



## **HORIZONS BETAPRO Q2 2010 ADVISOR SENTIMENT SURVEY: BEARISH OUTLOOK INCREASING AMONGST ADVISORS**

**Toronto, April 7, 2010** - BetaPro Management Inc. ("**BetaPro**") has released the results of its Q2 2010 Advisor Sentiment Survey, and found that bearish sentiment amongst Canadian investment advisors surveyed has increased over the last three months, particularly in their outlook for major equity indices.

Nearly 200 advisors, who collectively oversee an estimated \$20 billion in client assets, took part in the Q2 2010 Advisor Sentiment Survey. The survey asks investment advisors to give their outlook on 15 distinct asset classes. Advisors responded whether they were bullish, bearish or neutral on the anticipated returns for asset classes in the next quarter. Bullish sentiment decreased on 14 of the 15 asset classes from the Q1 2010 Advisor Sentiment Survey. The only asset class that saw an increase in bullish sentiment was silver, which saw a very modest 1% gain from last quarter's survey.

The majority of advisors who responded (58%) are still bullish on the prospects for Canadian stocks, represented by the S&P/TSX 60 Index™, but this number is substantially lower than the 70% of advisors who said they were bullish on Canadian stocks in the Q1 2010 Advisor Sentiment Survey. Nearly one in three (30%) respondents are bearish in their outlook for the S&P/TSX 60 Index™, which is up from 19% from the Q1 2010 Survey.

Bearish sentiment on U.S. bonds is the highest it has ever been in the history of the Advisor Sentiment Survey (55%). Bond prices generally have an inverse correlation to interest rates. With rates at extreme lows on long-dated U.S. treasuries, their prices are likely to be sensitive to a rise in interest rates.

The majority of advisors who responded (51%) remain bullish on the Canadian dollar versus the U.S. dollar, which is now trading near parity.

*"The preference for the Canadian dollar is part of a long-standing preference for Canadian asset classes over American asset classes,"* said Howard Atkinson, President of BetaPro.

Advisors have also been consistently more bullish on resources and emerging markets than other asset classes over the last several Surveys. However, their overall bullish outlook on these asset classes diminished in the Q2 2010 Survey from previous Surveys.

*"Most markets have seen a tremendous run-up since hitting lows in March 2009, but it appears there are a growing number of advisors who are unsure whether the pace of returns are sustainable,"* said Atkinson. *"Previous Advisor Sentiment Surveys have been fairly accurate – including accurate forecasts for 11 of 15 asset classes in Q1 2010. These Q2 2010 forecasts seem to suggest increased uncertainty amongst advisors."*

On U.S. stocks, represented by the S&P 500®, only 44% of advisors were bullish, down from 58% in the Q1 2010 Survey, despite a 4.87% return in that index in the first quarter of 2010. Bullish sentiment on emerging market stocks, represented by the MSCI® Emerging Markets Index, also dropped to 56% from 64%.

Bullish sentiment was also down substantially for the energy sector. Bullish sentiment on crude oil prices was only 44%, compared to 54% in the Q1 2010 Survey. The nearly 31% drop in natural

gas prices during the quarter may have been a factor in a stark reversal in sentiment for natural gas, where only 31% of advisors surveyed were bullish on natural gas, versus 59% in the Q1 2010 Survey.

The survey was conducted between March 19 and March 31, 2010.

BetaPro is the largest exchange traded fund ("**ETF**") provider by number (41 ETFs) and the Horizons BetaPro ETFs are the most frequently traded ETFs on the Toronto Stock Exchange by share volume in Canada. BetaPro assets grew by 539% in 2007, by over 225% in 2008 and 26% in 2009. Horizons BetaPro ETFs are a unique series of investment tools which allow investors to profit or protect in bull and bear markets with exposure to 15 key equity, bond, currency and commodity benchmarks. BetaPro, the manager of the Horizons BetaPro ETFs, is the sole provider of leveraged, inverse-leveraged and single inverse ETFs in Canada and the world's first provider of leveraged, inverse-leveraged and single inverse commodity ETFs.

#### **About the Sentiment Survey**

BetaPro conducts the only quarterly sentiment survey of Canadian investment advisors. The survey quantitatively measures advisors' quarterly outlook as it relates to 15 key benchmarks covering equities, bonds, currency and commodities. Full survey results are available at <http://www.HBPETFs.com/sentimentSurvey.asp>.

#### **About BetaPro Management Inc.**

Horizons BetaPro Exchange Traded Funds ("**HBP ETFs**") are managed by BetaPro Management Inc., Canada's sole provider of investment tools allowing investors to profit when the market is rising or falling, or to reduce their risk by hedging their existing market exposure. Horizons BetaPro ETFs offer three types of structures: Bull+/Bear+ leveraged ETFs, single ETFs, and single inverse ETFs. The HBP Bull+ ETFs and HBP Bear+ ETFs are designed to provide daily investment results, before fees and expenses, that correspond to double the daily performance, or double the inverse daily performance, respectively, of their specified underlying index or benchmark. The HBP Inverse ETFs are designed to provide daily investment results, before fees and expenses, that correspond to one times the inverse of their specified underlying index or benchmark. The HBP Single ETFs are designed to provide investment results, before fees, expenses, distributions, brokerage commissions and other transaction costs, that endeavour to correspond to the performance of their specified underlying index.

BetaPro is a subsidiary of Jovian Capital Corporation (JOV:TSX) and manages, as of March 31, 2010, approximately \$2.1 billion amongst 41 ETFs.

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