



# DIVIDEND DETECTIVE HIGHLIGHTS

DIVIDENDDETECTIVE.COM

July 5, 2010

Order Online [www.DividendDetective.com](http://www.DividendDetective.com)  
 Toll Free (866) 632-1593

## Welcome to the July 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.

### This Month's Changes

This month we're adding three new picks to our Preferred Stocks portfolio paying estimated dividend yields ranging from 7.1% to 8.8%. We're also adding one new Energy Partnership paying 10.0%.

We're also advising selling one existing Energy Partnership pick and changing our buy/sell advice on three preferreds.

### 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 July 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.

*Harry Domash*

### Contents

Commentary .....	2-5
Industry Portfolio Returns .....	2
Corporate Bonds .....	6
Dividend Hotshots .....	6
Sample Portfolios .....	7
Top 50 Dividend Yielding Stocks .....	8
Industry Portfolios .....	9
<i>all followed stocks including buy/sell ratings &amp; yields</i>	

# DIVIDEND DETECTIVE HIGHLIGHTS

DIVIDENDDETECTIVE.COM

## July 2010 Commentary

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

#### MIXED MONTH FOR DIVIDEND PAYERS

Given that the overall market, at least as measured by the S&P 500 Index, dropped more than 5%, June turned out better than I expected for our dividend stocks. Six of our portfolios registered gains, one broke even, and nine were in the loss column.

Energy Partnerships, up 4%, and the ETF Monthly Income portfolio, up 2%, did the best. As you might expect, our Oil Industry portfolio, down 15%, was by far the biggest loser. After that, Dividend Speculators, down 5%, did the worst.

Looking at our Sample Portfolios, our Conservative portfolio averaged a 1% gain, High Yield/Speculative broke even for the month, and Growth & Income dropped 5%.

Here's the complete list.

Portfolio	Avg. Return%
Partnerships - Energy	4%
ETF Monthly Income	2%
Closed-End Funds	1%
Large Banks	1%
Real Estate Investment Trusts	1%
Preferred Stocks	1%
Utilities	0%
Canadian Royalty Trusts	-1%
Canadian Income (Business) Trusts	-1%
Business Development Corps.	-2%
Insurance	-3%
Regional Banks	-4%
Partnerships X-Energy	-4%
Manufacturing & Services	-4%
Dividend Speculators	-5%
Oil Industry	-15%

#### What Happened?

A spate of worse than expected economic reports, including home sales and unemployment numbers, stoked fears of a double-dip recession. Problems in Europe and the still-gushing Gulf oil spill exacerbated the problem.

#### What's Next?

The weak May housing numbers may reflect sales that were pushed into April as buyers scrambled to qualify for the government stimulus program which required that contracts be signed by April 30.

Also, in around two weeks, companies will start reporting June quarter results and predicting how they expect things to go for the balance of the year. If those numbers look good, and June housing sales rebound from May, the market will probably pick up. If not—we're could be in for a tough summer.

#### Caution Advised

If you were in the market during the 2008 collapse and 2009's amazing rebound, you have probably already realized that trying to guess what the market will do next is a losing game. So, rather than trying to predict the unpredictable, we continue to advise a cautious strategy.

Eventually, the economy in general and the market in particular will recover. But we don't know when. Thus, continue to invest only funds that you won't need for six to 12 months so that you can wait out market downturns. Avoid risky bets—instead focus on firms with solid fundamental outlooks that won't be hurt too much by an economic slowdown. Natural gas and crude oil pipeline operators, utilities, and preferred stocks come to mind.

#### Steady Eddies

Preferred stocks are a category that I find especially appealing in uncertain markets. Why? Here are our Preferred Portfolio's average returns, by month, going back 12 months. For comparison, I've also included the S&P 500's return for each month.

Month	Preferreds	S&P 500
June '10	1%	-5%
May '10	-1%	-8%
April '10	0%	2%
March '10	2%	6%
Feb '10	3%	2%
Jan '10	1%	-4%
Dec '09	4%	2%
Nov '09	2%	6%
Oct '09	-2%	-2%
Sep '09	3%	4%
Aug '09	3%	3%
July '09	5%	7%

As you can see, preferreds have produced unexciting, but relatively steady returns over differing market conditions. However, keep in mind that nothing always works in the stock market and preferreds could get hit hard if we experience another credit market collapse such as happened in 2008.

#### What's New?

This month we're adding three new picks to our Preferred Stocks portfolio. Two of them, rated investment quality, are paying 7.1% to 8.8% estimated dividend yields based on their recent trading price. The third, rated below investment quality (junk), is paying an 8.8% estimated yield and also offers 35% appreciation potential should it trade back up to its issue price.

