expense	1	-
	29,870	48,431
Expenses waived by manager	(906)	(1,128)
	28,964	47,303
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(1,273,898)</b>	<b>2,307,022</b>
<b>Withholding taxes</b>	<b>9,056</b>	<b>11,295</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(1,282,954)</b>	<b>2,295,727</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
Units	(891,508)	1,309,828
Hedged Units	(391,446)	985,899
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
Units	(4.78)	5.50
Hedged Units	(3.92)	3.94

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ U.S. Industrials Sector Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)	June 30 2020 (\$) Hedged Units	June 30 2019 (\$) Hedged Units
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	7,887,435	6,290,809	2,227,929	4,271,337
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(891,508)	1,309,828	(391,446)	985,899
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	-	1,294,389	-	-
Redemption of units	(2,819,251)	(2,913,138)	-	-
	(2,819,251)	(1,618,749)	-	-
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	(23,250)	(20,250)	(10,000)	(15,500)
	(23,250)	(20,250)	(10,000)	(15,500)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	(3,734,009)	(329,171)	(401,446)	970,399
<b>Net assets attributable to holders of redeemable units, end of period</b>	4,153,426	5,961,638	1,826,483	5,241,736
			<b>June 30 2020 (\$) Total</b>	<b>June 30 2019 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of period</b>			10,115,364	10,562,146
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			(1,282,954)	2,295,727
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			-	1,294,389
Redemption of units			(2,819,251)	(2,913,138)
			(2,819,251)	(1,618,749)
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			(33,250)	(35,750)
			(33,250)	(35,750)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>			(4,135,455)	641,228
<b>Net assets attributable to holders of redeemable units, end of period</b>			5,979,909	11,203,374

See accompanying notes which are an integral part of these financial statements.

# First Trust AlphaDEX™ U.S. Industrials Sector Index ETF

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(1,282,954)	2,295,727
Adjustments for:		
Net realized (gain) loss on sale of investments	933,863	(491,446)
Change in unrealized (appreciation) depreciation of investments and derivatives	295,159	(1,751,889)
Dividends receivable	25,772	17,658
Other assets	(870)	(923)
Other liabilities	(10,809)	(7,831)
Purchases of investments	(4,664,246)	(7,305,956)
Proceeds from the sale of investments	7,540,898	8,781,865
	2,836,813	1,537,205
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	1,294,389
Amount paid on redemptions of units	(2,819,251)	(2,913,138)
Distributions paid to unitholders	(28,850)	(109,800)
	(2,848,101)	(1,728,549)
<b>Increase (Decrease) in cash for the period</b>	<b>(11,288)</b>	<b>(191,344)</b>
<b>Cash, beginning of period</b>	<b>37,980</b>	<b>223,006</b>
<b>Cash, end of period</b>	<b>26,692</b>	<b>31,662</b>
Dividends received, net of withholding taxes	82,351	83,805

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the StrataQuant® Industrials Index ("Index"), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Industrials/Producer Durables Sector.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	5,960,207	–	–	5,960,207
Derivative assets*	–	8,748	–	8,748
<b>Total</b>	<b>5,960,207</b>	<b>8,748</b>	<b>–</b>	<b>5,968,955</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	10,034,610	–	–	10,034,610
Derivative assets*	–	40,019	–	40,019
<b>Total</b>	<b>10,034,610</b>	<b>40,019</b>	<b>–</b>	<b>10,074,629</b>

\* The derivative assets and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2019	250,000	250,000
Redeemable units issued	600,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(600,000)	(150,000)
Outstanding units – December 31, 2019	250,000	100,000
Redeemable units issued	–	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(100,000)	–
Outstanding units – June 30, 2020	150,000	100,000

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Units	Hedged Units
0.70%	0.70%

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – There were no net capital losses nor non-capital losses as at December 31, 2019 and 2018.

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
1,951	2,303

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
24,674	40,640	3,472	6,293

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
<b>Units</b>				
Russell 1000® Producer Durables Index	293,855	(293,855)	477,541	(477,541)
Russell 1000® Index	302,199	(302,199)	540,301	(540,301)
S&P 500 Industrials Index	293,886	(293,886)	488,087	(488,087)
<b>Hedged Units</b>				
Russell 1000® Producer Durables Index USD	319,353	(319,353)	516,255	(516,255)
Russell 1000® Index USD	340,202	(340,202)	609,658	(609,658)
S&P 500 Industrials Index USD	325,328	(325,328)	534,326	(534,326)

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	4,196,715	70.18	7,915,942	78.26

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$41,967 (December 31, 2019 – \$79,159). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Industrials	67.40	89.63
Financials	13.13	–
Materials	10.69	–
Information Technology	6.92	9.57
Health Care	0.81	–
Utilities	0.72	–
Total	99.67	99.20

**First Trust AlphaDEX™ U.S. Industrials Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Financials—13.13%</b>				
American Express Co.	114	11,870	14,734	0.25
Capital One Financial Corp.	1,013	60,819	86,077	1.44
Fidelity National Information Services Inc.	420	68,528	76,457	1.28
Fiserv Inc.	538	65,665	71,301	1.19
Global Payments Inc.	272	48,751	62,635	1.05
Jack Henry & Associates Inc.	329	72,737	82,197	1.37
MasterCard Inc., Class 'A'	127	42,621	50,983	0.85
PayPal Holdings Inc.	409	53,630	96,743	1.62
Square Inc., Class 'A'	374	23,268	53,282	0.89
Synchrony Financial	3,175	59,787	95,518	1.60
Visa Inc., Class 'A'	243	52,253	63,726	1.06
Western Union Co. (The)	1,080	27,126	31,699	0.53
		<b>587,055</b>	<b>785,352</b>	<b>13.13</b>
<b>Health Care—0.81%</b>				
Mettler-Toledo International Inc.	44	39,248	48,119	0.81
		<b>39,248</b>	<b>48,119</b>	<b>0.81</b>
<b>Industrials—67.40%</b>				
A. O. Smith Corp.	259	16,847	16,568	0.28
Acuity Brands Inc.	457	48,643	59,399	0.99
ADT Inc.	7,095	61,096	76,865	1.29
AGCO Corp.	207	19,260	15,586	0.26
Air Lease Corp.	2,307	120,185	91,736	1.53
Allegion PLC	213	31,879	29,559	0.49
Ametek Inc.	136	15,331	16,501	0.28
Armstrong World Industries Inc.	386	37,138	40,854	0.68
BWX Technologies Inc.	629	49,465	48,367	0.81
C.H. Robinson Worldwide Inc.	148	15,449	15,885	0.27
Carlisle Cos. Inc.	313	60,718	50,851	0.85
Caterpillar Inc.	169	29,136	29,023	0.49
Colfax Corp.	494	11,436	18,711	0.31
CSX Corp.	342	31,335	32,380	0.54
Cummins Inc.	289	63,036	67,978	1.14
Curtiss-Wright Corp.	332	52,697	40,241	0.67
Deere & Co.	142	30,039	30,295	0.51
Dover Corp.	117	17,070	15,338	0.26
Eaton Corp. PLC	394	42,109	46,793	0.78
Emerson Electric Co.	411	37,050	34,611	0.58
Equifax Inc.	164	24,824	38,268	0.64
Expeditors International of Washington Inc.	459	43,601	47,383	0.79
Flowserve Corp.	1,283	43,200	49,676	0.83
Fortive Corp.	177	13,600	16,258	0.27
General Dynamics Corp.	148	33,787	30,030	0.50
Graco Inc.	629	40,579	40,980	0.69
HD Supply Holdings Inc.	1,078	55,824	50,710	0.85
Honeywell International Inc.	73	16,120	14,330	0.24
Hubbell Inc.	267	47,910	45,440	0.76
Huntington Ingalls Industries Inc.	215	63,911	50,931	0.85
Ilex Corp.	71	13,912	15,233	0.25
Illinois Tool Works Inc.	69	15,927	16,379	0.27
ITT Inc.	863	62,594	68,820	1.15
J.B. Hunt Transport Services Inc.	425	61,200	69,434	1.16
Johnson Controls International PLC	363	18,656	16,824	0.28
Kirby Corp.	705	50,521	51,263	0.86
Knight-Swift Transportation Holdings Inc.	1,194	56,007	67,611	1.13



**First Trust AlphaDEX™ U.S. Industrials Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

Landstar System Inc.	204	29,519	31,104	0.52
Lincoln Electric Holdings Inc.	142	16,255	16,240	0.27
Lockheed Martin Corp.	151	74,273	74,808	1.25
Macquarie Infrastructure Corp.	1,214	55,759	50,581	0.85
ManpowerGroup Inc.	964	103,643	89,975	1.50
MSC Industrial Direct Co. Inc., Class 'A'	712	71,097	70,379	1.18
Nordson Corp.	145	29,763	37,345	0.62
Norfolk Southern Corp.	134	31,906	31,939	0.53
Northrop Grumman Corp.	169	75,444	70,537	1.18
nVent Electric PLC	2,321	67,591	59,018	0.99
Old Dominion Freight Line Inc.	389	59,867	89,562	1.50
Oshkosh Corp.	794	79,228	77,202	1.29
Owens Corning	1,316	65,308	99,621	1.67
PACCAR Inc.	641	60,315	65,136	1.09
Parker Hannifin Corp.	151	35,773	37,570	0.63
Paylocity Holding Corp.	347	52,647	68,727	1.15
Pentair PLC	658	31,594	33,937	0.57
Quanta Services Inc., Inc.	1,610	81,415	85,746	1.43
Raytheon Technologies Corp.	185	26,871	15,476	0.26
Regal-Beloit Corp.	622	60,714	73,735	1.23
Resideo Technologies Inc.	8,091	98,150	128,736	2.15
Rockwell Automation Inc.	65	17,124	18,796	0.31
Roper Technologies Inc.	63	26,829	33,207	0.56
Ryder System Inc.	1,481	102,990	75,418	1.26
Schneider National Inc.	1,585	45,834	53,085	0.89
Sensata Technologies Holding PLC	677	44,074	34,218	0.57
Snap-On Inc.	469	99,097	88,191	1.47
Spirit Aerosystems Holdings Inc., Class 'A'	2,135	118,939	69,390	1.16
Stanley Black & Decker Inc.	98	13,271	18,544	0.31
Textron Inc.	1,915	118,319	85,560	1.43
Toro Co. (The)	785	75,631	70,700	1.18
Trane Technologies PLC	119	13,505	14,375	0.24
TransUnion	463	38,776	54,711	0.92
Trimble Inc.	615	24,813	36,060	0.60
Trinity Industries Inc.	2,437	63,293	70,437	1.18
United Parcel Service Inc., Class 'B'	210	26,754	31,697	0.53
United Rentals Inc.	496	87,580	100,359	1.68
Valmont Industries Inc.	185	27,891	28,536	0.48
Verisk Analytics Inc., Class 'A'	281	56,338	64,929	1.09
W.W. Grainger Inc.	79	33,535	33,694	0.56
Wabtec Corp.	203	20,875	15,866	0.27
WESCO International Inc.	2,236	127,032	106,580	1.78
Woodward Governor Co.	516	74,485	54,325	0.91
XPO Logistics Inc.	803	75,381	84,214	1.41
Xylem Inc.	150	12,848	13,228	0.22
	<b>4,004,438</b>	<b>4,030,605</b>	<b>67.40</b>	
<b>Information Technology—6.92%</b>				
Accenture PLC, Class 'A'	188	47,416	54,803	0.92
Alliance Data Systems Corp.	1,164	43,884	71,301	1.19
Automatic Data Processing Inc.	72	13,129	14,554	0.24
Booz Allen Hamilton Holding Corp.	744	60,306	78,572	1.31
Fair Issac Corp.	166	61,998	94,210	1.58
Genpact Ltd.	671	32,976	33,268	0.56
Keysight Technologies Inc.	366	46,759	50,076	0.84
Littelfuse Inc.	73	17,468	16,910	0.28
	<b>323,936</b>	<b>413,694</b>	<b>6.92</b>	
<b>Materials—10.69%</b>				
AptarGroup Inc.	308	41,071	46,824	0.78
Axalta Coating Systems Ltd.	567	12,476	17,358	0.29
Ball Corp.	606	53,342	57,170	0.96

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

Berry Global Group Inc.	1,162	53,128	69,916	1.17
Crown Holdings Inc.	880	65,657	77,810	1.30
Graphic Packaging Holding Co.	1,605	25,940	30,484	0.51
Martin Marietta Materials Inc.	52	12,499	14,583	0.24
Packaging Corp. of America	451	51,446	61,105	1.02
PPG Industries Inc.	117	13,327	16,847	0.28
RPM International Inc.	658	53,075	67,051	1.12
Sherwin-Williams Co. (The)	67	39,809	52,561	0.88
Sonoco Products Co.	422	26,550	29,957	0.50
Vulcan Materials Co.	181	25,430	28,467	0.48
WestRock Co.	1,808	65,784	69,365	1.16
		<b>539,534</b>	<b>639,498</b>	<b>10.69</b>
<b>Utilities—0.72%</b>				
MDU Resources Group Inc.	1,426	40,823	42,939	0.72
		<b>40,823</b>	<b>42,939</b>	<b>0.72</b>
<b>Total investments</b>		<b>5,535,034</b>	<b>5,960,207</b>	<b>99.67</b>
Transaction costs		(1,133)		
Unrealized appreciation on derivatives - see Schedule 1			8,748	0.14
Other assets, less liabilities			10,954	0.19
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>5,533,901</b>	<b>5,979,909</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation
									(Depreciation)
									\$
Bank of New York Mellon (The), New York	A-1+	2020-07-31	USD	1,303,328	CAD	1,778,000	0.733	0.737	8,748
									<b>8,748</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust AlphaDEX™ U.S. Technology Sector Index ETF

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	56,977,759	37,145,552
Cash	124,863	60,548
Accrued dividend receivable	25,214	15,781
Derivative assets	22,987	50,115
Other assets	9,408	5,736
	57,160,231	37,277,732
<b>Liabilities</b>		
Accrued liabilities	36,579	24,895
Distributions payable to holders of redeemable units	-	32,500
	36,579	57,395
<b>Total net assets attributable to holders of redeemable units</b>	<b>57,123,652</b>	<b>37,220,337</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
Units	52,375,766	34,430,521
Hedged Units	4,747,886	2,789,816
<b>Redeemable units outstanding [note 6]</b>		
Units	950,000	750,000
Hedged Units	150,000	100,000
<b>Net assets attributable to holders of redeemable units per unit</b>		
Units	55.13	45.91
Hedged Units	31.65	27.90

