Group Selection

Priced as of September 27, 2012

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>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>28% / 34% / 37%</td>
<td>~ / ~ / ~</td>
<td>9% / 7% / 1%</td>
</tr>
<tr>
<td>Materials</td>
<td>21% / 27% / 28%</td>
<td>~ / ~ / ~</td>
<td>19% / 16% / 11%</td>
</tr>
<tr>
<td>Industrials</td>
<td>32% / 39% / 39%</td>
<td>~ / ~ / ~</td>
<td>7% / 4% / -4%</td>
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<tr>
<td>CMR Disc</td>
<td>40% / 50% / 49%</td>
<td>~ / ~ / ~</td>
<td>8% / 3% / -4%</td>
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<tr>
<td>CMR Stap</td>
<td>55% / 64% / 65%</td>
<td>~ / ~ / ~</td>
<td>4% / 1% / -8%</td>
</tr>
<tr>
<td>Hlth Care</td>
<td>53% / 62% / 65%</td>
<td>~ / ~ / ~</td>
<td>9% / 5% / -2%</td>
</tr>
<tr>
<td>Financials</td>
<td>50% / 62% / 65%</td>
<td>~ / ~ / ~</td>
<td>4% / 1% / -10%</td>
</tr>
<tr>
<td>Info Tech</td>
<td>27% / 35% / 35%</td>
<td>~ / ~ / ~</td>
<td>9% / 4% / -4%</td>
</tr>
<tr>
<td>Telecom</td>
<td>48% / 58% / 56%</td>
<td>~ / ~ / ~</td>
<td>14% / 11% / 4%</td>
</tr>
<tr>
<td>Utilities</td>
<td>47% / 61% / 65%</td>
<td>~ / ~ / ~</td>
<td>5% / 0% / -7%</td>
</tr>
</tbody>
</table>

*Three terms define the relative performance Z-Score rating versus the markets (US = S&P 500; 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 (rankings), 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.
September 27, 2012

Consumer Staples

BMO Capital Markets
Mark Steele (416) 359-4641

Momentum

Strength

PkgFdMt
22 stocks; $778bn

DrugRetail
10 stocks; $117bn

Brewers
15 stocks; $378bn

FdRetail
39 stocks; $320bn

Dist&Vnt
16 stocks; $196bn

Tobacco
17 stocks; $557bn

HhldPrdct
16 stocks; $437bn

SoftDrnks
14 stocks; $363bn

SprCntrs
16 stocks; $455bn

FdDistri
11 stocks; $322bn

AgriProd
24 stocks; $104bn

PersPrdct
25 stocks; $190bn
Financials

OthrDivFS
16 stocks; $447bn

InsurBrkrs
9 stocks; $54bn

Thrt&Mtg
50 stocks; $723bn

REstDevl
37 stocks; $162bn

REstOpCo
18 stocks; $75bn

DiversBnk
165 stocks; $337bn

AsstMgmt
79 stocks; $285bn

REstDvAct
26 stocks; $293bn

MltSecHld
14 stocks; $67bn

P&C Insur
41 stocks; $491bn

RetalREIT
44 stocks; $242bn

MortgREIT
26 stocks; $62bn

IndusREIT
15 stocks; $41bn

SpecREIT
38 stocks; $177bn

DiversREIT
32 stocks; $104bn

ConsmrFin
22 stocks; $150bn

RegionBnk
136 stocks; $308bn

OfficeREIT
27 stocks; $84bn

ResidREIT
22 stocks; $86bn

Reinsuran
10 stocks; $103bn

REstSrv
10 stocks; $16bn

Multi-Lnlns
25 stocks; $328bn

REstDevl
165 stocks; $337bn

DivCpMkt
10 stocks; $124bn

SpecialFin
25 stocks; $125bn

InvBnkBrk
29 stocks; $212bn

MortgREIT
22 stocks; $88bn

OffnceREIT
27 stocks; $84bn

ResidREIT
22 stocks; $86bn

REstSrv
10 stocks; $16bn

Multi-Lnlns
25 stocks; $328bn

LifeHthIns
43 stocks; $472bn
Information Technology

Momentum

Strength

DataProc
45 stocks; $358bn

InetSftSrv
96 stocks; $555bn

OffElectr
9 stocks; $73bn

CompHdwr
23 stocks; $77bn

ComEquip
71 stocks; $351bn

ElecComp
35 stocks; $145bn

ITConsult
44 stocks; $477bn

ApplicSwr
80 stocks; $297bn

PCStor&P
25 stocks; $125bn

Semi
118 stocks; $967bn

EMS
29 stocks; $84bn

HmEntSwr
20 stocks; $53bn

TechDist
18 stocks; $28bn

SemiEqp
45 stocks; $95bn

SystmSwr
28 stocks; $499bn

ElecInstr
38 stocks; $98bn

9 stocks; $73bn

23 stocks; $77bn

71 stocks; $351bn

35 stocks; $145bn

44 stocks; $477bn

80 stocks; $297bn

25 stocks; $125bn

118 stocks; $967bn

29 stocks; $84bn

20 stocks; $53bn

18 stocks; $28bn

45 stocks; $95bn

28 stocks; $499bn

38 stocks; $98bn
September 27, 2012

Telecommunication Services

Mark Steele (416) 359-4641

WlsTelSrv
42 stocks; $925bn

IntgTelSrv
66 stocks; $1176bn

AltCar
13 stocks; $33bn
<table>
<thead>
<tr>
<th>Sector</th>
<th>Stocks</th>
<th>Market Cap</th>
</tr>
</thead>
<tbody>
<tr>
<td>IPPTrad</td>
<td>45</td>
<td>$140bn</td>
</tr>
<tr>
<td>ElecUtil</td>
<td>82</td>
<td>$775bn</td>
</tr>
<tr>
<td>GasUtil</td>
<td>28</td>
<td>$156bn</td>
</tr>
<tr>
<td>WaterUtil</td>
<td>21</td>
<td>$53bn</td>
</tr>
<tr>
<td>MultiUtil</td>
<td>39</td>
<td>$425bn</td>
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</table>
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 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 deviations from the trend. Our process is flexible, thorough, and because it is run daily, timely.

The Dataset:
- Over 5,000 securities.
- Groups have a:
  ...Median depth of 25
  ...Average depth of 35

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 of 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 5-day and 20-day moving averages (momentum).

Each chart is hyperlinked to the group membership, in our RS Filter Toolkit.
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<tr>
<th>Rating Category</th>
<th>BMO Rating</th>
<th>BMOCM US Universe*</th>
<th>BMOCM US IB Clients**</th>
<th>BMOCM US IB Clients***</th>
<th>BMOCM Universe****</th>
<th>BMOCM IB Clients*****</th>
<th>Starmine Universe</th>
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</thead>
<tbody>
<tr>
<td>Buy</td>
<td>Outperform</td>
<td>39.2%</td>
<td>14.2%</td>
<td>66.0%</td>
<td>39.7%</td>
<td>49.1%</td>
<td>55.7%</td>
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<tr>
<td>Hold</td>
<td>Market Perform</td>
<td>58.8%</td>
<td>4.6%</td>
<td>31.9%</td>
<td>57.1%</td>
<td>48.6%</td>
<td>39.3%</td>
</tr>
<tr>
<td>Sell</td>
<td>Underperform</td>
<td>2.0%</td>
<td>9.1%</td>
<td>2.1%</td>
<td>3.2%</td>
<td>2.3%</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.
**** Reflects rating distribution of all companies covered by BMO Capital Markets equity research analysts.
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Und = Underperform - Forecast to underperform the market;
(S) = speculative investment;
NR = No rating at this time;
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