We are also changing our buy/sell ratings on three existing preferred picks.

We are replacing one pick in our Energy Partnerships portfolio with an oil and natural gas producer that is paying a 10% expected dividend yield. Here are the details.

## SAMPLE PORTFOLIOS

Normally, we make changes to our Sample Portfolios when the outlook for one of our picks diminishes, or we have identified a better idea in terms of dividend yield or dividend growth prospects. However this month, there is nothing that we want to change, so we're not replacing any of our Sample Portfolio picks.

### Conservative Sample Portfolio (1% return)

Five of our seven picks recorded positive returns. AllianceBernstein Income (ACG), up 3%, did the best. Southern Company (SO) and Verizon (VZ), both up 2%, came next. McDonald's (MCD), down 2%, and Dominion Resources (D), down 1%, were the losers.

### Growth & Income Sample Portfolio (-5%)

Eli Lilly (LLY), up 2%, was our only winner. Next came Aberdeen Chile (CH) and Microchip Technology (MCHP), both at breakeven. Foot Locker (FL), down 15%, and Southern Copper (SCCO), down 10%, sunk the portfolio's returns for the month.

### High Yield/Speculative Sample Portfolio (0%)

AllianceBernstein High Income (AWF), up 6%, and Triangle Capital Resources (TCAP), up 5%, were the leaders. Sun Communities (SUI), down 12%, and Baytex Energy Trust (BTE), down 3%, were the biggest losers.

## PREFERRED STOCKS

Our portfolio averaged a 1% return. Morgan Stanley (MWR), up 5%, and Citigroup (C-E) and JPMorgan Chase (JPM-C), both up 4%, did the best. Interstate Power (IPL-B), down 6%, and MetLife (MET-B), down 4%, were the biggest losers.

Florida-based utility FPL Group changed its name to NextEra Energy. Its new common stock ticker symbol is NEE, and its preferred ticker changed from FPL-F to NEE-F.

This month, we're adding three new preferreds to the portfolio. We're also changing our rating on one previously "do not add" rated preferred to "buy" and changing two formerly "buy" rated preferreds to "do not add."

### New Picks

BB&T is a regional bank with more than 1,800 offices in the Eastern and Southeastern U.S. Although trading above their \$25 issue price, BB&T Capital Trust's VI 9.60% (BBT-B) securities still offer an attractive 8.8% yield to new buyers.

CBS Corporation is a major U.S.-based media company with broadcast and cable television, outdoor advertising and book publishing assets. Its 6.75% Senior Notes (CPV) are trading 5% below their issue price, raising the yield to new buyers to 7.1% and offering 5% appreciation potential.

Commonwealth REIT, formerly HRPT Properties Trust, owns office and industrial properties throughout the U.S. Its junk-rated 6.50% Series D Cumulative Convertible Preferred Shares (CWH-D) offer an 8.3% dividend yield to new money and 35% appreciation potential. These preferreds can be converted to common shares, but the common would have to almost double in price to make that offer worth considering.

### Rating Changes

Protective Life's preferreds (PLP), which can be called in October 2014, have recently dropped in price and again offer an attractive 5.8% annual return even if they were called on that date. We are again advising adding to positions.

Conversely, both General Electric's (GE-A) and Willis Lease Finance's (WLFCP) preferreds have moved up in price to the point that we no longer consider them attractive for new money. We are advising against adding to positions in both, but we are not necessarily advising selling.

## CLOSED-END FUNDS

Our portfolio managed a 1% average gain, but with five funds up and five down, June was a mixed bag. Alliance Bernstein Global High Income (AWF), up 6%, and Kayne Anderson Energy (KYE), up 4%, did the best. BlackRock Energy (BGR), down 3%, and Eaton Vance Global Buy/Write (ETW), down 2%, did the worst.

Checking the underlying net asset values, the portfolio averaged a 1% loss. By that measure, Kayne Anderson Energy, up 3%, and Aberdeen Chile, (CH) up 1%, did the best. On the downside, BlackRock Energy and E.V. Global Buy/Write, both down 5%, were the biggest losers.

In the only news, Aberdeen Chile increased its quarterly payout by 7%. That was Aberdeen's second dividend hike this year.

## ETF MONTHLY INCOME (EXCHANGE-TRADED FUNDS)

All of our monthly payers recorded gains and the portfolio averaged a 2% return in June. iShares Investment Grade Corporates (LQD), up 3%, did the best. iShares High Yield Corporates (HYG), up 1%, was the laggard.

