



BMO Tactical Balanced ETF Fund Highlights

| Top Holdings | | | | |
|--------------|--|----------|----------|--------|
| Ticker | Name | Position | Previous | Change |
| ZEM | BMO MSCI Emerging Markets Index ETF | 13.0% | 13.4% | -0.38% |
| RSP | Invesco S&P 500 Equal Weight ETF | 12.2% | 13.5% | -1.26% |
| ZTL/U | BMO Long-Term US Treasury Bond Index ETF | 9.9% | 10.1% | -0.16% |
| ZMMK | BMO Money Market Fund ETF Series | 9.7% | 9.6% | 0.13% |
| ZUE | BMO S&P 500 Hedged to CAD Index ETF | 9.7% | 9.3% | 0.31% |
| ZDM | BMO MSCI EAFE Hedged to CAD Index ETF | 6.2% | 6.1% | 0.12% |
| ZEA | BMO MSCI EAFE Index ETF | 6.2% | 6.1% | 0.06% |
| ZCLN | BMO Clean Energy Index ETF | 3.5% | 3.7% | -0.11% |
| KWEB | KraneShares CSI China Internet ETF | 3.3% | 3.4% | -0.08% |
| XBI | SPDR S&P Biotech ETF | 2.9% | 2.9% | -0.03% |
| GDX | VanEck Gold Miners ETF/USA | 2.4% | 0.3% | 2.11% |
| XLE | Energy Select Sector SPDR Fund | 2.2% | 0.0% | 2.19% |
| FINX | Global X FinTech ETF | 2.1% | 2.1% | 0.04% |
| XLP | Consumer Staples Select Sector SPDR Fund | 2.1% | 2.1% | 0.03% |
| BOTZ | Global X Robotics & Artificial Intelligence ETF | 2.0% | 2.0% | 0.06% |
| CIBR | First Trust NASDAQ Cybersecurity ETF | 1.9% | 3.7% | -1.79% |
| FLKR | Franklin FTSE South Korea ETF | 1.9% | 1.9% | -0.03% |
| KBA | KraneShares Bosera MSCI China A 50 Connect Index ETF | 1.8% | 1.8% | 0.07% |
| MJ | Amplify Alternative Harvest ETF | 1.8% | 1.7% | 0.12% |
| FLIN | Franklin FTSE India ETF | 1.7% | 1.7% | -0.01% |
| XLI | Industrial Select Sector SPDR Fund | 1.2% | 1.2% | 0.03% |
| FLBR | Franklin FTSE Brazil ETF | 1.0% | 1.0% | -0.01% |
| URA | Global X Uranium ETF | 0.7% | 1.4% | -0.72% |

| Exposures | 01/26/24 | 01/19/24 | Change |
|-------------------------|----------|----------|--------|
| Basic Materials | 5.9% | 4.4% | 1.5% |
| Communications | 8.0% | 8.6% | -0.6% |
| Consumer, Cyclical | 6.9% | 7.2% | -0.3% |
| Consumer, Non-cyclical | 16.9% | 17.4% | -0.4% |
| Energy | 6.9% | 4.8% | 2.1% |
| Financial | 11.5% | 11.9% | -0.4% |
| Industrial | 8.4% | 8.7% | -0.3% |
| Technology | 11.9% | 13.1% | -1.2% |
| Government | 10.4% | 10.5% | -0.1% |
| Corporate Debt | 9.7% | 9.8% | -0.1% |
| Preferred | 0.0% | 0.0% | 0.0% |
| Duration | 7.56 | 7.78 | -0.22 |
| N. America | 59.1% | 58.8% | 0.00 |
| Europe | 11.1% | 11.1% | 0.00 |
| Asia | 25.7% | 26.0% | 0.00 |
| Other | 3.9% | 4.0% | 0.00 |
| FX (USD) | 23.5% | 23.8% | -0.3% |
| Beta ² | 77.2% | 78.6% | -1.3% |
| Protection | -36.8% | -36.3% | -0.5% |
| Correlation | 91.9% | 93.4% | -1.5% |
| Yield ³ | 2.34% | 2.31% | 0.03% |
| ETF Holdings | 24 | 23 | 1 |
| Volatility ⁴ | 7.96% | 7.98% | -0.02% |
| CAD | 1.3453 | 1.3429 | 0.2% |

