



2017 Interim Financial Reports (unaudited)

First Trust AlphaDEX™ Canadian Dividend ETF
First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)
First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)
First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
First Trust Senior Loan ETF (CAD-Hedged)
First Trust Short Duration High Yield Bond ETF (CAD-Hedged)
First Trust Global Risk Managed Income Index ETF
First Trust Tactical Bond Index ETF
First Trust AlphaDEX™ U.S. Financial Sector Index ETF
First Trust AlphaDEX™ U.S. Energy Sector Index ETF
First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF
First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF
First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
First Trust AlphaDEX™ U.S. Materials Sector Index ETF
First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
First Trust AlphaDEX™ U.S. Technology Sector Index ETF
First Trust AlphaDEX™ U.S. Utilities Sector Index ETF
First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)
First Trust Canadian Capital Strength ETF

As at June 30, 2017

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MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

First Trust AlphaDEX™ Canadian Dividend ETF
First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)
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First Trust AlphaDEX™ U.S. Utilities Sector Index ETF
First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)
First Trust Canadian Capital Strength ETF
(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. FT Portfolios Canada Co. will appoint an independent auditor to audit the annual financial statements of the First Trust ETFs for the year ended December 31, 2017 in accordance with Canadian Generally Accepted Auditing Standards.



Andrew Roggensack
Director



David G. McGarel
Director

First Trust AlphaDEX™ Canadian Dividend ETF

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	4,780,574	4,807,705
Cash	22,540	25,742
Accrued dividend receivable	19,859	19,452
Other assets	1,406	855
	4,824,379	4,853,754
Liabilities		
Accrued liabilities	5,396	5,400
Distributions payable to holders of redeemable units	8,600	11,190
	13,996	16,590
Total net assets attributable to holders of redeemable units	4,810,383	4,837,164
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	3,847,586	3,869,087
Advisor Class	962,797	968,077
Redeemable units outstanding [note 6]		
Common Class	200,002	200,000
Advisor Class	49,998	50,000
Net assets attributable to holders of redeemable units per class		
Common Class	19.24	19.35
Advisor Class	19.26	19.36

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	79,657	78,586
Interest income for distribution purposes	6	-
Other changes in fair value of investments		
Net realized gain on sale of investments	123,307	67,926
Net realized loss on foreign exchange	(37)	(116)
Net change in unrealized (depreciation) appreciation of investments	(140,435)	446,031
	62,498	592,427
Foreign exchange loss on cash	(4)	(95)
	62,494	592,332
Expenses [note 7]		
Management fees	14,484	12,753
Service fees	4,830	4,252
HST expense	1,960	1,757
Transaction costs [note 3 and note 9]	1,956	1,949
Independent Review Committee fees	540	437
Interest expense	-	14
	23,770	21,162
Expenses waived by manager	(540)	(437)
	23,230	20,725
Increase in net assets attributable to holders of redeemable units before tax	39,264	571,607
Withholding taxes	-	-
Increase in net assets attributable to holders of redeemable units	39,264	571,607
Increase in net assets attributable to holders of redeemable units for each class		
Common Class	35,700	460,996
Advisor Class	3,564	110,611
Increase in net assets attributable to holders of redeemable units per unit		
Common Class	0.18	2.30
Advisor Class	0.07	2.20

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™ Canadian Dividend ETF

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

For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)	June 30 2017 (\$)	June 30 2016 (\$)
	Common Class (\$)	Common Class (\$)	Advisor Class (\$)	Advisor Class (\$)
Net assets attributable to holders of redeemable units, beginning of period	3,869,087	3,262,362	968,077	816,080
Increase in net assets attributable to holders of redeemable units	35,700	460,996	3,564	110,611
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	39	-	-	-
Redemption of units	-	-	(39)	-
	39	-	(39)	-
Distributions to holders of redeemable units from:				
Net investment income	(57,240)	(61,900)	(8,805)	(10,665)
	(57,240)	(61,900)	(8,805)	(10,665)
(Decrease) Increase in net assets attributable to holders of redeemable units for the period	(21,501)	399,096	(5,280)	99,946
Net assets attributable to holders of redeemable units, end of	3,847,586	3,661,458	962,797	916,026
			June 30 2017 (\$) Total (\$)	June 30 2016 (\$) Total (\$)
Net assets attributable to holders of redeemable units, beginning of period			4,837,164	4,078,442
Increase in net assets attributable to holders of redeemable units			39,264	571,607
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			39	-
Redemption of units			(39)	-
			-	-
Distributions to holders of redeemable units from:				
Net investment income			(66,045)	(72,565)
			(66,045)	(72,565)
(Decrease) Increase in net assets attributable to holders of redeemable units for the			(26,781)	499,042
Net assets attributable to holders of redeemable units, end of period			4,810,383	4,577,484

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

First Trust AlphaDEX™ Canadian Dividend ETF

STATEMENTS OF CASH FLOW For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase in net assets attributable to holders of redeemable units	39,264	571,607
Adjustments for:		
Foreign exchange loss on cash	4	95
Net realized gain on sale of investments	(123,307)	(67,926)
Change in unrealized depreciation (appreciation) of investments	140,435	(446,031)
Dividends receivable	(407)	5,049
Other assets	(551)	9,072
Other liabilities	(4)	(5,332)
Purchases of investments	(2,248,985)	(1,880,975)
Proceeds from the sale of investments	2,258,988	1,879,464
	65,437	65,023
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	39	-
Amount paid on redemptions of units	(39)	-
Distributions paid to unitholders	(68,635)	(61,425)
	(68,635)	(61,425)
(Decrease) increase in cash for the period	(3,198)	3,598
Foreign exchange loss on cash	(4)	(95)
Cash, beginning of period	25,742	36,280
Cash, end of period	22,540	39,783
Interest received	6	-
Dividends received, net of withholding taxes	79,250	83,635

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

First Trust AlphaDEX™ Canadian Dividend ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

A. INVESTMENT OBJECTIVE (NOTE 1) - The First Trust ETF seeks to provide unitholders with exposure to the performance of a portfolio of higher yielding Canadian dividend paying stocks, as well as providing unitholders with monthly distributions. The First Trust ETF will primarily invest in Canadian dividend paying equities.

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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	4,780,574	–	–	4,780,574
Total	4,780,574	–	–	4,780,574

	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	4,807,705	–	–	4,807,705
Total	4,807,705	–	–	4,807,705

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Common	2	–	–	200,002	–	–	–	200,000
Advisor	–	–	(2)	49,998	–	–	–	50,000

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 ¹
0.60%	1.60%

¹Includes a service fee of 1.00%

First Trust AlphaDEX™ Canadian Dividend ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
396,586	960,840	-	-

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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
1,956	1,949

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
14,484	12,753	2,371	2,242

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P/TSX Composite Index	220,316	(220,316)	237,021	(237,021)

First Trust AlphaDEX™ Canadian Dividend ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

Concentration Risk - The table below summarizes the concentration risk for the period ended June 30, 2017 and year ended December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
Financials	21.06	21.37
Utilities	16.82	12.18
Energy	15.89	19.92
Real Estate	14.75	13.94
Consumer Discretionary	9.86	6.08
Industrials	9.67	13.45
Materials	5.23	3.24
Telecommunication Services	4.46	4.39
Consumer Staples	1.62	1.14
Information Technology	–	3.68
Total	99.38	99.39

First Trust AlphaDEX™ Canadian Dividend ETF

Notes to Financial Statements - Specific Information

For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Consumer Discretionary—9.86%				
Corus Entertainment Inc., Class 'B'	9,923	133,862	135,251	2.81
EnerCare Inc.	6,906	122,979	136,186	2.83
Magna International Inc.	2,173	113,674	130,532	2.72
Shaw Communications Inc., Class 'B'	2,551	63,710	72,168	1.50
		434,225	474,137	9.86
Consumer Staples—1.62%				
Empire Co. Ltd., Class 'A'	3,518	74,230	77,818	1.62
		74,230	77,818	1.62
Energy—15.89%				
ARC Resources Ltd.	5,540	105,323	93,958	1.95
Canadian Natural Resources Ltd.	625	23,094	23,387	0.49
Crescent Point Energy Corp.	6,093	74,152	60,443	1.26
Enbridge Income Fund Holdings Inc.	2,273	75,617	73,168	1.52
Keyera Corp.	588	24,690	24,002	0.50
Parkland Fuel Corp.	4,340	122,145	128,941	2.68
Pembina Pipeline Corp.	560	22,202	24,052	0.50
Peyto Exploration & Development Corp.	1,014	31,968	23,849	0.50
Suncor Energy Inc.	1,172	47,044	44,407	0.92
TORC Oil & Gas Ltd.	13,422	87,465	68,050	1.41
TransCanada Corp.	1,158	62,929	71,588	1.49
Whitecap Resources Inc.	13,876	138,699	128,492	2.67
		815,328	764,337	15.89
Financials—21.06%				
Bank of Montreal	273	24,737	25,995	0.54
Bank of Nova Scotia	644	41,203	50,238	1.04
Canadian Imperial Bank of Commerce	235	24,698	24,767	0.51
Canadian Western Bank	1,933	52,506	52,925	1.10
First Capital Realty Inc.	4,814	99,157	95,125	1.98
Genworth MI Canada Inc.	4,282	133,812	152,782	3.18
Great-West Lifeco Inc.	737	24,756	25,906	0.54
IGM Financial Inc.	626	24,752	25,178	0.52
Industrial Alliance Insurance and Financial Services Inc.	1,009	53,899	56,766	1.18
Intact Financial Corp.	264	24,724	25,861	0.54
Labrador Iron Ore Royalty Corp.	4,487	74,260	70,536	1.47
Laurentian Bank of Canada	951	49,557	51,516	1.07
Manulife Financial Corp.	3,193	74,237	77,622	1.61
National Bank of Canada	926	46,453	50,495	1.05
Power Corp. of Canada	1,721	49,616	50,907	1.06
Power Financial Corp.	1,532	51,628	50,970	1.06
Royal Bank of Canada	533	49,473	50,187	1.04
Sun Life Financial Inc.	565	26,154	26,193	0.54
TMX Group Ltd.	699	47,833	49,321	1.03
		973,455	1,013,290	21.06
Industrials—9.67%				
Exchange Income Corp.	2,244	74,119	74,187	1.54
Finning International Inc.	916	23,902	23,285	0.48
Russel Metals Inc.	1,012	24,582	26,271	0.55
TFI International Inc.	3,610	98,336	100,972	2.10
WestJet Airlines Ltd.	5,924	136,000	137,140	2.85
WSP Global Inc.	1,919	76,580	103,261	2.15
		433,519	465,116	9.67

First Trust AlphaDEX™ Canadian Dividend ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Materials—5.23%				
Methanex Corp.	444	20,149	25,419	0.53
Norbord Inc.	3,431	133,054	138,510	2.88
Tahoe Resources Inc.	7,851	100,358	87,774	1.82
		253,561	251,703	5.23
Real Estate—14.75%				
Canadian Apartment Properties REIT	3,943	104,606	132,366	2.75
Cominar REIT	7,675	102,187	97,549	2.03
Granite REIT	2,565	133,688	131,559	2.73
H&R REIT	3,239	75,568	71,323	1.48
Pure Industrial Real Estate Trust	19,387	133,964	133,383	2.77
RioCan REIT	3,897	102,511	93,801	1.95
Smart REIT	1,551	49,474	49,818	1.04
		701,998	709,799	14.75
Telecommunication Services—4.48%				
BCE Inc.	809	42,345	47,246	0.98
Rogers Communications Inc., Class 'B'	1,565	82,120	95,856	2.00
TELUS Corp.	1,613	64,307	72,214	1.50
		188,772	215,316	4.48
Utilities—16.82%				
Algonquin Power & Utilities Corp.	9,386	111,347	128,119	2.66
ATCO Ltd., Class 'I'	1,936	81,785	98,174	2.04
Boralex Inc., Class 'A'	3,255	74,116	71,480	1.49
Brookfield Renewable Partners L.P.	2,303	91,465	95,229	1.98
Canadian Utilities Ltd., Class 'A'	2,398	89,778	99,925	2.08
Capital Power Corp.	3,938	90,889	95,772	1.99
Emera Inc.	2,024	88,240	97,577	2.03
Fortis Inc.	1,630	57,080	74,295	1.54
Northland Power Inc.	2,099	43,313	48,487	1.01
		728,013	809,058	16.82
Total investments		4,603,101	4,780,574	99.38
Transaction costs		(2,418)		
Other assets, less liabilities			29,809	0.62
Total Net Assets Attributable to Holders of Redeemable Units		4,600,683	4,810,383	100.00

First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	7,490,901	8,442,985
Cash	63,351	32,750
Accrued dividend receivable	13,300	19,995
Derivative assets	114,312	76,804
Other assets	2,974	1,879
	7,684,838	8,574,413
Liabilities		
Accrued liabilities	7,861	8,348
Distributions payable to holders of redeemable units	17,546	31,185
	25,407	39,533
Total net assets attributable to holders of redeemable units	7,659,431	8,534,880
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	6,401,435	7,333,541
Advisor Class	1,257,996	1,201,339
Redeemable units outstanding [note 6]		
Common Class	250,663	300,663
Advisor Class	49,335	49,335
Net assets attributable to holders of redeemable units per class		
Common Class	25.54	24.39
Advisor Class	25.50	24.35

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	167,274	166,799
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	553,293	(111,524)
Net realized gain on derivatives	136,070	550,179
Net realized gain on foreign exchange	2,772	6,485
Net change in unrealized depreciation of investments	(404,460)	(379,421)
Net change in unrealized appreciation of derivatives	37,508	361,709
	492,457	594,197
Foreign exchange gain on cash	673	160
	493,130	594,357
Expenses [note 7]		
Management fees	23,909	28,629
Service fees	6,140	5,353
HST expense	2,811	3,482
Transaction costs [note 3 and note 9]	1,392	5,295
Independent Review Committee fees	891	982
Interest expense	22	46
	35,165	43,787
Expenses waived by manager	(891)	(982)
	34,274	42,805
Increase in net assets attributable to holders of redeemable units before tax	458,856	551,552
Withholding taxes	(18,631)	(21,951)
Increase in net assets attributable to holders of redeemable units	440,225	529,601
Increase in net assets attributable to holders of redeemable units for each class		
Common Class	375,191	475,276
Advisor Class	65,034	54,325
Increase in net assets attributable to holders of redeemable units per unit		
Common Class	1.39	1.22
Advisor Class	1.32	1.10

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. Dividend ETF (CAD-Hedged)

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

For the periods ended June 30 (unaudited)

	June 30	June 30	June 30	June 30
	2017 (\$)	2016 (\$)	2017 (\$)	2016 (\$)
	Common Class (\$)	Common Class (\$)	Advisor Class (\$)	Advisor Class (\$)
Net assets attributable to holders of redeemable units, beginning of period	7,333,541	9,797,583	1,201,339	1,086,388
Increase in net assets attributable to holders of redeemable units	375,191	475,276	65,034	54,325
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	1,273,431	13,746	-	-
Redemption of units	(2,495,001)	(3,344,025)	-	(13,746)
	(1,221,570)	(3,330,279)	-	(13,746)
Distributions to holders of redeemable units from:				
Net investment income	(85,727)	(114,041)	(8,377)	(8,526)
	(85,727)	(114,041)	(8,377)	(8,526)
(Decrease) Increase in net assets attributable to holders of redeemable units for the period	(932,106)	(2,969,044)	56,657	32,053
Net assets attributable to holders of redeemable units, end of period	6,401,435	6,828,539	1,257,996	1,118,441
			June 30	June 30
			2017 (\$)	2016 (\$)
			Total (\$)	Total (\$)
Net assets attributable to holders of redeemable units, beginning of period			8,534,880	10,883,971
Increase in net assets attributable to holders of redeemable units			440,225	529,601
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			1,273,431	13,746
Redemption of units			(2,495,001)	(3,357,771)
			(1,221,570)	(3,344,025)
Distributions to holders of redeemable units from:				
Net investment income			(94,104)	(122,567)
			(94,104)	(122,567)
Decrease in net assets attributable to holders of redeemable units for the period			(875,449)	(2,936,991)
Net assets attributable to holders of redeemable units, end of period			7,659,431	7,946,980

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

First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)

STATEMENTS OF CASH FLOW For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase in net assets attributable to holders of redeemable units	440,225	529,601
Adjustments for:		
Foreign exchange gain on cash	(673)	(160)
Net realized gain (loss) on sale of investments	(553,293)	11,524
Change in unrealized depreciation of investments and derivatives	366,952	17,712
Dividends receivable	6,695	10,564
Other assets	(1,095)	8,591
Other liabilities	(487)	(8,642)
Purchases of investments	(4,256,834)	(10,235,983)
Proceeds from the sale of investments	5,357,751	12,960,833
	1,359,241	3,294,040
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	1,273,431	13,746
Amount paid on redemptions of units	(2,495,001)	(3,357,771)
Distributions paid to unitholders	(107,743)	(137,718)
	(1,329,313)	(3,481,743)
Increase (Decrease) in cash for the period	29,928	(87,703)
Foreign exchange gain on cash	673	160
Cash, beginning of period	32,750	149,055
Cash, end of period	63,351	61,512
Dividends received, net of withholding taxes	155,338	155,412

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

First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

A. INVESTMENT OBJECTIVE (NOTE 1) – The First Trust ETF seeks to provide unitholders with exposure to the performance of a portfolio of higher yielding U.S. dividend paying stocks, as well as providing unitholders with monthly distributions. The First Trust ETF will primarily invest in U.S. dividend paying equities.

B. FORWARD FOREIGN EXCHANGE CURRENCY AGREEMENTS (NOTE 4) - The below table shows information about the First Trust ETF's forward foreign exchange currency agreement for the period ended June 30, 2017 and year ended December 31, 2016:

June 30, 2017			December 31, 2016		
Contract Amount (\$)	% of net assets	Appreciation (Depreciation) (\$)	Contract Amount (\$)	% of net assets	Appreciation (Depreciation) (\$)
7,711,000	100.67%	114,312	8,590,000	100.65%	76,804

C. 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, 2017 and year ended December 31, 2016:

	Financial Assets and Financial Liabilities at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	7,490,901	–	–	7,490,901
Derivative assets	–	114,312	–	114,312
Total	7,490,901	114,312	–	7,605,213
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	8,442,985	–	–	8,442,985
Derivative assets	–	76,804	–	76,804
Total	8,442,985	76,804	–	8,519,789

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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

D. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Common	50,000	–	(100,000)	250,663	150,663	–	(300,000)	300,663
Advisor	–	–	–	49,335	–	–	(665)	49,335

First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

E. 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 ¹
0.60%	1.60%

¹Includes a service fee of 1.00%

F. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
968,662	1,892,349	-	-

G. 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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
1,392	5,295

H. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
23,909	28,629	3,785	3,931

I. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500 Index (CAD-Hedged)	384,503	(384,503)	367,853	(367,853)
S&P High Yield Dividend Aristocrats Index Total Return (CAD-Hedged)	396,376	(396,376)	398,579	(398,579)

First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

Currency risk - The table below summarizes the First Trust ETF's unhedged foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	(55,317)	(0.72)%	(62,583)	(0.73)%

As at June 30, 2017, 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 \$553 (December 31, 2016 - \$626). 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, 2017 and year ended December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
<i>United States</i>		
Financials	19.85	23.51
Consumer Discretionary	16.44	14.97
Utilities	12.78	12.45
Information Technology	10.37	11.25
Industrials	9.70	11.75
Consumer Staples	6.79	3.85
Energy	5.48	4.92
Materials	5.20	5.08
Health Care	3.28	2.80
Telecommunication Services	1.82	2.48
<i>International</i>		
Switzerland	2.21	1.91
Ireland	2.05	2.77
Netherlands	0.93	0.65
Bermuda	0.90	0.53
Total	97.80	98.92

First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
UNITED STATES EQUITIES				
Consumer Discretionary—16.44%				
Best Buy Co. Inc.	881	40,624	65,499	0.85
Carnival Corp.	801	54,215	68,110	0.89
Coach Inc.	863	50,885	52,980	0.69
Darden Restaurants Inc.	560	49,472	65,678	0.86
Foot Locker Inc.	936	69,127	59,816	0.78
Ford Motor Co.	3,610	59,881	52,386	0.68
Gap Inc. (The)	2,333	71,757	66,529	0.87
General Motors Co.	1,497	66,996	67,810	0.89
H&R Block Inc.	1,523	53,006	61,048	0.80
Hanesbrands Inc.	475	13,521	14,266	0.19
Harley-Davidson Inc.	193	13,853	13,520	0.18
Hasbro Inc.	477	57,736	68,977	0.90
Home Depot Inc.	260	51,563	51,722	0.68
Interpublic Group of Cos. Inc.	414	12,716	13,207	0.17
Kohl's Corp.	1,443	77,716	72,363	0.94
Macy's Inc.	2,354	90,773	70,944	0.93
McDonald's Corp.	133	27,031	26,416	0.34
Nordstrom Inc.	250	16,349	15,507	0.20
Signet Jewelers Ltd.	955	69,340	78,319	1.02
Target Corp.	944	78,432	64,012	0.84
TEGNA Inc.	2,810	82,193	52,510	0.69
Tractor Supply Co.	365	26,975	25,659	0.33
Viacom Inc., Class 'B'	572	33,098	24,901	0.32
Whirlpool Corp.	159	35,983	39,510	0.52
Wyndham Worldwide Corp.	517	64,714	67,320	0.88
		1,267,956	1,259,009	16.44
Consumer Staples—6.79%				
Altria Group Inc.	400	40,457	38,629	0.51
Archer-Daniels-Midland Co.	1,229	66,318	65,950	0.86
Clorox Co.	73	13,443	12,613	0.17
CVS Health Corp.	515	53,545	53,736	0.70
Hershey Co. (The)	348	53,925	48,455	0.63
Hormel Foods Corp.	291	13,491	12,872	0.17
J.M. Smucker Co. (The)	77	13,916	11,816	0.16
Kraft Heinz Co. (The)	215	26,906	23,878	0.31
L Brands Inc.	399	29,979	27,884	0.36
PepsiCo Inc.	171	27,029	25,610	0.34
Philip Morris International Inc.	247	40,468	37,620	0.49
Sysco Corp.	729	44,864	47,580	0.62
Wal-Mart Stores Inc.	509	45,348	49,954	0.65
Whole Foods Market Inc.	1,156	54,215	63,127	0.82
		523,904	519,724	6.79
Energy—5.48%				
Chevron Corp.	385	52,740	52,089	0.68
ConocoPhillips	451	26,959	25,710	0.34
Exxon Mobil Corp.	247	27,037	25,858	0.34
Kinder Morgan Inc.	534	13,497	13,268	0.17
Marathon Petroleum Corp.	756	46,096	51,303	0.67
Murphy Oil Corp.	1,618	56,565	53,777	0.70
ONEOK Inc.	201	12,328	13,596	0.18
Phillips 66	261	26,352	27,988	0.36
Tesoro Corp.	581	60,757	70,522	0.92
Valero Energy Corp.	827	59,217	72,348	0.94
Williams Cos. Inc. (The)	343	13,798	13,469	0.18
		395,346	419,928	5.48

First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Financials—19.85%				
Aflac Inc.	268	24,183	26,997	0.35
Alexandria Real Estate Equities Inc.	85	13,548	13,279	0.17
American International Group Inc.	159	13,459	12,891	0.17
American Tower Corp.	391	69,220	67,093	0.88
Apartment Investment & Management Co., Class 'A'	683	39,594	38,059	0.50
Arthur J. Gallagher & Co.	535	34,655	39,719	0.52
Assurant Inc.	203	23,707	27,296	0.36
Avalonbay Communities Inc.	52	11,612	12,959	0.17
BB&T Corp.	239	13,909	14,074	0.18
Capital One Financial Corp.	385	40,513	41,250	0.54
Crown Castle International Corp.	292	40,460	37,935	0.50
Digital Realty Trust Inc.	434	69,267	63,570	0.83
Discover Financial Services	513	40,484	41,372	0.54
Essex Property Trust Inc.	115	40,573	38,367	0.50
Fifth Third Bancorp	1,275	36,084	42,923	0.56
Franklin Resources Inc.	1,211	69,298	70,339	0.92
GGP Inc.	1,331	42,929	40,666	0.53
Hartford Financial Services Group Inc. (The)	405	25,643	27,610	0.36
Host Hotels & Resorts Inc.	2,888	62,401	68,424	0.89
Huntington Bancshares Inc.	806	11,269	14,131	0.18
Invesco Ltd.	601	24,954	27,426	0.36
JPMorgan Chase & Co.	363	33,362	43,026	0.56
KeyCorp	574	12,801	13,949	0.18
Kimco Realty Corp.	1,121	40,640	26,676	0.35
M&T Bank Corp.	64	12,104	13,441	0.18
Marsh & McLennan Cos. Inc.	261	22,071	26,387	0.34
Morgan Stanley	935	38,001	54,029	0.71
Navient Corp.	2,782	49,329	60,068	0.78
PNC Financial Services Group Inc.	170	21,171	27,528	0.36
Principal Financial Group Inc.	485	30,622	40,297	0.53
Prologis Inc.	355	24,666	26,996	0.35
Prudential Financial Inc.	195	22,021	27,346	0.36
Regions Financial Corp.	743	11,067	14,106	0.18
SL Green Realty Corp.	197	27,997	27,029	0.35
State Street Corp.	120	11,228	13,963	0.18
SunTrust Banks Inc.	188	11,378	13,828	0.18
Synchrony Financial	1,419	53,981	54,874	0.72
T. Rowe Price Group Inc.	565	53,663	54,373	0.71
Travelers Cos. Inc. (The)	324	45,392	53,163	0.69
UDR Inc.	509	26,958	25,723	0.34
Unum Group	917	54,006	55,451	0.72
Vornado Realty Trust	110	13,495	13,395	0.17
Wells Fargo & Co.	581	40,639	41,748	0.55
Welltower Inc.	275	25,692	26,693	0.35
		1,430,046	1,520,469	19.85
Health Care—3.28%				
Abbott Laboratories	650	40,530	40,974	0.54
AbbVie Inc.	296	27,024	27,833	0.36
Amgen Inc.	189	38,584	42,213	0.55
Cardinal Health Inc.	136	14,077	13,742	0.18
Eli Lilly and Co.	127	13,507	13,554	0.18
Gilead Sciences Inc.	795	78,946	72,971	0.95
Johnson & Johnson	77	11,638	13,210	0.17
Patterson Cos. Inc.	435	26,912	26,485	0.35
		251,218	250,982	3.28

First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Industrials—9.70%				
3M Co.	147	40,583	39,687	0.52
Boeing Co. (The)	215	45,121	55,135	0.72
Caterpillar Inc.	288	36,430	40,134	0.52
Cummins Inc.	192	29,574	40,390	0.53
Deere & Co.	412	57,418	66,032	0.86
Dover Corp.	360	37,251	37,450	0.49
Fluor Corp.	223	13,511	13,239	0.17
Honeywell International Inc.	227	37,979	39,237	0.51
Illinois Tool Works Inc.	211	32,579	39,197	0.51
Lockheed Martin Corp.	145	46,070	52,201	0.68
Norfolk Southern Corp.	166	19,148	26,198	0.34
Raytheon Co.	188	34,098	39,369	0.51
Republic Services Inc.	627	41,328	51,818	0.68
Robert Half International Inc.	217	12,138	13,488	0.18
Rockwell Automation Inc.	126	23,356	26,464	0.35
Ryder System Inc.	607	51,597	56,660	0.74
Union Pacific Corp.	92	10,450	12,994	0.17
United Technologies Corp.	334	50,986	52,890	0.69
W.W. Grainger Inc.	118	32,060	27,625	0.36
Waste Management Inc.	137	11,255	13,031	0.17
		662,932	743,239	9.70
Information Technology—10.37%				
Analog Devices Inc.	501	48,860	50,546	0.66
Automatic Data Processing Inc.	99	12,654	13,154	0.17
CA Inc.	937	38,370	41,884	0.55
Cisco Systems Inc.	954	36,175	38,723	0.51
Corning Inc.	1,743	54,594	67,923	0.89
Harris Corp.	272	36,767	38,476	0.50
HP Inc.	2,823	58,474	63,992	0.83
Intel Corp.	1,427	58,274	62,437	0.81
International Business Machines Corp.	198	39,556	39,498	0.52
KLA-Tencor Corp.	478	51,323	56,724	0.74
Microsoft Corp.	277	26,976	24,761	0.32
Motorola Solutions Inc.	344	37,588	38,695	0.50
NetApp Inc.	259	11,315	13,452	0.18
QUALCOMM Inc.	345	25,250	24,705	0.32
Texas Instruments Inc.	366	34,383	36,513	0.48
Western Digital Corp.	573	48,223	65,836	0.86
Xerox Corp.	1,434	66,400	53,427	0.70
Xilinx Inc.	762	66,059	63,558	0.83
		751,241	794,304	10.37
Materials—5.20%				
Air Products and Chemicals Inc.	70	13,382	12,986	0.17
Avery Dennison Corp.	480	54,035	55,007	0.72
Dow Chemical Co. (The)	630	43,546	51,527	0.67
Eastman Chemical Co.	500	46,469	54,459	0.71
International Flavors and Fragrances Inc.	145	27,025	25,385	0.33
International Paper Co.	373	23,107	27,383	0.36
Mosaic Co. (The)	888	37,280	26,290	0.34
Nucor Corp.	694	45,131	52,082	0.68
Praxair Inc.	151	25,421	25,955	0.34
WestRock Co.	742	44,638	54,520	0.71
Weyerhaeuser Co.	300	13,468	13,033	0.17
		373,502	398,627	5.20

First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Telecommunication Services—1.82%				
AT&T Inc.	1,331	69,465	65,124	0.85
CenturyLink Inc.	1,995	74,654	61,780	0.81
Verizon Communications Inc.	216	14,382	12,510	0.16
		158,501	139,414	1.82
Utilities—12.78%				
AES Corp. (The)	843	12,029	12,145	0.16
Alliant Energy Corp.	484	25,057	25,213	0.33
Ameren Corp.	530	34,121	37,575	0.49
American Electric Power Co. Inc.	417	38,446	37,567	0.49
CenterPoint Energy Inc.	1,808	63,210	64,196	0.84
CMS Energy Corp.	848	49,475	50,860	0.66
Consolidated Edison Inc.	484	48,369	50,727	0.66
Dominion Energy Inc.	250	26,956	24,843	0.33
DTE Energy Co.	468	61,781	64,204	0.84
Duke Energy Corp.	351	36,131	38,048	0.50
Edison International	369	32,294	37,415	0.49
Entergy Corp.	125	11,773	12,444	0.16
Eversource Energy	484	34,981	38,105	0.50
Exelon Corp.	1,405	61,901	65,720	0.86
NextEra Energy Inc.	212	34,967	38,525	0.50
NiSource Inc.	1,963	64,009	64,557	0.84
PG&E Corp.	585	47,301	50,350	0.66
Pinnacle West Capital Corp.	342	33,221	37,769	0.49
PPL Corp.	755	34,416	37,851	0.49
SCANA Corp.	592	51,564	51,444	0.67
Sempra Energy	171	23,091	25,003	0.33
Southern Co.	395	25,233	24,526	0.32
WEC Energy Group Inc.	319	24,872	25,392	0.33
Xcel Energy Inc.	1,084	61,600	64,495	0.84
		936,798	978,974	12.78
Total United States Equities		6,751,444	7,024,670	91.71
INTERNATIONAL EQUITIES				
Bermuda—0.90%				
XL Group Ltd.	1,212	58,094	68,841	0.90
		58,094	68,841	0.90
Ireland—2.05%				
Accenture PLC, Class 'A'	79	12,370	12,671	0.16
Eaton Corp. PLC	394	31,553	39,766	0.52
Johnson Controls International PLC	243	13,478	13,664	0.18
Medtronic PLC	117	11,426	13,466	0.18
Pentair PLC	621	53,984	53,585	0.70
Seagate Technology	479	25,752	24,070	0.31
		148,563	157,222	2.05
Netherlands—0.93%				
LyondellBasell Industries NV, Class 'A'	651	70,288	71,244	0.93
		70,288	71,244	0.93

