SemiAnnual Report

June 30, 2008
(Unaudited)

Claymore ETFs

Efficient
Transparent
Flexible

Claymore 1-5 Yr Laddered Government Bond ETF (CLF)
Claymore BRIC ETF (CBQ)
Claymore Canadian Financial Monthly Income ETF (FIE)
Claymore Canadian Fundamental Index ETF (CRQ)
Claymore CDN Dividend & Income Achievers ETF (CDZ)
Claymore Equal Weight Banc & Lifeco ETF (CEW)
Claymore Global Agriculture ETF (COW)
Claymore Global Balanced Growth ETF (CBN)
Claymore Global Balanced Income ETF (CBD)
Claymore Global Monthly Advantaged Dividend ETF (CYH)
Claymore International Fundamental Index ETF (CIE)
Claymore Japan Fundamental Index ETF C$ hedged (CJP)
Claymore Natural Gas Commodity ETF (GAS)
Claymore Oil Sands Sector ETF (CLO)
Claymore Premium Money Market ETF (CMR)
Claymore S&P Global Water ETF (CWW)
Claymore S&P/TSX CDN Preferred Share ETF (CPD)
Claymore S&P/TSX Global Mining ETF (CMW)
Claymore U.S. Fundamental Index ETF C$ hedged (CLU)

CLAYMORE℠

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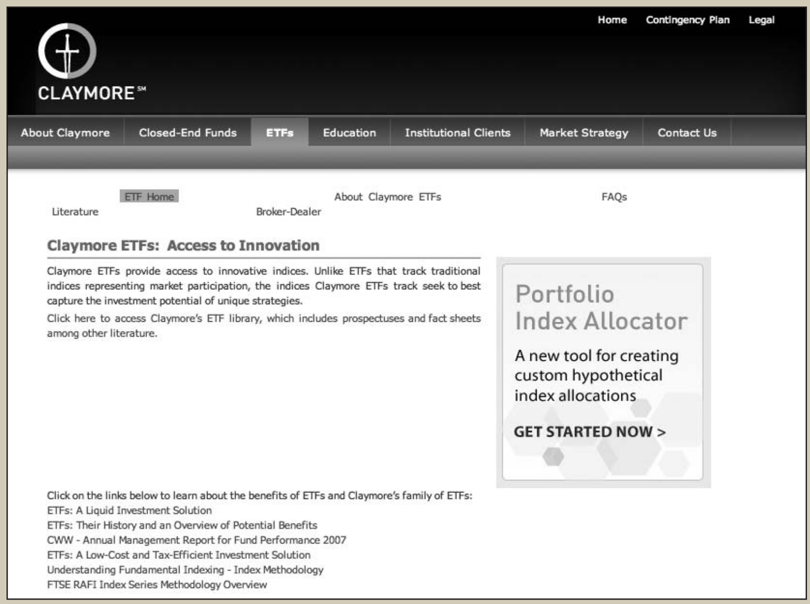
most up-to-date INFORMATION about

the Claymore Funds



The shareholder report you are reading right now is just the beginning of the story. Online at **www.claymoreinvestments.ca**, you will find:

- *Daily, weekly and monthly data on share prices, distributions, dividends and more*
- *Monthly portfolio overviews and performance analyses*
- *Announcements, press releases and special notices*
- *Fund and advisor contact information*

Claymore Investments is continually updating and expanding shareholder information services on the Fund's website, in an ongoing effort to provide you with the most current information about how your Fund's assets are managed, and the results of our efforts. It is just one more small way we are working to keep you better informed about your investment in the Funds.

Contents

Dear **Unitholder**

As Manager for the Claymore Exchange-Traded Funds ("ETFs"), we are pleased to submit the Semi-Annual Unitholder Reports for the six-month period ended June 30, 2008.

Claymore continues to focus on providing Canadian investors with a broad range of ETF investment products that cover multiple asset classes and employ a variety of investment strategies, but with low management fees. Each of our ETFs focuses on delivering access to innovative strategies that are designed to maximize income and/or long-term capital appreciation. Our lineup of ETFs allows investors to access many asset classes, including Canadian, US and international equities, fixed-income securities, income trusts, Canadian preferred shares and real estate investment trusts.

During the first six months of 2008, we continued to expand the range of products offered to investors and to refine and alter the structures of funds managed by Claymore to best meet the needs of our investors. We launched four new ETFs during the year:

- **Claymore Global Monthly Advantaged Dividend ETF** (ticker symbol CYH) on January 15, originally under the name **Claymore Global Monthly Yield Hog ETF**
- **Claymore 1-5 Yr Laddered Government Bond ETF** (ticker symbol CLF) on January 31
- **Claymore Natural Gas Commodity ETF** (ticker symbol GAS) on February 6
- **Claymore Premium Money Market ETF** (ticker symbol CMR) on February 19

Claymore Equal Weight Banc & Lifeco ETF, which was formerly a closed end fund, converted to an ETF on February 6, 2008. This conversion provided Unitholders with more efficient trading and greater market liquidity without changing the fund's investment objective or management strategy.

Claymore currently offers 18 passively managed index-based ETFs and one actively managed ETF, the Claymore Canadian Financial Monthly Income ETF. Actively managed ETFs are similar to index-based ETFs in that they hold a portfolio of securities and can be traded like individual stocks throughout the trading day. Unlike index-based ETF's, however, the portfolio of actively managed ETFs are managed by portfolio managers who make discretionary investment decisions.

The following table summarizes Claymore's current ETF offerings. Details about objectives and recent performance are available in the section of this report dedicated to each ETF. More information about Claymore's products, including explanations of their investment objectives and risks, can be found on Claymore's website at www.claymoreinvestments.ca.

Summary of Claymore ETFs

Style Focus	Ticker Symbol	ETF Name	Investment Strategy
RAFI Fundamental Indexes ™			
Core Canada	CRQ/CRQ.A	Claymore Canadian Fundamental Index ETF	**Fundamental Weighting:** invests in the largest Canadian companies based on fundamental value
Core U.S.	CLU/ CLU.A	Claymore US Fundamental Index ETF C$ hedged	**Fundamental Weighting** invests in the largest US companies based on fundamental value, with a currency hedge strategy
Core International	CIE/CIE.A	Claymore International Fundamental Index ETF	**Fundamental Weighting** invests in the largest non-US developed world companies based on fundamental value
Core Japan	CJP/CJP.A	Claymore Japan Fundamental Index ETF C$ hedged	**Fundamental Weighting** invests in the largest Japanese companies based on fundamental value, with a currency hedge strategy.
Sector			
Energy	CLO/CLO.A	Claymore Oil Sands Sector ETF	**Sustainable Energy:** focused on Canadian oil sands producers, with a targeted index strategy
World Stock	CMW/CMW.A	Claymore S&P/TSX Global Mining ETF	**Global Mining:** invests in the top global mining companies in the gold & precious metals, aluminum, diversified metals, and consumable fuels and energy markets
World Stock	COW/COW.A	Claymore Global Agriculture ETF	**Global Agriculture:** invests in global companies focused on the agricultural products, chemicals and fertilizers and machinery sectors
World Stock	CWW/CWW.A	Claymore S&P Global Water ETF	**Developed World:** invests in global companies which are focused on providing water infrastructure, utilities, materials and equipment
Canadian Equity	CEW/CEW.A	Claymore Equal Weight Banc & Lifeco ETF	**Canadian Financials:** invests in the top Canadian banks and life insurance companies on an equal weighted basis
Canadian Balanced	FIE	Claymore Canadian Financial Monthly Income ETF	**Growth & Income:** designed to provide investors with a balanced portfolio of investments focused on the Canadian financial services sector, across equities, fixed income, preferred shares and income trusts

Summary of Claymore ETFs

Style Focus	Ticker Symbol	ETF Name	Investment Strategy
International Growth			
Foreign Large Cap	CBQ/CBQ.A	Claymore BRIC ETF	**Emerging Market:** invests in companies from Brazil Russia, India and China
Growth & Income			
Large Value	CDZ/CDZ.A	Claymore Canadian Dividend & Income Achievers ETF	**Dividend Growth:** invests in Canadian equities and income trusts which have consistently grown their dividends and distributions
Global Equity	CYH/CYH.A	Claymore Global Monthly Advantaged Dividend ETF	**High Current Income:** invests in global dividend and income securities based on Zacks Global Yield Hog Index
Income			
Preferred Income	CPD/CPD.A	Claymore S&P/TSX CDN Preferred Share ETF	**Dividend Income:** designed to replicate the performance of the S&P/TSX Preferred Share Index, net of expenses
Fixed Income	CLF/CLF.A	Claymore 1-5 Yr Laddered Government Bond ETF	**Laddered Bond:** invests in Canadian Government bonds on a laddered term strategy from 1 year to 5 years
Fixed Income	CMR/CMR.A	Claymore Premium Money Market ETF	**Current Income:** invests in high quality short-term debt securities
Claymore CorePortfolios™			
Balanced	CBD/CBD.A	Claymore Global Balanced Income ETF	**Multi-Asset:** designed to replicate the performance of the Sabrient Global Balanced Income Index, net of expenses
Balanced	CBN/CBN.A	Claymore Global Balanced Growth ETF	**Multi-Asset:** designed to replicate the performance of the Sabrient Global Balanced Growth Index, net of expenses.
Commodity			
Natural Gas	GAS	Claymore Natural Gas Commodity ETF	**Physical Natural Gas:** invests in Canadian physical natural gas forward contracts

Fund Performance

The first half of 2008 provided both opportunities and challenges for investors. Strong returns in the natural resources markets, especially those involving energy, were coupled with a generally challenging market environment in North America, with pronounced weakness in the financial sector. Performance of the Claymore family of ETFs varied considerably. Funds that provided exposure to growing sectors such as natural resources provided solid returns, and many of the Claymore ETFs outperformed the benchmarks they employ to gauge their performance. Other funds focused on the US and developed international markets provided negative returns. In general, the ETFs are designed to track the markets based on their underlying index strategies. We believe that these Funds provide efficient and low-cost investment solutions for a variety of market sectors.

The following table summarizes performance for the Claymore ETFs during the first six months of 2008. All returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions.

Performance Summary

Periods ended 6/30/08

For Funds launched during 2008 (marked with an asterisk) returns are from inception date through 6/30/08. For Funds in operation for at least six months as of 6/30/08, returns are for the six-month period ended 6/30/08.

Fund	Class	Ticker Symbol	NAV Return	NAV 6/30/08	NAV 12/31/07	Market Price Return	Market Price 6/30/08	Market Price 12/31/07
Claymore Canadian Fundamental Index ETF	Common	CRQ	-2.68%	$11.38	$11.80	-2.45%	$11.34	$11.74
	Advisor	CRQ.A	-3.00%	$11.38	$11.80	-3.27%	$11.28	$11.73
Claymore US Fundamental Index C$ hedged ETF	Common	CLU	-16.32%	$17.38	$20.97	-16.12%	$17.49	$21.05
	Advisor	CLU.A	-16.73%	$17.35	$20.94	-16.60%	$17.43	$21.00
Claymore International Fundamental Index ETF	Common	CIE	-10.98%	$16.48	$18.75	-10.51%	$16.67	$18.86
	Advisor	CIE.A	-11.23%	$16.48	$18.73	-12.09%	$16.51	$18.95
Claymore Japan Fundamental Index ETF C$ hedged	Common	CJP	-8.30%	$15.73	$17.16	-9.59%	$15.94	$17.63
	Advisor	CJP.A	-8.45%	$15.67	$17.12	-11.42%	$16.05	$18.12
Claymore Oil Sands Sector ETF	Common	CLO	22.05%	$29.69	$24.33	22.39%	$29.85	$24.39
	Advisor	CLO.A	21.65%	$29.44	$24.20	24.25%	$29.46	$23.71
Claymore S&P/TSX Global Mining ETF	Common	CMW	19.26%	$26.30	$22.05	19.62%	$26.40	$22.07
	Advisor	CMW.A	18.79%	$26.15	$22.02	18.40%	$26.19	$22.12
Claymore Global Agriculture ETF	Common	COW	19.80%	$25.70	$21.46	19.39%	$25.80	$21.61
	Advisor	COW.A	19.35%	$25.60	$21.45	20.42%	$25.89	$21.50
Claymore S&P Global Water ETF	Common	CWW	-5.31%	$17.41	$18.55	-8.61%	$17.71	$19.54
	Advisor	CWW.A	-5.71%	$17.41	$18.55	-6.27%	$17.74	$19.01
Claymore Equal Weight Banc & Lifeco ETF*	Common	CEW	-8.44%	$7.10	n/a	-9.89%	$7.05	n/a
	Advisor	CEW.A	-13.93%	$6.99	$8.39	-7.89%	$7.02	$7.88
Claymore Canadian Financial Monthly Income ETF	Common	FIE	-12.04%	$8.03	$9.49	-12.43%	$8.00	$9.50
Claymore BRIC ETF	Common	CBQ	-8.34%	$38.47	$41.97	-7.25%	$39.00	$42.05
	Advisor	CBQ.A	-8.71%	$38.19	$41.83	-7.88%	$38.69	$42.00
Claymore Canadian Dividend & Income Achievers ETF	Common	CDZ	-3.04%	$20.53	$21.59	-2.17%	$20.57	$21.44
	Advisor	CDZ.A	-3.43%	$20.53	$21.59	-3.11%	$20.51	$21.50
Claymore Global Monthly Advantaged Dividend ETF*	Common	CYH	-2.74%	$19.03	n/a	-2.91%	$19.00	n/a
	Advisor	CYH.A	-3.08%	$19.03	n/a	-3.28%	$18.99	n/a
Claymore S&P/TSX CDN Preferred Share ETF	Common	CPD	-3.68%	$16.88	$17.95	-3.46%	$17.06	$18.10
	Advisor	CPD.A	-3.95%	$16.88	$17.95	-1.98%	$17.08	$17.80
Claymore 1-5 Yr Laddered Government Bond ETF*	Common	CLF	1.20%	$19.91	n/a	1.42%	$19.96	n/a
	Advisor	CLF.A	0.99%	$19.91	n/a	1.63%	$20.04	n/a
Claymore Premium Money Market ETF*	Common	CMR	1.11%	$50.03	n/a	1.14%	$50.04	n/a
	Advisor	CMR.A	1.03%	$50.02	n/a	1.16%	$50.09	n/a
Claymore Global Balanced Income ETF	Common	CBD	-1.81%	$18.47	$19.15	-2.86%	$18.35	$19.24
	Advisor	CBD.A	-2.04%	$18.46	$19.10	1.25%	$19.23	$19.24
Claymore Global Balanced Growth ETF	Common	CBN	-6.03%	$17.45	$18.84	-6.07%	$17.44	$18.84
	Advisor	CBN.A	-6.51%	$17.44	$18.84	-5.17%	$17.70	$18.84
Claymore Natural Gas Commodity ETF*		GAS	60.71%	$32.14	n/a	60.75%	$32.15	n/a

* Partial period returns from inception date through 6/30/08.

To learn more about economic and market conditions over the last year and the performance of each ETF, we encourage you to read the Economic and Market Overview section of this report, which follows this letter, and the Management Discussion & Analysis provided for each ETF. In these sections, you will find information on how each ETF fared in pursuing its investment objective, including a discussion of performance for the period ended June 30, 2008.

We look forward to continuing to provide investors with innovative products in partnership with what we believe to be best-in-class asset managers and index providers that represent a range of asset classes and unique investment strategies.

We thank you for your investment and we look forward to serving your investment needs in the future. For the most up-to-date information on your investment, please visit our website, www.claymoreinvestments.ca. On our website you'll find performance information that is updated each business day along with a range of other important information about our products.

Sincerely,

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President, Claymore Investments, Inc.

Economic **Overview**

Growth in the global economy began to slow in the final months of 2007 and the first half of 2008, reflecting the effects of the slowdown in the U.S. economy and ongoing dislocations in global financial markets.

The U.S. economy continues to struggle with the combined effects of the housing slump, troublesome credit-related issues, and rising energy prices. Nonetheless, real GDP (gross domestic product, a broad measure of overall economic activity) has continued to advance, albeit modestly and well below the economy's trend potential. This continued growth, supported by aggressive policy response by the Federal Reserve Board (the "Fed"), provides evidence of the underlying resiliency of the U.S. economy and the relative strength of global growth.

Because the U.S. is Canada's largest trading partner, it would be difficult for Canada to avoid the impact of a downturn in the U.S. economy. Recent reports on employment and housing indicate that Canada's economy is showing signs of strain. However, growing Asian demand for Canadian energy and other commodities such as wheat and potash supported an expansion of Canada's trade surplus in May, and export strength could help offset the drag of a slowing U.S. economy in the months ahead. The Bank of Canada projects that Canadian GDP will expand by 1.4% in 2008, with more rapid growth projected in 2009. Inflation is well contained, as it has been for approximately 20 years, aided by the strong Canadian dollar and wage settlements in line with the Bank of Canada's 1% to 3% target for core inflation.

The broadly-based tightening of credit conditions, the surge in energy prices, and the slowdown in U.S. import demand are affecting economies around the world. The impact has been greatest in Europe and Japan, and least in emerging economies such as China and India. This difference reflects opposing pressures on world economies, as developed economies are hurt by credit issues, while demand for raw materials and energy in rapidly growing economies is driving prices higher. As economies in emerging nations continue to expand, it appears that the world is rebalancing, becoming less dependent on U.S. domestic demand.

Equity and Bond Markets

The first half of 2008 was a period of considerable economic uncertainty and significant turmoil in capital markets throughout the world.

The Canadian equity market experienced a significant correction in the fourth quarter of 2007, followed by a minor correction in the first quarter of 2008. As fears of a major financial crisis lessened, there was a major rebound in the second quarter. For the six months ended June 30, 2008, total return of the S&P/TSX Composite Index (the "S&P/TSX") was 5.99%. The market as a whole was not as strong as suggested by this positive return, which was driven mainly by the strength of two sectors, energy and materials. The energy sector, which represents more than 30% of the S&P/TSX, was up more than 20%, as rising prices fueled earnings of energy companies. Materials, approximately 18% of the S&P/TSX, were also strong, up 18%. However, the large financials sector (approximately 30% of the S&P/TSX) was down almost 12%.

This strength in the Canadian equity market in the first half of 2008 is in sharp contrast to most world markets. In the U.S., most major indices posted negative returns; the return of the S&P 500 Index was -11.91% in U.S. dollars and -9.51% in Canadian dollars. The MSCI EAFE Index, which measures performance of world equity markets, returned -15.34% in local currencies for the six-month period. Markets in most developed nations were down, and even markets such as China and India that had previously proven highly resilient were down for the period.

For much of the last 12 months, credit concerns were a major driver of bond market activity. Credit spreads (the difference in yields on government securities compared to bonds that carry credit risk) were at or near historically wide levels. Since bond prices generally move in the opposite direction of interest rates, this meant that government securities were the best performing bond asset class during the six-month period ended June 30, 2008.

In recent months, as concerns about a collapse of credit markets have abated, credit spreads have narrowed somewhat. For the first half of 2008, Canadian bonds generally delivered positive returns; the DEX Universe Bond Index returned 2.2% for this period. In the U.S., returns of investment grade bonds were positive: the Lehman Brothers U.S. Aggregate Bond Index, which is considered indicative of broad bond market trends, returned 1.13% for the six-month period. However, reflecting investors' discomfort with risk, returns of high-yield bonds were negative, as measured by the Lehman Brothers U.S. Corporate High Yield Index, which returned -1.31% for the period.

Management **Discussion & Analysis**

Fund Overview

The Claymore 1-5 Yr Laddered Government Bond ETF (the "Fund") has been designed to replicate, to the extent possible, the performance of the DEX 1-5 Year Laddered Government Bond Index (the "Index"), net of expenses. The Index is an equally weighted benchmark index that measures potential returns of a theoretical portfolio of Canadian treasury and securities with a yield curve based upon five distinct annual groupings of maturity. The Index seeks to maintain a continuous maturity laddered portfolio of approximately 25 securities, meaning that securities holdings are scheduled to mature in a proportional, annual sequential pattern.

The Fund's investment strategy is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index. The Fund has been structured to provide exposure to the staggered maturity dates of the bonds (which range from one to five years) in the Index.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. This report discusses the semi-annual period from the Fund's inception date of January 31, 2008, through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of 1.20%, representing a change in NAV to $19.91 on June 30, 2008, from $20.00 on January 31, 2008. The Fund's Advisor Class Units generated a total return, on an NAV basis, of 0.99%, representing a change in NAV to $19.91 on June 30, 2008, from $20.00 on January 31, 2008. On a market price basis, the Fund's Common Units generated a total return of 1.42%, representing a change in market price to $19.96 on June 30, 2008, from $20.00 on January 31, 2008. The Fund's Advisor Class Units generated a total return, on a market price basis, of 1.63%, representing a change in market price to $20.04 on June 30, 2008, from $20.00 on January 31, 2008.

For the period from the Fund's inception date of January 31, 2008, through June 30, 2008, the DEX 1-5 Year Laddered Government Bond Index returned 1.53%.

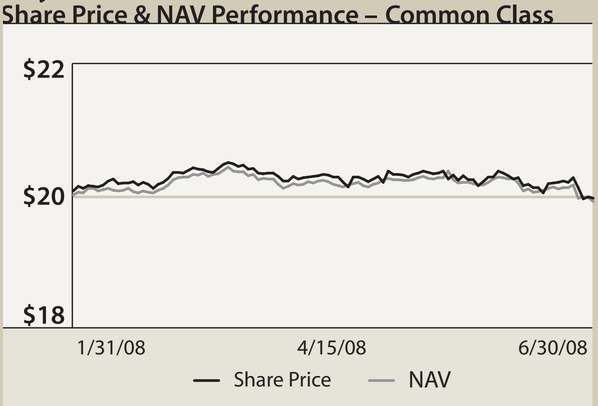
The Fund's Common Units paid quarterly dividends of $0.1190 on March 31, 2008, and $0.2058 on June 30, 2008. The Fund's Advisor Class Units paid quarterly dividends of $0.1010 on March 31, 2008, and $0.1863 on June 30, 2008.

The Fund's Investments and Performance Attribution

For the period from the Fund's inception date through June 30, 2008, all of the Fund's holdings produced positive returns. Holdings that contributed strongly to performance included a 5.25% Canadian Government bond maturing in 2013, a 4.10% bond of Canada Housing Trust maturing in 2011, and a 4.00% Province of Ontario bond maturing in 2010 (4.1%, 3.9% and 4.0% of net assets, respectively). Positions that contributed least to performance included a 5.80% bond of Export Development Canada maturing in 2012, and a 5.75% Province of British Columbia bond maturing in 2012, and a 6.10% Province of Ontario bond maturing in 2011 (3.9%, 3.9% and 3.9% of net assets, respectively).

Performance **Highlights** | As at June 30, 2008 (unaudited)

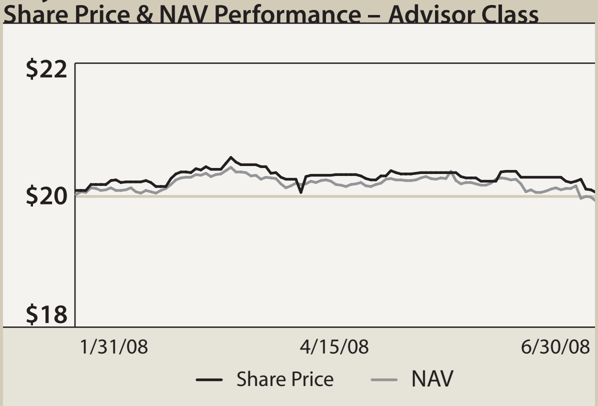
Claymore 1-5 Yr Laddered Government Bond ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (1/31/08)	Market	NAV
Since inception - non-annualized	1.42%	1.20%

Claymore 1-5 Yr Laddered Government Bond ETF
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (1/31/08)	Market	NAV
Since inception - non-annualized	1.63%	0.99%

Sector Mix	% of Fund's Net Asset Value
Bonds	
Federal	51.6
Provincial	47.2
Cash and Cash Equivalents	1.7
Net Other Assets	(0.5)
	100.0

Top 25 Issuers	Maturity Date	Coupon Rate	% of Fund's Net Asset Value
Government of Canada	Jun 01, 2014	5.000%	7.7
Province of British Columbia	Jun 18, 2014	5.300%	4.1
Government of Canada	Jun 01, 2013	5.250%	4.0
Government of Canada	Jun 01, 2012	5.250%	4.0
Government of Canada	Sep 01, 2011	3.750%	4.0
Canada Housing Trust No. 1	Jun 15, 2012	4.800%	4.0
Province of Ontario	May 19, 2010	4.000%	4.0
Province of Ontario	Jun 02, 2013	4.750%	4.0
Government of Canada	Jun 01, 2011	6.000%	4.0
Province of Ontario	Dec 02, 2012	5.375%	4.0
Government of Canada	Sep 01, 2010	4.000%	4.0
Government of Canada	Jun 01, 2010	5.500%	4.0
Government of Canada	Dec 01, 2009	4.250%	4.0
Canada Housing Trust No. 1	Mar 15, 2010	3.750%	4.0
Export Development Canada	Dec 03, 2012	5.800%	3.9
Canada Housing Trust No. 1	Mar 15, 2011	4.050%	3.9
Province of Quebec	Dec 01, 2010	6.250%	3.9
Province of Ontario	Dec 02, 2011	6.100%	3.9
Province of Ontario	Nov 19, 2010	6.100%	3.9
Province of Ontario	Mar 08, 2014	5.000%	3.9
Province of New Brunswick	Jun 15, 2010	6.375%	3.9
Province of Quebec	Oct 01, 2012	6.000%	3.9
Province of British Columbia	Jan 09, 2012	5.750%	3.9
Province of Quebec	Oct 01, 2013	5.250%	3.9
Cash and Cash Equivalents			1.7
			100.5
Total Net Asset Value			**$26,943,963**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Par value, Number of Shares/Units	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets
	Canadian Bonds					
	Canada Government Bonds					
1,054,000	Canada Housing Trust No. 1	4.050%	15-Mar-11	$ 1,071,956	$ 1,063,012	
1,060,000	Canada Housing Trust No. 1	3.750%	15-Mar-10	1,070,445	1,064,229	
1,041,000	Canada Housing Trust No. 1	4.800%	15-Jun-12	1,088,069	1,076,040	
987,000	Export Development Canada	5.800%	3-Dec-12	1,078,097	1,063,581	
998,000	Government of Canada	6.000%	1-Jun-11	1,084,030	1,070,165	
1,013,000	Government of Canada	5.250%	1-Jun-13	1,105,802	1,094,182	
1,014,000	Government of Canada	5.250%	1-Jun-12	1,093,477	1,080,873	
1,025,000	Government of Canada	5.500%	1-Jun-10	1,079,804	1,067,486	
1,053,000	Government of Canada	4.000%	1-Sep-10	1,077,757	1,068,627	
1,068,000	Government of Canada	3.750%	1-Sep-11	1,088,249	1,079,011	
1,950,000	Government of Canada	5.000%	1-Jun-14	2,103,464	2,102,002	
1,053,000	Government of Canada	4.250%	1-Dec-09	1,075,509	1,066,879	
985,000	Province of British Columbia	5.750%	9-Jan-12	1,057,355	1,044,297	
1,038,000	Province of British Columbia	5.300%	18-Jun-14	1,104,847	1,103,654	
999,000	Province of New Brunswick	6.375%	15-Jun-10	1,062,324	1,050,299	
987,000	Province of Ontario	6.100%	2-Dec-11	1,069,494	1,055,735	
999,000	Province of Ontario	6.100%	19-Nov-10	1,065,395	1,053,295	
1,008,000	Province of Ontario	5.000%	8-Mar-14	1,053,360	1,053,108	
1,041,000	Province of Ontario	4.750%	2-Jun-13	1,085,641	1,074,125	
1,014,000	Province of Ontario	5.375%	2-Dec-12	1,083,110	1,069,526	
1,067,000	Province of Ontario	4.000%	19-May-10	1,081,874	1,074,586	
973,000	Province of Quebec	6.000%	1-Oct-12	1,060,776	1,047,902	
985,000	Province of Quebec	5.250%	1-Oct-13	1,039,274	1,038,466	
999,000	Province of Quebec	6.250%	1-Dec-10	1,069,422	1,057,202	
	Total Canada Government Bonds			26,849,531	26,618,282	98.81%
	Total Investments			$ 26,849,531	26,618,282	98.81
	Other assets less liabilities				321,474	1.19
	Net Assets				$ 26,939,756	100.00%

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

Statement of **Net Assets** | **As at June 30, 2008** (unaudited)

		2008
Assets		
Investments, at fair value (note 2)	$	26,618,282
Cash		464,118
Bond interest receivable		163,805
Due from brokers		5,268,756
		32,514,961
Liabilities		
Distribution payable		253,967
Accrued management fees		3,237
Accrued service fees		2,867
Due to brokers		5,315,134
		5,575,205
Net assets representing unitholders' equity	$	26,939,756
Net assets representing unitholders' equity		
Advisor Class	$	3,981,602
Common		22,958,154
	$	26,939,756
Units outstanding (note 4)		
Advisor Class		200,000
Common		1,153,000
		1,353,000
Net assets per unit		
Advisor Class	$	19.91
Common	$	19.91

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the period from January 31, 2008* to June 30, 2008** (unaudited)

		2008
Income		
Interest	$	295,563
Expenses		
Management fees (note 5)		10,104
Service fees (note 5)		4,560
Interest and bank charges		90
		14,754
Net investment gain		280,809
Net realized loss on sale of investments		(70,260)
Change in unrealized depreciation in value of investments		(231,249)
Net loss on investments		(301,509)
Decrease in net assets from operations	$	(20,700)
Decrease in net assets from operations		
Advisor Class	$	(10,768)
Common		(9,932)
	$	(20,700)
Decrease in net assets from operations per unit		
Advisor Class	$	(0.10)
Common	$	(0.02)

* Commencement of Operations

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

Statement of **Changes in Net Assets**

For the period from January 31, 2008* to June 30, 2008 (unaudited)

		2008
Net assets, beginning of the period * (GAAP NAV)		
Advisor Class	$	–
Common		–
	$	–
Decrease in net assets from operations		
Advisor Class		(10,768)
Common		(9,932)
		(20,700)
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class		4,039,730
Common		23,256,193
		27,295,923
Distribution to unitholders		
From net investment income:		
Advisor Class		(47,360)
Common		(288,107)
		(335,467)
Increase in net assets for the period		
Advisor Class		3,981,602
Common		22,958,154
	$	26,939,756
Net assets, end of the period (GAAP NAV)		
Advisor Class	$	3,981,602
Common	$	22,958,154
	$	26,939,756

* Commencement of Operations

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

Statement of **Cash Flows** | **For the period from January 31, 2008* to June 30, 2008** (unaudited)

		2008
Cash flows from operating activities		
Decrease in net assets from operations	$	(20,700)
Items not affecting cash:		
Net realized loss on sale of investments		70,260
Change in unrealized depreciation in value of investments		231,249
Change in non-cash working capital items		(157,701)
		123,108
Cash flows from investing activities		
Purchase of investments		(26,851,370)
Proceeds from sale of investments		(22,043)
		(26,873,413)
Cash flows from financing activities		
Distribution to unitholders		(81,500)
Issuance of units for cash		27,295,923
		27,214,423
Net increase in cash		464,118
Cash, beginning of the period		–
Cash, end of the period	$	464,118

* Commencement of Operations

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore 1-5 Yr Laddered Government Bond ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on November 27, 2007 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated November 27, 2007 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units.

The Claymore ETF seeks investment results that correspond generally to the price and yield (before fees and expenses) of the DEX 1-5 Year Laddered Government Bond Index. The investment strategy of the Claymore ETF is to invest in and hold Constituent Securities of the DEX 1-5 Year Laddered Government Bond Index in the same proportion as they are reflected in that Index. The Claymore ETF has been structured to provide exposure to the staggered maturity dates of the bonds in the underlying Index, which range from one to five years.

The Claymore ETF commenced investment operations on January 31, 2008.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at inception. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA has originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied since inception.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments:

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The fair value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.
2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs:

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. There is no impact on the Net Asset Value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF applied this new section effective since inception.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This Section establishes standards for when and how hedge accounting may be applied. The application of section 3865 did not have impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Application of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the application of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	**Section 3855 Adjustment**	**GAAP NAV**	**Transactional NAV**	**GAAP NAV**
As at June 30, 2008					
Claymore 1-5 Yr Laddered Government Bond ETF					
Advisor Class	$ 3,982,223	$ (621)	$ 3,981,602	$ 19.91	$ 19.91
Common	22,961,740	(3,586)	22,958,154	$ 19.91	$ 19.91
Total Net Asset Value	$ 26,943,963	$ (4,207)	$ 26,939,756		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units. Unit transactions of the Claymore ETF for the period ended June 30, 2008 were as follows:

	June 30, 2008			
	Advisor Class Units		Common Units	
	Units	Value	Units	Value
Units issued for cash	200,000	$ 4,039,730	1,153,000	$ 23,256,193
Units redeemed	–	–	–	–
Units outstanding, end of period	200,000	$ 4,039,730	1,153,000	$ 23,256,193

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.15% of the NAV per Common unit of the Claymore ETF, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.15% of the NAV per Advisor Class unit of the Claymore ETF, plus applicable taxes, plus an additional service fee of one-quarter of 0.50% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.50% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 12,408,185
Market Value of Collateral Held	$ 13,221,683

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

Interest rate risk

The majority of the Fund's financial assets are interest bearing. As a result, the Fund is subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

The table below summarizes the Fund's exposure to interest rate risk. Table includes the Fund's assets at fair values, categorized by the earlier of contractual re-pricing or maturity dates.

	1- 3 years	3 - 5 years	More than 5 years	Total
As at June 30, 2008				
Bond investments	10,635,780	10,685,272	5,297,230	26,618,282

At June 30, 2008, should interest rates have decreased by 25 basis points with all other variables remaining constant, the increase in net assets for the period would amount to approximately $222,117 . Conversely, if interest rates had risen by 25 basis points, the decrease in net assets would amount to approximately $213,809.

Credit risk

The Fund's credit risk concentration is investments in debt instruments. The Fund limits its exposure to credit loss by placing its investments and short-term investments with high credit quality. To maximize the credit quality of its investments, the Manager performs ongoing credit evaluations based upon factors surrounding the credit risk of counterparties, historical trends and other information.

All transactions in listed securities are settled for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

As at June 30, 2008, the Fund invested in debt instruments with the following credit ratings:

Debt instruments by credit ratings	Percentage of investment category (%)
AAA/Aaa/AAA/Bonds A++	60.27
AA/Aa/AA/Bonds A+	27.92
A/A/A/Bond A	11.81
Total debt instruments category	100.00

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

As at June 30, 2008, the majority of the Claymore ETF's investments and cash balances are denominated in Canadian dollar. As a result, the Claymore ETF is not significantly exposed to the currency risk.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were zero (2007 –nil).

There were no soft dollar amounts during the period ended June 30, 2008.

Management **Discussion & Analysis**

Fund Overview

The Claymore BRIC ETF (the "Fund") has been designed to replicate, to the extent possible, the performance of the BNY BRIC Select ADR Index (the "Index"), which tracks the performance of companies from Brazil, Russia, India and China (the "BRIC nations") which trade as American Depositary Receipts ("ADRs") and/or Global Depositary Receipts ("GDRs") on a U.S. stock exchange. The Fund's investment strategy is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index.

The Index utilizes ADRs and GDRs for the exposure to each of the four BRIC countries because the stock markets in each of these countries are relatively undeveloped and do not provide sufficient liquidity and/or listing standards. By utilizing ADRs and GDRs, the Manager believes the Index will be more efficient and will be focused on the higher quality, blue chip companies from these four countries. Given that the ADRs and/or GDRs underlying the Index are U.S.-dollar denominated, the Fund seeks to reduce currency risk by hedging its exposure to U.S. dollars. Companies are selected for the Index using a proprietary methodology developed by the Bank of New York Mellon which includes several criteria including maintaining a listing on a U.S. exchange and meeting minimum requirements for liquidity, share price and market capitalization.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. This report discusses the semi-annual period from December 31, 2007, through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of -8.34%, representing a change in NAV to $38.47 on June 30, 2008, from $41.97 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on an NAV basis, of -8.71%, representing a change in NAV to $38.19 on June 30, 2008, from $41.83 on December 31, 2007. On a market price basis, the Fund's Common Units generated a total return of -7.25%, representing a change in market price to $39.00 on June 30, 2008, from $42.05 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of -7.88%, representing a change in market price to $38.69 on June 30, 2008, from $42.00 on December 31, 2007.

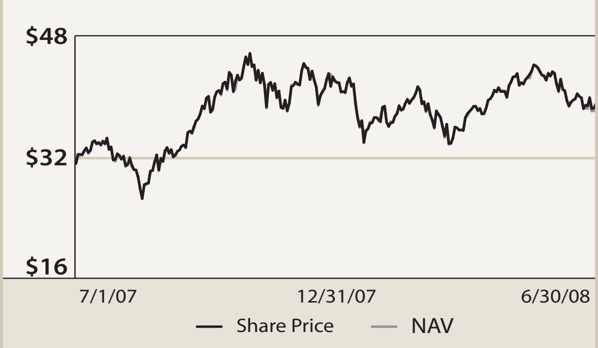
For the six-month period ending June 30, 2008, the Index returned -4.32% and the MSCI Emerging Markets Index returned -9.23%, each in Canadian dollar terms. Despite negative return, the markets in BRIC nations continued to outperform the broader MSCI Emerging Markets Index. A broadly-based tightening of credit conditions, a surge in energy prices, and a slowdown in U.S. import demand are affecting economies and markets around the world, including the emerging markets of the BRIC nations, which had previously experienced rapid growth. Markets in India and China were down sharply for the six months ended June 30, 2008, while markets in Brazil and Russia were up modestly.

The Fund's Investments and Performance Attribution

For the six-month period from December 31, 2007, through June 30, 2008, the basic materials and oil & gas sectors made the strongest positive contributions to return; the financials and telecommunications sectors were the greatest detractors from return. Holdings that contributed strongly to performance included Petroleo Brasileiro SA, which is responsible for all hydrocarbon activities in Brazil (common shares 10.3% of net assets; preference shares 11.6% of net assets) and Cia Siderurgica Nacional SA (2.3% of net assets), an integrated steel producer in Brazil. Positions that detracted from performance include ICICI Bank Ltd., a banking company based in India; China Mobile Ltd., a leading provider of mobile telecommunications services in China; and China Life Insurance Co. Ltd., an insurance company in the People's Republic of China (1.5%, 7.2% and 3.2% of net assets, respectively).

Performance **Highlights** | As at June 30, 2008 (unaudited)

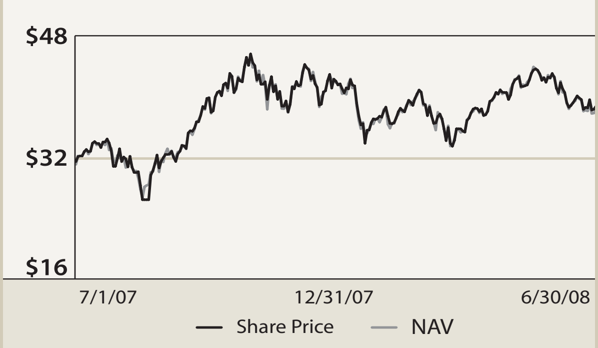
Claymore BRIC ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (09/08/06)	Market	NAV
Six months	-7.25%	-8.34%
One year	31.89%	30.22%
Since inception - average annual	49.22%	48.11%

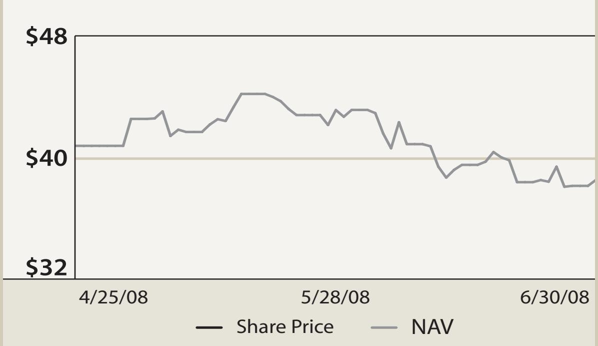
Claymore BRIC ETF
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (09/08/06)	Market	NAV
Six months	-7.88%	-8.71%
One year	29.37%	29.20%
Since inception - average annual	48.03%	46.98%

Claymore BRIC ETF
NAV Performance – Institutional Class



Total Returns – Institutional Class

Inception (04/25/08)	NAV
Since inception - non-annualized	-5.50%

Sector Mix

Sector Mix	% of Fund's Net Asset Value
Equities	
Energy	19.9
Telecommunication Services	14.6
Materials	10.2
Financials	7.6
Information Technology	5.7
Consumer Discretionary	1.8
Utilities	1.5
Consumer Staples	0.9
Health Care	0.9
Industrials	0.8
Preferred Shares	
Energy	11.6
Materials	10.9
Financials	7.1
Telecommunication Services	2.2
Consumer Staples	2.0
Utilities	1.2
Consumer Discretionary	0.3
Industrials	0.3
Cash and Cash Equivalents	0.3
Net Other Assets	0.2
	100.0

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

Top 25 Issuers	% of Fund's Net Asset Value
Petroleo Brasileiro SA, Preference Shares, ADR	11.6
Petroleo Brasileiro SA, ADR	10.3
Cia Vale do Rio Doce, Preference Shares, ADR	7.4
China Mobile Ltd., ADR	7.2
Cia Vale do Rio Doce, ADR	5.7
Banco Bradesco SA, Preference Shares, ADR	4.0
PetroChina Co. Ltd., ADR	3.5
CNOOC Ltd., ADR	3.3
China Life Insurance Co. Ltd., ADR	3.2
Banco Itau Holding Financeira SA, Preference Shares, ADR	3.1
Infosys Technologies Ltd., ADR	2.5
Cia Siderurgica Nacional SA, ADR	2.3
Gerdau SA, Preference Shares, ADR	2.1
China Petroleum & Chemical Corp., ADR	2.0
Mobile Telesystems OJSC, ADR	1.9
Unibanco - Uniao de Bancos Brasileiros SA, GDR	1.8
China Unicom Ltd., ADR	1.6
ICICI Bank Ltd., ADR	1.5
Cia de Bebidas das Americas, Preference Shares, ADR	1.3
Vimpel-Communications OAO, ADR	1.2
China Telecom Corp. Ltd., ADR	1.0
Satyam Computer Services Ltd., ADR	1.0
Mechel OAO, ADR	0.9
Cia Energetica de Minas Gerais, Preference Shares, ADR	0.9
Tele Norte Leste Participacoes SA, Preference Shares, ADR	0.8
	82.1
Total Net Asset Value	**$218,372,493**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Common Stock			
	Energy			
47,021	China Petroleum & Chemical Corp., ADR (China)	$ 5,212,047	$ 4,427,032	
40,818	CNOOC Ltd., ADR (China)	5,707,269	7,183,713	
8,800	LDK Solar Co. Ltd., ADR (China)	372,214	337,212	
58,622	PetroChina Co. Ltd., ADR (China)	9,323,868	7,660,363	
312,226	Petroleo Brasileiro SA, ADR (Brazil)	12,804,334	22,414,536	
11,460	Yanzhou Coal Mining Co. Ltd., ADR (China)	875,802	1,081,286	
18,251	Yingli Green Energy Holding Co. Ltd., ADR (China)	372,248	293,857	
		34,667,782	43,397,999	19.90%
	Materials			
45,360	Aluminum Corp. of China Ltd., ADR (China)	2,015,305	1,313,409	
110,018	Cia Siderurgica Nacional SA, ADR (Brazil)	2,676,849	4,949,169	
341,725	Cia Vale do Rio Doce, ADR (Brazil)	9,271,279	12,408,272	
40,111	Mechel OAO, ADR (Russia)	963,991	2,014,381	
6,862	Sinopec Shanghai Petrochemical Co. Ltd., ADR (China)	396,171	237,050	
80,919	Sterlite Industries India Ltd., ADR (India)	1,531,612	1,305,331	
		16,855,207	22,227,612	10.19
	Industrials			
	Capital Goods			
11,011	China Digital TV Holding Co. Ltd., ADR (China)	175,202	155,280	
35,255	Empresa Brasileira de Aeronautica SA, ADR (Brazil)	1,558,652	946,419	
		1,733,854	1,101,699	0.51
	Transportation			
5,616	China Eastern Airlines Corp. Ltd., ADR (China)	334,681	177,882	
8,018	China Southern Airlines Co. Ltd., ADR (China)	319,930	160,659	
9,110	Guangshen Railway Co. Ltd., ADR (China)	322,912	207,125	
		977,523	545,666	0.25
	Total Industrials	2,711,377	1,647,365	0.76
	Consumer Discretionary			
	Automobiles & Components			
62,106	Tata Motors Ltd., ADR (India)	1,099,033	631,986	0.29
	Consumer Services			
19,867	Ctrip.com International Ltd., ADR (China)	918,079	922,743	
6,638	Home Inns & Hotels Management, Inc., ADR (China)	212,873	127,957	
32,619	Melco Crown Entertainment Ltd., ADR (China)	394,023	309,094	
8,870	New Oriental Education & Technology Group, ADR (China)	550,985	524,284	
		2,075,960	1,884,078	0.87
	Media			
7,243	AirMedia Group Inc., ADR (China)	139,167	106,111	
34,424	Focus Media Holding Ltd., ADR (China)	1,605,613	966,719	
33,916	Giant Interactive Group Inc., ADR (China)	414,910	416,010	
		2,159,690	1,488,840	0.68
	Total Consumer Discretionary	5,334,683	4,004,904	1.84

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Consumer Staples			
	Food & Staples Retailing			
18,750	China Nepstar Chain Drugstore Ltd., ADR (China)	$ 238,444	$ 164,547	0.08%
	Food, Beverage & Tobacco			
22,756	Perdigao SA, ADR (Brazil)	990,418	1,249,472	
5,946	Wimm-Bill-Dann Foods OJSC, ADR (Russia)	561,440	633,413	
		1,551,858	1,882,885	0.86
	Total Consumer Staples	1,790,302	2,047,432	0.94
	Health Care			
	Health Care Equipment & Services			
7,313	China Medical Technologies Inc., ADR (China)	266,393	366,592	
17,184	Mindray Medical International Ltd., ADR (China)	606,829	650,637	
		873,222	1,017,229	0.47
	Pharmaceuticals Biotechnology & Life Sciences			
32,841	Dr. Reddy's Laboratories Ltd., ADR (India)	565,943	519,107	
15,512	WuXi PharmaTech Cayman Inc., ADR (China)	320,193	319,475	
		886,136	838,582	0.38
	Total Health Care	1,759,358	1,855,811	0.85
	Financials			
	Banks			
24,280	HDFC Bank Ltd., ADR (India)	2,408,069	1,760,045	
112,446	ICICI Bank Ltd., ADR (India)	5,558,717	3,275,292	
30,075	Unibanco - Uniao de Bancos Brasileiros SA, GDR (Brazil)	3,694,560	3,872,958	
		11,661,346	8,908,295	4.09
	Insurance			
131,167	China Life Insurance Co. Ltd., ADR (China)	8,153,150	6,943,869	3.18
	Real Estate			
15,174	E-House China Holdings Ltd., ADR (China)	226,445	174,884	
15,670	Gafisa SA, ADR (Brazil)	559,081	546,413	
		785,526	721,297	0.33
	Total Financials	20,600,022	16,573,461	7.60
	Information Technology			
	Software & Services			
3,836	Baidu.com, ADR (China)	924,314	1,216,424	
124,428	Infosys Technologies Ltd., ADR (India)	5,513,456	5,448,444	
7,099	Longtop Financial Technologies Ltd., ADR (China)	133,702	119,126	
17,912	Netease.com, ADR (China)	353,001	395,981	
11,533	Patni Computer Systems Ltd., ADR (India)	186,335	117,476	
7,263	Perfect World Co. Ltd., ADR (China)	182,954	183,627	
85,823	Satyam Computer Services Ltd., ADR (India)	2,278,135	2,134,125	
14,429	Shanda Interactive Entertainment Ltd., ADR (China)	419,524	381,051	
4,832	The9 Ltd., ADR (China)	114,085	110,547	
77,314	Wipro Ltd., ADR (India)	1,113,386	953,032	
6,952	WNS Holdings Ltd., ADR (India)	115,338	117,787	
		11,334,230	11,177,620	5.13

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Semiconductor & Semiconductor Equipment			
42,513	JA Solar Holdings Co. Ltd., ADR (China)	$ 720,354	$ 727,629	
13,682	O2Micro International Ltd., ADR (China)	150,870	92,031	
96,232	Semiconductor Manufacturing International Corp., ADR (China)	474,661	278,251	
6,834	Trina Solar Ltd., ADR (China)	302,644	212,371	
		1,648,529	1,310,282	0.60%
	Total Information Technology	12,982,759	12,487,902	5.73
	Telecommunication Services			
231,662	China Mobile Ltd., ADR (China)	15,656,711	15,711,914	
28,410	China Netcom Group Corp. Hong Kong Ltd., ADR (China)	1,586,012	1,573,465	
39,201	China Telecom Corp. Ltd., ADR (China)	2,537,828	2,162,367	
186,450	China Unicom Ltd., ADR (China)	3,334,956	3,503,291	
27,308	Hutchison Telecommunications International Ltd., ADR (China)	604,945	585,967	
26,983	Mahanagar Telephone Nigam, ADR (India)	199,408	115,251	
52,541	Mobile Telesystems OJSC, ADR (Russia)	3,636,639	4,081,061	
17,861	Rostelecom, ADR (Russia)	1,063,770	1,311,225	
7,993	Tata Communications Ltd., ADR (India)	193,955	144,021	
90,583	Vimpel-Communications OAO, ADR (Russia)	2,304,038	2,723,941	
		31,118,262	31,912,503	14.64
	Utilities			
15,852	Cia de Saneamento Basico do Estado de Sao Paulo, ADR (Brazil)	716,236	822,787	
10,032	CPFL Energia SA, ADR (Brazil)	589,934	695,765	
22,091	Huaneng Power International Inc., ADR (China)	848,237	618,806	
27,294	Suntech Power Holdings Co. Ltd., ADR (China)	1,180,388	1,035,093	
		3,334,795	3,172,451	1.45
	Total Common Stock	131,154,547	139,327,440	63.90
	Preference Shares			
	Energy			
430,259	Petroleo Brasileiro SA, Preference Shares, ADR (Brazil)	15,209,032	25,256,971	11.58
	Materials			
14,139	Aracruz Celulose SA, Preference Shares, ADR (Brazil)	1,046,641	1,052,758	
23,818	Braskem SA, Preference Shares, ADR (Brazil)	387,069	383,733	
533,325	Cia Vale do Rio Doce, Preference Shares, ADR (Brazil)	12,211,401	16,091,844	
185,215	Gerdau SA, Preference Shares, ADR (Brazil)	2,588,556	4,511,710	
27,479	Ultrapar Participacoes SA, Preference Shares, ADR (Brazil)	957,218	1,058,279	
26,764	Votorantim Celulose e Papel SA, Preference Shares, ADR (Brazil)	709,333	723,909	
		17,900,218	23,822,233	10.93
	Industrials			
	Transportation			
17,017	Gol Linhas Aereas Inteligentes SA, Preference Shares, ADR (Brazil)	390,513	194,744	
19,820	Tam SA, Preference Shares, ADR (Brazil)	464,958	383,265	
		855,471	578,009	0.26
	Consumer Discretionary			
	Media			
62,009	NET Servicos de Comunicacao SA, Preference Shares, ADR (Brazil)	778,708	791,422	0.36

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Consumer Staples			
	Food & Staples Retailing			
16,729	Cia Brasileira de Distribuicao Grupo Pao de Acucar, Preference Shares, ADR (Brazil)	$ 646,150	$ 719,459	0.33%
	Food, Beverage & Tobacco			
43,788	Cia de Bebidas das Americas, Preference Shares, ADR (Brazil)	2,948,690	2,810,329	
42,103	Sadia SA, Preference Shares, ADR (Brazil)	674,112	909,414	
		3,622,802	3,719,743	1.71
	Total Consumer Staples	4,268,952	4,439,202	2.04
	Financials			
	Banks			
423,259	Banco Bradesco SA, Preference Shares, ADR (Brazil)	7,793,055	8,768,692	
323,423	Banco Itau Holding Financeira SA, Preference Shares, ADR (Brazil)	6,117,279	6,664,287	
		13,910,334	15,432,979	7.08
	Telecommunication Services			
13,398	Brasil Telecom Participacoes SA, Preference Shares, ADR (Brazil)	833,938	995,138	
16,617	Brasil Telecom SA, Preference Shares, ADR (Brazil)	413,331	537,457	
73,189	Tele Norte Leste Participacoes SA, Preference Shares, ADR (Brazil)	1,494,245	1,849,662	
16,699	Tim Participacoes SA, Preference Shares, ADR (Brazil)	625,042	480,304	
144,504	Vivo Participacoes SA, Preference Shares, ADR (Brazil)	765,268	929,484	
		4,131,824	4,792,045	2.20
	Utilities			
79,163	Cia Energetica de Minas Gerais, Preference Shares, ADR (Brazil)	1,481,518	1,968,514	
29,997	Cia Paranaense de Energia, Preference Shares, Class B, ADR (Brazil)	463,924	614,451	
	Total Utilities	1,945,442	2,582,965	1.18
	Total Preference Shares	58,999,981	77,695,826	35.63
		190,154,528	217,023,266	99.53%
	Transaction costs (note 2)	(449)	–	
	Total Investments	$ 190,154,079	217,023,266	99.53%
	Other assets less liabilities		1,021,906	0.47
	Net Assets		$ 218,045,172	100.00%

Foreign Currency Forward Contracts

# of Contracts	Forwards	Maturity Date	Forward Value	Fair Value	Unrealized gain (loss)
(225,000,000)	US Dollar Forward @ 0.98537	31-Jul-08	(228,340,623)	(228,375,388)	(34,765)
15,500,000	US Dollar Forward @ 0.98297	31-Jul-08	15,768,538	15,732,527	(36,011)
(3,345,000)	US Dollar Forward @ 0.98526	31-Jul-08	(3,395,043)	(3,395,181)	(138)

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

Statement of **Net Assets**

	June 30, 2008 (unaudited)	December 31, 2007 (audited)
Assets		
Investments, at fair value (note 2)	$ 217,023,266	$ 176,175,696
Cash	661,336	3,140,227
Dividend receivable	576,473	353,656
	218,261,075	179,669,579
Liabilities		
Distribution payable	–	36
Accrued management fees	111,551	95,034
Accrued service fees	33,438	22,731
Forward agreements, at fair value (note 2)	70,914	1,779
Due to brokers	–	1,220,471
	215,903	1,340,051
Net assets representing unitholders' equity	$ 218,045,172	$ 178,329,528
Net assets representing unitholders' equity		
Advisor Class	$ 19,065,478	$ 12,528,240
Common	194,261,733	165,801,288
Institutional Class	4,717,961	–
	$ 218,045,172	$ 178,329,528
Units outstanding (note 4)		
Advisor Class	500,000	300,000
Common	5,056,995	3,956,995
Institutional Class	122,676	–
	5,679,671	4,256,995
Net assets per unit		
Advisor Class	$ 38.13	$ 41.76
Common	$ 38.41	$ 41.90
Institutional Class	$ 38.46	$ –

Approved on behalf of the Fund Manager:

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the six months ended June 30** (unaudited)

		2008		2007
Income				
Dividends	$	2,173,114	$	725,273
Interest		1,172		–
Other		662		4,500
		2,174,948		729,773
Expenses				
Management fees (note 5)		595,624		205,111
Service fees (note 5)		57,229		22,712
Interest and bank charges		22,144		2,645
Other		30,831		–
		705,828		230,468
Net investment income		1,469,120		499,305
Net realized gain on sale of investments		1,741,271		311,529
Net realized loss on foreign exchange		(176,641)		(21,553)
Net realized gain (loss) on forward agreements		(5,674,642)		6,063,594
Transaction costs (note 2)		(481)		–
Change in unrealized appreciation (depreciation) in value of investments		(13,585,118)		6,937,643
Change in unrealized depreciation on forward agreements		(69,135)		(1,853)
Net gain (loss) on investments		(17,764,746)		13,289,360
Increase (decrease) in net assets from operations	$	(16,295,626)	$	13,788,665
Increase (decrease) in net assets from operations				
Advisor Class	$	(1,136,302)	$	1,038,427
Common		(14,877,285)		12,750,238
Institutional Class		(282,039)		–
	$	(16,295,626)	$	13,788,665
Increase (decrease) in net assets from operations per unit				
Advisor Class	$	(3.09)	$	5.19
Common		(3.31)	$	5.79
Institutional Class		(2.37)	$	–

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

Statement of **Changes in Net Assets** | **For the six months ended June 30** (unaudited)

	2008	2007
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$ 12,528,240	$ 5,158,851
Common	165,801,288	34,486,968
Institutional Class	–	–
	178,329,528	39,645,819
Increase (decrease) in net assets from operations		
Advisor Class	(1,136,302)	1,038,427
Common	(14,877,285)	12,750,238
Institutional Class	(282,039)	–
	(16,295,626)	13,788,665
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class	7,673,540	–
Common	43,337,730	32,762,236
Institutional Class	5,000,000	–
	56,011,270	32,762,236
Distribution to unitholders		
From net investment income:		
Advisor Class	–	–
Common	–	(229,560)
Institutional Class	–	–
	–	(229,560)
Increase in net assets for the period		
Advisor Class	6,537,238	1,038,427
Common	28,460,445	45,282,914
Institutional Class	4,717,961	–
	39,715,644	46,321,341
Net assets, end of the period (GAAP NAV)		
Advisor Class	19,065,478	6,197,278
Common	194,261,733	79,769,882
Institutional Class	4,717,961	–
	$ 218,045,172	$ 85,967,160

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

Statement of **Cash Flows** | **For the six months ended June 30** (unaudited)

	2008	2007
Cash flows from operating activities		
Increase (decrease) in net assets from operations	$ (16,295,626)	$ 13,788,665
Items not affecting cash:		
Net realized gain on sale of investments	(1,741,271)	(311,529)
Net realized loss on forward agreements	5,674,642	–
Transaction costs (note 2)	481	–
Change in unrealized (appreciation) depreciation in value of investments	13,585,118	(6,937,643)
Change in unrealized depreciation on forward agreements	69,135	1,853
Change in non-cash working capital items	(195,593)	(169,106)
	1,096,886	6,372,240
Cash flows from investing activities		
Purchase of investments	(69,865,632)	(40,025,390)
Proceeds from sale of investments	15,953,263	1,618,461
Receipts (payments) for settlement of forward agreements	(5,674,642)	–
	(59,587,011)	(38,406,929)
Cash flows from financing activities		
Distribution to unitholders	–	(282,822)
Issuance of units for cash	56,011,234	32,762,236
Payment on redemption of units	–	–
	56,011,234	32,479,414
Net increase (decrease) in cash	(2,478,891)	444,725
Cash, beginning of the period	3,140,227	19,674
Cash, end of the period	$ 661,336	$ 464,399

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore BRIC ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on August 15, 2006 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated August 15, 2006 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units, an unlimited number of Advisor Class units and an unlimited number of Institutional Class units.

