

Income Investing

By

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AAll Houston
Retirement Solutions SIG
October 2022

- A. Introduction / Background
- B. CASH and T-Bill Ladder
- C. ENERGY – Majors and Mid
- D. MLPs - Master Limited Partnerships
- E. REITs

A. *INTRO - Income SIG - History & Future*

- ▶ Started January 2020 as part of Houston Investment Association
 - ▶ Impacted by Covid starting March 2020
 - ▶ Strong performance for 2020-21
 - ▶ Went to cash in 2022
- ▶ Run as a SIG under a board of advisors
- ▶ Advisors include SIG participants & leadership
- ▶ SIG Leader: Frank Erzinger
- ▶ Monthly SIG meetings & investment decisions
- ▶ Meetings held 45 minutes prior to Chapter meetings

Propose we continue with similar approach

SIG Mission - Demonstrate methods to earn decent returns with a low risk profile

- ▶ AAll/Income SIG are NOT Broker Dealers or Investment Advisors
- ▶ SIG purpose is for didactic discussion & educational purposes only
- ▶ Futures & Currencies are avoided due to added risk
- ▶ Past Performance is NOT Indicative of Future Results, but likely rhymes
- ▶ Presentation is For Personal, Non-Commercial Use Only
- ▶ DYOA - In all investment analysis ... trust, but verify ... & do your own analysis

Income SIG - Guidelines

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- Consider all Asset Classes Based on Risk / Reward
 - Equities will have primarily US Focus
- Target Returns – High Single Digits
- Target Time Frame – 3 months to 3 years
- Taxation – All Pre Tax
- Advisory/Trading Expenses
 - None incurred or charged against performance

Income SIG - Methodology

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- ▶ \$500k with max 20 positions at \$25-50k each starting Jan 2020
 - ▶ MS 3+ Min, Max 2 Companies per Industry Segment
 - ▶ Selection/Retention – Financials > Top quartile
Income St. – Rev Growth, Margin, Earnings
 - ▶ Bal Sheet – Debt Leverage, Interest Coverage
 - ▶ Cash Flow – Free Cash Flow, Stock Buy Back
 - ▶ Valuation parameters
- Key Ratios
EPS, CFPS
D/E, DSCR
RoA>2.5%, RoE>6%
DPS, Payout ratio
Price to: S, E, B, CF
EV/EBITDA

Five S's - Best Practices - Jan 20 to Oct 22

- ▶ Stay with what's working
 - ▶ Portfolio up 22% with market down
- ▶ Shift to Momentum now that Fed has cancelled market "put"
- ▶ Step in/out
 - ▶ Rigorous set points to enter & exit the market
 - ▶ Set positions in thirds (?)
- ▶ Sustain by prioritizing Capital Preservation over Income
- ▶ Sleep well
 - ▶ Fund managers have pressure to trade
 - ▶ We do NOT

Income Generating Vehicles

- ▶ Historically Focus - US Dividend Stocks
- ▶ Certificates of Deposit (CDs)
- ▶ Inflation Adjusted Notes
- ▶ Public Bonds, notes
- ▶ Master Limited Partnerships (MLPs)
- ▶ Real Estate Investment Trusts (REITs)
- ▶ Business Development Companies (BDCs)
- ▶ ETFs & Mutual funds
- ▶ Private Investments
- ▶ Hedge Funds – Uncorrelated Assets

Inclusion of Alternative Investments?

PROS

- ▶ Draws attention to benefits of private market diversification/mitigation of Bear market pain
- ▶ Demonstrates trade-off of XS returns to limited liquidity

▶ CONS

- ▶ Fall outside of 3-year window
- ▶ Too easy to game the performance by assuming an 8% low-risk debt in majority of portfolio
- ▶ No easy way to simulate the amount of due diligence for privates

Income Sig – Typical Data Sources

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	<u>Source</u>	<u>Publisher (timing)</u>	<u>Inc Sig Use</u>	
<u>ECONOMICS</u>				
A1	LEI Leading Econ Indicators	Conference Board	Fed (monthly updates)	LT Risk On/ Off by Asset Class
A2	GDP – QoQ, YoY “GDP Now”	Fed – Atlanta, Survey	Fed Web Site(s) (monthly)	ST Risk On/Off by Asset Class
A3	Inflation – CPI, PPI, CIE	Fed – Cleveland	“ “ “ “	
A4	Credit Markets & Spreads	Moodys	Market Outlook	Credit Spreads
A5	Sector Drivers	CB		
<u>SENTIMENT</u>				
B1	Sentiment – 75dma	Delta Mgmt Group	Barrons (wkly)	Entry / Exit Alerts – On, 2/3, 1/3, Off
B2	“ - Investors	AAll National Web Site	Web and Magazine (wkly)	“ “
B3	“ - Fund Mgrs	BoAmerica – Survey	Monthly	“ “
B4	“ - CNNvB	CNN – Fear / Greed	SS- Seven Sentiments	Entry or Exit, Risk On / Off
<u>ASSET ROTATION</u>				
C1	Relative Rotation	etfdb.com, RRG’s	etfdb, stockcharts	Fund Flow – Momo & Return
C2	Prospect->Best Few	Sector Surfer	sumgrowth.com	Asset-> Market->Sector->ETFs
C3	DJ – 128 Industrial Groups	Dow Jones	Barrons Dloads	->Ind.Groups-> Companies
<u>VALUATIONS</u>				
C1	Schiller Market Val	multipl.com/CAPE	Schiller	Asset Valuation History
C1	Morningstar	finra.com		Company Valuation History/Fcst
C2	ValueLine			“
C3	Compustat	fidelity.com		“
C4	Options	optionsplay.com		Entry / Exit Economics
<u>INSIDER TRADES</u>				
	Institutional Investors 13f Filings	docoh.com	Quarterly	

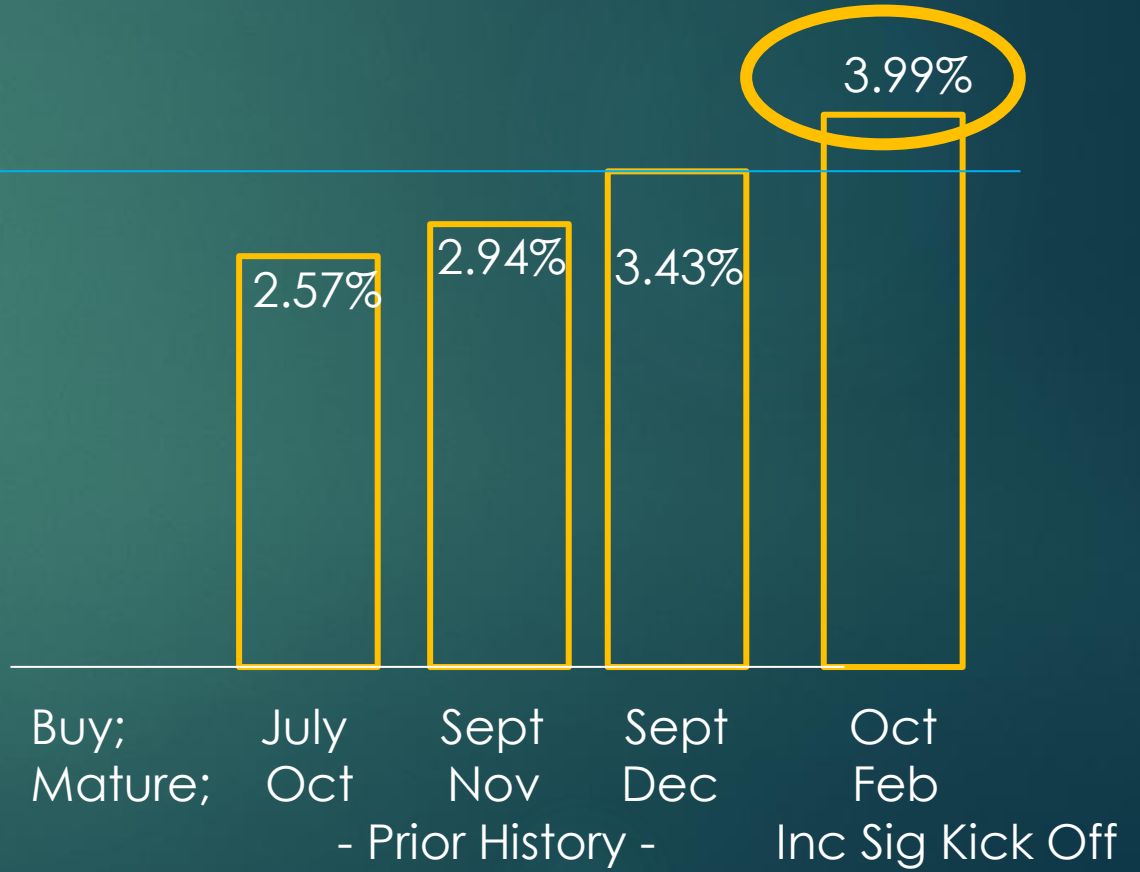
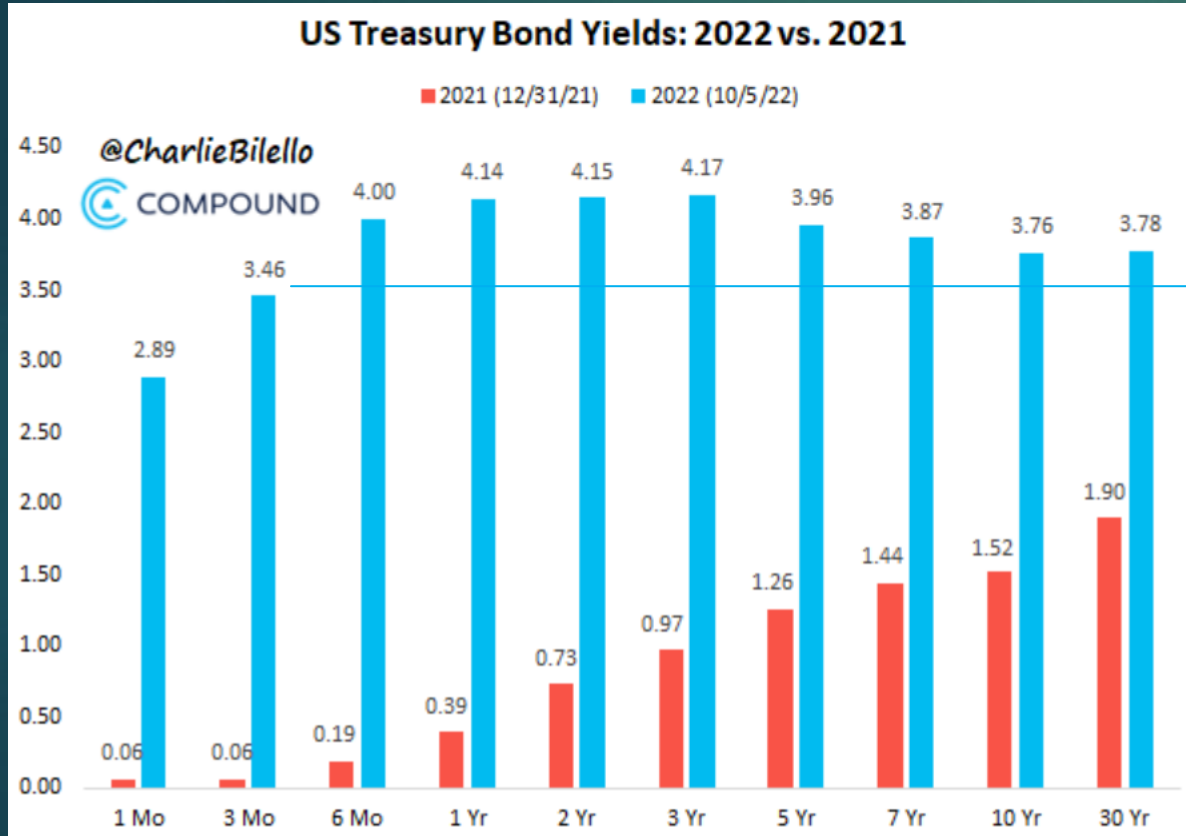
Income SIG – Typical Agenda Items

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- ▶ Portfolio Overview & Update
- ▶ Market Outlook (highlights of appendix)
- ▶ High Grading Positions
- ▶ Asset Rotation / Prospects
- ▶ Next Steps

B. CASH – Demonstrate Oct/Feb Rung of Tbill Ladder for 11/21

- IncSig Cash – Not Applied (in 13 weeks)
- IncSig Risk Free Floor – All other Investments



CASH – iBonds and Tbill Ladder

Demonstrate iBond and 1st Two Tbill “13 wk rungs” for 11/21

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Low Risk

Q4-22 – Three Sequential (Oct, Nov, Dec) 13week TBills of \$25k each

Mid Risk

Q4-22 – Three Sequential (Oct, Nov, Dec) 13week TBills of \$37.5k each

Highest Risk/Return (avoided cost if Cash is in Ladder, not available)

Q4-22 – Three Sequential (Oct, Nov, Dec) 13week TBills of \$50k each

* All cases assume an additional \$20 in iBonds

CASH – iBonds and Tbill Ladder Sign Up at .gov Web Site

- Select Bill or Note, Specify Issue Date
- Treas will w/Draw fr Account, up to ~\$50mm

https://www.treasurydirect.gov/RS/RSGatew

TreasuryDirect

My Account BuyDirect® Current Holdings ManageDirect® Account Info History

BuyDirect

Learn more about Security Types.

