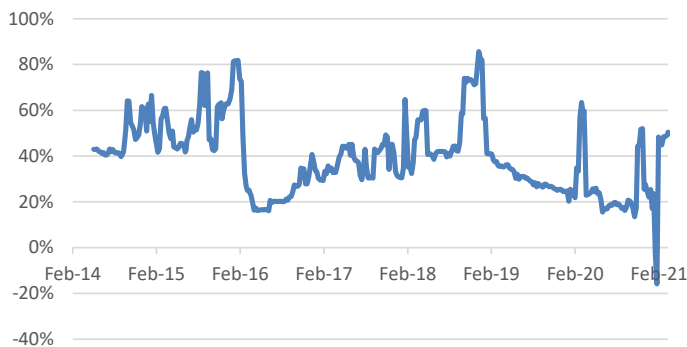


# BMO Tactical Dividend ETF Fund Highlights

Defense Core Beta: 64.5% Offense



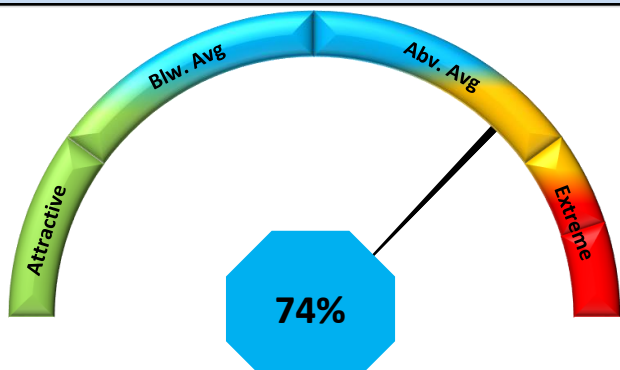
Net Beta (Core - Protection): 50.4%



## Market Strategy (Risk Management)

Modest Defense: The current core beta is 64.5% vs. the benchmark of 101% and up from 63.8% last week. The current degree of beta protection is about -14%. We continue to increase EM exposure relative to other regions. We see the best long-term value and growth in EM dividends. Currency impact has been a negative impact with the stronger US\$ in recent weeks, but we still see good outperformance with US markets. Our shift to ZDI was timely last month, but the impact of a strong C\$ and a weak euro lagged by 400 bps last month. We got the bank call right, but the currency hurt. We like the Euro exposure, and will maintain it for now. The surprise is the strength of the C\$ in the face of flat oil prices since we put the trade on in February. Our second largest exposure in gold equity is starting to show good positive divergences and gold speculators are bailing while gold companies are buying back their hedges. We like the smart money here and see gold share 30-50% higher later this year. We will trim the exposure for more exposure in EM dividend focused ETFs.

## PRO EYEs Macro Risk Model



When the PRO EYEs indicator is at elevated levels, we will incorporate additional downside protection in the portfolio as an overlay to the core "BEST IDEAS" holdings. The current correction risk is modest and we are 10% long put protected from 3875 to 3500 through Q3 on the S&P 500. We see a summer rally peak in the 4200-4300 range. That's our upside target for a covered call.

[PRO-EYES - Berman's Call](#)

## Top Holdings

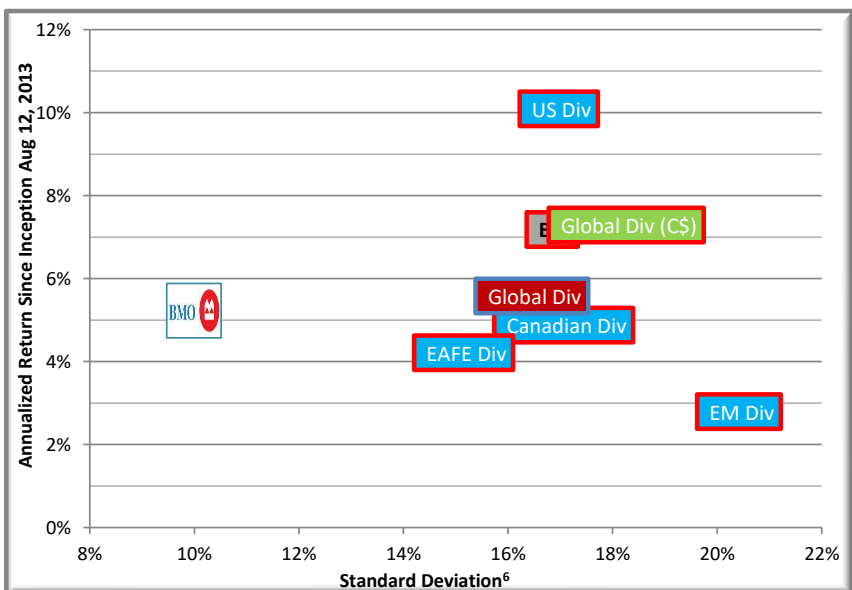
Ticker	Name	Position
ZDI	BMO International Dividend ETF	22.9%
ZGD	BMO Equal Weight Global Gold Index ETF	19.7%
ZWP	BMO Europe High Dividend Covered Call ETF	15.4%
ZPAY	BMO Premium Yield ETF	15.1%
EDIV	SPDR S&P Emerging Markets Dividend ETF	6.4%
ZUD	BMO US Dividend Hedged to CAD ETF	4.3%
AMLPL	Alerian MLP ETF	4.1%
DEM	WisdomTree Emerging Markets High Dividend Fund	2.9%
DVYE	iShares Emerging Markets Dividend ETF	2.6%
DGS	WisdomTree Emerging Markets SmallCap Dividend Fund	2.3%
ZWU	BMO Covered Call Utilities ETF	2.2%