The Claymore ETF has been designed to replicate, to the extent possible, the performance of the BNY BRIC Select ADR Index (the "BNY BRIC Index") provided by the Bank of New York Mellon ("BNY"). The investment strategy of the Claymore ETF is to invest in and hold a proportionate share of the constituent securities of the BNY BRIC Index in the same proportion as they are reflected in the BNY BRIC Index.

The Claymore ETF commenced investment operations on September 8, 2006.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 had no material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA has originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied effective January 1, 2007, without restatement of prior periods. Accordingly, the opening net asset value in the Statement of Changes in Net Assets for the period ended June 30, 2007 has been adjusted.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.

2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Prior to January 1, 2007, fair value was based on the last trading price for the day when available.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operation. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Prior to the adoption of Section 3855, transaction costs were capitalized and included in the cost of purchases or proceeds from sale of investments. There is no impact on the net asset value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF adopted this new section effective January 1, 2007.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This section establishes standards for when and how hedge accounting may be applied. The adoption of section 3865 did not have an impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

g) The value of a forward contract is the gain or loss that would be realized if, on the valuation date, the positions were closed out. The forward contract is valued using an interpolation of the forward exchange rate based on the length of the forward contract. It is reflected in the Statement of Operations as change in unrealized appreciation (depreciation) on forward agreements. When the forward contracts are closed out, any gains or losses realized are included in net realized gain or loss on forward agreements.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	**Section 3855 Adjustment**	**GAAP NAV**	**Transactional NAV**	**GAAP NAV**
As at June 30, 2008					
Claymore BRIC ETF					
Advisor Class	$ 19,094,100	$ (28,622)	$ 19,065,478	$ 38.19	$ 38.13
Common	194,553,350	(291,617)	194,261,733	$ 38.47	$ 38.41
Institutional Class	4,725,043	(7,082)	4,717,961	$ 38.52	$ 38.46
Total Net Asset Value	$ 218,372,493	$ (327,321)	$ 218,045,172		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units, an unlimited number of Advisor Class units and an unlimited number of Institutional units. Unit transactions of the Claymore ETF for the periods ended June 30, 2008 and December 31, 2007 were as follows:

June 30, 2008	Advisor Class Units		Common Units		Institutional Class Units	
	Units	Value	Units	Value	Units	Value
Units outstanding, beginning of period	300,000	$ 8,643,270	3,956,995	$ 125,967,085	–	$ –
Units issued for cash	200,000	$ 7,673,540	1,100,000	$ 43,337,730	122,676	$ 5,000,000
Units outstanding, end of period	500,000	$ 16,316,810	5,056,995	$ 169,304,815	122,676	$ 5,000,000

December 31, 2007	Advisor Class Units		Common Units	
	Units	Value	Units	Value
Units outstanding, beginning of period	200,000	$ 4,000,000	1,336,644	$ 30,981,282
Units issued for cash	100,000	4,048,040	2,647,351	88,090,848
Reinvested capital gains distributions [1]	–	595,230	–	7,864,923
Units redeemed	–	–	(27,000)	(969,968)
Units outstanding, end of period	300,000	$ 8,643,270	3,956,995	$125,967,085

[1] The Claymore ETF had capital gains distributions during the year. The final annual capital gains distributions were not paid in cash but reinvested and used to increase the investors' adjusted cost base of the Claymore ETF.

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.60% of the NAV per Common unit of the Claymore ETF plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.60% of the NAV per Advisor Class unit of the Claymore ETF plus applicable taxes, plus an additional service fee of one-quarter of 0.75% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the additional service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 20,801,062
Market Value of Collateral Held	$ 22,164,810

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $10,851,163; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

The Claymore ETF holds cash and invests in securities denominated in U.S. dollars. The Claymore ETF's reporting currency is the Canadian dollar. Consequently, the Claymore ETF is exposed to risks that the exchange rate of the Canadian dollar relative to the U.S. dollar may change in a manner which has an adverse effect on the reported value of that portion of the Claymore ETF's assets.

The table below summarizes the Claymore ETF's exposure to currency risks.

Currency	Investments ($)	Cash ($)	Total ($)	Percentage of NAV (%)
US Dollar	217,023,266	7,531,766	224,555,032	102.99%

As at June 30, 2008, if the exchange rate between the Canadian Dollar and the U.S. Dollar the Claymore ETF is exposed to increased or decreased by 5%, with all other variables held constant, the increase or decrease respectively in net assets would approximately amount to $11,227,752.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income, if any, is distributed quarterly to Unitholders. Aggregate net realized capital gains on the disposition of investments are distributed to Unitholders annually at the end of the calendar year. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Income Tax Loss Carryforwards**

As at December 31, 2007, the Claymore ETF had capital losses of $379,194 which were fully applied against capital gains realized during fiscal 2007.

Note 11 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were $481 [2007: nil].

There were no soft dollar amounts during the period ended June 30, 2008 [2007: nil].

Management **Discussion & Analysis**

Fund Overview

The investment objectives of Claymore Canadian Financial Monthly Income ETF ("FIE" or the "Fund") are to maximize total return to its Unitholders, consisting of distributions and capital appreciation, and to provide its Unitholders with a stream of monthly cash distributions targeted at $0.055 per Unit.

The Fund's net assets, together with borrowings under its loan facility, are invested in a diversified and actively managed investment portfolio consisting primarily of common shares, preferred shares, corporate bonds and income trust units of issuers in the Canadian financial sector. Currently, the Fund's investment activities are subject to certain investment restrictions as follows: the Fund will not, for a period of more than 90 days (i) invest less than 25% of its portfolio in equity securities, including common shares and income trust units; (ii) invest more than 50% of its portfolio in income trust units; (iii) invest more than 75% of its portfolio in preferred shares and corporate debt; and/or (iv) invest more than 25% of its portfolio in securities of issuers other than Canadian financial companies. The Fund may borrow or use other forms of leverage in an aggregate amount of up to 15% of its net asset value ("“NAV") to purchase additional securities for the Fund's Portfolio.

MFC Global Investment Management (Canada) (the "Investment Advisor" or "MFC Global"), a division of Elliott & Page Limited, a Manulife Company, acts as the investment advisor to the Fund and actively manages the Fund's Portfolio on behalf of the Fund. MFC Global, one of North America's largest and most experienced asset managers, and its affiliates provide investment advisory and portfolio management services to institutional clients and investment funds and, as of March 31, 2008, had approximately $250 billion in assets under management.

The Fund's portfolio is comprised primarily of common shares, preferred shares, corporate bonds and income trust units of issuers in the Canadian financial sector. The Investment Advisor believes that the Canadian financial sector provides attractive dividend and income yields, strong and stable credits and a history of capital appreciation and dividend growth. The composition of the Fund's portfolio will vary over time depending on MFC Global's assessment of overall market conditions and outlook.

Investment Process

MFC Global employs a quantitatively-focused investment process that is complemented by bottom-up fundamental analysis and risk controls. When selecting common equities, MFC Global begins by running quantitative screens based on industry-relative factors. The process helps to identify what MFC Global believes are stocks with the best potential within each financial industry group. MFC Global looks for companies within each industry that have demonstrated favorable trailing price-to-earnings ratios, superior profitability, historical earnings predictability and favorable earnings growth rates relative to peers, and companies that have surpassed analysts' earnings expectations and have also received more upward earnings revisions from analysts than their industry peers.

MFC Global applies the same quantitative screens to income trusts and real estate investment trusts ("REITs"), but considers other factors as well. For example, the firm screens for trusts demonstrating strong cash flow revisions, relatively low payout ratios and favorable trailing price-to-cash flow ratios and price-to-sales ratios. Distribution growth rate and predictability are also critical in this research process. This quantitative research provides a portfolio of potential candidates. However, securities are not added until the firm has conducted bottom-up, fundamental research as well. MFC Global wants to be comfortable with each company's fundamentals as well as its credit quality. This fundamental research provides important supplemental information about each security and helps MFC Global's investment team form an opinion about whether they believe a security can successfully meet and/or increase its distributions. As a means to manage risk, MFC Global will not invest in initial public offerings, any security that has not traded for a full year or in any security that has a market capitalization of under $500 million.

On the fixed-income side—corporate bonds and preferred share investments—MFC Global's credit research group of more than 50 investment professionals conducts in-depth security screening and analysis with a focus on risk assessment and longer-term relative value. The global fixed-income team at MFC Global emphasizes the active management of corporate debt, an approach that has gained importance in bond markets around the world. After the team identifies fixed-income investment candidates, the appropriate asset allocation among all of the Fund's sectors is determined.

Fund and Market Performance

All Fund returns cited—whether based on NAV or market price—assume the reinvestment of all distributions. For the six-month period ended June 30, 2008, The Fund generated a total return of -12.04% on an NAV basis, representing a change in NAV to $8.03 on June 30, 2008, from $9.49 on December 31, 2007. On a market price basis, the Fund's return was -12.43%, representing a change in market price to $8.00 on June 30, 2008, from $9.50 on December 31, 2007. At the end of the period the Fund's Units were trading at a modest market price discount to NAV, which is to be expected from time to time. However, the manager of the Fund believes that large discounts or premiums to the NAV of the Units, to the extent they occur, are not likely to be sustained.

The Fund made monthly distributions of $0.055 in each month from January through June 2008. Based on the $8.00 closing market price of the Fund's Units as of June 30, 2008, and the current monthly dividend, the annualized yield on the Fund's Units is 8.25%.

The Canadian stock market, as measured by the S&P/TSX Composite Index (the "S&P/TSX") produced a return of 5.99% during the first half of 2008. Canadian equities have been one of the most attractive global asset classes in recent years, providing a compound average annual return above 18% over the past five years. The energy sector, which represents more than 30% of the S&P/TSX, was up more than 20% during the six-month period, as rising prices fueled earnings of energy companies. Materials, approximately 20% of the S&P/TSX, were also strong, up approximately 18%. However, the large financials sector (approximately 25% of the S&P/TSX) was down almost 12%. Within the financials sector, diversified financials was the weakest subsector, down approximately 19%, followed by insurance, down approximately 16%. The banks subsector was down approximately 10% and the real estate investment trust subsector was down more than 5%.

Canadian income trusts had a very strong six-month period; return of the Scotia Capital Income Trust Index was 21.50%. Approximately half of all income trusts are in the energy or natural resources; the resource sector was up 90% and the energy sector up more than 40%.

Bond returns were also positive in the first half of 2008; the main bond index, the DEX Universe Bond Index, returned 2.2% for the period. The yield on 10-year Government of Canada bonds, which was 4.00% at the beginning of the period, fell to 3.75% as of June 30, 2008.

For much of the last 12 months, credit concerns were a major driver of bond market activity. Credit spreads (the difference between yields on government securities and bonds that carry credit risk) were at or near historically wide levels. Since bond prices generally move in the opposite direction of interest rates, this meant that government securities were the best performing bond asset class during the six-month period ended June 30, 2008. In recent months, as concerns about a collapse of credit markets have abated, credit spreads have narrowed somewhat.

The Fund's Investments and Performance Attribution

During the first half of 2008, the Fund reduced its position in income trusts, which represented 6.4% of the portfolio at June 30, 2008, down from 15.85% at December 30, 2007. As economic growth has slowed, some income trusts have reduced their distributions. MFC Global research indicates that reductions in distributions by income trusts have a significant negative impact on the trusts' future performance, since many investors buy these trusts as a source of income. The proceeds of the sales of income trusts were invested mainly in equities, which represented 75.33% of net assets as of June 30, 2008, compared with 66.23% at December 31, 2007.

Because of concerns about market liquidity, MFC Global made the decision to upgrade the Fund's liquidity by increasing the average market capitalization of the Fund's investments, in part by moving away from income trusts, many of which have relatively low market capitalizations. As of the end of the period, approximately 67% of the Fund's assets were invested in securities of large capitalization companies.

Corporate bond holdings represented 11.25% of the Fund's net assets at June 30, 2008, representing little change from 9.87% six months earlier. Preferred stocks represented 8.27% of the Fund's net assets at June 30, 2008, compared with 7.52% at December 31, 2007. The percentage of the Fund's holdings in bonds and preferreds has increased in the last six months, not because we have added to these asset classes, but because they have performed better than equities. Bonds and preferreds represent a lower than usual percentage of the Fund's investments because MFC Global believes that the potential returns currently offered by these investments relative to inflation are very low. Current bond yields are close to a 20 year low relative to inflation. Historically, 10-year Canadian Government bonds have yielded approximately four percentage points (400 basis points) over the inflation rate, with a range of approximately 60 basis points to 800 basis points over the last 25 years. The current yield on a 10-year Canadian Government bond is 3.6% to 3.8%, which is just about 150 basis points above the estimated inflation rate. Relative to history, this means that bonds are relative more expensive than they have been for most of the last 25 years, except for brief periods in 2002 and 2006. The premium of Government of Canada bonds over inflation has been quite narrow for about five years, in large part because of the strength of corporate Canada and the fact that core inflation is under control in Canada. Accordingly, since this Fund was launched, the bond position has been maintained at a relatively low level.

The position in REITs has been held steady at approximately 8%. Canadian REITs are well diversified and well structured and they have provided tax-advantaged income to investors. Major REIT holdings at June 30, 2008 included Canadian Real Estate Investment Trust and Boardwalk Real Estate Investment Trust (2.67% and 2.27% of total investments, respectively). The cash position was maintained at approximately 1% throughout the six-month period.

In terms of industry representation, approximately 50% of the combined equities, REIT and income trust component of the fund (excluding bonds and preferreds) was invested in banks as of June 30, 2008. The next largest group is insurance, at approximately 10%. Real estate and REITs are approximately 8%, and diversified financials are approximately 5%. These percentages are fairly close to the composition of the financial sector of the TSX. The Fund has the ability to invest up to 25% of assets outside the financials sector, and we have increased the non-financial portion of the portfolio modestly to approximately 10% of the combined equities, REIT and income trust component of the fund, from approximately 7.5% at the end of 2007. We have increased the position in energy equities to approximately 4% as of June 30, 2008; materials were just under 2%, and industrials were approximately 1%. Names added outside the financial sector included Agrium Inc., a fertilizer company; Husky Energy Inc.; Viterra Inc., an agribusiness company formerly known as Saskatchewan Wheat Pool Inc.; aircraft manufacturer Bombardier Inc.; Gerdau Ameristeel Corp., a steel minimill company; NuVista Energy Ltd., an oil and natural gas company; Addax Petroleum Corporation, an international oil and gas exploration and production company focused on Africa and the Middle East; and Teck Cominco LTD., a diversified metals and mining company (0.90%, 0.61%, 0.71%, 0.62%, 0.72%, 0.61%, 0.63% and 0.65% of total investments, respectively) In the financial sector, we added a position in an insurance company, Fairfax Financial Holdings Ltd. (1.72% of total investments).

Other changes include the elimination of positions that violated our sell discipline. These included First Capital Realty Inc; CI Financial Income Fund, an income trust that reduced its distribution during the six-month period; Yellow Pages Income Fund; AltaGas Income Trust; and BFI Canada Income Fund, a trash hauler. (None of these securities were held in the portfolio at period end.)

Since all four sub-sectors within the financials sector were down for the six-month period, the Fund's emphasis in this area was the main detractor from performance. GMP Capital Trust, a brokerage firm income trust (1.89% of total investments), was down more than 30%. Performance varied considerably among banks, but all were down, in large part because of their exposure to U.S. financial markets. Bank of Montreal and CIBC (Canadian Imperial Bank of Commerce) (6.65% and 7.49% of total investments, respectively) were both down sharply because of specific issues relating to subprime exposure and credit exposure. The Fund's best performing bank stock, National Bank of Canada (4.21% of total investments), was down less than 1%, in part because National Bank has been quite weak in late 2007 because of its considerable exposure to non-bank asset-backed commercial paper, which caused problems that have been largely resolved. Toronto-Dominion Bank (9.93% of total investments) was down approximately 5%, despite the fact that it has no direct exposure to subprime mortgages. We did see some dividend increases in the financial sector, by Bank of Nova Scotia, Toronto-Dominion Bank and IGM Financial Inc. (11.39%, 9.93% and 2.10% of total investments, respectively). These dividend increases during this time of turmoil provide evidence of the underlying strength of these solid financial institutions. Income trusts held by the Fund that increased their dividends included Bell Aliant Regional Communications Income Fund, Davis & Henderson Income Fund and Canadian Real Estate Investment Trust (2.01%, 1.09% and 2.67% of total investments, respectively).

Many of the main contributors to performance within the equity sector of the Fund were positions outside the financial sector, several of which were added within the last six months. These include Agrium Inc., Gerdau Ameristeel Corp., Viterra Inc. and Teck Cominco Ltd. (0.90%, 0.72%, 0.71% and 0.65% of total investments, respectively).

Outlook

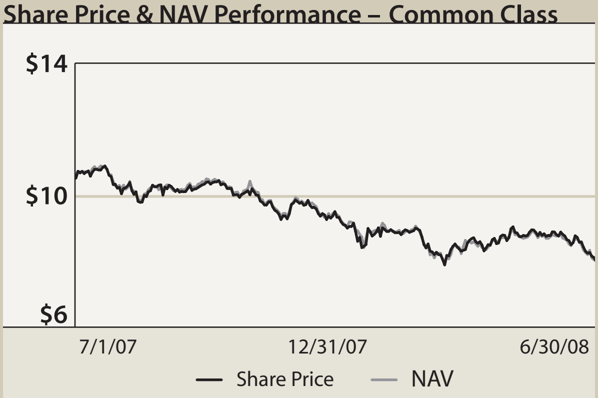
Right now the dominant influences on the outlook for the Canadian market are the economic weakness and issues in financial markets in the U.S., which is our closest trading partner. In Canada, corporate earnings remain strong and core inflation, now approximately 2%, has been well under control for many years. Canadian financial markets seem to be waiting for resolution of the problems in the U.S.

The Fund has maintained an overweight in Canadian banks, which are well capitalized and highly profitable. Given the weakness of these stocks over the last six months, we believe that many Canadian bank stocks represent exceptional value. Over the past 25 years, the dividend yield on bank stocks has been approximately 60% of the yield on 10-year Canadian Government bonds. Today, the composite yield of the six largest Canadian banks is approximately 120% of the yield on 10-year Canadian Government bonds, and the favorable tax treatment of dividends makes the dividend yield even more attractive. We believe that, at the current prices, these stocks would be fairly valued only if a sharp drop in income were expected. Yet they remain quite profitable, with return on equity above 20%, compared with a 10% average for U.S. banks, 16% in the U.K. and 18% in Australia. And none of the major five Canadian banks have ever reduced their dividends.

With the relatively small positioning bonds and preferreds, strong representation in Canadian banks, and the addition of a number of holdings outside the financial sector, we believe that the Fund is well positioned for any market environment we may encounter in the months ahead.

Performance **Highlights** | As at June 30, 2008 (unaudited)

Claymore Canadian Financial Monthly Income Fund ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (08/16/05)	Market	NAV
Six-month	-12.43%	-12.04%
One year	-18.13%	-18.56%
Since inception - annualized	-1.32%	0.67%

Sector Mix

Sector Mix	% of Fund's Net Asset Value
Corporate Bonds	11.2
Real Estate Investment Trusts	9.1
Income Trusts	
Financials	3.3
Telecommunication Services	2.2
Energy	1.7
Equities	
Financials	68.7
Energy	2.8
Materials	1.8
Consumer Staples	0.8
Industrials	0.7
Information Technology	0.7
Preferred Shares	
Financials	7.6
Consumer Staples	0.3
Utilities	0.3
Cash and Cash Equivalents	1.7
Net Other Assets	(12.9)
	100.0

Top 25 Issuers

Top 25 Issuers	% of Fund's Net Asset Value
Bank of Nova Scotia	12.6
Royal Bank of Canada	11.4
Toronto-Dominion Bank	11.0
Canadian Imperial Bank of Commerce	8.3
Bank of Montreal	7.4
Manulife Financial Corp.	6.9
National Bank of Canada	4.7
Canadian Real Estate Investment Trust	3.0
Boardwalk Real Estate Investment Trust	2.5
IGM Financial Inc.	2.3
Bell Aliant Regional Communications Income Fund	2.2
GMP Capital Trust	2.1
H&R Real Estate Investment Trust	2.1
Fairfax Financial Holdings Ltd.	2.0
Great-West Lifeco Inc., 4.85% PFD., Series H	2.0
Great-West Lifeco Inc.	2.0
Cash and Cash Equivalents	1.7
Pembina Pipeline Income Fund	1.7
Wells Fargo Financial Canada Corp.	1.5
GE Capital Canada Funding Co.	1.5
RioCan Real Estate Investment Trust	1.5
Davis & Henderson Income Fund	1.2
Power Corp. of Canada., 5.0% PFD., Series D	1.2
National Bank of Canada, 4.85% PFD.	1.2
Sun Life Financial Inc., Variable	1.2
	95.2
Total Net Asset Value	**$138,819,866**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Par value, Number of Shares/Units	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets
	Short Term Investments					
390,000	Canada Treasury Bills	2.500%	18-Sep-08	$ 387,215	$ 387,676	
650,000	Canada Treasury Bills	2.779%	16-Oct-08	643,994	644,605	
920,000	Canada Treasury Bills	2.800%	2-Oct-08	912,024	913,440	
				1,943,233	1,945,721	1.41%
	Canadian Bonds					
	Corporate Bonds					
624,000	Bank of Montreal	5.100%	21-Apr-21	628,268	605,929	
489,000	Bank of Montreal, Variable Callable	4.870%	22-Apr-20	503,891	473,098	
1,625,000	Citigroup Finance Canada Inc.	4.750%	17-Mar-14	1,672,142	1,528,524	
2,188,000	GE Capital Canada Funding Co.	4.650%	11-Feb-15	2,207,435	2,112,164	
81,000	Great-West Lifeco Delaware Finance LP	5.691%	21-Jun-67	81,000	74,721	
1,471,000	Great-West Lifeco Inc.	6.140%	21-Mar-18	1,675,305	1,542,888	
1,451,000	IGM Financial Inc.	6.580%	7-Mar-18	1,684,933	1,558,983	
1,605,000	Merrill Lynch Canada Finance Co.	5.000%	18-Feb-14	1,665,433	1,506,854	
1,040,000	Sun Life Financial Inc.	4.800%	23-Nov-35	1,025,530	1,019,314	
1,596,000	Sun Life Financial Inc., Variable	5.120%	26-Jun-18	1,595,505	1,599,862	
1,396,000	Toronto-Dominion Bank	5.690%	3-Jun-18	1,519,726	1,426,223	
2,222,000	Wells Fargo Financial Canada Corp.	4.380%	30-Jun-15	2,193,034	2,117,944	
				16,452,202	15,566,504	11.26
	Real Estate Investment Trusts					
91,989	Boardwalk Real Estate Investment Trust			2,236,752	3,489,143	
140,757	Canadian Real Estate Investment Trust			3,186,028	4,107,289	
160,868	H&R Real Estate Investment Trust			3,380,853	2,879,537	
106,282	RioCan Real Estate Investment Trust			2,310,012	2,104,384	
				11,113,645	12,580,353	9.10
	Income Trusts					
	Energy					
131,858	Pembina Pipeline Income Fund			1,974,439	2,361,577	1.71
	Financials					
	Diversified Financials					
107,088	Davis & Henderson Income Fund			2,266,590	1,668,431	
182,580	GMP Capital Trust			3,327,598	2,903,022	
				5,594,188	4,571,453	3.31
	Telecommunication Services					
106,304	Bell Aliant Regional Communications Income Fund			3,101,687	3,091,320	2.23
	Total Income Trusts			10,670,314	10,024,350	7.25

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

Par value, Number of Shares/Units	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets
	Canadian Common Stocks					
	Energy					
19,744	Addax Petroleum Corp.			$ 990,971	$ 970,615	
19,385	Husky Energy Inc.			1,016,811	939,591	
53,900	NuVista Energy Ltd.			1,009,282	943,789	
20,465	Teck Cominco Ltd., Class B			995,017	1,001,557	
				4,012,081	3,855,552	2.79%
	Materials					
12,657	Agrium Inc.			1,056,712	1,386,954	
56,130	Gerdau Ameristeel Corp.			991,441	1,105,761	
				2,048,153	2,492,715	1.80
	Industrials					
	Capital Goods					
131,069	Bombardier Inc., Class B, Sub-Voting Shares			1,011,534	960,736	0.70
	Consumer Staples					
	Food & Staples Retailing					
78,037	Viterra Inc.			1,029,805	1,090,957	0.79
	Financials					
	Banks					
241,155	Bank of Montreal			14,618,590	10,224,972	
375,119	Bank of Nova Scotia			16,539,434	17,506,805	
205,812	Canadian Imperial Bank of Commerce			15,916,559	11,509,007	
128,377	National Bank of Canada			7,536,437	6,477,903	
345,331	Royal Bank of Canada			14,665,522	15,705,654	
238,279	Toronto-Dominion Bank			14,090,051	15,266,536	
				83,366,593	76,690,877	55.48
	Diversified Financials					
76,436	IGM Financial Inc.			3,280,397	3,227,128	2.33
	Insurance					
10,632	Fairfax Financial Holdings Ltd., Sub-Voting Shares			3,352,959	2,637,799	
93,633	Great-West Lifeco Inc.			2,859,961	2,728,466	
268,964	Manulife Financial Corp.			9,686,413	9,524,015	
				15,899,333	14,890,280	10.77
	Total Financials			102,546,323	94,808,285	68.58
	Information Technology					
	Technology Hardware & Equipment					
107,518	Celestica Inc.			1,015,929	922,504	0.67
	Total Canadian Common Stocks			111,663,825	104,130,749	75.33

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

Par value, Number of Shares/Units	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets
	Canadian Preferred Stocks					
	Consumer Staples					
	Food & Staples Retailing					
23,898	George Weston Ltd., 5.20% PFD., Series III			$ 617,979	$ 425,384	0.31%
	Financials					
	Banks					
79,678	National Bank of Canada, 4.85% PFD., Series 16			1,980,032	1,597,544	1.16
	Insurance					
39,832	E-L Financial Corp. Ltd., 5.30% PFD., Series 1			1,010,680	798,632	
139,829	Great-West Lifeco Inc., 4.85% PFD., Series H			3,378,223	2,763,021	
81,272	Power Corp. of Canada., 5.0% PFD., Series D			2,021,780	1,637,631	
53,143	Sun Life Financial Inc., 4.8% PFD., Class A, Series 2			1,312,119	1,068,174	
				7,722,802	6,267,458	4.53
	Real Estate					
39,832	Brookfield Asset Management Inc., 3.33% PFD., Series 4			986,350	756,808	
39,832	Brookfield Properties Corp., 5.20% PFD., Series I			1,055,120	960,748	
39,832	Brookfield Properties Corp., 6.00% PFD., Series F			1,082,376	998,588	
				3,123,846	2,716,144	1.97
	Total Financials			12,826,680	10,581,146	7.66
	Utilities					
15,933	Fortis Inc., 4.9% PFD., Callable/Convertible, Series E			434,816	414,577	0.30
	Total Canadian Preferred Stocks			13,879,475	11,421,107	8.27
				165,722,694	155,668,784	112.62
	Transaction costs (note 2)			(69,863)	–	
	Total Investments			$ 165,652,831	155,668,784	112.62%
	Liabilities less other assets				(17,446,377)	(12.62)
	Net Assets				$ 138,222,407	100.00%

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

Statement of **Net Assets**

	June 30, 2008 (unaudited)	December 31, 2007 (audited)
Assets		
Investments, at fair value (note 2)	$ 153,723,063	$ 176,357,908
Cash and cash equivalents	2,429,748	8,965,898
Accrued dividends and income receivable	882,434	1,012,966
Interest rate swap (note 11)	–	127,115
Swap interest receivable	–	19,782
	157,035,245	186,483,669
Liabilities		
Loan facility (note 8)	17,183,000	23,134,110
Interest rate swap (note 11)	163,162	–
Distributions payable	936,874	936,736
Service fee payable	210,753	175,593
Accounts payable	175,773	751,443
Accrued management fees	123,724	139,002
Swap interest payable	19,552	–
	18,812,838	25,136,884
Net assets representing unitholders' equity	$ 138,222,407	$ 161,346,785
Units outstanding (note 4)	17,284,080	17,031,568
Net assets per unit	$ 8.00	$ 9.47

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the six months ended June 30** (unaudited)

	2008	2007
Income		
Interest	$ 566,611	$ 4,911,491
Dividends	3,411,380	520,576
Swap interest	–	45,001
Securities lending (note 6)	12,194	310
	3,990,185	5,477,378
Expenses		
Management fee (note 5)	745,953	1,065,138
Interest on loan facility and related expenses (note 8)	735,879	603,134
Service fee (note 5)	292,481	405,656
Other general and administrative	80,972	155,662
Shareholder reporting	31,617	58,219
Custodial fees	28,210	24,386
Audit fees	10,608	9,030
Swap interest	6,778	–
Legal fees	31,422	5,165
Trustee fees	2,493	2,074
	1,966,413	2,328,464
Net investment income	2,023,772	3,148,914
Net realized gain (loss) on sale of investments	(3,033,642)	7,082,476
Transaction costs (note 2)	(54,678)	(24,569)
Change in unrealized appreciation (depreciation) in value of swap investments	(403,277)	530,404
Change in unrealized depreciation in value of investments	(18,044,497)	(5,242,872)
Net gain (loss) on investments	(21,536,094)	2,345,439
Increase (decrease) in net assets from operations	$ (19,512,322)	$ 5,494,353
Increase (decrease) in net assets from operations per unit	$ (1.17)	$ 0.27

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

Statement of **Changes in Net Assets** | **For the six months ended June 30** (unaudited)

	2008	2007
Net assets, beginning of the period (GAAP NAV)	$ 161,346,785	$ 186,726,918
Increase (decrease) in net assets from operations	(19,512,322)	5,494,353
Capital unit transactions (note 4)		
Issuance of units for cash	5,547,790	–
Units issued on acquisition of FDI	–	52,185,031
Units issued on reinvested distributions	21,000	–
Shares repurchased for cancellation	(3,659,000)	(40,956,240)
	1,909,790	11,228,791
Distribution to unitholders		
Net investment income	(5,521,846)	(6,241,293)
Return of capital	–	–
	(5,521,846)	(6,241,293)
Increase (decrease) in net assets for the period	(23,124,378)	10,481,851
Net assets, end of the period (GAAP NAV)	$ 138,222,407	$ 197,208,769

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

Statement of **Cash Flows** | **For the six months ended June 30** (unaudited)

	2008	2007
Cash flows from operating activities		
Increase (decrease) in net assets from operations	$ (19,512,322)	$ 5,494,353
Items not affecting cash:		
Net realized (gain) loss on sale of investments	3,033,642	(7,082,476)
Transaction costs (note 2)	54,678	24,569
Change in unrealized (appreciation) depreciation in value of investments	18,044,497	5,242,872
Change in unrealized (appreciation) depreciation in value of short term investments	(22,522)	1,888
Change in unrealized (appreciation) depreciation in value of swap investments	403,277	(530,404)
Change in non-cash working capital items	(385,922)	(9,955)
	1,615,328	3,140,847
Cash flows from investing activities		
Purchase of investments	(28,422,278)	(65,958,144)
Proceeds from sale of investments	29,833,828	64,313,652
	1,411,550	(1,644,492)
Cash flows from financing activities		
Units issued on acquisition of FDI	–	52,185,031
Issuance of units for cash	5,547,790	
Shares repurchased for cancellation	(3,659,000)	(40,956,240)
Shares redeemed	–	–
Issuance cost	–	–
Distribution to unitholders	(5,500,708)	(6,090,894)
Loan facility paid	(5,951,110)	(7,358,522)
	(9,563,028)	(2,220,625)
Net decrease in cash and cash equivalents	(6,536,150)	(724,270)
Cash and cash equivalents, beginning of the period	8,965,898	2,485,221
Cash and cash equivalents, end of the period	$ 2,429,748	$ 1,760,951

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore Canadian Financial Monthly Income ETF (the "Fund") is an exchange-traded fund (formerly, Canadian Financial Income Fund, a closed-end fund) established under the laws of the Province of Ontario pursuant to a trust agreement dated July 27, 2005. The Manager of the Fund is Claymore Investments, Inc. ("Claymore") and the Fund has engaged RBC Dexia Investor Services Trust (formerly The Royal Trust Company) as the trustee of the Fund. Claymore, a registered investment counsel and portfolio manager, is the manager of the Fund and is responsible for the administration of the Fund. Claymore is a wholly-owned subsidiary of Claymore Group, Inc., a financial services and asset management company based in the Chicago, Illinois area.

MFC Global Investment Management (Canada) ("MFC") acts as the Investment Adviser of the Fund. MFC is a division of Elliott & Page Limited, a Manulife company, and provides investment advisory and portfolio management services to institutional clients and investment funds.

The Fund has the following investment objectives: (i) to maximize total return for Unitholders, consisting of distributions and capital appreciation; and (ii) to provide Unitholders with a stable stream of monthly cash distributions of $0.05 per Unit ($0.60 per annum, representing a 6.0% per annum yield on the issue price of $10.00 per Unit).

The Fund commenced investment operations on August 16, 2005.

At a special meeting of the unitholders of the Fund and Canadian Financial Dividend & Income Fund ("FDI") (the "Unitholders") held on December 21, 2006, the Unitholders approved: (i) the merger of the Fund with FDI (the "Merger"); and (ii) the change of the Fund into exchange-traded funds (the "Conversion Proposal").

On January 16, 2007 the Merger was implemented. Pursuant to the Merger, all of the assets of FDI were transferred to the Fund in consideration for the issuance of 4,931,384 units (the "Units") of the Fund to FDI. The exchange ratio used to determine the Units was 0.902969, calculated based on the relative net asset value ("NAV") of each of the Fund and FDI on January 15, 2007. As at January 15, 2007, the NAV per unit of each of the Fund and FDI were $10.5822 and $9.5554, respectively.

Pursuant to the Merger, all of the units of FDI were redeemed on January 16, 2007 and FDI unitholders received their Fund units on such date. The Fund is the continuing fund and will continue to trade under the symbol FIE.UN. The units of FDI ceased to trade on January 16, 2007.

On February 27, 2007, the Fund filed a final prospectus for the continuous offering of their units to the public in connection with the implementation of the Conversion Proposal.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Fund to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Fund's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Fund is exposed during the period and at the balance sheet date and how the Fund manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Fund at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Fund that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Fund's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA has originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied effective January 1, 2007, without restatement of prior periods. Accordingly, the opening net asset value in the Statement of Changes in Net Assets for the period ended June 30, 2007 has been adjusted.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The value of any security for which a market quotation is not readily available will be its fair value as determined by the Manager.
2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Prior to the adoption of Section 3855, transaction costs were capitalized and included in the cost of purchases or proceeds from sale of investments. There is no impact on the Net Asset Value of the Fund in using either of these methods. The cost of investments for each security is determined on an average cost basis.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the year-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

e) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations for the period divided by the weighted average number of units outstanding during the period.

f) Issuance costs incurred in connection with the offerings are charged to income.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Fund is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	**Section 3855 Adjustment**	**GAAP NAV**	**Transactional NAV**	**GAAP NAV**
Claymore Canadian Financial Monthly Income ETF					
As at June 30, 2008					
	$ 138,819,865	$ (597,458)	$ 138,222,407	$ 8.03	$ 8.00

Note 4 – **Capital Unit Transactions**

Unit transactions of the Fund for the period ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008		December 31, 2007	
	Units	**Value**	**Units**	**Value**
Units outstanding, beginning of the year	17,031,568	$ 157,140,462	17,484,923	$ 162,408,110
Units issued:				
For cash	650,000	5,547,790	–	–
Units issued on reinvested distributions	2,512	21,000	1,661	18,341
Units issued on acquisition of FDI (note 1)	–	–	4,931,384	52,185,031
Issuance costs	–	–	–	–
	17,684,080	162,709,252	22,417,968	214,611,482
Units redeemed/repurchased	(400,000)	(3,659,000)	(5,386,400)	(57,471,020)
Units outstanding, end of the period	17,284,080	$ 159,050,252	17,031,568	$ 157,140,462

Note 5 – **Expenses**

Pursuant to the terms of the trust agreement, the Manager is entitled to an annual management fee of 1.00% of the average NAV of the Fund.

The Manager will receive a service fee of 0.40% annually of the NAV of the Fund. The Manager will pay to registered dealers a service fee equal to 0.40% annually of the NAV per Unit for each Unit held by clients of the registered dealer. The service fee is calculated and paid at the end of each calendar quarter.

The Fund will pay for all expenses incurred in connection with the operation and administration of the Fund.

Note 6 – **Securities Lending**

In order to generate additional returns, the Fund may lend portfolio securities to securities borrowers acceptable to the Fund pursuant to the terms of a securities lending agreement between the Fund and any such borrower under which: (i) the borrower will pay to the Fund a negotiated securities lending fee and will make compensation payments to the Fund equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Fund will receive collateral security. If a securities lending agent is appointed for the Fund, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Fund has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Fund cannot exceed 50% of the net asset value of the Fund. The Fund will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$	18,905,060
Market Value of Collateral Held	$	20,144,503

Note 7 – **Financial Instruments and Risk Management**

The Fund's financial instruments consist of cash and investments. As a result, the Fund is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Fund are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Fund's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Fund's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Fund's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $7,783,439; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The majority of the Fund's financial assets are interest bearing. As a result, the Fund is subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

The table below summarizes the Fund's exposure to interest rate risk. Table includes the Fund's assets at fair values, categorized by the earlier of contractual re-pricing or maturity dates.

	Less than 1 month	1 - 3 months	3 months - 1 year	More than 5 years	Total
As at June 30, 2008					
Bonds	–	–	–	15,566,504	15,566,504
Short term investments	–	387,676	1,558,045	–	1,945,721
	–	387,676	1,558,045	15,566,504	17,512,225

At June 30, 2008, should interest rates have decreased by 25 basis points with all other variables remaining constant, the increase in net assets for the period would amount to approximately $287,082 . Conversely, if interest rates had risen by 25 basis points, the decrease in net assets would amount to approximately $159,236.

Credit risk

The Fund's credit risk concentration is investments in debt instruments. The Fund limits its exposure to credit loss by placing its investments and short-term investments with high credit quality. To maximize the credit quality of its investments, the Manager performs ongoing credit evaluations based upon factors surrounding the credit risk of counterparties, historical trends and other information.

All transactions in listed securities are settled for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

As at June 30, 2008, the Fund invested in debt instruments with the following credit ratings:

Debt instruments by credit ratings	Percentage of investment category (%)
AAA/Aaa/AAA/Bonds A++	14.02
AA/Aa/AA/Bonds A+	16.13
A/A/A/Bonds A	61.61
BBB/Baa/BBB/Bonds B++	8.24
Total debt instruments category	100.00

Liquidity risk

The Fund's investments are considered readily realizable and highly liquid, therefore the Fund's liquidity risk is considered minimal.

Currency risk

As at June 30, 2008, the majority of the Fund's investments and cash balances are denominated in Canadian dollar. As a result, the Fund is not significantly exposed to the currency risk.

Note 8 – **Loan Facility**

Under the terms of its loan facility, the Fund is authorized to borrow an amount not exceeding 15% of its NAV for various purposes including purchasing additional securities for the Fund's portfolio and for working capital purposes. The balance outstanding at June 30, 2008 was $17,183,000, including accrued interest of $91,242.

Note 9 – **Income Taxes**

The Fund qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Fund will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 10 – **Income Tax Loss CarryForwards**

The Fund has no loss CarryFowards.

Note 11 – **Interest Rate Swap**

The Fund holds one interest rate swap, with RBC Capital Markets acting as the counterparty. This swap has a notional value of $17,000,000 and a termination date on November 16, 2010. The Fund pays a fixed rate of 4.09% and receives a floating rate based on the three-month Banker's Acceptance rate.

Note 12 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were $54,678 (2007 - $24,569).

There were no soft dollar amounts during the period ended June 30, 2008.

Note 13 – **Comparative Financial Statements**

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2008 semi annual financial statements.

Management **Discussion & Analysis**

Fund Overview

The Claymore Canadian Fundamental Index ETF (the "Fund") has been designed to replicate, to the extent possible, the performance of the FTSE RAFI Canada Index (the "Index"), net of expenses. The Fund's investment strategy is to invest in and hold a proportionate share of the constituent securities of the Index in the same proportion as they are reflected in that Index. The Index weights constituents using four accounting factors, rather than market capitalization. These four factors include:

- **Total cash dividends** (five-year average of all regular and special distributions)
- **Free cash flow** (five-year average of operating income plus depreciation)
- **Total sales** (five-year average total sales)
- **Book equity value** (current period book equity value)

By using these factors rather than market capitalization to weight stocks, Fundamental Indexation seeks to take advantage of price movements by reducing the Index's holdings in constituents whose prices have risen relative to other constituents, and increasing holdings in companies whose prices have fallen behind. In addition, Fundamental Indexation decreases exposure to high P/E stocks during episodes of P/E expansion with the intention of avoiding over-exposure to more overvalued stocks. The Claymore Canadian Fundamental Index ETF offers an investment strategy based on fundamental factors with the highlights of a passive investment: transparent rules-based selection and the potential for lower turnover costs.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. On an NAV basis, the Fund's Common Units generated a total return of -2.68%, representing a change in NAV to $11.38 on June 30, 2008, from $11.80 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on an NAV basis, of -3.00%, representing a change in NAV to $11.38 on June 30, 2008, from $11.80 on December 31, 2007. On a market price basis, the Fund's Common Units generated a total return of -2.45%, representing a change in market price to $11.34 on June 30, 2008, from $11.74 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of -3.27%, representing a change in market price to $11.28 on June 30, 2008, from $11.73 on December 31, 2007.

For the six month period ended June 30, 2008, the FTSE RAFI Canada Index returned -2.33%, and the S&P/TSX 60 Index returned 8.03%. The S&P/TSX 60 Index is a list of the 60 largest companies on the Toronto Stock Exchange as measured by market capitalization. The Canadian equity market was one of the few world markets with positive returns in the first half of 2008.

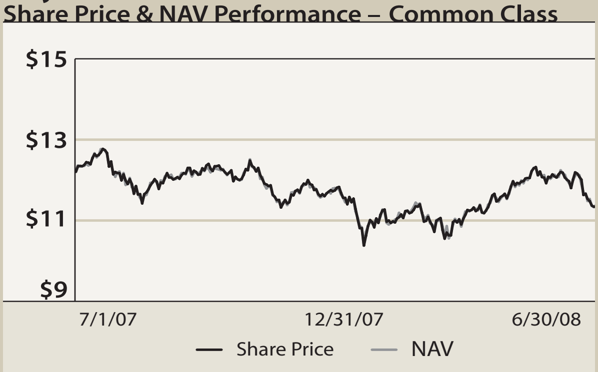
The Fund's Common Units paid quarterly dividends of $0.0560 on March 31, 2008, and $0.0540 on June 30, 2008. The Fund's Advisor Class Units paid quarterly dividends of $0.0330 on March 31, 2008, and $0.0322 on June 30, 2008.

The Fund's Investments and Performance Attribution

For the six-month period from December 31, 2007, through June 30, 2008, the oil & gas sector made the strongest positive contribution to return, followed by the basic materials sector. The financials sector was the greatest detractor from return. Holdings that contributed strongly to performance included natural gas producer EnCana Corp., which announced that it plans to split into two companies; Canadian Natural Resources Ltd., an oil and gas exploration company with a focus on western Canada; and Talisman Energy Inc., an international upstream oil and gas company (5.38%, 3.36% and 2.58% of net assets, respectively). Positions that detracted from performance included Sun Life Financial Inc., an international financial services firm; Bank of Montreal, which has considerable exposure to questionable credits; and Power Corp. of Canada, a diversified holding company with significant financial services business (3.14%, 3.49% and 2.61% of net assets, respectively).