Macro Market Strategy & Strategic Portfolio Outlook/Adjustments

The portfolio is in RISK-OFF Mode: The FOMC and Yellen believes they have accomplished their soft-landing mission. This week we get an update from the FOMC, which we expect will push back on rate cut expectations given strength of the economy, but recognize the improving inflation outlook. We also get the next QRA and we expect Treasury will utilize the negative risk premiums on long bonds to increase issuance. Overall, these event risk support our risk-off positioning. We are also seeing forward based EPS estimates fall. We made a few trades last week. we took some profits in uranium (URA) and Cyber Security (CIBR) and added to value in gold (GDX) and energy (XLE). We also trimmed equal weight S&P 500 (RSP). On the duration front, as yield back up again into huge Treasury supply, we will extend duration to the MAX again. Targeting UST 10s and 30s back above 4.50%. We see little value below 4.00% and have reduced duration accordingly in recent weeks.

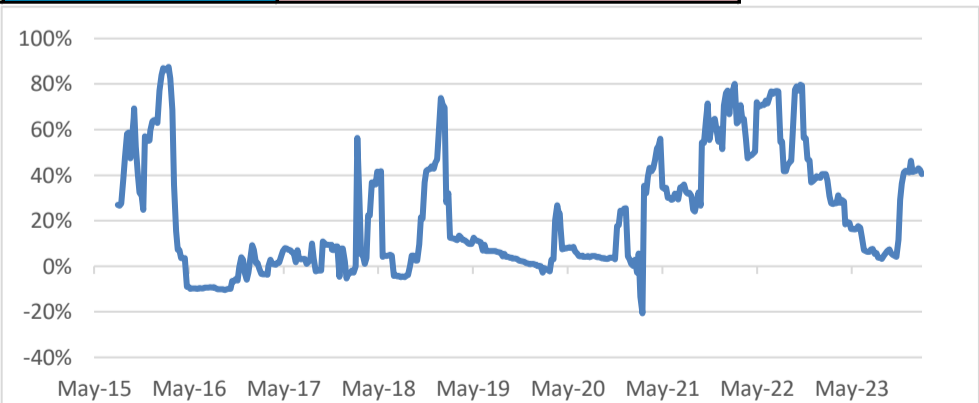
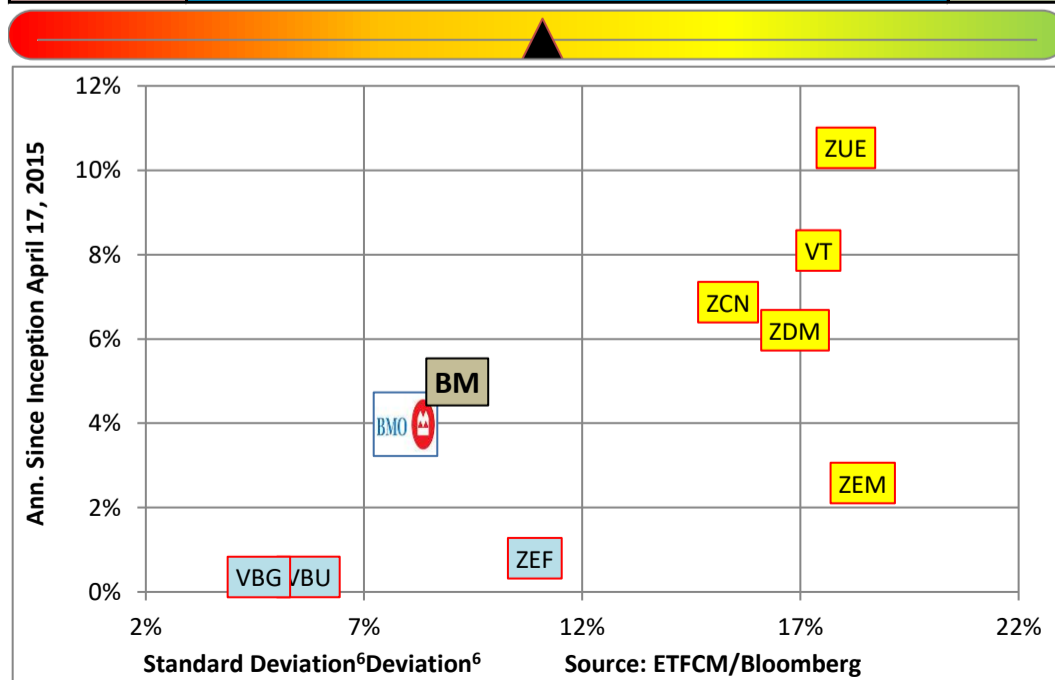
Performance (A-Series) as of (01/26/24)

