



## **Dividend Detective Highlights**

**DividendDetective.com**

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### **Welcome to the April 2013 Edition of Dividend Detective Highlights**

Highlights includes the most popular features of Dividend Detective: the Monthly Commentary, Sample Portfolios, the Top 50 Highest Dividend Yielding Stocks, the Dividend Scoreboard, Dividend Hotshots, and “D.D. At a Glance,” which lists all followed stocks and funds, including current yields and our buy/sell recommendations.

#### **Important Info on Premium Members Site**

Highlights includes **only a smattering of the information available to Premium subscribers on the Dividend Detective site.** Although we give you our buy/sell recommendations in Highlights, we don’t have room to fill you in on our analysis that led to those ratings. However, that important information is readily available for each stock or fund in its home portfolio on the Premium Members site.

Thus, for best results, use Highlights as a guide to point to specific sections of the Premium site that interest you.

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#### **Question & Comments**

For comments or questions about Dividend Detective contents, please contact us directly at (800) 276-7721 or by e-mail at: [support@dividenddetective.com](mailto:support@dividenddetective.com).

#### **Tell Us What You Think**

Your comments and suggestions have proved invaluable in helping us develop and improve Dividend Detective. Please keep those suggestions coming.

*Thanks for subscribing.*

*Harry Domash*

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# DIVIDEND DETECTIVE HIGHLIGHTS

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## April 2013 Commentary

### Review of March 2013 Results and This Month's Changes

#### GOOD MONTH OVERALL - DIVIDEND STOCKS KEPT PACE

With the S&P 500 up 4%, March was a good month for the market, and our dividend stocks more or less kept pace.

Our Growth & Income Sample Portfolio averaged a 4% return for the month, and our Conservative and High Yield/Speculative portfolios returned 3%.

Eight of our 19 Industry and Specialty portfolios beat the S&P, one tied, and 10 fell short. Here are last month's and year-to-date returns for them, as well as for our Sample Portfolios.

<u>Portfolio</u>	<u>Avg. Returns</u>	
	<u>Last Month</u>	<u>YTD</u>
<b>Energy: General Partners</b>	10%	23%
<b>Rural Telecom</b> (single stock)	8%	5%
<b>Utilities</b>	7%	16%
<b>US Real Estate Investment Trusts</b>	6%	17%
<b>Manufacturing &amp; Services</b>	5%	16%
<b>Regional Banks</b>	5%	12%
<b>Insurance Industry</b>	5%	13%
<b>CEF Growth Opportunities</b>	5%	13%
<b>Dividend Speculators</b>	4%	8%
<b>Partnerships: Energy</b>	3%	22%
<b>Preferred Stocks</b>	2%	4%
<b>Business Development Corps.</b>	1%	12%
<b>Canada Real Estate Investment Tr.</b>	1%	4%
<b>Monthly Paying Closed-End Funds</b>	0%	5%
<b>ETF Monthly Income</b>	0%	0%
<b>Oil Industry</b>	-1%	15%
<b>Large Banks</b>	-1%	0%
<b>Canada Stocks</b>	-2%	3%
<b>Partnerships: Ex-Energy</b>	-2%	12%
<b>Sample #1: Conservative</b>	3%	10%
<b>Sample #2: Growth &amp; Income</b>	4%	19%
<b>Sample #3: High Yield/Speculative</b>	3%	11%
<b>S&amp;P 500</b>	4%	10%

**Energy General Partners**, the portfolio made up of corporations that control various natural gas pipeline Master Limited Partnerships (MLPs), up 10% for the month, did the best.

Our **Rural Telecom** portfolio, which includes only one stock, Hickory Tech (HTCO), returned 8%. Hickory, which recorded 18% December quarter year-over-year revenue growth, is the only regional telecom that is growing revenues at all, much less at double-digit rates.

**Utilities**, up 7% for the month, were also a good place to be.

#### On the Downside

Oil refineries, fixed income (bond funds), and Canadian stocks in general suffered last month. Here's why.

**Refiners** are facing a double whammy; higher costs for ethanol, which is required to be blended in gasoline in increasing volumes next year, and tougher purposed limits on gasoline sulfur content, which would require expensive new equipment. We're advising against adding to positions in our two Oil Industry portfolio refiners pending further developments.

Despite the Fed's announced intention to keep interest rates low, fears abound that the strengthening U.S. will lead to higher interest rates, which, in turn, could sink bond prices. Last month, those fears pressured the share prices of **closed-end funds holding bonds** in their portfolios. We don't share those fears and we're still advising adding to all fixed-income funds.

The **Canadian economy** is heavily dependent on natural gas and crude oil production. With U.S. production of those commodities on the rise, concerns about declining demand for Canadian commodities sunk Canadian stocks last month. Time will tell if that trend continues. In the meantime, we're advising against adding to positions in Canadian common stocks, but we're still advising adding to Canadian REITs.

#### NEW BUYS, SELLS & DO NOT ADDS

**Growth & Income Sample Portfolio:** Replace Valero (VLO) with H&Q Life Sciences (HQL)

**Preferred Stocks:** Buy PartnerRe 5.875% Series F Non-Cumulative (PRE-F) and TravelCenters of America 8.25% Senior Notes (TANN).

**Closed-End Funds:** Buy BlackRock MuniAssets (MUA)

**Partnerships Ex-Energy:** Buy Carlyle Group (CG)

**Regional Banks:** Buy New York Community Bancorp (NYCB) and Valley National Bancorp (VLY), both upgraded from "do not add."

