



## **DISCLAIMER**

All contents copyright by TRAIN2INVEST Inc. All rights reserved. No part of this document or the related files may be reproduced or transmitted in any form, by any means (electronic, photocopying, recording, or otherwise) without the prior written permission of the publisher.

**Limit of Liability and Disclaimer of Warranty:** The publisher has used its best efforts in preparing this book, and the information provided herein is provided "as is." TRAIN2INVEST Inc or its agents or its employees or its principals makes no representation or warranties with respect to the accuracy or completeness of the contents of this book and specifically disclaims any implied warranties of merchantability or fitness for any particular purpose and shall in no event be liable for any loss of profit or any other commercial damage, including but not limited to special, incidental, consequential, or other damages.

**Trademarks:** This book identifies product names and services known to be trademarks, registered trademarks, or service marks of their respective holders. They are used throughout this book in an editorial fashion only. In addition, terms suspected of being trademarks, registered trademarks, or service marks have been appropriately capitalized, although TRAIN2INVEST Inc. cannot attest to the accuracy of this information. Use of a term in this book should not be regarded as affecting the validity of any trademark, registered trademark, or service mark. TRAIN2INVEST Inc. is not associated with any product or vendor mentioned in this book.

TRAIN2INVEST INC does NOT provide investment advice or investment recommendations. All participants are fully aware that examples & other instructions (verbal – implicit or explicit and any other form of communication) will not and cannot be constituted as a recommendation or advice for investment purposes.

**FOR EDUCATION PURPOSES ONLY**

# Natural Gas ETFs in Canada

What is a Natural Gas ETF?

While natural gas ETFs aren't as common on the TSX in Canada, there are several that trade on US-domiciled exchanges.

These ETFs provide great exposure to natural gas companies and allow you to hold a variety of different natural gas stocks.

It is anticipated that natural gas will surpass oil demand over the next decade and will be the perfect transition toward the world adopting clean and renewable energies.

Here are the 5 top natural gas ETFs that I will be discussing in this article:

- Horizons Natural Gas ETF (TSE: HUN)
- BMO Equal Weight Oil & Gas Index ETF (TSE: ZEO)

## 1. Horizons Natural Gas ETF (TSE: HUN)

Here are some key facts for HUN:

- **Number of Holdings:** 1
- **Inception Date:** June 24, 2009
- **MER:** 0.88%
- **Distribution yield:** N/A
- **5-Year Performance:** 28.43%

HUN is the Horizons natural gas ETF that was established in 2009 and trades on the Toronto Stock Exchange.

This ETF exclusively holds futures contracts for the natural gas commodity. Specifically, HUN holds the Winter quarter rolling futures that are rolled once per year in November.

Horizons has created some variations of the HUN ETF. These include the BetaPro Natural Gas Inverse Leveraged Bear Daily ETF (TSE: HND) and the BetaPro Natural Gas Leveraged Daily Bull ETF (TSE: HNU).

## 2. BMO Equal Weight Oil & Gas Index ETF (TSE: ZEO)

Here are some key facts for ZEO:

- **Number of Holdings:** 11
- **Inception Date:** October 20, 2009
- **MER:** 0.61%

- **Distribution yield:** 3.48%
- **5-Year Performance:** 7.91%

ZEO is a natural gas ETF from BMO Global Asset Management. It was established in 2009 and trades on the TSX.

This ETF provides exposure to Canadian natural gas providers. The three largest holdings are Tourmaline Oil Corp (TSE: TOU), Cenovus Energy, Inc (TSE:CVE), and Arc Resources LTD (TSE:ARX).

