



BMO Tactical Dividend ETF Fund Highlights

Core Tactical/Strategic Portfolio Outlook/Adjustments

Our dividend exposure in EM and EAFE markets in the quarter legged the global dividend benchmarks, but still beat most low volatility global averages. The portfolio was doing very well until Russia invaded Ukraine and EAFE and EM markets got rocked. We did not see the war lasting as long as it has contributing to supply side inflation pressures, which complicated central bank's jobs going forward. We expect more volatility ahead and we are happy with the value based approach in clipping a decent yield near 5% while we await a more significant growth opportunity after the coming recession that at this point seems a 2023/2024 story given the recent inversion in the US 2s-10s curve and the FOMC's jobs is still to come.

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.

Top Holdings

Ticker	Name	Position
ZDI	BMO International Dividend ETF	31.9%
ZWP	BMO Europe High Dividend Covered Call ETF	21.8%
ZPAY/F	BMO Premium Yield ETF	20.5%
DEM	WisdomTree Emerging Markets High Dividend Fund	8.9%
EDIV	SPDR S&P Emerging Markets Dividend ETF	8.7%
DGS	Wisdom Tree Trust - WisdomTree Emerging Markets SmallCap Dividen	3.5%
DVYE	iShares Emerging Markets Dividend ETF	3.1%

Chart of the Week



PRO-EYES - Berman's Call

Risk Level High

The core portfolio beta is 65.0%. The degree of delta protection is -28% while the value of beta protection is 50%.

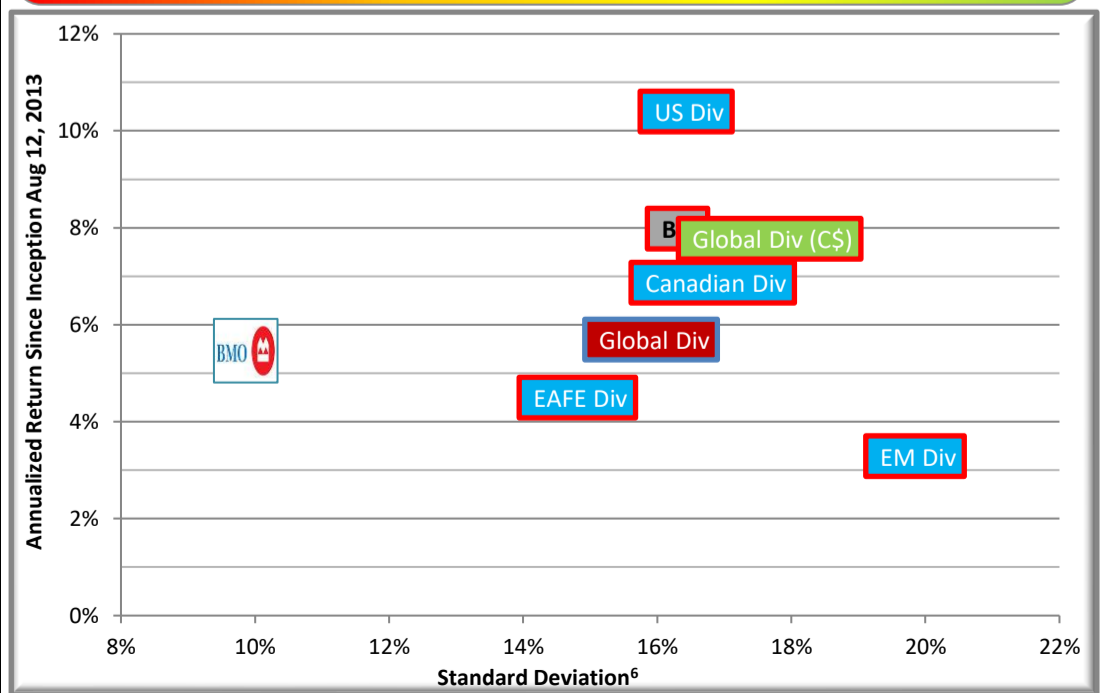
The tactical PRO-EYES factor remains the most oversold since the extremes of COVID, but the big picture suggests end of cycle risks which means rallies should be sold and the market can offer good two-way trade opportunities. Increase the tactical focus and bring out the end of cycle playbook until inflation 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 (04/01/22)

