



BMO Tactical Dividend ETF Fund Highlights

Core Tactical/Strategic Portfolio Outlook/Adjustments

The recent double pause in policy plans has ignited animal spirits. We think it does not have legs, but you can bet many managers will chase it. We remain defensive. We took profits on EDIV and started to deploy into two sectors that have been underperformers this year. ZWB and ZWHC have both rallied and we are pausing the shifts for now. Still, we look to reduce some of the EM exposure that has performed exceptionally well this year. We are also looking to shift our currency exposure back to ZWE from ZWP we had shifted in late September picking us more than 3% relative gains. Weaker oil prices are currently hurting CAD relative to other currencies, as we often see. It would seem the US is waiting for a recession to kick in to buy back the SPR. Makes sense.

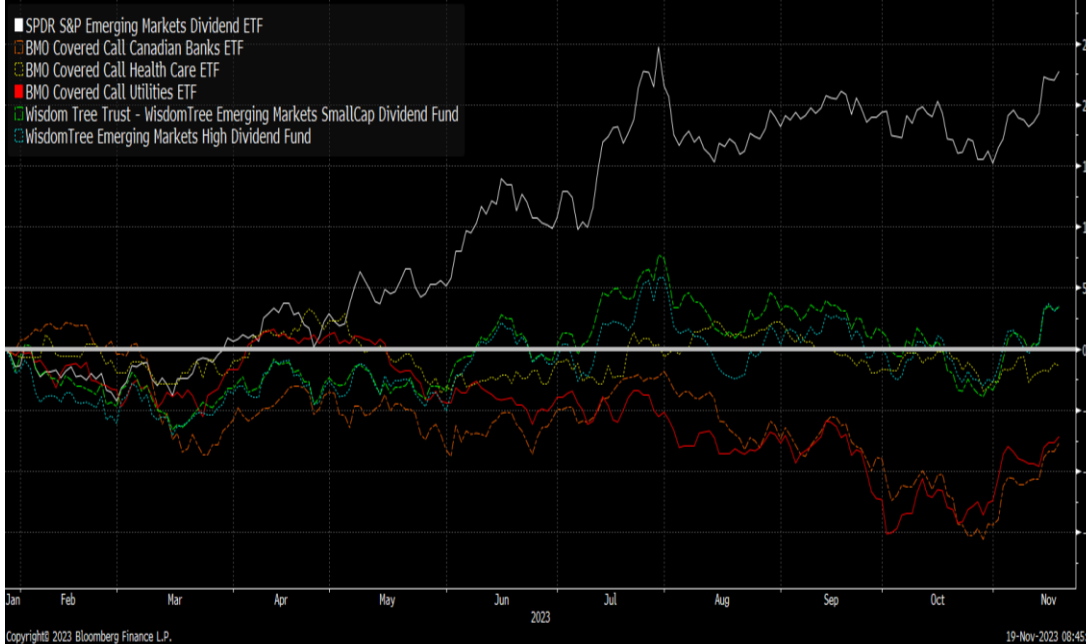
Top Holdings

| Ticker | Name | Position |
|--------|---|----------|
| ZWU | BMO Covered Call Utilities ETF | 20.8% |
| ZWP | BMO Europe High Dividend Covered Call ETF | 14.0% |
| ZWE | BMO Europe High Dividend Covered Call Hedged to CAD ETF | 13.4% |
| DEM | WisdomTree Emerging Markets High Dividend Fund | 12.0% |
| ZPAY | BMO Premium Yield ETF | 11.5% |
| DGS | Wisdom Tree Trust - WisdomTree Emerging Markets SmallCap Dividend | 10.6% |
| ZWC | BMO Canadian High Dividend Covered Call ETF | 9.5% |
| EDIV | SPDR S&P Emerging Markets Dividend ETF | 7.7% |
| ZWHC | BMO Covered Call Health Care ETF | 1.0% |
| ZWB | BMO Covered Call Canadian Banks ETF | 0.6% |

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.

Chart of the Week



PRO-EYES - Berman's Call

Risk Level **Low**

The core portfolio beta is 65.6%. The degree of delta protection is -44% while the value of beta protection is 87% 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 as been neutralized in 3 trading days.

