

Every generation trash-talks younger generations. Baby boomers labeled Generation X a group of tattooed slackers and materialists; Generation Xers have branded millennials as iPhone-addicted brats.  
Neil Blumenthal

Last month in this letter, we discussed why the current bull market could last much longer than many people expect. We also put together a 7 minute video on the same subject called *The Early Innings of a Bull Market*. If you didn't watch it, you should.

Google [Sheaff Brock Market Shorts](#). It should be the first video.

**Two irrefutable trends**

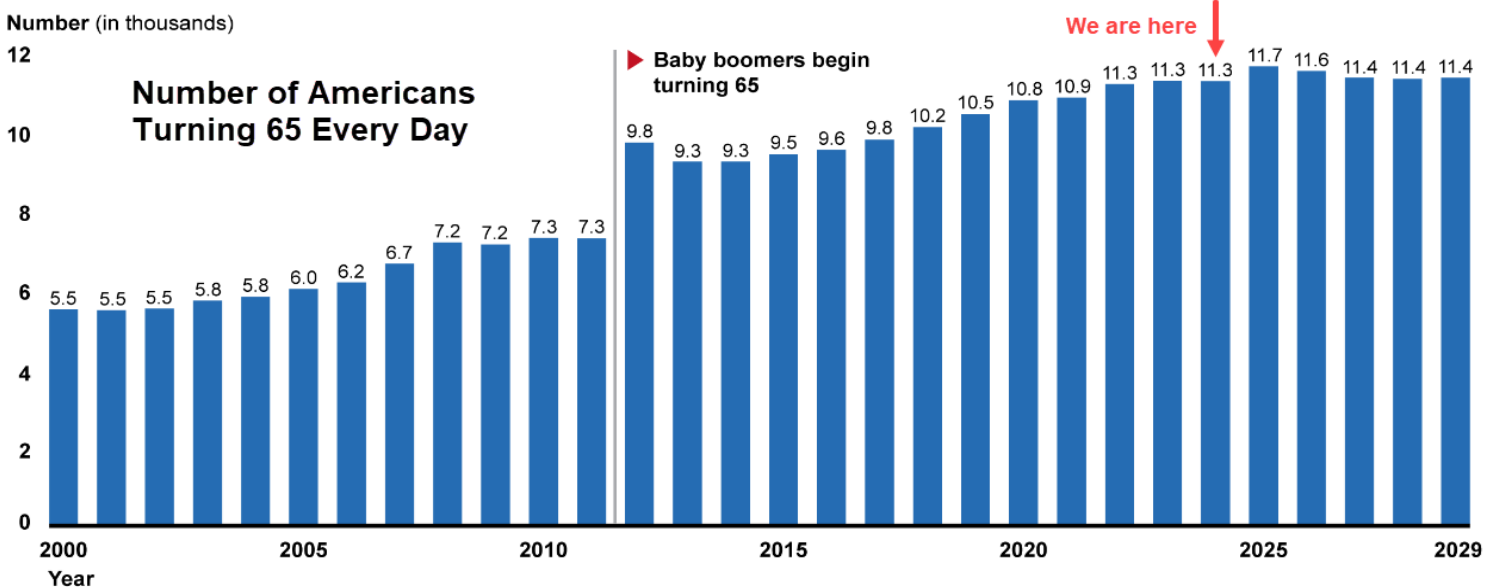
After World War II a lot of babies were born; "Baby Boomers". Sheaff and Brock are Boomers, as are many of you reading this. As of the last census there are around 68 million of us. And then about 30 years later the Baby Boomers had a lot of babies known as the "Millennials", of which there are about 82 million. Those two groups are causing two trends that are going to last for several years.

Baby Boomers have been retiring for about a dozen years and right about now is the peak number of Boomers turning 65. The chart below shows the number of Americans turning 65 every day. Every day next year 11,700 people will turn 65 years old. And you can see that will be a similar number, day after day, for many years to come - over 4 million per year.

