THE WEALTH ADVISORY

BY ANGEL FINANCIAL

October 2021

As investors, we're always supposed to be looking forward. But as humans, it's best to live in the present. And as people, it's hard to forget the past. It makes for a difficult task to balance all three.

You never want to forget where you came from or what made you the person you are today. But you don't want to miss what's going on right now because you're thinking about something that happened before or something that might never happen. And of course, you have to prepare for the future, even though there's no way to know what it really has in store for you.

So you've got to think about the past but not fixate on it. And you've got to live in the moment but have your eyes set firmly on the future.

Here at *The Wealth Advisory*, we talk about the past a lot. For one, we're pretty proud of the service we've provided over these years. It's not easy to beat the market, yet here we are doing just that.

Another reason is that understanding the past can help you better predict the future. I'm sure you've heard the adage, "History doesn't repeat itself, but it often rhymes."

And history tells us that the absolute worst time to invest in something is often when everyone else thinks it's a great investment. It also tells us the reverse is true — that buying when something is out of favor tends to lead to outsized returns.

When you're living in the present as you should be, though, it's hard to ignore all the attention some investments are getting. On the other hand, look at the folks who paid attention and followed the crowd.

There are ample examples from this year alone...

GameStop (NYSE: GME) is probably the most obvious one. On January 4, shares were trading for $17.25. By January 27, they had ripped all the way up to $483 thanks to lots of people chasing a crowd.

Someone bought those shares at $483 back at the end of January. With the stock trading around $180 today, they're looking at a 63% loss. And it's because they invested when everyone else was interested.

Just a month earlier, nobody cared about GameStop or its stock. People who bought it then are still looking at a 943% gain. And if they sold to that poor fool who bought at $483, they walked with a 2,700% profit.

That's the difference between investing in something when it's out of favor and investing in something when it's all anyone can talk about.

GameStop isn't the only example. There are tons of other stocks out there that got pumped up by an overly excited crowd piling in, only to fall back down once enthusiasm waned.

Even the mighty Bitcoin fooled investors earlier this year. It was all over Twitter and the financial networks as celebrity investors like Mark Cuban and celebrity executives like Elon Musk pumped it up.

And investors who bought during that wave of interest are still waiting to break even. People who listened to those same manipulative folks about Dogecoin are down about 70% on that trade.

But the people who'd picked up some Bitcoin or Dogecoin before the hucksters started pushing it to their adoring fans... well, they're up 84% and 2,200%, respectively, in 2021.

That's why the old investing adage has stuck around so long. It's true. The best time to buy is when nobody else wants what you're buying.

I've made a pretty great profit from investing in Alliance Resource Partners (NASDAQ: ARLP) recently. It's a coal company. And nobody likes coal. But one fact that's just as cold and hard as a lump of the stuff is that coal is the No. 1 power generation fuel for the whole world.

And another fact is that until nations are ready to make a switch to renewable energy (those that actually will switch, that is), we're going to need to keep the lights on with something.

So I bought while the rest of the world sold. And my shares are still heading higher.

And that's why, as investors, we must keep our sights firmly focused on the future. The stock market doesn't look back, only forward. So we can't invest only in what's popular today.

If we want to keep up our market-beating streak, we need to invest in what's going to be popular tomorrow too.

And we're doing just that with this month's Feature Recommendation...

Feature Recommendation

From that introduction, you already know we're adding a stock in an unpopular sector to the model portfolio this month. But you should also know there's a very good reason for that.

This company's stock is down because people aren't interested in it right now. But they will be, and when they do start to notice, they're likely to drive the stock price right through the roof.

You see, we're looking at the hospitality industry this month. And unless you've been living under a rock in a cave in the middle of nowhere for the past couple of years, you know that hospitality took COVID on the chin harder than just about any other sector.

And with the delta variant and vaccination arguments and general media fear-mongering all around, people are not confident enough to invest in hospitality stocks. Especially hotel stocks.

But are we really supposed to believe people will stop traveling within the country? And do we really believe that the U.S. is not going to be a destination for international travelers?

I do a lot of Zoom meetings, and they're pretty effective. But they're nowhere near as effective as sitting down across a table from a company's team. So I find it hard to believe business travel is going to up and disappear too.

But if you look at the stocks of most hotel chains out there, that's what the market is pricing in for the future. And that's created an incredible opportunity for investors like us with our eyes on the future.

So, now that I've built it up a little, let's get into the details of our **Feature Recommendation for October 2021...**

Park Hotels & Resorts Inc. (NYSE: PK)

Current Price: ~$19

Market Cap: ~$4.5 billion

Shares Outstanding: 236.49 million

52-Week Range: ~$9–$25

***Dividend Yield/Amount: 9.5%/$1.80**

**Dividend Temporarily Suspended March 2020*

Park Hotels is the second-largest publicly traded lodging REIT in the U.S. And since it's a REIT, you already know one of the reasons I like it: those dividend distributions that come with every REIT.

But there's a catch to this one. Due to cash flow uncertainty during COVID (and the massive revenue loss caused by rolling lockdowns throughout 2020), the company suspended payment of its distributions temporarily.

So right now there's no dividend. But when it comes back, it should be pretty close to what it had been in the past, which is $1.80 per share per year.

And at today's prices, that amounts to nearly a 10% yield!

