

# Investment Analysis





#### Executive Summary

With the new changes to Client Focused Reforms (CFR), BMO aims to support Registered Individuals with information about the recommended securities and tools to help address the Know Your Product (KYP) and Suitability expectations and guidelines. With consideration to understanding client-investment suitability, Registered Individuals must be able to demonstrate their assessment and understanding of a reasonable range of alternative securities made available through the firm.

To make a suitability determination, Registered Individuals need to take reasonable steps to understand the securities that they purchase, sell, or recommend for a client, including the initial and ongoing costs associated with acquiring and holding each security, the security's structure, features, and risks, and the impact of the action on their clients' accounts, including liquidity, concentration, and the actual and potential impact of costs on the client's return. Registered Individuals also must obtain approval from the firm to offer the security to their client.

In addition to putting their clients' interests first, the ability to meet the KYP requirements is pertinent to making a suitability determination. The Registered Individual must provide a reasonable range of alternative actions available at the time of determination. This refers to a suitable range of comparable securities that are available through the firm that fall within a similar risk level, suitability, and category when compared to a client's risk profile. Once these requirements are met, the Registered Individual may then present this recommendation to their client.

Completion of all the above KYP requirements should be recorded in a format that can be readily provided to regulating bodies upon request to ensure that adequate steps were taken. With the following presentation and checklist, it can help evidence that KYP obligations have been completed in order to conduct a suitability determination.





#### KYP Checklist



Has the security been approved by the firm to be made available to the client?



Have reasonable steps been taken by the Registered Individual to understand the securities to enable a suitability determination?



Has the risk rating of the recommendation and the impact of the action on the client's account been evaluated?



Has a reasonable range of alternative products been reviewed within the comparison at the time of the suitability determination?

## Commentary

BMO Equity Growth ETF Portfolio has a Medium risk rating, provides investors with a low-cost, actively managed approach to owning a diversified portfolio of ETFs focused on long-term capital appreciation.

In addition, owning ETFs within a mutual fund package provides a number of additional financial planning features not available with individual ETFs: PACs, SWPs, fractional units, and end-of-day pricing at NAV (no bid or ask spread) when transacting.

The BMO Equity Growth ETF Portfolio can be used as a stand-alone one-ticket solution or as a core building block within a larger portfolio.

Managed using BMO's proprietary 5-Lens Asset Allocation Process:

- Lens 1: Equities vs. Fixed Income
- Lens 2: Equity Asset Class (Can vs. US vs. EAFE vs. EM)
- Lens 3: Fixed Income Asset Class (Int. Rates, Duration, Credit Quality)
- Lens 4: Style and Factors (Value vs. Growth vs. Momentum vs. Beta)
- Lens 5: Implementation (Active vs. Passive, Currency Hedging)

Relative to the included peer group, the BMO Equity Growth ETF Portfolio has:

- The best 2, 3, 5, and 10-year performance.
- Delivered the best downside protection in 2018 and 2022.
- The lowest maximum drawdown over 5 years.
- Delivered the best risk-adjusted returns over 5 years (Sharpe Ratio).
- The best upside/downside capture ratio over 5 years.

Fees:

The BMO Equity Growth ETF Portfolio is 35-50% less expensive on MER.

Summary:

The BMO Equity Growth ETF Portfolio is an attractive solution for investors looking for a growth-oriented, actively managed approach to owning ETFs that is rated as medium-risk with a proven track record, consistent performance, attractive risk-adjusted returns, and the lowest fee amongst the peer group.

