

Underlying model scores across every core factor improved for the utilities sector. As a result, the utilities moved up into the top 5 group. The transportation sector was displaced from the top 5 as the fundamental outlook, including catalytic properties, deteriorated. The business services sector broke out of the bottom 5 group on strength in both the technical and fundamental outlook. We also should note that the energy and healthcare sectors have now remained in the bottom 5 group for the last 6 weeks.

Table 1 – Current Sector Rankings and Changed from Last Report (as of February 16, 2018)

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

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

Table 3 – Historical Sector Rankings (last 12 months)

SECTOR	Current Sector Rank 02/16/2018	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
CONSUMER STAPLES	1	16	15	16	11	15	11	14	9	11	6	11	15	12.5
INDUSTRIAL PRODUCTS	2	3	2	5	3	4	5	4	4	2	5	2	6	3.8
UTILITIES	3	13	8	8	9	8	10	15	16	9	8	14	10	10.7
CONGLOMERATES	4	7	1	7	15	10	14	1	1	16	13	16	16	9.8
AUTO-TIRES-TRUCKS	5	4	6	1	10	6	6	10	2	6	12	10	9	6.8
RETAIL-WHOLESALE	6	15	16	11	14	13	13	13	14	13	9	7	4	11.8
CONSTRUCTION	7	5	7	6	6	7	2	3	6	5	3	4	14	5.7
TRANSPORTATION	8	12	14	14	13	12	4	12	12	10	15	13	13	12.0
BUSINESS SERVICES	9	11	9	13	7	9	7	5	8	7	11	8	2	8.1
CONSUMER DISCRETIONARY	10	10	10	2	1	3	9	8	5	15	14	9	12	8.2
AEROSPACE	11	8	11	15	5	2	1	9	13	14	7	5	8	8.2
FINANCE	12	1	12	10	4	1	3	2	7	3	2	3	3	4.3
COMPUTER AND TECHNOLOGY	13	6	3	3	2	5	8	6	10	8	10	12	7	6.7
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 16, 2018)

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

Polaris All-Cap Core Universe		
	Company	Ticker
<u>CONSUMER STAPLES</u>		
1	British Am Tob	BTI
2	Coca Cola Bottl	COKE
3	Procter & Gambl	PG
<u>INDUSTRIAL PRODUCTS</u>		
1	Regal Beloit	RBC
2	Berry Globl Grp	BERY
3	Crown Hldgs Inc	CCK
<u>UTILITIES</u>		
1	Pg&E Corp	PCG
2	Cms Energy	CMS
3	Xcel Energy Inc	XEL
<u>CONGLOMERATES</u>		
1	Crane Co	CR
2	Leucadia Natl	LUK
3	Utd Techs Corp	UTX
<u>AUTO-TIRES-TRUCKS</u>		
1	Cooper Tire	CTB
2	Tenneco Inc	TEN
3	Paccar Inc	PCAR

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

Polaris All-Cap Core Universe		
	Company	Ticker
<u>OILS-ENERGY</u>		
1	Plains All Amer	PAA
2	Oil States Intl	OIS
3	Core Labs Nv	CLB
<u>MEDICAL</u>		
1	Nevro Corp	NVRO
2	Momenta Pharma	MNTA
3	Therapeutics Md	TXMD
<u>BASIC MATERIALS</u>		
1	Bunge Ltd	BG
2	Royal Gold Inc	RGLD
3	Mineral Tech	MTX
<u>COMPUTER AND TECHNOLOGY</u>		
1	Oclaro Inc	OCLR
2	Skyworks Solutn	SWKS
3	Intl Bus Mach	IBM
<u>FINANCE</u>		
1	Ares Cap Cp	ARCC
2	Blackhawk Netwk	HAWK
3	Alexandria Real	ARE

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