

# BMO Tactical Balanced ETF Fund Highlights

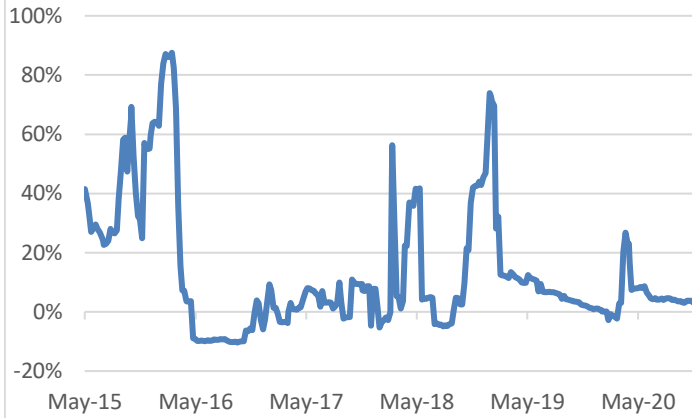
Defense

BETA SCORE

Offense



### Beta (risk) Metrics



### Market Strategy (Risk Management)

DEFENSE: The current beta is 3.1% vs. the benchmark of 59.2% down from 3.8% last week. Sleep at night balanced portfolio buy list in the coming days and weeks. EMLC on the bond side. Highest yielding sovereign debt in the world and US\$ is likely to weaken in the next few years. Europe dividends ZWP with currency exposure (for now). CHEAP!!!!!!!!!!!!!! MORE ZPAY--I LOVE this buy low/sell high yield play ETF.... some more ZPR on the dipper. And more ZWU for a value yield trade. We're selling Canada generally (ZWC). Swapping GDV for ZGD. More upside to come for mid cap golds. We raised significant cash last week (ZST). A little farther out once we get a sense of US debt supply and the yield back up, ZRR and ZTL duration and an inflation hedge.

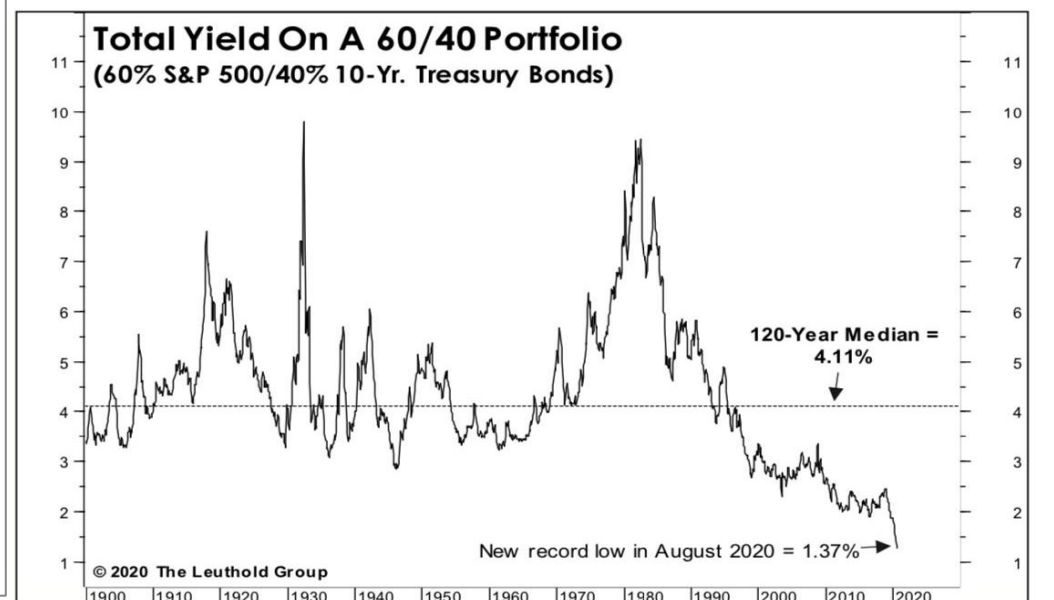
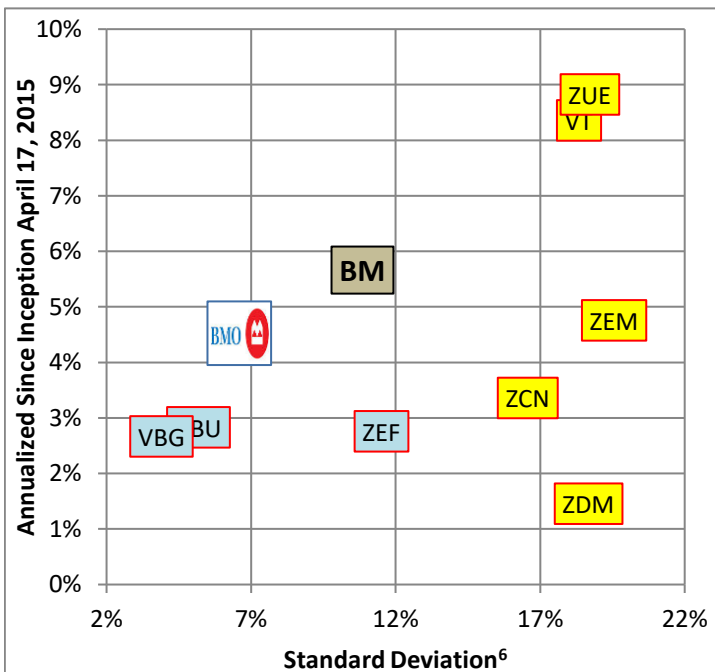
As of: 10/30/20	10/30/20	10/23/20	Change
FX (USD)	46.4%	46.1%	0.3%
Beta <sup>2</sup>	3.1%	3.8%	-0.7%
Correlation	22.5%	20.2%	2.2%
Yield <sup>3</sup>	2.92%	3.42%	-0.50%
ETF Holdings	14	15	-1
Volatility <sup>4</sup>	6.60%	6.61%	-0.01%
CAD	1.3321	1.3125	1.5%

