



Sure Retirement Newsletter

HIGH-YIELD, HIGH-QUALITY INVESTMENTS

May 2020 Edition

By Ben Reynolds, Nick McCullum, Bob Ciura, Josh Arnold, and Samuel Smith

Edited by Brad Beams

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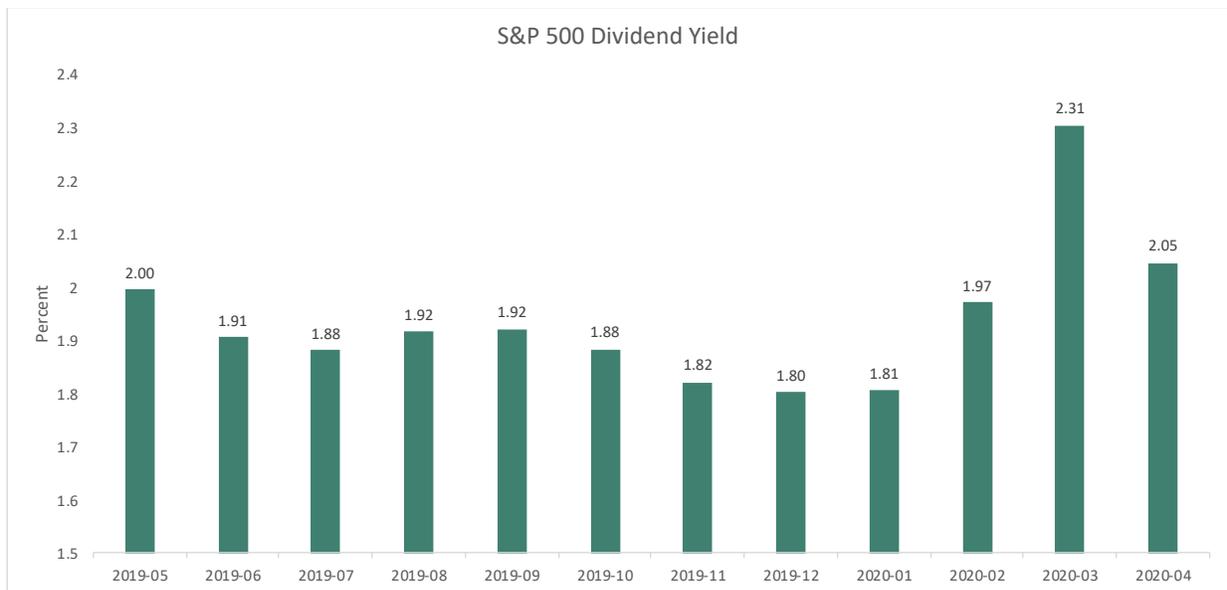
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Opening Thoughts

- Dividend Yields During the COVID-19 Bear Market -

The S&P 500 declined more than 30% between February 21st and March 23rd. While many market observers chose to closely follow the market's price action, we believe that it is equally interesting (if not more so) to track dividend yields over time. Because of this, we want to dedicate this month's Opening Thoughts to discussing what happened to dividend yields over the last several months.

To start, let's observe the dividend yield of the broad market over the past year, as measured by the S&P 500.



The S&P 500 dividend yield surged from 1.97% at month-end in February to 2.31% at month-end in March. The index's yield then dropped to 2.05% at the end of April.

Perhaps more interesting, the last several months have introduced many more opportunities in specific securities. As an example, at the market's bottom on March 23rd, here were the yield statistics compared to those calculated at the bottom of the Great Recession:

Statistic	March 23 rd , 2020	March 9 th , 2009
Average S&P 500 dividend yield	3.6%	6.2%
Number of constituents with 5%+ yields	120	127
Number of constituents with 6%+ yields	96	105

Yields rose to levels that were significantly higher than before the COVID-19 bear market, but they did not reach the same heights as those during the Great Recession of 2007-2009.

Sell Recommendations

As was the case last month, this is an unusual month for sell recommendations. Market declines make selling securities now a generally bad idea. Economic stress has led to an increase in dividend reductions. Industries vulnerable to COVID-19 related ‘social distancing’ and ‘stay at home’ orders have especially at-risk dividends.

As a reminder, we recommend selling securities that reduce or eliminate their dividends. The current situation has created a conundrum since we believe it’s best to sell securities that can’t honor their dividend obligations to shareholders, and at the same time we also believe it’s an emphatically poor time to sell securities right now. Compounding this issue is that securities which reduce their dividend in this difficult time are likely to be among the most undervalued in the market.

We’ve seen four past recommendations reduce or eliminate their dividends since last month’s edition of the *Sure Retirement Newsletter*: Invesco (IVZ), Kohl’s (KSS), Royal Dutch Shell (RDS.B), and WestRock (WRK).

To strike a balance between not selling during a steep market decline and selling companies that cannot reward shareholders with steady or rising dividends, **we are moving these four securities to our *pending sell* category** due to their dividend reductions.

They should be sold when they return to some semblance of fair value. They are all undervalued right now and offer high expected total returns¹. WestRock has expected total returns of more than 15%, and the other three have expected total returns north of 20%.

Invesco’s dividend cut appears to be premature as the company’s old dividend was covered by adjusted EPS, and the company has seen average assets under management (AUM) decline just 2% as of its Q1 2020 earnings release. The company reduced its quarterly dividend for the first time since 2009, from \$0.31 to \$0.155.

Kohl’s dividend suspension came as part of a financing package the company put together to enhance its liquidity. The company ended its streak of dividend increases made every year since it initiated its dividend in 2011. The company has not reported earnings since early March, so analysis based on underlying earnings post-COVID lockdown is not available.

Royal Dutch Shell reduced its quarterly dividend per American Depository Share (ADS) from \$0.64 to \$0.32, the company’s first dividend reduction *since World War II*. The move is understandable given the recent exceptionally low oil prices.

WestRock recently reduced its quarterly dividend per share from \$0.465 to \$0.20. Of note is that the company’s adjusted EPS in its recent Q1 2020 earnings release were \$0.67, down from \$0.80 the same quarter a year ago but sufficient to cover the dividend. This dividend reduction ends the company’s streak of steady or rising dividends each year since 1994.

The time to sell these is when they are *not* trading for such a wide discount to their fair values. We will do full sell write-ups on each of them when we issue our final sell recommendations.

¹ Expected total return data is from the Sure Analysis Research Database spreadsheet of 5/6/20.

The Sure Retirement Top 10 – May 2020

Name & Ticker	Div. Risk Score	Price	Fair Value	Exp. Value Ret.	Div. Yield	Payout Ratio	Exp. Growth	ETR ²
Unum Group (UNM)	A	\$14	\$39	22.5%	8.0%	23%	2.0%	32.5%
Franklin Resources (BEN)	A	\$18	\$30	11.1%	6.1%	38%	2.0%	19.2%
Archer-Daniels-Mid. (ADM)	A	\$35	\$50	7.7%	4.1%	43%	4.0%	15.8%
Walgreens (WBA)	A	\$41	\$55	5.9%	4.4%	31%	5.0%	15.3%
AbbVie (ABBV)	A	\$86	\$101	3.3%	5.5%	49%	5.5%	14.3%
National Fuel Gas (NFG)	A	\$39	\$50	5.2%	4.5%	57%	4.0%	13.7%
Eaton Vance (EV)	A	\$36	\$39	1.6%	4.3%	41%	6.5%	12.4%
Genuine Parts (GPC)	A	\$73	\$72	-0.2%	4.4%	70%	5.0%	9.2%
Enterprise Products (EPD)	B	\$17	\$27	9.6%	10.6%	59% ³	2.0%	22.2%
Federal Realty (FRT)	B	\$78	\$97	4.7%	5.4%	64%	5.5%	15.6%

Notes: Data for the table above is from a spreadsheet during the past week of our Sure Analysis Research Database and general data over the same week. 'Div.' stands for 'Dividend.' 'Exp. Value Ret.' means expected returns from valuation changes. 'Exp. Growth' means expected annualized growth rate over the next five years. 'ETR' stands for expected total returns and is the sum of the Exp. Value Ret., Div. Yield, and Exp. Growth columns. Data in the table above might be slightly different than individual company analysis pages due to writing the company reports throughout the past week.

Disclosures: Ben Reynolds is personally long the following from this month's Top 10: WBA and ABBV. Nick McCullum is long WBA and ABBV. Bob Ciura is long ABBV.

Bank OZK (OZK), Weyco (WEYS), and Polaris (PII) were replaced by Unum Group (UNM), Archer-Daniels-Midland (ADM), and Federal Realty (FRT) in this month's Top 10. As a reminder, securities that are no longer in the Top 10 are holds, not sells.

An equally weighted portfolio of the Top 10 has the following future expected total returns estimate characteristics:

	Top 10	S&P 500
Dividend Yield:	5.7%	2.1%
Growth Rate:	4.2%	5.5%
Valuation Expansion:	7.2%	-2.8%
Expected Annual Total Returns:	17.0%	4.8%

Note: Data for this newsletter was from 5/6/20 through 5/8/20.

² Expected Total Returns is calculated using the simplified estimated method, which is the sum of expected valuation returns, dividend yield, and expected growth returns. It does not take into account dividend growth or volatility decay.

³ Based on the company's distributable cash flow coverage ratio (DCF), not earnings-per-share (EPS).

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Analysis of Top 10 Securities

Unum Group (UNM)

Overview & Current Events

Unum Group is an insurance holding company providing a broad portfolio of financial protection benefits and services. The company operates through its Unum US, Unum UK, Unum Poland and Colonial Life businesses; providing disability, life, accident, critical illness, dental and vision benefits to millions of customers. Unum generated revenue of approximately \$12 billion in 2019.

On May 5th, 2020 Unum reported first-quarter results for the current fiscal year. For the quarter, Unum generated \$2.9 billion in revenue, a 3.7% decrease year-over-year, which missed analyst estimates by \$180 million. Net earnings-per-share (EPS) of \$0.79 declined 40% from the same period last year, while adjusted earnings-per-share of \$1.35 increased by 3% year-over-year. The large decline in net earnings-per-share was due primarily to a \$113 million investment loss. However, the core Unum US segment performed well, with 3.8% growth in adjusted operating income as premium income increased 1.7% for the quarter. In addition, company book value per share increased 13% to \$48.21. Unum suspended its share repurchase program for the remainder of 2020 and withdrew its full-year guidance.

Competitive Advantages & Recession Performance

Competitive advantages are difficult to achieve in the financial services industry, as customers are often motivated by price when it comes to insurance. That said, Unum has developed a top position in its industry with a track record of reliable service and establishing deep relationships with customers.

These qualities have served the company well during recessions. Unum performed surprisingly well in the Great Recession of 2007-2009. Unum posted earnings-per-share of \$2.19, \$2.51, \$2.57 and \$2.71 from 2007 through 2010. Furthermore, the dividend kept increasing during this time as well.

Growth Prospects, Valuation, & Catalyst

Over the past decade, Unum grew its earnings-per-share by approximately 8% per year on average. Results were helped by rising premium income, as well as aggressive share repurchases which retired 5% of the share count each year. The company suspending its share repurchases will be a negative headwind for future earnings-per-share growth. However, we believe Unum can continue to grow through reasonable improvement in premium and investment income, along with expense management. We believe 2% annual EPS growth is a reasonable expectation through 2025.

We expect Unum to generate adjusted earnings-per-share of \$4.90 for 2020. Based on this, the stock has a price-to-earnings ratio (P/E) of just 2.9. During the past decade shares of Unum have traded with an average P/E multiple of 8 to 9. Our fair value estimate is a P/E ratio of 8.0, which implies the potential for a significant valuation tailwind. Expansion of the P/E multiple could boost annual returns by 22.5% per year over the next five years. In addition, shareholder returns will be driven by expected EPS growth of 2% per year, and the 8.0% dividend yield. Overall, we expect total annual returns of 32.5% per year over the next five years for Unum stock.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	12	5-Year Growth Estimate:	2.0%
Dividend Yield:	8.0%	5-Year Valuation Return Estimate:	22.5%
Most Recent Dividend Increase:	9.6%	5-Year CAGR Estimate:	32.5%
Estimated Fair Value:	\$39	Dividend Risk Score:	A
Stock Price:	\$14	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	10193	10278	10515	10369	10525	10731	11047	11287	11599	11999
SG&A Exp.	776	808	787	790	821	835	839	852	886	898
D&A Exp.	75	81	84	85	88	100	102	103	101	110
Net Profit	879	284	894	847	402	867	931	994	523	1100
Net Margin	8.6%	2.8%	8.5%	8.2%	3.8%	8.1%	8.4%	8.8%	4.5%	9.2%
Free Cash Flow	1197	1096	1274	926	1109	1192	1037	1059	1392	1591
Income Tax	441	49	355	373	140	371	416	410	104	282

Balance Sheet Metrics

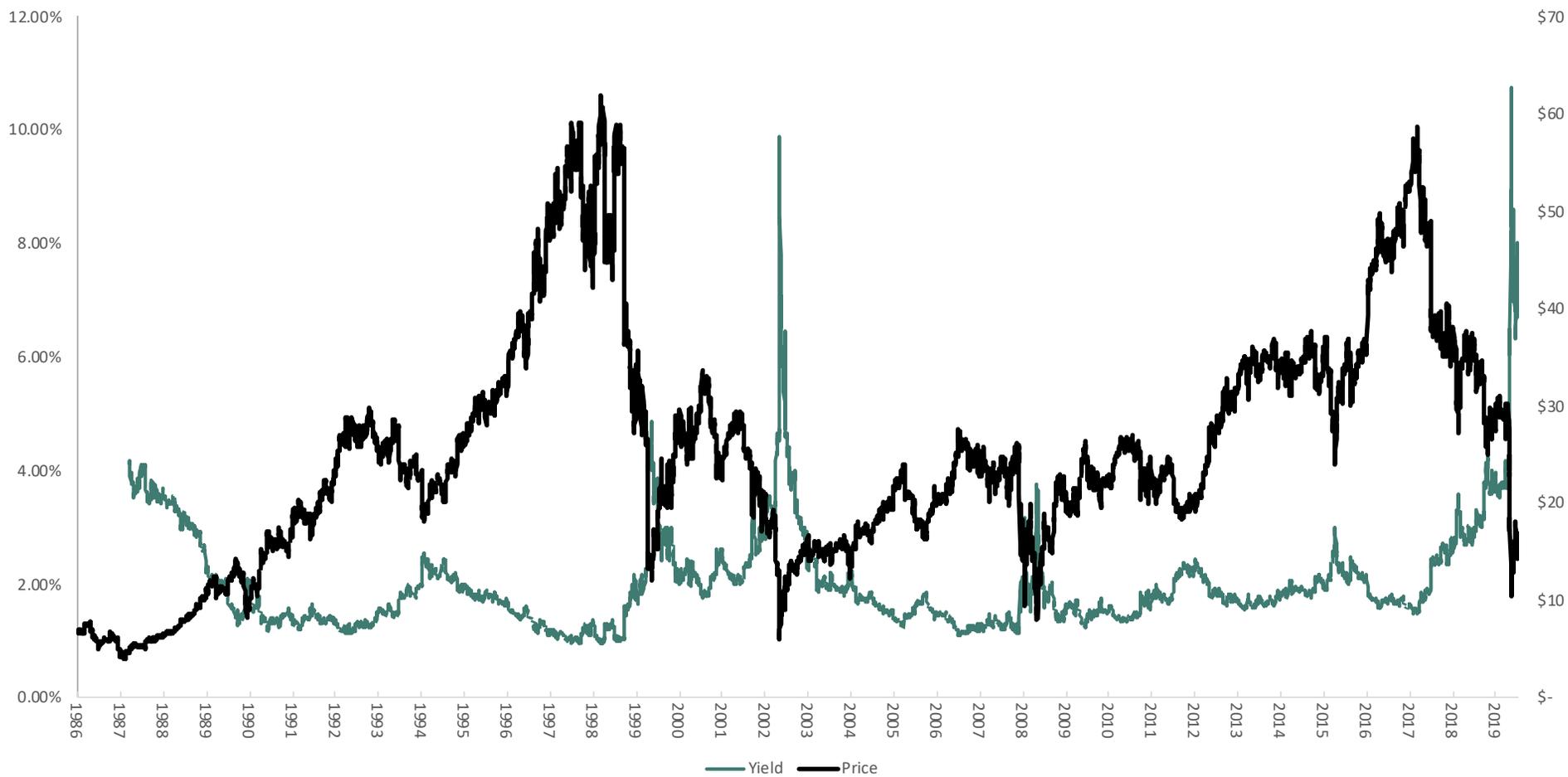
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	57308	59555	62236	59404	62450	60564	61942	64013	61876	67013
Cash & Equivalents	54	117	77	94	103	113	100	77	94	84
Accounts Receivable	1666	6527	6475	6454	6541	6324	6470	6545	6278	6384
Goodwill & Int. Ass.	201	232	225	220	214	255	367	367	447	440
Total Liabilities	48363	51386	53624	50745	53928	51900	52974	54438	53254	57048
Long-Term Debt	2856	2883	3211	2612	2781	2801	2999	2938	2971	3327
Shareholder's Equity	8944	8170	8613	8659	8522	8664	8968	9575	8622	9965
D/E Ratio	0.32	0.35	0.37	0.30	0.33	0.32	0.33	0.31	0.34	0.33

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	1.6%	0.5%	1.5%	1.4%	0.7%	1.4%	1.5%	1.6%	0.8%	1.7%
Return on Equity	10.1%	3.3%	10.7%	9.8%	4.7%	10.1%	10.6%	10.7%	5.8%	11.8%
ROIC	7.7%	2.5%	7.8%	7.3%	3.6%	7.6%	7.9%	8.1%	4.3%	8.8%
Shares Out.	327.2	303.6	281.8	265.9	256.7	247.9	236.0	227.3	220.1	209.9
Revenue/Share	31.15	33.86	37.32	38.99	41.01	43.30	46.81	49.65	52.71	57.18
FCF/Share	3.66	3.61	4.52	3.48	4.32	4.81	4.39	4.66	6.33	7.58

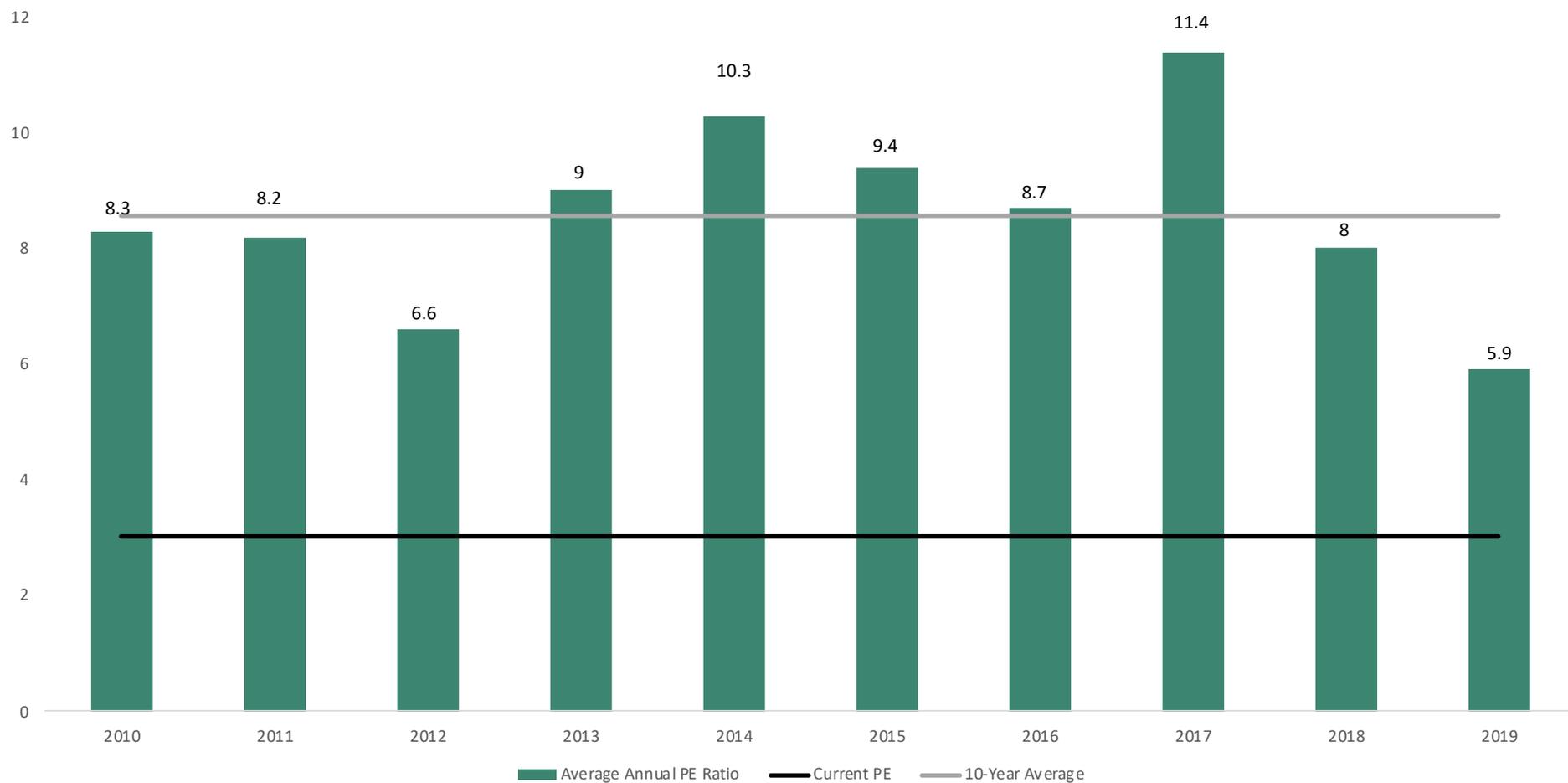
Note: All relevant figures in millions of U.S. Dollars unless per share or indicated otherwise.

Unum Group (UNM) Dividend Yield History



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Unum Group (UNM): Valuation Analysis



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Franklin Resources Inc. (BEN)

Overview & Current Events

Franklin Resources was founded in 1947 and named after Benjamin Franklin. Today, Franklin Resources manages the Franklin and Templeton families of funds. Franklin Resources has a market capitalization of approximately \$9 billion, and nearly \$600 billion in assets under management (AUM) as of the end of the fiscal second quarter.

On April 30th Franklin Resources reported Q2 fiscal year 2020 results. Operating revenue of \$1.34 billion declined 7% year-over-year. However, adjusted earnings-per-share (EPS) of \$0.66 increased 1.5% from the same quarter last year. Total AUM was \$580.3 billion at the end of the quarter, down \$118.0 billion or 17% due primarily to \$98.2 billion of negative market performance. Separately, Franklin Resources saw \$25.4 billion of net outflows, slightly offset by \$5.6 billion in assets from an acquisition.

Competitive Advantages & Recession Performance

Competitive advantages are difficult to achieve in the asset management industry, but Franklin Resources has established itself with a long and successful track record of industry outperformance. It has also increased its dividend every year since 1981, placing it on the list of Dividend Aristocrats.

Franklin Resources is not a recession-resistant company. As a financial services provider, its profits are highly correlated to economic growth and market performance. For example, Franklin Resources' EPS declined 5.5% in 2008, and another 42% in 2009 during the Great Recession. That said, the company remained profitable, which allowed it to continue increasing its dividend throughout the recession, and earnings-per-share quickly recovered with 63% growth in 2010.

Growth Prospects, Valuation, & Catalyst

While industry conditions have tightened lately due to escalating competition, we believe Franklin Resources retains multiple catalysts for future growth. First, the U.S. is an aging population. As the population ages, along with increasing life expectancy, the need for retirement planning services will be higher than ever. Franklin Resources will also be able to grow AUM through acquisitions, such as the recent \$4.5 billion acquisition of Legg Mason (LM). Legg Mason, and its investment affiliates, collectively managed over \$800 billion in assets as of January 31st, 2020. The combined company will be among the world's largest asset managers. The deal also presents significant cost synergies, as Franklin Resources expects to generate approximately \$200 million in annual cost savings. More recently, Franklin Resources acquired AdvisorEngine, a digital wealth platform that provides technology and consulting services to over 1,200 financial advisory firms in the United States.

We expect Franklin Resources to generate adjusted earnings-per-share of \$2.75 for 2020. Based on this, the stock trades for a price-to-earnings ratio (P/E) of 6.5. Shares trade below our fair value estimate of 11, indicating the stock is significantly undervalued. Expansion of the P/E multiple could increase annual returns by 11.1% through 2025. Combining valuation changes with 2.0% expected annual earnings growth and the 6.1% dividend yield, we expect total returns of 19.2% per year for Franklin Resources stock over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	39	5-Year Growth Estimate:	2.0%
Dividend Yield:	6.1%	5-Year Valuation Return Estimate:	11.1%
Most Recent Dividend Increase:	3.8%	5-Year CAGR Estimate:	19.2%
Estimated Fair Value:	\$30	Dividend Risk Score:	A
Stock Price:	\$18	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	5853	7140	7101	7985	8491	7949	6618	6392	6319	5775
Gross Profit	3570	3196	3106	3558	3935	3733	3047	2928	2889	2370
Gross Margin	61.0%	44.8%	43.7%	44.6%	46.3%	47.0%	46.0%	45.8%	45.7%	41.0%
SG&A Exp.	1316	363	408	446	498	481	474	444	526	813
D&A Exp.	267	88	82	94	95	97	87	80	76	93
Operating Profit	2089	2660	2515	2921	3221	3028	2366	2264	2119	1557
Operating Margin	35.7%	37.3%	35.4%	36.6%	37.9%	38.1%	35.7%	35.4%	33.5%	27.0%
Net Profit	1446	1924	1931	2150	2384	2035	1727	1697	764	1196
Net Margin	24.7%	26.9%	27.2%	26.9%	28.1%	25.6%	26.1%	26.5%	12.1%	20.7%
Free Cash Flow	1594	1490	988	1974	2085	2183	1630	1061	2123	(32)
Income Tax	618	803	763	856	998	924	742	759	1473	442

Balance Sheet Metrics

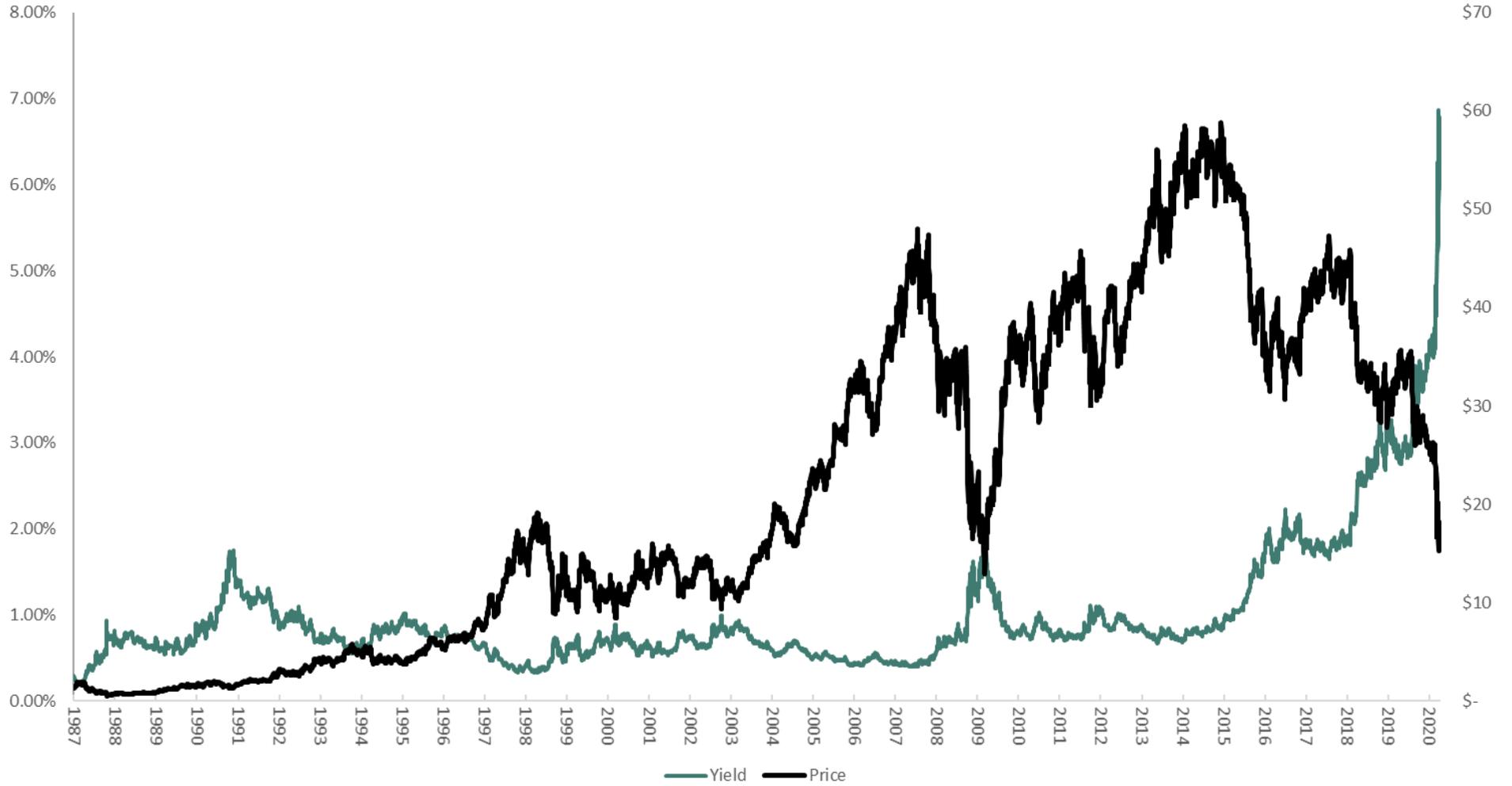
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	10708	13776	14752	15390	16357	16336	16099	17534	14384	14532
Cash & Equivalents	3985	5199	4491	6323	7596	8368	8483	8750	6911	5958
Accounts Receivable	N/A	773	850	1039	950	838	794	1002	848	839
Goodwill & Int. Ass.	2007	2148	2142	2359	2326	2257	2211	2228	2333	
Total Liabilities	2958	4653	4991	4705	4145	3840	3571	4598	4176	2995
Accounts Payable	547	266	242	274	238	232	233	292	227	3908
Long-Term Debt	980	2201	2777	2295	2149	2155	2083	1098	729	304
Shareholder's Equity	7727	8525	9201	10073	11584	11841	11936	12620	9899	748
D/E Ratio	0.13	0.26	0.30	0.23	0.19	0.18	0.17	0.09	0.07	0.08