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

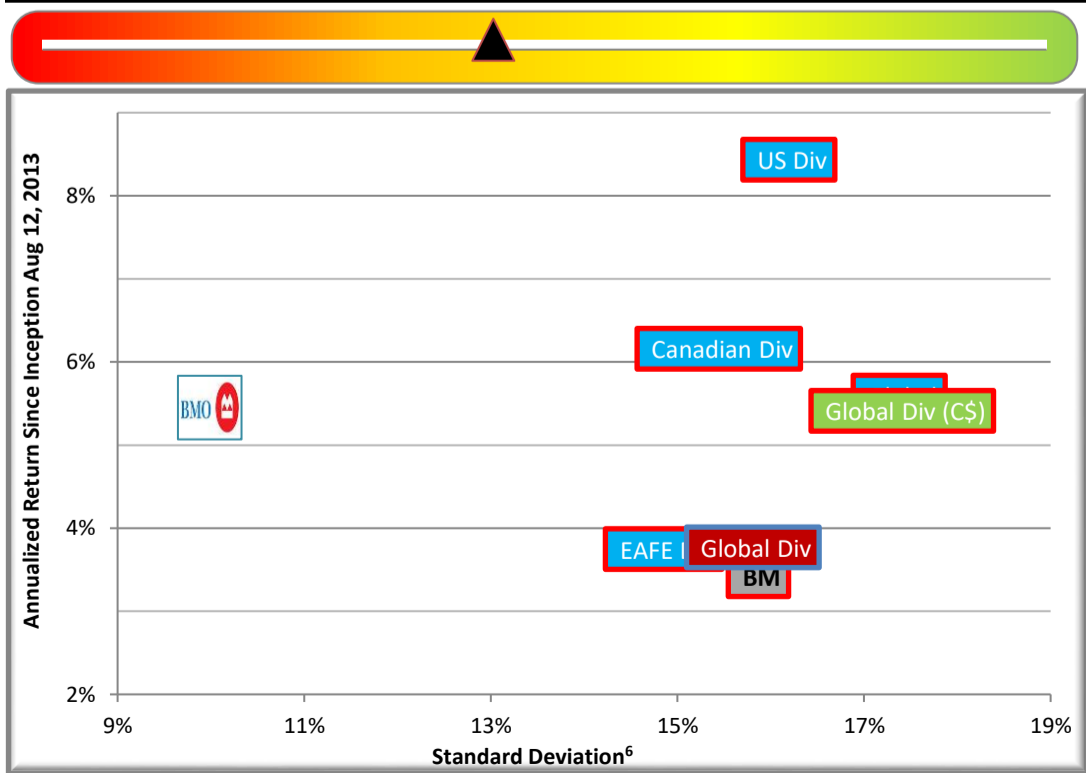
| Total Return | Net | Gross | Upside/Downside ⁵ | |
|--------------------|--------|--------|------------------------------|------|
| YTD | 7.48% | 9.11% | Upside | 18% |
| Previous Quarter | 3.18% | 3.66% | Downside | 37% |
| Previous Year | 11.30% | 13.22% | Months Up | 72 |
| 3-Year | 3.16% | 5.08% | Months Dn | 50 |
| 5-Year | 1.05% | 2.97% | | |
| Ann. SI (08/12/13) | 3.53% | 5.45% | Sharpe Ratio | 0.45 |

