

2021

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Newsletter



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JULY 2021 SUMMARY

Monthly Recap

It was a good July for investors, despite concerns about the COVID "delta variant", and rising inflation. The S&P 500 ended up 2.38% and was up 17.02% YTD. The Dividend Aristocrats gained 2.17%, close to the performance of the major US-index.

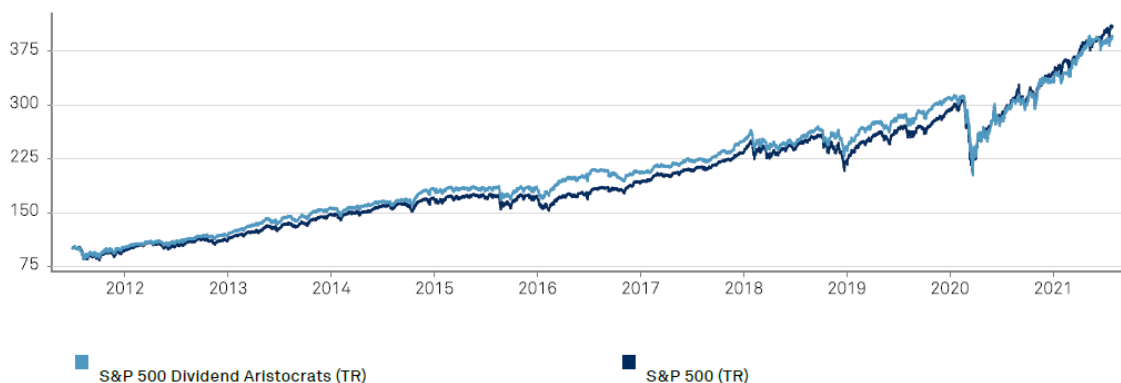
Mid of July, the second-quarter earnings season started, and several Dividend Aristocrats reported strong Q2-2021 earnings and improved their outlook for 2021.

Look at the long-term performance, the current 10-years annualized return is 15.18% for the Dividend Aristocrats (NOBL) versus 15.35% for the S&P 500.

Historical Performance

Depending on index launch date, all charts below may include back-tested data.

* Data has been re-based at 100



Europe

In Europe, major indices extended their gains. The S&P Europe 350 continued to climb in July, marking new all-time highs, and increasing the year-to-date return to 18%.

The European Dividend Aristocrats gained another 5.55% after the 4.05% in June and are up 22.7% year-to-date. Clearly outperforming the S&P Europe 350 index.

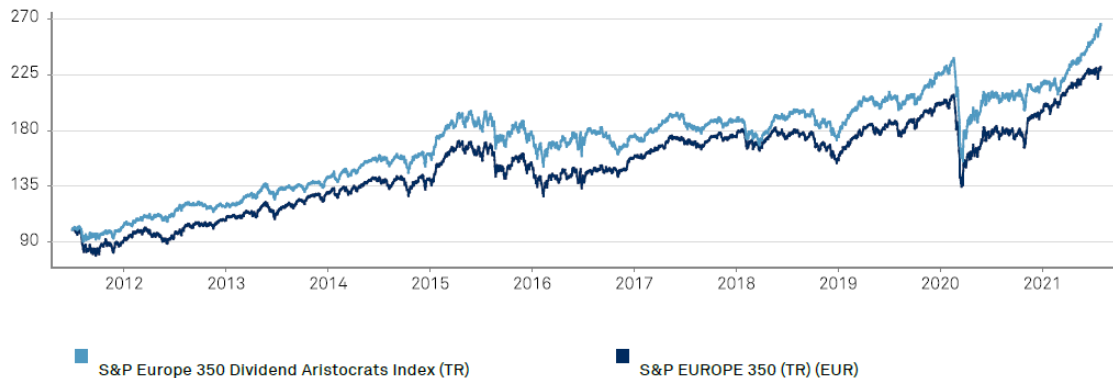
This is also reflected in the 10 years annualized total returns of the European Dividend Aristocrats with 10.08% versus the S&P Europe 350 with 8.96%.

Below a chart on the European Dividend Aristocrats and the S&P Europe 350 index since 2011.

Historical Performance

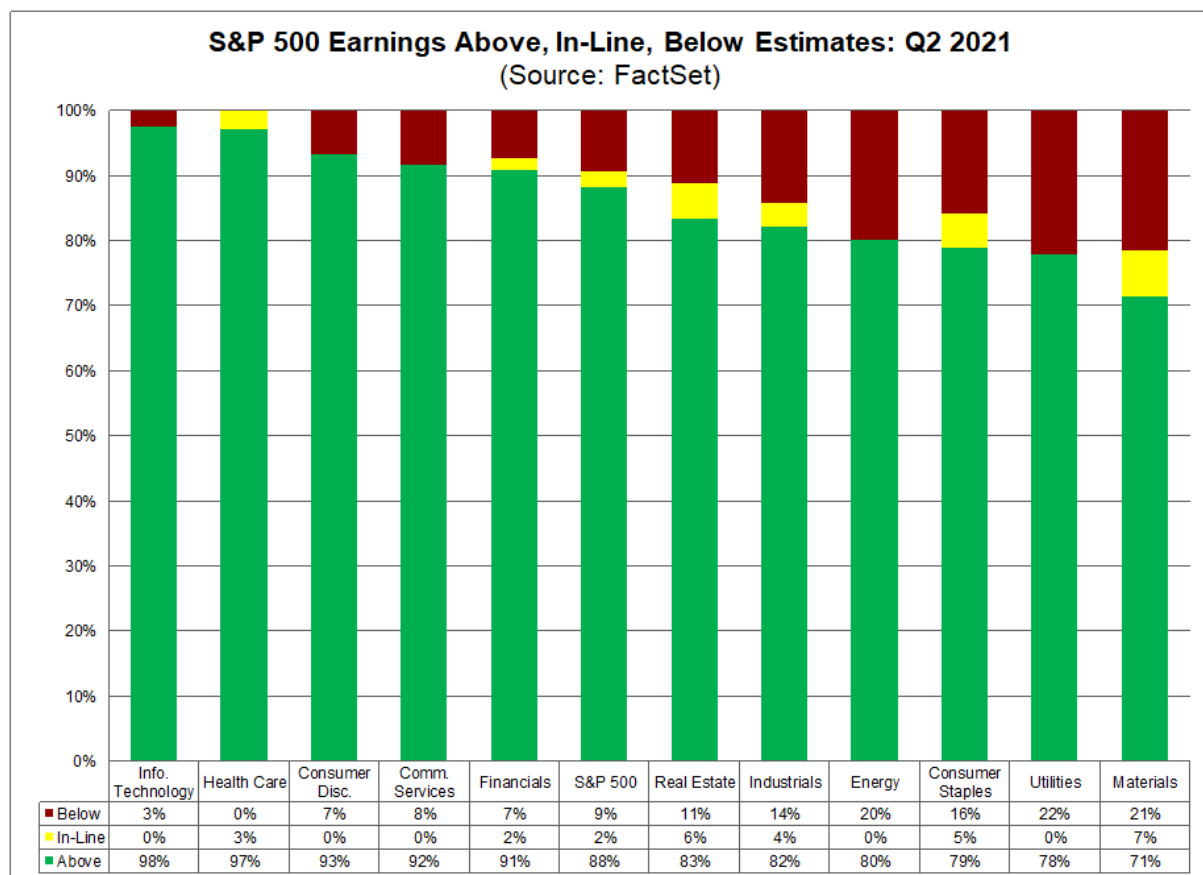
Depending on index launch date, all charts below may include back-tested data.

* Data has been re-based at 100



Q2-Earnings Season Update

In the US, more S&P 500 companies are beating EPS estimates for Q2 than average and beating EPS estimates by a wider margin than average according to FactSet. Almost 60% of the companies in the S&P 500 have reported results for Q2 2021 to date. 88% of these companies have reported EPS that are above estimates, which is well above the five-year average of 75%. Only the sector Materials is below this five-year average with 71%. The IT-sector has the highest “surprise”-percentage with 98%



Most of the US stocks that are part of the international dividend portfolio or the retirement portfolio showed a similar pattern and did beat estimates. Only PPG industries (PPG) and Kimberly Clark (KMB) did miss Wall Streets' estimates. Below are the actual Q2-21 reported results and the related "surprise"-percentage.

