

BMO Tactical Balanced ETF Fund Highlights

Defense Core Beta: 49.9% Offense



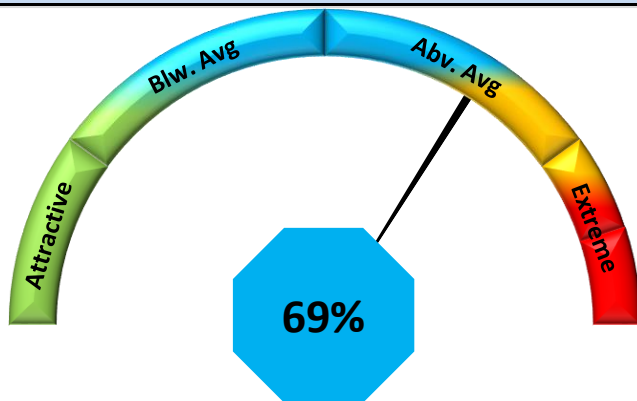
Net Beta (Core - Protection): 39.1%



Market Strategy (Risk Management)

DEFENSE: The current core beta is 49.9% vs. the benchmark of 58.7% up from 42.5% last week. The current degree of beta protection is about -11%. We made 4 additions to the portfolio last week and a few tactical shifts tactical shifts last week. We added to the tactical growth sleeve in clean energy (ZCLN), medical marijuana (HMMJ), global base metals (ZMT), and Brazil (EWZ) when the Brazilian Real came close to all-time lows. We also added back to global emerging market debt (EMLC) now that it's over 5% off where we sold it several months ago. The bond market weighed on equities last week as yields spiked and Powell did not deliver what the market expected. We remain active on our duration management. After cutting it last week we extended it as yields tested key support level post NFP report on Friday. We trimmed exposure to ZPR to add duration (TLT). We also increased exposure to the S&P 500 by 5% at the depths of the Powell route on Thursday when the S&P went negative on the year. Our core US/EAFE equity is now at target weight of 55%. Other (non-gold) equity exposure takes us close to 60% benchmark. This part of the portfolio remains downside hedge against puts in the S&P 500 through Q3. We have not sold any covered call exposure yet. We see a post \$1.9T stimulus package rally in the next few months

PRO EYES Macro Risk Model



When the PRO EYES indicator is at elevated levels, we incorporate additional downside protection in the portfolio as an overlay to the core "BEST IDEAS" holdings. The current correction risk is modest and we are beta protected from 3875 to 3500 on the S&P 500 through Q3. We see a summer rally peak in the 4300 range. That's our upside target for adding the covered call part of the hedge.

