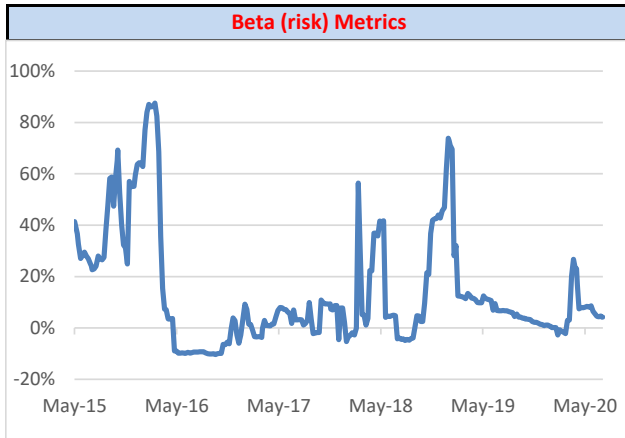


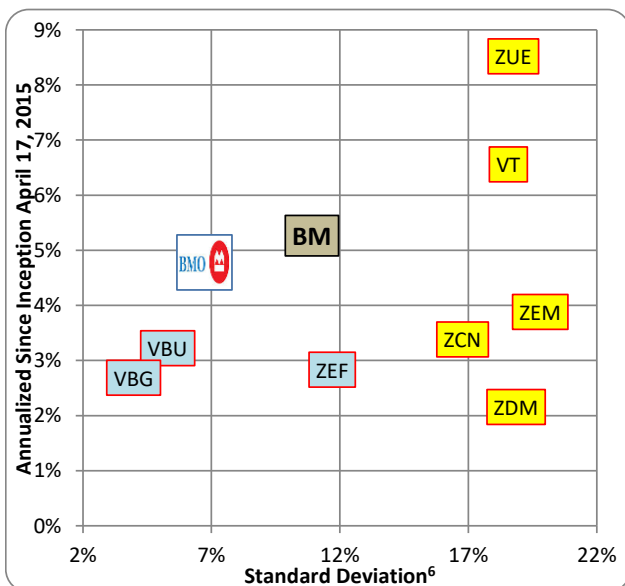
# BMO Tactical Balanced ETF Fund Highlights

Defense BETA SCORE Offense



As of: 07/03/20	07/03/20	06/30/20	Change
FX (USD)	46.4%	46.4%	-0.1%
Beta <sup>2</sup>	4.2%	4.2%	0.0%
Correlation	24.7%	24.8%	-0.1%
Yield <sup>3</sup>	3.40%	3.40%	0.00%
ETF Holdings	15	15	0
Volatility <sup>4</sup>	6.73%	6.74%	0.00%
CAD	1.3547	1.3576	-0.2%

Performance Metrics				
Total Return	Net	Gross	Up/Downside <sup>5</sup>	
YTD	2.03%	2.98%	Upside	17%
Prev. Month	0.37%	0.53%	Down	2%
Prev. Quarter	4.07%	4.55%	Mths Up	39
Prev. Year	2.58%	4.50%	Mths Dn	24
Annualized SI	2.86%	4.78%		
Sharpe Ratio	0.71			