June's results reflect the shift in investor sentiment from favoring equities to favoring bonds.

## CORPORATE BONDS

Due to lack of trading activity, we're replacing Goldman Sachs 5.85% maturing 5/1016 in the Aggressive Portfolio, with Morgan Stanley 5.75% maturing 10/1016. Morgan Stanley's yield-to-maturity is 5.2% vs. 5.1% for Goldman Sachs.

Also due to lack of trading activity, we're replacing SLM Corporation 4.50% maturing 12/1012 in the Speculative Portfolio, with Marshall & Isley Bank 5.25% maturing 9/1012. Marshall & Isley's yield-to-maturity is 5.0% vs. 4.9% for SLM.

## CANADIAN ROYALTY TRUSTS (CANROYS)

Our overall portfolio averaged a 1.1% loss. Our "buy" rated picks dropped 2.2%, while our "do not add" and "sell" rated picks only averaged a 0.6% loss.

Trilogy Energy (TET), up 8%, and Paramount Energy (PMT.UN), up 5%, did the best. Daylight Resources (DAY), down 9%, and NAL Oil & Gas (NAE.UN), down 5%, were the biggest losers.

#### **Corporate Conversions, Etc.**

Paramount completed its conversion to a corporation named Perpetual Energy, and trading using ticker "PMT," on June 30.

Provident Energy (PVE.UN) completed the merger of its oil and natural gas production assets with Midnight Oil Exploration to form Pace Oil & Gas Ltd. Provident apparently plans to continue paying its \$0.06/share its monthly dividends. Provident also said it plans to convert to a corporation by the end of 2010.

#### **Acquisitions**

ARC Energy (AET.UN) agreed to acquire publicly traded Alberta-based natural gas producer Storm Exploration for \$680 million worth of ARC units (shares).

Crescent Point Energy (CPG) agreed to buy publicly traded Ryland Oil, a crude oil producer with assets in Saskatchewan, and North Dakota.

#### **Currency Exchange Rates**

As of June 30, the Canadian Dollar was worth \$0.94 U.S. dollars, down 1.6% year-to-date.

## **MANUFACTURING & SERVICES**

Our portfolio averaged a 4% loss. B&G Foods (BGS), up 3%, and Eli Lilly (LLY) and Verizon (VZ), both up 2%, did the best. On the downside, the numbers were much bigger. Courier (CRRC), down 23%, Foot Locker (FL), down 16%, and Leggett & Platt (LEG), down 13%, were the biggest losers.

Verizon completed its sale of certain local exchange businesses to Frontier Communications. As part of the deal, Verizon shareholders of record on June 7 will receive 0.24 shares of Frontier for each Verizon share (the distribution doesn't affect Verizon shareholders' holdings of Verizon stock).

In other news, McDonald's (MCD) reported strong May sales growth, Lilly made a deal to buy a small biotech with a promising drug currently under review by the FDA, Heinz (HNZ) agreed to acquire a Chinese soy sauce and bean curd maker, and Altria (MO) raised \$400 million by selling notes paying 4.125% and maturing in five years.

## **COMMUNITY & REGIONAL BANKS**

Our small bank portfolio averaged a 4% loss. Hudson City (HCBK) dropped 3% and New York Community (NYB) and Valley National (VLY) both dropped 5%.

## **LARGE BANKS**

Bank of Nova Scotia (BNS), the portfolio's only holding, recorded a 1% gain in June. Scotia announced no significant news last month.

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

Our REIT portfolio averaged a 1% gain. Annaly Capital (NLY)

returned 5%, Hatteras Financial (HTS) rose 4%, Medical Properties (MPW) gained 1%, but LTC Properties (LTC) dropped 5%.

The dividend news was mixed. Annaly Capital raised its quarterly payout by 5%, but Hatteras Financial cut its dividend by 8%.

In other news, Medical Properties bought three Texas rehabilitation hospitals, and LTC Properties made a deal to borrow up to \$100 million for at least five years.

#### **Do Not Add to Annaly & Hatteras**

We are maintaining our "do not add" ratings on both Annaly Capital and Hatteras Financial while we await developments related to the Fannie Mae and Freddie Mac mortgage buyback programs, which are depressing mortgage REIT profit margins.

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

Our Energy Partnerships averaged a 4% return. Exterran Partners (EXLP), up 10%, and Inergy (NRGY), up 8%, did the best. Calumet Specialty Products (CLMT) and Vanguard Natural Resources (VNR), both down 2%, were the only losers.

