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>
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<tbody>
<tr>
<td>Energy</td>
<td>46% / 49% / 56%</td>
<td>/</td>
<td>1% / 10% / -7%</td>
</tr>
<tr>
<td>Materials</td>
<td>39% / 43% / 49%</td>
<td>/</td>
<td>-14% / -7% / -25%</td>
</tr>
<tr>
<td>Industrials</td>
<td>40% / 45% / 53%</td>
<td>/</td>
<td>-14% / -4% / -27%</td>
</tr>
<tr>
<td>CMR Disc</td>
<td>45% / 48% / 53%</td>
<td>/</td>
<td>-13% / -6% / -18%</td>
</tr>
<tr>
<td>CMR Stap</td>
<td>40% / 44% / 50%</td>
<td>/</td>
<td>0% / 10% / -15%</td>
</tr>
<tr>
<td>Hlth Care</td>
<td>56% / 58% / 63%</td>
<td>/</td>
<td>-1% / 7% / -7%</td>
</tr>
<tr>
<td>Financials</td>
<td>47% / 50% / 61%</td>
<td>/</td>
<td>-19% / -8% / -27%</td>
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<tr>
<td>Info Tech</td>
<td>55% / 58% / 64%</td>
<td>/</td>
<td>-6% / 0% / -15%</td>
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<tr>
<td>Telecom</td>
<td>25% / 32% / 44%</td>
<td>/</td>
<td>-18% / -12% / -29%</td>
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<tr>
<td>Utilities</td>
<td>32% / 37% / 50%</td>
<td>/</td>
<td>0% / 9% / -12%</td>
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<tr>
<td>Real Estate</td>
<td>37% / 41% / 58%</td>
<td>/</td>
<td>12% / 24% / 0%</td>
</tr>
</tbody>
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*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.
Strength Changes Last Session

Momentum

Strength

- OG Drill
- Brewers
- HmEntSwr
- Silver

- HotelREIT
- Publising

- SpCmSrv

- HhldPrdct

- DeptStrs
- Cns&Eng
- AirprtSrv
- WlsTelSrv

- HCDistrib

- Dist

- ElecComp

- Advert
- OG StTr
- GMrchStrs
- CmrElec

- ElecInstr

- Hwy&Rail
- Semi
- CmpElRtl

- DivCpMkt
- Broadcast

- InvBnkBrk
- Railroads
- HmlmpRtl

- AsstMgmt
- HmFrnsh
- EMS

- Cas&Gam
- DrugRetail

- AutoRtl
- HdwrSt&P

- DataProc
- Trucking
- Biotech
- SpecStors
- RESrv
- SystmSwr
- InetDmRtl

- RegionBnk
- FdDistri

- Educ
- HCEquip
- Aprl&Gds
- FdDistri

- ApplicSwr

- Rstaurnt

- Rstaurnt

- Rstaurnt

- Rstaurnt

- Rstaurnt

- Rstaurnt
<table>
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<tr>
<th>Sector</th>
<th>Momentum</th>
<th>Strength</th>
<th>Stocks</th>
<th>Market Cap (BN)</th>
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<tr>
<td>Soft Drinks</td>
<td></td>
<td></td>
<td>19</td>
<td>$498bn</td>
</tr>
<tr>
<td>Spr Chtrs</td>
<td></td>
<td></td>
<td>13</td>
<td>$490bn</td>
</tr>
<tr>
<td>Brewers</td>
<td></td>
<td></td>
<td>14</td>
<td>$469bn</td>
</tr>
<tr>
<td>Fd Retail</td>
<td></td>
<td></td>
<td>36</td>
<td>$360bn</td>
</tr>
<tr>
<td>Pkg Fd Mt</td>
<td></td>
<td></td>
<td>123</td>
<td>$516bn</td>
</tr>
<tr>
<td>Tobacco</td>
<td></td>
<td></td>
<td>13</td>
<td>$549bn</td>
</tr>
<tr>
<td>Fd Distri</td>
<td></td>
<td></td>
<td>11</td>
<td>$62bn</td>
</tr>
<tr>
<td>Dist &amp; Vnt</td>
<td></td>
<td></td>
<td>12</td>
<td>$364bn</td>
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<tr>
<td>Pers Prdct</td>
<td></td>
<td></td>
<td>73</td>
<td>$516bn</td>
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<tr>
<td>Agri Prod</td>
<td></td>
<td></td>
<td>25</td>
<td>$106bn</td>
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<tr>
<td>Drug Retail</td>
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<td>6</td>
<td>$81bn</td>
</tr>
</tbody>
</table>
Information Technology

July 2, 2018

Mark Steele (416) 359-4641

ComEquip → 71 stocks; $406bn
HmEntSwr → 73 stocks; $220bn

ITConsult 50 stocks; $733bn
TechDist 14 stocks; $48bn

ITConsult 50 stocks; $733bn
TechDist 14 stocks; $48bn

ApplcSwr 69 stocks; $824bn
InetSftSrv 97 stocks; $2338bn

TechDist 14 stocks; $48bn

DataProc 47 stocks; $1090bn
SystmSwr 34 stocks; $1161bn

TechDist 14 stocks; $48bn

SystmSwr 34 stocks; $1161bn

ElecComp → 56 stocks; $280bn
ElecInstr 43 stocks; $250bn

ElecComp → 56 stocks; $280bn
ElecInstr 43 stocks; $250bn

SystmSwr 34 stocks; $1161bn

SystmSwr 34 stocks; $1161bn

Semi 80 stocks; $1381bn
SemiEqp 45 stocks; $297bn

Semi 80 stocks; $1381bn
SemiEqp 45 stocks; $297bn

HdwrSt&P 43 stocks; $1482bn

HdwrSt&P 43 stocks; $1482bn

50 stocks; $733bn
14 stocks; $48bn
69 stocks; $824bn
97 stocks; $2338bn
34 stocks; $1161bn
43 stocks; $250bn
56 stocks; $280bn
43 stocks; $250bn
43 stocks; $250bn
43 stocks; $250bn
14 stocks; $48bn
14 stocks; $48bn
14 stocks; $48bn
14 stocks; $48bn
14 stocks; $48bn
14 stocks; $48bn
14 stocks; $48bn
14 stocks; $48bn
14 stocks; $48bn
**User Guide 1 - Definitions & Dataset**

**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 the are 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”
User Guide 4 - Hyperlinks To Decile Charts & Stock Selection

- 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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<td>Buy</td>
<td>Outperform</td>
<td>43.2%</td>
<td>22.8%</td>
<td>57.4%</td>
<td>44.1%</td>
<td>57.0%</td>
<td>52.8%</td>
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<tr>
<td>Hold</td>
<td>Market Perform</td>
<td>53.2%</td>
<td>13.1%</td>
<td>40.6%</td>
<td>52.6%</td>
<td>41.1%</td>
<td>41.6%</td>
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<tr>
<td>Sell</td>
<td>Underperform</td>
<td>3.7%</td>
<td>9.5%</td>
<td>2.0%</td>
<td>3.2%</td>
<td>1.6%</td>
<td>5.5%</td>
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* 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.
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***** 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 analyst’s coverage universe on a total return basis;
(S) = Speculative investment;
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