Individual Investor's Guide to AAII's Model Stock Portfolios

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With the proper education and information, individual investors are fully capable of becoming effective managers of their own assets. If you have the time, interest and discipline, AAII truly believes that you can manage a stock portfolio that outperform most mutual funds.

PHOTO-ILLUSTRATION: SHAKENA THORNTON/CNNMONEY; SS

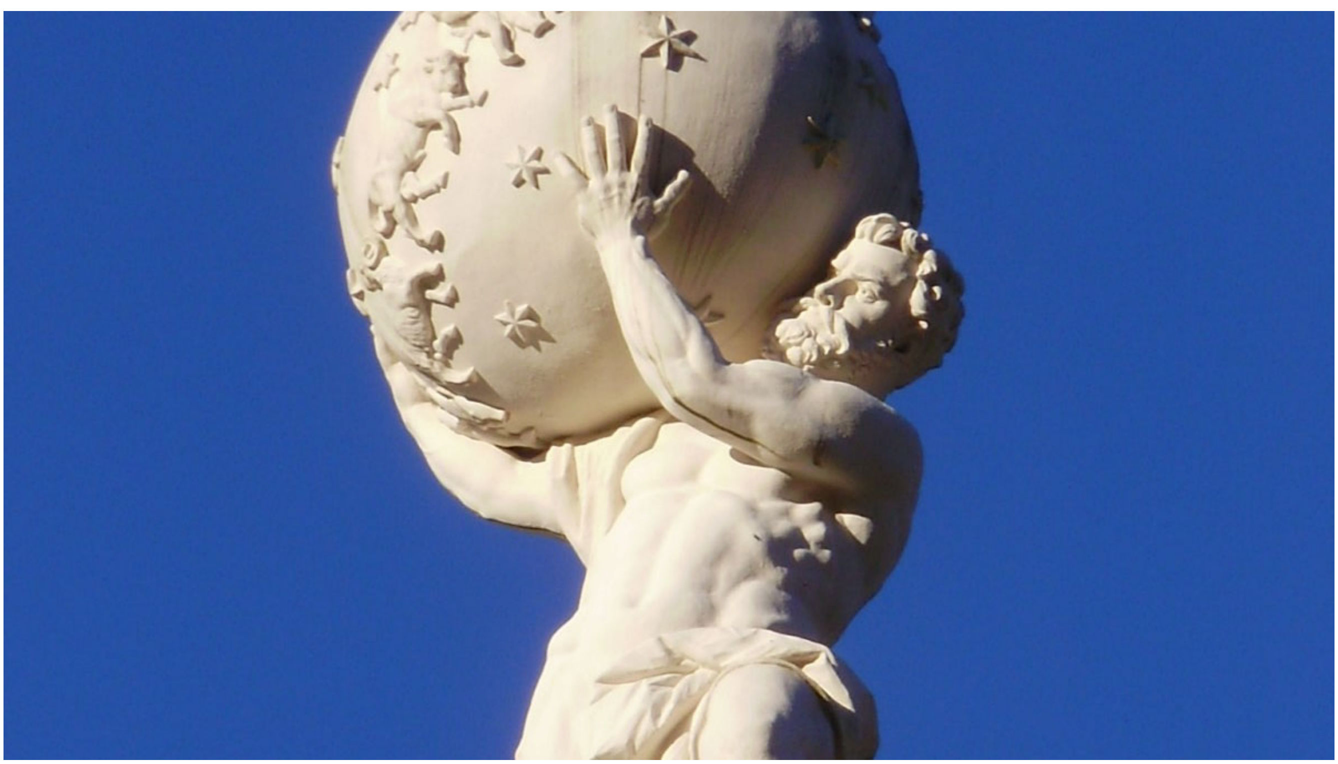
The Case for Do-It-Yourself

- Individuals have tremendous advantages over institutional investors
  - Flexibility to hold as many or as few stocks as you want
  - Ability to time buys and sells so they are most advantageous to you
  - No restrictions on investing in the smallest companies that institutions cannot
  - Lower transactions costs for investing in individual stocks relative to the average mutual fund


75

75-5-10 Diversification Rule

- The Investment Company Act of 1940 requires an asset allocation model a fund must follow to call itself a "diversified mutual fund"
- The 75-5-10 test:
  - 75% of the fund's assets must be invested in the securities of other issuers
  - No more than 5% of the investment company's assets can be invested in any one company
  - The investment company may not own more than 10% of any company's outstanding voting stock
- Example: Diversified mutual fund with $1 billion AUM
  - Needs to invest in at least 20 stocks: 100% ÷ 20 = 5%
  - 20 holdings would result in an average of a $50 million investment in each company ($1 billion ÷ 20 = $50 million)
  - Each of the 20 companies would need a market cap of at least $500 million ($50 million ÷ 10% = $500 million)




TAX

AAII Model Stock Portfolios

Service	Current # of Holdings	Review Frequency	Annual Portfolio Turnover	Avg # of Round-Trip Trades Per Year	Avg Holding Period (Years)	Description
AAII Model Shadow Stock Portfolio	29	Quarterly	26%	8	3.9	A real-money portfolio providing education in the promising micro-cap value sector of the market.
Dividend Investing	24	Monthly	26%	7	3.8	A newsletter that identifies the best dividend investment opportunities by focusing on a select universe of well-financed companies that have a history of dividend growth and a positive free cash flow and that are trading at a good value.
Stock Superstars Report	40	Monthly	20%	8	5.0	A newsletter that brings together four "superstar" strategies into a complete stock portfolio.
VMQ Stocks	20	Weekly	32%	13	3.1	A newsletter that seeks out stocks with low valuations, strong price momentum and underlying quality traits.

Model Shadow Stock Portfolio

- Inception Date: 1993
- Equity Investment Style: Micro-cap value
- # of Holdings: 29
- Average Market Cap: $401.1 million ($50.9 million to $1.3 billion)
- Total Risk Index: 2.02
- Average Annual Turnover: 26%
- Yield: 0.7% versus 1.3% for VFINX (8 of 29 holdings pay dividend)
- Avg Ann'l Performance: 15.4% versus 10.1% for VFINX
- Lead Analyst: John Bajkowski, AAII President

	Average Monthly Returns (July 1963 to December 1990) (%)										
		High	Price-to-Book-Value Ratio								Low
	All	1	2	3	4	5	6	7	8	9	10
All Stocks	**1.23**	**0.64**	**0.98**	**1.06**	**1.17**	**1.24**	**1.26**	**1.39**	**1.40**	**1.50**	**1.63**
Size Deciles											
1-Largest	**0.89**	0.93	0.88	0.84	0.71	0.79	0.83	0.81	0.96	0.97	**1.18**
2	**0.95**	0.44	0.89	0.92	1.00	1.05	0.93	0.82	1.11	1.04	**1.22**
3	**1.08**	0.66	1.13	0.91	0.95	0.99	1.01	1.15	1.05	1.29	**1.55**
4	**1.07**	0.95	1.00	0.99	0.83	0.99	1.13	0.99	1.16	1.10	**1.47**
5	**1.15**	0.70	0.98	1.14	1.23	0.94	1.27	1.19	1.19	1.24	**1.50**
6	**1.24**	0.88	0.65	1.08	1.47	1.13	1.43	1.44	1.26	1.52	**1.49**
7	**1.19**	0.39	0.72	1.06	1.36	1.13	1.21	1.34	1.59	1.51	**1.47**
8	**1.22**	0.56	0.88	1.23	0.95	1.36	1.30	1.30	1.40	1.54	**1.60**
9	**1.22**	0.43	1.05	0.96	1.19	1.33	1.19	1.58	1.28	1.43	**1.79**
10-Smallest	**1.47**	**0.70**	**1.14**	**1.20**	**1.43**	**1.56**	**1.51**	**1.70**	**1.71**	**1.82**	**1.92**

Source: The Cross-Section of Expected Stock Returns, Eugene Fama & Kenneth French, The Journal of Finance, June 1992

AAII Model Portfolio | AAII

aaii.com/model-portfolios

Welcome to AAII Shadow Stocks

April Model Shadow Stock Portfolio Update

What a difference a year makes. We are now 12 months into the bull market run that is producing eye-popping performance numbers. The S&P 500 index as measured by the Vanguard 500 Index fund (VFINX) is up 56.2% over the last 12 months. The Vanguard Small Cap Index fund (NAESX) is up 87.5%, and the Model Shadow Stock Portfolio has gained 203.5% over the last 12 months.

Read more

Latest Journal Commentary:

Model Shadow Stock Portfolio Recovers Faster Than Market

What a difference a year makes. We are now 12 months into the bull market run that is producing eye-popping performance numbers. The S&P 500 index as measured by the Vanguard 500 Index fund (VFINX) is up 56.2% over the last 12 months. The Vanguard Small Cap Index fund (NAESX) is up 87.5%, and the Model Shadow Stock Portfolio has gained 203.5% over the last 12 months. Table 1 shows the portfolio's performance figures against these comparisons over various time periods. Table 2 shows the current holdings of the Model Shadow Stock Portfolio.

