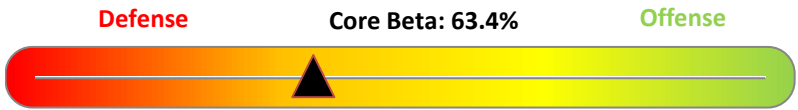
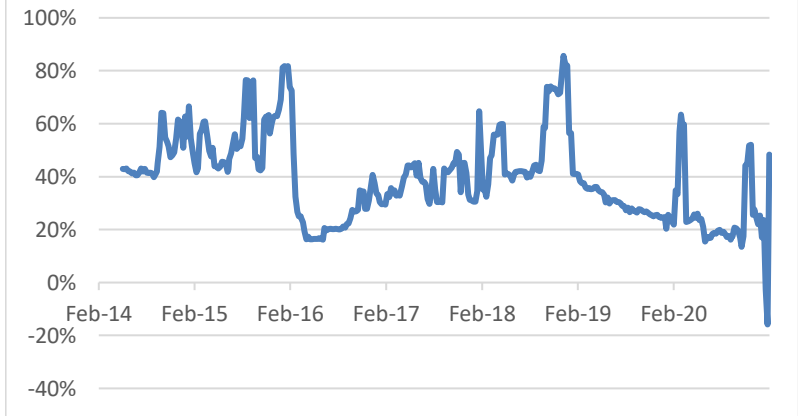


# BMO Tactical Dividend ETF Fund Highlights



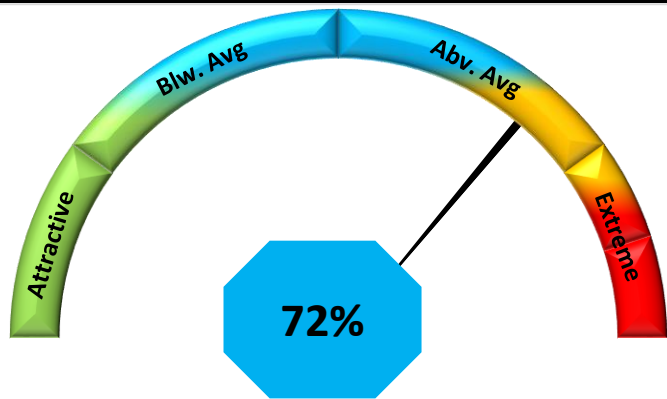
**Net Beta (Core - Protection): 48.3%**



## Market Strategy (Risk Management)

DEFENSE: The current core beta is 63.4% vs. the benchmark of 101% and up from 61.9% last week. The current degree of beta protection is about -15%. To be clear, the reason to own gold equities remains a high conviction position. We will be reducing that exposure on strength in the sector, but it has been frustrating. This could take 3-6 more months. Clearly bitcoin competition is sucking money out of the sector. Real assets are a great inflation hedge and that will be a dominant theme for years to come. Gold stocks will also be increasing dividends more than most sectors for historically very low levels. We added more growth potential in the core portfolio and will be reducing covered call exposure ZWU to fund more global (EM) dividend exposure. EM dividend exposure is now 13.2% of the portfolio (EDIV, DGS, DVYE, DGS). We look to grow that closer to 15-20% establishing a core overweight. Last week we sold ZWP to get more growth exposure to broad EAFE dividends (ZDI) And look to add small cap dividend exposure (DLS) on weakness. The biggest sector weight in EAFE is financials, a chronic underperformer for the past decade. With steepening of the global yield curve, we should see a continued rally in the sector. Energy reflation exposure is reflected in AMLP.

## PRO EYES Macro Risk Model



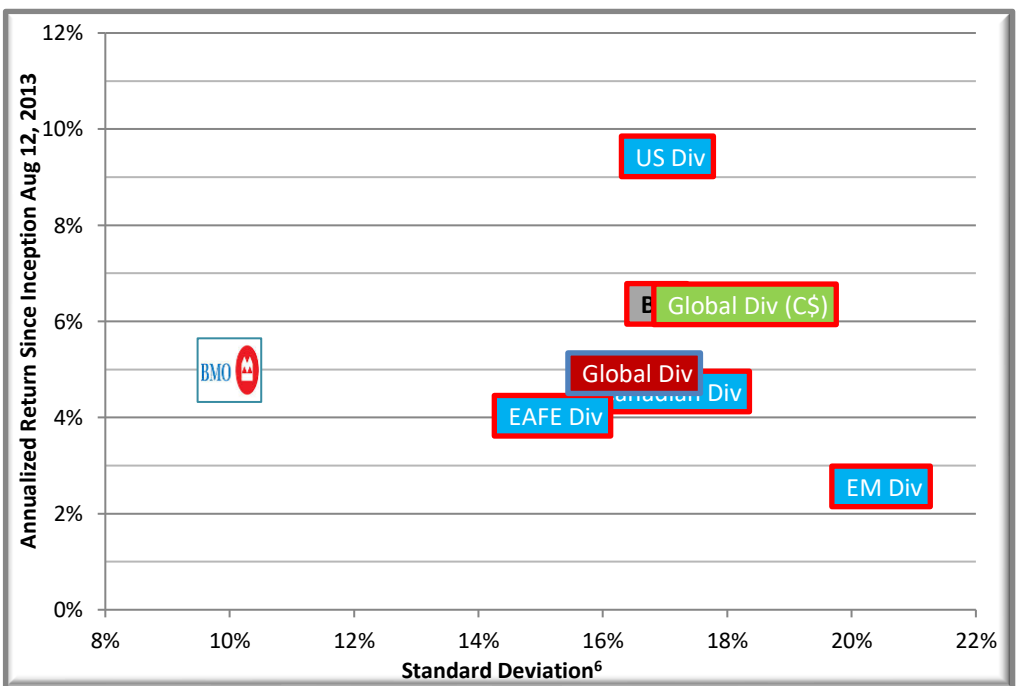
When the PRO EYES indicator is at elevated levels, we incorporate additional downside protection in the portfolio as an overlay to the core "BEST IDEAS" holdings. The current correction risk is modest and we are protected from 3875 to 3500 on the S&P 500. We see a summer rally peak in the 4300 range.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

