

# BMO Tactical Global Asset Allocation ETF Fund (the "Fund")

For the 12-month period ended September 30, 2022 (the "Period")

Manager: BMO Investments Inc. (the "Manager" or "BMOI")

Portfolio manager: BMO Asset Management Inc., Toronto, Ontario (the "portfolio manager")

Sub-advisor: SIA Wealth Management Inc., Calgary, Alberta

## 2022 Annual Management Report of Fund Performance

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Fund. If the annual financial statements of the Fund do not accompany the mailing of this report, you may obtain a copy of the annual financial statements at your request, and at no cost, by calling 1-800-665-7700 and 1-800-668-7327, by writing to us at BMO Investments Inc., First Canadian Place, 100 King Street West, 43rd Floor, Toronto, Ontario, M5X 1A1 or by visiting our website at [www.bmo.com/gam/ca/advisor/legal-and-regulatory](http://www.bmo.com/gam/ca/advisor/legal-and-regulatory) or SEDAR at [www.sedar.com](http://www.sedar.com). You may also contact us using one of these methods to request a copy of the Fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record and/or quarterly portfolio disclosure.

### MANAGEMENT DISCUSSION OF FUND PERFORMANCE

#### Investment Objective and Strategies

The Fund's objective is to provide long-term capital growth and preservation of capital by investing primarily, directly or indirectly, in a globally diversified portfolio of equity and fixed income exchange traded funds. The sub-advisor may change the mix of assets according to their outlook for each asset class.

The sub-advisor may invest up to 100% of the Fund's assets in securities of exchange traded funds, including funds that are managed by the Manager or one of its affiliates or associates and non-affiliated funds. The sub-advisor employs a proprietary model that utilizes technical indicators to identify attractive securities that offer superior rates of return, while minimizing risk.

#### Risk

The risks associated with an investment in the Fund remain as disclosed in the Fund's most recent simplified prospectus or any amendments thereto and fund facts. During the Period, there were no changes to the Fund that materially affected the overall risk level associated with an investment in the Fund. The Manager reviewed the Fund using the standardized investment risk classification methodology prescribed by National Instrument 81-102 *Investment Funds* and determined on May 27, 2022 that the risk rating of the Fund had not changed. The Manager reviews the Fund's investment risk level and reference index, if any, at least annually.

#### Results of Operations

During the Period, the Fund's total net asset value changed from approximately \$353 million to approximately \$259 million. Series A units of the Fund returned -2.95%. Please see the *Past Performance* section for information on the performance returns of the Fund's other series.

During the Period, the Omicron variant of COVID-19 led to restrictions and renewed economic uncertainty in many countries. The first quarter of 2022 was volatile for global equity and fixed income markets, with investors turning more defensive. The Russia-Ukraine conflict, new lockdowns in China, and central banks raising interest rates as inflationary pressures intensified which sparked changes in market sentiment and capital flows.

The second quarter of 2022 was negative for equities, commodities, and bonds. While the Period was positive for crude oil and gasoline, other commodities, including metals, grains, livestock, and soft groups, joined the global market decline. Stagflation (high inflation combined with high unemployment and slowing economic growth) grew more likely amid price reports which indicated that inflation was increasing.

At the end of the Period, stocks and bonds declined while Treasury yields rose as central banks accelerated tightening to get inflation under control. By the end of September, investors' concerns began to focus on the prospect of a global economic downturn and whether a strong U.S. dollar could negatively affect corporate earnings following a series of profit warnings. The Fund's benchmark, the MSCI World Index (C\$) returned -11.9% over the Period.



Mutual Funds

# BMO Tactical Global Asset Allocation ETF Fund

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During the Period, the tactical accumulation of cash and cash equivalent investments, particularly U.S. dollars, contributed to the Fund's performance by lowering volatility and softening declines, thus improving absolute and risk-adjusted performance. In addition, exposure to the Energy, Information Technology, and Real Estate sectors contributed to the Fund's performance over the Period. In the fixed-income component, short duration (a measure of sensitivity to interest rates) inflation-protected U.S. Treasuries contributed to performance, benefiting from inflation and the rising U.S. dollar.

The largest individual contributor to performance was BMO Ultra Short-Term US Bond Exchange Traded Fund (ETF), which benefited from a rising U.S. dollar. This position's allocation ranged from approximately 12% to 50% during the Period. BMO Equal Weight Oil & Gas ETF also contributed to performance. It was removed on June 23, 2022. In the fixed-income component, the largest individual contributor was BMO Short-Term US TIPS Index ETF with duration of fewer than three years.

In the equity component of the Fund, a few U.S. equity companies that were sold during periods of equity weakness detracted from performance. As this broad weakness spread to equity sectors that the portfolio manager covers, the portfolio manager favoured cash investments. In the fixed-income component, longer-duration positions more sensitive to rising interest rates detracted from performance.

In the equity component, the largest individual detractor was BMO MSCI USA High Quality ETF. It was removed on February 14, 2022. In the fixed-income component, BMO Real Return Bond ETF with duration of 15 years was the largest detractor from performance.

In the equity component, the portfolio manager made 22 new equity-based investments in ETFs and individual stocks during the Period. All of these positions are no longer in the portfolio as a result of the tactical decision to increase cash and cash equivalents to 100% in June and September 2022 due to negative indicators.

