

Market Commentary Monday, October 5, 2020

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October 4, 2020

EXECUTIVE SUMMARY

Newsletter Trades – Closed Out HSBC in all Four Portfolios

Scary October – Poor Month Historically But Very Good Returns on Average the Last 20 Years

COVID-19 – President Trump Tests Positive

Market of Stocks – Nice Friday and Full Week for Value

Historical Evidence – Democrats in Washington and Periods Following Economic Troughs Both Favor Value

Econ News – Solid Statistics

Dividend Hikes – 43 *TPS* Stocks with Higher Payouts Today than the End of 2019

Market Review

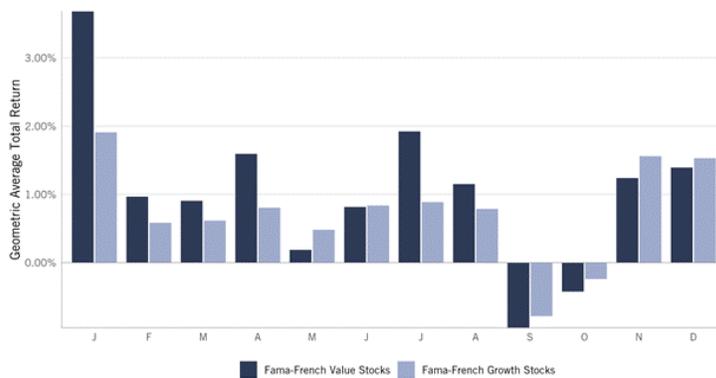
A little housekeeping...as discussed on our *Sales Alert* on September 25, we sold 487 and 194 shares of **HSBC Holdings** (HSBC) respectively held in *TPS* Portfolio and Buckingham Portfolio on Tuesday, September 29, at \$19.3044. We will use that price to close out the 186 and 345 HSBC respectively held in Millennium Portfolio and PruFolio.

With a good deal of our current thinking on the state of the equity markets outlined in the October edition of *The Prudent Speculator*, which was sent out Friday night, we offer a somewhat abbreviated *Market Commentary* this week.

As sometimes has been the case over the years during the historically poor performing month of October,...



While the average decline has been relatively tame over the last nine decades, and the period actually has been very positive on average over the last 20 years, October is one of only two months, September the other, where returns on stocks have been negative dating back to 1927.



From 12.31.27 through 12.31.19. Geometric average. Growth stocks = 50% Fama-French small growth and 50% Fama-French large growth returns rebalanced monthly. Value stocks = 50% Fama-French small value and 50% Fama-French large value returns rebalanced monthly. The portfolios are formed on Book Equity/Market Equity at the end of each June using NYSE breakpoints via Eugene F. Fama and Kenneth R. French. SOURCE: Kovitz using data from Professors Eugene F. Fama and Kenneth R. French

Scary October Last 20 Years

| | Russell 3000 Growth Index | S&P 500 Index | Russell 3000 Value Index | Russell 3000 Value Index |
|---------|---------------------------|---------------|--------------------------|--------------------------|
| Average | 1.33 | 1.31 | 1.16 | 1.01 |
| 2019 | 2.82 | 2.17 | 2.15 | 1.47 |
| 2018 | -9.23 | -6.84 | -7.36 | -5.46 |
| 2017 | 3.69 | 2.33 | 2.18 | 0.68 |
| 2016 | -2.64 | -1.82 | -2.16 | -1.68 |
| 2015 | 8.39 | 8.44 | 7.90 | 7.39 |
| 2014 | 2.90 | 2.44 | 2.75 | 2.60 |
| 2013 | 4.21 | 4.60 | 4.25 | 4.29 |
| 2012 | -2.93 | -1.85 | -1.73 | -0.55 |
| 2011 | 11.35 | 10.93 | 11.51 | 11.68 |
| 2010 | 4.74 | 3.80 | 3.91 | 3.07 |
| 2009 | -1.79 | -1.86 | -2.57 | -3.35 |
| 2008 | -17.93 | -16.80 | -17.74 | -17.54 |
| 2007 | 3.49 | 1.59 | 1.83 | 0.10 |
| 2006 | 3.76 | 3.26 | 3.60 | 3.44 |
| 2005 | -1.21 | -1.67 | -1.87 | -2.54 |
| 2004 | 1.63 | 1.53 | 1.64 | 1.65 |
| 2003 | 5.84 | 5.65 | 6.05 | 6.27 |
| 2002 | 8.91 | 8.80 | 7.96 | 6.98 |
| 2001 | 5.52 | 1.91 | 2.33 | -0.63 |
| 2000 | -4.97 | -0.42 | -1.42 | 2.28 |

% Total Return September 30 - October 31. Source: Kovitz using data from Bloomberg.

...there was a bombshell dropped this past Thursday evening when President Trump disclosed that he and the First Lady had both tested positive for COVID-19, with the Commander in Chief spending the weekend at the Walter Reed National Military Medical Center out of “an abundance of caution.” Of course, even as the President’s symptoms were supposedly mild, he was given a dose of Regeneron’s antibody treatment and two rounds of as Remdesivir, from **Gilead Sciences** (GILD – \$62.17), as precautionary measures.

There were question marks over oxygen levels during the weekend, but the prognosis appeared positive on Sunday afternoon as Dr. Brian Garibaldi, one of the President’s physicians, said, “He’s been up and around. Our plan for today is to have him to eat and drink, be up out of bed as much as possible to be mobile. And if he continues to look and feel as well as he does today our hope is that we can plan for discharge as early as tomorrow to the White House where he can continue his treatment course.”

We shall see if “Trump COVID-19 Diagnosis” ultimately becomes worthy of mention in the annals of stock market history,...



