Group Selection
Priced as of September 26, 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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### Sector Relative Strength Profiles*

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>54% / 56% / 50%</td>
<td>/ / /</td>
<td>2% / -3% / 5%</td>
</tr>
<tr>
<td>Materials</td>
<td>64% / 63% / 57%</td>
<td>/ / /</td>
<td>4% / 1% / 9%</td>
</tr>
<tr>
<td>Industrials</td>
<td>48% / 50% / 40%</td>
<td>/ / /</td>
<td>8% / 3% / 13%</td>
</tr>
<tr>
<td>CMR Disc</td>
<td>39% / 40% / 32%</td>
<td>/ / /</td>
<td>7% / 3% / 12%</td>
</tr>
<tr>
<td>CMR Stap</td>
<td>46% / 49% / 37%</td>
<td>/ / /</td>
<td>6% / -1% / 14%</td>
</tr>
<tr>
<td>Hlth Care</td>
<td>55% / 56% / 47%</td>
<td>/ / /</td>
<td>11% / 9% / 13%</td>
</tr>
<tr>
<td>Financials</td>
<td>48% / 48% / 38%</td>
<td>/ / /</td>
<td>8% / 3% / 14%</td>
</tr>
<tr>
<td>Info Tech</td>
<td>55% / 57% / 50%</td>
<td>/ / /</td>
<td>13% / 10% / 19%</td>
</tr>
<tr>
<td>Telecom</td>
<td>36% / 41% / 30%</td>
<td>/ / /</td>
<td>6% / 0% / 11%</td>
</tr>
<tr>
<td>Utilities</td>
<td>52% / 53% / 39%</td>
<td>/ / /</td>
<td>6% / -1% / 12%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>69% / 70% / 57%</td>
<td>/ / /</td>
<td>2% / -4% / 9%</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
Momentum

Strength

Coal & Uran
23 stocks; $71bn

OG StTr
97 stocks; $595bn

OG E&P
126 stocks; $755bn

OG Equip
65 stocks; $286bn

OG Drill
19 stocks; $30bn

OG RfMkt
44 stocks; $357bn

Int O&G
31 stocks; $1470bn
Momentum

Strength

Materials

September 26, 2016

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Steel
59 stocks; $276bn

DvrsMng
54 stocks; $282bn

PrecMet
22 stocks; $65bn

DiversChm
19 stocks; $277bn

ComdChm
40 stocks; $277bn

Copper
14 stocks; $62bn

Gold
42 stocks; $20bn

SpecChm
54 stocks; $43bn

Silver
9 stocks; $2bn

PapProd
26 stocks; $72bn

PaperPkg
19 stocks; $11bn

CstrMat
27 stocks; $19bn

IndusGas
8 stocks; $14bn

MtGlsCnt
14 stocks; $55bn

FrstPrd
12 stocks; $17bn

Alumin
12 stocks; $50bn

Fert&Ag
34 stocks; $205bn

Steel
59 stocks; $276bn

DvrsMng
54 stocks; $282bn

PrecMet
22 stocks; $65bn

DiversChm
19 stocks; $277bn

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40 stocks; $277bn

Copper
14 stocks; $62bn

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8 stocks; $14bn

MtGlsCnt
14 stocks; $55bn

FrstPrd
12 stocks; $17bn

Alumin
12 stocks; $50bn

Fert&Ag
34 stocks; $205bn
Momentum

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Consumer Staples

- SprCntrs → FdRetail
  16 stocks; $437bn
  37 stocks; $354bn

- Brewers → DrugRetail
  14 stocks; $557bn
  7 stocks; $203bn

- PkgFdMt
  116 stocks; $1197bn

- Tobacco
  12 stocks; $677bn

- Dist&Vnt
  12 stocks; $241bn

- PersPrdct ← FdDistri
  28 stocks; $375bn

- AgriProd
  12 stocks; $48bn

- HhldPrdct
  26 stocks; $106bn

- SoftDrnks
  17 stocks; $472bn
Momentum

Strength

Biotech
127 stocks; $933bn

LfSciSrv
30 stocks; $21bn

HCEquip
72 stocks; $72bn

Pharma
93 stocks; $242bn

HCareTec
18 stocks; $68bn

HCSupplS
29 stocks; $130bn

HCService
33 stocks; $199bn

HCFacility
33 stocks; $72bn

HC Distrib
18 stocks; $136bn

MngHCare
13 stocks; $239bn

Health Care

18 stocks; $136bn

13 stocks; $239bn

187 stocks; $933bn

30 stocks; $21bn

72 stocks; $72bn

93 stocks; $242bn

18 stocks; $68bn

29 stocks; $130bn

33 stocks; $199bn

33 stocks; $72bn
TechDist
15 stocks; $38bn

ElecComp ➔
39 stocks; $211bn

SemiEqp ➔
38 stocks; $167bn

ITConsult ➔
51 stocks; $590bn

EMS ➔
18 stocks; $116bn

ComEquip ➔
47 stocks; $334bn

ElecInstr ➔
38 stocks; $167bn

HdwrSt&P ➔
47 stocks; $1084bn

InetSftSrv ➔
97 stocks; $1463bn

SystmSwr ➔
84 stocks; $734bn

HmEntSwr ➔
14 stocks; $138bn

SystmSwr ➔
34 stocks; $734bn

ApplicSwr ➔
72 stocks; $505bn

DataProc ➔
48 stocks; $642bn
Utilities

- **ElecUtil**: 89 stocks; $1052bn
- **GasUtil**: 36 stocks; $215bn
- **WaterUtil**: 23 stocks; $85bn
- **RenewElec**: 24 stocks; $54bn
- **IPPTrad**: 25 stocks; $97bn
- **MultiUtil**: 37 stocks; $436bn

September 26, 2016

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<table>
<thead>
<tr>
<th>Category</th>
<th>Momentum</th>
<th>Strength</th>
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</thead>
<tbody>
<tr>
<td>HCareREIT</td>
<td>16 stocks; $106bn</td>
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<tr>
<td>ResidREIT</td>
<td>26 stocks; $147bn</td>
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<tr>
<td>DiversREIT</td>
<td>40 stocks; $155bn</td>
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<tr>
<td>OfficeREIT</td>
<td>31 stocks; $155bn</td>
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<tr>
<td>IndusREIT</td>
<td>20 stocks; $84bn</td>
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<tr>
<td>RetailREIT</td>
<td>29 stocks; $171bn</td>
<td></td>
</tr>
<tr>
<td>RestDevl</td>
<td>31 stocks; $203bn</td>
<td></td>
</tr>
<tr>
<td>RestOpCo</td>
<td>29 stocks; $295bn</td>
<td></td>
</tr>
<tr>
<td>RestDvAct</td>
<td>32 stocks; $295bn</td>
<td></td>
</tr>
<tr>
<td>RestSrv</td>
<td>11 stocks; $27bn</td>
<td></td>
</tr>
<tr>
<td>SpecREIT</td>
<td>28 stocks; $264bn</td>
<td></td>
</tr>
<tr>
<td>HotelREIT</td>
<td>16 stocks; $33bn</td>
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<tr>
<td>HotelREIT</td>
<td>16 stocks; $33bn</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 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.
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**Distribution of Ratings (September 30, 2015)**

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<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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<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>
<td>56.3%</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>
<td>38.7%</td>
</tr>
<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>
<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.
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- **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
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