Group Selection

Priced as of November 16, 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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### Sector Relative Strength Profiles*

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>61% / 57% / 55%</td>
<td>* / * / *</td>
<td>5% / 10% / 11%</td>
</tr>
<tr>
<td>Materials</td>
<td>70% / 66% / 65%</td>
<td>** / * / *</td>
<td>-4% / 0% / 1%</td>
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<tr>
<td>Industrials</td>
<td>57% / 51% / 47%</td>
<td>* / * / *</td>
<td>-1% / 4% / 7%</td>
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<tr>
<td>CMR Disc</td>
<td>56% / 50% / 48%</td>
<td>* / * / *</td>
<td>2% / 7% / 7%</td>
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<tr>
<td>CMR Stap</td>
<td>69% / 61% / 58%</td>
<td>* / * / *</td>
<td>-2% / 0% / 2%</td>
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<tr>
<td>Hlth Care</td>
<td>43% / 37% / 35%</td>
<td>* / * / *</td>
<td>2% / 7% / 7%</td>
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<tr>
<td>Financials</td>
<td>56% / 48% / 45%</td>
<td>* / * / *</td>
<td>-8% / 0% / 0%</td>
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<tr>
<td>Info Tech</td>
<td>52% / 47% / 45%</td>
<td>* / * / *</td>
<td>2% / 5% / 8%</td>
</tr>
<tr>
<td>Telecom</td>
<td>71% / 63% / 63%</td>
<td>** / * / *</td>
<td>-11% / -5% / -4%</td>
</tr>
<tr>
<td>Utilities</td>
<td>66% / 59% / 53%</td>
<td>* / * / *</td>
<td>-8% / -3% / -1%</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 (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

November 16, 2010

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Energy

OG Drill
31 stocks; $100bn

OG Equip
76 stocks; $38bn

OG StTr
51 stocks; $280bn

OG E&P
216 stocks; $940bn

OG RfMkt
43 stocks; $225bn

Coal & Uran
52 stocks; $158bn

Int O&G
38 stocks; $215bn
**Consumer Staples**

- **November 16, 2010**
- **Mark Steele (416) 359-4641**

### Consumer Staples

- **Momentum**
  - **FdRetail**
    - 34 stocks, $275bn
  - **Dist&Vnt**
    - 14 stocks, $146bn
  - **SoftDrinks**
    - 15 stocks, $307bn
  - **SprCntrs**
    - 16 stocks, $422bn
  - **HhldPrdct**
    - 14 stocks, $347bn
  - **AgriProd**
    - 29 stocks, $136bn

- **Strength**
  - **Brewers**
    - 16 stocks, $385bn
  - **PkgFdMt**
    - 89 stocks, $674bn
  - **DrugRetail**
    - 10 stocks, $88bn
  - **FdDistri**
    - 11 stocks, $32bn
  - **PersPrdct**
    - 27 stocks, $178bn
  - **Tobacco**
    - 16 stocks, $385bn

**Total: 14 stocks, $275bn; 14 stocks, $146bn; 15 stocks, $307bn; 16 stocks, $422bn; 14 stocks, $347bn; 29 stocks, $136bn; 16 stocks, $385bn; 89 stocks, $674bn; 10 stocks, $88bn; 11 stocks, $32bn; 27 stocks, $178bn**
Telecommunication Services

November 16, 2010

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WlsTelSrv
46 stocks; $913bn

IntgTelSrv
66 stocks; $1118bn

AltCar
16 stocks; $29bn
Utilities

GasUtil
30 stocks; $141bn

WaterUtil
23 stocks; $34bn

MultiUtil
41 stocks; $408bn

ElecUtil
76 stocks; $887bn

IPPTrad
59 stocks; $176bn

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Momentum

Strength
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 group’s 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).
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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<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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<tr>
<td>Buy</td>
<td>Outperform</td>
<td>36.5%</td>
<td>13.6%</td>
<td>40.7%</td>
<td>40.4%</td>
<td>49.1%</td>
<td>55.4%</td>
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<tr>
<td>Hold</td>
<td>Market Perform</td>
<td>60.2%</td>
<td>11.3%</td>
<td>55.9%</td>
<td>55.6%</td>
<td>49.1%</td>
<td>39.7%</td>
</tr>
<tr>
<td>Sell</td>
<td>Underperform</td>
<td>3.3%</td>
<td>12.5%</td>
<td>3.4%</td>
<td>4.0%</td>
<td>1.9%</td>
<td>4.8%</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.
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We use the following ratings system definitions:

- **OP** = Outperform - Forecast to outperform the market;
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- **Und** = Underperform - Forecast to underperform the market;
- (S) = speculative investment;
- **NR** = No rating at this time;
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