Group Selection

Priced as of April 20, 2016

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 Relative Strength Profiles**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>17% / 20% / 26%</td>
<td>/ / /</td>
<td>46% / 43% / 16%</td>
</tr>
<tr>
<td>Materials</td>
<td>36% / 43% / 53%</td>
<td>/ / /</td>
<td>40% / 34% / 7%</td>
</tr>
<tr>
<td>Industrials</td>
<td>38% / 46% / 54%</td>
<td>/ / /</td>
<td>19% / 11% / -20%</td>
</tr>
<tr>
<td>CMR Disc</td>
<td>36% / 46% / 52%</td>
<td>/ / /</td>
<td>4% / -4% / -31%</td>
</tr>
<tr>
<td>CMR Stap</td>
<td>57% / 66% / 67%</td>
<td>/ / /</td>
<td>0% / -8% / -38%</td>
</tr>
<tr>
<td>Health Care</td>
<td>35% / 44% / 47%</td>
<td>/ / /</td>
<td>9% / 3% / -20%</td>
</tr>
<tr>
<td>Financials</td>
<td>34% / 45% / 57%</td>
<td>/ / /</td>
<td>15% / 4% / -36%</td>
</tr>
<tr>
<td>Info Tech</td>
<td>42% / 48% / 56%</td>
<td>/ / /</td>
<td>3% / -4% / -33%</td>
</tr>
<tr>
<td>Telecom</td>
<td>45% / 51% / 58%</td>
<td>/ / /</td>
<td>10% / -1% / -33%</td>
</tr>
<tr>
<td>Utilities</td>
<td>50% / 61% / 67%</td>
<td>/ / /</td>
<td>7% / -8% / -43%</td>
</tr>
</tbody>
</table>

*Three terms define the relative performance Z-Score rating versus the markets (US = S&P 500; GBL = MSCI AC World; CDA = S&P/TSX Composite)
(a) % Outperforming - what percentage of sector members is outperforming the market,
(b) Reward/Risk - how consistent is the median relative strength performance of the sector membership ( Ranking),
(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.

See Help Pages for further details.
Momentum

Strength

April 20, 2016

Mark Steele (416) 359-4641

Consumer Staples

- Brewers 4 stocks; $556bn
- Dist&Vnt 12 stocks; $223bn
- PersPrdct 27 stocks; $366bn
- DrugRetail 8 stocks; $266bn
- HldPrdct 17 stocks; $566bn
- FdDistri 12 stocks; $46bn
- Tobacco 13 stocks; $672bn
- FdRetail 38 stocks; $356bn
- PkgFdMt 117 stocks; $1177bn
- SoftDrnks 17 stocks; $470bn
- AgriProd 29 stocks; $107bn
- SprCntrs 16 stocks; $439bn

- PersPrdct 27 stocks; $366bn
- DrugRetail 8 stocks; $266bn
- HldPrdct 17 stocks; $566bn
- FdDistri 12 stocks; $46bn
- Tobacco 13 stocks; $672bn
- FdRetail 38 stocks; $356bn
- PkgFdMt 117 stocks; $1177bn
- SoftDrnks 17 stocks; $470bn
- AgriProd 29 stocks; $107bn
- SprCntrs 16 stocks; $439bn
April 20, 2016

