

BMO U.S. Dollar Equity Index Fund (the "Fund")

For the period ended March 31, 2013 • Manager: BMO Investments Inc.

Portfolio manager: BMO Asset Management Corp., Chicago, Illinois

Semi-Annual Management Report of Fund Performance

This semi-annual management report of fund performance contains financial highlights but does not contain either semi-annual or annual financial statements of the Fund. If the semi-annual financial statements of the Fund do not accompany the mailing of this report, you may obtain a copy of the semi-annual or annual financial statements at your request, and at no cost, by calling 1-800-665-7700, by writing to us at BMO Investments Inc., 77 King Street West, Suite 4200, Toronto, Ontario, M5K 1J5 or by visiting our website at www.bmo.com/mutualfunds or SEDAR at www.sedar.com. You may also contact us using one of these methods to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure record and/or quarterly portfolio disclosure.

All figures in U.S. currency.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Results of Operations

Over the six-month period ended March 31, 2013 (the "period"), Series A units of the Fund returned 9.02%.

The portfolio manager invests primarily in U.S. treasury bills and other high quality U.S. money market instruments, while holding options, futures and forward contracts that are based on the S&P 500 Total Return Index ("S&P 500 Index"). The Fund may also invest directly in securities that are included in the S&P 500 Index.

During the period, U.S. equities saw a strong positive gain. At the beginning of the period, concerns about the looming U.S. "fiscal cliff" (i.e., large government spending cuts and tax increases) drove global equity markets lower. By the middle of November, however, the market regained confidence that a resolution would be reached, and global markets, including U.S. equities, trended higher into the calendar year-end. U.S. equities continued to improve through the first quarter of 2013, as global economic concerns abated and a budget compromise was officially reached on the 1st of January. In addition, a rebound in U.S. housing activity occurred, sending shares of homebuilders and other companies in related industries higher. U.S. unemployment decreased from 7.8% in September 2012 to 7.6% in March 2013, as the U.S. economy continued to slowly add jobs.

One of the best performing sectors for the period was Financials, which returned 18.0%, largely as a result of a strong recovery among U.S. banks. Another strong performing sector was Health Care, returning 15.9%, as a result of strong forecasted demand for health care services.

Other positive sectors included Industrials, Consumer Discretionary, Consumer Staples, Utilities, Materials, Energy, and Telecommunication Services. The only sector detracting from overall performance was Information Technology, which returned -1.4%, mainly driven by the negative performance of Apple Inc., which returned -32.9% over the quarter.

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

Recent Developments

U.S. equities have enjoyed a strong rally since the beginning of the period, as global economic concerns have lessened and the domestic economy continues to make positive strides toward recovery. Increasing clarity with U.S. fiscal policy has led to stronger equity market confidence and performance. Stimulative central bank and fiscal policies in the U.S., Europe and China have aided in the global recovery from the 2008 financial crisis, and recently the Dow Jones Industrial Average and the Index both reached all-time highs, previously seen in 2007. The U.S. Federal Reserve Board (the "Fed") has committed to an overnight rate of 0% to 0.25% for as long as unemployment remains above 6.5% and inflation is no higher than 2.5%. In addition, the Fed continues to buy approximately US\$40 billion long-dated treasury bills and mortgage-backed bonds each month, in order to lower borrowing costs for businesses and personal borrowers. These accommodative policies continue to stimulate the U.S. recovery, providing upward momentum to equity markets.

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Key risks still remain on the horizon as the U.S. economy is still firmly in recovery mode, and the pace has been slower than expected. The potential for a stalling U.S. economy, due to further budget sequestration, a lack of central bank response, or sluggish corporate earnings would have a negative impact on equity prices. On the global front, risks in Europe remain, as was recently highlighted by a banking crisis in Cyprus. Geopolitical risks also remain in the Middle East, accompanied by an increased concern related to North Korea. China also poses a concern to the global economy as its growth rate has been slowing, although growing at a healthy rate.

Subsequent Event

In May, 2013, the Independent Review Committee approved the Manager's proposal to change the name of the Fund, and its investment objectives and strategies. Subject to regulatory approvals, and the unitholders' approval in a special meeting scheduled for July 16, 2013, the Fund's investment objectives will be changed from tracking the performance of the S&P 500 Index to providing a return that is similar to the S&P 500 Index.

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 ("IASB"), for fiscal years beginning on or after January 1, 2014. For reporting periods commencing October 1, 2014, the Fund will adopt IFRS as the basis for preparing its financial statements. The Fund will report its financial results for the interim period ending March 31, 2015, prepared on an IFRS basis. It will also provide comparative data on an IFRS basis, including an opening balance sheet as at October 1, 2013 (transition date). A summary of the significant standards impacting the Fund under IFRS are outlined below.

Based on the Fund's analysis to date, the more significant accounting changes that will result from its adoption of IFRS will be in the areas of fair valuation, cash flow presentation, consolidation of investments and classification of net assets representing unitholders' equity. The differences described in the sections that follow are based on Canadian generally accepted accounting principles (GAAP) and IFRS that are in effect as of this date. This should not be considered a comprehensive list of the main accounting changes when the Fund adopts IFRS.

