

BMO Mortgage and Short-Term Income Fund (the "Fund")

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

Portfolio manager: BMO Asset Management Inc., Toronto, Ontario

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.

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 0.70%. Please see *Past Performance* for information on the performance returns of the Fund's other series.

During the period, a resurgence of confidence prevailed in the marketplace based on the belief global economies were turning around and were in healthier positions than at the beginning of the period. Equity markets raced higher in Japan and the U.S., with even a handful of European markets were up more than 10%. A rebound in manufacturing was at the heart of the bounce back, but strength in the U.S. housing sector was another important factor. It was believed that a recovery could add several hundred thousand new jobs, and as home values recovered, the wealth effect should give consumers the confidence to start spending. To support this, the portfolio manager saw a drop in the savings rate of consumers and a recovery in stock prices sensitive to consumer spending.

Those developments led to talk of tighter monetary policy by central banks and interest rates crept fractionally higher during this last period, led largely by longer dated bonds. The portfolio manager believes that should the recovery continue and add strength, interest rates on shorter dated bonds will follow closely behind, pressuring returns from this sector too.

Rising optimism of expanding economic growth gave investors the confidence to put more money to work in the corporate sector. The Fund remained at maximum exposure during this period. Canada bond exposures were held at minimal levels for liquidity purposes as they turned in a weak performance for investors. Returns from Government-

backed mortgages ranged somewhere between those of corporate and Canada bonds, so the Fund's 30% exposure to this sector helped somewhat in outperforming the Fund's benchmark the DEX Short-Term Bond Index.

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

The portfolio manager sees encouraging signs for the global economy, focussing predominantly on the U.S. The average homeowner has restrained spending for the past five years and is now in a position to breathe a little easier. The debt load has fallen back to levels last seen in the year 2000 and, if that pace holds, the portfolio manager believes we will soon regain the much healthier debt-to-income level of 1990. This will allow for a consumer led recovery, independent of what is happening in Europe and Asia, although signs of recovery are also emanating in the Far East. These events, should they continue, will likely lead to more talk of central banks raising interest rates and may pose a risk for investors of fixed income. Although the shorter term nature of the Fund will not see the worst effects from rising interest rates, any move along those lines will detract from returns in the year ahead.

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



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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.

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 Inc. ("BMOAM"), an affiliate of the Manager. BMOAM provides portfolio management services to the Fund. BMOAM receives a management fee based on assets under management, calculated daily and payable monthly.

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). Fund Expenses are allocated proportionately among the series. If the Fund Expenses are specific to a series, the Fund Expenses are allocated to that series. The fixed administration fee is calculated as a fixed annual percentage of the average net asset value of each relevant series of the Fund and, for the most part, replaces the previous cost recovery method under which operating

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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.

Buying and Selling Securities

Related-Party Underwritings and Trades in Debt Securities with a Related Entity, Trading as Principal

During the period, the Manager relied on an approval and standing instruction provided by the Fund's IRC with respect to the following related party transactions:

- (a) investments in a class of equity and/or non-government debt securities of an issuer during the period of distribution of those securities to the public and/or the 60-day period following the distribution period where BMO Nesbitt Burns Inc., an affiliate of the Manager, acted as an underwriter in the distribution; and
- (b) trades in debt securities in the secondary market with BMO Nesbitt Burns Inc. who is trading with the Fund as principal (each, a "Related Party Transaction").

In accordance with the IRC's approval and standing instruction, in making a decision to cause the Fund to make a Related Party Transaction, the Manager and portfolio manager of the Fund are required to comply with the Manager's written policies and procedures governing the Related-Party Transaction and report periodically to the IRC, describing each instance that the Manager and/or portfolio manager relied on the approval and standing instruction and their compliance or non-compliance with the governing policies and procedures. The governing policies and procedures are designed to ensure the Related Party Transaction (i) is made free from any influence of BMO Nesbitt Burns Inc. or an associate or affiliate of BMO Nesbitt Burns Inc. and without taking into account any considerations relevant to BMO Nesbitt Burns Inc. or an associate or affiliate of BMO Nesbitt Burns Inc., (ii) represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Fund, and (iii) achieves a fair and reasonable result for the Fund.