Health Care

Momentum

Strength

HCService ↑
33 stocks; $198bn

HCFacility ↘
32 stocks; $136bn

MngHCare ↘
13 stocks; $292bn

HCEquip ↘
71 stocks; $671bn

HCDistrib ↑
18 stocks; $144bn

HCSuppls ↓
30 stocks; $125bn

LfSciSrv ↘
29 stocks; $189bn

Pharma ↑
95 stocks; $251bn

Biotech ↑
128 stocks; $874bn

HCareTec
18 stocks; $560bn
April 20, 2016

**Financials**

- **RegionBnk**
  - 138 stocks; $449bn

- **Multi-LnIns**
  - 31 stocks; $483bn

- **SpecialFin**
  - 33 stocks; $276bn

- **MltSecHld**
  - 24 stocks; $307bn

- **LifeHthIns**
  - 46 stocks; $660bn

- **AsstMgmt**
  - 82 stocks; $430bn

- **ConsmrFin**
  - 28 stocks; $224bn

- **OthrDivFS**
  - 5 stocks; $60bn

- **DiversBnk**
  - 167 stocks; $491bn

- **DivCpMkt**
  - 8 stocks; $138bn

- **REstSrv**
  - 12 stocks; $32bn

- **InvBnkBrk**
  - 28 stocks; $305bn

- **DiversREIT**
  - 42 stocks; $155bn

- **DivDvAct**
  - 32 stocks; $133bn

- **HCareREIT**
  - 16 stocks; $93bn

- **MortgREIT**
  - 32 stocks; $51bn

- **REstOpCo**
  - 27 stocks; $151bn

- **ResidREIT**
  - 24 stocks; $139bn

- **SpecREIT**
  - 26 stocks; $252bn

- **RetailREIT**
  - 69 stocks; $351bn

- **ResInsur**
  - 62 stocks; $141bn

- **P&C Insur**
  - 62 stocks; $437bn

- **ResDev**
  - 32 stocks; $193bn

- **InvBnkBrk**
  - 36 stocks; $305bn

- **ResDev**
  - 32 stocks; $193bn

- **InvBnkBrk**
  - 36 stocks; $305bn

- **ConsmrFin**
  - 28 stocks; $224bn

- **MltSecHld**
  - 24 stocks; $307bn

- **InsurBrks**
  - 8 stocks; $94bn

- **IndusREIT**
  - 19 stocks; $65bn

- **DiversREIT**
  - 42 stocks; $155bn

- **MortgREIT**
  - 32 stocks; $51bn

- **REstOpCo**
  - 27 stocks; $151bn

- **ResidREIT**
  - 24 stocks; $139bn

- **SpecREIT**
  - 26 stocks; $252bn
<table>
<thead>
<tr>
<th>Sector</th>
<th>Stocks</th>
<th>Value</th>
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<tbody>
<tr>
<td>Electromechanical Devices</td>
<td>48</td>
<td>$162bn</td>
</tr>
<tr>
<td>Information Technology</td>
<td>39</td>
<td>$196bn</td>
</tr>
<tr>
<td>Home Entertainment Software</td>
<td>14</td>
<td>$106bn</td>
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<tr>
<td>Internet Services</td>
<td>99</td>
<td>$127bn</td>
</tr>
<tr>
<td>System Software</td>
<td>39</td>
<td>$738bn</td>
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<tr>
<td>IT Consulting</td>
<td>48</td>
<td>$588bn</td>
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<tr>
<td>EMS</td>
<td>21</td>
<td>$109bn</td>
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<tr>
<td>Application Software</td>
<td>75</td>
<td>$468bn</td>
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<tr>
<td>Data Processing</td>
<td>48</td>
<td>$629bn</td>
</tr>
<tr>
<td>Semiconductors</td>
<td>41</td>
<td>$148bn</td>
</tr>
<tr>
<td>Technology Distribution</td>
<td>15</td>
<td>$36bn</td>
</tr>
<tr>
<td>Hardware &amp; Peripherals</td>
<td>46</td>
<td>$107bn</td>
</tr>
<tr>
<td>Software</td>
<td>83</td>
<td>$812bn</td>
</tr>
</tbody>
</table>
Telecommunication Services

April 20, 2016

Mark Steele (416) 359-4641

Momentum Strength

AltCar
13 stocks; $55bn

WlsTelSrv
41 stocks; $893bn

IntgTelSrv
61 stocks; $1390bn
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 deviation from the trend. Our process is flexible, thorough, and because it is run daily, timely.

The Dataset:
- Over 5,700 securities.
- Groups have a:
  ...Median depth of 28
  ...Average depth of 36

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 in 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 moving average (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>BMO US Universe*</th>
<th>BMO US IB Clients**</th>
<th>BMO US IB Clients***</th>
<th>BMO Universe****</th>
<th>BMO IB Clients*****</th>
<th>Starmine Universe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buy</td>
<td>Outperform</td>
<td>42.2%</td>
<td>18.6%</td>
<td>54.7%</td>
<td>44.3%</td>
<td>56.9%</td>
<td>56.3%</td>
</tr>
<tr>
<td>Hold</td>
<td>Market Perform</td>
<td>54.3%</td>
<td>11.3%</td>
<td>42.7%</td>
<td>31.8%</td>
<td>40.9%</td>
<td>38.7%</td>
</tr>
<tr>
<td>Sell</td>
<td>Underperform</td>
<td>3.5%</td>
<td>11.1%</td>
<td>2.7%</td>
<td>3.9%</td>
<td>2.2%</td>
<td>5.0%</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.
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Mkt = Market Perform - Forecast to perform roughly in line with the analyst’s coverage universe on a total return basis;
Und = Underperform - Forecast to underperform the analyst’s coverage universe on a total return basis;
(S) = Speculative investment;
NR = No rating at this time; and
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