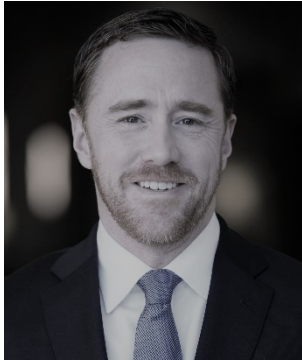


The Sizemore Income Letter

March 10, 2021

The Road to Normal

By Charles Lewis Sizemore, CFA



I can very happily say that I have little to report today.

The massive spike in bond yield that destabilized the market seems to have plateaued for now. The modest market correction seems to have reversed. And even the energy market is showing signs of life.

Frankly, all is well in the world... at least for today. Things are getting closer to normal, and it's absolutely fantastic to see.

There are some major cans that have been kicked down the road. Both the stock and the bond markets are addicted to Fed stimulus, and it's *really* unclear how the Fed plans to wean them off without causing the mother of all bear markets.

But, that's a problem for another day. For now, let's just enjoy it.

Given that I have no real news to report, I want to take a minute to talk about retirement plans. You know my shtick here. Before you invest a single nickel in any stock I recommend, you should absolutely max out your tax-advantaged retirement options. If you work for a company, that will generally mean a 401(k) plan.

In 2021, you can contribute up to \$19,500 or \$26,000 if you're 50 or older. And this is the part that comes from you. Employer matching or profit sharing can add thousands of dollars to these totals.

That first dollar of savings should always go to your retirement plan. Once you've maxed out the retirement plan, then and only then does it make sense to start buying the stocks I recommend in this letter.

If you're self-employed, your options get better. With a SEP IRA or Individual 401(k) you can contribute up to \$58,000 tax free. And if you toss in a one-man pension plan, you can potentially get that number up to a couple hundred thousand dollars – again, tax free. And unlike the standard company 401(k) plan, you actually can invest in my recommendations in retirement accounts like these. Generally, you can trade just about *anything* in these accounts.

If you're late in your career and really making good money, these are the easiest ways to shield it from the tax man. I set up plans like these for clients, by the way. If you'd like to discuss, reach out to me at info@sizemorecapital.com, and I'm happy to discuss.

The Sizemore Income Letter Portfolio

Stock	Ticker	Entry Date	Buy Price	Recent Price	Stop Loss	Yield	Cumulative Dividends	Total Return	IRA Friendly?
BHP Group	BHP	2/25/2021	\$78.04	\$ 74.10	\$60.94	4.10%	\$ -	-5.05%	Yes
Vale SA	VALE	2/25/2021	\$17.40	\$ 18.02	\$12.06	3.00%	\$ -	3.56%	Yes
Magellan Midstream Partners	MMP	1/29/2021	\$44.41	\$ 45.10	\$34.74	9.10%	\$ 1.03	3.87%	No
WisdomTree Emerging Markets High Dividend Fund	DEM	12/31/2020	\$41.22	\$ 44.39	\$37.02	4.70%	\$ -	7.69%	Yes
Healthcare Trust of America	HTA	11/20/2020	\$26.80	\$ 27.28	\$23.14	4.75%	\$ 0.32	2.99%	Yes
Physicians Realty Trust	DOC	11/20/2020	\$17.80	\$ 17.65	\$14.53	5.12%	\$ 0.23	0.45%	Yes
AllianceBernstein Holding, LP	AB	11/6/2020	\$30.85	\$ 38.97	\$28.16	9.12%	\$ 0.97	29.47%	No
Main Street Capital	MAIN	9/25/2020	\$29.74	\$ 37.81	\$24.36	8.46%	\$ 0.82	29.89%	Yes
Iron Mountain	IRM	8/25/2020	\$30.22	\$ 37.01	\$23.53	8.15%	\$ 1.24	26.57%	Yes
Starwood Property Trust	STWD	8/25/2020	\$15.70	\$ 23.96	\$15.87	12.05%	\$ 0.96	58.73%	Yes
Dow Inc.	DOW	6/24/2020	\$38.45	\$ 64.32	\$41.05	6.62%	\$ 0.70	69.10%	Yes
Tortoise Essential Assets Income Term Fund	TEAF	6/24/2020	\$10.73	\$ 13.91	\$11.07	8.19%	\$ 0.60	35.23%	Yes
LyondellBasell Industries	LYB	5/22/2020	\$60.39	\$ 109.50	\$73.29	6.17%	\$ 1.05	83.06%	Yes
Invesco Adv. Municipal Income Trust II	VKI	4/23/2020	\$10.12	\$ 11.94	\$10.87	4.76%	\$ 0.51	22.97%	No
Ares Capital Corporation	ARCC	4/23/2020	\$11.35	\$ 19.23	\$15.02	11.44%	\$ 1.20	80.00%	Yes

We're off to a slow start in BHP Group (NYSE: BHP), down about 5%. Don't sweat it. Use this little dip as a buying opportunity. I see this stock being a strong performer for us.

The rest of the portfolio is firing on all cylinders. Let's enjoy this moment! Until next week, keep cashing those dividend checks.



Charles Lewis Sizemore, CFA

P.S.: Apart from writing this newsletter, I run a full-service wealth management firm along with my colleagues. At **Sizemore Capital Management**, we build income portfolios like those I write about in the *Sizemore Income Letter*. But we also do a lot more than that. We manage a suite of low-volatility strategies offering low correlation to the S&P 500. If you'd like for me to take a look at your portfolio and offer some recommendations, contact me at info@sizemorecapital.com.