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 each series 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	1.25	7	93
Series I Units	—	—	—
Series F Units	0.75	0	100
Advisor Series Units	1.25	50	50

* For Series I Units, separate Series I fees are negotiated and paid by each Series I investor. Because the Manager pays no distribution, service or trailing fees on Series I Units, Series I Units will have lower Series I fees than the management fees for Series A Units.

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	Periods ended Sep. 30					
		Mar. 31 2013	2012	2011	2010	2009	2008
Net assets, beginning of period	\$	11.34	11.41	11.42	11.47	11.28	11.22
Increase (decrease) from operations:							
Total revenue	\$	0.19	0.42	0.45	0.47	0.53	0.55
Total expenses	\$	-0.09	-0.18	-0.18	-0.17	-0.17	-0.17
Realized gains (losses) for the period	\$	-0.01	-0.05	-0.05	-0.06	0.00	-0.05
Unrealized gains (losses) for the period	\$	-0.01	-0.02	0.01	0.01	0.20	0.12
Total increase (decrease) from operations⁽²⁾	\$	0.08	0.17	0.23	0.25	0.56	0.45
Distributions:							
From income (excluding dividends)	\$	0.10	0.25	0.27	0.30	0.37	0.38
From dividends	\$	—	—	—	—	—	—
From capital gains	\$	—	—	—	—	—	—
Return of capital	\$	0.00	—	—	—	—	—
Total Annual Distributions⁽³⁾	\$	0.10	0.25	0.27	0.30	0.37	0.38
Net assets, end of period	\$	11.31	11.34	11.41	11.42	11.47	11.28

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Series I

	Period ended		Periods ended Sep. 30			
	Mar. 31	2012	2011	2010	2009	2008 ⁽⁴⁾
	2013					
Net assets, beginning of period	\$ 10.08	10.13	10.13	10.14	9.85	10.00*
Increase (decrease)						
from operations:						
Total revenue	\$ 0.17	0.37	0.39	0.41	0.44	0.28
Total expenses	\$ —	—	—	—	—	—
Realized gains (losses)						
for the period	\$ -0.01	-0.04	-0.05	-0.06	-0.02	0.01
Unrealized gains (losses)						
for the period	\$ 0.00	0.00	0.10	0.11	0.07	-0.19
Total increase (decrease)						
from operations⁽²⁾	\$ 0.16	0.33	0.44	0.46	0.49	0.10
Distributions:						
From income						
(excluding dividends)	\$ 0.16	0.37	0.38	0.37	0.35	0.26
From dividends	\$ —	—	—	—	—	—
From capital gains	\$ —	—	—	—	—	—
Return of capital	\$ 0.00	—	—	—	—	—
Total Annual Distributions⁽³⁾	\$ 0.16	0.37	0.38	0.37	0.35	0.26
Net assets, end of period	\$ 10.07	10.08	10.13	10.13	10.14	9.85

Series F

	Period ended		Periods ended Sep. 30		
	Mar. 31	2012	2011	2010	2009 ⁽⁵⁾
	2013				
Net assets, beginning of period	\$ 10.01	10.07	10.09	10.13	10.00*
Increase (decrease)					
from operations:					
Total revenue	\$ 0.16	0.37	0.40	0.42	0.40
Total expenses	\$ -0.05	-0.10	-0.11	-0.10	-0.08
Realized gains (losses)					
for the period	\$ -0.01	-0.05	-0.04	-0.05	0.01
Unrealized gains (losses)					
for the period	\$ -0.01	0.01	-0.03	-0.03	-0.04
Total increase (decrease)					
from operations⁽²⁾	\$ 0.09	0.23	0.22	0.24	0.29
Distributions:					
From income					
(excluding dividends)	\$ 0.12	0.27	0.29	0.31	0.31
From dividends	\$ —	—	—	—	—
From capital gains	\$ —	—	—	—	—
Return of capital	\$ 0.00	—	—	—	—
Total Annual Distributions⁽³⁾	\$ 0.12	0.27	0.29	0.31	0.31
Net assets, end of period	\$ 9.99	10.01	10.07	10.09	10.13