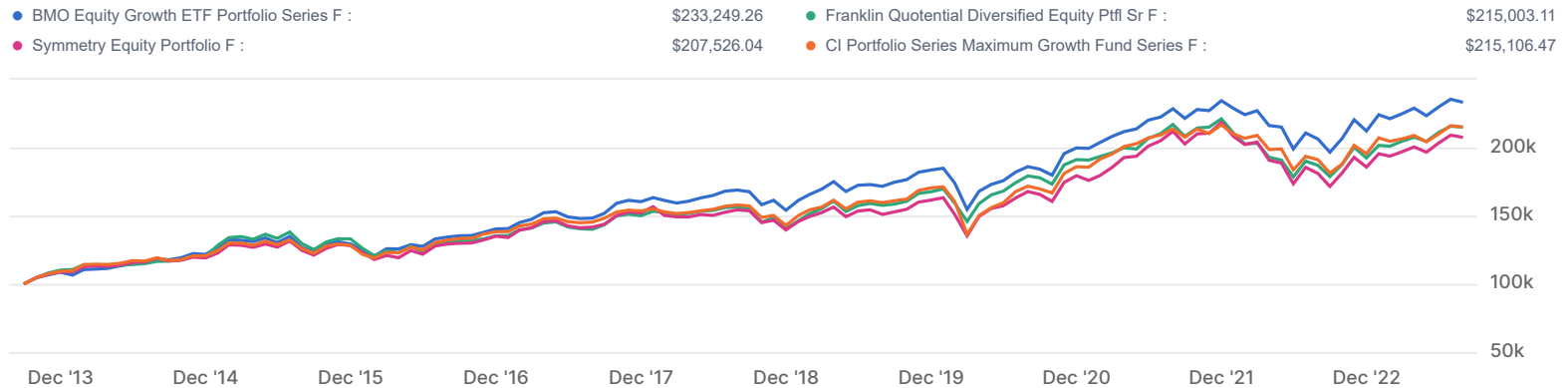
Source: BMO Global Asset Management as of August 31, 2023



## Hypothetical Return Graph

Growth of \$100,000.00

From 2013-09 to 2023-08



Hypothetical returns are net of fees and are based on monthly performance for the period ending on 31/08/23 for **BMO95705**, **TML844**, **MFC8669** and **CIG4603**. For periods greater than one year, the indicated rates of return are the average annual compound total returns as of the date indicated including changes in unit value and the reinvestment of all distributions and do not take into account sales, redemption, distribution or other optional charges or income taxes payable by any unitholder that would have reduced returns.

## Overview

	BMO Equity Growth ETF Portfolio Series F	Franklin Quotential Diversified Equity PtfI Sr F	Symmetry Equity Portfolio F	CI Portfolio Series Maximum Growth Fund Series F
YTD Return	5.55%	6.51%	5.56%	6.25%
6 Month Return	1.80%	2.15%	1.82%	3.07%
1 Year Return	14.02%	14.45%	14.31%	15.27%
3 Year Return	7.04%	5.24%	6.10%	7.50%
5 Year Return	5.74%	5.53%	4.83%	5.59%
10 Year Return	8.30%	7.36%	6.90%	7.53%
Beta	0.91	0.95	1.01	0.85
MER	0.67%	1.05%	1.06%	1.36%

Performance is net of fees. Performance data for period ending on 27/09/23 for **BMO95705**, **TML844**, **MFC8669** and **CIG4603**. Risk data for period ending on 31/08/23 for **BMO95705**, **TML844**, **MFC8669** and **CIG4603**. MER provided by Fundata for the following items: **Franklin Quotential...** and **CI Portfolio Series...**

