

# A whole world of opportunity

Our best sector ideas in one global equity strategy



## Global insights, Core solutions

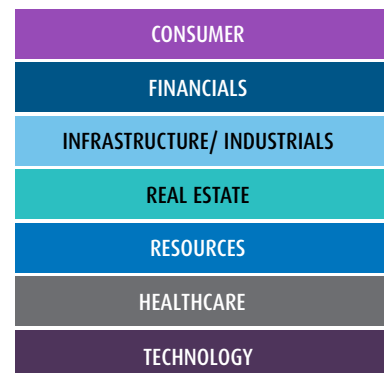
Investing in global equities can be daunting. However, the upsides can be equally vast—including greater diversification, alpha<sup>1</sup> potential, and megatrends than may be available domestically.

**Our solution:** focus on sectors instead of regions. The 18-member Global Equity team works diligently to find opportunities by dividing the world into **seven key sectors**. Each segment of the portfolio is owned by highly experienced portfolio managers who are empowered with **stock-picking authority** to invest in their best sector ideas—irrespective of where the companies are headquartered.

### The Global Equity Challenge

- >12,000 stocks
- 11 Global Industry Classification Standard (GICS) sectors, including
  - 24 industry groups,
  - 69 industries, and
  - 158 sub-industries
- >\$100 trillion USD in market capitalization

## Making sense of the Global Equity universe



Global Equity— divided by sector

“The way our process works is that rather than looking at the global equity universe through styles or regions, we **split up the world by sectors**. The key to this unique sector model is trust—you have to believe in your colleague’s ability to pick stocks, adapt styles and generate alpha.”

– Jeff Elliott, Head of Global Equity

## Diverse, experienced portfolio managers

### The Global Equity team features:



A team of tenured Global sector specialists each with the power to own their best sector ideas.



Portfolio construction from the combined insights of a highly collaborative team and proprietary quantitative models.



13 CFA charterholders and 9 advanced degrees, with educational and real-world experience in diverse fields such as technology, AI, finance, data science, biotechnology, accounting, automotive, banking, and consumer industries.

As of December 17, 2024.

The philosophy is simple: *what* a company does matters more than *where* it is located. U.S. banks have more in common with German banks than with an American healthcare firm. Artificial intelligence (A.I.) development can happen anywhere, from Silicon Valley to Singapore to Shenzhen, China. And oil will continue to be a uniquely international market whether the drillers are domiciled in Canada or Australia. This is why each of our sector

specialists are empowered to develop true expertise over their own domain. The team’s deep corporate relationships and advanced insights into industry trends—including supply chains, patents, and regulatory environments—allow them to identify superior investment opportunities and stay ahead of the curve. Now, you can access our Global Equity team’s best sector ideas in a single mandate.

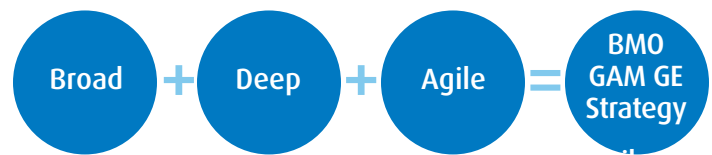


### If you don't go, you don't know

Travel is an essential part of maintaining corporate relationships and identifying investment opportunities (and pitfalls). Since the pandemic, our Global Equity portfolio managers have visited:

- Healthcare** ✈️ Switzerland, Denmark, Belgium, France, U.K., U.S.
- Infrastructure** ✈️ China, Japan, Spain, Italy, U.K., U.S.
- Technology** ✈️ South Korea, Taiwan, U.K., U.S., Hong Kong
- Resources** ✈️ China, Chile
- Consumer** ✈️ France, U.S.
- Financials** ✈️ U.K., U.S., Hong Kong, Indonesia

Our formula for success is designed to leave no stone unturned. We go **broad**, hunting for ideas in every sector and region. We dig **deep**, leveraging our specialized knowledge to find unique opportunities. And whatever the market environment, we always stay **agile**—combining macro and micro insights to make impactful active management decisions in the portfolio.

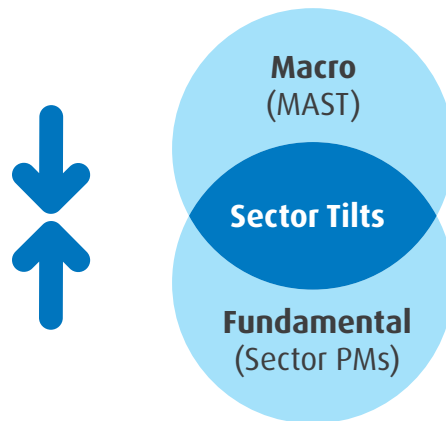


## Sector tilts – More eyes, more insights

Internally, our sector PMs share the portfolio evenly. However, data shows the performance of sectors can vary drastically from one year to the next. So, when implementing our best ideas in a solution with sector tilts, we partner with BMO GAM’s Multi-Asset Solutions Team (MAST) to leverage their deep knowledge of market cycles and portfolio construction.

