



Dividend Detective Highlights

DIVIDENDDetective.COM

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Welcome to the August 2013 Edition of Dividend Detective Highlights

Highlights includes the most popular features of Dividend Detective: the Monthly Commentary, Sample Portfolios, Dividend Monsters (50 highest yielding stocks), Dividend Hotshots, 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 Special Dividend Announcements, Ex-Dividend Calendar, Dividend Scoreboard, Monthly Monsters, and more.

Did You Get Our Mail?

If you were a subscriber on August 3, 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.

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Question & Comments

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

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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August 2013 Commentary

Review of July 2013 Results and This Month's Changes

MOSTLY GOOD MONTH - BUT EXCEPTIONS

With the S&P 500 up 4.9%, July was a good month for the market. Fourteen of our 19 Industry & Specialty portfolios ended the month in the positive column, but only six of them beat the S&P index. Our Rural Telecom portfolio, up 10%, did the best. Due to continuing rising interest rates concerns, bond-related securities such as preferred stocks and fixed-income funds mostly lost ground. U.S. real estate investment trusts (REITs), up 2%, did okay, but for reasons unknown, Canadian REITs, down 2%, continued to underperform.

Looking at our Sample Portfolios, Growth & Income, up 5% in July, and up 29% year-to-date, led the pack. High Yield/Speculative returned 3% and our Conservative portfolio gained 2%. Here are last month's and year-to-date returns for each of our portfolios.

Portfolio	Avg. Returns	
	Last Month	YTD
Rural Telecom	10%	23%
Regional Banks	9%	18%
Utilities	8%	22%
Partnerships: Ex-Energy	7%	12%
Large Banks	6%	-2%
Oil Industry	6%	16%
Dividend Speculators	4%	13%
Energy: General Partners	4%	23%
Insurance Industry	4%	20%
CEF Growth Opportunities	3%	11%
Manufacturing & Services	3%	23%
Canada Stocks	2%	7%
US Real Estate Investment Trusts	2%	17%
ETF Monthly Income	1%	-2%
Business Development Corps.	0%	12%
Energy Partnerships	-1%	31%
Preferred Stocks	-1%	2%
Canada Real Estate Investment Tr.	-2%	-7%
Monthly Paying Closed-End Funds	-2%	-1%
Sample #1: Conservative	2%	8%
Sample #2: Growth & Income	5%	29%
Sample #3 High Yield/Speculative	3%	13%
S&P 500	5%	13%

What's Next?

The market was in an exuberant mood in July and many stocks scored big gains. However, in the end, companies can only grow by selling more products and few are reporting significant sales growth. Also, economic indicators are still giving mixed messages. In short, the market may have gotten ahead of the fundamentals and a pullback is possible. Continue to be cautious and only add cash to the market that you won't need for at least six months so that you can outwait short-term downdrafts.

NEW BUYS, SELLS, ETC.

Energy General Partners: Okay to add to Williams (WMB).

Large Banks: Buy JPMorgan Chase (JPM) and Wells Fargo (WFC). **SELL** Bank of Nova Scotia (BNS) and Canadian Imperial Bank of Commerce (CM).

Mfg. & Services: SELL McDonald's (MCD) and Philip Morris International (PM).

Partners Ex-Energy: Buy Capital Products Partners (CPLP). **SELL** Rentech Nitrogen Partners (RNF).

Real Estate Investment Trusts: Don't Add to American Capital Agency (AGNC).

Regional Banks: Okay to add to New York Community (NYCB) and Valley National (VLY).

Utilities: Buy Allete (ALE), **Don't Add** to Oneok (OKE).

SAMPLE (MODEL) PORTFOLIOS

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

When we replace an existing pick, we suggest that you do the same. However, we have different "buy rating" criteria for our Sample Ports than for our regular 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 additional funds available. Please see page 7 for current Sample Portfolio holdings.

Conservative Portfolio (1.9% return)

Cincinnati Financial (CINF), up 7%, and Next Era Energy (NEE), up 6%, did the best. Alliance Bernstein Income (ACG), down 3%, and Protective Life Preferreds (PL-C), down 2%, did the worst.

We're **adding DuPont (DD)** and **JPMorgan Chase (JPM)** to the portfolio. To make room for the new picks, we're deleting **Aspen Insurance (AHL-B)** and **Protective Life preferreds**. Both are still "buy" rated in the Preferred Stocks portfolio.

Growth & Income Portfolio (5.1% return)

Biotech and pharmaceutical investor H&Q Life Sciences

(HQL), up 11%, and healthcare products maker Johnson & Johnson (JNJ), up 9%, did the best. Verizon Communications (VZ), down 1%, was our only loser.

High Yield/Speculative Portfolio (3.3% return)

New rural telecom pick nTelos (NTLS), up 14%, and small business lender Triangle Capital Resources (TCAP), up 6%, were the stars. Apollo Commercial Preferreds (ARI-A), down 3%, and common stock and debt investor Nuveen Diversified Dividend & Income (JDD), down 2%, were the biggest losers.

We're replacing Apollo Commercial Preferreds with ship owner **Capital Products Partners** (CPLP), which pays a 9.8% yield. Although an MLP, Capital has elected to be treated as a corporation for U.S. tax purposes. Apollo Commercial Preferreds are still "buy" rated in the Preferred Stocks portfolio.

PREFERRED STOCKS

PORTFOLIO RETURNS: LAST MONTH -1.0%, YEAR TO DATE 1.6%

BEST: Goodrich Petroleum (GDP-C), +7%, Lexington Realty (LXP-C), +3%, Ally Financial (ALLY-B), +3%.