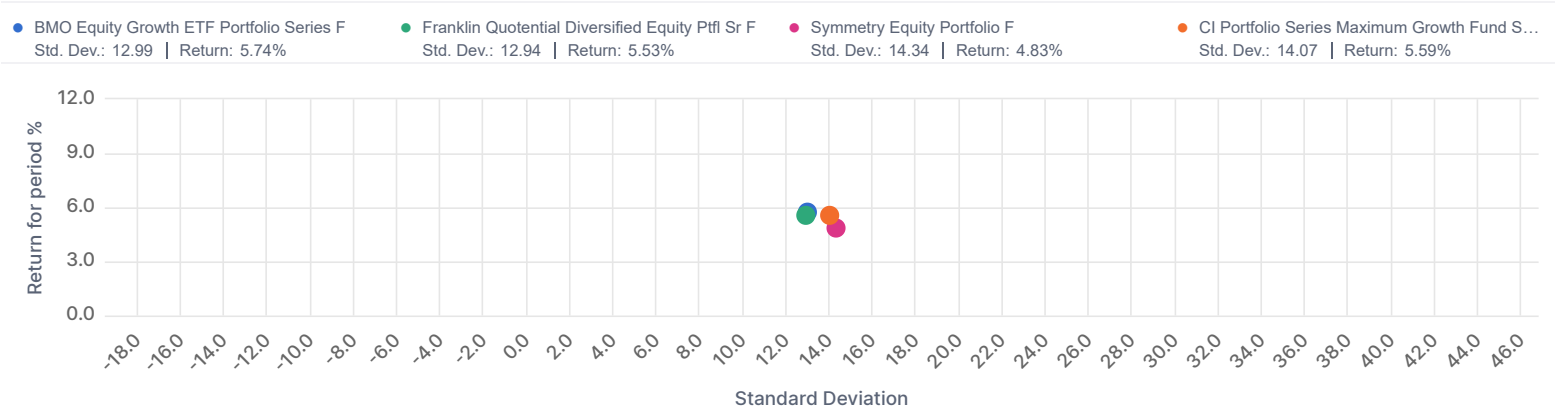
## Asset Allocation

	BMO Equity Growth ETF Portfolio Series F	Franklin Quotential Diversified Equity PtfI Sr F	Symmetry Equity Portfolio F	CI Portfolio Series Maximum Growth Fund Series F
Fixed Income	0.25%	0.00%	0.27%	0.19%
Cash	2.57%	0.49%	4.66%	3.26%
Canadian Equity	29.85%	4.31%	6.80%	29.38%
United States Equity	32.40%	39.87%	56.03%	24.18%
International Equity	32.27%	36.16%	26.96%	39.31%
Other*	2.66%	19.16%	5.27%	3.68%

Allocations data as at 31/08/23 for **BMO95705** and **CIG4603**, as at 31/07/23 for **TML844** and as at 30/06/23 for **MFC8669**. The "Other" category will also compensate for data that is currently unavailable.

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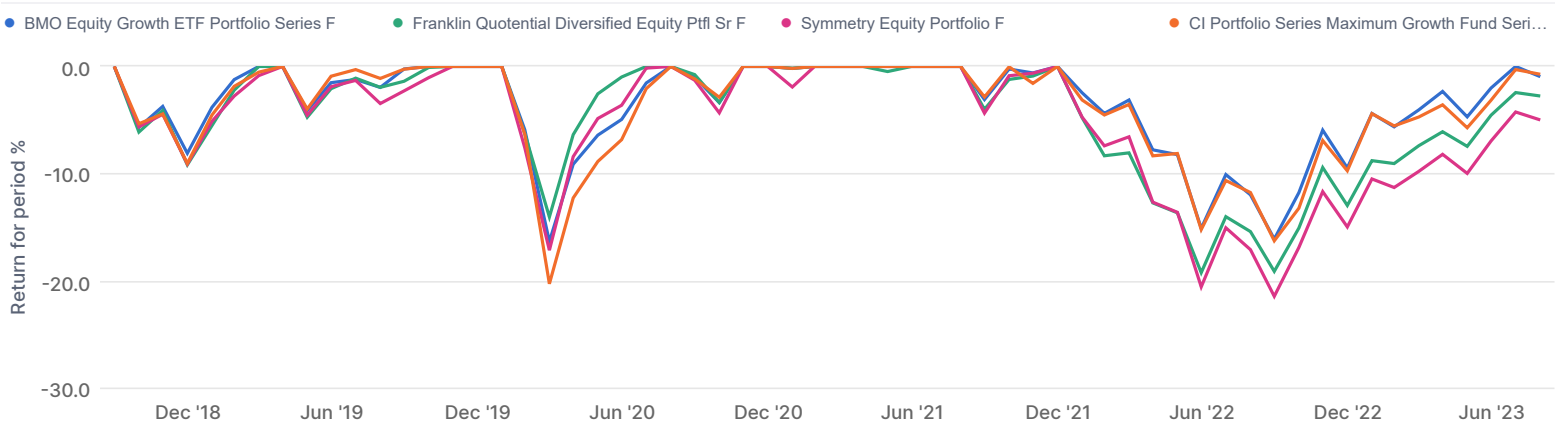
Risk / Reward Analysis (5 Years)



Risk data for period ending on 31/08/23 for BMO95705, TML844, MFC8669 and CIG4603. Performance is net of fees. Performance data for period ending on 27/09/23 for BMO95705, TML844, MFC8669 and CIG4603.

Drawdown Analysis

From 2018-09 to 2023-08





### Trailing Returns

	<div> <div></div> BMO Equity Growth ETF Portfolio Series F </div>	<div> <div></div> Franklin Quotential Diversified Equity Ptfl Sr F </div>	<div> <div></div> Symmetry Equity Portfolio F </div>	<div> <div></div> CI Portfolio Series Maximum Growth Fund Series F </div>
1 Month Return	-2.49%	-3.46%	-3.96%	-1.87%
3 Month Return	-0.70%	-1.12%	-1.68%	0.61%
6 Month Return	1.80%	2.15%	1.82%	3.07%
YTD Return	5.55%	6.51%	5.56%	6.25%
1 Year Return	14.02%	14.45%	14.31%	15.27%
2 Year Return	-0.50%	-2.14%	-3.07%	-1.02%
3 Year Return	7.04%	5.24%	6.10%	7.50%
4 Year Return	6.46%	6.70%	6.48%	6.61%
5 Year Return	5.74%	5.53%	4.83%	5.59%
10 Year Return	8.30%	7.36%	6.90%	7.53%
Since Inception	8.29%	6.54%	5.15%	6.55%

Performance is net of fees. Performance data for period ending on 27/09/23 for  BMO95705,  TML844,  MFC8669 and  CIG4603.

