



Sure Dividend

LONG-TERM INVESTING IN HIGH-QUALITY DIVIDEND SECURITIES

January 2021 Edition

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Opening Thoughts - On Payout Ratios -

One of the most important financial metrics we utilize when analyzing dividend stocks is the dividend payout ratio. This is the percentage of a company's earnings-per-share that are distributed to shareholders as a dividend. We believe the payout ratio tells the "real story" as to whether a company's dividend is sustainable moving forward.

There is a tendency for investors to focus too much on a stock's dividend yield. If a company's current share price is \$100 with an annual dividend payout of \$1.00 per share, the corresponding dividend yield is 1%. Expressed differently, investors who buy this stock will receive a 1% rate of return as a dividend. The dividend yield can fluctuate depending on two key factors: the share price and the dividend payment. If the stock in question falls to \$50 with the same \$1.00 dividend, the dividend yield is 2%.

Investors looking for higher levels of investment income might gravitate towards stocks with the highest yields. After all, who wouldn't want to earn a high dividend yield of 8%, 10%, or even more? But of course, there is much more to a dividend stock than just the yield. Stocks with deteriorating fundamentals such as revenue and earnings will typically experience a drop in share price. This will have the effect of raising the dividend yield, thereby making the stock more attractive for income investors. However, companies in distressed financial position are also at risk of cutting or eliminating their dividends. These are the outcomes income investors want to avoid at all costs.

For this reason, investors should attempt to assess the safety of a dividend. One way to do this is to calculate the payout ratio, which is simply the forward annual dividend payout divided by the current fiscal year earnings-per-share.

As an example, we previously recommended Unum Group (UNM) in part because of its high dividend safety. We assign Unum stock with a Dividend Risk score of A. The company is expected to generate adjusted earnings-per-share of \$5.00 for 2020, while it has a forward dividend payout of \$1.14 per share. Consequently, Unum stock carries a dividend payout ratio of just 22.8%. This is a very low payout ratio which leaves sufficient coverage for the dividend, even if earnings-per-share decline. Stocks with low payout ratios therefore have greater cushioning of their dividends.

And with the U.S. economy still in a fragile state, investors should give even more consideration to low payout ratios when making their investment decisions. A recession can have a significant impact on the earnings-per-share of a company, particularly for those that operate in cyclical industries. On the other hand, a company with a recession-resistant business model has a better chance of seeing its earnings-per-share holding steady in a downturn. This is critical for its ability to maintain its dividend during a recession.

The other benefit of choosing stocks with low payout ratios is that they also have better dividend growth prospects. If a company maintained a dividend payout ratio near 100%, it essentially has no room to increase the dividend at its current rate of earnings. By contrast, stocks with lower payout ratios have more room to grow their payouts, even if earnings-per-share are not growing at a high rate. For all these reasons, income investors should be aware of a company's dividend payout ratio before buying shares.

The Sure Dividend Top 10 – January 2021

Name & Ticker	Div. Risk Score	Price	Fair Value	Exp. Value Ret.	Div. Yield	Payout Ratio	Exp. Growth	ETR
Northrop Grumman (NOC)	A	\$303	\$337	2.1%	1.9%	25%	10.0%	13.8%
Walgreens (WBA)	A	\$40	\$50	4.6%	4.7%	38%	5.0%	13.6%
Telephone & Data (TDS)	B	\$18	\$29	10.2%	3.7%	64%	1.5%	14.3%
Lockheed Martin (LMT)	B	\$354	\$391	2.0%	2.9%	39%	10.0%	14.3%
Gilead (GILD)	B	\$58	\$71	4.1%	4.7%	42%	5.0%	13.5%
AT&T (T)	B	\$28	\$36	4.6%	7.3%	64%	3.0%	13.2%
Bristol-Myers Squibb (BMY)	B	\$62	\$85	6.5%	3.2%	29%	4.0%	13.0%
Huntington Ingalls (HII)	B	\$168	\$217	5.3%	2.7%	29%	5.0%	12.9%
Altria (MO)	B	\$41	\$47	3.0%	8.4%	77%	3.0%	12.5%
Intel (INTC)	B	\$50	\$63	4.8%	2.6%	27%	5.0%	12.4%

Notes: Data for the table above is from the 12/31/20 Sure Analysis Research Database spreadsheet. Numbers for the Top 10 table and the individual reports may not perfectly match as reports are completed throughout the week. 'Div.' stands for 'Dividend.' 'Exp. Value Ret.' means expected returns from valuation changes. 'Exp. Growth' means expected annualized growth rate over the next five years. 'ETR' stands for Expected Annual Total Returns.

Disclosures: Ben Reynolds is long WBA, T, & MO from this month's Top 10. Bob Ciura is long MO. Eli Inkrot is long WBA & T. [The Real Money Portfolio](#) will buy shares of LMT on Tuesday 1/5/21 and is long NOC, WBA, TDS, T, BMY, HII, & MO.

Gilead (GILD) replaces National Fuel Gas (NFG) in the Top 10 this month. There tends to be more stability in our Top 10 pages outside of earnings season which falls in the 2-week period centered around the 26th in January, April, July, and October. Remember: securities that fall out of the Top 10 are *holds*, not *sells*.

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

	Top 10	S&P 500
Dividend Yield:	4.2%	1.6%
Growth Rate:	5.2%	5.5%
Valuation Expansion:	4.7%	-8.3%
Expected Annual Total Return¹:	13.4%	-1.3%

Note: Data for this newsletter is from 12/28/20 through 12/31/20.

¹ Expected annual total returns for our Top 10 is calculated as the average of each individual stock's expected total returns from The Sure Analysis Research Database. Expected annual total returns for the S&P 500 uses the simplified method of calculating expected total returns and is the sum of dividend yield, growth, and expected returns from valuation changes.

Analysis of Top 10 Securities

Northrop Grumman Corp. (NOC)

Overview & Current Events

Northrop Grumman is a \$51 billion market cap aerospace and defense company. The company reports under four segments: Aeronautics Systems (aircraft and UAVs); Mission Systems (radars, sensors and systems for surveillance and targeting); Defense Systems (information technology, sustainment and modernization, directed energy, tactical weapons); and Space Systems (missile defense, space systems, hypersonics, and space launchers). The company makes the B-2 Spirit stealth bomber, E-2D Advanced Hawkeye and E-8C JSTARS and provides content on the F-35 Lightning II and F/A-18 Super Hornet.

On October 22nd, 2020 Northrop Grumman released Q3 2020 results for the period ending September 30th, 2020. Companywide revenue increased 7% to \$9.1 billion from \$8.5 billion and earnings-per-share (EPS) increased 7% to \$5.89 from \$5.49 on a year-over-year basis. Revenue for Aeronautics Systems, Mission Systems, and Space Systems increased 5%, 10% and 17% respectively, offset slightly by a (-4%) decline in Defense Systems.

The company ended the quarter with a record backlog of \$81.3 billion, up due to major contract wins of \$20.3 billion in the quarter. Earnings-per-share guidance was increased to \$22.25 - \$22.65 for 2020.

Competitive Advantage & Recession Performance

As a prime U.S. defense contractor, Northrop Grumman has an entrenched position in many of its end markets. Of note are the B-2, B-21, E-2D, E-8C, Global Hawk and Triton platforms. These platforms have decades long life cycles and Northrop Grumman has the expertise to perform sustainment and modernization. These characteristics allow for a good deal of ballast in lesser times. During the last recession, Northrop Grumman generated earnings-per-share of \$5.32, \$4.87, \$5.80 and \$7.41 over the 2008 through 2011 stretch, while the company continued to increase its dividend.

Growth Prospects, Valuation, & Catalyst

In the 2010 through 2019 period, Northrop Grumman grew its earnings-per-share by a 15.5% average yearly rate. This impressive result was driven by a top line that remained relatively stagnant, while the company's net profit margin increased from 5.0% to 10.7% and the share count was reduced by an average of 5.9% per year. Moving forward we anticipate 10.0% annual EPS growth, with many of the same factors contributing to this thesis.

We expected Northrop Grumman to generate earnings-per-share of \$22.45 in 2020. Based on this, the stock is currently trading at a price-to-earnings ratio (P/E) of 13.5. Our fair value estimate is a P/E of 15.0, which means expansion of the P/E multiple could add 2.1% per year to annual returns. When combined with the 10.0% expected growth rate and 1.9% dividend yield, total return potential comes to 13.8% per year over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	17	5-Year Growth Estimate:	10.0%
Dividend Yield:	1.9%	5-Year Valuation Return Estimate:	2.1%
Most Recent Dividend Increase:	9.8%	5-Year CAGR Estimate:	13.8%
Estimated Fair Value:	\$337	Dividend Risk Score:	A
Stock Price:	\$303	Retirement Suitability Score:	B

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	28143	26412	25218	24661	23979	23526	24706	26004	30095	33841
Gross Profit	5294	5626	5580	5379	5601	5642	5909	5930	6791	7259
Gross Margin	18.8%	21.3%	22.1%	21.8%	23.4%	24.0%	23.9%	22.8%	22.6%	21.5%
SG&A Exp.	2467	2350	2450	2256	2405	2566	2632	2712	3011	3290
D&A Exp.	555	544	510	495	462	467	456	475	800	1018
Operating Profit	2827	3276	3130	3123	3196	3076	3277	3218	3780	3969
Op. Margin	10.0%	12.4%	12.4%	12.7%	13.3%	13.1%	13.3%	12.4%	12.6%	18.8%
Net Profit	2053	2118	1978	1952	2069	1990	2043	2869	3229	2248
Net Margin	7.3%	8.0%	7.8%	7.9%	8.6%	8.5%	8.3%	11.0%	10.7%	10.7%
Free Cash Flow	1868	1623	2309	2119	2032	1691	1893	1685	2578	3033
Income Tax	462	997	987	911	868	800	638	1360	513	300

Balance Sheet Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	31421	25411	26543	26381	26572	24424	25614	35128	37653	41089
Cash & Equivalents	3701	3002	3862	5150	3863	2319	2541	11225	1579	2245
Acc. Receivable	4057	2964	2858	2685	2806	2841	3299	1054	1448	1326
Inventories	1185	873	798	698	742	807	816	398	654	783
Goodwill & Int.	14296	12374	12431	12438	12466	12460	12450	12507	20044	19748
Total Liabilities	17864	15075	17029	15761	19337	18902	20355	27996	29466	32270
Accounts Payable	1846	1481	1392	1229	1305	1282	1554	1661	2182	2226
Long-Term Debt	4829	3935	3930	5928	5925	6386	7058	14399	13883	12770
Total Equity	13557	10336	9514	10620	7235	5522	5259	7132	8187	8819
D/E Ratio	0.36	0.38	0.41	0.56	0.82	1.16	1.34	2.02	1.70	1.45

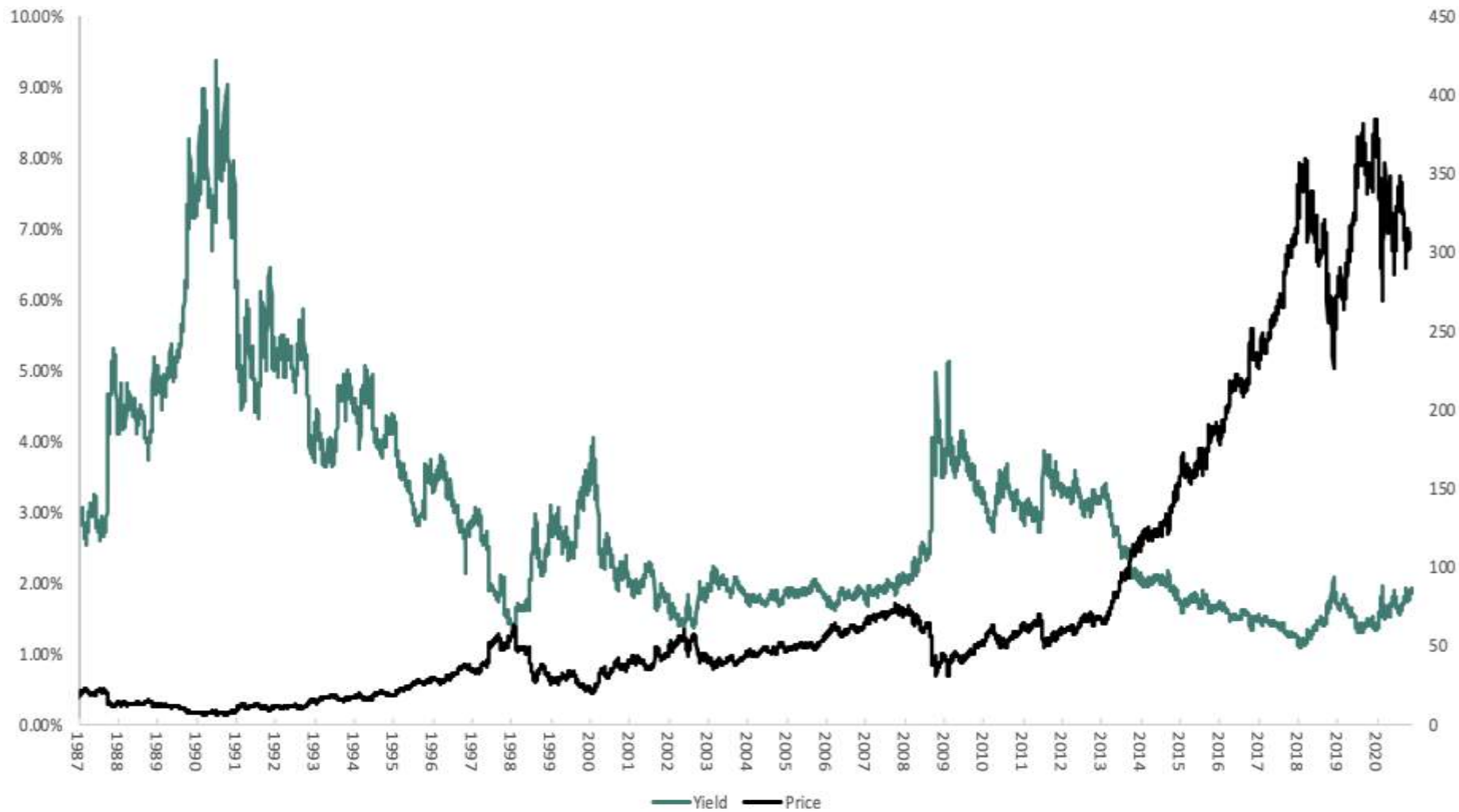
Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	6.7%	7.5%	7.6%	7.4%	7.8%	7.8%	8.2%	9.4%	8.9%	5.7%
Return on Equity	15.6%	17.7%	19.9%	19.4%	23.2%	31.2%	37.9%	46.3%	42.2%	26.4%
ROIC	11.6%	13.0%	14.3%	13.0%	13.9%	15.9%	16.9%	17.0%	14.8%	10.3%
Shares Out.	291	253.9	237.1	216.7	198.4	181.3	175.1	174.1	170	167
Revenue/Share	93.47	93.79	99.52	105.43	113.06	122.79	136.88	148.09	172.37	199.06
FCF/Share	6.20	5.76	9.11	9.06	9.58	8.83	10.49	9.60	14.77	17.84

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

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Northrop Grumman Corp. (NOC) Dividend Yield History



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Walgreens Boots Alliance Inc. (WBA)

Overview & Current Events

Walgreens Boots Alliance is a pharmacy retailer with more than 21,000 stores in 11 countries, and including equity investments, has a presence in more than 25 countries. The stock currently has a \$34 billion market capitalization, and the company produces \$139 billion in annual revenue. Walgreens has increased its dividend for 45 consecutive years, which makes it a Dividend Aristocrat.

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. Adjusted operating income decreased 28% to \$1.1 billion. Adjusted earnings-per-share (EPS) decreased 28% to \$1.02, reflecting an estimated adverse impact of \$0.46 from the COVID-19 pandemic.

For the fiscal year, sales increased 2.0% to \$139.5 billion. Adjusted operating income decreased 25% to \$5.2 billion, while adjusted earnings-per-share totaled \$4.74, down 21% 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 Advantages & Recession Performance

Walgreens' competitive advantage is its leading market share. Its robust retail presence and convenient locations encourage consumers to use Walgreens instead of its competitors. This brand strength means customers keep coming back to Walgreens.

Consumers are unlikely to cut spending on prescriptions and other healthcare products, even during difficult economic times, which makes Walgreens very resistant to recessions. Walgreens' adjusted earnings-per-share declined by just 7% during 2009 and the company actually grew its adjusted earnings-per-share from 2007 through 2010.

Growth Prospects, Valuation, & Catalyst

Walgreens has a positive long-term growth outlook. Retail pharmacy has proven to be resistant to e-commerce and will benefit from the aging U.S. population and rising demand for healthcare. For example, in the most recent quarter Walgreens' sales growth was led by a 3.6% increase in the Retail Pharmacy USA segment and a 4.3% increase in the Pharmaceutical Wholesale division. Pharmacy sales, which accounted for 75% of the Pharmacy USA segment's sales in the quarter, increased 4.2% compared with the year-ago quarter. New partnerships are an additional growth catalyst, as Walgreens and DoorDash announced an on-demand delivery collaboration. Walgreens also plans to open 500 to 700 Village Medical at Walgreens clinics in more than 30 U.S. markets over the next five years.

Based on expected fiscal 2021 adjusted EPS of \$4.98, Walgreens stock trades at a price-to-earnings ratio (P/E) of just 8.0. We believe Walgreens is valued far too cheaply based on its strong business model, competitive advantages, and long history of dividend increases. Our fair value estimate is a P/E of 10.0, which means expansion of the price-to-earnings ratio could add 4.6% to Walgreens' annualized returns through 2025. We expect this expansion to combine with expected 5% annualized EPS growth and the 4.7% dividend yield to generate 13.6% annualized total returns.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	45	5-Year Growth Estimate:	5.0%
Dividend Yield:	4.7%	5-Year Valuation Return Estimate:	4.6%
Most Recent Dividend Increase:	2.2%	5-Year CAGR Estimate:	13.6%
Estimated Fair Value:	\$50	Dividend Risk Score:	A
Stock Price:	\$40	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

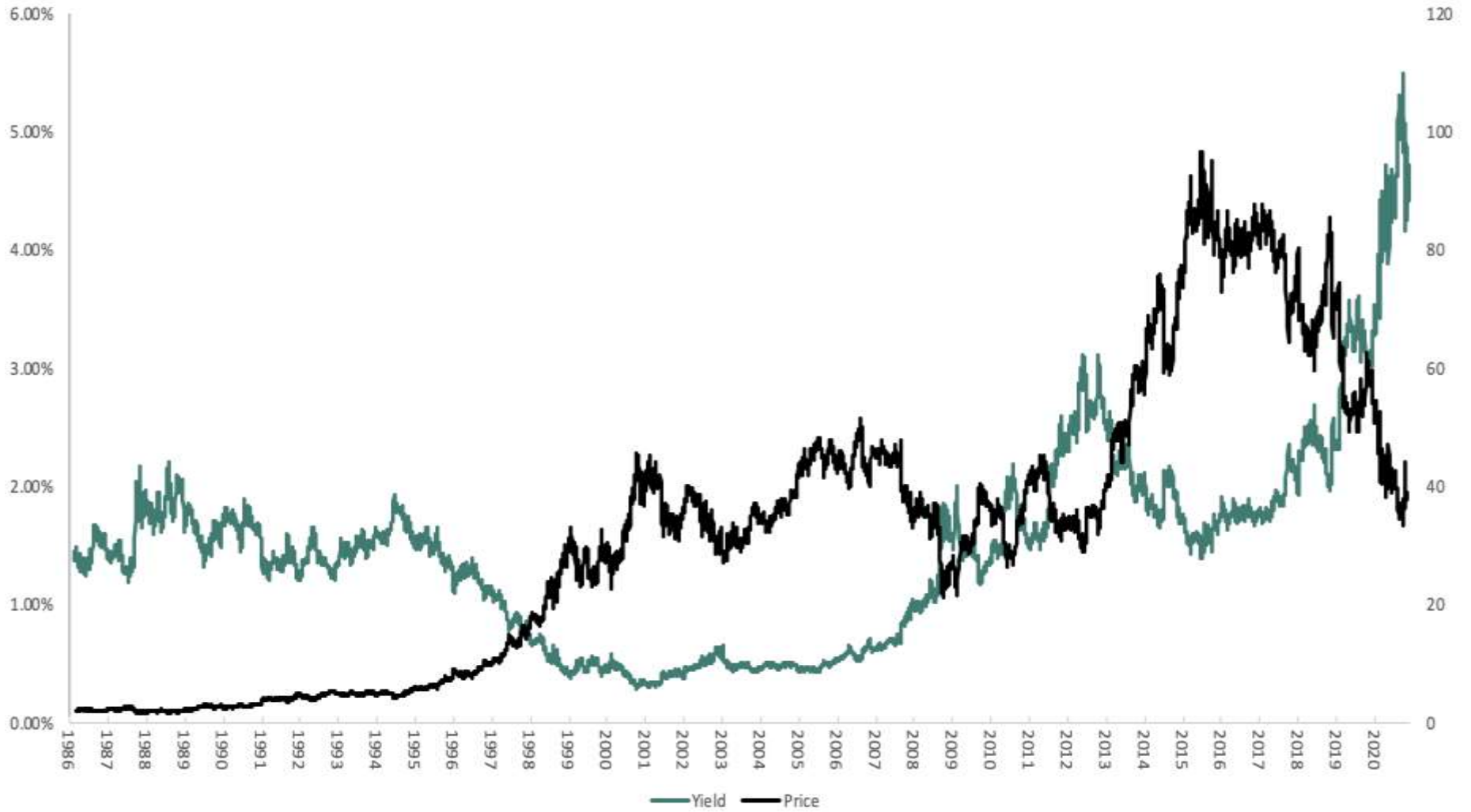
Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets	27454	33462	35481	37250	68782	72688	66009	68124	67598	87174
Cash & Equivalents	1556	1297	2106	2646	3000	9807	3301	785	1023	516
Acc. Receivable	2497	2167	2632	3218	6849	6260	6528	6573	7226	7132
Inventories	8044	7036	6852	6076	8678	8956	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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Telephone & Data Systems Inc. (TDS)

Overview & Current Events

Telephone & Data Systems provides customers with cellular and landline services, wireless products, cable, broadband, and voice services across 24 U.S. states. The company's Cellular Division accounts for more than 75% of operating revenue. TDS started in 1969. Today, the company has a market cap of \$2.1 billion and generates more than \$5 billion in annual revenues.

On November 5th, TDS reported financial results for the third quarter. The company grew its total operating revenues marginally to \$1.324 billion. Diluted earnings per share (EPS) also grew significantly, by 340% to \$0.66. Postpaid churn rate was favorable in comparison to last year, at 1.06% for the third quarter versus 1.38% in the same quarter last year. Average revenue per user for postpaid connections grew 2% which helped boost revenue. While wireline connections fell 0.5%, cable connections grew 11.7% last quarter, bolstered by the acquisition of Continuum.

Competitive Advantages & Recession Performance

Telephone & Data Systems operates in the competitive telecommunications industry. Price wars are common among telecoms in the constant battle for subscribers. That said, the entire industry benefits from a high level of concentration. There are only a few major telecoms (AT&T, Verizon and T-Mobile) that dominate the U.S. market. Building a new network large enough to compete with the established giants, TDS included, would be extremely prohibitive.