#### **New Pick**

This month we're adding oil and natural gas producer BreitBurn Energy Partners (BBEP) to the portfolio. BreitBurn owns oil and natural gas reserves in several U.S. states. BreitBurn was involved in nasty litigation with one of its major shareholders last year, which resulted in BreitBurn suspending its quarterly payouts, which in turn sunk its share price. The suit was settled in February and BreitBurn resumed paying distributions in April. Based on its recent unit price, the yield is a healthy 10%.

#### **Sell Calumet**

Calumet Specialty Products uses crude oil to make lubricating oils and other products. We expect a spike in crude oil prices when (or if) the global economy recovers from its current malaise. Rising crude prices cut Calumet's profit margins. We're selling Calumet so that we can focus on picks with stronger dividend growth prospects.

## **PARTNERSHIPS EX-ENERGY**

Our portfolio lost 4%, on average, in June. America First (ATAX) gained 1%, but AllianceBernstein (AB) dropped 9%.

AllianceBernstein said assets under management on May 31 were 2% above year-ago, but down 7% from April 30.

#### **Don't Add to AB, America First**

Money manager AllianceBernstein Holding's assets under management, the number that drives its distributions, generally moves in sync with the overall market. Given current market conditions, we expect continued weakness. Hence, we are continuing to advise against adding to positions in AllianceBernstein.

Also, we expect another distribution cut from America First. We are advising against adding to positions, but are no longer advising selling if you already hold America First.



## BUSINESS DEVELOPMENT CORPORATIONS (BDCs)

Our portfolio averaged a 2% loss. Triangle Capital (TCAP), our only winner, returned 5%. Ares Capital (ARCC) dropped 5%, and Compass Diversified (CODI) lost 7%.

## UTILITIES

Our Utilities portfolio broke even, on average. Southern Company (SO), up 2%, did the best. Oneok (OKE), down 3%, was our biggest loser.

In the only significant news, Pepco Holdings (POM) completed the sale of its Conectiv Energy power generation assets for \$1.65 billion. The sale cuts Pepco's debt and is consistent with its strategy of focusing on its regulated utility business.

## INSURANCE INDUSTRY

Our Insurance portfolio lost 3%, on average, in June. Arthur J. Gallagher (AJG) and Chubb (CB) both broke even for the month. Mercury General (MCY) dropped 3% and Fidelity National (FNF) lost 6%.

In the only news, Gallagher acquired two small insurance brokers.

## OIL INDUSTRY

Our Oil Industry portfolio, down 15%, on average, took a drubbing last month. Conoco Phillips (COP), down 5%, did the best. Chevron (CVX) dropped 8% and BP (BP) fell 33%.

As of July 4, BP's deepwater well continued pouring oil into the Gulf. BP expected to have ships in place to capture most of the oil coming out of the well by around July 8. BP expects to have a relief well completed by mid-August, which it hopes will shut off the leak.

Meanwhile, BP cancelled its previously declared June 21 dividend and said that it won't declare any more dividends this year. BP also said that it plans to cut 2010 capital expenditures by 10% to \$18 billion and to sell \$10 billion of assets.

### BP: Long-Term Buy - But High Risk

We won't be able to assess the full cost to BP and the impact on the company's future outlook until it gets the well completely shut down, which as noted above, is at least five weeks away. Also, we can't be certain that BP's relief well will work as planned.

Keep in mind that BP's oil spill expenses will be paid out over several years time and BP's operations generate almost \$40 billion of excess cash annually. Thus, assuming that BP does get the leak capped, we think that it can generate sufficient cash from its normal operations to survive without having to sell off enough assets to significantly undermine its future earnings and dividend growth prospects.

We continue to advise adding to positions in BP for investors willing to commit funds that you won't need for 6 to 12 months, and who have the stomach for the volatility. If you don't fit that mold, we're advising selling BP.

## SPECULATORS

Our Speculators averaged a 5% loss in June. Permian Basin, up 3%, did the best. Cherokee, down 17%, was our biggest loser.

Cherokee reported April quarter earnings numbers below year-ago, which might have accounted for its weak showing. However, Cherokee also signed new licensing agreements for its Sideout brand with three different U.S.-based clothing makers.

On the dividend front, Permian Basin set its June payout down 9% from May, but 68% above June 2009.

## CANADIAN INCOME (BUSINESS) TRUSTS

Our Business Trust portfolio averaged a 7% loss in May. Genivar Income (GNV.UN) and Morneau Sobeco (MSI.UN) both dropped 5%, and Liquor Stores (LIQ.UN) lost 11%.

Looking at earnings reports. Genivar and Morneau reported so-so March quarter numbers, while Liquor Stores recorded disappointing results.

