



Sure Retirement

HIGH-YIELD, HIGH-QUALITY SECURITIES

November 2020 Edition

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Opening Thoughts

- Investing With Uncertainty -

We live in especially uncertain times right now. Two of the biggest issues today are:

1. The potential for a COVID-19 resurgence and resulting lockdowns.
2. The United States Presidential election and surrounding transfer of power and court cases.

The uncertainty in today's market has caused many investors to take a 'wait and see' approach. While this is understandable, it misses the long-term picture of wealth creation in the market.

This is not the first period of uncertainty the market has faced, and it won't be the last. Investors who pull out when things are less than bullish take the risk of missing out on market rallies. Think of all the various crises the U.S. and investors have faced over the decades and what the market has done regardless. The quote from Warren Buffett below sums up this point eloquently:

“Over the long term, the stock market news will be good. In the 20th century, the United States endured two world wars and other traumatic and expensive military conflicts; the Depression; a dozen or so recessions and financial panics; oil shocks; a flu epidemic; and the resignation of a disgraced president. Yet the Dow rose from 66 to 11,497.”

- Warren Buffett

The Dow didn't stop rising at the end of the 20th century. It's currently sitting above 28,000; more than double where it was at the beginning of the 21st century.

Another issue that keeps investors on the sideline is market valuation levels. There is little doubt that the market is significantly overvalued right now. The S&P 500 is trading for a price-to-earnings ratio of ~35 currently against a historical average of 15.85. If valuation multiple mean reversion happens over the next decade and the S&P 500 grows underlying earnings-per-share at current prices we are looking at near zero returns over the next 10 years. That's a good argument to avoid investing in a broad S&P 500 ETF.

But that misses the fact that the market is made up of individual securities. Some securities are still trading at discounts to their estimated fair value despite the overvalued broader market levels. Happily, for income investors, ultra-high valuations are more prevalent in non-dividend paying securities. And many blue-chip securities have fallen out of favor and seen their yields rise as investors pour ever more money into the hottest stocks regardless of valuation.

Stocks like Walgreens (WBA), Franklin Resources (BEN), National Fuel Gas (NFG), AT&T (T), and Altria (MO) – all of which are Dividend Aristocrats or Dividend Kings and are in this month's Top 10 – have traded at decade-high dividend yields this year. They are all still trading for significantly higher yields than their 10-year historical average yields.

Sell Recommendations

Note: Price data for this month's sell recommendations is from the morning of 11/5/20.

Eaton Vance (EV)

We first recommended Eaton Vance in the [April 2020 edition of *The Sure Retirement Newsletter*](#) where it was ranked #7 in our Top 10 list. We only recommend securities with 4%+ yields in *The Sure Retirement Newsletter* to put a greater emphasis on current income.

That usually excluded Eaton Vance. From October 31st, 1994 through November 5th, 2020, Eaton Vance shares have traded with a dividend yield of 4.0% or more just 74 days. Seven of those days were during The Great Recession, and the other 67 occurred in March through September of 2020.

Buying into Eaton Vance for a yield of 4.0% or higher has historically been a rare opportunity. The company presented a compelling value at that high of a yield – and we weren't the only ones to notice. On October 8th 2020, Morgan Stanley (MS) [announced](#) they will be acquiring Eaton Vance for \$56.50/share (\$28.25 in cash and 0.5833 MS shares for every EV share).

Eaton Vance shares are now trading for ~\$62. Our Eaton Vance recommendation worked out very well, generating total returns of 92.1% versus 28.2% for the S&P 500 ETF (SPY). Unfortunately, our Eaton Vance recommendation is still a short-term holding. We recommend investors with *non-taxable accounts* sell their Eaton Vance shares now to lock in gains and reinvest the proceeds elsewhere.

For investors with taxable accounts, we recommend holding shares of Eaton Vance until they become long-term holdings. The Morgan Stanley acquisition is not expected to close until sometime in the second quarter of 2021, making it likely investors who purchased in April will be able to reach the 1-year long-term capital gains holding period before the acquisition occurs. For this reason, we are moving Eaton Vance to our [Pending Sells](#) instead of initiating a final sell recommendation.

WestRock (WRK)

We first recommended WestRock in the [February 2019 edition of *The Sure Retirement Newsletter*](#) where it ranked #4 in our Top 10 list. We liked the stock's high expected total returns due largely to it trading at a discount to our estimate of fair value.

Our WestRock recommendation did not work out as we had hoped. The company [announced](#) a reduction of its quarterly per share dividend from \$0.465 to \$0.20 on May 5th, 2020. This triggered a pending sell recommendation from us for the stock in the [May 2020 edition of *The Sure Retirement Newsletter*](#).

Shares of WestRock are trading for ~\$39 currently. This is near enough to its pre-COVID levels that we feel comfortable with selling the security. Proceeds should be invested into a security with a better dividend/distribution history, like any of those from this month's Top 10.

Overall, our WestRock investment turned out better than we could've expected *after* the dividend reduction. Total returns for the investment from our initial recommendation are 10.7% versus 33.9% for SPY. Exiting this position with a positive total return *despite* a dividend reduction is a welcomed gift from the market.

The Sure Retirement Top 10 – November 2020

Name & Ticker	Div. Risk Score	Price	Fair Value	Exp. Value Ret.	Div. or Dist. Yield	Payout Ratio ¹	Exp. Growth	ETR
National Fuel Gas (NFG)	A	\$41	\$65	9.6%	4.3%	48.1%	6.0%	18.6%
Unum (UNM)	A	\$19	\$30	9.6%	6.3%	22.8%	2.0%	15.6%
Walgreens (WBA)	A	\$37	\$50	5.9%	5.1%	37.6%	5.0%	14.8%
Franklin Resources (BEN)	A	\$20	\$25	4.4%	5.6%	43.2%	4.0%	12.6%
AbbVie (ABBV)	A	\$94	\$110	3.3%	5.0%	49.6%	3.0%	11.0%
Sunoco (SUN)	B	\$26	\$36	6.7%	12.5%	64.1%	1.5%	16.3%
Enterprise Products (EPD)	B	\$17	\$21	4.3%	10.7%	59.3%	3.7%	15.3%
Altria (MO)	B	\$37	\$47	4.7%	8.9%	77.5%	3.0%	14.4%
AT&T (T)	B	\$28	\$36	5.5%	7.7%	64.0%	3.0%	13.9%
John Wiley & Sons (JW.A)	B	\$32	\$43	6.0%	4.3%	65.2%	4.5%	13.7%

Notes: Data for the table above is from the 11/5/20 Sure Analysis Research Database spreadsheet except for NFG which includes recent update data. 'Div.' stands for 'Dividend.' 'Dist.' stands for 'Distribution.' '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. 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 long WBA, MO, & T from this month's Top 10. Bob Ciura is long ABBV & MO. Eli Inkrot is long UNM, WBA, BEN, & T.

Cardinal Health (CAH) and M&T Bank (MTB) were replaced by Altria (MO) and John Wiley & Sons (JW.A) 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:	7.0%	1.7%
Growth Rate:	3.6%	5.5%
Valuation Expansion:	6.0%	-7.7%
Expected Annual Total Returns:	14.6%	-0.5%

Note: Data for this newsletter is from 11/2/20 through 11/6/20.

¹ The payout ratio for MLPs uses distributable cash flows.

Analysis of Top 10 Securities

National Fuel Gas Co. (NFG)

Overview & Current Events

National Fuel Gas Co. is a diversified energy company, founded in 1902, that operates in four segments: Exploration & Production, Pipeline & Storage, Gathering, and Utility, with the largest being Exploration & Production. The company's upstream assets have production capacity of ~800 million cubic feet of gas per day. National Fuel Gas has a current market capitalization of \$3.7 billion and should produce about \$2 billion in revenue in fiscal 2021.

National Fuel Gas reported fourth-quarter earnings on November 5th. Total revenue was \$288 million, down 1.8% year-over-year. Excluding an impairment charge, earnings came to \$36 million, or \$0.40, down from \$47 million and \$0.54, respectively, in the year-ago period. Strength was broad-based on an EBITDA basis, with all segments producing better results year-over-year.

Average natural gas prices were \$1.92 per Mcf, down \$0.34 per Mcf year-over-year. Average oil prices were \$55.70 per Bbl, down \$5.30 from the year-ago period.

National Fuel Gas also raised guidance for fiscal 2021, raising it from the prior range of \$3.40 to \$3.70 to the new range of \$3.55 to \$3.85. We're using the \$3.70 midpoint for fiscal 2021 earnings-per-share.

Competitive Advantages & Recession Performance

National Fuel Gas' competitive advantage is its combination of regulated and stable businesses (utilities) with cyclical and potentially higher-growth sectors like Exploration & Production. This allows the company to endure difficult operating environments and downturns, such as the ongoing one, with less difficulty than its peers who may focus exclusively on the more cyclical areas of the energy sector.

Despite operating in the highly cyclical and economically sensitive energy industry, National Fuel Gas performed very well during the Great Recession. Earnings-per-share (EPS) increased 10% from 2007-2009, with continued growth in the years after. This recession-resilience has allowed the company to increase its dividend for 50 consecutive years, so it is now one of the 30 Dividend Kings.

Growth Prospects, Valuation, & Catalyst

The recent acquisition of Shell's integrated upstream and midstream assets in Pennsylvania for \$541 million is expected to boost natural gas production by 215 to 230 million cubic feet per day. The coronavirus is a lingering challenge for the economy, but the pandemic has affected the natural gas market much less than the oil market. In addition, the Pipeline & Storage and Gathering segments provide a strong buffer to earnings amid low commodity prices.

Based on expected fiscal 2021 adjusted EPS of \$3.70, shares trade for a price-to-earnings ratio (P/E) of 10.9, which we feel is too low for a recession-resistant company with such a long history of annual dividend increases. Our fair value estimate is a P/E of 17.5. An expanding P/E multiple could boost annual returns by 9.6% per year over the next five years. Combined with 6% expected EPS growth and the 4.3% dividend yield, total returns are expected to reach 18.6% per year through fiscal 2026.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	50	5-Year Growth Estimate:	6.0%
Dividend Yield:	4.3%	5-Year Valuation Return Estimate:	9.6%
Most Recent Dividend Increase:	2.3%	5-Year CAGR Estimate:	18.6%
Estimated Fair Value:	\$65	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	1,761	1,779	1,627	1,830	2,113	1,761	1,452	1,580	1,593	1,693
Gross Profit	1,102	924	940	1,042	1,123	1,075	1,055	1,080	1,014	1,031
Gross Margin	62.6%	51.9%	57.8%	57.0%	53.2%	61.0%	72.6%	68.4%	63.7%	60.9%
Operating Profit	440	441	448	518	570	515	532	594	520	512
Operating Margin	25.0%	24.8%	27.5%	28.3%	27.0%	29.3%	36.6%	37.6%	32.6%	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	31	(94)
Income Tax	137	164	151	173	190	(319)	(233)	161	(7)	85

Balance Sheet Metrics

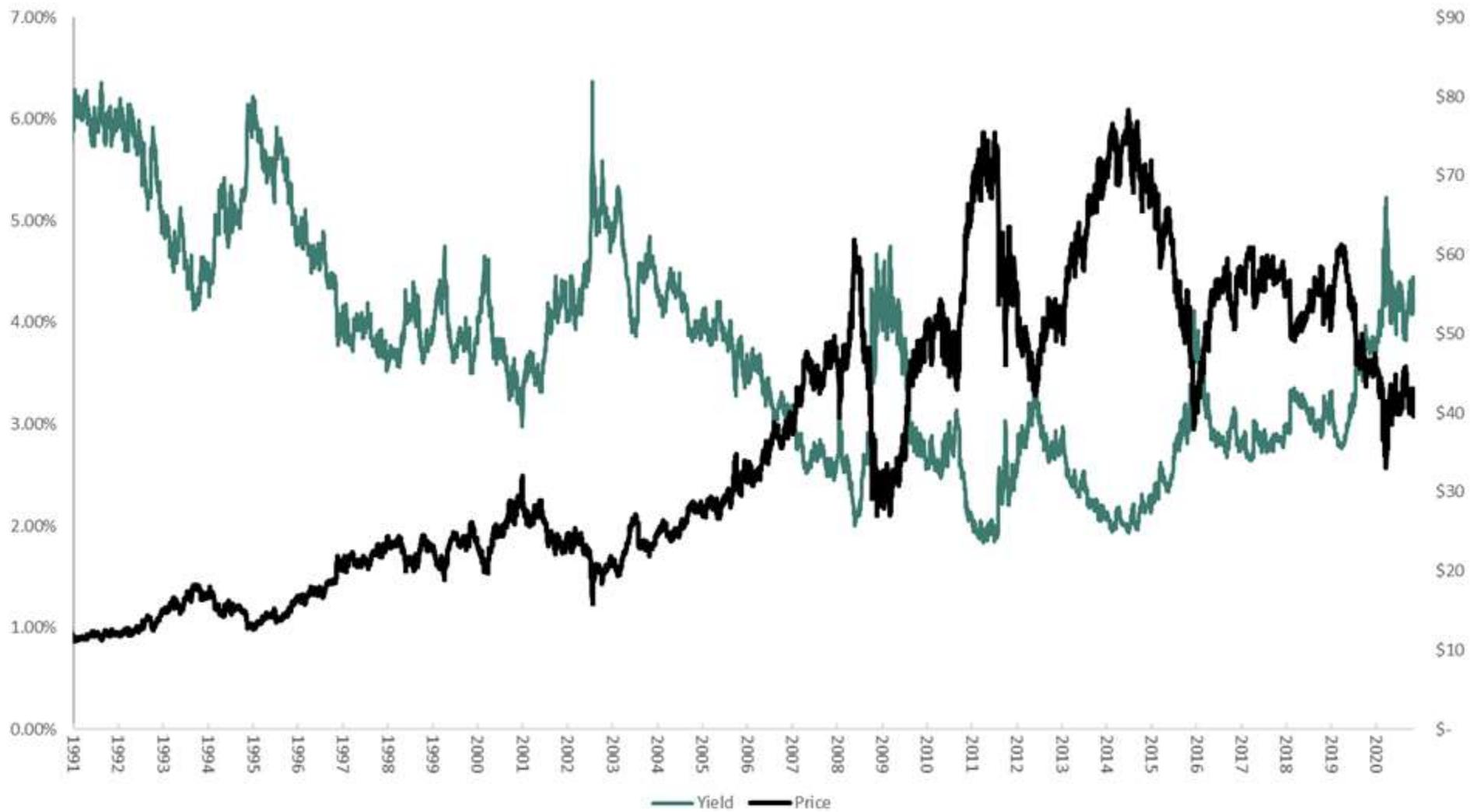
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	5,106	5,221	5,935	6,218	6,728	6,565	5,636	6,103	6,036	6,462
Cash & Equivalents	397	80	74	65	37	114	130	556	230	20
Accounts Receivable	163	163	116	133	150	105	133	112	141	140
Inventories	74	82	78	94	67	65	71	74	78	80
Goodwill & Int. Ass.	5	5	5	5	5	5	5	5	5	5
Total Liabilities	3,360	3,329	3,975	4,024	4,317	4,539	4,109	4,400	4,099	4,323
Accounts Payable	128	142	88	105	137	180	108	126	160	132
Long-Term Debt	1,249	1,089	1,570	1,649	1,723	2,084	2,086	2,384	2,131	2,189
Shareholder's Equity	1,746	1,892	1,960	2,195	2,411	2,025	1,527	1,704	1,937	2,139
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	86.8
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	0.36	(1.09)

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

National Fuel Gas Co. (NFG) Dividend Yield History



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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 October 16th, 2020 Unum declared a \$0.285 dividend, the sixth straight payment at this rate. On October 27th, 2020 Unum reported Q3 2020 results for the period ending September 30th, 2020. For the quarter Unum generated \$2.996 billion in revenue, up 1.2% compared to Q3 2019. Premium Income (making up 77% of revenue) was down 0.6%, but this was positively offset by Investment Income, Investment Gains, and Other Income. Adjusted earnings-per-share (EPS) totaled \$1.21 versus \$1.36 a year ago. Book value per share equaled \$53.50 compared to \$46.70 at the end of Q3 2019.

Competitive Advantage & Recession Performance

Competitive advantages are difficult to achieve in the insurance industry, as the products are commodity-like in nature and customers are often motivated by price. That said, Unum has developed a solid position in its industry with a strong operating history in good times or bad.

During the last recession Unum posted earnings-per-share of \$2.19, \$2.51, \$2.57 and \$2.71 during the 2007 through 2010 stretch. Furthermore, the dividend kept increasing during this time as well. The dividend payout ratio (now sitting at 23%) is also noteworthy, as there is ample room for future growth.

Growth Prospects, Valuation, & Catalyst

Over the past decade, Unum grew its earnings-per-share by approximately 8% per year on average. More impressive is the fact that earnings-per-share grew every single year during this period. Results were driven by an average business growth rate (~3% annually) aided by a significant share repurchase program which retired ~5% of the share count each year, due to a persistently low valuation.

Moving forward we believe Unum can continue to grow via premiums and investment income, expense management and share repurchases. Although share repurchases have been suspended for 2020 due to the COVID-19 pandemic, we anticipate buybacks will resume next year.

The company does face headwinds from exceptionally low interest rates, demand uncertainty related to the COVID-19 pandemic, and concerns regarding the company's long-term care policies. To account for these, we are assuming only 2% annual EPS growth through 2025.

We expect Unum to generate adjusted earnings-per-share of \$5.00 for 2020. Based on this, the stock is presently trading at a price-to-earnings ratio (P/E) of under 4. Our fair value estimate is a P/E of 6.0, which means expansion of the P/E multiple could add 9.6% annually to returns. When combined with the 2% growth rate and 6.3% dividend yield, this implies the potential for 15.6% annual gains.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	12	5-Year Growth Estimate:	2.0%
Dividend Yield:	6.3%	5-Year Valuation Return Estimate:	9.6%
Most Recent Dividend Increase:	9.6%	5-Year CAGR Estimate:	15.6%
Estimated Fair Value:	\$30	Dividend Risk Score:	A
Stock Price:	\$19	Retirement Suitability Score:	A

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

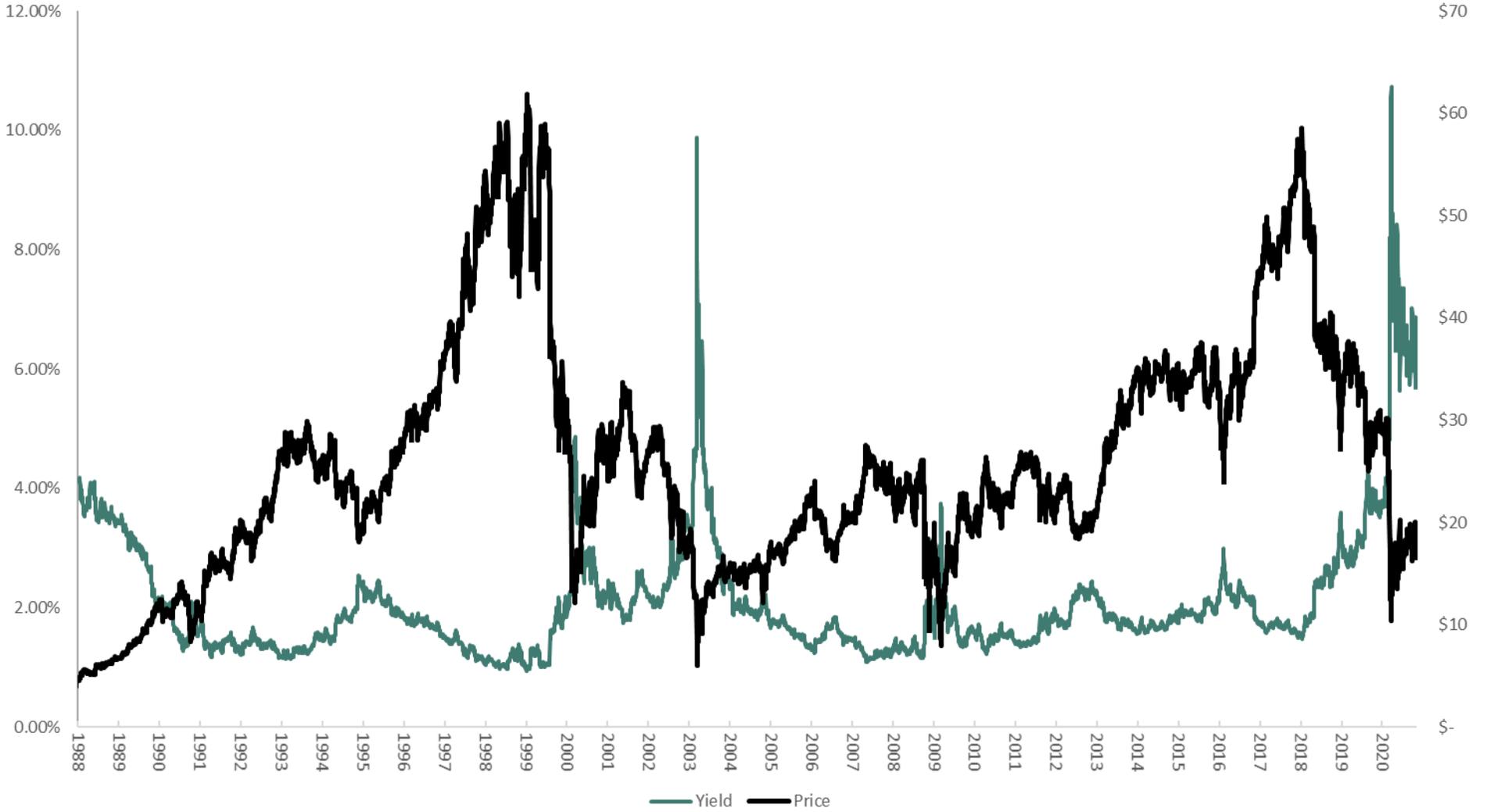
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	57308	59555	62236	59404	62450	60564	61942	64013	61876	67013
Cash & Equivalents	54	117	77	94	103	113	100	77	94	84
Accounts Receivable	1666	6527	6475	6454	6541	6324	6470	6545	6278	6384
Goodwill & Int. Ass.	201	232	225	220	214	255	367	367	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 figures in millions of U.S. Dollars unless per share or indicated otherwise.