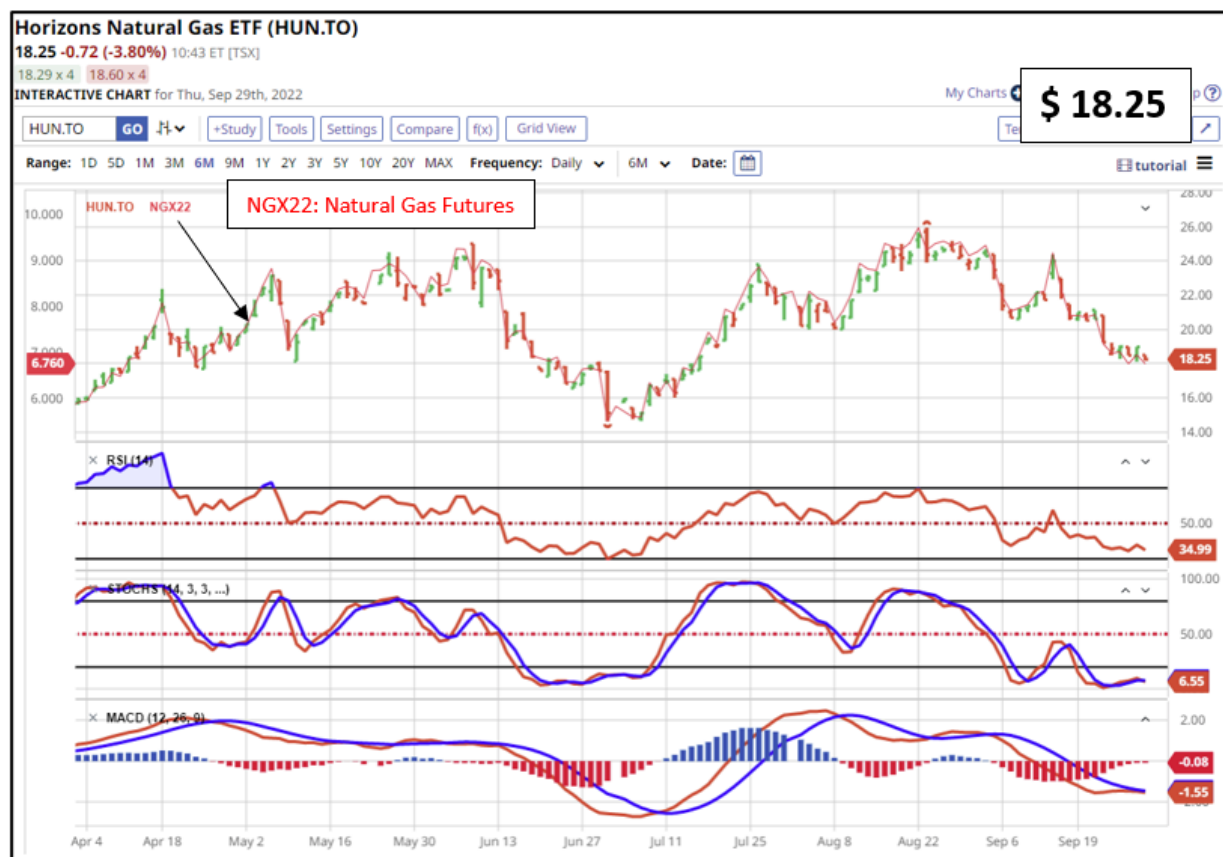
It provides shareholders with a decent average annualized dividend yield of 3.48%, paid out every quarter.

### **Natural Gas Stocks**

- **Tourmaline Oil (TSE: TOU)**
- **Ovintiv (TSE: OVV)**
- Enbridge Inc (TSE: ENB)
- Suncor Energy Inc (TSE:SU)
- Imperial Oil Ltd. (TSE: IMO)
- **Cenovus Energy Inc (TSE: CVE)**
- TC Pipelines LP (TSE: TRP)
- **Pembina Pipeline Corp (TSE: PPL)**
- **Fortis Inc (TSE: FTS)**
- **AltaGas (TSE: ALA)**

*Highlighted: See Charts Below*

6M Daily



The Horizons Natural Gas ETF seeks investment results, before fees, expenses, distributions, brokerage commissions and other transaction costs, that endeavour to correspond to the performance of the Solactive Natural Gas Winter MD Rolling Futures Index ER. Horizons HUN is denominated in Canadian dollars. Any U.S. dollar gains or losses as a result of the ETF's investment will be hedged back to the Canadian dollar to the best of the ETF's ability.

Overview	
Name	Horizons Natural Gas ETF
Fund Family	Horizons ETF
Underlying Index	Solactive Natural Gas Winter MD Rolling Futures Index ER
Inception Date	06/24/09
First Trade Date	06/25/09
Leverage	Long
Asset Class	Commodity
Management Type	Index or Index-Based

Investment Information	
60-Month Beta	2.04
Standard Deviation	-0.88
Shares Outstanding, K	588.00
Managed Assets, \$K	11,156.30 K
Net Asset Value	19.27
First Trade Price	40.44
Management Fee	0.75%
Options	No
Annual Dividend	0.00
Annual Dividend Yield	0.00%
Latest Split	1-4
Split Date	04/13/12
1-Year Return	42.80%
3-Year Return	166.43%
5-Year Return	201.11%
Management Expense Ratio	0.86%
RRSP Eligible	Yes

### Snapshot Opinion

Yesterday    Last Week    Last Month

**8% BUY    40% BUY    88% BUY**

**Snapshot Opinion** is the Barchart Opinion from the prior trading session (yesterday), 1-week ago and 1-month ago. These statistics give you a sense of the Overall Opinion trend.