The Model Shadow Stock Portfolio gained 6.5% during March, bringing its year-to-date gain to 37.5%. In contrast, the S&P 500 as measured through the Vanguard 500 Index fund was up 4.4% in March and is up 6.2% year to date, while the Vanguard Small Cap Index fund gained 1.6% in March and is up 10.2% year to date through March. The DFA U.S. Micro Cap fund (DFSCX) was up 4.7% during March and is up 21.3% during the first quarter of the year.

Read more

Latest Shadow Stock Portfolio Alerts

COMPANY (TICKER)	ACTION	DATE
RCI Hospitality Holdings Inc. (RICK)	SELL	3/8/2021
Townsquare Media Inc. (TSQ)	SELL	3/8/2021
SIFCO Industries Inc. (SIF)	BUY	3/8/2021
Ultralife Corp. (ULBI)	BUY	3/8/2021

See Historical Alerts →

Shadow Stock Portfolio Performance

	YTD Return (%)	Annual Return (%)				Ann'l Std Dev (%)	3-Year Risk-Adj Ret (%)*
		1-Year	5-Year	10-Year	20-Year		
Shadow Stock Portfolio	37.5	203.5	15.5	13.8	16.4	36.7	12.2
Vanguard 500 Idx (VFINX)	6.2	56.2	16.1	13.8	8.3	18.1	16.1
Vanguard Small Cap Index (NAESX)	10.2	87.5	15.2	11.9	10.4	24.3	13.6

As of 3/31/2021

See Performance →

User's Guide

To help you start investing in your own Shadow Stock Portfolio, we created this User's Guide. Here you will find information about the strategy used for the Shadow Stock Portfolio, instructions on how to set up your initial portfolio, as well as how to follow the portfolio after setting it up and the rules for when to sell.

See User's Guide →

AAII American Association of Individual Investors

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aaii.com/model-portfolios/portfolio

AAII Model Shadow Stock Portfolio

Learn how stocks are chosen by studying the Shadow Stock Selection Rules.

Ordered By: Notes

Shadow Stock Holdings as of 4/9/2021.
Data delayed 15 min.

Excel Print

Company	Ticker	Current Price ($)	52-Week High ($)	52-Week Low ($)	Market-Cap Size ($ mil)	Price-Earnings Ratio (X)	Price-to-Book Ratio (X)	Rel Price Strgth (%)	Notes
Penn Virginia Corporation	PVAC	17.58	20.18	5.50	274.4	nmf	1.77	88	TTM adjusted earnings positive
Delta Apparel, Inc.	DLA	32.21	34.61	9.34	235.7	nmf	1.51	85	TTM adjusted earnings positive
Covenant Logistics Group Inc	CVLG	23.20	23.96	7.08	378.4	nmf	1.27	67	TTM adjusted earnings positive
VSE Corporation	VSEC	43.79	48.03	19.61	548.9	nmf	1.25	61	TTM adjusted earnings positive
Hooker Furniture Corporation	HOFT	37.94	39.98	12.47	457.2	nmf	1.70	53	TTM adjusted earnings positive
Hurco Companies, Inc.	HURC	34.50	38.83	24.06	224.8	nmf	0.95	39	TTM adjusted earnings positive
New Home Company Inc	NWHM	5.95	6.95	2.35	113.5	nmf	0.54	38	TTM adjusted earnings positive
Hibbett Sports, Inc.	HIBB	78.03	84.46	13.15	1292.0	15.0	3.17	87	Exceeds size limit Exceeds value limit
Hallador Energy Co	HNRG	2.13	2.46	0.60	68.7	nmf	0.38	94	Earnings probation 2020q4
Bassett Furniture Industries Inc.	BSET	30.31	37.00	5.07	335.1	nmf	1.94	88	Earnings probation 2020q2
CPI Aerostructures, Inc.	CVU	3.97	7.00	2.18	50.8	nmf	nmf	78	Earnings probation 2020q2
Key Tronic Corporation	KTCC	6.72	10.48	3.73	74.0	13.3	0.62	15	Currently qualifies Delayed 2020q4 filing
Strattec Security Corp.	STRT	44.34	67.28	12.51	171.1	19.0	0.94	57	Currently qualifies

AAII American Association of Individual Investors

AAII.com | Model Shadow Stock Portfolio | Shadow Stock Ideas | Updates | Journal Commentary | How-To

Shadow Stock Ideas

We run AAII's Shadow Stock selection methodology daily against a universe of over 6,000 stocks to uncover specific companies that meet our selection criteria.

Ordered By: Company

Passing Companies as of 5/18/2021.
Data delayed 15 min.

Excel | Print

Company	Ticker	Current Price ($)	52-Week High ($)	52-Week Low ($)	Market-Cap Size ($ mil)	Price-Earnings Ratio (X)	Price-to-Book Ratio (X)	Rel Price Strgth (%)	Industry	Held in Tracking Portfolio
Five Star Senior Living Inc	FVE	6.26	9.25	3.37	198.6	15.30	0.93	44	Healthcare Facilities & Services	
Key Tronic Corporation	KTCC	6.90	10.48	3.73	75.4	13.40	0.63	13	Computer Hardware	✓
Mesa Air Group Inc	MESA	10.30	17.40	2.80	383.4	11.30	0.78	92	Airlines	✓
NexPoint Real Estate Finance Inc	NREF	19.70	21.48	10.23	103.7	4.30	0.69	59	Real Estate Rental, Development & Operations	
Strattec Security Corp.	STRT	46.14	67.28	12.51	178.9	20.00	0.99	61	Auto, Truck & Motorcycle Parts	✓
Summit Midstream Partners LP	SMLP	23.78	33.75	8.85	160.2	0.40	0.19	89	Oil & Gas - Transportation Services	
VOXX International Corp	VOXX	14.55	27.78	4.64	346.9	14.00	0.90	61	Household Electronics	

Passing Companies as of 5/18/2021.
Data delayed 15 min.

Showing 1 to 7 of 7 entries

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Shadow Stock Portfolio Rules

> PURCHASE & SALES RULES
> STOCK ORDER RULES
> MANAGEMENT RULES

Purchase & Sales Rules

Stock purchases must meet these criteria:

- No bulletin board or pink sheet stocks will be purchased.
- Price-to-book-value ratio must be less than or equal to 1.00. If the price-to-book-value ratio moved up a bit since the stock was included in the portfolio, it is still OK to purchase the stock unless the ratio goes above 1.10. (This figure will change gradually with changes in overall market values.)
- Market capitalization must be between $30 million and $400 million. (This figure will change gradually with changes in overall market values.)
- The firm's last quarter and last 12 months' earnings from continuing operations must be positive and, if there are consensus earnings estimates, the estimates must be positive for the current quarter and year.
- No financial stocks or limited partnerships will be purchased.
- No stocks in the utility sector will be purchased.
- No stocks in the rental and leasing industry will be purchased.
- No stock on foreign exchanges or ADRs will be purchased because of different accounting and/or withholding tax on dividends. Foreign stocks traded on U.S. exchanges are OK with one exception: The stock of any company whose primary business is in China will not be purchased.
- The share price must be greater than $4.
- In order to reduce trading by avoiding stocks that are forever marginal, any stock that was sold within two years will not be rebought.
- Note second item under Stock Order Guidance concerning spreads when buying shares.
- Price-to-sales ratio must be less than 1.20. (This figure may change gradually with changes in overall market values.)
- Eliminate any company that failed to file a 10-Q (quarterly) report in the last six months.
- Price momentum is used as a tie-breaker among qualifying stocks. A ranking on the weighted four-quarter relative strength rank is used to rank qualifying candidates.

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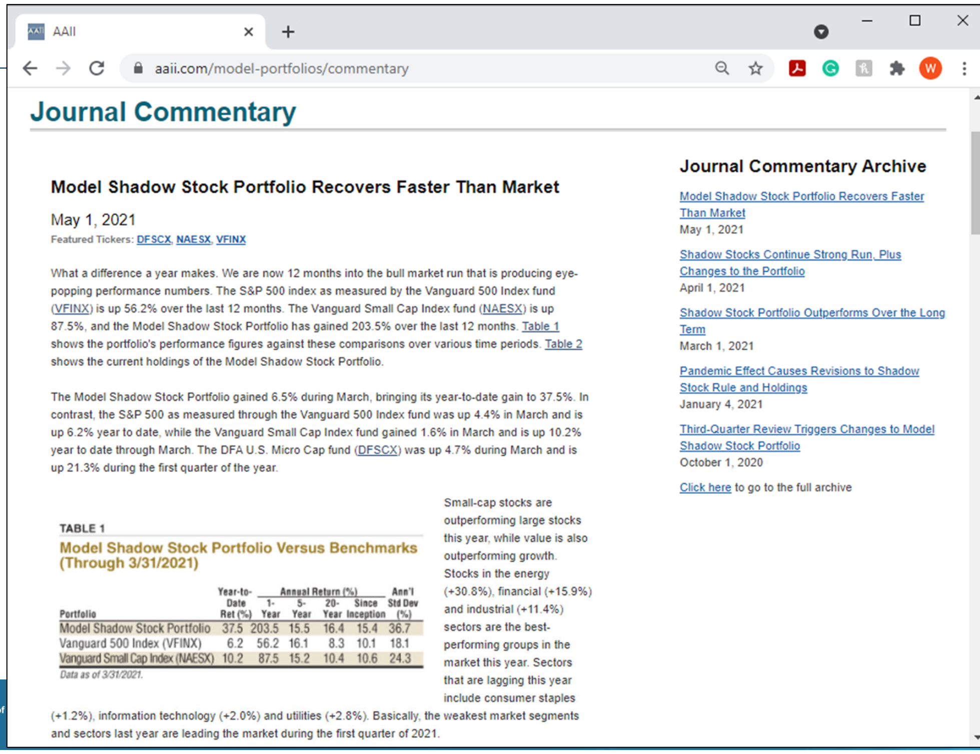

