



BMO Tactical Global Growth ETF Fund

Core Tactical/Strategic Portfolio Outlook/Adjustments

The average stock in the US market is down in 2023 as can be seen in the equal weight Russell 1000 and 2000 indexes relative to the market cap weighted Total US Market ETF (VTI) and the Total World ETF (VT). The underperformance in equal weight is significant and represents an opportunity. This week after the NVDA rally we swapped half our S&P 500 market cap exposure (ZUE) back to RSP (equal weight exposure. Recall, we held RSP for most of 2022 and moved to market cap weight back in the fall when technology valuation was much better.

Macro Market Strategy

We think this is a very two-way market for the next few quarters with a bearish tilt. QT should start to weigh on risk premiums going forward, but there is massive cash balances sitting in the RRP to offset a significant impact. The FOMC's more aggressive path (higher for longer) is now facing some systemic risks as the rapid rate hikes that have impacted bank balance sheets have tightened financial conditions. We expect the FOMC to raise rates 25 bps at the May meeting and suggest more may be needed and that they remain data dependent. There are indications that the economy is weakening and the FOMC's own staff believe a recession is likely later in 2023. This does not mean they will ease until financial conditions tighten enough to remove the risk of inflation expectations increasing. We think this means economic pain in the labour markets, which we have not seen yet. "Gradually and then suddenly." Hemingway 1926.

PRO-EYEs Indicators

Risk Level Low-Med

The core portfolio beta is 87.8%. The degree of delta protection is -57% while the value of beta protection is 5%. The weighted average cap is: 4400. The weighted average collar is: 4100. The weighted average floor is: 0.

The tactical PRO-EYEs factor suggests that while some caution is still warranted on business cycle and valuation and that we are likely in a bear market cycle, the tactical component suggests lots of two-way opportunity is likely. The February and March weakness has moved the tactical component to oversold levels.

Performance Metrics (A-Series) as of (05/26/23)

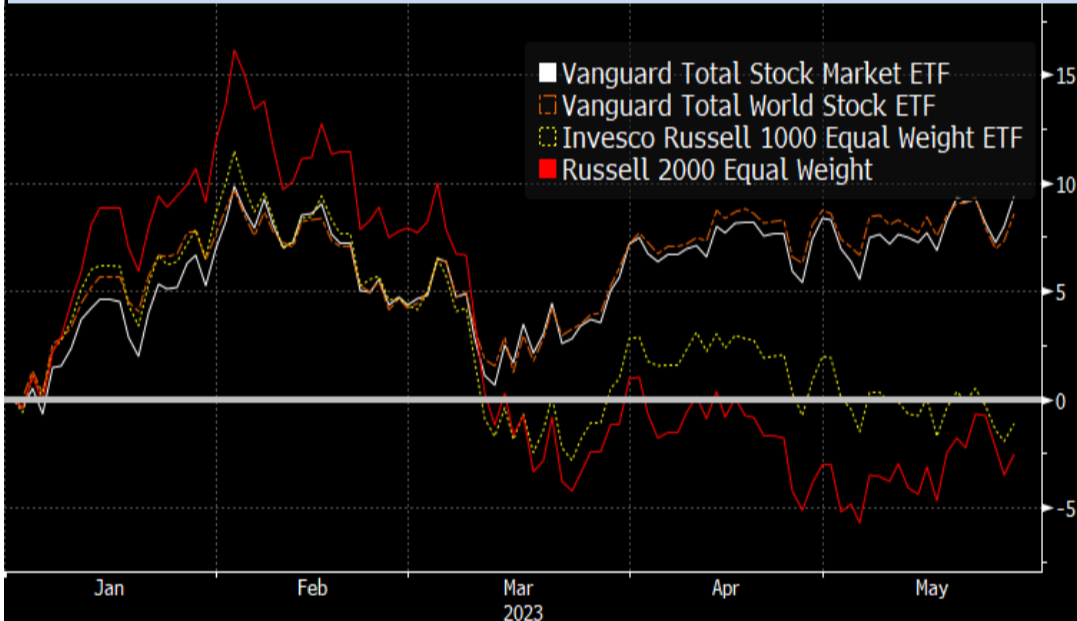
Total Return	Net	Gross	Upside/Downside ⁵	
YTD	3.20%	3.95%	Upside	22%
Prev. Qtr.	0.23%	0.70%	Downside	33%
Prev. Year	3.94%	5.86%	Months Up	58
Since Inception	38.92%	51.89%	Months Dn	25
Ann. SI (04/28/16)	4.74%	6.66%		
Sharpe Ratio		0.64		

