

# DIVIDEND DETECTIVE HIGHLIGHTS

**DIVIDENDDETECTIVE.COM**

February 5, 2017

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## Welcome to the February 2017 Edition of Dividend Detective Highlights

Highlights includes the most popular features of Dividend Detective: the Monthly Commentary, Model Portfolios, Dividend Monsters, Quant Workshop, Corporate Bond Portfolios, and “D.D. At a Glance,” which lists all followed stocks and funds, including current yields and our buy/sell recommendations.

### Much More 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. That important information is readily available for each stock or fund in its home portfolio on the Premium Members site.

Other features available on the Premium Members site include Dividend Stock News, Special Dividend Announcements, Ex-

Dividend Calendar, What’s Hot Now, Monthly Monsters, Dividend Stock Research Center, and more.

### Did You Get Our Mail?

If you were a subscriber on February 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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# DIVIDEND DETECTIVE HIGHLIGHTS

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## February 2017 Commentary

### Review of January's Results and This Month's Changes

#### NOT OUR BEST MONTH

With the S&P 500 up 1.8%, January was a good month for the overall market, but not for us. Only seven of our 18 Industry & Specialty portfolios did as well or better than the S&P. Worse, only one of our Model Portfolios beat the S&P, one broke even, and two ended the month in the loss column.

Starting with our Industry & Specialty portfolios, MLP Energy Partnerships, up 10% for the month, did the best. Our single-stock Oil Industry portfolio, down 5%, did the worst.

Looking at our Model Portfolios, Monthly Paying Retirement, up 2% did the best. High Yield/Speculative broke even. The losers were Conservative, down 2%, and Growth & Income, down an embarrassing 4%. Here are last month's and full year 2016 returns for all of our portfolios, plus the S&P 500.

Portfolio	Avg. Returns	
	Last Month	2016
MLP Energy Partnerships	10%	-5%
Preferred Speculators	8%	28%
CEF Growth Opportunities	5%	7%
Closed-End Fund Monthly Income	4%	11%
Utilities	3%	21%
ETF Monthly Income	2%	6%
Preferred Stocks	2%	6%
ETF Growth	1%	10%
Real Estate Investment Trusts	0%	12%
High Tech - High Dividends	-1%	new
Manufacturing & Services	-1%	18%
Business Development Co.	-2%	33%
Dividend Speculators	-2%	-12%
Insurance Industry	-2%	32%
Partnerships: Excl. Energy	-2%	3%
U.S. Banks	-2%	19%
Canada Stocks	-4%	50%
Oil Industry	-5%	37%
Model #1: Monthly Paying Retirement	2%	14%
Model #2: Conservative	-2%	18%
Model #3: Growth & Income	-4%	5%
Model #4: High Yield/Speculative	0%	19%
S&P 500	2%	10%

#### What Happened?

Most of our underperformance was triggered by one-time events: Qualcomm got sued for \$1 billion, Target reported worse than expected results, Banc of California's CEO quit—that sort of thing.

#### What's Next?

As I'm sure you'll agree, predicting the market or anything else for that matter is next to impossible these days. So, be prepared for anything. Only add cash to the market that you won't need back for at least 12-months.

#### DD's Seven Best Aristocrats

The S&P Dividend Aristocrats is a list of S&P 500 stocks that have increased their dividends for at least 25 consecutive years. Typically around 50 stocks make the list, which is updated at the beginning of each year. Since its 2005 inception, the Aristocrats have produced more or less the same annual returns as the S&P 500. The major exception was 2008 when the Aristocrats only dropped 22% compared to the S&P's 37% loss.

Dividend Detective has developed a strategy for isolating the seven stocks on each year's Aristocrats' list with the best 12-month return prospects. Here's how you would have fared holding "DD's 7 Best Aristocrats" over the past five years compared to the full Aristocrats list and to the S&P 500.

Year	DD'S 7 Best	All Aristocrats	S&P 500
2016	21.1%	11.8%	12.0%
2015	3.0%	0.9%	1.4%
2014	20.7%	15.8%	13.7%
2013	38.9%	32.3%	32.4%
2012	17.5%	16.9%	16.0%

You can see the current "7 Best Aristocrats" list on page 6. We will update the list monthly so that you could start at any time during the year. While we developed our strategy with 12-month holds in mind, recent testing has found that you don't have to hold that long to achieve good results.

For instance, had you rebalanced monthly in 2016, you would have achieved a 23.5% total return, slightly better than the 21.1% that resulted from holding for the entire year without rebalancing. For more info, please see the "DD's 7 Best Aristocrats" section on the Premium Members site.

Keep in mind that in the stock market nothing works all of the time and a previously successful strategy won't necessarily make money in the future.

#### New Dividend Capture Tool

Did you know that you only have to hold a stock for one day to collect a dividend? That fact has inspired many investors to pursue "dividend capture" strategies that involve holding a stock just long enough to collect the dividend, selling at or above their purchase price, and then moving on.

Of course, it's not that easy because in theory at least, the share price drops by the dividend amount as soon as you become eligible to collect the dividend (ex-dividend date).

Dividend capture is a controversial topic and not everybody believes that any capture strategy will be consistently profitable.

That said, since we added it in 2009, our Ex-Dividend Calendar, which is a list of stocks going ex-dividend during the next four weeks, has been one of our most popular Premium features. The list includes all data needed to implement just about any capture strategy that I've seen published.