Unum Group (UNM) Dividend Yield History



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Walgreens Boots Alliance Inc. (WBA)

Overview & Current Events

Walgreens Boots Alliance is the largest retail pharmacy in both the United States and Europe. Through its flagship *Walgreens* business and other ventures, Walgreens has a presence in more than 25 countries, employs more than 450,000 people and has more than 21,000 stores in 11 countries.

On July 7th, 2020 Walgreens increased its dividend 2.2% to \$0.4675 per quarter, marking the 45th consecutive year of increasing its payment and 87th year of making a payment. On October 15th, 2020 Walgreens reported Q4 and full-year 2020 results for the period ending August 31st, 2020. For the quarter, sales increased 2.3% to \$34.7 billion, led by a 3.6% increase in the Retail Pharmacy USA segment and a 4.3% increase in the Pharmaceutical Wholesale division. Adjusted operating income decreased 27.7% to \$1.1 billion. On a per share basis, adjusted earnings-per-share (EPS) decreased 28.2% to \$1.02, reflecting an estimated adverse impact of -\$0.46 from the COVID-19 pandemic.

For the year sales increased 2.0% to \$139.5 billion. Adjusted operating income decreased 24.9% to \$5.2 billion, while adjusted EPS totaled \$4.74, down 20.6% year-over-year but ahead of previous guidance of \$4.65 to \$4.70. This included an estimated -\$1.06 adverse impact from the COVID-19 pandemic. In addition, Walgreens introduced fiscal 2021 guidance, anticipating low single-digit growth in adjusted EPS.

Competitive Advantage & Recession Performance

Walgreens' competitive advantage lies in its vast scale and network in an important and growing industry. Its robust retail presence and convenient locations encourage consumers to use Walgreens instead of its competitors. 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' earnings dipped just 6.9% in 2009, as an illustration.

Growth Prospects, Valuation, & Catalyst

From 2010 through 2019, Walgreens grew earnings-per-share by 12.0% per year. This was driven by a combination of factors including solid top-line growth, net profit margin expansion and a reduction in the share count. In 2020 results fell off dramatically, with the company posting a 21% decline, mostly attributable to the COVID-19 pandemic.

Over the intermediate term we are anticipating 5% growth, expecting some sort of recovery towards "normal," along with a return to share repurchases. This is more or less in-line with the company's expectation for low single-digit growth for fiscal 2021. Over the long-term, an aging population and a focus on becoming a health destination should provide tailwinds.

Based on expected fiscal 2021 EPS of \$4.98, Walgreens stock trades at a price-to-earnings ratio (P/E) of just 7.4. Our fair value estimate is a P/E of 10.0, which means P/E expansion could add 5.9% per year to Walgreens' returns. When combined with 5% yearly EPS growth and the 5.1% dividend yield, this could lead to 14.8% annualized total returns.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	45	5-Year Growth Estimate:	5.0%
Dividend Yield:	5.1%	5-Year Valuation Return Estimate:	5.9%
Most Recent Dividend Increase:	2.2%	5-Year CAGR Estimate:	14.8%
Estimated Fair Value:	\$50	Dividend Risk Score:	A
Stock Price:	\$37	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue (\$B)	72	72	72	76	103	117	118	132	137	140
Gross Profit	20492	20342	21119	21569	26753	29874	29162	30792	30076	28017
Gross Margin	28.4%	28.4%	29.2%	28.2%	25.9%	25.5%	24.7%	23.4%	22.0%	20.1%
SG&A Exp.	16561	16878	17543	17992	22400	23910	23813	24694	25242	27045
D&A Exp.	1086	1166	1283	1316	1742	1718	1654	1770	2038	1927
Operating Profit	3931	3464	3576	3577	4353	5964	5349	6098	4834	972
Op. Margin	5.4%	4.8%	5.0%	4.7%	4.2%	5.1%	4.5%	4.6%	3.5%	0.7%
Net Profit	2714	2127	2548	1932	4220	4173	4078	5024	3982	456
Net Margin	3.8%	3.0%	3.5%	2.5%	4.1%	3.6%	3.4%	3.8%	2.9%	0.3%
Free Cash Flow	2430	2881	3089	2787	4413	6522	5904	6896	3892	4110
Income Tax	1580	1249	1499	1526	1056	997	760	998	588	360

Balance Sheet Metrics

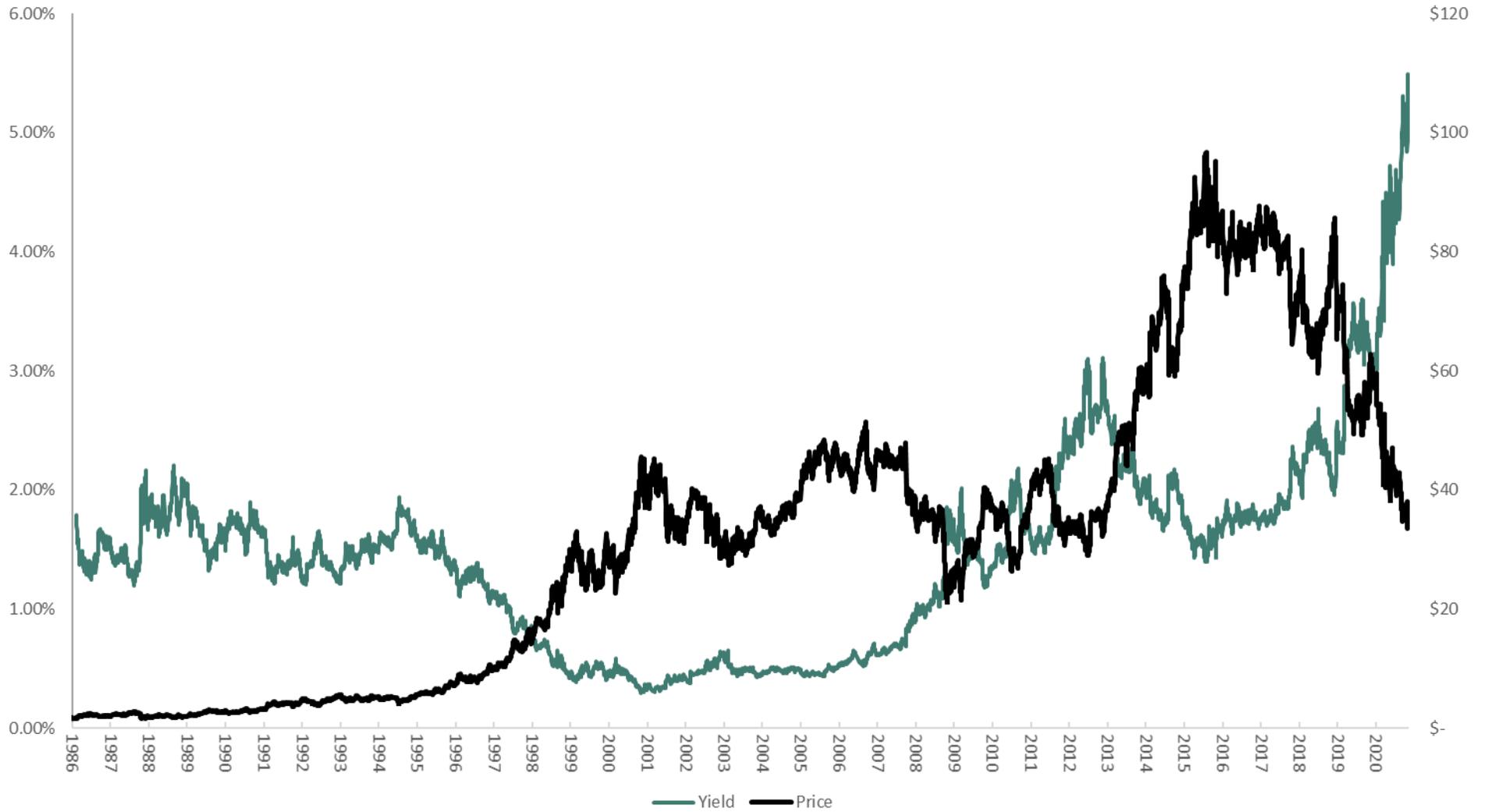
Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets	27454	33462	35481	37250	68782	72688	66009	68124	67598	87174
Cash & Equivalents	1556	1297	2106	2646	3000	9807	3301	785	1023	516
Acc. Receivable	2497	2167	2632	3218	6849	6260	6528	6573	7226	7132
Inventories	8044	7036	6852	6076	8678	8956	8899	9565	9333	9451
Goodwill & Int.	3229	3447	3717	3539	28723	25829	25788	28697	27436	26021
Total Liabilities	12607	15226	16027	16633	37482	42407	37735	41435	43446	66038
Accounts Payable	4810	4384	4635	4315	10088	11000	12494	13566	14341	14458
Long-Term Debt	2409	5392	5047	4490	14383	19028	12935	14397	16836	15742
Total Equity	14847	18236	19454	20513	30861	29880	27466	26007	23512	20637
D/E Ratio	0.16	0.30	0.26	0.22	0.47	0.64	0.47	0.55	0.72	0.76

Profitability & Per Share Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	10.1%	7.0%	7.4%	5.3%	8.0%	5.9%	5.9%	7.5%	5.9%	0.6%
Return on Equity	18.6%	12.9%	13.5%	9.7%	16.4%	13.7%	14.2%	18.8%	16.1%	2.1%
ROIC	15.9%	10.4%	10.6%	7.8%	11.9%	8.8%	9.0%	12.2%	9.7%	1.2%
Shares Out.	889	944	947	950	1,090	1,083	1,024	952	924	880
Revenue/Share	78.08	81.39	75.60	79.15	98.15	107.55	109.61	132.20	148.20	158.51
FCF/Share	2.63	3.27	3.23	2.89	4.19	5.98	5.47	6.93	4.21	4.67

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

Walgreens Boots Alliance Inc. (WBA) Dividend Yield History



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Franklin Resources Inc. (BEN)

Overview & Current Events

Franklin Resources is a global asset manager offering investment management and related services. Shares of Franklin Resources have declined 23% year-to-date, as the company's earnings have suffered from the economic recession amid the coronavirus pandemic.

On October 27th, 2020 Franklin Resources reported Q4 and full-year fiscal 2020 results. Total assets under management (AUM) rose 105% to \$1.419 trillion, \$797.4 billion of which derived from the Legg Mason acquisition. Favorable market performance led to a \$22.4 billion gain in AUM, while net outflows totaled \$23.7 billion. Adjusted earnings-per-share (EPS) of \$0.56 fell 21% from the same quarter last year. For the fiscal year, Franklin Resources generated operating revenue of \$5.57 billion compared to \$5.67 billion in fiscal year 2019. This figure represented 0.67% of average AUM for the year. Adjusted EPS of \$2.61 per share was a slight decline from \$2.62 per share the year prior.

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' earnings-per-share 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

We believe Franklin Resources retains multiple catalysts for future growth. First, as the U.S. population ages, 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 \$4.5 billion acquisition of Legg Mason. The deal 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 \$2.50 for fiscal 2021. Based on this, the stock trades for a price-to-earnings ratio (P/E) of 8.0, below our fair value estimate of 10. Over the past decade, Franklin Resources has traded with an average P/E of 12 to 13 times earnings. We are using 10 times earnings as our baseline, as asset managers are facing substantial headwinds due to falling asset management fees. Still, expansion of the P/E multiple could increase annual returns by 4.4% through 2025. Combining valuation changes with 4.0% expected annual earnings growth and the 5.6% dividend yield, we expect total returns of 12.6% per year from Franklin Resources over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	40	5-Year Growth Estimate:	4.0%
Dividend Yield:	5.6%	5-Year Valuation Return Estimate:	4.4%
Most Recent Dividend Increase:	3.8%	5-Year CAGR Estimate:	12.6%
Estimated Fair Value:	\$25	Dividend Risk Score:	A
Stock Price:	\$20	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	7140	7101	7985	8491	7949	6618	6392	6319	5775	5567
Gross Profit	3196	3106	3558	3935	3733	3047	2928	2889	2370	1990
Gross Margin	44.8%	43.7%	44.6%	46.3%	47.0%	46.0%	45.8%	45.7%	41.0%	35.7%
SG&A Exp.	363	408	446	498	481	474	444	526	813	887
D&A Exp.	88	82	94	95	97	87	80	76	93	---
Operating Profit	2660	2515	2921	3221	3028	2366	2264	2119	1557	1049
Operating Margin	37.3%	35.4%	36.6%	37.9%	38.1%	35.7%	35.4%	33.5%	27.0%	18.8%
Net Profit	1924	1931	2150	2384	2035	1727	1697	764	1196	799
Net Margin	26.9%	27.2%	26.9%	28.1%	25.6%	26.1%	26.5%	12.1%	20.7%	14.4%
Free Cash Flow	1490	988	1974	2085	2183	1630	1061	2123	(32)	---
Income Tax	803	763	856	998	924	742	759	1473	442	231

Balance Sheet Metrics

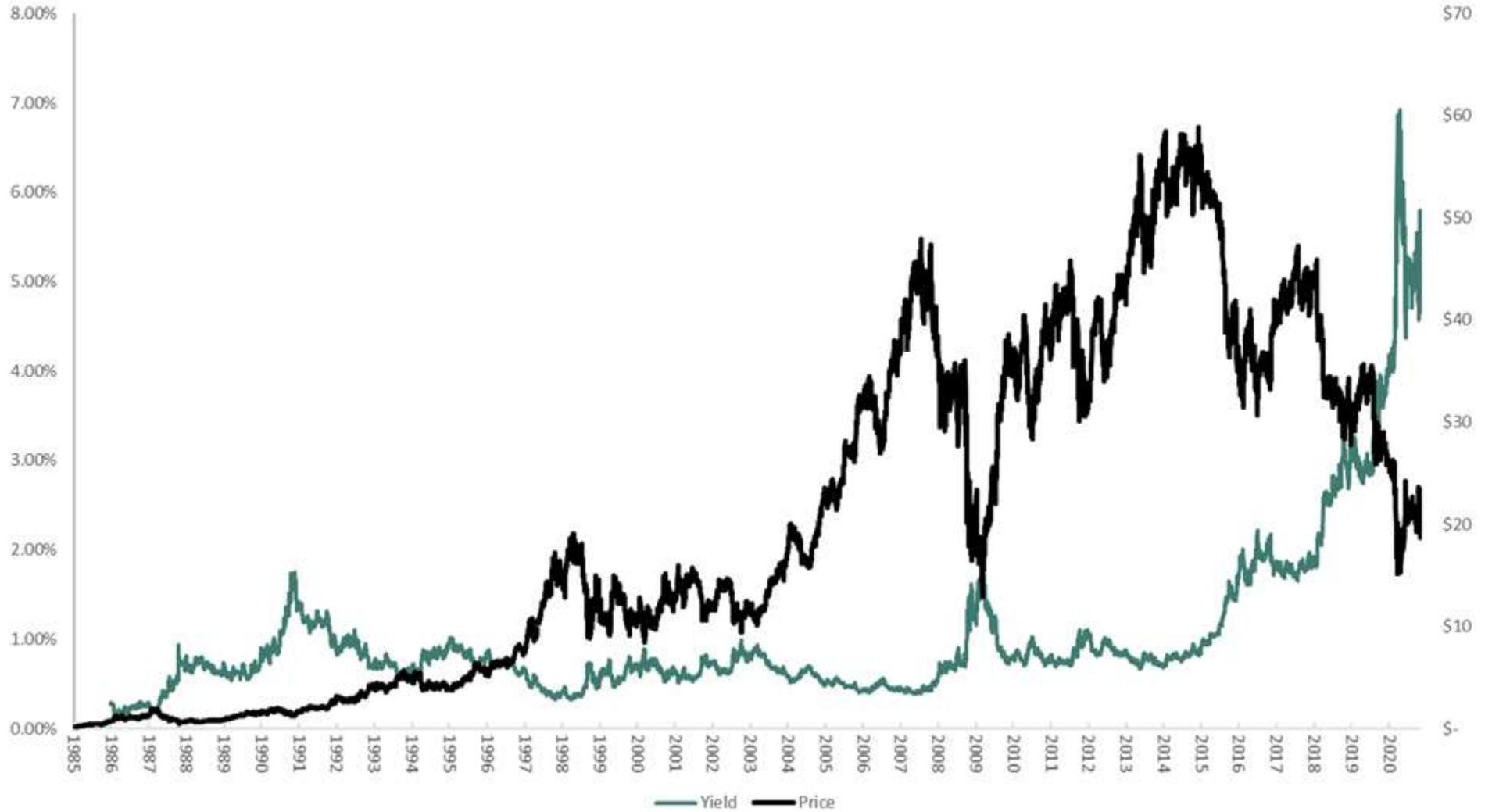
Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets	13776	14752	15390	16357	16336	16099	17534	14384	14532	---
Cash & Equivalents	5199	4491	6323	7596	8368	8483	8750	6911	5958	---
Accounts Receivable	773	850	1039	950	838	794	1002	848	839	---
Goodwill & Int. Ass.	2148	2142	2359	2326	2257	2211	2228	2333	---	---
Total Liabilities	4653	4991	4705	4145	3840	3571	4598	4176	2995	---
Accounts Payable	266	242	274	238	232	233	292	227	3908	---
Long-Term Debt	2201	2777	2295	2149	2155	2083	1098	729	304	---
Shareholder's Equity	8525	9201	10073	11584	11841	11936	12620	9899	748	---
D/E Ratio	0.26	0.30	0.23	0.19	0.18	0.17	0.09	0.07	0.08	---

Profitability & Per Share Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	15.7%	13.5%	14.3%	15.0%	12.5%	10.6%	10.1%	4.8%	8.3%	---
Return on Equity	23.7%	21.8%	22.3%	22.0%	17.4%	14.5%	13.8%	6.8%	12.1%	---
ROIC	19.2%	16.2%	16.9%	17.4%	14.0%	11.8%	11.8%	6.1%	10.7%	---
Shares Out.	653	637	631	623	604	570	555	522	499	492
Revenue/Share	10.72	11.04	12.59	13.58	12.93	11.34	11.43	11.75	11.45	11.30
FCF/Share	2.24	1.54	3.11	3.33	3.55	2.79	1.90	3.95	(0.06)	---

Notes: All figures in millions of U.S. Dollars unless per share or indicated otherwise. Fiscal 2020 numbers for this data table are not yet fully available.

Franklin Resources (BEN) Dividend Yield History



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AbbVie Inc. (ABBV)

Overview & Current Events

AbbVie is a pharmaceutical company spun off by Abbott Laboratories (ABT) in 2013. Its most important product is Humira. Humira is a multi-purpose pharmaceutical product and was the top-selling drug in the world in 2019. Humira is now facing biosimilar competition in Europe, which has had a noticeable impact on the company. It will lose patent protection in the U.S. in 2023.

AbbVie reported its third-quarter results on October 30th. Revenue of \$12.9 billion increased 52% year-over-year. Revenue was boosted by the Allergan acquisition, as well as growth from new products. AbbVie earned \$2.83 per share during the third quarter, up 21% from the previous year's quarter. The company raised full-year guidance along with third-quarter results. AbbVie now expects 2020 adjusted earnings-per-share in a range of \$10.47 to \$10.49, which would make for another year of growth. AbbVie also raised its dividend by 10% in late October.

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 likely that AbbVie would perform well during a recession. AbbVie has a projected dividend payout ratio of 50% for 2020 so the dividend should remain secure during a recession even with some earnings declines.

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, AbbVie has seen strong growth from Imbruvica, which saw a 9% increase in sales last quarter. AbbVie also completed the \$63 billion acquisition of Allergan. Allergan's flagship product is Botox, which diversifies AbbVie's portfolio with exposure to global aesthetics. 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%.

