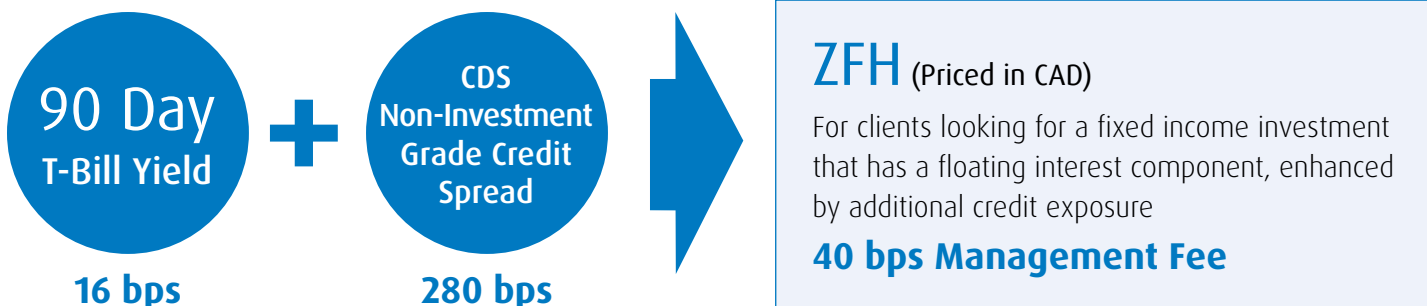


ZFH – BMO Floating Rate High Yield ETF

ZFH is designed to provide yield with minimal duration.



Source: 90-Day Bank of Canada T-Bill (Jun 17, 2021), Bank of Canada
Credit spread of a diversified basket of non-investment grade bonds over T-Bills (Jun 17, 2021), Bloomberg

ZFH helps investors minimize interest rate risks, while enhancing yield through a diversified high yield credit exposure.

1. Very low interest rate risk, targeting duration around 90 days
2. Enhanced yield through a diversified basket of non-investment grade issuers
3. Benefit from basket transparency and central clearing using Credit Default Swaps (CDS)

Who should consider this ETF

- Yield oriented investors who are concerned with potential rising interest rates
- Diversify a fixed income portfolio with a less correlated asset class
- Participate in tightening credit spreads as high yield issuers benefit strongly from the current improving business conditions.

Details

- ZFH targets duration of approximately 90 days with Government of Canada T-Bills while gaining high yield exposure through a CDS instrument
- The credit spread earned from the position in the CDS reflect the risk of the underlying diversified basket of U.S. non-investment grade bond issuers
- The CDS market benefits from high trading liquidity, pricing transparency, regulatory oversight and central clearing
- Minimal currency exposure as only a small margin is posted to gain the U.S. credit exposure.



Commissions, management fees and expenses all may be associated with investments in exchange traded funds. Please read the ETF Facts or prospectus of the BMO ETFs before investing. Exchange traded funds are not guaranteed, their values change frequently and past performance may not be repeated.

For a summary of the risks of an investment in the BMO ETFs, please see the specific risks set out in the BMO ETF's prospectus. BMO ETFs trade like stocks, fluctuate in market value and may trade at a discount to their net asset value, which may increase the risk of loss. Distributions are not guaranteed and are subject to change and/or elimination.

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