BMO Mutual Funds

BMO Tactical Dividend ETF Fund Highlights

ETF CAPITAL MANAGEMENT

Core Tactical/Strategic Portfolio Outlook/Adjustments

We made no trades last week. The portfolio is in max protection mode with the highest yield (7.11%) that we have seen in several years.

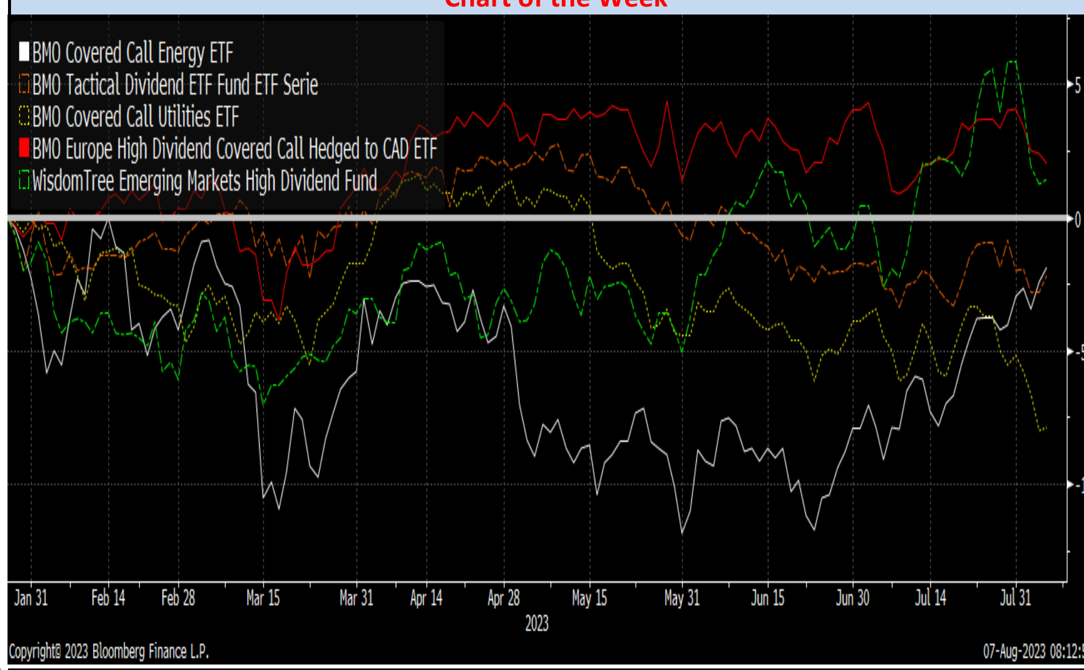
Top Holdings

Ticker	Name	Position
ZWE	BMO Europe High Dividend Covered Call Hedged to CAD ETF	28.5%
ZWU	BMO Covered Call Utilities ETF	20.4%
EDIV	SPDR S&P Emerging Markets Dividend ETF	12.0%
DEM	WisdomTree Emerging Markets High Dividend Fund	11.4%
ZPAY	BMO Premium Yield ETF	10.9%
DGS	Wisdom Tree Trust - WisdomTree Emerging Markets SmallCap Divide	10.3%
ZWEN	BMO Covered Call Energy ETF	9.4%

Macro Market Strategy

Our macro indicators suggest a high degree of caution. We believe the message in the yield curve is a hard landing. However, market positioning is very different. While central banks have tired to tighten financial conditions, equity indexes are significantly offsetting. Debt financing is being done in the Bills market, which is favourable for risk premiums. While the behaviour of the tape is encouraging as breadth improves, the leadership stocks remain at extreme valuations. We expect central banks' message of higher for longer should eventually cause a hard landing. The end of the business cycle is a process not an event. We maintain a high degree of protection in the portfolio, which has been a negative in Q2. The market is looking forward to an easing cycle and we believe inflation trends will limit the ability to stimulate compared to past cycles (post 1980s).