Marketable Securities

- Bills - Short-term securities of 1 year or less
- Notes - Medium-term fixed-principal securities of 2 to 10 years
- Bonds - Long-term fixed-principal securities of more than 10 years
- TIPS Notes/Bonds - Medium or long-term Treasury Inflation-Protected Securities of 5 to 10 years
- FRN - Medium-term Floating Rate Notes

[View Tentative Auction Calendar.](#)

[View recent auction results.](#)

Savings Bonds (NO Paper Savings Bonds)

- Series EE - An accrual-type security with a fixed interest rate
- Series I - An accrual-type security with a combination interest rate of a fixed and an inflation-adjusted rate

Zero-Percent Certificate of Indebtedness

- C of I - A non-interest bearing security which can be used to fund TreasuryDirect purchases

https://www.treasurydirect.gov/RS/RSGatew

TreasuryDirect

My Account BuyDirect® Current Holdings ManageDirect® Account Info History

BuyDirect > Treasury Bills

Purchase a Treasury Bill.

Registration Information

Your preferred registration appears below. To use a different registration, choose one from the drop-down list. Note: The drop-down list contains only the registrations that are active.

Purchase Information		
Product Term	Auction Date	Issue Date
<input type="radio"/> 4-Week	10-13-2022	10-18-2022
<input type="radio"/> 4-Week	10-20-2022	10-25-2022
<input type="radio"/> 4-Week	10-27-2022	11-01-2022
<input type="radio"/> 4-Week	11-03-2022	11-08-2022
<input type="radio"/> 4-Week	11-10-2022	11-15-2022
<input type="radio"/> 4-Week	11-17-2022	11-22-2022
<input type="radio"/> 4-Week	11-23-2022	11-29-2022
<input type="radio"/> 4-Week	12-01-2022	12-06-2022
<input type="radio"/> 8-Week	10-13-2022	10-18-2022
<input type="radio"/> 8-Week	10-20-2022	10-25-2022
<input type="radio"/> 8-Week	10-27-2022	11-01-2022
<input type="radio"/> 8-Week	11-03-2022	11-08-2022
<input type="radio"/> 8-Week	11-10-2022	11-15-2022
<input type="radio"/> 8-Week	11-17-2022	11-22-2022
<input type="radio"/> 8-Week	11-23-2022	11-29-2022
<input type="radio"/> 8-Week	12-01-2022	12-06-2022
<input checked="" type="radio"/> 13-Week	10-17-2022	10-20-2022

CASH –Tbill Ladder Auction History

https://www.treasurydirect.gov/auctions/announcements-data-results/announcement-results-press-releases/auction-results...

	Announcement Date	Auction Date	CUSIP	Security Term	Announcement		Noncomp Results	Competitive Results		Special Announcement
					PDF	XML	PDF	PDF	XML	PDF
▼ Bill										
▶				Term: 4-Week						
▶				Term: 8-Week						
▼				Term: 13-Week						
	10/06/2022	10/11/2022	912796XR5	13-Week	PDF	XML	PDF	PDF	XML	
	09/29/2022	10/03/2022	912796X95	13-Week	PDF	XML	PDF	PDF	XML	
	09/22/2022	09/26/2022	912796R27	13-Week	PDF	XML	PDF	PDF	XML	
	09/15/2022	09/19/2022	912796X87	13-Week	PDF	XML	PDF	PDF	XML	
	09/08/2022	09/12/2022	912796X79	13-Week	PDF	XML	PDF	PDF	XML	PDF
	09/01/2022	09/06/2022	912796X61	13-Week	PDF	XML	PDF	PDF	XML	PDF
	08/25/2022	08/29/2022	912796P94	13-Week	PDF	XML	PDF	PDF	XML	
	08/18/2022	08/22/2022	912796W70	13-Week	PDF	XML	PDF	PDF	XML	
	08/11/2022	08/15/2022	912796W62	13-Week	PDF	XML	PDF	PDF	XML	



CASH – Auction History, Last 3 months, Note Fed “Bump” of 150bps



For Immediate Release July 25, 2022 CONTACT: Treasury Auctions 202-504-3550

TREASURY AUCTION RESULTS

Term and Type of Security	91-Day Bill	
CUSIP Number	912796V71	
High Rate ¹	2.520%	Buy: July 28
Allotted at High Price	40.14%	
Investment Rate ²	99.363000	
	2.571%	
Median Rate ³	2.490%	Mature: Oct 27
Low Rate ⁴	2.200%	
Issue Date	July 28, 2022	Rate: 2.57%
Maturity Date	October 27, 2022	

For Immediate Release August 29, 2022 CONTACT: Treasury Auctions 202-504-3550

TREASURY AUCTION RESULTS

Term and Type of Security	91-Day Bill	
CUSIP Number	912796P94	
High Rate ¹	2.880%	Buy: Sept 01
Allotted at High Price	93.34%	
Investment Rate ²	99.272000	
	2.941%	
Median Rate ³	2.850%	Mature: Dec 01
Low Rate ⁴	2.600%	
Issue Date	September 01, 2022	Rate: 2.94%
Maturity Date	December 01, 2022	

For Immediate Release September 19, 2022 CONTACT: Treasury Auctions 202-504-3550

TREASURY AUCTION RESULTS

Term and Type of Security	91-Day Bill	
CUSIP Number	912796X87	
High Rate ¹	3.270%	Buy: Sept 22
Allotted at High Price	7.06%	
Investment Rate ²	99.173417	
	3.343%	
Median Rate ³	3.210%	Mature: Dec 22
Low Rate ⁴	2.900%	
Issue Date	September 22, 2022	Rate: 3.43%
Maturity Date	December 22, 2022	

For Immediate Release October 12, 2022 CONTACT: Treasury Auctions 202-504-3550

TREASURY AUCTION RESULTS

Term and Type of Security	119-Day Bill	
CUSIP Number	912796ZU6	
High Rate ¹	3.890%	
Allotted at High Price	40.25%	
Investment Rate ²	98.714139	
	3.995%	
Median Rate ³	3.850%	
Low Rate ⁴	3.500%	
Issue Date	October 18, 2022	
Maturity Date	February 14, 2023	

	Tendered	Accepted
Competitive	\$106,426,325,000	\$32,882,532,100
Noncompetitive	\$17,709,000	\$17,709,000
FIMA (Noncompetitive)	\$100,000,000	\$100,000,000
Subtotal ⁵	\$106,544,034,000	\$33,000,241,100⁶

Buy: Oct 18
Mature: Feb 14
Rate: 3.99%

CASH – Demonstrate Oct/Feb Rung of Tbill Ladder for 11/21

- IncSig Cash – Not Applied (in 13 weeks)

- **IncSig Risk Free Floor – All other Investments**

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Today Agenda – the “Alts” vs 13wk Tbill

Managed Futures

MLPs – Pipelines

REIT's

Energy – Large Cap

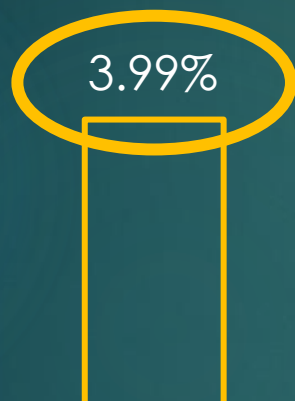
Next Week;

Bonds Open Ended

Closed End etfs, mfs

Commodities

Allocation Funds



Buy: Oct 13 wk TBill

Due: Feb

Inc Sig Kick Off

C. ENERGY - Majors and Mids

Demonstrate "Opt In" Alternatives for the 11/22 Meeting

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Update Financials fr Q3, Target Co Earnings Releases

Low Risk

Q4-22 – \$50k in XLE, 25k to XOM, CVX , PBR ->\$125k, Opt In Dec

Q1-23 – Additional Position Option In “ “ “ “

Mid Risk –

Q4-22 – \$25k in XLE, PBR, (\$25k each to Major Int, Oil, Gas Mids), OptNov, Dec

Q1-23 – One Position Option In “ “ “ “

Higher Risk – \$25k in PBR, \$50k to < Mid Companies, Opt in Nov & Dec, esp Gas

Q2-23 – Add \$50k to Position Best Available (Major, Mid, Small)

Energy Data Sets: Finra, Morningstar

Energy Majors – XLE

Value & Growth Measures	Investment	Cat. Average	Index
Price/Earnings	8.04	7.10	7.61
Price/Book	2.02	1.99	1.99
Price/Sales	0.79	0.78	0.80
Price/Cash Flow	3.43	3.14	3.30
Dividend Yield %	4.81	3.50	4.38
Long-Term Earnings %	17.69	17.92	18.37
Historical Earnings %	101.37	22.62	69.67
Sales Growth %	2.14	0.78	2.67
Cash-Flow Growth %	16.00	11.93	16.07
Book-Value Growth %	-4.92	-6.11	-5.78

Investment as of Oct 11, 2022 | Category: Equity Energy as of Aug 31, 2022 | Index: Morningstar US Enrg Capped TR USD as of Sep 30, 2022 | Data is based on the long position of the equity holdings.

Market Volatility Measures ⓘ

Capture Ratios	Investment	Category	Index
Upside	145	162	151
Downside	114	143	117

Drawdown	Investment %	Category %	Index %
Maximum	-50.46	-54.38	-51.94

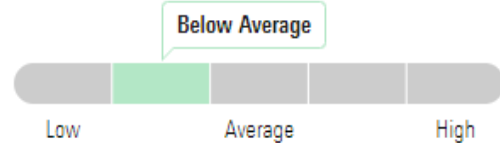
Drawdown Peak Date	Drawdown Valley Date	Max Drawdown Duration
Jan 01, 2020	Mar 31, 2020	3 Months

USD | As of Sep 30, 2022 | Category: Equity Energy | Index: Morningstar US Enrg Capped TR USD | Calculation Benchmark: MSCI ACWI NR USD | Drawdown as of Sep 30, 2022

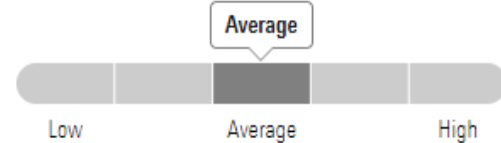
Risk 3-Yr 5-Yr 10-Yr

Morningstar Risk & Return ⓘ

Risk vs. Category



Return vs. Category



Category: Equity Energy as of Sep 30, 2022 | Rankings are out of 68 investments.

Risk & Volatility Measures ⓘ

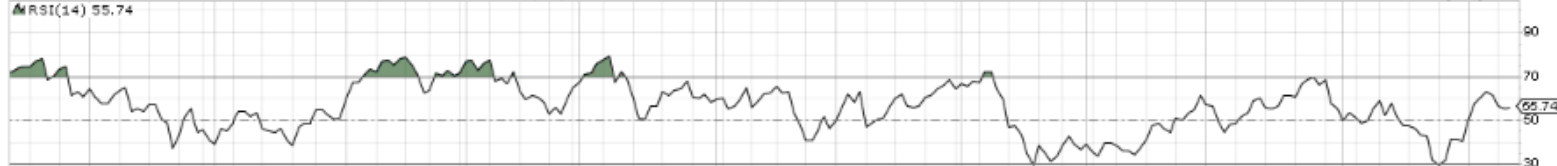
Trailing	Investment	Category	Index
Alpha	14.29	13.57	15.31
Beta	1.49	1.74	1.54
R ²	43.85	47.87	45.40
Sharpe Ratio	0.49	0.45	0.51
Standard Deviation	43.76	49.18	44.51

USD | Investment as of Sep 30, 2022 | Category: Equity Energy as of Sep 30, 2022 | Index: Morningstar US Enrg Capped TR USD as of Sep 30, 2022 | Calculation Benchmark: MSCI ACWI NR USD

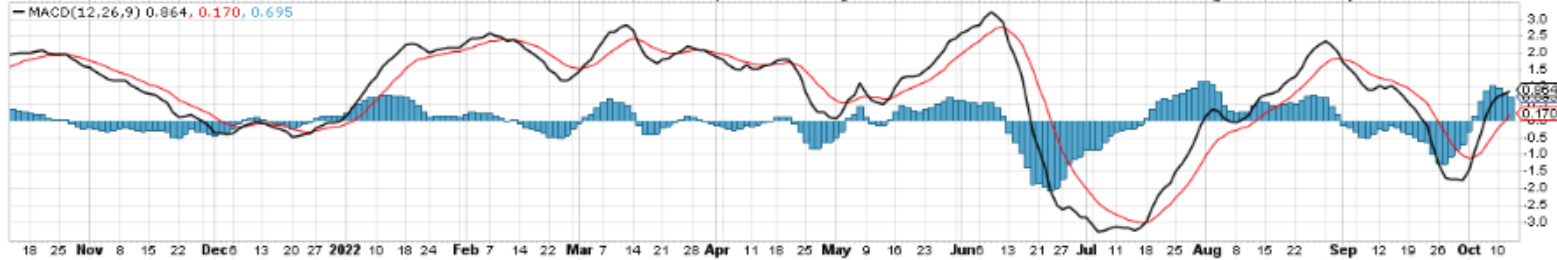
XLE Energy Select Sector SPDR Fund NYSE+ BATS