---

### Support & Resistance

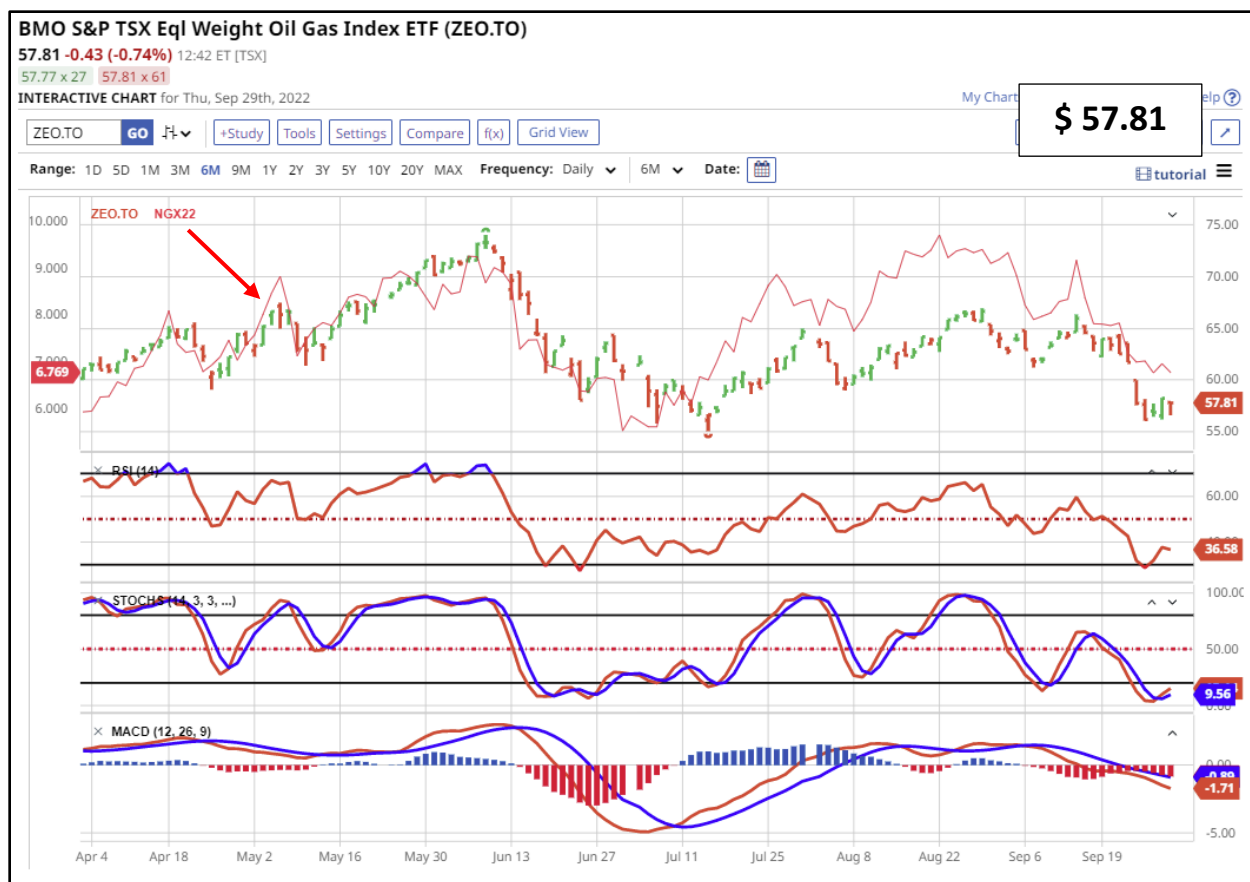
3rd Resistance Point	20.12
2nd Resistance Point	19.54
1st Resistance Point	19.26
Last Price	18.25
1st Support Level	18.40
2nd Support Level	17.82
3rd Support Level	17.54

[See More](#)

### Price Performance [Price History](#)

Period	Period Low	Period High	Performance
52-Week	10.25 +78.05% on 12/14/21	25.93 -29.62% on 08/23/22	+5.47 (+42.80%) since 09/29/21

▲  
Period Open: 12.78



The BMO Equal Weight Oil and Gas Index ETF has been designed to replicate, to the extent possible, the performance of the Solactive Equal Weight Canada Oil and Gas Index, net of expenses. The Fund invests in and holds the Constituent Securities of the Index in the same proportion as they are reflected in the Index.

