



BMO Tactical Global Growth ETF Fund

Core Tactical/Strategic Portfolio Outlook/Adjustments

As the market has bounced, we do not see a strong fundamental reason for it. We see that investors got very bearish near recent lows and are getting chased back in with the tone of the war not getting worse and expectations for earnings to be OK in Q1. As always, it's about the go forward and the very hawkish FOMC is most likely going to make a big policy mistake in May. Possibility the tone remains OK for a few more weeks, but once into the meat of earnings and outlooks, we see that changing. Margin pressures are building and fighting supply side inflation with demand side tools is a recipe for margin stress. Last week we took profits of strong outperformance in cyber security (CIBR), which we like and will add back on relative weakness. The proceeds went into EAFE (ZEA). We also rotated half our exposure within the outperforming areas of EM (FLMX, FLBR) on reducing energy exposure back into core EM (ZEM). We added tactically to the insurance shock absorber (10% upside covered by 10% downside protection) on the equity exposure.

Macro Market Strategy

The rally back up to resistance zones has us adding back some volatility protection to the portfolio. We look to add more on strength and reduce on weakness. We think this is a very two-way market for the next few months. Once QT starts, we would be more concerned that equity risk premiums will rise and multiples will contract. For now, the FOMC tells us they have the tools to navigate a soft landing and the market believes them. The risk of a policy mistake is significant. But positions got very defensive and so market is capable of recovering some of the damage.

PRO-EYES - Berman's Call

Risk Level Medium

The core portfolio beta is 92.0%. The degree of delta protection is -27% while the value of beta protection is 49%.

The tactical PRO-EYES factor has moved off the most oversold since the extremes of COVID, but the big picture suggests end of cycle risks which means rallies should be sold and the market can offer good two-way trade opportunities. Increase the tactical focus and bring out the end of cycle playbook until inflation cools and there is visibility to the end of the rate hike cycle. Forward money market curves suggest easing in 2024 and beyond. The next year or two will likely be extremely choppy.

Performance Metrics (A-Series) as of (03/25/22)

Total Return	Net	Gross	Upside/Downside ⁵	
YTD	2.78%	3.21%	Upside	19%
Prev. Qtr.	3.36%	3.84%	Downside	28%
Prev. Year	11.15%	13.07%	Months Up	50
Since Inception	42.58%	53.41%	Months Dn	19
Ann. SI (04/28/16)	6.16%	8.08%		
Sharpe Ratio		0.82		

