

The energy sector has penetrated the top 5 of our sector attractiveness rankings on both strong technical and fundamental properties. Underlying valuation, technical and catalytic factors all showed improvement in the energy sector. In another noteworthy move, the aerospace sector rose out of the bottom 5 due to an improving technical and fundamental outlook. We also note that the transportation sector remains in the bottom 5 group but did move up on technical strength.

Table 1 – Current Sector Rankings and Changed from Last Report (as of November 17, 2017)

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

Table 3 – Historical Sector Rankings (last 12 months)

SECTOR	Current Sector Rank 11/17/2017	OCT 2017	SEP 2017	AUG 2017	JUL 2017	JUN 2017	MAY 2017	APR 2017	MAR 2017	FEB 2017	JAN 2017	DEC 2016	NOV 2016	AVG HST RANK
CONGLOMERATES	1	7	15	10	14	1	1	16	13	16	16	16	14	11.6
OILS-ENERGY	2	13	16	11	16	7	3	1	1	1	1	1	4	6.3
AUTO-TIRES-TRUCKS	3	1	9	6	6	10	2	6	12	10	9	7	6	7.0
INDUSTRIAL PRODUCTS	4	5	3	4	5	4	4	2	5	2	6	5	11	4.7
BASIC MATERIALS	5	4	12	16	15	16	11	4	4	6	5	2	8	8.6
COMPUTER AND TECHNOLOGY	6	3	2	5	8	6	10	8	10	12	7	6	1	6.5
BUSINESS SERVICES	7	12	10	9	7	5	8	7	11	8	2	10	12	8.4
AEROSPACE	8	15	5	2	1	9	13	14	7	5	8	4	7	7.5
CONSTRUCTION	9	6	6	7	2	3	6	5	3	4	14	8	13	6.4
UTILITIES	10	8	8	8	10	15	16	9	8	14	10	15	2	10.3
CONSUMER DISCRETIONARY	11	2	1	3	9	8	5	15	14	9	12	11	10	8.3
TRANSPORTATION	12	14	13	12	4	12	12	10	15	13	13	14	16	12.3
MEDICAL	13	10	7	14	12	11	15	12	16	15	11	9	5	11.4
FINANCE	14	9	4	1	3	2	7	3	2	3	3	3	9	4.1
RETAIL-WHOLESALE	15	11	14	13	13	13	14	13	9	7	4	12	15	11.5
CONSUMER STAPLES	16	16	11	15	11	14	9	11	6	11	15	13	3	11.3

Table 4 – Highlighted Names from Most and Least Attractive Sectors (November 17, 2017)

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>CONGLOMERATES</u>			<u>CONSUMER STAPLES</u>	
1	Danaher Corp	DHR	1	Coty Inc	COTY
2	3M Co	MMM	2	Time Inc	TIME
3	Honeywell Intl	HON	3	Lancaster Colon	LANC
	<u>OILS-ENERGY</u>			<u>RETAIL-WHOLESALE</u>	
1	Kinder Morgan	KMI	1	Shake Shack Inc	SHAK
2	Laredo Petrolm	LPI	2	Costco Whole Cp	COST
3	Magellan Mdstrm	MMP	3	Brinker Intl	EAT
	<u>AUTO-TIRES-TRUCKS</u>			<u>FINANCE</u>	
1	Wabash National	WNC	1	Hudson Pac Ppty	HPP
2	Genuine Parts	GPC	2	Ggp Inc	GGP
3	Amer Axle & Mfg	AXL	3	Macerich Co	MAC
	<u>INDUSTRIAL PRODUCTS</u>			<u>MEDICAL</u>	
1	Regal Beloit	RBC	1	Dentsply Sirona	XRAY
2	Reliance Steel	RS	2	Sage Therapeutc	SAGE
3	Energys Inc	ENS	3	Pacira Pharmact	PCRX
	<u>BASIC MATERIALS</u>			<u>TRANSPORTATION</u>	
1	Cia Siderur-Adr	SID	1	Golar Lng Ltd	GLNG
2	Yamana Gold Inc	AUY	2	Jetblue Airways	JBLU
3	Southern Copper	SCCO	3	Knight-Swift Tr	KNX

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