Group Selection

Priced as of July 20, 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 Relative Strength Profiles*

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Energy</td>
<td>40% / 36% / 48%</td>
<td>/</td>
<td>-53% / -47% / -19%</td>
</tr>
<tr>
<td>Materials</td>
<td>46% / 45% / 59%</td>
<td>/</td>
<td>-32% / -29% / 0%</td>
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<tr>
<td>Industrials</td>
<td>51% / 49% / 64%</td>
<td>/</td>
<td>-18% / -10% / 25%</td>
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<tr>
<td>CMR Disc</td>
<td>56% / 54% / 65%</td>
<td>/</td>
<td>-13% / -6% / 26%</td>
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<tr>
<td>CMR Stap</td>
<td>48% / 48% / 63%</td>
<td>/</td>
<td>-2% / 2% / 33%</td>
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<td>Hlth Care</td>
<td>66% / 64% / 75%</td>
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<td>3% / 8% / 35%</td>
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<td>Financials</td>
<td>52% / 52% / 68%</td>
<td>/</td>
<td>-7% / -1% / 41%</td>
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<tr>
<td>Info Tech</td>
<td>56% / 55% / 66%</td>
<td>/</td>
<td>-20% / -14% / 14%</td>
</tr>
<tr>
<td>Telecom</td>
<td>41% / 40% / 60%</td>
<td>/</td>
<td>-6% / -2% / 37%</td>
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<tr>
<td>Utilities</td>
<td>36% / 36% / 49%</td>
<td>/</td>
<td>-11% / -6% / 43%</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.
## Strength Changes Last Session

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<td>HhldPrdct</td>
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<td>BldPrdcts</td>
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<td>inetRtl</td>
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<td>MotcyMfg</td>
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<td>MotcyMfg</td>
<td>IPPTrad</td>
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Mark Steele (416) 359-4641

July 20, 2015
July 20, 2015

Resources

Momentum

Strength

Fert&Ag 15 stocks; $255bn
ComdChm 37 stocks; $305bn
CstrMat 29 stocks; $255bn
PapProd 30 stocks; $104bn
PaperPkg 16 stocks; $77bn
Int O&G 34 stocks; $157bn
DvrsMng 82 stocks; $404bn
DiversChm 19 stocks; $279bn
IndusGas 10 stocks; $163bn
OG StTr 89 stocks; $651bn
SpecChm 16 stocks; $439bn
MtGlsCnt 19 stocks; $552bn
OG RfMkt 29 stocks; $376bn
Gold 59 stocks; $103bn
Alumin 11 stocks; $44bn
PrecMet 22 stocks; $40bn
Silver 11 stocks; $70bn
Steel 67 stocks; $280bn
OG Drill 28 stocks; $49bn
Coal&Uran 23 stocks; $76bn
OG Equip 75 stocks; $325bn
OG E&P 171 stocks; $786bn
Momentum

Strength

July 20, 2015

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Energy

Int O&G
34 stocks;$1577bn

OG Drill
28 stocks;$49bn

Coal&Uran
23 stocks;$76bn

OG Equip
75 stocks;$325bn

OG E&P
171 stocks;$786bn

OG RfMkt
69 stocks;$577bn

OG StTr
69 stocks;$651bn
Consumer Discretionary

Momentum

July 20, 2015

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Consumer Discretionary

- 26 stocks; $159bn
- 26 stocks; $423bn

Strength

- Publishing
- Educat
- 21 stocks; $33bn
- 21 stocks; $39bn

- 26 stocks; $423bn
- 26 stocks; $493bn

- Mov&Ent
- InetRtl
- Distrib
- MotcyMfg
- 28 stocks; $423bn
- 10 stocks; $493bn
- 21 stocks; $33bn
- 4 stocks; $39bn

- Textiles
- LeisFcil
- Tire&Rub
- HhldApl
- 3 stocks; $9bn
- 11 stocks; $48bn
- 9 stocks; $66bn
- 4 stocks; $39bn

- LeisPrd
- CmpElRtl
- CatalgRtl
- CmrElec
- 19 stocks; $65bn
- 10 stocks; $36bn
- 6 stocks; $222bn
- 12 stocks; $108bn