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	152,055	193,018
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	(357,785)	1,967,556
Net realized gain (loss) on derivatives	(65,891)	123,274
Net realized gain (loss) on foreign exchange	729	(1,790)
Net change in unrealized appreciation (depreciation) of investments	10,652,583	6,985,947
Net change in unrealized appreciation (depreciation) of derivatives	(27,128)	221,263
	10,354,563	9,489,268
Foreign exchange gain (loss) on cash	(865)	(888)
	10,353,698	9,488,380
<b>Expenses [note 7]</b>		
Management fees	154,644	172,948
HST expense	16,432	19,713
Transaction costs [note 3 and note 9]	11,108	8,233
Independent Review Committee fees	5,753	4,816
Interest expense	5	14
	187,942	205,724
Expenses waived by manager	(5,753)	(4,816)
	182,189	200,908
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>10,171,509</b>	<b>9,287,472</b>
<b>Withholding taxes</b>	<b>21,984</b>	<b>32,012</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>10,149,525</b>	<b>9,255,460</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
Units	9,635,727	7,136,290
Hedged Units	513,798	2,119,170
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
Units	10.97	7.41
Hedged Units	4.69	5.00

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ U.S. Technology Sector Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)	June 30 2020 (\$) Hedged Units	June 30 2019 (\$) Hedged Units
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	34,430,521	35,122,211	2,789,816	6,168,909
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	9,635,727	7,136,290	513,798	2,119,170
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units	10,879,321	12,815,355	1,444,272	13,696,187
Redemption of units	(2,569,803)	(6,018,368)	-	(5,192,635)
	8,309,518	6,796,987	1,444,272	8,503,552
<b>Distributions to holders of redeemable units from:</b>				
Net investment income	-	(139,750)	-	(44,000)
	-	(139,750)	-	(44,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	17,945,245	13,793,527	1,958,070	10,578,722
<b>Net assets attributable to holders of redeemable units, end of period</b>	52,375,766	48,915,738	4,747,886	16,747,631
			<b>June 30 2020 (\$) Total</b>	<b>June 30 2019 (\$) Total</b>
<b>Net assets attributable to holders of redeemable units, beginning of period</b>			37,220,337	41,291,120
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>			10,149,525	9,255,460
<b>Redeemable unit transactions [note 6]</b>				
Proceeds from issuance of units			12,323,593	26,511,542
Redemption of units			(2,569,803)	(11,211,003)
			9,753,790	15,300,539
<b>Distributions to holders of redeemable units from:</b>				
Net investment income			-	(183,750)
			-	(183,750)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>			19,903,315	24,372,249
<b>Net assets attributable to holders of redeemable units, end of period</b>			57,123,652	65,663,369

See accompanying notes which are an integral part of these financial statements.

# First Trust AlphaDEX™ U.S. Technology Sector Index ETF

## STATEMENTS OF CASH FLOW

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	10,149,525	9,255,460
Adjustments for:		
Net realized (gain) loss on sale of investments	357,785	(1,967,556)
Change in unrealized (appreciation) depreciation of investments and derivatives	(10,625,455)	(7,207,210)
Dividends receivable	(9,433)	32,579
Other assets	(3,672)	(2,770)
Other liabilities	11,684	10,475
Purchases of investments	(36,171,217)	(46,645,328)
Proceeds from the sale of investments	26,633,808	31,435,587
	(9,656,975)	(15,088,763)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	12,323,593	26,511,542
Amount paid on redemptions of units	(2,569,803)	(11,211,003)
Distributions paid to unitholders	(32,500)	(160,000)
	9,721,290	15,140,539
<b>Increase (Decrease) in cash for the period</b>	64,315	51,776
<b>Cash, beginning of period</b>	60,548	106,273
<b>Cash, end of period</b>	124,863	158,049
Dividends received, net of withholding taxes	120,638	193,585

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ U.S. Technology Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the StrataQuant® Technology Index ("Index"), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Technology Sector.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	56,977,759	–	–	56,977,759
Derivative assets*	–	22,987	–	22,987
Total	56,977,759	22,987	–	57,000,746
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	37,145,552	–	–	37,145,552
Derivative assets*	–	50,115	–	50,115
Total	37,145,552	50,115	–	37,195,667

\* The derivative assets and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2019	1,000,000	300,000
Redeemable units issued	350,000	550,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(600,000)	(750,000)
Outstanding units – December 31, 2019	750,000	100,000
Redeemable units issued	250,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(50,000)	–
Outstanding units – June 30, 2020	950,000	150,000

First Trust AlphaDEX™ U.S. Technology Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Units	Hedged Units
0.70%	0.70%

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – There were no net capital losses nor non-capital losses as at December 31, 2019 and 2018.

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
11,108	8,233

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
154,644	172,948	32,369	33,597

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
<b>Units</b>				
Russell 1000® Technology Index	2,744,890	(2,744,890)	1,695,641	(1,695,641)
Russell 1000® Index	2,899,943	(2,899,943)	2,213,632	(2,213,632)
S&P 500 Information Technology Index	2,664,499	(2,664,499)	1,810,971	(1,810,971)
<b>Hedged Units</b>				
Russell 1000® Technology Index USD	2,956,611	(2,956,611)	1,768,230	(1,768,230)
Russell 1000® Index USD	3,166,673	(3,166,673)	2,430,635	(2,430,635)
S&P 500 Information Technology Index USD	2,908,823	(2,908,823)	1,927,309	(1,927,309)

First Trust AlphaDEX™ U.S. Technology Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	52,440,260	91.80	34,388,466	92.39

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$524,403 (December 31, 2019 - \$343,885). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Information Technology	92.07	93.59
Communication Services	5.70	4.78
Health Care	1.97	–
Industrials	–	1.43
Total	99.74	99.80



First Trust AlphaDEX™ U.S. Technology Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Communication Services—5.70%</b>				
Alphabet Inc., Class 'A'	382	602,981	735,405	1.29
Facebook Inc., Class 'A'	1,889	496,677	582,323	1.02
RingCentral Inc.	2,615	471,395	1,011,821	1.77
Switch Inc., Class 'A'	38,410	810,604	929,231	1.62
		<b>2,381,657</b>	<b>3,258,780</b>	<b>5.70</b>
<b>Health Care—1.97%</b>				
Veeva Systems Inc., Class 'A'	3,544	773,976	1,127,873	1.97
		<b>773,976</b>	<b>1,127,873</b>	<b>1.97</b>
<b>Information Technology—92.07%</b>				
Adobe Inc.	1,742	736,817	1,029,482	1.80
Advanced Micro Devices Inc.	9,749	626,458	696,306	1.22
Akamai Technologies Inc.	4,847	609,546	704,683	1.23
Alteryx Inc., Class 'A'	4,658	607,944	1,038,858	1.82
Amdocs Ltd.	4,033	335,774	333,330	0.58
ANSYS Inc.	1,907	561,601	755,272	1.32
Apple Inc.	1,238	393,832	613,123	1.07
Applied Materials Inc.	2,292	144,376	188,097	0.33
Arista Networks Inc.	1,094	304,649	311,940	0.55
Aspen Technology Inc.	1,105	165,250	155,430	0.27
Atlassian Corp. PLC	4,038	758,670	988,238	1.73
Autodesk Inc.	2,841	682,781	922,542	1.62
Avalara Inc.	7,429	753,585	1,342,294	2.35
Avnet Inc.	8,833	462,880	334,388	0.59
Black Knight Inc.	5,426	445,332	534,502	0.94
Broadcom Inc.	443	167,760	189,813	0.33
CACI International Inc., Class 'A'	497	145,364	146,335	0.26
Cadence Design Systems Inc.	6,714	608,068	874,668	1.53
CDW Corp.	3,378	424,936	532,798	0.93
Cerence Inc.	35,990	846,649	1,995,443	3.49
Ceridian HCM Holding Inc.	6,291	526,030	677,018	1.19
Citrix Systems Inc.	3,132	568,805	628,914	1.10
Cognizant Technology Solutions Corp., Class 'A'	6,780	562,623	523,001	0.92
Corning Inc.	10,794	420,674	379,537	0.66
Coupa Software Inc.	3,967	747,071	1,492,026	2.61
Dell Technologies Inc., Class 'C'	5,605	323,715	418,058	0.73
DocuSign Inc.	5,998	573,544	1,402,286	2.45
Dropbox Inc.	24,498	633,377	724,037	1.27
DXC Technology Co.	8,048	358,132	180,278	0.32
Elastic NV	1,882	131,914	235,597	0.41
Entergris Inc.	7,037	417,458	564,130	0.99
EPAM Systems Inc.	2,985	683,636	1,021,254	1.79
F5 Network Inc.	985	175,705	186,518	0.33
Fortinet Inc.	5,479	752,866	1,021,054	1.79
GoDaddy Inc., Class 'A'	3,883	295,998	386,564	0.68
GrubHub Holdings Inc.	2,578	130,214	246,042	0.43
Hewlett Packard Enterprise Co.	45,665	817,266	603,209	1.06
HP Inc.	25,542	619,826	604,400	1.06
HubSpot Inc.	2,366	430,058	720,631	1.26
IAC/InterActiveCorp.	1,236	352,317	542,663	0.95
Intel Corp.	5,822	394,673	472,893	0.83
International Business Machines Corp.	1,999	356,807	327,751	0.57
Intuit Inc.	1,370	442,456	550,887	0.96
Jabil Inc.	12,817	498,014	558,204	0.98
KLA Corp.	3,085	615,182	814,520	1.43

**First Trust AlphaDEX™ U.S. Technology Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

Lam Research Corp.	923	251,088	405,316	0.71
Match Group Inc.	4,770	395,363	693,229	1.21
Maxim Integrated Products Inc.	2,160	162,409	177,734	0.31
Microchip Technology Inc.	1,549	181,089	221,459	0.39
Micron Technology Inc.	7,490	414,326	523,877	0.92
Microsoft Corp.	3,514	641,192	970,866	1.70
MongoDB Inc.	4,059	760,874	1,247,246	2.18
Monolithic Power Systems Inc.	2,647	563,530	851,675	1.49
NortonLifeLock Inc.	5,613	146,788	151,109	0.26
NVIDIA Corp.	1,195	388,790	616,340	1.08
Okta Inc.	4,533	643,866	1,232,216	2.16
ON Semiconductor Corp.	17,822	422,131	479,548	0.84
Oracle Corp.	4,588	322,859	344,259	0.60
Palo Alto Networks Inc.	640	184,932	199,552	0.35
Paycom Software Inc.	1,560	442,323	655,964	1.15
Pegasystems Inc.	4,423	469,933	607,492	1.06
Proofpoint Inc.	3,071	457,398	463,280	0.81
Pure Storage Inc., Class 'A'	8,538	183,385	200,875	0.35
Qorvo Inc.	1,302	135,301	195,372	0.34
QUALCOMM Inc.	1,552	157,871	192,179	0.34
RealPage Inc.	5,952	432,127	525,309	0.92
salesforce.com Inc.	3,079	626,988	783,049	1.37
ServiceNow Inc.	1,934	671,935	1,063,525	1.86
Skyworks Solutions Inc.	2,480	284,768	430,485	0.75
Smartsheet Inc., Class 'A'	13,352	803,049	923,010	1.62
SolarWinds Corp.	14,148	291,179	339,393	0.59
Splunk Inc.	3,513	660,057	947,650	1.66
SS&C Technologies Holdings Inc.	5,059	388,432	387,910	0.68
SYNNEX Corp.	6,065	721,371	986,168	1.73
Synopsys Inc.	2,446	405,092	647,535	1.13
Teradyne Inc.	8,185	560,914	939,071	1.64
Twilio Inc.	2,477	301,859	737,860	1.29
Tyler Technologies Inc.	1,869	707,612	880,158	1.54
Universal Display Corp.	797	186,659	161,890	0.28
VeriSign Inc.	1,231	324,526	345,655	0.61
VMware Inc., Class 'A'	867	145,328	182,276	0.32
Workday Inc., Class 'A'	807	137,192	205,269	0.36
Xerox Holdings Corp.	29,263	700,993	607,433	1.06
Xilinx Inc.	1,347	153,133	179,925	0.32
Zebra Technologies Corp., Class 'A'	1,208	311,181	419,753	0.73
Zendesk Inc.	3,463	322,060	416,212	0.73
Zscaler Inc.	7,285	659,965	1,082,968	1.90
		<b>38,732,501</b>	<b>52,591,106</b>	<b>92.07</b>

<b>Total investments</b>		<b>41,888,134</b>	<b>56,977,759</b>	<b>99.74</b>
Transaction costs		(5,692)		
Unrealized appreciation on derivatives - see Schedule 1			22,987	0.04
Other assets, less liabilities			122,906	0.22
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>41,882,442</b>	<b>57,123,652</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount		Currency	Amount Bought	Forward Rate	Current Rate	Appreciation
				Sell	Sold					(Depreciation)
Bank of New York Mellon (The), New York	A-1+	2020-07-31	USD	3,424,718		CAD	4,672,000	0.733	0.737	22,987
										<b>22,987</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust AlphaDEX™ U.S. Utilities Sector Index ETF

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	2,432,595	2,604,868
Cash	11,848	20,808
Accrued dividend receivable	5,855	6,702
Other assets	978	605
	2,451,276	2,632,983
<b>Liabilities</b>		
Accrued liabilities	1,642	2,282
Distributions payable to holders of redeemable units	11,000	13,250
	12,642	15,532
<b>Total net assets attributable to holders of redeemable units</b>	<b>2,438,634</b>	<b>2,617,451</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>2,438,634</b>	<b>2,617,451</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>100,000</b>	<b>100,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>24.39</b>	<b>26.17</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	41,718	42,028
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on sale of investments	(12,137)	37,323
Net realized gain (loss) on foreign exchange	302	(43)
Net change in unrealized appreciation (depreciation) of investments	(170,264)	18,546
	(140,381)	97,854
Foreign exchange gain (loss) on cash	232	(484)
	(140,149)	97,370
<b>Expenses [note 7]</b>		
Management fees	8,928	8,986
HST expense	788	923
Transaction costs [note 3 and note 9]	698	491
Independent Review Committee fees	330	250
Interest expense	8	-
	10,752	10,650
Expenses waived by manager	(330)	(250)
	10,422	10,400
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(150,571)</b>	<b>86,970</b>
<b>Withholding taxes</b>	<b>6,246</b>	<b>6,312</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(156,817)</b>	<b>80,658</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(156,817)</b>	<b>80,658</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(1.57)</b>	<b>0.80</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust AlphaDEX™ U.S. Utilities Sector Index ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	2,617,451	2,526,945
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(156,817)	80,658
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	-	1,292,856
	-	1,292,856
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(22,000)	(22,000)
	(22,000)	(22,000)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	(178,817)	1,351,514
<b>Net assets attributable to holders of redeemable units, end of period</b>	2,438,634	3,878,459

See accompanying notes which are an integral part of these financial statements

# First Trust AlphaDEX™ U.S. Utilities Sector Index ETF

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(156,817)	80,658
Adjustments for:		
Net realized (gain) loss on sale of investments	12,137	(37,323)
Change in unrealized (appreciation) depreciation of investments	170,264	(18,546)
Dividends receivable	847	(485)
Other assets	(373)	(246)
Other liabilities	(640)	(17)
Purchases of investments	(1,383,088)	(2,181,371)
Proceeds from the sale of investments	1,372,960	883,397
	15,290	(1,273,933)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	-	1,289,897
Distributions paid to unitholders	(24,250)	(22,000)
	(24,250)	1,267,897
<b>Increase (Decrease) in cash for the period</b>	(8,960)	(6,036)
<b>Cash, beginning of period</b>	20,808	21,323
<b>Cash, end of period</b>	11,848	15,287
Dividends received, net of withholding taxes	36,319	35,231

See accompanying notes which are an integral part of these financial statements

**First Trust AlphaDEX™ U.S. Utilities Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of the StrataQuant® Utilities Index ("Index"), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Utilities Sector.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	2,432,595	–	–	2,432,595
<b>Total</b>	<b>2,432,595</b>	<b>–</b>	<b>–</b>	<b>2,432,595</b>
	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	2,604,868	–	–	2,604,868
<b>Total</b>	<b>2,604,868</b>	<b>–</b>	<b>–</b>	<b>2,604,868</b>

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units
Outstanding units - January 1, 2019	100,000
Redeemable units issued	50,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2019	100,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units – June 30, 2020	100,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.70%

First Trust AlphaDEX™ U.S. Utilities Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – There were no net capital losses nor non-capital losses as at December 31, 2019 and 2018.

