

# Dividend Strength Portfolio, Series 42

## Investment Objective

The Dividend Strength Portfolio, Series 42 (Trust) seeks to provide dividend income coupled with long-term capital appreciation.

## Key Considerations

- **Dividend Growth:** The selected stocks have, on average, increased their dividends by approximately 15% each year over 10 years.<sup>2</sup> While dividend growth levels may not be maintained, the portfolio offers the potential for attractive dividend income.
- **Access Quality Companies:** The portfolio offers access to predominately large-cap companies that Guggenheim believes to be well managed with strong balance sheets, durable business models, and stable earnings.
- **Buffer Against Volatility:** Dividend growth stocks tend to be of higher quality than those of the broader market and may provide a level of stability to an investor's overall portfolio during periods of market volatility.<sup>3</sup>

<sup>1</sup> Bloomberg, 4.30.2021.

<sup>2</sup> FactSet, 5.20.2021.

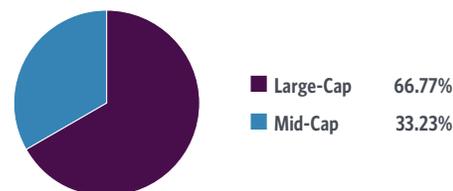
<sup>3</sup> S&P Dow Jones Indices: A Case for Dividend Growth Strategies, August 2020.

**Past performance does not guarantee future results.** There is no guarantee that these trends and projections will continue or come to fruition and they are subject to change.

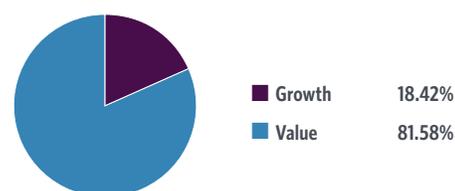
## Portfolio Allocation

Breakdown and weightings are as of 5.21.2021 and subject to change.

### CAPITALIZATION BREAKDOWN



### STYLE BREAKDOWN

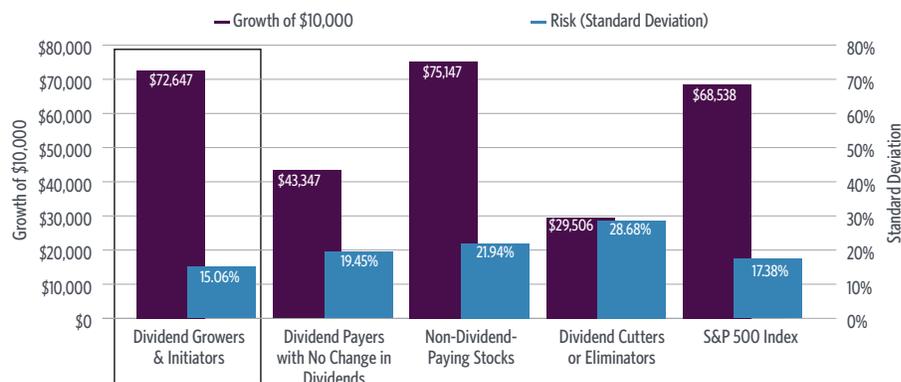


## Dividend Growers: Outperformance with Less Risk

Over the past 20 years, dividends have accounted for approximately 40% of the market's total return.<sup>1</sup> Dividend growers—companies that have historically shown a consistent track record of raising dividends—tend to outperform the broader market over longer periods of time with less risk, as shown in the chart below.

To offer investors convenient access to quality-oriented dividend growers, Guggenheim offers the Dividend Strength Portfolio—a portfolio of predominately large-cap companies with strong balance sheets that have increased their dividends year-over-year as of the security selection date.

### S&P 500® COMPANIES BY DIVIDEND POLICY - GROWTH OF \$10,000 & RISK



**Past performance is no guarantee of future results.** Source: Ned Davis Research & Guggenheim, 4.30.2001-4.30.2021. A company's dividend policy is determined by its indicated annual dividend. A stock is classified as a dividend-paying stock if the company indicates that it is going to be paying a dividend within the year. Dividend-paying stocks are further classified into one of three categories based on changes to their dividend policy over the previous 12 months. **Dividend Growers and Initiators** are defined as companies that have increased their dividend anytime in the last 12 months. Once an increase occurs, it remains classified as a grower for 12 months or until another change in dividend policy. **Dividend Payers with No Change in Dividends** are those companies that have maintained their existing indicated annual dividend for the last 12 months. **Dividend Cutters and Eliminators** are defined as companies that have lowered or eliminated their dividend anytime in the last 12 months. Once a decrease occurs, it remains classified as a cutter for 12 months or until another change in dividend policy. A stock is classified as a **Non-Dividend Payer** if the stock's indicated annual dividend is zero. **Standard Deviation** is a measure of historical volatility that indicates the degree to which an investment's returns fluctuate around its average return. Generally, a higher standard deviation indicates a more risky investment.