Total Return	Net	Gross	Upside/Downside ⁵	
YTD	0.11%	0.58%	Upside	23%
Previous Quarter	0.11%	0.59%	Downside	51%
Previous Year	5.32%	7.24%	Months Up	68
3-Year	-1.21%	0.71%	Months Dn	35
5-Year	0.71%	2.63%		
Ann. SI (08/12/13)	3.54%	5.46%	Sharpe Ratio	0.45

Fund Codes: No Load Retail: BMO70734

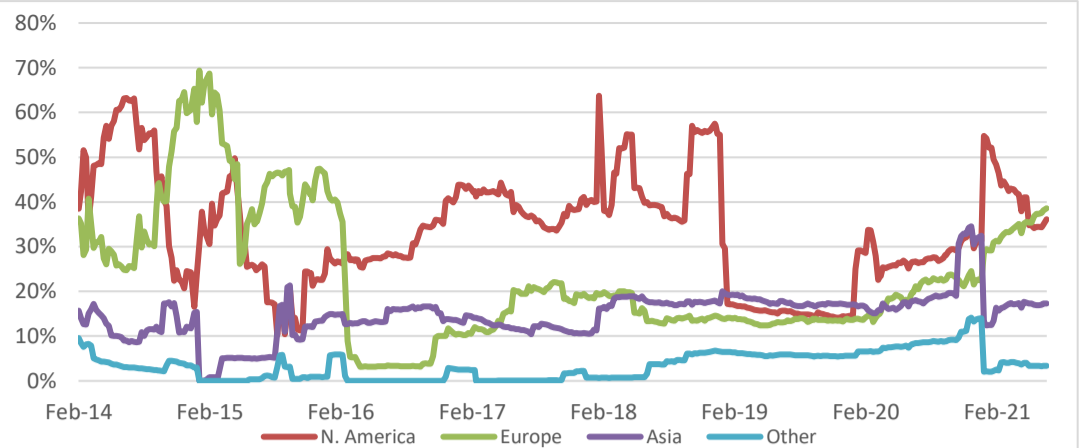
Defense Core Beta: 65.0% Offense



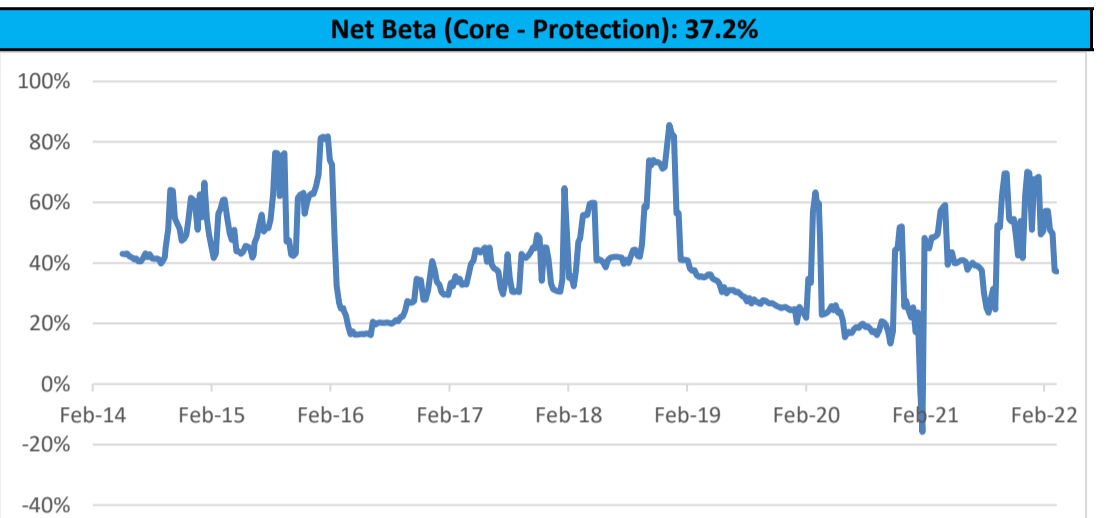
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Tactical Asset Allocation

