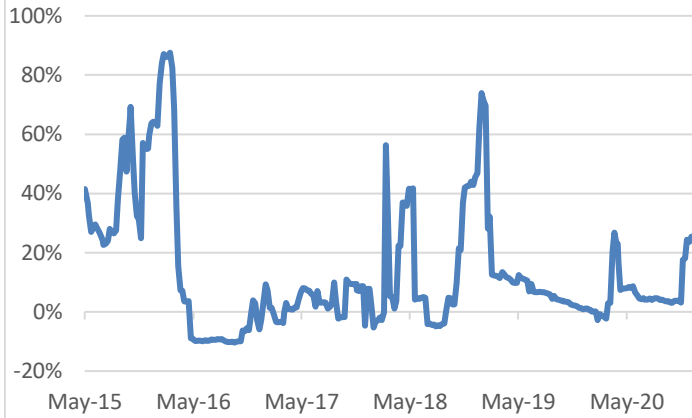


BMO Tactical Balanced ETF Fund Highlights

Defense BETA SCORE Offense



Beta (risk) Metrics



Market Strategy (Risk Management)

DEFENSE: The current beta is 25.5% vs. the benchmark of 59.1% up from 25.3% last week. Geographically, we favour EM and Europe from a currency exposure standpoint. ZWP and EMLC are key holdings here. Emerging markets value (UEVM), where growth, inflation and steepening yield curves should be an important relative growth driver. We are accumulating exposure going forward. The US market and large cap tech in particular is the bigger risk as the world moves past COVID. We are going to tilt the portfolio more towards reflation and relative value while seeking the highest yield possible. True sleep-at-night balance for the investor who needs growth at a reasonable price and lower volatility. In the future of NIRP, ZIRP, MMT and everything governments are going to do going forward to stimulate, the 30%, 40%, 50%, 60% of portfolios that seek the safety of debt markets are in serious trouble. Our chart on page 2 shows global negative debt is now over \$18T. Delivering low volatility balance in portfolios will be the biggest investment challenge we may ever face. The multiple for US equities has never been more expensive. It does not bode well and bonds WILL NOT offer the same yield protection they have. As central banks seek more inflation, that complicates the bond side of the equation even more. Duration is still a great asset class for volatility protection, it's just very expensive in the era of unlimited government largesse.

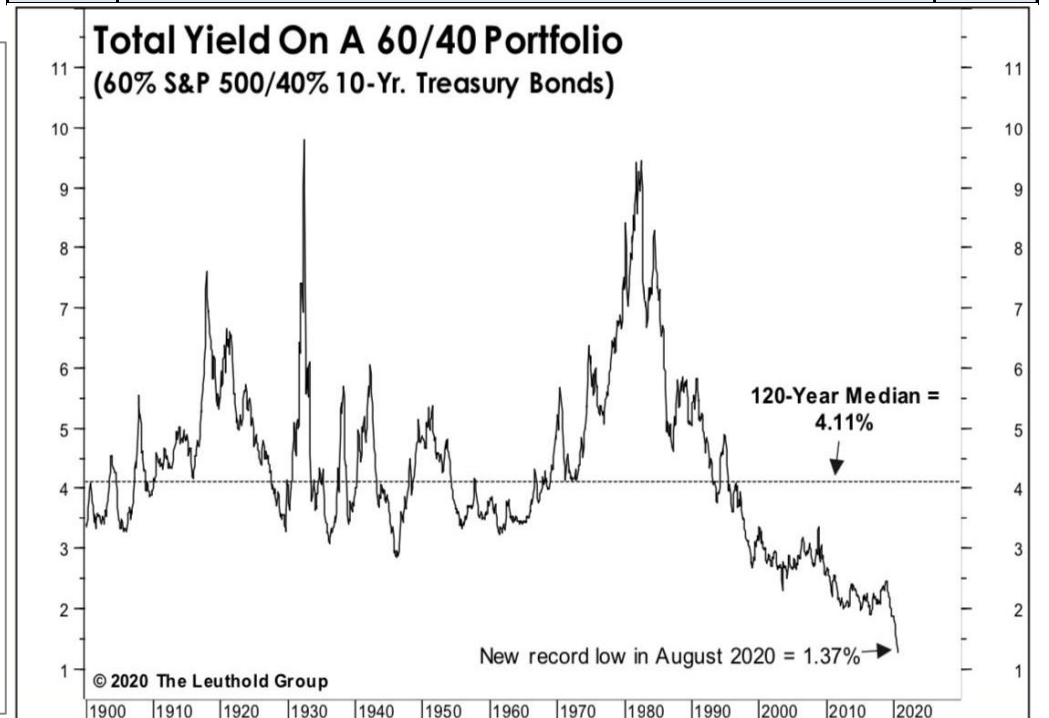
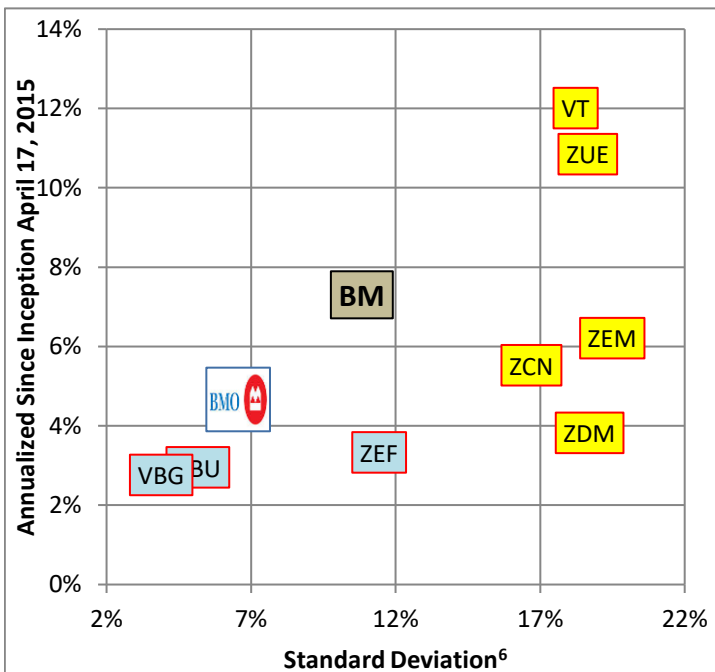
As of: 12/11/20	12/11/20	12/04/20	Change
FX (USD)	52.2%	51.9%	0.3%
Beta ²	25.5%	25.3%	0.2%
Correlation	53.4%	53.1%	0.2%
Yield ³	4.72%	4.70%	0.02%
ETF Holdings	12	12	0
Volatility ⁴	6.55%	6.56%	-0.01%
CAD	1.2769	1.2784	-0.1%