Based on expected 2020 earnings-per-share of \$10.48, AbbVie trades for a price-to-earnings ratio (P/E) of 9.0. Our fair value estimate for AbbVie is a P/E of 10.5. We view AbbVie as undervalued. An expanding P/E multiple could boost shareholder returns by approximately 3.3% per year over the next five years. In addition, we expect annual earnings growth of 3.0%, while the stock has a 5.0% dividend yield. We expect total annual returns of 11.0% per year over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	49 ²	5-Year Growth Estimate:	3.0%
Dividend Yield:	5.0%	5-Year Valuation Return Estimate:	3.3%
Most Recent Dividend Increase:	10.2%	5-Year CAGR Estimate:	11.0%
Estimated Fair Value:	\$110	Dividend Risk Score:	A
Stock Price:	\$94	Retirement Suitability Score:	A

² 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

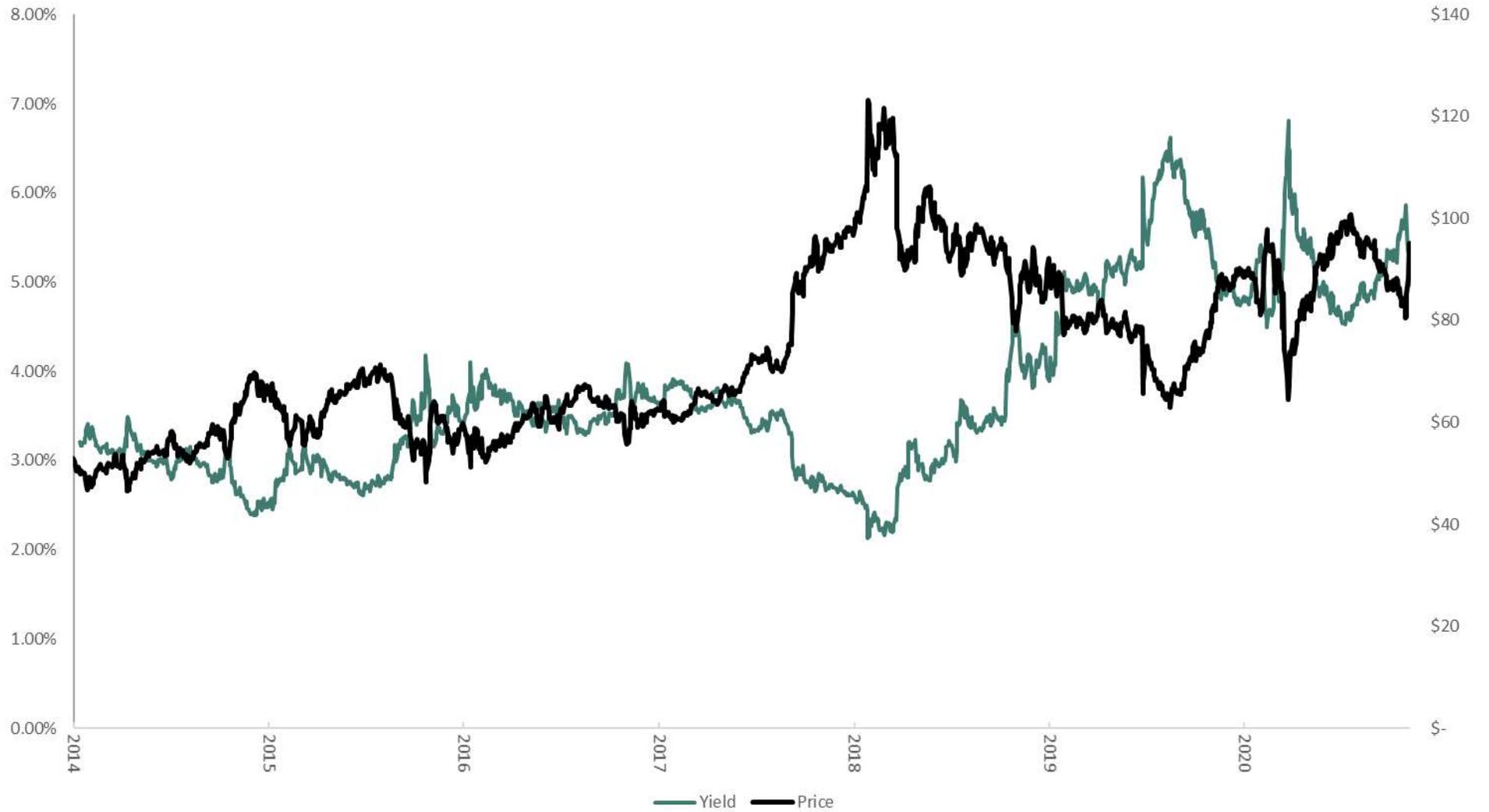
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	N/A	N/A	27008	29198	27513	53050	66099	70786	59352	89115
Cash & Equivalents	N/A	N/A	5901	9595	8348	8399	5100	9303	7289	39924
Acc. Receivable	N/A	N/A	4298	3854	3735	4730	4758	5088	5384	5428
Inventories	N/A	N/A	1091	1150	1124	1719	1444	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 Inc. (ABBV) Dividend Yield History



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Sunoco LP (SUN)

Overview & Current Events

Sunoco is a Master Limited Partnership (MLP) that distributes fuel products through its wholesale and retail business units. The wholesale unit purchases fuel products from refiners and sells those products to both its own and independently-owned dealers. The retail unit operates ‘gas station’ stores where fuel, convenience products, and food are sold to customers. Sunoco has a market capitalization of \$2.2 billion. Shares of SUN have declined 14% year-to-date, as MLPs struggle under the weight of collapsing oil prices and weak demand.

On November 4th, 2020 Sunoco released third-quarter results. Sunoco reported quarterly revenue of \$2.81 billion, down 35% from the same quarter last year, missing analyst estimates by \$380 million. However, earnings-per-share of \$0.96 beat estimates by \$0.16 per share. Adjusted EBITDA for the quarter totaled \$189 million, down 1.5% from \$192 million in the same quarter last year. The distribution remains covered, with third-quarter cash coverage of 1.61x and trailing twelve-months coverage of 1.56x. For the full year, adjusted EBITDA is expected to be at or above \$740 million.

Competitive Advantages & Recession Performance

Sunoco was founded in 1886 is the largest fuel distributor in the U.S., which provides competitive advantages in terms of size and scale. It is a key distributor for Exxon and Chevron branded fuels, and the company has good relationships with these energy giants. Sunoco could increase its scale advantage further over the coming years via tuck-in acquisitions as the industry consolidates.

Sunoco’s dividend payout ratio has moved in a wide range throughout its existence, as EBITDA has seen steep peaks and troughs. There have not been any dividend increases since 2017 and we expect the company to struggle during recessions. The energy sector as a whole is not recession-resistant, as recessions are often accompanied by lower demand for oil and gas, and declining commodity prices. With that said, the company has held up reasonably well through the current COVID-19 decline.

Growth Prospects, Valuation, & Catalyst

Following the sale of a large number of its convenience stores, Sunoco is now more dependent on its fuel wholesale business, where it profits from significant scale and revenue consistency. In the fuel wholesale industry, scale is important, as increased scale allows for higher margins and a better negotiating position with both suppliers and customers. We expect modest 1.5% annualized growth.

We expect Sunoco to generate adjusted EBITDA-per-unit of \$8.00 for 2020. Based on this, the MLP trades for a price-to-EBITDA ratio of 3.3, below our fair value estimate of 4.5. Sunoco trades at a low price-to-EBITDA multiple right now, as investor sentiment has deteriorated when it comes to MLPs. Sunoco’s share price is well below the peak of \$60 that was reached during 2014. A combination of factors explains why Sunoco’s current valuation remains very low. Still, an expanding P/EBITDA ratio could boost annual returns by 6.7% per year through 2025. Combined with 1.5% expected annual EBITDA-per-unit growth and the 12.5% distribution yield, total returns are expected to reach 16.3% per year over the next five years.

Key Statistics, Ratios, & Metrics

Years of Distribution Increases:	0	5-Year Growth Estimate:	1.5%
Distribution Yield:	12.5%	5-Year Valuation Return Estimate:	6.7%
Most Recent Dist. Increase:	1%	5-Year CAGR Estimate:	16.3%
Estimated Fair Value:	\$36	Distribution Risk Score:	B
Security Price:	\$26	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	2,684	3,875	4,321	4,493	---	12,430	9,986	11,723	16,994	16,596
Gross Profit	36	43	52	71	---	980	1,156	1,108	1,122	1,216
Gross Margin	1.3%	1.1%	1.2%	1.6%	---	7.9%	11.6%	9.5%	6.6%	7.3%
SG&A Exp.	12	15	16	18	---	205	236	221	213	197
Operating Profit	15	17	24	41	---	253	370	343	364	532
Operating Margin	0.6%	0.4%	0.5%	0.9%	---	2.0%	3.7%	2.9%	2.1%	3.2%
Net Profit	9	11	18	37	---	190	(406)	149	(207)	313
Net Margin	0.3%	0.3%	0.4%	0.8%	---	1.5%	-4.1%	1.3%	-1.2%	1.9%
Free Cash Flow	3	(5)	(28)	(66)	---	200	390	297	(142)	---
Income Tax	5	(6)	(5)	0	---	29	(72)	(306)	34	(17)

Balance Sheet Metrics

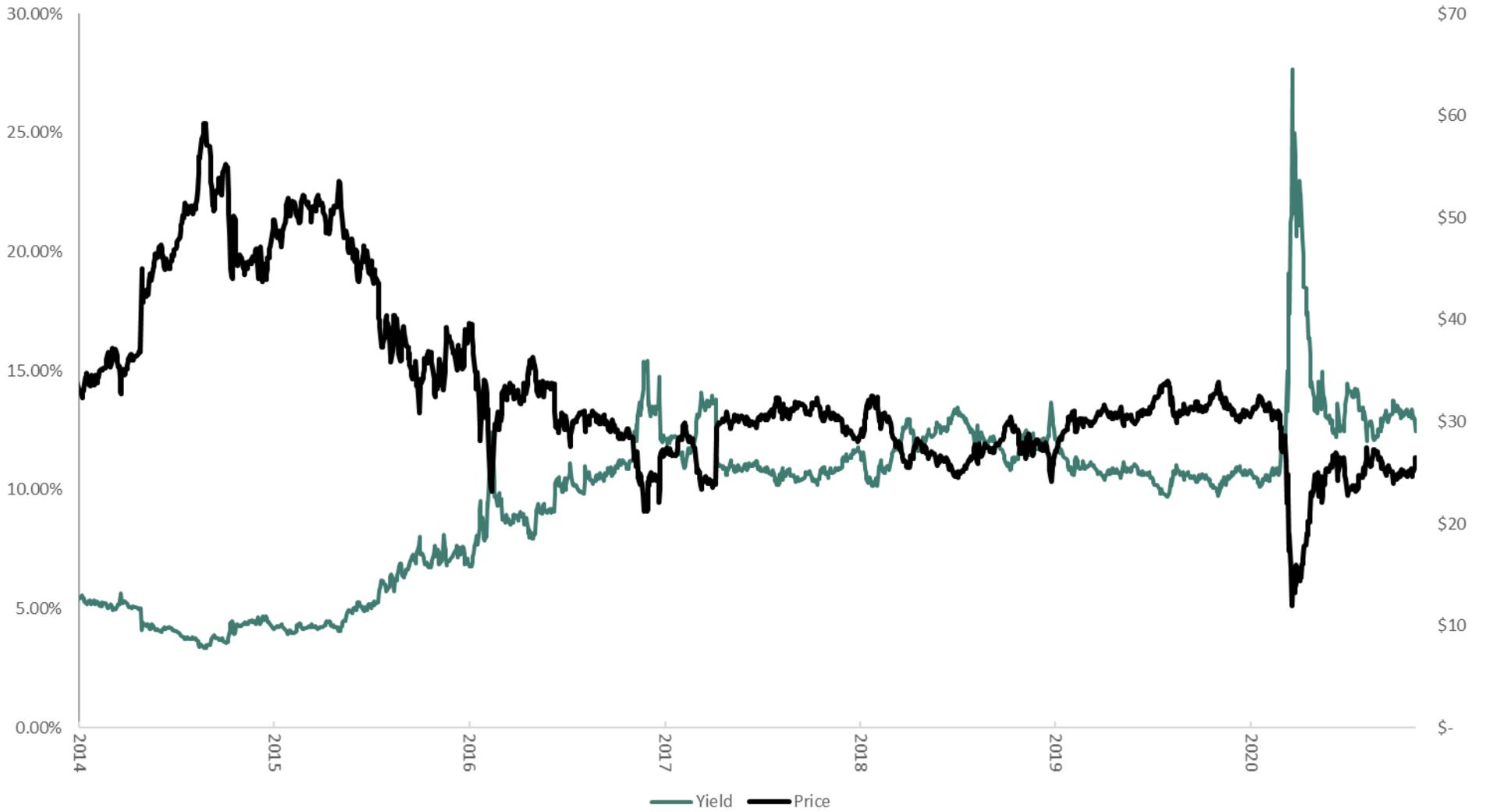
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	---	231	356	390	6,149	8,842	8,701	8,344	4,879	5,438
Cash & Equivalents	---	0	7	8	125	73	103	28	56	21
Accounts Receivable	---	31	33	68	193	161	361	285	299	399
Inventories	---	7	3	11	440	467	423	426	374	419
Goodwill & Int. Ass.	---	44	36	46	2,748	4,371	2,325	2,198	2,267	2,201
Total Liabilities	---	116	277	310	2,306	3,579	6,505	6,097	4,095	4,680
Accounts Payable	---	98	89	110	383	434	616	559	412	445
Long-Term Debt	---	1	185	186	1,106	1,958	4,514	4,290	2,985	3,071

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	---	---	6.0%	9.9%	---	2.5%	-4.6%	1.7%	-3.1%	6.1%
Return on Equity	---	---	18.1%	46.9%	---	4.2%	-10.9%	6.7%	-13.7%	40.6%
Shares Out.	---	---	22	22	24	50	52	100	85	84
Revenue/Share	122.67	177.11	197.48	204.90	---	247.19	106.68	117.55	200.35	198.63
FCF/Share	0.14	(0.22)	(1.26)	(2.99)	---	3.98	4.17	2.98	(1.67)	

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

Sunoco LP (SUN) Dividend Yield History



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Enterprise Products Partners LP (EPD)

Overview & Current Events

Enterprise Product Partners is a midstream Master Limited Partnership (MLP) which provides storage and transportation of oil and gas. Enterprise Products Partners' 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 of natural gas storage capacity.

In late October (10/28/20), Enterprise Products reported third-quarter results. Adjusted EBITDA increased 1.8% for the third quarter year-over-year. Distributable cash flow increased 0.4% for the period. Growth was fueled by volume increases and new assets placed in service. Gross operating profits were flat in the NGL Pipelines & Services segment and declined 2% in Crude Oil Pipelines & Services. The Natural Gas Pipelines & Services segment saw gross operating profit decline 20%, while Petrochemical & Refined Products Services grew 9%.

Competitive Advantages & Recession Performance

Enterprise Products has tremendous competitive advantages, primarily from 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 flows, even in recessions. Enterprise Products has been able to raise its distribution for 21 years 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 the third quarter. In terms of debt, Enterprise Products had a trailing 12-month leverage ratio of 3.5x, right on par with the company's target leverage ratio.

Growth Prospects, Valuation, & Catalyst

Enterprise Products Partners' future growth will come from new projects. For example, Enterprise Products has benefited from higher cash flows associated with the completion of two NGL fractionators that began service in 2020. 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. It has also announced cost reductions to boost cash flow. In 2021 and 2022, Enterprise Products sees growth capital expenditures of \$1.6 billion and \$800 million, respectively, compared with \$2.9 billion expected to be spent in 2020. We expect nearly 4% annualized growth from Enterprise Products Partners over the next five years.

We expect Enterprise Products to generate EBITDA-per-unit of \$3.00 for 2020. Based on this, the company trades with a price-to-EBITDA ratio of 5.7. Our fair value estimate for Enterprise Products is an EBITDA multiple of 10x. We believe this MLP is significantly undervalued, and an expansion of the valuation multiple could boost annual returns by 4.3% per year. Including 3.7% annual EBITDA-per-unit growth as well as the 10.7% yield, we believe Enterprise Products is capable of delivering annualized returns of 15.3% through 2025.

Key Statistics, Ratios, & Metrics

Years of Distribution Increases:	21	5-Year Growth Estimate:	3.7%
Distribution Yield:	10.7%	5-Year Valuation Return Estimate:	4.3%
Most Recent Dist. Increase:	0.6%	5-Year CAGR Estimate:	15.3%
Estimated Fair Value:	\$21	Distribution Risk Score:	B
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	33,739	44,313	42,583	47,727	47,951	27,028	23,022	29,242	36,534	32,789
Gross Profit	2,290	2,995	3,215	3,488	3,731	3,359	3,379	3,684	5,137	5,727
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	1,007	1,105	1,218	1,361	1,516	1,552	1,644	1,792	1,949
Op. Margin	2,085	2,813	3,045	3,300	3,516	3,167	3,219	3,503	4,929	5,516
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	2,047	2,420	2,597	2,787	2,521	2,513	2,799	4,172	4,591
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	1,269	172	1,083	1,565	1,903	1,989

Balance Sheet Metrics

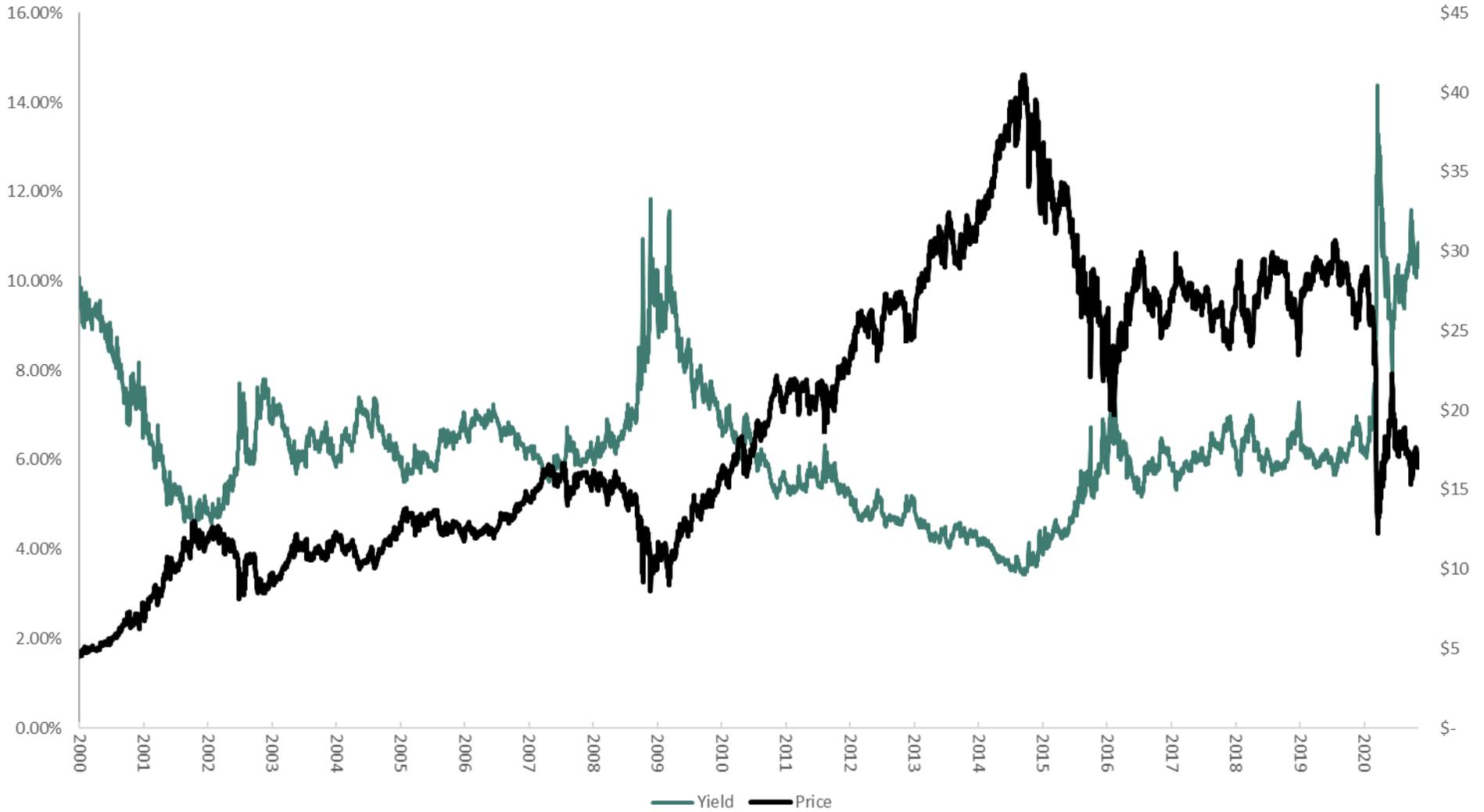
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	31,361	34,125	35,934	40,139	47,201	48,802	52,194	54,418	56,970	61,733
Cash & Equivalents	66	20	16	57	74	19	63	5	345	335
Acc. Receivable	3,837	4,502	4,351	5,476	3,823	2,570	3,330	4,358	3,659	4,874
Inventories	1,134	1,112	1,088	1,093	1,014	1,038	1,771	1,610	1,522	2,091
Goodwill & Int.	3,949	3,749	3,654	3,542	8,602	9,782	9,609	9,436	9,354	9,194
Total Liabilities	19,460	21,906	22,638	24,698	27,509	28,301	29,928	31,646	32,678	35,906
Accounts Payable	675	773	765	724	774	860	398	802	1,103	1,005
Long-Term Debt	13,564	14,529	16,202	17,352	21,364	22,541	23,698	24,569	26,178	27,625
Total Equity	11,374	12,113	13,188	15,215	18,063	20,295	22,047	22,547	23,854	24,764

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 Products Partners LP (EPD) Dividend Yield History



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Altria Group Inc. (MO)

Overview & Current Events

Altria sells cigarettes, chewing tobacco, cigars, e-cigarettes and wine under the Marlboro, Skoal, Copenhagen, and St. Michelle brands, among others. The company also has a 10% equity stake in Anheuser-Busch InBev (BUD), a 35% stake in e-cigarette maker Juul Labs, and a 45% stake in the marijuana company Cronos Group (CRON). Altria generates in excess of \$20 billion in annual revenue and trades with a current market capitalization of \$71 billion.

