



# DIVIDEND DETECTIVE HIGHLIGHTS

DIVIDENDDetective.COM

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## Welcome to the August 2010 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, and D.D. Industry Portfolios, which is a list of all stocks followed in our portfolios, including current yields and our buy/sell/hold recommendations.

### New Feature

This month we're adding a new feature: Dividend Scoreboard. The scoreboard tracks the recent returns of indexes reflecting 25 different dividend stock industries and/or categories. Successful investing is all about being in the right place at the right time. The Dividend Scoreboard is intended to help you achieve that goal.

### More Info on Premium Members Site

Highlights includes only a smattering of the information available to Premium subscribers on the Dividend Detective site. For best results, use Highlights as a guide to point to specific sections of the Premium site that interest you.

### Did You Get Our Mail?

If you were a subscriber on August 4, you should have received an email notification and link regarding this issue of DD Highlights. If you didn't, please contact customer service to confirm that we have your correct email address on file.

### 24 Hour Customer Service

Call 866-632-1593 (toll free) or 661-621-9660 (direct) for 24 hour customer service regarding your account, to retrieve your user name, password, etc. Our 24/7 email support address is: [dividenddetective@netbillingsupport.com](mailto:dividenddetective@netbillingsupport.com).

### 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.

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*all followed stocks including buy/sell ratings & yields*

# DIVIDEND DETECTIVE HIGHLIGHTS

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## August 2010 Commentary

### Review of July 2010 Results and This Month's Changes

#### IT WAS A VERY FINE MONTH

July was the kind of month that dreams are made of. All of our portfolios recorded gains. Moreover, four of our 16 Industry Portfolios and one of our three Sample Portfolios were in double-digit territory.

Our Oil Industry portfolio, up 20%, did the best. Next came Energy Partnerships and Business Development Corporations, both up 11%. At the other end of the scale, Large Banks and Canadian Royalty Trusts, both up 2%, and Canadian Business Trusts, up 1%, trailed the pack.

Looking at our Sample Portfolios, Growth & Income, up 11%, was the champ. High Yield/Speculative returned 8%, and our Conservative Portfolio averaged a 5% return. For comparison, the overall market, at least as measured by the S&P 500, gained 7% in July.

Here's the complete list.

Portfolio	Avg. Return%
Oil Industry .....	20%
Partnerships - Energy .....	11%
Business Development Corps. ....	11%
Manufacturing & Services .....	10%
Dividend Speculators .....	9%
Utilities .....	8%
Insurance .....	8%
Regional Banks .....	7%
Closed-End Funds .....	6%
Preferred Stocks .....	5%
Real Estate Investment Trusts .....	4%
ETF Monthly Income .....	4%
Partnerships X-Energy .....	3%
Large Banks .....	2%
Canadian Royalty Trusts .....	2%
Canadian Income (Business) Trusts .....	1%

#### What Happened?

Although U.S. economic indicators warned that the recovery might falter, a spate of strong June quarter corporate earnings reports, along with better reports about the fate of European banks, seemed to be enough to put the market in a good mood.

#### What's Next?

The weight of evidence now points to a slowing economic recovery, but not a double-dip recession approaching anything like what we experienced in 2008 and 2009. That said, what the market does next month is anybody's guess. Thus, we continue to advise a cautious approach. Continue to only add funds to the market that you won't need for six to 12 months, so that you can wait out market downturns.

#### Dividend Scoreboard

Many money managers advise that successful investing is more about picking the right industry than it is about picking the best stocks. In other words, your chances of making money on a stock depends more on whether the big money is rotating in or out of its industry than it does on the stock's fundamental outlook.

With that in mind, we've identified 25 industry sectors of interest to high-dividend investors and created indexes of representative stocks for each sector.

Our new Dividend Scoreboard lists total returns (share price changes plus dividends) for the past month, year-to-date, and last 12-months for each sector. The Scoreboard also lists the average yield for stocks in each index, plus a trend score intended to reflect the sector's trend strength.

There's more: You can click on a sector name to see the same data for each stock in the sector index. The Scoreboard data is updated daily. Check it out and let me know what you think.

#### What's New?

We're replacing two underperforming closed-end funds with new picks that we expect to outperform the market. We're also replacing one member of our Utility portfolio with a new pick that is paying a higher yield, plus it has stronger dividend growth prospects.

We're selling one Regional Bank pick that is vulnerable to a dividend cut should the economy weaken substantially. We're also selling one Energy Partnership that has expanded into a business that is much more vulnerable to an economic slowdown than the typical pipeline operator. We're also changing one Preferred to "do not add" from "buy" and we're modifying our buy/sell advice on BP.

In our Sample Portfolios, we're replacing one Growth & Income pick with another that pays a higher yield and has better growth prospects. We're also replacing one High Yield/Speculator portfolio member with a new better-diversified pick in the same industry. Here are the details.

