

## BMO Short Federal Bond Index ETF

### Fund Details

Ticker	ZFS
Base Currency	CAD
Exchange	TSX
Inception Date	Oct 20, 2009
Maximum Annual Management Fee	0.20%
Management Expense Ratio <sup>1</sup>	0.23%
RSP Eligible	Yes
DRIP Eligible	Yes
Distribution Frequency	Monthly

### Fund Characteristics

Net Assets (Mn)	\$ 461.88
Number of Securities	29
Shares Outstanding	31,383,302
Weighted Avg Term to Maturity	2.90
Weighted Avg Coupon (%)	1.90
Weighted Avg Current Yield (%)	1.80
Weighted Avg Yield to Maturity (%)	0.70
Weighted Avg Duration	2.80

### Correlation

Index Return data based on 10 years as of Jun 30, 2016

FTSE TMX Canada Overall Bond Index	0.78
FTSE TMX Canada Short Term Overall Bond Index	0.97
Barclays Capital U.S. High Yield Very Liquid Index CAD Hedged	-0.25
S&P/TSX Capped Composite Index	-0.34
S&P 500 Hedged to Canadian Dollars Index	-0.34
MSCI EAFE 100% Hedged to CAD Dollars Index	-0.32
MSCI Emerging Markets Index CAD	-0.09

### Portfolio Strategy

The BMO Short Federal Bond Index ETF has been designed to replicate, to the extent possible, the performance of the FTSE TMX Canada Short Term Federal Bond Index™, net of expenses. The Fund invests in a variety of debt securities primarily with a term to maturity between one and five years. Securities held in the Index are generally issued or guaranteed by the Government of Canada, by various agencies of the Government of Canada, and by various instrumentalities that have been established or sponsored by the Government of Canada.

### Benchmark Info

The FTSE TMX Canada Short Term Federal Bond Index™ consists of semi-annual pay fixed rate bonds denominated in Canadian dollars, with an effective term to maturity less than five years and greater than one year, a credit rating of AAA and minimum size requirement of \$50 million per issue. The federal sector consists of bonds issued by the Government of Canada (including both non-agency, agency/crown corporations) and supranational entities. Each security in the index is weighted by its relative market capitalization and rebalanced on a daily basis.

### Fund Benefits

- Designed for investors looking for defensive income
- Invested in a diversified portfolio of federal bonds
- Includes bonds with one to five years to maturity
- Professionally managed by BMO Global Asset Management

### Growth of 10,000



### Fund Performance

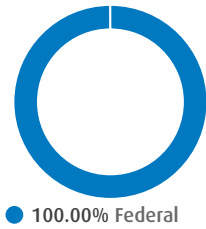
#### Cumulative Performance

For period ending Jun 30, 2016

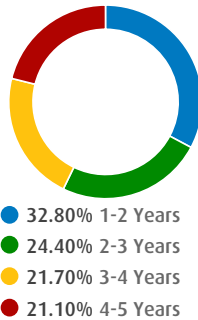
	1Mo	3Mo	6Mo	YTD	1Yr	Since Inception
NAV	0.43%	0.36%	0.60%	0.60%	1.01%	2.20%
Index	0.40%	0.38%	0.66%	0.66%	1.17%	2.37%

## BMO Short Federal Bond Index ETF

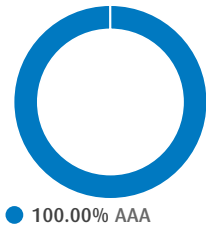
### Sector Allocation



### Maturity

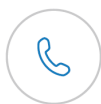


### Credit Allocation



### Top Holdings

	%
Canada 1.25% 03/01/2018	7.95%
Canada 3.25% 06/01/2021	5.78%
Canada Housing Trust 3.8% 06/15/2021	5.55%
Canada 0.25% 05/01/2018	5.36%
Canada Housing Trust 1.95% 06/15/2019	5.01%
Canada 3.75% 06/01/2019	4.81%
Canada 1.75% 09/01/2019	4.54%
Canada Housing Trust 1.7% 12/15/2017	4.03%
Canada 1.5% 09/01/2017	4.00%
Canada 3.5% 06/01/2020	3.86%



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<sup>1</sup> Management Expense Ratios (MERs) are the audited MERs as of December 31, 2015.