

MONEY IN MOTION

April 10, 2023

S&P 500 Industrials Sector

A quick examination of the S&P 500 Industrials Sector, followed by a handful of favorites on the long and short side...

Trade well,

-Carter

S&P 500 Sectors

	Weight (%)
S&P 500 Information Technology Sector	25.808292
S&P 500 Health Care Sector	14.652514
S&P 500 Financials Sector	12.837112
S&P 500 Consumer Discretionary Sector	9.841749
S&P 500 Industrials Sector	8.380813
S&P 500 Communications Sector	8.308813
S&P 500 Consumer Staples Sector	7.307732
S&P 500 Energy Sector	4.752911
S&P 500 Utilities Sector	2.956801
S&P 500 Materials Sector	2.610512
S&P 500 Real Estate Sector	2.542750
	100%

S&P 500 Industrials Sector

S&P 500 Industrials Sector

of stocks

73

Total Market Capitalization

\$3.017 Trillion

Weight in S&P 500 Index

8.38%

S&P 500 Industrials Sector, All Constituents

Company	Ticker	Weight In Sector (%)	Market Cap (billions)	Company	Ticker	Weight In Sector (%)	Market Cap (billions)
Raytheon Technologies Corp	RTX	4.99	161.55	Fastenal Co	AME	1.02	31.12
United Parcel Service Inc	UPS	4.77	143.70	WW Grainger Inc	VRSK	1.00	29.46
Honeywell International Inc	HON	4.41	127.25	Republic Services Inc	FAST	0.97	29.39
Union Pacific Corp	UNP	4.21	126.65	CoStar Group Inc	CSGP	0.96	27.81
Boeing Co/The	BA	4.12	124.76	United Rentals Inc	URI	0.85	24.64
Lockheed Martin Corp	LMT	3.86	121.22	Equifax Inc	EFX	0.83	24.20
Caterpillar Inc	CAT	3.77	109.54	Quanta Services Inc	PWR	0.79	22.91
General Electric Co	GE	3.53	108.00	Fortive Corp	FTV	0.79	22.73
Deere & Co	DE	3.47	102.05	Ingersoll Rand Inc	IR	0.76	22.05
Automatic Data Processing Inc	ADP	3.10	89.55	Delta Air Lines Inc	DAL	0.75	21.60
Northrop Grumman Corp	NOC	2.35	71.52	Dover Corp	DOV	0.69	19.79
Illinois Tool Works Inc	ITW	2.19	69.41	Southwest Airlines Co	ROL	0.65	19.11
CSX Corp	CSX	2.19	66.57	Xylem Inc/NY	LUV	0.63	18.79
Eaton Corp PLC	ETN	2.15	62.56	Westinghouse Air Brake Tech	XYL	0.61	18.07
Waste Management Inc	WM	2.11	62.19	Expeditors International	JBHT	0.58	17.64
3M Co	MMM	1.94	61.49	Broadridge Financial Solutions Inc	WAB	0.58	17.34
FedEx Corp	FDX	1.87	58.34	IDEX Corp	HWM	0.57	17.11
General Dynamics Corp	GD	1.78	56.01	Howmet Aerospace Inc	BR	0.53	16.62
Emerson Electric Co	EMR	1.65	47.60	Jacobs Solutions Inc	IEX	0.50	16.37
Norfolk Southern Corp	NSC	1.62	46.76	Textron Inc	EXPD	0.49	16.27
Parker-Hannifin Corp	PH	1.39	45.94	JB Hunt Transport Services Inc	J	0.49	14.31
Trane Technologies PLC	TT	1.35	42.91	United Airlines Holdings Inc	UAL	0.48	13.94
Cintas Corp	CTAS	1.35	40.08	Leidos Holdings Inc	TXT	0.43	13.79
Johnson Controls International plc	JCI	1.33	39.55	Snap-on Inc	LDOS	0.42	12.54
TransDigm Group Inc	TDG	1.30	39.31	Nordson Corp	SNA	0.39	12.15
L3Harris Technologies Inc	LHX	1.30	39.10	Stanley Black & Decker Inc	NDSN	0.38	12.03
PACCAR Inc	PCAR	1.24	38.47	CH Robinson Worldwide Inc	SWK	0.38	11.37
Paychex Inc	PAYX	1.21	37.42	Masco Corp	CHRW	0.37	10.65
Carrier Global Corp	CARR	1.21	35.84	American Airlines Group Inc	MAS	0.32	10.59
Otis Worldwide Corp	OTIS	1.13	35.79	Rollins Inc	AOS	0.31	9.75
Copart Inc	CPRT	1.10	35.45	Allegion plc	AAL	0.30	9.15
Rockwell Automation Inc	ROK	1.08	34.90	Pentair PLC	ALLE	0.30	8.76
Cummins Inc	CMI	1.08	32.56	Huntington Ingalls Industries Inc	PNR	0.28	8.67
AMETEK Inc	AME	1.08	32.25	A O Smith Corp Common Stock	HII	0.28	8.23
Verisk Analytics Inc	VRSK	1.03	31.24	Robert Half International Inc	RHI	0.28	7.97
Old Dominion Freight Line Inc	ODFL	1.02	31.19	Generac Holdings Inc	GNRC	0.22	6.18
				Alaska Air Group Inc	ALK	0.19	5.36

