

SEMI-ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

BMO US Put Write ETF (ZPW/ZPW.U) (the “ETF”)

For the six-month period ended June 30, 2017 (the “Period”)

Manager: BMO Asset Management Inc. (the “Manager” and “portfolio manager”)

Management Discussion of Fund Performance

Results of Operations

As this ETF has two classes, the performance of each class is measured against separate benchmarks. The Canadian dollar class of the ETF returned -1.37% versus the S&P 500 Index (CAD) return of 5.89%.

The U.S. dollar class of the ETF returned 2.12% versus the S&P 500 Index (USD) return of 9.34%. The difference in the performance of the ETF relative to their respective indices during the Period resulted from the difference of portfolio holdings and the implementation of the writing of puts, as well as management fees.

The change in total net asset value during the Period from approximately \$165 million to approximately \$254 million had no impact to the performance of the ETF.

Market Conditions

During the Period, expectations of pro-growth policy from President Trump’s administration, as well as continued strong earnings growth drove the market higher. The S&P 500 Index and the Dow Jones Industrial Average Index were both up approximately 9.3% (in local currency terms), while the NASDAQ-100 Index, with its high exposure to growth sensitive technology exposure rose over 14% (in local currency terms).

The ETF’s option selection in the Information Technology and Health Care sectors contributed the most to performance, while option selection in the Consumer Discretionary sector detracted from performance.

Significant individual contributors to performance were Alkermes PLC, Regeneron Pharmaceuticals Inc. and Seattle Genetics Inc. Individual detractors to performance included Under Armour Inc., Devon Energy Corp. and United States Steel Corp. For the CAD listed units, the ETF’s exposure to the U.S. dollar also detracted from performance, as the Canadian dollar appreciated relative to the U.S. dollar during the Period.

Recent Developments

The portfolio manager believes that U.S. equities should continue to perform well in 2017. President Trump’s pro-growth tax reform and infrastructure spending should provide stronger economic growth to the U.S. economy. Volatility has been low through the first half of 2017, somewhat limiting the income generating potential of the option writing mandate of the ETF. However, U.S. equities have experienced strong growth during the Period, which benefits a put writing strategy. Factors that may affect the equity market going forward include the pace of interest rate increases from the U.S. Federal Reserve Board, as well as changes in the unemployment and inflation rates. If volatility in the market increases, the option overlay mandate of the ETF should benefit.

Related Party Transactions

The Manager, an indirect, wholly-owned subsidiary of Bank of Montreal (“BMO”), is the portfolio manager, trustee and promoter of the ETF. From time to time, the Manager may, on behalf of the ETF, 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

This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual or annual financial statements of the ETF. If the semi-annual financial statements of the ETF 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 1-800-361-1392, by writing to us at BMO Asset Management Inc., 250 Yonge Street, 7th Floor, Toronto, Ontario, M5B 2M8 or by visiting our website at www.bmo.com/etflegal or SEDAR at www.sedar.com. You may also contact us using one of these methods to request a copy of the ETF’s proxy voting policies and procedures, proxy voting disclosure record and/or quarterly portfolio disclosure.



Exchange Traded Funds

BMO US Put Write ETF

(each a “Related Party”). The purpose of this section is to provide a brief description of any transactions involving the ETF and a Related Party.

Designated Broker

The Manager has entered into an agreement with BMO Nesbitt Burns Inc., an affiliate of the Manager, to act as designated broker and dealer for distribution of BMO exchange traded funds, on terms and conditions that are comparable to arm’s length agreements in the exchange traded funds industry. The material terms and conditions of the agreement have been disclosed in the ETF’s prospectus.

The Manager has also entered into agreements with other major dealers in Canada to act as dealers for the creation and redemption of units of BMO exchange traded funds.

