



BMO Tactical Balanced ETF Fund Highlights

Core Tactical/Strategic Portfolio Outlook/Adjustments

Until the recent Fed pause and the funding shift by Treasury, the average stock globally was struggling. The recent rally is likely temporary versus sticky given that higher for longer is still the message, the UR is still at full employment and inflation is likely to remain sticky with easier financial conditions. To be clear, we remain in the hard landing camp. On the last decline, we reduced the protection on the portfolio as valuations improved. The rapid rally makes valuations poor again. We do see bond supply putting a cap on the bond rally, but perhaps there is a bit more to come until we see the next series of inflation and jobs data. With that in mind, we reduced duration again this week selling TLT. Duration remains high at 12.22 as we believe a hard landing is still a very high probability counter to the soft landing the equity market believes. The Canadian bond benchmark is now slightly back into the positive for the year, but we expect bonds will finish the year with a small loss.

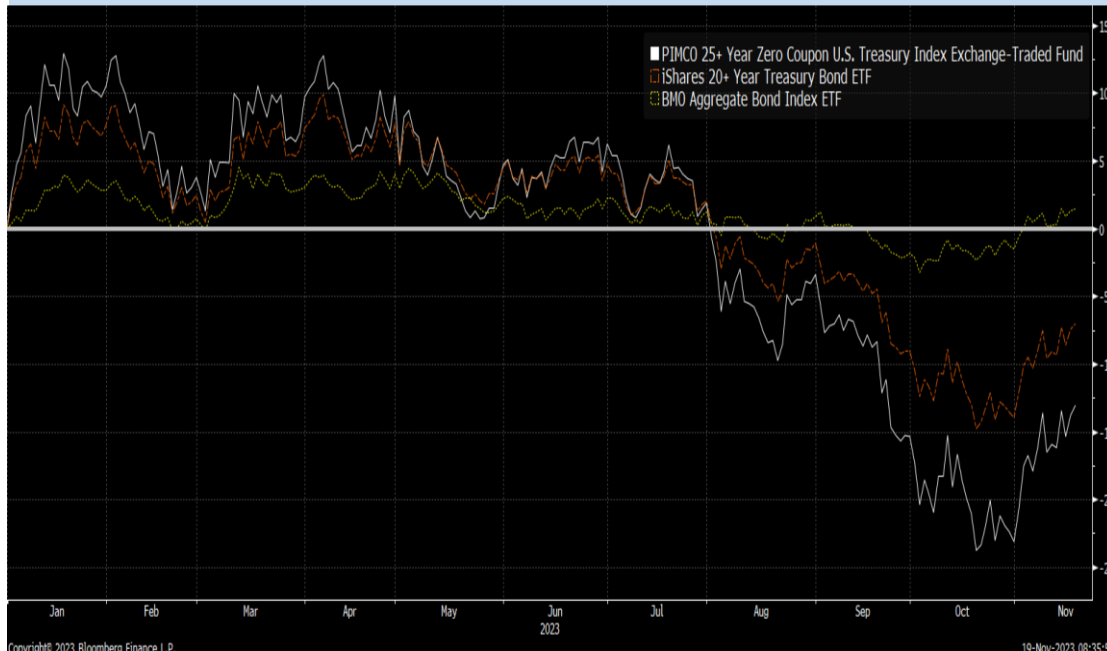
Macro Market Strategy

While it appears now that we are much closer to the terminal rate, we do not see an easing until the market and Main Street feels more pain. The FOMC does not expect inflation to return to target until 2025, which suggests that higher for longer is here well into 2024. Main street has felt no pain yet given the employment situation is still relatively strong. Historically, we do not see the bottom is in until Main Street feels the recession. It does not have to be deep, but no cycle in history has ever bottomed at full employment. Inflation is unlikely to get back towards the Fed's target without some labour market pain that the FOMC is willing to endure to make sure inflation expectations are grounded. A soft landing is an extremely low probability that is fully priced in.

Top Holdings

Ticker	Name	Position
RSP	Invesco S&P 500 Equal Weight ETF	16.5%
ZEM	BMO MSCI Emerging Markets Index ETF	13.7%
ZTL/U	BMO Long-Term US Treasury Bond Index ETF	10.8%
ZUE	BMO S&P 500 Hedged to CAD Index ETF	8.7%
TLT	iShares 20+ Year Treasury Bond ETF	6.2%
ZEA	BMO MSCI EAFE Index ETF	5.9%
ZDM	BMO MSCI EAFE Hedged to CAD Index ETF	5.7%
KWEB	KraneShares CSI China Internet ETF	3.7%
ZCLN	BMO Clean Energy Index ETF	3.5%
CIBR	First Trust NASDAQ Cybersecurity ETF	3.3%
XBI	SPDR S&P Biotech ETF	2.3%
KBA	KraneShares Bosera MSCI China A 50 Connect Index ETF	2.0%
XLP	Consumer Staples Select Sector SPDR Fund	2.0%
FLKR	Franklin FTSE South Korea ETF	1.9%
FINX	Global X FinTech ETF	1.8%
BOTZ	Global X Robotics & Artificial Intelligence ETF	1.8%
FLIN	Franklin FTSE India ETF	1.6%
MJ	ETFMG Alternative Harvest ETF	1.5%
URA	Global X Uranium ETF	1.3%
XLI	Industrial Select Sector SPDR Fund	1.1%

