



BMO Tactical Global Growth ETF Fund

Core Tactical/Strategic Portfolio Outlook/Adjustments

We remain well hedged for a looming correction. The news that two (Kaplan, Rosengren) FOMC members (at least) are trading their own accounts is reprehensible. Have to wonder if they sold those S&P futures this week and may just surprise the market with a hint that taper will start soon. The market clearly is not ready for it. The data clearly says it's needed, but they may say jobs just are not there yet. Take QE off the table and the 10-year is trading at 2.00% plus with the S&P 500 at least 2 multiple points lower (400 points) on \$200 in 2021 EPS. The global benchmark is down 1.4% in September and we are up 0.5% despite our gold position (ZGD) getting crushed. We trimmed our uranium position (URA) into strength last week.

Macro Market Strategy

The next FOMC is Sept 22. The consensus does not expect a taper announcement, so there is room for a surprise. The fact that inflation indicators are ticking higher and wage pressures are building suggest inflation hedges like commodities will likely have another run. We remain overweight base metals (ZMT), precious metals (ZGD) and energy (XLE, URA).

Top Holdings

Ticker	Name	Position
ZSP	BMO S&P 500 Index ETF	21.8%
RSP	Invesco S&P 500 Equal Weight ETF	16.9%
ZEA	BMO MSCI EAFE Index ETF	10.5%
ZGD	BMO Equal Weight Global Gold Index ETF	7.8%
ZEM	BMO MSCI Emerging Markets Index ETF	5.4%
ZMT	BMO Equal Weight Global Base Metals Hedged to CAD Index ETF	4.2%
FLGB	Franklin FTSE United Kingdom ETF	4.1%
FLJH	Franklin FTSE Japan Hedged ETF	3.2%
XLE	Energy Select Sector SPDR Fund	3.0%
ZUE	BMO S&P 500 Hedged to CAD Index ETF	2.9%
KWEB	KraneShares CSI China Internet ETF	2.8%
ZCLN	BMO Clean Energy Index ETF	2.2%
PAVE	Global X US Infrastructure Development ETF	2.0%
VNM	VanEck Vietnam ETF	2.0%
FLIN	Franklin FTSE India ETF	1.9%
HMMJ	Horizons Marijuana Life Sciences Index ETF	1.9%
URA	Global X Uranium ETF	1.9%
FLBR	Franklin FTSE Brazil ETF	1.4%
FLMX	Franklin FTSE Mexico ETF	1.3%
KBA	KraneShares Bosera MSCI China A ETF	1.1%

Chart of the Week



PRO-EYES - Berman's Call

Risk Level **Medium**

The current core portfolio beta is 93.1%. The current degree of beta protection is about -54%.

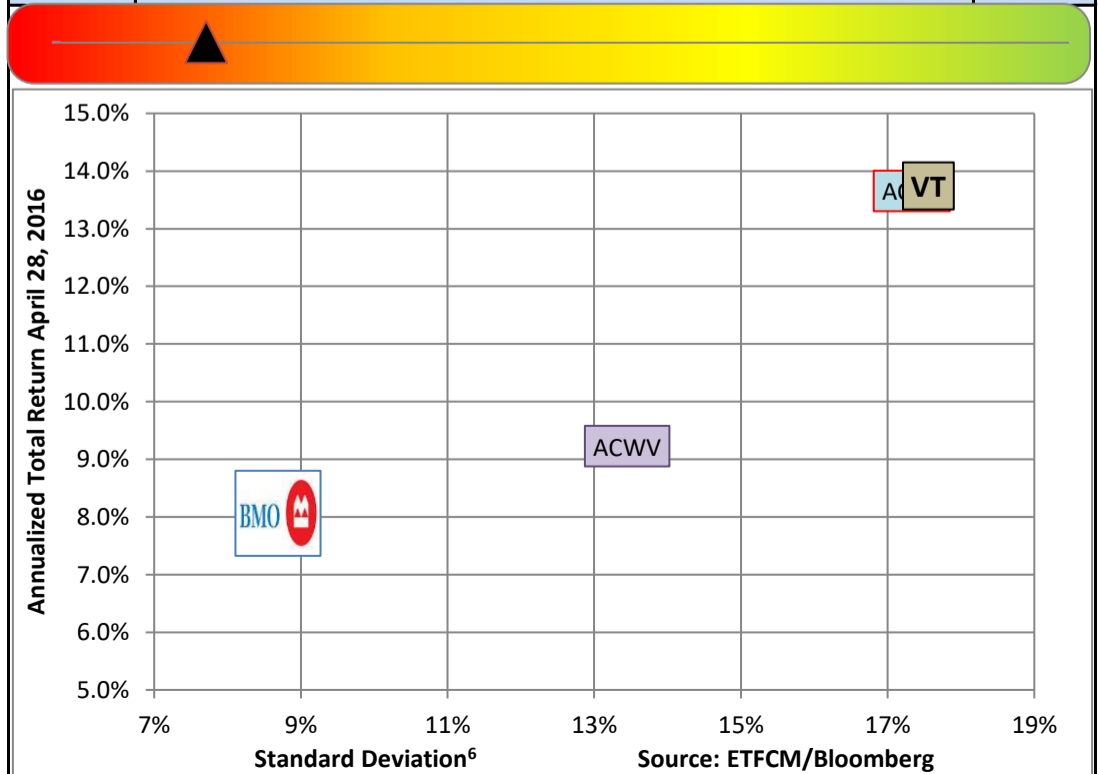
When the PRO EYES indicator is at elevated levels (above 75%), as it recently hit, we will have higher degree of beta protection on the portfolio. Historically, corrections that follow have a median of 7.3% and an average of 11.1% over the past 20 years. We have beta protection through the next few months buffering about 2/3rds of equity market exposure. This is a tactical hedge and is actively adjusted as opportunities develop. For details of the [PRO-EYES-Berman's Call](#) Tactical Risk Models click link above.

