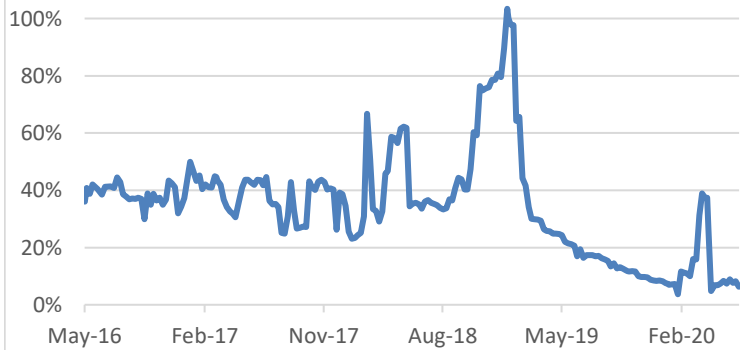


# BMO Tactical Global Growth ETF Fund

Defense BETA SCORE Offense



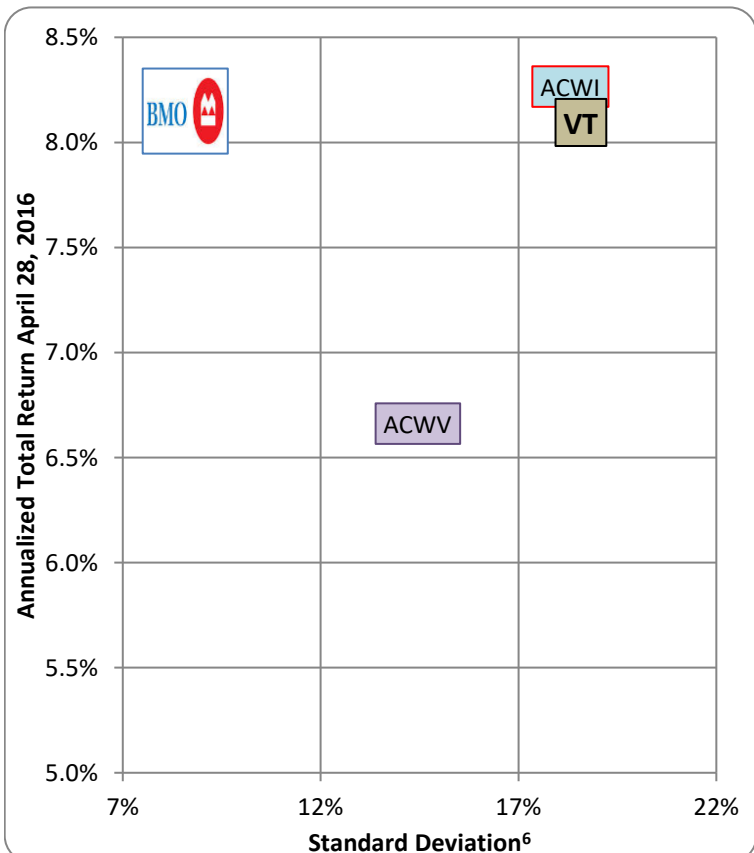
### Beta (risk) Metrics



As of: Jun 12 2020	06/12/20	06/05/20	Change
FX (USD)	43.1%	40.3%	2.8%
Beta <sup>2</sup>	6.3%	8.2%	-1.9%
Correlation	9.9%	9.8%	0.1%
Yield <sup>3</sup>	3.80%	3.72%	0.08%
ETF Holdings	19	19	0
Volatility <sup>4</sup>	8.58%	8.56%	0.02%
CAD	1.3589	1.3422	1.2%

### Performance Metrics

Total Return	Net	Gross	Upside/Downside <sup>5</sup>	
YTD	-1.92%	-1.08%	Upside	31%
Prev. Qtr.	4.73%	5.20%	Downside	25%
Prev. Year	0.45%	2.37%	Months Up	36
Since Inception	28.48%	36.06%	Months Dn	13
Annualized SI	6.23%	8.15%		
Sharpe Ratio		0.95		



### Market Strategy (Risk Management)

**DEFENSE:** The current beta is 6.3% vs. the benchmark of 100% down from 8.2% last week. Treasury Secretary Mnuchin said this week, as the markets were tumbling, like they last did in early to mid March, that we are not going to shut the economy down again (click the link if you want to watch it). I would agree, the complete shut in was a bad idea. Bad ideas often happen when you are not prepared. The WHO, the US, the world, was not prepared for the pandemic. We are now faced with only really bad choices. The least bad option, who dies? I'm a free market libertarian (for the most part). Probably like this woman in the inset picture next to Minuchin below. Except she's probably going to kill someone she may love or may not even know--I choose to save lives and be a little inconvenienced. There are no really good choices left with COVID-19. It's exploding in the southern hemisphere. It has crushed the world-it will not be the same for a long time. The Fed thinks a few more years from what Powell said this week. I'll prepare for the over and hope for the under. Graham and Dodd taught me one thing, buying intrinsic value gives you protection. There is little of that right now except in gold equities. Everything else is FOMO expensive. We bought more "flight-to-safety" US\$ (1.3333) last week as Powell was telling us how great the Fed was and how they are mostly out of bullets except for printing money.

