

“Nothing in fine print is ever good news.”
Andy Rooney

Over Labor Day weekend, TD Ameritrade was formally wiped off the face of the Earth as the merger with Charles Schwab & Co., Inc. (“Schwab”) was finalized. A couple of days before Labor Day we received instructions from Schwab as to the requirements from their legal department when we refer to them in a newsletter. The “fine print” requirements are:

When referring to Schwab, you must use “Charles Schwab & Co., Inc.” in the first instance. You may also include the parenthetical (“Schwab”) with your first reference, and then use the term “Schwab” for any subsequent references. Every communication using Schwab’s name must include the following disclosure on the same page as where Schwab’s name is first used:

“These materials have been independently produced by Sheaff Brock Investment Advisors, LLC. Sheaff Brock Investment Advisors, LLC is independent of, and has no affiliation with, Charles Schwab & Co., Inc. or any of its affiliates (“Schwab”). Schwab is a registered broker-dealer and member SIPC. Schwab has not created, supplied, licensed, endorsed, or otherwise sanctioned these materials nor has Schwab independently verified any of the information in them. Sheaff Brock Investment Advisors, LLC provides you with investment advice, while Schwab maintains custody of your assets in a brokerage account and will effect transactions for your account on our instruction.”

Because these disclosure requirements seem onerous, at least to me, from now on when I refer to Schwab in this newsletter I’ll use the code word “CHUCK”, or maybe “CHUCKLES”. All I can think is there must be a whole lot of lawyers at CHUCKLES.

Batting 1000, so far! In last year’s November monthly portfolio call, we shared this slide showing how in 80 years, the market had never dropped in the 12 months following a midterm election. B-I-N-G-O. From election day 2022 through 8/31/23, the S&P 500 gained 18.6% plus another percent or so in dividends, for a total return of almost 20%. Yep, a lot can happen between now and November 4th, but so far so good.

Portfolio Updates

Interest rates remain high leading some of the “Doubting Thomas”-type pundits to increase their shrill volume. However, other bearish strategists have recently started to capitulate and become less cautious. September and October have sometimes been tough for the stock market, and in August we sent out a video explaining why we thought there could be a little pullback in August/September. So far, a mid-single-digit pullback has happened for the S&P 500, and there could be a bit more. If so, you should not be surprised.

But, we (really me more than we) still believe the Dow Jones Industrial Average will top 50,000 in the next 3 to 4 years. Our video at:

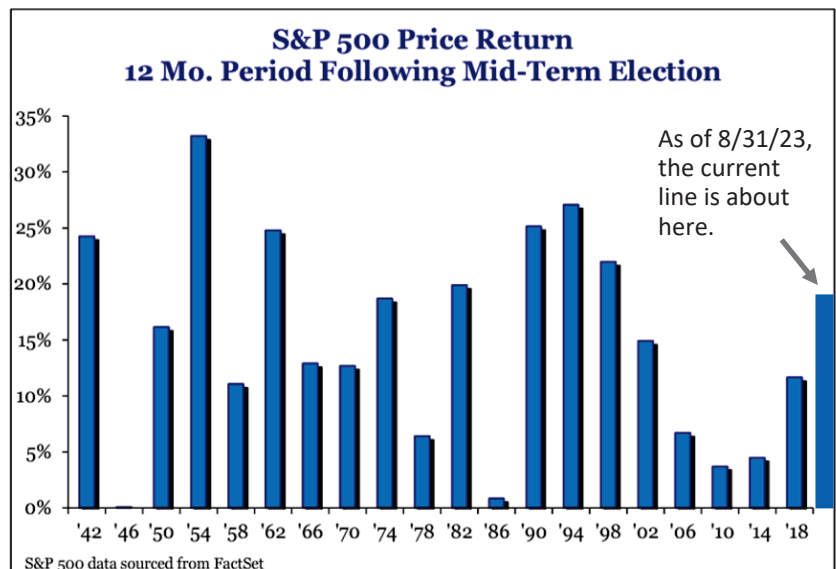
sheaffbrock.com > market topics > market shorts

explains why we have such a sunny disposition, even though the world seems really cloudy.

