

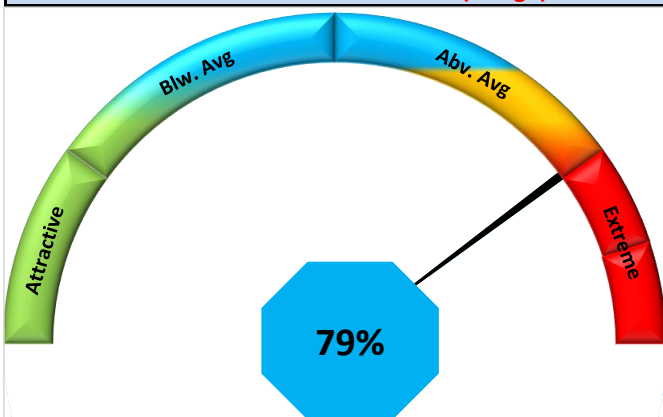
# BMO Tactical Global Growth ETF Fund

Defense Core Portfolio Beta: 86.0% Offense

Net Beta (Core - Protection): 76.9%



## PRO EYES Macro Risk Monitor (Hedge)



RISK MANAGEMENT: When the PRO EYES indicator is at elevated levels (above 75%, as it is now, we will have some degree of beta protection on the portfolio. We will substantially increase this protection in the coming weeks. The indicator is now in the top 1% of risk readings.

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

## Market Strategy (Risk Management)

Moderate Protection: The current core beta is 86.0% vs. the benchmark of 100% up from 85.8% last week. The current degree of beta protection is about -9%. The devastating COVID wave to hit India is a human tragedy. It offers an opportunity to add to longer-term growth exposure, which we did last week relative to reducing exposure in the more overvalued US large caps (ZSP). We also made a currency based tactical shift from ZEA to ZDM on half our exposure. The chart on page 2 highlights the shift on the spike in EUR/CAD around the BoC policy shift this week. The BoC is clearly more hawkish and we should see the cross rates move in the C\$ favour. We expect currency moves will be an important tactical part of global portfolios in the coming years with stretched valuations in many places. Overall we still see one more push higher to even more ridiculous valuations before we look to shift to protection mode. The catalyst for equity volatility will most likely come when the invoice comes for the stimulus. Treasury refunding announcement on May 3 is key. If Yellen decides to run down TGA more, we get one more push up and then supply in the bond market and rising inflation expectations revive the bond vigilantes that kept markets in check in Jan-Feb.

## Top Holdings

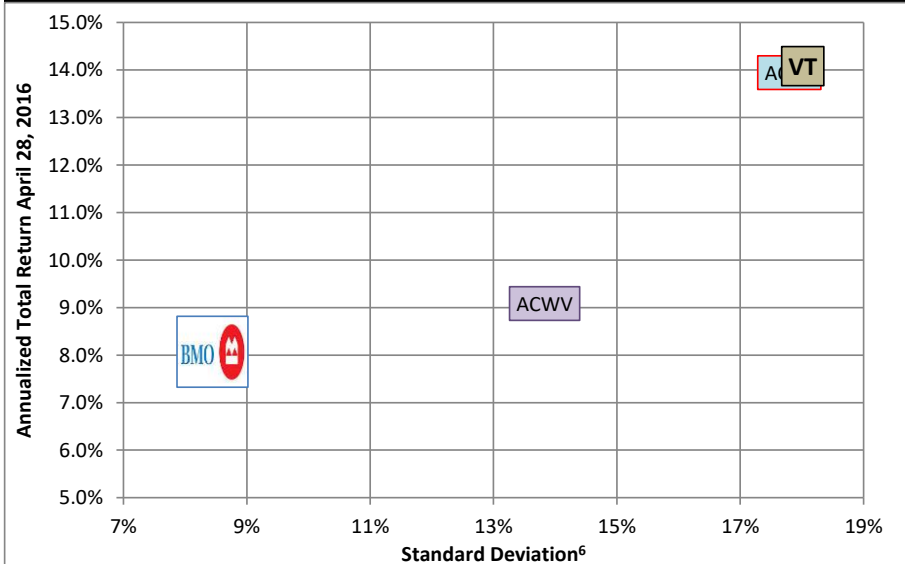
Ticker	Name	Position
ZUE	BMO S&P 500 Hedged to CAD Index ETF	20.5%
RSP	Invesco S&P 500 Equal Weight ETF	14.9%
ZGD	BMO Equal Weight Global Gold Index ETF	13.5%
ZSP	BMO S&P 500 Index ETF	11.8%
ZEM	BMO MSCI Emerging Markets Index ETF	5.2%
ZDM	BMO MSCI EAFE Hedged to CAD Index ETF	4.7%
ZEA	BMO MSCI EAFE Index ETF	4.7%
ZMT	BMO Equal Weight Global Base Metals Hedged to CAD Index ETF	4.4%
DXJ	WisdomTree Japan Hedged Equity Fund	2.7%
EWUS	iShares MSCI United Kingdom Small-Cap ETF	2.4%
VNM	Vanek Vectors Vietnam ETF	1.7%
XLE	Energy Select Sector SPDR Fund	1.7%
INDA	iShares MSCI India ETF	1.4%
EWU	iShares MSCI United Kingdom ETF	1.3%
EWV	iShares MSCI Mexico ETF	1.1%
KBA	KraneShares Bosera MSCI China A ETF	1.0%
ZCLN	BMO Clean Energy Index ETF	1.0%
BRF	VanEck Vectors Brazil Small-Cap ETF	0.8%
EIDO	iShares MSCI Indonesia ETF	0.7%