Open: **78.96** Ask: **79.76** PE: **NaN** Options: **yes**
 High: **80.03** Ask Size: **1800** EPS: **NaN** Annual Dividend: **3.05628**
 Low: **78.44** Bid: **79.75** Mkt Cap: **36.4B** Yield: **3.83%**
 Prev Close: **79.48** Bid Size: **1401** Last Size: SCTR (ETF): **98.7**

© StockCharts.com
 Wednesday 12-Oct-2022 12:45 pm
 ▲ +0.33%
 Chg: **+0.26**
 Last: **79.74**
 Volume: **10,505,316**



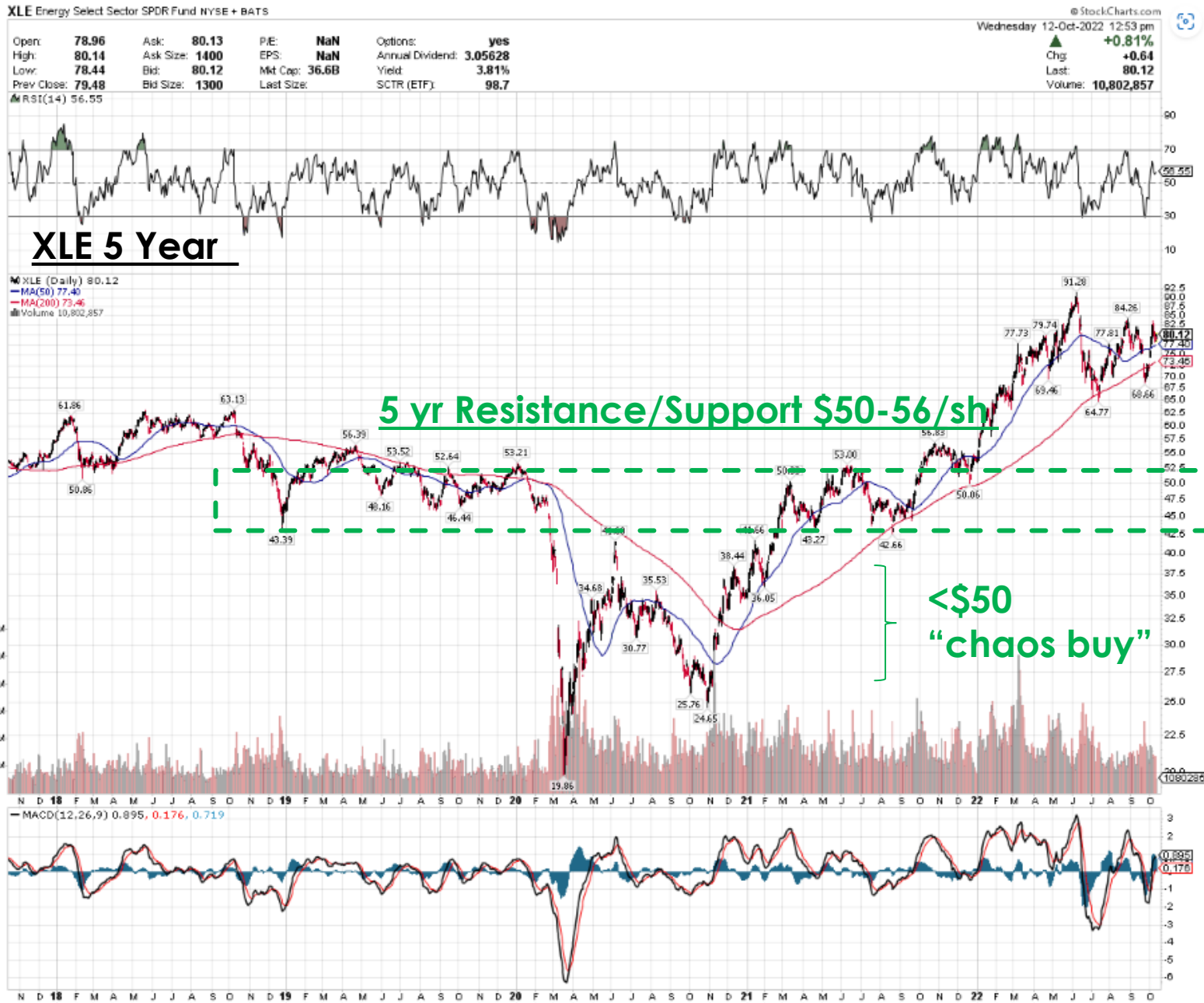
XLE 1 Year



RSI = 55

Trends \$/sh
 Today = \$79.5
 50dma = \$77.4
 200 dma = \$73.4

MACD (12,26,9)
 -0.86, -0.17, -0.695



RSI = 55

Trends	\$/sh
Today	= \$79.5
50dma	= \$77.4
200 dma	= \$73.4

MACD (12,26,9)
 -0.86, -0.17, -0.695

Additional Recommendation B

Covered Call , Generate 5% per 6 weeks

Potential Gain 5% X 4 + 3% Div => \$18, /80, or 19% pa

Break Even Time = 1+ option cycles

Risk Stop Out at \$70, loss of \$5

Calls

Strike	Symbol	Last	Chg	Bid	Ask	Volume	Open Interest	Greeks	Trade Date
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XLE – 221014C00080 – Bid \$1.44, %

XLE – 221014C00081 - Bid \$1.3, % discount in < 1 weeks

80	221014C00080000	1.4300	+0.1300	1.4400	1.4900	181	1,977	View	10/12/2022, 12:55:42 EDT
80.5	221014C00080500	1.0500	+0.0100	1.1100	1.2300	19	343	View	10/12/2022, 11:54:03 EDT

XLE – 221118C00080 – Bid \$4.60, 5.75%

XLE – 221118C00081 - Bid \$4.05, 5.00% discount in < 5 weeks

80	221118C00080000	4.6400	+0.3900	4.5500	4.7000	161	9,455	View	10/12/2022, 13:03:49 EDT
81	221118C00081000	3.9500	-0.5000	4.0500	4.1500	51	3,699	View	10/12/2022, 12:30:52 EDT

Energy – A number of Excellent IncSig Dividend Candidates - by Cap, or Operations (Scale, Oil, Gas)

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1. OVERVIEW												5. VALUA	
	Last Close	Market Cap	Forward Div Yield	Trailing Div Yield	Price/Sales	Price/Book	Beta (5-Year)	Consensus Forward P/E	Trailing 12-mo Rev				
XOM	Exxon Mobil	\$ 98.0	410.0537 Bil	3.6%	3.6%	1.19	2.3	1.07	9.12	\$ 352	XOM		
SHEL	Shell PLC ADR	\$ 50.0	180.2834 Bil	4.0%	3.0%	0.58	0.94	0.67	4.61	\$ 330	SHEL		
BP	BP PLC ADR	\$ 30.0	92.5684 Bil	4.5%	4.5%	0.48	1.38	0.72	4.81	\$ 204	BP		
PSX	Phillips 66	\$ 90.0	44.5405 Bil	4.3%	4.2%	0.28	1.79	1.38	9.18	\$ 148	PSX		
OXY	Occidental	\$ 64.0	60.8451 Bil	0.8%	0.6%	1.89	3.3	1.83	9.39	\$ 34	OXY		
PBR	Petrobras	=	=		28.6%	0.84	1.16	1.46	3.98	=	PBB		
x													
Large VALUE AVERAGE ->		ALUE AVERAGE ->			7.4%								
x													
VLO	Valero	\$ 110.0	44.8378 Bil	3.6%	3.6%	0.29	2.06	1.66	9.27	\$ 156	VLO		
CVX	Chevron	\$ 157.0	309.3628 Bil	3.6%	3.6%	1.48	2	1.14	9.97	\$ 206	CVX		
COP	Conoco Phillips	\$ 116.0	148.8940 Bil	1.7%	1.7%	2.32	2.93	1.29	9.02	\$ 65	COP		
EOG	Enron O&G	\$ 123.0	72.8453 Bil	2.4%	2.2%	2.71	3.22	1.52	7.46	\$ 27	EOG		
PXD	Pioneer	\$ 246.0	59.4734 Bil	8.3%	8.3%	2.66	2.47	1.46	7.99	\$ 24	PXD		
SLB	Schulmberger	\$ 42.0	59.6801 Bil	1.7%	1.4%	2.41	3.62	1.75	15.36	\$ 25	SLB		
MPC	Marathon Petrol	\$ 103.0	52.1810 Bil	2.2%	2.2%	0.38	1.96	1.64	10.91	\$ 160	MPC		
DVN	Devon	\$ 69.0	45.5937 Bil	9.0%	6.8%	2.64	4.45	2.44	6.6	\$ 17	DVN		
x													
Large CORE AVERAGE ->		ORE AVERAGE ->			3.7%								
x													
BKR	Baker Hughes	\$ 22.0	22.9972 Bil	3.2%	3.2%	1	1.51	1.43	12.82	\$ 20	BKR		
MRO	Marathon Oil	\$ 27.0	18.6573 Bil	1.2%	1.1%	2.86	1.59	2.44	5.61	\$ 7	MRO		
EQT	EQT Corp	\$ 44.0	16.2517 Bil	1.4%	0.9%	1.54	1.78	1.19	4.72	\$ 10	EQT		
APA	APA Corp	\$ 40.0	13.2963 Bil	2.5%	1.1%	1.44	22.63	3.72	3.3	\$ 10	APA		
CTRA	Coterra	\$ 29.0	23.6536 Bil	9.0%	3.7%	2.95	1.88	0.15	5.76	\$ 7	CTRA		
FANG	Diamondback	\$ 139.0	25.3024 Bil	8.8%	5.2%	2.75	1.86	2.03	5.59	\$ 9	FANG		
HAL	Halliburton	\$ 30.0	27.1630 Bil	1.6%	1.4%	1.52	3.76	2.1	11.11	\$ 18	HAL		
x													
Mid VAL & CORE AVERAGE ->		L & CORE AVERAGE ->		4.0%	2.5%								

Petrobras Dividend Policy

(Copied from SEC filings)

Petrobras has mandatory minimum dividends corresponding to 25% of Adjusted Net Income. In addition, preferred shares are entitled to a minimum dividend of 5% (five percent) calculated on the share of the capital represented by that type of shares, or 3% (three percent) of the equity value of the share – always prevailing the largest.

In addition, the Company's Shareholder Compensation Policy provides that when gross indebtedness, including commitments related to market leases, exceeds US\$60 billion, the Company may distribute to its shareholders the mandatory minimum dividends provided for by law and bylaws, as mentioned above. **Debt at 6/30/22 was US\$53.4B.**

When gross indebtedness, including commitments related to market leases, is less than US\$ 60 billion, the Company may distribute to its shareholders 60% of the difference between operating cash flow and investments: Remuneration = 60% x (FCO - CAPEX). In this formula are not considered as CAPEX: (a) the resources derived from the sale of assets; (b) payments in the participation of bidding rounds for exploration and production of oil and natural gas; and (c) payments relating to the acquisition of companies or equity interests.

Petrobras may also, in exceptional cases, pay extraordinary dividends, exceeding the annual amount established above.

Energy – Valuation Favors Large VALUE, XOM, OXY?, PBR

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1. OVERVIEW		5. VALUATION					2. GROWTH (3-Year Annualized)				
	Last Close		Price/Book	Price/Cash Flow	Price/Sales	Price/Earnings	As of Oct 09, 2022	Revenue %	Operating Income %	Net Income %	Diluted EPS %
Exxon Mobil	\$ 98.0	XOM	2.3	6.6	1.2	10.7	XOM	-0.32	2.78	3.4	3.37
Shell PLC ADR	\$ 50.0	SHEL	0.9	3.3	0.6	5.3	SHEL	-12.35	-10.60	-4.87	-2.82
BP PLC ADR	\$ 30.0	BP	1.4	3.2	0.5	—	BP	-19.18	-13.24	-6.93	-7.17
Phillips 66	\$ 90.0	PSX	1.8	5.9	0.3	7.7	PSX	0	-55.17	-38.29	-36.86
Occidental	\$ 64.0	OXY	3.3	4.3	1.9	6.3	OXY	13.35	-3.04	-17.47	-33.57
Petrobras	—	PBB	1.2	2.1	0.8	2.9	PBB	-4.23	11.78	40.45	40.33
x											
Large VALUE AVERAGE ->			1.8	4.2	0.9	6.6		6.7	7.3	21.9	21.9
x											
Valero	\$ 110.0	VLO	2.1	4.3	0.3	6.3	VLO	-0.88	-22.48	-33.21	-32.22
Chevron	\$ 157.0	CVX	2.0	7.6	1.5	10.5	CVX	-0.70	3.85	1.77	1.69
Conoco Phillips	\$ 116.0	COP	2.9	6.4	2.3	9.5	COP	7.96	9.73	8.89	4.49
Enron O&G	\$ 123.0	EOG	3.2	8.7	2.7	12.6	EOG	4.62	16.56	10.91	10.7
Pioneer	\$ 246.0	PXD	2.5	6.3	2.7	10.1	PXD	23.97	53.49	29.38	14.74
Schulmberger	\$ 42.0	SLB	3.6	16.9	2.4	22.8	SLB	-11.26	-4.66	-4.18	-4.80
Marathon Petrol	\$ 103.0	MPC	2.0	5.1	0.4	7.2	MPC	7.53	-9.62	51.87	42.38
Devon	\$ 69.0	DVN	4.5	5.9	2.6	8.7	DVN	4.38	26.54	-2.81	-11.77
x											
Large CORE AVERAGE ->			2.8	7.7	1.9	11.0		9.7	22.0	20.6	14.8
x											
Baker Hughes	\$ 22.0	BKR	1.5	13.0	1.0	—	BKR	-3.59	7.05	—	—
Marathon Oil	\$ 27.0	MRO	1.6	4.3	2.9	6.4	MRO	-1.73	12.62	-4.79	-2.38
EQT Corp	\$ 44.0	EQT	1.8	6.5	1.5	—	EQT	13.03	43.25	—	—
APA Corp	\$ 40.0	APA	22.6	3.4	1.4	4.6	APA	2.81	14.04	205.01	186.62
Coterra	\$ 29.0	CTRA	1.9	6.0	3.0	6.9	CTRA	16.38	28.56	27.63	22.69
Diamondback	\$ 139.0	FANG	1.9	4.7	2.8	6.5	FANG	46.17	57.32	37.16	15.13
Halliburton	\$ 30.0	HAL	3.8	16.4	1.5	18.6	HAL	-13.94	-13.37	-4.18	-4.81
x											
Mid VAL & CORE AVERAGE ->			5.0	7.8	2.0	8.6		19.6	27.1	89.9	74.8