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. The Manager has not identified any changes that will impact NAVPU as a result of the transition to IFRS.

Where the Fund holds controlling interest in an investment, it is the Manager's expectation that the Fund will qualify as an investment entity in accordance with IFRS 10 Consolidated Financial Statements. As such, the Fund will not be required to consolidate its investments, but rather to fair value its investments regardless of whether those investments are controlled. If the Fund fair values investments that 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 also requires additional disclosures if the Fund is determined to qualify as an investment entity while not processing all of the typical characteristics of an investment entity.

In addition to the financial statements currently presented for the Fund, Statement of Cash Flows will now be included in the financial statements in accordance with the requirement of IFRS 1 First-time adoption of International Financial Reporting Standards, and prepared in line with IAS 7 Statement of Cash Flows.

The criteria contained within IAS 32 Financial Instruments: Presentation may require unitholders' equity to be classified as a liability within the Fund's Statement of Net Assets, unless certain conditions are met. The Manager is currently assessing the Fund's unitholder structure to confirm classification.

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RELATED PARTY TRANSACTIONS

BMO Investments Inc. (“BMOII”), an indirect, wholly-owned subsidiary of Bank of Montreal, is the Manager of the Fund. From time to time, the Manager may, on behalf of the Fund, 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 Manager (each a “Related Party”). The purpose of this section is to provide a brief description of any transaction involving the Fund and a Related Party.

Portfolio Manager

The Fund’s portfolio manager is BMO Asset Management Corp. (“BMOAM Corp.”), an affiliate of the Manager. BMOAM Corp. provides portfolio management services to the Fund. BMOAM Corp. receives a management fee based on assets under management, calculated daily and payable quarterly.

Administration Fees

The Fund pays a fixed administration fee to the Manager. The Manager in return pays the operating expenses of the Fund, other than certain specified expenses that are paid directly by the Fund (“Fund Expenses”). Fund Expenses include interest or other borrowing expenses, costs and expenses related to the operation of the Fund’s Independent Review Committee (“IRC”), including fees and expenses of IRC members, taxes to which the Fund is or might be subject, and costs associated with compliance with any new governmental or regulatory requirement introduced after December 1, 2007 (e.g., cost associated with the production of Fund Facts, filed in compliance with the relevant amendments to NI 81-101). The fixed administration fee is calculated as a fixed annual percentage of the average net assets of the Fund and, for the most part, replaces the previous cost recovery method under which operating expenses were charged or allocated to the Fund. Further details about the fixed administration fee and/or Fund Expenses can be found in the Fund’s most recent simplified prospectus at www.bmo.com/mutualfunds or www.sedar.com.

Brokerage Commissions

The Fund pays standard brokerage commissions at market rates to BMO Nesbitt Burns Inc., an affiliate of the Manager, for executing a portion of its trades. The brokerage commissions charged to the Fund during the period were as follows:

		Period ended Mar. 31, 2013 \$000	Period ended Mar. 31, 2012 \$000
Total brokerage commissions	\$	5	—
Brokerage commissions paid to BMO Nesbitt Burns Inc.	\$	5	—

Distribution Services

The Manager markets and distributes the Fund directly through Bank of Montreal branches and through registered dealers and brokers, including BMO InvestorLine Inc. and BMO Nesbitt Burns Inc., both affiliates of the Manager. The Manager pays to these affiliates annual service or trailing commissions based on the average daily value of the units that are held in investor accounts.

Management Fees

The Manager is responsible for the day-to-day management of the business and operations of the Fund. The Manager monitors and evaluates the Fund’s performance, pays for the investment advice provided by the Fund’s portfolio manager and provides certain administrative services required by the Fund. As compensation for its services the Manager is entitled to receive a management fee payable monthly, calculated based on the daily NAV of the Fund at the maximum annual rate set out in the table below.

	Maximum Annual Management Fee Rate %	As a Percentage of Management Fees	
		Dealer Compensation %	General Administration, Investment Advice and Profit %
Series A Units	0.85	9	91

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FINANCIAL HIGHLIGHTS

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

The Fund's Net Assets per Unit ⁽¹⁾

Series A

	Period ended Mar. 31 2013	2012	Periods ended Sep. 30			2008
			2011	2010	2009	
Net assets, beginning of period	\$ 10.32	8.09	8.08	7.46	8.16	10.96
Increase (decrease) from operations:						
Total revenue	\$ 0.59	2.39	0.03	0.70	-0.65	-2.27
Total expenses	\$ -0.06	-0.11	-0.10	-0.09	-0.07	-0.11
Realized gains (losses) for the period	\$ 0.00	—	—	—	—	—
Unrealized gains (losses) for the period	\$ 0.35	—	—	—	—	—
Total increase (decrease) from operations ⁽²⁾	\$ 0.88	2.28	-0.07	0.61	-0.72	-2.38
Distributions:						
From income (excluding dividends)	\$ 1.28	—	—	—	—	0.45
From dividends	\$ —	—	—	—	—	—
From capital gains	\$ —	—	—	—	—	—
Return of capital	\$ —	—	—	—	—	0.01
Total Annual Distributions ⁽³⁾	\$ 1.28	—	—	—	—	0.46
Net assets, end of period	\$ 9.85	10.32	8.09	8.08	7.46	8.16

⁽¹⁾ This information is derived from the Fund's audited and unaudited financial statements. The net assets per unit presented in the financial statements differs from the net asset value calculated for fund pricing purposes. An explanation of these differences can be found in the notes to the Fund's 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 either paid in cash or reinvested in additional units of the Fund, or both.