As of: 04/02/21	04/01/21	03/26/21	Change
FX (USD)	55.4%	55.4%	0.0%
Beta <sup>2</sup>	64.5%	63.8%	0.6%
Protection	-14.1%	-14.8%	0.8%
Correlation	58.5%	58.2%	0.3%
Yield <sup>3</sup>	4.18%	4.19%	-0.01%
ETF Holdings	11	11	0
Volatility <sup>4</sup>	10.00%	10.00%	0.00%
CAD	1.2548	1.2577	-0.2%

## Performance Metrics (A-Class)

Total Return	Net	Gross	Upside/Downside <sup>5</sup>
YTD	-0.82%	-0.35%	Upside 25%
Previous Quarter	-0.82%	-0.34%	Downside 49%
Previous Year	3.07%	4.99%	Months Up 61
3-Year	-1.09%	0.83%	Months Dn 30
5-Year	1.94%	3.86%	
Annualized SI	3.30%	5.22%	Sharpe Ratio 0.42

Fund Codes: Advisor BMO99734; Low Load BMO98734; F-Class BMO95734; F6 BMO36734; ETF ZZZD; No Load Retail: BMO70734



## Chart(s) of The Week



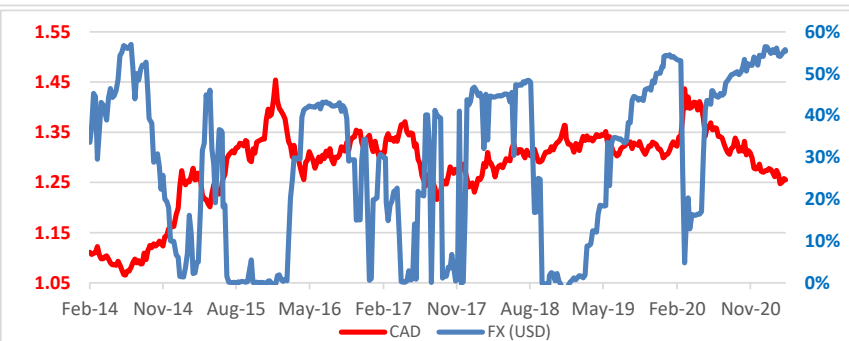
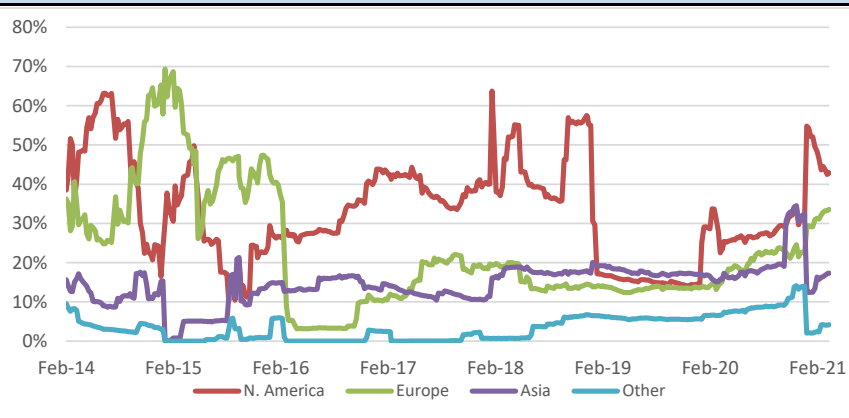
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## Tactical Asset Allocation

Equity	N. America	Europe	Asia	Other
04/01/21	42.9%	33.6%	17.3%	4.2%
03/26/21	42.5%	33.2%	17.2%	4.1%
Change	0.5%	0.4%	0.1%	0.2%
Benchmark	67.2%	17.5%	13.2%	2.1%

Sector	4/01/21	3/26/21	Change	BM
Basic Materials	25.15%	24.71%	0.4%	7.8%
Communications	5.15%	5.19%	0.0%	8.9%
Consumer, Cyclical	6.65%	6.55%	0.1%	4.9%
Consumer, Non-cyclical	15.89%	15.82%	0.1%	8.5%
Energy	6.13%	6.09%	0.0%	9.5%
Financial	12.52%	12.45%	0.1%	31.3%
Government	9.90%	9.77%	0.1%	0.0%
Industrial	6.33%	6.24%	0.1%	6.3%
Technology	3.97%	3.87%	0.1%	2.5%
Utilities	6.06%	6.00%	0.1%	0.0%



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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.