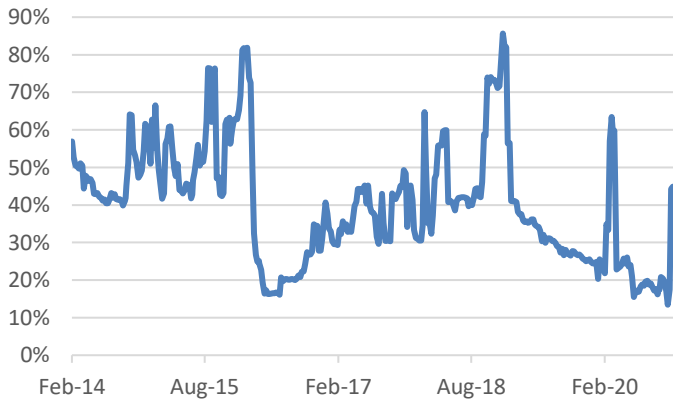


# BMO Tactical Dividend ETF Fund Highlights

Defense BETA SCORE Offense



## Beta (risk) Metrics



As of: 11/27/20	11/27/20	11/20/20	Change
FX (USD)	52.0%	52.1%	-0.1%
Beta <sup>2</sup>	44.9%	44.3%	0.6%
Correlation	33.3%	35.5%	-2.2%
Yield <sup>3</sup>	5.17%	5.25%	-0.08%
ETF Holdings	14	15	-1
Volatility <sup>4</sup>	9.99%	10.00%	-0.01%
CAD	1.2989	1.3095	-0.8%

## Performance Metrics (A-Class)

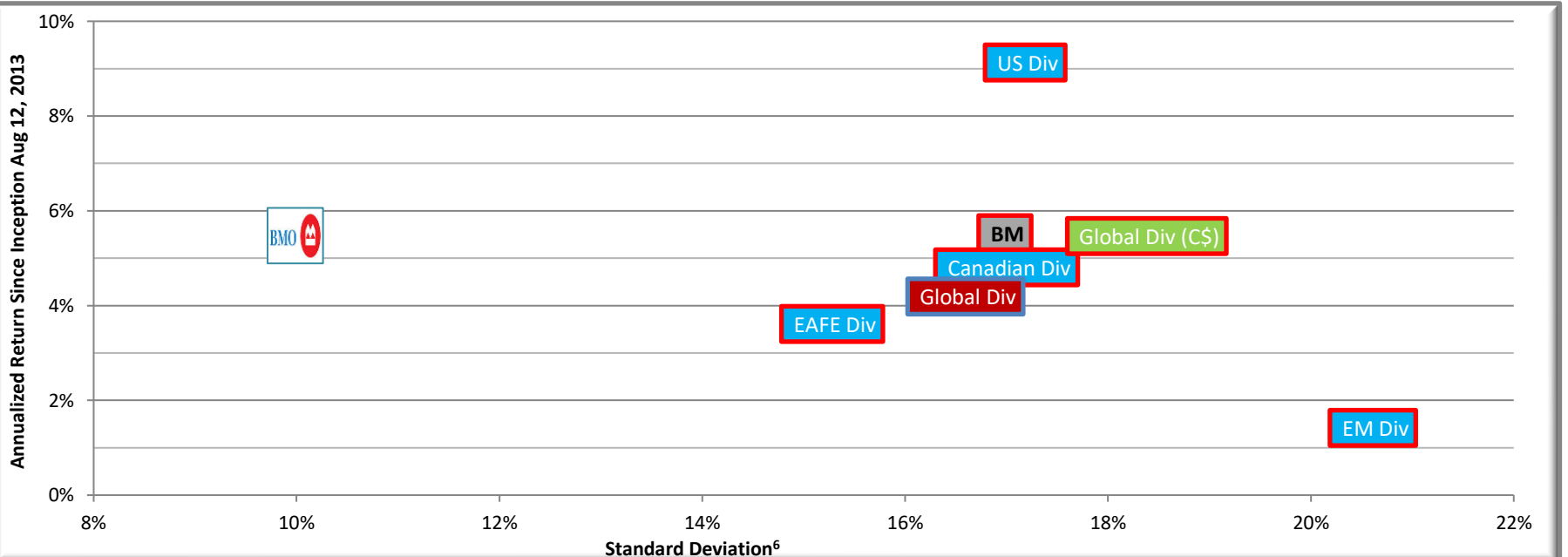
Total Return	Net	Gross	Upside/Downside <sup>5</sup>	
YTD	-11.13%	-9.43%	Upside	40%
Previous Quarter	-2.75%	-2.27%	Downside	49%
Previous Year	-10.31%	-8.39%	Months Up	56
3-Year	-1.21%	0.71%	Months Dn	30
5-Year	1.85%	3.77%		
Annualized SI	3.55%	5.47%	Sharpe Ratio	0.45