Integrated Energy – Large CORE

27

1. OVERVIEW	3. FINANCIAL HEALTH						4. PROFITABILITY						
	Quick Ratio	Current Ratio	Interest Coverage	Debt/Equity			Return on Assets %		Return on Equity %		Invested Capital %	Net Margin %	
Valero	0.9	1.25	17	0.61			11.8		36.49		22.73	4.53	3.89
Chevron	CVX 1	1.31	69	0.17	0.47		CVX 11.6	8.37	20.26	21.3	16.56	14.09	10.6
Conoco Phillips	COP 1.34	1.54	22	0.34	0.66		COP 17.8	13.8	33.68	33.2	25.34	24.34	23.4
Enron O&G	EOG 1.18	1.41	41	0.24	0.66		EOG 15.2	13.8	26.43	33.2	21.72	21.51	23.4
Pioneer	PXD 1.18	1.33	58	0.25	0.66		PXD 16.7	13.8	26.59	33.2	21.03	26.06	23.4
Schlumberger	SLB 0.86	1.35	7	0.85	0.65		SLB 6.3	2.44	18.01	5.86	10.22	10.56	3.61
Marathon Petrol	MPC 1.08	1.49	11	1.07	1.03		MPC 8.6	8.75	29.63	30.0	16.13	5.13	3.89
Devon	DVN 1.38	1.55	18	0.67	0.66		DVN 24.2	13.8	56.65	33.2	34.66	30.49	23.4
	Large CORE AVERAGE ->		30	0.5			14.0		31.0		21.0	17.1	

Integrated Energy – Mid VALUE & CORE

28

1. OVERVIEW	3. FINANCIAL HEALTH						4. PROFITABILITY							
	Quick Ratio	Current Ratio	Interest Coverage	Debt/Equity				Return on Assets %		Return on Equity %		Invested Capital %	Net Margin %	
					<i>vs index</i>									
Baker Hughes	BKR 0.91	1.51	2.51	0.45	0.65	BKR	-1.32	2.44	-3.24	5.86	-1.40	-2.28	3.61	
Marathon Oil	MRO 1.12	1.18	—	0.35	0.66	MRO	17.2	13.8	28	33.2	19.98	43.71	23.4	
EQT Corp	EQT 0.29	0.57	-2.45	0.56	0.66	EQT	-3.89	13.8	-9.33	33.2	-4.14	-7.72	23.4	
APA Corp	APA 0.77	1.1	13.85	9.26	0.66	APA	23.29	13.8	—	33.2	—	30.55	23.4	
Coterra	CTRA 1.75	1.8	47.38	0.28	0.66	CTRA	22.48	13.8	39.18	33.2	30.55	41.05	23.4	
Diamondback	FANG 0.66	0.73	34.67	0.41	0.66	FANG	16.75	13.8	31.63	33.2	21.3	42.09	23.4	
Halliburton	HAL 1.39	2.15	3.88	1.34	0.65	HAL	6.6	2.44	22.82	5.86	10.43	8.19	3.61	
	Mid VAL & CORE AVErage ->		20.5	1.6			17.3		30.4		20.6	33.1		

C. ENERGY - Majors and Mids

Demonstrate "Opt In" Alternatives for the 11/22 Meeting

Update Financials fr Q3, Target Co Earnings Releases

Low Risk

Q4-22 – \$75k in XLE, 25k to XOM, CVX ->\$125k, Opt In Dec

Q1-23 – Additional Position Option In “ “ “ “

Mid Risk –

Q4-22 – \$50k in XLE, (\$25k each to Major, Oil, Gas Mids), Opt in Nov, Dec

Q1-23 – One Position Option In “ “ “ “

Higher Risk – \$25k in XLE, \$50k to < Mid Companies, Opt in Nov & Dec, esp Gas

Q2-23 – Add \$50k to Position Best Available (Major, Mid, Small)

Energy Data Sets: Finra, Morningstar

D. MLPs - Demonstrate “Opt In” Alternatives for the 11/22 Meeting

30

Update Financials fr Q3, Target Co Earnings Releases

Low Risk

Q4-22 – Half Position Option In AMLP (\$12.5k)

Q1-23 – Half Position Option In “ “

Mid Risk – Two Positions ~\$50k acq.

Q4-22 – One Position Option In EPD, KMI

Q1-23 – One Position Option In “ “

Higher Risk – The Above and Small Cap Growth MLP

Q2-23 – Add 3rd Position Best Available

MLP Data Sets: Finra, Morningstar

MLPs – Alerian MLP etf

Value & Growth Measures	Investment	Cat. Average	Index
Price/Earnings	9.06	12.38	8.04
Price/Book	2.08	2.32	2.21
Price/Sales	0.45	0.40	0.50
Price/Cash Flow	4.42	4.26	4.71
Dividend Yield %	6.81	5.75	7.87
Long-Term Earnings %	5.02	6.30	4.47
Historical Earnings %	6.79	10.00	15.30
Sales Growth %	5.30	1.60	5.10
Cash-Flow Growth %	3.94	2.49	2.88
Book-Value Growth %	-9.11	-7.05	-7.40

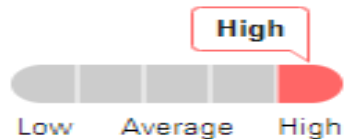
Investment as of Oct 10, 2022 | Category: Energy Limited Partnership as of Aug 31, 2022 | Index: Morningstar MLP Composite TR USD as of Sep 30, 2022 | Data is based on the long position of the equity holdings.

Market Volatility Measures ⓘ			
Capture Ratios	Investment	Category	Index
Upside	125	122	133
Downside	133	121	134
Drawdown	Investment %	Category %	Index %
Maximum	-60.23	-51.36	-63.27
Drawdown Peak Date	Drawdown Valley Date	Max Drawdown Duration	
Oct 01, 2019	Mar 31, 2020	6 Months	

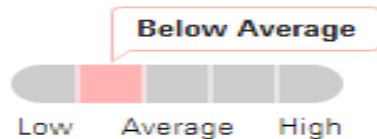
USD | As of Sep 30, 2022 | Category: Energy Limited Partnership | Index: Morningstar MLP Composite TR USD | Calculation Benchmark: MSCI ACWI NR USD |

Morningstar Risk & Return ⓘ

Risk vs. Category



Return vs. Category



Category: Energy Limited Partnership as of Sep 30, 2022 | Rankings are out of 99 investments.

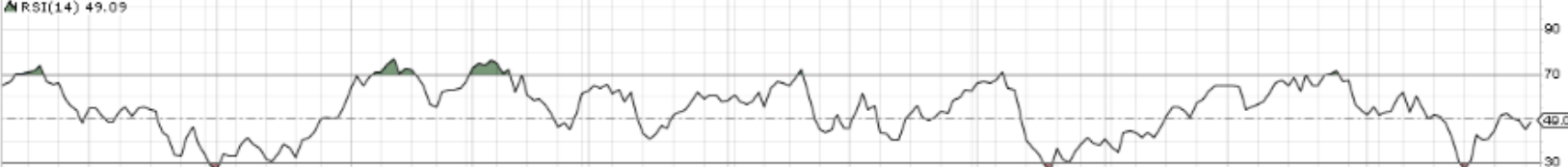
Risk & Volatility Measures ⓘ

Trailing	Investment	Category	Index
Alpha	5.53	5.50	8.67
Beta	1.74	1.52	1.83
R ²	48.09	55.20	46.23
Sharpe Ratio	0.29	0.32	0.34
Standard Deviation	48.72	40.18	52.52

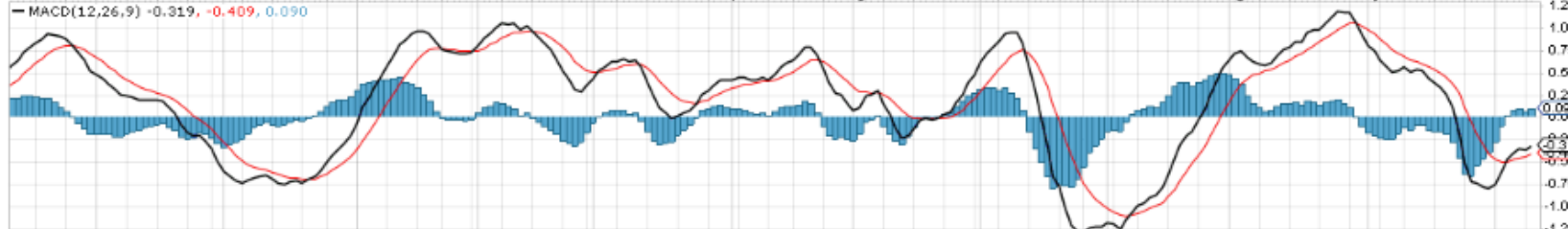
USD | Investment as of Sep 30, 2022 | Category: Energy Limited Partnership as of Sep 30, 2022 | Index: Morningstar MLP Composite TR USD as of Sep 30, 2022 | Calculation Benchmark: MSCI ACWI NR USD

Open: **37.02** Ask: **NaN** Options: **yes**
 High: **38.31** Ask Size: **NaN** Annual Dividend: **2.18**
 Low: **36.78** Bid: **NaN** Mkt Cap: **6.27B** Yield: **5.74%**
 Prev Close: **37.30** Bid Size: **NaN** Last Size: **SCTR (ETF): 96.4**

Tuesday 11-Oct-2022
 ▲ **+1.80%**
 Chg: **+0.67**
 Last: **37.97**
 Volume: **2,909,750**



AMLP 1 Year – at Resistance/Support \$35 to \$36



RSI = 49

Trends \$/sh
 50dma = 38

Today = \$37
 200 dma = \$36

MACD (12,26,9)
 -0.31, -0.41, -0.090

Energy Midstream – Large and Core Value Recommend – EPD, KMI

33

1. OVERVIEW														
Ticker	Company	Last Close		Investment Style	Market Cap	Forward Div Yield		Trailing Div Yield		Price/Sales	Price/Book	Beta (5-Year)	Consensus Forward P/E	Trailing 12-mo Rev
ET	Energy Transfer	\$	11	Large Value	35.5928 Bil	8.1%	6.7%	0.41	1.07	1.81	6.61	81.76		
EPD	Enterprise Products	\$	25	Large Value	54.0890 Bil	7.7%	7.6%	1.05	2.07	1.15	9.42	51.27		
TRP	TC Energy	\$	40	Large Value	40.5382 Bil	6.4%	6.8%	3.94	1.88	0.79	12.67	13.96		
WMB	Williams PL	\$	29	Large Value	36.2513 Bil	5.8%	5.7%	3.33	3.2	1.2	16.98	10.75		
KMI	Kinder Energy	\$	17	Large Value	38.8423 Bil	6.5%	6.4%	2.19	1.26	0.93	14.31	17.69		
ENB	Enbridge	\$	36	Large Core	72.9532 Bil	7.2%	7.3%	1.95	1.85	0.82	15.9	—		
PBA	Pembina PL	\$	31	Large Core	17.0100 Bil	6.2%	6.3%	2.18	1.61	1.26	15.06	10.84		
				Large Core & Value		6.8%	6.7%	2.2	1.8		13.0			

Energy Midstream – Large and Core Value Recommend – EPD, KMI

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5. VALUATION					2. GROWTH (3-Year Annualized)				
	Price/Book	Price/Cash Flow	Price/Sales	Price/Earnings	Revenue %	Operating Income %	Net Income %	Diluted EPS %	
ET	1.07	3.81	0.41	9.07	ET	7.62	15.1	47.81	18.01
EPD	2.07	6.17	1.05	11.06	EPD	3.76	3.85	3.59	3.21
TRP	1.88	8.91	3.94	17.42	TRP	-0.72	1.3	-19.17	-22.00
WMB	3.2	8.63	3.33	22.94	WMB	6.95	10.08	—	—
KMI	1.27	7.67	2.19	16.1	KMI	5.5	4.68	3.5	5.73
ENB	1.85	10.56	1.95	20.92	ENB	0.5	4	29.02	25.27
PBA	1.61	8.25	2.18	16.58	PBA	5.48	8.61	-0.95	-4.43
		7.7		16.3		5.0	6.8	21.0	13.1
AML	2.08	4.42	0.45	9.06	AML	5.3			6.79
Cat.Ave	2.32	4.26	0.4	12.4	Cat.Ave	1.6			10
Index	2.21	4.71	0.5	8.04	Index	5.1			15.3