Performance Metrics (A-Series) as of (09/17/21)

Total Return	Net	Gross	Upside/Downside ⁵	
YTD	8.51%	9.82%	Upside	19%
Prev. Qtr.	1.48%	1.96%	Downside	26%
Prev. Year	7.50%	9.42%	Months Up	48
Since Inception	38.08%	47.96%	Months Dn	15
Ann. SI (04/28/16)	6.14%	8.06%		
Sharpe Ratio		0.93		

Fund Codes: No Load Retail: BMO70762

Defense **Core Portfolio Beta: 93.1%** Offense



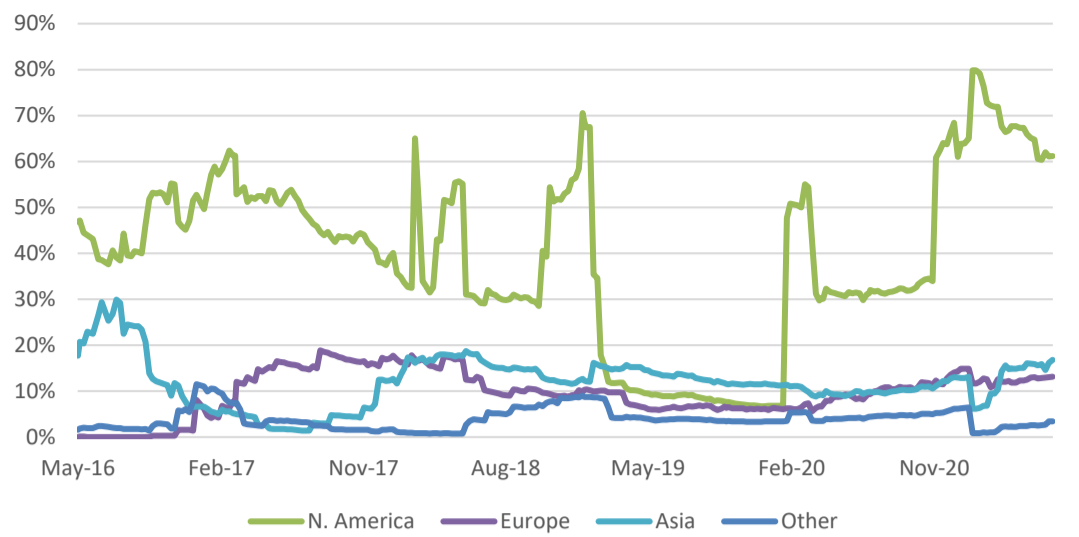
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Tactical Asset Allocation

