



# Sure Retirement

HIGH-YIELD, HIGH-QUALITY SECURITIES

## April 2021 Edition

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Published on April 11<sup>th</sup>, 2021

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## Opening Thoughts

### - Income & Financial Freedom -

The aim of most investors is to secure financial freedom. Financial freedom is the state of having the assets you need to generate recurring income for yourself that exceeds your expenses.

The pursuit of financial freedom is lifelong by nature. Once achieved, your assets must be managed to ensure they are still sufficient to generate the level of recurring income you need.

There are two sides to the financial freedom equation; the investing side, and the expense side. Reducing personal expenses is beyond the scope of our coverage at Sure Dividend, but it is a powerful way to achieve sustainable financial freedom faster.

Income investing matches what investors need for financial freedom – recurring income – with assets that provide recurring income. Income investing looks at the purpose behind investing and uses that to find suitable securities.

Investing in publicly traded income securities have several distinct advantages:

1. Stocks have generated the strongest returns of any liquid major asset class over the long run - [and it isn't close](#).
2. The cost of buying and selling individual securities is incredibly cheap now - and holding stocks after purchasing them is free.
3. The stock market's combination of transparency (readily available financials) and liquidity reduce uncertainty relative to more opaque and illiquid investments.

The securities in *The Sure Retirement Newsletter* all have dividend or distribution yields of 4% or higher – some significantly higher. This month's Top 10 has an average yield of 6.5%. And, three of the securities in this month's Top 10 have yields of 9%+; [Magellan Midstream \(MMP\)](#), [Sunoco LP \(SUN\)](#), and [MPLX LP \(MPLX\)](#).

Higher yielding securities allow investors to reach financial freedom with a smaller asset base. If an investor needs \$80,000 per year to live on, a portfolio of \$1.23 million with a 6.5% yield would achieve this. A portfolio invested at 4% would require a \$2.00 million.

With that said, investing in high-yield securities indiscriminately is a fool's errand. High-yield securities tend to have elevated chances of a dividend reduction. This is usually because they pay out a greater portion of their cash flows as dividends or distributions. If cash flows decline, even temporarily, the investor's income stream could be at jeopardy.

The Dividend Risk score is one of the primary factors we consider in our rankings and for security selection in *The Sure Retirement Newsletter*. Securities with lower payout ratios, a better ability to withstand recessions, and longer dividend histories, will have better Dividend Risk scores.

The combination of a lower chance of a dividend or distribution reduction and a better chance of dividend or distribution growth over time makes sustainable financial freedom much more likely.

## The Sure Retirement Top 10 – April 2021

Name & Ticker	Div. Risk Score	Price	Fair Value	Exp. Value Ret.	Div. or Dist. Yield	Payout Ratio <sup>1</sup>	Exp. Growth	ETR
<a href="#">AbbVie (ABBV)</a>	A	\$106	\$124	3.2%	4.9%	41.9%	3.0%	10.4%
<a href="#">Gilead (GILD)</a>	B	\$65	\$78	3.7%	4.4%	40.0%	5.0%	12.5%
<a href="#">AT&amp;T (T)</a>	B	\$30	\$35	3.1%	6.9%	65.0%	3.0%	11.4%
<a href="#">Verizon (VZ)</a>	B	\$58	\$66	2.8%	4.4%	49.4%	4.0%	10.2%
<a href="#">Magellan Midstream (MMP)<sup>2</sup></a>	C	\$45	\$56	4.4%	9.1%	87.4%	4.0%	14.7%
<a href="#">Sunoco (SUN)</a>	C	\$33	\$41	4.4%	10.0%	52.8%	1.5%	12.9%
<a href="#">MPLX (MPLX)</a>	C	\$27	\$29	1.7%	10.3%	67.1%	2.0%	11.8%
<a href="#">OGE Energy (OGE)</a>	C	\$32	\$37	2.8%	4.9%	76.0%	5.0%	12.0%
<a href="#">National Health Inv. (NHI)<sup>3</sup></a>	C	\$75	\$76	0.4%	5.9%	80.2%	5.5%	10.9%
<a href="#">Lazard (LAZ)</a>	C	\$47	\$49	1.0%	4.0%	49.7%	5.0%	9.5%

**Notes:** Data for the table above is from the 4/9/21 Sure Analysis Research Database spreadsheet and other sources. 'Div.' stands for 'Dividend.' 'Dist.' stands for 'Distribution.' 'Exp. Value Ret.' means expected returns from valuation changes. 'Exp. Growth' means expected annualized growth rate over the next five years. 'ETR' stands for expected total returns. Data in the table above might be slightly different than individual company analysis pages due to writing the company reports throughout the past week.

**Top 10 Disclosures:** Ben Reynolds is long T. Bob Ciura is long ABBV. Eli Inkrot is long T & VZ.

Altria Group (MO) and ONEOK (OKE) were replaced by MPLX (MLPX) and OGE Energy (OGE) in this month's Top 10. There tends to be more volatility in the Top 10 around earnings season (which we are currently not in). As a reminder, securities that are no longer in the Top 10 are holds, not sells.

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

	Top 10	S&P 500
<b>Dividend Yield:</b>	6.5%	1.4%
<b>Growth Rate:</b>	3.8%	5.5%
<b>Valuation Expansion:</b>	2.7%	-9.2%
<b>Expected Annual Total Returns:</b>	11.6%	-2.3%

**Notes:** Data for this newsletter is from 4/6/21 through 4/9/21. We use the simplified method of calculating expected total returns for the S&P 500 above, which is the sum of dividend yield, growth rate, and valuation multiple expansion/contraction.

<sup>1</sup> The payout ratio for MLPs and REITs uses distributable cash flows (DCFs) and funds from operations (FFO), respectively.

<sup>2</sup> MMP, SUN & MPLX are MLPs. LAZ issues a K-1. See LAZ, footnote 6. These four all have different tax consequences versus common stocks. Please see the [MLP portion of our Tax Guide](#) in this newsletter, as well as the [MLP Tax Consequences](#) and the [advantages & disadvantages of investing in MLPs](#) portions of our [primary MLP article on Sure Dividend](#).

<sup>3</sup> NHI is a REIT and has different tax consequences. Please see the [REITs tax guide in this newsletter](#) for more information.

# Analysis of Top 10 Securities

## AbbVie Inc. (ABBV)

### Overview & Current Events

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

AbbVie reported its fourth-quarter earnings results on February 3rd. Quarterly revenue of \$13.9 billion increased 59% year-over-year and was primarily due to the acquisition of Allergan. Earnings-per-share (EPS) increased 32% for the fourth quarter. For the full year, revenue increased 38% while adjusted earnings-per-share increased 18% to \$10.56. Humira continued to perform well in the U.S. with 8.4% domestic revenue growth, which more than offset a 12.5% decline in the international markets.

The company issued strong guidance for 2021 which calls for adjusted earnings-per-share in a range of \$12.32 to \$12.52. At the midpoint of guidance, adjusted EPS are expected to increase 18% for 2021.

### Competitive Advantages & Recession Performance

AbbVie's major risk is loss of exclusivity for Humira. Fortunately, the company's massive research and development platform is a competitive advantage. Research and development expenses totaled \$6.5 billion in 2020. AbbVie has multiple growth opportunities to replace Humira, particularly in the therapeutic areas of immunology, hematology, and neuroscience.

AbbVie was not a standalone company during the last financial crisis, so there is no recession track record, but since sick people require treatment whether the economy is strong or not, it is highly likely that AbbVie would perform comparatively well during a recession and continue paying its dividend. AbbVie has a projected dividend payout ratio of 42% for 2021.

### Growth Prospects, Valuation, & Catalyst

We believe AbbVie has long-term growth potential despite the Humira patent situation. The company has invested heavily in building its pipeline of new products. AbbVie has seen strong growth from Imbruvica, which increased sales 13.7% in 2020. AbbVie also completed the \$63 billion acquisition of Allergan. Allergan's flagship product is Botox, which diversifies AbbVie's portfolio with exposure to global aesthetics. In 2020, AbbVie's aesthetics portfolio generated revenue of \$2.59 billion.

Based on expected 2021 earnings-per-share of \$12.42, AbbVie trades for a price-to-earnings ratio (P/E) of 8.6. Our fair value estimate for AbbVie is a P/E of 10. We view AbbVie as undervalued. An expanding P/E multiple could boost shareholder returns by approximately 3.2% per year over the next five years. In addition, we expect annual earnings growth of 3.0%, while the stock has a 4.9% dividend yield. We expect total annual returns of 10.4% per year over the next five years.

### Key Statistics, Ratios, & Metrics

<b>Years of Dividend Increases:</b>	49 <sup>4</sup>	<b>5-Year Growth Estimate:</b>	3.0%
<b>Dividend Yield:</b>	4.9%	<b>5-Year Valuation Return Estimate:</b>	3.2%
<b>Most Recent Dividend Increase:</b>	10.2%	<b>5-Year CAGR Estimate:</b>	10.4%
<b>Estimated Fair Value:</b>	\$124	<b>Dividend Risk Score:</b>	A
<b>Stock Price:</b>	\$106	<b>Retirement Suitability Score:</b>	A

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<sup>4</sup> Including years as a wholly-owned subsidiary of Abbott Laboratories (ABT)

### Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	17444	18380	18790	19960	22859	25638	28216	32753	33266	45804
Gross Profit	12805	13872	14209	15534	18359	19806	21174	25035	25827	30417
Gross Margin	73.4%	75.5%	75.6%	77.8%	80.3%	77.3%	75.0%	76.4%	77.6%	66.4%
SG&A Exp.	5894	4989	5352	7724	6387	5881	6295	7399	6942	11299
D&A Exp.	1272	1150	897	786	836	1189	1501	1765	2017	6471
Operating Profit	4293	6105	6002	3763	7687	9540	9872	6807	13368	12561
Op. Margin	24.6%	33.2%	31.9%	18.9%	33.6%	37.2%	35.0%	20.8%	40.2%	27.4%
Net Profit	3433	5275	4128	1774	5144	5953	5309	5687	7882	4616
Net Margin	19.7%	28.7%	22.0%	8.9%	22.5%	23.2%	18.8%	17.4%	23.7%	10.1%
Free Cash Flow	5891	6012	5776	2937	7003	6562	9431	12789	12772	16790
Income Tax	235	450	1204	595	1501	1931	2418	(490)	544	(1224)

### Balance Sheet Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets	19521	27008	29198	27513	53050	66099	70786	59352	89115	150565
Cash & Equivalents	27	5901	9595	8348	8399	5100	9303	7289	39924	8449
Acc. Receivable	3817	4298	3854	3735	4730	4758	5088	5384	5428	8822
Inventories	872	1091	1150	1124	1719	1444	1605	1605	1813	3310
Goodwill & Int.	9010	8453	8167	7375	32877	44313	43344	36896	34253	116000
Total Liabilities	7589	23645	24706	25771	49105	61463	65689	67798	97287	137468
Accounts Payable	417	556	933	1401	1597	1407	1474	1546	1452	2276
Long-Term Debt	48	15672	14723	14977	31671	36842	37368	40310	66728	86056
Total Equity	11932	3363	4492	1742	3945	4636	5097	-8446	-8172	13076
D/E Ratio	0.00	4.66	3.28	8.60	8.03	7.95	7.33	(4.77)	(8.17)	6.58

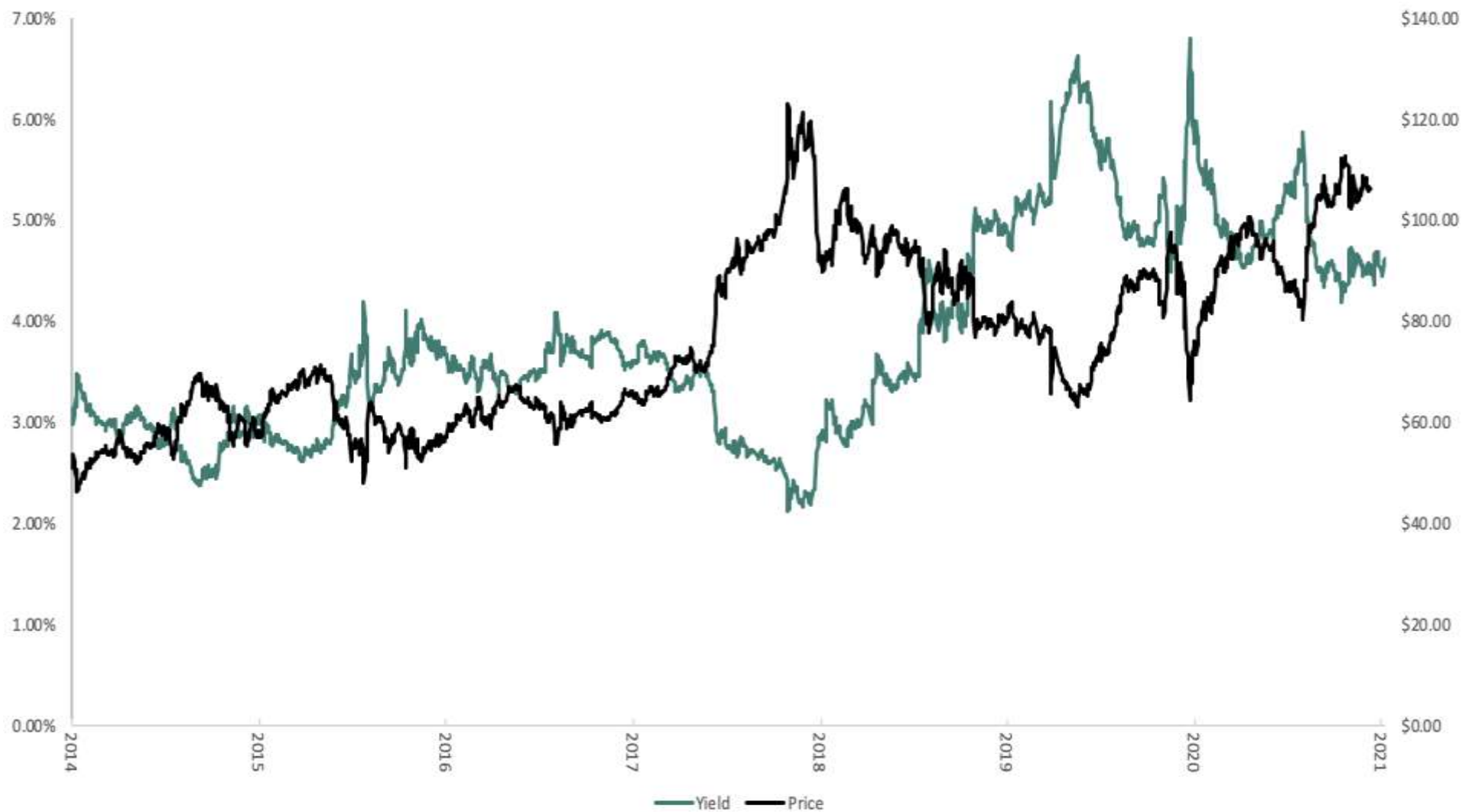
### Profitability & Per Share Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	16.9%	22.7%	14.7%	6.3%	12.8%	10.0%	7.8%	8.7%	10.6%	3.9%
Return on Equity	24.8%	69.0%	105%	57%	181%	139%	109%	---	---	188.3%
ROIC	24.8%	34.0%	21.6%	9.9%	19.7%	15.4%	12.6%	15.3%	17.4%	5.9%
Shares Out.	---	---	1590	1590	1610	1590	1590	1550	1490	1673
Revenue/Share	11.04	11.66	11.71	12.40	13.96	15.72	17.60	21.19	22.42	27.38
FCF/Share	3.73	3.81	3.60	1.82	4.28	4.02	5.88	8.27	8.61	10.04

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

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### AbbVie Inc. (ABBV) 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 generates significant revenue from treatments for HIV, Hepatitis B and C, and various types of cancer. Gilead was founded in 1987, produces \$25 billion in annual revenue, and trades with a market capitalization of \$82 billion.

On February 4<sup>th</sup>, 2021, Gilead Sciences reported Q4 and full-year 2020 results for the period ending December 31<sup>st</sup>, 2020. The company generated revenue of \$7.4 billion during the quarter, representing 26% growth compared to the previous year's quarter. Gilead's Hepatitis C franchise continued to shrink, but Gilead's other businesses showed a strong performance. The most meaningful growth driver was Gilead's COVID-19 therapy Veklury (remdesivir), which generated revenue of \$1.9 billion during the quarter. Biktarvy, Gilead's largest drug in terms of sales volumes, grew 32% year-over-year, although that was offset by declines in other HIV therapies that were replaced by Biktarvy.

Gilead generated earnings-per-share of \$2.19 during the fourth quarter compared to \$1.10 in the prior year. The company received a lot of publicity during the last couple of months thanks to the fact that its drug *remdesivir* is one of the most important treatment options for COVID-19. Gilead expects \$23.7 to \$25.1 billion in revenue for 2021 and earnings-per-share of \$6.75 to \$7.45. Gilead also announced that it would increase its dividend by 4.4% to \$0.71 per quarter.

## Competitive Advantage & Recession Performance

Gilead's competitive advantage is its treatments for HIV and Hepatitis B and C, as it leads these spaces in terms of market share. Gilead's only "issue" is that its treatments work so well that some patients don't need them any longer, reducing the patient pool. Gilead's continued work on cancer treatments should help it offset some of this and help it maintain an advantage in the future.

Gilead isn't necessarily beholden to economic conditions as people generally seek treatment for ailments irrespective of whether we're in a recession or not. Gilead's profits held up quite well during the Great Recession and proved resilient once again in 2020.

## Growth Prospects, Valuation, & Catalyst

We expect Gilead to produce 5% annual growth moving forward as the company continues to see top line expansion from new treatments, and its takeover of Immunomedics should help as well. Gilead should see strong operating leverage as revenue moves higher given that biotechs generally have very small variable costs, so incremental revenue produces large margin gains.

We see Gilead producing 12.5% total annual returns in the coming years, consisting of 5% projected earnings-per-share growth, the 4.4% dividend yield and a 3.7% tailwind from the valuation. Gilead shares trade for 9.2 times this year's earnings-per-share estimate of \$7.10, and we assess fair value at 11 times earnings. The moderate payout ratio also provides a long dividend growth runway.

## Key Statistics, Ratios, & Metrics

<b>Years of Dividend Increases:</b>	6	<b>5-Year Growth Estimate:</b>	5.0%
<b>Dividend Yield:</b>	4.4%	<b>5-Year Valuation Return Estimate:</b>	3.7%
<b>Most Recent Dividend Increase:</b>	4.4%	<b>5-Year CAGR Estimate:</b>	12.5%
<b>Estimated Fair Value:</b>	\$78	<b>Dividend Risk Score:</b>	B
<b>Stock Price:</b>	\$65	<b>Retirement Suitability Score:</b>	A

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### Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	8,385	9,702	11,202	24,890	32,639	30,390	26,107	22,127	22,449	24,689
Gross Profit	6,261	7,231	8,343	21,102	28,633	26,129	21,736	17,274	17,774	20,117
Gross Margin	74.7%	74.5%	74.5%	84.8%	87.7%	86.0%	83.3%	78.1%	79.2%	81.5%
SG&A Exp.	1,242	1,461	1,699	2,983	3,426	3,398	3,878	4,056	4,381	5,151
D&A Exp.	302	278	345	1,050	1,098	1,158	1,286	1,429	1,404	1,480
Operating Profit	3,790	4,010	4,524	15,265	22,193	17,633	14,124	8,200	4,287	9,927
Operating Margin	45.2%	41.3%	40.4%	61.3%	68.0%	58.0%	54.1%	37.1%	19.1%	40.2%
Net Profit	2,804	2,592	3,075	12,101	18,108	13,501	4,628	5,455	5,386	123
Net Margin	33.4%	26.7%	27.5%	48.6%	55.5%	44.4%	17.7%	24.7%	24.0%	0.5%
Free Cash Flow	3,507	2,798	2,915	12,261	20,503	16,299	11,308	7,476	8,319	7,518
Income Tax	862	1,038	1,151	2,797	3,553	3,609	8,885	2,339	(204)	1,580

### Balance Sheet Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets	17,303	21,240	22,579	34,664	51,716	56,977	70,283	63,675	61,627	68,407
Cash & Equivalents	9,884	1,804	2,113	10,027	12,851	8,229	7,588	17,940	11,631	5,997
Accounts Receivable	1,951	1,751	2,182	4,635	5,854	4,514	3,851	3,327	3,582	4,892
Inventories	1,390	1,745	1,697	1,386	1,955	1,587	801	814	922	3,014
Goodwill & Int. Ass.	2,067	12,797	13,069	12,245	11,419	10,143	21,259	19,855	17,903	41,234
Total Liabilities	10,436	11,696	10,834	18,845	32,603	37,614	49,782	42,141	38,977	50,186
Accounts Payable	1,206	1,327	1,256	955	1,178	1,206	814	790	713	844
Long-Term Debt	7,607	8,224	6,636	12,404	22,055	26,346	33,542	27,322	24,593	31,402
Shareholder's Equity	6,739	9,303	11,370	15,426	18,534	18,887	20,442	21,387	22,525	18,221
D/E Ratio	1.13	0.88	0.58	0.80	1.19	1.39	1.64	1.28	1.09	1.73

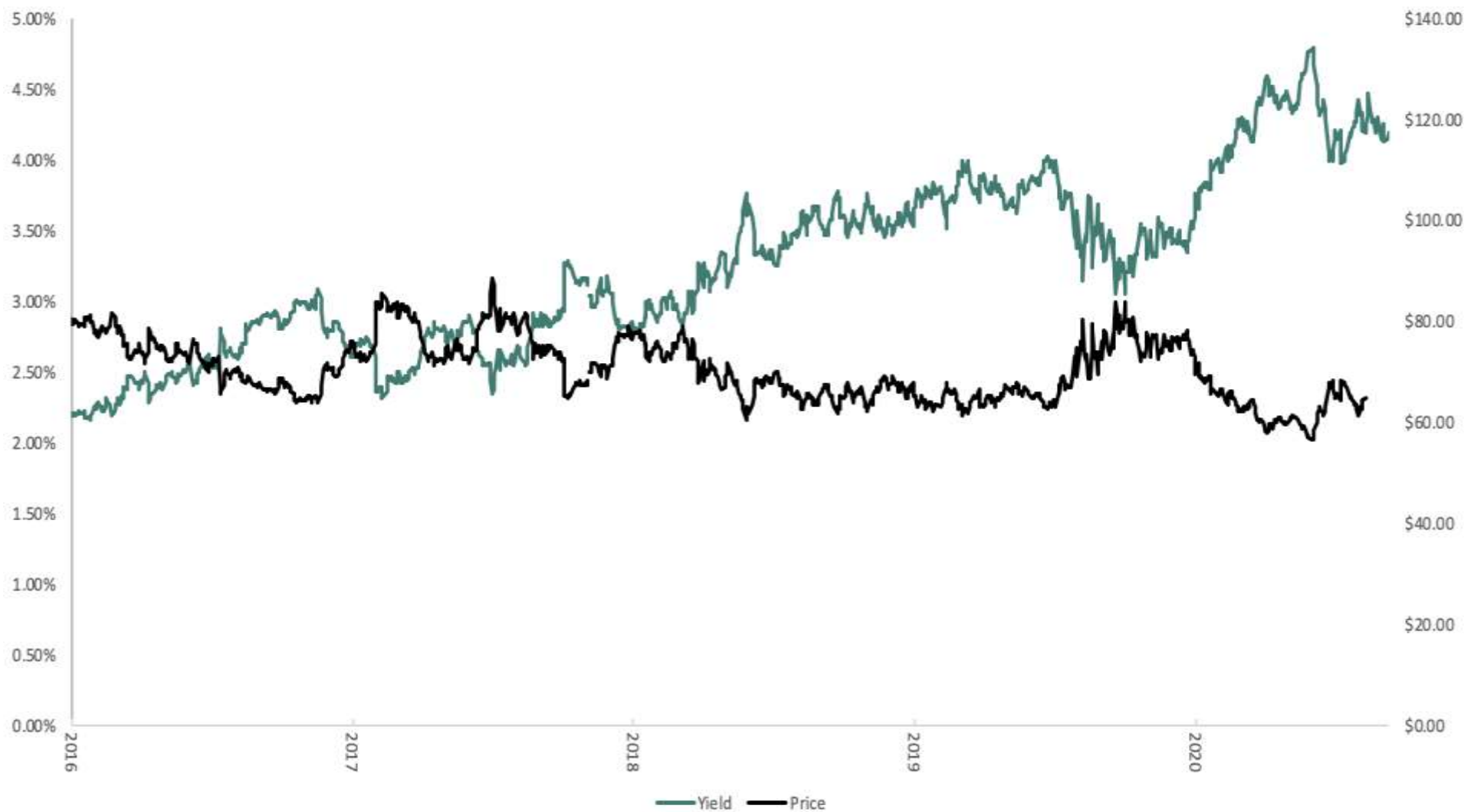
### Profitability & Per Share Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	19.4%	13.4%	14.0%	42.3%	41.9%	24.8%	7.3%	8.1%	8.6%	0.2%
Return on Equity	44.5%	32.3%	29.7%	90.3%	1067%	72.2%	23.5%	26.1%	24.5%	0.6%
ROIC	23.3%	16.1%	17.0%	51.9%	52.2%	31.1%	9.3%	10.6%	11.2%	0.4%
Shares Out.	1.51	1.52	1.53	1.50	1.42	1.31	1.31	1.30	1.27	1.26
Revenue/Share	5.31	6.13	6.61	15.11	21.46	22.38	19.79	16.92	17.58	19.55
FCF/Share	2.22	1.77	1.72	7.44	13.48	12.00	8.57	5.72	6.51	5.95

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

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### Gilead Sciences Inc. (GILD) Dividend Yield History



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# AT&T Inc. (T)

## Overview & Current Events

AT&T is the largest communications company in the world, providing a wide range of services, including wireless, broadband, and television. The company 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 serving 11 countries.