## SAMPLE PORTFOLIOS

#### About

Each of our three Sample Portfolios usually contains seven "buy" rated stocks. If you want to use our Sample Portfolios, we suggest that you pick one or more that best suit your needs and invest equal dollar amounts in each of the seven portfolio members. Avoid the temptation to "cherry pick" the portfolios.

Every portfolio has its share of 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 with a new one, we suggest that you do the same. However, if the stock that is being replaced is still "buy" rated in its home portfolio, it's your option as to whether or not to sell it if you have additional funds available.

#### **Conservative Portfolio (Return: 5.3%)**

As was the case for all of our Sample Portfolios, all of our Conservative picks recorded gains. Dominion Resources (D) and Southern Company (SO), both returning 8%, did the best. AllianceBernstein Income (ACG) and Protective Life (PLP), both up 3%, were the stragglers.

#### **Growth & Income (Return: 10.9%)**

Southern Copper (SCCO), up 18%, and Conoco Phillips (COP), up 14%, led the way. Although in last place, it's hard to complain about Eli Lilly's (LLY) 6% return for the month.

We're replacing healthcare computer systems maker Computer Programs & Systems (CPSI) with chemical company E.I. DuPont (DD). There's nothing wrong with CP&S, which is still "buy" rated in its home Manufacturing & Services portfolio. DuPont, however, has better growth prospects and pays a higher expected yield (4.0% vs. 3.2%).

#### **High Yield/Speculative (Return: 8.3%)**

Sun Communities (SUI), up 15%, and AllianceBernstein Global High Income (AWF), up 9%, were the leaders. Sallie Mae (SLM-A) preferreds returned 6%, the lowest for the month.

We're replacing Baytex Energy (BTE), a Canadian energy trust, with Kayne Anderson Energy (KYE), a closed-end fund that holds master limited partnerships, Canadian trusts, and other energy-related securities. There's nothing wrong with Baytex, which is still "buy" rated in our Canadian Energy Trust portfolio, but Kayne Anderson gives us better diversification.

## **PREFERRED STOCKS**

Our portfolio returned 5% for the month. Citigroup (C-E), up 13%, Morgan Stanley (MWR), up 12%, and CommonWealth REIT (CWH-D), up 11%, did the best. Next Era (NEE-F) and Royce Value Trust (RVT-B), at breakeven, and Willis Lease Finance (WLFCP), up 1%, brought up the rear.

These returns were unusual for preferreds. Typically, we expect the portfolio to return around 1% to 1.5% per month, including capital appreciation.

#### **Rating Change**

Annaly Capital (NLY-A) preferreds have risen to the point that we no longer consider them attractive for new money. We are advising against adding to positions, but are not necessarily advising selling.

## **CLOSED-END FUNDS**

Our portfolio averaged a 6% return. Aberdeen Chile (CH), up 10%, and AllianceBernstein Global High Income (AWF), up 9%, did the best. AllianceBernstein Income (ACG), up 2%, and Calamos Global Total Return (CGO), up 3%, were the laggards.

Checking the underlying net asset values, the portfolio returned 5%, on average. By that measure, Aberdeen Chile and Eaton Vance Managed Global Buy/Write (ETW), both up 9.0%, were the winners. AllianceBernstein Income, up 2%, and Calamos Global, up 3%, were the laggards.

In the news, John Hancock Patriot (PDT) raised its monthly payout by 7%.

#### **Portfolio Changes**

We're selling the **Clough Global Allocation (GLV)** and **Eaton Vance Tax-Managed Global Buy/Write** funds. Despite good returns last month, both have underperformed over longer timeframes. We're replacing them with the **Claymore/Guggenheim Emerging Opportunity (GOF)** and **First Trust/Aberdeen Emerging Opportunity (FEO)** funds.

Claymore/Guggenheim, which pays monthly dividends equating to a 10.1% yield, holds mostly U.S. corporate, mortgage-backed securities, and government-backed debt. About 70% of its portfolio is rated investment quality. Claymore has averaged a 9.9% annual return over the past three-years. However, down 33% in 2008, it's not immune to market downturns.

First Trust/Aberdeen, which pays quarterly dividends equating to a 6.9% yield, holds emerging market, stocks, corporate debt, and government debt. First Trust has averaged a 14.3% annual return over the past three-years. More volatile than Claymore/Guggenheim, First Trust dropped 41% in 2008. For reference, the S&P 500 lost 39% that year.

## **ETF MONTHLY INCOME (EXCHANGE-TRADED FUNDS)**

All of our monthly payers recorded gains and the portfolio averaged a 4% return. iShares U.S. Preferreds (PFF), up 7%, did the best. Vanguard Total Bond Market (BND), which is our suggested alternative to money market funds, up 1%, was the laggard.