In the fixed-income component, the portfolio manager initiated new positions in BMO Short-Term US TIPS Index ETF and BMO Short Corporate Bond ETF.

In the fixed-income component, the portfolio manager eliminated positions in BMO Mid-Term US Investment Grade Bond ETF and the BMO Mid-Term US Investment Grade Bond Hedged ETF in May 2022.

The portfolio manager temporarily reduced the Fund's cash position for six weeks from August to September 2022 in search of equity opportunities.

## **Multi-Series Structure Change**

Series D units are no longer available for purchase by new or existing investors effective June 10, 2022.

*For information on the Fund's performance and composition, please refer to the Past Performance section and Summary of Investment Portfolio section of this report.*

## **Recent Developments**

U.S. interim elections, rising inflation and interest rates, the Russia-Ukraine conflict, and more recently, the Organization of the Petroleum Exporting Countries' (OPEC+) oil production reductions all pose potential risks and opportunities to global and domestic markets, in the portfolio manager's view. In keeping with a tactical investment style, the portfolio manager monitors relative asset class performance and is prepared to take advantage of opportunities that may emerge once equity market conditions improve. The portfolio manager expects to maintain the portfolio's duration in line with the benchmark and anticipates diversification across investment-grade-credit qualities to balance yield with interest rates and inflation risk.

In February 2022, hostilities commenced in Ukraine. In response, a number of countries have imposed economic sanctions on Russia and certain Russian citizens and entities. The impact of the hostilities, economic sanctions and other measures may have wide-ranging global effects on price volatility for securities and commodities as well as the stability of global financial markets. It is uncertain how long the hostilities, economic sanctions and market instability will continue and whether they will escalate further.

## **RELATED PARTY TRANSACTIONS**

From time to time, the Manager may, on behalf of the Fund, enter into transactions or arrangements with or involving other members of BMO Financial Group, or certain other persons or companies that are related or connected to the Manager (each a "Related Party"). The purpose of this section is to provide a brief description of any transaction involving the Fund and a Related Party.

# BMO Tactical Global Asset Allocation ETF Fund

## Manager

BMO Investments Inc., an indirect, wholly-owned subsidiary of Bank of Montreal (“BMO”), is the Manager and trustee of the Fund. The Manager is paid a management fee by the Fund as compensation for its services, which is described in the “Management Fees” section later in this document.

## Portfolio Manager

The Fund’s portfolio manager is BMO Asset Management Inc. (“BMOAM”), an affiliate of the Manager. BMOAM provides portfolio management services to the Fund. BMOAM receives from the Manager a management fee based on assets under management, calculated daily and payable monthly.

## Operating Expenses

The Fund pays all of its operating expenses directly. These operating expenses include administration expenses and fund expenses. These operating expenses are allocated proportionately among the relevant series. Operating expenses that are specific to a series are allocated to that series. The Manager may, at their discretion, absorb all or a portion of the operating expenses at any given time. Separate fees and expenses are negotiated and paid directly by each Series I investor. Further details about the Fund’s operating expenses can be found in the Fund’s most recent simplified prospectus at [www.bmo.com/gam/ca/advisor/legal-and-regulatory](http://www.bmo.com/gam/ca/advisor/legal-and-regulatory) or [www.sedar.com](http://www.sedar.com).

## Buying and Selling Securities

During the Period, the Fund relied on standing instructions provided by the independent review committee (“IRC”) for any of the following related party transactions that may have occurred in the Fund (each, a “Related Party Transaction”):

- (a) investments in securities issued by BMO, an affiliate of the Manager, or any other issuer related to the Manager;
- (b) investments in a class of non-government debt securities and/or equity securities of an issuer during the period of distribution of those securities to the public and/or the 60-day period following the distribution period where BMO Nesbitt Burns Inc., an affiliate of the Manager, or any other affiliate of the Manager acted as an underwriter in the distribution;
- (c) trades in debt securities in the secondary market with BMO Nesbitt Burns Inc., an affiliate of the Manager, that is trading with the Fund as principal; and
- (d) trades of a security of any issuer from or to, another investment fund managed by the Manager or an affiliate of the Manager or a managed account managed by an affiliate of the Manager.

In accordance with the IRC’s standing instructions, in making a decision to cause the Fund to enter into a Related Party Transaction, the Manager and the portfolio manager of the Fund are required to comply with the Manager’s written policies and procedures governing the Related Party Transaction and report periodically to the IRC, describing each instance that the Manager relied on the standing instructions and its compliance or non-compliance with the governing policies and procedures. The governing policies and procedures are designed to ensure that each Related Party Transaction (i) is made free from any influence of BMO, BMO Nesbitt Burns Inc. or an associate or affiliate of BMO and/or BMO Nesbitt Burns Inc., and without taking into account any considerations relevant to BMO, BMO Nesbitt Burns Inc. or an associate or affiliate of BMO and/or BMO Nesbitt Burns Inc.; (ii) represents the business judgment of the Manager, uninfluenced by considerations other than the best interests of the Fund; and (iii) achieves a fair and reasonable result for the Fund.

