Group Selection

Priced as of October 15, 2014

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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</thead>
<tbody>
<tr>
<td>Energy</td>
<td>34% / 40% / 35%</td>
<td>-51% / -50% / -28%</td>
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</tr>
<tr>
<td>Materials</td>
<td>33% / 39% / 34%</td>
<td>-7% / -6% / 17%</td>
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<tr>
<td>Industrials</td>
<td>28% / 35% / 30%</td>
<td>-1% / 2% / 32%</td>
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</tr>
<tr>
<td>CMR Disc</td>
<td>30% / 38% / 33%</td>
<td>11% / 13% / 41%</td>
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<tr>
<td>CMR Stap</td>
<td>36% / 41% / 37%</td>
<td>16% / 22% / 50%</td>
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<tr>
<td>Financials</td>
<td>47% / 56% / 50%</td>
<td>13% / 15% / 35%</td>
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<tr>
<td>Financials</td>
<td>33% / 48% / 37%</td>
<td>22% / 26% / 56%</td>
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</tr>
<tr>
<td>Info Tech</td>
<td>39% / 46% / 41%</td>
<td>-1% / 1% / 24%</td>
<td></td>
</tr>
<tr>
<td>Telecom</td>
<td>39% / 45% / 39%</td>
<td>2% / 9% / 38%</td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td>34% / 52% / 45%</td>
<td>26% / 32% / 56%</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
October 15, 2014

Energy

Momentum

Strength

OG Drill
33 stocks; $91bn

OG Equip
85 stocks; $415bn

Coal & Uran
21 stocks; $93bn

OG E&P
211 stocks; $1036bn

OG StTr
92 stocks; $987bn

OG RfMkt
50 stocks; $340bn

Int O&G
35 stocks; $1943bn

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<table>
<thead>
<tr>
<th>Sector</th>
<th>Strength</th>
<th>Momentum</th>
<th>Stocks</th>
<th>Market Cap</th>
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<tr>
<td>Apparel Retail</td>
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<td>17</td>
<td>$336bn</td>
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<tr>
<td>Movie &amp; Entertainment</td>
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<td></td>
<td>13</td>
<td>$39bn</td>
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<tr>
<td>Home Appliances</td>
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<td>12</td>
<td>$49bn</td>
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<tr>
<td>Footwear</td>
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<td></td>
<td>13</td>
<td>$88bn</td>
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<tr>
<td>Home Furnishings</td>
<td></td>
<td></td>
<td>13</td>
<td>$36bn</td>
</tr>
<tr>
<td>Home Improvement</td>
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<td>15</td>
<td>$112bn</td>
</tr>
<tr>
<td>Auto Retail</td>
<td></td>
<td></td>
<td>19</td>
<td>$80bn</td>
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<tr>
<td>Motorycle Mfg</td>
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<td>3</td>
<td>$27bn</td>
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<tr>
<td>Food &amp; Drug</td>
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<td>11</td>
<td>$21bn</td>
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<tr>
<td>Grocery Stores</td>
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<td>$112bn</td>
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<tr>
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<td>$112bn</td>
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<tr>
<td>Auto Mfg</td>
<td></td>
<td></td>
<td>15</td>
<td>$112bn</td>
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*Market Cap values are in billions of dollars.*
Financials

October 15, 2014

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Momentum

Strength
October 15, 2014

Telecommunication Services

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IntgTelSrv ↑
68 stocks; $1295bn

WlsTelSrv ↓
46 stocks; $958bn

AltCar
16 stocks; $55bn
<table>
<thead>
<tr>
<th>Momentum</th>
<th>Strength</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ElecUtil</strong></td>
<td>85 stocks; $908bn</td>
</tr>
<tr>
<td><strong>WaterUtil</strong></td>
<td>39 stocks; $63bn</td>
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<tr>
<td><strong>GasUtil</strong></td>
<td>36 stocks; $210bn</td>
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<tr>
<td><strong>IPPTrad</strong></td>
<td>24 stocks; $118bn</td>
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<tr>
<td><strong>MultiUtil</strong></td>
<td>39 stocks; $465bn</td>
</tr>
<tr>
<td><strong>RenewElec</strong></td>
<td>20 stocks; $49bn</td>
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</table>
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 members are 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.
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”
- 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

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Distribution of Ratings (March 31, 2014)

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<td>Buy</td>
<td>Outperform</td>
<td>42.0%</td>
<td>21.3%</td>
<td>60.7%</td>
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<td>Hold</td>
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<td>52.8%</td>
<td>10.8%</td>
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<td>Sell</td>
<td>Underperform</td>
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<td>1.1%</td>
<td>6.3%</td>
<td>2.7%</td>
<td>5.6%</td>
<td></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.

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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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