Chart of the Week



PRO-EYES - Berman's Call

Risk Level **Low**

The core portfolio beta is 82.4%. The degree of delta protection is -41% while the value of beta protection is 82% of the portfolio. The weighted average cap is: 4400. The weighted average collar is: 4300. The weighted average floor is: 3800.

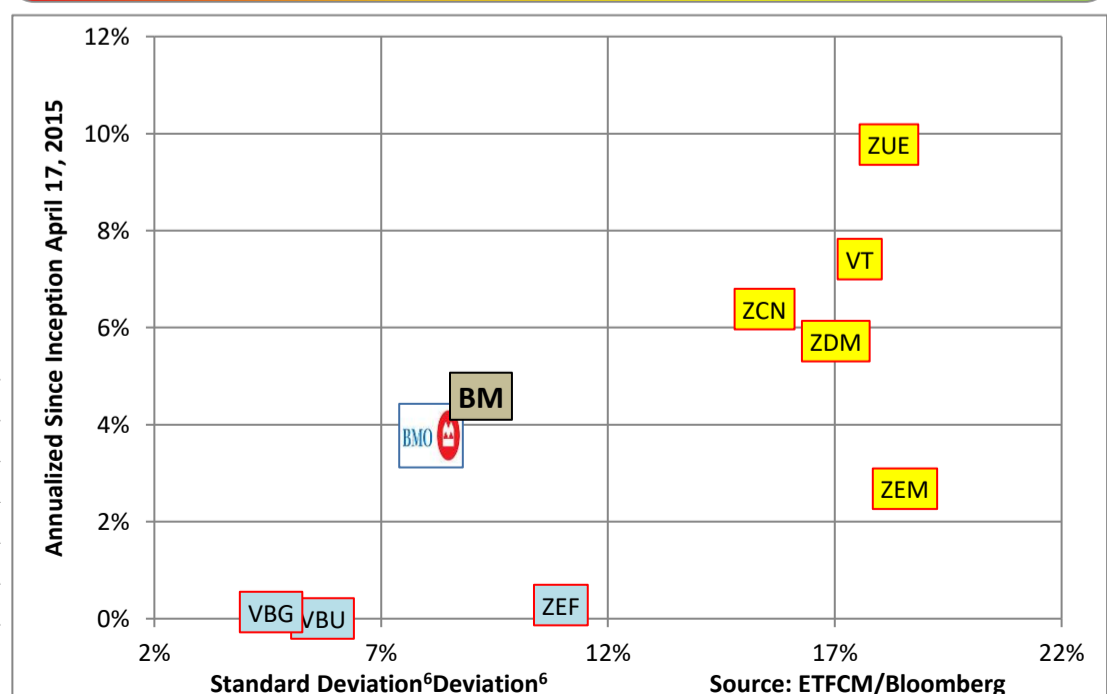
The overall PRO-EYES factors suggest that we are in a neutral period with longer-term caution concerns. The recent oversold condition has been neutralized in 3 trading days.

Defense **Core Portfolio Beta: 82.4%** Offense



Performance Metrics (A-Series) as of (11/17/23)

Total Return	Net	Gross	Up/Downside ⁵	
YTD	2.26%	3.90%	Upside	21%
Prev. Month	2.90%	3.06%	Down	41%
Prev. Quarter	1.35%	1.83%	Mths Up	61
Prev. Year	4.40%	6.32%	Mths Dn	42
Ann. SI (04/17/15)	1.85%	3.77%		
Sharpe Ratio	0.46			
Fund Codes:	Advisor BMO99222; F-Class BMO95222			



