

Three Charts You Won't Want to Miss - February's Most Clicked

Here are the three most-clicked charts from our February research.

Interested in discussing these insights or hearing our latest views as we wrap up earnings season and look ahead into 2025? Let us know—we'd love to connect.

1. HEALTHCARE HAS THE HIGHEST PERCENTAGE OF BUY RATINGS

In our research titled [Sell-Side Analyst Ratings Are Mostly Useless](#), we analyzed whether there is any investable information to be gleaned from sell-side analyst ratings. Notably, Healthcare stocks have the highest Buy Recommendation Percentage of any other sector, at 70%, while only 2.5% of all recommendations are Sell. Usually, analysts chase performance and have a high percentage of buy ratings on stocks in sectors that have performed well. However, Healthcare has the worst trailing 12-month performance yet still holds the highest percentage of buy ratings.

Analyst Ratings, Buy and Sell Percentages by Sector
As of End-January, 2025

Sector	Consensus Rating (CIQ)	Buy Recommendation Percentage	Sell Recommendation Percentage
Health Care	1.85	70.0%	2.5%
Energy	2.06	61.3%	6.1%
Information Technology	2.03	60.9%	4.7%
Communication Services	2.15	57.6%	7.6%
Industrials	2.07	56.7%	4.9%
Materials	2.16	55.2%	5.9%
Consumer Discretionary	2.21	51.3%	7.4%
Financials	2.31	47.3%	5.2%
Consumer Staples	2.31	46.5%	6.4%
Utilities	2.22	46.3%	7.4%
Real Estate	2.30	45.3%	7.6%

Source: Trivariate Research

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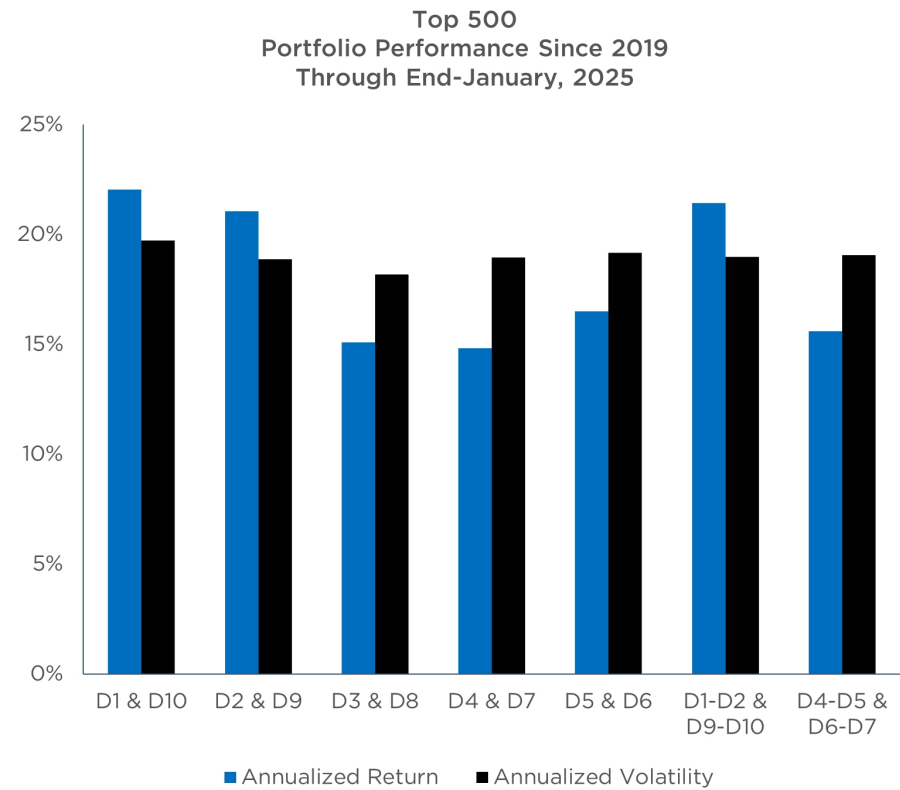
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Read the full note here: [Sell-Side Analyst Ratings Are Mostly Useless](#) (February 14, 2025)

2. CONSTRUCTING A PORTFOLIO WITH EXTREME BETAS IS BEST

In our note titled [How to Build the Optimal Portfolio](#), we explored how to construct an “optimal” portfolio by analyzing beta distribution. Our findings show that portfolios built from extreme beta stocks (D1D10 or D1D2D9D10) delivered the highest returns, while those composed of median beta stocks performed the worst. For S&P 500-focused portfolio managers, the takeaway is clear: prioritize stocks with extremely high and low beta while keeping overall portfolio beta below 1.0.