Energy Midstream – Large and Core Value

Recommend – EPD, KMI

35

3. FINANCIAL HEALTH							4. PROFITABILITY														
	Quick Ratio		Current Ratio		Interest Coverage		Debt/Equity		vs indx		Return on Assets %		vs indx	Return on Equity %		vs indx	Invested Capital %		Net Margin %		vs indx
ET	0.8		1.15		3.38		1.5		1.64		ET	3.65	3.16		12.49	11+		7.62		4.57	5.47
EPD	0.58		0.87		5		1.11		1.64		EPD	7.17	3.16		19.14	11+		11.29		9.46	5.47
TRP	0.45		0.64		2.74		1.89		1.64		TRP	2.99	3.16		10.72	11+		5.74		22.52	5.47
WMB	0.5		0.65		2.67		2.03		1.64		WMB	3.36	3.16		13.8	11+		7.36		14.55	5.47
KMI	0.31		0.52		—		1.02		1.64		KMI	3.47	3.16		7.9	11+		3.85		13.68	5.47
ENB	0.49		0.58		3.32		1.43		1.64		ENB	2.94	3.16		8.95	11+		5.65		9.37	5.47
PBA	0.3		1.28		5.61		0.8		1.64		PBA	4.54	3.16		9.88	11+		6.69		13.2	5.47
					3.8		1.4					4.0			11.8			6.9		12.5	

EPD Enterprise Products Partn NYSE

Open: 24.290	Ask: 11.19	Options: yes
High: 25.125	Ask Size: 2.22	Annual Dividend: 1.855
Low: 24.220	Bid: 54.1B	Yield: 7.47%
Prev Close: 24.570	Bid Size: 79.9	SCTR (Large): 79.9
RSI(14) 47.25		

@StockCharts.com
 Tuesday 11-Oct-2022
 ▲ +1.02%
 Chg +0.250
 Last: 24.820
 Volume: 3,953,601

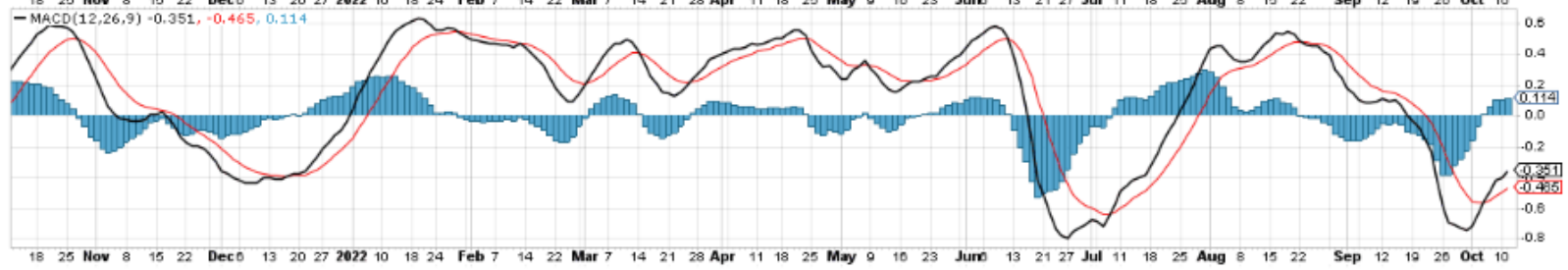
RSI = 47

EPD 1 Year – at Resistance/Support \$22 to \$24



Trends \$/sh
 50dma = 25.87

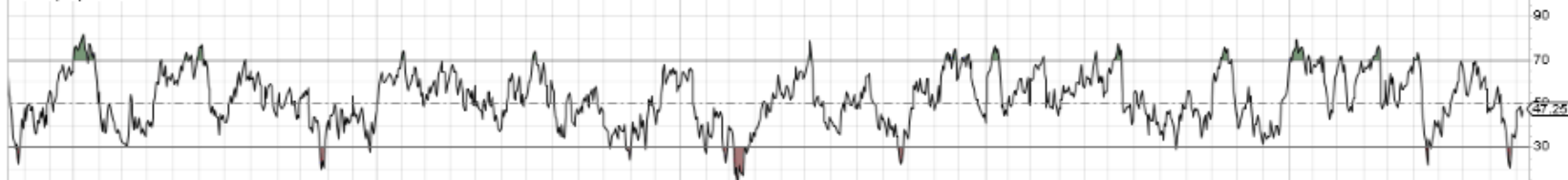
Today = \$24.70
 200 dma = \$24.80



MACD (12,26,9)
 -0.35, -0.46, -0.114

Open: 24.29	Ask:	PE: 11.19	Options: yes
High: 25.12	Ask Size:	EPS: 2.22	Annual Dividend: 1.855
Low: 24.22	Bid:	Mkt Cap: 54.1B	Yield: 7.47%
Prev Close: 24.57	Bid Size:	Last Size:	SCTR (Large): 79.9

© StockCharts.com
 Tuesday 11-Oct-2022
 ▲ +1.02%
 Chg: +0.25
 Last: 24.82
 Volume: 3,953,601



RSI = 29.68

EPD 5 year - at \$21 to 23/sh Resistance / Support Lines



<u>Trends</u>	<u>\$/sh</u>
50dma	= 25.87

Today	= \$24.70
200 dma	= \$24.80

MACD (12,26,9)
 -0.35, -0.46, -0.114

Additional Recommendation B

Covered Call , Generate 3% per 6 weeks

Potential Gain 3% X 4 + 7% Div => \$4.75, /25, or 19% pa

Break Even Time = 2 option cycles

Risk Stop Out at \$22,

Calls									
Strike	Symbol	Last	Chg	Bid	Ask	Volume	Open Interest	Greeks	Trade Date

EPD – 221118C0024 – Bid \$1.33, 5%

EPD – 221118C0025 - Bid \$0.74, 3% discount in < 5 weeks

24	221118C00024000	1.3700	+0.2100	1.2500	1.3300	37	241	View	10/11/2022, 14:42:51 EDT
25	221118C00025000	0.7100	+0.1400	0.6600	0.7400	123	1,406	View	10/11/2022, 14:48:15 EDT

D. MLPs - Demonstrate “Opt In” Alternatives for the 11/22 Meeting

40

Update Financials fr Q3, Target Co Earnings Releases

Low Risk

Q4-22 – Half Position Option In AMLP (\$12.5k)

Q1-23 – Half Position Option In “ “

Mid Risk – Two Positions ~\$50k acq.

Q4-22 – One Position Option In EPD, KMI

Q1-23 – One Position Option In “ “

Higher Risk – The Above and Small Cap Growth MLP

Q2-23 – Add 3rd Position Best Available

MLP Data Sets: Finra, Morningstar

E. REITs

- Demonstrate Alternatives for the 11/21 Meeting
- Update Target Company Evaluation for Earnings Releases

Low Risk

Q4-22 – Half Position Option In VNQ or RWR

Q1-23 – Half Position Option In “ “

Mid Risk

Q4-22 – Half Position Option In 2 Specialty and Industrial Cos

Q1-23 – Half Position Option In “ “

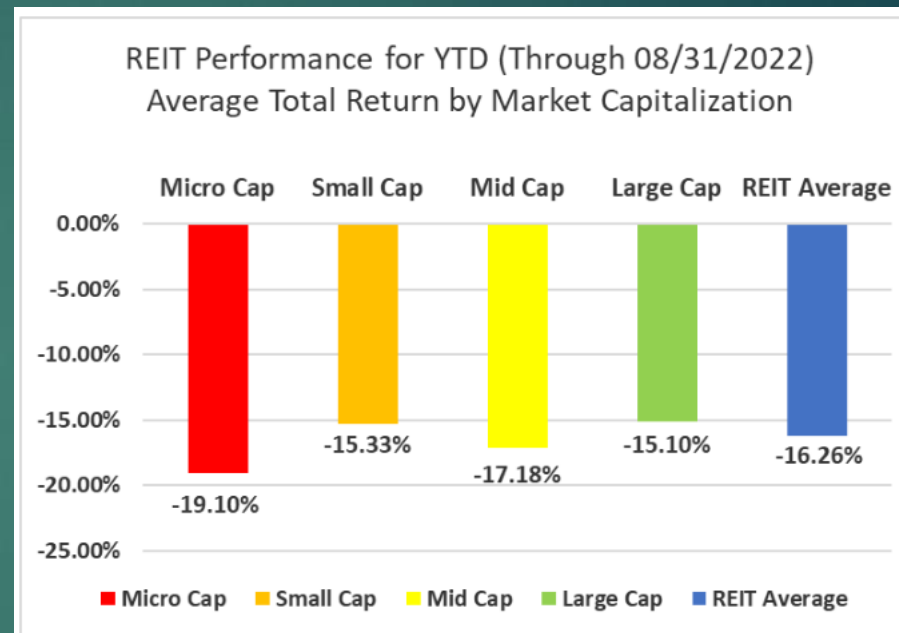
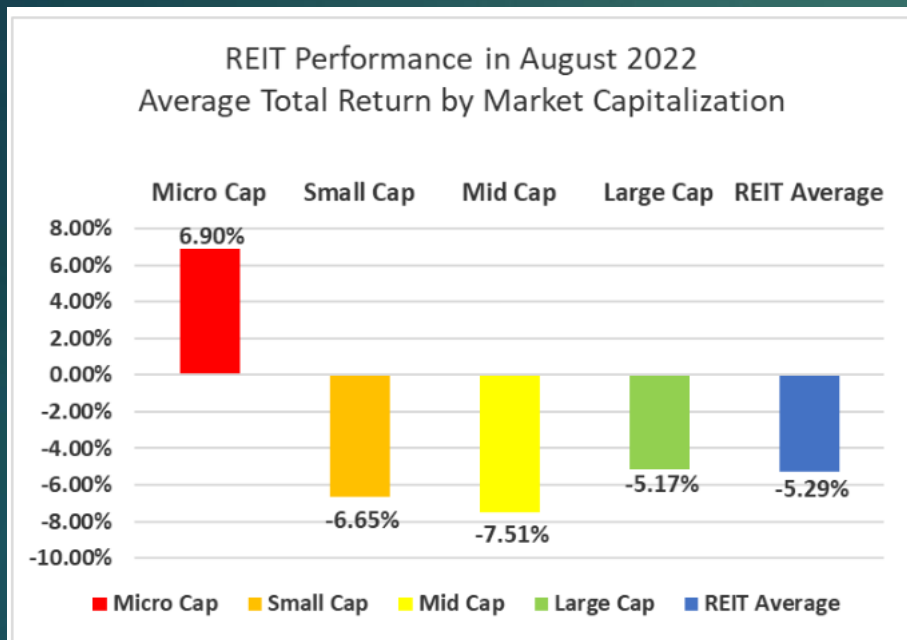
Highest Risk/Return

Q4-22 – Single Position in Best Specialty and Industry Cos

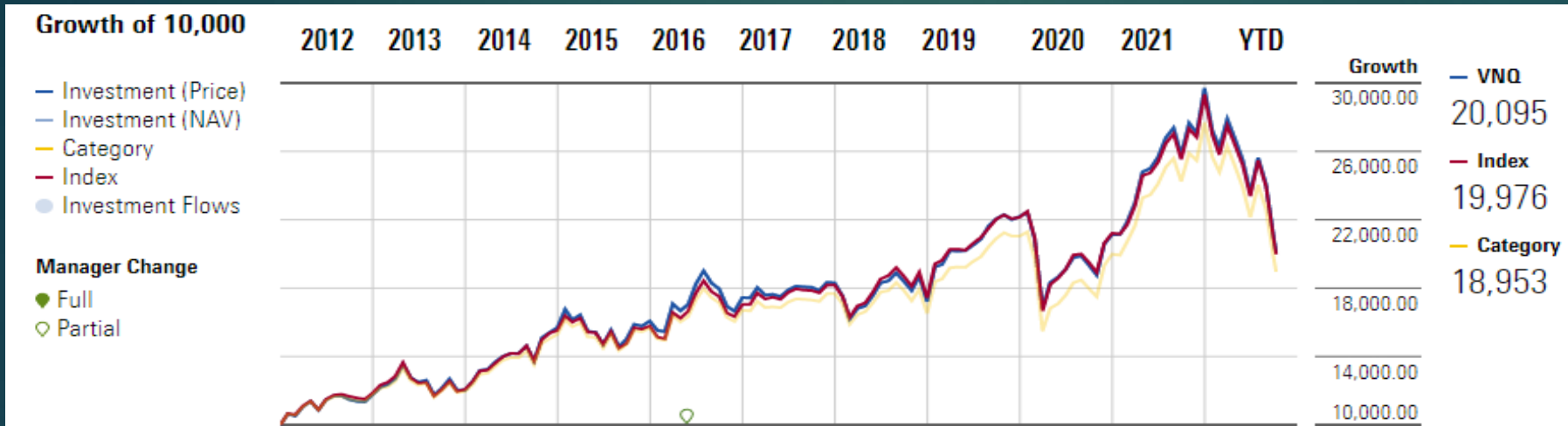
REIT Data Sets;