### Performance Metrics

Total Return	Net	Gross	Up/Downside <sup>5</sup>
YTD	1.54%	3.09%	Upside 14%
Prev. Month	-0.41%	-0.25%	Down 5%
Prev. Quarter	-2.08%	-1.60%	Mths Up 41
Prev. Year	1.24%	3.16%	Mths Dn 26
Annualized SI	2.60%	4.52%	
Sharpe Ratio	0.68		

### Top Holdings

Ticker	Name	Position
ZPAY	BMO Premium Yield ETF	13.8%
EMLC	VanEck Vectors J.P. Morgan EM Local Currency Bond ETF	11.6%
ZUS/U	BMO Ultra Short-Term US Bond ETF	8.7%
ZGD	BMO Equal Weight Global Gold Index ETF	6.2%
ZPR	BMO Laddered Preferred Share Index ETF	3.2%
GLD	SPDR Gold Shares	2.4%
XLE	Energy Select Sector SPDR Fund	0.8%
ZWU	BMO Covered Call Utilities ETF	0.8%
ZWC	BMO Canadian High Dividend Covered Call ETF	0.6%
GDV	VanEck Vectors Gold Miners ETF	0.6%
AMLP	Alerian MLP ETF	0.5%
ZUP	BMO US Preferred Share Index ETF	0.4%
SPY 12	SPDR S&P 500 ETF Trust SPY 12/18/20 P309	0.4%
ZRR	BMO Real Return Bond Index ETF	0.3%
SPY 12	SPDR S&P 500 ETF Trust SPY 12/18/20 C309	-1.2%
<b>Total</b>		<b>49.1%</b>