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	14.3%	15.7%	13.5%	14.3%	15.0%	12.5%	10.6%	10.1%	4.8%	8.3%
Return on Equity	18.8%	23.7%	21.8%	22.3%	22.0%	17.4%	14.5%	13.8%	6.8%	12.1%
ROIC	17.5%	19.2%	16.2%	16.9%	17.4%	14.0%	11.8%	11.8%	6.1%	10.7%
Shares Out.	672	653	637	631	623	604	570	555	522	499
Revenue/Share	8.58	10.72	11.04	12.59	13.58	12.93	11.34	11.43	11.75	11.45
FCF/Share	2.34	2.24	1.54	3.11	3.33	3.55	2.79	1.90	3.95	(0.06)

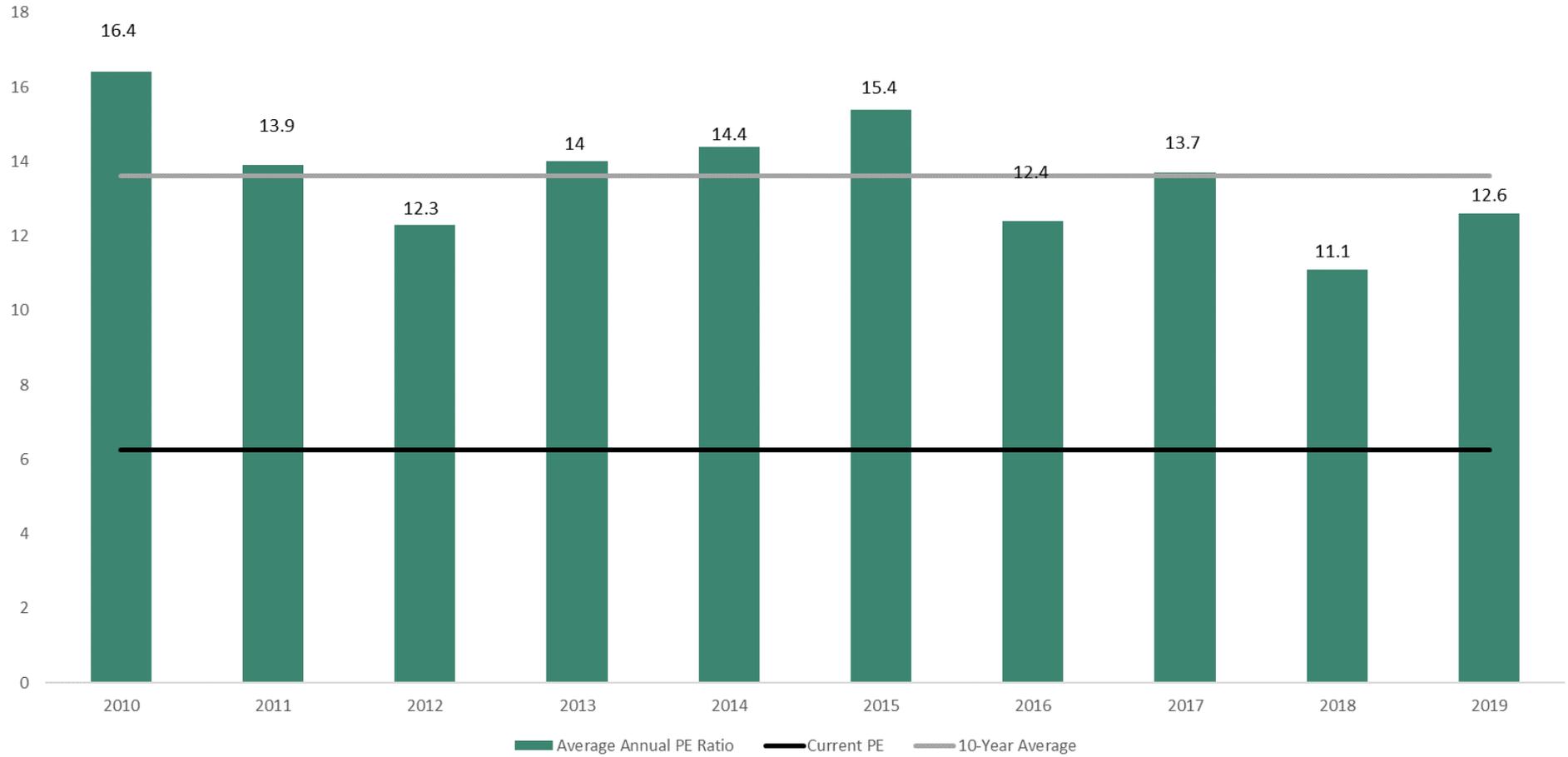
Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

Franklin Resources (BEN) Dividend Yield History



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Franklin Resources (BEN): Valuation Analysis



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Archer-Daniels-Midland Co. (ADM)

Overview & Current Events

Archer-Daniels-Midland is a giant agricultural origination and processing company. It is the largest publicly-traded farmland product company in the United States. The company, which was founded in 1902, trades with a market capitalization of \$19 billion. Archer-Daniels-Midland's businesses include the processing of cereal grains and oilseeds, as well as agricultural storage and transportation.

On April 29th, ADM reported financial results for the 2020 second fiscal quarter. Revenue of \$15 billion declined 2% year-over-year, and missed analyst estimates by \$740 million. However, adjusted earnings-per-share (EPS) of \$0.64 increased 39% from the same quarter last year and beat estimates by \$0.08 per share. The core Ag Services and Oilseeds segment grew adjusted operating profit by 1.2%, while Nutrition led the way with 75% growth in adjusted operating profit. ADM ended the second fiscal quarter with \$4.7 billion in cash and cash equivalents on its balance sheet.

Competitive Advantages & Recession Performance

Archer-Daniels-Midland has a significant competitive advantage in terms of its industry dominance. ADM's core Ag Services & Oilseeds segment manages ~10% of global agriculture commodity volumes. The company has approximately 60 different oilseeds products and possesses over 120 processing assets in 16 countries around the world. This kind of geographic scale provides ADM with the ability to generate steady profits, even when operating in a cyclical industry. ADM also has a strong balance sheet, which serves as a competitive advantage particularly during recessions.

Despite the fact that it operates in a cyclical industry, ADM holds up fairly well during recessions. During the Great Recession, the company reported earnings-per-share of \$2.84 in 2008 and \$3.06 in both 2009 and 2010. ADM remained strongly profitable during the recession and grew its earnings-per-share by ~8% in 2009, a highly impressive performance. Its global competitive advantages and defensive business model have allowed ADM to raise its dividend for 45 consecutive years.

Growth Prospects, Valuation, & Catalyst

ADM has positive long-term growth potential, due to rising global populations and increasing demand for food. Separately, the company will be a beneficiary of new eating trends such as alternative proteins, which have resulted in strong growth in ADM's nutrition segment over the past several quarters. We expect 4% annual EPS growth over the next five years for ADM.

We expect ADM to generate adjusted earnings-per-share of \$3.31 for 2020. Based on this, the stock trades for a price-to-earnings ratio (P/E) of 10.5, which is below our fair value estimate of 15.2. Our fair value estimate is equal to the 10-year average valuation. If ADM stock trades up to our fair value P/E, annual returns would be increased by 7.7% over the next five years. In addition, ADM has a 4.1% dividend yield, and the dividend appears secure. ADM has a projected dividend payout ratio of 43.5% based on our expected EPS for 2020. Again, we expect 4% annual earnings-per-share growth through 2025. Putting it all together, we expect total returns of 15.8% per year over the next five years for ADM stock.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	45	5-Year Growth Estimate:	4.0%
Dividend Yield:	4.1%	5-Year Valuation Return Estimate:	7.7%
Most Recent Dividend Increase:	2.9%	5-Year CAGR Estimate:	15.8%
Estimated Fair Value:	\$50	Dividend Risk Score:	A
Stock Price:	\$35	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	61682	80676	89038	89804	81201	67702	62346	60828	64341	64656
Gross Profit	3843	4300	3668	3889	4768	3966	3618	3518	4181	4147
Gross Margin	6.2%	5.3%	4.1%	4.3%	5.9%	5.9%	5.8%	5.8%	6.5%	6.4%
SG&A Exp.	1398	1611	1626	1759	1933	1985	1981	1978	2165	2493
D&A Exp.	912	877	848	909	894	882	900	924	941	993
Operating Profit	2445	2689	2042	2130	2835	1981	1637	1540	2016	1654
Op. Margin	4.0%	3.3%	2.3%	2.4%	3.5%	2.9%	2.6%	2.5%	3.1%	2.6%
Net Profit	1930	2036	1223	1342	2248	1849	1279	1595	1810	1379
Net Margin	3.1%	2.5%	1.4%	1.5%	2.8%	2.7%	2.1%	2.6%	2.8%	2.1%
Free Cash Flow	1077	-3587	1418	4313	4049	580	-7390	-7015	-5626	-6280
Income Tax	666	997	523	670	877	438	534	7	245	209

Balance Sheet Metrics

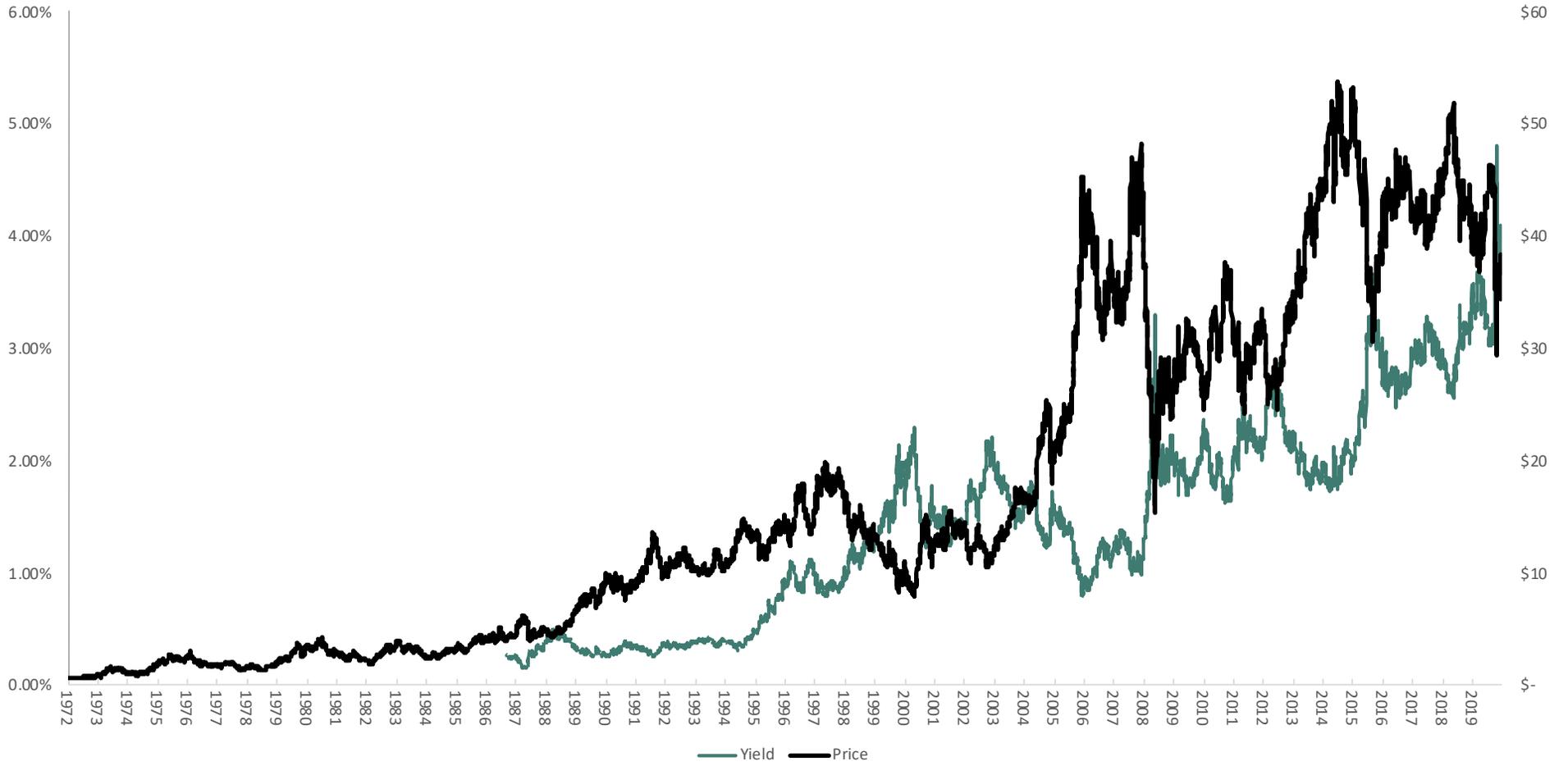
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	31808	42352	41771	43752	43997	40157	39769	39963	40833	43997
Cash & Equivalents	1046	615	1291	3121	1099	910	619	804	1997	852
Acc. Receivable	N/A	4808	3439	4522	4236	2886	2426	2424	2683	3281
Inventories	7871	12055	12192	11441	9374	8243	8831	9173	8813	9170
Goodwill & Int.	523	602	603	561	3392	3688	3703	3918	4041	5476
Total Liabilities	17177	23514	23602	23558	24367	22242	22588	21641	21837	24772
Accounts Payable	5538	2581	2474	4513	4326	3474	3606	3894	3545	3746
Long-Term Debt	7548	10319	10320	6870	5660	5877	6931	7493	8388	8881
Total Equity	14609	18808	17969	20156	19575	17899	17173	18313	18981	19208
D/E Ratio	0.52	0.55	0.57	0.34	0.29	0.33	0.40	0.41	0.44	0.46

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	6.1%	5.5%	N/A	3.0%	5.1%	4.4%	3.2%	4.0%	4.5%	3.3%
Return on Equity	13.7%	12.2%	6.7%	6.9%	11.3%	9.9%	7.3%	9.0%	9.7%	7.2%
ROIC	8.8%	7.9%	N/A	4.8%	8.6%	7.5%	5.3%	6.4%	6.8%	5.0%
Shares Out.	644.0	654.0	666.0	663.0	656.0	621.0	591.0	572.0	567.0	565.0
Revenue/Share	95.78	123.36	133.69	135.45	123.78	109.02	105.49	106.34	113.48	113.48
FCF/Share	1.67	-5.48	2.13	6.51	6.17	0.93	-12.50	-12.26	-9.92	-11.12

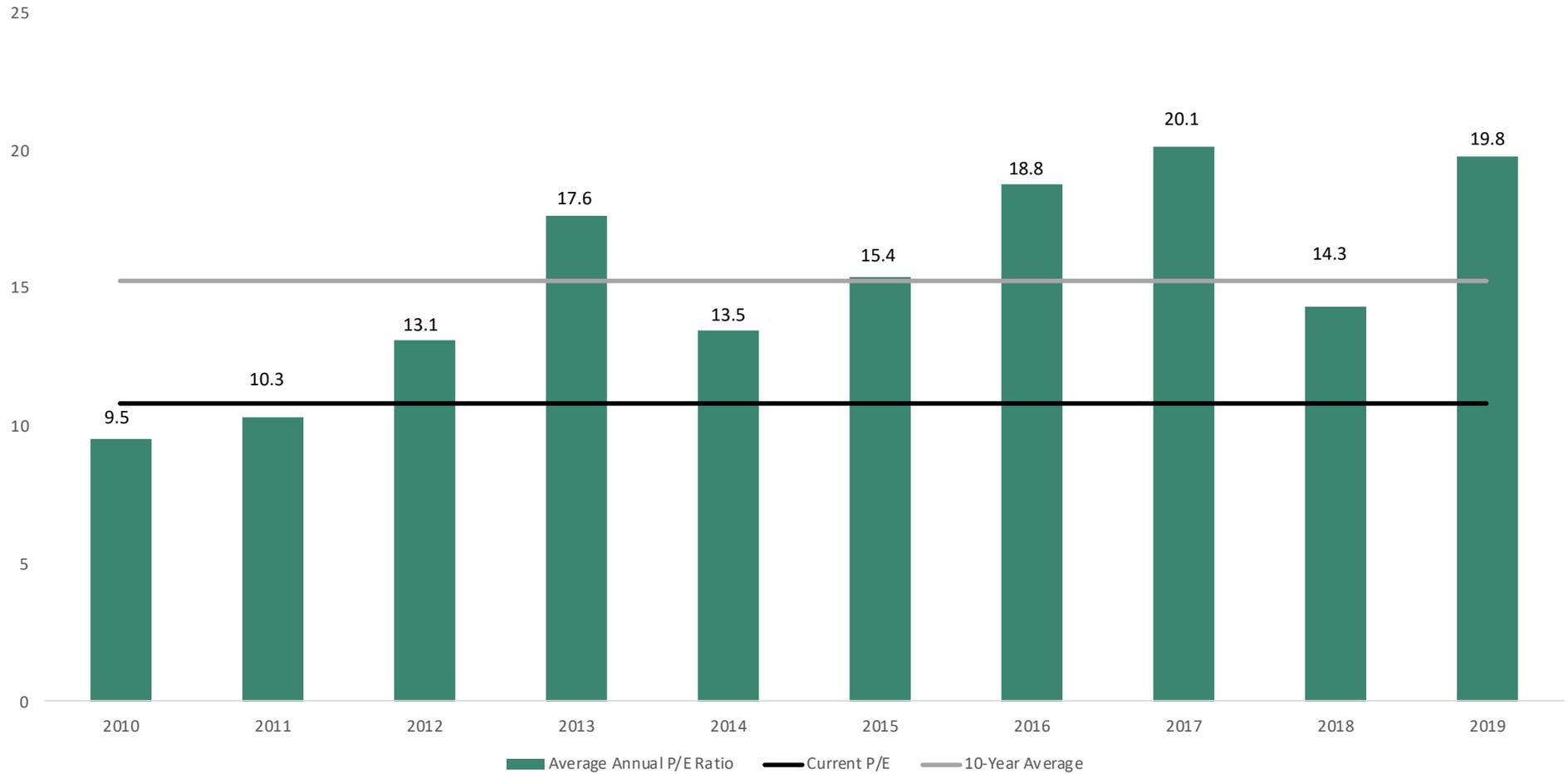
Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

Archer-Daniels-Midland (ADM) Dividend Yield History



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Archer-Daniels-Midland (ADM): Valuation Analysis



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Walgreens Boots Alliance Inc. (WBA)

Overview & Current Events

Walgreens Boots Alliance (WBA) is a pharmacy retailer with over 18,750 stores in 11 countries. The stock currently has a \$36 billion market capitalization. Walgreens has increased its dividend for 44 consecutive years, which makes it a member of the Dividend Aristocrats.

In late 2019, Walgreens was approached by KKR & Co., a private equity and real estate investment firm that specializes in leveraged buyouts, about a possible buyout. However, no formal agreement has transpired, and all indications are that the talks have stalled. As a result, investors should not consider the go-private deal to be likely at this point.

In early April, Walgreens reported (4/2/20) financial results for the second fiscal quarter of 2020. Revenue of \$35.8 billion increased 4.1% year-over-year excluding foreign exchange impacts, and beat analyst estimates by \$580 million. Revenue growth was due to comparable store sales growth of 2.7% in the core Retail Pharmacy USA operating segment. However, adjusted earnings-per-share (EPS) fell 7.3% to \$1.52, as the company ramps up its investments in growth initiatives. The company also withdrew its financial guidance for the remainder of fiscal 2020 due to the coronavirus. WBA has also entered into a \$500 million credit facility to help shore up its finances during the coronavirus crisis.

Competitive Advantages & Recession Performance

Walgreens' competitive advantage is its leading market share. Its robust retail presence and convenient locations encourage consumers to use Walgreens instead of its competitors. This brand strength means customers keep coming back to Walgreens, providing the company with stable sales and growth. Consumers are unlikely to cut spending on prescriptions and other healthcare products even during difficult economic times which makes Walgreens very resistant to recessions. Walgreens' adjusted EPS declined by just 7% during 2009 and actually grew its adjusted EPS from 2007 through 2010.

Growth Prospects, Valuation, & Catalyst

Walgreens has a positive long-term growth outlook. Retail Pharmacy has proven to be resistant to e-commerce and will benefit from the aging U.S. population and rising demand for healthcare. For example, in the most recent quarter Walgreens' pharmacy sales increased 5.3% year-over-year, reflecting higher brand inflation and prescription volume. Separately, the company continues to maintain its cost-cutting target of over \$1.8 billion by fiscal 2022. Walgreens announced last Fall that it will close 200 Boots stores in the U.K. and also 200 U.S. stores.

Based on expected fiscal 2020 adjusted EPS of \$5.50, Walgreens stock trades at a price-to-earnings ratio (P/E) of just 7.5. We believe Walgreens is valued far too low, based on its strong business model, competitive advantages, and long history of dividend increases. Our fair value estimate is a P/E of 10.0, a slight decrease from our previous estimate of 12.0 due to the uncertainty posed by coronavirus. Still, we view Walgreens as significantly undervalued. Expansion of the price-to-earnings ratio could add 5.9% to Walgreens' annual returns through 2025. We expect 5% annual EPS growth, and the stock has a 4.4% yield. Walgreens stock has expected returns of 15.3% per year over the next 5 years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	44	5-Year Growth Estimate:	5.0%
Dividend Yield:	4.4%	5-Year Valuation Return Estimate:	5.9%
Most Recent Dividend Increase:	4%	5-Year CAGR Estimate:	15.3%
Estimated Fair Value:	\$55	Dividend Risk Score:	A
Stock Price:	\$41	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue (\$B)	67	72	72	72	76	103	117	118	132	137
Gross Profit	18976	20492	20342	21119	21569	26753	29874	29162	30792	30076
Gross Margin	28.1%	28.4%	28.4%	29.2%	28.2%	25.9%	25.5%	24.7%	23.4%	22.0%
SG&A Exp.	15518	16561	16878	17543	17992	22400	23910	23813	24694	25242
D&A Exp.	1030	1086	1166	1283	1316	1742	1718	1654	1770	2038
Operating Profit	3458	3931	3464	3576	3577	4353	5964	5349	6098	4834
Op. Margin	5.1%	5.4%	4.8%	5.0%	4.7%	4.2%	5.1%	4.5%	4.6%	3.5%
Net Profit	2091	2714	2127	2548	1932	4220	4173	4078	5024	3982
Net Margin	3.1%	3.8%	3.0%	3.5%	2.5%	4.1%	3.6%	3.4%	3.8%	2.9%
Free Cash Flow	2730	2430	2881	3089	2787	4413	6522	5904	6896	3892
Income Tax	1282	1580	1249	1499	1526	1056	997	760	998	588

Balance Sheet Metrics

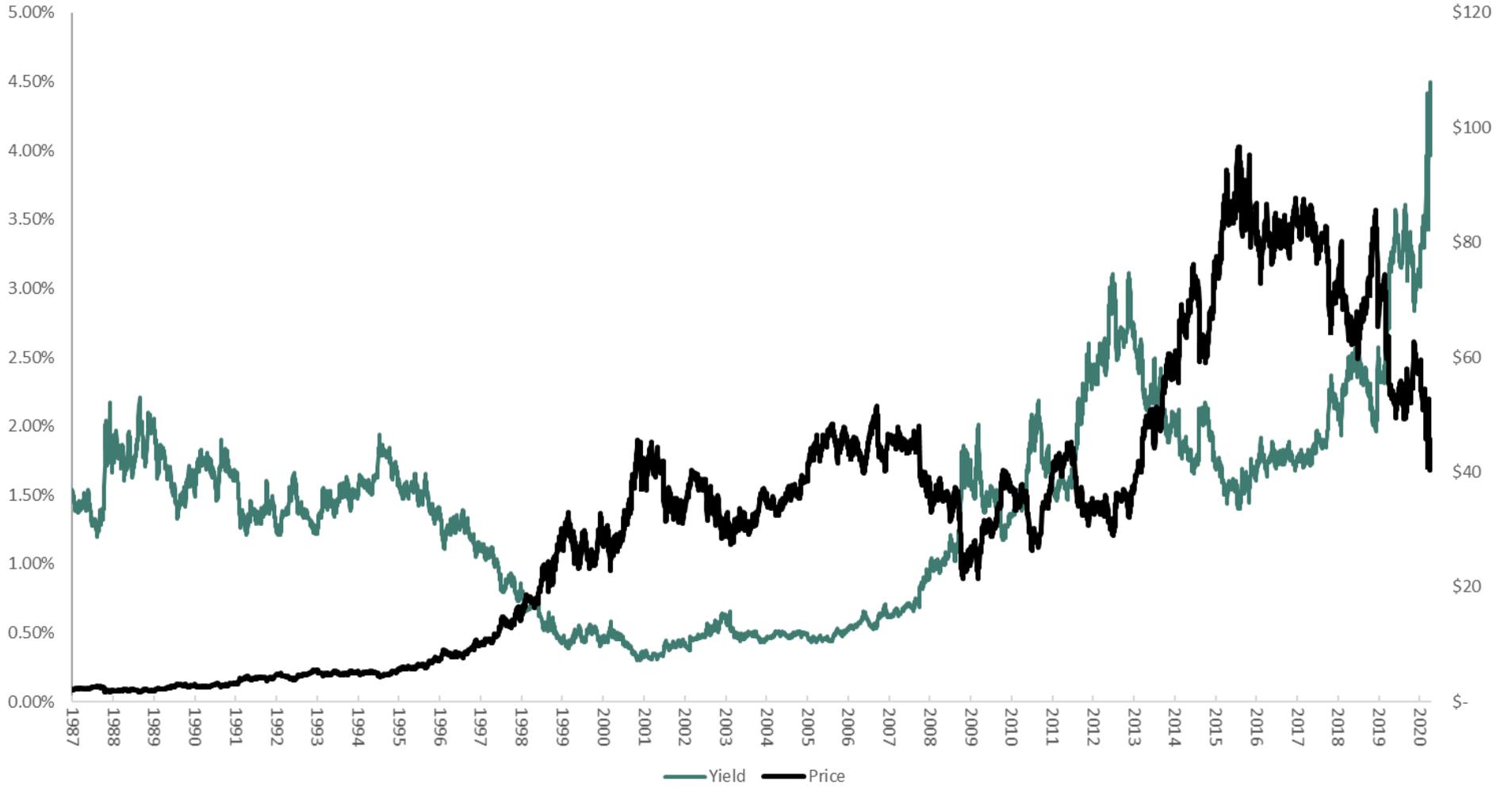
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	26275	27454	33462	35481	37250	68782	72688	66009	68124	67598
Cash & Equivalents	1880	1556	1297	2106	2646	3000	9807	3301	785	1023
Acc. Receivable	2450	2497	2167	2632	3218	6849	6260	6528	6573	7226
Inventories	7378	8044	7036	6852	6076	8678	8956	8899	9565	9333
Goodwill & Int.	3001	3229	3447	3717	3539	28723	25829	25788	28697	27436
Total Liabilities	11875	12607	15226	16027	16633	37482	42407	37735	41435	43446
Accounts Payable	4585	4810	4384	4635	4315	10088	11000	12494	13566	14341
Long-Term Debt	2401	2409	5392	5047	4490	14383	19028	12935	14397	16836
Total Equity	14400	14847	18236	19454	20513	30861	29880	27466	26007	23512
D/E Ratio	0.17	0.16	0.30	0.26	0.22	0.47	0.64	0.47	0.55	0.72

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	8.1%	10.1%	7.0%	7.4%	5.3%	8.0%	5.9%	5.9%	7.5%	5.9%
Return on Equity	14.5%	18.6%	12.9%	13.5%	9.7%	16.4%	13.7%	14.2%	18.8%	16.1%
ROIC	12.5%	15.9%	10.4%	10.6%	7.8%	11.9%	8.8%	9.0%	12.2%	9.7%
Shares Out.	939	889	944	947	950	1,090	1,083	1,024	952	924
Revenue/Share	68.25	78.08	81.39	75.60	79.15	98.15	107.55	109.61	132.20	148.20
FCF/Share	2.76	2.63	3.27	3.23	2.89	4.19	5.98	5.47	6.93	4.21

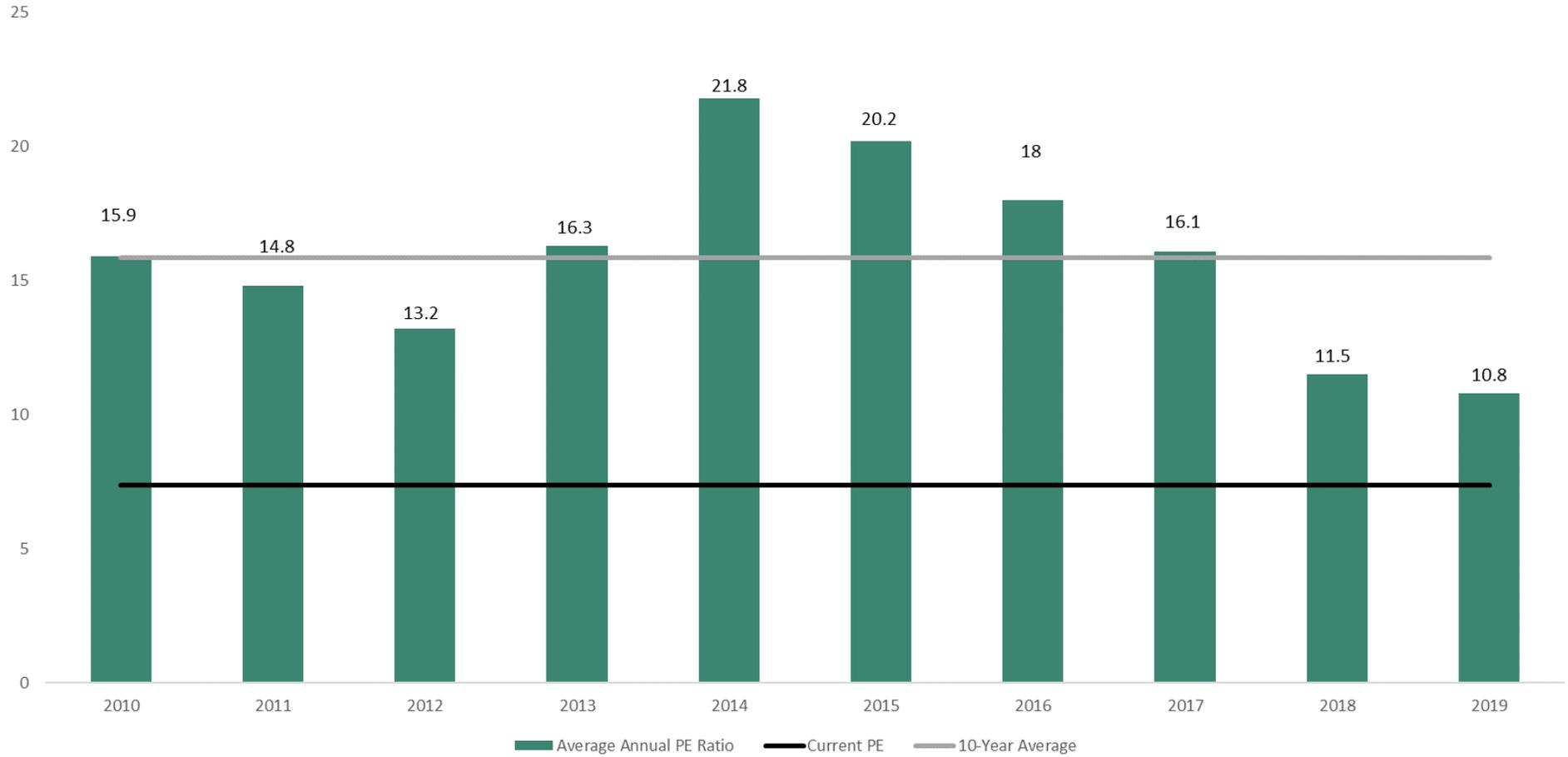
Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

Walgreens Boots Alliance (WBA) Dividend Yield History



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Walgreens Boots Alliance (WBA): Valuation Analysis



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AbbVie Inc. (ABBV)

Overview & Current Events

AbbVie is a pharmaceutical company focused on Immunology, Oncology, and Virology. AbbVie was spun off by Abbott Laboratories in 2013 and now trades with a market capitalization of \$126 billion. Its most important product is Humira, which by itself represents more than half of annual revenue. Humira is a multi-purpose pharmaceutical product and is the top-selling drug in the world. Humira is now facing biosimilar competition in Europe, which has had a noticeable unfavorable impact on the company. It will lose patent protection in the U.S. in 2023.

