

Semi-Annual Financial Statements

BMO Private Portfolios

June 30, 2018

BMO Private Canadian Money Market Portfolio

NOTICE OF NO AUDITOR REVIEW OF THE SEMI-ANNUAL FINANCIAL STATEMENTS

BMO Private Investment Counsel Inc., the Manager of the Portfolios, appoints independent auditors to audit the Portfolio's Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Semi-Annual Financial Statements, this must be disclosed in an accompanying notice.

The Portfolio's independent auditors have not performed a review of these Semi-Annual Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.

BMO Private Canadian Money Market Portfolio

(unaudited)

STATEMENT OF FINANCIAL POSITION

(All amounts in thousands of Canadian dollars, except per unit data)

As at	June 30 2018	December 31 2017
Assets		
Current Assets		
Cash	42	35
Investments		
Non-derivative financial assets	1,415,526	1,324,184
Subscriptions receivable	26,422	25,662
Total assets	1,441,990	1,349,881
Liabilities		
Current Liabilities		
Redemptions payable	19,265	12,769
Distributions payable	237	158
Accrued expenses	116	120
Total liabilities	19,618	13,047
Net assets attributable to holders of redeemable units	1,422,372	1,336,834
Net assets attributable to holders of redeemable units per unit	\$ 10.00	\$ 10.00

The accompanying notes are an integral part of these financial statements.

BMO Private Canadian Money Market Portfolio

(unaudited)

STATEMENT OF COMPREHENSIVE INCOME

(All amounts in thousands of Canadian dollars, except per unit data)

For the periods ended	June 30 2018	June 30 2017
Income		
Interest income	9,658	6,441
Other changes in fair value of investments and derivatives		
Net gain in fair value of investments and derivatives	9,658	6,441
Securities lending (note 8)	13	7
Total other income	13	7
Total income	9,671	6,448
Expenses		
Sub-advisory fees	738	751
Audit fees	4	5
Independent review committee fees	1	2
Custodian fees	12	13
Legal and filing fees	66	77
Unitholder servicing fees	260	258
Printing and stationery fees	9	8
Operating expenses absorbed by the Manager	(738)	(751)
Total expenses	352	363
Increase in net assets attributable to holders of redeemable units	9,319	6,085
Increase in net assets attributable to holders of redeemable units per unit (note 8)	0.07	0.04

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BMO Private Canadian Money Market Portfolio

(unaudited)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

(All amounts in thousands of Canadian dollars)

For the periods ended	June 30 2018	June 30 2017
Net assets attributable to holders of redeemable units at beginning of period	1,336,834	1,311,766
Increase in net assets attributable to holders of redeemable units	9,319	6,085
Distributions to holders of redeemable units		
From net investment income	(9,319)	(6,085)
Total distributions paid to holders of redeemable units	(9,319)	(6,085)
Redeemable unit transactions		
Proceeds from redeemable units issued	2,491,603	2,901,326
Reinvestments of distributions to holders of redeemable units	8,076	5,386
Redemption of redeemable units	(2,414,141)	(2,811,019)
Net increase from redeemable unit transactions	85,538	95,693
Net increase in net assets attributable to holders of redeemable units	85,538	95,693
Net assets attributable to holders of redeemable units at end of period	1,422,372	1,407,459

The accompanying notes are an integral part of these financial statements.

BMO Private Canadian Money Market Portfolio

(unaudited)

STATEMENT OF CASH FLOWS

(All amounts in thousands of Canadian dollars)

For the periods ended	June 30 2018	June 30 2017
Cash flows from operating activities		
Increase in net assets attributable to holders of redeemable units	9,319	6,085
Adjustments for:		
Decrease in accrued interest on money market investments	712	270
(Decrease) increase in accrued expenses	(4)	4
Amortization of premium and discount	982	4,910
Purchases of investments	(3,829,869)	(4,172,903)
Proceeds from sale and maturity of investments	3,736,833	4,080,279
Net cash from operating activities	(82,027)	(81,355)
Cash flows from financing activities		
Distributions paid to holders of redeemable units, net of reinvested distributions	(1,164)	(712)
Proceeds from issuances of redeemable units	2,490,843	2,891,563
Amounts paid on redemption of redeemable units	(2,407,645)	(2,809,722)
Net cash from financing activities	82,034	81,129
Net increase (decrease) in cash	7	(226)
Cash at beginning of period	35	261
Cash at end of period	42	35
Supplementary Information		
Interest received, net of withholding taxes*	11,352	11,621

*These items are from operating activities

The accompanying notes are an integral part of these financial statements.

BMO Private Canadian Money Market Portfolio

(unaudited)

SCHEDULE OF INVESTMENT PORTFOLIO

As at June 30, 2018 (All amounts in thousands of Canadian dollars, unless otherwise noted)