Look at the bar chart on the next page. It shows how many Millennials, the Boomer's babies, are turning 35 years old every day. More than 13,000 per day, after day, after day. That equals almost 5 million per year.

One way for investors to profit from these two trends is to invest in companies that may profit from these two bulging demographic groups. Industries that could benefit include:

- Healthcare - Boomers. This would include all aspects from hospitals, pharmaceuticals, devices, insurance, biotech, diagnostics, facilities, and even transportation (Uber), etc.
- Travel/recreation/entertainment - Boomers have time and money, and most are still healthy enough to spend both. This could be strong for years. Airlines, hotels, short-term stay rentals, and travel services. Millennials: Same as above for travel sports for kids, theme parks, camping, etc.
- Retail - Boomers have the highest spendable income for their age in history and Millennials, who are buying stuff to support growing households and kids, are wealthier than their parents were at their age. Clothing, home improvement, autos, athletic-leisure, furniture, etc.
- Home building - Boomers are downsizing and Millennials



## Financial Planning Tip!

- Maybe you need a retirement income plan done. This brings together all of your assets, income and spending in one place and projects potential outcomes. Income sustainability in retirement gives peace of mind. We can run a projection for you, and best of all it's free for clients! Get in touch with your portfolio consultant (Jared, Tiffany, Emily, or Matthew) if you'd like one run.

are buying their first home or upsizing.

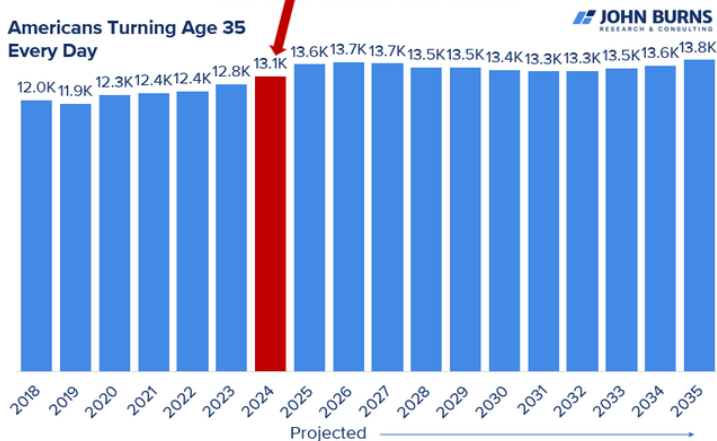
- Financial services - Mortgages, investment services, credit cards, insurance and banks are needed by both groups.
- Technology - Who doesn't use it?

Our various portfolios are chock full of companies that may benefit from their wallets. Companies like:

Eli Lilly, Vertex Pharma, Halozyme, Neurocrine Bioscience, Boston Scientific, Abbvie, Merck, United Healthcare, Cigna, Johnson & Johnson, Medpace, Globus Medical, IDEXX Labs, Welltower, Omega Healthcare, Healthpeak Properties, Alexandria Real Estate, Marriott, Penske Auto, Ryman Hospitality, VICI Properties, Getty Realty, Apple Hospitality, Crocs, Simon Property, e.l.f. Beauty, Target, DR Horton, Lennar, Hubbell, Home Depot, PPG, Public Storage, Invitation Homes, Carlisle, WW Grainger, TopBuild, Lowes, Brown & Brown, Wisdom Tree, LPL, Arthur Gallagher, Enact Holdings, CME Group, American Express, Truist, American Financial, Apple, Meta, Nvidia, Broadcom, Salesforce, Alphabet, Microsoft, and actually too many more tech stocks to even list. In our opinion your managed portfolios are well positioned to benefit from the irrefutable demographic population bulge.

**We are here**

**13,000+ Americans reaching prime homebuying age every day for the next decade**



Source: US Census Bureau, 2024-2035 projections by John Burns Research and Consulting, LLC  
As seen in *Burns US Demographics Insights and Strategies*

## Portfolio Updates

Earnings, interest rates, the election, and investor sentiment could make investors jittery and markets bumpy.