Journal Commentary

Model Shadow Stock Portfolio Recovers Faster Than Market

May 1, 2021

Featured Tickers: DFSCX, NAESX, VFINX

What a difference a year makes. We are now 12 months into the bull market run that is producing eye-popping performance numbers. The S&P 500 index as measured by the Vanguard 500 Index fund (VFINX) is up 56.2% over the last 12 months. The Vanguard Small Cap Index fund (NAESX) is up 87.5%, and the Model Shadow Stock Portfolio has gained 203.5% over the last 12 months. Table 1 shows the portfolio's performance figures against these comparisons over various time periods. Table 2 shows the current holdings of the Model Shadow Stock Portfolio.

The Model Shadow Stock Portfolio gained 6.5% during March, bringing its year-to-date gain to 37.5%. In contrast, the S&P 500 as measured through the Vanguard 500 Index fund was up 4.4% in March and is up 6.2% year to date, while the Vanguard Small Cap Index fund gained 1.6% in March and is up 10.2% year to date through March. The DFA U.S. Micro Cap fund (DFSCX) was up 4.7% during March and is up 21.3% during the first quarter of the year.

TABLE 1

Model Shadow Stock Portfolio Versus Benchmarks (Through 3/31/2021)

Portfolio	Year-to-Date Ret (%)	Annual Return (%) 1-Year	5-Year	20-Year	Since Inception	Ann'l Std Dev (%)
Model Shadow Stock Portfolio	37.5	203.5	15.5	16.4	15.4	36.7
Vanguard 500 Index (VFINX)	6.2	56.2	16.1	8.3	10.1	18.1
Vanguard Small Cap Index (NAESX)	10.2	87.5	15.2	10.4	10.6	24.3

Data as of 3/31/2021.

Small-cap stocks are outperforming large stocks this year, while value is also outperforming growth. Stocks in the energy (+30.8%), financial (+15.9%) and industrial (+11.4%) sectors are the best-performing groups in the market this year. Sectors that are lagging this year include consumer staples (+1.2%), information technology (+2.0%) and utilities (+2.8%). Basically, the weakest market segments and sectors last year are leading the market during the first quarter of 2021.

Journal Commentary Archive

Model Shadow Stock Portfolio Recovers Faster Than Market
May 1, 2021

Shadow Stocks Continue Strong Run, Plus Changes to the Portfolio
April 1, 2021

Shadow Stock Portfolio Outperforms Over the Long Term
March 1, 2021

Pandemic Effect Causes Revisions to Shadow Stock Rule and Holdings
January 4, 2021

Third-Quarter Review Triggers Changes to Model Shadow Stock Portfolio
October 1, 2020

Click here to go to the full archive

Dividend Investing

- Inception Date: 2012
- Equity Investment Style: Mid- and large-cap value
- # of Holdings: 24
- Average Market Cap: $90.4 billion ($8.6 billion to $388.5 billion)
- Total Risk Index: 1.19
- Average Annual Turnover: 27%
- Yield: 2.4% versus 1.2% for IYY
- Avg Ann'l Performance: 12.5% versus 14.1% for IYY
- Lead Analyst: Derek Hageman, MBA, AAII Financial Analyst

AAII: Dividend Investing

aaiidividendinvesting.com/home.cfm

AAII DIVIDEND INVESTING

AAII.com | DI Portfolio | DI Ideas | Dividend Grader | Weekly Update | Monthly Report | Resources | Articles

Welcome to AAII Dividend Investing

Weekly Update:

Three (Pillars) Is the Magic Number

The Three Dividend Investing Pillars: 1. Growth Trends

The 3 Dividend Investing Pillars

The May 2021 issue of the Dividend Investing (DI) newsletter is now available. Following the monthly review of the holdings in the Dividend Investing portfolio, using the rules established based on the DI strategy, none of the current DI holdings satisfied the deletion rules for May. However, the cash accumulated in the DI tracking portfolio from dividend payments and proceeds from prior stock deletions is being reinvested into existing DI holding Tyson Foods Inc. (TSN). Accumulated cash is reinvested in attractively priced, underweighted holdings as a means of rebalancing.

It is important to point out that there is no action required on your part regarding the "reinvestment" in Tyson Foods. This is an internal change based on the DI tracking portfolio's weightings, but we wanted to be transparent as to the workings of the portfolio.

Recent Portfolio Alerts

Portfolio Deletions

Company	Ticker	Alert Date	Sector: Industry
No portfolio deletions for May			

Portfolio Additions

Company	Ticker	Alert Date	Sector: Industry
No portfolio additions for May			

Purchase of Additional Shares with Excess Cash

Company	Ticker	Sector: Industry
Tyson Foods, Inc.	TSN	Consumer Non-Cyclicals: Food Processing

Portfolio Calendar for the Week of May 10, 2021

Stocks Trading Ex-Dividend

Company	Ticker	Quarterly Dividend Payment		
		Payment	Ex-Dividend	Payable
J M Smucker Co	SJM	$0.9000	Thu May 13, 2021	Tue Jun 1, 2021
Amgen, Inc.	AMGN	$1.7600	Fri May 14, 2021	Tue Jun 8, 2021

Stocks Scheduled to Make Dividend Payment

Company	Ticker	Quarterly Dividend Payment		
		Payment	Payable	Ex-Dividend
No stocks are scheduled to make dividend payment this week.				

Stocks Scheduled to Announce Earnings

Company	Ticker	Date and Time	EPS Estimate
Tyson Foods, Inc.	TSN	Mon May 10, 2021 BMO	$1.12 ($0.82 - $1.33)
AMC = after market close; BMO = before market open			

Recent Dividend Announcements

American Association of Individual Investors

AAII: Dividend Investing

aaiidividendinvesting.com/portfolio/index.cfm

Holdings | Performance | Dividend Payments | Dividend Analysis | Fundamentals | News

Click on the column headers to change the sort order.

Definitions | Excel Download | Printer-friendly Version

Company(Ticker)	Portfolio Alert		Current Price	Total Return Since Purchase	Div Yield	Market Cap (Mil)	Sector: Industry	Notes
	Date	Price						
International Business Machines Corp. (IBM)	10/02/15	$144.58	$143.70	23.5%	4.6%	$128,395	Technology: IT Services & Consulting	(5/7/21) International Business Machines Corp. (IBM)
Huntington Bancshares Incorporated (HBAN)	01/12/18	$15.85	$15.47	12.6%	3.9%	$15,749	Financials: Banks	News Archive for HBAN
Principal Financial Group Inc (PFG)	12/09/16	$60.30	$64.57	28.1%	3.8%	$17,564	Financials: Insurance - Life & Health	News Archive for PFG
Comerica Incorporated (CMA)	12/07/18	$74.03	$77.39	19.5%	3.5%	$10,804	Financials: Banks	News Archive for CMA
Walgreens Boots Alliance Inc (WBA)	06/07/19	$51.97	$53.77	10.1%	3.5%	$46,478	Consumer Non-Cyclicals: Retailers - Drug	News Archive for WBA
International Paper Co (IP)	04/04/14	$45.81	$62.23	80.3%	3.3%	$24,378	Basic Materials: Paper Packaging	News Archive for IP
PepsiCo, Inc. (PEP)	12/31/11	$66.35	$145.67	186.4%	3.0%	$201,262	Consumer Non-Cyclicals: Non-Alcoholic Beverages	(5/7/21) PepsiCo, Inc. (PEP)

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AAII: Dividend Investing

aaiidividendinvesting.com/ideas/index.cfm

Dividend Ideas

These listings of Dividend Investing Ideas show you the companies that pass our quantitative filters for consideration for the actual Dividend Investing portfolio. AAII's Dividend Investing identifies the best dividend investment opportunities by focusing on a select universe of well-financed companies that have a long history of earnings and dividend growth; positive free cash flow; reasonable valuations; and a solid outlook for both price appreciation and higher dividends in the future. Keep in mind that just because a company currently appears on these lists does not necessarily mean it will ever be added to the DI tracking portfolio.