| Event | Reaction Dates | | S&P | S&P | Event | 12 Months | 36 Months | 60 Months | Event End |
|--|----------------|------------|------------------|-----------|------------|------------|------------|------------|--------------|
| | | | Start Value | End Value | Gain/Loss | Later | Later | Later | thru Present |
| Pearl Harbor | 12/6/1941 | 12/10/1941 | 9.32 | 8.68 | -7% | 8% | 51% | 76% | 38476% |
| Truman Upset Victory | 11/2/1948 | 11/10/1948 | 16.70 | 15.00 | -10% | 8% | 52% | 62% | 22223% |
| Korean War | 6/23/1950 | 7/13/1950 | 19.14 | 16.69 | -13% | 32% | 45% | 153% | 19963% |
| Eisenhower Heart Attack | 9/23/1955 | 9/26/1955 | 45.63 | 42.61 | -7% | 8% | 17% | 25% | 7758% |
| Suez Canal Crisis | 10/30/1956 | 10/31/1956 | 46.37 | 45.58 | -2% | -10% | 26% | 51% | 7246% |
| Sputnik | 10/3/1957 | 10/22/1957 | 43.14 | 38.98 | -10% | 31% | 37% | 41% | 8490% |
| Cuban Missile Crisis | 8/23/1962 | 10/23/1962 | 59.70 | 53.49 | -10% | 36% | 72% | 78% | 6160% |
| JFK Assassination | 11/21/1963 | 11/22/1963 | 71.62 | 69.61 | -3% | 24% | 14% | 53% | 4710% |
| MLK Assassination | 4/3/1968 | 4/5/1968 | 93.47 | 93.29 | 0% | 8% | 8% | 16% | 3489% |
| Kent State Shootings | 5/4/1970 | 5/14/1970 | 79.00 | 75.44 | -5% | 35% | 40% | 22% | 4339% |
| Arab Oil Embargo | 10/18/1973 | 12/5/1973 | 110.01 | 92.16 | -16% | -28% | 12% | 6% | 3533% |
| Nixon Resigns | 8/9/1974 | 8/29/1974 | 80.86 | 69.99 | -13% | 24% | 38% | 56% | 4684% |
| U.S.S.R. in Afghanistan | 12/24/1979 | 1/3/1980 | 107.66 | 105.22 | -2% | 30% | 31% | 56% | 3082% |
| Hunt Silver Crisis | 2/13/1980 | 3/27/1980 | 118.44 | 98.22 | -17% | 37% | 55% | 83% | 3309% |
| Falkland Islands War | 4/1/1982 | 5/7/1982 | 113.79 | 119.47 | 5% | 39% | 51% | 147% | 2703% |
| U.S. Invades Grenada | 10/24/1983 | 11/7/1983 | 165.99 | 161.91 | -2% | 4% | 52% | 69% | 1968% |
| U.S. Bombs Libya | 4/15/1986 | 4/21/1986 | 237.73 | 244.74 | 3% | 20% | 27% | 57% | 1268% |
| Crash of '87 | 10/2/1987 | 10/19/1987 | 328.07 | 224.84 | -31% | 23% | 39% | 85% | 1389% |
| Gulf War Ultimatum | 12/24/1990 | 1/16/1991 | 329.90 | 316.17 | -4% | 32% | 50% | 92% | 959% |
| Gorbachev Coup | 8/16/1991 | 8/19/1991 | 385.58 | 376.47 | -2% | 11% | 23% | 77% | 789% |
| ERM U.K. Currency Crisis | 9/14/1992 | 10/16/1992 | 425.27 | 411.73 | -3% | 14% | 42% | 132% | 713% |
| World Trade Center Bombing | 2/26/1993 | 2/27/1993 | 443.38 | 443.38 | 0% | 5% | 46% | 137% | 655% |
| Russia Mexico Orange County | 10/11/1994 | 12/20/1994 | 465.79 | 457.10 | -2% | 33% | 107% | 210% | 633% |
| Oklahoma City Bombing | 4/19/1995 | 4/20/1995 | 504.92 | 505.29 | 0% | 28% | 122% | 184% | 563% |
| Asian Stock Market Crisis | 10/7/1997 | 10/27/1997 | 983.12 | 876.99 | -11% | 21% | 57% | 2% | 282% |
| Russian LTCM Crisis | 8/18/1998 | 10/8/1998 | 1,101.20 | 959.44 | -13% | 39% | 11% | 8% | 249% |
| Clinton Impeachment | 12/19/1998 | 2/12/1999 | 1,188.03 | 1,230.13 | 4% | 13% | -10% | -6% | 172% |
| USS Cole Yemen Bombings | 10/11/2000 | 10/18/2000 | 1,364.59 | 1,342.13 | -2% | -20% | -23% | -12% | 149% |
| September 11 Attacks | 9/10/2001 | 9/21/2001 | 1,092.54 | 965.80 | -12% | -12% | 17% | 36% | 247% |
| Iraq War | 3/19/2003 | 5/1/2003 | 874.02 | 916.30 | 5% | 21% | 42% | 54% | 265% |
| Madrid Terrorist Attacks | 3/10/2004 | 3/24/2004 | 1,123.89 | 1,091.33 | -3% | 7% | 32% | -26% | 207% |
| London Train Bombing | 7/6/2005 | 7/7/2005 | 1,194.94 | 1,197.87 | 0% | 6% | 5% | -11% | 180% |
| 2008 Market Crash | 9/15/2008 | 3/9/2009 | 1,192.70 | 676.53 | -43% | 69% | 103% | 178% | 395% |
| Price Changes Only - Does Not Include Dividends | | | Averages: | | -7% | 18% | 39% | 66% | 4583% |

As of 10.2.20. Source: Kovitz Investment Group using Bloomberg and Ned Davis Research Events & Reaction Dates

Time will tell how the COVID-19 Pandemic and Great Lockdown are remembered in terms of equity market disruption and ultimate recovery, but history is filled with plenty of disconcerting events. Happily, those who have stayed the course, sticking with their long-term investment plans, have nearly always been rewarded in the fullness of time.

...but the stock market action on Friday was interesting, with the Dow Jones Industrial Average rebounding from a 500+ point decline in the early-morning futures only to see that popular index open for regular trading some 370 points lower before steadily cutting those losses. Believe it or not, the Dow did briefly break into positive territory, arguably on the back of greater hopes for the possibility of another stimulus package from Washington, before ending the day down a relatively modest 134 points.

Of course, reminding us yet again that it is a market of stocks and not simply a stock market, there was quite a divergence in returns on Friday, ranging from a 2.22% skid for the Nasdaq Composite index to a 1.32% gain for the S&P 500 Pure Value index. Happily, for those of us who favor inexpensive stocks, Value had a terrific day from a relative perspective, with the Russell 3000 Value index rising 0.38% versus a 1.91% tumble for the Russell 3000 Growth index.

Obviously, one day does not mean a whole lot, and the returns race has remained lopsided in favor of Growth for quite some time,...

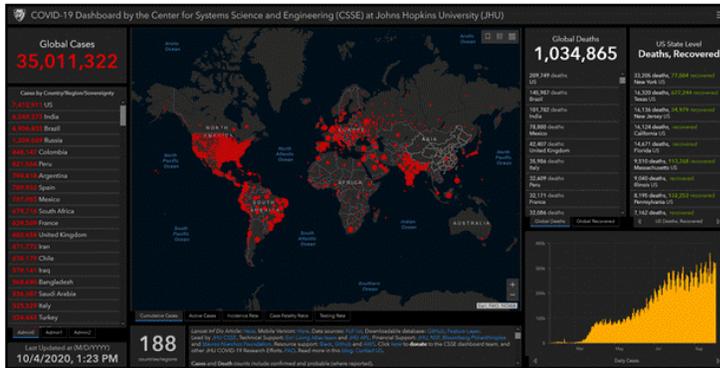


While three months does not a trend make, it is nice to see a handsome absolute and relative rebound in undervalued stocks, especially as there is plenty of runway remaining for a return to historical norms.

| Total Returns Matrix | | | | | | | | | |
|----------------------|--------------|--------------|---------------|---------------|----------------|----------------|----------------|----------------|--|
| Last Week | Last Month | Since 7.9.20 | Last 6 Months | YTD | Last 12 Months | Last 24 Months | Last 36 Months | Last 60 Months | Name |
| 0.37 | -0.40 | 1.91 | 6.24 | 5.74 | 6.05 | 14.55 | 13.13 | 20.34 | Bloomberg Barclays Global-Aggregate Bond |
| -0.09 | -0.50 | -0.09 | 3.31 | 6.74 | 6.59 | 17.92 | 16.51 | 22.25 | Bloomberg Barclays US Aggregate Bond |
| 1.88 | -4.79 | 8.22 | 30.78 | -1.25 | 8.72 | 8.48 | 31.67 | 89.78 | Dow Jones Industrial Average |
| 2.16 | -3.78 | 7.43 | 28.30 | -6.53 | 3.81 | 2.67 | 12.62 | 46.21 | New York Stock Exchange Composite |
| 3.26 | -3.00 | 8.25 | 49.92 | 5.02 | 20.45 | 8.99 | 26.33 | 70.60 | Russell 2000 Growth |
| 5.71 | -3.41 | 12.71 | 33.98 | -19.01 | -9.56 | -17.97 | -12.90 | 25.35 | Russell 2000 Value |
| 4.42 | -3.19 | 10.37 | 42.68 | -6.76 | 5.53 | -4.33 | 6.29 | 48.22 | Russell 2000 |
| 1.51 | -7.56 | 6.99 | 47.39 | 22.09 | 38.92 | 39.25 | 74.16 | 137.64 | Russell 3000 Growth |
| 2.40 | -3.77 | 7.77 | 24.82 | -11.66 | -1.92 | -2.45 | 6.45 | 42.01 | Russell 3000 Value |
| 1.93 | -5.79 | 7.36 | 36.82 | 5.33 | 18.42 | 18.26 | 38.39 | 86.72 | Russell 3000 |
| 2.43 | -4.02 | 9.05 | 35.57 | -4.07 | 6.86 | 6.90 | 21.12 | 61.50 | S&P 500 Equal Weighted |
| 1.54 | -6.37 | 6.63 | 33.72 | 5.13 | 18.20 | 19.15 | 40.41 | 89.85 | S&P 500 |
| 1.27 | -7.93 | 6.70 | 43.12 | 19.63 | 33.41 | 33.66 | 67.14 | 126.09 | S&P 500 Growth |
| 1.97 | -3.85 | 6.51 | 21.46 | -11.31 | 0.65 | 2.31 | 12.62 | 51.04 | S&P 500 Value |
| 1.99 | -5.48 | 6.86 | 46.78 | 12.50 | 24.57 | 21.34 | 45.44 | 88.31 | S&P 500 Pure Growth |
| 3.21 | -4.47 | 10.49 | 34.12 | -26.68 | -17.74 | -23.20 | -13.07 | 16.21 | S&P 500 Pure Value |
| 0.35 | -4.74 | 18.11 | 17.50 | -6.76 | 3.98 | -1.91 | 13.90 | 62.66 | Berkshire Hathaway B |

