Group Selection
Priced as of January 6, 2010

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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Three terms define the relative performance Z-Score rating versus the markets (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 (star/bomb 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.

See Help Pages for further details.
Momentum

Strength

January 6, 2010

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Materials

DvrsMng
54 stocks, $653bn

Steel
55 stocks, $572bn

PrecMet
55 stocks, $112bn

PapProd
28 stocks, $87bn

Alumin
10 stocks, $59bn

Fert&Ag
35 stocks, $247bn

SpecChm
40 stocks, $116bn

CstrMat
19 stocks, $144bn

MtGlsCnt
14 stocks, $34bn

101 stocks, $278bn

FrstPrd
14 stocks, $21bn

DiversChm
16 stocks, $169bn

Gold
10 stocks, $278bn

IndusGas
10 stocks, $106bn

PaperPkg
10 stocks, $26bn

ComdChm
20 stocks, $143bn

PrecMet
55 stocks, $572bn

Steel
65 stocks, $112bn

PapProd
28 stocks, $87bn

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10 stocks, $59bn

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Momentum

Strength

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Consumer Staples

AgriProd → 20 stocks; $111bn

SprCntrs ← 14 stocks; $365bn

Tobacco → 15 stocks; $340bn

FdRetail ← 30 stocks; $235bn

FdDistri → 14 stocks; $29bn

SoftDrnks ← 16 stocks; $287bn

Dist&Vnt → 73 stocks; $733bn

Brewers ← 15 stocks; $248bn

PkgFdMt → 78 stocks; $614bn

DrugRetail ← 10 stocks; $700bn

PersPrdct ← 26 stocks; $153bn

DrugRetail ← 10 stocks; $700bn

HhldPrdct → 14 stocks; $343bn

FdDistri → 14 stocks; $29bn

FdRetail ← 30 stocks; $235bn

Tobacco → 15 stocks; $340bn

SprCntrs ← 14 stocks; $365bn

AgriProd → 20 stocks; $111bn

Momentum

Strength
Financials

Momentum

Strength

January 6, 2010

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Information Technology

January 6, 2010

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TechDist
14 stocks; $25bn

CompHdwr
22 stocks; $17bn

ElecInstr
24 stocks; $68bn

ElecComp
27 stocks; $166bn

Semi
33 stocks; $568bn

PCStor&P
25 stocks; $105bn

EMS
21 stocks; $91bn

SemiEqp
33 stocks; $95bn

ITConsult
29 stocks; $196bn

SystmSwr
29 stocks; $474bn

DataProc
34 stocks; $211bn

ComEquip
66 stocks; $441bn

OffElectr
10 stocks; $92bn

InetSftSr
54 stocks; $348bn

HmEntSwr
16 stocks; $78bn

22 stocks; $617bn

24 stocks; $60bn

27 stocks; $166bn

83 stocks; $568bn

25 stocks; $105bn

21 stocks; $91bn

29 stocks; $196bn

29 stocks; $474bn

34 stocks; $211bn

66 stocks; $441bn

10 stocks; $92bn

54 stocks; $348bn

16 stocks; $78bn

22 stocks; $617bn

24 stocks; $60bn

27 stocks; $166bn

83 stocks; $568bn

25 stocks; $105bn

21 stocks; $91bn

29 stocks; $196bn

29 stocks; $474bn

34 stocks; $211bn

66 stocks; $441bn

10 stocks; $92bn

54 stocks; $348bn

16 stocks; $78bn
January 6, 2010

Utilities

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Momentum

Strength

IPPTrad
43 stocks; $169bn

WaterUtil
16 stocks; $19bn

ElecUtil
66 stocks; $909bn

GasUtil
28 stocks; $131bn

MultiUtil
36 stocks; $411bn
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 4,000 securities.
- Groups have a:
  ...Minimum of 9 constituents
  ...Median depth of 17
  ...Average depth of 26

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.
BMO NB hereby certifies that the views expressed in this report accurately reflect the firm’s quantitative research model. BMO NB also certifies that no part of the firm’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

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