| Company | Ticker | Report Date | EPS Actuals | EPS Estimate | EPS Difference | Surprise Percent (%) | |
|----------------------------------|--------|-------------|-------------|--------------|----------------|----------------------|--------|
| AT&T Inc. | T | 22-7-2021 | 0.89 | 0.7955 | 0.0945 | 11.88 | Beat |
| Coca-Cola Co | KO | 21-7-2021 | 0.68 | 0.5643 | 0.1157 | 20.50 | Beat |
| Consolidated Edison, Inc. | ED | 4-8-2021 | | 0.62 | | | |
| WP Carey Inc | WPC | 30-7-2021 | 1.2 | 1.1798 | 0.0202 | 1.71 | Beat |
| Duke Energy Corp | DUK | 5-8-2021 | | 1.1 | | | |
| Emerson Electric Co. | EMR | 4-8-2021 | | 0.98 | | | |
| PepsiCo, Inc. | PEP | 13-7-2021 | 1.72 | 1.555 | 0.165 | 10.61 | Beat |
| Intel Corporation | INTC | 22-7-2021 | 1.24 | 1.046 | 0.194 | 18.55 | Beat |
| Johnson & Johnson | JNJ | 21-7-2021 | 2.48 | 2.2833 | 0.1967 | 8.61 | Beat |
| Kimberly Clark Corp | KMB | 23-7-2021 | 1.47 | 1.7061 | -0.2361 | -13.84 | Missed |
| Mcdonald's Corp | MCD | 28-7-2021 | 2.37 | 2.1204 | 0.2496 | 11.77 | Beat |
| Chubb Ltd | CB | 27-7-2021 | 3.62 | 3.015 | 0.605 | 20.07 | Beat |
| Air Products & Chemicals, Inc. | APD | 9-8-2021 | | | | | |
| Pfizer Inc. | PFE | 28-7-2021 | 1.07 | 0.9779 | 0.0921 | 9.42 | Beat |
| Philip Morris International Inc. | PM | 20-7-2021 | 1.57 | 1.5473 | 0.0227 | 1.47 | Beat |
| Procter & Gamble Co | PG | 30-7-2021 | 1.13 | 1.0852 | 0.0448 | 4.13 | Beat |
| United Parcel Service, Inc. | UPS | 27-7-2021 | 3.06 | 2.8128 | 0.2472 | 8.79 | Beat |
| Verizon Communications Inc. | VZ | 21-7-2021 | 1.37 | 1.299 | 0.071 | 5.47 | Beat |
| Waste Management, Inc. | WM | 27-7-2021 | 1.27 | 1.186 | 0.084 | 7.08 | Beat |
| 3M | MMM | 27-7-2021 | 2.59 | 2.2855 | 0.3045 | 13.32 | Beat |
| Chevron | CVX | 30-7-2021 | 1.71 | 1.596 | 0.114 | 7.14 | Beat |
| Dover Corp | DOV | 20-7-2021 | 2.06 | 1.8393 | 0.2207 | 12.00 | Beat |
| ADP | ADP | 28-7-2021 | 1.2 | 1.1388 | 0.0612 | 5.37 | Beat |
| PPG Industries | PPG | 19-7-2021 | 1.94 | 2.183 | -0.243 | -11.13 | Missed |
| Microsoft | MSFT | 27-7-2021 | 2.17 | 1.9243 | 0.2457 | 12.77 | Beat |

Moneyinvestexpert portfolios

Here is an update on our Moneyinvestexpert portfolios:

Our **International Dividend Portfolio** gained 3.22% in US\$ and 3.13% in euros in July. Year-to-date the performance is now 20.25% in euros for this Dividend Portfolio.

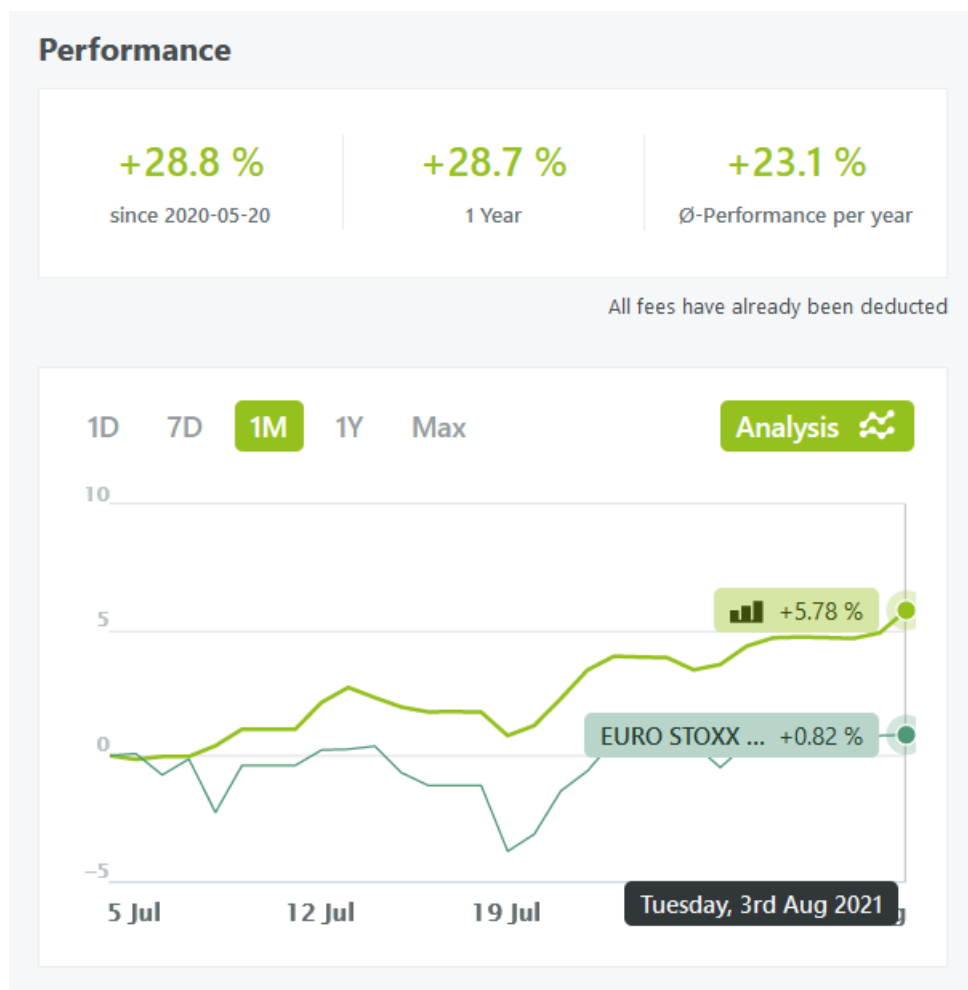
The **Defensive Dividend Aristocrats** jumped 3.37% in July, and the total return is now 9.73% in 2021.

Our **retirement portfolio (US)** also gained 3.29% in July and is up 12.72% for this year. The benchmark for this portfolio, Invesco's High Dividend Low Volatility ETF (SPHD), lost -0.60%.

Since the start of our retirement portfolio, the outperformance is still significant (read more in the dedicated section).

European Dividend Aristocrat ETF

You can also follow along or invest in our **listed European Dividend Aristocrat ETF**. More information can be found on <https://www.wikifolio.com/en/int/w/wf0eudivar> (English) or <https://www.wikifolio.com/de/de/w/wf0eudivar> (German website).



As you can see in the chart, the European Dividend Aristocrats portfolio (EUDIVAR) jumped another 5.78% after the 4.28% last month, while the European Index (EURO STOXX 50) gained around 0.82% in July, which is a strong outperformance for our ETF.

The performance can be followed on several financial portals such as [Onvista](#) or via your online broker.

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INTERNATIONAL DIVIDEND PORTFOLIO

Performance Update

Our International Dividend Portfolio had another excellent month and gained 3.22% in US\$ and 3.13% in euros in July. Year-to-date the performance is now 20.52% in euros and 16.33% in USD for this Dividend Portfolio.

Since its inception in 2009, the portfolio has returned 400% in US\$ and 487% in euros, excluding reinvesting dividends.

Last month's performance dashboard shows again a positive month with several stocks up. Top performers in July are Dover and Wolters Kluwer. The companies 3M, Chevron and especially PPG Industries showed lower share prices, mainly due to reporting Q2-results not meeting expectations. It is our view that the Q2-results and 2021 forward looking statements give no reason to take action or make changes to this portfolio.

Year-to-date twelve stocks are already above a 10% return, and this is excluding dividends received. Unilever is the only stock showing a negative YTD performance.

| | | | Close price | Monthly Performance | Performance YTD |
|---|------------------------|---------|-------------|---------------------|-----------------|
| | US Stocks | | | | |
| | Mc Donalds | MCD | \$ 242.71 | ↑ 5.1% | ↑ 13.1% |
| | 3M | MMM | \$ 197.94 | ↓ -0.3% | ↑ 13.2% |
| | Chevron | CVX | \$ 101.81 | ↓ -2.8% | ↑ 20.6% |
| | Dover Corp | DOV | \$ 167.12 | ↑ 11.0% | ↑ 32.4% |
| | Realty Income | O | \$ 70.29 | ↑ 5.3% | ↑ 13.1% |
| | ADP | ADP | \$ 209.63 | ↑ 5.5% | ↑ 19.0% |
| | Johnson & Johnson | JNJ | \$ 172.20 | ↑ 4.5% | ↑ 9.4% |
| | Procter & Gamble | PG | \$ 142.23 | ↑ 5.4% | ↑ 2.2% |
| | PPG Industries | PPG | \$ 163.52 | ↓ -3.7% | ↑ 13.4% |
| | Microsoft | MSFT | \$ 284.91 | ↑ 5.2% | ↑ 28.1% |
| | European Stocks | | | | |
| | Roche Holding | ROG.VX | 350.35 CHF | ↑ 0.5% | ↑ 13.4% |
| | SAP | SAP.DE | € 120.84 | ↑ 1.7% | ↑ 12.7% |
| | Unilever | UNIA.AS | € 48.59 | ↓ -1.6% | ↓ -2.0% |
| | L'Oreal | OR.PA | € 385.90 | ↑ 2.7% | ↑ 24.2% |
| | Wolters Kluwer | WKL.AS | € 96.08 | ↑ 13.4% | ↑ 39.1% |
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Figure 1: Performance monthly and YtD

Dividend Events

In July, only two stocks in this portfolio paid dividends. Here are the details:

- **Realty Income \$0.236/share.**
- **Procter & Gamble \$0.87/share.**

See also figure 5 – dividend payment schedule for more details.