Altria reported third-quarter earnings on October 30th, and results were better than expected on both the top and bottom lines. Total revenue came to \$5.7 billion, up nearly 5% year-over-year and \$140 million better than consensus estimates. Smokeable volume declined fractionally in Q3, but expectations were for a 4% decline. Cigarette volume was down 0.4%, but cigar volume soared 10%, helping to offset the decline in cigarettes, as well as a small decline in smokeless volume.

Earnings-per-share came to \$1.19 on an adjusted basis in Q3, and the company guided for full-year earnings-per-share of \$4.30 to \$4.38. Our current estimate is for \$4.31 after Q3 results. Juul also lowered its valuation, meaning Altria's original \$13.3 billion investment is now worth \$3.5 billion.

Competitive Advantages & Recession Performance

Altria has strong competitive advantages. It has the most valuable cigarette brand in the U.S., Marlboro, which has greater than 40% domestic retail market share. This gives Altria the ability to raise prices over time. Thanks to Altria's stable growth, the company increased its dividend for the 51st consecutive year in 2020. Altria is a member of the exclusive Dividend Kings list.

Another benefit of Altria's business model is that it is highly resistant to recessions. Cigarette and alcohol sales hold up very well during recessions, which keeps Altria's profitability and dividend growth intact. Given Altria's own exposure to cigarettes and now, e-cigarette products, in addition to its sizable investment stake in AB-InBev, it should hold up well during future downturns.

Growth Prospects, Valuation, & Catalyst

Altria's biggest risk is the declining U.S. smoking rate, the impact of which was seen clearly in its results to start 2020. In response, Altria has invested heavily in non-combustible products, such as its in e-cigarette leader (Juul Labs) and its \$1.8 billion investment in Cronos. Altria also invested \$372 million to acquire an 80% ownership stake in Swiss tobacco company, Burger Söhne Group, to commercialize its tobacco leaf-free on! brand of oral nicotine pouches. Finally, Altria is aggressively expanding its own e-cigarette brand IQOS. In July, IQOS received approval from the FDA to be marketed as a modified-risk tobacco product since it heats tobacco but does not burn it.

Based on expected 2020 earnings-per-share of \$4.31, Altria stock trades for a price-to-earnings ratio of 8.6, which compares favorably to our fair value estimate of 11.0. Altria stock appears to be undervalued, which could result in returns of 4.7% per year over the next five years. In addition, we expect 3% annual earnings-per-share growth through 2025, while the stock has a high yield of 8.9%. Taken together, Altria stock has total expected returns of 14.4% per year over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	51	5-Year Growth Estimate:	3.0%
Dividend Yield:	8.9%	5-Year Valuation Return Estimate:	4.7%
Most Recent Dividend Increase:	2.4%	5-Year CAGR Estimate:	14.4%
Estimated Fair Value:	\$47	Dividend Risk Score:	B
Stock Price:	\$37	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	16892	16619	17500	17663	17945	18854	19337	19494	19627	19796
Gross Profit	9188	8939	9563	10457	10160	11114	11572	11963	12254	12711
Gross Margin	54.4%	53.8%	54.6%	59.2%	56.6%	58.9%	59.8%	61.4%	62.4%	64.2%
SG&A Exp.	2735	2643	2301	2340	2539	2708	2662	2338	2756	2226
D&A Exp.	276	253	225	212	208	225	204	209	227	226
Operating Profit	6264	6290	7314	8095	7619	8365	8910	9625	9498	10485
Op. Margin	37.1%	37.8%	41.8%	45.8%	42.5%	44.4%	46.1%	49.4%	48.4%	53.0%
Net Profit	3905	3390	4180	4535	5070	5241	14239	10222	6963	-1293
Net Margin	23.1%	20.4%	23.9%	25.7%	28.3%	27.8%	73.6%	52.4%	35.5%	-6.5%
Free Cash Flow	2599	3476	3761	4244	4500	5614	3637	4702	8153	7591
Income Tax	1816	2189	2294	2407	2704	2835	7608	(399)	2374	2064

Balance Sheet Metrics

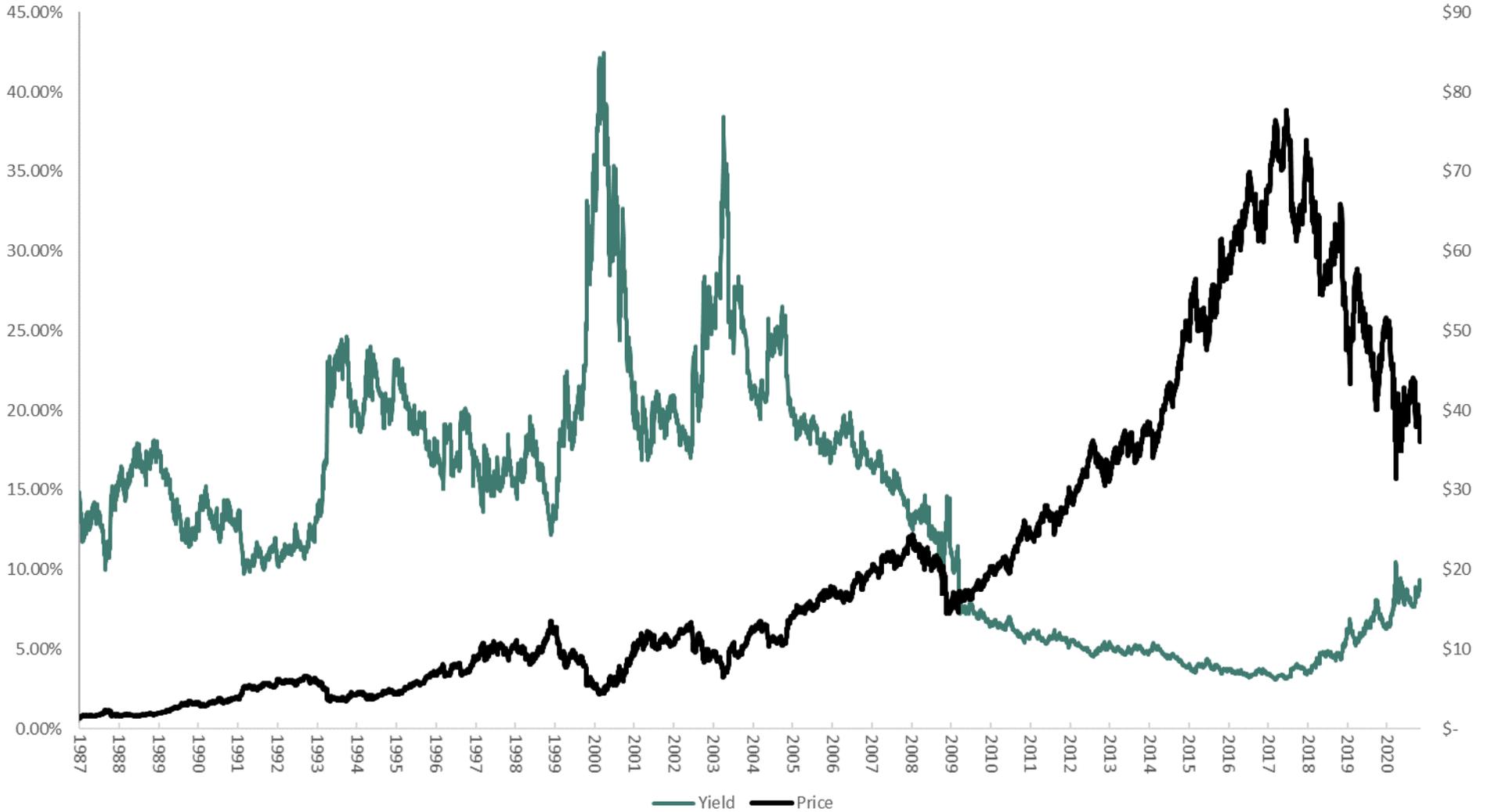
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	37402	36751	35329	34859	34475	31459	45932	43202	55459	49271
Cash & Equivalents	2314	3270	2900	3175	3321	2369	4569	1253	1333	2117
Acc. Receivable	85	268	193	115	124	124	151	142	142	152
Inventories	1803	1779	1746	1879	2040	2031	2051	2225	2331	2293
Goodwill & Int.	17292	17272	17252	17232	17334	17313	17321	17707	17475	17864
Total Liabilities	32175	33068	32159	30741	31465	28586	33159	27822	40670	42952
Accounts Payable	529	503	451	409	416	400	425	374	399	325
Long-Term Debt	12194	13689	13878	14517	14693	12847	13881	13894	25746	28042
Total Equity	5192	3680	3168	4119	3014	2880	12770	15377	14787	6222
D/E Ratio	2.35	3.72	4.38	3.52	4.87	4.46	1.09	0.90	1.74	4.51

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	10.5%	9.1%	11.6%	12.9%	14.6%	15.9%	36.8%	22.9%	14.1%	-2.5%
Return on Equity	84.3%	76.4%	122%	125%	142%	178%	182%	72.6%	46.2%	-12.3%
ROIC	23.3%	19.5%	24.3%	25.4%	27.9%	31.4%	67.2%	36.6%	19.9%	-3.5%
Shares Out.	2089	2044	2010	1994	1969	1960	1943	1901	1888	1860
Revenue/Share	8.13	8.05	8.65	8.84	9.07	9.61	9.91	10.15	10.40	10.59
FCF/Share	1.25	1.68	1.86	2.12	2.28	2.86	1.86	2.45	4.32	4.06

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

Altria Group Inc. (MO) Dividend Yield History



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AT&T Inc. (T)

Overview & Current Events

AT&T is the largest telecommunications company in the world and provides a wide range of services; including wireless, broadband, and television through its cable operations and its DIRECTV satellite business. AT&T operates in three distinct business units: AT&T Communications (providing mobile, broadband, and video to over 100 million U.S. consumers and nearly 3 million businesses); WarnerMedia (including Turner, HBO, Warner Bros. and the Xandr advertising platform); and AT&T Latin America (offering pay-TV and wireless service to 11 countries).

On 10/22/20, AT&T reported its third quarter results. AT&T generated revenue of \$42.3 billion, along with operating cash flow of \$12.1 billion. Among the highlights, AT&T recorded more than 5 million total domestic wireless and over 1 million postpaid net additions. The company's postpaid churn was an impressive 0.69% for the quarter. AT&T still expects free cash flow of at least \$26 billion for the full year. The company's net debt-to-EBITDA ratio was ~2.66x at the end of the quarter.

Competitive Advantages & Recession Performance

AT&T's primary competitive advantage is its scale. The U.S. telecom industry is dominated by three major players: AT&T, Verizon, and T-Mobile. It is very difficult for a new telecom company to build a network with the necessary scale to compete with the established industry giants. This gives AT&T a wide economic moat and a durable competitive advantage.

During the last recession, AT&T posted results of \$2.76, \$2.16, \$2.12 and \$2.29 in earnings-per-share for the 2007 through 2010 period. The company did not eclipse its pre-recession high on an earnings basis until 2016, but the dividend did continue to grow throughout the entire period. We expect AT&T to remain highly profitable during challenging times and continue to increase its dividend each year.

Growth Prospects, Valuation, & Catalyst

AT&T's major growth catalyst going forward is media content, driven by the \$85 billion acquisition of Time Warner, which owns multiple media brands, including: TNT, TBS, CNN, and HBO. Time Warner also owns a movie studio and sports rights across the NFL, NBA, MLB, and NCAA. Another promising growth catalyst is 5G rollout. On June 29th, AT&T announced it had turned on 5G service to 28 additional markets. AT&T now provides access to 5G to parts of 355 U.S. markets.

We expect AT&T to generate adjusted earnings-per-share of \$3.25 in fiscal 2020. Based on this, the stock has a price-to-earnings ratio of 8.6. AT&T's low valuation multiple is due to the share price declining 29% year-to-date, as certain segments such as WarnerMedia are struggling with lower demand due to COVID-19. Nevertheless, our fair value estimate for AT&T is a price-to-earnings ratio of 11.0, which means valuation expansion could boost future shareholder returns by approximately 5.5% per year over the next five years. Including the 7.7% dividend yield and 3% expected annual earnings-per-share growth, expected returns could reach 13.9% over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	36	5-Year Growth Estimate:	3.0%
Dividend Yield:	7.7%	5-Year Valuation Return Estimate:	5.5%
Most Recent Dividend Increase:	2.0%	5-Year CAGR Estimate:	13.9%
Estimated Fair Value:	\$36	Dividend Risk Score:	B
Stock Price:	\$28	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue (\$B)	124.3	126.7	127.4	128.8	132.4	146.8	163.8	160.5	170.8	181.2
Gross Profit	74023	71819	72206	77561	72302	79755	86596	82736	91337	97052
Gross Margin	59.6%	56.7%	56.7%	60.2%	54.6%	54.3%	52.9%	51.5%	53.5%	53.6%
SG&A Exp.	34986	41314	41066	28414	39697	32919	36845	35465	36765	39422
D&A Exp.	19379	18377	18143	18395	18273	22016	25847	24387	28430	28217
Operating Profit	19658	12128	12997	30752	14332	24820	23904	22884	26142	29413
Op. Margin	15.8%	9.6%	10.2%	23.9%	10.8%	16.9%	14.6%	14.3%	15.3%	16.2%
Net Profit	19085	3944	7264	18418	6442	13345	12976	29450	19370	13903
Net Margin	15.4%	3.1%	5.7%	14.3%	4.9%	9.1%	7.9%	18.3%	11.3%	7.7%
Free Cash Flow	15692	14633	19711	13852	10139	16662	16926	17363	22844	29233
Income Tax	-1162	2532	2900	9328	3619	7005	6479	-14.7B	4920	3493

Balance Sheet Metrics

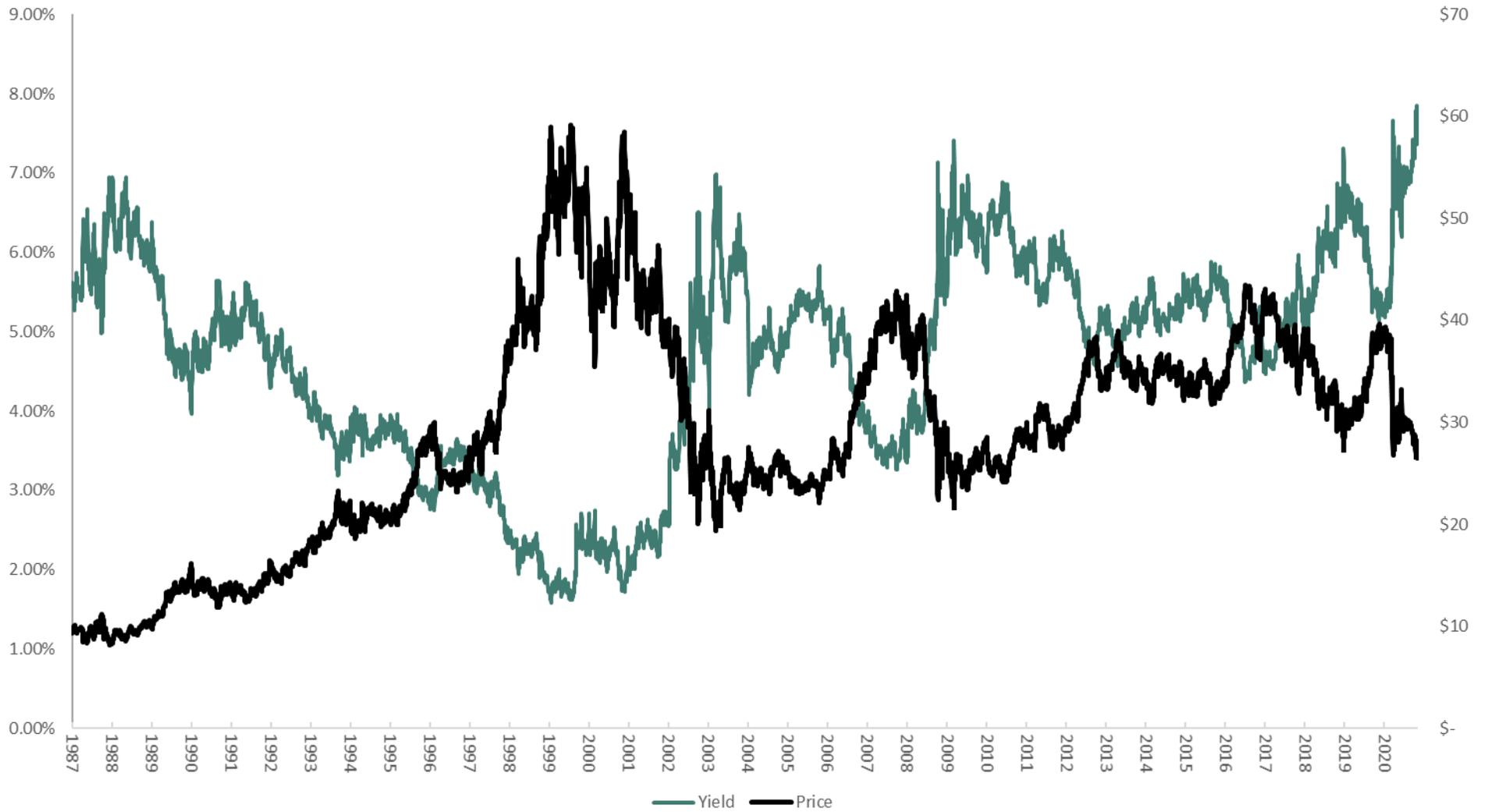
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets (\$B)	269.4	270.4	272.3	277.8	296.8	402.7	403.8	444.1	531.9	551.7
Cash & Equivalents	1437	3045	4868	3339	8603	5121	5788	50498	5204	12130
Acc. Receivable	13610	13231	12657	12918	14527	16532	16794	16522	26472	22636
Goodwill/Int. (\$B)	134.1	130.2	128.5	131.5	136.7	225.3	222.1	219.7	310.2	303.9
Total Liab. (\$B)	157.4	164.6	179.6	186.3	206.6	279.0	279.7	302.1	338.0	349.7
Accounts Payable	7437	10485	12076	11561	14984	21047	22027	24439	27018	29640
LT Debt (\$B)	66.2	64.8	69.8	74.8	81.8	126.2	123.5	164.3	176.5	161.1
Total Equity (\$B)	111.6	105.5	92.4	91.0	89.7	122.7	123.1	140.9	184.1	184.2
D/E Ratio	0.59	0.61	0.76	0.82	0.91	1.03	1.00	1.17	0.96	0.87

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	7.1%	1.5%	2.7%	6.7%	2.2%	3.8%	3.2%	6.9%	4.0%	2.6%
Return on Equity	17.9%	3.6%	7.3%	20.1%	7.1%	12.6%	10.6%	22.3%	11.9%	7.5%
ROIC	10.7%	2.3%	4.4%	11.2%	3.8%	6.3%	5.2%	10.6%	5.7%	3.8%
Shares Out.	5,911	5,927	5,581	5,226	5,187	6,145	6,139	6,139	7,282	7,348
Revenue/Share	20.93	21.30	21.89	23.91	25.37	26.00	26.46	25.97	25.09	24.65
FCF/Share	2.64	2.46	3.39	2.57	1.94	2.95	2.73	2.81	3.36	3.98

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

At&T Inc. (T) Dividend Yield History



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John Wiley & Sons Inc. (JW.A)

Overview & Current Events

John Wiley & Sons is a publishing and research company that offers scientific, technical, medical, and scholarly research publications; such as journals, reference books, databases, clinical decision support tools, lab manuals, and others. The company was founded in 1807 and has become a leader in academic and professional publishing. The stock trades with a market capitalization of \$1.8 billion, and the company should produce \$1.8 billion in revenue this year.

John Wiley & Sons reported first-quarter earnings on September 3rd, and both revenue and profit came in ahead of expectations. Total revenue came to \$431.3 million, up 1.8% year-over-year, and beating consensus by about \$16 million. The company's education business thrived in the first quarter, partially from organic demand growth, but also because of acquisitions that added to the top line.

Earnings-per-share came to \$0.42 in Q1, more than doubling from the same period last year. The company noted strong operating income growth from both revenue gains as well as margin expansion from deleveraging of expenses during the quarter. We note the comparable period last year was unusually low in terms of earnings due to charges, but John Wiley's performance in this year's Q1 was quite strong anyway.

The company hasn't issued any guidance for this year, but we believe earnings-per-share will come in at \$2.10. However, for fair value calculations, we use an earnings power estimate of \$2.70 in order to account for the transitory impacts of COVID-19.

Competitive Advantages & Recession Performance

John Wiley's competitive advantage is the sticky revenue that it achieves via its digital and print subscription models. This is quite favorable because it means there are relatively high switching costs for consumers of the company's materials, and recurring revenue models build customer loyalty. This affords John Wiley a stable and growing revenue base over time.

In addition, because John Wiley specializes in niche publications, its demand is typically not impacted by recessions; in other words, because the company's products are generally required for professional or academic applications, its demand doesn't rise and fall with economic strength or weakness.