**Preferreds Stocks:** Sell KKR Financial Holdings 8.375% Senior Notes (KFH) and Montpelier Re 8.875% Series A (MRH-A).

**Closed-End Funds:** Sell BlackRock Long-Term Muni Advantage (BTA)

**Manufacturing & Services:** Sell H.J. Heinz (HNZ)

**Preferred Stocks:** Do not add to Raymond James 6.90% Senior Notes (RJD)

**Canada Stocks:** Do not add to Liquor Stores (LIQ.TO), Morneau Shepell (MSI.TO), and Student Transportation (STB)

Here are the details.

## SAMPLE (MODEL) PORTFOLIOS

We offer three Sample Portfolios, each containing seven securities. Pick one or more portfolios and invest equal dollar amounts in each of the seven securities. Don't "cherry pick." Every portfolio has its stars and clunkers, but you can't know which is which in advance. Every few months, check the dollar value of your holdings and rebalance if necessary.

When we replace an existing pick, we suggest that you do the same. However, if the security being replaced is still "buy" rated in its home portfolio, it's your option whether or not to sell it, assuming that you have additional funds available.

### Conservative Portfolio (3.1% return)

Six of our seven picks recorded gains. Utility NextEra Energy (NEE), up 8%, did the best. First Trust/Aberdeen Emerging Opportunities (FEO), a closed-end fund that invests in emerging market debt, at breakeven for the month, trailed the pack.

### Growth & Income Portfolio (3.8% return)

Energy MLP general partner Targa Resources (TRGP), up 11%, and shipping container company TAL International (TAL), up 7%, did the best. Shoe retailer Foot Locker (FL) and oil refiner Valero Energy (VLO), both at breakeven, were the laggards.

Given the outlook for oil refineries, we're replacing Valero in this portfolio with H&Q Life Sciences (HQL), a closed-end fund focusing on biotech and pharmaceutical makers. Valero is "do not add" rated in its home Oil Industry portfolio.

### High Yield/Speculative (2.6% return)

Amusement park operator Six Flags Entertainment (SIX) and healthcare industry REIT Omega Healthcare Investors (OHI), both up 9%, led the way. Triangle Capital Resources (TCAP), a Business Development Company, dropped 6% on analyst downgrades. AllianceBernstein Global High Income (AWF), a fixed-income closed-end fund, down 3%, was the only other loser.

## PREFERRED STOCKS

**PORTFOLIO RETURNS: LAST MONTH 1.5%, YEAR TO DATE 4.1%**

Aspen Insurance (AHL-B), up 4%, did the best. Pennsylvania REIT (PEI-A), at breakeven, was the laggard.

### New Picks

PartnerRe is a major reinsurance provider based in Bermuda. It offers property & casualty reinsurance services (insures the insurance companies) in 150 countries. **PartnerRe 5.875% Series F Non-Cumulative** (PRE-F) preferreds are credit-rated BBB by S&P. Recent price \$25.00, market yield 5.9%. Yield to 3/1/18 call 5.9%. Dividends subject to 15%/20% maximum personal income tax, but fully taxable if held by corporations.

TravelCenters of America operates travel centers located on major highways. The centers feature gas stations, full-service and fast food restaurants, and retail stores selling travel related merchandise. **TravelCenters of America 8.25% Senior Notes** (TANN) are not credit rated, so they are suitable for speculative money only. Recent price \$25.70, market yield 8.0%. Yield to 1/15/16 call 7.1%.

### Sells

KKR Financial Holdings 8.375% Senior Notes (KFH) and

Montpelier Re 8.875% Series A (MRH-A) preferreds recently traded at 14% and 12% above their call prices. These double-digit premiums cut yield to calls down to unacceptable levels, and worse, signal significant downside risk.

### Do Not Adds

Goldman Sachs' Group, 6.125% Notes (GSF)

Raymond James 6.90% Senior Notes (RJD)

Both no longer meet our minimum "yield to call" requirements, which is 4% for investment quality preferreds. We're not necessarily advising selling because small share price drops could bring their yields back into the "buy" range.

## CEF GROWTH OPPORTUNITIES

**PORTFOLIO RETURNS: LAST MONTH 5.1%, YEAR TO DATE 13.3%**

H&Q Life Sciences (HQL), up 11%, and Nuveen Diversified Dividend & Income (JDD), up 4%, did the best. First Trust/Aberdeen Emerging Opportunities (FEO) broke even.

Looking at the underlying net asset values (per-share value of fund's holdings), the portfolio averaged a 2.6% gain, meaning that, on average, share prices moved up slightly more than the value of each fund's holdings.

## MONTHLY-PAYING CLOSED-END FUNDS

**PORTFOLIO RETURNS: LAST MONTH 0.4%, YEAR TO DATE 5.9%**

Reeves Utility Income (UTG), up 5%, and Guggenheim Strategic (GOF), up 4%, were the leaders. BlackRock Muni Holdings (MUH), down 5%, and AllianceBernstein High Income (AWF) and BlackRock Long-Term Muni Advantage (BTA), both down 3% were our biggest losers.

Our portfolio's underlying net asset values (NAV) averaged a 1.4% gain. Looking at our Muni funds, in terms of NAV, both dropped less than 1%.

### Replacing BlackRock Long-Term Muni Advantage

If interest rates rise as predicted, Muni bond prices could drop. You can minimize those losses by focusing on funds holding shorter-term bonds. The downside is that such funds produce lower returns if interest rates don't rise. With that in mind, we are replacing one of our two Muni bond funds, BlackRock Long-Term Muni Advantage (BTA), with BlackRock MuniAssets (MUA), which holds shorter-term bonds. MuniAssets pays a 5.5% yield and has returned 10.4% over the past 12-months.