TDS has historically held up well during recessions because consumers are reluctant to cut their telecommunications services like wireless, broadband, and cable. During the Great Recession, TDS' earnings-per-share actually increased 69% from 2008-2010. The company has remained profitable during the current period of economic weakness caused by the coronavirus pandemic.

Growth Prospects, Valuation, & Catalyst

Much of TDS' future growth potential depends on U.S. Cellular, as TDS has an 82% stake in U.S. Cellular. The company has a mixed track record when it comes to growth. During the last decade, its earnings-per-share have declined approximately 2.6% compounded-per-year on average. While the earnings trend has been volatile, book value per share has grown by 2.0% per year over the last decade. We expect 1.5% annual earnings-per-share growth over the next five years. Earnings growth will be achieved through a mix of revenue growth and margin improvements.

Due to the volatility in the company's earnings, we believe that the best way to assess the valuation of TDS is by looking at its price-to-book ratio. TDS is currently trading at a price-to-book ratio of 0.43, which is lower than its 10-year average of 0.74. Our fair value estimate is a price-to-book ratio of 0.70. If the stock reverts to its average valuation level over the next five years, it will enjoy a 10.2% annualized gain. Shareholder returns will be boosted by expected EPS growth of 1.5%, and the current dividend yield of 3.7%. Overall, total returns are expected to reach 14.3% per year over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	45	5-Year Growth Estimate:	1.5%
Dividend Yield:	3.7%	5-Year Valuation Return Estimate:	10.2%
Most Recent Dividend Increase:	3.0%	5-Year CAGR Estimate:	14.3%
Estimated Fair Value:	\$29	Dividend Risk Score:	B
Stock Price:	\$18	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	4987	5180	5345	4901	5009	5210	5155	5044	5109	5176
Gross Profit	3062	3130	3073	2676	2498	2795	2726	2685	2773	2839
Gross Margin	61.4%	60.4%	57.5%	54.6%	49.9%	53.6%	52.9%	53.2%	54.3%	54.8%
SG&A Exp.	1998	2002	2034	1948	1865	1781	1762	1689	1694	1717
D&A Exp.	756	766	814	1018	837	844	850	844	883	932
Operating Profit	308	362	225	-290	-204	170	114	152	196	190
Operating Margin	6.2%	7.0%	4.2%	-5.9%	-4.1%	3.3%	2.2%	3.0%	3.8%	3.7%
Net Profit	145	201	82	142	-136	219	43	153	135	121
Net Margin	2.9%	3.9%	1.5%	2.9%	-2.7%	4.2%	0.8%	3.0%	2.6%	2.3%
Free Cash Flow	337	284	110	-389	-404	-11	146	91	241	59
Income Tax	95	114	74	126	-5	172	40	-279	46	64

Balance Sheet Metrics

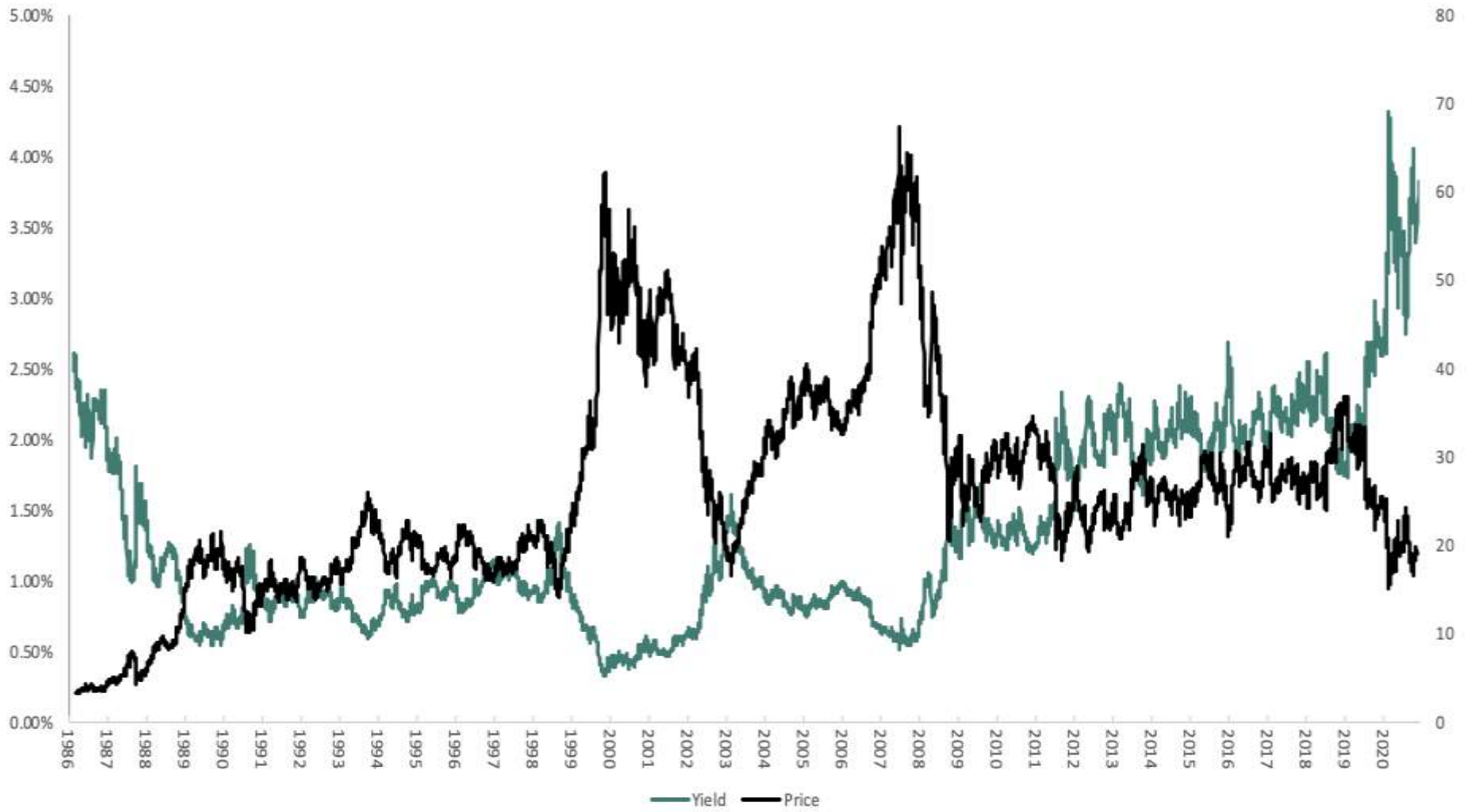
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	7763	8201	8624	8904	8854	9422	9446	9295	9783	10781
Cash & Equivalents	368	563	740	830	472	985	900	619	921	465
Accounts Receivable	513	394	410	552	549	705	753	861	992	1005
Inventories	116	130	161	245	274	158	151	145	150	169
Goodwill & Int. Ass.	2219	2342	2336	2456	2534	2901	2938	3020	2957	3266
Total Liabilities	3301	3598	3968	4234	4399	4718	4696	4403	4490	5377
Accounts Payable	344	365	377	496	387	349	365	368	365	374
Long-Term Debt	1502	1531	1723	1722	1942	2454	2445	2457	2439	2326
Shareholder's Equity	3814	3962	4012	4118	3926	4126	4144	4269	4560	4653
D/E Ratio	0.39	0.39	0.43	0.42	0.49	0.59	0.59	0.58	0.53	0.50

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	1.9%	2.5%	1.0%	1.6%	-1.5%	2.4%	0.5%	1.6%	1.4%	1.2%
Return on Equity	3.8%	5.2%	2.1%	3.5%	-3.4%	5.4%	1.0%	3.6%	3.1%	2.6%
ROIC	2.4%	3.3%	1.3%	2.2%	-2.1%	3.2%	0.6%	2.1%	1.8%	1.6%
Shares Out.	113.0	117.9	107.9	108.8	107.9	109.0	110.0	112.0	115.0	116.0
Revenue/Share	45.13	47.48	49.07	44.91	46.38	47.36	46.44	45.04	44.82	44.62
FCF/Share	3.05	2.60	1.01	-3.57	-3.74	-0.10	1.32	0.81	2.11	0.51

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

Telephone and Data Systems Inc. (TDS) Dividend Yield History



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Lockheed Martin Corp. (LMT)

Overview & Current Events

Lockheed Martin is the world's largest defense company. Roughly 60% of the company's revenues come from the U.S. Department of Defense, with other U.S. government agencies (10%) and international clients (30%) making up the remainder. The company consists of four business segments: Aeronautics (~40% sales) - which produces military aircraft like the F-35, F-22, F-16 and C-130; Rotary and Mission Systems (~26% sales) - which includes combat ships, naval electronics and helicopters; Missiles and Fire Control (~16% sales) - which creates missile defense systems; and Space Systems (~17% sales) - which produces satellites. The \$99 billion market cap company generated \$59.8 billion in revenue in 2019.

On October 20th, 2020 Lockheed Martin reported Q3 2020 results for the period ending September 27th, 2020. Sales increased 9% to \$16.5 billion from \$15.2 billion and earnings-per-share (EPS) increased 10% to \$6.25 from \$5.66 on a year-over-year basis. All four business segments increased net sales. The Aeronautics, Missiles and Fire Control, Rotary and Mission Systems, and Space segments saw sales increase 8%, 14%, 8%, and 6% respectively.

Lockheed Martin's backlog ended the quarter at \$150.5 billion, driven by increases in Aeronautics, Missiles and Fire Control, and Rotary and Mission Systems but offset by a decline in the Space segment. For 2020 the company anticipates ~\$24.45 in earnings-per-share for 2020.

Competitive Advantage & Recession Performance

Lockheed Martin is an entrenched military contractor. It produces aircraft and other platforms that serve as the backbone for the U.S. military and other militaries around the world. This leads to a competitive advantage as any new technologies would have to significantly outperform existing platforms. These platforms have decades long life cycles and Lockheed Martin has expertise and experience to perform sustainment and modernization. These characteristics lead to a good degree of recession resistance. During the 2008 through 2011 period, Lockheed Martin generated earnings-per-share of \$7.86, \$7.78, \$7.23 and \$7.82, while the dividend kept on increasing.

Growth Prospects, Valuation, & Catalyst

In the 2010 through 2019 period, Lockheed Martin grew its earnings-per-share by a 13.1% average annual compound rate. This result was driven by 3.0% yearly revenue growth that was significantly aided by a profit margin increasing from 5.8% to 10.4% and a share count that declined by 2.3% per year. Moving forward we expect 10% annual EPS growth, with help from many of the same factors.

We expect Lockheed Martin to generate earnings-per-share of \$24.45 in 2020. Based on this, the stock is currently trading at a price-to-earnings ratio (P/E) of 14.5. Our fair value estimate is a P/E of 16.0, which means expansion of the P/E multiple could increase returns by 2.0% per year. When combined with the 10% anticipated EPS growth rate and 2.9% starting yield, total return potential comes to 14.3% per year over the next half decade.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	18	5-Year Growth Estimate:	10.0%
Dividend Yield:	2.9%	5-Year Valuation Return Estimate:	2.0%
Most Recent Dividend Increase:	8.3%	5-Year CAGR Estimate:	14.3%
Estimated Fair Value:	\$391	Dividend Risk Score:	B
Stock Price:	\$354	Retirement Suitability Score:	B

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	45671	46499	47182	45358	39946	40536	47248	51048	53762	59812
Gross Profit	3844	3744	4196	4187	4683	4492	5062	5548	7274	8367
Gross Margin	8.4%	8.1%	8.9%	9.2%	11.7%	11.1%	10.7%	10.9%	13.5%	14.0%
D&A Exp.	1052	1008	988	990	994	1026	1215	1195	1161	1189
Operating Profit	4105	4020	4434	4505	5012	4712	5549	5921	7334	8545
Op. Margin	9.0%	8.6%	9.4%	9.9%	12.5%	11.6%	11.7%	11.6%	13.6%	14.3%
Net Profit	2878	2655	2745	2981	3614	3605	5302	2002	5046	6230
Net Margin	6.3%	5.7%	5.8%	6.6%	9.0%	8.9%	11.2%	3.9%	9.4%	10.4%
Free Cash Flow	2727	3266	619	3710	3021	4162	4126	5299	1860	5827
Income Tax	1164	964	1327	1205	1424	1173	1133	3340	792	1011

Balance Sheet Metrics

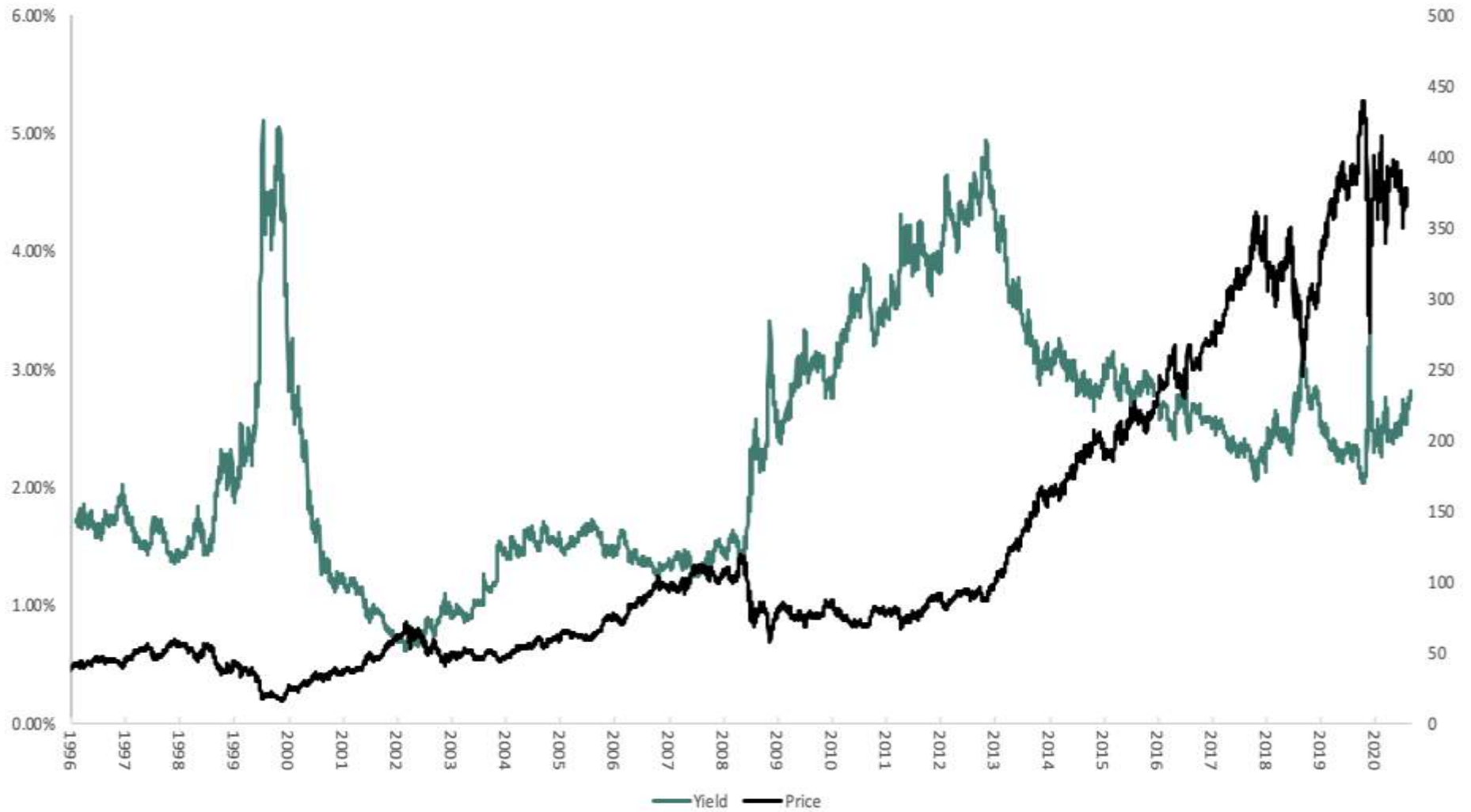
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	35113	37908	38657	36188	37046	49304	47806	46521	44876	47528
Cash & Equivalents	2261	3582	1898	2617	1446	1090	1837	2861	772	1514
Acc. Receivable	5692	6064	6563	5834	5877	7254	8202	8603	2444	2337
Inventories	2363	2481	2937	2977	2804	4819	4670	4487	2997	3619
Goodwill & Int.	9605	10148	10370	10348	11186	14717	14857	14604	14263	13817
Total Liabilities	31616	36907	38618	31270	33646	46207	46200	47130	43427	44357
Accounts Payable	1627	2269	2038	1397	1562	1745	1653	1467	2402	1281
Long-Term Debt	5019	6460	6308	6152	6142	15261	14282	14263	14104	12654
Total Equity	3497	1001	39	4918	3400	3097	1511	-683	1394	3127
D/E Ratio	1.44	6.45	161.74	1.25	1.81	4.93	9.45	-20.88	10.12	4.05

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	8.2%	7.3%	7.2%	8.0%	9.9%	8.3%	10.9%	4.2%	11.0%	13.5%
Return on Equity	75.5%	118%	528%	120%	86.9%	111%	230%	484%	1419%	275.6%
ROIC	32.5%	33.2%	39.8%	34.2%	35.1%	25.8%	31.0%	13.6%	34.6%	39.7%
Shares Out.	346	323.4	321	319	314	303	289	284	280	278
Revenue/Share	124.00	136.80	143.67	138.92	123.90	128.81	155.88	175.66	187.45	210.75
FCF/Share	7.40	9.61	1.88	11.36	9.37	13.23	13.61	18.23	6.49	20.53

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

Lockheed Martin Corp. (LMT) Dividend Yield History



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Gilead Sciences Inc. (GILD)

Overview & Current Events

Gilead Sciences is a biotechnology company that focuses on antiviral medications and treatments. The company's main products treat infectious diseases such as HIV and Hepatitis B and C, but it has a growing oncology portfolio as well. The company's current market capitalization is \$73 billion, and it generates about \$23 billion in annual revenue.

Gilead reported Q3 earnings on October 28th. Revenue was up 17% year-over-year as the company saw diverging performances from its Hepatitis C franchise – which continues to suffer from declining patient pools – and its COVID therapy, remdesivir. The latter generated \$870 million in sales in Q3, and Biktarvy saw sales grow by half, year-over-year. Gilead generated \$2.11 in earnings-per-share in Q3 and guided for earnings-per-share of \$6.25 to \$6.60 for this year on revenue of ~\$23 billion.

Gilead also announced it was buying Immunomedics for \$21 billion in a deal that was a 108% premium to Immunomedics' pre-announcement price. The company focuses on oncology drugs, with the primary reason for Gilead's purchase being Trodelvy, which treats breast cancer and is being evaluated for a variety of other cancers. Gilead said the purchase would be neutral to earnings-per-share until 2023, and "significantly accretive" thereafter.

Competitive Advantage & Recession Performance

Gilead's competitive advantage is its hold on the Hepatitis and HIV markets. In the former, the company's treatments work so well it actually cures patients, which results in declining patient pools over time. In the HIV market, Gilead has huge market share. However, the company is working towards diversifying its focus into oncology in particular, in order to get away from its current concentration on infectious diseases.

Gilead performs quite well during recessions, as would be expected of a biotechnology company. Its revenue and earnings are dependent upon the treatment of illnesses, which generally doesn't change with economic conditions.

Growth Prospects, Valuation, & Catalyst

We see Gilead's long-term growth rate at 5% annually, largely due to its oncology expansion efforts more than offsetting its current reliance upon its dwindling infectious disease business. We note that Gilead's growth hasn't come smoothly in past years, and we expect future earnings to show up in a lumpy fashion, with some years of no or negative growth, followed by stronger years. We see the Immunomedics purchase as aiding Gilead's long-term growth, but accretion will be two or three years away. In addition, with vaccines on the market for COVID, remdesivir use will almost certainly suffer.