Security	Par Value (in thousands)	Cost (\$)	Fair Value (\$)
MONEY MARKET INVESTMENTS — 87.0%			
<i>Federal — 1.7%</i>			
Government of Canada, Treasury Bills, 1.147%, Jul 12, 2018	9,100	9,063	9,097
Government of Canada, Treasury Bills, 1.274%, Sep 20, 2018	15,000	14,949	14,958
		24,012	24,055
<i>Provincial — 21.5%</i>			
Province of Alberta, Treasury Bills, 1.417%, Aug 1, 2018	8,000	7,976	7,990
Province of Alberta, Treasury Bills, 1.396%, Aug 7, 2018	10,000	9,978	9,986
Province of Alberta, Treasury Bills, 1.435%, Aug 21, 2018	3,350	3,338	3,343
Province of Alberta, Treasury Bills, 1.473%, Aug 28, 2018	12,000	11,959	11,972
Province of Alberta, Treasury Bills, 1.474%, Sep 11, 2018	15,000	14,951	14,956
Province of British Columbia, Treasury Bills, 1.474%, Sep 12, 2018	9,700	9,670	9,671
Province of Manitoba, Treasury Bills, 1.417%, Aug 1, 2018	30,000	29,910	29,964
Province of Manitoba, Treasury Bills, 1.476%, Sep 19, 2018	15,000	14,946	14,952
Province of New Brunswick, Treasury Bills, 1.363%, Jul 5, 2018	7,000	6,977	6,999
Province of New Brunswick, Treasury Bills, 1.367%, Jul 5, 2018	10,000	9,966	9,999
Province of Newfoundland and Labrador, Treasury Bills, 1.394%, Jul 12, 2018	9,450	9,422	9,446
Province of Newfoundland and Labrador, Treasury Bills, 1.384%, Jul 26, 2018	8,000	7,974	7,992
Province of Newfoundland and Labrador, Treasury Bills, 1.396%, Jul 26, 2018	10,000	9,965	9,990
Province of Newfoundland and Labrador, Treasury Bills, 1.417%, Aug 9, 2018	25,000	24,919	24,962
Province of Newfoundland and Labrador, Treasury Bills, 1.436%, Aug 23, 2018	9,000	8,968	8,981
Province of Newfoundland and Labrador, Treasury Bills, 1.474%, Sep 6, 2018	6,400	6,380	6,383
Province of Newfoundland and Labrador, Treasury Bills, 1.476%, Sep 20, 2018	14,000	13,949	13,954
Province of Ontario, Treasury Bills, 1.394%, Aug 1, 2018	10,000	9,968	9,988
Province of Ontario, Treasury Bills, 1.394%, Aug 1, 2018	11,000	10,967	10,987
Province of Ontario, Treasury Bills, 1.398%, Aug 1, 2018	10,000	9,969	9,988
Province of Ontario, Treasury Bills, 1.395%, Aug 8, 2018	7,000	6,976	6,990
Province of Ontario, Treasury Bills, 1.396%, Aug 8, 2018	10,000	9,965	9,986
Province of Ontario, Treasury Bills, 1.456%, Aug 29, 2018	15,000	14,946	14,965
Province of Quebec, Treasury Bills, 1.365%, Jul 13, 2018	3,000	2,990	2,999
Province of Quebec, Treasury Bills, 1.477%, Aug 31, 2018	5,000	4,983	4,988
Province of Saskatchewan, Treasury Bills, 1.417%, Aug 1, 2018	4,000	3,988	3,995
South Coast British Columbia Transportation Authority, Treasury Bills, 1.512%, Jul 19, 2018	5,000	4,993	4,996
South Coast British Columbia Transportation Authority, Treasury Bills, 1.502%, Jul 26, 2018	15,000	14,978	14,985
South Coast British Columbia Transportation Authority, Treasury Bills, 1.512%, Aug 2, 2018	5,000	4,993	4,993
South Coast British Columbia Transportation Authority, Treasury Bills, 1.564%, Aug 2, 2018	5,000	4,987	4,993
		305,951	306,393

BMO Private Canadian Money Market Portfolio

(unaudited)

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at June 30, 2018 (All amounts in thousands of Canadian dollars, unless otherwise noted)

Security (continued)	Par Value (in thousands)	Cost (\$)	Fair Value (\$)
<i>Municipal — 3.4%</i>			
Municipal Finance Authority of British Columbia, Treasury Bills, 1.366%, Jul 25, 2018	10,000	9,987	9,991
Municipal Finance Authority of British Columbia, Treasury Bills, 1.444%, Aug 8, 2018	25,000	24,910	24,962
Municipal Finance Authority of British Columbia, Treasury Bills, 1.544%, Sep 12, 2018	13,000	12,950	12,960
		47,847	47,913
<i>Corporate — 60.4%</i>			
Bay Street Funding Trust, Commercial Paper, 1.685%, Jul 3, 2018	5,800	5,776	5,799
Bay Street Funding Trust, Commercial Paper, 1.694%, Jul 5, 2018	5,000	4,979	4,999
Bay Street Funding Trust, Commercial Paper, 1.711%, Jul 10, 2018	5,000	4,979	4,998
Bay Street Funding Trust, Commercial Paper, 1.691%, Jul 18, 2018	3,000	2,987	2,998
Bay Street Funding Trust, Commercial Paper, 1.691%, Jul 19, 2018	5,100	5,079	5,096
Bay Street Funding Trust, Commercial Paper, 1.605%, Aug 3, 2018	14,000	13,964	13,980
Bay Street Funding Trust, Commercial Paper, 1.703%, Aug 14, 2018	10,000	9,958	9,979
Bay Street Funding Trust, Commercial Paper, 1.693%, Aug 16, 2018	21,950	21,862	21,903
Bay Street Funding Trust, Commercial Paper, 1.691%, Aug 27, 2018	5,000	4,979	4,987
Bay Street Funding Trust, Commercial Paper, 1.703%, Sep 13, 2018	8,000	7,966	7,972
Coast Capital Savings Credit Union, Commercial Paper, 1.661%, Jul 11, 2018	7,700	7,693	7,697
Concentra Bank, Bearer Deposit Notes, 1.743%, Aug 2, 2018	13,550	13,490	13,529
Concentra Bank, Bearer Deposit Notes, 1.742%, Aug 7, 2018	5,000	4,978	4,991
Enbridge Pipelines Inc., Commercial Paper, 1.782%, Jul 5, 2018	10,000	9,992	9,998
Enbridge Pipelines Inc., Commercial Paper, 1.773%, Jul 11, 2018	7,700	7,692	7,696
Enbridge Pipelines Inc., Commercial Paper, 1.806%, Jul 11, 2018	10,000	9,991	9,995
Enbridge Pipelines Inc., Commercial Paper, 1.871%, Jul 12, 2018	5,000	4,980	4,997
Enbridge Pipelines Inc., Commercial Paper, 1.808%, Jul 13, 2018	30,000	29,969	29,982
Enbridge Pipelines Inc., Commercial Paper, 1.811%, Jul 25, 2018	11,750	11,735	11,736
ERAC Canada Finance Ltd., Commercial Paper, 1.772%, Aug 1, 2018	5,000	4,978	4,993
ERAC Canada Finance Ltd., Commercial Paper, 1.772%, Aug 2, 2018	5,000	4,978	4,992
ERAC Canada Finance Ltd., Commercial Paper, 1.773%, Aug 7, 2018	2,700	2,688	2,695
ERAC Canada Finance Ltd., Commercial Paper, 1.772%, Aug 9, 2018	10,000	9,956	9,981
ERAC Canada Finance Ltd., Commercial Paper, 1.773%, Aug 9, 2018	5,000	4,978	4,991
ERAC Canada Finance Ltd., Commercial Paper, 1.780%, Aug 13, 2018	10,000	9,956	9,979
ERAC Canada Finance Ltd., Commercial Paper, 1.781%, Aug 16, 2018	9,000	8,960	8,980
ERAC Canada Finance Ltd., Commercial Paper, 1.734%, Aug 20, 2018	15,000	14,957	14,964
ERAC Canada Finance Ltd., Commercial Paper, 1.793%, Aug 23, 2018	12,000	11,947	11,969
ERAC Canada Finance Ltd., Commercial Paper, 1.697%, Aug 24, 2018	5,000	4,986	4,987
ERAC Canada Finance Ltd., Commercial Paper, 1.713%, Aug 27, 2018	2,150	2,144	2,144
ERAC Canada Finance Ltd., Commercial Paper, 1.723%, Aug 28, 2018	7,000	6,980	6,981
ERAC Canada Finance Ltd., Commercial Paper, 1.803%, Aug 28, 2018	4,710	4,694	4,697
Glacier Credit Card Trust, Commercial Paper, 1.743%, Aug 3, 2018	6,460	6,435	6,450
Glacier Credit Card Trust, Commercial Paper, 1.850%, Aug 8, 2018	14,500	14,424	14,472
Glacier Credit Card Trust, Commercial Paper, 1.789%, Aug 10, 2018	8,705	8,661	8,688
Glacier Credit Card Trust, Commercial Paper, 1.744%, Aug 20, 2018	5,000	4,982	4,988
Glacier Credit Card Trust, Commercial Paper, 1.742%, Sep 19, 2018	9,449	9,407	9,413
Glacier Credit Card Trust, Commercial Paper, 1.741%, Sep 24, 2018	3,700	3,684	3,685
Glacier Credit Card Trust, Commercial Paper, 1.840%, Sep 28, 2018	10,000	9,940	9,955

