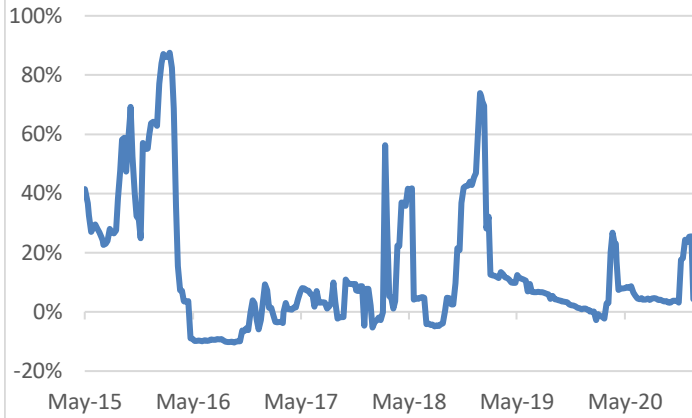


BMO Tactical Balanced ETF Fund Highlights

Defense BETA SCORE Offense



Beta (risk) Metrics



As of: 12/18/20	12/18/20	12/11/20	Change
FX (USD)	51.8%	52.2%	-0.4%
Beta ²	4.3%	25.5%	-21.3%
Correlation	36.7%	53.4%	-16.7%
Yield ³	4.61%	4.72%	-0.12%
ETF Holdings	12	12	0
Volatility ⁴	6.55%	6.55%	0.00%
CAD	1.2788	1.2769	0.1%

Performance Metrics

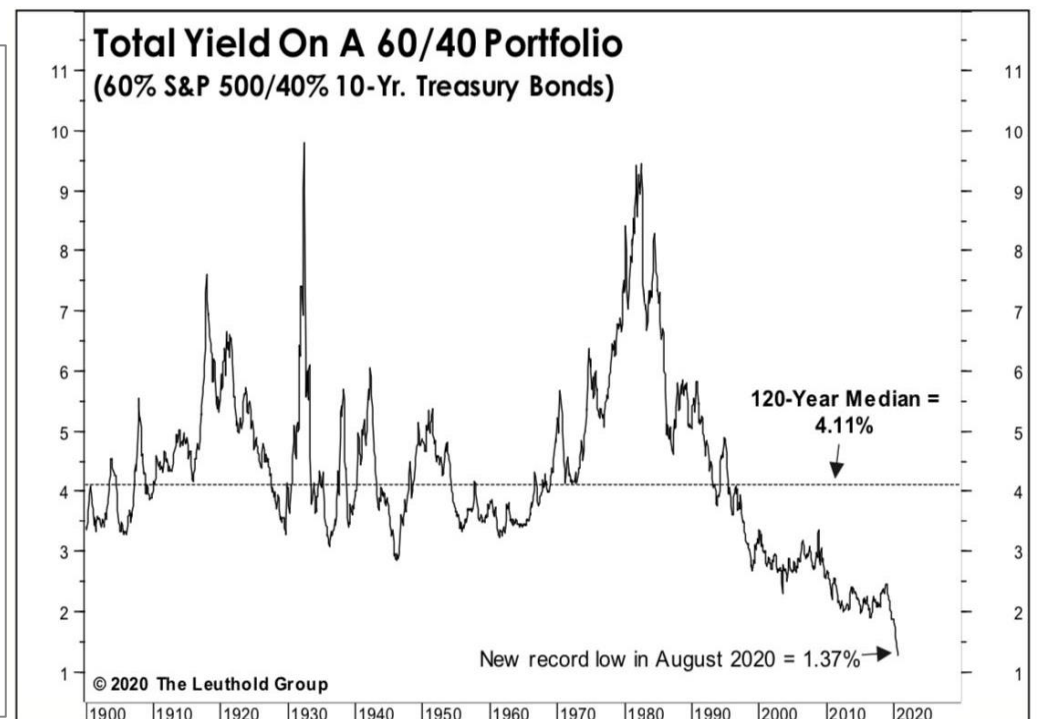
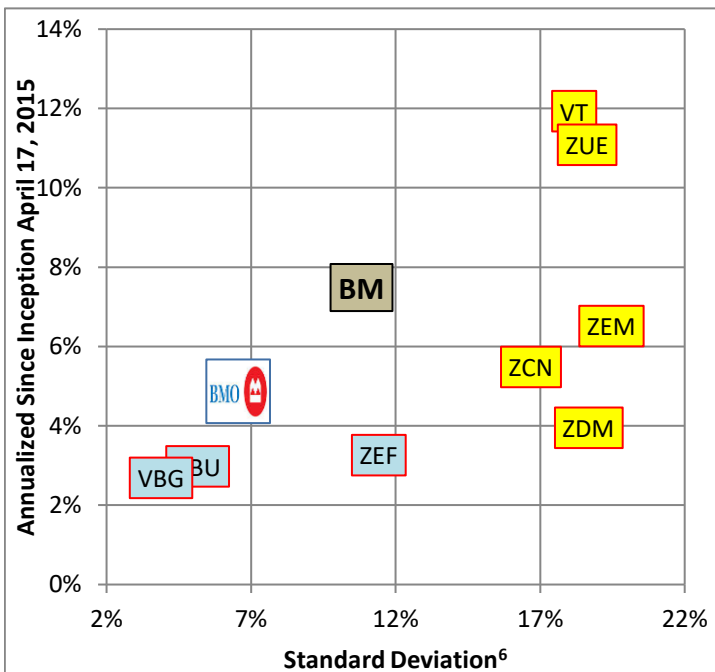
Total Return	Net	Gross	Up/Downside ⁵
YTD	3.88%	5.69%	Upside 14%
Prev. Month	1.02%	1.18%	Down 5%
Prev. Quarter	1.33%	1.81%	Mths Up 41
Prev. Year	3.87%	5.79%	Mths Dn 26
Annualized SI	2.95%	4.87%	
Sharpe Ratio	0.74		

