



BMO Tactical Balanced ETF Fund Highlights

Top Holdings				
Ticker	Name	Position	Previous	Change
ZEM	BMO MSCI Emerging Markets Index ETF	13.4%	13.4%	0.05%
RSP	Invesco S&P 500 Equal Weight ETF	13.3%	13.2%	0.08%
ZTL/U	BMO Long-Term US Treasury Bond Index ETF	9.9%	10.0%	-0.09%
ZMMK	BMO Money Market Fund ETF Series	9.5%	9.4%	0.12%
ZUE	BMO S&P 500 Hedged to CAD Index ETF	9.1%	9.1%	-0.05%
ZEA	BMO MSCI EAFE Index ETF	5.9%	5.9%	0.00%
ZDM	BMO MSCI EAFE Hedged to CAD Index ETF	5.9%	5.9%	0.05%
ZCLN	BMO Clean Energy Index ETF	3.7%	3.8%	-0.11%
CIBR	First Trust NASDAQ Cybersecurity ETF	3.4%	3.5%	-0.09%
KWEB	KraneShares CSI China Internet ETF	3.4%	3.5%	-0.08%
XBI	SPDR S&P Biotech ETF	2.8%	2.8%	0.06%
FINX	Global X FinTech ETF	2.0%	2.1%	-0.07%
XLP	Consumer Staples Select Sector SPDR Fund	2.0%	2.0%	0.04%
FLKR	Franklin FTSE South Korea ETF	1.9%	1.9%	-0.03%
BOTZ	Global X Robotics & Artificial Intelligence ETF	1.8%	1.9%	-0.07%
KBA	KraneShares Boser MSCI China A 50 Connect Index ETF	1.8%	1.8%	-0.05%
FLIN	Franklin FTSE India ETF	1.7%	1.6%	0.05%
MJ	ETFMG Alternative Harvest ETF	1.7%	1.5%	0.13%
URA	Global X Uranium ETF	1.2%	1.2%	-0.01%
XLI	Industrial Select Sector SPDR Fund	1.1%	1.1%	0.00%
FLBR	Franklin FTSE Brazil ETF	1.0%	0.9%	0.01%
THD	iShares MSCI Thailand ETF	0.5%	0.5%	0.01%
GDX	VanEck Gold Miners ETF/USA	0.3%	0.3%	-0.01%

Exposures	01/05/24	12/29/23	Change
Basic Materials	4.3%	4.3%	0.0%
Communications	8.5%	8.6%	-0.1%
Consumer, Cyclical	7.0%	7.1%	-0.1%
Consumer, Non-cyclical	17.0%	16.7%	0.3%
Energy	5.0%	5.0%	0.0%
Financial	11.7%	11.7%	0.0%
Industrial	8.4%	8.5%	-0.1%
Technology	12.2%	12.5%	-0.3%
Government	10.4%	10.4%	0.0%
Corporate Debt	9.5%	9.4%	0.1%
Preferred	0.0%	0.0%	0.0%
Duration	7.46	7.42	0.03
N. America	56.9%	56.8%	0.00
Europe	10.8%	10.9%	0.00
Asia	25.8%	25.9%	0.00
Other	3.9%	3.9%	0.00
FX (USD)	24.3%	24.7%	-0.3%
Beta ²	76.3%	76.3%	0.0%
Protection	-34.4%	-34.6%	0.2%
Correlation	90.4%	90.0%	0.4%
Yield ³	2.29%	2.26%	0.03%
ETF Holdings	23	23	0
Volatility ⁴	7.97%	7.99%	-0.02%
CAD	1.3363	1.3243	0.9%

Macro Market Strategy & Strategic Portfolio Outlook/Adjustments

The portfolio is in RISK-OFF mode: We have buffered protection against equity exposure. The FOMC believes they have accomplished their mission. The market believes a soft landing is likely. The market is fully priced for this outcome. What could go wrong with expectations so perfect? The geopolitical risk has rarely been higher and the market could care less. Crude oil tells us a recession is coming and geopolitical risks are negligible, but equities are priced for perfection. What could go wrong? Demographics suggests that labour markets remain tight for the next decade, yet inflation will get back to 2%. What could go wrong? Deficit expectations are catastrophic for decades. Bond yields are crashing lower. What could go wrong? 2024 will not likely be meet current expectations. We made no trades last week as we are well positioned: 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.