BMO Private Canadian Money Market Portfolio

(unaudited)

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at June 30, 2018 (All amounts in thousands of Canadian dollars, unless otherwise noted)

Security (continued)	Par Value (in thousands)	Cost (\$)	Fair Value (\$)
Inter Pipeline Corridor Inc., Commercial Paper, 1.733%, Jul 10, 2018	6,000	5,974	5,997
Inter Pipeline Corridor Inc., Commercial Paper, 1.734%, Aug 1, 2018	8,400	8,363	8,388
Inter Pipeline Corridor Inc., Commercial Paper, 1.734%, Aug 7, 2018	10,000	9,956	9,982
Inter Pipeline Corridor Inc., Commercial Paper, 1.734%, Aug 8, 2018	18,700	18,618	18,666
Inter Pipeline Corridor Inc., Commercial Paper, 1.731%, Aug 9, 2018	15,000	14,934	14,972
Inter Pipeline Corridor Inc., Commercial Paper, 1.744%, Aug 15, 2018	10,600	10,554	10,577
Inter Pipeline Corridor Inc., Commercial Paper, 1.744%, Aug 21, 2018	10,000	9,957	9,976
Inter Pipeline Corridor Inc., Commercial Paper, 1.744%, Aug 30, 2018	5,000	4,978	4,986
Inter Pipeline Corridor Inc., Commercial Paper, 1.732%, Sep 19, 2018	5,000	4,979	4,981
Lakeshore Trust, Commercial Paper, 1.702%, Jul 9, 2018	5,500	5,475	5,498
Lakeshore Trust, Commercial Paper, 1.705%, Sep 25, 2018	18,200	18,123	18,127
Merit Trust, Commercial Paper, 1.702%, Aug 16, 2018	13,500	13,442	13,471
Merit Trust, Commercial Paper, 1.750%, Sep 17, 2018	5,000	4,972	4,981
Merit Trust, Commercial Paper, 1.750%, Sep 18, 2018	5,000	4,972	4,981
Plaza Trust, Commercial Paper, 1.723%, Aug 24, 2018	9,300	9,259	9,276
Plaza Trust, Commercial Paper, 1.713%, Sep 5, 2018	14,000	13,936	13,957
Plaza Trust, Commercial Paper, 1.721%, Sep 10, 2018	6,000	5,972	5,980
Plaza Trust, Commercial Paper, 1.714%, Sep 11, 2018	4,100	4,082	4,086
Plaza Trust, Commercial Paper, 1.714%, Sep 11, 2018	5,000	4,978	4,983
Plaza Trust, Commercial Paper, 1.713%, Sep 17, 2018	4,000	3,982	3,985
Prime Trust, Commercial Paper, 1.673%, Aug 8, 2018	6,000	5,975	5,990
Prime Trust, Commercial Paper, 1.624%, Aug 20, 2018	5,000	4,987	4,989
Prime Trust, Commercial Paper, 1.750%, Sep 4, 2018	8,500	8,449	8,474
Prime Trust, Commercial Paper, 1.750%, Sep 18, 2018	15,000	14,916	14,943
PSP Capital Inc., Commercial Paper, 1.384%, Jul 19, 2018	8,500	8,471	8,494
PSP Capital Inc., Commercial Paper, 1.385%, Jul 24, 2018	15,850	15,795	15,836
PSP Capital Inc., Commercial Paper, 1.387%, Jul 25, 2018	5,000	4,983	4,995
PSP Capital Inc., Commercial Paper, 1.404%, Aug 7, 2018	14,000	13,950	13,980
PSP Capital Inc., Commercial Paper, 1.394%, Aug 8, 2018	10,000	9,977	9,986
PSP Capital Inc., Commercial Paper, 1.424%, Aug 14, 2018	14,000	13,951	13,976
Royal Bank of Canada, Term Deposit Receipts, 1.200%, Jul 3, 2018	8,200	8,200	8,201
Safe Trust, Commercial Paper, 1.675%, Jul 12, 2018	10,000	9,959	9,995
Safe Trust, Commercial Paper, 1.701%, Aug 1, 2018	6,000	5,973	5,991
Safe Trust, Commercial Paper, 1.702%, Aug 16, 2018	8,650	8,613	8,631
Safe Trust, Commercial Paper, 1.702%, Aug 17, 2018	6,100	6,074	6,087
Safe Trust, Commercial Paper, 1.702%, Aug 23, 2018	10,000	9,957	9,975
Safe Trust, Commercial Paper, 1.702%, Aug 29, 2018	8,500	8,463	8,477
Safe Trust, Commercial Paper, 1.702%, Aug 30, 2018	10,000	9,957	9,972
Sound Trust, Commercial Paper, 1.694%, Aug 8, 2018	9,000	8,961	8,984
Sound Trust, Commercial Paper, 1.702%, Sep 21, 2018	5,000	4,978	4,981
Storm King Funding, Commercial Paper, 1.721%, Aug 20, 2018	6,000	5,973	5,986
Storm King Funding, Commercial Paper, 1.724%, Aug 24, 2018	3,800	3,783	3,790
Storm King Funding, Commercial Paper, 1.714%, Sep 19, 2018	7,000	6,970	6,974
Storm King Funding, Commercial Paper, 1.705%, Sep 21, 2018	4,500	4,481	4,483
Storm King Funding, Commercial Paper, 1.821%, Nov 16, 2018	20,000	20,000	20,013
SURE Trust, Commercial Paper, 1.694%, Aug 3, 2018	14,000	13,940	13,979
SURE Trust, Commercial Paper, 1.694%, Aug 10, 2018	5,000	4,979	4,991
Vancouver City Savings Credit Union, Bearer Deposit Notes, 1.724%, Jul 3, 2018	7,500	7,468	7,499

BMO Private Canadian Money Market Portfolio

(unaudited)

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at June 30, 2018 (All amounts in thousands of Canadian dollars, unless otherwise noted)