I'm confident the REIT will reinstate that dividend in the very near future. And I'm going to tell you exactly why...

Clean It Up

When COVID hit last year, like many companies in its industry, Park was completely unprepared. It had a full staff and lots of debt it planned to service with excess cash flows.

But when the world shut down and people holed up at home for a year, those cash flows dried up and the company was looking at a very ugly balance sheet situation.

So management made the difficult decision to suspend the dividend while they got things sorted out.

But they didn't just sit around and pray for things to get better. They took a very proactive approach and promised to reduce debt by $300 million–$400 million over the course of 2020.

And thanks to the sales of several properties throughout the year, they did even better and reduced that overall debt burden by $477 million.

That leaves the company with liquidity of $1.8 billion now, which puts it in a much better position to grow going forward.

But that's not the only thing management did to help the balance sheet and get those dividends flowing steadily again...

They also cut budgeted expenditures for the year down to only $40 million in maintenance projects.

For a company that owns 56 hotels, that's a pretty big budget reduction. And it's helped the company break even at the corporate level in Q3.

But what's better for us is that it should get Park the point where overall cash flows turn positive this quarter. And that means there'll be funding to get that dividend payment going again.

Location, Location, Location

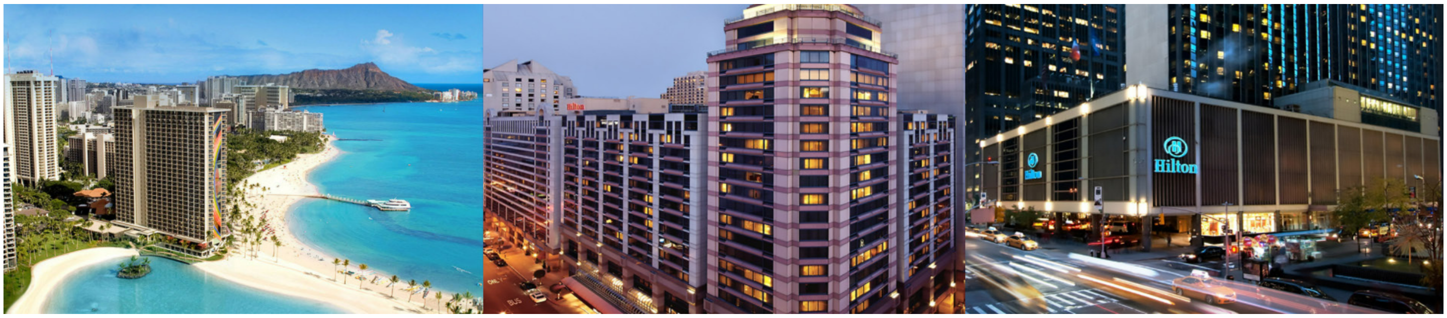
I don't know if you've ever bought a house, but they say there are three rules when it comes to real estate investing. They are, in no particular order: location, location, and location.

It's the most important part of any real estate purchase. With the right amount of money and the right connections, you can build just about anything just about anywhere.

But the one thing you can't do is change your view.

If you bought a place in a location you're not crazy about, it doesn't matter how much you improve the property or buildings. You're still going to be in the same place.

And one of the things I love about Park Hotels is the location of their establishments.



The company has a big concentration in Florida, one of the few states with zero remaining COVID restrictions and an increasingly popular leisure destination for Americans trying to escape for a while.

It's also got two hotels in Hawaii, a place that will be desperate to boost tourism as soon as it can.

All of its hotels in Southern California are open just in time for the state to start relaxing restrictions.

And all of its hotels in Boston, Washington D.C., and San Francisco are open just in time for the president to relax travel restrictions on 33 countries, including the European Union, China, Iran, South Africa, Brazil, and India.

It's got luxury hotels in the most desirable locations for when travel really picks back up.

And there's one more reason I'm sold on hotels. It's because, while there's not a crowd just yet, I'm also not the only person who sees value in this downtrodden sector.

Buying With the Big Boys

You see, acquisition activity in the hotel sector is really starting to pick up a lot. So far in 2021, the value of announced acquisitions is already three times that of all deals in 2020.

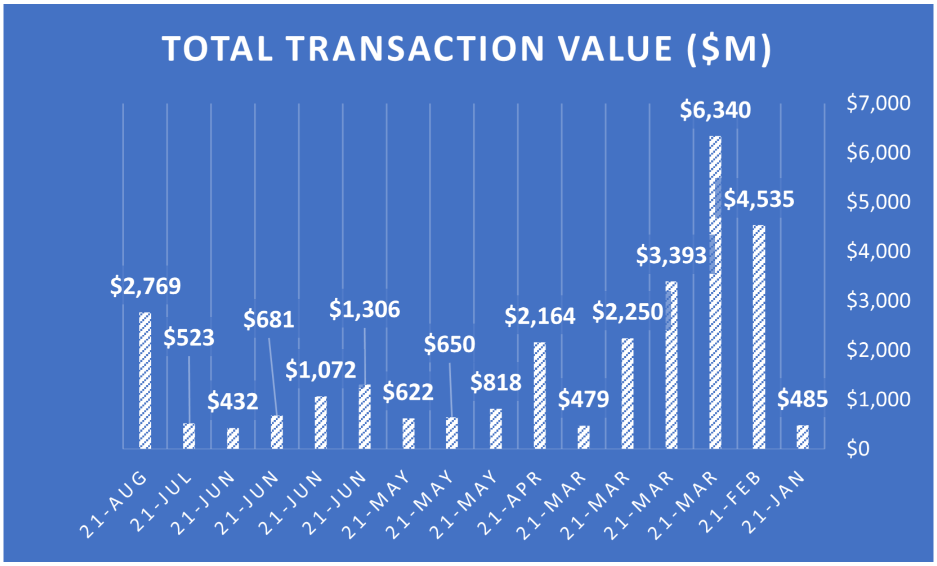
And it's big-name investors doing the acquiring.

