

MacroResearchBoard

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Independent Investment Strategy

U.S. Equity Sectors Indicators

May 2023

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MRB U.S. Equity Sector And Industry Sub-Group Recommendations

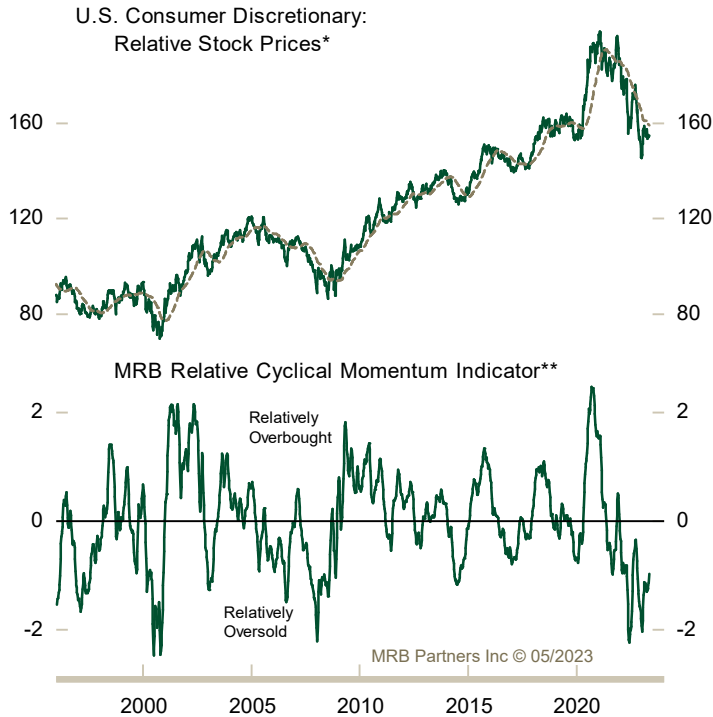
Sector		Industry Ratings*		
	- N +	Underweight	Neutral	Overweight
Consumer Discretionary		Automobiles Household Durables Multiline Retail Specialty Retail	Auto Components Hotels, Restaurants & Leisure Internet & Direct Marketing Retail Textile, Apparel & Luxury Goods	
Communication Services				Media & Entertainment Telecom Services
Consumer Staples		Tobacco	Beverages Food Products Food & Staples Retailing Household & Personal Products	
Energy			Energy Equipment & Services Oil, Gas & Consumable Fuels	
Financials			Capital Markets Consumer Finance Insurance	Banks
Health Care			Health Care Equipment & Supplies	Biotechnology Health Care Providers & Services Pharmaceuticals
Industrials		Machinery Road & Rail	Electrical Equipment	Aerospace & Defense Air Freight & Logistics Industrial Conglomerates
Information Technology		Semiconductor & Semi Equipment Technology Hardware & Equipment	Software IT Services	
Materials		Chemicals Metals & Mining		
Real Estate			Real Estate	
Utilities			Utilities	

* 6-12 month horizon; relative to the U.S. equity benchmark
 Note: + = overweight, N = neutral, - = underweight

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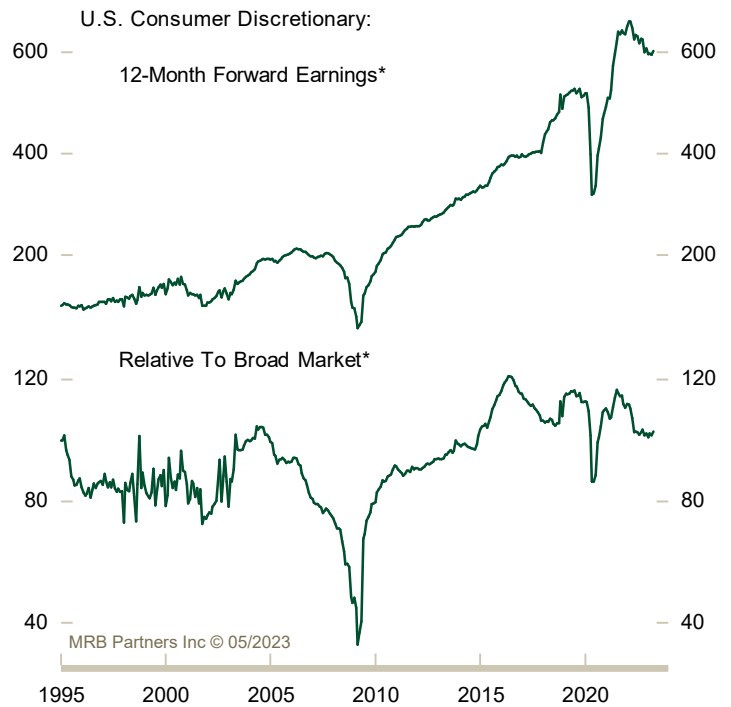
Consumer Discretionary: *Underweight*

Relative Price Momentum



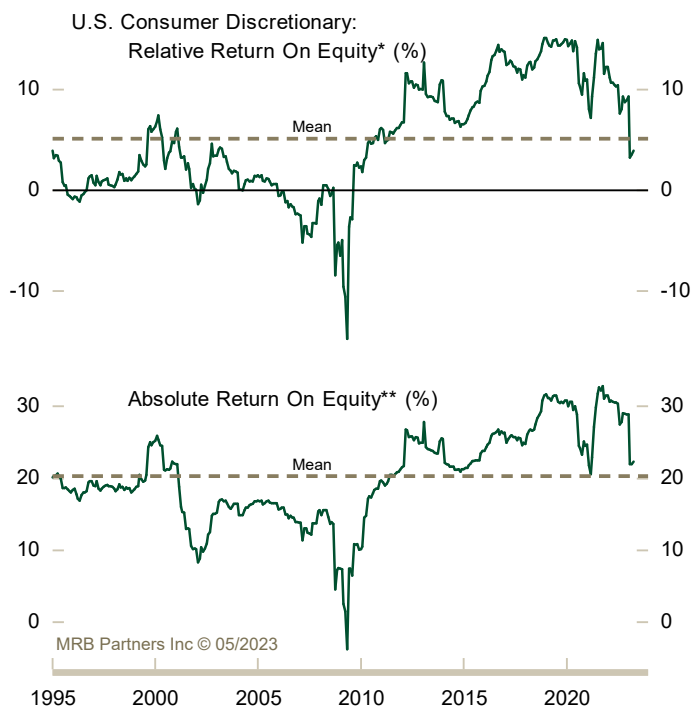
* --- 40-week moving average; relative to U.S. equity benchmark; rebased;
source: MSCI and MRB calculations
** Standardized

Earnings Momentum



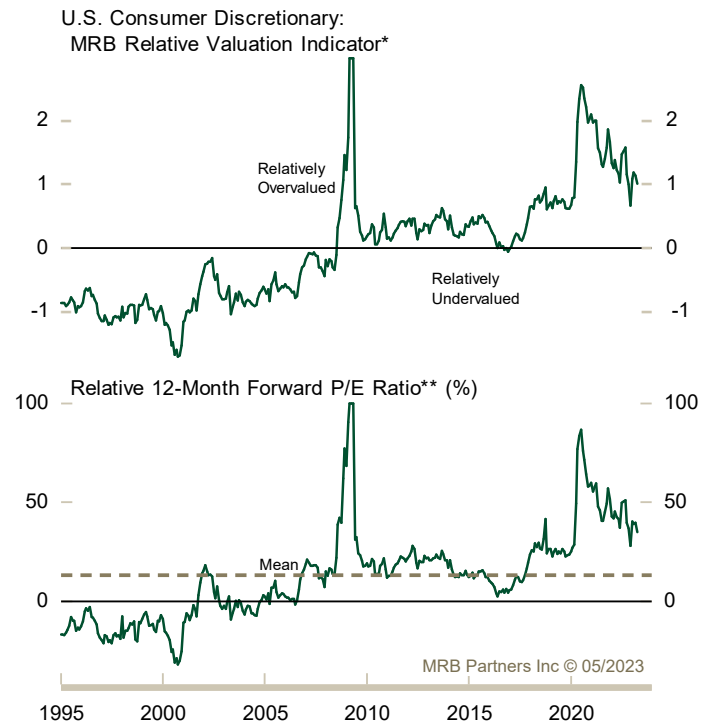
* Rebased; source: MSCI

ROE Cycle



* Relative to U.S. equity benchmark; source: MSCI
** Source: MSCI

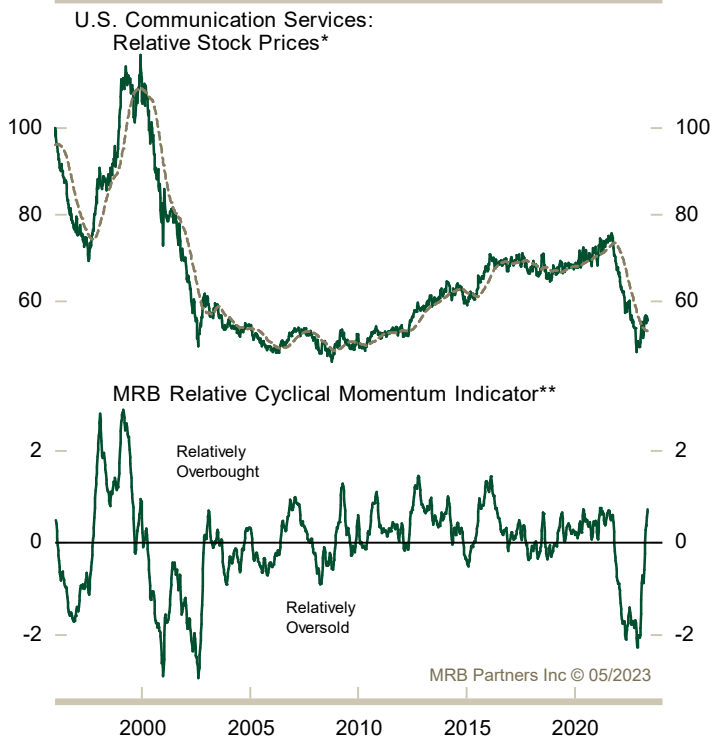
Relative Valuation



* Weighted average of select valuation measures; standardized
** % Premium (+), discount (-) to U.S. broad market; source: MSCI
Note: Panel 1 truncated above 3 & panel 2 truncated above 100%