Top Holdings

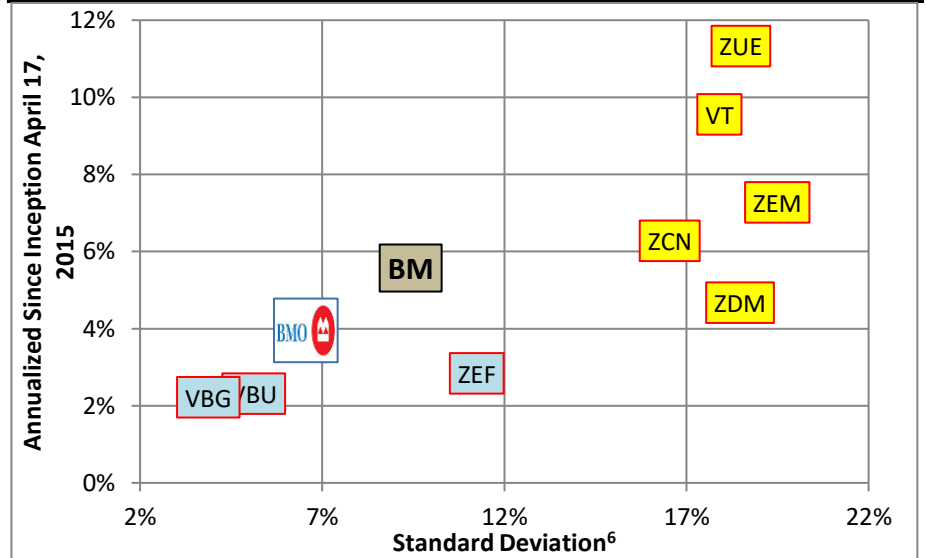
Ticker	Name	Position
ZSP	BMO S&P 500 Index ETF	28.1%
ZEA	BMO MSCI EAFE Index ETF	26.5%
TLT	iShares 20+ Year Treasury Bond ETF	8.9%
ZGD	BMO Equal Weight Global Gold Index ETF	8.7%
EMLC	VanEck Vectors J.P. Morgan EM Local Currency Bond ETF	7.9%
ZUS/U	BMO Ultra Short-Term US Bond ETF	6.0%
ZST	BMO Ultra Short-Term Bond ETF	5.5%
ZPR	BMO Laddered Preferred Share Index ETF	1.5%
AMLPL	Alerian MLP ETF	0.9%
ZMT	BMO Equal Weight Global Base Metals Hedged to CAD Index ET	0.6%
ZCLN	BMO Clean Energy Index ETF	0.6%
XLE	Energy Select Sector SPDR Fund	0.6%
ZUP	BMO US Preferred Share Index ETF	0.4%
ZRR	BMO Real Return Bond Index ETF	0.3%
CIBR	First Trust NASDAQ Cybersecurity ETF	0.3%
HMMJ	Horizons Marijuana Life Sciences Index ETF	0.3%
EWZ	iShares MSCI Brazil ETF	0.3%
EWU	iShares MSCI United Kingdom ETF	0.1%

As of: 03/05/21	03/05/21	02/26/21	Change
FX (USD)	56.4%	56.8%	-0.4%
Beta ²	49.9%	42.5%	7.3%
Protection	-10.7%	-10.5%	-0.2%
Correlation	65.9%	53.2%	12.8%
Yield ³	2.17%	2.27%	-0.10%
ETF Holdings	18	14	4
Volatility ⁴	6.55%	6.55%	0.00%
CAD	1.2659	1.2738	-0.6%

Performance Metrics

Total Return	Net	Gross	Up/Downside ⁵
YTD	-3.82%	-3.49%	Upside 13%
Prev. Month	-3.27%	-3.11%	Down 7%
Prev. Quarter	-3.50%	-3.02%	Mths Up 43
Prev. Year	-3.31%	-1.39%	Mths Dn 27
Annualized SI	2.03%	3.95%	
Sharpe Ratio	0.60		

Fund Codes: Advisor BMO99222; Low Load BMO98222; F-Class BMO95222; No Load Retail: BMO70222