However, we have recently devised a **unique capture strategy** that, according to our research, produces **better returns** than the others we've tested. If you're interested, check out our new feature: **"DD's Dividend Capture Strategy,"** which includes instructions and a special table that provides all the information you'd need to implement that strategy. Of course, our original Ex-Dividend Calendar feature is still there for those who want to follow more traditional strategies. Access everything from the link in our new **"Dividend Capture Tools"** section near the top of the right-hand column of the Premium Members Home page.

#### What's New?

We're adding a new "investment bank" that offers advisory services to corporations involved in mergers and acquisitions, new financing, etc., to our U.S. Banks portfolio. Its growth, in the high single-digits range, won't knock your socks off. But it's a different story when it comes to dividends. Starting with \$0.20 per share quarterly in July 2014, it's now up to \$0.37 in regular quarterly dividends, plus it has already distributed about **\$1.00 per year in special payouts**. Yield is 7.3% assuming \$1 per year in specials, or 4.3% with no specials.

Here are the details on this month's portfolio changes.

### NEW BUYS, SELLS, ETC.

**U.S. BANKS:** BUY Moelis (MC)

**MFG. & SVCS:** SELL Target (TGT).

**SPECULATORS:** SELL Mattel (MAT).

**PREFERRED STOCKS:** SELL Apollo Commercial (ARI-A).

**ETF MONTHLY:** OKAY TO ADD TO ALL PICKS.

**CEF MONTHLY:** OKAY TO ADD TO ALL PICKS.

**MODEL PORT CONSERVATIVE:** BUY Six Flags Entertainment (SIX), DELETE Verizon Communications (VZ).

**MODEL PORT GROWTH & INC:** BUY Carnival (CCL), SELL Target (TGT).

**MODEL PORT HIGH YIELD/SPEC:** BUY CenturyLink (CTL), BUY Moelis (MC). DELETE Chevron (CVX), SELL Mattel (MAT).

Delete= Sell from Model Port. Only • SELL= Sell from all Ports

### MODEL PORTFOLIOS

We offer four Model 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, we have **different "buy" criteria** for our Model Ports than for our Industry & Specialty portfolios. 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 available funds. Please see page 7 for current Model Portfolio holdings.

#### Monthly Paying Retirement Portfolio (+2.4% return)

Reeves Utility Income, up 7% and EPR Properties, up 4%, led the pack. Nuveen Floating Rate ETF and PowerShares High Yield Dividend, both at breakeven, were the laggards.

#### Conservative Portfolio (-1.7% return)

Communications Sales & Leasing and Cisco Systems, both up 3%, did the best. But Macquarie Infrastructure, down 8%, and Cincinnati Financial and Verizon, both down 7%, sunk the portfolio returns.

We're **replacing Verizon** in this portfolio with **Six Flags Entertainment** from our Manufacturing & Services portfolio. However, Verizon is still "buy" rated in its home portfolio, which is also Mfg. & Services.

#### Growth & Income (-4.0% return)

Cinemark Holdings, up 11%, and First Trust Technology Dividend, up 3%, were our only winners. Qualcomm, down a whopping 18%, and Target, down 11%, were the biggest losers.

We're **selling Target** and **adding Carnival**. Both are also from Mfg & Services, where Target is also "sell" rated.

#### High Yield/Speculative Portfolio (+0.1% return)

GasLog Partners (GLOP), up 11%, and Costamare Preferreds, up 4%, did the best. Mattel and NutriSystem, both down 5%, were the biggest losers.

We're making two changes to the portfolio. We're **adding CenturyLink** from Speculators and **Moelis**, our new pick from U.S. Banks. We're **deleting Chevron**, which is still "buy" rated in its home Oil Industry portfolio, and we're advising **selling Mattel** both here, and in its home Speculators portfolio.

### PREFERRED STOCKS

**PORTFOLIO RETURNS:** LAST MONTH +2.4%, 2016 YEAR +6.1%

**BEST:** Qwest (CTBB) +8%, SCE Trust (SCE-J) +6%

**WORST:** Banc Calif. (BANC-E) -1%, Customers Bancorp (CUBI-F) -0%

With 28 of our 30 picks recording gains, January got our preferreds off to a good start for the year.

Colony Capital (CLNY) completed its merger with NorthStar Asset Management and is now Colony NorthStar (CLNS). Consequently, the ticker symbol for its 7.125% Series C preferreds, formerly CLNY-C, have been changed to CLNS-H.

#### Sell Apollo Commercial

Apollo Commercial 8.625% (ARI-A) could be call as soon as August 1, 2017 and is trading above its \$25 call price, bringing its yield-to-call down to 2.8%, below our 3.5% minimum required to qualify for a "buy" rating.

## PREFERRED SPECULATORS

**PORTFOLIO RETURNS: LAST MONTH +7.5%, 2016 YEAR +27.8%**

**BEST:** Seaspac (SSW-H) +16%, Teekay Offshore (TOO-A) +10%

**WORST:** Costamare (CMRE-D) +4%, GasLog (GLOG-A) -1%

More evidence; January was a great month for preferreds.