First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Switzerland—2.21%				
Chubb Ltd.	278	50,056	52,411	0.68
Garmin Ltd.	760	46,483	50,294	0.66
TE Connectivity Ltd.	649	58,242	66,219	0.87
		154,781	168,924	2.21
Total International Equities		431,726	466,231	6.09
Total investments		7,183,170	7,490,901	97.80
Transaction costs		(976)		
Unrealized appreciation on derivatives - see Schedule 1			114,312	1.49
Other assets, less liabilities			54,218	0.71
Total Net Assets Attributable to Holders of Redeemable Units		7,182,194	7,659,431	100.00

Schedule 1 - forward foreign exchange currency agreement

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+	2017/07/31	USD	5,861,159	CAD	7,711,000	0.760	0.772	114,312
									114,312

* Commercial paper rating per Stand and Poor's Commercial Paper Guide

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

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	3,698,586	8,505,147
Cash	39,886	29,518
Accrued dividend receivable	64,598	31,538
Derivative assets	56,704	76,894
Other assets	1,488	543
	3,861,262	8,643,640
Liabilities		
Accrued liabilities	7,296	7,447
Distributions payable to holders of redeemable units	16,059	8,343
	23,355	15,790
Total net assets attributable to holders of redeemable units	3,837,907	8,627,850
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	2,312,328	7,918,042
Advisor Class	1,525,579	709,808
Redeemable units outstanding [note 6]		
Common Class	150,599	550,599
Advisor Class	99,400	49,400
Net assets attributable to holders of redeemable units per class		
Common Class	15.35	14.38
Advisor Class	15.35	14.37

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	160,703	82,814
Other changes in fair value of investments and derivatives		
Net realized gain on sale of investments	580,187	1,575
Net realized gain on derivatives	63,272	149,249
Net realized (loss) gain on foreign exchange	(687)	1,782
Net change in unrealized (depreciation) appreciation of investments	(90,489)	171,987
Net change in unrealized (depreciation) appreciation of derivatives	(20,190)	87,778
	692,796	495,185
Foreign exchange loss on cash	(181)	(297)
	692,615	494,888
Expenses [note 7]		
Management fees	23,981	7,504
Service fees	6,352	3,138
Transaction costs [note 3 and note 9]	5,937	2,361
HST expense	2,999	1,189
Independent Review Committee fees	806	238
Interest expense	66	5
	40,141	14,435
Expenses waived by the manager	(806)	(238)
	39,335	14,197
Increase in net assets attributable to holders of redeemable units before tax	653,280	480,691
Withholding taxes	(13,676)	(7,154)
Increase in net assets attributable to holders of redeemable units	639,604	473,537
Increase in net assets attributable to holders of redeemable units for each class		
Common Class	616,757	354,104
Advisor Class	22,847	119,433
Increase in net assets attributable to holders of redeemable units per unit		
Common Class	1.59	2.66
Advisor Class	0.28	2.41

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 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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)	June 30 2017 (\$)	June 30 2016 (\$)
	Common Class (\$)	Common Class (\$)	Advisor Class (\$)	Advisor Class (\$)
Net assets attributable to holders of redeemable units, beginning of period	7,918,042	1,786,584	709,808	594,970
Increase in net assets attributable to holders of redeemable units	616,757	354,104	22,847	119,433
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	2,327,039	6,940	803,549	-
Redemption of units	(8,484,010)	(692,430)	-	(6,940)
	(6,156,971)	(685,490)	803,549	(6,940)
Distributions to holders of redeemable units from:				
Net investment income	(65,500)	(24,510)	(10,625)	(5,474)
	(65,500)	(24,510)	(10,625)	(5,474)
(Decrease) Increase in net assets attributable to holders of redeemable units for the period	(5,605,714)	(355,896)	815,771	107,019
Net assets attributable to holders of redeemable units, end of period	2,312,328	1,430,688	1,525,579	701,989
			June 30 2017 (\$)	June 30 2016 (\$)
Net assets attributable to holders of redeemable units, beginning of period			8,627,850	2,381,554
Increase in net assets attributable to holders of redeemable units			639,604	473,537
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			3,130,588	6,940
Redemption of units			(8,484,010)	(699,370)
			(5,353,422)	(692,430)
Distributions to holders of redeemable units from:				
Net investment income			(76,125)	(29,984)
			(76,125)	(29,984)
Decrease in net assets attributable to holders of redeemable units for the period			(4,789,943)	(248,877)
Net assets attributable to holders of redeemable units, end of period			3,837,907	2,132,677

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase in net assets attributable to holders of redeemable units	639,604	473,537
Adjustments for:		
Foreign exchange loss on cash	181	297
Net realized gain on sale of investments	(580,187)	(1,575)
Change in unrealized depreciation (appreciation) of investments and derivatives	110,679	(259,765)
Dividends receivable	(33,060)	(4,748)
Other assets	(945)	9,331
Other liabilities	(151)	(3,364)
Purchases of investments	(5,624,219)	(1,100,914)
Proceeds from the sale of investments	10,920,478	1,616,401
	5,432,380	729,200
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	3,130,588	6,940
Amount paid on redemptions of units	(8,484,010)	(699,370)
Distributions paid to unitholders	(68,409)	(25,996)
	(5,421,831)	(718,426)
Increase in cash for the period	10,549	10,774
Foreign exchange loss on cash	(181)	(297)
Cash, beginning of period	29,518	13,781
Cash, end of period	39,886	24,258
Dividends received, net of withholding taxes	113,967	70,912

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 period ended June 30, 2017 (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. FORWARD FOREIGN EXCHANGE CURRENCY AGREEMENTS (NOTE 4) - The below table shows information about the First Trust ETF's forward foreign exchange currency agreements for the period ended June 30, 2017 and year ended December 31, 2016:

June 30, 2017			December 31, 2016		
Contract Amount (\$)	% of net assets	Appreciation (Depreciation) (\$)	Contract Amount (\$)	% of net assets	Appreciation (Depreciation) (\$)
3,825,000	99.66%	56,704	8,600,000	99.68%	76,894

C. 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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	3,698,586	–	–	3,698,586
Derivative assets	–	56,704	–	56,704
Total	3,698,586	56,704	–	3,755,290
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	8,505,147	–	–	8,505,147
Derivative assets	–	76,894	–	76,894
Total	8,505,147	76,894	–	8,582,041

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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

D. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Common	150,000	–	(550,000)	150,599	450,599	–	(50,000)	550,599
Advisor	50,000	–	–	99,400	–	–	(600)	49,400

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

E. 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 ¹
0.65%	1.65%

¹Includes a service fee of 1.00%

F. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
982,074	1,660,608	-	-

G. 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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
5,937	2,361

H. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
23,981	7,504	2,532	1,079

I. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI Emerging Market Index	141,811	(141,811)	399,469	(399,469)

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

Currency risk - The table below summarizes the First Trust ETF's unhedged foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	10,423	0.27%	17,909	0.21%

As at June 30, 2017, 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 \$104 (December 31, 2016 - \$179). 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, 2017 and year ended December 31, 2016:

Country	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
Brazil	29.28	46.94
Taiwan	16.73	9.02
Chile	9.06	4.33
South Africa	8.08	8.15
Colombia	6.37	3.01
Mexico	5.70	2.12
India	5.69	4.92
Luxembourg	3.98	2.82
Cyprus	3.92	1.42
China	3.65	5.44
Russia	1.95	2.37
Indonesia	0.68	-
Netherlands	0.67	1.60
Philippines	0.61	0.75
Marshall Islands	-	0.73
Monaco	-	2.18
Peru	-	1.41
United States	-	1.37
Total	96.37	98.58

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Brazil—29.28%				
Braskem SA, ADR	5,179	128,883	139,158	3.63
Companhia Brasileira de Distribuicao Grupo Pao de Açucar, ADR	5,187	108,373	131,503	3.43
Companhia Energetica de Minas Gerais-CEMIG SA, ADR	36,780	131,128	114,471	2.98
Companhia Paranaense de Energia-Copel, ADR	12,786	169,479	121,704	3.17
Cosan Ltd., Class 'A'	2,933	28,560	24,380	0.63
CPFL Energia SA, ADR	4,049	77,704	83,749	2.18
Embraer SA, ADR	2,237	58,033	52,884	1.38
Fibria Celulose SA, ADR	7,451	81,455	98,171	2.56
Itau Unibanco Holding SA, ADR	7,893	109,444	113,104	2.95
Telefonica Brasil SA	1,364	24,128	23,862	0.62
Tim Participacoes SA, ADR	5,813	103,184	111,567	2.91
Ultrapar Participacoes SA, ADR	3,577	101,586	109,147	2.84
		1,121,957	1,123,700	29.28
Chile—9.06%				
Banco Santander Chile, ADR	794	22,626	26,164	0.68
Compania Cervecerias Unidas SA, ADR	1,632	58,083	55,534	1.45
Enel Generacion Chile SA, ADR	2,799	76,051	82,177	2.14
Latam Airlines Group SA, ADR	7,470	116,133	107,236	2.79
Sociedad Quimica y Minera de Chile SA, ADR	1,791	70,576	76,691	2.00
		343,469	347,802	9.06
China—3.65%				
Hollysys Automation Technologies Ltd.	3,922	94,379	84,479	2.20
NetEase Inc., ADR	143	43,123	55,750	1.45
		137,502	140,229	3.65
Colombia—6.37%				
Bancolombia SA, ADR	2,377	119,249	137,325	3.58
Ecopetrol SA	4,469	58,042	52,680	1.37
Grupo Aval Acciones y Valores SA	5,078	58,063	54,525	1.42
		235,354	244,530	6.37
Cyprus—3.92%				
QIWI PLC, ADR	4,697	105,834	150,328	3.92
		105,834	150,328	3.92
India—5.69%				
HDFC Bank Ltd., ADR	979	116,063	110,414	2.88
ICICI Bank Ltd., ADR	7,189	87,185	83,621	2.18
Infosys Technologies Ltd., ADR	1,247	25,660	24,289	0.63
		228,908	218,324	5.69
Indonesia—0.68%				
PT Telekomunikasi Indonesia Persero TBK, ADR	595	26,152	25,980	0.68
		26,152	25,980	0.68
Luxembourg—3.98%				
Temium SA, ADR	4,194	126,655	152,775	3.98
		126,655	152,775	3.98
Mexico—5.70%				
America Movil SAB de CV, Class 'L', ADR	5,280	116,150	109,006	2.84
Coca-Cola FEMSA SAB de CV, Series 'L', ADR	234	26,154	25,693	0.67
Fomento Economico Mexicano SAB de CV, ADR	449	48,820	57,260	1.49
Grupo Aeroportuario del Sureste SAB de CV, ADR	98	26,055	26,739	0.70
		217,179	218,698	5.70
Netherlands—0.67%				
VEON Ltd., ADR	5,064	25,628	25,677	0.67
		25,628	25,677	0.67

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Philippines—0.61%				
PLDT Inc., ADR	515	21,609	23,582	0.61
		21,609	23,582	0.61
Russia—1.95%				
Mobile TeleSystems PJSC, ADR	6,889	81,020	74,864	1.95
		81,020	74,864	1.95
South Africa—8.08%				
Gold Fields Ltd., ADR	10,618	54,217	47,918	1.25
Harmony Gold Mining Co. Ltd., ADR	41,554	130,927	88,914	2.32
Sasol Ltd., ADR	1,441	54,532	52,230	1.36
Sibanye Gold Ltd., ADR	20,157	158,679	121,026	3.15
		398,355	310,088	8.08
Taiwan—16.73%				
Advanced Semiconductor Engineering Inc., ADR	3,006	22,730	24,598	0.64
AU Optronics Corp., ADR	26,743	135,231	158,142	4.12
ChipMOS TECHNOLOGIES INC., ADR	3,222	87,144	82,605	2.15
Chunghwa Telecom Co. Ltd., ADR	1,200	52,957	54,808	1.43
Silicon Motion Technology Corp., ADR	1,216	74,724	76,054	1.98
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	1,779	67,695	80,653	2.10
United Microelectronics Corp., ADR	52,193	145,897	165,149	4.31
		586,378	642,009	16.73
Total investments		3,656,000	3,698,586	96.37
Transaction costs		(1,925)		
Unrealized appreciation on derivatives - see Schedule 1			56,704	1.47
Other assets, less liabilities			82,617	2.16
Total Net Assets Attributable to Holders of Redeemable Units		3,654,075	3,837,907	100.00

Schedule 1 - forward foreign exchange currency agreement

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount		Currency	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
				Sell	Sold					
Bank of New York Mellon (The), New York	A-1+	2017/07/31	USD	2,907,397		CAD	3,825,000	0.760	0.772	56,704
										56,704

* Commercial paper rating per Stand and Poor's Commercial Paper Guide

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

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	25,329,456	27,787,837
Cash	130,035	289,692
Accrued dividend receivable	173,201	149,805
Derivative assets	150,743	5,386
Other assets	6,428	4,602
	25,789,863	28,237,322
Liabilities		
Accrued liabilities	19,208	20,432
Distributions payable to holders of redeemable units	86,794	89,480
Derivative liabilities	-	20,826
	106,002	130,738
Total net assets attributable to holders of redeemable units	25,683,861	28,106,584
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	23,986,116	26,462,714
Advisor Class	1,697,745	1,643,870
Redeemable units outstanding [note 6]		
Common Class	1,074,022	1,224,001
Advisor Class	75,979	76,000
Net assets attributable to holders of redeemable units per class		
Common Class	22.33	21.62
Advisor Class	22.34	21.63

STATEMENTS OF FINANCIAL POSITION For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	567,056	746,780
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	1,539,744	(2,296,701)
Net realized (loss) gain on derivatives	(713,122)	2,678,389
Net realized (loss) gain on foreign exchange	(2,461)	17,063
Net change in unrealized (depreciation) of investments	(296,966)	(1,920,215)
Net change in unrealized appreciation of derivatives	166,183	518,305
	1,260,434	(256,379)
Foreign exchange gain (loss) on cash	1,204	(17,085)
	1,261,638	(273,464)
Expenses [note 7]		
Management fees	100,959	102,454
Transaction costs [note 3 and note 9]	12,925	22,913
HST expense	9,129	12,159
Service fees	8,511	7,184
Independent Review Committee fees	2,804	3,510
Interest expense	91	704
	134,419	148,924
Expenses waived by manager	(28,003)	(3,510)
	106,416	145,414
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	1,155,222	(418,878)
Withholding taxes	(64,901)	(69,679)
Increase (Decrease) in net assets attributable to holders of redeemable units	1,090,321	(488,557)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	1,022,647	(473,877)
Advisor Class	67,674	(14,680)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	0.98	(0.26)
Advisor Class	0.89	(0.20)

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)	June 30 2017 (\$)	June 30 2016 (\$)
	Common Class (\$)	Common Class (\$)	Advisor Class (\$)	Advisor Class (\$)
Net assets attributable to holders of redeemable units, beginning of period	26,462,714	34,739,774	1,643,870	1,570,676
Increase (decrease) in net assets attributable to holders of redeemable units	1,022,647	(473,877)	67,674	(14,680)
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	3,498,520	3,832,126	-	-
Redemption of units	(6,679,746)	(7,261,533)	(479)	(76,064)
	(3,181,226)	(3,429,407)	(479)	(76,064)
Distributions to holders of redeemable units from:				
Net investment income	(318,019)	(400,224)	(13,320)	(9,682)
	(318,019)	(400,224)	(13,320)	(9,682)
(Decrease) increase in net assets attributable to holders of redeemable units for the period	(2,476,598)	(4,303,508)	53,875	(100,426)
Net assets attributable to holders of redeemable units, end of period	23,986,116	30,436,266	1,697,745	1,470,250
			June 30 2017 (\$) Total (\$)	June 30 2016 (\$) Total (\$)
Net assets attributable to holders of redeemable units, beginning of period			28,106,584	36,310,450
Increase (decrease) in net assets attributable to holders of redeemable units			1,090,321	(488,557)
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			3,498,520	3,832,126
Redemption of units			(6,680,225)	(7,337,597)
			(3,181,705)	(3,505,471)
Distributions to holders of redeemable units from:				
Net investment income			(331,339)	(409,906)
			(331,339)	(409,906)
Decrease in net assets attributable to holders of redeemable units for the period			(2,422,723)	(4,403,934)
Net assets attributable to holders of redeemable units, end of period			25,683,861	31,906,516

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	1,090,321	(488,557)
Adjustments for:		
Foreign exchange (gain) loss on cash	(1,204)	17,085
Net realized (gain) loss on sale of investments	(1,539,744)	2,296,701
Change in unrealized depreciation of investments and derivatives	130,783	1,401,910
Dividends receivable	(23,396)	(128,933)
Other assets	(1,826)	7,203
Other liabilities	(1,224)	(12,900)
Purchases of investments	(11,816,723)	(19,717,298)
Proceeds from the sale of investments	15,517,883	20,764,343
	3,354,870	4,139,554
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	3,498,520	3,832,126
Amount paid on redemptions of units	(6,680,225)	(7,337,597)
Distributions paid to unitholders	(334,026)	(422,745)
	(3,515,731)	(3,928,216)
(Decrease) Increase in cash for the period	(160,861)	211,338
Foreign exchange gain (loss) on cash	1,204	(17,085)
Cash, beginning of period	289,692	70,451
Cash, end of period	130,035	264,704
Dividends received, net of withholding taxes	478,759	548,168

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 period ended June 30, 2017 (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, net of expenses. The AlphaDEX™ European Dividend 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. FORWARD FOREIGN EXCHANGE CURRENCY AGREEMENTS (NOTE 4) - The below table shows information about the First Trust ETF's forward foreign exchange currency agreements for the period ended June 30, 2017 and year ended December 31, 2016:

June 30, 2017			December 31, 2016		
Contract Amount (\$)	% of net assets	Appreciation (Depreciation) (\$)	Contract Amount (\$)	% of net assets	Appreciation (Depreciation) (\$)
23,918,000	93.12%	150,743	22,788,000	81.08%	(15,440)

C. 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, 2017 and year ended December 31, 2016:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	25,329,456	–	–	25,329,456
Derivative assets	–	150,743	–	150,743
Derivative liabilities	–	–	–	–
Total	25,329,456	150,743	–	25,480,199
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	27,787,837	–	–	27,787,837
Derivative assets	–	5,386	–	5,386
Derivative liabilities	–	(20,826)	–	(20,826)
Total	27,787,837	(15,440)	–	27,772,397

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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

D. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Common	150,021	–	(300,000)	1,074,022	204,001	–	(750,000)	1,224,001
Advisor	–	–	(21)	75,979	–	–	(4,000)	76,000

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

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

Annual Management Fee ¹	
Common Class	Advisor Class ²
0.60%	1.60%

¹Pays a management fee up to a maximum of 0.80%

²Includes a service fee of 1.00%

F. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
1,429,468	2,051,493	–	–

G. 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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
12,925	22,913

H. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
100,959	104,454	12,758	52,046

I. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
BNY Mellon Europe ADR Index	1,015,797	(1,015,797)	1,187,503	(1,187,503)

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

Currency risk - The table below summarizes the First Trust ETF's unhedged foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	25,509,415	99.32%	27,880,200	99.19%
Swiss Francs	(1,708,457)	(6.65)%	(1,981,907)	(7.05)%
British Pound Sterling	(8,274,245)	(32.22)%	(6,849,707)	(24.37)%
Euro	(13,784,554)	(53.67)%	(13,971,827)	(49.71)%
Total	1,742,158	6.78%	5,076,759	18.06%

As at June 30, 2017, 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 \$17,422 (December 31, 2016 - \$50,768). 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, 2017 and year ended December 31, 2016:

Country	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
United Kingdom	31.34	23.60
Netherlands	20.04	21.80
Spain	13.84	9.37
France	6.69	8.96
Switzerland	6.63	7.07
Germany	4.42	4.14
Finland	4.06	–
Russia	3.17	3.61
Israel	2.57	5.42
Italy	2.10	–
Ireland	1.64	4.03
Norway	0.70	3.26
Sweden	0.73	4.42
Jersey, Channel Islands	0.69	0.73
Luxembourg	–	1.72
Denmark	–	0.74
Total	98.62	98.87

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Finland—4.06%				
Nokia OYJ, ADR	130,603	1,150,839	1,043,294	4.06
		1,150,839	1,043,294	4.06
France—6.69%				
Orange SA, ADR	25,098	511,558	520,102	2.02
Sanofi SA, ADR	2,959	163,835	183,842	0.72
Total SA, ADR	15,782	1,046,687	1,014,914	3.95
		1,722,080	1,718,858	6.69
Germany—4.42%				
Fresenius Medical Care AG & Co. KGaA, ADR	9,225	513,564	578,171	2.25
SAP SE, ADR	4,093	470,110	555,568	2.17
		983,674	1,133,739	4.42
Ireland—1.64%				
CRH PLC, ADR	9,141	347,388	420,463	1.64
		347,388	420,463	1.64
Israel—2.57%				
NICE Ltd., ADR	4,238	317,265	432,632	1.69
Teva Pharmaceutical Industries Ltd., ADR	5,267	257,986	226,901	0.88
		575,251	659,533	2.57
Italy—2.10%				
Eni SPA, ADR	13,817	583,272	538,612	2.10
		583,272	538,612	2.10
Jersey, Channel Islands—0.69%				
Randgold Resources Ltd., ADR	1,548	159,117	177,579	0.69
		159,117	177,579	0.69
Netherlands—20.04%				
AEGON NV	29,644	215,389	196,440	0.77
ASML Holding NV, Registered	3,335	549,151	563,568	2.20
ING Groep NV, ADR	39,119	711,414	882,186	3.44
Koninklijke Philips NV	12,464	465,888	578,970	2.25
Royal Dutch Shell PLC, Class 'A', ADR	15,170	1,094,955	1,046,378	4.07
STMicroelectronics NV	40,093	446,660	747,654	2.91
Unilever NV	7,753	598,198	555,690	2.16
VEON Ltd., ADR	113,458	556,898	575,288	2.24
		4,638,553	5,146,174	20.04
Norway—0.70%				
Statoil ASA, ADR	8,428	186,450	180,663	0.70
		186,450	180,663	0.70
Russia—3.17%				
Mobile TeleSystems PJSC, ADR	74,952	792,821	814,517	3.17
		792,821	814,517	3.17
Spain—13.84%				
Banco Bilbao Vizcaya Argentaria SA, ADR	100,415	1,026,387	1,088,624	4.24
Banco Santander SA, ADR	126,209	942,472	1,094,938	4.26
Grifols SA, ADR	30,770	789,733	843,140	3.28
Telefónica SA, ADR	39,235	601,958	528,643	2.06
		3,360,550	3,555,345	13.84
Sweden—0.73%				
Telefonaktiebolaget LM Ericsson, Class 'B', ADR	20,268	180,985	188,453	0.73
		180,985	188,453	0.73
Switzerland—6.63%				
ABB Ltd., ADR	13,138	372,634	424,230	1.65
Logitech International SA, Registered	22,633	666,271	1,075,988	4.19
UBS Group AG	9,235	192,264	203,352	0.79
		1,231,169	1,703,570	6.63

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
United Kingdom—31.34%				
AstraZeneca PLC, ADR	4,267	200,380	188,635	0.73
Barclays PLC, ADR	61,312	916,113	842,005	3.28
BHP Billiton PLC, ADR	21,793	943,603	869,313	3.39
BP PLC, ADR	22,833	1,088,327	1,025,981	4.00
BT Group PLC, ADR	16,533	642,640	416,150	1.62
Carnival PLC, ADR	10,287	898,310	882,053	3.43
InterContinental Hotels Group PLC, ADR	5,839	333,064	420,474	1.64
Lloyds Banking Group PLC, ADR	89,233	385,915	408,482	1.59
National Grid PLC, ADR	4,820	464,963	392,661	1.53
Prudential PLC, ADR	14,664	881,400	874,939	3.41
Rio Tinto PLC, ADR	20,477	1,109,854	1,123,524	4.37
Smith & Nephew PLC, ADR	9,377	433,959	423,779	1.65
Vodafone Group PLC, ADR	4,849	199,073	180,660	0.70
		8,497,601	8,048,656	31.34
Total investments		24,409,750	25,329,456	98.62
Transaction costs		(11,689)		
Unrealized appreciation on derivatives - see Schedule 1			150,743	0.58
Other assets, less liabilities			203,662	0.80
Total Net Assets Attributable to Holders of Redeemable Units		24,398,061	25,683,861	100.00

Schedule 1 - forward foreign exchange currency agreement

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Currency		Amount Bought	Forward Rate	Appreciation Current (Depreciation)	
				Sold	Buy			Rate	\$
Bank of New York Mellon (The), New York	A-1+	2017/07/31	CHF	1,261,707	CAD	1,733,000	0.728	0.739	24,543
Bank of New York Mellon (The), New York	A-1+	2017/07/31	EUR	9,298,081	CAD	13,909,000	0.668	0.675	124,445
Bank of New York Mellon (The), New York	A-1+	2017/07/31	GBP	4,897,041	CAD	8,276,000	0.592	0.592	1,755
									150,743

* Commercial paper rating per Stand and Poor's Commercial Paper Guide

First Trust Senior Loan ETF (CAD-Hedged)

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	198,552,599	147,543,703
Cash	27,723,666	16,428,463
Accrued interest receivable	520,709	559,270
Receivable for portfolio securities sold	2,673,020	65,738
Derivative assets	3,254,153	1,352,796
Other assets	105,267	15,130
	232,829,414	165,965,100
Liabilities		
Accrued liabilities	173,401	120,253
Payable for portfolio securities purchased	13,051,163	14,394,251
Distributions payable to holders of redeemable units	749,823	513,038
	13,974,387	15,027,542
Total net assets attributable to holders of redeemable units	218,855,027	150,937,558
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	217,689,904	149,762,199
Advisor Class	1,165,123	1,175,359
Redeemable units outstanding [note 6]		
Common Class	11,190,000	7,640,000
Advisor Class	60,000	60,000
Net assets attributable to holders of redeemable units per class		
Common Class	19.45	19.60
Advisor Class	19.42	19.59

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Interest income for distribution purposes	4,568,631	2,482,356
Other changes in fair value of investments and derivatives		
Net realized loss on sale of investments	(590,981)	(262,936)
Net realized gain on derivatives	3,967,167	4,925,949
Net realized gain on foreign exchange	5,643,555	2,400,476
Net change in unrealized depreciation of investments	(11,891,560)	(7,032,531)
Net change in unrealized appreciation of derivatives	1,901,357	2,562,980
	3,598,169	5,076,294
Foreign exchange loss on cash	(299,981)	(787,389)
	3,298,188	4,288,905
Expenses [note 7]		
Management fees	820,203	415,469
HST expense	98,821	48,098
Independent Review Committee fees	22,232	10,049
Service fees	2,911	4,759
	944,167	478,375
Expenses waived by the manager	(22,232)	(10,049)
	921,935	468,326
Increase in net assets attributable to holders of redeemable units before tax	2,376,253	3,820,579
Withholding taxes	-	-
Increase in net assets attributable to holders of redeemable units	2,376,253	3,820,579
Increase in net assets attributable to holders of redeemable units for each class		
Common Class	2,365,789	3,752,955
Advisor Class	10,464	67,624
Increase in net assets attributable to holders of redeemable units per unit		
Common Class	0.25	0.74
Advisor Class	0.18	0.68

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 (unaudited)

	June 30	June 30	June 30	June 30
	2017 (\$)	2016 (\$)	2017 (\$)	2016 (\$)
	Common Class (\$)	Common Class (\$)	Advisor Class (\$)	Advisor Class (\$)
Net assets attributable to holders of redeemable units, beginning of period	149,762,199	90,331,140	1,175,359	1,900,673
Increase in net assets attributable to holders of redeemable units	2,365,789	3,752,955	10,464	67,624
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	75,473,470	16,230,808	-	-
Redemption of units	(5,870,201)	(6,742,137)	-	-
	69,603,269	9,488,671	-	-
Distributions to holders of redeemable units from:				
Net investment income	(4,041,353)	(2,335,930)	(20,700)	(41,030)
	(4,041,353)	(2,335,930)	(20,700)	(41,030)
Increase in net assets attributable to holders of redeemable units for the period	67,927,705	10,905,696	(10,236)	26,594
Net assets attributable to holders of redeemable units, end of period	217,689,904	101,236,836	1,165,123	1,927,267
			June 30	June 30
			2017 (\$)	2016 (\$)
			Total (\$)	Total (\$)
Net assets attributable to holders of redeemable units, beginning of period			150,937,558	92,231,813
Increase in net assets attributable to holders of redeemable units			2,376,253	3,820,579
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			75,473,470	16,230,808
Redemption of units			(5,870,201)	(6,742,137)
			69,603,269	9,488,671
Distributions to holders of redeemable units from:				
Net investment income			(4,062,053)	(2,376,960)
			(4,062,053)	(2,376,960)
Increase in net assets attributable to holders of redeemable units for the period			67,917,469	10,932,290
Net assets attributable to holders of redeemable units, end of period			218,855,027	103,164,103

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

First Trust Senior Loan ETF (CAD-Hedged)

STATEMENTS OF CASH FLOW For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase in net assets attributable to holders of redeemable units	2,376,253	3,820,579
Adjustments for:		
Foreign exchange loss on cash	299,981	787,389
Net realized loss on sale of investments	590,981	262,936
Change in unrealized depreciation of investments and derivatives	9,990,203	4,469,551
Interest receivable	38,561	(33,767)
Other assets	(90,137)	(21,918)
Other liabilities	53,148	25,339
Purchases of investments	(360,201,865)	(92,213,848)
Proceeds from the sale of investments	292,760,058	74,109,839
	(54,182,817)	(8,793,900)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	75,473,470	15,267,563
Amount paid on redemptions of units	(5,870,201)	(6,742,137)
Distributions paid to unitholders	(3,825,268)	(2,358,670)
	65,778,001	6,166,756
Increase (decrease) in cash for the period	11,595,184	(2,627,144)
Foreign exchange loss on cash	(299,981)	(787,389)
Cash, beginning of period	16,428,463	6,422,327
Cash, end of period	27,723,666	3,007,794
Interest received	4,607,192	2,448,589

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 period ended June 30, 2017 (unaudited)

A. INVESTMENT OBJECTIVE (NOTE 1) – The First Trust ETF seeks is to provide unitholders with a high level of current income by investing primarily in a diversified portfolio of senior floating rate loans and debt securities, with capital appreciation as a secondary objective. The First Trust ETF will primarily invest in a portfolio of senior floating rate loans which are generally rated at or below BB+ by Standard & Poor’s, or Ba1 or less by Moody’s Investor Services, Inc., or a similar rating by a designated rating organization.