Our teams collaborate closely, meeting at least once a month to determine key sector weightings. We bring the bottom-up views, they deliver the top-down research—a powerful combination.

Economy | Policy | Valuation | Behavioural



Industry Outlook | Capital Flows | Market Intelligence  
Forward Returns | Cross-sector Correlations

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
28.7 FINL	43.1 COND	30.2 REAL	10.1 COND	27.4 ENRS	38.8 INFT	6.5 HLTH	50.3 INFT	43.9 INFT	54.6 ENRS	65.7 ENRS	57.8 INFT	40.2 TELS
23.9 COND	41.5 HLTH	29.0 UTIL	6.9 HLTH	23.5 TELS	23.8 MATR	4.1 UTIL	32.7 TELS	33.3 COND	46.2 REAL	1.6 UTIL	55.8 TELS	36.6 INFT
19.7 REAL	40.7 INDU	25.3 HLTH	6.6 CONS	22.7 FINL	23.0 COND	0.8 COND	32.1 FINL	23.6 TELS	35.0 FINL	-0.6 CONS	42.4 COND	30.6 FINL
18.3 TELS	35.6 FINL	20.1 INFT	5.9 INFT	18.8 INDU	22.2 FINL	-0.3 INFT	31.5 SPX	20.7 MATR	34.5 INFT	-2.0 HLTH	26.3 SPX	30.1 COND
17.9 HLTH	32.4 SPX	16.0 CONS	4.7 REAL	16.7 MATR	22.1 HLTH	-2.2 REAL	29.4 INDU	18.4 SPX	28.7 SPX	-5.5 INDU	18.1 INDU	25.0 SPX
16.0 SPX	28.4 INFT	15.2 FINL	3.4 TELS	16.3 UTIL	21.8 SPX	-4.4 SPX	29.0 REAL	13.4 HLTH	27.3 MATR	-10.5 FINL	12.6 MATR	23.4 UTIL
15.4 INDU	26.1 CONS	13.7 SPX	1.4 SPX	13.9 INFT	21.0 INDU	-8.4 CONS	27.9 COND	11.1 INDU	26.1 HLTH	-12.3 MATR	12.4 REAL	17.5 INDU
15.0 MATR	25.6 MATR	9.8 INDU	-1.5 FINL	11.9 SPX	13.5 CONS	-12.5 TELS	27.6 CONS	10.7 CONS	24.4 COND	-18.1 SPX	12.2 FINL	14.9 CONS
14.8 INFT	25.0 ENRS	9.7 COND	-2.5 INDU	6.0 COND	12.1 UTIL	-13.0 FINL	26.3 UTIL	0.5 UTIL	21.6 TELS	-26.1 REAL	2.1 HLTH	5.7 ENRS
10.8 CONS	13.2 UTIL	6.9 MATR	-4.8 UTIL	5.4 CONS	10.9 REAL	-13.3 INDU	24.6 MATR	-1.7 FINL	21.1 INDU	-28.2 INFT	0.5 CONS	5.2 REAL
4.6 ENRS	11.5 TELS	3.0 TELS	-8.4 MATR	3.4 REAL	-1.0 ENRS	-14.7 MATR	20.8 HLTH	-2.2 REAL	18.6 CONS	-37.0 COND	-1.3 ENRS	2.6 HLTH
1.3 UTIL	1.6 REAL	-7.8 ENRS	-21.1 ENRS	-2.7 HLTH	-1.3 TELS	-18.1 ENRS	11.8 ENRS	-33.7 ENRS	17.7 UTIL	-39.9 TELS	-7.1 UTIL	0.0 MATR

<b>ENRS</b> Energy	<b>CONS</b> Consumer Staples	<b>INDU</b> Industrials	<b>MATR</b> Materials	<b>COND</b> Consumer Discretionary	<b>TELS</b> Communication Services
<b>UTIL</b> Utilities	<b>HLTH</b> Healthcare	<b>FINL</b> Financials	<b>REAL</b> Real Estate	<b>INFT</b> Information Technology	<b>SPX</b> S&P 500 Index

Source: Bloomberg as of December 31, 2024. Sectors are GICS sectors within S&P 500 TR Index. Index returns do not reflect transactions costs or the deduction of other fees and expenses and it is not possible to invest directly in an index. Past performance is not indicative of future results.

## Featured Sectors

### Technology

#### Thematic spotlight: Artificial intelligence

By decentralizing stock-picking authority to sector specialists, the strategy aims to generate alpha from the best ideas of the Global Equity PM team across all sectors. This includes exposure to leading names associated with the latest market-driving megatrend: artificial intelligence (A.I.).



A.I. is already changing the way people live and work, representing a new paradigm for how computers can help solve complex, real-world problems. Our Technology PMs expect new investment opportunities associated with the launch of consumer-oriented A.I. products. And as the technology rapidly evolves, we expect to see its continued integration into existing commercial applications, which is why all of our Global Equity solutions are well-positioned to capture the growth spurred by these innovations.