If you think that interest rates are headed higher, we advise replacing BlackRock Long-Term Muni Advantage with BlackRock Muni Assets. If not, we're advising replacing Long-Term Muni Advantage with BlackRock Muni Holdings, which has produced higher returns.

## ETF MONTHLY INCOME (EXCHANGE-TRADED FUNDS)

**PORTFOLIO RETURNS: LAST MONTH 0.2%, YEAR TO DATE 0.3%**

iShares U.S. Preferreds (PFF), up 1.1% did the best. iShares Emerging Markets (EMB), down 0.9%, did the worst.

## CORPORATE BONDS

Most of our bonds made small moves, generally less than 1%.

Surprisingly considering worries about rising interest rates hurting bonds, most of the price moves were up, not down.

## **BUSINESS DEVELOPMENT CORPORATIONS (BDCs)**

**PORTFOLIO RETURNS: LAST MONTH 0.5%, YEAR TO DATE 12.2%**

KCAP Financial (KCAP), up 6%, did the best. Main Street Capital (MAIN) gained 1%, but Triangle Capital Resources (TCAP) dropped 6%.

Main Street reported strong December quarter growth in all categories. Triangle Capital recorded modest growth numbers and KCAP Capital reported mixed December quarter results.

Based on valuation, two analysts downgraded Triangle to “market perform” from “buy,” which likely accounted for Triangle’s weak price action.

Main Street raised its monthly dividend by 3%.

## **ENERGY: GENERAL PARTNERS**

**PORTFOLIO RETURNS: LAST MONTH 10.0%, YEAR TO DATE 22.7%**

Crosstex Energy (XTXI), up 16%, and Targa Resources (TRGP), up 11%, led the way. Williams (WMB) gained 9% and Kinder Morgan (KMI) returned 4%.

Crosstex formed a new company, “E2,” that will offer natural gas compression services for producers working in the Utica Shale play in Ohio. Williams plans to build a plant in Alberta, Canada to convert propane to “polymer-grade propylene,” which is used to make plastics.

## **PARTNERSHIPS: ENERGY (MASTER LIMITED PARTNERSHIPS)**

**PORTFOLIO RETURNS: LAST MONTH 3.1%, YEAR TO DATE 21.7%**

Exterran Partners (EXLP), up 11%, and Global Partners (GLP) and MarkWest Energy Partners (MWE), both up 6%, did the best. Crestwood Midstream (CMLP), down 5%, and Calumet Specialty Products (CLMT), down 3%, were our only losers.

Global Partners reported all around strong December quarter growth numbers.

Calumet sold 6 million new units at \$37.50 per unit, and Crestwood sold 5.2 million new units at \$23.90 per unit.

## **INSURANCE INDUSTRY**

**PORTFOLIO RETURNS: LAST MONTH 3.0%, YEAR TO DATE 7.5%**

Arthur J. Gallagher (AJG), up 7%, led the way. Cincinnati Financial (CINF) rose 6% and OneBeacon (OB) gained 3%.

## **LARGE BANKS**

**PORTFOLIO RETURNS: LAST MONTH -1.3%, YEAR TO DATE 0.2%**

Bank of Nova Scotia (BNS) dropped 1% and Canadian Imperial Bank (CM) lost 2%.

Bank of Nova Scotia reported strong January growth numbers, and increased its quarterly dividend by 5%.

## **MANUFACTURING & SERVICES**

**PORTFOLIO RETURNS: LAST MONTH 4.8%, YEAR TO DATE 16.1%**

Genuine Parts (GPC), up 11%, and Six Flags Entertainment (SIX), up 9%, were the leaders. Foot Locker (FL) at breakeven and H.J. Heinz (HNZ), up 1%, were the laggards.

Foot Locker announced mostly strong January quarter results, however same store sales growth lagged previous quarters.

Foot Locker plans to close its 22 CCS skateboard stores and convert the operation to online only. Since Foot Locker operates 3,300 stores, the CCS closure won’t move the needle much.

Genuine Parts exercised its option to acquire the 70% interest in Australian auto parts distributor Exego Group that it didn’t already own for \$800 million.

### **Sell Heinz**

Its acquisition by Berkshire Hathaway could be completed as soon as this month.

## **OIL INDUSTRY**

**PORTFOLIO RETURNS: LAST MONTH -1.1%, YEAR TO DATE 14.5%**

SeaDrill (SDRL), up 2%, and Chevron (CVX), up 1%, were the leaders. Valero (VLO) broke even and HollyFrontier (HFC) dropped 7%.

### **Don’t Add to HollyFrontier & Valero Energy**

Refinery stocks were hurt by concerns that higher ethanol costs would sink profit margins. Also, Valero said that a new EPA rule requiring lower sulfur content of gasoline would require around \$350 million in new equipment and would “incur additional operating costs each year.” Short-term, both stocks are likely to remain under pressure. We’re advising against adding to positions pending further developments.

## **PARTNERSHIPS: EX-ENERGY**

**PORTFOLIO RETURNS: LAST MONTH -2.3%, YEAR TO DATE 11.9%**

Blackstone Group (BX) gained 5%, America First Tax Exempt (ATAX) returned 1%, but Rentech Nitrogen Partners (RNF) dropped 13%.

Due to unexpected plant outages, Rentech Nitrogen reported disappointing December quarter results. Worse, because Rentech has scheduled plant shutdowns for upgrades, it expects to pay lower distributions this year (\$2.60/unit vs. \$3.30/unit in 2012). But, because of those plant upgrades, Rentech expects to increase production, and hence cash flow, substantially in 2014.