Performance **Highlights** | As at June 30, 2008 (unaudited)

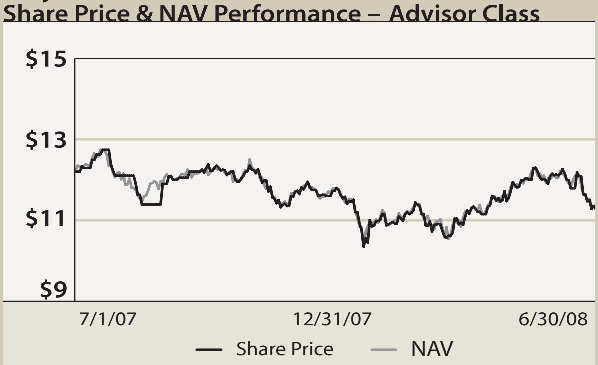
Claymore Canadian Fundamental Index ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (2/22/06)	Market	NAV
Six months	-2.45%	-2.68%
One year	-5.36%	-5.34%
Since inception - annualized	7.15%	7.29%

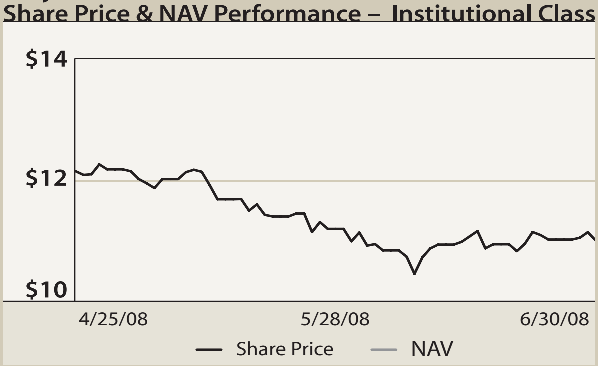
Claymore Canadian Fundamental Index ETF
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (9/8/06)	Market	NAV
Six months	-3.27%	-3.00%
One year	-6.60%	-6.04%
Since inception - annualized	7.77%	8.27%

Claymore Canadian Fundamental Index ETF
Share Price & NAV Performance – Institutional Class



Total Returns - Institutional Class

Inception (4/25/08)	Market	NAV
Since inception - cumulative	N/A	-1.31%

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

Sector Mix	% of Fund's Net Asset Value
Real Estate Investment Trusts	0.6
Equities	
Financials	40.9
Energy	25.2
Consumer Discretionary	7.0
Materials	6.9
Industrials	5.4
Consumer Staples	4.8
Information Technology	3.9
Telecommunications Services	2.9
Utilities	2.0
Cash and Cash Equivalents	0.5
Net Other Assets	(0.1)
	100.0

Top 25 Issuers	% of Fund's Net Asset Value
Royal Bank of Canada	6.3
EnCana Corp.	5.4
Toronto-Dominion Bank	5.2
Bank of Nova Scotia	5.1
Manulife Financial Corp.	4.8
Bank of Montreal	3.5
Petro-Canada	3.4
Canadian Natural Resources Ltd.	3.4
Canadian Imperial Bank of Commerce	3.2
Sun Life Financial Inc.	3.1
TransCanada Corp.	2.8
Power Corp. of Canada	2.6
Talisman Energy Inc.	2.6
Suncor Energy Inc.	2.2
Magna International Inc., Class A	2.0
Canadian National Railway Co	1.9
Brookfield Asset Management Inc., Class A	1.9
Barrick Gold Corp.	1.8
BCE Inc.	1.8
Enbridge Inc.	1.7
Teck Cominco Ltd., Class B	1.7
Goldcorp Inc.	1.5
Nexen Inc.	1.4
National Bank of Canada	1.3
Power Financial Corp.	1.3
	71.9
Total Net Asset Value	**$55,295,671**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Real Estate Investment Trusts			
16,643	RioCan Real Estate Investment Trust	$ 346,824	$ 329,531	
	Total Real Estate Investment Trusts	346,824	329,531	0.60%
	Canadian Common Stocks			
	Energy			
2,212	Addax Petroleum Corp.	88,996	108,742	
18,382	Canadian Natural Resources Ltd.	1,350,446	1,851,251	
21,944	Enbridge Inc.	837,479	966,194	
31,964	EnCana Corp.	2,107,156	2,964,661	
11,357	Husky Energy Inc.	468,534	550,474	
11,517	Imperial Oil Ltd.	558,734	642,764	
19,153	Nexen Inc.	614,298	774,739	
33,330	Petro-Canada	1,732,695	1,891,478	
20,164	Suncor Energy Inc.	994,442	1,191,491	
63,164	Talisman Energy Inc.	1,211,367	1,421,190	
38,836	TransCanada Corp.	1,442,550	1,532,468	
		11,406,697	13,895,452	25.22
	Materials			
21,494	Barrick Gold Corp.	854,825	998,611	
7,872	Gerdau Ameristeel Corp.	119,909	155,078	
17,722	Goldcorp Inc.	639,111	832,934	
9,437	Nova Chemicals Corp.	283,868	236,869	
2,723	Potash Corp. of Saskatchewan	302,976	639,823	
18,703	Teck Cominco Ltd., Class B	794,791	915,325	
		2,995,480	3,778,640	6.86
	Industrials			
	Capital Goods			
603	Bombardier Inc., Class A	3,172	4,432	
67,301	Bombardier Inc., Class B	354,556	493,316	
9,850	Finning International Inc.	270,977	251,077	
37,133	Norbord Inc.	195,579	202,746	
		824,284	951,571	1.73
	Transportation			
18,623	ACE Aviation Holdings Inc., Class A	387,935	298,154	
7,361	ACE Aviation Holdings Inc., Class B	152,141	116,672	
21,818	Canadian National Railway Co	1,156,108	1,068,646	
7,803	Canadian Pacific Railway Ltd.	507,863	526,000	
		2,204,047	2,009,472	3.65
	Total Industrials	3,028,331	2,961,043	5.38
	Consumer Discretionary			
	Automobiles & Components			
18,380	Magna International Inc., Class A	1,550,667	1,100,778	2.00

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Media			
52,619	CanWest Global Communications Corp.	$ 259,173	$ 144,702	
17,683	Quebecor Inc., Class B	477,987	498,661	
15,763	Rogers Communications Inc., Class B	616,898	621,850	
19,901	Shaw Communications Inc., Class B	410,038	413,344	
16,168	Thomson Reuters Corp.	673,534	529,664	
		2,437,630	2,208,221	4.01%
	Retailing			
6,735	Canadian Tire Corp. Ltd., Class A, Non-Voting Shares	475,007	356,147	
8,428	Sears Canada Inc.	193,376	193,844	
		668,383	549,991	1.00
	Total Consumer Discretionary	4,656,680	3,858,990	7.01
	Consumer Staples			
	Food & Staples Retailing			
18,702	Alimentation Couche-Tard Inc., Class B	283,528	254,908	
3,939	Empire Co. Ltd., Class A	149,990	171,937	
11,569	George Weston Ltd.	607,586	543,165	
36,073	Jean Coutu Group PJC Inc., Class A	379,454	296,520	
17,508	Loblaw Cos Ltd.	580,324	532,418	
18,261	Metro Inc., Class A	444,454	442,647	
7,570	Shoppers Drug Mart Corp.	389,038	423,012	
		2,834,374	2,664,607	4.84
	Financials			
	Banks			
45,290	Bank of Montreal	2,540,781	1,920,296	
60,077	Bank of Nova Scotia	2,963,596	2,803,793	
31,355	Canadian Imperial Bank of Commerce	2,469,188	1,753,372	
14,582	National Bank of Canada	778,912	735,808	
6,399	Onex Corp.	197,669	191,458	
75,937	Royal Bank of Canada	3,834,592	3,453,615	
45,011	Toronto-Dominion Bank	3,049,301	2,883,855	
		15,834,039	13,742,197	24.95
	Diversified Financials			
6,374	IGM Financial Inc.	315,646	269,110	0.49
	Insurance			
1,474	Fairfax Financial Holdings Ltd.	422,383	365,699	
11,734	Great-West Lifeco Inc.	388,851	341,929	
2,753	ING Canada Inc.	100,001	97,787	
74,873	Manulife Financial Corp.	2,916,700	2,651,252	
46,141	Power Corp. of Canada	1,648,896	1,439,138	
21,380	Power Financial Corp.	810,712	708,319	
41,408	Sun Life Financial Inc.	2,054,928	1,728,784	
		8,342,471	7,332,908	13.31

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Real Estate			
31,646	Brookfield Asset Management Inc., Class A	$ 1,007,234	$ 1,045,267	
16,491	Brookfield Properties Corp.	316,509	299,312	
		1,323,743	1,344,579	2.44%
	Total Financials	25,815,899	22,688,794	41.19
	Information Technology			
	Software & Services			
28,901	CGI Group Inc., Class A	298,581	293,634	0.53
	Technology Hardware & Equipment			
81,087	Celestica Inc.	628,098	695,726	
73,215	Nortel Networks Corp.	607,086	609,881	
3,108	Research In Motion Ltd.	270,497	370,474	
		1,505,681	1,676,081	3.04
	Total Information Technology	1,804,262	1,969,715	3.57
	Telecommunication Services			
27,690	BCE Inc.	994,884	984,380	
7,117	Manitoba Telecom Services Inc.	280,785	284,751	
4,574	TELUS Corp.	235,846	195,264	
3,837	TELUS Corp., Non-Voting Shares	192,925	157,125	
		1,704,440	1,621,520	2.94
	Utilities			
6,619	Atco Ltd., Class I	300,638	344,056	
7,148	Canadian Utilities Ltd., Class A, Special Shares	325,719	314,655	
12,697	TransAlta Corp.	379,768	467,631	
		1,006,125	1,126,342	2.04
	Total Canadian Common Stocks	55,252,288	54,565,103	99.05
		55,599,112	54,894,634	99.65
	Transaction costs (note 2)	(2,193)		
	Total Investments	$ 55,596,919	54,894,634	99.65%
	Other assets less liabilities		191,271	0.35
	Net Assets		$ 55,085,905	100.00%

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

Statement of **Net Assets**

		June 30, 2008 (unaudited)		December 31, 2007 (audited)
Assets				
Investments, at fair value (note 2)	$	54,894,634	$	47,377,635
Cash		293,056		–
Dividend receivable		155,085		149,487
Due from brokers		–		2,255,111
Prepaid fees		(2,771)		–
		55,340,004		49,782,233
Liabilities				
Bank indebtedness		–		96,860
Distributions payable		189,643		–
Due to brokers		–		2,213,381
Accrued management fees		27,554		27,314
Accrued service fees		36,902		54,120
		254,099		2,391,675
Net assets representing unitholders' equity	$	55,085,905	$	47,390,558
Net assets representing unitholders' equity				
Advisor Class	$	15,696,239	$	24,565,266
Common		30,442,582		22,825,292
Institutional Class		8,947,084		–
	$	55,085,905	$	47,390,558
Units outstanding (note 4)				
Advisor Class		1,385,055		2,085,055
Common		2,686,000		1,936,000
Institutional Class		784,747		
		4,855,802		4,021,055
Net assets per unit				
Advisor Class	$	11.33	$	11.78
Common	$	11.33	$	11.79
Institutional Class	$	11.40	$	-

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the six months ended June 30** (unaudited)

	2008	2007
Income		
Dividends	$ 662,664	$ 238,491
Interest	51	75
Other income	–	1,966
	662,715	240,532
Expenses		
Management fees (note 5)	155,658	72,507
Service fees (note 5)	66,836	37,546
Interest	516	–
	223,010	110,053
Net investment income	439,705	130,479
Net realized gain on sale of investments	53,008	353,716
Net realized gain on foreign exchange	450	20
Transaction costs (note 2)	(2,561)	–
Change in unrealized appreciation (depreciation) in value of investments	(2,437,388)	1,556,620
Change in unrealized appreciation (depreciation) on foreign exchange	(11)	(3)
Net gain (loss) on investments	(2,386,502)	1,910,353
Increase (decrease) in net assets from operations	$ (1,946,797)	$ 2,040,832
Increase (decrease) in net assets from operations		
Advisor Class	$ (1,028,261)	$ 773,011
Common	(765,620)	1,267,821
Institutional Class	(152,916)	–
	(1,946,797)	$ 2,040,832
Increase (decrease) in net assets from operations per unit		
Advisor Class	$ (0.59)	$ 1.10
Common	$ (0.34)	$ 1.11
Institutional Class	$ (0.20)	$ –

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

Statement of **Changes in Net Assets** For the six months ended June 30 (unaudited)

	2008	2007
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$ 24,565,266	$ 7,801,945
Common	22,825,292	12,263,288
Institutional Class	–	–
	47,390,558	20,065,233
Increase (decrease) in net assets from operations		
Advisor Class	(1,028,261)	773,011
Common	(765,620)	1,267,821
Institutional Class	(152,916)	–
	(1,946,797)	2,040,832
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class	–	–
Common	8,647,570	2,901,865
Institutional Class	9,100,000	–
Payment on redemption of units:		
Advisor Class	(7,740,560)	–
Common	–	–
Institutional Class	–	–
	10,007,010	2,901,865
Distribution to unitholders		
From net investment income:		
Advisor Class	(100,206)	(27,440)
Common	(264,660)	(107,779)
Institutional Class	–	–
	(364,866)	(135,219)
Increase (decrease) in net assets for the period		
Advisor Class	(8,869,027)	745,571
Common	7,617,290	4,061,907
Institutional Class	8,947,084	–
	7,695,347	4,807,478
Net assets, end of the period (GAAP NAV)		
Advisor Class	15,696,239	8,547,516
Common	30,442,582	16,325,195
Institutional Class	8,947,084	–
	$ 55,085,905	$ 24,872,711

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

Statement of **Cash Flows** | **For the six months ended June 30** (unaudited)

		2008		2007
Cash flows from operating activities				
Increase (decrease) in net assets from operations	$	(1,946,797)	$	2,040,832
Items not affecting cash:				
Net realized loss on sale of investments		(53,008)		(353,716)
Transaction costs (note 2)		2,561		–
Change in unrealized (appreciation) depreciation in value of investments		2,437,388		(1,556,620)
Change in non-cash working capital items		(19,805)		(14,268)
		420,339		116,228
Cash flows from investing activities				
Purchase of investments		(27,212,352)		(4,993,901)
Proceeds from sale of investments		17,350,143		2,012,893
		(9,862,209)		(2,981,008)
Cash flows from financing activities				
Issuance of units for cash		17,747,570		2,901,865
Payment on redemption of units		(7,740,560)		–
Distribution to unitholders		(175,223)		(190,719)
		9,831,787		2,711,146
Net increase (decrease) in cash		389,917		(153,634)
Cash (bank indebtedness), beginning of the period		(96,860)		160,699
Cash, end of the period	$	293,057	$	7,065

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore Canadian Fundamental Index ETF (the "Claymore ETF"), formerly known as ClaymorETF FTSE RAFI Canadian Index Fund, an investment trust established under the laws of the Province of Ontario pursuant to a trust agreement dated February 15, 2006, has been designed to replicate, to the extent possible, the performance of the FTSE RAFI Canada Index, a fundamental factor-based Canadian equity index provided by FTSE International Limited. The investment strategy of the Claymore ETF is to invest in and hold the constituent securities of the FTSE RAFI Canada Index in the same proportion as they are reflected in the FTSE RAFI Canada Index. Claymore Investments, Inc. (the "Manager"), a registered investment counsel and portfolio manager, is the trustee and manager of the Claymore ETF and is responsible for the administration of the Claymore ETF.

The Claymore ETF commenced investment operations on February 22, 2006 with one Class of Common units. On September 8, 2006, the Claymore ETF launched the Advisor Class units. Effective August 9, 2006 the Claymore ETF changed its name from "ClaymorETF FTSE RAFI Canadian Index Fund" to "Claymore Canadian Fundamental Index ETF."

At a special meeting of the unitholders of the Claymore Canadian Fundamental 100 Monthly Income ETF ("RFI") (the "Unitholders") held on September 24, 2007, the Unitholders approved the merger of the RFI (the "Merger") with the Claymore ETF. A meeting of Claymore ETF unitholders was not required to implement the Merger.

On October 1, 2007 the Merger was implemented. Pursuant to the Merger, all of the assets of RFI were transferred to the Claymore ETF in consideration for the issuance of 1,585,055 Advisor Class units (the "Units") of the Claymore ETF to RFI. The exchange ratio used to determine the Units was 0.8615, calculated based on the relative net asset value ("NAV") of each of the Advisor Class units of Claymore ETF and RFI on September 28, 2007. As at September 28, 2007, the NAV per unit of each of the Advisor Class units of Claymore ETF and RFI were $12.2126 and $10.5209, respectively.

Pursuant to the Merger, all of the units of RFI were redeemed on October 1, 2007 and RFI unitholders received their Units on such date. The Claymore ETF is continuing its operations and will continue to trade under the symbols CRQ and CRQ.A. The units of RFI ceased to trade on October 1, 2007.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA has originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied effective January 1, 2007, without restatement of prior periods. Accordingly, the opening net asset value in the Statement of Changes in Net Assets for the period ended June 30, 2007 has been adjusted.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The value of any security for which a market quotation is not readily available will be its fair value as determined by the Manager.
2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Prior to the adoption of Section 3855, transaction costs were capitalized and included in the cost of purchases or proceeds from sale of investments. There is no impact on the Net Asset Value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the year-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	**Section 3855 Adjustment**	**GAAP NAV**	**Transactional NAV**	**GAAP NAV**
As at June 30, 2008					
Claymore Canadian Fundamental Index ETF					
Advisor Class	$ 15,756,013	$ (59,774)	$ 15,696,239	$ 11.38	$ 11.33
Common	$ 30,558,506	$ (115,924)	$ 30,442,582	$ 11.38	$ 11.33
Institutional	8,981,152	(34,068)	8,947,084	$ 11.44	$ 11.40
Total Net Asset Value	$ 55,295,671	$ (209,766)	$ 55,085,905		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units, an unlimited number of Advisor Class units and an unlimited number of Institutional units. Unit transactions of the Claymore ETF for the periods ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008					
	Advisor Class Units		Common Units		Institutional Class Units	
	Units	Value	Units	Value	Units	Value
Units outstanding, beginning of period	2,085,055	$ $24,025,051	1,936,000	$ 21,089,235	–	$ –
Units issued for cash	–	–	750,000	8,647,570	784,747	9,100,000
Units issued on acquisition of RFI	–	–	–	–	–	–
Units redeemed	(700,000)	(7,740,560)	–	–	–	–
Units outstanding, end of period	1,385,055	$ 16,284,491	2,686,000	$ 29,736,805	784,747	$ 9,100,000

	December 31, 2007			
	Advisor Class Units		Common Units	
	Units	Value	Units	Value
Units outstanding, beginning of period	700,000	$ 7,027,650	1,100,000	$ 10,924,950
Units issued for cash	–	–	836,000	10,164,285
Units issued on acquisition of RFI	1,585,055	19,357,661	–	–
Units redeemed	(200,000)	(2,360,260)	–	–
Units outstanding, end of period	2,085,055	$ 24,025,051	1,936,000	$ 21,089,235

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.65% of the net asset value ("NAV") per Common unit of the Claymore ETF, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.65% of the NAV per Advisor Class unit of the Claymore ETF, plus applicable taxes, plus an additional service fee of one-quarter of 0.75% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 15,827,454
Market Value of Collateral Held	$ 16,865,125

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $2,744,732; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

As at June 30, 2008, the majority of the Claymore ETF's investments and cash balances are denominated in Canadian dollar. As a result, the Claymore ETF is not significantly exposed to the currency risk.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Income Tax Loss Carryforwards**

The Claymore ETF has capital losses of $1,099,649 which may be carried forward indefinitely and applied against capital gains realized in a future period.

Note 11 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were $2,561 (2007: nil).

There were no soft dollar amounts during the period ended June 30, 2008.

Management **Discussion & Analysis**

Fund Overview

The Claymore CDN Dividend & Income Achievers ETF (the "Fund") has been designed to replicate, to the extent possible, the performance of Mergent's Canadian Dividend & Income Achievers™ Index (the "Index"), net of expenses. The Fund's investment strategy is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index.

Since 1979, Mergent, Inc., the provider of the Index, has identified, on a yearly basis, companies with a consistent stream of dividend payment increases, the "Dividend Achievers." The Index seeks to identify and select a diversified group of dividend and distribution paying companies which have consistently increased their annual dividends and payouts to shareholders. The Index represents a diversified portfolio of leading high yield equity securities in Canada weighted based on dividend yield and quality. The manager of the Fund, Claymore Investments, Inc., believes that dividend indices demonstrate unique risk and return characteristics relative to other measures of stock market performance.

Mergent's Canadian Dividend & Income Achievers Index consists of some of the issuers in Mergent's Canadian Dividend Achievers and a group of Canadian income trusts and Real Estate Investment Trusts ("REITs"). Canadian income trusts and REITs constitute up to 30% of the total weight of the Index and Mergent's Canadian Dividend Achievers™ constitutes the remaining balance.

To become eligible for inclusion in the Index, an issuer must meet the following criteria:

- **Incorporation:** The issuer must be established in Canada.
- **Trading:** The security of the company or trust must trade on a major Canadian exchange.
- **Dividends and Distributions:** For common shares, its aggregate annual regular dividend payments must have increased consistently over the course of the past five years. For income trusts and REITs, its aggregate regular distribution payment must have been paid consistently over the course of two years, increasing each year until the five year history is established.
- **Liquidity:** All issuers in the index must have an average daily cash volume of $500,000 in the November and December prior to reconstitution, which takes place after the close of business on the last trading day in January.
- **Maximum Weighting:** No Constituent Issuer may have a weighting in the index that exceeds 7.5% of the total weight of the Index. The weighting methodology is modified yield weighted. The yields are determined by dividing the sum of the dividends paid over the prior 12 months to December 31 by the year end closing price.
- **Reconstitution and Rebalancing:** The Index will be reconstituted annually and rebalanced semi-annually. The Index is also rebalanced for corporate actions. During the semi-annual rebalance, an issuer may be removed from the Index at the discretion of Mergent if it has reduced its dividend payment quarter over quarter.

The Mergent's Canadian Dividend & Income Achievers Index is reconstituted on a yearly basis effective at the close of the last trading day in January, according to Mergent's proprietary screening methodology.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. This report discusses the semi-annual period from December 31, 2007, through June 30, 2008. On an NAV basis, the Fund's Common Units and its Fund's Advisor Class Units generated a total return of -3.04% and -3.43% respectively, representing a change for the Common Units in NAV to $20.53 on June 30, 2008, from $21.59 on December 31, 2007 and a change for the Advisor Class Units in NAV to $20.53 on June 30, 2008, from $21.59 on December 31, 2007.. On a market price basis, the Fund's Common Units generated a total return of -2.17%, representing a change in market price to $20.57 on June 30, 2008, from $21.44 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of -3.11%, representing a change in market price to $20.51 on June 30, 2008, from $21.50 on December 31, 2007.

For the six month period ended June 30, 2008, the Mergent's Canadian Dividend & Income Achievers™ Index returned -2.96%, and the Dow Jones Canada Select Dividend Index, which measures the performance of high dividend-yielding stocks in Canada, returned -6.70%. Claymore believes that the outperformance of the Fund and the Index relative to the DJ Canada Select Dividend Index demonstrates the advantages of the structure of the Fund and Index focusing on companies that grow their dividends as opposed to the DJ Canada Select Dividend Index, which focuses only on companies that pay high dividend yields.

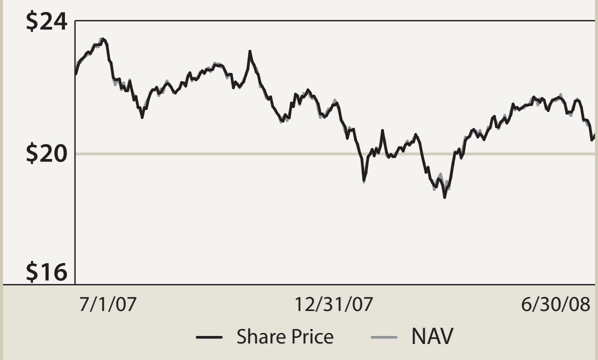
The Fund's Common Units paid monthly dividends of $0.0610 on the last business day of January and February 2008, and monthly dividends of $0.0700 on the last business day of March through June 2008. The Fund's Advisor Class Units paid monthly dividends of $0.0455 on the last business day of January and February 2008, and monthly dividends of $0.0570 on the last business day of March through June 2008.

The Fund's Investments and Performance Attribution

For the six-month period from December 31, 2007, through June 30, 2008, the industrials sector made the strongest positive contribution to the Fund's return, followed by the and oil & gas sector. The financials sector was the greatest detractor from return. The position that made the greatest contribution to the Fund's return was Russel Metals Incorporated (6.45% of net assets), a metals distribution and processing company. Other holdings that contributed strongly to performance included Ensign Energy Services Inc., a provider of oil field services in western Canada, and natural gas producer EnCana Corporation, which announced that it plans to split into two companies (2.28% and 1.10% of net assets, respectively). Positions that detracted from performance included TransForce Inc., a transportation and logistics services provider; CI Financial Income Fund, a diversified wealth management firm; and Bank of Montreal, which has considerable exposure to questionable credits (2.84%, 1.46% and 2.47% of net assets, respectively).

Performance **Highlights** | As at June 30, 2008 (unaudited)

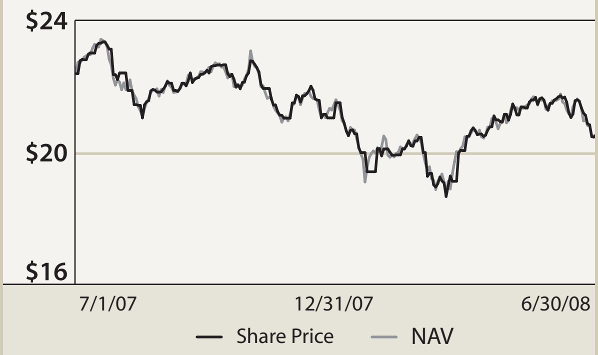
Claymore CDN Dividend & Income Achievers ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (09/08/06)	Market	NAV
Six months	-2.17%	-3.04%
One year	-4.65%	-5.10%
Since inception - average annual	5.37%	5.26%

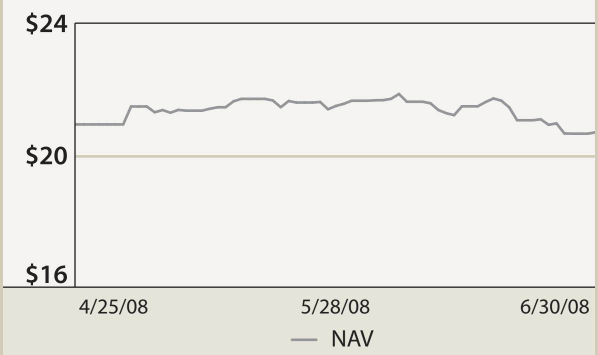
Claymore CDN Dividend & Income Achievers ETF
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (09/08/06)	Market	NAV
Six months	-3.11%	-3.43%
One year	-5.69%	-5.83%
Since inception - average annual	4.38%	4.43%

Claymore CDN Dividend & Income Achievers ETF
NAV Performance – Institutional Class



Total Returns – Institutional Class

Inception (04/25/08)	Market	NAV
Since inception - cumulative	N/A	-1.13%

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

Sector Mix	% of Fund's Net Asset Value
Real Estate Investment Trusts	8.2
Income Trusts	
Energy	6.5
Industrials	6.4
Financials	2.7
Utilities	1.3
Equities	
Financials	32.0
Energy	17.1
Materials	8.6
Industrials	5.3
Utilities	4.7
Consumer Staples	3.4
Consumer Discretionary	3.2
Net Other Assets	0.6
	100.0

Top 25 Issuers	% of Fund's Net Asset Value
Russel Metals Inc.	6.4
Trinidad Drilling Ltd.	4.4
Cathedral Energy Services Income Trust	3.7
National Bank of Canada	3.1
TransForce Income Fund	2.8
Bank of Montreal	2.5
Canadian Imperial Bank of Commerce	2.4
Enbridge Inc.	2.4
Bank of Nova Scotia	2.4
TransCanada Corp.	2.3
Royal Bank of Canada	2.3
IGM Financial Inc.	2.3
Ensign Energy Services Inc.	2.3
Livingston International Income Fund	2.3
Toronto-Dominion Bank	2.0
Fortis Inc.	1.9
Husky Energy Inc.	1.9
Great-West Lifeco Inc.	1.9
Shaw Communications Inc.	1.8
AltaGas Income Trust	1.7
AGF Management Ltd., Class B, Non-Voting Shares	1.7
Power Financial Corp.	1.7
Canadian Utilities Ltd., Class A	1.7
Methanex Corp.	1.5
Cominar Real Estate Investment Trust	1.5
	60.9
Total Net Asset Value	**$37,661,846**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Real Estate Investment Trusts			
6,804	Boardwalk Real Estate Investment Trust	$ 270,487	$ 258,076	
22,679	Calloway Real Estate Investment Trust	493,258	441,333	
13,265	Canadian Real Estate Investment Trust	370,779	387,073	
25,115	Cominar Real Estate Investment Trust	545,481	545,498	
27,583	H&R Real Estate Investment Trust	612,955	493,736	
22,795	Northern Property Real Estate Investment Trust	490,106	510,380	
22,334	RioCan Real Estate Investment Trust	514,983	442,213	
	Total Real Estate Investment Trusts	3,298,049	3,078,309	8.20%
	Income Trusts			
	Energy			
25,346	AltaGas Income Trust	671,961	649,111	
90,758	Cathedral Energy Services Income Trust	819,372	1,403,119	
37,417	Parkland Income Fund	503,913	395,124	
		1,995,246	2,447,354	6.52
	Industrials			
	Commercial Services & Supplies			
21,792	BFI Canada Income Fund	524,488	504,703	1.34
	Transportation			
55,459	Livingston International Income Fund	991,718	842,422	
157,509	TransForce Income Fund	1,463,938	1,064,761	
		2,455,656	1,907,183	5.08
	Total Industrials	2,980,144	2,411,886	6.42
	Financials			
	Diversified Financials			
24,965	CI Financial Income Fund	686,187	549,230	
30,269	Davis & Henderson Income Fund	589,600	471,591	
		1,275,787	1,020,821	2.72
	Utilities			
34,974	Energy Savings Income Fund	511,907	493,133	
140,157	Energy Savings Income Fund, Temporary Units	–	–	
		511,907	493,133	1.31
	Total Income Trusts	6,763,084	6,373,194	16.97

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Canadian Common Stocks			
	Energy			
3,671	Cameco Corp.	$ 124,870	$ 160,459	
1,883	Canadian Natural Resources Ltd.	122,127	189,637	
20,697	Enbridge Inc.	761,353	911,289	
4,480	EnCana Corp.	296,943	415,520	
38,685	Ensign Energy Services Inc.	688,205	858,420	
14,384	Husky Energy Inc.	586,594	697,192	
3,316	Imperial Oil Ltd.	146,927	185,066	
2,016	Suncor Energy Inc.	95,291	119,125	
15,478	Talisman Energy Inc.	245,826	348,255	
22,332	TransCanada Corp.	865,644	881,221	
115,035	Trinidad Drilling Ltd.	1,169,326	1,643,850	
		5,103,106	6,410,034	17.06%
	Materials			
8,664	CCL Industries, Class B, Non-Voting Shares	310,413	255,328	
19,800	Methanex Corp.	499,285	564,894	
80,212	Russel Metals Inc.	1,827,471	2,422,403	
		2,637,169	3,242,625	8.63
	Industrials			
	Capital Goods			
12,187	Finning International Inc.	324,594	310,647	
4,523	SNC-Lavalin Group Inc.	165,468	252,383	
16,807	Toromont Industries Ltd.	437,156	458,663	
		927,218	1,021,693	2.72
	Commercial Services & Supplies			
31,638	Transcontinental Inc., Class A	618,260	495,135	1.32
	Transportation			
9,383	Canadian National Railway Co.	477,683	459,579	1.22
	Total Industrials	2,023,161	1,976,407	5.26
	Consumer Discretionary			
	Media			
32,440	Shaw Communications Inc.	638,320	673,779	
16,418	Thomson Reuters Corp.	720,842	537,854	
		1,359,162	1,211,633	3.23
	Consumer Staples			
	Food & Staples Retailing			
9,564	Empire Co. Ltd., Class A	408,135	417,469	
19,127	Metro Inc., Class A	574,349	463,638	
		982,484	881,107	2.35
	Food Beverage & Tobacco			
14,108	Saputo Inc.	300,528	408,850	
		300,528	408,850	1.09
	Total Consumer Staples	1,283,012	1,289,957	3.44

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Financials			
	Banks			
21,849	Bank of Montreal	$ 1,420,935	$ 926,398	
19,064	Bank of Nova Scotia	944,409	889,717	
16,397	Canadian Imperial Bank of Commerce	1,387,031	916,920	
9,692	Canadian Western Bank	245,143	239,877	
7,101	Home Capital Group Inc.	251,114	280,490	
22,843	National Bank of Canada	1,180,591	1,152,658	
18,842	Royal Bank of Canada	987,145	856,934	
11,707	Toronto-Dominion Bank	795,625	750,067	
		7,211,993	6,013,061	16.01%
	Diversified Financials			
29,135	AGF Management Ltd., Class B, Non-Voting Shares	826,622	639,805	
32,265	Guardian Capital Group Ltd., Class A	325,747	249,408	
20,385	IGM Financial Inc.	1,033,340	860,655	
		2,185,709	1,749,868	4.66
	Insurance			
23,906	Great-West Lifeco Inc.	783,155	696,621	
12,445	Industrial Alliance Insurance and Financial Services Inc.	454,984	426,241	
15,261	Manulife Financial Corp.	586,209	540,392	
16,306	Power Corp. of Canada	588,017	508,584	
19,021	Power Financial Corp.	714,921	630,166	
12,103	Sun Life Financial Inc.	590,745	505,300	
		3,718,031	3,307,304	8.81
	Real Estate			
10,279	Brookfield Asset Management Inc., Class A	332,648	339,515	
10,212	Brookfield Properties Corp.	192,490	185,348	
17,974	First Capital Realty Inc.	466,163	426,883	
		991,301	951,746	2.53
	Total Financials	14,107,034	12,021,979	32.01
	Utilities			
8,194	Atco Ltd., Class I	417,012	425,924	
14,258	Canadian Utilities Ltd., Class A	636,526	627,637	
25,903	Fortis Inc.	679,817	703,266	
		1,733,355	1,756,827	4.68
	Total Canadian Common Stocks	28,245,999	27,909,462	74.31
		38,307,132	37,360,965	99.48%
	Transaction costs (note 2)	(60)		
	Total Investments	$ 38,307,072	37,360,965	99.48%
	Other assets less liabilities		196,028	0.52
	Net Assets		$ 37,556,993	100.00%

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

Statement of **Net Assets**

		June 30, 2008 (unaudited)		December 31, 2007 (audited)
Assets				
Investments, at fair value (note 2)	$	37,360,965	$	39,182,931
Cash		211,644		148,369
Dividend receivable		151,118		149,478
Due from brokers		–		1,373,288
		37,723,727		40,854,066
Liabilities				
Accrued management fees		20,192		58,039
Accrued service fees		26,606		24,763
Due to brokers		–		1,440,401
Distribution payable		119,936		–
		166,734		1,523,203
Net assets representing unitholders' equity	$	37,556,993	$	39,330,863
Net assets representing unitholders' equity				
Advisor Class	$	12,282,956	$	12,930,553
Common		25,076,843		26,400,310
Institutional Class		197,194		–
	$	37,556,993	$	39,330,863
Units outstanding (note 4)				
Advisor Class		600,000		600,000
Common		1,224,800		1,224,800
Institutional Class		9,557		–
		1,834,357		1,824,800
Net assets per unit				
Advisor Class	$	20.47	$	21.55
Common	$	20.47	$	21.55
Institutional Class	$	20.63	$	–

Approved on behalf of the Fund Manager:

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the six months ended June 30** (unaudited)

	2008	2007
Income		
Interest	$ 142	$ 1,573
Dividends	783,700	544,699
Other	114,643	1,040
	898,485	547,312
Expenses		
Management fees (note 5)	117,604	70,611
Service fees (note 5)	48,984	37,408
Interest and bank charges	189	–
	166,777	108,019
Net investment income	731,708	439,293
Net realized loss on sale of investments	(387,936)	(114,959)
Net realized gain on foreign exchange	20	–
Transaction costs (note 2)	(80)	
Change in unrealized appreciation (depreciation) in value of investments	(1,633,839)	1,384,597
Change in unrealized appreciation in foreign exchange	26	
Net gain (loss) on investments	(2,021,809)	1,269,638
Increase (decrease) in net assets from operations	$ (1,290,101)	$ 1,708,931
Increase (decrease) in net assets from operations		
Advisor Class	$ (456,197)	$ 624,431
Common	(831,098)	1,084,500
Institutional Class	(2,806)	–
	$ (1,290,101)	$ 1,708,931
Increase (decrease) in net assets from operations per unit		
Advisor Class	$ (0.76)	$ 1.48
Common	$ (0.68)	$ 1.77
Institutional Class	$ (0.30)	$ –

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

Statement of **Changes in Net Assets** | **For the six months ended June 30** (unaudited)

	2008	2007
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$ 12,930,553	$ 8,378,975
Common	26,400,310	8,382,340
Institutional Class	–	–
	39,330,863	16,761,315
Increase (decrease) in net assets from operations		
Advisor Class	(456,197)	624,431
Common	(831,098)	1,084,500
Institutional Class	(2,806)	–
	(1,290,101)	2,793,431
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class	–	2,327,420
Common	–	13,760,440
Institutional Class	200,000	–
	200,000	16,087,860
Distribution to unitholders		
From net investment income:		
Advisor Class	(191,400)	(144,680)
Common	(492,369)	(290,356)
Institutional Class	–	–
	(683,769)	(435,036)
Increase (decrease) in net assets for the period		
Advisor Class	(647,597)	2,807,171
Common	(1,323,467)	14,554,584
Institutional Class	197,194	–
	(1,773,870)	17,361,755
Net assets, end of the period (GAAP NAV)		
Advisor Class	12,282,956	11,186,146
Common	25,076,843	22,936,924
Institutional Class	197,194	–
	$ 37,556,993	$ 34,123,070

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

Statement of **Cash Flows** | **For the six months ended June 30** (unaudited)

	2008	2007
Cash flows from operating activities		
Increase (decrease) in net assets from operations	$ (1,290,101)	$ 1,708,931
Items not affecting cash:		
Net realized loss on sale of investments	387,936	114,959
Transaction costs (note 2)	80	
Change in unrealized (appreciation) depreciation in value of investments	1,633,839	(1,384,597)
Change in non-cash working capital items	(37,644)	(58,135)
	694,110	381,158
Cash flows from investing activities		
Purchase of investments	(15,888,641)	(23,671,650)
Proceeds from sale of investments	15,621,639	7,704,578
	(267,002)	(15,967,072)
Cash flows from financing activities		
Issuance of units for cash	200,000	16,087,860
Distribution to unitholders	(563,833)	(435,036)
	(363,833)	15,652,824
Net increase in cash	63,275	66,910
Cash (bank indebtedness), beginning of the period	148,369	(4,320)
Cash, end of the period	$ 211,644	$ 62,590

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore CDN Dividend & Income Achievers ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on August 15, 2006 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated August 15, 2006 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units.

The Claymore ETF has been designed to replicate, to the extent possible, the performance of the Mergent's Canadian Dividend & Income Achievers Index provided by Mergent Inc. ("Mergent"). The investment strategy of the Claymore ETF is to invest in and hold a proportionate share of the constituent securities of the Mergent's Canadian Dividend & Income Achievers Index in the same proportion as they are reflected in the Mergent's Canadian Dividend & Income Achievers Index.

The Claymore ETF commenced investment operations on September 8, 2006.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA had originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied effective January 1, 2007, without restatement of prior periods. Accordingly, the opening net asset value in the Statement of Changes in Net Assets for the period ended June 30, 2007 has been adjusted.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The value of any security for which a market quotation is not readily available will be its fair value as determined by the Manager.

2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Prior to the adoption of Section 3855, transaction costs were capitalized and included in the cost of purchases or proceeds from sale of investments. There is no impact on the Net Asset Value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the year-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

e) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	**Section 3855 Adjustment**	**GAAP NAV**	**Transactional NAV**	**GAAP NAV**
As at June 30, 2008					
Claymore CDN Dividend & Income Achievers ETF					
Advisor Class	$ 12,317,249	$ (34,293)	$ 12,282,956	$ 20.53	$ 20.47
Common	25,146,852	(70,009)	25,076,843	$ 20.53	$ 20.47
Institutional Class	197,745	(551)	197,194	$ 20.69	$ 20.63
Total Net Asset Value	$ 37,661,846	$ (104,853)	$ 37,556,993		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units. Unit transactions of the Claymore ETF for the periods ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008					
	Advisor Class Units		**Common Units**		**Institutional Class Units**	
	Units	**Value**	**Units**	**Value**	**Units**	**Value**
Units outstanding, beginning of period	600,000	$ 12,441,640	1,224,800	$ 26,196,420	–	$ –
Units issued for cash	–	–	–	–	9,557	200,000
Units outstanding, end of period	600,000	$ 12,441,640	1,224,800	$ 26,196,420	9,557	$ 200,000

	December 31, 2007			
	Advisor Class Units		**Common Units**	
	Units	**Value**	**Units**	**Value**
Units outstanding, beginning of period	400,000	$ 8,000,000	400,000	$ 8,000,000
Units issued for cash	200,000	4,441,640	824,800	18,196,420
Units outstanding, end of period	600,000	$ 12,441,640	1,224,800	$ 26,196,420

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.60% of the net asset value ("NAV") per Common unit of the Claymore ETF at month end, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.60% of the NAV per Advisor Class unit of the Claymore ETF at month end, plus applicable taxes, plus an additional service fee of one-quarter of 0.75% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 7,317,198
Market Value of Collateral Held	$ 7,796,924

Note 7 – **Financial Instruments and Credit Risk**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $1,868,048; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash and amounts due from brokers. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

As at June 30, 2008, the majority of the Claymore ETF's investments and cash balances are denominated in Canadian dollar. As a result, the Claymore ETF is not significantly exposed to the currency risk.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Fund will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Income Tax Loss Carryforwards**

As at December 31, 2007, the Claymore ETF has capital losses of $53,460 which may be carried forward indefinitely and applied against capital gains realized in a future period.

Note 11 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were $80 (2007: nil).

There were no soft dollar amounts during the period ended June 30, 2008.

Management **Discussion & Analysis**

Fund Overview

The Claymore Equal Weight Banc & Lifeco ETF (the "Fund" or "CEW") has been created to provide investors with a diversified equal weighted investment in a portfolio (the "CEW Portfolio") of Canadian banks and life insurance companies. The Fund invests, on an equally weighted basis, in common shares of the largest Canadian banks and Canadian life insurance companies. Inclusion in the CEW Portfolio is based on the following criteria: (i) the minimum market capitalization to be included in the CEW Portfolio is $5 billion for banks and $1.5 billion for life insurance companies; and (ii) the companies must be Canadian banking or Canadian life insurance companies. The Portfolio will be rebalanced (i) semi-annually, to adjust for changes in the market value of investments; and (ii) to reflect the impact of a merger, acquisition or other significant corporate action or event of or affecting one or more of the Canadian banks or life insurance companies in the CEW Portfolio. Such distributions may also include capital gains dividends and returns of capital. The Advisor Class Units will endeavor to pay monthly cash distributions targeted at $0.04167 per Advisor Class Unit (or $0.50 per annum).

The Fund was a closed-end fund, units of which were offered to the public under a prospectus and issued at the closing of its initial public offering on May 16, 2007. The Fund's prospectus, contained a provision providing that the Fund would automatically convert to an exchange-traded fund ("ETF") if, commencing after November 15, 2007, the daily weighted average trading price of it's units exceeded a discount of 2% to the net asset value ("NAV") per Unit for that day for a period of 10 consecutive trading days. The Fund converted to an ETF on February 6, 2008 pursuant to the automatic conversion provision contained in its prospectus. As part of the conversion, the units of the closed-end fund were converted to Advisor Class Units and a new class of Common Units was created.

Fund and Market Performance

All Fund returns cited—whether based on NAV or market price—assume the reinvestment of all distributions. For the Fund's Advisor Class Units, this report discusses the semi-annual period from December 31, 2007, through June 30, 2008. The Fund's Advisor Class Units generated a total return, on an NAV basis, of -13.93% over this period, representing a change in NAV to $6.99 on June 30, 2008, from $8.39 on December 31, 2007. For the same period the Fund's Advisor Class Units generated a total return, on a market price basis, of -7.89% representing a change in market price to $7.02 on June 30, 2008, from $7.88 on December 31, 2007. For the Fund's Common Units, this report discusses the abbreviated semi-annual period from the Fund's inception date as an ETF of February 6, 2008, through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of -8.44%, representing a change in NAV to $7.10 on June 30, 2008, from $7.87 on February 6, 2008. On a market price basis, the Fund's Common Units generated a total return of -9.89%, representing a change in market price to $7.05 on June 30, 2008, from $7.94 on February 6, 2008.

For the period from the Fund's inception as an ETF through June 30, 2008, the S&P/TSX Composite Index, a widely used measure of the broad Canadian stock market, returned 13.61%.

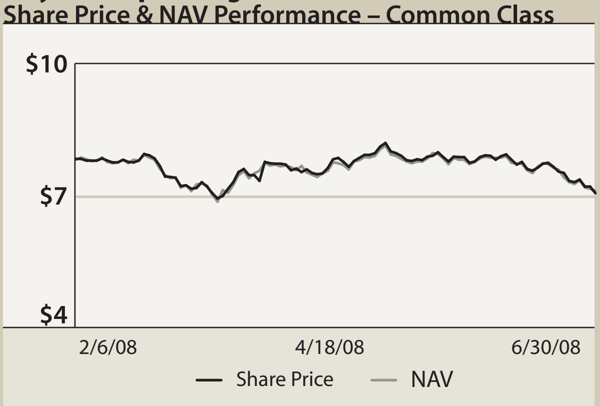
The Fund's Common Units paid quarterly dividends of $0.04167 on March 31, 2008, and $0.06400 on June 30, 2008. The Fund's Advisor Class Units paid monthly dividends of $0.04167 on February 14, 2008, March 14, 2008, March 31, 2008, April 30, 2008, May 30, 2008, and June 30, 2008.

The Fund's Investments and Performance Attribution

For the period from the Fund's inception date as an ETF through June 30, 2008, all of the Fund's ten holdings had negative returns, as did most stocks in the financial sector. Positions that detracted most from performance included Sun Life Financial Inc., Bank of Montreal and Industrial Alliance Insurance & Financial Services Inc. (9.60%, 9.45% and 9.68% of net assets, respectively). Positions that detracted least from performance included National Bank of Canada, Bank of Nova Scotia and Toronto-Dominion Bank (10.46%, 10.77% and 10.77% of net assets, respectively).

Fund **Summary** | **As at June 30, 2008** (unaudited)

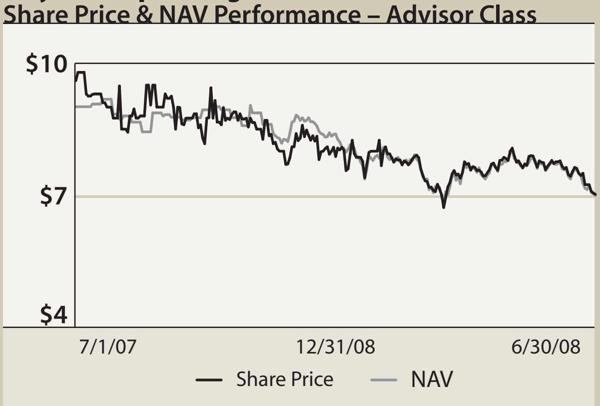
Claymore Equal Weight Banc & Lifeco ETF
Share Price & NAV Performance – Common Class



Total Returns - Common Class

Inception (02/06/08)	Market	NAV
Six months	–	–
One year	–	–
Since inception - average annual	-9.89%	-8.44%

Claymore Equal Weight Banc & Lifeco ETF
Share Price & NAV Performance – Advisor Class



Total Returns - Advisor Class

Inception (05/16/07)	Market	NAV
Six months	-7.89%	-13.93%
One year	-22.12%	-17.47%
Since inception - average annual	-22.35%	-17.76%

Sector Mix	% of Fund's Net Asset Value
Financials	100.1
Cash and Cash Equivalents	0.4
Net Other Assets	(0.5)
	100.0

Top Issuers	% of Fund's Net Asset Value
Toronto-Dominion Bank	10.9
Bank of Nova Scotia	10.8
Royal Bank of Canada	10.6
National Bank of Canada	10.5
Great-West Lifeco Inc.	10.2
Manulife Financial Corp.	10.1
Industrial Alliance Insurance and Financial Services Inc.	9.6
Sun Life Financial Inc.	9.6
Bank of Montreal	9.4
Canadian Imperial Bank of Commerce	8.4
Cash and Cash Equivalents	0.4
	100.5
Total Net Asset Value	**$35,206,987**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

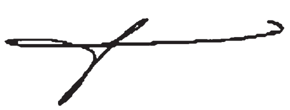
Number of Shares	Description	Average Cost	Fair Value	% of Net Assets
	Common Stock			
	Financials			
	Banks			
78,207	Bank of Montreal	$ 4,837,243	$ 3,315,977	
81,016	Bank of Nova Scotia	4,240,380	3,781,017	
52,606	Canadian Imperial Bank of Commerce	4,819,268	2,941,728	
72,736	National Bank of Canada	4,408,370	3,670,258	
81,619	Royal Bank of Canada	4,580,488	3,712,032	
58,988	Toronto-Dominion Bank	4,084,053	3,779,361	
		26,969,802	21,200,373	60.41%
	Insurance			
123,574	Great-West Lifeco Inc.	4,325,042	3,600,946	
99,164	Industrial Alliance Insurance and Financial Services Inc.	3,840,941	3,396,367	
99,977	Manulife Financial Corp.	3,936,890	3,540,186	
80,714	Sun Life Financial Inc.	4,101,989	3,369,810	
		16,204,862	13,907,309	39.63
		43,174,664	35,107,682	100.04
	Transaction costs (note 2)	–	–	
	Total Investments	$ 43,174,664	35,107,682	100.04%
	Liabilities less other assets		(13,870)	(0.04)
	Net Assets		$ 35,093,812	100.00%

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

Statement of **Net Assets**

	June 30, 2008 (unaudited)	December 31, 2007 (audited)
Assets		
Investments, at fair value (note 2)	$ 35,107,681	$ 29,503,262
Cash	147,221	181,864
Dividend receivable	157,886	107,891
	35,412,788	29,793,017
Liabilities		
Distribution payable	221,301	146,887
Accounts payable	–	5,176
Accrued service fees	59,369	22,730
Accrued management fees	22,104	14,085
Startup costs payable	16,202	65,024
	318,976	253,902
Net assets representing unitholders' equity	$ 35,093,812	$ 29,539,115
Net assets representing unitholders' equity		
Advisor Class	$ 31,384,235	$ 29,539,115
Common	3,709,577	–
	$ 35,093,812	$ 29,539,115
Units outstanding (note 4)		
Advisor Class	4,506,000	3,525,000
Common	524,000	–
	5,030,000	3,525,000
Net assets per unit		
Advisor Class	$ 6.96	$ 8.38
Common	$ 7.08	$ –

Approved on behalf of the Fund Manager:



Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the period ended June 30, 2008** (unaudited)

		2008
Income		
Dividends	$	612,872
Interest		123
Securities lending		275
		613,270
Expenses		
Management fees (note 5)		91,857
Service fees (note 5)		98,124
Interest and bank charges		443
Other		250
		190,674
Net investment gain		422,596
Net realized loss on sale of investments		(703)
Transaction costs (note 2)		–
Change in unrealized depreciation in value of investments		(5,386,179)
Net loss on investments		(5,386,882)
Decrease in net assets from operations	$	(4,964,286)
Decrease in net assets from operations		
Advisor Class	$	(4,595,464)
Common		(368,822)
	$	(4,964,286)
Decrease in net assets from operations per unit		
Advisor Class	$	(1.16)
Common		(1.00)

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

Statement of **Changes in Net Assets** | **For the period ended June 30, 2008** (unaudited)

		2008
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$	29,539,115
Common		–
	$	29,539,115
Decrease in net assets from operations		
Advisor Class		(4,595,464)
Common		(368,822)
		(4,964,286)
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class		7,423,704
Common		4,123,353
		11,547,057
Distribution to unitholders		
From net investment income:		
Advisor Class		(983,120)
Common		(44,954)
		(1,028,074)
Increase in net assets for the period		
Advisor Class		1,845,120
Common		3,709,577
	$	5,554,697
Net assets, end of the period (GAAP NAV)		
Advisor Class	$	31,384,235
Common		3,709,577
	$	35,093,812

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

Statement of **Cash Flows** | **For the period ended June 30, 2008** (unaudited)

		2008
Cash flows from operating activities		
Decrease in net assets from operations	$	(4,964,286)
Items not affecting cash:		
Net realized loss on sale of investments		703
Change in unrealized depreciation in value of investments		5,386,179
Change in non-cash working capital items		(59,335)
		363,261
Cash flows from investing activities		
Purchase of investments		(12,749,546)
Proceeds from sale of investments		1,758,245
		(10,991,301)
Cash flows from financing activities		
Issuance of units for cash		11,547,057
Distribution to unitholders		(953,660)
		10,593,397
Net decrease in cash		(34,643)
Cash, beginning of the period		181,864
Cash, end of the period	$	147,221

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Claymore ETF**

Claymore Equal Weight Banc & Lifeco ETF (the "Claymore ETF") was established under the laws of the Province of Ontario by a Declaration of Trust (the "Declaration of Trust") dated April 30, 2007. Claymore Investments, Inc. ("Claymore" or the "Manager") will act as trustee and manager of the Claymore ETF. The Claymore ETF has engaged RBC Dexia Investor Services Trust as the custodian of the Claymore ETF.

Claymore, a registered investment counsel and portfolio manager, is the manager of the Claymore ETF and is responsible for the administration of the Claymore ETF. Claymore is a wholly-owned subsidiary of Claymore Group, Inc., a financial services and asset management company based in the Chicago, Illinois area.

The Claymore ETF has the following investment objectives:

The Claymore ETF will seek to provide holders of the Units ("Unitholders") with (i) monthly cash distributions targeted to be $0.04167 per Advisor Class Unit ($0.50 per annum, representing a 5% per annum yield on the issue price of $10.00 per Unit), $0.064 per Common Class Unit; and (ii) the potential for capital appreciation from the Portfolio.

The Claymore ETF Advisor Class commenced investment operations on May 16, 2007.

The Claymore ETF Common Class commenced investment operations on February 6, 2008.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting, which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA had originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment fund to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The fair value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.
2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. There is no impact on the net asset value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF applied this new section effective January 1, 2007.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This Section establishes standards for when and how hedge accounting may be applied. The application of section 3865 did not have impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

e) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations for the period divided by the weighted average number of units outstanding during the period.

f) Issuance costs incurred in connection with the offerings are charged to equity.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment Claymore ETF is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Application of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the application of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	Section 3855	GAAP NAV	Transactional NAV	GAAP NAV
As at June 30, 2008					
Claymore Equal Weight Banc & Lifeco Trust					
Advisor Class	$ 31,485,448	$ (101,213)	$31,384,235	$ 6.99	$ 6.96
Common	3,721,539	(11,962)	3,709,577	$ 7.10	$ 7.08
Total Net Asset Value	$ 35,206,987	$ (113,175)	$35,093,812		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units. Unit transactions of the Claymore ETF for the period ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008				December 31, 2007			
	Advisor Class Units		Common Units		Advisor Class Units		Common Units	
	Units	Value	Units	Value	Units	Value	Units	Value
Units outstanding, begining of period	3,525,000	$33,287,375	–	$ –	–	$ –	–	$ –
Units issued for cash	981,000	7,423,704	524,000	4,123,353	3,525,000	35,250,000	–	–
	4,506,000	40,711,079	524,000	4,123,353	3,525,000	35,250,000	–	–
Issuance costs	–	–		–		(1,962,625)	–	–
	4,506,000	40,711,079	524,000	4,123,353	3,525,000	33,287,375	–	–
Units redeemed	–	–	–	–	–	–	–	–
Units outstanding, end of period	4,506,000	$40,711,079	524,000	$4,123,353	3,525,000	$33,287,375	–	$ –

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.55% of the NAV per Common unit of the Claymore ETF at month end, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.55% of the NAV per Advisor Class unit of the Claymore ETF at month end, plus applicable taxes, plus an additional service fee of one-quarter of 0.75% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

In order to generate additional returns, the Claymore ETF may lend Portfolio securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 3,603,418
Market Value of Collateral Held	$ 3,839,663

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a Claymore ETF are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a Claymore ETF is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $1,755,384; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

As at June 30, 2008, the majority of the Claymore ETF's investments and cash balances are denominated in Canadian dollar. As a result, the Claymore ETF is not significantly exposed to the currency risk.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual Claymore ETF trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year are paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Income Tax Loss Carry-forwards**

The Claymore ETF has capital losses of $13,896 which may be carried forward indefinitely and applied against capital gains realized in a future period.

Note 10 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were zero (2007 - $nil).

There were no soft dollar amounts during the period ended June 30, 2008.

Note 11 – **Comparative Financial Statements**

The comparative financial statements have been reclassified from statements previously presented to conform to the presentation of the 2008 semi annual financial statements.

Management **Discussion & Analysis**

Fund Overview

The Claymore Global Agriculture ETF (the "Fund") has been designed to replicate, to the extent possible, the performance of the MFC Global Agriculture Index (the "Index"), net of expenses. The investment strategy of the Fund is to invest in and hold the Constituent Securities of the Index in the same proportion as they are reflected in that Index.

The Index is an index that seeks to provide long-term capital appreciation by investing in equities and equity-related securities of companies involved in the agricultural sector. MFC Global Investment Management (Canada), ("MFC"), employs a proprietary quantitative multi-factor bottom-up selection process to select and weight the top companies involved in the agriculture sector.

As defined by the Index, agriculture companies are those companies that operate in the following sub-industries:

- Agricultural products
- Fertilizers & agricultural chemicals
- Construction and farm machinery and heavy trucks (only those that cater to farming)

Packaged foods & meats (only those that are integrated producers of food) or companies in other sub-industries that in the opinion of MFC derive a substantial portion of their sales from the agricultural sector, such as:

- Crop production
- Raising of livestock
- Fish farming
- Manufacturers of seeds
- Manufacturers of planting, harvesting, crop protection, and irrigation systems
- Manufacturer of market raw or unfinished agriculture and food products

The selection process employed by MFC incorporates a number of factor rankings, including balance sheet ratios, earnings revisions, growth rates, income statement ratios, price momentum factors, profitability ratios, proprietary factors, qualitative factors, stability ratios and valuation ratios. Each factor used in the model is weighted differently based on a proprietary algorithm that calculates the appropriate factor weight that is associated with a more consistent level of out-performance and lower volatility.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. This report discusses the semi-annual period from December 31, 2007, through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of 19.80%, representing a change in NAV to $25.70 on June 30, 2008, from $21.46 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on an NAV basis, of 19.35%, representing a change in NAV to $25.60 on June 30, 2008, from $21.45 on December 31, 2007. On a market price basis, the Fund's Common Units generated a total return of 19.39%, representing a change in market price to $25.80 on June 30, 2008, from $21.61 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of 20.42%, representing a change in market price to $25.89 on June 30, 2008, from $21.50 on December 31, 2007.