## Market Strategy (Risk Management)

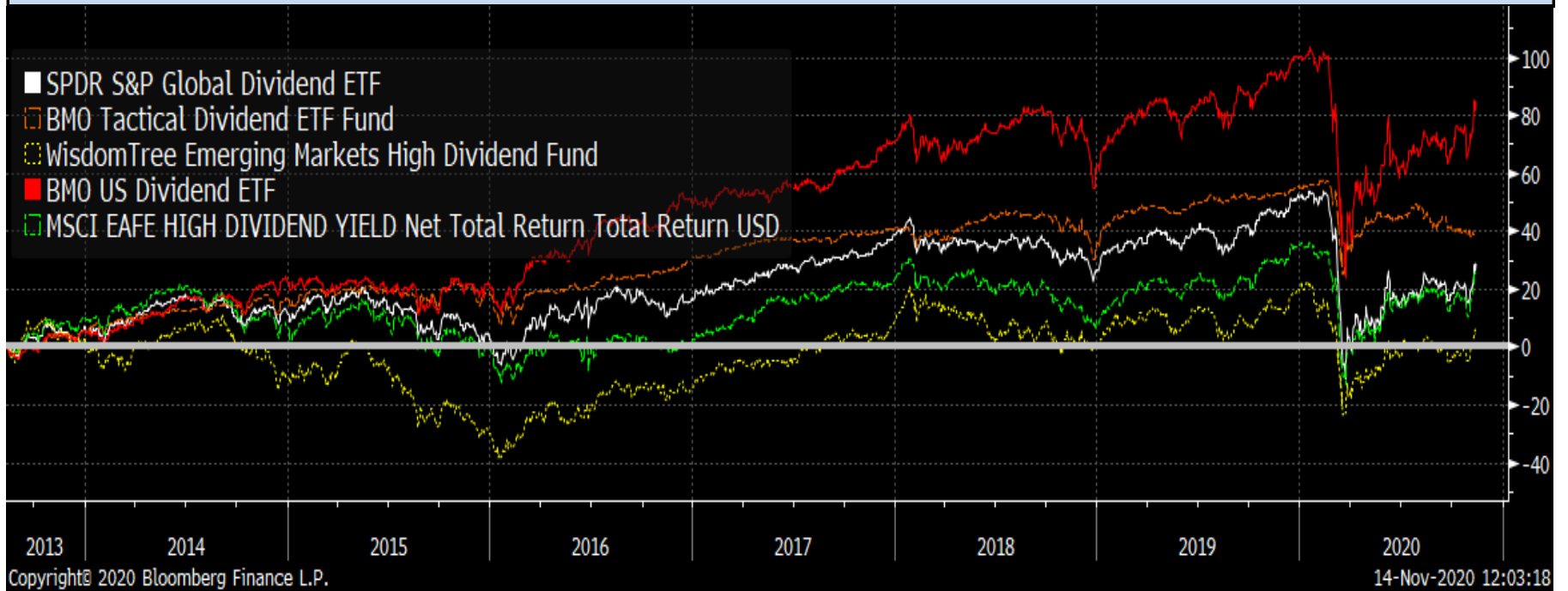
DEFENSE: The current beta is 44.9% vs. the benchmark of 101% and up from 44.3% last week. Our exposure in emerging markets dividends is up to 7.6% and we see this weight doubling in the coming year. DEM is on our RADAR. The value in EM dividends is compelling relative to North America. We remain very bullish on gold equity exposure too. We see gold stocks increasing dividend yields as they realize gold prices are likely to remain elevated. We expect central banks and government stimulus to be a main driver of negative real rates in the coming years. From current levels, we see 70-100% upside potential for the sector. The other big weight we have in the portfolio is in the energy sector. We see reflation trends continue through Q2, but we look to reduce exposure on strength. The one dividend focused sector (REITS) offer challenges too in the coming years. We have no direct exposure. In the ETF universe, there are no good ways to play industries within the sector. We see significant longer-term changes to retail and office and while there will no doubt be some value in the coming years, for now they are value traps. We also believe that companies under the ESG banner will look to boost dividend payments over share buybacks in the coming years. Good dividend ESG focused companies are also on the RADAR. With US equity markets extremely expensive, caution is still warranted. Sentiment readings are now extreme and suggests the risk of a policy mistake is very high.

## Top 20 Holdings

Ticker	Name	Position
ZWE	BMO Europe High Dividend Covered Call Hedged to CAD ETF	21.9%
ZGD	BMO Equal Weight Global Gold Index ETF	21.7%
ZPAY	BMO Premium Yield ETF	16.2%
ZWU	BMO Covered Call Utilities ETF	9.5%
AMLP	Alerian MLP ETF	5.1%
EDIV	SPDR S&P Emerging Markets Dividend ETF	4.3%
XLE	Energy Select Sector SPDR Fund	4.0%
DXJ	WisdomTree Japan Hedged Equity Fund	3.8%
ZDH	BMO International Dividend Hedged to CAD ETF	3.1%
EWUS	iShares MSCI United Kingdom Small-Cap ETF	3.1%
DVYE	iShares Emerging Markets Dividend ETF	1.8%
ZMT	BMO Equal Weight Global Base Metals Hedged to CAD Index ETF	1.7%
DGS	WisdomTree Emerging Markets SmallCap Dividend Fund	1.6%
ZWK	BMO Covered Call US Banks ETF	0.8%
SPY 12	SPDR S&P 500 ETF Trust SPY 12/18/20 C309	-8.3%
<b>Total</b>		<b>90.1%</b>