| Total Return | Net | Gross |
|--------------------|--------|--------|
| YTD | -1.78% | -1.63% |
| Prev. Month | -1.56% | -1.40% |
| Prev. Quarter | 4.79% | 5.27% |
| Prev. Year | -1.55% | 0.37% |
| Ann. SI (04/17/15) | 2.05% | 3.97% |
| Sharpe Ratio | | 0.50 |

Up/Downside⁵

| | |
|---------|-----|
| Upside | 21% |
| Down | 41% |
| Mths Up | 63 |
| Mths Dn | 42 |

Risk-Off | Core Portfolio Beta: 77.2% | Risk-On | Net Risk Level | Risk-Off

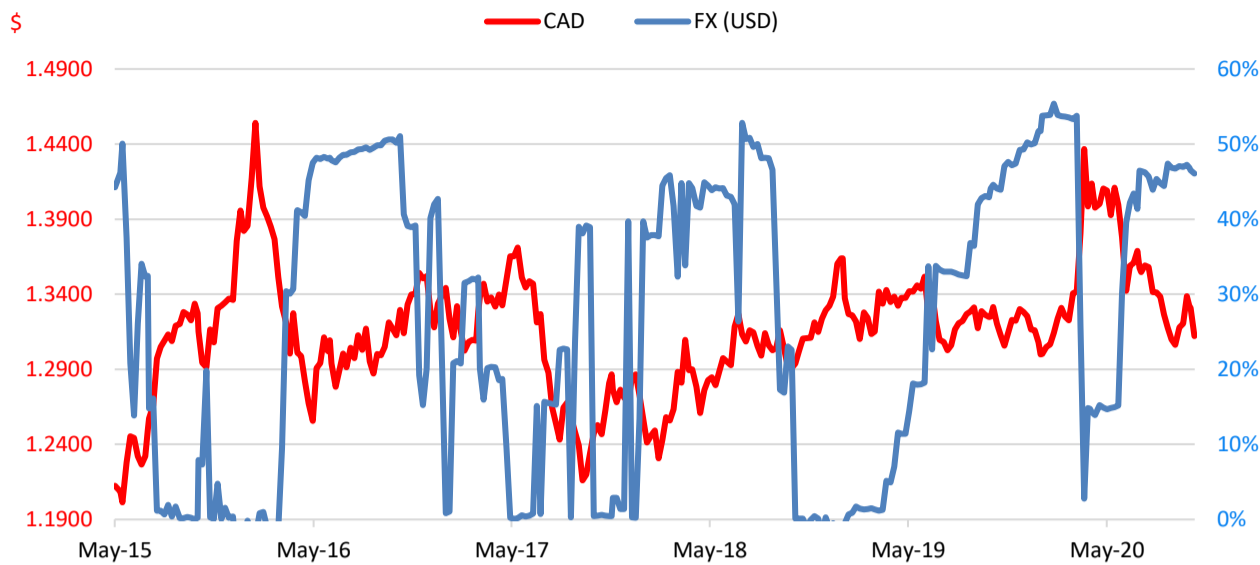


PRO-EYES Indicators

The overall PRO-EYES factors suggest that we are in a very high risk position and we should have maximum defense in portfolios. The core portfolio beta is 77.2%. The degree of delta protection is -37% while the value of beta protection is 0% of the portfolio. The weighted average cap is: 5200. The weighted average collar is: 4700. The weighted average floor is: 0.