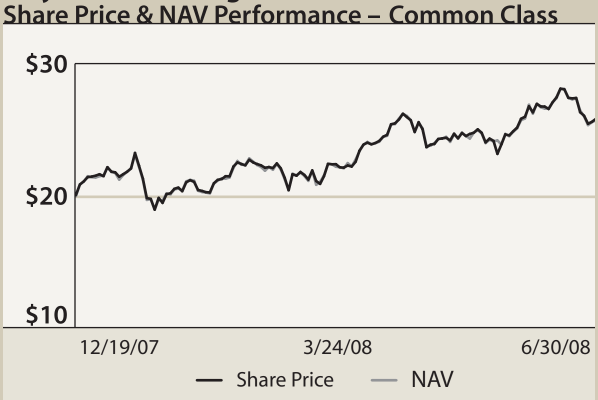
For the six month period ended June 30, 2008, the Index returned 20.19%.

The Fund's Investments and Performance Attribution

The Fund's holdings are concentrated in the basic materials sector, which was the major contributor to performance for the six-month period from December 31, 2007, through June 30, 2008. The most significant contributor was Sociedad Quimica y Minera de Chile SA (9.26% of net assets), a Chilean producer of potassium nitrate, iodine, lithium carbonate and other plant nutrition products; this company's stock was up more than 100% for the six-month period. Other positives were Potash Corp. of Saskatchewan Inc., an integrated producer of fertilizer and related industrial and feed products; and The Mosaic Company, a U.S.-based producer of phosphate and potash combined, as well as nitrogen and animal feed ingredients (10.15% and 10.57% of net assets, respectively). Positions that detracted from performance included CNH Global NV, a Dutch company in the global agricultural and construction equipment industries, and Deere & Co., a U.S.-based manufacturer of farm equipment (2.67% and 6.23% of net assets, respectively).

Performance **Highlights** | **As at June 30, 2008** (unaudited)

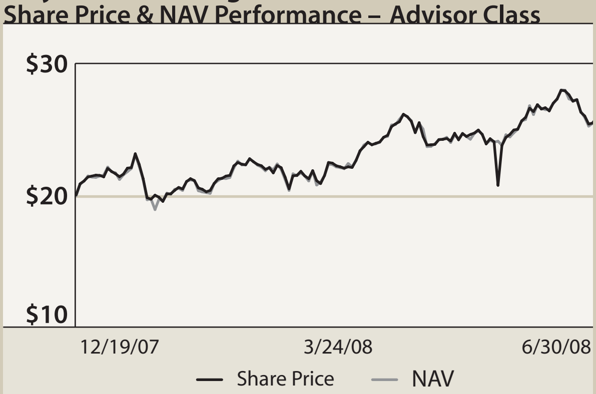
Claymore Global Agriculture ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (12/19/07)	Market	NAV
Six-Months	19.39%	19.80%
Since inception - cumulatvie	29.00%	28.52%

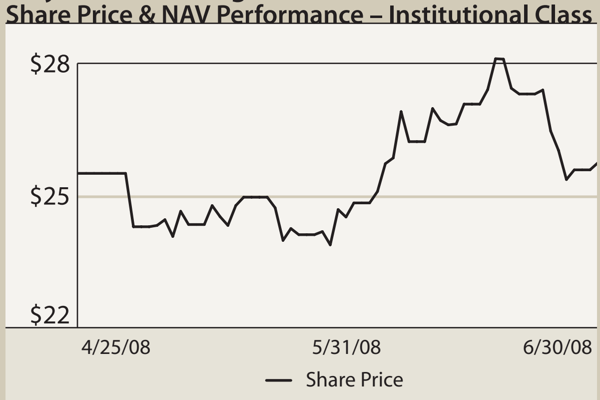
Claymore Global Agriculture ETF
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (12/19/07)	Market	NAV
Six-months	20.42%	19.35%
Since inception - cumulative	29.45%	28.00%

Claymore Global Agriculture ETF
Share Price & NAV Performance – Institutional Class



Total Returns – Institutional Class

Inception (4/25/08)	Market	NAV
Since inception - cumulative	N/A	0.92%

Sector Mix	% of Fund's Net Asset Value
Materials	65.6
Consumer Staples	18.3
Industrials	15.2
Health Care	0.9
	100.0

Top 25 Issuers	% of Fund's Net Asset Value
The Mosaic Company	10.6
Potash Corp. of Saskatchewan	10.2
Sociedad Quimica y Minera de Chile SA, ADR	9.2
Syngenta AG, ADR	9.0
Monsanto Co.	9.0
Deere & Co., with PFD.	6.2
Agrium Inc.	5.9
EI Du Pont de Nemours & Co.	4.8
Kubota Corp., ADR	4.7
Perdigao SA ADR	3.3
Bunge Ltd.	3.3
CF Industries Holdings, Inc.	3.1
CNH Global NV	2.7
Archer-Daniels-Midland Co.	2.5
Industrias Bachoco SA de CV, ADR	2.3
Migao Corp.	1.5
Fresh Del Monte Produce Inc.	1.2
AGCO Corp.	1.0
Terra Industries Inc.	1.0
Origin Agritech Ltd.	0.9
Viterra Inc.	0.8
Omega Protein Corp.	0.6
Tyson Foods Inc., Class A	0.6
Lindsay Corp.	0.6
Corn Products International Inc.	0.6
	95.6
Total Net Asset Value	$302,429,506

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Canadian Common Stocks			
	Materials			
163,065	Agrium Inc.	$ 12,350,960	$ 17,868,663	
121,729	Hanfeng Evergreen Inc.	1,513,242	1,590,998	
546,291	Migao Corp.	5,064,622	4,599,770	
130,454	Potash Corp. of Saskatchewan	20,938,715	30,652,776	
		39,867,539	54,712,207	18.12%
	Consumer Staples			
	Food Beverage & Tobacco			
168,528	Viterra Inc.	2,191,997	2,356,021	0.78
	Total Canadian Common Stocks	42,059,536	57,068,228	18.90
	Foreign Common Stocks			
	Materials			
60,152	CF Industries Holdings, Inc.	7,283,462	9,311,519	
330,194	EI Du Pont de Nemours & Co.	15,384,398	14,358,009	
22,083	FMC Corp.	1,279,026	1,734,987	
211,467	Monsanto Co.	25,012,972	27,060,379	
51,225	Scotts Miracle-Gro Co., Class A	1,638,202	910,519	
591,298	Sociedad Quimica y Minera de Chile SA, ADR	13,258,092	27,955,367	
415,250	Syngenta AG, ADR	23,260,926	27,232,271	
59,202	Terra Industries Inc.	2,671,704	2,961,121	
217,381	The Mosaic Company	23,584,691	31,910,453	
		113,373,473	143,434,625	47.52
	Industrials			
	Capital Goods			
57,221	AGCO Corp.	3,592,021	3,036,197	
233,684	CNH Global NV	12,331,587	8,053,736	
256,918	Deere & Co., with PFD.	22,058,957	18,801,103	
388,937	Kubota Corp., ADR	13,095,714	14,118,627	
21,041	Lindsay Corp.	1,701,542	1,813,865	
		52,779,821	45,823,528	15.18
	Consumer Staples			
	Food & Staples Retailing			
100,437	Calavo Growers Inc.	1,722,831	1,248,253	0.41

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Food Beverage & Tobacco			
335,194	Agria Corporation, ADR	$ 2,032,260	$ 1,455,502	
221,438	Archer-Daniels-Midland Co.	9,638,932	7,568,783	
91,695	Bunge Ltd.	10,513,890	10,009,924	
44,753	Cal-Maine Foods Inc.	1,308,987	1,503,784	
63,666	Chiquita Brands International Inc.	1,500,633	979,219	
35,731	Corn Products International Inc.	1,392,989	1,780,279	
97,232	Darling International Inc.	1,363,235	1,629,642	
164,404	Del Monte Foods Co.	1,414,202	1,175,911	
152,235	Fresh Del Monte Produce Inc.	4,993,830	3,640,382	
229,272	Industrias Bachoco SA de CV, ADR	6,842,502	6,840,989	
129,583	Omega Protein Corp.	1,449,562	1,965,450	
182,079	Perdigao SA, ADR	9,059,627	9,997,479	
51,154	Smithfield Foods Inc.	1,391,882	1,030,699	
125,296	Tyson Foods Inc., Class A	1,911,488	1,899,156	
		54,814,019	51,477,199	17.05
	Total Consumer Staples	56,536,850	52,725,452	17.46
	Health Care			
	Pharmaceuticals Biotechnology & Life Sciences			
436,836	Origin Agritech Ltd.	3,051,741	2,650,284	0.88
	Total Foreign Common Stocks	225,741,885	244,633,889	81.04
		$ 267,801,421	$ 301,702,117	99.94%
	Transaction costs (note 2)	(108)		
	Total Investments	$ 267,801,313	$ 301,702,117	99.94%
	Other assets less liabilities		166,614	0.06
	Net Assets		$ 301,868,731	100.00%

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

Statement of **Net Assets**

	June 30, 2008 (unaudited)	December, 2007 (audited)
Assets		
Investments, at fair value (note 2)	$ 301,702,117	$ 11,770,351
Cash	141,148	8,362
Dividend receivable	232,601	1,953
Due from brokers	–	81,589
Prepaid fees	16,166	–
	302,092,032	11,862,255
Liabilities		
Accrued management fees	165,265	2,014
Accrued service fees	58,036	351
Due to brokers	–	83,092
	223,301	85,457
Net assets representing unitholders' equity	$ 301,868,731	$ 11,776,798
Net assets representing unitholders' equity		
Advisor Class	$ 35,774,199	$ 1,070,318
Common	265,087,185	10,706,480
Institutional Class	1,007,347	–
	$ 301,868,731	$ 11,776,798
Units outstanding (note 4)		
Advisor Class	1,400,000	50,000
Common	10,332,000	500,000
Institutional Class	39,213	–
	11,771,213	550,000
Net assets per unit		
Advisor Class	$ 25.55	$ 21.41
Common	$ 25.66	$ 21.41
Institutional Class	$ 25.69	$ –

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the period ended June 30** (unaudited)

		2008
Income		
Dividends	$	1,077,539
Interest		173
		1,077,712
Expenses		
Management fees (note 5)		626,256
Service fees (note 5)		81,470
Interest and bank charges		3,960
Other		8,535
		720,221
Net investment income		357,491
Net realized gain on sale of investments		4,093,222
Net realized loss on foreign exchange		(26,953)
Transaction costs (note 2)		(120)
Change in unrealized appreciation in value of investments		33,396,872
Change in unrealized appreciation in foreign exchange		9
Net gain on investments		37,463,030
Increase in net assets from operations	$	37,820,521
Increase in net assets from operations		
Advisor Class	$	4,290,316
Common		33,522,858
Institutional Class		7,347
	$	37,820,521
Increase in net assets from operations per unit		
Advisor Class	$	4.95
Common	$	4.84
Institutional Class	$	0.19

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

Statement of **Changes in Net Assets** | **For the period ended June 30** (unaudited)

		2008
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$	1,070,318
Common		10,706,480
Institutional Class		–
		11,776,798
Increase in net assets from operations		
Advisor Class		4,290,316
Common		33,522,858
Institutional Class		7,347
		37,820,521
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class		30,413,565
Common		221,249,967
Institutional Class		1,000,000
Amounts paid for redemptioin of units:		
Advisor Class		–
Common		(392,120)
Institutional Class		–
		252,271,412
Increase in net assets for the period		
Advisor Class		34,703,881
Common		254,380,705
Institutional Class		1,007,347
	$	290,091,933
Net assets, end of the period (GAAP NAV)		
Advisor Class	$	35,774,199
Common		265,087,185
Institutional Class		1,007,347
	$	301,868,731

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

Statement of **Cash Flows** | **For the period ended June 30** (unaudited)

		2008
Cash flows from operating activities		
Increase in net assets from operations	$	37,820,521
Items not affecting cash:		
Net realized gain on sale of investments		(4,093,222)
Transaction costs (note 2)		120
Change in unrealized appreciation in value of investments		(33,396,872)
Change in non-cash working capital items		(25,878)
		304,669
Cash flows from investing activities		
Purchase of investments		(283,567,214)
Proceeds from sale of investments		31,123,919
		(252,443,295)
Cash flows from financing activities		
Issuance of units for cash		252,663,532
Payment on redemption of units		(392,120)
		252,271,412
Net increase in cash		132,786
Cash, beginning of the period		8,362
Cash, end of the period	$	141,148

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore Global Agriculture ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on November 27, 2007 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated November 27, 2007 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units.

The Claymore ETF has been designed to replicate, to the extent possible, the performance of the MFC Global Agriculture Index, net of expenses. The investment strategy of the Claymore ETF is to invest in and hold a proportionate share of the constituent securities of the MFC Global Agriculture Index in the same proportion as they are reflected in that Index.

The Claymore ETF commenced investment operations on December 19, 2007.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA had originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied since inception.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments:

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The fair value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.

2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs:
In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. There is no impact on the Net Asset Value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF applied this new section effective January 1, 2007.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This Section establishes standards for when and how hedge accounting may be applied. The application of section 3865 did not have an impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	Section 3855 Adjustment	GAAP NAV	Transactional NAV	GAAP NAV
As at June 30, 2008					
Claymore Global Agriculture ETF					
Advisor Class	$ 35,840,660	$ (66,461)	$ 35,774,199	$ 25.60	$ 25.55
Common	265,579,627	(492,442)	265,087,185	$ 25.70	$ 25.66
Institutional Class	1,009,219	(1,872)	1,007,347	$ 25.74	$ 25.69
Total Net Asset Value	$ 302,429,506	$ (560,775)	$ 301,868,731		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units, an unlimited number of Advisor Class units and an unlimited number of Institutional Class units. Unit transactions of the Claymore ETF for the period ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008					
	Advisor Class Units		Common Units		Institutional Class	
	Units	Value	Units	Value	Units	Value
Units issued for cash	50,000	$ 1,000,000	500,000	$ 10,270,440	–	$ –
Units issued for cash	1,350,000	30,413,565	9,848,000	221,249,967	39,213	1,000,000
Units redeemed	–	–	(16,000)	(392,120)	–	–
Units outstanding, end of period	1,400,000	$ 31,413,565	10,332,000	$ 231,128,287	39,213	$ 1,000,000

	December 31, 2007			
	Advisor Class Units		Common Units	
	Units	Value	Units	Value
Units issued for cash	50,000	$ 1,000,000	500,000	$ 10,270,440
Units redeemed	–	–	–	–
Units outstanding, end of period	50,000	$ 1,000,000	500,000	$ 10,270,440

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.65% of the NAV per Common unit of the Claymore ETF at month end, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.65% of the NAV per Advisor Class unit of the Claymore ETF at month end, plus applicable taxes, plus an additional service fee of one-quarter of 0.75% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 18,735,758
Market Value of Collateral Held	$ 19,964,101

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $15,085,106; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

The Claymore ETF invests in securities denominated in U.S. dollars. The Claymore ETF's reporting currency is the Canadian dollar. Consequently, the Claymore ETF is exposed to risks that the exchange rate of the Canadian dollar relative to the U.S. dollar may change in a manner which has an adverse effect on the reported value of that portion of the Claymore ETF's assets.

The table below summarizes the Claymore ETF's exposure to currency risks.

Currency	Investments ($)	Cash ($)	Total ($)	Percentage of NAV (%)
US Dollar	244,633,888	31,239	244,665,127	81.05%

As at June 30, 2008, if the exchange rate between the Canadian Dollar and the U.S. dollars the Claymore ETF is exposed to increased or decreased by 5%, with all other variables held constant, the increase or decrease respectively in net assets would approximately amount to $12,233,256.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were $120 (2007: nil).

There were no soft dollar amounts during the period ended June 30, 2008.

Management **Discussion & Analysis**

Fund Overview

The Claymore Global Balanced Growth ETF (the "Fund") seeks investment results that correspond generally to the price and yield, before fees and expenses, of the Sabrient Global Balanced Growth Index (the "Index") which allocates amongst multiple asset class exchange-traded funds. The investment objective of the Index is to balance strong long-term capital appreciation potential and current income, with a bias towards capital appreciation.

The Sabrient Global Balanced Indices are diversified by asset class, geography and strategy to match an individual's investment goals and risk tolerance, while achieving superior, risk-adjusted returns.

The Sabrient Global Balanced Indices selection methodologies were developed by Sabrient Systems, LLC ("Sabrient" or the "Index Provider") as a quantitative approach to selecting multiple asset classes through exchange traded funds. The Sabrient Global Balanced Indices and asset class weights are adjusted and rebalanced quarterly to the optimal asset mix depending on economic conditions and relative value of income and equity securities.

Claymore Investments, Inc. (the "Manager") will seek to match the performance of the Index. The Index comprises a mixture of existing exchange-traded funds selected, based on investment and other criteria, from a defined set of exchange-traded funds (and other designated products, as deemed appropriate) trading on the Toronto Stock Exchange (the "TSX").

The asset classes represented by the ETFs and the range of percentages allocated to each strategy by the Fund are as follows:

• Dividend Focused Equity	0 – 15%
• Large Cap Canadian Equity	10 – 30%
• U.S. Equity	15 – 40%
• Real Estate Investment Trusts	0 – 20%
• International Equity	20 – 45%
• Intermediate Fixed-Income	0 – 15%
• Canadian Preferred Shares	5 – 10%
• Short Fixed-Income	0 – 25%
• Cash	0 – 5%

The constituent selection methodology for the Sabrient Global Balanced Indices was developed by Sabrient as an effective, quantitative approach to selecting stocks in a diversified portfolio from a defined set of publicly traded exchange-traded funds. The Index constituent models evaluate and select exchange-traded funds using a proprietary, "100% Rules-Based Methodology" developed by Sabrient that employs a dynamic allocation strategy within prescribed ranges. Each exchange-traded fund is ranked based on the composite scoring of a number of factors, and is sorted from highest to lowest. The constituent selection process and portfolio rebalance are repeated at least once per quarter, on the first trading day of each calendar quarter, or more often if market conditions warrant.

The Sabrient Global Balanced Indices constituent selection methodology utilizes multifactor proprietary selection rules to identify those exchange-traded funds that offer the greatest potential from a risk/return perspective while maintaining diversification among global regions, industries, and asset classes within the prescribed ranges. The Sabrient Global Balanced Indices are adjusted quarterly, or as required, to ensure timely constituent selections.

Potential Sabrient Global Balanced Indices constituents include a defined set of exchange-traded funds on the TSX (and potentially those traded in the U.S. where appropriate other than certain non-resident trusts).

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. This report discusses the semi-annual period from December 31, 2007, through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of -6.03%, representing a change in NAV to $17.45 on June 30, 2008, from $18.84 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on an NAV basis, of -6.51%, representing a change in NAV to $17.44 on June 30, 2008, from $18.84 on December 31, 2007. On a market price basis, the Fund's Common Units generated a total return of -6.07%, representing a change in market price to $17.44 on June 30, 2008, from $18.84 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of -5.17%, representing a change in market price to $17.70 on June 30, 2008, from $18.84 on December 31, 2007. For the same period the Index returned -5.96%.

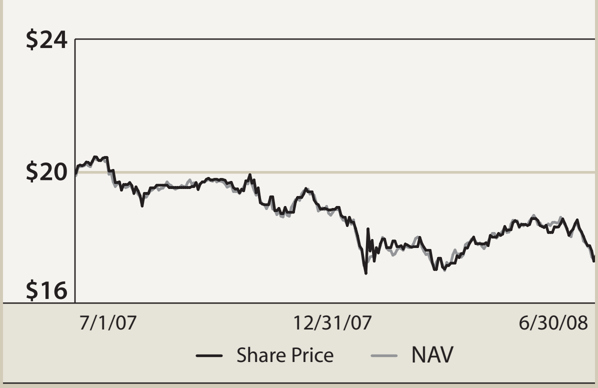
The Fund's Common Units paid quarterly dividends of $0.1320 on March 31, 2008, and $0.1232 on June 30, 2008. The Fund's Advisor Class Units paid quarterly dividends of $0.0890 on March 31, 2008, and $0.0756 on June 30, 2008.

The Fund's Investments and Performance Attribution

For the six-month period from December 31, 2007, through June 30, 2008, the Claymore Global Monthly Advantaged Dividend ETF and the iShares CDN Scotia Capital Short Term Bond Index Fund (0.5% and 0.8% of net assets, respectively) made the strongest positive contributions to return. Holdings that detracted from performance included Claymore US Fundamental Index C$ hedged ETF and Claymore International Fundamental Index ETF (13.6% and 11.6% of net assets, respectively).

Performance **Highlights** | As at June 30, 2008 (unaudited)

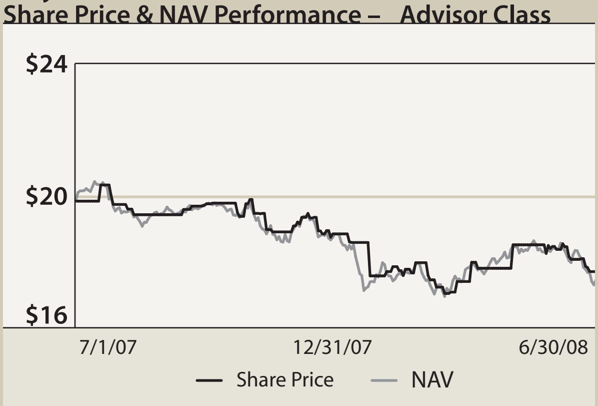
Claymore Global Balanced Growth ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (06/21/07)	Market	NAV
Six months	-6.07%	-6.03%
One year	-9.23%	-8.86%
Since inception - average annual	-9.33%	-9.28%

Claymore Global Balanced Growth ETF
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (06/21/07)	Market	NAV
Six months	-5.17%	-6.51%
One year	-8.36%	-9.81%
Since inception - average annual	-8.93%	-10.21%

Sector Mix

Sector Mix	% of Fund's Net Asset Value
ETFs	99.9
Cash and Cash Equivalents	0.2
Liabilities in excess of other assets	(0.1)
	100.0

Top Issuers

Top Issuers	% of Fund's Net Asset Value
iShares CDN S&P/TSX Capped REIT Index Fund	20.0
Claymore Canadian Fundamental Index ETF *	14.1
Claymore US Fundamental Index ETF C$ hedged *	13.6
Claymore International Fundamental Index ETF *	11.6
Claymore S&P/TSX CDN Preferred Share ETF *	5.0
Claymore Natural Gas Commodity ETF *	4.8
Claymore BRIC ETF *	4.7
Claymore Japan Fundamental Index ETF C$ hedged *	3.7
Claymore Oil Sands Sector ETF *	3.5
Claymore Equal Weight Banc & Lifeco ETF *	3.2
Claymore S&P Global Water ETF *	2.7
Claymore S&P/TSX Global Mining ETF *	2.3
iShares CDN Government Bond Index Fund	1.9
Claymore 1-5 Yr Laddered Government Bond ETF *	1.8
Claymore Premium Money Market ETF *	1.7
iShares CDN Corporate Bond Index Fund	1.4
iShares COMEX Gold Trust	1.1
Claymore Global Agriculture ETF *	1.0
iShares CDN Scotia Capital Short Term Bond Index Fund	0.8
Claymore Global Monthly Advantaged Dividend ETF *	0.5
Claymore CDN Dividend & Income Achievers ETF *	0.4
Cash and Cash Equivalents	0.2
	100.0
Total Net Asset Value	**$5,251,622**

* The prospectus and other information about the underlying fund is available on the Internet at www.sedar.com.

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Units	Description	Average Cost	Fair Value	% of Net Assets
	Exchange Traded Funds			
4,832	Claymore 1-5 Yr Laddered Government Bond ETF (Common)	$ 97,957	$ 96,447	
6,358	Claymore BRIC ETF (Common)	258,483	246,627	
65,328	Claymore Canadian Fundamental Index ETF (Common)	782,736	738,205	
1,031	Claymore CDN Dividend & Income Achievers ETF (Common)	22,569	21,094	
23,575	Claymore Equal Weight Banc & Lifeco ETF (Common)	183,060	166,204	
2,106	Claymore Global Agriculture ETF (Common)	47,491	54,230	
1,254	Claymore Global Monthly Advantaged Dividend ETF (Common)	26,378	23,613	
36,645	Claymore International Fundamental Index ETF (Common)	675,448	608,307	
12,157	Claymore Japan Fundamental Index ETF C$ hedged (Common)	200,418	192,081	
7,893	Claymore Natural Gas Commodity ETF (Common)	212,556	253,050	
6,145	Claymore Oil Sands Sector ETF (Common)	149,744	181,769	
1,731	Claymore Premium Money Market ETF (Common)	86,784	86,602	
7,987	Claymore S&P Global Water ETF (Common)	146,911	140,651	
15,308	Claymore S&P/TSX CDN Preferred Share ETF (Common)	283,974	260,083	
4,578	Claymore S&P/TSX Global Mining ETF (Common)	111,714	120,447	
41,143	Claymore US Fundamental Index ETF C$ hedged (Common)	878,062	714,242	
3,664	iShares CDN Corporate Bond Index Fund	71,314	70,239	
4,851	iShares CDN Government Bond Index Fund	96,025	97,069	
80,748	iShares CDN S&P/TSX Capped REIT Index Fund	1,142,844	1,048,916	
1,533	iShares CDN Scotia Capital Short Term Bond Index Fund	38,292	43,093	
654	iShares COMEX Gold Trust	59,300	56,898	
	Total Investments	$ 5,572,060	5,219,867	99.88%
	Other assets less liabilities		6,045	0.12
	Net Assets		$ 5,225,912	100.00%

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

Statement of **Net Assets**

		June 30, 2008 (unaudited)		December 31, 2007 (audited)
Assets				
Investments, at fair value (note 2)	$	5,219,867	$	5,655,966
Due from brokers		–		49,124
Cash		12,356		–
		5,232,223		5,705,090
Liabilities				
Bank indebtedness		–		50,058
Accrued management fees		1,165		1,208
Accrued service fees		5,146		5,055
		6,311		56,321
Net assets representing unitholders' equity	$	5,225,912	$	5,648,769
Net assets representing unitholders'' equity				
Advisor Class	$	1,735,789	$	1,882,513
Common		3,490,123		3,766,256
	$	5,225,912	$	5,648,769
Units outstanding (note 4)				
Advisor Class		100,000		100,000
Common		201,000		200,000
		301,000		300,000
Net assets per unit				
Advisor Class	$	17.36	$	18.83
Common	$	17.36	$	18.83

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the six months ended June 30, 2008** (unaudited)

		2008
Income		
Dividends	$	87,035
Interest		30
		87,065
Expenses		
Management fees (note 5)		9,097
Service fees (note 5)		9,193
Interest and bank charges		424
		18,714
Net investment income		68,351
Net realized loss on sale of investments		(269,666)
Change in unrealized depreciation in value of investments		(143,216)
Net loss on investments		(412,882)
Decrease in net assets from operations	$	(344,531)
Decrease in net assets from operations		
Advisor Class	$	(130,264)
Common		(214,267)
	$	(344,531)
Decrease in net assets from operations per unit		
Advisor Class	$	(1.30)
Common	$	(0.98)

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

Statement of **Changes in Net Assets** For the six months ended June 30, 2008 (unaudited)

		2008
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$	1,882,513
Common		3,766,256
		5,648,769
Decrease in net assets from operations		
Advisor Class		(130,264)
Common		(214,267)
		(344,531)
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class		–
Common		1,829,107
Amounts paid for redemption of units:		
Advisor Class		–
Common		(1,839,810)
		(10,703)
Distribution to unitholders		
From net investment income:		
Advisor Class		(16,460)
Common		(51,163)
		(67,623)
Decrease in net assets for the period		
Advisor Class		(146,724)
Common		(276,133)
	$	(422,857)
Net assets, end of the period (GAAP NAV)		
Advisor Class	$	1,735,789
Common		3,490,123
	$	5,225,912

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

Statement of **Cash Flows** | For the six months ended June 30, 2008 (unaudited)

		2008
Cash flows from operating activities		
Decrease in net assets from operations	$	(344,531)
Items not affecting cash:		
Net realized loss on sale of investments		269,666
Change in unrealized depreciation in value of investments		143,216
Change in non-cash working capital items		48
		68,399
Cash flows from investing activities		
Purchase of investments		(5,528,815)
Proceeds from sale of investments		5,601,156
		72,341
Cash flows from financing activities		
Distribution to unitholders		(67,623)
Issuance of units for cash		1,829,107
Amounts paid for redemption of units		(1,839,810)
		(78,326)
Net increase in cash		62,414
Bank indebtedness, beginning of the period		(50,058)
Cash, end of the period	$	12,356

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore Global Balanced Growth ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on February 15, 2006 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated April 5, 2007 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units.

The Claymore ETF has been designed to replicate, to the extent possible, the performance of the Sabrient Global Balanced Growth Index provided by Sabrient Systems, LLC. The investment strategy of the Claymore ETF is to invest in and hold a proportionate share of the constituent securities of the Sabrient Global Balanced Growth Index in the same proportion as they are reflected in the Sabrient Global Balanced Growth Index.

The Claymore ETF commenced investment operations on June 21, 2007.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 had no material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA had originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The fair value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.

2. Claymore ETF invests in units of underlying investment funds. The underlying funds will be valued at their net asset value as reported by the fund manager on the valuation date.

3. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. There is no impact on the net asset value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF applied this new section effective January 1, 2007.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This Section establishes standards for when and how hedge accounting may be applied. The application of section 3865 did not have an impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	**Section 3855 Adjustment**	**GAAP NAV**	**Transactional NAV**	**GAAP NAV**
As at June 30, 2008					
Claymore Global Balanced Growth ETF					
Advisor Class	$ 1,744,330	($8,541)	$ 1,735,789	$ 17.44	$ 17.36
Common	3,507,292	(17,169)	3,490,123	$ 17.45	$ 17.36
Total Net Asset Value	$ 5,251,622	($25,710)	$ 5,225,912		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units. Unit transactions of the Claymore ETF for the periods ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008				December 31, 2007			
	Advisor Class Units		Common Units		Advisor Class Units		Common Units	
	Units	Value	Units	Value	Units	Value	Units	Value
Units outstanding, beginning of period	100,000	$ 2,000,000	200,000	$ 4,051,110	–	$ –	–	$ –
Units issued for cash	–	–	101,000	1,829,107	100,000	2,000,000	300,000	5,959,250
Units redeemed	–	–	(100,000)	(1,839,810)	-	–	(100,000)	(1,908,140)
Units outstanding, end of period	100,000	$ 2,000,000	201,000	$ 4,040,407	100,000	$ 2,000,000	200,000	$ 4,051,110

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.70% of the NAV per Common unit of the Claymore ETF at month end, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.70% of the NAV per Advisor Class unit of the Claymore ETF, plus applicable taxes, plus an additional service fee of one-quarter of 1.00% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 1.00% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark-to-market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 3,800
Market Value of Collateral Held	$ 4,049

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $260,993; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

As at June 30, 2008, cash and investments of the Claymore ETF are denominated in Canadian dollars (functional currency). As a result, the Claymore ETF is not exposed to the currency risk.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Income Tax Loss Carryforwards**

As at December 31, 2007, the Claymore ETF has capital losses of $138,322 which may be carried forward indefinitely and applied against capital gains realized in a future period.

Note 11 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were nil (2007: nil).

There were no soft dollar amounts during the period ended June 30, 2008 (2007: nil).

Management **Discussion & Analysis**

Fund Overview

The Claymore Global Balanced Income ETF (the "Fund") seeks investment results that correspond generally to the price and yield, before fees and expenses, of an index which allocates amongst multiple asset class exchange-traded funds called the Sabrient Global Balanced Income Index (the "Index"). The investment strategy of the Fund is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index. The investment objective of the Index is to generate a high level of current income with long-term capital appreciation potential.

The Sabrient Global Balanced Indices are diversified by asset class, geography and strategy to match an individual's investment goals and risk tolerance, while achieving superior, risk-adjusted returns.

The Sabrient Global Balanced Indices selection methodologies were developed by Sabrient Systems, LLC ("Sabrient" or the "Index Provider") as a quantitative approach to selecting multiple asset classes through exchange traded funds. The Sabrient Global Balanced Indices and asset class weights are adjusted and rebalanced quarterly to the optimal asset mix depending on economic conditions and relative value of income and equity securities.

Claymore Investments, Inc. (the "Manager") will seek to match the performance of the Index. The Index comprises a mixture of existing exchange-traded funds selected, based on investment and other criteria, from a defined set of exchange-traded funds (and other designated products, as deemed appropriate) trading on the Toronto Stock Exchange (the "TSX").

The asset classes represented by the ETFs and the range of percentages allocated to each strategy by the Fund are as follows:

• Dividend Focused Equity	25 – 50%
• Large Cap Canadian Equity	0 – 10%
• U.S. Equity	0 – 5%
• Real Estate Investment Trusts	0 – 20%
• International Equity	5 – 10%
• Intermediate Fixed-Income	0 – 20%
• Canadian Preferred Shares	5 – 15%
• Short Fixed-Income	0 – 35%
• Cash	0 – 5%

The constituent selection methodology for the Sabrient Global Balanced Indices was developed by Sabrient as an effective, quantitative approach to selecting stocks in a diversified portfolio from a defined set of publicly traded exchange-traded funds. The Index constituent models evaluate and select exchange-traded funds using a proprietary, "100% Rules-Based Methodology" developed by Sabrient that employs a dynamic allocation strategy within prescribed ranges. Each exchange-traded fund is ranked based on the composite scoring of a number of factors, and is sorted from highest to lowest. The constituent selection process and portfolio rebalance are repeated at least once per quarter, on the first trading day of each calendar quarter, or more often if market conditions warrant.

The Sabrient Global Balanced Indices constituent selection methodology utilizes multifactor proprietary selection rules to identify those exchange-traded funds that offer the greatest potential from a risk/return perspective while maintaining diversification among global regions, industries, and asset classes within the prescribed ranges. The Sabrient Global Balanced Indices are adjusted quarterly, or as required, to ensure timely constituent selections.

Potential Sabrient Global Balanced Indices constituents include a defined set of exchange-traded funds on the TSX.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. This report discusses the semi-annual period from December 31, 2007, through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of -1.81%, representing a change in NAV to $18.47 on June 30, 2008, from $19.15 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on an NAV basis, of -2.04%, representing a change in NAV to $18.46 on June 30, 2008, from $19.10 on December 31, 2007. On a market price basis, the Fund's Common Units generated a total return of -2.86%, representing a change in market price to $18.35 on June 30, 2008, from $19.24 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of 1.25%, representing a change in market price to $19.23 on June 30, 2008, from $19.24 on December 31, 2007. At the end of the period the Common Units were trading at a market price discount to NAV and the Advisor Class Units were trading at a market price premium to NAV. The Investment Adviser believes that large discounts or premiums to the NAV of the Units should not be sustained. For the same period the Index returned -1.72%.

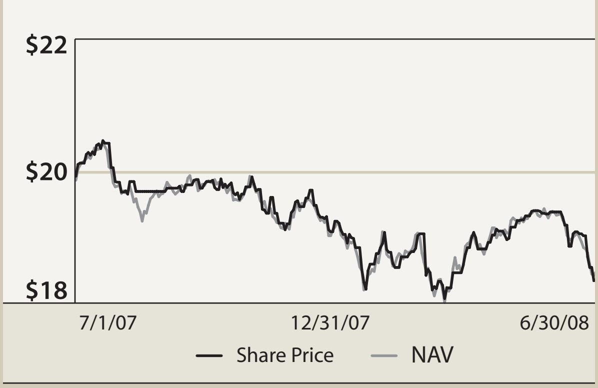
The Fund's Common Units paid quarterly dividends of $0.1500 on March 31, 2008, and $0.1900 on June 30, 2008. The Fund's Advisor Class Units paid quarterly dividends of $0.1100 on March 31, 2008, and $0.1360 on June 30, 2008.

The Fund's Investments and Performance Attribution

For the six-month period from December 31, 2007, through June 30, 2008, the iShares CDN DEX Short Term Bond Index Fund and the iShares CDN DEX All Government Bond Index Fund (6.1% and 7.2% of net assets, respectively) made the strongest positive contributions to return. Holdings that detracted from performance included Claymore Global Monthly Advantaged Dividend ETF and Claymore CDN Dividend & Income Achievers ETF (14.8% and 19.1% of net assets, respectively).

Performance **Highlights** | As at June 30, 2008 (unaudited)

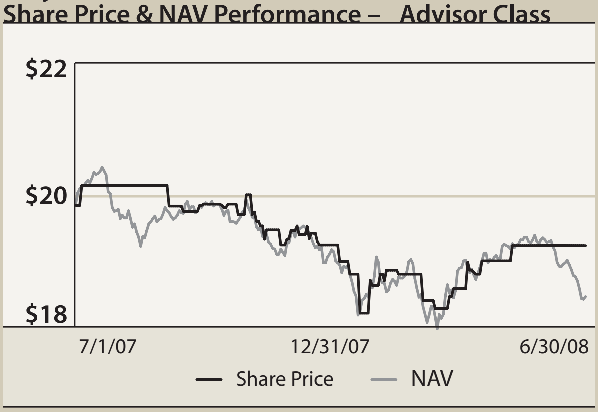
Claymore Global Balanced Income ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (06/21/07)	Market	NAV
Six Months	-2.86%	-1.81%
One Year	-3.68%	-2.77%
Since inception - annualized	-3.97%	-3.37%

Claymore Global Balanced Income ETF
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (06/21/07)	Market	NAV
Six Months	1.25%	-2.04%
One Year	0.28%	-3.77%
Since inception - annualized	-0.51%	-4.35%

Sector Mix	% of Fund's Net Asset Value
ETFs	100.1
Cash and Cash Equivalents	1.0
Net Other Assets	(1.1)
	100.0

Top Issuers	% of Fund's Net Asset Value
Claymore CDN Dividend & Income Achievers ETF *	19.2
Claymore 1-5 Yr Laddered Government Bond ETF *	15.0
Claymore Global Monthly Advantaged Dividend ETF *	15.0
Claymore S&P/TSX CDN Preferred Share ETF *	12.1
iShares CDN DEX All Corporate Bond Index Fund	9.5
iShares CDN DEX All Government Bond Index Fund	7.2
Claymore Premium Money Market ETF *	6.5
iShares CDN DEX Short Term Bond Index Fund	6.1
iShares CDN S&P/TSX Capped REIT Index Fund	2.9
Claymore US Fundamental Index ETF C$ hedged *	1.9
Claymore Natural Gas Commodity ETF *	1.2
Claymore Canadian Fundamental Index ETF *	1.1
Cash and Cash Equivalents	1.0
Claymore International Fundamental Index ETF *	1.0
iShares COMEX Gold Trust	0.3
Claymore Equal Weight Banc & Lifeco ETF *	0.3
Claymore Oil Sands Sector ETF *	0.2
Claymore Japan Fundamental Index ETF C$ hedged *	0.2
Claymore BRIC ETF *	0.2
Claymore S&P/TSX Global Mining ETF *	0.1
Claymore Global Agriculture ETF *	0.1
	101.1
Total Net Asset Value	$7,386,097

* The prospectus and other information about the underlying fund is available on the Internet at www.sedar.com.

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Units	Description	Average Cost	Fair Value	% of Net Assets
	Exchange Traded Funds			
55,248	Claymore 1-5 Yr Laddered Government Bond ETF (Common)	$ 1,120,429	$ 1,102,750	
381	Claymore BRIC ETF (Common)	14,087	14,779	
7,236	Claymore Canadian Fundamental Index ETF (Common)	83,944	81,767	
68,664	Claymore CDN Dividend & Income Achievers ETF (Common)	1,474,963	1,404,865	
2,932	Claymore Equal Weight Banc & Lifeco ETF (Common)	22,752	20,671	
297	Claymore Global Agriculture ETF (Common)	6,095	7,648	
57,983	Claymore Global Monthly Advantaged Dividend ETF (Common)	1,211,145	1,091,820	
4,620	Claymore International Fundamental Index ETF (Common)	84,260	76,692	
979	Claymore Japan Fundamental Index ETF C$ hedged (Common)	17,291	15,468	
2,853	Claymore Natural Gas Commodity ETF (Common)	76,421	91,467	
578	Claymore Oil Sands Sector ETF (Common)	13,678	17,097	
9,608	Claymore Premium Money Market ETF (Common)	481,649	480,688	
52,225	Claymore S&P/TSX CDN Preferred Share ETF (Common)	946,504	887,303	
307	Claymore S&P/TSX Global Mining ETF (Common)	6,586	8,077	
8,066	Claymore US Fundamental Index ETF C$ hedged (Common)	172,495	140,026	
36,551	iShares CDN DEX All Corporate Bond Index Fund	709,932	700,683	
26,594	iShares CDN DEX All Government Bond Index Fund	535,561	532,146	
16,506	iShares CDN S&P/TSX Capped REIT Index Fund	218,243	214,413	
15,936	iShares CDN DEX Short Term Bond Index Fund	449,400	447,961	
252	iShares COMEX Gold Trust	23,020	21,924	
		7,668,455	7,358,245	100.02%
	Total Investments	$ 7,668,455	7,358,245	100.02
	Liabilities less other assets		(1,259)	(0.02)
	Net Assets		$ 7,356,986	100.00%

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

Statement of **Net Assets**

	June 30, 2008 (unaudited)	December 31, 2007 (audited)
Assets		
Investments, at fair value (note 2)	$ 7,358,244	$ 5,742,203
Due from brokers	–	65,280
Cash	77,044	–
	7,435,288	5,807,483
Liabilities		
Distribution payable	70,600	–
Bank indebtedness	–	63,702
Accrued management fees	2,332	1,750
Accrued service fees	5,370	5,649
	78,302	71,101
Net assets representing unitholders' equity	$ 7,356,986	$ 5,736,382
Net assets representing unitholders' equity		
Advisor Class	$ 1,838,977	$ 1,908,451
Common	5,518,009	3,827,931
	$ 7,356,986	$ 5,736,382
Units outstanding (note 4)		
Advisor Class	100,000	100,000
Common	300,000	200,000
	400,000	300,000
Net assets per unit		
Advisor Class	$ 18.39	$ 19.08
Common	$ 18.39	$ 19.14

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the six months ended June 30, 2008** (unaudited)

		2008
Income		
Dividends	$	150,466
Interest		28
		150,494
Expenses		
Management fees (note 5)		14,098
Service fees (note 5)		9,161
Interest and bank charges		481
		23,740
Net investment income		126,754
Net realized loss on sale of investments		(40,018)
Change in unrealized depreciation in value of investments		(175,322)
Net loss on investments		(215,340)
Decrease in net assets from operations	$	(88,586)
Decrease in net assets from operations		
Advisor Class	$	(44,874)
Common		(43,712)
	$	(88,586)
Decrease in net assets from operations per unit		
Advisor Class	$	(0.45)
Common	$	(0.17)

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

Statement of **Changes in Net Assets** For the six months ended June 30, 2008 (unaudited)

		2008
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$	1,908,451
Common		3,827,931
		5,736,382
Decrease in net assets from operations		
Advisor Class		(44,874)
Common		(43,712)
		(88,586)
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class		–
Common		1,835,790
		1,835,790
Distribution to unitholders		
From net investment income:		
Advisor Class		(24,600)
Common		(102,000)
		(126,600)
Increase (decrease) in net assets for the period		
Advisor Class		(69,474)
Common		1,690,078
	$	1,620,604
Net assets, end of the period (GAAP NAV)		
Advisor Class	$	1,838,977
Common		5,518,009
	$	7,356,986

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

Statement of **Cash Flows** | **For the six months ended June 30, 2008 (unaudited)**

		2008
Cash flows from operating activities		
Decrease in net assets from operations	$	(88,586)
Items not affecting cash:		
Net realized loss on sale of investments		40,018
Change in unrealized depreciation in value of investments		175,322
Change in non-cash working capital items		303
		127,057
Cash flows from investing activities		
Purchase of investments		(7,279,421)
Proceeds from sale of investments		5,513,320
		(1,766,101)
Cash flows from financing activities		
Distribution to unitholders		(56,000)
Issuance of units for cash		1,835,790
Amounts paid for redemption of units		–
		1,779,790
Net increase in cash		140,746
Bank indebtedness, beginning of the period		(63,702)
Cash, end of the period	$	77,044

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore Global Balanced Income ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on February 15, 2006 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated April 5, 2007 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units.

The Claymore ETF has been designed to replicate, to the extent possible, the performance of the Sabrient Global Balanced Income Index provided by Sabrient Systems, LLC. The investment strategy of the Claymore ETF is to invest in and hold a proportionate share of the constituent securities of the Sabrient Global Balanced Income Index in the same proportion as they are reflected in the Sabrient Global Balanced Income Index.

The Claymore ETF commenced investment operations on June 21, 2007.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 6 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA has originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied effective January 1, 2007, without restatement of prior periods. Accordingly, the opening net asset value in the Statement of Changes in Net Assets for the period ended June 30, 2007 has been adjusted.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The fair value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.
2. Claymore ETF invests in units of underlying investment funds. The underlying funds will be valued at their net asset value as reported by the fund manager on the valuation date.
3. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. There is no impact on the net asset value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF applied this new section effective January 1, 2007.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This Section establishes standards for when and how hedge accounting may be applied. The application of section 3865 did not have impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument.

Application of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the application of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	Section 3855 Adjustment	GAAP NAV	Transactional NAV	GAAP NAV
As at June 30, 2008					
Claymore Global Balanced Income ETF					
Advisor Class	$ 1,846,254	$ (7,277)	$ 1,838,977	$ 18.46	$ 18.39
Common	5,539,843	(21,834)	5,518,009	$ 18.47	$ 18.39
Total Net Asset Value	$ 7,386,097	$ (29,111)	$ 7,356,986		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units. Unit transactions of the Claymore ETF for the period ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008				December 31, 2007			
	Advisor Class Units		Common Units		Advisor Class Units		Common Units	
	Units	Value	Units	Value	Units	Value	Units	Value
Units outstanding, begining of period	100,000	$ 2,000,000	200,000	$ 4,026,760	–	$ –	–	$ –
Units issued for cash	–	–	100,000	1,835,790	100,000	2,000,000	300,000	5,950,720
Units redeemed	–	–	–	–	–	–	(100,000)	(1,923,960)
Units outstanding, end of period	100,000	$ 2,000,000	300,000	$ 5,862,550	100,000	$ 2,000,000	200,000	$ 4,026,760

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.70% of the NAV per Common unit of the Claymore ETF, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.70% of the NAV per Advisor Class unit of the Claymore ETF, plus applicable taxes, plus an additional service fee of one-quarter of 1.00% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 1.00% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 475,000
Market Value of Collateral Held	$ 506,142

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $367,912; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

As of June 30, 2008, financial assets and liabilities of the Claymore ETF are denominated in Canadian dollar (functional currency). As a result, the Claymore ETF is not exposed to the currency risk.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Income Tax Loss Carryforwards**

The Claymore ETF has capital losses of $114,312 which may be carried forward indefinitely and applied against capital gains realized in a future period.

Note 11 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended

June 30, 2008 were zero (2007 – nil).

There were no soft dollar amounts during the period ended June 30, 2008.

Management **Discussion & Analysis**

Fund Overview

The Claymore Global Monthly Advantaged Dividend ETF (the "Fund") seeks investment results that correspond generally to the performance, before its fees and expenses, of an equity index called the Zacks Global Yield Hog Index™ (the "Index"). The Zacks Global Yield Hog Index™ is comprised of approximately 125 to 150 securities selected, based on investment and other criteria, from a universe of global companies. The universe of securities within the Index includes: global listed common stocks; American Depositary Receipts ("ADRs") paying dividends; Real Estate Investment Trusts ("REITs"); master limited partnerships; and Canadian income trusts.

The companies in the universe are selected using a proprietary methodology developed by Zacks Investment Research, Inc. ("Zacks") designed to identify companies with potentially high income and superior risk return profiles as determined by Zacks. The Index constituent selection methodology utilizes multi-factor proprietary selection rules to identify those securities that offer the greatest potential from a yield and risk return perspective, while maintaining industry diversification. This approach is specifically designed to enhance investment applications and investability. The Index is adjusted quarterly to assure timely stock selections.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. This report discusses the abbreviated semi-annual period from the Fund's inception date of January 15, 2008, for both Common Units and Advisor Class Units, through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of -2.74%, representing a change in NAV to $19.03 on June 30, 2008, from $20.00 at inception. The Fund's Advisor Class Units generated a total return, on an NAV basis, of -3.08%, representing a change in NAV to $19.03 on June 30, 2008, from $20.00 at inception. On a market price basis, the Fund's Common Units generated a total return of -2.91%, representing a change in market price to $19.00 on June 30, 2008, from $20.00 at inception. The Fund's Advisor Class Units generated a total return, on a market price basis, of -3.28%, representing a change in market price to $18.99 on June 30, 2008, from a midpoint of the bid and ask prices of $20.00 at inception. (The Fund's Advisor Class Units did not trade during the month of January 2008.)

For the period from the Fund's inception date through June 30, 2008, the Index returned -8.21%, and the S&P/TSX Composite Index, the principal broad market measure for the Canadian equity market, returned 6.99%.

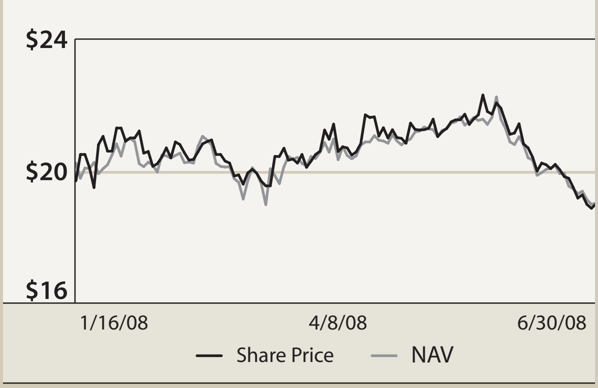
The Fund's Common Units paid monthly dividends of $0.0890 on February 29, March 31 and April 30, 2008, a monthly dividend of $0.0900 on May 30, 2008, and a monthly dividend of $0.0886 on June 30, 2008. The Fund's Advisor Class Units paid monthly dividends of $0.0740 on February 29, March 31 and April 30, 2008, a monthly dividend of $0.0800 on May 30, 2008, and a monthly dividend of $0.0764 on June 30, 2008.

The Fund's Investments and Performance Attribution

The Fund's investments consist of two holdings: the Claymore/Zacks International Yield Hog Index ETF, which represents approximately 61% of the Fund's net assets, and the Claymore/Zacks Yield Hog ETF, which represents approximately 39% of the Fund's net assets. The Claymore/Zacks Yield Hog ETF seeks investment results that correspond generally to the performance, before the Fund's fees and expenses, of an equity index called the Zacks Yield Hog Index, which is comprised of approximately 125 to 150 securities selected from a universe of domestic and international companies. The Claymore/Zacks International Yield Hog Index ETF seeks investment results that correspond generally to the performance, before the Fund's fees and expenses, of an index called the Zacks International Yield Hog Index, which is comprised of 150 stocks selected from a universe of international companies, global REITs, master limited partnerships, Canadian royalty trusts, American depositary receipts of emerging market companies and U.S. listed closed-end funds that invest in international companies. The companies included in both of these indices are selected using a proprietary strategy developed by Zacks Investment Research, Inc. For the period from the Fund's inception date through June 30, 2008, both of these indices had negative returns; both ETFs therefore detracted from the Fund's performance.

