SIMPLY SAFE DIVIDENDS

November 2017
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Intelligent Income℠

Quality dividend ideas for safe income and long-term growth

Monthly Recap

The S&P 500 Index (SPY) returned 2.4% in October, logging its seventh consecutive month of gains. The market has now surged 16.7% year-to-date and is up more than 23% over the past year. Remarkably, the S&P 500 has gone more than 245 trading days without falling more than 3% below its record high, the longest streak ever for the index, according to LPL Financial.

Fortunately, there is more to the market's unprecedented resiliency than just overenthusiastic investors chasing returns and ignoring risk – the global economy is showing signs of accelerating growth, which bodes well for corporate profits and dividends.

In the U.S., more than 80% of S&P 500 companies have reported third-quarter results, recording a blended earnings growth rate of 5.9%, according to data from FactSet. Analysts project 9.5% earnings growth for all of 2017 and are expecting healthy double-digit profit gains during the first and second quarters of 2018.

U.S. gross domestic product (GDP), a broad measure of goods and services produced, also grew at a 3% annual rate during the third quarter, recording its strongest six-month period of growth in three years. Consumer confidence reached its highest level in October since late 2000, and the unemployment rate dropped down to 4.1%, its lowest level since December 2000.

Across the pond, third-quarter profit growth also looks promising

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Quote of the Month

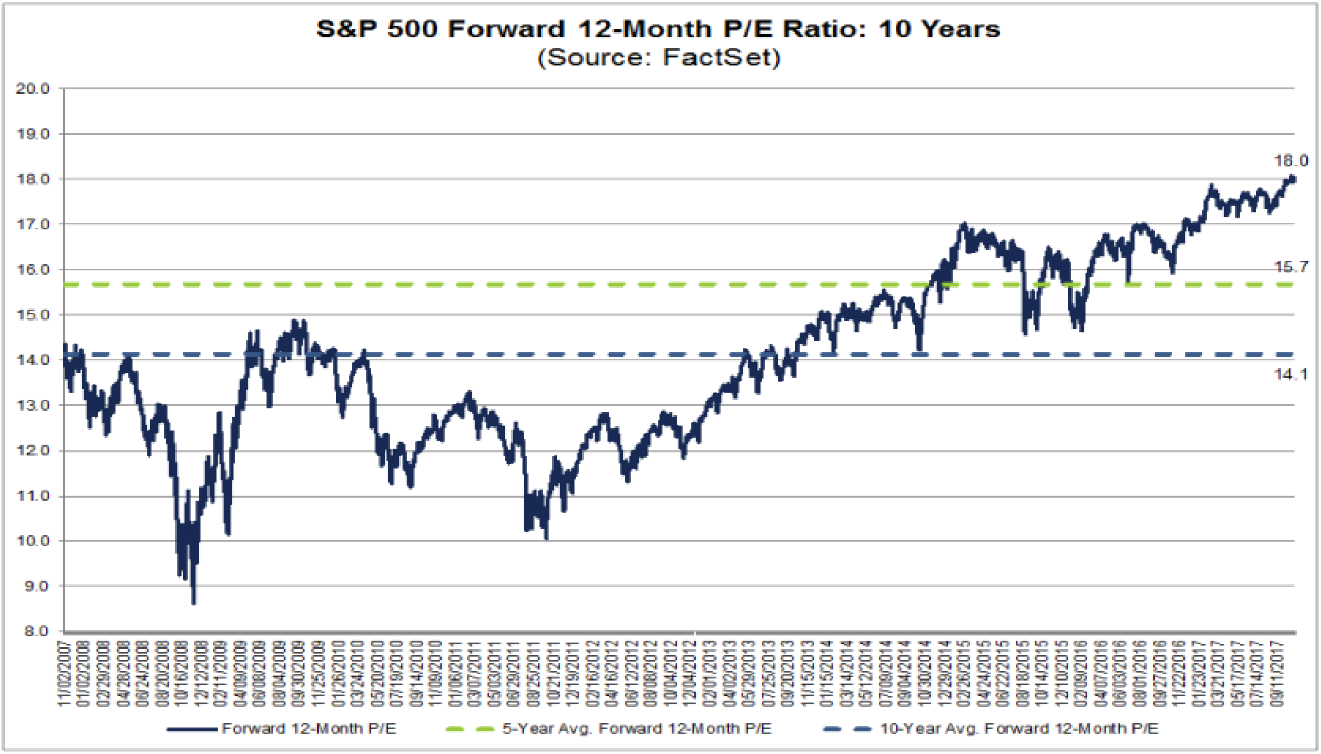
"There is nothing that we own that doesn't have something in the future that might affect it."
– Warren Buffett

for European companies in the Stoxx 600 Index. As of late October, earnings growth was coming in at 8%, according to JPMorgan Chase. Of the companies reporting earnings so far in the MSCI AC Asia Pacific Index, earnings growth looks even better at approximately 15%.

David Solomon, president of Goldman Sachs, put it best during an interview with Bloomberg Television last month when he stated, “We’ve got pretty good economic growth all over the world. The expectation for growth was not as strong as growth has actually come in.”

Potential for the most significant tax-code changes since 1986 in the U.S. could further boost growth. More details were revealed last week and could change significantly during the legislative process. However, proposals to permanently reduce the corporate tax rate from 35% to 20% and create a one-time tax on overseas profits between 5% and 12% (to encourage companies to repatriate foreign profits) would free up more capital that can be used for growth investments and returned to shareholders in the form of higher dividends and stock repurchases. The proposed bill would not change the top tax rates on capital gains and dividend income.

From growing corporate profits to business-friendly tax reform and expanding global economies, investors have had plenty of legitimate reasons to bid stocks higher. The chart below shows the S&P 500’s forward P/E ratio over the last 10 years. Its current P/E ratio is 18.0, which is meaningfully above its 5-year (15.7) and 10-year averages (14.1), according to FactSet.



Source: FactSet

Looking at sector performance, not much has changed since last month. Investors continue bidding up areas of the market that benefit the most from faster economic growth (e.g. Financials, Technology, Basic Materials, and Industrials). The most bond-like, rate-sensitive, and defensive parts of the market (Utilities, Consumer Staples, REITs) remain some of the worst-performing sectors over the past year, trailing the S&P 500 by as much as 20%.

Many companies in these underperforming sectors generate safe income and have less volatility than the broader market, making them appealing candidates for retirement portfolios. Generally speaking, these stocks typically do not keep up during strong bull markets but can help a diversified portfolio reduce volatility and better preserve capital during bear markets.

		October 2017		Trailing 1-Year		Trailing 5-Year	
Ticker	**Sector**	**Return**	**Return vs S&P 500**	**Return**	**Return vs S&P 500**	**Return**	**Return vs S&P 500**
XLF	Financials	2.9%	0.5%	36.9%	13.5%	125.0%	23.4%
XLK	Technology	6.5%	4.2%	34.9%	11.4%	138.9%	37.3%
XLB	Basic Materials	3.9%	1.5%	28.7%	5.3%	82.1%	-19.4%
XLI	Industrials	0.7%	-1.6%	27.5%	4.1%	117.2%	15.7%
XLV	Health Care	-0.8%	-3.1%	22.3%	-1.1%	119.1%	17.6%
XLY	Consumer Discretionary	2.1%	-0.2%	19.6%	-3.8%	115.2%	13.6%
XLU	Utilities	3.9%	1.5%	15.2%	-8.2%	78.5%	-23.0%
VNQ	Vanguard REIT Index	-1.1%	-3.4%	5.5%	-18.0%	57.0%	-44.5%
XLP	Consumer Staples	-1.6%	-4.0%	3.3%	-20.2%	71.2%	-30.4%
XLE	Energy	-0.8%	-3.2%	2.1%	-21.3%	7.0%	-94.6%
SPY	**S&P 500 Index**	**2.4%**	**-**	**23.4%**	**-**	**101.6%**	**-**

I have no ability to accurately forecast where the economy or stock market will go from here, but I continue to believe a cautious approach to portfolio management is warranted. Valuations remain relatively high compared to history, reducing future returns and increasing downside risk over the short-term if economic growth unexpectedly disappoints, interest rates surprise to the upside, or any other number of shocks take place.

I plan to remain close to fully invested in the market, keeping my capital committed for the long term. As I stated last month, staying diversified across different sectors, sticking with more conservative dividend stocks that score well for Dividend Safety, and resisting the temptation to chase high yield or time the market are all keys to achieving healthy long-term returns. There has never been a bad time to invest in stocks for investors who are interested in preserving and growing their capital over the long-term, although individual risk tolerances and income needs also need to be respected as it relates to asset allocation in retirement.

On the topic of risk management, I wanted to take a moment to touch on two hits our portfolios took in October. General Electric (GE) dropped 8.5% from the start of the month until we sold our position on October 24, and Omega Healthcare (OHI) lost 7.7%.

If you haven't already, I highly recommend reading my updated reflections on GE here and OHI here. Knowing how much patience to exercise with an underperforming holding is one of the hardest challenges long-term investors face, in my opinion. My general preference is to keep portfolio turnover very low and let companies work through their challenges (like many of them successfully have throughout the years), as long as their long-term outlook appears to remain intact and their dividend appears to remain safe.

Our investment in GE was actually slightly profitable through late September 2017, although signs were emerging that the company's future could be much different from its past. Throughout the summer and early fall, GE announced a handful of significant leadership changes. Chairman and CEO Jeffrey Immelt retired in June and gave up his role as chairman several months earlier than expected in October. The company's CFO, as well as two of its vice chairs, also announced they were leaving the company in October. Few details were given about the new leadership team's plans for the company going forward, but it was clear things were changing.

Looking at the fundamentals, General Electric's industrial cash flow started off the year very weak, showed signs of recovery during the second quarter, and was then absolutely terrible in the company's third-quarter earnings release in October. GE's new management team reduced the company's cash flow forecast for the year by half, slashed its profit target by a third, and told investors to expect changes to GE's capital allocation framework with more details to come in mid-November.

While I continue to believe that GE has a number of attractive parts and services businesses that can generate great cash flow and provide the company with a moat, it quickly became clear that the dividend was not a sure thing under the new management team's updated priorities. That's especially true after GE's revised cash flow forecast but is nonetheless very disappointing after the company had raised its dividend by 4% less than a year ago.

I always learn more from investments that don't play out as expected than I do from ones that go as planned. In GE's case, I suppose one of the biggest takeaways is to acknowledge that a company can have some attractive assets, but if they are being mismanaged and new leadership comes in, sweeping changes are very possible, especially regarding capital allocation decisions. While this can be a healthy catalyst for change and unlock value, it can also create uncertainty for the dividend, again depending on management's priorities and the company's overall health.

From a fundamentals perspective, GE's accounting was admittedly very complex. From its heavy use of non-GAAP (Generally Accepted Accounting Principles) metrics to the unique source of cash flow provided by GE Capital (rather than its core industrial operations), there was a lot to pick through. My attraction to GE's parts and services businesses, coupled with its value appeal as a turnaround candidate, perhaps caused me to scrutinize the company less in these areas than I normally would have. Our other holdings are generally much simpler businesses with cleaner accounting, less leverage, and simpler sources of cash flow to analyze. Once again, I recommend reading my full reflection on GE here.

On the bright side, maintaining a reasonable position size and avoiding the temptation to add to the stock on weakness in recent months served as constructive risk controls that allowed our portfolio's total returns and expected income stream to remain as strong as ever (more on that shortly). We have also captured new insights to incorporate in our Dividend Safety Scores to help investors avoid situations like these further in advance. We hope to share more on this front within the next several months.

Omega Healthcare's weakness was quite different than GE's. Most of the healthcare REIT's tenants depend on Medicaid and Medicare reimbursements from the government to pay rent, and their profitability has come under pressure in recent years for a number of reasons. Investors were already worried about the industry's health, and I had been taking a "wait and see" approach to better gauge how healthcare reform might impact the company going forward. Omega's latest earnings report revealed financial weakness at one of its larger tenants. Although management does not believe this reflects a change in overall industry conditions, it certainly was enough to cause investors to worry more about what the future might hold.

Fortunately, Omega Healthcare had built a nice financial cushion to handle bouts of unexpected weakness and continue paying its quarterly dividend, which it raised a few weeks ago. However, there is a high amount of uncertainty with this stock, particularly as the healthcare landscape continues evolving. You can read my update on the company here.

Both GE and Omega Healthcare reminded me of a comment Warren Buffett made after Berkshire Hathaway recently bought a stake in the Pilot Flying J truck stop chain. When asked about the potential threat posed by self-driving vehicles, which would presumably reduce the need for truck stops, here's what Buffett said:

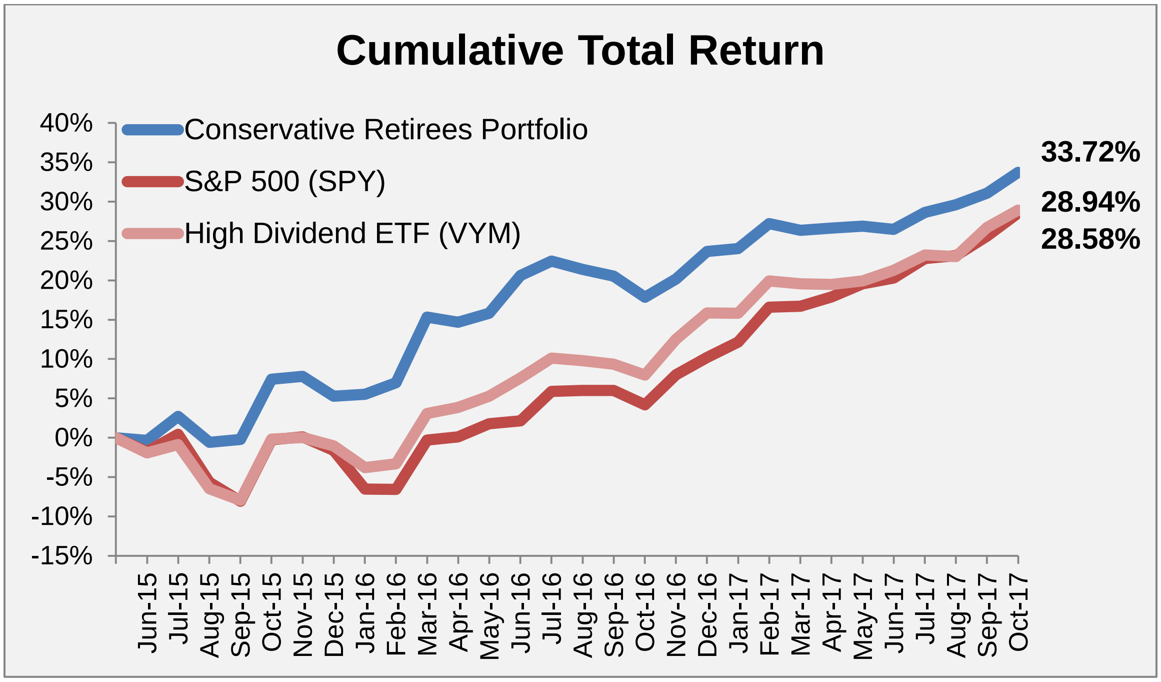
> "Trucks are going to be around for a very long time. Who knows when driverless trucks are going to come along and what level of penetration they have. There is nothing that we own that doesn't have something in the future that might affect it."

All of our holdings face known and unknown risks that could significantly affect their long-term profitability and growth. There is enough to worry about when evaluating any single holding to drive an investor crazy:

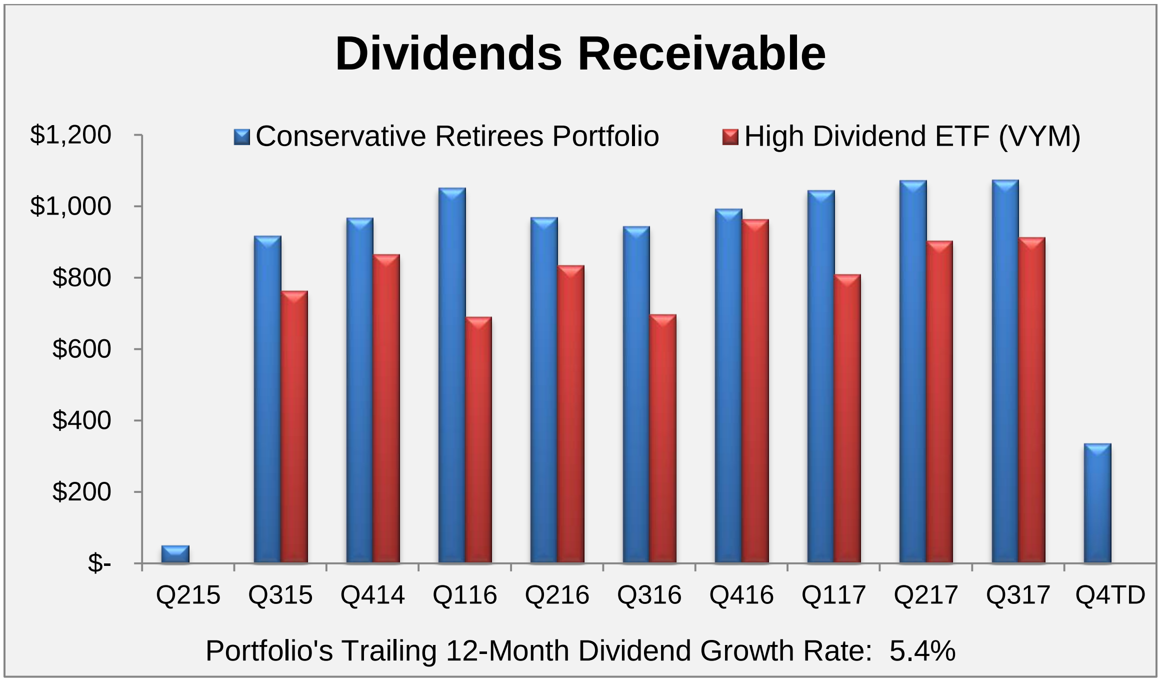
- Demand for Altria's cigarettes will be hurt by regulation lowering nicotine levels
- The shift to healthier eating will reduce the appeal of Pepsi's snacks and drinks
- Renewable energy will significantly lower future demand for Exxon's fossil fuels
- The auto cycle has peaked, creating headwinds for General Motors
- Pfizer and J&J face increased scrutiny over drug prices that will compress margins

Fortunately, well-managed companies are constantly evolving to mitigate risks to their businesses and capitalize on long-term opportunities for growth. For example, Exxon is spending $1 billion a year to research alternative forms of green energy from algae engineered to bloom into biofuels and cells that turn emissions into electricity.

For every GE and Omega Healthcare, I expect our portfolios to hold far more companies that not only avoid their bear case scenarios but surprise to the upside with far better long-term growth and profitability than investors expected. In October alone, Intel (INTC) returned 19.5%, Paychex (PAYX) and Johnson & Johnson (JNJ) gained 7%, and Consolidated Edison (ED) surprised with a 6.7% total return, for example. As a result of our healthy diversification (and in spite of our GE and OHI holdings), our Conservative Retirees portfolio returned 2% in October, outpacing the Vanguard High Dividend Yield ETF (VYM) and maintaining its healthy long-term total returns since inception:



Equally important for income investors, our Conservative Retirees portfolio continues generating higher and more stable income than Vanguard's high dividend ETF (VYM). In fact, our portfolio has generated approximately 22% more dividend income than VYM since inception while recording far less income volatility from one quarter to the next. Our dividend growth has also remained in excess of the rate of inflation, and I expect the trades planned for this month, including our replacement stock for GE, to further enhance the portfolio's current income generation, dividend safety, and dividend growth prospects (more on that later).



No portfolio is perfect, and we will certainly encounter our fair share of GE's and OHI's again in the future. However, by staying diversified, doing our best to focus on high quality companies with safe dividends, and maintaining the right balance between patience (i.e. low portfolio turnover) and proactive risk management (i.e. exiting losers before downside risk significantly increases), I like our chances of continuing to generate healthy total returns and record less volatility and safer, higher dividend income than the broader market.

