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BMO Global Asset Management

5 Important Considerations When Selecting An ETF

Erin Allen

Vice President
BMO ETFs

Danielle Neziol

Vice President
BMO ETFs

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5 essential considerations for choosing the right ETF



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Commissions, management fees and expenses (if applicable) may be associated with investments in mutual funds and exchange traded funds (ETFs). Trailing commissions may be associated with investments in mutual funds. Please read the fund facts, ETF Facts or prospectus of the relevant mutual fund or ETF before investing. Mutual funds and ETFs are not guaranteed, their values change frequently and past performance may not be repeated.

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Speakers



Erin Allen, CIM

Vice-President, ETF Online
Distribution

BMO ETFs



Danielle Neziol

Vice-President, ETF Online
Distribution

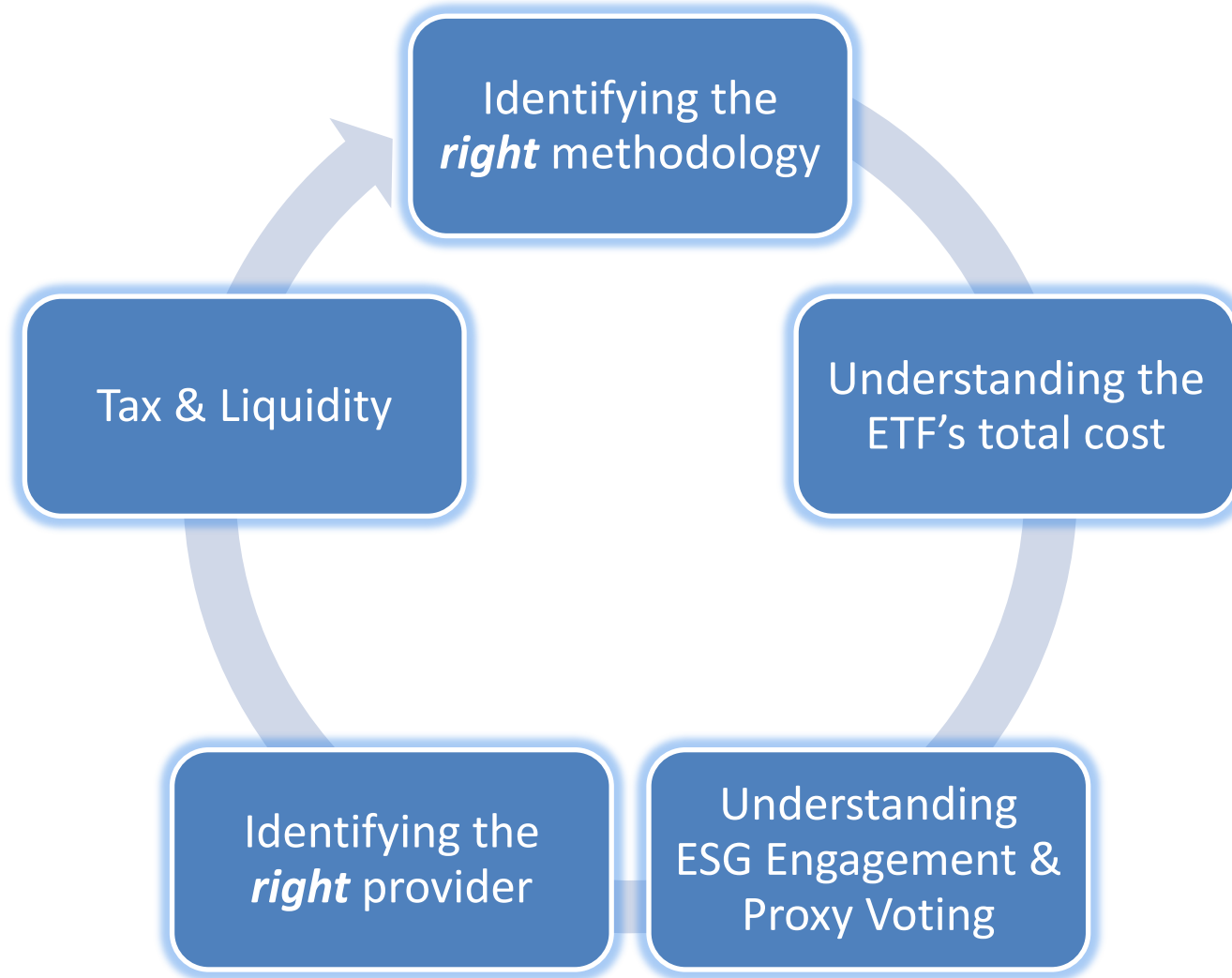
BMO ETFs

Canadian ETF Landscape

www.cetfa.ca

AUM by ETF Provider						
ETF Provider	# of ETFs	Current Month	Previous Month	Change	Dec 2022	
BlackRock Canada	146	\$ 99,635	\$ 96,221	3.5%	\$ 92,637	
BMO Asset Management	144	94,230	92,164	2.2%	87,729	
Vanguard Canada	37	56,055	54,205	3.4%	49,889	
Horizons ETFs	107	26,300	25,676	2.4%	22,892	
CI Investments	86	19,045	18,553	2.7%	15,966	
Mackenzie	46	12,872	12,835	0.3%	12,395	