Performance **Highlights** | As at June 30, 2008 (unaudited)

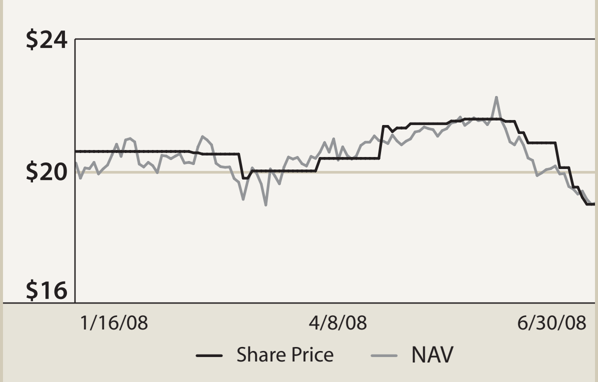
Claymore Global Monthly Advantaged Dividend ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (01/15/08)	Market	NAV
Six months	–	–
One year	–	–
Since inception - average annual	-2.91%	-2.74%

Claymore Global Monthly Advantaged Dividend ETF
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (01/15/08)	Market	NAV
Six months	–	–
One year	–	–
Since inception - average annual	-3.28%	-3.08%

Sector Mix	% of Fund's Net Asset Value
Energy	33.8
Information Technology	20.9
Materials	14.8
Industrials	13.4
Consumer Staples	8.5
Consumer Discretionary	6.7
Net Other Assets	2.1
Cash and Cash Equivalents	(0.2)
	100.0

Top 25 Issuers	% of Fund's Net Asset Value
Duvernay Oil Corp.	8.6
Viterra Inc.	8.5
Galleon Energy Inc., Class A	8.4
TriStar Oil and Gas Ltd.	8.4
ProEx Energy Ltd.	8.4
Bombardier Inc., Class B, Sub-Voting Shares	7.6
Celestica Inc.	7.1
Research In Motion Ltd.	4.6
FNX Mining Co. Inc.	4.0
RONA Inc.	3.7
HudBay Minerals Inc.	3.6
Sino-Forest Corp.	3.6
Major Drilling Group International	3.6
MacDonald Dettwiler & Associates Ltd.	3.4
Westjet Airlines Ltd.	3.1
Aastra Technologies Ltd.	3.0
Gildan Activewear Inc.	3.0
Nortel Networks Corp.	2.9
FirstService Corp., Sub-Voting Shares	2.6
Cash and Cash Equivalents	(0.2)
	97.9
Total Net Asset Value	**$9,515,692**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Canadian Common Stocks			
	Energy			
13,174	Duvernay Oil Corp.	$ 750,918	$ 819,159	
39,009	Galleon Energy Inc., Class A	750,923	803,585	
34,668	ProEx Energy Ltd.	750,909	795,977	
38,767	TriStar Oil and Gas Ltd.	750,917	798,989	
		3,003,667	3,217,710	0.3387
	Materials			
15,602	FNX Mining Co. Inc.	415,013	376,008	
24,412	HudBay Minerals Inc.	415,004	345,918	
6,763	Major Drilling Group International	414,978	338,150	
19,249	Sino-Forest Corp.	415,008	343,595	
		1,660,003	1,403,671	14.78
	Industrials			
	Capital Goods			
98,159	Bombardier Inc., Class B, Sub-Voting Shares	750,916	719,505	7.58
	Commercial Services & Supplies			
17,050	FirstService Corp., Sub-Voting Shares	414,997	248,930	2.62
	Transportation			
23,459	Westjet Airlines Ltd.	414,990	294,410	3.10
	Total Industrials	1,580,903	1,262,845	13.30
	Consumer Discretionary			
	Consumer Durables & Apparel			
10,819	Gildan Activewear Inc.	415,017	280,969	2.96
	Retailing			
28,900	RONA Inc.	415,004	354,025	3.73
	Total Consumer Discretionary	830,021	634,994	6.69
	Consumer Staples			
	Food & Staples Retailing			
57,807	Viterra Inc.	750,913	808,142	8.51
	Information Technology			
	Software & Services			
8,478	MacDonald Dettwiler & Associates Ltd.	414,998	320,553	3.37
	Technology Hardware & Equipment			
12,928	Aastra Technologies Ltd.	414,989	285,709	
78,713	Celestica Inc.	750,922	675,358	
32,651	Nortel Networks Corp.	414,994	271,983	
3,661	Research In Motion Ltd.	350,870	436,391	
		1,931,775	1,669,441	17.58
	Total Information Technology	2,346,773	1,989,994	20.95
	Total Canadian Common Stocks	10,172,280	9,317,356	98.10
	Total Investments	$ 10,172,280	9,317,356	98.10%
	Other assets less liabilities		180,660	1.90
	Net Assets		$ 9,498,016	100.00%

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

Foreign Currency Forward Contracts

# of Contracts	Forwards	Maturity Date	Forward Value	Fair Value	Unrealized gain (loss)
(9,420,000)	US Dollar Forward @ 0.98526	31-Jul-08	(9,560,928)	(9,561,316)	(388)

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

Statement of **Net Assets** | **As at June 30, 2008** (unaudited)

		2008
Assets		
Investments, at fair value (note 2)	$	9,317,357
Forward agreement, at market value (note 2)		245,797
		9,563,154
Liabilities		
Bank indebtedness		16,829
Swap Liability		2,319
Distribution payable		43,446
Accrued management fees		448
Accrued service fees		2,096
		65,138
Net assets representing unitholders' equity	$	9,498,016
Net assets representing unitholders' equity		
Advisor Class	$	1,329,493
Common		8,168,523
	$	9,498,016
Units outstanding (note 4)		
Advisor Class		70,000
Common		430,000
		500,000
Net assets per unit		
Advisor Class	$	18.99
Common	$	19.00

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the period from January 15, 2008* to June 30, 2008** (unaudited)

		2008
Income		
Interest	$	556
Expenses		
Management fees (note 5)		1,537
Service fees (note 5)		3,691
Interest and bank charges		3,337
Swap expense		17,442
		26,007
Net investment loss		(25,451)
Net realized gain on sale of investments		2,961
Net realized gain on foreign exchange		452
Net realized loss on settlement of forward agreements		(124,250)
Change in unrealized depreciation in value of investments		(854,924)
Change in unrealized appreciation on forward agreements		245,797
Net loss on investments		(729,964)
Decrease in net assets from operations	$	(755,415)
Decrease in net assets from operations		
Advisor Class	$	(90,789)
Common		(664,626)
	$	(755,415)
Decrease in net assets from operations per unit		
Advisor Class	$	(1.73)
Common	$	(2.57)

*Commencement of Operations

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

Statement of **Changes in Net Assets** | **For the period from January 15, 2008* to June 30, 2008** (unaudited)

		2008
Net assets, beginning of the period * (GAAP NAV)		
Advisor Class	$	–
Common		–
	$	–
Decrease in net assets from operations		
Advisor Class		(90,789)
Common		(664,626)
		(755,415)
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class		2,080,715
Common		8,963,347
		11,044,062
Amounts paid for redemption of units:		
Advisor Class		(638,385)
Common		–
		(638,385)
Distribution to unitholders		
From net investment income:		
Advisor Class		(22,048)
Common		(130,198)
		(152,246)
Increase in net assets for the period		
Advisor Class		1,329,493
Common		8,168,523
	$	9,498,016
Net assets, end of the period (GAAP NAV)		
Advisor Class	$	1,329,493
Common	$	8,168,523
	$	9,498,016

*Commencement of Operations

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

Statement of **Cash Flows** | **For the period from January 15, 2008* to June 30, 2008** (unaudited)

	2008
Cash flows from operating activities	
Decrease in net assets from operations	$ (755,415)
Items not affecting cash:	
Net realized gain on sale of investments	(2,961)
Change in unrealized depreciation in value of investments	854,924
Change in unrealized appreciation on forward agreements	(245,797)
Change in non-cash working capital items	4,863
	(144,386)
Cash flows from investing activities	
Purchase of investments	(10,236,397)
Proceeds from sale of investments	67,077
	(10,169,320)
Cash flows from financing activities	
Distribution to unitholders	(108,800)
Issuance of units for cash	11,044,062
Amounts paid for redemption of units	(638,385)
	10,296,877
Net decrease in cash	(16,829)
Cash, beginning of the period	–
Bank indebtedness, end of the period	$ (16,829)

*Commencement of Operations

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore Global Monthly Advantaged Dividend ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on February, 15, 2006 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated April 5, 2007 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units.

The Claymore ETF has been designed to replicate the performance of the Zacks Global Yield Hog Index, net of expenses. The investment strategy of the Claymore ETF is to invest in and hold the Constituent Securities of the Zacks Global Yield Hog Index in the same proportion as they are reflected in the Zacks Global Yield Hog Index.

The Claymore ETF commenced investment operations on January 15, 2008.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at the inception of the ETF. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA has originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied at the inception of the ETF.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The fair value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.
2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. There is no impact on the Net Asset Value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF applied this new section effective January 1, 2007.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This Section establishes standards for when and how hedge accounting may be applied. The application of section 3865 did not have impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Application of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the application of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	**Section 3855 Adjustment**	**GAAP NAV**	**Transactional NAV**	**GAAP NAV**
As at June 30, 2008					
Claymore International Fundamental Index ETF					
Advisor Class	$ 1,331,967	$ (2,474)	$ 1,329,493	$ 19.03	$ 18.99
Common	8,183,725	(15,202)	8,168,523	$ 19.03	$ 19.00
Total Net Asset Value	$ 9,515,692	$ (17,676)	$ 9,498,016		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units. Unit transactions of the Claymore ETF for the period ended June 30, 2008 were as follows:

	June 30, 2008			
	Advisor Class Units		Common Units	
	Units	**Value**	**Units**	**Value**
Units issued for cash	100,000	$ 2,080,715	430,000	$ 8,963,347
Units redeemed	(30,000)	(638,385)	–	–
Units outstanding, end of period	70,000	$ 1,442,330	430,000	$ 8,963,347

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.60% of the NAV per Common unit of the Claymore ETF, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.60% of the NAV per Advisor Class unit of the Claymore ETF, plus applicable taxes, plus an additional service fee of one-quarter of 0.75% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 803,585
Market Value of Collateral Held	$ 856,270

Note 7 – **Financial Instruments and Credit Risk**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $465,868; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

As at June 30, 2008, the majority of the Claymore ETF's investments and cash balances are denominated in Canadian dollar. As a result, the Claymore ETF is not significantly exposed to the currency risk.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders monthly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were zero (2007 –nil).

There were no soft dollar amounts during the period ended June 30, 2008.

Management **Discussion & Analysis**

Fund Overview

The Claymore International Fundamental Index ETF (the "Fund") has been designed to replicate, to the extent possible, net of expenses, the performance of the FTSE RAFI Developed ex US 1000 Index (the "Index"), which comprises the top 1,000 non-U.S. listed companies with the largest fundamental value, selected from the constituents of the FTSE Developed ex US Index. The Fund's investment strategy is to invest in and hold a proportionate share of the constituent securities of the Index in the same proportion as they are reflected in the Index. Claymore may use a sampling methodology in selecting investments for the Fund. Sampling means that Claymore will use quantitative analysis to select securities from the Index to obtain a representative sample of securities that resemble the Index in terms of key risk factors, performance attributes, industry weightings, market capitalization and other appropriate financial characteristics.

The Index weights constituents using four accounting factors, rather than market capitalization. These four factors include:

- **Total cash dividends** (five-year average of all regular and special distributions)
- **Free cash flow** (five-year average of operating income plus depreciation)
- **Total sales** (five-year average total sales)
- **Book equity value** (current period book equity value)

The Index represents 25 separate country/regional indices from Europe, Australasia and the Far East. The Claymore International Fundamental Index ETF seeks to offer an investment strategy based on fundamental factors of an active investment strategy with the highlights of a passive investment: lower turnover costs and transparent rules-based selection, while retaining high investment capacity. By using fundamental factors rather than market capitalization to weight stocks, Fundamental Indexation™ seeks to take advantage of price movements by reducing the index's holdings in constituents whose prices have risen relative to other constituents, and increasing holdings in companies whose prices have fallen behind. In addition, Fundamental Indexation™ seeks to decrease exposure to high P/E stocks during episodes of P/E expansion with the intention of avoiding over-exposure to more overvalued stocks.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. On an NAV basis, the Fund's Common Units generated a total return of -10.98%, representing a change in NAV to $16.48 on June 30, 2008, from $18.75 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on an NAV basis, of -11.23%, representing a change in NAV to $16.48 on June 30, 2008, from $18.73 on December 31, 2007. On a market price basis, the Fund's Common Units generated a total return of -10.51%, representing a change in market price to $16.67 on June 30, 2008, from $18.86 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of -12.09%, representing a change in market price to $16.51 on June 30, 2008, from $18.95 on December 31, 2007.

For the six months ended June 30, 2008, The FTSE RAFI Developed ex US 1000 Index returned -9.91%. Most world markets were down in the first half of 2008. The MSCI EAFE Index, which measures performance of world equity markets, returned -15.34% in local currency and -8.15% in Canadian dollars for the six-month period. Markets in most developed nations were down in the first half of 2008, and even emerging markets such as China and India that had previously proven highly resilient were down for the period.

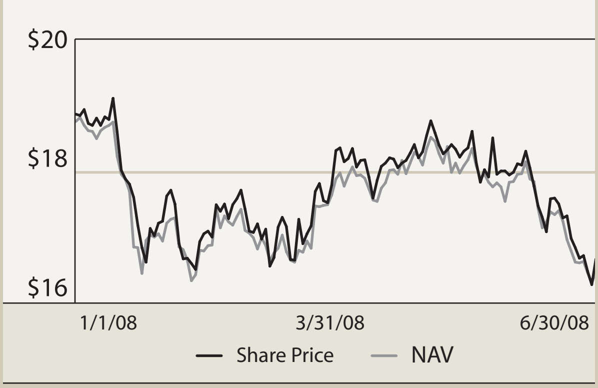
The Fund's Common Units paid quarterly dividends of $0.0900 on March 31, 2008, and $0.1224 on June 30, 2008. The Fund's Advisor Class Units paid quarterly dividends of $0.0590 on March 31, 2008, and $0.0942 on June 30, 2008.

The Fund's Investments and Performance Attribution

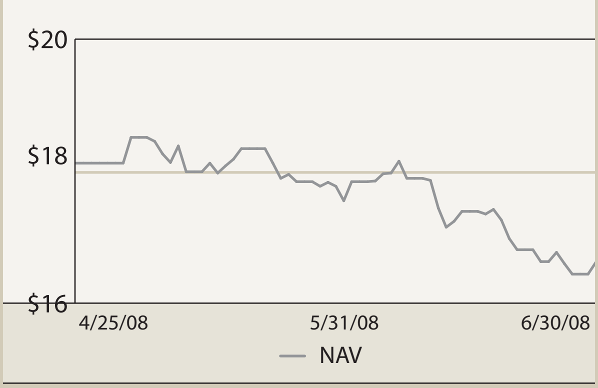
For the six-month period from December 31, 2007, through June 30, 2008, the basic materials sector made the strongest positive contribution to return, followed by the oil & gas sector. The financials sector was the greatest detractor from return, followed by the telecommunications sector. Holdings that contributed strongly to performance included three international integrated oil and gas companies: StatoilHydro ASA, based in Norway; Repsol YPF S.A., based in Spain; and Total S.A., based in France (0.4%, 0.6% and 2.4% of net assets, respectively). Positions that detracted from performance included two Scottish financial services firms, HBOS PLC and Royal Bank of Scotland, and Vodafone Group PLC, a British telecommunications company (0.5%, 1.4% and 2.0% of net assets, respectively).

Performance **Highlights** | As at June 30, 2008 (unaudited)

Claymore International Fundamental Index ETF
Share Price & NAV Performance – Common Class



Claymore International Fundamental Index ETF
Share Price & NAV Performance – Institutional Class



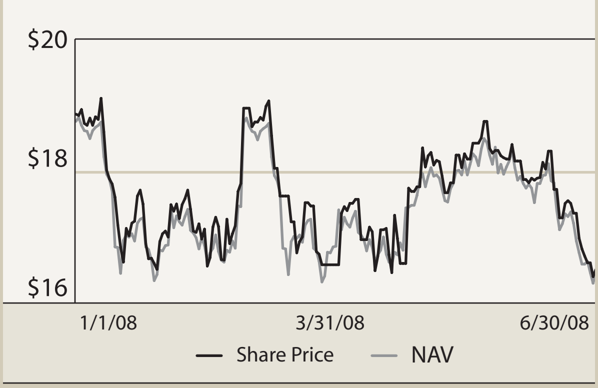
Total Returns – Common Class

Inception (02/14/07)	Market	NAV
Six Months	-10.51%	-10.98%
One Year	-15.29%	-15.40%
Since inception - annualized	-10.32%	-11.04%

Total Returns – Institutional Class

Inception (04/25/08)	Market	NAV
Since inception - non-annualized	n/a	-8.28%

Claymore International Fundamental Index ETF
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (02/14/07)	Market	NAV
Six Months	-12.09%	-11.23%
One Year	-17.11%	-16.09%
Since inception - annualized	-11.70%	-11.81%

Sector Mix	% of Fund's Net Asset Value
ETFs	24.8
Financials	27.0
Energy	11.8
Telecommunication Services	6.8
Consumer Discretionary	6.0
Consumer Staples	5.3
Utilities	4.7
Materials	4.6
Health Care	4.0
Industrials	3.2
Information Technology	1.2
Cash and Cash Equivalents	0.4
Forward Contracts	0.3
Real Estate Investment Trusts	0.2
Net Other Assets	(0.3)
	100.0

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

Top 25 Issuers	**% of Fund's Net Asset Value**
Claymore Japan Fundamental Index ETF C$ hedged (Canada) *	17.5
Claymore Canadian Fundamental Index ETF (Canada) *	4.8
BP PLC (Britian)	3.6
HSBC Holdings PLC (Britain)	2.7
Total SA (France)	2.7
ING Groep NV (Netherlands)	2.6
Vodafone Group PLC (Britain)	2.5
Royal Dutch Shell PLC, Class A (Netherlands)	2.3
Royal Bank of Scotland Group PLC (Britain)	2.2
ENI SpA (Italy)	2.0
Royal Dutch Shell PLC, Class B (Netherlands)	1.9
E.ON AG (Germany)	1.8
GlaxoSmithKline PLC (Britain)	1.8
DaimlerChrysler AG (Germany)	1.6
BNP Paribas (France)	1.5
Allianz AG (Germany)	1.5
Banco Santander SA (Spain)	1.4
Nestle SA (Switzerland)	1.4
UBS AG (Switzerland)	1.4
AXA SA (France)	1.3
Novartis AG, Registered Shares (Switzerland)	1.2
Deutsche Telekom AG (Germany)	1.2
Telefonica SA (Spain)	1.2
Siemens AG (Germany)	1.1
France Telecom SA (France)	1.1
	64.3
Total Net Asset Value	**$45,242,745**

* The prospectus and other information about the underlying fund is available on the Internet at www.sedar.com.

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

Statement of **Investment Portfolio** | As at June 30, 2008 (unaudited)

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Real Estate Investment Trusts			
6,682	Westfield Group (Australia)	$ 112,018	$ 105,783	0.23%
	Common Stocks			
	Energy			
4,400	BG Group PLC (Britain)	107,842	115,937	
123,463	BP PLC (Britian)	1,476,918	1,453,327	
16,717	ENI SpA (Italy)	634,641	631,965	
10,400	Norsk Hydro ASA (Norway)	229,209	154,123	
7,301	Repsol YPF SA (Spain)	287,666	292,110	
19,812	Royal Dutch Shell PLC, Class A (Netherlands)	791,730	825,250	
15,450	Royal Dutch Shell PLC, Class B (Netherlands)	612,957	629,517	
4,687	StatoilHydro ASA (Norway)	159,056	177,289	
12,315	Total SA (France)	1,018,718	1,066,539	
		5,318,737	5,346,057	11.84
	Materials			
802	Air Liquide (France)	113,084	107,442	
7	Air Liquide, Rights (France)	–	94	
1,107	Akzo Nobel NV (Netherlands)	92,432	77,256	
2,035	Anglo American PLC (Britain)	129,842	144,879	
2,020	ArcelorMittal (Luxembourg)	178,397	202,743	
4,730	BASF AG (Germany)	323,226	331,236	
2,428	Bayer AG (Germany)	205,092	207,288	
4,578	BHP Billiton Ltd. (Australia)	172,816	193,933	
3,053	BHP Billiton PLC (Britain)	102,143	118,232	
685	Holcim Ltd. (Switzerland)	73,022	56,424	
780	Lafarge SA (France)	139,259	121,414	
1,178	Rio Tinto PLC (Britain)	133,804	142,805	
5,318	Stora Enso OYJ (Finland)	83,904	50,664	
4,800	Svenska Cellulosa AB, Class B (Sweden)	89,473	69,016	
2,733	ThyssenKrupp AG (Germany)	168,104	174,089	
5,154	UPM-Kymmene OYJ (Finland)	98,129	85,680	
		2,102,727	2,083,195	4.62
	Industrials			
	Capital Goods			
3,115	ABB Ltd. (Switzerland)	91,735	90,162	
11,269	BAE Systems PLC (Britain)	109,530	100,569	
1,281	Bouygues (France)	91,297	86,308	
2,513	Cie de Saint-Gobain (France)	238,475	159,593	
17,000	Hutchison Whampoa Ltd. (Hong Kong)	181,789	173,636	
928	Schneider Electric SA (France)	121,114	101,760	
3,372	Siemens AG (Germany)	390,524	379,673	
1,802	Vinci SA (France)	133,941	112,308	
7,300	Volvo AB, Class B (Sweden)	133,780	90,802	
		1,492,185	1,294,811	2.87

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Transportation			
5,214	Deutsche Post AG (Germany)	$ 165,458	$ 137,934	0.31%
	Total Industrials	1,657,643	1,432,745	3.18
	Consumer Discretionary			
	Automobiles & Components			
2,685	Bayerische Motoren Werke AG (Germany)	164,761	130,902	
761	Continental AG (Germany)	85,548	79,470	
8,377	Daimler AG (Germany)	701,400	525,571	
5,726	Fiat SpA (Italy)	151,291	95,189	
2,347	Peugeot SA (France)	175,860	129,355	
516	Porsche AG, Preference Shares (Germany)	95,598	80,262	
1,635	Renault SA (France)	203,602	136,137	
1,117	Volkswagen AG (Germany)	255,764	327,744	
717	Volkswagen AG, Preference Shares (Germany)	96,794	105,533	
		1,930,618	1,610,163	3.57
	Consumer Durables & Apparel			
4,913	Koninklijke Philips Electronics NV (Netherlands)	191,342	169,709	
985	LVMH Moet Hennessy Louis Vuitton SA (France)	112,365	104,703	
		303,707	274,412	0.61
	Consumer Services			
3,358	Carnival PLC (Britain)	150,495	108,753	
12,620	Compass Group PLC (Britain)	89,356	96,701	
24,701	Ladbrokes PLC (Britain)	170,019	128,051	
		409,870	333,505	0.74
	Media			
6,134	Vivendi (France)	267,534	236,202	
8,866	WPP Group PLC (Britain)	109,099	86,696	
		376,633	322,898	0.72
	Retailing			
49,222	Kingfisher PLC (Britain)	158,935	111,509	
8,742	Marks & Spencer Group PLC (Britain)	68,624	57,948	
		227,559	169,457	0.38
	Total Consumer Discretionary	3,248,387	2,710,435	6.02
	Consumer Staples			
	Food & Staples Retailing			
3,932	Carrefour SA (France)	288,133	225,889	
878	Delhaize Group (Belgium)	79,900	59,998	
15,027	J Sainsbury PLC (Britain)	145,910	96,575	
10,283	Koninklijke Ahold NV (Netherlands)	150,750	140,372	
1,100	Metro AG (Germany)	88,328	71,317	
35,228	Tesco PLC (Britain)	283,257	262,679	
3,535	Woolworths Ltd. (Australia)	93,439	84,150	
		1,129,717	940,980	2.08
	Food Beverage & Tobacco			
4,531	British American Tobacco PLC (Britain)	176,231	159,093	
725	Carlsberg A/S, Class B (Denmark)	73,499	71,015	
9,153	Diageo PLC (Britain)	191,247	170,763	
1,319	Groupe Danone (France)	119,118	93,970	

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
3,029	Imperial Tobacco Group PLC (Britain)	$ 137,147	$ 114,305	
10,560	Nestle SA (Switzerland)	488,606	483,830	
6,334	Unilever NV (Netherlands)	208,821	182,497	
5,352	Unilever PLC (Britain)	180,378	154,313	
		1,575,047	1,429,786	3.17%
	Total Consumer Staples	2,704,764	2,370,766	5.25
	Health Care			
	Pharmaceuticals Biotechnology & Life Sciences			
6,964	AstraZeneca PLC (Britain)	291,674	301,046	
24,077	GlaxoSmithKline PLC (Britain)	541,426	540,830	
7,626	Novartis AG, Registered Shares (Switzerland)	408,728	427,258	
1,604	Roche Holding AG (Switzerland)	297,503	293,803	
3,695	Sanofi-Aventis (France)	285,592	250,547	
		1,824,923	1,813,484	4.02
	Financials			
	Banks			
4,389	Allied Irish Banks PLC (Ireland)	94,825	68,894	
8,273	Australia & New Zealand Banking Group Ltd. (Australia)	167,803	150,784	
15,621	Banco Bilbao Vizcaya Argentaria SA (Spain)	356,692	303,880	
4,946	Banco Popular Espanol SA (Spain)	89,839	69,415	
27,364	Banco Santander SA (Spain)	570,194	510,013	
7,503	Bank of Ireland (Ireland)	110,003	66,443	
49,557	Barclays PLC (Britain)	454,628	291,476	
10,619	Barclays PLC, Rights (Britain)	–	2,037	
5,652	BNP Paribas (France)	638,940	519,847	
4,419	Commerzbank AG (Germany)	151,465	133,079	
6,444	Commonwealth Bank of Australia (Australia)	295,028	251,900	
6,731	Credit Agricole SA (France)	221,301	139,655	
3,800	Danske Bank A/S (Denmark)	139,828	111,380	
7,776	Dexia SA (Belgium)	229,089	126,285	
4,000	DnB NOR ASA (Norway)	56,236	51,629	
37,900	HBOS PLC (Britain)	406,302	211,206	
15,160	HBOS PLC, Rights (Britain)	–	3,291	
75,605	HSBC Holdings PLC (Britain)	1,356,555	1,183,069	
45,941	Intesa Sanpaolo SpA (Italy)	334,944	265,468	
736	KBC Groep NV (Belgium)	98,670	82,976	
47,691	Lloyds TSB Group PLC (Britain)	471,757	299,230	
10,878	National Australia Bank Ltd. (Australia)	347,991	280,343	
11,000	Nordea Bank AB (Sweden)	185,829	154,172	
150,789	Royal Bank of Scotland Group PLC (Britain)	916,541	653,824	
2,900	Skandinaviska Enskilda Banken AB, Class A (Sweden)	74,632	54,781	
3,458	Societe Generale (France)	370,259	305,228	
2,884	St. George Bank Ltd. (Australia)	72,821	76,122	
4,327	Standard Chartered PLC (Britain)	153,523	124,847	
2,500	Svenska Handelsbanken AB, Class A (Sweden)	77,372	60,401	
3,251	Unione di Banche Italiane ScpA (Italy)	85,758	76,962	
33,229	Unicredit SpA (Italy)	240,916	206,353	

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
9,007	Westpac Banking Corp. (Australia)	$ 199,754	$ 175,387	
		8,969,495	7,010,377	15.52%
	Diversified Financials			
6,544	Credit Suisse Group (Switzerland)	356,263	305,694	
3,712	Deutsche Bank AG (Germany)	435,562	326,046	
1,144	Fortis (Belgium)	29,635	18,579	
316	Groupe Bruxelles Lambert SA (Belgium)	39,769	38,192	
5,000	Investor AB, Class B (Sweden)	123,521	107,099	
5,799	Suncorp-Metway Ltd. (Australia)	72,174	73,398	
22,328	UBS AG (Switzerland)	679,953	476,365	
		1,736,877	1,345,373	2.98
	Insurance			
15,334	Aegon NV (Netherlands)	238,955	206,210	
2,872	Allianz SE (Germany)	627,687	514,123	
6,228	Assicurazioni Generali SpA (Italy)	283,079	241,912	
24,858	Aviva PLC (Britain)	345,520	251,456	
14,422	AXA SA (France)	541,252	434,781	
28,883	ING Groep NV (Netherlands)	1,192,371	934,912	
55,800	Legal & General Group PLC (Britain)	160,788	112,891	
1,409	Muenchener Rueckversicherungs AG (Germany)	281,624	250,607	
15,747	Prudential PLC (Britain)	226,730	169,466	
17,700	Standard Life PLC (Britain)	90,239	74,979	
365	Swiss Life Holding AG (Switzerland)	104,458	99,249	
2,171	Swiss Reinsurance (Switzerland)	192,171	147,149	
757	Zurich Financial Services AG (Switzerland)	234,891	197,169	
		4,519,765	3,634,904	8.05
	Real Estate			
5,000	Cheung Kong Holdings Ltd. (Hong Kong)	77,249	68,374	
2,983	Land Securities Group PLC (Britain)	92,560	74,203	
5,000	Sun Hung Kai Properties Ltd. (Hong Kong)	83,454	68,765	
		253,263	211,342	0.47
	Total Financials	15,479,400	12,201,996	27.02
	Information Technology			
	Software & Services			
1,464	SAP AG (Germany)	77,508	77,904	0.17
	Technology Hardware & Equipment			
17,057	Alcatel-Lucent (France)	106,810	105,107	
8,107	Nokia OYJ (Finland)	241,371	200,602	
13,200	Telefonaktiebolaget LM Ericsson, Class B (Sweden)	146,625	139,812	
		494,806	445,521	0.99
	Total Information Technology	572,314	523,425	1.16
	Telecommunication Services			
61,000	BT Group PLC (Britain)	341,261	246,084	
8,500	China Mobile Ltd. (Hong Kong)	125,744	115,794	
24,833	Deutsche Telekom AG (Germany)	473,395	412,626	
11,158	France Telecom SA (France)	359,754	333,706	
7,412	Koninklijke KPN NV (Netherlands)	132,808	129,141	
135,859	Telecom Italia SpA (Italy)	363,524	276,887	

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

Number of Shares/Units	Description		Average Cost		Fair Value	% of Net Assets
61,239	Telecom Italia SpA, Non-Convertible Savings Shares (Italy)	$	124,485	$	100,042	
14,829	Telefonica SA (Spain)		421,396		399,880	
10,500	TeliaSonera AB (Sweden)		91,808		78,806	
23,580	Telstra Corp. Ltd. (Australia)		99,497		97,341	
296,558	Vodafone Group PLC (Britain)		974,521		892,782	
			3,508,193		3,083,089	6.83 %
	Utilities					
18,222	Centrica PLC (Britain)		111,477		113,963	
2,857	E.ON AG (Germany)		537,311		585,603	
29,927	Enel SpA (Italy)		344,730		288,937	
10,395	Iberdrola SA (Spain)		160,066		141,236	
12,674	National Grid PLC (Britain)		182,883		168,895	
1,943	RWE AG (Germany)		243,681		249,025	
3,491	Scottish and Southern Energy PLC (Britain)		100,409		98,893	
4,733	Suez SA (France)		310,288		327,134	
5,757	United Utilities PLC (Britain)		82,375		79,740	
1,435	Veolia Environnement (France)		111,062		81,705	
			2,184,282		2,135,131	4.73
	Total Common Stock		38,601,370		33,700,323	74.67
	Exchange Traded Funds (Canada)					
193,030	Claymore Canadian Fundamental Index ETF (Common)		2,258,403		2,181,239	
570,639	Claymore Japan Fundamental Index ETF C$ hedged (Common)		9,919,500		9,016,097	
			12,177,903		11,197,336	24.81
			50,891,291		45,003,442	99.71
	Transaction costs (note 3)		(81,080)		–	
	Total Investments	$	50,810,211		45,003,442	99.71%
	Other assets less liabilities				131,481	0.29
	Net Assets			$	45,134,923	100.00%

Foreign Currency Forward Contracts

# of Contracts	Forwards	Maturity Date	Forward Value	Fair Value	Unrealized gain (loss)
888,295,864	JPY Forward @ 106.03180	2-Jul-08	8,377,636	8,502,918	125,282
72,200,000	JPY Forward @ 106.12691	2-Jul-08	680,318	691,111	10,793
(960,495,864)	JPY Forward @ 104.48475	2-Jul-08	(9,192,689)	(9,194,029)	(1,340)
947,204,000	JPY Forward @ 104.24810	5-Aug-08	9,086,055	9,089,111	3,056
			8,951,320	9,089,111	137,791

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

Statement of **Net Assets**

		June 30, 2008 (unaudited)		December 31, 2007 (audited)
Assets				
Investments, at fair value (note 2)	$	45,003,442	$	23,612,371
Cash		172,627		–
Forward agreement, at market value (note 2)		137,791		–
Dividend receivable		111,171		42,045
Due from brokers		–		662,306
		45,425,031		24,316,722
Liabilities				
Bank indebtedness		–		103,882
Accrued management fees		16,043		10,779
Accrued service fees		8,750		12,037
Forward agreement, at market value (note 2)		–		58,521
Due to brokers		–		403,896
Distribution payable		265,315		6,161
		290,108		595,276
Net assets representing unitholders' equity	$	45,134,923	$	23,721,446
Net assets representing unitholders' equity				
Advisor Class	$	7,068,835	$	5,614,869
Common		30,196,667		18,106,577
Institutional Class		7,869,421		–
	$	45,134,923	$	23,721,446
Units outstanding (note 4)				
Advisor Class		430,000		300,000
Common		1,836,672		966,672
Institutional Class		474,703		–
		2,741,375		1,266,672
Net assets per unit				
Advisor Class	$	16.44	$	18.72
Common	$	16.44	$	18.73
Institutional Class	$	16.58	$	–

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the six months ended June 30** (unaudited)

		2008		2007
Income				
Dividends	$	762,534	$	180,329
Interest		5,038		–
		767,572		180,329
Expenses				
Management fees (note 5)		74,574		25,877
Service fees (note 5)		17,555		5,949
Interest and bank charges		3,634		247
		95,763		32,073
Net investment income		671,809		148,256
Net realized loss on sale of investments		(391,067)		(42,457)
Net realized loss on foreign exchange		(69,655)		(7,673)
Net realized gain (loss) on settlement of forward agreements		94,764		(318,077)
Transaction costs (note 2)		(84,121)		(150)
Change in unrealized appreciation (depreciation) in value of investments		(4,827,004)		283,325
Change in unrealized appreciation in value of currency		591		794
Change in unrealized appreciation (depreciation) on forward agreements		196,313		(66,315)
Net loss on investments		(5,080,179)		(150,553)
Decrease in net assets from operations	$	(4,408,370)	$	(2,297)
Incraese (decrease) in net assets from operations				
Advisor Class	$	(887,460)	$	34,522
Common		(2,790,331)		(36,819)
Institutional Class		(730,579)		–
	$	(4,408,370)	$	(2,297)
Increase (decrease) in net assets from operations per unit				
Advisor Class	$	(2.46)	$	0.26
Common	$	(2.14)	$	(0.07)
Institutional Class	$	(1.59)	$	–

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

Statement of **Changes in Net Assets** | **For the six months ended June 30** (unaudited)

	2008	2007
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$ 5,614,869	$ –
Common	18,106,577	–
Institutional Class	–	–
	23,721,446	–
Increase (decrease) in net assets from operations		
Advisor Class	(887,460)	34,522
Common	(2,790,331)	(36,819)
Institutional Class	(730,579)	–
	(4,408,370)	(2,297)
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class	4,864,123	3,473,250
Common	15,213,830	12,918,797
Institutional Class	8,600,000	–
Amounts paid for redemption of units:		
Advisor Class	(2,463,901)	–
Common	–	(978,000)
Institutional Class	–	–
	26,214,052	15,414,047
Distribution to unitholders		
From net investment income:		
Advisor Class	(58,796)	(12,320)
Common	(333,409)	(94,786)
Institutional Class	–	–
	(392,205)	(107,106)
Increase in net assets for the period		
Advisor Class	1,453,966	3,495,452
Common	12,090,090	11,809,192
Institutional Class	7,869,421	–
	$ 21,413,477	$ 15,304,644
Net assets, end of the period (GAAP NAV)		
Advisor Class	$ 7,068,835	3,495,452
Common	30,196,667	11,809,192
Institutional Class	7,869,421	–
	$ 45,134,923	$ 15,304,644

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

Statement of **Cash Flows** | **For the six months ended June 30** (unaudited)

		2008		2007
Cash flows from operating activities				
Decrease in net assets from operations	$	(4,408,370)	$	(2,297)
Items not affecting cash:				
Net realized loss on sale of investments		391,067		42,457
Net realized (gain) loss on settlement of forward agreements		(94,764)		318,077
Transaction costs (note 2)		84,121		150
Change in unrealized (appreciation) depreciation in value of investments		4,827,004		(283,325)
Change in unrealized (appreciation) depreciation on forward agreements		(196,313)		66,315
Change in non-cash working capital items		(67,149)		(22,685)
		535,596		118,692
Cash flows from investing activities				
Purchase of investments		(37,372,192)		(17,729,991)
Proceeds from sale of investments		10,937,340		2,695,225
Payments for settlement of forward agreements		94,764		(318,077)
		(26,340,088)		(15,352,843)
Cash flows from financing activities				
Distribution to unitholders		(133,051)		158,209
Issuance of units for cash		28,677,953		16,392,047
Amounts paid for redemption of units		(2,463,901)		(978,000)
		26,081,001		15,572,256
Net increase in cash		276,509		338,105
Bank indebtedness, beginning of the period		(103,882)		–
Cash , end of the period	$	172,627	$	338,105

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore International Fundamental Index ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on August 15, 2006 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated August 15, 2006 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units, an unlimited number of Advisor Class units and an unlimited number of Institutional Class units.

The Claymore ETF has been designed to replicate, to the extent possible, the performance of the FTSE RAFI Developed ex US 1000 Index provided by FTSE International Limited. The investment strategy of the Claymore ETF is to invest in and hold a proportionate share of the constituent securities of the FTSE RAFI Developed ex US 1000 Index in the same proportion as they are reflected in the FTSE RAFI Developed ex US 1000 Index.

The Claymore ETF commenced investment operations on February 14, 2007.

The Claymore ETF Institutional Class commenced investment operations on April 28, 2008.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 6 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA had originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied effective January 1, 2007, without restatement of prior periods. Accordingly, the opening net asset value in the Statement of Changes in Net Assets for the period ended June 30, 2007 has been adjusted.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The value of any security for which a market quotation is not readily available will be its fair value as determined by the Manager.
2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Prior to the adoption of Section 3855, transaction costs were capitalized and included in the cost of purchases or proceeds from sale of investments. There is no impact on the net asset value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

f) The value of a forward contract is the gain or loss that would be realized if, on the valuation date, the positions were closed out. The forward contract is valued using an interpolation of the forward exchange rate based on the length of the forward contract. It is reflected in the Statement of Operations as change in unrealized appreciation (depreciation) on forward agreements. When the forward contracts are closed out, any gains or losses realized are included in net realized gain or loss on forward agreements.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	Section 3855 Adjustment	GAAP NAV	Transactional NAV	GAAP NAV
As at June 30, 2008					
Claymore International Fundamental Index ETF					
Advisor Class	$ 7,085,723	$ (16,888)	$ 7,068,835	$ 16.48	$ 16.44
Common	30,268,803	(72,136)	30,196,667	$ 16.48	$ 16.44
Institutional Class	7,888,219	(18,798)	7,869,421	$ 16.62	$ 16.58
Total Net Asset Value	$ 45,242,745	$ (107,822)	$ 45,134,923		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units, an unlimited number of Advisor Class units and an unlimited number of Institutional Class units. Unit transactions of the Claymore ETF for the periods ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008					
	Advisor Class Units		Common Units		Institutional Class Units	
	Units	Value	Units	Value	Units	Value
Units outstanding , beginning of period	300,000	$ 5,915,565	966,672	$ 19,318,730	–	$ –
Units issued for cash	275,000	4,864,123	870,000	15,213,830	474,703	8,600,000
Units redeemed	(145,000)	(2,463,901)	–	–	–	–
Units outstanding, end of period	430,000	$ 8,315,787	1,836,672	$ 34,532,560	474,703	$ 8,600,000

	December 31, 2007			
	Advisor Class Units		Common Units	
	Units	Value	Units	Value
Units issued for cash	300,000	$ 5,915,565	1,016,672	$ 20,296,730
Units redeemed	–	–	(50,000)	(978,000)
Units outstanding, end of period	300,000	$ 5,915,565	966,672	$ 19,318,730

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.65% of the NAV per Common unit of the Claymore ETF plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.65% of the NAV per Advisor Class unit of the Claymore ETF plus applicable taxes, plus an additional service fee of one-quarter of 0.75% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

Market Value of Securities Loaned	$ 5,658,447
Market Value of Collateral Held	$ 6,029,423

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $2,250,172; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

The Claymore ETF holds cash and investments that are denominated in currencies other than the Canadian Dollar, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other currencies fluctuate due to changes in exchange rates.

The table below summarizes the Claymore ETF's exposure to currency risks.

Currency	Investments ($)	Cash ($)	Total ($)	Percentage of NAV (%)
Euro Currency	17,020,857	140,690	17,161,547	38.02%
Sterling Pound	10,972,110	7	10,972,117	24.31%
Swiss Franc	2,577,103	-	2,577,103	5.71%
Australian Dollar	1,489,142	(8,391)	1,480,751	3.28%
Swedish Krone	754,890	-	754,890	1.67%
Hong Kong Dollar	426,569	-	426,569	0.95%
Norwegian Krone	383,041	-	383,041	0.85%
Danish Krone	182,395	-	182,395	0.40%
TOTAL	33,806,107	132,306	33,938,413	75.19%

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Income Tax Loss Carryforwards**

As at December 31, 2007 the Claymore ETF has capital losses of $274,960, which may be carried forward indefinitely and applied against capital gains realized in a future period.

Note 11 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended

June 30, 2008 were $84,121 (2007 – $150).

There were no soft dollar amounts during the period ended June 30, 2008.

Management **Discussion & Analysis**

Fund Overview

The Claymore Japan Fundamental Index ETF C$ hedged Fund (the "Fund") has been designed to replicate the performance of the FTSE RAFI Japan Canadian Dollar Hedged Index (the "Index"), which contains approximately 450 large and mid cap stocks capturing 90% of the Japanese market. The Index is hedged to Canadian dollars. The Fund's investment strategy is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index. Claymore may use a sampling methodology in selecting investments for the Fund. Sampling means that Claymore will use quantitative analysis to select securities from the Index to obtain a representative sample of securities that resemble the Index in terms of key risk factors, performance attributes, industry weightings, market capitalization and other appropriate financial characteristics.

The Index weights constituents using four accounting factors, rather than market capitalization. These four factors include:

- **Total cash dividends** (five-year average of all regular and special distributions)
- **Free cash flow** (five-year average of operating income plus depreciation)
- **Total sales** (five-year average total sales)
- **Book equity value** (current period book equity value)

The Fund offers an investment strategy based on fundamental factors with the highlights of a passive investment: lower turnover costs and transparent rules-based selection. By using fundamental factors rather than market cap to weight stocks, Fundamental Indexation™, which is designed to overcome the limitations of traditional indices based on market capitalization, seeks to take advantage of price movements by reducing the index's holdings in constituents whose prices have risen relative to other constituents, and increasing holdings in companies whose prices have fallen behind. In addition, Fundamental Indexation™ seeks to decrease exposure to high P/E stocks during episodes of P/E expansion with the intention of avoiding over-exposure to more overvalued stocks.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. On an NAV basis, the Fund's Common Units generated a total return of -8.30%, representing a change in NAV to $15.73 on June 30, 2008, from $17.16 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on an NAV basis, of -8.45%, representing a change in NAV to $15.67 on June 30, 2008, from $17.12 on December 31, 2007. On a market price basis, the Fund's Common Units generated a total return of -9.59%, representing a change in market price to $15.94 on June 30, 2008, from $17.63 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of -11.42%, representing a change in market price to $16.05 on June 30, 2008, from $18.12 on December 31, 2007.

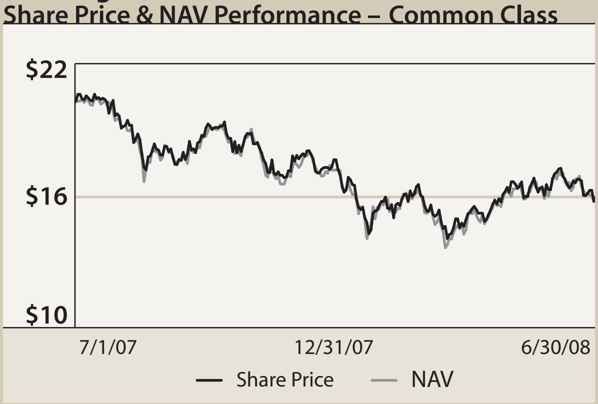
For the six month period ended June 30, 2008, FTSE RAFI Japan Canadian Dollar Hedged Index returned -9.59%. Most world markets, including the Japanese market, were down in the first half of 2008. Return of the S&P/TOPIX 150, which is representative of the Japanese equity market, was -9.69% in local currency and -0.40% in Canadian dollars.

The Fund's Investments and Performance Attribution

For the six-month period from December 31, 2007, through June 30, 2008, the financials sector made the strongest positive contribution to the Fund's return, followed by the consumer services sector. The consumer goods and telecommunications sectors were the greatest detractors from return. Holdings that contributed strongly to performance included two diversified financial services companies, Mizuho Financial Group Inc. and Sumitomo Mitsui Financial Group Inc., and Seven & i Holdings Co. Ltd., which operates supermarkets, convenience stores, restaurants and other retail stores (2.34%, 3.17% and 1.53% of net assets, respectively). Positions that detracted from performance included Nippon Telegraph & Telephone Corp., the leading Japanese provider of telecommunications services; automobile manufacturers Toyota Motor Corp. and Nissan Motor Co. Ltd.; and electronics and entertainment leader Sony Corp. (3.18%, 7.56%, 2.17% and 2.80% of net assets, respectively).

Performance **Highlights** | As at June 30, 2008 (unaudited)

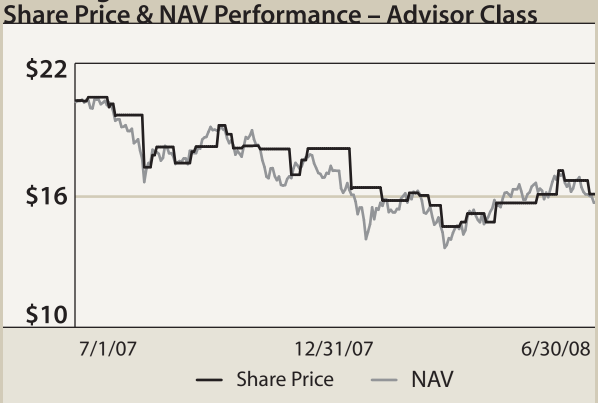
Claymore Japan Fundamental Index ETF (C$ hedged)
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (02/14/07)	Market	NAV
Six months	-9.59%	-8.30%
One Year	-20.74%	-21.57%
Since inception - average annual	-14.53%	-15.33%

Claymore Japan Fundamental Index ETF (C$ hedged)
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (02/14/07)	Market	NAV
Six months	-11.42%	-8.45%
One Year	-20.47%	-22.06%
Since inception - cummulative	-14.44%	-15.90%

Sector Mix	% of Fund's Net Asset Value
Consumer Discretionary	25.4
Industrials	19.0
Financials	17.5
Utilities	9.6
Information Technology	7.7
Telecommunication Services	6.5
Materials	6.3
Consumer Staples	4.6
Health Care	2.5
Energy	1.9
Cash and Cash Equivalents	0.5
Net Other Assets	0.0
Forward Contracts	(1.5)
	100.0

Top 25 Issuers	% of Fund's Net Asset Value
Toyota Motor Corp.	7.5
Mitsubishi UFJ Financial Group Inc.	4.3
Honda Motor Co. Ltd.	3.7
Matsushita Electric Industrial Co. Ltd.	3.6
Nippon Telegraph & Telephone Corp.	3.2
Sumitomo Mitsui Financial Group Inc.	3.2
Canon Inc.	3.1
Tokyo Electric Power Co. Inc.	3.0
Sony Corp.	2.8
Hitachi Ltd.	2.5
Mizuho Financial Group Inc.	2.3
Nissan Motor Co. Ltd.	2.2
NTT DoCoMo Inc.	1.9
Mitsubishi Corp.	1.7
Kansai Electric Power Co. Inc.	1.6
Nippon Steel Corp.	1.6
Seven & i Holdings Co. Ltd.	1.5
JFE Holdings Inc.	1.5
Toshiba Corp.	1.5
Nomura Holdings Inc.	1.5
Chubu Electric Power Co. Inc.	1.5
East Japan Railway Co.	1.5
KDDI Corp.	1.4
NEC Corp.	1.4
Takeda Pharmaceutical Co. Ltd.	1.3
	61.3
Total Net Asset Value	**$17,611,007**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Common Stocks			
	Energy			
19,500	Nippon Mining Holdings Inc.	$ 116,849	$ 123,549	
32,000	Nippon Oil Corp.	257,564	218,060	
		374,413	341,609	1.95%
	Materials			
5,200	JFE Holdings Inc.	317,105	264,766	
32,000	Kobe Steel Ltd.	99,075	92,492	
18,000	Mitsubishi Chemical Holdings Corp.	124,126	106,121	
50,000	Nippon Steel Corp.	289,177	274,201	
2,200	Shin-Etsu Chemical Co. Ltd.	124,066	138,125	
15,000	Sumitomo Chemical Co. Ltd.	101,435	95,755	
29,000	Sumitomo Metal Industries Ltd.	124,168	129,062	
		1,179,152	1,100,522	6.28
	Industrials			
	Capital Goods			
61,000	Hitachi Ltd.	443,082	445,452	
11,000	ITOCHU Corp.	126,719	118,649	
5,400	Komatsu Ltd.	157,028	152,721	
17,000	Marubeni Corp.	134,347	143,504	
9,200	Mitsubishi Corp.	278,302	306,417	
19,000	Mitsubishi Electric Corp.	178,856	207,485	
44,000	Mitsubishi Heavy Industries Ltd.	244,428	212,241	
10,000	Mitsui & Co. Ltd.	229,254	222,999	
40,000	Sanyo Electric Co. Ltd.	80,508	94,559	
50,300	Sojitz Corp.	183,931	170,419	
10,700	Sumitomo Corp.	183,403	142,448	
7,200	Sumitomo Electric Industries Ltd.	93,648	92,683	
35,000	Toshiba Corp.	276,331	260,947	
		2,609,837	2,570,524	14.65
	Commercial Services & Supplies			
7,000	Dai Nippon Printing Co. Ltd.	111,522	104,580	0.60
	Transportation			
17	Central Japan Railway Co.	194,109	188,735	
31	East Japan Railway Co.	258,462	256,047	
11,000	Nippon Yusen KK	107,935	106,963	
21	West Japan Railway Co.	105,532	104,312	
		666,038	656,057	3.74
	Total Industrials	3,387,397	3,331,161	18.99
	Consumer Discretionary			
	Automobiles & Components			
9,800	Bridgestone Corp.	201,739	151,758	
4,100	Denso Corp.	141,076	142,442	
17,000	Fuji Heavy Industries Ltd.	86,770	84,443	
18,900	Honda Motor Co. Ltd.	608,495	649,386	
45,700	Nissan Motor Co. Ltd.	492,681	380,961	
4,400	Suzuki Motor Corp.	112,831	105,278	

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
27,700	Toyota Motor Corp.	$ 1,713,374	$ 1,325,551	
		3,356,966	2,839,819	16.19%
	Consumer Durables & Apparel			
5,100	FUJIFILM Holdings Corp.	225,316	177,184	
29,000	Matsushita Electric Industrial Co. Ltd.	636,799	632,818	
200	Nintendo Co. Ltd.	106,653	114,466	
9,000	Sharp Corp.	161,199	148,328	
11,100	Sony Corp.	575,504	491,870	
		1,705,471	1,564,666	8.92
	Retailing			
11,300	Daiei Inc.	89,285	71,379	0.41
	Total Consumer Discretionary	5,151,722	4,475,864	25.52
	Consumer Staples			
	Food & Staples Retailing			
13,400	Aeon Co. Ltd.	187,243	167,364	
9,300	Seven & i Holdings Co. Ltd.	252,048	268,804	
		439,291	436,168	2.49
	Food Beverage & Tobacco			
35	Japan Tobacco Inc.	182,387	150,405	
7,000	Kirin Holdings Co. Ltd.	125,760	110,609	
		308,147	261,014	1.49
	Household & Personal Products			
4,000	Kao Corp.	114,099	106,044	0.60
	Total Consumer Staples	861,537	803,226	4.58
	Health Care			
	Pharmaceuticals Biotechnology & Life Sciences			
2,300	Astellas Pharma Inc.	94,185	98,837	
3,400	Daiichi Sankyo Co. Ltd.	99,854	94,856	
4,600	Takeda Pharmaceutical Co. Ltd.	304,305	237,297	
		498,344	430,990	2.46
	Financials			
	Banks			
83,200	Mitsubishi UFJ Financial Group Inc.	790,715	745,325	
87	Mizuho Financial Group Inc.	376,932	410,500	
73	Sumitomo Mitsui Financial Group Inc.	546,796	556,138	
		1,714,443	1,711,963	9.76
	Diversified Financials			
13,000	Daiwa Securities Group Inc.	122,717	121,061	
17,200	Nomura Holdings Inc.	276,315	257,955	
1,000	ORIX Corp.	156,686	145,093	
		555,718	524,109	2.99
	Insurance			
5,900	Millea Holdings Inc.	231,088	232,646	
5,800	Mitsui Sumitomo Insurance Group Holdings, Inc.	215,368	202,613	
13,000	Sompo Japan Insurance Inc.	128,171	123,798	
2,300	T&D Holdings Inc.	133,025	142,863	
		707,652	701,920	4.00

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Real Estate			
6,000	Mitsui Fudosan Co. Ltd.	$ 132,457	$ 129,492	0.74%
	Total Financials	3,110,270	3,067,484	17.49
	Information Technology			
	Software & Services			
30,000	Fujitsu Ltd.	224,767	225,391	
47,000	NEC Corp.	234,285	249,204	
		459,052	474,595	2.71
	Technology Hardware & Equipment			
10,400	Canon Inc.	558,890	538,488	
2,000	Kyocera Corp.	179,955	190,458	
8,000	Ricoh Co. Ltd.	136,083	146,165	
		874,928	875,111	4.99
	Total Information Technology	1,333,980	1,349,706	7.70
	Telecommunication Services			
40	KDDI Corp.	258,209	250,754	
113	Nippon Telegraph & Telephone Corp.	598,373	558,052	
219	NTT DoCoMo Inc.	338,991	324,880	
		1,195,573	1,133,686	6.46
	Utilities			
10,400	Chubu Electric Power Co. Inc.	315,850	257,300	
5,100	Chugoku Electric Power Co. Inc.	115,841	110,313	
2,700	Electric Power Development Co.	101,283	101,297	
12,000	Kansai Electric Power Co. Inc.	335,142	284,825	
6,500	Kyushu Electric Power Co. Inc.	159,989	137,484	
7,100	Tohoku Electric Power Co. Inc.	159,016	156,630	
20,100	Tokyo Electric Power Co. Inc.	510,973	524,215	
26,000	Tokyo Gas Co. Ltd.	108,791	106,255	
		1,806,885	1,678,319	9.57
	Total Common Stocks	18,899,273	17,712,567	101.00
	Transaction costs (note 2)	(11,906)	–	
	Total Investments	$ 18,887,367	17,712,567	101.00%
	Liabilities less other assets		(175,128)	(1.00)
	Net Assets		$ 17,537,439	100.00%

Foreign Currency Forward Contracts

# of Contracts	Forwards	Maturity Date	Forward Value	Fair Value	Unrealized gain (loss)
(1,884,758,000)	JPY Forward @ 106.03180	2-Jul-08	(17,775,403)	(18,041,222)	(265,819)
1,884,758,000	JPY Forward @ 104.48475	2-Jul-08	18,038,594	18,041,222	2,628
(1,858,660,000)	JPY Forward @ 104.24810	5-Aug-08	(17,829,198)	(17,835,194)	(5,996)
			(17,566,007)	(17,835,194)	(269,187)

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

Statement of **Net Assets**

	June 30, 2008 (unaudited)	December 31, 2007 (audited)
Assets		
Investments, at fair value (note 2)	$ 17,712,567	$ 11,224,309
Cash	94,821	-
Dividend receivable	12,576	6,685
Due from brokers	-	99,108
Forward agreements (note 2)	-	155,379
	17,819,964	11,485,481
Liabilities		
Bank indebtedness	-	30,580
Forward agreements (note 2)	269,187	-
Accrued management fees	10,660	6,797
Accrued service fees	2,678	4,501
Distribution payable	-	20
	282,525	41,898
Net assets representing unitholders' equity	$ 17,537,439	$ 11,443,583
Net assets representing unitholders' equity		
Advisor Class	$ 1,368,473	$ 1,068,992
Common	16,168,966	10,374,591
	$ 17,537,439	$ 11,443,583
Units outstanding (note 4)		
Advisor Class	87,687	62,687
Common	1,032,055	607,055
	1,119,742	669,742
Net assets per unit		
Advisor Class	$ 15.61	$ 17.05
Common	$ 15.67	$ 17.09

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the six months ended June 30** (unaudited)

		2008		2007
Income				
Dividends	$	111,431	$	60,643
Other		–		103
		111,431		60,746
Expenses				
Management fees (note 5)		46,172		25,207
Service fees (note 5)		1,873		6,762
Interest and bank charges		5,223		287
		53,268		32,256
Net investment income		58,163		28,490
Net realized loss on sale of investments		(711,480)		(61,441)
Net realized gain (loss) on foreign exchange		(82,001)		1,522
Net realized gain (loss) on settlement of forward agreements		(413,530)		960,343
Transaction costs (note 2)		(16,523)		(1,063)
Change in unrealized appreciation (depreciation) in value of investments		469,654		(1,031,998)
Change in unrealized appreciation (depreciation) in foreign exchange loss		1,464		(11)
Change in unrealized appreciation (depreciation) on forward agreements		(424,566)		202,395
Net gain (loss) on investments		(1,176,982)		69,747
Increase (decrease) in net assets from operations	$	(1,118,819)	$	98,237
Increase (decrease) in net assets from operations				
Advisor Class	$	(116,259)	$	2,091
Common		(1,002,560)		96,146
	$	(1,118,819)	$	98,237
Increase (decrease) in net assets from operations per unit				
Advisor Class	$	(1.75)	$	0.02
Common	$	(1.26)	$	0.25

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

Statement of **Changes in Net Assets** For the six months ended June 30 (unaudited)

	2008	2007
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$ 1,068,992	$ –
Common	10,374,591	–
	11,443,583	–
Increase (decrease) in net assets from operations		
Advisor Class	(116,259)	2,091
Common	(1,002,560)	96,146
	(1,118,819)	98,237
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class	827,980	2,500,000
Common	6,796,935	7,787,648
Payments on redemption of units:		
Advisor Class	(412,240)	(430,000)
Common	–	–
	7,212,675	9,857,648
Distribution to unitholders		
From net investment income:		
Advisor Class	–	–
Common	–	(19,283)
	–	(19,283)
Increase in net assets for the period		
Advisor Class	299,481	2,072,091
Common	5,794,375	7,864,511
	$ 6,093,856	$ 9,936,602
Net assets, end of the period (GAAP NAV)		
Advisor Class	$ 1,368,473	$ 2,072,091
Common	16,168,966	7,864,511
	$ 17,537,439	$ 9,936,602

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

Statement of **Cash Flows** | **For the six months ended June 30, 2008** (unaudited)

	2008	2007
Cash flows from operating activities		
Increase (decrease) in net assets from operations	$ (1,118,819)	$ 98,237
Items not affecting cash:		
Net realized loss on sale of investments	711,480	61,441
Net realized (gain) loss on settlement of forward agreements	413,530	(960,343)
Transaction costs (note 2)	16,523	1,063
Change in unrealized (appreciation) depreciation in value of investments	(469,654)	1,031,998
Change in unrealized (appreciation) depreciation on forward agreements	424,566	(202,395)
Change in non-cash working capital items	(3,851)	6,801
	(26,225)	36,802
Cash flows from investing activities		
Purchase of investments	(13,442,731)	(13,583,896)
Proceeds from sale of investments	6,795,232	2,835,446
Receipts (payments) for settlement of forward agreements	(413,530)	960,343
	(7,061,029)	(9,788,107)
Cash flows from financing activities		
Issuance of units for cash	7,624,915	10,287,648
Payment on redemption of units	(412,240)	(430,000)
Distribution to unitholders	(20)	(19,283)
	7,212,655	9,838,365
Net increase in cash	125,401	87,060
Bank indebtedness , beginning of the period	(30,580)	–
Cash, end of the period	$ 94,821	$ 87,060

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore Japan Fundamental Index ETF C$ hedged (the "Claymore ETF") was established under the laws of the Province of Ontario on August 15, 2006 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated August 15, 2006 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units.