International Dividend Portfolio

Date as of 7/31/21

| % of Portfolio per currency | | Entry date | Cost per share | Last price | Price return | # of Shares | Market Value |
|-----------------------------|-------------------|------------|----------------|------------|--------------|-------------|----------------------|
| US Stocks | | | | | | | |
| 9.0% | Mc Donalds | MCD | 2-1-2009 | \$ 48.19 | \$ 242.71 | ↑ 403.65% | 200 \$ 48,542.00 |
| 7.3% | 3M | MMM | 2-1-2009 | \$ 59.19 | \$ 197.94 | ↑ 234.41% | 200 \$ 39,588.00 |
| 2.8% | Chevron | CVX | 2-1-2009 | \$ 74.52 | \$ 101.81 | ↑ 36.62% | 150 \$ 15,271.50 |
| 13.8% | Dover Corp | DOV | 2-1-2009 | \$ 34.83 | \$ 167.12 | ↑ 379.82% | 448 \$ 74,792.38 |
| 5.9% | Realty Income | O | 2-1-2009 | \$ 22.21 | \$ 70.29 | ↑ 216.48% | 450 \$ 31,630.50 |
| 9.7% | ADP | ADP | 2-1-2009 | \$ 39.00 | \$ 209.63 | ↑ 437.51% | 250 \$ 52,407.50 |
| 5.6% | Johnson & Johnson | JNJ | 2-1-2009 | \$ 60.65 | \$ 172.20 | ↑ 183.92% | 175 \$ 30,135.00 |
| 4.3% | Procter & Gamble | PG | 2-1-2009 | \$ 61.15 | \$ 142.23 | ↑ 132.59% | 165 \$ 23,467.95 |
| 15.1% | PPG Industries | PPG | 2-1-2009 | \$ 21.78 | \$ 163.52 | ↑ 1401.91% | 500 \$ 81,760.00 |
| 26.4% | Microsoft | MSFT | 2-1-2009 | \$ 20.33 | \$ 284.91 | ↑ 1301.43% | 500 \$ 142,455.00 |
| 0.0% | Cash | | | \$ 158.00 | | | \$ 158.00 |
| 100.0% | | | | | | | \$ 540,207.83 |

| | | | | | | | |
|------------------------|----------------|---------|-----------|------------|------------|--------------------------|---------------------|
| European Stocks | | | | | | | |
| 100% | Roche Holding | ROG.VX | 5-1-2009 | 171.70 CHF | 350.35 CHF | ↑ 104.05% | 40 14,014.00 CHF |
| | | | | | | Market Value (\$) | \$ 15,471.46 |
| 11.1% | SAP | SAP.DE | 3-9-2020 | € 137.00 | € 120.84 | ↓ -11.80% | 29 € 3,504.36 |
| 30.7% | Unilever | UNIA.AS | 2-1-2009 | € 18.00 | € 48.59 | ↑ 169.94% | 200 € 9,718.00 |
| 36.5% | L'Oreal | OR.PA | 3-12-2019 | € 251.00 | € 385.90 | ↑ 53.75% | 30 € 11,577.00 |
| 21.2% | Wolters Kluwer | WKL.AS | 1-7-2020 | € 69.50 | € 96.08 | ↑ 38.24% | 70 € 6,725.60 |
| 0.5% | Cash | | | | | | € 151.02 |
| 100.0% | | | | | | | € 31,675.98 |
| | | | | | | Market Value (\$) | \$ 37,599.39 |

| Date | Market Value (incl dividend) | Dividend | Total return | Ytd (\$) | Market Value (incl dividend) | Total return in € | Ytd (€) |
|------------|------------------------------|------------|--------------|----------|------------------------------|-------------------|---------|
| 2021-07-31 | \$ 698,088 | \$ 104,810 | 399.8% | 16.33% | € 588,111.51 | 487.2% | 20.24% |
| 2021-06-30 | \$ 676,304 | \$ 104,473 | 384.2% | | € 570,239.17 | 469.4% | |
| 2021-05-31 | \$ 671,943 | \$ 104,820 | 381.1% | | € 549,422.11 | 448.6% | |
| 2021-04-30 | \$ 659,110 | \$ 102,395 | 371.9% | | € 548,344.68 | 448.0% | |
| 2021-03-31 | \$ 628,093 | \$ 101,600 | 349.7% | | € 528,253 | 427.5% | |
| 2021-02-28 | \$ 593,072 | \$ 101,094 | 324.6% | | € 497,544 | 396.8% | |
| 2021-01-31 | \$ 587,999 | \$ 99,664 | 321.0% | | € 484,348 | 383.6% | |
| 2020-12-31 | \$ 600,301 | \$ 99,675 | 329.8% | | € 489,243 | 388.5% | |
| 2019-12-31 | \$ 547,163 | \$ 86,471 | 291.7% | | € 487,798 | 387.1% | |
| 2018-12-31 | \$ 441,867 | \$ 76,151 | 216.4% | | € 385,708 | 285.1% | |
| 2017-12-29 | \$ 454,852 | \$ 66,495 | 225.7% | | € 378,350 | 277.8% | |
| 2016-12-30 | \$ 370,475 | \$ 55,739 | 165.2% | | € 351,095 | 250.6% | |
| 2015-12-31 | \$ 334,074 | \$ 46,977 | 139.2% | | € 307,647 | 207.2% | |
| 2014-12-31 | \$ 342,987 | \$ 39,482 | 145.6% | | € 283,437 | 183.0% | |
| 2013-12-31 | \$ 313,104 | \$ 32,143 | 124.2% | | € 227,233 | 126.9% | |
| 2012-12-31 | \$ 244,933 | \$ 24,434 | 75.4% | | € 185,752 | 85.5% | |
| 2011-12-30 | \$ 215,636 | \$ 17,601 | 54.4% | | € 166,219 | 66.0% | |
| 2010-12-31 | \$ 200,521 | \$ 11,471 | 43.6% | | € 151,120 | 50.9% | |
| 2009-12-31 | \$ 175,368 | \$ 5,725 | 25.6% | | € 122,361 | 22.2% | |
| 2009-01-02 | \$ 140,000 | | Start | | € 100,000 | | |

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Figure 2: Summary International Dividend Portfolio

About

The International Dividend Portfolio objective is to generate dividend income every month, based on international dividend growth stocks, and over the long-term preserve and grow the invested capital. The total return is expected to follow the MSCI World index and a dividend growth rate between 4%-9%.

Holdings are rarely sold as long as dividend pay-outs are not cut and managed with a “buy-and-hold investor” mind-set. The International Dividend Portfolio contains mainly US and European stocks, so mature markets, but the related companies will often have exposure to emerging markets as well.

Getting started

We created the International Dividend Portfolio, so customers can follow a selection of international dividend stocks. Some investors could mirror the portfolio holding for holding, but others use the list to generate investment ideas and make sense of trends and risk/returns in their own portfolios.

If you decide to mirror the portfolio, our recommendation would be to invest equally across all holdings. This provides diversification between stocks, sectors, and currencies. Preferably the value of one individual stock is always below 5%-8%. Some holdings may appear undervalued and some overvalued, so we provide some guidelines/rules when to buy or not to buy (see section “Timing”). Please take into account that there is currency risk and a potential dividend tax (withholding tax) for certain (US)-investors.

Performance & Dividend receivable

In 2009 the virtual International Dividend Model Portfolio started with €100,000 or \$ 140,000, 10 US dividend stocks, and 5 European dividend stocks. The holdings value grew by 15.5% annually year (CAGR) in euros and 13.2% in dollars, as you can see in the table below. Due to currency fluctuation, the European investor benefited more from the dollar holdings.

| | Portfolio Value (€) | Portfolio Value (\$) |
|------------|---------------------|----------------------|
| Start 2009 | € 100,000 | \$ 140,000 |
| End 2017 | € 378,350 | \$ 454,852 |
| End 2018 | € 385,708 | \$ 441,867 |
| End 2019 | € 487,797 | \$ 547,162 |
| End 2020 | € 489,242 | \$ 600,300 |

Please note that re-investing the dividends received would result in a higher performance. ([the power of dividends and compounding](#))



Figure 3: Portfolio full-year 2020 - July-2021 (USD)

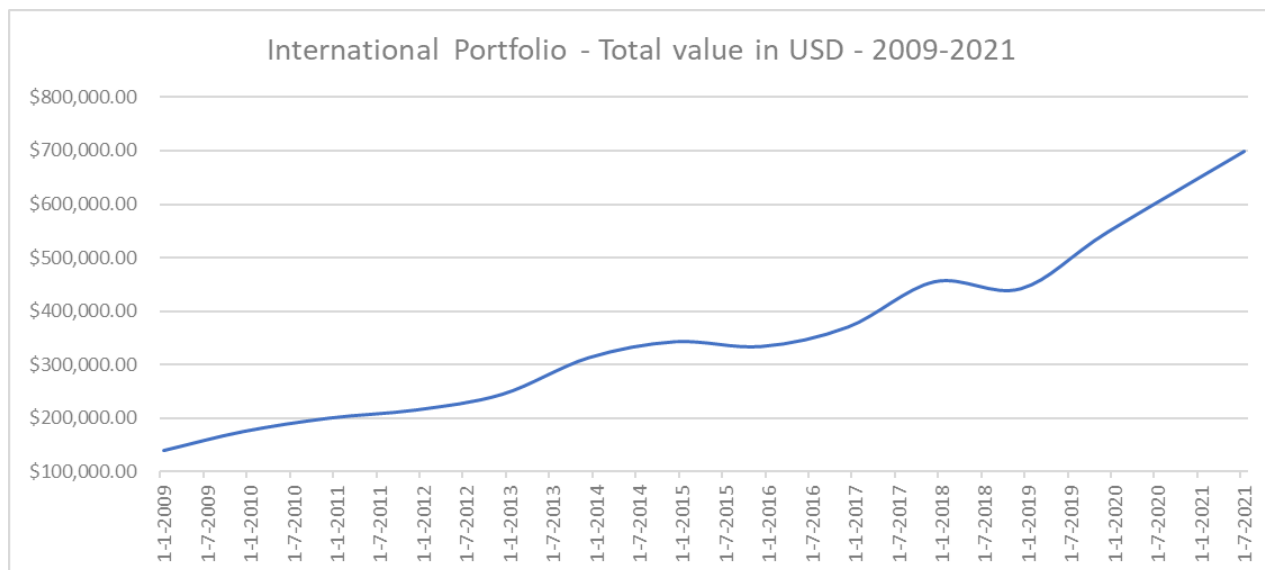


Figure 4: Portfolio 2009 - July 2021 (USD)

