



Core Tactical/Strategic Portfolio Outlook/Adjustments

We raised cash last week by taking profits on our gold (ZGD) exposure into additional strength. We have not deployed the cash yet, but plan to add to EM dividend exposure as we have been discussing. We see weakness in the coming months as an opportunity. We also see covered call technology (ZWT) as interesting some time in Q3. We are longer-term bullish, but current valuations are too high.

Top Holdings

[illegible]

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

Risk Level	High
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The current core portfolio beta is 65.3% The current degree of beta protection is about -25%.

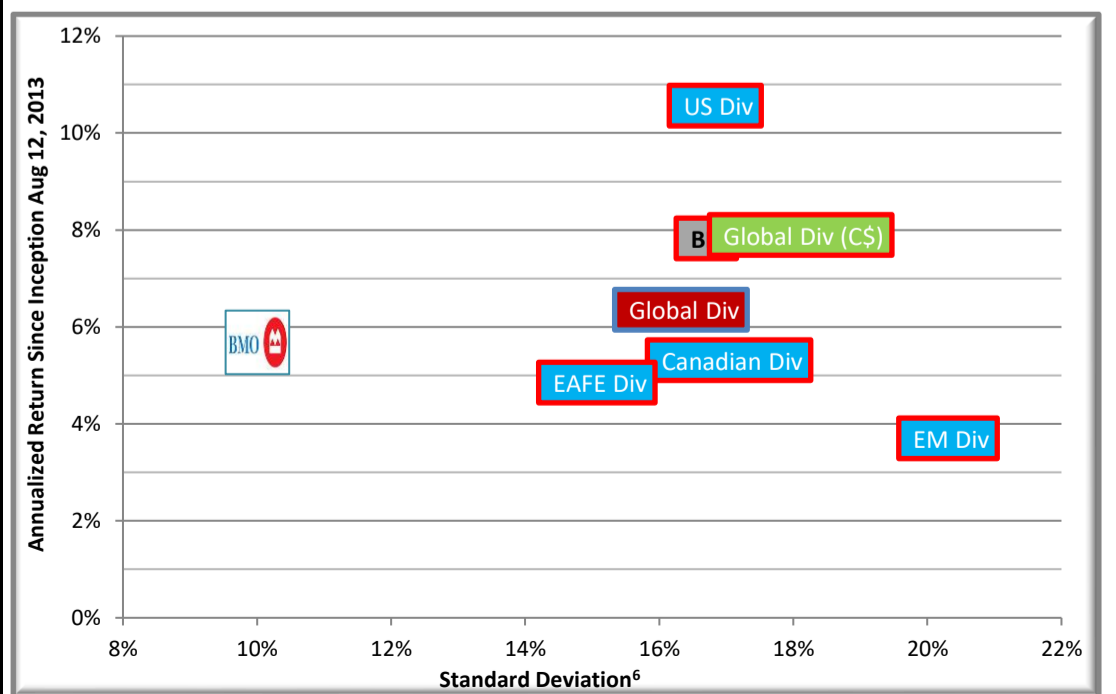
When the PRO EYEs indicator is at elevated levels (above 75%), as it is recently hit, we will have higher degree of beta protection on the portfolio. Historically, corrections that follow have a median of 7.3% and an average of 11.1% over the past 20 years. We have our downside hedge on the S&P 500 in 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 Metrics (A-Series) as of (06/04/21)

Total Return	Net	Gross	Upside/Downside ⁵	
YTD	3.23%	4.02%	Upside	26%
Previous Quarter	5.91%	6.39%	Downside	49%
Previous Year	-1.70%	0.22%	Months Up	63
3-Year	-0.93%	0.99%	Months Dn	30
5-Year	2.54%	4.46%		
Ann. SI (08/12/13)	3.76%	5.68%	Sharpe Ratio	0.47