## Brokerage Commissions

The Fund pays standard brokerage commissions at market rates to BMO Nesbitt Burns Inc., an affiliate of the Manager, for executing a portion of its trades. The brokerage commissions charged to the Fund (excluding exchange and other fees) during the periods indicated, were as follows:

	Period ended Sep. 30, 2022 \$000	Period ended Sep. 30, 2021 \$000
Total brokerage commissions	257	443
Brokerage commissions paid to BMO Nesbitt Burns Inc.	99	155

## Distribution Services

The Manager markets and distributes the Fund through BMO branches and/or (depending on the series) through registered dealers and brokers, including BMO InvestorLine Inc. and BMO Nesbitt Burns Inc., both affiliates of the Manager. The Manager pays to these affiliates a service fee called a “trailing commission” based on the average daily value of the units and/or shares that are held in investor accounts. This service fee is paid monthly or quarterly and varies by purchase option and by series. Effective on or after June 1, 2022, series of units of the Fund that pay a service fee are no longer available for purchase by investors who hold those securities in an account with BMO InvestorLine Inc.

# BMO Tactical Global Asset Allocation ETF Fund

## FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the periods indicated.

### The Fund's Net Assets per Unit <sup>(1)</sup>

#### Series A Units

	2022	Periods ended Sep. 30			2018
		2021	2020	2019	
Net assets, beginning of period	\$ 12.56	12.01	12.28	11.93	10.35
<b>Increase (decrease) from operations:</b>					
Total revenue	\$ 0.37	0.34	0.28	0.30	0.27
Total expenses <sup>(2)</sup>	\$ -0.20	-0.21	-0.21	-0.21	-0.19
Realized gains (losses) for the period	\$ 0.54	0.97	-0.20	-0.44	0.31
Unrealized gains (losses) for the period	\$ -1.01	-0.48	-0.11	0.90	0.58
<b>Total increase (decrease) from operations <sup>(3)</sup></b>	\$ -0.30	0.62	-0.24	0.55	0.97
<b>Distributions:</b>					
From net investment income (excluding dividends)	\$ 0.06	0.00	0.07	0.06	0.04
From dividends	\$ 0.01	0.00	0.00	0.00	0.02
From capital gains	\$ 0.68	—	—	0.04	—
Return of capital	\$ 0.02	0.01	0.01	0.00	—
<b>Total Annual Distributions <sup>(4)</sup></b>	\$ 0.77	0.01	0.08	0.10	0.06
<b>Net assets, end of period</b>	\$ 11.48	12.56	12.01	12.28	11.93

#### Advisor Series Units

	2022	Periods ended Sep. 30			2018
		2021	2020	2019	
Net assets, beginning of period	\$ 12.54	11.99	12.26	11.92	10.36
<b>Increase (decrease) from operations:</b>					
Total revenue	\$ 0.37	0.34	0.28	0.30	0.26
Total expenses <sup>(2)</sup>	\$ -0.20	-0.21	-0.21	-0.21	-0.18
Realized gains (losses) for the period	\$ 0.54	0.96	-0.21	-0.41	0.34
Unrealized gains (losses) for the period	\$ -0.99	-0.47	-0.08	0.86	0.96
<b>Total increase (decrease) from operations <sup>(3)</sup></b>	\$ -0.28	0.62	-0.22	0.54	1.38
<b>Distributions:</b>					
From net investment income (excluding dividends)	\$ 0.06	0.00	0.07	0.05	0.05
From dividends	\$ 0.01	0.00	0.00	0.00	0.02
From capital gains	\$ 0.67	—	—	0.05	—
Return of capital	\$ 0.02	0.01	0.01	0.00	—
<b>Total Annual Distributions <sup>(4)</sup></b>	\$ 0.76	0.01	0.08	0.10	0.07
<b>Net assets, end of period</b>	\$ 11.46	12.54	11.99	12.26	11.92

#### Series T4 Units

	2022	Periods ended Sep. 30			2018 <sup>(5)</sup>
		2021	2020	2019	
Net assets, beginning of period	\$ 9.42	9.37	9.91	9.94	10.00*
<b>Increase (decrease) from operations:</b>					
Total revenue	\$ 0.28	0.26	0.23	0.25	0.03
Total expenses <sup>(2)</sup>	\$ -0.15	-0.16	-0.17	-0.17	-0.02
Realized gains (losses) for the period	\$ 0.42	0.76	-0.16	-0.40	0.02
Unrealized gains (losses) for the period	\$ -0.75	-0.41	-0.10	0.86	-0.13
<b>Total increase (decrease) from operations <sup>(3)</sup></b>	\$ -0.20	0.45	-0.20	0.54	-0.10
<b>Distributions:</b>					
From net investment income (excluding dividends)	\$ 0.04	0.05	0.09	0.15	0.03
From dividends	\$ 0.01	0.01	0.00	0.00	—
From capital gains	\$ 0.51	—	—	0.01	—
Return of capital	\$ 0.33	0.32	0.30	0.23	—
<b>Total Annual Distributions <sup>(4)</sup></b>	\$ 0.89	0.38	0.39	0.39	0.03
<b>Net assets, end of period</b>	\$ 8.31	9.42	9.37	9.91	9.94