Portfolio Performance

Our portfolios each returned between 2% and 4% in October and have recorded double-digit total returns year-to-date and over the past year. However, I don't place any weight on short-term performance.

The annualized returns of our portfolios since inception remain unusually strong, ranging from 13% to 18%, but I certainly don't expect this rate to continue over the long-term. The market's average annual return over most long-term periods has been closer to 10% or below, and today's rich valuations suggest returns over the coming years will be lower compared to recent history.

While I don't expect our performance to deviate all that much from the market's over time, I do expect to generate higher, safer, and faster-growing dividend income with less volatility.

Here is each portfolio's total return performance in October, year-to-date (YTD), over the trailing 12-month period (1 Year), and since inception. Returns for the S&P 500 and relevant dividend ETFs are provided for comparison purposes.

				As of 10/31/2017	
				Annualized	
	Inception Date	**October 2017**	**YTD**	**1 Year**	**Since Inception**
Top 20 Dividend Stocks Portfolio	**6/12/2015**	**2.58%**	**12.89%**	**20.30%**	**15.97%**
S&P 500 Index (SPY)		2.36%	16.68%	23.43%	11.22%
Schwab U.S. Dividend Equity ETF (SCHD)		3.61%	13.74%	20.06%	12.69%
Conservative Retirees Portfolio	**6/17/2015**	**1.99%**	**8.13%**	**13.45%**	**13.01%**
S&P 500 Index (SPY)		2.36%	16.68%	23.43%	11.16%
Vanguard High Dividend Yield ETF (VYM)		1.74%	11.30%	19.44%	11.22%
Long-term Dividend Growth Portfolio	**6/9/2015**	**3.76%**	**20.67%**	**30.03%**	**18.02%**
S&P 500 Index (SPY)		2.36%	16.68%	23.43%	11.53%
Vanguard Dividend Appreciation ETF (VIG)		2.10%	15.31%	20.14%	10.88%

Additional performance information for the portfolios, including their dividend growth track records, can be found in each portfolio's section of this newsletter.

The amount of risk taken to achieve a certain return is equally important. Standard deviation is a common measure of risk used by investors. It measures the historical volatility of a portfolio or investment. Lower volatility indicates that an investment's return fluctuates less.

The following table shows the monthly volatility of our portfolios compared to the S&P 500's volatility. Our Top 20 and Conservative Retirees portfolios have been less volatile than the broader market since inception by approximately 7% and 17%, respectively. Assuming this trend continues, these portfolios will likely do a better job than the broader stock market of preserving capital during the next market correction.

Our Long-term Dividend Growth portfolio has been somewhat more volatile than the market, reflecting its focus on smaller companies with higher long-term earnings growth potential.

	Monthly Standard Deviation (Since June 2015 Inception)		
Monthly Volatility	**Top 20**	**Retirees**	**Growth**
Portfolio	2.75%	2.47%	3.37%
S&P 500	2.96%	2.97%	2.94%
% Difference	-7.10%	-16.83%	14.63%

Dividend Events

Omnicom (+9.1%), Omega Healthcare (+1.6%), American Electric Power (+5.1%), Thor Industries (+12%), Lincoln Electric (+11.4%), Rockwell Automation (+10%), and MSC Industrial (+6.7%) announced new dividend increases during the last month.

Since inception in June 2015, we have recorded 160 total dividend increases across our three portfolios and avoided dividend cuts.

	Dividend Events Since Inception		
	Top 20	**Retirees**	**Growth**
Increases	46	60	54
Cuts	0	0	0

Portfolio Actions

I sent out an email the afternoon of Monday, October 23, stating my intentions to exit our position in General Electric (GE) in our Top 20 Dividend Stocks and Conservative Retirees portfolios on Tuesday, October 24. GE was sold that morning at a price of $22.12 per share. No other trades were made in October, but several are planned for November in each of our three portfolios. A small handful of holdings also remain under review for potential sale in the coming weeks and months.

Top 20 Dividend Stocks Portfolio

After selling our stake in GE on October 24, we need a replacement idea. I plan to buy 61 shares of Dominion Energy (D) when the market opens on Tuesday, November 7. Verizon (VZ) and Boeing (BA) remain under review for potential sale in the coming weeks and months. I will send out an email if and when I have any updated plans. More commentary on these actions is available later in the newsletter.

Conservative Retirees Portfolio

I exited our stake in GE on October 24. I plan to sell our entire position in Compass Minerals (CMP) and 35 of our 135 shares of Intel (INTC) when the market opens on Tuesday, November 7. Exiting GE, trimming Intel, and selling out of Compass Minerals will reduce our projected annual dividend income by approximately $329.

To improve our portfolio's overall income generation, diversification, dividend safety, and dividend growth, I plan to purchase 50 shares of Dominion Energy (D), 40 shares of Crown Castle (CCI), and 80 shares of AT&T (T). D and CCI will be around 3% weights, and AT&T will be closer to 2%. These purchases will add approximately $479 to our projected annual income. All of these trades will take place on November 7, and more commentary is available later in the newsletter. Verizon (VZ) also remains under review for potential sale.

Long-term Dividend Growth Portfolio

No trades were made in October. However, I plan to sell Lincoln Electric (LECO) and Patterson Companies (PDCO) when the market opens on November 7. Proceeds will be used to purchase 65 shares of Medtronic (MDT) and 60 shares of Lowe's (LOW). Rockwell Automation (ROK) is also under review for sale in the coming weeks after the takeover offer it received at the end of October. More commentary about these actions is available later in the newsletter.

Timely Holdings to Consider

Most of our holdings continue trading at relatively high valuations, not unlike the broader market, which limits the number of timely ideas and their future returns. However, a handful of companies from each portfolio still appear to offer interesting valuation and fundamental timeliness. These are stocks we hold that investors can review as potential buying opportunities:

Top 20 Dividend Stocks	Dividend Safety Score	Forward P/E	Dividend Yield	5-Yr Annual Div Growth Rate
Dominion Energy (D)	91	20.1	3.82%	7%
Omnicom (OMC)	90	12.2	3.32%	17%
Kimberly-Clark (KMB)	94	17.0	3.50%	6%

Conservative Retirees	**Dividend Safety Score**	**Forward P/E**	**Dividend Yield**	**5-Yr Annual Div Growth Rate**
Dominion Energy (D)	91	20.1	3.82%	7%
Crown Castle (CCI)	58	20.2	3.94%	N/A
AT&T (T)	78	11.2	5.89%	2%
Pfizer (PFE)	64	13.0	3.60%	8%
General Mills (GIS)	89	16.6	3.82%	10%
Kimberly-Clark (KMB)	94	17.0	3.50%	6%
National Retail (NNN)	84	15.5	4.66%	3%

Most of our higher-yielding holdings (e.g. utilities) continue trading at high valuations relative to the last decade, largely driven by low interest rates. I continue to think better buying opportunities might be presented in the future (especially if rates increase) and am remaining patient on recommending most of them.

LT Dividend Growth	**Dividend Safety Score**	**Forward P/E**	**Dividend Yield**	**5-Yr Annual Div Growth Rate**
Medtronic (MDT)	84	16.9	2.35%	12%
Lowe's (LOW)	86	17.3	2.10%	20%
Hormel (HRL)	100	19.0	2.17%	18%

Thank you for your continued support of Simply Safe Dividends.

Sincerely,

Brian Bollinger, CPA
CEO, Simply Safe Dividends

Top 20 Dividend Stocks

Portfolio Update

Portfolio Statistics

Dividend Yield:	2.8%
Fwd P/E Ratio:	18.6
Beta:	0.84
Dividend Safety:	85
Dividend Growth:	53
1-yr Sales Growth:	2.1%
1-yr EPS Growth:	5.8%

Performance Update

10/31/17	Oct.	All
Portfolio	2.6%	42.5%
S&P 500	2.4%	28.9%
SCHD	3.6%	33.0%

Dividend Increases:	46
Dividend Decreases:	0

Portfolio Objective

Outperform the S&P 500 by at least 1% per year over any five-year rolling time horizon.

Return Drivers

Total return is expected to be composed of:

2.5% - 3.5% dividend yield
7% - 9% earnings growth

Investment Philosophy

We invest in companies with enduring competitive advantages, shareholder-aligned management, and large markets that provide opportunity for long-term growth. Our holdings offer a blend of current income and income growth and are accumulated when they appear underpriced.

Portfolio Turnover

When we initiate a new position, we expect to hold it for at least 3-5 years. We only sell if fundamentals structurally change or the valuation reaches excessive levels.

Performance Update

Our Top 20 Dividend Stocks portfolio returned 2.6% during the month of October, performing about in line with the S&P 500 (SPY) and slightly trailing Schwab's Dividend ETF (SCHD).

Since inception in June 2015 the portfolio has returned 42.5% and outperformed the S&P 500 (28.9%) and Schwab's Dividend ETF (33.0%). During this time, the portfolio has also recorded lower volatility than the market.

Our best-performing stocks in October were 3M Corporation (+10%), Consolidated Edison (+7%), and Accenture (+8%). Strong earnings reports and a rally in the utility sector drove the gains.

Our worst performers in October were General Electric (-9%), Omnicom (-9%), and Kimberly-Clark (-4%).

General Electric was sold from our portfolio on October 24, and our analysis can be found here.

Omnicom reported earnings on October 17. The company's organic sales grew 2.8%, diluted earnings per share increased 6.6%, and operating margins expanded from 12% to 12.5%. Management also increased the dividend by 9.1%. However, investors have sold off global ad agencies over the past year. Many large brands (i.e. ad agency customers), especially in the consumer staples sector, are facing growth headwinds as consumer behaviors evolve. The continued rise of digital technology (i.e. marketers trying to become more efficient with their spending) and potentially growing threats from Google and Facebook are causing concern as well. In an increasingly tech-driven world, I believe advertising firms are all the more important for clients facing disruption to their business models. Omnicom continues delivering better results than its peers and appears to be trading at an attractive valuation. I plan to continue holding the stock for the long-term.

Kimberly-Clark reported results on October 23. Organic sales rose slightly, including 3% growth in developing and emerging markets. Management confirmed the company's previous full-year 2017 outlook. Sluggish growth over the past year (spending on consumer staples remains weak), steep competition in developed markets, and adverse currency effects have all weighed on KMB. I continue to believe the company's emerging markets reach positions it well for the long-term.

After selling General Electric last month, we need a replacement stock. I plan to buy 61 shares of Dominion Energy (D) on Tuesday, November 7. Analysis on Dominion is found in the following pages.

No other trades are planned, but Verizon (VZ) and Boeing (BA) remain under review for potential sale in the coming weeks and months. I am not in a hurry to exit either company.

Dividend Events
Our portfolio recorded one new dividend increase during the last month, bringing the total payout raises since inception in June 2015 to 46. We have not experienced any dividend cuts.

Omnicom raised its quarterly dividend by 9.1%. The company has paid uninterrupted dividends for more than two decades and increased its payout each year since 2010.

Stocks to Consider Buying
The stocks that look the most interesting to me today are: Dominion Energy (D), Omnicom (OMC), and Kimberly-Clark (KMB).

Dominion Energy (D): Dominion was founded in 1909 and is one of the largest producers and transporters of energy in the country. The diversified utility company has a portfolio of 25,700 megawatts of electric generation, 15,000 miles of natural gas transmission, gathering, storage, and distribution pipeline, and 6,600 miles of electric transmission and distribution lines. It operates one of the biggest natural gas storage systems in the U.S. and serves more than 6 million utility and retail energy customers.

Competitive Advantages
Dominion Energy has significantly shifted its portfolio in recent years to reduce its exposure to commodity prices and focus more on businesses with faster growth, stronger competitive advantages, better profitability, and lower risk. Today, approximately 90% of the company's sales are from regulated operations, which provide solid cash flow visibility. The company's electric and gas regulated utility businesses operate in regions with healthy population growth and constructive regulators who have historically provided Dominion with favorable rates of returns on its investment. Management is investing heavily in natural gas, including massive projects such as the Cove Point LNG export terminal and the Atlantic Coast Pipeline. These projects are expected to generate substantial cash flow (backed by long-term contracts with customers) as they come online over the next few years, helping Dominion Energy generate mid to high-single-digit annual earnings growth. Dominion also acts as the general partner and sponsor of its midstream MLP, Dominion Midstream Parnters (DM), which provides low-cost funding for the company's expansion plans. Our full investment thesis on Dominion Energy can be seen by clicking here.

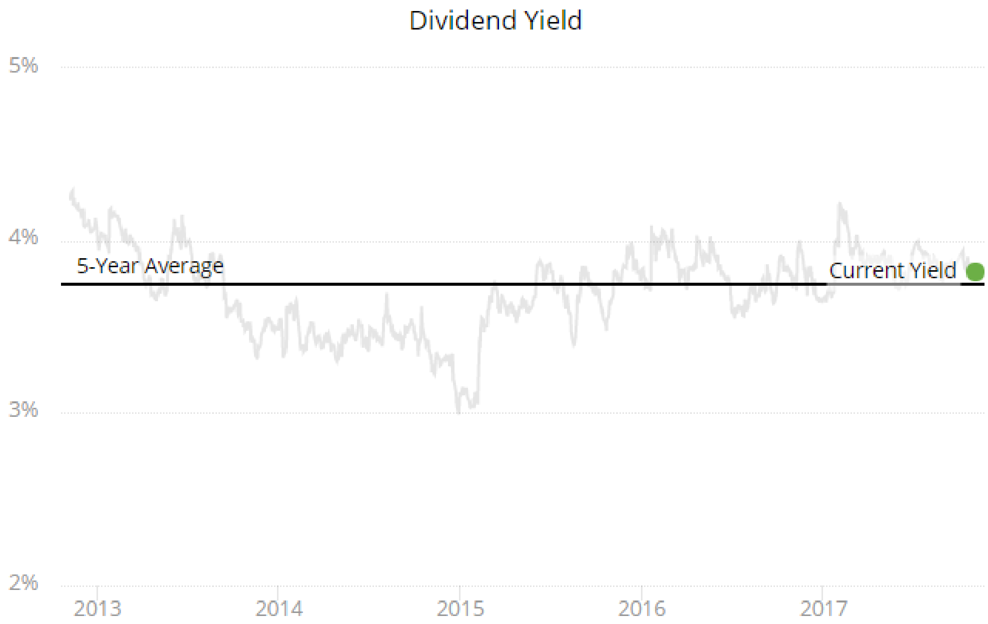
Dividend Review
Dividend Safety Score: 91 Dividend Growth Score: 40 Dividend Yield: 3.82%

Dominion Energy's dividend payment appears to be quite safe with decent growth prospects. The company has paid consecutive dividends for close to 90 years and increased its payout for 14 straight years. Management targets a regulated payout ratio at up to 75%, which is conservative for a utility, and Dominion has several billion dollars of liquidity available (compared to total dividend payments of $1.7 billion last year). Management expects the company to achieve at least 8% annual dividend growth starting in 2018 as its large projects begin generating significant cash flow.

Recent News
Dominion reported earnings on October 30. The company continues to make material progress on its growth projects and programs and raised its dividend on October 12. Management maintained its full-year 2017 operating earnings guidance.

Valuation

D's forward P/E ratio was 20.1 and its dividend yield was 3.82% as of 11/5/17. The stock's dividend yield is about in line with its five-year average:



Omnicom (OMC): Omnicom is one of the largest providers of advertising and marketing communication services. The company holds more than 1,500 advertising agencies that specialize in over 30 marketing disciplines. A full-service agency provides numerous services, including designing ad campaigns, making the actual ads, determining where the ads should be placed and distributed, media buying, accounting management, public relations, consulting, and more.

Competitive Advantages

As one of the biggest agency networks in the world, Omnicom gains several advantages over smaller rivals. It can act as a one-stop shop for clients because it offers a much wider breadth of services and operates around the world. Clients prefer work with a small number of agencies to save on costs, and many of the relationships Omnicom has span multiple decades. There are also only a few other large agency networks and many of them have relationships with clients' competitors, raising switching costs for existing clients. Our full investment thesis on Omnicom can be seen by clicking here.

Dividend Review

Dividend Safety Score: 90 Dividend Growth Score: 70 Dividend Yield: 3.32%

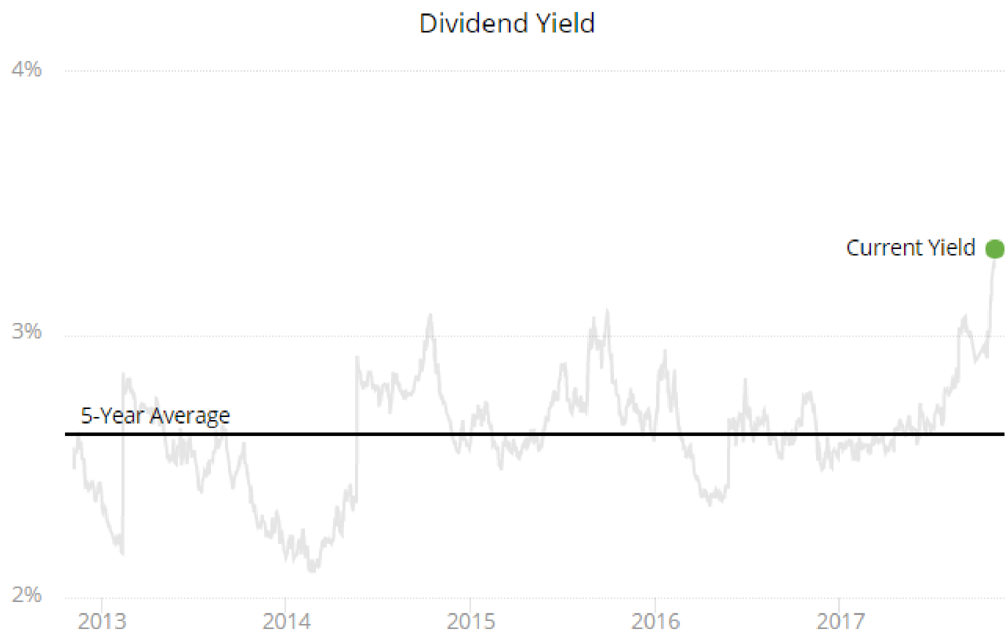
Omnicom has paid uninterrupted dividends since its founding in 1986 and boosted its dividend each year since 2010. Management announced a 9% dividend increase in October 2017, and the dividend has plenty of room for continued growth given Omnicom's 45% payout ratio, healthy balance sheet, and consistent earnings growth.

Recent News

Omnicom reported earnings on October 17. The company's organic sales grew 2.8%, diluted earnings per share increased 6.6%, and operating margins expanded from 12% to 12.5%. Management also increased the dividend by 9.1%. However, investors have sold off global ad agencies over the past year. Many large brands (i.e. ad agency customers), especially in the consumer staples sector, are [facing growth headwinds] as consumer behaviors evolve. The continued rise of digital technology (i.e. marketers trying to become more efficient with their spending) and potentially growing threats from Google and Facebook are [causing concern] as well.

In an increasingly tech-driven world, I believe advertising firms are all the more important for clients facing disruption to their business models. Omnicom continues delivering better results than its peers and appears to be trading at an attractive valuation. I plan to continue holding the stock for the long-term.

Valuation
OMC's forward P/E ratio was 12.2 and its dividend yield was 3.32% as of 11/5/17. The stock's dividend yield is the highest it has been in more than five years:



Kimberly-Clark (KMB): Kimberly-Clark has been in business since 1928 and has grown into one of the largest global manufacturers of various tissue and hygiene products. Some of the company's key products are disposable diapers, training pants, baby wipes, incontinence care products, tissues, toilet paper, paper towels, napkins, and more. Kimberly-Clark's major brands include Huggies, Pull-Ups, Kleenex, Cottonelle, Kotex, Scott, and Depend. Products are primarily sold to supermarkets, mass merchandisers (Walmart is a 13% customer), drugstores, and other retail outlets.

By segment, Personal Care accounts for 50% of sales and 52% of segment operating profit. Consumer Tissue accounts for 33% of sales and 31% of operating profit, and K-C Professional generates 17% of sales and 17% of operating profit. By geography, about 52% of sales and 65% of segment operating profit come from North America. Asia / Latin America generate 37% of sales and 28% of operating profit, and Europe accounts for 12% of sales and 7% of operating profit.

