Annual Management Report of Fund Performance

BMO Harris Canadian Money Market Portfolio

For the period ended December 31, 2013

This annual management report of fund performance contains financial highlights, but does not contain the complete annual financial statements of the Portfolio. If the annual financial statements of the Portfolio do not accompany the mailing of this report, you may obtain a copy of the annual financial statements at your request, and at no cost, by calling 1-800-361-1392, by e-mailing us at **contact.centre@bmo.com**, by writing to us at BMO Harris Investment Management Inc., 1 First Canadian Place, 100 King St. W., 41st Floor, Toronto, Ontario, M5X 1A1 or by visiting our website at **www.bmoharrisprivatebanking.com** or SEDAR at **www.sedar.com**. You may also contact us using one of these methods to request a copy of the Portfolio's proxy voting policies and procedures, proxy voting disclosure record and/or quarterly portfolio disclosure.

Management Discussion of Fund Performance

BMO Harris Investment Management Inc. ("BHIMI" or the "Manager"), the manager and portfolio manager, is responsible for the management of the overall business, investments and operations of the BMO Harris Private Portfolios and has engaged BMO Asset Management Inc. ("BMO AM Inc." or the "sub-advisor") as the sub-advisor of BMO Harris Canadian Money Market Portfolio (the "Portfolio").

Investment Objective and Strategies

The Portfolio's investment objectives are to provide a high level of interest income and liquidity, and to preserve the capital invested. The Portfolio invests primarily in high quality, low risk short-term debt instruments issued by governments and corporations in Canada, such as treasury bills, bankers' acceptances and commercial paper.

To seek to achieve the Portfolio's objectives, the sub-advisor invests in securities rated A-1 (low) or higher at the time of investment by the Standard & Poor's Rating Service or R-1 (low) stable or higher at the time of investment by Dominion Bond Rating Service Limited or the equivalent rating as defined by other designated rating organizations. The Portfolio seeks to maintain a unit price of $10.00 by crediting income daily and distributing it monthly.

Risk

No significant changes affecting the overall level of risk associated with investing in the Portfolio were made during the period. The risks of this Portfolio remain as discussed in the Portfolio's most recently filed simplified prospectus.

Results of Operations

Over the 12-month period ended December 31, 2013, the Portfolio returned 1.15%, after expenses. The Portfolio's benchmark is the DEX 91 Day T-Bill Index, which generated a 1.01% total return over the same 12-month period.

U.S., Canadian and most European business environments improved over the period, as shown by individual country Purchasing Manager Indices (an indication of how businesses view the current economy and its prospects). Investor confidence increased on modest global economic improvement. As a result, higher-risk assets such as equities posted solid returns in most markets. Global economic improvements, however, did not significantly benefit labour markets, and unemployment rates remained a concern, particularly in the United States. The strengthening U.S. economy prompted the U.S. Federal Reserve Board (the "Fed") to begin reducing its quantitative easing program (monetary policy used by the Fed to increase money supply); however, the economy did not strengthen enough for the Fed to raise interest rates. Similarly, the Bank of Canada ("BoC") remained concerned that the economic recovery was not robust enough and left interest rates unchanged throughout 2013.

The three-month Government of Canada T-bill yield ended the period at 0.91%, compared to 0.92% at the beginning of the period. The prime rate was 3.00%, and the Canadian dollar ended the period at approximately US$0.94, around seven cents lower than it was at the beginning of the period.

BMO Harris Private Banking®

At the end of the period, the Portfolio's weighting in government-issued securities remained close to the minimum required. Within the government sector, the Portfolio's allocation to provincial securities was maintained at a higher level than its allocation to Canada T-bills in an effort to benefit from the additional yield offered by provincial securities. The Portfolio's exposure to corporate securities remained near the maximum allowed. The sub-advisor continued to focus on bankers' acceptances, corporate paper and corporate bonds maturing in less than one year. The sub-advisor believes that this positioning provided additional yield, while maintaining the Portfolio's exposure to high-quality and liquid money market securities. The Portfolio's term to maturity remained at approximately 75 days.