AbbVie reported first quarter earnings on May 1st, with results beating expectations for both revenue and profit. Global net revenue rose 10% year-over-year to \$8.62 billion. Humira revenue was up 5.8% to \$4.7 billion, as U.S. revenue was up 13.7%, but was partially offset by a 12.8% decline in international revenue thanks to partial loss of patent status. Imbruvica revenue was up 20.6% to \$1.23 billion, as it continues to be a major source of growth for AbbVie.

Gross margins were 82.7% of revenue on an adjusted basis, while adjusted SG&A costs were just 18.6% of revenue. Earnings-per-share came in at \$2.42 on an adjusted basis, and we're reiterating our estimate for this year of \$9.60 in earnings-per-share.

Competitive Advantages & Recession Performance

AbbVie's major risk is loss of exclusivity for Humira. Fortunately, the company's massive research and development platform is a competitive advantage. Adjusted research and development expenses totaled \$5 billion in 2019, and the investment is already paying off. AbbVie has received 14 major approvals since 2013, with 10 of those coming in the core categories of Immunology and Oncology. AbbVie was not a standalone company during the last financial crisis, so there is no recession track record, but since sick people require treatment whether the economy is strong or not, it is highly likely that AbbVie will continue to perform well during this recession.

Growth Prospects, Valuation, & Catalyst

Despite the challenge posed by loss of exclusivity on Humira, we believe AbbVie has long-term growth potential. First, it has invested heavily in building its pipeline of new products. For example, Imbruvica sales increased 29% in 2019, and were up 21% in Q1, while sales of Venclexta more than doubled last year, while accomplishing the same feat in Q1. AbbVie previously announced the \$63 billion acquisition of Allergan (AGN). The combined company will have annual revenues of nearly \$50 billion. AbbVie expects the transaction to be 10% accretive to adjusted earnings-per-share over the first year, with peak accretion of greater than 20%. Importantly, AbbVie received final approval from all regulatory bodies on May 5th to go ahead with the acquisition.

Based on expected 2020 earnings-per-share of \$9.60, AbbVie stock trades for a price-to-earnings ratio (P/E) of 8.9. Our fair value estimate for AbbVie is a P/E of 10.5, and we therefore see it as undervalued. An expanding P/E multiple could boost shareholder returns by approximately 3.3% per year over the next 5 years. In addition, we expect annual earnings growth of 5.5%, while the stock has a 5.5% dividend yield. We expect total annual returns of 14.3% per year over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	484	5-Year Growth Estimate:	5.5%
Dividend Yield:	5.5%	5-Year Valuation Return Estimate:	3.3%
Most Recent Dividend Increase:	10.3%	5-Year CAGR Estimate:	14.3%
Estimated Fair Value:	\$101	Dividend Risk Score:	A
Stock Price:	\$86	Retirement Suitability Score:	A

⁴ Including years as a wholly-owned subsidiary of Abbott Laboratories (ABT).

Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	N/A	N/A	18380	18790	19960	22859	25638	28216	32753	33266
Gross Profit	N/A	N/A	13872	14209	15534	18359	19806	21174	25035	25827
Gross Margin	N/A	N/A	75.5%	75.6%	77.8%	80.3%	77.3%	75.0%	76.4%	77.6%
SG&A Exp.	N/A	N/A	4989	5352	7724	6387	5881	6295	7399	6942
D&A Exp.	N/A	N/A	1150	897	786	836	1189	1501	1765	2017
Operating Profit	N/A	N/A	5817	5664	3411	7537	9340	9545	6383	13368
Op. Margin	N/A	N/A	31.6%	30.1%	17.1%	33.0%	36.4%	33.8%	19.5%	40.2%
Net Profit	N/A	N/A	5275	4128	1774	5144	5953	5309	5687	7882
Net Margin	N/A	N/A	28.7%	22.0%	8.9%	22.5%	23.2%	18.8%	17.4%	23.7%
Free Cash Flow	N/A	N/A	6012	5776	2937	7003	6562	9431	12789	12772
Income Tax	N/A	N/A	450	1204	595	1501	1931	2418	-490	544

Balance Sheet Metrics

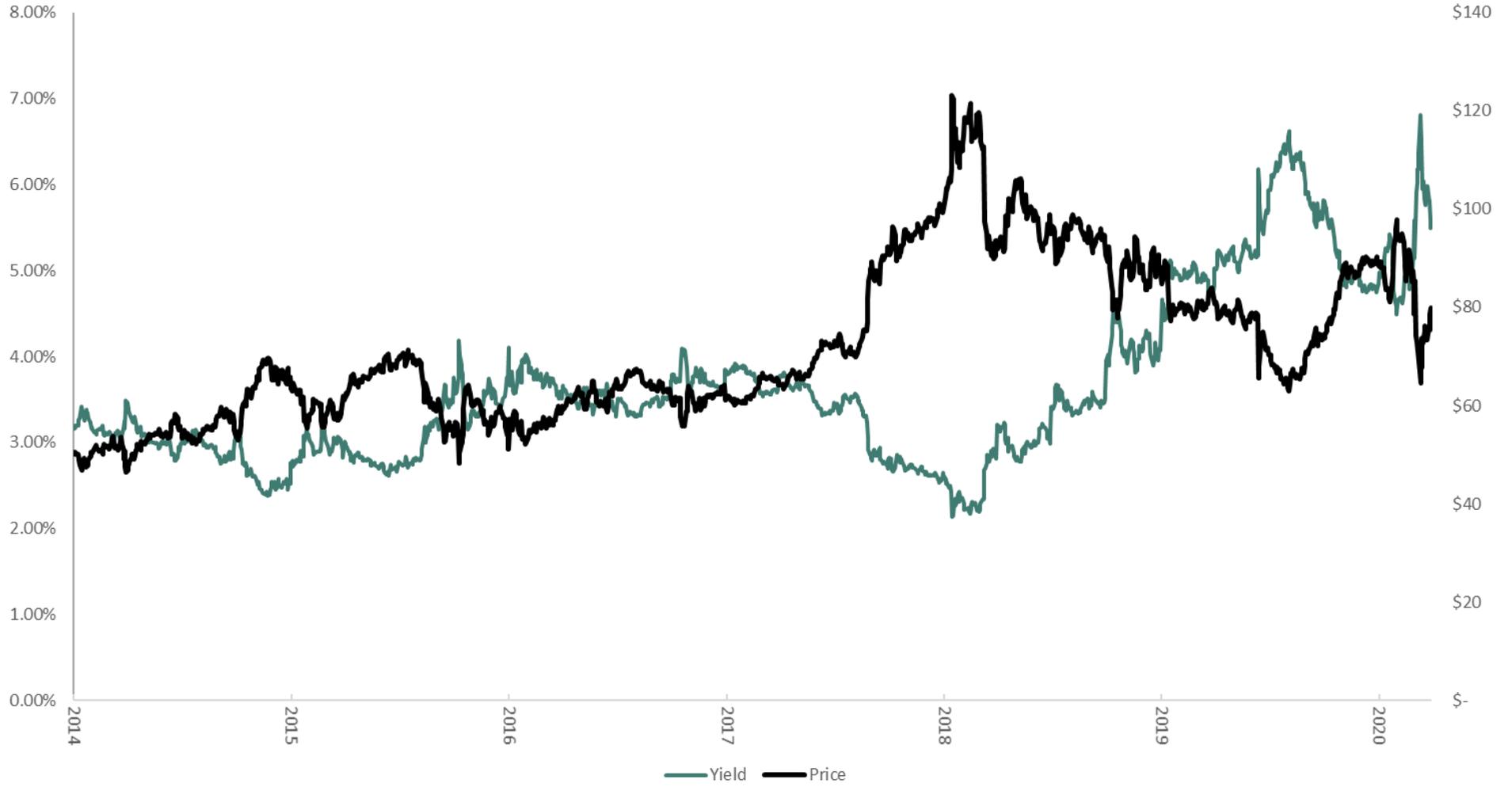
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	N/A	N/A	27008	29198	27513	53050	66099	70786	59352	89115
Cash & Equivalents	N/A	N/A	5901	9595	8348	8399	5100	9303	7289	39924
Acc. Receivable	N/A	N/A	4298	3854	3735	4730	4758	5088	5384	5428
Inventories	N/A	N/A	1091	1150	1124	1719	1444	1605	1605	1813
Goodwill & Int.	N/A	N/A	8453	8167	7375	32877	44313	43344	36896	34253
Total Liabilities	N/A	N/A	23645	24706	25771	49105	61463	65689	67798	97287
Accounts Payable	N/A	N/A	556	933	1401	1597	1407	1474	1546	1452
Long-Term Debt	N/A	N/A	15672	14723	14977	31671	36842	37368	40310	66728
Total Equity	N/A	N/A	3363	4492	1742	3945	4636	5097	-8446	-8172
D/E Ratio	N/A	N/A	4.66	3.28	8.60	8.03	7.95	7.33	-4.77	-8.17

Profitability & Per Share Metrics

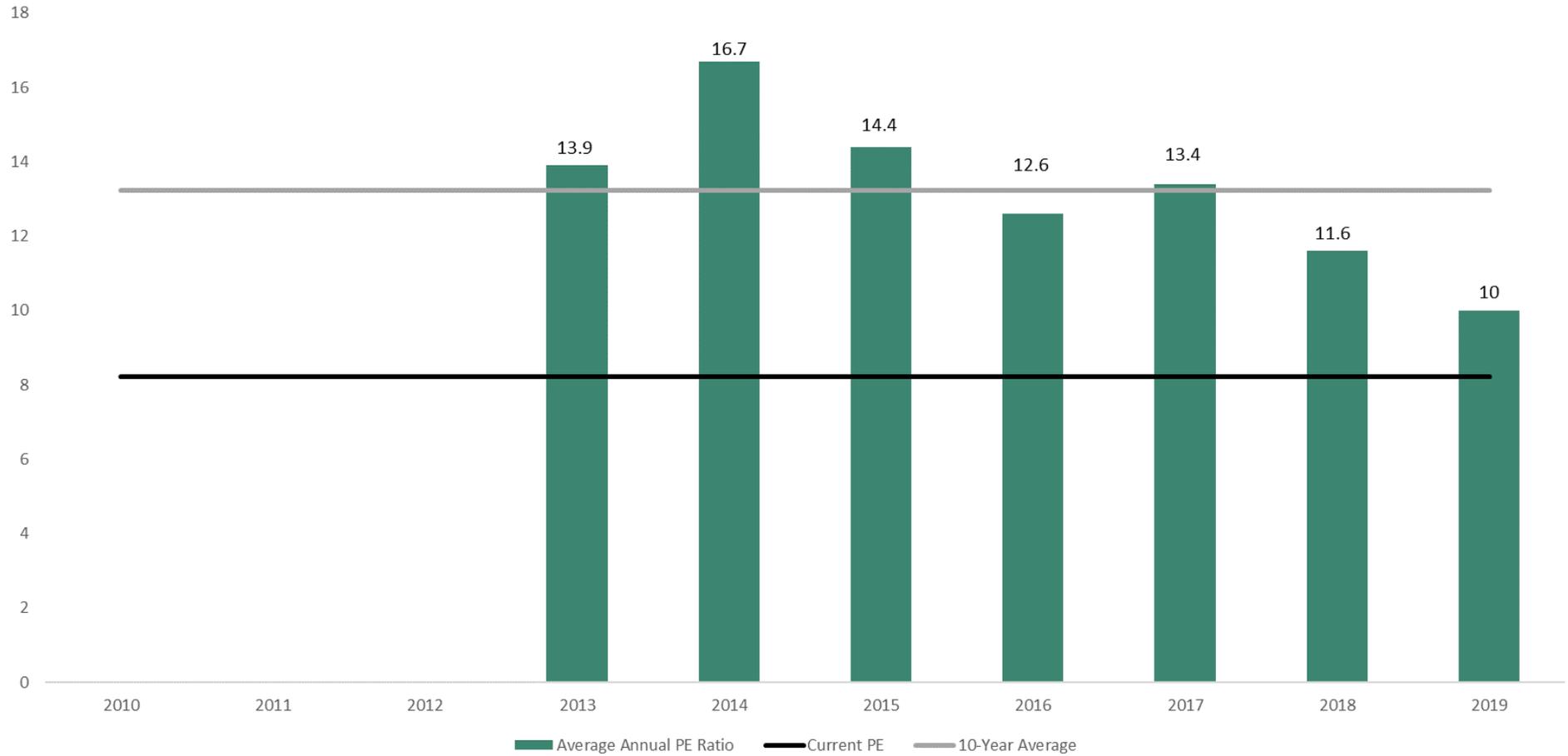
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	N/A	N/A	22.7%	14.7%	6.3%	12.8%	10.0%	7.8%	8.7%	10.6%
Return on Equity	N/A	N/A	69.0%	105%	56.9%	181%	139%	109%	-340%	N/A
ROIC	N/A	N/A	34.0%	21.6%	9.9%	19.7%	15.4%	12.6%	15.3%	17.4%
Shares Out.	N/A	N/A	N/A	1590	1590	1610	1590	1590	1550	1484
Revenue/Share	N/A	N/A	11.66	11.71	12.40	13.96	15.72	17.60	21.19	22.42
FCF/Share	N/A	N/A	3.81	3.60	1.82	4.28	4.02	5.88	8.27	8.61

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

AbbVie (ABBV) Dividend Yield History



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AbbVie (ABBV): Valuation Analysis

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National Fuel Gas Co. (NFG)

Overview & Current Events

National Fuel Gas Co. is a diversified energy company that operates in five business segments: Exploration & Production (E&P is its largest segment), Pipeline & Storage, Gathering, Utility, and Energy Marketing. The company was founded in 1902 and has grown to a market capitalization of \$3.4 billion while establishing a sterling record of 49 years of consecutive dividend increases, making it a longtime Dividend Champion, and very nearly a Dividend King.

National Fuel Gas reported Q2 2020 earnings on April 30th, and results were somewhat mixed, with revenue declining by 11% year-over-year, but with adjusted earnings beating lowered expectations. Adjusted earnings came to \$84 million, or \$0.97 per share in the second quarter, down from \$93 million and \$1.07 per share in the year-ago period, respectively.

The company saw its E&P segment net production of 59.8 billion of cubic feet equivalent (Bcfe), an increase of 11 Bcfe, or 23% from last year's Q2, including 2.7 billion cubic feet (Bcf) of curtailments due to sustained low natural gas prices in the Appalachia region. Average natural gas prices, net of hedging, were \$2.12 per thousand cubic feet (Mcf), down sharply from the \$2.58 average in the year-ago period. Oil prices, net of hedging, were \$58.23 per barrel (Bbl), down \$2.78 from last year's Q2. In total, Gathering segment revenues were \$35 million, up 20% thanks to higher throughput from E&P, while Pipeline & Storage revenues rose 10% to \$79 million. We've slightly reduced estimated earnings to \$2.85 per share for this year on oil and natural gas pricing weakness.

Competitive Advantages & Recession Performance

National Fuel Gas' competitive advantage is its combination of regulated and stable cash flowing businesses (pipelines and utilities) with cyclical and potentially higher-growth sectors (exploration and production). This allows the company to allocate capital efficiently. Defensive businesses generate 55% of National Fuel Gas' EBITDA, giving it resilience in bad times while still leaving opportunity (45% of EBITDA in E&P businesses) to pursue more aggressive growth in favorable environments.

The company also benefits from a healthy balance sheet with conservative leverage and interest coverage ratios of 2.7x and 6x, respectively. Furthermore, its dividend payout ratio is sufficiently low to enable continued dividend growth even if earnings stall temporarily. The company's integrated business model means that it will suffer slightly during a recession but is unlikely to see a steep decline in cash flow. Overall, we view the company as fairly recession resistant.

Growth Prospects, Valuation, & Catalyst

We expect National Fuel Gas to grow earnings-per-share at a rate of 4% per year through 2025 and to continue growing its dividend at a similar pace.

National Fuel Gas stock trades for a price-to-earnings ratio of 13.6, based on expected earnings-per-share of \$2.85 for this year. Our fair value estimate for the stock is a price-to-earnings ratio of 17.5, so the stock is significantly undervalued. Valuation changes could add 5.2% to total returns per year over the next five years. Combining this with earnings-per-share growth (4%) and the current dividend yield (4.5%), gives us expected annualized total returns of 13.7% per year over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	49	5-Year Growth Estimate:	4.0%
Dividend Yield:	4.5%	5-Year Valuation Return Estimate:	5.2%
Most Recent Dividend Increase:	2.4%	5-Year CAGR Estimate:	13.7%
Estimated Fair Value:	\$50	Dividend Risk Score:	A
Stock Price:	\$39	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	1761	1779	1627	1830	2113	1761	1452	1580	1593	1693
Gross Profit	1102	924	940	1042	935	891	895	935	873	1031
Gross Margin	62.6%	51.9%	57.8%	57.0%	44.2%	50.6%	61.6%	59.2%	54.8%	60.9%
Operating Profit	440	441	448	518	570	515	532	553	487	512
Operating Margin	25.0%	24.8%	27.5%	28.3%	27.0%	29.3%	36.6%	35.0%	30.6%	30.2%
Net Profit	226	258	220	260	299	-379	-291	283	392	304
Net Margin	12.8%	14.5%	13.5%	14.2%	14.2%	-21.5%	-20.0%	17.9%	24.6%	18.0%
Free Cash Flow	4	-160	-376	35	-5	-165	7	234	30	-94
Income Tax	137	164	151	173	190	-319	-233	161	-7	85

Balance Sheet Metrics

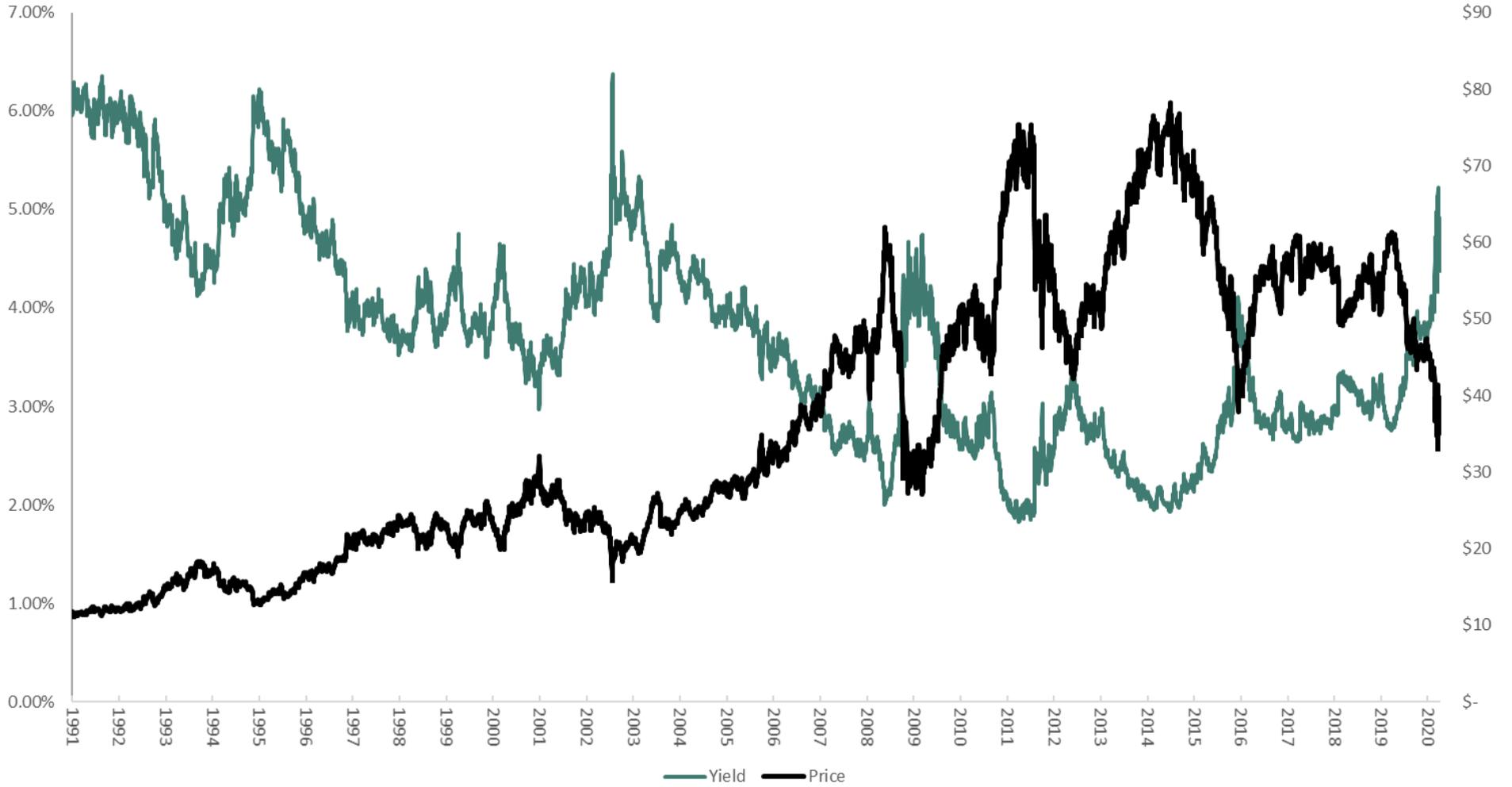
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	5106	5221	5935	6218	6728	6565	5636	6103	6036	6462
Cash & Equivalents	397	80	N/A	20						
Accounts Receivable	163	163	116	133	150	105	133	112	141	140
Inventories	74	82	78	94	67	65	71	74	78	80
Goodwill & Int. Ass.	5	5	5	5	5	5	5	5	5	5
Total Liabilities	3360	3329	3975	4024	4317	4539	4109	4400	4099	4323
Accounts Payable	128	142	88	105	137	180	108	126	160	132
Long-Term Debt	1249	1089	1570	1649	1723	2084	2086	2384	2131	2189
Shareholder's Equity	1746	1892	1960	2195	2411	2025	1527	1704	1937	2139
D/E Ratio	0.72	0.58	0.80	0.75	0.71	1.03	1.37	1.40	1.10	1.02

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	4.6%	5.0%	3.9%	4.3%	4.6%	-5.7%	-4.8%	4.8%	6.5%	4.9%
Return on Equity	13.5%	14.2%	11.4%	12.5%	13.0%	-17.1%	-16.4%	17.5%	21.5%	14.9%
ROIC	7.7%	8.6%	6.8%	7.1%	7.5%	-9.2%	-7.5%	7.4%	9.6%	7.2%
Shares Out.	82.1	82.9	83.3	83.7	84.2	84.6	85.1	85.5	86.0	86.77
Revenue/Share	21.30	21.26	19.43	21.69	24.87	20.87	17.12	18.37	18.43	19.51
FCF/Share	0.05	-1.92	-4.49	0.42	-0.06	-1.95	0.09	2.72	0.34	-1.09

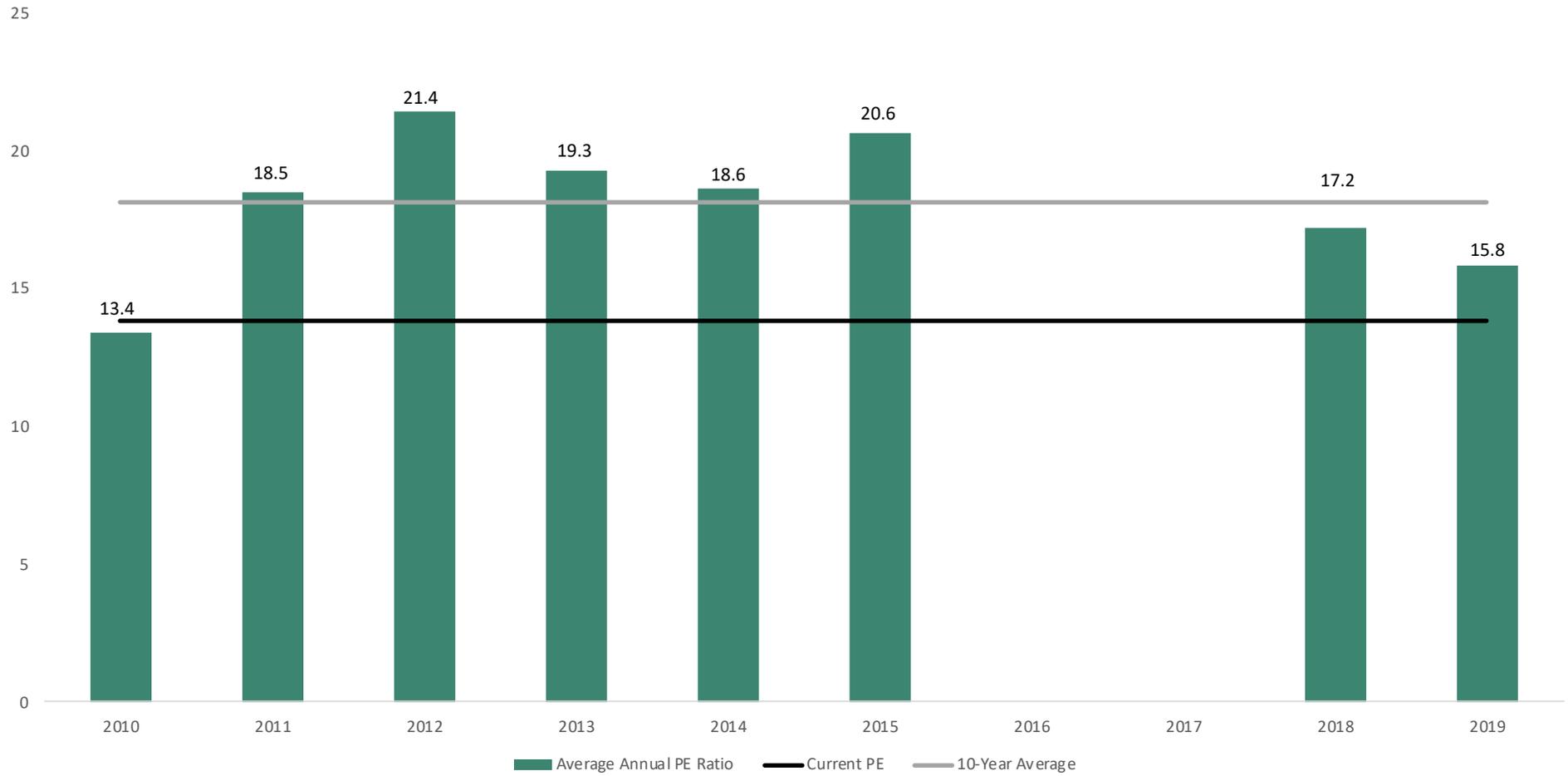
Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

National Fuel Gas (NFG) Dividend Yield History



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National Fuel Gas Co. (NFG): Valuation Analysis



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Eaton Vance Corp. (EV)

Overview & Current Events

Eaton Vance is an asset management firm based in Boston, Massachusetts. The company's roots were founded in 1924 and now it has a \$3.8 billion market cap. With offices in North America, Europe, Asia, and Australia, the company serves its clients by providing closed-end funds (CEFs), mutual funds, term trusts, and exchange-traded funds (these ETFs trade under the NextShares name).