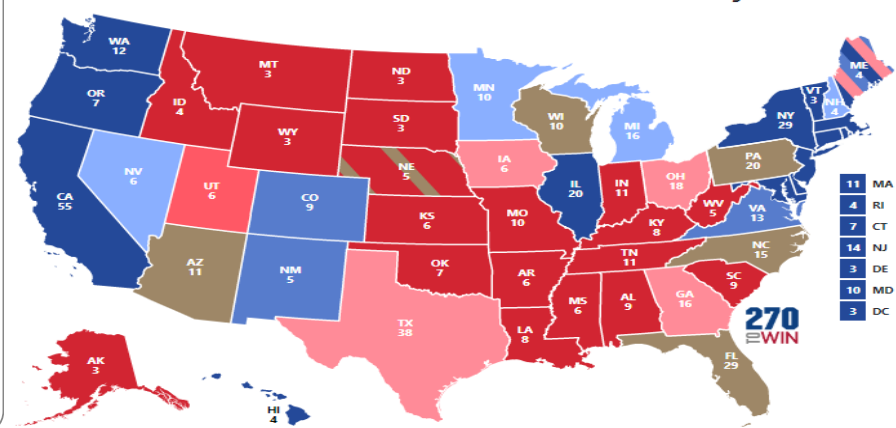
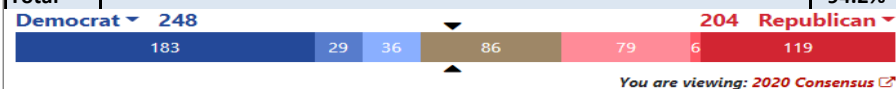


## Market Strategy (Risk Management)

DEFENSE: The current beta is 4.2% vs. the benchmark of 59.7% down from 4.2% last week. In a major upset, five-term incumbent Rep. Scott Tipton was defeated by restaurateur Lauren Boebert in the GOP primary for Colorado's 3rd congressional district. People are voting for change all over the world. However, in Russia and China, centralized governments, recent referendums forced people to vote away term limits for party leaders. We do not think Trump will ever be on Mount Rushmore other than on vacation again, while the thought of 4 more years is unsettling at best. The persistent refusal to wear masks from his loyal base is so revolting it saddens me. Make no mistake, I'm no supporter of the political Left and bigger centralized governments, but it seems the more largess there is, the closer we move to the LEFT. Taxes will go up significantly under Biden to pay for decades of broken promises. Trump supporters are dropping off and we cracked the cover on Bolton's book this week. Nothing is too surprising in the book. The confirmation that he's seat of the pants is staggering when you think about the damage he's done to the Swamp world. Geopolitical risk and extreme equity valuation is not an environment to be encouraged. Buy what the Fed is buying is a horrible reason to like the market. Earnings season carries lots of risks. More bifurcation to be sure. What's working gets bid, and what isn't should get hit pretty hard.

## Top Holdings

Ticker	Name	Position
ZST	BMO Ultra Short-Term Bond ETF	40.5%
ZPAY	BMO Premium Yield ETF	15.2%
EMLC	VanEck Vectors J.P. Morgan EM Local Currency Bond ETF	12.0%
BWZ	SPDR Bloomberg Barclays Short Term International Treasury Bond ETF	9.4%
ZGD	BMO Equal Weight Global Gold Index ETF	6.5%
ZPR	BMO Laddered Preferred Share Index ETF	3.2%
GLD	SPDR Gold Shares	2.5%
XLE	Energy Select Sector SPDR Fund	1.2%
SPY 12	SPDR S&P 500 ETF Trust SPY 12/18/20 P309	1.0%
ZWU	BMO Covered Call Utilities ETF	0.8%
AMLP	Alerian MLP ETF	0.7%
ZWC	BMO Canadian High Dividend Covered Call ETF	0.7%
GDX	VanEck Vectors Gold Miners ETF	0.6%
ZUP	BMO US Preferred Share Index ETF	0.4%
ZRR	BMO Real Return Bond Index ETF	0.3%
SPY 12	SPDR S&P 500 ETF Trust SPY 12/18/20 C309	-0.8%
<b>Total</b>		<b>94.2%</b>