B. FORWARD FOREIGN EXCHANGE CURRENCY AGREEMENTS (NOTE 4) - The below table shows information about the First Trust ETF’s forward foreign exchange currency agreement for the period ended June 30, 2017 and year ended December 31, 2016:

June 30, 2017			December 31, 2016		
Contract Amount (\$)	% of net assets	Appreciation (Depreciation) (\$)	Contract Amount (\$)	% of net assets	Appreciation (Depreciation) (\$)
219,511,000	100.30%	3,254,153	151,300,000	100.24%	1,352,796

C. 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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Bonds and Senior Loans	–	198,552,599	–	198,552,599
Equities	–	–	–	–
Derivative assets	–	3,254,153	–	3,254,153
Total	–	201,806,752	–	201,806,752

	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Bonds and Senior Loans	–	147,534,419	–	147,534,419
Equities	9,284	–	–	9,284
Derivative assets	–	1,352,796	–	1,352,796
Total	9,284	148,887,215	–	148,896,499

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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

D. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the period ended June 30, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Common	3,850,000	–	(300,000)	11,190,000	3,250,000	–	(360,000)	7,640,000
Advisor	–	–	–	60,000	10,000	–	(50,000)	60,000

First Trust Senior Loan ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

E. 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 ¹
0.85%	1.35%

¹Includes a service fee of 0.50%

F. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
6,234,279	12,430,165	-	-

G. 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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
-	-

H. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
820,203	415,469	150,975	73,614

I. 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, 2017 and December 31, 2016:

Holdings	At June 30, 2017		At December 31, 2016	
	Fair Value (\$)	% Net Assets	Fair Value (\$)	% Net Assets
Senior Loans	179,075,038	81.82%	135,652,140	89.87%
High Yield Bonds	19,477,561	8.90%	11,882,279	7.87%
Equity	-	-	9,284	0.01%
Total	198,552,599	90.72%	147,543,703	97.75%

First Trust Senior Loan ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

At June 30, 2017, the weighted average duration of the First Trust ETF was 0.61 years (December 31, 2016 – 0.59 years). If interest rates increased or decreased by 1% at June 30, 2017, with all other variables remaining constant, net assets would have decreased or increased by approximately \$1,985,526 (December 31, 2016 - \$1,475,437). 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, 2017 and December 31, 2016:

Debt Securities by S&P Rating	At June 30, 2017 % of Net Assets	At December 31, 2016 % of Net Assets
BBB	–	–
BBB-	3.45%	3.57%
BB+	4.39%	5.17%
BB	4.24%	7.93%
BB-	22.40%	22.15%
B+	20.14%	22.25%
B	19.58%	22.52%
B-	7.31%	8.74%
CCC+	5.87%	3.70%
CCC	0.69%	1.60%
CCC-	–	–
CC	–	0.05%
C	–	0.03%
D	0.58%	–
NR	2.08%	0.04%

Currency risk - The table below summarizes the First Trust ETF’s unhedged foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	(964,350)	(0.44)%	(382,064)	(0.25)%

As at June 30, 2017, 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 \$9,644 (December 31, 2016 - \$3,821). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust Senior Loan ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

Concentration Risk - The table below summarizes the concentration risk for the period ended June 30, 2017 and year ended December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
Health Care	27.28%	27.40%
Consumer Discretionary	18.51%	20.69%
Information Technology	13.01%	11.01%
Industrials	11.22%	11.81%
Financials	6.16%	6.73%
Consumer Staples	6.00%	12.44%
Energy	5.64%	5.17%
Materials	2.06%	0.98%
Telecommunication Services	0.67%	1.53%
Real Estate	0.19%	–
Total	90.72%	97.75%

Below are the First Trust ETF's breakdown by geographic exposure as at June 30, 2017 and December 31, 2016:

Country	At June 30, 2017 % of Net Assets	At December 31, 2016 % of Net Assets
United States	83.36%	88.53%
Canada	4.97%	4.97%
United Kingdom	1.26%	0.90%
Netherlands	0.53%	1.11%
France	0.50%	1.30%
Spain	0.11%	–
Cayman Islands	–	0.71%
Ireland	–	0.23%
Total	90.72%	97.75%

First Trust Senior Loan ETF (CAD-Hedged)

Notes to Financial Statements - Specific Information

For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Par Value USD	Coupon Rate/Yield	Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
High Yield Bonds—8.90%						
AMC Entertainment Holdings Inc., Callable	250,000	5.875%	15-Nov-26	339,603	339,194	0.15
Avis Budget Car Rental LLC/Avis Budget Finance Inc., Callable	100,000	5.125%	01-Jun-22	126,872	128,869	0.06
Caesars Growth Properties Holdings LLC / Caesars Growth Properties Finance Inc., Callable	300,000	9.375%	01-May-22	329,100	423,081	0.19
Calpine Corp., Callable	125,000	5.500%	01-Feb-24	163,633	154,198	0.07
Cooper-Standard Automotive Inc., Callable	127,000	5.625%	15-Nov-26	163,245	165,723	0.08
Crimson Merger Sub Inc., Callable	479,000	6.625%	15-May-22	518,747	596,320	0.27
Freeport-McMoRan Inc., Callable	150,000	6.875%	15-Feb-23	207,290	206,312	0.09
Gray Television Inc., Callable	976,000	5.125%	15-Oct-24	1,258,729	1,281,498	0.59
Gray Television Inc., Callable	250,000	5.875%	15-Jul-26	326,494	331,494	0.15
HealthSouth Corp., Callable	250,000	5.750%	01-Nov-24	331,198	334,331	0.15
Infor (US) Inc., Callable	375,000	6.500%	15-May-22	489,675	505,752	0.23
JBS USA LLC / JBS USA Finance Inc., Callable	243,000	5.875%	15-Jul-24	299,600	297,003	0.14
LifePoint Health Inc., Callable	19,000	5.375%	01-May-24	24,284	25,563	0.01
LIN Television Corp., Callable	125,000	5.875%	15-Nov-22	141,727	170,610	0.08
MPH Acquisition Holdings LLC, Callable	1,500,000	7.125%	01-Jun-24	2,068,798	2,078,932	0.95
Nexstar Escrow Corp., Callable	250,000	5.625%	01-Aug-24	331,774	329,063	0.15
Paris Las Vegas Holding LLC / Harrah's Las Vegas LLC / Flamingo Las Vegas Hold, Callable	357,000	8.000%	01-Oct-20	499,919	478,004	0.22
Paris Las Vegas Holding LLC / Harrah's Las Vegas LLC / Flamingo Las Vegas Holding LLC	170,000	11.000%	01-Oct-21	248,565	236,439	0.11
Post Holdings Inc., Callable	250,000	5.000%	15-Aug-26	318,063	324,200	0.15
PulteGroup Inc., Callable	250,000	5.500%	01-Mar-26	328,832	346,489	0.16
Realogy Group LLC / Realogy Co-Issuer Corp., Callable	1,089,000	4.875%	01-Jun-23	1,409,648	1,429,868	0.65
SBA Communications Corp., Callable	115,000	4.875%	01-Sep-24	147,480	152,115	0.07
Select Medical Corp., Callable	250,000	6.375%	01-Jun-21	280,790	334,736	0.15
Sinclair Television Group Inc., Callable	250,000	5.625%	01-Aug-24	332,467	333,521	0.15
Sprint Communications Inc., Callable	250,000	7.000%	15-Aug-20	278,884	357,430	0.16
Standard Pacific Corp., Callable	213,000	5.875%	15-Nov-24	292,125	300,388	0.14
Tallgrass Energy Partners L.P. / Tallgrass EnergyFinance Corp., Callable	218,000	5.500%	15-Sep-24	290,813	287,650	0.13
Tenet Healthcare Corp.	400,000	6.750%	01-Feb-20	541,360	540,766	0.25
Tenet Healthcare Corp., Callable	1,120,000	5.000%	01-Mar-19	1,482,521	1,525,560	0.70
Tenet Healthcare Corp., Callable	1,250,000	8.125%	01-Apr-22	1,566,149	1,724,339	0.79
THC Escrow Corp. III, Callable	1,112,000	4.625%	15-Jul-24	1,498,865	1,449,540	0.66
TRI Pointe Holdings Inc.	125,000	5.875%	15-Jun-24	171,933	171,826	0.08
Valeant Pharmaceuticals International Inc., Callable	262,000	6.750%	15-Aug-18	343,529	341,036	0.16
Valeant Pharmaceuticals International Inc., Callable	750,000	7.000%	01-Oct-20	1,046,477	961,658	0.44
Virgin Media Secured Finance PLC, Callable	250,000	5.500%	15-Aug-26	327,849	340,410	0.16
VRX Escrow Corp., Callable	233,000	5.375%	15-Mar-20	294,399	293,090	0.13
Ziggo Secured Finance BV, Callable	136,000	5.500%	15-Jan-27	178,474	180,553	0.08
				18,999,911	19,477,561	8.90
Senior Loans—81.82%						
21st Century Oncology Inc., Term Loan	944,853	7.125%	30-Apr-22	1,141,589	1,151,770	0.53
Acadia Healthcare Co. Inc., Term Loan	134,828	3.500%	11-Feb-22	184,161	175,991	0.08
Acadia Healthcare Co. Inc., Term Loan	617,188	3.500%	16-Feb-23	843,016	805,171	0.37
Acosta Inc., Term Loan	1,476,236	4.250%	26-Sep-21	1,796,747	1,707,629	0.78
Advantage Sales & Marketing Inc., Term Loan	2,238,503	4.250%	23-Jul-21	2,572,993	2,777,718	1.27
Air Medical Group Holdings Inc., Term Loan	739,984	4.250%	28-Apr-22	938,875	940,659	0.44
Air Methods Corp. (ASP AMC Intermediate Holdings Inc.), Term Loan	527,541	4.500%	30-Apr-24	699,574	676,418	0.31
Akom Inc., Term Loan	359,155	5.250%	16-Apr-21	375,978	469,246	0.21
Albertson's LLC, Term Loan	778,986	3.500%	25-Aug-21	1,049,995	996,552	0.46
Albertson's LLC, Term Loan	466,729	3.750%	21-Dec-22	627,762	598,106	0.27
Albertson's LLC, Term Loan	646,135	3.750%	22-Jun-23	870,926	827,786	0.38
Alere Inc., Term Loan	1,478,995	4.250%	15-Jun-22	1,970,798	1,921,395	0.87
AlixPartners LLP, Term Loan	2,542,727	4.000%	29-Apr-24	3,414,685	3,309,775	1.52
Amaya Holdings BV, Term Loan	3,298,193	4.500%	01-Aug-21	4,394,343	4,280,990	1.96
AMC Entertainment Holdings Inc., Term Loan	60,000	2.250%	15-Dec-23	80,835	77,925	0.04
American Energy Marcellus Holdings LLC (Ascent Resources - Marcellus LLC), Term Loan	94,456	5.250%	04-Aug-20	100,361	78,190	0.04

First Trust Senior Loan ETF (CAD-Hedged)

Notes to Financial Statements - Specific Information

For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Par Value USD	Coupon Rate/Yield	Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
American Energy Marcellus Holdings LLC (Ascent Resources - Marcellus LLC), Term Loan	250,000	8.500%	04-Aug-21	270,186	29,826	0.01
Amneal Pharmaceuticals LLC, Term Loan	1,131,174	4.500%	01-Nov-19	1,393,334	1,475,460	0.68
Amplify Snack Brands Inc., Term Loan	995,000	6.500%	31-Aug-23	1,274,893	1,290,716	0.59
AmWINS Group Inc., Term Loan	199,500	3.750%	31-Jan-24	264,955	258,551	0.11
Applied Systems Inc., Term Loan	698,122	4.000%	25-Jan-21	937,567	910,602	0.42
Arch Coal Inc., Term Loan	100,000	5.000%	28-Feb-24	132,564	129,410	0.06
Asurion LLC, Term Loan	176,471	8.500%	03-Mar-21	197,630	229,705	0.10
Asurion LLC, Term Loan	547,592	4.250%	04-Aug-22	715,018	713,000	0.33
Asurion LLC, Term Loan	1,451,815	3.000%	03-Nov-23	1,961,673	1,892,127	0.86
Avast Software B.V. (Sybil Software LLC), Term Loan	740,625	4.250%	30-Sep-23	989,105	969,000	0.44
Avolon Holding Ltd., Term Loan	600,000	3.500%	19-Jan-22	795,832	782,632	0.36
Berlin Packaging LLC, Term Loan	930,255	4.250%	01-Oct-21	1,253,892	1,208,237	0.55
BJ's Wholesale Club Inc., Term Loan	2,078,176	4.750%	31-Jan-24	2,724,932	2,608,229	1.21
BJ's Wholesale Club Inc., Term Loan	430,982	8.500%	26-Jan-25	563,142	539,861	0.25
Blue Buffalo Co. Ltd., Term Loan	85,714	2.000%	22-May-24	115,856	111,896	0.05
BMC Software Finance Inc., Term Loan	4,245,892	5.000%	10-Sep-22	5,717,056	5,513,946	2.52
Brickman Group Holdings Inc., Term Loan	2,049,495	4.000%	18-Dec-20	2,683,092	2,659,034	1.20
Brickman Group Holdings Inc., Term Loan	88,253	7.500%	31-Dec-21	116,949	114,275	0.05
Cable One Inc., Term Loan	120,000	2.250%	15-Apr-24	159,093	156,005	0.07
Cablevision Systems Corp. (CSC Holdings Inc.), Term Loan	500,000	2.250%	15-Jun-25	662,083	643,375	0.29
Caesars Entertainment Resort Properties LLC, Term Loan	4,384,404	4.500%	04-Oct-20	6,018,910	5,712,930	2.61
Caesars Growth Properties Holdings LLC, Term Loan	4,098,789	4.000%	08-May-21	5,538,079	5,337,900	2.44
Capital Automotive L.P., Term Loan	312,500	4.000%	15-Mar-24	417,444	408,087	0.18
CareCore National LLC, Term Loan	688,568	5.000%	06-Mar-21	923,920	901,864	0.41
CCC Information Services Inc., Term Loan	457,143	4.000%	31-Mar-24	606,450	590,303	0.27
CenturyLink, Term Loan	2,270,451	2.750%	31-Jan-25	3,053,536	2,909,165	1.33
Change Healthcare Holdings LLC, Term Loan	1,400,000	3.750%	02-Feb-24	1,823,551	1,814,758	0.83
CHG Healthcare Services Inc., Term Loan	235,311	4.250%	07-Jun-23	318,059	307,951	0.14
CHS/Community Health Systems Inc., Term Loan	3,485,770	4.000%	27-Jan-21	4,484,366	4,510,446	2.06
CityCenter Holdings LLC, Term Loan	401,058	3.250%	15-Apr-24	532,040	520,597	0.24
ClubCorp Club Operations Inc., Term Loan	395,245	3.750%	15-Dec-22	537,000	515,440	0.24
Compuware Corp., Term Loan	1,086,745	5.250%	15-Dec-21	1,426,301	1,418,099	0.65
Concentra Inc., Term Loan	593,516	4.000%	15-May-22	718,247	767,747	0.35
Concordia Healthcare Corp., Term Loan	1,576,466	5.250%	21-Oct-21	2,058,946	1,520,288	0.69
Confie Seguros Holding II Co., Term Loan	623,438	5.750%	30-Mar-22	815,847	797,187	0.36
Cotiviti Corp., Term Loan	250,258	3.250%	28-Sep-23	335,496	324,941	0.15
Creative Artists Agency LLC (CAA Holdings LLC), Term Loan	673,313	4.500%	15-Feb-24	882,850	878,242	0.40
Curo Health Services Holdings Inc., Term Loan	686,004	5.750%	15-Feb-22	897,808	898,133	0.41
Dayton Power & Light Co. (The), Term Loan	490,249	4.000%	31-Aug-22	663,869	644,496	0.29
Dell Inc. (Diamond 1 Finance Corp.), Term Loan	1,708,386	3.250%	07-Sep-23	2,296,378	2,222,813	1.01
DJO Finance LLC (ReAble Therapeutics Finance LLC), Term Loan	982,500	4.250%	08-Jun-20	1,181,485	1,259,505	0.57
Dole Food Co. Inc., Term Loan	60,002	4.000%	31-Mar-24	79,718	77,906	0.06
DTZ Worldwide Ltd., Term Loan	967,785	4.250%	04-Nov-21	1,226,555	1,252,512	0.56
Duff & Phelps Corp., Term Loan	543,334	4.750%	23-Apr-20	657,583	708,119	0.32
Eldorado Resorts Inc., Term Loan	240,000	2.250%	16-Mar-24	320,184	308,509	0.14
Endo Pharmaceuticals Holdings Inc., Term Loan	1,214,014	5.000%	06-Apr-24	1,603,604	1,588,108	0.73
Energy Future Intermediate Holding Co., Term Loan	3,334,338	4.000%	28-Jun-18	4,415,696	4,334,779	1.98
Envision Healthcare Corp. (Emergency Medical Services Corp.), Term Loan	1,110,019	3.750%	15-Nov-23	1,484,001	1,445,230	0.66
Epicor Software Corp., Term Loan	685,763	4.750%	01-Jun-22	893,747	888,746	0.41
ExamWorks Group Inc., Term Loan	132,668	4.250%	27-Jul-23	174,299	172,582	0.08
Extended Stay America (ESH Hospitality Inc.), Term Loan	159,201	2.500%	30-Aug-23	208,370	207,174	0.09
First Data Corp., Term Loan	446,918	2.500%	21-Apr-24	602,090	579,355	0.26
First Eagle Investment Management, Term Loan	240,000	3.500%	01-Dec-22	322,044	313,800	0.14
Formula One (Delta 2 Lux S.A.R.L.), Term Loan	1,787,647	4.250%	01-Feb-24	2,346,819	2,318,708	1.07
Four Seasons Holdings Inc., Term Loan	187,031	3.250%	30-Nov-23	254,110	243,956	0.11
Garda World Security Corp., Term Loan	340,867	5.000%	15-May-24	462,999	444,613	0.20
Gardner Denver Inc., Term Loan	3,476,153	4.250%	30-Jul-20	4,606,430	4,512,294	2.07

First Trust Senior Loan ETF (CAD-Hedged)

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SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Par Value USD	Coupon Rate/Yield	Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
Gates Global LLC, Term Loan	1,755,481	4.250%	30-Mar-24	2,351,968	2,274,436	1.04
Grifols Worldwide Operations Ltd., Term Loan	180,000	2.250%	19-Jan-25	236,350	233,580	0.11
Healogics, Inc. (CDRH Parent, Inc.), Term Loan	1,057,474	5.250%	01-Jul-21	1,130,862	1,075,523	0.49
Horizon Pharma Inc., Term Loan	640,250	4.750%	22-Mar-24	852,757	832,144	0.38
HUB International Ltd., Term Loan	856,642	4.000%	02-Oct-20	1,059,747	1,113,093	0.51
Hyland Software Inc., Term Loan	224,000	4.000%	01-Jul-22	303,062	292,081	0.13
Immucor Inc., Term Loan	98,382	6.000%	30-Jul-21	128,215	128,539	0.06
Ineos US Finance LLC, Term Loan	98,003	2.750%	31-Mar-22	128,262	127,276	0.06
Infor (US) Inc., Term Loan	1,276,222	3.750%	02-Feb-22	1,669,551	1,643,486	0.74
Informatica Corp. (Ithacalux S.A.R.L), Term Loan	199,249	4.500%	05-Aug-22	248,463	258,064	0.12
Information Resources Inc., Term Loan	2,517,746	5.250%	31-Dec-23	3,407,223	3,273,177	1.50
Information Resources Inc., Term Loan	100,000	9.250%	31-Dec-24	132,235	129,032	0.06
InVentiv Health Inc., Term Loan	1,789,167	4.750%	30-Sep-23	2,359,214	2,323,092	1.07
iPayment Inc., Term Loan	120,000	7.000%	06-Apr-23	159,454	156,783	0.07
JDA Software Group (RP Crown Parent Inc.), Term Loan	674,068	4.500%	21-Sep-23	886,279	878,817	0.40
Jeld-Wen Inc., Term Loan	574,049	4.000%	01-Jul-22	769,111	750,010	0.34
KAR Auction Services Inc., Term Loan	89,535	3.250%	09-Mar-23	120,138	116,835	0.05
Kindred Healthcare Inc., Term Loan	1,036,408	4.250%	09-Apr-21	1,306,486	1,347,373	0.61
Kinetic Concepts, Inc. (Acelity L.P. Inc.), Term Loan	50,000	4.250%	31-Jan-24	64,753	64,489	0.03
Kronos Inc., Term Loan	383,040	4.500%	01-Nov-23	524,612	499,706	0.23
LANDesk Software Inc., Term Loan	212,500	5.250%	18-Jan-24	281,627	273,677	0.13
LPL Holdings Inc., Term Loan	210,000	2.500%	15-Mar-24	282,700	272,840	0.12
Micro Focus International (MA Finance LLC), Term Loan	300,000	2.750%	18-Apr-24	404,140	389,526	0.18
Micron Technology Inc., Term Loan	198,500	2.500%	26-Apr-22	265,713	259,291	0.12
Mission Broadcasting Inc., Term Loan	6,749	3.000%	26-Sep-23	8,912	8,766	0.00
Misys Financial Software Ltd. (Almonde Inc.), Term Loan	240,000	4.500%	15-May-24	325,981	311,117	0.14
Mitchell International Inc., Term Loan	1,066,263	4.500%	13-Oct-20	1,289,786	1,388,786	0.63
MultiPlan Inc. (MPH Acquisition Holdings LLC), Term Loan	3,315,873	4.000%	07-Jun-23	4,444,582	4,296,670	1.96
National Financial Partners Corp., Term Loan	1,181,492	4.500%	09-Dec-23	1,563,149	1,534,547	0.69
National Veterinary Associates (NVA Holdings Inc.), Term Loan	100,027	4.500%	14-Aug-21	131,175	130,309	0.06
Neiman Marcus Group Inc. (The), Term Loan	511,051	4.250%	25-Oct-20	634,254	495,670	0.23
New HB Acquisition LLC, Term Loan	1,672,715	3.250%	03-Aug-22	2,293,376	2,175,143	0.99
Nexstar Broadcasting Inc., Term Loan	68,305	3.000%	22-Sep-23	90,196	88,721	0.04
Numericable U.S. LLC (Altice France SA), Term Loan	853,499	4.000%	31-Jan-25	1,119,382	1,104,515	0.50
Ortho-Clinical Diagnostics Inc. (Crimson Merger Sub Inc.), Term Loan	1,645,770	4.750%	30-Jun-21	2,010,127	2,120,468	0.98
Party City Holdings Inc., Term Loan	136,611	3.750%	19-Aug-22	179,337	177,254	0.08
Patheon Inc. (JLL/Delta Dutch Newco BV), Term Loan	794,500	4.250%	15-Apr-24	1,066,063	1,031,596	0.48
Peabody Energy Corp., Term Loan	165,000	5.500%	28-Feb-22	215,995	213,491	0.10
Penn National Gaming Inc., Term Loan	83,333	3.250%	13-Jan-24	108,877	108,530	0.05
PetSmart Inc., Term Loan	888,810	4.000%	10-Mar-22	1,176,715	1,070,647	0.49
Pharmaceutical Product Development, Inc., Term Loan	2,505,588	3.750%	18-Aug-22	3,377,283	3,249,832	1.49
Planet Fitness Holdings LLC, Term Loan	565,649	3.750%	31-Mar-21	762,439	738,580	0.34
Portillo's Holdings LLC, Term Loan	2,009,338	5.500%	02-Aug-21	2,348,156	2,615,482	1.20
Prestige Brands Inc., Term Loan	136,350	3.500%	19-Jan-24	181,283	177,457	0.08
Qlik Technologies (Project Alpha Intermediate Holdings Inc.), Term Loan	228,571	4.500%	19-Apr-24	306,615	294,188	0.13
Quikrete Holdings Inc., Term Loan	1,834,220	2.750%	15-Nov-23	2,524,070	2,371,671	1.08
Red Lobster Management LLC, Term Loan	208,929	6.250%	28-Jul-21	221,431	272,293	0.12
Rexnord (RBS Global Inc.), Term Loan	69,824	3.750%	21-Aug-23	92,481	90,524	0.04
Reynolds Group Holdings Inc., Term Loan	2,449,757	3.000%	05-Feb-23	3,224,370	3,179,164	1.45
Riverbed Technology Inc., Term Loan	318,708	4.250%	24-Apr-22	429,044	406,791	0.19
Sinclair Television Group Inc., Term Loan	548,625	2.250%	20-Dec-23	735,482	711,813	0.33
Station Casinos LLC, Term Loan	596,233	3.250%	08-Jun-23	779,216	771,787	0.35
Sterigenics International (STHI Intermediate Holding Corp.), Term Loan	1,193,737	4.000%	15-May-22	1,586,533	1,542,233	0.71
Surgery Center Holdings Inc., Term Loan	600,000	4.250%	30-Jun-24	793,791	780,515	0.36
Team Health Holdings Inc., Term Loan	1,100,000	3.750%	31-Jan-24	1,441,247	1,413,556	0.65
Tempo Acquisition LLC, Term Loan	285,714	3.000%	19-Apr-24	383,963	371,152	0.17
TKC Holdings Inc., Term Loan	150,000	4.750%	31-Jan-23	194,277	193,973	0.09

First Trust Senior Loan ETF (CAD-Hedged)
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SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Par Value USD	Coupon Rate/Yield	Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
Toys "R" US-Delaware Inc., Term Loan	477,853	5.250%	25-May-18	577,893	565,972	0.26
Toys "R" US-Delaware Inc., Term Loan	248,724	9.750%	25-Apr-20	286,607	249,370	0.11
Transdigm Inc., Term Loan	1,101,995	3.750%	15-Jun-23	1,406,220	1,426,138	0.65
TransUnion LLC, Term Loan	295,601	3.250%	09-Apr-23	387,149	385,525	0.18
Tribune Media Co., Term Loan	52,943	3.750%	27-Dec-20	68,663	68,784	0.03
Tribune Media Co., Term Loan	661,512	3.750%	31-Jan-24	879,619	859,779	0.39
Trinseo Materials Operating SCA, Term Loan	98,250	4.250%	13-Oct-21	117,997	128,366	0.06
U.S. Renal Care Inc., Term Loan	767,298	5.250%	30-Dec-22	1,003,127	960,514	0.44
Univision Communications Inc., Term Loan	3,492,282	3.750%	15-Mar-24	4,715,310	4,436,313	2.02
UPC Financing Partnership, Term Loan	600,000	2.750%	15-Apr-25	779,390	778,889	0.36
US Foods Inc., Term Loan	297,750	3.500%	27-Jun-23	389,368	387,539	0.18
USI Inc. (Compass Investors Inc.), Term Loan	1,445,714	3.000%	15-May-24	1,931,414	1,860,741	0.85
Valeant Pharmaceuticals International Inc., Term Loan	3,686,901	5.500%	01-Apr-22	4,824,877	4,843,950	2.20
Vertafore Inc., Term Loan	1,575,668	4.250%	17-Jun-23	2,106,004	2,040,342	0.93
Victory Capital Holdings (VCH Holdings LLC), Term Loan	626,365	8.500%	29-Oct-21	824,807	822,424	0.37
Virgin Media Finance PLC, Term Loan	70,000	2.750%	31-Jan-25	93,207	90,753	0.04
Virtus Investment Partners Inc., Term Loan	550,000	4.500%	02-Mar-24	744,750	720,372	0.33
Vistra Energy Corp. (TXU/TEX/TCEH), Term Loan	2,025,721	3.500%	04-Aug-23	2,653,086	2,602,340	1.19
Vistra Energy Corp. (TXU/TEX/TCEH), Term Loan	2,434,005	4.000%	31-Dec-23	3,197,254	3,154,050	1.44
Western Digital Corp., Term Loan	436,706	3.500%	10-Apr-23	587,806	568,234	0.26
WEX Inc., Term Loan	794,000	2.750%	01-Jul-23	1,053,082	1,034,169	0.47
WTG Holdings III Corp. (EWT Holdings III Corp.), Term Loan	193,500	4.750%	15-Jan-21	205,428	251,872	0.12
				183,125,889	179,075,038	81.82
Total investments				202,125,800	198,552,599	90.72
Unrealized appreciation on derivatives - see Schedule 1					3,254,153	1.49
Other assets, less liabilities					17,048,275	7.79
Total Net Assets Attributable to Holders of Redeemable Units				202,125,800	218,855,027	100.00

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+	2017/07/31	USD	166,851,118	CAD	219,511,000	0.760	0.772	3,254,153
									3,254,153

* Commercial paper rating per Stand and Poor's Commercial Paper Guide

First Trust Short Duration High Yield Bond ETF (CAD-Hedged)

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	20,269,364	22,638,631
Cash	1,328,067	720,779
Accrued interest receivable	228,117	291,596
Receivable for portfolio securities sold	392,742	13,148
Derivative assets	329,150	211,905
Other assets	8,153	7,553
	22,555,593	23,883,612
Liabilities		
Accrued liabilities	37,227	43,006
Payable for portfolio securities purchased	335,946	92,100
Distributions payable	79,693	88,900
	452,866	224,006
Total net assets attributable to holders of redeemable units	22,102,727	23,659,606
Net assets attributable to holders of redeemable units per class		
Advisor Class	12,879,364	15,666,138
Common Class	9,223,363	7,993,468
Redeemable units outstanding [note 6]		
Advisor Class	656,210	808,162
Common Class	422,577	370,823
Net assets attributable to holders of redeemable units per class		
Advisor Class	19.63	19.38
Common Class	21.83	21.56

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	-	169,044
Interest income for distribution purposes	689,532	442,798
Other changes in fair value of investments and derivatives		
Net realized gain on sale of investments	172,122	10,373,529
Net realized gain on derivatives	565,019	2,105,807
Net realized (loss) gain on foreign exchange	(16,677)	317,699
Net change in unrealized depreciation of investments	(530,723)	(11,827,623)
Net change in unrealized appreciation of derivatives	117,244	276,185
	996,517	1,857,439
Foreign exchange loss on cash	(12,104)	(440,023)
	984,413	1,417,416
Expenses [note 7]		
Management fees	98,349	81,234
Service fees	36,327	50,109
HST expense	16,303	10,425
Independent Review Committee fees	2,570	2,360
Transaction costs [note 3 and note 9]	-	11,156
Forward Agreement fees	-	(5,958)
Custody fees	-	1,386
Securityholder reporting costs	-	(2,145)
Other expenses	-	1,151
Audit fees	-	1,365
Legal fees	-	(3,586)
Trustee fees	-	420
	153,549	147,917
Expenses waived by manager	(2,570)	(5,186)
	150,979	142,731
Increase in net assets attributable to holders of redeemable units before tax	833,434	1,274,685
Withholding taxes	(3)	(15,757)
Increase in net assets attributable to holders of redeemable units	833,431	1,258,928
Increase in net assets attributable to holders of redeemable units for each class		
Advisor Class	514,985	880,033
Common Class	318,446	378,895
Increase in net assets attributable to holders of redeemable units per unit		
Advisor Class	0.68	0.69
Common Class	0.82	1.21

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 Short Duration High Yield Bond ETF (CAD-Hedged)

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

For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)	June 30 2017 (\$)	June 30 2016 (\$)
	Advisor Class	Advisor Class	Common Class	Common Class
Net assets attributable to holders of redeemable units, beginning of period	15,666,138	21,964,261	7,993,468	944,943
Increase in net assets attributable to holders of redeemable units	514,985	880,033	318,446	378,895
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	28,178	871,350	1,154,488	9,987,522
Redemption of units	(3,008,582)	(5,720,813)	(28,178)	(3,186,573)
	(2,980,404)	(4,849,463)	1,126,310	6,800,949
Distributions to holders of redeemable units from:				
Net investment income	(321,355)	(510,808)	(214,861)	(184,621)
	(321,355)	(510,808)	(214,861)	(184,621)
(Decrease) Increase in net assets attributable to holders of redeemable units for the period	(2,786,774)	(4,480,238)	1,229,895	6,995,223
Net assets attributable to holders of redeemable units, end of period	12,879,364	17,484,023	9,223,363	7,940,166
			June 30 2017 Total (\$)	June 30 2016 (\$) Total (\$)
Net assets attributable to holders of redeemable units, beginning of period			23,659,606	22,909,204
Increase in net assets attributable to holders of redeemable units			833,431	1,258,928
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			1,182,666	10,858,872
Redemption of units			(3,036,760)	(8,907,386)
			(1,854,094)	1,951,486
Distributions to holders of redeemable units from:				
Net investment income			(536,216)	(695,429)
			(536,216)	(695,429)
(Decrease) Increase in net assets attributable to holders of redeemable units for the period			(1,556,879)	2,514,985
Net assets attributable to holders of redeemable units, end of period			22,102,727	25,424,189

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

First Trust Short Duration High Yield Bond ETF (CAD-Hedged)

STATEMENTS OF CASH FLOW For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase in net assets attributable to holders of redeemable units	833,431	1,258,928
Adjustments for:		
Foreign exchange loss on cash	12,104	440,023
Net realized gain on sale of investments and derivatives	(172,122)	(10,373,529)
Change in unrealized depreciation of investments and derivatives	413,479	11,551,438
Interest receivable	63,479	(276,042)
Dividends receivable	-	(7,627)
Other assets	(600)	7,048
Other liabilities	(5,779)	(120,848)
Purchases of investments	(17,727,763)	(75,028,823)
Proceeds from the sale of investments	19,602,680	72,498,638
	3,018,909	(50,794)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	1,182,666	10,858,872
Amount paid on redemptions of units	(3,036,760)	(8,907,386)
Distributions paid to unitholders	(545,423)	(714,501)
	(2,399,517)	1,236,985
Increase in cash for the period	619,392	1,186,191
Foreign exchange loss on cash	(12,104)	(440,023)
Cash, beginning of period	720,779	109,997
Cash, end of period	1,328,067	856,165
Interest received	753,008	166,756
Dividends received, net of withholding taxes	-	145,877

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

First Trust Short Duration High Yield Bond ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

A. INVESTMENT OBJECTIVE (NOTE 1) – The First Trust ETF seeks is to provide unitholders with a high level of current income by investing primarily in a diversified portfolio of below investment grade debt securities as rated by Moody’s Investor Services, Inc., Standard & Poor’s (Ba1/BB+ or below) or a similar rating by a designated rating organization (as defined in NI 81-102). As a secondary objective, the First Trust ETF will seek capital appreciation.