Overview	
Name	BMO Equal Weight Oil & Gas Index ETF
Fund Family	BMO Investments Inc.
Underlying Index	Solactive Equal Weight Canada Oil & Gas Index
Inception Date	10/20/09
First Trade Date	10/26/09
Leverage	Long
Asset Class	Equity
Management Type	Index or Index-Based

Investment Information	
60-Month Beta	0.78
Standard Deviation	-0.40
Shares Outstanding, K	4,164.00
Managed Assets, \$K	242,528.90 K
Net Asset Value	61.69
First Trade Price	14.84
Management Fee	0.55%
Options	No
Latest Dividend	0.650
Dividend Date	09/28/22
Annual Dividend	2.03
Annual Dividend Yield	3.49%
Latest Split	1-5
Split Date	01/28/19
1-Year Return	29.67%
3-Year Return	45.49%
5-Year Return	7.65%
Management Expense Ratio	0.61%
RRSP Eligible	Yes

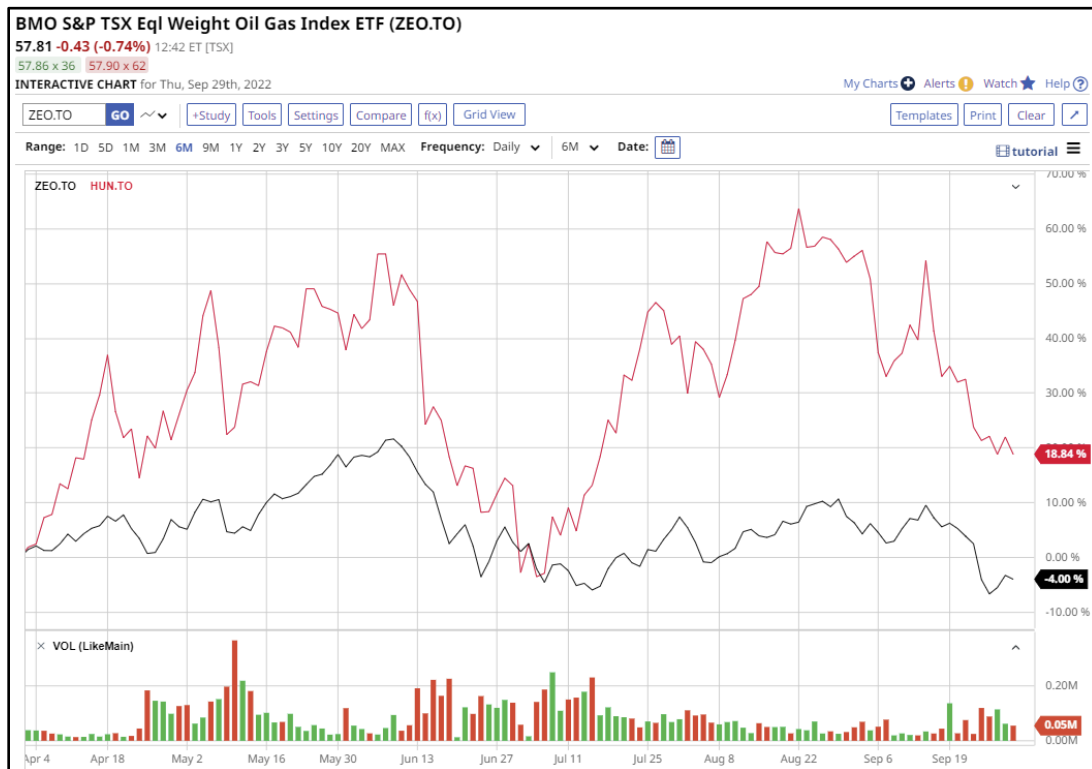
ZEO.TO Dividends	
Date	Value
09/28/22	\$0.6500
06/28/22	\$0.5500
03/29/22	\$0.4500
12/29/21	\$0.3800
09/28/21	\$0.3800
06/28/21	\$0.3800
03/29/21	\$0.3800
12/29/20	\$0.3500
09/28/20	\$0.3800
06/26/20	\$0.4200
03/27/20	\$0.4800
12/27/19	\$0.4800
09/26/19	\$0.3800
06/26/19	\$0.3500
03/27/19	\$0.3500
12/27/18	\$0.0750
09/26/18	\$0.0680
06/27/18	\$0.0680