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019 are as follows:

Transaction Cost (\$)	
2020	2019
698	491

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
8,928	8,986	1,447	1,520

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Utilities Index	120,301	(120,301)	119,897	(119,897)
Russell 1000® Index	114,851	(114,851)	82,275	(82,275)
S&P 500 Utilities Index	110,021	(110,021)	101,012	(101,012)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	2,437,114	99.94	2,615,407	99.92

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$24,371 (December 31, 2019 - \$26,154). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust AlphaDEX™ U.S. Utilities Sector Index ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**Concentration Risk** – The table below summarizes the First Trust ETF’s concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Utilities	89.95	70.02
Industrials	9.80	–
Communication Services	–	29.50
Total	99.75	99.52



**First Trust AlphaDEX™ U.S. Utilities Sector Index ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Industrials—9.80%</b>				
Clean Harbors Inc.	829	53,727	67,505	2.77
Republic Services Inc.	945	97,018	105,265	4.32
Waste Management Inc.	460	57,964	66,140	2.71
		<b>208,709</b>	<b>238,910</b>	<b>9.80</b>
<b>Utilities—89.95%</b>				
AES Corp. (The)	2,087	36,207	41,055	1.68
Alliant Energy Corp.	588	35,810	38,189	1.57
Ameren Corp.	390	35,570	37,253	1.53
American Electric Power Co. Inc.	532	55,762	57,519	2.36
American Water Works Co. Inc.	119	19,093	20,786	0.85
Atmos Energy Corp.	286	38,440	38,664	1.58
Avangrid Inc.	1,297	85,393	73,919	3.03
CenterPoint Energy Inc.	4,593	126,715	116,416	4.77
CMS Energy Corp.	242	18,693	19,193	0.79
Consolidated Edison Inc.	546	58,162	53,318	2.19
Dominion Energy Inc.	197	19,407	21,711	0.89
DTE Energy Co.	598	81,991	87,273	3.58
Duke Energy Corp.	702	79,461	76,138	3.12
Edison International	1,036	72,438	76,386	3.13
Entergy Corp.	453	56,117	57,693	2.37
Essential Utilities Inc.	349	19,028	20,013	0.82
Eversource Energy	773	61,691	62,220	2.55
Exelon Corp.	181	19,559	20,462	0.84
Exelon Corp.	1,928	110,707	94,987	3.89
FirstEnergy Corp.	354	20,294	18,637	0.76
Hawaiian Electric Industries Inc.	659	34,632	32,261	1.32
IDACORP Inc.	485	61,298	57,528	2.36
National Fuel Gas Co.	1,903	130,874	108,327	4.44
NextEra Energy Inc.	59	18,499	19,237	0.79
NiSource Inc.	1,137	40,391	35,101	1.44
NRG Energy Inc.	2,603	96,633	115,062	4.72
OGE Energy Corp.	1,848	86,087	76,169	3.12
PG&E Corp.	1,579	17,788	19,014	0.78
Pinnacle West Capital Corp.	749	84,741	74,524	3.06
PPL Corp.	2,875	110,876	100,856	4.14
Public Services Enterprise Group Inc.	1,264	90,128	84,359	3.46
Sempra Energy	377	67,510	60,000	2.46
Southern Co. (The)	1,049	72,725	73,841	3.03
UGI Corp.	2,661	108,192	114,880	4.71
Vistra Energy Corp.	4,447	132,969	112,414	4.61
WEC Energy Group Inc.	322	38,401	38,316	1.57
Xcel Energy Inc.	471	34,855	39,964	1.64
		<b>2,277,137</b>	<b>2,193,685</b>	<b>89.95</b>
<b>Total investments</b>		<b>2,485,846</b>	<b>2,432,595</b>	<b>99.75</b>
Transaction costs		(645)		
Other assets, less liabilities			6,039	0.25
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>2,485,201</b>	<b>2,438,634</b>	<b>100.00</b>

# First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)

<b>STATEMENTS OF FINANCIAL POSITION</b>	<b>As at June 30, 2020 (unaudited) and December 31, 2019</b>	
	<b>June 30 2020 (\$)</b>	<b>December 31 2019 (\$)</b>
<b>Assets</b>		
Investments (non-derivative financial assets)	2,924,173	2,453,048
Cash	3,669	1,472
Accrued dividend receivable	4,400	5,286
Derivative assets	14,278	44,832
Other assets	551	346
	<b>2,947,071</b>	<b>2,504,984</b>
<b>Liabilities</b>		
Accrued liabilities	887	711
	<b>887</b>	<b>711</b>
<b>Total net assets attributable to holders of redeemable units</b>	<b>2,946,184</b>	<b>2,504,273</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Units</b>	<b>2,946,184</b>	<b>2,504,273</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>150,000</b>	<b>100,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>19.64</b>	<b>25.04</b>

<b>STATEMENTS OF COMPREHENSIVE INCOME</b>	<b>For the periods ended June 30, 2020 and 2019 (unaudited)</b>	
	<b>June 30 2020 (\$)</b>	<b>June 30 2019 (\$)</b>
<b>Revenues</b>		
Interest income for distribution purposes	284	-
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on sale of investments	(462,271)	53,320
Net realized gain (loss) on derivatives	(42,916)	36,034
Net realized gain (loss) on foreign exchange	(10,915)	(3,230)
Net change in unrealized appreciation (depreciation) of investments	216,521	421,511
Net change in unrealized appreciation (depreciation) of derivatives	(30,554)	100,642
	<b>(329,851)</b>	<b>608,277</b>
Foreign exchange gain (loss) on cash	(22,683)	(2)
	<b>(352,534)</b>	<b>608,275</b>
<b>Expenses [note 7]</b>		
Management fees	3,717	5,440
Transaction costs [note 3 and note 9]	2,808	73
Other expense	2,695	-
Independent Review Committee fees	322	352
HST expense	278	460
	<b>9,820</b>	<b>6,325</b>
Expenses waived by manager	(322)	(352)
	<b>9,498</b>	<b>5,973</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(362,032)</b>	<b>602,302</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(362,032)</b>	<b>602,302</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(3.03)</b>	<b>3.73</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	2,504,273	4,058,678
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(362,032)	602,302
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from issuance of units	4,630,556	-
Redemption of units	(3,826,613)	(1,117,402)
	803,943	(1,117,402)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	441,911	(515,100)
<b>Net assets attributable to holders of redeemable units, end of period</b>	2,946,184	3,543,578

See accompanying notes which are an integral part of these financial statements.

# First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)

## STATEMENTS OF CASH FLOW For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(362,032)	602,302
Adjustments for:		
Net realized (gain) loss on sale of investments	462,271	(53,320)
Change in unrealized (appreciation) depreciation of investments and derivatives	(185,967)	(522,153)
Dividends receivable	886	7,791
Other assets	(205)	(248)
Other liabilities	176	(243)
Purchases of investments	(10,520,690)	(131,088)
Proceeds from the sale of investments	9,803,815	1,218,101
	(801,746)	1,121,142
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	4,630,556	-
Amount paid on redemptions of units	(3,826,613)	(1,117,402)
Distributions paid to unitholders	-	(3,200)
	803,943	(1,120,602)
<b>Increase (Decrease) in cash for the period</b>	<b>2,197</b>	<b>540</b>
<b>Cash, beginning of period</b>	<b>1,472</b>	<b>5,482</b>
<b>Cash, end of period</b>	<b>3,669</b>	<b>6,022</b>
Interest received	284	-
Dividends received, net of withholding taxes	886	7,791

See accompanying notes which are an integral part of these financial statements.

**First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of Dorsey Wright® U.S. Sector Focus Five Index, (the “Index”), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	2,924,173	–	–	2,924,173
Derivative assets	–	14,278	–	14,278
<b>Total</b>	<b>2,924,173</b>	<b>14,278</b>	<b>–</b>	<b>2,938,451</b>
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	2,453,048	–	–	2,453,048
Derivative assets	–	44,832	–	44,832
<b>Total</b>	<b>2,453,048</b>	<b>44,832</b>	<b>–</b>	<b>2,497,880</b>

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units
Outstanding units - January 1, 2019	200,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(100,000)
Outstanding units – December 31, 2019	100,000
Redeemable units issued	250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(200,000)
Outstanding units – June 30, 2020	150,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.30%

First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – There were no net capital losses nor non-capital losses as at December 31, 2019 and 2018.

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019:

Transaction Cost (\$)	
2020	2019
2,808	73

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
3,717	5,440	788	855

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and interest rates. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Dorsey Wright® U.S. Sector Focus Five Index USD	119,173	(119,173)	116,699	(116,699)
S&P 500 Index (CAD Hedged)	116,669	(116,669)	98,293	(98,293)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	(2,885,508)	(97.94)	(2,414,111)	(96.40)

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$28,855 (December 31, 2019 - \$24,141). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
	Exchange-Traded Funds	99.25
Total	99.25	97.95

**First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.25%</b>				
First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF	23,800	460,475	570,486	19.37
First Trust AlphaDEX™ U.S. Energy Sector Index ETF	82,362	525,569	498,290	16.91
First Trust AlphaDEX™ U.S. Health Care Sector Index ETF	18,853	592,987	627,616	21.30
First Trust AlphaDEX™ U.S. Technology Sector Index ETF	11,795	517,569	649,079	22.03
First Trust AlphaDEX™ U.S. Utilities Sector Index ETF	23,766	595,767	578,702	19.64
	<b>2,692,367</b>	<b>2,924,173</b>	<b>2,924,173</b>	<b>99.25</b>
<b>Total investments</b>		<b>2,692,367</b>	<b>2,924,173</b>	<b>99.25</b>
Transaction costs		(1,003)		
Unrealized appreciation on derivatives - see Schedule 1			14,278	0.48
Other assets, less liabilities			7,733	0.27
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>2,691,364</b>	<b>2,946,184</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation
									(Depreciation)
									\$
Bank of New York Mellon (The), New York	A-1+	2020-07-31	USD	2,127,254	CAD	2,902,000	0.733	0.737	14,278
									<b>14,278</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust Indxx Innovative Transaction and Process ETF

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	2,005,565	2,082,620
Cash	10,607	37,160
Other assets	343	292
	2,016,515	2,120,072
<b>Liabilities</b>		
Accrued liabilities	281	304
Distributions payable to holders of redeemable units	-	29,000
	281	29,304
<b>Total net assets attributable to holders of redeemable units</b>	<b>2,016,234</b>	<b>2,090,768</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units per class</b>		
<b>Units</b>	<b>2,016,234</b>	<b>2,090,768</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>100,000</b>	<b>100,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>20.16</b>	<b>20.91</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	11,833	46,397
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on investments	72	(190)
Change in unrealized appreciation (depreciation) of foreign exchange	(10)	40
Change in unrealized appreciation (depreciation) of investments	(83,132)	569,564
	(71,237)	615,811
Foreign exchange gain (loss) on cash	104	42
	(71,133)	615,853
<b>Expenses [note 7]</b>		
Management fees	1,477	3,634
Independent Review Committee fees	255	471
HST expense	142	302
Transaction costs [note 3 and note 9]	2	1
	1,876	4,408
Expenses waived by manager	(255)	(471)
	1,621	3,937
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>(72,754)</b>	<b>611,916</b>
<b>Withholding taxes</b>	<b>1,780</b>	<b>7,042</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>(74,534)</b>	<b>604,874</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>(74,534)</b>	<b>604,874</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>(0.74)</b>	<b>2.43</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director



# First Trust Indxx Innovative Transaction and Process ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	2,090,768	4,425,059
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(74,534)	604,874
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	-	(27,500)
	-	(27,500)
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	(74,534)	577,374
<b>Net assets attributable to holders of redeemable units, end of period</b>	2,016,234	5,002,433

See accompanying notes which are an integral part of these financial statements.

# First Trust Indxx Innovative Transaction and Process ETF

## STATEMENTS OF CASH FLOW

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	(74,534)	604,874
Adjustments for:		
Net realized (gain) loss on investments	(72)	190
Change in unrealized (appreciation) depreciation of investments	83,132	(569,564)
Other assets	(51)	(170)
Other liabilities	(23)	49
Purchases of investments	(6,005)	-
Proceeds from the sale of investments	-	2,985
	2,447	38,364
<b>Cash flows from (used in) Financing Activities</b>		
Distributions paid to unitholders	(29,000)	(45,225)
	(29,000)	(45,225)
<b>Increase (Decrease) in cash for the period</b>	(26,553)	(6,861)
<b>Cash, beginning of period</b>	37,160	36,998
<b>Cash, end of period</b>	10,607	30,137
Dividends received, net of withholding taxes	10,053	39,355

See accompanying notes which are an integral part of these financial statements.

