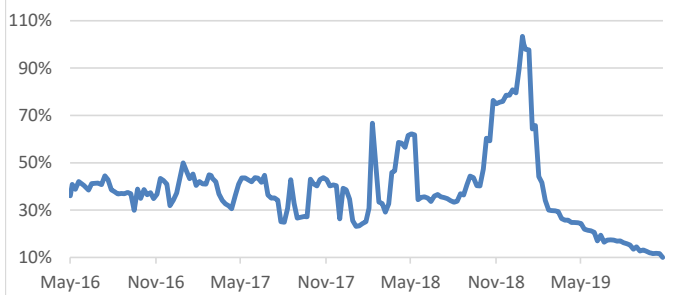


BMO Tactical Global Growth ETF Fund

Defense BETA SCORE Offense



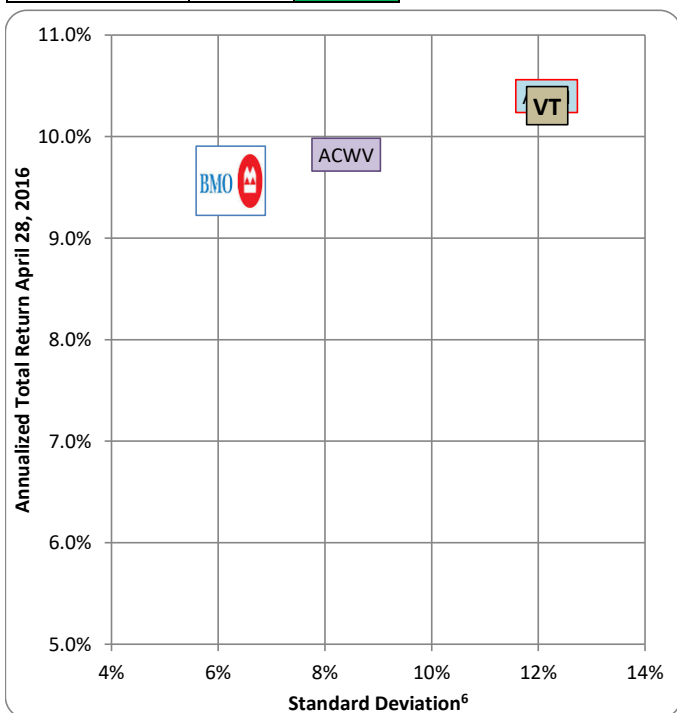
Beta (risk) Metrics



As of: Oct 25 2019	10/25/19	10/18/19	Change
FX (USD)	47.1%	40.9%	6.2%
Beta ²	10.0%	11.6%	-1.6%
Correlation	15.0%	12.9%	2.1%
Yield ³	3.08%	3.03%	0.05%
ETF Holdings	16	16	0
Volatility ⁴	6.23%	6.25%	-0.02%
CAD	1.3058	1.3127	-0.5%

Performance Metrics

Total Return	Net	Gross	Upside/Downside ⁵	
YTD	10.75%	12.26%	Upside	40%
Prev. Qtr.	-0.19%	0.29%	Downside	21%
Prev. Year	7.32%	9.24%	Months Up	31
Since Inception	29.57%	35.98%	Months Dn	10
Annualized SI	7.65%	9.57%		
Sharpe Ratio		1.54		



Market Strategy (Risk Management)

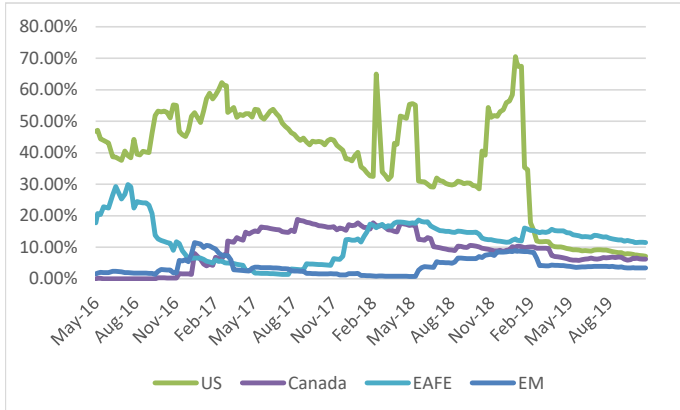
DEFENSE: The current beta is 10.0% vs. the benchmark of 100% down from 11.6% last week. The global equity market is so grossly mispriced for risk, we are of the mindset to continue to reduce portfolio risk. Beta in the portfolio is the lowest level since we began running ETF portfolios in 2007. And in our 33 years of analyzing and observing markets, we have not seen such a risk-return skew. We do not know when it will break, but when it does, look out. We are in capital preservation mode with an eye to find growth potential. Gold, duration, currency exposures are all areas of growth in the environment we see developing. The biggest developing risk is Elizabeth Warren and the political shift to the far LEFT. The FOMC will cut rates again this week with the US at full employment--NOTHING HEALTHY OR NORMAL HERE.