ETF Constituents		<a href="#">flipcharts</a>
Symbol	Name	% Holding
TOU.TO	Tourmaline Oil Corp	14.01%
CVE.TO	Cenovus Energy Inc	11.03%
	ARC Resources Ltd	10.42%
IMO	Imperial Oil Ltd	10.24%
KEY.TO	Keyera Corp	9.93%
SU	Suncor Energy Inc	9.63%
PPL.TO	Pembina Pipeline Corp	9.09%
ENB	Enbridge Inc	8.77%
CNQ.TO	Canadian Natural Resources Ltd.	8.50%
TRP.TO	Tc Energy Corp	8.34%
	CANADIAN DOLLAR	0.03%

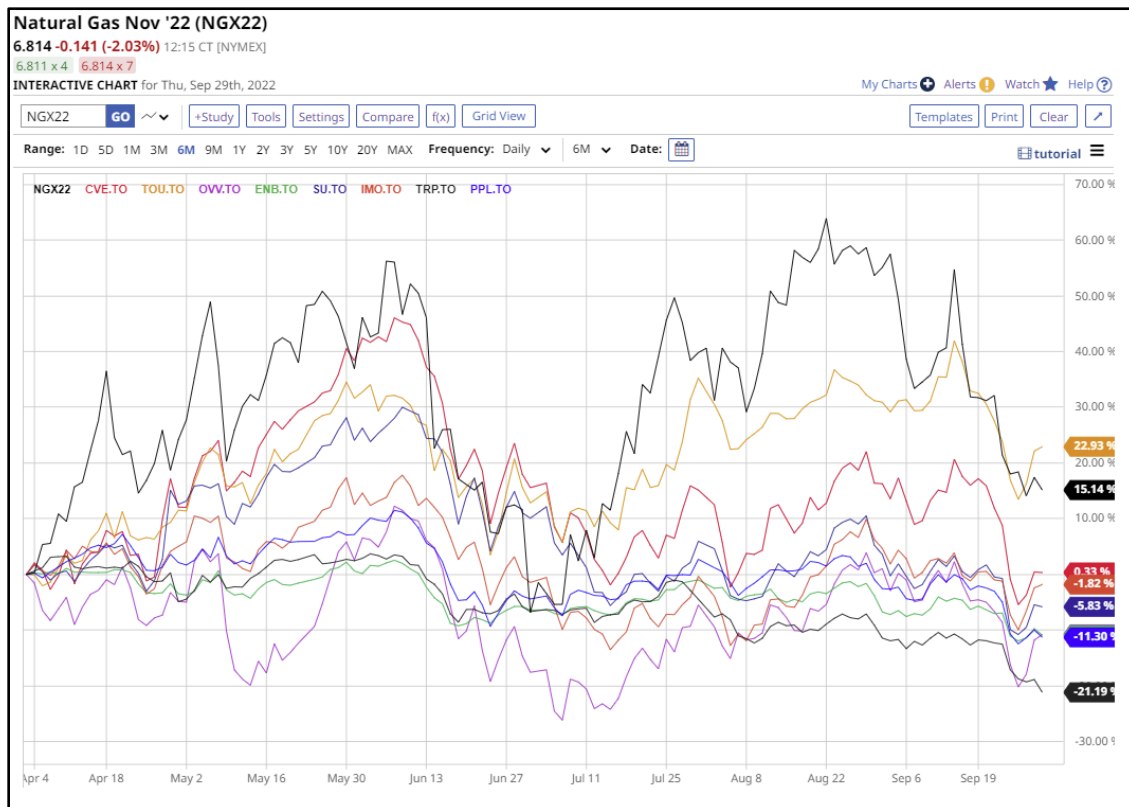
Period	Period Low	Period High	Performance
52-Week	43.58 +32.49% on 12/20/21	74.00 -21.97% on 06/08/22	+13.21 (+29.67%) since 09/29/21

