SPIX User’s Guide

This short User’s Guide is intended to help you:
- better understand the different types of information provided to you by SPIX,
- better use the SPIX data in your stock picking activities.

1. Objective of SPIX

Basically, the SPIX function gives you, on a monthly basis, the companies (in Canada and the US) that perform the best from an Economic Performance standpoint.

StockPointer gives you 10 different SPIX:
- Canadian Top 25 - US Top 25 Large Cap
- Canadian Top 50 - US Top 50 Large Cap
- Canadian Top 100 - US Top 100 Large Cap
- Canadian Top 25 Mid Cap - US Top 100 Mid Cap
- Canadian Top 30 Buy/Hold 3-Months - US Top 30 Buy/Hold 3-Months.

The stocks included in the different SPIX lists should not be considered as constituting a portfolio that is recommended by StockPointer. Yes indeed, many factors like sector weighting are not at all considered in the stock choices.

2. How do we measure the Economic Performance

All SPIX lists use the same criterions to measure the economic performance and rank the 7,000 Canadian and US companies that are supported by StockPointer:

- The Economic Performance Index (which is equal to Return on Capital at Book Value / Cost of capital) is used to identify the best companies (either 25, 30, 50 or 100 depending on the SPIX that is requested) that satisfy the other three criterions that follow:
- The Relative Economic Performance Index (equal to Return on Capital at Market Value / Cost of Capital) needs to be greater than 0.8;
- The Market Value of the company has to be greater than a certain amount, depending on the requested SPIX;
- The Price / Intrinsic Value has to be greater than 0.4 but lower than 2.5.

All SPIX are updated on the last working day of the month, except the two Top-30 Buy/Hold lists which are updated only on the last day of the quarter.
3. Accessing the SPIX

The SPIX function is activated using the box shown below, which appears in the main menu:

![SPIX menu](image)

and then using the down arrow of the drop-down menu to choose the desired SPIX amongst the ones that are 10 available.

Then you will have access to three different screens:

- The SPIX performance; this is the screen that is automatically opened when you call for a SPIX;
- The list of companies that have been chosen for the current month or quarter;
- The historical moves of companies in and out of the covered SPIX.

These different screens are accessed by clicking on the down arrow of the following menu located at the top of the page and picking up on the desired one:

![Report menu](image)

3.1. The overall Economic Performance (the Summary screen)

The Economic Performance screen gives you a graphical comparison, over the last years (since January 2000), of the companies identified by SPIX with its comparable index, either TXS or S&P 500.

This is also where the backed dated performance of the SPIX is made available.

Finally, the companies that were included in the SPIX of each anterior month are accessible by clicking on the SPIX value (number in blue) for that month.

3.2. The list of companies composing the SPIX (the Constituents screen)

This screen gives you the list of companies composing the requested SPIX.

You can sort this list on any field, simply by clicking on the small bubble appearing at the top of each column.
3.3. The historical data (the Activity screen)

The Activity screen shows what happened, over the last years to the contents of the SPiX.

Again, clicking in the bubble on top of each column will sort the list on that column. For example, if you want to see the ins and outs of a company in a SPiX, just sort the list by Company name and you will see if the company ever made the SPiX, when, for how long, etc.

<table>
<thead>
<tr>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

4. To go from a SPiX to another

To go from a SPiX to another, simply click on the down arrow of the following drop-down menu and choose the desired one:

```
PORTFOLIO
CDN Top25
CDN Top25
CDN Top50
CDN Top100
CDN Top25-MidCap
CDN Top30-Buy/Hold-3m
US Top25-LargeCap
US Top50-LargeCap
US Top100-LargeCap
US Top100-MidCap
US Top30-Buy/Hold-3m
```