We forecast 13.5% total annual returns in the coming years from the ample 4.7% yield, 5% growth, and a ~4% tailwind from the valuation. Gilead is undervalued at present at just 9 times earnings.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	5	5-Year Growth Estimate:	5.0%
Dividend Yield:	4.7%	5-Year Valuation Return Estimate:	4.1%
Most Recent Dividend Increase:	7.9%	5-Year CAGR Estimate:	13.5%
Estimated Fair Value:	\$71	Dividend Risk Score:	B
Stock Price:	\$58	Retirement Suitability Score:	A

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	7,949	8,385	9,702	11,202	24,890	32,639	30,390	26,107	22,127	22,449
Gross Profit	6,080	6,261	7,231	8,343	21,102	28,633	26,129	21,736	17,274	17,774
Gross Margin	76.5%	74.7%	74.5%	74.5%	84.8%	87.7%	86.0%	83.3%	78.1%	79.2%
SG&A Exp.	1,044	1,242	1,461	1,699	2,983	3,426	3,398	3,878	4,056	4,381
D&A Exp.	265	302	278	345	1,050	1,098	1,158	1,286	1,429	
Operating Profit	3,962	3,790	4,010	4,524	15,265	22,193	17,633	14,124	8,200	4,287
Operating Margin	49.8%	45.2%	41.3%	40.4%	61.3%	68.0%	58.0%	54.1%	37.1%	19.1%
Net Profit	2,901	2,804	2,592	3,075	12,101	18,108	13,501	4,628	5,455	5,386
Net Margin	36.5%	33.4%	26.7%	27.5%	48.6%	55.5%	44.4%	17.7%	24.7%	24.0%
Free Cash Flow	2,772	3,507	2,798	2,915	12,261	20,503	16,299	11,308	7,476	
Income Tax	1,024	862	1,038	1,151	2,797	3,553	3,609	8,885	2,339	(204)

Balance Sheet Metrics

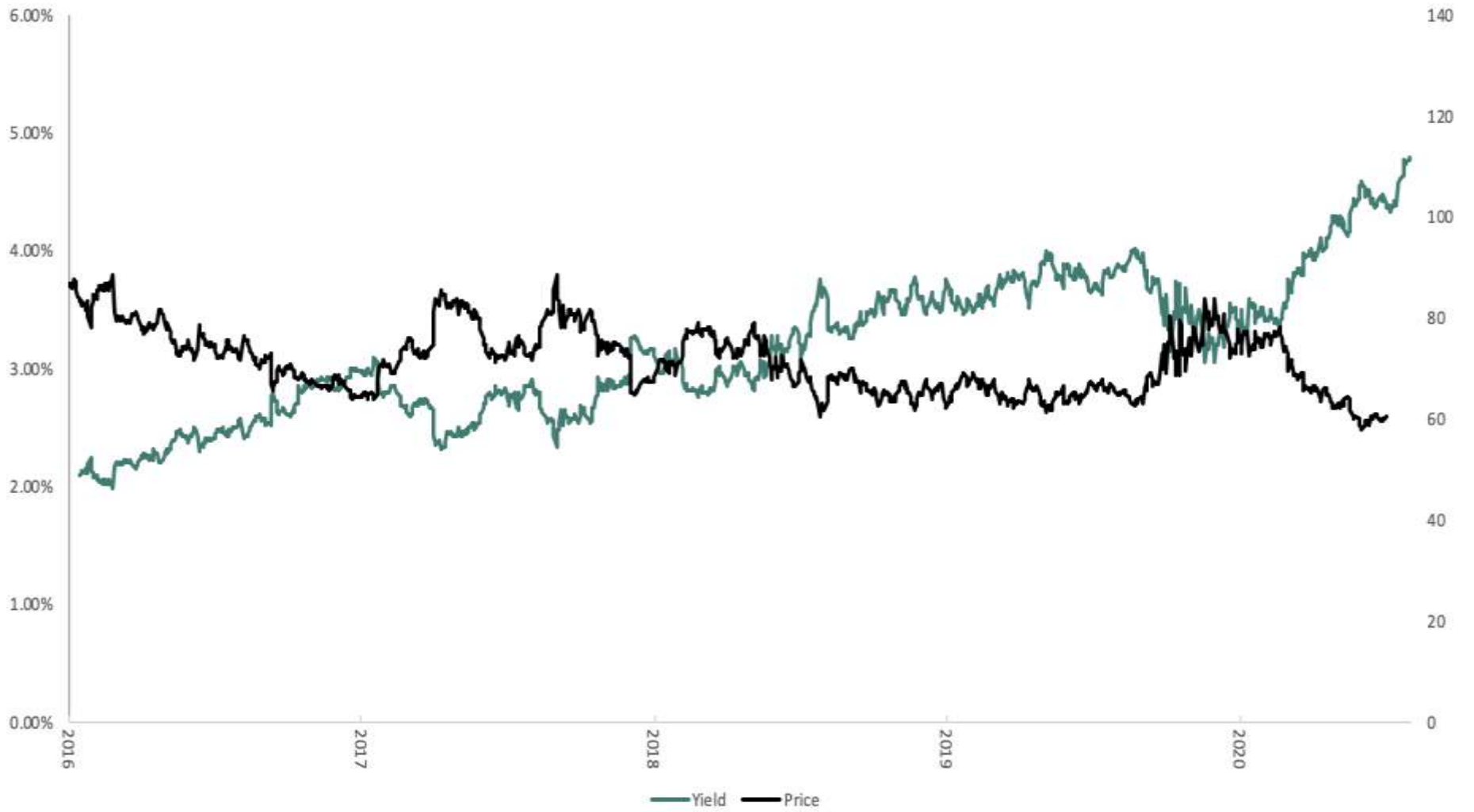
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	11,593	17,303	21,240	22,579	34,664	51,716	56,977	70,283	63,675	61,627
Cash & Equivalents	908	9,884	1,804	2,113	10,027	12,851	8,229	7,588	17,940	
Accounts Receivable	1,622	1,951	1,751	2,182	4,635	5,854	4,514	3,851	3,327	3,582
Inventories	1,204	1,390	1,745	1,697	1,386	1,955	1,587	801	814	2,067
Goodwill & Int. Ass.	1,426	2,067	12,797	13,069	12,245	11,419	10,143	21,259	19,855	17,903
Total Liabilities	5,471	10,436	11,696	10,834	18,845	32,603	37,614	49,782	42,141	38,977
Accounts Payable	803	1,206	1,327	1,256	955	1,178	1,206	814	790	
Long-Term Debt	3,485	7,607	8,224	6,636	12,404	22,055	26,346	33,542	27,322	-
Shareholder's Equity	5,864	6,739	9,303	11,370	15,426	18,534	18,887	20,442	21,387	22,650
D/E Ratio	0.59	1.13	0.88	0.58	0.80	1.19	1.39	1.64	1.28	-

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	27.3%	19.4%	13.4%	14.0%	42.3%	41.9%	24.8%	7.3%	8.1%	8.6%
Return on Equity	47.4%	44.5%	32.3%	29.7%	90.3%	106.6%	72.2%	23.5%	26.1%	24.5%
ROIC	33.4%	23.3%	16.1%	17.0%	51.9%	52.2%	31.1%	9.3%	10.6%	15.1%
Shares Out.	1.60	1.51	1.52	1.53	1.50	1.42	1.31	1.31	1.30	1.27
Revenue/Share	4.55	5.31	6.13	6.61	15.11	21.46	22.38	19.79	16.92	17.58
FCF/Share	1.59	2.22	1.77	1.72	7.44	13.48	12.00	8.57	5.72	

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

Gilead Sciences Inc. (GILD) Dividend Yield History



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AT&T Inc. (T)

Overview & Current Events

AT&T is one of the world's largest telecommunications companies. The company provides a range of services, including wireless, broadband, and television. AT&T operates in three 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 Xandr); and AT&T Latin America. AT&T has a \$203 billion market cap and annual revenues of \$173 billion.

On October 22nd, 2020 AT&T reported Q3 2020 results. The company generated \$42.3 billion in revenue for the quarter, down from \$44.6 billion in Q3 2019. The COVID-19 pandemic impacted revenue across all segments, particularly WarnerMedia and domestic wireless services. Helping to offset this was strong subscriber additions including more than 5 million total domestic wireless net adds along with over 1 million in postpaid net additions. Net income equaled \$2.8 billion or \$0.39 per share compared to \$3.7 billion or \$0.50 per share in the year-ago quarter. On an adjusted basis, earnings-per-share (EPS) equaled \$0.76 compared to \$0.94 previously. The \$0.76 figure does not adjust for (-\$0.21 in negative COVID-19 impacts. Net debt declined by \$2.9 billion in the quarter and AT&T's net debt-to-EBITDA ratio was 2.66x.

Competitive Advantages & Recession Performance

AT&T has a competitive advantage with its entrenched position and immense 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 is a colossal business, generating profits of \$20+ billion annually, but it is not a fast grower. From 2007 through 2019 AT&T grew earnings-per-share by 2.2% per year. That said, the company has growth avenues available from its media content - driven by the \$85 billion acquisition of Time Warner, which owns multiple media brands, including: TNT, TBS, CNN, and HBO. In addition, the company is well positioned to take advantage of the 5G rollout. It also has the possibility of repurchasing shares as it gets its debt under control. We are forecasting 3% annual future growth.

We expect AT&T to generate adjusted earnings-per-share of \$3.25 in fiscal 2020. Based on this, shares are presently trading at a price-to-earnings ratio (P/E) of 8.8. We view AT&T as undervalued, with a fair value P/E estimate of 11.0, which indicates the potential for valuation expansion of 4.6% per year. In conjunction with the 7.3% dividend yield and 3% expected EPS growth, this implies a 13.2% annual total return potential.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	36	5-Year Growth Estimate:	3.0%
Dividend Yield:	7.3%	5-Year Valuation Return Estimate:	4.6%
Most Recent Dividend Increase:	2.0%	5-Year CAGR Estimate:	13.2%
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

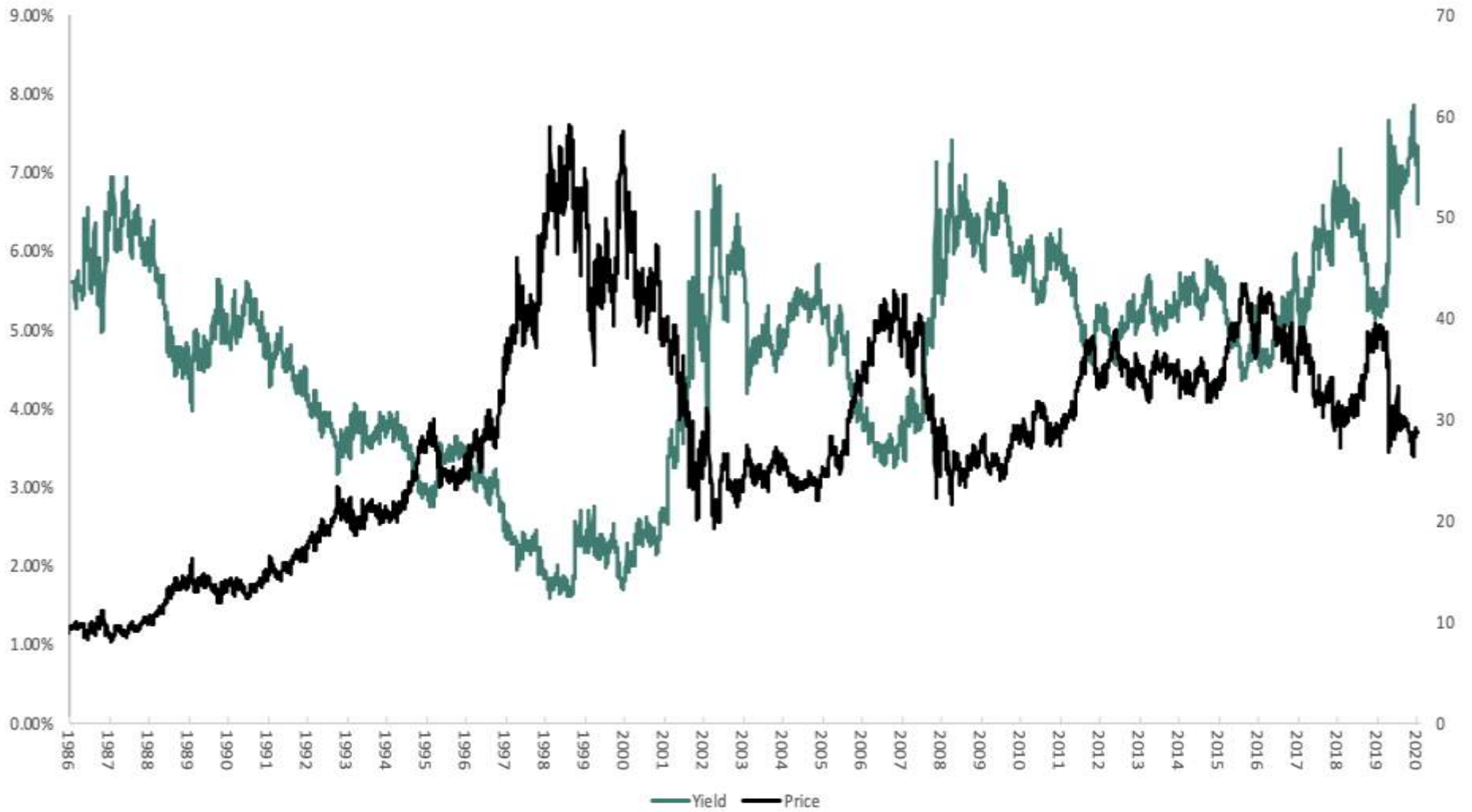
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets (\$B)	269.4	270.4	272.3	277.8	296.8	402.7	403.8	444.1	531.9	551.7
Cash & Equivalents	1437	3045	4868	3339	8603	5121	5788	50498	5204	12130
Acc. Receivable	13610	13231	12657	12918	14527	16532	16794	16522	26472	22636
Goodwill/Int. (\$B)	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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Bristol-Myers Squibb Co. (BMY)

Overview & Current Events

Bristol-Myers Squibb was created when Bristol-Myers and Squibb merged in October of 1989, with Bristol-Myers tracing its corporate beginnings back to 1887. Today this \$140 billion market capitalization company is a leading drug maker of cardiovascular and anti-cancer therapeutics with annual revenue of about \$42 billion. Bristol-Myers' late-2019 acquisition of Celgene is helping near-term results, but about two-thirds of the company's revenue is at risk of patent expiration in 2022.

On November 5th, 2020 Bristol-Myers reported third-quarter earnings for the period ending September 30th, 2020. Revenue increased 75.5% to \$10.5 billion as a result of the acquisition, or a gain of 6% on a pro forma basis. Adjusted earnings-per-share (EPS) improved 39.3% to \$1.63. U.S. sales increased 88% to \$6.5 billion and International sales improved 58%. Sales for Revlimid increased 10% to \$3 billion due to higher demand and longer therapy duration.

Bristol-Myers raised its expected EPS for 2020 to a range of \$6.25 to \$6.35, up from a range of \$6.10 to \$6.25 previously. The company also guided for adjusted EPS of \$7.15 to \$7.45 for 2021. Our estimate for this year is in the middle of the guided range at \$6.30.

The company also said in late-December that its Opdivo brain cancer study was unlikely to succeed, causing a potential setback for the revenue potential of the drug.

Competitive Advantage & Recession Performance

Bristol-Myers' competitive advantage is its ability to either create (through research & development) or acquire patents for pharmaceuticals with high potential revenue. Bristol-Myers' top two selling pharmaceuticals, Opdivo and Eliquis, are expected to see high peak annual sales. Opdivo did suffer a setback in December with its brain cancer study.

During the last recession, Bristol-Myers reported earnings-per-share of \$1.59, \$1.63, and \$1.79 during the 2008 through 2010 stretch. The dividend was held steady and ultimately increased during that time. Even in a recession, people seek treatment for health problems, especially with respect to cancer.

Growth Prospects, Valuation, & Catalyst

In the 2010 through 2019 period, Bristol-Myers saw its revenue and adjusted earnings-per-share grow by an average annual compound rate of 3.3% and 11.3% per year respectively. We are forecasting 4% medium-term growth, as the expectation for significantly higher earnings next year is weighed against the idea that results have moved up and down over the years.

We expect Bristol-Myers to generate \$6.30 in adjusted earnings-per-share this year. Based on the current share price near \$62, shares are presently trading at 9.8 times expected earnings. Our fair value estimate is 13.5, implying the potential for a 6.5% annualized benefit from a higher valuation over the next half decade. When combined with a 4% growth rate and the 3.2% dividend yield, total expected returns come to 13.0% per year over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	14	5-Year Growth Estimate:	4.0%
Dividend Yield:	3.2%	5-Year Valuation Return Estimate:	6.5%
Most Recent Dividend Increase:	8.9%	5-Year CAGR Estimate:	13.0%
Estimated Fair Value:	\$85	Dividend Risk Score:	B
Stock Price:	\$62	Retirement Suitability Score:	B

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	19,484	21,244	17,621	16,385	15,879	16,560	19,427	20,776	22,561	26,145
Gross Profit	14,207	15,646	13,011	11,766	11,947	12,651	14,458	14,682	16,014	18,067
Gross Margin	72.9%	73.6%	73.8%	71.8%	75.2%	76.4%	74.4%	70.7%	71.0%	69.1%
SG&A Exp.	4,691	5,170	5,175	5,104	5,699	5,001	4,979	4,751	4,551	4,871
D&A Exp.	607	628	681	763	467	376	382	789	637	1,746
Operating Profit	5,950	6,637	3,932	2,931	1,714	1,730	4,467	3,449	5,118	5,913
Op. Margin	30.5%	31.2%	22.3%	17.9%	10.8%	10.4%	23.0%	16.6%	22.7%	22.6%
Net Profit	3,102	3,709	1,960	2,563	2,004	1,565	4,457	1,007	4,920	3,439
Net Margin	15.9%	17.5%	11.1%	15.6%	12.6%	9.5%	22.9%	4.8%	21.8%	13.2%
Free Cash Flow	4,067	4,473	6,393	3,008	2,622	1,285	1,843	4,220	4,989	7,231
Income Tax	1,558	1,721	(161)	311	352	446	1,408	4,156	1,021	1,515

Balance Sheet Metrics

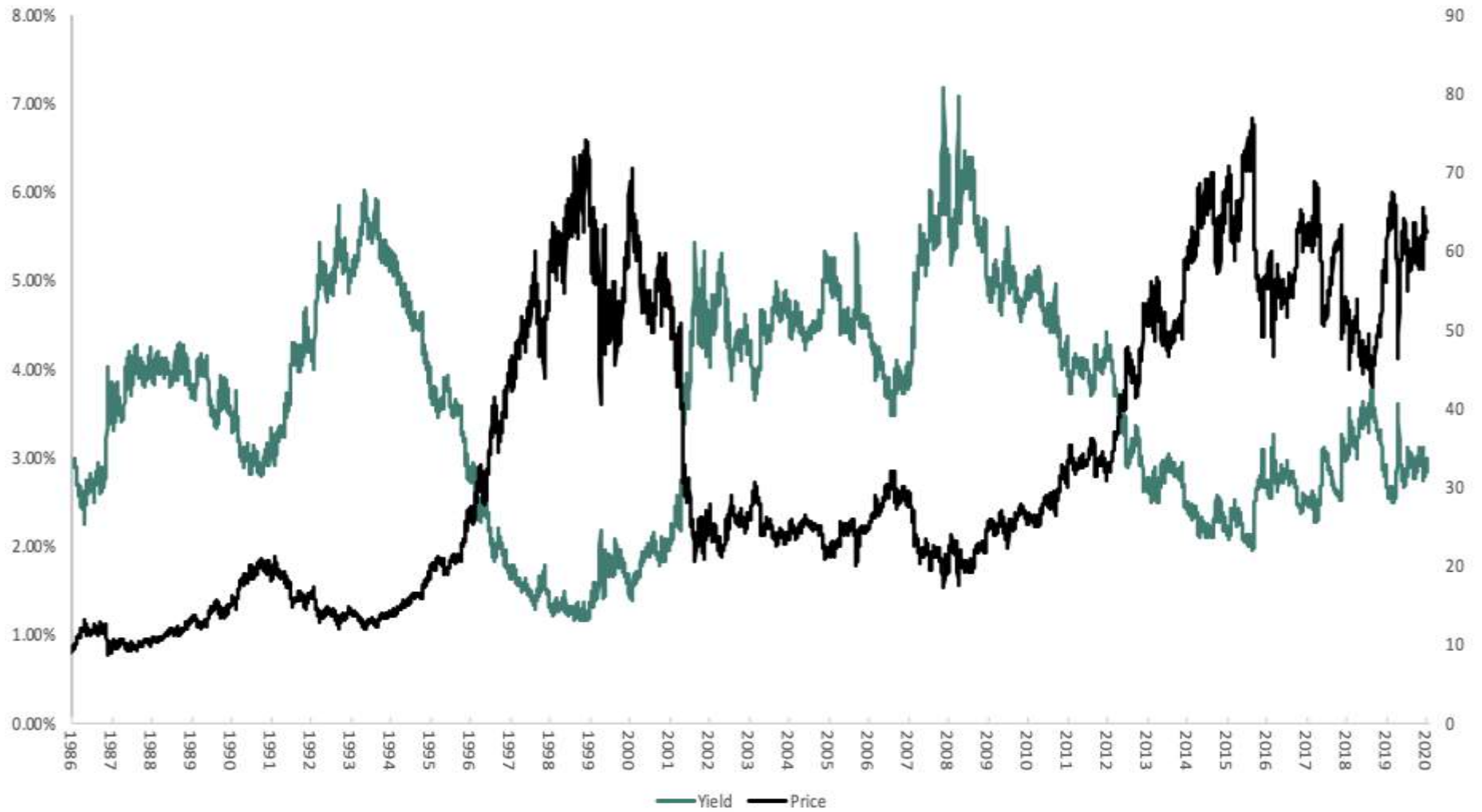
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	31,076	32,970	35,897	38,592	33,749	31,748	33,707	33,551	34,986	129,944
Cash & Equivalents	5,033	5,776	1,656	3,586	5,571	2,385	4,237	5,421	6,911	12,346
Acc. Receivable		2,250	1,708	1,690	2,100	2,948	3,774	4,347	4,636	6,476
Inventories	1,204	1,384	1,657	1,498	1,560	1,221	1,241	1,166	1,195	4,293
Goodwill & Int.	8,603	8,710	16,413	9,414	8,780	8,300	8,260	8,073	7,629	86,457
Total Liabilities	15,438	17,103	22,259	23,356	18,766	17,324	17,360	21,704	20,859	78,246
Accounts Payable	1,983	2,603	2,202	2,559	2,487	1,565	1,664	2,248	1,892	2,445
Long-Term Debt	5,445	5,491	7,394	8,340	7,832	6,689	6,708	7,962	7,349	46,733
Total Equity	15,713	15,956	13,623	15,154	14,852	14,266	16,177	11,741	14,031	51,598
D/E Ratio	0.35	0.34	0.54	0.55	0.53	0.47	0.41	0.68	0.52	0.91

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	10.0%	11.6%	5.7%	6.9%	5.5%	4.8%	13.6%	3.0%	14.4%	4.2%
Return on Equity	20.3%	23.4%	13.3%	17.8%	13.4%	10.7%	29.3%	7.2%	38.2%	10.5%
ROIC	14.7%	17.5%	9.2%	11.5%	8.6%	7.1%	20.2%	4.7%	23.8%	5.7%
Shares Out.	1699	1685	1630	1641	1662	1661	1664	1625	1623	1918
Revenue/Share	11.28	12.37	10.44	9.86	9.51	9.86	11.56	12.58	13.78	15.27
FCF/Share	2.36	2.61	3.79	1.81	1.57	0.77	1.10	2.55	3.05	4.22

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

Bristol-Myers Squibb Co. (BMY) Dividend Yield History



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Huntington Ingalls Industries Inc. (HII)

Overview & Current Events

Huntington Ingalls Industries builds nuclear and non-nuclear ships for the U.S. Department of Defense and operates across three business segments: Newport News Shipbuilding, Ingalls Shipbuilding, and Technical Solutions. Some of its highest profile products include aircraft carriers and submarines. The company also provides fleet maintenance and modernization services, IT support, nuclear management and operations, and oil and gas engineering. Huntington Ingalls Industries was founded in 2011 as a spin-off from Northrop Grumman and trades at a market capitalization of \$6.8 billion.

Huntington Ingalls reported its third-quarter earnings results on November 5th. Total revenue rose 4.3% to \$2.31 billion, while diluted earnings-per-share increased 45.7% to \$5.45 year-over-year. Revenue from Ingalls Shipbuilding increased 4.3% driven by growth in the surface combatants and coast guard cutters program. Newport News revenue rose 6.6% due to higher submarine and aircraft carrier revenue. Huntington Ingalls' backlog now stands at \$45.3 billion on the strength of ~\$1.6 billion in contract wins during the quarter. Such a large backlog implies plenty of business for the years to come, as its primarily government customer base is very resistant to recessions.

Competitive Advantages & Recession Performance

Huntington Ingalls' biggest competitive advantage is its entrenched positioning within the U.S. military industrial complex. With established relationships in the Pentagon and with other defense contractors, Huntington Ingalls has the connections and intellectual property that make it very difficult for a competitor to completely displace it or even eat into its pricing power in any meaningful way.

Additionally, the types of products it produces are not only major in cost and scope, meaning that contracts are typically longer term in scope and costly for the government to cancel; but these products also require considerable maintenance services that also demand a high degree of specialization, which Huntington Ingalls is obviously well-positioned to offer.

Growth Prospects, Valuation, & Catalyst

We expect Huntington Ingalls Industries to grow earnings-per-share at a rate of 5% per year over the next five years, as the continued ascendancy of the rival Chinese navy will force the U.S. government to continue allocating even more funds to their own naval fleet. Furthermore, improving naval technologies tend to drive ship prices higher and therefore generate greater revenues for Huntington Ingalls. Finally, the recent investment in Sea Machines Robotics will add to its portfolio of companies in Unmanned Systems to provide additional growth.

