



## DIVIDEND DETECTIVE HIGHLIGHTS

DIVIDENDDETECTIVE.COM

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### Welcome to the November 2012 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.

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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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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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## November 2012 Commentary

### Review of October 2012 Results and This Month's Changes

### WASN'T PRETTY, BUT DIVIDEND STOCKS OUTPERFORMED

With the S&P 500 down 2% and the Nasdaq down 4%, October wasn't pretty. With eight of our 19 Industry & Specialty portfolios in positive territory, and 13 outperforming the S&P, we did relatively well, but nothing to write home about.

Looking at our Sample Portfolios; Conservative and High Yield both broke even, but Growth & Income averaged a 2% loss.

Getting back to our Industry & Specialty portfolios, Partnerships, Excluding Energy, up 3%, did the best. Rural Telecoms, down 5%, lost the most. Here's the complete list.

<u>Portfolio</u>	<u>Avg. Return%</u>
Partnerships: Ex-Energy .....	3%
Insurance Industry .....	2%
Preferred Stocks .....	2%
Business Development Corps. ....	1%
Partnerships: Energy .....	1%
Utilities .....	1%
ETF Monthly Income .....	1%
Canada Stocks Ex-Energy .....	1%
Energy: General Partners .....	0%
Large Banks .....	0%
Dividend Speculators .....	0%
Closed-End Funds .....	0%
Canada Real Estate Investment Trusts .....	-1%
US Real Estate Investment Trusts .....	-2%
Regional Banks .....	-3%
Canada Energy .....	-3%
Manufacturing & Services .....	-3%
Oil Industry .....	-4%
Rural Telecom .....	-5%

#### What Happened?

September quarter earnings disappointments, mostly from companies doing significant business overseas, along with downbeat forecasts for the December quarter sunk the market.

#### What's Next?

How will the election results affect the market? Will our leaders resolve the "fiscal cliff" issues this year or make us wait until January or February? Who knows? Be prepared for anything. Only add money to market the that you won't need for at least 12 months so you can wait out whatever happens.

#### Portfolio Changes

We're adding three new picks, all recent IPOs, to our Preferred Stocks portfolio. One credit-rated investment grade, is paying a 6.1% market yield. Another, credit-rated "AA+" is paying 4.9%. Our third pick, which pays monthly but is not credit rated, is yielding 8.1%.

In Manufacturing & Services, our new pick will surprise you, and it's paying a 6.3% yield.

In Real Estate Investment Trusts, we're adding a new property REIT that pays dividends monthly. It's a recent IPO that's still in fast growth mode and it's paying a 6.9% yield.

We're adding a new pick to our Utilities portfolio paying 3.4% with unusually strong growth prospects for that category.

On the other side of the coin, we're selling two Preferreds, one Manufacturing & Services pick, one REIT, and two Utilities.

We're not making any changes to our Sample Portfolios this month. Here are the details.

### SAMPLE 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 (0.3% return)

Our three winners, Aspen Insurance Preferreds AHL-B), H.J. Heinz (HNZ), and Protective Life Preferreds (PL-C.) all gained 3%. Closed-end fund First Trust/Aberdeen Emerging Opportunities (FEO), down 4%, was the biggest loser.

#### Growth & Income Portfolio (-2.1% return)

Targa Resources (TRGP), up 2%, did the best. Valero Energy (VLO), down 8%, and Foot Locker (FL), down 5%, did the worst.

#### High Yield Speculative Portfolio (0.2% return)

SeaDrill (SDRL), up 3%, led the pack. American Capital Agency (AGNC), down 5%, was the biggest loser.

### PREFERRED STOCKS

Our preferreds returned 1.6%. Ally Financial (ALLY-B) and Endurance Specialty (ENH-B), both up 5%, did the best. Annaly Capital (NLY-C) and Maiden Holdings (MHNH), both down 1%, did the worst.

#### New Preferreds

We're adding three recent IPOs. Two are rated investment grade

and the third, not credit-rated, pays monthly dividends.

American Financial Group is a U.S. insurance company. **American Financial Group 6.375% Series B** (AFW) preferreds are credit-rated BBB+. The market yield (yield based on annual dividend and market price) is 6.1%.

General Electric needs no introduction. **General Electric Capital 4.875%** (GEB) preferreds are credit-rated AA+, only two notches below AAA, the highest possible credit rating. The market yield is 4.9%.

Armour Residential REIT invests in residential mortgage-backed securities, mostly those insured by U.S. Government agencies such as Fannie Mae. **Armour Residential REIT 8.250% Series A Cumulative** (ARR-A), which pay dividends monthly, has not been credit rated. Thus, they are suitable for your speculative money only. The market yield is 8.1%.