Definitions | Printer-friendly Version

Company	Ticker	Price	Dividend Yield					Div Growth Rate (5 Yr)	Div Yield Valuation		Payout Ratio: EPS		Payout Ratio: FCFPS (12 mo)
			Current	1 Yr Ago	5 Yr Avg	5 Yr High Avg	5 Yr Low Avg		High	Low	12 Mo	5 Yr Avg	
Independent Bank Corp (Michigan)	IBCP	$22.89	3.7%	5.4%	3.0%	4.1%	2.4%	25.2%	$34.98	$20.71	24.1%	35.5%	27.0%
Mercantile Bank Corp.	MBWM	$32.15	3.6%	4.7%	2.9%	3.9%	2.4%	14.1%	$48.65	$29.58	38.5%	37.2%	47.4%
CVB Financial Corp.	CVBF	$21.68	3.3%	3.7%	2.9%	3.5%	2.5%	9.4%	$28.78	$20.87	48.1%	50.4%	65.2%
First Horizon Corp (Tennessee)	FHN	$18.41	3.3%	7.6%	3.1%	4.5%	2.4%	20.1%	$24.89	$13.33	30.8%	37.0%	12.9%
Associated Banc Corp	ASB	$22.71	3.2%	5.0%	2.9%	3.9%	2.4%	11.9%	$30.18	$18.55	33.0%	35.3%	16.2%
First Community Bankshares Inc	FCBC	$30.92	3.2%	4.7%	2.9%	3.7%	2.4%	13.1%	$41.76	$26.90	41.5%	43.8%	39.6%
Sierra Bancorp	BSRR	$27.08	3.1%	4.0%	2.7%	3.5%	2.2%	13.8%	$38.52	$23.75	31.8%	35.3%	28.6%
City Holding Company	CHCO	$78.57	3.0%	4.3%	2.9%	3.5%	2.5%	6.6%	$93.03	$65.60	45.5%	44.6%	54.9%
Cambridge Bancorp	CATC	$84.16	2.9%	4.4%	2.8%	3.4%	2.4%	3.5%	$101.21	$70.84	38.7%	41.3%	37.1%
Tompkins Financial Corporation	TMP	$79.42	2.7%	3.2%	2.5%	3.1%	2.1%	4.3%	$105.11	$69.11	33.0%	42.2%	30.2%

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AAII: Dividend Investing

aaiidividendinvesting.com/grader/index.cfm?ticker=DPZ

AAII Dividend Grader

Enter company or ticker | Evaluate

DI Snapshot | DI Scorecard

Domino's Pizza, Inc. (DPZ)

Price: $422.40 ▼ ($3.0400) | (0.71%)

Price as of: May 13, 2021 4:00 PM | EST Volume: 594,941

POWERED BY STOCK INVESTOR PRO

Dividend Pillars

	Now	9/30/2020	6/30/2020	12/31/2019
Dividend Valuation	C	D	D	C
Dividend Growth	A	A	A	A
Dividend Strength	D	D	C	D

Consumer Cyclicals : Restaurants & Bars
SECTOR: INDUSTRY

$16,399 (Mil)
MARKET CAP

0.9%
DIVIDEND YIELD

DIVIDEND VALUATION SCORE: 51

DIVIDEND VALUATION GRADE

C

Average

A	B	C	D	F
0-20 Deep Value	21-40 Value	41-60 Average	61-80 Expensive	81-100 Ultra Expensive

DIVIDEND GROWTH SCORE: 83

DIVIDEND GROWTH GRADE

A

Very Strong

A	B	C	D	F
81-100 Very Strong	61-80 Strong	41-60 Average	21-40 Weak	0-20 Very Weak

DIVIDEND STRENGTH SCORE: 36

DIVIDEND STRENGTH GRADE

D

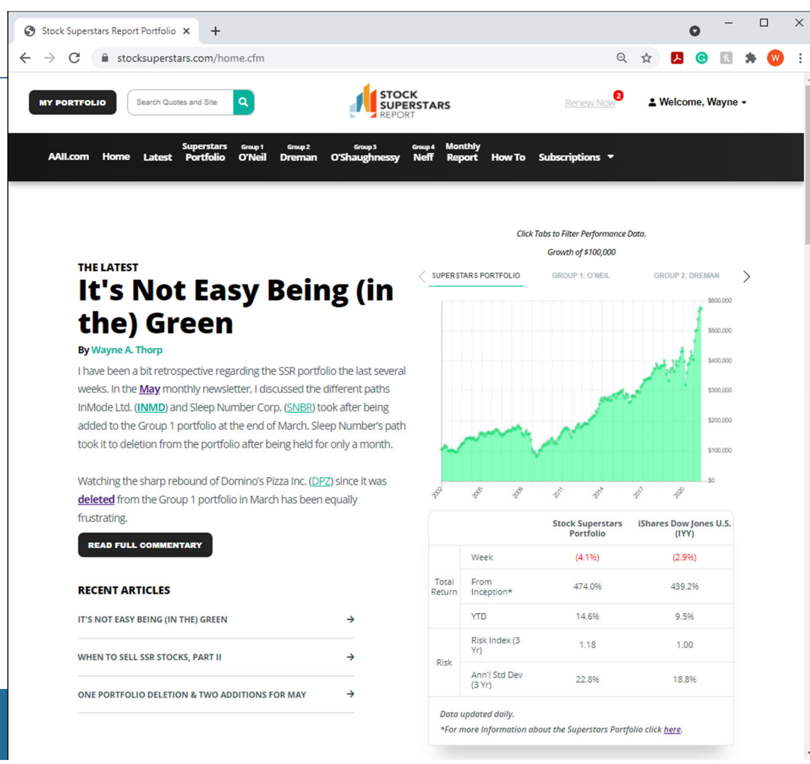
Weak

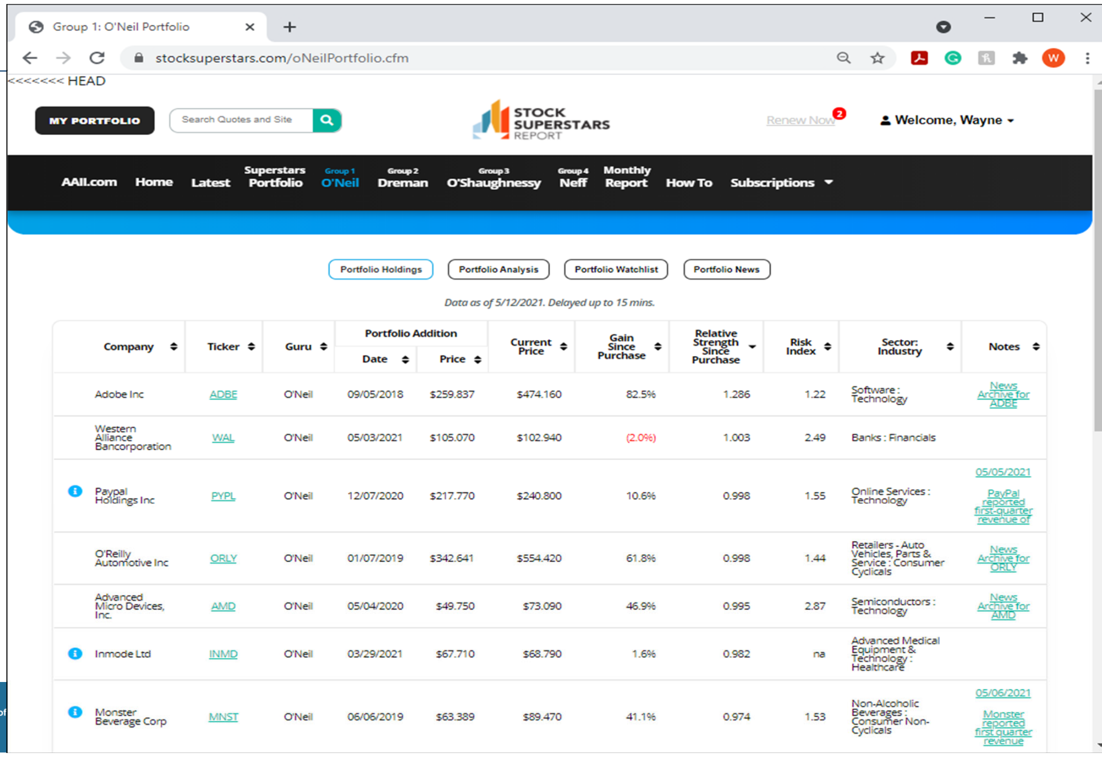
A	B	C	D	F
81-100 Very Strong	61-80 Strong	41-60 Average	21-40 Weak	0-20 Very Weak

