Group Selection
Priced as of August 2, 2013

Note: Group tickers incorporate hyperlinks to decile charts, and then a link to our Toolkit of the group members.

See back pages for user guide and disclaimer.
Sources for all charts: BMO Capital Markets

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Sector View

Sector Relative Strength Profiles*

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>27% / 37% / 58%</td>
<td>/ / /</td>
<td>0% / -2% / 2%</td>
</tr>
<tr>
<td>Materials</td>
<td>16% / 22% / 37%</td>
<td>/ / /</td>
<td>2% / 2% / 3%</td>
</tr>
<tr>
<td>Industrials</td>
<td>41% / 54% / 74%</td>
<td>/ / /</td>
<td>7% / 2% / 7%</td>
</tr>
<tr>
<td>CMR Disc</td>
<td>55% / 66% / 82%</td>
<td>/ / /</td>
<td>6% / 7% / 8%</td>
</tr>
<tr>
<td>CMR Stap</td>
<td>40% / 56% / 77%</td>
<td>/ / /</td>
<td>-2% / -7% / -5%</td>
</tr>
<tr>
<td>Hlth Care</td>
<td>50% / 62% / 81%</td>
<td>/ / /</td>
<td>6% / 4% / 6%</td>
</tr>
<tr>
<td>Financials</td>
<td>41% / 56% / 79%</td>
<td>/ / /</td>
<td>-4% / -10% / -4%</td>
</tr>
<tr>
<td>Info Tech</td>
<td>47% / 59% / 78%</td>
<td>/ / /</td>
<td>8% / 8% / 12%</td>
</tr>
<tr>
<td>Telecom</td>
<td>30% / 44% / 69%</td>
<td>/ / /</td>
<td>-3% / -8% / 2%</td>
</tr>
<tr>
<td>Utilities</td>
<td>33% / 53% / 75%</td>
<td>/ / /</td>
<td>-8% / -10% / -7%</td>
</tr>
</tbody>
</table>

*Three terms define the relative performance Z-Score rating versus the markets (US = S&P 500; GBL = S&P Global 1200; CDA = S&P/TSX Composite)
(a) % Outperforming - what percentage of sector members is outperforming the market,
(b) Reward/Risk - how consistent the median relative strength performance of the sector membership ( ranking), and
(c) Trend Psn - what is the net percentage of the sector members which are breaking above/below relative strength channels.
The strength z-Score is weighted 60% towards the trend parameters (% outperforming and reward/risk ratios) and 40% towards the trend positions (reversals of trends). Gridlines are placed at 0.5 increments.
### Consumer Discretionary

