

Due to positive trends in EPS revisions, the technology sector has moved into the top 5 group of our sector attractiveness rankings. The business services sector has also joined this group based on an improved technical outlook which indicates favorable price momentum expectations. The bottom 5 group now includes the conglomerates sector, which suffered from deteriorating technical scores and the consumer staples sector has fallen into this group as weakness in the fundamental outlook was significant.

Table 1 – Current Sector Rankings and Changed from Last Report (as of May 11, 2018)

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

Table 3 – Historical Sector Rankings (last 12 months)

SECTOR	Current Sector Rank 05/11/2018	MAR 2018	FEB 2018	JAN 2018	DEC 2017	NOV 2017	OCT 2017	SEP 2017	AUG 2017	JUL 2017	JUN 2017	MAY 2017	APR 2017
AUTO-TIRES-TRUCKS	1	1	7	9	6	6	1	10	6	6	10	2	6
COMPUTER AND TECHNOLOGY	2	10	11	15	5	3	3	2	5	8	6	10	8
BUSINESS SERVICES	3	3	6	12	11	9	13	7	9	7	5	8	7
INDUSTRIAL PRODUCTS	4	5	4	3	4	2	5	3	4	5	4	4	2
CONSTRUCTION	5	4	2	7	2	7	6	6	7	2	3	6	5
RETAIL-WHOLESALE	6	9	9	5	15	16	11	14	13	13	13	14	13
CONSUMER DISCRETIONARY	7	6	8	11	10	10	2	1	3	9	8	5	15
BASIC MATERIALS	8	12	13	13	3	4	4	12	16	15	16	11	4
MEDICAL	9	13	14	16	14	13	9	8	14	12	11	15	12
AEROSPACE	10	14	15	8	8	11	15	5	2	1	9	13	14
OILS-ENERGY	11	11	16	14	9	5	12	16	11	16	7	3	1
FINANCE	12	15	10	10	1	12	10	4	1	3	2	7	3
CONGLOMERATES	13	8	3	1	7	1	7	15	10	14	1	1	16
CONSUMER STAPLES	14	2	1	6	16	15	16	11	15	11	14	9	11
UTILITIES	15	16	5	4	12	8	8	9	8	10	15	16	9
TRANSPORTATION	16	7	12	2	13	14	14	13	12	4	12	12	10

Table 4 – Highlighted Names from Most and Least Attractive Sectors (May 11, 2018)

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

Polaris All-Cap Core Universe		
	Company	Ticker
<u>AUTO-TIRES-TRUCKS</u>		
1	Dana Inc	DAN
2	Tenneco Inc	TEN
3	Borg Warner Inc	BWA
<u>COMPUTER AND TECHNOLOGY</u>		
1	Arrow Electroni	ARW
2	Canon Inc Adr	CAJ
3	Symantec Corp	SYMC
<u>BUSINESS SERVICES</u>		
1	Thomson Reuters	TRI
2	Fti Consulting	FCN
3	Evertec Inc	EVTC
<u>INDUSTRIAL PRODUCTS</u>		
1	Belden Inc	BDC
2	Agco Corp	AGCO
3	Harsco Corp	HSC
<u>CONSTRUCTION</u>		
1	Thor Inds Inc	THO
2	Simpson Mfg Inc	SSD
3	Rayonier Inc	RYN

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

Polaris All-Cap Core Universe		
	Company	Ticker
<u>TRANSPORTATION</u>		
1	Utd Parcel Srvc	UPS
2	Ch Robinson Wwd	CHRW
3	Delta Air Lines	DAL
<u>UTILITIES</u>		
1	Great Plains En	GXP
2	Nj Resources	NJR
3	Wgl Hldgs Inc	WGL
<u>CONSUMER STAPLES</u>		
1	Cott Corp Que	COT
2	Lancaster Colon	LANC
3	Helen Of Troy	HELE
<u>CONGLOMERATES</u>		
1	Genl Electric	GE
2	Carlisle Cos In	CSL
3	Honeywell Intl	HON
<u>FINANCE</u>		
1	Washington Reit	WRE
2	Wells Fargo-New	WFC
3	Govt Pptys Incm	GOV

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