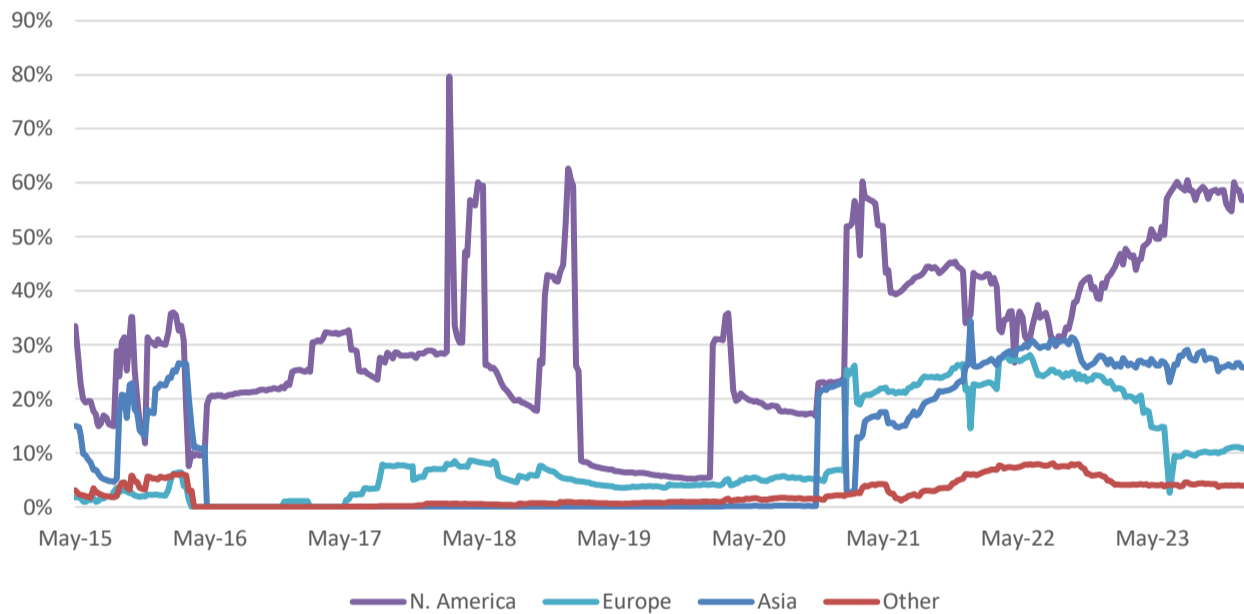
Tactical Asset Allocation

Tactical FX Exposure (USD): 23.5%



Generally in a risk-off mode we will have some or full exposure to the US Dollar and be hedged against EAFE and EM currencies (where possible). We currently have about half our non-US international exposure hedged, while we have about 25% exposure to the US Dollar.

Tactical Regional Exposure



We have had a structural overweight exposure to the North America and specifically to the US market for a long period. Other exposure is primarily Central and South America. Despite valuation concerns, the US is still the best dirty shirt in the laundry and holds some of the most profitable companies globally.

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1 Benchmark is the return of the targeted portfolio 60% global equities and 40% global bonds hedged to Canadian dollars; 2 Beta is a measure of how a fund responds to moves in the broader market. A beta of greater than 1.0 suggests that the fund is more volatile than the market, while a beta of less than 1.0 suggests that the fund is less volatile. 3 Yield is the most recent income received by the fund in the form of dividends, interest and other income annualized based on the payment frequency, divided by the current market value of the fund's investments. 4 Volatility is the annualized standard deviation which is a measure of risk. 5 Upside/Downside is a statistical measure of how much of the fund performance a manager captured during up-markets or down-markets. Typically, an investor would prefer a higher upside capture and lower downside capture. The time period presented is since inception. 6 Standard Deviation is a measure of risk that calculates the variation of a fund's performance around its average over a specific time period.

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