



BMO Tactical Dividend ETF Fund Highlights

Core Tactical/Strategic Portfolio Outlook/Adjustments

Dividend stocks in general are having a very bad year relative to growth (see chart of the week). Our defensive dividend focus is doing well relative to most global benchmarks with the fund close to its best levels of the year. With the FOMC's higher for longer message, our defensive tilt for now should show significant outperformance. We think fair value for the S&P 500 is closer to 3800-4000 range (that assumes soft landing) given the higher cost of capital in the FOMCs higher for longer messaging. In that range, we would start removing some of the covered call exposures and move back towards more pure dividend exposure. We still see more value in EM and EAFE exposure than in the US, but at fair value, the US market is still set to be the global leader given the exceptional mix of sectors and exposures versus many other markets (like Canada) that is not set up well for the future of world growth.

Top Holdings						
Ticker Name						
ZWE	BMO Europe High Dividend Covered Call Hedged to CAD ETF	26.6%				
ZWU	ZWU BMO Covered Call Utilities ETF					
EDIV	EDIV SPDR S&P Emerging Markets Dividend ETF					
DEM	WisdomTree Emerging Markets High Dividend Fund	11.6%				
ZPAY	ZPAY BMO Premium Yield ETF					
DGS Wisdom Tree Trust - WisdomTree Emerging Markets SmallCap Divide						
ZWC BMO Canadian High Dividend Covered Call ETF						
Chart of the Week						
BN0 Canadian Dividend ETF						

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 until recently. The impact of QT and huge coupon supply in the coming years should push risk premiums higher. Based on the current S&P 500 EPS, the fair value is closer to 3600 than 4600. Globally, there remains much better value in stocks globally and the average stock is not extremely overvalue like the large cap tech driven US market. The MSCI world equal weight index has outperformed the market cap index over the past 20 years, but not the past 10 years. Large cap tech should be multiple challenged in a higher for longer world.

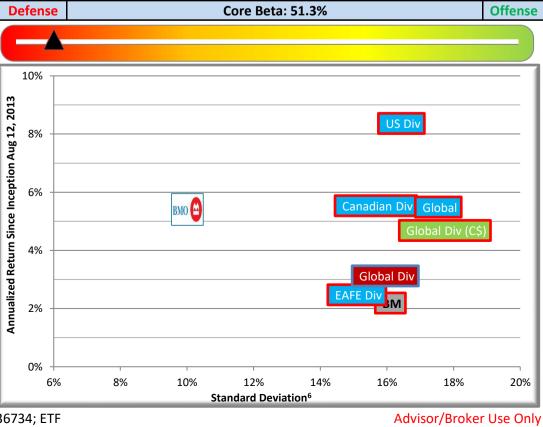
Core Beta: 51.3%

Defense

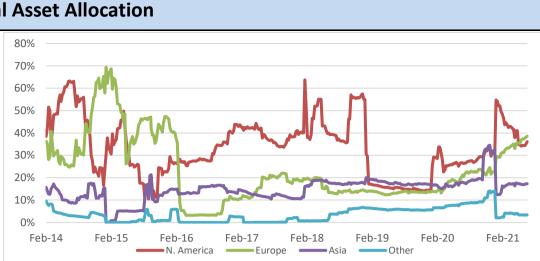
PRO-EYES - Berman's Call Risk Level Low The core portfolio beta is 51.3%. The degree of delta protection is -73% while the value of beta protection is 82% of the portfolio. The weighted average cap is: 4400. The weighted average collar is: 4300. The weighted average floor is: 0. The overall PRO-EYEs factors suggest that we are in a period of very high

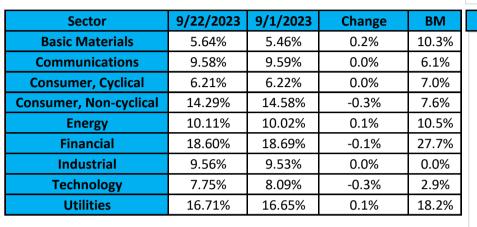
caution. Tactically, we are seeing some extreme overbought readings that suggest a high probability of a correction of more than 11% is likely.

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Performance Metrics (A-Series) as of (09/22/23)					Return
Total Return	Net	Gross	Upside/Downside		
YTD	6.46%	7.81%	Upside	18%	Annualized
Previous Quarter	3.79%	4.27%	Downside	31%	nuu
Previous Year	15.72%	17.64%	Months Up	67	∣
3-Year	1.96%	3.88%	Months Dn	53	
5-Year	0.32%	2.24%			
Ann. SI (08/12/13)	3.48%	5.40%	Sharpe Ratio	0.44	
Fund Codes: Advisor BMO99734; F-Class BMO95734; F6 BMO36			367		

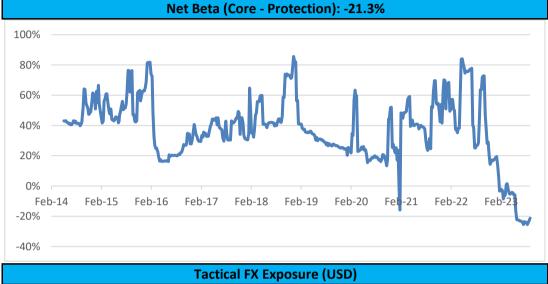


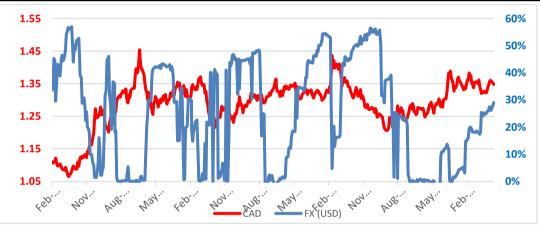
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Equity	N. America	Europe	Asia	Other	8
09/22/23	41.7%	27.7%	27.7%	4.4%	7
09/01/23	41.5%	28.7%	27.3%	4.4%	6
Change	0.2%	-1.1%	0.4%	0.0%	5
Benchmark	67.3%	13.7%	14.9%	4.1%	4
					4





As of: 09/22/23	09/22/23	09/01/23	Change
FX (USD)	29.1%	26.1%	2.9%
Beta ²	51.3%	53.2%	-1.9%
Protection	-72.6%	-78.6%	6.0%
Correlation	83.3%	86.5%	-3.2%
Yield ³	6.84%	6.92%	-0.08%
ETF Holdings	7	7	0
Volatility ⁴	10.01%	9.97%	0.04%
CAD	1.3483	1.3592	-0.8%





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