TD Asset Management	41	10,022	9,825	2.0%	7,789	
National Bank	15	9,573	9,157	4.5%	6,394	
Purpose Investments	49	8,087	7,667	5.5%	6,867	
Invesco ETFs	33	5,336	5,203	2.6%	4,643	
RBC Global Asset Management	49	4,662	4,470	4.3%	3,974	
Fidelity	40	4,168	3,904	6.8%	3,265	
Scotia Global Asset Management	26	3,664	3,606	1.6%	3,490	
Harvest Portfolios	21	3,432	3,286	4.4%	2,858	
Evolve Funds	25	3,002	2,865	4.8%	2,184	

ETF Checklist



The ETF Provider



Exchange Traded Funds



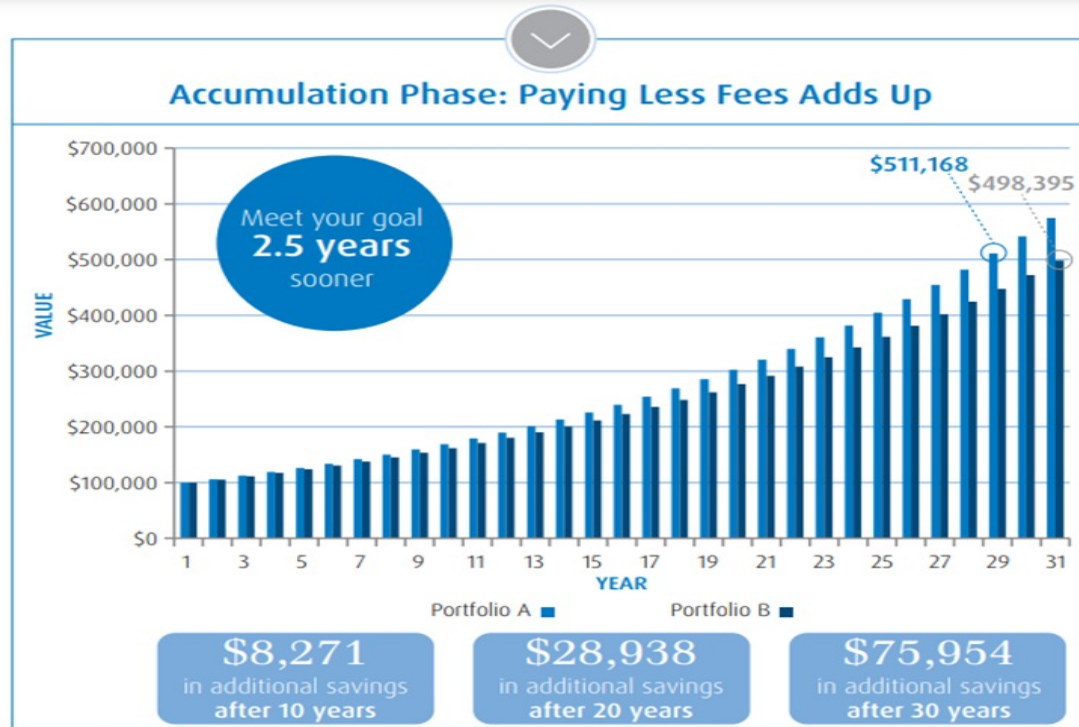
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- ✓ Tenure of firm & team
- ✓ Assets under management (AUM)
- ✓ Level of trading support and education
- ✓ Breadth of product shelf

Analyzing the ETF

- ✓ **Does the ETF objectives and strategy match your investment objectives?**
- ✓ Risk Rating
- ✓ Current yield/distribution schedule
- ✓ Tax considerations
- ✓ Active or passive
- ✓ Understand exposures (sectors, geographies, factors)
- ✓ Review the underlying index

The All In Cost of Ownership



For illustrative purposes only



For illustrative purposes only

Assumptions for charts above:

- Two hypothetical portfolios with an initial investment of \$100,000 each
- Annual rate of return is 6% with no distributions
- Assumes withdrawal of \$40,000 per year beginning year 31
- Goal of reaching \$500,000 in 30 years
- Portfolio A pays 0.5% less in fees each year

Management Fees, MERs and TERs- what is the difference?