## ETF MONTHLY INCOME (EXCHANGE-TRADED FUNDS)

**PORTFOLIO RETURNS: LAST MONTH +1.5%, 2016 YEAR +5.8%**

**BEST:** iS Preferred (PFF) +2.4%, CEF Muni Income (XMPT) +2.2%

**WORST:** iS Invest Gr. (LQD) +0.1%, iS High Yield (HYG) +0.9%

### Okay to Add to All Income ETFs

Inflation fears have faded and we're again advising to positions in all Monthly Income ETF Portfolio picks.

## ETF GROWTH OPPORTUNITIES

**PORTFOLIO RETURNS: LAST MONTH +1.4%, 2016 YEAR +9.6%**

**BEST:** FT Technology (TDIV) +3%, Oppenheim Ultra (RDIV) +2%

**WORST:** Vanguard REIT (VNQ) -0%, WT Large Cap Div (DLN) +1%

Those returns reflect last month's overall strong market, especially tech.

## CEF MONTHLY INCOME

**PORTFOLIO RETURNS: LAST MONTH +4.2%, 2016 YEAR +11.2%**

**BEST:** Pimco Corp. & Inc. (PCN) +6.4%, F&C Total Return (FLC) +6.0%

**WORST:** JH Premium Dividend (PDT) +0.64%, Pimco Muni (PML) +3.5%

### Okay to Add to All CEFs

Inflation fears have eased and we're again advising adding to positions in all portfolio Closed-End Funds.

## CEF GROWTH OPPORTUNITIES

**PORTFOLIO RETURNS: LAST MONTH +4.6%, 2016 YEAR +6.5%**

**BEST:** Reeves Utility (UTG) +7%, C & S Realty (RQI) +6%

**WORST:** JH Financial Opp. (BTO) +2%, First Trust MLP (FEI) +4%

Both Cohen & Steers Realty and Reeves Utility outperformed their sectors indexes last month.

## CORPORATE BONDS

Our bond trading prices leveled off last month. Please see page 6 for details.

## BUSINESS DEVELOPMENT COMPANIES (BDCs)

**PORTFOLIO RETURNS: LAST MONTH -1.6%, 2016 YEAR +32.7%**

**BEST:** Hercules Tech (HTGC) +0%

**WORST:** Main Street (MAIN) -3%

Hercules reports December numbers on February 23, analysts expect 14% EPS growth.

## HIGH TECH - HIGH DIVIDENDS

**PORTFOLIO RETURNS: LAST MONTH -1.4%, 2016 YEAR NEW**

**BEST:** Microsoft (MSFT) +4%, Cypress Semi (CY) +3%

**WORST:** Qualcomm (QCOM), -18%, HP, Inc. (HPQ) +1%

Cypress and Microsoft both reported good December quarter growth numbers. For instance, looking at EPS, Cypress was up 15% vs. year-ago and Microsoft gained 9%.

With EPS up 23%, Qualcomm reported even better numbers, but its share price sunk on word that Apple was suing Qualcomm for \$1 billion, asserting that it had been overcharged that much for Qualcomm's computer chips. It didn't help that the U.S. Federal Trade Commission also charged Qualcomm of monopolistic practices.

### Still Buy Qualcomm

In the end, Qualcomm will settle with Apple and do whatever it takes to mitigate the FTC charges. Qualcomm's upcoming acquisition of NXP Semiconductors, which is the leading maker of chips for automobiles, will make QCOM a major player in that rapidly expanding market.

## INSURANCE INDUSTRY \*

**PORTFOLIO RETURNS: LAST MONTH -1.6%, 2016 YEAR +32.0%**

**BEST:** Arthur J. Gallagher (AJG) +4%

**WORST:** Cincinnati Financial (CINF) -7%

Cincinnati Financial dropped on news that losses from Hurricane Matthew and a wildfire and storm in Tennessee would cut December quarter EPS by \$0.60 or so. Cincinnati reports on February 8.

Arthur J. Gallagher reported December quarter EPS up 12%, which was a good number for AJG.

Cincinnati hiked its quarterly dividend by 4% to \$0.48/share.

Gallagher acquired three retail insurance brokers, one wholesale insurance broker, and an employee benefits consultant in January.

## MANUFACTURING & SERVICES

**PORTFOLIO RETURNS: LAST MONTH -0.5%, 2016 YEAR +17.7%**

**BEST:** Cinemark (CNK) +11%, Carnival (CCL) +6%

**WORST:** Target (TGT) -11%, Verizon (VZ) -7%

Verizon reported December quarter EPS down 3% vs. year-ago on a 2% drop in revenues. Those were disappointing numbers, but don't give up on VZ, there's better news ahead.

Target's November/December same store sales dropped 1%. Target is abandoning two promising new projects that were under development. One, the "Store of the Future" was a small-format store that would be part showroom and part warehouse, with robots picking items behind the scenes to have ready for customers as they checked out. The second was a software platform that would have been an open marketplace where other retailers could list goods for sale.

### Sell Target

Target's new CEO had great turnaround ideas but the realities of retailing in today's world are overwhelming everything.

## MASTER LIMITED PARTNERSHIPS: ENERGY

**PORTFOLIO RETURNS: LAST MONTH +9.7%, 2016 YEAR -4.8%**

**BEST:** Phillips 66 (PSXP) +17%, Tesoro (TLLP) +14%

**WORST:** Enviva (EVA) -3%, GasLog Partners (GLOP) +11%

Phillips 66 Partners reported December quarter earnings up 14% over year-ago, but GasLog Partners reported earnings only even with year-ago.