## PORTFOLIO HOLDINGS

Holdings, breakdown, and weightings are as of 5.21.2021 and subject to change.

Symbol	Company Name	Symbol	Company Name
<b>Communication Services (3.33%)</b>		<b>Industrials (16.67%)</b>	
VZ	Verizon Communications, Inc.	MMM	3M Company
<b>Consumer Discretionary (3.36%)</b>		CMI	Cummins, Inc.
BBY	Best Buy Company, Inc.	GD	General Dynamics Corporation
<b>Consumer Staples (13.28%)</b>		ITW	Illinois Tool Works, Inc.
CL	Colgate-Palmolive Company	UPS	United Parcel Service, Inc.
HSY	Hershey Company	<b>Information Technology (6.63%)</b>	
SYU	Sysco Corporation	AVGO	Broadcom, Inc.
WMT	Walmart, Inc.	CSCO	Cisco Systems, Inc.
<b>Energy (3.33%)</b>		<b>Materials (6.69%)</b>	
CVX	Chevron Corporation	APD	Air Products and Chemicals, Inc.
<b>Financials (20.09%)</b>		EMN	Eastman Chemical Company
ALL	Allstate Corporation	<b>Real Estate (6.63%)</b>	
BLK	BlackRock, Inc.	FRT	Federal Realty Investment Trust
FITB	Fifth Third Bancorp	MAA	Mid-America Apartment Communities, Inc.
JPM	JPMorgan Chase & Company	<b>Utilities (13.37%)</b>	
PNC	PNC Financial Services Group, Inc.	AEP	American Electric Power Company, Inc.
PRU	Prudential Financial, Inc.	EIX	Edison International
<b>Health Care (6.62%)</b>		EVRG	Eergy, Inc.
JNJ	Johnson & Johnson	SRE	Sempra Energy
MRK	Merck & Company, Inc.		

# Dividend Strength Portfolio, Series 42

## PORTFOLIO SUMMARY

Inception Date	5.24.2021
Termination Date	5.24.2023
Initial Offer Price	\$10.00
Number of Issues	30
Historical Annual Dividend Distribution <sup>5</sup>	\$0.2332
Distributions	25th day of each month commencing on 6.25.2021, if any

## TICKETING INFORMATION

CUSIP (cash payment)	40176Y547
CUSIP (reinvestment accounts)	40176Y554
CUSIP (fee-cash)	40176Y562
CUSIP (fee-reinvest)	40176Y570
Ticker	CGROQX

## SALES CHARGES

Sales Charge (S/C) is based on a \$10 per unit offering price.

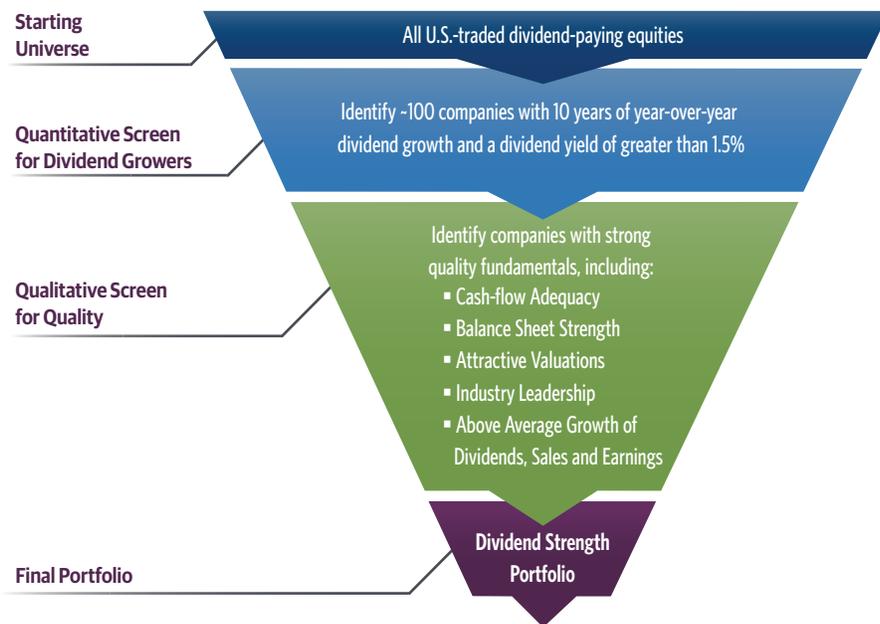
Standard Accounts	Amount Per Unit	Percentage of Public Offering Price
Deferred S/C <sup>6</sup>	\$0.225	2.25%
Creation and Development (C&D) Fee	\$0.050	0.50%
<b>Total S/C</b>	<b>\$0.275</b>	<b>2.75%</b>
Fee/Wrap Accounts <sup>7</sup>		
Creation and Development (C&D) Fee	\$0.050	0.50%
<b>Total S/C</b>	<b>\$0.050</b>	<b>0.50%</b>