### Top Holdings

Ticker	Name	Position
ZPAY	BMO Premium Yield ETF	25.3%
EMLC	VanEck Vectors J.P. Morgan EM Local Currency Bond ETF	11.0%
ZGD	BMO Equal Weight Global Gold Index ETF	10.2%
ZWE	BMO Europe High Dividend Covered Call Hedged to CAD ETF	4.7%
XLE	Energy Select Sector SPDR Fund	3.1%
EWUS	iShares MSCI United Kingdom Small-Cap ETF	2.4%
DXJ	WisdomTree Japan Hedged Equity Fund	2.2%
GLD	SPDR Gold Shares	2.0%
AMLP	Alerian MLP ETF	1.6%
ZWC	BMO Canadian High Dividend Covered Call ETF	1.1%
VNM	Vanek Vectors Vietnam ETF	1.0%
ZMT	BMO Equal Weight Global Base Metals Hedged to CAD Index ETF	0.9%
EWV	iShares MSCI Mexico ETF	0.6%
BRF	VanEck Vectors Brazil Small-Cap ETF	0.5%
EIDO	iShares MSCI Indonesia ETF	0.4%
INDA	iShares MSCI India ETF	0.2%
ZLI	BMO Low Volatility International Equity ETF	0.1%
SPY 06	SPDR S&P 500 ETF Trust SPY 06/19/20 P250	0.0%
SPY 06	SPDR S&P 500 ETF Trust SPY 06/19/20 P260	0.0%
SPY 12	SPDR S&P 500 ETF Trust SPY 12/18/20 C276	-0.4%
SPY 12	SPDR S&P 500 ETF Trust SPY 12/18/20 C265	-3.8%
<b>Total</b>		<b>63.0%</b>

**VIDEO 02:09**  
**Treasury Secretary Steven Mnuchin: 'We can't shut down the economy again'**

# Chart(s) of The Week

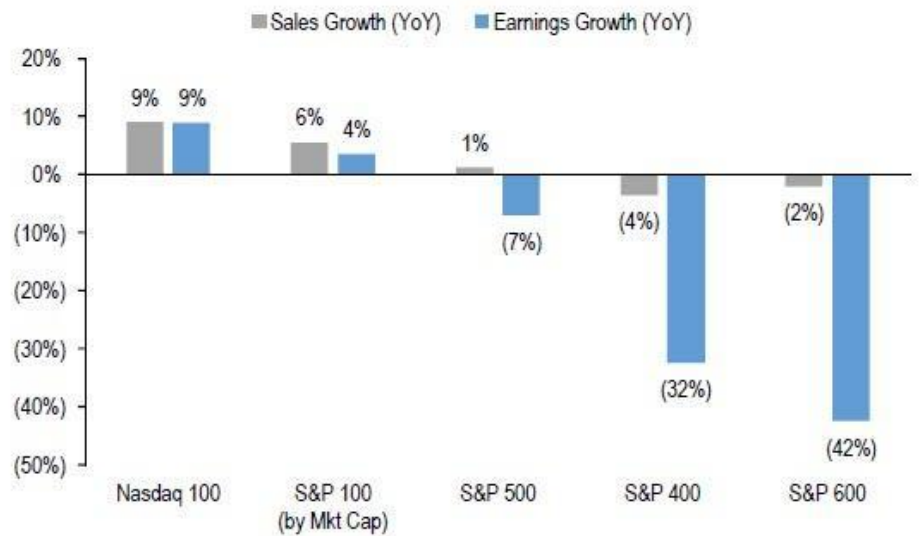
Tech Earnings Have Outstripped Those of the Global Market. We Now See Technology Earnings Shifting into More Sectors, as the Pace of Digitalization Intensifies



Data as at April 30, 2020. Source: Datastream, I/B/E/S, Goldman Sachs Global Investment Research.