As of 10.02.20. Source Kovitz using data from Bloomberg

...while twists and turns in the battle against COVID-19 will continue to be critical to near-term equity-market moves,...



With access to testing remaining high, there was another jump of more than 2.0 million in global COVID-19 confirmed cases in the latest week. Case counts have surged as economies have reopened, social distancing has waned and mask wearing has been inconsistent, and the U.S. is now up to nearly 210,000 fatalities. While deaths obviously lag cases, and Europe, the United Kingdom and the U.S. have seen new spikes in those diagnosed with the virus, the increase in the weekly fatality count has remained relatively constant in the 40,000 range. No doubt, the approaching flu season will represent another health risk.



<https://www.arcgis.com/apps/opsdashboard/index.html#/bda7594740fd40299423467b48e9ecf6>

...but, as we discussed in the October edition of *The Prudent Speculator*, more than a few factors, in our view, favor Value going forward,...



The current polls suggest a sizable lead for the Biden/Harris ticket in the race for the White House. Of course, market history (albeit not that many data points) suggests that a Democrat in the Oval Office is good for stocks and that a complete "D" sweep would bode very well for Value.

PARTIES IN POWER & ANNUALIZED RETURNS

Conceding that there are not a lot of data points from which to draw grand conclusions, stocks seem to like the letter D better than R.

| Pres | Con | Div | Non-Div | Value | Growth | Large | Small |
|---------------|-----|--------------|--------------|--------------|--------------|--------------|--------------|
| Pty | Pty | Payers | Payers | Stocks | Stocks | Stocks | Stocks |
| D | R | 14.8% | 10.1% | 15.6% | 9.9% | 15.0% | 10.4% |
| D | D | 14.1% | 20.7% | 20.6% | 16.5% | 12.9% | 24.0% |
| D | S | 15.3% | 15.3% | 14.5% | 14.9% | 15.6% | 14.3% |
| R | R | -2.2% | -7.7% | -2.4% | -4.2% | -2.0% | -4.9% |
| R | D | 9.8% | 2.2% | 10.7% | 6.7% | 9.5% | 6.4% |
| R | S | 6.7% | -3.5% | 10.7% | 1.9% | 5.8% | 5.4% |
| D Pres | | 14.3% | 18.0% | 19.0% | 14.9% | 13.5% | 20.3% |
| R Pres | | 5.1% | -2.3% | 6.1% | 2.0% | 4.8% | 2.3% |

Annualized Total Returns. From 12.31.28 through 12.31.18. Performance segregated by presidential and congressional party are geometric averages. Performance divided only by presidential party are also geometric averages. SOURCE: Kowitz using data from the U.S. House of Representatives, Morningstar and Professors Eugene F. Fama and Kenneth R. French

