

Wednesday, July 22, 2015

Market Elements

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Focal Points

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Market Elements

July 21, 2015
 Research Comment
[Quantitative/Technical Research Website](#)

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- European and large cap U.S. stocks pulled back from their highs; the Russell 2000 broke back below its 50d MA; 9 of 10 global sectors fell.
- The U.S. 2y yield rose to 71bps (a 3w high) before rolling over with stocks; [peripheral European yields pivoted higher](#) off of 7w lows; corporate credit risk turned higher, arresting steep declines.
- The U.S. dollar index fell, retracing one-third of the 3% MTD gains; the (oily) Norwegian Krone led the advance, with a 1.5% gain off of its 8m low; the euro gained 1.1%; the safe-haven yen advanced.
- Gold steadied at the \$1,100 mark, and oil around \$50; base metals gave up an early rebound rally to end lower.

Levels*

Currencies (USD per)

Symbol	H/L	Level	%Chg
DXY	★	97.35	-0.7%
EUR	●	1.0939	1.1%
CHF	●	1.0432	0.6%
GBP	●	1.5555	-0.1%
JPYx10	●	0.0807	0.3%
CAD	●	0.7721	0.3%
AUD	●	0.7420	0.7%
NZD	●	0.6629	1.0%
BRL	●	0.3151	0.7%
MXNx10	●	0.6250	0.1%
ZAR	●	0.0811	0.9%
KRWx10	●	0.8705	0.7%
CNY	●	0.1610	0.0%

Commodities

Symbol	H/L	Level	%Chg
BB Cmnty	●	96.36	0.2%
WTI Oil	●	50.81	1.3%
NMX Gas	●	2.89	2.3%
Gold	●	1,100.6	0.4%
Silver	●	14.85	0.9%
Platinum	●	978.0	0.0%
Palladium	●	627.20	3.4%
CMX Cu	●	247.55	-0.2%
LME Al 3m	L	0.75	-1.7%
LME Ni 3m	●	5.30	-0.2%
LME Zn 3m	●	0.92	-0.9%
Lumber	●	267.00	-2.1%
Corn	★	417.50	0.4%

Government 10-Yr Benchmark

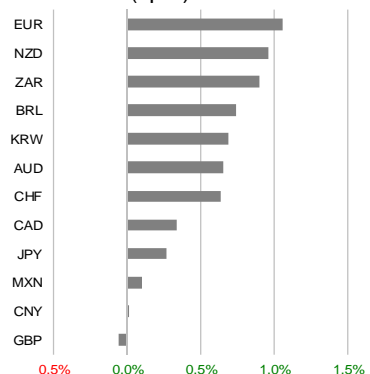
Symbol	H/L	Level	Chg
U.S.	●	2.34	-0.04
Canada	●	1.57	-0.01
U.K.	●	2.09	0.02
Germany	●	0.78	0.02
France	●	1.08	0.05
Italy	●	1.97	0.06
Spain	●	2.01	0.07
Portugal	●	2.64	0.05
Switzerland	●	0.06	0.01
Australia	●	2.94	0.02
Hong Kong	●	1.42	0.00
India	●	7.84	-0.01
Japan	●	0.42	-0.01

Equity Indices & Sentiment

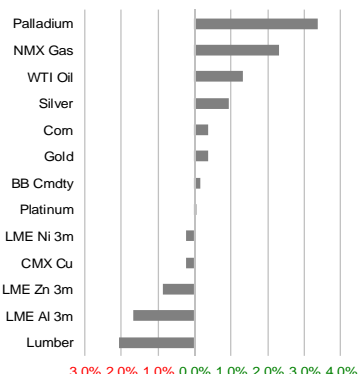
Symbol	H/L	Level	%Chg
MSCI World	★	1,778	-0.3%
MSCI EM	●	941	0.6%
S&P 500	★	2,119	-0.4%
S&P/TSX	●	14,376	-0.3%
STOXX 50	★	3,648	-1.0%
FTSE 100	★	6,769	-0.3%
Hang Seng	●	25,536	0.5%
Topix	★	1,674	0.7%
S&P/ASX	★	5,707	0.3%
CSI 300	●	4,166	0.1%
CDX IG 5Yr	●	66	1.0%
ARMS	●	1.1	-6.3%
VIX	●	12	-0.2%

Moves

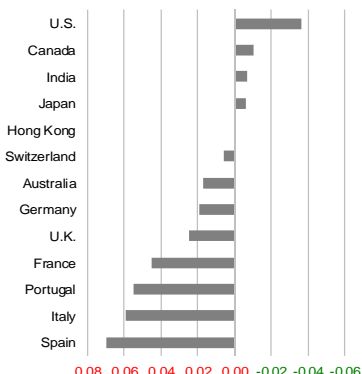
Currencies (spot)



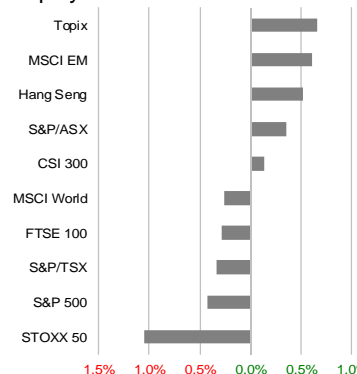
Commodities



Government 10-Yr Benchmarks

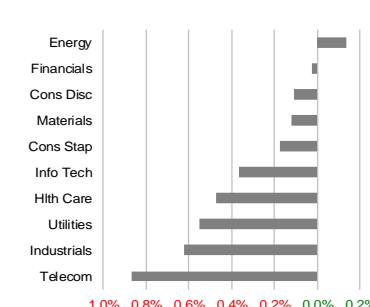


Equity Indices

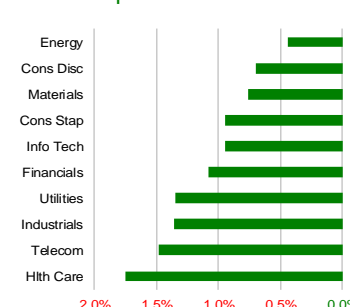


Sectors

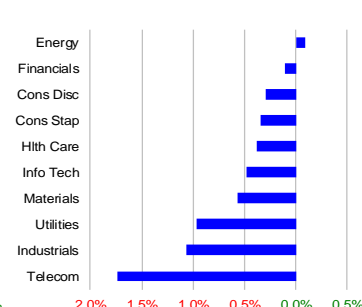
MSCI World



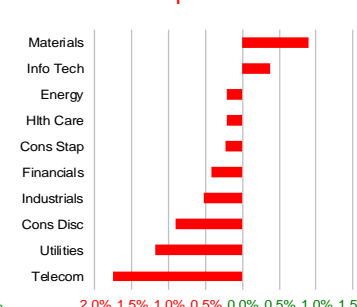
S&P Europe 350



S&P 500



S&P/TSX Composite



Source for all data and graphics in this publication: BMO Capital Markets, Bloomberg, Thomson

* H/L = at a new closing 52-wk High/Low; ★/● = within 10% of the 52-week High/Low; Colour codes are **inverted** for bond and sentiment indications

Daily Charts

3-Month View with 26-Day Bollinger Bands and 150-, 200- and 50-Day Moving Averages

- Lots of pullbacks & rebounds, in a thin summer session.
 - Markets just keeping you all honest.
- One interesting data point is that [SKEW on Friday had reached a 4mo high \(tail risk is at a 4mo high\)](#).

Currencies

U.S. Dollar Index



Commodities

Gold (Spot)



Bonds

U.S. 2-Yr Bond



Equities

MSCI World Index



Euro



Crude Oil (Brent)



U.S. 10-Yr Breakeven



S&P 500



Yen



Crude Oil (WTI)



U.S. 10-Yr Bond



S&P/TSX Composite



MSCI EM Currency Index



Natural Gas (NMX)



Canadian 10-Yr Bond



VIX



Canadian Dollar



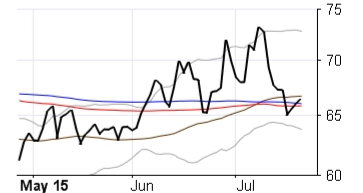
Copper (CMX)



German 10-Yr Bund



CDX North American Inv. Grade Index



Australian Dollar



Nickel (LME 3Mo)



Italian 10-Yr Bond



Ave. Prime Broker 5yr CDS



Intra Day Charts
2-Day 1-Minute View

Currencies

U.S. Dollar Index



Commodities

Gold (Spot)



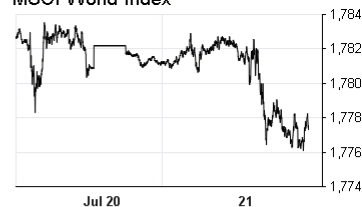
Bonds

U.S. 2-Yr Bond



Equities

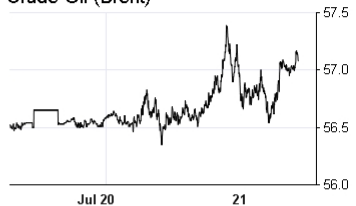
MSCI World Index



Euro



Crude Oil (Brent)



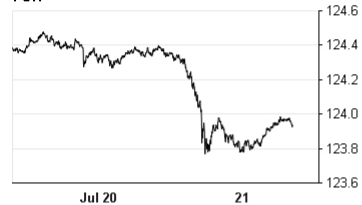
U.S. 10-Yr Breakeven



S&P 500



Yen



Crude Oil (WTI)



U.S. 10-Yr Bond



S&P/TSX Composite



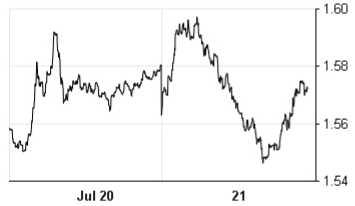
MSCI EM Currency Index



Natural Gas (NMX)



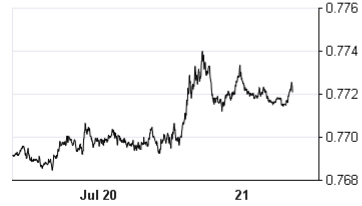
Canadian 10-Yr Bond



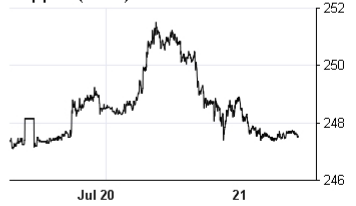
VIX



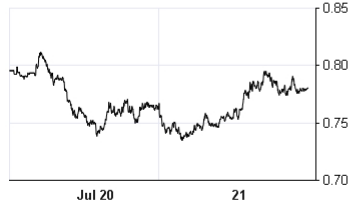
Canadian Dollar



Copper (CMX)



German 10-Yr Bund



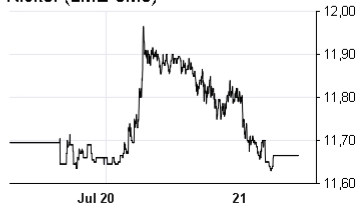
CDX North American Inv. Grade Index



Australian Dollar



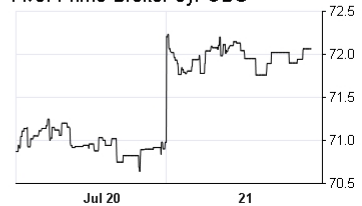
Nickel (LME 3Mo)



Italian 10-Yr Bond



Ave. Prime Broker 5yr CDS



Daily Sector Charts

3-Month View with 26-Day Bollinger Bands and 150-, 200- and 50-Day Moving Averages

- **Canada** – at a 52-week low: **Energy**.

S&P 500



S&P/TSX Composite



S&P Europe 350



Market Movers – Largest Daily Percentage Moves

S&P Global 1200 ex U.S. & Canada			S&P 500			S&P/TSX Composite		
Name	Symbol	% Chg	Name	Symbol	% Chg	Name	Symbol	% Chg
Energy	Subsea 7 SA	5.2%	CONSOL Energy	CNX	5.3%	Penn West Petroleum	PWT	12.0%
	Petrofac Ltd	4.2%	Southwestern Energy	SWN	3.1%	Pacific Rubiales Energy	PRE	9.5%
	Oil Search	3.9%	Halliburton	HAL	2.8%	Newalta Corp	NAL	6.5%
	Repsol SA	-0.9%	Apache Corp	APA	-2.2%	Inter Pipeline	IPL	-1.6%
	Santos Ltd	-0.9%	Murphy Oil	MUR	-2.3%	Gibson Energy	GEI	-1.7%
	JX Holdings Inc	-2.6%	Chesapeake Energy	CHK	-9.5%	Pembina Pipeline	PPL	-1.8%
Materials	LG Chem Ltd	7.9%	Freeport-McMoRan	FCX	4.5%	Torex Gold Resources	TXG	20.0%
	Cia de Minas Buenaventura SAA	6.7%	Newmont Mining	NEM	3.2%	NOVAGOLD Resources	NG	9.1%
	Taiheyo Cement	2.9%	Nucor Corp	NUE	0.9%	Osisko Gold Royalties	OR	6.4%
	Cia Siderurgica Nacional	-3.0%	Ball Corp	BLL	-1.9%	West Fraser Timber	WFT	-3.0%
	UPM-Kymmene	-3.8%	PPG Industries	PPG	-2.4%	Interfor Corp	IFP	-4.5%
	Stora Enso	-8.3%	WestRock Co	WRK	-2.8%	Western Forest Products	WEF	-5.4%
Industrials	Toshiba Corp	6.1%	CH Robinson Worldwide	CHRW	2.7%	Canadian National Railway	CNR	2.2%
	Mitsui OSK Lines	4.4%	Expeditors Intl	EXPD	1.7%	Badger Daylighting	BAD	2.0%
	Nippon Yusen	3.2%	Ryder System	R	1.7%	Air Canada	AC	1.1%
	Randstad Holding	-3.5%	Rockwell Collins	COL	-3.6%	Transcontinental	TCL/A	-2.0%
	LIXIL Group	-4.4%	Pentair PLC	PNR	-3.9%	Bombardier	BBD/B	-4.8%
	Kone OYJ	-4.5%	United Technologies	UTX	-7.0%	Canadian Pacific Railway	CP	-5.5%
Cons Disc	Hyundai Motor	7.3%	Harley-Davidson	HOG	5.0%	Corus Entertainment	CJR/B	1.9%
	Sharp	6.0%	Harman International Industries	HAR	3.0%	Dorel Industries	DI/B	1.8%
	Nitori Holdings	5.4%	Whirlpool Corp	WHR	1.9%	AutoCanada	ACQ	1.8%
	Persimmon PLC	-2.0%	Discovery Communications	DISCK	-2.6%	RONA Inc	RON	-1.5%
	Intercontinental Hotels Group PLC	-2.0%	Hasbro Inc	HAS	-3.3%	Restaurant Brands International	QSR	-2.4%
	Luxottica Group	-2.0%	TEGNA Inc	TGNA	-6.6%	Amaya Inc	AYA	-2.5%
Cons Stap	Shiseido Co Ltd	4.1%	Monster Beverage	MNST	0.9%	Cott Corp	BCB	3.8%
	Unicharm Corp	2.1%	Estee Lauder Cos Inc	EL	0.8%	Maple Leaf Foods	MFI	0.2%
	Aeon Co Ltd	1.8%	General Mills	GIS	0.7%	George Weston	WN	0.0%
	Henkel AG & Co KGaA	-1.4%	Colgate-Palmolive	CL	-0.7%	Loblaw Cos	L	-0.5%
	Anheuser-Busch InBev	-1.6%	Constellation Brands	STZ	-0.8%	North West Co Inc	NWC	-0.7%
	Unilever NV	-1.8%	Archer-Daniels-Midland	ADM	-1.1%	Metro Inc	MRU	-0.8%
Health Care	Ono Pharmaceutical	4.7%	Express Scripts Holding	ESRX	1.7%	Valeant Pharmaceuticals	VRX	-0.1%
	Eisai Co Ltd	2.8%	Intuitive Surgical	ISRG	1.5%	Concordia Healthcare	CXR	-0.2%
	Shionogi &	2.4%	Edwards Lifesciences	EW	1.3%	Catamaran Corp	CCT	-0.5%
	Merck KGaA	-2.4%	Bristol-Myers Squibb	BMJ	-1.6%	Chartwell Retirement Residence	CSH-U	-0.6%
	Bayer AG	-2.4%	Vertex Pharmaceuticals	VRTX	-1.9%	Extencare	EXE	-1.4%
	Coloplast	-2.7%	Eli Lilly &	LLY	-2.6%	Prometic Life Sciences	PLI	-1.7%
Financials	RSA Insurance Group	2.2%	Zions Bancorporation	ZION	3.0%	Canadian Western Bank	CWB	2.4%
	Shinsei Bank	1.9%	Bank of New York Mellon Corp	BK	2.7%	Laurentian Bank of Canada	LB	1.5%
	Scentre Group	1.8%	Regions Financial	RF	2.1%	Industrial Alliance	IAG	1.4%
	Man Group PLC	-2.3%	Plum Creek Timber Co	PCL	-1.3%	Dream Unlimited	DRM	-0.9%
	Intesa Sanpaolo	-2.3%	Crown Castle International Corp	CCI	-1.5%	FirstService Corp	FSV	-1.1%
	BM&FBovespa	-2.4%	Macerich Co	MAC	-1.7%	Fairfax Financial Holdings	FFH	-1.8%
Technology	MediaTek Inc	3.0%	QUALCOMM Inc	QCOM	2.1%	Descartes Systems Group Inc	DSG	3.2%
	NTT Data Corp	2.3%	Cognizant Technology Solutions Corp	CTSH	1.8%	Constellation Software	CSU	2.6%
	Nintendo	2.1%	F5 Networks	FFIV	1.7%	Sierra Wireless	SW	2.1%
	STMicroelectronics	-2.0%	PayPal Holdings Inc	PYPL	-2.8%	Mitel Networks	MNW	-0.4%
	Tokyo Electron	-2.6%	Xerox Corp	XRJ	-2.9%	Open Text Corp	OTC	-1.3%
	SAP SE	-3.2%	International Business Machines	IBM	-5.9%	CGI Group Inc	GIB/A	-1.3%
Telecom	China Mobile	4.1%	AT&T Inc	T	-0.9%	Rogers Communications	RCI/B	-1.2%
	Nippon Telegraph & Telephone	0.9%	Level 3 Communications	LVL	-2.0%	Manitoba Telecom Services	MBT	-1.6%
	Singapore Telecoms	0.7%	Verizon Communications	VZ	-2.3%	BCE Inc	BCE	-1.9%
	America Movil	-1.6%	CenturyLink	CTL	-2.6%	TELUS Corp	T	-1.9%
	Deutsche Telekom	-1.7%	Frontier Communications Corp	FTR	-2.9%			
	Tele2 AB	-6.8%						
Utilities	Kansai Electric Power Co Inc	4.2%	Consolidated Edison	ED	0.1%	Just Energy Group	JE	1.5%
	Drax Group	3.9%	Eversource Energy	ES	-0.1%	Superior Plus	SPB	0.4%
	Kyushu Electric Power Co	3.8%	Wisconsin Energy	WEC	-0.2%	Innogy Renewable Energy	INE	0.0%
	RWE AG	-2.3%	FirstEnergy	FE	-2.0%	Canadian Utilities	CU	-1.8%
	Fortum OYJ	-2.6%	Public Service Enterprise Group	PEG	-2.1%	TransAlta Corp	TA	-2.1%
	Cia Energetica de Minas Gerais	-3.7%	NRG Energy	NRG	-2.4%	Fortis	FTS	-2.4%

