# BMO Global Infrastructure Fund

## Quarterly Commentary

### Market Commentary

Infrastructure investments performed well in the second quarter of 2025 ("the quarter").

With characteristic demand resilience, this sector provided relative visibility in a backdrop of heightened policy and macroeconomic uncertainty. In addition, growth remains well underpinned with megatrends supporting investment in global electrical and LNG infrastructure.

The Fund outperformed the benchmark (S&P Global Infrastructure Total Return Index (C$)) over the quarter.

### Attribution Comments

Outperformance led by overweight and positioning and stock selection in utilities. Stock selection in Industrials was offset in part by relatively lower sector allocation.

Companies participating in electrical infrastructure expansion performed particularly well this quarter. Also, airports catering to low-cost leisure travel continue to report strong demand. Mexico was the largest dragger in terms of allocation and selection, which was partially offset by Europe and China.

### Outlook for Market/Fund

We expect demand to remain largely resilient for critical infrastructure. Growth investment in power infrastructure continues to enjoy long cycle tailwinds. Parts of energy infrastructure could face headwinds from weak commodity pricing and transportation volumes could be sensitive to global macroeconomic trends. However, we believe broader demand resilience and attractive pricing mechanisms should prevail.

We expect the fund to also benefit from broader tailwinds noted above.

### Buys/Sells

We reduced our Energy and Utilities weights this quarter and raised our Industrials weight. We have lightened exposure in economically sensitive investments and lightened exposure in thematics, where momentum was particularly strong in Q2.

In Energy we reduced our holding in Targa, recognizing potential headwinds from changing oil supply/demand balance. We also added Keyera, recognizing the synergy potential from its recent acquisitions.

In Industrials we added Republic Services Group. We are attracted to RSG's characteristic demand resilience, strong operating track record, and constructive outlook. The company has also progressed on a number of strategic initiatives such as environmental solutions and polymer recycling that should provide a long runway for addressable market and margin expansion.

Hold: We continue to own Cheniere as a key enabler and beneficiary of global LNG trade. The company continues to execute well on growth projects and announced positive final investment decisions on additional growth projects in Q2.

The Fund does not hedge currencies.

## Fund Codes & Fees

| Series | Fund Code | MER (%)* |
|---|---|---|
| **Advisor** | BMO99150 | 2.25 |
| **Series F** | BMO95150 | 1.15 |

*Annual Management Expense Ratios (MERs) are as of September 30, 2024.

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