Security (continued)	Par Value (in thousands)	Cost (\$)	Fair Value (\$)
Vancouver City Savings Credit Union, Bearer Deposit Notes, 1.724%, Jul 11, 2018	5,450	5,427	5,447
Vancouver City Savings Credit Union, Bearer Deposit Notes, 1.681%, Jul 31, 2018	9,000	8,963	8,988
Vancouver City Savings Credit Union, Bearer Deposit Notes, 1.721%, Aug 1, 2018	7,300	7,269	7,289
Vancouver City Savings Credit Union, Bearer Deposit Notes, 1.724%, Aug 2, 2018	6,850	6,821	6,840
Vancouver City Savings Credit Union, Bearer Deposit Notes, 1.705%, Aug 24, 2018	5,000	4,979	4,987
Vancouver City Savings Credit Union, Bearer Deposit Notes, 1.744%, Aug 27, 2018	10,300	10,256	10,272
Vancouver City Savings Credit Union, Bearer Deposit Notes, 1.744%, Sep 18, 2018	4,950	4,929	4,931
Vancouver City Savings Credit Union, Bearer Deposit Notes, 1.744%, Sep 24, 2018	9,450	9,409	9,412
Zeus Receivables Trust, Commercial Paper, 1.673%, Aug 13, 2018	13,700	13,652	13,673
Zeus Receivables Trust, Commercial Paper, 1.674%, Aug 20, 2018	15,000	14,948	14,966
Zeus Receivables Trust, Commercial Paper, 1.626%, Aug 24, 2018	10,000	9,975	9,976
		857,101	858,639
Total Money Market Investments — 87.0%		1,234,911	1,237,000

BONDS & DEBENTURES

Corporate Bonds & Debentures — 11.8%

Bank of Nova Scotia, The, Deposit Notes, Senior, Unsecured, 2.750%, Aug 13, 2018	17,070	17,092	17,271
Bank of Nova Scotia, The, Deposit Notes, Senior, Unsecured, Floating Rate, Sep 5, 2018	12,000	12,000	12,015
Bank of Nova Scotia, The, Deposit Notes, Senior, Unsecured, Floating Rate, Oct 12, 2018	10,000	10,000	10,009
Bank of Nova Scotia, The, Deposit Notes, Senior, Unsecured, Floating Rate, Jun 14, 2019	5,000	5,000	5,004
bcIMC Realty Corp., Unsecured, Notes, 2.790%, Aug 2, 2018	3,989	3,993	4,038
BMW Canada Inc., Series K, Senior, Unsecured, Notes, 2.330%, Sep 26, 2018	11,300	11,315	11,384
Canadian Imperial Bank of Commerce, Deposit Notes, Senior, Unsecured, Floating Rate, May 8, 2019	19,000	19,000	19,021
Canadian Imperial Bank of Commerce, Deposit Notes, Senior, Unsecured, Floating Rate, Jun 7, 2019	10,000	10,000	10,012
John Deere Canada Funding Inc., Series 13-03, Senior, Unsecured, Notes, 2.650%, Jul 16, 2018	19,245	19,253	19,487
National Bank of Canada, Deposit Notes, Unsecured, 2.794%, Aug 9, 2018	8,816	8,826	8,923
National Bank of Canada, Deposit Notes, Senior, Unsecured, Floating Rate, Jun 11, 2019	7,000	7,000	7,007
Royal Bank of Canada, Deposit Notes, Senior, Unsecured, Floating Rate, Aug 1, 2018	8,700	8,700	8,713
Royal Bank of Canada, Deposit Notes, Senior, Unsecured, Floating Rate, Nov 30, 2018	10,000	10,000	10,014

BMO Private Canadian Money Market Portfolio

(unaudited)

SCHEDULE OF INVESTMENT PORTFOLIO (cont'd)

As at June 30, 2018 (All amounts in thousands of Canadian dollars, unless otherwise noted)

Security (continued)	Par Value (in thousands)	Cost (\$)	Fair Value (\$)
Royal Bank of Canada, Deposit Notes, Senior, Unsecured, Floating Rate, Apr 9, 2019	10,000	10,000	10,010
Royal Bank of Canada, Deposit Notes, Senior, Unsecured, Floating Rate, Jun 19, 2019	10,500	10,500	10,505
Toyota Credit Canada Inc., Medium Term Notes, Senior, Unsecured, 2.750%, Jul 18, 2018	5,000	5,003	5,065
		167,682	168,478
<i>Asset-Backed Securities — 0.7%</i>			
Genesis Trust II, Series 2015-2, Class A, Real Estate Secured Line of Credit-Backed Notes, 1.675%, Sep 17, 2018	10,000	9,999	10,048
Total Bonds & Debentures — 12.5%		177,681	178,526
Total Investment Portfolio — 99.5%		1,412,592	1,415,526
Other Assets Less Liabilities — 0.5%			6,846
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS — 100.0%			1,422,372

BMO Private Canadian Money Market Portfolio

(unaudited)

NOTES TO FINANCIAL STATEMENTS

(All amounts in thousands of Canadian dollars, except per unit data)

June 30, 2018

1. The Portfolio

BMO Private Canadian Money Market Portfolio (“the Portfolio”) is an open-ended mutual fund trust established by a Declaration of Trust under the laws of the Province of Ontario, most recently amended on July 8, 2016. BMO Private Investment Counsel Inc. (“the Manager”) is the Manager of the Portfolio. The address of the Portfolio’s registered office is 1 First Canadian Place, 41st Floor, Toronto, Ontario, M5X 1A1.

The Statement of Financial Position and related notes of each of the Portfolios are as at June 30, 2018 and December 30, 2017. The Statement of Comprehensive Income, Statement of Changes in Net Assets Attributable to Holders of Redeemable Units, Statement of Cash Flows and related notes are for the periods ended June 30, 2018 and June 30, 2017.

These financial statements were authorized for issuance by the Board of Directors of the Manager on August 14, 2018.

These financial statements should be read in conjunction with the annual financial statements for the period ended December 31, 2017, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

2. Basis of preparation and presentation

These unaudited interim financial statements have been prepared in accordance with IFRS and in accordance with International Accounting Standard (“IAS”) 34 – Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”).

3. Summary of significant accounting policies

Financial instruments

Investments include financial assets and financial liabilities such as equity and debt securities, investment funds and derivatives. These financial instruments are part of a group of financial instruments that are managed and their performance is evaluated on a fair value basis in accordance with the Portfolio’s investment strategy.

