Group Selection

Priced as of May 19, 2017

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
Table of Contents

3. Sector View
4. Strength Changes Last Session
5. Resource Summary
6. Energy
7. Materials
8. Industrials
9. Consumer Discretionary
10. Consumer Staples
11. Health Care
12. Financials
13. Information Technology
14. Telecom
15. Utilities
16. Real Estate
17. User Guide
Sector Relative Strength Profiles*

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<tbody>
<tr>
<td>Energy</td>
<td>34% / 31% / 45%</td>
<td>/ / /</td>
<td>6% / 3% / 7%</td>
</tr>
<tr>
<td>Materials</td>
<td>51% / 46% / 62%</td>
<td>/ / /</td>
<td>2% / -2% / 1%</td>
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<tr>
<td>Industrials</td>
<td>55% / 49% / 65%</td>
<td>/ / /</td>
<td>5% / -1% / 4%</td>
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<tr>
<td>CMR Disc</td>
<td>48% / 46% / 60%</td>
<td>/ / /</td>
<td>5% / 2% / 7%</td>
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<tr>
<td>CMR Stap</td>
<td>48% / 45% / 61%</td>
<td>/ / /</td>
<td>17% / 8% / 15%</td>
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<tr>
<td>Hlth Care</td>
<td>52% / 48% / 61%</td>
<td>/ / /</td>
<td>9% / 2% / 6%</td>
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<tr>
<td>Financials</td>
<td>46% / 44% / 64%</td>
<td>/ / /</td>
<td>1% / -6% / 0%</td>
</tr>
<tr>
<td>Info Tech</td>
<td>60% / 58% / 69%</td>
<td>/ / /</td>
<td>11% / 4% / 10%</td>
</tr>
<tr>
<td>Telecom</td>
<td>51% / 45% / 64%</td>
<td>/ / /</td>
<td>15% / 10% / 15%</td>
</tr>
<tr>
<td>Utilities</td>
<td>58% / 52% / 68%</td>
<td>/ / /</td>
<td>11% / 3% / 10%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>46% / 40% / 64%</td>
<td>/ / /</td>
<td>5% / -2% / 3%</td>
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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.
May 19, 2017

Energy

Int O&G
29 stocks; $1695bn

OG E&P
113 stocks; $779bn

Coal&Uran
52 stocks; $73bn

OG Equip
50 stocks; $307bn

OG StTr
93 stocks; $673bn

OG RfMkt
45 stocks; $422bn

OG Drill
16 stocks; $32bn
**Materials**

### Strength
- **CstrMat**
  - 37 stocks; $249bn
- **Gold**
  - 61 stocks; $177bn
- **Silver**
  - 4 stocks; $21bn
- **PrecMet**
  - 22 stocks; $60bn
- **ComdChm**
  - 39 stocks; $320bn
- **Alumin**
  - 61 stocks; $45bn
- **SpecChm**
  - 64 stocks; $466bn
- **DiversChm**
  - 20 stocks; $346bn
- **Fert&Ag**
  - 33 stocks; $228bn
- **MtGlsCnt**
  - 14 stocks; $60bn
- **FrstPrd**
  - 12 stocks; $19bn
- **IndusGas**
  - 8 stocks; $161bn
- **DiversMng**
  - 47 stocks; $332bn
- **FrstPrd**
  - 12 stocks; $19bn
- **PaperPkg**
  - 17 stocks; $112bn
- **IndusGas**
  - 8 stocks; $161bn

### Momentum
- **Copper**
  - 14 stocks; $83bn
- **Silver**
  - 9 stocks; $21bn
- **Copper**
  - 14 stocks; $83bn
- **Steel**
  - 59 stocks; $329bn
- **ComdChm**
  - 39 stocks; $320bn
- **Gold**
  - 61 stocks; $177bn
- **Silver**
  - 9 stocks; $21bn
- **PrecMet**
  - 22 stocks; $60bn
- **ComdChm**
  - 39 stocks; $320bn
- **SpecChm**
  - 64 stocks; $466bn
- **DiversChm**
  - 20 stocks; $346bn
- **Fert&Ag**
  - 33 stocks; $228bn
- **MtGlsCnt**
  - 14 stocks; $60bn
- **FrstPrd**
  - 12 stocks; $19bn
- **IndusGas**
  - 8 stocks; $161bn