Competitive Advantages
Kimberly-Clark gains advantages from its size, strong brands, and product innovation. As one of the largest players in most of its markets, the company's manufacturing scale allows it to produce products at a lower cost than most of its rivals. These extra profits can be invested in advertising, which Kimberly-

Clark spends more than $650 million on each year to defend its shelf space and keep its products popular with consumers. Breaking the company's distribution channels would be very difficult for new entrants, and Kimberly-Clark has the financial resources necessary to invest in R&D or marketing if a new product trend emerges. Finally, the company's strong exposure to emerging and developing markets is worth highlighting. Demand for many of Kimberly-Clark's products tracks population growth, so the company is reasonably well positioned to combat potentially stagnant growth in developed markets. Our full investment thesis on Kimberly-Clark can be seen by clicking here.

Dividend Review

Dividend Safety Score: 94 Dividend Growth Score: 55 Dividend Yield: 3.50%

Kimberly-Clark appears to pay one of the safest dividends in the market, supported by the company's healthy free cash flow payout ratio near 65%, excellent cash flow generation, recession-resistant business (sales dipped just 2% in fiscal year 2009), stable profitability, and investment-grade rated debt.

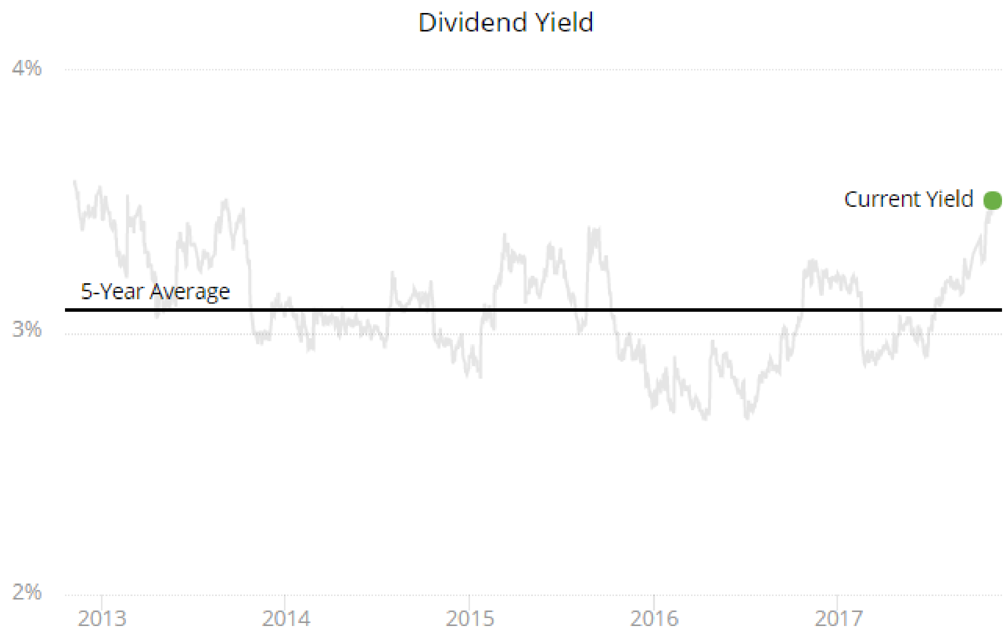
Kimberly-Clark is a dividend aristocrat that has raised its dividend for 45 consecutive years. The company's dividend increased 6.5% per year over the last 20 years and by 4.3% annually during the last three years. Until earnings growth picks up, the company will likely continue raising its dividend by 3-6% per year.

Recent News

Kimberly-Clark reported results on October 23. Organic sales rose slightly, including 3% growth in developing and emerging markets. Management confirmed the company's previous full-year 2017 outlook. Sluggish growth over the past year (spending on consumer staples remains weak), steep competition in developed markets, and adverse currency effects have all weighed on KMB. I continue to believe the company's emerging markets reach positions it well for the long-term.

Valuation

KMB's forward P/E ratio was 17.0 and its dividend yield was 3.50% as of 11/5/17. The stock's yield is near the highest it has been in five years:



Stocks to Consider Selling

I am still looking to eventually exit Verizon and have marked the stock as under review until I find a more attractive income idea. However, Verizon's last quarter came in better than expected, further reducing the urgency to act. Replacing the income from this stock won't be easy since it is our highest-yielding position in the portfolio, which is one reason why I am taking my time. Please see July's newsletter for additional commentary.

Boeing (BA) remains under review for potential sale as well. The company's fundamentals are currently very strong, but the surge in its stock price has made me increasingly uncomfortable. BA's stock has returned more than 70% year-to-date and now trades at a forward P/E ratio near 24. While I remain bullish on long-term global air traffic trends and commercial aircraft demand, Boeing is still a cyclical stock that depends on the aerospace cycle, which is now in its eighth upcycle year. From an unexpected slowdown in jet orders to the potential for cost overruns or production delays, there are a number of risks that the stock's current valuation seems to provide little margin of error for. I think we can find a better idea with less valuation risk, a similar yield or better, and equally bright long-term prospects.

Top 20 Dividend Stocks – Portfolio Actions

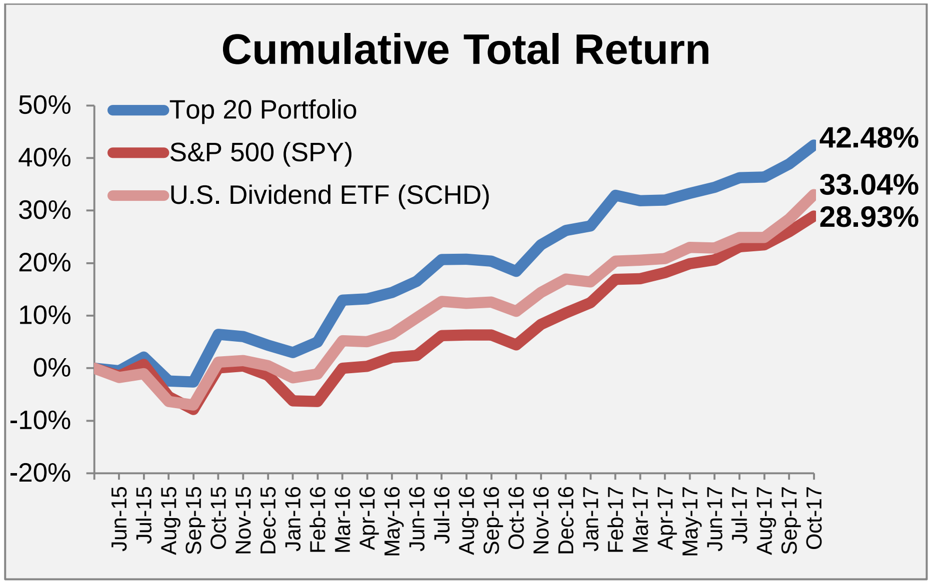
Data as of 11/5/17 = stock is under review for potential sale in the coming weeks and months

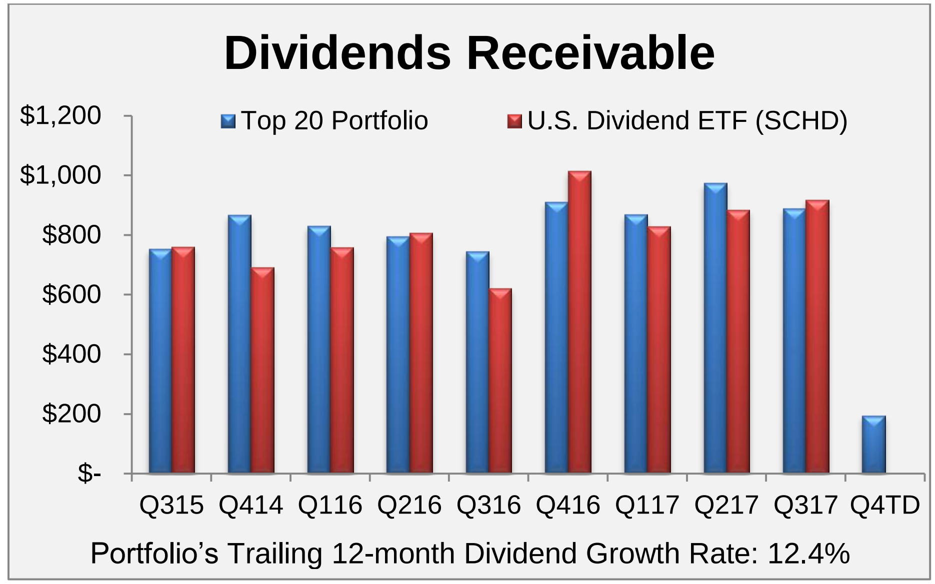
Ticker	Name	Fwd P/E Ratio	Dividend Yield	Safety Score	Growth Score	Price Volatility	Entry Date	Shares Owned	% of Portfolio	Cost per Share	Last Price	Market Value	Total Return	S&P 500 Return	Relative Return
Possible Buying Opportunities															
D	Dominion Energy	20.1	3.82%	91	40	Very Low	11-07-17	61	3.5%	?	$80.67				
OMC	Omnicom Group Inc.	12.2	3.32%	90	70	High	06-24-15	70	3.3%	$70.94	$66.21	$4,634.70	-0.9%	28.7%	-29.5%
KMB	Kimberly-Clark Corporation	17.0	3.50%	94	55	Low	11-07-16	55	4.3%	$113.34	$110.79	$6,093.45	0.2%	23.7%	-23.5%
Long-term Holds															
AMT	American Tower Corporation (REIT	19.4	1.9%	94	89	Low	04-03-17	55	5.5%	$120.49	$142.10	$7,815.50	19.0%	10.9%	8.1%
ACN	Accenture plc.	22.5	1.8%	99	89	High	07-06-15	52	5.3%	$97.31	$144.04	$7,490.08	55.6%	31.0%	24.6%
VZ	Verizon Communications Inc.	12.2	5.0%	84	16	Low	06-30-15	107	3.6%	$46.61	$47.42	$5,073.94	14.3%	31.6%	-17.2%
BA	Boeing Company (The)	23.7	2.2%	80	65	High	07-10-15	34	6.3%	$144.48	$261.75	$8,899.50	93.9%	30.5%	63.4%
CMI	Cummins Inc.	15.2	2.5%	94	91	High	07-09-15	39	4.7%	$127.77	$173.07	$6,749.73	45.6%	32.2%	13.4%
EMR	Emerson Electric Company	22.2	3.0%	63	35	High	08-04-15	100	4.5%	$49.62	$64.10	$6,410.00	39.9%	29.3%	10.6%
CSCO	Cisco Systems, Inc.	15.8	3.4%	79	60	High	06-06-16	214	5.2%	$29.15	$34.47	$7,376.58	24.8%	26.0%	-1.2%
CB	Chubb Corporation (The)	14.0	1.9%	92	55	Average	06-26-15	48	5.0%	$103.47	$148.27	$7,116.96	45.1%	29.1%	16.0%
MMM	3M Company	24.2	2.0%	93	81	High	07-24-15	34	5.6%	$149.33	$232.22	$7,895.48	64.8%	30.2%	34.6%
CHRW	C.H. Robinson Worldwide, Inc.	21.8	2.3%	73	70	Very Low	09-06-16	88	4.9%	$70.58	$79.44	$6,990.72	15.8%	21.0%	-5.2%
PEP	Pepsico, Inc.	19.7	2.9%	97	57	Low	07-10-15	52	4.0%	$95.55	$110.22	$5,731.44	23.0%	30.5%	-7.5%
ADP	Automatic Data Processing, Inc.	29.3	2.0%	97	82	Average	06-29-15	61	4.8%	$80.91	$112.24	$6,846.64	46.2%	31.8%	14.4%
GM	General Motors Company	7.3	3.6%	65	19	Very High	07-21-15	164	4.9%	$30.39	$42.34	$6,943.76	54.2%	27.9%	26.3%
BR	Broadridge Financial Solutions	23.6	1.7%	84	97	Average	06-22-15	95	5.8%	$52.65	$86.84	$8,249.80	72.5%	27.8%	44.7%
MO	Altria Group	17.9	4.1%	98	47	Low	07-15-15	99	4.5%	$51.23	$63.91	$6,327.09	35.6%	28.6%	7.0%
ED	Consolidated Edison Inc	20.5	3.2%	90	7	Very Low	07-02-15	84	5.1%	$59.14	$87.04	$7,311.36	59.9%	30.6%	29.3%
WFC	Wells Fargo & Company	13.0	2.8%	61	14	Average	02-29-16	105	4.2%	$46.92	$56.35	$5,916.75	26.5%	38.3%	-11.8%
Cash (Includes Dividends Receivable)									8.6%			$12,248.85			
Portfolio Total		**18.6**	**2.8%**	**85**	**53**	**Average**			**100%**			**$142,122**	**42.1%**	**29.6%**	**12.5%**

How to Use the Table: Stocks in the "Possible Buying Opportunities" list appear to have relatively attractive valuations and/or more timely fundamental momentum. As such, they could prove to be the best available investment opportunities to put new cash to work in. Stocks in the "Long-term Holds" list are still expected to be solid long-term holdings, but they do not appear to have as attractive valuations or fundamental momentum at the moment, suggesting there might be a better opportunity in the future to add more.

Investors looking for stocks with very safe current income and low volatility should look for stocks with dividend "Safety Scores" of at least 50 and "Low" or "Very Low" price volatility. Investors interested in longer-term income growth should look for stocks with dividend "Growth Scores" of at least 70. Note that scores of 50 are average, 75 or higher is excellent, and 25 or lower is considered weaker.

Top 20 Dividend Stocks – Performance and Dividend Income





<u>**Monthly Return**</u>	**Feb 2017**	**Mar 2017**	**Apr 2017**	**May 2017**	**June 2017**	**July 2017**	**August 2017**	**September 2017**	**October 2017**
Portfolio	4.56%	-0.78%	0.10%	0.96%	0.90%	1.32%	0.10%	1.86%	2.58%
S&P 500	3.93%	0.13%	0.99%	1.41%	0.64%	2.06%	0.29%	2.01%	2.36%
SCHD ETF	3.41%	0.14%	0.25%	1.75%	-0.10%	1.66%	-0.02%	2.85%	3.61%
Portfolio Value	$132,890.63	$131,851.74	$131,987.98	$133,250.72	$134,445.96	$136,220.15	$136,353.56	$138,894.90	$142,482.68

<u>**Since Inception**</u>

Cumulative	**Feb 2017**	**Mar 2017**	**Apr 2017**	**May 2017**	**June 2017**	**July 2017**	**August 2017**	**September 2017**	**October 2017**
Portfolio	32.89%	31.85%	31.99%	33.25%	34.45%	36.22%	36.35%	38.89%	42.48%
S&P 500	16.90%	17.04%	18.21%	19.87%	20.64%	23.12%	23.48%	25.96%	28.93%
SCHD ETF	20.38%	20.55%	20.85%	22.96%	22.83%	24.88%	24.85%	28.40%	33.04%

Annualized	**Feb 2017**	**Mar 2017**	**Apr 2017**	**May 2017**	**June 2017**	**July 2017**	**August 2017**	**September 2017**	**October 2017**
Portfolio	18.00%	16.58%	15.86%	15.69%	15.52%	15.56%	14.98%	15.35%	15.97%
S&P 500	9.51%	9.12%	9.28%	9.64%	9.57%	10.22%	9.96%	10.55%	11.22%
SCHD ETF	11.40%	10.92%	10.57%	11.06%	10.54%	10.96%	10.50%	11.48%	12.69%

Top 20 Dividend Stocks – Payment Schedule

Data as of 11/5/17

Ticker	Dividend Yield	EPS Payout Ratio	FCF Payout Ratio	Dividend Amount $	Payment Cycle	Next Ex-Div Date	Next Pay Date	1-Yr Div Growth	5-Yr Div CAGR	10-Yr Div CAGR
ACN	1.8%	47%	38%	1.33	May, Nov	Mid Apr	Mid May	9%	15%	21%
ADP	2.0%	59%	54%	0.57	Jan, Apr, Jul, Oct	Early Dec	Early Jan	8%	8%	11%
AMT	1.9%	39%	50%	0.66	Jan, Apr, Jul, Oct	Late Dec	Mid Jan	20%	44%	N/A
BA	2.2%	49%	29%	1.42	Mar, Jun, Sept, Dec	Early Nov	Early Dec	20%	21%	14%
BR	1.7%	50%	41%	0.37	Jan, Apr, Jul, Oct	Mid Dec	Early Jan	11%	15%	36%
CB	1.9%	33%	27%	0.71	Jan, Apr, Jul, Oct	Late Dec	Mid Jan	3%	15%	11%
CHRW	2.3%	53%	70%	0.45	Mar, Jun, Sept, Dec	Late Nov	Late Dec	11%	8%	12%
CMI	2.5%	42%	47%	1.08	Mar, Jun, Sept, Dec	11/16/2017	12/01/2017	14%	25%	28%
CSCO	3.4%	59%	44%	0.29	Jan, Apr, Jul, Oct	Early Jan	Late Jan	21%	41%	N/A
ED	3.2%	66%	-421%	0.69	Mar, Jun, Sept, Dec	11/14/2017	12/15/2017	3%	2%	2%
EMR	3.0%	85%	79%	0.48	Mar, Jun, Sept, Dec	Early Nov	Mid Dec	1%	6%	7%
D	3.8%	87%	-151%	0.77	Mar, Jun, Sept, Dec	11/30/2017	12/20/2017	8%	7%	7%
GM	3.6%	78%	33%	0.38	Mar, Jun, Sept, Dec	12/07/2017	12/21/2017	10%	N/A	N/A
KMB	3.5%	63%	64%	0.97	Jan, Apr, Jul, Oct	Early Dec	Early Jan	5%	6%	7%
MMM	2.0%	52%	53%	1.18	Mar, Jun, Sept, Dec	Late Nov	Mid Dec	8%	15%	9%
MO	4.1%	80%	113%	0.66	Jan, Apr, Jul, Oct	Mid Dec	Mid Jan	8%	8%	-3%
OMC	3.3%	44%	42%	0.55	Jan, Apr, Jul, Oct	Late Dec	Mid Jan	8%	17%	16%
PEP	2.9%	64%	66%	0.81	Mar, Jun, Sept, Dec	Late Nov	Late Dec	7%	8%	10%
VZ	5.0%	77%	180%	0.59	Feb, May, Aug, Nov	Early Jan	Early Feb	3%	3%	5%
WFC	2.8%	40%	73%	0.39	Mar, Jun, Sept, Dec	11/02/2017	12/01/2017	2%	26%	3%
Average*	2.8%	58%	51%					9%	14%	13%

*Average EPS and FCF payout ratios exclude outliers caused by one-time events in order to reflect a more representative figure.

<u>How to Use the Table</u>

The "Payment Schedule" table displays the dividend information you need to know about each holding.

Dividend Yield: the company's indicated annual dividend divided by its stock price.
EPS Payout Ratio: the percentage of GAAP earnings paid out as a dividend over the last 12 months.
FCF Payout Ratio: the percentage of free cash flow paid out as a dividend over the last 12 months.
Dividend Amount: the dollar per share amount of dividends paid out at each pay period.
Payment Cycle: the months the dividend is paid out. Useful for creating monthly income streams.
Next Ex-Div Date: to receive the next dividend payment, you need to own shares before this date.
Next Pay Date: the date at which the dividend amount is actually distributed to shareholders.

Conservative Retirees

Portfolio Update

Portfolio Statistics

Dividend Yield:	3.5%
Fwd P/E Ratio:	17.4
Beta:	0.70
Dividend Safety:	79
Dividend Growth:	34
1-yr Sales Growth:	1.0%
1-yr EPS Growth:	3.4%

Performance Update

10/31/17	Oct.	All
Portfolio	2.0%	33.7%
S&P 500	2.4%	28.6%
VYM ETF	1.7%	28.9%

Dividend Increases:	60
Dividend Decreases:	0

Portfolio Objective

Keep pace with the S&P 500 over any five-year rolling time period while providing a safe dividend yield of at least 3.5% and less downside risk in a bear market.