▲ Period Open: 44.53

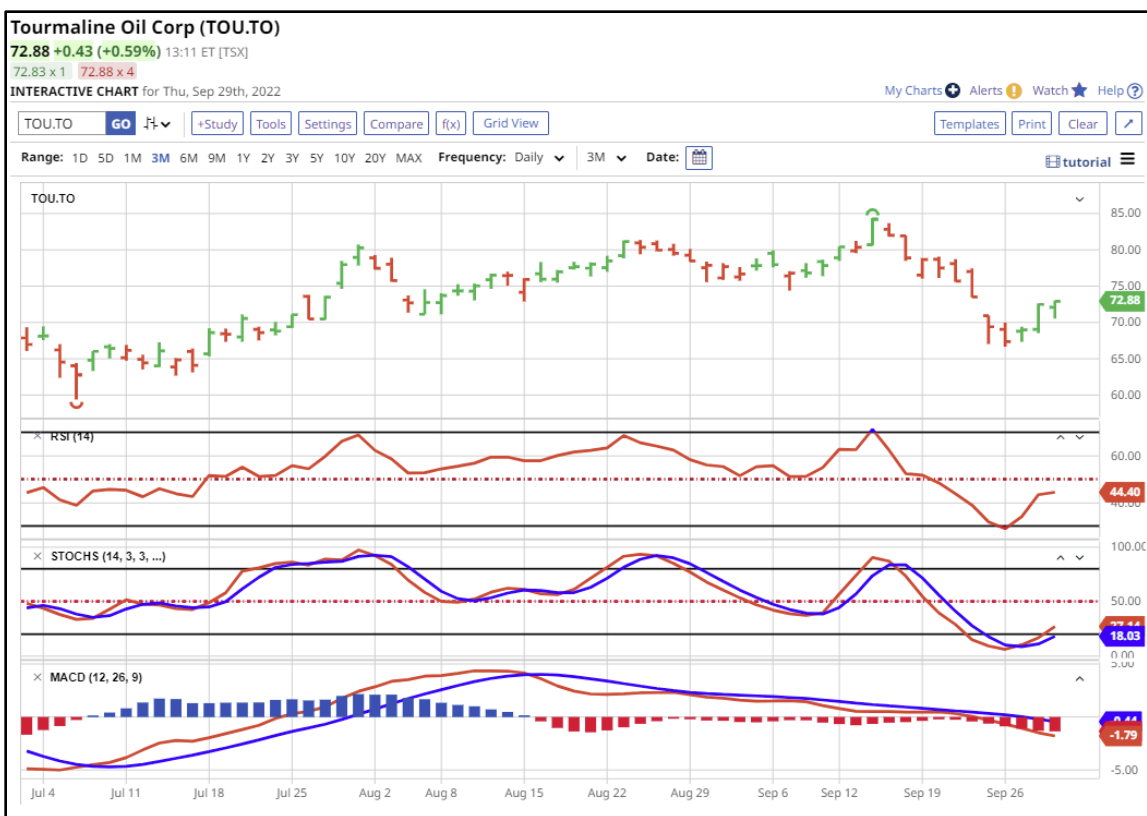
6M Daily HUN vs. ZEO



6M Daily Natural Gas vs. Energy Stocks







Tourmaline Oil Corp is a Canadian energy company engaged in natural gas and crude oil acquisition, exploration, development, and production in the Western Canada Sedimentary Basin.

**Next Earnings Release Date - 11/02/22**

Annual Dividend Rate, \$	0.90
Annual Dividend Yield	1.24%
Most Recent Dividend	0.225 on 09/14/22
Next Ex-Dividends Date	09/14/22
Dividend Payable Date	09/29/22
Dividend Payout Ratio	10.54%



Ovintiv is an independent oil and gas producer with key assets in the Permian, Eagle Ford, Montney, and Duvernay areas. At the end of 2019, the company reported net proven reserves of 1,348 million barrels of oil equivalent. Net production averaged 543 thousand barrels of oil equivalent per day in 2020 at a ratio of 53% oil and natural gas liquids and 47% natural gas.

**Next Earnings Release Date - 11/01/22**

Annual Dividend & Yield	1.00 (2.17%)
Most Recent Dividend	0.250 on 09/14/22



Fortis owns and operates 10 utility transmission and distribution assets in Canada and the United States, serving more than 3.4 million electricity and gas customers. The company has smaller stakes in electricity generation and several Caribbean utilities. Subsidiary ITC operates electric transmission in seven U.S. states, with more than 16,000 miles of high-voltage transmission lines in operation serving a peak load in excess of 23 gigawatts.