## Top Holdings

Ticker	Name	Position
ZGD	BMO Equal Weight Global Gold Index ETF	21.5%
ZDI	BMO International Dividend ETF	21.4%
ZWP	BMO Europe High Dividend Covered Call ETF	14.3%
ZPAY	BMO Premium Yield ETF	14.2%
ZWU	BMO Covered Call Utilities ETF	8.8%
AMLP	Alerian MLP ETF	6.9%
EDIV	SPDR S&P Emerging Markets Dividend ETF	5.9%
DEM	WisdomTree Emerging Markets High Dividend Fund	2.7%
DVYE	iShares Emerging Markets Dividend ETF	2.4%
DGS	WisdomTree Emerging Markets SmallCap Dividend Fund	2.2%

As of: 02/19/21	02/19/21	02/12/21	Change
FX (USD)	55.1%	55.8%	-0.7%
Beta <sup>2</sup>	63.4%	61.9%	1.4%
Protection	-15.1%	-77.7%	62.7%
Correlation	58.2%	60.1%	-1.9%
Yield <sup>3</sup>	4.64%	4.84%	-0.20%
ETF Holdings	10	11	-1
Volatility <sup>4</sup>	10.00%	10.00%	0.00%
CAD	1.2615	1.2696	-0.6%

Performance Metrics (A-Class)				
Total Return	Net	Gross	Upside/Downside <sup>5</sup>	
YTD	-2.91%	-2.65%	Upside	31%
Previous Quarter	-3.62%	-3.14%	Downside	49%
Previous Year	-14.90%	-12.98%	Months Up	59
3-Year	-1.82%	0.10%	Months Dn	30
5-Year	2.60%	4.52%		
Annualized SI	3.06%	4.98%	Sharpe Ratio	0.40

