

Changes in this week's sector attractiveness rankings amounted to little more than subtle position shifts. At the top end, the construction and conglomerates sectors swapped between the #1 and #4 positions while the consumer discretionary and industrial products sectors swapped between #5 and #6. We also note that the retail sector has fallen into the bottom 5 group due to deterioration in the fundamental outlook as indicated by the trend in earnings revisions.

Table 1 – Current Sector Rankings and Changed from Last Report (as of April 6, 2018)

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

Table 3 – Historical Sector Rankings (last 12 months)

SECTOR	Current Sector Rank 04/06/2018	FEB 2018	JAN 2018	DEC 2017	NOV 2017	OCT 2017	SEP 2017	AUG 2017	JUL 2017	JUN 2017	MAY 2017	APR 2017	MAR 2017	AVG HST RANK
CONSTRUCTION	1	3	7	2	7	6	6	7	2	3	6	5	3	4.8
AUTO-TIRES-TRUCKS	2	7	9	6	6	1	10	6	6	10	2	6	12	6.8
CONSUMER STAPLES	3	1	6	16	15	16	11	15	11	14	9	11	6	10.9
CONGLOMERATES	4	4	1	7	1	7	15	10	14	1	1	16	13	7.5
CONSUMER DISCRETIONARY	5	8	11	10	10	2	1	3	9	8	5	15	14	8.0
INDUSTRIAL PRODUCTS	6	2	3	4	2	5	3	4	5	4	4	2	5	3.6
BUSINESS SERVICES	7	6	12	11	9	13	7	9	7	5	8	7	11	8.8
TRANSPORTATION	8	12	2	13	14	14	13	12	4	12	12	10	15	11.1
COMPUTER AND TECHNOLOGY	9	11	15	5	3	3	2	5	8	6	10	8	10	7.2
BASIC MATERIALS	10	13	13	3	4	4	12	16	15	16	11	4	4	9.6
MEDICAL	11	14	16	14	13	9	8	14	12	11	15	12	16	12.8
OILS-ENERGY	12	16	14	9	5	12	16	11	16	7	3	1	1	9.3
RETAIL-WHOLESALE	13	9	5	15	16	11	14	13	13	13	14	13	9	12.1
AEROSPACE	14	15	8	8	11	15	5	2	1	9	13	14	7	9.0
FINANCE	15	10	10	1	12	10	4	1	3	2	7	3	2	5.4
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 (April 6, 2018)

Most Attractive Names from the Most Attractive Sectors			Least Attractive Names from the Least Attractive Sectors		
Polaris All-Cap Core Universe			Polaris All-Cap Core Universe		
Company		Ticker	Company		Ticker
<u>CONSTRUCTION</u>			<u>UTILITIES</u>		
1	Us Concrete Inc	USCR	1	Southwest Gas	SWX
2	Quanta Services	PWR	2	One Gas Inc	OGS
3	Thor Inds Inc	THO	3	Westar Energy	WR
<u>AUTO-TIRES-TRUCKS</u>			<u>FINANCE</u>		
1	Dana Inc	DAN	1	Equity Commonwl	EQC
2	Navistar Intl	NAV	2	Healthcare Trst	HTA
3	Fox Factory Hld	FOXF	3	Coresite Realty	COR
<u>CONSUMER STAPLES</u>			<u>AEROSPACE</u>		
1	Sanderson Farms	SAFM	1	Aerojet Rocketd	AJRD
2	Aramark Holding	ARMK	2	Embraer Air-Adr	ERJ
3	Pilgrims Pride	PPC	3	Aar Corp	AIR
<u>CONGLOMERATES</u>			<u>RETAIL-WHOLESALE</u>		
1	Leucadia Natl	LUK	1	Sonic Corp	SONC
2	3M Co	MMM	2	Pricesmart Inc	PSMT
3	Utd Techs Corp	UTX	3	Chipotle Mexicn	CMG
<u>CONSUMER DISCRETIONARY</u>			<u>OILS-ENERGY</u>		
1	Carnival Corp	CCL	1	Canadian Solar	CSIQ
2	Discovery Com-C	DISCK	2	Parsley Engy-A	PE
3	Liberty Gbl-A	LBTYA	3	Plains Gp Hldgs	PAGP

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