**First Trust Indxx Innovative Transaction and Process ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to replicate, to the extent possible, the performance of an innovative transaction and process index. The First Trust ETF will obtain exposure to the Indxx Blockchain Index (the “Index”) by investing in the First Trust Indxx Innovative Transaction & Process ETF (the “Underlying Fund”), a U.S.-listed index exchange traded fund which itself seeks to replicate or substantially replicate the performance of the Index.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy table present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	2,005,565	–	–	2,005,565
<b>Total</b>	<b>2,005,565</b>	<b>–</b>	<b>–</b>	<b>2,005,565</b>
	Financial Assets at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	2,082,620	–	–	2,082,620
<b>Total</b>	<b>2,082,620</b>	<b>–</b>	<b>–</b>	<b>2,082,620</b>

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units
Outstanding units - January 1, 2019	250,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(150,000)
<b>Outstanding units – December 31, 2019</b>	<b>100,000</b>
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
<b>Outstanding units – June 30, 2020</b>	<b>100,000</b>

First Trust Indxx Innovative Transaction and Process ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee <sup>1</sup>
Units
0.15%

<sup>1</sup>The First Trust ETF will bear the Underlying Fund's management fee of 0.65% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.80% per annum of NAV of the Units plus applicable taxes. There will be no management fees payable by the First Trust ETF that, to a reasonable person, would duplicate a fee payable by the Underlying Fund for the same service. Further, no sales fees or redemption fees are payable by the First Trust ETF in relation to its purchases or redemptions of the securities of the Underlying Fund and there will be no sales or redemption fees payable by the First Trust ETF that, to a reasonable person, would duplicate a fee payable by an investor in the First Trust ETF.

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – There were no net capital losses nor non-capital losses as at December 31, 2019 and 2018.

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019:

Transaction Cost (\$)	
2020	2019
2	1

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the period ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
1,477	3,634	249	614

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and interest rates. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	98,369	(98,369)	86,848	(86,848)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	2,014,577	99.92	2,088,992	99.92

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First Trust Indxx Innovative Transaction and Process ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

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As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$20,146 (December 31, 2019 - \$20,890). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF’s concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Exchange-Traded Funds	99.47	99.61
Total	99.47	99.61

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First Trust Indxx Innovative Transaction and Process ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

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SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Exchange Traded Funds—99.47%</b>				
First Trust Indxx Innovative Transaction & Process ETF	50,311	1,953,639	2,005,565	99.47
<b>Total Exchange Traded Funds</b>		<b>1,953,639</b>	<b>2,005,565</b>	<b>99.47</b>
<b>Total investments</b>		<b>1,953,639</b>	<b>2,005,565</b>	<b>99.47</b>
Transaction costs		(605)		
Other assets, less liabilities			10,669	0.53
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>1,953,034</b>	<b>2,016,234</b>	<b>100.00</b>

# First Trust International Capital Strength ETF

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments (non-derivative financial assets)	5,077,361	2,063,338
Cash	15,484	9,663
Accrued dividend receivable	4,049	3,554
Receivable for portfolio securities sold	-	40,038
Other assets	984	376
	5,097,878	2,116,969
<b>Liabilities</b>		
Accrued liabilities	3,296	1,398
Payable for portfolio securities purchased	-	19,663
Distributions payable to holders of redeemable units	-	25,000
	3,296	46,061
<b>Total net assets attributable to holders of redeemable units</b>	<b>5,094,582</b>	<b>2,070,908</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units per class</b>		
<b>Units</b>	<b>5,094,582</b>	<b>2,070,908</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Units</b>	<b>250,000</b>	<b>100,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>20.38</b>	<b>20.71</b>

## STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Revenues</b>		
Dividends	46,678	39,345
Interest income for distribution purposes	6,359	-
<b>Other changes in fair value of investments</b>		
Net realized gain (loss) on investments	42,302	(92,422)
Change in unrealized appreciation (depreciation) of foreign exchange	(1,945)	(214)
Change in unrealized appreciation (depreciation) of investments	27,866	272,555
	121,260	219,264
Foreign exchange gain (loss) on cash	(219)	(64)
	121,041	219,200
<b>Expenses [note 7]</b>		
Management fees	12,115	6,282
Transaction costs [note 3 and note 9]	10,954	1,390
HST expense	967	639
Independent Review Committee fees	453	175
	24,489	8,486
Expenses waived by manager	(453)	(175)
	24,036	8,311
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>97,005</b>	<b>210,889</b>
<b>Withholding taxes</b>	<b>4,463</b>	<b>3,828</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>92,542</b>	<b>207,061</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Units</b>	<b>92,542</b>	<b>207,061</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Units</b>	<b>0.53</b>	<b>2.07</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust International Capital Strength ETF

## STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the periods ended June 30, 2020 and 2019 (unaudited)

	June 30 2020 (\$)	June 30 2019 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	2,070,908	1,678,827
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	92,542	207,061
<b>Redeemable unit transactions [note 6]</b>		
Proceeds from redeemable units issued	2,940,132	-
	2,940,132	-
<b>Distributions to holders of redeemable units from:</b>		
Net investment income	(9,000)	-
	(9,000)	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	3,023,674	207,061
<b>Net assets attributable to holders of redeemable units, end of period</b>	5,094,582	1,885,888

See accompanying notes which are an integral part of these financial statements.



# First Trust International Capital Strength ETF

<b>STATEMENTS OF CASH FLOW</b>	<b>For the periods ended June 30, 2020 and 2019 (unaudited)</b>	
	<b>June 30</b>	<b>June 30</b>
	<b>2020 (\$)</b>	<b>2019 (\$)</b>
<b>Cash flows from (used in) Operating Activities</b>		
Increase (Decrease) in net assets attributable to holders of redeemable units	92,542	207,061
Adjustments for:		
Net realized (gain) loss on investments	(42,302)	92,422
Change in unrealized (appreciation) depreciation of investments	(27,866)	(272,555)
Dividends receivable	(495)	585
Other assets	(608)	(179)
Other liabilities	1,898	75
Purchases of investments	(4,229,824)	(615,052)
Proceeds from the sale of investments	1,306,344	587,310
	(2,900,311)	(333)
<b>Cash flows from (used in) Financing Activities</b>		
Amount received from the issuance of units	2,940,132	-
Distributions paid to unitholders	(34,000)	-
	2,906,132	-
<b>Increase (Decrease) in cash for the period</b>	<b>5,821</b>	<b>(333)</b>
<b>Cash, beginning of period</b>	<b>9,663</b>	<b>8,983</b>
<b>Cash, end of period</b>	<b>15,484</b>	<b>8,650</b>
Interest received	6,359	-
Dividends received, net of withholding taxes	41,720	36,102

See accompanying notes which are an integral part of these financial statements.

**First Trust International Capital Strength ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to provide Unitholders with long term capital appreciation by investing primarily in equity securities of developed market companies, excluding the U.S. and Canada, that are traded on global exchanges, with a focus on fundamental strength and growth.

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy table present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020 and year ended December 31, 2019:

	Financial Assets at Fair Value (\$) As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Equities	5,077,361	–	–	5,077,361
<b>Total</b>	<b>5,077,361</b>	<b>–</b>	<b>–</b>	<b>5,077,361</b>
	Financial Assets at Fair Value (\$) As at December 31, 2019			
	Level 1	Level 2	Level 3	Total
Equities	2,063,338	–	–	2,063,338
<b>Total</b>	<b>2,063,338</b>	<b>–</b>	<b>–</b>	<b>2,063,338</b>

There have been no transfers from one Level to another for the period ended June 30, 2020 and year ended December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020 and year ended December 31, 2019:

Redeemable Units	Units
Outstanding units – January 1, 2019	100,000
Redeemable units issued	50,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2019	100,000
Redeemable units issued	150,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units – June 30, 2020	250,000

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.70%

First Trust International Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – The net capital losses and/or non-capital losses as at December 31, 2019 and 2018, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2019	2018	2019	2018
–	–	–	291,380

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the periods ended June 30, 2020 and 2019:

Transaction Cost (\$)	
2020	2019
10,954	1,390

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the periods ended June 30, 2020 and 2019, including amounts owing as at June 30, 2020 and 2019, are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2020	2019	2020	2019
12,115	6,282	2,917	1,064

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and interest rates. If the following index had increased (decreased) by 5% June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2020		At December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI EAFE Index	219,831	(219,831)	89,360	(89,360)

First Trust International Capital Strength ETF  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020 and December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
British Pound Sterling	1,237,630	24.29	568,497	27.45
Euro	1,159,458	22.76	561,586	27.12
Japanese Yen	1,005,540	19.74	369,401	17.84
Swiss Francs	642,307	12.61	202,736	9.79
Swedish Krona	272,608	5.35	53,203	2.57
Danish Krone	259,916	5.10	53,586	2.59
Hong Kong Dollar	243,869	4.79	146,720	7.08
South Korean Won	132,631	2.60	56,189	2.71
Australian Dollar	127,451	2.50	55,535	2.68
United States Dollar	125	0.00	(17,900)	(0.86)
Norwegian Krone	–	–	126	0.01
<b>Total</b>	<b>5,081,535</b>	<b>99.74</b>	<b>2,049,679</b>	<b>98.98</b>

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$50,815 (December 31, 2019 - \$20,497). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the period ended June 30, 2020 and year ended December 31, 2019:

Country	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
United Kingdom	21.84	25.13
Japan	19.74	17.77
Switzerland	12.56	9.75
France	7.45	9.78
Germany	7.42	9.63
Netherlands	5.43	2.63
Sweden	5.35	2.57
Denmark	5.10	2.59
Australia	4.95	4.96
Hong Kong	4.79	4.67
South Korea	2.59	2.67
Finland	2.44	2.46
Italy	–	2.61
Macau	–	2.41
<b>Total</b>	<b>99.66</b>	<b>99.63</b>

**First Trust International Capital Strength ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)**

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Australia—4.95%</b>				
BHP Group PLC	4,494	121,489	125,070	2.45
CSL Ltd.	474	121,578	127,451	2.50
		<b>243,067</b>	<b>252,521</b>	<b>4.95</b>
<b>Denmark—5.10%</b>				
Genmab AS	301	126,675	136,777	2.68
Novo Nordisk AS, Series 'B'	1,401	109,009	123,139	2.42
		<b>235,684</b>	<b>259,916</b>	<b>5.10</b>
<b>Finland—2.44%</b>				
Neste Oil OYJ	2,339	107,139	124,188	2.44
		<b>107,139</b>	<b>124,188</b>	<b>2.44</b>
<b>France—7.45%</b>				
Kering	168	123,036	124,086	2.43
LVMH Moët Hennessy-Louis Vuitton SA	217	116,818	129,248	2.54
Thales SA	1,152	148,433	126,301	2.48
		<b>388,287</b>	<b>379,635</b>	<b>7.45</b>
<b>Germany—7.42%</b>				
Adidas AG	345	124,110	122,924	2.41
Henkel AG & Co. KGaA	1,083	128,022	122,485	2.40
SAP AG	700	117,399	132,735	2.61
		<b>369,531</b>	<b>378,144</b>	<b>7.42</b>
<b>Hong Kong—4.79%</b>				
China Gas Holdings Ltd.	27,067	134,516	113,313	2.23
Techtronic Industries Co. Ltd.	9,833	102,884	130,556	2.56
		<b>237,400</b>	<b>243,869</b>	<b>4.79</b>
<b>Japan—19.74%</b>				
Astellas Pharma Inc.	5,650	127,957	127,835	2.51
KDDI Corp.	3,100	119,668	126,052	2.47
Nintendo Co. Ltd.	200	120,360	120,729	2.37
Obayashi Corp.	9,800	135,548	124,204	2.44
Shionogi & Co.	1,500	113,424	127,304	2.50
Sony Corp.	1,350	113,291	125,335	2.46
Tokyo Electron Ltd.	400	108,840	132,975	2.61
Trend Micro Inc.	1,600	107,632	121,106	2.38
		<b>946,720</b>	<b>1,005,540</b>	<b>19.74</b>
<b>Netherlands—5.43%</b>				
ASM International NV	687	126,311	144,133	2.83
ASML Holding NV	266	96,937	132,630	2.60
		<b>223,248</b>	<b>276,763</b>	<b>5.43</b>
<b>South Korea—2.59%</b>				
Samsung Electronics Co. Ltd.	2,213	129,127	131,879	2.59
		<b>129,127</b>	<b>131,879</b>	<b>2.59</b>
<b>Sweden—5.35%</b>				
Sandvik AB	5,539	124,745	140,498	2.76
Volvo AB, Series 'B'	6,215	131,989	132,110	2.59
		<b>256,734</b>	<b>272,608</b>	<b>5.35</b>
<b>Switzerland—12.56%</b>				
Barry Callebaut AG	48	132,152	124,284	2.44
Logitech International SA, Registered	1,555	95,365	137,834	2.70
Nestlé SA, Registered	841	119,862	126,219	2.48
Novartis AG, Registered	1,073	129,153	126,721	2.49
Roche Holding AG Genusscheine	265	112,443	124,680	2.45
		<b>588,975</b>	<b>639,738</b>	<b>12.56</b>

**First Trust International Capital Strength ETF**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

<b>United Kingdom—21.84%</b>				
AstraZeneca PLC	875	115,902	123,951	2.43
BAE Systems PLC	14,557	140,321	118,374	2.33
Barratt Developments PLC	14,522	144,742	121,143	2.38
Ferguson PLC	1,201	126,884	133,584	2.62
Legal & General Group PLC	31,671	135,948	117,689	2.31
Prudential PLC	6,387	141,990	130,918	2.57
Rio Tinto PLC	1,618	111,564	123,815	2.43
Taylor Wimpey PLC	49,723	156,275	119,277	2.34
Unilever PLC	1,690	127,140	123,809	2.43
	<b>1,200,766</b>	<b>1,112,560</b>		<b>21.84</b>
<b>Total investments</b>		<b>4,926,678</b>	<b>5,077,361</b>	<b>99.66</b>
Transaction costs		(11,886)		
Other assets, less liabilities			17,221	0.34
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>		<b>4,914,792</b>	<b>5,094,582</b>	<b>100.00</b>

# First Trust Cboe Vest U.S. Equity Buffer ETF - August

## STATEMENTS OF FINANCIAL POSITION As at June 30, 2020 (unaudited) and December 31, 2019

	June 30 2020 (\$)	December 31 2019 (\$)
<b>Assets</b>		
Investments(non-derivative financial assets)	-	-
Cash	118,126	77,728
Derivative assets:		
Options purchased, at fair value	11,078,731	6,546,940
Unrealized appreciation on forward currency contracts	53,777	115,444
Other assets	1,545	590
	11,252,179	6,740,702
<b>Liabilities</b>		
Derivative liabilities		
Options written, at fair value	200,582	323,448
Accrued liabilities	9,488	5,188
	210,070	328,636
<b>Total net assets attributable to holders of redeemable units</b>	<b>11,042,109</b>	<b>6,412,066</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Hedged Units</b>	<b>11,042,109</b>	<b>6,412,066</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Hedged Units</b>	<b>350,000</b>	<b>200,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>	<b>31.55</b>	<b>32.06</b>

## STATEMENT OF COMPREHENSIVE INCOME For the period ended June 30, 2020 (unaudited)

	June 30 2020 (\$)
<b>Revenues</b>	
Interest income for distribution purposes	-
<b>Other changes in fair value of investments and derivatives</b>	
Net realized gain (loss) on options	246,997
Net realized gain (loss) on foreign currency contracts	125,057
Net realized gain (loss) on foreign exchange transactions	(36,422)
Net change in unrealized appreciation (depreciation) of options	101,966
Net change in unrealized appreciation (depreciation) of foreign currency contracts	(61,667)
	375,931
Foreign exchange gain (loss) on cash	37,662
	413,593
<b>Expenses [note 7]</b>	
Management fees	24,782
Transaction costs [note 3 and note 9]	4,501
HST expense	2,266
Independent Review Committee fees	763
Interest expense	20
	32,332
Expenses waived by manager	(763)
	31,569
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>382,024</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>	
<b>Hedged Units</b>	<b>382,024</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>	
<b>Hedged Units</b>	<b>2.00</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Cboe Vest U.S. Equity Buffer ETF - August

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the period ended June 30, 2020 (unaudited)

	<b>June 30 2020 (\$)</b>
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	6,412,066
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	382,024
<b>Redeemable unit transactions [note 6]</b>	
Proceeds from issuance of units	9,075,180
Redemption of units	(4,827,161)
	4,248,019
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	4,630,043
<b>Net assets attributable to holders of redeemable units, end of period</b>	11,042,109

*See accompanying notes which are an integral part of these financial statements.*



# First Trust Cboe Vest U.S. Equity Buffer ETF - August

## STATEMENT OF CASH FLOW

For the period ended June 30, 2020 (unaudited)

	<b>June 30 2020 (\$)</b>
<b>Cash flows from (used in) Operating Activities</b>	
Increase (Decrease) in net assets attributable to holders of redeemable units	382,024
Adjustments for:	
Net realized (gain) loss on options	(246,997)
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	(40,299)
Other assets	(955)
Other liabilities	4,300
Purchases of options	(9,916,750)
Proceeds from the sale of options	5,611,057
	<b>(4,207,621)</b>
<b>Cash flows from (used in) Financing Activities</b>	
Amount received from the issuance of units	9,075,180
Amount paid on redemptions of units	(4,827,161)
	<b>4,248,019</b>
<b>Increase (Decrease) in cash for the period</b>	<b>40,398</b>
<b>Cash, beginning of period</b>	<b>77,728</b>
<b>Cash, end of period</b>	<b>118,126</b>

See accompanying notes which are an integral part of these financial statements.