#### Sells

We're selling Citigroup 6.35% (C-E), and Merrill Lynch Capital 6.45% (MER-M) preferreds. Both are trading close to their call prices and could be called at any time.

### CLOSED-END FUNDS

Our funds returned 0.1%. AB Global High Income (AWF) and Kayne Anderson Energy (KYE), up 2%, did the best. First Trust/Aberdeen Emerging (FEO), down 4%, did the worst.

BlackRock Long-Term Muni Advantage (BTA) cut its monthly dividend by 6%. It's still paying a competitive yield and we're still advising adding to positions.

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

Our ETFs returned 0.7%. iShares Investment Grade Corporate (LQD), up 1.3%, was the leader. Vanguard Total Bond Market (BND), down 0.1%, was the laggard.

### CORPORATE BONDS

Most of our bonds made small moves, 1% or so, up or down.

We're making two changes, in both cases replacing bonds that are not currently available for purchase on a regular basis.

In **Aggressive**, we're replacing "A" rated HSBC Financial 4.800% notes due 8/15/14 with HSBC Financial 4.000%, also "A" rated, and yielding 2.6% to their 6/15/15 maturity.

In **Speculative** we're replacing "BBB-" rated International Lease Finance 5.050% notes maturing 5/15/14 with International Lease Finance 4.875% notes, also "BBB-" rated, and yielding 3.2% to their 4/1/15 maturity.

### BUSINESS DEVELOPMENT CORPORATIONS (BDCs)

Our BDCs returned 1%. Main Street Capital (MAIN), up 2%, did the best. KCAP Capital (KCAP) and Triangle Capital (TCAP) both returned 1%.

### ENERGY: GENERAL PARTNERS

Our portfolio broke even. Targa Resources (TRGP), up 2%, was our only winner. Crosstex Energy (XTXI) dropped 2%, Kinder Morgan (KMI) lost 1%, and Williams (WMB) broke even.

For GPs, operating cash flow is what counts. In that category, Kinder Morgan announced strong September quarter growth, Targa reported cash flow more or less even with year-ago, and Williams reported below year-ago numbers.

In dividend news, Targa hiked its quarterly payout by 7% and Kinder Morgan increased its dividend by 3%.

### PARTNERSHIPS: ENERGY (MASTER LIMITED PARTNERSHIPS)

Our partnerships returned 1%. Exterran Partners (EXLP), up 4%, did the best. Crestwood Midstream Partners (CMLP), down 2%, was the only significant loser.

Calumet Specialty Products' (CLMT) September quarter revenues rose 52% vs. year-ago and earnings gained 50%. Per-share distributable cash flow rose 31%. Exterran Partners also reported strong revenue and distributable cash flow growth.

Calumet raised its distribution by 5%. Crestwood Midstream Partners raised its distribution up 2%, and MarkWest Energy Partners (MWE) and Exterran both raised their payouts by 1%.

#### Don't Add to Crestwood

Crestwood Midstream Partners' long-term outlook looks good, but recent results have been hurt by lower natural gas prices and a falloff in drilling activities in its area. Also, its unit (share) price is in a downtrend. We're advising against adding to positions until Crestwood's price chart looks better.

### INSURANCE INDUSTRY

Our portfolio gained 2%. Cincinnati Financial (CINF), up 5%, did the best. OneBeacon Insurance (OB) broke even and Arthur J. Gallagher (AJG) lost 1%.

Cincinnati Financial reported good September quarter growth numbers. OneBeacon took losses from the sale of certain business units, but its continuing operations numbers looked good. Arthur J. Gallagher reported moderately strong growth in all categories.

Stepping outside of its insurance niche, Gallagher acquired an architectural and engineering firm that provides engineering, design and construction consulting services.

One Beacon, unable to reach an agreement with its joint venture partner, is exiting the collector car and boat insurance business.

### LARGE BANKS

With Canadian Imperial Bank (CM) up 1%, and Bank of Nova Scotia (BNS) down 1%, our portfolio broke even in October.

### MANUFACTURING & SERVICES

Our portfolio lost 3%. Genuine Parts (GPC), H.J. Heinz (HNZ), and Johnson & Johnson (JNJ), all up 3%, did the best. Computer Programs & Systems (CPSI), down 12%, and DuPont (DD), down 11%, sunk the portfolio returns.

B&G Foods (BGS) reported strong September quarter sales and earnings growth numbers. Computer Programs & Systems reported decent sales and earnings growth, but cash flow was weak and new order booking levels were disappointing.

