



Good for you now,
better for you later

Just as a nutritious diet and exercise will help you live a longer and more fulfilling life, so too will a healthy investment portfolio — one that protects you against volatile markets while still offering growth potential to meet your needs throughout your retirement.



Solutions
designed for
the retirement
you want

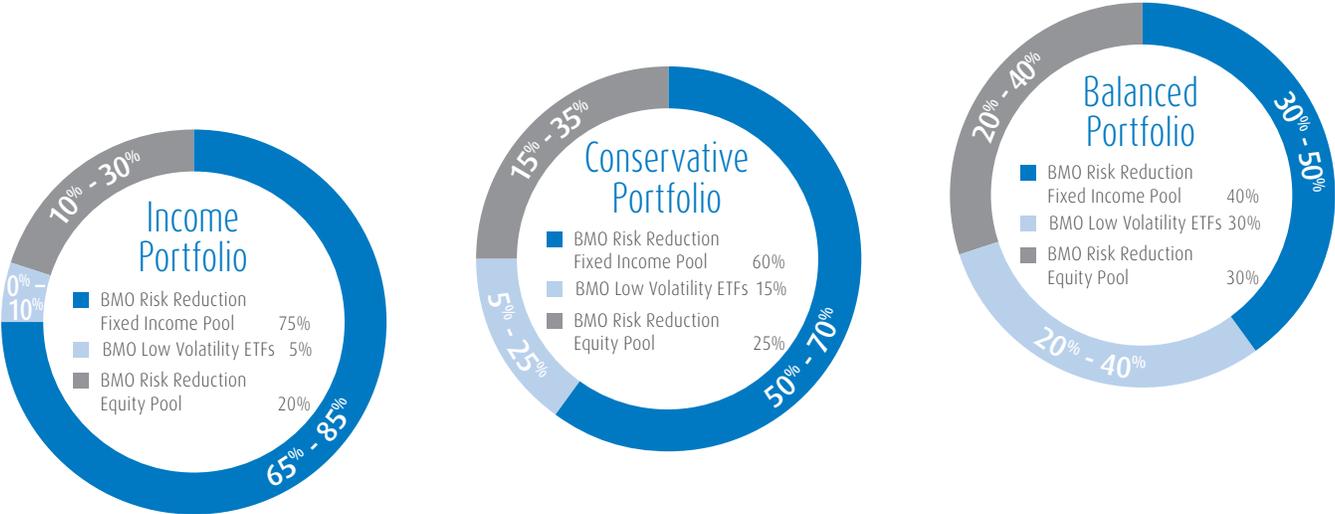
Canadians are living longer than ever before, which is leading to longer retirements than people had expected. Canadians are also receiving less pension support from their employers and retirement costs are increasing. These facts raise a challenge: making sure your investments can support you throughout your retirement.

We created BMO Retirement Portfolios to do just that.

It's good to have choices

Everyone is unique, as is their path to a healthy retirement. The same goes for their investment strategy. Investors have different goals, time horizons and tolerances for risk. We designed BMO Retirement Portfolios to work alone or as a group to help meet the unique needs of investors in or near retirement.

BMO Retirement



These are target allocations and may change based on active management of the fund.

Income Portfolio

Designed for investors seeking the most conservative asset allocation with capital protection and some potential for growth.

Conservative Portfolio

Designed for investors seeking a conservative asset allocation with capital protection and an increasing focus on growth.

Balanced Portfolio

Designed for investors seeking a balanced asset allocation with capital protection and a focus on growth.

Good for you now

Protect your investments today to grow tomorrow.

Equity markets are more volatile than they used to be. While shifting market conditions are essential for investing (e.g., markets tend to post strong gains after steep declines), heightened market volatility can lead investors to make emotional decisions that go against solid investment plans.

Even if you stick to your investment plan, the timing of market volatility – that is, the sequence of returns – can also affect your readiness for retirement. In the accompanying chart, we simply reversed the same yearly returns. And, while the returns and volatility (as measured by standard deviation) are identical, the outcomes are dramatically different.