- Footwear
- AutoParts
- 50 stocks; $394bn
- 14 stocks; $119bn

- Rstaurnt
- AutoRtl
- HmtImpRtl
- Aprl&Gds
- 50 stocks; $394bn
- 18 stocks; $109bn
- 8 stocks; $227bn
- 12 stocks; $43bn

- HomeFurn
- HomeBld
- HomeImpRtl
- HmFrnsh
- 9 stocks; $9bn
- 19 stocks; $128bn
- 8 stocks; $54bn
- 12 stocks; $43bn

- DeptStrs
- Textiles
- Cbl&Sat
- HomeFurn
- 14 stocks; $83bn
- 9 stocks; $66bn
- 35 stocks; $173bn
- 38 stocks; $109bn

- Broadcast
- Htl&Rsrt
- Cable&Sat
- HmtImpRtl
- 35 stocks; $173bn
- 30 stocks; $220bn
- 27 stocks; $543bn
- 23 stocks; $153bn

- DeptStrs
- AutoRtl
- HmlmpRtl
- DeptStrs
- 23 stocks; $153bn
- 27 stocks; $543bn
- 15 stocks; $100bn
- 27 stocks; $543bn
July 20, 2015

Health Care

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Biotech
124 stocks; $981bn

Pharma
97 stocks; $2981bn

LfSciSrv
31 stocks; $202bn

HCareTec
20 stocks; $63bn

HCEquip
71 stocks; $87bn

HCDistrib
15 stocks; $154bn

HCService
36 stocks; $246bn

MngHCare
74 stocks; $293bn

HCsupps
30 stocks; $114bn

HCFacility
33 stocks; $159bn

124 stocks; $981bn

Pharma
97 stocks; $2981bn

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HCFacility
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July 20, 2015

Information Technology

Mark Steele (416) 359-4641

ITConsult
48 stocks; $587bn

HmEntSwr
17 stocks; $108bn

InetSftSrv
105 stocks; $1265bn

ComEquip
53 stocks; $441bn

DataProc
46 stocks; $666bn

ApplicSwr
82 stocks; $478bn

HdwrSt&P
49 stocks; $1276bn

ElecComp
49 stocks; $216bn

SystmSwr
38 stocks; $701bn

TechDist
15 stocks; $37bn

EmS
98 stocks; $774bn

EMS
20 stocks; $119bn

Eleclinstr
42 stocks; $157bn

SemiEqp
40 stocks; $177bn

Semi
98 stocks; $774bn
## Telecommunication Services

<table>
<thead>
<tr>
<th>Momentum</th>
<th>Strength</th>
</tr>
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<tr>
<td><strong>IntgTelSrv</strong></td>
<td>59 stocks; $1317bn</td>
</tr>
<tr>
<td><strong>AltCar</strong></td>
<td>16 stocks; $63bn</td>
</tr>
<tr>
<td><strong>WlsTelSrv</strong></td>
<td>47 stocks; $999bn</td>
</tr>
</tbody>
</table>
Momentum

July 20, 2015

Mark Steele (416) 359-4641

Utilities

IPPTrad
24 stocks; $116bn

MultiUtil
39 stocks; $452bn

ElecUtil
83 stocks; $858bn

RenewElec
23 stocks; $59bn

WaterUtil
22 stocks; $72bn

GasUtil
37 stocks; $209bn
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 are 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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Company Specific Disclosures
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 (March 31, 2015)

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<tr>
<td>Buy</td>
<td>Outperform</td>
<td>43.7%</td>
<td>18.6%</td>
<td>58.2%</td>
<td>42.7%</td>
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<td>Market Perform</td>
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<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.

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.

BMO Capital Markets' seven Top 15 lists guide investors to our best ideas according to different objectives (CDN Large Cap, CDN Small Cap, US Large Cap, US Small Cap, Income, CDN Quant, and US Quant have replaced the Top Pick rating).

Prior BMO Capital Markets Rating System (January 4, 2010 - April 4, 2013)

Other Important Disclosures
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