Bold = move of more than 5%

U.S. Market Movers

Energy				Industrials				Consumer Discretionary				Consumer Staples				Technology				Financials				
Symbol	H/L	Last	%Chg	Symbol	H/L	Last	%Chg	Symbol	H/L	Last	%Chg	Symbol	H/L	Last	%Chg	Symbol	H/L	Last	%Chg	Symbol	H/L	Last	%Chg	
ESV	●	18.51	1.4%	UTX	●	102.71	-7.0%	BBBY	●	67.41	-0.8%	CVS	★	110.06	-0.5%	GOOGL	★	695.35	0.3%	WFC	★	57.95	-0.1%	
NE	L	12.80	-1.3%	BA	★	145.00	-1.2%	DLPH	●	78.38	0.4%	WBA	★	95.66	0.0%	EBAY	H	28.60	0.1%	USB	★	45.74	-0.2%	
RIG	L	13.35	0.0%	HON	★	105.40	-0.9%	JCI	●	47.11	-0.7%	YY	●	36.30	0.1%	YHOO	★	39.73	0.4%	CMA	★	48.45	0.6%	
DO	●	22.84	0.2%	LMT	★	203.15	-1.0%	BWA	●	52.30	0.5%	KR	★	38.96	-0.5%	AKAM	★	72.60	-1.1%	PNC	★	99.20	-0.3%	
NBR	●	12.27	0.3%	GD	★	146.29	-1.8%	GM	●	30.39	-0.4%	WFM	●	41.22	-0.5%	VRSN	★	65.08	-0.6%	BBT	★	41.27	0.2%	
HP	●	59.27	-0.8%	RTN	★	97.85	-1.9%	F	●	14.51	-0.4%	WMT	●	72.74	-0.5%	ACN	★	100.39	-0.3%	STI	★	44.78	0.2%	
RDC	●	17.48	1.6%	NOC	★	166.77	-1.8%	HOG	●	57.67	5.0%	COST	★	144.94	-0.1%	CTSH	★	61.56	1.7%	FITB	★	21.52	1.1%	
PTEN	●	16.89	2.3%	PCP	●	194.00	-1.3%	MHK	★	195.15	-0.8%	TAP	●	71.32	-0.6%	LDOS	●	40.26	0.1%	RF	★	10.41	2.0%	
UNT	L	21.95	-1.7%	LLL	★	121.75	-0.9%	PHM	●	20	-0.3%	STZ	★	116.99	-0.8%	V	★	72.02	-0.9%	MTB	★	131.86	-0.1%	
ATW	●	22.60	2.0%	COL	●	88.91	-3.6%	DHI	●	27	0.9%	BF/B	★	101.90	-0.3%	MA	★	96.71	-0.5%	KEY	★	15.04	-1.0%	
PES	●	4.15	1.9%	ITT	●	37.34	-3.0%	NVR	H	#####	1.5%	KO	★	41.19	-0.5%	ADP	★	81.41	-0.9%	HBAN	★	11.58	-0.3%	
SLB	●	84.30	0.9%	FLR	L	49.80	-0.1%	WHR	●	166.21	1.9%	PEP	★	96.93	-0.4%	WU	●	19.10	-0.5%	AMT	●	96.95	-0.1%	
HAL	●	41.86	2.7%	EMR	L	52.14	-1.1%	NWL	★	41.92	-0.3%	MNST	H	144.05	0.9%	PAYX	★	47.27	-0.0%	NYCB	★	18.26	-1.0%	
BHI	●	60.64	1.9%	ROK	★	120.81	-2.1%	MAT	●	23.73	-1.2%	CCE	★	45.34	-0.4%	FIS	★	63.80	-0.7%	HCBK	★	10.44	-0.0%	
NOV	●	43.43	0.6%	GE	★	26.85	-1.1%	HAS	★	80.42	-3.3%	DPS	★	78.78	-0.5%	CSC	★	66.51	-1.3%	PBCT	★	16.19	-0.8%	
CAM	●	49.32	0.2%	MMM	★	155.76	-0.9%	COH	L	31.36	-1.1%	ADM	★	47.49	-1.1%	FISV	★	87.35	-0.9%	BAC	★	18.08	-0.2%	
FTI	●	36.37	0.2%	TYC	●	38.08	-0.6%	VFC	★	74.08	1.7%	MDLZ	H	42.07	0.6%	ADS	★	299.57	-1.0%	JPM	★	69.10	-0.2%	
OII	L	40.22	-2.3%	CAT	●	82.22	-0.0%	RL	●	130.27	-0.2%	GIS	★	57.21	0.7%	ADBE	★	81.19	-1.0%	C	H	59.10	0.4%	
DRQ	L	63.29	-0.9%	DE	★	95.51	-0.7%	NKE	★	112.99	-0.1%	K	★	64.02	-0.2%	INTU	★	106.15	-0.4%	LUK	★	24.57	-0.7%	
OIS	●	31.49	0.2%	PCAR	★	65.23	0.5%	LVS	●	54.83	0.4%	GMCR	●	70.99	-0.1%	CRM	★	73.83	1.4%	CME	★	98.70	-1.1%	
TDW	●	19.08	-0.1%	CM	●	128.62	-0.3%	WYNN	●	101.42	1.4%	CPB	★	47.46	-0.3%	CTXS	★	69.63	0.4%	MHFI	★	105.94	0.0%	
CRR	●	33.81	-2.7%	DHR	★	87.79	-0.9%	IGT	●	18.21	1.4%	CAG	★	44.02	-0.6%	ADSK	●	52.12	0.5%	ICE	★	231.70	0.0%	
SPN	●	18.65	0.1%	ITW	★	92.16	-1.4%	CCL	★	51.96	-0.4%	MUN	★	88.13	0.4%	MSFT	★	47.28	0.7%	MCO	★	112.31	-0.5%	
CKH	L	64.64	-0.4%	ETN	●	64.01	-1.9%	MAR	★	76.60	-1.6%	WWAV	★	49.89	-0.6%	ORCL	●	39.57	-0.9%	AXP	●	78.95	-0.4%	
EXH	●	28.94	-0.4%	PH	●	112.07	-1.3%	HOT	★	84.24	-0.6%	HSY	●	90.72	-0.7%	SYMC	●	23.04	-1.2%	COF	H	91.71	0.2%	
SLCA	●	22.71	2.7%	DOV	L	64.64	-2.5%	WYN	★	86.62	0.0%	SJM	●	107.38	-0.6%	CA	★	30.59	0.3%	DFS	★	59.43	-0.3%	
BRS	L	49.23	-1.1%	FAST	●	41.44	-1.8%	MCD	★	97.32	-0.2%	HAIN	★	67.81	-1.7%	RHT	★	78.29	-1.1%	SLM	★	9.85	0.7%	
HLX	L	9.40	-16.8%	GWV	●	229.94	-2.2%	YUM	★	88.62	0.6%	TSN	★	42.54	-0.6%	ADTV	★	26.09	-0.6%	BK	H	44.15	2.7%	
NR	●	7.51	3.1%	WM	●	48.23	-0.6%	SBUX	★	56.20	-0.0%	HRL	★	57.46	-0.7%	EA	★	73.68	-1.4%	BEN	●	48.91	-0.3%	
TTI	●	5.54	-1.2%	RSR	★	40.39	-1.0%	DRI	H	73.01	0.1%	MKC	★	80.18	0.2%	CSCO	★	27.84	-0.6%	BLK	★	351.82	-0.3%	
IO	●	0.96	4.3%	UPS	★	97.96	0.4%	CMG	★	673.07	-0.7%	PM	★	85.54	-0.1%	QCOM	●	65.14	2.1%	STT	★	79.95	0.3%	
HOS	L	17.07	-0.2%	FDX	★	170.56	0.2%	APOL	●	13.75	-2.1%	MO	★	53.55	-0.3%	MSI	●	59.57	0.2%	TROW	★	79.07	-0.3%	
ERA	L	18.44	-0.1%	CHRW	★	65.39	2.7%	DV	●	31.19	-1.3%	RAI	H	79.88	0.1%	JNPR	★	26.34	-0.0%	NTRS	★	78.05	-0.3%	
BAS	●	6.25	2.6%	EXPD	★	45.75	1.7%	HRB	★	32.20	1.4%	PG	●	81.63	-0.7%	HRS	★	81.29	-0.3%	AMP	★	127.64	-0.5%	
MTRX	●	19.49	0.3%	LUV	●	34.71	1.2%	OMC	★	73.16	-1.2%	CL	★	66.94	-0.7%	FFIV	●	118.27	1.7%	AMG	★	217.90	-0.1%	
XOM	●	81.66	-0.1%	DAL	●	44.65	1.3%	IPG	●	19.80	-1.0%	KMB	★	112.49	-0.4%	AAPL	★	130.71	-1.0%	IVZ	★	38.42	0.2%	
CVX	●	93.90	1.0%	UNP	●	98.82	0.5%	CBS	●	54.10	0.0%	CLX	★	110.36	-0.2%	IBM	●	163.07	-5.8%	LM	●	48.65	-0.4%	
COP	L	56.49	-1.0%	NSC	●	85.92	-0.2%	DISCA	●	31.82	-2.5%	ENR	H	42.03	0.1%	HPQ	●	30.66	0.6%	GS	★	211.50	-0.1%	
OXY	L	70.22	-0.0%	CSX	●	31.86	-0.4%	CMCSA	★	64.27	-0.1%	CHD	★	84.72	-1.1%	TDC	●	36.63	-0.5%	MS	★	40.08	0.0%	
MRO	L	23.17	-0.3%	Health Care	Symbol	H/L	Last	%Chg	AVP	●	5.65	0.9%	EMC	L	24.93	-0.2%	SCHW	★	34.93	-0.1%				
HES	L	59.18	-0.7%	MDT	★	76.54	-0.5%	SIRI	★	3.85	0.4%	EL	★	89.24	0.8%	STX	★	48.11	0.7%	MMC	★	58.44	-0.0%	
MUR	L	35.46	-2.2%	BAX	★	37.85	0.5%	TWC	★	188.53	-1.2%	Utilities	Symbol	H/L	Last	%Chg	NTAP	●	30.89	-0.1%	AON	★	102.13	-0.1%
APA	L	47.53	-2.2%	SYK	H	99.06	0.6%	SNI	L	63.33	-1.5%	SO	●	43.21	-0.2%	WDC	●	78.69	0.3%	MET	★	57.48	0.2%	
Materials	Symbol	H/L	Last	%Chg	DIS	★	119.31	-0.2%	EXC	●	32.78	-1.8%	SNDK	●	55.48	0.0%	PRU	★	88.71	0.0%				
LYB	●	96.06	-0.1%	BDX	★	147.51	-0.4%	TWX	★	88.75	-0.7%	FLIR	●	29.73	-1.4%	AFL	★	61.80	0.3%					
DD	●	59.28	-0.4%	ISRG	★	505.09	1.5%	FOXA	●	33.51	-1.0%	GLW	●	18.75	-0.8%	PFG	★	53.15	-0.0%					
DOW	★	50.10	-0.8%	STJ	★	76.71	0.1%	VIAB	L	59.73	-0.5%	APH	★	54.09	-0.4%	LNC	★	58.64	0.7%					
EMN	●	76.58	-0.4%	ZBH	●	108.26	0.2%	GCI	L	13.31	-6.1%	TEL	●	62.37	-0.0%	UNM	★	36.31	0.0%					
FMC	●	48.99	-0.9%	BSX	★	17.76	-0.6%	GPC	●	88	-1.1%	AVT	●	40.17	-0.7%	AIG	★	64.00	-0.0%					
MON	●	106.37	-0.5%	HSP	★	89.34	0.0%	AMZN	★	488	-0.0%	XRX	●	10.59	-2.9%	L	●	38.35	-0.1%					
MOS	●	44.85	-0.2%	MCK	★	232.49	-0.8%	PCLN	★	#####	-1.0%	AMAT	●	17.83	0.3%	HIG	★	46.72	0.9%					
CF	★	63.94	-1.6%	CAH	★	86.19	-0.4%	EXPE	★	110.09	0.5%	KLAC	●	51.82	-0.5%	GNW	★	7.64	0.7%					
PX	L	115.40	-1.1%	ESRX	H	93.42	1.6%	NFLX	★	112.51	1.8%	LRCX	★	77.37	0.3%	BRK/B	★	143.60	-0.6%					
APD	●	133.44	-1.3%	DGX	★	72.09	-1.3%	KSS	●	62.06	-0.8%	INTC	L	28.72	-1.3%	TRV	★	104.48	1.8%					
ARG	●	99.83	-1.8%	UNH	★	120.86	-1.4%	SHLD	●	22.02	0.1%	TXN	●	50.23	0.2%	ACE	●	103.88	-0.3%					
ECL	★	112.57	-0.1%	ANTM	★	155.78	-0.5%	M	★	71.67	-0.7%	BRCM	★	52.79	-0.8%	ALL	★	67.70	-0.0%					
PPG	★	108.21	-2.3%	HUM	●	185.85	-0.1%	JWN	★	78.28	-0.8%	FSLR	●	43.48	0.4%	CB	★	121.78	-0.1%					
SHW	★	266.99	-0.2%	AET	★	111.55	-0.0%	JCP	★	8.50	-0.1%	NVDA	★	19.79	0.4%	PGR	★	30.52	-0.7%					
SIAL	H	139.66	0.0%	CI	●	151.29	-1.0%	TGT	★	82.28	-2.3%	ADI	★	62.08	0.1%	XL	★	37.76	-0.4%					
IFF	★	111.60	-0.0%	AMGN	★	163.70	-0.3%	DG	★	80.17	-1.2%	IDA	★	57.88	-0.4%	MU	★	18.88	-0.0%					
ASH	●	116.80	-0.5%	REGN	★	560.00	-0.2%	DLTR	★	79.82	-2.1%	ALE	●	46.75	-1.1%	CREE	●	24.72	0.1%					
VAL	★	80.42	-1.1%	GILD	★	117.78	-0.3%	TJX	★	68.53	-0.8%	EE	●	35.19	-1.1%	ALTR	★	49.90	0.2%					
RPW	★	46.99	-0.3%	ALXN	★	204.88	0.2%	GPS	●	36.93	-1.8%	PNM	●	25.30	-2.0%	XLNX	★	41.65	-1.4%					
ALB	●	52.09	-1.2%	VRTX	★	130.97	-1.8%	LB	●	83.74	0.2%	UIL	★	47.07	0.4%	LLTC	★	43.12	0.2%					
VMC	★</																							

Canadian Market Movers

Energy				Materials				Industrials				Consumer Discretionary				Technology				Financials			
Symbol	HL	Last	%Chg	Symbol	HL	Last	%Chg	Symbol	HL	Last	%Chg	Symbol	HL	Last	%Chg	Symbol	HL	Last	%Chg	Symbol	HL	Last	%Chg
PD		6.99	2.9%	MX		61.95	-0.0%	BBD/B	L	1.79	-4.7%	MG	*	70.26	-0.6%	OTC	L	49.22	-1.3%	XIU	*	21.22	-0.6%
ESI		10.53	2.3%	CUS		1.50	-0.6%	CAE	*	14.68	-0.7%	LNR	*	77.50	-1.2%	SUM	*	8.07	-0.3%	XSP	*	24.48	-0.4%
TDG		3.54	2.0%	CHE-U		19.72	2.4%	MDA	*	88.86	-0.7%	MRE	*	13.35	0.6%	GIB/A	*	51.70	-1.3%	XIC	*	22.78	-0.3%
SCL	*	33.80	0.9%	POT	*	37.07	0.0%	MAL	H	18.26	2.4%	DI/B	*	33.89	1.8%	DH	*	41.45	0.2%	XDV	*	23.06	-0.3%
SES	*	11.73	0.5%	AGU	*	135.87	0.9%	HRX	*	11.58	0.0%	DOO	*	29.06	0.7%	OTC	L	49.22	-1.3%	XFN	*	30.64	-0.2%
PSI	*	19.60	3.0%	CCL/B	*	167.88	0.2%	DRT	*	6.85	-0.5%	PSG	*	21.79	-0.0%	CSU	H	554.37	2.5%	CPD	*	14.27	-0.3%
MTL	*	18.78	1.1%	ITP	*	19.84	0.0%	SNC	*	42.98	-1.0%	GIL	*	44.24	-0.4%	DSG	H	21.32	3.2%	ZEB	*	21.95	-0.3%
CEU	*	6.61	5.0%	WPK	*	43.51	-0.2%	ARE	*	11.86	-0.1%	AYA	*	31.60	-2.4%	CMG	*	13.56	0.2%	RY	*	76.62	-0.6%
TCW	*	2.92	4.2%	CAS	*	7.53	-0.6%	BDT	*	11.03	0.1%	GC	*	22.75	-0.4%	ESL	*	51.72	0.2%	TD	*	52.46	-0.4%
CFW	*	6.72	5.9%	TCK/B	*	10.68	0.5%	WSP	*	43.11	0.5%	GH	*	11.41	0.5%	RKN	*	5.10	2.0%	BNS	*	63.21	-0.8%
EFX	*	12.44	1.3%	TRQ	*	4.60	-0.2%	BAD	*	24.43	2.0%	IT	*	17.88	0.3%	KXS	*	28.73	-0.5%	BMO	*	74.20	-0.6%
TESO US	L	9.47	-0.5%	FM	*	13.99	0.6%	BLD	*	1.94	1.5%	TRZ/WB	*	7.84	-0.8%	ABT	*	8.03	0.1%	CM	*	91.15	-0.2%
FRC	L	5.62	11.2%	LUN	*	4.64	-1.9%	LMP	*	14.98	-0.1%	WB	*	20.48	0.5%	BB	*	10.15	1.6%	NA	*	45.55	0.0%
NAL	*	13.68	6.4%	S	*	1.61	5.9%	TH	*	31.69	-0.9%	QSR	*	50.81	-2.4%	WIN	*	2.68	-0.7%	CWB	*	24.99	2.3%
SU	*	33.35	-1.5%	HBM	*	8.95	-1.7%	WPT	*	6.13	-2.8%	MTY	*	36.35	0.7%	SW	*	33.38	2.1%	LB	*	47.73	1.5%
IMO	*	45.90	0.1%	TCM	*	0.80	8.1%	AFN	*	47.84	1.6%	CAO	*	34.41	0.3%	MTL US	*	9.25	-0.1%	MIC	*	31.23	-0.3%
HSE	*	22.54	-0.5%	CS	*	1.06	0.9%	NFI	*	16.38	-0.7%	BPF-U	*	20.51	-1.0%	SVC	*	3.61	-2.4%	HCG	*	32.00	-0.1%
CVE	*	17.87	1.3%	MDI	L	4.96	0.0%	ATA	*	15.80	-0.6%	AW-U	*	28.25	0.8%	CDV	*	5.76	0.6%	EQB	*	54.11	-0.2%
IOC US	*	41.86	-1.5%	IVN	*	0.79	-1.2%	XTC	*	17.45	-1.1%	PZA	*	13.77	-0.6%	ET	*	16.29	0.7%	FN	L	18.00	-2.9%
CNQ	*	31.76	0.9%	ABX	*	9.68	1.0%	FTT	*	22.05	-0.9%	KEG-U	*	18.90	-0.8%	GSIG US	*	14.40	0.0%	MKP	*	11.50	0.5%
ECA	*	11.41	0.2%	G	*	17.07	1.9%	RUS	*	21.66	0.6%	EI	*	13.77	0.8%	PUR	*	7.06	-0.5%	FC	*	12.60	0.0%
CPG	*	21.83	0.4%	K	*	2.21	2.7%	RCH	*	67.59	-0.0%	AIM	*	13.98	-1.0%	AVO	*	17.88	0.2%	OCX	*	70.62	-0.5%
TOU	L	33.79	-0.3%	AEM	*	30.18	2.2%	MIL US	L	3.61	-0.8%	MDZ/A	*	23.30	2.2%	CLS	*	15.20	1.8%	X	*	51.05	0.1%
COS	*	8.00	0.1%	ELD	*	4.25	1.6%	WJX	*	20.73	2.3%	CJR/B	*	14.32	1.9%	CSIQ US	*	26.14	-0.8%	EFN	*	19.74	-0.0%
ARX	*	19.98	1.2%	YRI	*	2.77	1.4%	CVL	*	14.70	0.4%	SJR/B	*	27.13	-0.4%	IGM	L	39.36	-0.7%				
MEG	*	15.44	0.7%	IMG	*	1.76	0.5%	TCL/A	*	14.41	-2.0%	QBR/B	*	30.70	0.1%	CIX	*	33.77	-0.5%				
VET	*	44.71	-0.2%	IGT	*	13.75	-1.2%	BIN	*	32.78	0.2%	CCA	*	71.04	-1.3%	AGF/B	*	6.11	0.8%				
BTE	*	14.46	1.2%	FNV	*	52.35	1.6%	RBA	*	34.26	-0.6%	XSR	*	5.41	-3.2%	TCN	H	12.05	0.0%				
POU	*	22.68	3.5%	CG	*	5.85	1.0%	RBA US	*	26.48	-0.0%	CGO	*	57.25	-1.2%	DC/A	*	11.49	-0.3%				
PRE	*	3.46	9.4%	NGD	*	2.91	3.5%	BYD-U	H	58.31	0.8%	LGF US	*	37.29	-1.5%	U	*	5.32	0.0%				
PEY	*	29.23	0.6%	AGI	*	4.44	1.8%	DCI	*	13.24	-3.0%	IMAX US	*	37.50	-3.1%	SII	*	2.20	0.0%				
PSK	*	28.23	0.7%	SMF	*	2.61	1.5%	BDI	*	16.40	0.6%	CGX	*	48.69	-0.1%	AD	*	31.69	1.2%				
ERF	*	9.67	2.1%	NG	*	3.73	9.0%	KBL	*	54.75	-0.2%	DHX/B	*	9.09	-1.4%	GS	*	23.70	-0.9%				
UPL US	*	9.38	4.6%	DGC	*	11.59	2.1%	HNL	*	3.57	2.5%	TRI	*	49.29	-1.4%	GCG/A	*	19.10	0.0%				
WCP	*	10.92	0.9%	PVG	*	6.04	1.3%	MSI	*	16.48	-0.6%	TS/B	L	5.48	-0.9%	GMP	*	4.84	2.7%				
VII	*	15.01	1.0%	PHY/U	L	9.04	-0.3%	STN	*	37.39	-0.8%	Y	*	17.81	0.6%	SPB	*	13.02	0.4%				
PWT	*	1.86	12.0%	SEA	L	5.27	-3.8%	WJA	L	22.20	-1.4%	UNS	*	47.37	0.3%	JE	H	6.78	1.5%				
PGF	L	2.45	0.0%	KGI	*	4.56	-1.0%	CHR/B	*	6.63	0.6%	HBC	*	26.95	-1.3%	CU	*	36.31	-1.8%				
TET	*	4.79	0.2%	BTO	*	1.52	1.3%	AC	*	12.31	1.0%	SCC	*	7.38	-2.6%	ACO/X	*	39.46	-0.5%				
BNP	*	5.85	0.6%	XGD	*	7.77	2.3%	EIF	*	22.00	-0.0%	CTC/A	*	131.36	-1.2%	CUP/U	*	10.65	-0.5%				
ATH	L	1.58	-1.2%	P	*	3.62	-0.5%	CNR	*	79.59	2.1%	DOL	*	79.40	-0.8%	BEP-U	*	36.53	-1.1%				
BNE	*	26.43	0.6%	AR	*	1.41	-2.0%	CP	L	194.97	-5.5%	RET/A	*	6.47	-2.1%	RNW	*	12.39	-1.1%				
NBZ	L	6.55	-0.6%	TGX	*	1.02	20.0%	TFI	*	25.00	0.8%	RON	*	15.09	-1.5%	NPI	*	16.00	-0.3%				
FRU	*	13.79	0.5%	LSG	*	1.18	4.4%	STB	*	6.07	2.8%	EH	*	18.56	-0.8%	ATP	*	3.47	-3.1%				
RRX	*	7.67	1.7%	CNL	*	2.50	1.2%	WTE	*	30.16	-1.9%	ACQ	*	37.82	1.7%	CPX	*	21.66	-0.5%				
PXT	*	9.06	2.0%	RMX	*	1.08	-0.9%					LNF	*	15.35	0.5%	AQN	*	9.41	-0.9%				
BIR	*	6.43	0.3%	OR	*	13.57	6.4%					GBT	*	15.50	0.0%	BLX	*	14.00	-0.7%				
SGY	*	2.64	0.7%	SSL	*	3.34	-1.1%									INE	*	10.72	0.0%				
AOI	*	2.15	2.8%	OGC	*	2.54	2.4%									CSE	*	3.01	-2.9%				
KEL	*	7.68	-1.0%	GUY	*	3.40	-2.8%									TA	L	9.05	-2.1%				
NVA	*	5.92	1.0%	CGG	*	1.79	9.8%																
BNK	*	2.58	1.9%	ASR	*	2.40	5.2%																
BXE	*	2.80	3.3%	NSU	*	4.36	1.8%																
CR	*	5.02	1.2%	R	*	0.34	11.6%																
OXC	L	2.44	-8.6%	SLW	*	16.57	1.5%																
PPY	*	6.99	1.8%	PAA	*	8.67	1.4%																
TOG	*	7.33	1.6%	FR	*	4.95	3.3%																
CJ	*	12.17	0.4%	SSO	*	7.26	3.1%																
AAV	*	7.55	3.4%	SVM	L	1.01	0.0%																
LTS	*	0.77	1.3%	PHS/U	L	5.74	-0.1%																
SPE	*	2.60	2.3%	DPM	L	2.20	-0.9%																
LRE	*	0.69	0.0%	DDC	*	16.58	2.4%																
RMP	*	1.85	0.5%	THO	*	11.46	1.9%																
SRX	*	4.47	3.9%	MPV	*	4.53	-1.9%																
KEY	*	41.38	-0.8%	LUC	*	2.12	-0.4%																
PKI	*	23.33	-1.4%	III	*	8.67	-2.5%																
ENB	*	57.66	-1.0%	SWY	*	0.79	-1.2%																
TRP	*	50.23	-1.5%	PTM	L	0.40	0.0%																
PPL	*	39.29	-1.7%	FVI	*	3.53	0.5%																
IPL	*	27.81	-1.5%	MAG	*	8.53	3.3%																
ALA	*	36.43	-0.7%	LIF	*	13.71	2.2%																
GEI	L	20.36	-1.6%	WFT	*	66.59	-3.0%																
VSN	*	14.77	-0.3%	CFP	*	27.60	-1.8%																
ENF	*	36.04	0.3%	SJ	*	42.84	-1.9%																
CCO	*	17.08	1.0%	IFP	*	19.76	-4.5%																

H/L = at a new closing 52-wk High/Low; * = within 10% of the 52-wk High/Low; Blue = S&P/TSX 60 member, Italics = ETF, Bold = move of more than 5%

Trends & Inflection Points

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Where to Hold Capital in Energy



CLICK HERE

- It's not pretty.
 - [MSCI World Energy](#), sliding for 10 weeks now, is breaking below December and March spike lows – Figure 1.
 - Long-dated WTI is trying to base, but at a low level, and indeed it has not broken the string of lower lows – Figure 2.
 - The [high yield bond market for energy](#) continues to weaken, after breaking the recovery rally in June – Figure 3.
 - As [energy producers are sliding](#), you see [stress starting to rebuild, but it's not at a level that says buy that panic](#) – Figure 4.
- Yet your [mandate is to hold an allocation in energy shares](#):
 - For those with a [global mandate, we highlight the momentum buy list of energy shares vs. ACWI Energy](#). It's full of [refiners](#), and [shipping stocks](#), and here is where you can put your emerging market dollar – Figure 5.
 - If you sum up the capital in that first list, you see it does not amount to much. So in a world where one tries to lose less than the market, we use our [vs. Peers link](#) to highlight stocks in the [S&P/TSX that are in outperforming trends vs. the market and the subindustry](#) – Figure 6.
 - The [comparable S&P 500 list is found here](#).