#### Series F Units

	2022	Periods ended Sep. 30			2018
		2021	2020	2019	
Net assets, beginning of period	\$ 12.69	12.17	12.43	12.02	10.46
<b>Increase (decrease) from operations:</b>					
Total revenue	\$ 0.37	0.35	0.31	0.31	0.26
Total expenses <sup>(2)</sup>	\$ -0.08	-0.09	-0.10	-0.09	-0.07
Realized gains (losses) for the period	\$ 0.62	1.00	-0.18	-0.40	0.34
Unrealized gains (losses) for the period	\$ -1.00	-0.46	-0.19	0.89	0.89
<b>Total increase (decrease) from operations <sup>(3)</sup></b>	\$ -0.09	0.80	-0.16	0.71	1.42
<b>Distributions:</b>					
From net investment income (excluding dividends)	\$ 0.22	0.15	0.17	0.11	0.16
From dividends	\$ 0.01	0.00	0.00	0.00	0.02
From capital gains	\$ 0.76	—	—	0.05	—
Return of capital	\$ 0.03	0.02	0.01	0.00	0.01
<b>Total Annual Distributions <sup>(4)</sup></b>	\$ 1.02	0.17	0.18	0.16	0.19
<b>Net assets, end of period</b>	\$ 11.48	12.69	12.17	12.43	12.02

# BMO Tactical Global Asset Allocation ETF Fund

## Series F4 Units

	2022	Periods ended Sep. 30			2018
		2021	2020	2019 <sup>(6)</sup>	
Net assets, beginning of period	\$ 10.37	10.21	10.70	10.00*	
<b>Increase (decrease)</b>					
<b>from operations:</b>					
Total revenue	\$ 0.30	0.29	0.25	0.21	
Total expenses <sup>(2)</sup>	\$ -0.07	-0.07	-0.08	-0.06	
Realized gains (losses)					
for the period	\$ 0.51	0.73	-0.19	-0.34	
Unrealized gains (losses)					
for the period	\$ -0.78	-0.55	-0.32	0.73	
<b>Total increase (decrease)</b>					
<b>from operations<sup>(3)</sup></b>	\$ -0.04	0.40	-0.34	0.54	
<b>Distributions:</b>					
From net investment income (excluding dividends)	\$ 0.17	0.20	0.19	0.18	
From dividends	\$ 0.01	0.00	0.00	—	
From capital gains	\$ 0.70	—	—	—	
Return of capital	\$ 0.23	0.22	0.23	0.13	
<b>Total Annual Distributions<sup>(4)</sup></b>	\$ 1.11	0.42	0.42	0.31	
<b>Net assets, end of period</b>	\$ 9.11	10.37	10.21	10.70	

## Series D Units

	2022	Periods ended Sep. 30			2018
		2021	2020	2019	
Net assets, beginning of period	\$ 12.68	12.14	12.37	12.00	10.42
<b>Increase (decrease)</b>					
<b>from operations:</b>					
Total revenue	\$ 0.40	0.34	0.29	0.30	0.27
Total expenses <sup>(2)</sup>	\$ -0.13	-0.12	-0.13	-0.13	-0.12
Realized gains (losses)					
for the period	\$ 1.39	0.97	-0.24	-0.38	0.34
Unrealized gains (losses)					
for the period	\$ -1.63	-0.55	-0.16	0.81	0.64
<b>Total increase (decrease)</b>					
<b>from operations<sup>(3)</sup></b>	\$ 0.03	0.64	-0.24	0.60	1.13
<b>Distributions:</b>					
From net investment income (excluding dividends)	\$ 0.15	0.10	0.12	0.10	0.09
From dividends	\$ 0.01	0.00	0.00	0.00	0.02
From capital gains	\$ 1.02	—	—	0.05	—
Return of capital	\$ 0.02	0.02	0.01	0.00	0.01
<b>Total Annual Distributions<sup>(4)</sup></b>	\$ 1.20	0.12	0.13	0.15	0.12
<b>Net assets, end of period</b>	\$ 11.64	12.68	12.14	12.37	12.00

## Series I Units

	2022	Periods ended Sep. 30			2018
		2021	2020	2019	
Net assets, beginning of period	\$ 12.83	12.16	12.36	12.07	10.47
<b>Increase (decrease)</b>					
<b>from operations:</b>					
Total revenue	\$ 0.37	0.34	0.26	-0.31	0.26
Total expenses <sup>(2)</sup>	\$ 0.01	0.01	0.01	0.00	0.00
Realized gains (losses)					
for the period	\$ 0.63	0.97	-1.95	-0.60	0.35
Unrealized gains (losses)					
for the period	\$ -1.02	-0.53	-0.36	0.34	1.20
<b>Total increase (decrease)</b>					
<b>from operations<sup>(3)</sup></b>	\$ -0.01	0.79	-2.04	0.04	1.81
<b>Distributions:</b>					
From net investment income (excluding dividends)	\$ 0.32	0.11	0.20	0.24	0.20
From dividends	\$ 0.01	0.00	0.00	0.01	0.02
From capital gains	\$ 0.71	—	—	0.09	—
Return of capital	\$ 0.03	0.01	0.01	0.00	0.01
<b>Total Annual Distributions<sup>(4)</sup></b>	\$ 1.07	0.12	0.21	0.34	0.23
<b>Net assets, end of period</b>	\$ 11.67	12.83	12.16	12.36	12.07

\* Initial net assets.

