

Michael Gregory, CFA, Deputy Chief Economist • michael.gregory@bmo.com • 416-359-4747

Jennifer Lee, Senior Economist • jennifer.lee@bmo.com • 416-359-4092

Benjamin Reitzes, Canadian Rates & Macro Strategist • benjamin.reitzes@bmo.com • 416-359-5628

Forecast Summary (averages)

| | Actual | Forecasts | | | | 2018 | | 2019 | | | |
|------------------|-------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2018 Feb | 2018 Mar | Apr | May | Jun | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| BoC overnight | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.50 | 1.75 | 2.00 | 2.25 | 2.50 | 2.50 |
| 10-yr Canadas | 2.32 | 2.35 | 2.40 | 2.40 | 2.45 | 2.55 | 2.65 | 2.80 | 2.95 | 3.05 | 3.20 |
| Fed funds | 1.38 | 1.63 | 1.63 | 1.63 | 1.88 | 2.13 | 2.38 | 2.63 | 2.88 | 2.88 | 2.88 |
| 10-yr Treasuries | 2.86 | 2.85 | 2.90 | 2.90 | 2.95 | 3.00 | 3.05 | 3.15 | 3.25 | 3.35 | 3.45 |
| C\$ per US\$ | 1.259 | 1.290 | 1.285 | 1.280 | 1.275 | 1.265 | 1.252 | 1.245 | 1.238 | 1.230 | 1.223 |
| US\$/€ | 1.23 | 1.24 | 1.24 | 1.24 | 1.24 | 1.25 | 1.25 | 1.26 | 1.26 | 1.27 | 1.28 |
| US\$/£ | 1.40 | 1.40 | 1.40 | 1.41 | 1.41 | 1.42 | 1.43 | 1.44 | 1.45 | 1.46 | 1.47 |
| ¥/US\$ | 108 | 108 | 107 | 107 | 107 | 106 | 105 | 105 | 104 | 104 | 103 |

Since the last issue of Rates Scenario:

- In the wake of the Bipartisan Budget Act (BBA) being signed into law on February 9, we changed our **Fed** call and now look for four rate hikes this year instead of three. The first move should occur at the March 20-21 FOMC meeting. The Minutes from the January meeting (released February 21) revealed that, in the Statement, the word “*further*” was inserted before “*gradual increases in the federal funds rate*” to signal that the Fed had grown more confident about raising rates owing to “*strengthening in the near-term economic outlook*”. Between the BBA and the Tax Cuts and Jobs Act, we reckon fiscal stimulus will add about 1.0 percentage point to GDP growth this year and another 0.3 points next year (other things equal). But, with the economy already sporting a positive output gap (0.5% of GDP in 2017Q4) and essentially at full employment, and expanding at an above-potential pace (2.5% in Q4 vs. a <2% long-run rate), this growth goosing is fuelling inflation risks. And now we have inflationary protectionist measures to worry about.
- We see rate hikes continuing at a quarterly cadence until the longer-run median projection for fed funds is attained. Specifically, we see a pause at the 2.75%-to-3.00% range with its 2.875% midpoint, so an additional two rate hikes by the middle of next year. But also beginning July 2019, the current business cycle will become the longest in U.S. history (dating back to the 1850s). How long the current expansion might continue will depend critically on whether the Fed feels compelled to begin pushing policy rates well above their longer-run level during 2019H2. This, in turn, will depend on what happens to the inflation process, and whether the secular forces of disinflation (e.g., an aging population, globalization and technology-enabled disruption) can continue checking the escalating cyclical forces of inflation. We see net upside risks to our 2019 Fed call.
- We still expect **Bank of Canada** policy to remain on pause until the second half of this year, with moves in July and October, and a quarterly cadence continuing into 2019 until the Bank hits the bottom of its 2.50%-to-3.50% estimated neutral range. (We obviously anticipate no change at the March 7 meeting.) January’s policy pronouncements still sum it up best: “*While the economic outlook is expected to warrant higher interest rates over time, some continued monetary policy accommodation will likely be needed to keep the economy operating close to potential and inflation on target*”. The requirement for “*continued stimulus*” reflects concerns over

NAFTA negotiations, along with the housing market's response to new mortgage lending rules and debt-burdened households' response to higher interest rates.