The Portfolio classifies and measures financial instruments in accordance with IFRS 9 Financial Instruments (“IFRS 9”). Upon initial recognition, financial instruments are recorded at fair value through profit or loss (“FVTPL”). A financial instrument is recognized when the Portfolio becomes a party to the contractual requirements of the instrument and is derecognized when the right to receive cash flows from the instrument has expired or the Portfolio has

transferred substantially all risks and rewards of ownership. As such, investment purchase and sale transactions are recorded as of the trade date. Financial instruments are subsequently measured as FVTPL with changes in fair value recognized in the Statement of Comprehensive Income as “Change in unrealized appreciation (depreciation)”.

All financial assets and financial liabilities are recognized in the Statement of Financial Position.

The Portfolio’s outstanding redeemable units, which are puttable instruments, are entitled to a contractual obligation of annual distribution of any net income and net realized capital gains by the Portfolio. This annual distribution can be in cash at the option of the unitholders, and therefore the ongoing redemption feature is not the redeemable units’ only contractual obligation. Consequently, the units of the Portfolio do not meet the conditions to be classified as equity and therefore are classified as financial liabilities and presented at the redemption amounts.

Cost of investments

The cost of investments represents the amount paid for each security and is determined on an average cost basis and excludes commissions and other portfolio transaction costs, which are reported separately in the Statement of Comprehensive Income. Realized gains and losses on disposition are determined based on the cost of the investment.

Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

For exchange-traded securities, close prices are considered to be fair value if they fall within the bid-ask spread. In circumstances where the close price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

Procedures are in place to fair value equities traded in countries outside of North America daily, to avoid stale prices and to take into account among other things, any significant events occurring after the close of a foreign market.

For bonds, debentures, asset-backed securities and other debt securities, fair value is represented by bid prices provided by independent security pricing

BMO Private Canadian Money Market Portfolio

(unaudited)

NOTES TO FINANCIAL STATEMENTS (cont'd)

(All amounts in thousands of Canadian dollars, except per unit data)

June 30, 2018

services. Short-term investments, if any, are held at amortized cost which approximates fair value.

Mutual fund units held as investments are valued at their respective Net Asset Value ("NAV") on each Valuation Date (the "Valuation Date" is each day on which the Toronto Stock Exchange is open for trading), as these values are the most readily and regularly available.

The Portfolio may enter into forward currency contracts for hedging purposes, either directly or indirectly or for non-hedging purposes. The fair value of forward currency contracts entered into by the Portfolio is recorded as the difference between the fair value of the contract on the Valuation Date and the fair value on the date the contract originated.

Unlisted warrants, if any, are valued based on a pricing model which considers factors such as the market value of the underlying security, strike price and terms of the warrant.

For securities where market quotes are not available, unreliable or not considered to reflect the current value, the Manager may determine another value which it considers to be fair and reasonable, or use a valuation technique that, to the extent possible, makes maximum use of inputs and assumptions based on observable market data including volatility, comparable companies, NAV (for exchange-traded funds) and other applicable rates or prices. These estimation techniques include discounted cash flows, internal models that utilize observable data or comparisons with other securities that are substantially similar. In limited circumstances, the Manager may use internal models where the inputs are not based on observable market data.

Cash

Cash is comprised of cash and deposits with banks which include bankers' acceptances and overnight demand deposits. Cash is recorded at fair value. The carrying amount of cash approximates its fair value because it is short-term in nature.

Other assets and other liabilities

Other assets and other liabilities generally include receivables and payables relating to investment transactions, unitholder subscriptions and redemptions, and other assets and other liabilities that are initially recorded at fair value. These financial assets and financial liabilities are short-term in nature and are

subsequently measured at amortized cost, which approximates their fair value.

Investments in subsidiaries, joint ventures and associates

Subsidiaries are entities over which the Portfolio has control through its exposure or rights to variable returns from its investment and has the ability to affect those returns through its power over the entity. The Manager has determined that the Portfolio is an investment entity and as such, it accounts for subsidiaries, if any, at fair value. Joint ventures are those where the Portfolio exercises joint control through an agreement with other shareholders, and associates are investments in which the Portfolio exerts significant influence over operating, investing, and financing decisions (such as entities in which the Portfolio owns 20% - 50% of voting shares), all of which, if any, have been classified at FVTPL.

Unconsolidated structured entities

During the periods, the Portfolio had no sponsored unconsolidated structured entities. The Manager has determined that the underlying funds in which the Portfolio may invest are unconsolidated structured entities. This determination is based on the fact that decision making about the underlying funds is not governed by the voting right or other similar right held by the Portfolio. Similarly, investments in securitizations, asset-backed securities and mortgage-backed securities are determined to be interests in unconsolidated structured entities.

The Portfolio may invest in underlying funds whose investment objectives range from achieving short-term to long-term income and capital growth potential. Underlying funds may use leverage in a manner consistent with their respective investment objectives and as permitted by Canadian securities regulatory authorities. Underlying funds finance their operations by issuing redeemable units which are puttable at the holders' option and entitles the holder to a proportionate stake in the respective fund's Net Assets. The change in fair value of each of the underlying funds during the periods is included in "Change in unrealized appreciation (depreciation)" in the Statement of Comprehensive Income.

Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. Asset-backed securities created from many types of assets, including auto loans, credit card receivables, home equity loans, and student loans.

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The Portfolio does not provide and has not committed to providing any additional significant financial or other support to the unconsolidated structured entities other than its investment in the unconsolidated structured entities.

Additional information on the Portfolio's interest in unconsolidated structured entities, where applicable, is provided in Note 8.

Offsetting of financial assets and financial liabilities

Financial instruments are presented at net or gross amounts on the Statement of Financial Position depending on the existence of intention and legal right to offset opposite positions of such instruments held with the same counterparties. Amounts offset in the Statement of Financial Position are transactions for which the Portfolio has legally enforceable rights to offset and intends to settle the positions on a net basis. Amounts not offset in the Statement of Financial Position relate to transactions where a master netting arrangement or similar agreement is in place with a right to offset only in the event of default, insolvency or bankruptcy, or where the Portfolio has no intention of settling on a net basis. There were no master netting agreements during the periods.

Income recognition

Dividend income and distributions received from investment trusts are recognized on the ex-dividend and ex-distribution date, respectively.

Interest income from interest bearing investments is recognized in the Statement of Comprehensive Income using the effective interest rate. Interest receivable shown in the Statement of Financial Position is accrued based on the interest bearing investments' stated rates of interest.

Interest on inflation-indexed bonds is paid based on a principal value, which is adjusted for inflation. The inflation adjustment of the principal value is recognized as part of interest income in the Statement of Comprehensive Income. If held to maturity, the Portfolio will receive, in addition to a coupon interest payment, a final payment equal to the sum of the par value and the inflation compensation accrued from the original issue date. Interest is accrued on each Valuation Date based on the inflation adjusted par value at that time and is included in "Interest income" in the Statement of Comprehensive Income.