American Association of Individual Investors

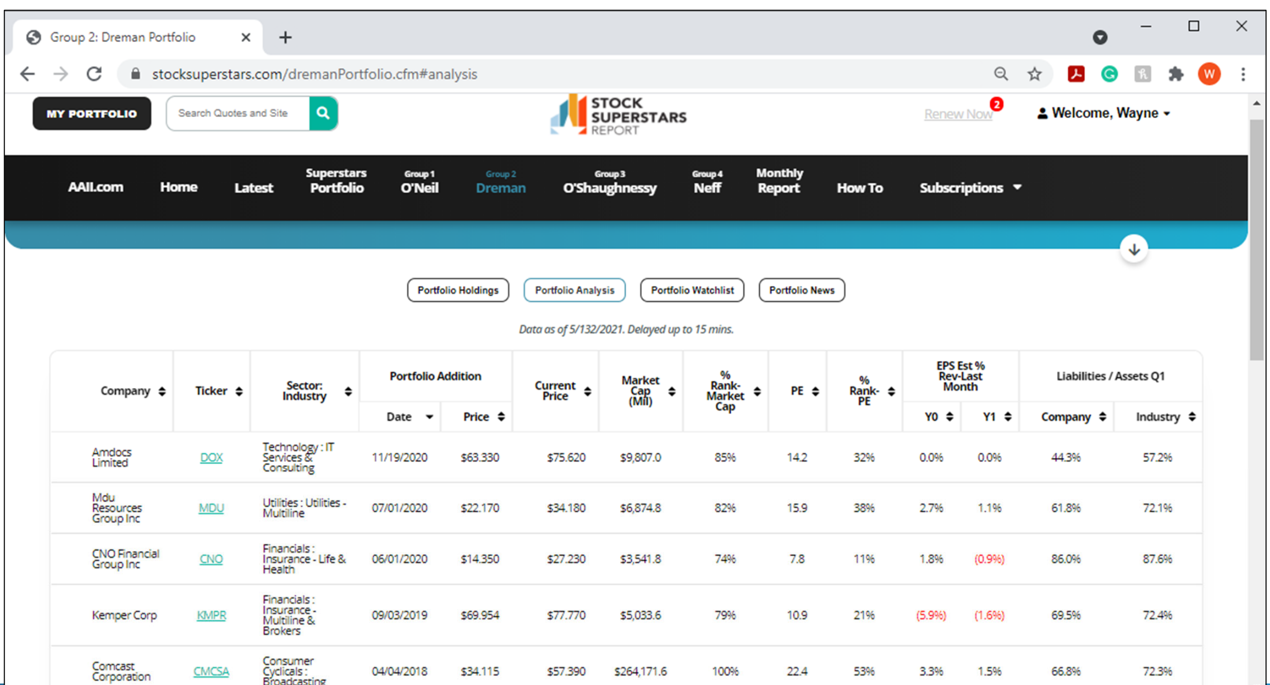
Stock Superstars Report

- Inception Date: 2002
- Equity Investment Style: 4 distinct guru-based strategies
  - William O'Neil (CAN SLIM): Strong/accelerating earnings growth and price momentum
  - David Dreman: Value and estimate revisions/surprises
  - James O'Shaughnessy: Factor-based: deep value, financial strength and earnings quality
  - John Neff: Contrarian value and fundamental growth
- # of Holdings: 40 (10 per portfolio group)
- Average Market Cap:
  - Group 1: $43.7B ($1.57B to $1.85T)
  - Group 2: $18.7B ($3.5B to $173.6B)
  - Group 3: $38.6B ($619.1M to $356.2B)
  - Group 4: $42.9B ($1.3B to $113.4B)
- Total Risk Index: 1.18
- Average Annual Turnover: 27%
- Yield: 1.3% versus 1.2% for IYY (29 of 40 holdings pay dividend)
- Avg Ann'l Performance: 9.6% versus 9.3% (IYY)
- Lead Analyst: Wayne A. Thorp, CFA, AAII Senior Financial Analyst





Company	Ticker	Guru	Portfolio Addition		Current Price	Gain Since Purchase	Relative Strength Since Purchase	Risk Index	Sector: Industry	Notes
			Date	Price						
Adobe Inc	ADBE	O'Neil	09/05/2018	$259.837	$474.160	82.5%	1.286	1.22	Software : Technology	News Archive for ADBE
Western Alliance Bancorporation	WAL	O'Neil	05/03/2021	$105.070	$102.940	(2.0%)	1.003	2.49	Banks : Financials	
Paypal Holdings Inc	PYPL	O'Neil	12/07/2020	$217.770	$240.800	10.6%	0.998	1.55	Online Services : Technology	05/05/2021 PayPal reported first-quarter revenue of
O'Reilly Automotive Inc	ORLY	O'Neil	01/07/2019	$342.641	$554.420	61.8%	0.998	1.44	Retailers - Auto Vehicles, Parts & Service : Consumer Cyclicals	News Archive for ORLY
Advanced Micro Devices, Inc.	AMD	O'Neil	05/04/2020	$49.750	$73.090	46.9%	0.995	2.87	Semiconductors : Technology	News Archive for AMD
Inmode Ltd	INMD	O'Neil	03/29/2021	$67.710	$68.790	1.6%	0.982	na	Advanced Medical Equipment & Technology : Healthcare	
Monster Beverage Corp	MNST	O'Neil	06/06/2019	$63.389	$89.470	41.1%	0.974	1.53	Non-Alcoholic Beverages : Consumer Non-Cyclicals	05/06/2021 Monster reported first quarter revenue



Company	Ticker	Sector: Industry	Portfolio Addition		Current Price	Market Cap (Mil)	% Rank-Market Cap	PE	% Rank-PE	EPS Est % Rev-Last Month		Liabilities / Assets Q1	
			Date	Price						Y0	Y1	Company	Industry
Amdocs Limited	DOX	Technology : IT Services & Consulting	11/19/2020	$63.330	$75.620	$9,807.0	85%	14.2	32%	0.0%	0.0%	44.3%	57.2%
Mdu Resources Group Inc	MDU	Utilities : Utilities - Multiline	07/01/2020	$22.170	$34.180	$6,874.8	82%	15.9	38%	2.7%	1.1%	61.8%	72.1%
CNO Financial Group Inc	CNO	Financials : Insurance - Life & Health	06/01/2020	$14.350	$27.230	$3,541.8	74%	7.8	11%	1.8%	(0.9%)	86.0%	87.6%
Kemper Corp	KMPR	Financials : Insurance - Multiline & Brokers	09/03/2019	$69.954	$77.770	$5,033.6	79%	10.9	21%	(5.9%)	(1.6%)	69.5%	72.4%
Comcast Corporation	CMCSA	Consumer Cyclicals : Broadcasting	04/04/2018	$34.115	$57.390	$264,171.6	100%	22.4	53%	3.3%	1.5%	66.8%	72.3%

Group 3: O'Shaughnessy Portfolio

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Portfolio Holdings | Portfolio Analysis | Portfolio Watchlist | Portfolio News

Data as of 5/132/2021. Delayed up to 15 mins.

Company	Ticker	Sector: Industry	Portfolio Addition		Current Price	Value Score	P/B	P/FCF	P/E	P/S	EV/EBITDA	Shareholder Yield	Financial Strength Score	Earnings Quality Score
			Date	Price										
Curo Group Holdings Corp	CURO	Financials : Consumer Lending	06/10/2020	$8.970	$14.210	14	3.69	1.8	9.8	0.77	8.6	1.4%	19	93
Navient Corp	NAVI	Financials : Consumer Lending	07/01/2020	$6.980	$17.160	15	1.11	5.3	3.5	1.65	77.5	12.4%	87	7
Zumiez Inc.	ZUMZ	Consumer Cyclicals : Retailers - Apparel & Accessories	02/04/2019	$24.806	$42.080	17	1.85	8.0	13.7	1.03	8.1	1.0%	94	61
Warrior Met Coal Inc	HCC	Basic Materials : Metals & Mining - Iron & Steel	05/04/2020	$11.390	$15.990	20	1.18	8.8	na	1.07	13.3	0.9%	46	87
NOW Inc	DNOW	Industrials : Industrial Machinery & Equipment	05/04/2020	$5.940	$10.890	22	1.74	6.9	na	0.87	na	(0.9%)	94	87

Group 4: Neff Portfolio

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Portfolio Holdings | Portfolio Analysis | Portfolio Watchlist | Portfolio News

Data as of 5/132/2021. Delayed up to 15 mins.

Company	Ticker	Sector: Industry	Portfolio Addition		Current Price	PE to Div Adj EPS Est Growth	Sales Growth 5 Yr	EPS Growth Est	Free Cash Flow/Share 12 Mo	Operating Margin 12 Mo	Industry Operating Margin 12 Mo	Operating Margin YT	Industry Operating Margin YT
			Date	Price									
Triton International Ltd	TRTN	Industrials : Business Support Services	09/03/2020	$36.290	$51.360	na	14.5%	na	$-5.41	47.2%	6.2%	44.2%	5.2%
Encore Capital Group, Inc.	ECPG	Financials : Corporate Financial Services	06/06/2019	$34.128	$42.480	na	5.7%	na	na	41.5%	32.5%	33.0%	27.2%
Applied Materials, Inc.	AMAT	Technology : Semiconductor Equipment & Testing	05/04/2020	$46.500	$119.920	1.23	12.2%	21.4%	$3.25	25.3%	13.3%	25.4%	12.1%
D. R. Horton Inc	DHI	Consumer Cyclicals : Homebuilding	12/10/2015	$33.453	$94.970	0.56	13.4%	18.1%	$3.56	16.8%	8.5%	14.7%	8.0%
Lockheed Martin Corporation	LMT	Industrials : Aerospace & Defense	08/03/2020	$377.620	$387.770	1.94	10.0%	5.1%	$10.88	13.2%	3.1%	13.2%	3.1%

Group 1: O'Neil Portfolio

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Data as of 5/13/2021. Delayed up to 15 mins.