On January 27th, 2021, AT&T reported Q4 and full-year 2020 results. For the quarter, the company generated \$45.7 billion in revenue, down from \$46.8 billion in Q4 2019, due to the COVID-19 pandemic. On an adjusted basis, earnings-per-share equaled \$0.75 compared to \$0.89 in the year-ago quarter. For the full year, AT&T generated \$171.8 billion in revenue, down from \$181.2 billion in 2019. The pandemic impacted revenue across all businesses but particularly, WarnerMedia and domestic wireless service revenues. On an adjusted basis earnings-per-share equaled \$3.18 for 2020, versus \$3.57 in 2019. AT&T ended the quarter with a net debt-to-EBITDA ratio of 2.7x.

On 2/25/21, AT&T announced it will spin off a separate company called 'New DIRECTV' that will own the DIRECTV, AT&T TV, and U-verse video. AT&T will get ~7.8B from New DIRECTV and that will be used to pay down debt. TPG Capital will contribute \$1.8B for a 30% common stake in the new company. AT&T will own 70% of the common units after contributing its U.S. video business.

## 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. That said, the company still 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. The company expects free cash flow of at least \$26 billion in 2021. We are forecasting 3% annual future EPS growth.

We expect AT&T to generate adjusted earnings-per-share of \$3.20 in 2021. Based on this, shares are presently trading at a price-to-earnings ratio (P/E) of 9.4. We view AT&T as undervalued, with a fair value P/E estimate of 11.0. Valuation expansion could add 3.1% per year to returns. Including the 6.9% dividend yield and 3% expected EPS growth, this implies a 11.4% annual total return.

## Key Statistics, Ratios, & Metrics

<b>Years of Dividend Increases:</b>	36	<b>5-Year Growth Estimate:</b>	3.0%
<b>Dividend Yield:</b>	6.9%	<b>5-Year Valuation Return Estimate:</b>	3.1%
<b>Most Recent Dividend Increase:</b>	2.0%	<b>5-Year CAGR Estimate:</b>	11.4%
<b>Estimated Fair Value:</b>	\$35	<b>Dividend Risk Score:</b>	B
<b>Stock Price:</b>	\$30	<b>Retirement Suitability Score:</b>	A

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### Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue (\$B)	126.7	127.4	128.8	132.4	146.8	163.8	160.5	170.8	181.2	171.8
Gross Profit	71819	72206	77561	72302	79755	86596	82736	91337	97052	91840
Gross Margin	56.7%	56.7%	60.2%	54.6%	54.3%	52.9%	51.5%	53.5%	53.6%	53.5%
SG&A Exp.	41314	41066	28414	39697	32919	36845	35465	36765	39422	38039
D&A Exp.	18377	18143	18395	18273	22016	25847	24387	28430	28217	28516
Operating Profit	12128	12997	30752	14332	24820	23904	22884	26142	29413	25285
Op. Margin	9.6%	10.2%	23.9%	10.8%	16.9%	14.6%	14.3%	15.3%	16.2%	14.7%
Net Profit	3944	7264	18418	6442	13345	12976	29450	19370	13903	-5176
Net Margin	3.1%	5.7%	14.3%	4.9%	9.1%	7.9%	18.3%	11.3%	7.7%	-3.0%
Free Cash Flow	14633	19711	13852	10139	16662	16926	17363	22844	29233	27455
Income Tax	2532	2900	9328	3619	7005	6479	-14708	4920	3493	965

### Balance Sheet Metrics

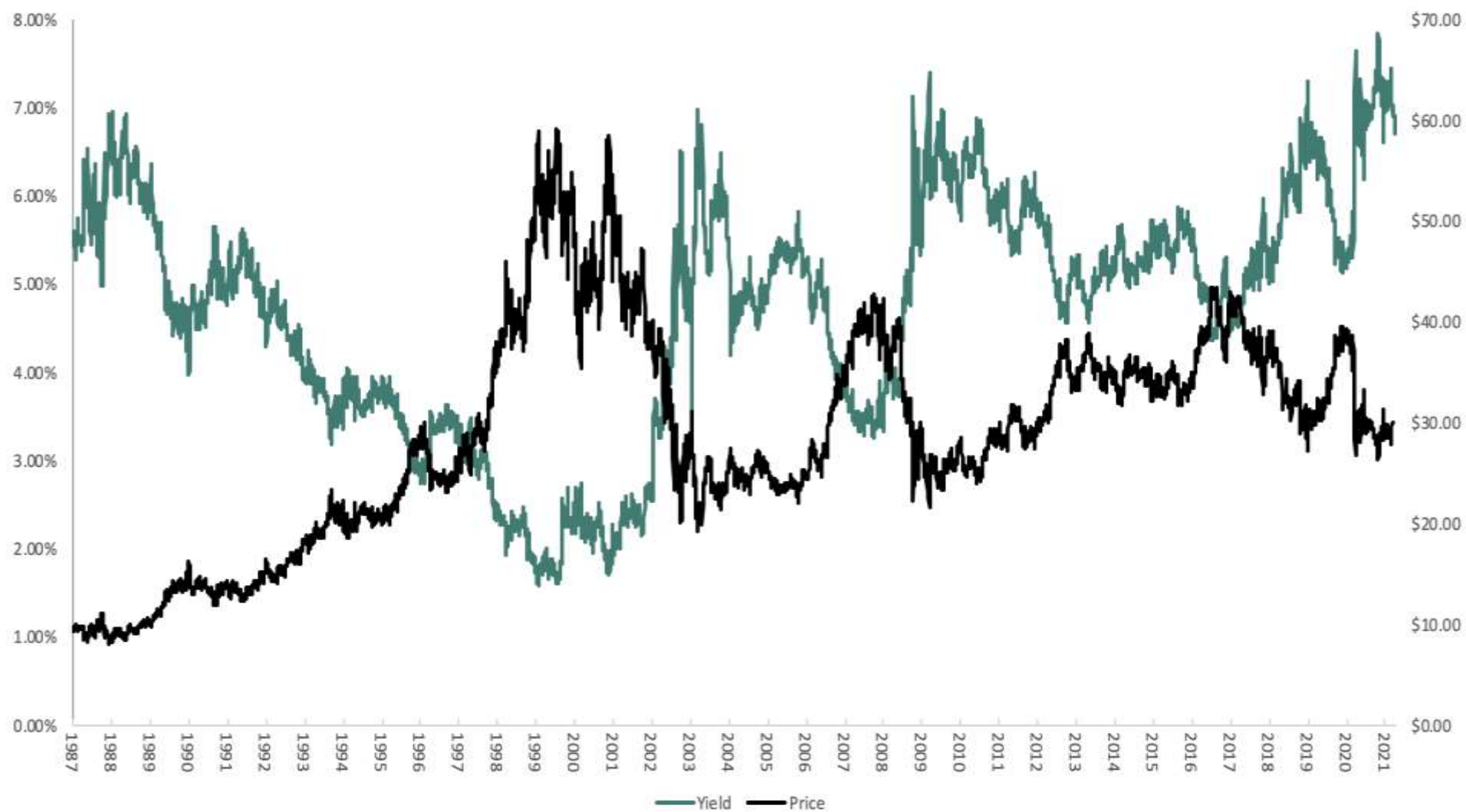
Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets (\$B)	270.4	272.3	277.8	296.8	402.7	403.8	444.1	531.9	551.7	525.8
Cash & Equivalents	3045	4868	3339	8603	5121	5788	50498	5204	12130	9740
Acc. Receivable	13231	12657	12918	14527	16532	16794	16522	26472	22636	20215
Goodwill/Int. (\$B)	130.2	128.5	131.5	136.7	225.3	222.1	219.7	310.2	303.9	281.6
Total Liab. (\$B)	164.6	179.6	186.3	206.6	279.0	279.7	302.1	338.0	349.7	346.5
Accounts Payable	10485	12076	11561	14984	21047	22027	24439	27018	29640	49032
LT Debt (\$B)	64.8	69.8	74.8	81.8	126.2	123.5	164.3	176.5	161.1	157.2
Total Equity (\$B)	105.5	92.4	91.0	89.7	122.7	123.1	140.9	184.1	184.2	161.7
D/E Ratio	0.61	0.76	0.82	0.91	1.03	1.00	1.17	0.96	0.87	0.97

### Profitability & Per Share Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	1.5%	2.7%	6.7%	2.2%	3.8%	3.2%	6.9%	4.0%	2.6%	-1.0%
Return on Equity	3.6%	7.3%	20.1%	7.1%	12.6%	10.6%	22.3%	11.9%	7.5%	-3.0%
ROIC	2.3%	4.4%	11.2%	3.8%	6.3%	5.2%	10.6%	5.7%	3.8%	-1.5%
Shares Out.	5950	5821	5385	5221	5646	6189	6183	6806	7348	7183
Revenue/Share	21.30	21.89	23.91	25.37	26.00	26.46	25.97	25.09	24.66	23.91
FCF/Share	2.46	3.39	2.57	1.94	2.95	2.73	2.81	3.36	3.98	3.82

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

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**AT&T Inc. (T) Dividend Yield History**[Return to Top 10 List](#)

# Verizon Communications Inc. (VZ)

## Overview & Current Events

Verizon Communications was created by a merger between Bell Atlantic Corp and GTE Corp in June 2000. Verizon is one of the largest wireless carriers in the country. Wireless contributes three-quarters of all revenues, while broadband and cable services account for about a quarter of sales. The company's network covers ~300 million people and 98% of the U.S, as it continues 5G service rollout.

Verizon reported Q4 and full-year results on January 26th, 2021. The company's adjusted earnings-per-share (EPS) for the quarter totaled \$1.21, a 7.1% increase. Revenue fell 0.2% to \$34.7 billion. Verizon had 279K postpaid phone net additions and 703K wireless postpaid net additions for the quarter, although both figures came in below consensus estimates. Retail postpaid churn was 0.76% while wireless retail postpaid churn was 0.98%. Revenues for the Consumer segment fell 1.2% to \$23.9 billion mostly due to lower equipment revenue. Verizon Fios (100% fiber-optic network) had 92K net additions, the most fourth-quarter additions since 2014.

For the year, adjusted EPS grew 1.9% to \$4.90. Revenue declined 2.7% to \$128.3 billion. Verizon expects adjusted earnings-per-share for 2021 in a range of \$5.00 to \$5.15.

## Competitive Advantages & Recession Performance

One of Verizon's key competitive advantages is that it is often considered the best wireless carrier in the U.S. This is evidenced by the company's wireless net additions and very low churn rate. This reliable service allows Verizon to maintain its customer base as well as give the company an opportunity to move customers to higher-priced plans. Verizon is also in the early stages of rolling out 5G service, which will give it an advantage over other carriers. Another advantage for Verizon is the stock's ability to withstand a downturn in the market.

During the last recession Verizon posted earnings-per-share of \$2.54, \$2.40, \$2.21, \$2.15 and \$2.32 during the 2008 through 2012 stretch. Meanwhile, the dividend continued increasing. Verizon remained highly profitable in 2020 and raised its dividend, even in the coronavirus pandemic.

## Growth Prospects, Valuation, & Catalyst

During the last decade, Verizon has grown its earnings-per-share by an average compound growth rate of 8.3% per year; however, the rate has only been 2.9% per year since 2013. Much of this improvement has come from an increasing net profit margin, as the top line has advanced at a slow rate and the share count remains stable. In addition, recent tax reform has resulted in a materially lower tax rate since 2018. Moving forward we are projecting 4% annual earnings-per-share growth over the next five years.

We expect Verizon to generate adjusted earnings-per-share of \$5.08 for 2021. Based on this, the stock is presently trading at a price-to-earnings ratio (P/E) of 11.3. Our fair value estimate is a P/E of 13.0, which means expansion of the P/E multiple could add 2.8% annually to returns. When combined with the 4.0% expected EPS growth rate and the 4.4% dividend yield, this implies the potential for 10.2% total annual returns over the next five years.

## Key Statistics, Ratios, & Metrics

<b>Years of Dividend Increases:</b>	14	<b>5-Year Growth Estimate:</b>	4.0%
<b>Dividend Yield:</b>	4.4%	<b>5-Year Valuation Return Estimate:</b>	2.8%
<b>Most Recent Dividend Increase:</b>	2.0%	<b>5-Year CAGR Estimate:</b>	10.2%
<b>Estimated Fair Value:</b>	\$66	<b>Dividend Risk Score:</b>	B
<b>Stock Price:</b>	\$58	<b>Retirement Suitability Score:</b>	A

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### Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue (\$B)	110.9	115.8	120.6	127.1	131.6	126.0	126.0	130.9	131.9	128.3
Gross Profit	65000	69571	75663	77148	79063	73279	72971	75355	77142	77091
Gross Margin	58.6%	60.1%	62.8%	60.7%	60.1%	58.2%	57.9%	57.6%	58.5%	60.1%
SG&A Exp.	35624	39951	27089	41016	29986	27095	26818	31083	29990	31573
D&A Exp.	16496	16460	16606	16533	16017	15928	16954	17403	16682	16720
Op. Profit	12880	13160	31968	19599	33060	30256	29199	26869	30470	28798
Op. Margin	11.6%	11.4%	26.5%	15.4%	25.1%	24.0%	23.2%	20.5%	23.1%	22.4%
Net Profit	2404	875	11497	9625	17879	13127	30101	15528	19265	17801
Net Margin	2.2%	0.8%	9.5%	7.6%	13.6%	10.4%	23.9%	11.9%	14.6%	13.9%
Free Cash Flow	13315	11013	21634	13086	11310	4096	6488	16252	16909	21450
Income Tax	285	-660	5730	3314	9865	7378	-9956	3584	2945	5619

### Balance Sheet Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets (\$B)	230.5	225.2	274.1	232.6	244.2	244.2	257.1	264.8	291.7	316.5
Cash & Equiv.	13362	3093	53528	10598	4470	2880	2079	2745	2594	22171
Acc. Receivable	11776	12576	12439	13993	13457	17513	23493	25102	25429	23917
Inventories	940	1075	1020	1153	1252	1202	1034	1336	1422	1796
Goodwill (\$B)	102.5	107.8	106.2	105.7	119.5	122.8	127.8	128.5	128.9	130.3
Total Liab. (\$B)	144.6	139.7	178.7	218.9	226.3	220.1	212.5	210.1	228.9	247.2
Accts Payable	4194	4454	4954	5598	5700	7084	7063	7232	7725	6667
LT Debt (\$B)	55.2	52.0	93.6	113.3	109.7	108.1	117.1	113.1	110.4	129.1
Total Equity	35970	33157	38836	12298	16428	22524	43096	53145	61395	67842
D/E Ratio	1.5	1.6	2.4	9.2	6.7	4.8	2.7	2.1	1.8	1.9

### Profitability & Per Share Metrics

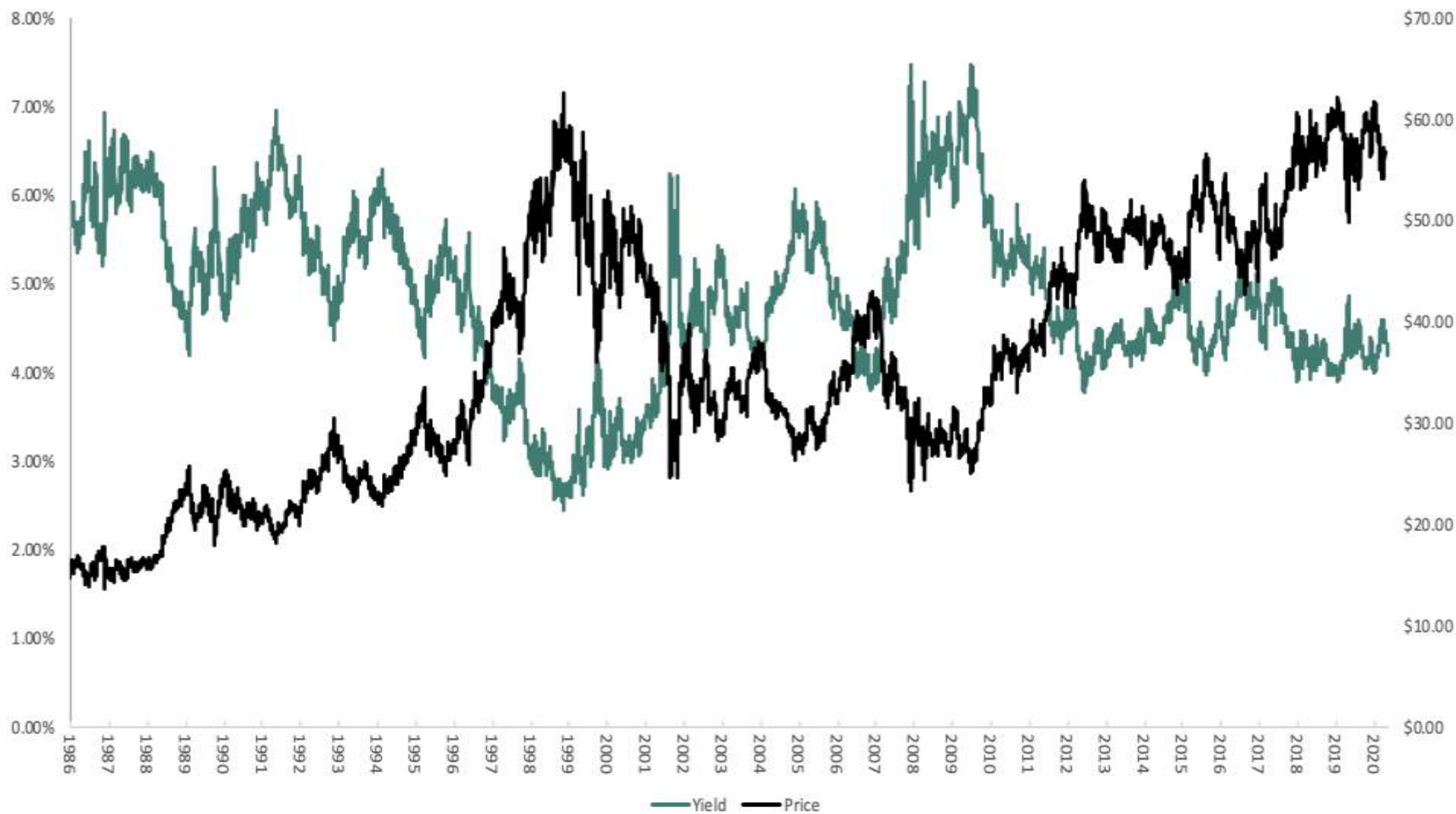
Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	1.1%	0.4%	4.6%	3.8%	7.5%	5.4%	12.0%	5.9%	6.9%	5.9%
Return on Equity	6.5%	2.5%	31.9%	37.6%	124%	67.4%	91.7%	32.3%	33.6%	27.5%
ROIC	1.7%	0.6%	7.0%	6.1%	14.0%	10.1%	20.5%	9.4%	11.3%	9.6%
Shares Out.	2839	2862	2874	3981	4093	4086	4089	4132	4140	4142
Revenue/Share	39.05	40.48	41.95	31.92	32.16	30.83	30.82	31.67	31.85	30.97
FCF/Share	4.69	3.85	7.53	3.29	2.76	1.00	1.59	3.93	4.08	5.18

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

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### Verizon Communications Inc. (VZ) Dividend Yield History



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# Magellan Midstream Partners LP (MMP)

## Overview & Current Events

Magellan Midstream Partners is a master limited partnership (MLP) that engages in the transportation, storage, and distribution of refined petroleum products in the United States. The partnership operates through three segments: Refined Products, Crude Oil, and Marine Storage. Magellan operates refined products pipelines that transport gasoline, aviation fuels, liquefied petroleum gases, and distillates for a wide variety of customers. In addition, it owns and operates crude oil pipelines and storage facilities. Magellan's model is fee-based, meaning it has very small exposure to commodity prices, making it attractive during commodity bear markets. Magellan was founded in 2000, produces about \$2.5 billion in annual revenue, and is valued at a market capitalization of \$10 billion.

The partnership reported Q4 and full fiscal 2021 earnings on February 2<sup>nd</sup>. Results came in weaker than expected. Demand for refined products was low due to COVID-19 restrictions, and as a result, distributable cash flow (DCF) was down 25% year-over-year during the quarter. For the year, DCF was down 18% to \$4.66 per share. Importantly, the distribution was covered by this cash flow despite the decline. Magellan noted that it expects to maintain its current distribution level for 2021, and it also expects a coverage ratio of ~1.1x. It is instead focusing its excess capital on share repurchases of \$750 million through 2022, as Magellan sees value in the current share price.

We see distributable cash flow of \$4.70 for this year, which would be roughly congruent with 2017 results, highlighting the impact that COVID has had on Magellan's business. Magellan did note that it expects distributable cash flow to increase over the coming years but declined to provide more specific guidance. Still, with 2021 likely being the bottom of the cycle for Magellan, shares are attractively priced, as is the yield. We also see share repurchases as a vote of confidence from management.

## Competitive Advantages & Recession Performance

Magellan's competitive advantage is its fee-based model, which means it is far less exposed to commodity prices than some other commodity-based MLPs. In addition, Magellan has sizable scale in an industry where scale means better margins. However, as was made clear in 2020, Magellan's model is not immune to recessions as lower demand for crude oil and petroleum products can significantly impact results. We do not see Magellan as fully recession safe despite its fee-based model as it is still beholden to demand for commodities, rather than pricing for commodities.

## Growth Prospects, Valuation, & Catalyst

We see growth for Magellan coming from new projects, which increase supply to meet higher demand levels, while also building scale. The partnership should see rising demand for crude and petroleum products once COVID-19 headwinds subside, and we project 4% annual growth in DCF-per-unit for Magellan over the next five years, slightly under historical growth rates. We estimate fair value at 12 times DCF per unit, but the valuation is currently only at 9.7 times this year's estimated DCF-per-unit of \$4.70. We see outstanding projected total returns of 14.7% annually over the next five years, the result of cash flow growth, the 9.1% distribution yield, and a 4.4% tailwind from valuation gains.

