Group Selection
Priced as of October 16, 2015

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*

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<tr>
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</thead>
<tbody>
<tr>
<td>Energy</td>
<td>14% / 16% / 28%</td>
<td>/ / /</td>
<td>16% / 15% / 12%</td>
</tr>
<tr>
<td>Materials</td>
<td>29% / 34% / 50%</td>
<td>/ / /</td>
<td>11% / 9% / 3%</td>
</tr>
<tr>
<td>Industrials</td>
<td>35% / 43% / 63%</td>
<td>/ / /</td>
<td>-3% / -5% / -13%</td>
</tr>
<tr>
<td>CMR Disc</td>
<td>42% / 49% / 68%</td>
<td>/ / /</td>
<td>-8% / -10% / -13%</td>
</tr>
<tr>
<td>CMR Stap</td>
<td>49% / 55% / 72%</td>
<td>/ / /</td>
<td>10% / 7% / -5%</td>
</tr>
<tr>
<td>Hlth Care</td>
<td>56% / 62% / 76%</td>
<td>/ / /</td>
<td>-18% / -18% / -19%</td>
</tr>
<tr>
<td>Financials</td>
<td>44% / 53% / 76%</td>
<td>/ / /</td>
<td>-2% / -4% / -10%</td>
</tr>
<tr>
<td>Info Tech</td>
<td>41% / 48% / 66%</td>
<td>/ / /</td>
<td>7% / 5% / -2%</td>
</tr>
<tr>
<td>Telecom</td>
<td>35% / 45% / 69%</td>
<td>/ / /</td>
<td>-7% / -12% / -18%</td>
</tr>
<tr>
<td>Utilities</td>
<td>40% / 52% / 71%</td>
<td>/ / /</td>
<td>19% / 15% / 2%</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
Strength Changes Last Session

Momentum

October 16, 2015

Mark Steele (416) 359-4641
October 16, 2015

**Consumer Discretionary**

**Momentum**
- MotcyMfg 4 stocks; $36bn

**Strength**
- Publishing 26 stocks; $160bn
- Cbl&Sat 14 stocks; $438bn
- LeisPrd 20 stocks; $67bn
- AutoMfg 37 stocks; $598bn
- Mov&Ent 24 stocks; $367bn
- Broadcast 33 stocks; $150bn
- InetRtl 30 stocks; $512bn
- HmFlnsh 13 stocks; $43bn
- Cas&Gam 39 stocks; $224bn

**Cable & Satellite**
- 24 stocks; $438bn

**Publishing**
- 26 stocks; $160bn

**Mov&Ent**
- 24 stocks; $367bn

**Broadcast**
- 33 stocks; $150bn

**InetRtl**
- 30 stocks; $512bn

**HmFlnsh**
- 13 stocks; $43bn

**Cas&Gam**
- 39 stocks; $224bn

**Advert**
- 20 stocks; $119bn

**CmrElec**
- 12 stocks; $101bn

**SpCmSrv**
- 13 stocks; $28bn

**Educat**
- 20 stocks; $34bn

**SpecStors**
- 29 stocks; $117bn

**Hsware**
- 5 stocks; $26bn

**DeptStrs**
- 23 stocks; $137bn

**HtI&Rst**
- 30 stocks; $203bn

**CmpElRtl**
- 10 stocks; $36bn

**HmImpRtl**
- 8 stocks; $242bn

**ApparlRtl**
- 37 stocks; $370bn

**CatalgRtl**
- 10 stocks; $36bn

**HmFrnsh**
- 13 stocks; $43bn

**AutoRtl**
- 18 stocks; $367bn

**Rstaurnt**
- 52 stocks; $385bn

**AutoParts**
- 38 stocks; $320bn

**Footwear**
- 14 stocks; $124bn

**AutoMfg**
- 37 stocks; $598bn

**Textiles**
- 43 stocks; $495bn

**DeptStrs**
- 23 stocks; $137bn

**HtI&Rst**
- 30 stocks; $203bn

**AutoParts**
- 38 stocks; $320bn

**Textiles**
- 43 stocks; $495bn

**Cas&Gam**
- 39 stocks; $224bn

**AutoRtl**
- 18 stocks; $367bn

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- 14 stocks; $124bn

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**AutoParts**
- 38 stocks; $320bn

**Footwear**
- 14 stocks; $124bn
Consumer Staples

October 16, 2015
Mark Steele (416) 359-4641

- **Brewers**
  - 14 stocks; $504bn

- **Consumer Staples**
  - 11 stocks; $44bn
  - 30 stocks; $107bn
  - 40 stocks; $355bn
  - 120 stocks; $1048bn