SeekingAlpha – Bowler
NAREit Assn
Morningstar
DJUS – REIT Indices

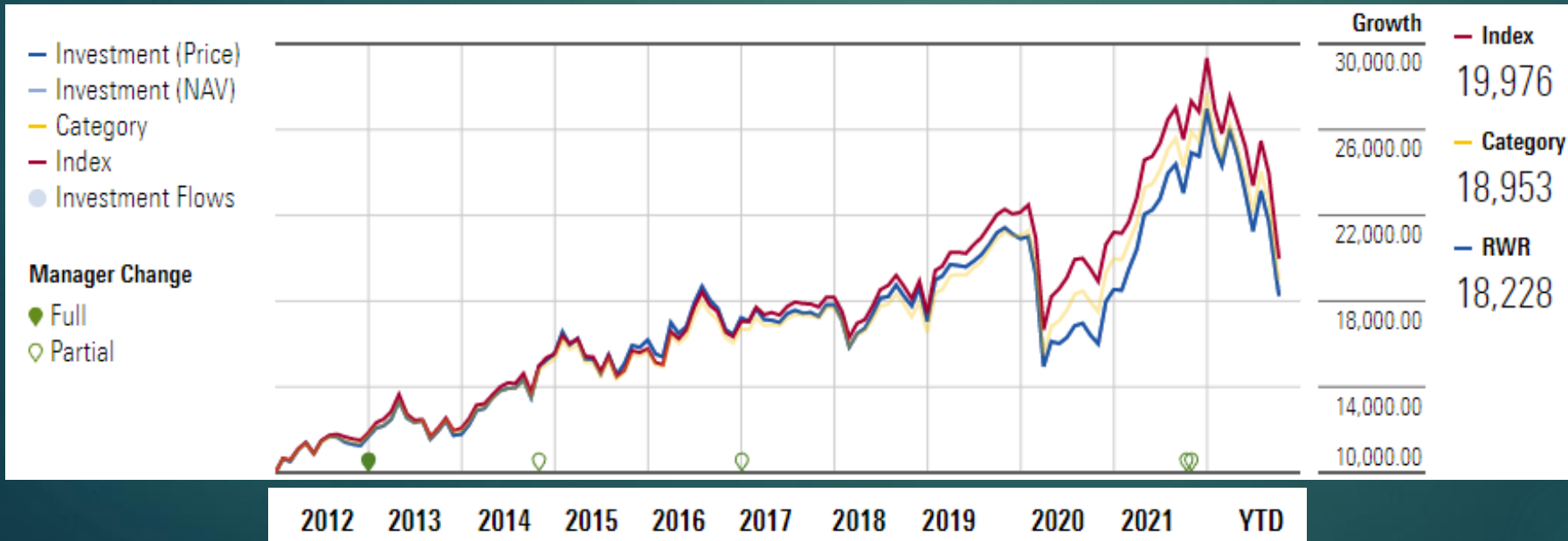
REITS by MARKET CAP – Down Year Independent of Cap



VNQ – Vanguard Real Estate Index Fund



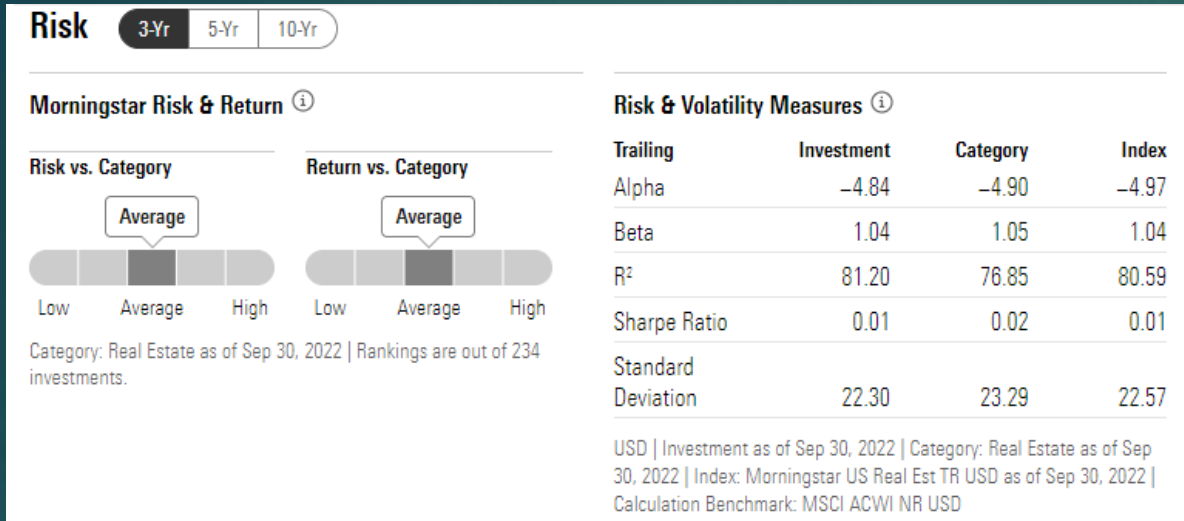
RWR – SPDR Dow Jones REIT eff



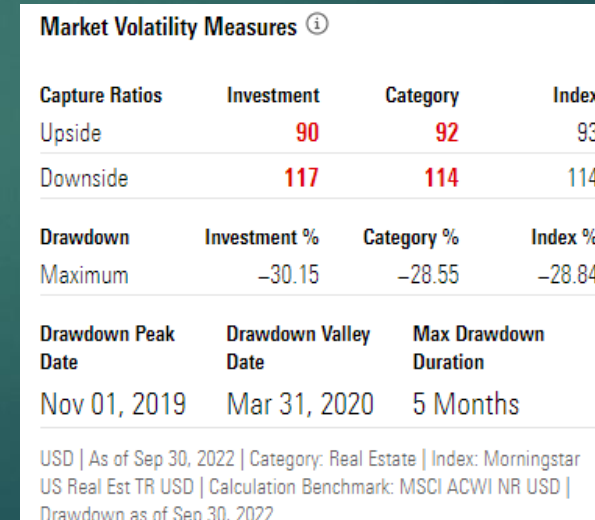
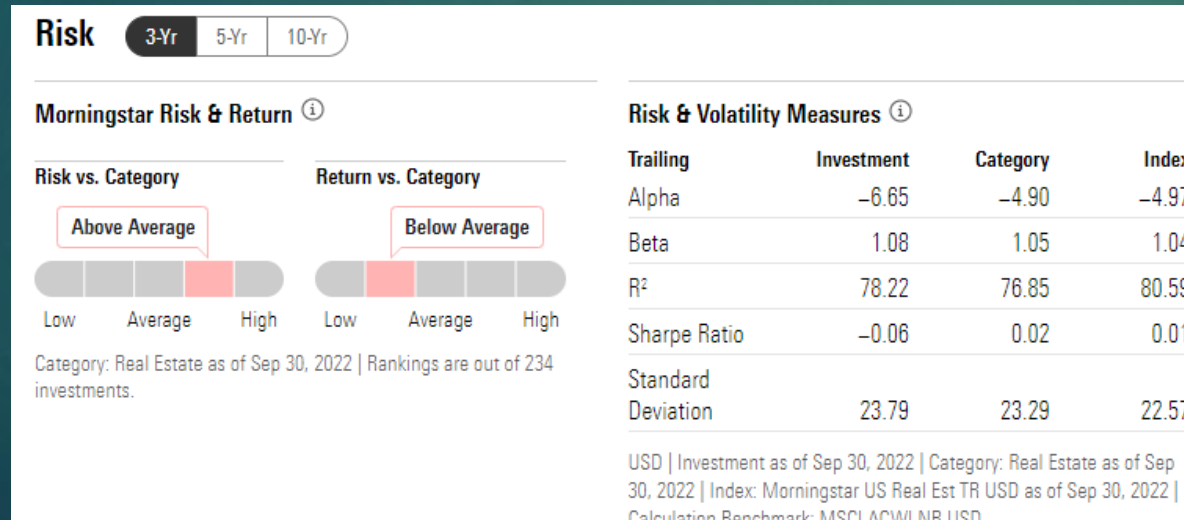
REITs – General (eff) Risk Profiles

VNQ – Vanguard Real Estate Index Fund

44



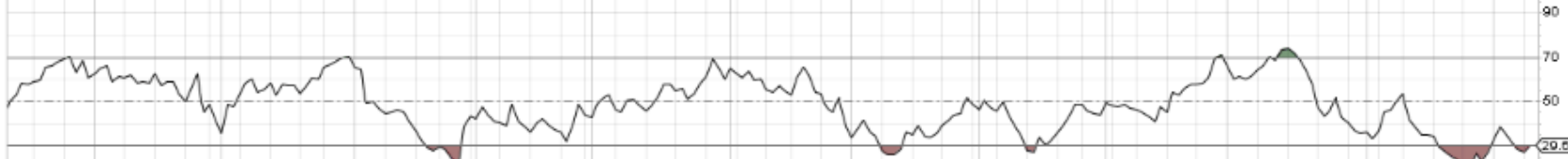
RWR – SPDR Dow Jones REIT eff



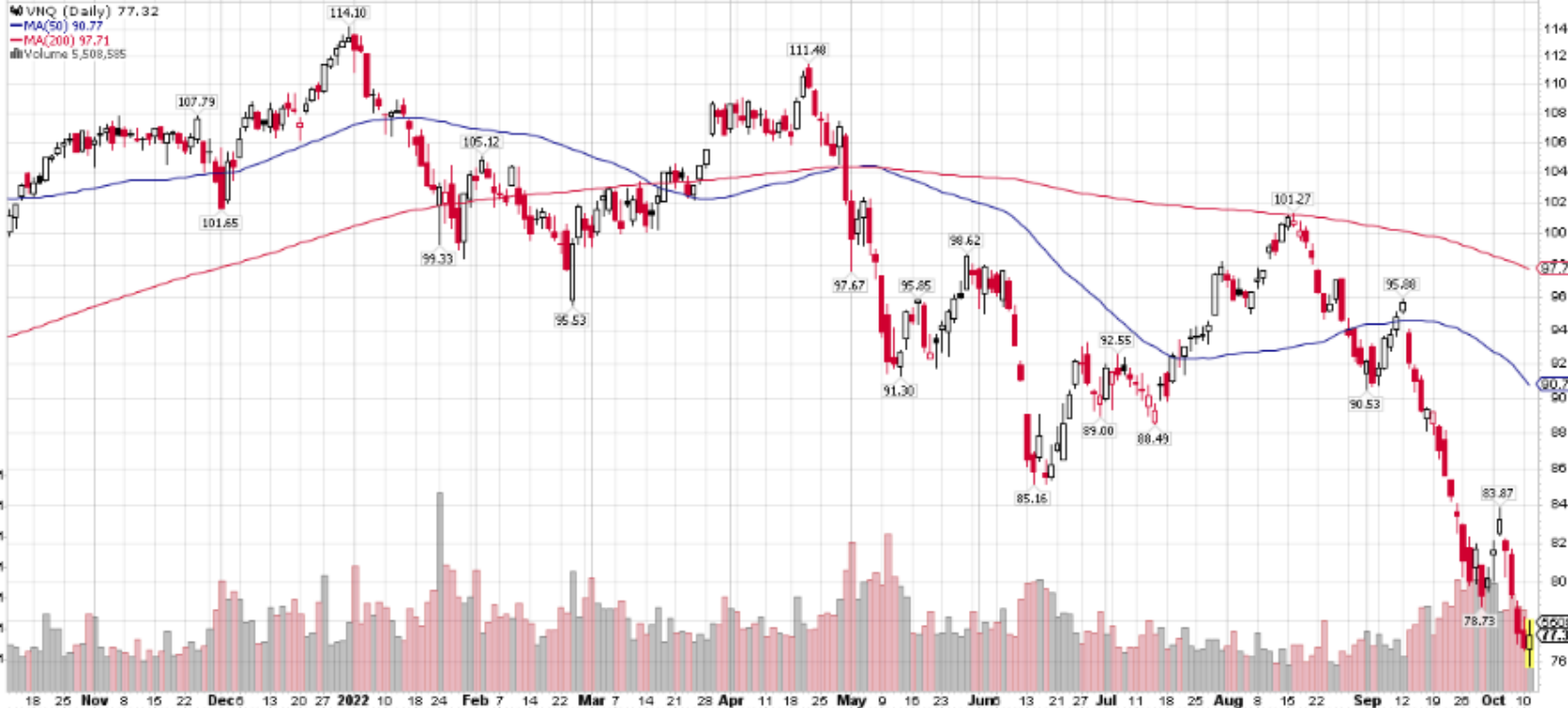
Open: **76.66** Ask: **77.27** P/E: **NaN** Options: **yes**
 High: **78.01** Ask Size: **400** EPS: **NaN** Annual Dividend: **2.75754**
 Low: **75.76** Bid: **77.26** Mkt Cap: **32.0B** Yield: **3.57%**
 Prev Close: **76.71** Bid Size: **500** Last Size: SCTR (ETF): **8.4**

Tuesday 11-Oct-2022 3:25 pm
 ▲ **+0.80%**
 Chg: **+0.61**
 Last: **77.32**
 Volume: **5,508,585**

45



VNQ 1 year – Dramatically Oversold?