Figure 1: [MSCI World Energy Total Return Index](#)



Figure 2: December 2016 WTI



Figure 3: [Bloomberg High Yield Energy Bond Index](#)



Figure 4: [S&P Oil & Gas Exploration & Production Implied Vol](#)



Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit
Figure 5: [Global Energy Momentum Buys vs. ACWI Energy](#)

Symbol	Name	Country	Sub Industry	Grp RS	LT RS	RS	MktCap (US\$)	Vol (%)	Chg Last Day	ACWI EN	Trend Slope	RS Hi (Mo)	RS Low (Mo)	RSI Dly
ALJ US	Alon USA Energy	U. S.	OG RfMkt	4	3	1	1,364	2.46			96%			58
TIL NO	Tanker Investments	Marshall Islands	OG StTr	10	5	1	508	2.32			52%	18.0		62
TNP US	Tsakos Energy Navigation	Bermuda	OG StTr	10	5	1	838	2.64			83%			55
TMKS LI	TMK OAO	Russia	OG Equip	8	7	1	1,116	3.77			122%			58
DGO ID	Dragon Oil	Ireland	OG E&P	10	2	1	5,491	2.48			70%	48.0		54
LPG US	Dorian LPG	Marshall Islands	OG StTr	10	3	1	953	2.76			79%			58
BWLPG NC	BW LPG Ltd	Bermuda	OG StTr	10	1	1	1,131	2.41			69%	9.5		60
NVTK LI	NOVATEK OAO	Russia	OG E&P	10	6	1	31,517	2.56			76%			56
FPM LN	Faroe Petroleum	U.K.	OG E&P	10	7	1	363	2.85			57%			52
MPC US	Marathon Petroleum	U. S.	OG RfMkt	4	1	1	31,048	1.88			54%			61
TNK US	Teekay Tankers	Marshall Islands	OG StTr	10	4	1	751	3.26			71%	48.0		61
TSO US	Tesoro Corp	U. S.	OG RfMkt	4	1	1	12,436	2.07			75%			64
VLO US	Valero Energy	U. S.	OG RfMkt	4	1	1	33,732	1.75			58%			62
TOT CN	Total Energy Services	Canada	OG Equip	8	6	1	363	2.10			28%			50
TRNFP RM	AK Transneft	Russia	OG StTr	10	2	2	3,586	2.89			38%			49
PSX US	Phillips 66	U. S.	OG RfMkt	4	1	2	44,403	1.81			28%			54
BPCL IN	Bharat Petroleum	India	OG RfMkt	4	2	2	10,830	2.04			50%			65
NTI US	Northern Tier Energy LP	U. S.	OG RfMkt	4	1	2	2,345	1.75			39%			54
DK US	Delek US	U. S.	OG RfMkt	4	1	2	2,148	2.24			53%			48
COAL IN	Coal India	India	Coal&Uran	10	4	2	42,589	1.66			39%			59
SNP RO	OMV Petrom	Romania	Int O&G	9	4	2	5,504	1.29			19%	6.0		64
WNR US	Western Refining	U. S.	OG RfMkt	4	1	2	4,508	2.21			45%			57
5012 JP	TonenGeneral Sekiyu	Japan	OG RfMkt	4	4	2	5,473	1.13			19%	44.0		62
PBF US	PBF Energy	U. S.	OG RfMkt	4	1	2	2,659	2.31			47%			58
SFL US	Ship Finance International	Bermuda	OG StTr	10	2	3	1,587	2.04			21%	48.0		57
TUPRS TI	Tupras Turkiye Petrol Rafine	Turkey	OG RfMkt	4	2	3	6,606	1.71			31%			59
CLMT US	Calumet Specialty Products	U. S.	OG RfMkt	4	1	3	2,058	2.49			21%			54
ALDW US	Alon USA Partners LP	U. S.	OG RfMkt	4	1	3	1,429	2.52			44%			62
IOCL IN	Indian Oil	India	OG RfMkt	4	4	3	16,753	2.11			30%			68

Figure 6: CDN Energy Shares in Outperforming Trends vs the S&P/TSX and Their Subindustry

Symbol	Name	Sub Industry	Grp RS	LT RS	RS	Close 21-Jul	1-day Equity Chg (%)	5-day Equity Chg (%)	MktCap (US\$)	Vol (%)	Chg Last Day	SPTSX SubInd	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	RSI Dly
AAV CN	Advantage Oil & Gas	OG E&P	10	9	1	7.55	3.4%	-4.8%	995	2.76			81%	48.0		-2%	Below Rising	42
PSI CN	Pason Systems	OG Equip	8	7	3	19.60	3.0%	-6.8%	1,266	2.49			14%			-9%	Below Falling	31
ESI CN	Ensign Energy Services	OG Drill	10	10	2	10.53	2.3%	-7.9%	1,245	2.59			22%			-10%	Below Falling	34
CEU CN	CDN Energy Services & T	OG Equip	8	7	3	6.61	5.1%	-3.5%	1,108	3.87			7%	1.0		-5%	Below Rising	45
PSK CN	PrairieSky Royalty	OG E&P	10	6	2	28.23	0.7%	-5.4%	3,386	2.39			44%			-10%	Below Falling	30
PPL CN	Pembina Pipeline	OG StTr	10	9	4	39.29	-1.8%	-2.5%	10,333	1.82			19%			-3%	Below Falling	41
RRX CN	Raging River Exploration	OG E&P	10	1	4	7.67	1.7%	-7.4%	1,171	3.15			35%			-11%	Below Falling	32
ENB CN	Enbridge Inc	OG StTr	10	5	5	57.66	-1.0%	-0.9%	38,160	1.52			4%			-2%	Below Falling	45
PPY CN	Painted Pony Petroleum	OG E&P	10	10	5	6.99	1.9%	-9.0%	539	3.70			37%			-9%	Below Falling	40
BIR CN	Birchcliff Energy	OG E&P	10	10	5	6.43	0.3%	-8.3%	756	3.27			28%			-14%	Below Falling	32
NAL CN	Newalta Corp	OG Equip	8	8	6	13.68	6.5%	-4.1%	594	2.88			13%	1.0		-7%	Below Falling	44
SCL CN	ShawCor Ltd	OG Equip	8	9	6	33.80	0.9%	-1.7%	1,685	2.17			8%			-9%	Below Falling	28

BMO Capital Markets is Restricted on Enbridge Inc.

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Outperforming & Panicked Gold Stocks



- [Our focus](#) has been on avoiding resources (and all [things associated](#)) as the [U.S. dollar strengthens](#), and [inflation expectations roll over](#); however, a [\\$60 Chinese “high how are ya” selloff in Bullion](#), which was strikingly similar to the mid-January copper liquidation, prompts a look at the charts.
- [Gold is currently at the bottom end of a channel, and may very well provide a trading bounce](#) – Figure 1.
- Our go-to panic gauge is implied volatility;
 - [Bullion implied volatility surged 20% yesterday. That’s notable, but the level is not remarkable](#) – Figure 2.
 - [Implied volatility on the Gold Miners ETF](#), however, is notable and remarkable. At 45%, it approaches the peaks of the past few years – Figure 3.
 - Indeed, the [ratio of gold stocks to bullion has fallen off a cliff](#) – Figure 4.
- If you care to buy into the panic, we highlight [18 stocks in outperforming trends against the gold miners index, sporting RSIs below 30](#) – Figure 5.

Figure 1: [Spot Gold in USD](#)



Figure 2: [Implied Volatility on the Gold Bullion ETF](#)



Figure 3: [Implied Volatility on the Gold Miners ETF](#)





















Figure 4: [MSCI ACWI Gold Miners vs Gold](#)



Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Figure 5: Oversold Gold Shares (RSI < 30) in an Outperforming Trend vs Gold Miners

Symbol	Name	1-day Equity Chg (%)	5-day Equity Chg (%)	MktCap (US\$)	GoldMiners	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	RSI Dly	Bar Pattern
AEM CN	Agnico Eagle Mines	-10.6%	-14.4%	4,916		27%			-22%	Below Falling	21	GAP DOWN
KGI CN	Kirkland Lake Gold	-7.2%	-10.1%	285		103%	1.0		-21%	Below Falling	23	GAP DOWN
ASR CN	Alacer Gold	-13.6%	-18.9%	510		44%			-19%	Below Falling	28	
NCMGY US	Newcrest Mining	-10.3%	-10.0%	6,535		46%	27.0		-18%	Below Falling	27	GAP DOWN
EDV CN	Endeavour Mining	-16.4%	-22.0%	146		48%		1.5	-24%	Below Falling	19	GAP DOWN
DGC CN	Detour Gold	-10.7%	-21.6%	1,490		67%		1.5	-19%	Below Falling	27	GAP DOWN
NG CN	NOVAGOLD Resources	-10.6%	-17.8%	849		44%			-25%	Below Falling	26	GAP DOWN
FNV CN	Franco-Nevada	-7.6%	-11.0%	6,201		18%	48.5		-16%	Below Falling	16	GAP DOWN
OR CN	Osisko Gold Royalties	-12.1%	-18.3%	925		33%			-24%	Below Falling	25	
P CN	Primero Mining	-8.5%	-24.0%	454		64%			-27%	Below Falling	23	GAP DOWN
NEM US	Newmont Mining	-12.2%	-19.3%	9,607		34%		1.0	-27%	Below Falling	15	GAP DOWN
CG CN	Centerra Gold	-9.8%	-14.0%	1,054		42%			-19%	Below Falling	20	GAP DOWN
GOLD US	Randgold Resources	-5.4%	-10.0%	5,456		9%	48.5		-16%	Below Falling	21	GAP DOWN
MAG CN	MAG Silver	-8.6%	-14.2%	439		22%	48.5		-11%	Below Falling	29	GAP DOWN
SMF CN	SEMAFO Inc	-9.8%	-17.6%	582		4%			-26%	Below Falling	18	GAP DOWN
TXG CN	Torex Gold Resources	-19.8%	-22.0%	514		6%		1.0	-23%	Below Falling	25	GAP DOWN
HL US	Hecla Mining	-10.4%	-22.2%	767		3%			-28%	Below Falling	27	
RGL CN	Royal Gold	-9.9%	-15.0%	3,337		1%	48.5		-15%	Below Falling	22	GAP DOWN

Note: BMO Capital Markets is restricted on Newmont Mining

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Positive CDN Shares in USD Terms



CLICK HERE

- Technical downside risk for the loonie, which broke down last week, is to 0.68 (1.47). That's another full leg down; similar to what occurred in the latter half of 2014 – Figure 1.
- The optimism, that inflation expectations had turned the corner, fades as the [U.S. barometer](#) follows the [French](#) in breaking to the downside – Figure 2.
- Reiterating [some of last week's notes](#), we see this breakdown in the Canadian dollar, and commodities overall (the Bloomberg commodity index took out the March low this morning) as;
 - a negative for [Canadian banks](#),
 - a relative positive for [Canadian real estate \(note that the Canadian outperformers are stacked towards stocks with foreign assets\)](#), and
 - a positive for the anti-petro stocks, which include [staples and restaurants](#).
- One way to look for strong Canadian stocks, which manage to beat the decline in the loonie (i.e., still look good in the [eyes of a foreign investor](#)), is to convert shares to USD and look at these trends. The [momentum buy list of CDN shares in USD terms](#) is shown in Figure 3.

Figure 1: [Canadian Dollar](#)



Figure 2: [U.S. Inflation Expectations \(10y Breakeven\)](#)



Figure 3: [Canadian Momentum Buy List of Stocks in USD Terms – See Link for Full List](#)

Symbol	Name	Sub Industry	Grp RS	LT Price	USD Trend	MktCap (US\$)	Chg Last Day	USD Price Trend	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	RSI Dly
EFN CN	Element Financial	SpecialFin	1	3	1	4,013			113%			0%	Above Rising	48
VRX CN	Valeant Pharmaceuticals	Pharma	1	2	1	80,546			151%			2%	Above Rising	56
GIL CN	Gildan Activewear	Aprl&Gds	9	1	1	8,170			43%			3%	Above Rising	53
CXR CN	Concordia Healthcare	Pharma	1	1	1	2,682			224%			10%	Above Rising	62
CSU CN	Constellation Software	ApplicSwr	2	1	1	9,003			106%	1.0		3%	Above Rising	58
CCL/B CN	CCL Industries	MtGlsCnt	3	3	1	4,204			58%			6%	Above Rising	62
DOL CN	Dollarama Inc	GMrchStrs	3	1	1	7,943			55%			4%	Above Rising	59
BCB CN	Cott Corp	SoftDrnks	8	5	1	1,163			116%	48.0		8%	Above Rising	63
DOO CN	BRP Inc	LeisPrd	6	7	1	886			96%			1%	Above Rising	49
UNS CN	Uni-Select	Distrib	5	4	1	776			103%		1.0	2%	Above Rising	45
ATD/B CN	Alimentation Couche-Tard	FdRetail	6	1	2	18,729			48%	48.0		9%	Above Rising	66
TCN CN	Tricon Capital Group	AsstMgmt	7	4	2	829			46%	2.5		5%	Above Rising	61
BAM/A CN	Brookfield Asset Management	REstDvAct	6	2	3	35,483			31%			2%	Above Rising	57
CCT CN	Catamaran Corp	HCSERVICE	1	5	3	12,785			40%			1%	Above Rising	62
RCH CN	Richelieu Hardware	TrdgDist	7	4	4	1,004			14%			2%	Above Rising	54

Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit
 Note: BMO Capital Markets is restricted on Element Financial

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Dollar Liftoff = Commodity Letdown; CDN Banks



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- The [U.S. dollar index](#) broke out to a 3m high yesterday. It has been consolidating gains for months now, and that consolidation is over – Figure 1.
- This breakout is a clear negative for commodities, and that relationship will start to exert itself clearly as the dollar moves from churn back to an uptrend. The signaling that came yesterday (from our [Macro link](#)) was on [inflation expectations](#), which started to break down – Figure 2.
 - Note that most inflation expectations are below falling 50d MAs, which is code for “leaning toward breaking down.”
- [WTI continued to break down yesterday](#), and as we revisit \$50 and below, the [energy high yield bond index](#) breaks down with it – Figure 2.
 - While there are positives in the [high yield market](#) with a few gauges at new highs, note that the [Materials sector](#) (copper about to revisit \$2.50 and below) and the [overall HY market](#) is showing the pre-breakdown “below falling 50d MA signaling.”
- There are many equity implications here. Yesterday, we ran through Canadian bank charts ([see report here](#)). Bottom line, we recommend [hitting the current bid](#) – Figure 4.

Figure 1: [U.S. Dollar Index](#)



Figure 2: [Global Inflation Expectations \(TIPS\)](#)

Name	1-Day Chg (%)	5-Day Chg (%)	Chg Last Day	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	Chg wrt 50Day MA	Chg wrt 50 Day MA Trend
Fra 10Yr	-0.6%	-0.2%	↓	▲	140%		1.5	-5 bps	Below Falling
S. Afr. 10Yr	-1.8%	-1.4%	↓	▲	51%		2.5	-2.2%	Below Falling
U.K. 10Yr	-0.2%	-0.8%		▲	37%			-0.9%	Below Falling
U.S. 10Yr	-0.1%	-0.6%		▲	35%			-1.7%	Below Falling
Jap 10Yr	1.1%	5.6%		▲	69%			-8 bps	Below Falling
Mex 10Yr	0.0%	-0.8%		▲	19%			-1.8%	Below Rising
Aus 10Yr	-0.8%	0.7%		▲	12%			0.4%	Above Falling
CDN 15Yr	0.0%	0.8%		▲	-4%			-2.9%	Below Falling
Ger 10Yr	1.6%	5.6%		▲	-16%			4 bps	Above Rising
Bra 5Yr	0.7%	-2.1%		▲	-8%			-0.7%	Below Falling

Figure 3: [High Yield Bond Price Indices](#)

Name	1-Day Chg (%)	5-Day Chg (%)	Chg Last Day	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend
Cmr Staples	0.1%	0.6%		▲	12%	49.0		1%	Above Rising
Financials	0.2%	0.5%		▲	12%	1.5		0%	Above Rising
Industrials	0.1%	0.2%		▲	11%			0%	Below Rising
Cmr Disc	0.1%	0.6%		▲	6%	1.5		0%	Above Rising
HY	0.1%	0.4%		▲	9%			-1%	Below Falling
Health Care	0.1%	0.8%		▲	5%	49.0		1%	Above Rising
Materials	0.1%	0.3%		▲	9%			-1%	Below Falling
Technology	0.1%	0.5%		▲	8%			0%	Below Falling
Energy	-0.2%	-0.2%	↓	▲	15%	3.5		-4%	Below Falling
Utilities	0.1%	0.5%		▲	5%	1.5		0%	Above Rising
Comm	0.1%	0.8%		▲	3%	1.5		0%	Above Falling

Figure 4: [CDN Diversified Banks Index](#)



Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

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Switch Back Into India (Out of China)



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- Today, our [Macro link](#) nicely pairs the breakdown of the [Chinese CSI](#) with the breakout in the [Indian SENSEX](#) – Figures 1-3.
- This is a reversal of the “forced switch” out of [formerly outperforming Indian stocks](#), as EM managers, light in newly heavyweight China, were forced in (remember value and dividend funds owning Nortel during the dotcom boom...just saying). It’s time to switch back to India, which is breaking out of a 6mo holding pattern.
 - Our [EM link](#), with the [Indian stocks selected](#) and tuned to price trends, shows the [momentum buy list for those looking to stock pick](#) – Figure 4.