Dividend – Payment Schedule

One of the objectives of our dividend portfolio is to receive a dividend every month, below is an overview of the month in which the shares normally go ex-dividend. The diagram gives you more details on the ex-dividend months per stock. For example, Realty Income is a monthly dividend payer, while all US stocks are paying quarterly. L'Oreal (France) and Roche (Switzerland) pay annually.

| Dividend schedule (ex-dividend date) | | | | | | | | | | | | | |
|--------------------------------------|-----|---|---|---|---|---|---|---|---|---|---|---|---|
| | | J | F | M | A | M | J | J | A | S | O | N | D |
| Mc Donalds | USD | X | | | | X | | | X | | | X | |
| 3M | USD | X | | | | X | | | X | | | X | |
| Chevron | USD | X | | | | X | | | X | | | X | |
| Dover Corp | USD | X | | | | X | | | X | | | X | |
| Realty Income | USD | X | X | X | X | X | X | X | X | X | X | X | X |
| ADP | USD | X | | | | X | | | X | | | X | |
| Johnson & Johnson | USD | X | | | | X | | | X | | | X | |
| Procter & Gamble | USD | X | | | X | | | X | | | X | | |
| PPG Industries | USD | X | | | | X | | | X | | | X | |
| Microsoft | USD | X | | | | X | | | X | | | X | |
| Roche | CHF | | | X | | | | | | | | | |
| SAP | EUR | | | | | X | | | | | | | |
| Unilever | EUR | X | | | | X | | | X | | | X | |
| L' Oreal | EUR | | | | X | | | | | | | | |
| Wolters Kluwer | EUR | | | | X | | | | X | | | | |

Figure 5: Dividend payment schedule 2021

Dividend Growth

Another objective of our dividend portfolio is dividend growth. The aim is a dividend growth rate between 4%-9%. Dividend growth stocks have been among the best long-term performers in the market, when [payout ratio and high yield](#) are monitored.

The average dividend growth rate for all holdings is 6.6%. Here are the current figures for our international dividend portfolio.

| Name | Ticker | Sector | Dividend Growth 5y | Total return 5y | Dividend Yield | Dividend Years |
|---------------------------|-----------|--------------------|--------------------|-----------------|----------------|----------------|
| 3M Company | MMM | Industrials | 7.5% | 6.4% | 2.9% | 61 |
| Procter & Gamble | PG | Consumer Defensive | 3.4% | 12.8% | 2.4% | 62 |
| Automatic Data Processing | ADP | Industrials | 12.8% | 19.1% | 1.9% | 44 |
| McDonald's Corp. | MCD | Consumer Cyclical | 7.9% | 16.1% | 2.2% | 44 |
| Johnson & Johnson | JNJ | Healthcare | 6.2% | 10.7% | 2.4% | 57 |
| Dover Corp. | DOV | Industrials | 3.7% | 19.0% | 1.3% | 64 |
| PPG Industries | PPG | Basic Materials | 8.2% | 11.9% | 1.2% | 47 |
| Chevron Corp. | CVX | Energy | 3.8% | 4.7% | 5.0% | 34 |
| Unilever N.V. | UNA.AS | Consumer Defensive | 6.6% | 6.9% | 2.6% | 23 |
| Microsoft Corporation | MSFT | Technology | 10.1% | 37.4% | 0.9% | 17 |
| Roche Holding AG | ROG.SW | Other | 2.4% | 6.5% | 2.9% | 33 |
| Realty Income Corp. | O | Real Estate | 4.2% | 6.1% | 4.0% | 25 |
| Wolters Kluwer N.V | WKL.AS | Consumer Cyclical | 7.2% | 18.3% | 1.7% | 14 |
| L'Oreal S.A | OR.PA | Consumer Defensive | 7.4% | 18.1% | 1.1% | 37 |
| SAP SE | SAP.XETRA | Technology | 7.5% | 10.8% | 1.6% | 11 |
| | | Average | 6.6% | 13.7% | 2.3% | 38 |

Below are the most recent dividend increases:

| Company | Ticker | Old Dividend | New Dividend | Increase |
|-------------------|---------|--------------|----------------|-------------|
| Mc Donalds | MCD | 1.250 | 1.290 | 3.2% |
| 3M | MMM | 1.470 | 1.480 | 0.7% |
| Chevron | CVX | 1.290 | 1.340 | 3.9% |
| Dover Corp | DOV | 0.490 | 0.495 | 1.0% |
| Realty Income | O | 0.2345 | 0.2350 | 0.2% |
| ADP | ADP | 0.910 | 0.930 | 2.2% |
| Johnson & Johnson | JNJ | 1.010 | 1.060 | 5.0% |
| Procter & Gamble | PG | 0.7907 | 0.8698 | 10.0% |
| PPG Industries | PPG | 0.510 | 0.540 | 5.9% |
| Microsoft | MSFT | 0.510 | 0.560 | 9.8% |
| Roche Holding | ROG.VX | 9.000 | 9.100 | 1.1% |
| SAP | SAP.DE | 1.500 | 1.580 | 5.3% |
| Unilever | UNIA.AS | 0.410 | 0.427 | 4.0% |
| L'Oreal | OR.PA | 3.850 | 4.000 | 3.9% |
| Wolters Kluwer | WKL.AS | 1.180 | 1.360 | 15.3% |
| | | | Average | 4.8% |

Timing (avoid, hold, buy)

This portfolio has been compiled for longer-term investments for a minimum of 5 years and preferably 10 years or longer investment horizon. The signal-list (see next page) is based on several (trend-following) rules, as detailed below:

- **Buy**, if the trend is upward and the 200-day moving average (MA-200) is lower than the current rate (intersection).
- Accumulate, **add** additional stocks if the price is above the MA-200 and the performance of the past month was negative.
- **Hold**, Hold (All-Time High), when the trend is up but not a buy signal.
- Do not buy/avoid, if the current trend is downwards and the current price is below the MA-200.
- Neutral, movement around MA-200, no clear trend

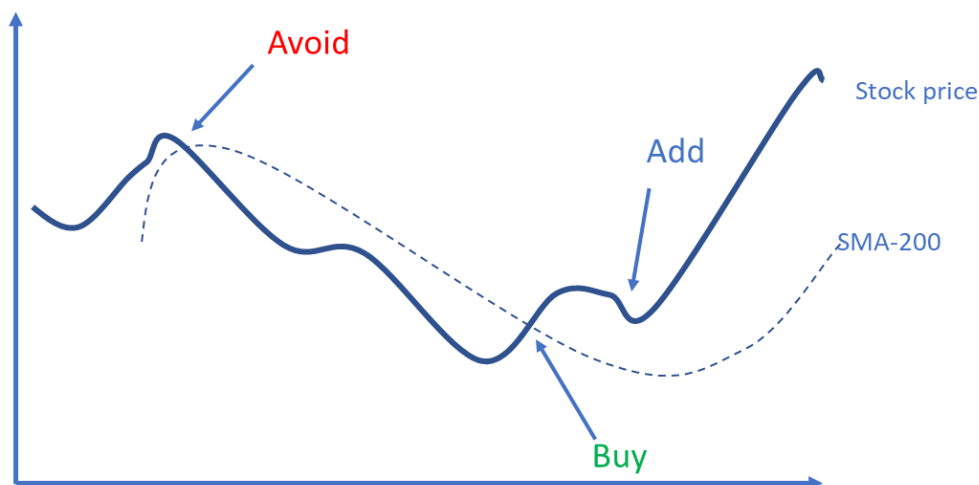


Figure 6: Schematic overview of trend timing

Furthermore, there are several fundamental factors that may cause a share to be replaced. Such as, for example, a substantial reduction in dividend payments.

Below are signals per stock per **7/30/2021**. Changes compared to last month are in **bold**:

| | | Close price | SMA-200 | Distance SMA | Trend | Trend date | Signal |
|------------------------|---------|-------------|-----------|--------------|-------------|------------|------------|
| US Stocks | | | | | | | |
| Mc Donalds | MCD | \$ 242.71 | \$ 221.38 | ↑ 8.8% | Up | 2021-03-09 | Hold |
| 3M | MMM | \$ 197.94 | \$ 181.87 | ↑ 8.1% | Neutral | 2020-07-29 | Hold |
| Chevron | CVX | \$ 101.81 | \$ 93.64 | ↑ 8.0% | Up | 2021-02-02 | Hold |
| Dover Corp | DOV | \$ 167.12 | \$ 130.21 | ↑ 22.1% | Up | 2020-07-16 | Hold |
| Realty Income | O | \$ 70.29 | \$ 63.25 | ↑ 10.0% | Neutral | 2020-03-12 | Hold |
| ADP | ADP | \$ 209.63 | \$ 175.25 | ↑ 16.4% | Up | 2020-10-29 | Hold |
| Johnson & Johnson | JNJ | \$ 172.20 | \$ 157.67 | ↑ 8.4% | Up | 2012-12-02 | Hold |
| Procter & Gamble | PG | \$ 142.23 | \$ 135.38 | ↑ 4.8% | Up | 2021-07-06 | Buy |
| PPG Industries | PPG | \$ 163.52 | \$ 149.96 | ↑ 8.3% | Up | 2020-07-24 | Buy |
| Microsoft | MSFT | \$ 284.91 | \$ 232.51 | ↑ 18.4% | Up | 2002-04-20 | Buy |
| European Stocks | | | | | | | |
| Roche Holding | ROG.VX | 350.35 CHF | \$ 312.86 | ↑ 10.7% | Up | 2021-05-25 | Hold |
| SAP | SAP.DE | € 120.84 | \$ 110.55 | ↑ 8.5% | Neutral | 2021-04-22 | No Buy |
| Unilever | UNIA.AS | € 48.59 | \$ 48.87 | ↓ -0.6% | Down | 2021-07-23 | No Buy |
| L'Oreal | OR.PA | € 385.90 | \$ 321.43 | ↑ 16.7% | Up | 2020-04-29 | Hold |
| Wolters Kluwer | WKL.AS | € 96.08 | \$ 73.01 | ↑ 24.0% | Up | 2021-03-17 | Hold |

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Figure 7: Timing 30 July 2021

Main changes in the trade-signals this month are:

- PPG Industries from “Hold” to “Buy”.
- Procter & Gamble trend to “Up” and “Buy”.
- Unilever’s trend to “Down”.