B. FORWARD FOREIGN EXCHANGE CURRENCY AGREEMENTS (NOTE 4) - The below table shows information about the First Trust ETF’s forward foreign exchange currency agreement for the periods ended June 30, 2017 and December 31, 2016:

June 30, 2017			December 31, 2016		
Contract Amount (\$)	% of net assets	Appreciation (Depreciation) (\$)	Contract Amount (\$)	% of net assets	Appreciation (Depreciation) (\$)
22,203,000	100.45%	329,150	23,700,000	100.17%	211,905

C. 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 periods ended June 30, 2017 and December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Bonds and Senior Loans	–	20,269,364	–	20,269,364
Derivative assets	–	329,150	–	329,150
Total	–	20,598,514	–	20,598,514
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Bonds and Senior Loans	–	22,638,631	–	22,638,631
Derivative assets	–	211,905	–	211,905
Total	–	22,850,536	–	22,850,536

There have been no transfers from one Level to another for the periods ended June 30, 2017 and December 31, 2016.

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

D. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the periods ended June 30, 2017 and December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Common	53,045	–	(1,291)	422,577	–	–	–	370,823
Advisor	1,435	–	(153,387)	656,210	–	–	(100,000)	808,162

First Trust Short Duration High Yield Bond ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

E. 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 ¹
0.85%	1.35%

¹Includes a service fee of 0.50%

F. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
230	461	1,222,500	7,207,747

G. 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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
–	11,156

H. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
98,349	81,234	15,689	15,369

First Trust Short Duration High Yield Bond ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

I. 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, 2017 and December 31, 2016:

	At June 30, 2017				
	Less than 1 year (\$)	1-3 years (\$)	3-5 years (\$)	>5 years (\$)	Total (\$)
High Yield Bonds and Senior Loans	93,027	1,039,134	8,009,105	11,128,098	20,269,364
Total	93,027	1,039,134	8,009,105	11,128,098	20,269,364
	At December 31, 2016				
	Less than 1 year (\$)	1-3 years (\$)	3-5 years (\$)	>5 years (\$)	Total (\$)
High Yield Bonds and Senior Loans	–	1,418,495	6,498,415	14,721,721	22,638,631
Total	–	1,418,495	6,498,415	14,721,721	22,638,631

At June 30, 2017, the weighted average duration of the First Trust ETF was 2.59 years (December 31, 2016 – 2.79 years). If interest rates increased or decreased by 1% at June 30, 2017, with all other variables remaining constant, net assets would have decreased or increased by approximately \$202,694 (December 31, 2016 – \$226,386). 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, 2017 and December 31, 2016:

Debt Securities by S&P Rating	At June 30, 2017 % of Net Assets	At December 31, 2016 % of Net Assets
BBB	–	–
BBB-	1.73%	1.70%
BB+	2.89%	5.52%
BB	4.69%	6.57%
BB-	18.90%	17.50%
B+	13.14%	18.12%
B	16.59%	17.32%
B-	16.10%	16.97%
CCC+	14.73%	9.85%
CCC	2.84%	2.14%
CCC-	–	–
CC	–	–
D	–	–
NR	0.10%	–

First Trust Short Duration High Yield Bond ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

Currency risk - The table below summarizes the First Trust ETF's unhedged foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	(111,438)	(0.50)%	(60,802)	(0.26)%

As at June 30, 2017, 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 \$1,114 (December 31, 2016 - \$608). 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 as at June 30, 2017 and December 31, 2016:

Sector	At June 30, 2017 % of Net Assets	At December 31, 2016 % of Net Assets
Consumer Discretionary	31.32%	31.73%
Health Care	25.67%	27.18%
Industrials	10.13%	9.55%
Information Technology	7.29%	6.55%
Consumer Staples	5.01%	7.67%
Energy	4.76%	5.41%
Materials	4.67%	2.68%
Telecommunication Services	2.24%	4.64%
Other	0.59%	0.30%
Financials	0.03%	—
Total	91.71%	95.69%

Below are the First Trust ETF's breakdown by geographic exposure as at June 30, 2017 and December 31, 2016:

Country	At June 30, 2017 % of Net Assets	At December 31, 2016 % of Net Assets
United States	81.12%	83.42%
Canada	5.98%	5.85%
Netherlands	—	2.21%
Ireland	3.08%	1.75%
France	0.08%	1.65%
Mexico	1.25%	0.61%
United Kingdom	0.20%	0.20%
Cayman Islands	—	—
Luxembourg	—	—
Total	91.71%	95.69%

First Trust Short Duration High Yield Bond ETF (CAD-Hedged)

Notes to Financial Statements - Specific Information

For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Par Value USD	Coupon Rate/Yield	Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
DOMESTIC BONDS						
Canada—2.20%						
Bombardier Inc., Callable	50,000	7.750%	15-Mar-20	51,811	69,946	0.32
Concordia International Corp., Callable	50,000	9.000%	1-Apr-22	67,597	49,440	0.23
Ritchie Bros. Auctioneers Inc., Callable	25,000	5.375%	15-Jan-25	33,090	33,879	0.15
VRX Escrow Corp., Callable	264,000	5.375%	15-Mar-20	330,179	332,085	1.50
				482,677	485,350	2.20
INTERNATIONAL BONDS						
Bermuda—0.03%						
IHS Markit Ltd., Callable	5,000	4.750%	15-Feb-25	6,544	6,979	0.03
				6,544	6,979	0.03
Ireland—2.83%						
Ardagh Packaging Finance PLC / Ardagh MP Holdings USA Inc., Callable	200,000	7.250%	15-May-24	250,940	284,648	1.29
Ardagh Packaging Finance PLC / Ardagh MP Holdings USA Inc., Callable	200,000	6.000%	15-Feb-25	268,735	272,976	1.23
Weatherford International Ltd.	50,000	9.875%	15-Feb-24	77,708	68,082	0.31
				597,383	625,706	2.83
Luxembourg—0.64%						
Mallinckrodt International Finance SA, Callable	100,000	5.750%	1-Aug-22	127,525	122,548	0.56
Nielsen Co. (Luxembourg) SARL (The), Callable	13,000	5.000%	1-Feb-25	16,990	17,322	0.08
				144,515	139,870	0.64
Mexico—0.62%						
Cemex SAB de CV, Callable	100,000	7.250%	15-Jan-21	133,526	137,623	0.62
				133,526	137,623	0.62
Netherlands—0.39%						
Alcoa Nederland Holding BV, Callable	60,000	7.000%	30-Sep-26	86,023	85,783	0.39
				86,023	85,783	0.39
United States—56.83%						
Altice US Finance I Corp., Callable	250,000	5.500%	15-May-26	316,475	341,220	1.54
AMC Entertainment Holdings Inc., Callable	135,000	5.750%	15-Jun-25	184,854	182,508	0.83
AmSurg Corp., Callable	50,000	5.625%	15-Jul-22	70,067	67,272	0.30
Avis Budget Car Rental LLC / Avis Budget Finance Inc., Callable	85,000	5.125%	1-Jun-22	107,955	109,539	0.50
B&G Foods Inc., Callable	30,000	5.250%	1-Apr-25	40,178	39,779	0.18
BMC Software Finance Inc., Callable	50,000	8.125%	15-Jul-21	41,119	67,454	0.31
Boyd Gaming Corp., Callable	100,000	6.375%	1-Apr-26	130,340	140,541	0.64
Brinker International Inc., Callable	50,000	5.000%	1-Oct-24	66,048	64,678	0.29
Caesars Growth Properties Holdings LLC / Caesars Growth Properties Finance Inc., Callable	235,000	9.375%	1-May-22	284,195	331,413	1.50
CCO Holdings LLC / CCO Holdings Capital Corp., Callable	250,000	5.875%	1-Apr-24	344,668	346,894	1.57
Cemex Finance LLC, Callable	100,000	6.000%	1-Apr-24	133,631	138,122	0.62
Cequel Communications Escrow 1 LLC / Cequel Communications Escrow Capital Corp., Callable	40,000	6.375%	15-Sep-20	53,523	53,039	0.24
Change Healthcare Holdings LLC / Change Healthcare Finance Inc., Callable	180,000	5.750%	1-Mar-25	237,780	238,968	1.08
CHS / Community Health Systems Inc.	300,000	8.000%	15-Nov-19	384,987	392,444	1.78
CHS / Community Health Systems Inc., Callable	100,000	6.875%	1-Feb-22	123,790	113,794	0.51
CHS / Community Health Systems Inc., Callable	10,000	6.250%	31-Mar-23	13,968	13,436	0.06
ClubCorp Club Operations Inc., Callable	100,000	8.250%	15-Dec-23	137,172	142,000	0.64
Cooper-Standard Automotive Inc., Callable	50,000	5.625%	15-Nov-26	67,778	65,245	0.30
Crestwood Midstream Partners L.P. / Crestwood Midstream Finance Corp., Callable	166,000	6.250%	1-Apr-23	221,143	219,574	0.99
Crimson Merger Sub Inc., Callable	77,000	6.625%	15-May-22	74,166	95,859	0.43
CSC Holdings LLC, Callable	50,000	5.500%	15-Apr-27	65,168	68,730	0.31
DaVita HealthCare Partners Inc., Callable	97,000	5.000%	1-May-25	123,823	126,419	0.57
Diamond 1 Finance Corp. / Diamond 2 Finance Corp., Callable	50,000	5.875%	15-Jun-21	63,500	68,082	0.31
Diamond 1 Finance Corp. / Diamond 2 Finance Corp., Callable	200,000	7.125%	15-Jun-24	257,273	285,232	1.29
DJO Finco Inc. / DJO Finance LLC / DJO Finance Corp., Callable	100,000	8.125%	15-Jun-21	117,531	121,251	0.55
Eagle Holding Co. II LLC, Callable	14,000	7.625%	15-May-22	19,216	18,723	0.08
Endo Finance LLC / Endo Finco Inc., Callable	350,000	7.250%	15-Jan-22	473,222	436,860	1.98
Energizer Holdings Inc., Callable	50,000	5.500%	15-Jun-25	65,546	68,001	0.31
ESH Hospitality Inc., Callable	350,000	5.250%	1-May-25	464,424	471,468	2.13

First Trust Short Duration High Yield Bond ETF (CAD-Hedged)

Notes to Financial Statements - Specific Information

For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Par Value USD	Coupon Rate/Yield	Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
FirstCash Inc., Callable	5,000	5.375%	1-Jun-24	6,803	6,792	0.03
Freeport-McMoRan Inc., Callable	226,000	6.875%	15-Feb-23	324,283	310,843	1.41
Gray Television Inc., Callable	103,000	5.875%	15-Jul-26	141,625	136,576	0.62
HealthSouth Corp., Callable	100,000	5.750%	1-Nov-24	132,740	133,733	0.60
Hertz Corp. (The), Callable	100,000	5.500%	15-Oct-24	129,290	106,986	0.48
Infor (US) Inc., Callable	25,000	6.500%	15-May-22	30,165	33,717	0.15
inVentiv Group Holdings Inc. / inVentiv Health Inc. / inVentiv Health Clinical Inc., Callable	50,000	7.500%	1-Oct-24	66,726	70,676	0.32
Jaguar Holding Co. II / Pharmaceutical Product Development LLC, Callable	50,000	6.375%	1-Aug-23	69,023	68,487	0.31
JDA Escrow LLC / JDA Bond Finance Inc., Callable	111,000	7.375%	15-Oct-24	153,798	150,062	0.68
KAR Auction Services Inc., Callable	15,000	5.125%	1-Jun-25	20,275	19,865	0.09
KB Home, Callable	200,000	7.000%	15-Dec-21	260,836	291,780	1.32
Kindred Healthcare Inc., Callable	250,000	6.375%	15-Apr-22	289,658	320,553	1.45
Landry's Inc., Callable	46,000	6.750%	15-Oct-24	61,582	61,219	0.28
Level 3 Communications Inc., Callable	300,000	5.750%	1-Dec-22	420,270	404,602	1.83
LifePoint Health Inc., Callable	100,000	5.375%	1-May-24	126,520	134,543	0.61
LPL Holdings Inc., Callable	70,000	5.750%	15-Sep-25	93,653	94,634	0.43
Meritage Homes Corp., Callable	20,000	5.125%	6-Jun-27	27,033	26,033	0.12
MGM Resorts International	50,000	7.750%	15-Mar-22	73,979	76,268	0.35
Micron Technology Inc., Callable	100,000	7.500%	15-Sep-23	128,485	145,306	0.66
MPH Acquisition Holdings LLC, Callable	259,000	7.125%	1-Jun-24	347,410	358,962	1.62
Murphy Oil Corp., Callable	50,000	6.875%	15-Aug-24	65,620	67,920	0.31
Murphy Oil USA Inc., Callable	5,000	5.625%	1-May-27	6,736	6,768	0.03
Nexstar Escrow Corp., Callable	66,000	5.625%	1-Aug-24	86,386	86,873	0.39
Nexstar Finance Inc., Callable	250,000	6.125%	15-Feb-22	319,087	340,815	1.54
NRG Energy Inc., Callable	100,000	6.250%	15-Jul-22	134,524	133,733	0.61
Paris Las Vegas Holding LLC / Harrah's Las Vegas LLC / Flamingo Las Vegas Holding LLC	25,000	11.000%	1-Oct-21	36,554	34,770	0.16
Peabody Securities Finance Corp., Callable	6,000	6.000%	31-Mar-22	7,892	7,752	0.04
Peabody Securities Finance Corp., Callable	11,000	6.375%	31-Mar-25	14,469	14,104	0.06
Penn National Gaming Inc., Callable	51,000	5.625%	15-Jan-27	67,239	67,542	0.31
Post Holdings Inc., Callable	50,000	6.000%	15-Dec-22	69,632	68,974	0.31
Post Holdings Inc., Callable	220,000	5.500%	1-Mar-25	291,664	294,925	1.33
Realogy Group LLC / Realogy Co-Issuer Corp., Callable	209,000	4.875%	1-Jun-23	269,812	274,419	1.24
Reynolds Group Issuer Inc. / Reynolds Group Issuer LLC / Reynolds Group Issuer (Luxembourg) SA, Callable	100,000	7.000%	15-Jul-24	130,966	139,353	0.63
Select Medical Corp., Callable	250,000	6.375%	1-Jun-21	312,018	334,737	1.51
Sinclair Television Group Inc., Callable	300,000	5.625%	1-Aug-24	404,625	400,225	1.81
Sinclair Television Group Inc., Callable	100,000	5.875%	15-Mar-26	134,269	133,084	0.60
Six Flags Entertainment Corp., Callable	150,000	4.875%	31-Jul-24	198,010	196,197	0.89
Six Flags Entertainment Corp., Callable	150,000	5.500%	15-Apr-27	200,010	200,842	0.91
Sprint Capital Corp., Callable	25,000	6.900%	1-May-19	26,340	34,688	0.16
Sprint Communications Inc.	28,000	9.000%	15-Nov-18	38,802	39,453	0.18
Standard Industries Inc., Callable	10,000	5.000%	15-Feb-27	13,054	13,260	0.06
Station Casinos LLC, Callable	138,000	7.500%	1-Mar-21	196,934	186,564	0.84
Summit Materials LLC / Summit Materials Finance Corp., Callable	1,000	5.125%	1-Jun-25	1,342	1,332	0.01
Tallgrass Energy Partners L.P. / Tallgrass Energy Finance Corp., Callable	120,000	5.500%	15-Sep-24	157,127	158,339	0.72
Tenet Healthcare Corp., Callable	500,000	8.125%	1-Apr-22	675,327	689,736	3.12
Tennessee Merger Sub Inc., Callable	80,000	6.375%	1-Feb-25	104,269	100,891	0.46
TRI Pointe Holdings Inc.	68,000	5.875%	15-Jun-24	91,271	93,473	0.42
Tribune Media Co., Callable	100,000	5.875%	15-Jul-22	129,895	136,488	0.62
United Rentals North America Inc., Callable	200,000	5.750%	15-Nov-24	262,657	272,652	1.23
Valeant Pharmaceuticals International Inc., Callable	131,000	6.750%	15-Aug-18	177,047	170,518	0.77
Wynn Las Vegas LLC / Wynn Las Vegas Capital Corp., Callable	5,000	5.250%	15-May-27	6,881	6,650	0.03
Zayo Group LLC / Zayo Capital Inc., Callable	54,000	5.750%	15-Jan-27	71,981	73,441	0.33
				12,290,134	12,560,700	56.83
Senior Loans—28.17%						
Acosta Inc., Term Loan	294,697	4.250%	26-Sep-21	383,896	340,889	1.55
Advantage Sales & Marketing Inc., Term Loan	482,855	7.500%	25-Jul-22	629,574	598,856	2.71
Albertson's LLC, Term Loan	155,473	3.750%	22-Jun-23	209,561	199,201	0.90

First Trust Short Duration High Yield Bond ETF (CAD-Hedged)

Notes to Financial Statements - Specific Information

For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Par Value USD	Coupon Rate/Yield	Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
Amaya Holdings BV, Term Loan	295,337	4.500%	1-Aug-21	392,266	383,341	1.73
Amplify Snack Brands Inc., Term Loan	99,500	6.500%	31-Aug-23	127,367	129,072	0.58
Applied Systems Inc., Term Loan	99,548	7.500%	24-Jan-22	134,240	130,223	0.59
Asurion LLC, Term Loan	100,000	8.500%	3-Mar-21	116,429	130,166	0.59
BJ's Wholesale Club Inc., Term Loan	299,704	8.500%	26-Jan-25	396,188	375,419	1.70
BMC Software Finance Inc., Term Loan	139,153	5.000%	10-Sep-22	186,369	180,713	0.82
Brickman Group Holdings Inc., Term Loan	17,651	7.500%	31-Dec-21	23,390	22,855	0.10
Caesars Entertainment Resort Properties LLC, Term Loan	647,683	4.500%	4-Oct-20	889,139	843,939	3.82
Caesars Growth Properties Holdings LLC, Term Loan	149,488	4.000%	8-May-21	201,980	194,680	0.88
Capital Automotive L.P., Term Loan	100,000	7.000%	15-Mar-25	132,244	131,463	0.59
Concordia Healthcare Corp., Term Loan	197,244	5.250%	21-Oct-21	253,966	190,216	0.86
Epicor Software Corp., Term Loan	84,059	4.754%	1-Jun-22	106,286	108,940	0.49
Formula One (Delta 2 Lux S.A.R.L.), Term Loan	34,440	4.250%	1-Feb-24	44,922	44,671	0.20
Healogics Inc. (CDRH Parent, Inc.), Term Loan	49,118	5.250%	1-Jul-21	55,189	49,957	0.23
Horizon Pharma Inc., Term Loan	120,000	4.754%	22-Mar-24	159,817	155,966	0.71
Immucor Inc., Term Loan	50,000	6.000%	30-Jul-21	65,162	65,326	0.30
Infor (US) Inc., Term Loan	86,547	3.750%	2-Feb-22	112,411	111,452	0.50
InVentiv Health Inc., Term Loan	118,750	4.754%	30-Sep-23	155,375	154,188	0.70
JDA Software Group (RP Crown Parent Inc.), Term Loan	49,875	4.500%	21-Sep-23	64,816	65,025	0.29
Neiman Marcus Group Inc., (The), Term Loan	34,328	4.250%	25-Oct-20	40,526	33,295	0.15
Numericable U.S. LLC (Altice France S.A.), Term Loan	13,140	4.000%	31-Jan-25	17,231	17,005	0.08
PetSmart Inc., Term Loan	107,392	4.000%	10-Mar-22	142,648	129,362	0.59
Portillo's Holdings LLC, Term Loan	345,570	5.500%	2-Aug-21	441,745	449,815	2.03
Reynolds Group Holdings Inc., Term Loan	45,974	3.000%	5-Feb-23	60,512	59,663	0.27
Toys "R" US-Delaware Inc., Term Loan	78,543	5.250%	25-May-18	86,010	93,027	0.42
Tribune Media Co., Term Loan	2,126	3.750%	27-Dec-20	2,759	2,762	0.01
Tribune Media Co., Term Loan	26,567	3.750%	31-Jan-24	35,317	34,529	0.16
U.S. Renal Care Inc., Term Loan	99,246	5.250%	30-Dec-22	126,032	124,238	0.56
Univision Communications Inc., Term Loan	49,075	3.750%	15-Mar-24	66,120	62,341	0.28
Valeant Pharmaceuticals International Inc., Term Loan	252,836	5.500%	1-Apr-22	342,609	332,183	1.50
Victory Capital Holdings (VCH Holdings LLC), Term Loan	97,183	8.500%	29-Oct-21	127,455	127,602	0.58
Western Digital Corp., Term Loan	119,102	3.500%	10-Apr-23	160,311	154,973	0.70
				6,489,862	6,227,353	28.17
Total International Bonds				19,747,987	19,784,014	89.51
Total investments				20,230,664	20,269,364	91.71
Unrealized appreciation on derivatives - see Schedule 1					329,150	1.49
Other assets, less liabilities					1,504,213	6.80
Total Net Assets Attributable to Holders of Redeemable Units				20,230,664	22,102,727	100.00

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+	2017/07/31	USD	16,876,582	CAD	22,203,000	0.760	0.772	329,150
									329,150

* Commercial paper rating per Stand and Poor's Commercial Paper Guide

First Trust Global Risk Managed Income Index ETF

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	55,381,689	53,853,654
Cash	214,747	74,007
Accrued dividend receivable	92,559	194,316
Other assets	41,213	36,903
	55,730,208	54,158,880
Liabilities		
Accrued liabilities	21,724	22,079
Distributions payable to holders of redeemable units	188,787	164,211
	210,511	186,290
Total net assets attributable to holders of redeemable units	55,519,697	53,972,590
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	53,297,422	51,773,769
Advisor Class	2,222,275	2,198,821
Redeemable units outstanding [note 6]		
Common Class	2,736,214	2,686,214
Advisor Class	113,800	113,800
Net assets attributable to holders of redeemable units per class		
Common Class	19.48	19.27
Advisor Class	19.53	19.32

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	983,436	818,881
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	115,954	(653,250)
Net change in unrealized appreciation of investments	726,158	2,215,826
	1,825,548	2,381,457
Expenses [note 7]		
Management fees	163,744	133,611
HST expense	11,001	15,105
Independent Review Committee fees	6,106	4,575
Service fees	5,528	5,327
Transaction costs [note 3 and note 9]	85	14,686
Interest expense	6	8
	186,470	173,312
Expenses waived by manager	(57,975)	(53,718)
	128,495	119,594
Increase in net assets attributable to holders of redeemable units	1,697,053	2,261,863
Increase in net assets attributable to holders of redeemable units for each class		
Common Class	1,634,475	2,155,240
Advisor Class	62,578	106,623
Increase in net assets attributable to holders of redeemable units per unit		
Common Class	0.61	0.94
Advisor Class	0.55	0.93

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)	June 30 2017 (\$)	June 30 2016 (\$)
	Common Class (\$)	Common Class (\$)	Advisor Class (\$)	Advisor Class (\$)
Net assets attributable to holders of redeemable units, beginning of period	51,773,769	46,757,342	2,198,821	2,222,875
Increase in net assets attributable to holders of redeemable units	1,634,475	2,155,240	62,578	106,623
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	4,878,851	113,767	-	-
Redemption of units	(3,914,497)	(8,332,370)	-	(113,767)
	964,354	(8,218,603)	-	(113,767)
Distributions to holders of redeemable units from:				
Net investment income	(1,075,176)	(845,955)	(39,124)	(36,643)
	(1,075,176)	(845,955)	(39,124)	(36,643)
Increase (Decrease) in net assets attributable to holders of redeemable units for the period	1,523,653	(6,909,318)	23,454	(43,787)
Net assets attributable to holders of redeemable units, end of period	53,297,422	39,848,024	2,222,275	2,179,088
			June 30 2017 (\$) Total (\$)	June 30 2016 (\$) Total (\$)
Net assets attributable to holders of redeemable units, beginning of period			53,972,590	48,980,217
Increase in net assets attributable to holders of redeemable units			1,697,053	2,261,863
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			4,878,851	113,767
Redemption of units			(3,914,497)	(8,446,137)
			964,354	(8,332,370)
Distributions to holders of redeemable units from:				
Net investment income			(1,114,300)	(882,598)
			(1,114,300)	(882,598)
Increase (Decrease) in net assets attributable to holders of redeemable units for the period			1,547,107	(6,953,105)
Net assets attributable to holders of redeemable units, end of period			55,519,697	42,027,112

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase in net assets attributable to holders of redeemable units	1,697,053	2,261,863
Adjustments for:		
Net realized (gain) loss on sale of investments	(115,954)	653,250
Change in unrealized appreciation of investments	(726,158)	(2,215,826)
Dividends receivable	101,757	140,109
Other assets	(4,310)	(1,435)
Other liabilities	(355)	(1,268)
Purchases of investments	(4,866,762)	(15,195,679)
Proceeds from the sale of investments	4,180,837	23,599,627
	266,108	9,240,641
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	4,878,851	113,767
Amount paid on redemptions of units	(3,914,497)	(8,446,136)
Distributions paid to unitholders	(1,089,722)	(907,212)
	(125,368)	(9,239,581)
Increase in cash for the period	140,740	1,060
Cash, beginning of period	74,007	179,443
Cash, end of period	214,747	180,503
Dividends received, net of withholding taxes	1,085,193	958,990

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 period ended June 30, 2017 (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 CAD TR 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 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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	55,381,689	–	–	55,381,689
Total	55,381,689	–	–	55,381,689
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	53,853,654	–	–	53,853,654
Total	53,853,654	–	–	53,853,654

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Common	250,000	–	(200,000)	2,736,214	706,214	–	(550,000)	2,686,214
Advisor	–	–	–	113,800	–	–	(6,200)	113,800

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

Annual Management Fee ¹	
Common Class	Advisor Class ²
0.41%	0.91%

¹Pays a management fee up to a maximum of 0.60%

²Includes a service fee of 0.50%

First Trust Global Risk Managed Income Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
661,355	1,065,198	-	-

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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
85	14,686

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
163,744	133,611	18,672	14,901

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Reference Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
NASDAQ Global Risk Managed Income CAD TR Index	2,620,530	(2,620,530)	2,442,260	(2,442,260)

Concentration Risk - The table below summarizes the concentration risk for the period ended June 30, 2017 and year ended December 31, 2016:

Holdings	At June 30, 2017		At December 31, 2016	
	Fair Value (\$)	% Net Assets	Fair Value (\$)	% Net Assets
Bonds	24,176,019	43.54%	23,669,382	43.85%
Senior Loans	11,996,265	21.61%	11,917,368	22.08%
REITs and Preferred Shares	9,617,448	17.32%	9,006,215	16.69%
Equities	9,591,957	17.28%	9,260,689	17.16%
Total	55,381,689	99.75%	53,853,654	99.78%