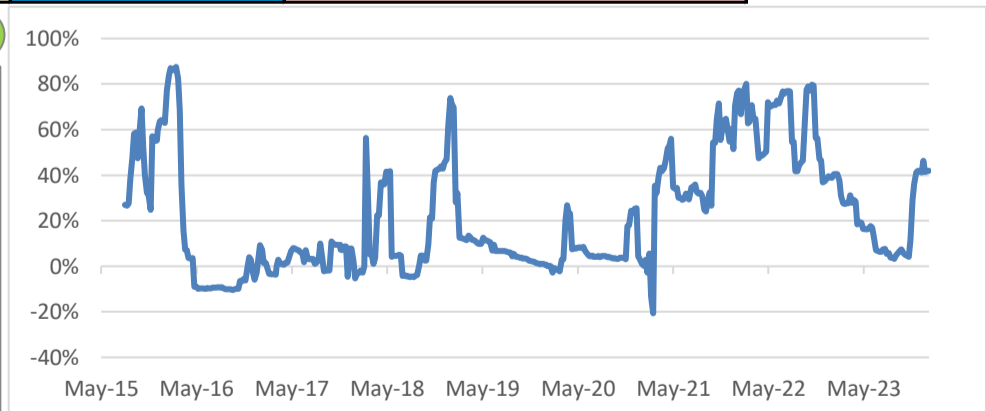
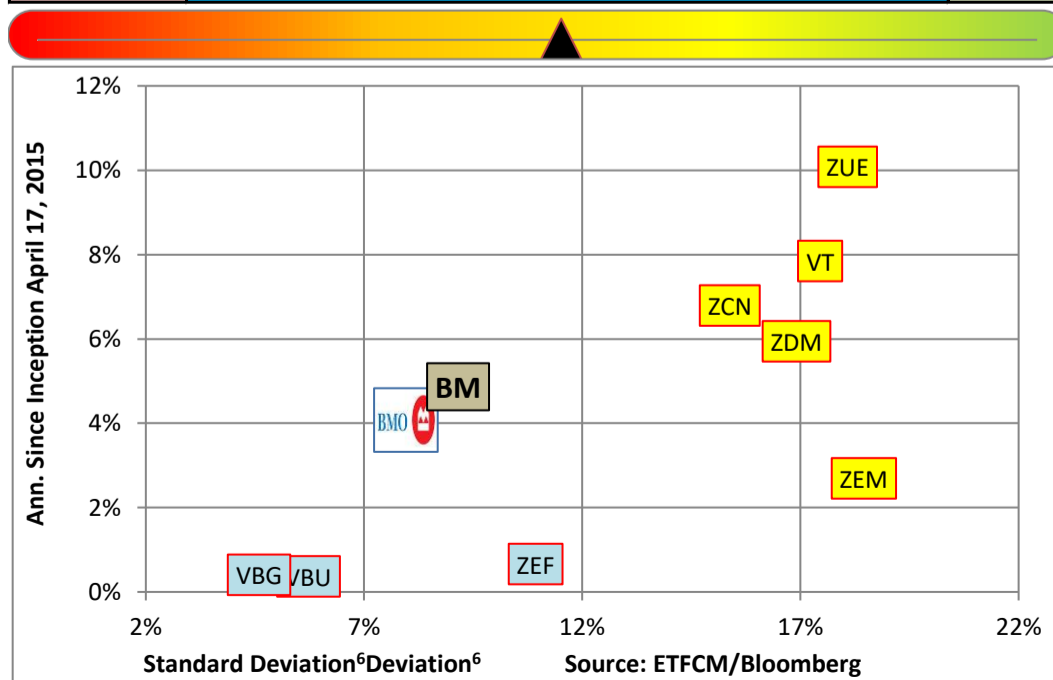
Performance (A-Series) as of (01/05/24)

Total Return	Net	Gross
YTD	-1.00%	-0.96%
Prev. Month	1.26%	1.42%
Prev. Quarter	5.61%	6.09%
Prev. Year	3.06%	4.98%
Ann. SI (04/17/15)	2.16%	4.08%
Sharpe Ratio		0.51