<table>
<thead>
<tr>
<th>Sector</th>
<th>Momentum</th>
<th>Strength</th>
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<tbody>
<tr>
<td>AutoRtl</td>
<td>16 stocks; $70bn</td>
<td>44 stocks; $512bn</td>
</tr>
<tr>
<td>HhldApl</td>
<td>10 stocks; $40bn</td>
<td></td>
</tr>
<tr>
<td>April&amp;Gds</td>
<td>7 stocks; $188bn</td>
<td></td>
</tr>
<tr>
<td>HmImpRtl</td>
<td>21 stocks; $95bn</td>
<td></td>
</tr>
<tr>
<td>Advert</td>
<td>27 stocks; $139bn</td>
<td></td>
</tr>
<tr>
<td>Htl&amp;Rsrt</td>
<td>22 stocks; $142bn</td>
<td></td>
</tr>
<tr>
<td>DeptStrs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Publishing</td>
<td>28 stocks; $137bn</td>
<td></td>
</tr>
<tr>
<td>Distrib</td>
<td>12 stocks; $52bn</td>
<td></td>
</tr>
<tr>
<td>HmFnsh</td>
<td>13 stocks; $40bn</td>
<td></td>
</tr>
<tr>
<td>Rstaurn</td>
<td>50 stocks; $331bn</td>
<td></td>
</tr>
<tr>
<td>LeisPrd</td>
<td>18 stocks; $56bn</td>
<td></td>
</tr>
<tr>
<td>CmrElec</td>
<td>12 stocks; $77bn</td>
<td></td>
</tr>
<tr>
<td>Cabl&amp;Sat</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CatalRtl</td>
<td>25 stocks; $355bn</td>
<td></td>
</tr>
<tr>
<td>AutoParts</td>
<td>27 stocks; $277bn</td>
<td></td>
</tr>
<tr>
<td>Broadcast</td>
<td>29 stocks; $166bn</td>
<td></td>
</tr>
<tr>
<td>Mov&amp;Ent</td>
<td>20 stocks; $292bn</td>
<td></td>
</tr>
<tr>
<td>Educat</td>
<td>21 stocks; $23bn</td>
<td></td>
</tr>
<tr>
<td>Footwear</td>
<td>13 stocks; $80bn</td>
<td></td>
</tr>
<tr>
<td>SpecStors</td>
<td>28 stocks; $103bn</td>
<td></td>
</tr>
<tr>
<td>Cas&amp;Gam</td>
<td>40 stocks; $281bn</td>
<td></td>
</tr>
<tr>
<td>Textiles</td>
<td>3 stocks; $6bn</td>
<td></td>
</tr>
<tr>
<td>LeisFcil</td>
<td>10 stocks; $32bn</td>
<td></td>
</tr>
<tr>
<td>SpCmSrV</td>
<td>14 stocks; $26bn</td>
<td></td>
</tr>
<tr>
<td>AutoMfg</td>
<td>36 stocks; $1009bn</td>
<td></td>
</tr>
<tr>
<td>GMrchStrs</td>
<td>15 stocks; $114bn</td>
<td></td>
</tr>
<tr>
<td>ApparlRtl</td>
<td>53 stocks; $361bn</td>
<td></td>
</tr>
<tr>
<td>Hsware</td>
<td>7 stocks; $139bn</td>
<td></td>
</tr>
<tr>
<td>HomeBld</td>
<td>31 stocks; $84bn</td>
<td></td>
</tr>
<tr>
<td>HomeFurn</td>
<td>10 stocks; $26bn</td>
<td></td>
</tr>
<tr>
<td>InetRtl</td>
<td>23 stocks; $268bn</td>
<td></td>
</tr>
<tr>
<td>Tire&amp;Rub</td>
<td>9 stocks; $96bn</td>
<td></td>
</tr>
<tr>
<td>Cable&amp;Sat</td>
<td></td>
<td></td>
</tr>
<tr>
<td>InetRtl</td>
<td>23 stocks; $268bn</td>
<td></td>
</tr>
<tr>
<td>CmpElRtl</td>
<td>15 stocks; $448bn</td>
<td></td>
</tr>
</tbody>
</table>

**Market Cap:**
- $70bn
- $40bn
- $512bn
- $95bn
- $139bn
- $142bn
- $137bn
- $52bn
- $40bn
- $331bn
- $56bn
- $77bn
- $277bn
- $166bn
- $292bn
- $23bn
- $80bn
- $103bn
- $281bn
- $6bn
- $32bn
- $26bn
- $1009bn
- $114bn
- $361bn
- $139bn
- $84bn
- $26bn
- $268bn
- $448bn
Utilities

Momentum vs. Strength

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Utilities

MultiUtil
99 stocks; $445bn

IPPTrad
45 stocks; $153bn

WaterUtil
21 stocks; $57bn

GasUtil
34 stocks; $193bn

ElecUtil
83 stocks; $828bn
Group Strength
Our Global Group analysis is based on bottom-up equity relative strength analysis as opposed to industry group (index) relative strength analysis.

Strength Decile Defined By
1. What percentage of a group's members are outperforming
2. How consistent that outperformance is
3. How are the members positioned (above/below) vs. their trend channels.