Performance Metrics

Total Return	Net	Gross	Up/Downside ⁵
YTD	2.65%	4.43%	Upside 14%
Prev. Month	-0.04%	0.12%	Down 5%
Prev. Quarter	0.38%	0.86%	Mths Up 41
Prev. Year	2.59%	4.51%	Mths Dn 26
Annualized SI	2.74%	4.66%	
Sharpe Ratio	0.71		

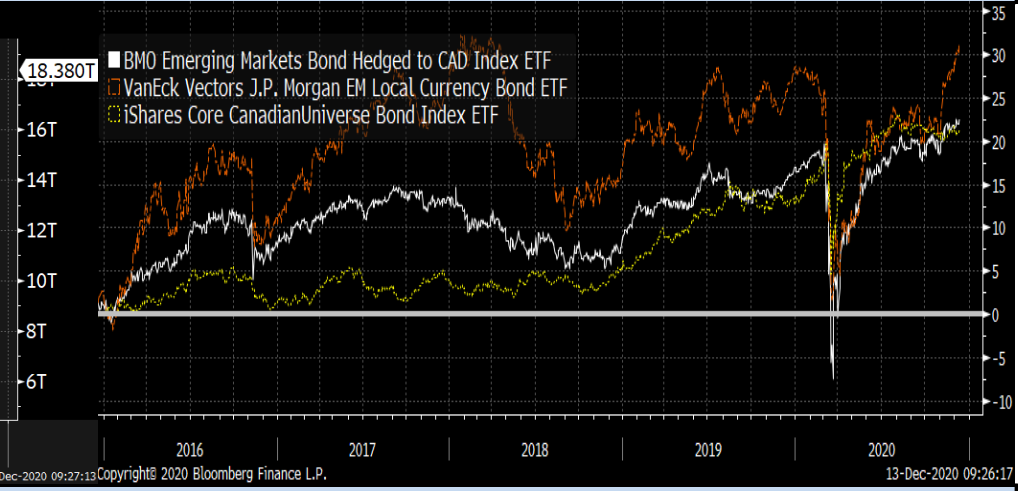
Top Holdings

Ticker	Name	Position
ZWP	BMO Europe High Dividend Covered Call ETF	21.9%
ZPAY	BMO Premium Yield ETF	20.0%
EMLC	VanEck Vectors J.P. Morgan EM Local Currency Bond ETF	16.0%
ZGD	BMO Equal Weight Global Gold Index ETF	8.8%
ZUS/U	BMO Ultra Short-Term US Bond ETF	8.4%
ZPR	BMO Laddered Preferred Share Index ETF	5.6%
XLE	Energy Select Sector SPDR Fund	1.2%
ZWU	BMO Covered Call Utilities ETF	0.8%
ZWC	BMO Canadian High Dividend Covered Call ETF	0.7%
AMLP	Alerian MLP ETF	0.7%
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	-2.2%
Total		82.5%