**First Trust Cboe Vest U.S. Equity Buffer ETF – August**  
**Notes to Financial Statements - Specific Information**  
**For the six-month period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to provide unitholders with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the “Underlying ETF”) up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Underlying ETF, over a period of approximately one year from the third Friday of August of each year to on or about the third Friday of August of the following year (a “Target Outcome Period”).

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the periods ended June 30, 2020 and December 31, 2019:

	Financial Assets (Liabilities) at Fair Value (\$)			
	Level 1	Level 2	Level 3	Total
As at June 30, 2020				
Derivative assets	–	11,132,507	–	11,132,507
Derivative liabilities	–	(200,582)	–	(200,582)
<b>Total</b>	–	<b>10,931,925</b>	–	<b>10,931,925</b>
	Financial Assets (Liabilities) at Fair Value (\$)			
	Level 1	Level 2	Level 3	Total
As at December 31, 2019				
Derivative assets	–	6,662,384	–	6,662,384
Derivative liabilities	–	(323,448)	–	(323,448)
<b>Total</b>	–	<b>6,338,936</b>	–	<b>6,338,936</b>

There have been no transfers from one Level to another for the periods ended June 30, 2020 and December 31, 2019.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the periods ended June 30, 2020 and December 31, 2019:

Redeemable Units	Hedged Units
Beginning balance – August 30, 2019*	–
Redeemable units issued	200,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1)
<b>Outstanding units – December 31, 2019</b>	<b>200,000</b>
Redeemable units issued	300,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(150,000)
<b>Outstanding units – June 30, 2020</b>	<b>350,000</b>

\*commencement of operations

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Hedged Units
0.85%

First Trust Cboe Vest U.S. Equity Buffer ETF – August  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

**E. TAXATION (NOTE 8)**

**Tax loss carry-forwards** – There were no net capital losses nor non-capital losses as at December 31, 2019.

**F. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the period ended June 30, 2020:

Transaction Cost (\$)
2020
4,501

**G. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the period ended June 30, 2020, including amounts owing as at June 30, 2020 are as follows:

Management Fee Expense (\$)	Management Fee Payable (\$)
2020	2020
24,782	8,404

**H. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020 and December 31, 2019, the First Trust ETF's market risk is affected by changes in actual market prices and interest rates. If the following index had increased (decreased) by 5% at June 30, 2020 and December 31, 2019, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020		As at December 31, 2019	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500 Price Return Index (CAD-Hedged)	426,446	(426,446)	218,137	(218,137)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2019:

Currency	As at June 30, 2020		As at December 31, 2019	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	66,868	0.61	60,247	0.94

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$669 (December 31, 2019 - \$602). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the periods ended June 30, 2020 and December 31, 2019:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at June 30, 2020	As at December 31, 2019
Options	98.51	97.06
Total	98.51	97.06

First Trust Cboe Vest U.S. Equity Buffer ETF – August  
Notes to Financial Statements - Specific Information  
For the six-month period ended June 30, 2020 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Purchased Put Options—1.94%</b>								
SPDR® S&P 500® ETF Trust	2020-08-21	288.84	USD	262	26,200	627,216	213,896	1.94
						<b>627,216</b>	<b>213,896</b>	<b>1.94</b>
<b>Purchased Call Options—98.39%</b>								
SPDR® S&P 500® ETF Trust	2020-08-21	2.89	USD	262	26,200	10,340,869	10,864,835	98.39
						<b>10,340,869</b>	<b>10,864,835</b>	<b>98.39</b>
<b>Written Put Options—(0.78)%</b>								
SPDR® S&P 500® ETF Trust	2020-08-21	259.96	USD	(262)	(26,200)	(327,568)	(85,692)	(0.78)
						<b>(327,568)</b>	<b>(85,692)</b>	<b>(0.78)</b>
<b>Written Call Options—(1.04)%</b>								
SPDR® S&P 500® ETF Trust	2020-08-21	326.97	USD	(262)	(26,200)	(85,097)	(114,890)	(1.04)
						<b>(85,097)</b>	<b>(114,890)</b>	<b>(1.04)</b>
<b>Total options</b>						<b>10,555,420</b>	<b>10,878,149</b>	<b>98.51</b>
Transaction costs						(2,333)		
Unrealized appreciation on derivatives - see Schedule 1							53,777	0.49
Other assets, less liabilities							110,184	1.00
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>						<b>10,553,087</b>	<b>11,042,109</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount		Currency	Amount	Forward Rate	Current Rate	Appreciation (Depreciation) \$
				Sell	Sold					
Bank of New York Mellon (The), New York	A-1+	2020-07-31	USD	8,012,022		CAD	10,930,000	0.733	0.737	53,777
										<b>53,777</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust Cboe Vest U.S. Equity Buffer ETF - November

## STATEMENT OF FINANCIAL POSITION As at June 30, 2020 (unaudited)

	June 30 2020 (\$)
<b>Assets</b>	
Investments (non-derivative financial assets)	-
Cash	173,863
Derivative assets:	
Options purchased, at fair value	12,028,653
Unrealized appreciation on forward currency contracts	60,181
Other assets	450
	12,263,147
<b>Liabilities</b>	
Derivative liabilities	
Options written, at fair value	627,075
Accrued liabilities	6,570
	633,645
<b>Total net assets attributable to holders of redeemable units</b>	<b>11,629,502</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>	
<b>Hedged Units</b>	<b>11,629,502</b>
<b>Redeemable units outstanding [note 6]</b>	
<b>Hedged Units</b>	<b>400,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>	
<b>Hedged Units</b>	<b>29.07</b>

## STATEMENT OF COMPREHENSIVE INCOME For the period from February 4, 2020 to June 30, 2020 (unaudited)

	June 30 2020 (\$)
<b>Revenues</b>	
Interest income for distribution purposes	-
<b>Other changes in fair value of investments and derivatives</b>	
Net realized gain (loss) on options	(15,536)
Net realized gain (loss) on foreign currency contracts	(148,470)
Net realized gain (loss) on foreign exchange transactions	3,165
Net change in unrealized appreciation (depreciation) of options	172,559
Net change in unrealized appreciation (depreciation) of foreign currency contracts	60,181
	71,899
Foreign exchange gain (loss) on cash	(2,547)
	69,352
<b>Expenses [note 7]</b>	
Management fees	18,059
Transaction costs [note 3 and note 9]	3,618
HST expense	1,898
Independent Review Committee fees	645
Interest expense	5
	24,225
Expenses waived by manager	(645)
	23,580
<b>Increase (Decrease) in net assets attributable to holders of redeemable units before tax</b>	<b>45,772</b>
<b>Withholding taxes</b>	
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	<b>45,772</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>	
<b>Hedged Units</b>	<b>45,772</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>	
<b>Hedged Units</b>	<b>0.24</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Cboe Vest U.S. Equity Buffer ETF - November

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the period from February 4, 2020 to June 30, 2020 (unaudited)

	June 30 2020 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	45,772
<b>Redeemable unit transactions [note 6]</b>	
Proceeds from issuance of units	11,583,760
Redemption of units	(30)
	11,583,730
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	11,629,502
<b>Net assets attributable to holders of redeemable units, end of period</b>	11,629,502

See accompanying notes which are an integral part of these financial statements.

# First Trust Cboe Vest U.S. Equity Buffer ETF - November

## STATEMENT OF CASH FLOW For the period from February 4, 2020 to June 30, 2020 (unaudited)

	June 30 2020 (\$)
<b>Cash flows from (used in) Operating Activities</b>	
Increase (Decrease) in net assets attributable to holders of redeemable units	45,772
Adjustments for:	
Net realized (gain) loss on options	15,536
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	(232,740)
Other assets	(450)
Other liabilities	6,570
Purchases of options	(12,321,713)
Proceeds from the sale of options	1,077,158
	(11,409,867)
<b>Cash flows from (used in) Financing Activities</b>	
Amount received from the issuance of units	11,583,760
Amount paid on redemptions of units	(30)
	11,583,730
<b>Increase (Decrease) in cash for the period</b>	<b>173,863</b>
<b>Cash, beginning of period</b>	<b>-</b>
<b>Cash, end of period</b>	<b>173,863</b>

See accompanying notes which are an integral part of these financial statements.

**First Trust Cboe Vest U.S. Equity Buffer ETF – November**  
**Notes to Financial Statements - Specific Information**  
**For the period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to provide unitholders with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the “Underlying ETF”) up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Underlying ETF, over a period of approximately one year from the third Friday of November of each year to on or about the third Friday of November of the following year (a “Target Outcome Period”).

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	12,088,834	–	12,088,834
Derivative liabilities	–	(627,075)	–	(627,075)
<b>Total</b>	<b>–</b>	<b>11,461,759</b>	<b>–</b>	<b>11,461,759</b>

There have been no transfers from one Level to another for the period ended June 30, 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020:

Redeemable Units	Hedged Units
Beginning balance – February 4, 2020*	–
Redeemable units issued	400,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1)
<b>Outstanding units – June 30, 2020</b>	<b>400,000</b>

\*commencement of operations

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Hedged Units
0.85%

**E. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the period ended June 30, 2020:

Transaction Cost (\$)
2020
3,618



First Trust Cboe Vest U.S. Equity Buffer ETF – November  
Notes to Financial Statements - Specific Information  
For the period ended June 30, 2020 (unaudited)

**F. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the period ended June 30, 2020, including amounts owing as at June 30, 2020 are as follows:

Management Fee Expense (\$)	Management Fee Payable (\$)
2020	2020
18,059	5,814

**G. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020, the First Trust ETF's market risk is affected by changes in actual market prices and interest rates. If the following index had increased (decreased) by 5% at June 30, 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020	
	5% Increase (\$)	5% Decrease (\$)
S&P 500 Price Return Index (CAD-Hedged)	458,801	(458,801)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020:

Currency	As at June 30, 2020	
	Net Exposure (\$)	% Net Assets
United States Dollar	148,988	1.28

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$1,490. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the period ended June 30, 2020:

Holdings	As a % of net assets attributable to holders of redeemable units
	As at June 30, 2020
Options	98.04
Total	98.04

First Trust Cboe Vest U.S. Equity Buffer ETF – November  
Notes to Financial Statements - Specific Information  
For the period ended June 30, 2020 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Purchased Put Options—8.33%</b>								
SPDR® S&P 500® ETF Trust	2020-11-20	321.73	USD	268	26,800	1,022,658	968,744	8.33
						<b>1,022,658</b>	<b>968,744</b>	<b>8.33</b>
<b>Purchased Call Options—95.10%</b>								
SPDR® S&P 500® ETF Trust	2020-11-20	3.22	USD	268	26,800	10,900,826	11,059,909	95.10
						<b>10,900,826</b>	<b>11,059,909</b>	<b>95.10</b>
<b>Written Put Options—(4.47)%</b>								
SPDR® S&P 500® ETF Trust	2020-11-20	289.56	USD	(268)	(26,800)	(579,473)	(520,215)	(4.47)
						<b>(579,473)</b>	<b>(520,215)</b>	<b>(4.47)</b>
<b>Written Call Options—(0.92)%</b>								
SPDR® S&P 500® ETF Trust	2020-11-20	349.30	USD	(268)	(26,800)	(113,355)	(106,860)	(0.92)
						<b>(113,355)</b>	<b>(106,860)</b>	<b>(0.92)</b>
<b>Total options</b>						<b>11,230,656</b>	<b>11,401,578</b>	<b>98.04</b>
Transaction costs						(1,638)		
Unrealized appreciation on derivatives - see Schedule 1							60,181	0.52
Other assets, less liabilities							167,743	1.44
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>						<b>11,229,018</b>	<b>11,629,502</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit		Currency	Amount	Currency	Amount	Forward	Current	Appreciation (Depreciation)
	Rating of Counterparty*	Settlement Date							
Bank of New York Mellon (The), New York	A-1+	2020-07-31	USD	7,366,222	CAD	10,049,000	0.733	0.737	49,442
Bank of New York Mellon (The), New York	A-1+	2020-07-31	USD	1,041,822	CAD	1,425,000	0.731	0.737	10,739
									<b>60,181</b>

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide

# First Trust Cboe Vest U.S. Equity Buffer ETF - February

<b>STATEMENT OF FINANCIAL POSITION</b>	<b>As at June 30, 2020 (unaudited)</b>	<b>June 30 2020 (\$)</b>
<b>Assets</b>		
Investments (non-derivative financial assets)		-
Cash		44,396
Derivative assets:		
Options purchased, at fair value		1,482,550
Unrealized appreciation on forward currency contracts		6,932
Other assets		13
		<b>1,533,891</b>
<b>Liabilities</b>		
Derivative liabilities:		
Options written, at fair value		108,909
Accrued liabilities		1,121
		<b>110,030</b>
<b>Total net assets attributable to holders of redeemable units</b>		<b>1,423,861</b>
<b>Total Net Assets Attributable to Holders of Redeemable Units for each class</b>		
<b>Hedged Units</b>		<b>1,423,861</b>
<b>Redeemable units outstanding [note 6]</b>		
<b>Hedged Units</b>		<b>50,000</b>
<b>Net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>		<b>28.48</b>

<b>STATEMENT OF COMPREHENSIVE INCOME</b>	<b>For the period from February 25, 2020 to June 30, 2020 (unaudited)</b>	<b>June 30 2020 (\$)</b>
<b>Revenues</b>		
Interest income for distribution purposes		-
<b>Other changes in fair value of investments and derivatives</b>		
Net realized gain (loss) on options		(8,778)
Net realized gain (loss) on foreign currency contracts		(47,902)
Net realized gain (loss) on foreign exchange transactions		1,053
Net change in unrealized appreciation (depreciation) of options		(20,782)
Net change in unrealized appreciation (depreciation) of foreign currency contracts		6,932
		<b>(69,477)</b>
Foreign exchange gain (loss) on cash		(285)
		<b>(69,762)</b>
<b>Expenses [note 7]</b>		
Management fees		3,985
HST expense		505
Transaction costs [note 3 and note 9]		451
Interest expense		199
Independent Review Committee fees		172
		<b>5,312</b>
Expenses waived by manager		(172)
		<b>5,140</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>		<b>(74,902)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for each class</b>		
<b>Hedged Units</b>		<b>(74,902)</b>
<b>Increase (Decrease) in net assets attributable to holders of redeemable units per unit</b>		
<b>Hedged Units</b>		<b>(1.50)</b>

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,  
FT Portfolios Canada Co.