Figure 1: Global [Equity Index](#) Trends – “Severed Trends Last Day” View

Name	Symbol	1-Day Chg (%)	5-Day Chg (%)	Chg Last Day	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 200d MA	Chg wrt 200 Day MA Trend
Chinese CSI	SHSZ300	-3.5%	8.3%	↓	↓	139%			-16%	Below Falling	8%	Above Rising
Indian SENSEX	SENSEX	1.0%	1.9%	↑	↑	-13%			3%	Above Rising	1%	Above Rising

India Getting Positive Momentum Back

Figure 2: [CSI 300](#)



Figure 3: [Indian SENSEX](#)



Figure 4: [Indian Momentum Buys – Dividend Adjusted Price Trends in Local Currency](#)

Symbol	Name	Sub Industry	Grp RS	LT Price	Price Trend	MktCap (US\$)	Chg Last Day	Price Trend	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 150d MA	RSI Dly
BRIT IN	Britannia Industries	PkgFdMt	7	1	1	5,352		▲	122%			9%	Above Rising	28%	65
BHIN IN	Bharti Infratel Ltd	WlsTelSrv	4	2	1	13,359		▲	87%			1%	Above Rising	14%	50
BPCL IN	Bharat Petroleum	OG RfMkt	2	3	2	10,449		▲	72%			10%	Above Rising	20%	61
BHARTI IN	Bharti Airtel	WlsTelSrv	4	8	3	26,625		▲	47%			2%	Above Rising	10%	51
PIEL IN	Piramal Enterprises	Pharma	1	4	3	2,650		▲	38%	1.5		1%	Above Rising	9%	58
SRCM IN	Shree Cement	CstrMat	2	1	3	6,169		▲	1%			2%	Above Rising	6%	55
DABUR IN	Dabur India	PersPrdct	3	2	3	8,084		▲	46%			9%	Above Rising	12%	66
CCRI IN	Container Corp Of India Ltd	Railroads	7	5	3	5,453		▲	46%			3%	Above Rising	13%	57
COAL IN	Coal India	Coal&Uran	10	5	4	43,434		▲	62%	48.0		10%	Above Rising	17%	69
LPC IN	Lupin Ltd	Pharma	1	1	3	13,765		▲	75%	3.1		9%	Above Rising	14%	67
JUBI IN	Jubilant Foodworks	Rstaurnt	8	7	4	1,939		▲	49%			6%	Above Rising	19%	59
HDFC IN	Housing Development Finance	Thrft&Mtg	2	7	4	33,269		▲	43%	3.5		8%	Above Rising	9%	65
HDB US	HDFC Bank Ltd	DiversBnk	7	3	4	51,887		▲	31%			6%	Above Rising	8%	61
HCLT IN	HCL Technologies	ITConsult	2	1	5	20,993		▲	35%			1%	Above Rising	4%	52
IDEA IN	Idea Cellular	WlsTelSrv	4	5	5	10,011		▲	24%			2%	Above Rising	6%	51

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Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Trends & Inflection Points

July 15, 2015
 Research Comment
[Quantitative/Technical Research Website](#)

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Best of Canadian (Sort of) Real Estate



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- We come at Canadian [Real Estate](#) & [REITS](#) for a number of reasons:
 - Rates in Canada, messy as they are, are [trending lower](#) – Figure 1.
 - CDN REITS outperform in this environment – Figure 2.
 - The [underperformance of Canadian REITS, which was driven off of the early-year backup in rates, is fading](#) – Figure 3.
 - [CDN Banks](#), as a yield alternative, are struggling ([3mo low vs. CDN Financials](#)), as [mortgage lenders weaken](#) – Figure 4.
- There are [7 large & liquid CDN Real Estate Stocks outperforming the TSX](#) – Figure 5.
 - Four of the seven have property / interests outside of Canada ([hint, invest outside of Canada](#)).
- Taking off a 1mm/day minimum liquidity filter, the [outperforming list doubles](#).

Figure 1: Canadian 10-Year Bond Yield



Figure 2: CDN REITS vs. Rates

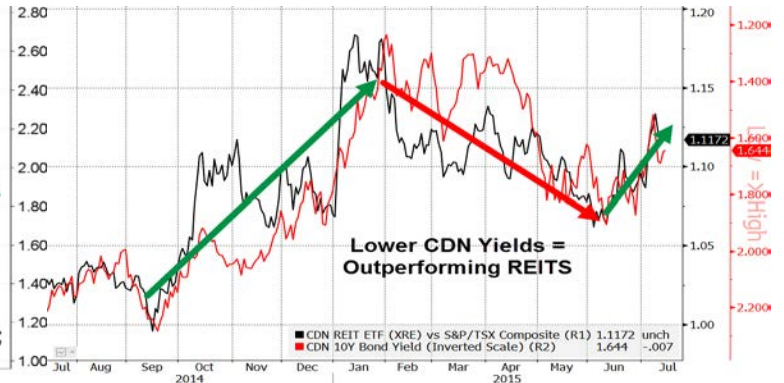


Figure 3: CDN REIT ETF (XRE) vs. S&P/TSX Composite



Figure 4: Canadian Banks and Mortgage Lenders

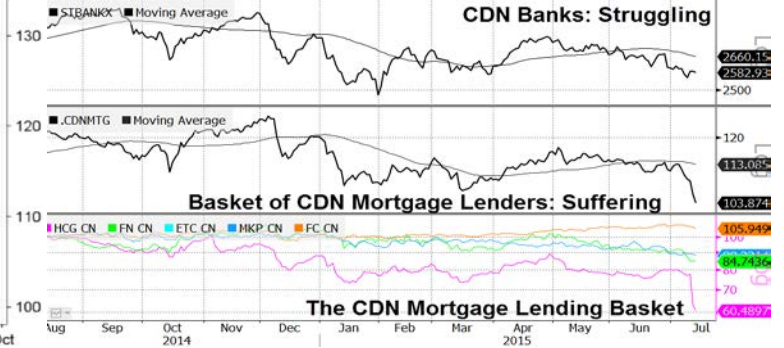


Figure 5: Canadian Real Estate in Outperforming Trends vs. S&P/TSX Composite

Symbol	Name	Sub Industry	Grp RS	LT RS	RS	MktCap (CAD)	SPTSX	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 200d MA	Chg wrt 200 Day MA Trend	Boll Band	RSI Dly
DRG-U CN	Dream Global REIT	DiversREIT	9	4	1	1,060		29%			-1%	Below Falling	7%	Above Rising	BELOW	47
MST-U CN	Milestone Apartments REIT	ResidREIT	9	4	2	765		24%			-3%	Below Falling	0%	Above Rising	ABOVE	47
CIG CN	Colliers Intl	REstSrv	6	3	2	1,915		30%	3.0		5%	Above Rising	15%	Above Rising	OBOT	68
CHP-U CN	Choice Properties REIT	RetailREIT	9	6	3	975		11%			1%	Above Falling	3%	Above Rising	ABOVE	57
DRM CN	Dream Unlimited	REstDvAct	7	9	4	774		11%	5.0		6%	Above Rising	0%	Below Falling	ABOVE	61
GRT-U CN	Granite REIT	IndusREIT	8	4	4	1,954		6%			0%	Above Rising	1%	Above Rising	BELOW	45
BAM/A CN	Brookfield Asset Management	REstDvAct	7	1	5	44,274		1%			3%	Above Rising	9%	Above Rising	ABOVE	56

Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Trends & Inflection Points

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The Positive Petro-Trade ; Staples & Restaurants



[CLICK HERE](#)

- Remember the positive petro-trade, where staples and restaurants outperformed as the oil price sank? It's back – Figure 1.
 - On the tape this morning, [oil](#) and petro-currencies are weakening as an [Iran nuclear deal has been reached](#).
 - From our [ETF link](#) – one sees the breakout in the [US Staples ETF](#) (XLP US) – Figure 2.
 - From our [CDS link](#) – one sees the breakout in [High Yield Staples bonds](#) – Figure 3.
- The oil price really only broke to the downside again in June, so [sector relative performance, depending on your benchmark appears mixed. Mixed and firming that is](#) – Figure 4.
 - For the [petro-sensitive Canadian equity market](#), staples are already at a [new relative strength high](#). We highlight [CDN outperforming staples](#) in Figure 5.
 - [Outperforming S&P 500 staples](#) are shown in Figure 6.
 - [North American SMID restaurants](#), which were momentum stars in Q4/Q1, are getting their mojo back – Figure 7.

Figure 1: Oil (Inverted) & Rel Strength of Global and US Staples Figure 2: [U.S. Consumer Staples ETF \(XLP US\) Price Trend](#)

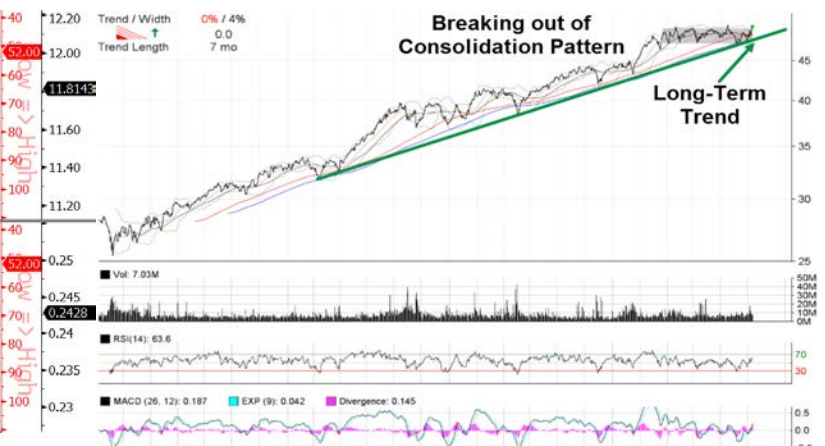
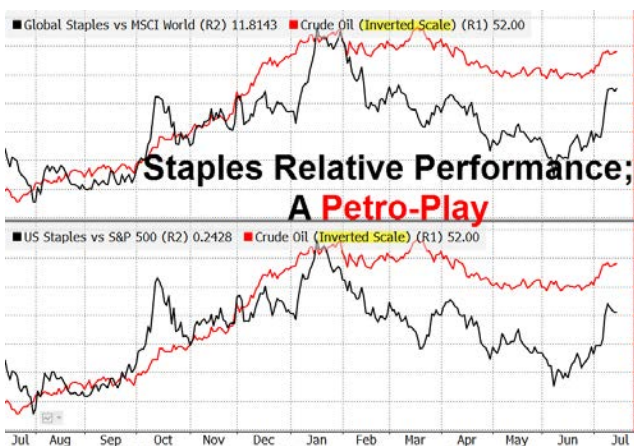


Figure 3: [Staples - High Yield Bond \(Price\) Index](#)



Figure 4: [Staples vs Local Benchmarks](#)

Name	Chg wrt 50-d	Reward /Risk	Trend Slope	RS Hi	RS Low (Mo)	MA's Positive		Chg wrt 50-d RS	Chg wrt 50-d MA Trend
						1-day RS Chg(%)	5-day RS Chg(%)		
150 vs. MSCI World Small Cap	↑	8%				0.1%	0.3%	2.6%	Above Rising
145 vs. Russell 2500	↑	10%				0.1%	0.6%	1.3%	Above Rising
140 vs. S&P/TSX Composite	↑	4%	48.5			0.5%	0.6%	2.3%	Above Rising
vs. MSCI EAFE	↑	1%				-0.2%	1.2%	1.7%	Above Rising
135 vs. MSCI AC Asia	↑	0%				0.6%	1.3%	3.9%	Above Rising
130 vs. MSCI EM	↑	-2%				-0.1%	0.2%	3.0%	Above Rising
vs. S&P 500	↑	-7%				-0.1%	1.5%	2.1%	Above Rising
125 vs. Russell MidCap	↑	-5%				0.0%	0.8%	1.0%	Above Rising
120 vs. MSCI World	↑	-9%				-0.1%	1.4%	1.9%	Above Rising
115 vs. MSCI Europe	↑	10%				-0.5%	0.2%	0.9%	Above Rising
vs. Russell 2000	↑	-15%				-0.2%	0.6%	1.5%	Above Rising
110 vs. S&P/ASX 200	↓	-24%				0.3%	0.4%	-1.5%	Below Falling

Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

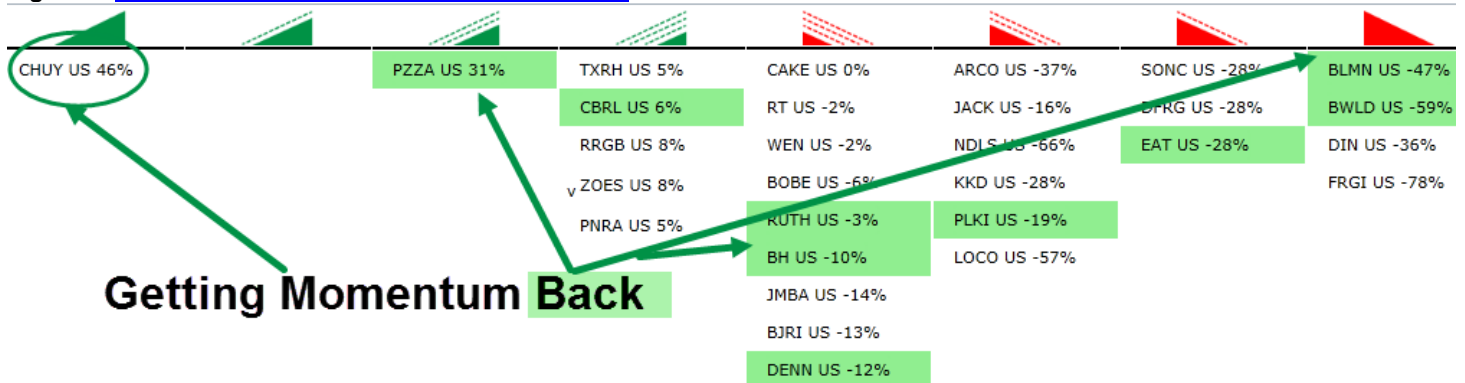
Figure 5: Canadian Staples in Outperforming trends vs S&P/TSX Composite

Symbol	Name	Sub Industry	Grp RS	LT RS	RS	Close 13-Jul	1-day Equity Chg (%)	5-day Equity Chg (%)	MktCap (CAD)	Chg Last Day	SPTSX	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	RSI Dly
PBH CN	Premium Brands Holdings	PkgFdMt	6	2	1	32.49	1.7%	1.5%	822		▲	75%			3%	Above Rising	55
MFI CN	Maple Leaf Foods	PkgFdMt	6	4	1	23.85	0.9%	1.7%	3,409		▲	38%	48.5		2%	Above Rising	55
BCB CN	Cott Corp	SoftDrnks	6	6	1	13.35	2.8%	6.7%	1,461		▲	80%	26.5		11%	Above Rising	70
ATD/B CN	Alimentation Couche-Tard	FdRetail	7	1	3	53.74	1.8%	-0.4%	22,531		▲	16%			7%	Above Rising	59
L CN	Loblaw Cos	FdRetail	7	7	3	64.82	1.6%	1.7%	26,744	▲	▲	6%	48.5		2%	Above Rising	58
MRU CN	Metro Inc	FdRetail	7	3	4	34.28	2.0%	2.1%	8,465		▲	5%	2.0		0%	Below Falling	54
AGT CN	AGT Food & Ingredients	PkgFdMt	6	8	4	30.69	3.9%	-0.3%	708		▲	10%			3%	Above Rising	50

Figure 6: S&P 500 Staples in Outperforming Trends vs S&P 500

Symbol	Name	Sub Industry	Grp RS	SPX	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 150d MA	Chg wrt 150 Day MA Trend	Boll Band	Boll Band Width	RSI Dly
EL US	Estee Lauder Cos Inc	PersPrdct	3	▲	28%	21.0		2%	Above Rising	12%	Above Rising	OBOT	53%	58
RAI US	Reynolds American	Tobacco	4	▲	28%			4%	Above Rising	13%	Above Rising	ABOVE	123%	62
WBA US	Walgreen Co	DrugRetail	1	▲	40%	48.5		10%	Above Rising	22%	Above Rising	OBOT	131%	72
KR US	Kroger Co	FdRetail	7	▲	38%			6%	Above Rising	15%	Above Rising	OBOT	109%	73
MNST US	Monster Beverage	SoftDrnks	6	▲	45%			5%	Above Rising	15%	Above Rising	ABOVE	95%	63
MKC US	McCormick & Co	PkgFdMt	6	▲	9%			3%	Above Rising	9%	Above Rising	ABOVE	117%	60
COST US	Costco Wholesale	SprCntrs	9	▲	16%			2%	Above Rising	4%	Above Rising	OBOT	89%	63
GIS US	General Mills	PkgFdMt	6	▲	8%			3%	Above Rising	9%	Above Rising	ABOVE	127%	63
CAG US	ConAgra Foods	PkgFdMt	6	▲	14%			12%	Above Rising	23%	Above Rising	ABOVE	442%	71
HRL US	Hormel Foods	PkgFdMt	6	▲	4%			3%	Above Rising	7%	Above Rising	ABOVE	56%	60
CPB US	Campbell Soup	PkgFdMt	6	▲	3%			2%	Above Rising	6%	Above Rising	ABOVE	85%	57
CVS US	CVS Health	DrugRetail	1	▲	1%	48.5		6%	Above Rising	13%	Above Rising	OBOT	176%	67

Figure 7: U.S. SMID Restaurants vs Russell 2000 Index



Trends & Inflection Points

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Health Care Strength (Again)



[CLICK HERE](#)

- Universal Health Care strength. It's not a new theme, but it's not a tired theme either.
 - On Friday, more [health care indices markets hit new 4-year relative strength highs](#) than not – Figure 1.
 - All [U.S. Health Care subindustries are in outperforming trends](#) vs. the market – Figure 2.
- In the spirit of sticking with what works, we highlight the largest Global Health Care momentum buys vs. the S&P 500 ([see link for full list](#)) in Figure 3.
- Any strong theme needs to be refreshed. For this, one looks for a good sampling of stocks breaking above underperforming trends. Indeed [6% of the Health Care universe breaking to the upside vs. the S&P 500](#) – Figure 4.

Figure 1: Health Care Sectors vs Local Markets

Name	Reward /Risk	Trend Slope	RS Hi (Mo)	RS Low (Mo)	1-day RS Chg(%)	5-day RS Chg(%)	%Chg wrt 50d RS MA	Chg wrt 50-d RS MA Trend
vs. S&P/TSX Composite		97%	48.5		0.9%	1.6%	3.0%	Above Rising
vs. Russell MidCap		24%	48.5		0.1%	0.5%	2.2%	Above Rising
vs. Russell 2500		27%	48.5		0.5%	0.9%	2.8%	Above Rising
vs. MSCI World Small Ct		26%	48.5		0.4%	1.4%	3.2%	Above Rising
vs. Russell 2000		26%	48.5		0.6%	1.4%	2.9%	Above Rising
vs. S&P 500		14%	48.5		0.1%	0.4%	1.7%	Above Rising
vs. MSCI World		13%	48.5		0.2%	1.0%	2.0%	Above Rising
vs. MSCI AC Asia		14%	48.5		0.0%	2.8%	4.6%	Above Rising
vs. MSCI EAFE		3%	48.5		0.3%	2.2%	2.5%	Above Rising
vs. MSCI Europe		-2%	48.5		0.0%	1.5%	1.8%	Above Rising

Figure 2: U.S. Health Care Subindustries vs S&P 1500

Name	Wgt (%)	Reward /Risk	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d RS MA	Chg wrt 50-d RS MA Trend
Managed Health Care vs. S&P 1500	1.4%		42%			2.0%	Above Rising
Health Care Facilities vs. S&P 1500	0.4%		37%			6.9%	Above Rising
Health Care Services vs. S&P 1500	0.6%		11%			2.1%	Above Rising
Health Care Distributors vs. S&P 1500	0.6%		7%			0.1%	Above Rising
Pharmaceuticals vs. S&P 1500	5.9%		7%	48.5		2.0%	Above Rising
Health Care Supplies vs. S&P 1500	0.2%		10%			1.3%	Above Rising
Life Sciences Tools & Services vs. S&P 1500	0.5%		9%			0.5%	Above Rising
Health Care Technology vs. S&P 1500	0.2%		8%	2.0		2.2%	Above Falling
Biotechnology vs. S&P 1500	3.0%		10%		1.0	1.0%	Above Rising
Health Care Equipment vs. S&P 1500	2.2%		1%	2.5		1.6%	Above Rising

Figure 3: Global Health Care Momentum Buys vs S&P 500 – [See Link for Full List](#)

Symbol	Name	Country	Sub Industry	Grp RS	LT RS	RS	MktCap (US\$)	SPX	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	RSI Dly
INCY US	Incyte Corp	U. S.	Biotech	4	1	1	19,396		70%			2%	Above Rising	55
BMRN US	BioMarin Pharmaceutical	U. S.	Biotech	4	2	1	22,715		76%			11%	Above Rising	66
CI US	Cigna Corp	U. S.	MngHCare	2	1	1	40,461		59%			9%	Above Rising	55
ATLN VX	Actelion Ltd	Switzerland	Biotech	4	2	1	17,115		66%	1.0		5%	Above Rising	60
NVO US	Novo Nordisk	Denmark	Pharma	2	2	1	118,969		59%	48.0		2%	Above Rising	59
UNH US	UnitedHealth Group	U. S.	MngHCare	2	1	1	116,275		35%			3%	Above Rising	55
4507 JP	Shionogi &	Japan	Pharma	2	2	2	13,928		54%			8%	Above Rising	61
SHPG US	Shire PLC	Jersey	Pharma	2	1	2	49,391		30%	1.0		1%	Above Rising	55
UHS US	Universal Health Services	U. S.	HCFacility	2	2	2	13,013		39%			9%	Above Rising	64
AGN US	Allergan plc	U. S.	Pharma	2	2	2	122,494		27%	3.5		4%	Above Rising	59
REGN US	Regeneron Pharmaceuticals	U. S.	Biotech	4	2	2	53,288		36%	1.0		5%	Above Rising	59
4519 JP	Chugai Pharmaceutical	Japan	Pharma	2	2	2	19,716		39%			10%	Above Rising	64
GILD US	Gilead Sciences	U. S.	Biotech	4	1	3	167,153		27%		1.0	1%	Above Rising	44
HSP US	Hospira Inc	U. S.	Pharma	2	7	3	15,403		51%			1%	Above Rising	65
LPC IN	Lupin Ltd	India	Pharma	2	1	3	13,288		40%			5%	Above Rising	57

Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markt

Figure 4: Global Health Care Stocks Breaking Above Underperforming Trends vs S&P 500

Symbol	Name	Sub Industry	Grp RS	LT RS	RS	MktCap (US\$)	Chg Last Day	SPX	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend
FGEN US	FibroGen Inc	Biotech	4	5	10	1,353	↑	↑	-146%			8%	Above Falling
CLS1 GR	Celesio AG	HCDistrib	4	7	10	5,955	↑	↑	-31%			0%	Below Falling
JNJ US	Johnson & Johnson	Pharma	2	4	10	276,001		↑	-18%			0%	Below Falling
PETX US	Aratana Therapeutics	Pharma	2	1	9	546		↑	-72%	2.5		12%	Above Rising
LABB MM	Genomma Lab Internacional	Pharma	2	9	9	1,084		↑	-138%			-2%	Below Falling
ALKS US	Alkermes PLC	Biotech	4	3	9	9,545	↑	↑	-41%			5%	Above Rising
BDX US	Becton Dickinson and	HCEquip	6	5	9	30,208		↑	-10%	3.5		2%	Above Rising
UCB BB	UCB SA	Pharma	2	6	9	14,740		↑	-23%	4.5		6%	Above Rising
CPSI US	Computer Programs & Systems	HCareTec	3	6	9	614	↑	↑	-27%			1%	Above Rising
SNN US	Smith & Nephew	HCEquip	6	3	9	15,604	↑	↑	-15%	1.5		1%	Above Rising
SGNT US	Sagent Pharmaceuticals	Pharma	2	9	9	831		↑	-35%			9%	Above Rising
CELG US	Celgene Corp	Biotech	4	1	9	94,257	↑	↑	-20%			4%	Above Rising
AFX GR	Carl Zeiss Meditec	HCEquip	6	5	9	2,167		↑	-25%			6%	Above Rising
BAX US	Baxter	HCEquip	6	6	9	20,469		↑	-14%			2%	Above Rising
LUN DC	H Lundbeck	Pharma	2	9	9	4,242		↑	-21%	2.0		7%	Above Rising
TKAI US	Tokai Pharmaceuticals	Biotech	4	10	8	307	↑	↑	-47%			11%	Above Rising
ALXN US	Alexion Pharmaceuticals	Biotech	4	3	8	42,472		↑	-24%	5.5		12%	Above Rising
RHK GR	Rhoen Klinikum	HCFacility	2	8	8	2,028		↑	-23%	1.0		1%	Above Rising
FPRX US	Five Prime Therapeutics	Biotech	4	1	8	667		↑	-38%	4.0		14%	Above Rising
SPPI US	Spectrum Pharmaceuticals	Biotech	4	9	8	474		↑	-34%			7%	Above Rising
OPHT US	Ophthotech	Biotech	4	1	8	1,849	↑	↑	-19%			7%	Above Rising
ROG VX	Roche Holding AG	Pharma	2	2	8	204,955		↑	-13%	1.0		1%	Above Rising
SGYP US	Synergy Pharmaceuticals	Biotech	4	9	7	977		↑	-22%			60%	Above Rising
MGNX US	MacroGenics	Biotech	4	1	7	1,167	↑	↑	-8%	3.5		17%	Above Rising
LDR US	Landauer Inc	HCSservice	1	10	7	359		↑	-5%	11.0		10%	Above Rising
WOOF US	VCA Inc	HCFacility	2	5	7	4,648	↑	↑	-2%	48.0		7%	Above Rising
BCRX US	BioCryst Pharmaceuticals	Biotech	4	5	6	1,123		↑	-6%			24%	Above Rising
XOMA US	XOMA Corp	Biotech	4	6	6	556		↑	-2%	7.0		30%	Above Rising

Trends & Inflection Points

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Credit Risk Down Yet VIX Up? Holding AAPL?