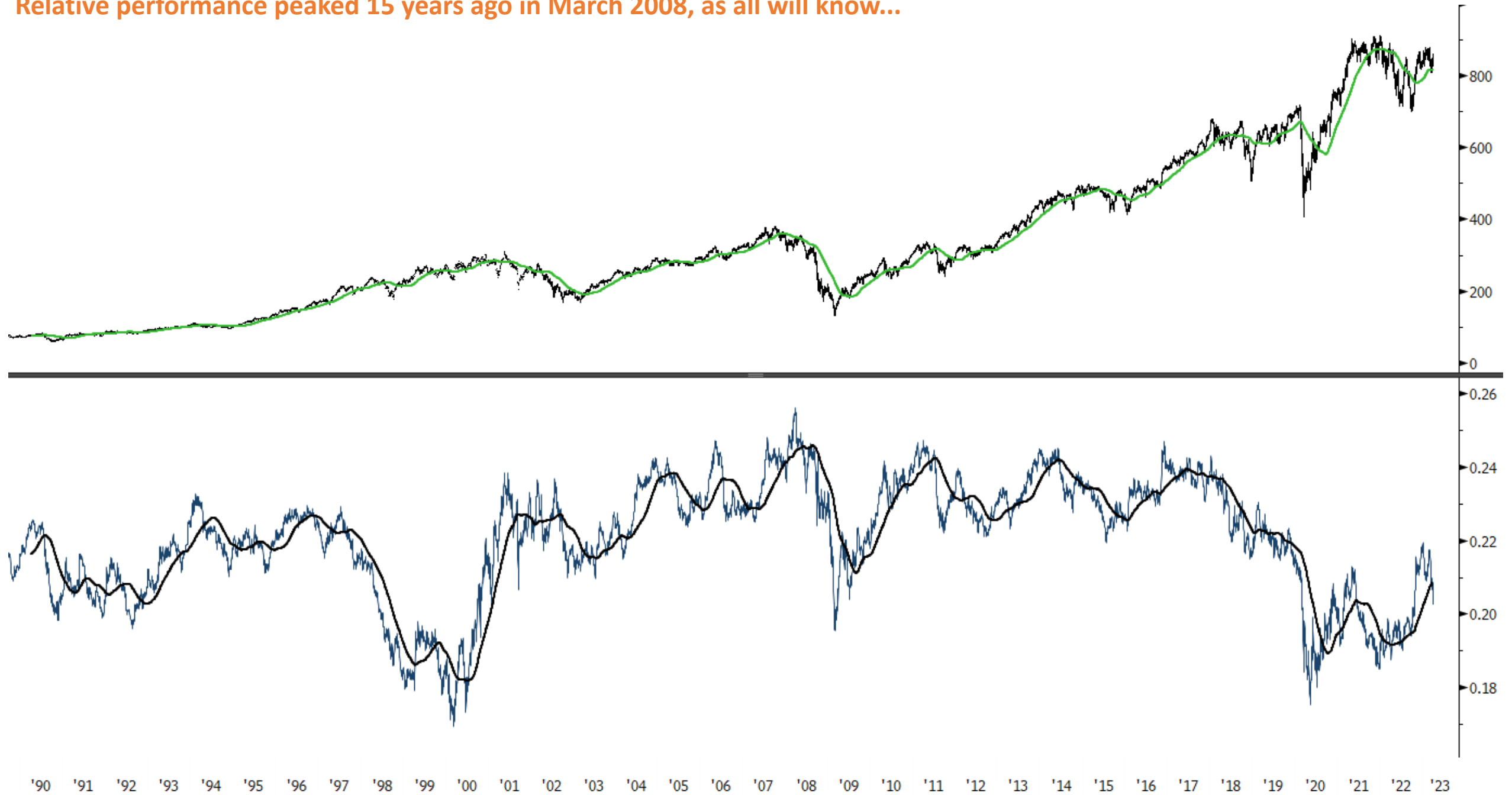
\$ 3.02 Trillion



Top panel: S&P 500 Industrials Sector

Bottom panel: Sector's relative performance to the S&P 500 Index

Relative performance peaked 15 years ago in March 2008, as all will know...