Chart of the Week

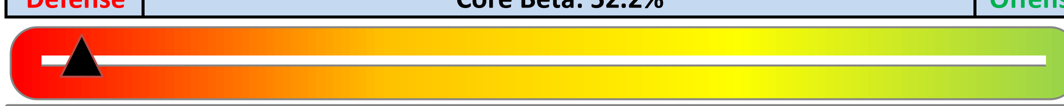


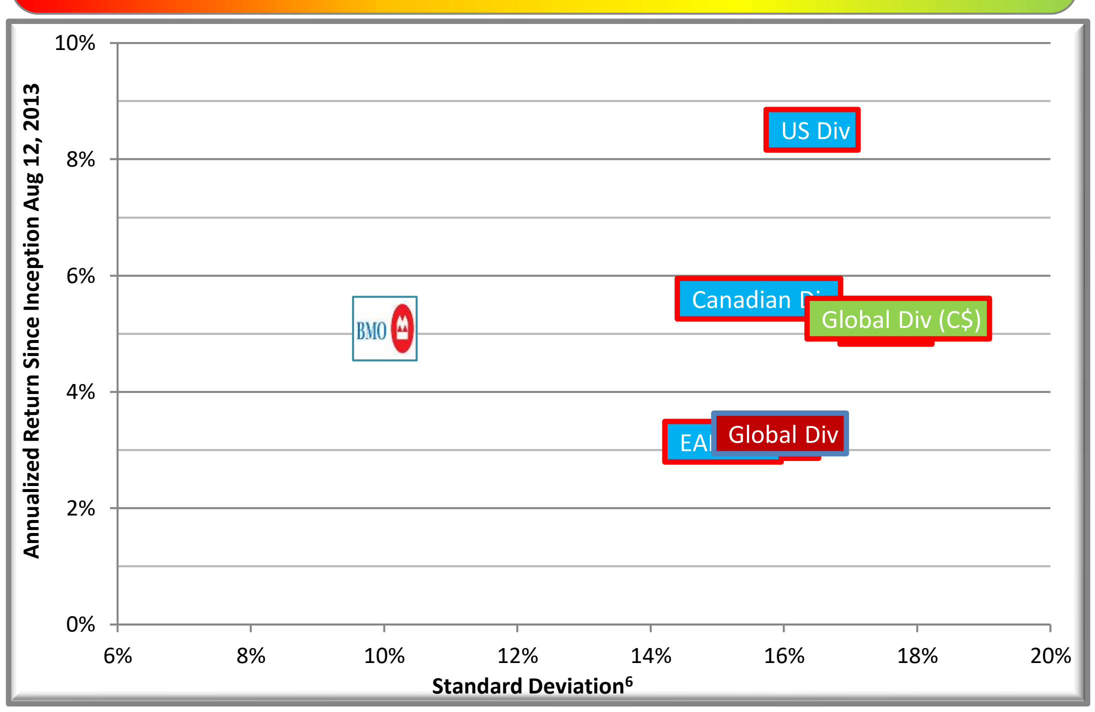
[PRO-EYES - Berman's Call]()	Risk Level	Low

The core portfolio beta is 52.2%. The degree of delta protection is -78% 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: 0.

The overall PRO-EYEs factors suggest that we are in a period of very high caution. Tactically, we are seeing some extreme overbought readings that suggest a high probability of a correction of more than 11% is likely.

Defense	Core Beta: 52.2%	Offense





Performance Metrics (A-Series) as of (08/04/23)

Total Return	Net	Gross	Upside/Downside[5]	
YTD	2.75%	3.87%	Upside	17%
Previous Quarter	-4.41%	-3.93%	Downside	32%
Previous Year	10.11%	12.03%	Months Up	68
3-Year	-0.27%	1.65%	Months Dn	50
5-Year	-0.47%	1.45%		
Ann. SI (08/12/13)	3.17%	5.09%	Sharpe Ratio	0.41
Fund Codes:	Advisor BMO99734; F-Class BMO95734; F6 BMO36734;			

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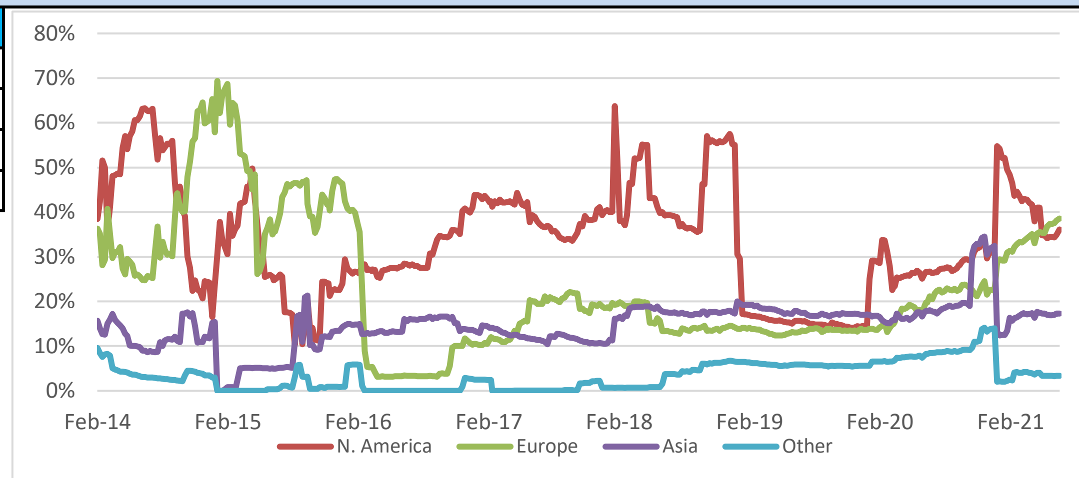
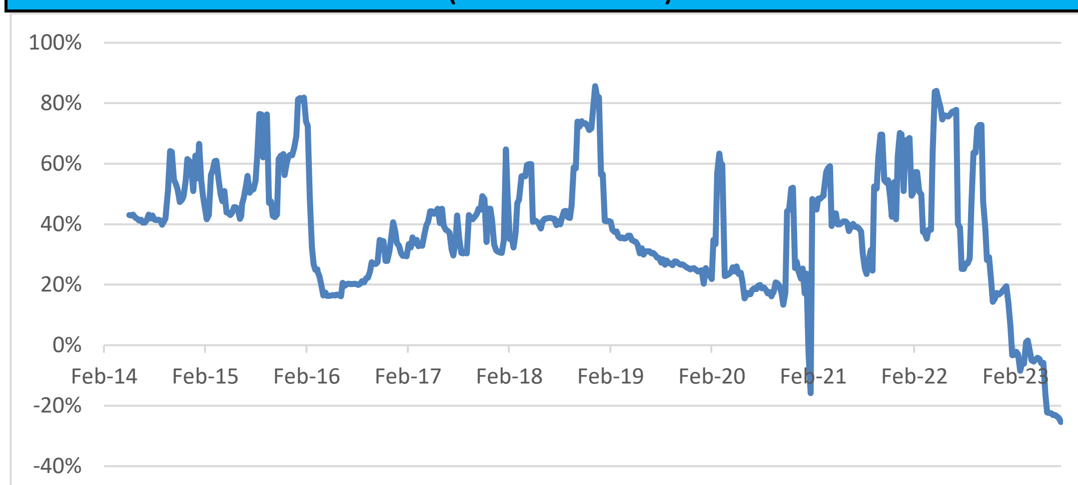
Tactical Asset Allocation