Return Drivers

Total return is expected to be composed of:

3.5% - 4.5% dividend yield
4% - 6% earnings growth

Investment Philosophy

We invest in established, high quality companies with shareholder-oriented management teams. Each business has exhibited a strong commitment to its dividend and operates in stable, mature markets.

Portfolio Turnover

When we initiate a new position, we expect to hold it for at least 3-5 years. We only sell if fundamentals structurally change or the valuation reaches excessive levels.

Performance Update

Our Conservative Retirees portfolio recorded a total return of 2.0% during the month of October, slightly outperforming the Vanguard High Yield ETF (VYM) and trailing the S&P 500.

Longer-term, our portfolio has returned 33.7%, outperforming the returns of the S&P 500 and Vanguard's High Yield ETF by more than 400 basis points while recording nearly 20% less volatility than the broader market.

Our best performers during October were Intel (+20%), Paychex (+7%), and Johnson & Johnson (+7%).

All three companies reported double-digit earnings growth in the third quarter. Intel was particularly strong as it benefited from the broader rally in tech stocks and rumors that Apple was designing iPhones and iPads that would jettison Qualcomm components in favor of those from rivals including Intel.

Our worst performers in October were General Electric (-9%), Omega Healthcare (-8%), and Philip Morris (-6%). General Electric was sold from the portfolio on October 24, and our analysis can be found here.

Omega Healthcare released a disappointing earnings report that raised concerns about the health of its tenants. I believe the dividend is safe for now, and our full analysis of the report can be found here.

Philip Morris reported decent third-quarter results, but unfavorable currency exchange rates remain a headwind. The company's full-year forecast calls for net revenue growth (excluding excise taxes) of over 7% and adjusted earnings growth of 9-10%. Philip Morris continues making progress with IQOS, its electronically heated tobacco product, and remains a long-term hold.

I do my best to keep portfolio turnover very low, but a handful of trades will be made this week. I plan to sell our entire stake in Compass Minerals (CMP), which lowers our number of holdings to 23 (recall that GE was sold on October 24). I also plan to sell 35 of our 135 shares of Intel (INTC) to lock in some of the stock's strong gains. I'm not as optimistic as the market is about Intel winning Apple's business.

Exiting GE, trimming Intel, and selling out of CMP will reduce our projected annual dividend income by approximately $329.

To improve our overall income generation, diversification, dividend safety, and dividend growth profile, I plan to purchase 50 shares of Dominion Energy (D), 40 shares of Crown Castle (CCI), and 80 shares of AT&T (T). D and CCI will be around 3% weights, and AT&T will be closer to 2%. These purchases will add approximately $479 to our projected annual income. All of these trades will take place on November 7, and more details are on the following pages.

Dividend Events

Our portfolio recorded two new dividend increases during the last month, bringing the total payout raises since inception in June 2015 to 60. We have not experienced any dividend cuts.

Omega Healthcare raised its dividend by 1.6%, recording its 21st consecutive increase in its quarterly dividend. The increase was particularly notable because it was announced about two weeks before the company delivered its disappointing earnings report, underscoring management's ongoing confidence in the business.

American Electric Power increased its quarterly dividend by 5.1%. The utility company has paid uninterrupted dividends since 2004 and raised its dividend each year since 2010.

Stocks to Consider Buying

Six stocks look interesting to me today: Dominion Energy (D), Crown Castle International (CCI), AT&T (T), Pfizer (PFE), General Mills (GIS), Kimberly-Clark (KMB), and National Retail Properties (NNN).

Dominion Energy (D): Dominion was founded in 1909 and is one of the largest producers and transporters of energy in the country. The diversified utility company has a portfolio of 25,700 megawatts of electric generation, 15,000 miles of natural gas transmission, gathering, storage, and distribution pipeline, and 6,600 miles of electric transmission and distribution lines. It operates one of the biggest natural gas storage systems in the U.S. and serves more than 6 million utility and retail energy customers.

Competitive Advantages

Dominion Energy has significantly shifted its portfolio in recent years to reduce its exposure to commodity prices and focus more on businesses with faster growth, stronger competitive advantages, better profitability, and lower risk. Today, approximately 90% of the company's sales are from regulated operations, which provide solid cash flow visibility. The company's electric and gas regulated utility businesses operate in regions with healthy population growth and constructive regulators who have historically provided Dominion with favorable rates of returns on its investment. Management is investing heavily in natural gas, including massive projects such as the Cove Point LNG export terminal and the Atlantic Coast Pipeline. These projects are expected to generate substantial cash flow (backed by long-term contracts with customers) as they come online over the next few years, helping Dominion Energy generate mid to high-single-digit annual earnings growth. Dominion also acts as the general partner and sponsor of its midstream MLP, Dominion Midstream Parnters (DM), which provides low-cost funding for the company's expansion plans. Our full investment thesis on Dominion Energy can be seen by clicking here.

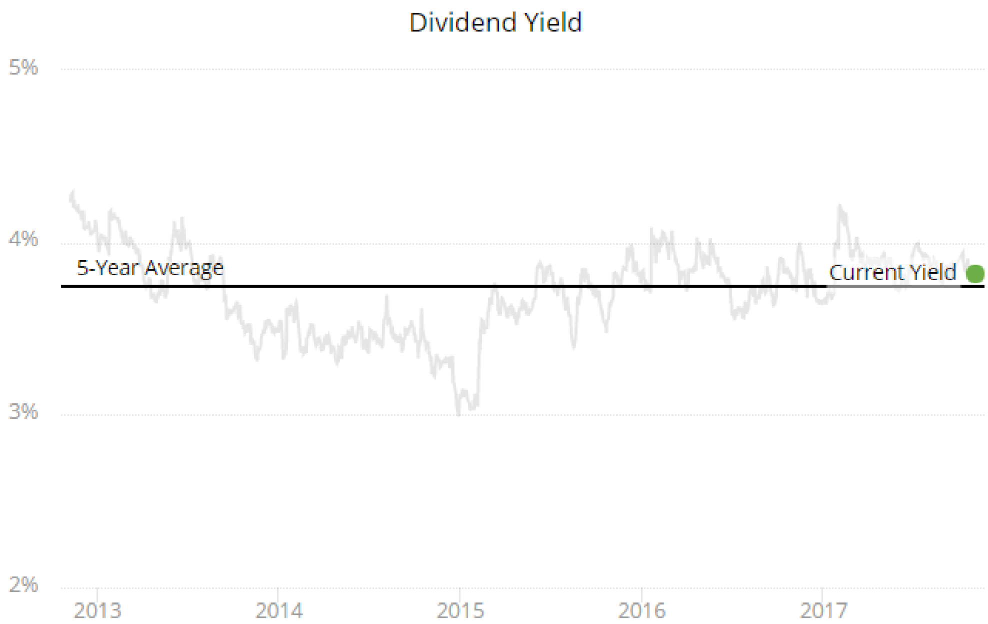
Dividend Review

Dividend Safety Score: 91 Dividend Growth Score: 40 Dividend Yield: 3.82%

Dominion Energy's dividend payment appears to be quite safe with decent growth prospects. The company has paid consecutive dividends for close to 90 years and increased its payout for 14 straight years. Management targets a regulated payout ratio at up to 75%, which is conservative for a utility, and Dominion has several billion dollars of liquidity available (compared to total dividend payments of $1.7 billion last year). Management expects the company to achieve at least 8% annual dividend growth starting in 2018 as its large projects begin generating significant cash flow.

Recent News
Dominion reported earnings on October 30. The company continues to make material progress on its growth projects and programs and raised its dividend on October 12. Management maintained its full-year 2017 operating earnings guidance.

Valuation
D's forward P/E ratio was 20.1 and its dividend yield was 3.82% as of 11/5/17. The stock's dividend yield is about in line with its five-year average:



Crown Castle International (CCI): Founded in 1994, Crown Castle owns, operates, and leases more than 40,000 cell towers and over 60,000 route miles of fiber supporting small cells and fiber solutions across every major U.S. market. This nationwide portfolio of communications infrastructure is leased out to wireless carriers, which need Crown Castle's infrastructure to provide wireless services to consumers and businesses. Tenants deploy communications equipment, coaxial cables, and antennas at the top of Crown Castle's towers that transmit signals between the tower and mobile devices. Most towers have the capacity for at least four tenants. The big four wireless carriers account for 90% of Crown Castle's site rental revenue, and the company is completely focused on the U.S. wireless market, where over 70% of its towers are located in the top 100 largest markets. Over 80% of the company's revenue is recurring, and most of its site rental revenue results from long-term leases with initial five to 15-year terms and five to 10-year renewal periods thereafter.

Competitive Advantages
Despite its customer concentration, Crown Castle's business model is attractive for a number of reasons, beginning with its predictability. The company has an average remaining customer contract term of six years and approximately $19 billion remaining in contracted lease payments (compared to $3.2 billion in 2016 site rental revenue), providing excellent cash flow visibility. Crown Castle's leases also have built-in price escalators, which are expected to continue adding around 3% to the company's annual earnings growth. In addition to annual rent escalators, tower economics are also attractive because very little cost is involved to add additional tenants. An investor presentation by Crown Castle last year highlighted that the company enjoys a 96% incremental margin when it adds an additional tenant to one of its existing

towers, for example. As data growth continues accelerating, it seems reasonable that demand for Crown Castle's wireless infrastructure will also rise over time as carriers invest in their networks to handle increasing traffic. My investment thesis on Crown Castle can be seen by clicking here.

Dividend Review
Dividend Safety Score: 70 Dividend Growth Score: 27 Dividend Yield: 3.76%

Crown Castle only began paying dividends in 2014 but has since increased its payout by a compound annual growth rate of approximately 9%. Management expects to grow its dividend by 7-8% annually going forward. Based on management's 2018 guidance, Crown Castle's AFFO payout ratio will be approximately 76% next year. This is a very reasonable level for a REIT, especially one that benefits from a substantial amount of recurring revenue and that maintains an investment grade credit rating.

Recent News
Crown Castle reported earnings on October 18. Adjusted funds from operations (AFFO) increased 17%, and site rental revenues recorded 10% growth. Some investors worried a merger between T-Mobile and Sprint would adversely affect Crown Castle's tower business. However, Crown Castle has benefited from industry consolidation in the past (see my thesis for more discussion), and it looks like merger talks have fallen apart for now.

The company also closed its $7.1 billion acquisition of Lightower shortly after the quarter ended. This deal essentially combines Crown Castle's leading small cell platform with one of the best metro fiber footprints in the industry, which meaningfully expands the company's capabilities to deliver small cells nationally at scale for its wireless carrier customers. Acquiring Lightower better positions Crown Castle for growth in small cells and is expected to be immediately accretive to AFFO per share. Lightower is expected to increase Crown Castle's long-term dividend growth rate target from 6-7% to 7-8%.

Here were CEO Jay Brown's comments on the quarter:

"We delivered another quarter of excellent financial results that demonstrate the strong operating performance of our business, exceeding our previously provided Outlook for site rental revenues, net income, Adjusted EBITDA and AFFO. We also increased our quarterly common stock dividend by 11% to $1.05 per share, reflecting our expectation of continued growth in 2018 and the anticipated contribution from the pending acquisition of Lightower, which we expect to close by year-end. Based on the strong demand we see across each of towers, small cells and fiber, we expect revenue growth to accelerate driven by an increase in new leasing activity in 2018. Looking beyond 2018, we are excited by the opportunity to leverage our leading asset portfolio to grow our cash flows and deliver on our 7% to 8% long-term annual dividend growth target by capitalizing on the expected exponential growth in demand for data and connectivity. We believe the combination of our unparalleled portfolio of assets and our industry-leading capabilities across towers, small cells and fiber positions us to meet the evolving needs of our customers while delivering long-term value to our shareholders."

Valuation
CCI's forward P/AFFO ratio was 20.2 and its dividend yield was 3.94% as of 11/5/17.

AT&T (T): AT&T is a telecom and media conglomerate that was founded in 1983. The company operates four business segments: Business Solutions (primarily wireless, voice, and data services sold to 3 million businesses), Entertainment (provides video entertainment to 25.3 million subscribers and internet to 12.9 million residential subscribers), Consumer Mobility (wireless services to over 136 million U.S. customers and resellers), and International (digital TV and wireless services throughout Latin America). If the $109 billion Time Warner acquisition closes, it would represent about 15% of company-wide sales and provide AT&T with unprecedented TV distribution, mobile distribution, and content.

Competitive Advantages

AT&T's competitive advantages are primarily driven by its scale and the capital intensity of the industry. For example, AT&T spent more than $140 billion between 2012 and 2016 on maintaining, upgrading, and expanding its networks, including over $22 billion in 2016 (13.4% of revenue). Few other companies can afford to compete with AT&T on a national scale. Only Verizon (VZ), T-Mobile, and to a lesser extent Sprint (S) have the resources to operate networks that offer similar levels of connectivity. To make matters even more challenging for new competitors, most of AT&T's markets are very mature. The number of total subscribers is simply not growing much. In other words, it would be almost impossible for new entrants to accumulate the critical mass of subscribers needed to cover the huge cost of building out a cable, wireless, or satellite network.

In addition to covering network costs, AT&T's scale allows it to invest heavily in marketing and maintain strong purchasing power for equipment and TV content. Smaller players and new entrants are once again at a disadvantage. Barring a major change in technology, it seems very difficult to uproot AT&T. It's much easier to maintain a large subscriber base in a mature market than it is to build a new base from scratch. While AT&T's wireless division is its most consumer-facing business, the company's strong presence in hundreds of broadband internet markets, as well as its expansion into pay-TV, via the $67 billion acquisition of DirectTV in 2015, have helped it continue growing and reducing churn despite a highly saturated U.S. market in both wireless and internet service. Our full investment thesis on AT&T can be seen by clicking here.

Dividend Review

Dividend Safety Score: 78 Dividend Growth Score: 13 Dividend Yield: 5.89%

AT&T's Dividend Safety Score will likely fall closer to 60 if the Time Warner deal closes (it would add substantial debt to the balance sheet). I estimate that the combined company's free cash flow payout ratio would likely sit around 70% to 80%. Management plans to aggressively reduce debt after the deal and divest some assets to raise more cash for deleveraging, but the stakes will be high. Fortunately AT&T is a huge cash cow and its services are largely recession-resistant in nature. Dividend growth will remain weak (i.e. under 3% per year) while AT&T reduces debt, but the company will do all it can to continue its 30+ year dividend growth streak. Please see my thesis for more discussion on AT&T's payout safety.

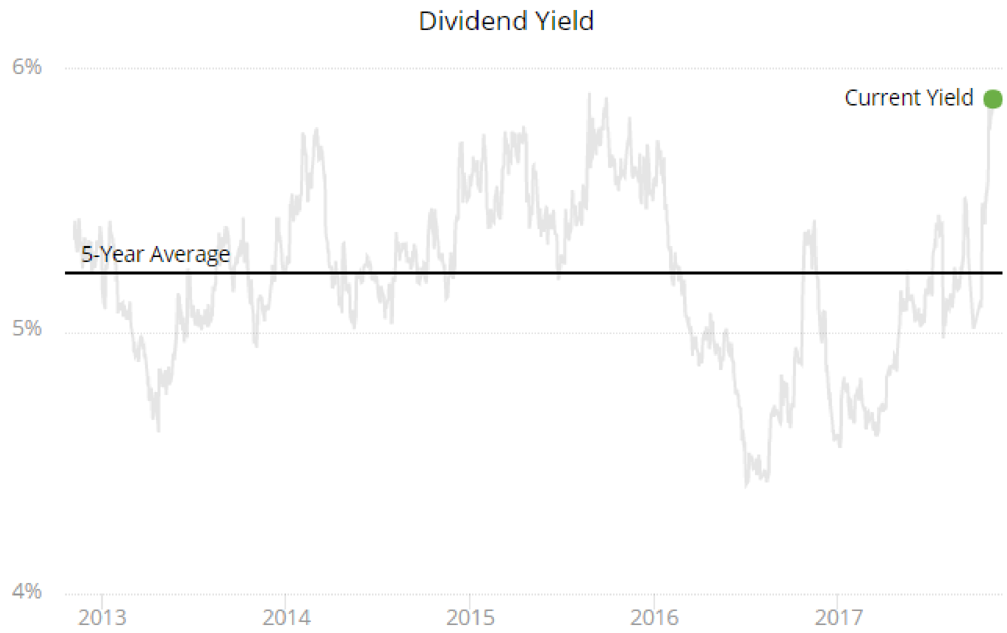
Recent News

AT&T reported earnings on October 24. The company's update was somewhat of a mixed bag. AT&T's bundling strategy appears to be reducing churn in its lucrative wireless business and its free cash flow generation was great, but investors worried about increasing satellite TV subscriber losses.

Uncertainty also ratcheted up as the company's planned acquisition of Time Warner has not yet received approval from the Justice Department (AT&T expected the deal to close by the end of October). If the acquisition is rejected, it would be a blow to AT&T's content and bundling strategy.

I think a lot of bad news is already in the stock's price (down over 15% in the past month), and I expect AT&T to remain a cash cow for many years to come. Taking a modest position (about 2% of our portfolio's total value) seems reasonable.

Valuation
T's forward P/E ratio was 11.2 and its dividend yield was 5.89% as of 11/5/17. The stock's dividend yield is about the highest it has been in more than five years.



Pfizer (PFE): Pfizer was incorporated in 1942 and today is a biopharmaceutical company with operations all across the globe. The company's portfolio of products includes mainly medicines and vaccines, as well as some consumer healthcare products. Pfizer has made a number of major acquisitions in recent years to further expand its drug portfolio and pipeline, acquiring Medivation ($13.9 billion), Anacor ($4.5 billion), and Hospira ($15.7 billion – biosimilars and injectables) in 2016, 2016, and 2015, respectively.

The company reorganized its segments last year. Pfizer Essential Health, which accounts for 45% of total revenue, consists of legacy products that have recently lost or are anticipated to lose patent protection, as well as Pfizer's sterile injectable products and biosimilars, which are growing quickly. This segment generates steady cash flows that can be used in the Pfizer Innovative Health segment, which accounts for the remaining 55% of revenue and includes the company's protected therapeutics and consumer healthcare business.

Pfizer's largest therapeutics in 2016 were Lyrica (epilepsy), the Prevnar family of therapeutics (pneumococcal vaccines), Enbrel (arthritis), Viagra (erectile dysfunction), Sutent (various carcinomas), Lipitor (cholesterol), and the Premarin family (menopause). Pfizer had significant revenue concentration in these products last year, including 11% of revenue in the Prevnar family, 8% in Lyrica, 6% in Enbrel, 3% in Lipitor, 2% in Viagra, 2% in Sutent, and 2% in the Premarin family.