<sup>(1)</sup> This information is derived from the Fund's audited annual financial statements.

<sup>(2)</sup> Includes commissions and other portfolio transaction costs and withholding taxes.

<sup>(3)</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

<sup>(4)</sup> Distributions were either paid in cash or reinvested in additional units of the Fund, or both. The allocation of the distributions from each of income, dividends, capital gains and return of capital is based on the Manager's estimate as at September 30 of the period shown, as applicable, which is the Fund's financial year-end. However, the actual allocation of distributions is determined as at December 15, the Fund's tax year-end. Accordingly, the actual allocation among income, dividends, capital gains and return of capital may differ from these estimates.

<sup>(5)</sup> The information shown in this column is for the period beginning August 24, 2018 (the series' inception date) and ending September 30, 2018.

<sup>(6)</sup> The information shown in this column is for the period beginning December 21, 2018 (the series' inception date) and ending September 30, 2019.

## Ratios and Supplemental Data

### Series A Units

	2022	Periods ended Sep. 30			2018
		2021	2020	2019	
Total net asset value (000's) <sup>(1)</sup>	\$ 104,264	131,592	178,395	166,202	38,403
Number of units outstanding (000's) <sup>(1)</sup>	9,085	10,474	14,851	13,532	3,219
Management expense ratio <sup>(2)</sup>	% 1.73	1.72	1.73	1.73	1.74
Management expense ratio before waivers or absorptions	% 1.73	1.72	1.73	1.73	1.74
Trading expense ratio <sup>(3)</sup>	% 0.09	0.11	0.17	0.06	0.05
Portfolio turnover rate <sup>(4)</sup>	% 167.79	195.84	358.59	103.02	40.30
Net asset value per unit	\$ 11.48	12.56	12.01	12.28	11.93

# BMO Tactical Global Asset Allocation ETF Fund

## Advisor Series Units

		Periods ended Sep. 30				
		2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$	85,887	113,620	144,081	133,995	48,677
Number of units						
outstanding (000's) <sup>(1)</sup>		7,493	9,058	12,014	10,927	4,082
Management expense ratio <sup>(2)</sup>	%	1.73	1.72	1.74	1.74	1.75
Management expense ratio						
before waivers or absorptions	%	1.73	1.73	1.74	1.74	1.75
Trading expense ratio <sup>(3)</sup>	%	0.09	0.11	0.17	0.06	0.05
Portfolio turnover rate <sup>(4)</sup>	%	167.79	195.84	358.59	103.02	40.30
Net asset value per unit	\$	11.46	12.54	11.99	12.26	11.92

## Series T4 Units

		Periods ended Sep. 30				
		2022	2021	2020	2019	2018 <sup>(5)</sup>
Total net asset value (000's) <sup>(1)</sup>	\$	3,786	5,250	6,935	6,983	544
Number of units						
outstanding (000's) <sup>(1)</sup>		456	557	740	705	55
Management expense ratio <sup>(2)</sup>	%	1.70	1.69	1.70	1.73	1.84
Management expense ratio						
before waivers or absorptions	%	1.72	1.69	1.71	1.73	3.76
Trading expense ratio <sup>(3)</sup>	%	0.09	0.11	0.17	0.06	0.05
Portfolio turnover rate <sup>(4)</sup>	%	167.79	195.84	358.59	103.02	40.30
Net asset value per unit	\$	8.31	9.42	9.37	9.91	9.94

## Series F Units

		Periods ended Sep. 30				
		2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$	62,528	96,727	164,062	253,783	116,612
Number of units						
outstanding (000's) <sup>(1)</sup>		5,447	7,622	13,478	20,417	9,698
Management expense ratio <sup>(2)</sup>	%	0.77	0.76	0.77	0.75	0.78
Management expense ratio						
before waivers or absorptions	%	0.77	0.76	0.77	0.75	0.78
Trading expense ratio <sup>(3)</sup>	%	0.09	0.11	0.17	0.06	0.05
Portfolio turnover rate <sup>(4)</sup>	%	167.79	195.84	358.59	103.02	40.30
Net asset value per unit	\$	11.48	12.69	12.17	12.43	12.02

## Series F4 Units

		Periods ended Sep. 30			
		2022	2021	2020	2019 <sup>(6)</sup>
Total net asset value (000's) <sup>(1)</sup>	\$	740	1,399	2,906	3,530
Number of units					
outstanding (000's) <sup>(1)</sup>		81	135	285	330
Management expense ratio <sup>(2)</sup>	%	0.75	0.75	0.75	0.73
Management expense ratio					
before waivers or absorptions	%	0.83	0.75	0.76	0.77
Trading expense ratio <sup>(3)</sup>	%	0.09	0.11	0.17	0.06
Portfolio turnover rate <sup>(4)</sup>	%	167.79	195.84	358.59	103.02
Net asset value per unit	\$	9.11	10.37	10.21	10.70

## Series D Units

		Periods ended Sep. 30				
		2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$	212	1,816	1,939	2,007	995
Number of units						
outstanding (000's) <sup>(1)</sup>		18	143	160	162	83
Management expense ratio <sup>(2)</sup>	%	1.07	1.03	1.05	1.06	1.15
Management expense ratio						
before waivers or absorptions	%	1.07	1.03	1.05	1.06	1.15
Trading expense ratio <sup>(3)</sup>	%	0.09	0.11	0.17	0.06	0.05
Portfolio turnover rate <sup>(4)</sup>	%	167.79	195.84	358.59	103.02	40.30
Net asset value per unit	\$	11.64	12.68	12.14	12.37	12.00

