

The utilities sector has fallen sharply in our sector attractiveness rankings (from #5 to #16) due to technical weakness and deterioration in valuation properties. By comparison, other changes in our rankings were modest, including the conglomerates sector which slipped out of the top 5 on slight erosion in the fundamental outlook. In an equally modest move, the construction sector rose into the top 5 due to some improvement in underlying technical properties.

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

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

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

Table 3 – Historical Sector Rankings (last 12 months)

SECTOR	Current Sector Rank 03/16/2018	JAN 2018	DEC 2017	NOV 2017	OCT 2017	SEP 2017	AUG 2017	JUL 2017	JUN 2017	MAY 2017	APR 2017	MAR 2017	FEB 2017	AVG HST RANK
CONSUMER STAPLES	1	1	6	16	15	16	11	15	11	14	9	11	6	10.9
AUTO-TIRES-TRUCKS	2	7	9	6	6	1	10	6	6	10	2	6	12	6.8
CONSTRUCTION	3	3	7	2	7	6	6	7	2	3	6	5	3	4.8
CONSUMER DISCRETIONARY	4	8	11	10	10	2	1	3	9	8	5	15	14	8.0
INDUSTRIAL PRODUCTS	5	2	3	4	2	5	3	4	5	4	4	2	5	3.6
CONGLOMERATES	6	4	1	7	1	7	15	10	14	1	1	16	13	7.5
BUSINESS SERVICES	7	6	12	11	9	13	7	9	7	5	8	7	11	8.8
RETAIL-WHOLESALE	8	9	5	15	16	11	14	13	13	13	14	13	9	12.1
TRANSPORTATION	9	12	2	13	14	14	13	12	4	12	12	10	15	11.1
COMPUTER AND TECHNOLOGY	10	11	15	5	3	3	2	5	8	6	10	8	10	7.2
BASIC MATERIALS	11	13	13	3	4	4	12	16	15	16	11	4	4	9.6
AEROSPACE	12	15	8	8	11	15	5	2	1	9	13	14	7	9.0
FINANCE	13	10	10	1	12	10	4	1	3	2	7	3	2	5.4
MEDICAL	14	14	16	14	13	9	8	14	12	11	15	12	16	12.8
OILS-ENERGY	15	16	14	9	5	12	16	11	16	7	3	1	1	9.3
UTILITIES	16	5	4	12	8	8	9	8	10	15	16	9	8	9.3

Table 4 – Highlighted Names from Most and Least Attractive Sectors (March 16, 2018)

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

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

Polaris All-Cap Core Universe		
	Company	Ticker
	<u>CONSUMER STAPLES</u>	
1	Gannett Co Inc	GCI
2	Pilgrims Pride	PPC
3	Post Holdings	POST
	<u>AUTO-TIRES-TRUCKS</u>	
1	Allison Transmn	ALSN
2	Dana Inc	DAN
3	Tenneco Inc	TEN
	<u>CONSTRUCTION</u>	
1	Us Concrete Inc	USCR
2	Thor Inds Inc	THO
3	Acuity Brands	AYI
	<u>CONSUMER DISCRETIONARY</u>	
1	Mohawk Inds Inc	MHK
2	Sinclair Broadc	SBGI
3	Gray Televsn	GTN
	<u>INDUSTRIAL PRODUCTS</u>	
1	Valmont Inds	VMI
2	Crown Hldgs Inc	CCK
3	Berry Globl Grp	BERY

Polaris All-Cap Core Universe		
	Company	Ticker
	<u>UTILITIES</u>	
1	Westar Energy	WR
2	Amer Water Work	AWK
3	Northwest Nat G	NWN
	<u>OILS-ENERGY</u>	
1	Parsley Engy-A	PE
2	Kosmos Energy	KOS
3	Plains Gp Hldgs	PAGP
	<u>MEDICAL</u>	
1	Nevro Corp	NVRO
2	China Biologic	CBPO
3	Ionis Pharmact	IONS
	<u>FINANCE</u>	
1	Equity Commonwl	EQC
2	Education Rlty	EDR
3	Coresite Realty	COR
	<u>AEROSPACE</u>	
1	Esterline Techn	ESL
2	Embraer Air-Adr	ERJ
3	Flir Systems	FLIR

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