All of our picks announced distribution hikes last month. Phillips 66 increased its quarterly payout by 5%, Tesoro Logistics upped its payout by 4%, GasLog announced a 2.5% increase and Enviva raised its quarterly distribution by 1%.

## OIL INDUSTRY

**PORTFOLIO RETURNS: LAST MONTH -5.4%, 2016 YEAR +37.0%**

**Best:** Chevron (CVX) -5%

Chevron reported good (8%) December quarter revenue growth, but one-time expenses squashed earnings. Long-term, however, the outlook is still good.

## PARTNERS: EXCL-ENERGY

**PORTFOLIO RETURNS: LAST MONTH -1.6%, 2016 YEAR +2.6%**

**Best:** America First (ATAX) +4%

**Worst:** Macquarie (MIC) -8%, Compass Divers. (CODI) -0%

Macquarie Infrastructure's share price dropped after an analyst recommended shorting the stock. No details were offered. Macquarie reports December quarter results on February 21. Analysts expect 20% EPS growth.

## REAL ESTATE INVESTMENT TRUSTS (REITs)

**PORTFOLIO RETURNS: LAST MONTH +0.4%, 2016 YEAR +12.4%**

**Best:** CyrusOne (CONE) +8%, EPR Properties (EPR) +4%

**Worst:** STORE Capital (STOR) -4%, Hannon Armstrong. (HASI) -4%

Crown Castle, our only REIT to announce December quarter results so far, reported modest, but okay growth numbers

EPR Properties raised its monthly dividend 6% to \$0.34/ share.

## U.S. BANKS

**PORTFOLIO RETURNS: LAST MONTH -1.5%, 2016 YEAR +18.8%**

**Best:** PacWest (PACW) +4%, First Republic (FRC) +3%

**Worst:** Banc of Calif. (BANC) -9%

Banc of California and First Republic both reported strong December quarter growth numbers. PacWest announced mixed, but on balance, okay results.

An inquiry initiated by Banc of California's Board after a short seller published a report claiming that the bank was, in effect, controlled by a gangster, found that while that claim was not true, BANC had misstated certain facts in an October 2016 press release. Specifically, the press release stated that BANC's Board had initiated a particular investigation, when in fact, it was BANC's management that did so. Also, the inquiry revealed that the SEC was investigating issues related to that press release. As a result, BANC's CEO and CFO both resigned, and the Board appointed interim CEO's and CFO's while it searches for permanent replacements.

### New Pick

We're adding Moelis & Co., an investment bank that provides advisory services to corporations involved in mergers and acquisitions, financing, etc. Growing annual earnings mid-single digits, Moelis is a modest growth story. But, dividends are another matter. It raised its regular dividend by 50% in 2015, by 7% in 2016, and by 16% to \$0.37 per share last month. It has also paid special dividends: \$1.00/share in November

2014, \$0.80 in February 2016 and \$1.25 last month. We're estimating a 7.3% yield, which assumes \$1.00/year in special dividends. Without the specials, its yield would be 4.3%.

### Still Buy Banc of California

Obviously, there's a lot of negative news out there about BANC. Nevertheless, we think that BANC's current Board is on the case, and we don't see anything fishy about the 38% December quarter earnings growth that the bank recently announced. We're still advising adding to positions.

## UTILITIES

**PORTFOLIO RETURNS: LAST MONTH +3.4%, 2016 YEAR +21.2%**

**Best:** CenterPoint (CNP) +6%, Pattern Energy (PEGI) +4%

**Worst:** Dominion (D) -0%, NextEra (NEE) +4%

On February 1, Dominion reported good December quarter numbers, but then ruined the party by forecasting full year 2017 operating EPS around \$3.65, below the \$3.80 that it earned last year. That news triggered a 6% selloff in Dominion's shares.

NextEra Energy reported only modest (3%) December earnings growth, but there was good news too. Its renewable energy unit, NextEra Energy Resources, generated more than double year-ago earnings, and that business is now recording meaningful numbers.

CenterPoint raised its quarterly dividend by 4% to \$0.2675 per share.

### Still Buy Dominion

Dominion still has a lot of irons in the fire.

## DIVIDEND SPECULATORS

**PORTFOLIO RETURNS: LAST MONTH -2.2%, 2016 YEAR -11.9%**

**Best:** CenturyLink (CTL) +9%, Sun Communities (SUI) +3%

**Worst:** Mattel (MAT) -5%, NutriSystem (NTRI) -5%

Mattel reported below year-ago December quarter earnings and revenue numbers. The downturn encompassed most categories and there was little good news.

### Sell Mattel

Similar to the way adult shoppers are moving from brick and mortar to online shopping, their kids are moving from traditional toys to kid's versions of Smartphones and tablets.

## CANADA STOCKS

**PORTFOLIO RETURNS: LAST MONTH -3.7%, 2016 YEAR +49.9%**

**Best:** Morneau Shepell (MSI.TO) -3%

**Worst:** Student Trans. (STB) -5%

Morneau Shepell reports December quarter numbers on March 2. Analysts are looking for 36% year-over year earnings growth.