## Series I Units

		Periods ended Sep. 30				
		2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$	1,933	2,925	2,798	2,041	0
Number of units						
outstanding (000's) <sup>(1)</sup>		166	228	230	165	0
Management expense ratio <sup>+</sup>	%	—	—	—	—	—
Management expense ratio						
before waivers or absorptions <sup>+</sup>	%	—	—	—	—	—
Trading expense ratio <sup>(3)</sup>	%	0.09	0.11	0.17	0.06	0.05
Portfolio turnover rate <sup>(4)</sup>	%	167.79	195.84	358.59	103.02	40.30
Net asset value per unit	\$	11.67	12.83	12.16	12.36	12.07

+ Operating expenses are paid by BMOII and management fees are paid directly to BMOII as negotiated with the investor.

<sup>(1)</sup> This information is provided as at September 30 of the period shown.

<sup>(2)</sup> Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

<sup>(3)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

<sup>(4)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

<sup>(5)</sup> The information shown in this column is for the period beginning August 24, 2018 (the series' inception date) and ending September 30, 2018.

<sup>(6)</sup> The information shown in this column is for the period beginning December 21, 2018 (the series' inception date) and ending September 30, 2019.

## Management Fees

The Manager is responsible for the day-to-day management of the business and operations of the Fund. The Manager monitors and evaluates the Fund's performance, pays for the investment advice provided by the Fund's portfolio manager and provides certain administrative services required by the Fund. As compensation for its services, the Manager is entitled to receive a management fee payable monthly, calculated based on the daily net asset value of each series of the Fund at the annual rate set out in the table below. The management fee is subject to applicable taxes. The Manager may, at its discretion, waive a portion or the entire amount of the management fee chargeable at any given time for each series of the Fund.

	As a Percentage of Management Fees		
	Annual Management Fee Rate* %	Dealer Compensation %	General Administration, Investment Advice and Profit %
Series A Units	1.55	64	36
Advisor Series Units	1.55	65	35
Series T4 Units	1.55	32	68
Series F Units	0.65	0	100
Series F4 Units	0.65	0	100
Series D Units	0.90	27	73
Series I Units	—	—	—

\* For Series I Units, separate Series I fees are negotiated and paid directly by each Series I investor. The management fees for Series I Units will not exceed the management fee charged for Advisor Series or Series A Units.



# BMO Tactical Global Asset Allocation ETF Fund

## PAST PERFORMANCE

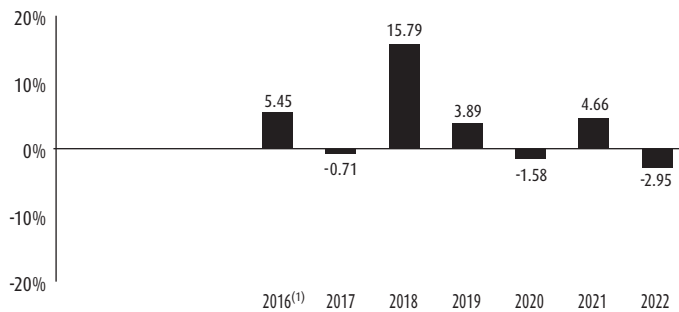
The Fund's performance information assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund and is based on the net asset value of the Fund. The reinvestment of distributions increases returns. The performance information does not take into account sales, redemption, distribution, other optional charges or income taxes payable that, if applicable, would have reduced returns or performance. Please remember that how the Fund has performed in the past does not indicate how it will perform in the future.

The returns of each series may differ from one another for a number of reasons, including if the series was not issued and outstanding for the entire reporting period and because of the different levels of management fees and expenses allocated and payable by each series.

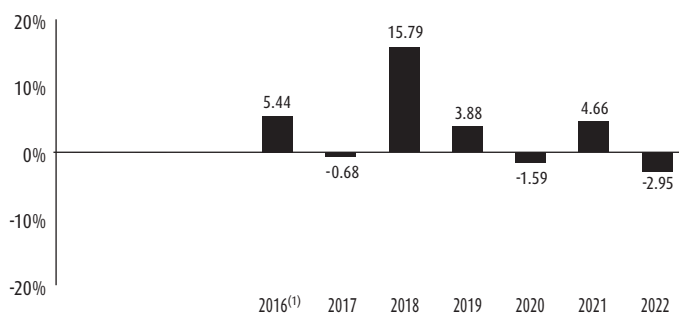
### Year-by-Year Returns

The following bar charts show the performance of each series of the Fund for each of the financial years shown, and illustrate how the Fund's performance has changed from year to year. The charts show in percentage terms how an investment made on the first day of each financial year would have increased or decreased by the last day of each financial year.