Advisor Series

	Period ended		Periods ended Sep. 30		
	Mar. 31	2012	2011	2010	2009 ⁽⁵⁾
	2013				
Net assets, beginning of period	\$ 10.05	10.11	10.13	10.16	10.00*
Increase (decrease)					
from operations:					
Total revenue	\$ 0.17	0.37	0.40	0.41	0.42
Total expenses	\$ -0.08	-0.16	-0.16	-0.15	-0.14
Realized gains (losses)					
for the period	\$ -0.01	-0.04	-0.04	-0.05	-0.01
Unrealized gains (losses)					
for the period	\$ -0.01	-0.01	-0.01	0.02	0.08
Total increase (decrease)					
from operations⁽²⁾	\$ 0.07	0.16	0.19	0.23	0.35
Distributions:					
From income					
(excluding dividends)	\$ 0.09	0.21	0.24	0.26	0.22
From dividends	\$ —	—	—	—	—
From capital gains	\$ —	—	—	—	—
Return of capital	\$ 0.00	—	—	—	—
Total Annual Distributions⁽³⁾	\$ 0.09	0.21	0.24	0.26	0.22
Net assets, end of period	\$ 10.03	10.05	10.11	10.13	10.16

* Initial net assets.

⁽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.

⁽⁴⁾ The information shown in this column is for the period beginning March 5, 2008 (the series' launch date) and ending September 30, 2008.

⁽⁵⁾ The information shown in this column is for the period beginning November 3, 2008 (the series' launch date) and ending September 30, 2009.

Ratios and Supplemental Data

Series A

	Period ended		Periods ended Sep. 30			
	Mar. 31	2012	2011	2010	2009	2008
	2013					
Total net asset value (000's) ⁽¹⁾	\$ 528,358	567,955	613,099	697,527	659,568	567,116
Number of units						
outstanding (000's) ⁽¹⁾	46,697	50,098	53,747	61,066	57,510	50,276
Management expense ratio ⁽²⁾	% 1.57	1.56	1.56	1.49	1.49	1.51
Management expense ratio						
before waivers or absorptions	% 1.57	1.56	1.56	1.51	1.49	1.52
Trading expense ratio ⁽³⁾	% —	—	—	—	—	—
Portfolio turnover rate ⁽⁴⁾	% 5.31	28.42	25.15	49.02	76.19	63.68
Net asset value per unit	\$ 11.31	11.34	11.41	11.42	11.47	11.28

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Series I

	Period ended		Periods ended Sep. 30			
	Mar. 31 2013	2012	2011	2010	2009	2008 ⁽⁵⁾
Total net asset value (000's) ⁽¹⁾	\$ 958,051	691,868	406,721	175,724	17,771	1,0105
Number of units outstanding (000's) ⁽¹⁾	95,169	68,633	40,134	17,343	1,753	0.1026
Management expense ratio ⁽²⁾	%	—	—	—	—	—
Management expense ratio before waivers or absorptions ⁽²⁾	%	—	0.00	—	—	—
Trading expense ratio ⁽³⁾	%	—	—	—	—	—
Portfolio turnover rate ⁽⁴⁾	%	5.31	28.42	25.15	49.02	76.19
Net asset value per unit	\$	10.07	10.08	10.13	10.13	10.14
						9.85

Series F

	Period ended		Periods ended Sep. 30			
	Mar. 31 2013	2012	2011	2010	2009 ⁽⁶⁾	
Total net asset value (000's) ⁽¹⁾	\$ 4,756	5,142	4,630	7,477	4,338	
Number of units outstanding (000's) ⁽¹⁾	476	513	460	741	428	
Management expense ratio ⁽²⁾	%	1.04	1.03	1.05	0.98	0.93
Management expense ratio before waivers or absorptions	%	1.04	1.03	1.05	0.98	0.93
Trading expense ratio ⁽³⁾	%	—	—	—	—	—
Portfolio turnover rate ⁽⁴⁾	%	5.31	28.42	25.15	49.02	76.19
Net asset value per unit	\$	9.99	10.01	10.07	10.09	10.13

Advisor Series

	Period ended		Periods ended Sep. 30			
	Mar. 31 2013	2012	2011	2010	2009 ⁽⁶⁾	
Total net asset value (000's) ⁽¹⁾	\$ 18,541	19,544	17,437	20,112	9,429	
Number of units outstanding (000's) ⁽¹⁾	1,848	1,944	1,724	1,986	927	
Management expense ratio ⁽²⁾	%	1.58	1.57	1.57	1.49	1.47
Management expense ratio before waivers or absorptions	%	1.58	1.57	1.58	1.51	1.47
Trading expense ratio ⁽³⁾	%	—	—	—	—	—
Portfolio turnover rate ⁽⁴⁾	%	5.31	28.42	25.15	49.02	76.19
Net asset value per unit	\$	10.03	10.05	10.11	10.13	10.16

+ Operating expenses are paid by BMOII and management fees are paid directly to BMOII as negotiated with the investor.