..... Director



..... Director

# First Trust Cboe Vest U.S. Equity Buffer ETF - February

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the period from February 25, 2020 to June 30, 2020 (unaudited)

	June 30 2020 (\$)
<b>Net assets attributable to holders of redeemable units, beginning of period</b>	-
<b>Increase (Decrease) in net assets attributable to holders of redeemable units</b>	(74,902)
<b>Redeemable unit transactions [note 6]</b>	
Proceeds from issuance of units	1,498,793
Redemption of units	(30)
	1,498,763
<b>Increase (Decrease) in net assets attributable to holders of redeemable units for the period</b>	1,423,861
<b>Net assets attributable to holders of redeemable units, end of period</b>	1,423,861

See accompanying notes which are an integral part of these financial statements.

# First Trust Cboe Vest U.S. Equity Buffer ETF - February

## STATEMENT OF CASH FLOW For the period from February 25, 2020 to June 30, 2020 (unaudited)

	June 30 2020 (\$)
<b>Cash flows from (used in) Operating Activities</b>	
Increase (Decrease) in net assets attributable to holders of redeemable units	(74,902)
Adjustments for:	
Net realized (gain) loss on options	8,778
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	13,850
Other assets	(13)
Other liabilities	1,121
Purchases of options	(1,565,357)
Proceeds from the sale of options	162,156
	(1,454,367)
<b>Cash flows from (used in) Financing Activities</b>	
Amount received from the issuance of units	1,498,793
Amount paid on redemptions of units	(30)
	1,498,763
<b>Increase (Decrease) in cash for the period</b>	<b>44,396</b>
<b>Cash, beginning of period</b>	<b>-</b>
<b>Cash, end of period</b>	<b>44,396</b>

*See accompanying notes which are an integral part of these financial statements*

**First Trust Cboe Vest U.S. Equity Buffer ETF – February**  
**Notes to Financial Statements - Specific Information**  
**For the period ended June 30, 2020 (unaudited)**

**A. INVESTMENT OBJECTIVE (NOTE 1)** – The First Trust ETF seeks to provide unitholders with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the “Underlying ETF”) up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Underlying ETF, over a period of approximately one year from the third Friday of February of each year to on or about the third Friday of February of the following year (a “Target Outcome Period”).

**B. FAIR VALUE MEASUREMENT (NOTE 5)** - The following fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended June 30, 2020:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	1,489,482	–	1,489,482
Derivative liabilities	–	(108,909)	–	(108,909)
<b>Total</b>	<b>–</b>	<b>1,380,573</b>	<b>–</b>	<b>1,380,573</b>

There have been no transfers from one Level to another for the period ended June 30, 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting period.

**C. REDEEMABLE UNITS (NOTE 6)** - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2020:

Redeemable Units	Hedged Units
Beginning balance – February 24, 2020*	–
Redeemable units issued	50,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1)
<b>Outstanding units – June 30, 2020</b>	<b>50,000</b>

\*commencement of operations

**D. MANAGEMENT FEES AND EXPENSES (NOTE 7)** - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Hedged Units
0.85%

**E. COMMISSION (NOTE 9)** - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the period ended June 30, 2020:

Transaction Cost (\$)
2020
451

First Trust Cboe Vest U.S. Equity Buffer ETF – February  
Notes to Financial Statements - Specific Information  
For the period ended June 30, 2020 (unaudited)

**F. RELATED PARTY INFORMATION (NOTE 10)** - The total management fees earned by the Manager for the period ended June 30, 2020, including amounts owing as at June 30, 2020 are as follows:

Management Fee Expense (\$)	Management Fee Payable (\$)
2020	2020
3,985	993

**G. FINANCIAL RISK MANAGEMENT (NOTE 11)**

**Market risk** - As at June 30, 2020, the First Trust ETF's market risk is affected by changes in actual market prices and interest rates. If the following index had increased (decreased) by 5% at June 30, 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at June 30, 2020	
	5% Increase (\$)	5% Decrease (\$)
S&P 500 Price Return Index (CAD-Hedged)	57,178	(57,178)

**Currency risk** - The table below summarizes the First Trust ETF's net currency exposure as at June 30, 2020:

Currency	As at June 30, 2020	
	Net Exposure (\$)	% Net Assets
United States Dollar	10,165	0.71

As at June 30, 2020, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$102. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

**Concentration Risk** – The table below summarizes the First Trust ETF's concentration risk for the period ended June 30, 2020:

Holdings	As a % of net assets attributable to holders of redeemable units
	As at June 30, 2020
Options	96.47
Total	96.47

First Trust Cboe Vest U.S. Equity Buffer ETF – February  
Notes to Financial Statements - Specific Information  
For the period ended June 30, 2020 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2020 (unaudited)

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value (\$)	% of Total
<b>Purchased Put Options—12.06%</b>								
SPDR® S&P 500® ETF Trust	2021-02-19	333.49	USD	32	3,200	87,532	171,675	12.06
						<b>87,532</b>	<b>171,675</b>	<b>12.06</b>
<b>Purchased Call Options—92.06%</b>								
SPDR® S&P 500® ETF Trust	2021-02-19	3.34	USD	32	3,200	1,371,904	1,310,875	92.06
						<b>1,371,904</b>	<b>1,310,875</b>	<b>92.06</b>
<b>Written Put Options—(7.10)%</b>								
SPDR® S&P 500® ETF Trust	2021-02-19	300.14	USD	(32)	(3,200)	(46,979)	(101,128)	(7.10)
						<b>(46,979)</b>	<b>(101,128)</b>	<b>(7.10)</b>
<b>Written Call Options—(0.55)%</b>								
SPDR® S&P 500® ETF Trust	2021-02-19	369.34	USD	(32)	(3,200)	(17,835)	(7,781)	(0.55)
						<b>(17,835)</b>	<b>(7,781)</b>	<b>(0.55)</b>
<b>Total options</b>						<b>1,394,622</b>	<b>1,373,641</b>	<b>96.47</b>
Transaction costs						(199)		
Unrealized appreciation on derivatives - see Schedule 1							6,932	0.49
Other assets, less liabilities							43,288	3.04
<b>Total Net Assets Attributable to Holders of Redeemable Units</b>						<b>1,394,423</b>	<b>1,423,861</b>	<b>100.00</b>

Schedule 1

Counterparty	Credit		Settlement Date	Currency	Amount Sold	Currency	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
	Rating of Counterparty*	Settlement Date								
Bank of New York Mellon (The), New York	A-1+	2020-07-31	USD	1,032,840	CAD	1,409,000	0.733	0.737	6,932	
									<b>6,932</b>	

\* Commercial paper rating per Standard and Poor's Commercial Paper Guide



**First Trust Exchange-Traded Funds**  
**Notes to Financial Statements**  
**For the six-month period ended June 30, 2020 (unaudited)**

**1. GENERAL INFORMATION**

The following First Trust exchange-traded funds (each, a “First Trust ETF” and collectively, the “First Trust ETFs”) are continuously distributed exchange-traded mutual funds established as trusts formed on the dates noted below under the laws of the Province of Ontario pursuant to a declaration of trust last amended on February 12, 2020. The units of the First Trust ETFs are listed for trading on the Toronto Stock Exchange (“TSX”), except for some of the Hedged Units<sup>1</sup> of the AlphaDEX™ U.S. Sector Funds and the Units<sup>3</sup> of the Target Outcome Funds.

First Trust ETFs	Ticker Symbols	Inception Date
<b>Actively Managed Funds</b>		
First Trust Canadian Capital Strength ETF	FST, FST.A	November 30, 2001
First Trust Senior Loan ETF (CAD-Hedged)	FSL, FSL.A	August 28, 2013
First Trust International Capital Strength ETF	FINT	May 17, 2018
<b>Target Outcome Funds<sup>2</sup></b>		
First Trust Cboe Vest U.S. Equity Buffer ETF – August	AUGB.F	August 30, 2019
First Trust Cboe Vest U.S. Equity Buffer ETF – November	NOVB.F	February 4, 2020
First Trust Cboe Vest U.S. Equity Buffer ETF – February	FEBB.F	February 25, 2020
<b>Income Funds</b>		
First Trust Value Line® Dividend Index ETF (CAD-Hedged)	FUD, FUD.A	May 15, 2013
First Trust Global Risk Managed Income Index ETF	ETP, ETP.A	July 23, 2014
First Trust Tactical Bond Index ETF	FTB	June 19, 2015
<b>AlphaDEX™ Dividend Funds</b>		
First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)	FDE, FDE.A	May 15, 2013
First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)	EUR, EUR.A	February 4, 2014
<b>AlphaDEX™ U.S. Sector Funds</b>		
First Trust AlphaDEX™ U.S. Financial Sector Index ETF	FHF	October 30, 2014
First Trust AlphaDEX™ U.S. Energy Sector Index ETF	FHE	October 30, 2014
First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF	FHD	October 30, 2014
First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF	FHC	October 30, 2014
	FHC.F	December 8, 2017
First Trust AlphaDEX™ U.S. Health Care Sector Index ETF	FHH	October 30, 2014
	FHH.F	December 8, 2017
First Trust AlphaDEX™ U.S. Materials Sector Index ETF	FHM	October 30, 2014
First Trust AlphaDEX™ U.S. Industrials Sector Index ETF	FHG	October 30, 2014
	FHG.F	December 8, 2017
First Trust AlphaDEX™ U.S. Technology Sector Index ETF	FHQ	October 30, 2014
	FHQ.F	December 8, 2017
First Trust AlphaDEX™ U.S. Utilities Sector Index ETF	FHU	October 30, 2014
<b>Specialty Funds</b>		
First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)	FSR	September 29, 2016
First Trust Indxx Innovative Transaction and Process ETF	BLCK	March 23, 2018

<sup>1</sup>The Hedged Units of the AlphaDEX™ U.S. Sector Funds were qualified for distribution by a prospectus last renewed on June 5, 2020. As of the date of these interim financial statements, four of the AlphaDEX™ U.S. Sector Funds have offered Hedged Units to the public effective December 8, 2017 (i.e. FHC.F, FHH.F, FHG.F, FHQ.F).

<sup>2</sup>The Units of the Target Outcome Funds: First Trust Cboe Vest U.S. Equity Buffer ETF – August were qualified for distribution by a prospectus last renewed on August 13, 2020, First Trust Cboe Vest U.S. Equity Buffer ETF – November, and First Trust Cboe Vest U.S. Equity Buffer ETF – February were qualified for by prospectuses dated January 7, 2020, and February 12, 2020 and amended on February 4, 2020, and February 25, 2020 respectively. As of the date of these interim financial statements, the Target Outcome Funds have not offered any Units to the public (i.e. AUGB, NOVB, FEBB).

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the six-month period ended June 30, 2020 (unaudited)

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The Manager is also the trustee and promoter of the First Trust ETFs. First Trust Advisors L.P., an affiliate of the Manager, is the Portfolio Advisor of the First Trust ETFs. CIBC Mellon Trust Company is the custodian of the assets of the First Trust ETFs.

The address of the Manager is 40 King Street West, Suite 5102, Scotia Plaza, Box 312, Toronto, Ontario M5H 3Y2. The financial statements were authorized for issuance by the Manager on August 31, 2020.

## 2. BASIS OF PRESENTATION

The information provided in these financial statements and notes thereto is as at June 30, 2020 with comparatives as at December 31, 2019 and for the six-month period ended June 30, 2020 with comparatives for the six-month period ended June 30, 2019.

These annual financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”).

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### Financial instruments

#### (i) Classification

##### Financial Assets

A First Trust ETF classifies its investments in debt and equity securities and open-ended investment funds based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

These financial assets are managed and their performance is evaluated on a fair value basis. A First Trust ETF also manages these financial assets with the objective of realizing cash flows through sales. A First Trust ETF has not taken the option to irrevocably designate any of its equity securities at fair value through other comprehensive income (“FVOCI”). Consequently, these financial assets are mandatorily measured at FVTPL.

##### Financial Liabilities

A First Trust ETF makes short sales in which a borrowed security is sold in anticipation of a future decline in its market value or used as an arbitrage strategy.

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purpose of selling or repurchasing in the near future or on initial recognition are a part of a portfolio of identified financial instruments that a First Trust ETF manages together and have recent actual pattern of short term profit-taking. All derivatives and short positions are included in this category and mandatorily measured at FVTPL.

##### Hedge Accounting

A First Trust ETF does not apply hedge accounting to any of its derivative positions.

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## First Trust Exchange-Traded Funds

### Notes to Financial Statements

#### For the six-month period ended June 30, 2020 (unaudited)

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#### **(ii) Financial assets and financial liabilities at amortized cost**

The financial assets and liabilities measured at amortized cost include cash collateral posted on derivative positions, accrued income, due to and from brokers and other short term receivables and payables.

At each reporting date, a First Trust ETF measures the loss allowance on cash collateral held, amounts due from broker, accrued income and other short term receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, a First Trust ETF measures the loss allowance at an amount equal to the 12 month expected credit losses. Given the short-term nature of the receivables and the high credit quality, a First Trust ETF has determined that the expected credit loss allowances are not material.

#### **(iii) Recognition and measurement**

Financial assets and financial liabilities at FVTPL are initially recognized on the trade date, which is the date on which the First Trust ETFs become a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated.