ESG Engagement and Active Ownership

Engagement this quarter			
Engagement	Companies Engaged	Milestones achieved	Countries covered
221	144	29	23

Engagements by theme **



Milestones achieved by issue



Source: BMO GAM, 2022 Responsible Investment Report. March 2022.

Is the ETF Provider actively engaging with companies on your behalf?

Prospectus & ETF Facts

BMO ETF Legal and Regulatory Documents

ETF Facts

ETF Series Facts

Passive Foreign Investment Company (PFIC)



Prospectus – January 17, 2022 (3.4 MB - PDF)

What information can be found in a prospectus?

- ✓ Investment Objectives
- ✓ Strategies
- ✓ Index Description
- ✓ Risk Rating
- ✓ Fees

BMO Exchange Traded Funds ETF FACTS

This document contains key information you should know about BMO Canadian Dividend ETF. You can find more details about this exchange traded fund (ETF) in its prospectus. Ask your representative for a copy, contact BMO Asset Management Inc. at bmo.etfs@bmo.com, or 1-800-361-1392, or visit www.bmo.com/etflegal. Before you invest, consider how the ETF would work with your other investments and your tolerance for risk.

Quick facts			
Date ETF started:	October 21, 2011	Fund manager:	BMO Asset Management Inc.
Total value on November 30, 2021:	\$757.3 Million	Portfolio manager:	BMO Asset Management Inc.
Management expense ratio (MER):	0.39%	Distributions:	Monthly (any net income and/or return of capital) and in December (any net realized capital gains)

Trading information (12 months ending November 30, 2021)			
Ticker symbol:		Average daily volume:	369,929 units
Exchange:	Toronto Stock Exchange	Number of days traded:	251 out of 251 trading days
Currency:	Canadian dollars		

Pricing information (12 months ending November 30, 2021)			
Market price:	\$16.25 - \$20.05	Average bid-ask spread:	0.06%
Net asset value (NAV):	\$16.24 - \$20.04		

What does the ETF invest in?

The ETF seeks to provide exposure to the performance of a yield weighted portfolio of Canadian dividend paying stocks. The selected companies will have the potential for long-term capital appreciation.

The charts below give you a snapshot of the ETF's investments on November 30, 2021. The ETF's investments will change.

Top 10 Investments (November 30, 2021)	
1. BCE Inc.	5.2%
2. Toronto-Dominion Bank, The	5.0%
3. Bank of Nova Scotia, The	5.0%
4. Royal Bank of Canada	4.9%
5. Enbridge Inc.	4.9%
6. TELUS Corporation	4.4%
7. Canadian National Railway Company	4.3%
8. Canadian Imperial Bank of Commerce	4.2%
9. Manulife Financial Corporation	4.0%
10. Bank of Montreal	3.7%
Total percentage of top 10 investments	45.6%
Total number of investments:	50

How risky is it?

The value of the ETF can go down as well as up. You could lose money. One way to gauge risk is to look at how much an ETF's returns change over time. This is called "volatility".

In general, ETFs with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. ETFs with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

Risk rating
BMO Asset Management Inc. has rated the volatility of this ETF as **medium**. Generally, the rating is based on how much the ETF's returns have changed from year to year. It doesn't tell you how volatile the ETF will be in the future. The rating can change over time. An ETF with a low risk rating can still lose money.

For more information about the risk rating and specific risks that can affect the ETF's returns, see the "Risk Factors" section of the ETF's prospectus.

No guarantees
ETFs do not have any guarantees. You may not get back the amount of money you invest.

Resources for you



Comparison

Select and evaluate multiple BMO ETFs and BMO mutual funds, plus other Canadian ETFs and mutual funds, based on performance, fees, risk, and more to find the right solution for your portfolio.

[COMPARE FUNDS](#)



Screener

Quickly find ETFs that meet your needs using a comprehensive search of all Canadian listed ETFs.

[GET STARTED](#)



Proposal Generator

Create customized portfolios using BMO ETFs

[GET STARTED](#)

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