| President | Congress | Start | End | Dividend | Non-Div | Value | Growth | Large | Small |
|-------------------|----------|------------|------------|----------|---------|--------|--------|--------|--------|
| Party | Party | Date | Date | Payers | Payers | Stocks | Stocks | Stocks | Stocks |
| R | R | 12.31.1928 | 12.31.1930 | -39.5% | 45.3% | -56.0% | -54.4% | -31.2% | -69.9% |
| R | R | 12.31.1930 | 12.31.1932 | -50.1% | 50.8% | -52.6% | -44.2% | -48.0% | -52.5% |
| H Hoover | D | 12.31.1928 | 12.31.1932 | -69.8% | -42.9% | -79.1% | -74.5% | -64.2% | -85.7% |
| D | D | 12.31.1932 | 12.31.1934 | 80.1% | 60.8% | 116.0% | 137.5% | 51.8% | 201.7% |
| D | D | 12.31.1934 | 12.31.1936 | 83.4% | 153.2% | 152.1% | 78.6% | 99.8% | 131.0% |
| H Roosevelt | D | 12.31.1932 | 12.31.1936 | 230.3% | 307.2% | 444.6% | 324.2% | 200.1% | 597.0% |
| D | D | 12.31.1936 | 12.31.1938 | -13.1% | -31.2% | -31.3% | -19.3% | -14.8% | -44.2% |
| D | D | 12.31.1938 | 12.31.1940 | -3.0% | 29.0% | -16.1% | 3.1% | 10.2% | -4.8% |
| H Roosevelt | D | 12.31.1936 | 12.31.1940 | -16.4% | -46.3% | -42.2% | -18.8% | -23.5% | -46.9% |
| D | D | 12.31.1940 | 12.31.1942 | 5.1% | 13.5% | 31.0% | 1.0% | 6.4% | 31.5% |
| D | D | 12.31.1942 | 12.31.1944 | 61.5% | 164.2% | 143.3% | 68.4% | 50.8% | 189.6% |
| H Roosevelt | D | 12.31.1940 | 12.31.1944 | 70.7% | 199.7% | 218.8% | 66.7% | 60.4% | 280.8% |
| D | D | 12.31.1944 | 12.31.1946 | 33.5% | 44.3% | 47.2% | 31.8% | 25.4% | 53.4% |
| D | R | 12.31.1946 | 12.31.1948 | 7.3% | -20.2% | 8.5% | -5.0% | 11.5% | -1.2% |
| H Truman | D | 12.31.1944 | 12.31.1948 | 40.0% | 15.1% | 59.7% | 25.2% | 39.9% | 51.6% |
| D | D | 12.31.1948 | 12.31.1950 | 59.2% | 88.0% | 84.7% | 58.2% | 56.5% | 66.1% |
| D | D | 12.31.1950 | 12.31.1952 | 38.0% | 17.8% | 98.9% | 30.7% | 46.8% | 11.1% |
| H Truman | D | 12.31.1948 | 12.31.1952 | 119.7% | 133.2% | 138.2% | 106.8% | 129.7% | 84.5% |
| R | R | 12.31.1952 | 12.31.1954 | 51.7% | 42.4% | 58.2% | 47.1% | 51.1% | 50.2% |
| R | D | 12.31.1954 | 12.31.1956 | 36.8% | 19.7% | 23.7% | 28.9% | 42.2% | 25.6% |
| H Eisenhower | R | 12.31.1952 | 12.31.1956 | 107.5% | 69.7% | 111.6% | 89.6% | 111.9% | 88.6% |
| R | D | 12.31.1956 | 12.31.1958 | 31.2% | 30.6% | 38.5% | 37.5% | 27.9% | 40.9% |
| R | D | 12.31.1958 | 12.31.1960 | 15.2% | 0.8% | 9.8% | 13.8% | 12.5% | 12.6% |
| H Eisenhower | R | 12.31.1956 | 12.31.1960 | 51.1% | 31.6% | 52.6% | 54.9% | 43.8% | 58.6% |
| D | D | 12.31.1960 | 12.31.1962 | 17.7% | 8.1% | 22.5% | 4.3% | 15.8% | 16.4% |
| D | D | 12.31.1962 | 12.31.1964 | 44.8% | 15.4% | 58.7% | 28.0% | 43.0% | 52.6% |
| H Kennedy/Johnson | D | 12.31.1960 | 12.31.1964 | 70.5% | 6.0% | 94.4% | 33.6% | 45.7% | 77.6% |
| D | D | 12.31.1964 | 12.31.1966 | 1.6% | 42.6% | 20.1% | 14.5% | 1.1% | 31.8% |
| D | D | 12.31.1966 | 12.31.1968 | 42.9% | 127.4% | 103.6% | 84.1% | 37.7% | 149.6% |
| H Johnson | D | 12.31.1964 | 12.31.1968 | 45.1% | 224.3% | 144.6% | 110.8% | 39.3% | 229.0% |
| R | D | 12.31.1968 | 12.31.1970 | -7.4% | -48.9% | -13.9% | -23.9% | -4.8% | 38.1% |
| R | D | 12.31.1970 | 12.31.1972 | 34.2% | 21.4% | 29.0% | 38.7% | 36.0% | 21.7% |
| H Nixon | D | 12.31.1968 | 12.31.1972 | 24.2% | -38.0% | 11.1% | 5.6% | 29.4% | -24.7% |
| R | D | 12.31.1972 | 12.31.1974 | -36.1% | -63.2% | -33.7% | -54.6% | -37.2% | -44.7% |
| R | D | 12.31.1974 | 12.31.1976 | 81.0% | 127.1% | 139.5% | 89.6% | 69.9% | 140.5% |
| H Nixon/Ford | D | 12.31.1972 | 12.31.1976 | 15.7% | -16.5% | 58.7% | -14.4% | 6.6% | 33.0% |
| D | D | 12.31.1976 | 12.31.1978 | 5.2% | 41.7% | 26.2% | 17.3% | -1.1% | 54.8% |
| D | D | 12.31.1978 | 12.31.1980 | 60.3% | 161.8% | 54.5% | 80.6% | 56.8% | 100.7% |
| H Carter | R | 12.31.1976 | 12.31.1980 | 68.7% | 270.9% | 97.5% | 123.6% | 55.1% | 210.6% |
| R | S | 12.31.1980 | 12.31.1982 | 20.4% | -4.2% | 65.3% | 9.7% | 15.4% | 45.8% |
| R | S | 12.31.1982 | 12.31.1984 | 29.3% | -1.9% | 54.1% | 8.5% | 30.2% | 30.4% |
| H Reagan | R | 12.31.1980 | 12.31.1984 | 58.6% | -6.1% | 139.3% | 19.1% | 50.3% | 90.0% |
| R | S | 12.31.1984 | 12.31.1986 | 57.9% | 26.4% | 56.2% | 42.2% | 56.6% | 33.2% |
| R | D | 12.31.1986 | 12.31.1988 | 21.8% | 8.9% | 23.1% | 10.2% | 22.9% | 11.5% |
| H Reagan | R | 12.31.1984 | 12.31.1988 | 92.3% | 37.7% | 82.3% | 56.8% | 92.5% | 48.5% |
| R | D | 12.31.1988 | 12.31.1990 | 24.2% | 2.8% | 0.3% | 15.6% | 27.3% | -13.6% |
| R | D | 12.31.1990 | 12.31.1992 | 45.2% | 70.3% | 73.5% | 56.8% | 40.6% | 78.4% |
| H Bush H. | D | 12.31.1988 | 12.31.1992 | 80.4% | 75.1% | 74.1% | 81.3% | 79.0% | 54.2% |
| D | D | 12.31.1992 | 12.31.1994 | 9.9% | 17.4% | 20.8% | 2.1% | 11.4% | 24.7% |
| D | R | 12.31.1994 | 12.31.1996 | 69.6% | 56.9% | 69.6% | 55.4% | 69.1% | 58.2% |
| H Clinton | D | 12.31.1992 | 12.31.1996 | 86.4% | 84.1% | 104.9% | 60.3% | 88.5% | 97.3% |
| D | R | 12.31.1996 | 12.31.1998 | 65.7% | 60.8% | 50.5% | 41.1% | 71.5% | 13.8% |
| D | R | 12.31.1998 | 12.31.2000 | 16.9% | 16.0% | 98.4% | 13.4% | 10.0% | 26.1% |
| H Clinton | R | 12.31.1996 | 12.31.2000 | 93.7% | 87.4% | 93.3% | 60.0% | 88.7% | 42.4% |
| R | R | 12.31.2000 | 12.31.2002 | -18.7% | -45.0% | -10.5% | -32.4% | -31.4% | 6.5% |
| R | R | 12.31.2002 | 12.31.2004 | 41.7% | 62.0% | 75.6% | 56.9% | 42.7% | 90.3% |
| H Bush W. | R | 12.31.2000 | 12.31.2004 | 15.2% | -11.7% | 57.1% | 6.0% | -2.1% | 102.6% |
| R | R | 12.31.2004 | 12.31.2006 | 23.0% | 19.1% | 37.1% | 12.7% | 21.5% | 22.8% |
| R | S | 12.31.2006 | 12.31.2008 | -31.7% | -36.4% | -39.8% | -31.3% | -33.5% | -40.0% |
| H Bush W. | D | 12.31.2004 | 12.31.2008 | -16.0% | -24.3% | -17.4% | -22.5% | -19.3% | -28.4% |
| D | D | 12.31.2008 | 12.31.2010 | 41.8% | 84.4% | 46.9% | 64.9% | 45.5% | 68.1% |
| D | S | 12.31.2010 | 12.31.2012 | 17.5% | 15.5% | 13.1% | 14.0% | 18.5% | 14.4% |
| H Obama | D | 12.31.2008 | 12.31.2012 | 66.7% | 112.9% | 66.2% | 88.0% | 72.4% | 92.3% |
| D | S | 12.31.2012 | 12.31.2014 | 50.5% | 53.7% | 52.2% | 53.0% | 50.5% | 49.3% |
| D | R | 12.31.2014 | 12.31.2016 | 12.8% | 11.4% | 19.8% | 9.7% | 13.5% | 21.1% |
| H Obama | R | 12.31.2012 | 12.31.2016 | 69.7% | 71.2% | 82.3% | 67.8% | 70.8% | 80.8% |
| R | R | 12.31.2016 | 12.31.2018 | 12.9% | 26.8% | 1.1% | 22.8% | 16.5% | 7.5% |
| H Trump | R | 12.31.2016 | 12.31.2018 | 12.9% | 26.8% | -1.1% | 22.8% | 16.5% | -7.5% |

Total Returns are not annualized. From 12.31.28 through 12.31.18. SOURCE: Kowitz using data from the U.S. House of Representatives, Morningstar and Professors Eugene F. Fama and Kenneth R. French

...including where we appear to be on the economic front,...