Dow Chemical (DOW) and DuPont reported below year-ago

numbers, but the shortfalls mainly reflected global economic conditions and changes in currency exchange rates. Genuine Parts, Johnson & Johnson, and Verizon (VZ) reported mixed, but mostly good numbers.

McDonald's (MCD) and Philip Morris International (PM) reported September quarter numbers more or less even with year-ago. Again, unfavorable currency exchange rates hurt results. Also, McDonald's U.S. sales growth disappointed analysts.

B&G Foods increased its dividend by 7%.

#### **New Pick**

We're adding Six Flags Entertainment (SIX), which owns 19 regional amusement parks. Six Flags filed for bankruptcy in June 2009 and emerged from bankruptcy in May 2010. Its new CEO has embarked on an aggressive program to grow revenues, which is working. He initiated a dividend in December 2010 and has increased it repeatedly. The latest hike, in October, increased the payout by 50%. Current dividend yield is 6.3%.

#### **Sell Computer Programs**

Computer Programs & Systems markets information technology systems to hospitals. Business has been good, but now, growth is slowing. We expect disappointing results ahead.

#### **Do Not Add to Microchip**

Microchip Technology makes chips that are used in almost all electronic devices. Along with most chipmakers, Microchip's business slowed in 2011, but is picking up. Nevertheless, Microchip's stock is in a stubborn downtrend, which could signal bad news ahead. We're advising against adding to positions until its price chart strengthens.

## **OIL INDUSTRY**

Our portfolio dropped 4%. SeaDrill (SDRL), up 3%, was our only winner. Valero Energy (VLO) lost 8%, HollyFrontier (HFC) dropped 6%, and Chevron (CVX) fell 5%.

Valero reported a small September quarter revenue increase, but earnings fell short of year-ago. Chevron reported below year-ago numbers in all categories.

HollyFrontier has been paying \$0.65 per share quarterly dividends consisting of a \$0.15 regular and a \$0.50 per share special payout. Last month, Holly increased its regular dividend to \$0.20 per share and still declared the \$0.50 per share special, bringing the total payout to \$0.70, effectively an 8% increase.

A lawsuit contended that Texaco, which Chevron later bought, polluted the Ecuadorian jungle in the 1972 to 1992 timeframe. The plaintiffs won and an Ecuadorian court ordered Chevron to pay \$19 billion, but Chevron has been battling the order in various courts. Last month, an Ecuadorian court allowed the plaintiffs to seize assets belonging to Chevron in Ecuador.

## **PARTNERSHIPS: EX-ENERGY**

Our partnerships returned 3%. Blackstone Group (BX), up 8%, was the star. America First Tax Exempt (ATAX) gained 2% and Rentech Nitrogen Partners (RNF) lost 1%.

Blackstone reported strong September quarter growth in income, cash flow, and assets under management.

Blackstone was busy on the acquisition front; buying a grade A office building and 5-star hotel complex in Shanghai, an interest in India-based International Tractors, and a majority stake in a 31-property Southern California office portfolio that includes buildings in Los Angeles, Orange County and San Diego.

Rentech Nitrogen, for its part, acquired Pasadena, Texas based ammonium sulfate fertilizer maker Agrifos.

Rentech declared a third quarter distribution of \$0.85 per unit, below its previous payout. However, Rentech's distributions vary by quarter and Rentech reiterated its \$3.30 per unit forecast for calendar 2012.

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

Our REITs dropped 2%. Omega Healthcare Investors (OHI), up 3%, was the only winner. Digital Realty Trust (DLR), down 12%, was the biggest loser.

Entertainment Properties Trust (EPR), Home Properties (HME), and Omega Healthcare reported strong September quarter revenue and cash flow (FFO) growth., which is what you want from a property REIT.

American Capital Agency (AGNC) reported impressive book value growth, which is how mortgage REITs are valued, but its net interest margin (profit margin on loans) dropped. Digital Realty Trust reported good revenue growth, but not much cash flow growth. Inland Real Estate (IRC) reported results more or less even with year-ago.

Noting that its new name better reflects its "ongoing strategic evolution," Entertainment Properties Trust **changed its name**, effective November 2, to **EPR Properties**.

Omega increased its quarterly payout by 5%, and Hospitality Properties Trust (HPT) raised its dividend by 4%.

#### **New Pick**

We're adding American Realty Capital Properties (ARCP). It's a September 2011 IPO that invests in single-tenant retail properties that it leases to the likes of Home Depot and Walgreen's. American pays monthly dividends equating to a 6.9% yield and we expect around 8% annual dividend growth.

