

# Invest like a Canadian

## Consider 'Zed' instead

ZEQT  
ZGRO  
ZBAL  
ZCON

## Investing in BMO'S Asset Allocation ETFs has never been easier

Since 2019 BMO has steadily enhanced it's Asset Allocation ETF Suite to be more affordable and accessible for Canadian investors.



August  
2025

### We're Splitting to Serve You Better: 3 to 1 Stock Split

Put more of your money to work in the portfolio that fits you best. Units of certain series of BMO Asset Allocation ETFs are splitting 3:1 – ZCON, ZBAL, ZBAL.T, ZGRO, ZGRO.T, ZEQT, ZMI.U, & ZESG. The change was inspired by feedback from our do-it-yourself investors reflecting our commitment to offering one of the most accessible all-in-one Asset Allocation ETF suite in Canada. For more information please see: Press Release

June  
2025

### BMO Lowers Fees on its flagship Asset Allocation ETFs

Delivering even greater value to investors by reducing management fees to **0.15%** on ZCON, ZBAL, ZBAL.T, ZGRO, ZGRO.T & ZEQT.

Reduced  
Management  
Fee to  
**0.15%**

January  
2022

### BMO Launches BMO All Equity ETF – ZEQT and T-Series for ZBAL<sup>1</sup>

**First T-Series Asset Allocation ETF launched in Canada!**<sup>2</sup> Expanding the Asset Allocation suite by offering investors a 100% Equity asset mix with ZEQT and 6% distribution series with ZBAL.T to meet monthly cash flow needs.

January  
2020

### BMO Launches BMO Balanced ESG ETF - ZESG

**First ESG Asset Allocation ETF launched in Canada!**<sup>2</sup> Enabling investors to align their balanced asset allocation ETF with their values.

February  
2019

### BMO Launches three Asset Allocation ETFs:

BMO Conservative ETF – ZCON, BMO Balanced ETF – ZBAL, BMO Growth ETF – ZGRO. Delivered 5-year performance track records that have earned 4 & 5 Star Morningstar Ratings.

#### Performance<sup>3</sup>

Fund name	Ticker	YTD	1 Y	3 Y	5 Y	Since Inception	Inception Date	Morningstar Rating
BMO All-Equity ETF	ZEQT	5.55%	17.33%	18.15%	–	11.67%	Jan. 17, 2022	★★★★★
BMO Growth ETF	ZGRO	4.82%	14.98%	15.25%	10.79%	10.10%	Feb. 12, 2019	★★★★★
BMO Balanced ETF	ZBAL	4.07%	12.50%	12.30%	7.83%	7.90%	Feb. 12, 2019	★★★★★
BMO Conservative ETF	ZCON	3.34%	10.11%	9.35%	4.90%	5.71%	Feb. 12, 2019	★★★★★
BMO Balanced ESG ETF	ZESG	3.67%	12.35%	13.07%	8.15%	7.41%	Jan. 16, 2020	★★★★★

## FAQ: Understanding ETF Stock Splits

### Q: What is a stock split in the context of an ETF?

A stock split occurs when an ETF increases the number of its units outstanding by issuing more units to existing unitholders. For example, in a 3-for-1 split, each unitholder receives an additional 2 units for every unit they already own, effectively tripling the number of units while reducing the price per unit.

### Q: What are the benefits of a lower NAV for investors?

- **Affordability:** Lower NAVs make it easier for investors to buy full units without needing large amounts of capital.
- **Accessibility:** Investors using platforms that don't support fractional shares can still participate in ETFs with lower NAVs.
- **Flexibility:** It becomes easier to rebalance portfolios or invest specific dollar amounts.

### Q: Does a stock split change the value of my investment?

No. A stock split does not change the total dollar value of your investment. If you owned 10 units at \$100 each before a 3-for-1 split, you would own 30 units at \$33.33 each after the split. The total value remains \$1,000.