Financial assets and financial liabilities at FVTPL are initially recognized at fair value, with transaction costs recognized in the statement of comprehensive income. Financial assets or financial liabilities not at FVTPL are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Subsequent to initial recognition, financial assets and liabilities at FVTPL are measured at fair value. Net realized gain (loss) on sale of investments and net change in unrealized appreciation (depreciation) of investments arising from changes in their fair value are included in the statement of comprehensive income for the period in which they arise. Dividend or interest earned on financial assets at fair value through profit or loss and dividend or interest expense on the financial liabilities at fair value through profit or loss are disclosed in a separate line item in the statement of comprehensive income. Fair value is determined in the manner described in item (iv) below.

#### **(iv) Derecognition**

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the First Trust ETF has transferred substantially all risks and rewards of ownership.

Financial liabilities at FVTPL are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

Net realized gain (loss) on sale of investments and derivatives are determined on a weighted average cost basis.

#### **(v) Fair value measurement**

For the majority of First Trust ETFs, investments in listed securities are measured at fair value, which is determined in reference to their quoted close prices on the principal securities exchange on which the issue is traded. The change in the difference between the fair value and average cost is included in the statement of comprehensive income as unrealized appreciation (depreciation) on investments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

Forward foreign exchange contracts are valued at the current market value thereof on the valuation date. The value of these forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out.

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## First Trust Exchange-Traded Funds

### Notes to Financial Statements

#### For the six-month period ended June 30, 2020 (unaudited)

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A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. A First Trust ETF uses a variety of methods and makes assumptions that are based on market conditions existing at each year-end date. Valuation techniques used for non-standardized financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

For instruments for which there is no active market, the First Trust ETF may use internally developed models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. Valuation models are used primarily to value unlisted equity and debt securities for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the First Trust ETF holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

IFRS 13 requires disclosures relating to fair value measurements using a three-level fair value hierarchy. The level within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. Assessing the significance of a particular input requires judgment, considering factors specific to the asset or liability. The following shows financial instruments recognized at fair value, categorized between those whose fair value is based on:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The determination of what constitutes "observable" requires significant judgment by the First Trust ETF. The First Trust ETF considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e., an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the First Trust ETFs determine whether transfers have occurred between levels in the hierarchy by re-assessing the categorization

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## First Trust Exchange-Traded Funds

### Notes to Financial Statements

#### For the six-month period ended June 30, 2020 (unaudited)

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(based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The carrying values of cash, other assets, other liabilities and the First Trust ETFs' obligation for net assets attributable to holders of redeemable units approximate their fair values due to their short-term nature.

See Note 5 for additional details related to the First Trust ETFs' fair value measurements.

#### **Cash**

Cash consists of cash on deposit and bank overdraft.

#### **Receivable for portfolio securities sold and Payable for portfolio securities purchased**

Receivable for portfolio securities sold and Payable for portfolio securities purchased are recorded on the statement of financial position at the amount to be received or delivered.

#### **Net assets attributable to holders of redeemable units per unit**

First Trust ETFs under the AlphaDEX™ U.S. Sector Funds currently have two classes of redeemable units in issue: Units and Hedged Units. However, the Hedged Units have not offered any securities to the public yet, except for FHC.F, FHH.F, FHQ.F, and FHG.F. Since the AlphaDEX™ U.S. Sector ETFs will seek to hedge their U.S. dollar currency exposure only in respect of the Hedged Units, all of the gains or losses associated with any hedging transactions in that regard will be solely for the account of the Hedged Units.

The Target Outcome Funds: First Trust Cboe Vest U.S. Equity Buffer ETF – August, First Trust Cboe Vest U.S. Equity Buffer ETF – November, and First Trust Cboe Vest U.S. Equity Buffer ETF – February currently have two classes of redeemable units in issue: Units and Hedged Units. However, the Units have not offered any securities to the public yet. Since the Target Outcome Funds will seek to hedge their U.S. dollar currency exposure only in respect of the Hedged Units, all of the gains or losses associated with any hedging transactions in that regard will be solely for the account of the Hedged Units.

Majority of the First Trust ETFs, not under AlphaDEX™ U.S. Sectors Funds nor Target Outcome Funds, have two classes of redeemable units in issue: Common Class and Advisor Class. For AlphaDEX™ U.S. Sector Funds and Target Outcome Funds, seven funds have also two classes of redeemable units in issue: Units and Hedged Units. FINT, FTB, FSR, and BLCK have only one class of redeemable units (See note 1 – “The First Trust ETFs”). These classes of redeemable units are the most subordinate classes of financial instruments in First Trust ETFs and rank pari passu in all material respects and have the same terms and conditions other than differences in management fee rate where the Advisor Class pays additional amount for service fees (See note 7 – “Management Fees and Expenses”).

A separate net asset value is calculated for each class of Units of the First Trust ETFs. The net asset value of a particular class of unit is computed by calculating the value of the class' proportionate share of the assets and liabilities of the First Trust ETF common to all series less direct expenses attributable only to that class. The net asset value is divided by the number of units outstanding for each class on the day of valuation to compute net asset value per unit. Other expenses are allocated proportionately to each series based upon the relative net assets value of each class. Expenses are accrued daily.

Dividends are distributed according to the dividend policy discussed in the respective simplified prospectuses of the First Trust ETFs. Income not distributed is included in net assets attributable to holders of redeemable shares.

#### **Investment income**

The “Interest income for distribution purposes” shown on the Statement of Comprehensive Income represents the coupon interest received by the First Trust ETFs accounted for on a straight-line basis. The First Trust ETFs do not

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## First Trust Exchange-Traded Funds

### Notes to Financial Statements

#### For the six-month period ended June 30, 2020 (unaudited)

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amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight-line basis.

Dividend income is recognized on the ex-dividend date in the statement of comprehensive income within dividend income, gross of withholding taxes, when the Fund's right to receive payments is established.

The First Trust ETFs generally incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the statement of comprehensive income.

#### **Foreign currencies**

The Manager considers the currency of the primary economic environment in which the First Trust ETFs operate to be the Canadian dollar as this is the currency which, in their opinion, most faithfully represents the economic effects of underlying transactions, events and conditions. Furthermore, Canadian dollars is the currency in which the First Trust ETFs measure its performance and also issues and redeems its redeemable shares.

Investments purchased or sold in foreign currencies are translated into Canadian dollars using the exchange rate prevailing on the trade date. Income on foreign investments is recorded at gross, withholding taxes are shown separately as a line item, and are translated at the rate of exchange on the dates of such transactions. The fair values of investments and other assets and liabilities in foreign currencies are translated at the period-end exchange rates.

#### **Increase (decrease) in net assets attributable to holders of redeemable units per unit**

Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class divided by the average units outstanding per class during the period.

#### **Transaction costs**

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities are presented as a separate line item in the Statement of Comprehensive Income in the period incurred.

First Trust Senior Loan ETF (CAD-Hedged) ("FSL") typically does not incur transaction costs because this First Trust ETFs invests in senior loans and high yield bonds. Transaction costs are not incurred on the purchase and sale of senior loans and high yield bonds.

#### **Forward foreign exchange currency agreements**

Some of the First Trust ETFs may purchase forward foreign exchange currency agreements to hedge assets and liabilities denominated in foreign currencies.

The value of the forward foreign exchange currency agreements is the gain or loss that would be realized if, on the valuation date, the position in the forward contract was closed out in accordance with its terms. The unrealized gains or losses on the forward contract are reported as part of the net change in unrealized appreciation or depreciation of derivatives in the statement of comprehensive income until it is closed out or partially settled.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

Upon the closing out of the instrument, any gain or loss on forward foreign exchange currency agreements is disclosed in the Statement of Comprehensive Income as net realized (loss) gain on foreign exchange.

Forward contracts entered into by the First Trust ETFs represent a firm commitment to buy or sell an underlying asset, or currency at a specified value and point in time based upon an agreed or contracted quantity.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the six-month period ended June 30, 2020 (unaudited)

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#### **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the First Trust ETF currently has a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

#### **Critical accounting estimates and assumptions**

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing these financial statements. Actual results may differ from these estimates.

#### **Fair value of securities not quoted in an active market**

The fair value of such securities not quoted in an active market may be determined by the First Trust ETFs using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt market makers. The First Trust ETF would exercise judgment and estimates on the quantity and quality of pricing sources used. Where no market data is available, the Fund may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The determination of what constitutes 'observable' requires significant judgment by the First Trust ETFs. The First Trust ETFs considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 5 for further information about the fair value measurement of the First Trust ETFs' financial instruments.

#### **Flex Options**

FLEX Options are customized equity or index option contracts that trade on an exchange, but provide investors with the ability to customize key contract terms like exercise prices, styles and expiration dates. FLEX Options are guaranteed for settlement by the Options Clearing Corporation.

Each Target Outcome Funds will purchase and sell call and put FLEX Options based on the performance of the Underlying ETF. The FLEX Options that each Target Outcome Fund will hold that reference the Underlying ETF will give each Target Outcome Fund the right to receive or deliver shares of the Underlying ETF on the option expiration date at a strike price, depending on whether the option is a put or call option and whether each Fund purchases or sells the option. The FLEX Options held by each Target Outcome Fund are European style options, which are exercisable at the strike price only on the FLEX Option expiration date.

#### **4. FORWARD FOREIGN EXCHANGE CURRENCY AGREEMENTS**

Certain First Trust ETFs may enter into forward foreign exchange currency agreements to minimize the impact of changes in the Canadian-U.S. foreign exchange rate or Canadian-CHF/EUR/GBP foreign exchange rates on the First Trust ETFs' net asset value. The typical duration for a forward contract is one month but some contracts may be for longer periods up to six months. Bank of New York Mellon is the counterparty to all forward contracts of the First Trust ETFs except for FSL for which Canadian Imperial Bank of Commerce is the counterparty.

*The forward foreign exchange currency agreements, as applicable, shown in the Notes to Financial Statements - Specific Information under Schedule of Portfolio Investments for each First Trust ETF.*

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the six-month period ended June 30, 2020 (unaudited)

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#### 5. FAIR VALUE MEASUREMENT

Valuation techniques and inputs used for the fair value measurements categorized within Level 2 of the fair value hierarchy is given below:

##### **Unlisted debt securities**

Unlisted debt securities are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices.

##### **Senior loans**

The senior loans in which the First Trust ETF invest are not listed on any securities exchange or board of trade. Senior loans are typically bought and sold by institutional investors in individually negotiated private transactions that function in many respects like an over-the-counter secondary market, although typically no formal market-makers exist. This market, while having grown substantially in the past several years, generally has fewer trades and less liquidity than the secondary market for other types of securities. Some senior loans have few or no trades, or trade infrequently, and information regarding specific senior loans may not be widely available or may be incomplete. Accordingly, determinations of the fair value of senior loans may be based on infrequent and dated information. Because there is less reliable, objective data available, judgment and estimates play a greater role in valuation of senior loans than for other types of securities. Senior loans with readily available quotations are valued at fair value using the current bid price quotations provided by a prominent pricing service. Senior loans for which current quotations are not readily available are valued at fair value as determined by the Portfolio Advisor Pricing Committee. The Pricing Committee prices the assets if a price is unavailable from the pricing service.

##### **Forward foreign exchange currency contracts**

The value of the forward foreign exchange currency agreements is the gain or loss that would be realized if, on the valuation date, the position in the forward contract was closed out in accordance with its terms. The most significant observable input is the forward foreign currency exchange rate.

##### **Options**

Options are classified as level 1 when they are exchange traded and prices are readily available on the market. When the options do not trade and prices are not readily available, they are priced by a third-party pricing service that uses an options pricing model to price the options. The option pricing model utilizes, as inputs, observable traded prices of other options with similar or nearby strike prices and expiration dates. Since the inputs to the option pricing model are observable, the options are classified into level 2. FLEX Options are normally valued using a model-based price provided by a third-party pricing vendor. On days when a trade in a FLEX Option occurs, the trade price will be used to value such FLEX Options in lieu of the model price.

*The fair value hierarchy classifications of assets and liabilities are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF, where applicable.*

#### 6. REDEEMABLE UNITS

Many of the First Trust ETFs have two classes of redeemable units in issue: Common Class and Advisor Class (See note 1 – “The First Trust ETFs”). The only difference between these units is the service fee component of the management fee payable by a First Trust ETF in respect of the units of each class (as described under “Management Fees and Expenses” – See note 7). Accordingly, the net asset value per unit of each class may not be the same as a result of the different fees allocable to each class of units.

Majority of the AlphaDEX™ U.S. Sector Funds currently have one class of redeemable units called Units. The Hedged Units have not offered any securities to the public yet, except for FHC.F, FHH.F, FHQ.F, and FHG.F.



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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the six-month period ended June 30, 2020 (unaudited)

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FINT, FTB, FSR, BLCK have also only one class of redeemable units called Units.

The Target Outcome Funds currently have one class of redeemable units called Hedged Units (i.e. AUGB.F, NOVB.F, FEBB.F).

Units of each of the First Trust ETFs are being issued and sold on a continuous basis and there is no maximum number of units that may be issued. The Units of the First Trust ETFs are Canadian dollar denominated. The First Trust ETFs are listed on the TSX and an investor is able to buy or sell Units of the First Trust ETFs on the TSX through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling Units.

Investors that redeem Units prior to the distribution record date for any distribution will not be entitled to receive that distribution.

#### **7. MANAGEMENT FEES AND EXPENSES**

Each First Trust ETF will pay the Manager a management fee and, in respect of the Advisor Class Units, an additional amount for a service fee based on the average daily NAV of the applicable First Trust ETF.

The management fee, plus applicable taxes, including HST, are 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.

**Advisor Class Units Service Fee:** The Manager pays to registered dealers a service fee equal to 1.00% per annum of the NAV of the Advisor Class Units in respect of all First Trust ETFs, other than First Trust Global Risk Managed Income Index ETF (“ETP”), FSL, and 0.50% per annum of the NAV of the Advisor Class Units in respect of ETP, FSL, for each Advisor Class Unit 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.

In addition to the payment of the management fee, each First Trust ETF is responsible for the costs and expenses incurred in complying with NI 81-107 (including any expenses related to the implementation and on-going operation of an independent review committee), brokerage expenses and commissions, income and withholding taxes as well as all other applicable taxes, including HST, the costs of complying with any new governmental or regulatory requirement introduced after the First Trust ETFs were established and extraordinary expenses and, in the discretion of the Manager, any costs associated with the printing and distribution of any documents that the securities regulatory authorities require be sent or delivered to investors in the First Trust ETF. The Manager is responsible for all other costs and expenses of the First Trust ETFs, including fees payable to the Portfolio Advisor, Custodian, Valuation Agent, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager.