Fund Codes: Advisor BMO99734; F-Class BMO95734; F6 BMO36734; ETF

Defense

Core Beta: 65.6%

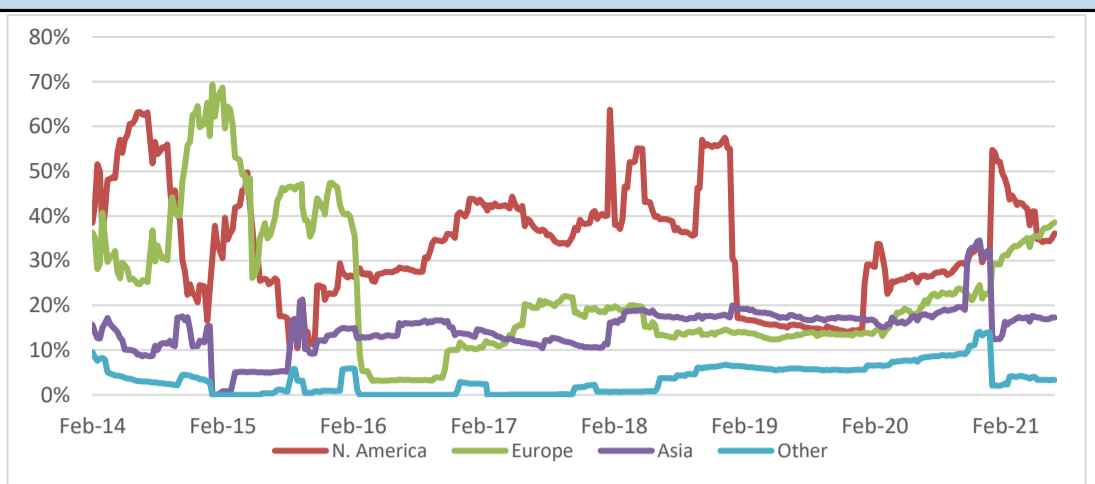
Offense



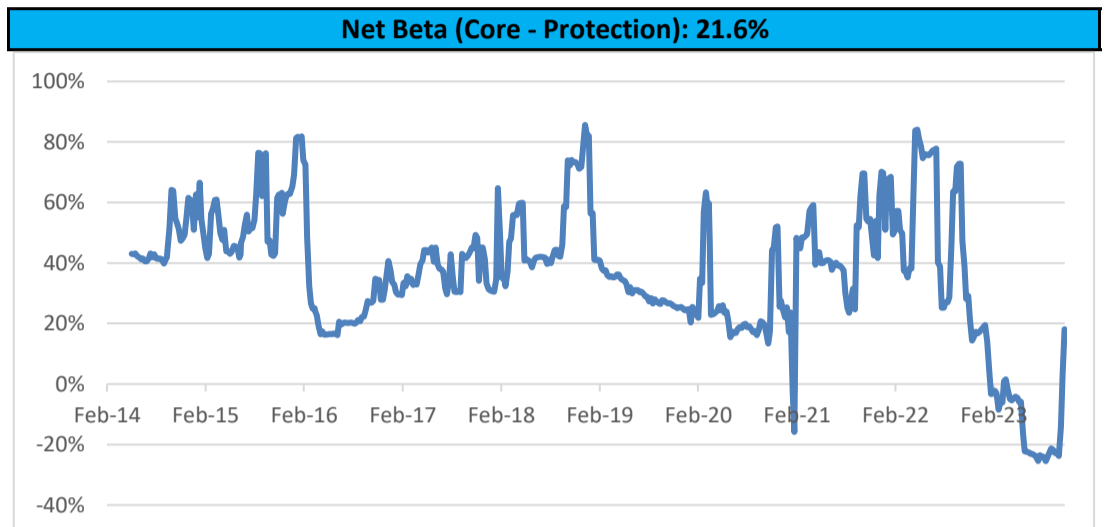
Advisor/Broker Use Only

Tactical Asset Allocation

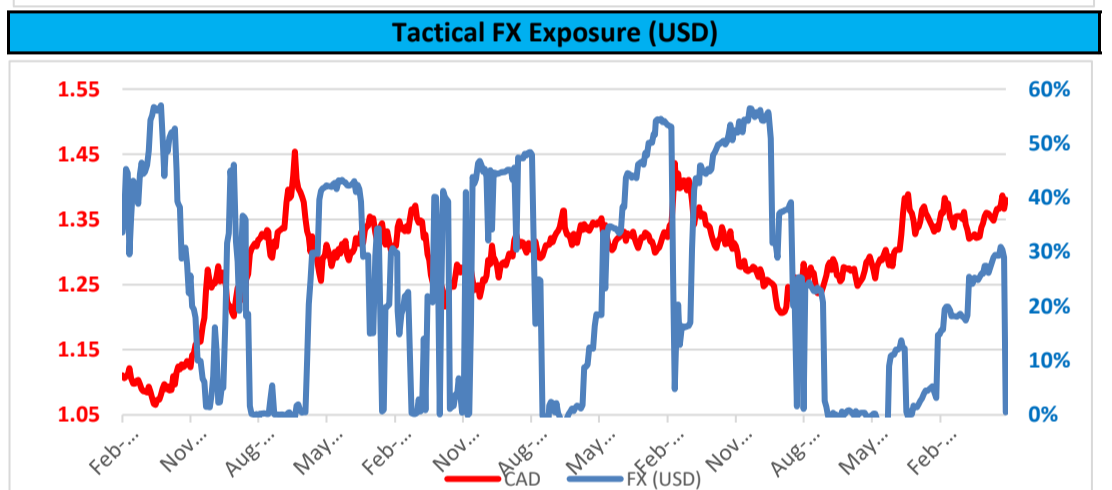
| Equity | N. America | Europe | Asia | Other |
|-----------|------------|--------|-------|-------|
| 11/17/23 | 44.2% | 28.6% | 21.7% | 6.5% |
| 11/03/23 | 43.4% | 27.8% | 21.2% | 6.3% |
| Change | 0.8% | 0.8% | 0.5% | 0.2% |
| Benchmark | 66.9% | 13.8% | 15.1% | 4.2% |



| Sector | 11/17/2023 | 11/3/2023 | Change | BM |
|------------------------|------------|-----------|--------|-------|
| Basic Materials | 6.11% | 5.94% | 0.2% | 10.0% |
| Communications | 9.63% | 9.47% | 0.2% | 6.5% |
| Consumer, Cyclical | 8.24% | 7.82% | 0.4% | 6.8% |
| Consumer, Non-cyclical | 16.69% | 16.26% | 0.4% | 7.6% |
| Energy | 12.00% | 11.97% | 0.0% | 10.6% |
| Financial | 20.20% | 19.90% | 0.3% | 27.5% |
| Industrial | 6.72% | 6.31% | 0.4% | 0.0% |
| Technology | 4.40% | 4.19% | 0.2% | 3.1% |
| Utilities | 14.86% | 14.56% | 0.3% | 18.1% |



| As of: 11/17/23 | 11/17/23 | 11/03/23 | Change |
|-------------------------|----------|----------|--------|
| FX (USD) | 0.9% | 29.0% | -28.1% |
| Beta ² | 65.6% | 52.2% | 13.4% |
| Protection | -44.0% | -48.9% | 5.0% |
| Correlation | 103.8% | 82.0% | 21.8% |
| Yield ³ | 6.86% | 6.88% | -0.02% |
| ETF Holdings | 8 | 8 | 0 |
| Volatility ⁴ | 9.99% | 9.97% | 0.02% |
| CAD | 1.3723 | 1.3658 | 0.5% |



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