## Calendar Year Returns (5 Years)

	● BMO Equity Growth ETF Portfolio Series F	● Franklin Quotential Diversified Equity PtfI Sr F	● Symmetry Equity Portfolio F	● CI Portfolio Series Maximum Growth Fund Series F
2022	-9.48%	-12.99%	-14.99%	-9.75%
2021	17.34%	15.65%	21.76%	16.49%
2020	8.85%	14.06%	11.09%	9.12%
2019	19.15%	19.20%	15.64%	19.22%
2018	-3.92%	-6.31%	-8.17%	-6.90%

Performance is net of fees.

## Top 5 Equity Industry Holdings

	● BMO Equity Growth ETF Portfolio Series F	● Franklin Quotential Diversified Equity PtfI Sr F	● Symmetry Equity Portfolio F	● CI Portfolio Series Maximum Growth Fund Series F
First	22.49% Financials	21.47% Technology	22.21% Technology	18.38% Financials
Second	15.81% Industrials	17.05% Financials	17.66% Financials	16.88% Technology
Third	14.02% Technology	15.56% Industrials	14.19% Industrials	14.86% Industrials
Fourth	9.40% Oil & Gas	11.69% Health Care	10.94% Consumer Services	11.94% Consumer Services
Fifth	9.20% Consumer Goods	10.54% Consumer Goods	10.62% Consumer Goods	10.42% Oil & Gas

Allocations data as at 31/08/23 for ● BMO95705 and ● CIG4603, as at 31/07/23 for ● TML844 and as at 30/06/23 for ● MFC8669.



Top 5 Country Allocations

	<div><div></div>BMO Equity Growth ETF Portfolio Series F</div>	<div><div></div>Franklin Quotential Diversified Equity Ptfl Sr F</div>	<div><div></div>Symmetry Equity Portfolio F</div>	<div><div></div>CI Portfolio Series Maximum Growth Fund Series F</div>
First	32.56%Canada	39.96%United States of Ameri...	56.10%United States of Ameri...	32.30%Canada
Second	32.43%United States of Ameri...	19.34%Unidentified	10.79%Canada	24.71%United States of Ameri...
Third	9.74%Japan	5.09%Japan	5.84%Unidentified	9.58%Japan
Fourth	3.48%United Kingdom	4.42%Canada	4.09%United Kingdom	3.51%China
Fifth	2.67%Switzerland	4.08%United Kingdom	3.02%France	3.11%United Kingdom

Core Equity Metrics

	<div><div></div>BMO Equity Growth ETF Portfolio Series F</div>	<div><div></div>Franklin Quotential Diversified Equity Ptfl Sr F</div>	<div><div></div>Symmetry Equity Portfolio F</div>	<div><div></div>CI Portfolio Series Maximum Growth Fund Series F</div>
Equity Allocation	94.52%	80.35%	89.80%	92.87%
Price-To-Book Ratio	5.74	8.04	7.61	5.07
Price-To-Earnings Ratio	26.75	30.06	29.51	26.65
Distribution Yield	2.71%	0.96%	0.00%	0.00%
Return on Equity	N/A	N/A	23.93%	N/A

Allocations data as at 31/08/23 for 

BMO95705

 and 

CIG4603

, as at 31/07/23 for 

TML844

 and as at 30/06/23 for 

MFC8669

. Return on equity as at 31/08/23 for 

BMO95705

 and 

CIG4603

, as at 31/07/23 for 

TML844

 and as at 30/06/23 for 

MFC8669

. Other equity metrics as at 31/08/23 for 

BMO95705

 and 

CIG4603

, as at 31/07/23 for 

TML844

 and as at 30/06/23 for 

MFC8669

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Equity Style Breakdown

	<div><div></div>BMO Equity Growth ETF Portfolio Series F</div>	<div><div></div>Franklin Quotential Diversified Equity Ptfl Sr F</div>	<div><div></div>Symmetry Equity Portfolio F</div>	<div><div></div>CI Portfolio Series Maximum Growth Fund Series F</div>
Equity Style				
Value	13.44%	11.99%	12.06%	17.96%
Blend	23.10%	13.78%	15.35%	22.31%
Growth	63.46%	74.23%	72.59%	59.74%
Market Cap				
Large Cap	90.93%	94.37%	87.19%	78.38%
Mid Cap	8.22%	5.27%	10.53%	16.82%
Small Cap	0.85%	0.35%	2.28%	4.80%

