Group Selection
Priced as of February 29, 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 View

Hyperlink | % Outperforming | Reward/Risk | Trend Psn |
-----------|----------------|-------------|-----------|
US/GBL/CDA | US/GBL/CDA     | US/GBL/CDA  |

- Energy: 33% / 46% / 58% | 9% / 6% / 0% |
- Materials: 22% / 30% / 41% | 11% / 8% / 4% |
- Industrials: 42% / 53% / 66% | 5% / 2% / -4% |
- CMR Disc: 37% / 49% / 62% | 12% / 7% / 1% |
- CMR Stap: 34% / 48% / 70% | 3% / -2% / -13% |
- Hlth Care: 38% / 50% / 62% | 3% / -2% / -6% |
- Financials: 36% / 52% / 64% | 3% / -1% / -4% |
- Info Tech: 38% / 49% / 59% | 10% / 4% / 0% |
- Telecom: 24% / 31% / 45% | 5% / 2% / -7% |
- Utilities: 24% / 39% / 61% | -10% / -15% / -27% |

*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 (top/bottom 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.
Strength Changes Last Session

February 29, 2012

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Momentum

Strength

February 29, 2012

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Energy

OG Equip → Int O&G → OG Drill ← OG E&P →
78 stocks; $434bn
37 stocks; $2485bn
30 stocks; $116bn
225 stocks; $1097bn

OG StTr ↓ OG RfMkt ← Coal&Uran
71 stocks; $427bn
45 stocks; $259bn
51 stocks; $163bn
51 stocks; $163bn

78 stocks; $434bn
37 stocks; $2485bn
30 stocks; $116bn
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71 stocks; $427bn
45 stocks; $259bn
51 stocks; $163bn
51 stocks; $163bn
February 29, 2012

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Industrials

AirFrght  
18 stocks; $155bn

Cns&Eng  
72 stocks; $266bn

Hwy&Rail  
3 stocks; $58bn

BidPrdcts  
28 stocks; $95bn

HREmpl  
18 stocks; $37bn

DvSpSrv  
26 stocks; $64bn

IndCongl  
35 stocks; $72bn

MarineSrv  
14 stocks; $56bn

Enviroserv  
13 stocks; $71bn

Railroads  
20 stocks; $273bn

AirprtSrv  
10 stocks; $59bn

CmclPrt  
13 stocks; $21bn

Sec&Alm  
8 stocks; $29bn

TrdgDist  
4 stocks; $56bn

Truckng  
31 stocks; $53bn

Ind Mach  
99 stocks; $465bn

RsrcCslt  
30 stocks; $94bn

CnstFmM  
62 stocks; $402bn

HvyElcEq  
21 stocks; $128bn

ElcCmpEq  
44 stocks; $199bn

Airline  
37 stocks; $117bn

OfficeServ  
14 stocks; $21bn

Marine  
37 stocks; $86bn

Aero&Def  
52 stocks; $493bn
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.
IMPORTANT DISCLOSURES

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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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<table>
<thead>
<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>35.8%</td>
<td>11.9%</td>
<td>31.8%</td>
<td>40.7%</td>
<td>44.2%</td>
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<td>Hold</td>
<td>Market Perform</td>
<td>62.2%</td>
<td>14.7%</td>
<td>68.2%</td>
<td>56.2%</td>
<td>54.6%</td>
<td>39.3%</td>
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<tr>
<td>Sell</td>
<td>Underperform</td>
<td>2.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>3.0%</td>
<td>1.3%</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.
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Und = Underperform - Forecast to underperform the market;
(S) = speculative investment;
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