- On both sides of the border, given the prospects for policy rate hikes, continued above-potential growth rates when economies are already at full capacity, further tightening of already-tight labour markets and rising inflation risks, we look for **bond yields** to continue trending higher. For example, 10-year Treasury yields should be averaging around 3.10% by 2018-end and 3.50% by 2019-end, with comparable Canadas around 2.70% and 3.25%, respectively. Importantly, we do not anticipate that the yield curve will invert, but intend to begin an inversion-watch in the second half of next year just in case, particularly south of the border.
- The **ECB** may finally signal at the March 8th monetary policy meeting that its QE program has a limited shelf life. In its words, *“language pertaining to various dimensions of the monetary policy stance and forward guidance could be revisited early in the coming year”*, and March fits nicely into that timeframe as it is *“early”* in the year. And, the ECB's updated growth and inflation forecasts will be released, which would support whatever path they plan to take. We're obviously not expecting an extreme move, such as a rate hike. We look for the Bank to adjust or drop the guidance on its asset purchase program, which is *“we stand ready to increase the asset purchase programme (APP) in terms of size and/or duration”*. Everything else can stay....rates and the guidance on rates. But there is considerable uncertainty with this call as policymakers have dragged their heels in the past when pressed to make changes to the messaging. In addition, inflation remains far from target and has yet to show convincing signs of an upturn.
- The **BoE** is still expected to tighten this year, but the timeline quickened after the February 8th MPC meeting. Governor Carney acknowledged that *“It will likely be necessary to raise interest rates somewhat earlier and to a somewhat greater extent than we had thought”*, so we moved our November hike to May. Of course, all of this depends on a smooth Brexit, which is no guarantee.
- We haven't changed the calls for the BoJ and the RBA. The **BoJ** is still expected to lift the target of its 10-year maturities to about 0.1% or more over the course of the next 12 months. Governor Kuroda, who was given the nod for a second term, finally acknowledged the obvious: they will consider and debate an exit but only if CPI reaches the 2% target, which they expect around FY 2019. One factor that may slow the debate process is that there will be two dovish policymakers this year, instead of one. The **RBA** is encouraged by the improvement in non-mining business investment and solid job growth, but remains concerned about high household debt and sluggish wage growth. And now, there are reports of employers *“finding it more difficult to hire workers with the necessary skills”*. The RBA is in no rush to normalize rates.
- **Mexico** still sees inflation risks as *“tilted upwards”* and the balance of risks to growth as *“tilted downwards”*. The central bank raised rates to a 9-year high last month (to 7.5%) and will likely continue to push rates higher to contain price pressures.

Foreign Exchange Forecasts

Local Currency per U.S. Dollar (averages)