RETIREMENT PORTFOLIO (US)

Performance Update

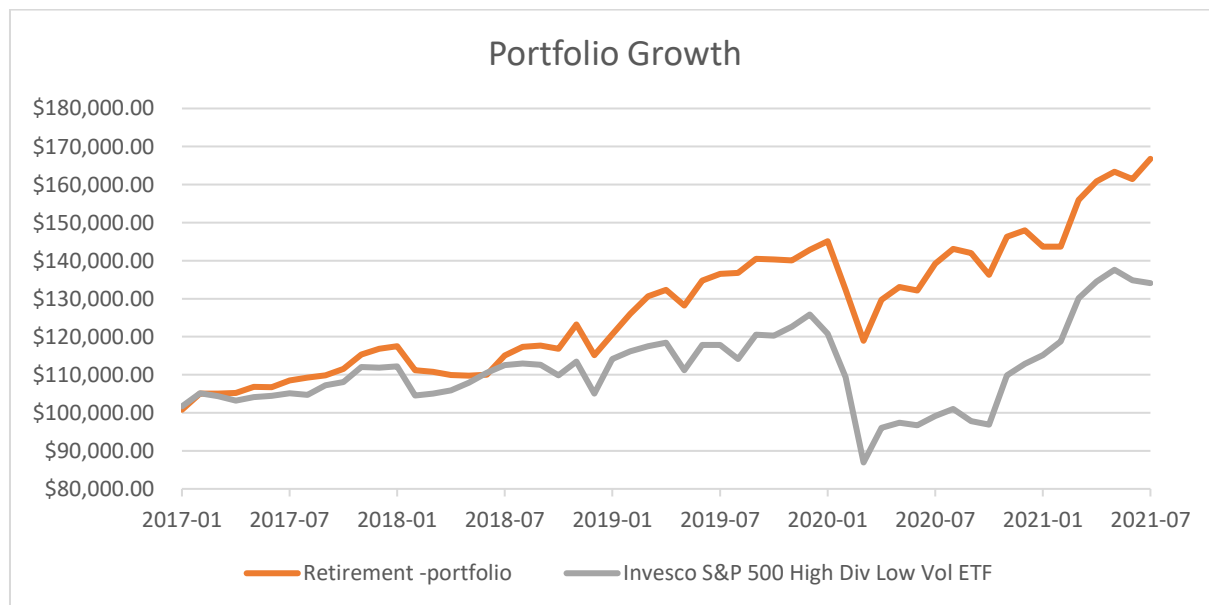
Our retirement portfolio posted a strong gain of 3.29% in July and is up 12.72% for this year. The S&P 500 index rose about 2.38% last month. The benchmark for this portfolio, Invesco's High Dividend Low Volatility ETF (SPHD), lost another 0.60% after the -1.97% drop in June.

Since its inception in January 2017, the initial investment of \$100,000 in this portfolio would have grown to \$166,762, which is well ahead of our dividend ETF benchmark (\$134,075).

| Moneyinvest Retirement (US) | | | | | | | | | | | | | | | |
|-----------------------------|--------|--------|---------|--------|--------|--------|-------|-------|--------|--------|--------|--------|--------|-----------|------------|
| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | Inflation | Balance |
| 2017 | 0.80% | 4.20% | 0.02% | 0.14% | 1.58% | -0.16% | 1.67% | 0.74% | 0.52% | 1.54% | 3.40% | 1.31% | 16.83% | 2.11% | \$ 116,835 |
| 2018 | 0.54% | -5.35% | -0.36% | -0.80% | -0.14% | 0.28% | 4.60% | 1.91% | 0.29% | -0.66% | 5.41% | -6.53% | -1.45% | 1.91% | \$ 115,145 |
| 2019 | 4.76% | 4.47% | 3.68% | 1.26% | -3.09% | 5.09% | 1.33% | 0.19% | 2.73% | -0.14% | -0.20% | 1.97% | 24.02% | 2.29% | \$ 142,805 |
| 2020 | 1.59% | -8.77% | -10.15% | 9.10% | 2.57% | -0.67% | 5.35% | 2.77% | -0.76% | -4.04% | 7.32% | 1.15% | 3.60% | 1.36% | \$ 147,943 |
| 2021 | -2.87% | 0.02% | 8.50% | 3.13% | 1.58% | -1.16% | 3.29% | | | | | | 12.72% | 4.31% | \$ 166,762 |

| Invesco S&P 500 High Div Low Vol ETF Returns (SPHD) | | | | | | | | | | | | | | | |
|---|--------|--------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|-----------|------------|
| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total | Inflation | Balance |
| 2017 | 1.72% | 3.32% | -0.71% | -1.13% | 0.90% | 0.34% | 0.66% | -0.42% | 2.44% | 0.73% | 3.69% | -0.13% | 11.89% | 2.11% | \$ 111,892 |
| 2018 | 0.25% | -6.77% | 0.48% | 0.77% | 1.91% | 2.41% | 1.85% | 0.40% | -0.34% | -2.47% | 3.33% | -7.47% | -6.15% | 1.91% | \$ 105,014 |
| 2019 | 8.69% | 1.79% | 1.14% | 0.80% | -6.13% | 5.95% | 0.00% | -3.09% | 5.61% | -0.23% | 1.95% | 2.64% | 19.85% | 2.29% | \$ 125,862 |
| 2020 | -4.04% | -9.45% | -20.50% | 10.47% | 1.37% | -0.63% | 2.53% | 1.81% | -3.41% | -0.94% | 13.37% | 2.71% | -10.35% | 1.36% | \$ 112,841 |
| 2021 | 2.01% | 3.20% | 9.53% | 3.40% | 2.27% | -1.97% | -0.60% | | | | | | 18.82% | 4.31% | \$ 134,075 |

The portfolio growth chart also clearly displays the results of the quality of the stocks in this portfolio and the smaller draw-down compared to the SPHD.



The annual dividend received last year was 3.29% and this is within the projected range of 2.5%-4.5%.

| Moneyinvest Retirement Dividend Growth | | | |
|--|--------------------------|-------------------|-----------------|
| Year | Annual dividend received | Income per \$100k | Dividend growth |
| 2017 | 3.67% | \$ 3,670 | |
| 2018 | 3.49% | \$ 4,030 | 9.81% |
| 2019 | 3.94% | \$ 4,360 | 8.19% |
| 2020 | 3.29% | \$ 4,700 | 7.80% |
| 2021 | 1.95% | \$ 2,884 | |

Here are the current retirement portfolio holdings and the year-to-date performance.

| Company | Ticker | 12/31/2020 | 7/31/2021 | Performance | Dividend Yield (%) |
|----------------------------------|--------|------------|-----------|-------------|--------------------|
| AT&T Inc. | T | \$28.76 | \$28.05 | -2.47% | 7.32% |
| Cisco Systems Inc | CSCO | \$44.75 | \$55.37 | 23.73% | 2.61% |
| Coca-Cola Co | KO | \$54.84 | \$57.03 | 3.99% | 2.88% |
| Consolidated Edison, Inc. | ED | \$72.27 | \$73.77 | 2.08% | 4.13% |
| Realty Income Corp | O | \$62.17 | \$70.29 | 13.06% | 3.93% |
| WP Carey Inc | WPC | \$70.58 | \$80.69 | 14.32% | 5.08% |
| Duke Energy Corp | DUK | \$91.56 | \$105.11 | 14.80% | 3.62% |
| Emerson Electric Co. | EMR | \$80.37 | \$100.89 | 25.53% | 1.98% |
| PepsiCo, Inc. | PEP | \$148.30 | \$156.95 | 5.83% | 2.61% |
| General Mills, Inc. | GIS | \$58.80 | \$58.86 | 0.10% | 3.44% |
| Intel Corporation | INTC | \$49.82 | \$53.72 | 7.83% | 2.50% |
| Johnson & Johnson | JNJ | \$157.38 | \$172.20 | 9.42% | 2.35% |
| Kimberly Clark Corp | KMB | \$134.83 | \$135.72 | 0.66% | 3.22% |
| McDonald's Corp | MCD | \$214.58 | \$242.71 | 13.11% | 2.09% |
| Chubb Ltd | CB | \$153.92 | \$168.74 | 9.63% | 1.85% |
| Air Products & Chemicals, Inc. | APD | \$273.22 | \$291.03 | 6.52% | 1.94% |
| Pfizer Inc. | PFE | \$36.81 | \$42.81 | 16.30% | 3.57% |
| Philip Morris International Inc. | PM | \$82.79 | \$100.09 | 20.90% | 4.70% |
| Procter & Gamble Co | PG | \$139.14 | \$142.23 | 2.22% | 2.31% |
| United Parcel Service, Inc. | UPS | \$168.40 | \$191.36 | 13.63% | 2.10% |
| Verizon Communications Inc. | VZ | \$58.75 | \$55.78 | -5.06% | 4.43% |
| Waste Management, Inc. | WM | \$117.93 | \$148.26 | 25.72% | 1.50% |

About

Preserve capital and deliver a safe dividend yield above the market's average is the main objective of our Retirement Dividend Portfolio. Dividend growth is expected to be moderate, and the portfolio should keep up with the broader market over time. The composition of this conservative portfolio for retirees is constructed based on the following principles:

- Diversification in several sectors and minimum exposure to 20 stocks
- Average dividend yield 2.5% – 4.5%
- Dividend growth rate 4%+
- Dividend score above 60
- Average loss ratio 1.8-2.5 (see defensive aristocrats)

Holdings are rarely sold and managed with a “buy-and-hold investor” mind-set. The aim is to buy and hold positions for at least 3-5 years. If the fundamentals of the company structurally change or stock valuation reaches excessive levels, a holding could be sold. The portfolio is expected to underperform in bull markets and outperform in bear markets due to its defensive nature.

