Group Selection

Priced as of October 12, 2016

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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15. Utilities
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Sector Relative Strength Profiles*

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>52% / 52% / 52%</td>
<td>/ / 13%</td>
<td>16% / 14%</td>
</tr>
<tr>
<td>Materials</td>
<td>62% / 62% / 59%</td>
<td>/ / -6%</td>
<td>-5% / -4%</td>
</tr>
<tr>
<td>Industrials</td>
<td>48% / 48% / 44%</td>
<td>/ / 3%</td>
<td>3% / 5%</td>
</tr>
<tr>
<td>CMR Disc</td>
<td>41% / 40% / 36%</td>
<td>/ / 4%</td>
<td>4% / 6%</td>
</tr>
<tr>
<td>CMR Stap</td>
<td>46% / 49% / 42%</td>
<td>/ / 2%</td>
<td>2% / 3%</td>
</tr>
<tr>
<td>Hlth Care</td>
<td>54% / 56% / 51%</td>
<td>/ / 7%</td>
<td>-7% / -5%</td>
</tr>
<tr>
<td>Financials</td>
<td>49% / 49% / 46%</td>
<td>/ / 14%</td>
<td>14% / 12%</td>
</tr>
<tr>
<td>Info Tech</td>
<td>60% / 61% / 59%</td>
<td>/ / 1%</td>
<td>3% / 1%</td>
</tr>
<tr>
<td>Telecom</td>
<td>37% / 42% / 33%</td>
<td>/ / 3%</td>
<td>-3% / -2%</td>
</tr>
<tr>
<td>Utilities</td>
<td>49% / 48% / 41%</td>
<td>/ / -12%</td>
<td>-11% / -8%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>63% / 66% / 60%</td>
<td>/ / -21%</td>
<td>-20% / -12%</td>
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</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
Momentum

Strength

October 12, 2016

Mark Steele (416) 359-4641

Materials

Alumin
12 stocks; $49bn

PapProd
26 stocks; $71bn

FrstPrd
12 stocks; $17bn

Fert&Ag
14 stocks; $203bn

Steel
59 stocks; $281bn

ComdChm
49 stocks; $281bn

Copper
14 stocks; $62bn

CstrMat
28 stocks; $223bn

Gold
12 stocks; $177bn

DiversChm
19 stocks; $279bn

Silver
3 stocks; $22bn

Copper
14 stocks; $62bn

DiversChm
19 stocks; $279bn

PrecMet
22 stocks; $60bn

SpecChm
63 stocks; $422bn

IndusGas
8 stocks; $142bn

DvrsMng
47 stocks; $294bn

PaperPkg
19 stocks; $109bn

MtGlsCnt
14 stocks; $55bn
# Momentum

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<thead>
<tr>
<th>Sector</th>
<th>Stocks</th>
<th>Market Cap</th>
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<tbody>
<tr>
<td>Ag&amp;Farm</td>
<td>12</td>
<td>$70bn</td>
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<tr>
<td>CmclPrt</td>
<td>12</td>
<td>$24bn</td>
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<tr>
<td>Marine</td>
<td>18</td>
<td>$62bn</td>
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<tr>
<td>HvyElcEq</td>
<td>18</td>
<td>$78bn</td>
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<tr>
<td>TrdgDist</td>
<td>48</td>
<td>$250bn</td>
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<tr>
<td>Trucking</td>
<td>28</td>
<td>$77bn</td>
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<td>DvSpSrV</td>
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<td>$84bn</td>
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<td>EnviroSrV</td>
<td>22</td>
<td>$106bn</td>
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<tr>
<td>BldPrdcts</td>
<td>41</td>
<td>$198bn</td>
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<tr>
<td>HREmpl</td>
<td>23</td>
<td>$83bn</td>
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<tr>
<td>MarineSrV</td>
<td>12</td>
<td>$50bn</td>
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<tr>
<td>ElcCmpEq</td>
<td>37</td>
<td>$291bn</td>
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<tr>
<td>Airline</td>
<td>31</td>
<td>$212bn</td>
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<td>AirFrght</td>
<td>22</td>
<td>$228bn</td>
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<tr>
<td>OfficeSrV</td>
<td>13</td>
<td>$26bn</td>
</tr>
<tr>
<td>CnstMch&amp;T</td>
<td>44</td>
<td>$252bn</td>
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<tr>
<td>Ind Mach</td>
<td>17</td>
<td>$566bn</td>
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<tr>
<td>AirprtSrV</td>
<td>17</td>
<td>$107bn</td>
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<tr>
<td>Cns&amp;Eng</td>
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<td>$207bn</td>
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<tr>
<td>Railroads</td>
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<tr>
<td>Hwy&amp;Rail</td>
<td>14</td>
<td>$83bn</td>
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<tr>
<td>RsrcCslt</td>
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<td>RsrcCslt</td>
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<td>$202bn</td>
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<tr>
<td>Aero&amp;Def</td>
<td>56</td>
<td>$662bn</td>
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</table>
October 12, 2016