Last month's return was unusually high for a bond portfolio. We normally expect monthly returns in the 1% to 2% range.

## **CORPORATE BONDS**

Many of our bond picks moved up substantially in July. While that was good news for existing bondholders, higher prices equate to lower yields to new buyers. However, we still have a few picks that offer tempting yields. We didn't make any changes to the portfolio this month.

## **CANADIAN ROYALTY TRUSTS (CANROYS)**

Our portfolio returned 2%. Trilogy Energy (TET), up 10%, was the leader for the second month in a row (Trilogy gained 8% in June). Trilogy's surge was probably triggered by its involvement in the Duvernay shale, a newly discovered potentially huge underground natural gas reserve in Alberta. After Trilogy came Bonterra Energy (BNE) and Freehold Royalty (FRU.UN), both up 6%. On the downside, Provident Energy (PVE.UN), down 6%, was the only significant loser.

Looking at dividends, Bonterra Energy increased its monthly payout by 5% .

In other news, Pengrowth Energy (PGF.UN) agreed to acquire the 82% that it didn't already own of Monterey Exploration, which has gas reserves in British Columbia. Pengrowth expects Monterey to add about 8% to its daily production by the end of 2010, and 11% by the end of next year.

#### Currency Exchange Rates

As of July 31, the Canadian Dollar was worth \$0.97 U.S. dollars, up 3.3% since June 30, and up 1.6% from December 31.

## MANUFACTURING & SERVICES

Our portfolio averaged a 10% return. Courier (CRRC), up 31%, was the star. Next came Altria Group (MO) and Pitney Bowes (PBI), both up 11%. H.J. Heinz (HNZ), up 3%, was the laggard.

Computer Programs & Systems (CPSI), DuPont (DD), Eli Lilly (LLY), Genuine Parts (GPC), Leggett & Platt (LEG), and McDonald's (MCD) all reported strong June quarter growth vs. year-ago. B&G Foods (BGS) and Courier reported mixed results while Altria, Pitney Bowes, and Verizon reported below year-ago numbers (Pitney's share price dropped 16% on August 4, the day after it reported).

Looking at dividends, Leggett & Platt increased its quarterly payout by 4%.

In other news, a U.S. court ruling could end Eli Lilly's patent protection on cancer drug Gemzar as early as November. Gemzar's sales were already dropping, but still account for about 5% of Lilly's sales.

## COMMUNITY & REGIONAL BANKS

Our small bank portfolio returned 7%. New York Community Bancorp (NYB), up 13%, did the best. Valley National Bancorp (VLY) gained 7% and Hudson City Bancorp (HCBK) rose 1%.

Valley National reported strong earnings growth, rising net interest margins (gross profit on loans), and a very low level of non-performing (delinquent) loans. New York Community also reported strong fundamentals. For Hudson City, however, the numbers went the wrong way. Its June quarter net interest margin dropped while its percentage of delinquent loans grew.

#### Sell Hudson City

Hudson City could well recover from its lackluster June quarter results. But, given the possibility of an economic slowdown, we're sticking with our strongest banks, just in case.

## LARGE BANKS

Bank of Nova Scotia (BNS), the portfolio's only holding, recorded a 2% gain in July.

Scotia raised \$2.5 billion in a bond sale. It will report its July quarter results on August 31.

## REAL ESTATE INVESTMENT TRUSTS (REITs)

Our REIT portfolio returned 4%. Hatteras Financial (HTS), up 7%, and Medical Properties Trust (MPW), up 5%, were the leaders. Annaly Capital Management (NLY) and LTC Properties (LTC) both gained 2%.

Healthcare property owner LTC Properties reported reasonably

strong June quarter results, but mortgage investors Annaly Capital and Hatteras Financial both reported weak June quarter numbers. Fannie Mae and Freddie Mac's delinquent mortgage buyback programs pressured Annaly and Hatteras' profit margins.

In other news, Annaly raised \$1.1 billion and LTC raised \$48 million via stock sales.

#### Still Don't Add to Annaly & Hatteras

According to Annaly, the Freddie Mac and Fannie Mae buyback programs are almost done. If so, that should mean better times ahead for Annaly and Hatteras. But some analysts, citing a narrowing spread between mortgage rates and Annaly and Hatteras' cost of funds, beg to differ. Consequently, we are maintaining our "do not add" ratings for now.

## ENERGY PARTNERSHIPS (MASTER LIMITED PARTNERSHIPS)

Our portfolio averaged an 11% return. Vanguard Natural Resources (VNR), up 22%, did the best. Quicksilver Gas Services (KGS), up 16%, and Exterran Partners (EXLP), up 13%, were also double-digit gainers. BreitBurn Energy (BBEP), although up a respectable 5% for the month, trailed the pack.