Fund Codes: Advisor BMO99762; F-Class BMO95762

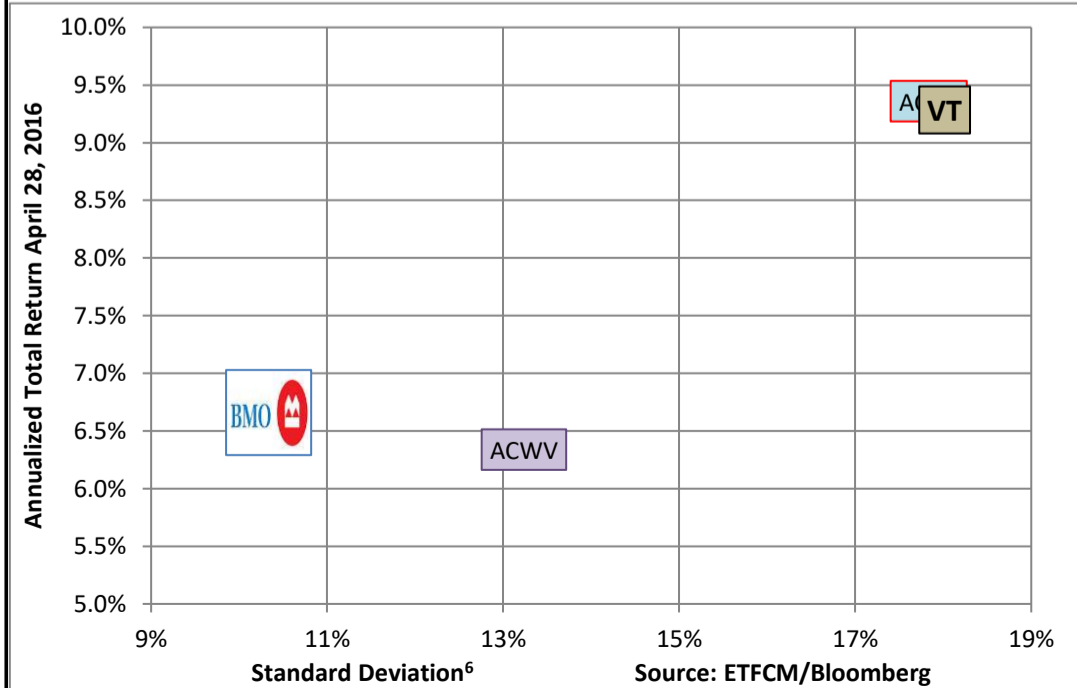
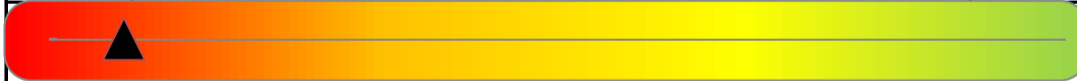
Top Holdings