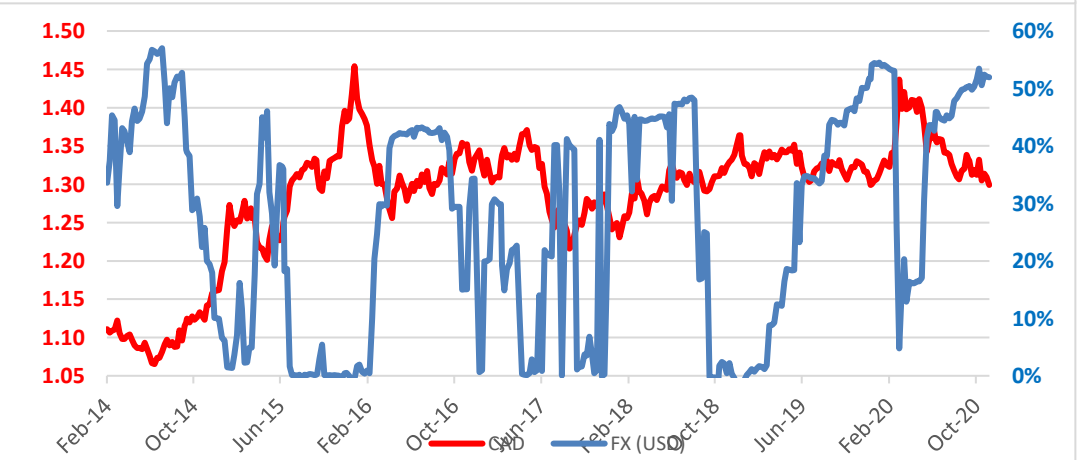
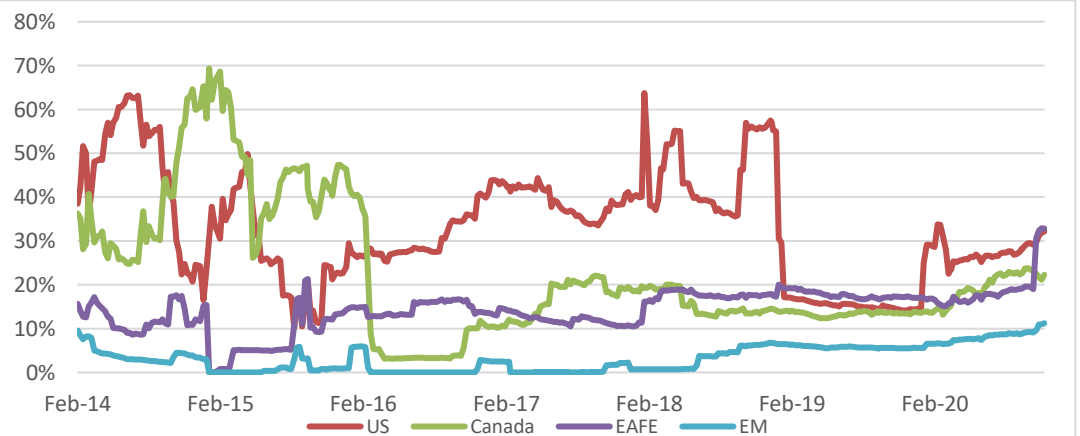
# Chart(s) of The Week



## Tactical Asset Allocation

Equity	US	Canada	EAFE	EM
11/27/20	32.1%	22.3%	32.8%	11.2%
11/20/20	31.9%	21.1%	32.9%	11.0%
Change	0.2%	1.1%	-0.1%	0.2%

Sector	11/27/20	11/20/20	Change
Financials	8.30%	8.36%	-0.1%
Energy	14.24%	13.89%	0.3%
Health Care	6.79%	6.87%	-0.1%
Technology	6.11%	6.28%	-0.2%
Industrials	6.20%	6.30%	-0.1%
Discretionary	4.95%	5.05%	-0.1%
Real Estate	0.37%	0.41%	0.0%
Staples	6.33%	6.41%	-0.1%
Telecom	5.11%	5.13%	0.0%
Utilities	5.70%	5.70%	0.0%
Materials	25.99%	24.49%	1.5%
Government	0.00%	0.00%	0.0%
Corporate	0.00%	0.00%	0.0%
C\$ Cash	-6.86%	-5.40%	-1.5%
US\$ Cash	16.78%	13.92%	2.9%
Preferred	0.00%	0.00%	0.0%
Commodity	0.00%	2.58%	-2.6%



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1 The benchmark is the return of the targeted portfolio. As of Jan 1, 2017, the target portfolio is 80% (CYH) and 20% (ZDV); 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.