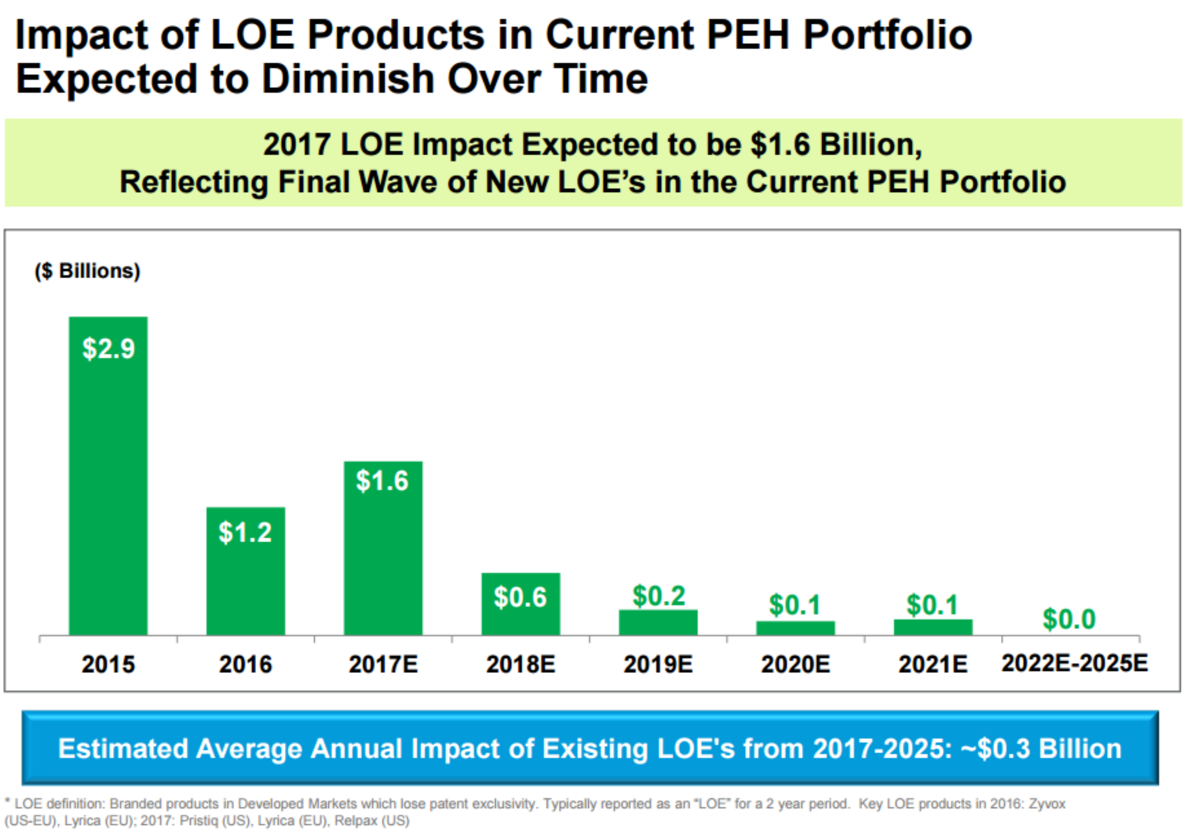
Approximately 50% of Pfizer's sales are in the U.S., and 11 of the international countries Pfizer has a presence in deliver over $500 million in annual revenue.

Competitive Advantages

There are many positive characteristics in investing in a pharmaceutical company, including recession-resistant products and high barriers to entry in the form of massive R&D spending and strict regulatory oversight.

Pfizer's drug portfolio is reasonably diversified with its 10 largest products accounting for about 40% of total revenue. However, investors need to be aware of patent expirations on any of the therapeutics in the portfolio. Fortunately, Pfizer's legacy portfolio is expected to see diminished revenue impact from patent expirations after this year (see the chart below), and the company's strategy for building its pipeline of new therapeutics is through M&A and internal R&D investment.

This is critical for the company's future and is expected to drive continued organic growth going forward. Overall, Pfizer appears to be recovering well from the patent cliff a few years back by investing significant capital in R&D and acquisitions to rebuild the pipeline. Our full investment thesis on Pfizer can be seen by clicking here.



Dividend Review

Dividend Safety Score: 64 Dividend Growth Score: 51 Dividend Yield: 3.60%

Pfizer has paid dividends for more than 30 years and has increased its dividend by 8.4% per year over the last five years. The company's dividend appears to be quite safe thanks to Pfizer's healthy 50% payout ratio, excellent balance sheet (AA investment-grade credit rating from S&P), and recession-resistant cash flow. While parts of the drug industry are under some political pressure to potentially reduce prices, Pfizer's dividend should remain safe given the company's diversification and financial strength. Going forward, Pfizer will likely continue increasing its dividend at a mid-single-digit rate.

Recent News

Pfizer reported earnings on October 31. The company's organic sales increased 1%, and adjusted earnings per share grew 10%. Management slightly raised Pfizer's 2017 financial guidance, which calls for mid-single-digit organic sales and operational earnings growth. Overall, Pfizer's product portfolio appears to be doing a good job combating generic competition to some of its legacy blockbuster drugs.

Here is what Pfizer's CEO Ian Read said about the quarter:

"We reported solid third-quarter 2017 financial results and raised the midpoint of the range for our 2017 Adjusted diluted EPS guidance. Innovative Health revenues grew 11% operationally, primarily driven by the performance of our key growth drivers, notably Ibrance, Eliquis, Xtandi and Xeljanz, all of which are products that are early in their patent-protected lifecycle in attractive therapeutic areas. While Essential Health revenues remained challenged primarily due to continued headwinds from products that recently lost marketing exclusivity and product supply, we had solid operational growth in emerging markets and in biosimilars. Looking ahead, we are encouraged by the convergence of two positive trends: an expected decline in the unfavorable revenue impact associated with product losses of exclusivity and the beginning of an expected multi-year wave of potential new product launches and product line extensions driven by our pipeline. We believe that the convergence of these trends, coupled with anticipated continued strong growth from the aforementioned innovative products, positions the Company for long-term success."

Valuation

PFE's forward P/E ratio was 13.0 and its dividend yield was 3.60% as of 11/5/17.

General Mills (GIS): General Mills maintains a diversified sales mix of packaged meals, cereal, snacks, baking products, yogurt, and more. The company's key brands include Cheerios, Yoplait, Pillsbury, Totino's, Nature Valley, FiberOne, and Annie's. By product category, cereal accounted for 20% of sales last year, snacks 18%, yogurt 16%, convenient meals 15%, super-premium ice cream 5%, dough 10%, baking mixes 10%, vegetables 5%, and other products contributed 1%. General Mills primarily sells its products to large retailers such as Wal-Mart (21% of sales), and closet to 70% of its sales are made in the U.S. The company has about 690 SKUs per store and has been expanding its product categories organically and via acquisition.

Competitive Advantages

General Mills and its predecessors have been around for well over 100 years. Compared to newer companies, General Mills benefits from its scale, long-standing distribution relationships, entrenched brands, and decades' worth of marketing spend. As long as General Mills is able to continue adapting to changing consumer preferences by introducing relevant new products and pursuing appropriate marketing campaigns, the company will likely maintain its strong staying power. Our full investment thesis on General Mills can be seen by clicking here.

Dividend Review

Dividend Safety Score: 89   Dividend Growth Score: 46   Dividend Yield: 3.82%

General Mills and its predecessors have paid dividends without interruption or reduction for more than 115 years, an amazing accomplishment. Management last raised the dividend by 2.1% in June 2017, and the company's dividend has increased by 10.4% per year over the last decade. With a payout ratio near 70%, solid cash flow generation, and a recession-resistant business, General Mills should be able to continue serving up mid-single-digit dividend increases over the next few years.

Recent News
No update from last month. General Mills reported another challenging quarter on September 20, sending its stock sliding. Organic sales and operating profit declined 4% and 16%, respectively, but free cash flow more than doubled year-over-year. As you may recall, new CEO Jeff Harmening took over on June 1, 2017. Harmening has been with the company for 23 years and most recently served as the COO. Here's what he had to say about the quarter:

"Our number one priority in fiscal 2018 is strengthening our topline performance. Our first-quarter net sales finished in line with our expectations, and our focus on our global growth priorities drove important improvement in our retail sales trends. This included a 300 basis point improvement in the U.S., with better results in each of our top 5 categories. We anticipated a slow start to the year on the bottom line, and we continue to expect sequential improvement in profitability in the coming quarters. Looking ahead, we're taking deliberate steps through innovation, brand building, and increased organizational agility to position the company for long-term top- and bottom-line growth, in line with our shareholder return model."

Of course, he believes most of the company's problems are fixable issues, including a lack of product innovation and smarter pricing decisions. Management reaffirmed full-year guidance calling for organic sales to be down 1% to 2%, an increase in operating profit margin, and adjusted diluted EPS up 1% to 2% in constant currency.

For fiscal 2018, the company has identified four global growth priorities: 1) growing cereal globally; 2) improving U.S. yogurt through innovation; 3) investing in differential growth opportunities including Häagen-Dazs ice cream, snack bars, Old El Paso Mexican food, and its portfolio of natural and organic food brands; and 4) managing Foundation brands with appropriate investment.

By directing resources toward these global priorities, General Mills expects to drive a 200 to 300 basis point improvement in its organic net sales trends in fiscal 2018, which represents an important step in returning the business to consistent organic net sales growth. You can read more about the company's new long-term strategy here.

This a very challenging time for America's packaged-food giants, which are losing shelf space to fresh food, prepared hot meals, and healthier items from local upstarts. Food deflation has also hurt growth and made the industry even more competitive, and Amazon's acquisition of Whole Foods could potentially rattle the landscape further (although much remains to be seen).

Despite the current environment, which could make the next few quarters volatile, I continue to believe that General Mills will be able to adapt over the long run with more new product launches, improved advertising, and continued cost-cutting initiatives.

Valuation
GIS's forward P/E ratio was 16.6 and its dividend yield was 3.82% as of 11/5/17.

Kimberly-Clark (KMB): Kimberly-Clark has been in business since 1928 and has grown into one of the largest global manufacturers of various tissue and hygiene products. Some of the company's key products are disposable diapers, training pants, baby wipes, incontinence care products, tissues, toilet paper, paper towels, napkins, and more. Kimberly-Clark's major brands include Huggies, Pull-Ups, Kleenex, Cottonelle, Kotex, Scott, and Depend. Products are primarily sold to supermarkets, mass merchandisers (Walmart is a 13% customer), drugstores, and other retail outlets.

By segment, Personal Care accounts for 50% of sales and 52% of segment operating profit. Consumer Tissue accounts for 33% of sales and 31% of operating profit, and K-C Professional generates 17% of sales and 17% of operating profit. By geography, about 52% of sales and 65% of segment operating profit come from North America. Asia / Latin America generate 37% of sales and 28% of operating profit, and Europe accounts for 12% of sales and 7% of operating profit.

Competitive Advantages

Kimberly-Clark gains advantages from its size, strong brands, and product innovation. As one of the largest players in most of its markets, the company's manufacturing scale allows it to produce products at a lower cost than most of its rivals. These extra profits can be invested in advertising, which Kimberly-Clark spends more than $650 million on each year to defend its shelf space and keep its products popular with consumers. Breaking the company's distribution channels would be very difficult for new entrants, and Kimberly-Clark has the financial resources necessary to invest in R&D or marketing if a new product trend emerges. Finally, the company's strong exposure to emerging and developing markets is worth highlighting. Demand for many of Kimberly-Clark's products tracks population growth, so the company is reasonably well positioned to combat potentially stagnant growth in developed markets. Our full investment thesis on Kimberly-Clark can be seen by clicking here.

Dividend Review

Dividend Safety Score: 94 Dividend Growth Score: 55 Dividend Yield: 3.50%

Kimberly-Clark appears to pay one of the safest dividends in the market, supported by the company's healthy free cash flow payout ratio near 65%, excellent cash flow generation, recession-resistant business (sales dipped just 2% in fiscal year 2009), stable profitability, and investment-grade rated debt.

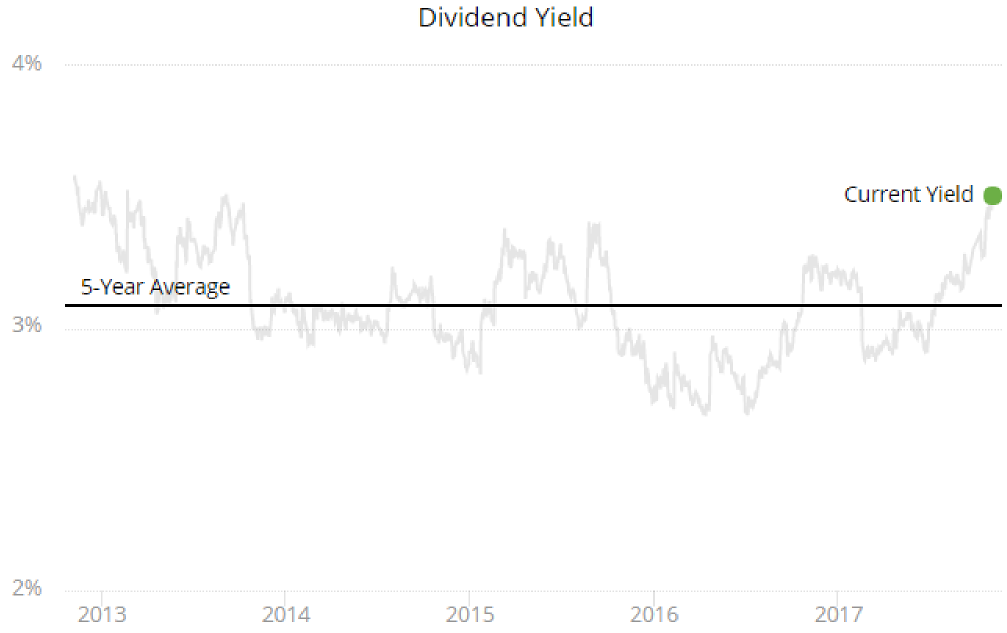
Kimberly-Clark is a dividend aristocrat that has raised its dividend for 45 consecutive years. The company's dividend increased 6.5% per year over the last 20 years and by 4.3% annually during the last three years. Until earnings growth picks up, the company will likely continue raising its dividend by 3-6% per year.

Recent News

Kimberly-Clark reported results on October 23. Organic sales rose slightly, including 3% growth in developing and emerging markets. Management confirmed the company's previous full-year 2017 outlook. Sluggish growth over the past year (spending on consumer staples remains weak), steep competition in developed markets, and adverse currency effects have all weighed on KMB. I continue to believe the company's emerging markets reach positions it well for the long-term.

Valuation

KMB's forward P/E ratio was 17.0 and its dividend yield was 3.50% as of 11/5/17. The stock's yield is near the highest it has been in five years (see chart on the next page):



National Retail Properties (NNN): National Retail was formed in 1984 and is a real estate investment trust (REIT) with more than 2,500 properties in over 48 states. The company's retail properties are leased to more than 400 tenants across 38 industry classifications, such as convenience stores and restaurants, providing nice diversification. Furthermore, National Retail only originates single-tenant triple-net leases, which shift property operating expenses such as maintenance, taxes, and utilities to the tenant. In other words, the rental revenue received by National Retail has substantially fewer expenses and more stable net cash flow than other REITs with a smaller mix of triple-net leases.

Competitive Advantages

National Retail's main advantages come from its conservative management team, high quality property locations, and diversification. By spreading its properties across nearly 40 different industries and hundreds of tenants, National Retail diversifies away a significant amount of fundamental risk. Its largest tenant is less than 6% of annual rent, and convenience stores are its largest exposure at about 18% of annual rent, followed by full-service restaurants (12%). National Retail's well-placed retail locations allow it to enjoy an occupancy rate in excess of 99%, and its occupancy rate has never dipped below 96.4% since 2003 (much better than the broader REIT industry). The company intentionally owns single-tenant properties, which prevent tenants from pooling their bargaining power together to try and reduce their rent. Consumer-focused retailers also face more switching costs than an office or industrial customer because they are more location-driven; they don't want to risk disrupting their established customer base to save a bit on rent, resulting in stronger renewal rates. Finally, National Retail maintains one of the lowest leverage ratios relative to other REITs, providing it with flexibility to continue growing even if rates rise. Our full investment thesis on National Retail Properties can be seen by clicking here.

Dividend Review

Dividend Safety Score: 84   Dividend Growth Score: 17   Dividend Yield: 4.66%

National Retail Properties has increased its dividend for 28 consecutive years, recording 3.1% annual growth over the last five years. Based on 2017 guidance, the REIT's AFFO payout ratio is expected to be a reasonable 75% this year. The company will likely continue raising its dividend by 2-4% per year, and its dividend should remain very safe thanks to its BBB+ investment-grade credit rating from S&P, quality property locations, and impressive track record. The company raised its dividend by 4.4% in July 2017.

Recent News
National Retail Properties reported earnings on November 2. Adjusted funds from operations (AFFO) per share grew 6.6%, and portfolio occupancy remained very strong at 98.8%. The company continued finding growth opportunities, investing $90 million in property investments. Management slightly increased the midpoint of the company's 2017 FFO guidance range, too.

Here is what National Retail's CEO Jay Whitehurst said about the quarter:

"National Retail Properties continues to consistently deliver compelling per share results. Our broadly diversified portfolio remains healthy and our pipeline of new acquisitions from relationship tenants is strong. We are pleased to once again raise our Core FFO per share guidance for 2017 and to introduce 2018 Core FFO per share guidance which reflects a continuation of our consistent per share growth rate."

Valuation
NNN's forward P/AFFO ratio was 15.5 and its dividend yield was 4.66% as of 11/5/17.

Stocks to Consider Selling
I plan to sell Compass Minerals (CMP) and exit 35 of our 135 shares of Intel (INTC) when the market opens on Tuesday, November 7. Verizon also remains under review for potential sale in the coming weeks and months but isn't urgent (please see July's newsletter for additional commentary).

CMP is a stock I have been looking to exit for several months, largely because I felt its range of potential outcomes had widened well beyond my comfort zone. The company's substantial capacity expansion projects and elevated debt load increased the stock's risk over the past two years since I initiated my position.

We are now getting to a point where the bulk of investments are behind the company and free cash flow will substantially rise over the next few years, but mild winter weather, depressed agricultural markets, and operational challenges (including the temporary mine closure announced in September) have created additional headwinds.

CMP raised its dividend by 4% earlier this year and has around $220 million of available borrowing capacity under its revolving credit facility (compared to $94 million in annual dividend payments). The facility doesn't expire until July 2021, and fortunately the bulk of the company's debt isn't due until 2021 or later as well.

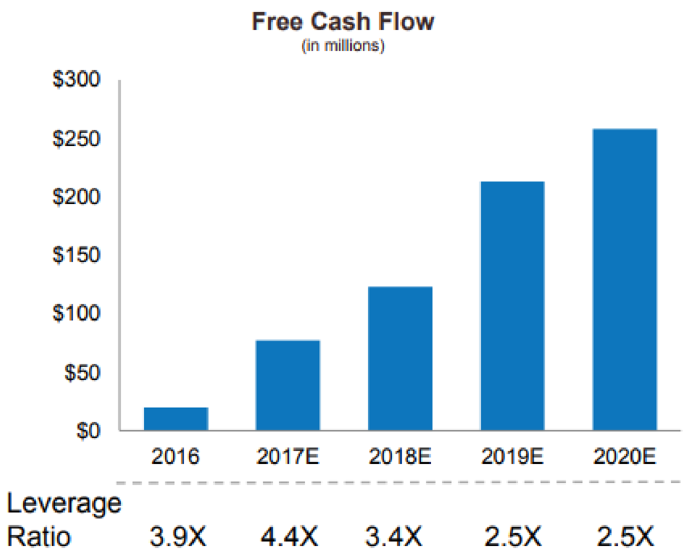
This year will obviously be very lean after today's news, so improving winter weather and agriculture market conditions will become all the more important. I don't think the dividend is at risk of an imminent cut, but the margin for error certainly looks to have narrowed again.

There is meaningful upside if CMP's end markets recover and its growth projects deliver their expected returns over the next several years (see management's free cash flow forecast below), but the range of outcomes has widened after the company took on substantial debt last year and aggressively expanded its capacity.

I am ready to exit the stock since I prefer more predictability in my portfolio, which is rather concentrated and has goals of generating safe, growing income and preserving capital.

Compass Minerals had its investor day on September 29, and interested investors can view the company's presentation here.

The decision to trim our stake in Intel is driven by the stock's 20% surge over the past month. I think the stock has gotten ahead of its fundamentals as investors speculate about the company getting designed into the iPhone.



