

# New BMO ETFs – Launch Summary

Built for all investors, BMO ETFs are proud to have changed investing for the better. We focus on listening to our partners to develop innovative ETFs that address real investor needs.

## Structured Outcome ETFs

### **ZAPR – BMO US Equity Buffer Hedged to CAD ETF – April**

*A shock absorber for your portfolio*

#### **Why Buy?**

- Buffer ETFs, help you participate in the upside to a pre-determined level or cap with a buffer zone to mitigate losses (-15% downside protection if held from inception to the end of the Target Outcome Period)\*
- Have the potential to enjoy a smoother investment experience and know your structured outcomes prior to investing
- When the underlying reference ETF pays a dividend, it flows through the Buffer ETF directly to unitholders. Dividends are not subject to the downside buffer or the price cap
- **ZAPR** invests in the BMO S&P 500 Hedged to CAD Index ETF (ticker: ZUE)\* which can complement your core equity positions while mitigating risk.

**Get Comfort When You Need it the Most:** Three ETFs with a built-in buffer to help mitigate losses, and potentially provide you with greater certainty over time [Read](#)

1. **ZAPR** – BMO US Equity Buffer Hedged to CAD ETF – April
2. **ZJAN** – BMO US Equity Buffer Hedged to CAD ETF – January
3. **ZOCT** – BMO US Equity Buffer Hedged to CAD ETF – October

**BMO US Equity Buffer  
Hedged to CAD ETF**

**ZAPR**

Quarterly Distributions

**Mgmt Fee:** 0.65%

**Risk† Rating:** Medium

### **ZJAN – BMO US Equity Buffer Hedged to CAD ETF – January**

*A shock absorber for your portfolio*

#### **Why Buy?**

- Have the potential to enjoy a smoother investment experience and know your structured outcomes prior to investing
- Buffer ETFs help you participate in the upside to a pre-determined level or cap with a buffer zone to mitigate losses (-15% downside protection if held from inception to the end of the Target Outcome Period)\*
- When the underlying reference ETF pays a dividend, it flows through the Buffer ETF directly to unitholders. Dividends are not subject to the downside buffer or the price cap
- ZJAN invests in the BMO S&P 500 Hedged to CAD Index ETF (ticker: ZUE)† which can complement your core equity positions while mitigating risk.

**BMO US Equity Buffer  
Hedged to CAD ETF**

**ZJAN**

Quarterly Distributions

**Mgmt Fee:** 0.65%

**Risk† Rating:** Medium

**ZOCT – BMO US Equity Buffer Hedged to CAD ETF – October***A shock absorber for your portfolio***Why Buy?**

- Designed for investors looking for downside protection up to a 15% decline (before fees taxes and expenses) over a 1-year outcome period
- Investors know their structured outcomes prior to investing and can defend their investment<sup>§</sup>
- The ETF invests in broad U.S. equities which complements core equity positions while mitigating risk.

**BMO US Equity Buffer  
Hedged to CAD ETF****ZOCT**

Quarterly Distributions

**Mgmt. Fee:** 0.65%**Risk<sup>†</sup> Rating:** Medium**ZUEA – BMO US Equity Accelerator Hedged to CAD ETF***Dial up your equity returns***Why Buy?**

- Designed to offer approximately 2x the price return on the S&P 500 hedged to CAD, to a cap of 8% (before fees taxes and expenses), with single exposure<sup>¶</sup> on the downside over a 3-month period.
- Accelerator ETFs reset every three months to continue capturing upside to the cap

**BMO US Equity Accelerator  
Hedged to CAD ETF****ZUEA**

Quarterly Distributions

**Mgmt. Fee:** 0.65%**Risk<sup>†</sup> Rating:** Medium**ZEBA – BMO Canadian Banks Accelerator ETF***Dial up your equity returns***Why Buy?**

- Offers approximately 2x the price return on Canadian banks, to a cap of 8% (before fees taxes and expenses) with single exposure on the downside, over a 3-month period
- Accelerator ETFs reset every three months to continue capturing upside to the cap

**BMO Canadian Banks  
Accelerator ETF****ZEBA**

Monthly Distributions

**Mgmt. Fee:** 0.65%**Risk<sup>†</sup> Rating:** Medium

For more on our Accelerator ETFs please visit: [Dial Your Equity Returns Up featuring BMO's ZUEA and ZEBA ETFs.](#)