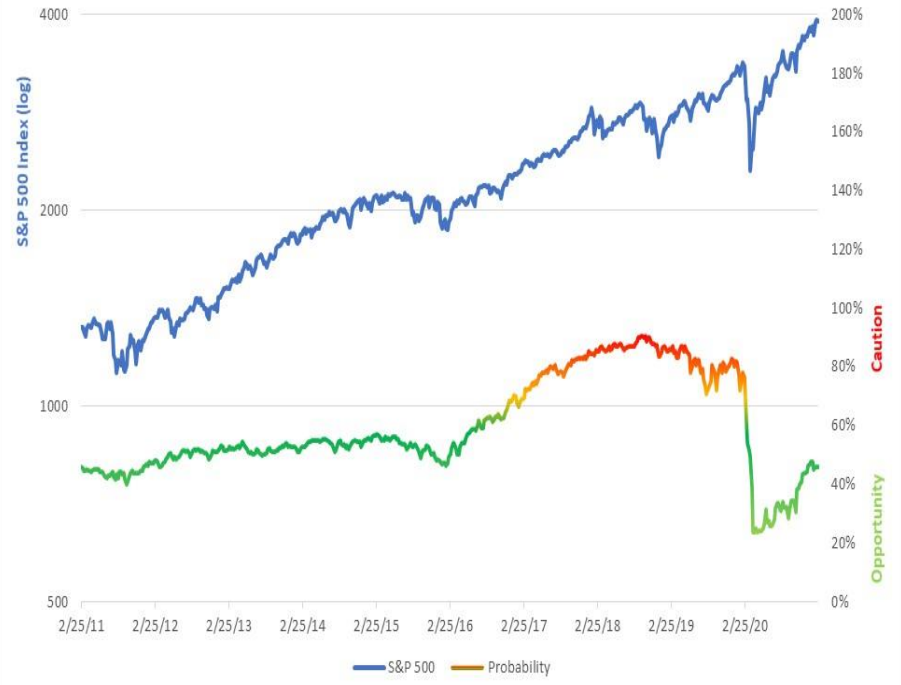


# Chart(s) of The Week

Valuation Monitor



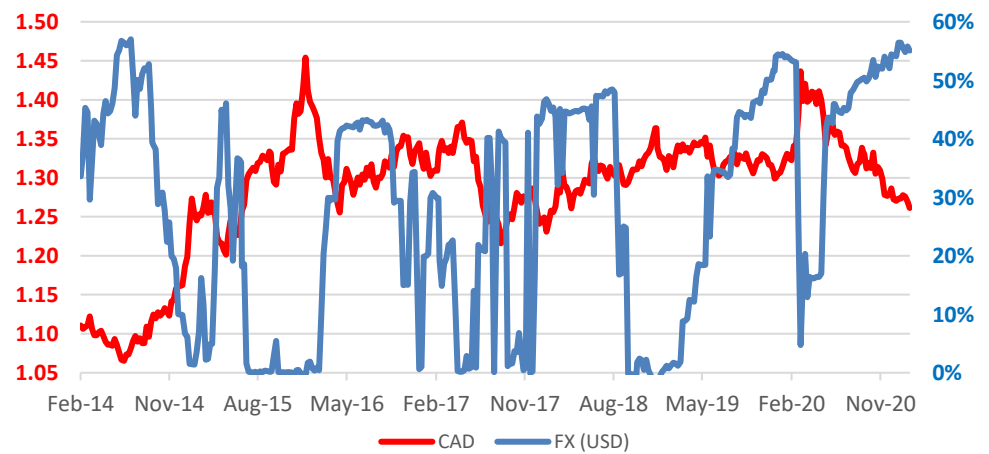
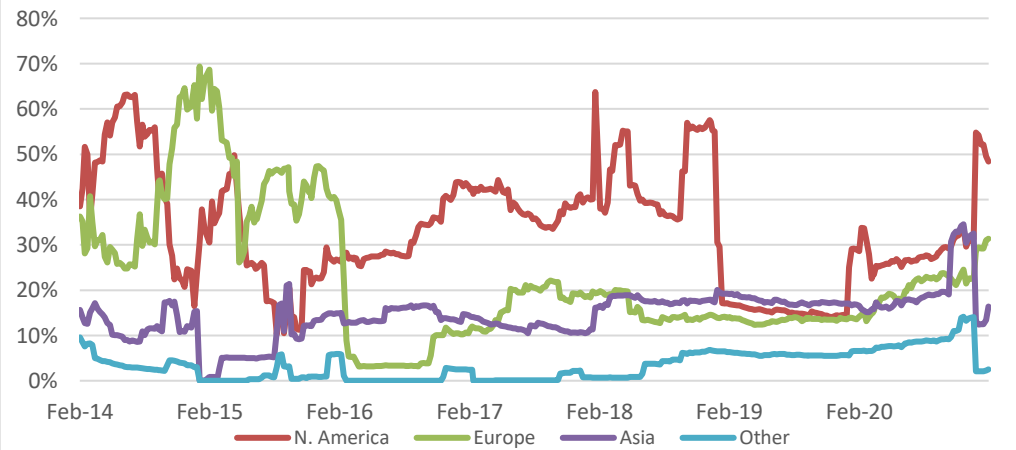
Business Cycle Monitor



## Tactical Asset Allocation

Equity	N. America	Europe	Asia	Other
02/19/21	48.4%	31.3%	16.4%	2.5%
02/12/21	49.5%	31.0%	13.4%	2.2%
Change	-1.2%	0.4%	2.9%	0.2%
Benchmark	68.2%	17.8%	11.5%	2.5%

Sector	2/19/21	2/12/21	Change	BM
Basic Materials	26.89%	29.27%	-2.4%	9.1%
Communications	6.10%	5.24%	0.9%	9.5%
Consumer, Cyclical	4.97%	4.77%	0.2%	4.3%
Consumer, Non-cyclical	13.24%	12.23%	1.0%	6.3%
Energy	9.81%	9.04%	0.8%	9.9%
Financial	11.12%	8.98%	2.1%	34.6%
Government	9.98%	11.93%	-1.9%	0.0%
Industrial	5.42%	5.50%	-0.1%	6.7%
Technology	3.43%	3.63%	-0.2%	3.3%
Utilities	8.88%	7.13%	1.8%	0.0%



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1 The benchmark is the return of the targeted portfolio. As of Jan 1, 2017, the target portfolio is 80% (CYH) and 20% (ZDV); 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. © "BMO (M-bar roundel)" is a registered trade-mark of Bank of Montreal, used under license. ETF Capital Management is a registered trade name of Quintessence Wealth, a Portfolio Manager, Investment Fund Manager and Exempt Market Dealer registered with the Canadian Securities Administrators.