Market Strategy (Risk Management)

DEFENSE: The current beta is 4.3% vs. the benchmark of 59.0% down from 25.5% last week. Powell & the ECB doubled down on their willingness and ability to do MORE. It's an awful thing when the world needs money printing for financial conditions (read stocks) to work. \$18T in neg debt and a YTM of 0.85%. Real bond yields are negative and will stay there. Gold will again likely be one of the best asset classes in 2021. Perhaps bitcoin too until that ends badly. The only thing with more volatility than bitcoin is TSLA in the last 2 minutes of trading yesterday had a price swing of \$50B in market cap. Implied vols were 2000% for the 4pm expiry. Never seen anything like it (maybe TRLRY). In 2 minutes, index (read ETF) base investors, were forced to buy a stock that is trading at STUPID valuations. The easiest way to do the math is market cap/sales. i.e. \$1.4MM per car sold in 2021. We will be avoiding the large cap US indexes for a while. I like APPL, but at \$80 not \$125. So own a ZPAY that writes puts and extracts the volatility premium these Robinhood options bandits are chasing. When the stocks get to better prices will buy them as they offer better value. We restructured the beta hedge to capture a bit more growth while still protecting for the average correction. Given the Fed put, they simply won't let financial conditions tighten until the UR is <4% and they have fixed global warming and inequality. Strap in for the RIDE. Gold is an essential hedge to the new world of MMT we are in.

Top Holdings

Ticker	Name	Position
ZWP	BMO Europe High Dividend Covered Call ETF	22.0%
ZPAY	BMO Premium Yield ETF	19.8%
EMLC	VanEck Vectors J.P. Morgan EM Local Currency Bond ETF	16.0%
ZGD	BMO Equal Weight Global Gold Index ETF	9.1%
ZUS/U	BMO Ultra Short-Term US Bond ETF	8.3%
ZPR	BMO Laddered Preferred Share Index ETF	5.5%
XLE	Energy Select Sector SPDR Fund	1.1%
ZWU	BMO Covered Call Utilities ETF	0.8%
ZWC	BMO Canadian High Dividend Covered Call ETF	0.7%
AMLP	Alerian MLP ETF	0.6%
ZUP	BMO US Preferred Share Index ETF	0.4%
ZRR	BMO Real Return Bond Index ETF	0.3%
Total		84.5%