U.S. Recession Trough (per NBER) & Equity Returns

S&P 500 and Fama/French Value Performance

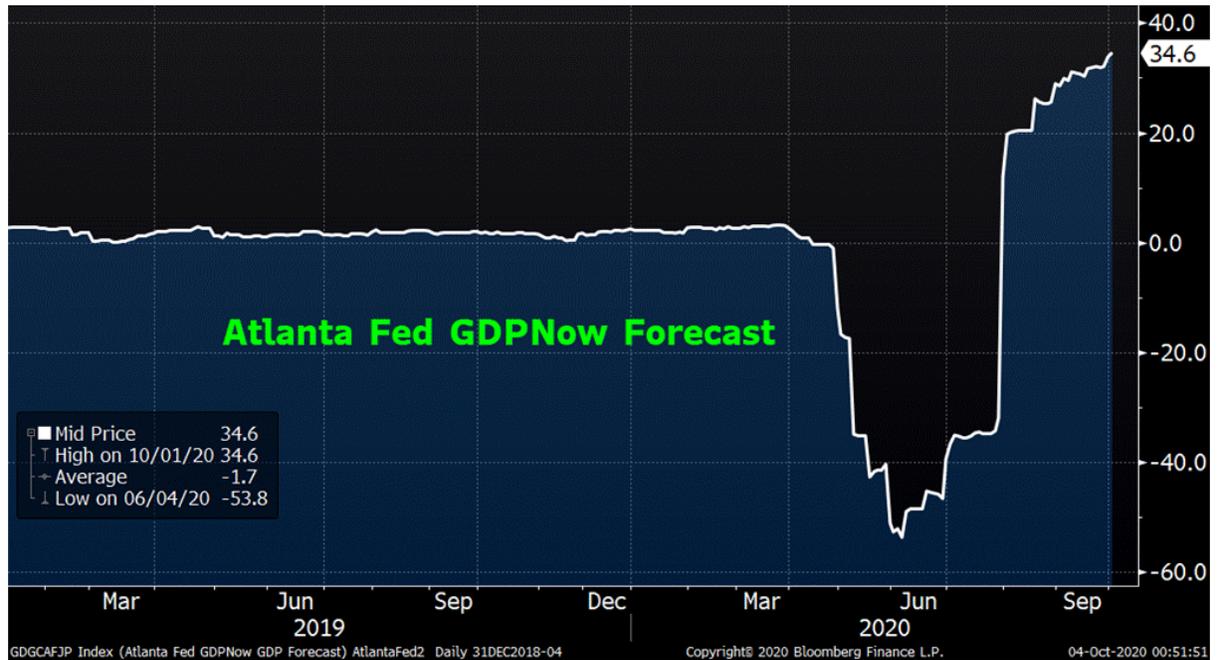
| Recession Trough Date | 1 Year Post S&P 500 TR | 1 Year Post FF Value TR | 1 Year Post FF Growth TR | 3 Year Post S&P 500 TR | 3 Year Post FF Value TR | 3 Year Post FF Growth TR | 5 Year Post S&P 500 TR | 5 Year Post FF Value TR | 5 Year Post FF Growth TR |
|-----------------------|------------------------|-------------------------|--------------------------|------------------------|-------------------------|--------------------------|------------------------|-------------------------|--------------------------|
| Mar-33 | 81.5% | 88.7% | 82.9% | 155.7% | 135.3% | 169.1% | 62.4% | 69.5% | 96.2% |
| Jun-38 | -1.7% | -14.5% | 2.7% | 0.8% | 4.6% | 14.5% | 43.9% | 129.3% | 65.5% |
| Oct-45 | -7.2% | -2.2% | -6.8% | 14.7% | 26.6% | -1.3% | 64.8% | 76.2% | 38.5% |
| Oct-49 | 35.1% | 43.8% | 29.9% | 92.8% | 96.5% | 66.3% | 177.8% | 174.6% | 131.2% |
| May-54 | 36.1% | 60.2% | 34.4% | 83.7% | 95.5% | 69.4% | 145.2% | 200.3% | 143.0% |
| Apr-58 | 37.2% | 61.0% | 51.4% | 66.4% | 94.4% | 86.4% | 89.9% | 128.4% | 84.1% |
| Feb-61 | 13.6% | 16.9% | 8.6% | 35.2% | 49.1% | 12.1% | 68.4% | 137.0% | 55.6% |
| Nov-70 | 11.2% | 11.0% | 20.5% | 20.6% | 13.5% | -0.7% | 25.1% | 44.4% | 1.5% |
| Mar-75 | 28.3% | 51.5% | 31.3% | 22.1% | 98.6% | 44.4% | 55.6% | 157.8% | 96.9% |
| Jul-80 | 13.0% | 22.9% | 22.8% | 56.1% | 113.6% | 69.7% | 100.5% | 207.7% | 75.2% |
| Nov-82 | 25.6% | 39.8% | 21.1% | 66.8% | 99.7% | 36.4% | 103.0% | 123.9% | 38.2% |
| Mar-91 | 11.0% | 25.5% | 16.7% | 29.8% | 73.2% | 25.8% | 98.0% | 154.7% | 82.9% |
| Nov-01 | -16.5% | -11.9% | -18.5% | 8.4% | 39.8% | 13.7% | 34.3% | 93.7% | 33.5% |
| Jun-09 | 14.4% | 25.5% | 14.7% | 57.7% | 53.2% | 62.3% | 136.9% | 158.2% | 140.8% |
| Averages | 20.1% | 29.9% | 22.3% | 50.8% | 71.0% | 47.7% | 86.1% | 132.6% | 77.4% |

Source: Kovitz Investment Group using data from Bloomberg, Professors Eugene F. Fama & Kenneth R. French and the National Bureau of Economic Research

...given the expectation for a massive rebound in the just-completed quarter from the horrendous recessionary trough in Q2 whereby GDP growth declined by a whopping 31.4% on an annualized basis.



While a rebound is almost a mathematical certainty, given the magnitude of the massive Q2 economic contraction, the Atlanta Fed is now projecting a 34.6% increase in GDP in Q3 on an annualized basis.



Obviously, the outlook for the current quarter and beyond remains highly uncertain, but the Federal Reserve is projecting handsome GDP growth in 2021 of 4.0%,...



The Fed's latest projections call for a much less severe recession (3.7% plunge in real GDP) this year, and a significant recovery of 4.0% GDP growth in 2021 and a decent 3.0% expansion in 2022, while the Fed Funds rate will likely remain near zero through 2023.

Table 1. Economic projections of Federal Reserve Board members and Federal Reserve Bank presidents, under their individual assumptions of projected appropriate monetary policy, September 2020