Ratios and Supplemental Data

Series A

	Period ended Mar. 31 2013	2012	Periods ended Sep. 30			2008
			2011	2010	2009	
Total net asset value (000's) ⁽¹⁾	\$ 18,700	15,827	13,837	12,903	10,934	11,829
Number of units outstanding (000's) ⁽¹⁾	1,899	1,534	1,710	1,596	1,466	1,450
Management expense ratio ⁽²⁾	% 1.18	1.17	1.16	1.13	1.10	1.13
Management expense ratio before waivers or absorptions	% 1.18	1.17	1.18	1.13	1.10	1.17
Trading expense ratio ⁽³⁾	% 0.06	0.01	0.01	0.01	0.02	0.01
Portfolio turnover rate ⁽⁴⁾	% 0.85	—	—	—	—	—
Net asset value per unit	\$ 9.85	10.32	8.09	8.08	7.46	8.16

⁽¹⁾ This information is provided as at March 31 or September 30 of the period shown, as applicable.

⁽²⁾ Management expense ratio is based on total expenses (excluding commissions and other portfolio transactions 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.

⁽⁴⁾ The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund 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 fund. For the financial periods-ended September 30, 2012, September 30, 2011, September 30, 2010, September 30, 2009 and September 30, 2008, no purchases or sales of portfolio securities were made by the Fund. As a result, the portfolio turnover rate for these periods was zero.

PAST PERFORMANCE

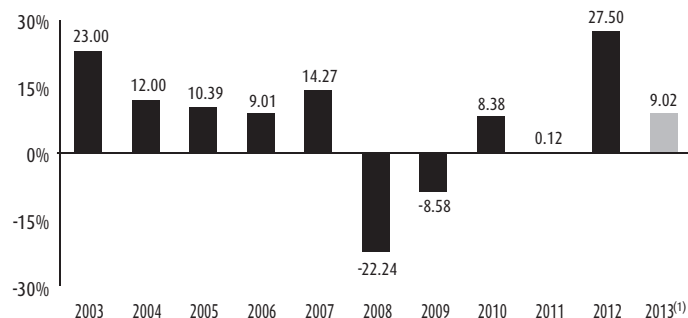
The Fund's performance information assumes that all distributions made by the Fund in the periods shown were used to purchase additional units or shares of the Fund and is based on the net asset value of the Fund.

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 that how the Fund has performed in the past does not indicate how it will perform in the future.

Year-by-Year Returns

The following bar chart shows the performance of the Fund for each of the financial years shown and for the six-month period ended March 31, 2013. The 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.

Series A



⁽¹⁾ For the six-month period ended March 31, 2013.

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SUMMARY OF INVESTMENT PORTFOLIO

As at March 31, 2013

Portfolio Allocation	% of Net Asset Value
Information Technology	18.0
Financials	15.9
Health Care	12.6
Consumer Discretionary	11.6
Consumer Staples	11.0
Energy	10.9
Industrials	10.1
Utilities	3.5
Materials	3.4
Telecommunication Services	3.0
Total Portfolio Allocation	100.0

Top 25 Holdings⁺	% of Net Asset Value
Issuer	
Apple Inc.	3.0
Exxon Mobil Corp.	2.9
General Electric Co.	1.7
Chevron Corp.	1.7
Johnson & Johnson	1.6
International Business Machines Corp.	1.6
Microsoft Corp.	1.5
Google Inc. Cl A	1.5
Procter & Gamble Co.	1.5
Pfizer Inc.	1.5
AT&T Inc.	1.4
Berkshire Hathaway Inc. Cl B	1.4
JPMorgan Chase & Co.	1.3
Wells Fargo & Co.	1.3
Coca-Cola Co.	1.1
Philip Morris International Inc.	1.1
Verizon Communications Inc.	1.0
Citigroup Inc.	1.0
Merck & Co Inc	1.0
Bank of America Corp.	0.9
Wal-Mart Stores Inc.	0.9
PepsiCo Inc.	0.9
Oracle Corp.	0.9
QUALCOMM Inc.	0.8
Cisco Systems Inc.	0.8
Top Holdings as a Percentage of Total Net Asset Value	34.3
Total Net Asset Value	\$18,699,958

⁺The Fund obtains its exposure to U.S. markets primarily through investments in derivatives and money market securities. The listed holdings represent the Fund's exposure as a result of these derivative holdings.

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

www.bmo.com/mutualfunds

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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 Fund may invest in and the risks detailed from time to time in BMO Mutual Funds' 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 Fund, 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 Investments 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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