In one scenario, you end up receiving \$50,000 per year and making strong gains. In the other scenario, you still receive the \$50,000 per year; however, your income dissolves your portfolio after 20 years.

We created BMO Retirement Portfolios to limit the uncertainty of market volatility so that you can focus on enjoying a long and healthy retirement.

*Standard deviation is applied to the annual rate of return of an investment to measure an investment's volatility.

Sequence of returns can have a critical impact on portfolio value

Age	Good early returns	Poor early returns
Beginning Value	\$1,000,000	\$1,000,000
Annual Withdrawals	\$50,000	\$50,000
65	—	—
66	11.9%	-15.8%
67	15.5%	-12.9%
68	14.7%	-22.2%
69	12.8%	-5.5%
70	15.6%	-3.7%
71	11.1%	-7.5%
72	25.6%	7.8%
73	5.8%	21.2%
74	11.1%	3.8%
75	10.1%	-17.2%
76	12.5%	4.0%
77	27.5%	5.6%
78	6.8%	6.8%
79	5.6%	27.5%
80	4.0%	12.5%
81	-17.2%	10.1%
82	3.8%	11.1%
83	21.2%	5.8%
84	7.8%	25.6%
85	-7.5%	11.1%
86	-3.7%	15.6%
87	-5.5%	12.8%
88	-22.2%	14.7%
89	-12.9%	15.5%
90	-15.8%	11.9%
Average Return	4.7%	4.7%
Standard Deviation	13.1%	13.1%
End Value	\$1,856,062	\$0

Table is for illustrative purposes only.



Better for you later

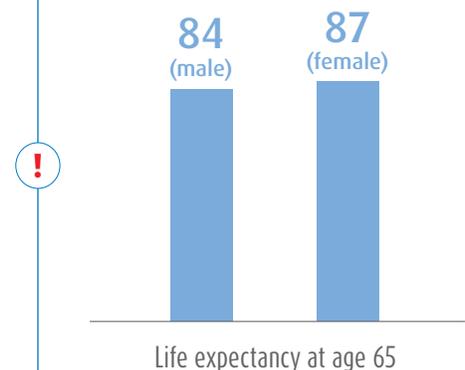
Grow your investments to secure the retirement lifestyle you want.

Canadians are living longer and doing more, which raises the possibility that they could outlive their investments. This is called longevity risk, and it's something we all need to take seriously.

According to Statistics Canada, at age 65, the average life expectancy for men and women is 84 and 87, respectively. That means your retirement may last 20 years or longer. How are you going to live the life that you want throughout those years?

You need cash flow, and switching your entire portfolio into investments that have limited potential for growth, such as guaranteed investment certificates (GICs) and other fixed income securities, before you retire may limit your future income. Investment growth during your pre-retirement and early retirement years will help you generate future income.

Retirement may last 20 years or longer



Source: StatsCan, May 2012.



A complete investment diet

Investment portfolios – like our diets – are changing. Portfolios can consist of more than stocks and bonds these days. In order to diversify and manage risk, investors are adding exchange-traded funds, option strategies and other fixed income securities to the mix.

Integrate the BMO Global Asset Management investment approach with your retirement

Our approach focuses on more consistent returns, while providing capital protection and growth potential, to ensure your retirement portfolio is as healthy and active as you are in your retirement.

- Moving beyond traditional asset classes to reduce volatility and provide capital protection
- Multi-asset strategy that is flexible, diversified and hedged against significant market declines
- Realize more consistent growth potential to fund your retirement lifestyle