Hyatt Hotels (NYSE: H) recently announced it is spending $2.7 billion to buy all of Apple Leisure Group from PE firm and institutional investor KKR (NYSE: KKR).

Another investment management company like KKR, Blackstone Inc. (NYSE: BX), is buying the entire hotel and resort portfolio from Condor Hospitality Trust (NYSE: CDOR).

As of August, the company had added up to 308 deals in all for a total value of $43.3 BILLION. So far, eight M&A deals have been announced with a price tag north of $1 BILLION.

Here's a graph of some of the higher-value ones:



Those investors aren't buying hotels because they think they're going to lose money on the investment.

They're buying hotels because they know that hotels are going to make a major comeback in the very near future.

And with a quality portfolio of properties in highly sought-after locations, Park Hotels could make a good candidate for a buyout at a premium.

Now, we'd honestly prefer to keep the company and lock in that 10% dividend yield while the stock goes back up. But we wouldn't be upset about a quick buyout for a quick profit either.

Bottom Line

The reasons not to travel are steadily falling by the wayside. Vaccines are getting out there. Travel restrictions are being lifted. COVID cases (even the delta variant ones) are dropping fast. And businesses are ready to get back to work. That all bodes well for the entire hotel industry.

And there are several reasons to like Park Hotels. One of those reasons is that nobody else likes the company right now.

A second is that people like to travel and will be back at it soon. And a third is that there are some very smart investors starting to nibble at the sector in anticipation of a resurgence of revenues.

The company has a great management team that kept it running through the pandemic and used the opportunity to clean up the balance sheet and make the company much stronger financially.

I expect the dividend to be reinstated in the near future and am absolutely tickled about the thought of locking in a potential 10% yield on cost.

***TWA* Bottom Line: We are adding Park Hotels & Resorts Inc. (NYSE: PK) common stock to the model portfolio with an initial buy limit of $22.50. The 12-month target will start at $35.**

The Wealth Advisory Portfolio

The Wealth Advisory *portfolio is strategically designed to offer you both long-term dividend growth and capital appreciation. Our rigorous analysis consistently uncovers the best dividend and growth opportunities available today. This is our current portfolio, along with recent earnings, news, and our thoughts on each position.*

Click on the company names to be directed to the original recommendations with more information about each company and our original reasons for entering the positions.

Dividend Growth

The true secret to getting wealthy in the stock market is deceptively simple: Buy solid dividend-paying stocks and reinvest those dividends. Studies repeatedly show that as much as 70% of stock market gains come from dividends.

That may sound like a boring, even obvious, observation. But it's actually quite profound because it takes away virtually all the risk from investing.

When you buy a dividend stock, you don't have to wait for the stock to move higher to make money. A dividend stock starts to pay back your investment the minute you buy it. And it will continue paying long after you've recouped your initial investment.

When you focus on dividend payments, you can systematically plan for wealth creation.

Albemarle Corporation (NYSE: ALB)

What It Does: Albemarle Corporation develops, manufactures, and markets engineered specialty chemicals worldwide. The company offers lithium compounds, including lithium carbonate, lithium hydroxide, lithium chloride, and also lithium specialties and reagents for applications in lithium batteries and other markets.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- Albemarle to acquire Chinese lithium producer with annual capacity of 25,000 tons.

***TWA* Bottom Line:** Albemarle is down a little this month. Democrats are still pushing for a big spending bill that would benefit the renewable energy sector, but it's still stuck in negotiations. Albemarle would be a big beneficiary of that if it gets passed, but either way, we'd be adding shares to the model portfolio because of what the long-term future holds. And that's a lot of growth for this industry and this company. In other news, Albemarle came to an agreement with striking workers in Chile and is back in business down there.

Albemarle Corporation (NYSE: ALB) is a "Buy" anywhere under $245. The 12-month target is $300.

Bank of America Corporation (NYSE: BAC)

What It Does: Bank of America Corporation operates as a bank holding company that offers consumer and retail banking services, real estate financing, wealth management services, global corporate and commercial banking, investment banking, and global fixed income and equities services.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- Bank of America sees improving credit metrics in September.

***TWA* Bottom Line:** Bank of America crushed earnings estimates last week and shares are up over 15% for the month. I'm feeling pretty smart for adding it to my top picks this month. Banks were looking cheap and BAC is one of the best in the business. We're keeping Bank of America in the model portfolio for a long time. Shares are just above our buy-under price, but they look like they could hold and go higher, so we're boosting that limit slightly.

Bank of America Corporation (NYSE: BAC) is still rated a "Buy." The limit price is now $50. The 12-month target is coming up to $65.