Getting started

We created the Retirement Dividend Portfolio, so customers can follow a selection of “conservative” dividend stocks. Some investors could mirror the portfolio holding for holding, but others use the list to generate investment ideas and make sense of trends and risk/returns in their own portfolios.

If you decide to mirror the portfolio, our recommendation would be to invest equally across all holdings. This provides diversification between stocks, sectors. Preferably the value of one individual stock is always below 5%-8%. Some holdings may appear undervalued and some overvalued, so we provide some guidelines/rules on when to buy or not to buy. Please take into account that there is currency risk if you are a non-us investor.

Premium members have access to all holdings of this [retirement portfolio](#)

DEFENSIVE ARISTOCRATS

Performance Update

The Defensive Dividend Aristocrats gained 3.37% in July, and the total return is now 9.73% in 2021. In July, the Dividend Aristocrats gained 2.17%, close to the performance of the S&P 500 index gaining 2.38%. The Defensive Dividend Aristocrats outperformed the US dividend aristocrats and the S&P 500 index by almost 1%. The table below lists the monthly performance.

| Performance per month | Defensive Dividend Aristocrats | | | | | | | | | | | | |
|-----------------------|--------------------------------|--------|--------|--------|--------|--------|-------|--------|--------|--------|-------|--------|--------|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Annual |
| 2017 | 0.95% | 2.97% | 0.45% | 2.85% | 1.46% | 0.76% | 2.26% | -0.42% | 3.01% | 3.74% | 4.93% | 0.89% | 26.46% |
| 2018 | 3.13% | -4.34% | -0.64% | -1.74% | 1.75% | 1.86% | 4.22% | 3.83% | 1.06% | -3.77% | 6.12% | -7.37% | 3.27% |
| 2019 | 0.40% | 5.05% | 4.28% | 0.46% | -2.48% | 4.97% | 3.02% | 1.58% | 1.17% | -1.07% | 1.81% | 1.60% | 22.52% |
| 2020 | -0.50% | -8.66% | -9.04% | 10.84% | 6.94% | -0.50% | 6.31% | 2.82% | -1.47% | -3.81% | 9.05% | 1.39% | 11.32% |
| 2021 | -3.66% | -0.33% | 6.93% | 4.09% | 0.87% | -1.54% | 3.37% | | | | | | 9.73% |

The table below lists the ten defensive aristocrats as selected at the start of 2021.

| Ticker | Company |
|--------|-------------------------------|
| ROP | Roper Technologies |
| ECL | Ecolab Inc. |
| SHW | Sherwin-Williams |
| HRL | Hormel Foods Corp. |
| APD | Air Products & Chemicals Inc. |
| BDX | Becton Dickinson |
| ATO | Atmos Energy Corporation |
| CB | Chubb Limited |
| AOS | A.O. Smith |
| PG | Procter & Gamble |

Figure 8: defensive aristocrats 2021

About

The Defensive Dividend Aristocrats' objective is to outperform the Dividend Aristocrats over any five-year rolling time horizon, especially in bear markets.

The maximum draw-down (mdd) should be lower for the defensive stocks.

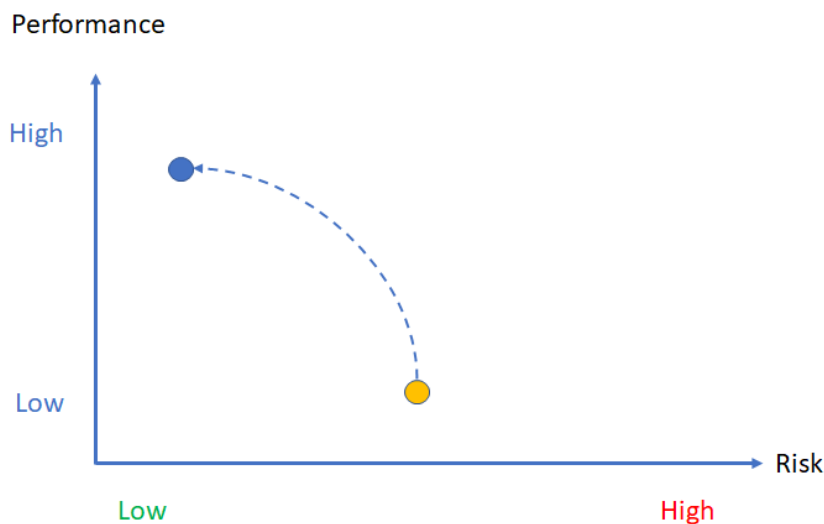
The idea behind the Defensive Dividend Aristocrats is to invest in 10 Dividend Aristocrats that are selected based on price-return and risk-ratios at year-end. Combined with the dividend growth characteristics of all Aristocrats, this should result in a comfortable set of companies for a long-term dividend portfolio.

The Defensive Aristocrats are selected on performance-based criteria:

- **Geometric Annual performance** of the last 10 years (GeoAP10)
- **Win-ratio**, the chance of a positive monthly performance
- **Loss-ratio**, the chance of a monthly loss multiplied by the weighted average loss

Optimizing risk-return

The diagram below shows that the "blue" stock should be preferred over the "yellow" since the performance (Geometric Annual performance of the last 10 years) is higher and the risk (Loss-ratio) is lower.



The 10 Dividend Aristocrats with the best performance-risk characteristics and in an up-trend are selected at every year-end for the holding period of a year, to be part of the defensive dividend aristocrats. The lower the loss-ratio the better, close to 1.0 is optimal.

Getting started

We created the Defensive Dividend Aristocrats so customers can follow a selection of dividend aristocrats. Some investors could mirror the portfolio holding for holding, but others use the list to generate investment ideas and make sense of trends in their own portfolios.

If you decide to mirror the portfolio, our recommendation would be to invest equally across all holdings. One should always be aware that 10 stocks only is probably not sufficient with respect to diversification. Some holdings may appear undervalued and some overvalued since the 10 dividend stocks are selected once per year.

Members can use the screener to find the current [best dividend aristocrats based on loss-ratio](#).

Performance defensive aristocrats 2021.

The table below lists all ten defensive aristocrats and their last month's performance, dividend yield and year-to-date performance in 2021.

| Company | Ticker | Sector | 12/31/2020 | 7/31/2021 | YtD Performance | Dividend Yield (%) |
|--------------------------------|--------|--------------------|------------|-----------|-----------------|--------------------|
| Roper Technologies Inc | ROP | Industrials | \$431.09 | \$491.34 | 13.98% | 0.45% |
| Ecolab Inc. | ECL | Basic Materials | \$216.36 | \$220.83 | 2.07% | 0.87% |
| Sherwin-Williams Co | SHW | Basic Materials | \$244.97 | \$291.03 | 18.80% | 0.67% |
| Hormel Foods Corp | HRL | Consumer Defensive | \$46.61 | \$46.38 | -0.49% | 2.07% |
| Air Products & Chemicals, Inc. | APD | Basic Materials | \$273.22 | \$291.03 | 6.52% | 1.94% |
| Becton Dickinson and Co | BDX | Healthcare | \$250.22 | \$255.75 | 2.21% | 1.28% |
| Atmos Energy Corporation | ATO | Utilities | \$95.43 | \$98.59 | 3.31% | 2.44% |
| Chubb Ltd | CB | Financial Services | \$153.92 | \$168.74 | 9.63% | 1.81% |
| A. O. Smith Corp | AOS | Industrials | \$54.82 | \$70.33 | 28.29% | 1.44% |
| Procter & Gamble Co | PG | Consumer Defensive | \$139.14 | \$142.23 | 2.22% | 2.29% |
| © 2021 Moneyinvestexpert.com | | | | | | |

Performance defensive aristocrats 2020 full-year.