Figure 14: Bifurcation in Earnings by Size

Nasdaq 100, S&P 100 Mega-caps, Small/Mid-caps (ex-Financials)

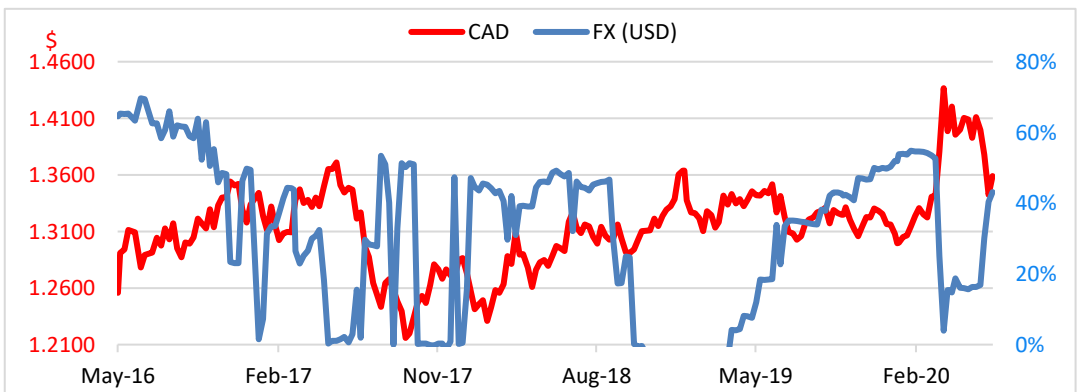
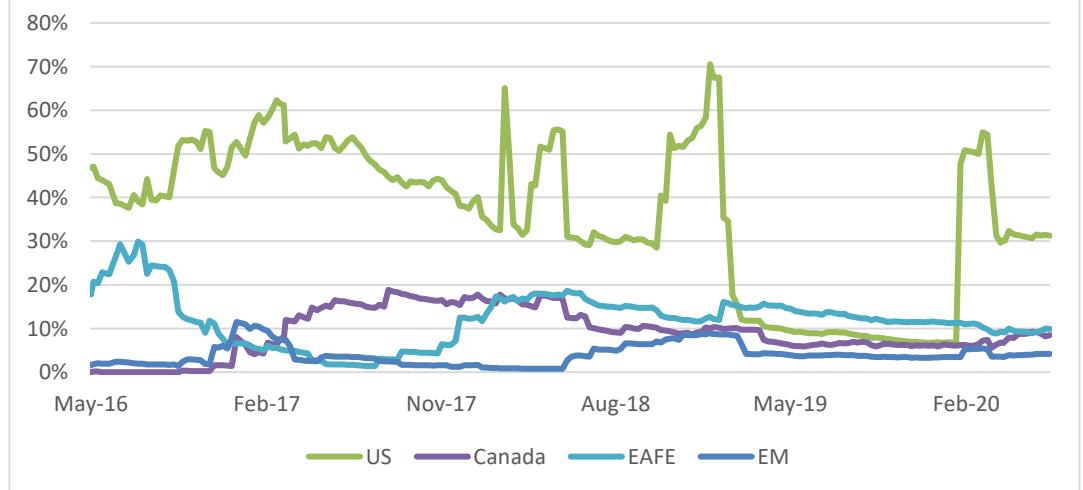


Source: J.P. Morgan US Equity Strategy and Global Quantitative Research, Factset

## Tactical Asset Allocation

Equity	US	Canada	EAFE	EM
06/12/20	31.3%	8.5%	9.9%	4.2%
06/05/20	31.5%	8.3%	10.0%	4.2%
Change	-0.1%	0.2%	-0.1%	0.0%

Sector	06/12/20	06/05/20	Change
Financials	-0.24%	-0.08%	-0.2%
Energy	5.53%	5.98%	-0.4%
Health Care	5.67%	5.64%	0.0%
Technology	9.91%	9.89%	0.0%
Industrials	4.87%	4.87%	0.0%
Discretionary	4.54%	4.54%	0.0%
Real Estate	0.77%	0.78%	0.0%
Staples	5.19%	5.17%	0.0%
Telecom	1.79%	1.79%	0.0%
Utilities	0.44%	0.45%	0.0%
Materials	11.54%	11.18%	0.4%
Government	10.60%	10.39%	0.2%
Corporate	0.38%	0.38%	0.0%
C\$ Cash	41.09%	44.02%	-2.9%
U\$ Cash	-4.14%	-6.89%	2.7%
Preferred	0.00%	0.00%	0.0%
Commodity	2.02%	1.90%	0.1%



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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 license. 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.