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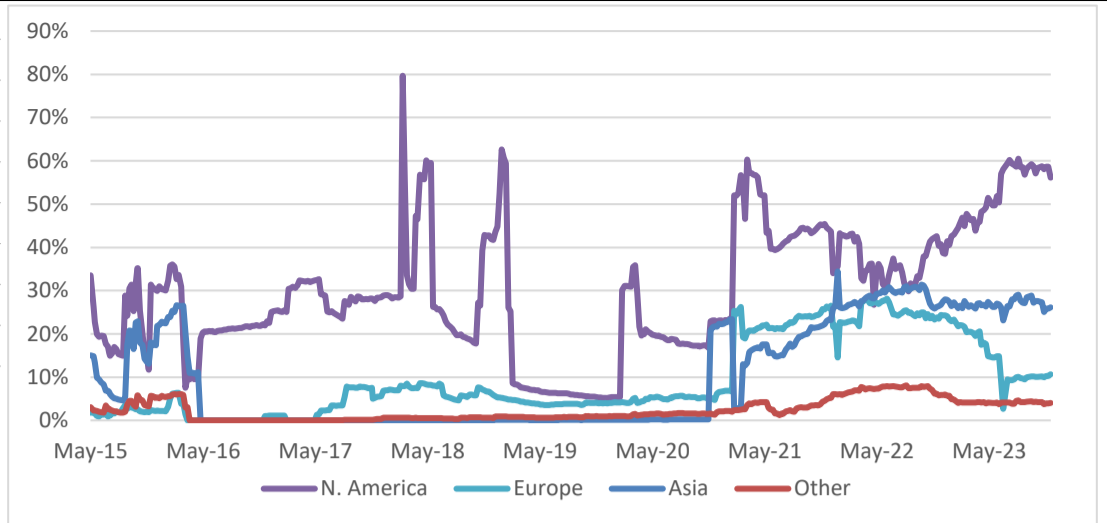
Tactical Asset Allocation

Equity	N. America	Europe	Asia	Other
11/17/23	56.2%	10.7%	26.1%	4.0%
11/10/23	58.6%	10.2%	25.8%	3.9%
Change	-2.5%	0.4%	0.3%	0.1%

Bonds	Corp.	Govt.	Pref.	Cash
11/17/23	12.0%	8.0%	0.6%	4.2%
11/10/23	11.6%	10.3%	0.6%	4.2%
Change	0.4%	-2.3%	0.0%	0.0%

Bonds	Duration
11/17/23	12.22
11/10/23	12.54
Change	-0.32

Sector	11/17/23	11/10/23	Change	BM
Basic Materials	4.5%	4.4%	0.1%	2.7%
Communications	8.9%	8.9%	0.0%	7.2%
Consumer, Cyclical	7.5%	7.2%	0.3%	6.8%
Consumer, Non-cyclical	16.7%	16.4%	0.2%	12.7%
Energy	5.0%	5.0%	0.0%	3.7%
Financial	12.1%	12.0%	0.1%	16.9%
Government	17.5%	20.8%	-3.4%	26.1%
Industrial	8.7%	8.4%	0.3%	6.8%
Technology	12.6%	12.0%	0.6%	12.0%
Utilities	3.6%	3.3%	0.2%	1.6%

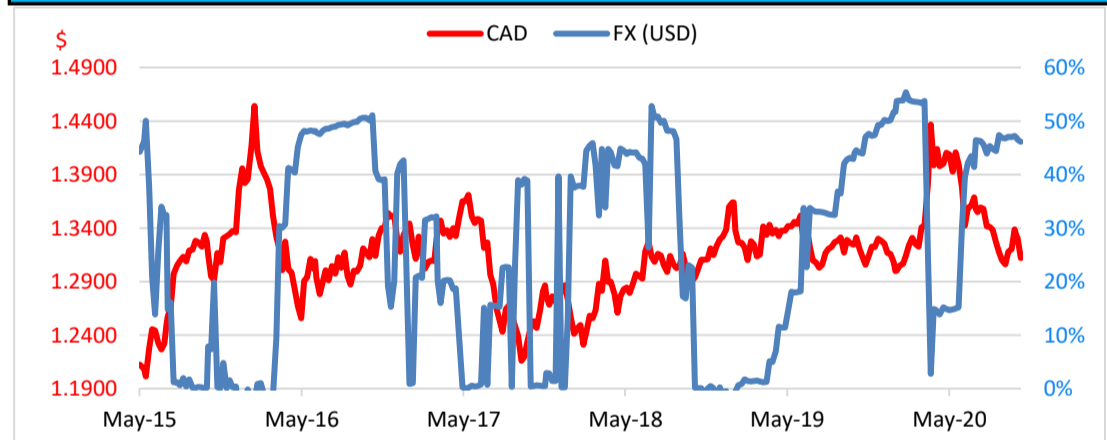


Net Beta (Core - Protection): 41.2%



As of: 11/17/23	11/17/23	11/10/23	Change
FX (USD)	3.0%	4.5%	-1.5%
Beta ²	82.4%	79.4%	3.0%
Protection	-41.2%	-43.1%	1.9%
Correlation	108.2%	105.6%	2.7%
Yield ³	2.70%	2.78%	-0.08%
ETF Holdings	23	23	0
Volatility ⁴	8.11%	8.31%	-0.20%
CAD	1.3723	1.3801	-0.6%

Tactical FX Exposure (USD)



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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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