In other news, Genivar acquired two building engineering consulting firms headquartered in Alberta, and another based in Nova Scotia.

Thanks for subscribing.

*Harry Domash*  
hdomash@dividenddetective.com

### Dividend Detective Operating Instructions

- 1) Start: [www.dividenddetective.com](http://www.dividenddetective.com)
- 2) Select: Premium Log In
- 3) Enter user name and password
- 4) Check option to save log-in info
- 5) When you arrive at Premium Members Home Page, bookmark or add that page to your favorites so you can go there directly.
- 6) Start with Sample Portfolios
- 7) Then explore

### ABOUT DIVIDENDS

Dividends are regular cash payments that you receive, typically quarterly or monthly, based on the number of shares that you own.

Your estimated dividend yield is the expected next 12-months' per-share dividends divided by the price you paid for the shares. For example, your yield would be 5% if you paid \$100 per share for a stock expected to pay \$5 in dividends over the next 12-months (\$5 divided by \$100).

If somebody else paid \$110 for the shares the next day, their yield would drop to 4.5% (\$5 divided by \$110). If the share price drops to \$75 per share, the yield would increase to 6.7% to new buyers.

The best dividend stocks are those that increase their payouts while you own them. You win two ways when that happens.

## 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.
AGL	AGL Resources	4.9	1.8	NRGY	Inergy	7.1	2.8
AHGP	Alliance Holdings GP	5.3	1.9	TEG	Integrus Energy Group	6.2	2.7
ARLP	Alliance Resource Partners	6.9	3.2	KMP	Kinder Morgan Energy Partners	6.6	4.3
LNT	Alliant Energy	5	1.6	LEG	Leggett & Platt	5.1	1
APU	AmeriGas Partners	6.8	2.8	MMP	Magellan Midstream Partners	6.2	2.9
ATO	Atmos Energy	4.9	1.3	MWE	MarkWest Energy Partners	7.8	2.6
AVA	Avista	5	1	MMLP	Martin Midstream Partners	9.9	3
BXS	BancorpSouth	4.9	0.9	NNN	National Retail Properties	7	1.5
BKH	Black Hills	5	1.4	NRP	Natural Resource Partners	9.2	2.2
CMO	Capstead Mortgage	12.9	1.4	OKS	Oneok Partners	6.9	4.4
CNP	CenterPoint Energy	5.9	0.8	PVR	Penn Virginia Resource Partners	9.2	1.9
CTL	CenturyTel	8.6	2.9	PBI	Pitney Bowes	6.6	1.5
CCNE	CNB Financial	6.1	0.7	PPL	PPL	5.6	1.4
CTBI	Community Trust Bancorp	4.8	1.2	O	Realty Income	5.6	1.7
CPNO	Copano Energy	8.5	2.3	RAI	Reynolds American	6.9	3.6
DPL	DPL	5	1.2	SCG	SCANA	5.3	1.9
LLY	Eli Lilly	5.8	2	SNH	Senior Housing Properties Trust	7.1	1.4
EEP	Enbridge Energy Partners	7.6	4	SO	Southern Company	5.4	1.8
EPD	Enterprise Products Partners	6.4	2.3	SPH	Suburban Propane Partners	7.2	3.4
EXC	Exelon	5.5	2.1	SXL	Sunoco Logistics Partners	6.3	4.5
GEL	Genesis Energy	7.8	1.5	TCLP	TC Pipelines	7.2	2.9
HCP	HCP	5.8	1.9	TSH	Teche Holding	5	1.4
HEP	Holly Energy Partners	7.4	3.3	UBA	Urstadt Biddle Properties	5.9	1
HME	Home Properties	5	2.3	ECOL	US Ecology	5.1	0.7
HCBK	Hudson City Bancorp	4.8	0.6	VVC	Vectren	5.8	1.4

## 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	\$103.0	4.00	2.7
AA-	94980VAE8	Wells Fargo Bank NATL ASSN	5/16/16	\$108.5	5.75	4.1
AA	048825BA0	Atlantic Richfield	2/1/22	\$102.5	8.25	7.9
<b>Aggressive</b>						
A-	02687QBE7	American Intl. Group MTN BE	10/18/11	\$103.1	5.38	2.9
A-	172967CQ2	Citigroup Inc	9/15/14	\$100.4	5.00	4.9
<b>A</b>	<b>61746BDB9</b>	<b>Morgan Stanley</b>	10/18/16	\$102.7	5.75	5.2
<b>Speculative</b>						
<b>BBB-</b>	<b>55259PAC0</b>	<b>Marshall &amp; Isley Bank</b>	9/4/12	\$100.6	5.25	5.0
BBB	01310QCF0	Albertsons, Inc.	7/21/17	\$96.0	7.00	7.8
BBB	257867AU5	Donnelley R R & Sons Co.	2/1/19	\$126.0	11.25	7.1
<b>Walk on the Wild Side</b>						
BB-	8124JFAC0	Sears Roebuck Acceptance Inter Note	12/15/12	\$98.6	7.40	8.0
BB-	59832WAF6	Midwest Generation	1/2/16	\$99.3	8.56	8.7
B-	832248AQ1	Smithfield Foods Incorporated	7/1/17	\$95.5	7.75	8.6

