

## Buying & Ranking Criteria

The method we use to find the *Sure Passive Income Newsletter* Top 10 list is below. Ranking data is from the most recent *Sure Analysis report* on the Wednesday morning preceding the publication of the newsletter. Please see the [Sure Analysis glossary page](#) for more information on specific metrics.

1. Filter our [Sure Analysis Research Database](#) universe of securities for:
  - Dividend yield + conservative growth estimate<sup>2</sup>  $\geq$  7.0%
  - Dividend yield greater than or equal to the S&P 500's
  - A & B Dividend Risk Scores
  - Stock price  $\leq$  fair value price estimate
  - 5+ years of consecutive dividend increases
  - U.S. securities only (no international securities)
2. For securities matching the above screen:
  - Select favorite choices qualitatively from the above screen
  - Dividends should be covered by free cash flow (depending on sector/industry)
  - No more than three companies per sector
3. "A" Dividend Risk Score securities rank ahead of "B" Dividend Risk Score securities within the Top 10. Within each Dividend Risk Score category, the Top 10 order will be sorted by dividend yield plus conservative growth estimate (the higher the better).

The core idea behind the *Sure Passive Income Newsletter* is to find **high-quality dividend stocks with strong growth prospects trading at fair or better prices to buy and hold forever**. The *Sure Passive Income Newsletter* is our most *growth-oriented* newsletter.

The 'high-quality' portion is covered by screening for A & B Dividend Risk Scores, in conjunction with at least 5 years of rising dividends. On top of this we qualitatively select from the most compelling from the above screen, opting for growth and quality.

The 'dividend stocks with strong growth prospects' portion is covered by looking for stocks with dividend yields that are at least that of the S&P 500's dividend yield. And screening for stocks with a conservative growth estimate of 7.0% or higher, coupled with 5+ years of rising dividends, means that dividend growth is prioritized.

The 'fair or better prices' aspect is covered by screening out all stocks trading above our estimate of fair value.

The 'buy and hold forever' aspect is addressed largely by the same aspects as 'high-stocks with strong growth prospects,' discussed earlier on this page. Further, our only sell rule is to sell when a stock breaks its dividend streak by either reducing its dividend or not increasing its annual dividend. This means we will hold dividend growth stocks for as long as they *are* dividend growth stocks; as long as the dividend is growing.

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<sup>2</sup> The 'conservative growth estimate' is the lower of our expected 5-year forward annualized dividend per share growth rate estimate and our expected 5-year forward annualized growth (typically earnings-per-share) on a per share basis estimate, from *Sure Analysis*.