

BMO Laddered Preferred Share (ZPR) Summary Guide

Duration (Years)¹: 2.86

5-Year: 2.95%

Reset Year ¹²	Issues	Weight	Average Reset Spread ²	Average Coupon	Avg Premium	> 0% ³	Current Yield ⁴	Implied Current Yield ⁵	YTC ⁶	YTM ⁷	YTW ⁸	YTE ⁹
2024	14	7.59%	261.82	4.09%	-15.15%	1	4.94%	6.73%	89.80%	6.52%	6.52%	6.52%
2025	36	19.98%	275.33	3.60%	-13.14%	0	4.16%	6.62%	25.94%	7.12%	6.96%	7.12%
2026	18	20.28%	207.36	3.31%	-31.21%	0	4.86%	7.41%	27.54%	7.31%	7.31%	7.31%
2027	21	20.51%	284.81	5.78%	-14.13%	2	6.87%	6.97%	13.92%	8.37%	8.14%	8.14%
2028	32	20.51%	270.36	6.27%	-7.51%	3	6.84%	6.17%	8.59%	6.41%	6.41%	6.42%
2029	23	11.14%	266.33	5.90%	-11.44%	3	6.70%	6.38%	9.28%	6.64%	6.58%	6.62%
Portfolio	144	100.00%	260.45	4.83%	-15.82%	9	5.75%	6.74%	23.23%	7.17%	7.08%	7.12%

Level 1 ¹¹	Issues	%	Average Reset Spread ²	Average Coupon	Avg Premium	> 0% ³	Current Yield ⁴	Implied Current Yield ⁵	YTC ⁶	YTM ⁷	YTW ⁸	YTE ⁹
Communications	10	8.59%	98.23	3.82%	-33.67%	0	5.70%	5.97%	29.18%	6.66%	6.66%	6.66%
Consumer, Non-cyclical	1	0.34%	472.00	5.90%	1.12%	1	5.84%	7.58%	3.44%	3.44%	3.44%	3.44%
Diversified	2	0.79%	281.23	5.26%	-16.66%	0	6.18%	6.97%	27.74%	7.01%	7.01%	7.01%
Energy	35	25.48%	262.28	4.90%	-19.40%	0	6.02%	6.97%	32.73%	7.52%	7.40%	7.52%
Financial	70	49.43%	275.41	4.86%	-11.38%	8	5.55%	6.68%	17.38%	6.69%	6.59%	6.60%
Utilities	26	15.37%	294.14	5.13%	-14.50%	0	5.94%	6.94%	23.18%	8.51%	8.49%	8.51%
Portfolio	144	100.00%	260.45	4.83%	-15.82%	9	5.75%	6.74%	23.23%	7.17%	7.08%	7.12%

Credit Rating ¹⁰	Issues	Weight	Average Reset Spread ²	Average Coupon	Avg Premium	> 0% ³	Current Yield ⁴	Implied Current Yield ⁵	YTC ⁶	YTM ⁷	YTW ⁸	YTE ⁹
P1	5	3.94%	187.28	2.68%	-29.32%	0	3.70%	6.91%	29.36%	6.77%	6.77%	6.77%
P2	92	71.89%	251.49	4.81%	-14.12%	7	5.58%	6.44%	22.87%	7.03%	6.91%	6.96%
P3	47	24.16%	299.03	5.25%	-18.67%	2	6.59%	7.61%	23.30%	7.66%	7.64%	7.65%
Portfolio	144	100.00%	260.45	4.83%	-15.82%	9	5.75%	6.74%	23.23%	7.17%	7.08%	7.12%