Foreign currency translation

The fair value of investments and other assets and liabilities in foreign currencies are translated into the Portfolio's functional currency at the rates of exchange prevailing at the period-end date. Purchases and sales of investments, and income and expenses are translated at the rates of exchange prevailing on the respective dates of such transactions. Foreign exchange gains (losses) on completed transactions are included in "Net realized gain (loss)" in the Statement of Comprehensive Income and unrealized foreign exchange gains (losses) are included in "Change in unrealized appreciation (depreciation)" in the Statement of Comprehensive Income. Foreign exchange gains (losses) relating to cash, receivables and payables are included in "Foreign exchange gain (loss)" in the Statement of Comprehensive Income.

Securities lending

A Portfolio may engage in securities lending pursuant to the terms of an agreement with BNY Mellon (the "security lending agent"). The aggregate market value of all securities loaned by the Portfolio cannot exceed 50% of the NAV of the Portfolio. The Portfolio will receive collateral of at least 102% of the value of securities on loan. Collateral will generally be comprised of obligations of or guarantee by the Government of Canada or a province thereof, or by the United States government or its agencies, but it may include obligations of other governments with appropriate credit ratings. Further, the program entered into provides for 100% indemnification by the securities lending agent and parties related to the Portfolio's custodian, to the Portfolio for the defaults by borrowers.

For those Portfolios participating in the program, aggregate values of securities on loan and the collateral held as at June 30, 2018 and December 31, 2017, are disclosed in Note 8.

Income from securities lending, where applicable, is included in the Statement of Comprehensive Income and is recognized when earned. The breakdown of the securities lending income is disclosed in Note 8, where applicable.

Short-term trading penalty

To discourage excessive trading, the Portfolio may, at the Manager's sole discretion, charge a short-term trading penalty. This penalty is paid directly to the Portfolio and is included in "Short-term trading penalty fees" in the Statement of Comprehensive Income.

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Increase or decrease in net assets attributable to holders of redeemable units per unit

“Increase (decrease) in net assets attributable to holders of redeemable units per unit” in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to holders of redeemable units (“Net Assets”) divided by the weighted average number of units outstanding during the period.

Taxation

The Portfolio qualifies as a unit trust under the provisions of the Income Tax Act (Canada). Distributions of all net taxable income and sufficient amounts of net realized capital gains for each taxation year will be paid to unitholders so that the Portfolio will not be subject to income tax. As a result, the Portfolio has determined that it is in substance not taxable and therefore does not record income taxes in the Statement of Comprehensive Income nor does it recognize any deferred tax assets or liabilities in the Statement of Financial Position.

The Portfolio may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and capital gains are recorded on a gross basis with the related withholding taxes shown as a separate expense in the Statement of Comprehensive Income.

4. Critical accounting judgements and estimates

The preparation of financial statements requires the use of judgement in applying the Portfolio’s accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgements and estimates that the Portfolio has made in preparing its financial statements.

Accounting judgements:

Functional and presentation currency

The Portfolio’s unitholders are mainly Canadian residents, with the subscriptions and redemptions of the redeemable units denominated in Canadian dollars. The Portfolio invests in Canadian and U.S. dollars and other foreign denominated securities, as applicable. The performance of the Portfolio is measured and reported to the investors in Canadian dollars. The Manager considers the Canadian dollar as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Canadian dollars,

which is the Portfolio’s functional and presentation currency.

Classification and measurement of financial instruments

Effective January 1, 2018, the Portfolio retrospectively adopted IFRS 9. The new standard requires assets to be carried at either amortized cost, FVTPL, or fair value through other comprehensive income (“FVOCI”), based on an assessment of the Portfolio’s business model for managing financial assets and the contractual cash flow characteristic of the financial assets. In classifying and measuring financial instruments held by the Portfolio, the Manager is required to make significant judgements in determining the most appropriate classification in accordance with IFRS 9. The Manager has assessed the Portfolio’s business model with respect to the manner in which financial assets and financial liabilities are managed as a group and performance is evaluated on a fair value basis, and has concluded that FVTPL in accordance with IFRS 9 provides the most appropriate measurement and presentation of the Portfolio’s investment portfolio. Further information related to the Portfolio’s transition to IFRS 9 is detailed in Note 9.

Accounting estimates:

Fair value measurement of securities not quoted in an active market

The Portfolio has established policies and control procedures that are intended to ensure these estimates are well controlled, independently reviewed, and consistently applied from period to period. The estimates of the value of the Portfolio’s assets and liabilities are believed to be appropriate as at the reporting date.

The Portfolio may hold financial instruments that are not quoted in active markets. Note 3 discusses the policies used by the Portfolio for the estimates used in determining fair value.

5. Units and unit transactions

The redeemable units of the Portfolio are classified as liabilities.

The units have no par value and are entitled to distributions, if any. Upon redemption, a unit is entitled to a proportionate share of the Portfolio’s NAV. The Portfolio is required to pay distributions in an amount not less than the amount necessary to ensure the Portfolio will not be liable for income taxes on realized capital gains, dividends and interest. The Portfolio has no restrictions or specific capital requirements on the subscriptions and redemptions of units except

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as disclosed in Note 8. The relevant movements in redeemable units are shown on the Statement of Changes in Net Assets Attributable to Holders of Redeemable Units. In accordance with its investment objectives and strategies, and the risk management practices outlined in Note 7, the Portfolio endeavours to invest the subscriptions received in appropriate investments, while maintaining sufficient liquidity to meet redemptions, with such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

Redeemable units of the Portfolio are offered for sale on a continuous basis and may be purchased or redeemed on any Valuation Date at the NAV per unit. The NAV per unit for the purposes of subscription or redemption is computed by dividing the NAV of the Portfolio (that is, the total fair value of the assets less the liabilities) by the total number of units of the Portfolio outstanding at such time on each Valuation Date, in accordance with Part 14 of National Instruments (“NI”) 81-106 Investment Fund Continuous Disclosure for the purpose of unitholder transactions. Net Assets are determined in accordance with IFRS and may differ to the Portfolio’s NAV. Where the Portfolio’s NAV is not equal to its Net Assets, a reconciliation is shown in Note 8.

6. Related party transactions

(a) Management fees

The Manager is responsible for the day-to-day management of the Portfolio, including managing or arranging for the management of the Portfolio’s investment portfolio as well as providing and arranging for the provision of administrative services to the Portfolio such as valuation services, fund accounting and unitholder records. The Manager does not receive a fee from the Portfolio for its services. Instead, unitholders pay an investment management fee directly to BMO Trust Company and the Manager as arranged between the unitholder, BMO Trust Company and the Manager.