Growth Prospects, Valuation, & Catalyst

The company's earnings-per-share growth record isn't particularly inspiring. Earnings growth seems to move in cycles, rather than smoothly upward, as periods of strength are generally followed by periods of consolidation. However, John Wiley's transformation to a digital-first model is helping it adapt to a changing world, and we believe its subscription model with schools and professionals will afford it 4.5% annual earnings-per-share growth for the foreseeable future.

The stock is currently trading for just 11.9 times our earnings power estimate for fiscal 2021, which compares favorably to our fair value estimate of 16 times earnings. That implies a 6.0% annual tailwind to total returns if the stock is able to reach that valuation in the coming years. Coupled with the 4.3% yield and 4.5% earnings growth, John Wiley should produce 13.7% annual returns.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	27	5-Year Growth Estimate:	4.5%
Dividend Yield:	4.3%	5-Year Valuation Return Estimate:	6.0%
Most Recent Dividend Increase:	0.7%	5-Year CAGR Estimate:	13.7%
Estimated Fair Value:	\$43	Dividend Risk Score:	B
Stock Price:	\$32	Retirement Suitability Score:	B

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Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	1,743	1,783	1,761	1,775	1,822	1,727	1,719	1,796	1,800	1,831
Gross Profit	1,204	1,239	1,229	1,268	1,323	1,261	1,218	1,265	1,245	1,240
Gross Margin	69.1%	69.5%	69.8%	71.4%	72.6%	73.0%	70.9%	70.4%	69.2%	67.7%
SG&A Exp.	911	922	933	969	1,005	994	943	957	964	997
D&A Exp.	81	87	98	103	113	116	116	113	124	139
Operating Profit	248	280	253	254	267	217	225	260	227	181
Operating Margin	14.2%	15.7%	14.4%	14.3%	14.6%	12.5%	13.1%	14.5%	12.6%	9.9%
Net Profit	172	213	144	161	177	146	114	192	168	(74)
Net Margin	9.9%	11.9%	8.2%	9.0%	9.7%	8.4%	6.6%	10.7%	9.3%	-4.1%
Free Cash Flow	321	312	278	291	286	243	181	241	164	198
Income Tax	59	59	43	35	49	29	77	22	45	11

Balance Sheet Metrics

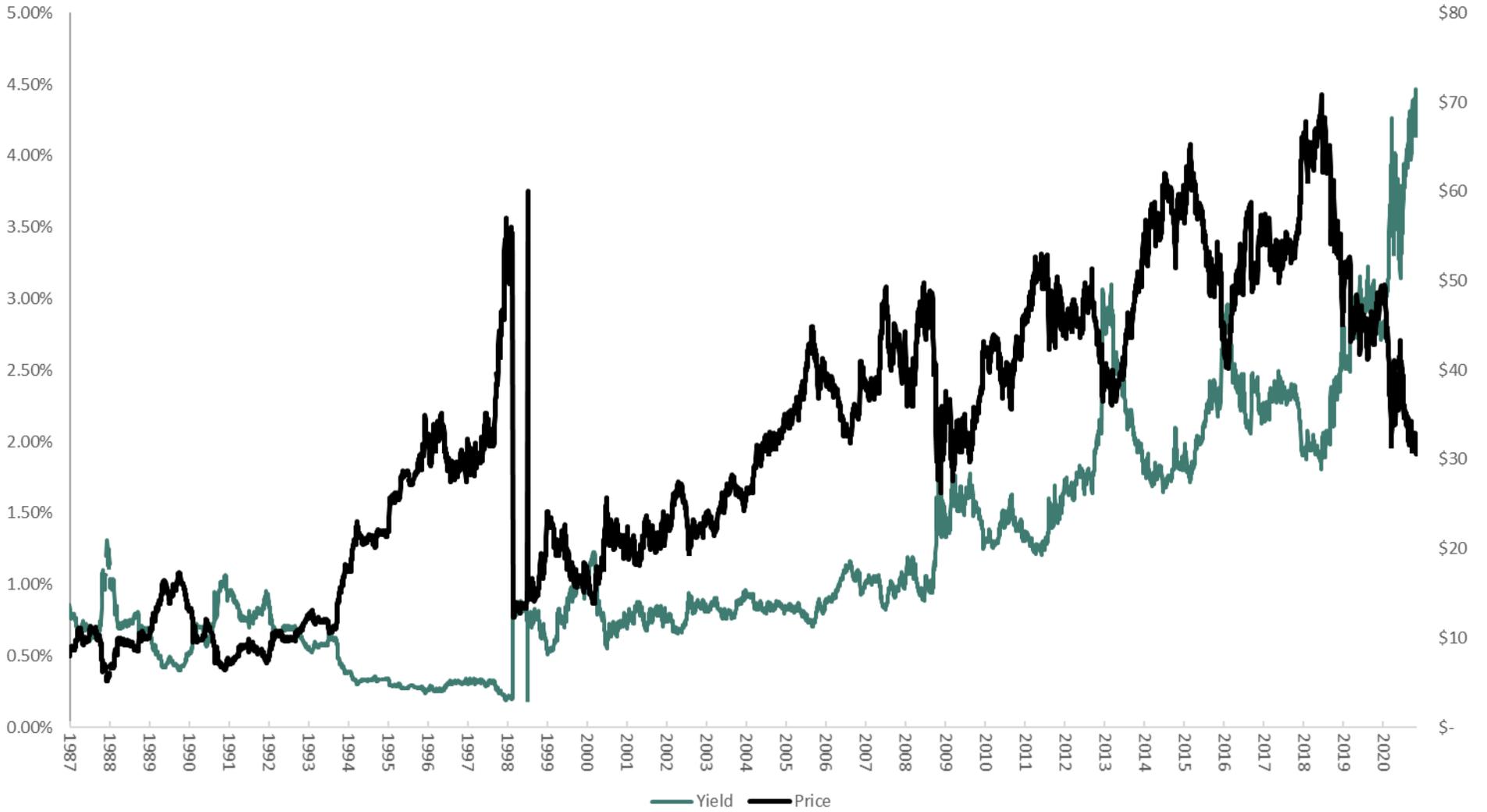
Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets	2,430	2,533	2,806	3,077	3,004	2,921	2,606	2,839	2,937	3,169
Cash & Equivalents	202	260	334	486	457	364	59	170	93	202
Accounts Receivable	168	172	162	150	147	168	189	212	295	309
Inventories	106	101	82	75	64	58	48	39	36	44
Goodwill & Int. Ass.	1,576	1,606	1,790	1,888	1,880	1,829	1,810	1,868	1,961	1,924
Total Liabilities	1,452	1,515	1,818	1,895	1,949	1,884	1,603	1,649	1,756	2,235
Accounts Payable	155	151	143	143	161	166	76	90	91	94
Long-Term Debt	454	475	673	700	750	605	365	360	479	775
Shareholder's Equity	978	1,018	988	1,182	1,055	1,037	1,003	1,191	1,181	934
D/E Ratio	0.46	0.47	0.68	0.59	0.71	0.58	0.36	0.30	0.41	0.83

Profitability & Per Share Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	7.3%	8.6%	5.4%	5.5%	5.8%	4.9%	4.1%	7.1%	5.8%	-2.4%
Return on Equity	20.2%	21.3%	14.4%	14.8%	15.8%	13.9%	11.1%	17.5%	14.2%	-7.0%
ROIC	12.3%	14.5%	9.1%	9.1%	9.6%	8.5%	7.6%	13.2%	10.5%	-4.4%
Shares Out.	60	59	59	59	58	57	57	57	57	56
Revenue/Share	28.40	29.10	29.24	29.83	30.58	29.40	29.53	31.03	31.12	32.58
FCF/Share	5.24	5.10	4.62	4.88	4.80	4.14	3.11	4.17	2.84	3.52

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

John Wiley & Sons Inc. (JW.A) Dividend Yield History



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Closing Thoughts

- 100x Price-To-Sales Ratios & Value -

In this month's Opening Thoughts, we discussed how there are still blue-chip securities available offering high dividend yields despite today's overvalued market.

What's especially interesting is that high-yield securities that pay steady or rising dividends are the type of securities that *should* be most in demand for investors in or near retirement. Retirement investing is about producing needed income without expending time; passive income.

And dividend/distribution growth securities fit this description perfectly. Despite this, investor funds appear to be increasingly flowing to stocks that pay no dividends at all and trade at lofty valuation multiples. Zoom (ZM) is a good example – it's currently trading for a price to *sales* (not earnings, but sales) ratio of 109!

Think about that for a moment – imagine that once the company is mature it trades for a price-to-earnings ratio of 20. All companies mature eventually, and a ~20x price-to-earnings multiple is what we see for other established blue-chip securities. Imagine Zoom gets to an extremely high 30% net profit margin. Zoom would have to grow its sales by 18x from where it is now to justify its current price. Maybe it will, but betting something will grow 18x its size *just to break even* seems risky given how competitive free markets are and how unpredictable the future is.

Other examples of companies with extreme price-to-sales ratios are: Snowflake (SNOW)³ at 193, Moderna (MRNA) at 117, DraftKings (DKNG) at 99, and Datadog (DDOG) at 65.

Another way to look at this is to compare market caps. The market cap of Zoom is \$146 billion. The market cap of Altria is \$72 billion, about half of Zoom's. Altria has paid out \$6.3 billion in dividends over the last four quarters. Zoom has generated sales (not earnings, and not dividends) of only \$1.3 billion over the last four quarters. Despite paying out more than 4x the amount in dividends as Zoom has even generated in sales, Altria is worth around half of what Zoom is on the stock market.

And the reason for that massive valuation difference comes down ultimately to what investors prefer. Investors have put an extreme premium on growth. This is especially odd considering that the wealth accumulated by investors in or near retirement seems to be flowing away from the type of securities that should be most appealing to them.

We believe this trend will eventually reverse. If history is a guide, that's exactly what happened following the early 2000's tech bubble. Regardless, the market is giving investors an opportunity to buy into high-yield, high-quality securities at discount prices, which we welcome.

Thanks,

Ben Reynolds

The next *Sure Retirement Newsletter* publishes on Sunday, December 13th, 2020

³ Warren Buffett's Berkshire Hathaway is an investor in Snowflake at its IPO price so perhaps this company has a higher chance of growing into its lofty valuation, but it's still trading at an extremely optimistic price.

List of Securities 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 or Distribution Yields. These rankings will not always align with our Top 10 list due to additional safety constraints we impose on the Top 10 as well as when different aspects of the newsletter are compiled. See our '[Buying and Ranking Criteria](#)' for more information.

A-Rated Retirement Suitability Securities

1. GEL (Genesis Energy LP): 24.4%
2. ET (Energy Transfer LP): 22.2%
3. OKE (ONEOK, Inc.): 12.9%
4. MMP (Magellan Midstream Partners LP): 11.4%
5. BAYRY (Bayer AG): 6.2%
6. MPLX (MPLX LP): 14.8%
7. ENB (Enbridge, Inc.): 8.3%
8. UNM (Unum Group): 5.9%
9. SUN (Sunoco LP): 12.9%
10. EPD (Enterprise Products Partners LP): 10.7%
11. PBCT (People's United Financial, Inc.): 6.2%
12. TDS (Telephone & Data Systems, Inc.): 3.9%
13. MAC (Macerich Co.): 36.9%
14. WBA (Walgreens Boots Alliance, Inc.): 4.9%
15. FRT (Federal Realty Investment Trust): 5.6%
16. BTI (British American Tobacco plc): 8.2%
17. IPPLF (Inter Pipeline Ltd.): 11.3%
18. T (AT&T, Inc.): 7.6%
19. EBTC (Enterprise Bancorp, Inc.): 2.9%
20. MO (Altria Group, Inc.): 9%
21. BEN (Franklin Resources, Inc.): 5.4%
22. SVC (Service Properties Trust): 13.6%
23. NFG (National Fuel Gas Co.): 4.2%
24. EFSI (Eagle Financial Services, Inc.): 4%
25. TRGP (Targa Resources Corp.): 7.3%
26. SPH (Suburban Propane Partners LP): 15.2%
27. CTBI (Community Trust Bancorp, Inc. (Kentucky)): 4.6%
28. RTX (Raytheon Technologies Corp.): 4.2%
29. SAXPY (Sampo Oyj): 10.4%
30. AFL (Aflac, Inc.): 3.1%
31. GD (General Dynamics Corp.): 3.1%
32. ABBV (AbbVie, Inc.): 5.4%
33. IBM (International Business Machines Corp.): 5.7%

34. UGI (UGI Corp.): 3.9%
35. NNN (National Retail Properties, Inc.): 6.2%
36. RDEIY (Red Eléctrica Corp. SA): 6.4%
37. MET (MetLife, Inc.): 4.5%
38. CAH (Cardinal Health, Inc.): 4%
39. HRB (H&R Block, Inc.): 5.9%
40. BKH (Black Hills Corp.): 3.5%
41. AROW (Arrow Financial Corp.): 3.5%
42. SON (Sonoco Products Co.): 3.3%
43. DHC (Diversified Healthcare Trust): 14.1%
44. MMM (3M Co.): 3.5%
45. NWN (Northwest Natural Holding Co.): 4.2%
46. KMB (Kimberly-Clark Corp.): 3.1%
47. CPKF (Chesapeake Financial Shares, Inc. (Maryland)): 2.6%
48. JNJ (Johnson & Johnson): 2.8%
49. ADM (Archer-Daniels-Midland Co.): 3%
50. UBSI (United Bankshares, Inc. (West Virginia)): 5%
51. UVV (Universal Corp.): 7.4%
52. EMR (Emerson Electric Co.): 2.8%
53. PPL (PPL Corp.): 5.7%
54. GPC (Genuine Parts Co.): 3.2%
55. THFF (First Financial Corp. (Indiana)): 2.9%
56. TMP (Tompkins Financial Corp.): 3.5%
57. PRT (PermRock Royalty Trust): 22.9%

B-Rated Retirement Suitability Securities

1. HEP (Holly Energy Partners LP): 21.2%
2. SLG (SL Green Realty Corp.): 6.2%
3. GEO (The GEO Group, Inc.): 19.7%
4. ERF (Enerplus Corp.): 4.8%
5. KMI (Kinder Morgan, Inc.): 8.5%
6. TEF (Telefónica SA): 12.8%
7. IMBBY (Imperial Brands Plc): 14.4%

8. CVA (Covanta Holding Corp.): 6.3%
9. PBT (Permian Basin Royalty Trust): 17.8%
10. OMC (Omnicom Group, Inc.): 5.2%
11. LUMN (Lumen Technologies, Inc. (Louisiana)): 11%
12. NAVI (Navient Corp.): 7.2%
13. MCY (Mercury General Corp.): 6.1%
14. ORI (Old Republic International Corp.): 4.9%
15. HII (Huntington Ingalls Industries, Inc.): 2.5%
16. BNS (The Bank of Nova Scotia): 6.2%
17. PRGO (Perrigo Co. Plc): 1.9%
18. INTC (Intel Corp.): 2.9%
19. JW.A (John Wiley & Sons, Inc.): 4.2%
20. CSCO (Cisco Systems, Inc.): 3.9%
21. CIM (Chimera Investment Corp.): 20.6%
22. MTB (M&T Bank Corp.): 4%
23. SPG (Simon Property Group, Inc.): 11.7%
24. PB (Prosperity Bancshares, Inc.): 3.1%
25. CVS (CVS Health Corp.): 3.4%
26. OGZPY (Gazprom PJSC): 10.2%
27. NRZ (New Residential Investment Corp.): 10%
28. PRU (Prudential Financial, Inc.): 6.2%
29. LMT (Lockheed Martin Corp.): 2.6%
30. PSBQ (PSB Holdings, Inc. (Wisconsin)): 2.3%
31. NOC (Northrop Grumman Corp.): 1.8%
32. PII (Polaris Inc.): 2.6%
33. WMB (The Williams Cos., Inc.): 8.3%
34. GILD (Gilead Sciences, Inc.): 4.5%
35. TCP (TC Pipelines LP): 9.3%
36. BMY (Bristol Myers Squibb Co.): 2.9%
37. AMX (America Móvil SAB de CV): 4.3%
38. GWLIF (Great-West Lifeco, Inc.): 6%
39. SLF (Sun Life Financial, Inc.): 3.9%
40. LOW (Lowe's Cos., Inc.): 1.3%
41. WSR (Whitestone REIT): 9.3%
42. SBRA (Sabra Health Care REIT, Inc.): 11.5%
43. TSN (Tyson Foods, Inc.): 3%
44. BRC (Brady Corp.): 2.2%
45. TNC (Tennant Co.): 1.4%
46. FMCB (Farmers & Merchants Bancorp (California)): 2%
47. BIP (Brookfield Infrastructure Partners LP): 4.5%
48. DTEGY (Deutsche Telekom AG): 8.4%
49. TD (The Toronto-Dominion Bank): 5%
50. OZK (Bank OZK): 4.1%
51. GNL (Global Net Lease, Inc.): 12.4%
52. PM (Philip Morris International, Inc.): 6.6%
53. CSL (Carlisle Cos., Inc.): 1.6%
54. BMO (Bank of Montreal): 5%
55. VET (Vermilion Energy, Inc.): 38.5%
56. AMP (Ameriprise Financial, Inc.): 2.4%
57. PACW (PacWest Bancorp): 8.3%
58. CRT (Cross Timbers Royalty Trust): 12.4%
59. MRK (Merck & Co., Inc.): 3.2%
60. UBA (Urstadt Biddle Properties, Inc.): 9.1%
61. AMGN (Amgen, Inc.): 2.8%
62. VZ (Verizon Communications, Inc.): 4.3%
63. O (Realty Income Corp.): 4.7%
64. KR (The Kroger Co.): 2%
65. IVZ (Invesco Ltd.): 6.7%
66. AM (Antero Midstream Corp.): 22.2%
67. EIX (Edison International): 4.4%
68. NVS (Novartis AG): 3.8%
69. RY (Royal Bank of Canada): 4.4%
70. AGNC (AGNC Investment Corp.): 12.1%
71. AVB (AvalonBay Communities, Inc.): 4.2%
72. SUUIF (Superior Plus Corp.): 5.8%
73. CM (Canadian Imperial Bank of Commerce): 5.6%
74. UHT (Universal Health Realty Income Trust): 4.9%
75. FMS (Fresenius Medical Care AG & Co. KGaA): 1.8%
76. MGRC (McGrath RentCorp): 2.7%
77. AIZ (Assurant, Inc.): 2%
78. MDU (MDU Resources Group, Inc.): 3.4%
79. NTIOF (National Bank of Canada): 4.3%
80. FUL (H.B. Fuller Co.): 1.3%
81. ABM (ABM Industries, Inc.): 2%
82. ATO (Atmos Energy Corp.): 2.3%
83. MSM (MSC Industrial Direct Co., Inc.): 3.9%
84. HBI (Hanesbrands, Inc.): 3.6%
85. BANF (BancFirst Corp. (Oklahoma)): 2.8%
86. VER (VEREIT, Inc.): 7.3%
87. WPC (W.P. Carey, Inc.): 6.3%
88. CB (Chubb Ltd.): 2.3%
89. KO (The Coca-Cola Co.): 3.3%
90. LEG (Leggett & Platt, Inc.): 3.9%
91. TRV (The Travelers Cos., Inc.): 2.6%
92. NUE (Nucor Corp.): 3.2%
93. SJM (The J. M. Smucker Co.): 3%
94. RE (Everest Re Group Ltd.): 2.9%
95. FTS (Fortis, Inc.): 3.6%
96. TWO (Two Harbors Investment Corp.): 18%
97. WEYS (Weyco Group, Inc.): 5.6%
98. TROW (T. Rowe Price Group, Inc.): 2.6%
99. BDX (Becton, Dickinson & Co.): 1.3%
100. WHR (Whirlpool Corp.): 2.4%
101. CFR (Cullen/Frost Bankers, Inc.): 3.8%
102. PH (Parker-Hannifin Corp.): 1.6%
103. OXSQ (Oxford Square Capital Corp.): 28%
104. ABEV (Ambev SA): 5.4%
105. SO (The Southern Co.): 4.2%
106. DX (Dynex Capital, Inc.): 10.3%
107. K (Kellogg Co.): 3.5%
108. SYY (Sysco Corp.): 3%
109. DOV (Dover Corp.): 1.7%
110. GEF (Greif, Inc.): 4%
111. PNR (Pentair Plc): 1.4%
112. WABC (Westamerica Bancorporation): 3%
113. SKM (SK Telecom Co., Ltd.): 4.2%
114. NEP (NextEra Energy Partners LP): 3.3%
115. GRC (The Gorman-Rupp Co.): 1.7%
116. MDT (Medtronic Plc): 2.1%
117. LANC (Lancaster Colony Corp.): 1.6%
118. WU (The Western Union Co.): 4.2%
119. SWK (Stanley Black & Decker, Inc.): 1.6%
120. WMT (Walmart, Inc.): 1.5%
121. TRSWF (TransAlta Renewables, Inc.): 5.3%
122. PPG (PPG Industries, Inc.): 1.5%
123. ED (Consolidated Edison, Inc.): 3.7%
124. TGT (Target Corp.): 1.7%
125. PEP (PepsiCo, Inc.): 2.9%