Level 2 ¹¹	Issue	%	Average Reset Spread ²	Average Coupon	Avg Premium	> 0% ³	Current Yield ⁴	Implied Current Yield ⁵	YTC ⁶	YTM ⁷	YTW ⁸	YTE ⁹
Banks	24	21.47%	271.75	5.11%	-0.32%	7	5.08%	5.68%	8.54%	5.78%	5.54%	5.56%
Commercial Services	1	0.34%	472.00	5.90%	1.12%	1	5.84%	7.58%	3.44%	3.44%	3.44%	3.44%
Diversified Finan Serv	1	0.01%	519.00	7.94%	-25.72%	0	10.69%	10.96%	20.78%	11.07%	11.07%	11.07%
Electric	22	12.77%	295.91	5.22%	-14.73%	0	6.04%	6.99%	23.53%	6.93%	6.91%	6.93%
Gas	4	2.60%	285.44	4.68%	-13.37%	0	5.43%	6.70%	21.45%	16.26%	16.26%	16.26%
Holding Companies-Divers	2	0.79%	281.23	5.26%	-16.66%	0	6.18%	6.97%	27.74%	7.01%	7.01%	7.01%
Insurance	21	14.46%	240.63	4.17%	-16.04%	0	4.83%	6.45%	20.50%	6.41%	6.41%	6.41%
Investment Companies	1	0.30%	396.00	7.48%	4.00%	1	7.19%	6.64%	6.50%	6.80%	6.50%	6.50%
Oil&Gas	4	2.98%	255.00	3.41%	-15.75%	0	3.95%	6.52%	19.84%	6.47%	6.47%	6.47%
Pipelines	31	22.50%	263.24	5.10%	-19.89%	0	6.30%	7.03%	34.45%	7.66%	7.52%	7.66%
Private Equity	12	8.58%	295.66	5.01%	-14.92%	0	5.84%	6.99%	16.05%	6.97%	6.97%	6.97%
Real Estate	9	4.30%	352.81	5.29%	-44.35%	0	9.45%	11.67%	54.69%	11.52%	11.52%	11.52%
REITS	2	0.30%	389.63	6.92%	-19.51%	0	8.60%	8.50%	13.27%	8.40%	8.40%	8.40%
Telecommunications	10	8.59%	98.23	3.82%	-33.67%	0	5.70%	5.97%	29.18%	6.66%	6.66%	6.66%
Portfolio	144	100.00%	260.45	4.83%	-15.82%	9	5.75%	6.74%	23.23%	7.17%	7.08%	7.12%

Data as of Aug. 30, 2024.

* Note all yields are shown before fees. Also note that these yields will change from month to month based on market conditions.

- 1 Duration is a measure of sensitivity to changes in interest rates. For example, a 5 year duration means the value will decrease by 5% if interest rates rise 1% and increase in value by 5% if interest rates fall 1%. Generally, the higher the duration the more volatile the price will be when interest rates change.
- 2 Average Reset Spread is the average spread at reset date to 5 year Bank of Canada bonds.
- 3 >0% is the percentage of issues trading above par.
- 4 Current Yield is current dividends of the underlying divided by price.
- 5 Implied Current Yield is the theoretical current yield assuming the preferred share was to reset to today's 5 year Government of Canada yield.
- 6 Yield to Call (YTC) assumes each issue is called at its next reset date.
- 7 Yield to Maturity (YTM) assumes each issue is called at its last possible reset date.
- 8 Yield to Worst (YTW) Assumes the lower of YTC and YTM for each line. This measure will tend to be overly conservative.
- 9 Yield to Estimate (YTE) Assumes each issue that is trading at more than par value will get called at its next reset date.
- 10 Credit Rating is meant to give an indication of the risk that a borrower will not fulfill its full obligations in a timely manner. Credit ratings are taken from a blend of S&P, Moody's and DBRS. Preferred share credit rating scale indicates P1 to be highest quality, P2 to be adequate quality and P3 to be somewhat speculative. Please note credit ratings can change.
- 11 Levels refer to the Global Industry Classification Standards where level one describes a sector and level two describes sub-sectors.
- 12 Each year, at reset, a portion of the portfolio changes its rates to reflect current interest rate levels.

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