⁽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. For all financial periods listed, no commissions or other portfolio transaction costs were incurred by the Fund. As a result, the trading expense ratio for all the periods was zero.

⁽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.

⁽⁵⁾ The information shown in this column is for the period beginning March 5, 2008 (the series' launch date) and ending September 30, 2008.

⁽⁶⁾ The information shown in this column is for the period beginning November 3, 2008 (the series' launch date) and ending September 30, 2009.

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.

The returns of each series may differ from one another for a number of reasons, including if the series was not issued and outstanding for the entire reporting period and because of the different levels of management fees and expenses allocated and payable by each series.

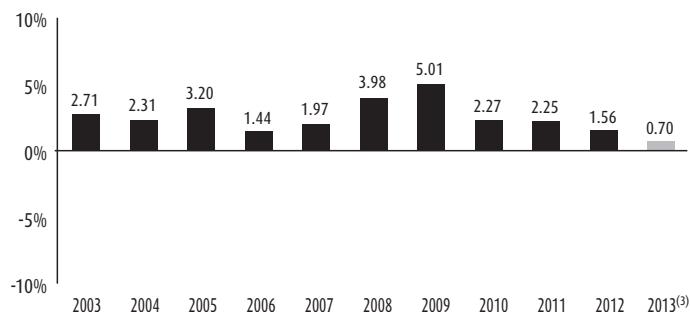
On July 23, 2003, the investment objectives and strategies of the Fund were changed to allow it to invest in high-quality, corporate fixed-income securities in addition to fixed-income securities issued or guaranteed by Canadian federal, provincial or municipal governments. The requirement to invest at least 50% of the Fund's assets in mortgage investments was eliminated. The Fund also changed its investment strategies to reflect its new objective.

These changes could have affected the performance of the Fund, had they been in effect throughout the performance measurement periods presented.

Year-by-Year Returns

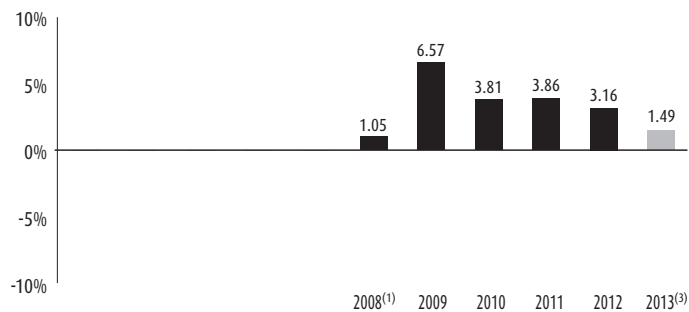
The following bar charts show the performance for each series of the Fund for each of the financial years shown and for the six-month period ended March 31, 2013. The charts show in percentage terms how an investment made on the first day of each financial year would have increased or decreased by the last day of each financial year.

Series A

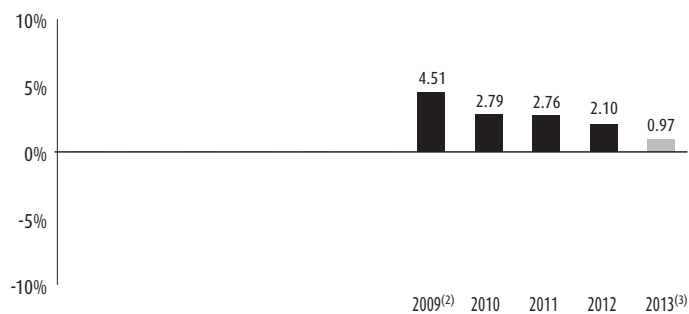


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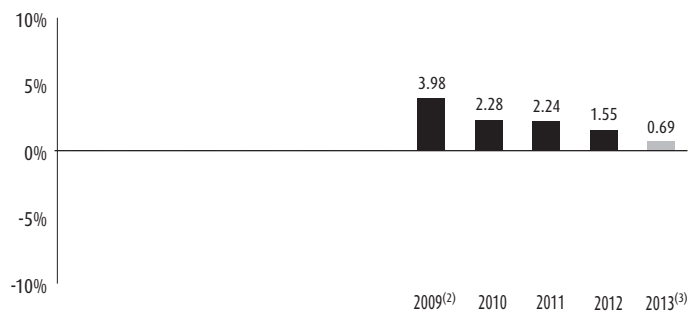
Series I



Series F



Advisor Series



⁽¹⁾ For the period beginning March 5, 2008 to September 30, 2008.

