



# BMO Tactical Global Growth ETF Fund

Top Holdings				
Ticker	Name	Position	Previous	Change
RSP	Invesco S&P 500 Equal Weight ETF	11.0%	10.8%	0.15%
ZEM	BMO MSCI Emerging Markets Index ETF	9.9%	9.9%	-0.01%
ZUE	BMO S&P 500 Hedged to CAD Index ETF	6.9%	6.8%	0.11%
ZUT	BMO Equal Weight Utilities Index ETF	6.8%	6.7%	0.10%
ZEA	BMO MSCI EAFE Index ETF	6.7%	6.6%	0.14%
ZDM	BMO MSCI EAFE Hedged to CAD Index ETF	6.6%	6.5%	0.18%
ZCLN	BMO Clean Energy Index ETF	4.9%	5.1%	-0.22%
CIBR	First Trust NASDAQ Cybersecurity ETF	4.6%	4.4%	0.22%
KWEB	KraneShares CSI China Internet ETF	4.2%	4.3%	-0.15%
XBI	SPDR S&P Biotech ETF	4.0%	3.8%	0.15%
URA	Global X Uranium ETF	3.3%	2.8%	0.47%
FLKR	Franklin FTSE South Korea ETF	3.1%	3.3%	-0.11%
FLGB	Franklin FTSE United Kingdom ETF	3.1%	3.0%	0.05%
FLIN	Franklin FTSE India ETF	2.9%	2.8%	0.15%
XLP	Consumer Staples Select Sector SPDR Fund	2.9%	2.8%	0.10%
FINX	Global X FinTech ETF	2.5%	2.6%	-0.07%
BOTZ	Global X Robotics & Artificial Intelligence ETF	2.2%	2.2%	0.08%
EIDO	iShares MSCI Indonesia ETF	1.8%	1.8%	0.07%
FLBR	Franklin FTSE Brazil ETF	1.8%	1.8%	0.02%
VNM	VanEck Vietnam ETF	1.7%	1.7%	0.02%
MJ	ETFMG Alternative Harvest ETF	1.7%	1.6%	0.13%

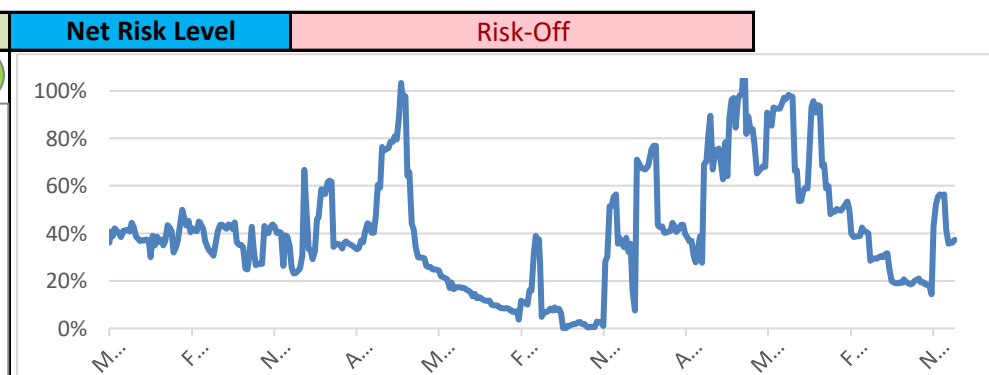
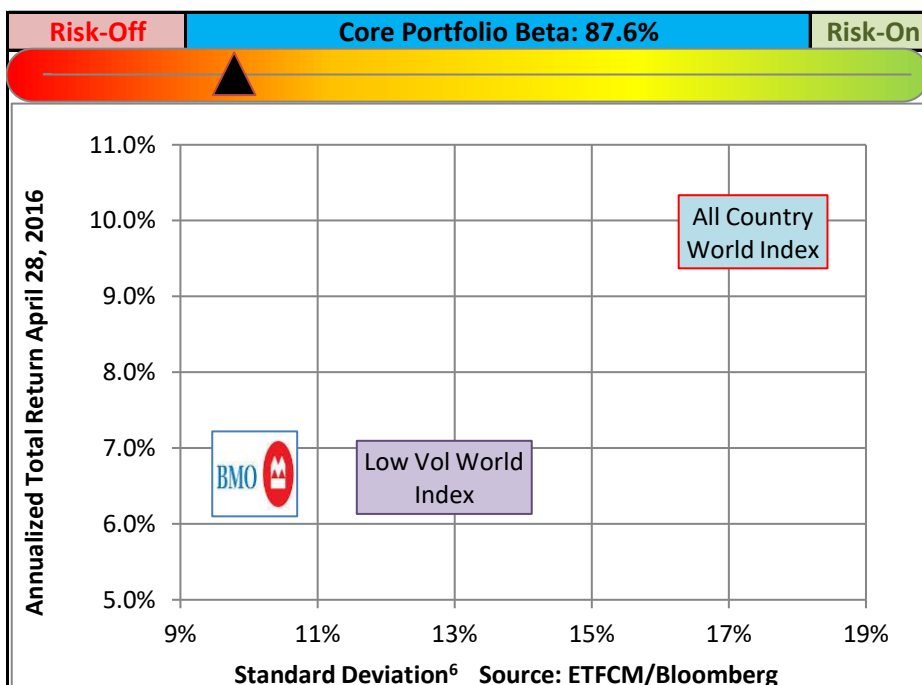
Exposures	01/12/24	01/05/24	Change
Basic Materials	7.86%	7.48%	0.4%
Communications	8.96%	8.85%	0.1%
Consumer, Cyclical	7.57%	7.47%	0.1%
Consumer, Non-cyclical	20.30%	19.99%	0.3%
Energy	5.95%	5.94%	0.0%
Financial	14.17%	13.98%	0.2%
Government	0.50%	0.50%	0.0%
Industrial	9.54%	9.30%	0.2%
Technology	12.49%	12.12%	0.4%
Utilities	10.74%	10.68%	0.1%
N. America	47.6%	46.4%	1.2%
Europe	15.4%	15.1%	0.3%
Asia	30.6%	30.3%	0.3%
Other	4.6%	4.5%	0.0%
FX (USD)	25.8%	25.7%	0.0%
Beta <sup>2</sup>	87.6%	86.0%	1.6%
Protection (Delta)	-50.3%	-49.8%	-0.5%
Correlation	70.5%	68.7%	1.9%
Yield <sup>3</sup>	2.13%	2.12%	0.01%
ETF Holdings	25	25	0
Volatility <sup>4</sup>	10.08%	10.10%	-0.01%
CAD	1.3494	1.3363	1.0%