## 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 6/30/10

### 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)	8.1	5.9%
CCS	Comcast Preferred	Preferred (Cable TV)	24.5	6.8%
D	Dominion Resources	Utility	38.7	4.7%
MCD	McDonald's	Mfg/Services (Food Service)	65.9	3.3%
PLP	Protective Life Senior Notes	Preferred (Life Insurance)	21.5	7.4%
SO	Southern Company	Utility	33.3	5.5%
VZ	Verizon Communications	Mfg/Services (Communication Svcs.)	28.0	6.8%

### 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)	17.4	10.1%
CPSI	Computer Programs & Sys.	Mfg/Services (Tech: Healthcare)	40.9	3.5%
COP	Conoco Phillips	Oil (Integrated)	49.1	4.5%
LLY	Eli Lilly	Mfg/Services (Pharmaceutical)	33.5	5.9%
FL	Foot Locker	Mfg/Services (Retail Apparel)	12.6	4.8%
MCHP	Microchip Technology	Mfg/Services (Semiconductors)	27.7	4.9%
SCCO	Southern Copper	Speculator (Mining)	26.5	6.8%

### 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)	13.4	8.9%
BTE	Baytex Energy Trust	Canadian Royalty Trust (Oil & Gas)	30.0	8.5%
SLM-A	SLM (Sallie Mae) Series A	Preferred (Student Loans)	37.6	9.3%
SUI	Sun Communities	Speculator (Mfg. Home Parks)	26.0	9.7%
TCAP	Triangle Capital Resources	Business Development Corp.	14.2	11.5%
HIX	Western Asset High Income II	Closed-End Fund (Junk Bonds)	9.1	11.8%
WIN	Windstream	Speculator (Rural Telecom)	10.6	9.5%

*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 6/30/10

Ticker		Estimated Annual Dividend \$	Estimated Annual Yield %
AGNC	American Capital Agency	5.600	21.8
CIM	Chimera Investment	0.680	18.9
RSO	Resource Capital	1.000	18.7
WHX	Whiting USA Trust I	2.804	17.4
HTS	Hatteras Financial	4.400	16.4
NLY	Annaly Capital Management	2.720	15.6
IVR	Invesco Mortgage Capital	2.960	15.1
KCAP	Kohlberg Capital	0.680	14.4
ANH	Anworth Mortgage Asset	1.000	13.8
TNK	Teekay Tankers	1.480	13.8
BKCC	BlackRock Kelso Capital	1.280	13.4
CMO	Capstead Mortgage	1.440	13.2
PSEC	Prospect Capital	1.203	12.8
NYMT	New York Mortgage Trust	0.720	12.7
SLRC	Solar Capital	2.400	12.6
WAC	Walter Investment Management	2.000	12.5
AINV	Apollo Investment	1.120	12.1
FSC	Fifth Street Finance	1.280	11.9
ENP	Encore Energy Partners	2.000	11.7
TCAP	Triangle Capital	1.640	11.4
PNNT	PennantPark Investment	1.040	11.3
BGCP	BGC Partners	0.560	11.2
ARCC	Ares Capital	1.400	11.2
OTT	Otelco	1.680	11.2
STON	StoneMor Partners	2.220	10.9
CLMT	Calumet Specialty Products Partners	1.820	10.7
MFA	MFA Mortgage Investments	0.760	10.6
BBEP	BreitBurn Energy Partners	1.500	10.4
VNR	Vanguard Natural Resources	2.100	10.3
BPT	BP Prudhoe Bay Royalty Trust	9.068	10.1
ALSK	Alaska Communications Systems Group	0.860	10.0
TICC	TICC Capital	0.800	10.0
CQP	Cheniere Energy Partners	1.700	10.0
CODI	Compass Diversified Holdings	1.360	10.0
MMLP	Martin Midstream Partners	3.000	10.0
PVX	Provident Energy Trust	0.676	9.9
MAIN	Main Street Capital	1.500	9.7
EVEP	EV Energy Partners	3.024	9.6
NGPC	NGP Capital Resources	0.680	9.5
LINE	Linn Energy	2.520	9.5
ERF	Enerplus Resources Fund	2.030	9.5
WIN	Windstream	1.000	9.4
VLCCF	Knightsbridge Tankers	1.600	9.4
MVO	MV Oil Trust	2.420	9.4
WWE	World Wrestling Entertainment	1.440	9.4
MCGC	MCG Capital	0.440	9.4
LGCY	Legacy Reserves	2.080	9.3
ATAX	America First Tax Exempt Investors	0.500	9.3
NRP	Natural Resource Partners	2.160	9.2
TAXI	Medallion Financial	0.600	9.2
VGR	Vector Group	1.600	9.2