Equity style provided by Fundata and is as at 31/08/23 for 

BMO95705

 and 

CIG4603

, as at 31/07/23 for 

TML844

 and as at 30/06/23 for 

MFC8669

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Core Risk Metrics (5 Years)

	<div><div></div>BMO Equity Growth ETF Portfolio Series F</div>	<div><div></div>Franklin Quotential Diversified Equity Ptfl Sr F</div>	<div><div></div>Symmetry Equity Portfolio F</div>	<div><div></div>CI Portfolio Series Maximum Growth Fund Series F</div>
Risk Rating	Medium	Low to medium	Low to medium	Medium
Beta	0.92	0.97	1.03	0.96
Standard Deviation	12.99	12.94	14.34	14.07
Sharpe Ratio	0.39	0.38	0.31	0.34
Maximum Drawdown	-16.36%	-19.27%	-21.48%	-20.31%
R-Squared	0.98	0.98	0.97	0.87
Correlation Coefficient	0.99	0.99	0.98	0.93
Upside / Downside	<div><div></div>91.1%<div><div></div>91.9%</div></div>	<div><div></div>92.4%<div><div></div>100.5%</div></div>	<div><div></div>92.8%<div><div></div>109.4%</div></div>	<div><div></div>83.0%<div><div></div>97.3%</div></div>

Risk data for period ending on 31/08/23 for 

BMO95705

, 

TML844

, 

MFC8669

 and 

CIG4603

. The risk metrics for 

BMO95705

 were calculated with Blend S&P/TSX Composite/MSCI WI (25:75) and FTSE CAD 3 Months Eurodeposit. The risk metrics for 

TML844

 were calculated with MSCI AC World NR CAD and FTSE CAD 3 Months Eurodeposit. The risk metrics for 

MFC8669

 and 

CIG4603

 were calculated with MSCI World TR USD and FTSE CAD 3 Months Eurodeposit.

Top 5 Holdings

	<div><div></div>BMO Equity Growth ETF Portfolio Series F</div>	<div><div></div>Franklin Quotential Diversified Equity Ptfl Sr F</div>	<div><div></div>Symmetry Equity Portfolio F</div>	<div><div></div>CI Portfolio Series Maximum Growth Fund Series F</div>
First	28.83% BMO S&P/TSX Capped...	17.07% Frk US Core Equity Fun...	12.67% Mackenzie US Large C...	10.15% CI Emerging Markets C...
Second	24.90% BMO S&P 500 Index ETF	11.29% Franklin International ...	3.61% CAD Cash	8.02% CI International Equity ...
Third	17.20% BMO MSCI EAFE Index...	10.80% Franklin FTSE U.S. Inde...	2.95% Mackenzie Enhanced ...	7.45% CI Munro Global Growt...
Fourth	5.80% BMO Japan Index ETF	10.07% Franklin US Rising Divi...	2.79% Microsoft Corp ORD	6.95% CI Synergy Canadian C...
Fifth	4.83% BMO MSCI Emerging ...	8.74% SPDR Portfolio S&P 50...	2.23% iShares Core MSCI EA...	6.57% Cambridge Canadian ...
Sub Total	81.57%	57.96%	24.26%	39.14%

Holdings data as at 31/08/23 for 

BMO95705

 and 

CIG4603

, as at 31/07/23 for 

TML844

 and as at 30/06/23 for 

MFC8669

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## Glossary

### Alpha

Alpha is a measure of performance. It indicates when an investment has beaten the market over a period of time.

### Beta

Beta is used as a measure of volatility of an investment compared to the risk of the entire market. A score of 1 indicates the investment is as volatile as the market. Less than 1 indicates it is less volatile than the market.

### Consistent Return

The Lipper Rating for Consistent Return identifies a fund that has provided relatively superior consistency and risk-adjusted returns when compared to a group of similar funds. Funds which achieve high ratings for Consistent Return may be the best fit for investors who value a fund's year-to-year consistency relative to other funds in a particular peer group.