126.CLX (The Clorox Co.): 2%
 127.CINF (Cincinnati Financial Corp.): 3.2%
 128.ETR (Entergy Corp.): 3.4%
 129.CL (Colgate-Palmolive Co.): 2.1%
 130.SJW (SJW Group): 1.9%
 131.GWW (W.W. Grainger, Inc.): 1.6%
 132.HRL (Hormel Foods Corp.): 1.8%
 133.GLPI (Gaming & Leisure Properties, Inc.): 6.7%
 134.PG (Procter & Gamble Co.): 2.2%
 135.AWR (American States Water Co.): 1.7%
 136.CBU (Community Bank System, Inc.): 2.7%
 137.RPM (RPM International, Inc.): 1.6%
 138.EV (Eaton Vance Corp.): 2.4%
 139.MGEE (MGE Energy, Inc.): 2.1%
 140.ARR (ARMOUR Residential REIT, Inc.): 14.4%

C-Rated Retirement Suitability Securities

1. SFL (SFL Corp. Ltd.): 19.5%
 2. RDS.B (Royal Dutch Shell Plc): 7.5%
 3. XOM (Exxon Mobil Corp.): 10.4%
 4. VLO (Valero Energy Corp.): 9.7%
 5. USAC (USA Compression Partners LP): 20.4%
 6. OPI (Office Properties Income Trust): 5.6%
 7. TOT (Total SE): 9.3%
 8. BP (BP Plc): 11.6%
 9. PFG (Principal Financial Group, Inc.): 5.3%
 10. NYMT (New York Mortgage Trust, Inc.): 16.7%
 11. CEO (CNOOC Ltd.): 7.9%
 12. OXY (Occidental Petroleum Corp.): 24.6%
 13. BRX (Brixmor Property Group, Inc.): 7.2%
 14. NC (NACCO Industries, Inc.): 3.5%
 15. CHL (China Mobile Ltd.): 5.9%
 16. NYCB (New York Community Bancorp, Inc.): 8.1%
 17. PNGAY (Ping An Insurance (Group) Co. of China Ltd.): 2%
 18. C (Citigroup, Inc.): 4.7%
 19. BXP (Boston Properties, Inc.): 5%
 20. KEY (KeyCorp): 5.4%
 21. NTAP (NetApp, Inc.): 4.1%
 22. TRP (TC Energy Corp.): 5.9%
 23. STWD (Starwood Property Trust, Inc.): 13.1%
 24. VALE (Vale SA): 3.9%
 25. LTC (LTC Properties, Inc.): 6.5%
 26. PFE (Pfizer Inc.): 4.2%
 27. FE (FirstEnergy Corp.): 5.1%
 28. TCEHY (Tencent Holdings Ltd.): 0.2%
 29. OHI (Omega Healthcare Investors, Inc.): 8.9%
 30. BK (The Bank of New York Mellon Corp.): 3.4%
 31. IPG (Interpublic Group of Cos., Inc.): 5.2%
 32. AXP (American Express Co.): 1.8%
 33. GSK (GlaxoSmithKline Plc): 5.7%
 34. SRC (Spirit Realty Capital, Inc.): 7.9%
 35. IRM (Iron Mountain, Inc.): 9%
 36. HPQ (HP, Inc.): 3.7%
 37. MGP (MGM Growth Properties LLC): 6.8%
 38. LHX (L3Harris Technologies, Inc.): 1.7%
 39. LMRK (Landmark Infrastructure Partners LP): 12.8%
 40. BXMT (Blackstone Mortgage Trust, Inc.): 10.9%
 41. GAIN (Gladstone Investment Corp.): 9.7%
 42. SRE (Sempra Energy): 3.1%
 43. GLAD (Gladstone Capital Corp.): 11.4%
 44. NLY (Annaly Capital Management, Inc.): 12.9%
 45. ORCL (Oracle Corp.): 1.7%
 46. CDUAF (Canadian Utilities Ltd.): 5.3%
 47. TYCB (Calvin B. Taylor Bankshares, Inc.): 3.4%
 48. SAP (SAP SE): 1.6%
 49. HP (Helmerich & Payne, Inc.): 15.1%
 50. CMCSA (Comcast Corp.): 2.1%
 51. SLGN (Silgan Holdings, Inc.): 1.3%
 52. DCI (Donaldson Co., Inc.): 1.7%
 53. CONE (CyrusOne, Inc.): 2.8%
 54. HPE (Hewlett-Packard Enterprise Co.): 5.1%
 55. ALARF (Alaris Equity Partners Income Trust): 12.5%
 56. SNY (Sanofi): 3.6%
 57. SCM (Stellus Capital Investment Corp.): 12.4%
 58. ARI (Apollo Commercial Real Estate Finance, Inc.): 17.1%
 59. SBR (Sabine Royalty Trust): 9.4%
 60. PSEC (Prospect Capital Corp.): 14.4%
 61. AMAT (Applied Materials, Inc.): 1.4%
 62. BLK (BlackRock, Inc.): 2.3%
 63. SEIC (SEI Investments Co.): 1.4%
 64. KDP (Keurig Dr Pepper, Inc.): 2.2%
 65. MPW (Medical Properties Trust, Inc.): 5.6%
 66. SJR (Shaw Communications, Inc.): 7.1%
 67. MAIN (Main Street Capital Corp.): 8.6%
 68. OTTR (Otter Tail Corp.): 3.4%
 69. DRETF (Dream Office Real Estate Investment Trust): 5.8%
 70. MCK (McKesson Corp.): 1%
 71. UNH (UnitedHealth Group, Inc.): 1.5%
 72. KIM (Kimco Realty Corp.): 7.6%
 73. TU (TELUS Corp.): 5%
 74. CORR (CorEnergy Infrastructure Trust, Inc.): 32.3%
 75. CPB (Campbell Soup Co.): 2.9%
 76. HTGC (Hercules Capital, Inc.): 10.9%
 77. KHC (The Kraft Heinz Co.): 5%
 78. APO (Apollo Global Management, Inc.): 5.9%
 79. LADR (Ladder Capital Corp.): 14%
 80. FLO (Flowers Foods, Inc.): 3.2%
 81. GOOD (Gladstone Commercial Corp.): 9.1%
 82. SYK (Stryker Corp.): 1.1%
 83. PBA (Pembina Pipeline Corp.): 8.6%
 84. STX (Seagate Technology Plc): 5.2%
 85. DTE (DTE Energy Co.): 3.2%
 86. RCI (Rogers Communications, Inc.): 3.6%
 87. RIO (Rio Tinto Plc): 6.6%
 88. ARCC (Ares Capital Corp.): 11.2%
 89. VGR (Vector Group Ltd.): 12.2%
 90. WFC (Wells Fargo & Co.): 7.4%
 91. IFF (International Flavors & Fragrances, Inc.): 2.8%
 92. BGS (B&G Foods, Inc.): 6.6%
 93. DEA (Easterly Government Properties, Inc.): 4.8%
 94. CMI (Cummins, Inc.): 2.3%
 95. GIS (General Mills, Inc.): 3.2%
 96. CODI (Compass Diversified Holdings): 8%
 97. SRCE (1st Source Corp.): 3.3%
 98. LAZ (Lazard Ltd.): 5.2%

99. APAM (Artisan Partners Asset Management, Inc.): 6.1%
 100. DEO (Diageo Plc): 2.6%
 101. SPGI (S&P Global, Inc.): 0.8%
 102. ORC (Orchid Island Capital, Inc.): 15.8%
 103. ROP (Roper Technologies, Inc.): 0.5%
 104. UBS (UBS Group AG): 4.2%
 105. BPY (Brookfield Property Partners LP): 9.2%
 106. ARTNA (Artesian Resources Corp.): 2.7%
 107. PDCO (Patterson Cos., Inc.): 4.1%
 108. LNT (Alliant Energy Corp.): 2.6%
 109. COR (CoreSite Realty Corp.): 4%
 110. CAT (Caterpillar, Inc.): 2.5%
 111. AB (AllianceBernstein Holding LP): 9.1%
 112. ABC (AmerisourceBergen Corp.): 1.6%
 113. DOC (Physicians Realty Trust): 5.2%
 114. PSA (Public Storage): 3.4%
 115. UL (Unilever Plc): 3%
 116. CSX (CSX Corp.): 1.2%
 117. DUK (Duke Energy Corp.): 4%
 118. FOXA (Fox Corp.): 1.7%
 119. UPS (United Parcel Service, Inc.): 2.4%
 120. BRO (Brown & Brown, Inc.): 1%
 121. VTR (Ventas, Inc.): 6.6%
 122. ABR (Arbor Realty Trust, Inc.): 9.6%
 123. TR (Tootsie Roll Industries, Inc.): 1.2%
 124. AOS (A. O. Smith Corp.): 1.8%
 125. DREUF (Dream Industrial Real Estate Investment Trust):
 5.7%
 126. PEG (Public Service Enterprise Group, Inc.): 3.3%
 127. AEP (American Electric Power Co., Inc.): 3.1%
 128. SNA (Snap-On, Inc.): 2.6%
 129. SCL (Stepan Co.): 0.9%
 130. CHD (Church & Dwight Co., Inc.): 1.1%
 131. LLY (Eli Lilly & Co.): 2.2%
 132. ADP (Automatic Data Processing, Inc.): 2.2%
 133. WRK (WestRock Co.): 4%
 134. UNP (Union Pacific Corp.): 2.1%
 135. WSM (Williams-Sonoma, Inc.): 2%
 136. FELE (Franklin Electric Co., Inc.): 1%
 137. EMN (Eastman Chemical Co.): 3.1%
 138. WTRG (Essential Utilities, Inc.): 2.3%
 139. CHRW (C.H. Robinson Worldwide, Inc.): 2.3%
 140. EXPD (Expeditors International of Washington, Inc.): 1.2%
 141. DLR (Digital Realty Trust, Inc.): 3%
 142. CNI (Canadian National Railway Co.): 1.6%
 143. SHW (The Sherwin-Williams Co.): 0.7%
 144. LIN (Linde Plc): 1.6%
 145. ITW (Illinois Tool Works, Inc.): 2.1%
 146. BEP (Brookfield Renewable Partners LP): 3.7%
 147. HNI (HNI Corp.): 3.5%
 148. ECL (Ecolab, Inc.): 1%
 149. MCD (McDonald's Corp.): 2.3%
 150. CSVI (Computer Services, Inc.): 1.4%
 151. MKC (McCormick & Co., Inc.): 1.3%
 152. ABT (Abbott Laboratories): 1.3%
 153. BBY (Best Buy Co., Inc.): 1.8%
 154. MSA (MSA Safety, Inc.): 1.2%
 155. CTAS (Cintas Corp.): 0.8%
 156. WDR (Waddell & Reed Financial, Inc.): 6.2%

157. WM (Waste Management, Inc.): 1.9%
 158. BAM (Brookfield Asset Management, Inc.): 1.4%
 159. XEL (Xcel Energy, Inc.): 2.3%
 160. CARR (Carrier Global Corp.): 0.4%
 161. BF.B (Brown-Forman Corp.): 0.9%
 162. NDSN (Nordson Corp.): 0.8%
 163. APD (Air Products & Chemicals, Inc.): 1.7%
 164. MSEX (Middlesex Water Co.): 1.5%
 165. CWT (California Water Service Group): 1.8%
 166. ALB (Albemarle Corp.): 1.5%
 167. RLI (RLI Corp.): 1%
 168. WST (West Pharmaceutical Services, Inc.): 0.2%

D-Rated Retirement Suitability Securities

1. HFC (HollyFrontier Corp.): 7.2%
2. SU (Suncor Energy, Inc.): 8.2%
3. PSX (Phillips 66): 7.6%
4. SNP (China Petroleum & Chemical Corp.): 7.9%
5. CVX (Chevron Corp.): 7.1%
6. COP (ConocoPhillips): 5.7%
7. MPC (Marathon Petroleum Corp.): 7.1%
8. IMO (Imperial Oil Ltd.): 4.5%
9. SLB (Schlumberger NV): 7.9%
10. PTR (PetroChina Co., Ltd.): 6%
11. VIAC (ViacomCBS, Inc.): 3%
12. CMA (Comerica, Inc.): 5.6%
13. CNQ (Canadian Natural Resources Ltd.): 7.1%
14. CWCO (Consolidated Water Co. Ltd.): 3.2%
15. HBAN (Huntington Bancshares, Inc.): 5.4%
16. DFS (Discover Financial Services): 2.5%
17. BAC (Bank of America Corp.): 2.9%
18. SYF (Synchrony Financial): 3.3%
19. ALLY (Ally Financial, Inc.): 2.6%
20. TFC (Truist Financial Corp.): 4%
21. AEG (AEGON NV): 2%
22. INN (Summit Hotel Properties, Inc.): 6%
23. ALL (The Allstate Corp.): 2.2%
24. CNA (CNA Financial Corp.): 4.5%
25. E (Eni SpA): 5.8%
26. NLSN (Nielsen Holdings Plc): 1.7%
27. BKR (Baker Hughes Co.): 4.5%
28. CF (CF Industries Holdings, Inc.): 4.4%
29. GS (The Goldman Sachs Group, Inc.): 2.5%
30. SSREY (Swiss Re AG): 7.9%
31. HAS (Hasbro, Inc.): 3.2%
32. YUM (Yum! Brands, Inc.): 1.9%
33. HAL (Halliburton Co.): 3.5%
34. ICE (Intercontinental Exchange, Inc.): 1.2%
35. FDX (FedEx Corp.): 0.9%
36. INTU (Intuit, Inc.): 0.7%
37. HTA (Healthcare Trust of America, Inc.): 4.8%
38. PSO (Pearson Plc): 3.5%
39. FUN (Cedar Fair LP): 6.8%
40. STOR (STORE Capital Corp.): 5.1%
41. EQR (Equity Residential): 4.5%
42. BCE (BCE, Inc.): 5.9%

43. JPM (JPMorgan Chase & Co.): 3.5%
44. LAND (Gladstone Land Corp.): 4.6%
45. QSR (Restaurant Brands International, Inc.): 3.8%
46. RELX (RELX Plc): 2.7%
47. BUD (Anheuser-Busch InBev SA/NV): 2.7%
48. EQNR (Equinor ASA): 6.7%
49. MDLZ (Mondelez International, Inc.): 2.1%
50. LAMR (Lamar Advertising Co.): 5%
51. ESS (Essex Property Trust, Inc.): 3.7%
52. USB (U.S. Bancorp): 4.1%
53. BHP (BHP Group Ltd.): 4.8%
54. AMCR (Amcort Plc): 4.2%
55. STAG (STAG Industrial, Inc.): 4.5%
56. XRX (Xerox Holdings Corp.): 5.4%
57. CPT (Camden Property Trust): 3.3%
58. SPKE (Spark Energy, Inc.): 7.7%
59. TTC (The Toro Co.): 1.2%
60. DPZ (Domino's Pizza, Inc.): 0.8%
61. AVGO (Broadcom, Inc.): 3.5%
62. CAG (Conagra Brands, Inc.): 2.3%
63. BRMK (Broadmark Realty Capital, Inc.): 5.3%
64. EXC (Exelon Corp.): 3.5%
65. BMWYY (Bayerische Motoren Werke AG): 3.7%
66. HD (The Home Depot, Inc.): 2.1%
67. NTR (Nutrien Ltd.): 4.7%
68. ARE (Alexandria Real Estate Equities, Inc.): 2.7%
69. D (Dominion Energy, Inc.): 4.5%
70. AQN (Algonquin Power & Utilities Corp.): 3.7%
71. RSG (Republic Services, Inc.): 1.8%
72. CME (CME Group, Inc.): 2.2%
73. V (Visa, Inc.): 0.6%
74. VOD (Vodafone Group Plc): 7.2%
75. PEAK (Healthpeak Properties, Inc.): 5.2%
76. DG (Dollar General Corp.): 0.6%
77. CTSH (Cognizant Technology Solutions Corp.): 1.2%
78. COST (Costco Wholesale Corp.): 0.7%
79. SBUX (Starbucks Corp.): 1.9%
80. DRI (Darden Restaurants, Inc.): 1.9%
81. CCI (Crown Castle International Corp.): 3%
82. NVO (Novo Nordisk A/S): 1.4%
83. MCO (Moody's Corp.): 0.8%
84. TSCO (Tractor Supply Co.): 1.1%
85. APA (Apache Corp.): 6.3%
86. BAH (Booz Allen Hamilton Holding Corp.): 1.4%
87. CP (Canadian Pacific Railway Ltd.): 0.8%
88. TXN (Texas Instruments Incorporated): 2.4%
89. HSY (The Hershey Co.): 2.2%
90. CBRL (Cracker Barrel Old Country Store, Inc.): 4.5%
91. AJG (Arthur J. Gallagher & Co.): 1.6%
92. CNP (CenterPoint Energy, Inc.): 4.7%
93. AAP (Advance Auto Parts, Inc.): 0.4%
94. AMT (American Tower Corp.): 1.8%
95. SIEGY (Siemens AG): 3.1%
96. BX (The Blackstone Group, Inc.): 3.8%
97. IP (International Paper Co.): 4.4%
98. XYL (Xylem, Inc.): 1.1%
99. EBAY (eBay, Inc.): 1.3%
100. HON (Honeywell International, Inc.): 2%
101. NSRGY (Nestlé SA): 2.4%
102. UMBF (UMB Financial Corp.): 1.9%
103. CC (The Chemours Co.): 4.6%
104. CAJ (Canon, Inc.): 5.8%
105. SWKS (Skyworks Solutions, Inc.): 1.3%
106. ABB (ABB Ltd.): 3.2%
107. MSFT (Microsoft Corp.): 1%
108. NSC (Norfolk Southern Corp.): 1.7%
109. NWL (Newell Brands, Inc.): 4.7%
110. TPR (Tapestry, Inc.): 2.8%
111. PAYX (Paychex, Inc.): 2.9%
112. PPRQF (Choice Properties Real Estate Investment Trust): 5.9%
113. FL (Foot Locker, Inc.): 3%
114. INFY (Infosys Ltd.): 1.7%
115. FAST (Fastenal Co.): 2.1%
116. CBSH (Commerce Bancshares, Inc. (Missouri)): 1.6%
117. JKHY (Jack Henry & Associates, Inc.): 1.1%
118. RMD (ResMed, Inc.): 0.8%
119. WELL (Welltower, Inc.): 5%
120. NEE (NextEra Energy, Inc.): 1.8%
121. OTIS (Otis Worldwide Corp.): 0.6%
122. ROK (Rockwell Automation, Inc.): 1.6%
123. HSBC (HSBC Holdings Plc): 4.7%
124. AAPL (Apple, Inc.): 0.7%
125. WEC (WEC Energy Group, Inc.): 2.4%
126. DOW (Dow, Inc.): 5.7%
127. NKE (NIKE, Inc.): 0.8%
128. WY (Weyerhaeuser Co.): 2.4%
129. TXT (Textron, Inc.): 0.2%
130. TT (Trane Technologies Plc): 1.5%
131. QCOM (QUALCOMM, Inc.): 2%
132. DE (Deere & Co.): 1.3%
133. TRI (Thomson Reuters Corp.): 1.8%
134. ATR (AptarGroup, Inc.): 1.2%
135. GM (General Motors Co.): 3.2%
136. HMC (Honda Motor Co., Ltd.): 2.5%
137. ERIE (Erie Indemnity Co.): 1.6%
138. MORN (Morningstar, Inc.): 0.6%
139. BMI (Badger Meter, Inc.): 0.9%
140. CLDT (Chatham Lodging Trust): 6.9%

F-Rated Retirement Suitability Securities

1. IIPR (Innovative Industrial Properties, Inc.): 3.1%
2. LRCX (Lam Research Corp.): 1.3%
3. AXS (AXIS Capital Holdings Ltd.): 3.7%
4. LUV (Southwest Airlines Co.): 0.9%
5. AON (Aon Plc): 0.7%
6. DD (DuPont de Nemours, Inc.): 2%
7. ASML (ASML Holding NV): 0.7%
8. APLE (Apple Hospitality REIT, Inc.): 3.7%
9. SCHL (Scholastic Corp.): 3%
10. OSK (Oshkosh Corp.): 1.6%
11. JACK (Jack in the Box, Inc.): 1.5%
12. PTEN (Patterson-UTI Energy, Inc.): 4.3%
13. MGA (Magna International, Inc.): 2.9%
14. PLD (Prologis, Inc.): 2.2%

15. IDEXY (Industria de Diseño Textil SA): 1.3%
16. WPP (WPP Plc): 1.6%
17. JCI (Johnson Controls International Plc): 2.4%
18. PHG (Koninklijke Philips NV): 1.9%
19. KLAC (KLA Corp.): 1.6%
20. DDAIF (Daimler AG): 1.6%
21. OLN (Olin Corp.): 4.4%
22. LOGI (Logitech International SA): 0.9%
23. ERIC (Telefonaktiebolaget LM Ericsson): 1.4%
24. CAKE (Cheesecake Factory, Inc.): 2.3%
25. STZ (Constellation Brands, Inc.): 1.6%
26. NEM (Newmont Corp.): 1.2%
27. GE (General Electric Co.): 0.5%
28. KSU (Kansas City Southern): 0.9%
29. VFC (VF Corp.): 2.7%
30. MAR (Marriott International, Inc.): 1%
31. MA (Mastercard, Inc.): 0.5%
32. GRMN (Garmin Ltd.): 2.1%
33. R (Ryder System, Inc.): 4.3%
34. GLW (Corning, Inc.): 2.6%
35. MRVL (Marvell Technology Group Ltd.): 0.6%
36. ACN (Accenture Plc): 1.4%
37. HOG (Harley-Davidson, Inc.): 2.3%
38. WEN (The Wendy's Co.): 1.7%
39. PCAR (PACCAR, Inc.): 1.4%
40. DIS (The Walt Disney Co.): 1.4%
41. GPS (Gap, Inc.): 1.2%
42. GOLD (Barrick Gold Corp.): 1%
43. TIF (Tiffany & Co.): 1.8%
44. TSM (Taiwan Semiconductor Manufacturing Co., Ltd.): 1.9%
45. SNE (Sony Corp.): 0.3%
46. NVDA (NVIDIA Corp.): 0.1%
47. ETN (Eaton Corp. Plc): 2.6%
48. DNKN (Dunkin' Brands Group, Inc.): 1.1%
49. AZN (AstraZeneca Plc): 2.6%
50. DDS (Dillard's, Inc.): 1.3%
51. MGM (MGM Resorts International): 1.3%
52. AUY (Yamana Gold, Inc.): 1%
53. RACE (Ferrari NV): 0.6%
54. WPM (Wheaton Precious Metals Corp.): 0.8%
55. WYNN (Wynn Resorts Ltd.): 2.7%
56. OMI (Owens & Minor, Inc.): 0%
57. KLIC (Kulicke & Soffa Industries, Inc.): 1.8%

List of Securities 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 or Distribution Yields. These rankings will not always align with our Top 10 list due to additional safety constraints we impose on the Top 10 as well as when different aspects of the newsletter are compiled. See our '[Buying and Ranking Criteria](#)' for more information.