#### **Sell Digital Realty Trust**

Digital owns data centers that it leases to companies that want to be in "the cloud." That's a hot business but everybody has noticed, competition has increased, and Digital's growth, especially dividend growth, has slowed dramatically.

## **REGIONAL BANKS**

Our small bank portfolio lost 3%. New York Community (NYB) fell 2% and Valley National (VLY) dropped 3%.

Both banks announced mixed September quarter results. Both recorded lower net interest margins (profit margins on loans), but also lower percentages of non-performing (delinquent) loans, and higher non-interest income (fee income from mortgage originations, etc.), which were positive developments.

New York Community Bank (NYB) will **change its ticker symbol** to "NYCB", effective November 13. The bank will



continue to be listed on the NYSE.

**RURAL TELECOMS**

Our telecoms lost 5%. Hickory Tech (HTCO), up 1%, did the best. CenturyLink (CTL) dropped 5%, Windstream (WIN) lost 6%, and Consolidated Communications (CNLS) fell 8%.

Consolidated Communications reported higher September quarter earnings and slightly higher revenues, but a big drop in operating cash flow, which is the bottom line for telecoms.

**Sell Consolidated Communications**

To counter the diminishing use of telephone landline services, most of our rural telecoms are using their hefty cash flows to establish data center and fiber networking operations, which are fast-growing businesses. Consolidated Communications, however, has not followed that path.

**UTILITIES**

Our utilities averaged a 1% return. Pepco Holdings (POM), up 5%, did the best. Oneok (OKE), down 2%, did the worst.

Oneok and Unitil (UTL) reported higher September quarter earnings despite lower revenues, but Avista (AVA) and Dominion (D) reported both revenues and earnings below year-ago.

After failing to find a buyer, Dominion plans to close and decommission its nuclear power plant in Carlton, Wisconsin.

**New Utility**

We're adding NextEra Energy (NEE), which operates regulated utility Florida Power and Light, and NextEra Energy Resources, a wholesale electricity provider that operates wind and solar energy power generation facilities around the country. It's yielding 3.4% and we expect around 9% annual dividend growth.

**Sell Pepco and Unitil**

Even with Pepco Holdings good showing last month, long-term, it and Unitil have underperformed, and for good reason. Pepco last upped its dividend in early 2008 and Unitil hasn't announced a payout hike since 1998.

**DIVIDEND SPECULATORS**

Our Speculators broke even. Douglas Dynamics (PLOW), up 3%, did the best. Sun Communities (SUI), down 3%, did the worst.

Sun Communities reported below year-ago September quarter funds from operations (FFO),

Golar LNG (GLNG) plans to construct its first ship capable of freezing (liquefying) natural gas so that it can be transported by boat. Once available, a natural gas exporter need only lease one of those ships from Golar rather than constructing its own liquefaction plant, which would take years to build.

Sun bought four manufactured housing communities in Eastern Michigan. The deal will increase Sun's site count by 4%.

**CANADA STOCKS: ENERGY**

Our portfolio dropped 3%. Baytex Energy (BTE) fell 2% and Crescent Point Energy (CPG.TO) lost 4%.

Crescent Point Energy bought an oil and gas producer that

operates in the Uinta Basin in northeast Utah.

**CANADA STOCKS: EXCLUDING ENERGY**

Our portfolio rose 1%. Colabor Group (GCL.TO), up 9% did the best. Student Transportation (STB), down 4%, did the worst.

Colabor Group recorded higher September quarter sales, but earnings slightly below year-ago.

Morneau Shepell acquired Mercer Canada's pension and benefits outsourcing business. The deal will add around 4% to revenues.

**CANADA REAL ESTATE INVESTMENT TRUSTS**

Our REITs averaged a 1% loss in October. Artis (AX.UN) broke even but Calloway (CWT.UN) dropped 3%.

Calloway entered into a joint venture to develop a 53-acre site in the Toronto area with almost six million square feet of commercial, residential and retail space. To help finance the project, Calloway sold three shopping centers in Ontario for \$60 million.