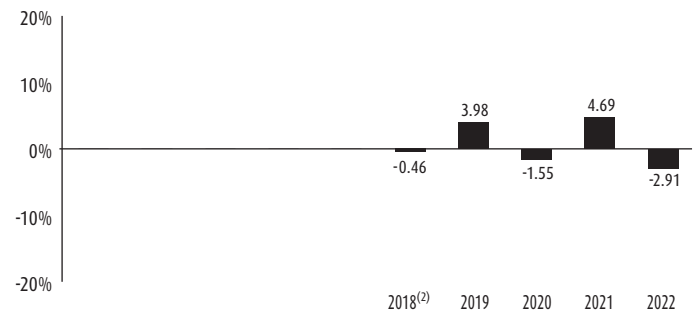
#### Series A Units



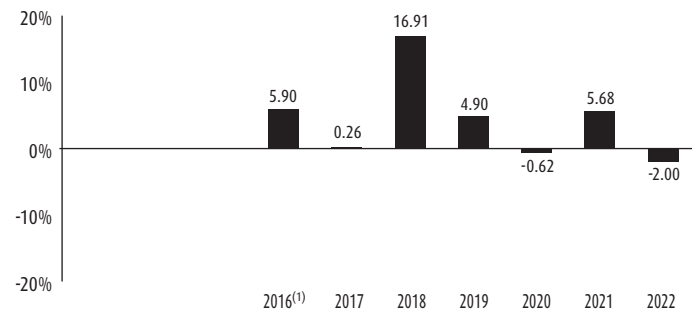
#### Advisor Series Units



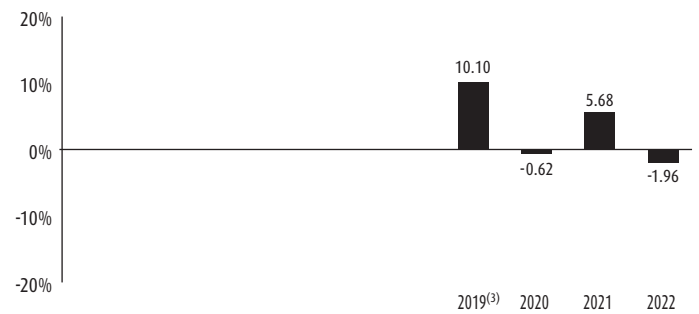
#### Series T4 Units



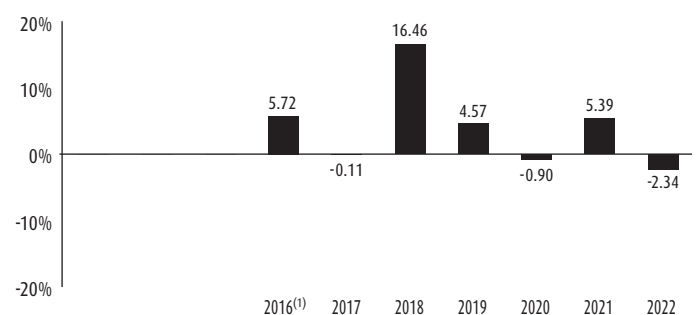
#### Series F Units



#### Series F4 Units

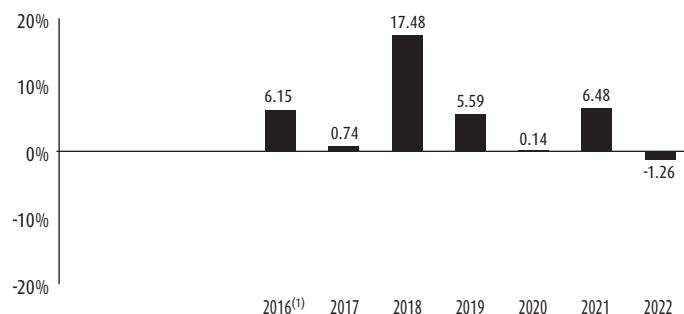


#### Series D Units



# BMO Tactical Global Asset Allocation ETF Fund

## Series I Units



<sup>(1)</sup> For the period beginning with the performance launch date of April 28, 2016 to September 30, 2016.

<sup>(2)</sup> For the period beginning with the performance launch date of August 27, 2018 to September 30, 2018.

<sup>(3)</sup> For the period beginning with the performance launch date of December 21, 2018 to September 30, 2019.

## Annual Compound Returns

This table compares the historical annual compound returns of the Fund with its blended benchmark (composed of 40% Bloomberg Global Aggregate Bond Index (C\$) and 60% MSCI World Index (C\$)), in addition to the MSCI World Index (C\$), a broad-based index. The Fund uses a blended benchmark to compare its overall relative performance because the blended benchmark is a better reflection of the asset mix of the underlying investments within the Fund's portfolio. Therefore, the blended benchmark is a more accurate and useful comparison.

The Bloomberg Global Aggregate Bond Index (C\$) provides a broad-based measure of the global investment-grade fixed-rate debt markets. The Bloomberg Global Aggregate Bond Index contains three major components: the U.S. Aggregate Index, the Pan-European Aggregate Index, and the Asian-Pacific Aggregate Index.

The MSCI World Index (C\$) is a broad-based global index that represents large- and mid-cap equity performance across 23 developed markets countries. It covers approximately 85% of the free float-adjusted market capitalization in each country.