### Dividend Growth & Income

It's having a really good year. So far, our technology and healthcare holdings have driven returns. Plus there have been a lot of dividend increases too.

### Bulls of the Dow

It's had a good summer, but still lagging the DJIA by a little bit.

### IntelliBuild Growth™

Growth stocks from IBD 50 and William O'Neil lists. The broadening market away from tech could help performance.

### Outlier Growth

At 21% net-of-fees, it's the best of our offerings through July.

### Covered Call

Our goal is to buy a stock, sell a call, stock goes up, gets called. We've caught back up to the benchmark this year, and are still way ahead over longer periods.

### Real Estate Income and Growth

REITs came back to life last month. We've been mentioning for months that when interest rates drop, good things may happen to REITs. Since the Fed may cut rates soon, be alert.

### Preferred Income

This is the highest yielding portfolio we offer. Can't tell you how much (compliance), but check it out if you want income.

### Put Income and Index Income Overlay

*The strategy objective is to manufacture cash-flow in exchange for the investor accepting some additional volatility. Option overlay products are ± additive in return to other investments held in an account, and may not be appropriate for all investors. Realized gains and losses can be inconsistent. These are long-term strategies and may not produce gains over the short-term. Remember, we aren't tax advisers. So, if you have specific tax concerns you'd best call your own tax person.*

**Put Income** - Net-of-fees through July, 5.26% in realized gains. Average YEAR since inception is 3.69%. Might not last since markets are fickle, but we'll take it.

**Index Income** - Goal = manufacture cash-flow from volatility over a long period of time. A simple concept, but not easy. The late July/early August volatility provided a little yield-uptick, but "little" is the key word. Pre-election market jitters could lead to better premiums in September and October.

## INNOVATIVE portfolios® Performance

Style (as of 7/31/2024)	(Average Annual) (%)	Inception Date	Year to Date	1 Year	3 Year	5 Year	10 Year	Inception
Fixed Income	Preferred Income Gross	10/1/2011	6.64	10.60	0.29	3.09	4.26	5.00
	Preferred Income Net	10/1/2011	5.65	9.23	(0.95)	1.82	2.98	3.69
	Benchmark ICE BofA Core+ Fixed Rate Pfd Index*		4.49	8.09	(3.04)	0.72	3.74	5.18
Growth & Income	Covered Call Income Gross	9/1/2010	9.87	14.29	6.27	10.58	8.05	9.30
	Covered Call Income Net	9/1/2010	8.85	12.87	4.97	9.22	6.72	7.94
	Benchmark CBOE S&P 500 BuyWrite Index		8.81	8.59	5.18	5.58	5.91	7.07
	Dividend Growth & Income Gross	7/1/2005	19.85	24.71	11.44	14.55	10.84	9.98
	Dividend Growth & Income Net	7/1/2005	18.74	23.16	10.07	13.14	9.48	8.62
	Benchmark Dow Jones U.S. Select Dividend Index		13.00	15.10	8.18	9.74	10.05	8.33
	Real Estate Income & Growth Gross	5/1/2017	8.92	12.50	2.15	6.47	-	7.20
Real Estate Income & Growth Net	5/1/2017	7.89	11.08	0.89	5.17	-	5.86	
Benchmark Dow Jones U.S. Select REIT Index		5.27	10.26	0.03	3.63	-	4.91	
Growth	IntelliBuild® Growth Gross	10/1/2013	12.42	18.65	9.46	14.57	11.82	12.46
	IntelliBuild® Growth Net	10/1/2013	11.35	17.14	8.11	13.16	10.45	11.05
	Benchmark S&P 500® Index		16.70	22.15	9.60	15.00	13.15	13.70
	Bulls of the Dow Gross	2/1/2013	8.80	15.91	8.13	10.95	13.00	13.95
	Bulls of the Dow Net	2/1/2013	7.78	14.46	6.81	9.59	11.61	12.53
	Benchmark Dow Jones Industrial Average Index		9.52	17.22	7.52	11.06	11.96	12.39
	Outlier Growth Gross	11/1/2020	22.18	27.10	8.27	-	-	15.15
	Outlier Growth Net	11/1/2020	21.02	25.48	6.92	-	-	13.66
Benchmark S&P 500® Growth Index <sup>6</sup>		21.95	26.92	7.60	-	-	14.97	
Option Overlay*	Index Income - Cash Flow Gross**	7/1/2016	2.41	3.94	3.79	5.23	-	5.11
	Index Income - Cash Flow Net**	7/1/2016	1.47	2.69	2.54	3.98	-	3.83
	Index Income Total Return Gross	7/1/2016	2.41	4.12	2.76	4.08	-	4.14
	Index Income Total Return Net	7/1/2016	1.47	2.87	1.51	2.83	-	2.86
	Market Indicator S&P 500® Index		16.70	22.15	9.60	15.00	-	14.74