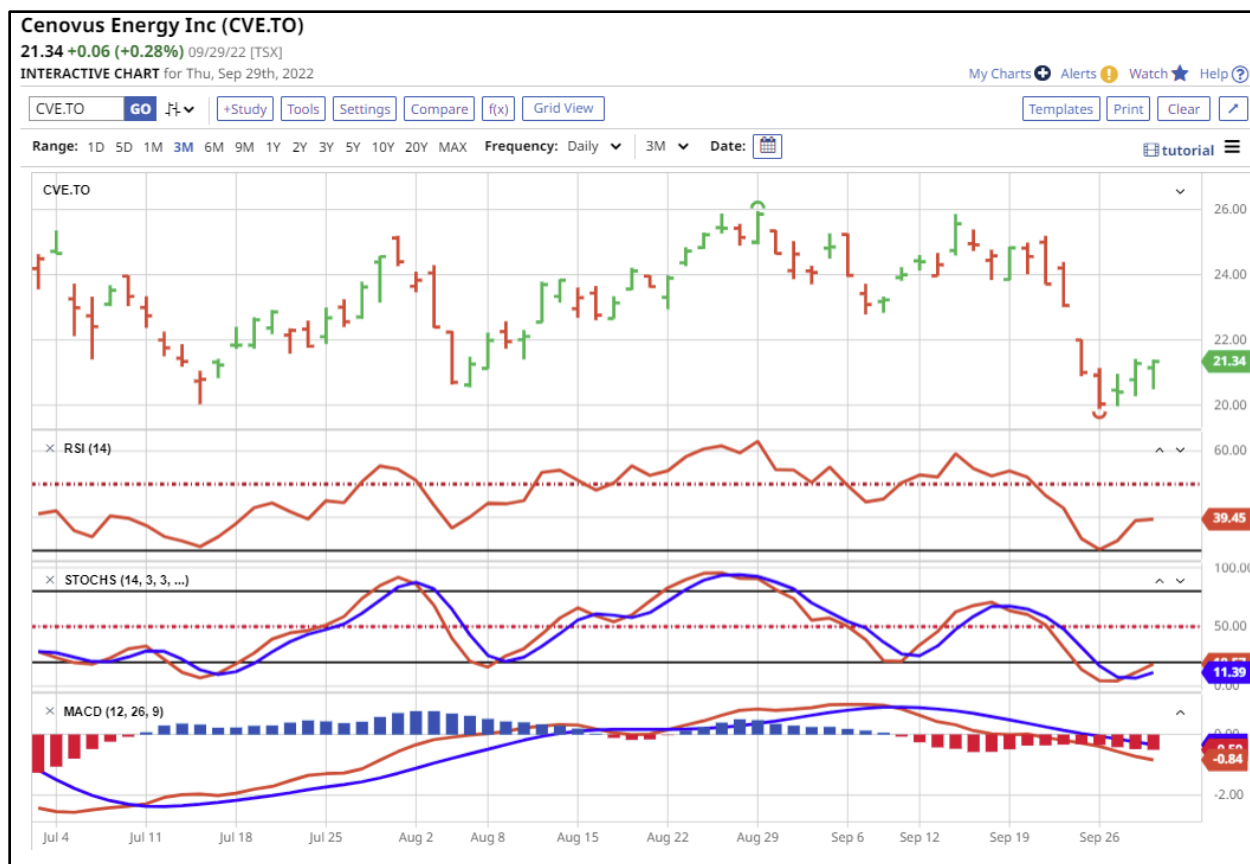
**Next Earnings Release Date - 10/28/22**

Annual Dividend Rate, \$	2.14
Annual Dividend Yield	3.91%
Most Recent Dividend	0.535 on 08/18/22
Next Ex-Dividends Date	08/18/22
Dividend Payable Date	09/01/22
Dividend Payout Ratio	79.92%
Most Recent Split	4-1 on 10/12/05