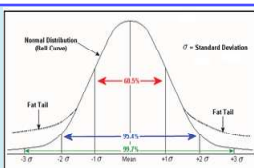
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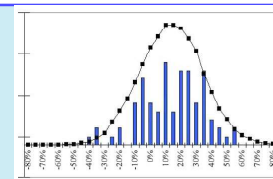
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# Quant Workshop

Invest Like a Hedge Fund Manager  
 Here are two portfolios that employ hedge fund style quantitative screens to select the stocks.



## Five for Three

High Beta / High Returns

BUY NOW - HOLD FOR THREE MONTHS

Ticker	Name	Price	Yield %
MO	Altria Group	71.49	3.4
KO	Coca-Cola	41.54	3.4
SHLX	Shell Midstream	32.70	3.4
SKT	Tanger Factory Out.	34.10	3.8
VZ	Verizon	48.58	4.8

## Seven Best Aristocrats

Low Beta/Low Risk

Buy Now - Hold six to 12 months

Ticker	Name	Price	Yield %
AFL	AFLAC	68.61	2.5
ADM	Archer-Daniels-Midland	43.99	2.7
CVX	Chevron	113.57	3.8
XOM	Exxon Mobil	83.54	3.6
GPC	Genuine Parts	97.14	2.7
JNJ	Johnson & Johnson	13.64	2.8
TROW	T. Rowe Price	67.71	3.2

Please see website for more Aristocrats info

### Five for Three Returns Since Started

Start Date	End Date	Stocks Up	Stocks Down	Stocks No Change	Total Return	S&P 500
11/3/16	2/3/17	5	0	0	6.3%	9.5%
10/3/16	1/3/17	5	0	0	21.5%	4.5%
9/2/16	12/2/16	3	2	0	5.0%	0.5%
8/4/16	11/3/16	1	4	0	-6.8%	-3.5%
7/1/16	10/3/16	5	0	0	10.5%	2.8%
6/3/16	9/2/16	4	1	0	5.2%	3.9%
5/3/16	8/2/16	4	1	0	18.1%	4.5%
4/3/16	7/1/16	2	3	0	-1.9%	1.5%

News & Analysis Affecting Your D.D. Stocks • Dividend Detective *Breaking News*  
 Updated Multiple Times Daily • Accessed from Premium Members Homepage

### 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

Rating	CUSIP	Company	Maturity Date	Recent Price	Coupon	Yield to Maturity
<b>Conservative</b>						
AA	931142DD2	Wal-Mart Stores	4/15/21	\$108.2	4.250	2.2
AA+	369604BC6	General Electric Co.	12/6/17	\$103.3	5.250	1.2
AA	931142CU5	Wal-Mart Stores	7/8/20	\$106.1	3.625	1.8
<b>Aggressive</b>						
A-	073902RU4	Bear Sterns	2/1/18	\$105.3	7.250	1.8
A-	40429CGD8	HSBC Financial	1/15/21	\$112.8	6.676	3.2
BBB+	61744YAD0	Morgan Stanley	12/28/17	\$103.9	5.950	1.5
<b>Speculative</b>						
BBB+	025816BG3	American Express	5/22/18	\$99.9	1.550	1.7
BBB	345397VR1	Ford Motor	2/01/21	\$110.1	5.750	3.0
BBB	50075NAV6	Kraft Foods	8/23/18	\$106.8	6.125	1.5
<b>Walk on the Wild Side</b>						
BBB-	50076QAU0	Kraft Foods	2/10/20	\$108.2	5.375	2.5
BB+	02005NBE9	Ally Financial	11/5/18	\$101.3	3.250	2.5
BB+	02005NAR1	Ally Financial	9/10/18	\$103.5	4.750	2.5

## DIVIDEND DETECTIVE MODEL PORTFOLIOS

Four Portfolios, each with seven stocks/funds, tailored to your investing goals

**Port #1 Monthly Paying Retirement:** diversified portfolio providing monthly income

**Port #2 Conservative:** minimizing risk is priority #1

**Port #3 Growth & Income:** dividend paying growth stocks

**Port #4 High-Yield/Speculative:** take a walk on the wild side for highest potential returns

See Premium Members Site for historical 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
- Don't cherry pick

#### Key

**New:** Addition to portfolio

**Delete (Model Port Only):** Delete from Model Portfolio only (not home Industry/Specialty portfolio)

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

**SELL:** Applies to all portfolios

#### #1: Monthly Paying Retirement

		<u>Industry Portfolio</u>	<u>Recent Price</u>	<u>Div. Yield</u>
EPR	EPR Properties	REITs (Entertainment Properties)	74.0	5.5%
FEI	FT MLP & Energy	Closed-End Growth (Energy)	16.6	8.5%
JRO	Nuveen Floating Rate	N.A.	12.2	6.8%
BTO	JH Financial Opportunities	Closed-End Growth (Banks)	36.4	4.1%
PEY	PS High Yield Dividend	N.A.	17.0	3.1%
UTG	Reeves Utility Income	Closed-End Growth (Utilities & Telecom)	32.8	5.8%
DLN	W.T. LargeCap Dividend	ETF Growth (Large-Cap Growth)	80.3	2.6%