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It was an odd day yesterday. [Credit risk](#) and many [volatility gauges](#) fell as the market's two biggest concerns, the [Chinese equity rout](#) and the [Grexit](#), faded; yet the [VIX](#) still pushed higher. **What's up with that?** A [look at the largest 10 S&P 500 stocks shows what's up](#). Apple (AAPL), trending higher at a rate of 48%/year [broke that trend and fell to a 5-month low](#) – Figure 1.

- We always say, our mechanical trend spotting system is ignorant, not knowing why the trend is in place, or why the trends break, but it **asks the right question at the right time. The question is: what are you doing with the AAPL in your portfolio?** – Figure 2.
- Technically, AAPL is oversold, close to support, and there is good volume down here. This morning is a very “risk on” environment, so we fully expect that AAPL will rebound. What happens after the rebound is the real question. 2012 was not pretty.
 - We believe AAPL is a good stock in a [bad neighborhood of 10th decile Hardware, Storage and Peripheral stocks](#).
- Looking for an AAPL replacement? We highlight the [largest technology stocks in outperforming trends vs. the S&P 500 and technology sector](#) – Figure 3. Willing to dabble in China? Look at Tencent. Not so much? eBay is worth a look. IBM is trying to bottom. Visa and MasterCard are good momentum stocks in our view.

Figure 1: [Price Trends on Largest S&P 500 Index Members](#)

Symbol	Name	Sub Industry	Grp RS	1-day Equity Chg (%)	5-day Equity Chg (%)	MktCap (US\$)	Price Trend	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 150d MA	Chg wrt 150 Day MA Trend	Boll Band	Boll Band Width	RSI Dly
JPM US	JPMorgan Chase	DiversBnk	7	1.0%	-2.9%	245,340	▲	55%			0%	Below Rising	9%	Above Rising	BELOW	62%	45
AAPL US	Apple Inc	HdwrSt&P	10	-2.0%	-5.2%	691,72	▼	48%		5.0	-6%	Below Falling	2%	Above Rising	OSOLD	89%	28
WFC US	Wells Fargo	DiversBnk	7	0.5%	-2.5%	285,781	▲	15%			-1%	Below Rising	3%	Above Rising	BELOW	100%	41
PFE US	Pfizer Inc	Pharma	2	1.2%	0.5%	208,499	▲	11%			0%	Below Falling	5%	Above Rising	BELOW	57%	49
GE US	General Electric	IndCongl	8	0.5%	-2.4%	262,176	▲	3%			-4%	Below Falling	2%	Above Rising	OSOLD	82%	35
MSFT US	Microsoft Corp	SystemSwr	2	0.6%	0.2%	360,148	▲	1%			-4%	Below Falling	-1%	Below Falling	BELOW	91%	40
JNJ US	Johnson & Johnson	Pharma	2	0.6%	-0.1%	272,868	▲	-4%			-1%	Below Falling	-3%	Below Falling	BELOW	57%	47
XOM US	Exxon Mobil	Int_O&G	9	-0.5%	-0.9%	341,178	▲	-15%		21.0	-4%	Below Falling	-8%	Below Falling	OSOLD	75%	32
PG US	Procter & Gamble Co	HhldPrdct	3	-0.4%	1.2%	218,830	▲	-22%			1%	Above Rising	-4%	Below Falling	ABOVE	104%	56
WMT US	Wal-Mart Stores	SprCnters	10	-0.4%	1.3%	234,392	▲	-34%			-3%	Below Falling	-9%	Below Falling	ABOVE	67%	47

Figure 2: [Apple \(AAPL\) Dividend Adjusted Price Trend](#)



Figure 3: [Largest 10 Technology Outperformers](#)

Name	Sub Industry	Grp RS	LT RS	RS	1-day Equity Chg (%)	5-day Equity Chg (%)	MktCap (US\$)	SPX	Trend Slope	RS Hi (Mo)
Tencent Holdings	InetSftSrv	5	1	2	8.3%	-6.7%	176,615	▲	42%	
eBay Inc	InetSftSrv	5	6	3	1.3%	2.2%	75,040	▲	12%	1.0
Facebook Inc	InetSftSrv	5	2	4	0.3%	-1.2%	193,135	▲	10%	
Google Inc	InetSftSrv	5	3	6	0.5%	0.2%	157,003	▲	1%	
International Business	IITConsult	3	9	3	0.4%	-0.4%	161,349	▲	11%	1.0
MasterCard	DataProc	1	1	2	0.6%	-1.4%	103,843	▲	17%	
Visa Inc	DataProc	1	1	5	0.5%	-1.2%	131,246	▲	4%	
SAP SE	ApplicSwr	1	8	4	1.9%	-0.8%	85,762	▲	9%	
Microsoft Corp	SystemSwr	2	4	5	0.6%	0.2%	360,148	▲	6%	
Taiwan Semiconductor	Semi	9	3	5	0.0%	-3.1%	115,234	▲	6%	

Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Trends & Inflection Points

July 9, 2015
 Research Comment
[Quantitative/Technical Research Website](#)

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Quantifying Panic & U.S.-Listed EM Outperformers



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- In our view, panic should be bought and [volatility](#) should be sold.
- Implied volatility gives the sharpest panic buying signals. The current bout of panic [stems from China](#), where [equity-implied volatility has surged close to 50% in the past five days](#) – Figure 1
- [Implied volatility on Emerging Markets Equity ETF \(EEM\) is a heady 25%](#) – Figure 2.
- The [MSCI Emerging Markets Index has broken below the bottom end of its trend channel](#). It does so from time to time. It's called a buying opportunity – Figure 3.
- If the U.S. equity market is your choice, the [VIX](#) is not quite at a panic level (as this is not the source from which panic emanates from), but implied volatility is at the top end of a three-year channel, and that's probably about as good as it gets – Figure 4.
 - The [NASDAQ](#), [Russell 2000](#), and [S&P 500](#) all broke below the bottom ends of their channels yesterday, and gauges of concern are receding (yen weakening, CDS narrowing) this morning. A buy-the-dip attitude is ensuing.
- Focusing on the panic at hand, [we highlight 29 U.S.-listed emerging market stocks, which are outperforming both ACWI and their sector. The majority of the list is oversold by one indication or another](#) – Fig 5.

Figure 1: Chinese Equity ETF (FXI) Implied Volatility



Figure 2: Emerging Market ETF (EEM) Implied Volatility



Figure 3: MSCI Emerging Markets Index in Local Currency

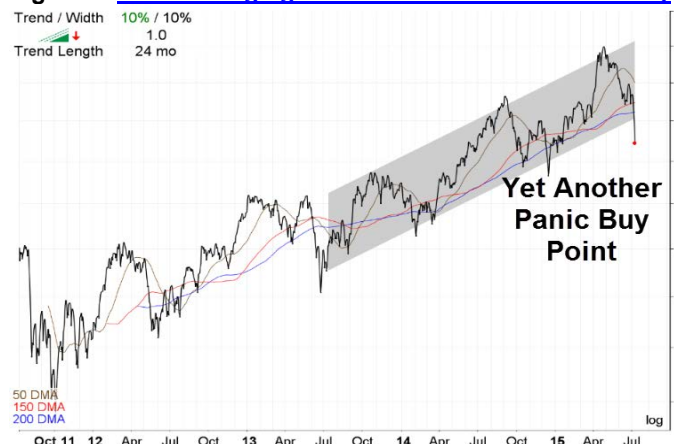


Figure 4: S&P 500 Index



Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Figure 5: [Emerging Market Outperformers](#)

Symbol	Name	Domicile	Sub Industry	1-day Equity Chg (%)	5-day Equity Chg (%)	MktCap (US\$)	ACWI	Trend Slope	RS Hi (Mo)	RS Low (Mo)	Boll Band	Boll Band Width	RSI Dly
NORD US	Nord Anglia Education	Hong Kong	Educat	-2.1%	-2.0%	2,499		61%			BELOW	69%	40
CTRP US	Ctrip.com International	China	InetRtl	-2.5%	-4.5%	9,750		102%			OSOLD	77%	39
ZNH US	China Southern Airlines	China	Airline	-6.4%	-21.9%	2,548		151%		1.5	OSOLD	158%	36
CMCM US	Cheetah Mobile	China	SystemSwr	4.0%	-19.9%	400		129%			OSOLD	143%	29
WNS US	WNS Holdings	India	DataProc	-0.7%	0.4%	1,383		37%	48.0		ABOVE	46%	52
CEA US	China Eastern Airlines	China	Airline	-8.2%	-20.7%	2,759		101%		2.0	OSOLD	178%	33
CCU US	Cia Cervecerias Unidas	Chile	Brewers	5.0%	3.9%	4,065		32%	2.0		ABOVE	76%	56
NTES US	NetEase Inc	China	InetSftSrv	2.0%	-8.6%	17,295		54%			OSOLD	146%	37
SSW US	Seaspan Corp	Hong Kong	Marine	-2.5%	-3.3%	1,784		20%		2.5	OSOLD	157%	24
MOMO US	Momo Inc	China	InetSftSrv	-2.0%	-15.0%	2,584		104%		1.5	OSOLD	81%	36
XIN US	Xinyuan Real Estate	China	REstDevl	-5.5%	-14.0%	204		70%		1.0	BELOW	69%	38
WUBA US	58.com Inc	China	InetSftSrv	-0.1%	-5.4%	5,379		94%			BELOW	163%	26
IBA US	Industrias Bachoco	Mexico	PkgFdMt	-1.5%	-0.9%	2,652		17%			BELOW	84%	42
KZ US	KongZhong Corp	China	ApplicSwr	3.9%	-13.1%	290		53%			BELOW	176%	38
UGP US	Ultrapar Participacoes	Brazil	OG StTr	-2.4%	-3.9%	11,234		24%			OSOLD	83%	30
GPRK US	Geopark Ltd	Chile	OG E&P	-4.0%	-8.3%	251		37%		3.0	OSOLD	144%	29
WX US	WuXi PharmaTech Cayman	China	LfSciSrv	-1.6%	-10.2%	2,716		22%			OSOLD	108%	25
HDB US	HDFC Bank Ltd	India	DiversBnk	-4.6%	-1.5%	49,894		22%			ABOVE	165%	51
QUNR US	Qunar Cayman Islands	China	InetRtl	4.0%	-10.5%	2,003		53%			BELOW	169%	32
BSAC US	Banco Santander Chile	Chile	DiversBnk	0.8%	-2.0%	9,352		11%	1.0		BELOW	72%	40
ASR US	ASUR	Mexico	AirprtSrv	0.1%	1.4%	3,984		12%	2.0		ABOVE	49%	52
GMK US	Gruma	Mexico	PkgFdMt	0.1%	0.2%	5,538		20%			BELOW	54%	49
TSM US	Taiwan Semiconductor	Taiwan	Semi	-3.2%	-2.1%	115,286		13%			BELOW	66%	39
UEPS US	Net 1 UEPS Technologies	South Africa	DataProc	1.5%	2.6%	874		31%	48.0		ABOVE	145%	63
CO US	China Cord Blood	Hong Kong	HCServce	-5.9%	-16.7%	375		17%			OSOLD	149%	28
SHI US	Sinopec Shanghai Petrochemical	China	ComdChm	-15.2%	-38.5%	1,156		24%		3.5	OSOLD	246%	25
SNP US	China Petroleum & Chemical	China	Int O&G	-3.1%	-8.5%	20,013		7%		3.0	OSOLD	96%	33
EDU US	New Oriental Education	China	Educat	-1.8%	-7.5%	3,580		10%			OSOLD	94%	35
TV US	Grupo Televisa SAB	Mexico	Broadcast	-2.4%	-8.1%	20,504		1%		1.5	OSOLD	130%	33

Trends & Inflection Points

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China, Credit, Mining...Staples in the Spotlight



CLICK HERE

- The rout in the [Chinese equity market](#) started to have an impact on the credit market yesterday, as the cost to protect [Chinese Banks](#) and [Chinese Real Estate](#) broke above narrowing trends (breaking bad) – Figure 1.
 - The third of our [custom CDS indices](#) to break bad yesterday is [our basket of global mining companies](#). The [tie-in here is the extent that the reverse wealth effect in China has as a contribution to slower Chinese growth](#).
 - [Mining shares themselves are well advanced in a major leg down](#), and if you are speaking to us on [mining shares](#), you are likely a [short seller](#).
- Showing the increasingly defensive positioning in the equity market, [staples in the S&P 500, as well as SMID indices, are breaking above underperforming trends. Technology and industrials continue to break to the downside](#) – Figure 3.
 - Putting the spotlight on Staples we highlight:
 - [S&P 500 staples, with just five consistent outperformers and many market/underperformers breaking above underperforming trends](#) – Figure 4.
 - A similar perspective for [Russell MidCap Growth index members](#) (we will sneak in here that [growth continues to trump value](#)) – Figure 5.
 - For the global manager, ones sees the theme ([covered yesterday](#)) of European staples breaking down, while U.S. staples are breaking to the upside [vs MSCI World](#) – Figure 6.

Figure 1: “Severed Trends Last Day” View on our Custom CDS Indices – Chinese Banks, Real Estate & Mining Breaking Bad

Name	5yr CDS Level (bps)	H / L	Chg Last Day	CDS Reward /Risk	Trend Slope	Trend Length (Mo)	CDS Hi (Mo)	CDS Low (Mo)	1-day Chg(%)	5-day Chg(%)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 200d MA	Chg wrt 200 Day MA Trend
China Banks	124	▲	↑	▲	-30%	6			3.3%	1.9%	2%	Above Falling	-4%	Below Falling
GBLBSMtIs	216		↑	▲	-27%	6	5.0		4.9%	10.5%	12%	Above Rising	15%	Above Rising
China REst	131	*	↑	▲	-9%	7	5.0		2.1%	1.7%	5%	Above Rising	3%	Above Rising

Figure 2: Average 5Yr CDS for Chinese Banks



Figure 3: Staples Breaking Above Underperforming Trends

Name	Chg Last Day	Reward /Risk	Trend Slope	RS Hi (Mo)	RS Low (Mo)
Industrials vs. MSCI World Small Cap	↓	▲	↓	0%	5.0
Technology vs. S&P 500	↓	▲	↓	2%	2.5
Technology vs. Russell MidCap Growth	↓	▲	↓	5%	1.5
Staples vs. S&P 500	↑	▲	↑	-11%	3.0
Staples vs. Russell MidCap	↑	▲	↑	-6%	2.5
Staples vs. Russell MidCap Growth	↑	▲	↑	-11%	2.0
Staples vs. Russell 2000	↑	▲	↑	-16%	2.5
Discretionary vs. Russell 2000 Growth	↑	▲	↑	-5%	
Health Care vs. MSCI Europe	↑	▲	↑	-3%	2.5

Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Figure 4: [S&P 500 Staples vs S&P 500](#)

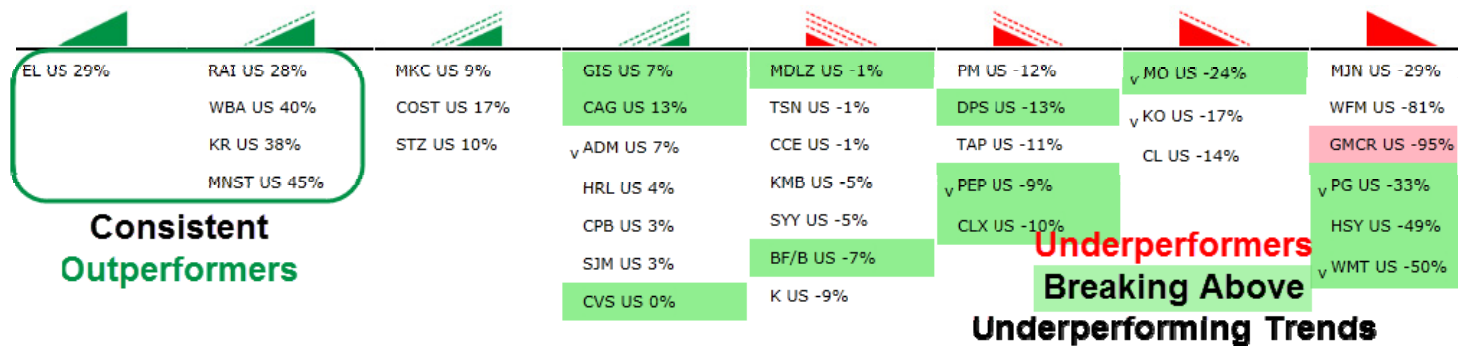


Figure 5: [Russell MidCap Growth Staples vs Russell MidCap Growth](#)

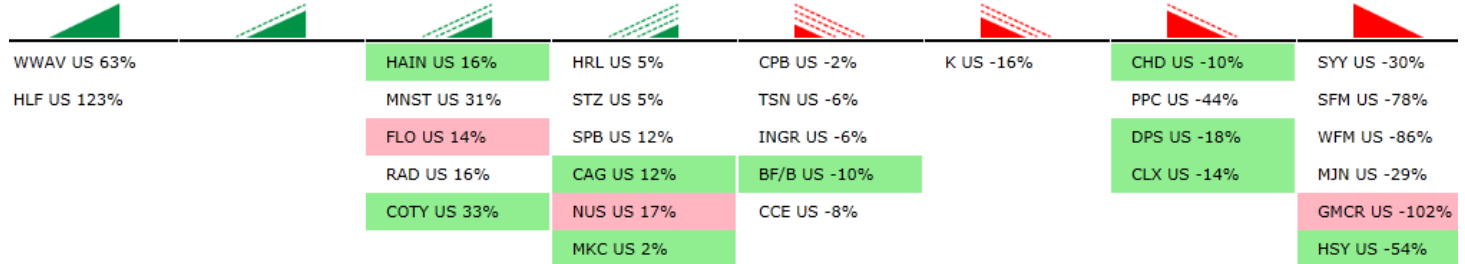
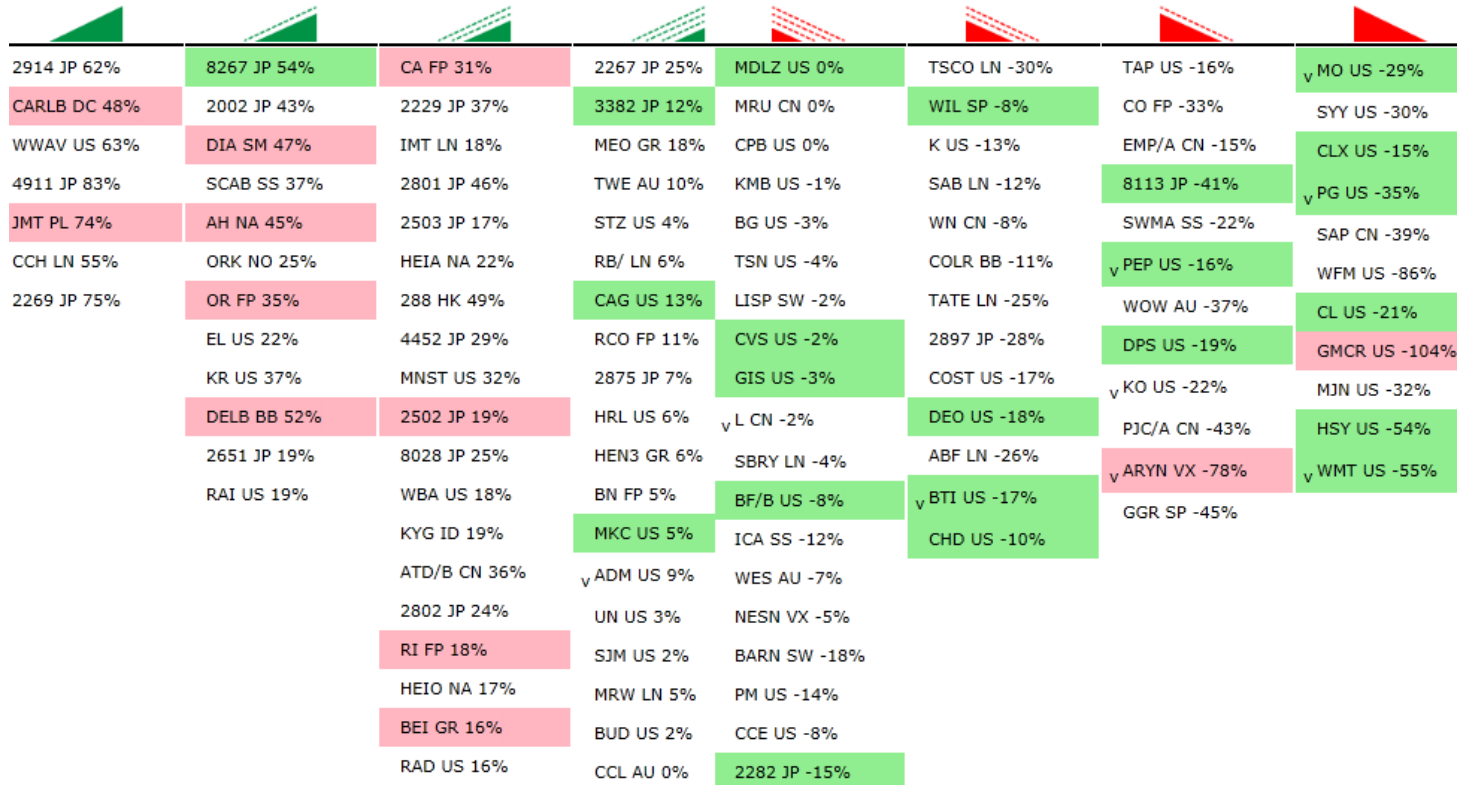


Figure 6: [MSCI World Staples vs MSCI World](#)



Trends & Inflection Points

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[Quantitative/Technical Research Website](#)

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Tactical Asset Allocation – Shifting Back to the U.S.