BreitBurn reported mostly good June quarter numbers, but NuStar Energy (NS) and Vanguard both reported mixed results.

On the distribution front, Quicksilver raised its quarterly payout by 8%, Vanguard increased its distribution by 5%, BreitBurn and Suburban (SPH) upped their payouts by 2%, and Inergy (NRGY) managed a 1% raise.

In other news, Exterran acquired more assets and customers from its master partner, and NuStar Energy acquired a controlling interest in petroleum storage facilities in Turkey.

#### Sell NuStar Energy

NuStar, a crude oil and refined products pipeline operator, acquired major asphalt refining facilities over the past two years. In its June quarter, asphalt operations accounted for 83% of revenues. The asphalt business is much more cyclical and seasonal than operating oil pipelines. Further, asphalt prices, and hence profit margins, depend on demand, which will likely weaken as the U.S. economic stimulus program winds down.

## PARTNERSHIPS EX-ENERGY

Our portfolio returned 3%. In fact, AllianceBernstein (AB) and America First (ATAX) both rose 3%.

AllianceBernstein reported June quarter numbers (GAAP) below year-ago. America First probably won't report its March results until late August.

AllianceBernstein declared a June quarter distribution down 33% from its March quarter payout.

We're continuing to advise against adding to both AllianceBernstein and America First.

## BUSINESS DEVELOPMENT CORPORATIONS (BDCs)

Our portfolio averaged an 11% return. Compass Diversified (CODI) gained 15%, Ares Capital (ARCC) rose 12%, and Triangle Capital (TCAP) returned 7%.



Triangle Capital, our only pick to report so far, recorded mixed, but on-balance okay, June quarter results.

**UTILITIES**

Our portfolio gained 8%. Westar Energy (WR), up 11%, and Oneok (OKE), up 9%, did the best. Our remaining utilities all registered 6% to 8% returns for the month.

Westar reported strong June quarter year-over-year growth, while Southern Company (SO) reported moderate growth. Atmos (ATO), Dominion Resources (D) and Oneok all recorded mixed results, and AGL Resources (AGL) posted below year-ago numbers.

In dividend news, Oneok increased its quarterly payout by 5%.

**Replacing Consolidated Edison**

We're selling Consolidated Edison (ED) and replacing it with CenterPoint Energy (CNP), an electric and natural gas utility headquartered in Houston, Texas. CenterPoint pays a higher expected dividend yield (5.5% vs. 5.2%) and has stronger dividend growth prospects.

**INSURANCE INDUSTRY**

Our portfolio rose 8%. Fidelity National (FNF), up 14%, did the best. The remaining three picks recorded 4% to 5% gains.

Fidelity National reported strong June quarter earnings growth, although revenues were down vs. year-ago. Arthur J. Gallagher (AJG), Chubb (CB), and Mercury General (MCY) all reported below year-ago numbers.

In other news, Gallagher announced two acquisitions, and Chubb secured permission to open its second office in China.

**OIL INDUSTRY**

Rebounding from June's 15% loss, our portfolio returned 20% in July. BP (BP) gained 33%, Conoco Phillips (COP) returned 14%, and Chevron (CVX) rose 12%.

The big news, of course, was that BP managed to temporarily cap the Gulf oil spill in mid-July, and it now appears that the leak has been permanently sealed.

Chevron and Conoco Phillips both reported very strong June quarter earnings and revenue growth vs. year-ago. Excluding oil spill costs, BP did the same. However, BP took a \$32 billion charge for expected oil spill costs during the quarter.

**Buy BP**

BP spent \$2.9 billion on oil spill related expenses in its June quarter. That's a big number, but to keep it in perspective; excluding oil spill costs, BP generated operating cash flow (excess cash) of \$6.75 billion during the quarter. A recent government report said that the oil spill has dissipated much faster than expected. Consequently, BP's total oil spill costs could come in below the \$32 billion that it allocated. Also, BP has said that it will probably reinstate its dividend early next year. Taking everything together, there's likely to be more good news than bad news about BP in coming months. We're again advising adding to positions in BP.

**DIVIDEND SPECULATORS**

Our Speculators returned 9%. Southern Copper (SCCO), up 18%, and Cherokee (CHKE) and Sun Communities (SUI), both up 15%, did the best. Collectors Universe (CLCT), down 3%, was our only loser.

CenturyLink (CTL) and Sun Communities reported moderate June quarter growth vs. year-ago. Southern Copper also reported strong growth vs. year-ago, but the numbers were below its March quarter figures.

Looking at dividends, the news was so-so. Permian Basin (PBT), which pays monthly, declared a July dividend that was down 8% from June, but 55% above the year-ago payout. In a similar vein, Southern Copper declared a quarterly dividend 18% below its previous payout, but 270% above its year-ago dividend.