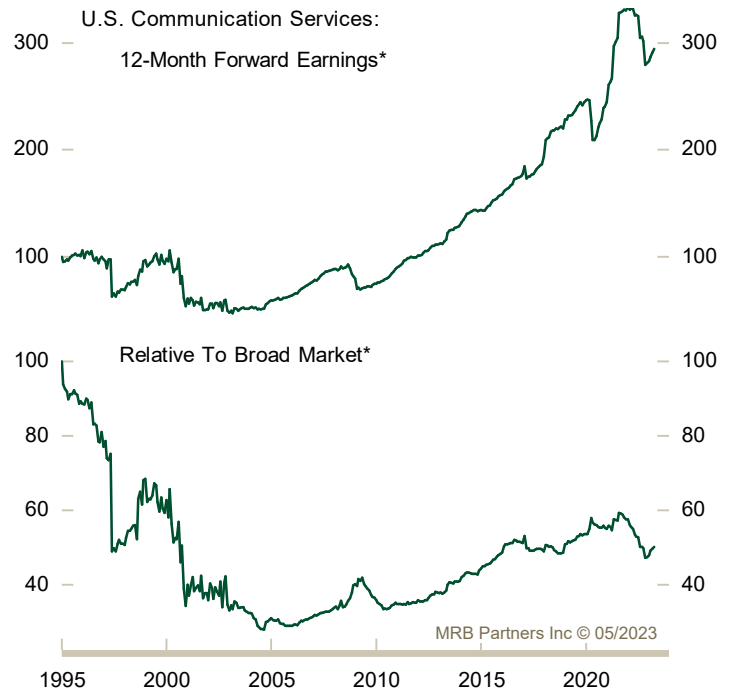
Communication Services: *Overweight*

Relative Price Momentum



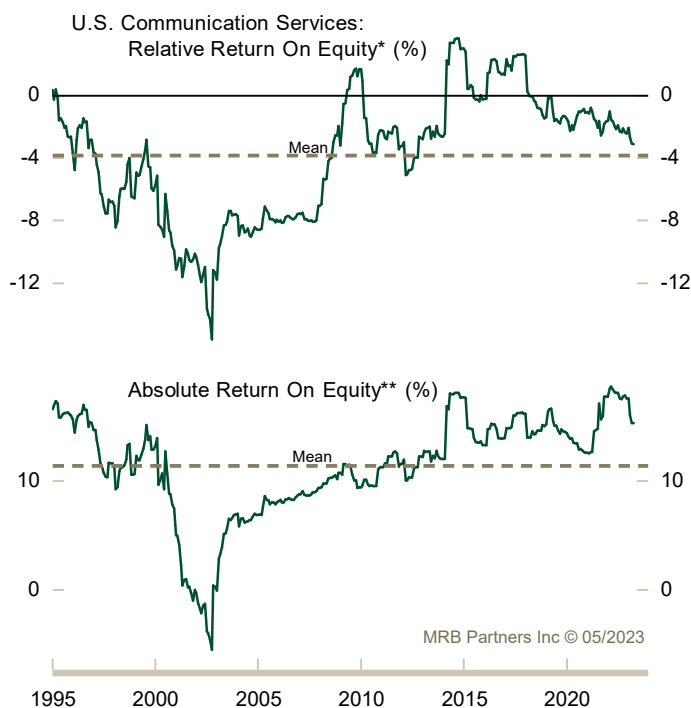
* --- 40-week moving average; relative to U.S. equity benchmark; rebased;
source: MSCI and MRB calculations
** Standardized

Earnings Momentum



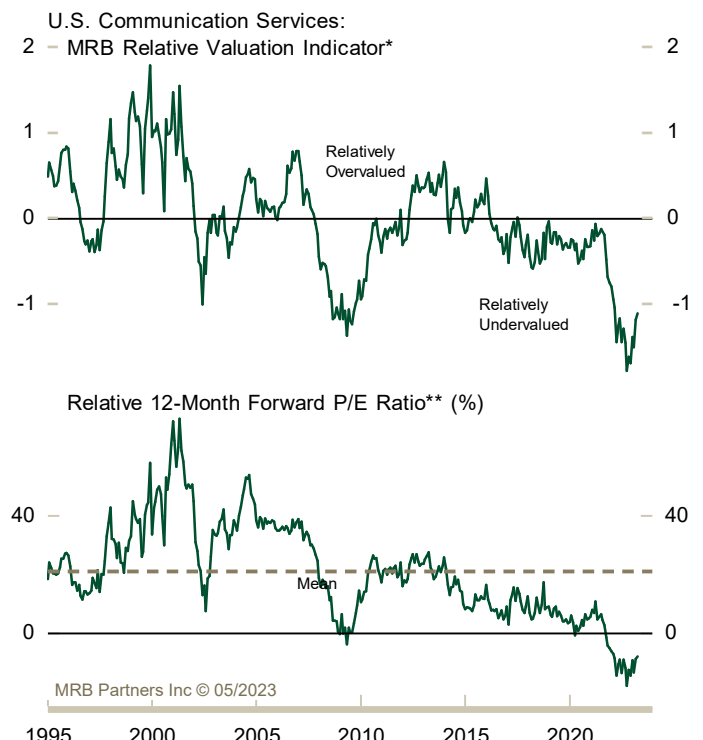
* Rebased; source: MSCI

ROE Cycle



* Relative to U.S. equity benchmark; source: MSCI

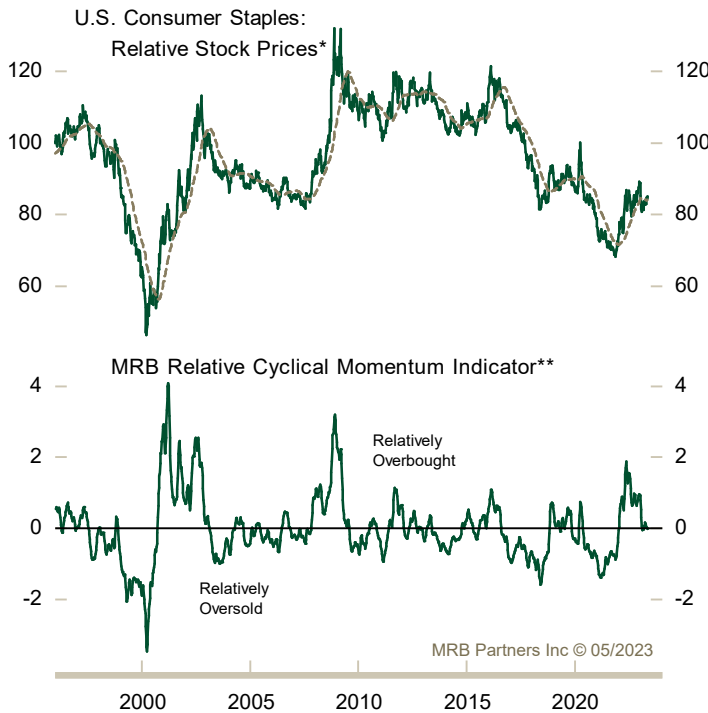
Relative Valuation



* Weighted average of select valuation measures; standardized
** % Premium (+), discount (-) to U.S. broad market; source: MSCI

Consumer Staples: *Neutral*

Relative Price Momentum



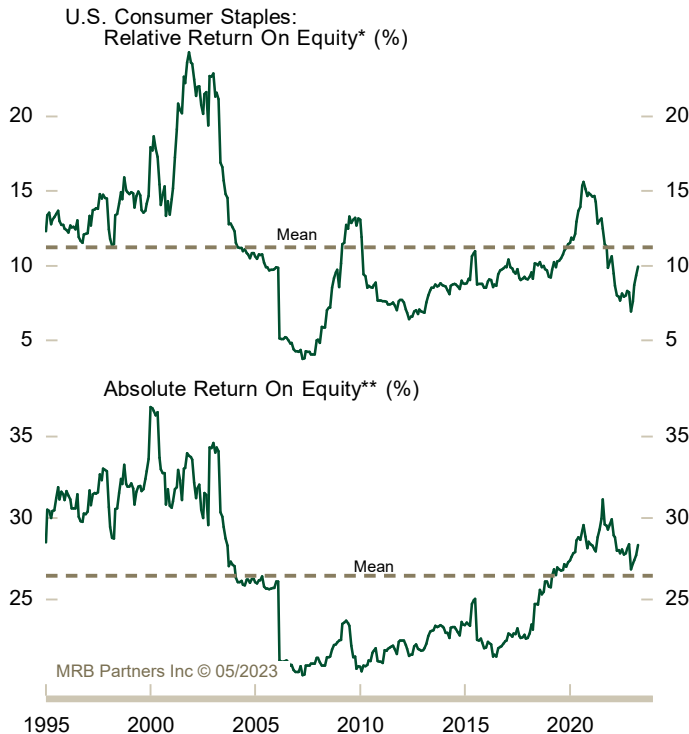
* --- 40-week moving average; relative to U.S. equity benchmark; rebased;
source: MSCI
** Standardized