In late February (2/26/20), Eaton Vance reported financial results for the first quarter of fiscal 2020. In the quarter, the company generated revenues of \$453 million, which represents 4.3% growth over the year-ago period. Consolidated net inflows of \$6.1 billion during the quarter combined with market appreciation to drive 4% growth in assets under management (AUM) to a total of \$518 billion.

On the bottom line, however, Eaton Vance's performance was weak. Adjusted earnings-per-share of \$0.86 were 9% less year-over-year, though they did beat consensus estimates by a penny.

Competitive Advantage & Recession Performance

Eaton Vance's competitive advantage lies in its appealing product offerings and low fees, which are allowing it to compete in an asset management industry experiencing significant fee compression. While most asset managers are experiencing net outflows due to the trend towards low-cost ETFs, Eaton Vance actually saw net inflows of \$25.2 billion through the last four quarters.

The asset management industry is not known for its recession resiliency. Stocks in this sector tend to perform poorly during bear markets as (1) equity markets fall, reducing asset managers' revenue and (2) customers withdraw money, further lowering AUM. Still, Eaton Vance performed reasonably well during the last recession, as earnings-per-share declined by 31%, then hit a new high within two years.

Growth Prospects, Valuation, & Catalyst

Eaton Vance's costs do not fluctuate much with changes in assets under management. As a result, it is imperative that they sustain positive fund flows, otherwise, their profit margin will decline precipitously. While current market volatility is likely to hurt them in the short term, their broad product offerings should enable them to sustain their appeal to investors for the foreseeable future.

We expect the company to generate earnings-per-share of \$3.55 in fiscal 2020. Using this estimate, the company is trading at a price-to-earnings ratio (P/E) of 10.1 which is slightly below our fair value multiple estimate of 11 times earnings. If the company's valuation can revert to a price-to-earnings ratio of 11 in five years, this will boost its returns by about 1.6% annually. Eaton Vance is expected to generate 6.5% annualized earnings growth and pays a dividend that yields 4.3%. Overall, we believe that Eaton Vance could potentially deliver total returns of about 12.4% per year over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increase:	38	5-Year Growth Estimate:	6.5%
Dividend Yield:	4.3%	5-Year Valuation Return Estimate:	1.6%
Most Recent Dividend Increase:	7.1%	5-Year CAGR Estimate:	12.4%
Estimated Fair Value:	\$39	Dividend Risk Score:	A
Stock Price:	\$36	Retirement Suitability Score:	A

Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	1116	1249	1209	1358	1450	1404	1343	1529	1702	1683
Gross Profit	873	621	579	656	731	615	635	730	843	799
Gross Margin	78.2%	49.8%	47.9%	48.3%	50.4%	43.8%	47.3%	47.7%	49.5%	47.5%
SG&A Exp.	369	29	30	32	34	35	35	38	42	
D&A Exp.	25	25	25	25	21	22	20	19	25	
Operating Profit	348	426	393	453	520	400	414	483	555	521
Operating Margin	31.1%	34.1%	32.5%	33.4%	35.8%	28.5%	30.8%	31.6%	32.6%	30.9%
Net Profit	174	215	203	194	304	230	241	282	382	400
Net Margin	15.6%	17.2%	16.8%	14.3%	21.0%	16.4%	18.0%	18.5%	22.4%	23.8%
Free Cash Flow	84	160	174	110	91	208	333	67	115	
Income Tax	126	157	142	144	187	143	154	174	157	135

Balance Sheet Metrics

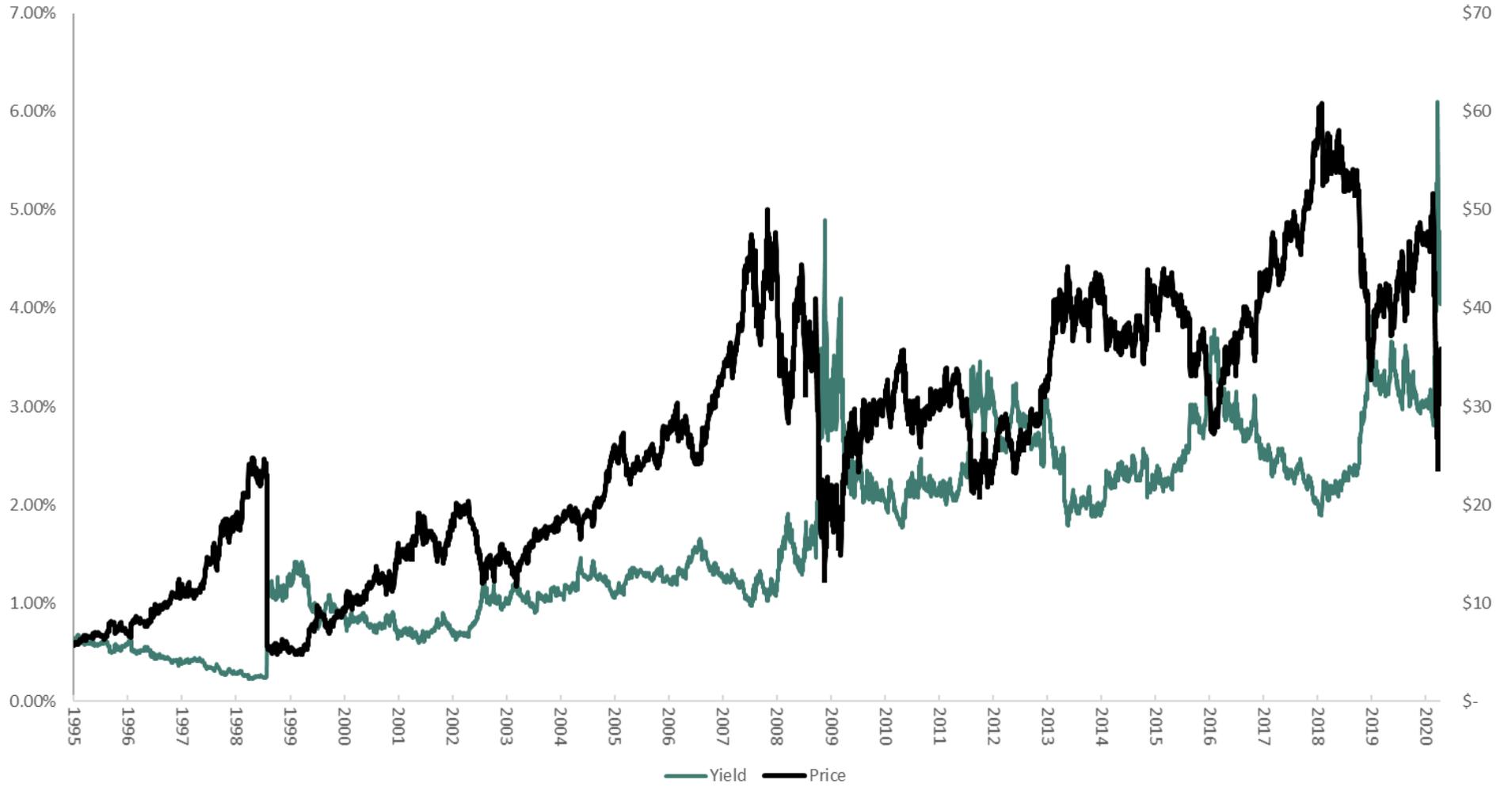
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	1259	1831	1979	2407	1860	2116	1730	2331	3599	4254
Cash & Equivalents	308	527	499	499	394	628	424	611	817	606
Accounts Receivable			134	170	186	188	186	200	237	238
Goodwill & Int. Ass.	209	210	214	303	294	293	295	349	341	336
Total Liabilities	781	1269	1366	1736	1203	1495	1026	1319	2491	3070
Accounts Payable	61	51	59	59	65	65	60	68	91	90
Long-Term Debt	500	978	947	1100	726	971	572	631	1493	2238
Shareholder's Equity	410	460	612	670	655	620	704	1011	1107	1184
D/E Ratio	1.22	2.12	1.55	1.64	1.11	1.57	0.81	0.62	1.35	1.89

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	14.9%	13.9%	10.7%	8.8%	14.3%	11.6%	12.5%	13.9%	12.9%	10.2%
Return on Equity	48.6%	49.4%	37.9%	30.2%	45.9%	36.1%	36.5%	32.9%	36.1%	34.9%
ROIC	18.9%	17.1%	13.1%	11.6%	19.3%	15.5%	16.8%	19.3%	18.0%	13.3%
Shares Out.	118	115	116	121	118	116	114	119	115	110
Revenue/Share	9.10	10.41	10.50	11.09	11.93	11.88	11.78	13.13	13.85	14.72
FCF/Share	0.68	1.33	1.52	0.90	0.75	1.76	2.92	0.58	0.93	

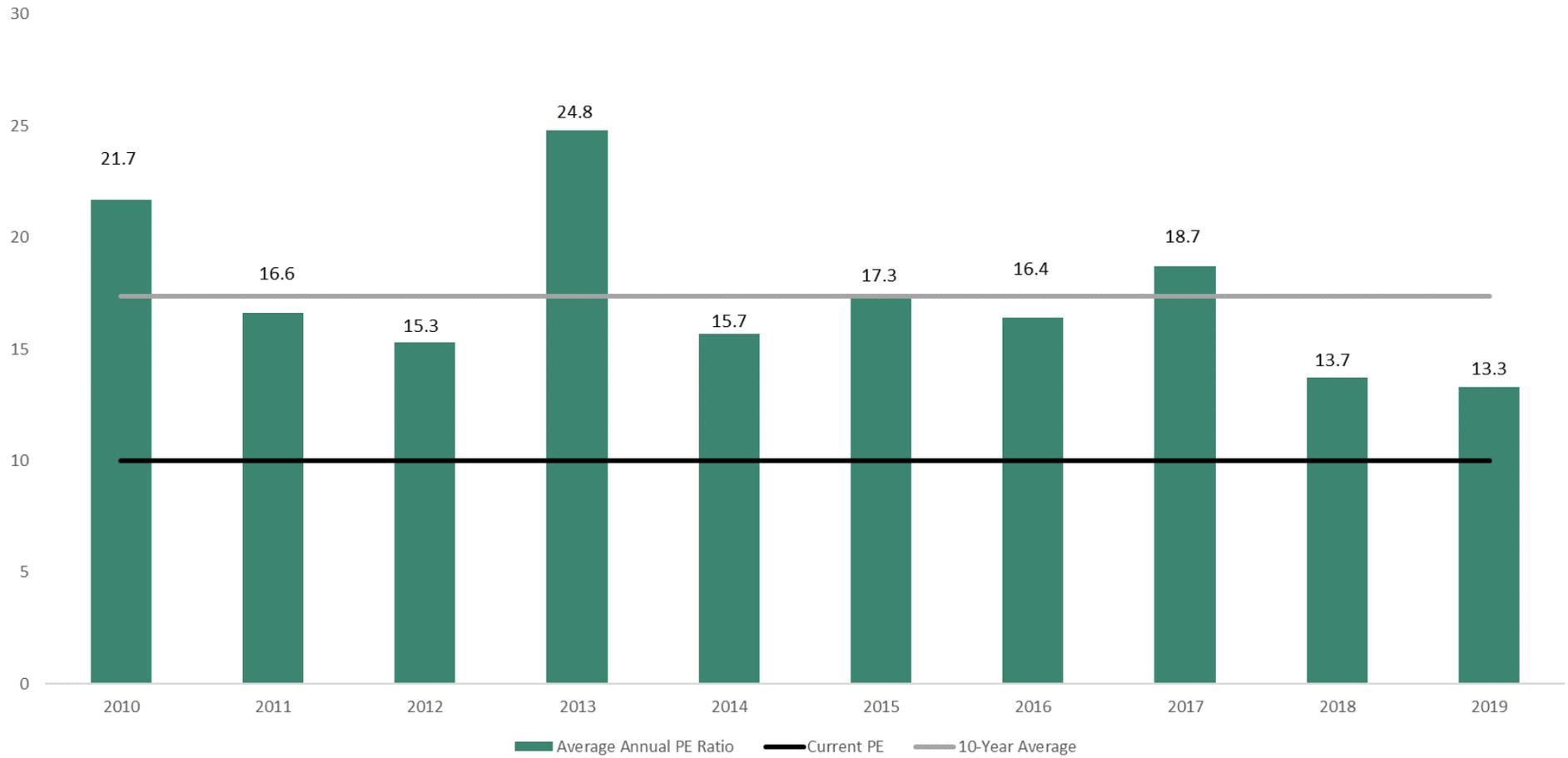
Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

Eaton Vance (EV) Dividend Yield History



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Eaton Vance (EV): Valuation Analysis



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Genuine Parts Co. (GPC)

Overview & Current Events

Genuine Parts Company was founded nearly a hundred years ago, and in the time since, has grown into a retail and wholesale conglomerate that sells industrial parts, electrical materials, office supplies, and automotive products. The company has more than 3,100 locations around the world, with most of its revenue coming from North America. Genuine Parts produces about \$18 billion in annual revenue and trades with a market capitalization of \$10.5 billion.

Genuine Parts reported first quarter earnings on May 6th and results were quite weak, as the company posted declines on both the top and bottom lines. Sales fell 3.7% year-over-year to \$4.6 billion during the quarter. Acquisitions added 5.3% to the top line, but comparable sales fell 3.5%, currency translation reduced revenue by 0.9%, and divestitures reduced revenue by a further 4.8%.

Gross margins rose 110bps (basis points) as a percentage of revenue in Q1 to 32.9% thanks to certain cost saving initiatives. Operating margins rose nicely as well, adding 70bps to 6.1% of revenue. Net income came to \$137 million and diluted earnings-per-share were \$0.94, down from \$1.28 in the year-ago period.

The company believes COVID-19 reduced sales by 3% and earnings by \$0.21 in Q1, and it has withdrawn guidance for the rest of the year. Our earnings estimate is now down to \$4.50 per share.

Competitive Advantages & Recession Performance

Genuine Parts' competitive advantage is its wide reach with its physical footprint of distribution locations, as well as its entrenched position with its customers. It sells industrial and consumer staples that tend to hold up well during recessions as it is not beholden to discretionary spending.

That means its recession performance is generally quite strong, and for that reason, Genuine Parts should hold up nicely during this downturn. While we expect earnings to decline this year, we also expect a swift rebound into 2021 as conditions normalize. In addition, the company's legendary 63-year streak of increasing its dividend should remain intact, as the payout ratio is 70% of earnings for 2020. Genuine Parts, therefore, is defensive in nature, particularly for investors seeking safe income.

Growth Prospects, Valuation, & Catalyst

We see growth at 5% annually as Genuine Parts is constantly modifying its portfolio of brands through acquisitions and divestitures, but also as it sells staples that tend to see rather stable demand over time. The company has struggled with margins in recent quarters, although Q1 was a bright spot. While we don't see this as materially changing our view on the stock, it is something to consider. We see revenue and share repurchases as driving the 5% increase in earnings annually in the coming years, but we note that the ultimate impact from COVID-19 is as yet undetermined.

We expect \$4.50 in earnings-per-share for this year, which puts the current price-to-earnings (P/E) multiple at 16.1. That's in line with our estimate of fair value at 16 times earnings, which in turn is lower than recent years' average P/E ratios in the upper teens. We think the company's relatively low growth will keep a lid on the multiple, but it still offers decent value today. Combining the annual growth forecast with the current 4.4% dividend yield, and a barely negative -0.2% valuation return, we see Genuine Parts producing 9.2% total annual returns in the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	63	5-Year Growth Estimate:	5.0%
Dividend Yield:	4.4%	5-Year Valuation Return Estimate:	-0.2%
Most Recent Dividend Increase:	3.6%	5-Year CAGR Estimate:	9.2%
Estimated Fair Value:	\$72	Dividend Risk Score:	A
Stock Price:	\$73	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	11208	12459	13014	14078	15342	15280	15340	16309	18735	19392
Gross Profit	3253	3606	3778	4220	4594	4556	4600	4906	5984	6316
Gross Margin	29.0%	28.9%	29.0%	30.0%	29.9%	29.8%	30.0%	30.1%	31.9%	
SG&A Exp.	2367	2594	2657	3028	3314	3277	3371	3705	4615	4934
D&A Exp.	89	89	98	134	148	142	147	168	242	270
Operating Profit	786	909	1015	1049	1124	1124	1070	1020	1110	1097
Op. Margin	7.0%	7.3%	7.8%	7.5%	7.3%	7.4%	7.0%	6.3%	5.9%	
Net Profit	476	565	648	685	711	706	687	617	810	621
Net Margin	4.2%	4.5%	5.0%	4.9%	4.6%	4.6%	4.5%	3.8%	4.3%	
Free Cash Flow	593	521	804	933	682	1050	785	658	913	594
Income Tax	286	326	371	359	406	418	387	393	265	209

Balance Sheet Metrics

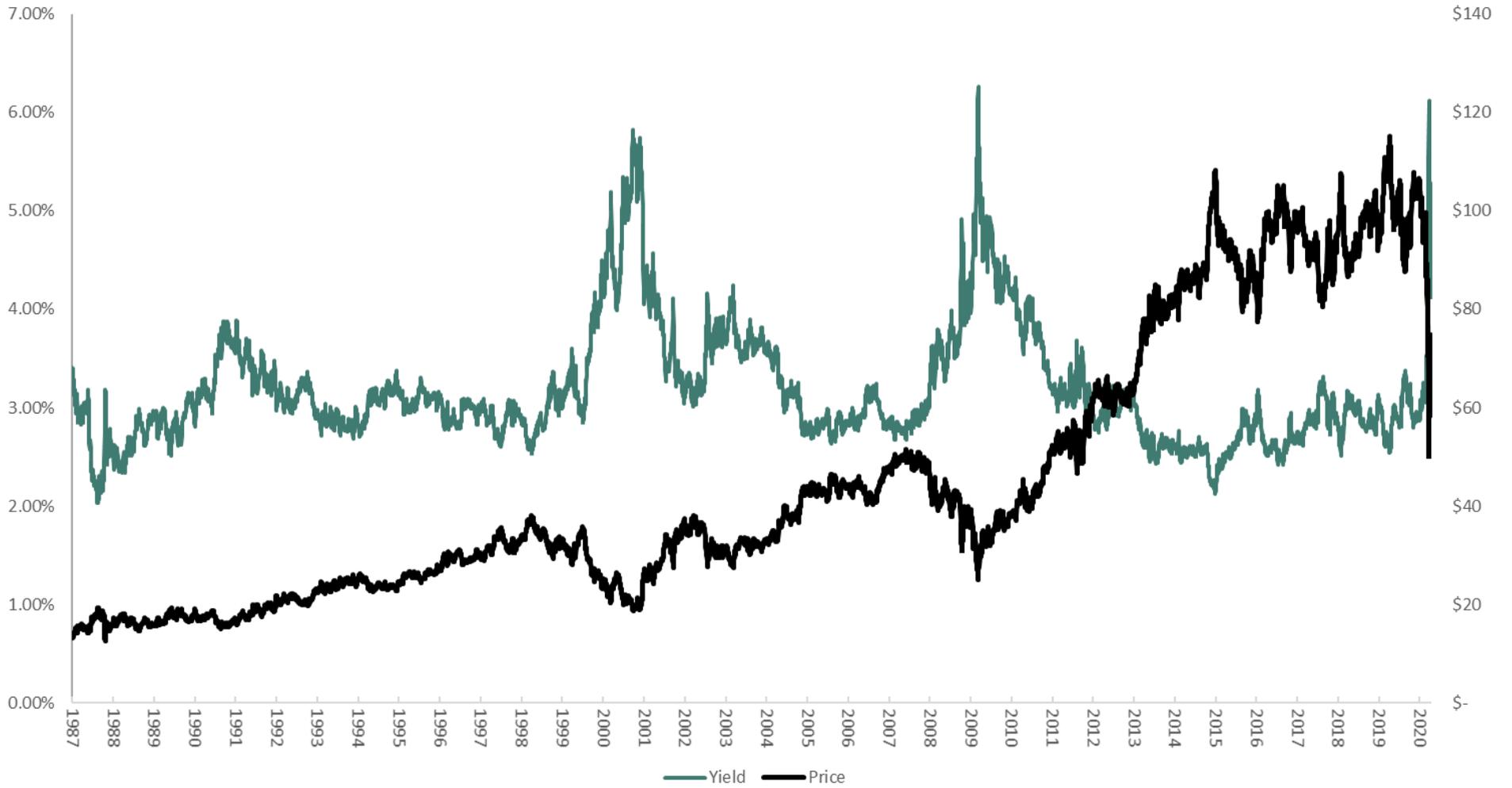
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	5465	6203	6807	7680	8246	8145	8859	12412	12683	14645
Cash & Equivalents	530	525	403	197	138	212	243	315	334	277
Accounts Receivable	1364	1461	1490	1665	1872	1822	1939	2422	2494	2635
Inventories	2225	2440	2603	2946	3044	3000	3210	3771	3609	3831
Goodwill & Int. Ass.	210	280	498	1289	1387	1362	1575	3554	3540	3862
Total Liabilities	2662	3449	3799	4322	4934	4986	5652	8948	9211	10950
Accounts Payable	1375	1441	1682	2270	2555	2822	3081	3635	3996	4106
Long-Term Debt	500	500	500	765	765	625	875	3245	3143	3426
Shareholder's Equity	2794	2744	2998	3349	3301	3147	3194	3412	3450	3675
D/E Ratio	0.18	0.18	0.17	0.23	0.23	0.20	0.27	0.95	0.91	0.93

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	9.1%	9.7%	10.0%	9.5%	8.9%	8.6%	8.1%	5.8%	6.5%	4.5%
Return on Equity	17.6%	20.4%	22.6%	21.6%	21.4%	21.9%	21.7%	18.7%	23.6%	17.4%
ROIC	14.8%	17.2%	19.2%	18.0%	17.3%	18.0%	17.5%	11.4%	12.2%	9.0%
Shares Out.	158	156	155	154	153	150	148	147	147	146
Revenue/Share	70.73	79.02	83.20	90.41	99.38	100.20	102.40	110.42	127.24	132.45
FCF/Share	3.74	3.31	5.14	5.99	4.42	6.88	5.24	4.46	6.20	4.06

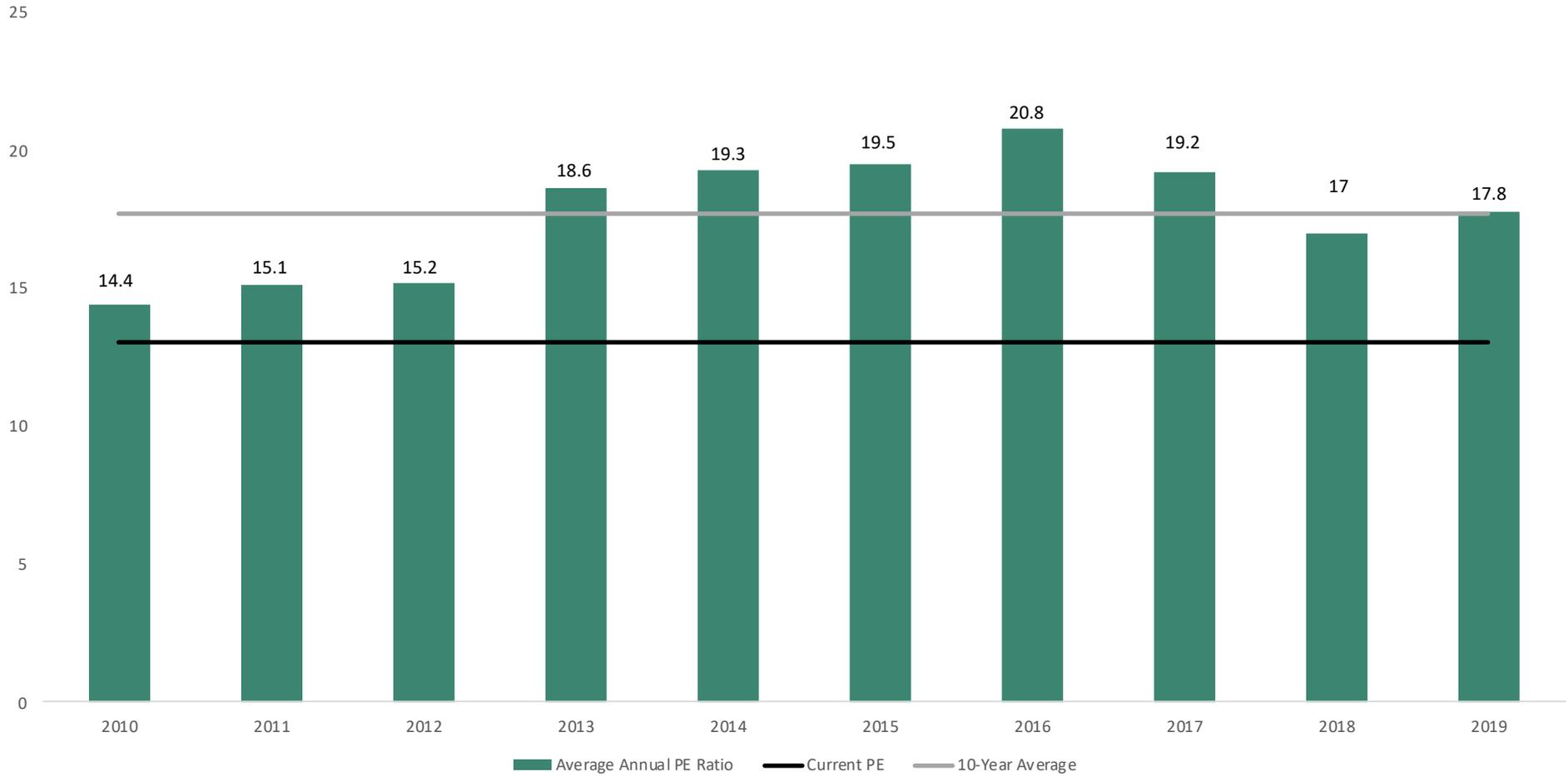
Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

Genuine Parts (GPC) Dividend Yield History



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Genuine Parts Company (GPC): Valuation Analysis



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Enterprise Products Partners LP (EPD)

Overview & Current Events

Enterprise Products Partners is a midstream Master Limited Partnership (MLP) with services including the storage and transportation of oil and gas. Its assets include approximately 50,000 miles of pipelines, 260 million barrels of storage capacity for Natural Gas Liquids (NGL), crude oil, and other refined products; and 14 billion cubic feet (Bcf) of natural gas storage capacity.

The partnership reported first-quarter 2020 earnings on April 29th, and results were better than expected in light of the volatility gripping energy markets. Revenues did decline by 12% year-over-year, however, to \$7.5 billion. Adjusted EBITDA still managed to come in flat year-over-year at \$1.98 billion, cash flow from operations surged to \$2 billion from \$1.2 billion in the year-ago period, and distributable cash flow (DCF) fell by 4.5% to \$1.55 billion. Despite the decline in DCF, the distribution still had a very healthy 1.6 times coverage. Looking ahead the partnership reduced its growth capital expenditure guidance by a whopping \$1 billion to between \$2.5 billion and \$3 billion while also cutting sustaining capital expenditures to \$300 million from \$400 million previously. Management is also exploring opportunities to further cut capital expenditures through joint ventures.

Competitive Advantages & Recession Performance

Enterprise Products has tremendous competitive advantages, primarily its vast network of assets. It would be enormously costly to build out a network of pipelines and terminals large enough to compete with Enterprise Products. These are high-quality assets, which generate strong cash flow, even in recessions. Enterprise Products just snapped a streak of raising its distribution for 63 quarters in a row.

Cash flow and distributions are likely to hold up, even during a recession. Enterprise Products is arguably the safest MLP in our coverage universe. The partnership has an investment-grade credit rating of BBB+ from Standard & Poor's and Baa1 from Moody's. In addition, the MLP reported a distribution coverage ratio of 1.7x in 2019 and 1.6x in Q1 2020.

Growth Prospects, Valuation, & Catalyst

Enterprise Products Partners' future growth will come from new projects. For example, the MLP recently opened its Mentone cryogenic natural gas processing plant, which has capacity to process 300 million cubic feet per day of natural gas and extract more than 40,000 barrels per day of NGL.

Exports are another growth catalyst, as demand for liquefied petroleum gas (LPG) and liquefied natural gas (LNG) is growing at a rapid rate across the world, particularly in Asia. We expect 2% annualized growth from Enterprise Products Partners over the next five years.

Enterprise Products is expected to generate EBITDA-per-unit of \$3.00 for 2020. Based on this, the company trades with a price-to-EBITDA ratio of 5.7x. Our fair value estimate for Enterprise Products is an EBITDA multiple of 9x. Expansion of the valuation multiple could boost annual returns by 9.6% per year. Including its 2% annual EBITDA-per-unit growth and the 10.6% distribution yield, we believe Enterprise Products is capable of delivering annualized returns of 22.2% through 2025.