America First reported strong December quarter revenue growth, but earnings and cash flow numbers fell short of year-ago.

Blackstone’s Pinnacle Foods unit filed plans with the SEC for an IPO. Same thing for Blackstone’s Ellington Residential Mortgage unit, which would go public as a REIT.

### **New Pick**

We’re adding private equity firm Carlyle Group (CG) to the portfolio. Founded in 1987, Carlyle, which went public in May 2012, is a global alternative asset manager with more than \$170 billion under management. We’re estimating the next 12-month’s yield at 6.8% and we expect around 25% annual dividend growth.

## **REAL ESTATE INVESTMENT TRUSTS (REITs)**

**PORTFOLIO RETURNS: LAST MONTH 5.6%, YEAR TO DATE 17.3%**

American Realty Capital Properties (ARCP), up 12%, and Omega Healthcare (OHI), up 9%, did the best. Home Properties (HME)



and STAG Industrial (STAG), both up 2%, were the laggards.

American Realty Capital made an unsolicited (hostile) offer to buy an unlisted but bigger REIT, Cole Credit Property Trust III, but Cole rejected the offer.

American Realty Capital increased its monthly dividend by 1% starting with its June payout.

## REGIONAL BANKS

**PORTFOLIO RETURNS: LAST MONTH 5.0%, YEAR TO DATE 11.7%**

New York Community (NYCB) gained 6% and Valley National (VLY) returned 4%.

### Okay to Add to Small Banks

The economy is picking up and we're again advising adding to positions in small banks.

## RURAL TELECOMS

**PORTFOLIO RETURNS: LAST MONTH 4.8%, YEAR TO DATE 8.1%**

Single portfolio holding Hickory Tech (HTCO) returned 8%.

Hickory Tech reported strong December quarter growth in all categories except for landline revenues, which fell 10%. Even with that drop, overall revenues rose 18% vs. year-ago.

## UTILITIES

**PORTFOLIO RETURNS: LAST MONTH 6.7%, YEAR TO DATE 15.5%**

CenterPoint Energy (CNP), up 12%, did the best. Dominion Resources (D) and Southern Company (SO), although both up 4%, were the laggards.

CenterPoint made a deal with two partners to create a new master limited partnership that would own interstate natural gas pipelines in Oklahoma, Texas, Arkansas and Louisiana. CenterPoint will own 59% of the new venture.

## DIVIDEND SPECULATORS

**PORTFOLIO RETURNS: LAST MONTH 3.7%, YEAR TO DATE 7.9%**

New pick GEO Group (GEO), up 9%, and Sun Communities (SUI), up 7%, were the stars. Telular (WRLS) gained 1% and Golar LNG (GLNG) dropped 2%.

Sun Communities combined the 30 plus RV communities that it owns under a single brand, "Sun RV Resorts." That's a smart move that opens up all sorts of marketing opportunities. In fact, there is no other nationwide RV community brand.

Short-term concerns about liquefied natural gas shipping rated continued to pressure Golar LNG share price last month. Long-term though, Golar's outlook remains strong.

Sun sold 5.750 million new shares at 5.25 per share. GEO Group raised another \$300 million to build more prisons by selling unsecured 5.125% notes.

## CANADA STOCKS

**PORTFOLIO RETURNS: LAST MONTH -2.4%, YEAR TO DATE 2.5%**

Reflecting the weak Canadian stock market in March, all of our picks lost ground. Liquor Stores (LIQ.TO) and Student Transportation (STB) lost 2% and Morneau Shepell (MSI.TO) fell 3%.

Liquor Stores and Morneau Shepell both reported higher December quarter revenues but earnings and cash flow below year-ago numbers. In both instances, higher expenses caused the shortfalls.

### Do Not Add

We're advising against adding to positions in all three picks until the Canadian stock market improves.

## CANADA REAL ESTATE INVESTMENT TRUSTS

**PORTFOLIO RETURNS: LAST MONTH 0.8%, YEAR TO DATE 1.5%**

Artis REIT (AX.UN) and Calloway REIT (CWT.UN) both gained 1%.

Artis raised \$100 million by selling 400 million preferred shares for \$25.

Calloway's CEO quit unexpectedly for "family reasons."

Thanks for subscribing. *Harry Domash*  
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## DIVIDEND SCOREBOARD

Condensed Version: sorted by one-month returns

Sector	12-Mo % Rtrn	YTD % Rtrn	1-Mo % Rtrn
Energy Ptnr: Natural Gas Storage	43	24	13
Utilities	22	19	11
Pharmaceuticals & Biotech	23	15	7
Business Services & Products	15	15	6
Shipping: Dry Bulk & Containers	-6	22	6
Leisure & Recreation	27	16	6
Insurance	24	12	6
Aerospace	12	5	6
Canada: Energy Pipelines	18	7	6
Energy Ptnr: Liquefied Natural Gas (LNG)	8	13	5
Media & Advertising	28	21	5
MLP General Partners	26	20	5
REITs: Property, Ex-Lodging & Lumber	31	17	5
Telecom: US Based	18	9	4
REITs: Lumber & Paper	36	15	4
Canada Energy E&P	-31	3	4
Tobacco	9	10	4
Canada: Restaurants	20	10	3
REITs: Lodging	18	12	3
Energy Partnerships: Pipelines	17	17	3
Shipping: Oil Tankers	-22	4	3
Food Processing	25	15	3
Energy Ptnr: Exploration & Production	0	9	3
REITs: Mortgage	32	15	3
Technology: Components	-11	0	3
Retail	8	15	2
Partnerships: Ship Owners	4	15	2
Canada: Healthcare	-2	12	2
Medical Device & Testing	22	12	2
Chemicals	10	10	2
Restaurants	14	9	2
Canada: Telecom	14	6	2
Canada: Energy Refining & Marketing	53	6	2
Energy Partners: Misc	42	25	2
Technology: IT Software & Systems	2	9	1
Energy Ptnr: Propane/Heating Oil	29	15	1
Energy: Services	16	7	1
Emerging Markets Ex-China	21	9	1
Energy Partnerships: Coal	11	9	1

## DIVIDEND HOTSHOTS

HIGH DIVIDEND PAYERS WITH SOLID DIVIDEND GROWTH TRACK  
RECORDS THAT ARE EXPECTED TO CONTINUE THEIR WINNING WAYS.