For information on the Portfolio's longer-term performance and composition, please refer to the Past Performance section and Summary of Investment Portfolio section of this report.

Recent Developments

The sub-advisor expects the Canadian economy to continue to improve. The sub-advisor believes that capacity utilization (the rate at which output levels are being met or used), wages and credit expansion will remain at levels consistent with low inflation. The sub-advisor also expects economic improvements to remain modest and at levels that will encourage the BoC to maintain its interest rates at current levels. In the United States, an improving economic outlook is expected to be met with further reductions to the Fed's quantitative easing program. The sub-advisor expects economic improvements to remain at levels that will prompt the Fed to also maintain its interest rates at current levels.

Globally, the sub-advisor expects the European economy to continue to improve, as nations gradually begin to address structural issues such as sovereign debt and deficits. The sub-advisor expects these improvements to be positive, but modest. Meanwhile, China has focused on increasing domestic consumption and reducing trade as a proportion of its economy. The sub-advisor expects these efforts to be relatively successful, and believes that the Chinese economy could continue to grow at a rate above 7% per year.

The Japanese economy has struggled for years, and the government has put drastic fiscal and monetary measures in place to address these challenges. The sub-advisor believes that Japan should benefit from an improving global economic outlook.

Given all of the above, the sub-advisor will continue to focus on high-grade corporate securities to enhance the Portfolio's yield. The sub-advisor will also adjust the Portfolio's term to maturity in response to ongoing assessment of the economy and any anticipated interest rate changes in Canada.

Future Accounting Standards

Canadian investment entities will be required to prepare their financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board, for fiscal years beginning on or after January 1, 2014. As a result, the Portfolio will report its financial results for the interim period ending June 30, 2014, prepared on an IFRS basis. It will also provide comparative data on an IFRS basis, including an opening balance sheet as at January 1, 2013 ("transition date").

The differences between the Portfolio's accounting policies under Canadian Generally Accepted Accounting Principles ("GAAP") and IFRS requirements will result in measurement and recognition differences on transition to IFRS. The net impact of these differences will be recorded in the increase/decrease in net assets attributable to redeemable unitholders.

Significant Accounting Changes Resulting from Our Adoption of IFRS

The main accounting changes listed below should not be considered a comprehensive list of impacts of adopting IFRS, but rather the most significant of certain key changes.

The framework for fair valuation is set out under IFRS 13 Fair Value Measurement, which includes the requirements for the measurement and disclosure of fair value. If an asset or liability measured at fair value has a bid price and an ask price, the standard requires valuation to be based on a price within the bid-ask spread that is most representative of fair value. The standard allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical means for fair value measurements within a bid-ask spread. Thus this standard will impact the net assets per unit for financial statement reporting purposes compared to current standards, and may also result in the elimination of the differences between the net asset per unit and Net Asset Value per unit ("NAVPU") at the financial statement reporting date.

While IFRS does not require interest income to be disclosed for debt instruments measured at Fair Value through Profit or Loss, when interest income is disclosed, IFRS requires that the effective interest rate method of calculating accrued interest be used rather than the straight-line amortization method. The Manager is assessing the impact of this change to the Portfolio's financial statements. The Manager has not identified any changes that will impact NAVPU as a result of the transition to IFRS.

Where the Portfolio holds controlling interest in an investment, it is the Manager's expectation that the Portfolio will qualify as an Investment Entity in accordance with IFRS 10 Consolidated Financial Statements. As such, the Portfolio will not be required to consolidate its investments, but rather to hold the investments at Fair Value through Profit or Loss regardless of whether those investments are controlled. If the Portfolio fair values the investments it controls, it may be required to make additional financial statement disclosures on its controlled investments in accordance with IFRS 12 Disclosure of Interests in Other Entities ("IFRS 12"). IFRS 12 also requires additional disclosures if the Portfolio is determined to qualify as an investment entity without having all of the typical characteristics of an investment entity.