Key Statistics, Ratios, & Metrics

Years of Distribution Increases:	21	5-Year Growth Estimate:	2.0%
Distribution Yield:	10.6%	5-Year Valuation Return Estimate:	9.6%
Most Recent Distrib. Increase:	0.6%	5-Year CAGR Estimate:	22.2%
Estimated Fair Value:	\$27	Distribution Risk Score:	C
Security Price:	\$17	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	33739	44313	42583	47727	47951	27028	23022	29242	36534	32789
Gross Profit	2290	2995	3215	3488	3731	3359	3379	3684	5137	5727
Gross Margin	6.8%	6.8%	7.6%	7.3%	7.8%	12.4%	14.7%	12.6%	14.1%	17.5%
SG&A Exp.	205	182	170	188	215	193	160	181	208	212
Operating Profit	985	1007	1105	1218	1361	1516	1552	1644	1792	1949
Op. Margin	2085	2813	3045	3300	3516	3167	3219	3503	4929	5516
Net Profit	6.2%	6.3%	7.2%	6.9%	7.3%	11.7%	14.0%	12.0%	13.5%	16.8%
Net Margin	321	2047	2420	2597	2787	2521	2513	2799	4172	4591
Free Cash Flow	1.0%	4.6%	5.7%	5.4%	5.8%	9.3%	10.9%	9.6%	11.4%	14.0%
Income Tax	259	(537)	(731)	457	1269	172	1083	1565	1903	1989

Balance Sheet Metrics

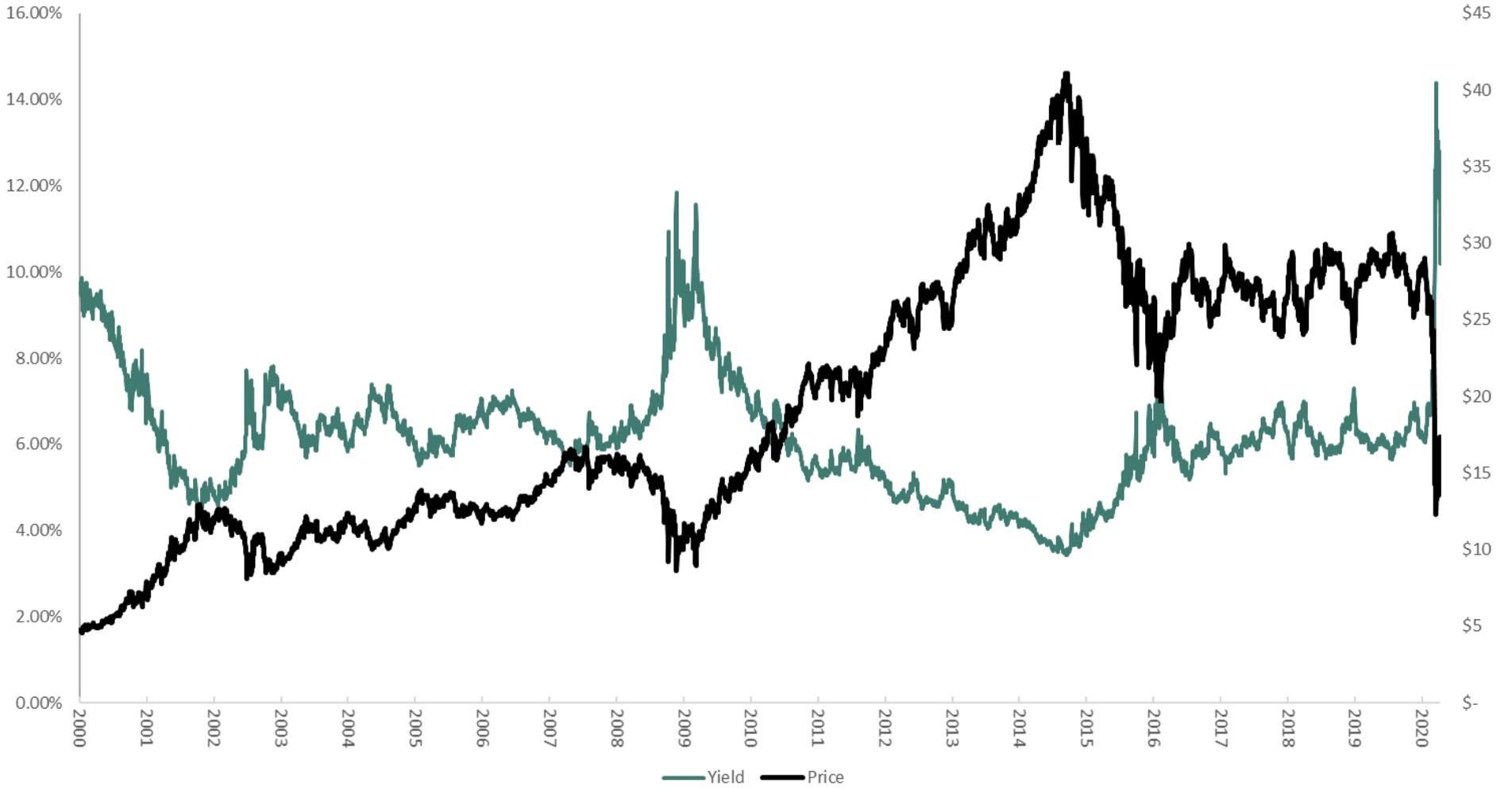
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	31361	34125	35934	40139	47201	48802	52194	54418	56970	61733
Cash & Equivalents	66	20	16	57	74	19	63	5	345	335
Acc. Receivable	3837	4502	4351	5476	3823	2570	3330	4358	3659	4874
Inventories	1,134	1112	1088	1093	1014	1038	1771	1610	1522	2091
Goodwill & Int.	3949	3749	3654	3542	8602	9782	9609	9436	9354	9194
Total Liabilities	19460	21906	22638	24698	27509	28301	29928	31646	32678	35906
Accounts Payable	675	773	765	724	774	860	398	802	1103	1005
Long-Term Debt	13564	14529	16202	17352	21364	22541	23698	24569	26178	27625
Total Equity	11374	12113	13188	15215	18063	20295	22047	22547	23854	24764

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	1.1%	6.3%	6.9%	6.8%	6.4%	5.3%	5.0%	5.3%	7.5%	7.7%
Return on Equity	4.8%	17.4%	19.1%	18.3%	16.8%	13.1%	11.9%	12.6%	18.0%	18.9%
Shares Out.	1687.4	1763.2	1797.6	1871.4	1937.3	2012.6	2117.6	2161.1	2187	2200
Revenue/Share	60.57	26.87	24.71	25.90	25.30	13.52	11.02	13.57	16.71	14.89
FCF/Share	0.47	(0.33)	(0.42)	0.25	0.67	0.09	0.52	0.73	0.87	0.90

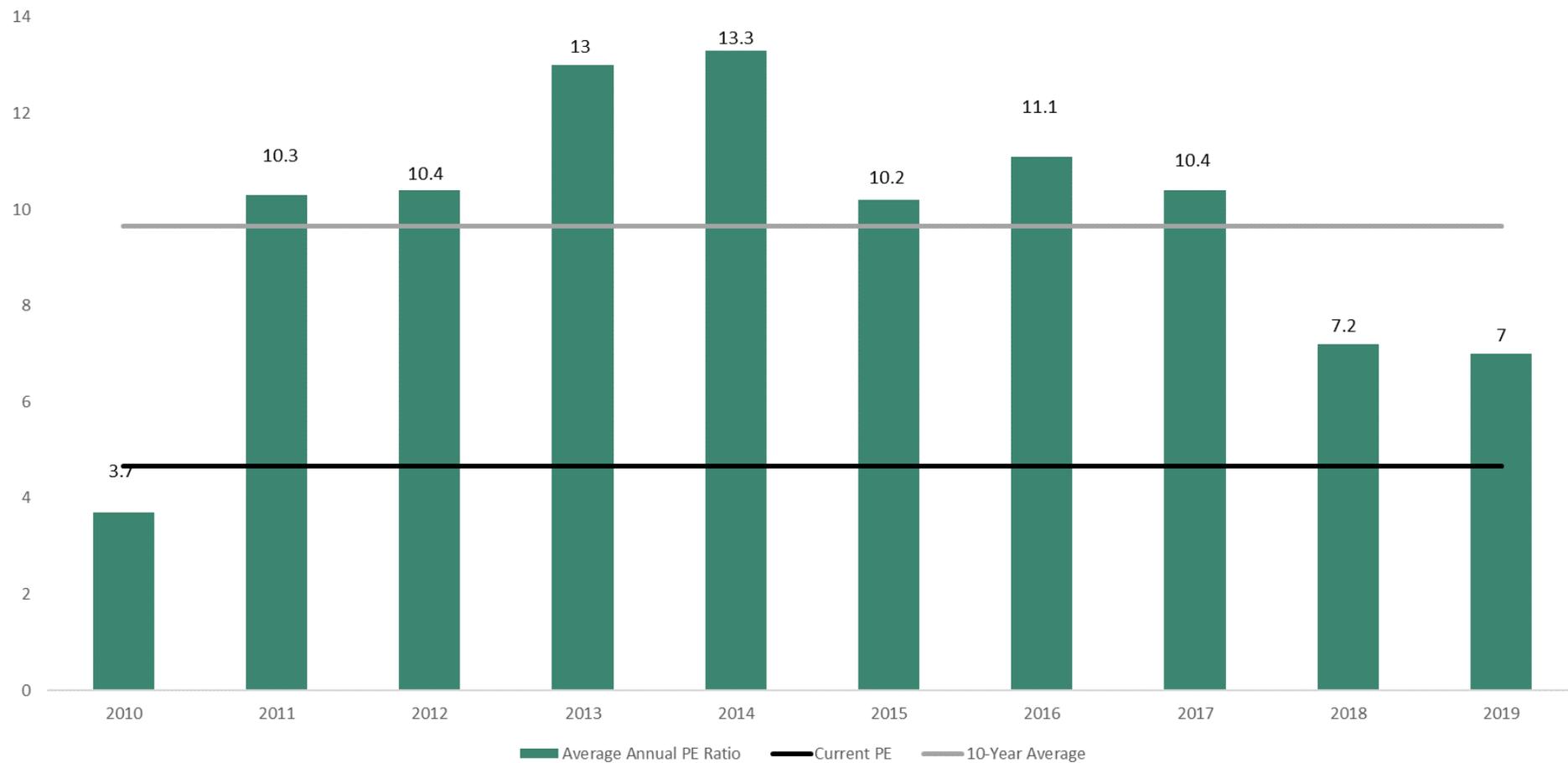
Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

Enterprise Product Partners (EPD) Dividend Yield History



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Enterprise Products Partners LP (EPD): Valuation Analysis



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Federal Realty Investment Trust (FRT)

Overview & Current Events

Federal Realty Investment Trust is a REIT operating in the retail real estate industry. It concentrates in high-income, densely-populated coastal markets in the U.S., allowing it to charge more per square foot than its competition. Its portfolio includes 104 properties with approximately 3,000 tenants, and over 2,700 residential units. Federal Realty trades with a market capitalization of \$5.8 billion, while the company generates annual revenue of approximately \$950 million.

The company reported first-quarter financial results on May 7th. Revenue of \$232 million declined fractionally, while adjusted FFO-per-share of \$1.50 declined 3.9% from the same quarter last year. The company collected 53% of April rent, and reported that about 47% of its commercial tenants are open and operating based on annualized base rent. In response, the company is boosting its liquidity to help it get through the coronavirus crisis. Federal Realty drew \$990 million of its \$1 billion revolving credit facility in March. Occupancy now stands at 93.6%.

Competitive Advantages & Recession Performance

Federal Realty's competitive advantages include its superior development pipeline, its focus on high-income, high-density areas and its decades of experience in running a world-class REIT. These factors have led to superior performance. Federal Realty has a strong credit rating of A- from Standard & Poor's, which is on the high end among REITs. And, the company has increased its dividend for over 50 consecutive years, making it the only REIT on the list of Dividend Kings.

It is likely that Federal Realty's funds from operations (FFO) will be negatively impacted by a recession. Approximately 15% of Federal Realty's annual base rent comes from restaurants. It also has varying levels of exposure to other hard-hit industries such as apparel and fitness. That said, the company is remarkably resilient to economic downturns, even though it operates in real estate, which is cyclical and economically sensitive. Federal Realty's total FFO declined 7.6% in 2009 but rebounded 13% in 2010. Dividends continued to grow each year throughout the Great Recession.

Growth Prospects, Valuation, & Catalyst

Federal Realty generated steady growth for many years before the coronavirus hit. From 2010-2019, Federal Realty grew its FFO-per-share by 6% per year on average. We believe Federal Realty should be able to return to growth once the coronavirus crisis ends. Last quarter Federal Realty leased over 466,000 square feet on a comparable space basis at an average rent of \$26.78 per square foot, compared with an average rent of \$25.58 per square foot for the last year of the prior leases.

Based on expected 2020 FFO-per-share of \$6.49, Federal Realty stock trades for a price-to-FFO ratio (P/FFO) of 11.9. Our fair value estimate for Federal Realty is a P/FFO of 15. We view Federal Realty stock as undervalued. An expanding P/FFO multiple could boost shareholder returns by approximately 4.7% per year over the next 5 years. In addition, we expect annual FFO-per-share growth of 5.5%, while the stock has a 5.4% dividend yield. Overall, we expect total annual returns of 15.6% per year over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	52	5-Year Growth Estimate:	5.5%
Dividend Yield:	5.4%	5-Year Valuation Return Estimate:	4.7%
Most Recent Dividend Increase:	2.9%	5-Year CAGR Estimate:	15.6%
Estimated Fair Value:	\$97	Dividend Risk Score:	B
Stock Price:	\$78	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	542	551	606	637	686	744	802	857	915	936
Gross Profit	373	381	427	447	474	511	548	585	628	637
Gross Margin	68.8%	69.2%	70.4%	70.1%	69.1%	68.6%	68.4%	68.2%	68.6%	68.1%
SG&A Exp.	24	29	31	32	32	36	33	36	34	43
D&A Exp.	120	127	142	161	171	175	194	216	244	240
Operating Profit	230	226	254	254	271	300	321	332	350	355
Operating Margin	42.4%	41.1%	41.9%	39.9%	39.5%	40.3%	40.0%	38.8%	38.2%	37.9%
Net Profit	123	144	152	163	165	210	250	290	242	354
Net Margin	22.7%	26.1%	25.1%	25.5%	24.0%	28.3%	31.2%	33.8%	26.4%	37.8%
Free Cash Flow	168	102	116	24	(15)	87	(10)	(60)	148	52

Balance Sheet Metrics

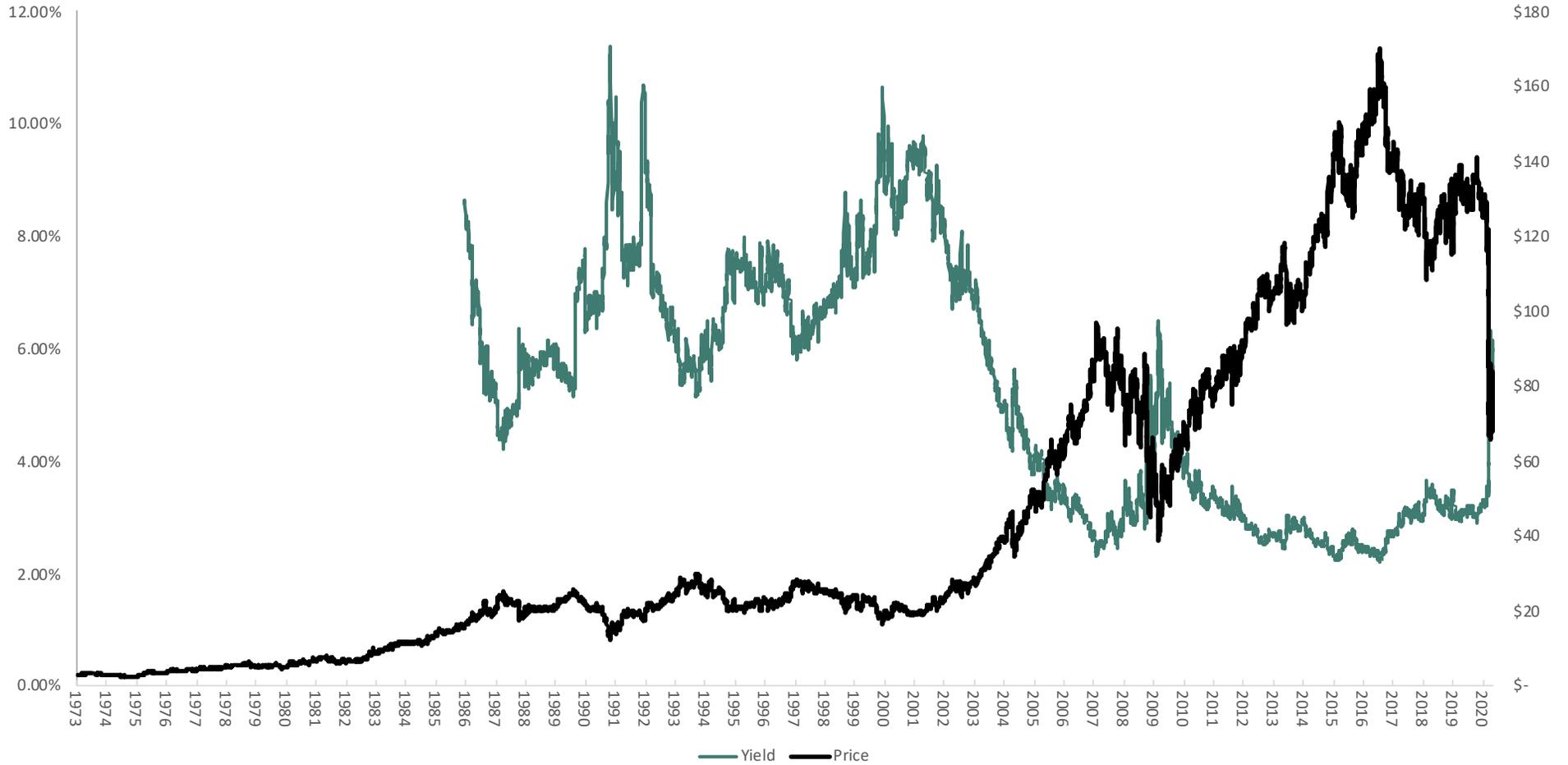
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	3,160	3,666	3,899	4,219	4,547	4,897	5,423	6,276	6,290	6,795
Cash & Equivalents	16	68	37	89	48	21	23	15	64	127
Accounts Receivable	69	76	74	85	93	110	117	210	142	153
Total Liabilities	1,978	2,426	2,588	2,748	2,854	3,115	3,347	3,884	3,822	4,159
Accounts Payable	114	105	121	156	146	147	202	196	178	256
Long-Term Debt	1,080	2,047	2,137	2,250	2,338	2,556	2,727	3,213	3,158	3,357
Shareholder's Equity	1,140	1,206	1,277	1,438	1,594	1,654	1,967	2,107	2,186	2,375
D/E Ratio	0.94	1.68	1.66	1.55	1.46	1.54	1.38	1.42	1.35	1.32

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	3.8%	4.2%	4.0%	4.0%	3.8%	4.5%	4.8%	5.0%	3.9%	5.4%
Return on Equity	10.6%	12.3%	12.2%	12.0%	10.9%	12.9%	13.8%	14.2%	11.3%	15.5%
ROIC	5.6%	5.2%	4.5%	4.5%	4.2%	5.0%	5.5%	5.6%	4.3%	6.1%
Shares Out.	62	64	65	67	69	69	72	73	74	75
Revenue/Share	8.84	8.80	9.46	9.73	10.17	10.79	11.28	11.87	12.49	12.52
FCF/Share	2.73	1.63	1.81	0.37	(0.22)	1.25	(0.14)	(0.83)	2.02	0.70

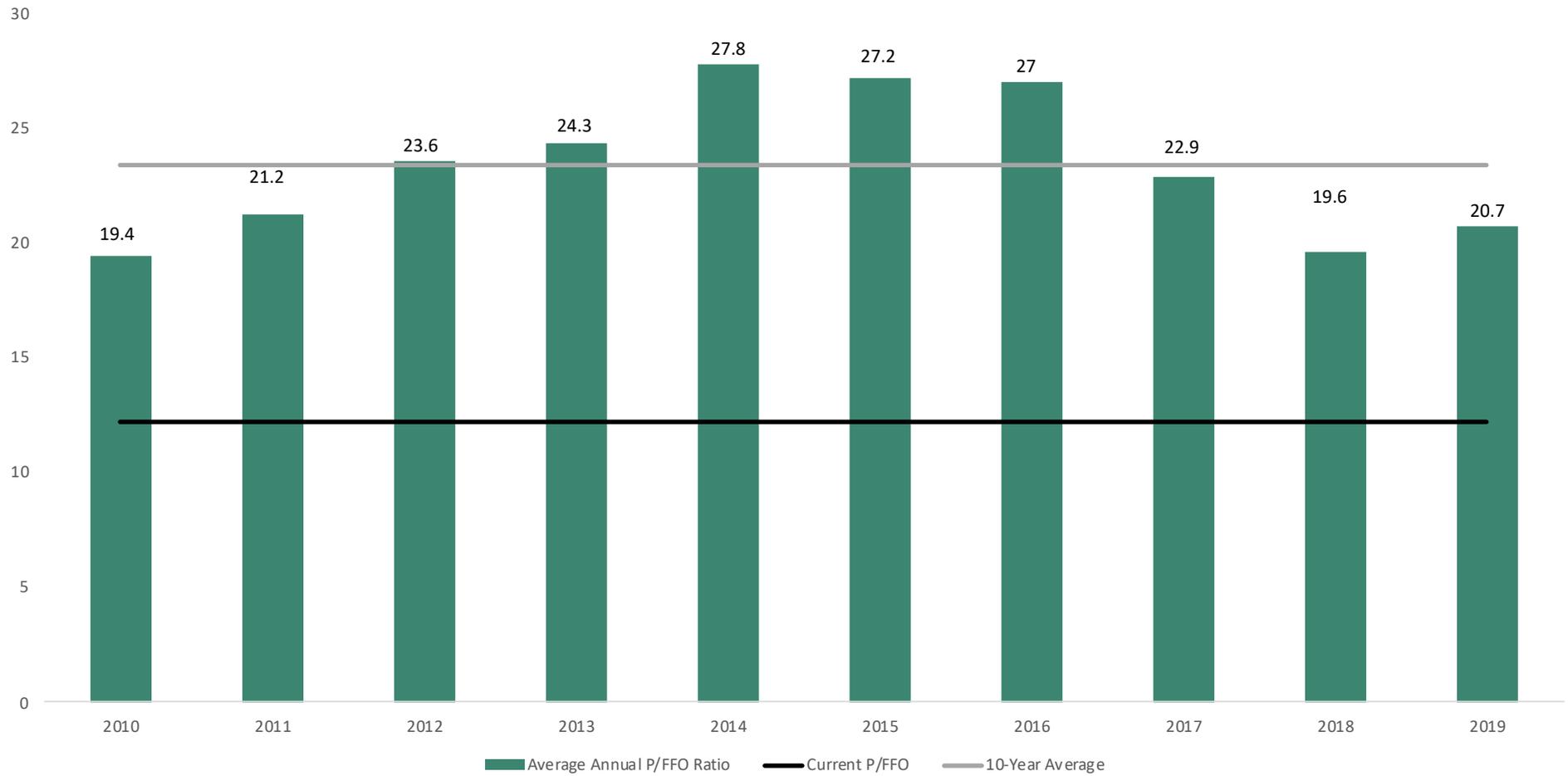
Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

Federal Realty Investment Trust (FRT) Dividend Yield History



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Federal Realty (FRT): Valuation Analysis

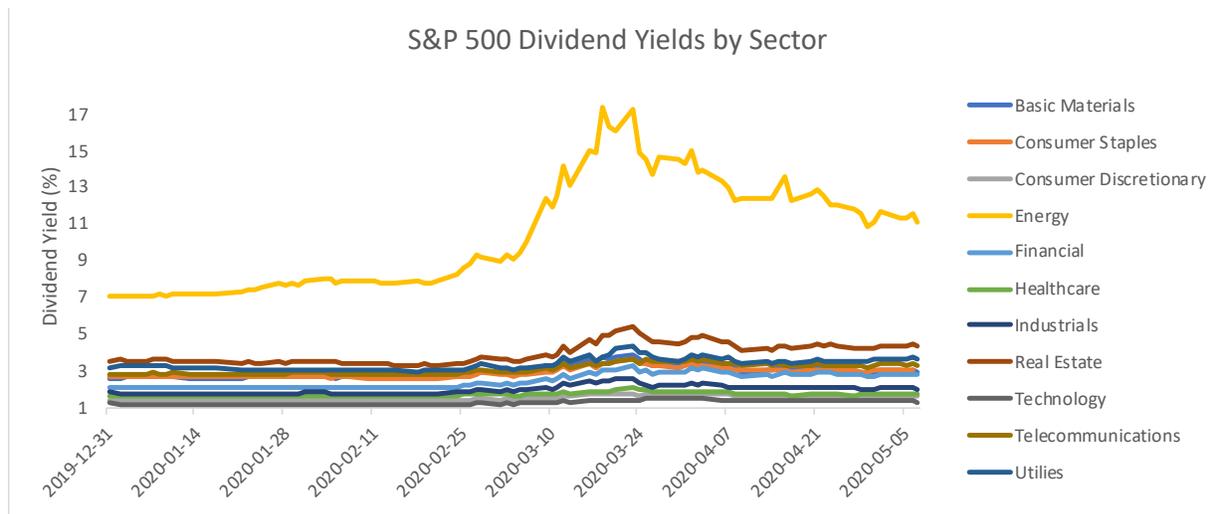


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Closing Thoughts

- Sector Dispersion in this Volatile Market -

As we discussed in this month's Opening Thoughts, the COVID-19 bear market had a dramatic impact on dividend yields within the S&P 500. However, the impact has not been equally dispersed. Some sectors (and individual securities) have seen their prices fall more than others:



The movement in the energy sector's dividend yield is so extreme that it makes the other sectors appear nearly illegible on this chart, and changes in dividend yield seem negligible in comparison. It's worth noting that energy sector yields were high *before* COVID-19 due to low oil prices. The only time since the mid-1970s that inflation-adjusted oil prices have been as low as they are now was for a brief period in late 1998 and early 1999. Oil prices this low have only come around every 20 to 30 years.

When oil prices rebound, we will see prices in the energy sector rise and yields fall. We have not featured oil securities very heavily recently due to their extreme dividend-cut risk. But there's clear value in the sector for investors willing to take additional risk.

As this month's Top 10 shows, we are using COVID-19 related price declines as an opportunity to recommend high-quality securities that wouldn't normally have 4%+ dividend yields. Franklin Resources, Archer-Daniels-Midland, Walgreens, and Genuine Parts are all Dividend Aristocrats in this month's Top 10 that have rarely traded at 4%+ yields over the last decade.

Higher yields across the stock market are presenting interesting opportunities, but it is more important than ever to triple-check a business' dividend safety before making an investment for those investors looking for stable dividend income. The rising number of dividend reductions recently in the market only further drives this point home.

Thanks,

Nick McCullum

The next *Sure Dividend Newsletter* publishes on Sunday, June 14th, 2020

List of Stocks by Retirement Suitability Score

Each of the securities in the [Sure Analysis Research Database](#) are grouped according to Retirement Suitability Score and sorted (from highest to lowest) by Expected Total Returns. Dividend or Distribution Yield is included next to each security's ticker symbol. **The Retirement Suitability Score is a combination of the Dividend Risk Score and the security's Distribution or Dividend Yield.** You can learn more about how the score is calculated at the [Sure Analysis Procedures, Glossary, & Definitions](#).

Note: Check the *Sure Analysis Research Database* for the most up-to-date Retirement Suitability Scores and Dividend Yields. These rankings will not always align with our Top 10 due to additional safety constraints we impose outside of the Top 10. See our '[Buying and Ranking Criteria](#)' for more information.