Fund Codes: No Load Retail: BMO70762

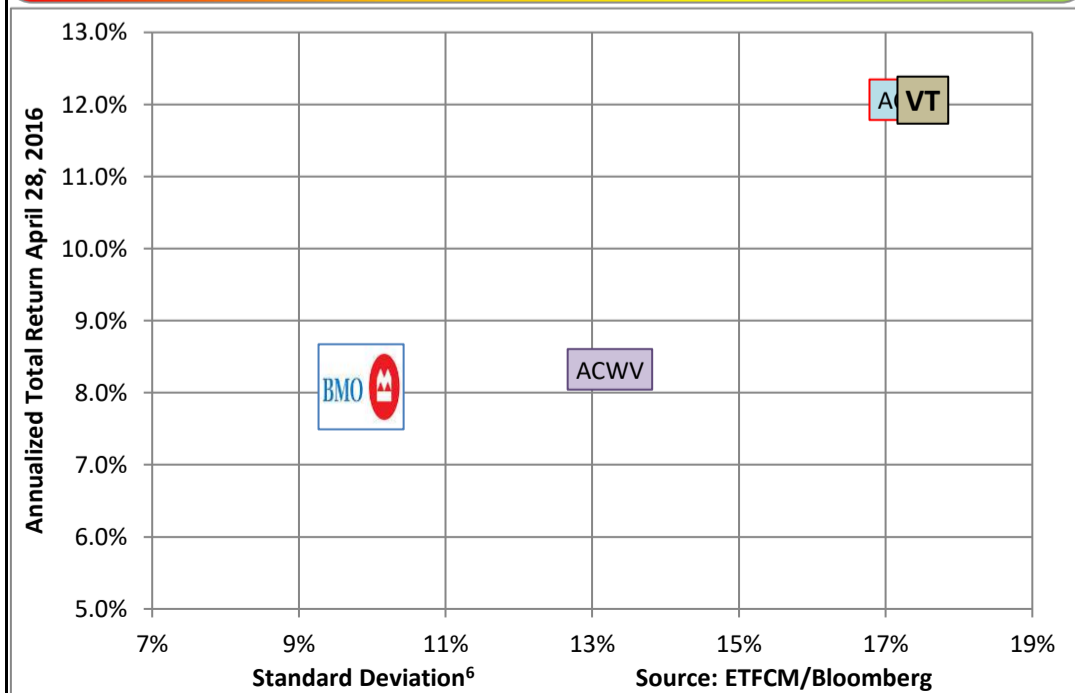
Top Holdings

Ticker	Name	Position
ZEA	BMO MSCI EAFE Index ETF	19.4%
RSP	Invesco S&P 500 Equal Weight ETF	17.5%
ZUE	BMO S&P 500 Hedged to CAD Index ETF	13.6%
ZEM	BMO MSCI Emerging Markets Index ETF	7.3%
FLGB	Franklin FTSE United Kingdom ETF	5.6%
GDX	VanEck Gold Miners ETF/USA	4.4%
KWEB	KraneShares CSI China Internet ETF	3.7%
FLJH	Franklin FTSE Japan Hedged ETF	3.2%
URA	Global X Uranium ETF	3.2%
MJ	ETFMG Alternative Harvest ETF	3.0%
ZMT	BMO Equal Weight Global Base Metals Hedged to CAD Index ETF	2.6%
PAVE	Global X US Infrastructure Development ETF	2.3%
ZCLN	BMO Clean Energy Index ETF	2.2%
VNM	VanEck Vietnam ETF	2.0%
FLIN	Franklin FTSE India ETF	1.9%
KBA	KraneShares Boserer MSCI China A 50 Connect Index ETF	1.8%
FLBR	Franklin FTSE Brazil ETF	1.6%
FLKR	Franklin FTSE South Korea ETF	0.9%
EIDO	iShares MSCI Indonesia ETF	0.9%
FLMX	Franklin FTSE Mexico ETF	0.7%

