

The consumer staples, retail and industrial products sectors all moved up into the top 5 of our sector attractiveness rankings. The three sectors that have been displaced from the top 5 include the transportation, financials and the construction sectors. At the bottom in of our rankings the consumer discretionary stocks moved up and out of the bottom 5 group, swapping positions with the basic materials sector.

In every instance, changes in the technical outlook proved to be the driving factor in the observed ranking moves. The exceptions were the retail and industrial products sectors, where an improving fundamental outlook drove the change. From a thematic standpoint, we note that all of the consumer-oriented sectors moved up in our rankings (consumer staples, retail and consumer discretionary).

Table 1 – Current Sector Rankings and Changed from Last Report (as of February 2, 2018)

	PREVIOUS INTEGRATED RANK	CURRENT INTEGRATED RANK	CHANGE IN RANK
CONGLOMERATES	1	1	0
CONSUMER STAPLES	10	2	8
INDUSTRIAL PRODUCTS	7	3	4
RETAIL-WHOLESALE	11	4	7
UTILITIES	4	5	-1
TRANSPORTATION	2	6	-4
AEROSPACE	8	7	1
AUTO-TIRES-TRUCKS	6	8	-2
CONSUMER DISCRETIONARY	12	9	3
FINANCE	5	10	-5
CONSTRUCTION	3	11	-8
COMPUTER AND TECHNOLOGY	15	12	3
BUSINESS SERVICES	13	13	0
BASIC MATERIALS	9	14	-5
MEDICAL	16	15	1
OILS-ENERGY	14	16	-2

Table 2 – Current Sector Rankings with Rankings for Absolute-Scale & Relative-Scale Metrics

SECTOR	CURRENT INTEGRATED RANK	ABSOLUTE-SCALE METRICS		RELATIVE-SCALE METRICS			
		Technical Outlook RANK	Fundamental Outlook RANK	CURRENT RELATIVE SCALE RANK	VALUATION RANK	TECHNICAL RANK	CATALYTIC RANK
CONGLOMERATES	1	3	1	6	13	4	5
CONSUMER STAPLES	2	2	8	9	9	2	12
INDUSTRIAL PRODUCTS	3	10	6	10	11	8	6
RETAIL-WHOLESALE	4	6	2	1	2	5	4
UTILITIES	5	1	16	12	1	1	16
TRANSPORTATION	6	7	5	3	5	10	3
AEROSPACE	7	15	3	13	16	16	1
AUTO-TIRES-TRUCKS	8	14	7	7	3	14	8
CONSUMER DISCRETIONARY	9	11	9	11	10	13	11
FINANCE	10	4	12	4	7	3	7
CONSTRUCTION	11	16	4	5	8	7	9
COMPUTER AND TECHNOLOGY	12	9	13	16	12	12	15
BUSINESS SERVICES	13	12	11	15	14	15	14
BASIC MATERIALS	14	13	10	8	6	9	10
MEDICAL	15	8	15	14	15	11	13
OILS-ENERGY	16	5	14	2	4	6	2

Table 3 – Historical Sector Rankings (last 12 months)

SECTOR	Current Sector Rank 02/02/2018	DEC 2017	NOV 2017	OCT 2017	SEP 2017	AUG 2017	JUL 2017	JUN 2017	MAY 2017	APR 2017	MAR 2017	FEB 2017	JAN 2017	AVG HST RANK
CONGLOMERATES	1	7	1	7	15	10	14	1	1	16	13	16	16	9.8
CONSUMER STAPLES	2	16	15	16	11	15	11	14	9	11	6	11	15	12.5
INDUSTRIAL PRODUCTS	3	3	2	5	3	4	5	4	4	2	5	2	6	3.8
RETAIL-WHOLESALE	4	15	16	11	14	13	13	13	14	13	9	7	4	11.8
UTILITIES	5	13	8	8	9	8	10	15	16	9	8	14	10	10.7
TRANSPORTATION	6	12	14	14	13	12	4	12	12	10	15	13	13	12.0
AEROSPACE	7	8	11	15	5	2	1	9	13	14	7	5	8	8.2
AUTO-TIRES-TRUCKS	8	4	6	1	10	6	6	10	2	6	12	10	9	6.8
CONSUMER DISCRETIONARY	9	10	10	2	1	3	9	8	5	15	14	9	12	8.2
FINANCE	10	1	12	10	4	1	3	2	7	3	2	3	3	4.3
CONSTRUCTION	11	5	7	6	6	7	2	3	6	5	3	4	14	5.7
COMPUTER AND TECHNOLOGY	12	6	3	3	2	5	8	6	10	8	10	12	7	6.7
BUSINESS SERVICES	13	11	9	13	7	9	7	5	8	7	11	8	2	8.1
BASIC MATERIALS	14	2	4	4	12	16	15	16	11	4	4	6	5	8.3
MEDICAL	15	14	13	9	8	14	12	11	15	12	16	15	11	12.5
OILS-ENERGY	16	9	5	12	16	11	16	7	3	1	1	1	1	6.9

Table 4 – Highlighted Names from Most and Least Attractive Sectors (February 2, 2018)

**Most Attractive Names
from the
Most Attractive Sectors**

Polaris All-Cap Core Universe		
	Company	Ticker
<u>CONGLOMERATES</u>		
1	Utd Techs Corp	UTX
2	Honeywell Intl	HON
3	3M Co	MMM
<u>CONSUMER STAPLES</u>		
1	Meredith Corp	MDP
2	Kimberly Clark	KMB
3	Procter & Gambl	PG
<u>INDUSTRIAL PRODUCTS</u>		
1	Fortune Brd H&S	FBHS
2	Crown Hldgs Inc	CCK
3	Manitowoc Inc	MTW
<u>RETAIL-WHOLESALE</u>		
1	Brinker Intl	EAT
2	Ulta Beauty Inc	ULTA
3	Sally Beauty Co	SBH
<u>UTILITIES</u>		
1	Pg&E Corp	PCG
2	Dominion Energy	D
3	Telephone &Data	TDS

**Least Attractive Names
from the
Least Attractive Sectors**

Polaris All-Cap Core Universe		
	Company	Ticker
<u>OILS-ENERGY</u>		
1	Buckeye Partnrs	BPL
2	Energy Tran Eqt	ETE
3	Spectra Egy Ptr	SEP
<u>MEDICAL</u>		
1	Radius Health	RDUS
2	Nevro Corp	NVRO
3	Exact Sciences	EXAS
<u>BASIC MATERIALS</u>		
1	Bunge Ltd	BG
2	Eldorado Gold	EGO
3	Hudbay Minerals	HBM
<u>BUSINESS SERVICES</u>		
1	Stericycle Inc	SRCL
2	Evertec Inc	EVTC
3	Cardtronics Plc	CATM
<u>COMPUTER AND TECHNOLOGY</u>		
1	Skyworks Solutn	SWKS
2	Autodesk Inc	ADSK
3	Acxiom Corp	ACXM

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Brian T. Hannon, CFA

Sr. VP & Director of Equity Research

Sturdivant & Co., Inc.

(856) 433-6126

bhannon@sturdivant-co.com

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