<sup>5</sup>The Historical Annual Dividend Distribution (HADD) is as of the day prior to trust deposit and subject to change. There is no guarantee the issuers of the securities included in the Trust will declare dividends or distributions in the future. **Due to the negative economic impact across many industries caused by the recent COVID-19 outbreak, certain issuers of the securities included in the Trust may elect to reduce the amount of, or cancel entirely, dividends and/or distributions paid in the future. As a result, the HADD figure will likely be higher, and in some cases significantly higher, than the actual distribution rate achieved by the Trust.** The HADD of the securities included in the Trust is for illustrative purposes only and is not indicative of the Trust's distribution rate. The HADD is the weighted average of the trailing twelve-month distributions paid by the securities included in the portfolio and is reduced to account for the effects of fees and expenses, which will be incurred when investing in the Trust. The HADD will vary due to certain factors that may include, but are not limited to, a change in the dividends paid by issuers, a change in Trust expenses or the sale or maturity of securities in the portfolio.

<sup>6</sup>The deferred sales charge (DSC) is a fixed amount and will be deducted in monthly installments on the last business day commencing September 2021 and ending November 2021 or upon early redemption. For unit prices other than \$10, percentages of C&D fees, and DSCs will vary but in no event will the maximum sales charge (S/C) exceed the total S/C. Early redemption of units will still cause payment of the DSC. However, an initial sales charge, which is equal to the difference between the maximum S/C and the sum of any remaining deferred S/C charges and C&D, will be charged if the price paid for units exceeds \$10 per unit.

<sup>7</sup>For unit prices other than \$10, percentage of the C&D fee will vary.

## Security Selection



The Dividend Strength Portfolio, Series 42 is a Unit Investment Trust.

**INDEX DEFINITIONS:** The S&P 500® Index is an equal-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

**RISK CONSIDERATIONS:** As with all investments, you may lose some or all of your investment in the Trust. No assurance can be given that the Trust's investment objective will be achieved. The Trust also might not perform as well as you expect. This can happen for reasons such as these: • Securities prices can be volatile. The value of your investment may fall over time. Market value fluctuates in response to various factors. Changes in legal, political, regulatory, tax and economic conditions may cause fluctuations in markets and securities prices, which could negatively impact the value of the Trust. Events such as war, terrorism, natural and environmental disasters and the spread of infectious illnesses or other public health emergencies may adversely affect the economy, various markets and issuers. Recently, the outbreak of a novel and highly contagious form of coronavirus ("COVID-19") has adversely impacted global commercial activity and contributed to significant volatility in certain markets. Many governments and businesses have instituted quarantines and closures, which has resulted in significant disruption in manufacturing, supply chains, consumer demand and economic activity. The potential impacts are increasingly uncertain, difficult to assess and impossible to predict, and may result in significant losses. Any adverse event could materially and negatively impact the value and performance of trust and the Trust's ability to achieve its investment objectives. • Share prices or dividend rates on the securities in the Trust may decline during the life of the Trust and there is no guarantee that the issuers of the securities will declare dividends in the future and, if declared, whether they will remain at current levels or increase over time. • The Trust invests significantly in the financial sector. The factors that impact the financial sector will likely have a greater effect on this Trust than on a more broadly diversified trust. The profitability of companies in the financial sector is largely dependent upon the availability and cost of capital which may fluctuate significantly in response to changes in interest rates and general economic developments. Financial sector companies are subject to the adverse effects of economic recession, decreases in the availability of capital,

volatile interest rates, portfolio concentrations in geographic markets and in commercial and residential real estate loans, and competition from new entrants in their fields of business. • The Trust invests in securities issued by mid-cap companies, which may have limited product lines, markets or financial resources and may be more vulnerable to adverse general market or economic developments. These securities customarily involve more investment risk than securities of large-capitalization companies. • The Trust may be susceptible to potential risks through breaches in cybersecurity. • The Trust is subject to risks arising from various operational factors and their service providers. Although the Trust seeks to reduce operational risks through controls and procedures, there is no way to completely protect against such risks. • Inflation may lead to a decrease in the value of assets or income from investments. **Please see the Trust prospectus for more complete risk information.**

Unit Investment Trusts are fixed, not actively managed and should be considered as part of a long-term strategy. Investors should consider their ability to invest in successive portfolios, if available, at the applicable sales charge. UITs are subject to annual fund operating expenses in addition to the sales charge. Investors should consult an attorney or tax advisor regarding tax consequences associated with an investment from one series to the next, if available, and with the purchase or sale of units. Guggenheim Funds Distributors, LLC does not offer tax advice.

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**Read the Trust's prospectus carefully before investing. It contains the Trust's investment objectives, risks, charges, expenses and other information, which should be considered carefully before investing. Obtain a prospectus at [GuggenheimInvestments.com](http://GuggenheimInvestments.com).**

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