## Series A Units

		1 year	3 years	5 years	10 years	Since Inception <sup>(1)</sup>
BMO Tactical Global						
Asset Allocation ETF Fund	%	-2.95	-0.01	3.76		3.65
Blended Benchmark	%	-12.43	2.30	4.86		5.60
MSCI World Index (C\$)	%	-11.93	6.53	8.02		9.42

## Advisor Series Units

		1 year	3 years	5 years	10 years	Since Inception <sup>(1)</sup>
BMO Tactical Global						
Asset Allocation ETF Fund	%	-2.95	-0.01	3.75		3.65
Blended Benchmark	%	-12.43	2.30	4.86		5.60
MSCI World Index (C\$)	%	-11.93	6.53	8.02		9.42

## Series T4 Units

		1 year	3 years	5 years	10 years	Since Inception <sup>(1)</sup>
BMO Tactical Global						
Asset Allocation ETF Fund	%	-2.91	0.02			0.86
Blended Benchmark	%	-12.43	2.30			3.35
MSCI World Index (C\$)	%	-11.93	6.53			6.08

## Series F Units

		1 year	3 years	5 years	10 years	Since Inception <sup>(1)</sup>
BMO Tactical Global						
Asset Allocation ETF Fund	%	-2.00	0.96	4.77		4.66
Blended Benchmark	%	-12.43	2.30	4.86		5.60
MSCI World Index (C\$)	%	-11.93	6.53	8.02		9.42

## Series F4 Units

		1 year	3 years	5 years	10 years	Since Inception <sup>(1)</sup>
BMO Tactical Global						
Asset Allocation ETF Fund	%	-1.96	0.98			3.37
Blended Benchmark	%	-12.43	2.30			5.04
MSCI World Index (C\$)	%	-11.93	6.53			9.73

## Series D Units

		1 year	3 years	5 years	10 years	Since Inception <sup>(1)</sup>
BMO Tactical Global						
Asset Allocation ETF Fund	%	-2.34	0.66	4.43		4.31
Blended Benchmark	%	-12.43	2.30	4.86		5.60
MSCI World Index (C\$)	%	-11.93	6.53	8.02		9.42

## Series I Units

		1 year	3 years	5 years	10 years	Since Inception <sup>(1)</sup>
BMO Tactical Global						
Asset Allocation ETF Fund	%	-1.26	1.73	5.49		5.33
Blended Benchmark	%	-12.43	2.30	4.86		5.60
MSCI World Index (C\$)	%	-11.93	6.53	8.02		9.42

<sup>(1)</sup> Return from the performance launch date of April 28, 2016 to September 30, 2022.

<sup>(2)</sup> Return from the performance launch date of August 27, 2018 to September 30, 2022.

<sup>(3)</sup> Return from the performance launch date of December 21, 2018 to September 30, 2022.

*A commentary on the market and/or information regarding the relative performance of the Fund as compared to its broad-based benchmark can be found under the Results of Operations section of this report.*



# BMO Tactical Global Asset Allocation ETF Fund

## SUMMARY OF INVESTMENT PORTFOLIO

As at September 30, 2022

<b>Portfolio Allocation</b>	<b>% of Net Asset Value</b>	<b>Holdings**<sup>+</sup> Issuer</b>	<b>% of Net Asset Value</b>
Canadian Fixed Income Funds	72.1	BMO Ultra Short-Term Bond ETF	39.8
U.S. Fixed Income Funds	26.7	BMO Ultra Short-Term US Bond ETF, Listed USD Units	20.2
Cash/Receivables/Payables	1.2	BMO Aggregate Bond Index ETF	18.9
<b>Total Portfolio Allocation</b>	<b>100.0</b>	BMO Short-Term US TIPS Index ETF	6.5
		BMO Short Corporate Bond Index ETF	4.5
		BMO Mid Corporate Bond Index ETF	4.5
		BMO Real Return Bond Index ETF	4.4
		Cash/Receivables/Payables	1.2
		<b>Total Holdings as a Percentage of Total Net Asset Value</b>	<b>100.0</b>
		<b>Total Net Asset Value</b>	<b>\$259,350,068</b>

*\*\*Represents the entire portfolio.*

*+The prospectus and other information about the underlying exchange traded fund(s) held in the portfolio are available on the exchange traded fund's designated website and/or at [www.sedar.com](http://www.sedar.com). For BMO Exchange Traded Funds, this information is also available at [www.bmo.com/etflegal](http://www.bmo.com/etflegal).*

*The summary of investment portfolio may change due to the Fund's ongoing portfolio transactions. Updates are available quarterly.*

**BMO Investments Inc.**

First Canadian Place, 43rd Floor  
100 King Street West  
Toronto, Ontario M5X 1A1

[www.bmo.com/mutualfunds](http://www.bmo.com/mutualfunds) and [www.bmo.com/gam/ca](http://www.bmo.com/gam/ca)

If you have any questions, please give us a call as follows:

- If you purchased BMO Mutual Funds through a BMO Bank of Montreal branch or BMO Online Banking, please call 1-800-665-7700.
- If you purchased BMO Mutual Funds through a full-service or discount broker, please call 1-800-668-7327 or email [clientservices.mutualfunds@bmo.com](mailto:clientservices.mutualfunds@bmo.com).

**Caution regarding forward-looking statements**

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Fund may invest in and the risks detailed from time to time in BMO Mutual Funds' simplified prospectus. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, BMO Investments Inc. does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

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Mutual Funds