# Chart(s) of The Week

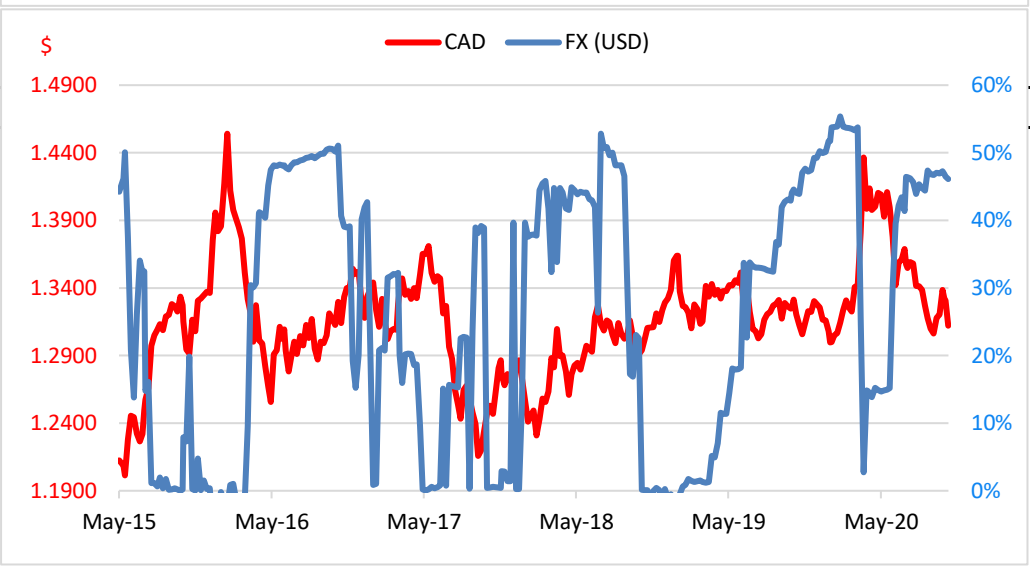
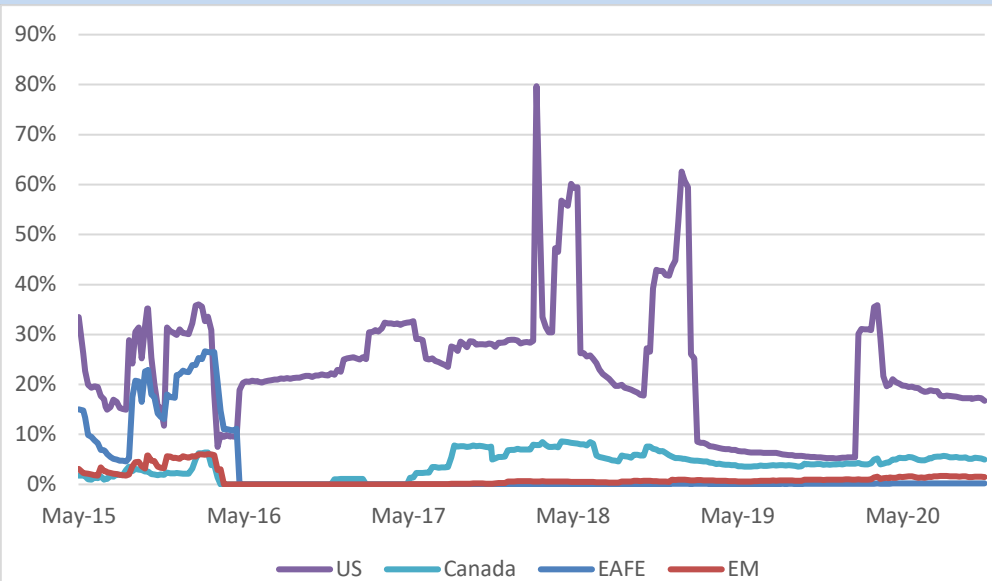


## Tactical Asset Allocation

Equity	US	Canada	EAFE	EM
10/30/20	16.8%	4.9%	0.2%	1.4%
10/23/20	17.2%	5.2%	0.2%	1.5%
Change	-0.5%	-0.2%	0.0%	-0.1%

Bonds	Corp.	Govt.	Pref.	Cash	Duration
10/30/20	9.1%	11.5%	3.6%	50.9%	1.00
10/23/20	46.4%	11.6%	3.6%	13.4%	1.47
Change	-37.3%	-0.1%	-0.1%	37.5%	-0.47

Sector	10/30/20	10/23/20	Change
Financials	1.05%	1.08%	0.0%
Energy	1.80%	1.90%	-0.1%
Health Care	2.42%	2.48%	-0.1%
Technology	4.62%	4.73%	-0.1%
Industrials	1.60%	1.63%	0.0%
Discretionary	1.49%	1.52%	0.0%
Real Estate	0.18%	0.18%	0.0%
Staples	2.04%	2.09%	0.0%
Telecom	0.91%	0.94%	0.0%
Utilities	0.32%	0.34%	0.0%
Materials	6.93%	7.22%	-0.3%
Government	11.51%	11.57%	-0.1%
Corporate	9.14%	46.41%	-37.3%
C\$ Cash	44.41%	6.99%	37.4%
U\$ Cash	6.44%	6.37%	0.1%
Preferred	3.55%	3.61%	-0.1%
Commodity	2.36%	2.37%	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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