Chart(s) of The Week

Negative Debt >\$18T Breaking Out

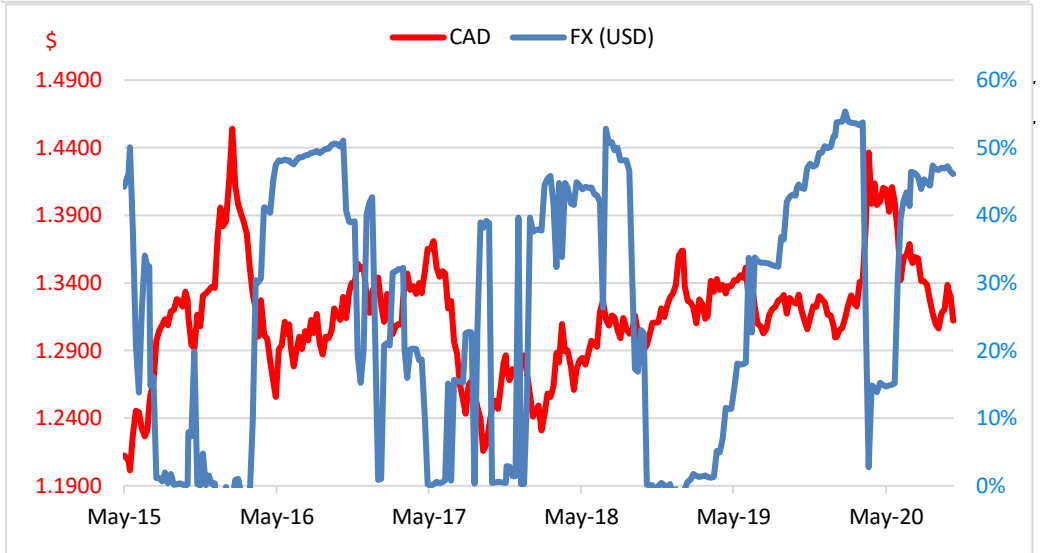
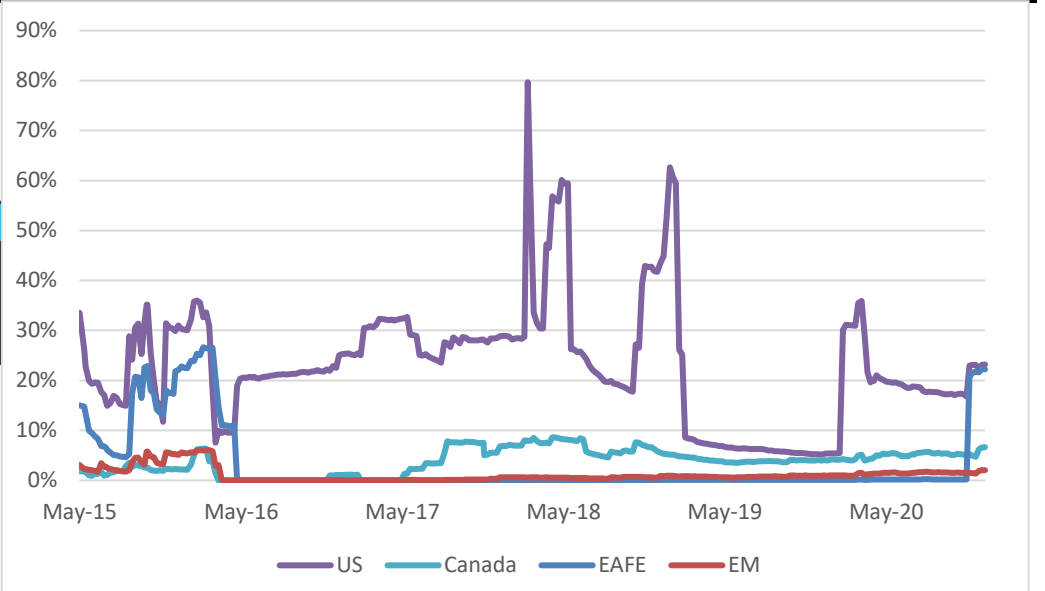


Tactical Asset Allocation

Equity	US	Canada	EAFE	EM
12/11/20	23.2%	6.6%	22.2%	2.0%
12/04/20	23.1%	6.6%	22.3%	2.0%
Change	0.0%	0.0%	-0.1%	0.0%

Bonds	Corp.	Govt.	Pref.	Cash	Duration
12/11/20	8.9%	15.8%	6.0%	17.5%	2.83
12/04/20	8.9%	15.6%	5.9%	17.8%	2.76
Change	0.0%	0.2%	0.1%	-0.3%	0.07

Sector	12/11/20	12/04/20	Change
Financials	5.64%	5.66%	0.0%
Energy	3.69%	3.67%	0.0%
Health Care	6.95%	6.97%	0.0%
Technology	8.02%	8.02%	0.0%
Industrials	5.37%	5.38%	0.0%
Discretionary	2.61%	2.61%	0.0%
Real Estate	0.78%	0.79%	0.0%
Staples	5.89%	5.91%	0.0%
Telecom	2.55%	2.55%	0.0%
Utilities	1.20%	1.20%	0.0%
Materials	11.31%	11.29%	0.0%
Government	15.77%	15.61%	0.2%
Corporate	8.94%	8.90%	0.0%
C\$ Cash	12.18%	12.57%	-0.4%
U\$ Cash	5.31%	5.24%	0.1%
Preferred	6.01%	5.89%	0.1%
Commodity	0.00%	0.00%	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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