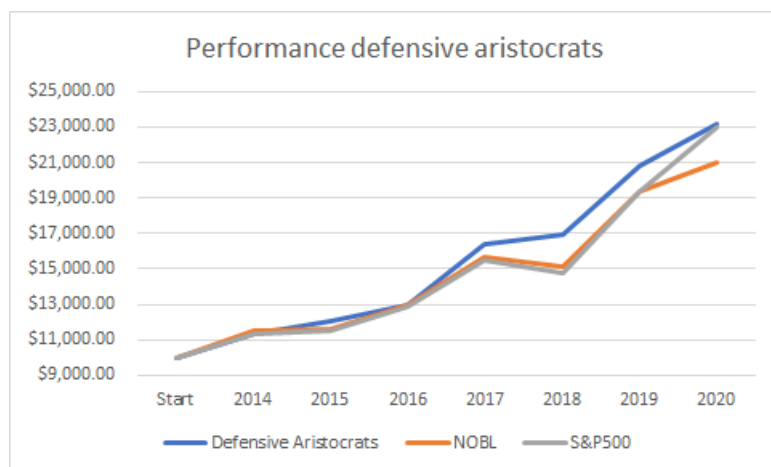
The table below lists all ten defensive aristocrats and their performance, dividend yield and total return 2020.

| 2020 | | | | | | | |
|--------------------------------|--------|--------------------|------------|----------------|-----------------|--------------------|---------------|
| Company | Ticker | Sector | 12/31/2019 | 12/31/2020 | YTD Performance | Dividend Yield (%) | Total return |
| Roper Technologies Inc | ROP | Consumer Defensive | \$354.23 | \$431.09 | 21.70% | 0.49% | 22.39% |
| Ecolab Inc. | ECL | Basic Materials | \$192.99 | \$216.36 | 12.11% | 0.88% | 13.20% |
| Hormel Foods Corp | HRL | Healthcare | \$45.11 | \$46.61 | 3.33% | 1.99% | 5.36% |
| Sherwin-Williams Co | SHW | Consumer Defensive | \$583.54 | \$734.91 | 25.94% | 0.74% | 27.05% |
| McCormick & Company | MKC | Consumer Cyclical | \$84.87 | \$95.60 | 12.64% | 1.38% | 14.26% |
| Chubb Ltd | CB | Consumer Defensive | \$155.66 | \$153.92 | -1.12% | 2.05% | 1.42% |
| Air Products & Chemicals, Inc. | APD | Consumer Defensive | \$234.99 | \$273.22 | 16.27% | 1.98% | 18.81% |
| VF Corp | VFC | Consumer Cyclical | \$99.66 | \$85.41 | -14.30% | 2.25% | -11.89% |
| PepsiCo, Inc. | PEP | Consumer Defensive | \$136.67 | \$148.30 | 8.51% | 2.76% | 11.71% |
| Johnson & Johnson | JNJ | Consumer Defensive | \$145.87 | \$157.38 | 7.89% | 2.52% | 10.85% |
| © 2021 Moneyinvestexpert.com | | | | Average | 9.30% | 1.70% | 11.32% |

Figure 9: Performance defensive aristocrats 2020 (FY)

Performance defensive aristocrats 2014-2021

The Defensive Dividend Aristocrats' objective is to outperform the Dividend Aristocrats over any five-year rolling time horizon, especially in bear markets. The maximum draw-down should be lower for the defensive aristocrats.



Looking back at the past performances since 2014, the Defensive Dividend Aristocrats outperformed Dividend Aristocrats by 1.28% per year.

| Annual total return | Defensive Dividend Aristocrats | | | | | | | CAGR 2014-2020 |
|-----------------------|--------------------------------|-------|--------|--------|--------|--------|--------|----------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | |
| Defensive Aristocrats | 13.62% | 6.20% | 7.68% | 26.46% | 3.27% | 22.52% | 11.32% | 12.74% |
| NOBL | 15.55% | 0.44% | 11.65% | 21.02% | -3.28% | 27.97% | 8.37% | 11.21% |
| S&P500 | 13.51% | 1.25% | 11.82% | 20.34% | -4.52% | 31.49% | 18.25% | 12.61% |

Figure 10: Performance 2014-2021

DIVIDEND INSPIRATION LISTS

The 10 Dividend Aristocrats to Buy and Avoid in August according to Wall Street.

The screener results below list the dividend aristocrats including their last price, the one-year average price target estimated by analysts, and the potential (%) based on the difference between the last price and the Wall Street price target.

The following dividend aristocrats are the best ones to consider based on their one-year price target according to Wall Street's analysts:

| Name | Ticker | Sector | Latest Price | Wallstreet Price Target | Potential (%) | Dividend Yield |
|---------------------------|--------|--------------------|--------------|-------------------------|---------------|----------------|
| Sysco Corp. | SYT | Consumer Defensive | 72.56 | 89.50 | 23.35 | 2.47 |
| Chevron Corp. | CVX | Energy | 102.60 | 122.79 | 19.68 | 5.06 |
| Stanley Black & Decker | SWK | Industrials | 199.00 | 237.31 | 19.25 | 1.42 |
| Lowe's Cos. | LOW | Consumer Cyclical | 193.95 | 228.75 | 17.94 | 1.36 |
| Archer-Daniels-Midland Co | ADM | Consumer Defensive | 59.79 | 70.08 | 17.21 | 2.44 |
| V.F. Corp. | VFC | Consumer Cyclical | 81.57 | 95.09 | 16.57 | 2.36 |
| The Clorox Company | CLX | Consumer Defensive | 164.06 | 189.87 | 15.73 | 2.46 |
| People's United Financial | PBCT | Financial Services | 15.95 | 18.42 | 15.49 | 3.45 |
| Leggett & Platt | LEG | Consumer Cyclical | 48.81 | 56.25 | 15.24 | 3.33 |
| Caterpillar Inc. | CAT | Industrials | 208.50 | 238.76 | 14.51 | 2.03 |

The following dividend aristocrats are the ones to avoid based on their one-year price target resulting in a negative return according to Wall Street's analysts:

| Name | Ticker | Sector | Latest Price | Wallstreet Price Target | Potential (%) | Dividend Yield |
|-----------------------------|--------|--------------------|--------------|-------------------------|---------------|----------------|
| Target Corp. | TGT | Consumer Defensive | 262.20 | 250.59 | -4.43 | 1.05 |
| Dover Corp. | DOV | Industrials | 169.67 | 161.67 | -4.72 | 1.18 |
| Genuine Parts | GPC | Consumer Cyclical | 128.16 | 121.71 | -5.03 | 2.51 |
| Nucor Corp. | NUE | Basic Materials | 106.67 | 100.70 | -5.60 | 1.57 |
| T. Rowe Price Group | TROW | Financial Services | 209.66 | 197.58 | -5.76 | 1.88 |
| Pentair Ltd. | PNR | Industrials | 76.75 | 72.07 | -6.10 | 1.06 |
| Automatic Data Processing | ADP | Industrials | 213.44 | 196.80 | -7.80 | 1.75 |
| Expeditors International of | EXPD | Industrials | 126.62 | 111.93 | -11.60 | 0.87 |
| West Pharmaceutical Servic | WST | Healthcare | 422.19 | 351.60 | -16.72 | 0.16 |
| Albemarle Corporation | ALB | Basic Materials | 206.98 | 162.13 | -21.67 | 0.75 |

To see all dividend aristocrats, please use the [Dividend aristocrats price target screener to see all](#) and see which dividend aristocrats have upside potential (or not).

The 10 Best Dividend Aristocrats for August based on future return

The ranking of the top 10 Dividend Aristocrats to buy today, is based on expected annual returns through 2026, so their **5 years future total returns**. These 10 stocks represent attractive long-term buys for dividend growth investors.

To estimate the future total return the following values are added together:

- Estimated EPS growth next 5 years, as an indicator for the average dividend growth
- Average dividend yield, assuming
- Extra return due to over/undervaluation

The table below lists the top-10 Dividend Aristocrats with the highest estimated future total return for the next 5 years (CAGR), the EPS estimate for the next 5 years, and the extra positive or negative return due to over/undervaluation. The dividend score is also a factor that should be considered when evaluating those dividend stocks.

| Name | Ticker | Valuation | Dividend Score | Future Return 5Y | EPS next 5Y | Extra return 5Y | Avg div yield 5y | Dividend Yield (%) |
|---|--------|-------------------------|----------------|------------------|-------------|-----------------|------------------|--------------------|
| Sysco Corp. | SYY | May be undervalued | 81 | 34.95 | 28.37 | 4.61 | 1.97 | 2.47 |
| Franklin Resources | BEN | May be undervalued | 79 | 28.16 | 21.46 | 3.62 | 3.08 | 3.68 |
| V.F. Corp. | VFC | Looks reasonably valued | 66 | 23.48 | 21.46 | -0.38 | 2.41 | 2.36 |
| Chubb Limited | CB | Looks overvalued | 65 | 22.79 | 22.85 | -2.09 | 2.03 | 1.83 |
| International Business Machines Corporation | IBM | Looks reasonably valued | 78 | 20.90 | 16.32 | 0.07 | 4.52 | 4.53 |
| McDonald's Corp. | MCD | Looks overvalued | 69 | 19.92 | 20.43 | -2.97 | 2.46 | 2.11 |
| McCormick & Co. | MKC | May be undervalued | 74 | 19.23 | 6.50 | 11.84 | 0.90 | 1.57 |
| Exxon Mobil Corp. | XOM | May be undervalued | 78 | 18.45 | 10.14 | 3.30 | 5.01 | 5.89 |
| Nucor Corp. | NUE | Looks overvalued | 68 | 17.83 | 25.67 | -10.59 | 2.75 | 1.57 |
| Lowe's Cos. | LOW | Looks overvalued | 79 | 16.51 | 19.14 | -4.33 | 1.69 | 1.36 |

To see all dividend aristocrats, please use the [Dividend aristocrats 5Y total return screener to see all](#) and see which dividend aristocrats have upside potential.

Dividend Aristocrats by loss-ratio

The **Defensive Dividend Aristocrats'** objective is to outperform the Dividend Aristocrats over any five-year rolling time horizon, especially in bear markets. The maximum draw-down (mdd) should be lower, so less volatility than the broader market. The main is to show that next to dividend growth, price-return and risk ratios are also important.

The idea of the Defensive Dividend Aristocrats is to invest in **ten** Dividend Aristocrats that are selected based on price-return and risk-ratios at year-end. Combined with the dividend growth characteristics of all Aristocrats, this should result in a comfortable set of companies for a long-term dividend portfolio.