## Chart(s) of The Week

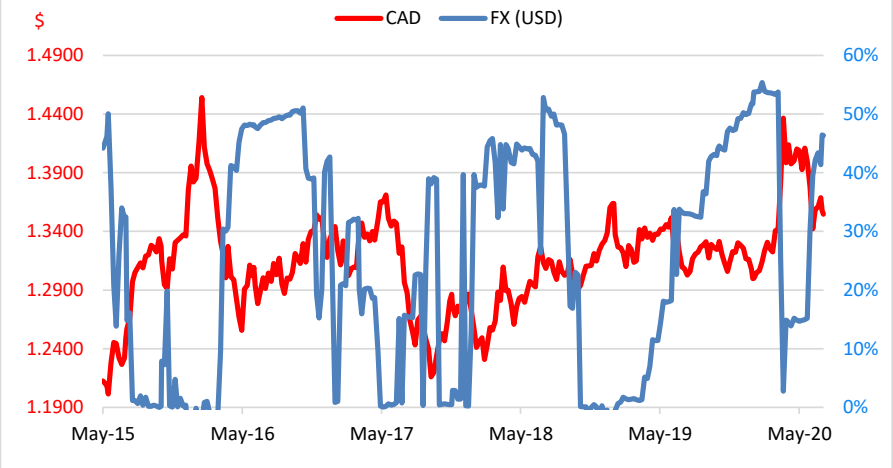
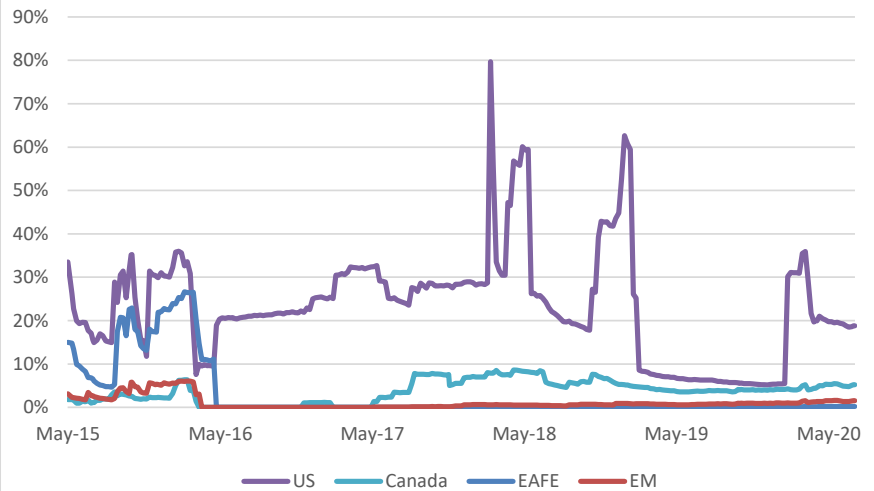


## Tactical Asset Allocation

Equity	US	Canada	EAFE	EM
07/03/20	18.8%	5.2%	0.2%	1.5%
06/30/20	18.8%	5.2%	0.2%	1.5%
Change	0.0%	0.0%	0.0%	0.0%

Bonds	Corp.	Govt.	Pref.	Cash	Duration
07/03/20	40.9%	21.4%	3.6%	5.8%	1.82
06/30/20	40.9%	21.4%	3.6%	5.7%	1.83
Change	0.0%	0.0%	0.0%	0.1%	-0.01

Sector	07/03/20	06/30/20	Change
Financials	1.15%	1.15%	0.0%
Energy	2.36%	2.36%	0.0%
Health Care	2.67%	2.67%	0.0%
Technology	5.09%	5.10%	0.0%
Industrials	1.76%	1.76%	0.0%
Discretionary	1.64%	1.64%	0.0%
Real Estate	0.20%	0.20%	0.0%
Staples	2.25%	2.25%	0.0%
Telecom	1.00%	1.00%	0.0%
Utilities	0.36%	0.36%	0.0%
Materials	7.23%	7.30%	-0.1%
Government	21.35%	21.38%	0.0%
Corporate	40.92%	40.88%	0.0%
C\$ Cash	3.62%	3.54%	0.1%
U\$ Cash	2.18%	2.19%	0.0%
Preferred	3.57%	3.57%	0.0%
Commodity	2.47%	2.47%	0.0%



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1 Benchmark is the return of the targeted portfolio 60% global equities and 40% global bonds 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.

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