

Enhanced Yield ETF Portfolio

Enhanced Yield ETF Portfolio
 a key solution for clients looking for income.

5.9%
 portfolio yield[†]

Tax-efficient, sustainable income
 to meet monthly cash flow needs

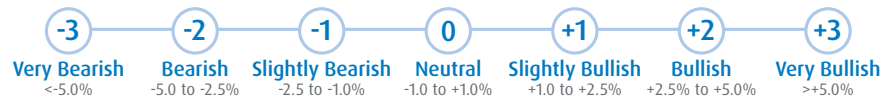
Higher yield
 with covered call overlay on stable dividends

Global, go-anywhere mandate
 focused on income and growth

Multi-Asset Solutions Team (MAST): 5 Lenses Outlook[†] – July 2024

Lens 1 Asset Mix	Lens 2 Asset Class Equity	Lens 3 Asset Class Fixed Income	Lens 4 Style/Factor	Lens 5 Implementation
<ul style="list-style-type: none"> We remain neutral across our asset mix between stocks, bonds and cash. While the global economy remains resilient, we think equities are exposed to elevated valuation multiples as multiple risks lie ahead. The political cycle is heating up, especially in the U.S. where odds to Trump rose after a challenging debate for the Democrats while France is also facing greater political uncertainty. Investors must also face somewhat sticky inflation fear and delayed U.S. Federal Reserve ("Fed") cuts, which could turn into headwinds for equities this summer. 	<ul style="list-style-type: none"> Our outlook and the loonie, regional equity mix remains unchanged this month as the economy and markets largely evolve along the lines of our expectations. We remain underweight to Canadian equities and continue to prefer U.S. equities. We prefer to be tilted toward U.S. equities with its bias for higher quality and benefit from the more robust U.S. economy. We expect the Canadian economic outlook to continue to soften as elevated interest rates are weighing on the economic. 	<ul style="list-style-type: none"> We downgraded high-yield corporate bonds to a small underweight as spreads to government bonds are tight and relatively unattractive. While the Bank of Canada appears ready to ease monetary policy more than the markets expect, interest-rate duration ultimately needs some Fed easing, but the Fed remains handcuffed by data for now. We remain bullish on gold as a hedge against the risk that long-term interest rates might continue to drift higher or if the U.S. economy was to cool faster than expected. 	<ul style="list-style-type: none"> We continue to prefer higher quality companies who enjoy stronger balance sheets and pricing power, which enables them to have more resilient and wider profit margins. We remain bullish on firms with strong dividends as interest rates are likely to decrease in 2024, albeit modestly; we expect investors to rotate in favour of that sector this year. We remain bullish on value companies as we expect sticky inflation fear to favour value-oriented companies. We remain bullish on low-volatility companies to better navigate a potentially more volatile equity market. 	<ul style="list-style-type: none"> We continue to like gold as a hedge against downside macro risks. We think gold could continue to shine if investors were surprised with renewed recession fear or inflation anxiety which could lead to further delaying expectations for Fed rate cuts and re-ignite a risk-off U.S. Dollar rally and weigh on the loonie. Several central banks are steadily increasing their allocation to gold as a share of their international reserves, which is helping boost demand for gold.
Tactical Score: Equities 0 Fixed Income 0 Cash 0	Tactical Score: Canada -1 U.S.A. +1 EAFE 0 EM 0	Tactical Score: IG Credit 0 High Yield ▼ -1 EM Debt 0 Duration 0	Tactical Score: Value +1 Volatility -1 Quality +1 Yield +1	Tactical Score: Canadian Dollar -1 Gold +2

▲ Indicates an increase in the tactical score month-over-month | ▼ Indicates a decrease in the tactical score month-over-month



[†] The Five Lenses strategy is primarily based on a 12-month time horizon, however BMO's Multi-Asset Solutions Team may deviate from the longer term view in the short term especially with regards to currency. Any statement that necessarily depends on future events may be a forward-looking statement. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Although such statements are based on assumptions that are believed to be reasonable, there can be no assurance that actual results will not differ materially from expectations. Investors are cautioned not to rely unduly on any forward-looking statements. In connection with any forward-looking statements, investors should carefully consider the areas of risk described in the most recent simplified prospectus.