Management Fees

The Manager is responsible for the day-to-day management of the business and operations of the ETF. The Manager monitors and evaluates the ETF’s performance, manages the portfolio and provides certain administrative services required by the ETF. As compensation for its services, the Manager is entitled to receive a management fee payable quarterly and calculated based on the daily net asset value of the ETF at the maximum annual rate set out in the table below.

Ticker	Maximum Annual Management Fee Rate %
ZPW	0.65
ZPW.U	0.65

Financial Highlights

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

The ETF’s Net Assets per Unit⁽¹⁾

Listed CAD Units	Period ended Jun. 30, 2017	Financial years ended Dec. 31	
		2016	2015 ⁽⁴⁾
Net assets, beginning of period	\$ 19.36	20.70	20.00
Increase (decrease) from operations			
Total revenue	\$ 0.07	0.07	0.01
Total expenses	\$ (0.10)	(0.20)	(0.08)
Realized gains (losses) for the period	\$ 0.53	0.54	0.22
Unrealized gains (losses) for the period	\$ (0.78)	0.71	1.77
Total increase (decrease) from operations⁽²⁾	\$ (0.28)	1.12	1.92
Distributions			
From income (excluding dividends)	\$ 0.33	0.73	0.09
From dividends	\$ —	—	—
From capital gains	\$ —	—	—
Return of capital	\$ 0.32	0.69	0.39
Total Annual Distributions⁽³⁾	\$ 0.65	1.42	0.48
Net assets, end of period	\$ 18.46	19.36	20.70

Listed USD Units [†]	Period ended Jun. 30, 2017	Financial years ended Dec. 31	
		2016	2015 ⁽⁴⁾
Net assets, beginning of period	\$ 19.15	19.85	20.00
Increase (decrease) from operations			
Total revenue	\$ 0.07	0.07	0.01
Total expenses	\$ (0.13)	(0.07)	(0.06)
Realized gains (losses) for the period	\$ 0.56	1.12	0.12
Unrealized gains (losses) for the period	\$ (0.73)	(2.08)	1.57
Total increase (decrease) from operations⁽²⁾	\$ (0.23)	(0.96)	1.64
Distributions			
From income (excluding dividends)	\$ 0.42	0.93	0.09
From dividends	\$ —	—	—
From capital gains	\$ —	—	—
Return of capital	\$ 0.22	0.48	0.39
Total Annual Distributions⁽³⁾	\$ 0.64	1.41	0.48
Net assets, end of period	\$ 18.91	19.15	19.85

[†] Amounts stated in U.S. dollars.

⁽¹⁾ This information is derived from the ETF’s unaudited and audited 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 ETF, or both. The allocation of the distributions from each of income, dividends, capital gains and return of capital is based on the Manager’s estimate as at June 30 of the period shown, which is the ETF’s semi-annual period end. However, actual allocation of distributions is determined as at December 15, the ETF’s tax year-end. Accordingly, the actual allocation among income, dividends, capital gains and return of capital may differ from these estimates.

⁽⁴⁾ The information shown in this column is for the period beginning August 24, 2015 (the ETF’s establishment date) and ending December 31, 2015.

BMO US Put Write ETF

Ratios and Supplemental Data

Listed CAD Units	Period ended Jun. 30, 2017	Financial years ended Dec. 31	
		2016	2015 ⁽¹⁾
Total net asset value (000's) ⁽¹⁾	\$ 239,376	154,230	34,672
Number of units outstanding (000's) ⁽¹⁾	12,966	7,966	1,675
Management expense ratio ⁽²⁾	% 0.73	0.69	0.70
Management expense ratio before waivers or absorptions ⁽²⁾	% 0.73	0.69	0.70
Trading expense ratio ⁽³⁾	% 0.35	0.30	0.33
Portfolio turnover rate ⁽⁴⁾	% —	—	—
Net asset value per unit	\$ 18.46	19.36	20.70
Closing market price	\$ 18.48	19.39	20.72