Company	Ticker	Sector: Industry	Watchlist Alert		Current Price	Price as % of 52 Week High	% Rank-Rel Strength 52 week	Relative Strength From High	EPS Cont-Growth			EPS Increases 7yrs
			Date	Price					YoY Q1	YoY Q2	5Y	
Xpel Inc	XPEL	Consumer Cyclicals : Auto, Truck & Motorcycle Parts	02/19/2021	$54.920	$77.490	103.5%	96%	na	324.9%	32.1%	61.5	4
Medifast Inc	MED	Consumer Non-Cyclicals : Food Processing	12/04/2020	$204.810	$289.285	97.6%	88%	na	122.2%	39.0%	39.9	5
FedEx Corporation	FDX	Industrials : Freight & Logistics - Courier, Postal, Air Freight & Land	05/14/2021	$303.400	$306.764	96.8%	83%	na	178.8%	116.5%	6.1	4
Deere & Company	DE	Industrials : Heavy Machinery & Vehicles	05/14/2021	$378.110	$381.775	95.4%	86%	na	136.8%	11.5%	8.5	3
Steel Dynamics, Inc.	STLD	Basic Materials : Metals & Mining - Iron & Steel	05/14/2021	$63.670	$63.180	95.3%	85%	na	132.2%	58.0%	46.8	3
Fox Factory Holding Corp	FOXF	Consumer Cyclicals : Auto, Truck & Motorcycle Parts	05/14/2021	$152.610	$156.420	93.7%	82%	na	324.4%	30.4%	27.5	4

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Group 2: Dreman Portfolio

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Company	Ticker	Sector: Industry	Watchlist Alert		Current Price	Market Cap (Mil)	% Rank-Market Cap	PE	% Rank-PE	EPS Est % Rev-Last Month		Liabilities / Assets Q1	
			Date	Price						Y0	Y1	Company	Industry
Evercore Inc	EVR	Financials : Investment Banking & Brokerage Services	05/14/2021	$143.000	$147.385	$6,350.1	82%	13.5	29%	11.1%	6.5%	57.1%	85.8%
Investors Bancorp Inc	ISBC	Financials : Banks	05/14/2021	$14.850	$14.990	$3,551.6	74%	13.8	30%	5.2%	(0.9%)	89.3%	89.9%
Nu Skin Enterprises, Inc.	NUS	Consumer Non-Cyclicals : Personal Products	05/14/2021	$57.730	$58.370	$2,874.4	71%	13.8	30%	6.7%	4.2%	55.3%	58.6%
Tegna Inc	TGNA	Consumer Cyclicals : Broadcasting	05/14/2021	$19.410	$19.520	$4,139.5	76%	8.4	12%	5.3%	0.6%	68.8%	70.4%
Associated Banc Corp	ASB	Financials : Banks	01/29/2021	$17.940	$23.140	$3,415.3	74%	10.6	19%	16.1%	0.4%	88.1%	89.9%
M.D.C. Holdings, Inc.	MDC	Consumer Cyclicals : Homebuilding	12/04/2020	$48.520	$58.740	$3,902.6	76%	9.6	16%	11.5%	14.0%	49.5%	49.4%

Group 3: O'Shaughnessy Portfolio

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Company	Ticker	Sector: Industry	Watchlist Alert		Current Price	Value Score	P/B	P/FCF	P/E	P/S	EV/EBITDA	Shareholder Yield	Financial Strength Score	Earnings Quality Score
			Date	Price										
Bassett Furniture Industries Inc.	BSET	Consumer Cyclicals : Home Furnishings	05/14/2021	$30.310	$30.660	16	1.91	8.8	na	0.78	10.3	2.7%	97	83
Covenant Logistics Group Inc	CVLG	Industrials : Freight & Logistics - Ground	05/14/2021	$23.200	$23.405	15	1.33	29.1	na	0.46	5.3	2.2%	82	88
Dorel Industries Inc (USA)	DIIBF	Consumer Cyclicals : Home Furnishings	05/14/2021	$10.064	$10.380	5	0.65	3.0	19.4	0.11	3.7	(0.1%)	82	90
Enstar Group Ltd.	ESGR	Financials : Insurance - Multiline & Brokers	05/14/2021	$246.540	$247.400	3	0.80	1.5	2.2	1.68	2.8	(0.1%)	82	85
World Fuel Services Corp	INT	Energy : Oil & Gas - Refining and Marketing	05/14/2021	$31.970	$32.990	6	1.04	3.2	23.3	0.11	8.9	4.4%	86	89
Sportsman's Warehouse Holdings Inc	SPWH	Consumer Cyclicals : Retailers - Miscellaneous Specialty	05/14/2021	$0.000	$17.680	14	3.75	3.6	8.6	0.53	4.5	(0.8%)	99	84
Smith & Wesson Brands Inc	SWBI	Consumer Cyclicals : Recreational Products	05/14/2021	$19.760	$20.030	15	4.58	3.8	12.7	1.12	3.2	0.9%	93	85
Domtar Corp (USA)	UFS	Basic Materials : Paper Products	05/14/2021	$54.850	$54.880	14	1.40	18.2	na	0.88	7.6	4.6%	87	84
Community Health Systems Inc	CYH	Healthcare : Healthcare Facilities & Services	01/29/2021	$9.320	$13.980	10	na	0.9	4.0	0.15	10.4	(10.0%)	95	97

Group 4: Neff Portfolio

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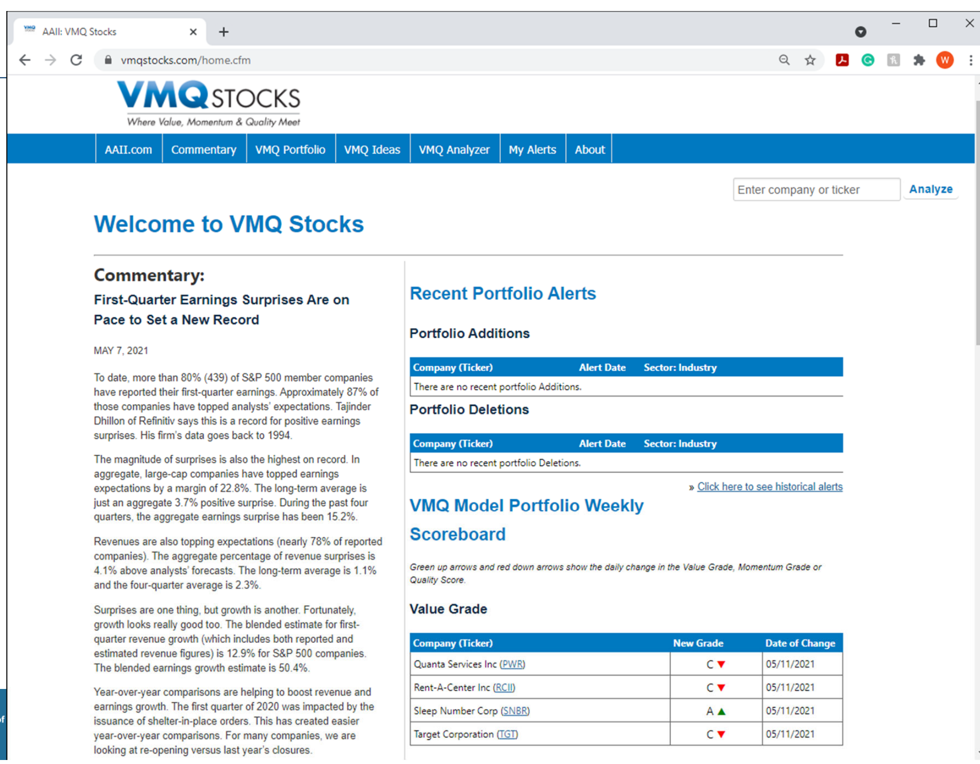
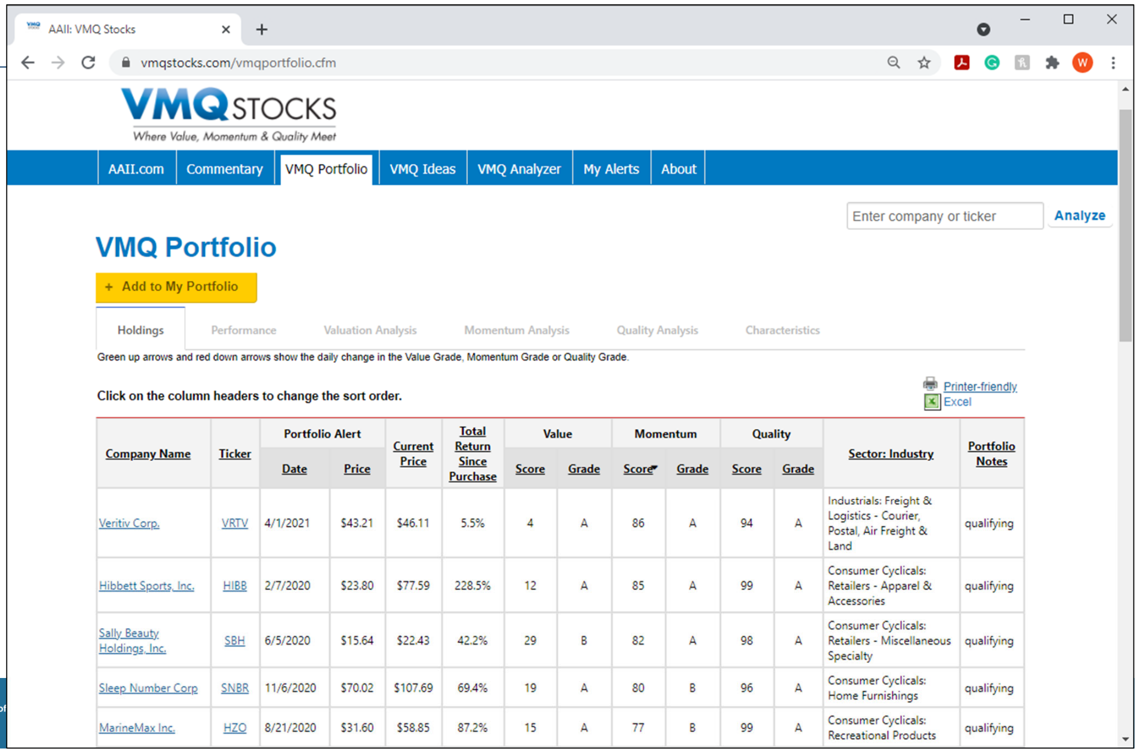
Company	Ticker	Sector: Industry	Portfolio Addition		Current Price	PE to Div Adj EPS Est Growth	Sales Growth 5yr	EPS Growth Est	Free cash flow/share 12m	Operating Margin 12m	Industry Operating Margin 12m	Operating Margin YT	Industry Operating Margin YT
			Date	Price									
CACI International Inc	CACI	Technology : IT Services & Consulting	05/14/2021	$258.860	$260.430	1.16	11.5%	13.7%	$23.29	9.4%	2.1%	8.0%	1.0%
Cincinnati Financial Corporation	CINF	Financials : Insurance - Property & Casualty	05/14/2021	$120.040	$119.980	0.43	7.9%	12.8%	$7.88	39.5%	11.4%	20.6%	9.0%
Ebix Inc	EBIX	Technology : Software	05/14/2021	$27.310	$28.220	0.82	18.7%	10.0%	$2.80	20.1%	(7%)	20.1%	(7.3%)
Humana Inc	HUM	Healthcare : Managed Health care	05/14/2021	$455.950	$451.560	1.18	7.3%	13.2%	$21.79	6.5%	5.3%	6.5%	4.1%
Graphic Packaging Holding Company	GPK	Basic Materials : Paper Packaging	07/10/2020	$14.030	$19.320	1.15	9.5%	18.3%	$3.00	7.1%	5.3%	5.7%	4.4%