The criteria contained within IAS 32 Financial Instruments: Presentation ("IAS 32") will result in the classification of the unitholders' equity as a liability within the Portfolio's Statement of Net Assets, unless all conditions required for equity classification are met. The Manager is currently assessing the Portfolio's unitholder structure to determine classification under IAS 32.

Under IFRS, cash flows statement is one of the primary financial statements required to be presented. The Portfolio will therefore be presenting cash flows statement in its set of financial statements in accordance with the presentation requirements in IAS 7 Statement of Cash Flows.

Related Party Transactions

BMO Trust Company, an indirect, wholly-owned subsidiary of Bank of Montreal, is the trustee (the "trustee") and BHIMI is the manager of the Portfolio. From time to time, BHIMI may, on behalf of the Portfolio, enter into transactions or arrangements with or involving other members of BMO Financial Group, or certain other persons or companies that are related or connected to the Portfolio (each, a "related party" and collectively, the "related parties").

Sub-advisor

BHIMI has hired BMO AM Inc., a related party, to provide investment advice and make investment decisions for the Portfolio's investment portfolio. BMO AM Inc. receives an investment advisory fee based on assets under management that is paid monthly. BMO AM Inc. is paid by BHIMI.

Buying and Selling Securities

Trades in Debt Securities with a Related Party, Trading as Principal

During the period, the Manager relied on an approval and standing instruction provided by the Portfolio's Independent Review Committee ("IRC") to enable the Portfolio to trade in debt securities in the secondary market with BMO Nesbitt Burns Inc., an affiliate of the Manager, who is trading with the Portfolio as principal (each trade, a "Related Party Transaction"). In accordance with the IRC's approval and standing instruction, in making a decision to cause the Portfolio to make a Related Party Transaction, the Manager and the sub-advisor of the Portfolio are required to comply with the Manager's written policies and procedures governing the Related Party Transaction and report periodically to the IRC, describing each instance that the Manager and the sub-advisor relied on the approval and standing instruction and their compliance or non-compliance with the governing policies and procedures. The governing policies and procedures are designed to ensure the Related Party Transaction (i) is made free from any influence by an entity related to the Manager or any associate or affiliate of the Manager and without taking into account any consideration relevant to the Manager or any associate or affiliate of the Manager, (ii) represents the business judgement of the Manager or sub-advisor, as the case may be, uninfluenced by considerations other than the best interests of the Portfolio, and (iii) achieves a fair and reasonable result for the Portfolio.

Wealth Management Fee

Units of the Portfolio are only available through the wealth management service offered by BMO Financial Group. The trustee, a related party, receives an annual fee from each investor for the wealth management service offered by BMO Financial Group. A tiered schedule is applied to calculate the annual fee for this service. The fee schedule starts at 1.95% and declines to 0.20% (depending on the nature and size of the investor's investment portfolio), and is calculated as a percentage of the assets under management. The actual wealth management fee payable by each investor is set out in BHIMI's *Investment Management Fee Schedule* that has been provided to the investor when the investor enters into an investment management agreement with the trustee and BHIMI. The wealth management fee is paid directly by the investor to the trustee. The trustee may compensate financial institutions and securities registrants within BMO Financial Group for client referrals to the wealth management service.

Unitholder Services

The Portfolio is provided with certain facilities and services by related parties. BMO AM Inc. is the registrar of the Portfolio. The trustee and BMO AM Inc. are paid by the Portfolio for fees relating to the custodial and administrative services they provide, respectively. Administrative services include fund accounting, record keeping and purchases/redemption order processing. The fees charged to the Portfolio during the period were as follows:

	Period ended Dec. 31, 2013 ($000s)	**Period ended Dec. 31, 2012 ($000s)**
Unitholder Services	302	312

Management Fee

There is no management fee charged to the Portfolio. The trustee receives an annual fee from investors for the wealth management service offered by BMO Financial Group.