Investors are cautioned that some peer groups are inherently more volatile than others, and even Lipper Leaders for Consistent Return in the most volatile groups may not be well suited to shorter-term goals or less risk-tolerant investors.

### Information Ratio

Information Ratio measures a portfolio's return beyond the returns of a benchmark and compares it to the volatility of the returns.

### Lipper Leader Scores

<http://www.lipperleaders.com/quickinfo.aspx>

Funds are ranked against their Lipper peer group classifications each month for 3-, 5-, 10-year, and overall periods. These ratings are based on an equal-weighted average of percentile ranks of the five Lipper Leaders metrics.

For each metric:

- the top 20% of funds receive a rating of '5' and are named Lipper Leaders;
- the next 20% of funds receive a rating of '4';
- the middle 20% of funds receive a rating of '3';
- the next 20% of funds receive a rating of '2';
- the lowest 20% of funds receive a rating of '1'.

Lipper Leaders provide context and perspective for making informed investment decisions but do not predict future performance.

### Management Expense Ratio

Management Expense Ratio ("MER") indicates how much a fund pays in management fees, operating expenses, taxes, and potentially commissions to advisors.

### Maximum Drawdown

Maximum Drawdown is the maximum compounded loss an investment incurred during a period.

### Portfolio Correlation

Portfolio Correlation measures how much two investments move relative to each other. Correlation falls between -1.0 and 1.0.

### Preservation

Choosing a Lipper Rating for Preservation may help to minimize downside risk relative to other fund choices in the same asset class. Investors are cautioned that equity funds have historically been more volatile than mixed-equity or fixed-income funds, and that even the Lipper Rating for Preservation in more volatile asset classes may not be well suited to shorter-term goals or less risk-tolerant investors.

### R-Squared

R-squared measures what percentage of an investment's performance is caused by movements in its benchmark. R-squared values range from 0 to 100%.

### Sharpe Ratio

Sharpe Ratio describes how much excess return an investment produces relative to its volatility.

### Sortino Ratio

Sortino Ratio describes how much excess return an investment produces relative to its downside volatility.

### Standard Deviation

Standard Deviation measures the historical volatility of an investment. It compares the variance of performance relative to its average over time.

### Total Return

The Lipper Rating for Total Return denotes a fund that has provided superior total returns (income from dividends and interest as well as capital appreciation) when compared to a group of similar funds.

### Tracking Error

Tracking Error is the difference between the standard deviation of a fund and its benchmark. It is used to indicate how closely a fund replicates a benchmark.

### Upside/Downside Capture

Upside/Downside Capture is a measure of an investment's performance during positive and negative market periods. It's used to determine how well an investment performed during periods where market returns have been positive or negative. It's presented as a percentage.



The KYP Tool is provided to Financial Advisors only, for educational and informational purposes only and solely as a tool for advisors to support the assessment of investment suitability for investors. Investors are expected to consult their advisors to determine suitability for their investment objectives and portfolio. The information, analysis and opinions expressed herein are for general information only and are not intended to provide specific advice or recommendations for any individual security. Please note that the information presented may not be appropriate for all. The KYP Tool is not intended to be an exhaustive or definitive examination, professional advice should be obtained.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments and the use of an asset allocation service. Please read the fund facts or prospectus of the mutual funds in which investment may be made before investing, including mutual fund investments under an asset allocation service. The indicated rates of return (other than for each money market fund) are the historical annual compounded total returns assuming the investment strategy recommended by the asset allocation service is used and after deduction of the fees in respect of the service. The returns are based on the historical annual compounded total returns of the participating funds including changes in unit value and reinvestment of all distributions and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder in respect of a participating fund that would have reduced returns. In case of BMO Money Market Fund note that mutual fund securities are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. There can be no assurances that the Fund 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. Past performance may not be repeated. The indicated rate of return for each money market fund is an annualized historical yield based on the seven-day period ended as indicated and annualized in the case of effective yield by compounding the seven-day return and does not represent an actual one-year return.

Risk tolerance measures the degree of uncertainty that an investor can handle regarding fluctuations in the value of their portfolio. The amount of risk associated with any particular investment depends largely on your own personal circumstances including your time horizon, liquidity needs, portfolio size, income, investment knowledge and attitude toward price fluctuations. Investors should consult their financial advisor before making a decision as to whether this Fund is a suitable investment for them.

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