**Macro Market Strategy & Strategic Portfolio Outlook/Adjustments**

The portfolio is in RISK-OFF Mode: The FOMC and Yellen believes they have accomplished their soft-landing mission. There is a gross recency bias in the data interpolation. The markets believes a soft landing is likely. The market is fully priced for this outcome. What could go wrong with expectations so perfect? The geopolitical risk has rarely been higher and the market could care less. Crude oil tells us a recession is coming and geopolitical risks are negligible, but equities are priced for perfection. What could go wrong? Demographics suggests that labour markets remain tight for the next decade, yet inflation will get back to 2%. What could go wrong? Deficit expectations are catastrophic for decades. Bond yields are crashing lower. What could go wrong? 2024 will not likely be meet current expectations. We made no trades last week: The best value is in EM and in small caps, though neither, historically, line up well with a recession outcome.

Performance (A-Series) as of (01/12/24)		
Total Return	Net	Gross
YTD	-0.30%	-0.23%
Prev. Qtr.	5.60%	6.07%
Prev. Year	1.51%	3.43%
Since Inception	43.08%	57.19%
Ann. SI (04/28/16)	4.74%	6.66%
Sharpe Ratio		0.66

Upside/Downside <sup>5</sup>	
Upside	19%
Downside	51%
Months Up	62
Months Dn	29

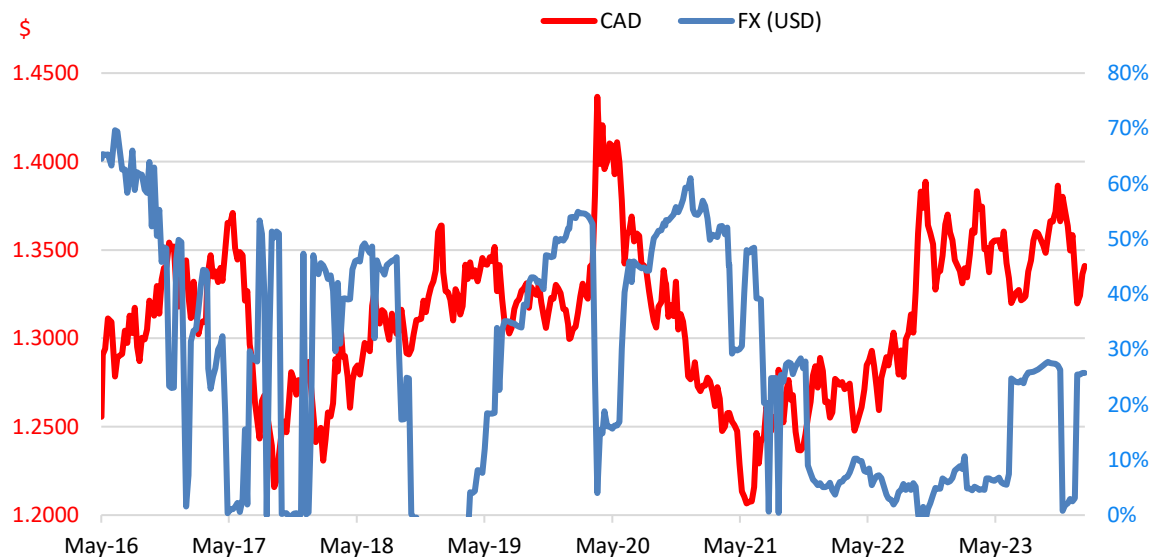


**PRO-EYEs Indicators**

The overall PRO-EYEs factors suggest that we are in a very high risk position and we should have maximum defense in portfolios. The core portfolio beta is 87.6%. The degree of delta protection is -50% while the value of beta protection is 68% of the portfolio. The weighted average cap is: 5200. The weighted average collar is: 4700. The weighted average floor is: 0.