Conservative Retirees Portfolio – Portfolio Actions

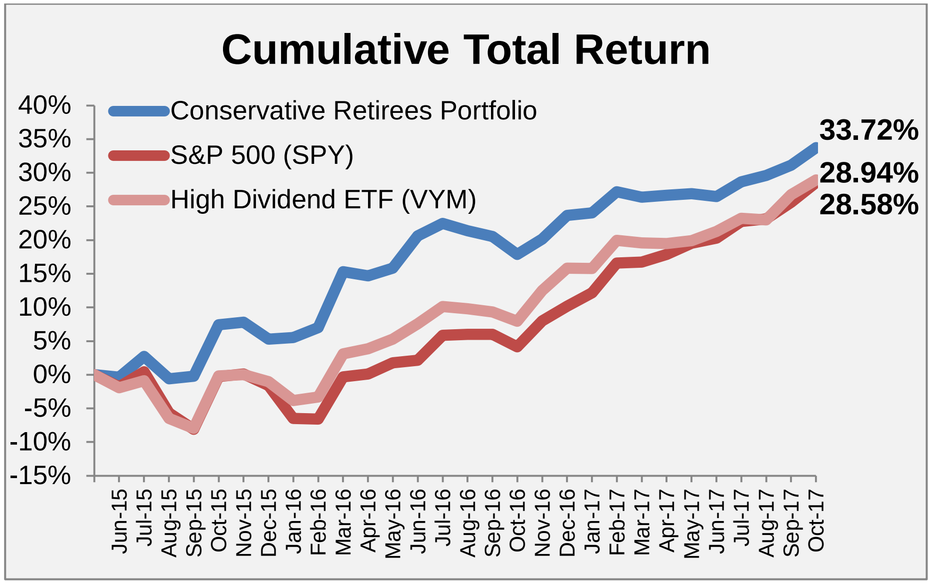
Data as of 11/5/17 = stock is under review for potential sale in the coming weeks and months = stock to be sold on 11/7

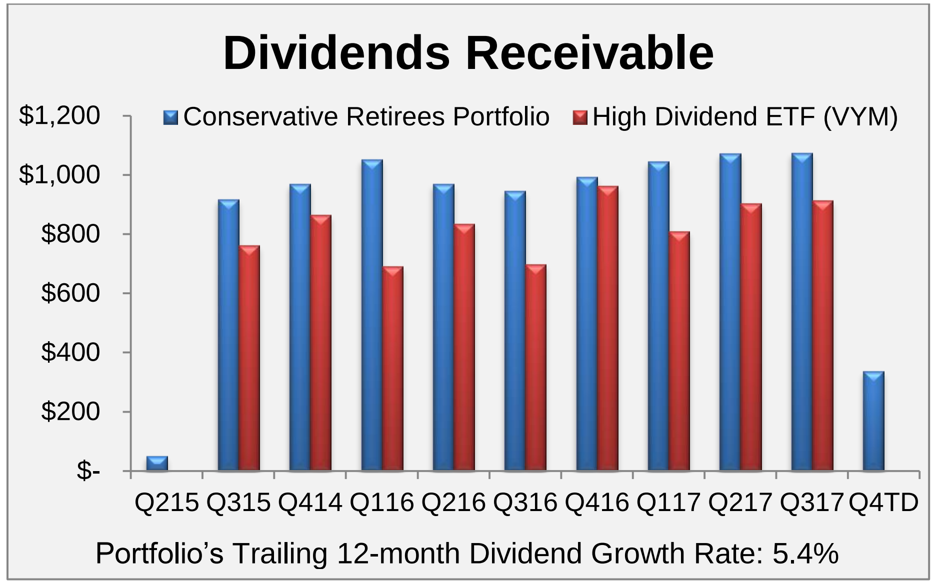
Ticker	Name	Fwd P/E Ratio	Dividend Yield	Safety Score	Growth Score	Price Volatility	Entry Date	Shares Owned	% of Portfolio	Cost per Share	Last Price	Market Value	Total Return	S&P 500 Return	Relative Return
Possible Buying Opportunities															
D	Dominion Energy	20.1	3.8%	91	40	Very Low	11-07-17	50		?	$80.67				
CCI	Crown Castle International	20.2	3.9%	58	39	Very Low	11-07-17	40		?	$106.51				
T	AT&T Inc.	11.2	5.9%	78	13	Very Low	11-07-17	80		?	$33.30				
PFE	Pfizer, Inc.	13.0	3.6%	64	51	Average	04-03-17	167	4.4%	$34.20	$35.55	$5,936.85	5.9%	10.9%	-5.1%
GIS	General Mills, Inc.	16.6	3.8%	89	46	Low	06-17-15	73	2.8%	$55.25	$51.34	$3,747.82	0.6%	29.2%	-28.6%
KMB	Kimberly-Clark Corporation	17.0	3.5%	94	55	Low	08-07-17	42	3.5%	$120.99	$110.79	$4,653.18	-8.0%	4.8%	-12.8%
NNN	National Retail Properties	15.5	4.7%	84	17	Very Low	06-26-15	111	3.4%	$35.74	$40.81	$4,529.91	27.0%	29.1%	-2.1%
Long-term Holds															
TRI	Thomson Reuters Corp	16.8	3.1%	89	27	Low	07-24-15	108	3.6%	$37.56	$44.58	$4,814.64	27.8%	30.2%	-2.4%
PM	Philip Morris International Inc	19.1	4.2%	81	20	Average	06-19-15	50	3.8%	$82.66	$102.66	$5,133.00	38.1%	28.5%	9.7%
WFC	Wells Fargo & Company	13.0	2.8%	61	14	Average	12-31-15	74	3.1%	$54.33	$56.35	$4,169.90	10.0%	31.3%	-21.3%
CSCO	Cisco Systems, Inc.	15.8	3.4%	79	60	High	06-06-16	175	4.5%	$29.15	$34.47	$6,032.25	24.8%	26.0%	-1.2%
AEP	American Electric Power	19.0	3.3%	70	10	Very Low	06-19-15	73	4.0%	$54.47	$74.08	$5,407.84	47.5%	28.5%	19.0%
OHI	Omega Healthcare Investors, Inc.	8.6	9.2%	61	12	Low	06-25-15	115	2.4%	$34.76	$28.39	$3,264.85	-2.1%	29.0%	-31.1%
XOM	Exxon Mobil Corporation	20.5	3.7%	75	26	Average	07-31-15	50	3.1%	$79.29	$83.18	$4,159.00	14.9%	28.7%	-13.7%
MCD	McDonald's Corporation	24.3	2.4%	89	35	Low	07-07-15	41	5.2%	$96.68	$168.65	$6,914.65	86.4%	30.2%	56.2%
PG	Procter & Gamble Company	20.8	3.2%	99	46	Low	07-01-15	50	3.2%	$79.72	$86.58	$4,329.00	17.7%	30.5%	-12.8%
VZ	Verizon Communications Inc.	12.2	5.0%	84	16	Low	06-30-15	85	3.0%	$46.61	$47.42	$4,030.70	14.3%	31.6%	-17.2%
PPL	PPL Corporation	15.9	4.3%	83	5	Very Low	07-13-15	129	3.5%	$30.97	$36.74	$4,739.46	30.7%	29.1%	1.6%
GM	General Motors Company	7.3	3.6%	65	19	Very High	07-21-15	131	4.2%	$30.39	$42.34	$5,546.54	54.2%	27.9%	26.3%
CMP	Compass Minerals International	16.7	4.4%	41	44	Very Low	08-06-15	50	2.5%	$80.54	$65.75	$3,287.50	-11.2%	30.0%	-41.1%
INTC	Intel Corporation	14.2	2.4%	94	72	High	07-15-15	135	4.7%	$29.69	$46.34	$6,255.90	67.4%	28.6%	38.8%
ED	Consolidated Edison Inc	20.5	3.2%	90	7	Very Low	07-02-15	67	4.4%	$59.14	$87.04	$5,831.68	59.9%	30.6%	29.3%
PAYX	Paychex, Inc.	26.9	3.1%	83	72	Average	07-28-15	87	4.2%	$46.61	$63.99	$5,567.13	49.1%	29.4%	19.7%
WM	Waste Management, Inc.	23.6	2.1%	99	68	Low	07-13-15	83	5.1%	$47.93	$81.70	$6,781.10	80.7%	29.1%	51.6%
SYY	Sysco Corporation	20.4	2.3%	99	43	Low	07-23-15	112	4.8%	$36.14	$56.66	$6,345.92	66.4%	28.9%	37.6%
JNJ	Johnson & Johnson	17.9	2.4%	97	86	Low	06-25-15	40	4.2%	$99.12	$140.08	$5,603.20	50.4%	29.0%	21.4%
EMR	Emerson Electric Company	22.2	3.0%	63	35	High	08-04-15	80	3.8%	$49.62	$64.10	$5,128.00	39.9%	29.3%	10.6%
Cash (Includes Dividends Receivable)									8.5%			$11,323.04			
Portfolio Total		**17.4**	**3.5%**	**79**	**34**	**Low**			**100%**			**$133,533**	**33.5%**	**29.2%**	**4.3%**

<u>How to Use the Table:</u> Stocks in the "Possible Buying Opportunities" list appear to have relatively attractive valuations and/or more timely fundamental momentum. As such, they could prove to be the best available investment opportunities to put new cash to work in. Stocks in the "Long-term Holds" list are still expected to be solid long-term holdings, but they do not appear to have as attractive valuations or fundamental momentum at the moment, suggesting there might be a better opportunity in the future to add more.

Investors looking for stocks with very safe current income and low volatility should look for stocks with dividend "Safety Scores" of at least 50 and "Low" or "Very Low" price volatility. Investors interested in longer-term income growth should look for stocks with dividend "Growth Scores" of at least 70. Note that scores of 50 are average, 75 or higher is excellent, and 25 or lower is considered weaker.

Conservative Retirees Portfolio – Performance and Dividend Income





<u>**Monthly Return**</u>	**Feb 2017**	**Mar 2017**	**Apr 2017**	**May 2017**	**June 2017**	**July 2017**	**August 2017**	**September 2017**	**October 2017**
Portfolio	2.53%	-0.65%	0.21%	0.20%	-0.34%	1.73%	0.74%	0.97%	1.99%
S&P 500	3.93%	0.13%	0.99%	1.41%	0.64%	2.06%	0.29%	2.01%	2.36%
VYM ETF	3.58%	-0.30%	-0.08%	0.36%	1.13%	1.61%	-0.18%	3.02%	1.74%
Portfolio Value	$127,198.96	$126,375.47	$126,643.26	$126,895.24	$126,467.07	$128,651.02	$129,840.55	$131,103.28	$133,717.14

<u>**Since Inception**</u>

Cumulative	**Feb 2017**	**Mar 2017**	**Apr 2017**	**May 2017**	**June 2017**	**July 2017**	**August 2017**	**September 2017**	**October 2017**
Portfolio	27.20%	26.38%	26.64%	26.90%	26.47%	28.65%	29.60%	31.10%	33.72%
S&P 500	16.58%	16.72%	17.88%	19.54%	20.31%	22.78%	23.14%	25.62%	28.58%
VYM ETF	19.95%	19.58%	19.49%	19.92%	21.28%	23.24%	23.02%	26.73%	28.94%

Annualized	**Feb 2017**	**Mar 2017**	**Apr 2017**	**May 2017**	**June 2017**	**July 2017**	**August 2017**	**September 2017**	**October 2017**
Portfolio	15.16%	13.98%	13.45%	12.95%	12.21%	12.60%	12.46%	12.57%	13.01%
S&P 500	9.42%	9.03%	9.19%	9.56%	9.49%	10.15%	9.88%	10.48%	11.16%
VYM ETF	11.17%	10.43%	9.91%	9.66%	9.86%	10.27%	9.77%	10.84%	11.22%

Conservative Retirees Portfolio – Payment Schedule

Data as of 11/5/17

Ticker	Dividend Yield	EPS Payout Ratio	FCF Payout Ratio	Dividend Amount $	Payment Cycle	Next Ex-Div Date	Next Pay Date	1-Yr Div Growth	5-Yr Div CAGR	10-Yr Div CAGR
AEP	3.3%	62%	105%	0.62	Mar, Jun, Sept, Dec	11/09/2017	12/08/2017	6%	4%	4%
CCI	3.9%	79%	179%	1.05	Mar, Jun, Sept, Dec	12/14/2017	12/29/2017	8%	N/A	N/A
CSCO	3.4%	59%	44%	0.29	Jan, Apr, Jul, Oct	Early Jan	Late Jan	21%	41%	N/A
ED	3.2%	66%	-421%	0.69	Mar, Jun, Sept, Dec	11/14/2017	12/15/2017	3%	2%	2%
EMR	3.0%	85%	79%	0.48	Mar, Jun, Sept, Dec	Early Nov	Mid Dec	1%	6%	7%
D	3.8%	87%	-151%	0.77	Mar, Jun, Sept, Dec	11/30/2017	12/20/2017	8%	7%	7%
GIS	3.8%	70%	61%	0.49	Feb, May, Aug, Nov	Early Jan	Early Feb	8%	10%	10%
GM	3.6%	78%	33%	0.38	Mar, Jun, Sept, Dec	12/07/2017	12/21/2017	10%	N/A	N/A
INTC	2.4%	37%	44%	0.27	Mar, Jun, Sept, Dec	11/06/2017	12/01/2017	8%	6%	10%
JNJ	2.4%	57%	50%	0.84	Mar, Jun, Sept, Dec	11/27/2017	12/12/2017	7%	7%	8%
MCD	2.4%	54%	77%	1.01	Mar, Jun, Sept, Dec	11/30/2017	12/15/2017	5%	7%	14%
NNN	4.7%	76%	-98%	0.48	Feb, May, Aug, Nov	Late Jan	Mid Feb	4%	3%	3%
OHI	9.2%	113%	434%	0.65	Feb, May, Aug, Nov	Late Jan	Mid Feb	8%	9%	9%
PAYX	3.1%	82%	74%	0.50	Feb, May, Aug, Nov	Late Oct	Late Nov	10%	7%	10%
PFE	3.6%	50%	58%	0.32	Mar, Jun, Sept, Dec	11/09/2017	12/01/2017	7%	8%	2%
PG	3.2%	48%	74%	0.69	Feb, May, Aug, Nov	Mid Jan	Mid Feb	2%	5%	8%
PM	4.2%	92%	97%	1.07	Jan, Apr, Jul, Oct	Late Dec	Mid Jan	2%	8%	N/A
PPL	4.3%	65%	-246%	0.40	Jan, Apr, Jul, Oct	Early Dec	Early Jan	1%	2%	3%
KMB	3.5%	63%	64%	0.97	Jan, Apr, Jul, Oct	Early Dec	Early Jan	5%	6%	7%
SYY	2.3%	63%	48%	0.33	Jan, Apr, Jul, Oct	Early Jan	Late Jan	3%	4%	6%
T	5.9%	94%	72%	0.49	Feb, May, Aug, Nov	Early Jan	Early Feb	2%	2%	4%
TRI	3.1%	34%	78%	0.35	Mar, Jun, Sept, Dec	Mid Nov	Mid Dec	1%	2%	4%
VZ	5.0%	77%	180%	0.59	Feb, May, Aug, Nov	Early Jan	Early Feb	3%	3%	5%
WFC	2.8%	40%	73%	0.39	Mar, Jun, Sept, Dec	11/02/2017	12/01/2017	2%	26%	3%
WM	2.1%	54%	43%	0.43	Mar, Jun, Sept, Dec	Early Dec	Late Dec	6%	4%	6%
XOM	3.7%	99%	88%	0.77	Mar, Jun, Sept, Dec	11/10/2017	12/11/2017	3%	10%	9%
Average*	3.5%	67%	65%					6%	8%	6%

*Average EPS and FCF payout ratios exclude outliers caused by one-time events in order to reflect a more representative figure.

How to Use the Table

The "Payment Schedule" table displays the dividend information you need to know about each holding.

Dividend Yield: the company's indicated annual dividend divided by its stock price.
EPS Payout Ratio: the percentage of GAAP earnings paid out as a dividend over the last 12 months.
FCF Payout Ratio: the percentage of free cash flow paid out as a dividend over the last 12 months.
Dividend Amount: the dollar per share amount of dividends paid out at each pay period.
Payment Cycle: the months the dividend is paid out. Useful for creating monthly income streams.
Next Ex-Div Date: to receive the next dividend payment, you need to own shares before this date.
Next Pay Date: the date at which the dividend amount is actually distributed to shareholders.

Long-term Dividend Growth

Portfolio Update

Portfolio Statistics

Dividend Yield:	1.5%
Fwd P/E Ratio:	21.3
Beta:	0.95
Dividend Safety:	89
Dividend Growth:	82
1-yr Sales Growth:	8.5%
1-yr EPS Growth:	14.4%

Performance Update

10/31/17	Oct.	All
Portfolio	3.8%	48.8%
S&P 500	2.4%	29.9%
VIG ETF	2.1%	28.0%

Dividend Increases:	54
Dividend Decreases:	0

Portfolio Objective
Outperform the S&P 500 by at least 1% per year over any five-year rolling time horizon and generate annual dividend growth of at least 12% per year.

Return Drivers
Total return is expected to be composed of:

1.5% - 2.5% dividend yield
8% - 10% earnings growth

Investment Philosophy
We invest in companies with enduring competitive advantages, big markets, and relatively low payout ratios. We believe these stocks are best positioned for long-term earnings and dividend growth.

Portfolio Turnover
When we initiate a new position, we expect to hold it for at least 3-5 years. We only sell if fundamentals structurally change or the valuation reaches excessive levels.

Performance Update

Our Long-term Dividend Growth portfolio gained 3.8% in October, topping the S&P 500 (+2.4%) and Vanguard's Dividend Appreciation ETF (VIG, +2.1%).

Since inception in June 2015, the portfolio has returned 48.8%, outperforming the S&P 500's 29.9% return and VIG's 28.0% gain. The portfolio's 18.0% annualized return since inception is unlikely to continue, but our outlook for dividend growth remains strong.

Our strongest stocks during the month of October were FLIR Systems (+20%), Rockwell Automation (+13%), and MSC Industrial (+10%).

FLIR reported solid earnings. The company's backlog grew 10% to reach a record high, and its third-quarter free cash flow increased over 15%. MSC Industrial didn't report earnings, but one of its peers announced solid results, sending the stock higher.

Rockwell Automation doesn't report results until November 8. It rallied along with other industrials and spiked at the end of the month after receiving a takeover bid from Emerson Electric, which the company rejected. The offer was for $215 per share, and ROK closed at about $198 on Friday.

Our worst performing stocks were TJX Companies (-5%), Patterson Companies (-4%), and Hormel (-3%).

No news was out on TJX, which next reports earnings on November 14. However, a number of other retailers and department stores, most notably JC Penney, released disappointing news that weighed on the sector. I continue to believe TJX has a unique and resilient business model.

Patterson Companies has been one of our most frustrating holdings, losing more than 20% of its value while the market has gained close to 30%. PDCO made a number of leadership changes this year, including naming a new CEO in late October. Given the murky headwinds PDCO's two segments are facing, I'm ready to move on to a new idea.

Hormel reports earnings on November 21 but announced its largest acquisition ever on October 31, an $850 million deal to buy Columbus, a premium deli meat and salami company. I continue to think Hormel is better positioned for changing consumer trends than most of its consumer staple peers.

I plan to execute several trades on Tuesday, November 7. I will sell all of our shares of Patterson (PDCO) and Lincoln Electric (LECO), which reduces our projected annual dividend income by about $192. Proceeds will be used to purchase 60 shares of Lowe's (LOW) and 65 shares of Medtronic (MDT), adding $218 to our annual income and improving our overall diversification. More details about these planned transactions is on the following pages.

Dividend Events
Four holdings announced new dividend increases during the last month. Our portfolio has enjoyed a total of 54 payout raises since inception in June 2015. We have not experienced any dividend cuts.

Thor Industries increased its quarterly dividend by 12%, recoding its 8th consecutive annual increase.

Lincoln Electric raised its dividend by 11.4%. The company has increased its dividend for 22 consecutive years.

Rockwell Automation announced a 10% boost to its dividend, which it has raised every year since 2010.

MSC Industrial increased its payout by 6.7% and has grown its dividend for more than 10 straight years.

Stocks to Consider Buying
Three stocks look like timely opportunities for long-term investors to consider: Medtronic (MDT), Lowe's (LOW), and Hormel (HRL). Most of our other holdings continue trading at relatively high valuation multiples.

Medtronic (MDT): Medtronic was founded in 1949 and has grown into one of the world's largest medical equipment device companies, helping treat over 40 medical conditions and 70 million patients in 2016. The company's diverse portfolio of products is organized into four main business units (cardiac & vascular, minimally invasive therapy, restorative therapies, diabetes). Products include everything from pacemakers to blood vessel sealing technology to insulin management pumps. The business is very global with close to half of total sales coming from outside of the U.S., including a meaningful portion (about 15%) from emerging markets.