Chart(s) of The Week

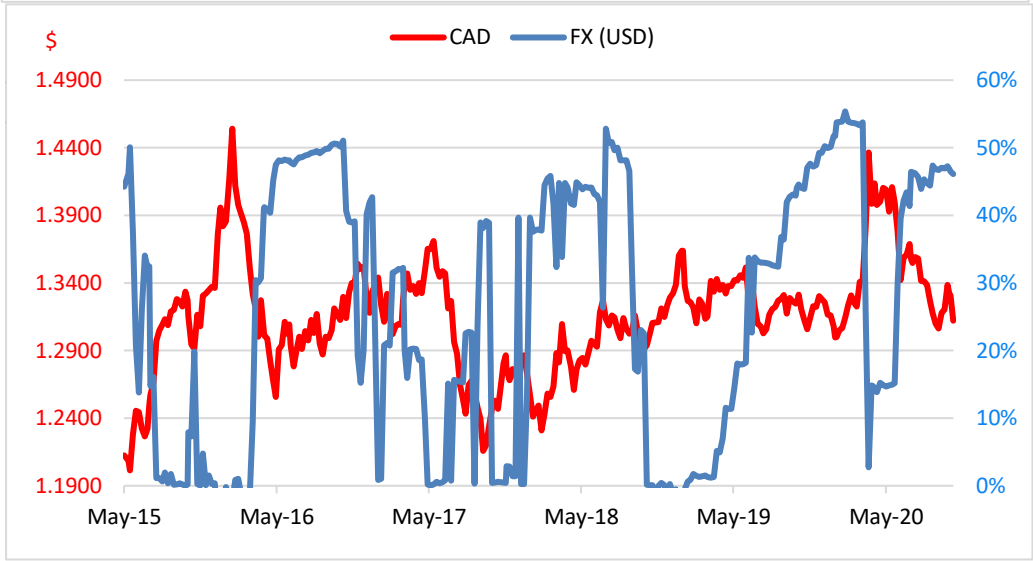
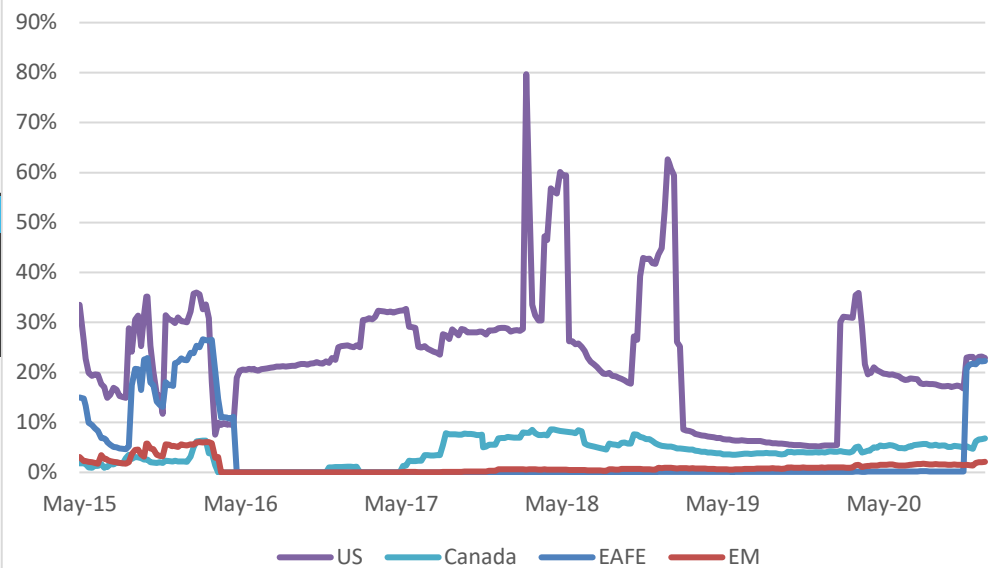


Tactical Asset Allocation

Equity	US	Canada	EAFE	EM
12/18/20	22.9%	6.8%	22.3%	2.1%
12/11/20	23.2%	6.6%	22.2%	2.0%
Change	-0.3%	0.2%	0.1%	0.1%

Bonds	Corp.	Govt.	Pref.	Cash	Duration
12/18/20	8.8%	15.7%	5.9%	15.3%	2.99
12/11/20	8.9%	15.8%	6.0%	17.5%	2.83
Change	-0.1%	0.0%	-0.1%	-2.2%	0.17

Sector	12/18/20	12/11/20	Change
Financials	5.64%	5.64%	0.0%
Energy	3.58%	3.68%	-0.1%
Health Care	6.93%	6.95%	0.0%
Technology	7.95%	8.02%	-0.1%
Industrials	5.36%	5.37%	0.0%
Discretionary	2.59%	2.61%	0.0%
Real Estate	0.78%	0.78%	0.0%
Staples	5.87%	5.89%	0.0%
Telecom	2.54%	2.55%	0.0%
Utilities	1.19%	1.20%	0.0%
Materials	11.64%	11.31%	0.3%
Government	15.73%	15.77%	0.0%
Corporate	8.82%	8.94%	-0.1%
C\$ Cash	12.41%	12.18%	0.2%
U\$ Cash	2.88%	5.31%	-2.4%
Preferred	5.91%	6.01%	-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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