Bunge Limited (NYSE: BG)

What It Does: Bunge Limited operates as a global agribusiness and food company through five segments: Agribusiness, Edible Oil Products, Milling Products, Fertilizer, and Sugar and Bioenergy.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- Bunge agrees to sell Mexico wheat mills to Grupo Trimex for undisclosed terms.

***TWA* Bottom Line:** Bunge is back up this month. Shares rallied a little over 5% as investors looked for companies that benefit from higher food costs. Bunge is a massive player in the industry and should benefit as prices continue to climb. We're still bullish and still adding shares below our limit price. Bunge is a play on the food we all need to survive, and it's also rapidly becoming a renewable energy company, thanks to its partnership with Chevron. Earnings come out later this month and we're expecting another beat.

Bunge Limited (NYSE: BG) is still rated a "Buy." The limit price is $95. The 12-month target is $125.

Cisco Systems, Inc. (NASDAQ: CSCO)

What It Does: Cisco Systems designs, manufactures, and sells internet protocol (IP)-based networking and other products that are related to the communications and information technology industry worldwide.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- Cisco unveils strategy to attempt "Microsoft-esque" renaissance.

***TWA* Bottom Line:** Cisco dropped about 4% last month. It's not what we like to see, but we're still bullish here, especially with management coming out and laying out their strategy to get Cisco's stock back up to its old-time highs. Cisco dominated the foundation of the internet but missed the chance to diversify around the cloud years back. It's not making that same mistake again and is already building technology for the next transition (and already seeing the benefit). We're very bullish on Cisco as the internet continues to evolve and are still adding shares to the model portfolio.

Cisco Systems Inc. (NASDAQ: CSCO) stock is a "Buy" anywhere under $60. The 12-month price target is $75.

Dick's Sporting Goods (NYSE: DKS)

What It Does: Dick's Sporting Goods operates as a sporting goods retailer primarily in the United States. It is the largest omnichannel sporting goods retailer in the country and operates 726 corporate stores. It also owns and operates Golf Galaxy, Field & Stream, and other specialty concept stores.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- Dick's attracts new bullish coverage ahead of reopening period.

***TWA* Bottom Line:** Dick's sold off a bit last month. But that was probably to be expected after the massive run it had gone on after crushing earnings in late August and running like a scalded dog the first weeks of September. We don't like losses, but we're happy to see shares back below our buy limit and looking like they could rally again soon. Dick's will be reporting earnings again next month and we're expecting another beat. We're still bullish on this company and this stock, and we're still adding below our new limit price.

Dick's Sporting Goods (NYSE: DKS) stock is a "Buy" anywhere under $145. The 12-month price target is $200.

Element Solutions Inc (NYSE: ESI)

What It Does: Element Solutions Inc. produces and sells specialty chemical products for the electronics industry and for other industrial applications such as the control fluids for offshore deep-water oil production and drilling applications.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- Element Solutions Inc. to buy specialty chemical producer Coventya.

***TWA* Bottom Line:** Element Solution is up about 4.5% this past month. There wasn't much news other than the increased dividend we already knew about. Management will release earnings next week. Analysts have been boosting estimates left and right. And we're looking for another beat. There's a long future ahead of this company, and we're happy to add shares below the limit price.

Element Solutions Inc. (NYSE: ESI) stock is a "Buy" anywhere under $30. The 12-month price target is $45.

Leidos Holdings, Inc. (NYSE: LDOS)

What It Does: Leidos Holdings delivers technology solutions and services to the national security, health, and engineering markets in the U.S. and internationally.

***Wealth Advisory* Earnings Grade: A+**

- Beat estimates in four of the past four quarters.

Headlines:

- Leidos keeps racking up new contracts.

***TWA* Bottom Line:** Leidos is up about 6% since last month's issue went out. The company announced a few new contracts over the month, too. It got a U.S. Army contract, one from DARPA, another from the U.S. CPB, a five-year contract from the NSA, and a fifth from the U.S. Navy. Those are going to keep coming and this company is going to keep growing. We still see LDOS as a coiling spring getting ready to explode to the upside.

Leidos Holdings Inc. (NYSE: LDOS) is a "Buy" anywhere under $110. The 12-month target is $125.

Maxar Technologies Inc. (NYSE: MAXR)

What It Does: Maxar Technologies Inc. provides space technology solutions for commercial and government customers worldwide, including communication and imaging satellites, space-based and airborne surveillance solutions, and robotic systems.

***Wealth Advisory* Earnings Grade: B-**

- Beat expectations in two of the past four quarters.

Headlines:

- Maxar wins big data analytics contract from NGA worth $60 million over five years.

***TWA* Bottom Line:** Maxar is down a bit since last month's issue came out. We're happy to buy shares at a discount, however, because we see the massive future potential here. We're going to need to see a successful satellite deployment before the shares really take off, but that is coming. Management will be reporting earnings next month and we should get an idea of when that day will arrive. We're still adding shares in the model portfolio to our long-term position.

Maxar Technologies Inc. (NYSE: MAXR) is a "Buy" anywhere under $45. The 12-month target is $105.

NXP Semiconductors N.V. (NASDAQ: NXPI)

What It Does: NXP Semiconductors provides high-performance mixed-signal solutions for radio frequency, analog, power management, interface, security, and digital processing.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- Full-year global semiconductor sales expected to increase 25.1% in 2021.