The Claymore ETF has been designed to replicate, to the extent possible, the performance of the FTSE RAFI Japan Canadian Dollar Hedged Index provided by FTSE International Limited. The investment strategy of the Claymore ETF is to invest in and hold a proportionate share of the constituent securities of the FTSE RAFI Japan Canadian Dollar Hedged Index in the same proportion as they are reflected in the FTSE RAFI Japan Canadian Dollar Hedged Index.

The Claymore ETF commenced investment operations on February 14, 2007.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA has originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied effective January 1, 2007, without restatement of prior periods. Accordingly, the opening net asset value in the Statement of Changes in Net Assets for the period ended June 30, 2007 has been adjusted.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The value of any security for which a market quotation is not readily available will be its fair value as determined by the Manager.
2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Prior to the adoption of Section 3855, transaction costs were capitalized and included in the cost of purchases or proceeds from sale of investments. There is no impact on the net asset value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

f) The value of a forward contract is the gain or loss that would be realized if, on the valuation date, the positions were closed out. The forward contract is valued using an interpolation of the forward exchange rate based on the length of the forward contract. It is reflected in the Statement of Operations as change in unrealized appreciation (depreciation) on forward agreements. When the forward contracts are closed out, any gains or losses realized are included in net realized gain or loss on forward agreements.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	**Section 3855 Adjustment**	**GAAP NAV**	**Transactional NAV**	**GAAP NAV**
As at June 30, 2008					
Claymore Japan Fundamental Index ETF C$ hedged					
Advisor Class	$ 1,374,214	$ (5,741)	$ 1,368,473	$ 15.67	$ 15.61
Common	16,236,793	(67,827)	16,168,966	$ 15.73	$ 15.67
Total Net Asset Value	$ 17,611,007	$ (73,568)	$ 17,537,439		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units. Unit transactions of the Claymore ETF for the period ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008				December 31, 2007			
	Advisor Class Units		Common Units		Advisor Class Units		Common Units	
	Units	Value	Units	Value	Units	Value	Units	Value
Units outstanding, begining of period	62,687	$ 1,193,584	607,055	11,997,933	165,000	$ 3,245,196	607,055	$ 11,954,561
Units issued for cash	50,000	827,980	425,000	6,796,935	–	–	–	–
Reinvested capital gains distributions	–	–	–	–	–	4,471	–	43,372
Units redeemed	(25,000)	(412,240)	–	–	(102,313)	(2,056,083)	–	–
Units outstanding, end of period	87,687	$ 1,609,324	1,032,055	$ 18,794,868	62,687	$ 1,193,584	607,055	$ 11,997,933

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.65% of the NAV per Common unit of the Claymore ETF, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.65% of the NAV per Advisor Class unit of the Claymore ETF, plus applicable taxes, plus an additional amount of one-quarter of 0.75% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the additional amount will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 2,157,046
Market Value of Collateral Held	$ 2,298,465

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $885,628; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

The Claymore ETF invests in securities denominated in Japanese Yen. The Claymore ETF's reporting currency is the Canadian dollar. Consequently, the Claymore ETF is exposed to risks that the exchange rate of the Canadian dollar relative to the Japanese Yen may change in a manner which has an adverse effect on the reported value of that portion of the Claymore ETF's assets.

The table below summarizes the Claymore ETF's exposure to currency risks.

Currency	Investments ($)	Cash ($)	Total ($)	Percentage of NAV (%)
Japanese Yen	17,712,567	13,497	17,726,064	101.08%

As at June 30, 2008, if the exchange rate between the Canadian Dollar and the Japanese Yen the Claymore ETF is exposed to increased or decreased by 5%, with all other variables held constant, the increase or decrease respectively in net assets would approximately amount to $886,303.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended

June 30, 2008 were $16,524 (2007 – $1,063).

There were no soft dollar amounts during the period ended June 30, 2008.

Management **Discussion & Analysis**

Fund Overview

Claymore Natural Gas Commodity ETF (the "Fund") has been designed to track the performance of the benchmark NGX Canadian Natural Gas Index (or other similar index), less fees and expenses, and provide non-leveraged exposure to the Alberta natural gas market. To achieve its investment objective, the Fund invests in physical forward contracts or derivative contracts to obtain exposure to the natural gas market.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. The inception date of this Fund is February 6, 2008. This report discusses an abbreviated semi-annual period from the Fund's inception date through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of 60.71%, representing a change in NAV to $32.14 on June 30, 2008, from $20.00 on February 6, 2008. On a market price basis, the Fund's Common Units generated a total return of 60.75%, representing a change in market price to $32.15 on June 30, 2008, from $20.00 on February 6, 2008.

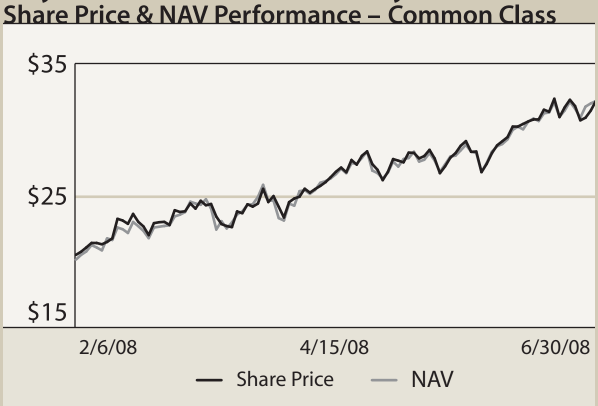
For the period from the Fund's inception date of February 6, 2008, through June 30, 2008, the NGX Canadian Natural Gas Index returned 60.53%. For the same period, the S&P/TSX Composite Index, a widely used measure of the broad Canadian stock market, returned 13.16%.

The Fund's Investments and Performance Attribution

Since the Fund is invested entirely in Alberta natural gas contracts, the performance of the Fund mirrors the underlying Alberta natural gas market, which is closely linked to the North American natural gas market. A number of factors have contributed to the Fund's exceptional performance in the months since it was established. Despite significant onshore production growth, the natural gas market continues to be pressured by high oil prices, low liquefied natural gas imports, and a widening year-over-year storage deficit. Working natural gas in storage as of the end of the period was below the average of the previous five calendar years and below the level of the corresponding week of the prior year. Demand for natural gas remains strong, as summer cooling demand in June was well above what is considered normal for the month, increasing the amount of natural gas used in the electric power sector.

Performance **Highlights** | **As at June 30, 2008** (unaudited)

Claymore Natural Gas Commodity ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (02/06/08)	Market	NAV
Since inception - non-annualized	60.75%	60.71%

Sector Mix	% of Fund's Net Asset Value
Energy	100.0
Short Term Notes	46.7
Cash and Cash Equivalents	21.0
Net Other Assets	(67.7)
	100.0

Top Issuers	% of Fund's Net Asset Value
AECO Natural Gas, Contract (August 31, 2008)	100.0
Cash and Cash Equivalents	21.0
	121.0
Total Net Asset Value	**$12,856,631**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Shares	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets
	Short Term Investments					
	Short Term Notes					
6,000,000	RBC Dexia Investor Services	2.890%	2-Jul-08	$ 6,000,000	$ 6,000,000	46.67%
	Common Stock Financials					
1,131,500	AECO Natural Gas		31-Aug-08	12,605,491	12,865,155	100.07
				18,605,491	18,865,155	146.74
	Transaction costs (note 2)			(1,132)	–	
	Total Investments			$ 18,604,359	$ 18,865,155	146.74%
	Liabilities less other assets				(6,008,999)	(46.74)
	Net Assets				$ 12,856,156	100.00%

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

Statement of **Net Assets** | **As at June 30, 2008** (unaudited)

		2008
Assets		
Investments, at fair value (note 2)	$	12,865,155
Cash and cash equivalents		8,693,789
Due from brokers		12,606,998
Broker margin		3,000,000
		37,165,942
Liabilities		
Accrued management fees		7,314
Accounts payable and accrued liabilities		116,635
Due to brokers		24,185,837
		24,309,786
Net assets representing unitholders' equity	$	12,856,156
Units outstanding (note 4)		400,000
Net assets per unit		32.14

Approved on behalf of the Fund Manager:

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the period from February 6, 2008* to June 30, 2008** (unaudited)

		2008
Income		
Interest	$	41,873
Expenses		
Management fees (note 5)		26,998
Other		16,895
		43,893
Net investment loss		(2,020)
Net realized gain on sale of investments		3,476,871
Transaction costs (note 2)		(7,981)
Change in unrealized appreciation in value of investments		260,796
Net gain on investments		3,729,686
Increase in net assets from operations	$	3,727,666
Increase in net assets from operations per unit	$	12.07

*Commencement of Operations

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

Statement of **Changes in Net Assets** | **For the period from February 6, 2008* to June 30, 2008** (unaudited)

		2008
Net assets, beginning of the period (GAAP NAV)	$	–
Increase in net assets from operations		3,727,666
Capital unit transactions (note 4)		
Issuance of units for cash		9,128,490
Increase in net assets for the period		12,856,156
Net assets, end of the period (GAAP NAV)	$	12,856,156

*Commencement of Operations

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

Statement of **Cash Flows** | **For the period from February 6, 2008* to June 30, 2008** (unaudited)

		2008
Cash flows from operating activities		
Increase in net assets from operations	$	3,727,666
Items not affecting cash:		
Net realized gain on sale of investments		(3,476,871)
Transaction costs (note 2)		7,981
Change in unrealized appreciation in value of investments		(260,796)
Change in non-cash working capital items		(2,876,051)
		(2,878,071)
Cash flows from investing activities		
Purchase of investments		(28,162,788)
Proceeds from sale of investments		30,606,158
		2,443,370
Cash flows from financing activities		
Issuance of units for cash		9,128,490
Net increase in Cash and cash equivalents		8,693,789
Cash and cash equivalents, beginning of the period		–
Cash and cash equivalents, end of the period	$	8,693,789

*Commencement of Operations

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore Natural Gas Commodity ETF (the "Claymore ETF") was established under the laws of the Province of Alberta on November 27, 2007 pursuant to a master declaration of trust (the "Declaration of Trust") dated November 27, 2007 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units.

The Claymore ETF has been designed to track the performance of the NGX Canadian Natural Gas Index (or other similar index), less fees and expenses, and provide non-leveraged exposure to the Alberta natural gas market. To achieve its investment objective, the Claymore ETF will use physical forward contracts, futures, or swaps to create exposure to the natural gas market. The counterparties to such contracts may include the NGX, Canadian financial institutions or other highly rated counterparties. Such counterparties will require the Claymore ETF to post collateral when entering into forward contracts. The balance of the Claymore ETF's assets will be invested in cash and cash equivalents.

The Claymore ETF commenced investment operations on February 6, 2008.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at inception. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at inception. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA has originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied since inception.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments:

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The fair value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.
2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs:

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. There is no impact on the Net Asset Value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF applied this new section since inception.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This Section establishes standards for when and how hedge accounting may be applied. The application of section 3865 did not have impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Application of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the application of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Units	
	Transactional NAV	Section 3855 Adjustment	GAAP NAV	Transactional NAV	GAAP NAV
As at June 30, 2008					
Claymore Natural Gas Commodity ETF					
Common	$ 12,856,156	$ –	$ 12,856,156	$ 32.14	$ 32.14
Total Net Asset Value	$ 12,856,156	$ –	$ 12,856,156		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units. Unit transactions of the Claymore ETF for the period ended June 30, 2008 were as follows:

	June 30, 2008	
	Common Units	
	Units	Value
Units issued for cash	400,000	$ 9,128,490
Units redeemed	–	–
Units outstanding, end of period	400,000	$ 9,128,490

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.80% of the NAV per Common unit of the Claymore ETF, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears .

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

Currently the Claymore ETF is not engaged in any such securities lending arrangements.

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $943,258; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

As at June 30, 2008, the majority of the Claymore ETF's investments and cash balances are denominated in Canadian dollar. As a result, the Claymore ETF is not significantly exposed to the currency risk.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were $7,981 (2007 –nil).

There were no soft dollar amounts during the period ended June 30, 2008.

Management **Discussion & Analysis**

Fund Overview

The Claymore Oil Sands Sector ETF has been designed to replicate, to the extent possible, the performance of the Sustainable Wealth Oil Sands Sector Index™ (the "Index"), net of expenses. The Fund's investment strategy is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index.

The Index was designed to give investors the maximum exposure to one of the fastest growing industries in the Canadian energy sector and one of the largest reserves of oil in the world. The Index is restricted to companies that are highly focused on oil sands production and are expected to increase their oil sands production in the next ten years. The weightings in the Index are based on a proprietary mathematical formula that focuses on five key factors. By focusing on the following five factors, the Index is designed to invest in the companies that best represent the current and future production of oil sands:

- Current oil sands production measured in barrels per day
- Projected 10yr Forward Oil Sands Production measured in barrels per day
- Percentage of total production focused on oil sands production
- Market liquidity
- Market capitalization

The Index is updated annually on June 30 or, based on developments in the sector and input from an investment advisory board of industry experts, if there has been a corporate event such as divestiture, merger or acquisition.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. This report discusses the semi-annual period from December 31, 2007, through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of 22.05%, representing a change in NAV to $29.69 on June 30, 2008, from $24.33 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on an NAV basis, of 21.65%, representing a change in NAV to $29.44 on June 30, 2008, from $24.20 on December 31, 2007. On a market price basis, the Fund's Common Units generated a total return of 22.39%, representing a change in market price to $29.85 on June 30, 2008, from $24.39 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of 24.25%, representing a change in market price to $29.46 on June 30, 2008, from $23.71 on December 31, 2007.

For the six month period ended June 30, 2008, the Sustainable Wealth Oil Sands Sector Index™ returned 22.27%, and the S&P/TSX Energy Index returned 24.30%. The S&P/ TSX Energy Index measures the return of major energy stocks listed on the Toronto Stock Exchange.

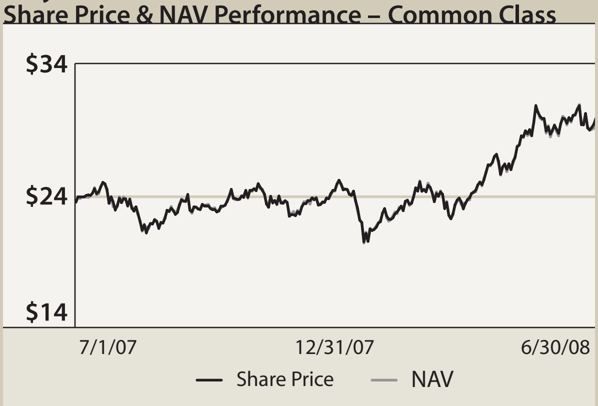
The Fund's Investments and Performance Attribution

Oil prices continued to rise during the first half of 2008; the return for the year of the generic front month light sweet crude oil futures contract, which is considered a good measure of world oil prices, was 45.86%. With an estimated 1.7 to 2.5 trillion barrels of bitumen in place, more than the known reserves of the Middle East, Alberta's oil sands remain an attractive area for investment.

In an environment of rapidly rising oil prices, all but one of the Fund's holdings generated positive returns for the six-month period from December 31, 2007, through June 30, 2008. The strongest contributor was Canadian Oil Sands Trust, followed by Oilsands Quest Inc. and OPTI Canada Inc. (8.2%, 8.0% and 6.5% of net assets, respectively). The only holding with a negative return was Petrobank Energy & Resources Ltd. (6.2% of net assets); the stock price of this Calgary-based exploration and production company weakened after being one of the top contributors to the Fund's performance in 2007.

Performance **Highlights** | As at June 30, 2008 (unaudited)

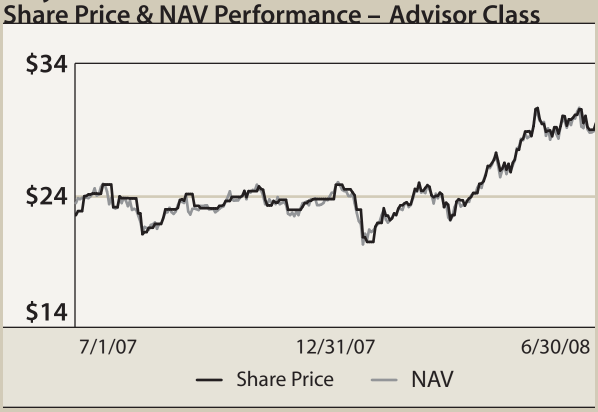
Claymore Oil Sands Sector
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (10/26/06)	Market	NAV
Six months	22.39%	22.05%
One year	29.74%	29.12%
Since inception - average annual	28.66%	28.25%

Claymore Oil Sands Sector
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (10/26/06)	Market	NAV
Six months	24.25%	21.65%
One year	33.47%	28.17%
Since inception - average annual	27.41%	27.34%

Sector Mix	% of Fund's Net Asset Value
Equities	
Energy	80.1
Income Trusts	
Energy	20.1
Cash and Cash Equivalents	0.2
Net Other Assets	(0.4)
	100.0

Top Issuers	% of Fund's Net Asset Value
Suncor Energy Inc.	9.6
Imperial Oil Ltd.	8.1
Canadian Oil Sands Trust	8.1
Oilsands Quest Inc.	7.9
Ivanhoe Energy Inc.	7.4
UTS Energy Corp.	6.8
OPTI Canada Inc.	6.5
Canadian Natural Resources Ltd.	6.4
Petrobank Energy & Resources Ltd.	6.2
Baytex Energy Trust	6.1
Connacher Oil and Gas Ltd.	5.7
EnCana Corp.	5.2
Husky Energy Inc.	3.6
Nexen Inc.	3.5
Penn West Energy Trust	3.0
Petro-Canada	3.0
Enerplus Resources Fund	2.8
Cash and Cash Equivalents	0.2
	100.1
Total Net Asset Value	**$37,077,109**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Income Trusts			
	Energy			
65,278	Baytex Energy Trust	$ 2,261,230	$ 2,271,022	
55,118	Canadian Oil Sands Trust	2,037,698	3,014,403	
21,802	Enerplus Resources Fund	1,103,556	1,026,874	
32,815	Penn West Energy Trust	947,663	1,130,477	
		6,350,147	7,442,776	20.14%
	Foreign Common Stocks			
	Energy			
446,672	Oilsands Quest Inc.	2,168,733	2,945,608	7.97
	Canadian Common Stocks			
	Energy			
23,586	Canadian Natural Resources Ltd.	1,731,042	2,375,346	
490,690	Connacher Oil and Gas Ltd.	2,069,871	2,105,060	
20,734	EnCana Corp.	1,439,419	1,923,079	
27,714	Husky Energy Inc.	1,173,259	1,343,298	
54,058	Imperial Oil Ltd.	2,595,945	3,016,976	
768,070	Ivanhoe Energy Inc.	2,682,868	2,726,649	
32,005	Nexen Inc.	1,087,378	1,294,602	
104,255	OPTI Canada Inc.	2,107,773	2,404,120	
19,441	Petro-Canada	1,016,074	1,103,277	
43,208	Petrobank Energy & Resources Ltd.	1,390,044	2,288,296	
60,004	Suncor Energy Inc.	3,061,939	3,545,636	
422,069	UTS Energy Corp.	2,211,250	2,511,311	
		22,566,862	26,637,650	72.07
	Total Investments	$ 31,085,742	$ 37,026,034	100.18%
	Liabilities less other assets		(64,743)	(0.18)
	Net Assets		$ 36,961,291	100.00%

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

Statement of **Net Assets** | **For at June 30** (unaudited)

	June 30, 2008 (unaudited)	December 31, 2007 (audited)
Assets		
Investments, at fair value (note 2)	$ 37,026,034	$ 21,857,160
Cash	87,673	69,130
Dividend receivable	37,070	22,005
Due from brokers	4,824,253	1,750,027
	41,975,030	23,698,322
Liabilities		
Accrued management fees	17,774	11,441
Accrued service fees	13,266	10,617
Due to brokers	4,982,699	1,803,926
	5,013,739	1,825,984
Net assets representing unitholders' equity	$ 36,961,291	$ 21,872,338
Net assets representing unitholders' equity		
Advisor Class	$ 7,338,210	$ 3,626,586
Common	29,623,081	18,245,752
	$ 36,961,291	$ 21,872,338
Units outstanding (note 4)		
Advisor Class	250,000	150,000
Common	1,000,878	750,878
	1,250,878	900,878
Net assets per unit		
Advisor Class	$ 29.35	$ 24.18
Common	$ 29.60	$ 24.30

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the six months ended June 30** (unaudited)

		2008		2007
Income				
Dividends	$	194,058	$	83,364
Interest		72,777		–
		266,835		83,364
Expenses				
Management fees (note 5)		78,837		48,294
Service fees (note 5)		15,998		19,542
Interest and bank charges		4,272		90
		99,107		67,926
Net investment income		167,728		15,438
Net realized gain on sale of investments		1,005,584		487,763
Net realized gain on foreign exchange		152		38
Change in unrealized appreciation in value of investments		3,845,643		1,726,200
Change in unrealized depreciation on foreign currency		(133)		(1)
Net gain on investments		4,851,246		2,214,000
Increase in net assets from operations	$	5,018,974	$	2,229,438
Increase in net assets from operations				
Advisor Class	$	912,480	$	776,213
Common		4,106,494		1,453,225
	$	5,018,974	$	2,229,438
Increase in net assets from operations per unit				
Advisor Class	$	5.01	$	3.10
Common	$	5.15	$	3.09

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

Statement of **Changes in Net Assets** | **For the six months ended June 30** (unaudited)

	2008	2007
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$ 3,626,586	$ 5,060,646
Common	18,245,752	9,122,250
	21,872,338	14,182,896
Increase in net assets from operations		
Advisor Class	912,480	776,213
Common	4,106,494	1,453,225
	5,018,974	2,229,438
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class	2,799,144	–
Common	7,270,835	2,343,280
	10,069,979	2,343,280
Distribution to unitholders		
From net investment income:		
Advisor Class	–	–
Common	–	(20,456)
	–	(20,456)
Increase in net assets for the period		
Advisor Class	3,711,624	776,213
Common	11,377,329	3,776,049
	15,088,953	4,552,262
Net assets, end of the period (GAAP NAV)		
Advisor Class	7,338,210	5,836,859
Common	29,623,081	12,898,299
	$ 36,961,291	$ 18,735,158

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

Statement of **Cash Flows** | **For the six months ended June 30** (unaudited)

	2008	2007
Cash flows from operating activities		
Increase in net assets from operations	$ 5,018,974	$ 2,229,438
Items not affecting cash:		
Net realized gain on sale of investments	(1,005,584)	(487,763)
Change in unrealized appreciation in value of investments	(3,845,643)	(1,726,200)
Change in non-cash working capital items	(6,083)	7,042
	161,664	22,517
Cash flows from investing activities		
Purchase of investments	(15,084,005)	(7,469,147)
Proceeds from sale of investments	4,870,905	5,098,817
	(10,213,100)	(2,370,330)
Cash flows from financing activities		
Issuance of units for cash	10,069,979	2,343,280
Payment on redemption of units	–	–
Distribution to unitholders	–	(20,456)
	10,069,979	2,322,824
Net decrease in cash	18,543	(24,989)
Cash, beginning of the period	69,130	3,254
Cash (bank indebtedness), end of the period	$ 87,673	$ (21,735)

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore Oil Sands Sector ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on August 15, 2006 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated August 15, 2006 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units.

The Claymore ETF has been designed to replicate, to the extent possible, the performance of the Sustainable Wealth Oil Sands Sector Index provided by Sustainable Wealth Management Ltd. The investment strategy of the Claymore ETF is to invest in and hold a proportionate share of the constituent securities of the Sustainable Wealth Oil Sands Sector Index in the same proportion as they are reflected in the Sustainable Wealth Oil Sands Sector Index.

The Claymore ETF commenced investment operations on October 26, 2006.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 had no material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA had originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied effective January 1, 2007, without restatement of prior periods. Accordingly, the opening net asset value in the Statement of Changes in Net Assets for the period ended June 30, 2007 has been adjusted.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.

2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Prior to the adoption of Section 3855, transaction costs were capitalized and included in the cost of purchases or proceeds from sale of investments. There is no impact on the net asset value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF adopted this new section effective January 1, 2007.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This section establishes standards for when and how hedge accounting may be applied. The adoption of section 3865 did not have an impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	**Section 3855 Adjustment**	**GAAP NAV**	**Transactional NAV**	**GAAP NAV**
As at June 30, 2008					
Claymore Oil Sands Sector ETF					
Advisor Class	$ 7,361,205	$ (22,995)	$ 7,338,210	$ 29.44	$ 29.35
Common	29,715,904	(92,823)	29,623,081	$ 29.69	$ 29.60
Total Net Asset Value	$ 37,077,109	$ (115,818)	$ 36,961,291		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units. Unit transactions of the Claymore ETF for the periods ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008				December 31, 2007			
	Advisor Class Units		Common Units		Advisor Class Units		Common Units	
	Units	**Value**	**Units**	**Value**	**Units**	**Value**	**Units**	**Value**
Units outstanding, beginning of period	150,000	$ 2,685,137	750,878	$ 16,420,399	250,000	$ 5,008,840	450,000	$ 8,993,540
Units issued for cash	100,000	2,799,145	250,000	7,270,835	–	–	300,878	7,145,880
Reinvested capital gains distributions (1)	–	–	–	-	–	55,957	–	280,979
Units redeemed	–	–	–	–	(100,000)	(2,379,660)	–	–
Units outstanding, end of period	250,000	$ 5,484,282	1,000,878	$ 23,691,234	150,000	$ 2,685,137	750,878	$ 16,420,399

(1) The Claymore ETF had capital gains distributions during the year ended December 31, 2007. The final annual capital gains distributions were not paid in cash but reinvested and used to increase the investors' adjusted cost base of the Claymore ETF.

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.60% of the NAV per Common unit of the Claymore ETF plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.60% of the NAV per Advisor Class unit of the Claymore ETF plus applicable taxes, plus an additional service fee of one-quarter of 0.75% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 12,514,176
Market Value of Collateral Held	$ 13,334,624

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $1,851,302; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

The Claymore ETF invests in securities denominated in U.S. dollars. The Claymore ETF's reporting currency is the Canadian dollar. Consequently, the Claymore ETF is exposed to risks that the exchange rate of the Canadian dollar relative to the U.S. dollar may change in a manner which has an adverse effect on the reported value of that portion of the Claymore ETF's assets.

The table below summarizes the Claymore ETF's exposure to currency risks.

Currency	Investments ($)	Cash ($)	Total ($)	Percentage of NAV (%)
US Dollar	2,945,608	(298,846)	2,646,762	7.16%

As at June 30, 2008, if the exchange rate between the Canadian Dollar and the U.S. Dollar the Claymore ETF is exposed to increased or decreased by 5%, with all other variables held constant, the increase or decrease respectively in net assets would approximately amount to $132,338.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were nil [2007: nil].

There were no soft dollar amounts during the period ended June 30, 2008 [2007: nil].

Management **Discussion & Analysis**

Fund Overview

The investment objective of **Claymore Premium Money Market ETF** (the "Fund") is to maximize current income to the extent consistent with the preservation of capital and liquidity by investing in high-quality, short-term (generally less than 90 days) debt securities, including treasury bills and promissory notes issued or guaranteed by Canadian governments or their agencies, bankers acceptances, and commercial paper (excluding asset-backed commercial paper) issued by Canadian chartered banks, loan companies, trust companies and corporations. Investments made by Claymore Premium Money Market ETF shall be in the top two ratings categories of any of the approved credit rating organizations (as defined in NI 81-102).

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. The inception date of this Fund is February 19, 2008, for both the Common Units and the Advisor Units. This report discusses an abbreviated semi-annual period from the Fund's inception date through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of 1.11%, representing a change in NAV to $50.03 on June 30, 2008, from $50.00 on February 19, 2008. The Fund's Advisor Class Units generated a total return, on an NAV basis, of 1.03%, representing a change in NAV to $50.02 on June 30, 2008, from $50.00 on February 19, 2008. On a market price basis, the Fund's Common Units generated a total return of 1.14%, representing a change in market price to $50.04 on June 30, 2008, from $50.00 on February 19, 2008. The Fund's Advisor Class Units generated a total return, on a market price basis, of 1.16%, representing a change in market price to $50.09 on June 30, 2008, from $50.00 on February 19, 2008.

For the period from the Fund's inception date of February 19, 2008, through June 30, 2008, Canadian Government 91-day Treasury bills, which the Fund's managers consider representative of the Canadian money market, returned 0.95%.

The Fund's Common Units paid monthly dividends of $0.1635, $0.1346, $0.1220 and $0.1075 on the last business day of March, April, May and June 2008, respectively. The Fund's Advisor Class Units paid monthly dividends of $0.1539, $0.1217, $0.1115 and $0.0990 on the last business day of March, April, May and June 2008, respectively.

The Canadian short-term interest rate environment has experienced some volatility since the Fund's inception date in February. The global credit crunch that began in 2008 led to a significant "flight to quality," which led to strong demand for the safest of investment vehicles. Yields on government-issued debt securities dropped during March, while spreads between Canadian Treasury bills and commercial paper increased more than 100 basis points. While some of the anxiety concerning credit quality has since diminished, the demand for Canadian government-issued securities remains high. In addition to credit concerns, the Bank of Canada has cut overnight lending rates twice since February, as economic weakness in the United States (Canada's largest trade partner) appears to be affecting the Canadian economy.

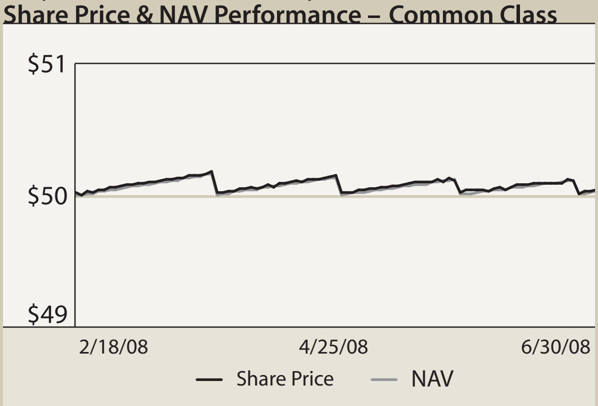
The Fund's Investments and Performance Attribution

In response to the market conditions, the Fund has sought to maximize shareholder performance by locking in attractive yield payments on some medium to longer term obligations, mainly within the bankers' acceptance and commercial paper markets. The Fund has purchased most of its commercial paper positions with maturity dates of approximately 45 to 70 days, which has allowed the Fund to maintain an attractive yield, even as interest rates continued to trend downward. The Fund has also utilized bankers' acceptance notes to lock in attractive yield rates during a declining interest rate period. The Fund has augmented its use of commercial paper and bankers' acceptances with strategic purchases of Canadian Treasury bills. Although the yields on the Canadian Treasury bills have been falling, the Fund believes the use of Canadian Treasury bills improves the portfolio's diversification and enhances its credit profile.

Given the credit concerns evident in the market, the Fund has prioritized maintaining a strong credit profile. The Fund has invested in positions with excellent credit quality, including government-issued notes, bank-guaranteed obligations, and debt securities that are either guaranteed by third parties, or have exhibited solid fundamental credit trends (as noted by various credit rating agencies). The Fund will continue to focus on capital preservation by purchasing additional securities that fit these criteria.

Performance **Highlights** | **As at June 30, 2008** (unaudited)

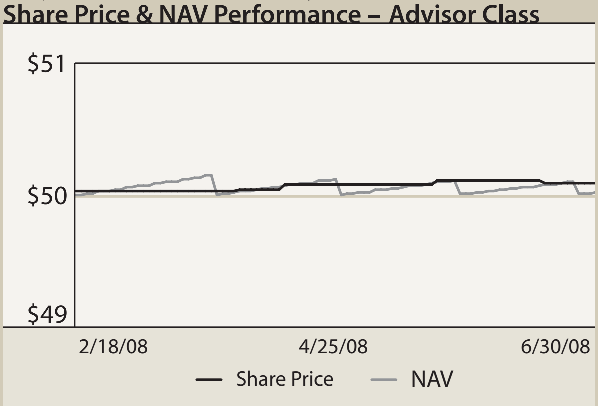
Claymore Premium Money Market ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (02/19/08)	Market	NAV
Six months	–	–
One year	–	–
Since inception – average annual	1.14%	1.11%

Claymore Premium Money Market ETF
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (02/19/08)	Market	NAV
Six months	–	–
One year	–	–
Since inception – average annual	1.16%	1.03%

Sector Mix

Sector Mix	% of Fund's Net Asset Value
Discount Commercial Papers	67.9
Bankers' Acceptance	18.4
Treasury Bills	11.8
Term Deposits	1.7
Cash and Cash Equivalents	0.2
	100.0

Top 25 Issuers

Top 25 Issuers	Maturity Date	Coupon Rate	% of Fund's Net Asset Value
Total Capital Canada	Aug 22, 2008	3.12%	3.5
Infrastructure Ontario	Jul 02, 2008	2.98%	3.0
CAFO	Jul 11, 2008	3.11%	2.9
Bank of Scotland	Jul 17, 2008	3.13%	2.9
Woodbridge Finance Corp.	Jul 28, 2008	3.15%	2.9
Canada Treasury Bills	Jul 10, 2008	2.60%	2.4
Goldman Sachs Finance	Jul 07, 2008	3.06%	2.3
Toronto-Dominion Bank	Jul 22, 2008	3.04%	2.3
Honda Canada Finance Inc.	Aug 22, 2008	3.12%	2.3
Omers Realty Corp.	Jul 30, 2008	3.06%	2.3
Canada Treasury Bills	Aug 07, 2008	2.61%	2.3
Woodbridge Finance Corp.	Aug 28, 2008	3.18%	2.3
Canada Treasury Bills	Sep 04, 2008	2.40%	2.3
Total Capital Canada	Aug 14, 2008	3.15%	2.3
Honda Canada Finance Inc.	Aug 14, 2008	3.15%	2.2
Total Capital Canada	Jul 09, 2008	3.08%	1.8
Royal Bank of Canada	Jul 25, 2008	3.04%	1.8
Honda Canada Finance Inc.	Jul 29, 2008	3.10%	1.8
Firstbank	Jul 30, 2008	3.05%	1.8
Nestle Capital Canada	Aug 19, 2008	2.90%	1.8
Total Capital Canada	Aug 12, 2008	3.16%	1.8
Province of Quebec Treasury Bills	Sep 05, 2008	2.55%	1.8
Honda Canada Finance Inc.	Aug 18, 2008	3.13%	1.8
Canada Treasury Bills	Sep 18, 2008	2.40%	1.8
Infrastructure Ontario	Sep 15, 2008	3.13%	1.8
			56.2
Total Net Asset Value			**$42,523,380**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Par value, Number of Shares/Units	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets
	Short Term Investments					
	Treasury Bills					
500,000	Canada Treasury Bills	2.508%	24-Jul-08	$ 497,845	$ 499,165	
750,000	Canada Treasury Bills	2.401%	18-Sep-08	745,928	745,530	
1,000,000	Canada Treasury Bills	2.610%	7-Aug-08	994,780	997,320	
1,000,000	Canada Treasury Bills	2.399%	4-Sep-08	994,600	995,180	
1,035,000	Canada Treasury Bills	2.598%	10-Jul-08	1,029,562	1,034,276	
750,000	Province of Quebec Treasury Bills	2.552%	5-Sep-08	746,348	746,205	
				5,009,063	5,017,676	11.80%
	Bankers' Acceptance					
500,000	Bank of Nova Scotia	3.062%	16-Jul-08	498,745	499,310	
500,000	Bank of Nova Scotia	3.038%	18-Jul-08	497,845	499,220	
500,000	Bank of Nova Scotia	3.048%	21-Jul-08	499,000	499,095	
500,000	Bank of Nova Scotia	3.061%	6-Aug-08	498,245	498,395	
357,000	Canadian Imperial Bank of Commerce	3.047%	22-Jul-08	355,990	356,322	
500,000	Canadian Imperial Bank of Commerce	3.062%	25-Jul-08	498,745	498,920	
500,000	Firstbank	3.041%	11-Jul-08	498,795	499,525	
500,000	Firstbank	3.062%	16-Jul-08	498,745	499,310	
500,000	Firstbank	3.065%	25-Jul-08	498,660	498,920	
750,000	Firstbank	3.050%	30-Jul-08	747,938	748,058	
750,000	Royal Bank of Canada	3.044%	25-Jul-08	748,253	748,380	
500,000	Toronto-Dominion Bank	2.829%	9-Jul-08	498,840	499,610	
500,000	Toronto-Dominion Bank	3.058%	6-Aug-08	498,455	498,395	
1,000,000	Toronto-Dominion Bank	3.043%	22-Jul-08	997,920	998,100	
				7,836,176	7,841,560	18.44
	Discount Commercial Paper					
1,250,000	Bank of Scotland	3.126%	17-Jul-08	1,247,862	1,248,124	
600,000	Bank of Scotland	3.142%	2-Jul-08	598,506	599,892	
500,000	CAFO	3.188%	23-Jul-08	497,350	498,985	
500,000	CAFO	3.188%	5-Aug-08	497,005	498,410	
1,250,000	CAFO	3.106%	11-Jul-08	1,248,512	1,248,787	
500,000	CAFO	3.190%	19-Aug-08	496,485	497,780	
500,000	Caterpillar Inc.	3.089%	21-Aug-08	496,220	497,690	
500,000	Caterpillar Inc.	3.057%	3-Jul-08	498,705	499,865	
500,000	CDEPOT	3.002%	5-Aug-08	496,935	498,410	
500,000	CDP Financial Inc.	3.047%	8-Jul-08	497,715	499,645	
500,000	Dexia	3.159%	1-Aug-08	498,060	498,585	
650,000	Dexia Canada Funding LLC	3.119%	17-Jul-08	647,511	649,025	
500,000	Financiere CDP Inc.	3.003%	21-Jul-08	497,870	499,075	
586,000	GE Capital Canada Funding Company	3.149%	15-Aug-08	582,132	583,609	
470,000	GE Capital Canada Funding Company	3.241%	10-Sep-08	466,809	466,954	
500,000	GE Capital Canada Funding Company	3.571%	7-Jul-08	495,780	499,690	
400,000	GE Capital Canada Funding Company	3.122%	11-Jul-08	399,624	399,612	
500,000	GE Capital Canada Funding Company	3.250%	18-Jul-08	496,420	499,205	
500,000	GE Capital Canada Funding Company	3.100%	8-Aug-08	496,710	498,275	
500,000	Goldman Sachs	3.172%	17-Jul-08	498,700	499,250	

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

Par value, Number of Shares/Units	Description	Coupon Rate	Maturity Date	Average Cost	Fair Value	% of Net Assets
500,000	Goldman Sachs Finance	3.180%	14-Jul-08	$ 498,610	$ 499,380	
1,000,000	Goldman Sachs Finance	3.063%	7-Jul-08	999,150	999,380	
750,000	Honda Canada Finance Inc.	3.099%	29-Jul-08	747,968	748,080	
945,000	Honda Canada Finance Inc.	3.152%	14-Aug-08	938,435	941,229	
1,000,000	Honda Canada Finance Inc.	3.117%	22-Aug-08	995,240	995,280	
750,000	Honda Canada Finance Inc.	3.131%	18-Aug-08	746,160	746,738	
750,000	Infrastructure Ontario	3.128%	15-Sep-08	744,893	744,780	
1,300,000	Infrastructure Ontario	2.983%	2-Jul-08	1,292,827	1,299,765	
500,000	Nestle Capital Canada	2.899%	18-Aug-08	496,530	497,825	
750,000	Nestle Capital Canada	2.898%	19-Aug-08	746,858	746,670	
300,000	Omers Realty Corp.	3.209%	28-Aug-08	298,452	298,422	
1,000,000	Omers Realty Corp.	3.061%	30-Jul-08	995,160	997,350	
750,000	Total Capital Canada	3.075%	9-Jul-08	749,243	749,400	
750,000	Total Capital Canada	3.158%	12-Aug-08	746,513	747,143	
1,000,000	Total Capital Canada	3.151%	14-Aug-08	992,715	996,010	
1,500,000	Total Capital Canada	3.117%	22-Aug-08	1,491,620	1,492,920	
500,000	Wachovia	3.297%	2-Jul-08	497,215	499,910	
500,000	Wachovia	3.162%	14-Jul-08	497,715	499,380	
500,000	Wells Fargo Financial Corp. Canada	3.116%	11-Jul-08	498,935	499,515	
1,000,000	Woodbridge Finance Corp.	3.178%	28-Aug-08	994,630	994,740	
1,250,000	Woodbridge Finance Corp.	3.152%	28-Jul-08	1,246,622	1,246,914	
				28,870,402	28,921,699	68.03%
	Term Deposit					
715,000	RBC Dexia	2.890%	2-Jul-08	715,000	715,000	
	Total Short Term Investments			42,430,641	42,495,935	99.96
	Total Investments			$ 42,430,641	42,495,935	99.96%
	Other assets less liabilities				18,940	0.04
	Net Assets				$ 42,514,875	100.00%

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

Statement of **Net Assets** | **As at June 30, 2008** (unaudited)

		2008
Assets		
Investments, at fair value (note 2)	$	42,495,935
Cash and cash equivalents		85,424
		42,581,359
Liabilities		
Distribution payable		58,700
Accrued management fees		6,247
Accrued service fees		1,537
		66,484
Net assets representing unitholders' equity	$	42,514,875
Net assets representing unitholders' equity		
Advisor Class	$	2,500,657
Common		40,014,218
	$	42,514,875
Units outstanding (note 4)		
Advisor Class		50,000
Common		800,000
		850,000
Net assets per unit		
Advisor Class	$	50.01
Common	$	50.02

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the period from February 19, 2008* to June 30, 2008** (unaudited)

		2008
Income		
Interest	$	147,535
Expenses		
Management fees (note 5)		17,593
Service fees (note 5)		2,257
Interest and bank charges		940
		20,790
Net investment income		126,745
Change in unrealized appreciation in value of investments		65,295
Increase in net assets from operations	$	192,040
Increase in net assets from operations		
Advisor Class	$	24,962
Common		167,078
	$	192,040
Increase in net assets from operations per unit		
Advisor Class	$	0.50
Common	$	0.51

*Commencement of Operations

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

Statement of **Changes in Net Assets** | **For the period from February 19, 2008* to June 30, 2008** (unaudited)

	2008
Net assets, beginning of the period (GAAP NAV)	
Advisor Class	$ –
Common	–
	–
Increase in net assets from operations	
Advisor Class	24,962
Common	167,078
	192,040
Capital unit transactions (note 4)	
Issuance of units for cash:	
Advisor Class	2,500,000
Common	40,034,970
	42,534,970
Distribution to unitholders	
From net investment income:	
Advisor Class	(24,305)
Common	(187,830)
	(212,135)
Increase in net assets for the period	
Advisor Class	2,500,657
Common	40,014,218
	$ 42,514,875
Net assets, end of the period (GAAP NAV)	
Advisor Class	$ 2,500,657
Common	40,014,218
	$ 42,514,875

*Commencement of Operations

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

Statement of **Cash Flows** | **For the period from February 19, 2008* to June 30, 2008** (unaudited)

		2008
Cash flows from operating activities		
Increase in net assets from operations	$	192,040
Items not affecting cash:		
Change in unrealized appreciation in value of investments		(65,295)
Change in non-cash working capital items		7,784
		134,529
Cash flows from investing activities		
Purchase of investments		(142,733,192)
Proceeds from sale of investments		100,302,552
		(42,430,640)
Cash flows from financing activities		42,534,970
Issuance of units for cash		(153,435)
Distribution to unitholders		42,381,535
Net increase in cash		85,424
Cash, beginning of the period		–
Cash, end of the period	$	85,424

*Commencement of Operations

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

Notes to **Financial Statements** **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore Premium Money Market ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on November 27, 2007 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated November 27, 2007 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units.

The Claymore ETF's investment objective is to maximize current income to the extent consistent with the preservation of capital and liquidity by investing in high-quality, short-term (generally less than 90 days) debt securities, including treasury bills and promissory notes issued or guaranteed by Canadian governments or their agencies, bankers acceptances, and commercial paper (excluding asset-backed commercial paper) issued by Canadian chartered banks, loan companies, trust companies and corporations. Investments made by Claymore ETF shall be in the top two ratings categories of any of the approved credit rating organizations.

The Claymore ETF commenced investment operations on February 19, 2008.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at inception. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA had originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied effective inception.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments:

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The fair value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.
2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs:

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. There is no impact on the Net Asset Value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF applied this new section effective January 1, 2007.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This Section establishes standards for when and how hedge accounting may be applied. The application of section 3865 did not have an impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	Section 3855 Adjustment	GAAP NAV	Transactional NAV	GAAP NAV
As at June 30, 2008					
Claymore Premium Money Market ETF					
Advisor Class	$ 2,501,157	$ (500)	$ 2,500,657	$ 50.02	$ 50.01
Common	40,022,223	(8,005)	40,014,218	$ 50.03	$ 50.02
Total Net Asset Value	$ 42,523,380	$ (8,505)	$ 42,514,875		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units. Unit transactions of the Claymore ETF for the period ended June 30, 2008 were as follows:

	June 30, 2008			
	Advisor Class Units		Common Units	
	Units	Value	Units	Value
Units issued for cash	50,000	$ 2,500,000	800,000	$ 40,034,970
Units redeemed	–	–	–	–
Units outstanding, end of period	50,000	$ 2,500,000	800,000	$ 40,034,970

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.25% of the NAV per Common unit of the Claymore ETF at month end, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.25% of the NAV per Advisor Class unit of the Claymore ETF at month end, plus applicable taxes, plus an additional service fee of one-quarter of 0.25% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.25% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 3,028,796
Market Value of Collateral Held	$ 3,227,369

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

Interest rate risk

The majority of the Fund's financial assets are interest bearing. As a result, the Fund is subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

The table below summarizes the Fund's exposure to interest rate risk. Table includes the Fund's assets at fair values, categorized by the earlier of contractual re-pricing or maturity dates.

	Less than 1 month	1 - 3 months	3 months - 1 year	Total
As at June 30, 2008				
Short term investments	24,858,864	17,722,495	–	42,581,359

Exposure to interest rate risk is minimal since short-term investments have maturities less than 3 months.

Credit risk

The Fund's credit risk concentration is investments in debt instruments. The Fund limits its exposure to credit loss by placing its investments and short-term investments with high credit quality. To maximize the credit quality of its investments, the Manager performs ongoing credit evaluations based upon factors surrounding the credit risk of counterparties, historical trends and other information.

All transactions in listed securities are settled for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

As at June 30, 2008, the Fund invested in debt instruments with the following credit ratings:

Debt instruments by credit ratings	Percentage of investment category (%)
AAA/Aaa/AAA/Bonds A++	53.62
AA/Aa/AA/Bonds A+	37.34
Not Rated	9.04
Total debt instruments category	100.00

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

As at June 30, 2008, the majority of the Claymore ETF's investments and cash balances are denominated in Canadian dollar. As a result, the Claymore ETF is not significantly exposed to the currency risk.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were nil.

There were no soft dollar amounts during the period ended June 30, 2008.

Management **Discussion & Analysis**

Fund Overview

The Claymore S&P Global Water ETF (the "Fund") has been designed to replicate to the extent possible the performance of the S&P Global Water Index (the "Index"), net of expenses. The investment strategy of the Fund is to invest in and hold the Constituent Securities of the Index in the same proportion as they are reflected in the applicable indices. The Fund seeks investment results that correspond generally to the price and yield, before its fees and expenses, of the Index.

The S&P Global Water Index is comprised of 50 stocks selected, based on investment and other criteria, from a group of companies listed globally on exchanges in developed markets. This group includes all companies classified by S&P's Capital IQ Industry Classifications (the "CIQ Database") as being associated with the global demand for water including water utilities, infrastructure, equipment, instruments and materials.

The S&P Global Water Index comprises 50 stocks selected based on the relative importance of the global water industry within their business model and has a balanced representation from different segments of the water industry consisting of 25 water utilities and infrastructure companies (which includes: water supply; water utilities; waste water treatment; water, sewer and pipeline construction; water purification; water well drilling; and water testing companies) and 25 water equipment, instruments and materials companies (which includes: water treatment chemicals; water treatment appliances; pumps and pumping equipment; fluid power pumps and motors; totalizing fluid meters; and counting devices companies) (collectively, the "Water Industry Groups") based upon the CIQ Database. To ensure investability, a developed market listing and a minimum market capitalization of $250 million are required. The S&P Global Water Index is equal weighted (50%) to each of the Water Industry Groups and rebalanced annually.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. This report discusses the semi-annual period from December 31, 2007, through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of -5.31%, representing a change in NAV to $17.41 on June 30, 2008, from $18.55 on December 31, 2007. The Adviser Class Units generated a total return of -5.71% on an NAV basis, representing a change in NAV to $17.41 on June 30, 2008, from $18.55 on December 31, 2007. On a market price basis, the Fund's Common Units generated a total return of -8.61%, representing a change in market price to $17.71 on June 30, 2008, from $19.54 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of -6.27%, representing a change in market price to $17.74 on June 30, 2008, from $19.01 on December 31, 2007.

For the six month period ended June 30, 2008, the S&P Global Water Index returned -4.85%.

