

# The Sizemore Income Letter

April 7, 2023

## Happy Easter!

By Charles Lewis Sizemore, CFA



I'll keep this short and sweet today. The meaty economic news can wait until next week!

In case you missed it, we added four new positions to the portfolio in the March issue, all preferred stock. Given that these are a little outside the norm for us, I opted to carve out a separate portfolio for these. They're not our main newsletter portfolio and they're not the Forever Portfolio. They're something entirely new.

Preferred Stock Portfolio								
Stock	Ticker	Buy Date	Buy Price	Current Price	Discount to Par	Yield	Cumulative Dividends	Total Return
AGNC Investment Corp Preferred	AGNCP	3/31/2023	\$19.72	\$19.05	-21%	8.04%	\$ -	-3.40%
Goldman Sachs Series A Preferred	GS.PRA	4/1/2023	\$20.42	\$20.64	-18%	6.69%	\$ -	1.08%
Bank of America Corp Floating Rate Non-Cumulative Preferred Stock, Series 5	BML.PRL	4/2/2023	\$20.24	\$20.55	-19%	6.53%	\$ -	1.53%
Morgan Stanley   Floating Rate Non-Cumulative Preferred Stock, Series A	MS.PRA	4/3/2023	\$20.28	\$20.45	-19%	6.77%	\$ -	0.84%

So far, we're off to a good start. Three out of the four are positive. We're sitting on a small loss in the AGNC preferreds, but I'm not particularly worried about it. This is just regular market noise.

It looks like the banking panic we had last month has mostly run its course. I can't say for sure that's it's over, but it's looking like, at a minimum, whatever comes next is manageable. I see the bigger risk simply being that banks scale back their lending, thus tightening credit conditions more than the Fed already has. This will likely be that proverbial straw that breaks the camel's back and sends us into a recession. But that is a longer conversation for another day.

If you haven't already purchased the preferreds, it's not too late. I consider all very attractive at current prices and expect us to make very decent total returns.

Otherwise, I have nothing to report that can't wait until next week!

Until then, have a great weekend, and 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).

### The Sizemore Income Letter Portfolio

Stock	Ticker	Entry Date	Buy Price	Recent Price	Stop Loss	Yield	Cumulative Dividends	Total Return	IRA Friendly?	Action
Nuveen Real Estate Income Fund	JRS	1/30/2023	\$8.46	\$7.43	\$6.41	9.77%	\$ 0.17	-10.17%	Yes	Buy
iShares MSCI Brazil ETF	EWZ	12/26/2022	\$28.79	\$27.09	\$20.15	12.96%	\$ -	-5.90%	Yes	Buy
Atlantica Sustainable Infrastructure	AY	11/22/2022	\$27.75	\$28.16	\$20.41	6.25%	\$ 0.89	4.68%	Yes	Buy
AGNC Investment Corporation	AGNC	11/3/2022	\$8.16	\$10.29	\$9.30	13.99%	\$ 0.36	30.51%	Yes	Hold
Cheniere Energy Partners	CQP	8/4/2022	\$46.49	\$46.52	\$41.42	7.50%	\$ 1.07	2.37%	No	Buy
Citigroup Inc	C	6/23/2022	\$47.34	\$45.86	\$36.00	4.45%	\$ 1.02	-0.97%	Yes	Buy
ONEOK, Inc.	OKE	4/28/222	\$65.50	\$65.69	\$47.91	5.69%	\$ 2.81	4.57%	Yes	Buy
Energy Transfer Partners	ET	12/27/2021	\$8.16	\$12.51	\$8.59	7.35%	\$ 0.87	63.97%	No	Buy
EPR Properties	EPR	11/29/2021	\$47.78	\$38.25	\$33.92	8.63%	\$ 3.20	-13.25%	Yes	Buy
Chevron Corporation	CVX	9/30/2021	\$103.33	\$167.65	\$132.62	3.39%	\$ 7.02	69.04%	Yes	Buy
ClearBridge Energy Midstream Opportunity	EMO	5/26/2021	\$21.94	\$28.35	\$20.49	7.20%	\$ 2.68	41.43%	Yes	Buy
Magellan Midstream Partners	MMP	1/29/2021	\$44.41	\$54.73	\$41.78	7.58%	\$ 9.33	44.25%	No	Buy

## The Forever Portfolio

Stock	Ticker	Entry Date	Buy Price	Recent Price	Stop Loss	Yield	Cumulative Dividends	Total Return	IRA Friendly?
National Retail Properties	NNN	9/29/2022	\$ 39.07	\$ 43.26	None	5.09%	\$ 1.10	13.54%	Yes
Conagra Brands	CAG	6/23/2022	\$ 32.47	\$ 38.38	None	3.44%	\$ 0.99	21.25%	Yes
The Clorox Company	CLX	6/23/2022	\$ 132.28	\$ 157.76	None	2.99%	\$ 3.54	21.94%	Yes
Campbell Soup Company	CPB	6/23/2022	\$ 47.04	\$ 55.47	None	2.67%	\$ 1.11	20.29%	Yes
Flowers Foods	FLO	6/23/2022	\$ 24.97	\$ 27.31	None	3.22%	\$ 0.44	11.16%	Yes
General Mills	GIS	6/23/2022	\$ 67.90	\$ 86.90	None	2.49%	\$ 1.62	30.37%	Yes
J.M. Smucker Company	SJM	6/23/2022	\$ 123.83	\$ 156.51	None	2.61%	\$ 3.06	28.86%	Yes
Target Corporation	TGT	6/23/2022	\$ 141.08	\$ 165.58	None	2.61%	\$ 3.24	19.66%	Yes
Coca-Cola Company	KO	4/27/2022	\$ 65.56	\$ 62.84	None	2.80%	\$ 1.32	-2.14%	Yes
Prologis	PLD	10/29/2021	\$ 146.67	\$ 122.75	None	2.57%	\$ 3.79	-13.72%	Yes
Crown Castle International	CCI	10/29/2021	\$ 181.90	\$ 134.42	None	4.37%	\$ 7.45	-22.01%	Yes
Philip Morris International	PM	3/30/2021	\$ 89.35	\$ 99.03	None	5.13%	\$ 7.49	19.22%	Yes
Altria Group	MO	3/19/2020	\$ 37.10	\$ 44.43	None	8.46%	\$ 10.60	48.33%	Yes
Realty Income	O	3/19/2020	\$ 48.08	\$ 62.57	None	5.10%	\$ 8.40	47.61%	Yes
AT&T	T	3/19/2020	\$ 31.15	\$ 19.65	None	5.65%	\$ 5.79	-18.32%	Yes
Enterprise Products Partners	EPD	3/19/2020	\$ 14.52	\$ 26.38	None	7.20%	\$ 5.51	119.59%	No
Kinder Morgan	KMI	3/19/2020	\$ 11.20	\$ 17.71	None	6.27%	\$ 3.24	87.09%	Yes
Ventas	VTR	3/19/2020	\$ 19.98	\$ 42.63	None	4.22%	\$ 5.74	142.11%	Yes
Public Storage	PSA	3/19/2020	\$ 187.60	\$ 310.79	None	2.57%	\$ 35.15	84.40%	Yes
International Paper	IP	3/19/2020	\$ 30.13	\$ 35.78	None	5.17%	\$ 4.77	34.57%	Yes
STAG Industrial	STAG	3/19/2020	\$ 21.71	\$ 33.12	None	4.41%	\$ 4.23	72.05%	Yes
Retail Opportunity Investments	ROIC	3/19/2020	\$ 7.25	\$ 13.49	None	4.45%	\$ 1.27	103.59%	Yes

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