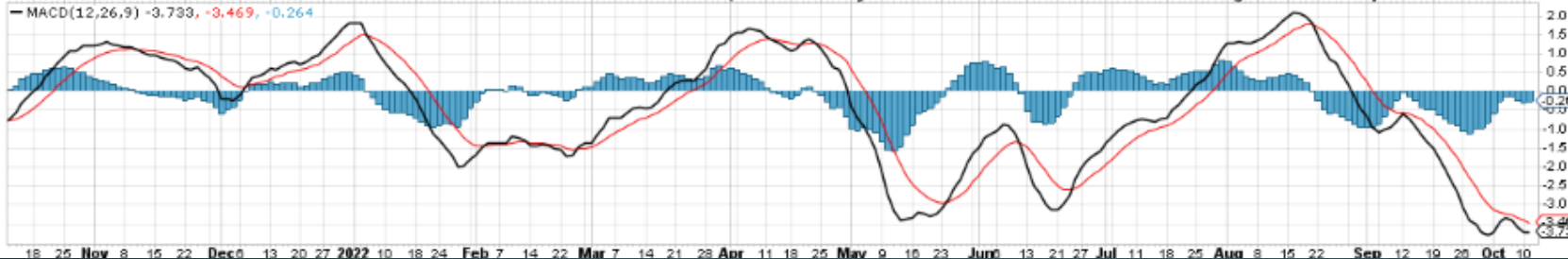


RSI = 29.68

Trends \$/sh
 200 dma = 97.91

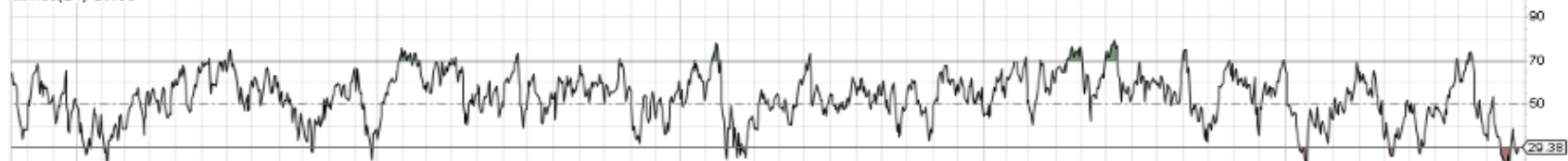
50dma = 90.77

Today = \$77.32



MACD (12,26,9)
 -3.733, -3.469, -0.264

VNQ Vanguard Real Estate ETF NYSE + BATS
 Tuesday 11-Oct-2022 3:32 pm
 Chg: +0.69%
 High: 78.01 Ask Size: 200 EPS: NaN Annual Dividend: 2.75754
 Low: 75.76 Bid: 77.24 Mkt Cap: 32.0B Yield: 3.57%
 Prev Close: 76.71 Bid Size: 500 Last Size: SCTR (ETF): 8.5
 Volume: 5,698,674
 RSI(14) 29.38



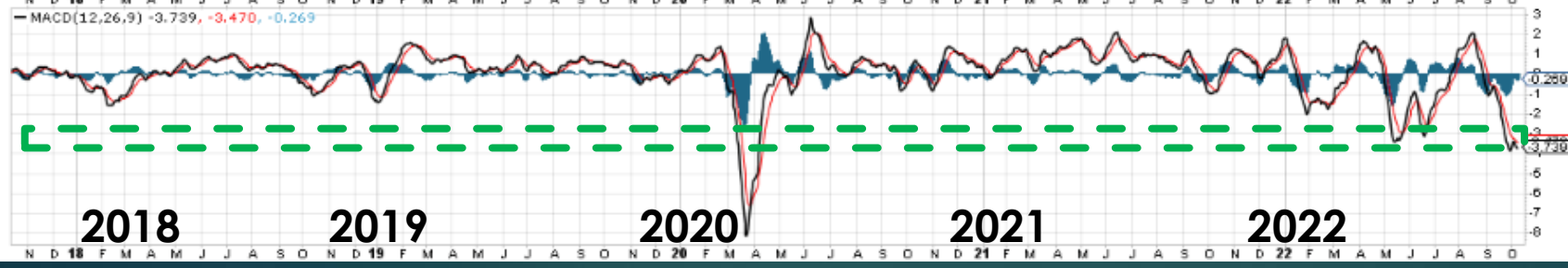
VNQ 5 year - at \$70/sh Resistance / Support Lines



RSI = 29.68

Trends \$/sh
 200 dma = 97.91
 50dma = 90.77

Today = \$77.32
 Stdev = \$22
 Stop Out = 77 - 22 - (91 - 77) = \$69
 Chaos Floor \$60's



MACD (12,26,9)
 -3.733, -3.469, -0.264

REC A.

Covered Call for effs, Generate 2.5% per 6 weeks
 Pot Gain 2.5% X 4 + 3% Div => \$10, or 13% pa,
 Break Even Time = 2 option cycles
 Risk Stop Out at \$69, 77.50-3-69 => \$ 5

Calls									
Strike	Symbol	Last	Chg	Bid	Ask	Volume	Open Interest	Greeks	Trade Date

VNQ – 221118C00075 – Bid \$4.50

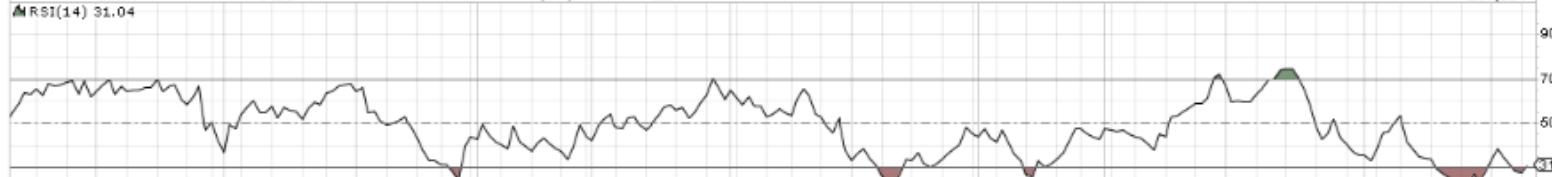
VNQ – 221118C00080 - Bid \$2.00, 2.5% discount in < 5 weeks

75	221118C00075000	4.0600	-2.8400	4.7000	5.0000	1	31	View	10/11/2022, 10:13:51
80	221118C00080000	2.1200	+0.1800	2.0500	2.2500	7	262	View	10/11/2022, 13:45:39

Value & Growth Measures	Cat.		
	Investment	Average	Index
Price/Earnings	30.94	31.41	29.95
Price/Book	2.32	2.66	2.35
Price/Sales	4.32	6.97	5.04
Price/Cash Flow	14.87	16.87	13.14
Dividend Yield %	3.43	3.13	3.54
Long-Term Earnings %	8.55	9.93	8.11
Historical Earnings %	17.80	20.47	17.75
Sales Growth %	2.70	0.22	2.30
Cash-Flow Growth %	6.10	5.57	7.04

Open: **80.60** Ask: **81.67** P/E: **NaN** Options: **yes**
 High: **82.26** Ask Size: **1600** EPS: **NaN** Annual Dividend: **3.40863**
 Low: **79.96** Bid: **81.62** Mkt Cap: **1.39B** Yield: **4.18%**
 Prev Close: **80.74** Bid Size: **1100** Last Size: SCTR (ETF): **8.5**

Tuesday 11-Oct-2022 3:43 pm
 ▲ +1.08%
 Chg: +0.87
 Last: 81.61
 Volume: 266,594



RWR Spdr DJ Reit Eff 1 year – Dramatically Oversold?



RSI = 31.43

Trends \$/sh
 200 dma = 103.56

50dma = 94.87

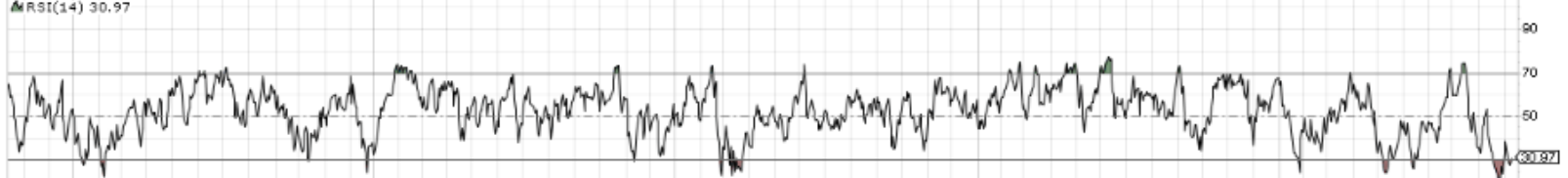
Today = \$81.73

MACD (12,26,9)
 -3.74, -3.53, -0.212

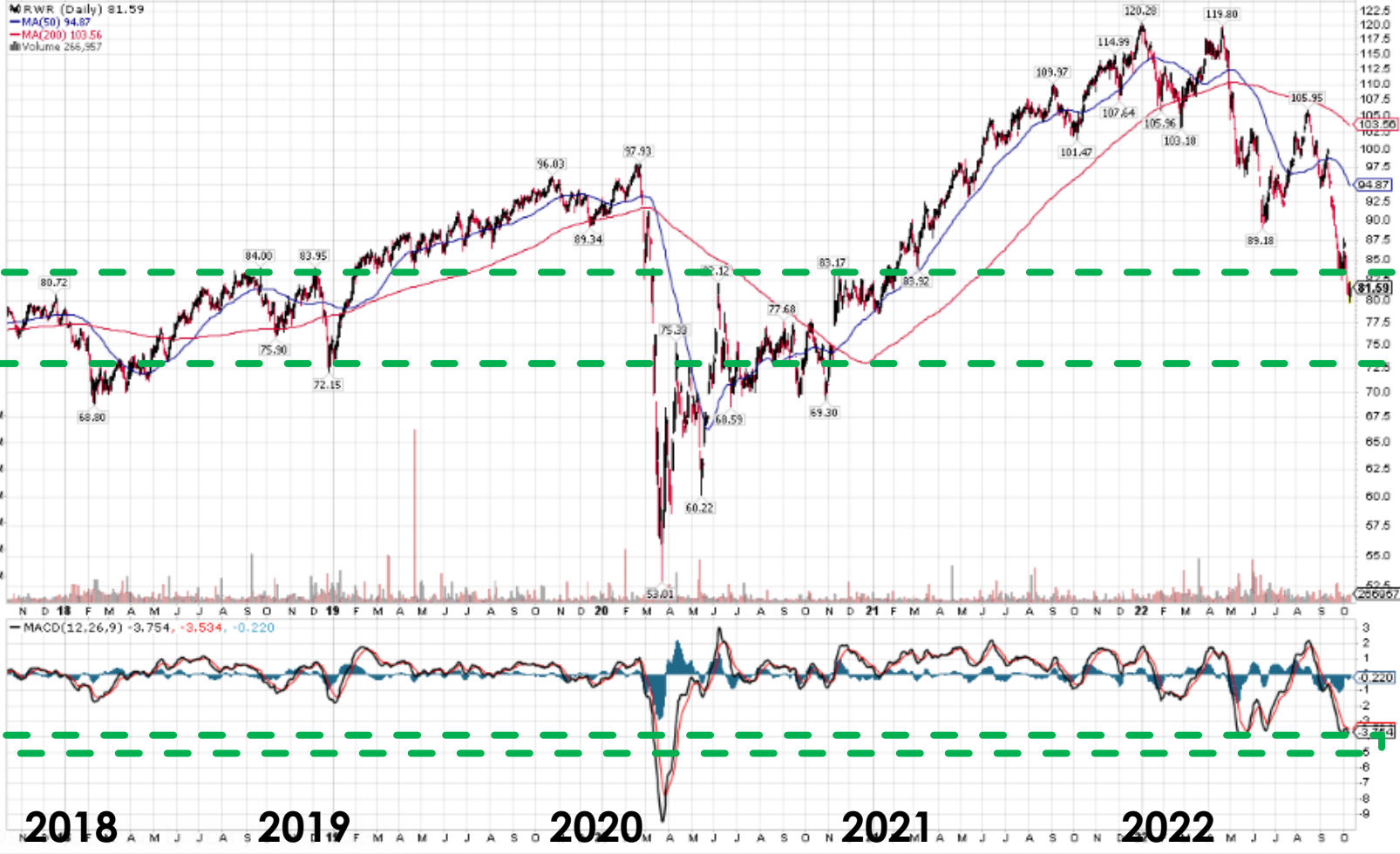
RWR SPDR Dow Jones RBT ETF NYSE + BATS

Open: 80.60 Ask: 81.64 P/E: NaN Options: yes
 High: 82.26 Ask Size: 1100 EPS: NaN Annual Dividend: 3.40863
 Low: 79.96 Bid: 81.59 Mkt Cap: 1.39B Yield: 4.18%
 Prev Close: 80.74 Bid Size: 1100 Last Size: SCTR (ETF): 8.5