| | Actual | Forecasts | | | | | 2018 | | 2019 | | | |
|---------------------------------|-------------|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--|
| | 2018 Feb | 2018 Mar | Apr | May | Jun | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| Canadian Dollar | | | | | | | | | | | | |
| C\$ per US\$ | 1.259 | 1.290 | 1.285 | 1.280 | 1.275 | 1.265 | 1.252 | 1.245 | 1.238 | 1.230 | 1.223 | |
| US\$ per C\$ | 0.794 | 0.775 | 0.778 | 0.781 | 0.784 | 0.791 | 0.799 | 0.803 | 0.808 | 0.813 | 0.818 | |
| Trade-weighted | 98.7 | 96.3 | 96.7 | 97.2 | 97.6 | 98.2 | 99.0 | 99.3 | 99.8 | 100.3 | 100.7 | |
| U.S. Dollar | | | | | | | | | | | | |
| Trade-weighted ¹ | 117.5 | 118.0 | 118.2 | 118.5 | 118.6 | 117.7 | 116.2 | 115.3 | 114.7 | 114.2 | 113.6 | |
| European Currencies | | | | | | | | | | | | |
| Euro ² | 1.23 | 1.24 | 1.24 | 1.24 | 1.24 | 1.25 | 1.25 | 1.26 | 1.26 | 1.27 | 1.28 | |
| Danish Krone | 6.03 | 6.05 | 6.00 | 6.00 | 6.00 | 6.00 | 5.95 | 5.95 | 5.90 | 5.85 | 5.85 | |
| Norwegian Krone | 7.84 | 7.80 | 7.80 | 7.80 | 7.80 | 7.75 | 7.70 | 7.65 | 7.60 | 7.55 | 7.50 | |
| Swedish Krone | 8.05 | 8.05 | 8.00 | 8.00 | 8.00 | 7.95 | 7.90 | 7.85 | 7.80 | 7.75 | 7.70 | |
| Swiss Franc | 0.94 | 0.95 | 0.95 | 0.95 | 0.95 | 0.95 | 0.90 | 0.90 | 0.90 | 0.90 | 0.90 | |
| U.K. Pound ² | 1.40 | 1.40 | 1.40 | 1.41 | 1.41 | 1.42 | 1.43 | 1.44 | 1.45 | 1.46 | 1.47 | |
| Asian Currencies | | | | | | | | | | | | |
| Chinese Yuan | 6.32 | 6.31 | 6.29 | 6.28 | 6.27 | 6.25 | 6.21 | 6.18 | 0.00 | 6.13 | 6.11 | |
| Japanese Yen | 108 | 108 | 107 | 107 | 107 | 106 | 105 | 105 | 104 | 104 | 103 | |
| Korean Won | 1,078 | 1,075 | 1,070 | 1,065 | 1,060 | 1,055 | 1,040 | 1,030 | 1,025 | 1,015 | 1,010 | |
| Indian Rupee | 64.4 | 64.3 | 64.2 | 64.1 | 64.0 | 63.7 | 63.4 | 63.0 | 62.6 | 62.2 | 61.7 | |
| Singapore Dollar | 1.32 | 1.32 | 1.31 | 1.31 | 1.30 | 1.29 | 1.28 | 1.28 | 1.27 | 1.26 | 1.25 | |
| Malaysian Ringgit | 3.91 | 3.90 | 3.90 | 3.85 | 3.85 | 3.85 | 3.80 | 3.80 | 3.80 | 3.80 | 3.75 | |
| Thai Baht | 31.5 | 31.4 | 31.2 | 31.1 | 30.9 | 30.7 | 30.4 | 30.3 | 30.3 | 30.3 | 30.2 | |
| Philippine Peso | 51.9 | 51.8 | 51.7 | 51.5 | 51.4 | 51.2 | 50.4 | 49.2 | 49.0 | 48.8 | 48.6 | |
| Taiwan Dollar | 29.2 | 29.1 | 29.0 | 28.8 | 28.7 | 28.4 | 28.1 | 28.1 | 28.0 | 27.9 | 27.8 | |
| Indonesian Rupiah | 13,605 | 13,540 | 13,475 | 13,405 | 13,340 | 13,210 | 13,010 | 12,910 | 12,860 | 12,805 | 12,755 | |
| Other Currencies | | | | | | | | | | | | |
| Australian Dollar ² | 0.787 | 0.788 | 0.789 | 0.791 | 0.792 | 0.795 | 0.799 | 0.805 | 0.813 | 0.820 | 0.828 | |
| New Zealand Dollar ² | 0.731 | 0.732 | 0.734 | 0.736 | 0.737 | 0.741 | 0.745 | 0.748 | 0.751 | 0.755 | 0.759 | |
| Mexican Peso | 18.64 | 19.25 | 19.80 | 20.40 | 21.00 | 20.35 | 19.35 | 18.90 | 18.80 | 18.65 | 18.55 | |
| Brazilian Real | 3.25 | 3.25 | 3.25 | 3.25 | 3.25 | 3.20 | 3.20 | 3.15 | 3.10 | 3.10 | 3.10 | |
| Russian Ruble | 56.8 | 56.7 | 56.6 | 56.5 | 56.4 | 56.2 | 55.9 | 55.5 | 55.1 | 54.7 | 54.3 | |
| South African Rand | 11.8 | 11.8 | 11.8 | 11.8 | 11.8 | 11.8 | 11.8 | 11.6 | 11.4 | 11.3 | 11.1 | |
| Cross Rates | | | | | | | | | | | | |
| Versus Canadian Dollar | | | | | | | | | | | | |
| Euro (C\$/€) | 1.55 | 1.60 | 1.59 | 1.59 | 1.58 | 1.57 | 1.56 | 1.56 | 1.56 | 1.56 | 1.56 | |
| U.K. Pound (C\$/£) | 1.76 | 1.81 | 1.80 | 1.80 | 1.80 | 1.79 | 1.79 | 1.79 | 1.79 | 1.79 | 1.79 | |
| Japanese Yen (¥/C\$) | 86 | 83 | 84 | 84 | 84 | 84 | 84 | 84 | 84 | 84 | 84 | |
| Australian Dollar (C\$/A\$) | 0.99 | 1.02 | 1.01 | 1.01 | 1.01 | 1.01 | 1.00 | 1.00 | 1.01 | 1.01 | 1.01 | |
| Versus Euro | | | | | | | | | | | | |
| U.K. Pound (£/€) | 0.88 | 0.89 | 0.88 | 0.88 | 0.88 | 0.88 | 0.88 | 0.87 | 0.87 | 0.87 | 0.87 | |
| Japanese Yen (¥/€) | 133 | 134 | 133 | 133 | 133 | 132 | 131 | 131 | 132 | 132 | 132 | |