Up/Downside⁵

Upside	21%
Down	41%
Mths Up	62
Mths Dn	42

Risk-Off | Core Portfolio Beta: 76.3% | Risk-On | Net Risk Level | Risk-Off

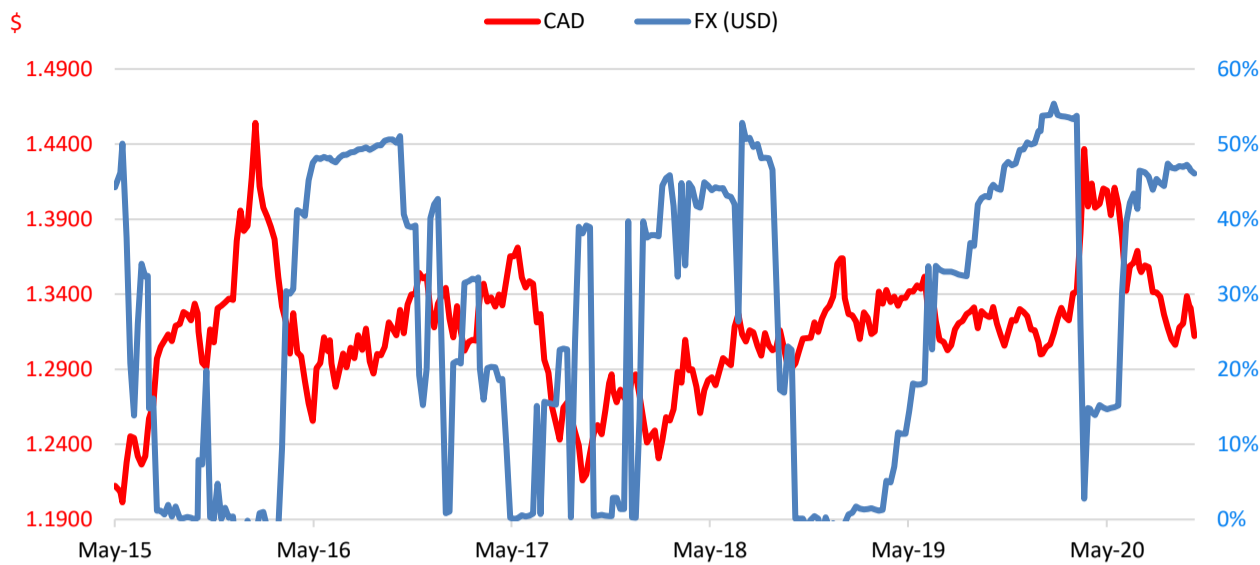


PRO-EYES Indicators

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 76.3%. The degree of delta protection is -34% 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.

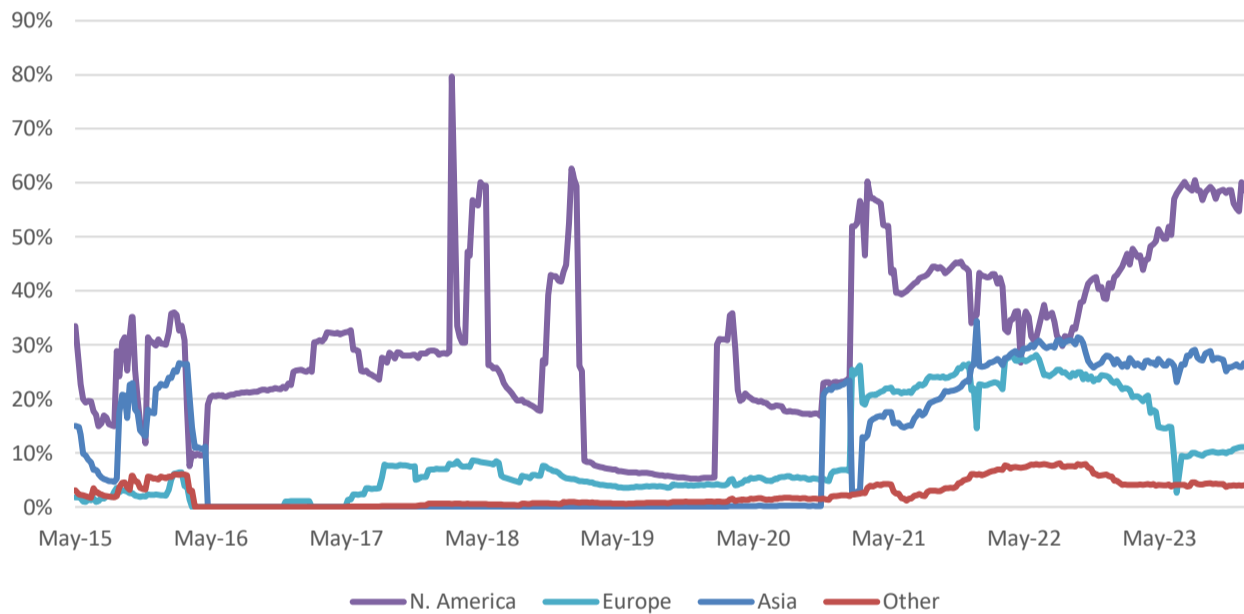
Tactical Asset Allocation

Tactical FX Exposure (USD): 24.3%



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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