Listed USD Units	Period ended Jun. 30, 2017	Financial years ended Dec. 31	
		2016	2015 ⁽¹⁾
Total net asset value (000's) ⁽¹⁾	\$ 14,716	10,286	5,494
Number of units outstanding (000's) ⁽¹⁾	600	400	200
Management expense ratio ⁽²⁾	% 0.72	0.70	0.70
Management expense ratio before waivers or absorptions ⁽²⁾	% 0.72	0.70	0.73
Trading expense ratio ⁽³⁾	% 0.35	0.30	0.33
Portfolio turnover rate ⁽⁴⁾	% —	—	—
Net asset value per unit [†]	\$ 18.91	19.15	19.85
Closing market price [†]	\$ 18.96	19.17	19.91

[†] Amounts stated in U.S. dollars.

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

⁽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.

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

⁽⁵⁾ The information shown in this column is for the period beginning August 24, 2015 (the ETF's establishment date) and ending December 31, 2015.

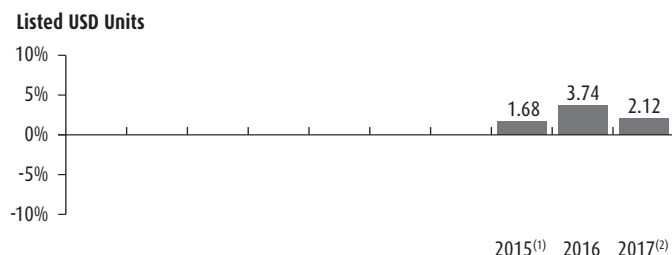
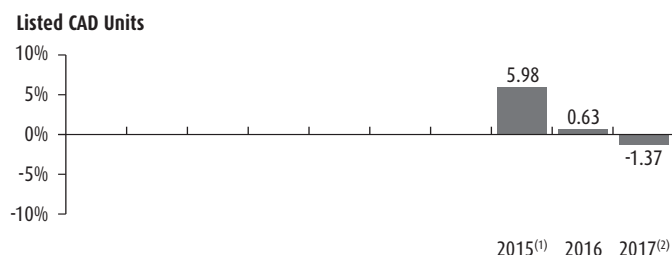
Past Performance

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

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 ETF 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 ETF for each of the financial years shown. The chart shows, in percentage terms, how much an investment made on the first day of each financial year would have increased or decreased by the last day of each financial year.



⁽¹⁾ Return from September 2, 2015 to December 31, 2015.

⁽²⁾ For the six-month period ended June 30, 2017.

BMO US Put Write ETF

Summary of Investment Portfolio

As at June 30, 2017

Portfolio Allocation	% of Net Asset Value
Money Market Investments.	101.88
Cash/Receivables/Payables.	(0.48)
Put Options.	(1.40)
Total Portfolio Allocation	100.00

Holdings	% of Net Asset Value
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Long Positions

United States Government, Treasury Bills, 0.770% Dec 7, 2017	34.83
United States Government, Treasury Bills, 0.772% Dec 7, 2017	27.72
United States Government, Treasury Bills, 0.743% Dec 7, 2017	2.90
United States Government, Treasury Bills, 1.072% Dec 7, 2017	2.90
United States Government, Treasury Bills, 0.760% Dec 7, 2017	2.39
United States Government, Treasury Bills, 0.925% Dec 7, 2017	2.39
United States Government, Treasury Bills, 0.714% Dec 7, 2017	2.24
United States Government, Treasury Bills, 0.749% Dec 7, 2017	2.24
United States Government, Treasury Bills, 0.969% Dec 7, 2017	2.13
United States Government, Treasury Bills, 0.946% Dec 7, 2017	2.13
United States Government, Treasury Bills, 0.926% Dec 7, 2017	1.58
United States Government, Treasury Bills, 0.746% Dec 7, 2017	1.48
United States Government, Treasury Bills, 0.742% Dec 7, 2017	1.48
United States Government, Treasury Bills, 0.728% Dec 7, 2017	1.48
United States Government, Treasury Bills, 1.049% Dec 7, 2017	1.47
United States Government, Treasury Bills, 0.754% Dec 7, 2017	1.45
United States Government, Treasury Bills, 0.753% Dec 7, 2017	1.42
United States Government, Treasury Bills, 1.021% Dec 7, 2017	1.42
United States Government, Treasury Bills, 0.959% Dec 7, 2017	1.02
United States Government, Treasury Bills, 1.069% Dec 7, 2017	1.02
United States Government, Treasury Bills, 0.745% Dec 7, 2017	0.81
United States Government, Treasury Bills, 0.920% Dec 7, 2017	0.76
United States Government, Treasury Bills, 0.769% Dec 7, 2017	0.71
United States Government, Treasury Bills, 1.002% Dec 7, 2017	0.71
United States Government, Treasury Bills, 0.940% Dec 7, 2017	0.71