The Defensive Aristocrats are selected on performance-based criteria:

Geometric Annual performance of the last 10 years (GeoAP10)

Win-ratio, the chance of a positive monthly performance

Loss-ratio, the chance of a monthly loss multiplied by the weighted average loss

More details can be found in the article on the [defensive aristocrats](#).

Below are 10 best dividend aristocrats sorted on their current loss ratio (the lower the better).

| Name | Ticker | Sector | Beta | Valuation | Dividend | GeoAP10(%) | Loss Ratio | P/E Ratio | 3 year Dividend Growth (%) | Dividend increased years |
|--------------------------|--------|--------------------|----------|-------------------------|----------|------------|------------|-----------|----------------------------|--------------------------|
| Roper Technologies | ROP | Industrials | Average | Looks overvalued | 0.45 | 18.48 | 1.19 | 49.03 | 13.56 | 26 |
| Chubb Limited | CB | Financial Services | Average | Looks overvalued | 1.83 | 9.35 | 1.41 | 9.57 | 3.09 | 26 |
| Johnson & Johnson | JNJ | Healthcare | Low | Looks reasonably valued | 2.35 | 10.30 | 1.51 | 26.22 | 6.23 | 57 |
| PepsiCo Inc. | PEP | Consumer Defensive | Low | Looks reasonably valued | 2.62 | 9.03 | 1.55 | 26.46 | 8.29 | 46 |
| Atmos Energy Corporation | ATO | Utilities | Very low | May be undervalued | 2.44 | 11.60 | 1.55 | 18.00 | 8.60 | 25 |
| Procter & Gamble | PG | Consumer Defensive | Very low | Looks overvalued | 2.32 | 8.39 | 1.58 | 26.17 | 4.40 | 62 |
| Consolidated Edison | ED | Utilities | Very low | May be undervalued | 4.09 | 2.31 | 1.58 | 22.09 | 3.50 | 45 |
| Kimberly-Clark | KMB | Consumer Defensive | Very low | Looks reasonably valued | 3.24 | 6.53 | 1.59 | 23.10 | 3.32 | 47 |
| Linde plc | LIN | Basic Materials | Average | May be undervalued | 1.34 | 6.30 | 1.60 | 49.29 | 0.00 | 25 |
| Coca-Cola Company (The) | KO | Consumer Defensive | Low | Looks reasonably valued | 2.88 | 4.68 | 1.66 | 30.42 | 3.48 | 57 |
| Colgate-Palmolive | CL | Consumer Defensive | Very low | Looks reasonably valued | 2.22 | 5.24 | 1.69 | 24.82 | 3.25 | 56 |

Members use the [Dividend Aristocrats loss-ratio screener to see all](#)

Dividend Kings estimated future total return

The estimated future total return data is available for the dividend kings and dividend aristocrats in our database. The **estimated EPS growth for the next 5 years** is also presented. Estimating the expected 5 years future total returns are based on two main components for dividend growth stocks:

- Dividend yield
- Change in share price

The change in a stock (share) often comes from dividend growth which is mainly driven by earnings per share growth and the difference between the share price and the fair value. The expected price-to-earnings ratio over the next 5 years or the average dividend yield over the last 5 years is often used to estimate the change in the share price. The assumption made is that the share price will return over time to this average value.

To estimate the future total return the following values are added together:

- Estimated EPS growth next 5 years, as an indicator for the average dividend growth
- Average dividend yield, assuming
- Extra return due to over/undervaluation

The table below lists the top-10 Dividend Kings with the highest estimated future total return for the next 5 years (CAGR), the EPS estimate for the next 5 years and the extra positive or negative return due to over/undervaluation.

| Name | Ticker | Valuation | Dividend Score | future return 5Y | EPS next 5Y | Extra return 5Y | Avg div yield 5y | Dividend Yield (%) |
|---------------------------------|--------|-------------------------|----------------|------------------|-------------|-----------------|------------------|--------------------|
| Sysco Corp. | SYT | May be undervalued | 81 | 34.95 | 28.37 | 4.61 | 1.97 | 2.47 |
| Lowe's Cos. | LOW | Looks overvalued | 79 | 16.51 | 19.14 | -4.33 | 1.69 | 1.36 |
| ABM Industries Incorporated | ABM | Looks overvalued | 78 | 15.25 | 16.00 | -2.64 | 1.89 | 1.66 |
| 3M Company | MMM | Looks reasonably valued | 77 | 11.79 | 7.88 | 1.11 | 2.79 | 2.95 |
| California Water Service Group | CWT | Looks overvalued | 78 | 11.18 | 13.00 | -3.48 | 1.66 | 1.39 |
| Parker-Hannifin Corporation | PH | Looks overvalued | 79 | 11.03 | 15.17 | -5.75 | 1.61 | 1.20 |
| Cincinnati Financial | CINF | Looks overvalued | 79 | 10.94 | 12.77 | -4.39 | 2.56 | 2.05 |
| Federal Realty Investment Trust | FRT | Looks reasonably valued | 65 | 10.89 | 6.70 | 0.73 | 3.46 | 3.58 |
| Stanley Black & Decker | SWK | Looks overvalued | 65 | 10.80 | 13.18 | -4.14 | 1.76 | 1.42 |
| SJW Group (DE) | SJW | May be undervalued | 86 | 10.67 | 7.00 | 1.94 | 1.72 | 1.90 |

To see all dividend kings, please use the [Dividend kings 5Y total return screener to see all](#) and see which dividend aristocrats have upside potential.

Dividend Increases

Next to dividend cuts, dividend increases are an important factor for dividend growth and expressing the company's confidence in the future growth of its business. Dividend growth stocks have been among the best long-term performers in the market, when [payout ratio and high yield](#) is monitored.

The table below lists the most important dividend increases including announcements over the last months for several dividend growth stocks.

| Company | Ticker | Date of Change | Old dividend | New dividend | Change (\$) | Change (%) |
|--|----------|----------------|--------------|--------------|-------------|------------|
| Mondelez International, Inc. | MDLZ | 29-9-2021 | \$ 0.315 | \$ 0.350 | \$ 0.035 | 11.1% |
| Main Street Capital Corp. | MAIN | 28-9-2021 | \$ 0.205 | \$ 0.210 | \$ 0.005 | 2.4% |
| Shaw Communications, Inc. | SJR | 14-9-2021 | \$ 0.079 | \$ 0.080 | \$ 0.001 | 1.0% |
| TELUS Corp. | TU | 9-9-2021 | \$ 0.261 | \$ 0.316 | \$ 0.055 | 21.1% |
| Stanley Black & Decker | SWK | 3-9-2021 | \$ 0.700 | \$ 0.790 | \$ 0.090 | 12.9% |
| Bank of America Corp. | BAC | 2-9-2021 | \$ 0.180 | \$ 0.210 | \$ 0.030 | 16.7% |
| Goldman Sachs Group Inc. (The) | GS | 31-8-2021 | \$ 1.250 | \$ 2.000 | \$ 0.750 | 60.0% |
| Diageo plc | DGE.LSE | 26-8-2021 | \$ 0.280 | \$ 0.446 | \$ 0.166 | 59.5% |
| Walgreens Boots Alliance | WBA | 19-8-2021 | \$ 0.468 | \$ 0.478 | \$ 0.010 | 2.1% |
| Target Corp. | TGT | 17-8-2021 | \$ 0.680 | \$ 0.900 | \$ 0.220 | 32.4% |
| American States Water Company | AWR | 13-8-2021 | \$ 0.335 | \$ 0.365 | \$ 0.030 | 9.0% |
| Duke Energy Corp. | DUK | 12-8-2021 | \$ 0.965 | \$ 0.985 | \$ 0.020 | 2.1% |
| PPG Industries | PPG | 9-8-2021 | \$ 0.540 | \$ 0.590 | \$ 0.050 | 9.3% |
| The Clorox Company | CLX | 27-7-2021 | \$ 1.110 | \$ 1.160 | \$ 0.050 | 4.5% |
| The Bank of New York Mellon Corp. | BK | 26-7-2021 | \$ 0.310 | \$ 0.340 | \$ 0.030 | 9.7% |
| Lowe's Cos. | LOW | 20-7-2021 | \$ 0.600 | \$ 0.800 | \$ 0.200 | 33.3% |
| Caterpillar Inc. | CAT | 19-7-2021 | \$ 1.030 | \$ 1.110 | \$ 0.080 | 7.8% |
| The PNC Financial Services Group, Inc. | PNC | 15-7-2021 | \$ 1.150 | \$ 1.250 | \$ 0.100 | 8.7% |
| Empire Company Limited | EMP-A.TO | 14-7-2021 | \$ 0.130 | \$ 0.150 | \$ 0.020 | 15.4% |
| SCOR SE | SCR.PA | 2-7-2021 | \$ 1.750 | \$ 1.800 | \$ 0.050 | 2.9% |
| Sysco Corp. | SYU | 1-7-2021 | \$ 0.450 | \$ 0.470 | \$ 0.020 | 4.4% |
| Realty Income Corp. | O | 30-6-2021 | \$ 0.235 | \$ 0.236 | \$ 0.001 | 0.2% |
| Cardinal Health Inc. | CAH | 30-6-2021 | \$ 0.486 | \$ 0.491 | \$ 0.005 | 1.0% |
| W.P. Carey, Inc. | WPC | 29-6-2021 | \$ 1.048 | \$ 1.050 | \$ 0.002 | 0.2% |

See the following related lists:

- Inspiration list – Changes in [DAX dividends](#) and [Dow Jones 30](#)
- Inspiration list – [Dividend Kings – Dividend increases](#)
- Inspiration list – [Dividend Increases \(Aristocrats\)](#)

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