**CANADIAN INCOME (BUSINESS) TRUSTS**

Our Business Trust portfolio averaged a 1% return in July. Actually, all three of our picks recorded 1% returns for the month.

Thanks for subscribing.

*Harry Domash*

**DIVIDEND SCOREBOARD**  
Condensed Version  
Recent returns of indexes tracking  
high-dividend stocks in 25 industry sectors.

Sector	12-Mo % Rtrn	YTD % Rtrn	1-Mo % Rtrn
Aerospace	17	3	5
Banks: Regional	14	2	6
Business Development Corps.	54	22	10
Chemicals	32	10	17
Energy Prtnrs: Exploration & Prod.	83	32	19
Energy Prtnrs: Pipelines	36	18	8
Energy Prtnrs: Propane	37	18	9
Energy Prtnrs: U.S. Royalty Trusts	75	38	9
Food Processing	16	5	6
Insurance	27	6	3
Leisure & Recreation	20	3	10
Oil Industry: Integrated	15	4	16
Pharmaceuticals: Major	7	-5	7
REITs: Mortgage	11	7	6
REITs: Property	69	21	15
Restaurants	14	9	9
Retail	-2	-4	5
Semiconductors	7	-4	6
Shipping: Oil Tankers	45	31	13
Steel	-1	-1	14
Stocks: Preferred	15	10	6
Telecom: Major	2	-3	12
Telecom: Regional	31	9	7
Tobacco	28	15	9
Utilities	26	8	10

Visit the Dividend Scoreboard on the Premium Subscribers site for average yields and trend strength scores for each sector, as well as for each stock in the sector indexes, updated daily.

## 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	5.0	1.93	MWE	MarkWest Energy Partners	7.3	2.56
ARLP	Alliance Resource Partners	6.2	3.24	MMLP	Martin Midstream Partners	9.1	3.00
APU	AmeriGas Partners	6.2	2.82	NNN	National Retail Properties	6.5	1.52
T	AT&T	6.3	1.68	NRP	Natural Resource Partners	8.5	2.16
CMO	Capstead Mortgage	11.9	1.44	OKS	Oneok Partners	6.4	4.48
CNP	CenterPoint Energy	5.3	0.78	PVR	Penn Virginia Resource Partners	7.9	1.88
CTL	CenturyTel	8.0	2.90	PBI	Pitney Bowes	7.0	1.46
CCNE	CNB Financial	5.3	0.66	PPL	PPL	5.1	1.40
CPNO	Copano Energy	8.1	2.30	O	Realty Income	5.3	1.72
LLY	Eli Lilly	5.3	1.96	RAI	Reynolds American	6.3	3.60
EEP	Enbridge Energy Partners	7.3	4.11	SCG	SCANA	4.8	1.90
EPD	Enterprise Products Partners	6.0	2.30	SNH	Senior Housing Properties Trust	6.3	1.44
EXC	Exelon	5.0	2.10	SO	Southern Company	5.1	1.82
GEL	Genesis Energy	7.2	1.50	SPH	Suburban Propane Partners	6.9	3.38
GTY	Getty Realty	7.8	1.90	SXL	Sunoco Logistics Partners	5.8	4.56
HCP	HCP	5.1	1.86	TCLP	TC Pipelines	6.7	2.92
HEP	Holly Energy Partners	7.0	3.30	TSH	Teche Holding	5.0	1.42
HCBK	Hudson City Bancorp	4.9	0.60	UBA	Urstadt Biddle Properties	5.3	0.97
NRGY	Inergy	6.5	2.82	ECOL	US Ecology	4.9	0.72
TEG	Integrus Energy Group	5.6	2.72	VVC	Vectren	5.4	1.36
KMP	Kinder Morgan Energy Partners	6.4	4.36	WPC	W. P. Carey	6.6	2.02
LEG	Leggett & Platt	4.9	1.04	WR	Westar Energy	5.1	1.24
MMP	Magellan Midstream Partners	5.9	2.93				

## 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

Rating shown in **green**: rating recently upgraded

Rating shown in **red**: rating recently downgraded

NR = Not Rated

Deleted listing is not a sell signal. It means that the bond may not be currently available to new buyers.