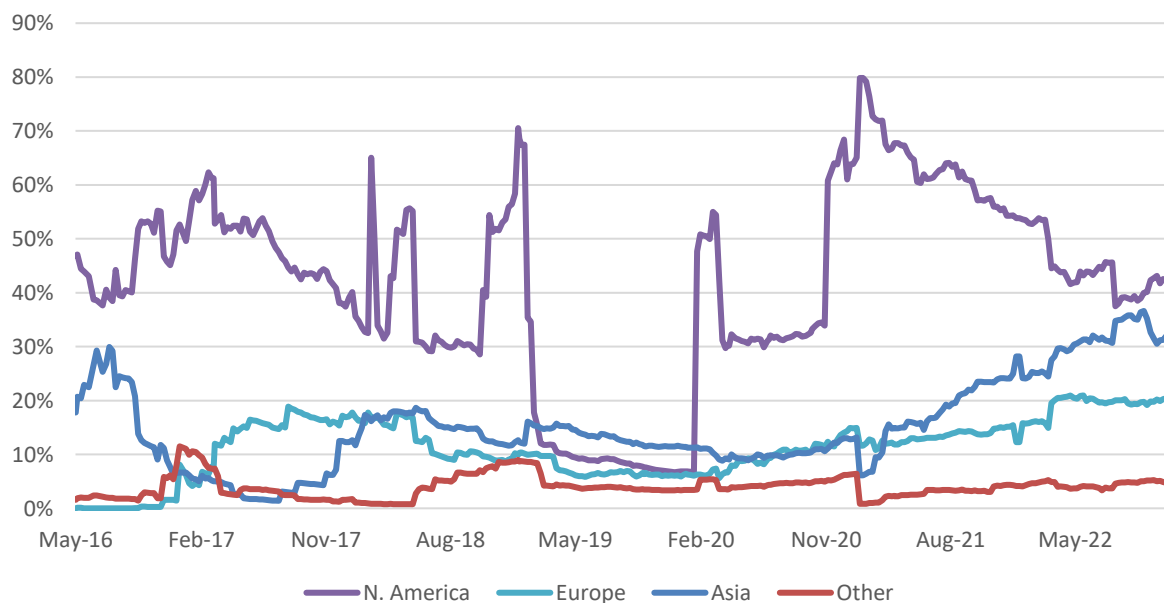
## Tactical Asset Allocation

### Tactical FX Exposure (USD): 25.8%



Generally in a risk-off mode we will have some or full exposure to the US Dollar and be hedged against EAFE and EM currencies (where possible). We currently have about half our non-US international exposure hedged, while we have about 25% exposure to the US Dollar.

### Tactical Regional Exposure



We have had a structural overweight exposure to the North America and specifically to the US market for a long period. In recent years, extreme valuation in US markets has seen that exposure drift lower into Europe and Asia (EM). Other exposure is primarily Central and South America. Despite valuation concerns, the US is still the best dirty shirt in the laundry and holds some of the most profitable companies globally.

This commentary is intended for information purposes only. This update has been prepared by ETF Capital Management, the portfolio manager of BMO Tactical Global Growth ETF Fund and represents their assessment at the time of publication. The views are subject to change without notice as markets change over time. The information contained herein is not, and should not be construed as, investment advice to any party. Investments should be evaluated relative to the individual's investment objectives and professional advice should be obtained with respect to any circumstance. Any statement that necessarily depends on future events may be a forward-looking statement. This material may contain forward-looking statements. "Forward-looking statements," can be identified by the use of forward-looking terminology such as "may", "should", "expect", "anticipate", "outlook", "project", "estimate", "intend", "continue" or "believe" or the negatives thereof, or variations thereon, or other comparable terminology. Investors are cautioned not to place undue reliance on such statements, as actual results could differ materially due to various risks and uncertainties. 1 The benchmark is the return of the targeted portfolio. 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. 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. Commissions, trailing commissions (if applicable), management fees and expenses all may be associated with mutual fund investments. Please read the fund facts or prospectus of the relevant mutual fund before investing. The indicated rates of return are the historical annual compounded total returns for the period indicated including changes in unit value and reinvestment of all distributions and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Distributions are not guaranteed and are subject to change and/or elimination. For a summary of the risks of an investment in BMO Mutual Funds, please see the specific risks set out in the prospectus. BMO Mutual Funds are managed by BMO Investments Inc., which is an investment fund manager and a separate legal entity from Bank of Montreal. ®/™Registered trade-marks/trade-mark of Bank of Montreal, used under licence.

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