## Key Statistics, Ratios, & Metrics

<b>Years of Distribution Increases:</b>	20	<b>5-Year Growth Estimate:</b>	4.0%
<b>Distribution Yield:</b>	9.1%	<b>5-Year Valuation Return Estimate:</b>	4.4%
<b>Most Recent Distrib. Increase:</b>	0.7%	<b>5-Year CAGR Estimate:</b>	14.7%
<b>Estimated Fair Value:</b>	\$56	<b>Distribution Risk Score:</b>	C
<b>Security Price:</b>	\$45	<b>Retirement Suitability Score:</b>	A

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### Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	1,749	1,772	1,948	2,360	2,188	2,205	2,508	2,827	2,728	2,428
Gross Profit	921	987	1,227	1,604	1,574	1,534	1,675	1,857	1,862	1,655
Gross Margin	52.7%	55.7%	63.0%	68.0%	71.9%	69.6%	66.8%	65.7%	68.3%	68.2%
SG&A Exp.	99	109	132	148	150	147	166	194	197	173
D&A Exp.	121	128	142	162	167	178	197	265	246	259
Operating Profit	516	549	699	955	901	858	932	1,013	1,035	881
Operating Margin	29.5%	31.0%	35.9%	40.5%	41.2%	38.9%	37.2%	35.9%	37.9%	36.3%
Net Profit	414	436	582	840	819	803	870	1,334	1,021	817
Net Margin	23.7%	24.6%	29.9%	35.6%	37.4%	36.4%	34.7%	47.2%	37.4%	33.7%
Free Cash Flow	378	292	352	744	449	299	573	801	377	668
Income Tax	2	3	5	5	2	3	4	0	1	3

### Balance Sheet Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets	4,045	4,420	4,821	5,501	6,042	6,772	7,394	7,748	8,438	8,197
Cash & Equivalents	210	328	25	17	29	15	161	218	58	13
Accounts Receivable	82	91	116	84	84	106	139	104	125	109
Inventories	259	222	187	158	131	134	182	186	184	167
Goodwill & Int. Ass.	68	67	61	58	55	105	106	104	101	98
Total Liabilities	2,582	2,904	3,173	3,633	4,020	4,680	5,265	5,104	5,723	5,893
Accounts Payable	66	112	76	97	104	77	105	139	151	100
Long-Term Debt	2,152	2,393	2,685	2,967	3,440	4,087	4,524	4,271	4,706	4,979
Shareholder's Equity	1,463	1,516	1,647	1,868	2,022	2,092	2,130	2,643	2,715	2,304

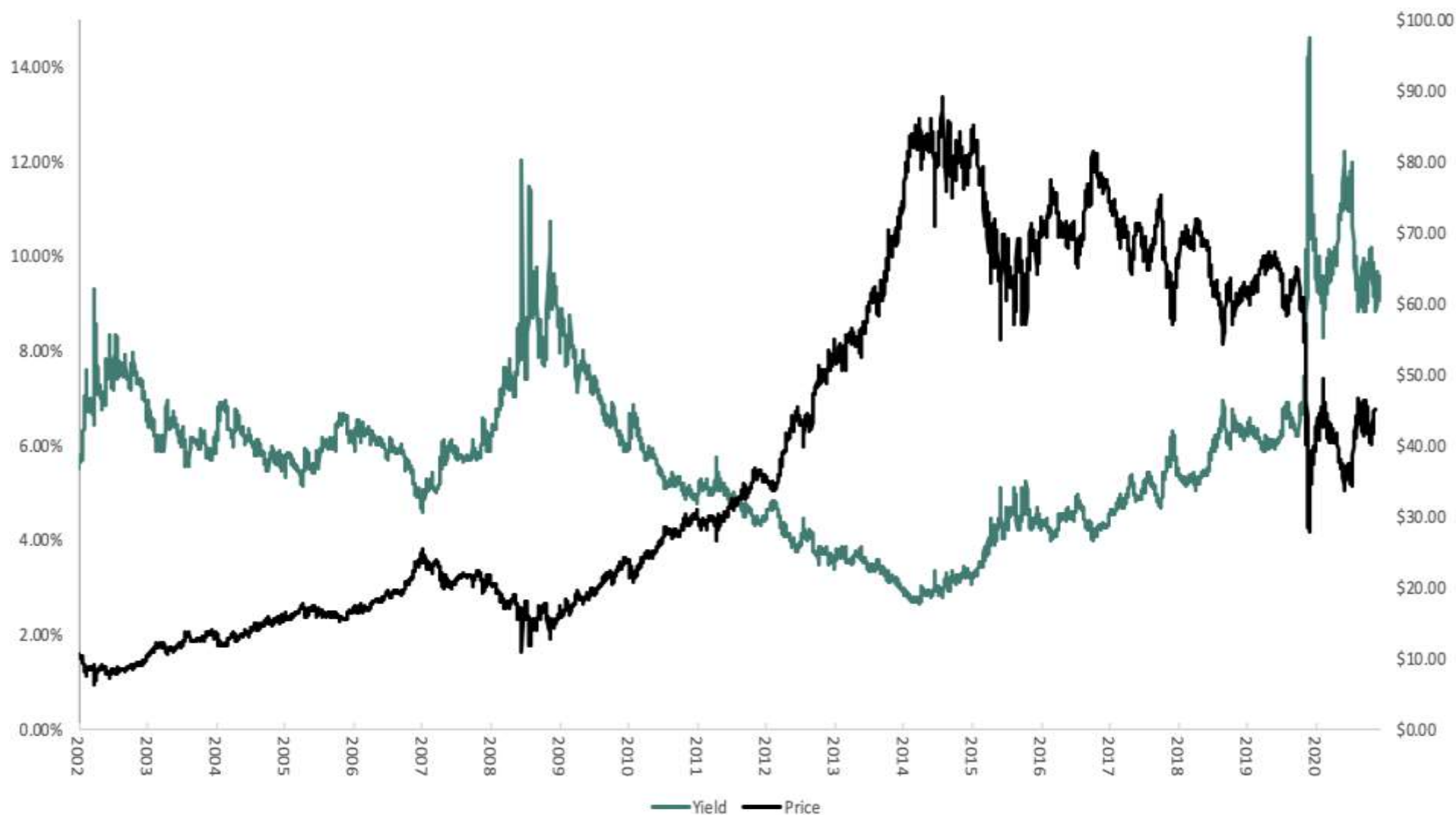
### Profitability & Per Share Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	10.7%	10.3%	12.6%	16.3%	14.2%	12.5%	12.3%	17.6%	12.6%	9.8%
Return on Equity	28.3%	29.2%	36.8%	47.8%	42.1%	39.0%	41.2%	55.9%	38.1%	32.6%
Units Out.	225.4	226.2	226.7	226.7	227.4	227.8	228.0	229.1	228.7	16.9%
Revenue/Share	7.74	7.82	8.58	10.37	9.60	9.67	10.98	12.37	11.92	225.5
FCF/Share	1.67	1.29	1.55	3.27	1.97	1.31	2.51	3.50	1.65	10.76

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

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### Magellan Midstream Partners LP. (MMP) Dividend Yield History



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# Sunoco LP (SUN)

## Overview & Current Events

Sunoco is a Master Limited Partnership (MLP) that distributes fuel products through its wholesale and retail business units. The wholesale unit purchases fuel products from refiners and sells those products to both its own and independently-owned dealers. Sunoco was founded in 1886 and is headquartered in Dallas, Texas. Sunoco is the largest fuel distributor in the U.S, but also operates a small number of retail stores, and a terminal facility in Hawaii. Sunoco should produce nearly \$14 billion in revenue this year, and trades with a market capitalization of \$3.3 billion. Shares of SUN have increased 15% year-to-date, as Oil and Gas MLPs continue their steady recovery from the coronavirus pandemic.

Sunoco reported fourth-quarter and full-year earnings on February 17th, with results coming in weaker than expected. Revenue came to \$2.6 billion during the quarter, down 38% year-over-year. Fuel prices were lower, but this revenue is mostly flow-through for Sunoco given that its revenue and costs are largely the same irrespective of fuel prices. As such, EBITDA was only down 6% on an adjusted basis. Distributable cash flows (DCF) fell 20% year-over-year and we see \$6.25 in DCF per share for 2021.

## Competitive Advantages & Recession Performance

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

Sunoco's dividend payout ratio has moved in a wide range throughout its existence, as EBITDA has seen steep peaks and troughs. The company has never cut its dividend, but there have not been any dividend increases since 2017, either. The current yield of 10% provides more than ample income and Sunoco has covered its dividend payout by a factor of 1.89x from distributable cash flows during the last four quarters. That said, the partnership could be forced to cut its distribution if economic and energy market disruptions become prolonged, causing its EBITDA to plunge. We do not expect the need for a distribution cut anytime soon, as the payout ratio is only ~53%, so it is very well-covered.

## Growth Prospects, Valuation, & Catalyst

We do not expect much growth from Sunoco on a per unit basis given the facts that the energy market is significantly challenged, its units trade at a suppressed level (thereby making equity issuance to fund accretive acquisitions impractical), and it allocates virtually all of its cash flows to capital expenditures and distributions. That said, we do expect continuing improving efficiencies in its operations and rising prices to generate 1.5% annualized growth for the foreseeable future.

Based on expected 2021 DCF-per-share of \$6.25, Sunoco trades for a price-to-DCF ratio of 5.3. Our fair value estimate for Sunoco is a multiple of 6.5. An expanding valuation multiple could boost shareholder returns by 4.4% per year over the next five years. In addition, we expect per-unit annual distributable cash flow growth of 1.5%, while the stock has a very impressive 10.0% distribution yield. We expect total annual returns of 12.9% per year over the next five years.

## Key Statistics, Ratios, & Metrics

<b>Years of Distribution Increases:</b>	0	<b>5-Year Growth Estimate:</b>	1.5%
<b>Distribution Yield:</b>	10.0%	<b>5-Year Valuation Return Estimate:</b>	4.4%
<b>Most Recent Distrib. Increase:</b>	NA	<b>5-Year CAGR Estimate:</b>	12.9%
<b>Estimated Fair Value:</b>	\$41	<b>Distribution Risk Score:</b>	C
<b>Security Price:</b>	\$33	<b>Retirement Suitability Score:</b>	A

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### Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	3,875	4,321	4,493	---	12430	9,986	11,723	16,994	16,596	10,710
Gross Profit	43	52	71	---	980	1,156	1,108	1,122	1,216	867
Gross Margin	1.1%	1.2%	1.6%	---	7.9%	11.6%	9.5%	6.6%	7.3%	8.1%
SG&A Exp.	15	16	18	---	205	236	221	213	197	173
Operating Profit	17	24	41	---	253	370	343	364	532	419
Operating Margin	0.4%	0.5%	0.9%	---	2.0%	3.7%	2.9%	2.1%	3.2%	3.9%
Net Profit	11	18	37	---	190	(406)	149	(207)	313	212
Net Margin	0.3%	0.4%	0.8%	---	1.5%	-4.1%	1.3%	-1.2%	1.9%	2.0%
Free Cash Flow	(5)	(28)	(66)	---	200	390	297	(142)	---	378
Income Tax	(6)	(5)	0	---	29	(72)	(306)	34	(17)	24

### Balance Sheet Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets	231	356	390	6,149	8,842	8,701	8,344	4,879	5,438	5,267
Cash & Equivalents	0	7	8	125	73	103	28	56	21	97
Accounts Receivable	31	33	68	193	161	361	285	299	399	239
Inventories	7	3	11	440	467	423	426	374	419	382
Goodwill & Int. Ass.	44	36	46	2,748	4,371	2,325	2,198	2,267	2,201	2,152
Total Liabilities	116	277	310	2,306	3,579	6,505	6,097	4,095	4,680	4,635
Accounts Payable	98	89	110	383	434	616	559	412	445	267
Long-Term Debt	1	185	186	1,106	1,958	4,514	4,290	2,985	3,071	3,112

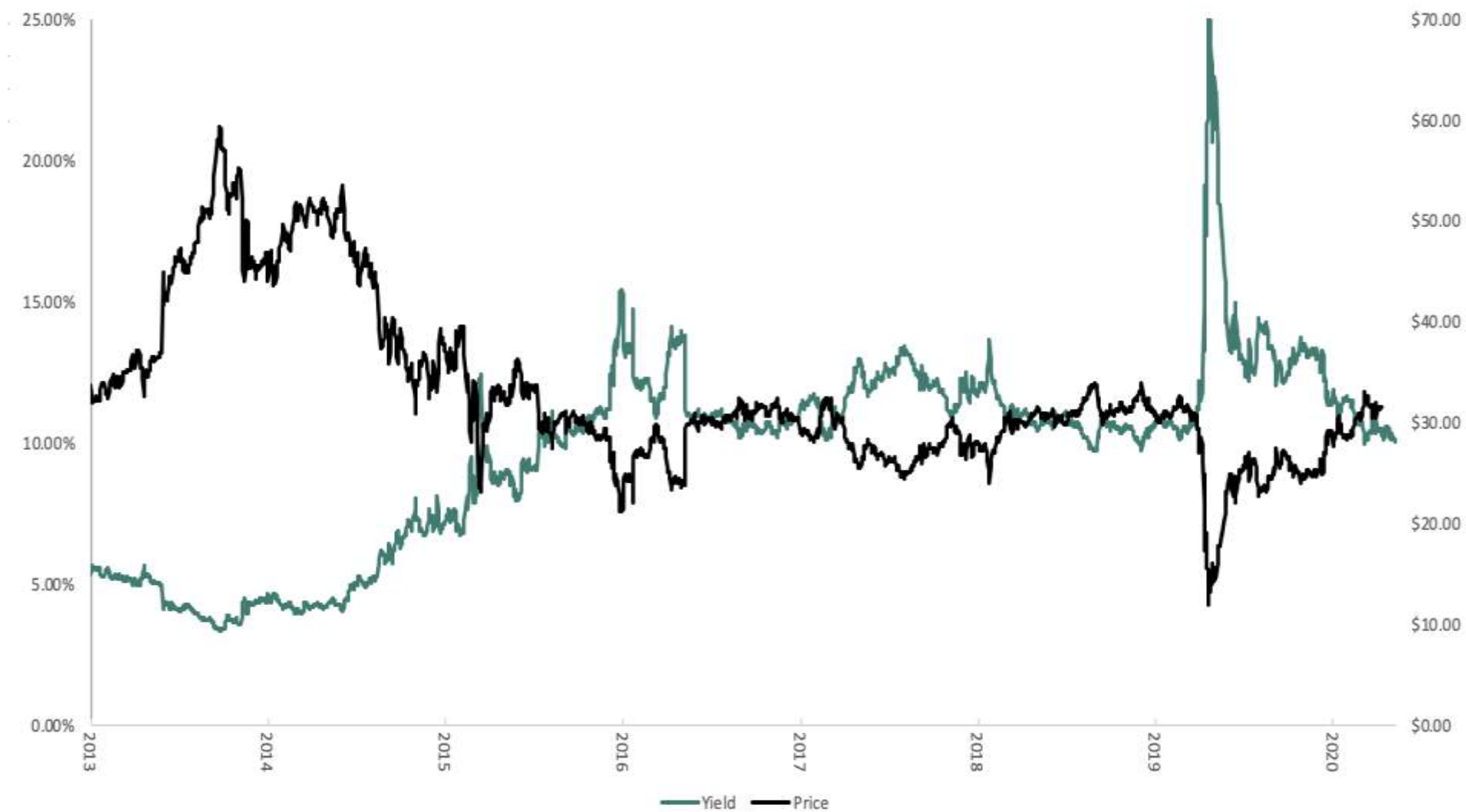
### Profitability & Per Share Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	---	6.0%	9.9%	---	2.5%	-4.6%	1.7%	-3.1%	6.1%	4.0%
Return on Equity	---	18.1%	46.9%	---	4.2%	-10.9%	6.7%	-13.7%	40.6%	30.5%
Shares Out.	---	22	22	24	50	52	100	85	84	83
Revenue/Share	177.11	197.48	204.90	---	247.19	106.68	117.55	200.35	198.63	127.93
FCF/Share	(0.22)	(1.26)	(2.99)	---	3.98	4.17	2.98	(1.67)	---	4.52

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



### Sunoco LP. (SUN) Dividend Yield History



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# MPLX LP (MPLX)

## Overview & Current Events

MPLX LP is a master limited partnership that was formed by the Marathon Petroleum Corporation (MPC) in 2012. The business operates in two segments: Logistics and Storage – related to crude oil and refined petroleum products; and Gathering and Processing – related to natural gas and natural gas liquids (NGLs). The \$28 billion partnership generated \$4.3 billion in distributable cash flow (DCF) in 2020.

On January 28<sup>th</sup>, 2021, MPLX announced a quarterly distribution of \$0.6875 per unit, equating to \$2.75 on an annual basis. This payment marks the fifth straight payout at this rate (prior to 2020 the company had increased its dividend for 28 straight quarters).

On February 2<sup>nd</sup>, 2021, MPLX released Q4 and full-year 2020 results for the period ending December 31<sup>st</sup>, 2020. For the quarter, net income equaled \$691 million compared to a loss of -\$581 million previously. Distributable cash flow equaled \$1.155 billion (~\$1.11 per unit) versus \$1.045 billion (~\$0.99 per unit) in Q4 2019.

For the year, MPLX posted net income of -\$720 million versus a gain of \$1.033 billion in 2019. However, this included \$3.4 billion in non-cash impairment charges. Distributable cash flow equaled \$4.327 billion (~\$4.12 per unit) compared to \$4.100 billion (~\$4.52 per unit) in 2019.

MPLX ended the year with a consolidated debt to adjusted EBITDA ratio of 3.9x (down from 4.1x in 2019). Distribution coverage equaled 1.46x compared to 1.51x in 2019.

## Competitive Advantage & Recession Performance

MPLX's industry generally holds competitive advantages as a result of the toll-booth model of pipelines and the necessity of the infrastructure. In addition, a good portion of the company's revenue is fixed via fee-based and "take or pay" agreements.

In the last five years, MPLX had distribution coverage ratios of 1.23x, 1.28x, 1.36x, 1.51x and 1.46x. Meanwhile, the company's total debt to adjusted EBITDA has been 3.1x, 3.7x, 3.9x, 4.1x and 3.9x during the same time period (MLP's generally shoot for a ratio under 5x). In addition, MLPX's revenues are quite steady given the Marathon parent relationship and long-term contracts.

## Growth Prospects, Valuation, & Catalyst

MLPs tend to have a stronghold in terms of extracting economic rents as building pipelines requires years of approvals, ongoing regulation and significant capital expenditures. This is both positive and negative, in that it allows for a utility-like model, but growth prospects are limited.

We forecast 11.8% total annual returns in the coming years, consisting of 2% projected distributable cash flow growth, the 10.3% dividend yield and a 1.7% tailwind from the valuation. MPLX trades for 6.4 times this year's distributable cash flow estimate of \$4.10 and we assess fair value at 7 times distributable cash flow. If the payout is maintained, MPLX could offer a significant income stream.

## Key Statistics, Ratios, & Metrics

<b>Years of Distribution Increases:</b>	8	<b>5-Year Growth Estimate:</b>	2.0%
<b>Distribution Yield:</b>	10.3%	<b>5-Year Valuation Return Estimate:</b>	1.7%
<b>Most Recent Distrib. Increase:</b>	1.5%	<b>5-Year CAGR Estimate:</b>	11.8%
<b>Estimated Fair Value:</b>	\$29	<b>Distribution Risk Score:</b>	C
<b>Security Price:</b>	\$27	<b>Retirement Suitability Score:</b>	A

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### Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	397	442	463	747	1,034	3,010	3,691	6,652	8,625	8,246
Gross Profit	169	185	183	290	454	1,071	1,310	2,774	3,659	3,593
Gross Margin	42.5%	41.7%	39.5%	38.8%	43.9%	35.6%	35.5%	41.7%	42.4%	43.6%
SG&A Exp.	39	50	53	81	125	227	241	316	388	378
D&A Exp.	36	39	49	75	129	591	683	867	1,254	1,377
Operating Profit	132	144	147	245	378	887	1,113	2,481	3,284	3,349
Operating Margin	33.3%	32.5%	31.7%	32.8%	36.6%	29.5%	30.2%	37.3%	38.1%	40.6%
Net Profit	134	13	78	121	156	233	794	1,818	1,033	(720)
Net Margin	33.8%	3.0%	16.8%	16.2%	15.1%	7.7%	21.5%	27.3%	12.0%	-8.7%
Free Cash Flow	132	55	105	193	93	178	496	960	1,674	3,338
Income Tax	0	0	---	1	1	(12)	1	8	---	2

### Balance Sheet Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets	1,303	1,301	1,209	1,214	16,104	17,509	19,500	39,325	40,430	36,414
Cash & Equivalents	0	217	54	27	43	234	5	77	15	15
Accounts Receivable	16	18	12	10	245	299	292	611	593	452
Inventories	8	9	12	12	51	55	65	98	110	118
Goodwill & Int. Ass.	134	105	105	105	3,036	2,737	2,698	11,375	10,806	8,616
Total Liabilities	64	75	94	751	6,437	5,399	8,527	20,590	22,849	22,429
Accounts Payable	35	39	31	14	91	140	151	266	242	152
Long-Term Debt	12	11	11	644	5,255	4,422	6,945	17,922	19,713	20,139
Shareholder's Equity	1,239	691	646	457	9,654	12,092	10,827	18,579	17,332	13,740

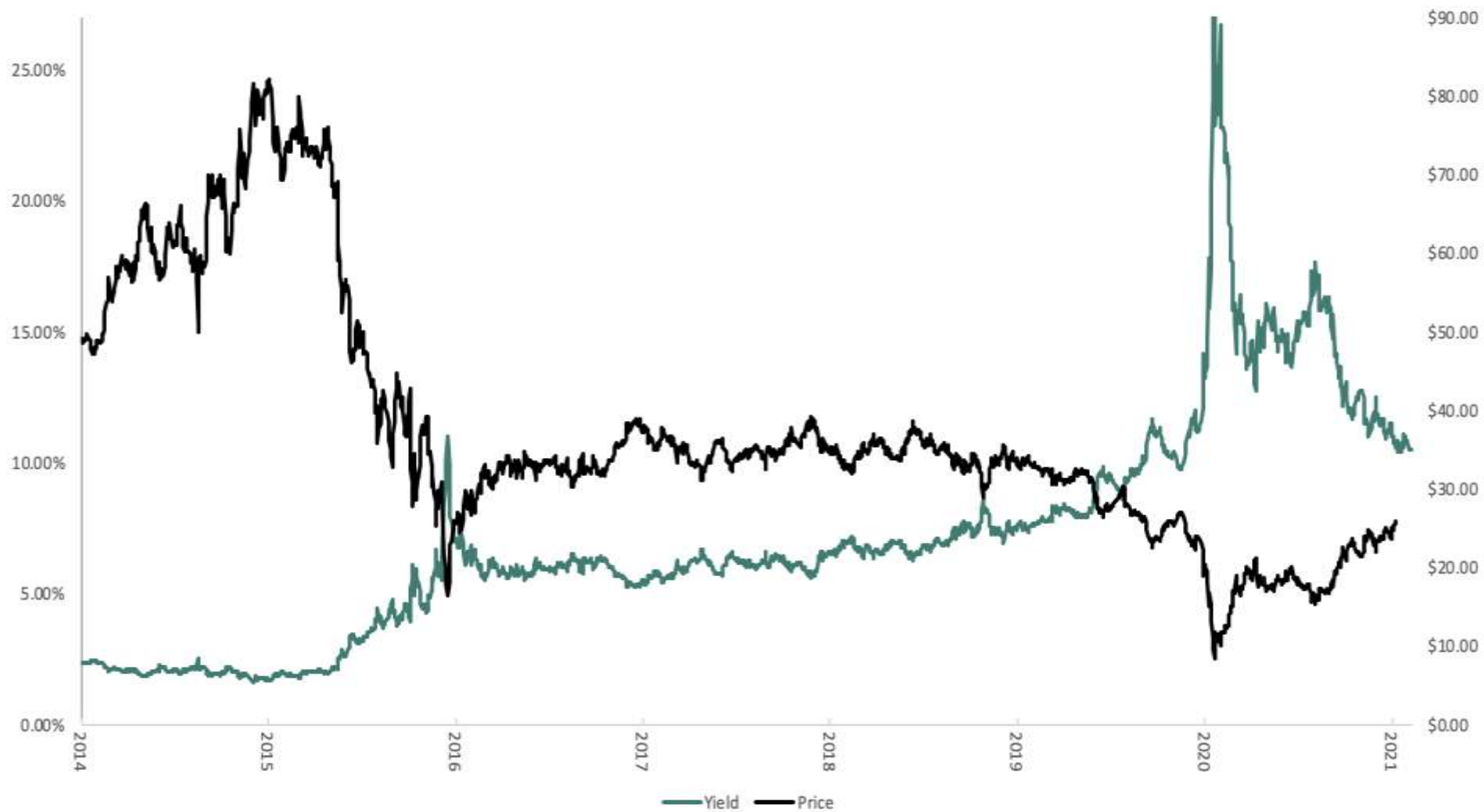
### Profitability & Per Share Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	---	1.0%	6.2%	10.0%	1.8%	1.4%	4.3%	6.2%	2.6%	-1.9%
Return on Equity	---	1.4%	11.7%	21.9%	3.1%	2.1%	6.9%	12.4%	5.8%	-4.6%
Shares Out.	---	74	74	80	311	369	415	761	907	1,051
Revenue/Share	10.74	5.98	6.26	10.09	10.55	8.91	9.51	8.74	9.51	7.85
FCF/Share	3.58	0.74	1.42	2.61	0.95	0.53	1.28	1.26	1.85	3.18

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

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### MPLX LP. (MPLX) Dividend Yield History



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# OGE Energy Corp. (OGE)

## Overview & Current Events

OGE Energy is an energy services provider that offers electricity and natural gas in the south-central U.S., based in Oklahoma. The company operates in two segments: Electric Utility and Natural Gas Midstream operations. The utility segment is a traditional electricity provider, generating, transmitting, distributing, and selling electric energy to retail and commercial customers. OGE owns coal-fired, natural gas-fired, wind-powered, and solar-powered generating facilities. Its service area is about 30 thousand square miles in Oklahoma and Arkansas. The natural gas business gathers, processes, transports, and stores natural gas. OGE operates 15 generating stations capable of an aggregate 7,120 megawatts of power. OGE was founded in 1902, generates \$2.3 billion in annual revenue, and trades with a market capitalization of \$6.5 billion.