Percent

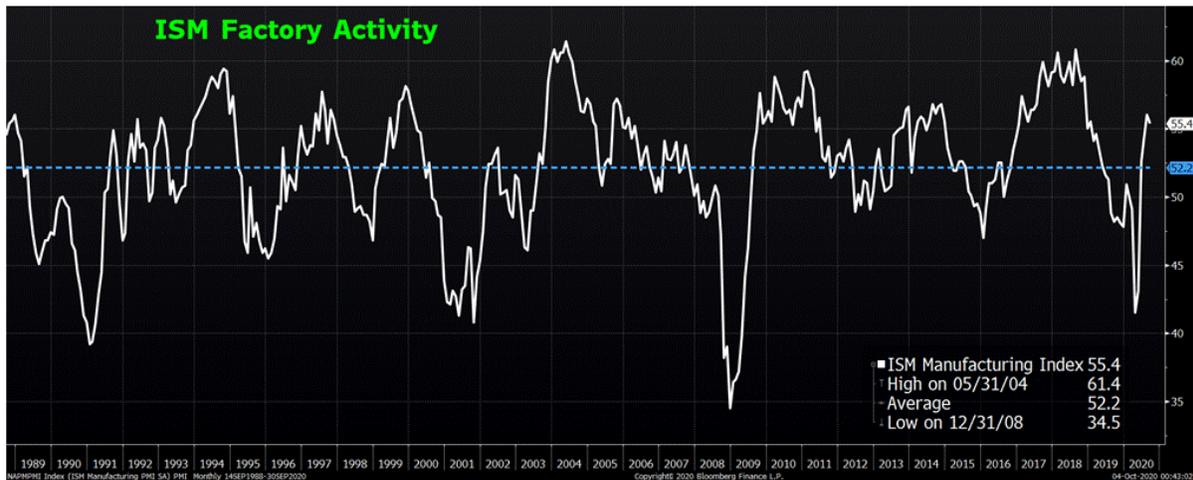
| Variable | Median ¹ | | | | | Central Tendency ² | | | | | Range ³ | | | | |
|---|---------------------|------|------|------|------------|-------------------------------|---------|---------|---------|------------|--------------------|----------|---------|---------|------------|
| | 2020 | 2021 | 2022 | 2023 | Longer run | 2020 | 2021 | 2022 | 2023 | Longer run | 2020 | 2021 | 2022 | 2023 | Longer run |
| Change in real GDP | -3.7 | 4.0 | 3.0 | 2.5 | 1.9 | -4.0--3.0 | 3.6-4.7 | 2.5-3.3 | 2.4-3.0 | 1.7-2.0 | -5.5-1.0 | 0.0-5.5 | 2.0-4.5 | 2.0-4.0 | 1.6-2.2 |
| June projection | -6.5 | 5.0 | 3.5 | | 1.8 | -7.6--5.5 | 4.5-6.0 | 3.0-4.5 | | 1.7-2.0 | -10.0--4.2 | -1.0-7.0 | 2.0-6.0 | | 1.6-2.2 |
| Unemployment rate | 7.6 | 5.5 | 4.6 | 4.0 | 4.1 | 7.0-8.0 | 5.0-6.2 | 4.0-5.0 | 3.5-4.4 | 3.9-4.3 | 6.5-8.0 | 4.0-8.0 | 3.5-7.5 | 3.5-6.0 | 3.5-4.7 |
| June projection | 9.3 | 6.5 | 5.5 | | 4.1 | 9.0-10.0 | 5.9-7.5 | 4.8-6.1 | | 4.0-4.3 | 7.0-14.0 | 4.5-12.0 | 4.0-8.0 | | 3.5-4.7 |
| PCE inflation | 1.2 | 1.7 | 1.8 | 2.0 | 2.0 | 1.1-1.3 | 1.6-1.9 | 1.7-1.9 | 1.9-2.0 | 2.0 | 1.0-1.5 | 1.3-2.4 | 1.5-2.2 | 1.7-2.1 | 2.0 |
| June projection | 0.8 | 1.6 | 1.7 | | 2.0 | 0.6-1.0 | 1.4-1.7 | 1.6-1.8 | | 2.0 | 0.5-1.2 | 1.1-2.0 | 1.4-2.2 | | 2.0 |
| Core PCE inflation ⁴ | 1.5 | 1.7 | 1.8 | 2.0 | | 1.3-1.5 | 1.6-1.8 | 1.7-1.9 | 1.9-2.0 | | 1.2-1.6 | 1.5-2.4 | 1.6-2.2 | 1.7-2.1 | |
| June projection | 1.0 | 1.5 | 1.7 | | | 0.9-1.1 | 1.4-1.7 | 1.6-1.8 | | | 0.7-1.3 | 1.2-2.0 | 1.2-2.2 | | |
| Memo: Projected appropriate policy path | | | | | | | | | | | | | | | |
| Federal funds rate | 0.1 | 0.1 | 0.1 | 0.1 | 2.5 | 0.1 | 0.1 | 0.1 | 0.1-0.4 | 2.3-2.5 | 0.1 | 0.1 | 0.1-0.6 | 0.1-1.4 | 2.0-3.0 |
| June projection | 0.1 | 0.1 | 0.1 | | 2.5 | 0.1 | 0.1 | 0.1 | | 2.3-2.5 | 0.1 | 0.1 | 0.1-1.1 | | 2.0-3.0 |

Source: Federal Reserve, September 16, 2020

...while the latest batch of economic statistics were pretty good for the most part, with the purchasing managers in the manufacturing sector fairly upbeat in their views,...



The latest read on the health of the manufacturing sector pulled back to a weaker-than-expected 55.4 in September, but far above the 11-year-low of 41.5 set five months prior and not too far from a two-year high, with the Institute for Supply Management stating, “The past relationship between the PMI and the overall economy... corresponds to a 3.7% increase in real gross domestic product (GDP) on an annualized basis.”



...and factory orders continuing to rebound, while auto sales were surprisingly robust.

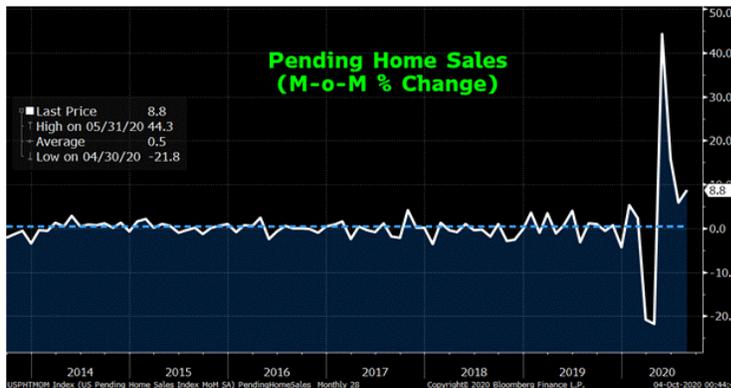


Continuing the bounce back in the manufacturing sector after coronavirus-related shutdowns, factory orders for August increased for a fourth straight month, albeit by a weaker-than-expected 0.7%. Meanwhile, consumers went car shopping in September, with the seasonally adjusted annualized rate for light vehicles sold estimated at 16.34 million units, according to Wards Intelligence, nicely above the 15.3 million average over the past three decades.

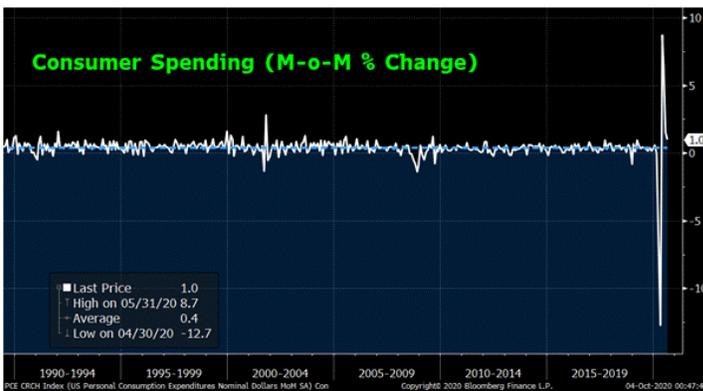
No doubt, it doesn't hurt that consumers have more of a bounce in their step, which has contributed to record housing numbers,...



Consumer confidence blew away expectations with a jump to 101.8 in September, up from a revised 86.3 in August and the best monthly increase in 17 years. Of course, the reading is well below levels that existed before the pandemic, but consumers continue to buy houses, with an index of pending home sales rising for the fourth consecutive month, this time by 8.8% in August, hitting an all-time high.



...and willingness to continue to open their pocketbooks.



With more businesses reopened, consumer spending continued its bounce back in August, rising a robust 1.0%. True, the tally was down considerably from the 6.2% jump in June, but it did represent the fourth straight monthly advance. Folks did have to reach into their savings, however, as personal income dipped 2.7% in August, no doubt impacted by the winding down of government stimulus.



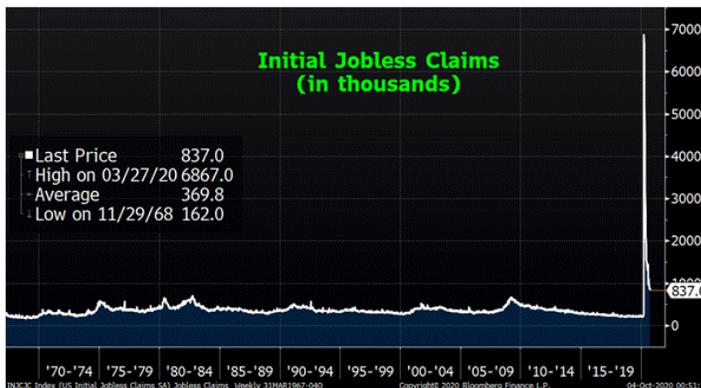
To be sure, we respect that the latest monthly jobs report was somewhat disappointing, if one can call creating 661,000 jobs during September disappointing,...



While economists were looking for a gain of 800,000 payrolls, the increase of 661,000 in September trailed expectations, though a big drop in hiring in the government sector was the largest contributor. To be sure, there are still millions out of work, but given that a lot of the recent layoffs were for lower-paying jobs, average hourly earnings comparisons remained high, jumping 4.7% on a year-over-year basis.