(b) Unitholder servicing, sub-advisory commissions and other portfolio transaction costs

The Portfolio is provided with certain facilities and services by affiliates of the Manager. Expenses incurred in the administration of the Portfolio were paid to BMO Trust Company (“the Trustee”) and to BMO Asset Management Inc. (“the Registrar”) and charged to the Portfolio. These expenses are included in “Unitholder

servicing fees” in the Statement of Comprehensive Income.

The sub-advisors (including affiliates of the Manager, where applicable) engaged by the Manager provide investment advice and make investment decisions for the Portfolio’s investment portfolio. For these services the sub-advisors receive sub-advisory fees. These fees are paid monthly by the Manager on behalf of the Portfolio. These expenses are included in “Sub-advisory fees” in the Statement of Comprehensive Income. Any sub-advisory fees less than or equal to 0.15% of the NAV of the Portfolio are absorbed by the Manager.

(c) Portfolio expenses

The Portfolio also pays certain operating expenses directly, including compensation and expenses payable to Independent Review Committee (“IRC”) members and any independent counsel or other advisors employed by the IRC, the costs of the orientation and continuing education of IRC members and the costs and expenses associated with IRC meetings.

(d) Commissions and other portfolio transaction costs

The Portfolio may execute trades with and through BMO Nesbitt Burns Inc., an affiliate of the Manager based on established standard brokerage agreements at market prices. These fees are included in “Commissions and other portfolio transaction costs” in the Statement of Comprehensive Income. Refer to Note 8 for related party fees charged to the Portfolio during the periods ended June 30, 2018 and June 30, 2017.

(e) Other related party transactions

From time to time, the Manager may on behalf of the Portfolio, enter into transactions or arrangements with or involving subsidiaries and affiliates of Bank of Montreal, or certain other persons or companies that are related or connected to the Manager of the Portfolio. These transactions or arrangements may include transactions or arrangements with or involving subsidiaries and affiliates of Bank of Montreal, BMO Asset Management Inc., BMO Trust Company, BMO Nesbitt Burns Inc., BMO InvestorLine Inc., BMO Private Investment Counsel Inc., BMO Asset Management Corp., Pyrford International Limited, or other investment funds offered by Bank of Montreal, and may involve the purchase or sale of portfolio securities through or from a subsidiary or affiliates of Bank of Montreal, the purchase or sale of securities issued or guaranteed by subsidiaries or affiliates of Bank of Montreal, entering into forward contracts with subsidiaries or affiliates of Bank of Montreal acting as

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counterparty, the purchase or redemption of units of other Bank of Montreal affiliated investment funds or the provision of services to the Manager.

7. Financial instruments risks

The Portfolio's activities expose it to a variety of risks associated with the financial instruments, as follows: market risk (including currency risk, interest rate risk and other market risk), credit risk and liquidity risk.

The concentration table groups securities by asset type, geographic location and/or market segment. The Portfolio's risk management practice outlines the monitoring of compliance to investment guidelines.

The Manager manages the potential effects of these financial risks on the Portfolio's performance by employing and overseeing professional and experienced portfolio managers that regularly monitor the Portfolio's positions, market events and diversify investment portfolios within the constraints of the investment guidelines.

(a) Currency risk

Currency risk is the risk that the fair value of financial instruments denominated in currencies, other than the functional currency of the Portfolio, will fluctuate due to changes in foreign exchange rates. Investments in foreign markets are exposed to currency risk as the prices denominated in foreign currencies are converted to the Portfolio's functional currency in determining fair value. The Portfolio may enter into forward currency contracts for hedging purposes to reduce foreign currency exposure or to establish exposure to foreign currencies. The Portfolio's exposure to currency risk, if any, is further disclosed in Note 8.

(b) Interest rate risk

Interest rate risk is the risk that the fair value of the Portfolio's interest bearing investments will fluctuate due to changes in market interest rates. The Portfolio's exposure to interest rate risk is concentrated in its investment in debt securities (such as bonds, money market investments, short-term investments and debentures) and interest rate derivative instruments, if any. Other assets and liabilities are short-term in nature and/or non-interest bearing. The Portfolio's exposure to interest rate risk, if any, is further discussed in Note 8.

(c) Other market risk

Other market risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are

caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in a market. Other assets and liabilities are monetary items that are short-term in nature, as such they are not subject to other market risk. The Portfolio's exposure to other market risk, if any, is further discussed in Note 8.

(d) Credit risk

Credit risk is the risk that a loss could arise from a security issuer or counterparty to a financial instrument not being able to meet its financial obligations. The fair value of debt securities includes consideration of the credit worthiness of the debt issuer. Credit risk exposure for over-the-counter derivative instruments is based on the Portfolio's unrealized gain of the contractual obligations with the counterparty as at the reporting date. The credit exposure of other assets is represented by its carrying amount. The Portfolio's exposure to credit risk, if any, is further discussed in Note 8.

The Portfolio may enter into securities lending transactions with approved counterparties. Credit risk associated with these transactions is considered minimal as all counterparties have a sufficient approved credit rating and the market value of collateral held by the Portfolio must be at least 102% of the fair value of securities loaned, as disclosed in Note 8, where applicable.

(e) Liquidity risk

The Portfolio's exposure to liquidity risk is concentrated in the daily cash redemptions of units. The Portfolio primarily invests in securities that are traded in active markets and can be readily disposed. In addition, the Portfolio retains sufficient cash and cash equivalent positions to maintain liquidity. The Portfolio may, from time to time, enter into over-the-counter derivative contracts or invest in unlisted securities, which are not traded in an organized market and may be illiquid. Securities for which a market quotation could not be obtained and may be illiquid are identified on the Schedule of Investment Portfolio. The proportion of illiquid securities to the NAV of the Portfolio is monitored by the Manager to ensure it does not exceed the regulatory limit and does not significantly affect the liquidity required to meet the Portfolio's financial obligations.

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8. Portfolio specific information

(a) Portfolio information and change in units

The Portfolio's inception date was May 15, 1997.

The number of units that have been issued and are outstanding are disclosed in the table below.

For the periods ended (in thousands of units)	Jun. 30, 2018	Jun. 30, 2017
Units issued and outstanding, beginning of period	133,683	131,177
Issued for cash	249,160	290,132
Issued on reinvestment of distributions	808	539
Redeemed during the period	(241,414)	(281,102)
Units issued and outstanding, end of period	142,237	140,746

(b) Reconciliation of NAV to Net Assets

As at June 30, 2018 and December 31, 2017, there were no differences between the Portfolio's NAV per unit and its Net Assets per unit calculated in accordance with IFRS.

(c) Increase (decrease) in net assets attributable to holders of redeemable units per unit

The increase (decrease) in net assets attributable to holders of redeemable units per unit for the periods ended June 30, 2018 and June 30, 2017 is calculated as follows:

For the periods ended	Jun. 30, 2018	Jun. 30, 2017
Increase in net assets attributable to holders of redeemable units	9,319	6,085
Weighted average units outstanding during the period (in thousands of units)	129,723	138,104
Increase in net assets attributable to holders of redeemable units per unit	0.07	0.04

(d) Income taxes

As at the tax year-ended December 2017, there were no capital and non-capital losses carried forward.