Thanks for subscribing, *Harry Domash*  
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<b>DIVIDEND SCOREBOARD</b>			
<i>Condensed Version: sorted by one-month returns</i>			
<b>Sector</b>	<b>12-Mo % Rtrn</b>	<b>YTD % Rtrn</b>	<b>1-Mo % Rtrn</b>
Steel	18	6	8
China Stocks	15	16	5
Canada: Insurance	11	32	5
Canada: Energy Refining & Marketing	65	61	5
Emerging Markets Ex-China	29	29	3
Energy Partnerships: Coal	-5	-6	3
Canada: Telecom	17	13	2
Partnerships - Excluding Energy	23	25	2
Retail	23	14	2
Shipping: Dry Bulk & Containers	0	2	2
Aerospace	31	20	2
Energy: Services	32	23	1
Chemicals	23	22	1
Real Estate Invest. Tr: Lumber & Paper	25	20	1
Partnerships: Ship Owners	17	22	1
Leisure & Recreation	5	19	1
Energy Ptnr: Exploration & Production	8	9	1
Stocks: Preferred	16	17	1
Canada: Energy Pipelines	15	5	1
Canada Banks	18	15	1
Real Estate Investment Tr: Property	31	24	1
Energy Ptnr: Natural Gas Storage	15	31	0
Energy: Exploration & Production	16	12	0
Energy Partners: Misc	40	35	0
Canada: Restaurants	35	30	0
Canada: Investment Funds/Trusts	5	5	0
Utilities	12	4	0
Canada: General Business	17	9	0
Business Services & Products	10	7	0
Canada: Retail	10	9	-1
Energy Partnerships: Pipelines	14	6	-1
Business Development Companies	35	27	-1
Medical Device & Testing	29	18	-1
Canada: REITs	22	17	-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.
ARLP .....	6.8	4.34	MMP .....	4.5	1.94
APU .....	7.2	3.20	MWE .....	6.0	3.24
T .....	5.0	1.76	MMLP .....	8.7	3.08
AVA .....	4.6	1.16	MCY .....	6.1	2.45
BWP .....	8.0	2.13	NNN .....	5.0	1.58
BPL .....	8.4	4.15	OHI .....	7.7	1.76
CTL .....	7.6	2.90	OKS .....	4.6	2.74
CODI .....	9.9	1.44	PAA .....	4.8	2.17
COP .....	4.6	2.64	PVR .....	8.6	2.16
DPM .....	6.1	2.72	RGP .....	8.2	1.84
DLR .....	4.9	2.92	RAI .....	5.7	2.36
EEP .....	7.2	2.17	SNH .....	7.0	1.56
ETR .....	4.7	3.32	SPH .....	8.4	3.41
EPD .....	4.9	2.60	TAL .....	7.5	2.48
HHS .....	6.1	0.34	TCP .....	7.2	3.12
HCP .....	4.6	2.00	TE .....	4.9	0.88
HEP .....	5.7	3.70	TRI .....	4.5	1.28
KMP .....	6.1	5.04	TLP .....	7.4	2.56
LGCY .....	8.3	2.26	VVC .....	4.8	1.40
LINE .....	7.0	2.90	VZ .....	4.6	2.06
LMT .....	4.9	4.60	WPZ .....	6.2	3.23
LTC .....	5.5	1.86	WPC .....	5.1	2.60

## 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>						
A+	06739FFZ9	Barclays Bank PLC	7/10/14	\$106.9	5.200	1.0
A+	94980VAE8	Wells Fargo Bank Natl Assn.	5/16/16	\$114.1	5.750	2.4
AA+	36966RW93	GE Capital Internotes	4/15/19	\$112.3	5.125	3.0
<b>Aggressive</b>						
<b>A</b>	<b>40429XXL5</b>	<b>HSBC Financial Corp. <i>NEW PICK</i></b>	6/15/15	\$103.6	4.000	2.6
A-	59018YTZ4	Merrill Lynch Co.	7/15/14	\$106.0	5.450	1.8
A-	61744YAD0	Morgan Stanley	12/28/17	\$113.2	5.950	3.1
<b>Speculative</b>						
<b>BBB-</b>	<b>459745GM1</b>	<b>International Lease Finance <i>NEW PICK</i></b>	4/1/15	\$103.7	4.875	3.2
BBB+	29274FAB0	Enersis S.A.	12/1/16	\$118.3	7.400	2.6
BBB-	574599AR7	Masco Corp.	4/15/18	\$111.5	6.625	4.2
<b>Walk on the Wild Side</b>						
BB+	780097AL5	Royal Bank of Scotland	10/1/14	\$102.8	5.000	3.5
BB	780153AR3	Royal Caribbean Cruises	6/15/16	\$113.0	7.250	3.4
BBB-	75913MAB5	Regions Bank	5/15/18	\$120.5	7.500	3.4

## 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

### 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 **looks 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)	8.6	5.6%
AHL-B	Aspen Insurance 7.25%	Preferred (Reinsurance)	26.8	6.8%
D	Dominion Resources	Utility	52.8	4.0%
FEO	First Trust/Aberdeen Emerging	Closed-End Fund (Emerging Mkt. Equity/ Debt)	21.4	6.6%
HNZ	H.J. Heinz	Mfg/Services (Food Products)	57.5	3.6%
PM	Philip Morris International	Mfg/Services (Tobacco Products)	88.6	3.8%
PL-C	Protective Life 6.25%	Preferred (Insurance)	26.1	6.0%