***TWA* Bottom Line:** NXPI is down this month. Analysts at Bernstein cut the shares from "strong buy" to just regular "buy" and that took some wind out of the sails really quickly. But the company is making moves and just announced its new CFO. It's also making strides to help address the chip shortage. And despite that ongoing chip shortage, management gave an upbeat forecast for the rest of the year and is growing revenue at a high double-digit pace. The company is also making inroads into driverless car technology. We're fans of the long-term potential here and are content to keep adding shares below our limit.

NXP Semiconductors N.V. (NASDAQ: NXPI) is a "Buy" under $225. The 12-month target is $300.

Qualcomm Inc. (NASDAQ: QCOM)

What It Does: Qualcomm develops, designs, manufactures, and sells digital communications products and services in the U.S. and internationally.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- Qualcomm enters binding offer to acquire Veoneer at $37 per share.

***TWA* Bottom Line:** Qualcomm slid last month as well. The chip shortage is affecting lots of companies and investors are trying to guess how to make a buck playing it. Alibaba recently announced plans to premier its own server chips because they're having so much trouble buying them from other companies. But we don't see that as a huge challenge to Qualcomm. And we're still very bullish on the company's long-term future given the growth of 5G. Qualcomm still has a lot of upside left and we're still adding shares.

Qualcomm Inc. (NASDAQ: QCOM) is a "Buy" under $175. The 12-month target is $225.

Rocket Companies (NYSE: RKT)

What It Does: Rocket Companies is a holding company consisting of the personal finance and consumer service brands Rocket Mortgage, Rocket Homes, Rocket Loans, Rocket Auto, Rock Central, Amrock, Core Digital Media, Rock Connections, Lendesk, and Edison Financial.

***Wealth Advisory* Earnings Grade: B**

- Beat expectations in two of the past four quarters.

Headlines:

- Rocket Companies to raise $2 billion in funding from sale of senior notes.

***TWA* Bottom Line:** There's not much news to report on Rocket this month. Shares are down a tiny bit since last month's issue, but they've started to tick back up. The company recently upsized its offering of senior notes from $1.5 billion to $2 billion, which shows that investors are interested. But with mortgage rates on the rise, investors are a little hesitant to put new money to work. But that's the time to buy — when everyone else is afraid. Shares are still below our buy limit, and we're content to keep adding shares of this disruptive force for the long term.

Rocket Companies Inc. (NYSE: RKT) common stock is a "Buy" under $25. The 12-month target is $40.

Real Estate Investment Trusts (REITs)

It's generally assumed that real estate investment trusts (REITs) are very interest rate sensitive. But studies show that REITs perform better than regular stocks when interest rates are rising.

I won't be selling REITs just because interest rates are rising. We have nice gains with these stocks, and they consistently raise their dividends. Plus, we know the Fed won't be going on a prolonged rate-hike campaign. Three small hikes won't have much of an impact on REITs. So, in a general sense, I'm not expecting a lot of downsides for REITs. I'm actually expecting a lot of upside, even with the rate increases.

Finally, please note the importance of the funds from operations (FFO) metric for REITs. Analysts tend to use FFO instead of earnings per share (EPS) when evaluating REITs.

CoreSite Realty Corporation (NYSE: COR)

What It Does: CoreSite Realty Corporation is a REIT that builds, manages, and leases data center spaces.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- CoreSite adds connectivity and on-net availability to Google Cloud in Chicago.

***TWA* Bottom Line:** CoreSite gave back some of last month's gains. There wasn't much news to speak of since that dividend announcement in early September. We're content to keep adding shares to the model portfolio a little cheaper than we could last month. We like CoreSite's ability to steadily grow revenues and dividends over time. We've already gotten one boost this year, and there's a good chance we could see another before the final payment comes through. Earnings will be out in a week or so. We're expecting another beat.

For CoreSite Realty Corporation (NYSE: COR), I still have a "Buy" rating, with the limit set at $155 and the 12-month target at $185.

Hannon Armstrong (NYSE: HASI)

What It Does: Hannon Armstrong is a REIT that provides capital and services to the energy efficiency, renewable energy, and other sustainable infrastructure markets in the United States

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- HASI launches $100 million CarbonCount Green commercial debt program.

***TWA* Bottom Line:** Hannon Armstrong is back up this month. There's not really much news to report. The company launched a $100 million commercial paper program, the first fully green one of its kind in the U.S. Commercial paper is corporate debt.

And this corporate debt will go to fund the acquisition or refinancing of eligible green projects. That should help the company keep its focus on renewable energy and growing our dividend payments. Management expects those distributions to grow at an annual rate of 7%–10% per year until 2023. We like HASI long term and we're still adding shares below the buy limit.

I rate Hannon Armstrong (NYSE: HASI) a "Buy" under $65. The 12-month price target is $100.

Innovative Industrial Properties (NYSE: IIPR)

What It Does: Innovative Industrial Properties is a REIT that's focused on the acquisition, ownership, and management of specialized industrial properties leased to experienced, state-licensed operators for their regulated medical-use cannabis facilities.

***Wealth Advisory* Earnings Grade: B+**

- Beat or met expectations in three of the past four quarters.

Headlines:

- IIPR boosts dividend 6%, to $1.40 per share.