Leaders in the ETF market

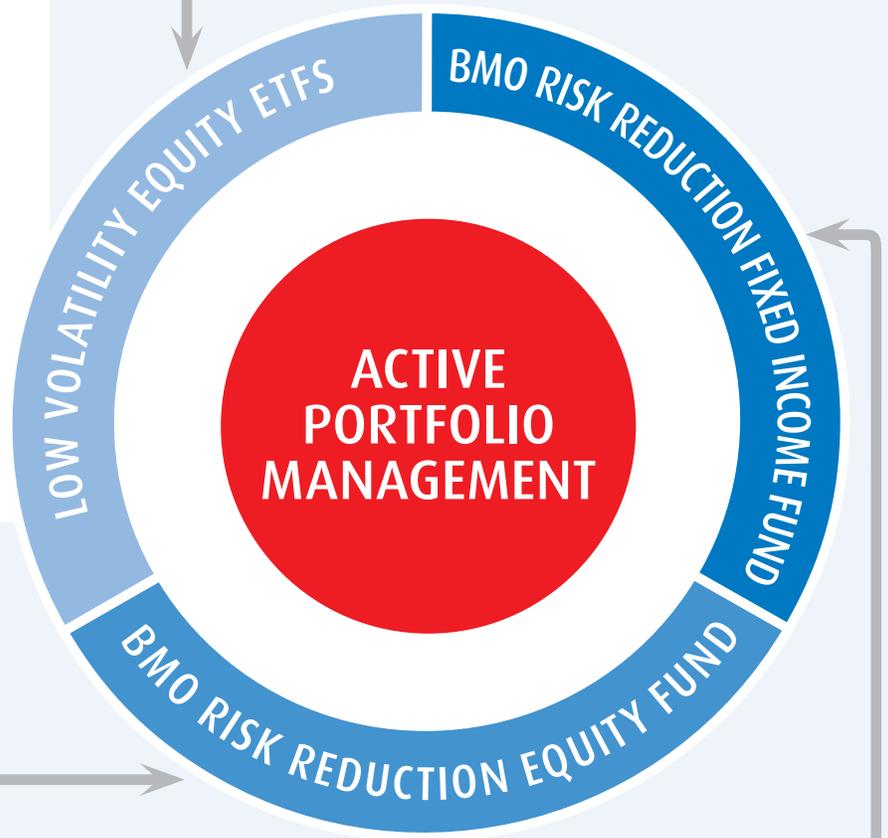
BMO is an industry leader in exchange-traded funds (“ETFs”), offering a comprehensive suite of fixed income and equity ETFs that cover all major asset classes.

GROWTH

Low Volatility Equity ETFs

Low Volatility strategies focus on the risk of securities. BMO Retirement Portfolios use BMO Low Volatility ETFs that go further by analyzing the beta of a stock as the primary portfolio construction tool. This factor allows investors to target a specific risk tolerance – and geographic exposures – to mitigate market uncertainties. These ETFs provide BMO Retirement Portfolios with more consistent growth potential.

- Continued growth potential to alleviate longevity risks
- Opportunity to target specific geographic exposures
- BMO is a market leader in delivering Low Volatility ETFs



SMOOTHER RETURNS

BMO Risk Reduction Equity Fund

BMO Risk Reduction Equity Fund uses dynamic options strategies that help protect BMO Retirement Portfolios during market downturns and maintain growth potential.

- Provides equity exposure with significantly reduced volatility
- Dynamic option strategy, such as using a “collar,” to help protect on the downside
- Proprietary process based on fundamental research and the market environment

CAPITAL PROTECTION

BMO Risk Reduction Fixed Income Fund

BMO Risk Reduction Fixed Income Fund helps protect BMO Retirement Portfolios from the possibility of rising interest rates with a focus on capital protection.

- Manage duration to protect against potential rising rates
- Globally diversified fixed income with tactical allocations to provide opportunistic growth
- Designed to reduce currency risks through a dynamic hedging strategy

Understanding a collar strategy

BMO Global Asset Management will use a dynamic options strategy. One core component of this strategy is a “collar,” which is a protective strategy that includes giving up some of your upside return in exchange for downside protection.

Are you in or nearing retirement?

If so, BMO Retirement Portfolios provide the lower volatility and growth potential that you're looking for.

Contact your Investment Professional or visit bmo.com/mutualfunds to find out why BMO Retirement Portfolios are good for you now and better for you later.



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BMO Global Asset Management is a brand name that comprises BMO Asset Management Inc., BMO Investments Inc., BMO Asset Management Corp. and BMO's specialized investment management firms.

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