



BMO Tactical Dividend ETF Fund Highlights

Core Tactical/Strategic Portfolio Outlook/Adjustments Our PRO-EYEs tactical risk monitor is showing another dip into the opportunity range and with the S&P 500 closing at the lowest level of

the year, we have a deep oversold condition. But it is also clear we are in a bear market and rallies will most certainly be to lower highs until the FOMC pivots. We do not see that until they break something. We tactically sold the more defensive ZPAY/F that has a notable tech exposure for ZQQ that would provide much more alpha on a bounce. That took down the yield of the portfolio temporarily, but we look to swap back to ZPAY/F at some point in the coming weeks/months. The chart of the week highlights the dip of ZQQ on a total return basis versus ZPAY/F over the past year. We could easily see a 10% rally where ZPAY/F would only rally 2-3%.

	Top Holdings	
Ticker	Name	Position
ZDI	BMO International Dividend ETF	31.3%
ZWP	BMO Europe High Dividend Covered Call ETF	22.2%
ZQQ	BMO Nasdaq 100 Equity Hedged To CAD Index ETF	19.7%
EDIV	SPDR S&P Emerging Markets Dividend ETF	9.0%
DEM	WisdomTree Emerging Markets High Dividend Fund	8.8%
DGS	Wisdom Tree Trust - WisdomTree Emerging Markets SmallCap Divide	3.5%
DVYE	iShares Emerging Markets Dividend ETF	3.1%

Macro Market Strategy

We think this is a very two-way market for the next few quarters with a bearish tilt. Better than expected tax receipts should push the negative funding pressure from QT into 2023. Once QT starts, to have an impact, we would be more concerned that equity risk premiums will rise and multiples will contract. The risk of a policy mistake is significant. The Street narrative has turned very hawkish recognizing how far the FOMC is behind the curve. Most FOMC members have confirmed the more aggressive path of tightening. The most aggressive since the early 1980s. The eurodollar curve shows aggressive tightening into mid 2023 followed by an easing cycle. This means the money market sees a recession. The stock market multiple clearly does not. The current FOMC update should clarify the policy path. The soft Q1 GDP likely walks back some of the hawkishness. We also could see peak inflation prints in May.



<u>PRO-EYES - B</u>	erman's Call
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Risk Level

Defense

Core Beta: 83.8%

Offense

Advisor/Broker Use Only

The core portfolio beta is 83.8%. The degree of delta protection is 0% while the value of beta protection is 0%.

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.

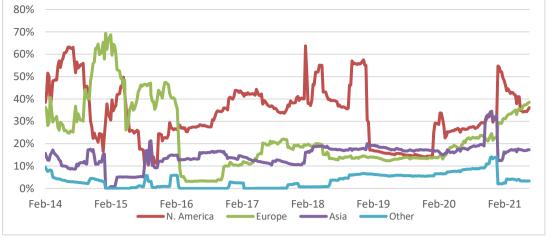
	12%							
Annualized Return Since Inception Aug 12, 2013	10%				US Div	/		
ception A	8%				B Glo	obal Div (C\$)]	
rn Since Ir	6%	вмо 🕰			Canadi Global Div	an Div		
lized Retu	4%			EAFE	Div			
Annua	2%						EM Div	
	0% 8%	10%	12%	14%	16%	18%	20%	22%

Standard Deviation⁶

Performance Metrics	(A-Series)) as of (05/06/22	!)
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Total Return	Net	Gross	Upside/Downsid	
YTD	-4.22%	-3.57%	Upside 23	
Previous Quarter	-4.32%	-3.84%	Downside	52%
Previous Year	-0.94%	0.98%	Months Up	68
3-Year	-2.48%	-0.56%	Months Dn	36
5-Year	-0.43%	1.49%		
Ann. SI (08/12/13)	2.97%	4.89%	Sharpe Ratio 0.30	
No Load Retail: RMO70734				

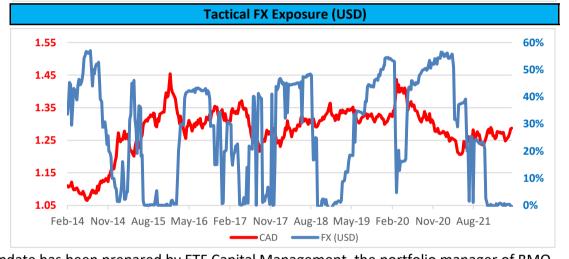
				Tactic	al Asset Allocation
Equity	N. America	Europe	Asia	Other	80%
05/06/22	20.1%	46.4%	25.2%	5.9%	70%
04/29/22	20.3%	46.2%	24.5%	6.1%	60%
Change	-0.2%	0.2%	0.7%	-0.2%	50%
Benchmark	70.2%	13.6%	12.2%	4.0%	40%



Sector	5/06/22	4/29/22	Change	BM
Basic Materials	7.54%	7.56%	0.0%	9.6%
Communications	11.06%	9.13%	1.9%	7.1%
Consumer, Cyclical	10.19%	10.31%	-0.1%	5.5%
Consumer, Non-cyclical	21.32%	24.53%	-3.2%	9.2%
Energy	3.52%	3.43%	0.1%	9.2%
Financial	19.15%	21.53%	-2.4%	27.7%
Industrial	7.50%	8.52%	-1.0%	0.0%
Technology	11.87%	6.86%	5.0%	2.6%
Utilities	4.47%	4.18%	0.3%	0.0%



As of: 05/06/22	05/06/22	04/29/22	Change
FX (USD)	-0.3%	-0.2%	-0.1%
Beta ²	83.8%	63.9%	19.9%
Protection	0.0%	0.0%	0.0%
Correlation	91.2%	88.3%	2.9%
Yield ³	3.94%	5.15%	-1.20%
ETF Holdings	7	7	0
Volatility⁴	10.78%	10.11%	0.67%
CAD	1.2875	1.2848	0.2%



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