A-Rated Retirement Suitability Stocks

1. Unum Group (UNM): 8%
2. Franklin Resources, Inc. (BEN): 6%
3. Weyco Group, Inc. (WEYS): 5%
4. Calvin B. Taylor Bankshares, Inc. (TYCB): 4%
5. Federal Realty Investment Trust (FRT): 5%
6. Community Trust Bancorp, Inc. (Kentucky) (CTBI): 5%
7. Eagle Financial Services, Inc. (EFSI): 4%
8. Archer-Daniels-Midland Co. (ADM): 4%
9. Walgreens Boots Alliance, Inc. (WBA): 4%
10. National Fuel Gas Co. (NFG): 4%
11. AbbVie, Inc. (ABBV): 5%
12. Eaton Vance Corp. (EV): 4%
13. Genuine Parts Co. (GPC): 4%
14. Aflac, Inc. (AFL): 3%
15. Emerson Electric Co. (EMR): 4%
16. Cincinnati Financial Corp. (CINF): 4%
17. Sysco Corp. (SYY): 3%
18. First Financial Corp. (Indiana) (THFF): 3%
19. Cardinal Health, Inc. (CAH): 4%
20. 3M Co. (MMM): 4%
21. Nucor Corp. (NUE): 4%
22. TELUS Corp. (TU): 5%
23. Enterprise Products Partners LP (EPD): 10%
24. Marathon Petroleum Corp. (MPC): 7%
25. Suncor Energy, Inc. (SU): 8%
26. Foot Locker, Inc. (FL): 7%
27. Lazard Ltd. (LAZ): 8%
28. Great-West Lifeco, Inc. (GWLIF): 8%
29. Canadian Natural Resources Ltd. (CNQ): 7%
30. Bank of Montreal (BMO): 6%
31. The Bank of Nova Scotia (BNS): 7%
32. Hanesbrands, Inc. (HBI): 6%
33. The Toronto-Dominion Bank (TD): 6%
34. MetLife, Inc. (MET): 5%
35. Sunoco LP (SUN): 13%
36. Leggett & Platt, Inc. (LEG): 5%
37. Canadian Imperial Bank of Commerce (CM): 7%
38. Altria Group, Inc. (MO): 9%
39. AT&T, Inc. (T): 7%
40. Cullen/Frost Bankers, Inc. (CFR): 4%
41. International Business Machines Corp. (IBM): 5%
42. Red Eléctrica Corp. SA (RDEIY): 7%
43. Universal Corp. (UVV): 7%
44. United Bankshares, Inc. (West Virginia) (UBSI): 5%
45. CorEnergy Infrastructure Trust, Inc. (CORR): 26%
46. Tanger Factory Outlet Centers, Inc. (SKT): 22%
47. ONEOK, Inc. (OKE): 12%
48. Meredith Corp. (MDP): 18%
49. Micro Focus International Plc (MFGP): 19%
50. Inter Pipeline Ltd. (IPPLF): 16%
51. Gap, Inc. (GPS): 13%
52. Ventas, Inc. (VTR): 11%
53. MPLX LP (MPLX): 16%
54. Total SA (TOT): 8%
55. STORE Capital Corp. (STOR): 7%
56. Kontoor Brands, Inc. (KTB): 9%
57. WestRock Co. (WRK): 7%
58. Nordstrom, Inc. (JWN): 9%
59. Holly Energy Partners LP (HEP): 19%

B-Rated Retirement Suitability Stocks

1. Ameriprise Financial, Inc. (AMP): 3%
2. Comcast Corp. (CMCSA): 2%
3. General Dynamics Corp. (GD): 3%
4. Enterprise Bancorp, Inc. (EBTC): 3%
5. BancFirst Corp. (Oklahoma) (BANF): 4%
6. H.B. Fuller Co. (FUL): 2%
7. Telephone & Data Systems, Inc. (TDS): 4%
8. Chubb Ltd. (CB): 3%
9. Pentair Plc (PNR): 2%

10. Tennant Co. (TNC): 2%
11. Assurant, Inc. (AIZ): 2%
12. Ping An Insurance (Group) Co. of China Ltd. (PNGAY): 2%
13. Farmers & Merchants Bancorp (California) (FMCB): 2%
14. VF Corp. (VFC): 3%
15. Carlisle Cos., Inc. (CSL): 2%
16. Sonoco Products Co. (SON): 4%
17. PPG Industries, Inc. (PPG): 2%
18. Albemarle Corp. (ALB): 3%
19. 1st Source Corp. (SRCE): 3%
20. Parker-Hannifin Corp. (PH): 2%
21. Black Hills Corp. (BKH): 3%
22. McGrath RentCorp (MGRC): 3%
23. Stanley Black & Decker, Inc. (SWK): 3%
24. ABM Industries, Inc. (ABM): 2%
25. Brady Corp. (BRC): 2%
26. Target Corp. (TGT): 2%
27. The Gorman-Rupp Co. (GRC): 2%
28. Novartis AG (NVS): 2%
29. T. Rowe Price Group, Inc. (TROW): 3%
30. Chesapeake Financial Shares, Inc. (Maryland) (CPKF): 3%
31. Lowe's Cos., Inc. (LOW): 2%
32. Dover Corp. (DOV): 2%
33. SJW Group (SJW): 2%
34. Kimberly-Clark Corp. (KMB): 3%
35. Medtronic Plc (MDT): 2%
36. W.W. Grainger, Inc. (GWW): 2%
37. McDonald's Corp. (MCD): 3%
38. MSA Safety, Inc. (MSA): 1%
39. Illinois Tool Works, Inc. (ITW): 3%
40. Johnson & Johnson (JNJ): 3%
41. Procter & Gamble Co. (PG): 3%
42. Computer Services, Inc. (CSVI): 2%
43. RPM International, Inc. (RPM): 2%
44. Colgate-Palmolive Co. (CL): 2%
45. Lancaster Colony Corp. (LANC): 2%
46. American States Water Co. (AWR): 2%
47. Hormel Foods Corp. (HRL): 2%
48. Imperial Oil Ltd. (IMO): 4%
49. Whirlpool Corp. (WHR): 4%
50. Sun Life Financial, Inc. (SLF): 5%
51. Omnicom Group, Inc. (OMC): 5%
52. UGI Corp. (UGI): 4%
53. MDU Resources Group, Inc. (MDU): 4%
54. Royal Bank of Canada (RY): 5%
55. Hasbro, Inc. (HAS): 4%
56. Everest Re Group Ltd. (RE): 3%
57. Prosperity Bancshares, Inc. (PB): 3%
58. National Bank of Canada (NTIOF): 5%
59. People's United Financial, Inc. (PBCT): 6%
60. Tyson Foods, Inc. (TSN): 3%
61. Bayer AG (BAYRY): 5%
62. CVS Health Corp. (CVS): 3%
63. Bristol-Myers Squibb Co. (BMY): 3%
64. The Travelers Cos., Inc. (TRV): 3%
65. Edison International (EIX): 4%
66. John Wiley & Sons, Inc. (JW.A): 4%
67. Verizon Communications, Inc. (VZ): 4%
68. Fortis, Inc. (FTS): 4%
69. NextEra Energy Partners LP (NEP): 4%
70. The Coca-Cola Co. (KO): 4%
71. The Western Union Co. (WU): 4%
72. Arrow Financial Corp. (AROW): 4%
73. Consolidated Edison, Inc. (ED): 4%
74. PepsiCo, Inc. (PEP): 3%
75. Tompkins Financial Corp. (TMP): 3%
76. Northwest Natural Holding Co. (NWN): 3%
77. Royal Caribbean Cruises Ltd. (RCL): 8%
78. ViacomCBS, Inc. (VIAC): 5%
79. R.R. Donnelley & Sons Co. (RRD): 9%
80. Royal Dutch Shell Plc (RDS.B): 12%
81. Prudential Financial, Inc. (PRU): 7%
82. Molson Coors Beverage Co. (TAP): 6%
83. General Motors Co. (GM): 7%
84. Exxon Mobil Corp. (XOM): 8%
85. Magellan Midstream Partners LP (MMP): 9%
86. Enbridge, Inc. (ENB): 7%
87. Brookfield Infrastructure Partners LP (BIP): 5%
88. HNI Corp. (HNI): 5%
89. M&T Bank Corp. (MTB): 4%
90. Greif, Inc. (GEF): 6%
91. MSC Industrial Direct Co., Inc. (MSM): 5%
92. Old Republic International Corp. (ORI): 5%
93. Chevron Corp. (CVX): 5%
94. Patterson Cos., Inc. (PCO): 6%
95. Siemens AG (SIEGY): 5%
96. Realty Income Corp. (O): 5%
97. National Retail Properties, Inc. (NNN): 7%
98. British American Tobacco plc (BTI): 9%
99. Raytheon Technologies Corp. (RTX): 5%
100. W.P. Carey, Inc. (WPC): 7%
101. CenterPoint Energy, Inc. (CNP): 7%
102. SK Telecom Co., Ltd. (SKM): 5%
103. PPL Corp. (PPL): 7%
104. Taubman Centers, Inc. (TCO): 6%
105. TransAlta Renewables, Inc. (TRSWF): 7%
106. Western Digital Corp. (WDC): 5%
107. Chorus Aviation, Inc. (CHRRF): 17%
108. Service Properties Trust (SVC): 36%
109. New Residential Investment Corp. (NRZ): 24%
110. Société Générale SA (SCGLY): 17%
111. Dine Brands Global, Inc. (DIN): 8%
112. Invesco Ltd. (IVZ): 16%
113. AEGON NV (AEG): 12%
114. Carnival Corp. (CCL): 15%
115. BNP Paribas SA (BNPQF): 10%
116. Kohl's Corp. (KSS): 16%
117. OUTFRONT Media, Inc. (OUT): 11%
118. Brixmor Property Group, Inc. (BRX): 10%
119. Sabra Health Care REIT, Inc. (SBRA): 15%
120. Fiat Chrysler Automobiles NV (FCAU): 16%
121. Suburban Propane Partners LP (SPH): 17%
122. L Brands, Inc. (LB): 10%
123. LyondellBasell Industries NV (LYB): 8%
124. Tapestry, Inc. (TPR): 9%
125. Iron Mountain, Inc. (IRM): 11%
126. Navient Corp. (NAVI): 9%
127. Energy Transfer LP (ET): 15%

128. Imperial Brands Plc (IMBBY): 12%
129. Telefónica SA (TEF): 9%
130. Superior Plus Corp. (SUUIF): 8%
131. Office Properties Income Trust (OPI): 9%
132. Urstadt Biddle Properties, Inc. (UBA): 8%
133. Fluor Corp. (FLR): 9%
134. Macerich Co. (MAC): 44%
135. Genesis Energy LP (GEL): 44%
136. Targa Resources Corp. (TRGP): 29%
137. Brookfield Property Partners LP (BPY): 15%
138. Chatham Lodging Trust (CLDT): 21%
139. EPR Properties (EPR): 17%
140. Chimera Investment Corp. (CIM): 25%
141. USA Compression Partners LP (USAC): 26%
142. Simon Property Group, Inc. (SPG): 14%
143. Alaris Royalty Corp. (ALARF): 19%
144. Macy's, Inc. (M): 29%
145. Diversified Healthcare Trust (DHC): 28%
146. Macquarie Infrastructure Corp. (MIC): 14%
147. Prospect Capital Corp. (PSEC): 18%
36. Stepan Co. (SCL): 1%
37. Brown-Forman Corp. (BF.B): 1%
38. Middlesex Water Co. (MSEX): 2%
39. California Water Service Group (CWT): 2%
40. RLI Corp. (RLI): 1%
41. West Pharmaceutical Services, Inc. (WST): 0%
42. American Express Co. (AXP): 2%
43. America Móvil SAB de CV (AMX): 3%
44. Applied Materials, Inc. (AMAT): 2%
45. Jack in the Box, Inc. (JACK): 3%
46. CAE, Inc. (CAE): 2%
47. Fox Corp. (FOXA): 2%
48. FedEx Corp. (FDX): 2%
49. Lockheed Martin Corp. (LMT): 2%
50. Cisco Systems, Inc. (CSCO): 3%
51. Honeywell International, Inc. (HON): 3%
52. Huntington Ingalls Industries, Inc. (HII): 2%
53. Alliant Energy Corp. (LNT): 3%
54. Snap-On, Inc. (SNA): 3%
55. Merck & Co., Inc. (MRK): 3%
56. Intel Corp. (INTC): 2%
57. Amgen, Inc. (AMGN): 3%
58. Deere & Co. (DE): 2%
59. The J. M. Smucker Co. (SJM): 3%
60. Union Pacific Corp. (UNP): 2%
61. Gilead Sciences, Inc. (GILD): 3%
62. BlackRock, Inc. (BLK): 3%
63. Linde Plc (LIN): 2%
64. Artesian Resources Corp. (ARTNA): 3%
65. C.H. Robinson Worldwide, Inc. (CHRW): 3%
66. Entergy Corp. (ETR): 4%
67. Best Buy Co., Inc. (BBY): 3%
68. Nestlé SA (NSRGY): 2%
69. Canadian National Railway Co. (CNI): 2%
70. Community Bank System, Inc. (CBU): 3%
71. International Flavors & Fragrances, Inc. (IFF): 2%
72. NextEra Energy, Inc. (NEE): 2%
73. Westamerica Bancorporation (WABC): 3%
74. Air Products & Chemicals, Inc. (APD): 2%
75. Williams-Sonoma, Inc. (WSM): 3%
76. The Clorox Co. (CLX): 2%
77. American Airlines Group, Inc. (AAL): 4%
78. Alaska Air Group, Inc. (ALK): 5%
79. Ally Financial, Inc. (ALLY): 5%
80. Petróleo Brasileiro SA (PBR): 4%
81. Hawaiian Holdings, Inc. (HA): 4%
82. Fairfax Financial Holdings Ltd. (FRFHF): 4%
83. Magna International, Inc. (MGA): 4%
84. HP, Inc. (HPQ): 4%
85. United Parcel Service, Inc. (UPS): 4%
86. Vale SA (VALE): 4%
87. Caterpillar, Inc. (CAT): 4%
88. DTE Energy Co. (DTE): 4%
89. Sempra Energy (SRE): 3%
90. Public Storage (PSA): 4%
91. Dominion Energy, Inc. (D): 5%
92. AvalonBay Communities, Inc. (AVB): 4%
93. Duke Energy Corp. (DUK): 5%
94. Texas Instruments Incorporated (TXN): 3%

C-Rated Retirement Suitability Stocks

1. Brookfield Asset Management, Inc. (BAM): 2%
2. McKesson Corp. (MCK): 1%
3. Northrop Grumman Corp. (NOC): 2%
4. L3Harris Technologies, Inc. (LHX): 2%
5. PSB Holdings, Inc. (Wisconsin) (PSBQ): 1%
6. The TJX Cos., Inc. (TJX): 2%
7. Oracle Corp. (ORCL): 2%
8. SEI Investments Co. (SEIC): 1%
9. Perrigo Co. Plc (PRGO): 2%
10. Ross Stores, Inc. (ROST): 1%
11. Fresenius Medical Care AG & Co. KGaA (FMS): 2%
12. A. O. Smith Corp. (AOS): 2%
13. AmerisourceBergen Corp. (ABC): 2%
14. Stryker Corp. (SYK): 1%
15. Becton, Dickinson & Co. (BDX): 1%
16. Automatic Data Processing, Inc. (ADP): 2%
17. Donaldson Co., Inc. (DCI): 2%
18. Brown & Brown, Inc. (BRO): 1%
19. CSX Corp. (CSX): 2%
20. S&P Global, Inc. (SPGI): 1%
21. Atmos Energy Corp. (ATO): 2%
22. Franklin Electric Co., Inc. (FELE): 1%
23. Church & Dwight Co., Inc. (CHD): 1%
24. Expeditors International of Washington, Inc. (EXPD): 1%
25. The Kroger Co. (KR): 2%
26. Abbott Laboratories (ABT): 1%
27. The Sherwin-Williams Co. (SHW): 1%
28. McCormick & Co., Inc. (MKC): 1%
29. Roper Technologies, Inc. (ROP): 1%
30. AptarGroup, Inc. (ATR): 1%
31. Cintas Corp. (CTAS): 1%
32. MGE Energy, Inc. (MGEE): 2%
33. Walmart, Inc. (WMT): 2%
34. Tootsie Roll Industries, Inc. (TR): 1%
35. Nordson Corp. (NDSN): 1%

95. The Southern Co. (SO): 4%
 96. Kellogg Co. (K): 4%
 97. Brookfield Renewable Partners LP (BEP): 4%
 98. Flowers Foods, Inc. (FLO): 3%
 99. QUALCOMM, Inc. (QCOM): 3%
 100. Truist Financial Corp. (TFC): 5%
 101. Principal Financial Group, Inc. (PFG): 6%
 102. Sampo Oyj (SAXPY): 6%
 103. Host Hotels & Resorts, Inc. (HST): 7%
 104. CenturyLink, Inc. (CTL): 10%
 105. Kinder Morgan, Inc. (KMI): 7%
 106. Newell Brands, Inc. (NWL): 8%
 107. CNA Financial Corp. (CNA): 5%
 108. Domtar Corp. (UFS): 8%
 109. Omega Healthcare Investors, Inc. (OHI): 10%
 110. UBS Group AG (UBS): 6%
 111. WPP Plc (WPP): 10%
 112. China Mobile Ltd. (CHL): 5%
 113. Mercury General Corp. (MCY): 7%
 114. Nielsen Holdings Plc (NLSN): 6%
 115. BHP Group Ltd. (BHP): 7%
 116. Banco Santander SA (SAN): 5%
 117. Seagate Technology Plc (STX): 5%
 118. Waddell & Reed Financial, Inc. (WDR): 7%
 119. Philip Morris International, Inc. (PM): 6%
 120. POSCO (PKX): 5%
 121. Physicians Realty Trust (DOC): 6%
 122. Cracker Barrel Old Country Store, Inc. (CBRL): 6%
 123. H&R Block, Inc. (HRB): 7%
 124. Daimler AG (DDAIF): 10%
 125. TC Pipelines LP (TCP): 8%
 126. International Paper Co. (IP): 6%
 127. Rogers Communications, Inc. (RCI): 5%
 128. Gazprom PJSC (OGZPY): 10%
 129. Ingersoll Rand, Inc. (IR): 8%
 130. Occidental Petroleum Corp. (OXY): 20%
 131. Helmerich & Payne, Inc. (HP): 17%
 132. Cedar Fair LP (FUN): 14%
 133. Whitestone REIT (WSR): 18%
 134. Stellus Capital Investment Corp. (SCM): 20%
 135. Two Harbors Investment Corp. (TWO): 37%
 136. Ladder Capital Corp. (LADR): 18%
 137. Swiss Re AG (SSREY): 9%
 138. Capitala Finance Corp. (CPTA): 36%
 139. PacWest Bancorp (PACW): 13%
 140. Six Flags Entertainment Corp. (SIX): 14%
 141. SFL Corp. Ltd. (SFL): 14%
 142. HSBC Holdings Plc (HSBC): 10%
 143. China Petroleum & Chemical Corp. (SNP): 11%
 144. Gladstone Capital Corp. (GLAD): 15%
 145. VEREIT, Inc. (VER): 10%
 146. Vector Group Ltd. (VGR): 15%
 147. Antero Midstream Corp. (AM): 27%
 148. Landmark Infrastructure Partners LP (LMRK): 15%
 149. Global Net Lease, Inc. (GNL): 13%
 150. Main Street Capital Corp. (MAIN): 10%
 151. Lamar Advertising Co. (LAMR): 7%
 152. Apollo Commercial Real Estate Finance, Inc. (ARI): 24%
 153. Gladstone Commercial Corp. (GOOD): 9%

154. Arbor Realty Trust, Inc. (ABR): 17%
 155. AllianceBernstein Holding LP (AB): 11%
 156. Sabine Royalty Trust (SBR): 12%
 157. Gladstone Investment Corp. (GAIN): 8%
 158. MGM Growth Properties LLC (MGP): 8%
 159. ARMOUR Residential REIT, Inc. (ARR): 26%
 160. Compass Diversified Holdings (CODI): 9%
 161. Cross Timbers Royalty Trust (CRT): 15%
 162. Artisan Partners Asset Management, Inc. (APAM): 8%
 163. Kimco Realty Corp. (KIM): 11%
 164. Gaming & Leisure Properties, Inc. (GLPI): 11%
 165. Ares Capital Corp. (ARCC): 13%
 166. Dream Industrial Real Estate Investment Trust (DREUF): 8%
 167. B&G Foods, Inc. (BGS): 10%
 168. PermRock Royalty Trust (PRT): 37%
 169. Dynex Capital, Inc. (DX): 15%
 170. AGNC Investment Corp. (AGNC): 15%
 171. Rio Tinto Plc (RIO): 9%
 172. Vermilion Energy, Inc. (VET): 43%
 173. Hercules Capital, Inc. (HTGC): 12%
 174. Blackstone Mortgage Trust, Inc. (BXMT): 11%
 175. EQM Midstream Partners LP (EQM): 23%
 176. Starwood Property Trust, Inc. (STWD): 14%
 177. Annaly Capital Management, Inc. (NLY): 16%

D-Rated Retirement Suitability Stocks

1. Textron, Inc. (TXT): 0%
2. Advance Auto Parts, Inc. (AAP): 0%
3. Dollar General Corp. (DG): 1%
4. Moody's Corp. (MCO): 1%
5. Apple, Inc. (AAPL): 1%
6. Costco Wholesale Corp. (COST): 1%
7. Ecolab, Inc. (ECL): 1%
8. Badger Meter, Inc. (BMD): 1%
9. Jack Henry & Associates, Inc. (JKHY): 1%
10. The Toro Co. (TTC): 1%
11. SAP SE (SAP): 1%
12. Cognizant Technology Solutions Corp. (CTSH): 1%
13. Dunkin' Brands Group, Inc. (DNKN): 2%
14. Mondelez International, Inc. (MDLZ): 2%
15. Intercontinental Exchange, Inc. (ICE): 1%
16. Canadian Pacific Railway Ltd. (CP): 1%
17. Norfolk Southern Corp. (NSC): 2%
18. Xylem, Inc. (XYL): 2%
19. Skyworks Solutions, Inc. (SWKS): 2%
20. UnitedHealth Group, Inc. (UNH): 1%
21. Arthur J. Gallagher & Co. (AJG): 2%
22. The Home Depot, Inc. (HD): 2%
23. Domino's Pizza, Inc. (DPZ): 1%
24. eBay, Inc. (EBAY): 1%
25. Rockwell Automation, Inc. (ROK): 2%
26. The Hershey Co. (HSY): 2%
27. Waste Management, Inc. (WM): 2%
28. Novo Nordisk A/S (NVO): 1%
29. Commerce Bancshares, Inc. (Missouri) (CBSH): 2%
30. ResMed, Inc. (RMD): 1%
31. American Tower Corp. (AMT): 2%
32. Booz Allen Hamilton Holding Corp. (BAH): 1%

33. Essential Utilities, Inc. (WTRG): 2%
34. Tractor Supply Co. (TSCO): 1%
35. Microsoft Corp. (MSFT): 1%
36. Morningstar, Inc. (MORN): 1%
37. NIKE, Inc. (NKE): 1%
38. Xcel Energy, Inc. (XEL): 3%
39. Erie Indemnity Co. (ERIE): 2%
40. Eli Lilly & Co. (LLY): 2%
41. Enerplus Corp. (ERF): 4%
42. The Goldman Sachs Group, Inc. (GS): 3%
43. Polaris Inc. (PII): 4%
44. The Bank of New York Mellon Corp. (BK): 3%
45. Dillard's, Inc. (DDS): 2%
46. UMB Financial Corp. (UMBF): 3%
47. Yum! Brands, Inc. (YUM): 2%
48. NACCO Industries, Inc. (NC): 2%
49. Keurig Dr Pepper, Inc. (KDP): 2%
50. Honda Motor Co., Ltd. (HMC): 3%
51. Sanofi (SNY): 2%
52. Otter Tail Corp. (OTTR): 3%
53. Cummins, Inc. (CMI): 3%
54. Diageo Plc (DEO): 3%
55. Paychex, Inc. (PAYX): 4%
56. Infosys Ltd. (INFY): 3%
57. Unilever Plc (UL): 4%
58. General Mills, Inc. (GIS): 3%
59. American Electric Power Co., Inc. (AEP): 3%
60. The Walt Disney Co. (DIS): 2%
61. Crown Castle International Corp. (CCI): 3%
62. Campbell Soup Co. (CPB): 3%
63. Fastenal Co. (FAST): 2%
64. WEC Energy Group, Inc. (WEC): 3%
65. Digital Realty Trust, Inc. (DLR): 3%
66. Universal Health Realty Income Trust (UHT): 3%
67. Thomson Reuters Corp. (TRI): 2%
68. Discover Financial Services (DFS): 4%
69. Citigroup, Inc. (C): 5%
70. Synchrony Financial (SYF): 5%
71. Baker Hughes Co. (BKR): 5%
72. Boston Properties, Inc. (BXP): 4%
73. U.S. Bancorp (USB): 5%
74. Bank of America Corp. (BAC): 3%
75. Johnson Controls International Plc (JCI): 4%
76. NetApp, Inc. (NTAP): 4%
77. Nokia Oyj (NOK): 3%
78. JPMorgan Chase & Co. (JPM): 4%
79. Ambev SA (ABEV): 5%
80. CF Industries Holdings, Inc. (CF): 4%
81. Pearson Plc (PSO): 4%
82. HollyFrontier Corp. (HFC): 4%
83. Anheuser-Busch InBev SA/NV (BUD): 5%
84. AXIS Capital Holdings Ltd. (AXS): 5%
85. Wynn Resorts Ltd. (WYNN): 5%
86. Xerox Holdings Corp. (XRX): 6%
87. STAG Industrial, Inc. (STAG): 6%
88. Deutsche Telekom AG (DEGY): 3%
89. Pfizer Inc. (PFE): 4%
90. ConocoPhillips (COP): 4%
91. Healthcare Trust of America, Inc. (HTA): 5%
92. Amcor Plc (AMCR): 4%
93. Medical Properties Trust, Inc. (MPW): 6%
94. TC Energy Corp. (TRP): 5%
95. Exelon Corp. (EXC): 4%
96. Broadcom, Inc. (AVGO): 4%
97. GlaxoSmithKline Plc (GSK): 5%
98. The Kraft Heinz Co. (KHC): 6%
99. Eaton Corp. Plc (ETN): 4%
100. Dream Office Real Estate Investment Trust (DRETF): 5%
101. CoreSite Realty Corp. (COR): 4%
102. Essex Property Trust, Inc. (ESS): 3%
103. Easterly Government Properties, Inc. (DEA): 4%
104. Legg Mason, Inc. (LM): 3%
105. Apache Corp. (APA): 8%
106. The Boeing Co. (BA): 7%
107. Olin Corp. (OLN): 7%
108. Wells Fargo & Co. (WFC): 8%
109. KeyCorp (KEY): 7%
110. Cheesecake Factory, Inc. (CAKE): 7%
111. Welltower, Inc. (WELL): 7%
112. Halliburton Co. (HAL): 7%
113. BP Plc (BP): 10%
114. TechnipFMC Plc (FTI): 7%
115. Huntington Bancshares, Inc. (HBAN): 7%
116. Ford Motor Co. (F): 12%
117. Ryder System, Inc. (R): 7%
118. LTC Properties, Inc. (LTC): 7%
119. Spark Energy, Inc. (SPKE): 11%
120. CNOOC Ltd. (CEO): 8%
121. The Williams Cos., Inc. (WMB): 8%
122. Apple Hospitality REIT, Inc. (APLE): 14%
123. Summit Hotel Properties, Inc. (INN): 14%
124. Dow, Inc. (DOW): 8%
125. Nutrien Ltd. (NTR): 5%
126. Las Vegas Sands Corp. (LVS): 7%
127. Schlumberger NV (SLB): 12%
128. Phillips 66 (PSX): 5%
129. Bayerische Motoren Werke AG (BMWYY): 7%
130. Koninklijke Philips NV (PHG): 4%
131. Healthpeak Properties, Inc. (PEAK): 6%
132. Delta Air Lines, Inc. (DAL): 7%
133. PetroChina Co., Ltd. (PTR): 7%
134. Harley-Davidson, Inc. (HOG): 7%
135. New York Community Bancorp, Inc. (NYCB): 6%
136. BCE, Inc. (BCE): 6%
137. Weyerhaeuser Co. (WY): 8%
138. Shaw Communications, Inc. (SJR): 6%
139. Granite Real Estate Investment Trust (GRP-UN): 5%
140. Pembina Pipeline Corp. (PBA): 8%
141. Eni SpA (E): 7%
142. Bed Bath & Beyond, Inc. (BBBY): 12%
143. Vodafone Group Plc (VOD): 7%
144. Choice Properties Real Estate Investment Trust (PPRQF): 6%
145. Canon, Inc. (CAJ): 7%
146. Apollo Global Management, Inc. (APO): 5%
147. Abercrombie & Fitch Co. (ANF): 8%

F-Rated Retirement Suitability Stocks

1. Lam Research Corp. (LRCX): 2%
2. Marriott International, Inc. (MAR): 2%
3. ArcelorMittal SA (MT): 2%
4. General Electric Co. (GE): 1%
5. Kansas City Southern (KSU): 1%
6. Aon Plc (AON): 0%
7. Oshkosh Corp. (OSK): 2%
8. The Allstate Corp. (ALL): 2%
9. Toyota Motor Corp. (TM): 2%
10. Aptiv Plc (APTIV): 1%
11. ASML Holding NV (ASML): 1%
12. Telefonaktiebolaget LM Ericsson (ERIC): 1%
13. KLA Corp. (KLAC): 2%
14. Visa, Inc. (V): 1%
15. Mastercard, Inc. (MA): 1%
16. NVIDIA Corp. (NVDA): 0%
17. Ferrari NV (RACE): 1%
18. Tiffany & Co. (TIF): 2%
19. Newmont Corp. (NEM): 1%
20. Sony Corp. (SNE): 0%
21. Owens & Minor, Inc. (OMI): 0%
22. Yamana Gold, Inc. (AUY): 1%
23. Barrick Gold Corp. (GOLD): 1%
24. National Oilwell Varco, Inc. (NOV): 2%
25. Consolidated Water Co. Ltd. (CWCO): 2%
26. Corning, Inc. (GLW): 4%
27. DuPont de Nemours, Inc. (DD): 3%
28. Starbucks Corp. (SBUX): 2%
29. Trane Technologies Plc (TT): 3%
30. Tenaris SA (TS): 1%
31. Taiwan Semiconductor Manufacturing Co., Ltd. (TSM): 3%
32. The Wendy's Co. (WEN): 2%
33. Garmin Ltd. (GRMN): 3%
34. Constellation Brands, Inc. (STZ): 2%
35. Equity Residential (EQR): 4%
36. PACCAR, Inc. (PCAR): 2%
37. Conagra Brands, Inc. (CAG): 3%
38. Scholastic Corp. (SCHL): 2%
39. Accenture Plc (ACN): 2%
40. Gladstone Land Corp. (LAND): 3%
41. Logitech International SA (LOGI): 2%
42. CME Group, Inc. (CME): 2%
43. Marvell Technology Group Ltd. (MRVL): 1%
44. AstraZeneca Plc (AZN): 3%
45. Wheaton Precious Metals Corp. (WPM): 1%
46. Kulicke & Soffa Industries, Inc. (KLIC): 2%
47. Southwest Airlines Co. (LUV): 3%
48. MGM Resorts International (MGM): 4%
49. Bank OZK (OZK): 5%
50. Restaurant Brands International, Inc. (QSR): 4%
51. ABB Ltd. (ABB): 4%
52. Valero Energy Corp. (VLO): 6%
53. Algonquin Power & Utilities Corp. (AQN): 4%
54. Freeport-McMoRan, Inc. (FCX): 2%
55. Autoliv, Inc. (ALV): 4%
56. Patterson-UTI Energy, Inc. (PTEN): 5%
57. The Blackstone Group, Inc. (BX): 4%
58. Darden Restaurants, Inc. (DRI): 5%
59. Nabors Industries Ltd. (NBR): 0%

List of Stocks by Sector

Each of the securities in the [Sure Analysis Research Database](#) are grouped according to sector and Retirement Suitability Score and sorted (from highest to lowest) by Expected Total Returns. Dividend or Distribution Yield is included next to each security's ticker symbol. **The Retirement Suitability Score is a combination of the Dividend Risk Score and the security's Distribution or Dividend Yield.** You can learn more about how the score is calculated at the [Sure Analysis Procedures, Glossary, & Definitions](#).