	Yld.	Ann. Div.		Yld.	Ann. Div.
AHGP .... Alliance Holdings GP .....	5.7	2.96	<b>MAIN .... Main Street Capital .....</b>	6.0	1.86
ARLP .... Alliance Resource Partners .....	7.0	4.43	<b>MWE .... MarkWest Energy Partners .....</b>	5.7	3.28
APU ..... AmeriGas Partners .....	7.3	3.20	MCY ..... Mercury General .....	6.5	2.45
T ..... AT&T. ....	4.8	1.80	NYMT .... New York Mortgage Trust .....	15.0	1.08
BWP ..... Boardwalk Pipeline Partners .....	7.4	2.13	<b>OHI ..... Omega Healthcare Investors .....</b>	5.7	1.80
BBEP .... BreitBurn Energy Partners .....	9.5	1.88	OKS ..... Oneok Partners .....	5.1	2.84
BPL ..... Buckeye Partners .....	7.1	4.15	PBCT .... People's United Financial .....	4.9	0.64
CODI ..... Compass Diversified Holdings .....	9.2	1.44	PPL ..... PPL Corporation .....	4.8	1.47
<b>CMLP .... Crestwood Midstream Partners .....</b>	8.7	2.04	O ..... Realty Income Corp .....	4.8	2.18
DLR ..... Digital Realty Trust .....	4.7	3.12	RGC ..... Regal Entertainment Group .....	5.1	0.84
EPB ..... El Paso Pipeline Partners .....	5.7	2.44	RAI ..... Reynolds American .....	5.3	2.36
EEP ..... Enbridge Energy Partners .....	7.3	2.17	SNH ..... Senior Housing Properties Trust .....	5.9	1.56
<b>EXLP .... Exterran Partners .....</b>	7.6	2.05	<b>TAL ..... TAL International Group .....</b>	5.9	2.56
<b>GLP ..... Global Partners .....</b>	6.5	2.28	NGLS .... Targa Resources Partners .....	6.0	2.72
HEP ..... Holly Energy Partners .....	4.7	1.88	TE ..... TECO Energy .....	5.0	0.88
KED ..... Kayne Anderson Energy Development .....	6.8	1.74	TLP ..... TransMontaigne Partners .....	5.5	2.56
KMP ..... Kinder Morgan Energy Partners .....	5.8	5.16	UBSI .... United Bankshares .....	4.8	1.24
LGCY .... Legacy Reserves .....	8.4	2.28	VNR ..... Vanguard Natural Resources .....	8.7	2.43
LMT ..... Lockheed Martin .....	4.8	4.60			

**Bolded:** "Buy" rated in our Industry Portfolios

**See the Premium Members website for returns of earlier Hotshot portfolios.**

## CORPORATE BONDS

Here are 12 bonds divided into four categories: Conservative, Aggressive, Speculative, and "Walk on the Wild Side." For the first three categories, the bonds were culled from a database of bonds rated investment quality by Standard & Poor's. Bonds in the "Walk on the Wild Side" category are either below investment grade (junk) or not rated.

A deleted listing is not necessarily a "sell" signal. It means that the bond may not be currently available to new buyers, or that we have found a more attractive alternative.

### KEY

Name shown in *italics*: New listing

NR = Not Rated

**Rating in green** = recent rating upgrade

**Rating in red** = recent rating downgrade

<u>Rating</u>	<u>CUSIP</u>	<u>Company</u>	<u>Maturity Date</u>	<u>Recent Price</u>	<u>Coupon</u>	<u>Yield to Maturity</u>
<b>Conservative</b>						
AA+	36966R2Z8	GE Capital Internotes	3/15/15	\$109.1	5.700	1.0
A+	94980VAE8	Wells Fargo Bank Natl Assn.	5/16/16	\$113.6	5.750	1.2
AA+	36966RW93	GE Capital Internotes	4/15/19	\$114.1	5.125	2.6
<b>Aggressive</b>						
A-	61747YCT0	Morgan Stanley	11/2/15	\$104.7	3.450	1.6
A-	24240VAM3	Dean Witter Discover & Co.	1/1/16	\$114.2	6.750	1.4
A-	61744YAD0	Morgan Stanley	12/28/17	\$116.4	5.950	2.3
<b>Speculative</b>						
BBB-	459745GM1	International Lease Finance	4/1/15	\$105.0	4.875	2.3
BBB+	29274FAB0	Enersis S.A.	12/1/16	\$116.6	7.400	2.6
BBB-	574599AR7	Masco Corp.	4/15/18	\$111.5	6.625	4.1
<b>Walk on the Wild Side</b>						
BB+	780097AL5	Royal Bank of Scotland	10/1/14	\$102.3	5.000	3.4
BB	780153AR3	Royal Caribbean Cruises	6/15/16	\$113.6	7.250	2.8
BBB-	75913MAB5	Regions Bank	5/15/18	\$123.0	7.500	2.7