Financial Highlights

The following tables show selected key financial information about the Portfolio and are intended to help you understand the Portfolio's financial performance for the periods indicated.

The Portfolio's Net Assets Per Unit (1)		Years ended December 31 2013	2012	2011	2010	2009
Net assets, beginning of period	$	10.00	10.00	10.00	10.00	10.00
Increase (decrease) from operations:						
Total revenue	$	0.12	0.12	0.12	0.07	0.13
Total expenses	$	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)
Realized gains (losses) for the period	$	—	—	—	—	—
Unrealized gains (losses) for the period	$	—	—	—	—	—
Total increase (decrease) from operations (2)	$	0.11	0.12	0.12	0.07	0.13
Distributions:						
From income (excluding dividends)	$	0.11	0.12	0.12	0.07	0.13
From dividends	$	—	—	—	—	—
From capital gains	$	—	—	—	—	—
Return of capital	$	—	—	—	—	—
Total Annual Distributions (3)	$	0.11	0.12	0.12	0.07	0.13
Net assets, end of period	$	10.00	10.00	10.00	10.00	10.00

(1) This information is derived from the Portfolio's audited annual financial statements. The net assets per unit presented in the financial statements differs from the net asset value calculated for Portfolio pricing purposes. An explanation of these differences can be found in the notes to the financial statements.

(2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

(3) Distributions were paid in cash or reinvested in additional units of the Portfolio, or both.

Ratios and Supplemental Data		Years ended December 31 2013	2012	2011	2010	2009
Total net asset value (000s) (1)	$	1,382,647	1,101,645	1,220,714	1,075,079	1,979,052
Number of units outstanding (000s) (1)		138,265	110,165	122,071	107,508	197,905
Management expense ratio (2)	%	0.05	0.06	0.05	0.04	0.02
Management expense ratio before waivers or management absorptions	%	0.18	0.08	0.05	0.04	0.02
Trading expense ratio (3)	%	—	—	—	—	—
Portfolio turnover rate (4)	%	—	—	—	—	—
Net asset value per unit	$	10.00	10.00	10.00	10.00	10.00

(1) This information is provided as at December 31 of the period shown.

(2) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period. For all the financial periods listed, no commissions or portfolio transaction costs were incurred by the Portfolio. As a result, the trading expense ratio for each of the periods was zero.

(4) The portfolio turnover rate indicates how actively the Portfolio's sub-advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Portfolio buying and selling all of the securities in its portfolio once in the course of the year. The higher a portfolio turnover rate in a year, the greater the trading costs payable by the Portfolio in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a Portfolio. The portfolio turnover ratio is not applicable to money market funds.

Past Performance

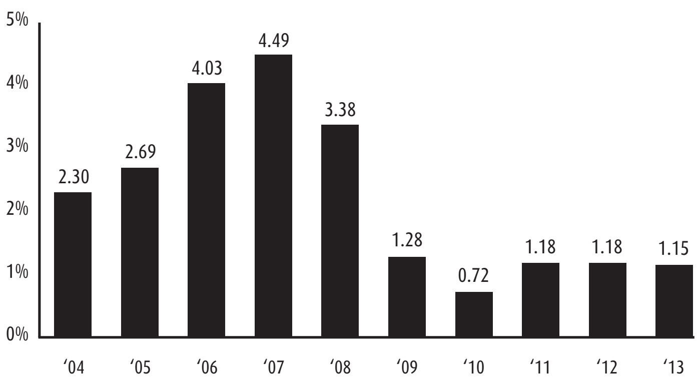
General

The Portfolio's performance information assumes that all distributions made by the Portfolio in the periods shown were reinvested in additional units of the Portfolio and is based on the net asset value of the Portfolio.

The performance information does not take into account sales, redemption, distribution or other optional charges that, if applicable, would have reduced returns or performance. Please remember, how the Portfolio has performed in the past does not necessarily indicate how it will perform in the future.