⁽²⁾ For the period beginning November 3, 2008 to September 30, 2009.

⁽³⁾ 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
Corporate Bonds	44.1
Mortgage Backed Securities	24.2
Collateral Mortgage Obligations	9.1
Provincial Bonds	6.5
Money Market Investments	6.2
Asset-Backed Securities	5.9
Government Bonds	4.5
Cash/Receivables/Payables	-0.5
Total Portfolio Allocation	100.0

Top 25 Holdings	% of Net Asset Value
Issuer	
Schooner Trust, Series 2006-5, Class A1, Commercial Mortgage Pass-Through Certificates, 4.556% Feb 12, 2021	2.3
MCAN Mortgage Corporation, NHA, Pool #97587232, 2.000% Jul 1, 2017	2.2
Toronto-Dominion Bank, The, Fixed To Floating, Medium Term Notes, Unsecured, Subordinated, Callable, 5.480% Apr 2, 2020	2.1
Merrill Lynch Financial Assets Inc., Commercial Mortgage Pass-Through Certificates, Series 2005- Canada 15, Class A2, 4.823% Feb 12, 2037	2.1
MILIT-AIR Inc., Series 1, Senior, Secured, Sinking Funds, Asset-Backed Securities, 5.750% Jun 30, 2019	2.0
MacQuarie Financial, NHA, Pool #97558944, 2.150% Oct 1, 2015	1.7
Score Trust, Series 2004-1, Senior, Secured, Notes, Asset-Backed, Credit Card Receivables 4.949% Feb 20, 2014	1.6
MCAP Service Corporation, NHA, Pool #97582035, 2.370% Apr 1, 2017	1.6
Toronto-Dominion Bank, The, NHA MBS, Pool #97537187, 1.700% DEC 1, 2017	1.6
N-45 First CMBS Issuer Corporation, Series 2003-2, Class A2, Commercial Mortgage-Backed Bonds, 5.667% Nov 15, 2020	1.6
Equitable Trust, NHA MBS, Pool #96503214, 4.200% Mar 1, 2017	1.6
Toronto-Dominion Bank, The, NHA MBS, Pool #97551519, 2.200% Sep 1, 2014	1.5
Fifth Avenue LP, 1st Mortgage, Secured, Sinking Fund, 4.710% Aug 5, 2021	1.4
Manufacturers Life Insurance Company, The, Notes, Subordinated, Callable, 4.210% Nov 18, 2021	1.4
TELUS Corporation, Medium Term Notes, 3.650% May 25, 2016	1.4
Toronto-Dominion Bank, The, NHA MBS, Pool #97572770, 1.500% Sep 1, 2016	1.4
Province of Nova Scotia, 4.150% Nov 25, 2019	1.4

Top 25 Holdings	% of Net Asset Value
Issuer	
Bank of Nova Scotia, Deposit Notes, 2.250% May 8, 2015	1.4
Home Trust Co., NHA MBS, Pool #97560254, 2.600% Nov 1, 2015	1.4
Canadian Imperial Bank of Commerce, Deposit Notes, Unsecured, 2.200% May 22, 2015	1.3
Toronto-Dominion Bank, The, NHA MBS Pool #99010340, 2.600% Mar 1, 2022	1.3
Government of Canada, 3.500% Jun 1, 2013	1.3
Toronto-Dominion Bank, The, NHA MBS, Pool #99010050, 2.600% Nov 1, 2020	1.2
Province of New Brunswick, Unsecured, 6.750% Jun 27, 2017	1.2
Province of Ontario, Unsecured 1.900% Sep 8, 2017	1.2
Top Holdings as a Percentage of Total Net Asset Value	39.2
Total Net Asset Value	\$1,509,706,166

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

www.bmo.com/mutualfunds

BMO Investments Inc.
77 King Street West, Suite 4200
Toronto, Ontario M5K 1J5

For more information please call 1-800-665-7700



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