## DIVIDEND DETECTIVE SAMPLE (MODEL) PORTFOLIOS

Too many choices? Here are short lists of stocks to buy now based on three different investing priorities

- Conservative: for investors whose top priority is minimizing risk
- Growth & Income: growth stocks paying high dividends
- High-Yield/Speculative: for investors who want to maximize dividend yield

Historical Sample Portfolio returns: [dividenddetective.com/returns](http://dividenddetective.com/returns)

### How to Use these Portfolios

- Pick one or more portfolios consistent with your investing needs
- Invest equal dollar amounts in each of the seven picks
  - Resist the temptation to cherry pick portfolio selections

### Key

Addition to portfolio this month **looks like this New**

Deletion from Sample Portfolios only (not industry portfolios) **looks-like-this Delete (Sample Port Only)**

**Do not add to positions (not a sell): Do Not Add**

Sells **look-like-this SELL**

### Conservative

These stocks were selected first for the lowest possible risk with diversification between industries, then for the highest dividend yields.

<u>Ticker</u>	<u>Name</u>	<u>Industry Portfolio</u>	<u>Recent Price</u>	<u>Forecast Div. Yield</u>
ACG	AllianceBernstein Income	Closed-End Fund (Government Debt)	8.2	5.9%
AHL-B	Aspen Insurance 7.25%	Preferred (Reinsurance)	27.5	6.6%
CINF	Cincinnati Financial	Insurance (Property & Casualty)	47.2	3.5%
FEO	First Trust/Aberdeen Emerging	Closed-End Fund (Emerging Mkt. Equity/ Debt)	22.5	6.2%
NEE	NextEra Energy	Utility	77.7	3.4%
PM	Philip Morris International	Mfg/Services (Tobacco Products)	92.7	3.7%
PL-C	Protective Life 6.25%	Preferred (Insurance)	26.3	5.9%

### Growth & Income

Dividend paying growth stocks. The main selection criteria are forecast annualized earnings growth with diversification between industries.

<u>Ticker</u>	<u>Name</u>	<u>Industry Portfolio</u>	<u>Recent Price</u>	<u>Forecast Div. Yield</u>
FL	Foot Locker	Mfg/Services (Retail)	34.2	2.3%
STAG	STAG Industrial	REITs (Industrial Properties)	21.3	5.6%
<b>HQL</b>	<b>H&amp;Q Life Sciences New</b>	Closed-End Fund (Biotech & Pharma)	17.4	7.1%
TAL	TAL International	Mfg/Services (Shipping Containers)	45.3	5.5%
TRGP	Targa Resources	Energy General Partners (Nat. Gas Pipelines)	68.0	2.7%
WRLS	Telular	Speculator (Security Communications)	10.1	4.8%
<del>VLO</del>	<del>Valero Energy Delete (Sample Port Only)</del>	Oil Industry (Refineries)	45.5	1.8%
VZ	Verizon Communications	Mfg/Services (Telecom)	49.2	4.2%

### High Yield/Speculative

Highest yielding low to medium risk stocks with diversification between industries.

<u>Ticker</u>	<u>Name</u>	<u>Industry Portfolio</u>	<u>Recent Price</u>	<u>Forecast Div. Yield</u>
AWF	AB Global High Income	Closed-End Fund (Emerging Gov. Debt)	16.3	7.3%
ARI-A	Apollo Commercial	Preferred (Commercial Finance)	26.3	8.2%
GOF	Guggenheim Strategic	Closed-End Fund (Corp. & Gov. Debt)	23.4	8.7%
JDD	Nuveen Diversified Div. & Inc.	Closed-End Fund (Global Stocks & Debt)	13.0	7.7%
OHI	Omega Healthcare Investors	REITs (Healthcare Facilities)	30.4	5.9%
SIX	Six Flags Entertainment	Mfg/Services (Amusement Park)	72.5	5.0%
TCAP	Triangle Capital Resources	Business Development Corp.	28.0	7.7%

Information believed correct, but accuracy not guaranteed. Investing in stocks and/or funds **involves risk**. Readers should not assume that recommendations will be profitable or will equal the performance of past recommendations. Before investing, consult with a financial advisor to determine if the stocks and/or funds described here are suitable investments for you.

# DIVIDEND MONSTERS

## The 50 highest dividend yielding of the 800 stocks on the Big List

**Do Your Due Diligence** - The estimated yields may be based on special dividends that will not be repeated. Verify all data before taking action. Unless appearing in our industry portfolios (shown in **bold**), we have no buy/sell recommendation on these stocks or funds.