***TWA* Bottom Line:** IIPR is about flat for the month and still below our limit buy price. Management announced the purchase of three more 100%-leased properties. There's one in Missouri, one in New York, and one in California. That makes 76 properties fully leased. When we first invested there were fewer than 10. That's some serious growth. And we can expect the dividend to grow some more (even though we're currently getting more each quarter than we were getting each year when we started). Those new properties are generating revenue and that's going to translate into another dividend hike. So keep your eyes out for that. We're still adding shares under the new buy limit.

I rate Innovative Industrial Properties Inc. (NYSE: IIPR) a "Buy" under $250. The 12-month price target is $325.

Omega Healthcare Investors, Inc. (NYSE: OHI)

What It Does: Omega Healthcare Investors invests in health care facilities, primarily in long-term health care facilities with a focus on skilled nursing facilities.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- Omega Healthcare Q2 earnings beat and rent collections remain strong.

***TWA* Bottom Line:** OHI dropped a little more this past month. Management announced last month that three operators have stopped making rent payments due to the COVID-19 impact on occupancy. Those operators make up 9% of OHI's contractual rent, so it's not good if they're not paying. But on a brighter note, occupancy did edge up in the first half of 2021, by 4%. There's still a way to go to recoup the 11% drop in 2020, but it's a step in the right direction. We're moving OHI to a hold this month to see how this mixed bag plays out. We're not selling just yet, but we're also not willing to commit new money right now.

I now rate Omega Healthcare Investors Inc. (NYSE: OHI) a "Hold" until more information is available.

Prologis, Inc. (NYSE: PLD)

What It Does: Prologis is the global leader in logistics real estate with a focus on high-barrier, high-growth markets. It leases modern distribution facilities to approximately 5,000 customers across two major categories: business-to-business (B2B) and retail-online fulfillment.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- Prologis boosts 2021 guidance after strong Q3 results.

***TWA* Bottom Line:** Prologis came out with earnings last week and beat on top and bottom lines. Management boosted guidance for the full year again, too. And the shares, which started the month in a slide, are up about 3% since the last issue came out. But that's actually closer to a 12% rally off the lows for the month. The next Prime Profit payout is going to be coming in December. The next boost should be coming when the following payment is announced in early 2022. Shares are right around the limit buy price, so we're boosting that slightly this month to accommodate.

Prologis Inc. (NYSE: PLD) is rated a "Buy," with a new limit entry price of $145. The 12-month price target is $175.

STAG Industrial, Inc. (NYSE: STAG)

What It Does: STAG Industrial is an industrial real estate investment trust (REIT) focused on the acquisition and operation of single-tenant industrial properties throughout the U.S.

***Wealth Advisory* Earnings Grade: A**

- Beat or met expectations in four of the past four quarters.

Headlines:

- STAG Industrial benefits from Prologis post-earnings rally.

***TWA* Bottom Line:** STAG is up about the same as Prologis this month. Its rally started at the same time and took shares up off the lows just about as much too. And STAG hasn't even reported earnings yet. Management did declare the monthly dividend and it was in line with the last. And STAG will be reporting later this month. We're expecting a beat, but the rally into the report suggests that investors may "sell the news." So while STAG is bumping up against our buy limit, we're not comfortable raising it when even a good earnings report could see the shares sell off a little.

STAG Industrial Inc. (NYSE: STAG) has a "Buy" rating of anywhere under $45. The 12-month price target is $55.

Uniti Group Inc. (NASDAQ: UNIT)

What It Does: Uniti Group engages in the acquisition and construction of infrastructure in the U.S. communications industry.

Wealth Advisory Earnings Grade: A

- Beat or met expectations in four of the past four quarters.

Headlines:

- Uniti Group names Paul Bullington as permanent CFO.

TWA Bottom Line: Uniti is down this month. The only news is that the company is raising $700 million from the sale of senior unsecured notes due in 2030. The funds will be used to redeem notes expiring in 2024 and to prepay settlement obligations under the agreement with Windstream Holdings. The company also recently named Paul Bullington as permanent CFO to replace the previous officeholder, who left the company due to health reasons. Bullington had previously been serving as interim CFO and principal financial officer.

Uniti Group Inc. (NASDAQ: UNIT) is rated a "Buy" with a limit entry price of $15. I have a 12-month price target of $30.

Capital Appreciation

Here at The Wealth Advisory, *we focus on income-generating investments. And you already know why. Dividends make up as much as 70% of stock market gains. But the other big chunk of profits comes from stocks that grow in value over time — otherwise known as capital appreciation.*

Now, we're long-term investors here, so the biggest part of our profits comes from collecting and reinvesting dividends. But there's no reason that we should be sitting out on solid investments profiting from capital appreciation, too. And that's where this category of stocks comes into play. Here is where we'll be looking for growth stocks, acquisition targets, and companies that might not pay dividends (and might never pay dividends) but will keep rising in share prices and add to our portfolio gains.

AquaBounty Technologies, Inc. (NASDAQ: AQB)

What It Does: AquaBounty Technologies, Inc. develops and markets products to enhance productivity in land-based aquaculture. It offers AquAdvantage Salmon, a bioengineered Atlantic salmon for human consumption.

***Wealth Advisory* Earnings Grade: C+**

- Beat or met expectations in two out of four quarters.