Momentum Decile
Rate of change of strength (change in 5-day moving average)

The Underlying Equity Relative Strength Analysis
Each day, for every equity we cover, our relative strength system assesses the best fit trend from a spectrum which covers a minimum trend duration of six months, and a maximum of 4-years. The "best fit" is the trend which maximizes duration, and minimizes deviations from the trend. Our process is flexible, thorough, and because it is run daily, timely.

The Dataset:
- Over 5,000 securities.
- Groups have a:
  ...Median depth of 25
  ...Average depth of 35

Heat Map Colour and Symbol Guide
Strength is highlighted by the background of the group title
- Bright green = best (1st decile) transitions towards...
- Bright red = worst (10th decile)

Momentum is highlighted in the border of the group title
- Colour map for momentum is the same as strength

Symbols to the right of the group ticker show where a group moved from in the previous session. Below the group symbol we highlight the number and total market capitalization of the members of a group.
Clicking on the group, which brings up the chart via a hyperlink, will help to clarify the moves.
**User Guide 2 - Momentum**

**Our Goals:**
- To buy outperforming stocks in favoured groups
- To avoid underperforming stocks in unfavoured groups
- To be alerted of and act on the changes

**#1 Rule of Momentum: You can use it only if it exists**

- In stable/trending markets, one can buy stocks with high strength and momentum and hold them as long as momentum does not turn negative (trend following).

- In very rotational markets (e.g., where credit, currency, commodity conditions are choppy/changing):
  - Buying high strength and high momentum may be dangerous (buying yesterday’s winners).
  - One is better off buying stocks with moderate strength and high momentum (bottom fishing).
User Guide 3 - Buy/Hold/Sell

Buy
- Groups with high strength and high positive momentum (top left) - “In Favour”
- Groups with moderate strength and high positive momentum - “Transitioning to Positive”
- Groups with mediocre strength and high positive momentum - “Gaining Favour”

Buy/Hold
- Groups with high strength and neutral momentum (middle left) - “Maintaining Favour”

Sell
- Groups with low strength and high negative momentum (bottom right) - “Out of Favour”
- Groups with moderately negative strength and high negative momentum - “Transitioning to Negative”
- Groups with mediocre strength and high negative momentum - “Losing Favour”
- Each group is hyperlinked to a chart that shows the relative strength decile as a function of time, and the 5-day and 20-day moving averages (momentum).

- Each chart is hyperlinked to the group membership, in our RS Filter Toolkit.
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<th>Rating Category</th>
<th>BMO Rating</th>
<th>BMOCM US Universe*</th>
<th>BMOCM US IB Clients**</th>
<th>BMOCM US IB Clients***</th>
<th>BMOCM Universe****</th>
<th>BMOCM IB Clients*****</th>
<th>Starmine Universe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buy</td>
<td>Outperform</td>
<td>37.0%</td>
<td>17.7%</td>
<td>52.0%</td>
<td>38.5%</td>
<td>50.5%</td>
<td>54.0%</td>
</tr>
<tr>
<td>Hold</td>
<td>Market Perform</td>
<td>60.7%</td>
<td>9.6%</td>
<td>47.1%</td>
<td>57.3%</td>
<td>48.4%</td>
<td>40.6%</td>
</tr>
<tr>
<td>Sell</td>
<td>Underperform</td>
<td>2.4%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>4.2%</td>
<td>1.0%</td>
<td>5.4%</td>
</tr>
</tbody>
</table>

* Reflects rating distribution of all companies covered by BMO Capital Markets Corp. equity research analysts.
** Reflects rating distribution of all companies from which BMO Capital Markets Corp. has received compensation for Investment Banking services as percentage within ratings category.
*** Reflects rating distribution of all companies from which BMO Capital Markets Corp. has received compensation for Investment Banking services as percentage of Investment Banking clients.
**** Reflects rating distribution of all companies covered by BMO Capital Markets equity research analysts.
***** Reflects rating distribution of all companies from which BMO Capital Markets has received compensation for Investment Banking services as percentage of Investment Banking clients.
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Und = Underperform - Forecast to underperform the market;
(S) = speculative investment;
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