Huntington Ingalls Industries stock trades for a price-to-earnings ratio (P/E) of 11.6, based on expected earnings-per-share of \$14.49 for this year. Our fair value estimate for the stock is a P/E of 15, so the stock is significantly undervalued after a recent decline. Multiple expansion could add approximately 5.3% to shareholder returns per year over the next five years. Combining this tailwind with expected earnings-per-share growth of 5.0%, and the current dividend yield of 2.7%, leads to expected annualized total returns of 12.9% per year over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	9	5-Year Growth Estimate:	5.0%
Dividend Yield:	2.7%	5-Year Valuation Return Estimate:	5.3%
Most Recent Dividend Increase:	10.7%	5-Year CAGR Estimate:	12.9%
Estimated Fair Value:	\$217	Dividend Risk Score:	B
Stock Price:	\$168	Retirement Suitability Score:	B

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	6723	6575	6708	6820	6957	7020	7068	7441	8176	8899
Gross Profit	892	1004	1079	1237	1417	1503	1623	1628	1791	1531
Gross Margin	13.3%	15.3%	16.1%	18.1%	20.4%	21.4%	23.0%	21.9%	21.9%	17.2%
SG&A Exp.	670	634	739	739	726	669	768	759	871	788
D&A Exp.	183	184	184	226	194	180	186	205	203	227
Operating Profit	222	370	340	498	691	834	870	869	934	743
Operating Margin	3.3%	5.6%	5.1%	7.3%	9.9%	11.9%	12.3%	11.7%	11.4%	8.3%
Net Profit	131	-100	146	261	338	404	573	479	836	549
Net Margin	1.9%	-1.5%	2.2%	3.8%	4.9%	5.8%	8.1%	6.4%	10.2%	6.2%
Free Cash Flow	168	331	170	97	590	673	537	432	451	366
Income Tax	68	96	95	133	169	228	211	293	135	134

Balance Sheet Metrics

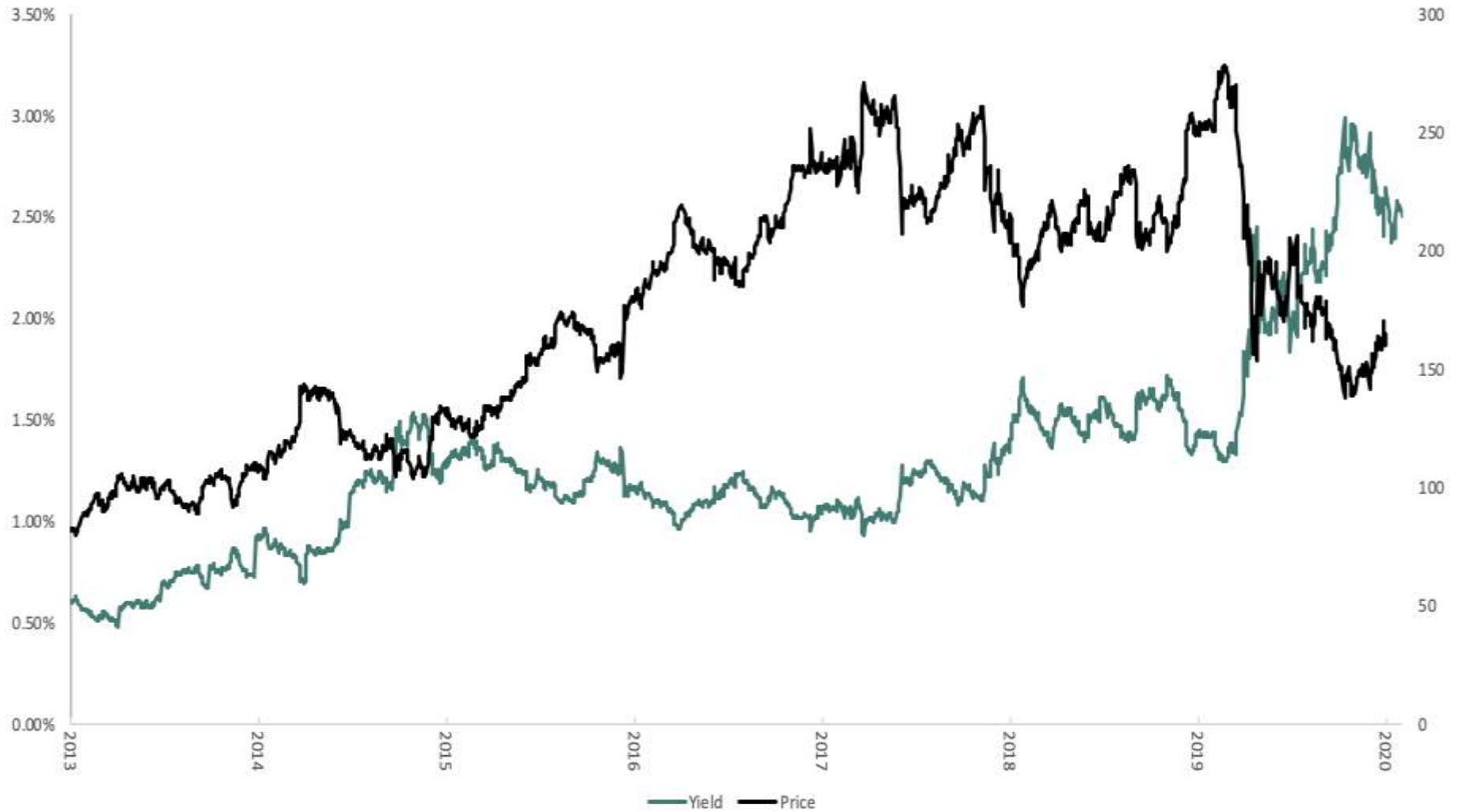
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	---	6069	6392	6225	6239	6024	6352	6374	6383	7031
Cash & Equivalents	---	915	1057	1043	990	894	720	701	240	75
Accounts Receivable	---	135	191	171	244	236	318	442	261	318
Inventories	---	380	288	311	339	285	210	183	128	136
Goodwill & Int. Ass.	---	1448	1429	1409	1573	1451	1782	1725	1755	1865
Total Liabilities	---	5210	5725	4704	4874	4534	4699	4616	4867	5443
Accounts Payable	---	380	377	337	269	317	316	375	562	497
Long-Term Debt	---	1859	1830	1779	1670	1273	1278	1279	1283	1286
Shareholder's Equity	---	859	667	1521	1365	1490	1653	1758	1516	1588
D/E Ratio	---	2.16	2.74	1.17	1.22	0.85	0.77	0.73	0.85	0.81

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	---	---	2.3%	4.1%	5.4%	6.6%	9.3%	7.5%	13.1%	8.2%
Return on Equity	---	---	19.1%	23.9%	23.4%	28.3%	36.5%	28.1%	51.1%	35.4%
ROIC	---	---	5.6%	9.0%	10.7%	13.9%	20.1%	16.1%	28.6%	19.4%
Shares Out.	48.8	49.4	49.6	48.7	48.3	46.8	46.2	45.1	41.9	41.4
Revenue/Share	137.86	134.73	133.89	135.32	141.12	145.34	149.75	162.47	186.67	214.95
FCF/Share	3.445	6.78	3.39	1.92	11.97	13.93	11.38	9.43	10.30	8.84

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

Huntington Ingalls Industries Inc. (HII) 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, and a 45% stake in the marijuana company Cronos Group (CRON).

On October 30th, Altria reported financial results for the 2020 third quarter. Revenue (net of excise taxes) of \$5.7 billion increased 5% year-over-year, and beat analyst estimates by \$140 million. Smokeable volumes declined 0.2% for the quarter, much better than the 4% predicted drop. On a GAAP basis, Altria reported a loss of (-\$0.51) per share, as the company took a non-cash pre-tax impairment charge of \$2.6 billion related to its investment in Juul. However, adjusted earnings-per-share came to \$1.19 per share, beating estimates by \$0.03 per share. Altria also raised the low end of its full-year guidance for adjusted earnings-per-share, to a range of \$4.30 to \$4.38, from \$4.21 to \$4.38.

Competitive Advantages & Recession Performance

Altria has tremendous competitive advantages. It has the most valuable cigarette brand in the U.S., Marlboro, which commands greater than a 40% domestic retail share. This gives Altria the ability to raise prices to drive revenue growth, as it has done for many years. Thanks to Altria's stable growth, the company increased its dividend for the 51st consecutive year in 2020.

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 keep 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 very well during the next downturn.

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 \$13 billion investment in e-cigarette leader Juul 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! 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 as it heats rather than burns tobacco. Altria has invested billions in research and development for IQOS, which the company plans to expand nationally in 2021. Based on expected 2020 earnings-per-share of \$4.31, Altria stock trades for a price-to-earnings ratio of 9.5, compared with our fair value estimate of 11.0. As a result, Altria stock appears to be significantly undervalued, which could result in positive returns of 3.0% 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 dividend yield of 8.4%. Taken together, Altria stock has total expected returns of 12.5% per year over the next five years.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	51	5-Year Growth Estimate:	3.0%
Dividend Yield:	8.4%	5-Year Valuation Return Estimate:	3.0%
Most Recent Dividend Increase:	2.4%	5-Year CAGR Estimate:	12.5%
Estimated Fair Value:	\$47	Dividend Risk Score:	B
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	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

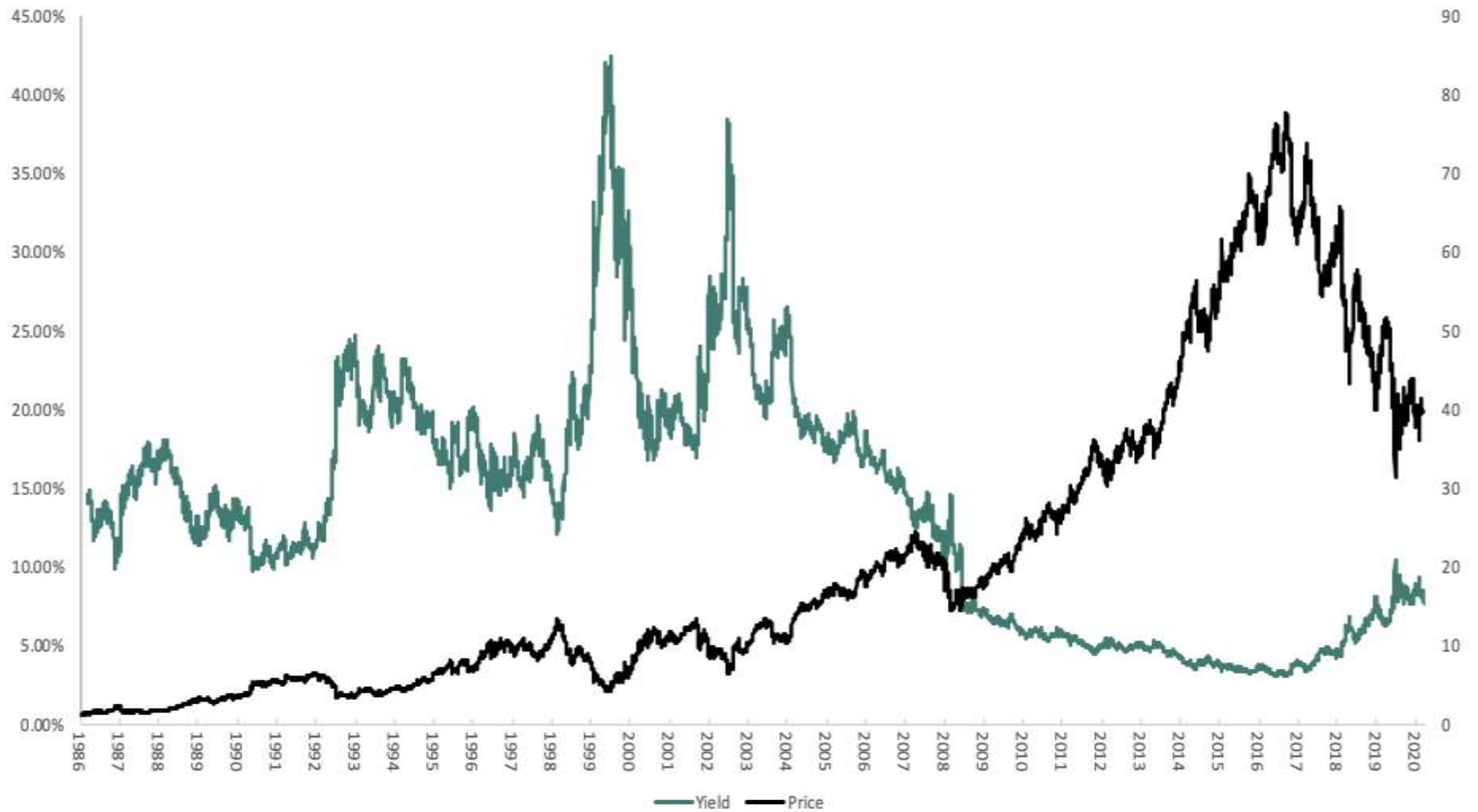
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets	37402	36751	35329	34859	34475	31459	45932	43202	55459	49271
Cash & Equivalents	2314	3270	2900	3175	3321	2369	4569	1253	1333	2117
Acc. Receivable	85	268	193	115	124	124	151	142	142	152
Inventories	1803	1779	1746	1879	2040	2031	2051	2225	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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Intel Corp. (INTC)

Overview & Current Events

Intel is the largest manufacturer of semiconductor chips for personal computers, shipping about 85% of the world's microprocessors. Intel also manufactures products like servers and storage devices that are used in cloud computing. Intel employs ~111,300 people worldwide and has a current market capitalization of \$200 billion. The company generates over \$75 billion in annual sales.

On October 22nd, 2020, Intel announced third-quarter results for the period ending September 26th, 2020. Revenue fell 4.7% to \$18.3 billion, while adjusted earnings-per-share (EPS) equaled \$1.11, 22% lower than the previous year. The company's PC-centric business grew 1% to \$9.8 billion due to strength in the notebook product line as consumers continue to deal with the work- and learn-at-home environment amidst the COVID-19 pandemic. Meanwhile, Intel's Data-centric businesses fell 10% to \$8.4 billion. In addition, Intel expects revenue of \$75.3 billion for 2020 and adjusted earnings-per-share of \$4.90.

We note that Intel is under pressure from activist investors as of late December to recapture lost market share, as well as pursue strategic alternatives to unlock shareholder value. In addition, Microsoft is said to be working on in-house chips for its Surface and cloud server products, which would be a significant blow to Intel, who is a long-time partner of Microsoft.

Competitive Advantage & Recession Performance

Intel's key competitive advantage is that it is the largest company in its sector, giving the company size and scale that make it difficult for competitors to match. During the last recession, Intel posted earnings-per-share of \$1.18, \$0.92, \$0.77 and \$2.05 in the 2007 through 2010 stretch. This gives you an idea of some possible cyclicalities in lesser times, along with the company's ability to bounce back. This time around, results have not yet dipped, as revenue is expected to be up nearly 5% in 2020 and earnings are anticipated to be flat compared to last year.

Growth Prospects, Valuation, & Catalyst

In the 2010 through 2019 period, Intel grew earnings-per-share at an average compound growth rate of 10.1% per year. This impressive result was driven by 5.7% yearly revenue growth, which was aided by a profit margin increasing from 26.8% to 30.4% and a share count that declined by 2.7% per year. Moving forward it may be more difficult to grow coming off a larger base (and larger profit margin), but we still anticipate 5% annual earnings-per-share growth over the intermediate-term. Should Microsoft develop its own chips for some or all of its products, we'll reevaluate Intel's growth rate.

We expect Intel to generate adjusted earnings-per-share of \$4.88 in 2020. Based on this, the stock is currently trading at a price-to-earnings ratio (P/E) of 10.4. Our fair value estimate is a P/E of 13.0, which means expansion of the P/E multiple could boost annual returns by 4.8% per year over the next five years. When combined with the 5% anticipated EPS growth rate and 2.6% starting dividend yield, total expected returns come to 12.4% per year over the next half decade.

Key Statistics, Ratios, & Metrics

Years of Dividend Increases:	6	5-Year Growth Estimate:	5.0%
Dividend Yield:	2.6%	5-Year Valuation Return Estimate:	4.8%
Most Recent Dividend Increase:	4.8%	5-Year CAGR Estimate:	12.4%
Estimated Fair Value:	\$63	Dividend Risk Score:	B
Stock Price:	\$50	Retirement Suitability Score:	B

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Income Statement Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenue	43,623	53,999	53,341	52,708	55,870	55,355	59,387	62,761	70,848	71,965
Gross Profit	28,491	33,757	33,151	31,521	35,609	34,679	36,233	39,098	43,737	42,140
Gross Margin	65.3%	62.5%	62.1%	59.8%	63.7%	62.6%	61.0%	62.3%	61.7%	58.6%
SG&A Exp.	6,309	7,670	8,057	8,088	8,136	7,930	8,377	7,452	6,750	6,150
D&A Exp.	4,638	6,064	7,522	8,032	8,549	8,711	7,790	8,129	9,085	10,826
Operating Profit	15,588	17,477	14,638	12,531	15,642	14,356	14,877	18,434	23,244	22,428
Op. Margin	35.7%	32.4%	27.4%	23.8%	28.0%	25.9%	25.1%	29.4%	32.8%	31.2%
Net Profit	11,464	12,942	11,005	9,620	11,704	11,420	10,316	9,601	21,053	21,048
Net Margin	26.3%	24.0%	20.6%	18.3%	20.9%	20.6%	17.4%	15.3%	29.7%	29.2%
Free Cash Flow	11,471	10,133	7,042	10,029	10,313	11,692	12,183	10,332	14,251	16,932
Income Tax	4,581	4,839	3,868	2,991	4,097	2,792	2,620	10,751	2,264	3,010

Balance Sheet Metrics

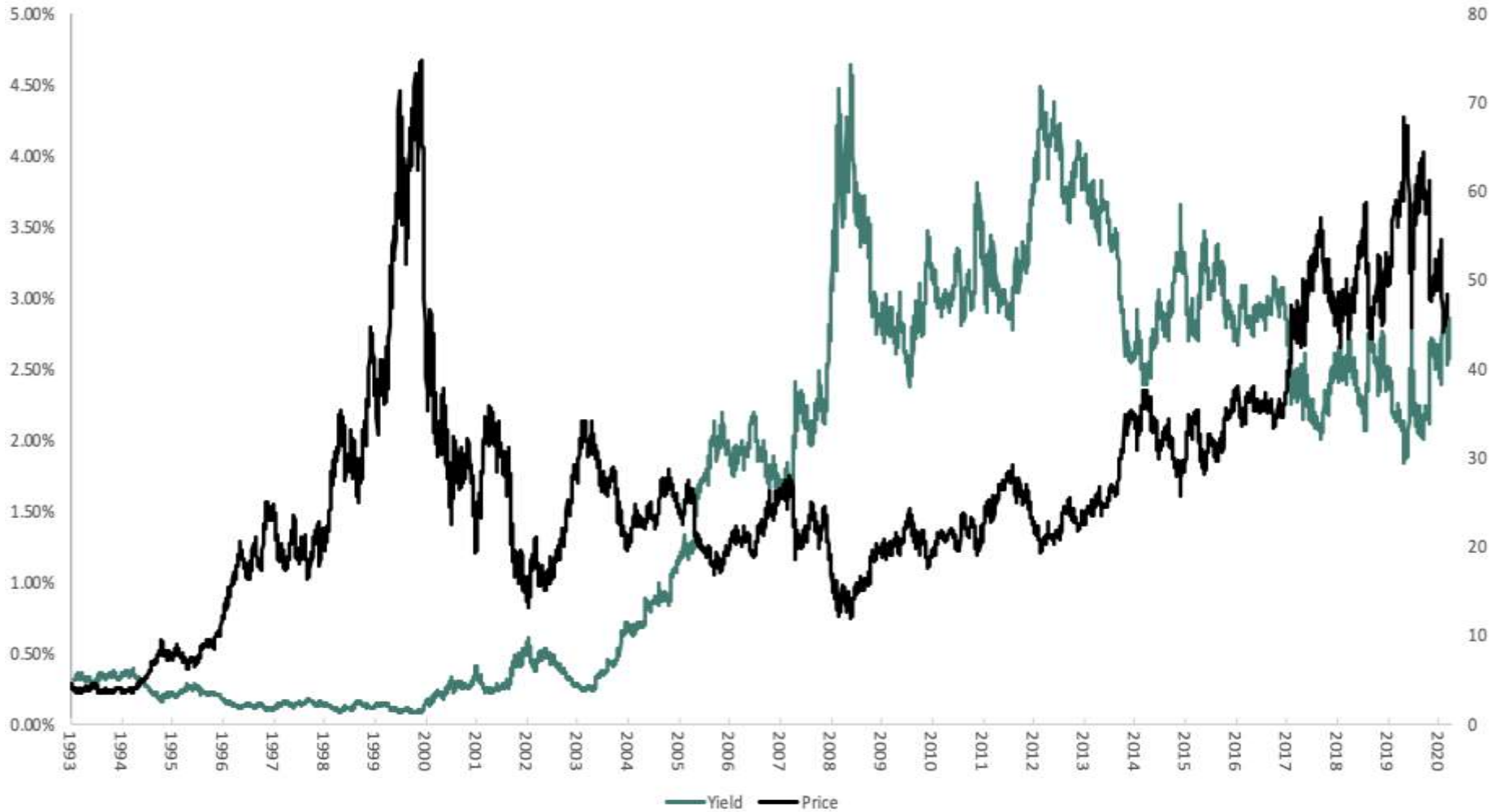
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Assets (\$B)	63186	71119	84351	92358	91900	101459	113327	123249	127963	136524
Cash & Equivalents	5498	5065	8478	5674	2561	15308	5560	3433	3019	4194
Acc. Receivable	2867	3650	3833	3582	4427	4787	4690	5607	6722	7659
Inventories	3757	4096	4734	4172	4273	5167	5553	6983	7253	8744
Goodwill & Int.	5391	15521	15945	15663	15307	15265	23593	37134	36349	37103
Total Liabilities	13756	25208	33148	34102	35123	39477	46219	53364	52981	58865
Accounts Payable	2290	2956	3023	2969	2748	2063	2475	2928	3824	4128
Long-Term Debt	2115	7331	13448	13446	13655	22670	25283	26813	26359	29001
Total Equity	49430	45911	51203	58256	56777	61982	67108	69885	74982	77659
D/E Ratio	0.04	0.16	0.26	0.23	0.24	0.37	0.38	0.38	0.35	0.37

Profitability & Per Share Metrics

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Return on Assets	19.7%	19.3%	14.2%	10.9%	12.7%	11.8%	9.6%	8.1%	16.8%	15.9%
Return on Equity	25.2%	27.1%	22.7%	17.6%	20.3%	19.2%	16.0%	14.0%	29.1%	27.6%
ROIC	24.0%	24.7%	18.7%	14.1%	16.5%	14.7%	11.7%	10.2%	21.3%	20.2%
Shares Out.	5511	5000	4944	4967	4748	4725	4730	4687	4600	4373
Revenue/Share	7.66	9.98	10.34	10.34	11.05	11.31	12.18	12.98	15.07	16.09
FCF/Share	2.01	1.87	1.36	1.97	2.04	2.39	2.50	2.14	3.03	3.79

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

Intel Corp. (INTC) Dividend Yield History



[Return to Top 10 List](#)

Closing Thoughts - 2020 Year In Review -

If there was ever a year that society in general was eager to close the book on, it would be 2020. The U.S. economy and the stock market, as measured by the S&P 500, were hit extremely hard by the onset of the coronavirus pandemic.

The record economic expansion that began after the end of the 2008 financial crisis was brought to a halt. The U.S. economy officially entered a recession in 2020, while the S&P 500 fell more than 30% at the market bottom in March.

Fortunately, economic conditions improved as the pandemic eased, and the Federal Reserve's continued accommodative policy has boosted the markets. The S&P 500 Index will end 2020 up more than 15% for the year, an almost unbelievable performance given the events that unfolded over the year.