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*May 19, 2017*

Mark Steele (416) 359-4641
Consumer Staples

May 19, 2017

Mark Steele (416) 359-4641

Momentum

Strength

Tobacco
14 stocks: $788bn

SoftDrinks
17 stocks: $494bn

SprCntrs
15 stocks: $468bn

DrugRetail
8 stocks: $168bn

AgriProd
25 stocks: $106bn

14 stocks: $788bn

17 stocks: $494bn

15 stocks: $468bn

8 stocks: $168bn

25 stocks: $106bn

Brewers
13 stocks: $498bn

PersPrdct
28 stocks: $435bn

PkgFdMt
123 stocks: $1242bn

FdRetail
37 stocks: $367bn

HhldPrdct
18 stocks: $580bn

FdDistri
12 stocks: $56bn

Dist&Vnt
12 stocks: $278bn

13 stocks: $498bn

28 stocks: $435bn

123 stocks: $1242bn

37 stocks: $367bn

18 stocks: $580bn

12 stocks: $56bn

12 stocks: $278bn
May 19, 2017

Health Care

Momentum

Strength

LfSciSrv
32 stocks; $250bn

Pharma
102 stocks; $2468bn

Biotech
120 stocks; $938bn

HCEquip
72 stocks; $758bn

HCareTec
18 stocks; $64bn

MngHCare
12 stocks; $365bn

HCSuppls
27 stocks; $148bn

HCFacility
28 stocks; $106bn

HCService
29 stocks; $196bn

HCDistrib
19 stocks; $130bn

192 stocks; $2468bn

29 stocks; $196bn

120 stocks; $938bn

102 stocks; $2468bn

32 stocks; $250bn
<table>
<thead>
<tr>
<th>Momentum</th>
<th>Financials</th>
</tr>
</thead>
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<tr>
<td><strong>DivCpMkt</strong>&lt;br&gt;9 stocks; $320bn</td>
<td><strong>MltSecHld</strong>&lt;br&gt;26 stocks; $371bn</td>
</tr>
<tr>
<td><strong>Multi-LnIns</strong>&lt;br&gt;30 stocks; $350bn</td>
<td><strong>AsstMgmt</strong>&lt;br&gt;83 stocks; $506bn</td>
</tr>
<tr>
<td><strong>DiversBnk</strong>&lt;br&gt;161 stocks; $4985bn</td>
<td><strong>P&amp;C Insur</strong>&lt;br&gt;61 stocks; $483bn</td>
</tr>
<tr>
<td><strong>FnlExchDt</strong>&lt;br&gt;23 stocks; $320bn</td>
<td><strong>Reinsuran</strong>&lt;br&gt;12 stocks; $371bn</td>
</tr>
<tr>
<td><strong>MortgREIT</strong>&lt;br&gt;25 stocks; $350bn</td>
<td><strong>InvBnkBrk</strong>&lt;br&gt;85 stocks; $350bn</td>
</tr>
<tr>
<td><strong>InsurBrkrs</strong>&lt;br&gt;7 stocks; $177bn</td>
<td><strong>LifeHthIns</strong>&lt;br&gt;46 stocks; $4985bn</td>
</tr>
<tr>
<td><strong>ConsMrFin</strong>&lt;br&gt;30 stocks; $240bn</td>
<td><strong>SpecialFin</strong>&lt;br&gt;10 stocks; $230bn</td>
</tr>
<tr>
<td><strong>Thrt&amp;Mtg</strong>&lt;br&gt;46 stocks; $131bn</td>
<td><strong>OthrDivFS</strong>&lt;br&gt;7 stocks; $84bn</td>
</tr>
<tr>
<td><strong>RegionBnk</strong>&lt;br&gt;141 stocks; $506bn</td>
<td><strong>ConsmrFin</strong>&lt;br&gt;30 stocks; $240bn</td>
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</tbody>
</table>
Utilities

Momentum

Strength

MultiUtil
37 stocks; $468bn

IPP Trad
25 stocks; $103bn

GasUtil
33 stocks; $195bn

ElecUtil
29 stocks; $1114bn

RenewElec
24 stocks; $54bn

WaterUtil
24 stocks; $85bn

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Real Estate

Momentum

Mark Steele (416) 359-4641

Strength

HCareREIT
REstDevl
REstOpCo
IndusREIT
ResidREIT
SpecREIT
REstSrv

REstDvAct
DiversREIT
OfficeREIT
RetailREIT
HotelREIT

31 stocks;$215bn
34 stocks;$328bn
31 stocks;$193bn
26 stocks;$153bn
31 stocks;$307bn
11 stocks;$31bn

34 stocks;$157bn
33 stocks;$155bn
50 stocks;$307bn
18 stocks;$153bn
18 stocks;$48bn

31 stocks;$110bn
31 stocks;$193bn
19 stocks;$110bn
20 stocks;$91bn
20 stocks;$91bn

$215bn
$328bn
$193bn
$153bn
$307bn
$31bn

$110bn
$193bn
$110bn
$91bn
$91bn

May 19, 2017
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 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.
Disclosures

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<td>Buy</td>
<td>Outperform</td>
<td>41.8%</td>
<td>20.0%</td>
<td>53.3%</td>
<td>42.7%</td>
<td>54.1%</td>
<td>52.9%</td>
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<td>Hold</td>
<td>Market Perform</td>
<td>54.4%</td>
<td>13.1%</td>
<td>45.6%</td>
<td>53.8%</td>
<td>43.8%</td>
<td>41.4%</td>
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<tr>
<td>Sell</td>
<td>Underperform</td>
<td>3.7%</td>
<td>4.8%</td>
<td>1.1%</td>
<td>3.0%</td>
<td>1.6%</td>
<td>5.7%</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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Und = Underperform - Forecast to underperform the analyst’s coverage universe on a total return basis;
(S) = Speculative investment;
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