## DIVIDEND DETECTIVE INDUSTRY PORTFOLIOS

7/5/10

Name	Ticker	Yld.	Rec.	Name	Ticker	Yld.	Rec.
<b>PREFERRED STOCKS</b>				<b>MANUFACTURING &amp; SERVICES</b>			
Annaly Capital Management	NLY-A	7.8%	BUY	Altria Group	MO	7.0%	BUY
<b>BB&amp;T Capital</b>	<b>BBT-B</b>	8.8%	<b>BUY</b>	B&G Foods	BGS	6.3%	BUY
<b>CBS</b>	<b>CPV</b>	7.1%	<b>BUY</b>	Computer Programs & Systems	CPSI	3.5%	BUY
Citigroup Capital	C-E	8.0%	BUY	Courier	CRRC	6.9%	BUY
Comcast	CCS	6.8%	BUY	E.I. du Pont Nemours	DD	4.7%	BUY
<b>CommonWealth REIT</b>	<b>CWH-D</b>	8.8%	<b>BUY</b>	Eli Lilly	LLY	5.9%	BUY
General Electric Capital	GE-A	6.2%	<b>DNA</b>	Foot Locker	FL	4.8%	BUY
Interstate Power & Light	IPL-B	7.8%	<b>DNA</b>	Genuine Parts	GPC	4.2%	BUY
JP Morgan Chase Capital	JPM-C	7.1%	BUY	H.J. Heinz	HNZ	4.2%	BUY
MetLife B	MET-B	7.0%	BUY	Leggett & Platt	LEG	5.2%	BUY
Morgan Stanley Capital Trust	MWR	7.2%	BUY	McDonald's	MCD	3.3%	BUY
NextEra Energy (was FPL Group F)	NEE-F	7.6%	<b>DNA</b>	Microchip Technology	MCHP	4.9%	BUY
PartnerRe	PRE-D	7.4%	BUY	Pitney Bowes	PBI	6.6%	BUY
Protective Life	PLP	7.4%	<b>BUY</b>	Verizon Communications	VZ	6.8%	BUY
Public Storage	PSA-C	6.9%	BUY	<b>REGIONAL BANKS</b>			
Royce Value	RVT-B	5.8%	BUY	Hudson City Bancorp	HCBK	4.9%	BUY
SLM (Sallie Mae)	SLM-A	9.3%	BUY	New York Community Bank	NYB	6.5%	BUY
Telephone & Data Systems	TDA	7.6%	BUY	Valley National Bancorp	VLY	5.3%	BUY
Willis Lease Finance	WLFCE	8.6%	<b>DNA</b>	<b>LARGE BANKS</b>			
Xcel Energy	XCJ	7.1%	<b>DNA</b>	Bank of Nova Scotia	BNS	4.3%	BUY
<b>CLOSED-END FUNDS</b>				<b>REAL ESTATE INVESTMENT TRUSTS</b>			
Aberdeen Chile	CH	10.1%	BUY	Annaly Capital Management	NLY	15.2%	<b>DNA</b>
Alliance Bernstein Income Fund	ACG	5.9%	BUY	Hatteras Financial	HTS	17.3%	<b>DNA</b>
AllianceBernstein Glb. High Income	AWF	8.9%	BUY	LTC Properties	LTC	6.4%	BUY
BlackRock Energy and Resource	BGR	7.2%	<b>BUY</b>	Medical Properties Trust	MPW	8.5%	BUY
Calamos Total Return	CGO	9.1%	BUY	<b>ENERGY PARTNERSHIPS</b>			
Clough Global Allocation	GLV	8.8%	BUY	<b>BreitBurn Energy Partners</b>	<b>BBEP</b>	10.0%	<b>BUY</b>
E.V. Tax-Mgd. Global Buy-Write	ETW	13.9%	BUY	Calumet Specialty Products	CLMT	10.3%	<b>SELL</b>
J.H. Patriot Premium Dividend II	PDT	8.3%	BUY	Energy Transfer Partners	ETP	7.7%	BUY
Kayne Anderson Energy	KYE	8.0%	BUY	Exterran Partners	EXLP	8.2%	BUY
Western Asset High Income II	HIX	11.8%	BUY	Inergy	NRGY	7.0%	BUY