## Gold ETFs

**ZGLD<sup>‡</sup> / ZGLH / ZGLD.U – BMO Gold Bullion ETF***Get the Gold You Really Want***Why Buy?**

- **Inflation hedge & haven:** Gold tends to outperform during periods of global economic uncertainty
- **Diversification:** Historically, precious metals have a lower correlation<sup>\*\*</sup> to traditional asset classes<sup>‡</sup>
- **Return Potential:** Demand for physical gold is on the rise, sitting higher than its 10-year average<sup>††</sup>
- **Cost efficient:** Competitive management fees for physical gold trusts that trades over the TSX<sup>‡‡</sup>
- **Ease of access:** Investors do not have to handle and or store physical gold. BMO Gold ETFs provide exposure to the price of Gold Bullion and can be bought and sold on the TSX on any open trading day
- **Locally housed in Canada:** Physical gold is held in a local BMO vault that is audited periodically
- **Currency exposure management:** Investors can get exposure to physical gold via three different ETF options. [ZGLD](#) is purchased in Canadian dollars, [ZGLH](#) is hedged to the Canadian dollar and [ZGLD.U](#) is purchased in U.S dollars.

For more on investing in Gold ETFs, have a look at the new Gold Sales Aid [please read.](#)

**BMO Gold Bullion ETF****ZGLD    ZGLH    ZGLD.U**

Hedged to CAD    USD units

Annual Distribution

**Mgmt. Fee:** 0.20%**Risk<sup>†</sup> Rating:** Medium

## Canadian Broad Based

### **ZIU – BMO S&P/TSX 60 Index ETF**

*Canada's concentrated index*

#### **Why Buy?**

- Get exposure to the 60 largest companies by market capitalization that are listed on the TSX
- Access to some of Canada's biggest sectors – Financials, Energy and Materials
- A concentrated exposure to the largest and most liquid publicly traded companies within Canada

Please see the [ZIU Sales Aid](#).

**BMO S&P/TSX 60 Index ETF**

**ZIU**

Quarterly Distributions

**Mgmt. Fee:** 0.13%

**Risk<sup>†</sup> Rating:** Medium

## U.S. Cash

### **ZUCM / ZUCM.U – BMO USD Cash Management ETF**

*A place to park cash*

#### **Why Buy?**

- Access to short term U.S. Treasury Bills which are backed by the U.S. Government
- Get capital preservation with highly liquid securities and no lock up periods
- Lower interest rate sensitivity due to short duration<sup>\$\$</sup> bonds

For more places to park cash please visit [A Place to Park Cash ZMMK, ZUCM, ZST, ZUS.V](#).

**BMO USD Cash Management ETF**

**ZUCM**

**ZUCM.U**

USD units

Monthly Distribution

**Mgmt. Fee:** 0.12%

**Risk<sup>†</sup> Rating:**

ZUCM<sup>†</sup> Low to Medium, ZUCM.U Low

## Canadian and U.S. Alternatives

### **ZLSC – BMO Long Short Canadian Equity ETF**

*Benefit from both directions of price movements within the Canadian market*

#### **Why Buy?**

- Long and short positions within a portfolio to capitalize on rises and declines in stock prices at the same time
- Potential for stronger risk-adjusted performance than long only equity funds, and to enhance returns in turbulent markets within Canada
- Access a liquid alternative strategy that can compliment existing portfolio holdings without the typical rigorous documentation requirements of traditional alternative strategies

**BMO Long Short  
Canadian Equity ETF**

**ZLSC**

Quarterly Distribution

**Mgmt. Fee:** 0.65%

**Risk<sup>†</sup> Rating:** Low to Medium

### **ZLSU – BMO Long Short US Equity ETF**

*Benefit from both directions of price movements within the U.S. market*

#### **Why Buy?**

- Long and short positions within a portfolio to capitalize on rises and declines in stock prices at the same time
- Potential for stronger risk-adjusted performance than long only equity funds, and to enhance returns in turbulent markets within the U.S.
- Access a liquid alternative strategy that can compliment existing portfolio holdings without the typical rigorous documentation requirements of traditional alternative strategies

**BMO Long Short US Equity ETF**

**ZLSU**

Quarterly Distribution

**Mgmt. Fee:** 0.65%

**Risk<sup>†</sup> Rating:** Low to Medium

Please see our [Why invest in BMO ETF's Long-Short Strategy Job Aid](#).