[CLICK HERE](#)

- The [U.S. equity market is breaking above a 7-month "timeout" period of underperformance](#), as [strength in Europe gives way](#). This is the **inflection point** where one shifts back to an overweighted position in U.S. equities – Figures 1-4.
- Broadening beyond the European and U.S. inflection points that our system picked up yesterday, the only [region](#) still trending higher vs. MSCI World is the Pacific, and as [Pacific ex Japan is underperforming](#), we might as well just say [Japan](#). [North America, on the other hand, is breaking above an underperforming trend, and rose to a 3.5-month relative strength high](#) – Figure 4.
 - North American strength is U.S. [Canada is breaking to a new low](#) – Fig 5.
- Our [Equity Tactical Asset Allocation \(TAA\)](#) link is available daily in the [TIPS suite](#).

Figure 1: [Equity Markets vs MSCI World](#)

Name	Symbol	1d RS Chg (%)	5d RS Chg (%)	Chg Last Day	Reward /Risk	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d RS MA	Chg wrt 50d RS MA Trend	%Chg wrt 200d RS MA	Chg wrt 200d RS MA Trend
Italian MIB	FTSEMIB	-3.1%	-5.0%	↓		19%		3.5	-4%	Below Falling	-2%	Below Falling
German DAX	DAX	-0.6%	-2.5%	↓		7%		5.5	-2%	Below Falling	-1%	Below Falling
S&P 500	SPX	0.5%	1.0%	↑		-4%	3.5		1%	Above Rising	1%	Above Rising
DJIA	INDU	0.6%	1.0%	↑		-6%	3.0		1%	Above Rising	0%	Above Rising

Figure 2: [S&P 500 vs MSCI World](#)



Figure 3: [MSCI Europe vs MSCI World](#)



Figure 4: [MSCI Regions vs MSCI World](#)

Name	Chg Last Day	Reward /Risk	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend
EAFE	↓		9%		3.5	-1%	Below Falling
Pacific			13%			0%	Below Falling
MXWO ex US			7%		3.5	-2%	Below Falling
Europe ex UK			9%		3.5	-2%	Below Falling
Europe	↓		7%		3.5	-2%	Below Falling
EM Asia	↓		4%			-3%	Below Falling
ACWI			0%			0%	Below Falling
Emerging			-3%			-3%	Below Falling
Pacific ex Japan			-8%		1.0	-2%	Below Falling
EM LATAM			-22%			-2%	Below Falling
North America	↑		-6%	3.5		1%	Above Rising

Figure 5: [MSCI Canada vs MSCI World](#)



Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Trends & Inflection Points

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 Research Comment
[Quantitative/Technical Research Website](#)

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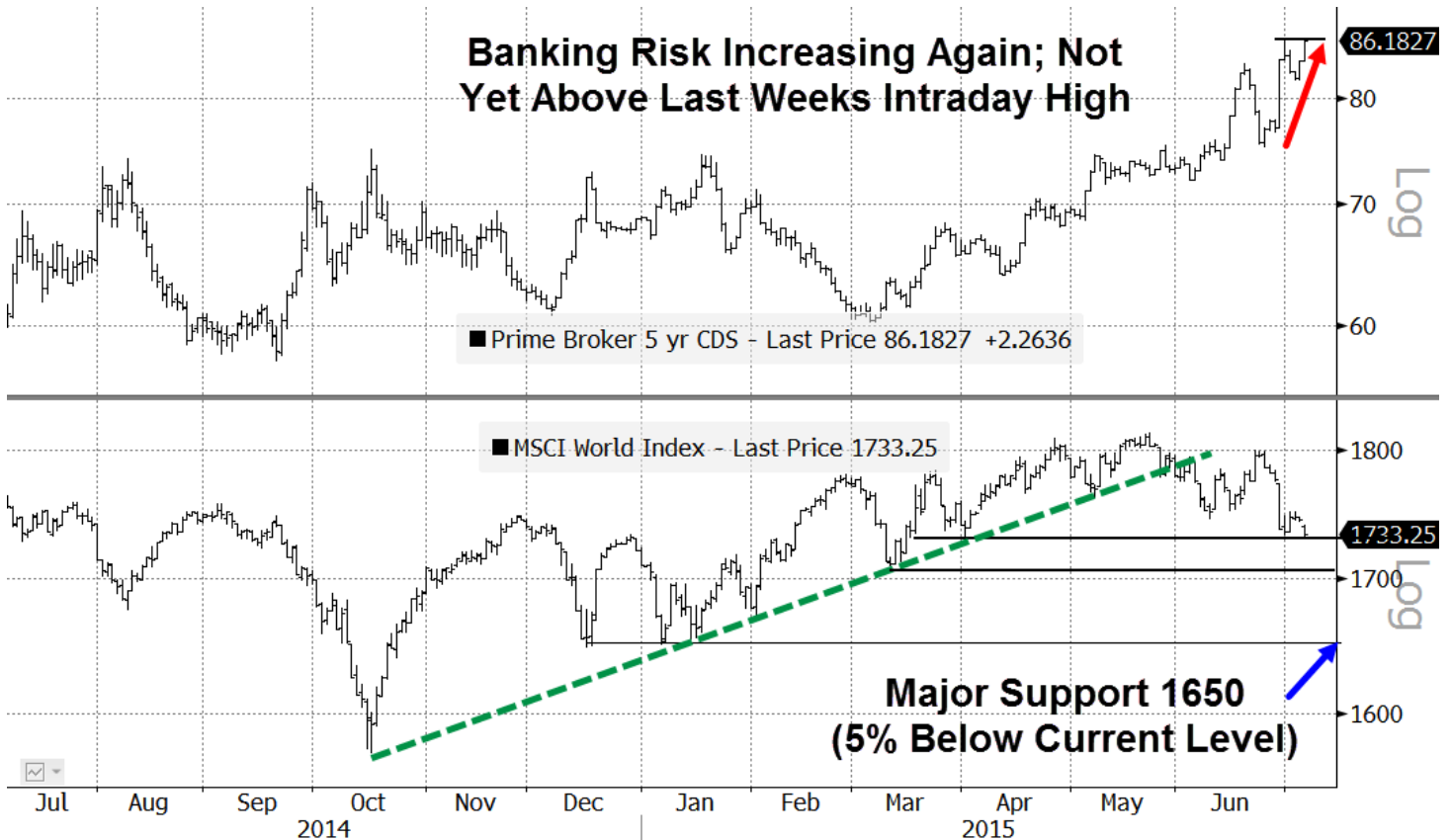
Slipping Into the Unknown



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- As the Eurozone heads into uncertain times with [Sunday's Greek no vote](#), we highlight the classic chart best shown when one enters the financial unknown – the escalating cost to protect the core of the banking system against default ([average 5yr CDS on Prime Brokers](#)), which dovetails with the equity market slipping to make lower lows and highs – Figure 1.
- Some colour:
 - Credit risk is not sliding; it is slipping higher, and is still very low on an absolute basis (Figure 1 top);
 - Volatility gauges, are also higher, but not at panicked levels;
 - So we are not at a “panic buy the dip opportunity,” nor are we at the “sky is falling” protect the book state.
- Technically, the MSCI World is 5% away from major support, and you can call that a target (Figure 1 bottom) if credit risk continues to slip as it has this morning.

Figure 1: The Cost to Protect the Banking System Against Default and MSCI World



Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Trends & Inflection Points

July 3, 2015
 Research Comment
[Quantitative/Technical Research Website](#)

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Canadian Momentum



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- Momentum buy and sell lists are just as much about a pulse of the market as they are lists to buy/short from. With [Canadian equity indices](#) trending higher, yet below 50 and 150d moving averages (Figure 1), one would expect momentum buy lists to be shorter than the sell lists; and that is certainly true.
- There are almost triple the amount of [momentum sells](#) in Canada than there are momentum buys, and they cover all sectors but Telecom. We highlight the largest 20 in Figure 2, and the [full list at this link](#).
- The [Canadian momentum buy list has just 20 stocks](#), and most are small caps. Those maintaining outperforming trends and still above rising moving averages are shown in Figure 3.

Figure 1: [Trends on Canadian Equity Indices](#)

Name	Symbol	1-Day Chg (%)	5-Day Chg (%)	Chg Last Day	Reward /Risk	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 200d MA	Chg wrt 200 Day MA Trend
S&P/TSX Cmpl	TX40AR	0.4%	-1.7%			11%			-2%	Below Falling	0%	Below Falling
S&P/TSX Sml	TX20AR	0.0%	-1.9%			9%			-3%	Below Falling	-2%	Below Falling
CDN Vegas	VXSCAR	0.7%	-0.6%			13%			-1%	Below Falling	-5%	Below Falling
S&P/TSX	0000AR	0.6%	-1.7%			10%			-2%	Below Falling	0%	Below Falling
S&P/TSX 60	TX60AR	0.6%	-1.6%			7%			-2%	Below Falling	0%	Below Falling

Figure 2: Canadian Momentum Sells – See [Full List at this Link](#)

Symbol	Name	Sub Industry	Grp RS	LT RS	RS	Close 02-Jul	1-day Equity Chg (%)	5-day Equity Chg (%)	MktCap (CAD)	SPTSX	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend
ACO/X CN	Atco	MultiUtil	8	4	10	39.40	-0.2%	-1.1%	3,999		-45%			-8%	Below Falling
CU CN	Canadian Utilities	MultiUtil	8	2	10	36.04	0.3%	0.4%	6,825		-43%			-2%	Below Falling
OTC CN	Open Text Corp	ApplicSwr	2	2	10	50.94	0.4%	-1.0%	6,229		-83%			-9%	Below Falling
TFI CN	TransForce	Trucking	9	3	10	25.68	1.4%	-1.0%	2,599		-35%	1.0		-3%	Below Falling
YRI CN	Yamana Gold	Gold	9	10	10	3.71	-1.3%	-5.1%	3,510		-59%			-15%	Below Falling
CPX CN	Capital Power	IPPTrad	7	7	10	21.76	1.0%	-5.0%	2,219		-31%			-7%	Below Falling
IPL CN	Inter Pipeline	OG StTr	9	1	10	28.89	0.7%	-5.5%	9,676		-27%			-5%	Below Falling
CVE CN	Cenovus Energy	Int O&G	8	8	9	19.67	-1.0%	-7.0%	16,296		-55%		1.0	-6%	Below Falling
HSE CN	Husky Energy	Int O&G	8	7	10	23.98	0.4%	-1.9%	23,596		-28%			-3%	Below Falling
CUF-U CN	Cominar REIT	DiversREIT	10	6	10	17.70	-0.2%	-0.9%	2,972		-17%			-3%	Below Falling
SLW CN	Silver Wheaton	Silver	10	6	10	21.74	0.4%	-2.1%	8,785		-51%			-7%	Below Falling
PJC/A CN	Jean Coutu Group PJC Inc	DrugRetail	1	2	10	22.97	-1.0%	-0.8%	1,920		-37%			-1%	Below Falling
IGM CN	IGM Financial	AsstMgmt	8	8	9	40.60	2.1%	-1.9%	10,088		-17%			-4%	Below Falling
BEI-U CN	Boardwalk REIT	ResidREIT	8	5	9	57.14	0.9%	-1.9%	2,713		-20%			-3%	Below Falling
BMO CN	Bank of Montreal	DiversBnk	7	3	9	74.01	0.0%	-1.5%	47,684		-15%			-3%	Below Falling
SU CN	Suncor Energy	Int O&G	8	6	9	34.64	0.8%	-2.9%	50,081		-21%			-5%	Below Falling
ELD CN	Eldorado Gold	Gold	9	9	9	5.12	-1.2%	-0.8%	3,669		-55%			-10%	Below Falling
TAP US	Molson Coors Brewing	Brewers	5	3	8	70.06	-0.3%	-2.9%	14,315		-14%			-4%	Below Falling
TRP CN	TransCanada	OG StTr	9	3	9	51.00	0.5%	-4.6%	36,157		-11%			-4%	Below Falling
K CN	Kinross Gold	Gold	9	10	8	2.85	-2.1%	-1.0%	3,267		-47%			-3%	Below Falling

Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit
 Note: BMO Capital Markets is restricted on Cenovus Energy

Figure 3: Canadian Momentum Buys

Symbol	Name	Sub Industry	Grp RS	LT RS	RS	Close 02-Jul	1-day Equity Chg (%)	5-day Equity Chg (%)	MktCap (CAD)	Chg Last Day	SPTSX	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend
CSU CN	Constellation Software	ApplicSwr	2	1	1	508.52	2.6%	-2.8%	10,777	↔		=	87%		1%	Above Rising
PBH CN	Premium Brands Holdings	PkgFdMt	5	2	1	32.10	0.0%	-1.9%	812			=	73%		2%	Above Rising
VRX CN	Valeant Pharmaceuticals	Pharma	2	1	1	286.70	3.3%	1.0%	97,822	↔		=	109%	1.0	3%	Above Rising
ADN CN	Acadian Timber	FrstPrd	6	1	1	19.05	0.8%	1.8%	319			=	47%		2%	Above Rising
AAV CN	Advantage Oil & Gas	OG E&P	9	7	1	7.92	0.3%	-1.2%	1,352			=	78%		4%	Above Rising
CHR/B CN	Chorus Aviation	Airline	8	2	1	6.65	0.6%	1.1%	767			=	67%		7%	Above Rising
DOL CN	Dollarama Inc	GMrchStrs	4	1	1	76.01	0.5%	0.6%	9,775			=	57%		6%	Above Rising
MFI CN	Maple Leaf Foods	PkgFdMt	5	4	1	23.72	0.1%	-0.7%	3,391			=	38%		2%	Above Rising
SWY CN	Stornoway Diamond	PrecMet	10	9	1	0.83	0.0%	0.0%	608			=	68%		12%	Above Rising
KBL CN	K-Bro Linen	DvSpSrv	5	2	1	53.99	1.9%	0.8%	430			=	24%		2%	Above Rising
UNS CN	Uni-Select	Distrib	7	5	1	46.97	-0.2%	-0.8%	997			=	66%		8%	Above Rising
BCB CN	Cott Corp	SoftDrnks	6	7	1	12.30	0.7%	-2.3%	1,347			=	81%		5%	Above Rising
WIR/U CN	WPT Industrial REIT	IndusREIT	8	2	2	12.28	0.2%	-1.8%	277			=	49%		2%	Above Rising
LSG CN	Lake Shore Gold	Gold	9	8	1	1.24	-3.9%	-3.9%	541			=	55%	1.0	0%	Above Rising
JE CN	Just Energy Group	MultiUtil	8	7	2	6.51	0.0%	-2.8%	955			=	29%		0%	Above Rising
RBA CN	Ritchie Bros Auctioneers	DvSpSrv	5	4	2	36.04	3.4%	1.1%	3,850			=	33%		5%	Above Rising
OGC CN	OceanaGold	Gold	9	6	2	2.99	-3.2%	-0.7%	907			=	49%		8%	Above Rising
DGC CN	Detour Gold	Gold	9	7	2	14.26	-0.8%	-4.7%	2,432			=	63%		4%	Above Rising
MAL CN	Magellan Aerospace	Aero&Def	7	1	3	17.24	1.1%	-4.5%	1,004			=	32%		8%	Above Rising
MG CN	Magna	AutoParts	7	1	3	71.68	2.3%	0.3%	29,450	↑		↑	19%	1.0	4%	Above Rising

Trends & Inflection Points

July 2, 2015
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Energy – Equity and Credit Breaking Down



- Yesterday, [WTI fell over 4% to a 2.5-month low](#). Equities did not take so kindly to that. [Many energy indices, including MSCI World, and various U.S. SMID benchmarks broke out of 7-month relative strength consolidation patterns to the downside](#) – Figures 1, 2.
- From a [global relative strength breadth perspective](#), Energy is second-worst sector – Figure 3.
- The credit market is also giving way here (all [credit & CDS trends found here](#)):
 - [Energy high yield corporate bonds are breaking a 7-month relief rally uptrend](#) and are also breaking below support – Figure 4.
 - [CDS trends on E&P companies are widening above narrowing trends](#) (we should also state that [many of our tailored group-specific CDS indices are breaking, or widening, above narrowing trends](#)) – Figure 5.
- From our [energy link](#), tuned towards price trends (available in the [TIPs Suite](#)),
 - there were a [dozen stocks, plus the US E&P ETF \(XOP\) that broke below positive uptrends yesterday](#) – Figure 6; and
 - we rank [10 E&P stocks momentum sells](#) – Figure 7.

Figure 1: [Energy Indices vs Local Benchmarks](#)

Consolidation Patterns Are Breaking To The Downside

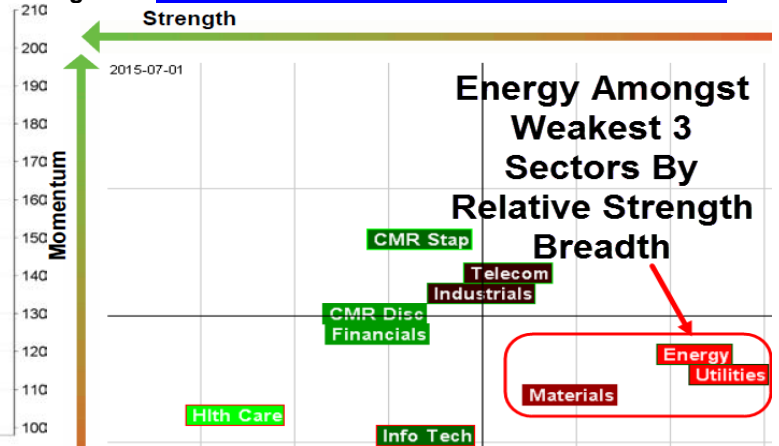
Name	Chg Last Day	Reward /Risk	Trend Slope	RS Hi (Mo)	RS Low (Mo)	1-day RS Chg(%)	5-day RS Chg(%)	%Chg wrt 50d RS MA	Chg wrt 50-d RS MA Trend	%Chg wrt 200d RS MA	Chg wrt 200-d RS MA Trend
Energy vs. MSCI World	↘	↘	-11%	48.5	3.0	-1.5%	-2.0%	-4.1%	Below Falling	-8.2%	Below Falling
Energy vs. MSCI EAFE	↘	↘	-13%	3.0	3.0	-1.8%	-2.4%	-3.5%	Below Falling	-7.4%	Below Falling
Energy vs. MSCI World Small Cap	↘	↘	-4%	3.5	3.5	-2.6%	-4.1%	-7.8%	Below Falling	-13.6%	Below Falling
Energy vs. S&P 500	↘	↘	-6%	48.5	48.5	-2.0%	-1.8%	-4.3%	Below Falling	-8.4%	Below Falling
Energy vs. Russell 2500	↓	↓	5%	48.5	48.5	-3.8%	-5.4%	-8.8%	Below Falling	-14.5%	Below Falling
Energy vs. Russell MidCap	↓	↓	1%	48.5	48.5	-2.9%	-4.3%	-7.8%	Below Falling	-12.7%	Below Falling
Energy vs. Russell 2000	↓	↓	0%	48.5	48.5	-3.9%	-5.7%	-9.8%	Below Falling	-17.2%	Below Falling
Energy vs. S&P/TSX Composite	↘	↘	-4%	48.5	48.5	0.0%	-1.6%	-2.5%	Below Falling	-6.3%	Below Falling
Energy vs. MSCI Europe	↘	↘	-14%	3.5	3.5	-1.2%	-2.2%	-3.7%	Below Falling	-7.6%	Below Falling

Breaking Down To New Lows

Figure 2: [Russell 2000 Energy vs Russell 2000](#)



Figure 3: [Global Sector Relative Strength Breadth Heat Map](#)



Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Figure 4: Energy High Yield Corporate Bond Index