First Trust Global Risk Managed Income Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—99.75%				
BMO Emerging Markets Bond Hedged to CAD Index ETF	143,790	2,424,959	2,421,424	4.36
BMO Equal Weight REITs Index ETF	111,337	2,139,571	2,233,420	4.02
BMO Equal Weight Utilities Index ETF	81,399	1,287,841	1,485,532	2.68
BMO High Yield US Corporate Bond Hedged to CAD ETF	387,944	5,707,055	5,663,982	10.20
BMO Mid-Term US IG Corporate Bond Index ETF	61,694	1,190,493	1,153,061	2.08
First Trust Senior Loan ETF (CAD-Hedged)	613,306	12,013,260	11,996,265	21.61
iShares Canadian Corporate Bond Index ETF	154,542	3,326,216	3,318,017	5.98
iShares Canadian Government Bond Index ETF	61,772	1,379,456	1,344,776	2.42
iShares Convertible Bond Index ETF	241,965	4,519,121	4,590,076	8.27
iShares Core Canadian Long Term Bond Index ETF	43,223	1,042,050	1,050,319	1.89
iShares Core S&P / TSX Composite High Dividend Index ETF	121,926	2,460,664	2,593,366	4.67
iShares Global Monthly Dividend Index ETF (CAD-Hedged)	89,832	1,596,523	1,731,961	3.12
iShares Global Real Estate Index ETF	29,087	850,820	826,071	1.49
iShares S&P/TSX Canadian Preferred Share Index ETF	466,095	6,337,278	6,557,957	11.81
iShares S&P/TSX Capped Financials Index ETF	43,396	1,373,734	1,546,200	2.78
Vanguard Canadian Aggregate Bond Index ETF	61,716	1,579,048	1,583,015	2.85
Vanguard Canadian Short-Term Bond Index ETF	126,612	3,138,011	3,051,349	5.50
Vanguard FTSE Canadian High Dividend Yield Index ETF	51,278	1,574,687	1,684,995	3.03
Vanguard U.S. Dividend Appreciation Index ETF	13,409	484,112	549,903	0.99
Total Exchange Traded Funds		54,424,899	55,381,689	99.75
Total investments		54,424,899	55,381,689	99.75
Other assets, less liabilities			138,008	0.25
Total Net Assets Attributable to Holders of Redeemable Units		54,424,899	55,519,697	100.00

First Trust Tactical Bond Index ETF

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	34,341,094	34,990,532
Cash	132,892	87,297
Accrued dividend receivable	56,053	136,999
Other assets	10,952	7,588
	34,540,991	35,222,416
Liabilities		
Accrued liabilities	16,029	19,982
Distributions payable to holders of redeemable units	116,550	119,880
	132,579	139,862
Total net assets attributable to holders of redeemable units	34,408,412	35,082,554
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	34,408,412	35,082,554
Redeemable units outstanding [note 6]		
Common Class	1,750,000	1,800,000
Net assets attributable to holders of redeemable units per class		
Common Class	19.66	19.49

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	733,162	686,826
Other changes in fair value of investments		
Net realized loss on sale of investments	(346,339)	(111,629)
Net realized gain on foreign exchange	-	590
Net change in unrealized appreciation of investments	707,691	1,358,171
	1,094,514	1,933,958
Foreign exchange loss on cash	-	(1,250)
	1,094,514	1,932,708
Expenses [note 7]		
Management fees	84,152	89,213
Transaction costs [note 3 and note 9]	13,689	18,245
HST expense	7,576	8,522
Independent Review Committee fees	3,774	3,669
Interest expense	5	49
	109,196	119,698
Expenses waived by manager	(3,774)	(3,669)
	105,422	116,029
Increase in net assets attributable to holders of redeemable units before tax	989,092	1,816,679
Withholding taxes	-	-
Increase in net assets attributable to holders of redeemable units	989,092	1,816,679
Increase in net assets attributable to holders of redeemable units for each class		
Common Class	989,092	1,816,679
Increase in net assets attributable to holders of redeemable units per unit		
Common Class	0.57	0.99

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Net assets attributable to holders of redeemable units, beginning of period	35,082,554	25,382,400
Increase in net assets attributable to holders of redeemable units	989,092	1,816,679
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	984,250	31,186,931
Redemption of units	(1,961,504)	(10,647,151)
	(977,254)	20,539,780
Distributions to holders of redeemable units from:		
Net investment income	(685,980)	(618,835)
	(685,980)	(618,835)
(Decrease) Increase in net assets attributable to holders of redeemable units, for the period	(674,142)	21,737,624
Net assets attributable to holders of redeemable units, end of period	34,408,412	47,120,024

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase in net assets attributable to holders of redeemable units	989,092	1,816,679
Adjustments for:		
Foreign exchange loss on cash	-	1,250
Net realized loss on sale of investments	346,339	111,629
Change in unrealized appreciation of investments	(707,691)	(1,358,171)
Dividends receivable	80,946	(30,872)
Other assets	(3,364)	(3,076)
Other liabilities	(3,953)	25,598
Purchases of investments	(15,029,137)	(44,003,496)
Proceeds from the sale of investments	16,039,927	23,505,090
	1,712,159	(19,935,369)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	984,250	31,183,897
Amount paid on redemptions of units	(1,961,504)	(10,647,151)
Distributions paid to unitholders	(689,310)	(561,610)
	(1,666,564)	19,975,136
Increase in cash for the period	45,595	39,767
Foreign exchange loss on cash	-	(1,250)
Cash, beginning of period	87,297	109,525
Cash, end of period	132,892	148,042
Dividends received, net of withholding taxes	814,108	655,954

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 period ended June 30, 2017 (unaudited)

A. INVESTMENT OBJECTIVE (NOTE 1) – The First Trust ETF seeks to replicate, to the extent possible, the performance of a total return fixed income index, net of expenses. Currently, the First Trust ETF seeks to replicate the performance of the NASDAQ IBIS Canadian Preservation Index CAD TRSM, net of expenses. The First Trust ETF will invest in and hold the Constituent Securities of the Index in the same proportion as they are reflected in the Index. The Index will consist of an equal weighted basket of TSX-listed ETFs that provide exposure to global fixed income securities which may include short-term and long-term Canadian government bonds, Canadian real return bonds, preferred shares, convertible, corporate, high yield, floating-rate, and developed and emerging market bonds.

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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	34,341,094	–	–	34,341,094
Total	34,341,094	–	–	34,341,094
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	34,990,532	–	–	34,990,532
Total	34,990,532	–	–	34,990,532

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Common	50,000	–	(100,000)	1,750,000	2,100,000	–	(1,600,000)	1,800,000

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

Common Class – 0.50%

First Trust Tactical Bond Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
-	278,981	-	-

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, 2017 and 2016, are as follows:

Transaction Cost (\$)	
2017	2016
13,689	18,245

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
84,152	89,213	14,185	50,993

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
NASDAQ IBIS Canadian Preservation Index CAD TR SM	1,496,766	(1,496,766)	1,543,632	(1,543,632)

Concentration Risk - The table below summarizes the concentration risk for the period ended June 30, 2017 and year ended December 31, 2016:

Holdings	At June 30, 2017		At December 31, 2016	
	Fair Value (\$)	% Net Assets	Fair Value (\$)	% Net Assets
Bonds	27,442,128	79.75%	34,990,532	99.74%
Preferred Shares	6,898,966	20.05%	-	-
Total	34,341,094	99.80%	34,990,532	99.74%

First Trust Tactical Bond Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—99.80%				
BMO Emerging Markets Bond Hedged to CAD Index ETF	406,319	6,779,857	6,842,412	19.88
BMO High Yield US Corporate Bond Hedged to CAD ETF	474,788	6,527,065	6,931,905	20.15
iShares Canadian Corporate Bond Index ETF	318,874	6,788,971	6,846,225	19.90
iShares S&P/TSX Canadian Preferred Share Index ETF	484,832	6,875,660	6,821,586	19.82
iShares U.S. High Yield Bond Index ETF	343,574	6,834,263	6,898,966	20.05
Total Exchange Traded Funds		33,805,816	34,341,094	99.80
Total investments		33,805,816	34,341,094	99.80
Transaction costs		(18,409)		
Other assets, less liabilities			67,318	0.20
Total Net Assets Attributable to Holders of Redeemable Units		33,787,407	34,408,412	100.00

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

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	5,269,289	2,570,412
Cash	18,339	22,815
Accrued dividend receivable	10,658	4,737
Other assets	1,178	759
	5,299,464	2,598,723
Liabilities		
Accrued liabilities	3,493	1,725
Distributions payable to holders of redeemable units	11,100	10,000
	14,593	11,725
Total net assets attributable to holders of redeemable units	5,284,871	2,586,998
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	5,284,871	2,586,998
Redeemable units outstanding [note 6]		
Common Class	200,000	100,000
Net assets attributable to holders of redeemable units per class		
Common Class	26.42	25.87

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	55,732	60,150
Other changes in fair value of investments		
Net realized gain on sale of investments	143,623	93,242
Net realized (loss) gain on foreign exchange	(5,331)	561
Net change in unrealized depreciation of investments	(94,944)	(520,254)
	99,080	(366,301)
Foreign exchange (loss) gain on cash	(66)	161
	99,014	(366,140)
Expenses [note 7]		
Management fees	14,773	16,339
HST expense	1,502	1,655
Transaction costs [note 3 and note 9]	889	1,163
Independent Review Committee fees	488	480
Interest expense	1	47
	17,653	19,684
Expenses waived by manager	(488)	(480)
	17,165	19,204
Increase (decrease) in net assets attributable to holders of redeemable units before tax	81,849	(385,344)
Withholding taxes	(7,711)	(8,734)
Increase (decrease) in net assets attributable to holders of redeemable units	74,138	(394,078)
Increase (decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	74,138	(394,078)
Increase (decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	0.47	(1.79)

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Net assets attributable to holders of redeemable units, beginning of period	2,586,998	5,755,704
Increase (decrease) in net assets attributable to holders of redeemable units	74,138	(394,078)
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	2,646,130	-
Redemption of units	-	(1,057,934)
	2,646,130	(1,057,934)
Distributions to holders of redeemable units from:		
Net investment income	(22,395)	(29,520)
	(22,395)	(29,520)
Increase (Decrease) in net assets attributable to holders of redeemable units for the period	2,697,873	(1,481,532)
Net assets attributable to holders of redeemable units, end of period	5,284,871	4,274,172

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	74,138	(394,078)
Adjustments for:		
Foreign exchange loss (gain) on cash	66	(161)
Net realized gain on sale of investments	(143,623)	(93,242)
Change in unrealized depreciation of investments	94,944	520,254
Dividends receivable	(5,921)	5,759
Other assets	(419)	(467)
Other liabilities	1,768	(2,856)
Purchases of investments	(4,245,450)	(1,851,012)
Proceeds from the sale of investments	1,595,252	2,847,752
	(2,629,245)	1,031,949
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	2,646,130	-
Amount paid on redemptions of units	-	(1,057,934)
Distributions paid to unitholders	(21,295)	(49,760)
	2,624,835	(1,107,694)
Decrease in cash for the period	(4,410)	(75,745)
Foreign exchange (loss) gain on cash	(66)	161
Cash, beginning of period	22,815	95,752
Cash, end of period	18,339	20,168
Dividends received, net of withholding taxes	42,100	57,175

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 period ended June 30, 2017 (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, 2017 and year ended December 31, 2016:

	Financial Assets (Liabilities) at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	5,269,289	–	–	5,269,289
Total	5,269,289	–	–	5,269,289
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	2,570,412	–	–	2,570,412
Total	2,570,412	–	–	2,570,412

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Units	100,000	–	–	200,000	–	–	(150,000)	100,000

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

Units – 0.70%

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
30,848	–	510,601	–

First Trust AlphaDEX™ U.S. Financial Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
889	1,163

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
14,773	16,339	3,091	7,431

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Financial Services Index	242,047	(242,047)	120,166	(120,166)
Russell 1000® Index	246,275	(246,275)	128,574	(128,574)
S&P 500 Financials Index	204,525	(204,525)	110,206	(110,206)

Currency risk - The table below summarizes the First Trust ETF's foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	5,283,006	99.96%	2,577,371	99.63%

As at June 30, 2017, 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 \$52,830 (December 31, 2016 – \$25,774). 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 period ended June 30, 2017 (unaudited)

Concentration Risk – The table below summarizes the concentration risk for the period ended June 30, 2017 and year ended December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
Financials	87.82	86.91
Information Technology	8.36	8.14
Consumer Discretionary	1.94	2.21
Industrials	1.59	2.10
Total	99.71	99.36

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

Notes to Financial Statements - Specific Information

For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Consumer Discretionary—1.94%				
CoreCivic Inc.	1,192	37,754	42,633	0.81
Lamar Advertising Co., Class 'A'	301	28,012	28,717	0.54
Thomson Reuters Corp.	520	28,710	31,215	0.59
		94,476	102,565	1.94
Financials—87.82%				
Affiliated Managers Group Inc.	137	26,281	29,467	0.56
Aflac Inc.	414	36,985	41,704	0.79
AGNC Investment Corp.	1,507	40,303	41,607	0.79
Alleghany Corp.	37	26,250	28,539	0.54
Allied World Assurance Co. Holdings Ltd.	282	19,351	19,345	0.37
Allstate Corp. (The)	276	27,298	31,654	0.60
Ally Financial Inc.	1,843	47,574	49,951	0.94
American Express Co.	284	27,193	31,025	0.59
American Financial Group Inc.	319	36,534	41,107	0.78
American International Group Inc.	240	18,678	19,458	0.37
American Tower Corp.	185	30,555	31,745	0.60
Ameriprise Financial Inc.	289	45,743	47,705	0.90
AmTrust Financial Services Inc.	2,029	59,003	39,836	0.75
Annaly Capital Management Inc.	3,372	50,541	52,692	1.00
Aon PLC	61	8,912	10,517	0.20
Apartment Investment & Management Co., Class 'A'	338	20,092	18,835	0.36
Apple Hospitality REIT Inc.	786	19,949	19,071	0.36
Arch Capital Group Ltd.	158	17,678	19,115	0.36
Arthur J. Gallagher & Co.	530	34,848	39,348	0.74
Aspen Insurance Holdings Ltd.	576	37,001	37,236	0.70
Associated Banc-Corp.	921	27,334	30,098	0.57
Assurant Inc.	392	49,368	52,710	1.00
Assured Guaranty Ltd.	1,009	42,408	54,616	1.03
Avalonbay Communities Inc.	40	9,881	9,968	0.19
Axis Capital Holdings Ltd.	559	42,652	46,873	0.89
Bank of America Corp.	1,270	32,760	39,955	0.76
Bank of New York Mellon Corp. (The)	635	36,364	42,013	0.79
BankUnited Inc.	402	18,262	17,573	0.33
BB&T Corp.	503	27,217	29,620	0.56
Berkshire Hathaway Inc., Class 'B'	225	44,825	49,419	0.93
BlackRock Inc.	19	9,194	10,408	0.20
BOK Financial Corp.	93	8,904	10,146	0.19
Brixmor Property Group Inc.	340	9,291	7,883	0.15
Brown & Brown Inc.	359	19,703	20,051	0.38
Camden Property Trust	279	31,246	30,938	0.59
Capital One Financial Corp.	346	36,552	37,071	0.70
Care Capital Properties Inc.	559	19,467	19,355	0.37
CBOE Holdings Inc.	185	19,631	21,928	0.41
CBRE Group Inc.	1,077	44,850	50,838	0.96
Charles Schwab Corp. (The)	734	36,436	40,892	0.77
Chimera Investment Corp.	1,856	40,610	44,840	0.85
Chubb Ltd.	165	28,602	31,107	0.59
Cincinnati Financial Corp.	207	17,436	19,448	0.37
Citigroup Inc.	626	45,546	54,293	1.03
Citizens Financial Group Inc.	867	34,415	40,116	0.76
CME Group Inc.	61	8,626	9,907	0.19
Columbia Property Trust Inc.	328	9,483	9,519	0.18
Comerica Inc.	106	8,054	10,068	0.19
Commerce Bancshares Inc.	130	9,636	9,581	0.18

First Trust AlphaDEX™ U.S. Financial Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Cullen/Frost Bankers Inc.	82	8,262	9,986	0.19
CyrusOne Inc.	437	30,673	31,594	0.60
Digital Realty Trust Inc.	141	17,264	20,653	0.39
Discover Financial Services	329	26,975	26,533	0.50
Duke Realty Corp.	278	10,245	10,076	0.19
E*TRADE Financial Corp.	430	20,817	21,206	0.40
East West Bancorp Inc.	290	17,010	22,030	0.42
Eaton Vance Corp.	333	18,831	20,434	0.39
Entertainment Properties Trust	204	20,068	19,013	0.36
Equinix Inc.	56	28,414	31,166	0.59
Equity Commonwealth	960	38,751	39,340	0.74
Equity Residential	602	52,694	51,392	0.97
Everest Re Group Ltd.	160	42,251	52,824	1.00
Fifth Third Bancorp	1,180	35,182	39,725	0.75
First American Financial Corp.	954	50,292	55,288	1.05
First Data Corp.	1,933	39,751	45,622	0.86
First Horizon National Corp.	394	8,502	8,901	0.17
First Republic Bank	240	26,848	31,154	0.59
FNF Group	962	47,117	55,926	1.06
Franklin Resources Inc.	889	50,255	51,636	0.98
Gaming and Leisure Properties Inc.	218	10,025	10,649	0.20
GGP Inc.	971	31,301	29,667	0.56
Goldman Sachs Group Inc. (The)	130	37,827	37,409	0.71
Hanover Insurance Group Inc.	81	8,492	9,310	0.18
Hartford Financial Services Group Inc. (The)	468	28,254	31,905	0.60
Hospitality Properties Trust	231	9,669	8,732	0.16
Host Hotels & Resorts Inc.	1,207	27,943	28,597	0.54
Howard Hughes Corp. (The)	192	29,435	30,585	0.58
Huntington Bancshares Inc.	1,681	27,083	29,473	0.56
Intercontinental Exchange Inc.	375	26,692	32,057	0.61
Invesco Ltd.	978	41,779	44,630	0.84
Iron Mountain Inc.	205	9,649	9,134	0.17
Jones Lang LaSalle Inc.	336	52,280	54,466	1.03
JPMorgan Chase & Co.	341	33,219	40,418	0.76
Kilroy Realty Corp.	208	19,304	20,271	0.38
Kimco Realty Corp.	330	10,732	7,853	0.15
Lazard Ltd., Class 'A'	489	23,850	29,379	0.56
Legg Mason Inc.	416	20,320	20,586	0.39
Leucadia National Corp.	281	8,972	9,533	0.18
Liberty Property Trust	777	40,950	41,020	0.78
Lincoln National Corp.	458	35,266	40,138	0.76
Loews Corp.	156	9,842	9,470	0.18
LPL Financial Holdings Inc.	942	42,636	51,869	0.98
M&T Bank Corp.	97	17,925	20,372	0.39
Macerich Co. (The)	349	32,906	26,277	0.50
Markel Corp.	7	8,347	8,858	0.17
MarketAxess Holdings Inc.	200	47,188	52,157	0.99
Marsh & McLennan Cos. Inc.	203	17,692	20,523	0.39
MFA Financial Inc.	4,636	47,335	50,440	0.95
Moody's Corp.	65	8,620	10,257	0.19
Morgan Stanley	700	33,037	40,450	0.76
National Retail Properties Inc.	167	9,723	8,468	0.16
Navient Corp.	2,538	50,259	54,800	1.04
New York Community Bancorp Inc.	2,145	38,849	36,523	0.69
Northern Trust Corp.	84	9,839	10,589	0.20
Old Republic International Corp.	1,829	43,660	46,322	0.88

First Trust AlphaDEX™ U.S. Financial Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Omega Healthcare Investors Inc.	682	30,399	29,203	0.55
OneMain Holdings Inc.	1,507	46,894	48,056	0.91
Outfront Media Inc.	565	18,001	16,940	0.32
PacWest Bancorp	281	17,997	17,018	0.32
People's United Financial Inc.	825	18,574	18,894	0.36
Piedmont Office Realty Trust Inc., Series 'A'	341	9,482	9,322	0.18
PNC Financial Services Group Inc.	249	33,852	40,321	0.76
Popular Inc.	553	27,005	29,912	0.57
Principal Financial Group Inc.	356	25,197	29,579	0.56
Progressive Corp. (The)	956	45,481	54,660	1.03
Prologis Inc.	289	20,487	21,977	0.42
Prudential Financial Inc.	281	34,618	39,406	0.75
Raymond James Financial Inc.	96	7,854	9,987	0.19
Rayonier Inc.	1,322	48,534	49,322	0.93
Realogy Holdings Corp.	1,006	39,639	42,334	0.80
Regions Financial Corp.	1,550	23,991	29,427	0.56
Reinsurance Group of America Inc.	236	35,150	39,293	0.74
RenaissanceRe Holdings Ltd.	259	41,897	46,703	0.88
Retail Properties of America Inc.	1,041	20,075	16,483	0.31
S&P Global Inc.	172	30,668	32,563	0.62
Santander Consumer USA Holdings Inc.	2,812	54,320	46,531	0.88
SBA Communications Corp.	61	10,047	10,671	0.20
SEI Investments Co.	144	9,834	10,043	0.19
Senior Housing Properties Trust	360	10,157	9,542	0.18
Signature Bank	101	19,384	18,799	0.36
Starwood Property Trust Inc.	665	18,820	19,309	0.36
State Street Corp.	282	26,958	32,814	0.62
Store Capital Corp.	306	9,823	8,909	0.17
SunTrust Banks Inc.	406	25,447	29,863	0.56
SVB Financial Group	201	45,124	45,821	0.87
Synchrony Financial	875	35,854	33,837	0.64
Synovus Financial Corp.	178	9,786	10,212	0.19
T. Rowe Price Group Inc.	550	52,652	52,930	1.00
Tanger Factory Outlet Centers Inc.	458	20,931	15,430	0.29
TCF Financial Corp.	1,761	37,653	36,402	0.69
Torchmark Corp.	194	16,547	19,246	0.36
Travelers Cos. Inc. (The)	311	45,188	51,030	0.97
Two Harbors Investment Corp.	3,906	48,239	50,197	0.95
U.S. Bancorp	291	18,092	19,593	0.37
Unum Group	639	32,750	38,640	0.73
Validus Holdings Ltd.	664	41,781	44,750	0.85
Visa Inc., Class 'A'	169	20,508	20,553	0.39
Vornado Realty Trust	73	9,712	8,889	0.17
W.R. Berkley Corp.	425	34,391	38,122	0.72
Weingarten Realty Investors	450	21,289	17,565	0.33
Wells Fargo & Co.	538	36,796	38,658	0.73
Welltower Inc.	103	9,481	9,998	0.19
Western Alliance Bancorp	610	35,068	38,920	0.74
WP Carey Inc.	117	9,637	10,015	0.19
XL Group Ltd.	752	35,750	42,713	0.81
Zions Bancorp	536	24,453	30,521	0.58
		4,342,891	4,640,800	87.82
Industrials—1.59%				
Equifax Inc.	164	30,087	29,226	0.55
TransUnion	977	50,026	54,873	1.04
		80,113	84,099	1.59

First Trust AlphaDEX™ U.S. Financial Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Information Technology—8.36%				
Alliance Data Systems Corp.	120	38,150	39,945	0.76
Broadridge Financial Solutions Inc., ADR	221	18,359	21,655	0.41
CoreLogic Inc.	736	38,107	41,404	0.78
Euronet Worldwide Inc.	263	29,006	29,798	0.56
Fidelity National Information Services Inc.	282	28,129	31,231	0.59
Fiserv Inc.	130	19,338	20,625	0.39
Jack Henry & Associates Inc.	78	9,214	10,506	0.20
MasterCard Inc., Class 'A'	133	19,085	20,947	0.40
MSCI Inc., Class 'A'	308	40,628	41,136	0.78
PayPal Holdings Inc.	348	19,992	24,220	0.46
Square Inc., Class 'A'	2,168	46,458	65,957	1.25
Total System Service Inc.	561	40,661	42,377	0.80
Vantiv Inc., Class 'A'	351	24,849	28,831	0.54
WEX Inc.	70	9,935	9,465	0.18
Zillow Group Inc., Class 'C'	216	10,827	13,728	0.26
		392,738	441,825	8.36
Total investments		4,910,218	5,269,289	99.71
Transaction costs		(539)		
Other assets, less liabilities			15,582	0.29
Total Net Assets Attributable to Holders of Redeemable Units		4,909,679	5,284,871	100.00

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

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	1,721,535	2,936,996
Cash	5,210	7,440
Accrued dividend receivable	508	122
Other assets	187	112
	1,727,440	2,944,670
Liabilities		
Accrued liabilities	1,156	1,695
Distributions payable to holders of redeemable units	3,825	-
	4,981	1,695
Total net assets attributable to holders of redeemable units	1,722,459	2,942,975
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	1,722,459	2,942,975
Redeemable units outstanding [note 6]		
Common Class	150,000	200,000
Net assets attributable to holders of redeemable units per class		
Common Class	11.48	14.71

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	20,883	18,290
Other changes in fair value of investments		
Net realized loss on sale of investments	(61,353)	(346,854)
Net realized (loss) gain on foreign exchange	(72)	262
Net change in unrealized (depreciation) appreciation of investments	(511,579)	347,257
	(552,121)	18,955
Foreign exchange loss on cash	(12)	(251)
	(552,133)	18,704
Expenses [note 7]		
Management fees	8,455	6,326
HST expense	1,031	758
Transaction costs [note 3 and note 9]	1,026	1,429
Independent Review Committee fees	257	186
Interest expense	4	18
	10,773	8,717
Expenses waived by manager	(257)	(186)
	10,516	8,531
(Decrease) Increase in net assets attributable to holders of redeemable units before tax	(562,649)	10,173
Withholding taxes	(3,095)	(2,549)
(Decrease) Increase in net assets attributable to holders of redeemable units	(565,744)	7,624
(Decrease) Increase in net assets attributable to holders of redeemable units for each class		
Common Class	(565,744)	7,624
(Decrease) Increase in net assets attributable to holders of redeemable units per unit		
Common Class	(3.11)	0.06

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Net assets attributable to holders of redeemable units, beginning of period	2,942,975	1,911,061
(Decrease) Increase in net assets attributable to holders of redeemable units	(565,744)	7,624
Redeemable unit transactions [note 6]		
Redemption of units	(650,947)	-
	(650,947)	-
Distributions to holders of redeemable units from:		
Net investment income	(3,825)	(9,390)
	(3,825)	(9,390)
Decrease in net assets attributable to holders of redeemable units for the period	(1,220,516)	(1,766)
Net assets attributable to holders of redeemable units, end of period	1,722,459	1,909,295

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
(Decrease) Increase in net assets attributable to holders of redeemable units	(565,744)	7,624
Adjustments for:		
Foreign exchange loss on cash	12	251
Net realized loss on sale of investments	61,353	346,854
Change in unrealized depreciation (appreciation) of investments	511,579	(347,257)
Dividends receivable	(386)	(294)
Other assets	(75)	(63)
Other liabilities	(539)	(695)
Purchases of investments	(1,017,276)	(829,046)
Proceeds from the sale of investments	1,659,805	827,837
	648,729	5,211
Cash flows from (used in) Financing Activities		
Amount paid on redemptions of units	(650,947)	-
	(650,947)	-
(Decrease) Increase in cash for the period	(2,218)	5,211
Foreign exchange loss on cash	(12)	(251)
Cash, beginning of period	7,440	12,997
Cash, end of period	5,210	17,957
Dividends received, net of withholding taxes	17,402	15,447

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 period ended June 30, 2017 (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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	1,721,535	–	–	1,721,535
Total	1,721,535	–	–	1,721,535
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	2,936,996	–	–	2,936,996
Total	2,936,996	–	–	2,936,996

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Units	–	–	(50,000)	150,000	100,000	–	(50,000)	200,000

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

Units – 0.70%

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2015 and 2016 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
49,314	–	928,105	1,225,129

First Trust AlphaDEX™ U.S. Energy Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
1,026	1,429

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
8,455	6,326	1,017	3,317

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Energy Index	95,338	(95,338)	177,314	(177,314)
Russell 1000® Index	65,109	(65,109)	143,470	(143,470)
S&P 500 Energy Index	95,769	(95,769)	178,344	(178,344)

Currency risk - The table below summarizes the First Trust ETF's foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	1,722,177	99.98%	2,940,726	99.92%

As at June 30, 2017, 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 \$17,222 (December 31, 2016 - \$29,407). 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, 2017 and year ended December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
Energy	96.67	96.86
Information Technology	3.28	2.94
Total	99.95	99.80

First Trust AlphaDEX™ U.S. Energy Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Energy—96.67%				
Anadarko Petroleum Corp.	147	12,389	8,643	0.50
Antero Resources Corp.	880	30,629	24,661	1.43
Apache Corp.	532	43,450	33,067	1.92
Chesapeake Energy Corp.	4,608	39,217	29,699	1.72
Chevron Corp.	374	54,064	50,600	2.94
ConocoPhillips	805	52,310	45,891	2.66
CONSOL Energy Inc.	1,196	27,847	23,172	1.35
Continental Resources Inc.	602	35,400	25,239	1.47
Devon Energy Corp.	481	27,349	19,942	1.16
Diamond Offshore Drilling Inc.	1,201	30,003	16,867	0.98
Diamondback Energy Inc.	387	50,690	44,570	2.59
Dril-Quip Inc.	919	74,830	58,158	3.38
Energen Corp.	503	36,388	32,204	1.87
EnSCO PLC	5,607	68,582	37,519	2.18
EOG Resources Inc.	93	11,336	10,917	0.63
EQT Corp.	328	28,081	24,921	1.45
Exxon Mobil Corp.	489	55,914	51,194	2.97
Frank's International NV	859	11,602	9,235	0.54
Gulfport Energy Corp.	529	12,074	10,119	0.59
Helmerich & Payne Inc.	411	37,625	28,962	1.68
Hess Corp.	189	15,290	10,752	0.62
HollyFrontier Corp.	708	28,563	25,221	1.46
Kinder Morgan Inc.	1,847	51,208	45,892	2.66
Marathon Oil Corp.	1,732	41,606	26,616	1.55
Marathon Petroleum Corp.	992	58,014	67,319	3.91
Murphy Oil Corp.	1,754	70,161	58,298	3.38
Nabors Industries Ltd.	695	11,359	7,336	0.43
National-Oilwell Varco Inc.	227	14,024	9,697	0.56
Noble Corp. PLC	3,243	32,549	15,224	0.88
Noble Energy Inc.	1,168	54,628	42,865	2.49
Occidental Petroleum Corp.	432	36,789	33,540	1.95
Oceaneering International Inc.	1,482	62,369	43,895	2.55
ONEOK Inc.	724	44,892	48,972	2.84
Parsley Energy Inc., Class 'A'	842	35,687	30,300	1.76
Patterson-UTI Energy Inc.	1,654	49,778	43,306	2.51
PBF Energy Inc.	2,262	72,870	65,297	3.79
Phillips 66	507	52,877	54,367	3.16
QEP Resources Inc.	715	15,264	9,365	0.54
Range Resources Corp.	689	28,846	20,702	1.20
Rice Energy Inc.	383	10,637	13,226	0.77
Rowan Companies PLC, Class 'A'	3,221	71,299	42,772	2.48
SM Energy Co.	1,140	39,429	24,437	1.42
Targa Resources Corp.	457	26,874	26,787	1.56
Tesoro Corp.	619	65,202	75,135	4.36

First Trust AlphaDEX™ U.S. Energy Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Transocean Ltd.	4,031	65,789	43,021	2.50
Valero Energy Corp.	757	57,768	66,224	3.84
Whiting Petroleum Corp.	2,122	34,825	15,162	0.88
Williams Cos. Inc. (The)	925	35,239	36,322	2.11
World Fuel Services Corp.	1,384	76,577	69,009	4.01
WPX Energy Inc.	679	10,443	8,506	0.49
		2,010,636	1,665,145	96.67
Information Technology—3.28%				
First Solar Inc.	740	36,989	38,270	2.22
SunPower Corp.	1,496	14,750	18,120	1.06
		51,739	56,390	3.28
Total investments		2,062,375	1,721,535	99.95
Transaction costs		(927)		
Other assets, less liabilities			924	0.05
Total Net Assets Attributable to Holders of Redeemable Units		2,061,448	1,722,459	100.00