Basic Materials

A-Ranked Retirement Suitability

1. N/A

B-Ranked Retirement Suitability

1. MDU (MDU Resources Group, Inc.): 3.4%
2. FUL (H.B. Fuller Co.): 1.3%
3. NUE (Nucor Corp.): 3.2%
4. PPG (PPG Industries, Inc.): 1.5%
5. RPM (RPM International, Inc.): 1.6%

C-Ranked Retirement Suitability

1. VALE (Vale SA): 3.9%
2. RIO (Rio Tinto Plc): 6.6%
3. IFF (International Flavors & Fragrances, Inc.): 2.8%
4. SCL (Stepan Co.): 0.9%
5. EMN (Eastman Chemical Co.): 3.1%
6. SHW (The Sherwin-Williams Co.): 0.7%
7. LIN (Linde Plc): 1.6%
8. ECL (Ecolab, Inc.): 1%
9. APD (Air Products & Chemicals, Inc.): 1.7%
10. ALB (Albemarle Corp.): 1.5%

D-Ranked Retirement Suitability

1. CF (CF Industries Holdings, Inc.): 4.4%
2. BHP (BHP Group Ltd.): 4.8%
3. NTR (Nutrien Ltd.): 4.7%
4. CC (The Chemours Co.): 4.6%
5. DOW (Dow, Inc.): 5.7%

F-Ranked Retirement Suitability

1. DD (DuPont de Nemours, Inc.): 2%
2. OLN (Olin Corp.): 4.4%
3. NEM (Newmont Corp.): 1.2%
4. GOLD (Barrick Gold Corp.): 1%
5. AUY (Yamana Gold, Inc.): 1%

6. WPM (Wheaton Precious Metals Corp.): 0.8%

Communication Services

A-Ranked Retirement Suitability

1. TDS (Telephone & Data Systems, Inc.): 3.9%
2. T (AT&T, Inc.): 7.6%

B-Ranked Retirement Suitability

1. TEF (Telefónica SA): 12.8%
2. OMC (Omnicom Group, Inc.): 5.2%
3. JW.A (John Wiley & Sons, Inc.): 4.2%
4. AMX (America Móvil SAB de CV): 4.3%
5. DTEGY (Deutsche Telekom AG): 8.4%
6. VZ (Verizon Communications, Inc.): 4.3%
7. SKM (SK Telecom Co., Ltd.): 4.2%

C-Ranked Retirement Suitability

1. CHL (China Mobile Ltd.): 5.9%
2. TCEHY (Tencent Holdings Ltd.): 0.2%
3. IPG (Interpublic Group of Cos., Inc.): 5.2%
4. CMCSA (Comcast Corp.): 2.1%
5. SJR (Shaw Communications, Inc.): 7.1%
6. TU (TELUS Corp.): 5%
7. RCI (Rogers Communications, Inc.): 3.6%
8. FOXA (Fox Corp.): 1.7%

D-Ranked Retirement Suitability

1. VIAC (ViacomCBS, Inc.): 3%
2. PSO (Pearson Plc): 3.5%
3. BCE (BCE, Inc.): 5.9%
4. RELX (RELX Plc): 2.7%
5. VOD (Vodafone Group Plc): 7.2%

F-Ranked Retirement Suitability

1. SCHL (Scholastic Corp.): 3%

2. WPP (WPP Plc): 1.6%
3. DIS (The Walt Disney Co.): 1.4%

Consumer Cyclical

A-Ranked Retirement Suitability

1. HHRB (H&R Block, Inc.): 5.9%
2. SON (Sonoco Products Co.): 3.3%
3. GPC (Genuine Parts Co.): 3.2%

B-Ranked Retirement Suitability

1. PII (Polaris Inc.): 2.6%
2. LOW (Lowe's Cos., Inc.): 1.3%
3. HBI (Hanesbrands, Inc.): 3.6%
4. LEG (Leggett & Platt, Inc.): 3.9%
5. WEYS (Weyco Group, Inc.): 5.6%
6. WHR (Whirlpool Corp.): 2.4%
7. GEF (Greif, Inc.): 4%

C-Ranked Retirement Suitability

1. SLGN (Silgan Holdings, Inc.): 1.3%
2. WRK (WestRock Co.): 4%
3. WSM (Williams-Sonoma, Inc.): 2%
4. MCD (McDonald's Corp.): 2.3%
5. BBY (Best Buy Co., Inc.): 1.8%

D-Ranked Retirement Suitability

1. HAS (Hasbro, Inc.): 3.2%
2. YUM (Yum! Brands, Inc.): 1.9%
3. FUN (Cedar Fair LP): 6.8%
4. QSR (Restaurant Brands International, Inc.): 3.8%
5. AMCR (Amcor Plc): 4.2%
6. DPZ (Domino's Pizza, Inc.): 0.8%
7. BMWYY (Bayerische Motoren Werke AG): 3.7%
8. HD (The Home Depot, Inc.): 2.1%
9. SBUX (Starbucks Corp.): 1.9%
10. DRI (Darden Restaurants, Inc.): 1.9%
11. TSCO (Tractor Supply Co.): 1.1%
12. CBRL (Cracker Barrel Old Country Store, Inc.): 4.5%
13. AAP (Advance Auto Parts, Inc.): 0.4%
14. IP (International Paper Co.): 4.4%
15. EBAY (eBay, Inc.): 1.3%
16. TPR (Tapestry, Inc.): 2.8%
17. FL (Foot Locker, Inc.): 3%
18. NKE (NIKE, Inc.): 0.8%
19. ATR (AptarGroup, Inc.): 1.2%
20. GM (General Motors Co.): 3.2%
21. HMC (Honda Motor Co., Ltd.): 2.5%

F-Ranked Retirement Suitability

1. LJACK (Jack in the Box, Inc.): 1.5%
2. MGA (Magna International, Inc.): 2.9%
3. IDEXY (Industria de Diseño Textil SA): 1.3%
4. DDAIF (Daimler AG): 1.6%
5. CAKE (Cheesecake Factory, Inc.): 2.3%
6. VFC (VF Corp.): 2.7%
7. MAR (Marriott International, Inc.): 1%

8. HOG (Harley-Davidson, Inc.): 2.3%
9. WEN (The Wendy's Co.): 1.7%
10. GPS (Gap, Inc.): 1.2%
11. TIF (Tiffany & Co.): 1.8%
12. DNKN (Dunkin' Brands Group, Inc.): 1.1%
13. DDS (Dillard's, Inc.): 1.3%
14. MGM (MGM Resorts International): 1.3%
15. RACE (Ferrari NV): 0.6%
16. WYNN (Wynn Resorts Ltd.): 2.7%

Consumer Defensive

A-Ranked Retirement Suitability

1. BTI (British American Tobacco plc): 8.2%
2. MO (Altria Group, Inc.): 9%
3. KMB (Kimberly-Clark Corp.): 3.1%
4. ADM (Archer-Daniels-Midland Co.): 3%
5. UVV (Universal Corp.): 7.4%

B-Ranked Retirement Suitability

1. IMBBY (Imperial Brands Plc): 14.4%
2. TSN (Tyson Foods, Inc.): 3%
3. PM (Philip Morris International, Inc.): 6.6%
4. KR (The Kroger Co.): 2%
5. KO (The Coca-Cola Co.): 3.3%
6. SJM (The J. M. Smucker Co.): 3%
7. ABEV (Ambev SA): 5.4%
8. K (Kellogg Co.): 3.5%
9. SYY (Sysco Corp.): 3%
10. LANC (Lancaster Colony Corp.): 1.6%
11. WMT (Walmart, Inc.): 1.5%
12. TGT (Target Corp.): 1.7%
13. PEP (PepsiCo, Inc.): 2.9%
14. CLX (The Clorox Co.): 2%
15. CL (Colgate-Palmolive Co.): 2.1%
16. HRL (Hormel Foods Corp.): 1.8%
17. PG (Procter & Gamble Co.): 2.2%

C-Ranked Retirement Suitability

1. KDP (Keurig Dr Pepper, Inc.): 2.2%
2. CPB (Campbell Soup Co.): 2.9%
3. KHC (The Kraft Heinz Co.): 5%
4. FLO (Flowers Foods, Inc.): 3.2%
5. VGR (Vector Group Ltd.): 12.2%
6. BGS (B&G Foods, Inc.): 6.6%
7. GIS (General Mills, Inc.): 3.2%
8. DEO (Diageo Plc): 2.6%
9. UL (Unilever Plc): 3%
10. TR (Tootsie Roll Industries, Inc.): 1.2%
11. CHD (Church & Dwight Co., Inc.): 1.1%
12. MKC (McCormick & Co., Inc.): 1.3%
13. BF.B (Brown-Forman Corp.): 0.9%

D-Ranked Retirement Suitability

1. BUD (Anheuser-Busch InBev SA/NV): 2.7%
2. MDLZ (Mondelez International, Inc.): 2.1%
3. CAG (Conagra Brands, Inc.): 2.3%

4. DG (Dollar General Corp.): 0.6%
5. COST (Costco Wholesale Corp.): 0.7%
6. HSY (The Hershey Co.): 2.2%
7. NSRGY (Nestlé SA): 2.4%
8. NWL (Newell Brands, Inc.): 4.7%

F-Ranked Retirement Suitability

1. STZ (Constellation Brands, Inc.): 1.6%

Energy

A-Ranked Retirement Suitability

1. GEL (Genesis Energy LP): 24.4%
2. ET (Energy Transfer LP): 22.2%
3. OKE (ONEOK, Inc.): 12.9%
4. MMP (Magellan Midstream Partners LP): 11.4%
5. MPLX (MPLX LP): 14.8%
6. ENB (Enbridge, Inc.): 8.3%
7. SUN (Sunoco LP): 12.9%
8. EPD (Enterprise Products Partners LP): 10.7%
9. IPPLF (Inter Pipeline Ltd.): 11.3%
10. NFG (National Fuel Gas Co.): 4.2%
11. TRGP (Targa Resources Corp.): 7.3%
12. PRT (PermRock Royalty Trust): 22.9%

B-Ranked Retirement Suitability

1. HEP (Holly Energy Partners LP): 21.2%
2. ERF (Enerplus Corp.): 4.8%
3. KMI (Kinder Morgan, Inc.): 8.5%
4. PBT (Permian Basin Royalty Trust): 17.8%
5. OGZPY (Gazprom PJSC): 10.2%
6. WMB (The Williams Cos., Inc.): 8.3%
7. TCP (TC Pipelines LP): 9.3%
8. VET (Vermilion Energy, Inc.): 38.5%
9. CRT (Cross Timbers Royalty Trust): 12.4%
10. AM (Antero Midstream Corp.): 22.2%

C-Ranked Retirement Suitability

1. RDS.B (Royal Dutch Shell Plc): 7.5%
2. XOM (Exxon Mobil Corp.): 10.4%
3. VLO (Valero Energy Corp.): 9.7%
4. USAC (USA Compression Partners LP): 20.4%
5. TOT (Total SE): 9.3%
6. BP (BP Plc): 11.6%
7. CEO (CNOOC Ltd.): 7.9%
8. OXY (Occidental Petroleum Corp.): 24.6%
9. NC (NACCO Industries, Inc.): 3.5%
10. TRP (TC Energy Corp.): 5.9%
11. HP (Helmerich & Payne, Inc.): 15.1%
12. SBR (Sabine Royalty Trust): 9.4%
13. PBA (Pembina Pipeline Corp.): 8.6%

D-Ranked Retirement Suitability

1. HFC (HollyFrontier Corp.): 7.2%
2. SU (Suncor Energy, Inc.): 8.2%
3. PSX (Phillips 66): 7.6%
4. SNP (China Petroleum & Chemical Corp.): 7.9%

5. CVX (Chevron Corp.): 7.1%
6. COP (ConocoPhillips): 5.7%
7. MPC (Marathon Petroleum Corp.): 7.1%
8. IMO (Imperial Oil Ltd.): 4.5%
9. SLB (Schlumberger NV): 7.9%
10. PTR (PetroChina Co., Ltd.): 6%
11. CNQ (Canadian Natural Resources Ltd.): 7.1%
12. E (Eni SpA): 5.8%
13. BKR (Baker Hughes Co.): 4.5%
14. HAL (Halliburton Co.): 3.5%
15. EQNR (Equinor ASA): 6.7%
16. APA (Apache Corp.): 6.3%

F-Ranked Retirement Suitability

1. PTEN (Patterson-UTI Energy, Inc.): 4.3%

Financial Services

A-Ranked Retirement Suitability

1. UNM (Unum Group): 5.9%
2. PBCT (People's United Financial, Inc.): 6.2%
3. EBTC (Enterprise Bancorp, Inc.): 2.9%
4. BEN (Franklin Resources, Inc.): 5.4%
5. EFSI (Eagle Financial Services, Inc.): 4%
6. CTBI (Community Trust Bancorp, Inc. (Kentucky)): 4.6%
7. SAXPY (Sampo Oyj): 10.4%
8. AFL (Aflac, Inc.): 3.1%
9. MET (MetLife, Inc.): 4.5%
10. AROW (Arrow Financial Corp.): 3.5%
11. CPKF (Chesapeake Financial Shares, Inc. (Maryland)): 2.6%
12. UBSI (United Bankshares, Inc. (West Virginia)): 5%
13. THFF (First Financial Corp. (Indiana)): 2.9%
14. TMP (Tompkins Financial Corp.): 3.5%

B-Ranked Retirement Suitability

1. NAVI (Navient Corp.): 7.2%
2. MCY (Mercury General Corp.): 6.1%
3. ORI (Old Republic International Corp.): 4.9%
4. BNS (The Bank of Nova Scotia): 6.2%
5. MTB (M&T Bank Corp.): 4%
6. PB (Prosperity Bancshares, Inc.): 3.1%
7. PRU (Prudential Financial, Inc.): 6.2%
8. PSBQ (PSB Holdings, Inc. (Wisconsin)): 2.3%
9. GWLIF (Great-West Lifeco, Inc.): 6%
10. SLF (Sun Life Financial, Inc.): 3.9%
11. FMCB (Farmers & Merchants Bancorp (California)): 2%
12. TD (The Toronto-Dominion Bank): 5%
13. OZK (Bank OZK): 4.1%
14. BMO (Bank of Montreal): 5%
15. AMP (Ameriprise Financial, Inc.): 2.4%
16. PACW (PacWest Bancorp): 8.3%
17. IVZ (Invesco Ltd.): 6.7%
18. RY (Royal Bank of Canada): 4.4%
19. CM (Canadian Imperial Bank of Commerce): 5.6%
20. AIZ (Assurant, Inc.): 2%
21. NTIOF (National Bank of Canada): 4.3%
22. BANF (BancFirst Corp. (Oklahoma)): 2.8%

23. CB (Chubb Ltd.): 2.3%
24. TRV (The Travelers Cos., Inc.): 2.6%
25. RE (Everest Re Group Ltd.): 2.9%
26. TROW (T. Rowe Price Group, Inc.): 2.6%
27. CFR (Cullen/Frost Bankers, Inc.): 3.8%
28. OXSQ (Oxford Square Capital Corp.): 28%
29. WABC (Westamerica Bancorporation): 3%
30. WU (The Western Union Co.): 4.2%
31. CINF (Cincinnati Financial Corp.): 3.2%
32. CBU (Community Bank System, Inc.): 2.7%
33. EV (Eaton Vance Corp.): 2.4%

C-Ranked Retirement Suitability

1. PFG (Principal Financial Group, Inc.): 5.3%
2. NYCB (New York Community Bancorp, Inc.): 8.1%
3. PNGAY (Ping An Insurance (Group) Co. of China Ltd.): 2%
4. C (Citigroup, Inc.): 4.7%
5. KEY (KeyCorp): 5.4%
6. BK (The Bank of New York Mellon Corp.): 3.4%
7. AXP (American Express Co.): 1.8%
8. GAIN (Gladstone Investment Corp.): 9.7%
9. GLAD (Gladstone Capital Corp.): 11.4%
10. TYCB (Calvin B. Taylor Bankshares, Inc.): 3.4%
11. ALARF (Alaris Equity Partners Income Trust): 12.5%
12. SCM (Stellus Capital Investment Corp.): 12.4%
13. PSEC (Prospect Capital Corp.): 14.4%
14. BLK (BlackRock, Inc.): 2.3%
15. SEIC (SEI Investments Co.): 1.4%
16. MAIN (Main Street Capital Corp.): 8.6%
17. DRETF (Dream Office Real Estate Investment Trust): 5.8%
18. HTGC (Hercules Capital, Inc.): 10.9%
19. APO (Apollo Global Management, Inc.): 5.9%
20. ARCC (Ares Capital Corp.): 11.2%
21. WFC (Wells Fargo & Co.): 7.4%
22. SRCE (1st Source Corp.): 3.3%
23. LAZ (Lazard Ltd.): 5.2%
24. APAM (Artisan Partners Asset Management, Inc.): 6.1%
25. SPGI (S&P Global, Inc.): 0.8%
26. UBS (UBS Group AG): 4.2%
27. AB (AllianceBernstein Holding LP): 9.1%
28. BRO (Brown & Brown, Inc.): 1%
29. DREUF (Dream Industrial Real Estate Investment Trust): 5.7%
30. WDR (Waddell & Reed Financial, Inc.): 6.2%
31. BAM (Brookfield Asset Management, Inc.): 1.4%
32. RLI (RLI Corp.): 1%

D-Ranked Retirement Suitability

1. CMA (Comerica, Inc.): 5.6%
2. HBAN (Huntington Bancshares, Inc.): 5.4%
3. DFS (Discover Financial Services): 2.5%
4. BAC (Bank of America Corp.): 2.9%
5. SYF (Synchrony Financial): 3.3%
6. ALLY (Ally Financial, Inc.): 2.6%
7. TFC (Truist Financial Corp.): 4%
8. AEG (AEGON NV): 2%
9. ALL (The Allstate Corp.): 2.2%
10. CNA (CNA Financial Corp.): 4.5%

11. GS (The Goldman Sachs Group, Inc.): 2.5%
12. SSREY (Swiss Re AG): 7.9%
13. ICE (Intercontinental Exchange, Inc.): 1.2%
14. JPM (JPMorgan Chase & Co.): 3.5%
15. USB (U.S. Bancorp): 4.1%
16. CME (CME Group, Inc.): 2.2%
17. V (Visa, Inc.): 0.6%
18. MCO (Moody's Corp.): 0.8%
19. AJG (Arthur J. Gallagher & Co.): 1.6%
20. BX (The Blackstone Group, Inc.): 3.8%
21. UMBF (UMB Financial Corp.): 1.9%
22. PPRQF (Choice Properties Real Estate Investment Trust): 5.9%
23. CBSH (Commerce Bancshares, Inc. (Missouri)): 1.6%
24. HSBC (HSBC Holdings Plc): 4.7%
25. ERIE (Erie Indemnity Co.): 1.6%
26. MORN (Morningstar, Inc.): 0.6%

F-Ranked Retirement Suitability

1. AXS (AXIS Capital Holdings Ltd.): 3.7%
2. AON (Aon Plc): 0.7%
3. MA (Mastercard, Inc.): 0.5%

Healthcare

A-Ranked Retirement Suitability

1. BAYRY (Bayer AG): 6.2%
2. WBA (Walgreens Boots Alliance, Inc.): 4.9%
3. ABBV (AbbVie, Inc.): 5.4%
4. CAH (Cardinal Health, Inc.): 4%
5. JNJ (Johnson & Johnson): 2.8%