### 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)	33.5	2.1%
OKE	Oneok	Utility (Utility & Pipelines)	47.3	2.8%
BOX	SeaCube Container Leasing	Mfg/Services (Shipping Containers)	18.5	6.3%
TRGP	Targa Resources	Energy General Partners (Nat. Gas Pipelines)	50.9	3.3%
WRLS	Telular	Speculator (Security Communications)	10.0	4.4%
VLO	Valero Energy	Oil Industry (Refineries)	29.1	2.4%
VZ	Verizon Communications	Mfg/Services (Telecom)	44.6	4.6%

### 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)	16.0	7.5%
AGNC	American Capital Agency	REITs (Gov. Insured Mortgages)	33.0	15.2%
ARI-A	Apollo Commercial	Preferred (Commercial Finance)	25.7	8.4%
GOF	Guggenheim Strategic	Closed-End Fund (Corp. & Gov. Debt)	21.6	8.6%
JDD	Nuveen Diversified Div. & Inc.	Closed-End Fund (Global Stocks & Debt)	12.4	8.1%
SDRL	SeaDrill	Oil Industry (Offshore Drilling)	40.3	8.3%
TCAP	Triangle Capital Resources	Business Development Corp.	26.0	8.0%

*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. Unless appearing in our industry portfolios, we have no buy/sell recommendation on these stocks or funds.