### Q: Why do ETF providers do stock splits?

Stock splits are typically done to:

- **Lower the NAV per unit**, making the ETF more affordable and accessible to a broader range of investors.
- **Improve liquidity** by increasing the number of units available for trading.
- **Encourage participation** from newer or smaller investors who may be deterred by high unit prices.

### Q: How does this relate to fractional shares?

While some platforms offer fractional shares, allowing you to buy a portion of a unit, not all do. A stock split effectively lowers the price per unit, making it easier for investors to buy whole units even without fractional share support.

### Q: Is there any downside to a stock split?

Not typically. It's a change that doesn't affect the ETF's underlying holdings or performance. However, investors should still monitor the ETF's fundamentals and strategy.

## For more on BMO Asset Allocation ETFs:

[Investing With BMO's Asset Allocation ETFs](#)

<sup>1</sup> T series: These units are Fixed Percentage Distribution Units that provide a fixed monthly distribution based on an annual distribution rate of 6%. Distributions may be comprised of net income, net realized capital gains and/or a return of capital. The monthly amount is determined by applying the annual distribution rate to the T Series Fund's unit price at the end of the previous calendar year, arriving at an annual amount per unit for the coming year. This annual amount is then divided into 12 equal distributions, which are paid each month.

<sup>2</sup> Source: Morningstar, June 30, 2025.

<sup>3</sup> Source: BMO Global Asset Management, Morningstar. As of June 30, 2025.

ZBAL.T has the same performance numbers as ZBAL, except as follows: 3YR: 12.29%, 5YR: -, Since Inception (Jan. 24, 2022): 7.05%.



Let's connect

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The Morningstar Rating™ for funds, or "star rating", are based on a risk-adjusted return measure that accounts for variation in a fund's monthly performance, placing more emphasis on downward variations and rewarding consistent performance. Open-end mutual funds and exchange-traded funds are considered a single population for comparison purposes. Ratings are calculated for funds with at least a three year history. The overall rating is derived from a weighted average of three-, five- and 10-year rating metrics, as applicable, excluding sales charges and including fees and expenses. ©2021 Morningstar Inc. All rights reserved. The information contained herein is proprietary to Morningstar and/or its content providers. It may not be copied or distributed and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance does not guarantee future results. The top 10% of funds in a category receive five stars, the next 22.5% four stars, the next 35% three stars, the next 22.5% two stars and the bottom 10% one star. Ratings are subject to change monthly. Had fees not been waived and/or expenses reimbursed currently or in the past, the Morningstar rating would have been lower. Ratings for other share classes may differ due to different performance characteristics. For further information, please see [www.morningstar.com](http://www.morningstar.com).

Overall Rating - Global Equity Balanced Category - 5 Stars. As of 06/30/2025 BMO Growth ETF had an overall rating of 5 stars, and out of 1,083 funds was rated 5 stars for the 3 year period, and out of 908 funds for the 5-year period, respectively. Overall Rating - Global Neutral Balanced Category - 4 Stars. As of 06/30/2025 BMO Balanced ETF had an overall rating of 4 stars, and out of 1,485 funds was rated 4 stars for the 3 year period, and out of 1,225 funds for the 5-year period, respectively. Overall Rating - Global Fixed Income Balanced - 4 Stars. As of 06/30/2025 BMO Conservative ETF had an overall rating of 4 stars, and out of 825 funds was rated 5 stars for the 3 year period, and out of 885 rated 4 stars for the 5-year period, respectively. Overall Rating - Global Neutral Balanced Category - 4 Stars. As of 06/30/2025 BMO Balanced ESG ETF had an overall rating of 4 stars, and out of 1,485 funds was rated 5 stars for the 3 year period, and out of 1,225 fund rated 4 Stars for the 5-year period, respectively. Overall Rating - Global Equity Category - 4 Stars. As of 06/30/2025 BMO All Equity ETF had an overall rating of 4 stars, and out of 1,574 funds was rated 4 stars for the 3 year period.

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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.

BMO ETFs are managed by BMO Asset Management Inc., which is an investment fund manager and a portfolio manager, and a separate legal entity from Bank of Montreal.

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