Chart(s) of The Week



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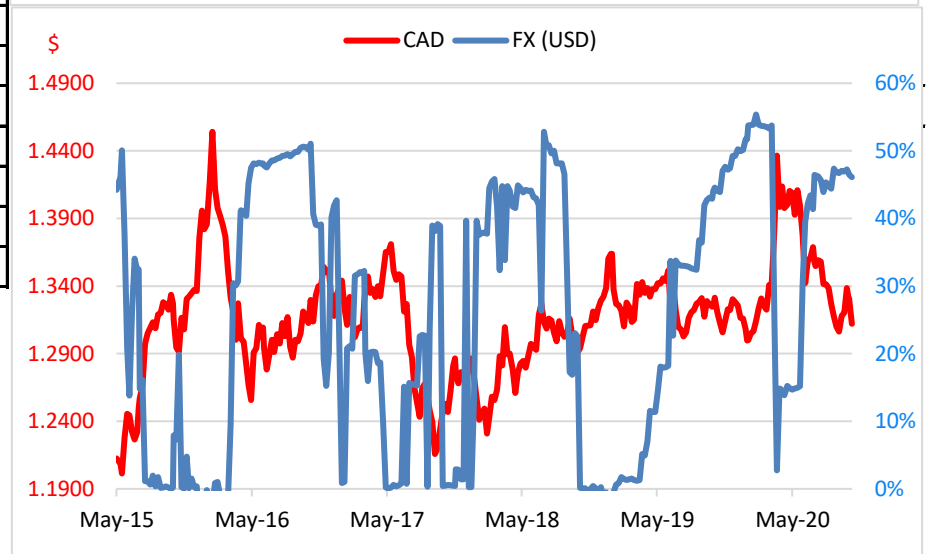
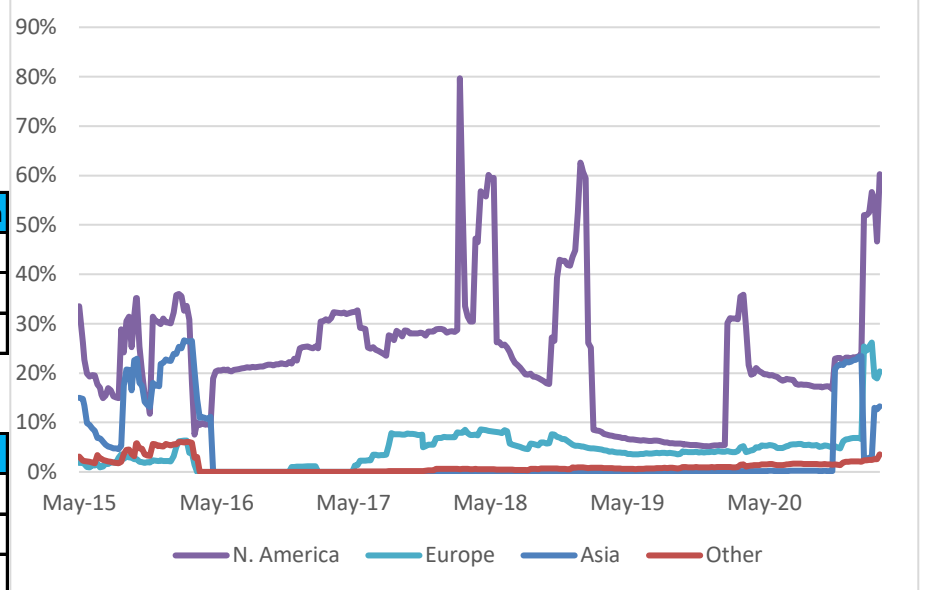
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Tactical Asset Allocation

Equity	N. America	Europe	Asia	Other
03/05/21	60.3%	20.3%	13.3%	3.5%
02/26/21	46.6%	19.0%	12.7%	2.5%
Change	13.7%	1.4%	0.6%	1.0%

Bonds	Corp.	Govt.	Pref.	Cash	Duration
03/05/21	11.7%	16.9%	1.9%	1.1%	7.61
02/26/21	16.7%	12.3%	2.5%	8.5%	4.46
Change	-5.0%	4.6%	-0.6%	-7.4%	3.15

Sector	03/05/21	02/26/21	Change	BM	O/U
Basic Materials	11.9%	10.8%	1.2%	2.9%	9.0%
Communications	6.7%	5.7%	0.9%	8.7%	-2.1%
Consumer, Cyclical	7.8%	5.8%	2.0%	7.0%	0.9%
Consumer, Non-cyclical	13.9%	12.2%	1.7%	13.5%	0.4%
Energy	4.8%	4.6%	0.2%	2.6%	2.2%
Financial	16.0%	12.5%	3.5%	16.1%	-0.1%
Government	17.1%	14.0%	3.1%	25.7%	-8.6%
Industrial	7.0%	6.1%	0.9%	7.0%	0.0%
Technology	9.1%	7.0%	2.1%	10.4%	-1.3%
Utilities	3.0%	2.0%	1.0%	4.3%	-1.2%



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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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