Top panel: S&P 500 Industrials Sector

Bottom panel: Sector's relative performance to the S&P 500 Index

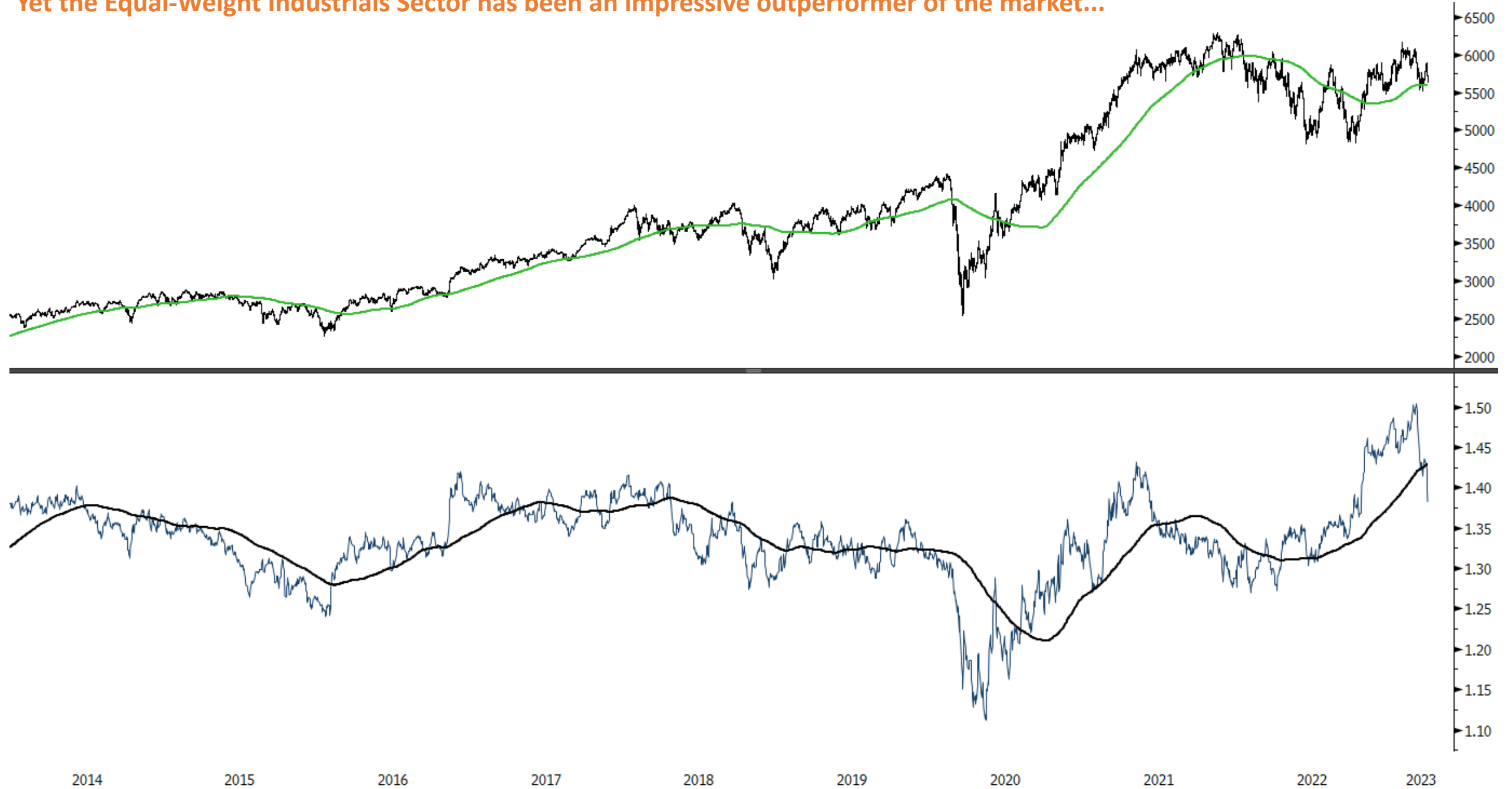
Same chart since 2014, depicting the relative-performance 'spike' immediately after the presidential election in Nov 2016