<b>CANADIAN ROYALTY TRUSTS</b>				NuStar Energy	NS	7.4%	BUY
ARC Energy Trust	AET.UN	6.1%	BUY	Quicksilver Gas Services	KGS	8.0%	BUY
Baytex Energy Trust	BTE.UN	8.5%	BUY	Suburban Propane Partners	SPH	7.2%	BUY
Bonavista Energy Trust	BNP.UN	8.0%	<b>SELL</b>	Vanguard Natural Resources	VNR	10.0%	BUY
Bonterra Energy	BNE	7.5%	BUY	<b>PARTNERSHIPS EX-ENERGY</b>			
Canadian Oil Sands	COS.UN	8.3%	BUY	AllianceBernstein Holding	AB	7.8%	<b>DNA</b>
Crescent Point Energy	CPG	8.5%	BUY	America First Tax Exempt	ATAX	9.2%	<b>DNA</b>
Daylight Energy	DAY	10.8%	<b>DNA</b>	<b>BUSINESS DEVELOPMENT CORPS</b>			
Enerplus Resources Fund	ERF.UN	8.5%	<b>SELL</b>	Ares Capital	ARCC	11.2%	BUY
Freehold Royalty	FRU.UN	12.2%	<b>DNA</b>	Compass Diversified Holdings	CODI	10.1%	BUY
NAL Oil & Gas	NAE.UN	9.7%	<b>SELL</b>	Triangle Capital Resources	TCAP	11.5%	BUY
Paramount Energy	PMT	10.0%	<b>SELL</b>	<b>UTILITIES</b>			
Pengrowth Energy	PGF.UN	8.2%	<b>SELL</b>	AGL Resources	AGL	4.9%	BUY
Penn West Energy	PWT.UN	8.9%	<b>DNA</b>	Atmos Energy	ATO	5.0%	BUY
Peyto Energy	PEY.UN	8.4%	<b>SELL</b>	Avista	AVA	5.1%	BUY
Provident Energy	PVE.UN	9.4%	<b>SELL</b>	Consolidated Edison	ED	5.5%	BUY
Trilogy Energy	TET	3.8%	<b>SELL</b>	Dominion Resources	D	4.7%	BUY
Vermilion Energy	VET.UN	7.4%	BUY	Oneok	OKE	4.1%	BUY
Zargon Energy	ZAR.UN	11.9%	<b>DNA</b>	Pepco Holdings	POM	6.9%	BUY
<b>DIVIDEND SPECULATORS</b>				Southern Company	SO	5.5%	BUY
CenturyLink	CTL	8.7%	BUY	Westar Energy	WR	5.7%	BUY
Cherokee	CHKE	8.9%	BUY	<b>INSURANCE</b>			
Collectors Universe	CLCT	8.9%	BUY	Arthur J. Gallagher	AJG	5.3%	BUY
Permian Basin Royalty Trust	PBT	7.2%	BUY	Chubb	CB	3.0%	BUY
Southern Copper	SCCO	6.8%	BUY	Fidelity National	FNF	5.5%	BUY
Sun Communities	SUI	9.7%	BUY	Mercury General	MCY	5.7%	BUY
Windstream	WIN	9.5%	BUY	<b>OIL</b>			
World Wrestling Entertainment	WWE	9.3%	BUY	BP plc	BP	0%	**
<b>CANADIAN INCOME (BUSINESS) TRUSTS</b>				Chevron	CVX	4.2%	BUY
GENIVAR	GNV.UN	5.9%	BUY	Conoco Phillips	COP	4.5%	BUY
Liquor Stores	LIQ.UN	8.7%	BUY	** See BP write-up for buy/sell advice			
Morneau Sobeco	MSI.UN	8.3%	BUY	<b>Bold: New pick or changed recommendation, DNA: Do Not Add</b>			
<b>ETF MONTHLY INCOME</b>							
iShares High Yield Corporate	HYG	9.4%	BUY				
iShares Invest. Grade Corporate	LQD	5.1%	BUY				
iShares JPM Emerging Mkts.	EMB	5.3%	BUY				
iShares S&P U.S. Preferred	PFF	7.5%	BUY				
Vanguard Total Bond Index	BND	3.7%	BUY				