OGE reported its fourth-quarter and full-year earnings on February 25<sup>th</sup>, with results coming in a bit weak. Adjusted earnings-per-share was down 4%, falling from \$2.16 to \$2.08, the result of higher depreciation costs as OGE is investing in growth projects. In addition, mild summer weather last year meant that electricity demand for cooling was lower than normal.

OGE guided for \$1.76 to \$1.86 in earnings-per-share from the utility business, in addition to \$0.30 to \$0.37 per share in earnings from the midstream business. Our initial estimate is for \$2.17 per share as a result of this guidance.

## Competitive Advantage & Recession Performance

OGE takes an unusual approach to generating a competitive advantage, in that it deliberately sets rates quite low in order to generate high levels of customer satisfaction, as well as to maintain a good relationship with regulators. In addition, like any other regulated utility, OGE enjoys what amounts to a monopoly in its service area, which would be prohibitively expensive for a new entrant to replicate.

OGE was less resistant to recessions than pure-play utilities because of its midstream business, but in mid-February, Enable Midstream Partners (ENBL), which OGE holds a 25.5% limited partner and 50% general partner interest in, agreed to be acquired by Energy Transfer (ET). Thus, OGE should be essentially a pure-play electric utility, and thus increase its recession resistance moving forward.

## Growth Prospects, Valuation, & Catalyst

OGE's growth track record is fairly poor, having seen sizable moves up and down in earnings over the past decade, with an example being 2020 earnings coming in only slightly ahead of 2014 results. OGE has been investing its spare cash into growth projects, with the hopes that those investments will produce rate base growth for the electric utility in the coming years. We see the Enable sale as focusing management's efforts on the electric utility business, as well as removing the inherent cyclicity of the midstream business, leaving only the electric utility.

In total, we see 12.0% annual total returns to shareholders stemming from the 4.9% current yield, 5% earnings growth, and a 2.8% tailwind from the valuation.

## Key Statistics, Ratios, & Metrics

<b>Years of Dividend Increases:</b>	14	<b>5-Year Growth Estimate:</b>	5.0%
<b>Dividend Yield:</b>	4.9%	<b>5-Year Valuation Return Estimate:</b>	2.8%
<b>Most Recent Dividend Increase:</b>	2.6%	<b>5-Year CAGR Estimate:</b>	12.0%
<b>Estimated Fair Value:</b>	\$37	<b>Dividend Risk Score:</b>	C
<b>Stock Price:</b>	\$32	<b>Retirement Suitability Score:</b>	B

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### Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	3,916	3,671	2,868	2,453	2,197	2,259	2,261	2,270	2,232	2,122
Gross Profit	1,057	1,151	950	907	880	941	905	903	953	1,015
Gross Margin	27.0%	31.4%	33.1%	37.0%	40.1%	41.7%	40.0%	39.8%	42.7%	47.8%
D&A Exp.	308	375	299	281	308	323	284	322	355	391
Operating Profit	650	669	554	537	481	531	532	490	504	522
Operating Margin	16.6%	18.2%	19.3%	21.9%	21.9%	23.5%	23.5%	21.6%	22.6%	24.6%
Net Profit	343	355	388	396	271	338	619	426	434	(174)
Net Margin	8.8%	9.7%	13.5%	16.1%	12.3%	15.0%	27.4%	18.7%	19.4%	-8.2%
Free Cash Flow	(437)	(105)	(367)	152	319	(15)	(40)	378	46	62
Income Tax	161	135	130	173	97	148	(49)	72	30	(127)

### Balance Sheet Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets	8,906	9,922	9,135	9,528	9,581	9,940	10,413	10,749	11,024	10,719
Cash & Equivalents	5	2	7	6	75	0	14	94	---	1
Acc. Receivable	323	295	192	194	175	176	191	175	154	158
Inventories	188	174	155	137	194	162	165	184	137	153
Goodwill & Int.	176	167	---	---	---	---	---	---	---	---
Total Liabilities	6,087	6,850	6,098	6,283	6,255	6,496	6,562	6,744	6,885	7,087
Accounts Payable	388	397	251	179	263	205	230	239	195	252
Long-Term Debt	3,014	3,280	2,840	2,853	2,739	2,867	3,168	3,147	3,307	3,589
Total Equity	2,563	2,767	3,037	3,244	3,326	3,444	3,851	4,005	4,140	3,632
D/E Ratio	1.18	1.19	0.94	0.88	0.82	0.83	0.82	0.79	0.80	0.99

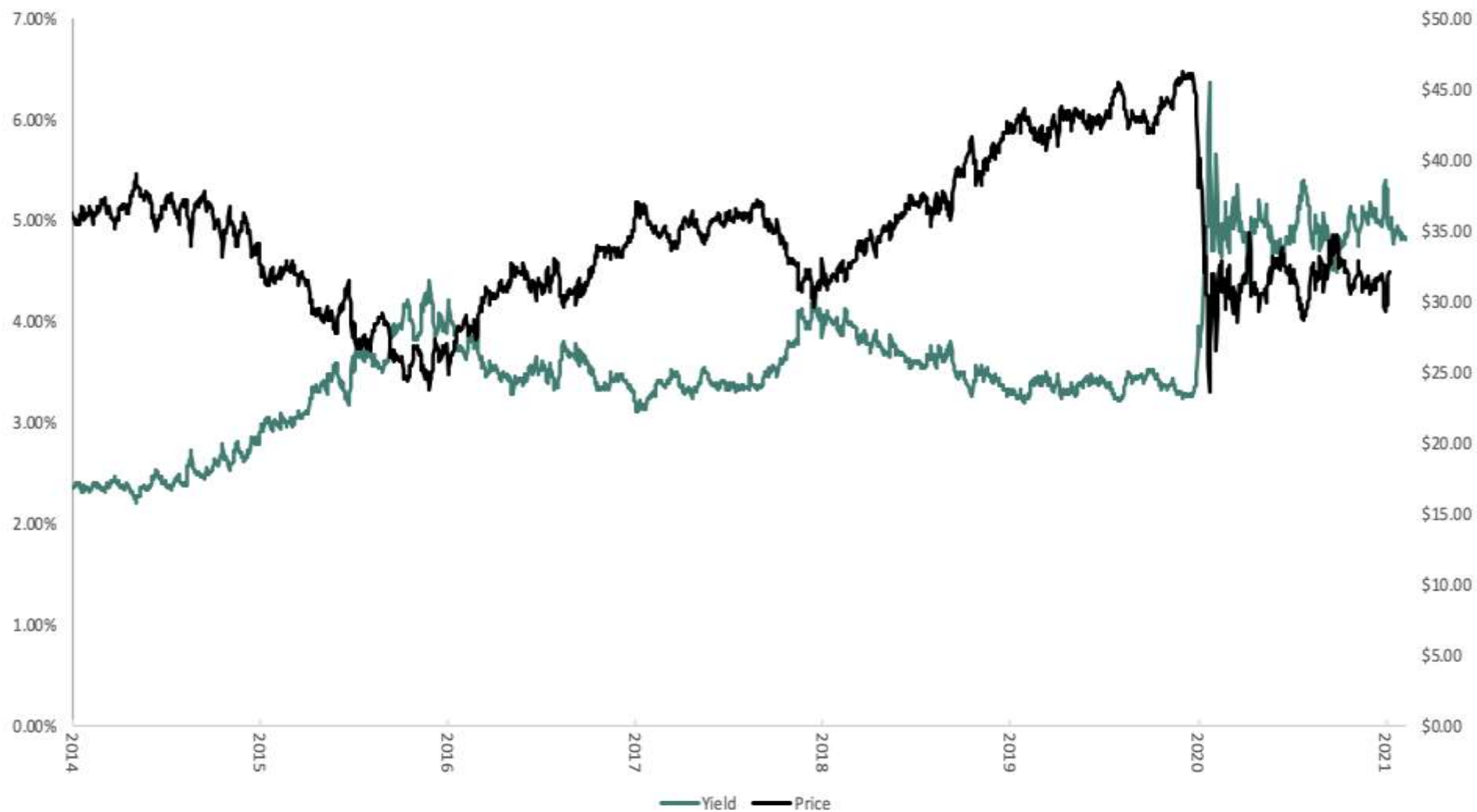
### Profitability & Per Share Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	4.1%	3.8%	4.1%	4.2%	2.8%	3.5%	6.1%	4.0%	4.0%	-1.6%
Return on Equity	14.1%	13.3%	13.4%	12.6%	8.3%	10.0%	17.0%	10.8%	10.6%	-4.5%
ROIC	6.4%	5.8%	6.3%	6.6%	4.5%	5.5%	9.3%	6.0%	5.9%	-2.4%
Shares Out.	198.5	198.1	199.4	199.9	199.6	199.9	200.0	200.5	200.7	200.1
Revenue/Share	19.73	18.53	14.38	12.27	11.01	11.30	11.31	11.32	11.12	10.61
FCF/Share	(2.20)	(0.53)	(1.84)	0.76	1.60	(0.08)	(0.20)	1.88	0.23	0.31

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

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### OGE Energy Corp. (OGE) Dividend Yield History



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# National Health Investors Inc. (NHI)

## Overview & Current Events

National Health Investors, incorporated in 1991 and headquartered in Tennessee, is a REIT focused on healthcare facilities. Some of the healthcare facilities the trust invests in are independent living facilities, senior-living campuses, and medical office buildings. It specializes in sale-leaseback, joint-venture, and mortgage and mezzanine financing. National Health Investors has raised its dividend for 19 years and in the past 11 years it has increased its payment by at least 5% annually. This healthcare facility REIT has a market capitalization of \$3.4 billion.

As of December 31<sup>st</sup>, 2020, National Health Investors had investments in 162 senior housing properties, 75 skilled nursing facilities, 3 hospitals, and 2 medical office buildings across 34 states run by 36 operating partners. During 2020, rental income was \$307 million and made up 92% of income.

On February 22<sup>nd</sup>, 2021, National Health Investors released fourth-quarter and full-year 2020 results. Net income per share for the fourth quarter fell 12.6% to \$0.83 compared to Q4 2019. Normalized AFFO per share was \$1.30, unchanged from the prior year. The trust collected 93.9% of contractual cash due in the quarter, but this improved greatly in February, coming in at 99.4%. For the full fiscal year 2020, net income per share of \$4.14 was a 12.8% increase compared to 2019, however it includes gains related to real estate sales. Normalized AFFO per share of \$5.29 was a 3.7% increase from the prior year, this despite the COVID-19 pandemic. The trust declined to provide guidance for 2021, stating it would be a difficult year. It also announced rent deferral greater than \$6 million, mostly to struggling tenant Bickford Senior Living.

## Competitive Advantage & Recession Performance

While National Health Investors does not have a strong competitive advantage over other healthcare REITs, the trust believes that it has an advantage in accessing debt markets due to a strong balance sheet. The trust is highly diversified across tenant, geography, and asset type which is also advantageous. During the Great Recession, the share price did not fall as much as the overall market, and in fact, FFO per share grew from 2008 to 2010.

Target leverage is set at 4x-5x Net Debt to Adjusted Annualized EBITDA, and the trust maintains a 60/40 equity/debt funding mix. In 2020, NHI was within its target leverage range at 4.8x. Meanwhile, the 80% payout ratio is considered safe by REIT standards, but payout growth may be limited.

## Growth Prospects, Valuation, & Catalyst

In the last 9 years, National Healthcare Investors has grown AFFO by 7.5% on average, but this has slowed slightly to a 5-year AFFO growth rate of 5.2%. Increased investment activity and improved collections should see growth continue, and we are projecting 5.5% average annual growth.

National Health Investors could produce 10.9% total annual returns in the coming years, consisting of 5.5% projected AFFO growth, the 5.9% dividend yield and a small tailwind from the valuation. NHI trades for 13.5 times this year's AFFO estimate of \$5.50, and we assess fair value at 13.8 times AFFO.

## Key Statistics, Ratios, & Metrics

<b>Years of Dividend Increases:</b>	19	<b>5-Year Growth Estimate:</b>	5.5%
<b>Dividend Yield:</b>	5.9%	<b>5-Year Valuation Return Estimate:</b>	0.4%
<b>Most Recent Dividend Increase:</b>	5.0%	<b>5-Year CAGR Estimate:</b>	10.9%
<b>Estimated Fair Value:</b>	\$76	<b>Dividend Risk Score:</b>	C
<b>Security Price:</b>	\$75	<b>Retirement Suitability Score:</b>	B

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### Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	84	93	118	178	229	248	279	295	318	333
Gross Profit	83	93	117	177	228	247	278	293	311	323
Gross Margin	99.0%	99.2%	99.6%	99.7%	99.6%	99.6%	99.7%	99.6%	97.7%	96.9%
SG&A Exp.	8	9	10	9	11	10	13	13	14	15
D&A Exp.	13	17	21	41	57	63	67	71	77	83
Operating Profit	63	69	87	130	164	178	198	209	220	225
Operating Margin	75.6%	74.2%	74.0%	73.0%	71.6%	71.5%	71.0%	71.0%	69.2%	67.6%
Net Profit	81	91	106	102	149	152	159	154	160	185
Net Margin	96.9%	97.2%	90.1%	57.2%	65.0%	61.0%	57.2%	52.4%	50.4%	55.6%
Free Cash Flow	77	86	104	126	164	177	198	208	241	232

### Balance Sheet Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets	580	706	1,456	1,983	2,133	2,404	2,546	2,751	3,042	3,120
Cash & Equivalents	16	9	11	3	13	5	3	5	5	43
Accounts Receivable	9	14	21	39	63	82	100	112	89	98
Total Liabilities	136	238	679	933	991	1,194	1,224	1,361	1,544	1,598
Long-Term Debt	97	203	617	863	914	1,116	1,145	1,282	1,440	1,499
Shareholder's Equity	443	457	767	1,040	1,133	1,210	1,322	1,390	1,498	1,512
D/E Ratio	0.22	0.44	0.81	0.83	0.81	0.92	0.87	0.92	0.96	0.99

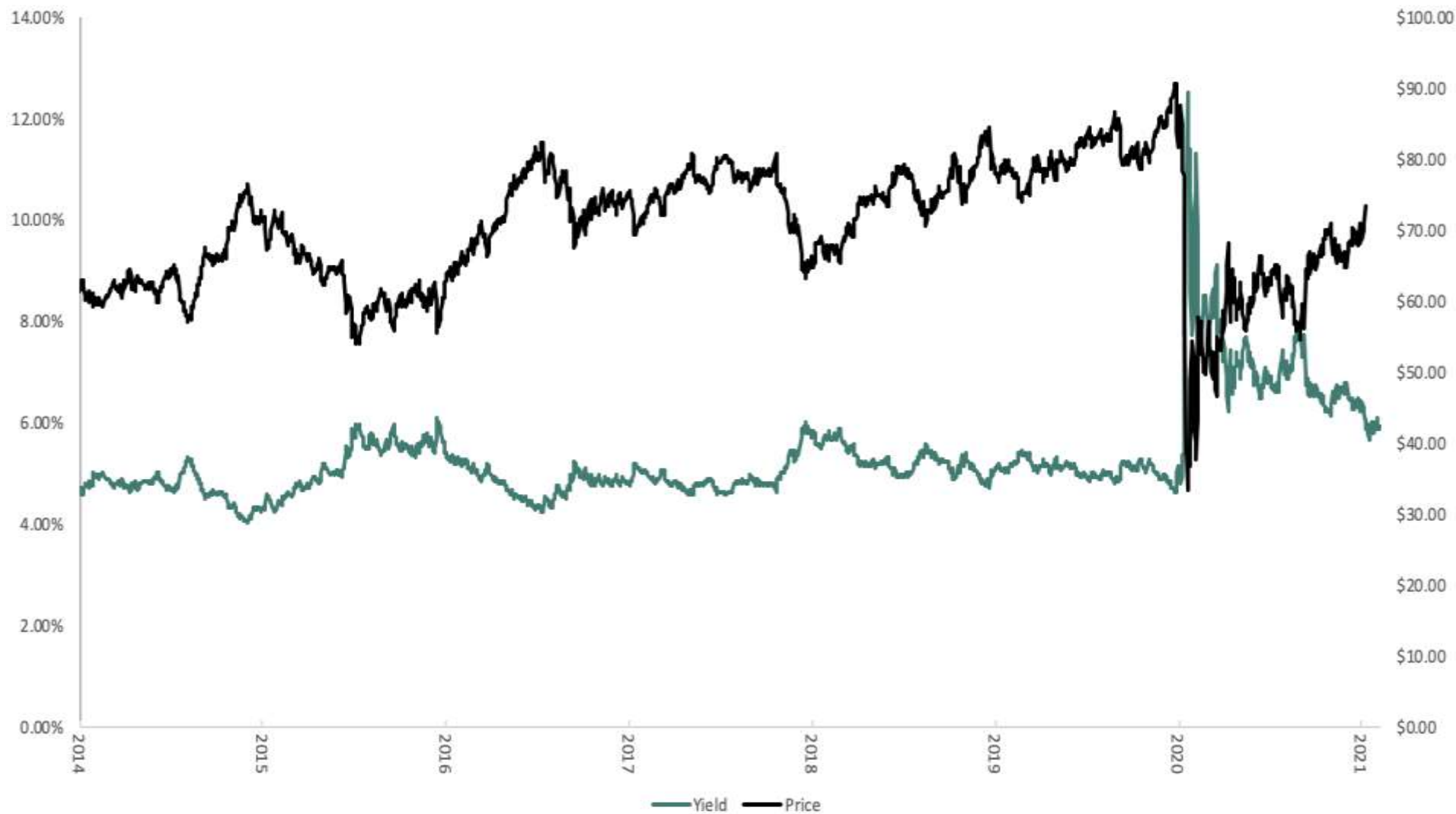
### Profitability & Per Share Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	14.9%	14.1%	9.8%	5.9%	7.2%	6.7%	6.4%	5.8%	5.5%	6.0%
Return on Equity	18.3%	20.1%	17.4%	11.2%	13.7%	12.9%	12.6%	11.4%	11.1%	12.3%
ROIC	15.9%	15.0%	10.3%	6.1%	7.5%	6.9%	6.6%	6.0%	5.7%	6.2%
Shares Out.	27.8	27.8	28.4	33.4	37.6	39.2	41.2	42.1	43.7	44.7
Revenue/Share	3.01	3.35	4.15	5.31	6.08	6.35	6.77	7.00	7.28	7.45
FCF/Share	2.77	3.10	3.67	3.77	4.37	4.51	4.81	4.94	5.51	5.19

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

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### National Health Investors Inc. (NHI) Dividend Yield History



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# Lazard Ltd (LAZ)

## Overview & Current Events

Lazard is a global financial advisory and asset management firm. Its financial advisory business offers various advisory services, including mergers and acquisitions, and capital raising. Lazard was founded in 1848 and is based in Bermuda. The business is classified as a partnership and issues a K-1. Despite not being based in the U.S., the company's distributions are typically not subject to dividend tax withholdings for U.S. investors<sup>5</sup>. The company should produce ~\$2.8 billion in revenue this year, and trades with a market capitalization of \$5.0 billion.

Lazard reported fourth-quarter and full-year earnings on February 5<sup>th</sup>. Results for both the top and bottom lines beat expectations. The company reported operating revenue up 20% year-over-year at \$849 million, and adjusted earnings-per-share nearly doubled, coming in at \$1.66 for Q4.

Lazard ended the year with \$259 billion in assets under management (AUM), a 4% gain year-over-year, and up 14% sequentially from Q3. Lazard saw very small net outflows, but big gains from market appreciation and forex translation. The company ended February 2021 with \$261 billion in AUM. We see \$3.78 in earnings-per-share for 2021, following a very strong performance in 2020.

Lazard announced on March 22<sup>nd</sup> it would launch two special purpose acquisition vehicles, one focused on fintech and the other on healthcare, with each one raising \$250 million.

## Competitive Advantage & Recession Performance

Competitive advantages in Lazard's business are gained nearly entirely from reputation, as the sorts of things Lazard does can be found in countless other companies as well, so competition is high.

However, Lazard has built a strong reputation over the past 170+ years and enjoys a strong and growing book of business because of it. Our only caution is that reputations take a long time to make but can be lost quickly in this business.

Unsurprisingly, Lazard performed poorly during the Great Recession, as its customers suffered and therefore spent less with Lazard. However, it rebounded quickly, and during 2020's recession, Lazard grew earnings quite nicely. Still, this is not a recession-resistant stock.

## Growth Prospects, Valuation, & Catalyst

We see average annual growth of 5% in the coming years for Lazard from our base of \$3.78 in earnings-per-share for 2021. Lazard continues to be the global leader in restructuring deals, providing a strong source of high-margin revenue. Lazard is also a beneficiary of higher stock market values as that produces higher AUM, but market depreciation can see large declines in AUM as well.

