

# BMO Tactical Global Growth ETF Fund

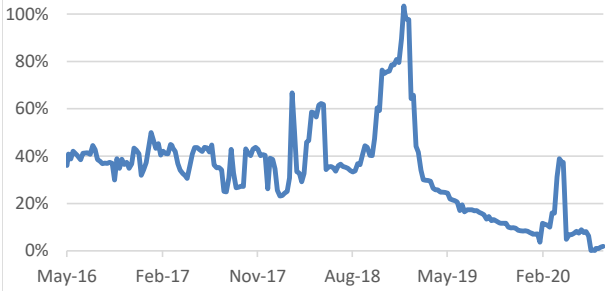
Defense

BETA SCORE

Offense



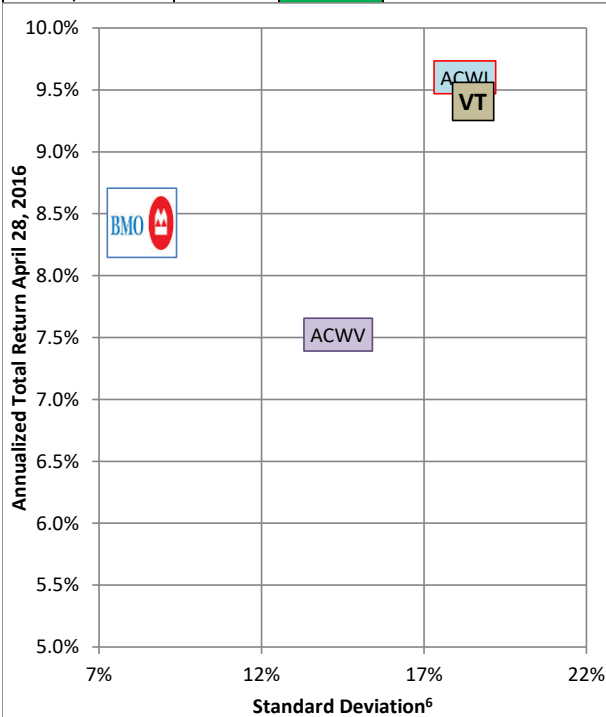
Beta (risk) Metrics



As of: Jul 24 2020	07/24/20	07/17/20	Change
FX (USD)	44.7%	45.0%	-0.3%
Beta <sup>2</sup>	1.9%	1.6%	0.3%
Correlation	26.6%	26.9%	-0.4%
Yield <sup>3</sup>	4.13%	4.20%	-0.07%
ETF Holdings	20	20	0
Volatility <sup>4</sup>	8.32%	8.38%	-0.06%
CAD	1.3415	1.3580	-1.2%

Performance Metrics

Total Return	Net	Gross	Upside/Downside <sup>5</sup>	
YTD	-0.12%	0.93%	Upside	30%
Prev. Qtr.	2.73%	3.21%	Downside	25%
Prev. Year	0.83%	2.75%	Months Up	37
Since Inception	30.84%	38.62%	Months Dn	13
Annualized SI	6.51%	8.43%		
Sharpe Ratio		1.01		