#### #2: Conservative

		<u>Industry Portfolio</u>	<u>Recent Price</u>	<u>Div. Yield</u>
CINF	Cincinnati Financial	Insurance Industry	70.6	2.7%
CSCO	Cisco Systems	High Tech (Telecom Equip)	30.7	3.4%
CSAL	Communications S&L	REITs (Telecom Facilities)	26.3	9.1%
KHC	Kraft Heinz	Mfg/Services (Packaged Foods)	89.3	2.7%
MIC	Macquarie Infra. Corp.	(MLPs Ex-Energy, MIC is Corp.)	75.0	6.9%
RDIV	Oppenheimer Ultra Div.	ETF Growth (Mid/Large-Cap)	34.8	3.1%
<b>SIX</b>	<b>Six Flags Entertainment</b> <b>NEW PICK</b>	Mfg/Services (Theme Parks)	59.6	4.3%
<del>VZ</del>	<del>Verizon</del> <b>Delete (Model Port Only)</b>	Mfg/Services (Telecom)	49.0	4.7%

#### #3: Growth & Income

		<u>Industry Portfolio</u>	<u>Recent Price</u>	<u>Div. Yield</u>
BANC	Banc of California	U.S. Banks (Regional)	15.8	3.3%
<b>CCL</b>	<b>Carnival</b> <b>NEW PICK</b>	Mfg/Services (Cruise Lines)	55.4	2.5%
CNK	Cinemark Holdings	Mfg/Services (Movie Theaters)	42.5	2.5%
CBRL	Cracker Barrel	Mfg/Services (Restaurants)	158.1	2.9%
TDIV	FT Technology Div.	ETF Growth (Tech)	30.6	2.4%
HTGC	Hercules Capital	Bus. Dev. Co.	14.1	8.8%
QCOM	Qualcomm	High Tech (Semiconductors)	53.4	4.0%
<del>TGT</del>	<del>Target</del> <b>SELL</b>	Mfg/Services (Retail)	64.5	3.7%

#### #4: High Yield/Speculative

		<u>Industry Portfolio</u>	<u>Recent Price</u>	<u>Div. Yield</u>
<b>CTL</b>	<b>CenturyLink</b> <b>NEW PICK</b>	Speculators (Telecom)	25.9	8.4%
<del>CVX</del>	<del>Chevron</del> <b>Delete (Model Port Only)</b>	Oil Industry (Diversified)	111.4	3.9%
CMRE-D	Costamare D	Preferred Spec. (Container Ships)	22.6	9.7%
CY	Cypress Semiconductor	High Tech (Semiconductors)	11.8	3.7%
GLOP	GasLog Partners	MLPs (LNG shipping-Taxed as Corp)	22.9	8.6%
MAIN	Main Street Capital	Business Dev. Co.	35.4	7.8%
<del>MAT</del>	<del>Mattel</del> <b>SELL</b>	Speculators (Mfg. Toys & Dolls)	26.2	5.8%
<b>MC</b>	<b>Moelis &amp; Co.</b> <b>NEW PICK</b>	U.S. Banks (Investment Bank)	34.1	7.3%
NTRI	NutriSystem	Speculators (Weight Loss Products)	33.1	2.1%

*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.

Our research has found that portfolios comprised of stocks with Beta values below 1.0 outperform portfolios made up of stocks with Beta values above 1.0.