Consumer Staples

Momentum

Strength

SoftDrnks
17 stocks; $469bn

FdDistri
11 stocks; $46bn

PkgFdMt
116 stocks; $1186bn

HhidPrdct
18 stocks; $571bn

Dist&Vnt
12 stocks; $238bn

PersPrdct
30 stocks; $396bn

AgriProd
26 stocks; $107bn

SprCntrs
16 stocks; $423bn

Brewers
14 stocks; $553bn

Tobacco
14 stocks; $692bn

FdRetail
38 stocks; $354bn

DrugRetail
7 stocks; $187bn

FdRetail
38 stocks; $354bn

AgriProd
26 stocks; $107bn

SprCntrs
16 stocks; $423bn

Brewers
14 stocks; $553bn

Tobacco
14 stocks; $692bn

FdRetail
38 stocks; $354bn

DrugRetail
7 stocks; $187bn

PersPrdct
30 stocks; $396bn

PkgFdMt
116 stocks; $1186bn

HhidPrdct
18 stocks; $571bn

FdDistri
11 stocks; $46bn

SoftDrnks
17 stocks; $469bn

Momentum

Strength
<table>
<thead>
<tr>
<th>Sector</th>
<th>Stocks</th>
<th>Market Cap</th>
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</thead>
<tbody>
<tr>
<td>Reinsurance</td>
<td>13</td>
<td>$125bn</td>
</tr>
<tr>
<td>Life and Health</td>
<td>7</td>
<td>$112bn</td>
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<td>Diversified Banks</td>
<td>62</td>
<td>$442bn</td>
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<tr>
<td>Specialized Finance</td>
<td>9</td>
<td>$19bn</td>
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<tr>
<td>Mortgage REIT</td>
<td>27</td>
<td>$52bn</td>
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<tr>
<td>Thrift and Mortgage</td>
<td>42</td>
<td>$105bn</td>
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<tr>
<td>Multi-Lines</td>
<td>30</td>
<td>$454bn</td>
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<tr>
<td>Fintech</td>
<td>22</td>
<td>$278bn</td>
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<td>Consumer Finance</td>
<td>28</td>
<td>$218bn</td>
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<td>Asset Management</td>
<td>85</td>
<td>$446bn</td>
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<tr>
<td>Mitigation Holdings</td>
<td>26</td>
<td>$322bn</td>
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<tr>
<td>Financials</td>
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</tr>
</tbody>
</table>

Mark Steele (416) 359-4641
Telecommunication Services

Momentum

Strength

October 12, 2016

Mark Steele (416) 359-4641

IntgTelSrv 43 stocks; $1325bn
AltCar 11 stocks; $47bn
WlsTelSrv 43 stocks; $899bn
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 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).
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.
IMPORTANT DISCLOSURES

Analyst's Certification
I, Mark Steele, hereby certify that the views expressed in this report accurately reflect my personal views about the subject securities or issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

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For Important Disclosures on the stocks discussed in this report, please go to http://researchglobal.bmocapitalmarkets.com/Public/Company_Disclosure_Public.aspx

Distribution of Ratings (September 30, 2015)

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<th>Rating Category</th>
<th>BMO Rating</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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<tr>
<td>Buy</td>
<td>Outperform</td>
<td>42.2%</td>
<td>18.6%</td>
<td>54.7%</td>
<td>44.3%</td>
<td>56.9%</td>
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<tr>
<td>Hold</td>
<td>Market Perform</td>
<td>54.3%</td>
<td>11.3%</td>
<td>42.7%</td>
<td>51.8%</td>
<td>40.9%</td>
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<tr>
<td>Sell</td>
<td>Underperform</td>
<td>3.5%</td>
<td>11.1%</td>
<td>2.7%</td>
<td>3.9%</td>
<td>2.2%</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.
***** Reflects rating distribution of all companies from which BMO Capital Markets has received compensation for Investment Banking services as percentage of Investment Banking clients.

Rating and Sector Key (as of April 5, 2013)
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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Prior BMO Capital Markets Rating System (January 4, 2010 - April 4, 2013)

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