## Sheaff Brock® Performance

Style (as of 7/31/2024)	(Average Annual) (%)	Inception Date	Year to Date	1 Year	3 Year	5 Year	10 Year	Inception <sup>AA</sup>
Option Overlay <sup>A</sup>	Put Income - Realized Gain Gross <sup>A</sup>	11/1/2016	6.10	8.60	3.31	4.58	-	4.96
	Put Income - Realized Gain Net <sup>A</sup>	11/1/2016	5.16	7.35	2.33	3.44	-	3.69
	Market Indicator S&P 500® Index		15.29	24.56	10.01	15.05	-	15.12

### Performance data quoted represents past performance. Past performance does not guarantee future results.

Sheaff Brock Investment Advisors, LLC ("SBIA"), established in 2001, is registered as an investment advisor with the Securities and Exchange Commission. SBIA is wholly owned by Sheaff Brock Capital Management, LLC ("SBCM").

Effective December 2020 Innovative Portfolios, LLC ("IP"), an SEC registered investment Advisor and wholly owned subsidiary of SBCM, was hired as the subadvisor for all the composites except Put Income. Performance after January 1, 2021 occurred while the investment management team was affiliated with IP. The same investment management team has managed the composite since its inception, and the investment process has not changed. Performance after January 1, 2021 has been linked to performance earned at IP. IP policies for valuing investments and calculating performance are available upon request. Performance presented are time-weighted returns. Valuations and performance is reported in U.S. dollars. Composite performance is presented on gross-of-fees and net-of-fees basis and includes the reinvestment of income (dividends/interest). Gross-of-fees returns are presented before management and custodial fees but after all trading expenses. Net-of-fees returns are calculated by deducting a model management fee of 0.3125, ¼ of the highest annual management fee of 1.25%, from the quarterly gross composite return, applied the first month of each quarter. Actual advisory fees incurred by clients may vary. Composite performance consists of fully discretionary portfolios, including those accounts no longer with the firm.

Past performance is no guarantee of future performance and there is a risk of loss of all or part of your investment. Individual client performance returns may be different than the composite returns listed. Changes in investment strategies, contributions or withdrawals, and economic conditions may materially alter the performance of your portfolio. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment or strategy will be suitable or profitable for a client's portfolio. Individuals should not enter into option transactions until they have read and understood the risk disclosure document titled, Characteristics and Risks of Standardized Options which can be obtained from their broker, any of the options exchanges, or OCC.

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(Continued from page 3) completeness of any material contained therein. The statements and opinions reflect the judgment of the firm, and along with the information from third-party sources and calculations, are made on the date hereof and are subject to change without notice. SBIA does not assume liability for any loss that may result from reliance by any person upon any material in this Newsletter.