Dividend Growth & Income

In general, dividend raising stocks have had a ho-hum year in 2023. ETFs that track the “Dividend Achievers” and “Dividend Aristocrats” indices have gained around 6% year-to-date through August. And, the Dow Jones Select Dividend Index has a *negative* return! This year, (but not every year) our

THE S&P 500 HAS NOT DECLINED IN THE 12 MONTHS FOLLOWING THE MIDTERM ELECTION SINCE AT LEAST 1942





Financial Advisor 100

4th Consecutive Year

Once again, CNBC names Sheaff Brock one of the top 100 financial advisors in America (top 10 this year)!

Woo-hoo! We received some nice news this month, that for the 4th year in a row Sheaff Brock was named by CNBC as one of the top 100 investment advisors in the U.S. for 2023. They call the list the “Financial Advisor 100” and placed us in the top 10. To put it into perspective, CHUCKLES custodies assets for “more than 15,000 Registered Investment Advisor (RIA) firms” and to be named one of the top in the nation by CNBC is pretty cool. We have 25 Sheaff Brock team members who work really hard, and it’s nice for us to get recognized for doing what we’ve been doing for over 20 years. To come up with this year’s top 100, the analysis started with over 40,000 registered investment advisors. That list was screened down to 812 firms that were asked to submit information, and the top 100 were chosen from those. We don’t pay to be on the list. Surprisingly, many of these accolade lists require payment to get on them, but both Sheaff and Brock have Scottish blood and are kind of cheapskates...at least too cheap to pay for a pat on the back.

With only 100 out of 40,000+ making the grade, CNBC chose firms meeting CNBC’s proprietary criteria culled from filings with the Securities and Exchange Commission. Weighted categories further ranked the firms creating the list of the top 100. Data points included: SEC regulatory compliance, years in the business, number of employees, number of certified planners, ratio of professionals to total employees, assets under management, total accounts under management, number of states where the RIA is registered, and country of domicile. *Please read the full disclosure on page 1.*

When you talk to a Sheaff Broker, tell them congrats!

portfolio of dividend stocks, although different from the indices looks pretty smart in comparison. Not every one of our holdings has raised its annual dividend payout yet, but about 2/3 have. We are fully invested in 33 stocks.

Bulls of the Dow

Value stocks, which the Dow Jones Industrials mostly are, have been sort of sleepy so far this year. The next portfolio reshuffling will be in October.

IntelliBuild Growth™ and Outlier Growth

33 growth stocks in each portfolio. IntelliBuild has more well-known names in it, while Outlier has some stocks you’ve likely never heard of. Both growth portfolios have enjoyed a nice run in 2023, but each portfolio’s volatility can be hard to stomach during not-so-nice periods.

Covered Call

We generally use stocks with lower downside risk characteristics which sometimes makes this portfolio a bit tortoise-like.

Real Estate Income and Growth

REITs are sort of stuck in the mud...kind of like this year’s

Burning Man attendees. Dividends seem solid, but ongoing fears of real estate loan problems are keeping prices down.

Preferred Income

Rising interest rates and bank sector skittishness have hurt preferred stock prices. Yields are higher than they’ve been in years, which ought to make new investors fairly happy.

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 - The market rally through July helped us restructure some of the more problematic in-the-money positions. It’s been a good year; hopefully we can hold on to it.

Index Income - Goal = manufacture cash-flow from volatility over a long period of time. Simple, but often difficult. We’ve been fighting to restructure the short legs through the last 21 months of choppy/sloppy markets. The battle continues.