Headlines:

- AquaBounty reports earnings: EPS in line, revenue grows to $230,000.

***TWA* Bottom Line:** AquaBounty is down over the past month. Management presented earnings early in August and didn't thrill investors. EPS was in line with analyst estimates. But there was some good news: The company is selling fish. Its revenues for the previous quarter were $230,000 (that's more than 7,000% more than last year). So we can take some solace in that. We can expect another report early in November. But we're moving this one to hold until then. Management has disappointed at every turn and we really need to see some progress before we're willing to commit any new money. We'll see how well sales are going come earnings report time.

AquaBounty Technologies Inc. (NASDAQ: AQB) common stock is a "Hold" until after Q3 earnings are released.

Chewy, Inc. (NYSE: CHWY)

What It Does: Chewy Inc. provides pet food, pet products, pet medications, and other pet health products for dogs, cats, fish, birds, small pets, horses, and reptiles through its Chewy.com retail website as well as its mobile applications.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four out of four quarters.

Headlines:

- Delta variant favors online retail stocks.

***TWA* Bottom Line:** I just had to have Chewy in my top picks again this month. I was really convinced the sell-off was over and investors would see the value and buy the stock back. But I was wrong and Chewy is down some more this month. But the stock recently landed an upgrade, and as delta spreads north for the winter, investors are starting to pay attention to e-commerce stocks again.

That's all short-term noise. We're long-term investors, and we love Chewy's long-term potential. So we're still adding shares.

Chewy Inc. (NYSE: CHWY) common stock is a "Buy" under $95. The 12-month target is $155.

GreenBox POS (NASDAQ: GBOX)

What It Does: GreenBox POS is a point-of-sales company that engages in the development, marketing, and sale of blockchain-based payment solutions that facilitate, record, and store a volume of tokenized assets, representing cash or data, on a blockchain-based ledger.

***Wealth Advisory* Earnings Grade: C-**

- GreenBox missed expectations in its first quarter with analyst coverage.

Headlines:

- GreenBox announces spinoff of stablecoin platform and special dividend.

***TWA* Bottom Line:** GreenBox is down this month, but it hit an incredible technical milestone. The company surpassed $1 billion in processing volume for 2021 in August. That's nearly five times the processing volume of all of 2020! The shares are going to follow suit eventually. But this is an early-stage company in an early-stage market, so we're going to have to deal with some volatility. We're still adding shares in the model portfolio as a long-term fintech investment. The company recently added veteran tech industry executive Robert Houghton as CTO. He's got tons of experience leading on-demand mobile banking and blockchain solutions and he's ready to help GBOX maximize its potential.

GreenBox POS (NASDAQ: GBOX) common stock is a "Buy" under $15. The 12-month target is $30.

Invitae Corporation (NYSE: NVTA)

What It Does: Invitae Corporation, a genetic information company, processes DNA-containing samples, analyzes information related to patient-specific genetic variation, and generates test reports for clinicians and their patients in the U.S., Canada, and internationally.

***Wealth Advisory* Earnings Grade: B-**

- Beat expectations in two of the past four quarters.

Headlines:

- Invitae approached for potential merger with Exact Sciences.

***TWA* Bottom Line:** Invitae is down a bit after last month's impressive rally. That's likely more to do with profit-taking than anything systemic, though. There was no news other than an announcement that Invitae has partnered with Outcomes4Me for genetic testing for breast cancer patients. We've said there is a ton of value in this company already, from its tests to the data it's collected over the years. It's adding more by expanding into more diseases with potential genetic markers. We're going to see all that value monetized over the long run, and we're still adding shares in the model portfolio since they're still below our limit price.

Invitae Corporation (NYSE: NVTA) is a "Buy" under $35. The 12-month target remains $75.

Jumia Technologies (NASDAQ: JMIA)

What It Does: Jumia Technologies AG operates an e-commerce platform in Africa, Portugal, Germany, and the United Arab Emirates.

***Wealth Advisory* Earnings Grade: B-**

- Beat expectations in one of the past two reported quarters.

Headlines:

- Jumia shares fall on earnings miss.

***TWA* Bottom Line:** Jumia dropped this month after rallying the month before. The rally had been influenced by a $1 million investment from the CEO that the market saw as a vote of confidence. The drop was likely some profit-taking. We expect some volatility here, though, as the African market recovers from COVID and continues to grow. But Jumia is perfectly positioned to take advantage as soon as that happens. So we're adding shares to the model portfolio while they're still below the limit price. Keep an eye out for earnings coming in early November.

Jumia Technologies (NASDAQ: JMIA) common stock is a "Buy" under $25. The 12-month target is $35.

Lemonade Inc. (NYSE: LMND)

What It Does: Lemonade, Inc. provides various insurance products in the United States and Europe. The company offers homeowners and renters insurance, personal liability coverage, and landlord insurance policies. It also operates as an agent for other insurance companies.

***Wealth Advisory* Earnings Grade: A**

- Beat expectations in three of the past four quarters.

Headlines:

- Lemonade adds preventative package for young pets to product lineup.