The Fund's Common Units paid quarterly dividends of $0.0730 on March 31, 2008, and $0.0763 on June 30, 2008. The Fund's Advisor Class Units paid quarterly dividends of $0.0400 on March 31, 2008, and $0.0391 on June 30, 2008.

The Fund's Investments and Performance Attribution

Claymore believes companies involved in segments of the water industry are an attractive area for investment because continued world economic growth is expected to result in substantial long-term growth in demand for water. Less than 1% of the world's fresh water is readily accessible for direct human use, and severe water shortages are expected to affect four billion people by 2050[1]. Accordingly, companies involved in water infrastructure, treatment and distribution have the opportunity for significant long-term growth.

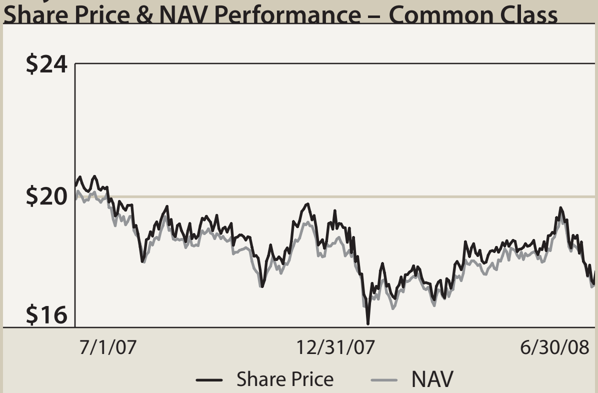
For the six-month period from December 31, 2007, through June 30, 2008, the industrials sector contributed to return; the utilities and basic materials sectors detracted from return. Holdings that contributed strongly to performance included Kurita Water Industries Ltd., a Japanese company that offers water treatment-related products, technology and maintenance services and SUEZ SA, a French energy and environment company that reached an agreement to merge with Gaz de France SA (6.1% and 11.4% of net assets, respectively). (The merger was completed after the end of the period.) Also positive was a position in Cia de Saneamento Basico do Estado de Sao Paulo (2.8% of net assets), which provides water and sewage services to customers in Sao Paulo, Brazil.

Positions that detracted from performance included Veolia Environnement, a French environmental services company that reported first quarter earnings below expectations; Ciba Specialty Chemicals AG, a Swiss specialty chemicals company; and Kemira OYJ a Finnish company that provides products, applications and solutions for industries including pulp and paper and water treatment (6.9%, 2.3% and 1.9% of net assets, respectively).

1 Source: Liquid Assets: Five Key Themes in Water Infrastructure. Report published by Morgan Stanley Research February 11, 2008.

Performance **Highlights** | As at June 30, 2008 (unaudited)

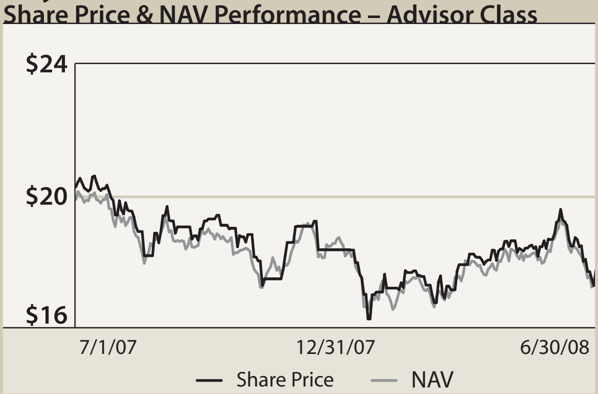
Claymore S&P Global Water ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (06/04/07)	Market	NAV
Six months	-8.61%	-5.31%
One year	-11.45%	-11.11%
Since inception - average annual	-9.48%	-10.86%

Claymore S&P Global Water ETF
Share Price & NAV Performance – Advisor Class

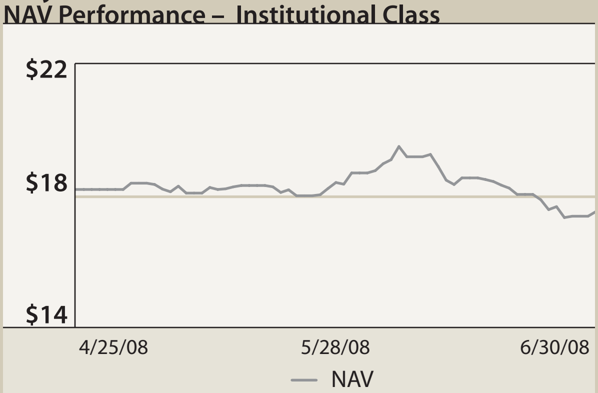


Total Returns – Advisor Class

Inception (06/04/07)	Market	NAV
Six months	-6.27%	-5.71%
One year	-11.86%	-11.84%
Since inception - average annual	-10.04%	-11.58%

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

Claymore S&P Global Water ETF
NAV Performance – Institutional Class



Total Returns – Institutional Class

Inception (04/25/08)	NAV
Since inception - non-annualized	-3.71%

Sector Mix	% of Fund's Net Asset Value
Industrials	48.9
Utilities	45.9
Materials	5.2
Cash and Cash Equivalents	0.0
	100.0

Top 25 Issuers	% of Fund's Net Asset Value
Suez SA	11.4
Veolia Environnement	6.9
Geberit AG, Registered Shares	6.5
Kurita Water Industries Ltd.	6.1
United Utilities PLC	5.9
ITT Corp.	5.5
Danaher Corp.	5.4
Itron Inc.	4.3
Nalco Holding Co.	4.3
Pentair Inc.	3.8
Valmont Industries Inc.	3.4
IDEX Corp.	3.1
Severn Trent PLC	2.9
Cia de Saneamento Basico do Estado de Sao Paulo, ADR	2.8
Ciba Specialty Chemicals AG, Registered Shares	2.3
Pennon Group PLC	2.2
ACEA SpA	2.1
Hera SpA	1.9
Kemira OYJ	1.9
Northumbrian Water Group PLC	1.6
Uponor OYJ	1.4
Guangdong Investment Ltd.	1.3
Organo Corp.	1.1
Aqua America Inc.	1.1
Mueller Water Products Inc.	1.0
	90.2
Total Net Asset Value	**$49,740,819**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Canadian Common Stocks			
	Industrials			
	Capital Goods			
15,356	GLV Inc.	$ 187,637	$ 206,845	
		187,637	206,845	0.42%
	Foreign Common Stocks			
	Materials			
13,809	Arch Chemicals Inc.	513,617	464,428	
39,501	Ciba Specialty Chemicals AG, Registered Shares	1,814,850	1,161,435	
73,499	Kemira OYJ	1,466,939	942,235	
		3,795,406	2,568,098	5.17
	Industrials			
	Capital Goods			
7,100	Badger Meter Inc.	261,031	363,910	
34,018	Danaher Corp.	2,681,551	2,666,124	
23,367	Flow International Corp.	252,005	184,914	
11,842	Franklin Electric Co. Inc.	520,382	465,914	
21,709	Geberit AG, Registered Shares	3,071,424	3,254,220	
41,639	IDEX Corp.	1,517,632	1,553,763	
42,289	ITT Corp.	2,803,772	2,714,552	
55,303	Mueller Water Products Inc.	691,807	476,914	
47,000	Organo Corp.	501,297	566,781	
52,792	Pentair Inc.	1,957,945	1,875,137	
48,000	Uponor OYJ	1,454,601	716,624	
15,770	Valmont Industries Inc.	1,416,684	1,668,421	
17,727	Watts Water Technologies Inc., Class A	599,221	447,824	
		17,729,352	16,955,098	34.11
	Commercial Services & Supplies			
229,000	Bio-Treat Technology Ltd.	96,519	47,025	
9,410	BWT AG	544,036	389,276	
25,658	Calgon Carbon Corp.	354,883	402,183	
9,808	Christ Water Technology AG	179,082	171,985	
394,000	Epure International Ltd.	170,988	155,932	
142,000	Hyflux Ltd.	308,266	315,987	
80,900	Kurita Water Industries Ltd.	2,678,382	3,035,158	
4,732	Layne Christensen Co.	217,413	210,229	
8,700	Maezawa Kyuso Industries Co. Ltd.	159,192	156,123	
99,205	Nalco Holding Co.	2,472,556	2,128,711	
270,000	Sinomem Technology Ltd.	196,924	129,035	
		7,378,241	7,141,644	14.37
	Total Industrials	25,107,593	24,096,742	48.48

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Utilities			
53,046	ACEA SpA	$ 1,103,299	$ 1,021,746	
4,189	American States Water Co.	154,868	148,493	
32,590	Aqua America Inc.	699,836	527,704	
5,243	California Water Service Group	199,077	174,313	
254,000	China Water Affairs Group Ltd.	143,316	72,707	
26,798	Cia de Saneamento Basico do Estado de Sao Paulo, ADR	1,291,856	1,390,932	
3,386	Consolidated Water Co. Inc.	88,060	67,743	
1,528,000	Guangdong Investment Ltd.	878,062	628,248	
233,407	Hera SpA	1,028,307	958,849	
21,525	Itron Inc.	1,780,478	2,149,967	
123,143	Northumbrian Water Group PLC	829,017	781,967	
83,488	Pennon Group PLC	1,092,842	1,075,481	
4,547	Pico Holdings Inc.	193,761	200,672	
55,142	Severn Trent PLC	1,646,444	1,429,570	
4,214	SJW Corp.	136,223	112,868	
82,085	Suez SA	5,205,424	5,673,523	
211,827	United Utilities PLC	3,173,825	2,934,022	
60,527	Veolia Environnement	4,812,937	3,446,246	
		24,457,632	22,795,051	45.88%
	Total Foreign Common Stocks	53,360,631	49,459,891	99.53
		53,548,268	49,666,736	99.95%
	Transaction costs (note 2)	(23,023)	–	
	Total Investments	$ 53,525,245	49,666,736	99.95%
	Other assets less liabilities		24,031	0.05
	Net Assets		$ 49,690,767	100.00%

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

Statement of **Net Assets** | **As at June 30, 2008** (unaudited)

		June 30, 2008 (unaudited)		December 31, 2007 (audited)
Assets				
Investments, at fair value (note 2)	$	49,666,736	$	31,768,067
Dividends receivable		235,224		87,982
Cash		30,985		–
		49,932,945		31,856,049
Liabilities				
Distribution payable		202,110		–
Bank indebtedness		–		8,924
Accrued management fees		24,902		17,249
Accrued service fees		15,166		3,805
Due to brokers		–		157,459
		242,178		187,437
Net assets representing unitholders' equity	$	49,690,767	$	31,668,612
Net assets representing unitholders' equity				
Advisor Class	$	5,426,962	$	2,650,035
Common		43,301,845		29,018,577
Institutional Class		961,960		–
	$	49,690,767	$	31,668,612
Units outstanding (note 4)				
Advisor Class		312,000		143,000
Common		2,489,000		1,566,000
Institutional Class		54,991		–
		2,855,991		1,709,000
Net assets per unit				
Advisor Class	$	17.39	$	18.53
Common	$	17.40	$	18.53
Institutional Class	$	17.49	$	–

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the period ended June 30, 2008** (unaudited)

		2008
Income		
Dividends	$	774,884
Interest		438
Securities lending		(2,779)
		772,543
Expenses		
Management fees (note 5)		119,553
Service fees (note 5)		16,375
Interest and bank charges		6,395
		142,323
Net investment income		630,220
Net realized gain on sale of investments		152,609
Net realized loss on foreign exchange		(432)
Transaction costs (note 2)		(16,832)
Change in unrealized depreciation in value of investments		(2,931,252)
Change in unrealized appreciation in foreign exchange		449
Net loss on investments		(2,795,458)
Decrease in net assets from operations	$	(2,165,238)
Decrease in net assets from operations		
Advisor Class	$	(298,909)
Common		(1,828,289)
Institutional Class		(38,040)
	$	(2,165,238)
Decrease in net assets from operations per unit		
Advisor Class	$	(1.37)
Common	$	(0.95)
Institutional Class	$	(0.71)

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

Statement of **Changes in Net Assets** **For the period ended June 30, 2008** (unaudited)

		2008
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$	2,650,035
Common		29,018,577
Institutional Class		–
		31,668,612
Decrease in net assets from operations		
Advisor Class		(298,909)
Common		(1,828,289)
Institutional Class		(38,040)
		(2,165,238)
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class		4,957,798
Common		16,430,386
Institutional Class		1,000,000
Payment on redemption of units:		
Advisor Class		(1,861,123)
Common		–
Institutional Class		–
		20,527,061
Distribution to unitholders		
From net investment income:		
Advisor Class		(20,839)
Common		(318,829)
Institutional Class		–
		(339,668)
Increase in net assets for the period		
Advisor Class		2,776,927
Common		14,283,268
Institutional Class		961,960
	$	18,022,155
Net assets, end of the period (GAAP NAV)		
Advisor Class	$	5,426,962
Common		43,301,845
Institutional Class		961,960
	$	49,690,767

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

Statement of **Cash Flows** | **For the period ended June 30, 2008** (unaudited)

		2008
Cash flows from operating activities		
Decrease in net assets from operations	$	(2,165,238)
Items not affecting cash:		
Net realized gain on sale of investments		(152,609)
Transaction costs (note 2)		16,832
Change in unrealized depreciation in value of investments		2,931,252
Change in non-cash working capital items		(128,228)
		502,009
Cash flows from investing activities		
Purchase of investments		(23,408,782)
Proceeds from sale of investments		2,557,179
		(20,851,603)
Cash flows from financing activities		
Distribution to unitholders		(137,558)
Issuance of units for cash		22,388,184
Payment on redemption of units		(1,861,123)
		20,389,503
Net increase in cash		39,909
Bank indebtedness, beginning of the period		(8,924)
Cash, end of the period	$	30,985

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore S&P Global Water ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on February 15, 2006 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated April 5, 2007 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units, an unlimited number of Advisor Class units and an unlimited number of Institutional Class units.

The Claymore ETF has been designed to replicate, to the extent possible, the performance of the S&P Global Water Index provided by Standard & Poor's ("S&P"). The investment strategy of the Claymore ETF is to invest in and hold a proportionate share of the constituent securities of the S&P Global Water Index in the same proportion as they are reflected in the S&P Global Water Index.

The Claymore ETF commenced investment operations on June 4, 2007.

The Claymore ETF Institutional Class commenced investment operations on April 28, 2008.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 had no material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA had originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The fair value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.

2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. There is no impact on the net asset value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF applied this new section effective January 1, 2007.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This Section establishes standards for when and how hedge accounting may be applied. The application of section 3865 did not have an impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	**Section 3855 Adjustment**	**GAAP NAV**	**Transactional NAV**	**GAAP NAV**
As at June 30, 2008					
Claymore S&P Global Water ETF					
Advisor Class	$ 5,432,429	$ (5,467)	$ 5,426,962	$ 17.41	$ 17.39
Common	43,345,461	(43,616)	43,301,845	$ 17.41	$ 17.40
Institutional Class	962,929	(969)	961,960	$ 17.51	$ 17.49
Total Net Asset Value	$ 49,740,819	$ (50,052)	$ 49,690,767		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units, an unlimited number of Advisor Class units and an unlimited number of Institutional Class units. Unit transactions of the Claymore ETF for the periods ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008					
	Advisor Class Units		Common Units		Institutional Class Units	
	Units	Value	Units	Value	Units	Value
Units outstanding, beginning of period	143,000	$ 2,904,041	1,566,000	$ 30,848,727	–	–
Units issued for cash	274,000	4,957,798	923,000	16,430,386	54,991	$ 1,000,000
Units redeemed	(105,000)	(1,861,123)	–	–	–	–
Units outstanding, end of period	312,000	$ 6,000,716	2,489,000	$ 47,279,113	54,991	$ 1,000,000

	December 31, 2007			
	Advisor Class Units		Common Units	
	Units	Value	Units	Value
Units issued for cash	193,000	$ 3,796,161	1,566,000	$ 30,848,727
Units redeemed	(50,000)	(892,120)	–	–
Units outstanding, end of period	143,000	$ 2,904,041	1,566,000	$ 30,848,727

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.60% of the NAV per Common unit of the Claymore ETF at month end, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.60% of the NAV per Advisor Class unit of the Claymore ETF at month end, plus applicable taxes, plus an additional service fee of one-quarter of 0.75% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 15,215,144
Market Value of Collateral Held	$ 16,212,671

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $2,483,337; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

The Claymore ETF holds cash and investments that are denominated in currencies other than the Canadian Dollar, the functional currency. It is therefore exposed to currency risk, as the value of the securities denominated in other currencies fluctuate due to changes in exchange rates.

The table below summarizes the Claymore ETF's exposure to currency risks.

Currency	Investments ($)	Cash ($)	Total ($)	Percentage of NAV (%)
US Dollar	20,395,717	(36,252)	20,359,465	40.97%
Euro Currency	13,320,483	12,250	13,332,733	26.83%
Sterling Pound	6,221,040	21	6,221,061	12.52%
Swiss Franc	4,415,656	–	4,415,656	8.89%
Japanese Yen	3,758,060	10,137	3,768,197	7.59%
Hong Kong Dollar	700,955	–	700,955	1.41%
Singapore Dollar	647,980	(556)	647,424	1.30%
TOTAL	49,459,891	(14,400)	49,445,491	99.51%

As at June 30, 2008, if the exchange rate between the Canadian Dollar and the foreign currencies the Claymore ETF is exposed to increased or decreased by 5%, with all other variables held constant, the increase or decrease respectively in net assets would approximately amount to $2,472,275.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Income Tax Loss Carryforwards**

As at December 31, 2007, the Claymore ETF had capital losses of $1,064,564 which may be carried forward indefinitely and applied against capital gains realized in a future period.

Note 11 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were $16,832 (2007: $15,225).

There were no soft dollar amounts during the period ended June 30, 2008 (2007: nil).

Management **Discussion & Analysis**

Fund Overview

The Claymore S&P/TSX CDN Preferred Share ETF (the "Fund") has been designed to replicate the performance of the S&P/TSX Preferred Share Index™ (the "Index"), net of expenses. The investment strategy of the Fund is to invest in and hold a proportionate share of the constituents of the Index in the same proportion as they are reflected in the Index. Claymore may use a sampling methodology in selecting investments for the Fund. Sampling means that Claymore will use quantitative analysis to select securities from the Index to obtain a representative sample of securities that resemble the Index in terms of key risk factors, performance attributes, industry weightings, market capitalization and other appropriate financial characteristics.

The Index is designed to serve the investment community's need for an investable benchmark representing the Canadian preferred share market. The Index measures the performance of a selected group of preferred shares listed on the Toronto Stock Exchange. The Index is comprised of preferred shares issued by Canadian entities that meet criteria relating to minimum size, liquidity, issuer rating and exchange listing determined by S&P. The Index is based on a market capitalization weighted scheme and calculated by the divisor methodology used in S&P's equity indices. The Index is rebalanced twice a year, in January and July, when Index shares and constituents are reviewed.

Preferred shares are a class of equity security which pays a specified dividend that must be paid before any dividends can be paid to common share holders, and which takes precedence over common shares in the event of the company's liquidation. Although preferred shares represent a share ownership interest in a company, preferred shares generally do not carry voting rights and have economic characteristics similar to fixed income securities. Preferred shares generally are issued with a fixed par value and pay dividends based on a percentage of that par value at a fixed or variable rate. Additionally, preferred shares often have a liquidation value that generally equals the original purchase price of the preferred share at the date of issuance.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. This report discusses the semi-annual period from December 31, 2007, through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of –3.68%, representing a change in NAV to $16.88 on June 30, 2008, from $17.95 on December 31, 2007. For the same period, the Fund's Advisor Class Units generated a total return of –3.95% on an NAV basis, representing a change in NAV to $16.88 on June 30, 2008, from $17.95 on December 31, 2007. On a market price basis, the Fund's Common Units generated a total return of -3.46%, representing a change in market price to $17.06 on June 30, 2008, from $18.10 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of -1.98%, representing a change in market price to $17.08 on June 30, 2008, from $17.80 on December 31, 2007. For the six month period ended June 30, 2008, the S&P/TSX Preferred Share Index™ returned -3.49%.

The Fund's Common Units paid quarterly dividends of $0.2082 on March 31, 2008, and $0.2097 on June 30, 2008. The Fund's Advisor Class Units paid quarterly dividends of $0.1843 on March 31, 2008, and $0.1868 on June 30, 2008.

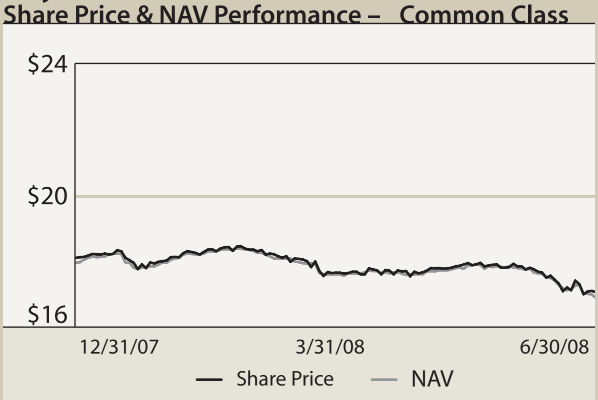
The Fund's Investments and Performance Attribution

For the six-month period from December 31, 2007, through June 30, 2008, the materials and consumer staples sectors made positive contributions to the Fund's return, while all other sectors detracted from return. The telecommunication services sector was the greatest detractor from return.

Holdings that contributed to performance included Brookfield Asset Management Inc. and Xstrata Canada Corp. Securities of these issuers represented 4.3% and 0.9% of net assets, respectively. Positions that detracted from performance included Manulife Financial Corp., Bank of Montreal, and BCE Inc. Securities of these issuers represent 6.5%, 5.3% and 7.6% of net assets, respectively.

Fund **Summary** | As at June 30, 2008 (unaudited)

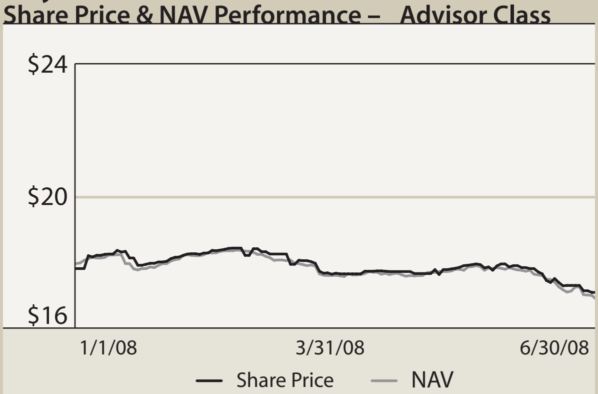
Claymore S&P/TSX CDN Preferred Share ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (04/10/07)	Market	NAV
Six Months	-3.46%	-3.68%
One Year	-6.21%	-6.61%
Since inception - annualized	-7.92%	-8.68%

Claymore S&P/TSX CDN Preferred Share ETF
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (04/10/07)	Market	NAV
Six Months	-1.98%	-3.95%
One Year	-6.49%	-7.12%
Since inception - annualized	-8.30%	-9.18%

Sector Mix	% of Fund's Net Asset Value
Preferred Shares	
Financials	79.0
Telecommunication Services	7.6
Consumer Staples	4.4
Consumer Discretionary	3.2
Energy	2.9
Utilities	1.7
Materials	0.9
Cash and Cash Equivalents	1.2
Net Other Assets	(0.9)
	100.0

Top 25 Issuers	% of Fund's Net Asset Value
Great-West Lifeco Inc., Series E, 4.80%	4.4
BCE Inc., Series AC, 5.54%	3.4
Canadian Imperial Bank of Commerce, Series 23, 5.30%	3.1
IGM Financial Inc., Series A, 5.75%	2.8
Toronto Dominion Bank, Series M, 4.70%	2.7
Toronto-Dominion Bank, Series O, 4.85%	2.7
Manulife Financial Corp., Class A, Series 1, 4.10%	2.7
Canadian Imperial Bank of Commerce, Series 31, 4.70%	2.5
BCE Inc., Series 16, 4.40%	2.4
Sun Life Financial Inc, Series 1, 4.75%.	2.4
Canadian Imperial Bank of Commerce, Class A, Series 30, 4.80%	2.3
Royal Bank of Canada, Series N, 4.70%	2.3
Manulife Financial Corp., Series 2, 4.65%	2.1
Bank of Nova Scotia, Class J, Series 12, 5.25%	2.1
Bank of Montreal, Series 13, 4.50%	2.0
Royal Bank of Canada, Series W, 4.90%	2.0
YPG Holdings Inc., Series 1, 4.25%	2.0
George Weston Ltd., Series II, 5.15%	2.0
Bank of Nova Scotia, Series 14, 4.50%	2.0
Sun Life Financial Inc., Class A,Series 2, 4.80%	1.9
Great-West Lifeco Inc., Series G, 5.20%	1.9
Bank of Nova Scotia, Series 13, 4.80%	1.9
Bank of Montreal, Series 6, 4.75%	1.9
Royal Bank of Canada, Series AB, 4.70%	1.8
Great-West Lifeco Inc., Series H, 4.85%	1.8
	59.1
Total Net Asset Value	**$70,122,092**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Preferred Stocks			
	Energy			
20,966	TransCanada Pipelines Ltd., Series X, 5.60%	$ 1,077,561	$ 1,010,771	
0,966	TransCanada Pipelines Ltd., Series Y, 5.60%	1,075,328	1,012,658	
		2,152,889	2,023,429	2.89%
	Materials			
25,161	Xstrata Canada Corp., Series 2, 1.47%	621,529	639,593	0.91
	Consumer Discretionary			
	Media			
62,890	YPG Holdings Inc., Series 1, 4.25%	1,481,083	1,399,303	
41,925	YPG Holdings Inc., Series 2, 5.00%	876,749	828,019	
		2,357,832	2,227,322	3.18
	Consumer Staples			
	Food & Staples Retailing			
49,266	George Weston Ltd., Series I, 5.80%	1,128,603	970,048	
55,549	George Weston Ltd., Series II, 5.15%	1,420,074	1,388,725	
42,044	George Weston Ltd., Series IV, 5.20%	891,202	737,031	
		3,439,879	3,095,804	4.42
	Financials			
	Banks			
73,374	Bank of Montreal, Series 13, 4.50%	1,572,421	1,412,450	
41,925	Bank of Montreal, Series 5, 5.30%	1,053,799	943,313	
52,415	Bank of Montreal, Series 6, 4.75%	1,324,256	1,320,334	
62,890	Bank of Nova Scotia, Class J, Series 12, 5.25%	1,585,696	1,432,634	
62,890	Bank of Nova Scotia, Series 13, 4.80%	1,480,845	1,321,948	
72,322	Bank of Nova Scotia, Series 14, 4.50%	1,571,241	1,382,073	
83,857	Canadian Imperial Bank of Commerce, Class A, Series 30, 4.80%	1,872,788	1,592,444	
83,857	Canadian Imperial Bank of Commerce, Series 23, 5.30%	2,173,862	2,176,089	
94,340	Canadian Imperial Bank of Commerce, Series 31, 4.70%	2,092,408	1,748,120	
36,687	HSBC Bank Canada, Series C, 5.10%	894,363	763,456	
36,790	HSBC Bank Canada, Series D, 5.00%	883,045	741,319	
41,925	National Bank of Canada, Series 15, 5.85%	1,070,982	983,141	
41,925	National Bank of Canada, Series 16, 4.85%	961,563	840,596	
62,890	Royal Bank of Canada, Series AB, 4.70%	1,448,320	1,248,367	
62,890	Royal Bank of Canada, Series N, 4.70%	1,585,017	1,578,539	
62,890	Royal Bank of Canada, Series W, 4.90%	1,507,769	1,399,931	
73,374	Toronto Dominion Bank, Series M, 4.70%	1,942,107	1,923,133	
89,095	Toronto-Dominion Bank, Series O, 4.85%	2,136,218	1,890,596	
52,415	Toronto-Dominion Bank, Series P, 5.25%	1,281,411	1,206,069	
		28,438,111	25,904,552	37.02
	Diversified Financials			
32,718	DundeeWealth Inc., Series 1, 4.75%	756,696	698,856	
75,471	IGM Financial Inc., Series A, 5.75%	2,046,435	1,996,208	
		2,803,131	2,695,064	3.85

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Insurance			
116,776	Great-West Lifeco Inc., Series E, 4.80%	$ 3,136,463	$ 3,094,563	
62,890	Great-West Lifeco Inc., Series G, 5.20%	1,538,228	1,328,866	
62,890	Great-West Lifeco Inc., Series H, 4.85%	1,467,637	1,242,706	
26,281	Industrial Alliance Insurance and Financial Services Inc., Series A, 4.60%	585,222	520,627	
73,374	Manulife Financial Corp., Class A, Series 1, 4.10%	1,896,163	1,866,635	
73,374	Manulife Financial Corp., Series 2, 4.65%	1,701,291	1,469,681	
62,890	Manulife Financial Corp., Series 3, 4.50%	1,419,458	1,236,417	
41,925	Power Corp. of Canada, Series B, 5.35%	1,017,926	907,676	
31,536	Power Corp. of Canada, Series C, 5.80%	805,604	740,150	
52,415	Power Corp. of Canada., Series D, 5.00%	1,241,687	1,056,162	
41,925	Power Financial Corp., Series E, 5.25%	1,014,770	913,965	
41,925	Power Financial Corp., Series I, 6.00%	1,081,181	1,051,060	
52,415	Power Financial Corp., Series K, 4.95%	1,229,361	1,061,404	
83,857	Sun Life Financial Inc, Series 1, 4.75%.	1,952,616	1,681,333	
68,128	Sun Life Financial Inc., Class A,Series 2, 4.80%	1,590,287	1,369,373	
62,890	Sun Life Financial Inc., Series 4, 4.45%	1,375,440	1,158,434	
		23,053,334	20,699,052]	29.58 %
	Real Estate			
36,687	Brookfield Asset Management Inc., Series 12, 5.40%	935,286	884,890	
52,397	Brookfield Asset Management Inc., Series 13, 4.025%	1,137,690	1,006,546	
54,842	Brookfield Asset Management Inc., Series 2, 4.025%	1,189,925	1,096,840	
41,925	Brookfield Properties Corp., Series F, 6.00%	1,071,090	1,051,060	
41,925	Brookfield Properties Corp., Series H, 5.75%	1,049,980	1,006,619	
41,925	Brookfield Properties Corp., Series J, 5.00%	1,004,422	946,247	
		6,388,393	5,992,202	8.56
	Total Financials	60,682,969	55,290,870	79.01
	Telecommunication Services			
73,818	BCE Inc., Series 16, 4.40%	1,844,915	1,698,552	
52,838	BCE Inc., Series AA, 5.45%	1,284,875	1,229,012	
104,815	BCE Inc., Series AC, 5.54%	2,562,285	2,379,301	
		5,692,075	5,306,865	7.58
	Utilities			
26,281	Fortis Inc., Series C, 5.40%	705,661	689,876	
26,281	Fortis Inc., Series F, 4.90%	600,515	499,602	
		1,306,176	1,189,478	1.70
	Total Preferred Stocks	76,253,349	69,773,361	99.69
	Total Investments	$ 76,253,349	69,773,361	99.69%
	Other assets less liabilities		219,648	0.31
	Net Assets		$ 69,993,009	100.00%

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

Statement of **Net Assets**

	June 30, 2008 (unaudited)	December 31, 2007 (audited)
Assets		
Investments, at fair value (note 2)	$ 69,773,361	$ 44,694,104
Dividends receivable	263,517	148,183
Due from brokers	–	142,292
Cash	855,232	–
	70,892,110	44,984,579
Liabilities		
Distribution payable	859,644	–
Bank indebtedness	–	134,953
Accrued management fees	28,112	18,229
Accrued service fees	11,345	5,059
Due to brokers	–	36,520
	899,101	194,761
Net assets representing unitholders' equity	$ 69,993,009	$ 44,789,818
Net assets representing unitholders' equity		
Advisor Class	$ 8,423,253	$ 5,371,295
Common	61,569,756	39,418,523
	$ 69,993,009	$ 44,789,818
Units outstanding (note 4)		
Advisor Class	500,000	300,000
Common	3,654,000	2,201,500
	4,154,000	2,501,500
Net assets per unit		
Advisor Class	$ 16.85	$ 17.90
Common	$ 16.85	$ 17.91

Approved on behalf of the Fund Manager:

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** For the six months ended June 30, 2008 (unaudited)

		2008
Income		
Dividends	$	1,667,946
Interest		211
		1,668,157
Expenses		
Management fees (note 5)		147,870
Service fees (note 5)		21,843
Interest and bank charges		988
Other		1,183
		171,884
Net investment income		1,496,273
Net realized loss on sale of investments		(671,077)
Change in unrealized depreciation in value of investments		(3,590,408)
Net loss on investments		(4,261,485)
Decrease in net assets from operations	$	(2,765,212)
Decrease in net assets from operations		
Advisor Class	$	(316,952)
Common		(2,448,260)
	$	(2,765,212)
Decrease in net assets from operations per unit		
Advisor Class	$	(0.72)
Common	$	(0.79)

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

Statement of **Changes in Net Assets** For the six months ended June 30, 2008 (unaudited)

	2008
Net assets, beginning of the period (GAAP NAV)	
Advisor Class	$ 5,371,295
Common	39,418,523
	44,789,818
Decrease in net assets from operations	
Advisor Class	(316,952)
Common	(2,448,260)
	(2,765,212)
Capital unit transactions (note 4)	
Issuance of units for cash:	
Advisor Class	3,536,030
Common	25,990,649
	29,526,679
Distribution to unitholders	
From net investment income:	
Advisor Class	(167,120)
Common	(1,391,156)
	(1,558,276)
Increase in net assets for the period	
Advisor Class	3,051,958
Common	22,151,233
	$ 25,203,191
Net assets, end of the period (GAAP NAV)	
Advisor Class	$ 8,423,253
Common	61,569,756
	$ 69,993,009

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

Statement of **Cash Flows** | **For the six months ended June 30, 2008** (unaudited)

		2008
Cash flows from operating activities		
Decrease in net assets from operations	$	(2,765,212)
Items not affecting cash:		
Net realized loss on sale of investments		671,077
Change in unrealized depreciation in value of investments		3,590,408
Change in non-cash working capital items		(99,165)
		1,397,108
Cash flows from investing activities		
Purchase of investments		(39,149,023)
Proceeds from sale of investments		9,914,053
		(29,234,970)
Cash flows from financing activities		
Distribution to unitholders		(698,632)
Issuance of units for cash		29,526,679
		28,828,047
Net increase in cash		990,185
Bank indebtedness, beginning of the period		(134,953)
Cash, end of the period	$	855,232

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore S&P/TSX CDN Preferred Share ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on February 15, 2006 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated April 5, 2007 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units.

The Claymore ETF has been designed to replicate, to the extent possible, the performance of the S&P/TSX Preferred Share Index provided by Standard & Poor's. The investment strategy of the Claymore ETF is to invest in and hold a proportionate share of the constituent securities of the S&P/TSX Preferred Share Index in the same proportion as they are reflected in the S&P/TSX Preferred Share Index.

The Claymore ETF commenced investment operations on April 10, 2007.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA has originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied effective January 1, 2007, without restatement of prior periods. Accordingly, the opening net asset value in the Statement of Changes in Net Assets for the period ended June 30, 2007 has been adjusted.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The fair value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.

2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. There is no impact on the net asset value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF applied this new section effective since inception.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This Section establishes standards for when and how hedge accounting may be applied. The application of section 3865 did not have impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Application of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the application of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	Section 3855 Adjustment	GAAP NAV	Transactional NAV	GAAP NAV
As at June 30, 2008					
Claymore S&P/TSX CDN Preferred Share ETF					
Advisor Class	$ 8,438,788	$ (15,535)	$ 8,423,253	$ 16.88	$ 16.85
Common	61,683,304	(113,548)	61,569,756	$ 16.88	$ 16.85
Total Net Asset Value	$ 70,122,092	$ (129,083)	$ 69,993,009		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units. Unit transactions of the Claymore ETF for the period ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008				December 31, 2007			
	Advisor Class Units		Common Units		Advisor Class Units		Common Units	
	Units	Value	Units	Value	Units	Value	Units	Value
Units outstanding, end of period	300,000	$ 5,718,940	2,201,500	$ 42,457,727	–	$ –	–	$ –
Units issued for cash	200,000	3,536,030	1,452,500	25,990,649	300,000	5,718,940	2,210,000	42,613,129
Units redeemed	–	–	–	–	–	–	(8,500)	(155,402)
Units outstanding, end of period	500,000	$ 9,254,970	3,654,000	$ 68,448,376	300,000	$ 5,718,940	2,201,500	$ 42,457,727

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.45% of the NAV per Common unit of the Claymore ETF, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.45% of the NAV per Advisor Class unit of the Claymore ETF, plus applicable taxes, plus an additional service fee of one-quarter of 0.50% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.50% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 4,313,968
Market Value of Collateral Held	$ 4,596,798

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

The Fund's credit risk concentration is investments in debt instruments. The Fund limits its exposure to credit loss by placing its investments and short-term investments with high credit quality. To maximize the credit quality of its investments, the Manager performs ongoing credit evaluations based upon factors surrounding the credit risk of counterparties, historical trends and other information.

All transactions in listed securities are settled for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

As at June 30, 2008, the Fund invested in debt instruments with the following credit ratings:

Debt instruments by credit ratings	Percentage of investment category (%)
AA/Aa/AA/Bonds A+	25.25
A/A/A/Bond A	46.50
BBB/Baa/BBB/Bonds B++	27.25
BB/Ba/BB/Bonds B+	1.00
Total debt instruments category	100.00

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

As at June 30, 2008, the majority of the Claymore ETF's investments and cash balances are denominated in Canadian dollar. As a result, the Claymore ETF is not significantly exposed to the currency risk.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Income Tax Loss Carryforwards**

The Claymore ETF has capital losses of $115,252 which may be carried forward indefinitely and applied against capital gains realized in a future period.

Note 11 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were zero (2007 – nil).

There were no soft dollar amounts during the period ended June 30, 2008.

Management **Discussion & Analysis**

Fund Overview

The Claymore S&P/TSX Global Mining ETF (the "Fund") has been designed to replicate the performance of the S&P/TSX Global Mining Index (the "Index"), net of expenses. The Fund's investment strategy is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index.

The Index currently comprises approximately 80 stocks selected based on the relative importance of the global mining industry within their business model and has a balanced representation from different segments of the mining industry including: Aluminum, Diversified Metals & Mining, Gold, Precious Metals & Minerals, and Coal & Consumable Fuels. To ensure investability, a developed market listing and a minimum market capitalization of $300 million are required.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. This report discusses the semi-annual period from December 31, 2007, through June 30, 2008. On an NAV basis, the Fund's Common Units generated a total return of 19.26%, representing a change in NAV to $26.30 on June 30, 2008, from $22.05 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on an NAV basis, of 18.79%, representing a change in NAV to $26.15 on June 30, 2008, from $22.02 on December 31, 2007. On a market price basis, the Fund's Common Units generated a total return of 19.62%, representing a change in market price to $26.40 on June 30, 2008, from $22.07 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of 18.40%, representing a change in market price to $26.19 on June 30, 2008, from $22.12 on December 31, 2007.

For the six month period ended June 30, 2008, the S&P/TSX Global Mining Index returned 19.59%.

The Fund's Investments and Performance Attribution

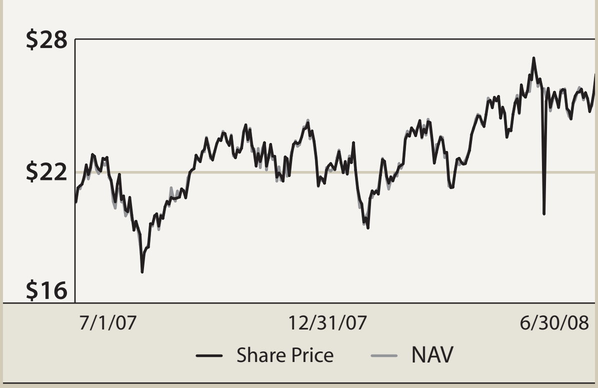
For the six-month period from December 31, 2007, through June 30, 2008, the materials sector, in which the Fund's holdings are concentrated, posted a return of more than 26%, making it one of the best performing sectors in the S&P/TSX Composite Index, which is the primary gauge of the Canadian equity market.

Holdings that contributed strongly to performance include BHP Billiton Ltd. and BHP Billiton PLC (15.61% and 9.26% of net assets, respectively), two related companies that together form an international natural resources group, and Rio Tinto PLC (11.87% of net assets), a London-based diversified international mining company. BHP Billiton Ltd. and Rio Tinto PLC are in the process of securing regulatory approval to merge.

Positions that detracted from performance included Aluminum Corp. of China Ltd., which dropped after being very strong in late 2007; Uranium One Inc., a miner with operations in South Africa and Kazakhstan; and AngloGold Ashanti Ltd., a gold producer based in South Africa (0.49%, 0.24% and 1.08% of net assets, respectively).

Performance **Highlights** | As at June 30, 2008 (unaudited)

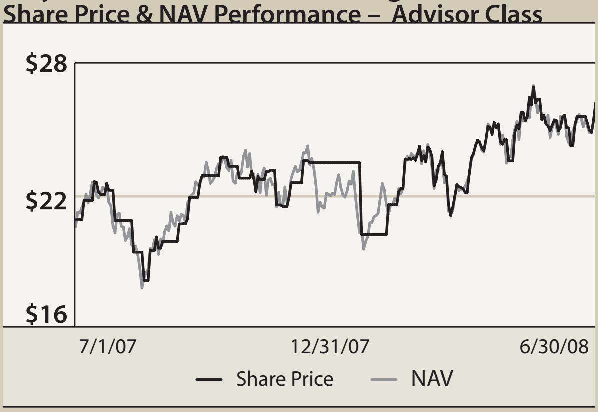
Claymore S&P/TSX Global Mining ETF
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (06/12/07)	Market	NAV
Six months	19.62%	19.26%
One year	29.27%	28.95%
Since inception - average annual	31.37%	30.90%

Claymore S&P/TSX Global Mining ETF
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (06/12/07)	Market	NAV
Six months	18.40%	18.79%
One year	26.23%	27.94%
Since inception - average annual	30.03%	29.85%

Sector Mix

Sector Mix	% of Fund's Net Asset Value
Equities	
Materials	87.3
Energy	11.4
Income Trusts	
Energy	1.2
Cash and Cash Equivalents	0.1
	100.0

Top 25 Issuers

Top 25 Issuers	% of Fund's Net Asset Value
BHP Billiton Ltd., ADR	15.6
Rio Tinto PLC, ADR	11.9
BHP Billiton PLC	9.3
Cia Vale do Rio Doce, ADR	5.6
Anglo American PLC Unpons ADR	5.1
Freeport-McMoRan Copper & Gold Inc.	4.9
Barrick Gold Corp.	4.4
Goldcorp Inc.	3.6
Alcoa Inc.	3.2
Peabody Energy Corp.	2.6
Newmont Mining Corp.	2.5
Teck Cominco Ltd.	2.3
Consol Energy Inc.	2.2
Cameco Corp.	1.6
Kinross Gold Corp.	1.6
Fording Canadian Coal Trust	1.2
Yamana Gold Inc.	1.2
Agnico-Eagle Mines Ltd.	1.2
Arch Coal Inc.	1.2
AngloGold Ashanti Ltd., ADR	1.1
Gold Fields Ltd.	0.9
Massey Energy Co.	0.8
Alpha Natural Resources Inc.	0.8
Lihir Gold Ltd., ADR	0.7
Cia de Minas Buenaventura SA, ADR	0.6
	86.1
Total Net Asset Value	**$41,673,092**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

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

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Income Trusts			
	Energy			
5,341	Fording Canadian Coal Trust	$ 217,427	$ 518,077	1.25%
	Canadian Common Stocks			
	Energy			
15,407	Cameco Corp.	745,015	673,440	
2,418	CIC Energy Corp.	34,935	18,546	
7,556	Denison Mines Corp.	64,129	67,324	
6,480	UEX Corp.	41,193	28,901	
20,943	Uranium One Inc.	158,779	100,108	
4,789	Western Canadian Coal Corp.	51,721	42,862	
		1,095,772	931,181	2.24
	Materials			
6,427	Agnico-Eagle Mines Ltd.	320,636	487,938	
4,270	Alamos Gold Inc.	25,782	26,261	
1,209	Altius Minerals Corp.	15,032	10,542	
3,205	Anvil Mining Ltd.	49,491	30,768	
2,800	Aquiline Resources Inc.	26,492	21,588	
12,386	Aura Minerals Inc.	18,286	20,065	
5,268	Aurelian Resources Inc.	45,001	29,712	
6,620	Aurizon Mines Ltd.	25,853	32,372	
38,993	Barrick Gold Corp.	1,405,537	1,811,615	
3,663	Capstone Mining Corp.	14,835	14,359	
3,090	Centerra Gold Inc.	33,728	14,739	
995	Detour Gold Corp.	19,764	24,447	
30,419	Eastern Platinum Ltd.	79,846	82,740	
15,428	Eldorado Gold Corp.	97,234	134,069	
26,495	Equinox Minerals Ltd.	107,816	117,638	
3,058	First Quantum Minerals Ltd.	286,022	214,977	
2,222	First Uranium	16,659	13,888	
3,787	FNX Mining Co. Inc.	124,822	91,267	
3,722	Fronteer Development Group Inc.	37,040	19,019	
9,306	Gabriel Resources Ltd.	14,953	25,685	
5,332	Gammon Gold Inc.	43,770	57,959	
4,554	Gold Eagle Mines Ltd.	34,688	40,622	
31,776	Goldcorp Inc.	985,357	1,493,472	
10,617	Golden Star Resources Ltd.	34,747	28,878	
3,362	Grande Cache Coal Corp.	33,250	28,745	
9,472	Great Basin Gold Ltd.	27,941	32,489	
2,745	Harry Winston Diamond Corp.	104,071	79,825	
13,865	High River Gold Mines Ltd.	35,319	21,352	
5,655	HudBay Minerals Inc.	128,924	80,131	
13,272	Iamgold Corp.	102,614	80,959	
1,909	Inmet Mining Corp.	156,051	128,858	
3,114	International Royalty Corp.	16,925	16,753	

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
12,237	Ivanhoe Mines Ltd.	$ 166,254	$ 134,974	
2,886	Jaguar Mining Inc.	28,080	28,427	
7,065	Katanga Mining Ltd.	105,907	91,986	
27,510	Kinross Gold Corp.	469,727	662,441	
2,217	Kirkland Lake Gold Inc.	25,777	22,414	
2,632	Laramide Resources Ltd.	17,573	12,792	
14,796	Lundin Mining Corp.	166,517	91,883	
1,066	Major Drilling Group International	48,766	53,300	
8,373	Mega Uranium Ltd.	25,123	19,258	
3,351	Mercator Minerals Ltd.	29,954	40,681	
4,313	Metallica Resources Inc.	23,498	29,242	
2,234	Minefinders Corp.	26,417	23,412	
2,199	North American Palladium Ltd.	12,488	12,095	
11,469	Northgate Minerals Corp.	37,248	31,999	
4,741	Novagold Resources Inc.	38,367	36,032	
14,166	Orezone Resources Inc.	21,915	17,424	
3,613	Pan American Silver Corp.	114,061	126,672	
2,899	Quadra Mining Ltd.	49,992	61,488	
7,429	Red Back Mining Inc.	48,412	63,741	
13,051	Sherritt International Corp., Restricted Voting Shares	199,844	200,202	
8,234	Shore Gold Inc.	36,651	21,985	
2,804	Silver Standard Resources Inc.	101,778	81,540	
10,007	Silver Wheaton Corp.	148,782	149,705	
6,886	Silvercorp Metals Inc.	50,399	41,316	
1,815	Skye Resources Inc.	14,147	15,536	
6,445	Taseko Mines Ltd.	33,640	33,643	
19,536	Teck Cominco Ltd.	747,816	956,092	
5,546	Thompson Creek Metals Company Inc.	109,183	109,922	
2,128	Timminco Ltd.	38,350	58,243	
6,097	Western Goldfields Inc.	20,375	14,206	
30,322	Yamana Gold Inc.	420,418	510,319	
		7,845,945	9,066,702	21.82%
	Total Canadian Common Stocks	8,941,717	9,997,883	24.06
	Foreign Common Stocks			
	Energy			
3,145	Alpha Natural Resources Inc.	107,540	332,221	
6,447	Arch Coal Inc.	284,268	489,775	
8,175	Consol Energy Inc.	485,727	930,994	
2,029	Foundation Coal Holdings Inc.	97,365	182,179	
1,133	James River Coal Co.	27,972	67,475	
3,604	Massey Energy Co.	127,129	342,425	
27,428	Paladin Energy Ltd.	161,921	170,876	
12,144	Peabody Energy Corp.	674,584	1,084,343	
4,972	USEC Inc.	38,549	30,619	
1,752	Yanzhou Coal Mininads	140,417	165,307	
		2,145,472	3,796,214	9.14

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Materials			
36,458	Alcoa Inc.	$ 1,450,074	$ 1,317,527	
948	Alliance Resource Partners LP	34,307	53,379	
12,892	Alumina Ltd., ADR	327,065	236,217	
7,056	Aluminum Corp. of China Ltd., ADR	297,286	204,308	
840	AMCOL International Corp.	24,735	24,254	
3,746	Anatolia Minerals Development Ltd.	19,444	12,774	
59,137	Anglo American PLC Unpons ADR	1,976,860	2,122,107	
13,027	AngloGold Ashanti Ltd., ADR	515,319	447,512	
2,651	Apex Silver Mines Ltd.	44,453	13,206	
75,107	BHP Billiton Ltd., ADR	5,113,670	6,486,881	
49,358	BHP Billiton PLC	3,062,239	3,848,847	
919	Brush Engineered Materials Inc.	41,112	22,759	
1,428	Century Aluminum Co.	83,841	96,242	
3,999	Cia de Minas Buenaventura SA, ADR	192,314	265,218	
64,016	Cia Vale do Rio Doce, ADR	1,886,513	2,324,465	
24,640	Coeur dAlene Mines Corp.	99,115	72,496	
1,449	Compass Minerals International Inc.	64,755	118,415	
5,891	European Goldfields Ltd.	34,700	27,982	
17,141	Freeport-McMoRan Copper & Gold Inc.	1,605,822	2,037,978	
3,174	General Moly Inc.	25,843	25,343	
29,213	Gold Fields Ltd.	471,560	374,328	
15,175	Harmony Gold Mining Co. Ltd.	164,085	188,136	
5,541	Hecla Mining Co.	51,047	52,056	
5,724	International Coal Group Inc.	37,814	75,785	
678	Kaiser Aluminum Corp.	48,447	36,821	
8,533	Lihir Gold Ltd., ADR	261,102	274,431	
19,528	Newmont Mining Corp.	882,689	1,032,409	
1,196	Patriot Coal Corp.	51,248	185,330	
3,410	Randgold Resources Ltd., ADR	116,247	159,453	
9,888	Rio Tinto PLC, ADR	3,533,826	4,933,266	
1,325	Royal Gold Inc.	38,248	42,143	
1,028	RTI International Metals Inc.	74,779	37,150	
1,923	Stillwater Mining Co.	25,548	23,061	
3,832	Titanium Metals Corp.	96,983	54,312	
		22,753,090	27,226,591	65.51 %
	Total Foreign Common Stocks	24,898,562	31,022,805	74.65
	Total Investments	$ 34,057,706	41,538,765	99.96%
	Other assets less liabilities		16,979	0.04
	Net Assets		$ 41,555,744	100.00%

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

Statement of **Net Assets**

	June 30, 2008 (unaudited)	December 31, 2007 (audited)
Assets		
Investments, at fair value (note 2)$	41,538,765	$ 26,150,055
Dividend receivable	28,568	3,672
Due from brokers	–	1,084,796
Cash	27,482	–
	41,594,815	27,238,523
Liabilities		
Distribution payable	–	12
Bank indebtedness	–	169,577
Accrued management fees	19,550	37,187
Accrued service fees	19,521	9,305
Due to brokers	–	902,704
	39,071	1,118,785
Net assets representing unitholders' equity	$ 41,555,744	$ 26,119,738
Net assets representing unitholders' equity		
Advisor Class	$ 11,393,806	$ 4,106,964
Common	30,161,938	22,012,774
	$ 41,555,744	$ 26,119,738
Units outstanding (note 4)		
Advisor Class	436,900	186,900
Common	1,150,000	1,000,000
	1,586,900	1,186,900
Net assets per unit		
Advisor Class	$ 26.08	$ 21.97
Common	$ 26.23	$ 22.01

Approved on behalf of the Fund Manager:

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the period ended June 30, 2008** (unaudited)

		2008
Income		
Dividends	$	195,566
Interest		39
Securities lending		(1,619)
		193,986
Expenses		
Management fees (note 5)		91,762
Service fees (note 5)		29,867
Interest and bank charges		1,328
Other		844
		123,801
Net investment income		70,185
Net realized loss on sale of investments		(139,781)
Net realized gain on foreign exchange		2,607
Change in unrealized appreciation in value of investments		5,702,023
Change in unrealized depreciation in foreign exchange		(1,253)
Net gain on investments		5,563,596
Increase in net assets from operations	$	5,633,781
Increase in net assets from operations		
Advisor Class	$	1,302,442
Common		4,331,339
	$	5,633,781
Increase in net assets from operations per unit		
Advisor Class	$	4.42
Common	$	4.16

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

Statement of **Changes in Net Assets** | **For the period ended June 30, 2008** (unaudited)

		2008
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$	4,106,964
Common		22,012,774
		26,119,738
Increase in net assets from operations		
Advisor Class		1,302,442
Common		4,331,339
		5,633,781
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class		5,984,400
Common		3,817,825
		9,802,225
Increase in net assets for the period		
Advisor Class		7,286,842
Common		8,149,164
	$	15,436,006
Net assets, end of the period (GAAP NAV)		
Advisor Class	$	11,393,806
Common		30,161,938
	$	41,555,744

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

Statement of **Cash Flows** | **For the period ended June 30, 2008** (unaudited)

		2008
Cash flows from operating activities		
Increase in net assets from operations	$	5,633,781
Items not affecting cash:		
Net realized loss on sale of investments		139,781
Change in unrealized appreciation in value of investments		(5,702,023)
Change in non-cash working capital items		(32,317)
		39,222
Cash flows from investing activities		
Purchase of investments		(12,660,877)
Proceeds from sale of investments		3,016,501
		(9,644,376)
Cash flows from financing activities		
Distribution to unitholders		(12)
Issuance of units for cash		9,802,225
		9,802,213
Net decrease in cash		197,059
Bank indebtedness, beginning of the period		(169,577)
Cash, end of the period	$	27,482

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore S&P/TSX Global Mining ETF (the "Claymore ETF") was established under the laws of the Province of Ontario on June 7, 2007 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated June 7, 2007 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units.