Top panel: S&P 500 Equal-Weight Industrials Sector

Bottom panel: Sector's relative performance to the S&P 500 Index

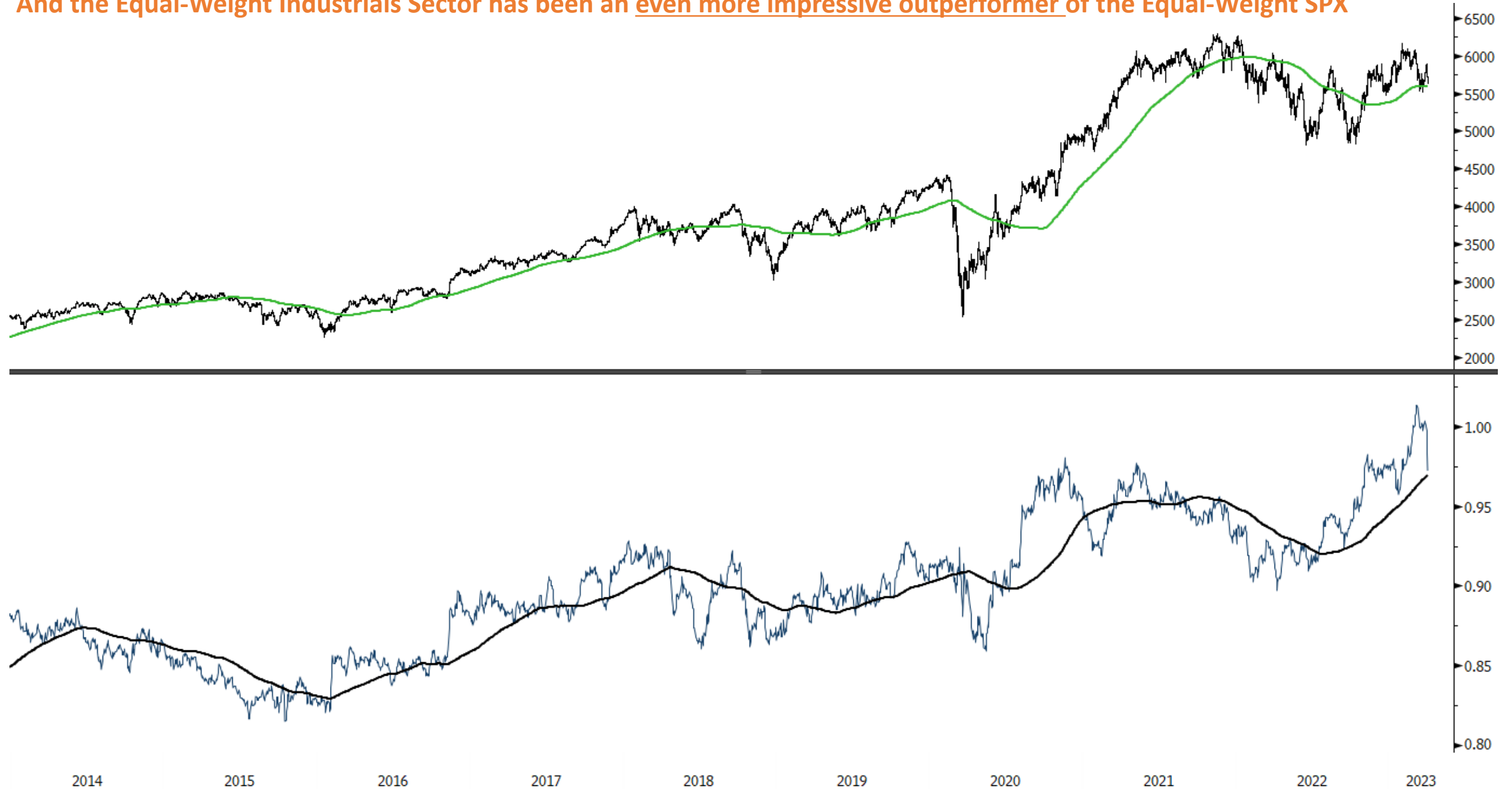
Yet the Equal-Weight Industrials Sector has been an impressive outperformer of the market...



Top panel: S&P 500 Equal-Weight Industrials Sector

Bottom panel: Sector's relative performance to the Equal-Weight S&P 500 Index

And the Equal-Weight Industrials Sector has been an even more impressive outperformer of the Equal-Weight SPX



Meanwhile, as all will know...

Industrials were the worst performing Sector last week, by a wide margin, **-3.37%** vs **-0.10%** for the S&P 500 Index itself...and we're thinking there's immediate further downside ahead...