Rating	CUSIP	Company	Maturity Date	Recent Price	Coupon	Yield to Maturity
<b>Conservative</b>						
AA+	36966RFF8	GE Capital Internotes	11/15/12	\$104.8	4.00	1.8
AA-	94980VAE8	Wells Fargo Bank NATL ASSN	5/16/16	\$110.1	5.75	3.8
AA	048825BA0	Atlantic Richfield	2/1/22	\$110.2	8.25	6.9
<b>Aggressive</b>						
A-	02687QBE7	American Intl. Group MTN BE	10/18/11	\$103.5	5.38	2.4
A-	172967CQ2	Citigroup Inc	9/15/14	\$103.4	5.00	4.1
A	61746BDB9	Morgan Stanley	10/18/16	\$106.7	5.75	4.5
<b>Speculative</b>						
BBB-	55259PAC0	Marshall & Isley Bank	9/4/12	\$101.3	5.25	4.6
BBB	01310QCF0	Albertsons, Inc.	7/21/17	\$93.5	7.00	8.2
BBB	257867AU5	Donnelley R R & Sons Co.	2/1/19	\$128.0	11.25	6.8
<b>Walk on the Wild Side</b>						
BB-	8124JFAC0	Sears Roebuck Acceptance Inter Note	12/15/12	\$103.0	7.40	6.0
BB-	59832WAF6	Midwest Generation	1/2/16	\$98.5	8.56	8.9
B-	832248AQ1	Smithfield Foods Incorporated	7/1/17	\$100.0	7.75	7.7

## DIVIDEND DETECTIVE SAMPLE 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: focusing on the fastest growing dividend payers
- High-Yield/Speculative: for investors who want to maximize dividend yield

### 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 **looks like this SELL**

Portfolio data as of 7/30/10

### 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)	8.3	5.8%
CCS	Comcast Preferred	Preferred (Cable TV)	25.0	6.6%
D	Dominion Resources	Utility	42.0	4.4%
MCD	McDonald's	Mfg/Services (Food Service)	69.7	3.2%
PLP	Protective Life Senior Notes	Preferred (Life Insurance)	22.1	7.2%
SO	Southern Company	Utility	35.3	5.2%
VZ	Verizon Communications	Mfg/Services (Communication Svcs.)	29.1	6.5%

### 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>
CH	Aberdeen Chile Fund	Closed-End Fund (Emerging Mkt. Stocks)	19.1	9.3%
<del>EPSI</del>	<del>Computer Prog &amp; Sys</del> <b>Delete (Sample Port Only)</b>	Mfg/Services (Tech: Healthcare)	45.0	3.2%
COP	Conoco Phillips	Oil (Integrated)	55.2	4.0%
<b>DD</b>	<b>E.I. DuPont de Nemours New</b>	Mfg/Services (Chemicals)	40.7	4.0%
LLY	Eli Lilly	Mfg/Services (Pharmaceutical)	35.6	5.5%
FL	Foot Locker	Mfg/Services (Retail Apparel)	13.6	4.4%
MCHP	Microchip Technology	Mfg/Services (Semiconductors)	30.5	4.5%
SCCO	Southern Copper	Speculator (Mining)	31.4	4.7%

### 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)	14.5	8.3%
<del>BTE</del>	<del>Baytex Energy Trust</del> <b>Delete (Sample Port Only)</b>	Canadian Royalty Trust (Oil & Gas)	31.7	8.3%
<b>KYE</b>	<b>Kayne Anderson Energy New</b>	Closed-End Fund (Oil & Gas)	25.0	7.7%
SLM-A	SLM (Sallie Mae) Series A	Preferred (Student Loans)	39.0	8.9%
SUI	Sun Communities	Speculator (Mfg. Home Parks)	29.1	8.7%
TCAP	Triangle Capital Resources	Business Development Corp.	15.2	10.8%
HIX	Western Asset High Income II	Closed-End Fund (Junk Bonds)	9.7	11.2%
WIN	Windstream	Speculator (Rural Telecom)	11.4	8.8%