Top Holdings

Ticker	Name	Position
ZST	BMO Ultra Short-Term Bond ETF	34.2%
SHV	iShares Short Treasury Bond ETF	19.0%
EMLC	VanEck Vectors J.P. Morgan EM Local Currency Bond ETF	7.7%
ZGD	BMO Equal Weight Global Gold Index ETF	6.8%
TLT	iShares 20+ Year Treasury Bond ETF	6.1%
ZWP	BMO Europe High Dividend Covered Call ETF	5.8%
EWUS	iShares MSCI United Kingdom Small-Cap ETF	3.0%
AMPLP	Alerian MLP ETF	2.6%
DXJ	WisdomTree Japan Hedged Equity Fund	2.5%
IYZ	iShares US Telecommunications ETF	2.3%
ZPW	BMO US Put Write ETF	1.4%
ZWC	BMO Canadian High Dividend Covered Call ETF	1.4%
EWV	iShares MSCI Mexico ETF	0.8%
BRF	VanEck Vectors Brazil Small-Cap ETF	0.7%
EIDO	iShares MSCI Indonesia ETF	0.6%
INDA	iShares MSCI India ETF	0.3%
ZLI	BMO Low Volatility International Equity ETF	0.1%
Total		95.4%

Tactical Asset Allocation

Equity	US	Canada	EAFE	EM
10/25/19	7.2%	6.3%	11.5%	3.4%
10/18/19	7.3%	6.2%	11.6%	3.4%
Change	-0.1%	0.0%	-0.1%	0.0%



Sector	10/25/19	10/18/19	Change
Financials	2.93%	2.96%	0.0%
Energy	3.85%	3.93%	-0.1%
Health Care	1.70%	1.71%	0.0%
Technology	1.00%	1.01%	0.0%
Industrials	2.47%	2.49%	0.0%
Discretionary	2.41%	2.43%	0.0%
Real Estate	0.37%	0.38%	0.0%
Staples	1.68%	1.69%	0.0%
Telecom	3.11%	3.17%	-0.1%
Utilities	0.49%	0.50%	0.0%
Materials	8.34%	8.28%	0.1%
Government	32.61%	27.24%	5.4%
Corporate	34.49%	34.86%	-0.4%
C\$ Cash	3.46%	9.21%	-5.7%
U\$ Cash	1.09%	0.16%	0.9%
Preferred	0.00%	0.00%	0.0%
Commodity	0.00%	0.00%	0.0%

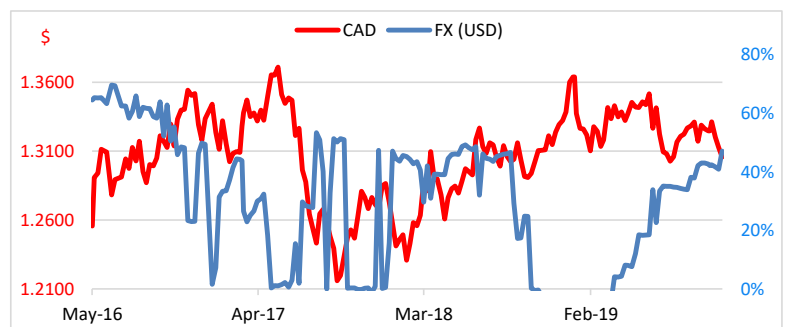
Bonds	Corp.	Govt.	Pref.	Cash
10/25/19	34.5%	32.6%	0.0%	4.6%
10/18/19	34.9%	27.2%	0.0%	9.4%
Change	-0.4%	5.4%	0.0%	-4.8%

Equity Allocation Country/Sector Trades

Late in the cycle with the yield curve inverting, we MUST err on the side of playing defense. Globally, economic data continues to soften and we are heading into a late cycle recession bear market. There is not much in the policy toolbox to change that though the Fed has now indicated they are starting a NONE QE monetization--what sounds like a permanent balance sheet expansion. Crazy to believe that at full employment they need to add stimulus and ease conditions. Japan is cheap and has some great dividend payers. They have been the poster child for anemic growth for decades. Sadly, the US is heading in this direction along with most of the developed world and China that is rapidly aging. There are policy tools to fix the issues, but politically impossible to implement because it largely involves austerity budgets and reduction of promises (benefits) which makes it near impossible to implement. Instead, the world is politically shifting to more extreme polarizations. The nationalism of the extreme RIGHT vs. the socialism of the extreme LEFT. The Trump experience is likely to shift the US to the extreme LEFT and polarization will most likely intensify. Wall Street is not ready for it. It will not likely be good for growth or valuations. Still, parts of the world of EM, Japan, UK assets have some relative value and good dividend payers. Lot's of places to play defence and generate some growth while this all plays out.

Fixed-Income/Currency/Commodity Strategy & Trades

It is clear to us that we are heading for a recession and a sluggish growth environment. Historically, bonds and duration will play an increasing role in portfolio construction and capital preservation. We have started to nibble at Emerging Market Local currency government debt (EMLC) as well as long duration in USTs (TLT) on weakness. This is a growth at a reasonable price portfolio and we will increasingly seek to grow the portfolio with duration exposure. As the Fed looks to cut rates, gold (and gold equity) exposure should provide some growth as well. A weaker US dollar trend will see us shift assets to higher yielding currencies as well. Emerging market local currency debt seems particularly attractive. As for the C\$, we see it below 70 cents at the trough of the next recession and it should struggle to hold above 76 cents with Canada looking a bit better--for now. We look to more actively tactically adjust currency exposure with a bias to be longer the RISK-OFF US\$.



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1 Benchmark is the return of the targeted portfolio 100% global equities hedged to Canadian dollars; 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 licence. 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.