Earnings Momentum



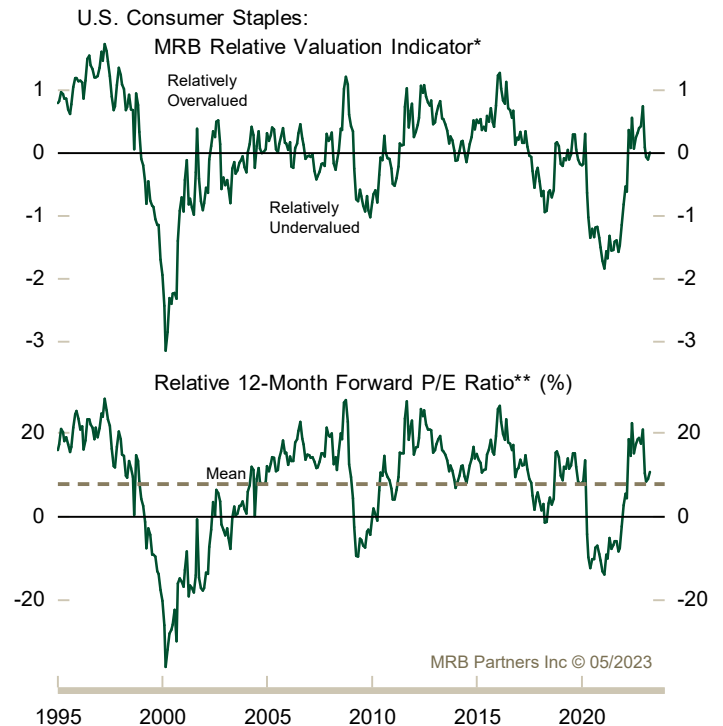
* Rebased; source: MSCI

ROE Cycle



* Relative to U.S. equity benchmark; source: MSCI
** Source: MSCI

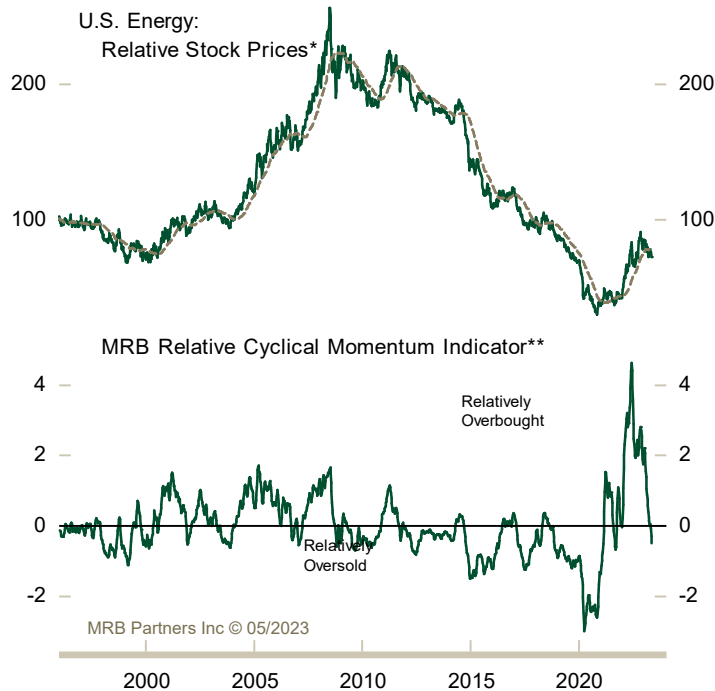
Relative Valuation



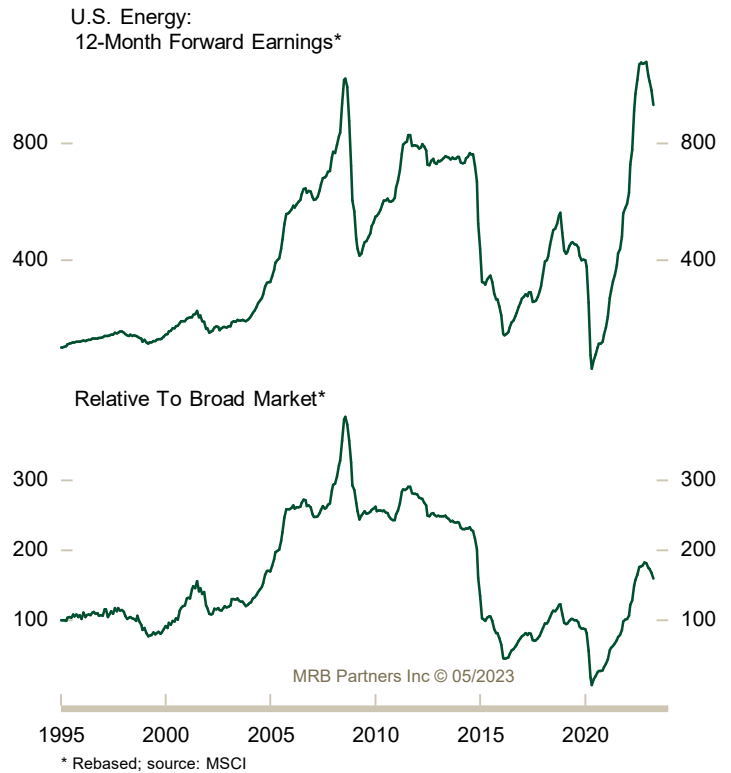
* Weighted average of select valuation measures; standardized
** % Premium (+), discount (-) to U.S. broad market; source: MSCI

