Group Selection
Priced as of July 19, 2013

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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Table of Contents

3. Sector View
4. Strength Changes Last Session
5. Resource Summary
6. Energy
7. Materials
8. Industrials
9. Consumer Discretionary
10. Consumer Staples
11. Health Care
12. Financials
13. Information Technology
14. Telecom
15. Utilities
16. User Guide
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 (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.
July 19, 2013

Momentum

Strength

OG Drill
32 stocks; $127bn

OG Equip
32 stocks; $448bn

OG StTr
75 stocks; $549bn

Int O&G
35 stocks; $2140bn

Coal&Uran
37 stocks; $1703bn

OG E&P
226 stocks; $1090bn

OG RfMkt
50 stocks; $324bn

OG Equip

OG StTr

OG Drill

Int O&G

Coal&Uran

OG E&P

OG RfMkt

Energy

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Momentum

Strength

July 19, 2013

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Industrials

ElcCmpEq
40 stocks; $245bn

EnviroServ
28 stocks; $64bn

Cns&Eng
74 stocks; $259bn

CnstFmM
61 stocks; $346bn

HvyElcEq
19 stocks; $115bn

CmcIPrt
14 stocks; $22bn

Ind Mach
106 stocks; $515bn

Railroads
22 stocks; $357bn

IndCongl
41 stocks; $630bn

Aero&Def
87 stocks; $676bn

Sec&Alm
7 stocks; $52bn

MarineSrv
13 stocks; $43bn

AirprtSrv
11 stocks; $40bn

AirFrght
20 stocks; $192bn

Marine
28 stocks; $768bn

Airline
28 stocks; $163bn

OfficeServ
13 stocks; $24bn

Trucking
29 stocks; $124bn

Hwy&Rail
4 stocks; $38bn

TrdgDist
49 stocks; $255bn

RsrcCslt
29 stocks; $124bn

BldPrdcts
32 stocks; $125bn

DvSpSrv
28 stocks; $74bn

OffceServ
13 stocks; $24bn

Trucking
29 stocks; $68bn

TrdgDist
49 stocks; $255bn
Momentum

Strength

Consumer Staples

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July 19, 2013

Health Care

Momentum

Strength

MngHCare  13 stocks; $175bn

HCEquip  77 stocks; $462bn
HCSupps  26 stocks; $72bn
Biotech  107 stocks; $544bn

HCareTec  13 stocks; $34bn

HCDistrib  13 stocks; $88bn

HCSuppls  26 stocks; $72bn

HCFacility  29 stocks; $74bn

HCService  32 stocks; $174bn

Pharma  84 stocks; $214bn

LfSciSrv  29 stocks; $129bn

HCService  32 stocks; $174bn

Pharma  84 stocks; $214bn

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HCDistrib  13 stocks; $88bn

HCSuppls  26 stocks; $72bn

HCFacility  29 stocks; $74bn

HCService  32 stocks; $174bn

Pharma  84 stocks; $214bn

LfSciSrv  29 stocks; $129bn
Telecommunication Services

Momentum

Strength

July 19, 2013

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WlsTelSrv
24 stocks; $968bn

IntgTelSrv
62 stocks; $1155bn

AltCar
13 stocks; $41bn
Utilities

GasUtil
32 stocks; $182bn

MultiUtil
38 stocks; $431bn

ElecUtil
67 stocks; $804bn

IPPTrad
43 stocks; $150bn

WaterUtil
20 stocks; $54bn

July 19, 2013
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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.
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”
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.
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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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</thead>
<tbody>
<tr>
<td>Buy</td>
<td>Outperform</td>
<td>37.0%</td>
<td>17.7%</td>
<td>52.0%</td>
<td>38.5%</td>
<td>50.5%</td>
<td>54.0%</td>
</tr>
<tr>
<td>Hold</td>
<td>Market Perform</td>
<td>60.7%</td>
<td>9.6%</td>
<td>47.1%</td>
<td>57.3%</td>
<td>48.4%</td>
<td>40.6%</td>
</tr>
<tr>
<td>Sell</td>
<td>Underperform</td>
<td>2.4%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>4.2%</td>
<td>1.0%</td>
<td>5.4%</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;
- **Mkt** = Market Perform - Forecast to perform roughly in line with the market;
- **Und** = Underperform - Forecast to underperform the market;
- **(S)** = speculative investment;
- **NR** = No rating at this time;
- **R** = Restricted - Dissemination of research is currently restricted.

Market performance is measured by a benchmark index such as the S&P/TSX Composite Index, S&P 500, Nasdaq Composite, as appropriate for each company. BMO Capital Markets eight Top 15 lists guide investors to our best ideas according to different objectives (Canadian large, small, growth, value, income, quantitative; and US large, US small) have replaced the Top Pick rating.

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