¹ Federal Reserve Broad Index ² (US\$ per local currency)

Interest Rate Forecasts

Percent (averages)

| | Actual | Forecasts | | | | 2018 | | 2019 | | | |
|-------------------------|-------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|------|
| | 2018 Feb | 2018 Mar | Apr | May | Jun | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Cdn. Yield Curve | | | | | | | | | | | |
| Overnight | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.50 | 1.75 | 2.00 | 2.25 | 2.50 | 2.50 |
| 3 month | 1.16 | 1.15 | 1.15 | 1.15 | 1.30 | 1.45 | 1.70 | 1.90 | 2.15 | 2.35 | 2.35 |
| 6 month | 1.33 | 1.35 | 1.35 | 1.35 | 1.45 | 1.60 | 1.80 | 2.00 | 2.20 | 2.40 | 2.40 |
| 1 year | 1.60 | 1.60 | 1.65 | 1.65 | 1.75 | 1.85 | 2.05 | 2.25 | 2.40 | 2.55 | 2.60 |
| 2 year | 1.81 | 1.85 | 1.90 | 1.95 | 2.00 | 2.10 | 2.25 | 2.40 | 2.55 | 2.65 | 2.70 |
| 3 year | 1.94 | 2.00 | 2.05 | 2.05 | 2.10 | 2.20 | 2.35 | 2.50 | 2.65 | 2.75 | 2.85 |
| 5 year | 2.10 | 2.15 | 2.15 | 2.20 | 2.25 | 2.35 | 2.50 | 2.60 | 2.75 | 2.90 | 3.00 |
| 7 year | 2.20 | 2.20 | 2.25 | 2.30 | 2.35 | 2.45 | 2.55 | 2.70 | 2.85 | 2.95 | 3.10 |
| 10 year | 2.32 | 2.35 | 2.40 | 2.40 | 2.45 | 2.55 | 2.65 | 2.80 | 2.95 | 3.05 | 3.20 |
| 30 year | 2.45 | 2.45 | 2.50 | 2.55 | 2.60 | 2.70 | 2.85 | 2.95 | 3.15 | 3.30 | 3.45 |
| 1m BA | 1.55 | 1.55 | 1.55 | 1.55 | 1.65 | 1.80 | 2.00 | 2.25 | 2.45 | 2.65 | 2.65 |
| 3m BA | 1.66 | 1.65 | 1.65 | 1.65 | 1.75 | 1.90 | 2.15 | 2.35 | 2.55 | 2.75 | 2.75 |
| 6m BA | 1.83 | 1.85 | 1.85 | 1.85 | 1.95 | 2.05 | 2.25 | 2.45 | 2.65 | 2.80 | 2.80 |
| 12m BA | 2.04 | 2.05 | 2.10 | 2.10 | 2.20 | 2.30 | 2.45 | 2.60 | 2.75 | 2.90 | 2.90 |
| Prime Rate | 3.45 | 3.45 | 3.45 | 3.45 | 3.45 | 3.70 | 3.95 | 4.20 | 4.45 | 4.70 | 4.70 |
| U.S. Yield Curve | | | | | | | | | | | |
| Fed funds | 1.38 | 1.63 | 1.63 | 1.63 | 1.88 | 2.13 | 2.38 | 2.63 | 2.88 | 2.88 | 2.88 |