First Trust AlphaDEX™ U.S. Energy Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Transocean Ltd.	4,031	65,789	43,021	2.50
Valero Energy Corp.	757	57,768	66,224	3.84
Whiting Petroleum Corp.	2,122	34,825	15,162	0.88
Williams Cos. Inc. (The)	925	35,239	36,322	2.11
World Fuel Services Corp.	1,384	76,577	69,009	4.01
WPX Energy Inc.	679	10,443	8,506	0.49
		2,010,636	1,665,145	96.67
Information Technology—3.28%				
First Solar Inc.	740	36,989	38,270	2.22
SunPower Corp.	1,496	14,750	18,120	1.06
		51,739	56,390	3.28
Total investments		2,062,375	1,721,535	99.95
Transaction costs		(927)		
Other assets, less liabilities			924	0.05
Total Net Assets Attributable to Holders of Redeemable Units		2,061,448	1,722,459	100.00

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

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	4,584,465	2,278,180
Cash	68,175	5,632
Accrued dividend receivable	3,802	2,328
Other assets	1,691	1,155
	4,658,133	2,287,295
Liabilities		
Accrued liabilities	3,073	1,562
Payable for portfolio securities purchased	36,023	-
Distributions payable to holders of redeemable units	14,000	-
	53,096	1,562
Total net assets attributable to holders of redeemable units	4,605,037	2,285,733
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	4,605,037	2,285,733
Redeemable units outstanding [note 6]		
Common Class	200,000	100,000
Net assets attributable to holders of redeemable units per class		
Common Class	23.03	22.86

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	57,132	40,610
Other changes in fair value of investments		
Net realized gain on sale of investments	106,866	58,532
Net realized gain on foreign exchange	663	156
Net change in unrealized depreciation of investments	(102,148)	(324,143)
	62,513	(224,845)
Foreign exchange loss on cash	(1,494)	(119)
	61,019	(224,964)
Expenses [note 7]		
Management fees	13,935	8,117
HST expense	1,276	612
Transaction costs [note 3 and note 9]	910	769
Independent Review Committee fees	469	238
Interest expense	3	28
	16,593	9,764
Expenses waived by manager	(469)	(238)
	16,124	9,526
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	44,895	(234,490)
Withholding taxes	(4,574)	(5,365)
Increase (Decrease) in net assets attributable to holders of redeemable units	40,321	(239,855)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	40,321	(239,855)
Increase in net assets attributable to holders of redeemable units per unit		
Common Class	0.24	2.23

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Net assets attributable to holders of redeemable units, beginning of period	2,285,733	3,443,080
Increase (Decrease) in net assets attributable to holders of redeemable units	40,321	(239,855)
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	3,458,762	-
Redemption of units	(1,165,779)	(1,078,576)
	2,292,983	(1,078,576)
Distributions to holders of redeemable units from:		
Net investment income	(14,000)	(20,000)
	(14,000)	(20,000)
Increase (Decrease) in net assets attributable to holders of redeemable units for the period	2,319,304	(1,338,431)
Net assets attributable to holders of redeemable units, end of period	4,605,037	2,104,649

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	40,321	(239,855)
Adjustments for:		
Foreign exchange loss on cash	1,494	119
Net realized gain on sale of investments	(106,866)	(58,532)
Change in unrealized depreciation of investments	102,148	324,143
Dividends receivable	(1,474)	(775)
Other assets	(536)	(444)
Other liabilities	1,511	(4,935)
Purchases of investments	(5,161,698)	(1,508,353)
Proceeds from the sale of investments	2,896,154	2,567,849
	(2,228,946)	1,079,217
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	3,458,762	-
Amount paid on redemptions of units	(1,165,779)	(1,078,576)
Distributions paid to unitholders	-	(12,750)
	2,292,983	(1,091,326)
Increase (decrease) in cash for the period	64,037	(12,109)
Foreign exchange loss on cash	(1,494)	(119)
Cash, beginning of period	5,632	39,344
Cash, end of period	68,175	27,116
Dividends received, net of withholding taxes	51,084	34,470

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 period ended June 30, 2017 (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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	4,584,465	–	–	4,584,465
Total	4,584,465	–	–	4,584,465
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	2,278,180	–	–	2,278,180
Total	2,278,180	–	–	2,278,180

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Units	150,000	–	(50,000)	200,000	–	–	(50,000)	100,000

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

Units – 0.70%

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
29,096	58,193	–	–

First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
910	769

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
13,935	8,117	2,720	3,723

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Consumer Discretionary and Services Index	223,114	(223,114)	108,801	(108,801)
Russell 1000® Index	209,759	(209,759)	108,458	(108,458)
S&P 500 Consumer Discretionary Index	217,127	(217,127)	105,487	(105,487)

Currency risk - The table below summarizes the First Trust ETF's foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	4,602,312	99.94%	2,283,578	99.91%

As at June 30, 2017, 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 \$46,023 (December 31, 2016 - \$22,836). 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 period ended June 30, 2017 (unaudited)

Concentration Risk – The table below summarizes the concentration risk for the period ended June 30, 2017 and year ended December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
Consumer Discretionary	91.84	90.49
Telecommunication Services	2.74	1.49
Consumer Staples	2.55	3.22
Industrials	1.87	3.21
Information Technology	0.55	1.26
Total	99.55	99.67

First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Consumer Discretionary—91.84%				
Amazon.com Inc.	42	49,048	52,723	1.14
AMC Networks Inc.	321	25,828	22,233	0.48
Aramark	255	12,023	13,551	0.29
AutoNation Inc.	891	52,205	48,714	1.06
Bed Bath & Beyond Inc.	1,243	67,502	49,002	1.06
Best Buy Co. Inc.	767	42,174	57,023	1.24
BorgWarner Inc.	704	33,674	38,672	0.84
Brunswick Corp.	802	60,473	65,241	1.42
Burlington Stores Inc.	504	53,679	60,123	1.31
Cabela's Inc., Class 'A'	355	23,911	27,355	0.59
Cable One Inc.	15	11,684	13,828	0.30
CalAtlantic Group Inc.	1,310	61,975	60,053	1.30
CarMax Inc.	159	13,139	13,002	0.28
Carnival Corp.	833	58,966	70,831	1.54
Carter's Inc.	105	12,523	12,112	0.26
CBS Corp., Class 'B'	272	23,034	22,497	0.49
Charter Communications Inc.	150	59,240	65,524	1.42
Choice Hotels International Inc.	470	36,324	39,160	0.85
Cinemark Holdings Inc.	664	35,550	33,453	0.73
Coach Inc.	456	22,267	27,994	0.61
Comcast Corp., Class 'A'	501	22,785	25,286	0.55
D.R. Horton Inc.	1,473	59,475	66,035	1.43
Darden Restaurants Inc.	450	45,921	52,777	1.15
Delphi Automotive PLC	366	37,012	41,601	0.90
Dick's Sporting Goods Inc.	605	37,664	31,249	0.68
Dillard's Inc., Class 'A'	939	78,632	70,249	1.53
Discovery Communications Inc., Series 'A'	1,295	48,919	43,378	0.94
DISH Network Corp., Class 'A'	297	23,559	24,172	0.52
Dollar Tree Inc.	120	12,294	10,881	0.24
Domino's Pizza Inc.	204	44,387	55,960	1.22
Expedia Inc.	233	38,495	45,006	0.98
Extended Stay America Inc.	591	13,235	14,838	0.32
Foot Locker Inc.	504	44,735	32,209	0.70
Ford Motor Co.	3,237	52,953	46,973	1.02
GameStop Corp., Class 'A'	2,176	76,652	60,980	1.32
Gap Inc. (The)	1,551	48,188	44,229	0.96
Garmin Ltd.	369	22,613	24,419	0.53
General Motors Co.	1,387	61,839	62,827	1.36
Gentex Corp.	1,380	33,867	33,948	0.74
Genuine Parts Co.	102	12,912	12,270	0.27
Goodyear Tire & Rubber Co. (The)	1,363	59,990	61,793	1.34
H&R Block Inc.	810	25,153	32,468	0.71
Harley-Davidson Inc.	156	11,677	10,928	0.24
Hasbro Inc.	377	47,464	54,517	1.18
Hertz Global Holdings Inc.	1,678	53,054	25,024	0.54
Home Depot Inc.	128	23,093	25,463	0.55
Hyatt Hotels Corp., Class 'A'	349	25,132	25,440	0.55
Interpublic Group of Cos. Inc.	383	12,078	12,218	0.27
J.C. Penney Co. Inc.	4,778	38,705	28,812	0.63
John Wiley & Sons Inc., Class 'A'	175	12,418	11,971	0.26
Kate Spade & Co.	1,267	32,843	30,380	0.66
Kohl's Corp.	1,232	70,599	61,781	1.34
Lear Corp.	347	57,389	63,935	1.39
Lennar Corp., Class 'A'	736	45,945	50,891	1.11

First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Liberty Interactive Corp., Class 'A'	1,882	52,968	59,892	1.30
Live Nation Inc.	1,615	63,287	72,987	1.58
Lowe's Cos. Inc.	358	39,300	35,994	0.78
Macy's Inc.	993	43,661	29,927	0.65
Madison Square Garden Co. (The)	94	24,896	24,002	0.52
Marriott International Inc., Class 'A'	521	59,655	67,773	1.47
MGM Resorts International	1,074	38,180	43,580	0.95
Michaels Cos. Inc. (The)	841	26,175	20,198	0.44
Mohawk Industries Inc.	128	35,886	40,118	0.87
Murphy USA Inc.	513	44,381	49,302	1.07
Netflix Inc.	332	60,193	64,327	1.40
Newell Brands Inc.	200	12,390	13,907	0.30
Nielsen Holdings PLC	228	13,660	11,431	0.25
Nike Inc., Class 'B'	169	12,535	12,930	0.28
Norwegian Cruise Line Holdings Ltd.	580	34,989	40,834	0.89
NVR Inc.	23	62,457	71,900	1.56
Omnicom Group Inc.	109	11,913	11,718	0.25
Pandora Media Inc.	798	12,382	9,231	0.20
Panera Bread Co., Class 'A'	144	56,059	58,756	1.28
Penske Automotive Group Inc.	629	37,830	35,817	0.78
Pool Corp.	411	59,549	62,663	1.36
Priceline Group Inc. (The)	17	39,071	41,237	0.90
PulteGroup Inc.	2,083	58,315	66,261	1.44
PVH Corp.	474	57,463	70,381	1.53
Ralph Lauren Corp.	231	27,738	22,108	0.48
Regal Entertainment Group	417	11,655	11,064	0.24
Ross Stores Inc.	143	11,838	10,706	0.23
Royal Caribbean Cruises Ltd.	384	44,925	54,393	1.18
Scripps Networks Interactive Inc.	376	36,586	33,308	0.72
Service Corp. International	610	24,763	26,461	0.57
ServiceMaster Global Holdings Inc.	451	23,766	22,921	0.50
Signet Jewelers Ltd.	708	67,751	58,063	1.26
Sirius XM Holdings Inc.	5,715	36,535	40,539	0.88
Skechers U.S.A. Inc., Class 'A'	686	23,570	26,243	0.57
Starbucks Corp.	161	12,642	12,174	0.26
Target Corp.	683	56,069	46,314	1.01
TEGNA Inc.	2,283	65,094	42,662	0.93
Tesla Motors Inc.	135	54,167	63,306	1.37
Thor Industries Inc.	392	44,855	53,132	1.15
Tiffany & Co.	198	20,913	24,103	0.52
Time Warner Inc.	193	22,838	25,131	0.55
TJX Cos. Inc.	119	11,831	11,137	0.24
Toll Brothers Inc.	1,359	59,133	69,631	1.51
Tribune Media Co., Class 'A'	790	40,134	41,768	0.91
Tupperware Corp.	150	12,636	13,661	0.30
Twenty-First Century Fox Inc., Class 'A'	909	35,024	33,407	0.73
Ulta Beauty Inc.	132	40,583	49,186	1.07
Urban Outfitters Inc.	2,065	71,537	49,648	1.08
Vail Resorts Inc.	196	46,535	51,554	1.12
Viacom Inc., Class 'B'	404	22,826	17,588	0.38
Visteon Corp.	385	47,022	50,955	1.11
WABCO Holdings Inc.	80	12,393	13,228	0.29
Walt Disney Co. (The)	83	12,122	11,436	0.25
Whirlpool Corp.	172	39,156	42,741	0.93
Williams-Sonoma Inc.	176	12,744	11,069	0.24
Wyndham Worldwide Corp.	223	24,604	29,037	0.63

First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Wynn Resorts Ltd.	329	51,443	57,222	1.24
		4,169,519	4,229,061	91.84
Consumer Staples—2.55%				
Costco Wholesale Corp.	117	25,889	24,266	0.53
L Brands Inc.	400	29,305	27,954	0.61
Wal-Mart Stores Inc.	523	48,768	51,328	1.11
Wendy's Co. (The)	692	12,063	13,918	0.30
		116,025	117,466	2.55
Industrials—1.87%				
AMERCO Inc.	77	37,894	36,552	0.79
Fortune Brands Home & Security Inc.	310	25,383	26,227	0.57
KAR Auction Services Inc.	431	23,843	23,458	0.51
		87,120	86,237	1.87
Information Technology—0.55%				
eBay Inc.	561	25,508	25,405	0.55
		25,508	25,405	0.55
Telecommunication Services—2.74%				
Liberty Broadband Corp.	341	36,594	38,362	0.83
Liberty Media Corp.-Liberty SiriusXM, Class 'C'	243	12,765	13,140	0.29
Liberty Ventures, Series 'A'	1,103	76,181	74,794	1.62
		125,540	126,296	2.74
Total investments		4,523,712	4,584,465	99.55
Transaction costs		(369)		
Other assets, less liabilities			20,572	0.45
Total Net Assets Attributable to Holders of Redeemable Units		4,523,343	4,605,037	100.00

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

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	3,591,767	2,448,759
Cash	8,753	23,361
Accrued dividend receivable	4,824	3,149
Other assets	825	1,233
	3,606,169	2,476,502
Liabilities		
Accrued liabilities	3,053	1,997
Distributions payable to holders of redeemable units	3,825	12,500
	6,878	14,497
Total net assets attributable to holders of redeemable units	3,599,291	2,462,005
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	3,599,291	2,462,005
Redeemable units outstanding [note 6]		
Common Class	150,000	100,000
Net assets attributable to holders of redeemable units per class		
Common Class	24.00	24.62

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	26,003	54,108
Other changes in fair value of investments		
Net realized (loss) gain on sale of investments	(34,141)	66,434
Net realized (loss) gain on foreign exchange	(263)	686
Net change in unrealized (depreciation) appreciation of investments	(129,346)	12,319
	(137,747)	133,547
Foreign exchange gain (loss) on cash	11	(477)
	(137,736)	133,070
Expenses [note 7]		
Management fees	10,103	14,804
HST expense	1,722	1,406
Transaction costs [note 3 and note 9]	653	806
Independent Review Committee fees	341	436
Interest expense	4	37
	12,823	17,489
Expenses waived by manager	(341)	(436)
	12,482	17,053
(Decrease) Increase in net assets attributable to holders of redeemable units before tax	(150,218)	116,017
Withholding taxes	(3,651)	(8,604)
(Decrease) Increase in net assets attributable to holders of redeemable units	(153,869)	107,413
(Decrease) Increase in net assets attributable to holders of redeemable units for each class		
Common Class	(153,869)	107,413
(Decrease) Increase in net assets attributable to holders of redeemable units per unit		
Common Class	(1.31)	0.61

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Net assets attributable to holders of redeemable units, beginning of period	2,462,005	3,709,685
(Decrease) Increase in net assets attributable to holders of redeemable units	(153,869)	107,413
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	2,520,558	3,675,965
Redemption of units	(1,225,578)	(1,158,589)
	1,294,980	2,517,376
Distributions to holders of redeemable units from:		
Net investment income	(3,825)	(31,250)
	(3,825)	(31,250)
Increase in net assets attributable to holders of redeemable units for the period	1,137,286	2,593,539
Net assets attributable to holders of redeemable units, end of period	3,599,291	6,303,224

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
(Decrease) Increase in net assets attributable to holders of redeemable units	(153,869)	107,413
Adjustments for:		
Foreign exchange (gain) loss on cash	(11)	477
Net realized loss (gain) on sale of investments	34,141	(66,434)
Change in unrealized depreciation (appreciation) of investments	129,346	(12,319)
Dividends receivable	(1,675)	(5,596)
Other assets	408	(519)
Other liabilities	1,056	(886)
Purchases of investments	(3,726,063)	(5,750,969)
Proceeds from the sale of investments	2,419,568	3,220,563
	(1,297,099)	(2,508,270)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	2,520,558	3,675,965
Amount paid on redemptions of units	(1,225,578)	(1,158,589)
Distributions paid to unitholders	(12,500)	(17,625)
	1,282,480	2,499,751
Decrease in cash for the period	(14,619)	(8,519)
Foreign exchange gain (loss) on cash	11	(477)
Cash, beginning of period	23,361	48,215
Cash, end of period	8,753	39,219
Dividends received, net of withholding taxes	20,677	39,908

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 period ended June 30, 2017 (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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	3,591,767	–	–	3,591,767
Total	3,591,767	–	–	3,591,767
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	2,448,759	–	–	2,448,759
Total	2,448,759	–	–	2,448,759

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Units	100,000	–	(50,000)	150,000	300,000	–	(350,000)	100,000

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

Units – 0.70%

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
–	63,205	–	–

First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
653	806

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
10,103	14,804	2,702	7,791

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Consumer Staples Index	142,172	(142,172)	108,451	(108,451)
Russell 1000® Index	138,393	(138,393)	90,356	(90,356)
S&P 500 Consumer Staples Index	139,293	(139,293)	107,713	(107,713)

Currency risk - The table below summarizes the First Trust ETF's foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	3,596,180	99.91%	2,451,680	99.58%

As at June 30, 2017, 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 \$35,962 (December 31, 2016 - \$24, 517). 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, 2017 and year ended December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
Consumer Staples	86.80	86.60
Consumer Discretionary	5.85	10.62
Industrials	4.14	2.24
Total	99.79	99.46

First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Consumer Discretionary—5.85%				
Nu Skin Enterprises Inc., Class 'A'	1,262	93,780	102,841	2.86
Post Holdings Inc.	1,068	117,493	107,544	2.99
		211,273	210,385	5.85
Consumer Staples—89.80%				
Altria Group Inc.	327	30,894	31,579	0.88
Archer-Daniels-Midland Co.	2,029	115,479	108,879	3.02
Brown-Forman Corp., Class 'B'	1,517	100,300	95,608	2.66
Bunge Ltd.	1,684	160,359	162,912	4.53
Church & Dwight Co. Inc.	468	31,594	31,486	0.87
Clorox Co.	346	61,650	59,784	1.66
Colgate-Palmolive Co.	319	31,803	30,666	0.85
Constellation Brands Inc., Class 'A'	144	33,187	36,177	1.01
CVS Health Corp.	1,700	182,557	177,379	4.93
Dr. Pepper Snapple Group Inc.	477	60,834	56,358	1.57
Edgewell Personal Care Co.	958	95,174	94,442	2.62
Flowers Foods Inc.	3,610	84,810	81,036	2.25
Hain Celestial Group Inc.	2,512	132,969	126,459	3.51
Herbalife Ltd.	803	69,145	74,278	2.06
Hershey Co. (The)	428	63,375	59,594	1.66
Hormel Foods Corp.	2,023	94,979	89,485	2.49
Ingredion Inc.	776	121,403	119,963	3.33
J.M. Smucker Co. (The)	713	125,112	109,410	3.04
Kimberly-Clark Corp.	355	60,133	59,438	1.65
Kraft Heinz Co. (The)	514	61,022	57,084	1.59
Kroger Co. (The)	792	33,047	23,951	0.67
Molson Coors Brewing Co., Class 'B'	1,395	179,852	156,192	4.34
PepsiCo Inc.	209	30,987	31,301	0.87
Philip Morris International Inc.	414	61,219	63,056	1.75
Pilgrim's Pride Corp.	5,931	178,862	168,594	4.68
Pinnacle Foods Inc.	404	30,003	31,120	0.86
Procter & Gamble Co. (The)	520	60,787	58,768	1.63
Reynolds American Inc.	1,483	114,273	125,082	3.48
Spectrum Brands Holdings Inc.	504	84,695	81,725	2.27
Sprouts Farmers Markets Inc.	4,041	124,113	118,799	3.30
Sysco Corp.	1,350	94,732	88,112	2.45
TreeHouse Foods Inc.	1,104	125,183	116,953	3.25
Tyson Foods Inc., Class 'A'	2,163	177,894	175,676	4.88
Walgreens Boots Alliance Inc.	844	91,310	85,710	2.38
Whole Foods Market Inc.	4,491	196,005	245,246	6.81
		3,299,741	3,232,302	89.80
Industrials—4.14%				
Energizer Holdings Inc.	2,394	174,472	149,080	4.14
		174,472	149,080	4.14
Total investments		3,685,486	3,591,767	99.79
Transaction costs		(257)		
Other assets, less liabilities			7,524	0.21
Total Net Assets Attributable to Holders of Redeemable Units		3,685,229	3,599,291	100.00

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

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	5,959,556	4,236,791
Cash	13,561	6,345
Accrued dividend receivable	1,564	1,188
Other assets	1,908	1,552
	5,976,589	4,245,876
Liabilities		
Accrued liabilities	3,347	2,854
	3,347	2,854
Total net assets attributable to holders of redeemable units	5,973,242	4,243,022
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	5,973,242	4,243,022
Redeemable units outstanding [note 6]		
Common Class	250,000	200,000
Net assets attributable to holders of redeemable units per class		
Common Class	23.89	21.22

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	19,394	40,996
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	25,381	(379,176)
Net realized gain on foreign exchange	231	818
Net change in unrealized appreciation (depreciation) of investments	468,334	(594,050)
	513,340	(931,412)
Foreign exchange loss on cash	(410)	(2,338)
	512,930	(933,750)
Expenses [note 7]		
Management fees	16,126	22,028
HST expense	1,741	2,095
Transaction costs [note 3 and note 9]	1,098	1,947
Independent Review Committee fees	524	648
Interest expense	7	-
	19,496	26,718
Expenses waived by manager	(524)	(648)
	18,972	26,070
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	493,958	(959,820)
Withholding taxes	(1,872)	(3,018)
Increase (Decrease) in net assets attributable to holders of redeemable units	492,086	(962,838)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	492,086	(962,838)
Increase in net assets attributable to holders of redeemable units per unit		
Common Class	2.44	3.17

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Net assets attributable to holders of redeemable units, beginning of period	4,243,022	9,273,217
Increase (Decrease) in net assets attributable to holders of redeemable units	492,086	(962,838)
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	1,238,134	-
Redemption of units	-	(3,042,817)
	1,238,134	(3,042,817)
Distributions to holders of redeemable units from:		
Net investment income	-	(12,100)
	-	(12,100)
Increase (Decrease) in net assets attributable to holders of redeemable units for the period	1,730,220	(4,017,755)
Net assets attributable to holders of redeemable units, end of period	5,973,242	5,255,462

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	492,086	(962,838)
Adjustments for:		
Foreign exchange loss on cash	410	2,338
Net realized (gain) loss on sale of investments	(25,381)	379,176
Change in unrealized (appreciation) depreciation of investments	(468,334)	594,050
Dividends receivable	(376)	2,389
Other assets	(356)	(769)
Other liabilities	493	(9,351)
Purchases of investments	(3,858,069)	(4,839,671)
Proceeds from the sale of investments	2,629,019	7,877,447
	(1,230,508)	3,042,771
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	1,238,134	-
Amount paid on redemptions of units	-	(3,042,817)
	1,238,134	(3,042,817)
Increase (Decrease) in cash for the period	7,626	(46)
Foreign exchange loss on cash	(410)	(2,338)
Cash, beginning of period	6,345	23,192
Cash, end of period	13,561	20,808
Dividends received, net of withholding taxes	17,146	40,367

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 period ended June 30, 2017 (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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	5,959,556	–	–	5,959,556
Total	5,959,556	–	–	5,959,556
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	4,236,791	–	–	4,236,791
Total	4,236,791	–	–	4,236,791

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Units	50,000	–	–	250,000	50,000	–	(250,000)	200,000

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

Units – 0.70%

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
241,817	302,192	19,735	30,756

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
1,098	1,947

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
16,126	22,028	2,962	8,985

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Health Care Index	261,031	(261,031)	194,967	(194,967)
Russell 1000® Index	252,071	(252,071)	205,150	(205,150)
S&P 500 Health Care Index	257,745	(257,745)	194,755	(194,755)

Currency risk - The table below summarizes the First Trust ETF's foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	5,970,369	99.95%	4,240,209	99.93%

As at June 30, 2017, 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 \$59,704 (December 31, 2016 - \$42,402). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

Concentration Risk – The table below summarizes the concentration risk for the period ended June 30, 2017 and year ended December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
Health Care	98.95	98.45
Industrials	0.82	1.40
Total	99.77	99.85

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Health Care—98.95%				
Abbott Laboratories	430	23,806	27,106	0.45
AbbVie Inc.	293	24,787	27,551	0.46
ABIOMED Inc.	305	47,411	56,679	0.95
Acadia Healthcare Co. Inc.	1,313	80,236	84,079	1.41
Acadia Pharmaceuticals Inc.	1,665	71,084	60,219	1.01
Aetna Inc.	449	70,673	88,405	1.48
Agilent Technologies Inc.	1,444	95,793	111,063	1.86
Agios Pharmaceuticals Inc.	1,306	94,842	87,137	1.46
Akorn Inc.	793	27,460	34,491	0.58
Alere Inc.	480	26,448	31,241	0.52
Align Technology Inc.	831	101,546	161,775	2.71
Alkermes PLC	1,305	102,401	98,104	1.64
Allergan PLC	160	47,870	50,438	0.84
Allscripts Healthcare Solutions Inc.	3,009	43,665	49,790	0.83
AmerisourceBergen Corp.	863	101,860	105,792	1.77
Amgen Inc.	116	25,550	25,908	0.43
Anthem Inc.	576	114,655	140,525	2.35
Baxter International Inc.	1,839	116,142	144,377	2.42
Becton	208	44,577	52,628	0.88
Boston Scientific Corp.	2,301	72,772	82,715	1.39
Brookdale Senior Living Inc.	1,420	27,056	27,088	0.45
C.R. Bard Inc.	154	50,394	63,129	1.06
Cardinal Health Inc.	936	96,510	94,580	1.58
Celgene Corp.	460	74,691	77,471	1.30
Centene Corp.	1,339	119,599	138,705	2.32
Cerner Corp.	649	52,748	55,943	0.94
Charles River Laboratories International Inc.	849	99,085	111,364	1.86
Cigna Corp.	391	72,593	84,875	1.42
Cooper Cos. Inc. (The)	381	92,620	118,293	1.98
DaVita Inc.	1,123	98,531	94,310	1.58
Dentsply Sirona Inc.	611	47,830	51,376	0.86
Dexcom Inc.	675	72,103	64,031	1.07
Eli Lilly and Co.	454	51,893	48,454	0.81
Express Scripts Holding Co.	1,448	136,979	119,877	2.01
HCA Healthcare Inc.	1,073	116,346	121,336	2.03
Henry Schein Inc.	336	73,457	79,746	1.34
Hill-Rom Holdings Inc.	1,351	110,197	139,475	2.34
Hologic Inc.	449	24,230	26,423	0.44
Humana Inc.	278	75,535	86,746	1.45
IDEX Laboratories Inc.	618	89,141	129,366	2.17
Illumina Inc.	111	25,342	24,977	0.42
Incyte Corp.	714	108,399	116,582	1.95
Intuitive Surgical Inc.	75	80,393	90,974	1.52
Johnson & Johnson	306	46,622	52,495	0.88
Laboratory Corp. of America Holdings	533	89,949	106,541	1.78
LifePoint Health Inc.	1,456	127,213	126,789	2.12
Mallinckrodt PLC	1,713	130,310	99,542	1.67
McKesson Corp.	129	25,716	27,525	0.46
MEDNAX Inc.	1,100	94,824	86,117	1.44
Medtronic PLC	474	47,243	54,553	0.91
Mylan NV	1,468	82,819	73,902	1.24
Patterson Cos. Inc.	844	49,195	51,387	0.86
PerkinElmer Inc.	329	24,474	29,072	0.49
Pfizer Inc.	558	24,523	24,306	0.41

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Premier Inc., Class 'A'	599	25,447	27,964	0.47
Quest Diagnostics Inc.	583	61,511	84,041	1.41
Quintiles IMS Holdings Inc.	474	50,308	55,014	0.92
Regeneron Pharmaceuticals Inc.	49	26,729	31,209	0.52
ResMed Inc.	1,060	97,004	107,041	1.79
Seattle Genetics Inc.	1,214	93,519	81,455	1.36
Stryker Corp.	435	69,444	78,287	1.31
Teleflex Inc.	295	69,229	79,480	1.33
Tenet Healthcare Corp.	1,078	25,703	27,036	0.45
Thermo Fisher Scientific Inc.	249	49,036	56,337	0.94
United Therapeutics Corp.	705	111,230	118,605	1.99
UnitedHealth Group Inc.	581	109,832	139,703	2.34
Universal Health Services Inc., Class 'B'	614	93,434	97,204	1.63
VCA Inc.	1,043	90,812	124,855	2.09
Veeva Systems Inc., Class 'A'	1,860	105,499	147,883	2.48
Vertex Pharmaceuticals Inc.	873	138,339	145,895	2.44
VWR Corp.	1,353	49,759	57,918	0.97
WellCare Health Plans Inc.	544	90,730	126,672	2.12
West Pharmaceutical Services Inc.	234	26,126	28,682	0.48
Zimmer Biomet Holdings Inc.	469	71,467	78,093	1.31
		5,327,296	5,910,747	98.95
Industrials—0.82%				
Danaher Corp.	446	47,083	48,809	0.82
		47,083	48,809	0.82
Total investments		5,374,379	5,959,556	99.77
Transaction costs		(694)		
Other assets, less liabilities			13,686	0.23
Total Net Assets Attributable to Holders of Redeemable Units		5,373,685	5,973,242	100.00

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

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	1,243,990	2,383,132
Cash	6,210	36,006
Accrued dividend receivable	1,777	4,018
	1,251,977	2,423,156
Liabilities		
Accrued liabilities	828	1,640
Distributions payable to holders of redeemable units	3,300	25,000
	4,128	26,640
Total net assets attributable to holders of redeemable units	1,247,849	2,396,516
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	1,247,849	2,396,516
Redeemable units outstanding [note 6]		
Common Class	50,000	100,000
Net assets attributable to holders of redeemable units per class		
Common Class	24.96	23.97

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	12,637	40,140
Other changes in fair value of investments		
Net realized gain on sale of investments	290,410	44,870
Net realized gain (loss) on foreign exchange	32	(7)
Net change in unrealized (depreciation) appreciation of investments	(207,884)	156,421
	95,195	241,424
Foreign exchange loss on cash	(190)	(410)
	95,005	241,014
Expenses [note 7]		
Management fees	5,272	10,409
HST expense	685	1,353
Transaction costs [note 3 and note 9]	432	992
Independent Review Committee fees	159	306
Interest expense	-	2
	6,548	13,062
Expenses waived by manager	(159)	(306)
	6,389	12,756
Increase in net assets attributable to holders of redeemable units before tax	88,616	228,258
Withholding taxes	(1,757)	(4,333)
Increase in net assets attributable to holders of redeemable units	86,859	223,925
Increase in net assets attributable to holders of redeemable units for each class		
Common Class	86,859	223,925
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	1.44	1.50