Competitive Advantages
Medtronic's success over the decades has largely stemmed from its unrelenting focus on continually innovating new medical products to meet needs of a fast-growing and aging global population. The company invests heavily in R&D each year, resulting in nearly 5,000 patents and a constantly growing development pipeline, which covers everything from surgical robotics systems to vessel sealing instruments. Given the price-sensitive nature of the healthcare industry, developing successful new technologies and medical devices is essential to maintaining market share and healthy profitability. A lot of Medtronic's medical devices also significantly impact patients' quality of life and must be of extremely high quality. The company's specialized products can offer superior performance in many instances, allowing it to maintain strong market share and profitability. In addition, thanks to a disciplined and well executed acquisition strategy, such as its $50 billion acquisition of Covidien, Medtronic has been able to extend its sales reach into new promising treatment areas, as well as faster-growing emerging markets. Our full investment thesis on Medtronic is available here.

Dividend Review
Dividend Safety Score: 84 Dividend Growth Score: 73 Dividend Yield: 2.35%

Medtronic is a dividend aristocrat that has paid higher dividends for 39 consecutive years. With a conservative free cash flow payout ratio near 50%, consistent cash flow generation (recession resistant business, too), and a very strong investment grade credit rating, Medtronic's dividend is extremely secure. The company's payout has compounded by around 15% annually over the past two decades and has reasonable potential to continue rising at a double-digit clip going forward.

Recent News

Medtronic last reported earnings on August 22. Organic sales grew 4%, operating margins edged higher, non-GAAP earnings increased 9%, and management reiterated full-year revenue and EPS guidance. The company is facing a few short-term issues (sensor supply constraint, IT system disruption, hurricane damage in Puerto Rico), but none of these factors affect Medtronic's long-term outlook.

Valuation

MDT's forward P/E ratio was 16.9 and its dividend yield was 2.35% as of 11/5/17.

Lowe's (LOW): Founded in 1946 in North Wilkesboro, North Carolina, Lowe's is America's second largest home improvement retailer, behind Home Depot (HD). It operates more than 2,100 stores in the U.S., Canada, and Mexico. The company's stores are famous for being a one-stop shop for both do-it-yourself (DIY) customers, as well as professional contractors, generally offering more than 35,000 products, including both well-known national and exclusive brands.

Competitive Advantages

The key to Lowe's steady growth has been its strong focus on strong customer service, which combined with its extensive base of conveniently located stores, economies of scale, brand recognition, and massive distribution channels creates a wide moat in an otherwise highly commoditized retail sector. Smaller competitors are unable to match the broad assortment of inventory and in-store product presentations that Lowe's can afford. They also have much less bargaining power with suppliers, making their products less price-competitive. Consumers have few reasons not to head to Lowe's or Home Depot for their home improvement needs. Lowe's has also been improving its competitive positioning by investing more in technology, product presentation, and its online omni-channel sales platform. Through the use of technology and helpful in-store displays and service, customers have even fewer reasons to try out competitors' stores, and the home improvement niche has proven to be fairly Amazon-proof. Our full investment thesis on Lowe's is available here.

Dividend Review

Dividend Safety Score: 86 Dividend Growth Score: 92 Dividend Yield: 2.10%

Lowe's has increased its dividend for 54 consecutive years, recording 17.6% compound annual payout growth over the last three decades. With a healthy payout ratio near 40%, a solid investment grade credit rating, and very consistent cash flow generation, Lowe's dividend is very secure. Given the company's plans for margin expansion, its low payout ratio, and moderating store expansion spending in the future, Lowe's dividend could continue growing at a double-digit rate for many years to come.

Recent News

Lowe's last reported earnings on August 23. Adjusted earnings increased 15%, and comparable sales rose 4.5%. The company's CEO commented, "We are pleased with our improved comparable sales performance relative to last quarter, and the strong momentum we built throughout the second quarter culminating in a 7.9% comparable sales increase for the month of July." For the full year, Lowe's expects total sales to grow 5% and operating margins to improve.

Valuation
LOW's forward P/E ratio was 17.3 and its dividend yield was 2.10% as of 11/5/17.

Hormel (HRL): Hormel has been in operation for 125 years and is a multinational manufacturer and marketer of consumer-branded food and meat products. Some of the company's well-known brands include Skippy peanut butter, SPAM meat, Dinty Moore stew, Muscle Milk protein drinks, Wholly Guacamole dips, Jennie-O turkey, and numerous Hormel-branded products.

Roughly 53% of HRL's products are perishable (fresh meats, frozen items, refrigerated meals, sausages, hams, guacamole, and bacon), 19% are poultry (Jennie-O turkey), 18% are shelf-stable (canned luncheon meats, microwaveable meals, stews, chilies, hash, tortillas, and peanut butter), and 10% are miscellaneous (nutritional food products and supplements, sugar, dessert mixes, and drink mixes).

Competitive Advantages
As one of the largest consumer-branded food and meat manufacturers, Hormel's key to success is favorably altering customers' perceptions of its products to gain loyalty and market share. The company spent approximately $204 million on advertising last year, an amount nearly six times greater than Hormel's spending on R&D.

With many of its brands dating back over 50 years (e.g. SPAM and Dinty Moore were introduced in the 1930s) and supported by billions of advertising dollars over the years, consumers know and trust Hormel's products. As a result, more than 30 of Hormel's brands have #1 or #2 market share positions in their category. As long as consumers need to eat, Hormel's well-known brands will be there for them.

Beyond brand recognition, retailer relationships, and shelf space market share, Hormel also benefits from economies of scale. As one of the larger players in the market, Hormel is able to achieve lower production costs than smaller rivals and squeezes more value out of each advertising dollar it spends by extending well-known brands into adjacent product categories. Extensive regulations by the U.S. Department of Agriculture also disadvantage smaller competitors.

You can review my full thesis on Hormel by clicking here. The stock's P/E multiple has significantly contracted from my initial review, making the investment opportunity more attractive today.

Dividend Review
Dividend Safety Score: 100 Dividend Growth Score: 71 Dividend Yield: 2.17%

Hormel has one of the safest dividend payments in the market with a Dividend Safety Score of 100. The company raised its dividend by 17% in 2016, marking its 51st consecutive year of dividend increases. Hormel's dividend has compounded by 15.3% annually over the last decade.

Long-term dividend growth shows no signs of slowing down. Hormel's payout ratio sits near 40%, its balance sheet is very healthy, demand for its products is recession-resistant, and free cash flow generation has been excellent.

Recent News
Hormel announced an agreement to acquire Columbus Manufacturing, a premium deli meat and salami company, for $850 million, its largest deal ever. The acquisition enhances Hormel's scale in the deli and

should improve growth opportunities. Otherwise, not much has changed from last month. Hormel reported another set of disappointing earnings on August 24, and the press release's headline said it all – "Full year guidance lowered due to high commodity price volatility."

Hormel struggled along with most other packaged food companies, but for different reasons. Organic sales grew 1% and Hormel generated record pre-tax earnings, but the company faced record-high input costs for its two primary raw materials, pork bellies and beef trim. Hormel's Jennie-O Turkey Store also saw its profit fall 20% thanks mostly to lower turkey commodity prices, which are near a seven-year low.

Management expects continued earnings pressure from higher input costs with Hormel's offsetting price increases not coming until late next quarter. I continue to believe these are temporary headwinds that will eventually reverse course as supply and demand conditions normalize. Hormel's dividend yield is near the highest it has been since 2009, reflecting the stock's lowered expectations.

It's hard to find a high-returning business like Hormel's that also has a clean balance sheet and numerous opportunities for long-term growth. I continue to like the stock for the long-term.

Valuation
HRL's forward P/E ratio was 19.0 and its dividend yield was 2.17% as of 11/5/17.

Stocks to Consider Selling
As previously discussed in recent newsletters, I have been looking to reduce our exposure to industrial companies. Many of our industrial-focused holdings have performed exceptionally well and now trade at steep valuation multiples relative to history. Our portfolio is meaningfully overweight the sector.

I plan to sell Lincoln International (LECO) when the market opens on Tuesday, November 7. I also plan to exit our stake in Patterson Companies (PDCO) in light of the challenges and management turnover at the company.

Finally, Rockwell Automation (ROK) is now under review for potential sale in the coming weeks and months. The company received a takeover bid in late October, which it rejected. The stock's valuation looks rich (forward P/E ratio of 27.1), and it's hard to imagine there is more than 10-15% upside from here. If no deal is reached and economic conditions deteriorate, it wouldn't be surprising to see ROK fall to at least $150 per share or lower, representing a 25%+ price decline. I'd like to lock in these gains and further dial down our industrial exposure if I can find a solid replacement idea.

Long-term Dividend Growth Portfolio – Portfolio Actions

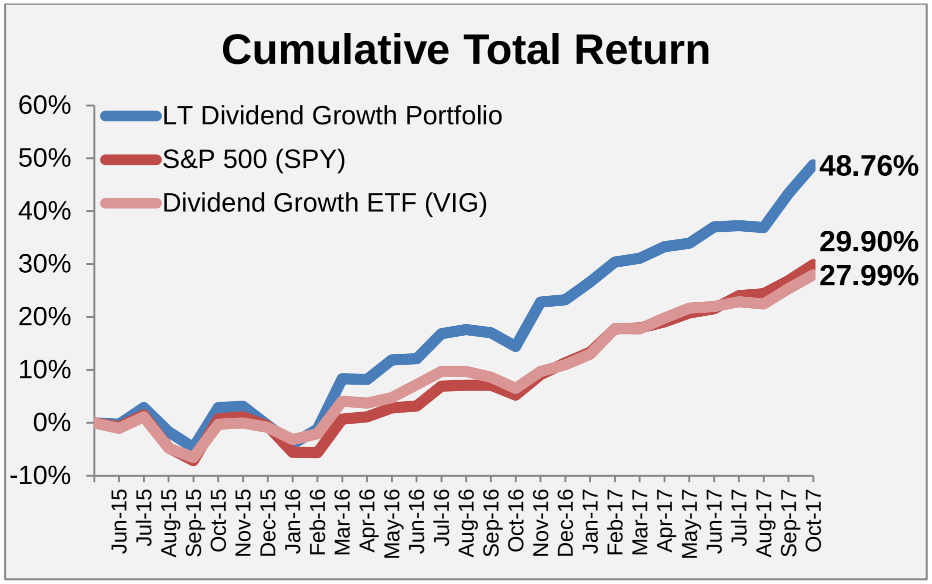
Data as of 11/5/17 = stock is under review for potential sale in the coming weeks and months = stock to be sold on 11/7

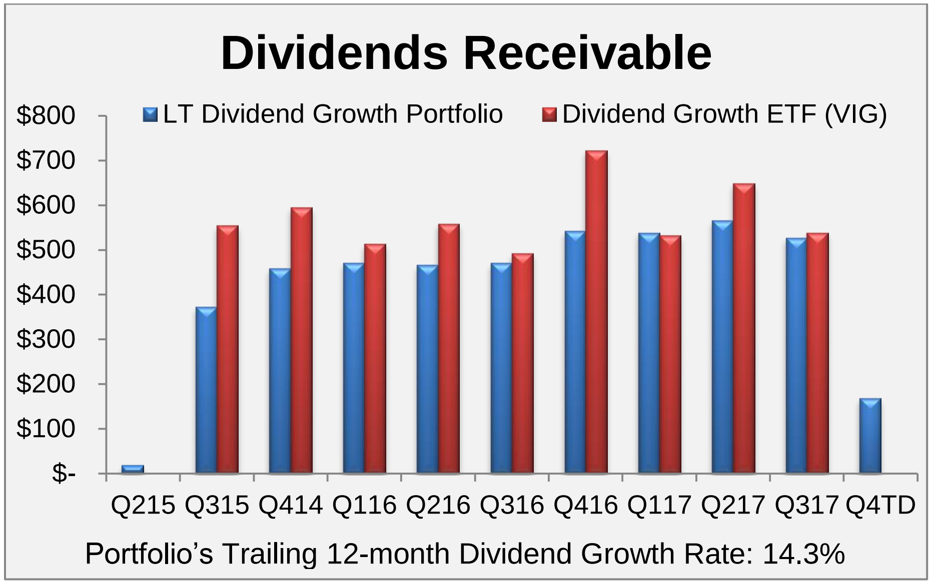
Ticker	Name	Fwd P/E Ratio	Dividend Yield	Safety Score	Growth Score	Price Volatility	Entry Date	Shares Owned	% of Portfolio	Cost per Share	Last Price	Market Value	Total Return	S&P 500 Return	Relative Return
Possible Buying Opportunities															
MDT	Medtronic	16.9	2.3%	84	73	Average	11-07-17	65		?	$78.43				
LOW	Lowe's Companies, Inc.	17.3	2.1%	86	92	High	11-07-17	60		?	$77.92				
HRL	Hormel Foods Corporation	19.0	2.2%	100	71	Low	06-06-16	141	3.1%	$34.38	$31.32	$4,416.12	-5.3%	26.0%	-31.3%
Long-term Holds															
FLIR	FLIR Systems, Inc.	22.6	1.3%	94	95	Low	07-10-15	130	4.1%	$30.57	$46.97	$6,106.10	59.1%	30.5%	28.6%
ORCL	Oracle Corporation	18.7	1.5%	97	88	Average	12-31-15	110	3.7%	$36.53	$50.18	$5,519.80	41.7%	31.3%	10.4%
MSM	MSC Industrial Direct Company, Inc	18.5	2.3%	98	84	Low	06-22-15	57	3.1%	$69.81	$81.96	$4,671.72	23.7%	27.8%	-4.1%
AMT	American Tower Corporation (REIT	19.4	1.9%	94	89	Low	04-03-17	35	3.3%	$120.49	$142.10	$4,973.50	19.0%	10.9%	8.1%
BDX	Becton, Dickinson and Company	21.1	1.3%	88	47	Average	04-04-16	28	4.2%	$153.94	$224.41	$6,283.48	48.3%	29.2%	19.1%
IFF	International Flavors & Fragrances	23.7	1.9%	85	79	High	07-14-15	37	3.7%	$113.16	$148.31	$5,487.47	36.9%	28.5%	8.3%
CHRW	C.H. Robinson Worldwide, Inc.	21.8	2.3%	73	70	Very Low	10-03-16	65	3.5%	$70.26	$79.44	$5,163.60	15.5%	22.2%	-6.7%
PH	Parker-Hannifin Corporation	20.1	1.4%	86	84	Very High	07-23-15	36	4.5%	$110.92	$185.38	$6,673.68	75.1%	28.9%	46.3%
ABT	Abbott Laboratories	19.6	1.9%	89	62	Very High	12-31-15	90	3.4%	$44.91	$55.47	$4,992.30	29.5%	31.3%	-1.8%
CB	Chubb Corporation (The)	14.0	1.9%	92	55	Average	06-26-15	38	3.8%	$103.47	$148.27	$5,634.26	45.1%	29.1%	16.0%
TJX	TJX Companies, Inc. (The)	17.5	1.8%	99	88	Low	06-23-15	59	2.7%	$67.51	$68.60	$4,047.40	4.8%	27.7%	-22.9%
FIS	Fidelity Nat'l Information Services	19.2	1.2%	73	55	Average	07-17-15	63	4.0%	$62.94	$93.18	$5,870.34	50.2%	27.5%	22.7%
PDCO	Patterson Companies, Inc.	15.8	2.9%	55	49	Average	06-26-15	81	2.0%	$48.81	$36.15	$2,928.15	-21.8%	29.1%	-50.9%
BR	Broadridge Financial Solutions	23.6	1.7%	84	97	Average	06-22-15	76	4.4%	$52.65	$86.84	$6,599.84	72.5%	27.8%	44.7%
IEX	IDEX Corporation	27.4	1.2%	84	96	High	07-22-15	52	4.5%	$75.87	$127.81	$6,646.12	74.3%	28.1%	46.2%
TXRH	Texas Roadhouse, Inc.	22.7	1.7%	98	92	Low	06-09-15	109	3.6%	$36.38	$48.62	$5,299.58	39.7%	30.6%	9.2%
ROK	Rockwell Automation, Inc.	27.1	1.5%	88	90	High	07-27-15	34	4.5%	$116.32	$198.38	$6,744.92	79.8%	31.0%	48.9%
FUL	H. B. Fuller Company	21.4	1.1%	95	91	Very High	07-24-15	107	4.0%	$38.83	$55.75	$5,965.25	47.6%	30.2%	17.4%
LECO	Lincoln Electric Holdings, Inc.	20.9	1.7%	88	91	Average	07-24-15	69	4.2%	$57.72	$89.82	$6,197.58	62.6%	30.2%	32.4%
AOS	Smith (A.O.) Corporation	24.9	0.9%	99	98	Very High	07-13-15	118	4.7%	$33.76	$59.54	$7,025.72	81.3%	29.1%	52.2%
THO	Thor Industries, Inc.	16.7	1.1%	93	99	High	07-29-15	72	6.6%	$55.14	$136.27	$9,811.44	156.4%	28.5%	128%
EXPO	Exponent, Inc.	35.2	1.1%	95	98	Low	07-22-15	90	4.5%	$45.32	$73.55	$6,619.50	67.3%	28.1%	39.1%
APH	Amphenol Corporation	25.6	0.9%	96	99	Low	07-14-15	72	4.2%	$55.15	$87.33	$6,287.76	61.8%	28.5%	33.2%
TTC	Toro Company (The)	24.6	1.1%	97	97	Low	07-20-15	122	5.2%	$33.67	$62.95	$7,679.90	92.5%	27.4%	65.1%
Cash (Includes Dividends Receivable)									0.8%			$1,118.99			
Portfolio Total		**21.3**	**1.5%**	**89**	**82**	**Average**			**100%**			**$148,765**	**48.8%**	**30.6%**	**18.2%**

How to Use the Table: Stocks in the "Possible Buying Opportunities" list appear to have relatively attractive valuations and/or more timely fundamental momentum. As such, they could prove to be the best available investment opportunities to put new cash to work in. Stocks in the "Long-term Holds" list are still expected to be solid long-term holdings, but they do not appear to have as attractive valuations or fundamental momentum at the moment, suggesting there might be a better opportunity in the future to add more.

Investors looking for stocks with very safe current income and low volatility should look for stocks with dividend "Safety Scores" of at least 50 and "Low" or "Very Low" price volatility. Investors interested in longer-term income growth should look for stocks with dividend "Growth Scores" of at least 70. Note that scores of 50 are average, 75 or higher is excellent, and 25 or lower is considered weaker.