The Claymore ETF has been designed to replicate, to the extent possible, the performance of the S&P/TSX Global Mining Index provided by Standard & Poor's. The investment strategy of the Claymore ETF is to invest in and hold a proportionate share of the constituent securities of the S&P/TSX Global Mining Index in the same proportion as they are reflected in the S&P/TSX Global Mining Index.

The Claymore ETF commenced investment operations on June 12, 2007.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 7 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA had originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 were adopted by the Claymore ETF at inception.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments:

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The fair value of any security for which a market quotation is not readily available will be determined by the Manager using the valuation techniques commonly used by market participants.

2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs:

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. There is no impact on the net asset value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

The CICA reissued Section 3860 (as section 3861) of the CICA Handbook, Financial Instruments – Disclosure and Presentation, which establishes standards for presentation of financial instruments and non-financial derivatives, and identifies the information that should be disclosed about them. These revisions come into effect for fiscal years beginning on or after October 1, 2006. The Claymore ETF applied this new section effective January 1, 2007.

The CICA issued section 3865 of the CICA Handbook, Hedges. The section is effective for fiscal years beginning on or after October 1, 2006. This Section establishes standards for when and how hedge accounting may be applied. The application of section 3865 did not have an impact on the Claymore ETF's financial statements.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	Section 3855 Adjustment	GAAP NAV	Transactional NAV	GAAP NAV
As at June 30, 2008					
Claymore S&P/TSX Global Mining ETF					
Advisor Class	$ 11,425,982	$ (32,176)	$ 11,393,806	$ 26.15	$ 26.08
Common	30,247,110	(85,172)	30,161,938	$ 26.30	$ 26.23
Total Net Asset Value	$ 41,673,092	$ (117,348)	$ 41,555,744		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units and an unlimited number of Advisor Class units. Unit transactions of the Claymore ETF for the period ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008				December 31, 2007			
	Advisor Class Units		Common Units		Advisor Class Units		Common Units	
	Units	Value	Units	Value	Units	Value	Units	Value
Units outstanding, begining of period	186,900	$ 3,757,216	1,000,000	$ 20,653,045	–	$ –	–	$ –
Units issued for cash	250,000	5,984,400	150,000	3,817,825	200,000	4,013,476	1,000,000	20,653,045
Units redeemed	–	–	–	–	(13,100)	(256,260)	–	–
Units outstanding, end of period	436,900	$ 9,741,616	1,150,000	$ 24,470,870	186,900	$ 3,757,216	1,000,000	$ 20,653,045

Note 5 – **Expense**

A monthly management fee equal to one-twelfth of 0.55% of the NAV of the Common units of the Claymore ETF at month end, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.55% of the NAV of the Advisor Class units of the Claymore ETF at month end, plus applicable taxes, plus an additional service fee of one-quarter of 0.75% of the NAV of the Advisor Class units of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and with-holding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETFpursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 6,987,315
Market Value of Collateral Held	$ 7,445,414

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $2,076,938; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

The Claymore ETF invests in securities denominated in U.S. dollars. The Claymore ETF's reporting currency is the Canadian dollar. Consequently, the Claymore ETF is exposed to risks that the exchange rate of the Canadian dollar relative to the U.S. dollar may change in a manner which has an adverse effect on the reported value of that portion of the Claymore ETF's assets.

The table below summarizes the Claymore ETF's exposure to currency risks.

Currency	Investments ($)	Cash ($)	Total ($)	Percentage of NAV (%)
US Dollar	30,811,175	–	30,811,175	74.14%

As at June 30, 2008, if the exchange rate between the Canadian Dollar and the U.S. dollars the Claymore ETF is exposed to increased or decreased by 5%, with all other variables held constant, the increase or decrease respectively in net assets would approximately amount to $1,540,559.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Income Tax Loss Carryforwards**

As at December 31, 2007, the Claymore ETF has capital losses of $152,967 which may be carried forward indefinitely and applied against capital gains realized in a future period.

Note 11 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were nil (2007: nil).

There were no soft dollar amounts during the period ended June 30, 2008.

Management **Discussion & Analysis**

Fund Overview

The Claymore U.S. Fundamental Index ETF C$ hedged Fund (the "Fund") has been designed to replicate to the extent possible, net of expenses, the performance of the FTSE RAFI US 1000 Canadian Dollar Hedged Index (the "Index"), which comprises the largest 1,000 U.S.-listed companies by fundamental value. The Fund's investment strategy is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index. Claymore may use a sampling methodology in selecting investments for the Fund. Sampling means that Claymore will use quantitative analysis to select securities from the Index to obtain a representative sample of securities that resemble the Index in terms of key risk factors, performance attributes, industry weightings, market capitalization and other appropriate financial characteristics.

The Index weights constituents using four accounting factors, rather than market capitalization. These four factors include:

- **Total cash dividends** (five-year average of all regular and special distributions declared)
- **Free cash flow** (five-year average of operating income plus depreciation)
- **Total sales** (five-year average total sales)
- **Book equity value** (current period book equity value)

By using these factors rather than market capitalization to weight stocks, Fundamental Indexation seeks to take advantage of price movements by reducing the index's holdings in constituents whose prices have risen relative to other constituents, and increasing holdings in companies whose prices have fallen behind. (FTSE International Limited calculates and publishes the FTSE RAFI Index Series. Information concerning the methodology of the Index is available on its website at www.ftse.com.) In addition, Fundamental Indexation seeks to decrease exposure to high P/E stocks during episodes of what the provider of the Index considers unsustainable P/E expansion. Therefore, this approach seeks to avoid over-exposure to the more overvalued stocks. The Fund offers the advantages of an active management strategy with the highlights of a passive investment: lower turnover costs and transparent rules-based selection. The Fund hedges its exposure to U.S. currency as it seeks to eliminate foreign currency return risk for Canadian investors.

Fund and Market Performance

All Fund returns cited—whether based on net asset value ("NAV") or market price—assume the reinvestment of all distributions. On an NAV basis, the Fund's Common Units generated a total return of -16.32%, representing a change in NAV to $17.38 on June 30, 2008, from $20.97 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on an NAV basis, of -16.73%, representing a change in NAV to $17.35 on June 30, 2008, from $20.94 on December 31, 2007. On a market price basis, the Fund's Common Units generated a total return of -16.12%, representing a change in market price to $17.49 on June 30, 2008, from $21.05 on December 31, 2007. The Fund's Advisor Class Units generated a total return, on a market price basis, of -16.60%, representing a change in market price to $17.43 on June 30, 2008, from $21.00 on December 31, 2007.

For the six months ended June 30, 2008, the FTSE RAFI US 1000 Canadian Dollar Hedged Index returned -15.80%. The Russell 1000 Index, which is generally representative of the large-capitalization segment of the U.S. stock market, returned -11.20% in U.S. dollars and -8.78% in Canadian dollars.

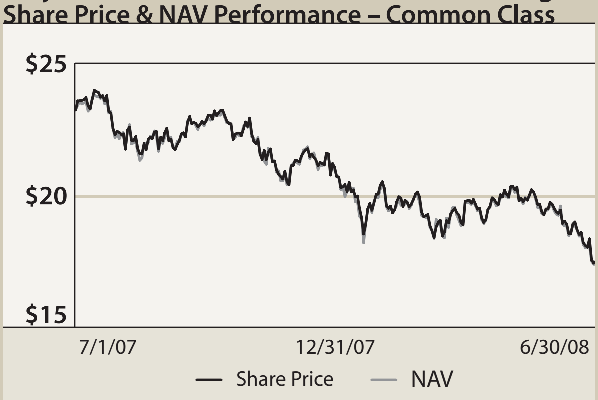
The Fund's Common Units paid quarterly dividends of $0.0880 on March 31, 2008, and $0.0851 on June 30, 2008. The Fund's Advisor Class Units paid quarterly dividends of $0.0435 on March 31, 2008, and June 30, 2008.

The Fund's Investments and Performance Attribution

For the six-month period from December 31, 2007 through June 30, 2008, only the oil & gas sector made a positive contribution to return. The financials sector was the greatest detractor from return. Holdings that contributed strongly to performance included Sprint Nextel Corp., ConocoPhillips, Occidental Petroleum Corp. and Halliburton Co. (0.10%, 1.91%, 0.47% and 0.30% of net assets, respectively). Major detractors from performance include Citigroup Inc., Bank of America Corp. and American International Group Inc. (2.54%, 1.91% and 1.10% of total investments, respectively).

Performance **Highlights** | As at June 30, 2008 (unaudited)

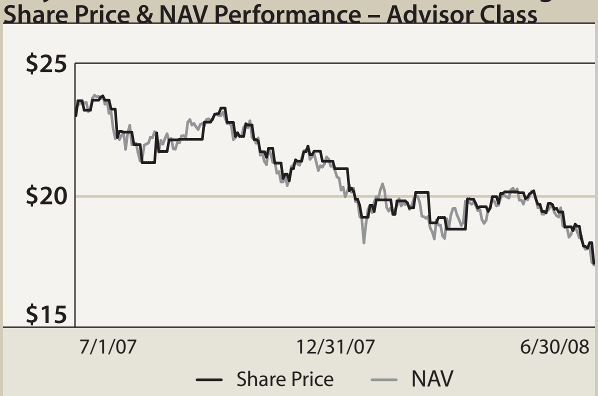
Claymore US Fundamental Index ETF C$ hedged
Share Price & NAV Performance – Common Class



Total Returns – Common Class

Inception (06/15/05)	Market	NAV
Six months	-16.12%	-16.32%
One year	-23.01%	-23.53%
Since inception - average annual	-5.46%	-5.78%

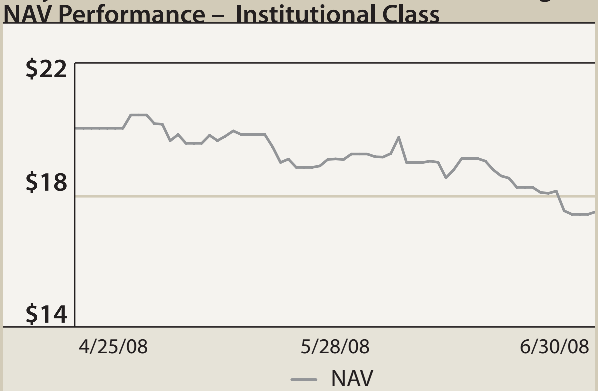
Claymore US Fundamental Index ETF C$ hedged
Share Price & NAV Performance – Advisor Class



Total Returns – Advisor Class

Inception (06/15/05)	Market	NAV
Six months	-16.60%	-16.73%
One year	-23.20%	-24.27%
Since inception - average annual	-6.40%	-6.63%

Claymore US Fundamental Index ETF C$ hedged
NAV Performance – Institutional Class



Total Returns – Institutional Class

Inception (04/25/08)	Market	NAV
Since inception - average annual	N/A	-12.64%

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

Sector Mix	% of Fund's Net Asset Value
Real Estate Investment Trusts	0.6
Equities	
Financials	20.6
Energy	12.5
Consumer Staples	11.7
Industrials	10.5
Information Technology	10.4
Health Care	9.8
Consumer Discretionary	9.5
Utilities	6.0
Telecommunication Services	5.0
Materials	3.1
Cash and Cash Equivalents	0.6
Net Other Assets	(0.3)
	100.0

Top 25 Issuers	% of Fund's Net Asset Value
Exxon Mobil Corp.	4.1
General Electric Co.	2.8
Citigroup Inc.	2.5
Chevron Corp.	2.5
Microsoft Corp.	2.4
Wal-Mart Stores Inc.	2.0
AT&T Inc.	2.0
Verizon Communications Inc.	1.9
Bank of America Corp.	1.9
ConocoPhillips	1.9
JP Morgan Chase & Co.	1.8
Pfizer Inc.	1.7
Johnson & Johnson	1.4
Procter & Gamble Co.	1.4
Philip Morris International Inc.	1.4
International Business Machines Corp.	1.2
American International Group Inc.	1.1
Wells Fargo & Co.	1.1
Intel Corp.	1.0
Sprint Nextel Corp.	1.0
Ford Motor Co.	0.9
Merck & Co. Inc.	0.8
Time Warner Inc.	0.8
Hewlett-Packard Co.	0.8
Morgan Stanley	0.7
	41.1
Total Net Asset Value	**$33,754,388**

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund.

Statement of **Investment Portfolio** | **As at June 30, 2008** (unaudited)

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Real Estate Investment Trusts			
465	Boston Properties Inc.	$ 45,342	$ 42,520	
1,284	Equity Residential	54,775	49,828	
530	Simon Property Group Inc.	52,547	48,335	
547	Vornado Realty Trust	50,282	48,836	
		202,946	189,519	0.56%
	Common Stocks			
	Energy			
1,329	Anadarko Petroleum Corp.	90,356	100,909	
664	Apache Corp.	85,374	93,592	
601	Baker Hughes Inc.	45,974	53,170	
1,093	Chesapeake Energy Corp.	56,201	73,143	
8,235	Chevron Corp.	721,172	827,377	
6,711	ConocoPhillips	550,583	641,237	
967	Devon Energy Corp.	108,638	117,758	
2,681	El Paso Corp.	47,104	59,079	
15,396	Exxon Mobil Corp.	1,339,258	1,372,060	
1,847	Halliburton Co.	80,239	99,390	
602	Hess Corp.	61,425	77,065	
2,950	Marathon Oil Corp.	142,069	155,153	
495	National Oilwell Varco Inc.	42,613	44,555	
1,692	Occidental Petroleum Corp., with PFD. Rights	136,781	154,118	
1,088	Schlumberger Ltd.	102,495	118,485	
2,665	Valero Energy Corp.	133,288	111,260	
987	Weatherford International Ltd.	44,973	49,597	
1,401	Williams Cos. Inc.	49,996	57,253	
		3,838,539	4,205,201	12.49
	Materials			
561	Air Products & Chemicals Inc.	54,908	56,188	
3,193	Alcoa Inc.	118,087	115,389	
754	Ashland Inc.	38,835	36,841	
5,479	Dow Chemical Co.	222,967	193,832	
3,598	EI Du Pont de Nemours & Co.	179,807	156,454	
408	Freeport-McMoRan Copper & Gold Inc., Class B	43,881	48,509	
3,186	International Paper Co., with Rights	97,243	75,217	
404	Monsanto Co.	49,092	51,698	
829	Nucor Corp.	60,492	62,802	
831	PPG Industries Inc.	56,332	48,309	
551	Praxair Inc.	49,994	52,620	
350	United States Steel Corp.	65,186	65,610	
1,530	Weyerhaeuser Co., with PFD. Rights	105,891	79,243	
		1,142,715	1,042,712	3.09

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Industrials			
	Capital Goods			
1,997	3M Co.	$ 157,175	$ 140,831	
1,896	Boeing Co., with PFD. Rights	149,725	126,399	
1,668	Caterpillar Inc., with Rights	134,192	124,754	
527	Cummins Inc.	37,942	34,967	
891	Deere & Co., with PFD. Rights	74,521	65,203	
582	Eaton Corp.	50,572	50,172	
2,178	Emerson Electric Co., with PFD. Rights	116,545	109,159	
1,009	General Dynamics Corp.	88,269	86,102	
35,466	General Electric Co.	1,268,161	956,401	
2,097	Honeywell International Inc.	122,009	106,843	
1,439	Illinois Tool Works Inc.	72,850	69,362	
1,203	Ingersoll-Rand Co. Ltd., Class A	52,190	45,683	
1,018	Lockheed Martin Corp.	106,571	101,794	
3,140	Masco Corp.	64,250	50,079	
1,584	Northrop Grumman Corp.	123,054	107,511	
1,545	Paccar Inc.	73,018	65,568	
556	Parker-Hannifin Corp., with Rights	43,049	40,169	
1,338	Raytheon Co.	82,131	76,276	
761	Textron Inc.	44,225	37,005	
1,783	Tyco Electronics Ltd.	64,306	64,796	
3,488	Tyco International Ltd.	152,319	141,691	
2,447	United Technologies Corp.	174,655	153,052	
		3,251,729	2,753,817	8.17%
	Commercial Services & Supplies			
4,042	Allied Waste Industries Inc.	55,845	51,711	
1,140	RR Donnelley & Sons Co.	35,915	34,339	
2,121	Waste Management Inc.	74,206	81,060	
		165,966	167,110	0.50
	Transportation			
891	Burlington Northern Santa Fe Corp.	87,726	90,161	
1,041	CSX Corp.	62,268	66,146	
1,176	FedEx Corp.	109,971	93,814	
1,078	Norfolk Southern Corp.	62,966	68,465	
1,464	Union Pacific Corp.	93,174	111,947	
3,071	United Parcel Service Inc., Class B	231,463	191,490	
		647,568	622,023	1.85
	Total Industrials	4,065,263	3,542,950	10.52
	Consumer Discretionary			
	Automobiles & Components			
59,492	Ford Motor Co.	410,942	290,320	
17,098	General Motors Corp.	395,830	198,273	
2,597	Johnson Controls Inc.	89,020	75,407	
		895,792	564,000	1.67

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Consumer Durables & Apparel			
3,507	DR Horton Inc.	$ 55,064	$ 38,533	
640	Fortune Brands Inc.	42,945	40,472	
812	Nike Inc., Class B	55,258	49,108	
		153,267	128,113	0.38 %
	Consumer Services			
1,956	Carnival Corp.	79,208	65,328	
4,461	Hertz Global Holdings Inc.	55,527	43,268	
2,428	McDonald's Corp.	140,950	138,340	
		275,685	246,936	0.73
	Media			
4,489	CBS Corp., Class B	108,611	88,581	
1,820	Clear Channel Communications Inc.	56,298	64,922	
7,403	Comcast Corp., Class A	149,904	142,253	
3,868	Comcast Corp., Special Class A	76,930	73,619	
1,615	DIRECTV Group Inc.	41,720	42,470	
2,030	Gannet Co. Inc., with PFD. Rights	67,051	44,630	
1,006	McGraw-Hill Cos. Inc.	40,055	40,887	
8,085	News Corp., Class A	149,895	123,121	
997	Omnicom Group Inc.	46,386	45,255	
17,719	Time Warner Inc.	283,417	265,158	
1,194	Viacom Inc., Class B	46,680	36,959	
5,654	Walt Disney Co.	183,747	178,799	
		1,250,694	1,146,654	3.40
	Retailing			
1,689	Best Buy Co. Inc.	74,533	67,720	
1,396	eBay Inc.	40,069	38,679	
10,465	Home Depot Inc.	299,866	248,019	
2,163	IAC/InterActiveCorp.	51,448	42,331	
1,239	JC Penney Co. Inc.	53,697	45,605	
1,206	Kohl's Corp.	56,749	48,881	
3,623	Liberty Media Corp., Interactive Class A	65,591	54,217	
2,981	Limited Brands Inc.	55,862	50,900	
5,411	Lowe's Cos. Inc.	132,005	113,582	
3,138	Macy's Inc.	76,203	61,636	
3,531	Office Depot Inc.	43,533	39,191	
810	Sears Holdings Corp.	79,706	60,533	
2,096	Staples Inc.	48,476	50,483	
2,915	Target Corp.	154,467	137,460	
1,251	TJX Cos. Inc.	41,896	39,916	
		1,274,101	1,099,153	3.26
	Total Consumer Discretionary	3,849,539	3,184,856	9.44

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Consumer Staples			
	Food & Staples Retailing			
1,852	Costco Wholesale Corp.	$ 123,317	$ 131,864	
2,138	CVS Caremark Corp.	89,294	85,723	
4,775	Kroger Co.	130,860	139,715	
2,926	Safeway Inc.	96,025	84,753	
2,183	Supervalu Inc.	78,163	68,303	
3,006	Sysco Corp., with PFD. Rights	97,569	83,837	
3,273	Walgreen Co.	121,302	107,787	
12,030	Wal-Mart Stores Inc.	655,471	684,580	
		1,392,001	1,386,562	4.11 %
	Food Beverage & Tobacco			
9,240	Altria Group Inc.	448,507	192,363	
2,167	Anheuser-Busch Cos. Inc.	108,298	136,551	
2,290	Archer-Daniels-Midland Co.	99,158	78,273	
480	Bunge Ltd.	51,669	52,399	
4,547	Coca-Cola Co.	275,804	239,238	
3,164	ConAgra Foods Inc.	74,576	61,889	
1,314	General Mills Inc.	80,603	80,907	
1,202	HJ Heinz Co.	57,149	58,279	
840	Kellogg Co.	43,991	40,873	
7,337	Kraft Foods Inc., Class A	245,401	211,775	
3,012	PepsiCo Inc.	212,311	194,289	
9,240	Philip Morris International Inc.	489,428	462,347	
5,643	Sara Lee Corp.	88,939	70,018	
4,095	Tyson Foods Inc., Class A	67,550	62,069	
		2,343,384	1,941,270	5.76
	Household & Personal Products			
902	Colgate-Palmolive Co.	69,993	63,162	
1,594	Kimberly-Clark Corp.	103,441	96,659	
7,568	Procter & Gamble Co.	521,371	466,214	
		694,805	626,035	1.86
	Total Consumer Staples	4,430,190	3,953,867	11.73
	Health Care			
	Health Care Equipment & Services			
1,071	Aetna Inc.	47,556	44,028	
1,988	AmerisourceBergen Corp.	85,331	80,616	
1,102	Baxter International Inc.	66,265	71,398	
5,730	Boston Scientific Corp.	75,093	71,330	
2,313	Cardinal Health Inc.	130,460	120,853	
1,169	Covidien Ltd.	53,974	56,798	
629	Express Scripts Inc.	40,620	40,025	
2,166	McKesson Corp.	128,081	122,709	
2,151	Medco Health Solutions Inc.	95,269	102,939	
1,852	Medtronic Inc.	91,932	97,066	
871	Thermo Electron Corp.	49,698	49,221	

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Health Care Equipment & Services (continued)			
2,800	UnitedHealth Group Inc.	$ 95,945	$ 74,569	
2,165	WellPoint Inc.	105,886	104,465	
		1,066,110	1,036,017	3.07%
	Pharmaceuticals Biotechnology & Life Sciences			
3,680	Abbott Laboratories	198,112	197,355	
2,712	Amgen Inc.	115,717	129,759	
9,604	Bristol-Myers Squibb Co.	244,212	199,941	
3,389	Eli Lilly and Co., with Rights	171,195	158,471	
7,253	Johnson & Johnson	482,934	473,006	
7,489	Merck & Co. Inc.	337,059	286,063	
32,731	Pfizer Inc.	706,347	579,464	
3,195	Schering-Plough Corp.	62,172	63,760	
3,896	Wyeth	170,587	189,413	
		2,488,335	2,277,232	6.76
	Total Health Care	3,554,445	3,313,249	9.83
	Financials			
	Banks			
26,714	Bank of America Corp.	1,008,797	644,230	
2,119	Bank of New York Mellon Corp.	91,622	81,285	
3,245	BB&T Corp.	105,398	74,898	
2,104	Capital One Financial Corp.	106,810	81,051	
1,356	Comerica Inc.	53,873	35,260	
11,181	Fannie Mae	320,711	221,315	
4,642	Fifth Third Bancorp	105,899	48,084	
8,129	Freddie Mac	228,761	134,925	
9,734	National City Corp.	99,923	47,008	
1,431	PNC Financial Services Group Inc.	104,125	82,768	
4,459	Regions Financial Corp.	92,026	49,265	
2,406	SLM Corp.	43,601	47,233	
2,002	SunTrust Banks Inc.	115,170	73,385	
7,644	US Bancorp	252,893	215,595	
14,884	Wachovia Corp.	403,368	234,058	
19,785	Washington Mutual Inc.	218,589	98,959	
15,193	Wells Fargo & Co.	453,182	364,850	
		3,804,748	2,534,169	7.52
	Diversified Financials			
3,635	American Express Co.	168,537	138,775	
50,531	Citigroup Inc.	1,323,586	856,145	
3,510	Discover Financial Services	60,529	46,828	
1,269	Goldman Sachs Group Inc.	227,128	224,559	
17,786	JP Morgan Chase & Co.	791,275	619,116	
3,171	Lehman Brothers Holdings Inc.	113,916	63,217	
5,228	Merrill Lynch & Co. Inc.	229,290	167,927	
6,828	Morgan Stanley	321,482	249,523	
737	State Street Corp.	56,674	47,765	
		3,292,417	2,413,855	7.16

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
	Insurance			
1,306	ACE Ltd.	$ 75,575	$ 72,888	
963	Aflac Inc.	63,811	61,288	
3,440	Allstate Corp.	174,882	158,832	
13,835	American International Group Inc.	598,010	370,558	
1,067	AON Corp.	48,478	49,688	
28	Berkshire Hathaway Inc., Class B	122,467	113,942	
1,522	Chubb Corp., with PFD. Rights	78,728	75,678	
1,249	Cigna Corp.	58,048	44,795	
3,332	Fidelity National Title Group Inc., Class A	57,879	42,594	
2,853	Genworth Financial Inc., Class A	67,374	51,378	
1,832	Hartford Financial Services Group Inc.	135,747	119,772	
1,132	Lincoln National Corp.	59,900	51,934	
1,647	Loews Corp.	71,762	78,351	
2,754	Marsh & McLennan Co. Inc.	74,021	74,099	
2,886	MetLife Inc.	176,420	154,188	
908	Principal Financial Group Inc.	49,948	38,626	
2,703	Progressive Corp.	47,894	51,254	
1,865	Prudential Financial Inc.	142,853	112,582	
653	Safeco Corp.	44,698	44,487	
3,099	The Travelers Cos. Inc.	152,406	136,233	
1,802	Unum Group	43,016	37,296	
1,544	XL Capital Ltd.	61,052	31,972	
		2,404,969	1,972,435	5.85 %
	Total Financials	9,502,134	6,920,459	20.53
	Information Technology			
	Software & Services			
1,450	Accenture Ltd., Class A	54,637	59,844	
1,576	Automatic Data Processing Inc.	68,306	66,995	
1,278	Computer Sciences Corp.	65,429	60,655	
4,331	Electronic Data Systems Corp.	90,536	108,268	
117	Google Inc., Class A	58,664	62,487	
29,037	Microsoft Corp.	880,432	810,429	
6,815	Oracle Corp.	142,249	145,197	
2,884	Symantec Corp.	51,969	56,647	
		1,412,222	1,370,522	4.07
	Technology Hardware & Equipment			
724	Apple Computer Inc.	114,289	122,990	
9,139	Cisco Systems Inc.	231,167	215,666	
1,574	Corning Inc.	40,511	36,809	
6,316	Dell Inc.	127,780	140,205	
3,837	EMC Corp.	58,862	57,108	
5,912	Hewlett-Packard Co.	281,444	264,632	
2,841	Ingram Micro Inc., Class A	53,974	51,046	
3,294	International Business Machines Corp.	379,563	395,383	

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
13,178	Motorola Inc.	$ 173,102	$ 98,134	
2,158	Qualcomm Inc.	92,280	97,144	
1,201	Tech Data Corp.	44,925	41,257	
4,728	Xerox Corp.	75,817	64,948	
		1,673,714	1,585,322	4.70%
	Semiconductor & Semiconductor Equipment			
4,872	Advanced Micro Devices Inc.	34,699	28,718	
2,095	Applied Materials Inc.	41,787	40,575	
5,432	Flextronics International Ltd.	60,692	51,749	
15,260	Intel Corp.	337,962	332,554	
5,500	Micron Technology Inc.	42,060	33,369	
2,444	Texas Instruments Inc.	72,687	69,725	
		589,887	556,690	1.65
	Total Information Technology	3,675,823	3,512,534	10.42
	Telecommunication Services			
19,820	AT&T Inc.	775,669	675,440	
11,327	Qwest Communications International Inc.	54,625	44,933	
34,167	Sprint Nextel Corp.	254,460	328,616	
18,110	Verizon Communications Inc.	716,760	649,319	
		1,801,514	1,698,308	5.04
	Utilities			
3,670	AES Corp.	64,469	71,377	
1,497	Ameren Corp.	75,161	64,123	
2,532	American Electric Power Co. Inc.	114,249	103,139	
2,672	Centerpoint Energy Inc.	43,968	43,455	
1,927	Consolidated Edison Inc.	89,192	76,364	
604	Constellation Energy Group Inc.	54,401	50,218	
3,326	Dominion Resources Inc.	149,956	160,047	
1,401	DTE Energy Co.	64,791	60,210	
10,540	Duke Energy Corp.	199,494	185,636	
1,426	Edison International	73,429	74,247	
724	Entergy Corp.	81,935	88,342	
1,830	Exelon Corp.	151,060	166,873	
1,453	FirstEnergy Corp.	105,509	121,248	
1,475	FPL Group Inc.	96,950	98,018	
2,833	NiSource Inc.	52,501	51,448	
2,142	PG&E Corp.	82,555	86,166	
1,239	PPL Corp.	59,818	65,705	
2,022	Progress Energy Inc.	93,972	85,729	
1,867	Public Service Enterprise Group Inc.	79,004	86,999	
1,066	Sempra Energy	59,299	60,921	

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

Number of Shares/Units	Description	Average Cost	Fair Value	% of Net Assets
4,066	Southern Co.	$ 152,744	$ 143,885	
3,143	Xcel Energy Inc.	70,017	63,935	
		2,014,474	2,008,085	5.96%
	Total Common Stocks	37,874,636	33,382,221	99.05
		38,077,582	33,571,740	99.61%
	Transaction costs (note 2)	(1,314)		
	Total Investments	$ 38,076,268	33,571,740	99.61%
	Other assets less liabilities		131,064	0.39
	Net Assets		$ 33,702,804	100.00%

Foreign Currency Forward Contracts

# of Contracts	Forwards	Maturity Date	Forward Value	Fair Value	Unrealized gain (loss)
(23,650,000)	USD Forward @ 101.5	31-Jul-08	(24,003,797)	(24,004,845)	(1,048)

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

Statement of **Net Assets**

	June 30, 2008 (unaudited)	December 31, 2007 (audited)
Assets		
Investments, at fair value (note 2)	$ 33,571,740	$ 20,652,943
Cash	216,876	384,543
Dividend receivable	46,487	34,918
Due from brokers	63,552	10,431
	33,898,655	21,082,835
Liabilities		
Distribution payable	106,937	3,057
Accrued management fees	13,567	36,564
Accrued service fees	8,882	8,558
Forward agreement, at market value (note 2)	1,048	205
Due to brokers	65,417	–
	195,851	48,384
Net assets representing unitholders' equity	$ 33,702,804	$ 21,034,451
Net assets representing unitholders' equity		
Advisor Class	$ 4,533,927	$ 3,213,841
Common	19,486,434	17,820,610
Institutional Class	9,682,443	–
	$ 33,702,804	$ 21,034,451
Units outstanding (note 4)		
Advisor Class	261,659	153,659
Common	1,122,854	850,854
Institutional Class	554,515	–
	1,939,028	1,004,513
Net assets per unit		
Advisor Class	$ 17.33	$ 20.92
Common	$ 17.35	$ 20.94
Institutional Class	$ 17.46	$ –

Approved on behalf of the Fund Manager

Som Seif
President & CEO

Kevin M. Robinson
Secretary

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

Statement of **Operations** | **For the six months ended June 30** (unaudited)

		2008		2007
Income				
Dividends	$	628,753	$	333,958
Interest		3,250		–
Other		–		9,880
		632,003		343,838
Expenses				
Management fees (note 5)		71,469		54,217
Service fees (note 5)		11,821		18,563
Interest and bank charges		12,561		723
		95,851		73,503
Net investment income		536,152		270,335
Net realized gain (loss) on sale of investments		(847,740)		316,933
Net realized loss on foreign exchange		(38,147)		(9,419)
Net realized gain (loss) on settlement of forward agreements		(647,892)		1,667,039
Transaction costs (note 2)		(1,641)		
Change in unrealized depreciation in value of investments		(4,483,433)		(985,782)
Change in unrealized depreciation on forward agreements		(844)		(414)
Change in unrealized appreciation in foreign exchange		259		–
Net gain (loss) on investments		(6,019,438)		988,357
Increase (decrease) in net assets from operations	$	(5,483,286)	$	1,258,692
Increase (decrease) in net assets from operations				
Advisor Class	$	(734,913)	$	266,968
Common		(3,330,816)		991,724
Institutional Class		(1,417,557)		–
	$	(5,483,286)	$	1,258,692
Increase (decrease) in net assets from operations per unit				
Advisor Class	$	(4.29)	$	1.33
Common	$	(3.62)	$	1.97
Institutional Class	$	(2.64)	$	–

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

Statement of **Changes in Net Assets** | **For the six months ended June 30** (unaudited)

	2008	2007
Net assets, beginning of the period (GAAP NAV)		
Advisor Class	$ 3,213,841	$ 4,394,212
Common	17,820,610	4,724,247
Institutional Class	–	–
	21,034,451	9,118,459
Increase (decrease) in net assets from operations		
Advisor Class	(734,913)	266,968
Common	(3,330,816)	991,724
Institutional Class	(1,417,557)	
	(5,483,286)	1,258,692
Capital unit transactions (note 4)		
Issuance of units for cash:		
Advisor Class	2,073,065	–
Common	5,749,570	9,499,425
Institutional Class	11,100,000	
Payment on redemption of units:		
Advisor Class	–	–
Common	(575,284)	–
Institutional Class	–	
	18,347,351	9,499,425
Distribution to unitholders		
From net investment income:		
Advisor Class	(18,066)	(15,396)
Common	(177,646)	(108,061)
Institutional Class	–	–
	(195,712)	(123,457)
Increase in net assets for the period		
Advisor Class	1,320,086	251,572
Common	1,665,824	10,383,088
Institutional Class	9,682,443	–
	12,668,353	10,634,660
Net assets, end of the period (GAAP NAV)		
Advisor Class	4,533,927	4,645,784
Common	19,486,434	15,107,335
Institutional Class	9,682,443	–
	$ 33,702,804	$ 19,753,119

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

Statement of **Cash Flows** | **For the six months ended June 30** (unaudited)

	2008	2007
Cash flows from operating activities		
Increase (decrease) in net assets from operations	$ (5,483,286)	$ 1,258,692
Items not affecting cash:		
Net realized (gain) loss on sale of investments	847,740	(316,933)
Net realized (gain) loss on settlement of forward agreements	647,892	(1,667,039)
Transaction costs (note 2)	1,641	–
Change in unrealized depreciation in value of investments	4,483,433	985,782
Change in unrealized depreciation on forward agreements	844	414
Change in non-cash working capital items	(34,242)	1,840
	464,022	262,756
Cash flows from investing activities		
Purchase of investments	(30,974,200)	(16,087,851)
Proceeds from sale of investments	12,734,884	4,996,929
Receipts (payments) for settlement of forward agreements	(647,892)	1,667,039
	(18,887,208)	(9,423,883)
Cash flows from financing activities		
Distribution to unitholders	(91,832)	(143,441)
Issuance of units for cash	18,922,635	9,499,425
Payment on redemption of units	(575,284)	–
	18,255,519	9,355,984
Net increase (decrease) in cash	(167,667)	194,857
Cash, beginning of the period	384,543	15,106
Cash, end of the period	$ 216,876	$ 209,963

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

Notes to **Financial Statements** | **June 30, 2008** (unaudited)

Note 1 – **Establishment of Fund**

Claymore US Fundamental Index ETF C$ hedged (the "Claymore ETF") was established under the laws of the Province of Ontario on August 15, 2006 pursuant to an amended and restated master declaration of trust (the "Declaration of Trust") dated August 15, 2006 by Claymore Investments, Inc. (the "Manager"), as trustee and manager. The Claymore ETF is authorized to issue an unlimited number of Common units, an unlimited number of Advisor Class units and an unlimited number of Institutional Class units.

The Claymore ETF has been designed to replicate, to the extent possible, the performance of the FTSE RAFI US 1000 Canadian Dollar hedged Index provided by FTSE International Limited. The investment strategy of the Claymore ETF is to invest in and hold a proportionate share of the constituent securities of the FTSE RAFI US 1000 Canadian Dollar hedged Index in the same proportion as they are reflected in the FTSE RAFI US 1000 Canadian Dollar hedged Index.

The Claymore ETF commenced investment operations on September 8, 2006.

Note 2 – **Significant Accounting Policies**

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"), which include estimates and assumptions by management that may affect the reported amounts of assets, liabilities, income and expenses during the reporting period. Actual results could vary from these estimates.

a) Adoption of new accounting standards

The Canadian Institute of Chartered Accountants ("CICA") issued two new accounting standards, Section 3862, Financial Instruments – Disclosures ("Section 3862"), and Section 3863, Financial Instruments – Presentation ("Section 3863"), which apply to interim and annual financial statements relating to fiscal years beginning on or after October 1, 2007.

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation ("Section 3861"). This new standard requires the Claymore ETF to provide disclosures in their financial statements that enable users to evaluate the significance of financial instruments for the Claymore ETF's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the Claymore ETF is exposed during the period and at the balance sheet date and how the Claymore ETF manages those risks. Section 3862 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Refer to Note 6 for further details.

Section 3863 carries forward unchanged the presentation requirements of the old Section 3861. Section 3863 became effective on January 1, 2008 and was adopted by the Claymore ETF at that time. Adoption of the Section 3863 did not result in disclosure changes.

The adoption of Section 3862 and Section 3863 is not expected to have any material effects on the Claymore ETF's results of operations, financial position or cash flows, as these are financial statement disclosure matters.

b) Application of CICA Handbook Section 3855

On April 1, 2005, the CICA issued Section 3855, "Financial Instruments – Recognition and Measurement" of the CICA Handbook – Accounting ("Section 3855"), which establishes standards for the fair valuation of investments as well as the accounting treatment of transaction costs. Section 3855 applies to fiscal years beginning on or after October 1, 2006. Additionally, Section 14.2 of National Instrument 81-106 ("NI 81-106"), issued by the Canadian Securities Administrators ("CSA") in 2005, requires the daily net asset value of an investment fund to be calculated in accordance with Canadian GAAP.

The CSA had originally granted relief to investment funds from complying on an interim basis with Section 3855 only for the purposes of calculating and reporting of net asset value used for the purchase and redemption price (the "Transactional NAV") until September 30, 2007. The relief period has been extended to September 30, 2008 to permit further review of the suitability of this new pronouncement. Depending on the outcome of such review, the application of Section 3855 to the Transactional NAV of an investment fund may result in an adjustment to the Transactional NAV on the date of such change.

On June 1, 2007, the CSA issued a notice and request for comments to the proposed amendments to NI 81-106. The proposed amendments permit investment funds to have two different net asset values: one for financial statements prepared in accordance with Section 3855 (referred to as "Net Assets" in the proposal) and one for the purchase and redemption price of an investment fund (referred to as "Net Asset Value" in the proposal). Net Assets require a bid price (for long securities) or ask price (for securities held short) to be used in the fair valuation of investments whereas Net Asset Value uses closing sale prices. The CSA will require reconciliation between the Net Assets and the Net Asset Value.

The provisions of Section 3855 have been applied effective January 1, 2007, without restatement of prior periods. Accordingly, the opening net asset value in the Statement of Changes in Net Assets for the period ended June 30, 2007 has been adjusted.

Compliance with Section 3855, accounting policies for the Claymore ETF are as follows:

Valuation of investments

1. Securities listed on a recognized exchange or on an over-the-counter market are valued at their closing bid price. If a closing bid price on a recognized exchange or over-the-counter market is not available, then the price of the most recent transaction is used. The value of any security for which a market quotation is not readily available will be its fair value as determined by the Manager.

2. Short-term notes, treasury bills and bonds are valued at the average bid quotations from recognized investment dealers.

Transaction costs

In accordance with Section 3855, transaction costs are expensed and are included in "Transaction costs" in the Statement of Operations. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Prior to the adoption of Section 3855, transaction costs were capitalized and included in the cost of purchases or proceeds from sale of investments. There is no impact on the net asset value of the Claymore ETF in using either of these methods. The cost of investments for each security is determined on an average cost basis.

c) Investment transactions are recorded on the trade date. Interest income is accrued daily at the interest rate of the debt security. Dividend income is recognized on the ex-dividend date. Realized gains and losses from investment transactions are calculated on an average cost basis.

d) The unit value of a class is based on the market value of the class' proportionate share of the assets of the Claymore ETF, less any liabilities attributable to that class and less that class' proportionate share of the common liabilities and expenses of the Claymore ETF, divided by the total outstanding units of that class. Other income, realized and unrealized gains and losses are allocated to each class of the Claymore ETF based on the class' pro-rated share of total net assets of the Claymore ETF. The unit value of a class is the basis for all purchases and redemptions and for reinvestments of distributions.

e) Assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the period-end date. Purchases and sales of investments and income and expense transactions are translated at the rate of exchange prevailing on the date of the transactions.

f) Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class for the period divided by the weighted average number of units outstanding per class during the period.

f) The value of a forward contract is the gain or loss that would be realized if, on the valuation date, the positions were closed out. The forward contract is valued using an interpolation of the forward exchange rate based on the length of the forward contract. It is reflected in the Statement of Operations as change in unrealized appreciation (depreciation) on forward agreements. When the forward contracts are closed out, any gains or losses realized are included in net realized gain or loss on forward agreements.

Note 3 – **Reconciliation of Net Asset Value**

In accordance with the relief granted by the CSA, a reconciliation between the net asset value calculated in accordance with Section 3855 (the "GAAP NAV") and the Transactional NAV of an investment fund is required for financial reporting periods ending prior to September 30, 2008. For investments that are traded in an active market where quoted prices are readily and regularly available, Section 3855 requires bid prices to be used in the fair valuation of investments, rather than the use of closing prices currently used for the purpose of determining Transactional NAV. For investments that are not traded in an active market, Section 3855 requires the use of valuation techniques commonly used by market participants to price the instrument. Adoption of new accounting policies accounts for the difference between Transactional NAV and GAAP NAV.

The impact of the adoption of Section 3855 on the Net Asset Value of the Claymore ETF is as follows:

	Net Asset Value			Net Asset Value Per Unit	
	Transactional NAV	Section 3855 Adjustment	GAAP NAV	Transactional NAV	GAAP NAV
As at June 30, 2008					
Claymore US Fundamental Index ETF C$ hedged					
Advisor Class	$ 4,540,877	$ (6,950)	$ 4,533,927	$ 17.35	$ 17.33
Common	19,516,302	(29,868)	19,486,434	$ 17.38	$ 17.35
Institutional Class	9,697,210	(14,767)	9,682,443	$ 17.49	$ 17.46
Total Net Asset Value	$ 33,754,389	$ (51,585)	$ 33,702,804		

Note 4 – **Capital Unit Transactions**

The Claymore ETF is authorized to issue an unlimited number of Common units, an unlimited number of Advisor Class units and an unlimited number of Institutional Class units. Unit transactions of the Claymore ETF for the periods ended June 30, 2008 and December 31, 2007 were as follows:

	June 30, 2008					
	Advisor Class Units		Common Units		Institutional Class Units	
	Units	Value	Units	Value	Units	Value
Units outstanding, beginning of period	153,659	$ 2,961,075	850,854	$ 18,344,446	–	$ –
Units issued for cash	108,000	2,073,065	300,000	5,749,570	554,515	11,100,000
Units redeemed	–	–	(28,000)	(575,284)	–	–
Units outstanding, end of period	261,659	$ 5,034,140	1,122,854	$ 23,518,732	554,515	$ 11,100,000

	December 31, 2007			
	Advisor Class Units		Common Units	
	Units	Value	Units	Value
Units outstanding, beginning of period	200,209	$ 4,004,308	215,187	$ 4,330,551
Units issued for cash	–	–	635,667	14,013,895
Units redeemed	(46,550)	(1,043,233)	–	–
Units outstanding, end of period	153,659	$ 2,961,075	850,854	$ 18,344,446

Note 5 – **Expenses**

A monthly management fee equal to one-twelfth of 0.65% of the NAV per Common unit of the Claymore ETF at month end, plus applicable taxes, will be paid to the Manager. A monthly management fee equal to one-twelfth of 0.65% of the NAV per Advisor Class unit of the Claymore ETF at month end, plus applicable taxes, plus an additional service fee of one-quarter of 0.75% of the NAV per Advisor Class unit of the Claymore ETF at the end of each calendar quarter, plus applicable taxes, will be paid to the Manager. The management fee will be paid monthly in arrears and the service fee will be paid at the end of each calendar quarter.

The Manager will pay to the registered dealers a service fee equal to 0.75% per annum of the NAV per Advisor Class unit for each Advisor Class unit held by clients of the registered dealer. The service fee will be calculated and paid at the end of each calendar quarter.

The Manager is responsible for all costs and expenses of the Claymore ETF except the management fee, brokerage expenses and commissions, income taxes and withholding taxes and extraordinary expenses. These costs and expenses include the service fee, the fees payable to the Custodian, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager as described in the prospectus under "Management of the Claymore ETF – The Trustee and Manager – Powers and Duties of the Trustee and Manager." Costs and expenses of the Claymore ETF paid by the Manager will be offset by any securities lending revenue earned by the Claymore ETF.

Note 6 – **Securities Lending**

The Claymore ETF may, in compliance with NI 81-102, lend securities to securities borrowers acceptable to the Claymore ETF pursuant to the terms of a securities lending agreement between the Claymore ETF and any such borrower under which: (i) the borrower will pay to the Claymore ETF a negotiated securities lending fee and will make compensation payments to the Claymore ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans must qualify as "securities lending arrangements" for the purposes of the Income Tax Act (Canada); and (iii) the Claymore ETF will receive collateral security. If a securities lending agent is appointed for the Claymore ETF, such agent will be responsible for the ongoing administration of the securities loans, including the obligation to mark to market the collateral on a daily basis.

The Claymore ETF has entered into a securities lending program with RBC Dexia Investor Services Trust. The aggregate market value of all securities loaned by the Claymore ETF cannot exceed 50% of the net asset value of the Claymore ETF. The Claymore ETF will receive collateral of at least 105% of the value of securities on loan.

Balances as at June 30, 2008:

Market Value of Securities Loaned	$ 2,441,200
Market Value of Collateral Held	$ 2,601,249

Note 7 – **Financial Instruments and Risk Management**

The Claymore ETF's financial instruments consist of cash and investments. As a result, the Claymore ETF is exposed to various types of risks that are associated with its investment strategies, financial instruments and markets in which it invests. The most important risks include market risk, interest rate risk, credit risk, liquidity risk and currency risk. These risks and related risk management practices employed by the Claymore ETF are discussed below:

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 a fund are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by a fund is determined by the fair value of the financial instruments. The Manager moderates this risk through a careful selection of securities within specified limits and the Claymore ETF's market price risk is managed through diversification of the investment portfolio. The Manager monitors the Claymore ETF's overall market positions on a daily basis and positions are maintained within established ranges.

As at June 30, 2008, the Claymore ETF's market risk is affected by two main components: change in actual market prices and foreign currency movements. If the market values of Portfolio Investments increased by 5%, with all other variables held constant, this would have increased net assets by approximately $1,678,587; conversely, if the value of Portfolio Investments decreased by 5%, this would have decreased net assets by the same amount.

Interest rate risk

The Claymore ETF's financial assets and liabilities are non-interest bearing. As a result, the Claymore ETF is not subject to interest rate risk due to fluctuations in the prevailing level of market interest rates.

Credit risk

Financial assets which potentially expose the Claymore ETF to credit risk consist principally of cash, amounts due from brokers and investments in preference shares. The Claymore ETF seeks to mitigate its exposure to credit risk by placing its cash and transacting its securities activity with large financial institutions.

Liquidity risk

The Claymore ETF's investments are considered readily realizable and highly liquid, therefore the Claymore ETF's liquidity risk is considered minimal.

Currency risk

The Claymore ETF invests in securities denominated in U.S. dollars. The Claymore ETF's reporting currency is the Canadian dollar. Consequently, the Claymore ETF is exposed to risks that the exchange rate of the Canadian dollar relative to the U.S. dollar may change in a manner which has an adverse effect on the reported value of that portion of the Claymore ETF's assets.

The table below summarizes the Claymore ETF's exposure to currency risks.

Currency	Investments ($)	Cash ($)	Total ($)	Percentage of NAV (%)
US Dollar	33,571,740	632,767	34,204,507	101.49%

As at June 30, 2008, if the exchange rate between the Canadian Dollar and the U.S. dollars the Claymore ETF is exposed to increased or decreased by 5%, with all other variables held constant, the increase or decrease respectively in net assets would approximately amount to $1,710,225.

Note 8 – **Income Taxes**

The Claymore ETF qualifies as a mutual fund trust under the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to Unitholders so that the Claymore ETF will not be liable for income taxes under Part I of the Income Tax Act (Canada).

Note 9 – **Distribution of Income and Capital Gains**

Net investment income and aggregate net realized capital gains on the disposition of investments are distributed to Unitholders quarterly and annually at the end of the calendar year, respectively. All distributions are distributed to Unitholders of the Claymore ETF according to each Unitholder's proportionate share of the Claymore ETF less any tax required to be deducted.

Note 10 – **Income Tax Loss Carryforwards**

As at December 31, 2007, the Claymore ETF has capital losses of $241,060 [2006: $252,443], which may be carried forward indefinitely and applied against capital gains realized in a future period.

Note 11 – **Brokerage Commissions on Securities Transactions**

The total fees paid to brokers in connection with investment portfolio transactions for the period ended June 30, 2008 were $1,641 (2007: nil).

There were no soft dollar amounts during the period ended June 30, 2008.

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Fund **Advisory Board**

Management of the Fund is advised by an advisory board consisting of three members, all of whom are independent of Claymore and free from any interest and any business or other relationship which could, or could be reasonably perceived to, materially interfere with the exercise of an advisory board member's judgment. However, the advisory board members may be members of the advisory boards of other investment funds managed by Claymore. The advisory board provides independent advice to the Manager to assist them in performing their services under the Trust Agreement. The members of the advisory board are required to act honestly and in good faith in the best interests of the Fund and the Unitholders, and in connection with that duty will exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in similar circumstances.

The Manager reports to the advisory board on the operation and performance of the Fund on a quarterly basis, including with respect to compliance with applicable investment restrictions and material contracts as amended from time to time.

All fees and expenses of the advisory board incurred in connection with its duties with respect to the Fund are paid by the Fund and the advisory board will have the authority to retain, at the expense of the Fund, independent counsel or other advisors if the advisory board deems it appropriate to do so.

The members of the advisory board are indemnified by the Fund, except in cases of willful misconduct, bad faith, negligence or breach of their standard of care. The advisory board members are not responsible for the investments made by the Fund, or for the performance of the Fund.

The following is a brief description of the background of the current members of the advisory board:

Douglas G. Hall, CFA

Doug was a Managing Director at RBC Capital Markets covering public and private capital raising, mergers and acquisitions support and strategic advisory assignments for diversified industry groups from 1979 until his retirement in 2005. From 1998, he was responsible for senior account coverage in Atlantic Canada, and previously had senior corporate account coverage in Toronto. He also managed the RBC Global Investment Banking office from 1990 to 1992. Mr. Hall currently sits on the board of Millar Western Forest Products Ltd., a privately held lumber and pulp company based in Alberta, and Nova Scotia Business Inc., a company formed by the Nova Scotia provincial government to manage the economic development function with a private sector board of directors. While in Toronto, Mr. Hall sat on the board of various closed-end funds listed on the TSX as a representative of RBC Capital Markets. Mr. Hall holds a Bachelor of Arts from Queen's University and a M.B.A. from the Ivey School of Business, University of Western Ontario. Mr. Hall is on the advisory board of two Claymore Canadian closed-end funds and nineteen Claymore Canadian ETFs.

Roman Friedrich III

Roman is the founder of Roman Friedrich & Company, a Vancouver-based firm that specializes in the provision of financial advisory services to corporations in the resource sector. Previously, he was a Managing Director at TD Securities Inc. Mr. Friedrich is a director of Gateway Gold Corp., a company listed on the TSX, StrataGold Corporation, a company listed on the TSX, as well as Strategic Minerals Corporation and Brazilian Emeralds Inc., both private resource companies. Mr. Friedrich is on the Board of Directors of GFM Resources LTD, a company listed on the TSX Venture Exchange and is the Chairman of the Board of Trustees of Dreman/Claymore Dividend & Income Fund, a NYSE-listed closed-end fund advised by Claymore Advisors, LLC. Mr. Friedrich is on the advisory board of two Claymore Canadian closed-end funds and nineteen Claymore Canadian ETFs.

Randall C. Barnes

Prior to his retirement in 1997, Randall spent four years as Senior Vice President and Treasurer of PepsiCo, Inc., where he was employed since 1987. He was President of the Pizza Hut international division from 1991 to 1993, and prior to that time Senior Vice President, Strategic Planning and New Business Development. Mr. Barnes is a trustee of eleven NYSE-listed closed-end funds and 31 U.S. exchange-traded funds administered by Claymore Advisors, LLC. Mr. Barnes is on the advisory board of two Claymore Canadian closed-end funds and nineteen Claymore Canadian ETFs.

Fund **Information**

Claymore Investments, Inc.
Directors and Officers

Som Seif
Chief Executive Officer, President and Director

Chuck R. Craig
Chief Investment Officer and Director

Bruce Albelda
Chief Financial Officer

Kevin M. Robinson
Secretary

J. Thomas Futrell
Director

Michael J. Rigert
Vice President

Matthew J. Patterson
Vice President

Jeffrey D. Logan
Vice President

David C. Hooten
Chairman of the Board of Directors

Fund Advisory Board

Douglas G. Hall

Roman Friedrich III

Randall C. Barnes

Custodian

RBC Dexia Investor Services Trust

Auditors

Ernst & Young LLP

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