| 3 month | 1.59 | 1.75 | 1.75 | 1.85 | 1.95 | 2.00 | 2.20 | 2.35 | 2.55 | 2.65 | 2.65 |
| 6 month | 1.79 | 1.95 | 1.95 | 2.05 | 2.10 | 2.20 | 2.35 | 2.55 | 2.70 | 2.80 | 2.80 |
| 1 year | 1.96 | 2.10 | 2.10 | 2.15 | 2.25 | 2.35 | 2.50 | 2.65 | 2.80 | 2.90 | 2.90 |
| 2 year | 2.18 | 2.25 | 2.30 | 2.35 | 2.40 | 2.50 | 2.65 | 2.85 | 3.00 | 3.05 | 3.05 |
| 3 year | 2.36 | 2.40 | 2.45 | 2.50 | 2.55 | 2.65 | 2.75 | 2.90 | 3.05 | 3.10 | 3.15 |
| 5 year | 2.60 | 2.60 | 2.65 | 2.70 | 2.75 | 2.80 | 2.90 | 3.05 | 3.15 | 3.25 | 3.30 |
| 7 year | 2.78 | 2.80 | 2.80 | 2.85 | 2.90 | 2.95 | 3.05 | 3.15 | 3.25 | 3.35 | 3.40 |
| 10 year | 2.86 | 2.85 | 2.90 | 2.90 | 2.95 | 3.00 | 3.05 | 3.15 | 3.25 | 3.35 | 3.45 |
| 30 year | 3.13 | 3.15 | 3.15 | 3.20 | 3.20 | 3.25 | 3.35 | 3.40 | 3.50 | 3.60 | 3.70 |
| 1m LIBOR | 1.60 | 1.80 | 1.80 | 1.90 | 2.00 | 2.10 | 2.30 | 2.55 | 2.75 | 2.85 | 2.85 |
| 3m LIBOR | 1.87 | 2.05 | 2.05 | 2.15 | 2.25 | 2.35 | 2.55 | 2.75 | 2.95 | 3.10 | 3.10 |
| 6m LIBOR | 2.09 | 2.30 | 2.30 | 2.40 | 2.50 | 2.60 | 2.85 | 3.05 | 3.25 | 3.35 | 3.35 |
| 12m LIBOR | 2.37 | 2.55 | 2.55 | 2.65 | 2.75 | 2.85 | 3.05 | 3.30 | 3.50 | 3.60 | 3.60 |
| Prime Rate | 4.50 | 4.75 | 4.75 | 4.75 | 5.00 | 5.10 | 5.35 | 5.60 | 5.85 | 6.00 | 6.00 |
| Other G7 Yields | | | | | | | | | | | |
| ECB Refi | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.25 | 0.25 | 0.25 |
| 10yr Bund | 0.72 | 0.75 | 0.80 | 0.85 | 0.85 | 0.95 | 1.05 | 1.15 | 1.25 | 1.35 | 1.45 |
| BoE Repo | 0.50 | 0.50 | 0.50 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 | 1.00 | 1.00 |
| 10yr Gilt | 1.57 | 1.60 | 1.65 | 1.70 | 1.70 | 1.80 | 1.90 | 2.05 | 2.20 | 2.30 | 2.45 |
| Boj O/N | -0.05 | -0.05 | -0.05 | -0.05 | -0.05 | -0.05 | -0.05 | -0.05 | -0.05 | -0.05 | 0.00 |
| 10yr JGB | 0.06 | 0.07 | 0.07 | 0.07 | 0.08 | 0.08 | 0.10 | 0.10 | 0.11 | 0.12 | 0.12 |