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Net assets attributable to holders of redeemable units, beginning of period	2,396,516	2,947,305
Increase in net assets attributable to holders of redeemable units	86,859	223,925
Redeemable unit transactions [note 6]		
Redemption of units	(1,232,226)	-
	(1,232,226)	-
Distributions to holders of redeemable units from:		
Net investment income	(3,300)	(18,750)
	(3,300)	(18,750)
(Decrease) Increase in net assets attributable to holders of redeemable units for the period	(1,148,667)	205,175
Net assets attributable to holders of redeemable units, end of period	1,247,849	3,152,480

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase in net assets attributable to holders of redeemable units	86,859	223,925
Adjustments for:		
Foreign exchange loss on cash	190	410
Net realized gain on sale of investments	(290,410)	(44,870)
Change in unrealized depreciation (appreciation) of investments	207,884	(156,421)
Dividends receivable	2,241	42
Other liabilities	(812)	319
Purchases of investments	(838,597)	(1,528,252)
Proceeds from the sale of investments	2,060,265	1,528,752
	1,227,620	23,905
Cash flows from (used in) Financing Activities		
Amount paid on redemptions of units	(1,232,226)	-
Distributions paid to unitholders	(25,000)	-
	(1,257,226)	-
(Decrease) Increase in cash for the period	(29,606)	23,905
Foreign exchange loss on cash	(190)	(410)
Cash, beginning of period	36,006	7,268
Cash, end of period	6,210	30,763
Dividends received, net of withholding taxes	13,121	35,849

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 period ended June 30, 2017 (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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	1,243,990	–	–	1,243,990
Total	1,243,990	–	–	1,243,990
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	2,383,132	–	–	2,383,132
Total	2,383,132	–	–	2,383,132

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Units	–	–	(50,000)	50,000	–	–	(50,000)	100,000

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

Units – 0.70%

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non- Capital Losses (\$)	
2016	2015	2016	2015
–	–	–	19,282

First Trust AlphaDEX™ U.S. Materials Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
432	992

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
5,272	10,409	732	5,437

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Materials and Processing Index	59,710	(59,710)	111,438	(111,438)
Russell 1000® Index	61,207	(61,207)	108,083	(108,083)
S&P 500 Materials Index	57,089	(57,089)	107,364	(107,364)

Currency risk - The table below summarizes the First Trust ETF's foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	1,246,804	99.92%	2,387,096	99.61%

As at June 30, 2017, 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 \$12,468 (December 31, 2016 - \$23,871). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust AlphaDEX™ U.S. Materials Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

Concentration Risk – The table below summarizes the concentration risk for the period ended June 30, 2017 and year ended December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
Materials	84.32	76.60
Industrials	13.94	19.78
Utilities	1.43	2.47
Health Care	–	0.59
Total	99.69	99.44

First Trust AlphaDEX™ U.S. Materials Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Industrials—13.94%				
Fastenal Co.	110	6,794	6,209	0.50
Hexcel Corp.	344	23,366	23,550	1.89
Ingersoll-Rand PLC	308	25,996	36,503	2.93
Masco Corp.	167	6,530	8,275	0.66
Owens Corning	510	32,371	44,259	3.55
Timken Co. (The)	415	18,456	24,890	1.99
USG Corp.	179	6,314	6,736	0.54
Valmont Industries Inc.	121	20,456	23,474	1.88
		140,283	173,896	13.94
Materials—84.32%				
Air Products and Chemicals Inc.	139	25,103	25,787	2.07
Albemarle Corp.	54	5,407	7,391	0.59
AptarGroup Inc.	163	14,581	18,360	1.47
Axalta Coating Systems Ltd.	389	16,499	16,163	1.29
Bemis Co. Inc.	384	23,109	23,031	1.85
Berry Global Group Inc.	515	25,934	38,074	3.05
Cabot Corp.	418	28,820	28,962	2.32
Celanese Corp., Series 'A'	279	29,094	34,350	2.75
Compass Minerals International Inc.	461	42,925	39,038	3.13
Domtar Corp.	857	41,374	42,698	3.42
Dow Chemical Co. (The)	296	18,064	24,210	1.94
E.I. du Pont de Nemours & Co.	156	15,526	16,328	1.31
Eagle Materials Inc.	129	15,783	15,461	1.24
Eastman Chemical Co.	387	35,019	42,151	3.38
FMC Corp.	450	26,319	42,629	3.42
Freeport-McMoRan Inc., Class 'B'	1,405	27,231	21,882	1.75
Graphic Packaging Holding Co.	1,459	24,989	26,072	2.09
Huntsman Corp.	510	9,088	17,090	1.37
International Paper Co.	112	6,294	8,222	0.66
LyondellBasell Industries NV, Class 'A'	343	35,291	37,537	3.01
Martin Marietta Materials Inc.	57	15,295	16,453	1.32
Monsanto Co.	50	7,741	7,675	0.61
Mosaic Co. (The)	1,072	47,354	31,738	2.54
NewMarket Corp.	13	6,923	7,763	0.62
Newmont Mining Corp.	173	5,527	7,267	0.58
Nucor Corp.	419	31,818	31,444	2.52
Owens Illinois Inc.	1,536	39,873	47,646	3.82
Packaging Corp. of America	273	25,581	39,435	3.16
Platform Specialty Products Corp.	961	14,554	15,802	1.27
Praxair Inc.	106	16,094	18,220	1.46
Reliance Steel & Aluminum Co.	391	32,396	36,918	2.96
Royal Gold Inc.	81	6,730	8,211	0.66
RPM International Inc.	103	6,565	7,286	0.58
Scotts Miracle-Gro Co. (The), Class 'A'	61	5,686	7,077	0.57
Sherwin-Williams Co.	40	16,610	18,205	1.46
Silgan Holdings Inc.	632	24,480	26,046	2.09
Sonoco Products Co.	473	29,416	31,540	2.53
Southern Copper Corp.	698	32,342	31,346	2.51
Steel Dynamics Inc.	720	22,899	33,436	2.68
Tahoe Resources Inc.	3,897	42,537	43,562	3.49
Westlake Chemical Corp.	284	21,029	24,385	1.95
WestRock Co.	481	29,057	35,342	2.83
		946,957	1,052,233	84.32

First Trust AlphaDEX™ U.S. Materials Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Utilities—1.43%				
Lennox International Inc.	75	10,083	17,861	1.43
		10,083	17,861	1.43
Total investments		1,097,323	1,243,990	99.69
Transaction costs		(335)		
Other assets, less liabilities			3,859	0.31
Total Net Assets Attributable to Holders of Redeemable Units		1,096,988	1,247,849	100.00

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

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	6,223,101	7,195,613
Cash	12,887	24,833
Accrued dividend receivable	4,844	3,323
Other assets	745	288
	6,241,577	7,224,057
Liabilities		
Accrued liabilities	5,377	3,082
Distributions payable to holders of redeemable units	6,250	-
	11,627	3,082
Total net assets attributable to holders of redeemable units	6,229,950	7,220,975
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	6,229,950	7,220,975
Redeemable units outstanding [note 6]		
Common Class	250,000	300,000
Net assets attributable to holders of redeemable units per class		
Common Class	24.92	24.07

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	77,618	7,530
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	272,673	(9,615)
Net realized (loss) gain on foreign exchange	(1,232)	39
Net change in unrealized appreciation (depreciation) of investments	81,129	(9,728)
	430,188	(11,774)
Foreign exchange loss on cash	(199)	(23)
	429,989	(11,797)
Expenses [note 7]		
Management fees	29,568	3,361
HST expense	3,387	323
Transaction costs [note 3 and note 9]	1,630	299
Independent Review Committee fees	950	99
Interest expense	-	9
	35,535	4,091
Expenses waived by manager	(950)	(99)
	34,585	3,992
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	395,404	(15,789)
Withholding taxes	(7,074)	(992)
Increase (Decrease) in net assets attributable to holders of redeemable units	388,330	(16,781)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	388,330	(16,781)
Increase (decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	1.15	(0.33)

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Net assets attributable to holders of redeemable units, beginning of period	7,220,975	984,809
Increase (Decrease) in net assets attributable to holders of redeemable units	388,330	(16,781)
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	1,181,769	-
Redemption of units	(2,528,624)	-
	(1,346,855)	-
Distributions to holders of redeemable units from:		
Net investment income	(32,500)	(2,930)
	(32,500)	(2,930)
Decrease in net assets attributable to holders of redeemable units for the period	(991,025)	(19,711)
Net assets attributable to holders of redeemable units, end of period	6,229,950	965,098

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	388,330	(16,781)
Adjustments for:		
Foreign exchange loss on cash	199	23
Net realized (gain) loss on sale of investments	(272,673)	9,615
Change in unrealized (appreciation) depreciation of investments	(81,129)	9,728
Dividends receivable	(1,521)	639
Other assets	(457)	(114)
Other liabilities	2,295	(1,708)
Purchases of investments	(5,130,983)	(555,097)
Proceeds from the sale of investments	6,457,297	553,975
	1,361,358	280
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	1,181,769	-
Amount paid on redemptions of units	(2,528,624)	-
Distributions paid to unitholders	(26,250)	-
	(1,373,105)	-
(Decrease) Increase in cash for the period	(11,747)	280
Foreign exchange loss on cash	(199)	(23)
Cash, beginning of period	24,833	9,233
Cash, end of period	12,887	9,490
Dividends received, net of withholding taxes	69,023	7,177

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 period ended June 30, 2017 (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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	6,223,101	–	–	6,223,101
Total	6,223,101	–	–	6,223,101
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	7,195,613	–	–	7,195,613
Total	7,195,613	–	–	7,195,613

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Units	50,000	–	(100,000)	250,000	250,000	–	–	300,000

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

Units – 0.70%

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
32,479	–	147,927	134,032

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
1,630	299

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
29,568	3,361	4,758	1,714

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Producer Durables Index	304,333	(304,333)	367,548	(367,548)
Russell 1000® Index	334,548	(334,548)	352,023	(352,023)
S&P 500 Industrials Index	299,661	(299,661)	366,103	(366,103)

Currency risk - The table below summarizes the First Trust ETF's foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	6,228,493	99.98%	7,205,397	99.78%

As at June 30, 2017, 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 \$62,285 (December 31, 2016 – \$72,054). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

Concentration Risk – The table below summarizes the concentration risk for the period ended June 30, 2017 and year ended December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
Industrials	90.67	88.50
Information Technology	6.82	7.99
Health Care	1.65	1.82
Materials	0.75	0.56
Consumer Discretionary	-	0.78
Total	99.89	99.65

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Health Care—1.65%				
Mettler-Toledo International Inc.	102	62,245	77,848	1.25
Waters Corp.	105	21,906	25,033	0.40
		84,151	102,881	1.65
Industrials—90.67%				
A.O. Smith Corp.	643	41,361	46,970	0.75
AECOM	1,387	65,067	58,151	0.93
AGCO Corp.	821	59,850	71,748	1.15
Air Lease Corp.	2,243	99,870	108,670	1.74
Alaska Air Group Inc.	943	105,034	109,766	1.76
Allegion PLC	653	65,011	68,693	1.10
Allison Transmission Holdings Inc.	457	21,849	22,230	0.36
American Airlines Group Inc.	1,167	67,517	76,153	1.22
Ametek Inc.	304	19,635	23,878	0.38
Boeing Co. (The)	491	107,022	125,913	2.02
BWX Technologies Inc.	1,826	106,627	115,438	1.85
C.H. Robinson Worldwide Inc.	212	20,663	18,882	0.30
Carlisle Cos. Inc.	309	44,668	38,228	0.61
Cintas Corp.	520	80,510	84,993	1.36
Colfax Corp.	419	19,978	21,392	0.34
Copart Inc.	2,128	78,168	87,727	1.41
CSX Corp.	708	32,941	50,093	0.80
Cummins Inc.	435	82,214	91,510	1.47
Deere & Co.	605	82,327	96,964	1.56
Delta Air Lines Inc.	1,891	117,027	131,784	2.12
Donaldson Co. Inc.	1,085	59,467	64,076	1.03
Dover Corp.	410	40,506	42,652	0.68
Eaton Corp. PLC	1,171	105,280	118,189	1.90
Expeditors International of Washington Inc.	292	20,536	21,387	0.34
FedEx Corp.	337	84,668	94,978	1.52
Fluor Corp.	626	43,535	37,164	0.60
General Dynamics Corp.	352	80,068	90,427	1.45
Genesee & Wyoming Inc., Class 'A'	727	68,256	64,476	1.04
Graco Inc.	350	41,002	49,600	0.80
HD Supply Holdings Inc.	1,201	67,454	47,705	0.77
HEICO Corp.	1,246	101,207	116,080	1.86
Honeywell International Inc.	132	21,899	22,816	0.37
Hubbell Inc.	137	20,843	20,106	0.32
Huntington Ingalls Industries Inc.	434	107,213	104,773	1.68
Idex Corp.	176	21,794	25,793	0.41
Illinois Tool Works Inc.	248	42,007	46,070	0.74
ITT Inc.	1,204	63,056	62,735	1.01
J.B. Hunt Transport Services Inc.	179	23,007	21,212	0.34
Jacobs Engineering Group Inc.	596	43,650	42,038	0.67
JetBlue Airways Corp.	4,217	117,451	124,848	2.00
Kansas City Southern Industries Inc.	767	85,969	104,090	1.67
Kirby Corp.	933	81,956	80,883	1.30
L3 Technologies Inc.	199	43,400	43,117	0.69
Landstar System Inc.	577	64,893	64,051	1.03
Lincoln Electric Holdings Inc.	757	78,919	90,403	1.45
Lockheed Martin Corp.	246	84,378	88,561	1.42
Macquarie Infrastructure Corp.	204	21,786	20,740	0.33
ManpowerGroup Inc.	481	54,237	69,643	1.12
Middleby Corp. (The)	362	62,160	57,042	0.92
MSC Industrial Direct Co. Inc., Class 'A'	641	76,898	71,454	1.15

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Nordson Corp.	707	102,185	111,231	1.79
Norfolk Southern Corp.	441	61,060	69,599	1.12
Northrop Grumman Corp.	138	41,564	45,940	0.74
Old Dominion Freight Line Inc.	577	63,032	71,264	1.14
Oshkosh Corp.	480	39,475	42,875	0.69
Paccar Inc.	245	20,848	20,982	0.34
Parker Hannifin Corp.	102	18,304	21,140	0.34
Quanta Services Inc.	2,342	102,593	99,982	1.61
Raytheon Co.	323	61,726	67,639	1.09
Regal-Beloit Corp.	1,148	107,034	121,406	1.95
Republic Services Inc.	524	37,215	43,306	0.70
Robert Half International Inc.	674	43,321	41,893	0.67
Rockwell Automation Inc.	317	58,966	66,579	1.07
Rockwell Collins Inc.	487	61,704	66,362	1.07
Rollins Inc.	1,773	80,346	93,602	1.50
Roper Technologies Inc.	80	22,242	24,020	0.39
Ryder System Inc.	872	86,705	81,396	1.31
Snap-On Inc.	292	64,345	59,829	0.96
Southwest Airlines Inc.	1,225	81,756	98,714	1.58
Spirit Aerosystems Holdings Inc., Class 'A'	1,136	82,251	85,355	1.37
Spirit Airlines Inc.	1,638	114,185	109,713	1.76
Stanley Black & Decker Inc.	372	58,206	67,889	1.09
Stericycle Inc.	198	20,331	19,596	0.31
Textron Inc.	1,826	112,137	111,531	1.79
Toro Co. (The)	1,054	73,335	94,707	1.52
Trinity Industries Inc.	3,272	116,382	118,935	1.91
Union Pacific Corp.	311	41,441	43,924	0.71
United Continental Holdings Inc.	1,230	110,036	120,029	1.93
United Rentals Inc.	695	89,923	101,583	1.63
United Technologies Corp.	440	65,292	69,675	1.12
Waste Management Inc.	452	41,364	42,994	0.69
Welbilt Inc.	1,678	42,870	41,018	0.66
WESCO International Inc.	237	21,979	17,611	0.28
		5,288,987	5,648,611	90.67
Information Technology—6.82%				
Automatic Data Processing Inc.	161	21,923	21,392	0.34
Booz Allen Hamilton Holding Corp.	931	42,955	39,286	0.63
Flir Systems Inc.	453	21,515	20,361	0.33
Keysight Technologies Inc.	1,823	86,232	92,033	1.48
Trimble Inc.	1,028	40,539	47,552	0.76
Xerox Corp.	2,959	123,293	110,244	1.77
Zebra Technologies Corp., Class 'A'	721	78,180	93,985	1.51
		414,637	424,853	6.82
Materials—0.75%				
Avery Dennison Corp.	408	40,576	46,756	0.75
		40,576	46,756	0.75
Total investments		5,828,351	6,223,101	99.89
Transaction costs		(859)		
Other assets, less liabilities			6,849	0.11
Total Net Assets Attributable to Holders of Redeemable Units		5,827,492	6,229,950	100.00

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

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	22,419,240	8,869,607
Cash	69,224	61,877
Accrued dividend receivable	5,083	3,249
Other assets	2,211	1,179
	22,495,758	8,935,912
Liabilities		
Accrued liabilities	15,148	5,960
Distributions payable to holders of redeemable units	48,000	43,750
	63,148	49,710
Total net assets attributable to holders of redeemable units	22,432,610	8,886,202
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	22,432,610	8,886,202
Redeemable units outstanding [note 6]		
Common Class	800,000	350,000
Net assets attributable to holders of redeemable units per class		
Common Class	28.04	25.39

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	154,567	31,643
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	360,177	(13,522)
Net realized gain on foreign exchange	929	1,477
Net change in unrealized appreciation (depreciation) of investments	132,395	(323,702)
	648,068	(304,104)
Foreign exchange loss on cash	(2,254)	(2,700)
	645,814	(306,804)
Expenses [note 7]		
Management fees	49,452	12,697
HST expense	5,397	1,235
Transaction costs [note 3 and note 9]	2,989	1,291
Independent Review Committee fees	1,715	374
Interest expense	6	24
	59,559	15,621
Expenses waived by manager	(1,715)	(374)
	57,844	15,247
Increase (decrease) in net assets attributable to holders of redeemable units before tax	587,970	(322,051)
Withholding taxes	(10,353)	(4,660)
Increase (decrease) in net assets attributable to holders of redeemable units	577,617	(326,711)
Increase (decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	577,617	(326,711)
Increase (decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	1.14	(1.91)

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Net assets attributable to holders of redeemable units, beginning of period	8,886,202	4,617,359
Increase (decrease) in net assets attributable to holders of redeemable units	577,617	(326,711)
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	13,050,541	-
Redemption of units	-	(1,069,967)
	13,050,541	(1,069,967)
Distributions to holders of redeemable units from:		
Net investment income	(81,750)	(13,200)
	(81,750)	(13,200)
Increase (decrease) in net assets attributable to holders of redeemable units for the period	13,546,408	(1,409,878)
Net assets attributable to holders of redeemable units, end of period	22,432,610	3,207,481

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase (decrease) in net assets attributable to holders of redeemable units	577,617	(326,711)
Adjustments for:		
Foreign exchange loss on cash	2,254	2,700
Net realized (gain) loss on sale of investments	(360,177)	13,522
Change in unrealized (appreciation) depreciation of investments	(132,395)	323,702
Dividends receivable	(1,834)	611
Other assets	(1,032)	(415)
Other liabilities	9,188	(8,272)
Purchases of investments	(18,691,168)	(2,264,949)
Proceeds from the sale of investments	5,634,107	3,280,571
	(12,963,440)	1,020,759
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	13,050,541	-
Amount paid on redemptions of units	-	(1,069,967)
Distributions paid to unitholders	(77,500)	(20,000)
	12,973,041	(1,089,967)
Increase (Decrease) in cash for the period	9,601	(69,208)
Foreign exchange loss on cash	(2,254)	(2,700)
Cash, beginning of period	61,877	98,163
Cash, end of period	69,224	26,255
Dividends received, net of withholding taxes	142,381	27,594

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 period ended June 30, 2017 (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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	22,419,240	–	–	22,419,240
Total	22,419,240	–	–	22,419,240
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	8,869,607	–	–	8,869,607
Total	8,869,607	–	–	8,869,607

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Units	450,000	–	–	800,000	200,000	–	(50,000)	350,000

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

Units – 0.70%

E. TAXATION (NOTE 8)

Tax loss carry-forwards – There were no capital losses and non-capital losses as at December 31, 2016 and 2015.

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
2,989	1,291

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
49,452	12,697	13,405	5,500

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Technology Index	1,082,373	(1,082,373)	406,099	(406,099)
Russell 1000® Index	1,230,429	(1,230,429)	467,414	(467,414)
S&P 500 Information Technology Index	1,103,684	(1,103,684)	409,210	(409,210)

Currency risk - The table below summarizes the First Trust ETF's foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	22,429,192	99.98%	8,875,630	99.88%

As at June 30, 2017, 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 \$224,292 (December 31, 2016 - \$88,756). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

Concentration Risk – The table below summarizes the concentration risk for the period ended June 30, 2017 and year ended December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
Information Technology	99.55	98.34
Consumer Discretionary	0.39	1.47
Total	99.94	99.81

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Consumer Discretionary—0.39%				
Groupon Inc.	17,665	96,564	87,967	0.39
		96,564	87,967	0.39
Information Technology—99.55%				
Activision Blizzard Inc.	5,936	418,892	443,163	1.97
Adobe Systems Inc.	2,274	395,232	417,096	1.86
Akamai Technologies Inc.	2,480	184,561	160,192	0.71
Alphabet Inc., Class 'A'	81	93,607	97,654	0.43
Amdocs Ltd.	3,639	294,410	304,190	1.36
Amphenol Corp., Class 'A'	2,081	191,799	199,214	0.89
Analog Devices Inc.	2,708	276,785	273,213	1.22
ANSYS Inc.	649	92,624	102,409	0.46
Apple Inc.	1,545	270,251	288,552	1.29
Applied Materials Inc.	9,510	455,036	509,458	2.27
Arista Networks Inc.	2,797	429,523	543,311	2.42
ARRIS Group Inc.	5,600	209,468	203,483	0.91
Arrow Electronics Inc.	5,039	466,210	512,441	2.28
Atlassian Corp. PLC	4,945	218,753	225,598	1.00
Autodesk Inc.	802	93,665	104,856	0.47
Avnet Inc.	4,852	262,352	244,636	1.09
Broadcom Ltd.	1,690	472,999	510,751	2.28
CA Inc.	9,330	395,259	417,058	1.86
Cadence Design Systems Inc.	9,425	385,151	409,326	1.82
CDK Global Inc.	2,275	181,563	183,091	0.82
CDW Corp.	6,410	451,511	519,780	2.32
Cisco Systems Inc.	6,567	274,343	266,553	1.19
Cognex Corp.	4,407	425,463	485,203	2.16
Cognizant Technology Solutions Corp., Class 'A'	1,167	94,791	100,487	0.45
CommScope Holding Inc.	8,869	433,384	437,395	1.95
Corning Inc.	13,701	473,227	533,912	2.38
CSRA Inc.	5,056	208,018	208,173	0.93
Dolby Laboratories Inc., Class 'A'	2,823	182,889	179,236	0.80
DST Systems Inc.	1,128	87,304	90,254	0.40
EchoStar Communications Corp., Class 'A'	5,197	399,367	409,086	1.82
Electronic Arts Inc.	1,652	209,611	226,485	1.01
F5 Network Inc.	484	86,626	79,749	0.35
Facebook Inc., Class 'A'	1,563	295,503	306,021	1.36
Fortinet Inc.	5,788	296,110	281,020	1.25
Gartner Inc.	2,055	283,465	329,145	1.47
GoDaddy Inc., Class 'A'	5,859	286,127	322,305	1.44
Harris Corp.	624	88,470	88,268	0.39
Hewlett Packard Enterprise Co.	20,816	568,676	447,834	2.00
HP Inc.	8,285	189,430	187,805	0.84
IAC/InterActiveCorp.	4,015	453,823	537,535	2.40
Intel Corp.	10,256	481,151	448,741	2.00
International Business Machines Corp.	849	180,107	169,364	0.75
IPG Photonics Corp.	2,451	381,290	461,194	2.06
Jabil Inc.	7,675	258,675	290,526	1.29
Juniper Networks Inc.	10,634	392,046	384,470	1.71
KLA-Tencor Corp.	3,113	384,130	369,420	1.65
Lam Research Corp.	2,883	476,066	528,761	2.36
Leidos Holdings Inc.	4,340	292,456	290,917	1.30
Match Group Inc.	4,253	105,254	95,856	0.43
Maxim Integrated Products Inc.	1,543	94,595	89,843	0.40
Microchip Technology Inc.	5,014	484,429	501,836	2.24

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited) (continued)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Micron Technology Inc.	7,684	236,916	297,543	1.33
Motorola Solutions Inc.	803	87,093	90,325	0.40
NCR Corp.	8,098	408,268	428,881	1.91
Nuance Communications Inc.	4,013	91,035	90,603	0.40
NVIDIA Corp.	2,717	358,185	509,344	2.27
ON Semiconductor Corp.	23,882	427,960	434,821	1.94
Oracle Corp.	3,317	185,982	215,677	0.96
PTC Inc.	2,817	189,774	201,358	0.90
Qorvo Inc.	5,396	478,912	443,084	1.97
QUALCOMM Inc.	5,161	400,847	369,576	1.65
Red Hat Inc.	1,712	199,201	212,577	0.95
salesforce.com inc.	2,691	315,065	302,207	1.35
ServiceNow Inc.	3,383	417,302	465,030	2.07
Skyworks Solutions Inc.	1,508	176,594	187,637	0.84
Splunk Inc.	3,563	304,666	262,860	1.17
SS&C Technologies Holdings Inc.	6,274	299,548	312,508	1.39
Symantec Corp.	9,646	385,940	353,377	1.57
Synopsys Inc.	4,103	362,107	388,044	1.73
Tableau Software Inc.	1,400	103,484	111,237	0.50
Teradata Corp.	2,228	88,017	85,205	0.38
Texas Instruments Inc.	1,839	180,653	183,464	0.82
VMware Inc., Class 'A'	3,212	356,761	364,174	1.62
Workday Inc., Class 'A'	833	99,646	104,783	0.47
Xilinx Inc.	1,200	94,044	100,092	0.45
		21,354,477	22,331,273	99.55
Total investments		21,451,041	22,419,240	99.94
Transaction costs		(1,444)		
Other assets, less liabilities			13,370	0.06
Total Net Assets Attributable to Holders of Redeemable Units		21,449,597	22,432,610	100.00

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

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	1,198,991	1,216,696
Cash	8,855	16,598
Accrued dividend receivable	2,465	1,355
Other assets	107	81
	1,210,418	1,234,730
Liabilities		
Accrued liabilities	831	812
Distributions payable to holders of redeemable units	5,500	6,250
	6,331	7,062
Total net assets attributable to holders of redeemable units	1,204,087	1,227,668
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	1,204,087	1,227,668
Redeemable units outstanding [note 6]		
Common Class	50,000	50,000
Net assets attributable to holders of redeemable units per class		
Common Class	24.08	24.55

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	22,145	26,307
Other changes in fair value of investments		
Net realized gain on sale of investments	77,780	108,140
Net realized (loss) gain on foreign exchange	(110)	272
Net change in unrealized (depreciation) appreciation of investments	(102,093)	76,374
	(2,278)	211,093
Foreign exchange loss on cash	(154)	(258)
	(2,432)	210,835
Expenses [note 7]		
Management fees	4,341	5,130
HST expense	538	614
Transaction costs [note 3 and note 9]	435	399
Independent Review Committee fees	139	150
Interest expense	1	5
	5,454	6,298
Expenses waived by manager	(139)	(150)
	5,315	6,148
(Decrease) Increase in net assets attributable to holders of redeemable units before tax	(7,747)	204,687
Withholding taxes	(3,334)	(3,977)
(Decrease) Increase in net assets attributable to holders of redeemable units	(11,081)	200,710
(Decrease) Increase in net assets attributable to holders of redeemable units for each class		
Common Class	(11,081)	200,710
(Decrease) Increase in net assets attributable to holders of redeemable units per unit		
Common Class	(0.22)	3.05

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Net assets attributable to holders of redeemable units, beginning of period	1,227,668	1,061,867
(Decrease) Increase in net assets attributable to holders of redeemable units	(11,081)	200,710
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	-	1,089,161
Reinvested distributions	-	23,079
Redemption of units	-	(1,147,733)
	-	(35,493)
Distributions to holders of redeemable units from:		
Net investment income	(12,500)	(34,564)
	(12,500)	(34,564)
(Decrease) Increase in net assets attributable to holders of redeemable units for the period	(23,581)	130,653
Net assets attributable to holders of redeemable units, end of period	1,204,087	1,192,520

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
(Decrease) Increase in net assets attributable to holders of redeemable units	(11,081)	200,710
Adjustments for:		
Foreign exchange loss on cash	154	258
Net realized gain on sale of investments	(77,780)	(108,140)
Change in unrealized depreciation (appreciation) of investments	102,093	(76,374)
Dividends receivable	(1,110)	(742)
Other assets	(26)	(53)
Other liabilities	19	1,402
Purchases of investments	(479,086)	(1,529,354)
Proceeds from the sale of investments	472,478	1,590,108
	5,661	77,815
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	-	1,089,161
Amount paid on redemptions of units	-	(1,147,733)
Distributions paid to unitholders	(13,250)	(6,235)
	(13,250)	(64,807)
(Decrease) Increase in cash for the period	(7,589)	13,008
Foreign exchange loss on cash	(154)	(258)
Cash, beginning of period	16,598	10,726
Cash, end of period	8,855	23,476
Dividends received, net of withholding taxes	17,701	21,588

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 period ended June 30, 2017 (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, 2017 and year ended December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	1,198,991	–	–	1,198,991
Total	1,198,991	–	–	1,198,991
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	1,216,696	–	–	1,216,696
Total	1,216,696	–	–	1,216,696

There have been no transfers from one Level to another for the period ended June 30, 2017 and year ended December 31, 2016.