As of: Apr 23 2021	04/23/21	04/16/21	Change
FX (USD)	29.8%	30.0%	-0.2%
Beta <sup>2</sup>	86.0%	85.8%	0.1%
Protection	-9.1%	-9.0%	-0.1%
Correlation	78.5%	80.5%	-2.0%
Yield <sup>3</sup>	1.26%	1.27%	-0.01%
ETF Holdings	22	21	1
Volatility <sup>4</sup>	8.44%	8.46%	-0.02%
CAD	1.2476	1.2508	-0.3%

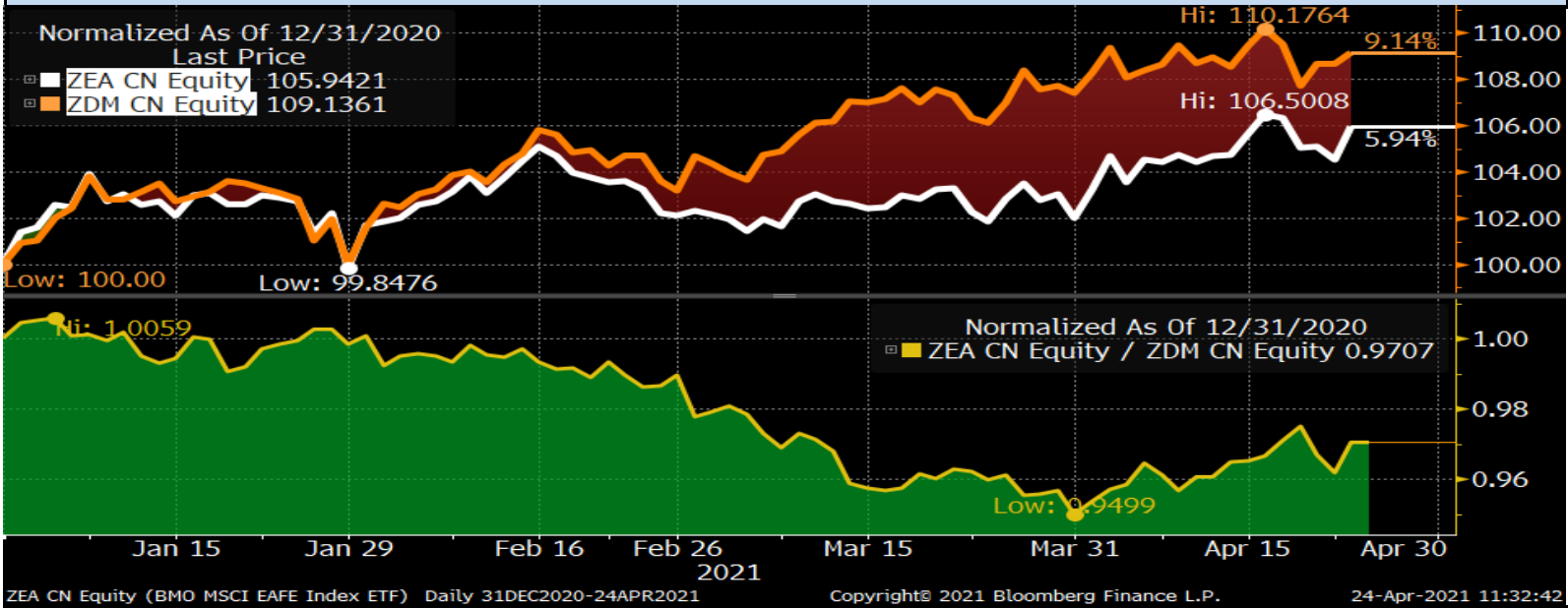
### Performance Metrics

Total Return	Net	Gross	Upside/Downside <sup>5</sup>
YTD	5.99%	6.56%	Upside 18%
Prev. Qtr.	5.34%	5.81%	Downside 26%
Prev. Year	6.02%	7.94%	Months Up 43
Since Inception	34.87%	44.02%	Months Dn 15
Annualized SI	6.15%	8.07%	
Sharpe Ratio		0.96	

Fund Codes: Advisor BMO99762; Low Load BMO98762; F-Class BMO95762; No Load Retail: BMO70762;



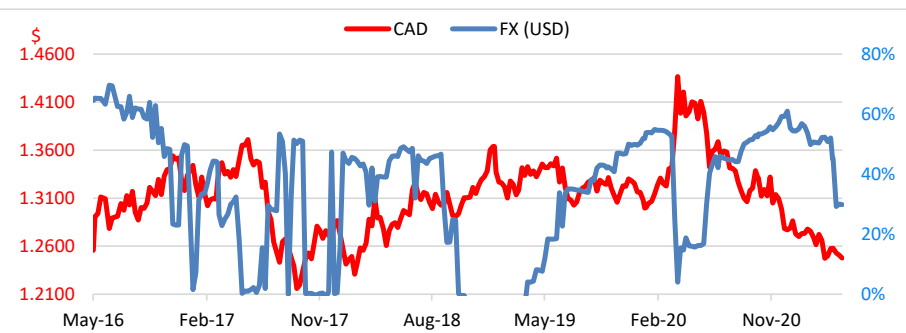
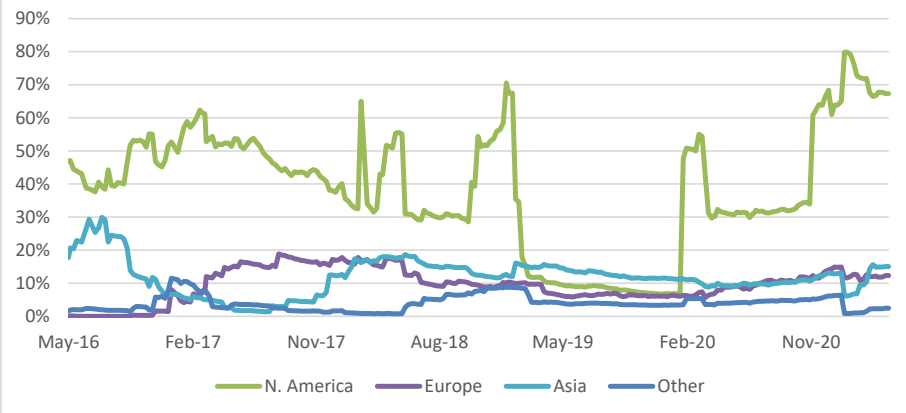
## Chart(s) of The Week



## Tactical Asset Allocation

Equity	N. America	Europe	Asia	Other
04/23/21	65.2%	12.4%	16.0%	2.4%
04/16/21	67.3%	12.3%	15.0%	2.4%
Change	-2.2%	0.1%	1.0%	0.0%

Sector	04/23/21	04/16/21	Change	BM
Basic Materials	20.64%	21.54%	-0.9%	4.5%
Communications	8.81%	8.96%	-0.2%	13.1%
Consumer, Cyclical	9.22%	9.33%	-0.1%	10.9%
Consumer, Non-cyclical	15.80%	15.70%	0.1%	19.5%
Energy	4.78%	4.88%	-0.1%	3.6%
Financial	13.98%	13.94%	0.0%	18.4%
Government	0.02%	0.02%	0.0%	18.4%
Industrial	8.85%	8.89%	0.0%	10.8%
Technology	12.00%	12.06%	-0.1%	16.2%
Utilities	3.01%	2.94%	0.1%	2.8%



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1 Benchmark is the return of the targeted portfolio 100% global equities 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. © "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.