Ticker	Name	Position
ZDM	BMO MSCI EAFE Hedged to CAD Index ETF	18.7%
ZEM	BMO MSCI Emerging Markets Index ETF	10.8%
ZUE	BMO S&P 500 Hedged to CAD Index ETF	9.7%
RSP	Invesco S&P 500 Equal Weight ETF	9.6%
ZUT	BMO Equal Weight Utilities Index ETF	7.1%
KWEB	KraneShares CSI China Internet ETF	4.0%
XBI	SPDR S&P Biotech ETF	3.5%
CIBR	First Trust NASDAQ Cybersecurity ETF	3.5%
FLGB	Franklin FTSE United Kingdom ETF	3.3%
URA	Global X Uranium ETF	2.9%
XLP	Consumer Staples Select Sector SPDR Fund	2.8%
ZCLN	BMO Clean Energy Index ETF	2.4%
FLIN	Franklin FTSE India ETF	2.3%
FLJH	Franklin FTSE Japan Hedged ETF	2.1%
BOTZ	Global X Robotics & Artificial Intelligence ETF	2.0%
FINX	Global X FinTech ETF	2.0%
EIDO	iShares MSCI Indonesia ETF	1.8%
GDX	VanEck Gold Miners ETF/USA	1.6%
VNM	VanEck Vietnam ETF	1.6%
FLBR	Franklin FTSE Brazil ETF	1.5%