Ticker		Estimated Annual Dividend \$	Estimated Annual Yield	Freq	x-Date	Beta
SSI	Stage Stores	0.600	23.1	Q	11/25/16	0.9
AI	Arlington Asset Investment	2.500	16.4	Q	12/28/16	1.1
TICC	TICC Capital	1.160	16.2	Q	12/14/16	0.5
NYMT	New York Mortgage Trust	0.960	14.8	Q	12/22/16	1.3
ORC	Orchid Island Capital	1.680	14.1	M	01/27/17	0.7
PNNT	PennantPark Investment	1.120	14.0	Q	12/20/16	1.2
NAP	Navios Maritime Midstream Partners	1.690	13.7	Q	02/07/17	-
WMC	Western Asset Mortgage Capital	1.380	13.5	Q	12/29/16	0.7
FSC	Fifth Street Finance	0.720	13.2	M	02/13/17	0.3
CG	Carlyle Group	2.240	13.2	Q	11/04/16	1.9
JPEP	JP Energy Partners	1.300	13.0	Q	02/03/17	-
CYS	CYS Investments	1.000	12.9	Q	12/20/16	0.6
STNG	Scorpio Tankers	0.500	12.9	Q	11/22/16	1.9
CCLP	CSI Compressco	1.510	12.6	Q	01/30/17	2.0
DX	Dynex Capital	0.840	12.5	Q	12/28/16	0.8
SFL	Ship Finance International	1.800	12.4	Q	12/08/16	1.2
EEP	Enbridge Energy Partners	2.332	12.4	Q	02/03/17	1.2
EARN	Ellington Residential Mortgage REIT	1.600	12.3	Q	12/28/16	0.6
FTR	Frontier Communications	0.420	12.3	Q	12/13/16	0.7
NRZ	New Residential Investment	1.920	12.2	Q	03/23/17	0.9
KCAP	KCAP Financial	0.480	12.0	Q	01/04/17	1.8
GARS	Garrison Capital	1.120	11.9	Q	12/07/16	0.3
SPH	Suburban Propane Partners	3.550	11.8	Q	01/27/17	0.9
NLY	Annaly Capital Management	1.200	11.6	Q	12/28/16	0.2
ANH	Anworth Mortgage Asset	0.600	11.6	Q	12/28/16	0.3
MCC	Medley Capital	0.880	11.5	Q	11/21/16	1.1
OAKS	Five Oaks Investment	0.600	11.4	M	02/13/17	1.3
AGNC	AGNC Investment	2.160	11.4	M	01/27/17	0.1
USAC	USA Compression Partners	2.100	11.3	Q	02/01/17	1.3
BKCC	BlackRock Capital Investment	0.840	11.2	Q	12/15/16	0.8
WHF	WhiteHorse Finance	1.420	11.2	Q	12/16/16	0.8
CIM	Chimera Investment	2.000	11.2	Q	12/28/16	0.7
EFC	Ellington Financial	1.800	11.2	Q	11/29/16	0.3
CPTA	Capitala Finance	1.560	11.2	M	02/15/17	1.1
SUN	Sunoco	3.302	11.2	Q	02/09/17	0.6
TWO	Two Harbors Investment	0.960	11.0	Q	12/28/16	0.6
CNXC	CNX Coal Resources	2.050	10.9	Q	02/07/17	-
ITEX	ITEX Corporation	0.400	10.9	Q	11/29/16	1.0
ARCX	Arc Logistics Partners	1.760	10.9	Q	02/06/17	-
MITT	AG Mortgage Investment Trust	1.900	10.9	Q	12/15/16	0.9
CHMI	Cherry Hill Mortgage Investment	1.960	10.8	Q	12/28/16	0.4
IVR	Invesco Mortgage Capital	1.600	10.8	Q	12/22/16	0.7
ETP	Energy Transfer Partners	4.220	10.7	Q	02/03/17	1.3
ARR	ARMOUR Residential REIT	2.280	10.6	M	02/13/17	0.7
ARI	Apollo Commercial Real Est. Finance	1.840	10.5	Q	12/28/16	0.6
SLD	Sutherland Asset Management	1.400	10.4	Q	12/28/16	0.7
NEWT	NEWTEK Business Services	1.600	10.4	Q	12/13/16	1.3
WPG	Washington Prime Group	1.000	10.4	Q	11/30/16	-
TCRD	THL Credit	1.080	10.3	Q	12/13/16	1.0
WDR	Waddell & Reed Financial	1.840	10.3	Q	01/09/17	1.9
MMLP	Martin Midstream Partners	2.000	10.1	Q	02/03/17	1.4



# DIVIDEND DETECTIVE AT A GLANCE

See the portfolio write-ups on the Premium Members site for ratings backup, returns since added, etc.