INNOVATIVE portfolios® Performance

Style (as of 8/31/2023)	(Average Annual) (%)	Inception Date	Year to Date	1 Year	3 Year	5 Year	10 Year	Inception
Fixed Income	Preferred Income Gross	10/1/2011	6.32	1.05	(0.25)	1.92	4.38	4.45
	Preferred Income Net	10/1/2011	5.37	(0.17)	(1.49)	0.68	3.09	3.16
	Benchmark ICE BofA Core+ Fixed Rate Pfd Index		4.70	(3.33)	(3.66)	0.39	3.95	4.80
Growth & Income	Covered Call Income Gross	9/1/2010	8.40	11.57	9.66	7.27	8.14	8.69
	Covered Call Income Net	9/1/2010	7.41	10.24	8.32	5.96	6.80	7.35
	Benchmark CBOE S&P 500 BuyWrite Index		10.28	10.04	8.18	3.40	6.24	6.77
	Dividend Growth & Income Gross	7/1/2005	12.05	17.79	14.66	9.11	10.37	10.00
	Dividend Growth & Income Net	7/1/2005	11.02	16.38	13.26	7.78	9.02	8.64
	Benchmark Dow Jones U.S. Select Dividend Index		(4.14)	(1.56)	14.64	6.53	9.88	9.61
	Real Estate Income & Growth Gross	5/1/2017	4.72	0.20	9.66	5.60	-	6.00
	Real Estate Income & Growth Net	5/1/2017	3.78	(0.99)	8.33	4.32	-	4.70
	Benchmark Dow Jones U.S. Select REIT Index		5.34	(3.17)	7.58	2.48	-	3.49
Growth	IntelliBuild® Growth Gross	10/1/2013	20.63	21.29	12.21	11.30	-	11.61
	IntelliBuild® Growth Net	10/1/2013	19.53	19.82	10.84	9.95	-	10.23
	Benchmark S&P 500® Index		18.73	15.94	10.52	11.12	-	12.57
	Bulls of the Dow Gross	2/1/2013	7.74	12.87	8.07	9.64	13.32	13.58
	Bulls of the Dow Net	2/1/2013	6.75	11.53	6.75	8.29	11.93	12.17
	Benchmark Dow Jones Industrial Average Index		6.37	12.58	9.08	8.31	11.43	11.63
	Outlier Growth Gross	11/1/2020	28.94	29.60	-	-	-	9.78
	Outlier Growth Net	11/1/2020	27.77	28.06	-	-	-	8.39
	Benchmark Russell 3000 Index		18.01	14.76	-	-	-	12.73
Option Overlay*	Index Income - Cash Flow Gross**	7/1/2016	1.14	1.77	5.37	5.25	-	5.24
	Index Income - Cash Flow Net**	7/1/2016	0.20	0.52	4.12	4.00	-	3.98
	Index Income Total Return Gross	7/1/2016	9.94	5.94	4.16	3.86	-	4.11
	Index Income Total Return Net	7/1/2016	9.00	4.69	2.91	2.61	-	2.84
	Market Indicator S&P 500® Index		18.73	15.94	10.52	11.12	-	13.31

Sheaff Brock® Performance

Style (as of 8/31/2023)	(Average Annual) (%)	Inception Date	Year to Date	1 Year	3 Year	5 Year	10 Year	Inception ^{MA}
Option Overlay [^]	Put Income - Realized Gain Gross [^]	11/1/2016	12.78	8.25	7.19	3.58	-	4.53
	Put Income - Realized Gain Net [^]	11/1/2016	11.84	7.00	5.94	2.33	-	3.27
	Market Indicator S&P 500® Index		18.73	15.94	10.52	11.12	-	13.67

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.

SBIA provides the Newsletter for general informational and educational purposes, and where appropriate, to assist in explaining the composites. It is not investment advice for any person. The information and data do not constitute legal, tax, accounting, investment, or other professional advice. The information provided should not be considered a recommendation to purchase or sell any particular security. It should not be assumed that any securities transaction or holding discussed was or will prove to be profitable, or that the investment recommendations or decisions in the future will be profitable or will equal the investment performance of the securities discussed herein. Information is obtained from sources SBIA believes are reliable, however, SBIA does not audit, verify, or guarantee the accuracy or (Continued on page 4)



Sheaff Brock.

Innovative Portfolios for Intelligent Investors®



Financial Advisor 100



Market Update

September 2023

(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. *Russell 3000* is a market-capitalization-weighted equity index that provides exposure to the entire U.S. stock market, tracking 3,000 of the largest U.S. traded stocks. *S&P 500 Index* is a market value weighted index comprised of 500 of the largest publicly traded U.S. companies. *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 incurrance 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.

+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. *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. **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). ^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. ^^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.