Energy: *Neutral*

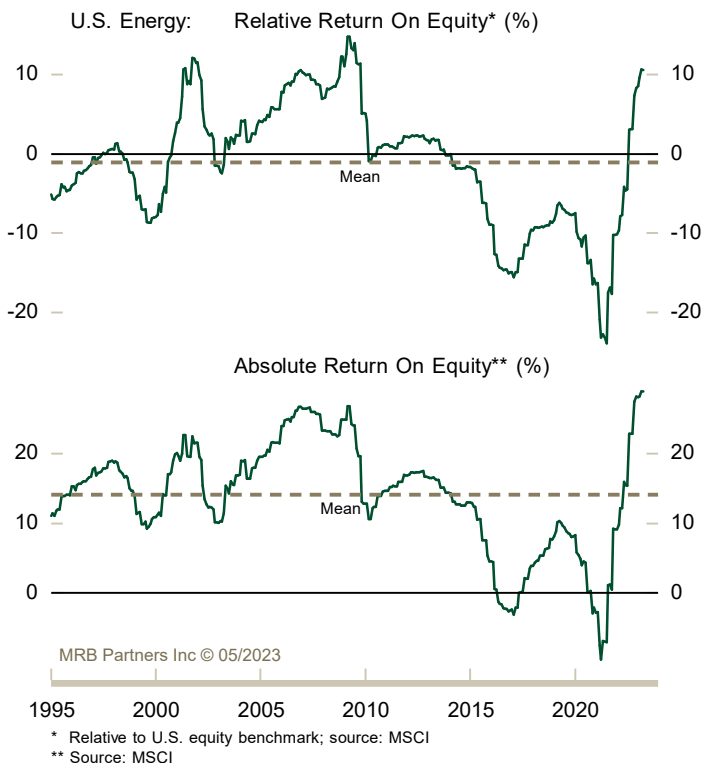
Relative Price Momentum



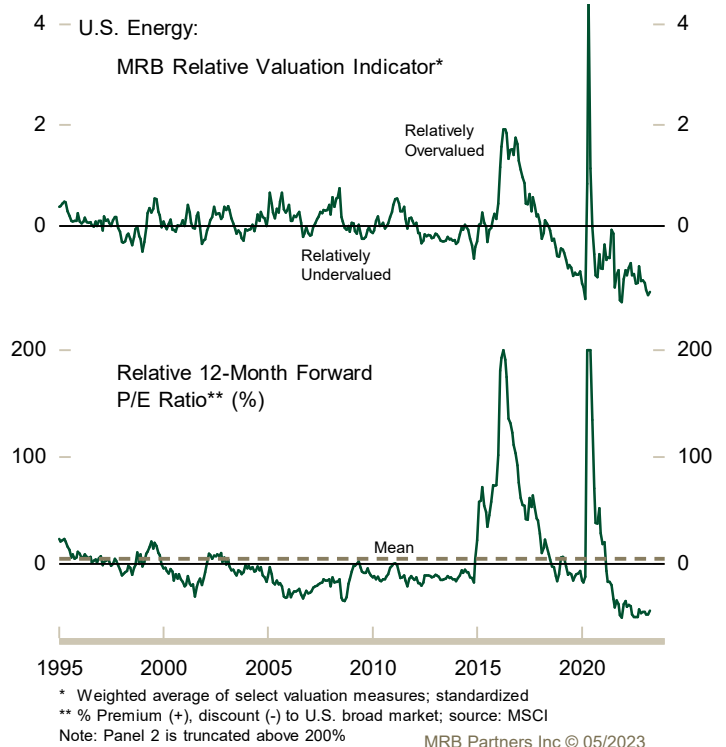
Earnings Momentum



ROE Cycle

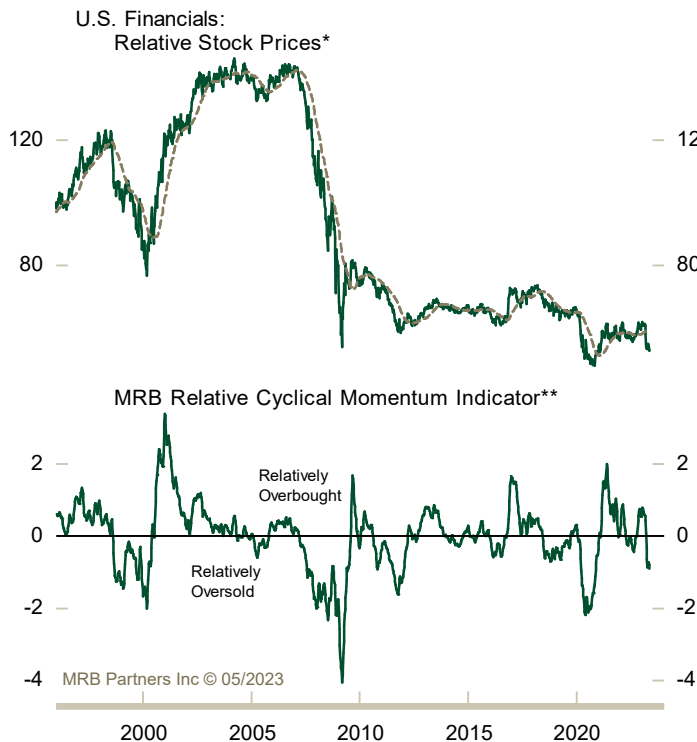


Relative Valuation



Financials: *Overweight*

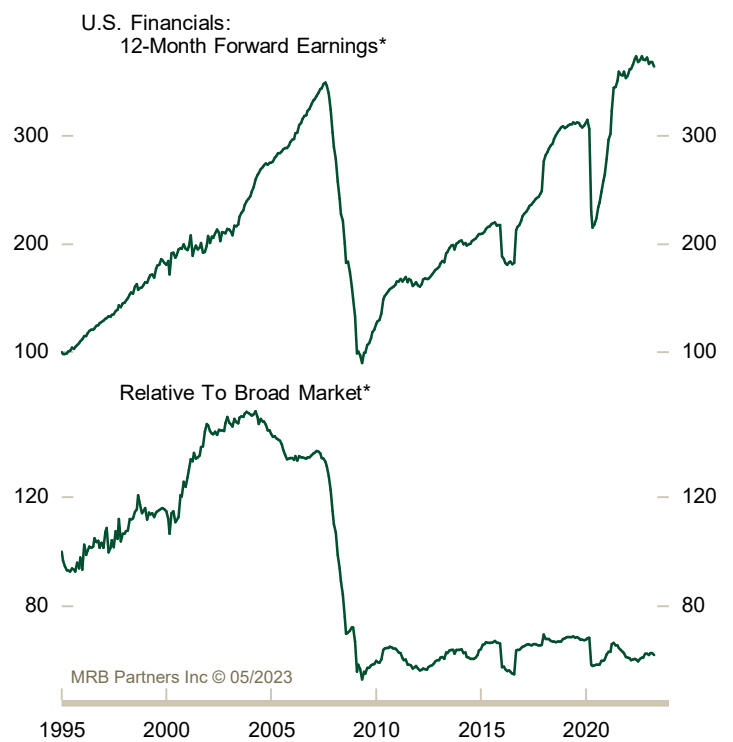
Relative Price Momentum



* --- 40-week moving average; relative to U.S. equity benchmark; rebased;
source: MSCI

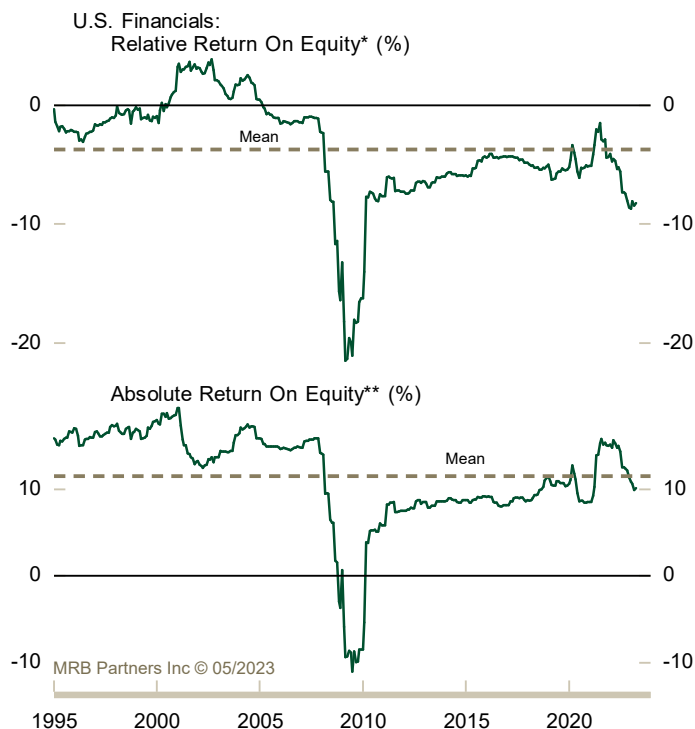
** Standardized

Earnings Momentum



* Rebased; source: MSCI

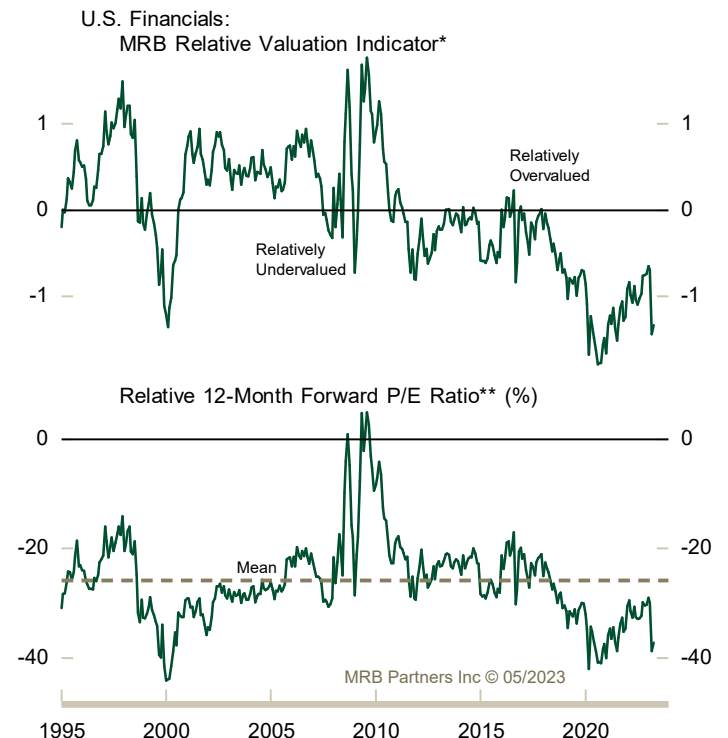
ROE Cycle



* Relative to U.S. equity benchmark; source: MSCI

** Source: MSCI

Relative Valuation

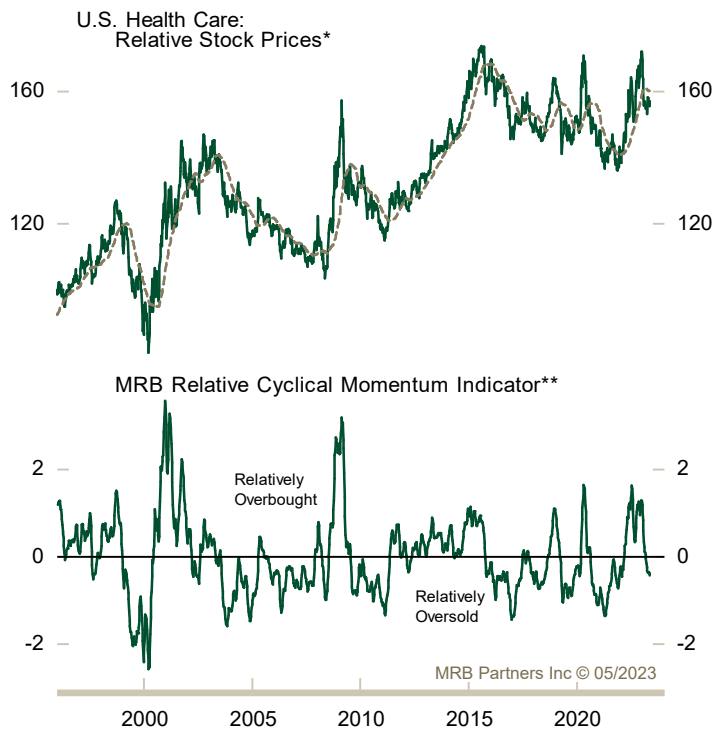


* Weighted average of select valuation measures; standardized

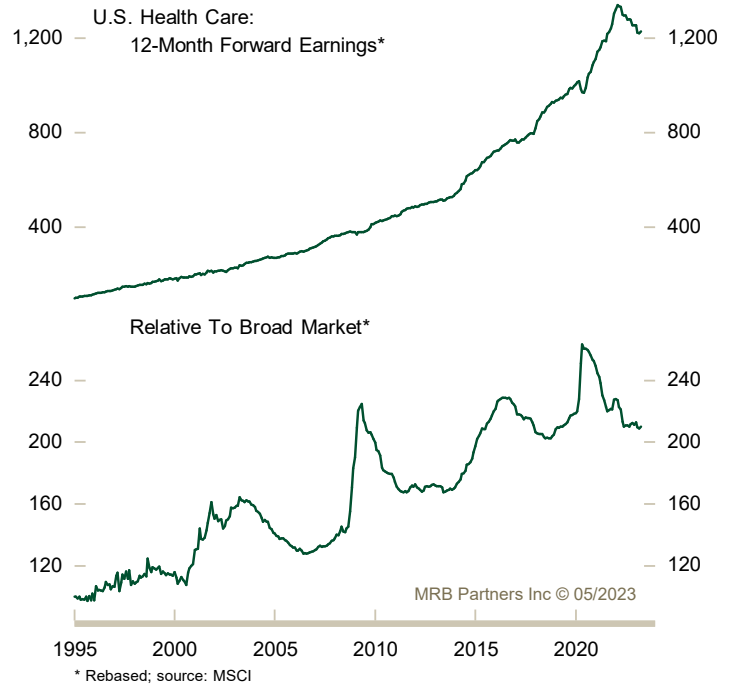
** % Premium (+), discount (-) to U.S. broad market; source: MSCI