Ticker		Estimated Annual Dividend \$	Estimated Annual Yield %	Freq.
DCIX	Diana Containerships .....	1.200	23.6	Q
ECT	Eca Marcellus Trust I .....	2.482	20.2	Q
TEU	Box Ships .....	0.880	19.1	Q
WHZ	Whiting USA Trust II .....	2.603	18.4	Q
SDR	SandRidge Mississippian Trust II .....	2.130	18.0	Q
CHKR	Chesapeake Granite Wash Trust .....	2.569	17.2	Q
PER	SandRidge Permian Trust .....	2.384	16.8	Q
WMC	Western Asset Mortgage Capital .....	3.800	16.4	Q
<b>AGNC</b>	<b>American Capital Agency</b> .....	5.000	15.5	Q
NYMT	New York Mortgage Trust .....	1.080	15.0	Q
JMI	Javelin Mortgage Investment .....	2.760	14.2	M
MTGE	American Capital Mortgage Investment .....	3.600	14.0	Q
AI	Arlington Asset Investment .....	3.500	13.7	Q
RNO	Rhino Resource Partners .....	1.780	13.3	Q
ARR	ARMOUR Residential REIT .....	0.840	13.2	M
MITT	AG Mortgage Investment Trust .....	3.200	13.0	Q
AMTG	Apollo Residential Mortgage .....	2.800	12.9	Q
NMM	Navios Maritime Partners .....	1.770	12.8	Q
NTLS	NTELOS Holdings .....	1.680	12.8	Q
RSO	Resource Capital .....	0.800	12.7	Q
EFC	Ellington Financial .....	3.080	12.5	Q
IVR	Invesco Mortgage Capital .....	2.600	12.5	Q
PSEC	Prospect Capital .....	1.320	12.3	M
TICC	TICC Capital .....	1.160	12.3	Q
FULL	Full Circle Capital .....	0.924	12.0	M
OZM	Och-Ziff Capital Management Group .....	1.110	11.8	Q
RNF	Rentech Nitrogen Partners .....	3.830	11.6	Q
NLY	Annaly Capital Management .....	1.800	11.5	Q
CPLP	Capital Product Partners .....	0.930	11.4	Q
SRV	Cushing MLP Total Return Fund .....	0.900	11.4	Q
LRE	LRR Energy .....	1.920	11.2	Q
CG	Carlyle Group .....	3.400	11.2	Q
DX	Dynex Capital .....	1.160	11.2	Q
<b>KCAP</b>	<b>KCAP Financial</b> .....	1.120	11.1	Q
QRE	QR Energy .....	1.950	11.0	Q
CYS	CYS Investments .....	1.280	11.0	Q
SCCO	Southern Copper .....	3.760	10.8	Q
AMID	American Midstream Partners .....	1.730	10.7	Q
FGP	Ferrellgas Partners .....	2.000	10.7	Q
BKCC	Blackrock Kelso Capital .....	1.040	10.7	Q
MCGC	MCG Capital .....	0.500	10.7	Q
TWO	Two Harbors Investment .....	1.280	10.7	Q
FSC	Fifth Street Finance .....	1.150	10.6	M
MEMP	Memorial Production Partners .....	2.050	10.6	Q
SLRC	Solar Capital .....	2.400	10.5	Q
PWE	Penn West Petroleum .....	1.063	10.5	Q
PBI	Pitney Bowes .....	1.500	10.4	Q
MSB	Mesabi Trust .....	2.325	10.3	Q
HTS	Hatteras Financial .....	2.800	10.3	Q
PNNT	PennantPark Investment .....	1.120	10.2	Q
FTR	Frontier Communications .....	0.400	10.0	Q



## DIVIDEND DETECTIVE AT A GLANCE

*How did we come up with these ratings? See the portfolio write-ups on the Premium Members site to find out.*