Portfolio Guidelines

	Benchmark
Bonds	25%
Equities	75%

Benchmark is defined as 25% FTSE TMX Canada Universe Bond Index, 20% MSCI Canada High Dividend Yield Index, 30% MSCI USA High Dividend Yield Index (USD) and 25% MSCI Europe High Dividend Yield Index.

Holdings as of June 30, 2024

Ticker	Asset Class	Weight (%)
Cash – CAD		2.1
ZAG	BMO AGGREGATE BOND INDEX ETF	11.3
ZST	BMO ULTRA SHORT-TERM BOND ETF	3.7
ZFL	BMO LONG FEDERAL BOND INDEX ETF	3.0
ZCM	BMO MID CORPORATE BOND INDEX ETF	2.5
Canadian Fixed Income		20.6
ZMU	BMO MID-TERM US IG CORPORATE BOND HEDGED TO CAD INDEX ETF	2.5
U.S. Fixed Income		2.5
EM Fixed Income		0.0
Fixed Income		23.1
ZWC	BMO CANADIAN HIGH DIVIDEND COVERED CALL ETF	11.9
ZWB	BMO COVERED CALL CANADIAN BANKS ETF	3.4
ZRE	BMO EQUAL WEIGHT REITS INDEX ETF	3.3
ZPR	BMO LADDERED PREFERRED SHARE INDEX ETF	0.0
ZPAY	BMO PREMIUM YIELD ETF	5.9
Canadian Equity		24.5
ZWA	BMO COVERED CALL DOW JONES INDUSTRIAL AVERAGE HEDGED TO CAD ETF (HEDGED UNITS)	2.5
ZQQ	BMO NASDAQ 100 EQUITY INDEX ETF (HEDGED UNITS)	5.7
ZWH	BMO US HIGH DIVIDEND COVERED CALL ETF	17.3
ZUP	BMO US PREFERRED SHARE INDEX ETF	0.0
ZWEN	BMO COVERED CALL ENERGY ETF	3.8
HHL	HARVEST HEALTHCARE LEADERS INCOME ETF	2.4
U.S. Equity		31.7
ZWP	BMO EUROPE HIGH DIVIDEND COVER	15.1
ZDI	BMO INTL DIVIDEND ETF UNITS	3.5
EAFE Equity		18.6
EM Equity		0.0
Equity		74.8
TOTAL		100.0

Now available on Architect



¹ BMO Global Asset Management based on the underlying ETFs as of June 30, 2024.

² This should not be construed to be tax advice, as each client's situation is different. Please consult your own and tax advisor.

The information contained herein is not, and should not be construed as, investment, tax or legal advice to any party. Investments should be evaluated relative to the individual's investment objectives and professional advice should be obtained with respect to any circumstance.

Commissions, trailing commissions, management fees and expenses (if applicable) all may be associated with mutual fund investments, exchange traded funds (ETFs) and the use of an asset allocation service. Please read the fund facts, ETF facts or prospectus of the mutual funds in which investment may be made before investing, including mutual fund and ETF investments under an asset allocation service. Mutual funds and ETFs are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. There can be no assurances that the funds and ETFs will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. ETFs trade like stocks, fluctuate in market value and may trade at a discount to their net asset value, which may increase the risk of loss. Distributions are not guaranteed and are subject to change and/or elimination.

BMO Mutual Funds are offered by BMO Investments Inc., a financial services firm and separate entity from Bank of Montreal. BMO ETFs are managed and administered by BMO Asset Management Inc., an investment fund manager and portfolio manager and separate legal entity from Bank of Montreal.

BMO Global Asset Management is a brand name under which BMO Asset Management Inc. and BMO Investments Inc. operate.

^{®/™} Registered trademarks/trademark of Bank of Montreal, used under licence.