



## BMO Tactical Dividend ETF Fund Highlights

## **Core Tactical/Strategic Portfolio Outlook/Adjustments**

We made no adjustments last week. We have cash to add to EM and EAFE exposure on weakness. We expect more volatility and opportunity

Top Holdings					
Ticker	Name	Position			
ZDI	BMO International Dividend ETF	25.0%			
ZWP	BMO Europe High Dividend Covered Call ETF	16.7%			
ZPAY	BMO Premium Yield ETF	15.5%			
ZGD	BMO Equal Weight Global Gold Index ETF	9.1%			
EDIV	SPDR S&P Emerging Markets Dividend ETF	6.6%			
ZWU	BMO Covered Call Utilities ETF	6.0%			
ZDY	BMO US Dividend ETF	4.7%			
DEM	WisdomTree Emerging Markets High Dividend Fund	3.1%			
DVYE	iShares Emerging Markets Dividend ETF	2.7%			
DGS	Wisdom Tree Trust - WisdomTree Emerging Markets SmallCap Divider	2.5%			

## **Macro Market Strategy**

When it comes to EM currency exposure, the JP Morgan currency index (feature chart) highlights the clear strong dollar view of the past decade. This is a trend we see correcting. We see 20% here far before we see the US dollar weakening versus developed markets (see our balanced fund comments). EM dividends will be a big focus for us in the coming years where there is much better valuation and exposure could get as high as 30% of the portfolio. It's currently about half that exposure (EDIV, DVYE, DEM, DGS). Currency exposure could add materially to total return. The index is very close to 52-week highs last seen in Dec and Feb. A breakout here is very bullish for EM total return.



**Chart of the Week** 

## PRO-EYES - Berman's Call

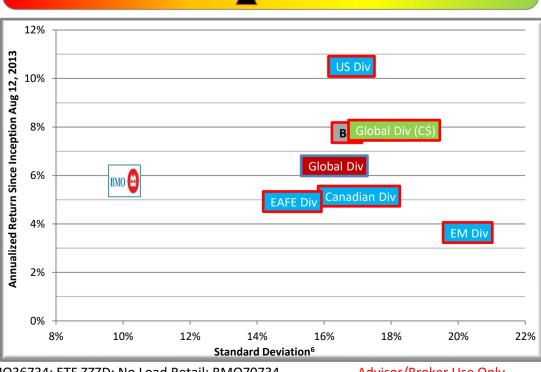
**Fund Codes:** 

The current core portfolio beta is 65.8% The current degree of beta protection is about -25%.

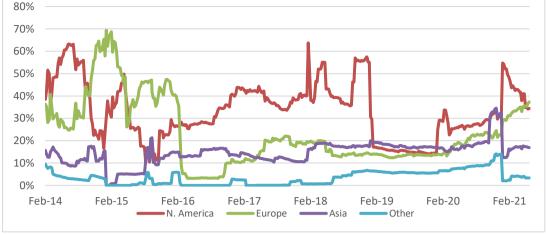
When the PRO EYEs indicator is at elevated levels (above 75%), as it is recently hit, we will have higher degree of beta protection on the portfolio. Historically, corrections that follow have a median of 7.3% and an average of 11.1% over the past 20 years. We have our downside hedge on the S&P 500 in place from 4200-3750 with a covered call at 4400 through Sept 30th. This is a tactical hedge and is actively adjusted as opportunities develop. For details of the PRO-EYEs-Berman's Call Tactical Risk Models click link above.

	Performance I	<b>Metrics</b> (	(A-Series)	as of (	06/11/21)
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Total Return	Net	Gross	Upside/Dow	nside <sup>5</sup>
YTD	4.02%	4.85%	Upside 269	
Previous Quarter	6.57%	7.05%	Downside	49%
Previous Year	0.65%	2.57%	Months Up 63	
3-Year	-0.90%	1.02%	Months Dn	30
5-Year	2.86%	4.78%		
Ann. SI (08/12/13)	3.85%	5.77%	Sharpe Ratio 0.47	



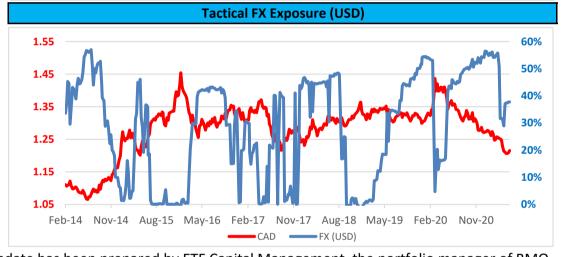
				Tactic	al Asset Allocation
Equity	N. America	Europe	Asia	Other	80%
06/11/21	34.4%	37.3%	16.9%	3.3%	70%
06/04/21	34.1%	36.8%	17.0%	3.4%	60%
Change	0.3%	0.6%	-0.1%	0.0%	50%
Benchmark	66.7%	18.4%	12.9%	1.9%	40%



Sector	6/11/21	6/04/21	Change	ВМ
Basic Materials	14.56%	14.48%	0.1%	8.4%
Communications	6.08%	6.03%	0.1%	8.9%
Consumer, Cyclical	6.56%	6.42%	0.1%	4.8%
Consumer, Non-cyclical	17.05%	16.74%	0.3%	8.5%
Energy	3.30%	3.17%	0.1%	9.5%
Financial	13.73%	13.50%	0.2%	30.7%
Government	11.75%	12.09%	-0.3%	0.0%
Industrial	6.56%	6.62%	-0.1%	6.3%
Technology	4.14%	3.94%	0.2%	2.6%
Utilities	8.03%	8.02%	0.0%	0.0%

		Net Bet	a (Core - Pi	otection):	41.0%		
100%							
80%		ı (					
60%	LAMA J			14	H	A	. 1
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0%							
Feb-14 -20%	Feb-15	Feb-16	Feb-17	Feb-18	Feb-19	Feb-20	Feb-21
-40%							

As of: 06/11/21	06/11/21	06/04/21	Change
FX (USD)	37.8%	37.7%	0.1%
Beta <sup>2</sup>	65.8%	65.3%	0.5%
Protection	-24.8%	-24.7%	-0.1%
Correlation	76.6%	75.9%	0.6%
Yield <sup>3</sup>	4.27%	4.22%	0.05%
ETF Holdings	10	10	0
Volatility <sup>4</sup>	10.05%	10.01%	0.04%
CAD	1.2158	1.2084	0.6%



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