Health Care: *Overweight*

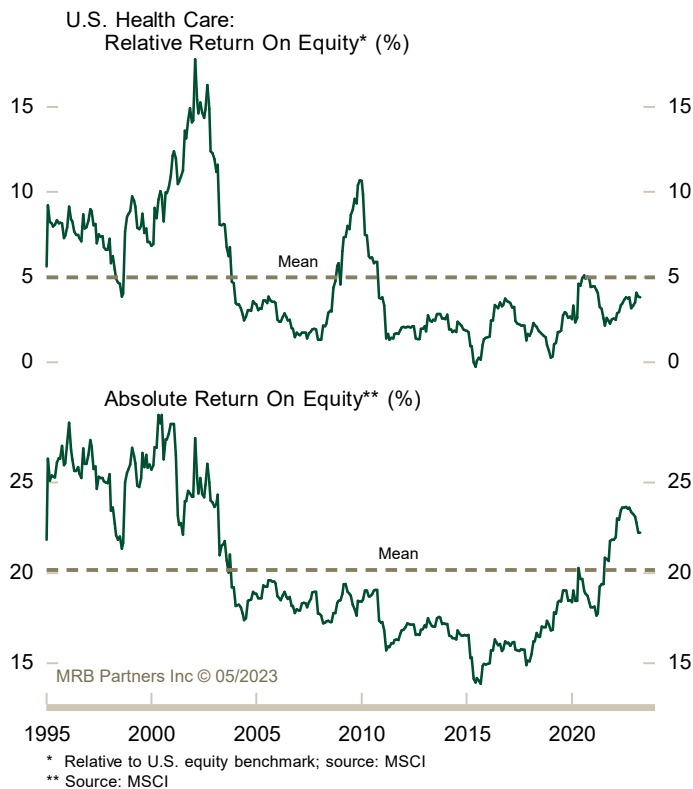
Relative Price Momentum



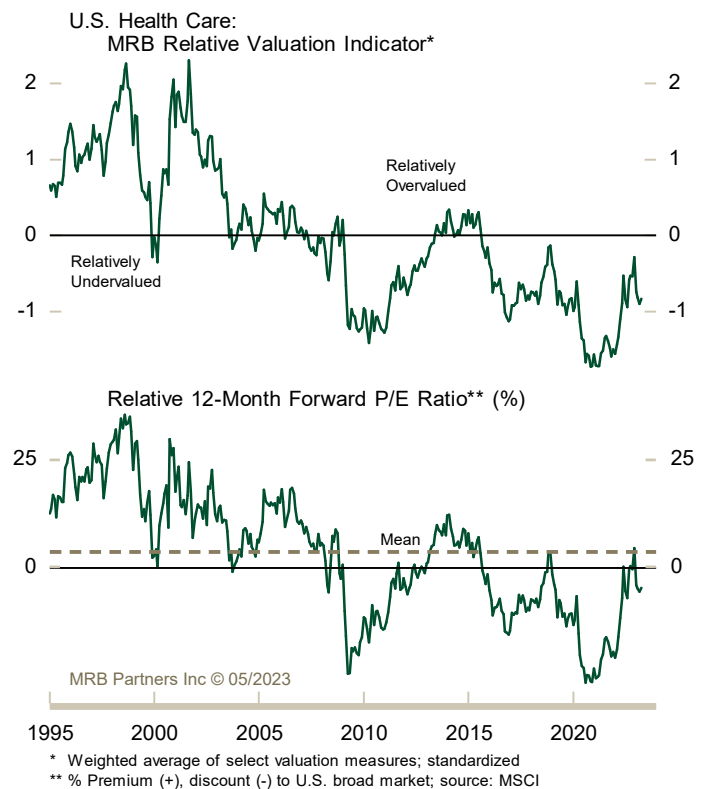
Earnings Momentum



ROE Cycle

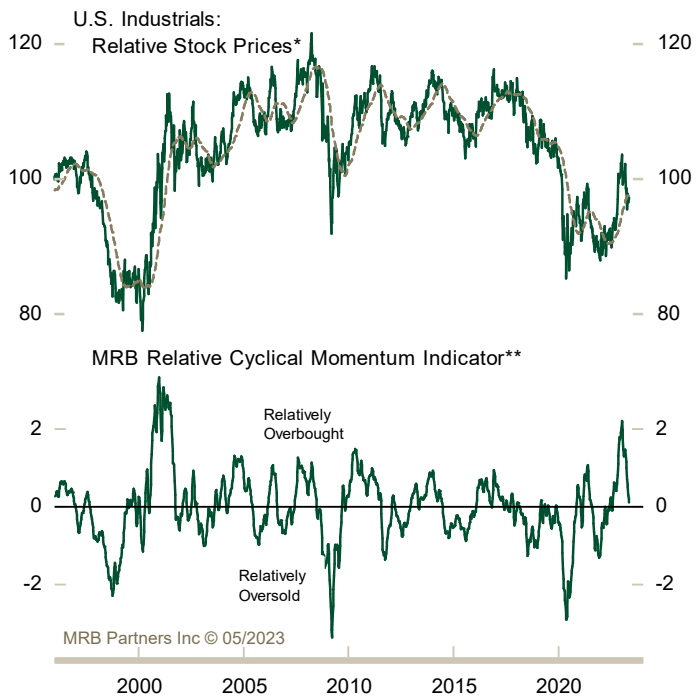


Relative Valuation



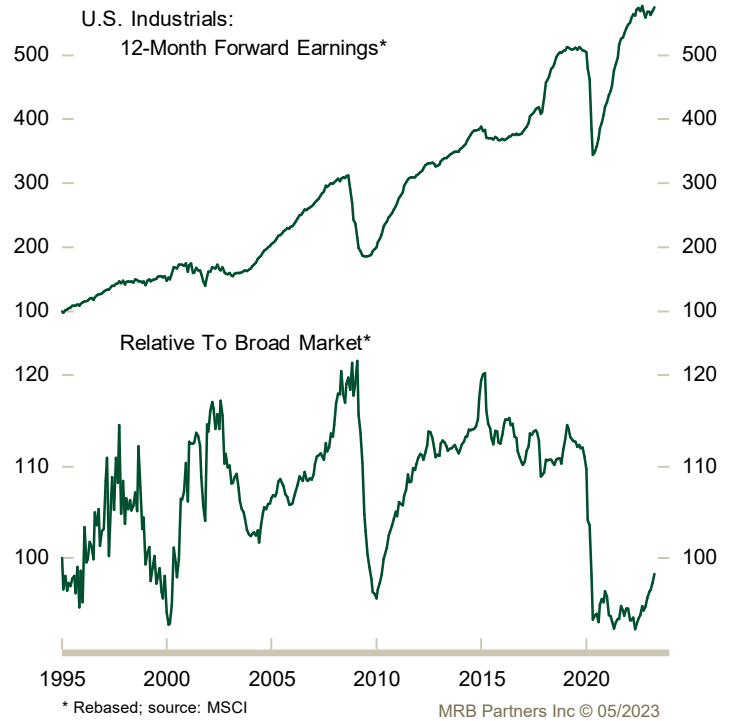
Industrials: *Neutral*

Relative Price Momentum

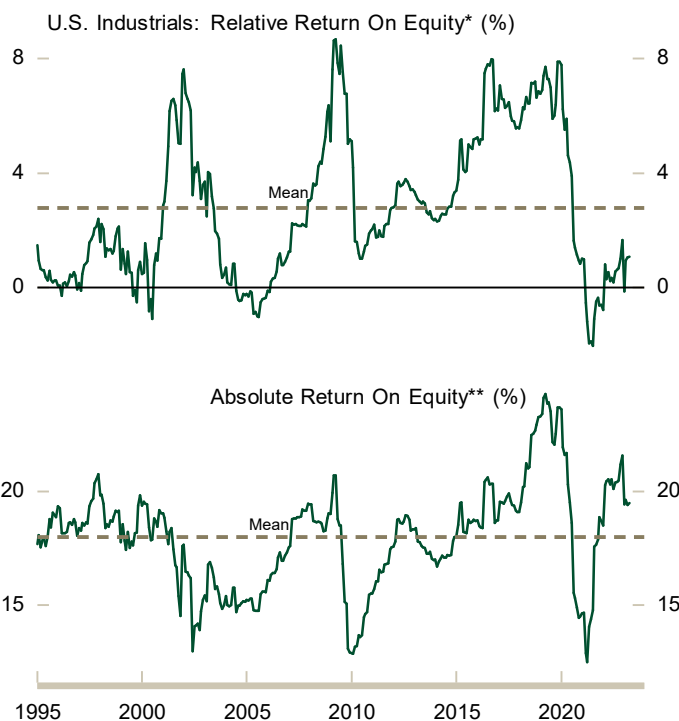


* --- 40-week moving average; relative to U.S. equity benchmark; rebased;
source: MSCI
** Standardized