B-Ranked Retirement Suitability

1. PRGO (Perrigo Co. Plc): 1.9%
2. CVS (CVS Health Corp.): 3.4%
3. GILD (Gilead Sciences, Inc.): 4.5%
4. BMY (Bristol Myers Squibb Co.): 2.9%
5. MRK (Merck & Co., Inc.): 3.2%
6. AMGN (Amgen, Inc.): 2.8%
7. NVS (Novartis AG): 3.8%
8. FMS (Fresenius Medical Care AG & Co. KGaA): 1.8%
9. BDX (Becton, Dickinson & Co.): 1.3%
10. MDT (Medtronic Plc): 2.1%

C-Ranked Retirement Suitability

1. PFE (Pfizer Inc.): 4.2%
2. GSK (GlaxoSmithKline Plc): 5.7%
3. SNY (Sanofi): 3.6%
4. MCK (McKesson Corp.): 1%
5. UNH (UnitedHealth Group, Inc.): 1.5%
6. SYK (Stryker Corp.): 1.1%
7. PDCO (Patterson Cos., Inc.): 4.1%
8. ABC (AmerisourceBergen Corp.): 1.6%
9. LLY (Eli Lilly & Co.): 2.2%
10. ABT (Abbott Laboratories): 1.3%
11. WST (West Pharmaceutical Services, Inc.): 0.2%

D-Ranked Retirement Suitability

1. NVO (Novo Nordisk A/S): 1.4%
2. RMD (ResMed, Inc.): 0.8%

F-Ranked Retirement Suitability

1. PHG (Koninklijke Philips NV): 1.9%
2. AZN (AstraZeneca Plc): 2.6%
3. OMI (Owens & Minor, Inc.): 0%

Industrials**A-Ranked Retirement Suitability**

1. RTX (Raytheon Technologies Corp.): 4.2%
2. GD (General Dynamics Corp.): 3.1%
3. MMM (3M Co.): 3.5%
4. EMR (Emerson Electric Co.): 2.8%

B-Ranked Retirement Suitability

1. CVA (Covanta Holding Corp.): 6.3%
2. HII (Huntington Ingalls Industries, Inc.): 2.5%
3. LMT (Lockheed Martin Corp.): 2.6%
4. NOC (Northrop Grumman Corp.): 1.8%
5. BRC (Brady Corp.): 2.2%
6. TNC (Tennant Co.): 1.4%
7. CSL (Carlisle Cos., Inc.): 1.6%
8. MGRC (McGrath RentCorp): 2.7%
9. ABM (ABM Industries, Inc.): 2%
10. MSM (MSC Industrial Direct Co., Inc.): 3.9%
11. PH (Parker-Hannifin Corp.): 1.6%
12. DOV (Dover Corp.): 1.7%
13. PNR (Pentair Plc): 1.4%
14. GRC (The Gorman-Rupp Co.): 1.7%
15. SWK (Stanley Black & Decker, Inc.): 1.6%
16. GWW (W.W. Grainger, Inc.): 1.6%

C-Ranked Retirement Suitability

1. SFL (SFL Corp. Ltd.): 19.5%
2. LHX (L3Harris Technologies, Inc.): 1.7%
3. DCI (Donaldson Co., Inc.): 1.7%
4. CMI (Cummins, Inc.): 2.3%
5. CODI (Compass Diversified Holdings): 8%
6. ROP (Roper Technologies, Inc.): 0.5%
7. CAT (Caterpillar, Inc.): 2.5%
8. CSX (CSX Corp.): 1.2%
9. UPS (United Parcel Service, Inc.): 2.4%
10. AOS (A. O. Smith Corp.): 1.8%
11. SNA (Snap-On, Inc.): 2.6%
12. ADP (Automatic Data Processing, Inc.): 2.2%
13. UNP (Union Pacific Corp.): 2.1%
14. FELE (Franklin Electric Co., Inc.): 1%
15. CHRW (C.H. Robinson Worldwide, Inc.): 2.3%
16. EXPD (Expeditors International of Washington, Inc.): 1.2%
17. CNI (Canadian National Railway Co.): 1.6%
18. ITW (Illinois Tool Works, Inc.): 2.1%
19. HNI (HNI Corp.): 3.5%
20. MSA (MSA Safety, Inc.): 1.2%

21. CTAS (Cintas Corp.): 0.8%
22. WM (Waste Management, Inc.): 1.9%
23. CARR (Carrier Global Corp.): 0.4%
24. NDSN (Nordson Corp.): 0.8%

D-Ranked Retirement Suitability

1. NLSN (Nielsen Holdings Plc): 1.7%
2. FDX (FedEx Corp.): 0.9%
3. TTC (The Toro Co.): 1.2%
4. RSG (Republic Services, Inc.): 1.8%
5. BAH (Booz Allen Hamilton Holding Corp.): 1.4%
6. CP (Canadian Pacific Railway Ltd.): 0.8%
7. SIEGY (Siemens AG): 3.1%
8. XYL (Xylem, Inc.): 1.1%
9. HON (Honeywell International, Inc.): 2%
10. ABB (ABB Ltd.): 3.2%
11. NSC (Norfolk Southern Corp.): 1.7%
12. PAYX (Paychex, Inc.): 2.9%
13. FAST (Fastenal Co.): 2.1%
14. OTIS (Otis Worldwide Corp.): 0.6%
15. ROK (Rockwell Automation, Inc.): 1.6%
16. TXT (Textron, Inc.): 0.2%
17. TT (Trane Technologies Plc): 1.5%
18. DE (Deere & Co.): 1.3%
19. TRI (Thomson Reuters Corp.): 1.8%
20. BMI (Badger Meter, Inc.): 0.9%

F-Ranked Retirement Suitability

1. LUV (Southwest Airlines Co.): 0.9%
2. OSK (Oshkosh Corp.): 1.6%
3. JCI (Johnson Controls International Plc): 2.4%
4. GE (General Electric Co.): 0.5%
5. KSU (Kansas City Southern): 0.9%
6. R (Ryder System, Inc.): 4.3%
7. PCAR (PACCAR, Inc.): 1.4%
8. ETN (Eaton Corp. Plc): 2.6%

Real Estate**A-Ranked Retirement Suitability**

1. MAC (Macerich Co.): 36.9%
2. FRT (Federal Realty Investment Trust): 5.6%
3. SVC (Service Properties Trust): 13.6%
4. NNN (National Retail Properties, Inc.): 6.2%
5. DHC (Diversified Healthcare Trust): 14.1%

B-Ranked Retirement Suitability

1. SLG (SL Green Realty Corp.): 6.2%
2. GEO (The GEO Group, Inc.): 19.7%
3. CIM (Chimera Investment Corp.): 20.6%
4. SPG (Simon Property Group, Inc.): 11.7%
5. NRZ (New Residential Investment Corp.): 10%
6. WSR (Whitestone REIT): 9.3%
7. SBRA (Sabra Health Care REIT, Inc.): 11.5%
8. GNL (Global Net Lease, Inc.): 12.4%
9. UBA (Urstadt Biddle Properties, Inc.): 9.1%
10. O (Realty Income Corp.): 4.7%

11. AGNC (AGNC Investment Corp.): 12.1%
12. AVB (AvalonBay Communities, Inc.): 4.2%
13. UHT (Universal Health Realty Income Trust): 4.9%
14. VER (VEREIT, Inc.): 7.3%
15. WPC (W.P. Carey, Inc.): 6.3%
16. TWO (Two Harbors Investment Corp.): 18%
17. DX (Dynex Capital, Inc.): 10.3%
18. GLPI (Gaming & Leisure Properties, Inc.): 6.7%
19. ARR (ARMOUR Residential REIT, Inc.): 14.4%

C-Ranked Retirement Suitability

1. OPI (Office Properties Income Trust): 5.6%
2. NYMT (New York Mortgage Trust, Inc.): 16.7%
3. BRX (Brixmor Property Group, Inc.): 7.2%
4. BXP (Boston Properties, Inc.): 5%
5. STWD (Starwood Property Trust, Inc.): 13.1%
6. LTC (LTC Properties, Inc.): 6.5%
7. OHI (Omega Healthcare Investors, Inc.): 8.9%
8. SRC (Spirit Realty Capital, Inc.): 7.9%
9. IRM (Iron Mountain, Inc.): 9%
10. MGP (MGM Growth Properties LLC): 6.8%
11. LMRK (Landmark Infrastructure Partners LP): 12.8%
12. BXMT (Blackstone Mortgage Trust, Inc.): 10.9%
13. NLY (Annaly Capital Management, Inc.): 12.9%
14. CONE (CyrusOne, Inc.): 2.8%
15. ARI (Apollo Commercial Real Estate Finance, Inc.): 17.1%
16. MPW (Medical Properties Trust, Inc.): 5.6%
17. KIM (Kimco Realty Corp.): 7.6%
18. CORR (CorEnergy Infrastructure Trust, Inc.): 32.3%
19. LADR (Ladder Capital Corp.): 14%
20. GOOD (Gladstone Commercial Corp.): 9.1%
21. DEA (Easterly Government Properties, Inc.): 4.8%
22. ORC (Orchid Island Capital, Inc.): 15.8%
23. BPY (Brookfield Property Partners LP): 9.2%
24. COR (CoreSite Realty Corp.): 4%
25. DOC (Physicians Realty Trust): 5.2%
26. PSA (Public Storage): 3.4%
27. VTR (Ventas, Inc.): 6.6%
28. ABR (Arbor Realty Trust, Inc.): 9.6%
29. DLR (Digital Realty Trust, Inc.): 3%

D-Ranked Retirement Suitability

1. INN (Summit Hotel Properties, Inc.): 6%
2. HTA (Healthcare Trust of America, Inc.): 4.8%
3. STOR (STORE Capital Corp.): 5.1%
4. EQR (Equity Residential): 4.5%
5. LAND (Gladstone Land Corp.): 4.6%
6. LAMR (Lamar Advertising Co.): 5%
7. ESS (Essex Property Trust, Inc.): 3.7%
8. STAG (STAG Industrial, Inc.): 4.5%
9. CPT (Camden Property Trust): 3.3%
10. BRMK (Broadmark Realty Capital, Inc.): 5.3%
11. ARE (Alexandria Real Estate Equities, Inc.): 2.7%
12. PEAK (Healthpeak Properties, Inc.): 5.2%
13. CCI (Crown Castle International Corp.): 3%
14. AMT (American Tower Corp.): 1.8%
15. WELL (Welltower, Inc.): 5%
16. WY (Weyerhaeuser Co.): 2.4%

17. CLDT (Chatham Lodging Trust): 6.9%

F-Ranked Retirement Suitability

1. IIPR (Innovative Industrial Properties, Inc.): 3.1%
2. APLE (Apple Hospitality REIT, Inc.): 3.7%
3. PLD (Prologis, Inc.): 2.2%

Technology

A-Ranked Retirement Suitability

1. IBM (International Business Machines Corp.): 5.7%

B-Ranked Retirement Suitability

1. INTC (Intel Corp.): 2.9%
2. CSCO (Cisco Systems, Inc.): 3.9%

C-Ranked Retirement Suitability

1. NTAP (NetApp, Inc.): 4.1%
2. HPQ (HP, Inc.): 3.7%
3. ORCL (Oracle Corp.): 1.7%
4. SAP (SAP SE): 1.6%
5. HPE (Hewlett-Packard Enterprise Co.): 5.1%
6. AMAT (Applied Materials, Inc.): 1.4%
7. STX (Seagate Technology Plc): 5.2%
8. CSVI (Computer Services, Inc.): 1.4%

D-Ranked Retirement Suitability

1. INTU (Intuit, Inc.): 0.7%
2. XRX (Xerox Holdings Corp.): 5.4%
3. AVGO (Broadcom, Inc.): 3.5%
4. CTSI (Cognizant Technology Solutions Corp.): 1.2%
5. TXN (Texas Instruments Incorporated): 2.4%
6. CAJ (Canon, Inc.): 5.8%
7. SWKS (Skyworks Solutions, Inc.): 1.3%
8. MSFT (Microsoft Corp.): 1%
9. INFY (Infosys Ltd.): 1.7%
10. JKH (Jack Henry & Associates, Inc.): 1.1%
11. AAPL (Apple, Inc.): 0.7%
12. QCOM (QUALCOMM, Inc.): 2%

F-Ranked Retirement Suitability

1. LRCX (Lam Research Corp.): 1.3%
2. ASML (ASML Holding NV): 0.7%
3. KLAC (KLA Corp.): 1.6%
4. LOGI (Logitech International SA): 0.9%
5. ERIC (Telefonaktiebolaget LM Ericsson): 1.4%
6. GRMN (Garmin Ltd.): 2.1%
7. GLW (Corning, Inc.): 2.6%
8. MRVL (Marvell Technology Group Ltd.): 0.6%
9. ACN (Accenture Plc): 1.4%
10. TSM (Taiwan Semiconductor Manufacturing Co., Ltd.): 1.9%
11. SNE (Sony Corp.): 0.3%
12. NVDA (NVIDIA Corp.): 0.1%
13. KLIC (Kulicke & Soffa Industries, Inc.): 1.8%

Utilities

A-Ranked Retirement Suitability

1. SPH (Suburban Propane Partners LP): 15.2%
2. UGI (UGI Corp.): 3.9%
3. RDEIY (Red Eléctrica Corp. SA): 6.4%
4. BKH (Black Hills Corp.): 3.5%
5. NWN (Northwest Natural Holding Co.): 4.2%
6. PPL (PPL Corp.): 5.7%

B-Ranked Retirement Suitability

1. BIP (Brookfield Infrastructure Partners LP): 4.5%
2. EIX (Edison International): 4.4%
3. SUUIF (Superior Plus Corp.): 5.8%
4. ATO (Atmos Energy Corp.): 2.3%
5. FTS (Fortis, Inc.): 3.6%
6. SO (The Southern Co.): 4.2%
7. NEP (NextEra Energy Partners LP): 3.3%
8. TRSWF (TransAlta Renewables, Inc.): 5.3%
9. ED (Consolidated Edison, Inc.): 3.7%
10. ETR (Entergy Corp.): 3.4%
11. SJW (SJW Group): 1.9%
12. AWR (American States Water Co.): 1.7%
13. MGEE (MGE Energy, Inc.): 2.1%

C-Ranked Retirement Suitability

1. FE (FirstEnergy Corp.): 5.1%

2. SRE (Sempra Energy): 3.1%
3. CDUAF (Canadian Utilities Ltd.): 5.3%
4. OTTR (Otter Tail Corp.): 3.4%
5. DTE (DTE Energy Co.): 3.2%
6. ARTNA (Artesian Resources Corp.): 2.7%
7. LNT (Alliant Energy Corp.): 2.6%
8. DUK (Duke Energy Corp.): 4%
9. PEG (Public Service Enterprise Group, Inc.): 3.3%
10. AEP (American Electric Power Co., Inc.): 3.1%
11. WTRG (Essential Utilities, Inc.): 2.3%
12. BEP (Brookfield Renewable Partners LP): 3.7%
13. XEL (Xcel Energy, Inc.): 2.3%
14. MSEX (Middlesex Water Co.): 1.5%
15. CWT (California Water Service Group): 1.8%

D-Ranked Retirement Suitability

1. CWCO (Consolidated Water Co. Ltd.): 3.2%
2. SPKE (Spark Energy, Inc.): 7.7%
3. EXC (Exelon Corp.): 3.5%
4. D (Dominion Energy, Inc.): 4.5%
5. AQN (Algonquin Power & Utilities Corp.): 3.7%
6. CNP (CenterPoint Energy, Inc.): 4.7%
7. NEE (NextEra Energy, Inc.): 1.8%
8. WEC (WEC Energy Group, Inc.): 2.4%

F-Ranked Retirement Suitability

1. N/A

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 securities 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 1.7%, and valuation multiple mean reversion at -7.7% (S&P 500 fair value P/E of 15.86 versus current P/E of 35.36) for an expected total return sell threshold of -0.5%. 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 Recommendations⁴

Name	Ticker	Time Since 1 st Rec. (Years)	DR Score	5-Year Expected Total Return	CAGR ⁵	Total Return	S&P 500 (SPY) Total Return
Omega Healthcare	OHI	4.0	D	12.5%	7.8%	34.8%	77.5%
AT&T	T	4.0	B	13.9%	-1.4%	-5.6%	77.5%
Enterprise Products	EPD	4.0	B	15.3%	-2.2%	-8.6%	77.5%
Magellan Midstream	MMP	4.0	C	19.8%	-8.4%	-29.4%	77.5%
Energy Transfer	ET	4.0	C	27.3%	-14.1%	-45.6%	77.5%
Sunoco	SUN	3.5	B	16.3%	7.4%	28.2%	56.2%
ONEOK	OKE	2.8	C	20.8%	-15.4%	-37.7%	34.7%
Altria	MO	2.5	B	14.4%	-8.2%	-19.2%	34.6%
STAG Industrial	STAG	2.1	D	6.6%	17.6%	39.7%	32.7%
Verizon	VZ	2.1	B	9.1%	8.4%	18.0%	32.7%
Leggett & Platt	LEG	2.0	C	6.3%	11.7%	24.7%	33.6%
AbbVie	ABBV	2.0	A	11.0%	8.0%	16.5%	33.6%
IBM	IBM	2.0	B	9.8%	-5.8%	-11.2%	33.6%
People's United	PBCT	2.0	B	15.2%	-12.0%	-22.4%	33.6%
General Mills	GIS	2.0	C	6.4%	-22.4%	-39.5%	33.6%
Cardinal Health	CAH	1.8	A	8.1%	10.8%	20.3%	40.6%
Hanesbrands	HBI	1.8	B	11.7%	3.7%	6.8%	40.6%
Newell Brands	NWL	1.8	F	1.3%	3.6%	6.6%	40.6%
MSC Industrial Direct	MSM	0.9	C	7.6%	N/A	12.2%	13.7%
Chevron	CVX	0.7	F	16.3%	N/A	-31.6%	6.2%
United Parcel Service	UPS	0.7	B	3.8%	N/A	90.8%	29.6%
Polaris	PII	0.6	A	11.0%	N/A	88.0%	28.1%
Bank OZK	OZK	0.6	B	10.2%	N/A	42.0%	28.1%
Franklin Resources	BEN	0.6	A	12.6%	N/A	28.4%	28.1%
National Fuel Gas	NFG	0.6	A	13.5%	N/A	7.1%	28.1%
Genuine Parts	GPC	0.6	A	4.4%	N/A	6.7%	28.1%
Weyco	WEYS	0.6	C	5.8%	N/A	-9.4%	28.1%

⁴ 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 11/6/20 and Sure Analysis Research data is from 11/5/20.

⁵ Compound annual growth rate (CAGR) is only available for past recommendations with 1+ year holding periods.

Walgreens	WBA	0.6	A	14.8%	N/A	-13.0%	28.1%
Federal Realty	FRT	0.5	B	14.8%	N/A	67.4%	20.7%
Archer-Daniels-Mid.	ADM	0.5	A	5.5%	N/A	37.7%	20.7%
Unum	UNM	0.5	A	15.6%	N/A	31.7%	20.7%
Old Republic	ORI	0.4	C	14.5%	N/A	6.1%	15.0%
Philip Morris	PM	0.4	D	10.8%	N/A	1.3%	15.0%
Mercury General	MCY	0.4	C	14.9%	N/A	0.6%	15.0%
Realty Income	O	0.4	C	9.6%	N/A	-5.5%	15.0%
British American Tob.	BTI	0.4	C	14.9%	N/A	-12.4%	15.0%
M&T Bank	MTB	0.3	B	13.6%	N/A	3.0%	11.7%
Edison International	EIX	0.1	B	8.4%	N/A	16.4%	3.9%
John Wiley & Sons	JW.A	0.0	B	13.7%	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%
WestRock	WRK	2/11/2019	11/9/20	10.9%	33.7%

Average sold position total return: 14.7%

S&P 500 (SPY) average position total return: 21.1%

Pending Sells

Name & Ticker	Recommend Date	Total Return⁶
Genesis Energy (GEL)	November 2016	-80.0%
Macy's (M)	May 2017	-71.7%
Kohl's (KSS)	May 2017	-36.1%
Occidental Petroleum (OXY)	June 2017	-80.0%
Suburban Propane (SPH)	July 2017	-9.2%
Royal Dutch Shell (RDS.B)	July 2017	-44.1%
Invesco (IVZ)	May 2018	-43.0%
Kraft Heinz (KHC)	October 2018	-35.1%
Foot Locker (FL)	November 2018	-22.1%
Tanger Factory Outlet (SKT)	April 2019	-59.4%
Eaton Vance	April 2020	91.4%

We will initiate final sell recommendations for all of the above pending sells based on valuation, momentum, and holding period. We are not issuing sell prices for our pending sells at this time. We are reviewing with every newsletter for the final sell recommendation.

⁶ 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 11/6/20.

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
NFG	National Fuel Gas	\$ 1,002	NFG	National Fuel Gas	\$ 4,374
UNM	Unum	\$ -	UNM	Unum	\$ 4,878
WBA	Walgreens	\$ -	WBA	Walgreens	\$ 5,374
BEN	Franklin Resources	\$ -	BEN	Franklin Resources	\$ 4,353
ABBV	AbbVie	\$ -	ABBV	AbbVie	\$ 7,312
SUN	Sunoco	\$ -	SUN	Sunoco	\$ 2,799
EPD	Enterprise Products	\$ -	EPD	Enterprise Products	\$ 2,952
MO	Altria	\$ -	MO	Altria	\$ 6,660
T	AT&T	\$ -	T	AT&T	\$ 2,367
JW.A	John Wiley & Sons	\$ -	JW.A	John Wiley & Sons	\$ 2,818

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