**“A.I. represents a tectonic shift in computing. Simply put, the rise of A.I. will likely generate billions of dollars in market capitalization for existing companies over the next decade.”**

– Malcolm White,  
Portfolio Manager (Technology),  
Global Equity

### Healthcare

#### Thematic spotlight: Obesity drugs

Obesity is a global epidemic affecting more than 650 million people—and by 2030, the global market for obesity drugs is expected to grow to around \$60 billion USD.<sup>2</sup>

Our Healthcare sector specialists first recognized this growth potential in 2019. At a conference in Copenhagen, they witnessed the introduction of new data proving the effectiveness of a new generation of weight loss drugs. This data was publicly available, but they were among the few who possessed the technical fluency to understand its potential—because unlike many peers, they had a deep background in scientific research. Given the steep curve for comprehension in this sector, our PMs possess a unique advantage by being able to gauge implications at the research level rather than during the final product phase.



**“As sector specialists, we maintain a baseline of knowledge not just on individuals and management teams, but also on companies and industries. Our identification of the opportunity presented by Eli Lilly was an example of an overnight success years in the making.”**

– Jeff Elliott,  
Head of Global Equity, Portfolio  
Manager (Healthcare)

The portfolio holdings are subject to change without notice and only represent a small percentage of portfolio holdings. They are not recommendations to buy or sell any particular security.

## BMO Global Equity Team – Active Solutions

Fund	A Series	F Series	ETF Series
<b>Multi-Asset Funds</b>			
BMO Global Income & Growth Fund	BM099165	BM095165	-
BMO Canadian Income & Growth Fund	BM099163	BM095163	-
<b>Multi-Sector &amp; Thematic Equity Funds</b>			
<b>BMO Global Equity Fund</b>	<b>BM099743</b>	<b>BM095743</b>	<b>BGEQ CN</b>
BMO Global Innovators Fund	BM099164	BM095164	BGIN CN
BMO Global Climate Transition Fund	BM099333	BM095333	-
BMO Global Dividend Opportunities Fund	BM099334	BM095334	BGDV CN
<b>Sector Equity Funds</b>			
BMO Global Health Care Fund	BM099335	BM095335	BGHC CN
BMO Global REIT Fund	BM099336	BM095336	BGRT CN
BMO Global Infrastructure Fund	BM099150	BM095150	BGIF CN
BMO Global Energy Fund	BM099325	BM095325	-
BMO Precious Metals Fund	BM099147	BM095147	-
BMO Resource Fund	BM099137	BM095137	-
<b>Separately Managed Account Strategies</b>			
BMO GAM U.S. Equity Sector Neutral Portfolio	Available at BMO Nesbitt Burns		
BMO GAM Global Equity Sector Neutral Portfolio	Available at BMO Nesbitt Burns		

## BMO GAM Global Equity Team



**Sadiq S. Adatia,**  
FSA, FCIA, CFA  
Chief Investment Officer (CIO)



**Jeff Elliott**  
PhD, CFA, MBA  
Head and Portfolio Manager

Real Estate	Resources	Financials	Technology		Infrastructure	Consumer	Healthcare
<p><b>Kate MacDonald,</b> CFA, MFin Portfolio Manager</p>	<p><b>Hoa Hong,</b> CFA, MBA Portfolio Manager</p>	<p><b>John Hadwen,</b> CFA Portfolio Manager</p>	<p><b>Malcolm White,</b> CFA Portfolio Manager</p>	<p><b>Jeremy Yeung,</b> CFA Portfolio Manager</p>	<p><b>Massimo Bonansinga,</b> MBA Portfolio Manager</p>	<p><b>Ashley Bussin,</b> CFA Associate Portfolio Manager</p>	<p><b>Jeff Elliott,</b> PhD, CFA, MBA Head of Global Equity, Portfolio Manager (Healthcare)</p>
<p><b>Hussam Maqbool,</b> CFA Senior Analyst</p>	<p><b>New Hire</b> Analyst</p>	<p><b>Goshen Benzaquen,</b> MBA Portfolio Manager</p>	<p><b>Marco Iaboni</b> Analyst</p>	<p><b>Adriana Buduru</b> Analyst</p>	<p><b>Janice Wong,</b> CFA, CPA Associate Portfolio Manager</p>	<p><b>Alex Payne,</b> CFA Senior Analyst</p>	<p><b>Carmen Tang,</b> CFA, MBA Associate Portfolio Manager</p>
		<p><b>Kyle Mendyk,</b> CFA Associate Portfolio Manager</p>			<p><b>Alex Yang,</b> CFA Associate Portfolio Manager</p>	<p><b>New Hire</b> Analyst</p>	<p><b>Edward Durant-Taylor,</b> MBA Product Specialist</p>

<sup>1</sup> Alpha: A measure of performance often considered the active return on an investment. It gauges the performance of an investment against a market index or benchmark which is considered to represent the market's movement as a whole. The excess return of an investment relative to the return of a benchmark index is the investment's alpha.

<sup>2</sup> BMO GAM, Bloomberg, Novo Nordisk, Eli Lilly.

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