In total, we see robust 9.5% annual returns from Lazard, which results from the combination of 5% projected earnings-per-share growth, a 4.0% dividend yield, and a 1.0% tailwind from the valuation. Indeed, we see Lazard as slightly undervalued today, as it trades for 12.3 times this year's earnings, which is below our estimate of fair value at 13 times earnings.

## Key Statistics, Ratios, & Metrics

<b>Years of Dividend Increases:</b>	0	<b>5-Year EPS Growth Estimate:</b>	5.0%
<b>Dividend Yield:</b>	4.0%	<b>5-Year Valuation Return Estimate:</b>	1.0%
<b>Most Recent Dist. Increase:</b>	NA	<b>5-Year CAGR Estimate:</b>	9.5%
<b>Estimated Fair Value:</b>	\$49	<b>Dividend Risk Score:</b>	C
<b>Security Price:</b>	\$47	<b>Retirement Suitability Score:</b>	B

<sup>5</sup> See [here for more information](#) on Lazard's distributions and structure. We made an exception and included Lazard in this month's Top 10 despite it technically not being a U.S. stock.

### Income Statement Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue	1,920	1,994	2,065	2,363	2,405	2,384	2,698	2,885	2,667	2,647
Gross Profit	661	561	707	987	1,034	993	1,131	1,312	1,023	1,015
Gross Margin	34.4%	28.2%	34.2%	41.8%	43.0%	41.7%	41.9%	45.5%	38.4%	38.4%
SG&A Exp.	373	391	398	403	398	399	455	564	568	473
D&A Exp.	36	39	45	41	39	69	41	18	55	37
Operating Profit	235	124	217	526	(11)	553	835	665	412	504
Op. Margin	12.3%	6.2%	10.5%	22.3%	-0.4%	23.2%	30.9%	23.0%	15.5%	19.0%
Net Profit	175	84	160	427	986	388	254	527	287	402
Net Margin	9.1%	4.2%	7.8%	18.1%	41.0%	16.3%	9.4%	18.3%	10.7%	15.2%
Free Cash Flow	351	393	466	714	861	594	1,001	649	635	512
Income Tax	45	31	52	85	-1,010	124	566	148	95	99

### Balance Sheet Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Assets	3,082	2,987	3,011	3,332	4,478	4,557	4,929	4,997	5,640	5,972
Cash & Equivalents	1,004	850	841	1,067	1,132	1,159	1,484	1,247	1,232	1,390
Acc. Receivable	486	454	505	558	497	638	572	686	663	743
Goodwill & Int.	393	393	364	347	327	382	391	375	374	384
Total Liabilities	2,215	2,335	2,381	2,562	3,110	3,263	3,670	4,027	4,958	4,972
Long-Term Debt	1,077	1,077	1,048	1,048	989	1,189	1,190	1,434	1,680	1,683
Total Equity	726	570	560	707	1,313	1,236	1,200	917	610	912
D/E Ratio	1.48	1.89	1.87	1.48	0.75	0.96	0.99	1.56	2.75	1.85

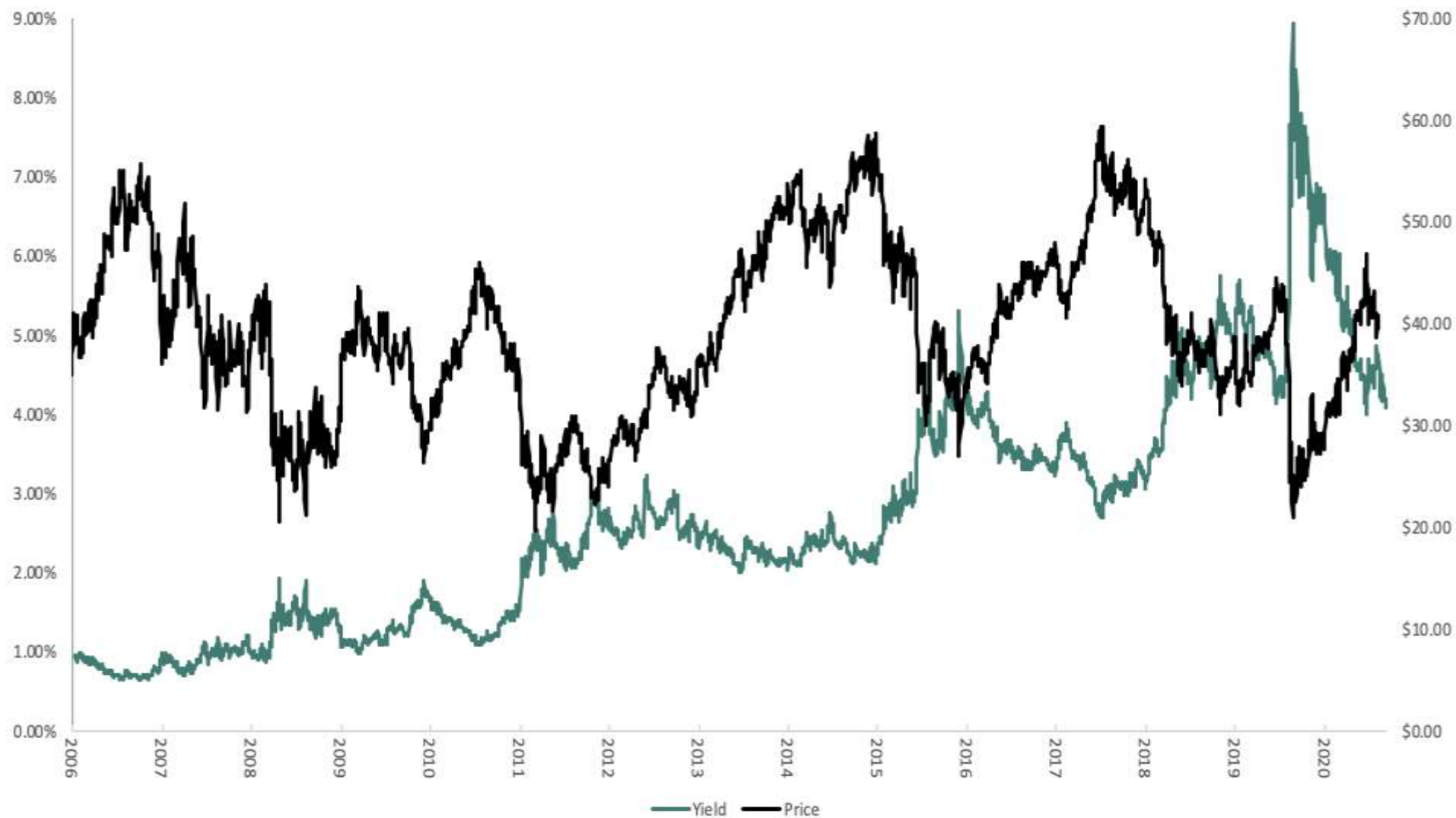
### Profitability & Per Share Metrics

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Return on Assets	5.4%	2.8%	5.3%	13.5%	25.3%	8.6%	5.3%	10.6%	5.4%	6.9%
Return on Equity	25.4%	13.0%	28.4%	67.4%	97.7%	30.4%	20.8%	49.8%	37.5%	52.9%
ROIC	8.8%	4.6%	9.4%	24.4%	47.3%	16.0%	10.3%	21.7%	12.0%	16.0%
Shares Out.	123	135	134	134	133	133	133	130	104	103
Revenue/Share	13.95	15.42	15.44	17.66	18.05	17.97	20.36	22.23	22.98	23.32
FCF/Share	2.55	3.04	3.48	5.33	6.46	4.48	7.56	5.00	5.47	4.51

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

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### Lazard Ltd. (LAZ) Dividend Yield History



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## Closing Thoughts - Get Paid To Wait -

The idea behind value investing is to buy assets for less than they are worth. The larger the discrepancy between price and value, the bigger the margin of safety.

Value investing is simple, but not easy. Stocks trading at a discount to their assets usually do so for a reason. They tend to be out of favor and surrounded by negative sentiment.

*“Long ago, Ben Graham taught me that ‘Price is what you pay; value is what you get.’ Whether we’re talking about socks or stocks, I like buying quality merchandise when it is marked down.”*  
- Warren Buffett

Unfortunately, undervalued stocks do not rebound just because you buy them. The market doesn’t care when you purchase a security.

Some value securities may rebound to fair value in a month, others may take years, or may never rebound at all. Waiting for your value stocks to appreciate can be nerve racking.

Combining classic value investing with securities that have high dividend or distribution yields provides psychological benefits.

Instead of waiting for a stock to appreciate, you invest to collect the income the value stock is generating. If it takes several years to recover, you will have created cash flows from the dividends on the stock. *You get paid to wait* when you purchase value securities with high dividend or distribution yields.

If the stock price recovers quickly, then you have compound annual returns resulting from quick capital appreciation. If the stock price does not recover quickly, then you still benefit from a high starting yield on cost and continued income rolling in. If that’s the reason you purchased the security in the first place, then being ‘wrong’ on valuation will still result in a favorable outcome.

The key to investing in high-yield securities that appear undervalued is to understand the risk of the underlying business. We want to invest in securities that are out of favor and as a result have low valuation multiples, but at the same time are able to securely pay shareholders steady and preferably growing dividends or distributions.

Securities like [AbbVie \(ABBV\)](#) and [AT&T \(T\)](#) from this month’s Top 10 fit this model well. And as always, we will continue to use our extensive 670+ income security coverage in [The Sure Analysis Research Database](#) to find compelling income investments with 4% yields each month in *The Sure Retirement Newsletter*.

Thanks,

Ben Reynolds

**The next *Sure Retirement Newsletter* publishes on Sunday, May 9<sup>th</sup>, 2021**



# List of Securities by Retirement Suitability Score

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

**Note:** Check the *Sure Analysis Research Database* for the most up-to-date Retirement Suitability Scores and Dividend or Distribution Yields. These rankings will not always align with our Top 10 list due to additional safety constraints we impose on the Top 10 as well as when different aspects of the newsletter are compiled. See our '[Buying and Ranking Criteria](#)' for more information.

## A-Rated Retirement Suitability Securities

1. Bristol-Myers Squibb Co. (BMY): 3.2%
2. Magellan Midstream Partners L.P. (MMP): 9.1%
3. Great Elm Capital Corp (GECC): 11.9%
4. Sunoco LP (SUN): 10.1%
5. Enbridge Inc (ENB): 7.2%
6. British American Tobacco Plc (BTI): 7.7%
7. MPLX LP (MPLX): 10.5%
8. Gilead Sciences, Inc. (GILD): 4.3%
9. Eagle Financial Services, Inc. (EFSI): 3.4%
10. AT&T, Inc. (T): 6.7%
11. Red Eléctrica Corporación S.A. (RDEIY): 6.7%
12. Novartis AG (NVS): 3.9%
13. AbbVie Inc (ABBV): 4.9%
14. Orange. (ORAN): 5.7%
15. Bayer AG (BAYRY): 3.7%
16. Great-West Lifeco, Inc. (GWLIF): 5.2%
17. Verizon Communications Inc (VZ): 4.2%
18. First Farmers Financial Corp (FFMR): 3.2%
19. ONEOK Inc. (OKE): 7.3%
20. Telephone and Data Systems, Inc. (TDS): 3%
21. Bank of Nova Scotia (BNS): 4.4%
22. Unum Group (UNM): 4.1%
23. Edison International (EIX): 4.4%
24. Johnson & Johnson (JNJ): 2.5%
25. Fortis Inc. (FTS): 3.6%
26. Altria Group Inc. (MO): 6.9%
27. Canadian Utilities Ltd. (CDUAF): 5.2%
28. Black Hills Corporation (BKH): 3.3%
29. Enterprise Products Partners L P (EPD): 8%
30. National Fuel Gas Co. (NFG): 3.6%
31. Northeast Indiana Bancorp Inc. (NIDB): 2.8%
32. UGI Corp. (UGI): 3.2%
33. Federal Realty Investment Trust (FRT): 4.1%
34. International Business Machines Corp. (IBM): 4.9%
35. H&R Block Inc. (HRB): 4.6%
36. Aflac Inc. (AFL): 2.6%
37. Walgreens Boots Alliance Inc (WBA): 3.4%
38. 3M Co. (MMM): 3%
39. Archer Daniels Midland Co. (ADM): 2.5%
40. Cardinal Health, Inc. (CAH): 3.2%
41. Kimberly-Clark Corp. (KMB): 3.3%
42. Canadian Imperial Bank of Commerce (CM): 4.6%
43. Community Trust Bancorp, Inc. (CTBI): 3.5%
44. Axis Capital Holdings Ltd (AXS): 3.3%
45. PPL Corp (PPL): 5.8%
46. Arrow Financial Corp. (AROW): 3.1%
47. Entergy Corp. (ETR): 3.7%
48. People's United Financial Inc (PBCT): 4.1%
49. Coca-Cola Co (KO): 3.1%
50. Franklin Resources, Inc. (BEN): 3.7%
51. Western Union Company (WU): 3.7%
52. Northwest Natural Holding Co (NWN): 3.6%
53. Leggett & Platt, Inc. (LEG): 3.5%
54. Genuine Parts Co. (GPC): 2.8%
55. Southside Bancshares Inc (SBSI): 3.3%
56. Procter & Gamble Co. (PG): 2.3%
57. Weyco Group, Inc (WEYS): 4.4%
58. Emerson Electric Co. (EMR): 2.2%
59. Consolidated Edison, Inc. (ED): 4.1%
60. Universal Corp. (UVV): 5.2%
61. First Financial Corp. - Indiana (THFF): 2.4%
62. Tompkins Financial Corp (TMP): 2.7%
63. United Bankshares, Inc. (UBSI): 3.6%

## B-Rated Retirement Suitability Securities

1. Perrigo Company plc (PRGO): 2.3%
2. Suburban Propane Partners LP (SPH): 8%
3. Energy Transfer LP (ET): 7.8%



4. Progressive Corp. (PGR): 5.2%
5. Ping AN Insurance (Group) Co. of China, Ltd. (PNGAY): 2.7%
6. Merck & Co Inc (MRK): 3.4%
7. Holly Energy Partners L.P. (HEP): 7.2%
8. Lockheed Martin Corp. (LMT): 2.7%
9. Oge Energy Corp. (OGE): 5%
10. L3Harris Technologies Inc (LHX): 1.9%
11. Fresenius Medical Care AG & Co. KGaA (FMS): 1.9%
12. KNOT Offshore Partners LP (KNOP): 11.5%
13. National Health Investors, Inc. (NHI): 5.9%
14. Northrop Grumman Corp. (NOC): 1.8%
15. Brookfield Infrastructure Partners L.P (BIP): 3.7%
16. Becton, Dickinson And Co. (BDX): 1.4%
17. New Residential Investment Corp (NRZ): 7.3%
18. Lazard Ltd. (LAZ): 4.2%
19. Total SE (TOT): 6.7%
20. Semptra Energy (SRE): 3.3%
21. America Móvil S.A.B.DE C.V. (AMX): 2.5%
22. Evergy Inc (EVRG): 3.5%
23. Farmers & Merchants Bancorp (FMCB): 1.9%
24. Enterprise Bancorp, Inc. (EBTC): 2.2%
25. Pinnacle West Capital Corp. (PNW): 4%
26. CyrusOne Inc (CONE): 2.9%
27. CVS Health Corp (CVS): 2.7%
28. Macerich Co. (MAC): 4.9%
29. Geo Group, Inc. (GEO): 12.8%
30. Office Properties Income Trust (OPI): 7.8%
31. SEI Investments Co. (SEIC): 1.2%
32. Huntington Ingalls Industries Inc (HII): 2.2%
33. Ameriprise Financial Inc (AMP): 1.8%
34. AMGEN Inc. (AMGN): 2.8%
35. Atmos Energy Corp. (ATO): 2.5%
36. Campbell Soup Co. (CPB): 3%
37. Alliance Resource Partners, LP (ARLP): 10.1%
38. Prudential Financial Inc. (PRU): 4.9%
39. Kinder Morgan Inc (KMI): 6.5%
40. Imperial Brands Plc (IMBBY): 5.1%
41. Unilever plc (UL): 3.6%
42. Philip Morris International Inc (PM): 5.4%
43. Polaris Inc (PII): 1.8%
44. ABM Industries Inc. (ABM): 1.5%
45. Sun Life Financial, Inc. (SLF): 3.4%
46. First of Long Island Corp. (FLIC): 3.5%
47. Alliant Energy Corp. (LNT): 2.9%
48. National Grid Plc (NGG): 5.2%
49. Mercury General Corp. (MCY): 4.1%
50. Lowe's Cos., Inc. (LOW): 1.2%
51. Münchener Rückversicherungs-Gesellschaft AG (MURGF): 3.8%
52. NextEra Energy Partners LP (NEP): 3.3%
53. Sampo Plc (SAXPY): 3.7%
54. Prosperity Bancshares Inc. (PB): 2.7%
55. Otter Tail Corporation (OTTR): 3.4%
56. Cisco Systems, Inc. (CSCO): 2.8%
57. Realty Income Corp. (O): 4.3%
58. Assurant Inc (AIZ): 1.9%
59. Tyson Foods, Inc. (TSN): 2.3%
60. Old Republic International Corp. (ORI): 3.7%
61. Bank of Montreal (BMO): 3.6%
62. Rogers Communications Inc. (RCI): 3.3%
63. SK Telecom Co Ltd (SKM): 3.6%
64. Omnicom Group, Inc. (OMC): 3.6%
65. Flowers Foods, Inc. (FLO): 3.3%
66. American Electric Power Company Inc. (AEP): 3.4%
67. Tennant Co. (TNC): 1.1%
68. Southern Company (SO): 4.2%
69. DTE Energy Co. (DTE): 3.2%
70. General Mills, Inc. (GIS): 3.3%
71. Roche Holding AG (RHHBY): 2.9%
72. Eastman Chemical Co (EMN): 2.5%
73. H.B. Fuller Company (FUL): 1%
74. Colgate-Palmolive Co. (CL): 2.3%
75. Royal Bank of Canada (RY): 3.4%
76. M & T Bank Corp (MTB): 2.9%
77. Essex Property Trust, Inc. (ESS): 3%
78. W. P. Carey Inc (WPC): 5.8%
79. Chubb Limited (CB): 2%
80. BASF SE (BASFY): 4.4%
81. Navient Corp (NAVI): 4.5%
82. Genesis Energy L.P. (GEL): 6.3%
83. Travelers Companies Inc. (TRV): 2.2%
84. SJW Group (SJW): 2.1%
85. Orchid Island Capital Inc (ORC): 13.2%
86. Best Buy Co. Inc. (BBY): 2.3%
87. Toronto Dominion Bank (TD): 3.5%
88. J.M. Smucker Co. (SJM): 2.8%
89. MDU Resources Group Inc (MDU): 2.7%
90. General Dynamics Corp. (GD): 2.6%
91. AGNC Investment Corp (AGNC): 8.5%
92. Patterson Companies Inc. (PDCO): 3.2%
93. Sonoco Products Co. (SON): 2.8%
94. Rio Tinto plc (RIO): 7.1%
95. National Bank of Canada (NTIOF): 3.2%
96. Hanesbrands Inc (HBI): 3%
97. Kellogg Co (K): 3.5%
98. Lancaster Colony Corp. (LANC): 1.7%
99. PPG Industries, Inc. (PPG): 1.4%
100. Artesian Resources Corp. (ARTNA): 2.7%
101. Stanley Black & Decker Inc (SWK): 1.4%
102. Amerisource Bergen Corp. (ABC): 1.5%
103. Clorox Co. (CLX): 2.3%
104. Antero Midstream Corp (AM): 10.1%
105. Duke Energy Corp. (DUK): 4%
106. Walmart Inc (WMT): 1.6%
107. Kroger Co. (KR): 2%
108. Physicians Realty Trust (DOC): 5%
109. Ingredion Inc (INGR): 2.8%
110. National Retail Properties Inc (NNN): 4.6%
111. Whirlpool Corp. (WHR): 2.1%
112. Raytheon Technologies Corporation (RTX): 2.5%
113. Stepan Co. (SCL): 0.9%
114. MSC Industrial Direct Co., Inc. (MSM): 3.3%
115. PepsiCo Inc (PEP): 3%
116. Dover Corp. (DOV): 1.4%
117. Superior Plus Corp. (SUUIF): 4.8%
118. Parker-Hannifin Corp. (PH): 1.1%
119. MetLife Inc (MET): 3%

120. Public Service Enterprise Group Inc. (PEG): 3.3%  
 121. Gorman-Rupp Co. (GRC): 1.8%  
 122. Brady Corp. (BRC): 1.6%  
 123. Hormel Foods Corp. (HRL): 2%  
 124. BancFirst Corp. (BANF): 1.9%  
 125. Everest Re Group Ltd (RE): 2.4%  
 126. Universal Health Realty Income Trust (UHT): 3.9%  
 127. Sysco Corp. (SY): 2.2%  
 128. McGrath RentCorp (MGRC): 2.1%  
 129. Pentair plc (PNR): 1.3%  
 130. T. Rowe Price Group Inc. (TROW): 2%  
 131. Matthews International Corp. (MATW): 2.1%  
 132. W.W. Grainger Inc. (GW): 1.5%  
 133. RPM International, Inc. (RPM): 1.6%  
 134. Bank OZK (OZK): 2.8%  
 135. Abbott Laboratories (ABT): 1.5%  
 136. Target Corp (TGT): 1.3%  
 137. John Wiley & Sons Inc. (JW.A): 2.5%  
 138. PSB Holdings Inc (WI) (PSBQ): 1.7%  
 139. Greif Inc (GEF): 3%  
 140. Cincinnati Financial Corp. (CINF): 2.4%  
 141. Carlisle Companies Inc. (CSL): 1.2%  
 142. McDonald's Corp (MCD): 2.2%  
 143. Tootsie Roll Industries, Inc. (TR): 1.1%  
 144. Westamerica Bancorporation (WABC): 2.6%  
 145. Computer Services, Inc. (CSVI): 1.7%  
 146. Tanger Factory Outlet Centers, Inc. (SKT): 4.4%  
 147. Chesapeake Financial Shares Inc (CPKF): 2.2%  
 148. Medtronic Plc (MDT): 1.9%  
 149. Illinois Tool Works, Inc. (ITW): 2%  
 150. Cullen Frost Bankers Inc. (CFR): 2.6%  
 151. American States Water Co. (AWR): 1.8%  
 152. MSA Safety Inc (MSA): 1.1%  
 153. MGE Energy, Inc. (MGEE): 2.1%  
 154. TransAlta Renewables, Inc. (TRSWF): 4.2%  
 155. California Water Service Group (CWT): 1.6%  
 156. Nucor Corp. (NUE): 2%

## C-Rated Retirement Suitability Securities

1. Tencent Holdings Ltd. (TCEHY): 0.3%  
 2. Phillips 66 Partners LP (PSXP): 11.3%  
 3. Thermo Fisher Scientific Inc. (TMO): 0.2%  
 4. Shell Midstream Partners L.P. (SHLX): 13.2%  
 5. Brookfield Property Partners L.P. (BPY): 7.5%  
 6. Landmark Infrastructure Partners LP (LMRK): 6.7%  
 7. China Petroleum & Chemical Corp (SNP): 7%  
 8. Grupo Aval Acciones y Valores S.A. (AVAL): 5.5%  
 9. Icahn Enterprises L P (IEP): 14.1%  
 10. PetroChina Co. Ltd. (PTR): 3.7%  
 11. SL Green Realty Corp. (SLG): 5%  
 12. Höegh LNG Partners LP (HMLP): 11.7%  
 13. Royal Gold, Inc. (RGLD): 1.1%  
 14. Pfizer Inc. (PFE): 4.3%  
 15. Telefonica S.A (TEF): 10.1%  
 16. USA Compression Partners LP (USAC): 13.9%  
 17. SFL Corporation Ltd (SFL): 7.5%