Chart of the Week



Defense Core Portfolio Beta: 92.0% **Offense**

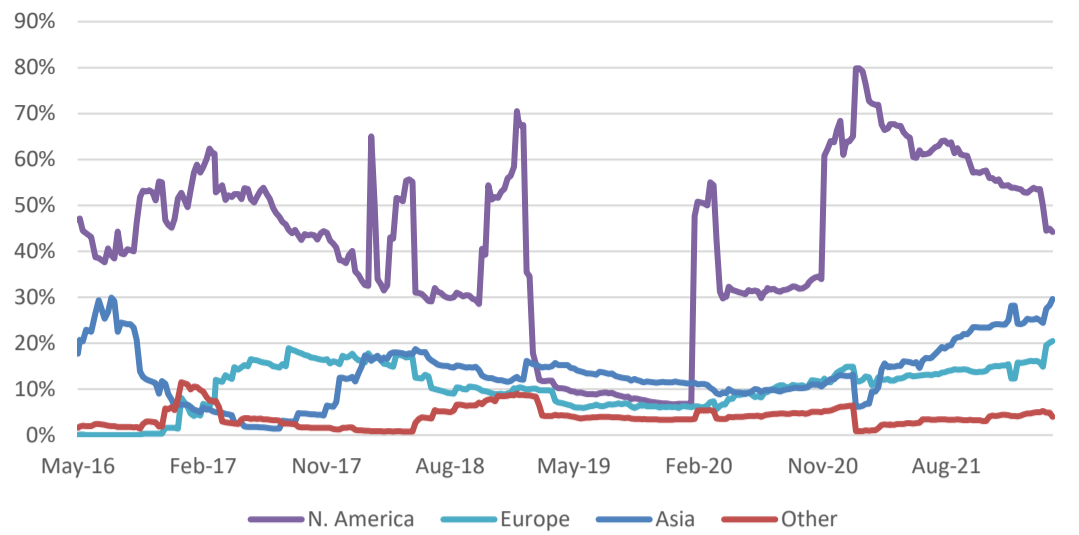


Tactical Asset Allocation

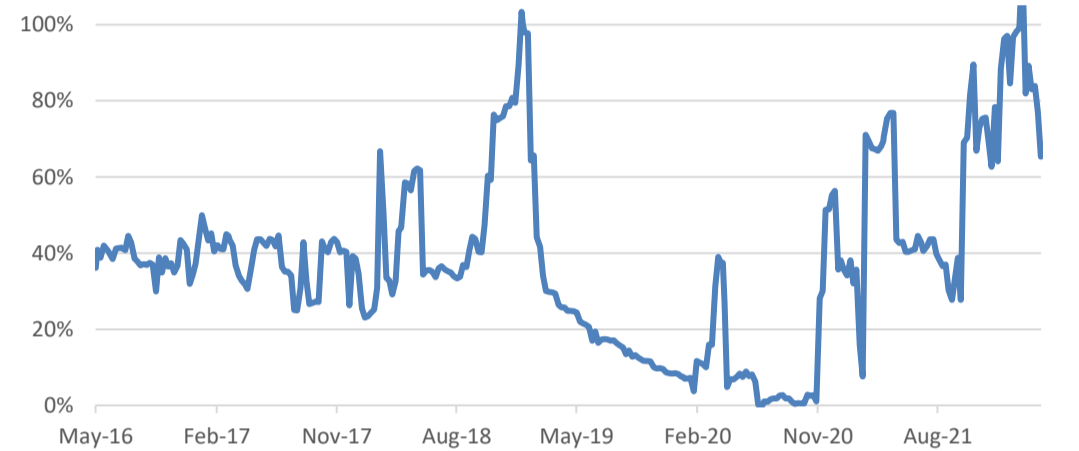
Equity	N. America	Europe	Asia	Other
03/25/22	44.2%	20.5%	29.7%	4.0%
03/18/22	44.9%	20.1%	28.2%	4.8%
Change	-0.7%	0.4%	1.5%	-0.9%

Sector	03/25/22	03/18/22	Change	BM
Basic Materials	14.19%	14.26%	-0.1%	4.4%
Communications	9.06%	9.17%	-0.1%	11.7%
Consumer, Cyclical	9.80%	9.44%	0.4%	10.8%
Consumer, Non-cyclical	18.73%	18.61%	0.1%	19.0%
Energy	5.32%	5.77%	-0.4%	4.2%
Financial	16.10%	15.87%	0.2%	19.0%
Government	0.06%	0.03%	0.0%	19.0%
Industrial	11.56%	11.47%	0.1%	10.2%
Technology	9.52%	9.19%	0.3%	17.9%
Utilities	3.86%	4.12%	-0.3%	2.7%

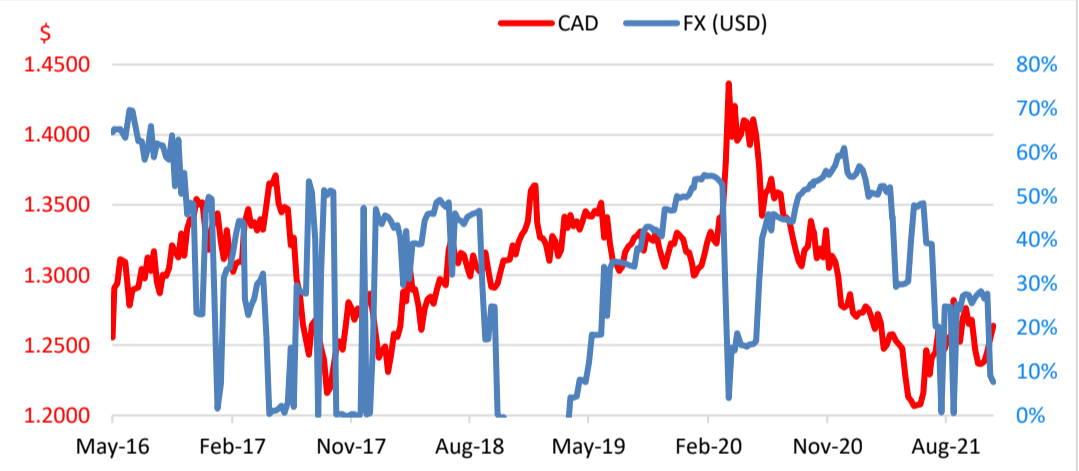
As of: Mar 25 2022	03/25/22	03/18/22	Change
FX (USD)	10.2%	8.9%	1.3%
Beta ²	92.0%	93.7%	-1.7%
Protection (Delta)	-26.7%	-16.6%	-10.1%
Correlation	76.2%	77.3%	-1.2%
Yield ³	2.35%	2.38%	-0.04%
ETF Holdings	22	23	-1
Volatility ⁴	9.85%	9.70%	0.15%
CAD	1.2477	1.2603	-1.0%



Net Beta (Core - Protection): 65.3%



Tactical FX Exposure (USD)



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