And despite the coronavirus pandemic, dividend stocks did what they do best. Dividends paid by the S&P 500 constituents increased 0.7% in 2020 to a record of \$58.28 per share.

The rollout of the coronavirus vaccine means an end to the pandemic is on the horizon. But the U.S. economy remains in a fragile state, with a great deal of uncertainty heading into 2021. While uncertainty abounds, we believe that high-quality dividend growth stocks remain an intelligent place to invest.

The best dividend stocks are those with durable competitive advantages, long histories of growth, and recession-resistant business models that can outlast even the deepest economic downturns. We continue to emphasize dividend stocks with the longest track records of annual dividend increases, such as the Dividend Aristocrats and Dividend Kings.

Only one Dividend Aristocrat was removed from the list over the course of 2020, Ross Stores (ROST), which suspended its dividend during the coronavirus crisis. The other 65 Dividend Aristocrats remain on the list.

The past 25+ years has included multiple recessions, wars, and many other adverse events. Stock prices fluctuate, but the Dividend Aristocrats continue to pay their shareholders higher dividends each year like clockwork. For income investors, it is reassuring to see a high probability that your dividend income will grow, regardless of the state of the economy and the world. This is why we emphasized high-quality dividend stocks in 2020 and will continue to do so in 2021 and beyond.

Thanks,

Bob Ciura & Ben Reynolds

The next Sure Dividend Newsletter publishes on Sunday, February 7th, 2021

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.

Real Money Portfolio

The Sure Dividend Real Money Portfolio tracks our actual investment decisions in real time, with real money. Each month we will save and invest \$1,000 to show the actual progress of building and maintaining a dividend growth portfolio.

Our buy decisions will be the highest ranked security in the Top 10 that we either do not own or own the least in our portfolio. We will not place buys that push the portfolio over 30% in any one sector to prevent over-concentration in any sector. The portfolio will hold 30 securities. Once 30 securities are reached, it will buy the highest ranked security already in the portfolio up to 10% of the portfolio's value. Selling uses the same criteria as *The Sure Dividend Newsletter*.

We are using Interactive Brokers as our brokerage for this portfolio. Buy orders for our trades will be placed the *second trading day* after *The Sure Dividend Newsletter* is published. This gives readers who follow the real money portfolio a full trading day to make trades in advance of us.

Our next buy will be Lockheed Martin (LMT), which is the highest ranked security in this month's newsletter that isn't currently in the Real Money Portfolio and not in the financial sector (we are near our maximum weight in financials currently).

We sold our shares of Eaton Vance on November 3rd for a profit of 68.7% after brokerage fees. We replaced Eaton Vance with Cisco Systems (CSCO). The additional ~\$650 in profit was retained in the account. We will purchase a new security with this money when dividend income pushes it to ~\$1,000.

We have one *pending sell* in the real money portfolio; **Foot Locker (FL)**. Foot Locker will be sold the Tuesday after we initiate our final sell recommendation for the company in *The Sure Dividend Newsletter*; **we have not initiated our final sell recommendation yet**. Foot Locker is a pending sell due to its dividend reduction.

The screenshot from our brokerage account below shows our current 24 holdings in The Real Money Portfolio (see the next page).

SYMBOL ▲	LONG/SHORT ◆	QUANTITY ◆	PRICE ◆	VALUE ◆
ABBV	Long	12	107.15	1,285.80
ADM	Long	23	50.4100	1,159.43
AMP	Long	7	194.33	1,360.31
AOS	Long	23	54.8200	1,260.86
BMJ	Long	17	62.0300	1,054.51
CAH	Long	19	53.5600	1,017.64
CAT	Long	8	182.02	1,456.16
CSCO	Long	28	44.7500	1,253.00
EBTC	Long	40	25.5500	1,022.00
FL	Long	25	40.4400	1,011.00
FUL	Long	34	51.8800	1,763.92
HII	Long	6	170.48	1,022.88
JW A	Long	30	45.6600	1,369.80
MO	Long	32	41.0000	1,312.00
MTB	Long	7	127.30	891.10
NOC	Long	3	304.72	914.16
OZK	Long	34	31.2700	1,063.18
PBCT	Long	76	12.9300	982.68
T	Long	27	28.7600	776.52
TDS	Long	58	18.5700	1,077.06
TXT	Long	20	48.3300	966.60
UMBF	Long	15	68.9900	1,034.85
UNM	Long	65	22.9400	1,491.10
WBA	Long	16	39.8800	638.08

Including dividends, cash for October's upcoming purchase, and transaction costs, the account has a total value of \$29,139.79² versus \$25,000.00 invested.

The portfolio currently has a weighted dividend yield of 3.1% (not including cash in the account) which translates to annual dividend income of \$835.

Performance and annual dividend income will become increasingly meaningful as both the number and value of holdings in our portfolio grows, and as the amount of time each security has been held increases.

² Performance data is through 12/31/20.

Buying & Ranking Criteria

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

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

1. Filter our [Sure Analysis Research Database](#) universe of securities for:
 - 10%+ Expected Total Returns
 - A & B Dividend Risk Scores
 - U.S. securities only (no international securities, REITs, MLPs, or BDCs, etc.)
 - All companies must have their dividend covered by cash flows
2. Sort by Expected Total Returns (highest first)
3. No more than three companies per sector
4. Veto any securities from the Top 10 as necessary after qualitative analysis
5. The Top 10 is the 10 highest Expected Total Returns securities from steps 1 through 4
6. "A" Dividend Risk Score securities rank ahead of "B" Dividend Risk Score securities within the Top 10

To receive an "A" Dividend Risk Score, a security must be in the top 20% for dividend safety. To receive a "B" Dividend Risk Score, a security must be in the top 40% for dividend safety. The formula for the Dividend Risk Score is below:

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

We view securities with "A" and "B" Dividend Risk Scores as generally having secure dividends that are very unlikely to be reduced in the near future.

Our expected total returns are calculated in Sure Analysis. They are based on expected returns over the next five years. Our expected total returns take into account dividends, growth, and valuation returns.

The combination of expected total returns and low dividend risk creates a screen to find high-quality dividend growth securities with strong return potential.

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 encounter a recession. Recessions happen, of course, and we seek to recommend securities likely to pay steady or rising dividends during recessions. Recession safety factors into our Dividend Risk Scores, and in turn our rankings for *The Sure Dividend Newsletter*.

Portfolio Building Guide

The process of building a high-quality dividend growth portfolio does not have to be complex: **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 great businesses purchased at attractive prices. Alternatively, the Top 10 list is also useful as an idea generation tool for those with a different portfolio allocation plan.

If you are looking to add higher yielding securities to your portfolio, [The Sure Retirement Newsletter](#) offers a Top 10 list with 4%+ dividend yields. The [Sure Analysis Research Database](#) includes 600+ (and growing) securities, most of which we analyze quarterly and provide Dividend Risk scores and 5-year forward expected total returns (among other metrics) for.

Examples

Portfolio 1			Portfolio 2		
Ticker	Name	Amount	Ticker	Name	Amount
NOC	Northrop Grumman	\$ 1,002	NOC	Northrop Grumman	\$ 4,374
WBA	Walgreens	\$ -	WBA	Walgreens	\$ 4,878
TDS	Telephone & Data	\$ -	TDS	Telephone & Data	\$ 4,353
LMT	Lockheed Martin	\$ -	LMT	Lockheed Martin	\$ 7,428
GILD	Gilead	\$ -	GILD	Gilead	\$ 3,309
T	AT&T	\$ -	T	AT&T	\$ 8,099
BMJ	Bristol-Myers Squibb	\$ -	BMJ	Bristol-Myers Squibb	\$ 5,629
HII	Huntington Ingalls	\$ -	HII	Huntington Ingalls	\$ 2,176
MO	Altria	\$ -	MO	Altria	\$ 1,079
INTC	Intel	\$ -	INTC	Intel	\$ 4,864

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

If you have an existing portfolio or a large lump sum to invest, you may wish to switch over to the Sure Dividend Strategy over a 20-month period. 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. When you sell a security, use the proceeds to purchase the top-ranked security you own the least. Reinvest dividends in the same manner.

This simple investing process will build a diversified portfolio of high-quality dividend securities over a period of less than two years. Further, higher ranked securities will receive proportionately more investment dollars as they will stay in the Top 10 rankings longer. You will build up large positions in the highest-quality securities over your investing career.

If your portfolio grows too large to manage comfortably (for example, you are not comfortable holding 40+ securities – which would happen after around four years of using the Sure Dividend System), you will need to sell holdings. I recommend eliminating positions that have the lowest yields if you are in or near retirement. If you are not near retirement, eliminate positions that rank the lowest in the newsletter or the *Sure Analysis Research Database* until you are comfortable with the number of positions in your portfolio. Reinvest the proceeds into the highest-ranked securities *you currently own*, until your highest-ranked holding makes up 10% of your portfolio's total value. Then add to the next highest-ranked holding, and so on.

Past Recommendations & Sells

Every past *Sure Dividend Newsletter* recommendation from the Top 10 is shown in this section³. The sell rules that govern this newsletter are below. 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 one year or longer, to qualify for the lower long-term capital gains tax rates in taxable accounts.

Sell Rules

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 reviewed as a potential sell.

Sell Rule #2, Valuation-Based Sell Rules: Sell past recommendations with expected total returns below the expected total returns of the greater of either the S&P 500 over the next several years or the yield on the 20 year T-Bond. We calculate our estimate of the long-term returns of the S&P 500 as 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 1.6%, and valuation multiple mean reversion at -8.2% (S&P 500 fair value P/E of 15.9 versus current P/E of 37.85) for a 5-year expected total returns⁴ sell threshold of -1.3%. The 20-year T-Bond currently has a yield of 1.45%, so our expected total return sell threshold is 1.45%.

Past recommendations at or below this sell threshold are in red in the table below. We will only recommend up to two valuation-based sells a month so that the reinvestment of sale proceeds is not concentrated in a short time frame. We will also review valuation-based sells qualitatively and for momentum to select the appropriate sell time.

Unsold Past Recommendations

Name	Ticker	Time Since 1 st Recommended (Years)	DR Score	5-Year Expected Total Returns	Total Return ⁵	CAGR ⁶	S&P 500 (SPY) CAGR
Kimberly-Clark	KMB	6.7	A	7.5%	58.0%	7.0%	13.3%
ExxonMobil	XOM	6.7	F	13.8%	-43.0%	-8.0%	13.3%
3M	MMM	6.7	A	6.2%	50.2%	6.3%	13.1%
Genuine Parts Co.	GPC	6.7	A	5.6%	44.4%	5.7%	13.1%
Becton, Dickinson	BDX	6.6	A	9.7%	134.4%	13.8%	12.8%
General Mills	GIS	6.6	C	7.1%	34.2%	4.6%	12.8%
Philip Morris	PM	6.6	C	7.8%	31.5%	4.2%	12.8%
AT&T	T	6.6	B	13.2%	16.9%	2.4%	12.8%
J.M. Smucker	SJM	6.4	B	6.7%	36.1%	4.9%	13.0%

³ This does not include our past “special recommendations” or international recommendations from years ago, which are outside the scope of the regular *Sure Dividend Newsletter* strategy. We are not tracking when to sell or performance of those recommendations.

⁴ We are using the simplified calculation of expected total returns for estimated S&P 500 returns, which is calculated as dividend yield + growth rate + valuation multiple change.

⁵ Data through 12/31/20 and the 12/30/20 and/or 12/31/20 *Sure Analysis Research Database* Excel sheets.

⁶ Compound Annual Growth Rate (using total returns) is only calculated for past recommendations with holding periods of 1+ years.

Altria	MO	5.7	B	12.5%	8.5%	1.4%	13.0%
Caterpillar	CAT	5.4	C	2.1%	176.8%	20.7%	13.5%
Raytheon Technologies	RTX	5.4	B	6.8%	39.8%	6.4%	13.5%
BCE Inc.	BCE	5.4	F	7.3%	38.4%	6.2%	13.5%
Cummins	CMI	5.2	B	5.9%	149.1%	19.3%	14.0%
Johnson Controls	JCI	5.1	D	5.7%	70.5%	11.1%	14.5%
Verizon	VZ	5.1	B	9.1%	59.3%	9.6%	14.5%
Archer-Daniels-Midland	ADM	4.9	A	7.7%	77.5%	12.4%	17.7%
General Dynamics	GD	4.8	A	9.7%	24.7%	4.7%	16.1%
Cardinal Health	CAH	4.7	A	7.8%	-21.6%	-5.1%	15.6%
Phillips 66	PSX	4.5	F	10.5%	5.9%	1.3%	16.1%
Walgreens Boots Alliance	WBA	4.3	A	13.6%	-44.8%	-12.9%	15.5%
AbbVie	ABBV	4.2	A	8.4%	105.4%	18.5%	16.0%
Medtronic	MDT	4.1	A	0.8%	79.6%	15.5%	16.1%
Lowe's	LOW	3.7	A	9.9%	99.4%	20.8%	15.2%
IBM	IBM	3.7	B	8.0%	-3.2%	-0.9%	15.2%
Ameriprise Financial	AMP	3.6	A	6.4%	74.0%	16.8%	14.9%
CVS Health	CVS	3.6	B	11.2%	-3.6%	-1.0%	14.9%
HNI Corp.	HNI	3.1	C	0.0%	11.4%	3.6%	14.2%
Leggett & Platt	LEG	3.0	B	5.7%	2.8%	0.9%	13.1%
ONEOK	OKE	3.0	C	14.1%	-16.2%	-5.8%	13.1%
Franklin Resources	BEN	2.8	A	8.0%	-16.5%	-6.3%	16.7%
United Parcel Service	UPS	2.2	B	3.6%	70.0%	27.9%	17.9%
Northrop Grumman	NOC	2.2	A	13.8%	13.2%	5.9%	17.9%
Whirlpool	WHR	2.0	B	6.9%	66.3%	29.2%	23.7%
Bank OZK	OZK	2.0	B	5.7%	35.9%	16.7%	23.7%
Newell Brands	NWL	2.0	D	1.4%	21.8%	10.4%	23.7%
Hanesbrands	HBI	2.0	B	9.9%	19.4%	9.4%	23.7%
T. Rowe Price Group	TROW	1.9	A	3.5%	68.5%	31.5%	20.5%
People's United Financial	PBCT	1.8	B	11.8%	-20.2%	-11.6%	19.6%
MSC Industrial	MSM	1.5	C	4.8%	37.8%	24.1%	19.0%
A.O. Smith	AOS	1.4	B	2.4%	28.8%	19.7%	24.0%
Snap-on	SNA	1.4	B	4.7%	20.9%	14.4%	24.0%
FedEx	FDX	1.2	A	16.7%	86.2%	65.3%	24.1%
UnitedHealth Group	UNH	1.2	B	8.8%	61.7%	47.5%	24.1%
Comcast	CMCSA	1.2	B	6.5%	20.1%	16.0%	24.1%

Textron	TXT	1.2	A	-2.7%	1.8%	1.5%	24.1%
M&T Bank	MTB	1.2	B	9.4%	-13.6%	-11.2%	24.1%
Lockheed Martin	LMT	1.0	B	14.3%	-11.9%	N/A	N/A
UMB Financial	UMBF	0.9	C	1.2%	4.7%	N/A	N/A
Polaris	PII	0.7	A	12.1%	121.4%	N/A	N/A
H.B. Fuller	FUL	0.7	A	5.1%	90.1%	N/A	N/A
Pentair	PNR	0.7	A	3.8%	74.6%	N/A	N/A
UGI	UGI	0.7	A	10.6%	35.3%	N/A	N/A
Stanley Black & Decker	SWK	0.7	A	2.7%	74.1%	N/A	N/A
Unum Group	UNM	0.7	A	11.8%	39.5%	N/A	N/A
Bristol-Myers Squibb	BMY	0.6	B	13.0%	3.3%	N/A	N/A
Enterprise Bancorp	EBTC	0.6	A	11.9%	3.1%	N/A	N/A
Huntington Ingalls	HII	0.5	B	12.9%	-0.3%	N/A	N/A
John Wiley & Sons	JW.A	0.4	B	5.1%	34.4%	N/A	N/A
Prosperity Bancshares	PB	0.4	B	9.3%	26.3%	N/A	N/A
Intel	INTC	0.4	B	12.4%	4.6%	N/A	N/A
Sempra Energy	SRE	0.3	B	11.7%	8.9%	N/A	N/A
Cisco Systems	CSCO	0.2	B	10.0%	24.7%	N/A	N/A
Telephone & Data	TDS	0.2	B	14.3%	10.2%	N/A	N/A
National Fuel Gas	NFG	0.1	A	12.1%	0.3%	N/A	N/A
Gilead	GILD	0.0	B	13.5%	N/A	N/A	N/A

Pending Sells

Name	Ticker	1st Rec. Date	Sell Date	Total Return	S&P 500 Total Return ⁷
Macy's	M	5/8/2017	TBD	-51.4%	67.5%
Occidental Petroleum	OXY	6/5/2017	TBD	-65.6%	64.5%
Royal Dutch Shell	RDS.B	7/3/2017	TBD	-25.6%	64.9%
Kohl's	KSS	9/5/2017	TBD	15.0%	62.3%
Southwest Airlines	LUV	2/5/2018	TBD	-15.9%	49.8%
Invesco	IVZ	3/5/2018	TBD	-37.1%	45.3%
Foot Locker	FL	6/3/2019	TBD	5.6%	40.7%

Pending sells are issued for securities that have reached a sell event (typically a dividend reduction) but should not be sold *yet*. We will initiate final sell recommendations for all of the above pending sells when they reach or approximate their fair values. We are not issuing sell prices for our pending sells at this time. We are reviewing with every newsletter for the final sell recommendation.

⁷ S&P 500 total returns are measured by the investable S&P 500 ETF (SPY).

Sold Positions

Name	Ticker	1st Rec. Date	Sell Date	Total Return	S&P 500 Total Return
Chubb (old Chubb)	CB	4/7/2014	7/6/2015	32.1%	14.9%
Baxalta (acquired)	BXLT	7/6/2015	2/8/2016	15.4%	-9.3%
ConocoPhillips	COP	12/8/2014	10/8/2018	34.4%	50.8%
Helmerich & Payne	HP	2/2/2015	12/3/2018	17.5%	48.9%
Vector	VGR	8/7/2017	12/3/2018	-28.7%	15.3%
Abbott	ABT	7/7/2014	1/7/2019	83.6%	40.9%
Hormel	HRL	12/5/2016	1/7/2019	30.2%	20.3%
Ecolab	ECL	10/6/2014	2/4/2019	70.4%	66.8%
Wal-Mart	WMT	4/7/2014	2/4/2019	43.4%	66.8%
Clorox	CLX	4/7/2014	3/4/2019	100.5%	72.6%
Nike	NKE	5/8/2017	3/4/2019	61.6%	25.0%
Church & Dwight	CHD	4/2/2018	4/8/2019	50.2%	14.3%
Computer Services	CSVI	11/2/2015	6/3/2019	105.4%	39.9%
Axis Capital	AXS	1/8/2018	6/3/2019	28.2%	2.6%
VF Corp.	VFC	11/7/2016	7/8/2019	73.0%	46.9%
AFLAC	AFL	4/7/2014	7/8/2019	108.0%	78.7%
Procter & Gamble	PG	12/7/2015	8/5/2019	62.5%	46.8%
Mondelez	MDLZ	4/3/2017	8/5/2019	27.3%	25.9%
Boeing	BA	10/3/2016	9/3/2019	187.6%	42.1%
McDonald's	MCD	4/7/2014	9/3/2019	162.0%	75.0%
Owens & Minor	OMI	1/8/2018	10/7/2019	-67.0%	10.6%
Coca-Cola	KO	4/7/2014	10/7/2019	66.5%	77.2%
Qualcomm	QCOM	6/5/2017	11/4/2019	57.7%	32.1%
Universal	UVV	2/5/2018	11/4/2019	30.0%	20.3%
Target	TGT	4/7/2014	12/2/2019	147.9%	88.4%
PepsiCo	PEP	4/7/2014	12/2/2019	90.3%	88.4%
Illinois Tool Works	ITW	11/5/2018	1/6/2020	41.1%	21.3%
Deere & Co.	DE	1/5/2015	1/6/2020	129.0%	77.1%
Eaton	ETN	2/4/2019	2/5/2020	48.0%	24.7%
Western Digital	WDC	9/8/2015	2/3/2020	95.2%	79.5%
Flowers Foods	FLO	3/7/2016	4/6/2020	41.2%	43.6%
Johnson & Johnson	JNJ	11/2/2015	5/3/2020	63.9%	47.5%
Disney	DIS	6/6/2016	6/8/2020	36.6%	65.5%
Kellogg	K	12/8/2014	7/6/2020	19.6%	72.0%

S&P Global	SPGI	12/3/2018	7/6/2020	86.8%	17.5%
W.W. Grainger	GWW	7/6/2015	9/8/2020	67.2%	78.0%
WestRock	WRK	3/4/2019	11/2/2020	8.7%	22.2%
Eaton Vance	EV	1/7/2019	11/2/2020	79.4%	34.2%

Average Sold Recommendation Total Return: 60.5%

Average S&P 500 (SPY) Total Return: 44.3%

List of Securities by Dividend Risk Score

Each of the securities in the [Sure Analysis Research Database](#) are grouped according to Dividend Risk 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 Dividend Risk Score uses payout ratio, dividend history, and recession resiliency to measure a company's dividend safety. You can learn more about how the score is calculated in the [Sure Analysis Glossary](#). These rankings will not always align with our Top 10 due to additional safety constraints we impose outside of the Top 10 and newsletter compilation timing⁸. See our '[Buying and Ranking Criteria](#)' for more information.