18. TC Energy Corporation (TRP): 5.8%  
 19. Sixth Street Specialty Lending Inc (TSLX): 9.6%  
 20. GlaxoSmithKline plc (GSK): 6.8%  
 21. Preferred Apartment Communities Inc (APTS): 6.7%  
 22. Newtek Business Services Corp (NEWT): 9.6%  
 23. Principal Financial Group Inc (PFG): 3.6%  
 24. Alaris Equity Partners Income Trust (ALARF): 10.2%  
 25. Comcast Corp (CMCSA): 1.8%  
 26. VICI Properties Inc (VICI): 4.7%  
 27. Swiss Re Ltd (SSREY): 6.8%  
 28. Sanofi (SNY): 3.4%  
 29. FirstEnergy Corp. (FE): 4.5%  
 30. UnitedHealth Group Inc (UNH): 1.4%  
 31. Two Harbors Investment Corp (TWO): 10.1%  
 32. Artisan Partners Asset Management Inc (APAM): 5.8%  
 33. Stryker Corp. (SYK): 1%  
 34. Donaldson Co. Inc. (DCI): 1.4%  
 35. HSBC Holdings plc (HSBC): 5.1%  
 36. Healthcare Trust of America Inc (HTA): 4.6%  
 37. Williams Cos Inc (WMB): 6.9%  
 38. RELX Plc (RELX): 2.7%  
 39. New Jersey Resources Corporation (NJR): 3.3%  
 40. Allstate Corp (The) (ALL): 2.7%  
 41. Roper Technologies Inc (ROP): 0.6%  
 42. Intercontinental Exchange Inc (ICE): 1.2%  
 43. New York Community Bancorp Inc. (NYCB): 5.4%  
 44. Lumen Technologies Inc (LUMN): 7.5%  
 45. Silgan Holdings Inc. (SLGN): 1.3%  
 46. Sabine Royalty Trust (SBR): 7.7%  
 47. MGM Growth Properties LLC (MGP): 5.7%  
 48. Republic Services, Inc. (RSG): 1.7%  
 49. Triton International Ltd (TRTN): 4.1%  
 50. Sap SE (SAP): 1.3%  
 51. TriplePoint Venture Growth BDC Corp (TPVG): 9.5%  
 52. LTC Properties, Inc. (LTC): 5.2%  
 53. Mondelez International Inc. (MDLZ): 2.2%  
 54. Home Depot, Inc. (HD): 2.1%  
 55. Omega Healthcare Investors, Inc. (OHI): 6.9%  
 56. Oracle Corp. (ORCL): 1.7%  
 57. Blackrock Inc. (BLK): 2%  
 58. New York Mortgage Trust Inc (NYMT): 8.8%  
 59. B&G Foods, Inc (BGS): 6.3%  
 60. Annaly Capital Management Inc (NLY): 10.3%  
 61. Spark Energy Inc (SPKE): 6.8%  
 62. Whitestone REIT (WSR): 4.5%  
 63. S&P Global Inc (SPGI): 0.8%  
 64. Exchange Income Corp. (EIFZF): 5.5%  
 65. McKesson Corporation (MCK): 0.9%  
 66. Simon Property Group, Inc. (SPG): 4.5%  
 67. Exxon Mobil Corp. (XOM): 6.2%  
 68. Keurig Dr Pepper Inc (KDP): 2%  
 69. Spirit Realty Capital Inc (SRC): 5.7%  
 70. Calvin b. Taylor Bankshares, Inc. (TYCB): 3.1%  
 71. Hewlett Packard Enterprise Co (HPE): 3.1%  
 72. Broadmark Realty Capital Inc (BRMK): 8%  
 73. Iron Mountain Inc. (IRM): 6.6%  
 74. Medical Properties Trust Inc (MPW): 5.1%  
 75. Easterly Government Properties Inc (DEA): 5%  
 76. PennantPark Floating Rate Capital Ltd (PFLT): 9.3%

77. Novo Nordisk (NVO): 2.3%
78. Booz Allen Hamilton Holding Corp (BAH): 1.8%
79. TELUS Corp. (TU): 4.6%
80. Banco Bradesco S.A. (BBD): 4.4%
81. Sabra Healthcare REIT Inc (SBRA): 6.5%
82. RenaissanceRe Holdings Ltd (RNR): 0.9%
83. New Mountain Finance Corp (NMFC): 9.4%
84. Fairfax Financial Holdings Ltd. (FRFHF): 2.2%
85. VEREIT Inc (VER): 4.8%
86. Chimera Investment Corp (CIM): 9.4%
87. Starwood Property Trust Inc (STWD): 7.8%
88. FBL Financial Group, Inc. (FFG): 3.8%
89. Chevron Corp. (CVX): 5%
90. United Parcel Service, Inc. (UPS): 2.3%
91. Gazprom (OGZPY): 7.1%
92. CoreSite Realty Corporation (COR): 4%
93. Sienna Senior Living, Inc. (LWSCF): 6.4%
94. Ares Capital Corp (ARCC): 8.4%
95. Oxford Square Capital Corp (OXSQ): 8.4%
96. Keycorp (KEY): 3.6%
97. Cummins Inc. (CMI): 2.1%
98. Qualcomm, Inc. (QCOM): 2%
99. Imperial Oil Ltd. (IMO): 2.7%
100. Apollo Global Management Inc (APO): 5%
101. Intel Corp. (INTC): 2.1%
102. Gladstone Commercial Corp (GOOD): 7.4%
103. Brown & Brown, Inc. (BRO): 0.8%
104. Solar Senior Capital Ltd (SUNS): 7.8%
105. Global Net Lease Inc (GNL): 8.5%
106. Canadian Natural Resources Ltd. (CNQ): 4.8%
107. Crown Castle International Corp (CCI): 3%
108. Eagle Point Income Company Inc (EIC): 6.6%
109. Ellington Financial Inc (EFC): 7%
110. Church & Dwight Co., Inc. (CHD): 1.1%
111. American Tower Corp. (AMT): 2%
112. McCormick & Co., Inc. (MKC): 1.5%
113. Kraft Heinz Co (KHC): 3.9%
114. Public Storage (PSA): 3.1%
115. Automatic Data Processing Inc. (ADP): 2%
116. Chemours Company (CC): 3.5%
117. Horizon Technology Finance Corp (HRZN): 7.9%
118. Hercules Capital Inc (HTGC): 7.7%
119. CSX Corp. (CSX): 1.1%
120. Dream Office Real Estate Investment Trust (DRETF): 4.4%
121. Blackstone Mortgage Trust Inc (BXMT): 7.9%
122. AvalonBay Communities Inc. (AVB): 3.4%
123. ARMOUR Residential REIT Inc (ARR): 9.8%
124. C.H. Robinson Worldwide, Inc. (CHRW): 2.1%
125. Stellus Capital Investment Corp (SCM): 7.7%
126. Cross Timbers Royalty Trust (CRT): 8.3%
127. Gaming and Leisure Properties Inc (GLPI): 5.9%
128. Brixmor Property Group Inc (BRX): 4.2%
129. Gladstone Capital Corp. (GLAD): 7.6%
130. Nestle SA (NSRGY): 2.7%
131. International Flavors & Fragrances Inc. (IFF): 2.2%
132. Union Pacific Corp. (UNP): 1.8%
133. Dynex Capital, Inc. (DX): 8.4%
134. Arbor Realty Trust Inc. (ABR): 8.3%
135. Lincoln Electric Holdings, Inc. (LECO): 1.6%
136. Texas Instruments Inc. (TXN): 2.1%
137. Sherwin-Williams Co. (SHW): 0.8%
138. Xerox Holdings Corp (XRX): 4%
139. Hershey Company (HSY): 2%
140. WEC Energy Group Inc (WEC): 2.9%
141. Fox Corporation (FOXA): 1.2%
142. Compass Diversified Holdings (CODI): 6%
143. Digital Realty Trust Inc (DLR): 3.2%
144. Prospect Capital Corp (PSEC): 9.1%
145. Comerica, Inc. (CMA): 3.8%
146. Xcel Energy, Inc. (XEL): 2.5%
147. International Paper Co. (IP): 3.8%
148. Tectron Inc. (TXT): 0.1%
149. Essential Utilities Inc (WTRG): 2.3%
150. Microsoft Corporation (MSFT): 0.9%
151. LyondellBasell Industries NV (LYB): 4%
152. AllianceBernstein Holding LP (AB): 8.2%
153. Fastenal Co. (FAST): 2.2%
154. NextEra Energy Inc (NEE): 2%
155. Siemens AG (SIEGY): 2.5%
156. 1st Source Corp. (SRCE): 2.4%
157. Jack Henry & Associates, Inc. (JKHY): 1.1%
158. Snap-on, Inc. (SNA): 2.1%
159. Cintas Corporation (CTAS): 0.9%
160. Carrier Global Corp (CARR): 1.1%
161. American Express Co. (AXP): 1.2%
162. Choice Properties Real Estate Investment Trust (PPRQF): 5.1%
163. Linde Plc (LIN): 1.5%
164. Franklin Electric Co., Inc. (FELE): 0.9%
165. eBay Inc. (EBAY): 1.2%
166. Apollo Commercial Real Estate Finance Inc (ARI): 9.9%
167. Waste Management, Inc. (WM): 1.7%
168. Canadian National Railway Co. (CNI): 1.7%
169. Nordson Corp. (NDSN): 0.8%
170. A.O. Smith Corp. (AOS): 1.5%
171. HNI Corp. (HNI): 3%
172. Ecolab, Inc. (ECL): 0.9%
173. Lilly (Eli) & Co (LLY): 1.9%
174. Yamana Gold Inc. (AUY): 2.4%
175. Otis Worldwide Corp (OTIS): 1.1%
176. Expeditors International of Washington, Inc. (EXPD): 1%
177. Brown-Forman Corp. (BF.B): 1%
178. Air Products & Chemicals Inc. (APD): 2.1%
179. Erie Indemnity Co. (ERIE): 1.8%
180. Commerce Bancshares, Inc. (CBSH): 1.4%
181. Caterpillar Inc. (CAT): 1.8%
182. Brookfield Asset Management Inc. (BAM): 1.2%
183. Williams-Sonoma, Inc. (WSM): 1.3%
184. Middlesex Water Co. (MSEX): 1.4%
185. AptarGroup Inc. (ATR): 1%
186. West Pharmaceutical Services, Inc. (WST): 0.2%
187. Community Bank System, Inc. (CBU): 2.2%
188. RLI Corp. (RLI): 0.8%

## D-Rated Retirement Suitability Securities

1. Innovative Industrial Properties Inc (IIPR): 2.8%
2. Morgan Stanley (MS): 1.9%
3. DHT Holdings Inc (DHT): 3.2%
4. Franco-Nevada Corporation (FNV): 0.9%
5. Newmont Corp (NEM): 3.5%
6. CenterPoint Energy Inc. (CNP): 2.8%
7. Inter Pipeline Ltd. (IPPLF): 2.5%
8. Yum Brands Inc. (YUM): 1.8%
9. Micro Focus International Plc (MFGP): 2.1%
10. FedEx Corp (FDX): 0.9%
11. Suncor Energy, Inc. (SU): 3.1%
12. Petróleo Brasileiro S.A. Petrobras (PBR): 1.8%
13. Royal Dutch Shell Plc (RDS.B): 3.5%
14. Hasbro, Inc. (HAS): 2.8%
15. Vale S.A. (VALE): 1.6%
16. Hannon Armstrong Sustainable Infrastructure capital Inc (HASI): 2.6%
17. Aegon N. V. (AEG): 1.5%
18. Dominion Energy Inc (D): 3.4%
19. Domino's Pizza Inc (DPZ): 1%
20. Telefonaktiebolaget L M Ericsson (ERIC): 1.8%
21. Permian Basin Royalty Trust (PBT): 6%
22. Intuit Inc (INTU): 0.6%
23. BP plc (BP): 5%
24. Phillips 66 (PSX): 4.5%
25. Targa Resources Corp (TRGP): 1.3%
26. HollyFrontier Corp (HFC): 3.8%
27. Boston Properties, Inc. (BXP): 3.8%
28. Restaurant Brands International Inc (QSR): 3.2%
29. Ritchie Bros Auctioneers Inc (RBA): 1.5%
30. HP Inc (HPQ): 2.4%
31. Broadcom Inc (AVGO): 3%
32. Amcor Plc (AMCR): 3.9%
33. CF Industries Holdings Inc (CF): 2.6%
34. Truist Financial Corporation (TFC): 3%
35. Consolidated Water Co. Ltd. (CWCO): 2.6%
36. Agree Realty Corp. (ADC): 3.7%
37. Canadian Pacific Railway Ltd (CP): 0.8%
38. Dollar General Corp. (DG): 0.8%
39. Deutsche Telekom AG (DEG): 3.7%
40. Pembina Pipeline Corporation (PBA): 6.7%
41. Conagra Brands Inc (CAG): 2.9%
42. Discover Financial Services (DFS): 1.8%
43. Algonquin Power & Utilities Corp (AQN): 4%
44. Foot Locker Inc (FL): 1.4%
45. Bank Of New York Mellon Corp (BK): 2.6%
46. EOG Resources, Inc. (EOG): 2.3%
47. Baker Hughes Co (BKR): 3.4%
48. Costco Wholesale Corp (COST): 0.8%
49. Toro Co. (TTC): 1%
50. Store Capital Corp (STOR): 4.4%
51. STAG Industrial Inc (STAG): 4.2%
52. CNA Financial Corp. (CNA): 3.3%
53. Ambev S.A. (ABEV): 2.9%
54. Eni Spa (E): 4%
55. Vector Group Ltd (VGR): 5.7%
56. Magna International Inc. (MGA): 1.9%
57. Cognizant Technology Solutions Corp. (CTSH): 1.2%
58. Ally Financial Inc (ALLY): 1.6%
59. NetApp Inc (NTAP): 2.6%
60. Interpublic Group of Cos., Inc. (IPG): 3.6%
61. Ventas Inc (VTR): 3.3%
62. Synchrony Financial (SYF): 2.1%
63. Alexandria Real Estate Equities Inc. (ARE): 2.5%
64. Bayerische Motoren Werke AG (BMWYY): 2.1%
65. Valero Energy Corp. (VLO): 5.3%
66. AstraZeneca plc (AZN): 2.8%
67. Citigroup Inc (C): 2.8%
68. UBS Group AG (UBS): 2.3%
69. BCE Inc (BCE): 6%
70. ViacomCBS Inc (VIAC): 2.2%
71. Moody's Corp. (MCO): 0.8%
72. Marathon Petroleum Corp (MPC): 4.3%
73. CorEnergy Infrastructure Trust Inc (CORR): 2.8%
74. Equinor ASA (EQNR): 2.4%
75. Ladder Capital Corp (LADR): 7%
76. Advance Auto Parts Inc (AAP): 0.5%
77. Paccar Inc. (PCAR): 1.4%
78. Main Street Capital Corporation (MAIN): 6%
79. Goldman Sachs Group, Inc. (GS): 1.5%
80. Danone (DANOY): 3.2%
81. Vodafone Group plc (VOD): 5.7%
82. Huntington Bancshares, Inc. (HBAN): 3.7%
83. Kontoor Brands Inc (KTB): 3.2%
84. Camden Property Trust (CPT): 3%
85. Weyerhaeuser Co. (WY): 1.8%
86. Brookfield Renewable Partners LP (BEP): 2.8%
87. Urstadt Biddle Properties, Inc. (UBA): 3.2%
88. Healthpeak Properties Inc (PEAK): 3.7%
89. ResMed Inc. (RMD): 0.8%
90. L'Oréal SA (LRLCF): 1.3%
91. Gladstone Investment Corporation (GAIN): 6.5%
92. U.S. Bancorp. (USB): 3%
93. PNC Financial Services Group (PNC): 2.6%
94. Exelon Corp. (EXC): 3.4%
95. Gladstone Land Corp (LAND): 2.9%
96. Toyota Motor Corporation (TM): 2.6%
97. WPP Plc. (WPP): 2%
98. Invesco Ltd (IVZ): 2.4%
99. Mid-America Apartment Communities, Inc. (MAA): 2.8%
100. Arthur J. Gallagher & Co. (AJG): 1.5%
101. JPMorgan Chase & Co. (JPM): 2.4%
102. Equity Residential Properties Trust (EQR): 3.4%
103. Visa Inc (V): 0.6%
104. Norfolk Southern Corp. (NSC): 1.5%
105. Skyworks Solutions, Inc. (SWKS): 1.1%
106. Morningstar Inc (MORN): 0.5%
107. Shaw Communications Inc. (SJR): 3.5%
108. Paychex Inc. (PAYX): 2.6%
109. VF Corp. (VFC): 2.3%
110. BHP Group Limited (BHP): 4.3%
111. Starbucks Corp. (SBUX): 1.6%
112. Apple Inc (AAPL): 0.6%
113. Dow Inc (DOW): 4.3%
114. NACCO Industries Inc. (NC): 3.1%
115. Bank of America Corp. (BAC): 1.8%
116. ABB Ltd. (ABB): 2.9%
117. Honda Motor (HMC): 2.6%

118. Tractor Supply Co. (TSCO): 1.2%
119. Barrick Gold Corp. (GOLD): 1.7%
120. Chorus Aviation, Inc. (CHRRF): 2.4%
121. Welltower Inc (WELL): 3.3%
122. Honeywell International Inc (HON): 1.7%
123. Lamar Advertising Co (LAMR): 3.1%
124. Nike, Inc. (NKE): 0.8%
125. Kimco Realty Corp. (KIM): 3.8%
126. Dream Industrial Real Estate Investment Trust (DREUF): 5.1%
127. Seagate Technology Plc (STX): 3.4%
128. Diageo plc (DEO): 2.1%
129. Newell Brands Inc (NWL): 3.4%
130. ArcelorMittal (MT): 1%
131. Rockwell Automation Inc (ROK): 1.6%
132. Enerplus Corporation (ERF): 1.8%
133. Helmerich & Payne, Inc. (HP): 3.7%
134. Blackstone Group Inc (The) (BX): 3%
135. PacWest Bancorp (PACW): 2.5%
136. Thomson-Reuters Corp (TRI): 1.8%
137. Daimler AG (DDAIF): 1.8%
138. ING Groep N.V. (ING): 2.4%
139. Ryder System, Inc. (R): 2.9%
140. Pearson plc (PSO): 2.5%
141. Applied Materials Inc. (AMAT): 0.7%
142. Infosys Ltd (INFY): 1.7%
143. UMB Financial Corp. (UMBF): 1.4%
144. Steel Dynamics Inc. (STLD): 2%
145. Canon Inc (CAJ): 3.3%
146. Trane Technologies plc (TT): 1.4%
147. Posco (PKX): 2.2%
148. Eaton Corporation plc (ETN): 2.2%
149. Deere & Co. (DE): 1%
150. Xylem Inc (XYL): 1.1%
151. Compass Minerals International Inc (CMP): 4.5%
152. Harvest Capital Credit Corp (HCAP): 5.2%
153. Olin Corp. (OLN): 2%
154. Waddell & Reed Financial, Inc. (WDR): 4%
155. Badger Meter Inc. (BMI): 0.7%
156. Albemarle Corp. (ALB): 1%
11. Gold Resource Corporation (GORO): 1.4%
12. NVIDIA Corp (NVDA): 0.1%
13. Halliburton Co. (HAL): 0.8%
14. Apple Hospitality REIT Inc (APLE): 0.9%
15. Koninklijke Philips N.V. (PHG): 1.7%
16. Conoco Phillips (COP): 3.3%
17. Owens & Minor, Inc. (OMI): 0%
18. Sony Corporation. (SNE): 0.4%
19. TJX Companies, Inc. (TJX): 1.5%
20. DuPont de Nemours Inc (DD): 1.6%
21. Schlumberger Ltd. (SLB): 1.8%
22. APA Corporation (APA): 0.6%
23. Itaú Unibanco Holding S.A. (ITUB): 1%
24. Scotts Miracle-Gro Company (SMG): 1%
25. Mastercard Incorporated (MA): 0.5%
26. Garmin Ltd (GRMN): 2%
27. Wheaton Precious Metals Corp (WPM): 1.3%
28. Kansas City Southern (KSU): 0.7%
29. Global Water Resources Inc (GWRS): 1.7%
30. Anheuser-Busch In Bev SA/NV (BUD): 0.9%
31. Kohl's Corp. (KSS): 1.7%
32. Constellation Brands Inc (STZ): 1.3%
33. Johnson Controls International plc (JCI): 1.8%
34. Nielsen Holdings plc (NLSN): 0.9%
35. Taiwan Semiconductor Manufacturing (TSM): 1.5%
36. WestRock Co (WRK): 1.6%
37. Accenture plc (ACN): 1.2%
38. Occidental Petroleum Corp. (OXY): 0.2%
39. Logitech International SA (LOGI): 0.8%
40. KLA Corp. (KLAC): 1%
41. Oshkosh Corp (OSK): 1.1%
42. CME Group Inc (CME): 1.8%
43. Corning, Inc. (GLW): 2%
44. Scholastic Corp. (SCHL): 1.9%
45. Marvell Technology Group Ltd (MRVL): 0.5%
46. Wells Fargo & Co. (WFC): 1%
47. Harley-Davidson, Inc. (HOG): 1.5%
48. Ferrari N.V. (RACE): 0.6%
49. Nutrien Ltd (NTR): 3.2%
50. Tapestry Inc (TPR): 0.8%
51. Diversified Healthcare Trust (DHC): 0.8%
52. Darden Restaurants, Inc. (DRI): 2.4%
53. Covanta Holding Corporation (CVA): 2.3%
54. Marriott International, Inc. (MAR): 0.3%
55. L Brands Inc (LB): 1%
56. General Electric Co. (GE): 0.3%
57. Gap, Inc. (GPS): 0.8%
58. Kulicke & Soffa Industries, Inc. (KLIC): 1%
59. Patterson-UTI Energy Inc (PTEN): 1.1%
60. Dillard's Inc. (DDS): 0.6%
61. U.S. Global Investors, Inc. (GROW): 0.7%
62. PermRock Royalty Trust (PRT): 2.8%
63. MGM Resorts International (MGM): 0%

## F-Rated Retirement Suitability Securities

1. Tenaris S.A. (TS): 2.2%
2. Jack In The Box, Inc. (JACK): 1.4%
3. Aon plc. (AON): 0.8%
4. Lam Research Corp. (LRCX): 0.8%
5. Wendy's Co (WEN): 1.7%
6. Industria De Diseño Textil SA (IDEXY): 2.5%
7. Prologis Inc (PLD): 2.2%
8. ASML Holding NV (ASML): 0.6%
9. Service Properties Trust (SVC): 0.3%
10. Ross Stores, Inc. (ROST): 0.9%

# List of Securities by Sector

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

**Note:** Check the *Sure Analysis Research Database* for the most up-to-date Retirement Suitability Scores and Dividend or Distribution Yields. These rankings will not always align with our Top 10 list due to additional safety constraints we impose on the Top 10 as well as when different aspects of the newsletter are compiled. See our '[Buying and Ranking Criteria](#)' for more information.