Ticker		Estimated Annual Dividend \$	Estimated Annual Yield %	Freq.
DCIX	Diana Containerships .....	1.200	19.7	Q
TEU	Box Ships .....	1.040	18.5	Q
RNDY	Roundy's .....	0.920	16.3	Q
NYMT	New York Mortgage Trust .....	1.080	16.0	Q
WMC	Western Asset Mortgage Capital .....	3.400	16.0	Q
AI	Arlington Asset Investment .....	3.500	15.8	Q
AGNC	American Capital Agency .....	5.000	15.4	Q
AMTG	Apollo Residential Mortgage .....	3.400	15.4	Q
ARR	ARMOUR Residential REIT .....	1.080	15.1	M
BGCP	BGC Partners .....	0.680	14.8	Q
MTGE	American Capital Mortgage Investment .....	3.600	14.2	Q
NAT	Nordic American Tanker .....	1.200	14.1	Q
TNP	Tsakos Energy Navigation .....	0.600	14.0	Q
SDT	Sandridge Mississippian Trust I .....	2.732	13.6	Q
CYS	CYS Investments .....	1.800	13.6	Q
RSO	Resource Capital .....	0.800	13.6	Q
MITT	AG Mortgage Investment Trust .....	3.080	12.9	Q
EFC	Ellington Financial .....	2.800	12.7	Q
NLY	Annaly Capital Management .....	2.000	12.6	Q
TWO	Two Harbors Investment .....	1.440	12.3	Q
CHKR	Chesapeake Granite Wash Trust .....	2.440	12.2	Q
IVR	Invesco Mortgage Capital .....	2.600	12.2	Q
HTS	Hatteras Financial .....	3.200	12.0	Q
DX	Dynex Capital .....	1.160	11.8	Q
PBI	Pitney Bowes .....	1.500	11.8	Q
ECT	Eca Marcellus Trust I .....	2.400	11.7	Q
CMO	Capstead Mortgage .....	1.440	11.7	Q
RNO	Rhino Resource Partners .....	1.780	11.5	Q
CPLP	Capital Product Partners .....	0.930	11.4	Q
TICC	TICC Capital .....	1.160	11.4	Q
CXS	CreXus Investment .....	1.280	11.3	Q
PSEC	Prospect Capital .....	1.220	11.2	M
NMM	Navios Maritime Partners .....	1.770	11.2	Q
FULL	Full Circle Capital .....	0.924	11.2	M
MCGC	MCG Capital .....	0.500	11.1	Q
NTLS	NTELOS Holdings .....	1.680	11.1	Q
FGP	Ferrellgas Partners .....	2.000	11.1	Q
VLCCF	Knightsbridge Tankers .....	0.700	11.0	Q
SB	Safe Bulkers .....	0.600	10.7	Q
KCAP	KCAP Financial .....	0.960	10.6	Q
FSC	Fifth Street Finance .....	1.150	10.6	M
BKCC	Blackrock Kelso Capital .....	1.040	10.5	Q
NRF	Northstar Realty Finance .....	0.680	10.5	Q
WIN	Windstream .....	1.000	10.5	Q
SLRC	Solar Capital .....	2.400	10.5	Q
NRP	Natural Resource Partners .....	2.200	10.5	Q
NCT	Newcastle Investment .....	0.880	10.4	Q
PNNT	PennantPark Investment .....	1.120	10.3	Q
MFA	MFA Financial .....	0.840	10.3	Q
CNSL	Consolidated Communications Holdings .....	1.550	10.3	Q
RRD	R.R. Donnelley & Sons .....	1.040	10.2	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	8.5%	BUY	B&G Foods	+BGS	3.8%	BUY
<b>American Financial 6.375% Senior</b>	<b>AFW</b>	6.1%	<b>BUY</b>	Computer Programs & Systems	CPSI	3.8%	<b>SELL</b>
Annaly Capital Mgmt. 7.625% C	NLY-C	7.5%	BUY	Dow Chemical	DOW	4.4%	BUY
Apollo Commercial 8.625% A	ARI-A	8.4%	BUY	E.I. du Pont Nemours	DD	3.9%	BUY
<b>Armour Residential 8.25% A</b>	<b>ARR-A</b>	8.1%	<b>BUY</b>	Foot Locker	FL	2.1%	BUY
Ashford Hospitality Trust 9.00% E	AHT-E	8.3%	BUY	Genuine Parts	GPC	3.2%	BUY
Aspen Insurance 7.25% Perpet.	AHL-B	6.8%	BUY	H.J. Heinz	HNZ	3.6%	BUY
Citigroup Capital XVII 6.35%	C-E	6.2%	<b>SELL</b>	Johnson & Johnson	JNJ	3.4%	BUY
CommonWealth REIT 6.50% D	CWH-D	6.7%	BUY	McDonald's	MCD	3.5%	BUY
Endurance Specialty 7.50% B	ENH-B	6.9%	BUY	Microchip Technology	MCHP	4.5%	<b>DNA</b>
<b>General Electric 4.875% Notes</b>	<b>GEB</b>	4.9%	<b>BUY</b>	Philip Morris International	PM	3.8%	BUY
Goldman Sachs 6.125% Notes	GSF	5.8%	BUY	SeaCube	BOX	6.3%	BUY
Hersha Hospitality Trust 8.00% B	HT-B	7.7%	BUY	<b>Six Flags Entertainment</b>	<b>SIX</b>	6.3%	<b>BUY</b>
Kimco Realty 5.50% J	KIM-J	5.5%	BUY	Verizon Communications	VZ	4.6%	BUY
KKR Financial 8.375%	KFH	7.2%	<b>DNA</b>	<b>REGIONAL BANKS</b>			
Lexington Realty Trust 6.50% Series C	LXP-C	6.8%	BUY	New York Community Bank	NYB/NYCB	7.2%	<b>DNA</b>