...but labor numbers are trending in the right direction.

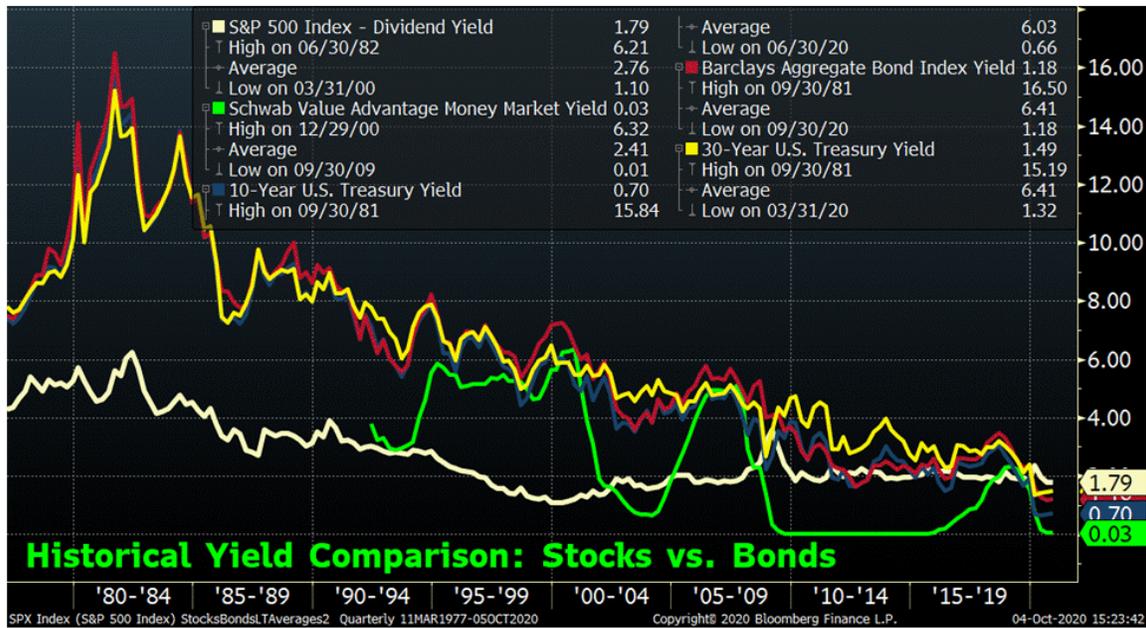


While there is still some noise in the calculations, the jobless rate for September came in better than expected at 7.9%, continuing to improve from April's record 14.7% level. Adding to that relatively good news, first-time filings for unemployment benefits declined to 837 thousand, a modestly smaller figure than projected, even as the total for the last 28 COVID-19-impacted weeks rose to more than 62 million.

We recognize that the near term is filled with uncertainty, given that we are now about four weeks away from Election Day and third quarter earnings reporting season will soon kick off, so we continue to be braced for market turbulence. That said, we retain our optimism for the long-term prospects of our broadly diversified portfolios of what we believe to be undervalued stocks, generally of dividend-paying companies, with the extraordinarily low interest rate climate a major factor in our enthusiasm.



Though stocks are not necessarily a substitute for cash, government or corporate bonds, the payout on the S&P 500 (1.79%) is extraordinarily generous versus the income provided by fixed income, especially given the recent plunge in rates. Incredibly, **equities yield more than the Barclays Aggregate Bond Index and nearly 60 times the yield of a “generous” Money Market Fund!**



Stock Updates

Keep in mind that all stocks are rated as a “Buy” until such time as they are a “Sell.” A listing of all current recommendations is available for download via the following link: <https://theprudentpeculator.com/dashboard/>. We also offer the reminder that any sales we make for our newsletter strategies are announced via our *Sales Alerts*.

With the October edition of *The Prudent Speculator* offering updates on a couple of stocks in the news last week, we will add a little more color to this month’s *Graphic Detail* feature. In our *Quest for Income* discussion, we showed how dividend payouts on stocks generally rise over time, even as there have been occasional interruptions, such as this year in the wake of COVID-19 and the Great Lockdown.

To be sure, more than a few companies have suspended or reduced their payouts in 2020, including 16 of our current recommendations, but there are 43 of our holdings that sport a higher payout today than they did back in December. They are listed alphabetically,...



Despite the worst economic downturn since the Great Depression, numerous stocks recommended in the pages of *The Prudent Speculator* have managed to raise their dividends in 2020.

Undervalued TPS Stocks With Higher Dividends Today Than December 2019 - Page 1

| Symbol | Common Stock | 10.2.20 Price | Target Price | 52-Week High | 52-Week Low | Sector | P/E | P/S | FCF Yield | Dec-19 Qtr Rate | Current Qtr Rate | Dividend Yield | Market Cap |
|--------|-------------------------|---------------|--------------|--------------|-------------|--------------------------|------|-----|-----------|-----------------|------------------|----------------|------------|
| AAPL | Apple | \$113.02 | \$135.80 | \$137.98 | \$53.15 | Technology Hardware | 34.4 | 7.1 | 3.6 | \$0.1925 | \$0.21 | 0.7% | 1,932,929 |
| ADM | Archer-Daniels-Midland | \$46.74 | \$56.62 | \$48.56 | \$28.92 | Food, Beverage & Tobacco | 12.7 | 0.4 | -15.1 | \$0.35 | \$0.36 | 3.1% | 25,971 |
| ALB | Albemarle | \$89.29 | \$106.22 | \$101.00 | \$48.89 | Materials | 17.4 | 2.8 | -1.3 | \$0.37 | \$0.39 | 1.7% | 9,497 |
| ALL | Allstate | \$93.02 | \$135.91 | \$125.92 | \$64.13 | Insurance | 7.8 | nmf | nmf | \$0.50 | \$0.54 | 2.3% | 29,052 |
| AMGN | Amgen | \$245.41 | \$285.80 | \$264.97 | \$177.05 | Pharmaceuticals, Biotech | 15.6 | 5.9 | 7.0 | \$1.45 | \$1.60 | 2.6% | 143,735 |
| ARE | Alexandria Real Estate | \$164.71 | \$218.16 | \$177.70 | \$109.22 | Real Estate | 23.0 | nmf | nmf | \$1.03 | \$1.06 | 2.6% | 20,772 |
| BHE | Benchmark Electronics | \$20.18 | \$31.26 | \$37.36 | \$14.06 | Technology Hardware | 21.9 | 0.4 | 0.7 | \$0.15 | \$0.16 | 3.2% | 736 |
| CAH | Cardinal Health | \$46.30 | \$78.92 | \$60.69 | \$39.05 | Health Care Equip/Srvcs | 8.5 | 0.1 | 11.7 | \$0.48 | \$0.49 | 4.2% | 13,584 |
| CMA | Comerica | \$39.33 | \$70.92 | \$73.43 | \$24.28 | Banks | 9.5 | nmf | nmf | \$0.67 | \$0.68 | 6.9% | 5,468 |
| CMCSA | Comcast | \$45.15 | \$55.44 | \$47.74 | \$31.71 | Media & Entertainment | 15.2 | 2.0 | 7.9 | \$0.21 | \$0.23 | 2.0% | 206,250 |
| CSCO | Cisco Systems | \$38.27 | \$58.02 | \$50.28 | \$32.40 | Technology Hardware | 12.0 | 3.3 | 9.0 | \$0.35 | \$0.36 | 3.8% | 162,013 |
| DLR | Digital Realty Trust | \$149.35 | \$165.70 | \$165.49 | \$105.00 | Real Estate | 24.2 | nmf | nmf | \$1.08 | \$1.12 | 3.0% | 41,440 |
| ETN | Eaton Corp PLC | \$102.65 | \$108.12 | \$106.07 | \$56.42 | Capital Goods | 21.5 | 2.1 | 8.8 | \$0.71 | \$0.73 | 2.8% | 41,070 |
| FITB | Fifth Third Bancorp | \$21.89 | \$34.86 | \$31.64 | \$11.10 | Banks | 11.8 | nmf | nmf | \$0.24 | \$0.27 | 4.9% | 15,591 |
| GBX | Greenbrier Cos | \$31.35 | \$41.67 | \$34.30 | \$12.89 | Capital Goods | 10.0 | 0.3 | 5.7 | \$0.25 | \$0.27 | 3.4% | 1,025 |
| GD | General Dynamics | \$140.49 | \$231.75 | \$190.08 | \$100.55 | Capital Goods | 12.5 | 1.0 | 6.5 | \$1.02 | \$1.10 | 3.1% | 40,311 |
| GILD | Gilead Sciences | \$62.17 | \$91.10 | \$85.97 | \$61.37 | Pharmaceuticals, Biotech | 10.6 | 3.5 | 11.2 | \$0.63 | \$0.68 | 4.4% | 77,944 |
| GLW | Corning | \$32.81 | \$41.22 | \$33.86 | \$17.44 | Technology Hardware | 24.3 | 2.3 | 3.9 | \$0.20 | \$0.22 | 2.7% | 24,994 |
| IBM | Int'l Business Machines | \$120.57 | \$181.73 | \$158.75 | \$90.56 | Software & Services | 10.6 | 1.4 | 11.9 | \$1.62 | \$1.63 | 5.4% | 107,377 |
| JNJ | Johnson & Johnson | \$146.24 | \$173.76 | \$157.00 | \$109.16 | Pharmaceuticals, Biotech | 18.3 | 4.8 | 4.5 | \$0.95 | \$1.01 | 2.8% | 385,024 |
| JNPR | Juniper Networks | \$21.32 | \$34.82 | \$26.49 | \$15.20 | Technology Hardware | 13.0 | 1.6 | 7.7 | \$0.19 | \$0.20 | 3.8% | 7,073 |
| KR | Kroger Co | \$34.07 | \$40.03 | \$37.22 | \$23.71 | Food & Staples Retailing | 11.4 | 0.2 | 14.6 | \$0.16 | \$0.18 | 2.1% | 26,381 |