Note: Check the *Sure Analysis Research Database* for the most up-to-date Retirement Suitability Scores and Dividend Yields. These rankings will not always align with our Top 10 due to additional safety constraints we impose outside of the Top 10. See our '[Buying and Ranking Criteria](#)' for more information.

Basic Materials

A-Ranked Retirement Suitability

1. Nucor Corp. (NUE): 4%

B-Ranked Retirement Suitability

1. H.B. Fuller Co. (FUL): 2%
2. PPG Industries, Inc. (PPG): 2%
3. Albemarle Corp. (ALB): 3%
4. RPM International, Inc. (RPM): 2%
5. MDU Resources Group, Inc. (MDU): 4%
6. LyondellBasell Industries NV (LYB): 8%

C-Ranked Retirement Suitability

1. The Sherwin-Williams Co. (SHW): 1%
2. Stepan Co. (SCL): 1%
3. Linde Plc (LIN): 2%
4. International Flavors & Fragrances, Inc. (IFF): 2%
5. Air Products & Chemicals, Inc. (APD): 2%
6. Vale SA (VALE): 4%
7. Domtar Corp. (UFS): 8%
8. BHP Group Ltd. (BHP): 7%
9. POSCO (PKX): 5%
10. Rio Tinto Plc (RIO): 9%

D-Ranked Retirement Suitability

1. Ecolab, Inc. (ECL): 1%
2. CF Industries Holdings, Inc. (CF): 4%
3. Olin Corp. (OLN): 7%
4. Dow, Inc. (DOW): 8%
5. Nutrien Ltd. (NTR): 5%

F-Ranked Retirement Suitability

1. ArcelorMittal SA (MT): 2%
2. Newmont Corp. (NEM): 1%
3. Yamana Gold, Inc. (AUY): 1%
4. Barrick Gold Corp. (GOLD): 1%

5. DuPont de Nemours, Inc. (DD): 3%
6. Wheaton Precious Metals Corp. (WPM): 1%
7. Freeport-McMoRan, Inc. (FCX): 2%

Communication Services

A-Ranked Retirement Suitability

1. TELUS Corp. (TU): 5%
2. AT&T, Inc. (T): 7%
3. Meredith Corp. (MDP): 18%

B-Ranked Retirement Suitability

1. Comcast Corp. (CMCSA): 2%
2. Telephone & Data Systems, Inc. (TDS): 4%
3. Omnicom Group, Inc. (OMC): 5%
4. John Wiley & Sons, Inc. (JW.A): 4%
5. Verizon Communications, Inc. (VZ): 4%
6. ViacomCBS, Inc. (VIAC): 5%
7. SK Telecom Co., Ltd. (SKM): 5%
8. Telefónica SA (TEF): 9%

C-Ranked Retirement Suitability

1. America Móvil SAB de CV (AMX): 3%
2. Fox Corp. (FOXA): 2%
3. CenturyLink, Inc. (CTL): 10%
4. WPP Plc (WPP): 10%
5. China Mobile Ltd. (CHL): 5%
6. Rogers Communications, Inc. (RCI): 5%

D-Ranked Retirement Suitability

1. The Walt Disney Co. (DIS): 2%
2. Pearson Plc (PSO): 4%
3. Deutsche Telekom AG (DTG): 3%
4. BCE, Inc. (BCE): 6%
5. Shaw Communications, Inc. (SJR): 6%
6. Vodafone Group Plc (VOD): 7%

F-Ranked Retirement Suitability

1. Scholastic Corp. (SCHL): 2%

Consumer Cyclical***A-Ranked Retirement Suitability***

1. Weyco Group, Inc. (WEYS): 5%
2. Genuine Parts Co. (GPC): 4%
3. Foot Locker, Inc. (FL): 7%
4. Hanesbrands, Inc. (HBI): 6%
5. Leggett & Platt, Inc. (LEG): 5%
6. Gap, Inc. (GPS): 13%
7. Kontoor Brands, Inc. (KTB): 9%
8. WestRock Co. (WRK): 7%
9. Nordstrom, Inc. (JWN): 9%

B-Ranked Retirement Suitability

1. VF Corp. (VFC): 3%
2. Sonoco Products Co. (SON): 4%
3. Lowe's Cos., Inc. (LOW): 2%
4. McDonald's Corp. (MCD): 3%
5. Whirlpool Corp. (WHR): 4%
6. Hasbro, Inc. (HAS): 4%
7. Royal Caribbean Cruises Ltd. (RCL): 8%
8. General Motors Co. (GM): 7%
9. Greif, Inc. (GEF): 6%
10. Dine Brands Global, Inc. (DIN): 8%
11. Carnival Corp. (CCL): 15%
12. Kohl's Corp. (KSS): 16%
13. Fiat Chrysler Automobiles NV (FCAU): 16%
14. L Brands, Inc. (LB): 10%
15. Tapestry, Inc. (TPR): 9%
16. Macy's, Inc. (M): 29%

C-Ranked Retirement Suitability

1. The TJX Cos., Inc. (TJX): 2%
2. Ross Stores, Inc. (ROST): 1%
3. AptarGroup, Inc. (ATR): 1%
4. Jack in the Box, Inc. (JACK): 3%
5. Best Buy Co., Inc. (BBY): 3%
6. Williams-Sonoma, Inc. (WSM): 3%
7. Magna International, Inc. (MGA): 4%
8. Cracker Barrel Old Country Store, Inc. (CBRL): 6%
9. H&R Block, Inc. (HRB): 7%
10. Daimler AG (DDAIF): 10%
11. International Paper Co. (IP): 6%
12. Cedar Fair LP (FUN): 14%
13. Six Flags Entertainment Corp. (SIX): 14%

D-Ranked Retirement Suitability

1. Advance Auto Parts, Inc. (AAP): 0%
2. Dunkin' Brands Group, Inc. (DNKN): 2%
3. The Home Depot, Inc. (HD): 2%
4. Domino's Pizza, Inc. (DPZ): 1%
5. eBay, Inc. (EBAY): 1%
6. Tractor Supply Co. (TSCO): 1%

7. NIKE, Inc. (NKE): 1%
8. Polaris Inc. (PII): 4%
9. Dillard's, Inc. (DDS): 2%
10. Yum! Brands, Inc. (YUM): 2%
11. Honda Motor Co., Ltd. (HMC): 3%
12. Wynn Resorts Ltd. (WYNN): 5%
13. Amcor Plc (AMCR): 4%
14. Cheesecake Factory, Inc. (CAKE): 7%
15. Ford Motor Co. (F): 12%
16. Las Vegas Sands Corp. (LVS): 7%
17. Bayerische Motoren Werke AG (BMWYY): 7%
18. Harley-Davidson, Inc. (HOG): 7%
19. Bed Bath & Beyond, Inc. (BBBY): 12%
20. Abercrombie & Fitch Co. (ANF): 8%

F-Ranked Retirement Suitability

1. Marriott International, Inc. (MAR): 2%
2. Toyota Motor Corp. (TM): 2%
3. Aptiv Plc (APTIV): 1%
4. Ferrari NV (RACE): 1%
5. Tiffany & Co. (TIF): 2%
6. Starbucks Corp. (SBUX): 2%
7. The Wendy's Co. (WEN): 2%
8. MGM Resorts International (MGM): 4%
9. Restaurant Brands International, Inc. (QSR): 4%
10. Autoliv, Inc. (ALV): 4%
11. Darden Restaurants, Inc. (DRI): 5%

Consumer Defensive***A-Ranked Retirement Suitability***

1. Archer-Daniels-Midland Co. (ADM): 4%
2. Sysco Corp. (SYY): 3%
3. Altria Group, Inc. (MO): 9%
4. Universal Corp. (UVV): 7%

B-Ranked Retirement Suitability

1. Target Corp. (TGT): 2%
2. Kimberly-Clark Corp. (KMB): 3%
3. Procter & Gamble Co. (PG): 3%
4. Colgate-Palmolive Co. (CL): 2%
5. Lancaster Colony Corp. (LANC): 2%
6. Hormel Foods Corp. (HRL): 2%
7. Tyson Foods, Inc. (TSN): 3%
8. The Coca-Cola Co. (KO): 4%
9. PepsiCo, Inc. (PEP): 3%
10. Molson Coors Beverage Co. (TAP): 6%
11. British American Tobacco plc (BTI): 9%
12. Imperial Brands Plc (IMBBY): 12%

C-Ranked Retirement Suitability

1. Church & Dwight Co., Inc. (CHD): 1%
2. The Kroger Co. (KR): 2%
3. McCormick & Co., Inc. (MKC): 1%
4. Walmart, Inc. (WMT): 2%
5. Tootsie Roll Industries, Inc. (TR): 1%
6. Brown-Forman Corp. (BF.B): 1%

7. The J. M. Smucker Co. (SJM): 3%
8. Nestlé SA (NSRGY): 2%
9. The Clorox Co. (CLX): 2%
10. Kellogg Co. (K): 4%
11. Flowers Foods, Inc. (FLO): 3%
12. Newell Brands, Inc. (NWL): 8%
13. Philip Morris International, Inc. (PM): 6%
14. Vector Group Ltd. (VGR): 15%
15. B&G Foods, Inc. (BGS): 10%

D-Ranked Retirement Suitability

1. Dollar General Corp. (DG): 1%
2. Costco Wholesale Corp. (COST): 1%
3. Mondelez International, Inc. (MDLZ): 2%
4. The Hershey Co. (HSY): 2%
5. Keurig Dr Pepper, Inc. (KDP): 2%
6. Diageo Plc (DEO): 3%
7. Unilever Plc (UL): 4%
8. General Mills, Inc. (GIS): 3%
9. Campbell Soup Co. (CPB): 3%
10. Ambev SA (ABEV): 5%
11. Anheuser-Busch InBev SA/NV (BUD): 5%
12. The Kraft Heinz Co. (KHC): 6%

F-Ranked Retirement Suitability

1. Constellation Brands, Inc. (STZ): 2%
2. Conagra Brands, Inc. (CAG): 3%

Energy

A-Ranked Retirement Suitability

1. National Fuel Gas Co. (NFG): 4%
2. Enterprise Products Partners LP (EPD): 10%
3. Marathon Petroleum Corp. (MPC): 7%
4. Suncor Energy, Inc. (SU): 8%
5. Canadian Natural Resources Ltd. (CNQ): 7%
6. Sunoco LP (SUN): 13%
7. ONEOK, Inc. (OKE): 12%
8. Inter Pipeline Ltd. (IPPLF): 16%
9. MPLX LP (MPLX): 16%
10. Total SA (TOT): 8%
11. Holly Energy Partners LP (HEP): 19%

B-Ranked Retirement Suitability

1. Imperial Oil Ltd. (IMO): 4%
2. Royal Dutch Shell Plc (RDS.B): 12%
3. Exxon Mobil Corp. (XOM): 8%
4. Magellan Midstream Partners LP (MMP): 9%
5. Enbridge, Inc. (ENB): 7%
6. Chevron Corp. (CVX): 5%
7. Energy Transfer LP (ET): 15%
8. Genesis Energy LP (GEL): 44%
9. Targa Resources Corp. (TRGP): 29%
10. USA Compression Partners LP (USAC): 26%

C-Ranked Retirement Suitability

1. Petróleo Brasileiro SA (PBR): 4%

2. Kinder Morgan, Inc. (KMI): 7%
3. TC Pipelines LP (TCP): 8%
4. Gazprom PJSC (OGZPY): 10%
5. Occidental Petroleum Corp. (OXY): 20%
6. Helmerich & Payne, Inc. (HP): 17%
7. China Petroleum & Chemical Corp. (SNP): 11%
8. Antero Midstream Corp. (AM): 27%
9. Sabine Royalty Trust (SBR): 12%
10. Cross Timbers Royalty Trust (CRT): 15%
11. PermRock Royalty Trust (PRT): 37%
12. Vermilion Energy, Inc. (VET): 43%
13. EQM Midstream Partners LP (EQM): 23%

D-Ranked Retirement Suitability

1. Enerplus Corp. (ERF): 4%
2. NACCO Industries, Inc. (NC): 2%
3. Baker Hughes Co. (BKR): 5%
4. HollyFrontier Corp. (HFC): 4%
5. ConocoPhillips (COP): 4%
6. TC Energy Corp. (TRP): 5%
7. Apache Corp. (APA): 8%
8. Halliburton Co. (HAL): 7%
9. BP Plc (BP): 10%
10. TechnipFMC Plc (FTI): 7%
11. CNOOC Ltd. (CEO): 8%
12. The Williams Cos., Inc. (WMB): 8%
13. Schlumberger NV (SLB): 12%
14. Phillips 66 (PSX): 5%
15. PetroChina Co., Ltd. (PTR): 7%
16. Pembina Pipeline Corp. (PBA): 8%
17. Eni SpA (E): 7%

F-Ranked Retirement Suitability

1. National Oilwell Varco, Inc. (NOV): 2%
2. Tenaris SA (TS): 1%
3. Valero Energy Corp. (VLO): 6%
4. Patterson-UTI Energy, Inc. (PTEN): 5%
5. Nabors Industries Ltd. (NBR): 0%

Financial Services

A-Ranked Retirement Suitability

1. Unum Group (UNM): 8%
2. Franklin Resources, Inc. (BEN): 6%
3. Calvin B. Taylor Bankshares, Inc. (TYCB): 4%
4. Community Trust Bancorp, Inc. (Kentucky) (CTBI): 5%
5. Eagle Financial Services, Inc. (EFSI): 4%
6. Eaton Vance Corp. (EV): 4%
7. Aflac, Inc. (AFL): 3%
8. Cincinnati Financial Corp. (CINF): 4%
9. First Financial Corp. (Indiana) (THFF): 3%
10. Lazard Ltd. (LAZ): 8%
11. Great-West Lifeco, Inc. (GWLIF): 8%
12. Bank of Montreal (BMO): 6%
13. The Bank of Nova Scotia (BNS): 7%
14. The Toronto-Dominion Bank (TD): 6%
15. MetLife, Inc. (MET): 5%
16. Canadian Imperial Bank of Commerce (CM): 7%

17. Cullen/Frost Bankers, Inc. (CFR): 4%
18. United Bankshares, Inc. (West Virginia) (UBSI): 5%

B-Ranked Retirement Suitability

1. Ameriprise Financial, Inc. (AMP): 3%
2. Enterprise Bancorp, Inc. (EBTC): 3%
3. BancFirst Corp. (Oklahoma) (BANF): 4%
4. Chubb Ltd. (CB): 3%
5. Assurant, Inc. (AIZ): 2%
6. Ping An Insurance (Group) Co. of China Ltd. (PNGAY): 2%
7. Farmers & Merchants Bancorp (California) (FMCB): 2%
8. 1st Source Corp. (SRCE): 3%
9. T. Rowe Price Group, Inc. (TROW): 3%
10. Chesapeake Financial Shares, Inc. (Maryland) (CPKF): 3%
11. Sun Life Financial, Inc. (SLF): 5%
12. Royal Bank of Canada (RY): 5%
13. Everest Re Group Ltd. (RE): 3%
14. Prosperity Bancshares, Inc. (PB): 3%
15. National Bank of Canada (NTIOF): 5%
16. People's United Financial, Inc. (PBCT): 6%
17. The Travelers Cos., Inc. (TRV): 3%
18. The Western Union Co. (WU): 4%
19. Arrow Financial Corp. (AROW): 4%
20. Tompkins Financial Corp. (TMP): 3%
21. Prudential Financial, Inc. (PRU): 7%
22. M&T Bank Corp. (MTB): 4%
23. Old Republic International Corp. (ORI): 5%
24. Société Générale SA (SCGLY): 17%
25. Invesco Ltd. (IVZ): 16%
26. AEGON NV (AEG): 12%
27. BNP Paribas SA (BNPQF): 10%
28. Navient Corp. (NAVI): 9%
29. Alaris Royalty Corp. (ALARF): 19%
30. Prospect Capital Corp. (PSEC): 18%

C-Ranked Retirement Suitability

1. Brookfield Asset Management, Inc. (BAM): 2%
2. PSB Holdings, Inc. (Wisconsin) (PSBQ): 1%
3. SEI Investments Co. (SEIC): 1%
4. Brown & Brown, Inc. (BRO): 1%
5. S&P Global, Inc. (SPGI): 1%
6. RLI Corp. (RLI): 1%
7. American Express Co. (AXP): 2%
8. BlackRock, Inc. (BLK): 3%
9. Community Bank System, Inc. (CBU): 3%
10. Westamerica Bancorporation (WABC): 3%
11. Ally Financial, Inc. (ALLY): 5%
12. Fairfax Financial Holdings Ltd. (FRFHF): 4%
13. Truist Financial Corp. (TFC): 5%
14. Principal Financial Group, Inc. (PFG): 6%
15. Sampo Oyj (SAXPY): 6%
16. CNA Financial Corp. (CNA): 5%
17. UBS Group AG (UBS): 6%
18. Mercury General Corp. (MCY): 7%
19. Banco Santander SA (SAN): 5%
20. Waddell & Reed Financial, Inc. (WDR): 7%
21. Stellus Capital Investment Corp. (SCM): 20%
22. Swiss Re AG (SSREY): 9%

23. Capitala Finance Corp. (CPTA): 36%
24. PacWest Bancorp (PACW): 13%
25. HSBC Holdings Plc (HSBC): 10%
26. Gladstone Capital Corp. (GLAD): 15%
27. Main Street Capital Corp. (MAIN): 10%
28. AllianceBernstein Holding LP (AB): 11%
29. Gladstone Investment Corp. (GAIN): 8%
30. Artisan Partners Asset Management, Inc. (APAM): 8%
31. Ares Capital Corp. (ARCC): 13%
32. Dream Industrial Real Estate Investment Trust (DREUF): 8%
33. Hercules Capital, Inc. (HTGC): 12%

D-Ranked Retirement Suitability

1. Moody's Corp. (MCO): 1%
2. Intercontinental Exchange, Inc. (ICE): 1%
3. Arthur J. Gallagher & Co. (AJG): 2%
4. Commerce Bancshares, Inc. (Missouri) (CBSH): 2%
5. Morningstar, Inc. (MORN): 1%
6. Erie Indemnity Co. (ERIE): 2%
7. The Goldman Sachs Group, Inc. (GS): 3%
8. The Bank of New York Mellon Corp. (BK): 3%
9. UMB Financial Corp. (UMBF): 3%
10. Discover Financial Services (DFS): 4%
11. Citigroup, Inc. (C): 5%
12. Synchrony Financial (SYF): 5%
13. U.S. Bancorp (USB): 5%
14. Bank of America Corp. (BAC): 3%
15. JPMorgan Chase & Co. (JPM): 4%
16. AXIS Capital Holdings Ltd. (AXS): 5%
17. Dream Office Real Estate Investment Trust (DRETF): 5%
18. Legg Mason, Inc. (LM): 3%
19. Wells Fargo & Co. (WFC): 8%
20. KeyCorp (KEY): 7%
21. Huntington Bancshares, Inc. (HBAN): 7%
22. New York Community Bancorp, Inc. (NYCB): 6%
23. Granite Real Estate Investment Trust (GRP-UN): 5%
24. Choice Properties Real Estate Investment Trust (PPRQF): 6%
25. Apollo Global Management, Inc. (APO): 5%

F-Ranked Retirement Suitability

1. Aon Plc (AON): 0%
2. The Allstate Corp. (ALL): 2%
3. Visa, Inc. (V): 1%
4. Mastercard, Inc. (MA): 1%
5. CME Group, Inc. (CME): 2%
6. Bank OZK (OZK): 5%
7. The Blackstone Group, Inc. (BX): 4%

Healthcare

A-Ranked Retirement Suitability

1. Walgreens Boots Alliance, Inc. (WBA): 4%
2. AbbVie, Inc. (ABBV): 5%
3. Cardinal Health, Inc. (CAH): 4%

B-Ranked Retirement Suitability

1. Novartis AG (NVS): 2%
2. Medtronic Plc (MDT): 2%
3. Johnson & Johnson (JNJ): 3%
4. Bayer AG (BAYRY): 5%
5. CVS Health Corp. (CVS): 3%
6. Bristol-Myers Squibb Co. (BMY): 3%
7. Patterson Cos., Inc. (PDCO): 6%

C-Ranked Retirement Suitability

1. McKesson Corp. (MCK): 1%
2. Perrigo Co. Plc (PRGO): 2%
3. Fresenius Medical Care AG & Co. KGaA (FMS): 2%
4. AmerisourceBergen Corp. (ABC): 2%
5. Stryker Corp. (SYK): 1%
6. Becton, Dickinson & Co. (BDX): 1%
7. Abbott Laboratories (ABT): 1%
8. West Pharmaceutical Services, Inc. (WST): 0%
9. Merck & Co., Inc. (MRK): 3%
10. Amgen, Inc. (AMGN): 3%
11. Gilead Sciences, Inc. (GILD): 3%

D-Ranked Retirement Suitability

1. UnitedHealth Group, Inc. (UNH): 1%
2. Novo Nordisk A/S (NVO): 1%
3. ResMed, Inc. (RMD): 1%
4. Eli Lilly & Co. (LLY): 2%
5. Sanofi (SNY): 2%
6. Pfizer Inc. (PFE): 4%
7. GlaxoSmithKline Plc (GSK): 5%
8. Koninklijke Philips NV (PHG): 4%

F-Ranked Retirement Suitability

1. Owens & Minor, Inc. (OMI): 0%
2. AstraZeneca Plc (AZN): 3%

Industrials**A-Ranked Retirement Suitability**

1. Emerson Electric Co. (EMR): 4%
2. 3M Co. (MMM): 4%

B-Ranked Retirement Suitability

1. General Dynamics Corp. (GD): 3%
2. Pentair Plc (PNR): 2%
3. Tennant Co. (TNC): 2%
4. Carlisle Cos., Inc. (CSL): 2%
5. Parker-Hannifin Corp. (PH): 2%
6. McGrath RentCorp (MGRC): 3%
7. Stanley Black & Decker, Inc. (SWK): 3%
8. ABM Industries, Inc. (ABM): 2%
9. Brady Corp. (BRC): 2%
10. The Gorman-Rupp Co. (GRC): 2%
11. Dover Corp. (DOV): 2%
12. W.W. Grainger, Inc. (GWG): 2%
13. MSA Safety, Inc. (MSA): 1%
14. Illinois Tool Works, Inc. (ITW): 3%

15. R.R. Donnelley & Sons Co. (RRD): 9%
16. HNI Corp. (HNI): 5%
17. MSC Industrial Direct Co., Inc. (MSM): 5%
18. Siemens AG (SIEGY): 5%
19. Raytheon Technologies Corp. (RTX): 5%
20. Chorus Aviation, Inc. (CHRRF): 17%
21. Fluor Corp. (FLR): 9%
22. Macquarie Infrastructure Corp. (MIC): 14%

C-Ranked Retirement Suitability

1. Northrop Grumman Corp. (NOC): 2%
2. L3Harris Technologies, Inc. (LHX): 2%
3. A. O. Smith Corp. (AOS): 2%
4. Automatic Data Processing, Inc. (ADP): 2%
5. Donaldson Co., Inc. (DCI): 2%
6. CSX Corp. (CSX): 2%
7. Franklin Electric Co., Inc. (FELE): 1%
8. Expeditors International of Washington, Inc. (EXPD): 1%
9. Roper Technologies, Inc. (ROP): 1%
10. Cintas Corp. (CTAS): 1%
11. Nordson Corp. (NDSN): 1%
12. CAE, Inc. (CAE): 2%
13. FedEx Corp. (FDX): 2%
14. Lockheed Martin Corp. (LMT): 2%
15. Honeywell International, Inc. (HON): 3%
16. Huntington Ingalls Industries, Inc. (HII): 2%
17. Snap-On, Inc. (SNA): 3%
18. Deere & Co. (DE): 2%
19. Union Pacific Corp. (UNP): 2%
20. C.H. Robinson Worldwide, Inc. (CHRW): 3%
21. Canadian National Railway Co. (CNI): 2%
22. American Airlines Group, Inc. (AAL): 4%
23. Alaska Air Group, Inc. (ALK): 5%
24. Hawaiian Holdings, Inc. (HA): 4%
25. United Parcel Service, Inc. (UPS): 4%
26. Caterpillar, Inc. (CAT): 4%
27. Nielsen Holdings Plc (NLSN): 6%
28. Ingersoll Rand, Inc. (IR): 8%
29. SFL Corp. Ltd. (SFL): 14%
30. Compass Diversified Holdings (CODI): 9%

D-Ranked Retirement Suitability

1. Textron, Inc. (TXT): 0%
2. Badger Meter, Inc. (BMI): 1%
3. The Toro Co. (TTC): 1%
4. Canadian Pacific Railway Ltd. (CP): 1%
5. Norfolk Southern Corp. (NSC): 2%
6. Xylem, Inc. (XYL): 2%
7. Rockwell Automation, Inc. (ROK): 2%
8. Waste Management, Inc. (WM): 2%
9. Booz Allen Hamilton Holding Corp. (BAH): 1%
10. Cummins, Inc. (CMI): 3%
11. Paychex, Inc. (PAYX): 4%
12. Fastenal Co. (FAST): 2%
13. Thomson Reuters Corp. (TRI): 2%
14. Johnson Controls International Plc (JCI): 4%
15. Eaton Corp. Plc (ETN): 4%
16. The Boeing Co. (BA): 7%

17. Ryder System, Inc. (R): 7%
18. Delta Air Lines, Inc. (DAL): 7%

F-Ranked Retirement Suitability

1. General Electric Co. (GE): 1%
2. Kansas City Southern (KSU): 1%
3. Oshkosh Corp. (OSK): 2%
4. Trane Technologies Plc (TT): 3%
5. PACCAR, Inc. (PCAR): 2%
6. Southwest Airlines Co. (LUV): 3%
7. ABB Ltd. (ABB): 4%

Real Estate

A-Ranked Retirement Suitability

1. Federal Realty Investment Trust (FRT): 5%
2. CorEnergy Infrastructure Trust, Inc. (CORR): 26%
3. Tanger Factory Outlet Centers, Inc. (SKT): 22%
4. Ventas, Inc. (VTR): 11%
5. STORE Capital Corp. (STOR): 7%

B-Ranked Retirement Suitability

1. Realty Income Corp. (O): 5%
2. National Retail Properties, Inc. (NNN): 7%
3. W.P. Carey, Inc. (WPC): 7%
4. Taubman Centers, Inc. (TCO): 6%
5. Service Properties Trust (SVC): 36%
6. New Residential Investment Corp. (NRZ): 24%
7. OUTFRONT Media, Inc. (OUT): 11%
8. Brixmor Property Group, Inc. (BRX): 10%
9. Sabra Health Care REIT, Inc. (SBRA): 15%
10. Iron Mountain, Inc. (IRM): 11%
11. Office Properties Income Trust (OPI): 9%
12. Urstadt Biddle Properties, Inc. (UBA): 8%
13. Macerich Co. (MAC): 44%
14. Brookfield Property Partners LP (BPY): 15%
15. Chatham Lodging Trust (CLDT): 21%
16. EPR Properties (EPR): 17%
17. Chimera Investment Corp. (CIM): 25%
18. Simon Property Group, Inc. (SPG): 14%
19. Diversified Healthcare Trust (DHC): 28%

C-Ranked Retirement Suitability

1. Public Storage (PSA): 4%
2. AvalonBay Communities, Inc. (AVB): 4%
3. Host Hotels & Resorts, Inc. (HST): 7%
4. Omega Healthcare Investors, Inc. (OHI): 10%
5. Physicians Realty Trust (DOC): 6%
6. Whitestone REIT (WSR): 18%
7. Two Harbors Investment Corp. (TWO): 37%
8. Ladder Capital Corp. (LADR): 18%
9. VEREIT, Inc. (VER): 10%
10. Landmark Infrastructure Partners LP (LMRK): 15%
11. Global Net Lease, Inc. (GNL): 13%
12. Lamar Advertising Co. (LAMR): 7%
13. Apollo Commercial Real Estate Finance, Inc. (ARI): 24%
14. Gladstone Commercial Corp. (GOOD): 9%

15. Arbor Realty Trust, Inc. (ABR): 17%
16. MGM Growth Properties LLC (MGP): 8%
17. ARMOUR Residential REIT, Inc. (ARR): 26%
18. Kimco Realty Corp. (KIM): 11%
19. Gaming & Leisure Properties, Inc. (GLPI): 11%
20. Dynex Capital, Inc. (DX): 15%
21. AGNC Investment Corp. (AGNC): 15%
22. Blackstone Mortgage Trust, Inc. (BXMT): 11%
23. Starwood Property Trust, Inc. (STWD): 14%
24. Annaly Capital Management, Inc. (NLY): 16%

D-Ranked Retirement Suitability

1. American Tower Corp. (AMT): 2%
2. Crown Castle International Corp. (CCI): 3%
3. Digital Realty Trust, Inc. (DLR): 3%
4. Universal Health Realty Income Trust (UHT): 3%
5. Boston Properties, Inc. (BXP): 4%
6. STAG Industrial, Inc. (STAG): 6%
7. Healthcare Trust of America, Inc. (HTA): 5%
8. Medical Properties Trust, Inc. (MPW): 6%
9. CoreSite Realty Corp. (COR): 4%
10. Essex Property Trust, Inc. (ESS): 3%
11. Easterly Government Properties, Inc. (DEA): 4%
12. Welltower, Inc. (WELL): 7%
13. LTC Properties, Inc. (LTC): 7%
14. Apple Hospitality REIT, Inc. (APLE): 14%
15. Summit Hotel Properties, Inc. (INN): 14%
16. Healthpeak Properties, Inc. (PEAK): 6%
17. Weyerhaeuser Co. (WY): 8%