Maiden Holdings 8.00% Notes	MHNB	7.6%	BUY	Valley National Bancorp	VLY	7.1%	<b>DNA</b>
Merrill Lynch Cap Trust II 6.45%	MER-M	6.5%	<b>SELL</b>	<b>LARGE BANKS</b>			
Montpelier Re Holdings 8.875% A	MRH-A	8.0%	BUY	Bank of Nova Scotia	BNS	4.2%	BUY
Pennsylvania REIT 8.25% A	PEI-A	7.8%	BUY	Canadian Imperial Bank of Commerce	CM	4.8%	BUY
Protective Life 6.25% Debentures	PL-C	6.0%	BUY	<b>REAL ESTATE INVESTMENT TRUSTS</b>			
Qwest Corp. 7.50%	CTW	6.8%	BUY	American Capital Agency	AGNC	15.2%	BUY
Raymond James Fin. 6.90% Senior	RJD	6.2%	BUY	American Realty Capital Properties	ARCP	6.9%	<b>BUY</b>
SLM (Sallie Mae) Series A 6.97%	SLMAP	7.2%	BUY	Digital Realty Trust	DLR	4.8%	<b>SELL</b>
Vornado Realty 5.70% K	VNO-K	5.6%	BUY	EPR Properties (Entertainment Properties Tr.)	EPR	6.7%	BUY
<b>CLOSED-END FUNDS</b>				Home Properties	HME	4.3%	BUY
AllianceBernstein Glb. High Income	AWF	7.5%	BUY	Hospitality Properties Trust	HPT	+8.1%	BUY
Alliance Bernstein Income Fund	ACG	5.6%	BUY	Inland Real Estate	IRC	7.0%	BUY
BlackRock Long-Term Muni Advant.	BTA	-5.7%	BUY	Omega Healthcare investors	OHI	+7.7%	BUY
BlackRock Muni Holdings	MUH	5.6%	BUY	<b>ENERGY: GENERAL PARTNERS</b>			
Dreyfus High Yield Strategies	DHF	9.8%	BUY	Crosstex Energy Inc.	XTXI	3.5%	BUY
First Trust/Aberdeen Emerging Opp	FEO	6.6%	BUY	Kinder Morgan, Inc.	KMI	+4.1%	BUY
Guggenheim Strategic Opp	GOF	8.6%	BUY	Targa Resources Corp.	TRGP	+3.3%	BUY
J.H. Patriot Premium Dividend	PDT	6.3%	BUY	Williams	WMB	3.6%	BUY
Kayne Anderson Energy	KYE	7.0%	BUY	<b>ENERGY PARTNERSHIPS</b>			
Nuveen Diversified Dividend & Inc.	JDD	8.1%	BUY	Calumet Specialty Products	CLMT	+7.8%	BUY
<b>CANADA STOCKS: ENERGY</b>				Crestwood Midstream	CMLP	+9.0%	<b>DNA</b>
Baytex Energy Trust	BTE.TO/BTE	5.8%	BUY	Exterran Partners	EXLP	+9.0%	BUY
Crescent Point Energy	CPG.TO	6.7%	BUY	MarkWest Energy Partners	MWE	+6.0%	BUY
<b>CANADA Stocks: EXCLUDING ENERGY</b>				PAA Natural Gas Storage	PNG	7.3%	BUY
Colabor Group	GCL.TO	8.6%	BUY	<b>PARTNERSHIPS EX-ENERGY</b>			
Liquor Stores	LIQ.TO	5.9%	BUY	America First Tax Exempt	ATAX	8.2%	BUY
Morneau Shepell	MSI.TO	6.1%	BUY	Blackstone Group	BX	4.8%	BUY
Student Transportation	STB.TO/STB	8.7%	BUY	Rentech Nitrogen	RNF	8.6%	BUY
<b>CANADA REAL ESTATE INVESTMENT TRUSTS</b>				<b>UTILITIES</b>			
Artis REIT	AX.UN	6.6%	BUY	Avista	AVA	4.6%	BUY
Calloway REIT	CWT.UN	5.3%	BUY	CenterPoint Energy	CNP	3.7%	BUY
<b>DIVIDEND SPECULATORS</b>				Dominion Resources	D	4.0%	BUY
Douglas Dynamics	PLOW	5.4%	BUY	<b>NextEra Energy</b>	<b>NEE</b>	3.4%	<b>BUY</b>
Golar LNG Limited	GLNG	4.1%	BUY	Oneok	OKE	2.8%	BUY
Sun Communities	SUI	6.0%	BUY	Pepco Holdings	POM	5.4%	<b>SELL</b>
Telular	WRLS	4.4%	BUY	Southern Company	SO	4.2%	BUY
<b>ETF MONTHLY INCOME</b>				Unitil	UTL	5.2%	<b>SELL</b>
iShares High Yield Corporate	HYG	6.8%	BUY	Westar Energy	WR	4.4%	BUY
iShares Invest. Grade Corporate	LQD	3.8%	BUY	<b>INSURANCE</b>			
iShares JPM Emerging Mkts.	EMB	4.3%	BUY	Arthur J. Gallagher	AJG	3.8%	BUY
iShares S&P U.S. Preferred	PFF	5.7%	BUY	Cincinnati Financial	CINF	4.1%	BUY
Vanguard Total Bond Index	BND	2.8%	BUY	OneBeacon Insurance Group	OB	6.2%	BUY
<b>RURAL TELECOMS</b>				<b>OIL</b>			
CenturyLink	CTL	7.6%	BUY	Chevron	CVX	3.3%	BUY
Consolidated Communications	CNSL	10.0%	<b>SELL</b>	HollyFrontier	HFC	+7.2%	BUY
Hickory Tech	HTCO	5.4%	BUY	SeaDrill	SDRL	8.3%	BUY
Windstream	WIN	10.5%	BUY	Valero Energy	VLO	2.4%	BUY
<b>BUSINESS DEVELOPMENT CORPS</b>				<b>Bold: New pick or changed recommendation • DNA: Do Not Add</b>			
KCAP Financial	KCAP	10.6%	BUY	<b>+x.x% = dividend hike, -x.x% = dividend cut</b>			
Main Street Capital	MAIN	6.0%	BUY				
Triangle Capital Resources	TCAP	8.0%	BUY				