

# Interested In Bonds?

## Core Fixed Income Positions

### BMO Core Plus Bond Fund

- Canadian core solution with extras
- Enhance yield and provide diversification
- 5-Star Rating by Morningstar\*

### BMO Global Multi-Sector Bond Fund

- NEW go anywhere global core solution
- Leveraging UK track record
- Government, investment grade corporate, high yield, securitized and emerging market bonds

### BMO Global Strategic Bond Fund

- Go anywhere global credit solution
- Strategy managed by PIMCO's Alfred Murata
- Investment grade corporate, high yield and emerging market bonds

### BMO Aggregate Bond Index ETF (Ticker: ZAG)

- New, lowered management fee of 0.08%
- Aggregate Canadian core ETF solution
- 4-Star Rating by Morningstar\*

### Concerned about Canadian bias?

- Canadian market is concentrated by sector and issuers
- North America in a rising rate environment

### View on the global economy?

- Expansionary cycle has a long tenure but room to go
- Credit spreads have tightened

### View on active and passive?

- Entering a period of rising rates and volatility
- Less opportunity for alpha compared to equities
- Fee sensitivity

\* BMO Core Plus Bond Fund: Overall Rating of 5 stars. The Fund received a Morningstar Rating of 5 stars over 3 years (385 funds). This series' returns net of fees of -1.06%, 1.79% and 2.74 over 1 year, 3 years and since inception (Nov 13, 2014). BMO Aggregate Bond Index ETF: Overall Rating of 4 stars. The Fund received a Morningstar Rating of 4 stars over 3 years (385 funds). This series' returns net of fees of -1.15%, 1.40%, 2.72% and 3.73% over 1 year, 3 years, 5 years and since inception (Jan 19, 2010).

© The Morningstar Rating™ for funds, or "star rating", is calculated for mutual funds and exchange-traded funds with at least a three-year history and is subject to change monthly. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly excess performance. The top 10% in each category receive 5 stars, 4 stars for the next 22.5%, 3 stars for the next 35%, 2 stars for the next 22.5%, 1 for the bottom 10%. The Overall Morningstar Rating is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics.

### Example Portfolio 1

Biased to Global exposure

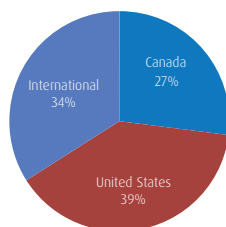
Fee Aware

Alpha Driven

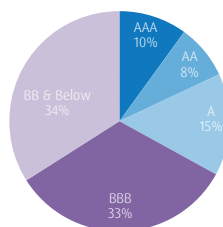
Looking for Professional Management

	Weight	MER <sup>1</sup>	Duration <sup>2</sup>	Yield to Maturity <sup>2</sup>
BMO Core Plus Bond Series / ETF Series (Ticker: ZCPB)	30%	0.56%	6.9	3.2%
BMO Global Multi-Sector Bond Fund Series F / ETF Series (Ticker ZMSB)	40%	0.67%	4.0	3.5%
BMO Global Strategic Bond Fund Series F / ETF Series (Ticker ZGSB)	30%	0.82%	5.3	5.4%
<b>Example Portfolio</b>	<b>100%</b>	<b>0.68%</b>	<b>5.3</b>	<b>3.9%</b>

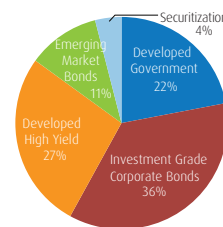
Geography Breakdown



Credit Breakdown



Sector Breakdown



### Example Portfolio 2

Canadian Biased

Fee Sensitive

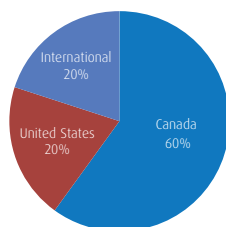
Exposure Driven

Portfolio Manager Client

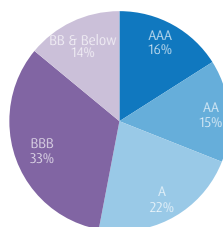
	Weight	MER <sup>1</sup>	Duration <sup>2</sup>	Yield to Maturity <sup>2</sup>
BMO Aggregate Bond ETF (Ticker: ZAG)	40%	0.09%*	7.4	2.7%
BMO Corporate Bond ETF (Ticker: ZCB)	20%	0.17%	5.4	3.2%
BMO Crossover Bond Fund Series F	10%	0.67%	4.3	3.5%
BMO Global Multi-Sector Bond Fund Series F / ETF Series (Ticker: ZMSB)	30%	0.67%	4.0	3.5%
<b>Example Portfolio</b>	<b>100%</b>	<b>0.33%</b>	<b>5.7</b>	<b>3.1%</b>

\* During the last year the management fee and/or the fixed administration fee of this series was reduced. The adjusted MER is 0.09% and represents what the MER would have been had the change been in effect during the full financial year.

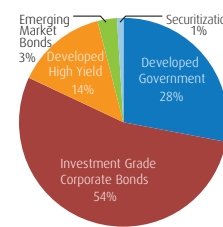
Geography Breakdown



Credit Breakdown



Sector Breakdown



<sup>1</sup> Management Expense Ratios (MERs) are the audited MERs as of December 31, 2017. <sup>2</sup> As of May 31, 2018.

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