## Active Alpha Seeking

### **BGDV – BMO Global Dividend Opportunities Fund Active ETF Series**

*Dividend paying companies diversified across multiple sectors and geographies*

#### **Why Buy?**

- Invests in global dividend companies that have proven business models with healthy balance sheets and effective capital management across economic cycles
- Disciplined investment process that is driven by the dynamic interaction of innovative themes, sector expertise and economic insights

**BMO Global Dividend  
Opportunities Fund  
Active ETF Series**

**BGDV**

Monthly Distribution

**Mgmt. Fee:** 0.75%

**Risk<sup>†</sup> Rating:** Medium



\* BMO Buffer ETFs seeks to provide income and appreciation that match the return of a Reference Index up to a cap (before fees, expenses and taxes), while providing a buffer against the first 15% (before fees, expenses and taxes) of a decrease in the Reference Index over a period of approximately one year, starting from the first business day of the stated outcome period.

† Risk is defined as the uncertainty of return and the potential for capital loss in your investments.

‡ Changes in rates of exchange may also reduce the value of your investment.

§ Provided investors remain invested throughout the duration of the Target Outcome Period. The Target Outcome Period for ZOCT is approximately one year from the first business day of October of each year to on or about the last business day of September of that year. The Target Outcome Period for ZJAN, is approximately one year from the third Friday of January of each year to on or about the third Friday of January of the following year. The Target Outcome Period for ZAPR, is approximately one year from the first business day of April of each year to on or about the last business day of March of the following year.

¶ Single exposure is approximate and not exact.

\*\* A statistical measure of how two securities move in relation to one another. Positive correlation indicates similar movements, up or down together, while negative correlation indicates opposite movements (when one rises, the other falls).

†† World Gold Council, <https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-q3-2023>

‡‡ Source: BMO Global Asset Management, Bloomberg, January 31<sup>st</sup> 2024

§§ Duration: can measure how long it takes, in years, for an investor to be repaid a bond's price by the bond's total cash flows. Duration can also measure the sensitivity of a bond's or fixed income portfolio's price to changes in interest rates.

An investor that purchases Units of a Structured Outcome ETF other than at starting NAV on the first day of a Target Outcome Period and/or sells Units of a Structured Outcome ETF prior to the end of a Target Outcome Period may experience results that are very different from the target outcomes sought by the Structured Outcome ETF for that Target Outcome Period. Both the cap and, where applicable, the buffer are fixed levels that are calculated in relation to the market price of the applicable Reference ETF and a Structured Outcome ETF's NAV (as Structured herein) at the start of each Target Outcome Period. As the market price of the applicable Reference ETF and the Structured Outcome ETF's NAV will change over the Target Outcome Period, an investor acquiring Units of a Structured Outcome ETF after the start of a Target Outcome Period will likely have a different return potential than an investor who purchased Units of a Structured Outcome ETF at the start of the Target Outcome Period. This is because while the cap and, as applicable, the buffer for the Target Outcome Period are fixed levels that remain constant throughout the Target Outcome Period, an investor purchasing Units of a Structured Outcome ETF at market value during the Target Outcome Period likely purchase Units of a Structured Outcome ETF at a market price that is different from the Structured Outcome ETF's NAV at the start of the Target Outcome Period (i.e., the NAV that the cap and, as applicable, the buffer reference). In addition, the market price of the applicable Reference ETF is likely to be different from the price of that Reference ETF at the start of the Target Outcome Period. To achieve the intended target outcomes sought by a Structured Outcome ETF for a Target Outcome Period, an investor must hold Units of the Structured Outcome ETF for that entire Target Outcome Period.

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Commissions, management fees and expenses all may be associated with investments in exchange traded funds. Please read the ETF Facts or prospectus of the BMO ETFs before investing. Exchange traded funds are not guaranteed, their values change frequently and past performance may not be repeated.

For a summary of the risks of an investment in the BMO ETFs, please see the specific risks set out in the BMO ETF's prospectus. BMO 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 ETFs are managed by BMO Asset Management Inc., which is an investment fund manager and a portfolio manager, and a separate legal entity from Bank of Montreal.

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