A-Rated Dividend Risk Securities

1. Tencent Holdings Ltd (TCEHY): 0%
2. FedEx Corp. (FDX): 1%
3. McCormick & Co. Inc. (MKC): 0.7%
4. Northrop Grumman Corp. (NOC): 1.9%
5. Walgreens Boots Alliance Inc. (WBA): 4.6%
6. Ping AN Insurance (Group) Co. of China Ltd (PNGAY): 0%
7. Perrigo Company plc (PRGO): 2%
8. Thermo Fisher Scientific Inc. (TMO): 0.2%
9. Eagle Financial Services Inc. (EFSI): 0%
10. Enterprise Bancorp Inc. (EBTC): 2%
11. National Fuel Gas Co. (NFG): 3.2%
12. Polaris Inc. (PII): 2.6%
13. Unum Group (UNM): 5%
14. L3Harris Technologies Inc. (LHX): 1.8%
15. UGI Corp. (UGI): 3.8%
16. Farmers & Merchants Bancorp (FMCB): 0%
17. Kroger Co. (KR): 2.1%
18. Lowe's Cos. Inc. (LOW): 1.4%
19. Atmos Energy Corp. (ATO): 2.5%
20. Becton, Dickinson And Co. (BDX): 1.3%
21. General Dynamics Corp. (GD): 2.9%
22. McKesson Corp. (MCK): 0.9%
23. Matthews International Corp. (MATW): 2.9%
24. Community Trust Bancorp Inc. (CTBI): 4.1%
25. Black Hills Corp. (BKH): 3.5%
26. ABM Industries Inc. (ABM): 1.9%
27. Dollar General Corp. (DG): 0.7%
28. Oracle Corp. (ORCL): 1.5%
29. PSB Holdings Inc. (WI) (PSBQ): 0%
30. Silgan Holdings Inc. (SLGN): 1.3%
31. AbbVie Inc. (ABBV): 4.4%
32. Franklin Resources Inc. (BEN): 3.2%
33. Cardinal Health Inc. (CAH): 3.6%
34. Fresenius Medical Care AG & Co. KGaA (FMS): 1.7%
35. Archer Daniels Midland Co. (ADM): 2.9%
36. Kimberly-Clark Corp. (KMB): 3.2%
37. Amerisource Bergen Corp. (ABC): 1.7%
38. Assurant Inc. (AIZ): 1.9%
39. S&P Global Inc. (SPGI): 0.8%
40. Tennant Co. (TNC): 1.3%
41. Aflac Inc. (AFL): 2.5%
42. Best Buy Co. Inc. (BBY): 2.2%
43. SEI Investments Co. (SEIC): 1.3%
44. Ameriprise Financial Inc. (AMP): 2.1%
45. Donaldson Co. Inc. (DCI): 1.5%
46. 3M Co. (MMM): 3.3%
47. Arrow Financial Corp. (AROW): 3.3%
48. Applied Materials Inc. (AMAT): 1%
49. Northeast Indiana Bancorp Inc. (NIDB): 0%
50. Carlisle Cos. Inc. (CSL): 1.3%
51. Genuine Parts Co. (GPC): 3.2%
52. Moody's Corp. (MCO): 0.8%
53. McGrath RentCorp (MGRC): 2.5%
54. H.B. Fuller Co. (FUL): 0.9%
55. Sonoco Products Co. (SON): 2.9%
56. Target Corp. (TGT): 1.5%
57. Hormel Foods Corp. (HRL): 2%
58. Gorman-Rupp Co. (GRC): 1.8%
59. Stryker Corp. (SYK): 0.7%
60. Chesapeake Financial Shares Inc. (CPKF): 0%
61. Costco Wholesale Corp. (COST): 0.7%
62. RenaissanceRe Holdings Ltd (RNR): 0.9%
63. Advance Auto Parts Inc. (AAP): 0.6%
64. Clorox Co. (CLX): 2.1%
65. Chubb Ltd (CB): 2%
66. Johnson & Johnson (JNJ): 2.6%
67. Nucor Corp. (NUE): 2.3%
68. Brady Corp. (BRC): 1.7%
69. Pentair plc (PNR): 1.5%
70. Roper Technologies Inc. (ROP): 0.5%
71. Parker-Hannifin Corp. (PH): 1.3%
72. T. Rowe Price Group Inc. (TROW): 2.4%
73. Colgate-Palmolive Co. (CL): 2%
74. Church & Dwight Co. Inc. (CHD): 1.1%
75. Walmart Inc. (WMT): 1.5%
76. CSX Corp. (CSX): 1.2%
77. Tractor Supply Co. (TSCO): 1%
78. Emerson Electric Co. (EMR): 2.5%
79. Stanley Black & Decker Inc. (SWK): 1.6%
80. Dover Corp. (DOV): 1.6%
81. Visa Inc. (V): 0.6%
82. Stepan Co. (SCL): 0.7%
83. Brown & Brown Inc. (BRO): 0.6%

⁸ This list was created with data from the *Sure Analysis Research Database* from between 12/29/20 and 12/31/20.

84. Expeditors International of Washington Inc. (EXPD): 1.1%
85. PPG Industries Inc. (PPG): 1.5%
86. Tootsie Roll Industries Inc. (TR): 0.9%
87. First Financial Corp. - Indiana (THFF): 2.7%
88. Microsoft Corporation (MSFT): 0.9%
89. United Bankshares Inc. (UBSI): 4.4%
90. Medtronic plc (MDT): 2%
91. Sherwin-Williams Co. (SHW): 0.7%
92. SJW Group (SJW): 1.9%
93. Procter & Gamble Co. (PG): 2.2%
94. Abbott Laboratories (ABT): 1.3%
95. Jack Henry & Associates Inc. (JKHY): 1.1%
96. Tompkins Financial Corp (TMP): 2.9%
97. Canadian National Railway Co. (CNI): 1.2%
98. Computer Services Inc. (CSVI): 0%
99. Franklin Electric Co. Inc. (FELE): 0.9%
100. W.W. Grainger Inc. (GWV): 1.4%
101. Lancaster Colony Corp. (LANC): 1.6%
102. RPM International Inc. (RPM): 1.6%
103. Cintas Corp. (CTAS): 0.8%
104. American States Water Co. (AWR): 1.6%
105. Eaton Vance Corp. (EV): 2.1%
106. MSA Safety Inc. (MSA): 1.2%
107. Nordson Corp. (NDSN): 0.8%
108. MGE Energy Inc. (MGEE): 2.1%
109. Ecolab Inc. (ECL): 0.9%
110. Otis Worldwide Corp. (OTIS): 0.9%
111. California Water Service Group (CWT): 1.6%
112. Textron Inc. (TXT): 0.2%
113. Carrier Global Corp. (CARR): 0.8%
114. Brown-Forman Corp. (BF.B): 0.9%
115. Brookfield Asset Management Inc. (BAM): 1.3%
116. Apple Inc. (AAPL): 0.6%
117. Middlesex Water Co. (MSEX): 1.4%
118. AptarGroup Inc. (ATR): 1.1%
119. West Pharmaceutical Services Inc. (WST): 0.2%
120. Albemarle Corp. (ALB): 1%
121. RLI Corp. (RLI): 0.9%
18. Flowers Foods Inc. (FLO): 3.4%
19. Home Depot Inc. (HD): 2.2%
20. Cisco Systems Inc. (CSCO): 3.2%
21. Tyson Foods Inc. (TSN): 2.7%
22. CyrusOne Inc. (CONE): 2.7%
23. Hanesbrands Inc. (HBI): 4.1%
24. Merck & Co. Inc. (MRK): 3%
25. AMGEN Inc. (AMGN): 2.8%
26. M & T Bank Corp. (MTB): 3.5%
27. Verizon Communications Inc. (VZ): 8.3%
28. Prosperity Bancshares Inc. (PB): 2.7%
29. Republic Services Inc. (RSG): 1.7%
30. UnitedHealth Group Inc. (UNH): 1.4%
31. DTE Energy Co. (DTE): 3.4%
32. Ritchie Bros Auctioneers Inc. (RBA): 1.5%
33. Alliant Energy Corp. (LNT): 3%
34. International Business Machines Corp. (IBM): 5.2%
35. Edison International (EIX): 3%
36. MDU Resources Group Inc. (MDU): 3.2%
37. America Móvil SAB.DE C.V. (AMX): 0%
38. Northwest Natural Holding Co. (NWN): 4.1%
39. American Express Co. (AXP): 1.4%
40. Red Eléctrica Corporación SA (RDEIY): 0%
41. MetLife Inc. (MET): 3.9%
42. Raytheon Technologies Corp. (RTX): 3.1%
43. Sap SE (SAP): 1.3%
44. J.M. Smucker Co. (SJM): 3.1%
45. Whirlpool Corp. (WHR): 2.6%
46. Comcast Corp. (CMCSA): 1.7%
47. Mondelez International Inc. (MDLZ): 1.5%
48. Fortis Inc. (FTS): 4.1%
49. Keurig Dr Pepper Inc. (KDP): 3.2%
50. Novartis AG (NVS): 3.3%
51. Blackrock Inc. (BLK): 2%
52. Intercontinental Exchange Inc. (ICE): 1.1%
53. Domino's Pizza Inc. (DPZ): 0.8%
54. Cummins Inc. (CMI): 2.4%
55. Consolidated Edison Inc. (ED): 4.3%
56. Intuit Inc. (INTU): 0.6%
57. Williams-Sonoma Inc. (WSM): 1.9%
58. Bank OZK (OZK): 2.5%
59. Leggett & Platt Inc. (LEG): 3.7%
60. Coca-Cola Co. (KO): 3%
61. John Wiley & Sons Inc. (JW.A): 3.7%
62. National Bank of Canada (NTIOF): 0%
63. International Flavors & Fragrances Inc. (IFF): 2.7%
64. American Tower Corp. (AMT): 2%
65. Travelers Cos Inc. (TRV): 2.4%
66. Snap-on Inc. (SNA): 2.6%
67. Artesian Resources Corp. (ARTNA): 2.7%
68. Kellogg Co. (K): 3.6%
69. Fox Corp. (FOXA): 1.6%
70. Entergy Corp. (ETR): 3.8%
71. Booz Allen Hamilton Holding Corp. (BAH): 1.4%
72. Everest Re Group Ltd (RE): 2.7%
73. Western Union Co. (WU): 4.1%
74. Novo Nordisk (NVO): 1.8%
75. Southside Bancshares Inc. (SBSI): 4%
76. Toro Co. (TTC): 1.1%

B-Rated Dividend Risk Securities

1. Lockheed Martin Corp. (LMT): 2.7%
2. Telephone and Data Systems Inc. (TDS): 3.7%
3. Gilead Sciences Inc. (GILD): 4.7%
4. AT&T Inc. (T): 7.1%
5. Bristol-Myers Squibb Co. (BMY): 2.9%
6. First of Long Island Corp. (FLIC): 4%
7. Huntington Ingalls Industries Inc. (HII): 2.5%
8. Bayer AG (BAYRY): 0%
9. Intel Corp. (INTC): 2.6%
10. Altria Group Inc. (MO): 8.1%
11. H&R Block Inc. (HRB): 6.5%
12. Enterprise Products Partners LP (EPD): 8.7%
13. Sempra Energy (SRE): 3.3%
14. People's United Financial Inc. (PBCT): 4.1%
15. CVS Health Corp. (CVS): 2.9%
16. Federal Realty Investment Trust (FRT): 4.8%
17. Sun Life Financial Inc. (SLF): 4.9%

77. United Parcel Service Inc. (UPS): 2.4%
78. Automatic Data Processing Inc. (ADP): 2.1%
79. Hershey Co. (HSY): 2.1%
80. NextEra Energy Partners LP (NEP): 3.3%
81. Westamerica Bancorporation (WABC): 3%
82. Qualcomm Inc. (QCOM): 1.7%
83. Eastman Chemical Co. (EMN): 2.7%
84. A.O. Smith Corp. (AOS): 1.8%
85. Cognizant Technology Solutions Corp. (CTSH): 1.1%
86. Universal Corp. (UVV): 6.2%
87. Arthur J. Gallagher & Co. (AJG): 1.5%
88. PepsiCo Inc. (PEP): 2.7%
89. Lincoln Electric Holdings Inc. (LECO): 1.3%
90. Sysco Corp. (SYO): 2.4%
91. eBay Inc. (EBAY): 1.3%
92. ResMed Inc. (RMD): 0.7%
93. Cullen Frost Bankers Inc. (CFR): 3.2%
94. Canadian Pacific Railway Ltd (CP): 0.8%
95. McDonald's Corp. (MCD): 2.3%
96. Illinois Tool Works Inc. (ITW): 1.6%
97. Norfolk Southern Corp. (NSC): 1.6%
98. Xcel Energy Inc. (XEL): 2.6%
99. Skyworks Solutions Inc. (SWKS): 1.6%
100. Xylem Inc. (XYL): 1%
101. Waste Management Inc. (WM): 1.9%
102. Commerce Bancshares Inc. (CBSH): 1.6%
103. Union Pacific Corp. (UNP): 1.9%
104. C.H. Robinson Worldwide Inc. (CHRW): 2.2%
105. Essential Utilities Inc. (WTRG): 2.1%
106. Rockwell Automation Inc. (ROK): 1.7%
107. Linde plc (LIN): 1.5%
108. NextEra Energy Inc. (NEE): 1.8%
109. Air Products & Chemicals Inc. (APD): 1.9%
110. BancFirst Corp. (BANF): 1.7%
111. Deere & Co. (DE): 0.9%
112. Honeywell International Inc. (HON): 1.7%
113. Lilly (Eli) & Co. (LLY): 1.8%
114. Nike Inc. (NKE): 0.7%
115. Infosys Ltd (INFY): 1.7%
116. Morningstar Inc. (MORN): 0.5%
117. Cincinnati Financial Corp. (CINF): 2.8%
118. Community Bank System Inc. (CBU): 2.6%
119. Erie Indemnity Co. (ERIE): 1.6%
120. Badger Meter Inc. (BMI): 0.8%
12. British American Tobacco plc (BTI): 6.9%
13. Old Republic International Corp. (ORI): 4.3%
14. Brookfield Infrastructure Partners LP(BIP): 3.8%
15. Hewlett Packard Enterprise Co. (HPE): 4.1%
16. Sanofi (SNY): 3.5%
17. Fairfax Financial Holdings Ltd (FRFHF): 0%
18. NACCO Industries Inc. (NC): 2.9%
19. Omnicom Group Inc. (OMC): 4.1%
20. Great-West Lifeco Inc. (GWLIF): 0%
21. HP Inc. (HPQ): 3%
22. Bank of Nova Scotia (BNS): 8.2%
23. Jack In The Box Inc. (JACK): 1.3%
24. Realty Income Corp. (O): 4.5%
25. Otter Tail Corp. (OTTR): 3.5%
26. ViacomCBS Inc. (VIAC): 2.6%
27. Aon plc (AON): 0.4%
28. Lam Research Corp. (LRCX): 1%
29. Bank of New York Mellon Corp. (BK): 3%
30. Campbell Soup Co. (CPB): 2.9%
31. Calvin b. Taylor Bankshares Inc. (TYCB): 0%
32. Allstate Corp. (The) (ALL): 2%
33. Philip Morris International Inc. (PM): 5.7%
34. Imperial Brands plc (IMBBY): 0%
35. Chorus Aviation Inc. (CHRRF): 0%
36. Yum Brands Inc. (YUM): 1.7%
37. AvalonBay Communities Inc. (AVB): 3%
38. General Mills Inc. (GIS): 3.3%
39. Targa Resources Corp. (TRGP): 4.6%
40. Collectors Universe Inc. (CLCT): 0.9%
41. Weyco Group Inc. (WEYS): 5.8%
42. Enerplus Corp. (ERF): 3.1%
43. Brookfield Renewable Partners LP (BEP): 3%
44. Service Properties Trust (SVC): 4.9%
45. Crown Castle International Corp. (CCI): 3.1%
46. Synchrony Financial (SYF): 2.6%
47. Macerich Co. (MAC): 10.5%
48. Canadian Imperial Bank of Commerce (CM): 6.7%
49. Royal Bank of Canada (RY): 5.1%
50. Barrick Gold Corp. (GOLD): 1.5%
51. SK Telecom Co. Ltd (SKM): 0.4%
52. Greif Inc. (GEF): 3.8%
53. W. P. Carey Inc. (WPC): 4.4%
54. Toronto Dominion Bank (TD): 5.4%
55. PPL Corp. (PPL): 6%
56. Lazard Ltd (LAZ): 4.4%
57. Itaú Unibanco Holding SA (ITUB): 0.8%
58. Bank of Montreal (BMO): 5.5%
59. National Retail Properties Inc. (NNN): 4.9%
60. Duke Energy Corp. (DUK): 4.2%
61. American Electric Power Company Inc. (AEP): 3.5%
62. Public Storage (PSA): 3.5%
63. Universal Health Realty Income Trust (UHT): 4.2%
64. Southern Co. (SO): 4.2%
65. MSC Industrial Direct Co. Inc. (MSM): 2.5%
66. Rogers Communications Inc. (RCI): 4.2%
67. WestRock Co. (WRK): 2.4%
68. Goldman Sachs Group Inc. (GS): 1.9%
69. RELX plc (RELX): 2.3%
70. Foot Locker Inc. (FL): 2.3%

C-Rated Dividend Risk Securities

1. Energy Transfer LP (ET): 16.2%
2. Magellan Midstream Partners LP (MMP): 9.3%
3. MPLX LP (MPLX): 12.1%
4. Enbridge Inc. (ENB): 8.1%
5. Sunoco LP (SUN): 11.1%
6. ONEOK Inc. (OKE): 9.4%
7. Morgan Stanley (MS): 2%
8. Sampo plc (SAXPY): 0%
9. Navient Corp. (NAVI): 6.4%
10. New Jersey Resources Corp. (NJR): 3.6%
11. Mercury General Corp. (MCY): 4.8%

71. Telefonaktiebolaget LM Ericsson (ERIC): 1.3%
72. Unilever plc (UL): 3%
73. ASML Holding NV (ASML): 0.6%
74. Oshkosh Corp. (OSK): 1.4%
75. Vale SA (VALE): 0%
76. Aegon NV (AEG): 0.3%
77. Tanger Factory Outlet Centers Inc. (SKT): 6.8%
78. Siemens AG (SIEGY): 0%
79. Public Service Enterprise Group Inc. (PEG): 3.4%
80. KLA Corp. (KLAC): 1.4%
81. Nielsen Holdings plc (NLSN): 1.2%
82. Logitech International SA (LOGI): 0.8%
83. Digital Realty Trust Inc. (DLR): 3.2%
84. Diageo plc (DEO): 2.2%
85. 1st Source Corp. (SRCE): 2.8%
86. Caterpillar Inc. (CAT): 2.3%
87. Nestle SA (NSRGY): 0%
88. General Motors Co. (GM): 0.9%
89. Patterson Cos. Inc. (PDCO): 3.2%
90. Texas Instruments Inc. (TXN): 2.3%
91. Anheuser-Busch In Bev SA/NV (BUD): 0.8%
92. WEC Energy Group Inc. (WEC): 2.8%
93. Paccar Inc. (PCAR): 1.9%
94. Paychex Inc. (PAYX): 2.6%
95. UMB Financial Corp. (UMBF): 1.8%
96. Constellation Brands Inc. (STZ): 1%
97. Starbucks Corp. (SBUX): 1.6%
98. Kansas City Southern (KSU): 0.6%
99. Daimler AG (DDAIF): 0%
100. HNI Corp. (HNI): 3.5%
101. Owens & Minor Inc. (OMI): 0%
102. Diversified Healthcare Trust (DHC): 4.4%
103. Gap Inc. (GPS): 1.2%
104. Fastenal Co. (FAST): 2%
105. Darden Restaurants Inc. (DRI): 1%
106. Mastercard Inc. (MA): 0.5%
107. Ambev SA (ABEV): 0%
108. NVIDIA Corp. (NVDA): 0.1%
109. Tiffany & Co. (TIF): 1.8%
110. TransAlta Renewables Inc. (TRSWF): 0%
111. Harley-Davidson Inc. (HOG): 1.2%
112. Marvell Technology Group Ltd (MRVL): 0.5%
113. Marriott International Inc. (MAR): 0.4%
114. Tapestry Inc. (TPR): 1.1%
115. Honda Motor (HMC): 1.9%
116. Trane Technologies plc (TT): 1.5%
117. Sony Corp. (SNE): 0.5%
118. Thomson-Reuters Corp. (TRI): 2%
119. Yamana Gold Inc. (AUY): 1.3%
120. Kulicke & Soffa Industries Inc. (KLIC): 1.6%
7. Kinder Morgan Inc. (KMI): 7.4%
8. Pfizer Inc. (PFE): 4%
9. Office Properties Income Trust (OPI): 9.4%
10. Genesis Energy LP (GEL): 15%
11. Telefonica SA (TEF): 10.9%
12. China Mobile Ltd (CHL): 7.3%
13. Lumen Technologies Inc. (LUMN): 10%
14. TC Energy Corp. (TRP): 7.2%
15. Principal Financial Group Inc. (PFG): 4.5%
16. FirstEnergy Corp. (FE): 5.2%
17. DHT Holdings Inc. (DHT): 23.7%
18. GlaxoSmithKline plc (GSK): 5.4%
19. TC Pipelines LP (TCP): 8.8%
20. Williams Cos. Inc. (WMB): 7.7%
21. Geo Group Inc. (GEO): 18.9%
22. Iron Mountain Inc. (IRM): 8.2%
23. Truist Financial Corp. (TFC): 3.8%
24. Canadian Utilities Ltd (CDUAF): 0%
25. Boston Properties Inc. (BXP): 3.1%
26. Prudential Financial Inc. (PRU): 5.6%
27. Keycorp (KEY): 4.5%
28. Omega Healthcare Investors Inc. (OHI): 7.1%
29. Prologis Inc. (PLD): 2.4%
30. Hasbro Inc. (HAS): 2.9%
31. Healthcare Trust of America Inc. (HTA): 4.6%
32. New Residential Investment Corp. (NRZ): 3%
33. Simon Property Group Inc. (SPG): 7%
34. CenterPoint Energy Inc. (CNP): 3.4%
35. Kraft Heinz Co. (KHC): 4.5%
36. STAG Industrial Inc. (STAG): 4.2%
37. Huntington Bancshares Inc. (HBAN): 4.8%
38. Interpublic Group of Cos. Inc. (IPG): 4.2%
39. Deutsche Telekom AG (DEG): 0%
40. Brixmor Property Group Inc. (BRX): 3.5%
41. Amcor plc (AMCR): 3.9%
42. Broadcom Inc. (AVGO): 3.1%
43. Superior Plus Corp. (SUUIF): 0%
44. Citigroup Inc. (C): 3.3%
45. Bank of America Corp. (BAC): 2.4%
46. Industria De Diseño Textil SA (IDEXY): 0%
47. Sabra Healthcare REIT Inc. (SBRA): 7.5%
48. Store Capital Corp. (STOR): 3.1%
49. Whitestone REIT (WSR): 7.4%
50. CNA Financial Corp. (CNA): 3.8%
51. AGNC Investment Corp. (AGNC): 8.8%
52. Medical Properties Trust Inc. (MPW): 4.9%
53. Camden Property Trust (CPT): 3.3%
54. Bayerische Motoren Werke AG (BMWYY): 0%
55. Ally Financial Inc. (ALLY): 2.2%
56. Gladstone Land Corp. (LAND): 4.5%
57. Gazprom (OGZPY): 0%
58. NetApp Inc. (NTAP): 2.9%
59. Essex Property Trust Inc. (ESS): 3.4%
60. Conagra Brands Inc. (CAG): 2.5%
61. Newmont Corp. (NEM): 1.7%
62. Johnson Controls International plc (JCI): 2.2%
63. Discover Financial Services (DFS): 1.5%
64. Easterly Government Properties Inc. (DEA): 4.6%
65. Dream Office Real Estate Investment Trust (DRETF): 0%

D-Rated Dividend Risk Securities

1. SFL Corporation Ltd (SFL): 15.8%
2. Preferred Apartment Communities Inc. (APTS): 10.3%
3. Holly Energy Partners LP (HEP): 12.1%
4. SL Green Realty Corp. (SLG): 5.4%
5. Inter Pipeline Ltd (IPPLF): 0%
6. Suburban Propane Partners LP (SPH): 12.2%