Long Positions as a Percentage of Total Net Asset Value	99.39
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Top 25 Holdings	% of Net Asset Value
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Short Positions

Seattle Genetics, Inc., Put Option, Jul 21, 2017, \$55.00	(0.13)
Arconic Inc., Put Option, Jul 21, 2017, \$24.00	(0.11)
Qorvo, Inc., Put Option, Jul 21, 2017, \$70.00	(0.09)
Pilgrim's Pride Corporation, Put Option, Aug 18, 2017, \$21.00	(0.06)
Newfield Exploration Company, Put Option, Aug 18, 2017, \$26.00	(0.06)
United Continental Holdings, Inc., Put Option, Sep 15, 2017, \$70.00	(0.05)
JD.com Inc, ADR, Put Option, Jul 21, 2017, \$39.00	(0.05)
NetEase, Inc., ADR, Put Option, Aug 18, 2017, \$275.00	(0.04)
Autodesk, Inc., Put Option, Aug 18, 2017, \$95.00	(0.04)
Range Resources Corporation, Put Option, Aug 18, 2017, \$20.00	(0.04)
Charter Communications, Inc., Class A, Put Option, Aug 18, 2017, \$315.00	(0.04)
Alnylam Pharmaceuticals, Inc., Put Option, Aug 18, 2017, \$65.00	(0.03)
National Oilwell Varco, Inc., Put Option, Aug 18, 2017, \$30.00	(0.03)
SVB Financial Group, Put Option, Aug 18, 2017, \$160.00	(0.03)
Alkermes plc, Put Option, Aug 18, 2017, \$50.00	(0.03)
United Rentals, Inc., Put Option, Sep 15, 2017, \$90.00	(0.03)
Twilio Inc., Put Option, Jul 28, 2017, \$26.00	(0.03)
L Brands, Inc., Put Option, Aug 18, 2017, \$47.50	(0.03)
Akamai Technologies, Inc., Put Option, Aug 18, 2017, \$42.50	(0.02)
NRG Energy, Inc., Put Option, Sep 15, 2017, \$14.00	(0.02)
Helmerich & Payne, Inc., Put Option, Aug 18, 2017, \$47.50	(0.02)
T-Mobile US, Inc., Put Option, Jul 21, 2017, \$60.00	(0.02)
GoDaddy Inc., Class A, Put Option, Aug 18, 2017, \$38.00	(0.02)
Flowserve Corporation, Put Option, Jul 21, 2017, \$45.00	(0.02)
Veeva Systems Inc., Class A, Put Option, Aug 18, 2017, \$55.00	(0.02)

Short Positions as a Percentage of Total Net Asset Value	(1.06)
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Top Holdings as a Percentage of Total Net Asset Value	98.33
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Total Net Asset Value	\$254,091,847
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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 ETF may invest in and the risks detailed from time to time in the ETFs' 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 ETF, 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 Asset 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.

BMO exchange traded funds are managed and administered by BMO Asset Management Inc., an investment fund manager and portfolio manager and separate legal entity from Bank of Montreal.

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