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 DETECTIVE *TOP 50*

## *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.

Stock data as of 8/4/10

Ticker		Estimated Annual Dividend \$	Estimated Annual Yield %
AGNC	American Capital Agency	5.600	20.1
CIM	Chimera Investment	0.680	17.7
RSO	Resource Capital	1.000	15.9
NLY	Annaly Capital Management	2.720	15.6
HTS	Hatteras Financial	4.400	14.9
IVR	Invesco Mortgage Capital	2.960	14.4
ANH	Anworth Mortgage Asset	1.000	14.3
WHX	Whiting USA Trust I	2.804	13.7
KCAP	Kohlberg Capital	0.680	13.5
MVO	MV Oil Trust	3.860	13.5
MSB	Mesabi Trust	3.200	13.3
PSEC	Prospect Capital	1.206	12.3
CMO	Capstead Mortgage	1.440	12.1
FSC	Fifth Street Finance	1.280	11.9
BKCC	BlackRock Kelso Capital	1.280	11.8
SLRC	Solar Capital	2.400	11.7
OTT	Otelco	1.680	11.6
WAC	Walter Investment Management	2.000	11.6
NYMT	New York Mortgage Trust	0.720	11.3
ITRN	Ituran Location and Control (US)	1.500	11.0
AINV	Apollo Investment	1.120	10.8
TCAP	Triangle Capital	1.640	10.8
MFA	MFA Mortgage Investments	0.760	10.4
PVX	Provident Energy Trust	0.703	10.4
BGCP	BGC Partners	0.560	10.4
CLMT	Calumet Specialty Products Partners	1.820	9.9
PNNT	PennantPark Investment	1.040	9.9
ARCC	Ares Capital	1.400	9.9
FTR	Frontier Communications	0.750	9.8
ENP	Encore Energy Partners	2.000	9.6
ALSK	Alaska Communications Systems Group	0.860	9.6
CQP	Cheniere Energy Partners	1.700	9.5
STON	StoneMor Partners	2.220	9.5
BBEP	BreitBurn Energy Partners	1.530	9.4
MAIN	Main Street Capital	1.500	9.2
TICC	TICC Capital	0.800	9.1
CODI	Compass Diversified Holdings	1.360	9.1
NGPC	NGP Capital Resources	0.680	9.0
ERF	Enerplus Resources Fund	2.109	9.0
ATAX	America First Tax Exempt Investors	0.500	8.9
CNSL	Consolidated Communications Holdings	1.550	8.9
MMLP	Martin Midstream Partners	3.000	8.9
PWE	Penn West Energy Trust	1.758	8.9
GOOD	Gladstone Commercial	1.500	8.8
BPT	BP Prudhoe Bay Royalty Trust	8.381	8.8
HPT	Hospitality Properties Trust	1.800	8.8
WIN	Windstream	1.000	8.7
NRP	Natural Resource Partners	2.160	8.6
ADC	Agree Realty	2.040	8.6
TAXI	Medallion Financial	0.600	8.6
VLCCF	Knightsbridge Tankers	1.600	8.