Long-term Dividend Growth Portfolio – Performance and Dividend Income





Monthly Return	**Feb 2017**	**Mar 2017**	**Apr 2017**	**May 2017**	**June 2017**	**July 2017**	**August 2017**	**September 2017**	**October 2017**
Portfolio	2.96%	0.57%	1.64%	0.51%	2.31%	0.18%	-0.29%	4.71%	3.76%
S&P 500	3.93%	0.13%	0.99%	1.41%	0.64%	2.06%	0.29%	2.01%	2.36%
VIG ETF	4.33%	-0.07%	1.72%	1.57%	0.28%	0.73%	-0.36%	2.38%	2.10%
Portfolio Value	$130,378.91	$131,118.42	$133,268.16	$133,954.46	$137,054.39	$137,305.77	$136,912.22	$143,362.83	$148,756.32

Since Inception

Cumulative	**Feb 2017**	**Mar 2017**	**Apr 2017**	**May 2017**	**June 2017**	**July 2017**	**August 2017**	**September 2017**	**October 2017**
Portfolio	30.38%	31.12%	33.27%	33.95%	37.05%	37.31%	36.91%	43.36%	48.76%
S&P 500	17.77%	17.92%	19.09%	20.77%	21.54%	24.04%	24.40%	26.91%	29.90%
VIG ETF	17.84%	17.75%	19.78%	21.67%	22.00%	22.90%	22.45%	25.36%	27.99%

Annualized	**Feb 2017**	**Mar 2017**	**Apr 2017**	**May 2017**	**June 2017**	**July 2017**	**August 2017**	**September 2017**	**October 2017**
Portfolio	16.61%	16.14%	16.38%	15.93%	16.53%	15.93%	15.13%	16.88%	18.02%
S&P 500	9.94%	9.53%	9.67%	10.01%	9.93%	10.56%	10.29%	10.87%	11.53%
VIG ETF	10.03%	9.49%	10.05%	10.47%	10.18%	10.13%	9.54%	10.32%	10.88%

Long-term Dividend Growth Portfolio – Payment Schedule

Data as of 11/5/17

Ticker	Dividend Yield	EPS Payout Ratio	FCF Payout Ratio	Dividend Amount $	Payment Cycle	Next Ex-Div Date	Next Pay Date	1-Yr Div Growth	5-Yr Div CAGR	10-Yr Div CAGR
ABT	1.9%	83%	53%	0.27	Feb, May, Aug, Nov	Mid Jan	Mid Feb	8%	N/A	N/A
CB	1.9%	33%	27%	0.71	Jan, Apr, Jul, Oct	Late Dec	Mid Jan	3%	15%	11%
AOS	0.9%	26%	33%	0.14	Feb, May, Aug, Nov	Late Jan	Mid Feb	26%	26%	16%
APH	0.9%	21%	22%	0.19	Jan, Apr, Jul, Oct	Mid Dec	Mid Jan	9%	81%	34%
BDX	1.3%	84%	48%	0.73	Mar, Jun, Sept, Dec	Early Dec	Late Dec	10%	10%	12%
BR	1.7%	50%	41%	0.37	Jan, Apr, Jul, Oct	Mid Dec	Early Jan	11%	15%	36%
EXPO	1.1%	40%	39%	0.21	Mar, Jun, Sept, Dec	11/30/2017	12/22/2017	20%	N/A	N/A
FIS	1.2%	70%	37%	0.29	Mar, Jun, Sept, Dec	12/14/2017	12/29/2017	0%	39%	-12%
FLIR	1.3%	36%	30%	0.15	Mar, Jun, Sept, Dec	11/22/2017	12/08/2017	9%	15%	N/A
FUL	1.1%	29%	42%	0.15	Feb, May, Aug, Nov	Mid Jan	Early Feb	8%	13%	8%
IEX	1.2%	37%	29%	0.37	Jan, Apr, Jul, Oct	Mid Jan	Late Jan	8%	15%	13%
IFF	1.9%	53%	71%	0.69	Jan, Apr, Jul, Oct	Late Dec	Early Jan	17%	16%	12%
LOW	2.1%	43%	26%	0.41	Feb, May, Aug, Nov	Late Jan	Early Feb	24%	20%	23%
MSM	2.3%	45%	57%	0.48	Feb, May, Aug, Nov	11/13/2017	11/28/2017	8%	8%	12%
ORCL	1.5%	31%	24%	0.19	Jan, Apr, Jul, Oct	Mid Jan	Late Jan	5%	21%	N/A
MDT	2.3%	60%	51%	0.46	Jan, Apr, Jul, Oct	Late Dec	Mid Jan	15%	12%	15%
PH	1.4%	36%	32%	0.66	Mar, Jun, Sept, Dec	11/09/2017	12/01/2017	0%	12%	15%
CHRW	2.3%	53%	70%	0.45	Mar, Jun, Sept, Dec	Late Nov	Late Dec	11%	8%	12%
ROK	1.5%	49%	37%	0.76	Mar, Jun, Sept, Dec	Mid Nov	Mid Dec	10%	14%	12%
THO	1.1%	19%	23%	0.37	Feb, May, Aug, Nov	Late Jan	Early Feb	11%	20%	0%
TJX	1.8%	32%	30%	0.31	Mar, Jun, Sept, Dec	11/08/2017	11/30/2017	22%	22%	22%
AMT	1.9%	39%	41%	0.66	Jan, Apr, Jul, Oct	Late Dec	Mid Jan	20%	44%	N/A
TTC	1.1%	30%	28%	0.18	Jan, Apr, Jul, Oct	Late Dec	Mid Jan	19%	25%	20%
TXRH	1.7%	47%	57%	0.21	Mar, Jun, Sept, Dec	Mid Dec	Late Dec	12%	19%	N/A
HRL	2.2%	42%	54%	0.17	Feb, May, Aug, Nov	Mid Jan	Mid Feb	16%	18%	15%
Average*	1.5%	42%	39%					8%	19%	13%

*Average EPS and FCF payout ratios exclude outliers caused by one-time events in order to reflect a more representative figure.

<u>How to Use the Table</u>

The "Payment Schedule" table displays the dividend information you need to know about each holding.

Dividend Yield: the company's indicated annual dividend divided by its stock price.
EPS Payout Ratio: the percentage of GAAP earnings paid out as a dividend over the last 12 months.
FCF Payout Ratio: the percentage of free cash flow paid out as a dividend over the last 12 months.
Dividend Amount: the dollar per share amount of dividends paid out at each pay period.
Payment Cycle: the months the dividend is paid out. Useful for creating monthly income streams.
Next Ex-Div Date: to receive the next dividend payment, you need to own shares before this date.
Next Pay Date: the date at which the dividend amount is actually distributed to shareholders.

Idea Generation – Safe Dividend Stocks

The dividend stocks on this list are characterized by low price volatility, dividend yields in excess of 3%, and very strong Dividend Safety Scores. These companies are good bets to continue delivering predictable income with less price volatility. We calculate how safe a dividend payment is by analyzing balance sheets, profitability trends, payout ratios, industry cyclicality, earnings growth, and more. Click on the blue-colored ticker symbols to pull up each company in our Stock Analyzer.

Ticker	Name	P/E Ratio	Dividend Yield	Safety Score	Growth Score	Price Volatility	EPS Payout	5yr Div CAGR
D	Dominion Energy	23.7	3.8%	91	40	Very Low	87%	7%
DLR	Digital Realty Trust, Inc.	20.2	3.1%	77	43	Very Low	63%	5%
DUK	Duke Energy Corporation	22.2	4.0%	87	41	Very Low	71%	2%
ED	Consolidated Edison Inc	20.7	3.2%	90	7	Very Low	66%	2%
EQM	EQT Midstream Partners, LP	14.2	5.2%	68	57	Average	56%	N/A
ES	Eversource Energy	20.3	3.0%	97	30	Very Low	61%	4%
FRT	Federal Realty Investment Trust	19.4	3.2%	84	43	Very Low	63%	7%
GIS	General Mills, Inc.	18.6	3.8%	89	46	Low	70%	10%
HCN	Welltower Inc.	11.8	5.1%	83	28	Very Low	61%	4%
IBM	International Business Machines	12.9	4.0%	93	68	Average	49%	14%
KMB	Kimberly-Clark Corporation	18.5	3.5%	94	55	Low	63%	6%
MAA	Mid-America Apartment Communities	15.6	3.4%	86	60	Very Low	52%	5%
MO	Altria Group	8.1	4.1%	98	47	Low	80%	8%
NNN	National Retail Properties	16.7	4.7%	84	17	Very Low	76%	3%
O	Realty Income Corporation	17.6	4.6%	85	27	Very Low	82%	5%
PAYX	Paychex, Inc.	28.1	3.1%	83	72	Average	82%	7%
PSA	Public Storage	21.9	3.8%	91	60	Very Low	85%	15%
SPG	Simon Property Group, Inc.	16.3	4.8%	78	45	Low	72%	13%
TGT	Target Corporation	11.9	4.2%	81	45	Low	49%	16%
UDR	United Dominion Realty Trust, Inc.	14.7	3.2%	61	43	Very Low	46%	9%
VZ	Verizon Communications Inc.	12.3	5.0%	84	16	Low	60%	3%
WEC	Wisconsin Energy Corporation	22.0	3.1%	95	38	Very Low	67%	14%
WR	Westar Energy, Inc.	22.2	3.0%	80	21	Very Low	66%	3%

Idea Generation – High Growth Dividend Stocks

The dividend stocks on this list are characterized by moderate price volatility, dividend yields in excess of 1.5%, and very strong Dividend Growth Scores. These companies are extremely well positioned to grow their dividends quickly in coming years. We calculate how fast a dividend payment can grow by analyzing payout ratios, sales and earnings growth, and more. Click on the blue-colored ticker symbols to pull up each company in our Stock Analyzer.

Ticker	Name	P/E Ratio	Dividend Yield	Safety Score	Growth Score	Price Volatility	EPS Payout	3yr Div CAGR
AMT	American Tower Corporation (REIT)	21.9	1.9%	94	89	Low	39%	25%
BR	Broadridge Financial Solutions, Inc.	32.0	1.7%	84	97	Average	50%	17%
CMCSA	Comcast Corporation	17.3	1.8%	99	89	Average	29%	11%
CMI	Cummins Inc.	17.6	2.5%	94	91	High	42%	21%
CNI	Canadian National Railway Company	20.6	1.6%	95	96	High	32%	20%
CVS	CVS Health Corporation	13.8	2.9%	98	89	Average	40%	24%
DPS	Dr Pepper Snapple Group, Inc	21.5	2.7%	92	74	Low	57%	12%
EXPD	Expeditors International of Washington, Inc.	25.3	1.4%	99	92	Low	35%	10%
GD	General Dynamics Corporation	19.1	1.6%	99	75	Low	31%	21%
HD	Home Depot, Inc. (The)	23.8	2.2%	87	84	High	48%	21%
HON	Honeywell International Inc.	22.0	2.1%	90	86	Average	40%	13%
HRL	Hormel Foods Corporation	19.3	2.2%	100	71	Low	42%	20%
IFF	International Flavors & Fragrances, Inc.	30.0	1.9%	85	79	High	53%	18%
ITW	Illinois Tool Works Inc.	23.8	2.0%	96	86	High	42%	14%
LMT	Lockheed Martin Corporation	24.7	2.6%	90	67	Low	59%	12%
LOW	Lowe's Companies, Inc.	22.4	2.1%	86	92	High	43%	23%
LYB	LyondellBasell Industries NV	11.1	3.4%	64	93	Average	37%	19%
MDT	Medtronic, Inc.	27.0	2.3%	84	73	Average	60%	15%
ROK	Rockwell Automation, Inc.	31.5	1.5%	88	90	High	49%	12%
SBUX	Starbucks Corporation	28.0	1.8%	88	95	Low	51%	24%
SNA	Snap-On Incorporated	16.3	1.8%	87	99	Average	29%	17%
SYK	Stryker Corporation	33.0	1.1%	87	80	Low	36%	12%
TEL	TE Connectivity Ltd.	19.7	1.7%	81	86	High	33%	14%
TJX	TJX Companies, Inc. (The)	19.8	1.8%	99	88	Low	32%	22%
TWX	Time Warner Inc.	18.7	1.7%	77	81	Average	38%	12%
TXN	Texas Instruments Incorporated	22.3	2.5%	92	92	High	46%	15%

Idea Generation – High Yield Stocks

The dividend stocks on this list are characterized by moderate-to-low price volatility, dividend yields in excess of 4%, and close to average Dividend Safety Scores. High yield stocks often carry higher business risk or personal tax liabilities (e.g. MLP's). We do our best to filter out the riskiest ideas by using our proprietary scoring system, but you should always closely analyze these types of stocks. Click on the blue-colored ticker symbols to pull up each company in our Stock Analyzer. I also suggest bookmarking this article: High Dividend Stocks

Ticker	Name	P/E Ratio	Dividend Yield	Safety Score	Growth Score	Price Volatility	EPS Payout	5yr Div CAGR
BIP	Brookfield Infrastructure Partners LP	NM	4.1%	88	65	High	63%	12%
DUK	Duke Energy Corporation	22.2	4.0%	87	41	Very Low	71%	2%
ENB	Enbridge Inc	37.6	5.4%	65	56	Low	175%	17%
EPD	Enterprise Products Partners L.P.	19.7	6.8%	60	36	Average	130%	6%
EQM	EQT Midstream Partners, LP	14.2	5.2%	68	57	Average	56%	N/A
MO	Altria Group	8.1	4.1%	98	47	Low	80%	8%
HCN	Welltower Inc.	11.8	5.1%	83	28	Very Low	61%	4%
HCP	HCP, Inc.	9.8	5.5%	60	1	Very Low	77%	0%
IRM	Iron Mountain Incorporated	14.7	5.9%	65	22	Average	81%	16%
MMP	Magellan Midstream Partners L.P.	18.5	5.3%	78	78	Low	77%	16%
NHI	National Health Investors, Inc.	14.0	4.9%	80	65	Low	68%	6%
NNN	National Retail Properties	16.7	4.7%	84	17	Very Low	76%	3%
O	Realty Income Corporation	17.6	4.6%	85	27	Very Low	82%	5%
RPAI	Retail Properties of America, Inc.	7.3	5.3%	77	56	Very Low	38%	N/A
SEP	Spectra Energy Partners, LP	15.5	6.7%	69	45	Low	71%	7%
SKT	Tanger Factory Outlet Centers, Inc.	8.1	6.1%	72	42	Very Low	47%	10%
SO	Southern Company (The)	80.1	4.4%	82	18	Very Low	351%	4%
SPG	Simon Property Group, Inc.	16.3	4.8%	78	45	Low	72%	13%
T	AT&T Inc.	16.1	5.9%	78	13	Very Low	94%	2%
TCP	TC PipeLines, LP	17.6	7.4%	70	41	Average	86%	4%
TEP	Tallgrass Energy Partners, LP	19.9	8.1%	61	75	High	100%	N/A
TGT	Target Corporation	11.9	4.2%	81	45	Low	49%	16%
VTR	Ventas, Inc.	11.0	4.8%	80	35	Very Low	54%	5%
VZ	Verizon Communications Inc.	12.3	5.0%	84	16	Low	60%	3%
WPC	W.P. Carey Inc.	13.9	5.7%	59	27	Average	81%	12%
VER	Vereit Inc	NULL	6.9%	58	27	Low	-550%	5%

Idea Generation – Dividend Increases

Dividend increases are a signal of management's confidence in the company's future. Historically speaking, consistent dividend growers have been among the best long-term performers in the market. The following table contains some of the notable dividend increases that were announced over the last month. Click on the blue-colored ticker symbols to pull up each company in our Stock Analyzer.

Ticker	Name	Dividend Increase	P/E Ratio	Dividend Yield	Safety Score	Growth Score	Price Volatility	EPS Payout	5yr Div CAGR
TXN	Texas Instruments Incorporated	24%	22.3	2.5%	92	92	High	46%	24%
V	Visa Inc.	18%	44.1	0.7%	97	100	Average	26%	28%
CCL	Carnival Corporation	13%	17.7	2.4%	67	86	Low	41%	6%
BRO	Brown & Brown, Inc.	11%	26.5	1.2%	96	78	Low	29%	9%
ABBV	AbbVie Inc.	11%	22.5	3.1%	82	86	Very High	62%	N/A
CCI	Crown Castle	11%	24.1	3.9%	58	39	Very Low	79%	N/A
ROK	Rockwell Automation, Inc.	10%	31.5	1.5%	88	90	High	49%	14%
VFC	V.F. Corporation	10%	29.7	2.6%	91	67	Low	71%	19%
OMC	Omnicom Group Inc.	9%	13.5	3.3%	90	70	High	44%	17%
WRK	WestRock Co.	8%	37.6	2.9%	41	13	Very High	98%	-23%
VVC	Vectren Corporation	7%	24.9	2.5%	74	53	Average	62%	3%
DTE	DTE Energy Company	7%	20.2	3.0%	74	38	Very Low	60%	6%
IRM	Iron Mountain Incorporated	7%	14.7	5.9%	65	22	Average	81%	16%
MSM	MSC Industrial Direct Company, Inc.	7%	20.0	2.3%	98	84	Low	45%	14%
AEP	American Electric Power Company	5%	19.4	3.3%	70	10	Very Low	62%	4%
EQM	EQT Midstream Partners, LP	5%	14.2	5.2%	68	57	Average	56%	N/A
SBRA	Sabra Healthcare REIT, Inc.	5%	8.9	7.4%	27	16	Average	72%	12%
AFL	Aflac Incorporated	5%	12.2	2.1%	97	80	Average	25%	6%
NEP	NextEra Energy Partners, LP	3%	28.1	4.0%	31	53	High	28%	N/A
MIC	Macquarie Infrastructure Company	3%	33.5	8.1%	4	61	Average	254%	52%
SPG	Simon Property Group, Inc.	3%	16.3	4.8%	78	45	Low	72%	13%
IP	International Paper Company	3%	26.7	3.3%	51	52	Very High	86%	13%
HEP	Holly Energy Partners, L.P.	2%	29.4	7.4%	62	68	Average	100%	6%
D	Dominion Energy	2%	23.7	3.8%	91	40	Very Low	87%	7%
SEP	Spectra Energy Partners, LP	2%	15.5	6.7%	69	45	Low	71%	7%
MMP	Magellan Midstream Partners L.P.	2%	18.5	5.3%	78	78	Low	77%	16%
OHI	Omega Healthcare Investors, Inc.	2%	12.7	9.2%	61	12	Low	113%	9%
EPD	Enterprise Products Partners L.P.	1%	19.7	6.8%	60	36	Average	130%	6%

Idea Generation – Ex-Dividend Dates

To receive the next dividend payment from a stock, you must own shares before the company's ex-dividend date. The following table contains large cap dividend stocks with dividend yields in excess of 2% and upcoming ex-dividend dates. Click on the blue-colored ticker symbols to pull up each company in our Stock Analyzer.

Ticker	P/E Ratio	Dividend Yield	Safety Score	Growth Score	Price Volatility	EPS Payout Ratio	5yr Div CAGR	Next Ex-Div Date	Next Pay Date
ETR	NM	4.1%	51	10	Very Low	69%	1%	11/08/2017	12/01/2017
AEP	19.4	3.3%	70	10	Very Low	62%	4%	11/09/2017	12/08/2017
PFE	21.6	3.6%	64	51	Average	50%	8%	11/09/2017	12/01/2017
XOM	27.3	3.7%	75	26	Average	99%	10%	11/10/2017	12/11/2017
IVZ	15.5	3.2%	41	60	Very High	49%	24%	11/13/2017	12/04/2017
WEC	22.0	3.1%	95	38	Very Low	67%	14%	11/13/2017	12/01/2017
ED	20.7	3.2%	90	7	Very Low	66%	2%	11/14/2017	12/15/2017
EXC	21.1	3.2%	45	18	Very Low	47%	-10%	11/14/2017	12/08/2017
IP	26.7	3.3%	51	52	Very High	86%	13%	11/14/2017	12/15/2017
SJR	29.3	4.1%	39	32	Average	115%	5%	11/14/2017	11/29/2017
TGT	11.9	4.2%	81	45	Low	49%	16%	11/14/2017	12/10/2017
CNP	21.2	3.6%	33	29	Low	91%	5%	11/15/2017	12/08/2017
SPG	16.3	4.8%	78	45	Low	72%	13%	11/15/2017	11/30/2017
CVX	33.8	3.8%	47	18	High	126%	7%	11/16/2017	12/11/2017
DUK	22.2	4.0%	87	41	Very Low	71%	2%	11/16/2017	12/18/2017
PSX	23.1	3.0%	40	63	High	67%	N/A	11/16/2017	12/01/2017
SO	80.1	4.4%	82	18	Very Low	351%	4%	11/17/2017	12/06/2017
NLSN	25.3	3.7%	59	80	Average	91%	N/A	11/20/2017	12/05/2017
QCOM	20.5	3.7%	70	36	High	84%	20%	11/28/2017	12/15/2017
D	23.7	3.8%	91	40	Very Low	87%	7%	11/30/2017	12/20/2017
K	28.0	3.5%	93	9	Very Low	93%	4%	11/30/2017	12/15/2017
KO	44.0	3.2%	94	47	Low	140%	8%	11/30/2017	12/15/2017

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As of the time this newsletter was published, Brian Bollinger was long each of the stocks held in the Top 20 Dividend Stocks, Conservative Retirees, and Long-term Dividend Growth portfolios. He plans to initiate positions in Dominion Energy (D), Crown Castle International (CCI), AT&T (T), Medtronic (MDT), and Lowe's (LOW) no sooner than Tuesday, November 7.