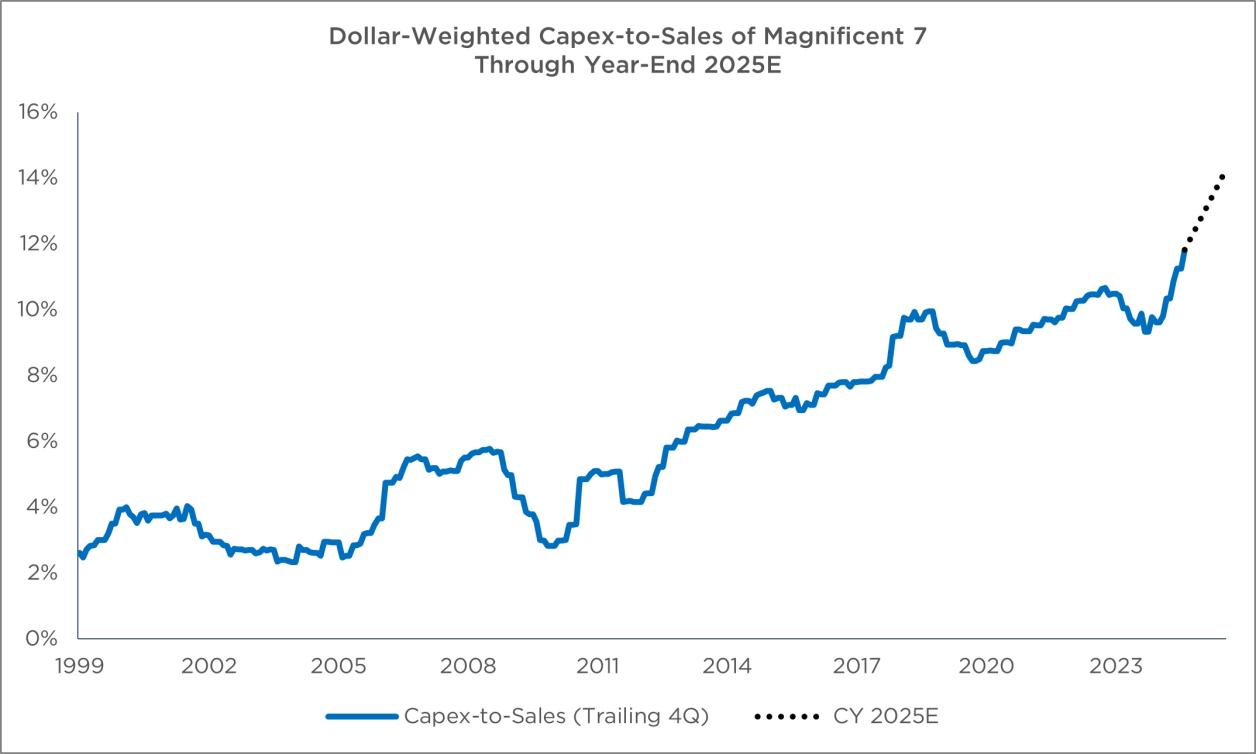


Source: Trivariate Research

Read the full note here: [What's The Right Beta For Your Portfolio?](#) (February 23, 2025)

3. SELL SOME MAG 7

Earlier this month, we recommended that investors consider reducing their exposure to the Mag 7. In our note [Sell Some Mag 7](#), we highlighted that capital spending-to-sales is projected to reach 14.5% by the end of 2025—far higher than any previous period—based on recent management commentary and consensus revenue forecasts. We believe this surge in capital spending will face increasing scrutiny until investors gain better clarity on the returns from these massive investments.



Source: Trivariate Research

Read the full note here: [Level Set: Sell Some Mag 7](#) (February 9, 2025)

Important Disclosures

Analyst Certification

The analysts, Adam Parker, Maxwell Arnold, Chang Ge, Colin Cooney and Ryan McGovern, responsible for the preparation of this research report certifies that: all the views expressed in this research report accurately reflect the research analyst's personal views.

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