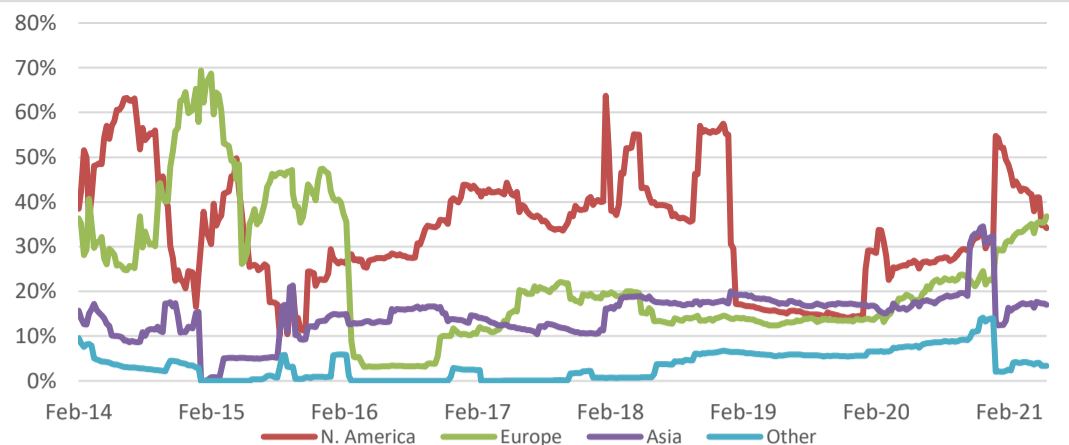
Fund Codes:	Advisor BMO99734; F-Class BMO95734; F6 BMO36734; ETF ZZZD; No Load Retail: BMO70734
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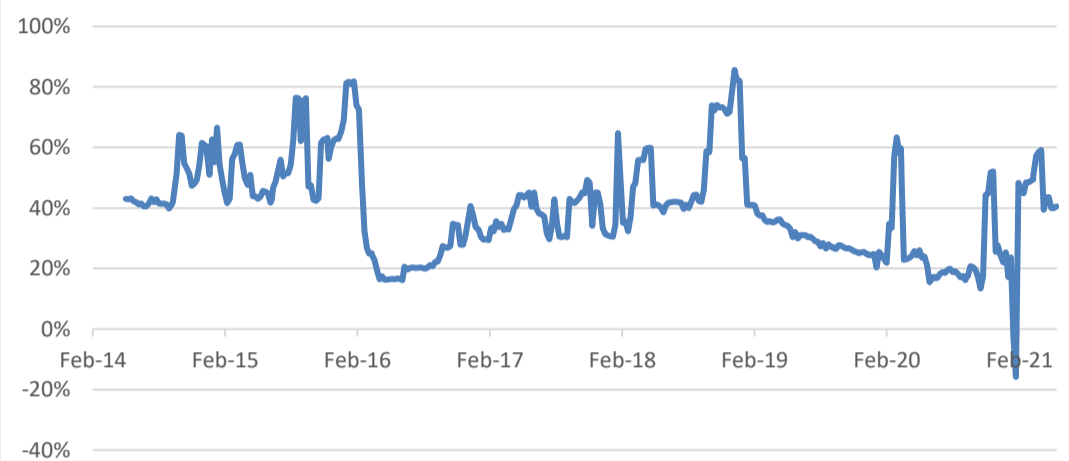
Tactical Asset Allocation

Equity	N. America	Europe	Asia	Other
06/04/21	34.1%	36.8%	17.0%	3.4%
05/28/21	34.8%	35.3%	17.2%	3.4%
Change	-0.7%	1.4%	-0.3%	0.0%
Benchmark	66.9%	18.2%	13.0%	1.9%



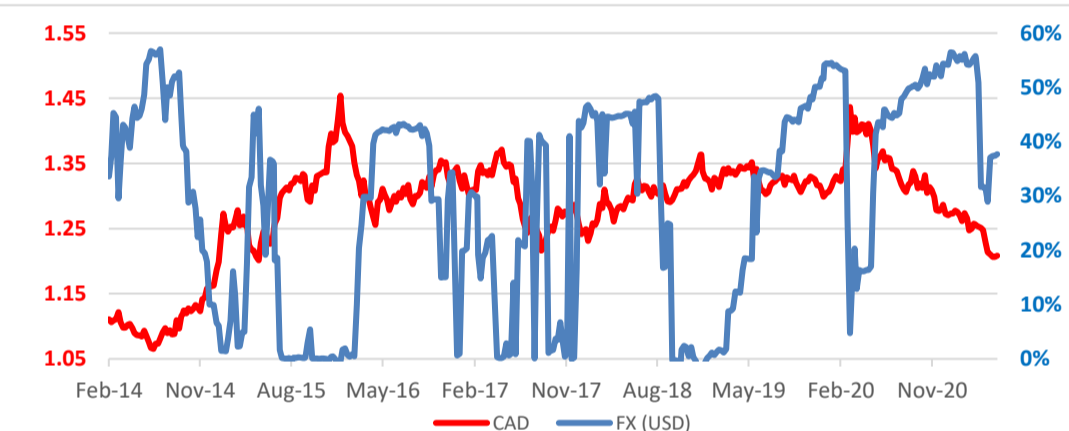
Sector	6/04/21	5/28/21	Change	BM
Basic Materials	14.48%	16.02%	-1.5%	8.4%
Communications	6.03%	6.17%	-0.1%	8.7%
Consumer, Cyclical	6.42%	6.33%	0.1%	4.8%
Consumer, Non-cyclical	16.74%	15.96%	0.8%	8.4%
Energy	3.17%	3.15%	0.0%	9.1%
Financial	13.50%	12.88%	0.6%	31.7%
Government	12.09%	11.99%	0.1%	0.0%
Industrial	6.62%	6.42%	0.2%	6.4%
Technology	3.94%	3.74%	0.2%	2.5%
Utilities	8.02%	7.89%	0.1%	0.0%

Net Beta (Core - Protection): 40.6%



As of: 06/04/21	06/04/21	05/28/21	Change
FX (USD)	37.7%	37.4%	0.3%
Beta ²	65.3%	63.9%	1.4%
Protection	-24.7%	-23.9%	-0.8%
Correlation	75.9%	74.8%	1.2%
Yield ³	4.22%	4.23%	-0.01%
ETF Holdings	10	10	0
Volatility ⁴	10.01%	9.98%	0.03%
CAD	1.2084	1.2066	0.1%

Tactical FX Exposure (USD)



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