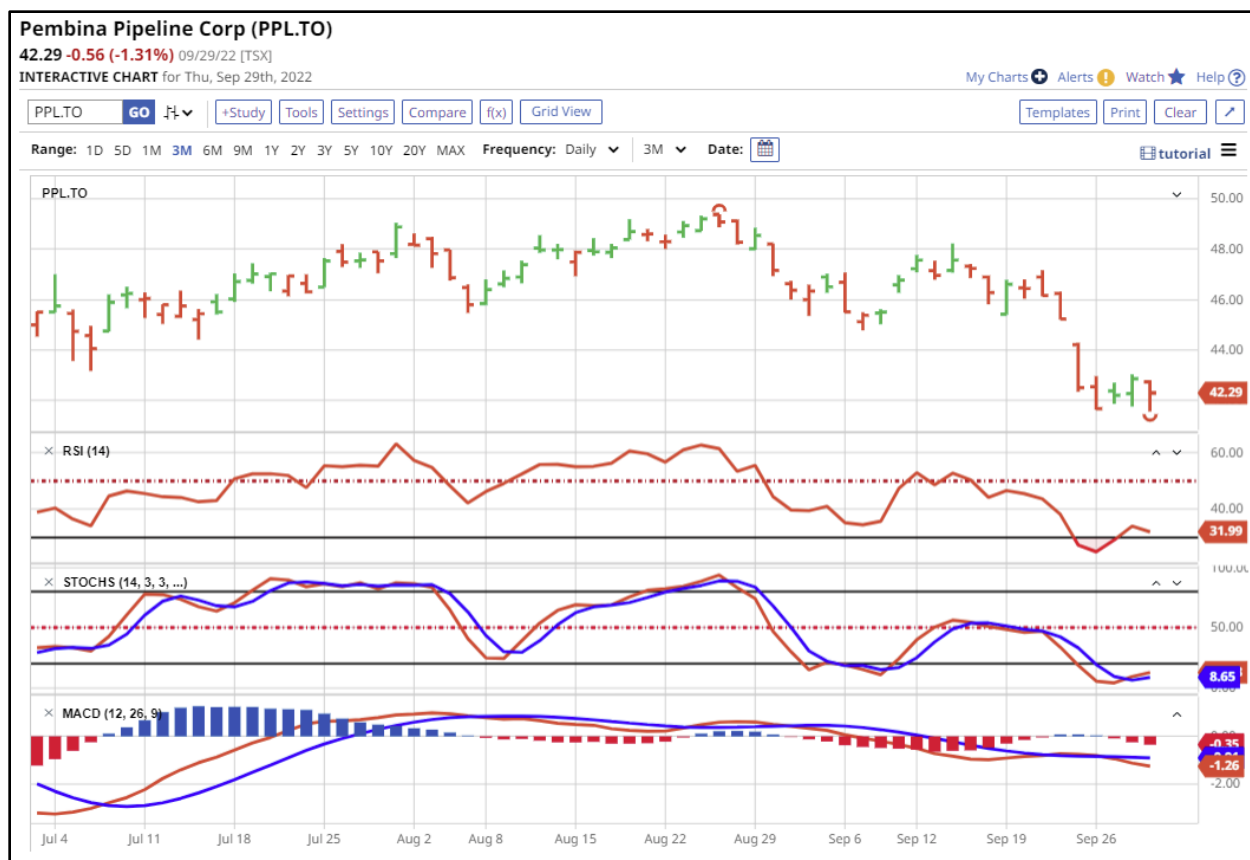
AltaGas Ltd owns and operates a diversified basket of energy infrastructure businesses. Business is conducted through four segments: Midstream, power, utilities and corporate. Utility business owns and operates rate-regulated natural gas distribution assets across North America. Midstream business subsequent to the sale of non-core midstream assets in Canada and also engaged in the natural gas liquid processing and extraction, transportation, and storage. Natural gas is sold and purchased for both commercial and industrial users. The Power business includes power generation assets such as natural gas-fired, wind, biomass, and hydro power assets. Revenue is derived from customers in both Canada and the United States, with United States customers contributing the most.

Next Earnings Date	10/27/22
Earnings Per Share ttm	0.88
EPS Growth vs. Prev Year	-31.78%
Annual Dividend Rate, \$	1.06
Annual Dividend Yield	3.87%
Most Recent Dividend	0.265 on 09/15/22
Next Ex-Dividends Date	09/15/22
Dividend Payable Date	09/29/22
Dividend Payout Ratio	115.31%



Cenovus Energy is an integrated oil company, focused on creating value through the development of its oil sands assets. The company also engages in production of conventional crude oil, natural gas liquids, and natural gas in Alberta, Canada, with refining operations in the U.S. Net upstream production averaged 472 thousand barrels of oil equivalent per day in 2020, and the company estimates that it holds 6.7 billion boe of proven and probable reserves.

Most Recent Earnings	1.19 on 07/28/22
Next Earnings Date	11/02/22
Earnings Per Share ttm	2.04
EPS Growth vs. Prev Qtr	50.63%
EPS Growth vs. Prev Year	-3.00%
Annual Dividend Rate, \$	0.42
Annual Dividend Yield	1.97%
Most Recent Dividend	0.105 on 09/14/22
Next Ex-Dividends Date	09/14/22
Dividend Payable Date	09/29/22
Dividend Payout Ratio	9.36%



Pembina Pipeline is a midstream company serving the Canadian and North American (primarily Bakken) markets with an integrated product portfolio. The firms' assets include pipelines and gas gathering as well as assets across fractionation, storage, and propane exports.

Most Recent Earnings	0.69 on 08/04/22
Next Earnings Date	11/03/22
Earnings Per Share ttm	2.58
EPS Growth vs. Prev Qtr	-14.81%
EPS Growth vs. Prev Year	-408.33%
Annual Dividend Rate, \$	2.61
Annual Dividend Yield	6.09%
Most Recent Dividend	0.218 on 09/22/22
Next Ex-Dividends Date	09/22/22
Dividend Payable Date	10/14/22
Dividend Payout Ratio	97.67%

End