- **DrugRetail**
  - 8 stocks; $232bn

- **Dist&Vnt**
  - 12 stocks; $218bn

- **FuelDistri**
  - 11 stocks; $44bn

- **AgriProd**
  - 30 stocks; $107bn

- **PersPrdct**
  - 27 stocks; $338bn

- **SprCntrs**
  - 17 stocks; $412bn

- **Tobacco**
  - 14 stocks; $637bn

- **SoftDrns**
  - 17 stocks; $458bn

- **HhldPrdct**
  - 17 stocks; $523bn

- **PkgFdMt**
  - 120 stocks; $1048bn

- **HldPrdct**
  - 17 stocks; $523bn

- **PkgFdMt**
  - 120 stocks; $1048bn

- **HldPrdct**
  - 17 stocks; $523bn

- **PkgFdMt**
  - 120 stocks; $1048bn

- **HldPrdct**
  - 17 stocks; $523bn

- **PkgFdMt**
  - 120 stocks; $1048bn
Financials

October 16, 2015

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OfficeREIT
32 stocks; $144bn

RetailREIT
47 stocks; $327bn

IndusREIT
19 stocks; $90bn

DivCpMkt
9 stocks; $185bn

P&C Insur
65 stocks; $453bn

ResidREIT
26 stocks; $134bn

DiversREIT
33 stocks; $164bn

Multi-LnIns
14 stocks; $133bn

SpecREIT
26 stocks; $213bn

RegionBnk
140 stocks; $468bn

DiversBnk
169 stocks; $4469bn

LifeHthIns
45 stocks; $695bn

Reinsuran
14 stocks; $133bn

ConsmrFin
27 stocks; $251bn

InsurBrkrs
8 stocks; $718bn

RegionBnk
140 stocks; $468bn

MortgREIT
31 stocks; $560bn

REstOpCo
29 stocks; $158bn

HCareREIT
14 stocks; $88bn

SpecialFin
31 stocks; $253bn

HCareREIT
14 stocks; $88bn

REstDvAct
32 stocks; $324bn

IMtSecHld
24 stocks; $204bn

InvBnkBrk
39 stocks; $341bn

REstSrv
12 stocks; $34bn

HotelREIT
17 stocks; $49bn

REstDvAct
32 stocks; $324bn

REstDevl
32 stocks; $168bn

OthrDivFS
5 stocks; $68bn

HotelREIT
17 stocks; $49bn

OthrDivFS
5 stocks; $68bn

AsstMgmt
82 stocks; $443bn

AsstMgmt
82 stocks; $443bn

OthrDivFS
5 stocks; $68bn
Information Technology

Momentum

Strength

October 16, 2015

Mark Steele (416) 359-4641

HmEntSwr ↓
15 stocks; $112bn

ElecInstr ↑
42 stocks; $142bn

DataProc ↓
48 stocks; $569bn

ApplicSwr ↓
78 stocks; $472bn

ElecComp ↑
39 stocks; $169bn

TechDist ↓
15 stocks; $41bn

EMS ↑
20 stocks; $115bn

HdwrSt&P ↓
40 stocks; $1142bn

ITConsult ↓
46 stocks; $569bn

InetStfSrv
100 stocks; $1177bn

SemiEqp ↑
41 stocks; $155bn

Semi ↑
93 stocks; $778bn

ComEquip
52 stocks; $438bn

SystmSwr ↓
37 stocks; $676bn
October 16, 2015

Telecommunication Services

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Momentum

Strength

WlsTelSrv ↑
45 stocks; $919bn

IntgTelSrv →
60 stocks; $1263bn

AltCar ↑
15 stocks; $54bn
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 are 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.
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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**Analyst's Certification**
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**Distribution of Ratings (March 31, 2015)**

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<td>Buy</td>
<td>Outperform</td>
<td>43.7%</td>
<td>18.6%</td>
<td>58.2%</td>
<td>42.7%</td>
<td>55.5%</td>
<td>54.1%</td>
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<tr>
<td>Hold</td>
<td>Market Perform</td>
<td>51.4%</td>
<td>10.4%</td>
<td>38.5%</td>
<td>52.1%</td>
<td>41.9%</td>
<td>40.5%</td>
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<tr>
<td>Sell</td>
<td>Underperform</td>
<td>4.9%</td>
<td>9.4%</td>
<td>3.3%</td>
<td>5.2%</td>
<td>2.6%</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.
*** 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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We use the following ratings system definitions:
OP = Outperform - Forecast to outperform the analyst’s coverage universe on a total return basis;
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
R = Restricted - Dissemination of research is currently restricted.

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