***TWA* Bottom Line:** Lemonade lived up to its volatile reputation again and fell 10% last month. Management reported earnings in early August and didn't impress investors despite steady growth. Its car insurance program is slow to get going, and investors were hoping for more progress on that front. The company recently announced it would add preventative care packages for young pets to its product offerings. But the market isn't buying. That's the time smart investors usually do buy, though. Shares are well below our limit buy price and we're still adding them in the model portfolio. Look for earnings coming early next month.

Lemonade Inc. (NYSE: LMND) is a "Buy" under $100. The 12-month target is $195.

QuantumScape Corporation (NYSE: QS)

What It Does: QuantumScape Corporation develops and commercializes solid-state lithium-metal batteries for electric vehicles. The company was founded in 2010 and is headquartered in San Jose, California.

***Wealth Advisory* Earnings Grade: C-**

- Missed expectations in two out of three quarters.

Headlines:

- QuantumScape beats on Q2 earnings.

***TWA* Bottom Line:** QuantumScape, another volatile play, rallied over 16% last month even after a drop at the end of September. We expect this one to remain bouncy until the company starts production and has reportable revenues. The EV sector is full of excitable investors who are happy to drive prices all over. But we're confident that QS will get its battery to the factory in short order. The CEO recently put out an update on successes with 10-layer cells. They're now at 200 cycles with 96% capacity retention. That's great news because it means they're getting the same results when adding more and more layers to the power package. Earnings should come out next week and we'll also get a progress report on the state of the solid-state batteries. We're still bullish and still adding shares in the model portfolio.

QuantumScape Corporation. (NYSE: QS) is a "Buy" under $35. The 12-month target is $100.

Spotify Technology S.A. (NYSE: SPOT)

What It Does: Spotify Technology S.A. provides music-streaming services worldwide through two segments: premium (subscription-based) and ad supported (free with commercials).

***Wealth Advisory* Earnings Grade: A-**

- Beat expectations in three of the past four quarters.

Headlines:

- Spotify announces $1 billion share repurchase program.

***TWA* Bottom Line:** Spotify drifted a little higher this past month. The company announced a $1 billion share repurchase program a few months ago, gave podcasters the ability to charge up to $150 a month, got its playlists in the headrests of Delta's airplanes, and had a judge rule it could bypass the Apple App Store (which takes a 30% cut of all transactions) for in-app purchases. Analysts are praising the company and its management. And we think this is only the beginning. We're still adding below the new limit price and think everyone else should be too. Management reports earnings next week. We're expecting a beat.

Spotify Technology S.A. (NYSE: SPOT) is now a "Buy" under $260. The 12-month target is $350.

StoneCo Ltd. (NASDAQ: STNE)

What It Does: StoneCo is the Square of Brazil. It's a payment processor that gets a piece of each transaction and it focuses on the mostly unserved market of small to medium-sized business.

***Wealth Advisory* Earnings Grade: B+**

- Beat or met expectations in three of the past four quarters.

Headlines:

- StoneCo raises $500 million in first dollar bond offering.

***TWA* Bottom Line:** StoneCo got hit hard after reporting earnings in August, and shares kept sliding last month. But it looks like they've found a floor and, in our opinion, represent a massive discount to intrinsic value. StoneCo still has a lot of legs under it and a lot of room to grow in the Brazilian marketplace. Shares are out of favor and that's the time you're supposed to buy. We still like the company's prospects in the long run and are still adding shares below the limit.

StoneCo Ltd. (NASDAQ: STNE) is a "Buy" under $50. The 12-month target is $75.

Twilio Inc. (NYSE: TWLO)

What It Does: Twilio provides a cloud communications platform that enables developers to build, scale, and operate communications within software applications through the cloud as a pay-as-you-go service in the U.S. and internationally.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- Twilio to dual-list on Long-Term Stock Exchange.

***TWA* Bottom Line:** It was a quiet news month for Twilio. Shares drifted about 3% higher, keeping pace with the broader markets. They're still under our buy limit and we're still adding them to the model portfolio. Twilio has a long life ahead of it.

And its current price is going to seem like a steal a few years from now. We're happy to keep adding shares under the buy limit and think everyone else should be adding them too. Management will report Q3 earnings next week. Analysts have revised expectations down, but we think Twilio can surprise them this month.

I rate Twilio Inc. (NYSE: TWLO) a "Buy" under $375. The 12-month target is $450.

Unity Software Inc. (NYSE: U)

What It Does: Unity Software Inc. operates a real-time 3D development platform that provides software solutions to create, run, and monetize interactive, real-time 2D and 3D content for mobile phones, tablets, PCs, consoles, and augmented and virtual reality devices.

***Wealth Advisory* Earnings Grade: A+**

- Beat expectations in four of the past four quarters.

Headlines:

- Unity and UFC collaborate with Unity Metacast.

***TWA* Bottom Line:** We added Unity last month and we've already been both up and down. Currently we're up, but that could change. This is going to be a volatile trade for a bit because it's part of a very new, very early stage of development in technology and networking. But we're confident that in the long run, Unity is going to reward early investors very well. The company most recently partnered with UFC, the leading mixed martial arts organization, to collaborate on research and development of applications for Unity Metacast within UFC. The Metacast is an innovative new platform Unity just unveiled that it contends will lead the real-time 3D evolution for professional sports. We continue to add shares to the model portfolio under the buy limit.

Unity Software Inc. (NYSE: U) is rated a "Buy" with a limit price set at $145. The 12-month price target is $200.

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