Earnings Momentum

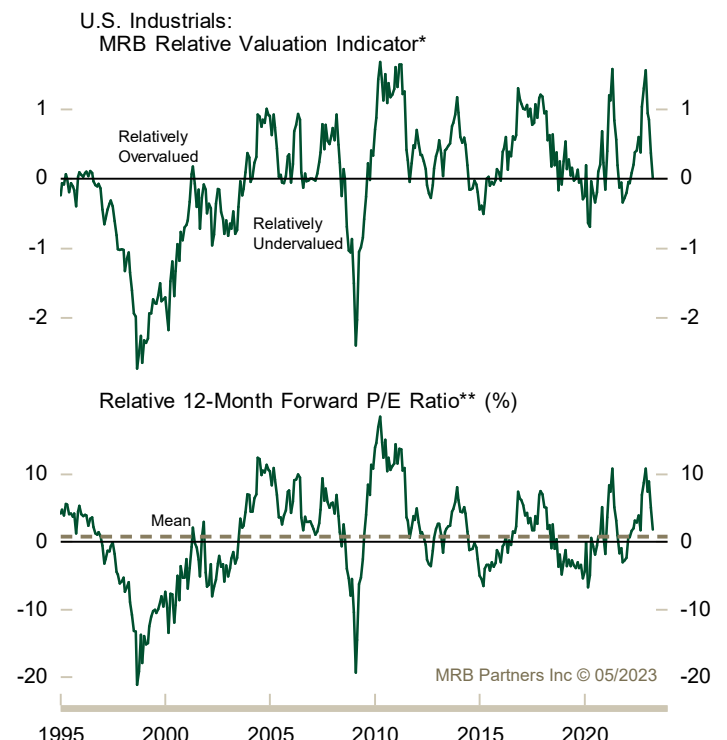


ROE Cycle



* Relative to U.S. equity benchmark; source: MSCI
** Source: MSCI

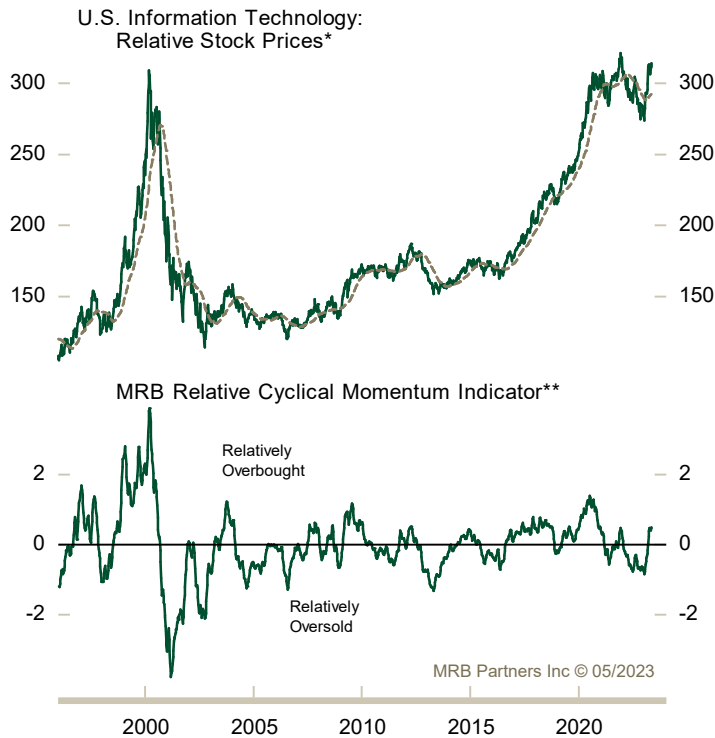
Relative Valuation



* Weighted average of select valuation measures; standardized
** % Premium (+), discount (-) to U.S. broad market; source: MSCI

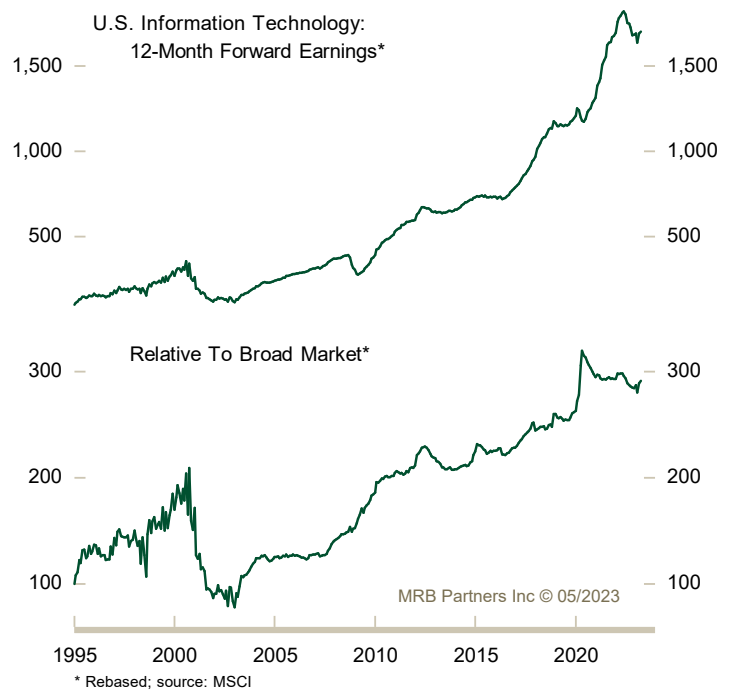
Information Technology: *Underweight*

Relative Price Momentum



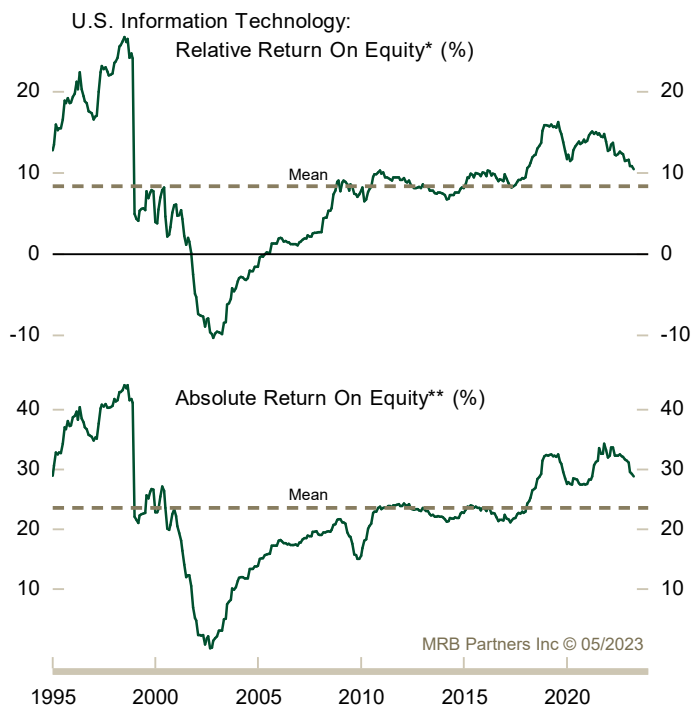
* --- 40-week moving average; relative to U.S. equity benchmark; rebased;
source: MSCI and MRB calculations
** Standardized