General Disclosure

"BMO Capital Markets" is a trade name used by the BMO Financial Group for the wholesale banking businesses of Bank of Montreal and its subsidiaries BMO Nesbitt Burns Inc., BMO Capital Markets Limited in the U.K. and BMO Capital Markets Corp. in the U.S. BMO Nesbitt Burns Inc., BMO Capital Markets Limited and BMO Capital Markets Corp are affiliates. This document is issued and distributed in Hong Kong by Bank of Montreal ("BMO"). BMO is an authorized institution under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong) and a registered institution with the Securities and Futures Commission (CE No. AAK809) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). BMO does not represent that this document may be lawfully distributed, or that any financial products may be lawfully offered or dealt with, in compliance with any regulatory requirements in other jurisdictions, or pursuant to an exemption available thereunder. This document is directed only at entities or persons in jurisdictions or countries where access to and use of the information is not contrary to local laws or regulations. Their contents have not been reviewed by any regulatory authority. Bank of Montreal or its subsidiaries ("BMO Financial Group") has lending arrangements with, or provide other remunerated services to, many issuers covered by BMO Capital Markets. The opinions, estimates and projections contained in this report are those of BMO Capital Markets as of the date of this report and are subject to change without notice. BMO Capital Markets endeavours to ensure that the contents have been compiled or derived from sources that we believe are reliable and contain information and opinions that are accurate and complete. However, BMO Capital Markets makes no representation or warranty, express or implied, in respect thereof, takes no responsibility for any errors and omissions contained herein and accepts no liability whatsoever for any loss arising from any use of, or reliance on, this report or its contents. Information may be available to BMO Capital Markets or its affiliates that is not reflected in this report. The information in this report is not intended to be used as the primary basis of investment decisions, and because of individual client objectives, should not be construed as advice designed to meet the particular investment needs of any investor. This document is not to be construed as an offer to sell, a solicitation for or an offer to buy, any products or services referenced herein (including, without limitation, any commodities, securities or other financial instruments), nor shall such information be considered as investment advice or as a recommendation to enter into any transaction. Each investor should consider obtaining independent advice before making any financial decisions. This document is provided for general information only and does not take into account any investor's particular needs, financial status or investment objectives. BMO Capital Markets or its affiliates will buy from or sell to customers the securities of issuers mentioned in this report on a principal basis. BMO Capital Markets or its affiliates, officers, directors or employees have a long or short position in many of the securities discussed herein, related securities or in options, futures or other derivative instruments based thereon. The reader should assume that BMO Capital Markets or its affiliates may have a conflict of interest and should not rely solely on this report in evaluating whether or not to buy or sell securities of issuers discussed herein.

Dissemination of Research

Our publications are disseminated via email and may also be available via our web site <http://economics.bmocapitalmarkets.com>. Please contact your BMO Financial Group Representative for more information.

Conflict Statement

A general description of how BMO Financial Group identifies and manages conflicts of interest is contained in our public facing policy for managing conflicts of interest in connection with investment research which is available at http://researchglobal.bmocapitalmarkets.com/Public/Conflict_Statement_Public.aspx.

ADDITIONAL INFORMATION IS AVAILABLE UPON REQUEST

BMO Financial Group (NYSE, TSX: BMO) is an integrated financial services provider offering a range of retail banking, wealth management, and investment and corporate banking products. BMO serves Canadian retail clients through BMO Bank of Montreal and BMO Nesbitt Burns. In the United States, personal and commercial banking clients are served by BMO Harris Bank N.A., Member FDIC. Investment and corporate banking services are provided in Canada and the US through BMO Capital Markets. BMO Capital Markets is a trade name used by BMO Financial Group for the wholesale banking businesses of Bank of Montreal, BMO Harris Bank N.A, BMO Ireland Plc, and Bank of Montreal (China) Co. Ltd. and the institutional broker dealer businesses of BMO Capital Markets Corp. (Member SIPC), BMO Nesbitt Burns Securities Limited (Member SIPC) in the U.S., BMO Nesbitt Burns Inc. (Member Canadian Investor Protection Fund) in Canada, Europe and Asia, BMO Capital Markets Limited in Europe, Asia and Australia and BMO Advisors Private Limited in India.

"Nesbitt Burns" is a registered trademark of BMO Nesbitt Burns Inc., used under license. "BMO Capital Markets" is a trademark of Bank of Montreal, used under license. "BMO (M-Bar roundel symbol)" is a registered trademark of Bank of Montreal, used under license.

© Registered trademark of Bank of Montreal in the United States, Canada and elsewhere.

™ Trademark Bank of Montreal in the United States and Canada.

© COPYRIGHT 2018 BMO CAPITAL MARKETS CORP.

A member of BMO Financial Group