(e) Related party transactions

Unitholder servicing

The related party fees charged for unitholder servicing fees are as follows:

For the periods ended	Jun. 30, 2018	Jun. 30, 2017
Unitholder servicing (\$)	151	142

Brokerage commissions and soft dollars

There were no brokerage commissions charged to the Portfolio during the periods ended June 30, 2018 and June 30, 2017.

(f) Financial instruments risks

The Portfolio's 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, bonds, asset-backed securities and commercial paper.

No changes affecting the overall level of risk of investing in the Portfolio were made during the period.

Currency risk

As at June 30, 2018 and December 31, 2017, the Portfolio did not have exposure to currency risk as it invested fully in Canadian securities.

Interest rate risk

As at June 30, 2018, 99.5% (December 31, 2017 – 99.1%) of the Portfolio's Net Assets were invested in debt securities with term to maturity or reset date of less than one year. The Portfolio's sensitivity to interest rate risk as determined based on portfolio weighted duration was not significant as at June 30, 2018 and December 31, 2017.

Other market risk

The Portfolio was not significantly exposed to other market risk as at June 30, 2018 and December 31, 2017, as it was invested fully in fixed income securities.

Credit risk

The Portfolio's exposure to credit risk, grouped by credit ratings, is summarized in the following table:

Credit Rating	As a % of Net Assets as at	
	Jun. 30, 2018	Dec. 31, 2017
R-1 High	42.0	35.3
R-1 Mid	14.8	9.3
R-1 Low	30.2	30.6
AAA	0.7	-
AA	9.7	15.4
A	2.1	8.5
Total	99.5	99.1

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Securities lending

The Portfolio had assets involved in securities lending transactions outstanding as at June 30, 2018 and December 31, 2017 as follows:

	Aggregate Value of Securities on Loan (\$)	Aggregate Value of Collateral Received for the Loan (\$)
June 30, 2018	23,649	24,847
December 31, 2017	23,917	25,302

The table below is a reconciliation of the gross amount generated from securities lending transactions to the security lending revenue for the periods ended June 30, 2018 and June 30, 2017:

For the periods ended	Jun. 30, 2018		Jun. 30, 2017	
	Amount	% of Gross Securities Lending Revenue	Amount	% of Gross Securities Lending Revenue
Gross securities lending revenue	19	100.0	10	100.0
Withholding taxes	—	—	—	—
	19	100.0	10	100.0
Payment to securities lending agents	6	30.0	3	30.0
Net securities lending revenue	13	70.0	7	70.0

Concentration risk

The Portfolio's concentration risk is summarized in the following table:

As at	Jun. 30, 2018	Dec. 31, 2017
Money Market Investments		
Federal	1.7%	2.2%
Provincial	21.5%	24.6%
Municipal	3.4%	3.0%
Corporate	60.4%	45.4%
Bonds & Debentures		
Corporate Bonds & Debentures	11.8%	23.9%
Asset-Backed Securities	0.7%	—%
Other Assets Less Liabilities	0.5%	0.9%
	100.0%	100.0%

(g) Fair value hierarchy

The Portfolio classifies its financial instruments into three levels based on the inputs used to value the financial instruments. Level 1 securities are valued based on quoted prices in active markets for identical securities. Level 2 securities are valued based on significant observable market inputs, such as quoted prices from similar securities and quoted prices in inactive markets or based on observable inputs to models. Level 3 securities are valued based on significant unobservable inputs that reflect the Manager's determination of assumptions that market participants might reasonably use in valuing the securities. The tables below show the relevant disclosure.

As at Jun. 30, 2018

Financial assets	Level 1	Level 2	Level 3	Total
Debt Securities	—	1,415,526	—	1,415,526

As at Dec. 31, 2017

Financial assets	Level 1	Level 2	Level 3	Total
Debt Securities	—	1,324,184	—	1,324,184

Transfers between levels

There were no transfers between the levels during the periods.

(h) Unconsolidated structured entities

Information on the carrying amount and the size of the investments in structured entities is shown in the following table:

As at	Carrying amount	
	Jun. 30, 2018	Dec. 31, 2017
Genesis Trust II, Series 2015-2, Class A, Real Estate Secured Line of Credit-Backed Notes, 1.675%, Sep 17, 2018	10,048	—
Total	10,048	—

There were no unconsolidated structured entities held as at December 31, 2017.

The carrying value of mortgage related and other asset-backed securities are included in "Investments – Non-derivative financial assets" in the Statement of Financial Position. This amount also represents the maximum exposure to losses at that date.

The change in fair value of mortgage related and other asset-backed securities are included in the Statement of Comprehensive Income in "Change in unrealized appreciation (depreciation)".

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9. IFRS 9 transition

Upon transition to IFRS 9, financial assets and financial liabilities in the Portfolio's investment portfolio were classified as FVTPL. The classification differs from the classification under the previous IAS 39 for the financial assets and financial liabilities that were previously classified as held for trading; therefore there were changes in the categorization of financial assets and financial liabilities upon transition to IFRS 9. However, there were no changes in the measurement attributes for any of the financial assets and financial liabilities upon transition to IFRS 9. The tables below show the reconciliation of the financial assets and financial liabilities balances as at January 1, 2018, the IFRS 9 transition date.

As at Jan. 1, 2018

Financial Assets	Held for Trading	Designated as FVTPL	Loans and Receivables**	FVTPL
Opening balance - under IAS 39	—	1,324,184	25,662	—
On the basis of change from IAS 39 to IFRS 9:				
- reclassification of investments to FVTPL*	—	(1,324,184)	—	1,324,184
Total change on transition to IFRS 9		—(1,324,184)	—	1,324,184
Opening balance - under IFRS 9	—	—	25,662	1,324,184

* These are financial instruments (derivatives) classified as held for trading and others designated as FVTPL under IAS 39.

** These are other financial assets classified as loans and receivables under IAS 39, now classified as amortized cost under IFRS 9.

As at Jan. 1, 2018

Financial Liabilities	Held for Trading	Amortized Cost**	FVTPL
Opening balance - under IAS 39	—	13,047	—
On the basis of change from IAS 39 to IFRS 9:			
- reclassification of shorts and other derivatives*	—	—	—
Total change on transition to IFRS 9	—	—	—
Opening balance - under IFRS 9	—	13,047	—

* These are other financial liabilities (such as shorts and derivatives) classified as held for trading under IAS 39.

** These are other financial liabilities that continue to be classified as amortized cost.

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