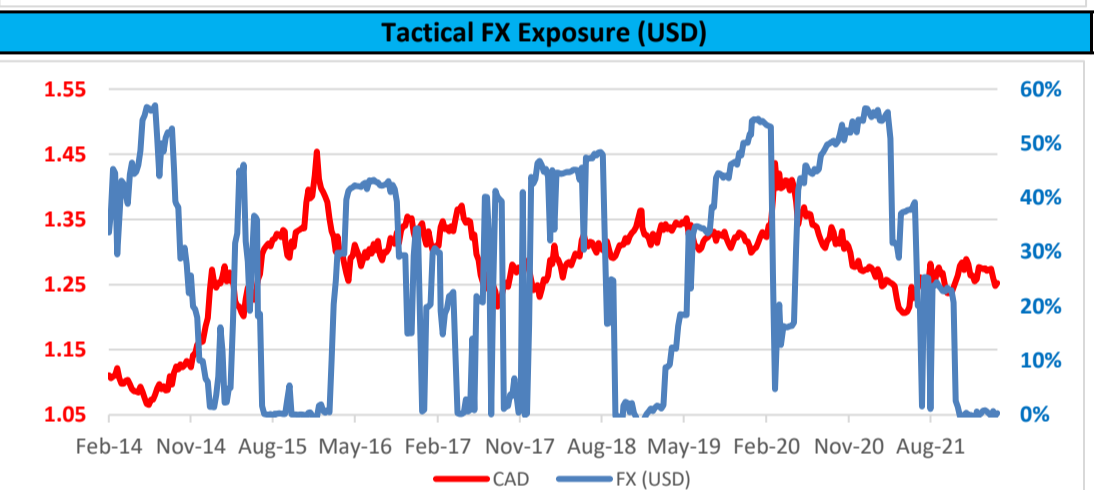
Equity	N. America	Europe	Asia	Other
04/01/22	21.3%	46.1%	24.7%	6.2%
03/25/22	21.4%	45.9%	25.0%	5.5%
Change	-0.1%	0.3%	-0.3%	0.7%
Benchmark	68.8%	14.1%	12.6%	4.6%



Sector	4/01/22	3/25/22	Change	BM
Basic Materials	8.03%	7.46%	0.6%	10.0%
Communications	9.13%	9.33%	-0.2%	7.1%
Consumer, Cyclical	10.89%	10.91%	0.0%	5.5%
Consumer, Non-cyclical	24.23%	24.03%	0.2%	8.6%
Energy	3.39%	3.58%	-0.2%	8.0%
Financial	21.77%	21.36%	0.4%	29.6%
Industrial	8.69%	8.96%	-0.3%	0.0%
Technology	7.27%	7.28%	0.0%	2.6%
Utilities	4.09%	4.03%	0.1%	0.0%



As of: 04/01/22	04/01/22	03/25/22	Change
FX (USD)	0.4%	-0.2%	0.5%
Beta ²	65.0%	65.5%	-0.5%
Protection	-27.8%	-28.0%	0.2%
Correlation	89.7%	89.6%	0.1%
Yield ³	4.94%	4.99%	-0.05%
ETF Holdings	7	7	0
Volatility ⁴	9.86%	9.89%	-0.03%
CAD	1.2522	1.2477	0.4%



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