*The management fees charged are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.*

#### **8. TAXATION**

##### **Income taxes**

The First Trust ETFs are trusts and registered investments under Provisions of the Income Tax Act (Canada) (the “Tax Act”) and are expected to meet the requirements to be mutual fund trusts under the provisions of the Tax Act. The First Trust ETFs will generally not be subject to tax under Part I of the Act in respect of its net income or net realized capital gain in each taxation year to the extent that such net income and net realized capital gain are paid or payable in the year to the unitholders.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the six-month period ended June 30, 2020 (unaudited)

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#### Distributions

Cash distributions on Units of a First Trust ETF are paid primarily out of dividends or distributions and other income or gains received by the First Trust ETF less the expenses of the First Trust ETF but may also consist of non-taxable amounts including return of capital, which may be paid in the Manager's sole discretion. To the extent that the expenses of a First Trust ETF exceed the income generated by such First Trust ETF in any given month, quarter or year, as the case may be, it is not expected that a monthly distribution will be paid. As a result of the higher management fees on the Advisor Class Units, any such cash distributions on the Advisor Class Units are expected to be less than the distributions payable on the Common Units. Non-cash distributions are reinvested back to the First Trust ETFs.

Distributions of sufficient net realized capital gains (reduced by loss carry-forwards, if any) are made, on record date, after December 15 but on or before December 31 to ensure that the First Trust ETF will not be liable for income taxes.

#### Tax loss carry-forwards

The non-capital losses for income tax purposes may be carried forward for 20 years. The net capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains realized in future years.

*The net capital losses and non-capital losses, as applicable, are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.*

#### 9. COMMISSION

*Total commissions and other transaction costs paid or payable to dealers by the First Trust ETFs for their portfolio transactions, where applicable, are discussed in the Specific Information for each First Trust ETF. Note that FSL typically does not incur transaction costs because this First Trust ETF invests in senior loans and bonds (see Note 3 - Significant Accounting Policies, under Transaction Costs).*

#### 10. RELATED PARTY INFORMATION

The Manager is responsible for the management and administration of the First Trust ETFs. In consideration for the services provided by the Manager, the First Trust ETFs pay management fees (see note 7 – Management Fees and Expenses).

*The total management fees earned by the Manager including amounts owing where applicable, are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.*

#### 11. FINANCIAL RISK MANAGEMENT

The First Trust ETFs are exposed to a number of risks due to the nature of their activities and as further set out in its offering memorandum. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The First Trust ETFs' objective in managing these risks is the protection and enhancement of share value.

*The financial risk management (market risk, interest rate risk, credit risk, currency risk, liquidity risk, and concentration risk) as applicable, are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.*

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The investments of the First Trust ETFs are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the First Trust ETFs is determined by the fair value of the financial instruments. The Portfolio Advisor moderates

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## First Trust Exchange-Traded Funds

### Notes to Financial Statements

#### For the six-month period ended June 30, 2020 (unaudited)

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this risk through a careful selection of securities within specified limits and the First Trust ETFs' market price risk is moderated through diversification of the investment portfolio. The Investment Manager monitors the First Trust ETFs' overall market positions on a daily basis and positions are maintained within established ranges.

ETP, FSR, FTB, and BLCK, hold other ETFs. There is no look-through of the financial risks. Thus, they are indirectly exposed to the market risk through the investments held by the ETFs in their investment portfolio.

For the period ended June 30, 2020 and year ended December 31, 2019, the overall market exposures relate to the First Trust ETFs' investments in securities.

#### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Certain First Trust ETFs are exposed to interest rate risk as they invest in listed debt securities bearing interest at fixed and floating interest rates. Other financial assets and liabilities exposed to interest rate risk include borrowings which are invested at long term interest rates and cash and bank balances which are invested at short term interest rate. The Portfolio Advisors manage the First Trust ETFs' exposure to interest rate risk on a daily basis in accordance with the First Trust ETFs' investment objectives and policies. The First Trust ETFs' overall exposure to interest rate risk is monitored closely by the Portfolio Advisors.

Interest rate risk arises on interest-bearing financial instruments. The majority of the First Trust ETFs', except FSL, FTB, and ETP, financial assets and liabilities are non-interest bearing. As a result, the majority of the First Trust ETFs' are not subject to significant amounts of interest rate risks due to fluctuations in the prevailing level of market interest rates.

FSL, FTB, and ETP, invest in interest-bearing securities. The income of these First Trust ETFs may be affected by changes in interest rates relevant to particular securities or as a result of the Portfolio Advisor being unable to secure similar returns on the expiry or sale of securities. In addition, the price of interest-bearing securities will also fluctuate with interest rate changes. FSL holds senior loans that have an interest rate reset period of approximately 30 - 90 days. As a result, this First Trust ETF is not exposed to a significant risk, relative to a fixed rate fund, that the NAV will fluctuate due to changes in the prevailing levels of market interest rates. FTB and ETP hold various exchange traded funds (the "Underlying ETFs") that invest in interest bearing securities, some of which are fixed rate. As a result, the price of the Underlying ETFs may fluctuate due to changes in the prevailing levels of market interest rates.

ETP, FSR, and FTB hold other ETFs. There is no look-through of the financial risks. Thus, they are indirectly exposed to the interest rate risk through the investments held by the ETFs in their investment portfolio.

As noted above, senior loans have very little interest rate sensitivity due to their floating interest rate. High yield bonds, by contrast, typically have a fixed interest rate and are subject to greater interest rate sensitivity.

#### **Credit risk**

Credit risk is the risk that a counterparty to a financial instrument will cause a loss by failing to discharge its obligations. The First Trust ETFs are exposed to credit risk on its debt instruments, derivative assets, cash and cash equivalents and other short-term trade receivables.

The First Trust ETFs, except FTB, ETP, and FSL, had no significant investments in debt instruments and/or derivatives as of June 30, 2020, as applicable.

FTB and ETP - The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by underlying funds. The fair value of debt securities includes consideration of the credit worthiness of the debt issuer.

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## First Trust Exchange-Traded Funds

### Notes to Financial Statements

#### For the six-month period ended June 30, 2020 (unaudited)

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For more information regarding the credit risk of underlying funds, refer to the underlying funds' financial statements available on the SEDAR website at [www.sedar.com](http://www.sedar.com).

FSL - The value of senior loans is affected by the creditworthiness of borrowers and by general economic and specific industry conditions. If this First Trust ETF acquires a senior loan from another lender, for example, by acquiring a participation, this First Trust ETF may also be subject to credit risks with respect to that lender. As at June 30, 2020, the maximum credit risk exposure of this First Trust ETF is \$41,838,186 (December 31, 2019 - \$58,946,149).

ETP, FSR, and FTB hold other ETFs. There is no look-through of the financial risks. Thus, they are indirectly exposed to the credit risk through the investments held by the ETFs in their investment portfolio.

#### **Currency risk**

Many of the First Trust ETFs hold assets and liabilities, including cash, short-term investments, equities, fixed income instruments and currency-based derivative contracts that are denominated in foreign currencies. These First Trust ETFs are therefore exposed to currency risk, as the value of the securities denominated in another currency fluctuates due to changes in exchange rates.

The currency risk will typically be hedged by entering into foreign currency forward contracts if required, however some moderate currency exposure may be assumed if deemed to be beneficial to the First Trust ETFs.

ETP, FSR, FTB, and BLCK hold other ETFs. There is no look-through of the financial risks. Thus, they are indirectly exposed to the currency risk through the investments held by the ETFs in their investment portfolio.

ETP, FTB, and FST are Canadian funds therefore they have insignificant currency risk as at June 30, 2020.

#### **Liquidity risk**

Liquidity risk is defined as the risk that the First Trust ETFs may not be able to settle or meet their obligation. The First Trust ETFs are exposed to daily cash redemptions of redeemable units. Therefore, the First Trust ETFs invest the majority of the assets in investments that are traded in the active market and can be readily disposed. In addition, the First Trust ETFs retain sufficient cash and cash equivalent positions to maintain liquidity.

FSL invests substantial portions of its assets in lower-quality debt issued by companies that are highly leveraged. Lower-quality debt tends to be less liquid than higher-quality debt. Moreover, smaller debt issues tend to be less liquid than larger debt issues. If the economy experiences a sudden downturn, or if the debt markets for such companies become distressed, these First Trust ETFs may have particular difficulty selling their assets in sufficient amounts, at reasonable prices and in a sufficiently timely manner to raise the cash necessary to meet any potentially heavy exchange or redemption requests by unitholders of these First Trust ETFs.

#### **Concentration Risk**

Concentration risk indicates the relative sensitivity of the First Trust ETFs' performance to developments affecting a particular industry or geographical location. Concentrations of risk also arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Portfolio Advisor monitors concentration risk through diversification and a thorough understanding of each investment in the portfolio.

#### **Specific Risks associated with Target Outcome Funds**

**Buffered Loss Risk.** There can be no guarantee that the First Trust ETF will be successful in its strategy to buffer against Underlying ETF losses if the Underlying ETF decreases over the Target Outcome Period by 10% or less. A

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## First Trust Exchange-Traded Funds

### Notes to Financial Statements

#### For the six-month period ended June 30, 2020 (unaudited)

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unitholder may lose their entire investment. The First Trust ETF's strategy seeks to deliver returns that match the Underlying ETF (up to the cap), while limiting downside losses, if units are bought on the day on which the First Trust ETF enters into the FLEX Options and held until those FLEX Options expire at the end of each Target Outcome Period. In the event an investor purchases units after the date on which the FLEX Options were entered into or sells units prior to the expiration of the FLEX Options, the buffer that the First Trust ETF seeks to provide may not be available.

**Capped Upside Risk.** The First Trust ETF's strategy seeks to provide returns that match those of the Underlying ETF for First Trust ETF units purchased on the first day of a Target Outcome Period and held for the entire Target Outcome Period, subject to a pre-determined upside cap. If an investor does not hold its First Trust ETF units for an entire Target Outcome Period, the returns realized by that investor may not match those the First Trust ETF seeks to achieve. If the Underlying ETF experiences gains during a Target Outcome Period, the First Trust ETF will not participate in those gains beyond the cap. In the event an investor purchases Fund units after the first day of a Target Outcome Period and the First Trust ETF has risen in value to a level near to the cap, there may be little or no ability for that investor to experience an investment gain on their First Trust ETF units.

**FLEX Options Correlation Risk.** The FLEX Options held by the First Trust ETF will be exercisable at the strike price only on their expiration date. Prior to the expiration date, the value of the FLEX Options will be determined based upon market quotations or using other recognized pricing methods. The value of the FLEX Options prior to the expiration date may vary because of related factors other than the value of the Underlying ETF. Factors that may influence the value of the FLEX Options, other than changes in the value of the Underlying ETF, may include interest rate changes, changing supply and demand, decreased liquidity of the FLEX Options and changing volatility levels of the Underlying ETF.

**FLEX Options Liquidity Risk.** The FLEX Options are listed on an exchange; however, no one can guarantee that a liquid secondary trading market will exist for the FLEX Options. In the event that trading in the FLEX Options is limited or absent, the value of the Fund's FLEX Options may decrease. In a less liquid market for the FLEX Options, liquidating the FLEX Options may require the payment of a premium (for written FLEX Options) or acceptance of a discounted price (for purchased FLEX Options) and may take longer to complete. A less liquid trading market may adversely impact the value of the FLEX Options and First Trust ETF units and result in the First Trust ETF being unable to achieve its investment objective. The trading in FLEX Options may be less deep and liquid than the market for certain other securities. FLEX Options may be less liquid than certain non-customized options. In a less liquid market for the FLEX Options, the liquidation of a large number of options may more significantly impact the price. A less liquid trading market may adversely impact the value of the FLEX Options and the value of your investment.

**FLEX Options Risk.** The OCC may be unable or unwilling to perform its obligations under the FLEX Options contracts. Additionally, FLEX Options may be less liquid than other exchange-traded options. The value of the FLEX Options prior to their expiration date may vary because of factors other than fluctuations in the value of the Underlying ETF, such as an increase in interest rates, a change in the actual and perceived volatility of the stock market and the Underlying ETF and the remaining time to expiration. Additionally, the value of the FLEX Options does not increase or decrease at the same rate as the Underlying ETF or its underlying securities. FLEX Option prices may be highly volatile and may fluctuate substantially during a short period of time. Trading FLEX Options involves risks different from, or possibly greater than, the risks associated with investing directly in securities.

**FLEX Options Valuation Risk.** The FLEX Options held by the First Trust ETF will be exercisable at the strike price only on their expiration date. Prior to the expiration date, the value of the FLEX Options will be determined based upon market quotations or using other recognized pricing methods. The value of the FLEX Options prior to the expiration date may vary because of related factors other than the value of the Underlying ETF. During periods of reduced market liquidity or in the absence of readily available market quotations for the holdings of the First Trust ETF, the ability of the First Trust ETF to value the FLEX Options becomes more difficult and the judgment of the First Trust ETF's investment adviser (employing the fair value procedures adopted by the Board of Trustees of the Trust) may play a greater role in the valuation of the First Trust ETF's holdings due to reduced availability of reliable objective pricing data.

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# First Trust Exchange-Traded Funds

## Notes to Financial Statements

### For the six-month period ended June 30, 2020 (unaudited)

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**Target Outcome Period Risk.** The First Trust ETF's investment strategy is designed to deliver returns that match the Underlying ETF if First Trust ETF units are bought on the day on which the First Trust ETF enters into the FLEX Options (i.e., the first day of a Target Outcome Period) and held until those FLEX Options expire at the end of the Target Outcome Period. In the event an investor purchases First Trust ETF units after the first day of a Target Outcome Period or sells units prior to the expiration of the Target Outcome Period, the value of that investor's investment in First Trust ETF units may not be buffered against a decline in the value of the Underlying ETF and may not participate in a gain in the value of the Underlying ETF up to the cap for the investor's investment period.

#### **12. CAPITAL MANAGEMENT**

The First Trust ETFs' capital are the net assets, representing unitholders' equity. The First Trust ETFs' objectives when managing capital is to safeguard the First Trust ETFs' ability to continue as a going concern in order to provide returns for unitholders, maximize unitholder value and maintain financial strength.

The First Trust ETFs are not subject to any externally imposed capital requirements.

#### **13. SECURITIES LENDING**

A First Trust ETF may, in compliance with NI 81-102, lend portfolio securities to third parties pursuant to the terms of a securities lending agreement between the First Trust ETF and a securities lending agent under which: (i) the borrower will pay to the First Trust ETF a negotiated securities lending fee and will make compensation payments to the First Trust ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans qualify as "securities lending arrangements" for the purposes of the Tax Act; and (iii) the First Trust ETF will receive collateral security equal to at least 102% of the value of the portfolio securities loaned. The securities lending agent for a First Trust ETF will be responsible for the ongoing administration of the securities loans, including the obligation to mark-to-market the collateral on a daily basis.

As of June 30, 2020 and December 31, 2019, there were no securities lending done by the First Trust ETFs.

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