Chart of the Week



Defense Core Portfolio Beta: 87.8% **Offense**

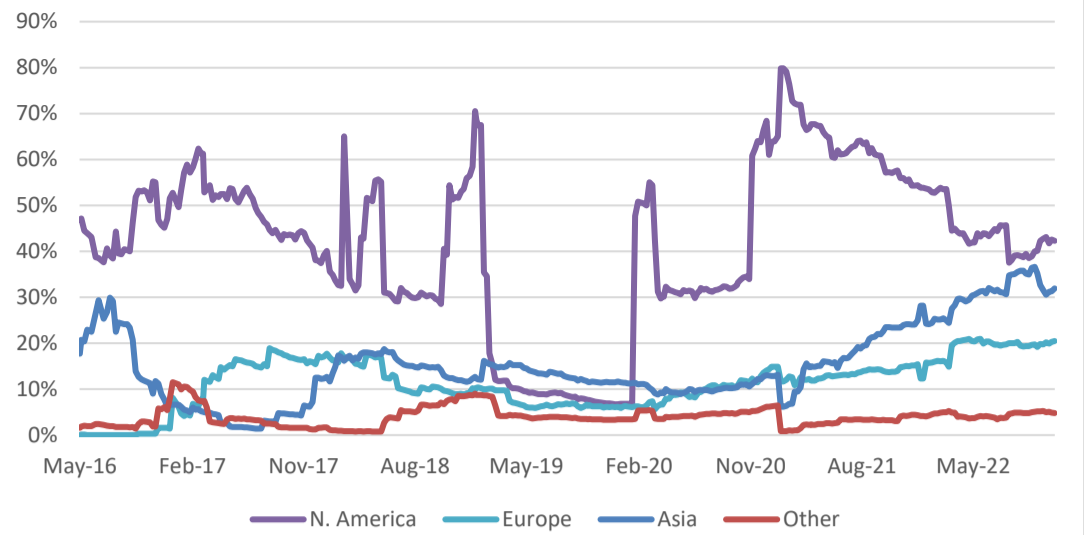


Tactical Asset Allocation

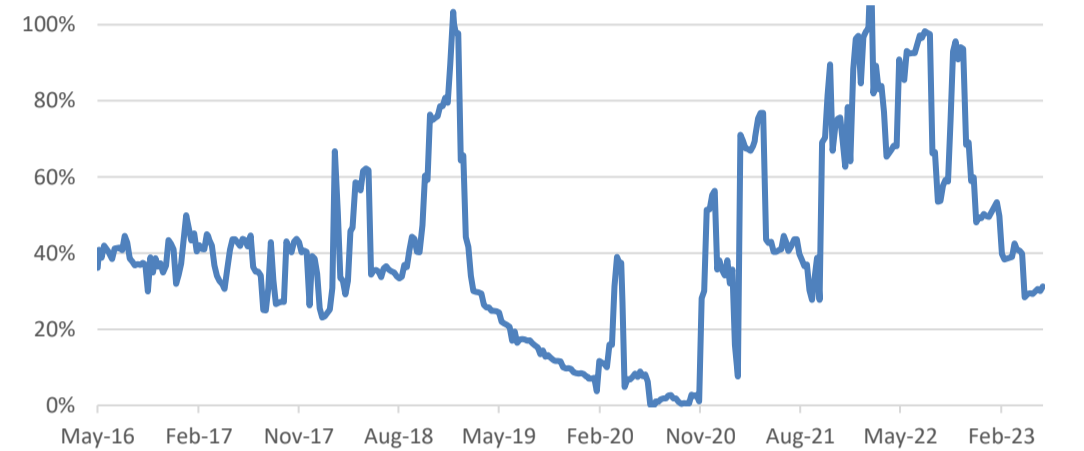
Equity	N. America	Europe	Asia	Other
05/26/23	45.1%	18.2%	31.6%	4.3%
05/19/23	45.0%	18.1%	31.1%	4.2%
Change	0.1%	0.1%	0.4%	0.1%

Sector	05/26/23	05/19/23	Change	BM
Basic Materials	7.50%	7.39%	0.1%	4.3%
Communications	9.36%	9.86%	-0.5%	10.1%
Consumer, Cyclical	8.57%	8.16%	0.4%	10.6%
Consumer, Non-cyclical	21.58%	21.34%	0.2%	20.9%
Energy	5.06%	4.98%	0.1%	5.2%
Financial	14.64%	14.18%	0.5%	17.3%
Government	0.36%	0.37%	0.0%	17.3%
Industrial	9.96%	9.31%	0.7%	10.7%
Technology	11.75%	12.78%	-1.0%	17.9%
Utilities	10.34%	10.07%	0.3%	2.9%

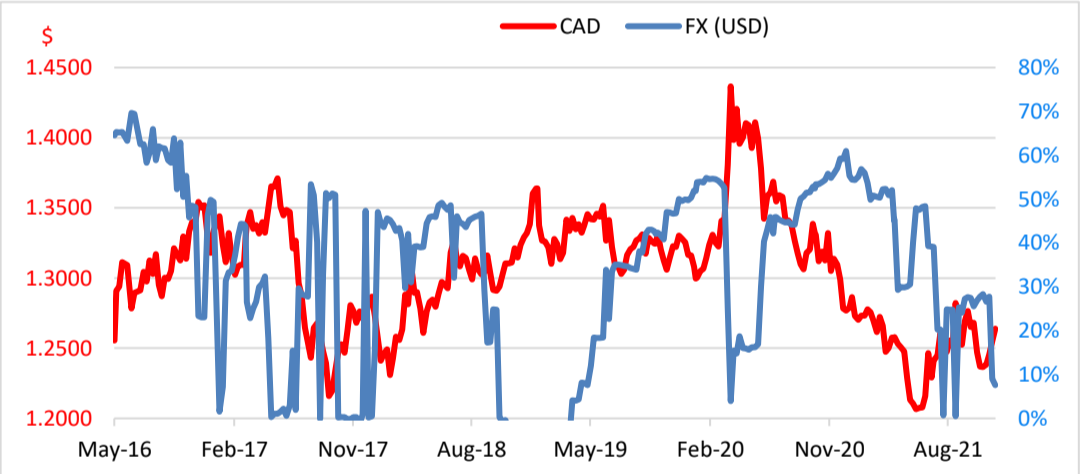
As of: May 26 2023	05/26/23	05/19/23	Change
FX (USD)	5.6%	5.9%	-0.3%
Beta ²	87.8%	85.3%	2.5%
Protection (Delta)	-56.5%	-55.3%	-1.2%
Correlation	69.5%	68.8%	0.7%
Yield ³	2.43%	2.36%	0.07%
ETF Holdings	25	24	1
Volatility ⁴	10.33%	10.36%	-0.03%
CAD	1.3605	1.3505	0.7%



Net Beta (Core - Protection): 31.2%



Tactical FX Exposure (USD)



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