As of 10.2.20, FCF = Free Cash Flow, nmf=Not meaningful.

...across these two slides.



While some companies actually have seen an increase in business due to the pandemic, it is nice to see that balance sheets are solid enough even in hard hit industries to support dividend increases.

Undervalued TPS Stocks With Higher Dividends Today Than December 2019 - Page 2

| Symbol | Common Stock | 10.2.20 Price | Target Price | 52-Week High | 52-Week Low | Sector | P/E | P/S | FCF Yield | Dec-19 Qtr Rate | Current Qtr Rate | Dividend Yield | Market Cap |
|--------|--------------------------|---------------|--------------|--------------|-------------|--------------------------|------|------|-----------|-----------------|------------------|----------------|------------|
| LMT | Lockheed Martin | \$380.58 | \$496.02 | \$442.53 | \$266.11 | Capital Goods | 16.7 | 1.7 | 6.4 | \$2.4000 | \$2.60 | 2.7% | 106,388 |
| LOW | Lowe's Cos | \$166.49 | \$182.15 | \$171.72 | \$60.00 | Retailing | 21.2 | 1.6 | 8.6 | \$0.55 | \$0.60 | 1.4% | 125,822 |
| LRCX | Lam Research | \$328.71 | \$402.31 | \$387.70 | \$181.38 | Semiconductors | 20.6 | 4.7 | 4.0 | \$1.15 | \$1.30 | 1.6% | 47,692 |
| MCK | McKesson | \$146.98 | \$197.59 | \$172.18 | \$112.60 | Health Care Equip/Srvcs | 10.2 | 0.1 | 11.5 | \$0.41 | \$0.42 | 1.1% | 23,839 |
| MDC | MDC Holdings | \$49.03 | \$59.07 | \$49.47 | \$15.75 | Consumer Durables | 12.0 | 0.9 | 1.1 | \$0.30 | \$0.33 | 2.7% | 3,109 |
| MDT | Medtronic PLC | \$101.96 | \$122.91 | \$122.15 | \$72.13 | Health Care Equip/Srvcs | 25.8 | 4.9 | 3.5 | \$0.54 | \$0.58 | 2.3% | 137,056 |
| MET | MetLife | \$37.63 | \$73.00 | \$53.28 | \$22.85 | Insurance | 6.6 | nmf | nmf | \$0.44 | \$0.46 | 4.9% | 34,155 |
| MMM | 3M | \$160.36 | \$192.83 | \$182.55 | \$114.04 | Capital Goods | 18.9 | 2.9 | 6.3 | \$1.44 | \$1.47 | 3.7% | 92,370 |
| MSFT | Microsoft | \$206.19 | \$240.70 | \$232.86 | \$132.52 | Software & Services | 35.8 | 10.9 | 2.9 | \$0.51 | \$0.56 | 1.1% | 1,560,374 |
| NEM | Newmont | \$62.29 | \$75.06 | \$72.22 | \$33.00 | Materials | 39.4 | 4.7 | 4.2 | \$0.14 | \$0.25 | 1.6% | 50,023 |
| ONB | Old National Bancorp | \$12.92 | \$19.94 | \$18.74 | \$11.19 | Banks | 10.1 | nmf | nmf | \$0.13 | \$0.14 | 4.3% | 2,133 |
| PFE | Pfizer | \$36.38 | \$49.16 | \$40.97 | \$27.88 | Pharmaceuticals, Biotech | 12.6 | 4.1 | 6.3 | \$0.36 | \$0.38 | 4.2% | 202,159 |
| PRU | Prudential Financial | \$63.88 | \$118.04 | \$97.24 | \$38.62 | Insurance | 6.6 | nmf | nmf | \$1.00 | \$1.10 | 6.9% | 25,233 |
| QCOM | Qualcomm | \$115.47 | \$125.72 | \$123.93 | \$58.00 | Semiconductors | 32.9 | 6.5 | 2.9 | \$0.62 | \$0.65 | 2.3% | 130,250 |
| REG | Regency Centers | \$40.20 | \$66.87 | \$70.13 | \$31.80 | Real Estate | 11.2 | nmf | nmf | \$0.59 | \$0.60 | 5.9% | 6,827 |
| SJM | J M Smucker | \$116.47 | \$139.23 | \$125.62 | \$91.88 | Food, Beverage & Tobacco | 12.2 | 1.7 | 8.8 | \$0.88 | \$0.90 | 3.1% | 13,286 |
| TGT | Target | \$159.10 | \$166.24 | \$160.89 | \$90.17 | Retailing | 22.7 | 0.9 | 7.9 | \$0.66 | \$0.68 | 1.7% | 79,648 |
| VZ | Verizon Communications | \$59.24 | \$70.62 | \$62.22 | \$48.84 | Telecom Services | 12.3 | 1.9 | 9.6 | \$0.62 | \$0.63 | 4.2% | 245,138 |
| WBA | Walgreens Boots Alliance | \$35.77 | \$78.88 | \$64.50 | \$33.88 | Food & Staples Retailing | 6.9 | 0.2 | 13.7 | \$0.46 | \$0.47 | 5.2% | 30,996 |
| WM | Waste Management | \$113.89 | \$127.85 | \$126.79 | \$85.34 | Commercial & Pro Srvcs | 27.2 | 3.2 | 4.0 | \$0.51 | \$0.54 | 1.9% | 48,114 |
| WMT | Walmart | \$140.50 | \$159.99 | \$151.33 | \$102.00 | Food & Staples Retailing | 26.6 | 0.7 | 5.9 | \$0.53 | \$0.54 | 1.5% | 398,142 |

As of 10.2.20. FCF = Free Cash Flow. nmf=Not meaningful.