VMQ Stocks

- Inception Date: 2018
- Equity Investment Style: Factor-based strategy looking for attractive value, strong momentum and high quality
- # of Holdings: 20
- Average Market Cap: $10.9 billion ($110 million to $104.1 billion)
- Total Risk Index: 1.55
- Average Annual Turnover: 32%
- Yield: 0.5% versus 1.2% for IYY (9 of 20 holdings pay dividend)
- Avg Ann'l Performance: 11.4% versus 15.3% for IYY
- Lead Analyst: Charles Rotblut, CFA, AAII Journal Editor





AAII: VMQ Stocks

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Holdings | Performance | Valuation Analysis | Momentum Analysis | Quality Analysis | Characteristics

Green up arrows and red down arrows show the daily change in the Value Grade, Momentum Grade or Quality Grade.

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Click on the column headers to change the sort order.

Company Name	Ticker	Portfolio Alert		Current Price	Total Return Since Purchase	Value		Momentum		Quality		Sector: Industry	Portfolio Notes
		Date	Price			Score	Grade	Score	Grade	Score	Grade		
Veritiv Corp.	VRTV	4/1/2021	$43.21	$46.11	5.5%	4	A	86	A	94	A	Industrials: Freight & Logistics - Courier, Postal, Air Freight & Land	qualifying
Hibbett Sports, Inc.	HIBB	2/7/2020	$23.80	$77.59	228.5%	12	A	85	A	99	A	Consumer Cyclicals: Retailers - Apparel & Accessories	qualifying
Sally Beauty Holdings, Inc.	SBH	6/5/2020	$15.64	$22.43	42.2%	29	B	82	A	98	A	Consumer Cyclicals: Retailers - Miscellaneous Specialty	qualifying
Sleep Number Corp	SNBR	11/6/2020	$70.02	$107.69	69.4%	19	A	80	B	96	A	Consumer Cyclicals: Home Furnishings	qualifying
MarineMax Inc.	HZO	8/21/2020	$31.60	$58.85	87.2%	15	A	77	B	99	A	Consumer Cyclicals: Recreational Products	qualifying

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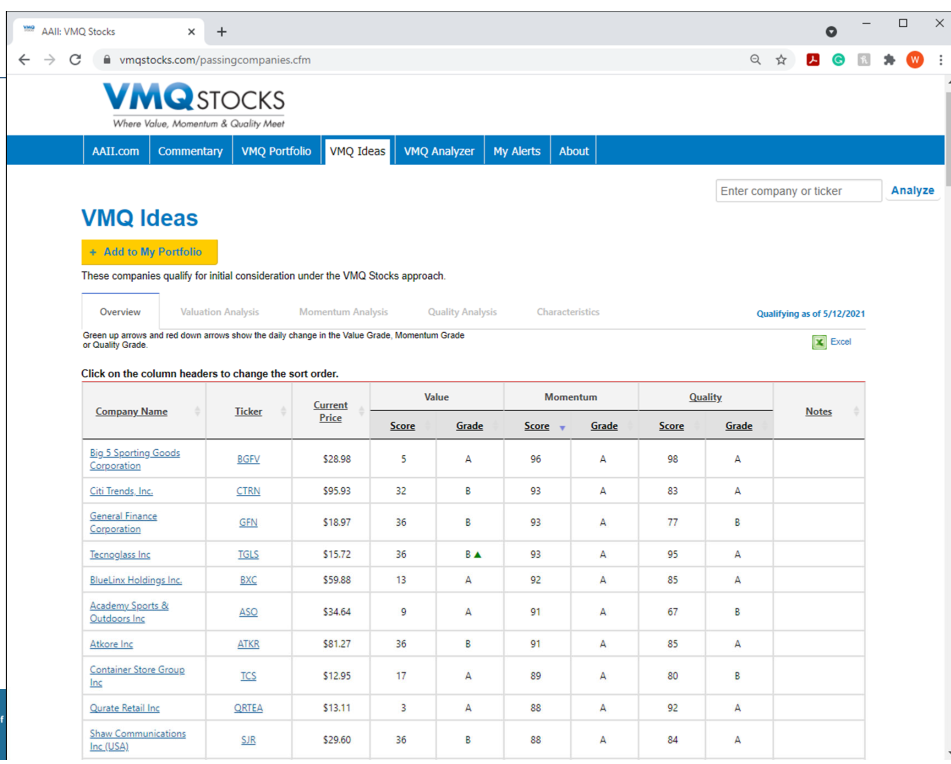

AAII: VMQ Stocks

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These companies qualify for initial consideration under the VMQ Stocks approach.

Overview | Valuation Analysis | Momentum Analysis | Quality Analysis | Characteristics

Qualifying as of 5/12/2021

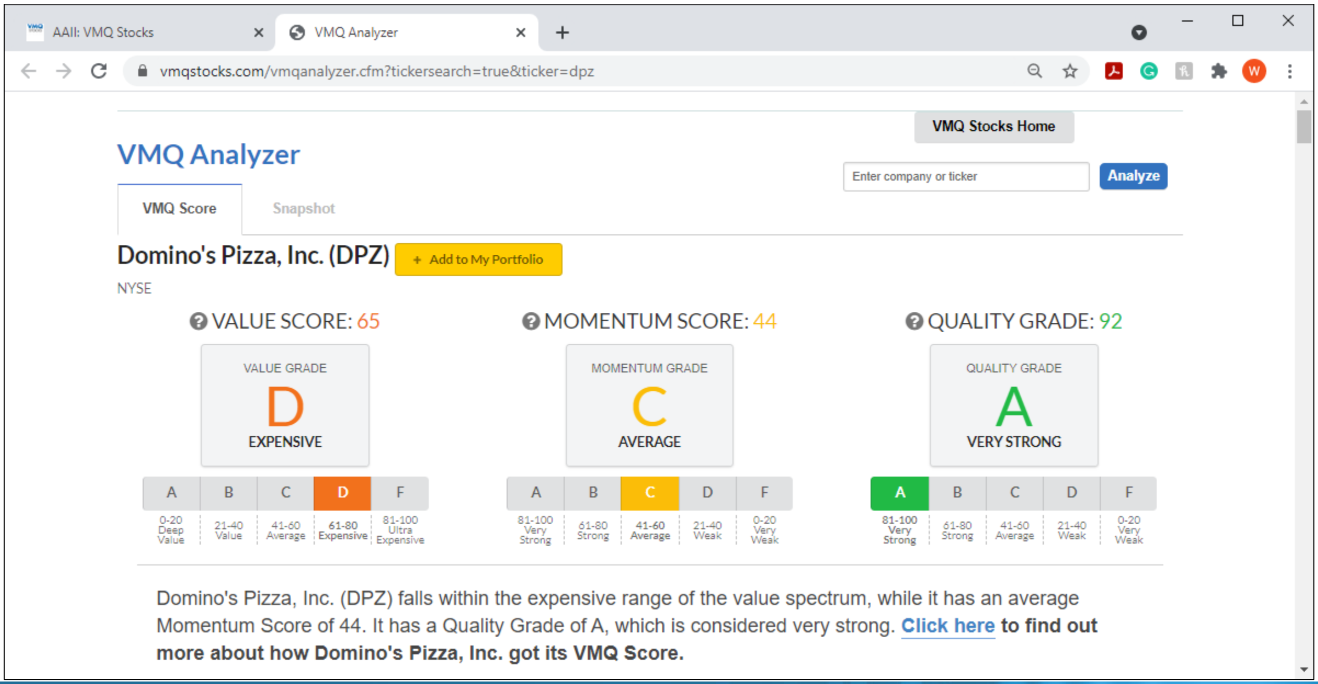
Green up arrows and red down arrows show the daily change in the Value Grade, Momentum Grade or Quality Grade.