F-Ranked Retirement Suitability

1. Equity Residential (EQR): 4%
2. Gladstone Land Corp. (LAND): 3%

Technology

A-Ranked Retirement Suitability

1. International Business Machines Corp. (IBM): 5%
2. Micro Focus International Plc (MFGP): 19%

B-Ranked Retirement Suitability

1. Computer Services, Inc. (CSVI): 2%
2. Western Digital Corp. (WDC): 5%

C-Ranked Retirement Suitability

1. Oracle Corp. (ORCL): 2%
2. Applied Materials, Inc. (AMAT): 2%
3. Cisco Systems, Inc. (CSCO): 3%
4. Intel Corp. (INTC): 2%
5. HP, Inc. (HPQ): 4%
6. Texas Instruments Incorporated (TXN): 3%
7. QUALCOMM, Inc. (QCOM): 3%
8. Seagate Technology Plc (STX): 5%

D-Ranked Retirement Suitability

1. Apple, Inc. (AAPL): 1%
2. Jack Henry & Associates, Inc. (JKHY): 1%

3. SAP SE (SAP): 1%
4. Cognizant Technology Solutions Corp. (CTSH): 1%
5. Skyworks Solutions, Inc. (SWKS): 2%
6. Microsoft Corp. (MSFT): 1%
7. Infosys Ltd. (INFY): 3%
8. NetApp, Inc. (NTAP): 4%
9. Nokia Oyj (NOK): 3%
10. Xerox Holdings Corp. (XRX): 6%
11. Broadcom, Inc. (AVGO): 4%
12. Canon, Inc. (CAJ): 7%

F-Ranked Retirement Suitability

1. Lam Research Corp. (LRCX): 2%
2. ASML Holding NV (ASML): 1%
3. Telefonaktiebolaget LM Ericsson (ERIC): 1%
4. KLA Corp. (KLAC): 2%
5. NVIDIA Corp. (NVDA): 0%
6. Sony Corp. (SNE): 0%
7. Corning, Inc. (GLW): 4%
8. Taiwan Semiconductor Manufacturing Co., Ltd. (TSM): 3%
9. Garmin Ltd. (GRMN): 3%
10. Accenture Plc (ACN): 2%
11. Logitech International SA (LOGI): 2%
12. Marvell Technology Group Ltd. (MRVL): 1%
13. Kulicke & Soffa Industries, Inc. (KLIC): 2%

Utilities

A-Ranked Retirement Suitability

1. Red Eléctrica Corp. SA (RDEIY): 7%

B-Ranked Retirement Suitability

1. Black Hills Corp. (BKH): 3%
2. SJW Group (SJW): 2%
3. American States Water Co. (AWR): 2%
4. UGI Corp. (UGI): 4%
5. Edison International (EIX): 4%
6. Fortis, Inc. (FTS): 4%
7. NextEra Energy Partners LP (NEP): 4%

8. Consolidated Edison, Inc. (ED): 4%
9. Northwest Natural Holding Co. (NWN): 3%
10. Brookfield Infrastructure Partners LP (BIP): 5%
11. CenterPoint Energy, Inc. (CNP): 7%
12. PPL Corp. (PPL): 7%
13. TransAlta Renewables, Inc. (TRSWF): 7%
14. Suburban Propane Partners LP (SPH): 17%
15. Superior Plus Corp. (SUUIF): 8%

C-Ranked Retirement Suitability

1. Atmos Energy Corp. (ATO): 2%
2. MGE Energy, Inc. (MGEE): 2%
3. Middlesex Water Co. (MSEX): 2%
4. California Water Service Group (CWT): 2%
5. Alliant Energy Corp. (LNT): 3%
6. Artesian Resources Corp. (ARTNA): 3%
7. Entergy Corp. (ETR): 4%
8. NextEra Energy, Inc. (NEE): 2%
9. DTE Energy Co. (DTE): 4%
10. Sempra Energy (SRE): 3%
11. Dominion Energy, Inc. (D): 5%
12. Duke Energy Corp. (DUK): 5%
13. The Southern Co. (SO): 4%
14. Brookfield Renewable Partners LP (BEP): 4%

D-Ranked Retirement Suitability

1. Essential Utilities, Inc. (WTRG): 2%
2. Xcel Energy, Inc. (XEL): 3%
3. Otter Tail Corp. (OTTR): 3%
4. American Electric Power Co., Inc. (AEP): 3%
5. WEC Energy Group, Inc. (WEC): 3%
6. Exelon Corp. (EXC): 4%
7. Spark Energy, Inc. (SPKE): 11%

F-Ranked Retirement Suitability

1. Consolidated Water Co. Ltd. (CWCO): 2%
2. Algonquin Power & Utilities Corp. (AQN): 4%

Sell Rules, Past Recommendations, Pending Sells, & Past Sells

Sell Rules

Except in extreme circumstances, we will not issue sell recommendations – even if the sell rules below are triggered – unless a security has been held for 1 year or longer to qualify for lower long-term capital gains tax rates in taxable accounts.

Sell Rule #1 | Dividend-Based Sell Rules: Any past recommendation that reduces or eliminates its dividend is automatically a pending sell. We review and analyze these stocks to determine when to initiate the final sale.

Secondly, any past recommendation that has an “F” Dividend Risk Score is automatically reviewed for safety and a sell *may* be issued. We will only recommend selling up to two securities a month so that the reinvestment of sale proceeds is not concentrated in a short time frame.

Sell Rule #2 | Valuation-Based Sell Rules: Sell past recommendations with expected total returns below the expected total returns of the S&P 500 over the next several years. This sell rule replaces our previous valuation-based sell rule of selling recommendations trading below 2/3 of their historical average dividend yield. This new valuation-based sell rule went into effect in the January 2019 edition of the *Sure Retirement Newsletter*.

We calculate our estimate of the long-term returns of the S&P 500 using the simplified expected total return method, which is the S&P 500’s dividend yield plus nominal (not inflation-adjusted) GDP growth less valuation multiple mean reversion over 10 years.

We currently estimate long-term U.S. nominal GDP growth at 5.5%, the S&P 500’s dividend yield at 2.1%, and valuation multiple mean reversion at -2.8% (S&P 500 fair value P/E of 15.79 versus current P/E of 20.94) for an expected total return sell threshold of 4.8%. This expected total return calculation uses the ‘approximate’ total return method of simply adding expected total returns from dividend yield, growth rate, and valuation multiple change.

Past recommendations at or below this sell threshold are **in red** in the Unsold Past Recommendations table below. We will only recommend up to two valuation-based sells a month; and fewer if there are sells based on the first sell rule.

Unsold Past Recommendations

Name	Ticker	Time Since 1 st Rec. (Years)	DR Score	5 Year Expected Total Return	CAGR ⁶	Total Return	S&P 500 (SPY) Total Return
Omega Healthcare	OHI	3.5	D	16.1%	4.0%	14.7%	44.5%
AT&T	T	3.5	B	15.1%	-1.3%	-4.3%	44.5%
Enterprise Products	EPD	3.5	B	25.6%	-3.7%	-12.4%	44.5%
Magellan Midstream	MMP	3.5	C	18.3%	-7.1%	-22.7%	44.5%
Energy Transfer	ET	3.5	D	19.0%	-9.4%	-29.2%	44.5%
Sunoco	SUN	3.0	B	19.5%	1.7%	5.3%	27.2%
ONEOK	OKE	2.3	C	32.6%	-19.2%	-39.1%	9.7%
Altria	MO	2.0	B	16.1%	-14.7%	-27.1%	9.6%
Verizon	VZ	1.6	B	10.1%	6.5%	10.4%	8.1%
STAG Industrial	STAG	1.6	D	12.7%	4.6%	7.3%	8.1%
General Mills	GIS	1.5	C	6.0%	23.2%	36.3%	8.8%
IBM	IBM	1.5	B	12.3%	4.1%	6.2%	8.8%
AbbVie	ABBV	1.5	A	13.8%	1.4%	2.0%	8.8%
People's United	PBCT	1.5	B	13.4%	-14.9%	-21.3%	8.8%
Leggett & Platt	LEG	1.5	B	18.5%	-15.7%	-22.5%	8.8%
Foot Locker	FL	1.5	B	22.5%	-38.4%	-51.4%	8.8%
Cardinal Health	CAH	1.3	A	9.1%	5.9%	7.9%	14.5%
Hanesbrands	HBI	1.3	B	21.0%	-23.2%	-29.4%	14.5%
Newell Brands	NWL	1.3	D	16.9%	-29.1%	-36.3%	14.5%
Tanger Factory Outlet	SKT	1.1	C	33.7%	-62.1%	-64.4%	1.2%
MSC Industrial Direct	MSM	0.4	C	14.4%	N/A	-11.4%	-7.4%
Chevron	CVX	0.2	F	10.7%	N/A	-14.6%	-13.5%
United Parcel Service	UPS	0.2	C	14.2%	N/A	6.5%	5.5%
Franklin Resources	BEN	0.1	A	16.5%	N/A	N/A	N/A
Eaton Vance	EV	0.1	A	11.8%	N/A	N/A	N/A
Genuine Parts	GPC	0.1	A	11.6%	N/A	N/A	N/A
National Fuel Gas	NFG	0.1	A	12.6%	N/A	N/A	N/A

⁵ This does not include our past “special recommendations” which aren’t part of the regular *Sure Retirement* Newsletter strategy. Total returns data is from midday 5/8/20 and Sure Analysis Research data is from 5/7/20.

⁶ Compound annual growth rate (CAGR) is only available for past recommendations with 1+ year holding periods.

Bank OZK	OZK	0.1	F	16.8%	N/A	N/A	N/A
Polaris	PII	0.1	C	14.7%	N/A	N/A	N/A
Walgreens	WBA	0.1	A	14.8%	N/A	N/A	N/A
Weyco	WEYS	0.1	A	16.3%	N/A	N/A	N/A
Archer-Daniels-Mid.	ADM	0.0	A	14.7%	N/A	N/A	N/A
Federal Realty	FRT	0.0	A	15.1%	N/A	N/A	N/A
Unum Group	UNM	0.0	A	27.2%	N/A	N/A	N/A

Sold Positions

Name	Ticker	1st Rec. Date	Sell Date	Total Return	S&P 500 (SPY) Total Return
Waddell & Reed Financial	WDR	11/7/2016	11/6/2017	34.4%	23.9%
Gladstone Financial	GAIN	2/6/2017	7/9/2018	49.7%	24.8%
R.R. Donnelley & Sons	RRD	6/11/2018	8/13/2018	-28.2%	1.7%
Vector Group	VGR	8/7/2017	12/10/2018	-35.1%	9.0%
New Residential	NRZ	10/15/2018	12/10/2018	-7.7%	-3.8%
Spectra Energy	SEP	11/7/2016	1/14/2019	9.6%	26.2%
Holly Energy	HEP	12/5/2016	1/14/2019	6.9%	21.7%
Welltower	WELL	1/8/2018	2/11/2019	31.1%	0.7%
W.P. Carey	WPC	2/6/2017	3/11/2019	37.7%	26.4%
Senior Housing Properties	SNH	2/5/2018	3/11/2019	-16.0%	7.5%
TC PipeLines	TCP	12/5/2016	4/15/2019	-16.5%	37.7%
AmeriGas Partners	APU	1/3/2017	4/15/2019	-8.3%	34.3%
Buckeye Partners	BPL	11/7/2016	5/13/2019	-17.7%	38.3%
Owens & Minor	OMI	11/6/2017	9/9/2019	-58.8%	19.1%
Urstadt Biddle	UBA	11/7/2016	10/14/2019	31.2%	47.1%
Western Union	WU	10/15/2018	11/11/2019	55.8%	17.1%
Target	TGT	11/6/2017	12/9/2019	129.8%	25.9%
Qualcomm	QCOM	12/10/2018	1/13/2020	64.8%	27.3%
Western Digital	WDC	2/11/2019	2/12/2020	59.3%	27.0%
L Brands	LB	8/13/2018	3/9/2020	-26.2%	0.1%

Average sold position total return: 14.9%

S&P 500 (SPY) average position total return: 20.5%

Pending Sells

Name & Ticker	Recommend Date	Total Return⁷
Genesis Energy (GEL)	November 2016	-73.9%
Macy's (M)	May 2017	-77.5%
Kohl's (KSS)	May 2017	-46.4%
Occidental Petroleum (OXY)	June 2017	-71.2%
Suburban Propane (SPH)	July 2017	-22.3%
Royal Dutch Shell (RDS.B)	July 2017	-31.9%
Invesco (IVZ)	May 2018	-69.4%
Kraft Heinz (KHC)	October 2018	-41.4%
WestRock (WRK)	February 2019	-24.7%

We will initiate final sell recommendations for all of the above pending sells when they reach or approximate their fair value.

⁷ Total returns start with the market close price of the first trading day after the newsletter recommendation. Prior to March 2018, this was the first trading day after the first Sunday of the month. As of March 2018, and later, this is generally the first trading day after the second Sunday of the month. Closing price data is from midday 5/8/20.

Buying & Ranking Criteria

The method we use to come up with the Top 10 buys for the *Sure Retirement Newsletter* is as follows:

Note: Ranking data is from the most recent Wednesday's Sure Analysis data update.

1. Filter our *Sure Analysis Research Database* universe of securities for:
 - 10%+ Expected Total Returns
 - Dividend Yield of 4%+
 - Retirement Suitability Score of A
 - Dividend Risk Score of A
 - U.S. securities only
 - Qualitative dividend safety check
2. Sort by Expected Total Return (highest first)
3. If fewer than 10 securities, allow "B" ranked Dividend Risk Score securities. If there are still fewer than 10 securities, allow "C" ranked Dividend Risk Score securities. If still fewer than 10 securities, allow "B" ranked Retirement Suitability Score securities.
4. No more than 3 REITs and 3 MLPs in each newsletter
5. Veto any securities from the Top 10 as necessary after qualitative analysis
6. The Top 10 are the 10 highest Expected Total Return securities from steps 1 through 4 above

Dividend Risk Scores are sorted into quintiles (A is top 20%, B is top 40%, C is top 60%, and so on) based on the formula below:

Dividend Risk Score (Raw) = Payout Ratio x 100 – # Years of Steady or Rising Dividends + 50 if deemed risky during a recession

Only the top 10% of securities in our *Sure Analysis Research Database* receive an "A" Retirement Suitability Score. "B" ranked securities are the next 25% of securities. The Retirement Suitability Score uses the following formula:

Retirement Suitability Score (Raw) = (1 – Dividend Risk Score Percentile) + Dividend Yield Percentile

Our formula for Expected Total Return is based on our expected growth returns, valuation returns, and dividend returns.

The combination of a high Retirement Suitability Score with high Expected Total Returns means the *Sure Retirement Newsletter* looks for high-yielding securities with strong total return potential and good or better safety scores. Note that our Expected Total Returns are based on the idea that the economy will continue forward 'as is' for the foreseeable future, and not hit a recession. Recession safety factors into our Dividend Risk Scores, and in turn our rankings for the *Sure Retirement Newsletter*.

Portfolio Building Guide

The process of building a high-yield dividend portfolio is straightforward: **Each month invest in the top-ranked security in which you own the smallest dollar amount out of the Top 10.**

Over time, you will build a well-diversified portfolio of quality businesses purchased when they yield 4% or more. If your portfolio has 25% or more allocated to one sector, buy the highest ranked security not in that sector. Alternatively, the Top 10 list is also useful as an idea generation tool for those with a different portfolio allocation plan.

Examples

Portfolio 1			Portfolio 2		
Ticker	Name	Amount	Ticker	Name	Amount
UNM	Unum Group	\$ 1,002	UNM	Unum Group	\$ 4,374
BEN	Franklin Resources	\$ -	BEN	Franklin Resources	\$ 4,878
ADM	Archer-Daniels-Midland	\$ -	ADM	Archer-Daniels-Midland	\$ 5,374
WBA	Walgreens	\$ -	WBA	Walgreens	\$ 4,353
ABBV	AbbVie	\$ -	ABBV	AbbVie	\$ 7,312
NFG	National Fuel Gas	\$ -	NFG	National Fuel Gas	\$ 2,799
EV	Eaton Vance	\$ -	EV	Eaton Vance	\$ 2,952
GPC	Genuine Parts	\$ -	GPC	Genuine Parts	\$ 6,660
EPD	Enterprise Products	\$ -	EPD	Enterprise Products	\$ 2,367
FRT	Federal Realty	\$ -	FRT	Federal Realty	\$ 2,818

- If you had portfolio 1, you would buy BEN, the top-ranked security you own least.
- If you had portfolio 2, you would buy EPD, the top-ranked security you own least.

If you have an existing portfolio or a large lump sum to invest, switch over to the Sure Retirement Strategy over 20 months. Each month take 1/20 of your initial portfolio value and buy the top-ranked security you own the least out of the Top 10 (if that sector makes up less than 25% of your portfolio). When you sell a security, use the proceeds to purchase the top-ranked security you own the least.

This simple investing process will build a diversified portfolio of high-quality dividend or distribution securities over a period of less than 2 years. There's nothing magical about 20 months. A period of 15 months or 30 months will yield similar results.

If your portfolio grows too large to manage comfortably (for example, you are not comfortable holding 40+ securities – which would happen after around 4 years of the Sure Dividend System), you will need to sell holdings. We recommend eliminating positions that have the lowest yields.

You can combine recommendations from the *Sure Retirement* and *Sure Dividend Newsletters* by targeting a specific yield for your overall portfolio. When you need your portfolio yield to increase, invest from the *Sure Retirement Newsletter*. If less yield is required (and growth is preferred), invest from the *Sure Dividend Newsletter*. The *Sure Analysis Research Database* can also be used to supplement the newsletters.

Tax Guide

There are 4 broad types of investment vehicles covered in the *Sure Retirement Newsletter*:

1. Corporations
2. Master Limited Partnerships (MLPs)
3. Real Estate Investment Trusts (REITs)
4. Business Development Companies (BDCs)

The organization form is important for tax purposes because it determines how efficiently a company can return money to unit or shareholders. An example is below.

Imagine a company makes \$10, pre-tax, and distributes 100% to investors. The image below shows how much of the \$10 would go to investors using standard assumptions for the three investment vehicles:

Notes: Tax treatment for BDCs and REITs is similar. BDCs have been omitted from the images below because of this. The image below takes into account the [pass-through entity tax breaks](#) from Trump's Tax Act, which will expire in 2025. The tables below assume that 80% of MLP distributions are returns of capital, and 20% are ordinary income. It assumes that 70% of REIT payments are ordinary income; and capital gains and return of capital each make up 15% of REIT payments.

Corporation		MLP		REIT	
Pre-Tax Income	\$10.00	Distributable Cash	\$10.00	Distributable Cash	\$10.00
Corporate Income Tax	(\$2.10)	After-Tax Distributable Cash	\$10.00	After-Tax Fund From Operations	\$10.00
After-Tax Income	\$7.90	Ordinary Income Tax @37%	(\$0.59)	Ordinary Income Tax @37%	(\$2.07)
Qualified Dividend Tax	(\$1.58)	Return of Capital Tax @20%	(\$1.28)	Capital Gains Tax @ 20%	(\$0.24)
Dividend After Tax	\$6.32	Distribution After All Taxes	\$8.13	Return of Capital Tax @20%	(\$0.24)
				Distribution After All Taxes	\$7.45

- \$6.32 in after-tax income from a Corporation
- \$7.45 in after-tax income from a REIT
- \$8.13 in after-tax income from an MLP

The image below gives an overview of the different organizational forms:

	Corp.	MLP	REIT
Tax Form	1099	K-1	1099
Taxed at Organization Level	Yes	No	No
Distributions Taxed at Individual Level	Yes	Yes	Yes
Hold In Retirement Account	Yes	Yes*	Yes
Hold In Regular Account	Yes	Yes	No**

*Under the condition that you stay up to date with form 990-T.

**REIT income is largely subject to personal income tax rates as ordinary income, making it better suited for retirement accounts, depending on your personal tax rate.

Corporations

Corporations are taxed on income at the corporate level. They then pay out this after-tax income to shareholders. Shareholders are then taxed again at the individual level.

Note: The United States corporate tax rate (including the state and federal levels) is 26% after the Tax Cuts and Jobs Act. The global average is 23%, for comparison.

Corporations issue a 1099 to track dividend payments to shareholders. They are the simplest and most common type of investment. They are also the least tax advantaged.

Given the choice, corporations should be held in a retirement account to minimize taxes. Of course, owning them in a taxable account is fine, one will just be paying taxes on dividends received. Capital gains taxes are only triggered when a common stock is sold, making it tax advantageous to buy and hold.

Capital gains taxes are divided into two types: short-term and long-term. Short-term capital gains tax applies to investments held for less than a year. The short-term capital gains rate is your ordinary income tax rate. It ranges between 10% and 37% depending on your income bracket.

Long-term capital gains apply to most types of investments (including Corporations, REITs, and MLPs) held longer than 1 year. The maximum long-term capital gains tax rate is 20%. The minimum is 0%. Most investors will fall into the 15% long-term capital gains tax bracket.

Dividend taxes are also divided into two types: ordinary and qualified. Most dividends paid from blue-chip dividend stocks are 'qualified.' The requirements for a dividend to be classified as 'qualified' are below:

- The company must be a U.S. corporation, or a foreign corporation that readily trades on major U.S. exchanges, or be incorporated in a U.S. territory.
- The investor must have held the stock for 60+ days before the ex-dividend date.

Qualified dividends are taxed at the same rate as long-term capital gains; between 0% and 20% (though most investors will be in the 15% bracket). Ordinary dividends are dividends that do not meet the criteria to be 'qualified.' Ordinary dividends are taxed at the ordinary income tax rate.

Master Limited Partnerships (MLPs)

MLPs are the most tax efficient vehicle for returning money to investors. They avoid the double taxation issues of Corporations. *MLPs are not taxed at the organization level.* Unfortunately, *MLPs are also the most complicated.*

Typically, somewhere around 80% to 90% of MLP distributions are considered a 'return of capital' because of depreciation. You don't pay taxes immediately on 'return of capital' distributions.

Returns of capital *reduce your cost basis* in the MLP. You are not taxed until you sell the units.

For example, imagine you buy 10 units of an MLP at \$100 a unit for a total investment of \$1,000. Now imagine you hold for 5 years.

The MLP unit price has increased to \$120. Your investment is now worth \$1,200. It also paid out \$37.50 per unit in distributions over this time, with 80% of that being a return of capital ($\$37.50 \times 80\% = \30 return of capital).

The 20% of distributions that *were not* returns of capital would be taxed at your ordinary income tax rate, which is up to 37%. These taxes would be due the year they are accrued.

Your cost basis would be \$700 (initial investment amount of \$1,000 less return of capital of \$30 per unit or \$300 total). The amount of long-term capital gains tax you owe (assuming you are in the 20% tax bracket) is \$100.

Math Behind Example: Sale price of \$1,200 less cost basis of \$700 = \$500 in capital gains. $\$500$ in capital gains \times 20% tax bracket = \$100.

As a caveat, if the cost basis ever falls below 0 (which will only happen after holding for around a decade or more), you will owe long-term capital gains tax on the amount the cost basis is below 0 every year.

Return of capital and other issues discussed above *do not matter* when MLPs are held in a retirement account.

There is a different issue with holding MLPs in a retirement account, however. This includes 401(k), IRA, and Roth IRA accounts, among others.

When retirement plans conduct or invest in a business activity, they must file separate tax forms to report **Unrelated Business Income (UBI)** and may owe tax on **Unrelated Business Taxable Income (UBTI)**. UBTI tax brackets go up to 37% (the top personal rate).

MLPs issue K-1 forms for tax reporting. K-1s report business income, expense, and loss to owners. Therefore, MLPs held in retirement accounts may still qualify to pay taxes.

If UBI for *all holdings* in your retirement account is over \$1,000, you must have your retirement account provider (typically, your brokerage) file Form 990-T. You will want to file form 990-T as well if you have a UBI loss to get a loss carryforward for subsequent tax years. Failure to file form 990-T and pay **Unrelated Business Income Tax** (UBIT) can lead to severe penalties. Fortunately, UBIs are often negative. *It is a fairly rare occurrence to owe taxes on UBI.*

The subject of MLP taxation can be complicated and confusing. Hiring a tax professional to aid in preparing taxes is a viable option for dealing with the complexity.

The bottom line is this: *MLPs are tax-advantaged vehicles* that are suited for investors looking for current income. It is fine to hold them in either taxable or non-taxable (retirement) accounts. Since retirement accounts are already tax-deferred, holding MLPs in taxable accounts allows you to ‘get credit’ for the full effects of their unique structure.

Real Estate Investment Trusts (REITs)

Like MLPs, REITs avoid double taxation. *REITs are not taxed at the organization level.* REITs are in between MLPs and Corporations in terms of both complexity and tax-advantages. REITs are required to pay out 90%+ of their income.

REITs are organized as trusts. As a result, ‘shareholders’ are actually unit holders.

REITs issue 1099 forms (just like corporations) instead of K-1 forms (like MLPs do). Unit holders receive distributions, not dividends (just like MLPs). REIT distributions fall into three categories:

- Ordinary income
- Return of capital
- Capital gains

Ordinary income is taxed at your ordinary income tax rate; up to 37%. Return of capital reduces your cost basis (just as it does with MLPs). Capital gains are taxed at either short-term or long-term capital gains rates.

The percentage of distributions from these three sources varies by REIT. In general, ordinary income tends to be the majority of the distribution. Expect around 70% of distributions as ordinary income, 15% as a return of capital, and 15% as capital gains.

REITs are best suited for retirement accounts because the majority of their payments are taxed as ordinary income. Retirement accounts remove this negative and make REITs very tax advantageous.

This doesn't mean you should never own a REIT in a taxable account. A good investment is a good investment, regardless of tax issues. If you have the choice, REITs should definitely be placed in a retirement account such as an IRA or 401k.

Business Development Companies (BDCs)

Much like REITs, business development companies must pay out 90%+ of their income as distributions. Additionally, business development companies must derive 90% of their gross income from interest, dividends, or capital gains on securities.

BDCs pay their distributions as a mix of:

- Ordinary income & non-qualified dividends
- Qualified dividends
- Return of capital
- Capital gains

Just as with MLPs, returns of capital reduce your tax basis. Qualified dividends and long-term capital gains are taxed at lower rates, while ordinary income and non-qualified dividends are taxed at your personal income tax bracket rate.

Unfortunately, 70% to 80% of BDC income is typically derived from ordinary income. Because of this, they make excellent vehicles for tax-advantaged retirement accounts such as an IRA or 401k.

Please email us at support@suredividend.com with any questions you have on taxes regarding retirement accounts, MLPs, REITs, and BDCs. Frequently asked questions will be added to this tax guide.

As a newsletter provider, we can't provide specific personal investment advice, only general information.

Glossary of Common Terms & Acronyms

Adjusted Funds From Operations (AFFO): A term used to describe Funds From Operations (FFO), plus non-recurring items that do not impact the long-term fundamentals of the business. See FFO in this glossary for more.

Cash Available for Distribution (CAD): This term is also referred to as funds available for distribution (FAD). It is the cash available to be distributed to unitholders. It is most commonly seen with REITs. CAD is calculated by subtracting recurring capital expenditures from funds from operations.

Distributable Cash Flow (DCF): A non-GAAP (Generally Accepted Accounting Principles) financial metric frequently utilized by Master Limited Partnerships as an alternative to earnings-per-share. Expresses cash available for unitholder distributions, after payments to the General Partner. Calculated by adding non-cash items, such as depreciation and one-time expenses, to net income. Viewed as a better gauge of financial health than earnings-per-share, as MLPs operate asset-heavy business models with significant depreciation expenses.

Dividend Yield: The annual dividend returns from an investment, expressed as a percentage. The dividend yield is calculated from the annual dividend per share, divided by the stock price per share. MLPs and REITs pay distributions, not dividends. Distribution yield is used for them instead of dividend yield, though some companies (notably REITs) call it a dividend for ease of understanding by the public.

Dividend Payout Ratio: The percentage of earnings paid to shareholders as a dividend. The payout ratio is calculated from the annual dividend per share, divided by annual earnings-per-share. For MLPs and REITs, this is typically expressed as the distribution coverage ratio.

EBITDA: Earnings before interest, taxes, depreciation, and amortization. Used by companies with high levels of depreciation and interest costs, such as MLPs, to indicate the financial health of a business. A similar metric to operating cash flow. Frequently used as part of leverage ratios such as debt-to-EBITDA.

Funds From Operations (FFO): A non-GAAP financial metric frequently utilized by Real Estate Investment Trusts, as an alternative to earnings-per-share. FFO is calculated by adding depreciation and amortization expenses to net income, minus any gains on asset sales. REITs view FFO as a more accurate gauge of financial health since earnings-per-share are heavily impacted by depreciation and amortization expenses.

GAAP: Generally accepted accounting principles. These are legally required, standardized accounting rules and procedures used when preparing financial statements.

If you read a term in the *Sure Retirement Newsletter* not on this list with which you are unfamiliar, please email support@suredividend.com. We will explain the term and add it to the glossary in next month's edition.

Disclaimer

Nothing presented herein is, or is intended to constitute, specific investment advice. Nothing in this newsletter should be construed as a recommendation to follow any investment strategy or allocation. Any forward-looking statements or forecasts are based on assumptions and actual results are expected to vary from any such statements or forecasts. No reliance should be placed on any such statements or forecasts when making any investment decision. While Sure Dividend has used reasonable efforts to obtain information from reliable sources, we make no representations or warranties as to the accuracy, reliability or completeness of third-party information presented herein. No guarantee of investment performance is being provided and no inference to the contrary should be made. There is a risk of loss from an investment in securities. Past performance is not a guarantee of future performance.