

# The Sizemore Income Letter

April 30, 2021

## Mining Profits

By Charles Lewis Sizemore, CFA



We'll keep this short this week, as we just published the monthly edition, and nothing earth shattering has happened in the meantime. But I do want to give a quick update, particularly on some of our most recent additions.

April has been a fantastic month in the market, with the S&P 500 posting its best monthly returns since November, up about 5%. We saw some profit taking today, but that's pretty normal. After a strong month, traders are taking profits. Nothing more, nothing less.

There are still plenty of risks out there. But as far as I can see, we'll be starting May strongly.

Stock	Ticker	Entry Date	Buy Price	Recent Price	Stop Loss	Yield	Cumulative Dividends	Total Return	IRA Friendly?
Newmont Corporation	NEM	4/27/2021	\$65.72	\$ 62.39	\$53.74	3.35%	\$ -	-5.07%	Yes
BHP Group	BHP	2/25/2021	\$78.04	\$ 72.79	\$60.94	4.10%	\$ -	-6.73%	Yes
Vale SA	VALE	2/25/2021	\$17.40	\$ 20.08	\$12.06	3.00%	\$ -	15.40%	Yes
Magellan Midstream Partners	MMP	1/29/2021	\$44.41	\$ 46.77	\$34.74	9.10%	\$ 1.03	7.63%	No
WisdomTree Emerging Markets High Dividend Fund	DEM	12/31/2020	\$41.22	\$ 45.15	\$37.02	4.70%	\$ -	9.53%	Yes
Healthcare Trust of America	HTA	11/20/2020	\$26.80	\$ 29.37	\$23.14	4.75%	\$ 0.32	10.76%	Yes
Physicians Realty Trust	DOC	11/20/2020	\$17.80	\$ 18.73	\$14.53	5.12%	\$ 0.23	6.52%	Yes
AllianceBernstein Holding, LP	AB	11/6/2020	\$30.85	\$ 43.20	\$28.16	9.12%	\$ 0.97	43.18%	No
Main Street Capital	MAIN	9/25/2020	\$29.74	\$ 42.59	\$24.36	8.46%	\$ 0.82	45.97%	Yes
Iron Mountain	IRM	8/25/2020	\$30.22	\$ 40.10	\$23.53	8.15%	\$ 1.24	36.79%	Yes
Starwood Property Trust	STWD	8/25/2020	\$15.70	\$ 25.82	\$15.87	12.05%	\$ 0.96	70.57%	Yes
Dow Inc.	DOW	6/24/2020	\$38.45	\$ 62.58	\$41.05	6.62%	\$ 0.70	64.58%	Yes
Tortoise Essential Assets Income Term Fund	TEAF	6/24/2020	\$10.73	\$ 14.81	\$11.07	8.19%	\$ 0.60	43.62%	Yes
LyondellBasell Industries	LYB	5/22/2020	\$60.39	\$ 103.71	\$73.29	6.17%	\$ 1.05	73.47%	Yes
Invesco Adv. Municipal Income Trust II	VKI	4/23/2020	\$10.12	\$ 12.00	\$10.87	4.76%	\$ 0.51	23.57%	No
Ares Capital Corporation	ARCC	4/23/2020	\$11.35	\$ 19.25	\$15.02	11.44%	\$ 1.20	80.18%	Yes

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Let's jump into the portfolio.

I joke that there is a "Sizemore curse." Even if most of my picks eventually perform well, they have a way of getting off to a slow start. And that is the case with **Newmont Corporation (NYSE: NEM)**. We're down about 5%. **BHP Group (NYSE: BHP)** has also underwhelmed thus far, as we're down about 7%.

Thankfully, the strong performance in **Vale SA (NYSE: VALE)** has more than make up for our slow start in the other two miners, and we're up over 15% thus far.

I really love mining stocks right now. I probably won't be adding more, as I don't want to overload us. After all, my mandate is to find you conservative income plays, not wild speculations. I consider the miners to be a prudent percentage of the portfolio at current levels, but I'd ask that you really watch our stops. Miners can really move. I expect that to work in our favor, but sometimes it doesn't. And we need to be prepared for whatever comes our way!

Otherwise, the rest of the portfolio is working. And if it ain't broke, I see no reason to fix it.

That's going to wrap it up for today.

For your amusement, I will be living out of a suitcase for the next few days... with my wife, two boys and the baby! We're getting our home painted, and it's a real mess over here. This house has 11 years' worth of nicks and dings from my rowdy children alone. We'll be doing a staycation at a hotel in town... and I have to say I'm looking forward to it. Though it will be chaotic to say the least.

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](mailto:info@sizemorecapital.com).