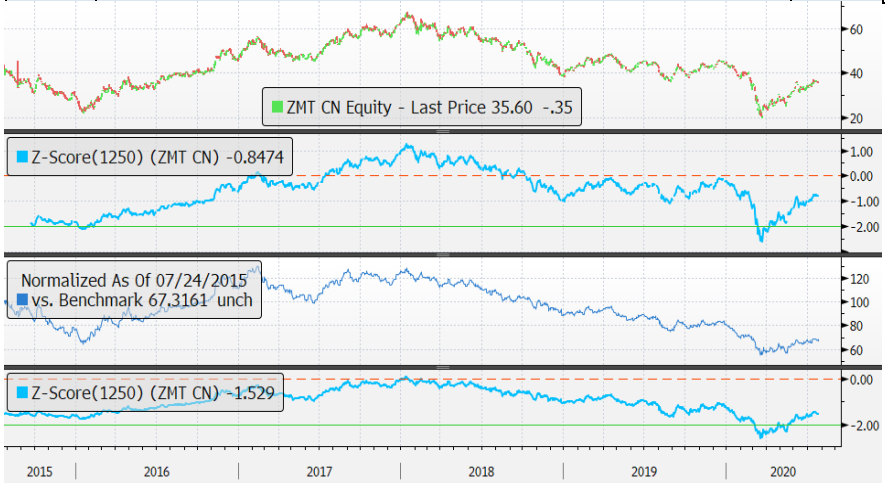


## Market Strategy (Risk Management)

**DEFENSE:** The current beta is 1.9% vs. the benchmark of 100% up from 1.6% last week. From a GARP perspective, one of the most attractive plays in the coming years has to be the inevitable infrastructure investment. Whether it is overweight green and clean or more about fixing broking stuff, it's about putting the massively unemployed back to work. And they are going to print money to pay for it...and raise taxes if the Dems are making the choices. Base metals are core to all of it. Check out the relative chart of ZMT versus world equities on page 1. It's a No brainer. In the short run, should we see another hit to global growth in the coming quarters versus the priced for perfection market, these sectors will sell off too. It will likely be a buy for 5-10 years. From a relative value perspective, the risk-reward is compelling. We also love technology, BUT it's NOT cheap, not even close. MSFT could easily give back all the YTD gains and still be expensive. BUT MSFT is a winner in the new world. We heard a funny quote this week about people paying 50x sales for human resource software. We see a bit of a reality check coming as we get closer to the US election. Anti-trust action will be significant under the Dems on large tech and pharma. The QQs are this biggest risk in the short run, probably a dip to buy after the election.

## Top Holdings

Ticker	Name	Position
ZST	BMO Ultra Short-Term Bond ETF	26.2%
ZPAY	BMO Premium Yield ETF	25.1%
ZGD	BMO Equal Weight Global Gold Index ETF	13.2%
EMLC	VanEck Vectors J.P. Morgan EM Local Currency Bond ETF	10.7%
ZWE	BMO Europe High Dividend Covered Call Hedged to CAD ETF	4.7%
XLE	Energy Select Sector SPDR Fund	2.8%
EWUS	iShares MSCI United Kingdom Small-Cap ETF	2.3%
GLD	SPDR Gold Shares	2.1%
DXJ	WisdomTree Japan Hedged Equity Fund	2.1%
SPY 12	SPDR S&P 500 ETF Trust SPY 12/18/20 P309	2.0%
AML	Alerian MLP ETF	1.4%
ZWC	BMO Canadian High Dividend Covered Call ETF	1.0%
VNM	Vanek Vectors Vietnam ETF	0.9%
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%
MJ	ETFMG Alternative Harvest 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 12	SPDR S&P 500 ETF Trust SPY 12/18/20 C309	-2.4%
<b>Total</b>		<b>95.3%</b>