## DIVIDEND DETECTIVE INDUSTRY PORTFOLIOS

8/5/10

Name	Ticker	Yld.	Rec.	Name	Ticker	Yld.	Rec.
<b>PREFERRED STOCKS</b>				<b>MANUFACTURING &amp; SERVICES</b>			
Annaly Capital Management	NLY-A	7.7%	DNA	Altria Group	MO	6.3%	BUY
BB&T Capital	BBT-B	8.8%	BUY	B&G Foods	BGS	5.9%	BUY
CBS	CPV	6.8%	BUY	Computer Programs & Systems	CPSI	3.2%	BUY
Citigroup Capital	C-E	7.1%	BUY	Courier	CRRC	5.3%	BUY
Comcast	CCS	6.6%	BUY	E.I. du Pont Nemours	DD	4.0%	BUY
Commonwealth REIT	CWH-D	8.1%	BUY	Eli Lilly	LLY	5.5%	BUY
General Electric Capital	GE-A	6.0%	DNA	Foot Locker	FL	4.4%	BUY
Interstate Power & Light	IPL-B	7.6%	DNA	Genuine Parts	GPC	3.8%	BUY
JP Morgan Chase Capital	JPM-C	6.8%	BUY	H.J. Heinz	HNZ	4.0%	BUY
MetLife B	MET-B	6.6%	BUY	Leggett & Platt	LEG	5.0%	BUY
Morgan Stanley Capital Trust	MWR	6.5%	BUY	McDonald's	MCD	3.2%	BUY
NextEra Energy (was FPL Group F)	NEE-F	7.6%	DNA	Microchip Technology	MCHP	4.5%	BUY
PartnerRe	PRE-D	7.0%	BUY	Pitney Bowes	PBI	6.0%	BUY
Protective Life	PLP	7.2%	BUY	Verizon Communications	VZ	6.5%	BUY
Public Storage	PSA-C	6.6%	BUY	<b>REGIONAL BANKS</b>			
Royce Value	RVT-B	5.8%	BUY	Hudson City Bancorp	HCBK	4.8%	SELL
SLM (Sallie Mae)	SLM-A	8.9%	BUY	New York Community Bank	NYB	5.8%	BUY
Telephone & Data Systems	TDA	7.5%	BUY	Valley National Bancorp	VLY	5.0%	BUY
Willis Lease Finance	WLFCP	8.6%	DNA	<b>LARGE BANKS</b>			
Xcel Energy	XCJ	6.9%	DNA	Bank of Nova Scotia	BNS	4.3%	BUY
<b>CLOSED-END FUNDS</b>				<b>REAL ESTATE INVESTMENT TRUSTS</b>			
Aberdeen Chile	CH	9.3%	BUY	Annaly Capital Management	NLY	15.6%	DNA
Alliance Bernstein Income Fund	ACG	5.8%	BUY	Hatteras Financial	HTS	14.8%	DNA
AllianceBernstein Glb. High Income	AWF	8.3%	BUY	LTC Properties	LTC	6.3%	BUY
BlackRock Energy and Resource	BGR	6.9%	BUY	Medical Properties Trust	MPW	8.0%	BUY
Calamos Total Return	CGO	8.8%	BUY	<b>ENERGY PARTNERSHIPS</b>			
Claymore/Guggenheim Strategic Opp	GOF	10.1%	BUY	BreitBurn Energy Partners	BBEP	9.8%	BUY
Clough Global Allocation	GLV	8.4%	SELL	Energy Transfer Partners	ETP	7.1%	BUY
E.V. Tax-Mgd. Global Buy-Write	ETW	13.0%	SELL	Exterran Partners	EXLP	7.3%	BUY
First Trust/Aberdeen Emerging Opp	FEO	6.9%	BUY	Inergy	NRGY	6.6%	BUY
J.H. Patriot Premium Dividend II	PDT	8.2%	BUY	NuStar Energy	NS	7.0%	SELL
Kayne Anderson Energy	KYE	7.7%	BUY	Quicksilver Gas Services	KGS	7.6%	BUY
Western Asset High Income II	HIX	11.2%	BUY	Suburban Propane Partners	SPH	6.9%	BUY
<b>CANADIAN ROYALTY TRUSTS</b>				Vanguard Natural Resources	VNR	8.7%	BUY
ARC Energy Trust	AET.UN	6.0%	BUY	<b>PARTNERSHIPS EX-ENERGY</b>			
Baytex Energy Trust	BTE.UN	8.3%	BUY	AllianceBernstein Holding	AB	6.6%	DNA
Bonavista Energy Trust	BNP.UN	7.9%	SELL	America First Tax Exempt	ATAX	9.0%	DNA
Bonterra Energy	BNE	8.3%	BUY	<b>BUSINESS DEVELOPMENT CORPS</b>			
Canadian Oil Sands	COS.UN	8.3%	BUY	Ares Capital	ARCC	10.0%	BUY
Crescent Point Energy	CPG	8.4%	BUY	Compass Diversified Holdings	CODI	9.0%	BUY
Daylight Energy	DAY	10.8%	DNA	Triangle Capital Resources	TCAP	10.8%	BUY
Enerplus Resources Fund	ERF.UN	8.2%	SELL	<b>UTILITIES</b>			
Freehold Royalty	FRU.UN	11.6%	DNA	AGL Resources	AGL	4.6%	BUY
NAL Oil & Gas	NAE.UN	9.3%	SELL	Atmos Energy	ATO	4.6%	BUY
Pengrowth Energy	PGF.UN	8.0%	SELL	Avista	AVA	4.8%	BUY
Penn West Energy	PWT.UN	9.0%	DNA	CenterPoint Energy	CNP	5.5%	BUY
Perpetual Energy	PMT	10.1%	SELL	Consolidated Edison	ED	5.2%	SELL
Peyto Energy	PEY.UN	7.9%	SELL	Dominion Resources	D	4.4%	BUY
Provident Energy	PVE.UN	10.1%	SELL	Oneok	OKE	4.0%	BUY
Trilogy Energy	TET	3.5%	SELL	Pepco Holdings	POM	6.4%	BUY
Vermilion Energy	VET.UN	7.6%	BUY	Southern Company	SO	5.2%	BUY
Zargon Energy	ZAR.UN	12.1%	DNA	Westar Energy	WR	5.2%	BUY
<b>DIVIDEND SPECULATORS</b>				<b>INSURANCE</b>			
CenturyLink	CTL	8.1%	BUY	Arthur J. Gallagher	AJG	5.0%	BUY
Cherokee	CHKE	7.7%	BUY	Chubb	CB	2.8%	BUY
Collectors Universe	CLCT	9.2%	BUY	Fidelity National	FNF	4.9%	BUY
Permian Basin Royalty Trust	PBT	6.9%	BUY	Mercury General	MCY	5.5%	BUY
Southern Copper	SCCO	4.7%	BUY	<b>OIL</b>			
Sun Communities	SUI	8.7%	BUY	BP plc	BP	0%	BUY
Windstream	WIN	8.8%	BUY	Chevron	CVX	3.8%	BUY
World Wrestling Entertainment	WWE	9.0%	BUY	Conoco Phillips	COP	4.0%	BUY
<b>CANADIAN INCOME (BUSINESS) TRUSTS</b>							
GENIVAR	GNV.UN	5.8%	BUY				
Liquor Stores	LIQ.UN	8.2%	BUY				
Morneau Sobeco	MSI.UN	8.3%	BUY				
<b>ETF MONTHLY INCOME</b>							
iShares High Yield Corporate	HYG	8.9%	BUY				
iShares Invest. Grade Corporate	LQD	5.0%	BUY				
iShares JPM Emerging Mkts.	EMB	5.1%	BUY				
iShares S&P U.S. Preferred	PFF	6.9%	BUY				
Vanguard Total Bond Index	BND	3.6%	BUY				