Year-by-Year Returns

The following bar chart shows the performance for each of the financial years shown and illustrates how the performance has changed from year to year. The bar chart shows in percentage terms how an investment made on the first day of each financial year would have increased or decreased by the last day of each financial year.



Summary of Investment Portfolio

as at December 31, 2013

Portfolio Allocation	% of Net Asset Value
Commercial Paper	29.1
Treasury Bills-Provincial	28.0
Corporate Bonds	18.6
Government Bonds	11.1
Bankers Acceptances	10.7
Treasury Bills – Federal	2.1
Term Deposit Receipts	1.6
Other	1.3
Cash/Receivables/Payables	-2.5
Total portfolio allocation	**100.0**

Top 25 Holdings	% of Net Asset Value
Issuer	
Canada Housing Trust, Mortgage Bonds, Series 26, Secured, 2.200% Mar 15, 2014	5.6
Canada Housing Trust, Mortgage Bonds, Series 28, Secured, 3.150% Jun 15, 2014	4.0
American Express Canada Credit Corp., Medium Term Notes, Unsecured, 4.853% Oct 3, 2014	3.4
Province of Ontario, Treasury Bills, 0.967% Jan 22, 2014	2.9
Manulife Financial Corporation, Medium Term Notes, Senior, Unsecured, Unsubordinated, 4.896% Jun 2, 2014	2.6
BMW Canada Inc., Series B , Notes, 2.760% Apr 1, 2014	2.5
Province of British Columbia, Treasury Bills, 0.999% Mar 5, 2014	2.2
Canadian Imperial Bank of Commerce, Bankers Acceptances, 1.115% Mar 27, 2014	2.2
Province of British Columbia, Promissory Notes, 1.025% Jun 16, 2014	2.2
Government of Canada, Treasury Bills, 5.346% Mar 27, 2014	2.1
Honda Canada Finance Inc., Commercial Paper, 1.127% Jan 21, 2014	2.0
Province of Quebec, Treasury Bills, 1.006% Jan 3, 2014	1.8
Province of Quebec, Treasury Bills, 1.006% Feb 21, 2014	1.8
Province of British Columbia, Promissory Notes, 1.009% Feb 24, 2014	1.8
Province of Ontario, Treasury Bills, 0.991% Feb 19, 2014	1.8
Province of New Brunswick, Treasury Bills, 1.007% Mar 11, 2014	1.7
Royal Bank of Canada, Term Deposit Receipts, 0.950% Jan 2, 2014	1.6
Toronto-Dominion Bank, The, Bankers Acceptances, 1.107% Mar 18, 2014	1.5
Bank of Nova Scotia, Deposit Notes, Senior, 3.430% Jul 16, 2014	1.5
OMERS Finance Trust, Discounted Notes, 1.125% Jan 6, 2014	1.5
Enbridge Gas Distribution Inc., Medium Term Notes, Senior, Unsecured, 5.570% Jan 29, 2014	1.5
Merit Trust, Commercial Paper, 1.197% Jan 3, 2014	1.4
Toronto-Dominion Bank, The, Bankers Acceptances, 1.095% Jan 9, 2014	1.4
Storm King Funding, Commercial Paper, 1.129% Jan 20, 2014	1.4
Province of Ontario, Treasury Bills, 1.006% Feb 26, 2014	1.4
Top holdings as a percentage of net asset value	**53.8**
Total Net Asset Value	**$1,382,646,679**

The summary of investment portfolio may change due to the Portfolio's ongoing portfolio transactions. Updates are available quarterly.

Manager
BMO Harris Investment
Management Inc.
1 First Canadian Place
100 King St. W., 41st Floor
Toronto, Ontario M5X 1A1

Trustee
BMO Trust Company
1 First Canadian Place
100 King St. W., 41st Floor
Toronto, Ontario M5X 1A1

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Portfolio may invest and the risks detailed from time to time in BMO Harris Private Portfolios' simplified prospectus. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Portfolio, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, BMO Harris Investment Management Inc. does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

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