Tuesday 11-Oct-2022 3:44 pm
 ▲ +1.05%
 Chg: +0.85
 Last: 81.59
 Volume: 266,957



RWR 5 year - at \$80/sh Resistance / Support Lines



RSI = 30.97

Trends \$/sh
 200 dma = 103.56
 50dma = 94.87

Today = \$80.73

MACD (12,26,9)
 -3.733, -3.469, -0.264

PLD ProLogis, Inc. NYSE + BATS
 Real Estate / Industrial & Office REITs
 Open: 99.30 Ask: 100.67 P/E: 20.30 Options: yes
 High: 100.67 Ask Size: 53 EPS: 4.96 Annual Dividend: 2.98188
 Low: 98.05 Bid: 100.64 Mkt Cap: 75.4B Yield: 2.96%
 Prev Close: 98.90 Bid Size: 53 Last Size: SCTR (Large): 10.0
 RSI(14) 31.54
 @ StockCharts.com
 Tuesday 11-Oct-2022 2:22 pm
 ▲ +1.79%
 Chg: +1.77
 Last: 100.67
 Volume: 2,985,627

PLD 1 year - at Resistance / Support Lines



REIT DJIG (Dow Jones Industrial Groups)

- Difficult Year (for either ytd or 1 year)
- Net Positive w/ Long Term or "Opt In" Position
- IG's are at to close to 52 wk lows

Industry	IG - Sym	Close	Weekly Net Chg	YTD Net Chg	% CHANGE wkly	RANK wkly	% Change Yr Ago	Rank Yr Ago	% Change Yr to Date	Rank Yr to Date	<u>3 Yr</u>	52 Week High	pct < 52 h	52 Week Low
Real Estate Inv Trusts	DJUSRI	126.53	-5.25	-60.55	-3.98	[134]	-23.15	[87]	-32.36	[104]	-6.01	187.08	126.53	100%
Industrial & Office RE	DJUSIO	96.58	-2.52	-60.03	-2.54	[127]	-26.61	[99]	-38.33	[127]	-5.44	156.62	96.58	100%
Retail REITs	DJUSRL	76.06	0.35	-32.58	0.46	[106]	-21.35	[80]	-29.99	[95]	-10.6	110.51	74.89	102%
Residential REITs	DJUSRN	218.17	-14.22	-106.67	-6.12	[136]	-24.57	[97]	-32.84	[107]	-5.01	324.95	218.17	100%
Diversified REITs	DJUSDT	63.39	0.86	-8.35	1.37	[87]	-5.09	[34]	-11.64	[36]	-10.8	72.62	61.92	102%
Specialty REITs	DJUSSL	216.77	-11.82	-97.59	-5.17	[135]	-21.64	[82]	-31.04	[101]	-3.25	314.36	216.77	100%
Mortgage REITs	DJUSMR	25.57	-0.7	-15.65	-2.67	[129]	-41.04	[131]	-37.97	[123]	-21.5	44.96	25.57	100%

NAREIT 2021 and 2022 Positive "Sectors"

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Sector	Number of Constituents	Total Return (%)				Dividend Yield (%)	Market Capitalization (\$) ¹			
		2021	September	2022: YTD	2021 less 22ytd		Equity	Implied	L/E	
1 Self Storage	5	79.43	-11.89	-21.44	57.99	3.29	Self Storage	90,294,427	93,470,480	3.5%
1 Regional Malls	3	92.05	-10.86	-41.94	50.12	7.66	Regional Malls	31,595,557	35,876,992	13.6%
1 Shopping Centers	18	65.05	-12.45	-25.67	39.38	4.86	Shopping Centers	52,647,676	53,482,497	1.6%
1 Apartments	15	63.61	-7.51	-26.68	36.93	3.49	Apartments	126,090,995	129,920,017	3.0%
1 Residential	20	58.29	-7.94	-27.09	31.20	3.20	Residential	184,949,386	191,490,056	3.5%
1 Specialty	9	41.69	-10.84	-12.03	29.66	5.73	Specialty	65,835,233	66,196,347	0.5%
1 Single Family Homes	2	52.79	-7.04	-24.06	28.74	2.47	Single Family Homes	30,497,810	32,480,846	6.5%
1 Industrial	12	62.03	-16.39	-35.50	26.53	3.09	Industrial	133,471,182	136,123,177	2.0%
1 Retail	33	51.91	-11.11	-26.19	25.72	5.68	Retail	153,333,747	158,879,261	3.6%
1 FTSE Nareit Equity REITs	141	43.24	-12.18	-28.13	15.10	4.21	FTSE Nareit Equity REITs	923,770,926	948,581,609	2.7%
1 FTSE Nareit All Equity REITs	148	41.30	-12.72	-27.93	13.37	3.95	FTSE Nareit All Equity REITs	1,146,339,237	1,171,178,858	2.2%
1 Manufactured Homes	3	41.98	-10.74	-31.79	10.19	2.67	Manufactured Homes	28,360,581	29,089,193	2.6%
1 Infrastructure	4	34.41	-14.85	-27.19	7.23	2.91	Infrastructure	193,751,079	193,780,018	0.0%
1 Free Standing	12	19.72	-10.20	-15.28	4.44	5.40	Free Standing	69,090,515	69,519,772	0.6%
1 Diversified	11	29.25	-16.79	-25.29	3.95	6.43	Diversified	23,779,315	24,690,372	3.8%
1 Timber	3	28.82	-15.22	-26.50	2.32	2.91	Timber	28,817,232	28,817,232	0.0%
1 Lodging/Resorts	14	18.22	-12.78	-19.55	-1.33	2.32	Lodging/Resorts	31,180,453	31,545,188	1.2%
1 Commercial Financing	12	22.48	-20.23	-28.98	-6.50	11.00	Commercial Financing	19,343,600	19,725,179	2.0%
1 Health Care	15	16.32	-14.53	-24.76	-8.44	5.26	Health Care	94,013,530	94,664,723	0.7%
1 Data Centers	2	25.47	-15.48	-35.08	-9.61	3.15	Data Centers	79,734,828	80,674,406	1.2%
1 Office	20	22.00	-8.97	-36.69	-14.69	5.44	Office	67,178,825	70,847,599	5.5%
1 FTSE Nareit Mortgage REITs	31	15.64	-24.18	-35.40	-19.76	15.03	FTSE Nareit Mortgage REITs	44,348,917	44,748,922	0.9%
1 Home Financing	19	11.51	-26.96	-39.67	-28.15	18.14	Home Financing	25,005,317	25,023,743	0.1%

REITs On Hold

– Mortgage, Residential, Retail, Check in Q1-23

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OVERVIEW							GROWTH (3-Year Annualized)				
Ticker	Company	Last Close	Sector	Industry	Investment Style	Market Cap	Growth (3-Year Annualized)	Revenue %	Operating Income %	Net Income %	Diluted EPS %
WELL	Welltower OP LLC	\$ 57	Real Estate	REIT - Healthcare Facilities	Mid Core	26.8245 Bil	WELL	0.27	-13.05	-25.26	-27.18
VTR	Ventas	\$ 37	Real Estate	REIT - Healthcare Facilities	Mid Core	14.7434 Bil	VTR	0.73	-24.59	-50.72	-51.51
O	Realty Income Grp	—	Real Estate	REIT - Retail	Large Core	—	O	16.15	14.3	-0.38	-11.61
SPG	Simon Property	\$ 93	Real Estate	REIT - Retail	Mid Core	30.8406 Bil	SPG	-3.30	-6.06	-2.67	-4.57
AIRC	Apt Income	\$ 36	Real Estate	REIT - Residential	Mid Core	5.6001 Bil	AIRC	-8.67	-20.80	-12.42	-18.69
NLY	Annaly Capital	\$ 15	Real Estate	REIT - Mortgage	Mid Value	7.1753 Bil	NLY	113.08	—	252.84	—
INCSIG Composite											

REIT Suspects – Industrial and Office Cos

Rec – PLD, PSA, ARE?

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OVERVIEW														
Ticker	Company	Last Close	Sector	Industry	Investment Style	Market Cap	Forward Div Yield	Trailing Div Yield	Price/Sales	Price/Book	Beta (5-Year)	Consensus Forward P/E	Trailing 12-mo Rev	
PLD	Prologis Inc.	\$ 99	Real Estate	REIT - Industrial	Large Cap	91.6232 Bil	3.2%	3.0%	15.4	2.65	0.95	36.1	4.93	PLD
EXR	Extra Space Stg	\$166	Real Estate	REIT - Industrial	Mid Cap	22.5039 Bil	3.6%	3.5%	13.2	6.93	0.53	25.58	1.76	EXR
COLD	Americold	\$ 24	Real Estate	REIT - Industrial	Mid Cap	6.4351 Bil	3.7%	3.7%	2.22	1.65	0.35	119.05	2.86	COLD
PSA	Public Storage	—	Real Estate	REIT - Industrial	Large Cap	50.5964 Bil	2.8%	2.8%	13.2	9.01	0.38	26.04	3.82	PSA
ARE	Alexandria Restate	\$132	Real Estate	REIT - Office	Mid Cap	21.7748 Bil	3.6%	3.5%	8.67	1.26	0.93	14.68	2.38	ARE

REIT Suspects – Industrial and Office Cos

Rec – PLD, PSA, ARE?

55

OVERVIEW							GROWTH (3-Year Annualized)					FINANCIAL HEALTH					
Ticker	Company	Last Close	Sector	Industry	Investment Style	Market Cap	Growth (3-Year Annualized)	Revenue %	Operating Income %	Net Income %	Diluted EPS %	Financial Health	Quick Ratio	Current Ratio	Interest Coverage	Debt/Equity	<i>vs indx</i>
PLD	Prologis Inc.	\$ 99	Real Estate	REIT - Industrial	Large Cap	91.6232 Bil	PLD	19.28	24.06	21.24	11.14	PLD	0.26	0.51	18.7	0.52	0.69
EXR	Extra Space Stg	\$166	Real Estate	REIT - Industrial	Mid Cap	22.5039 Bil	EXR	9.65	12.35	25.84	23.7	EXR	0.16	0.17	6.53	1.95	0.69
COLD	Americold	\$ 24	Real Estate	REIT - Industrial	Mid Cap	6.4351 Bil	COLD					COLD					
PSA	Public Storage	—	Real Estate	REIT - Industrial	Large Cap	50.5964 Bil	PSA	7.44	5.97	4.51	4.94	PSA	2.07	2.07	19.79	1.39	0.69
ARE	Alexandria Restate	\$132	Real Estate	REIT - Office	Mid Cap	21.7748 Bil	ARE	16.78	11.05	14.62	2.76	ARE	0.29	0.38	4.35	0.62	1.05

REIT Suspects –Specialty Companies

Rec – DLR, WY, pending - CCI, AMT?

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OVERVIEW							GROWTH (3-Year Annualized)					FINANCIAL HEALTH					
Ticker	Company	Last Close	Sector	Industry	Investment Style	Market Cap	Revenue %	Operating Income %	Net Income %	Diluted EPS %	Quick Ratio	Current Ratio	Interest Coverage	Debt/Equity	vs indx		
DLR	Digital Realty	\$ 90	Real Estate	REIT - Specialty	Mid Core	26.0578 Bil	DLR	13.27	8.48	72.8	69.95	DLR	0.29	0.29	6.07	0.96	2.66
LAMR	Lamar Adv	\$ 84	Real Estate	REIT - Specialty	Mid Core	8.4913 Bil	LAMR	3.18	3.53	8.33	7.53	LAMR	0.57	0.64	5.32	3.59	2.66
CCI	Crown Castle	\$ 133	Real Estate	REIT - Specialty	Large Core	57.1482 Bil	CCI	5.35	10.86	17.77	23.6	CCI	0.46	0.71	3.43	3.43	2.66
AMT	American Tower	\$ 190	Real Estate	REIT - Specialty	Large Core	87.7771 Bil	AMT	7.94	20.44	27.58	26.9	AMT	0.43	0.5	3.96	7.11	2.66
IRM	Iron Mountain	\$ 45	Real Estate	REIT - Specialty	Mid Core	13.2872 Bil	IRM	2.05	3.74	7.41	6.87	IRM	0.71	0.87	2.02	19.25	2.66
WY	Weyerhaeuser	\$ 29	Real Estate	REIT - Specialty	Mid Core	21.8467 Bil	WY	10.92	36.38	51.62	51.9	WY	2.42	3.2	11.4	0.47	2.66

E. REITs

- Demonstrate Alternatives for the 11/21 Meeting
- Update Target Company Evaluation for Earnings Releases

Low Risk

Q4-22 – Half Position Option In VNQ or RWR

Q1-23 – Half Position Option In “ “

Mid Risk

Q4-22 – Half Position Option In 2 Specialty and Industrial Cos

Q1-23 – Half Position Option In “ “

Highest Risk/Return

Q4-22 – Single Position in Best Specialty and Industry Cos

REIT Data Sets;

SeekingAlpha – Bowler
NAREit Assn
Morningstar
DJUS – REIT Indices

REITS APPENDIX

REIT Specific Metrics – Required for Final Company Selections

REIT Price / NAV by Market CAP

REIT Price/ FFO by Market Cap

Performance by Market Type

Median Store NOI Change

Leading and Lagging Company NOI Change