## Basic Materials

### ***A-Ranked Retirement Suitability***

1. Nucor Corp. (NUE): 2.4%

### ***B-Ranked Retirement Suitability***

1. H.B. Fuller Company (FUL): 1.1%
2. BASF SE (BASFY): 4.4%
3. MDU Resources Group Inc (MDU): 2.7%
4. Eastman Chemical Co (EMN): 2.4%
5. PPG Industries, Inc. (PPG): 1.4%
6. Rio Tinto plc (RIO): 7%
7. RPM International, Inc. (RPM): 1.7%
8. Stepan Co. (SCL): 0.9%

### ***C-Ranked Retirement Suitability***

1. Chemours Company (CC): 3.7%
2. Sherwin-Williams Co. (SHW): 0.7%
3. International Flavors & Fragrances Inc. (IFF): 2.3%
4. Linde Plc (LIN): 1.6%
5. Ecolab, Inc. (ECL): 0.9%
6. Air Products & Chemicals Inc. (APD): 2.2%
7. Olin Corp. (OLN): 2.4%

### ***D-Ranked Retirement Suitability***

1. CF Industries Holdings Inc (CF): 2.4%
2. ArcelorMittal (MT): 1.2%
3. Barrick Gold Corp. (GOLD): 1.8%
4. Dow Inc (DOW): 4.4%
5. LyondellBasell Industries NV (LYB): 3.8%
6. BHP Group Limited (BHP): 4.1%
7. Posco (PKX): 2.6%
8. Steel Dynamics Inc. (STLD): 2.1%
9. Yamana Gold Inc. (AUY): 1.6%
10. Compass Minerals International Inc (CMP): 4.3%
11. Albemarle Corp. (ALB): 1%

## ***F-Ranked Retirement Suitability***

1. Scotts Miracle-Gro Company (SMG): 1.1%
2. Gold Resource Corporation (GORO): 1.5%
3. DuPont de Nemours Inc (DD): 1.6%
4. Wheaton Precious Metals Corp (WPM): 1.3%
5. Nutrien Ltd (NTR): 3.2%

## Communication Services

### ***A-Ranked Retirement Suitability***

1. AT&T, Inc. (T): 6.9%
2. Verizon Communications Inc (VZ): 4.4%
3. Telephone and Data Systems, Inc. (TDS): 3%
4. SK Telecom Co Ltd (SKM): 4.1%

### ***B-Ranked Retirement Suitability***

1. America Móvil S.A.B.DE C.V. (AMX): 2.7%
2. Rogers Communications Inc. (RCI): 3.3%
3. Omnicom Group, Inc. (OMC): 3.6%
4. John Wiley & Sons Inc. (JW.A): 2.5%

### ***C-Ranked Retirement Suitability***

1. Tencent Holdings Ltd. (TCEHY): 0.2%
2. Telefonica S.A (TEF): 9.7%
3. RELX Plc (RELX): 2.9%
4. Comcast Corp (CMCSA): 1.7%
5. TELUS Corp. (TU): 4.5%

### ***D-Ranked Retirement Suitability***

1. Deutsche Telekom AG (DEGY): 3.9%
2. Shaw Communications Inc. (SJR): 4.9%
3. Interpublic Group of Cos., Inc. (IPG): 3.7%
4. BCE Inc (BCE): 6%
5. Vodafone Group plc (VOD): 5.9%
6. WPP Plc. (WPP): 2.1%
7. Fox Corporation (FOXA): 1.1%



### ***F-Ranked Retirement Suitability***

1. Scholastic Corp. (SCHL): 1.9%
2. Pearson plc (PSO): 2.1%
3. ViacomCBS Inc (VIAC): 1.2%

## **Consumer Cyclical**

### ***A-Ranked Retirement Suitability***

1. H&R Block Inc. (HRB): 5.1%
2. Genuine Parts Co. (GPC): 2.8%
3. Weyco Group, Inc (WEYS): 5%
4. Leggett & Platt, Inc. (LEG): 3.3%

### ***B-Ranked Retirement Suitability***

1. Lowe's Cos., Inc. (LOW): 1.4%
2. Polaris Inc (PII): 1.9%
3. Whirlpool Corp. (WHR): 2.4%
4. Best Buy Co. Inc. (BBY): 2.6%
5. Sonoco Products Co. (SON): 2.9%
6. Hanesbrands Inc (HBI): 3%
7. McDonald's Corp (MCD): 2.4%
8. Greif Inc (GEF): 3.1%

### ***C-Ranked Retirement Suitability***

1. Home Depot, Inc. (HD): 2.5%
2. Silgan Holdings Inc. (SLGN): 1.3%
3. eBay Inc. (EBAY): 1.3%
4. International Paper Co. (IP): 3.8%
5. Tractor Supply Co. (TSCO): 1.2%
6. Williams-Sonoma, Inc. (WSM): 1.6%
7. AptarGroup Inc. (ATR): 1%

### ***D-Ranked Retirement Suitability***

1. Jack In The Box, Inc. (JACK): 1.6%
2. Yum Brands Inc. (YUM): 1.9%
3. Domino's Pizza Inc (DPZ): 1%
4. Hasbro, Inc. (HAS): 2.8%
5. Restaurant Brands International Inc (QSR): 3.3%
6. Amcor Plc (AMCR): 3.9%
7. Foot Locker Inc (FL): 1.4%
8. Bayerische Motoren Werke AG (BMWYY): 2.9%
9. Advance Auto Parts Inc (AAP): 0.6%
10. Toyota Motor Corporation (TM): 2.7%
11. Starbucks Corp. (SBUX): 1.7%
12. VF Corp. (VFC): 2.4%
13. WestRock Co (WRK): 1.6%
14. Honda Motor (HMC): 2.6%
15. Harley-Davidson, Inc. (HOG): 1.7%
16. Nike, Inc. (NKE): 0.8%
17. Daimler AG (DDAIF): 1.9%
18. Kontoor Brands Inc (KTB): 3.2%

### ***F-Ranked Retirement Suitability***

1. Wendy's Co (WEN): 1.8%
2. Industria De Diseño Textil SA (IDEXY): 1.2%
3. Ross Stores, Inc. (ROST): 0.9%

4. TJX Companies, Inc. (TJX): 0.4%
5. Kohl's Corp. (KSS): 1.8%
6. Ferrari N.V. (RACE): 0.6%
7. Magna International Inc. (MGA): 1.8%
8. Tapestry Inc (TPR): 0.8%
9. General Motors Company (GM): 0.7%
10. Marriott International, Inc. (MAR): 0.3%
11. Darden Restaurants, Inc. (DRI): 1.1%
12. Gap, Inc. (GPS): 0.8%
13. Dillard's Inc. (DDS): 0.7%
14. MGM Resorts International (MGM): 0%

## **Consumer Defensive**

### ***A-Ranked Retirement Suitability***

1. British American Tobacco Plc (BTI): 7.3%
2. Altria Group Inc. (MO): 7.4%
3. Colgate-Palmolive Co. (CL): 2.3%
4. Kimberly-Clark Corp. (KMB): 3.4%
5. Archer Daniels Midland Co. (ADM): 2.5%
6. Coca-Cola Co (KO): 3.2%
7. Procter & Gamble Co. (PG): 2.5%
8. Universal Corp. (UVV): 5.4%

### ***B-Ranked Retirement Suitability***

1. Imperial Brands Plc (IMBBY): 5.5%
2. Campbell Soup Co. (CPB): 3.1%
3. Unilever plc (UL): 3.7%
4. Philip Morris International Inc (PM): 5.5%
5. Tyson Foods, Inc. (TSN): 2.4%
6. General Mills, Inc. (GIS): 3.4%
7. Flowers Foods, Inc. (FLO): 3.4%
8. J.M. Smucker Co. (SJM): 3%
9. Kellogg Co (K): 3.8%
10. Walmart Inc (WMT): 1.7%
11. Target Corp (TGT): 1.5%
12. PepsiCo Inc (PEP): 3.2%
13. Kroger Co. (KR): 2%
14. Clorox Co. (CLX): 2.3%
15. Lancaster Colony Corp. (LANC): 1.6%
16. Ingredion Inc (INGR): 2.8%
17. Sysco Corp. (SYY): 2.2%
18. Hormel Foods Corp. (HRL): 2%

### ***C-Ranked Retirement Suitability***

1. Dollar General Corp. (DG): 0.8%
2. Mondelez International Inc. (MDLZ): 2.3%
3. Keurig Dr Pepper Inc (KDP): 2.1%
4. Costco Wholesale Corp (COST): 0.9%
5. B&G Foods, Inc (BGS): 5.9%
6. Church & Dwight Co., Inc. (CHD): 1.2%
7. Kraft Heinz Co (KHC): 4.1%
8. Nestle SA (NSRGY): 2.8%
9. Hershey Company (HSY): 2.1%
10. McCormick & Co., Inc. (MKC): 1.6%
11. Tootsie Roll Industries, Inc. (TR): 1.1%
12. Brown-Forman Corp. (BF.B): 1%

### ***D-Ranked Retirement Suitability***

1. Conagra Brands Inc (CAG): 3%
2. Ambev S.A. (ABEV): 3%
3. Danone (DANOY): 3.3%
4. L'Oréal SA (LRLCF): 1.4%
5. Vector Group Ltd (VGR): 5.3%
6. Newell Brands Inc (NWL): 3.6%
7. Diageo plc (DEO): 2.1%

### ***F-Ranked Retirement Suitability***

1. Constellation Brands Inc (STZ): 1.3%
2. Anheuser-Busch In Bev SA/NV (BUD): 0.9%

## **Energy**

### ***A-Ranked Retirement Suitability***

1. Magellan Midstream Partners L.P. (MMP): 9.2%
2. Sunoco LP (SUN): 10.5%
3. Enbridge Inc (ENB): 7.3%
4. MPLX LP (MPLX): 10.5%
5. ONEOK Inc. (OKE): 7.5%
6. National Fuel Gas Co. (NFG): 3.6%
7. Enterprise Products Partners L P (EPD): 7.8%

### ***B-Ranked Retirement Suitability***

1. Holly Energy Partners L.P. (HEP): 7.4%
2. Energy Transfer LP (ET): 7.2%
3. Kinder Morgan Inc (KMI): 6.7%
4. Alliance Resource Partners, LP (ARLP): 10.3%
5. Total SE (TOT): 6.3%
6. Genesis Energy L.P. (GEL): 6.7%
7. Antero Midstream Corp (AM): 9.7%
8. Vermilion Energy Inc (VET): 5.2%

### ***C-Ranked Retirement Suitability***

1. Shell Midstream Partners L.P. (SHLX): 14.2%
2. China Petroleum & Chemical Corp (SNP): 6.7%
3. TC Energy Corporation (TRP): 6%
4. USA Compression Partners LP (USAC): 14%
5. Höegh LNG Partners LP (HMLP): 10.9%
6. Williams Cos Inc (WMB): 6.8%
7. Inter Pipeline Ltd. (IPPLF): 3.9%
8. Sabine Royalty Trust (SBR): 7.4%
9. Pembina Pipeline Corporation (PBA): 6.7%
10. Exxon Mobil Corp. (XOM): 5.6%
11. Imperial Oil Ltd. (IMO): 2.7%
12. Chevron Corp. (CVX): 4.7%
13. Gazprom (OGZPY): 6.5%
14. NACCO Industries Inc. (NC): 3.6%
15. Cross Timbers Royalty Trust (CRT): 7.8%

### ***D-Ranked Retirement Suitability***

1. DHT Holdings Inc (DHT): 3.3%
2. CNOOC Ltd (CEO): 6.9%
3. Suncor Energy, Inc. (SU): 2.9%
4. PetroChina Co. Ltd. (PTR): 4.9%

5. Royal Dutch Shell Plc (RDS.B): 3.2%
6. BP plc (BP): 4.8%
7. Targa Resources Corp (TRGP): 1.2%
8. Phillips 66 (PSX): 4.1%
9. Eni Spa (E): 4.1%
10. Permian Basin Royalty Trust (PBT): 4.9%
11. Equinor ASA (EQNR): 2.3%
12. Valero Energy Corp. (VLO): 4.8%
13. Marathon Petroleum Corp (MPC): 4%
14. Canadian Natural Resources Ltd. (CNQ): 4%
15. Enerplus Corporation (ERF): 1.7%
16. PermRock Royalty Trust (PRT): 3.1%

### ***F-Ranked Retirement Suitability***

1. Tenaris S.A. (TS): 2.2%
2. HollyFrontier Corp (HFC): 3.4%
3. Baker Hughes Co (BKR): 3%
4. Halliburton Co. (HAL): 0.8%
5. Schlumberger Ltd. (SLB): 1.7%
6. Conoco Phillips (COP): 2.9%
7. APA Corporation (APA): 0.5%
8. Occidental Petroleum Corp. (OXY): 0.1%
9. Helmerich & Payne, Inc. (HP): 3%
10. Patterson-UTI Energy Inc (PTEN): 0.8%

## **Financial Services**

### ***A-Ranked Retirement Suitability***

1. Eagle Financial Services, Inc. (EFSI): 3.5%
2. Great-West Lifeco, Inc. (GWLIF): 5.4%
3. Farmers & Merchants Bancorp (FMCB): 2%
4. First Farmers Financial Corp (FFMR): 3.1%
5. First of Long Island Corp. (FLIC): 3.7%
6. Unum Group (UNM): 3.9%
7. Aflac Inc. (AFL): 2.6%
8. Franklin Resources, Inc. (BEN): 3.9%
9. Canadian Imperial Bank of Commerce (CM): 4.6%
10. Northeast Indiana Bancorp Inc. (NIDB): 2.7%
11. Community Trust Bancorp, Inc. (CTBI): 3.3%
12. Western Union Company (WU): 3.8%
13. Axis Capital Holdings Ltd (AXS): 3.2%
14. People's United Financial Inc (PBCT): 4%
15. Arrow Financial Corp. (AROW): 2.9%
16. United Bankshares, Inc. (UBSI): 3.5%

### ***B-Ranked Retirement Suitability***

1. Progressive Corp. (PGR): 5.4%
2. Ping AN Insurance (Group) Co. of China, Ltd. (PNGAY): 2.6%
3. Lazard Ltd. (LAZ): 4.5%
4. SEI Investments Co. (SEIC): 1.2%
5. Ameriprise Financial Inc (AMP): 1.8%
6. Enterprise Bancorp, Inc. (EBTC): 2.2%
7. Sampo Plc (SAXPY): 3.8%
8. Prudential Financial Inc. (PRU): 5%
9. Assurant Inc (AIZ): 1.9%
10. Old Republic International Corp. (ORI): 3.9%
11. Sun Life Financial, Inc. (SLF): 3.4%

12. Bank of Nova Scotia (BNS): 4.3%
13. Navient Corp (NAVI): 4.9%
14. Bank of Montreal (BMO): 3.7%
15. Prosperity Bancshares Inc. (PB): 2.6%
16. Mercury General Corp. (MCY): 3.8%
17. Royal Bank of Canada (RY): 3.5%
18. Toronto Dominion Bank (TD): 3.6%
19. M & T Bank Corp (MTB): 2.8%
20. Travelers Companies Inc. (TRV): 2.2%
21. National Bank of Canada (NTIOF): 3.2%
22. Chubb Limited (CB): 1.8%
23. MetLife Inc (MET): 3%
24. Everest Re Group Ltd (RE): 2.5%
25. PSB Holdings Inc (WI) (PSBQ): 1.7%
26. BancFirst Corp. (BANF): 1.9%
27. T. Rowe Price Group Inc. (TROW): 2%
28. Southside Bancshares Inc (SBSI): 3.2%
29. Cincinnati Financial Corp. (CINF): 2.4%
30. Chesapeake Financial Shares Inc (CPKF): 2.2%
31. Bank OZK (OZK): 2.5%
32. Westamerica Bancorporation (WABC): 2.5%
33. Cullen Frost Bankers Inc. (CFR): 2.6%
34. First Financial Corp. - Indiana (THFF): 2.3%
35. Eaton Vance Corp. (EV): 2.1%
36. Tompkins Financial Corp (TMP): 2.4%

### ***C-Ranked Retirement Suitability***

1. Great Elm Capital Corp (GECC): 25.7%
2. Grupo Aval Acciones y Valores S.A. (AVAL): 5.4%
3. Principal Financial Group Inc (PFG): 3.7%
4. Sixth Street Specialty Lending Inc (TSIX): 9.4%
5. Artisan Partners Asset Management Inc (APAM): 6.1%
6. Swiss Re Ltd (SSREY): 6.9%
7. Alaris Equity Partners Income Trust (ALARF): 10.3%
8. Allstate Corp (The) (ALL): 2.9%
9. Blackrock Inc. (BLK): 2.2%
10. Calvin b. Taylor Bankshares, Inc. (TYCB): 3.4%
11. S&P Global Inc (SPGI): 0.9%
12. New York Community Bancorp Inc. (NYCB): 5.4%
13. Fairfax Financial Holdings Ltd. (FRFHF): 2.4%
14. Banco Bradesco S.A. (BBD): 4.7%
15. PennantPark Floating Rate Capital Ltd (PFLT): 9.4%
16. RenaissanceRe Holdings Ltd (RNR): 0.9%
17. Horizon Technology Finance Corp (HRZN): 8.8%
18. Apollo Global Management Inc (APO): 5.2%
19. TriplePoint Venture Growth BDC Corp (TPVG): 9.5%
20. Newtek Business Services Corp (NEWT): 8.3%
21. New Mountain Finance Corp (NMFC): 9.3%
22. CNA Financial Corp. (CNA): 3.3%
23. Ellington Financial Inc (EFC): 7.3%
24. Ares Capital Corp (ARCC): 8.4%
25. Hercules Capital Inc (HTGC): 8%
26. Moody's Corp. (MCO): 0.9%
27. FBL Financial Group, Inc. (FFG): 3.6%
28. Brown & Brown, Inc. (BRO): 0.8%
29. Solar Senior Capital Ltd (SUNS): 7.9%
30. Stellus Capital Investment Corp (SCM): 8.1%
31. Keycorp (KEY): 3.5%

32. Dream Office Real Estate Investment Trust (DRETF): 4.5%
33. Gladstone Investment Corporation (GAIN): 6.9%
34. Gladstone Capital Corp. (GLAD): 7.7%
35. Prospect Capital Corp (PSEC): 9.7%
36. AllianceBernstein Holding LP (AB): 8.7%
37. Comerica, Inc. (CMA): 3.9%
38. Choice Properties Real Estate Investment Trust (PPRQF): 5.2%
39. American Express Co. (AXP): 1.2%
40. 1st Source Corp. (SRCE): 2.4%
41. Brookfield Asset Management Inc. (BAM): 1.2%
42. Commerce Bancshares, Inc. (CBSH): 1.4%
43. Oxford Square Capital Corp (OXSQ): 10%
44. RLI Corp. (RLI): 0.8%
45. Community Bank System, Inc. (CBU): 2.1%

### ***D-Ranked Retirement Suitability***

1. Morgan Stanley (MS): 1.8%
2. Intercontinental Exchange Inc (ICE): 1.1%
3. Aegon N. V. (AEG): 1.4%
4. Truist Financial Corporation (TFC): 3.1%
5. Bank Of New York Mellon Corp (BK): 2.7%
6. Discover Financial Services (DFS): 1.8%
7. Ally Financial Inc (ALLY): 1.7%
8. Main Street Capital Corporation (MAIN): 6.5%
9. UBS Group AG (UBS): 2.4%
10. Synchrony Financial (SYF): 2.1%
11. Citigroup Inc (C): 2.8%
12. U.S. Bancorp. (USB): 3.1%
13. Münchener Rückversicherungs-Gesellschaft AG (MURGF): 3.7%
14. Huntington Bancshares, Inc. (HBAN): 3.7%
15. Invesco Ltd (IVZ): 2.5%
16. PNC Financial Services Group (PNC): 2.6%
17. Goldman Sachs Group, Inc. (GS): 1.5%
18. Arthur J. Gallagher & Co. (AJG): 1.5%
19. Bank of America Corp. (BAC): 1.9%
20. JPMorgan Chase & Co. (JPM): 2.3%
21. Visa Inc (V): 0.6%
22. Morningstar Inc (MORN): 0.5%
23. Dream Industrial Real Estate Investment Trust (DREUF): 5.3%
24. Blackstone Group Inc (The) (BX): 3.2%
25. PacWest Bancorp (PACW): 2.5%
26. ING Groep N.V. (ING): 2.4%
27. UMB Financial Corp. (UMBF): 1.4%
28. Harvest Capital Credit Corp (HCAP): 5.5%
29. Erie Indemnity Co. (ERIE): 1.7%
30. HSBC Holdings plc (HSBC): 3.4%
31. Waddell & Reed Financial, Inc. (WDR): 4%

### ***F-Ranked Retirement Suitability***

1. Aon plc. (AON): 0.8%
2. Itaú Unibanco Holding S.A. (ITUB): 1.1%
3. Mastercard Incorporated (MA): 0.5%
4. CME Group Inc (CME): 1.7%
5. Wells Fargo & Co. (WFC): 1%
6. U.S. Global Investors, Inc. (GROW): 0.9%

## Healthcare

### *A-Ranked Retirement Suitability*

1. Bristol-Myers Squibb Co. (BMY): 3.2%
2. Gilead Sciences, Inc. (GILD): 4.4%
3. Novartis AG (NVS): 4%
4. Bayer AG (BAYRY): 3.8%
5. AbbVie Inc (ABBV): 4.8%
6. Johnson & Johnson (JNJ): 2.5%
7. Walgreens Boots Alliance Inc (WBA): 3.7%
8. Cardinal Health, Inc. (CAH): 3.5%

### *B-Ranked Retirement Suitability*

1. Perrigo Company plc (PRGO): 2.3%
2. Merck & Co Inc (MRK): 3.5%
3. Fresenius Medical Care AG & Co. KGaA (FMS): 2%
4. Becton, Dickinson And Co. (BDX): 1.4%
5. AMGEN Inc. (AMGN): 3.1%
6. CVS Health Corp (CVS): 2.7%
7. Roche Holding AG (RHHBY): 2.8%
8. Patterson Companies Inc. (PDCO): 3.2%
9. Amerisource Bergen Corp. (ABC): 1.6%
10. Abbott Laboratories (ABT): 1.5%
11. Medtronic Plc (MDT): 1.9%

### *C-Ranked Retirement Suitability*

1. Pfizer Inc. (PFE): 4.4%
2. Thermo Fisher Scientific Inc. (TMO): 0.2%
3. GlaxoSmithKline plc (GSK): 6.9%
4. Sanofi (SNY): 3.5%
5. UnitedHealth Group Inc (UNH): 1.4%
6. Stryker Corp. (SYK): 1.1%
7. McKesson Corporation (MCK): 0.9%
8. Sienna Senior Living, Inc. (LWSCF): 6.8%
9. Novo Nordisk (NVO): 2.2%
10. West Pharmaceutical Services, Inc. (WST): 0.3%

### *D-Ranked Retirement Suitability*

1. AstraZeneca plc (AZN): 2.8%
2. ResMed Inc. (RMD): 0.8%
3. Lilly (Eli) & Co (LLY): 1.6%

### *F-Ranked Retirement Suitability*

1. Koninklijke Philips N.V. (PHG): 1.8%
2. Owens & Minor, Inc. (OMI): 0%

## Industrials

### *A-Ranked Retirement Suitability*

1. 3M Co. (MMM): 3.2%
2. Emerson Electric Co. (EMR): 2.2%

### *B-Ranked Retirement Suitability*

1. Lockheed Martin Corp. (LMT): 3%

2. L3Harris Technologies Inc (LHX): 2.1%
3. Northrop Grumman Corp. (NOC): 1.9%
4. Huntington Ingalls Industries Inc (HII): 2.4%
5. Tennant Co. (TNC): 1.1%
6. General Dynamics Corp. (GD): 2.8%
7. Stanley Black & Decker Inc (SWK): 1.5%
8. MSC Industrial Direct Co., Inc. (MSM): 3.4%
9. Dover Corp. (DOV): 1.5%
10. Parker-Hannifin Corp. (PH): 1.2%
11. Raytheon Technologies Corporation (RTX): 2.5%
12. Pentair plc (PNR): 1.3%
13. McGrath RentCorp (MGRC): 2.2%
14. W.W. Grainger Inc. (GWW): 1.5%
15. Brady Corp. (BRC): 1.6%
16. Carlisle Companies Inc. (CSL): 1.3%
17. Gorman-Rupp Co. (GRC): 1.8%
18. Matthews International Corp. (MATW): 2%
19. ABM Industries Inc. (ABM): 1.4%
20. Illinois Tool Works, Inc. (ITW): 2.1%