66. TELUS Corp. (TU): 5.1%
67. Exelon Corp. (EXC): 3.6%
68. Equity Residential Properties Trust (EQR): 4%
69. CoreSite Realty Corp. (COR): 2.9%
70. FBL Financial Group Inc. (FFG): 3.8%
71. Physicians Realty Trust (DOC): 5%
72. Sienna Senior Living Inc. (LWSCF): 0%
73. PacWest Bancorp (PACW): 5.3%
74. Koninklijke Philips NV (PHG): 1.7%
75. DuPont de Nemours Inc. (DD): 1.7%
76. Invesco Ltd (IVZ): 4.4%
77. Münchener Rückversicherungs-Gesellschaft AG (MURGF): 0%
78. Seagate Technology plc (STX): 4.2%
79. U.S. Bancorp (USB): 2.7%
80. JPMorgan Chase & Co. (JPM): 2.8%
81. UBS Group AG (UBS): 2.5%
82. Alexandria Real Estate Equities Inc. (ARE): 1.8%
83. Gaming and Leisure Properties Inc. (GLPI): 3.3%
84. CF Industries Holdings Inc. (CF): 3.2%
85. Weyerhaeuser Co. (WY): 1.5%
86. Magna International Inc. (MGA): 2.8%
87. Urstadt Biddle Properties Inc. (UBA): 5.4%
88. Lamar Advertising Co. (LAMR): 3%
89. WPP plc (WPP): 5.5%
90. Summit Hotel Properties Inc. (INN): 2%
91. Xerox Holdings Corp. (XRX): 3.2%
92. International Paper Co. (IP): 4.1%
93. Kontoor Brands Inc. (KTB): 2.3%
94. TJX Cos. Inc. (TJX): 0.3%
95. Garmin Ltd (GRMN): 2%
96. CME Group Inc. (CME): 1.9%
97. Newell Brands Inc. (NWL): 4.3%
98. Dream Industrial Real Estate Investment Trust (DREUF): 0%
99. Rio Tinto plc (RIO): 5%
100. Ventas Inc. (VTR): 4.9%
101. Kimco Realty Corp. (KIM): 5.5%
102. Hannon Armstrong Sustainable Infrastructure capital Inc. (HASI): 2.2%
103. BHP Group Ltd (BHP): 3.6%
104. Halliburton Co. (HAL): 1.7%
105. Corning Inc. (GLW): 2.4%
106. ABB Ltd (ABB): 3%
107. Wheaton Precious Metals Corp (WPM): 1%
108. Accenture plc (ACN): 1.3%
109. Vermilion Energy Inc. (VET): 12.9%
110. Chemours Co. (CC): 4%
111. VF Corp. (VFC): 2.3%
112. AstraZeneca plc (AZN): 2.8%
113. Wendy's Co. (WEN): 1.3%
114. Dunkin Brands Group Inc. (DNKN): 0%
115. HSBC Holdings plc (HSBC): 4.1%
116. U.S. Global Investors Inc. (GROW): 0.6%
117. Taiwan Semiconductor Manufacturing (TSM): 1.6%
118. Eaton Corp. plc (ETN): 2.5%
119. Ferrari NV (RACE): 0.5%
120. VEREIT Inc. (VER): 3.8%

F-Rated Dividend Risk Securities

1. Great Elm Capital Corp. (GECC): 11.8%
2. CNOOC Ltd (CEO): 8.8%
3. China Petroleum & Chemical Corp. (SNP): 8.1%
4. USA Compression Partners LP (USAC): 15.7%
5. Innovative Industrial Properties Inc. (IIPR): 1.8%
6. Suncor Energy Inc. (SU): 6.4%
7. HollyFrontier Corp. (HFC): 5.4%
8. Exxon Mobil Corp. (XOM): 8.2%
9. Icahn Enterprises LP (IEP): 11%
10. Newtek Business Services Corp. (NEWT): 10.9%
11. Royal Dutch Shell plc (RDS.B): 5.4%
12. PetroChina Co. Ltd (PTR): 5.9%
13. Total SE (TOT): 5.1%
14. BP plc (BP): 8.7%
15. Chatham Lodging Trust (CLDT): 2%
16. KNOT Offshore Partners LP (KNOP): 13.4%
17. Chimera Investment Corp. (CIM): 13%
18. Phillips 66 (PSX): 5.2%
19. LTC Properties Inc. (LTC): 5.7%
20. Höegh LNG Partners LP (HMLP): 11.8%
21. Brookfield Property Partners LP (BPY): 11%
22. Valero Energy Corp. (VLO): 6.9%
23. Sixth Street Specialty Lending Inc. (TSLX): 7.9%
24. PennantPark Floating Rate Capital Ltd (PFLT): 10.3%
25. Landmark Infrastructure Partners LP (LMRK): 8.7%
26. New York Community Bancorp Inc. (NYCB): 6.4%
27. Alaris Equity Partners Income Trust (ALARF): 0%
28. Chevron Corp. (CVX): 6%
29. Consolidated Water Co. Ltd (CWCO): 2.8%
30. Ares Capital Corp. (ARCC): 9.2%
31. Sabine Royalty Trust (SBR): 8.1%
32. Marathon Petroleum Corp. (MPC): 5.6%
33. Permian Basin Royalty Trust (PBT): 6%
34. MGM Growth Properties LLC (MGP): 4.5%
35. Shaw Communications Inc. (SJR): 7.2%
36. TriplePoint Venture Growth BDC Corp. (TPVG): 10.4%
37. Axis Capital Holdings Ltd (AXS): 2.4%
38. Exchange Income Corp. (EIFZF): 0%
39. Two Harbors Investment Corp. (TWO): 7.8%
40. Prospect Capital Corp. (PSEC): 12.1%
41. B&G Foods Inc. (BGS): 4.6%
42. Gladstone Investment Corp. (GAIN): 7.9%
43. Conoco Phillips (COP): 4.3%
44. Dominion Energy Inc. (D): 4.6%
45. Vector Group Ltd (VGR): 6.6%
46. BCE Inc. (BCE): 6.7%
47. Ellington Financial Inc. (EFC): 7.4%
48. Annaly Capital Management Inc. (NLY): 7.9%
49. Comerica Inc. (CMA): 4.8%
50. Global Net Lease Inc. (GNL): 7.5%
51. Starwood Property Trust Inc. (STWD): 7.1%
52. Orchid Island Capital Inc. (ORC): 12.9%
53. New York Mortgage Trust Inc. (NYMT): 6.1%
54. Imperial Oil Ltd (IMO): 2.9%
55. Gladstone Commercial Corp. (GOOD): 8.1%
56. Horizon Technology Finance Corp. (HRZN): 8.8%
57. Blackstone Mortgage Trust Inc. (BXMT): 6.4%

58. Gladstone Capital Corp. (GLAD): 8.6%
59. Solar Senior Capital Ltd (SUNS): 8.6%
60. Spirit Realty Capital Inc. (SRC): 4.6%
61. ARMOUR Residential REIT Inc. (ARR): 10.6%
62. Swiss Re Ltd (SSREY): 0%
63. Pembina Pipeline Corp. (PBA): 10.2%
64. Spark Energy Inc. (SPKE): 7.5%
65. Schlumberger Ltd (SLB): 4%
66. Cross Timbers Royalty Trust (CRT): 7.4%
67. Broadmark Realty Capital Inc. (BRMK): 6.7%
68. Main Street Capital Corp. (MAIN): 6.9%
69. Hercules Capital Inc. (HTGC): 8.8%
70. Eni Spa (E): 5.8%
71. New Mountain Finance Corp. (NMFC): 12.9%
72. Restaurant Brands International Inc. (QSR): 4.2%
73. Compass Diversified Holdings (CODI): 5.4%
74. Stellus Capital Investment Corp. (SCM): 9.4%
75. Artisan Partners Asset Management Inc. (APAM): 5.5%
76. Algonquin Power & Utilities Corp. (AQN): 3.3%
77. Apollo Commercial Real Estate Finance Inc. (ARI): 9.1%
78. Canadian Natural Resources Ltd (CNQ): 8.7%
79. Apollo Global Management Inc. (APO): 4.7%
80. Dynex Capital Inc. (DX): 9%
81. Baker Hughes Co. (BKR): 3.4%
82. Healthpeak Properties Inc. (PEAK): 4.9%
83. Scholastic Corp. (SCHL): 2.4%
84. Tenaris SA (TS): 0.9%
85. AllianceBernstein Holding LP (AB): 8.2%
86. Global Water Resources Inc. (GWRS): 1.9%
87. Occidental Petroleum Corp. (OXY): 4.7%
88. Gold Resource Corp. (GORO): 1.3%
89. Pearson plc (PSO): 2.6%
90. Antero Midstream Corp. (AM): 14.8%
91. Equinor ASA (EQNR): 4.2%
92. Choice Properties Real Estate Investment Trust (PPRQF): 0%
93. Vodafone Group plc (VOD): 6.3%
94. Cedar Fair LP (FUN): 2.4%
95. Ladder Capital Corp. (LADR): 7.3%
96. Dow Inc. (DOW): 5%
97. Covanta Holding Corp. (CVA): 3.1%
98. Compass Minerals International Inc. (CMP): 4.8%
99. Cheesecake Factory Inc. (CAKE): 1%
100. Oxford Square Capital Corp. (OXSQ): 18.6%
101. Arbor Realty Trust Inc. (ABR): 8.4%
102. Nutrien Ltd (NTR): 2.8%
103. Helmerich & Payne Inc. (HP): 7.9%
104. LyondellBasell Industries NV (LYB): 4.6%
105. Wells Fargo & Co. (WFC): 4%
106. Canon Inc. (CAJ): 1.9%
107. Welltower Inc. (WELL): 4.2%
108. Blackstone Group Inc. (The) (BX): 2.9%
109. Olin Corp. (OLN): 3.2%
110. Harvest Capital Credit Corp. (HCAP): 5.5%
111. Ryder System Inc. (R): 2.6%
112. General Electric Co. (GE): 0.4%
113. PermRock Royalty Trust (PRT): 4.5%
114. Patterson-UTI Energy Inc. (PTEN): 1.9%
115. Apache Corp. (APA): 8.5%
116. Dillard's Inc. (DDS): 0.7%
117. Waddell & Reed Financial Inc. (WDR): 3.8%
118. CorEnergy Infrastructure Trust Inc. (CORR): 12.7%
119. MGM Resorts International (MGM): 0.5%
120. Wynn Resorts Ltd (WYNN): 0.9%

List of Securities by Sector

Each of the securities in the [Sure Analysis Research Database](#) are grouped according to sector and Dividend Risk 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 Dividend Risk Score uses payout ratio, dividend history, and recession resiliency to measure a company's dividend safety. You can learn more about how the score is calculated in the [Sure Analysis Glossary](#). These rankings will not always align with our Top 10 due to additional safety constraints we impose outside of the Top 10 and newsletter compilation timing⁹. See our '[Buying and Ranking Criteria](#)' for more information.

Basic Materials

A-Ranked Dividend Risk

1. H.B. Fuller Co. (FUL): 0.9%
2. Nucor Corp. (NUE): 2.3%
3. Stepan Co. (SCL): 0.7%
4. PPG Industries Inc. (PPG): 1.5%
5. Sherwin-Williams Co. (SHW): 0.7%
6. RPM International Inc. (RPM): 1.6%
7. Ecolab Inc. (ECL): 0.9%
8. Albemarle Corp. (ALB): 1%

B-Ranked Dividend Risk

1. MDU Resources Group Inc. (MDU): 3.2%
2. International Flavors & Fragrances Inc. (IFF): 2.7%
3. Eastman Chemical Co. (EMN): 2.7%
4. Linde plc (LIN): 1.5%
5. Air Products & Chemicals Inc. (APD): 1.9%

C-Ranked Dividend Risk

1. Barrick Gold Corp. (GOLD): 1.5%
2. Vale SA (VALE): 0%
3. Yamana Gold Inc. (AUY): 1.3%

D-Ranked Dividend Risk

1. Newmont Corp. (NEM): 1.7%
2. DuPont de Nemours Inc. (DD): 1.7%
3. CF Industries Holdings Inc. (CF): 3.2%
4. Rio Tinto plc (RIO): 5%
5. BHP Group Limited (BHP): 3.6%
6. Wheaton Precious Metals Corp. (WPM): 1%
7. Chemours Co. (CC): 4%

F-Ranked Dividend Risk

1. Gold Resource Corp. (GORO): 1.3%
2. Dow Inc. (DOW): 5%
3. Compass Minerals International Inc. (CMP): 4.8%
4. Nutrien Ltd (NTR): 2.8%
5. LyondellBasell Industries NV (LYB): 4.6%
6. Olin Corp. (OLN): 3.2%

Communication Services

A-Ranked Dividend Risk

1. Tencent Holdings Ltd (TCEHY): 0%

B-Ranked Dividend Risk

1. Telephone and Data Systems Inc. (TDS): 3.7%
2. AT&T Inc. (T): 7.1%
3. Verizon Communications Inc (VZ): 8.3%
4. America Móvil SAB.DE C.V. (AMX): 0%
5. Comcast Corp. (CMCSA): 1.7%
6. John Wiley & Sons Inc. (JW.A): 3.7%
7. Fox Corp. (FOXA): 1.6%

C-Ranked Dividend Risk

1. Omnicom Group Inc. (OMC): 4.1%
2. ViacomCBS Inc. (VIAC): 2.6%
3. SK Telecom Co. Ltd (SKM): 0.4%
4. Rogers Communications Inc. (RCI): 4.2%
5. RELX plc (RELX): 2.3%

D-Ranked Dividend Risk

1. Telefonica SA(TEF): 10.9%
2. China Mobile Limited (CHL): 7.3%
3. Interpublic Group of Cos. Inc. (IPG): 4.2%
4. Deutsche Telekom AG (DETEGY): 0%
5. TELUS Corp. (TU): 5.1%
6. WPP plc. (WPP): 5.5%

F-Ranked Dividend Risk

1. Shaw Communications Inc. (SJR): 7.2%
2. BCE Inc. (BCE): 6.7%
3. Scholastic Corp. (SCHL): 2.4%
4. Pearson plc (PSO): 2.6%
5. Vodafone Group plc (VOD): 6.3%

⁹ This list was created with data from the *Sure Analysis Research Database* from between 12/29/20 and 12/31/20.

Consumer Cyclical

A-Ranked Dividend Risk

1. Polaris Inc. (PII): 2.6%
2. Lowe's Cos. Inc. (LOW): 1.4%
3. Silgan Holdings Inc. (SLGN): 1.3%
4. Best Buy Co. Inc. (BBY): 2.2%
5. Genuine Parts Co. (GPC): 3.2%
6. Sonoco Products Co. (SON): 2.9%
7. Advance Auto Parts Inc. (AAP): 0.6%
8. Tractor Supply Co. (TSCO): 1%
9. AptarGroup Inc. (ATR): 1.1%

B-Ranked Dividend Risk

1. H&R Block Inc. (HRB): 6.5%
2. Home Depot Inc. (HD): 2.2%
3. Hanesbrands Inc (HBI): 4.1%
4. Whirlpool Corp. (WHR): 2.6%
5. Domino's Pizza Inc (DPZ): 0.8%
6. Williams-Sonoma Inc. (WSM): 1.9%
7. Leggett & Platt Inc. (LEG): 3.7%
8. eBay Inc. (EBAY): 1.3%
9. McDonald's Corp. (MCD): 2.3%
10. Nike Inc. (NKE): 0.7%

C-Ranked Dividend Risk

1. Jack In The Box Inc. (JACK): 1.3%
2. Yum Brands Inc. (YUM): 1.7%
3. Weyco Group Inc. (WEYS): 5.8%
4. Greif Inc. (GEF): 3.8%
5. WestRock Co. (WRK): 2.4%
6. Foot Locker Inc (FL): 2.3%
7. General Motors Co. (GM): 0.9%
8. Starbucks Corp. (SBUX): 1.6%
9. Daimler AG (DDAIF): 0%
10. Gap Inc. (GPS): 1.2%
11. Darden Restaurants Inc. (DRI): 1%
12. Tiffany & Co. (TIF): 1.8%
13. Harley-Davidson Inc. (HOG): 1.2%
14. Marriott International Inc. (MAR): 0.4%
15. Tapestry Inc. (TPR): 1.1%
16. Honda Motor (HMC): 1.9%

D-Ranked Dividend Risk

1. Hasbro Inc. (HAS): 2.9%
2. Amcor plc (AMCR): 3.9%
3. Industria De Diseño Textil SA (IDEXY): 0%
4. Bayerische Motoren Werke AG (BMWYY): 0%
5. Magna International Inc. (MGA): 2.8%
6. International Paper Co. (IP): 4.1%
7. Kontoor Brands Inc. (KTB): 2.3%
8. TJX Cos. Inc. (TJX): 0.3%
9. VF Corp. (VFC): 2.3%
10. Wendy's Co. (WEN): 1.3%
11. Dunkin Brands Group Inc. (DNKN): 0%
12. Ferrari NV (RACE): 0.5%

F-Ranked Dividend Risk

1. Restaurant Brands International Inc. (QSR): 4.2%
2. Cedar Fair LP (FUN): 2.4%
3. Cheesecake Factory Inc. (CAKE): 1%
4. Dillard's Inc. (DDS): 0.7%
5. MGM Resorts International (MGM): 0.5%
6. Wynn Resorts Ltd (WYNN): 0.9%

Consumer Defensive

A-Ranked Dividend Risk

1. McCormick & Co. Inc. (MKC): 0.7%
2. Kroger Co. (KR): 2.1%
3. Dollar General Corp. (DG): 0.7%
4. Archer Daniels Midland Co. (ADM): 2.9%
5. Kimberly-Clark Corp. (KMB): 3.2%
6. Target Corp. (TGT): 1.5%
7. Hormel Foods Corp. (HRL): 2%
8. Costco Wholesale Corp. (COST): 0.7%
9. Clorox Co. (CLX): 2.1%
10. Colgate-Palmolive Co. (CL): 2%
11. Church & Dwight Co. Inc. (CHD): 1.1%
12. Walmart Inc. (WMT): 1.5%
13. Tootsie Roll Industries Inc. (TR): 0.9%
14. Procter & Gamble Co. (PG): 2.2%
15. Lancaster Colony Corp. (LANC): 1.6%
16. Brown-Forman Corp. (BF.B): 0.9%

B-Ranked Dividend Risk

1. Altria Group Inc. (MO): 8.1%
2. Flowers Foods Inc. (FLO): 3.4%
3. Tyson Foods Inc. (TSN): 2.7%
4. J.M. Smucker Co. (SJM): 3.1%
5. Mondelez International Inc. (MDLZ): 1.5%
6. Keurig Dr Pepper Inc. (KDP): 3.2%
7. Coca-Cola Co. (KO): 3%
8. Kellogg Co. (K): 3.6%
9. Hershey Co. (HSY): 2.1%
10. Universal Corp. (UVV): 6.2%
11. PepsiCo Inc. (PEP): 2.7%
12. Sysco Corp. (SYY): 2.4%

C-Ranked Dividend Risk

1. British American Tobacco plc (BTI): 6.9%
2. Campbell Soup Co. (CPB): 2.9%
3. Philip Morris International Inc. (PM): 5.7%
4. Imperial Brands plc (IMBBY): 0%
5. General Mills Inc. (GIS): 3.3%
6. Unilever plc (UL): 3%
7. Diageo plc (DEO): 2.2%
8. Nestle SA (NSRGY): 0%
9. Anheuser-Busch In Bev SA/NV (BUD): 0.8%
10. Constellation Brands Inc. (STZ): 1%
11. Ambev SA (ABEV): 0%

D-Ranked Dividend Risk

1. Kraft Heinz Co. (KHC): 4.5%

2. Conagra Brands Inc. (CAG): 2.5%
3. Newell Brands Inc. (NWL): 4.3%

F-Ranked Dividend Risk

1. B&G Foods Inc. (BGS): 4.6%
2. Vector Group Ltd (VGR): 6.6%

Energy

A-Ranked Dividend Risk

1. National Fuel Gas Co. (NFG): 3.2%

B-Ranked Dividend Risk

1. Enterprise Products Partners LP (EPD): 8.7%

C-Ranked Dividend Risk

1. Energy Transfer LP (ET): 16.2%
2. Magellan Midstream Partners LP (MMP): 9.3%
3. MPLX LP (MPLX): 12.1%
4. Enbridge Inc. (ENB): 8.1%
5. Sunoco LP (SUN): 11.1%
6. ONEOK Inc. (OKE): 9.4%
7. NACCO Industries Inc. (NC): 2.9%
8. Targa Resources Corp. (TRGP): 4.6%
9. Enerplus Corp. (ERF): 3.1%

D-Ranked Dividend Risk

1. Holly Energy Partners LP (HEP): 12.1%
2. Inter Pipeline Ltd (IPPLF): 0%
3. Kinder Morgan Inc. (KMI): 7.4%
4. Genesis Energy LP (GEL): 15%
5. TC Energy Corp. (TRP): 7.2%
6. DHT Holdings Inc. (DHT): 23.7%
7. TC Pipelines LP (TCP): 8.8%
8. Williams Cos Inc. (WMB): 7.7%
9. Gazprom (OGZPY): 0%
10. Halliburton Co. (HAL): 1.7%
11. Vermilion Energy Inc. (VET): 12.9%

F-Ranked Dividend Risk

1. CNOOC Ltd (CEO): 8.8%
2. China Petroleum & Chemical Corp. (SNP): 8.1%
3. USA Compression Partners LP (USAC): 15.7%
4. Suncor Energy Inc. (SU): 6.4%
5. HollyFrontier Corp. (HFC): 5.4%
6. Exxon Mobil Corp. (XOM): 8.2%
7. Royal Dutch Shell plc (RDS.B): 5.4%
8. PetroChina Co. Ltd (PTR): 5.9%
9. Total SE (TOT): 5.1%
10. BP plc (BP): 8.7%
11. Phillips 66 (PSX): 5.2%
12. Höegh LNG Partners LP (HMLP): 11.8%
13. Valero Energy Corp. (VLO): 6.9%
14. Chevron Corp. (CVX): 6%
15. Sabine Royalty Trust (SBR): 8.1%
16. Marathon Petroleum Corp. (MPC): 5.6%
17. Permian Basin Royalty Trust (PBT): 6%

18. Conoco Phillips (COP): 4.3%
19. Imperial Oil Ltd (IMO): 2.9%
20. Pembina Pipeline Corp. (PBA): 10.2%
21. Schlumberger Ltd (SLB): 4%
22. Cross Timbers Royalty Trust (CRT): 7.4%
23. Eni Spa (E): 5.8%
24. Canadian Natural Resources Ltd (CNQ): 8.7%
25. Baker Hughes Co. (BKR): 3.4%
26. Tenaris SA (TS): 0.9%
27. Occidental Petroleum Corp. (OXY): 4.7%
28. Antero Midstream Corp. (AM): 14.8%
29. Equinor ASA (EQNR): 4.2%
30. Helmerich & Payne Inc. (HP): 7.9%
31. PermRock Royalty Trust (PRT): 4.5%
32. Patterson-UTI Energy Inc. (PTEN): 1.9%
33. Apache Corp. (APA): 8.5%