Name	Ticker	Yld.	Rec.	Name	Ticker	Yld.	Rec.
<b>PREFERRED STOCKS</b>				<b>HIGH TECH - HIGH DIVIDENDS</b>			
AmTrust Financial 7.50% Series D	AFSI-D	7.4%	BUY	Cisco Systems	CSCO	3.4%	BUY
Annaly Capital Mgmt. 7.625% C	NLY-C	7.8%	BUY	Cypress Semiconductor	CY	3.7%	BUY
Apollo Commercial 8.625% A	ARI-A	8.4%	<b>SELL</b>	HP, Inc.	HPQ	3.5%	BUY
Ashford Hospitality 7.375% G	AHT-G	7.9%	BUY	Microsoft	MSFT	2.4%	BUY
Banc of California 7.00% E	BANC-E	7.1%	BUY	Qualcomm	QCOM	4.0%	BUY
BB&T 5.625% Series H	BBT-H	5.6%	BUY	<b>MANUFACTURING &amp; SERVICES</b>			
Charles Schwab 5.95% Series D	SCHW-D	5.7%	BUY	Carnival	CCL	2.5%	BUY
CHS Inc. 7.50% Class B, Series 4	CHSCL	6.9%	BUY	Cinemark Holdings	CNK	2.5%	BUY
Citigroup 7.125% Series J	C-J	6.4%	BUY	Cracker Barrel Old Country Store	CBRL	2.9%	BUY
Colony Capital 7.125% Series C	CLNY-C	7.3%	BUY	Kraft Heinz	KHC	2.7%	BUY
Customers Bancorp 6.00% Ser. F	CUBI-F	6.0%	BUY	Six Flags Entertainment	SIX	4.3%	BUY
eBay 6.00% Notes	EBAYL	5.8%	BUY	Target	TGT	3.7%	<b>SELL</b>
Goldman Sachs 5.50% J	GS-J	5.4%	BUY	Verizon Communications	VZ	4.7%	BUY
Hancock Holding 6.625% Sub Notes	HBHCL	5.9%	BUY	<b>U.S. Banks</b>			
IBERIABANK 6.60% Series C	IBKCO	6.2%	BUY	Banc of California	BANC	3.0%	BUY
Invesco Mortgage 7.75% B	IVR-B	7.9%	BUY	First Republic	FRC	0.7%	BUY
KKR & Co. 6.75% Series A	KKR-A	6.5%	BUY	<b>Moelis &amp; Co.</b>	<b>MC</b>	7.3%	<b>BUY</b>
Maiden Holdings 5.95% Notes	MHLA	6.5%	BUY	PacWest	PACW	3.6%	BUY
National General 7.50% Series B	NGHCO	7.4%	BUY	<b>REAL ESTATE INVESTMENT TRUSTS</b>			
National Retail Prop. 7.50% F	NNN-F	5.9%	BUY	Uniti (Communications S&L)	UNIT (CSAL)	9.1%	BUY
PartnerRe 5.875% Series F	PRE-F	5.9%	BUY	Crown Castle Intl.	CCI	4.3%	BUY
PS Business Parks 5.20% W	PSB-W	5.8%	BUY	CyrusOne	CONE	3.2%	BUY
Qwest Corp. 6.50%	CTBB	6.6%	BUY	EPR Properties	EPR	+5.5%	BUY
Qwest Corp. 6.875%	CTV	6.7%	DNA	Hannon Armstrong	HASI	7.2%	BUY
SCE Trust IV 5.375%	SCE-J	5.1%	BUY	Life Storage (was Sovran Self Storage)	LSI	4.7%	BUY
SLM (Sallie Mae) Series A 6.97%	SLMAP	6.9%	DNA	Physicians Realty Trust	DOC	4.9%	BUY
Southern Co. 6.25% Series 2015A	SOJA	6.0%	BUY	Retail Opportunity Investments	ROIC	3.4%	BUY
Torchmark 6.125% Debentures	TMK-C	5.9%	BUY	Store Capital	STOR	4.9%	BUY
United States Cellular 7.25%	UZB	6.9%	BUY	<b>MASTER LIMITED PARTNERSHIPS (MLPs): ENERGY</b>			
Wells Fargo 6.625% R	WFC-Q	5.6%	BUY	Enviva Partners	EVA	+8.3%	BUY
<b>PREFERRED SPECULATORS</b>				GasLog Partners (Taxed as corp)	GLOP	+8.6%	BUY
Costamare 8.75% Series D	CMRE-D	9.7%	BUY	Phillips 66 Partners	PSXP	+4.0%	BUY
GasLog 8.75% Series A	GLOG-A	8.7%	BUY	Tesoro Logistics	TLLP	+6.3%	BUY
Seaspan 7.88% H	SSW-H	8.9%	BUY	<b>MLPs: EXCLUDING ENERGY</b>			
Teekay Offshore Partners 7.25% A	TOO-A	8.8%	BUY	America First Multifamily	ATAX	8.9%	BUY
<b>ETF MONTHLY INCOME</b>				Compass Diversified	CODI	8.2%	BUY
iShares High Yield Corporate	HYG	5.2%	<b>BUY</b>	Macquarie Infrastructure (Converted to corp)	MIC	6.9%	BUY
iShares Invest. Grade Corporate	LQD	3.3%	<b>BUY</b>	<b>UTILITIES</b>			
iShares JPM Emerging Mkts.	EMB	4.8%	<b>BUY</b>	CenterPoint Energy	CNP	+4.1%	BUY
iShares S&P U.S. Preferred	PFF	5.7%	<b>BUY</b>	Dominion Resources	D	4.0%	BUY
MV CEF Municipal Income	XMPT	5.2%	<b>BUY</b>	NextEra Energy	NEE	2.8%	BUY
<b>ETF GROWTH OPPORTUNITIES</b>				Pattern Energy Group	PEGI	8.3%	BUY
F.T. Technology Dividend	TDIV	2.4%	BUY	<b>BUSINESS DEVELOPMENT CORPS</b>			
Oppenheimer Ultra Dividend	RDIV	3.1%	BUY	Hercules Technology Growth	HTGC	8.8%	BUY
PS DWA Utilities	PUI	3.3%	BUY	Main Street Capital	MAIN	7.8%	BUY
WT LargeCap Dividend	DLN	2.6%	BUY	<b>INSURANCE</b>			
Vanguard REIT	VNQ	4.8%	BUY	Arthur J. Gallagher	AJG	2.8%	BUY
<b>CLOSED-END FUND MONTHLY INCOME</b>				Cincinnati Financial	CINF	+2.7%	BUY
DNP Select Income	DNP	7.4%	BUY	<b>OIL</b>			
F&C/Claymore Preferred	FLC	7.6%	<b>BUY</b>	Chevron	CVX	3.9%	BUY
JH Premium Dividend	PDT	7.4%	BUY	<b>CANADA Stocks</b>			
Pimco Corporate & Income	PCN	8.6%	<b>BUY</b>	Morneau Shepell	MSI.TO	4.2%	BUY
Pimco Municipal Income II	PML	6.2%	<b>BUY</b>	Student Transportation	STB.TO/STB	7.8%	BUY
<b>CEF GROWTH OPPORTUNITIES</b>				<b>DIVIDEND SPECULATORS</b>			
Cohen & Steers Realty	RQI	7.4%	BUY	CenturyLink	CTL	8.4%	BUY
FP MLP & Energy	FEI	8.5%	BUY	Mattel	MAT	5.8%	<b>SELL</b>
JH Financial Opportunities	BTO	4.1%	BUY	NutriSystem	NTRI	2.1%	BUY
Reeves Utility Income	UTG	5.8%	BUY	Sun Communities	SUI	3.3%	BUY

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

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

## How Do We Arrive at Our Buy/Sell Decisions?

It's all on our Premium Members website, including a summary of each stock's quarterly reports and our analysis.

[DividendDetective.com/subs](http://DividendDetective.com/subs)

## Questions?

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