## Chart(s) of The Week

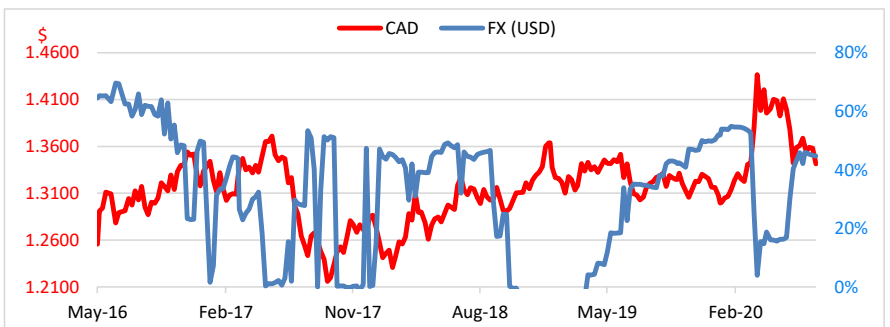
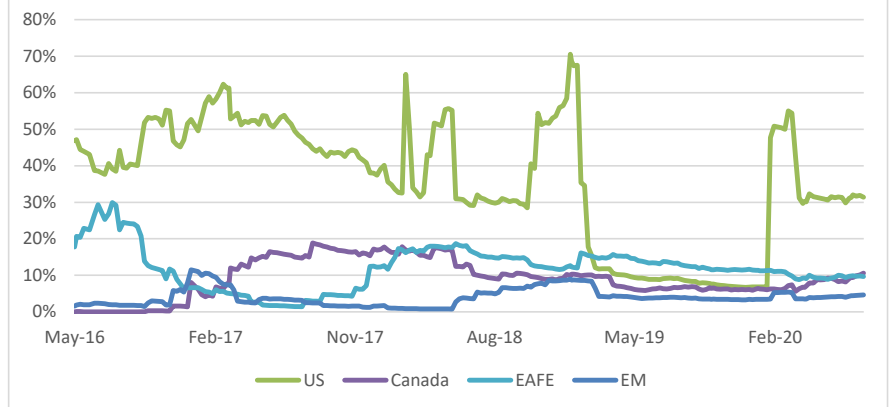
### S&P 500 Index

Periodicity	Flavor	View	Growth	Currency	USD		
Measure	Actual	Y Est	Growth	Y+1 Est	Growth	Y+2 Est	Growth
1) Earnings Per Share	136.55	126.42	-7.42%	163.01	28.95%	189.84	16.46%
2) EPS Positive	144.60	137.08	-5.20%	164.60	20.07%	190.22	15.57%
3) Cash Flow Per Share	238.71	189.91	-20.45%	241.30	27.06%	268.37	11.22%
4) Dividends Per Share	60.48	58.51	-3.25%	61.26	4.69%	65.22	6.47%
5) Book Value Per Share	958.99	924.85	-3.56%	984.38	6.44%	1068.67	8.56%
6) Sales Per Share	1556.77	1489.86	-4.30%	1606.57	7.83%	1712.58	6.60%
7) EBITDA Per Share	248.98	250.75	0.71%	296.71	18.33%	331.75	11.81%
8) Long Term Growth	0.00	6.44	0.00%	0.00	0.00%	0.00	0.00%
9) Net Debt Per Share	490.31	606.74	23.74%	575.00	-5.23%	483.19	-15.97%
10) Enterprise Value Per Share	3876.19	3917.47	1.06%	3885.70	-0.81%	3787.96	-2.52%
Valuation Measure	Actual	Y Est	Y+1 Est	Y+2 Est			
11) Price/EPS	23.55	25.44	19.73	16.94			

## Tactical Asset Allocation

Equity	US	Canada	EAFE	EM
07/24/20	31.4%	10.6%	9.7%	4.6%
07/17/20	31.9%	10.1%	9.8%	4.6%
Change	-0.5%	0.5%	-0.2%	0.1%

Sector	07/24/20	07/17/20	Change
Financials	2.19%	2.18%	0.0%
Energy	5.55%	5.57%	0.0%
Health Care	6.08%	6.23%	-0.1%
Technology	9.84%	10.06%	-0.2%
Industrials	4.85%	4.95%	-0.1%
Discretionary	4.68%	4.78%	-0.1%
Real Estate	0.76%	0.77%	0.0%
Staples	5.12%	5.23%	-0.1%
Telecom	1.93%	1.96%	0.0%
Utilities	0.65%	0.66%	0.0%
Materials	14.66%	13.97%	0.7%
Government	10.32%	10.35%	0.0%
Corporate	26.58%	26.74%	-0.2%
C\$ Cash	11.25%	11.20%	0.1%
U\$ Cash	-6.58%	-6.73%	0.1%
Preferred	0.00%	0.00%	0.0%
Commodity	2.14%	2.07%	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.