Financial Services

A-Ranked Dividend Risk

1. Ping AN Insurance (Group) Co. of China Ltd (PNGAY): 0%
2. Eagle Financial Services Inc. (EFSI): 0%
3. Enterprise Bancorp Inc. (EBTC): 2%
4. Unum Group (UNM): 5%
5. Farmers & Merchants Bancorp (FMCB): 0%
6. Community Trust Bancorp Inc. (CTBI): 4.1%
7. PSB Holdings Inc. (WI) (PSBQ): 0%
8. Franklin Resources Inc. (BEN): 3.2%
9. Assurant Inc. (AIZ): 1.9%
10. S&P Global Inc. (SPGI): 0.8%
11. Aflac Inc. (AFL): 2.5%
12. SEI Investments Co. (SEIC): 1.3%
13. Ameriprise Financial Inc. (AMP): 2.1%
14. Arrow Financial Corp. (AROW): 3.3%
15. Northeast Indiana Bancorp Inc. (NIDB): 0%
16. Moody's Corp. (MCO): 0.8%
17. Chesapeake Financial Shares Inc. (CPKF): 0%
18. RenaissanceRe Holdings Ltd (RNR): 0.9%
19. Chubb Limited (CB): 2%
20. T. Rowe Price Group Inc. (TROW): 2.4%
21. Visa Inc. (V): 0.6%
22. Brown & Brown Inc. (BRO): 0.6%
23. First Financial Corp. - Indiana (THFF): 2.7%
24. United Bankshares Inc. (UBSI): 4.4%
25. Tompkins Financial Corp. (TMP): 2.9%
26. Eaton Vance Corp. (EV): 2.1%
27. Brookfield Asset Management Inc. (BAM): 1.3%
28. RLI Corp. (RLI): 0.9%

B-Ranked Dividend Risk

1. First of Long Island Corp. (FLIC): 4%
2. People's United Financial Inc. (PBCT): 4.1%
3. Sun Life Financial Inc. (SLF): 4.9%
4. M & T Bank Corp. (MTB): 3.5%
5. Prosperity Bancshares Inc. (PB): 2.7%
6. American Express Co. (AXP): 1.4%
7. MetLife Inc. (MET): 3.9%

8. Blackrock Inc. (BLK): 2%
9. Intercontinental Exchange Inc. (ICE): 1.1%
10. Bank OZK (OZK): 2.5%
11. National Bank of Canada (NTIOF): 0%
12. Travelers Cos. Inc. (TRV): 2.4%
13. Everest Re Group Ltd (RE): 2.7%
14. Western Union Co. (WU): 4.1%
15. Southside Bancshares Inc. (SBSI): 4%
16. Westamerica Bancorporation (WABC): 3%
17. Arthur J. Gallagher & Co. (AJG): 1.5%
18. Cullen Frost Bankers Inc. (CFR): 3.2%
19. Commerce Bancshares Inc. (CBSH): 1.6%
20. BancFirst Corp. (BANF): 1.7%
21. Morningstar Inc. (MORN): 0.5%
22. Cincinnati Financial Corp. (CINF): 2.8%
23. Community Bank System Inc. (CBU): 2.6%
24. Erie Indemnity Co. (ERIE): 1.6%

C-Ranked Dividend Risk

1. Morgan Stanley (MS): 2%
2. Sampo plc (SAXPY): 0%
3. Navient Corp. (NAVI): 6.4%
4. Mercury General Corp. (MCY): 4.8%
5. Old Republic International Corp. (ORI): 4.3%
6. Fairfax Financial Holdings Ltd (FRFHF): 0%
7. Great-West Lifeco Inc. (GWLIF): 0%
8. Bank of Nova Scotia (BNS): 8.2%
9. Aon plc. (AON): 0.4%
10. Bank Of New York Mellon Corp. (BK): 3%
11. Calvin b. Taylor Bankshares Inc. (TYCB): 0%
12. Allstate Corp. (The) (ALL): 2%
13. Synchrony Financial (SYF): 2.6%
14. Canadian Imperial Bank of Commerce (CM): 6.7%
15. Royal Bank of Canada (RY): 5.1%
16. Toronto Dominion Bank (TD): 5.4%
17. Lazard Ltd (LAZ): 4.4%
18. Itaú Unibanco Holding SA (ITUB): 0.8%
19. Bank of Montreal (BMO): 5.5%
20. Goldman Sachs Group Inc. (GS): 1.9%
21. Aegon N. V. (AEG): 0.3%
22. 1st Source Corp. (SRCE): 2.8%
23. UMB Financial Corp. (UMBF): 1.8%
24. Mastercard Inc. (MA): 0.5%

D-Ranked Dividend Risk

1. Principal Financial Group Inc. (PFG): 4.5%
2. Truist Financial Corp. (TFC): 3.8%
3. Prudential Financial Inc. (PRU): 5.6%
4. Keycorp (KEY): 4.5%
5. Huntington Bancshares Inc. (HBAN): 4.8%
6. Citigroup Inc. (C): 3.3%
7. Bank of America Corp. (BAC): 2.4%
8. CNA Financial Corp. (CNA): 3.8%
9. Ally Financial Inc. (ALLY): 2.2%
10. Discover Financial Services (DFS): 1.5%
11. Dream Office Real Estate Investment Trust (DRETF): 0%
12. FBL Financial Group Inc. (FFG): 3.8%

13. PacWest Bancorp (PACW): 5.3%
14. Invesco Ltd (IVZ): 4.4%
15. Münchener Rückversicherungs-Gesellschaft AG (MURGF): 0%
16. U.S. Bancorp. (USB): 2.7%
17. JPMorgan Chase & Co. (JPM): 2.8%
18. UBS Group AG (UBS): 2.5%
19. CME Group Inc. (CME): 1.9%
20. Dream Industrial Real Estate Investment Trust (DREUF): 0%
21. HSBC Holdings plc (HSBC): 4.1%
22. U.S. Global Investors Inc. (GROW): 0.6%

F-Ranked Dividend Risk

1. Great Elm Capital Corp. (GECC): 11.8%
2. Newtek Business Services Corp. (NEWT): 10.9%
3. Sixth Street Specialty Lending Inc. (TSLX): 7.9%
4. PennantPark Floating Rate Capital Ltd (PFLT): 10.3%
5. New York Community Bancorp Inc. (NYCB): 6.4%
6. Alaris Equity Partners Income Trust (ALARF): 0%
7. Ares Capital Corp. (ARCC): 9.2%
8. TriplePoint Venture Growth BDC Corp. (TPVG): 10.4%
9. Axis Capital Holdings Ltd (AXS): 2.4%
10. Prospect Capital Corp. (PSEC): 12.1%
11. Gladstone Investment Corp. (GAIN): 7.9%
12. Ellington Financial Inc. (EFC): 7.4%
13. Comerica Inc. (CMA): 4.8%
14. Horizon Technology Finance Corp. (HRZN): 8.8%
15. Gladstone Capital Corp. (GLAD): 8.6%
16. Solar Senior Capital Ltd (SUNS): 8.6%
17. Swiss Re Ltd (SSREY): 0%
18. Main Street Capital Corp. (MAIN): 6.9%
19. Hercules Capital Inc. (HTGC): 8.8%
20. New Mountain Finance Corp. (NMFC): 12.9%
21. Stellus Capital Investment Corp. (SCM): 9.4%
22. Artisan Partners Asset Management Inc. (APAM): 5.5%
23. Apollo Global Management Inc. (APO): 4.7%
24. AllianceBernstein Holding LP (AB): 8.2%
25. Choice Properties Real Estate Investment Trust (PPRQF): 0%
26. Oxford Square Capital Corp. (OXSQ): 18.6%
27. Wells Fargo & Co. (WFC): 4%
28. Blackstone Group Inc. (The) (BX): 2.9%
29. Harvest Capital Credit Corp. (HCAP): 5.5%
30. Waddell & Reed Financial Inc. (WDR): 3.8%

Healthcare

A-Ranked Dividend Risk

1. Walgreens Boots Alliance Inc. (WBA): 4.6%
2. Perrigo Co. plc (PRGO): 2%
3. Thermo Fisher Scientific Inc. (TMO): 0.2%
4. Becton, Dickinson And Co. (BDX): 1.3%
5. Mckesson Corp. (MCK): 0.9%
6. AbbVie Inc. (ABBV): 4.4%
7. Cardinal Health Inc. (CAH): 3.6%

8. Fresenius Medical Care AG & Co. KGaA (FMS): 1.7%
9. Amerisource Bergen Corp. (ABC): 1.7%
10. Stryker Corp. (SYK): 0.7%
11. Johnson & Johnson (JNJ): 2.6%
12. Medtronic plc (MDT): 2%
13. Abbott Laboratories (ABT): 1.3%
14. West Pharmaceutical Services Inc. (WST): 0.2%

B-Ranked Dividend Risk

1. Gilead Sciences Inc. (GILD): 4.7%
2. Bristol-Myers Squibb Co. (BMY): 2.9%
3. Bayer AG (BAYRY): 0%
4. CVS Health Corp. (CVS): 2.9%
5. Merck & Co. Inc. (MRK): 3%
6. AMGEN Inc. (AMGN): 2.8%
7. UnitedHealth Group Inc. (UNH): 1.4%
8. Novartis AG (NVS): 3.3%
9. Novo Nordisk (NVO): 1.8%
10. ResMed Inc. (RMD): 0.7%
11. Lilly (Eli) & Co. (LLY): 1.8%

C-Ranked Dividend Risk

1. Sanofi (SNY): 3.5%
2. Patterson Cos. Inc. (PDCO): 3.2%
3. Owens & Minor Inc. (OMI): 0%

D-Ranked Dividend Risk

1. Pfizer Inc. (PFE): 4%
2. GlaxoSmithKline plc (GSK): 5.4%
3. Sienna Senior Living Inc. (LWSCF): 0%
4. Koninklijke Philips NV (PHG): 1.7%
5. AstraZeneca plc (AZN): 2.8%

F-Ranked Dividend Risk

1. N/A

Industrials

A-Ranked Dividend Risk

1. FedEx Corp. (FDX): 1%
2. Northrop Grumman Corp. (NOC): 1.9%
3. L3Harris Technologies Inc. (LHX): 1.8%
4. General Dynamics Corp. (GD): 2.9%
5. Matthews International Corp. (MATW): 2.9%
6. ABM Industries Inc. (ABM): 1.9%
7. Tennant Co. (TNC): 1.3%
8. Donaldson Co. Inc. (DCI): 1.5%
9. 3M Co. (MMM): 3.3%
10. Carlisle Cos. Inc. (CSL): 1.3%
11. McGrath RentCorp (MGRC): 2.5%
12. Gorman-Rupp Co. (GRC): 1.8%
13. Brady Corp. (BRC): 1.7%
14. Pentair plc (PNR): 1.5%
15. Roper Technologies Inc. (ROP): 0.5%
16. Parker-Hannifin Corp. (PH): 1.3%
17. CSX Corp. (CSX): 1.2%

18. Emerson Electric Co. (EMR): 2.5%
19. Stanley Black & Decker Inc. (SWK): 1.6%
20. Dover Corp. (DOV): 1.6%
21. Expeditors International of Washington Inc. (EXPD): 1.1%
22. Canadian National Railway Co. (CNI): 1.2%
23. Franklin Electric Co. Inc. (FELE): 0.9%
24. W.W. Grainger Inc. (GWW): 1.4%
25. Cintas Corp. (CTAS): 0.8%
26. MSA Safety Inc. (MSA): 1.2%
27. Nordson Corp. (NDSN): 0.8%
28. Otis Worldwide Corp. (OTIS): 0.9%
29. Textron Inc. (TXT): 0.2%
30. Carrier Global Corp. (CARR): 0.8%

B-Ranked Dividend Risk

1. Lockheed Martin Corp. (LMT): 2.7%
2. Huntington Ingalls Industries Inc. (HII): 2.5%
3. Republic Services Inc. (RSG): 1.7%
4. Ritchie Bros Auctioneers Inc (RBA): 1.5%
5. Raytheon Technologies Corp. (RTX): 3.1%
6. Cummins Inc. (CMI): 2.4%
7. Snap-on Inc. (SNA): 2.6%
8. Booz Allen Hamilton Holding Corp. (BAH): 1.4%
9. Toro Co. (TTC): 1.1%
10. United Parcel Service Inc. (UPS): 2.4%
11. Automatic Data Processing Inc. (ADP): 2.1%
12. A.O. Smith Corp. (AOS): 1.8%
13. Lincoln Electric Holdings Inc. (LECO): 1.3%
14. Canadian Pacific Railway Ltd (CP): 0.8%
15. Illinois Tool Works Inc. (ITW): 1.6%
16. Norfolk Southern Corp. (NSC): 1.6%
17. Xylem Inc. (XYL): 1%
18. Waste Management Inc. (WM): 1.9%
19. Union Pacific Corp. (UNP): 1.9%
20. C.H. Robinson Worldwide Inc. (CHRW): 2.2%
21. Rockwell Automation Inc. (ROK): 1.7%
22. Deere & Co. (DE): 0.9%
23. Honeywell International Inc (HON): 1.7%
24. Badger Meter Inc. (BMI): 0.8%

C-Ranked Dividend Risk

1. Chorus Aviation Inc. (CHRRF): 0%
2. Collectors Universe Inc (CLCT): 0.9%
3. MSC Industrial Direct Co. Inc. (MSM): 2.5%
4. Oshkosh Corp. (OSK): 1.4%
5. Siemens AG (SIEGY): 0%
6. Nielsen Holdings plc (NLSN): 1.2%
7. Caterpillar Inc. (CAT): 2.3%
8. Paccar Inc. (PCAR): 1.9%
9. Paychex Inc. (PAYX): 2.6%
10. Kansas City Southern (KSU): 0.6%
11. HNI Corp. (HNI): 3.5%
12. Fastenal Co. (FAST): 2%
13. Trane Technologies plc (TT): 1.5%
14. Thomson-Reuters Corp. (TRI): 2%

D-Ranked Dividend Risk

1. SFL Corp. Ltd (SFL): 15.8%
2. Johnson Controls International plc (JCI): 2.2%
3. ABB Ltd (ABB): 3%
4. Eaton Corp. plc (ETN): 2.5%

F-Ranked Dividend Risk

1. Icahn Enterprises LP (IEP): 11%
2. KNOT Offshore Partners LP (KNOP): 13.4%
3. Exchange Income Corp. (EIFZF): 0%
4. Compass Diversified Holdings (CODI): 5.4%
5. Covanta Holding Corp. (CVA): 3.1%
6. Ryder System Inc. (R): 2.6%
7. General Electric Co. (GE): 0.4%

Real Estate

A-Ranked Dividend Risk

1. N/A

B-Ranked Dividend Risk

1. Federal Realty Investment Trust (FRT): 4.8%
2. CyrusOne Inc. (CONE): 2.7%
3. American Tower Corp. (AMT): 2%

C-Ranked Dividend Risk

1. Realty Income Corp. (O): 4.5%
2. AvalonBay Communities Inc. (AVB): 3%
3. Service Properties Trust (SVC): 4.9%
4. Crown Castle International Corp. (CCI): 3.1%
5. Macerich Co. (MAC): 10.5%
6. W. P. Carey Inc. (WPC): 4.4%
7. National Retail Properties Inc. (NNN): 4.9%
8. Public Storage (PSA): 3.5%
9. Universal Health Realty Income Trust (UHT): 4.2%
10. Tanger Factory Outlet Centers Inc. (SKT): 6.8%
11. Digital Realty Trust Inc. (DLR): 3.2%
12. Diversified Healthcare Trust (DHC): 4.4%

D-Ranked Dividend Risk

1. Preferred Apartment Communities Inc. (APTS): 10.3%
2. SL Green Realty Corp. (SLG): 5.4%
3. Office Properties Income Trust (OPI): 9.4%
4. Geo Group Inc. (GEO): 18.9%
5. Iron Mountain Inc. (IRM): 8.2%
6. Boston Properties Inc. (BXP): 3.1%
7. Omega Healthcare Investors Inc. (OHI): 7.1%
8. Prologis Inc. (PLD): 2.4%
9. Healthcare Trust of America Inc. (HTA): 4.6%
10. New Residential Investment Corp. (NRZ): 3%
11. Simon Property Group Inc. (SPG): 7%
12. STAG Industrial Inc. (STAG): 4.2%
13. Brixmor Property Group Inc. (BRX): 3.5%
14. Sabra Healthcare REIT Inc. (SBRA): 7.5%
15. Store Capital Corp. (STOR): 3.1%
16. Whitestone REIT (WSR): 7.4%
17. AGNC Investment Corp. (AGNC): 8.8%

18. Medical Properties Trust Inc. (MPW): 4.9%
19. Camden Property Trust (CPT): 3.3%
20. Gladstone Land Corp. (LAND): 4.5%
21. Essex Property Trust Inc. (ESS): 3.4%
22. Easterly Government Properties Inc. (DEA): 4.6%
23. Equity Residential Properties Trust (EQR): 4%
24. CoreSite Realty Corp. (COR): 2.9%
25. Physicians Realty Trust (DOC): 5%
26. Alexandria Real Estate Equities Inc. (ARE): 1.8%
27. Gaming and Leisure Properties Inc. (GLPI): 3.3%
28. Weyerhaeuser Co. (WY): 1.5%
29. Urstadt Biddle Properties Inc. (UBA): 5.4%
30. Lamar Advertising Co. (LAMR): 3%
31. Summit Hotel Properties Inc. (INN): 2%
32. Ventas Inc. (VTR): 4.9%
33. Kimco Realty Corp. (KIM): 5.5%
34. Hannon Armstrong Sustainable Infrastructure capital Inc. (HASI): 2.2%
35. VEREIT Inc. (VER): 3.8%

F-Ranked Dividend Risk

1. Innovative Industrial Properties Inc. (IIPR): 1.8%
2. Chatham Lodging Trust (CLDT): 2%
3. Chimera Investment Corp. (CIM): 13%
4. LTC Properties Inc. (LTC): 5.7%
5. Brookfield Property Partners LP (BPY): 11%
6. Landmark Infrastructure Partners LP (LMRK): 8.7%
7. MGM Growth Properties LLC (MGP): 4.5%
8. Two Harbors Investment Corp. (TWO): 7.8%
9. Annaly Capital Management Inc. (NLY): 7.9%
10. Global Net Lease Inc. (GNL): 7.5%
11. Starwood Property Trust Inc. (STWD): 7.1%
12. Orchid Island Capital Inc. (ORC): 12.9%
13. New York Mortgage Trust Inc. (NYMT): 6.1%
14. Gladstone Commercial Corp. (GOOD): 8.1%
15. Blackstone Mortgage Trust Inc. (BXMT): 6.4%
16. Spirit Realty Capital Inc. (SRC): 4.6%
17. ARMOUR Residential REIT Inc. (ARR): 10.6%
18. Broadmark Realty Capital Inc. (BRMK): 6.7%
19. Apollo Commercial Real Estate Finance Inc. (ARI): 9.1%
20. Dynex Capital Inc. (DX): 9%
21. Healthpeak Properties Inc. (PEAK): 4.9%
22. Ladder Capital Corp. (LADR): 7.3%
23. Arbor Realty Trust Inc. (ABR): 8.4%
24. Welltower Inc. (WELL): 4.2%
25. CorEnergy Infrastructure Trust Inc. (CORR): 12.7%

Technology

A-Ranked Dividend Risk

1. Oracle Corp. (ORCL): 1.5%
2. Applied Materials Inc. (AMAT): 1%
3. Microsoft Corp. (MSFT): 0.9%
4. Jack Henry & Associates Inc. (JKHY): 1.1%
5. Computer Services Inc. (CSVI): 0%
6. Apple Inc. (AAPL): 0.6%

B-Ranked Dividend Risk

1. Intel Corp. (INTC): 2.6%
2. Cisco Systems Inc. (CSCO): 3.2%
3. International Business Machines Corp. (IBM): 5.2%
4. Sap SE (SAP): 1.3%
5. Intuit Inc. (INTU): 0.6%
6. Qualcomm Inc. (QCOM): 1.7%
7. Cognizant Technology Solutions Corp. (CTSH): 1.1%
8. Skyworks Solutions Inc. (SWKS): 1.6%
9. Infosys Ltd (INFY): 1.7%

C-Ranked Dividend Risk

1. Hewlett Packard Enterprise Co. (HPE): 4.1%
2. HP Inc. (HPQ): 3%
3. Lam Research Corp. (LRCX): 1%
4. Telefonaktiebolaget L M Ericsson (ERIC): 1.3%
5. ASML Holding NV (ASML): 0.6%
6. KLA Corp. (KLAC): 1.4%
7. Logitech International SA (LOGI): 0.8%
8. Texas Instruments Inc. (TXN): 2.3%
9. NVIDIA Corp. (NVDA): 0.1%
10. Marvell Technology Group Ltd (MRVL): 0.5%
11. Sony Corp. (SNE): 0.5%
12. Kulicke & Soffa Industries Inc. (KLIC): 1.6%

D-Ranked Dividend Risk

1. Broadcom Inc. (AVGO): 3.1%
2. NetApp Inc. (NTAP): 2.9%
3. Seagate Technology plc (STX): 4.2%
4. Xerox Holdings Corp. (XRX): 3.2%
5. Garmin Ltd (GRMN): 2%
6. Corning Inc. (GLW): 2.4%
7. Accenture plc (ACN): 1.3%
8. Taiwan Semiconductor Manufacturing (TSM): 1.6%

F-Ranked Dividend Risk

1. Canon Inc. (CAJ): 1.9%

Utilities**A-Ranked Dividend Risk**

1. UGI Corp. (UGI): 3.8%
2. Atmos Energy Corp. (ATO): 2.5%
3. Black Hills Corp. (BKH): 3.5%
4. SJW Group (SJW): 1.9%
5. American States Water Co. (AWR): 1.6%
6. MGE Energy Inc. (MGEE): 2.1%

7. California Water Service Group (CWT): 1.6%
8. Middlesex Water Co. (MSEX): 1.4%

B-Ranked Dividend Risk

1. Sempra Energy (SRE): 3.3%
2. DTE Energy Co. (DTE): 3.4%
3. Alliant Energy Corp. (LNT): 3%
4. Edison International (EIX): 3%
5. Northwest Natural Holding Co. (NWN): 4.1%
6. Red Eléctrica Corporación SA (RDEIY): 0%
7. Fortis Inc. (FTS): 4.1%
8. Consolidated Edison Inc. (ED): 4.3%
9. Artesian Resources Corp. (ARTNA): 2.7%
10. Entergy Corp. (ETR): 3.8%
11. NextEra Energy Partners LP (NEP): 3.3%
12. Xcel Energy Inc. (XEL): 2.6%
13. Essential Utilities Inc. (WTRG): 2.1%
14. NextEra Energy Inc. (NEE): 1.8%

C-Ranked Dividend Risk

1. New Jersey Resources Corp. (NJR): 3.6%
2. Brookfield Infrastructure Partners LP (BIP): 3.8%
3. Otter Tail Corp. (OTTR): 3.5%
4. Brookfield Renewable Partners LP (BEP): 3%
5. PPL Corp. (PPL): 6%
6. Duke Energy Corp. (DUK): 4.2%
7. American Electric Power Co. Inc. (AEP): 3.5%
8. Southern Co. (SO): 4.2%
9. Public Service Enterprise Group Inc. (PEG): 3.4%
10. WEC Energy Group Inc. (WEC): 2.8%
11. TransAlta Renewables Inc. (TRSWF): 0%

D-Ranked Dividend Risk

1. Suburban Propane Partners LP (SPH): 12.2%
2. FirstEnergy Corp. (FE): 5.2%
3. Canadian Utilities Ltd (CDUAF): 0%
4. CenterPoint Energy Inc. (CNP): 3.4%
5. Superior Plus Corp. (SUUIF): 0%
6. Exelon Corp. (EXC): 3.6%

F-Ranked Dividend Risk

1. Consolidated Water Co. Ltd (CWCO): 2.8%
2. Dominion Energy Inc. (D): 4.6%
3. Spark Energy Inc. (SPKE): 7.5%
4. Algonquin Power & Utilities Corp. (AQN): 3.3%
5. Global Water Resources Inc. (GWRS): 1.9%