Equity	N. America	Europe	Asia	Other
08/04/23	39.1%	31.7%	26.3%	5.9%
07/28/23	39.1%	31.9%	26.9%	6.1%
Change	0.0%	-0.2%	-0.7%	-0.1%
Benchmark	67.6%	13.5%	14.6%	4.3%



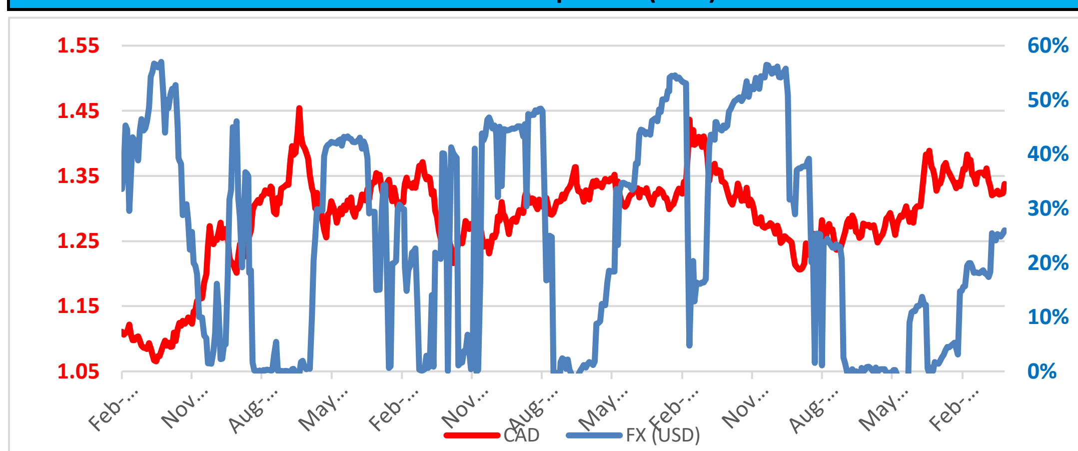
Sector	8/04/23	7/28/23	Change	BM
Basic Materials	5.10%	5.17%	-0.1%	10.1%
Communications	7.42%	7.50%	-0.1%	6.7%
Consumer, Cyclical	6.44%	6.51%	-0.1%	7.2%
Consumer, Non-cyclical	13.46%	13.56%	-0.1%	7.9%
Energy	17.64%	17.49%	0.2%	9.8%
Financial	15.77%	16.07%	-0.3%	27.7%
Industrial	9.40%	9.55%	-0.1%	0.0%
Technology	9.27%	9.42%	-0.2%	2.7%
Utilities	14.95%	15.18%	-0.2%	18.8%

Net Beta (Core - Protection): -25.4%



As of: 08/07/23	08/04/23	07/28/23	Change
FX (USD)	26.0%	25.4%	0.6%
Beta[2]	52.2%	53.0%	-0.8%
Protection	-77.6%	-77.1%	-0.5%
Correlation	82.0%	82.7%	-0.7%
Yield[3]	7.11%	7.02%	0.09%
ETF Holdings	7	7	0
Volatility[4]	10.01%	10.00%	0.01%
CAD	1.3379	1.3237	1.1%

Tactical FX Exposure (USD)



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