### *C-Ranked Retirement Suitability*

1. Icahn Enterprises L P (IEP): 13.2%
2. SFL Corporation Ltd (SFL): 7.3%
3. Roper Technologies Inc (ROP): 0.6%
4. Republic Services, Inc. (RSG): 1.8%
5. Exchange Income Corp. (EIFZF): 5.6%
6. Booz Allen Hamilton Holding Corp (BAH): 1.9%
7. KNOT Offshore Partners LP (KNOP): 11.8%
8. Triton International Ltd (TRTN): 3.7%
9. United Parcel Service, Inc. (UPS): 2.4%
10. Automatic Data Processing Inc. (ADP): 2%
11. CSX Corp. (CSX): 1.1%
12. Donaldson Co. Inc. (DCI): 1.4%
13. C.H. Robinson Worldwide, Inc. (CHRW): 2.2%
14. Cummins Inc. (CMI): 2%
15. Union Pacific Corp. (UNP): 1.8%
16. Lincoln Electric Holdings, Inc. (LECO): 1.7%
17. Textron Inc. (TXT): 0.2%
18. Fastenal Co. (FAST): 2.4%
19. Compass Diversified Holdings (CODI): 6%
20. Carrier Global Corp (CARR): 1.2%
21. Snap-on, Inc. (SNA): 2.3%
22. Siemens AG (SIEGY): 2.6%
23. Waste Management, Inc. (WM): 1.9%
24. Expeditors International of Washington, Inc. (EXPD): 1.1%
25. Franklin Electric Co., Inc. (FELE): 0.9%
26. A.O. Smith Corp. (AOS): 1.6%
27. Canadian National Railway Co. (CNI): 1.7%
28. Nordson Corp. (NDSN): 0.8%
29. Otis Worldwide Corp (OTIS): 1.2%
30. HNI Corp. (HNI): 3%
31. Cintas Corporation (CTAS): 0.8%
32. MSA Safety Inc (MSA): 1%
33. Caterpillar Inc. (CAT): 1.9%

### *D-Ranked Retirement Suitability*

1. FedEx Corp (FDX): 1%

2. Ritchie Bros Auctioneers Inc (RBA): 1.7%
3. Canadian Pacific Railway Ltd (CP): 0.8%
4. Toro Co. (TTC): 1%
5. Paccar Inc. (PCAR): 1.3%
6. Norfolk Southern Corp. (NSC): 1.5%
7. Paychex Inc. (PAYX): 2.6%
8. Honeywell International Inc (HON): 1.8%
9. ABB Ltd. (ABB): 2.9%
10. Chorus Aviation, Inc. (CHRRF): 2.4%
11. Rockwell Automation Inc (ROK): 1.6%
12. Thomson-Reuters Corp (TRI): 1.9%
13. Ryder System, Inc. (R): 2.9%
14. Xylem Inc (XYL): 1.1%
15. Trane Technologies plc (TT): 1.4%
16. Deere & Co. (DE): 1%
17. Eaton Corporation plc (ETN): 2.2%
18. Badger Meter Inc. (BMI): 0.7%

### ***F-Ranked Retirement Suitability***

1. Kansas City Southern (KSU): 0.8%
2. Johnson Controls International plc (JCI): 1.7%
3. Oshkosh Corp (OSK): 1.2%
4. Nielsen Holdings plc (NLSN): 0.9%
5. Covanta Holding Corporation (CVA): 2.2%
6. General Electric Co. (GE): 0.3%

## **Real Estate**

### ***A-Ranked Retirement Suitability***

1. National Health Investors, Inc. (NHI): 6%
2. Federal Realty Investment Trust (FRT): 3.9%

### ***B-Ranked Retirement Suitability***

1. CyrusOne Inc (CONE): 3.2%
2. New Residential Investment Corp (NRZ): 7.4%
3. Office Properties Income Trust (OPI): 7.7%
4. Geo Group, Inc. (GEO): 12.4%
5. Realty Income Corp. (O): 4.6%
6. W. P. Carey Inc (WPC): 6.1%
7. Easterly Government Properties Inc (DEA): 4.9%
8. Macerich Co. (MAC): 4.3%
9. Essex Property Trust, Inc. (ESS): 3.1%
10. Orchid Island Capital Inc (ORC): 13.6%
11. AGNC Investment Corp (AGNC): 8.8%
12. Physicians Realty Trust (DOC): 5.2%
13. National Retail Properties Inc (NNN): 4.8%
14. Digital Realty Trust Inc (DLR): 3.4%
15. Universal Health Realty Income Trust (UHT): 3.8%
16. Tanger Factory Outlet Centers, Inc. (SKT): 4.2%

### ***C-Ranked Retirement Suitability***

1. Two Harbors Investment Corp (TWO): 9.9%
2. SL Green Realty Corp. (SLG): 4.9%
3. Preferred Apartment Communities Inc (APTS): 6.7%
4. Healthcare Trust of America Inc (HTA): 4.7%
5. Omega Healthcare Investors, Inc. (OHI): 7.2%
6. LTC Properties, Inc. (LTC): 5.3%

7. American Tower Corp. (AMT): 2.4%
8. Annaly Capital Management Inc (NLY): 10.4%
9. Simon Property Group, Inc. (SPG): 4.6%
10. Spirit Realty Capital Inc (SRC): 5.9%
11. New York Mortgage Trust Inc (NYMT): 8.8%
12. Crown Castle International Corp (CCI): 3.5%
13. MGM Growth Properties LLC (MGP): 5.8%
14. CoreSite Realty Corporation (COR): 4.3%
15. Iron Mountain Inc. (IRM): 6.7%
16. Starwood Property Trust Inc (STWD): 8.1%
17. Medical Properties Trust Inc (MPW): 5.2%
18. VEREIT Inc (VER): 5%
19. Broadmark Realty Capital Inc (BRMK): 8%
20. Sabra Healthcare REIT Inc (SBRA): 6.7%
21. Landmark Infrastructure Partners LP (LMRK): 7.8%
22. Chimera Investment Corp (CIM): 9.6%
23. STAG Industrial Inc (STAG): 4.4%
24. Public Storage (PSA): 3.3%
25. Gladstone Commercial Corp (GOOD): 7.6%
26. Global Net Lease Inc (GNL): 8.6%
27. Gaming and Leisure Properties Inc (GLPI): 6.1%
28. AvalonBay Communities Inc. (AVB): 3.4%
29. ARMOUR Residential REIT Inc (ARR): 9.8%
30. Dynex Capital, Inc. (DX): 8.8%
31. Blackstone Mortgage Trust Inc (BXMT): 7.8%
32. Arbor Realty Trust Inc. (ABR): 8.1%
33. Whitestone REIT (WSR): 4.2%
34. Apollo Commercial Real Estate Finance Inc (ARI): 9.8%

### ***D-Ranked Retirement Suitability***

1. Innovative Industrial Properties Inc (IIPR): 3.2%
2. VICI Properties Inc (VICI): 4.3%
3. Hannon Armstrong Sustainable Infrastructure capital Inc (HASI): 2.4%
4. Prologis Inc (PLD): 2.5%
5. Agree Realty Corp. (ADC): 3.9%
6. Boston Properties, Inc. (BXP): 3.7%
7. Brookfield Property Partners L.P. (BPY): 7.6%
8. Store Capital Corp (STOR): 4.5%
9. Alexandria Real Estate Equities Inc. (ARE): 2.7%
10. Camden Property Trust (CPT): 3.2%
11. Healthpeak Properties Inc (PEAK): 3.9%
12. Weyerhaeuser Co. (WY): 1.9%
13. Ventas Inc (VTR): 3.1%
14. Ladder Capital Corp (LADR): 6.7%
15. Brixmor Property Group Inc (BRX): 2.8%
16. Gladstone Land Corp (LAND): 2.9%
17. Mid-America Apartment Communities, Inc. (MAA): 3%
18. Equity Residential Properties Trust (EQR): 3.4%
19. Urstadt Biddle Properties, Inc. (UBA): 3.2%
20. CorEnergy Infrastructure Trust Inc (CORR): 2.4%
21. Welltower Inc (WELL): 3.3%
22. Lamar Advertising Co (LAMR): 2.1%
23. Kimco Realty Corp. (KIM): 2.1%

### ***F-Ranked Retirement Suitability***

1. Apple Hospitality REIT Inc (APLE): 0.9%

2. Service Properties Trust (SVC): 0.3%
3. Diversified Healthcare Trust (DHC): 0.8%

## Technology

### *A-Ranked Retirement Suitability*

1. International Business Machines Corp. (IBM): 5.1%

### *B-Ranked Retirement Suitability*

1. Cisco Systems, Inc. (CSCO): 3%
2. Qualcomm, Inc. (QCOM): 2.1%
3. Computer Services, Inc. (CSVI): 1.7%

### *C-Ranked Retirement Suitability*

1. Sap SE (SAP): 1.4%
2. HP Inc (HPQ): 2.6%
3. Hewlett Packard Enterprise Co (HPE): 3.3%
4. Oracle Corp. (ORCL): 1.3%
5. Intel Corp. (INTC): 2.2%
6. Texas Instruments Inc. (TXN): 2.4%
7. Microsoft Corporation (MSFT): 1%
8. Jack Henry & Associates, Inc. (JKHY): 1.1%
9. Xerox Holdings Corp (XRX): 3.8%

### *D-Ranked Retirement Suitability*

1. Micro Focus International Plc (MFGP): 2.4%
2. Telefonaktiebolaget L M Ericsson (ERIC): 1.9%
3. Intuit Inc (INTU): 0.6%
4. Broadcom Inc (AVGO): 3.2%
5. NetApp Inc (NTAP): 2.9%
6. Cognizant Technology Solutions Corp. (CTSH): 1.3%
7. Skyworks Solutions, Inc. (SWKS): 1.2%
8. Apple Inc (AAPL): 0.7%
9. Corning, Inc. (GLW): 2.2%
10. Applied Materials Inc. (AMAT): 0.8%
11. Seagate Technology Plc (STX): 3.6%
12. Infosys Ltd (INFY): 1.7%
13. Canon Inc (CAJ): 3.5%
14. Kulicke & Soffa Industries, Inc. (KLIC): 1.2%

### *F-Ranked Retirement Suitability*

1. Lam Research Corp. (LRCX): 1%
2. ASML Holding NV (ASML): 0.7%
3. NVIDIA Corp (NVDA): 0.1%
4. Garmin Ltd (GRMN): 2.1%
5. KLA Corp. (KLAC): 1.2%
6. Logitech International SA (LOGI): 0.8%
7. Taiwan Semiconductor Manufacturing (TSM): 1.6%
8. Marvell Technology Group Ltd (MRVL): 0.6%
9. Accenture plc (ACN): 1.4%
10. Sony Corporation. (SNE): 0.4%

## Utilities

### *A-Ranked Retirement Suitability*

1. Red Eléctrica Corporación S.A. (RDEIY): 7%
2. Canadian Utilities Ltd. (CDUAF): 5.6%
3. Fortis Inc. (FTS): 3.9%
4. Edison International (EIX): 4.6%
5. Black Hills Corporation (BKH): 3.5%
6. UGI Corp. (UGI): 3.2%
7. Entergy Corp. (ETR): 4%
8. PPL Corp (PPL): 6%
9. Northwest Natural Holding Co (NWN): 3.6%
10. Consolidated Edison, Inc. (ED): 4.4%

### *B-Ranked Retirement Suitability*

1. Suburban Propane Partners LP (SPH): 7.9%
2. Oge Energy Corp. (OGE): 5.1%
3. Sempra Energy (SRE): 3.5%
4. Brookfield Infrastructure Partners L.P (BIP): 3.8%
5. Atmos Energy Corp. (ATO): 2.8%
6. National Grid Plc (NGG): 5.3%
7. Alliant Energy Corp. (LNT): 3%
8. Otter Tail Corporation (OTTR): 3.5%
9. DTE Energy Co. (DTE): 3.4%
10. NextEra Energy Partners LP (NEP): 3.3%
11. Southern Company (SO): 4.4%
12. SJW Group (SJW): 2.3%
13. Duke Energy Corp. (DUK): 4.3%
14. American Electric Power Company Inc. (AEP): 3.5%
15. Superior Plus Corp. (SUUIF): 5%
16. Public Service Enterprise Group Inc. (PEG): 3.5%
17. WEC Energy Group Inc (WEC): 3.1%
18. Essential Utilities Inc (WTRG): 2.5%
19. American States Water Co. (AWR): 1.9%
20. TransAlta Renewables, Inc. (TRSWF): 4.6%
21. California Water Service Group (CWT): 1.6%
22. MGE Energy, Inc. (MGEE): 2%

### *C-Ranked Retirement Suitability*

1. FirstEnergy Corp. (FE): 4.5%
2. New Jersey Resources Corporation (NJR): 3.3%
3. Xcel Energy, Inc. (XEL): 2.8%
4. Artesian Resources Corp. (ARTNA): 2.6%
5. NextEra Energy Inc (NEE): 2.1%
6. Middlesex Water Co. (MSEX): 1.4%

### *D-Ranked Retirement Suitability*

1. CenterPoint Energy Inc. (CNP): 2.8%
2. Dominion Energy Inc (D): 4.7%
3. Algonquin Power & Utilities Corp (AQN): 4%
4. Brookfield Renewable Partners LP (BEP): 3.1%
5. Exelon Corp. (EXC): 3.7%
6. Spark Energy Inc (SPKE): 6.9%

### *F-Ranked Retirement Suitability*

1. Global Water Resources Inc (GWRS): 1.7%



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

## Sell Rules

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

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

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

**Sell Rule #2 | Valuation-Based Sell Rules:** Sell past recommendations with expected total returns below the expected total returns of the 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 calculate our estimate of the long-term returns of the S&P 500 using the simplified expected total returns method, which is the S&P 500’s dividend yield plus nominal (not inflation-adjusted) GDP growth less valuation multiple mean reversion over 10 years.

We currently estimate long-term U.S. nominal GDP growth at 5.5%, the S&P 500’s dividend yield at 1.4%, and valuation multiple mean reversion at -9.2% (S&P 500 fair value P/E of 15.92 versus current P/E of 41.75) for an expected total returns sell threshold of -2.3%. The 20-year T-Bond currently has a yield of 2.2%, so our expected total returns sell threshold is 2.2%.

This expected total returns calculation uses the ‘approximate’ total return method of simply adding expected total returns from dividend yield, growth rate, and valuation multiple change.

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

## Unsold Past Recommendations<sup>6</sup>

Name	Ticker	Time Since 1 <sup>st</sup> Rec. (Years)	DR Score	5-Year Expected Total Returns	CAGR <sup>7</sup>	Total Return	S&P 500 (SPY) Total Return
Omega Healthcare	OHI	4.4	F	8.0%	14.0%	78.3%	108.6%
Enterprise Product	EPD	4.4	B	7.2%	5.5%	26.4%	108.6%
AT&T	T	4.4	B	11.4%	1.4%	6.5%	108.6%
Magellan Midstream	MMP	4.4	C	14.7%	-1.9%	-8.1%	108.6%
Sunoco	SUN	3.9	C	12.9%	14.1%	67.5%	83.6%
ONEOK	OKE	3.2	C	9.7%	3.7%	12.7%	58.3%
Altria	MO	2.9	B	7.9%	5.2%	15.8%	58.2%
STAG Industrial	STAG	2.5	F	5.0%	18.8%	53.3%	55.9%
Verizon	VZ	2.5	B	10.2%	7.4%	19.4%	55.9%
General Mills	GIS	2.4	C	6.3%	17.1%	46.1%	57.0%
Leggett & Platt	LEG	2.4	B	3.9%	14.8%	39.5%	57.0%
AbbVie	ABBV	2.4	A	10.4%	12.7%	33.4%	57.0%
IBM	IBM	2.4	B	6.4%	9.7%	24.9%	57.0%
Hanesbrands	HBI	2.2	B	4.3%	23.0%	58.7%	65.3%
Newell Brands	NWL	2.2	D	-1.1%	19.7%	49.3%	65.3%
Cardinal Health	CAH	2.2	A	6.3%	15.0%	36.7%	65.3%
MSC Industrial Direct	MSM	1.3	C	3.7%	32.7%	45.8%	33.7%
Chevron	CVX	1.2	F	5.4%	0.5%	0.6%	24.7%
United Parcel Service	UPS	1.1	B	5.2%	93.3%	104.3%	52.2%
Polaris	PII	1.0	A	7.7%	N/A	161.2%	50.6%
Bank OZK	OZK	1.0	B	2.4%	N/A	126.2%	50.6%
Franklin Resources	BEN	1.0	A	4.6%	N/A	97.1%	50.6%
Genuine Parts	GPC	1.0	A	4.2%	N/A	67.7%	50.6%
National Fuel Gas	NFG	1.0	A	7.7%	N/A	35.8%	50.6%
Walgreens Boots	WBA	1.0	A	6.4%	N/A	29.8%	50.6%
Weyco	WEYS	1.0	B	2.7%	N/A	24.0%	50.6%
Unum Group	UNM	0.9	A	9.3%	N/A	92.2%	41.9%
Archer-Daniels-Mid.	ADM	0.9	A	5.9%	N/A	69.5%	41.9%
Federal Realty	FRT	0.9	B	6.5%	N/A	46.5%	41.9%
Mercury General	MCY	0.8	C	7.0%	N/A	57.9%	35.2%
Old Republic	ORI	0.8	C	6.1%	N/A	55.5%	35.2%
Philip Morris	PM	0.8	C	7.7%	N/A	31.4%	35.2%
British American Tob.	BTI	0.8	C	11.7%	N/A	10.9%	35.2%

<sup>6</sup> This does not include our past “special recommendations” which aren’t part of the regular *Sure Retirement* Newsletter strategy. Total returns data is from morning 4/9/21 and Sure Analysis Research data is from the 4/9/21 spreadsheet.

<sup>7</sup> Compound annual growth rate (CAGR) is only available for past recommendations with 1+ year holding periods.

Realty Income	O	0.8	C	6.9%	N/A	8.6%	35.2%
M&T Bank	MTB	0.7	B	5.6%	N/A	54.4%	31.3%
Edison International	EIX	0.6	B	8.3%	N/A	20.9%	22.1%
John Wiley & Sons	JW.A	0.4	B	1.7%	N/A	69.4%	16.1%
Gilead Sciences	GILD	0.3	B	12.5%	N/A	9.9%	12.9%
H&R Block	HRB	0.2	B	6.2%	N/A	41.4%	8.2%
Lazard	LAZ	0.1	C	9.5%	N/A	4.8%	3.4%
National Health Inv.	NHI	0.1	C	10.9%	N/A	-2.7%	3.4%
MPLX	MPLX	0.0	C	11.8%	N/A	N/A	N/A
OGE Energy	OGE	0.0	C	12.0%	N/A	N/A	N/A

## Sold Positions

Name	Ticker	1st Rec. Date	Sell Date	Total Return	S&P 500 (SPY) Total Return
Waddell & Reed Financial	WDR	11/7/2016	11/6/2017	34.4%	23.9%
Gladstone Financial	GAIN	2/6/2017	7/9/2018	49.7%	24.8%
R.R. Donnelley & Sons	RRD	6/11/2018	8/13/2018	-28.2%	1.7%
Vector Group	VGR	8/7/2017	12/10/2018	-35.1%	9.0%
New Residential	NRZ	10/15/2018	12/10/2018	-7.7%	-3.8%
Spectra Energy	SEP	11/7/2016	1/14/2019	9.6%	26.2%
Holly Energy	HEP	12/5/2016	1/14/2019	6.9%	21.7%
Welltower	WELL	1/8/2018	2/11/2019	31.1%	0.7%
W.P. Carey	WPC	2/6/2017	3/11/2019	37.7%	26.4%
Senior Housing Properties	SNH	2/5/2018	3/11/2019	-16.0%	7.5%
TC PipeLines	TCP	12/5/2016	4/15/2019	-16.5%	37.7%
AmeriGas Partners	APU	1/3/2017	4/15/2019	-8.3%	34.3%
Buckeye Partners	BPL	11/7/2016	5/13/2019	-17.7%	38.3%
Owens & Minor	OMI	11/6/2017	9/9/2019	-58.8%	19.1%
Urstadt Biddle	UBA	11/7/2016	10/14/2019	31.2%	47.1%
Western Union	WU	10/15/2018	11/11/2019	55.8%	17.1%
Target	TGT	11/6/2017	12/9/2019	129.8%	25.9%
Qualcomm	QCOM	12/10/2018	1/13/2020	64.8%	27.3%
Western Digital	WDC	2/11/2019	2/12/2020	59.3%	27.0%
L Brands	LB	8/13/2018	3/9/2020	-26.2%	0.1%
WestRock	WRK	2/11/2019	11/9/2021	15.4%	35.4
Eaton Vance	EV	4/13/2020	3/1/2021	142.1%	44.0%
People's United Financial	PBCT	11/12/2018	3/15/2021	30.1%	51.8%
Kohl's	KSS	5/8/2017	3/15/2021	88.3%	77.6%

**Average sold position total return: 23.9%**

**S&P 500 (SPY) average position total return: 25.8%**

## Pending Sells

<b>Name &amp; Ticker</b>	<b>Recommend Date</b>	<b>Total Return<sup>8</sup></b>
Genesis Energy (GEL)	November 2016	-54.0%
Energy Transfer (ET)	November 2016	-15.3%
Macy's (M)	May 2017	-30.7%
Occidental Petroleum (OXY)	June 2017	-51.1%
Suburban Propane (SPH)	July 2017	-10.5%
Royal Dutch Shell (RDS.B)	July 2017	-18.1%
Invesco (IVZ)	May 2018	7.9%
Kraft Heinz (KHC)	October 2018	-15.7%
Foot Locker (FL)	November 2018	19.8%
Tanger Factory Outlet (SKT)	April 2019	-3.5%

We will initiate final sell recommendations for all of the above pending sells based on valuation, momentum, and holding period. We are reviewing with every newsletter for the final sell recommendation.

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<sup>8</sup> Total returns start with the market close price of the first trading day after the newsletter recommendation. Prior to March 2018, this was the first trading day after the first Sunday of the month. As of March 2018, and later, this is generally the first trading day after the second Sunday of the month. Closing price data is from morning of 4/9/21.

## Buying & Ranking Criteria

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

**Note:** Ranking data is from the most recent Sure Analysis report on the Wednesday morning preceding the publication of the newsletter.

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

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

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

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

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

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

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

## Portfolio Building Guide

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

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

### Examples

Portfolio 1			Portfolio 2		
Ticker	Name	Amount	Ticker	Name	Amount
ABBV	AbbVie	\$ 1,002	ABBV	AbbVie	\$ 4,374
GILD	Gilead Sciences	\$ -	GILD	Gilead Sciences	\$ 4,878
T	AT&T	\$ -	T	AT&T	\$ 5,374
VZ	Verizon	\$ -	VZ	Verizon	\$ 4,353
MMP	Magellan Midstream	\$ -	MMP	Magellan Midstream	\$ 7,312
SUN	Sunoco	\$ -	SUN	Sunoco	\$ 2,799
MPLX	MPLX	\$ -	MPLX	MPLX	\$ 2,952
OGE	OGE Energy	\$ -	OGE	OGE Energy	\$ 6,660
NHI	National Health Investors	\$ -	NHI	National Health Investors	\$ 2,367
LAZ	Lazard	\$ -	LAZ	Lazard	\$ 2,818

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

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

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

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

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



## Tax Guide

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

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

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

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

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

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

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

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

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

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

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

## Corporations

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

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

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

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

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

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

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

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

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

## Master Limited Partnerships (MLPs)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## Real Estate Investment Trusts (REITs)

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

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

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

- Ordinary income
- Return of capital
- Capital gains

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

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

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

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

## **Business Development Companies (BDCs)**

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

BDCs pay their distributions as a mix of:

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

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

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

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

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

## Glossary of Common Terms & Acronyms

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

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

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

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

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

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

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

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

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

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### Disclaimer

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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.