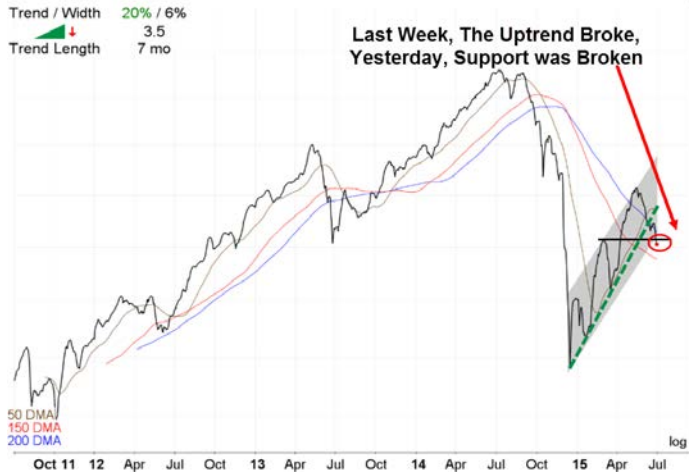


Figure 5: E&P CDS Trends

Symbol	Name	LT CDS	CDS Level	CDS	Trend Slope	CDS Hi (Mo)	CDS Low (Mo)	CDS %Chg wrt 50 DMA	Chg wrt 50 Day MA Trend
CHK US	Chesapeake Energy	9	10	▲	114%			27%	Above Rising
CEO US	CNOOC Ltd	7	6	▲	-8%			5%	Above Rising
COP US	ConocoPhillips	6	3	▲	-22%			7%	Above Rising
HES US	Hess Corp	8	8	▲	-17%	2.5		9%	Above Rising
APC US	Anadarko Petroleum	4	6	▲	-58%	3.0		14%	Above Rising
PXD US	Pioneer Natural Resources	1	7	▲	-64%			12%	Above Rising
APA US	Apache Corp	9	7	▲	-73%	3.0		9%	Above Rising
DVN US	Devon Energy	8	6	▲	-44%			5%	Above Rising
CNQ CN	Canadian Natural Resources	7	7	▲	-79%			12%	Above Rising
EOG US	EOG Resources	3	3	▲	-45%	3.0		6%	Above Rising
MRO US	Marathon Oil	6	8	▲	-54%	2.5		5%	Above Falling
ECA CN	Encana Corp	7	8	▲	-70%	3.0		11%	Above Rising
MUR US	Murphy Oil	8	9	▲	-74%	2.5		8%	Above Rising

Narrowing CDS Trends Are Giving Way Priced at 2-3Mo Wides

Figure 6: E&P Stocks Breaking Price Uptrends Yesterday

Symbol	Name	LT Price	Price Trend	MktCap (US\$)	Vol (%)	Chg Last Day	Price Trend	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	Boll Band	Boll Band Width	RSI Dly
CPE US	Callon Petroleum	4	1	501	4.66	↓	↓	169%		2.0	-8%	Below Falling	OSOLD	32%	38
PDCE US	PDC Energy	3	2	2,056	4.08	↓	↓	94%		3.5	-9%	Below Falling	OSOLD	74%	34
MTDR US	Matador Resources	2	2	1,999	3.65	↓	↓	99%		3.0	-13%	Below Falling	OSOLD	109%	30
FANG US	Diamondback Energy	1	2	4,632	2.72	↓	↓	72%		3.5	-8%	Below Falling	OSOLD	68%	34
LPI US	Laredo Petroleum	6	2	2,571	4.72	↓	↓	129%		3.5	-15%	Below Falling	OSOLD	46%	30
SM US	SM Energy Co	6	3	2,950	3.91	↓	↓	100%		3.5	-16%	Below Falling	BELOW	123%	34
CXO US	Concho Resources	4	2	13,395	2.64	↓	↓	47%		3.0	-8%	Below Falling	OSOLD	79%	34
CRZO US	Carrizo Oil & Gas	4	3	2,373	3.27	↓	↓	54%		3.5	-11%	Below Falling	OSOLD	76%	31
XEC US	Cimarex Energy	6	3	10,214	2.27	↓	↓	36%		3.5	-8%	Below Falling	OSOLD	77%	31
WPX US	WPX Energy	9	4	2,393	3.50	↓	↓	42%		3.0	-12%	Below Falling	OSOLD	73%	33
OAS US	Oasis Petroleum	7	4	2,009	4.43	↓	↓	44%		3.0	-14%	Below Falling	OSOLD	32%	29
XOP US	US O&G Exploration & Production	6	5	1,473	2.39	↓	↓	17%		5.0	-10%	Below Falling	OSOLD	65%	29
PXD US	Pioneer Natural Resources	4	7	20,339	2.27	↓	↓	3%		5.5	-11%	Below Falling	OSOLD	97%	29

Figure 7: E&P Momentum Sells

Symbol	Name	Country	LT Price	Price Trend	MktCap (US\$)	Vol (%)	Chg Last Day	Price Trend	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	RSI Dly
ARX CN	ARC Resources	Canada	8	9	5,769	2.14		↓	-28%			-6%	Below Falling	39
GKP LN	Gulf Keystone Petroleum	Bermuda	10	10	546	6.20		↓	-65%			-3%	Below Falling	51
SWN US	Southwestern Energy	U. S.	9	9	8,476	2.34		↓	-48%		3.5	-14%	Below Falling	31
DNO NO	DNO ASA	Norway	7	10	1,433	3.90		↓	-48%			-11%	Below Falling	41
BNE CN	Bonterra Energy	Canada	9	10	805	2.57		↓	-48%			-8%	Below Falling	38
KMG LI	KazMunaiGas Exploration Production	Kazakhstan	9	10	3,936	2.91		↓	-48%			-11%	Below Falling	41
ONGC IN	Oil & Natural Gas	India	7	10	42,252	1.90		↓	-20%			0%	Below Falling	51
GENL LN	Genel Energy Plc	Jersey	10	9	1,948	2.89		↓	-50%		3.0	-10%	Below Falling	40
SJT US	San Juan Basin Royalty Trust	U. S.	9	10	500	2.00		↓	-54%			-1%	Below Falling	46
CAIR IN	Cairn India	India	9	10	5,436	2.09		↓	-47%			-5%	Below Falling	47

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June 30, 2015
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Weakest Technology Links



CLICK HERE

- In yesterday's [Grexit](#)-inspired selloff, which took...
 - the [cost to protect prime brokers against default](#) to a 16m high (yet is it still very low),
 - most [volatility gauges](#) up at least 10%, and
 - [U.S. equity implied correlation to a 3m high](#),
- ...one sector stood out as the [global piñata](#), and that was [Technology where mostly outperforming indices were taken down to 1-5 month lows](#) – Figure 1.
- On a global basis, the relative performance of technology is flat, flat, flat, and the jury is still out on whether this is the pause that refreshes, or the top capping two years of outperformance – Figure 2.
 - By stripping the [Technology sector down by industry](#) one also strips away the guise of market performance. With recent downside pressure overwhelming upside, it's easier to spot the weakest links than the strongest, and here it's clear – the weakest links are [Semiconductors](#) and [Communications Equipment](#) – Figure 3.
 - Semiconductors are the trickier of the two, with recent strength [being sold into](#) – Figure 4.
 - Communications equipment stocks are like the [miners of the materials sector](#), not much lovin' going on there – Figure 5.
- Take timing of these sell lists into consideration (bounce?), [oversold buckets are full](#), and [overbought buckets are bare](#); yet, using our [TMT link](#), we drilled in on the [momentum sells](#) and [stocks breaking below outperforming trends](#) in these two weakest technology industries – Figures 6, 7.

Figure 1: [Local Technology Indices vs Markets](#)

Name	Reward /Risk	Trend Slope	RS Hi (Mo)	RS Low (Mo)	1-day RS Chg(%)	5-day RS Chg(%)
vs. MSCI World Small		8%		1.5	-0.3%	-1.0%
vs. Russell 2000		10%		1.5	-0.1%	-1.4%
vs. Russell MidCap		5%		1.0	-0.2%	-1.7%
vs. MSCI Europe		5%		1.5	-0.5%	-0.8%
vs. S&P 500		3%		2.5	-0.1%	-0.7%
vs. S&P/TSX Composit		3%		5.5	-0.3%	-1.6%
vs. MSCI World		-1%		2.0	-0.1%	-0.6%

Figure 2: [Global Technology vs MSCI World](#)



Figure 3: [Technology Industries vs Global Technology](#)

Name	Reward /Risk	Trend Slope	RS Hi (Mo)	RS Low (Mo)	1-day RS Chg(%)	5-day RS Chg(%)	%Chg wrt 50d RS MA	Chg wrt 50-d RS MA Trend
IT Services vs MSCI World Technology		6%			-0.1%	0.6%	1.0%	Above Rising
Electronic Equipment, Instruments & Components vs MSCI World Technology		7%	2.5		0.3%	0.5%	1.0%	Above Rising
Technology Hardware, Storage & Peripherals vs MSCI World Technology		5%			0.4%	0.5%	-0.6%	Below Falling
Software vs MSCI World Technology		-3%			0.1%	0.1%	-0.4%	Below Rising
Internet Software & Services vs MSCI World Technology		-6%			-0.1%	1.2%	1.6%	Above Falling
Semiconductors & Semiconductor Equipment vs MSCI World Technology		-11%		1.5	-0.4%	-2.5%	-1.1%	Below Falling
Communications Equipment vs MSCI World Technology		-14%		48.5	-0.6%	-1.8%	-1.9%	Below Falling

Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Figure 4: [Semiconductors & Semi Equipment vs Technology](#)



Figure 5: [Communications Equipment vs Technology](#)



Figure 6: [Semi and Communication Equipment Momentum Sells vs ACWI IT](#)

Symbol	Name	Country	Sub Industry	Grp RS	LT RS	RS	MktCap (US\$)	Vol (%)	ACWI IT	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	RSI Dly
2448 TT	Epistar Corp	Taiwan	Semi	7	10	10	1,437	2.26	▲	-94%			-11%	Below Falling	39
KLAC US	KLA-Tencor	U. S.	SemiEquip	7	2	10	8,916	2.00	▲	-49%			-4%	Below Falling	37
3189 TT	Kinsus Interconnect Technology Corp	Taiwan	Semi	7	9	10	1,213	1.84	▲	-55%			-7%	Below Falling	43
CALX US	Calix Inc	U. S.	ComEquip	8	9	10	403	2.94	▲	-66%		1.0	-3%	Below Falling	38
303 HK	VTech Holdings	Bermuda	ComEquip	8	6	10	3,308	1.39	▲	-25%	1.0		-3%	Below Falling	42
UMC US	United Microelectronics	Taiwan	Semi	7	9	9	5,152	1.73	▲	-42%			-9%	Below Falling	38
WIN CN	Wi-Lan Inc	Canada	ComEquip	8	10	9	267	2.19	▲	-70%		1.0	-3%	Below Falling	40
1165 HK	Shunfeng International Clean Energy	Cayman	Semi	7	6	9	1,690	3.69	▲	-89%		21.0	-19%	Below Falling	32
CMTL US	Comtech Telecommunications	U. S.	ComEquip	8	5	9	474	2.06	▲	-47%			-2%	Below Falling	42
MITL US	Mitel Networks	Canada	ComEquip	8	5	9	1,061	2.18	▲	-35%			-3%	Below Falling	43
REC NO	REC Silicon	Norway	SemiEquip	7	10	9	509	3.88	▲	-111%			-7%	Below Falling	46
046890 KS	Seoul Semiconductor	South Korea	Semi	7	9	9	820	3.36	▲	-49%			-12%	Below Falling	37
3576 TT	Neo Solar Power	Taiwan	Semi	7	8	9	674	2.53	▲	-51%	1.5		0%	Below Falling	55
KOPN US	Kopin Corp	U. S.	Semi	7	9	9	227	3.01	▲	-37%			-4%	Below Falling	40
AMD US	Advanced Micro Devices	U. S.	Semi	7	10	8	1,821	2.76	▲	-37%			0%	Below Falling	43
000660 KS	SK Hynix Inc	South Korea	Semi	7	3	8	27,695	2.01	▲	-19%			-8%	Below Falling	34
INTC US	Intel Corp	U. S.	Semi	7	6	8	144,170	1.61	▲	-19%			-6%	Below Falling	33
RKUS US	Ruckus Wireless	U. S.	ComEquip	8	9	8	887	2.50	▲	-35%		1.0	-8%	Below Falling	35

Figure 7: [Semi and Communication Equipment Stocks Severing Outperforming Trends vs ACWI IT](#)

Symbol	Name	Country	Sub Industry	Grp RS	LT RS	RS	MktCap (US\$)	Vol (%)	Chg Last Day	ACWI IT	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	Boll Band	Boll Band Width	RSI Dly
CRUS US	Cirrus Logic	U. S.	Semi	7	2	1	2,099	2.58	▼	▲	81%		2.0	-7%	Below Falling OSOLD	123%	35	
968 HK	Xinyi Solar Holdings	Cayman	SemiEquip	7	3	1	2,512	2.71	▼	▲	105%		1.5	-7%	Below Rising OSOLD	135%	36	
FSL US	Freescale Semiconductor	Bermuda	Semi	7	3	1	12,278	2.73	▼	▲	127%		1.5	-5%	Below Falling OSOLD	99%	31	
CSIQ US	Canadian Solar	Canada	Semi	7	3	3	1,551	4.03	▼	▲	83%		4.0	-18%	Below Falling OSOLD	58%	29	
SPWR US	SunPower Corp	U. S.	Semi	7	5	3	3,829	2.67	▼	▲	44%		4.0	-10%	Below Falling OSOLD	67%	32	
522 HK	ASM Pacific Technology	Cayman	SemiEquip	7	10	3	3,855	1.77	▼	▲	21%		3.5	-10%	Below Falling OSOLD	120%	30	
RDWR US	Radware Ltd	Israel	ComEquip	8	8	3	985	1.80	▼	▲	29%		2.5	-7%	Below Falling OSOLD	84%	31	
ARMH US	ARM Holdings	U.K.	Semi	7	4	3	23,019	1.75	▼	▲	17%		2.5	-6%	Below Falling OSOLD	64%	35	
3436 JP	Sumco Corp	Japan	SemiEquip	7	9	4	3,758	2.86	▼	▲	58%			-13%	Below Falling BELOW	128%	35	
NVDA US	NVIDIA Corp	U. S.	Semi	7	8	4	10,825	1.77	▼	▲	10%		1.0	-7%	Below Falling OSOLD	80%	34	
FNSR US	Finisar Corp	U. S.	ComEquip	8	6	5	1,885	2.18	▼	▲	12%		6.5	-15%	Below Falling OSOLD	152%	23	

Trends & Inflection Points

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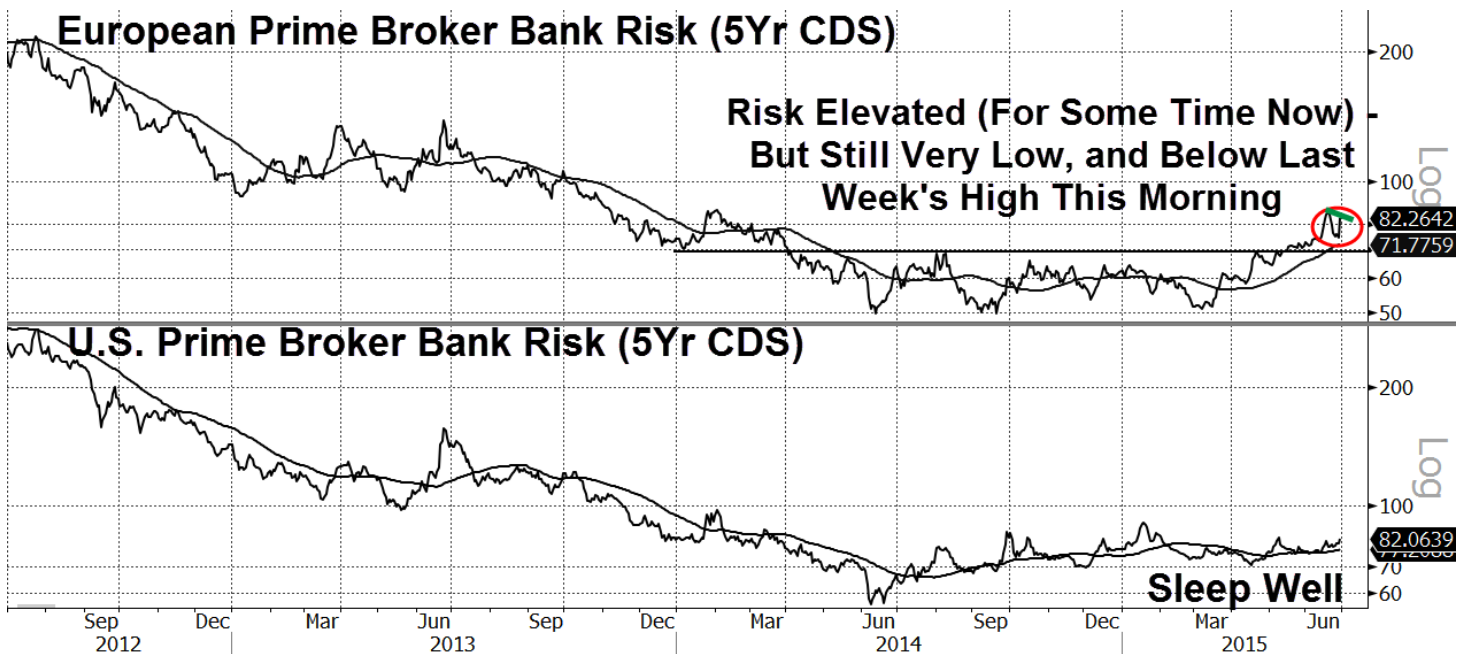
Holiday



CLICK HERE

- If risk were elevated and exciting enough, we would have titled our note [Greek Bank Holiday](#), but alas that is not the case – Figure 1.
 - The cost to protect [core European Banks](#), or prime brokers against default stands at 82 bps at pixel time, up on the day, down from last week’s high, elevated from the lows as it has been for months now, but still very, very low – Figure 1 top.
 - Contagion of this elevated risk to [U.S. prime brokers](#), well that’s pretty much nonexistent – Figure 1 bottom.
- It’s a new day, one of uncertainty over the Grexit, so risk levels may rise a bit and stocks may continue to fall a bit this week, but the ultimate concern for an equity investor is that the [banking system](#) may become unmoored; well that is just not happening in our view.
 - Since this may have disrupted your holiday, we offer up [Billie Holiday](#), or [Madonna](#) if that’s more to your liking.

Figure 1: The Cost of Protecting the Banking System From Default



Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Trends & Inflection Points

June 26, 2015
 Research Comment
[Quantitative/Technical Research Website](#)

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Recovering Long-Term Outperformers



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- This morning we highlight one of our long screens.
- In the [Long/Short Filters](#) page, updated daily in our [TIPS suite](#), we turned to the Long 3 filter, which narrows in on stocks with good long-term performance that are breaking above a currently flat or negative trend.
- The screen returns 78 stocks. We show the largest 25 in Figure 1 ([please click for the full list](#)).
- We note that
 - Financials make up about half of the list and U.S. regional banks dominate;
 - Technology and Health Care are well represented;
 - two Canadian large caps are on the list, [Manulife Financial](#) and [Shaw Communications](#); and
 - Energy stocks are absent.

Figure 1: Largest 25 Long-Term Outperformers Breaking Above Flat/Negative Trends - [Full List Here](#)

Symbol	Name	Süb Industry	Grp RS	Close 25-Jun	1-day Equity Chg (%)	MktCap (US\$)	Vol (%)	Chg Last Day	Price Trend	Trend Slope	Hi (Mo)	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 150d MA	Chg wrt 150 Day MA Trend
EMN US	Eastman Chemical	DiversChm	3	83.14	1.0%	12,359	1.58			-12%	7.0		7%	Above Rising	11%	Above Falling
GPRO US	GoPro Inc	CmrElec	9	56.91	-0.2%	5,088	5.19			-51%			8%	Above Rising	8%	Above Falling
DTV US	DIRECTV	Cabl&Sat	4	93.76	0.6%	47,261	0.64			7%	48.0		3%	Above Rising	7%	Above Rising
SJR/B CN	Shaw Communications	Cabl&Sat	4	27.87	0.7%	10,153	0.92			-20%	2.5		2%	Above Rising	-3%	Below Falling
LGF US	Lions Gate Entertainment	Mov&Ent	1	37.85	0.7%	5,589	1.83			6%	48.0		13%	Above Rising	17%	Above Rising
LKQ US	LKQ Corp	Distrib	5	30.33	1.0%	9,226	1.54			-1%	17.5		8%	Above Rising	12%	Above Rising
CASY US	Casey's General Stores	FdRetail	7	97.34	0.4%	3,782	1.53			1%	48.0		10%	Above Rising	10%	Above Rising
DEO US	Diageo PLC	Dist&Vnt	1	120.69	-0.1%	75,873	1.19			-5%			6%	Above Rising	5%	Above Rising
TSN US	Tyson Foods	PkgFdMt	5	44.65	-0.8%	13,574	1.47			9%			8%	Above Rising	10%	Above Rising
TMH US	Team Health	HCSERVICE	1	66.41	6.2%	4,783	1.69	↑		5%	48.0		10%	Above Rising	14%	Above Rising
ALXN US	Alexion Pharmaceuticals	Biotech	4	185.90	0.5%	41,009	2.13			-19%			9%	Above Rising	4%	Above Falling
TCBI US	Texas Capital Bancshares	RegionBnk	1	62.48	2.1%	2,860	1.71			-10%	14.0		13%	Above Rising	21%	Above Rising
FITB US	Fifth Third Bancorp	RegionBnk	1	21.41	-0.5%	17,341	1.27			-5%			5%	Above Rising	9%	Above Rising
RF US	Regions Financial	RegionBnk	1	10.57	-0.9%	14,168	1.37			-4%			5%	Above Rising	8%	Above Rising
CBSH US	Commerce Bancshares	RegionBnk	1	47.42	0.4%	4,578	1.00			4%			7%	Above Rising	11%	Above Rising
UMBF US	UMB Financial	RegionBnk	1	57.71	0.3%	2,842	1.52			-11%			8%	Above Rising	9%	Above Falling
PB US	Prosperity Bancshares	RegionBnk	1	58.65	-0.3%	4,108	1.35			-11%			8%	Above Rising	11%	Above Falling
PRAA US	PRA Group Inc	ConsmrFin	3	63.50	0.0%	3,068	1.48			-2%			10%	Above Rising	14%	Above Rising
COF US	Capital One Financial	ConsmrFin	3	88.85	-0.3%	48,550	1.04			4%			5%	Above Rising	10%	Above Rising
MET US	MetLife Inc	LifeHthIns	3	56.86	-0.5%	63,445	1.28			3%			7%	Above Rising	10%	Above Rising
MFC CN	Manulife Financial	LifeHthIns	3	23.95	-0.1%	38,288	1.16			9%			4%	Above Rising	9%	Above Rising
QIHU US	Qihoo 360 Technology	InetSftSrv	3	69.62	-0.3%	6,845	2.98			-41%			15%	Above Rising	20%	Above Falling
SFUN US	SouFun Holdings	InetSftSrv	3	9.05	2.4%	2,635	3.95			-45%			11%	Above Rising	24%	Above Rising
TRAK US	Dealertrack Technologies	InetSftSrv	3	62.71	-0.1%	3,436	4.36			0%			40%	Above Rising	46%	Above Rising
PTC US	PTC Inc	ApplicSwr	1	41.90	0.0%	4,818	1.31			3%			5%	Above Rising	13%	Above Rising

Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Trends & Inflection Points

June 25, 2015

Research Comment

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Severed Steep Positive Trends



- One of the filters that we use to screen for potential turns in positive momentum highlights stocks that have been trending higher at a rate greater than 80%/yr, but are currently trading below their channels.
- This is one of the standard screens in our [Long/Short Filters](#) page, available in our [TIPS Suite](#). We highlight the largest 25 stocks in Figure 1 ([see link for full list](#)).