Earnings Momentum



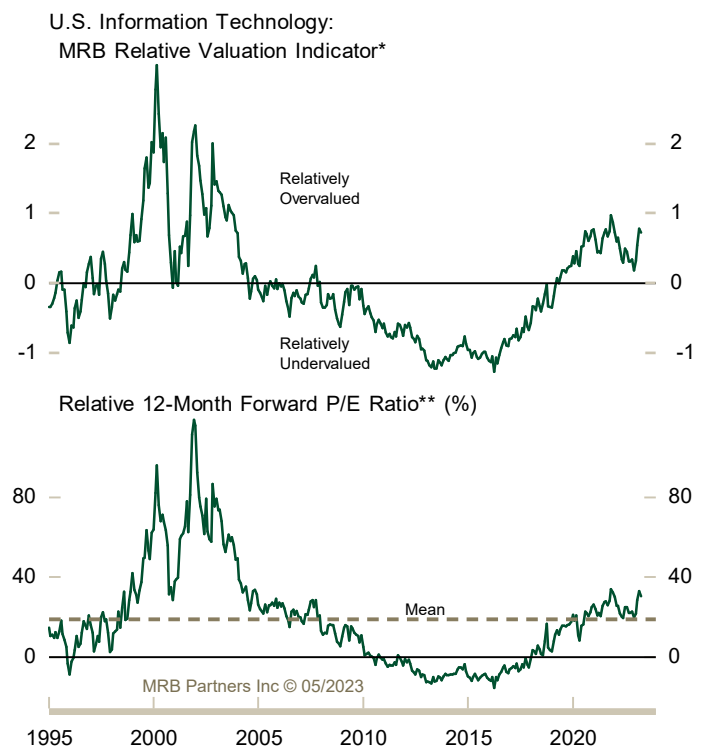
* Rebased; source: MSCI

ROE Cycle



* Relative to U.S. equity benchmark; source: MSCI
** Source: MSCI

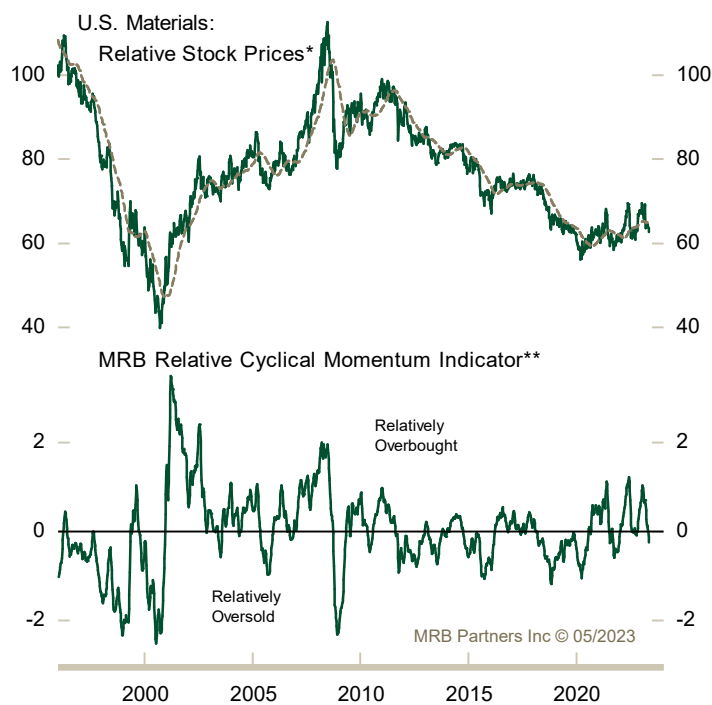
Relative Valuation



* Weighted average of select valuation measures; standardized
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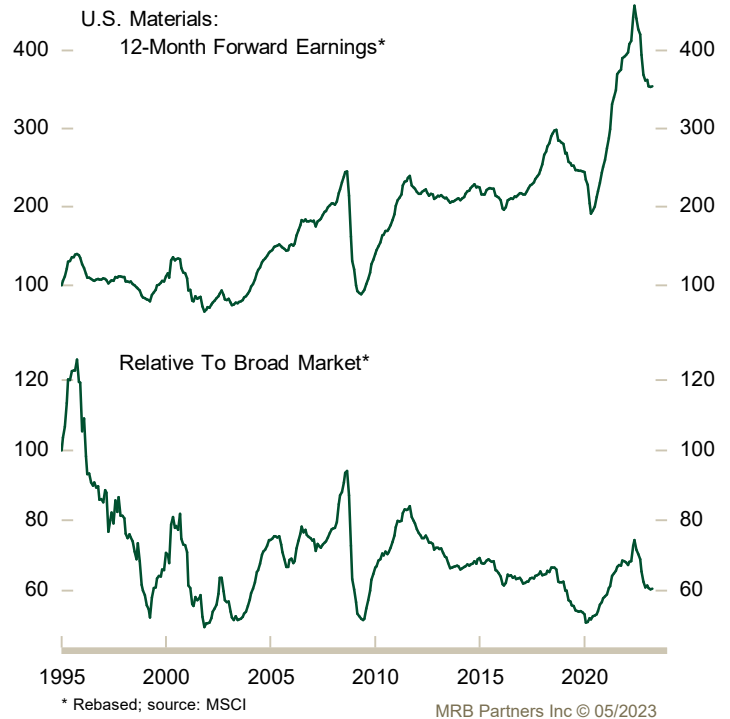
Materials: *Underweight*

Relative Price Momentum



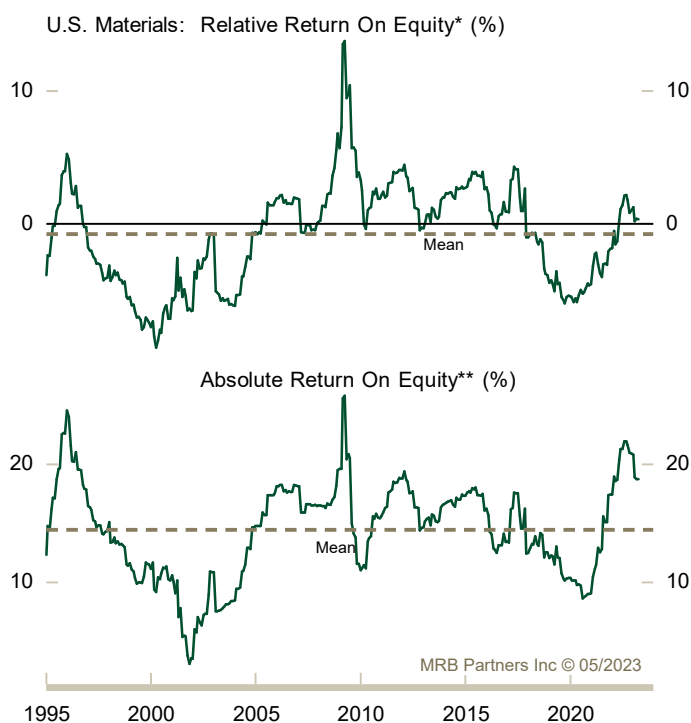
* -- 40-week moving average; relative to U.S. equity benchmark; rebased; source: MSCI
 ** Standardized

Earnings Momentum



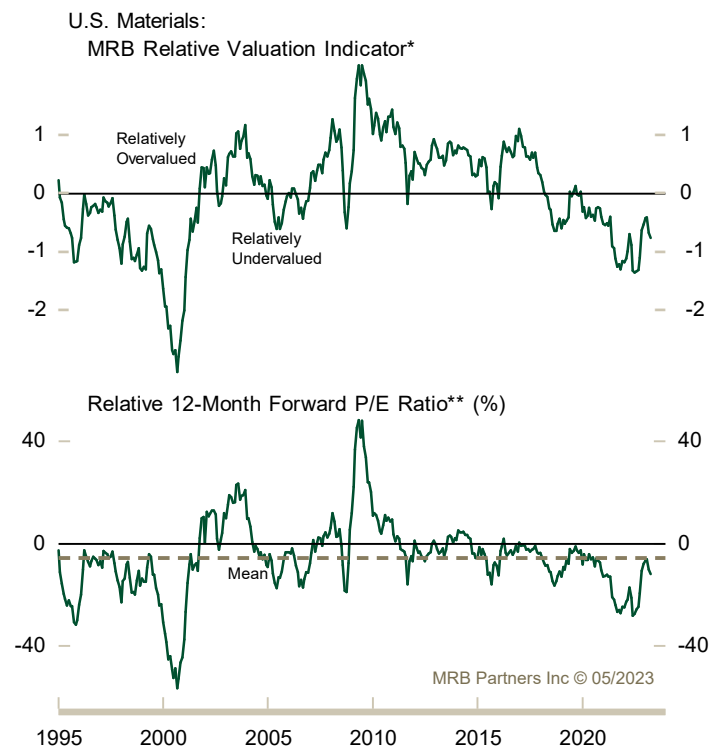
* Rebased; source: MSCI

ROE Cycle



* Relative to U.S. equity benchmark; source: MSCI
 ** Source: MSCI

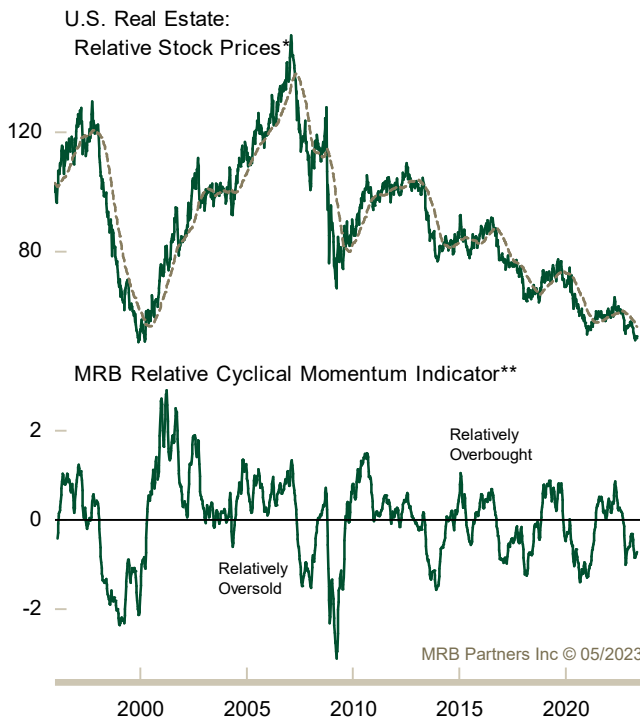
Relative Valuation



* Weighted average of select valuation measures; standardized
 ** % Premium (+), discount (-) to U.S. broad market; source: MSCI

Real Estate: *Neutral*

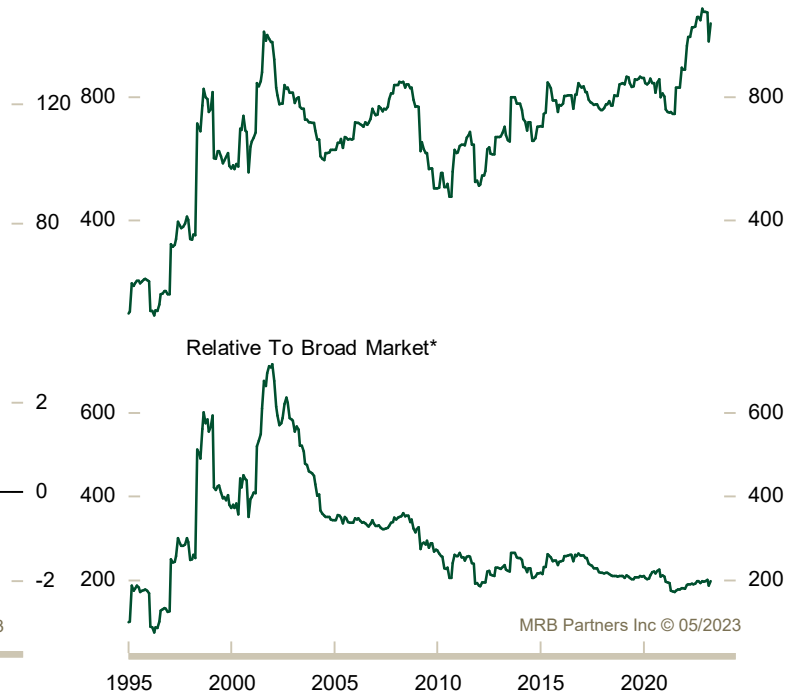
Relative Price Momentum



* --- 40-week moving average; relative to U.S. equity benchmark; rebased;
source: MSCI
** Standardized