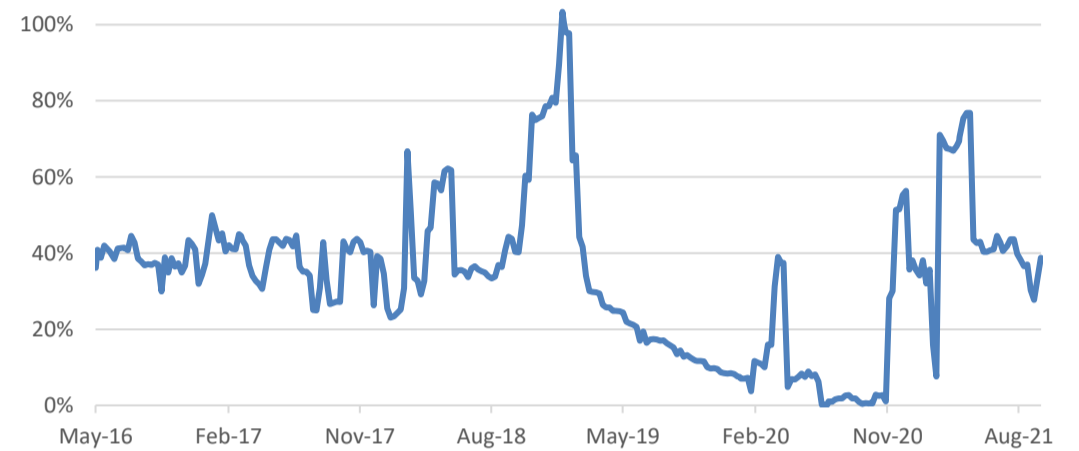
Equity	N. America	Europe	Asia	Other
09/17/21	60.8%	14.3%	21.9%	3.2%
09/10/21	60.9%	14.4%	22.0%	3.3%
Change	-0.1%	-0.1%	-0.1%	-0.1%

Sector	09/17/21	09/10/21	Change	BM
Basic Materials	16.76%	17.30%	-0.5%	4.5%
Communications	9.97%	9.95%	0.0%	13.1%
Consumer, Cyclical	9.26%	9.14%	0.1%	10.6%
Consumer, Non-cyclical	17.18%	17.14%	0.0%	19.7%
Energy	7.00%	6.73%	0.3%	3.3%
Financial	14.17%	14.21%	0.0%	18.1%
Government	0.00%	0.02%	0.0%	18.1%
Industrial	10.76%	10.95%	-0.2%	10.6%
Technology	11.30%	11.24%	0.1%	17.4%
Utilities	3.68%	3.73%	0.0%	2.7%

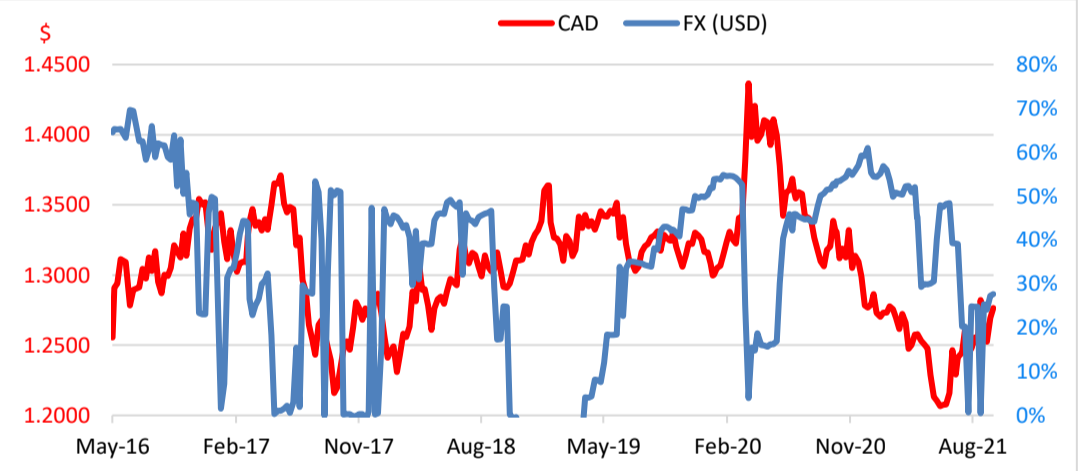
As of: Sep 17 2021	09/17/21	09/10/21	Change
FX (USD)	27.6%	27.3%	0.4%
Beta ²	93.1%	93.6%	-0.5%
Protection	-54.4%	-60.4%	6.0%
Correlation	82.0%	81.9%	0.2%
Yield ³	1.34%	1.32%	0.01%
ETF Holdings	23	23	0
Volatility ⁴	8.69%	8.76%	-0.07%
CAD	1.2764	1.2692	0.6%



Net Beta (Core - Protection): 38.7%



Tactical FX Exposure (USD)



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