[CLICK HERE](#)
Figure 1: Stocks Trending at Slopes Greater Than 80%/year and Breaking Trend – [Full List Here](#)

Symbol	Name	Sub Industry	Grp RS	LT Price	Price Trend	1-day Equity Chg (%)	5-day Equity Chg (%)	MktCap (US\$)	Vol (%)	Chg Last Day	Price Trend	Trēnd Slope	Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend
HZNP US	Horizon Pharma Plc	Pharma	4	1	1	-3.5%	-0.3%	5,109	3.87	↓		662%		7%	Above Rising
WUBA US	58.com Inc	InetSftSrv	4	1	1	-4.5%	-11.2%	6,134	3.80	↓		548%	2.5	-10%	Below Rising
FSL US	Freescale Semiconductor	Semi	6	2	1	-0.3%	0.6%	12,945	2.72			338%		0%	Below Rising
OPK US	OPKO Health	Biotech	3	3	1	-2.3%	-0.5%	6,991	2.17	↓		222%	1.5	-3%	Below Rising
VRX CN	Valeant Pharmaceuticals	Pharma	4	1	1	-1.3%	0.8%	78,074	2.12	↓		212%		3%	Above Rising
SKG LN	Smurfit Kappa Group	PaperPkg	5	1	1	-1.2%	-1.5%	6,924	1.89	↓		157%		-4%	Below Falling
FR FP	Valeo SA	AutoParts	7	1	1	-1.0%	4.4%	12,855	1.84	↓		155%		-1%	Below Rising
OSR GR	OSRAM Licht	ElcCmpEq	5	3	1	-1.1%	-2.2%	5,115	2.15			148%	3.5	-8%	Below Falling
7911 JP	Toppan Printing	CmclPrt	4	7	1	-0.1%	-0.4%	5,985	1.30	↓		129%		2%	Above Rising
4661 JP	Oriental Land	LeisFcil	5	2	3	-0.1%	1.5%	23,744	1.87	↓		114%		-1%	Below Falling
NESTE FH	Neste OYJ	OG RfMkt	2	2	3	-1.0%	2.7%	6,490	1.87	↓		104%		-4%	Below Falling
CARLB DC	Carlsberg	Brewers	5	9	1	-1.2%	0.0%	10,954	1.43	↓		99%		-1%	Below Rising
VMC US	Vulcan Materials	CstrMat	3	4	1	-1.6%	0.3%	11,640	1.29	↓		98%		0%	Below Rising
SABR US	Sabre Corp	DataProc	2	1	1	-1.8%	-0.8%	6,574	1.44	↓		97%	2.5	-4%	Below Falling
2319 HK	China Mengniu Dairy	PkgFdMt	5	5	1	-5.7%	-4.4%	9,956	1.99	↓		97%	2.0	-5%	Below Falling
EMG LN	Man Group PLC	AsstMgmt	6	7	3	-0.6%	4.2%	4,527	1.94			95%		-7%	Below Falling
BX US	Blackstone Group LP	AsstMgmt	6	1	1	-1.8%	-1.2%	22,689	1.21	↓		93%		-2%	Below Rising
LUV US	Southwest Airlines	Airline	8	1	3	-0.7%	1.5%	22,956	2.02			90%		-12%	Below Falling
7272 JP	Yamaha Motor	Motcymfg	10	5	2	-4.0%	-3.2%	8,022	2.00	↓		88%	1.5	-4%	Below Falling
ING FP	Ingenico	ElecInstr	4	4	3	-0.8%	0.0%	7,575	1.77	↓		87%		-1%	Below Rising
4901 JP	FUJIFILM Holdings	HdwrSt&P	10	5	2	-3.5%	-2.1%	18,976	1.53	↓		84%	1.5	-2%	Below Falling
IAP LN	ICAP PLC	InvBnkBrk	2	4	2	-1.1%	0.5%	5,450	1.50	↓		83%		-3%	Below Falling
MNK US	Mallinckrodt	Pharma	4	1	2	-3.4%	2.5%	14,106	1.91	↓		82%		-2%	Below Falling
UNSP IN	United Spirits	Dist&Vnt	1	4	3	1.2%	-3.8%	7,626	2.29			81%		-6%	Below Falling

Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Trends & Inflection Points

June 24, 2015
 Research Comment
[Quantitative/Technical Research Website](#)

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U.S. Utilities Sells



[CLICK HERE](#)

- Yesterday, the interest-rate sensitive Utilities was the worst performing sector in the S&P 500 as interest rates pushed higher after [Fed's Powell mentioned the possibility of two rate hikes this year](#).
- Utilities peaked at the end of January both on a relative and an absolute basis just as interest rates bottomed – Figure 1, 2.
- On a relative strength basis, the sector reached a multi-year low yesterday and has underperformed the 500 at a rate of 23%/year in the last four months – Figure 3.
- Utilities also reached a 15m low against Russell 2000 – Figure 4.
- We used the [Index Members page](#), available daily in [our TIPS suite](#), to select the stocks underperforming the market and the sector:
 - [S&P 500 Utilities members](#) – Figure 5
 - [Russell 2000 Utilities members](#) – Figure 6

Figure 1: [Utilities vs. S&P 500 & US 10Y Yield \(Inverted Scale\)](#)

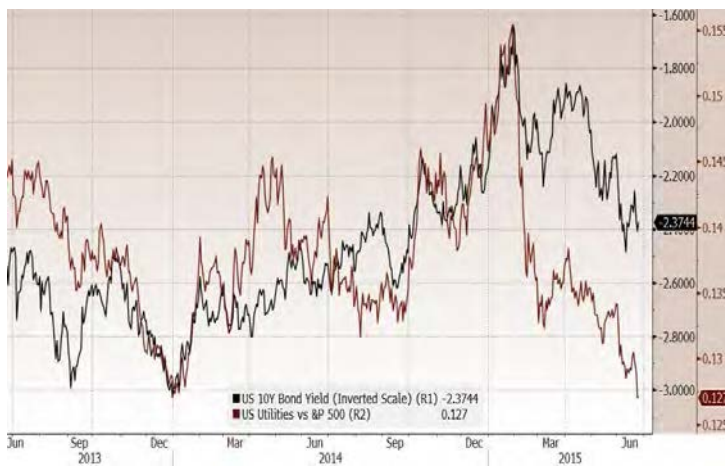


Figure 2: [S&P 500 Utilities](#)



Figure 3: [Utilities vs. S&P 500 – Short-Term Trend](#)



Figure 4: [Utilities vs. Russell 2000](#)



Figure 5: S&P 500 Utilities Members Underperforming S&P 500 & Utilities

Symbol	Name	Sub Industry	Grp RS	1-day Equity Chg (%)	5-day Equity Chg (%)	MktCap (US\$)	Chg Last Day	SPX	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 150d MA	Chg wrt 150 Day MA Trend
CNP US	CenterPoint Energy	MultiUtil	9	-1.9%	1.4%	8,320			-42%			-4%	Below Falling	-11%	Below Falling
PNW US	Pinnacle West Capital	ElecUtil	9	-1.4%	0.5%	6,339			-49%		10.5	-5%	Below Falling	-7%	Below Rising
ETR US	Entergy Corp	ElecUtil	9	-1.0%	-0.1%	12,707			-47%		15.5	-5%	Below Falling	-10%	Below Falling
SCG US	SCANA Corp	MultiUtil	9	-0.9%	0.7%	7,256			-52%		48.0	-3%	Below Falling	-6%	Below Rising
ES US	Eversource Energy	ElecUtil	9	-1.5%	-1.8%	14,564			-41%		10.5	-5%	Below Falling	-7%	Below Rising
WEC US	Wisconsin Energy	MultiUtil	9	-0.8%	-0.3%	10,348			-43%			-4%	Below Falling	-6%	Below Rising
TEG US	Integrus Energy Group	MultiUtil	9	-0.6%	-0.6%	5,602			-34%			-2%	Below Falling	-2%	Below Rising
ED US	Consolidated Edison	MultiUtil	9	-1.1%	0.9%	17,007			-35%		48.0	-4%	Below Falling	-5%	Below Rising
EXC US	Exelon Corp	ElecUtil	9	-1.8%	-3.5%	28,249			-22%		3.5	-2%	Below Falling	-4%	Below Falling
PPL US	PPL Corp	ElecUtil	9	-1.8%	0.1%	20,083			-6%		3.5	-3%	Below Falling	-4%	Below Falling
SO US	Southern Co	ElecUtil	9	-1.1%	-1.0%	38,192			-3%		48.0	-3%	Below Falling	-7%	Below Falling
DUK US	Duke Energy	ElecUtil	9	-1.8%	-1.1%	49,639			-2%		48.0	-5%	Below Falling	-7%	Below Falling
D US	Dominion Resources	MultiUtil	9	-1.0%	0.3%	40,095			0%			-4%	Below Falling	-5%	Below Falling

Figure 6: Russell 2000 Utilities Members Underperforming Russell 2000 & Utilities

Symbol	Name	Sub Industry	Grp RS	1-day Equity Chg (%)	5-day Equity Chg (%)	MktCap (US\$)	Chg Last Day	R2k	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 150d MA	Chg wrt 150 Day MA Trend
MGEE US	MGE Energy	ElecUtil	9	-0.8%	1.9%	1,365			-54%			-1%	Below Falling	-6%	Below Falling
ALE US	ALLETE Inc	ElecUtil	9	-1.5%	0.7%	2,360			-49%		48.0	-2%	Below Falling	-5%	Below Rising
PNM US	PNM Resources	ElecUtil	9	-0.7%	0.6%	2,010			-50%		46.5	-5%	Below Falling	-9%	Below Falling
BKH US	Black Hills	MultiUtil	9	-0.8%	0.4%	2,005			-39%		47.0	-6%	Below Falling	-10%	Below Falling
IDA US	IDACORP Inc	ElecUtil	9	-1.1%	0.3%	2,854			-46%		17.0	-4%	Below Falling	-6%	Below Rising
SWX US	Southwest Gas	GasUtil	7	-1.4%	0.2%	2,504			-47%		48.0	-2%	Below Falling	-4%	Below Rising
NWN US	Northwest Natural Gas	GasUtil	7	-0.6%	1.1%	1,184			-42%		48.0	-4%	Below Falling	-6%	Below Falling
AVA US	Avista Corp	MultiUtil	9	-1.0%	1.8%	1,947			-46%			-2%	Below Falling	-5%	Below Falling
POR US	Portland General Electric	ElecUtil	9	-1.2%	1.5%	2,631			-42%		15.0	-3%	Below Falling	-5%	Below Rising
NWE US	NorthWestern	MultiUtil	9	-0.9%	0.5%	2,346			-40%		15.0	-3%	Below Falling	-3%	Below Rising
UTL US	Unitil Corp	ElecUtil	9	-1.1%	0.4%	463			-24%		15.5	-1%	Below Falling	-2%	Below Rising
EE US	El Paso Electric	ElecUtil	9	0.0%	1.8%	1,414			-11%			-3%	Below Falling	-5%	Below Falling
PNY US	Piedmont Natural Gas Co	GasUtil	7	-0.9%	-0.4%	2,868			-3%		15.5	-1%	Below Falling	-1%	Below Rising
EDE US	Empire District Electric Co	ElecUtil	9	-0.9%	-1.6%	970			-6%		48.0	-4%	Below Falling	-13%	Below Falling
OTTR US	Otter Tail	ElecUtil	9	-0.5%	0.6%	1,022			-2%			-3%	Below Falling	-7%	Below Falling

Source: All charts/tables BMO Capital Markets, Bloomberg, Thomson, Markit

Focal Points

Investment & Trading Ideas

July 22, 2015
 Research Comment
[Quantitative/Technical Research Website](#)

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Best of Strong U.S. Dollar Stocks

- The [U.S. dollar index is breaking out of a consolidation pattern](#) (Figure 1), and all things associated are happening; [commodities](#), and [commodity currencies](#) are suffering, [inflation expectations](#) are rolling over, and a [whiff of panic](#) in the [gold square](#) and [energy space](#) is in the air.
- Today an ETF, which targets U.S. stocks that derive 80% of their revenue from the U.S., and as such is less vulnerable to a strong U.S. dollar, starts trading under the ticker USSD.
 - As per the time of writing, a single 700 share block has traded, so the PR folk at WisdomTree have some work to do, but that's not the point.
 - It's the concept that we care on.
- The ETF is based off of the [WisdomTree Strong Dollar U.S. Equity Index](#), which has a bit of history, and indeed in its early days, moves in this index are somewhat positively correlated to the U.S. dollar index. We highlight the overlay in Figure 2.
- [The index contains 268 stocks](#), none of which are [resources](#), and the list does have a tilt towards outperforming the S&P 500 (did we mention that it has [no resources?](#)). We highlight the largest 50 stocks along with the portfolio characteristics of the grouping in Figure 3.
 - To narrow-in on the "best of", we applied an earnings growth filter, (because [wherever you look, growth continues to trump value](#)) and narrow-in on the [stocks outperforming the market and the sector](#) – Fig 4.
 - We also loaded this portfolio into our [Otis Redding](#) Collection (momentum buys, with low volatility, and good yield and dividend growth profiles, available in our [Long/Short Filters](#) within the [TIPs Suite](#)), which narrows-in on [16 stocks](#) for your summer investing pleasure – Figure 5.

Figure 1: U.S. Dollar Index



Figure 2: U.S. Dollar Index and Strong Dollar U.S. Equity Index



Figure 3: Largest 50 Strong U.S. Dollar Stocks vs S&P 500 With Portfolio Statistics (see [Video Primer on How to Do This](#))

COF US 28%	RAI US 28%	ESRX US 12%	WFC US 4%	D US -1%	CSX US -16%	MO US -22%	CCI US -18%							
AET US 50%	WBA US 41%	TGT US 17%	T US 6%	DUK US -3%	EXC US -21%	PCP US -31%	TRV US -21%							
HCA US 52%	MCK US 14%	INTU US 17%	CVS US 4%	SO US -3%	LOW US -18%	SPG US -29%	ADP US -15%							
SCHW US 34%	BBT US 18%	CAH US 17%	TWC US 7%	NOC US -3%		EQR US -24%	ALL US -22%							
CI US 59%	KR US 38%	BAC US 16%	CMCSA US 4%	DFS US -3%			BRK/B US -20%							
UNH US 35%	HUM US 45%	STT US 8%	PSA US 4%	USB US -3%			NSC US -56%							
		SYF US 14%	AEP US 4%				UNP US -57%							
		PNC US 9%	NEE US 2%											
			HD US 0%											
Outperforming Mkt&Sec 96		Underperforming Mkt&Sec 90		Momentum Buys 42		Momentum Sells 34		Obot BBand 11	Obot RSI 11	Osold BBand 8	Osold RSI 3	52wH 9	52wL 6	Hi V
Outperforming Market 125		Underperforming Market 108		Severed Mkt Outperformers 24		Severed Mkt Underperformers 8		New X-Mo Mkt RS H 23		New X-Mo Mkt RS L 62				
Outperforming Sector 116		Underperforming Sector 115		Severed Sector Outperformers 22		Severed Sector Underperformers 12		New X-Mo Sector RS H 23		New X-Mo Sector RS L 64				

Source: BMO Capital Markets, Bloomberg, Thomson, Markit

Figure 4: **Strong U.S. Dollar Outperformers With Our Earnings Growth Filter Applied**

Symbol	Name	Sub Industry	Grp RS	LT RS	RS	EE	MktCap (US\$)	Vol (%)	SPX	Trend Slope	RS Hi (Mo)	RS Low (Mo)	%Chg wrt 50d MA	Chg wrt 50 Day MA Trend	%Chg wrt 150d MA	Chg wrt 150 Day MA Trend	RSI Dly
AYI US	Acuity Brands	ElcCmpEq	5	1	1	3	8,372	1.45		39%			5%	Above Rising	16%	Above Rising	60
CRI US	Carter's Inc	Aprl&Gds	7	4	1	2	5,567	1.36		55%			1%	Above Rising	13%	Above Rising	50
SIVB US	SVB Financial Group	RegionBnk	1	3	1	2	7,558	1.65		42%			4%	Above Rising	15%	Above Rising	56
ULTA US	Ulta Beauty	SpecStors	8	4	1	3	10,713	1.66		33%			7%	Above Rising	14%	Above Rising	67
HCA US	HCA Holdings Inc	HCFacility	3	3	1	3	38,233	1.61		52%		1.0	8%	Above Rising	19%	Above Rising	61
CI US	Cigna Corp	MngHCare	5	1	1	3	38,937	1.55		59%		1.5	2%	Above Rising	18%	Above Rising	45
FRC US	First Republic Bank	RegionBnk	1	2	1	3	8,973	1.21		35%		1.0	1%	Above Rising	10%	Above Rising	50
ETFC US	E*TRADE Financial	InvBnkBrk	2	2	1	3	8,732	1.77		43%			0%	Above Rising	10%	Above Rising	53
RAI US	Reynolds American	Tobacco	4	1	1	2	57,078	1.16		28%	48.0		6%	Above Rising	12%	Above Rising	71
DRI US	Darden Restaurants	Rstaurnt	7	6	2	1	9,248	1.29		40%			8%	Above Rising	14%	Above Rising	66
DPZ US	Domino's Pizza	Rstaurnt	7	1	2	3	6,116	1.50		26%			0%	Below Rising	7%	Above Rising	45
MD US	MEDNAX Inc	HCSERVICE	2	3	3	2	7,275	1.12		17%			6%	Above Rising	10%	Above Rising	71
TGT US	Target Corp	GMrchStrs	3	4	3	3	52,535	1.25		17%		1.0	1%	Above Rising	5%	Above Rising	46
INTU US	Intuit Inc	ApplicSwr	2	2	3	3	29,262	1.21		17%			2%	Above Rising	9%	Above Rising	58
HBI US	Hanesbrands	Aprl&Gds	7	1	3	3	13,809	1.37		25%			5%	Above Rising	10%	Above Rising	60
CTAS US	Cintas Corp	DvSpSrv	7	1	2	2	9,745	1.16		9%		2.5	0%	Below Rising	3%	Above Rising	48
TOL US	Toll Brothers	HomeBld	4	7	4	3	6,658	1.46		14%			1%	Above Rising	3%	Above Rising	46
PGR US	Progressive Corp	P&C Insur	1	3	4	2	17,907	0.93		8%			9%	Above Rising	13%	Above Rising	68
ALK US	Alaska Air Group	Airline	5	1	5	3	9,716	1.99		3%	48.0		13%	Above Rising	16%	Above Rising	74

Note: BMO Capital Markets is restricted on Cintas Corp

Figure 5: **The Otis Redding Collection of Strong U.S. Dollar Stocks**

Symbol	Name	Sub Industry	Grp RS	LT Price	Price Trend	MktCap (US\$)	Vol (%)	Price Trend	Trend Slope	Hi (Mo)	Low (Mo)	Yield	DVD Growth 1y
NYCB US	New York Community Bancorp	Thrft&Mtg	2	3	1	8,113	0.92		50%			5.48%	0%
FITB US	Fifth Third Bancorp	RegionBnk	1	2	1	17,430	1.23		44%	1.0		2.42%	6%
RF US	Regions Financial	RegionBnk	1	4	1	13,953	1.38		37%			2.31%	28%
UNM US	Unum Group	LifeHthIns	2	5	1	9,060	1.19		31%			2.04%	13%
BBT US	BB&T Corp	RegionBnk	1	2	2	30,168	1.06		29%			2.62%	9%
DRI US	Darden Restaurants	Rstaurnt	7	5	2	9,248	1.29		46%	48.0		3.01%	0%
STI US	SunTrust Banks	RegionBnk	1	2	3	23,116	1.23		27%			2.14%	47%
TGT US	Target Corp	GMrchStrs	3	3	3	52,535	1.25		27%			2.72%	14%
WFC US	Wells Fargo	DiversBnk	6	2	3	298,396	0.99		18%			2.59%	12%
BR US	Broadridge Financial Solutions Inc	DataProc	1	1	2	6,369	1.08		39%			2.03%	23%
PFG US	Principal Financial Group	LifeHthIns	2	2	2	15,647	1.32		17%			2.86%	22%
HRS US	Harris Corp	ComEquip	8	2	3	10,047	1.31		30%			2.31%	12%
HBAN US	Huntington Bancshares	RegionBnk	1	2	3	9,363	1.17		23%			2.07%	20%
PNC US	PNC Financial Services Group Inc	RegionBnk	1	2	3	51,378	1.06		22%			2.06%	7%
EXR US	Extra Space Storage	SpecREIT	8	1	4	8,629	1.11		16%			3.36%	22%
CAG US	ConAgra Foods	PkgFdMt	6	3	4	18,878	1.28		31%			2.27%	0%

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Buy	Outperform	42.0%	21.9%	53.3%	41.9%	54.3%	54.6%
Hold	Market Perform	53.5%	14.4%	44.8%	53.3%	44.4%	40.0%
Sell	Underperform	4.4%	7.4%	1.9%	4.7%	1.3%	5.4%

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