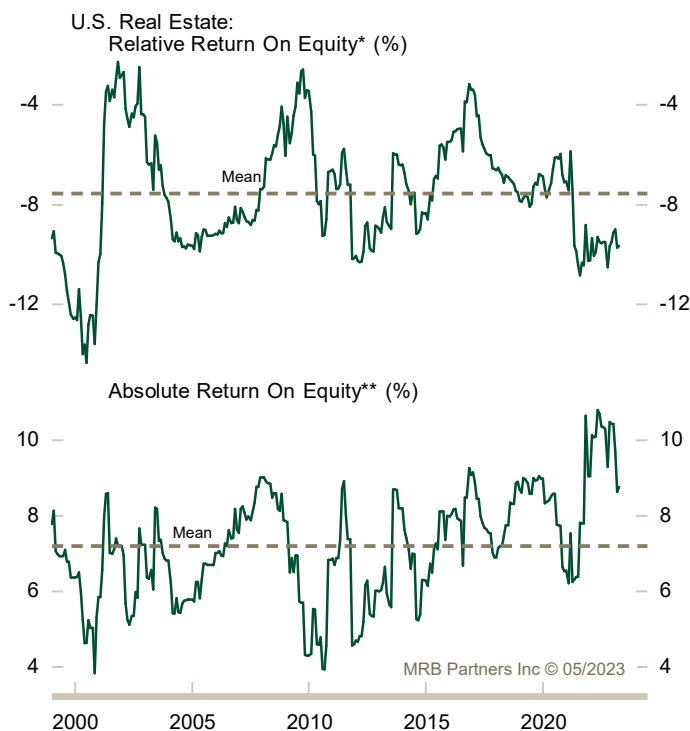
Earnings Momentum

U.S. Real Estate:
12-Month Trailing Cash Flow*



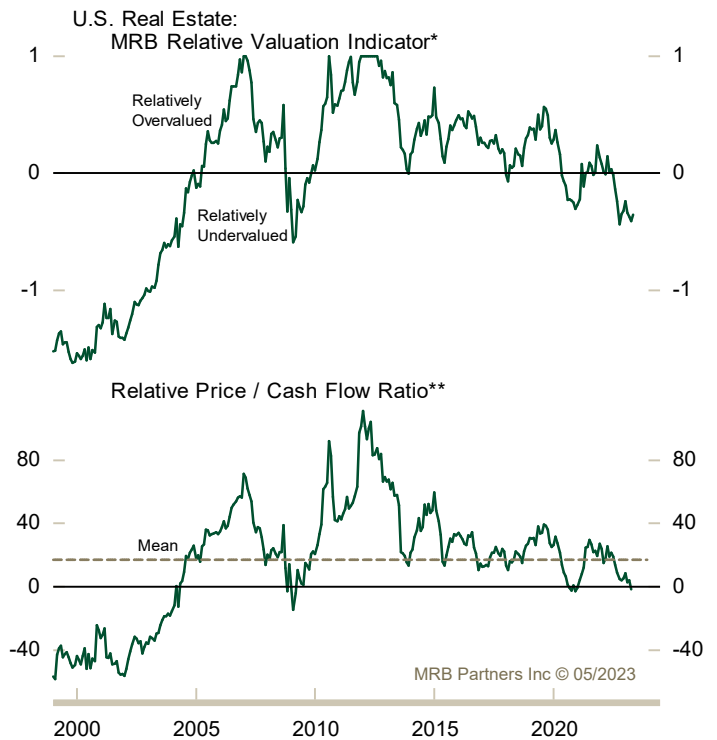
* Rebased; source: MSCI

ROE Cycle



* Relative to U.S. equity benchmark; source: MSCI
** Source: MSCI

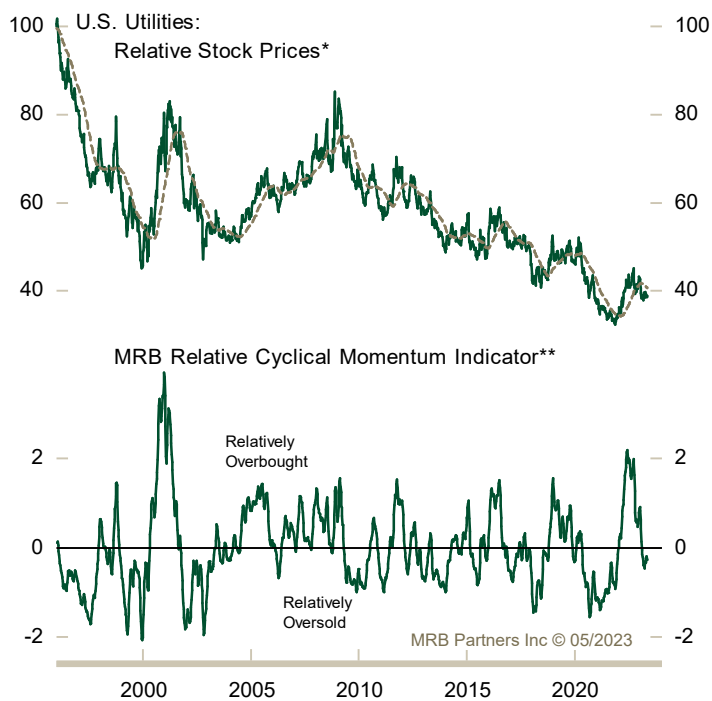
Relative Valuation



* Weighted average of select valuation measures; standardized
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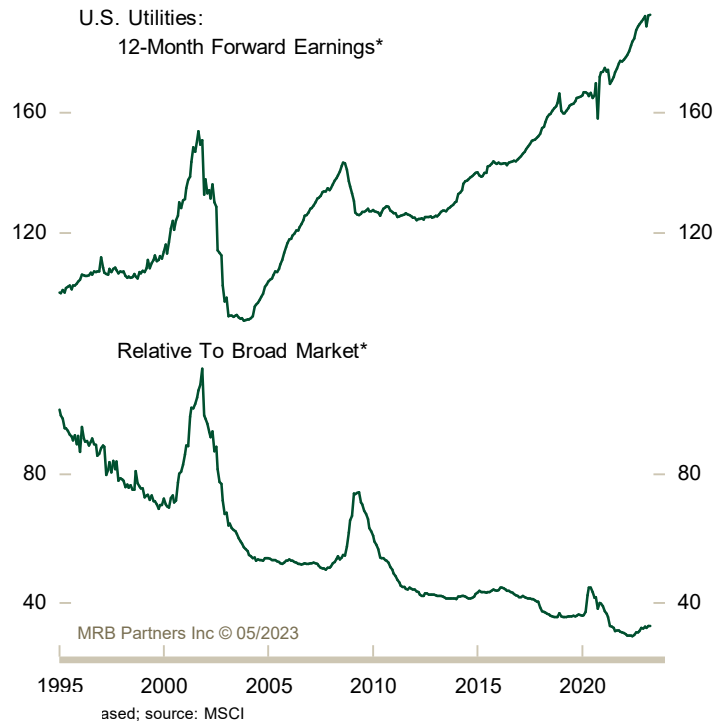
Utilities: *Neutral*

Relative Price Momentum



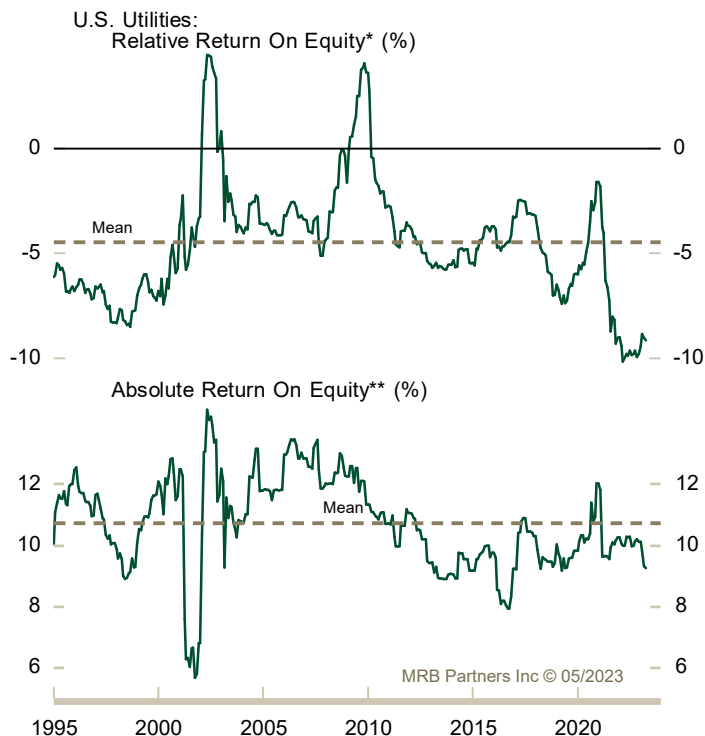
* --- 40-week moving average; relative to U.S. equity benchmark; rebased;
source: MSCI
** Standardized

Earnings Momentum



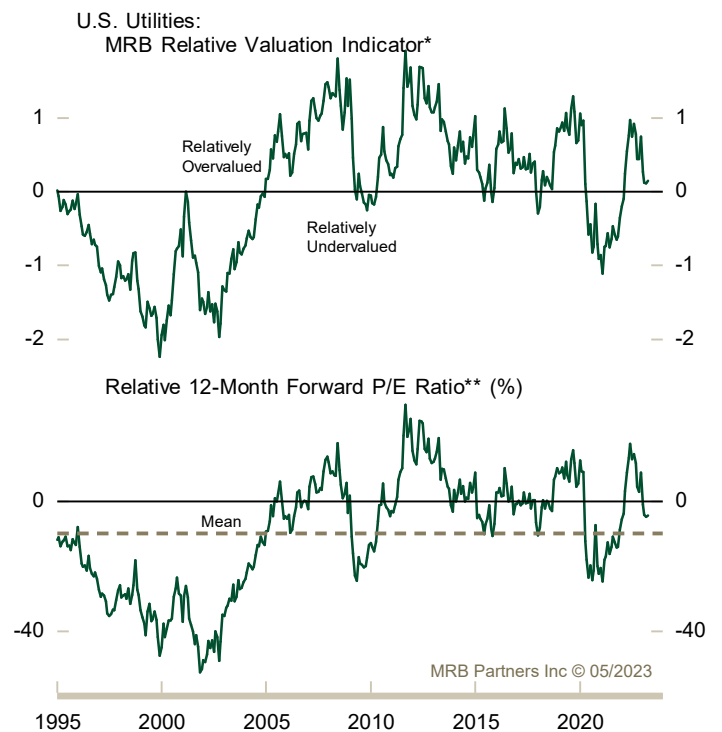
ased; source: MSCI

ROE Cycle



* Relative to U.S. equity benchmark; source: MSCI
** Source: MSCI

Relative Valuation



* Weighted average of select valuation measures; standardized
** % Premium (+), discount (-) to U.S. broad market; source: MSCI

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