Excel

Click on the column headers to change the sort order.

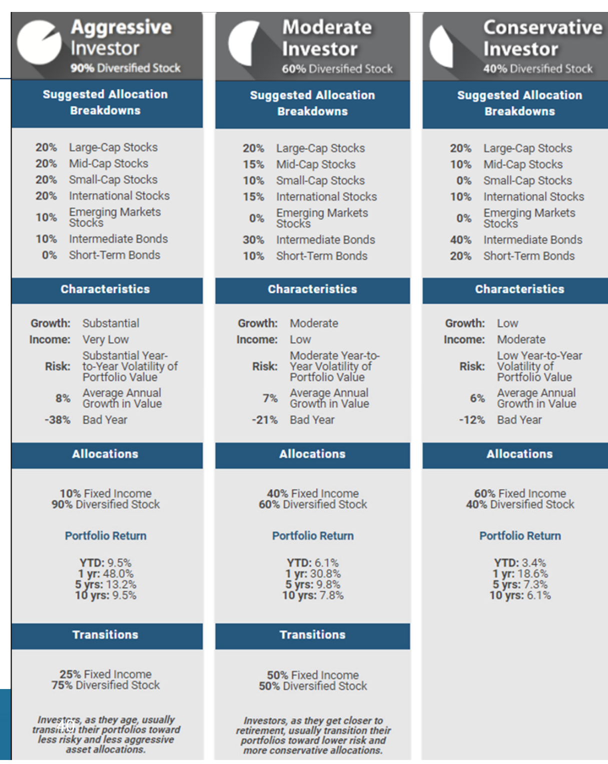
Company Name	Ticker	Current Price	Value		Momentum		Quality		Notes
			Score	Grade	Score	Grade	Score	Grade	
Big 5 Sporting Goods Corporation	BGFV	$28.98	5	A	96	A	98	A	
Citi Trends, Inc.	CTRN	$95.93	32	B	93	A	83	A	
General Finance Corporation	GFN	$18.97	36	B	93	A	77	B	
Tecnoglass Inc	TGLS	$15.72	36	B ▲	93	A	95	A	
BlueLinx Holdings Inc.	BXC	$59.88	13	A	92	A	85	A	
Academy Sports & Outdoors Inc	ASO	$34.64	9	A	91	A	67	B	
Atkore Inc	ATKR	$81.27	36	B	91	A	85	A	
Container Store Group Inc	TCS	$12.95	17	A	89	A	80	B	
Qurate Retail Inc	QRTEA	$13.11	3	A	88	A	92	A	
Shaw Communications Inc (USA)	SJR	$29.60	36	B	88	A	84	A	

American Association of Individual Investors



AAII Asset Allocation Models

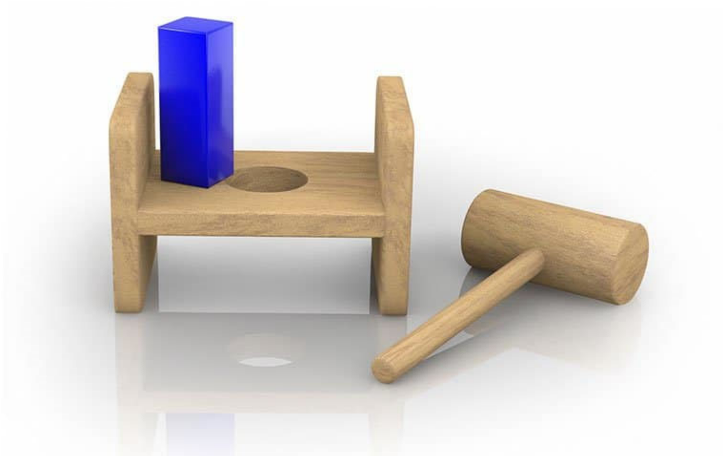
www.aaii.com/asset-allocation



Linking Model Stock Portfolios & Asset Allocation Models

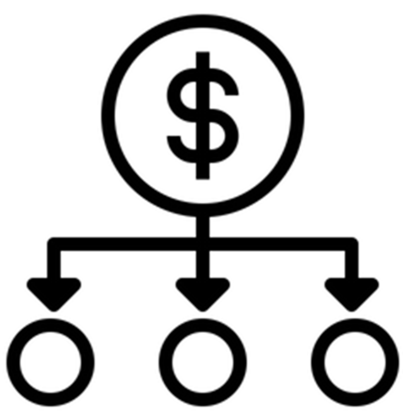
- Large-Cap
  - Dividend Investing
  - Stock Superstars Report Groups 1, 2, 3 & 4
  - VMQ Stocks
- Mid-Cap
  - Dividend Investing
  - Stock Superstars Report Groups 1, 2, 3 & 4
  - VMQ Stocks
- Small-Cap
  - Shadow Stock Portfolio
  - Stock Superstars Report Groups 1, 3 & 4
  - VMQ Stocks

Finding the "Best Fit" For You Among AAII Model Stock Portfolios



- Model Shadow Stock Portfolio
  - Looking to capitalize on long-term outperformance of micro-cap value
  - Long(er)-term time horizon
  - Willingness to accept sharp drawdowns (downside volatility)
- VMQ Stocks
  - Interested in factor-based strategy involving value, momentum and quality
- Dividend Investing
  - Looking for dividend income & growth
  - Looking for lower volatility & willing to accept long-term "underperformance" associated with it
- Stock Superstars Report
  - Looking to mimic the strategies of Wall Street "superstars" that outperform the market in the long run

The Benefits of Following Multiple Strategies



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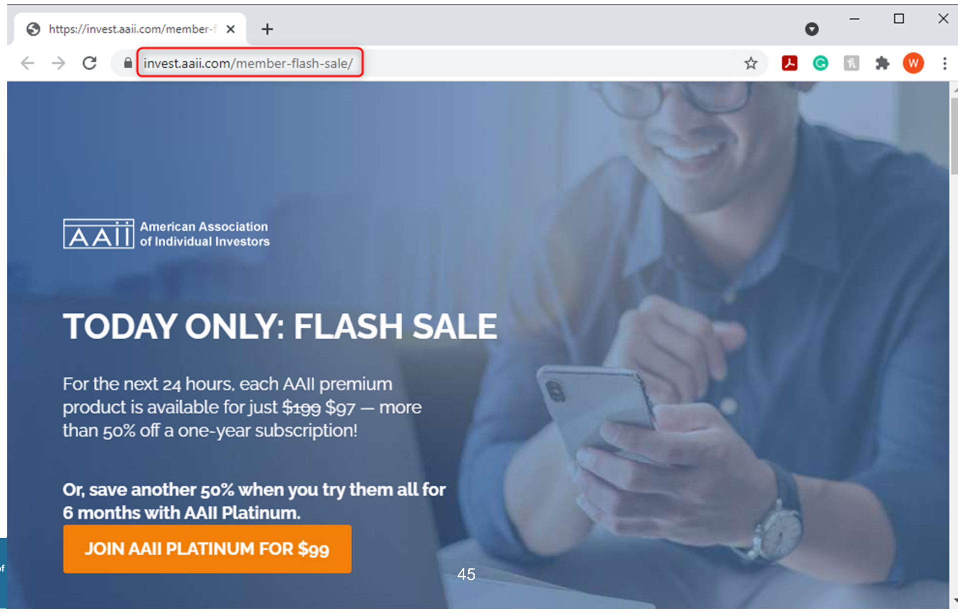

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AAII Individual Investor Show: Leisure Stocks With Life, Screen for Dividend Stocks and AAII Club Privacy
Wednesday, May 26, 2021, 7:30 p.m. (Central)

Investing Like a Stock Superstar: SSR Open House
Wednesday, June 2, 2021, 7:30 p.m. (Central)
Hosted by Wayne A. Thorp, CFA, SSR Lead Analyst