S&P 500 Industrials Sector, identical chart 1 of 3

The worst performing Sector last week: -3.37% vs -0.10% for the S&P 500 Index



S&P 500 Industrials Sector, identical chart 2 of 3

And to our eye, a break below the intermediate uptrend line in effect since the mid-October low is imminent...



S&P 500 Industrials Sector, identical chart 3 of 3

Which would bring into play the Sector's uptrend line in effect since the Covid Lows of March 2020...



S&P 500 Industrials Sector

We have examined the chart pattern of each of the 73 constituents in the Sector and would call your attention to the 15 stocks singled out as **Buys** and the 27 stocks singled out as **Sells**.

You will find a table of names for each group, on the pages that follow...

Trade well,

-Carter

Buys

Ticker	Company	Price	Sub Sector	Sector	Mkt Cap (billions)
AOS	A. O. Smith Corporation	64.60	Building Products	Industrials	9.87
CTAS	Cintas Corporation	451.73	Commercial Services & Supplies	Industrials	45.91
HWM	Howmet Aerospace Inc.	41.55	Aerospace & Defense	Industrials	17.13
ITW	Illinois Tool Works Inc.	227.70	Machinery	Industrials	69.46
LMT	Lockheed Martin Corporation	490.17	Aerospace & Defense	Industrials	125.14
ODFL	Old Dominion Freight Line, Inc.	325.77	Ground Transportation	Industrials	35.84
PCAR	PACCAR Inc	68.49	Machinery	Industrials	35.79
PNR	Pentair plc	52.59	Machinery	Industrials	8.65
PWR	Quanta Services, Inc.	159.13	Construction & Engineering	Industrials	22.92
ROL	Rollins, Inc.	38.78	Commercial Services & Supplies	Industrials	19.09
RTX	Raytheon Technologies Corp	98.21	Aerospace & Defense	Industrials	143.87
TDG	TransDigm Group Incorporated	724.32	Aerospace & Defense	Industrials	39.55
UPS	United Parcel Service, Inc. Class B	188.58	Air Freight & Logistics	Industrials	161.95
VRSK	Verisk Analytics Inc	190.42	Professional Services	Industrials	29.46
WM	Waste Management, Inc.	163.66	Commercial Services & Supplies	Industrials	66.80

Sells

Ticker	Company	Price	Sub Sector	Sector	Mkt Cap (billions)
ADP	Automatic Data Processing, Inc.	216.11	Professional Services	Industrials	89.55
ALK	Alaska Air Group, Inc.	42.04	Passenger Airlines	Industrials	5.36
ALLE	Allegion Public Limited	99.64	Building Products	Industrials	8.76
CARR	Carrier Global Corp.	41.8	Building Products	Industrials	34.87
CAT	Caterpillar Inc.	209.17	Machinery	Industrials	108.00
CHRW	C.H. Robinson Worldwide, Inc.	92.67	Air Freight & Logistics	Industrials	10.80
CMI	Cummins Inc.	220.33	Machinery	Industrials	31.15
CSGP	CoStar Group, Inc.	68.36	Professional Services	Industrials	27.81
DE	Deere & Company	369.65	Machinery	Industrials	109.54
EMR	Emerson Electric Co.	83.3	Electrical Equipment	Industrials	47.60
FTV	Fortive Corp.	64.36	Machinery	Industrials	22.73
GD	General Dynamics Corporation	227.71	Aerospace & Defense	Industrials	62.49
HON	Honeywell International Inc.	190.46	Industrial Conglomerates	Industrials	127.25
IEX	IDEX Corporation	216.77	Machinery	Industrials	16.37
J	Jacobs Solutions Inc.	112.97	Professional Services	Industrials	14.32
JBHT	J.B. Hunt Transport Services	170.03	Ground Transportation	Industrials	17.64
JCI	Johnson Controls Int'l	55.98	Building Products	Industrials	38.47
LHX	L3Harris Technologies Inc	197.01	Aerospace & Defense	Industrials	37.45
LUV	Southwest Airlines Co.	31.59	Passenger Airlines	Industrials	18.77
MAS	Masco Corporation	47.04	Building Products	Industrials	10.59
MMM	3M Company	101.56	Industrial Conglomerates	Industrials	55.91
NDSN	Nordson Corporation	210.02	Machinery	Industrials	12.03
PAYX	Paychex, Inc.	109.04	Professional Services	Industrials	39.31
SNA	Snap-on Incorporated	228.71	Machinery	Industrials	12.15
TXT	Textron Inc.	67.71	Aerospace & Defense	Industrials	13.90
WAB	Westinghouse Air Brake Tech	96.36	Machinery	Industrials	17.38
XYL	Xylem Inc.	100.26	Machinery	Industrials	18.08



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