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, 2017 and year ended December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Units	–	–	–	50,000	50,000	–	(50,000)	50,000

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

Units – 0.70%

E. TAXATION (NOTE 8)

Tax loss carry-forwards – The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
32,912	–	–	51,233

First Trust AlphaDEX™ U.S. Utilities Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

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, 2017 and 2016 are as follows:

Transaction Cost (\$)	
2017	2016
435	399

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
4,341	5,130	736	3,209

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Utilities Index	48,946	(48,946)	55,306	(55,306)
Russell 1000® Index	38,832	(38,832)	41,863	(41,863)
S&P 500 Utilities Index	45,514	(45,514)	49,168	(49,168)

Currency risk - The table below summarizes the First Trust ETF's foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	1,203,124	99.92%	1,217,627	99.18%

As at June 30, 2017, 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 \$12,031 (December 31, 2016 - \$12,176). 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, 2017 and year ended December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	June 30, 2017	December 31, 2016
Utilities	76.44	64.70
Telecommunication Services	23.14	34.41
Total	99.58	99.11

First Trust AlphaDEX™ U.S. Utilities Sector Index ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Telecommunication Services—23.14%				
AT&T Inc.	853	42,695	41,735	3.46
CenturyLink Inc.	1,881	72,703	58,250	4.84
Frontier Communications Corp.	20,712	91,959	31,157	2.59
Level 3 Communications Inc.	310	21,302	23,839	1.98
Sprint Corp.	895	4,413	9,529	0.79
Telephone and Data Systems Inc.	1,672	57,940	60,169	5.00
T-Mobile US Inc.	686	37,325	53,928	4.48
		328,337	278,607	23.14
Utilities—76.44%				
Alliant Energy Corp.	196	8,866	10,210	0.85
Ameren Corp.	650	41,074	46,082	3.83
Atmos Energy Corp.	98	9,158	10,542	0.87
Avangrid Inc.	1,037	52,598	59,372	4.93
Calpine Corp.	3,209	55,667	56,304	4.68
CMS Energy Corp.	173	9,241	10,376	0.86
Consolidated Edison Inc.	457	41,216	47,897	3.98
DTE Energy Co.	228	26,195	31,279	2.60
Duke Energy Corp.	284	28,340	30,785	2.56
Edison International	292	26,878	29,608	2.46
Eversource Energy	396	26,822	31,177	2.59
Exelon Corp.	986	42,155	46,121	3.83
Great Plains Energy Inc.	1,517	53,318	57,601	4.78
Hawaiian Electric Industries Inc.	1,065	44,874	44,720	3.71
MDU Resources Group Inc.	283	10,362	9,615	0.80
NextEra Energy Inc.	138	21,959	25,077	2.08
NiSource Inc.	745	22,417	24,501	2.03
OGE Energy Corp.	665	28,505	30,002	2.49
PG&E Corp.	351	29,175	30,210	2.51
Pinnacle West Capital Corp.	279	23,998	30,812	2.56
PPL Corp.	948	40,812	47,527	3.95
Public Services Enterprise Group Inc.	175	9,260	9,761	0.81
SCANA Corp.	678	58,077	58,917	4.89
Sempra Energy	160	21,586	23,394	1.94
Southern Co.	356	23,231	22,104	1.84
UGI Corp.	359	24,071	22,537	1.87
Vectren Corp.	132	7,678	10,004	0.83
WEC Energy Group Inc.	128	9,693	10,189	0.85
Westar Energy Inc.	327	21,515	22,483	1.87
Xcel Energy Inc.	524	26,819	31,177	2.59
		845,560	920,384	76.44
Total investments		1,173,897	1,198,991	99.58
Transaction costs		(728)		
Other assets, less liabilities			5,096	0.42
Total Net Assets Attributable to Holders of Redeemable Units		1,173,169	1,204,087	100.00

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

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	2,043,588	994,705
Cash	9,822	5,944
Accrued dividend receivable	5,203	2,831
Derivative assets	31,132	9,044
	2,089,745	1,012,524
Liabilities		
Accrued liabilities	584	292
Distributions payable to holders of redeemable units	-	6,000
	584	6,292
Total net assets attributable to holders of redeemable units	2,089,161	1,006,232
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	2,089,161	1,006,232
Redeemable units outstanding [note 6]		
Common Class	100,000	50,000
Net assets attributable to holders of redeemable units per class		
Common Class	20.89	20.12

STATEMENT OF COMPREHENSIVE INCOME For the period ended June 30 (unaudited)

	June 30 2017 (\$)
Revenues	
Dividends	4,480
Other changes in fair value of investments and derivatives	
Net realized loss on sale of investments	(16,395)
Net realized gain on derivatives	57,515
Net realized gain (loss) on foreign exchange	-
Net change in unrealized depreciation of investments	(18,343)
Net change in unrealized appreciation of derivatives	22,088
	49,345
Foreign exchange loss on cash	(2)
	49,343
Expenses [note 7]	
Management fees	2,081
Transaction costs [note 3 and note 9]	614
HST expense	269
Independent Review Committee fees	170
Interest expense	2
	3,136
Expenses waived by manager	(170)
	2,966
Increase in net assets attributable to holders of redeemable units	46,377
Increase in net assets attributable to holders of redeemable units for each class	
Common Class	46,377
Increase in net assets attributable to holders of redeemable units per unit	
Common Class	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 Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the period ended June 30 (unaudited)

	June 30 2017 (\$)
Net assets attributable to holders of redeemable units, beginning of period	1,006,232
Increase in net assets attributable to holders of redeemable units	46,377
Redeemable unit transactions [note 6]	
Proceeds from issuance of units	1,036,552
Reinvested distributions	-
Redemption of units	-
	1,036,552
Distributions to holders of redeemable units from:	
Net investment income	-
Return of capital	-
	-
Increase in net assets attributable to holders of redeemable units for the period	1,082,929
Net assets attributable to holders of redeemable units, end of period	2,089,161

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

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

STATEMENT OF CASH FLOW For the period ended June 30 (unaudited)

	June 30 2017 (\$)
Cash flows from (used in) Operating Activities	
Increase in net assets attributable to holders of redeemable units	46,377
Adjustments for:	
Foreign exchange loss on cash	2
Net realized loss on sale of investments	16,395
Change in unrealized appreciation of investments and derivatives	(3,745)
Dividends receivable	(2,372)
Other assets	-
Other liabilities	292
Purchases of investments	(1,727,668)
Proceeds from the sale of investments	644,047
	(1,026,672)
Cash flows from (used in) Financing Activities	
Amount received from the issuance of units	1,036,552
Amount paid on redemptions of units	(6,000)
	1,030,552
Increase in cash for the period	3,880
Foreign exchange loss on cash	(2)
Cash, beginning of period	5,944
Cash, end of period	9,822
Dividends received, net of withholding taxes	2,108

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 period ended June 30, 2017 (unaudited)

A. INVESTMENT OBJECTIVE (NOTE 1) – The First Trust ETF seeks to replicate, to the extent possible, the performance of a total return U.S. equities industry sector rotational index, net of expenses. Currently, the First Trust ETF seeks to replicate the performance of the Dorsey Wright® Dynamic U.S. Sector Focus Five Index, net of expenses and will generally seek to hedge substantially all of its U.S. dollar currency exposure back to the Canadian dollar. The First Trust ETF will invest in and hold the constituent securities of the index in the same proportion as they are reflected in the Index. The index will consist of an equal weighted basket of ETFs that provide exposure to a variety of industry sectors in the U.S. equity markets and may provide exposure to U.S. cash equivalents.

B. FORWARD FOREIGN EXCHANGE CURRENCY AGREEMENTS (NOTE 4) - The below table shows information about the First Trust ETF's forward foreign exchange currency agreements for the periods ended June 30, 2017 and December 31, 2016:

June 30, 2017			December 31, 2016		
Contract Amount (\$)	% of net assets	Appreciation (Depreciation) (\$)	Contract Amount (\$)	% of net assets	Appreciation (Depreciation) (\$)
2,100,000	100.52%	31,132	1,011,500	100.52%	9,044

C. 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 periods ended June 30, 2017 and December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	2,043,588	–	–	2,043,588
Derivative assets	–	31,132	–	31,132
Total	2,043,588	31,132	–	2,074,720
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	944,705	–	–	944,705
Derivative assets	–	9,044	–	9,044
Total	944,705	9,044	–	1,003,749

There have been no transfers from one Level to another for the periods ended June 30, 2017 and December 31, 2016.

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

D. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the periods ended June 30, 2017 and December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Common	50,000	–	–	100,000	50,001	–	(1)	50,000

First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

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

Common Class – 0.30%

F. TAXATION (NOTE 8)

Tax loss carry-forwards – There were no capital losses and non-capital losses as at December 31, 2016.

G. 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, 2017, are as follows:

Transaction Cost (\$)
2017
614

H. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the period ended June 30, 2017, including amounts owing as at June 30, 2017 are as follows:

Management Fee Expense (\$)	Management Fee Payable (\$)
2017	2017
2,081	518

I. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Dorsey Wright U.S. Sector Focus Five Index	76,254	(76,254)	47,041	(47,041)

Currency risk - The table below summarizes the First Trust ETF's unhedged foreign currency exposure as at June 30, 2017 and December 31, 2016:

Currency	At June 30, 2017		At December 31, 2016	
	Currency Exposure (\$)	% Net Assets	Currency Exposure (\$)	% Net Assets
United States Dollar	(2,068,812)	(99.03)%	(1,002,397)	(99.62)%

As at June 30, 2017, 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 \$20,688 (December 31, 2016 - \$10,024). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

Concentration Risk – The table below summarizes the concentration risk for the periods ended June 30, 2017 and December 31, 2016:

Holdings	At June 30, 2017		At December 31, 2016	
	Fair Value (\$)	% Net Assets	Fair Value (\$)	% Net Assets
Exchange-Traded Funds	2,043,588	97.82%	994,705	98.86%
Total	2,043,588	97.82%	994,705	98.86%

First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—97.82%				
First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF	17,532	415,391	403,678	19.32
First Trust AlphaDEX™ U.S. Financial Sector Index ETF	15,680	415,955	415,206	19.87
First Trust AlphaDEX™ U.S. Industrial Sector IndexETF	16,465	403,958	410,305	19.64
First Trust AlphaDEX™ U.S. Technology Sector Index ETF	14,881	395,211	419,198	20.07
First Trust AlphaDEX™ U.S. Utilities Sector Index ETF	16,378	415,651	395,201	18.92
		2,046,166	2,043,588	97.82
Total investments		2,046,166	2,043,588	97.82
Transaction costs		(341)		
Unrealized appreciation on derivatives - see Schedule 1			31,132	1.49
Other assets, less liabilities			14,441	0.69
Total Net Assets Attributable to Holders of Redeemable Units		2,045,825	2,089,161	100.00

Schedule 1 - forward foreign exchange currency agreement

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+	2017/07/31	USD	1,596,218	CAD	2,100,000	0.760	0.772	31,132
									31,132

* Commercial paper rating per Stand and Poor's Commercial Paper Guide

First Trust Canadian Capital Strength ETF

STATEMENTS OF FINANCIAL POSITION As at June 30, 2017 (unaudited) and December 31, 2016

	June 30 2017 (\$)	December 31 2016 (\$)
Assets		
Investments (non-derivative financial assets)	43,740,605	41,701,759
Cash	181,085	53,895
Accrued dividend receivable	93,103	98,882
Other assets	59,836	50,971
	44,074,629	41,905,507
Liabilities		
Accrued liabilities	120,921	72,092
Distributions payable to holders of redeemable units	44,636	-
	165,557	72,092
Total net assets attributable to holders of redeemable units	43,909,072	41,833,415
Total Net Assets Attributable to Holders of Redeemable Units per class		
Advisor Class	34,564,205	34,626,123
Common Class	9,344,867	7,207,292
Redeemable units outstanding [note 6]		
Advisor Class	1,302,854	1,402,854
Common Class	297,534	247,534
Net assets attributable to holders of redeemable units per class		
Advisor Class	26.53	24.68
Common Class	31.41	29.12

STATEMENTS OF COMPREHENSIVE INCOME For the periods ended June 30 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Revenues		
Dividends	429,395	621,157
Other changes in fair value of investments		
Net realized gain (loss) on investments	1,581,506	(463,984)
Change in unrealized appreciation (depreciation) of investments	1,554,685	(192,119)
Change in unrealized (depreciation) appreciation of foreign currencies	(88)	1,665
	3,565,498	(33,281)
Foreign exchange (loss) gain on cash	(477)	430
	3,565,021	(32,851)
Expenses [note 7]		
Service fees	173,107	218,590
Management fees	128,554	155,452
HST expense	30,294	55,904
Independent Review Committee fees	4,778	8,190
Transaction costs [note 3 and note 9]	3,153	8,056
Interest expense	3	-
Other expenses	-	17,520
Audit fees	-	16,320
Custody fees	-	93,703
Trustee fees	-	2,500
Securityholder reporting costs	-	2,730
	339,889	578,965
Expenses waived by manager	(4,778)	-
	335,111	578,965
Increase (decrease) in net assets attributable to holders of redeemable units before tax	3,229,910	(611,816)
Withholding taxes	(1,371)	-
Increase (Decrease) in net assets attributable to holders of redeemable units	3,228,539	(611,816)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Advisor Class	2,599,645	(549,680)
Common Class	628,894	(62,136)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Advisor Class	1.94	(0.31)
Common Class	2.32	(0.23)

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 (unaudited)

	June 30 2017 (\$) Advisor Class	June 30 2016 (\$) Advisor Class	June 30 2017 (\$) Common Class	June 30 2016 (\$) Common Class
Net assets attributable to holders of redeemable units, beginning of period	34,626,123	41,909,782	7,207,292	7,743,386
Increase (Decrease) in net assets attributable to holders of redeemable units	2,599,645	(549,680)	628,894	(62,136)
Redeemable unit transactions [note 6]				
Proceeds from redeemable units issued	-	54,046	3,095,552	352,972
Redemption of redeemable units	(2,604,629)	(5,884,029)	(1,554,142)	(1,390,239)
	(2,604,629)	(5,829,983)	1,541,410	(1,037,267)
Distributions to holders of redeemable units from:				
Net investment income	(56,934)	-	(32,729)	-
	(56,934)	-	(32,729)	-
(Decrease) Increase in net assets attributable to holders of redeemable units for the period	(61,918)	(6,379,663)	2,137,575	(1,099,403)
Net assets attributable to holders of redeemable units, end of period	34,564,205	35,530,119	9,344,867	6,643,983
			June 30 2017 (\$) Total (\$)	June 30 2016 (\$) Total (\$)
Net assets attributable to holders of redeemable units, beginning of period			41,833,415	49,653,168
Increase (Decrease) in net assets attributable to holders of redeemable units			3,228,539	(611,816)
Redeemable unit transactions [note 6]				
Proceeds from redeemable units issued			3,095,552	407,018
Redemption of redeemable units			(4,158,771)	(7,274,268)
			(1,063,219)	(6,867,250)
Distributions to holders of redeemable units from:				
Net investment income			(89,663)	-
			(89,663)	-
Increase (Decrease) in net assets attributable to holders of redeemable units for the period			2,075,657	(7,479,066)
Net assets attributable to holders of redeemable units, end of period			43,909,072	42,174,102

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 (unaudited)

	June 30 2017 (\$)	June 30 2016 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	3,228,539	(611,816)
Adjustments for:		
Foreign exchange loss (gain) on cash	477	(430)
Net realized (gain) loss on investments	(1,581,506)	463,984
Change in unrealized (appreciation) depreciation of investments	(1,554,685)	192,119
Dividends receivable	5,779	19,328
Other assets	(8,865)	20,929
Other liabilities	48,829	(29,467)
Purchases of investments	(9,574,554)	(4,505,573)
Proceeds from the sale of investments	10,671,899	11,344,102
	1,235,913	6,893,176
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	3,095,552	407,196
Amount paid on redemptions of units	(4,158,771)	(7,439,363)
Distributions paid to unitholders	(45,027)	-
	(1,108,246)	(7,032,167)
Increase (Decrease) in cash for the period	127,667	(138,991)
Foreign exchange (loss) gain on cash	(477)	430
Cash, beginning of period	53,895	993,583
Cash, end of period	181,085	855,022
Dividends received, net of withholding taxes	433,803	640,485

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 period ended June 30, 2017 (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 periods ended June 30, 2017 and December 31, 2016:

	Financial Assets at Fair Value (\$) As at June 30, 2017			
	Level 1	Level 2	Level 3	Total
Equities	43,740,605	–	–	43,740,605
Total	43,740,605	–	–	43,740,605
	Financial Assets at Fair Value (\$) As at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Equities	41,701,759	–	–	41,701,759
Total	41,701,759	–	–	41,701,759

There have been no transfers from one Level to another for the periods ended June 30, 2017 and December 31, 2016.

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 periods ended June 30, 2017 and December 31, 2016:

	June 30, 2017				December 31, 2016			
	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding	Redeemable units issued	Redeemable units issued on reinvestments	Redeemable units redeemed	Outstanding
Advisor	–	–	(100,000)	1,302,854	40,551	–	(267,808)	1,402,854
Common	100,000	–	(50,000)	297,534	46,268	–	(59,306)	247,534

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 ¹
0.60%	1.60%

¹Includes a service fee of 1.00%

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The capital losses and non-capital losses as at December 31, 2016 and 2015 were as follows:

Capital Losses (\$)		Non-Capital Losses (\$)	
2016	2015	2016	2015
26,164,485	52,328,969	–	–

First Trust Canadian Capital Strength ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

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, 2017 and 2016:

Transaction Cost (\$)	
2017	2016
3,153	8,056

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2017	2016	2017	2016
128,554	155,452	21,027	29,296

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at June 30, 2017, 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, 2017, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At June 30, 2017		At December 31, 2016	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P/TSX Composite Index	1,835,399	(1,835,399)	1,872,045	(1,872,045)

Concentration Risk - The table below summarizes the concentration risk as at June 30, 2017 and December 31, 2016:

Sector	As a % of net assets attributable to holders of redeemable units	
	At June 30, 2017	At December 31, 2016
Financials	30.27	35.93
Consumer Discretionary	15.78	15.45
Information Technology	15.54	16.24
Materials	13.82	8.09
Industrials	12.78	11.93
Consumer Staples	7.57	8.04
Telecommunication Services	3.86	4.01
Total	99.62	99.69

First Trust Canadian Capital Strength ETF
Notes to Financial Statements - Specific Information
For the period ended June 30, 2017 (unaudited)

SCHEDULE OF PORTFOLIO INVESTMENTS As at June 30, 2017 (unaudited)

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Consumer Discretionary—15.78%				
Canadian Tire Corp. Ltd., Class 'A'	11,192	1,434,594	1,651,492	3.76
Great Canadian Gaming Corp.	69,888	1,702,247	1,668,925	3.80
Linamar Corp.	28,333	1,678,157	1,811,045	4.12
Magna International Inc.	29,957	1,177,238	1,799,517	4.10
		5,992,236	6,930,979	15.78
Consumer Staples—7.57%				
Alimentation Couche-Tard Inc., Class 'B'	28,762	912,307	1,787,846	4.07
Saputo Inc.	37,236	1,447,434	1,535,985	3.50
		2,359,741	3,323,831	7.57
Financials—30.27%				
Bank of Montreal	17,210	1,258,225	1,638,736	3.73
Bank of Nova Scotia	21,969	1,354,831	1,713,802	3.90
Canadian Imperial Bank of Commerce	14,724	1,422,396	1,551,762	3.53
Industrial Alliance Insurance and Financial Services Inc.	30,351	1,704,017	1,707,547	3.89
National Bank of Canada	30,514	1,628,743	1,663,929	3.79
Royal Bank of Canada	17,698	1,094,539	1,666,444	3.80
Sun Life Financial Inc.	35,320	1,564,247	1,637,435	3.73
Toronto-Dominion Bank (The)	26,196	1,201,313	1,711,909	3.90
		11,228,311	13,291,564	30.27
Industrials—12.78%				
CAE Inc.	85,867	1,382,059	1,919,986	4.38
Canadian National Railway Co.	17,662	1,355,541	1,858,396	4.23
Canadian Pacific Railway Ltd.	8,779	1,331,480	1,831,738	4.17
		4,069,080	5,610,120	12.78
Information Technology—15.54%				
Celestica Inc.	89,137	1,429,575	1,570,594	3.58
CGI Group Inc., Class 'A'	27,288	1,103,919	1,808,103	4.12
Kinaxis Inc.	23,605	1,289,606	1,905,868	4.34
Open Text Corp.	37,605	933,271	1,539,172	3.50
		4,756,371	6,823,737	15.54
Materials—13.82%				
CCL Industries Inc., Class 'B'	29,564	610,364	1,939,694	4.42
Kirkland Lake Gold Ltd.	183,147	1,510,929	2,247,214	5.12
Winpak Ltd.	32,283	1,718,836	1,879,516	4.28
		3,840,129	6,066,424	13.82
Telecommunication Services—3.86%				
BCE Inc.	29,006	1,705,374	1,693,950	3.86
		1,705,374	1,693,950	3.86
Total investments				
		33,951,242	43,740,605	99.62
Transaction costs		(5,570)		
Other assets, less liabilities			168,467	0.38
Total Net Assets Attributable to Holders of Redeemable Units		33,945,672	43,909,072	100.00

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the period ended June 30, 2017 (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 June 1, 2017. The units of the First Trust ETFs are listed for trading on the Toronto Stock Exchange (“TSX”), except for the Hedged Units* of the U.S. Sector Index ETFs.

**The Hedged Units of the U.S. Sector Index ETFs, shown below, were qualified for distribution by a prospectus dated June 1, 2017. As of the date of this interim financial reports, the Hedged Units of the U.S. Sector Index ETFs have not offered any securities to the public. No transactions or other activities have been undertaken by the Hedged Units of the U.S. Sector Index ETFs for the period ending June 30, 2017.*

First Trust ETF Name	TSX Ticker Symbol		Inception Date
	Common	Advisor	
First Trust AlphaDEX™ Canadian Dividend ETF ¹	FDY	FDY.A	May 15, 2013
First Trust AlphaDEX™ U.S. Dividend ETF (CAD-Hedged)	FUD	FUD.A	May 15, 2013
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
First Trust Senior Loan ETF (CAD-Hedged)	FSL	FSL.A	August 28, 2013
First Trust Short Duration High Yield Bond ETF (CAD-Hedged)	FSD	FSD.A	May 20, 2011
First Trust Canadian Capital Strength ETF	FST	FST.A	November 30, 2001
First Trust Global Risk Managed Income Index ETF	ETP	ETP.A	July 23, 2014
First Trust ETF Name	Units	Hedged Units*	Inception Date
First Trust AlphaDEX™ U.S. Financial Sector Index ETF	FHF	FHF.F	October 30, 2014
First Trust AlphaDEX™ U.S. Energy Sector Index ETF	FHE	FHE.F	October 30, 2014
First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF	FHD	FHD.F	October 30, 2014
First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF	FHC	FHC.F	October 30, 2014
First Trust AlphaDEX™ U.S. Health Care Sector Index ETF	FHH	FHH.F	October 30, 2014
First Trust AlphaDEX™ U.S. Materials Sector Index ETF	FHM	FHM.F	October 30, 2014
First Trust AlphaDEX™ U.S. Industrials Sector Index ETF	FHG	FHG.F	October 30, 2014
First Trust AlphaDEX™ U.S. Technology Sector Index ETF	FHQ	FHQ.F	October 30, 2014
First Trust AlphaDEX™ U.S. Utilities Sector Index ETF	FHU	FHU.F	October 30, 2014
First Trust ETF Name	Units		Inception Date
First Trust Tactical Bond Index ETF	FTB	-	June 19, 2015
First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)	FSR	-	September 29, 2016

¹On August 10, 2017, FT Portfolios Canada Co. (the “Manager”), the manager of First Trust AlphaDEX™ Canadian Dividend ETF (“FDY”) announced that its board of directors approved a proposal to merge FDY into First Trust Canadian Capital Strength ETF (“FST”), another exchange-traded fund managed by the Manager, in order to combine FDY and FST into one Canadian equity exchange-traded fund with FST being the continuing fund (the “Proposal”). The Manager has called and will hold a special meeting of unitholders of FDY on September 20, 2017 to consider and vote upon the Proposal. A management information circular describing the Proposal is being

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prepared and will be mailed to the unitholders of FDY. Implementation of the Proposal is subject to all required regulatory approvals. If approved, the Proposal is expected to be implemented on or about October 13, 2017.

FT Portfolios Canada Co. is the trustee, manager and promoter (the "Manager") 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 3001, Scotia Plaza, Box 312, Toronto, Ontario M5H 3Y2. The financial statements are authorized for issuance by the Manager on August 29, 2017.

The investment objectives are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.

2. BASIS OF PRESENTATION

The information provided in these financial statements and notes thereto is as at June 30, 2017 with comparatives for December 31, 2016 and for the six-month period ended June 30, 2017 with comparatives for the six-month period ended June 30, 2016.

First Trust Short Duration High Yield Bond ETF (CAD-Hedged) ("FSD") and FST changed their fiscal year end from June 30 to December 31. The current period figures for these two First Trust ETFs are for the six-month period ended June 30, 2017 while the comparative figures are a statement of financial position as at December 31, 2016 and a statement of comprehensive income, a statement of changes in financial position, and a statement of cash flows for the six-month period ended June 30, 2016. The change was to align the year end dates of FSD and FST with the other First Trust ETFs.

These interim financial statements 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 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.

Amendments to IAS 1 Disclosure Initiative

The First Trust ETFs have applied these amendments for the first time in the current year. The amendments clarify that an entity need not provide a specific disclosure required by an IFRS if the information resulting from that disclosure is not material, and give guidance on the basis of aggregating and disaggregating information for disclosure purposes. However, the amendments reiterate that an entity should consider providing additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users of financial statements to understand the impact of particular transactions, events and conditions on the First Trust ETFs' financial position and financial performance.

Regarding the structure of the financial statements, the amendments provide examples of systematic ordering or grouping of the notes.

The application of these amendments has not resulted in any impact on the financial performance or the financial position of the First Trust ETFs.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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Financial instruments

(i) Classification

The First Trust ETFs classify the investments in debt and equity securities, open-ended investment funds and derivatives as financial assets or financial liabilities at fair value through profit or loss. These financial assets and financial liabilities are either held for trading (“HFT”) or at fair value through profit or loss (“FVTPL”) at inception.

Financial assets or financial liabilities under HFT are those acquired or incurred principally for the purpose of selling or repurchasing in the near future or on initial recognition they are part of a portfolio of identified financial instruments that the First Trust ETFs manage together and has a recent actual pattern of short-term profit-taking. All derivatives are also included in this category. The First Trust ETFs do not classify any derivatives as hedges in a hedging relationship.

Financial assets and financial liabilities designated at FVTPL at inception are those that are managed and their performance evaluated on a fair value basis in accordance the First Trust ETFs’ investment strategy as documented in its prospectus, and information about these financial assets and liabilities are evaluated by the management of the First Trust ETFs on a fair value basis together with other relevant financial information. All Long Equity and fixed Income positions are included in this category.

All other financial assets and liabilities are classified as loans and receivables and other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost

(ii) 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.

(iii) 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.

(iv) 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

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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.

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.

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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 (based on the lowest level input that is significant to the fair value measurement as a whole) at the beginning 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

Majority 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”). First Trust ETFs under the U.S. Sector Funds currently have only one class of redeemable units since the Hedged Units have not offered any securities to the public yet. FTB and FSR have only one class of redeemable units. 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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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 dollars 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") and FSD typically do not incur transaction costs because these First Trust ETFs invest 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 change in unrealized appreciation or depreciation of forward foreign exchange currency agreements 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.

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Forward contracts entered into by the First Trust ETF 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.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Fund 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.

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.

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.

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Senior loans

The senior loans in which the First Trust ETFs 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.

The fair value hierarchy classifications of assets and liabilities are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.

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. The U.S. Sector Funds currently have one class of redeemable units since the Hedged Units have not offered any securities to the public yet. FTB and FSR have only one class of redeemable units.

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.

The First Trust ETFs issue Units directly to Designated Brokers and Underwriters. From time to time as may be agreed between a First Trust ETF and the Designated Brokers and Underwriters, the Designated Brokers and Underwriters may agree to accept the securities of the issuers whose securities are included in the portfolio of the First Trust ETFs from time to time as payment for Units from prospective purchasers.

On any Trading Day, Unitholders may redeem units of any First Trust ETF for cash at a redemption price per unit equal to 95% of the closing price for the units on the TSX on the effective day of the redemption. Because Unitholders will generally be able to sell Units at the market price on the TSX through a registered broker or dealer subject only to customary brokerage commissions, Unitholders are advised to consult their brokers, dealers or investment advisors before redeeming their Units for cash.

Investors that redeem Units prior to the distribution record date for any distribution will not be entitled to receive that distribution.

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The redemption rights described above must be exercised through the CDS Participant through which the beneficial owner holds Units. Beneficial owners of Units should ensure that they provide redemption instructions to the CDS Participants through which they hold Units sufficiently in advance of the cut-off times to allow such CDS Participants to notify CDS and for CDS to notify the Manager prior to the relevant cut-off time.

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 FSD, and 0.50% per annum of the NAV of the Advisor Class Units in respect of ETP, FSL, and FSD, 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 ETF was established and extraordinary expenses including 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 ETFs. The Manager is responsible for all other costs and expenses of the First Trust ETFs, including the Advisor Class service fee (described above), the fees payable to the Portfolio Advisor, Custodian, Valuation Agent, Registrar, Transfer Agent and Plan Agent and fees payable to other service providers.

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.

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.

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Distributions of sufficient net realized capital gains (reduced by loss carry-forwards, if any) are made after December 14 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 capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains realized in future years.

The 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 during the periods ended June 30, 2017 and 2016, where applicable, are discussed in the Specific Information for each First Trust ETF. Note that FSL and FSD typically do not incur transaction costs because these First Trust ETFs invest 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 for the periods ended June 30, 2017 and 2016, including amounts owing as at June 30, 2017 and 2016, 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 at June 30, 2017 and December 31, 2016, 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 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, and FTB 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, 2017 and year ended December 31, 2016, the overall market exposures relate to the First Trust ETFs' investments in securities.

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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, ETP, and FSD, 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, ETP, and FSD 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 of non-payment of scheduled interest and/or principal payments because the issuer of the security experiences a decline in its financial status.

The First Trust ETFs, except FTB, ETP, FSL, and FSD, had no significant investments in debt instruments and/or derivatives as of June 30, 2017 and December 31, 2016, 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. 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.

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, 2017, the maximum credit risk exposure of this First Trust ETF is \$198,552,599 (December 31, 2016 - \$147,543,703).

FSD - 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

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June 30, 2017, the maximum credit risk exposure of this First Trust ETF is \$20,269,364 (December 31, 2016 - \$22,638,631).

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.

ETP, FSR, and FTB 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, FST, and First Trust AlphaDEX™ Canadian Dividend ETF (“FDY”) are Canadian funds therefore they have insignificant currency risk as at June 30, 2017 and December 31, 2016.

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 and FSD invest 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.

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

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the period ended June 30, 2017 (unaudited)

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, 2017, there were no securities lending done by the First Trust ETFs.

14. FUTURE ACCOUNTING POLICY CHANGES

Standards issued but not yet effective up to the date of issuance of the First Trust ETFs’ financial statements are listed below. The First Trust ETFs intend to adopt the applicable standard when it becomes effective.

IFRS 9, Financial Instruments - Classification and Measurement

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments, bringing together the classification and measurement, impairment and hedge accounting phases of the IASB’s project to replace IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 introduces a logical, single classification and measurement approach for financial assets that reflects the business model in which they are managed and their cash flow characteristics. Built upon this is a forward-looking expected credit loss model that will result in more timely recognition of loan losses and is a single model that is applicable to all financial instruments subject to impairment accounting. In addition, IFRS 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value, such that gains caused by the deterioration of an entity’s own credit risk on such liabilities are no longer recognized in profit or loss. IFRS 9 also includes an improved hedge accounting model to better link the economics of risk management with its accounting treatment. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted. In addition, the own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments. The First Trust ETFs are in the process of assessing the impact of IFRS 9.

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