**Benchmark Indexes:** *CBOE S&P 500 BuyWrite Index* is an index designed to track the performance of a hypothetical buy-write strategy on the S&P 500 Index. *Dow Jones Industrial Average (DJIA)* is a price-weighted average of 30 significant stocks traded on the New York Stock Exchange and the NASDAQ. *Dow Jones U.S. Select Dividend Index* is an index of the leading 100 U.S. stocks by dividend yield, subject to screens for dividend-per-share growth rate, dividend payout ratio and average daily trading volume. *Dow Jones U.S. Select REIT Index* is an index designed to track the performance of publicly traded REITs and REIT-like securities and serve as a proxy for direct real estate investments, in part by excluding companies whose performance may be driven by factors other than the value of real estate. *ICE BofA Core Plus Fixed Rate Preferred Securities Index* is an index designed to track the performance of fixed rate U.S. dollar-denominated preferred securities issued in the U.S. domestic market with a rating of at least B3 and an investment-grade country risk profile. *S&P 500* is a market value weighted index comprised of 500 of the largest publicly traded U.S. companies. *S&P 500 Growth* is an index that measures the performance of the large-cap growth sector selected by sales growth, the ratio of earnings change to price, and momentum from the S&P 500. *S&P U.S. Preferred Stock Index* is an index designed to measure the performance of the U.S. preferred stock market and consists of U.S. preferred stocks with a market capitalization greater than \$100 million and a maturity of at least one year or longer.

An index should only be compared with a mandate that has a similar investment objective. An index is not available for direct investment and does not reflect any of the costs associated with buying and selling individual securities or management fees, the incurrence of which would have the effect of decreasing historical performance results. There can be no assurances that a composite will match or outperform any particular benchmark.

<sup>9</sup>In March 2024, the benchmark was changed from the Russell 3000 to the S&P 500 Growth for all periods due to availability of the previous index. <sup>†</sup>Inception represents a blended benchmark which consists of S&P U.S. Preferred Stock Index prior to April 1, 2012 and the ICE BofA Core Plus Fixed Rate Preferred Securities Index thereafter. <sup>\*</sup>Composite performance is calculated on overlay exposure, which is the notional value of the strategy being managed. Performance presented are arithmetic returns and do not include income (dividends/interest) or appreciation/depreciation from the underlying collateral. <sup>\*\*</sup>Cash flow yield represents the cash received (premiums) from the sale of index put credit spread options divided by the beginning composite overlay exposure (notional value). <sup>††</sup>Realized gain/loss returns are arithmetic returns calculated on the realized gains/losses on the sale of put options divided by the average account value for the period. <sup>†††</sup>Effective October 31, 2016, Put Income was managed by SBIA and as such, the returns reflect performance from that period forward.

The 2023 CNBC Financial Advisor 100 (ranked 10th, 9/12/23), 2022 CNBC Financial Advisor 100 (ranked 68th, 10/4/22), 2021 CNBC Financial Advisor 100 (ranked 82nd, 10/6/21) & the 2020 CNBC Financial Advisor 100 (ranked 95th, 10/6/20) list is an independent ranking. CNBC enlisted data provider AccuPoint Solutions to assist with the ranking of registered investment advisors for the CNBC FA 100 list. The analysis started with 40,646 RIA firms for 2023, 39,818 RIA firms for 2022, 38,302 for 2021 and 37,369 for 2020 from the Securities and Exchange Commission regulatory database. AccuPoint screened the list down to 812 RIAs for 2023, 904 RIAs for 2022, 749 for 2021 and 750 for 2020 who were required to complete a survey to be in consideration for the CNBC FA 100 list. Sheaff Brock does not pay for applying for the award; however, Sheaff Brock does pay for use of the CNBC Financial Advisor 100 logo. Data points used by AccuPoint for the ranking included regulatory/compliance record, number of years in the business, number of certified financial planners, number of employees, number of investment advisors registered with the firm, ratio of investment advisors to total number of employees, total assets under management, percentage of discretionary assets under management, total accounts under management, number of states where the RIA is registered and country of domicile. Third-party rankings and recognition from rating services or publications, such as the CNBC FA 100, is no guarantee of future investment success and working with a highly rated advisor does not ensure that a client or prospective client will experience a higher level of performance or results. The ranking may not reflect a client or prospective client's experience with the registered investment advisor. Past performance does not guarantee or indicate future results.