Name	Ticker	Yld.	Rec.	Name	Ticker	Yld.	Rec.
<b>PREFERRED STOCKS</b>				<b>MANUFACTURING &amp; SERVICES</b>			
Ally Financial 8.5% Series A	ALLY-B	7.9%	BUY	B&G Foods	BGS	3.8%	BUY
American Financial 6.375% Senior	AFW	5.9%	BUY	E.I. du Pont Nemours	DD	3.5%	BUY
Annaly Capital Mgmt. 7.625% C	NLY-C	7.4%	BUY	Foot Locker	FL	2.3%	BUY
Apollo Commercial 8.625% A	ARI-A	8.2%	BUY	Genuine Parts	GPC	2.8%	BUY
Armour Residential 8.25% A	ARR-A	8.0%	BUY	H.J. Heinz	HNZ		<b>SELL</b>
Ashford Hospitality Trust 9.00% E	AHT-E	8.1%	BUY	Johnson & Johnson	JNJ	3.0%	BUY
Aspen Insurance 7.25% Perpet.	AHL-B	6.6%	BUY	McDonald's	MCD	3.1%	BUY
Endurance Specialty 7.50% B	ENH-B	6.9%	BUY	Philip Morris International	PM	3.7%	BUY
General Electric 4.875% Notes	GEB	4.7%	BUY	Six Flags Entertainment	SIX	5.0%	BUY
Goldman Sachs 6.125% Notes	GSF	5.7%	DNA	TAL International	TAL	5.5%	BUY
Hersha Hospitality Trust 8.00% B	HT-B	7.6%	BUY	Verizon Communications	VZ	4.2%	BUY
Kimco Realty 5.50% J	KIM-J	5.4%	BUY				
KKR Financial 8.375%	KFH	7.2%	<b>SELL</b>	<b>REGIONAL BANKS</b>			
Lexington Realty Trust 6.50% Series C	LXP-C	6.6%	BUY	New York Community Bank	NYCB	7.0%	<b>BUY</b>
Maiden Holdings 8.00% Notes	MHNB	7.4%	BUY	Valley National Bancorp	VLY	6.8%	<b>BUY</b>
Montpelier Re Holdings 8.875% A	MRH-A	7.9%	<b>SELL</b>	<b>LARGE BANKS</b>			
NorthStar Realty 8.875% Series C	NRF-C	8.6%	BUY	Bank of Nova Scotia	BNS	+3.9%	BUY
<b>PartnerRe 5.875% Series F</b>	<b>PRE-F</b>	5.9%	<b>BUY</b>	Canadian Imperial Bank of Commerce	CM	4.8%	BUY
Pennsylvania REIT 8.25% A	PEI-A	7.8%	BUY	<b>REAL ESTATE INVESTMENT TRUSTS</b>			
Protective Life 6.25% Debentures	PL-C	5.9%	BUY	American Capital Agency	AGNC	15.3%	BUY
Qwest Corp. 7.50%	CTW	6.9%	BUY	American Realty Capital Properties	ARCP	+6.1%	BUY
Raymond James Fin. 6.90% Senior	RJD	6.2%	DNA	EPR Properties (Entertainment Properties Tr.)	EPR	6.1%	BUY
SLM (Sallie Mae) Series A 6.97%	SLMAP	7.0%	BUY	Home Properties	HME	4.4%	BUY
Summit Hotel 7.875% Series B	INN-B	7.6%	BUY	Hospitality Properties Trust	HPT	6.9%	BUY
<b>Travel Centers of America 8.25%</b>	<b>TANN</b>	8.0%	<b>BUY</b>	Inland Real Estate	IRC	5.6%	BUY
Vornado Realty 5.70% K	VNO-K	5.6%	BUY	Omega Healthcare investors	OHI	5.9%	BUY
				STAG Industrial	STAG	5.6%	BUY
<b>MONTHLY-PAYING CLOSED-END FUNDS</b>				<b>ENERGY: GENERAL PARTNERS</b>			
AllianceBernstein Glb. High Income	AWF	7.3%	BUY	Crosstex Energy Inc.	XTXI	2.5%	BUY
Alliance Bernstein Income Fund	ACG	5.9%	BUY	Kinder Morgan, Inc.	KMI	3.8%	BUY
American Strategic Income	ASP	6.3%	BUY	Targa Resources Corp.	TRGP	2.7%	BUY
BlackRock Long-Term Muni Advant.	BTA	6.1%	<b>SELL</b>	Williams	WMB	3.6%	BUY
<b>BlackRock Muni Assets</b>	<b>MUA</b>	5.5%	<b>BUY</b>	<b>ENERGY PARTNERSHIPS</b>			
BlackRock Muni Holdings	MUH	5.9%	BUY	Calumet Specialty Products	CLMT	7.0%	BUY
CBRE Clarion Global Real Estate	IGR	5.5%	BUY	Crestwood Midstream	CMLP	8.6%	BUY
Dreyfus High Yield Strategies	DHF	9.5%	BUY	Exterran Partners	EXLP	7.8%	BUY
F&C/Claymore Preferred	FLC	7.7%	BUY	Global Partners	GLP	6.4%	BUY
Guggenheim Strategic Opp	GOF	8.7%	BUY	MarkWest Energy Partners	MWE	5.4%	BUY
Reeves Utility Income	UTG	6.0%	BUY	PAA Natural Gas Storage	PNG	6.7%	BUY
<b>CEF GROWTH OPPORTUNITIES</b>				<b>PARTNERSHIPS EX-ENERGY</b>			
First Trust/Aberdeen Emerging Opp	FEO	6.2%	BUY	America First Tax Exempt	ATAX	7.0%	BUY
H&Q Life Sciences	HQL	7.1%	BUY	Blackstone Group	BX	3.9%	BUY
Nuveen Diversified Dividend & Inc.	JDD	7.7%	BUY	<b>Carlyle Group</b>	<b>CG</b>	6.8%	<b>BUY</b>
				Rentech Nitrogen	RNF	7.2%	BUY
<b>CANADA STOCKS</b>				<b>UTILITIES</b>			
Liquor Stores	LIQ.TO	5.9%	DNA	Avista	AVA	4.5%	BUY
Morneau Shepell	MSI.TO	6.0%	DNA	CenterPoint Energy	CNP	3.5%	BUY
Student Transportation	STB.TO/STB	8.6%	DNA	Dominion Resources	D	3.9%	BUY
				NextEra Energy	NEE	3.4%	BUY
<b>CANADA REAL ESTATE INVESTMENT TRUSTS</b>				Oneok	OKE	3.0%	BUY
Artis REIT	AX.UN	6.7%	BUY	Southern Company	SO	4.2%	BUY
Calloway REIT	CWT.UN	5.3%	BUY	Westar Energy	WR	4.1%	BUY
<b>DIVIDEND SPECULATORS</b>				<b>INSURANCE</b>			
GEO Group	GEO	5.3%	BUY	Arthur J. Gallagher	AJG	3.3%	BUY
Golar LNG Limited	GLNG	4.6%	BUY	Cincinnati Financial	CINF	3.5%	BUY
Sun Communities	SUI	5.1%	BUY	OneBeacon Insurance Group	OB	6.2%	BUY
Telular	WRLS	4.8%	BUY	<b>OIL</b>			
<b>ETF MONTHLY INCOME</b>				Chevron	CVX	3.0%	BUY
iShares High Yield Corporate	HYG	6.5%	BUY	HollyFrontier	HFC	6.2%	<b>DNA</b>
iShares Invest. Grade Corporate	LQD	3.8%	BUY	SeaDrill	SDRL	9.1%	BUY
iShares JPM Emerging Mkts.	EMB	4.3%	BUY	Valero Energy	VLO	1.8%	<b>DNA</b>
iShares S&P U.S. Preferred	PFF	5.8%	BUY				
Vanguard Total Bond Index	BND	2.5%	BUY				
<b>RURAL TELECOMS</b>							
Hickory Tech	HTCO	5.7%	BUY				
<b>BUSINESS DEVELOPMENT CORPS</b>							
KCAP Financial	KCAP	10.4%	BUY				
Main Street Capital	MAIN	+5.8%	BUY				
Triangle Capital Resources	TCAP	7.7%	BUY				

**Bold:** New pick or changed recommendation • DNA: Do Not Add

+x.x% = dividend hike, -x.x% = dividend cut