WORST: Kimco Realty (KIM-J), -5%, General Electric Capital (GEB), -5%, Maiden Holdings (MHNH) -4%.

Our junk-rated picks averaged a 3.5% gain last month compared to a 2.7% average loss for our investment grade preferreds. Our unrated picks averaged a 0.4% loss. Why investment grade underperformed junk last month is unknown, but it does open up some opportunities. Check the Preferreds Portfolio on Dividend Detective Premium for a list of this month's best buys.

CEF GROWTH OPPORTUNITIES

PORTFOLIO RETURNS: LAST MONTH 3.3%, YEAR TO DATE 10.8%

BEST: H&Q Life Sciences (HQL) +11%, First Trust/Aberdeen Emerging (FEO) +1%.

WORST: Nuveen Diversified Dividend (JDD) -2%.

Looking at net asset values (per-share value of fund's holdings) instead of trading prices, our funds averaged a 6% gain. By that measure, H&Q Life Sciences gained 14%, Nuveen Diversified rose 3%, and First Trust/Aberdeen broke even.

MONTHLY-PAYING CLOSED-END FUNDS

PORTFOLIO RETURNS: LAST MONTH -1.5%, YEAR TO DATE -0.9%

BEST: Reeves Utility Income (UTG) +2%, Flaherty & Crumrine Total Return (FLC) +1%, Invesco Dynamic Credit (VTA) +1%.

WORST: BlackRock Muni Holdings (MUH) -6%, BlackRock Muni Assets (MUA) -4%.

Obviously, the city of Detroit declaring bankruptcy didn't help Muni bond funds last month.

Checking net asset values reveals an interesting story. Instead of a 1.5% loss, our portfolio gained 0.9% in terms of the actual value of each fund's holdings.

By that measure, only our two Muni funds recorded losses. That means bigger discounts when you buy. For instance, on July 31, CBRE Clarion Global Real Estate (IGR) traded at an 8% discount to value of its holdings. That means that buyers got \$100 worth of income producing assets for \$92.

Two of our funds announced dividend cuts. AllianceBernstein Income (ACG) cut its monthly distribution by 14%, and Dreyfus High Yield Strategies (DHF) announced a 9% cut.

ETF MONTHLY INCOME (EXCHANGE-TRADED FUNDS)

PORTFOLIO RETURNS: LAST MONTH 0.9%, YEAR TO DATE -2.1%

BEST: iShares High Yield Corporate (HYG) +3%, iShares Investment Grade (LQD) +1%.

WORST: iShares Preferred (PFF) -1%, iShares Emerging (EMB) +0%.

Fixed income ETFs outperformed fixed income closed-end funds in July. Usually, closed-end-funds outperform ETFs.

CORPORATE BONDS

Due to sparse trading action, we're replacing two of our bond picks this month. See page 6 for details.

BUSINESS DEVELOPMENT COMPANIES (BDCs)

PORTFOLIO RETURNS: LAST MONTH 0.3%, YEAR TO DATE 11.9%

BEST: Triangle Capital (TCAP) +6%, Hercules Technology Growth (HTGC) 0%.

WORST: KCAP Financial (KCAP) -5%.

Hercules Technology, our only BDC to report June numbers, recorded strong year-over-year growth in all categories. For example, per-share investment income rose 25%.

To make matters even **better**, Hercules raised its quarterly dividend by 4%. That was on top of an 8% raise in May. The new dividend is 17% above Hercules's year-ago payout.

ENERGY: GENERAL PARTNERS

PORTFOLIO RETURNS: LAST MONTH 3.8%, YEAR TO DATE 22.8%

BEST: Targa Resources (TRGP) +7%, Williams (WMB) +5%

WORST: Kinder Morgan (KMI) 0%, Crosstex Energy (XTXI) +2%

Kinder Morgan, Targa Resources, and Williams announced June quarter results. Of the three, Targa had the best report, recording strong growth in all categories including 71% growth in per-share distributable cash flow, which is what drives dividends. Kinder Morgan and Williams, by contrast, recorded unimpressive numbers.

Perhaps reflecting those results, Targa increased its dividend by 8%. Its new payout is 35% over year-ago. Kinder increased its distribution by 5%. Williams, which raised its dividend by 4% in May, plans to raise its annual payouts by 20% in 2013, 2014, and 2015.

Okay to Add to Williams

Concerned by its weak price chart, last month we advised against adding to positions. Its chart looks stronger now and we're again advising buying Williams.

PARTNERSHIPS: ENERGY (MASTER LIMITED PARTNERSHIPS)

PORTFOLIO RETURNS: LAST MONTH -0.7%, YEAR TO DATE 30.9%

BEST: MarkWest Energy Partners (MWE) +5%, Exterran Partners (EXLP) +2%, PAA Natural Gas Storage (PNG) +2%

WORST: Calumet Specialty (CLMT) -8%, Global Partners (GLP) -4%

Calumet's price drop reflects the market's concerns that all refinery profits might be squeezed by the narrowing spread between U.S. and global crude oil prices. We'll know more when Calumet reports June quarter numbers on August 7.

Looking at distributions, our MLPs were in a stingy mood. Calumet, Exterran, Global and MarkWest all announced 1% increases. To be fair, Calumet also announced a 5% hike in April. Exterran, Global Partners, and MarkWest also announced hikes in April, but they were in the 1% to 2% range.

INSURANCE INDUSTRY

PORTFOLIO RETURNS: LAST MONTH 4.2%, YEAR TO DATE 19.7%

BEST: Cincinnati Financial (CINF) +7%

WORST: Arthur J. Gallagher (AJG) +2%

Both Gallagher and Cincinnati Financial recorded solid June quarter gains in all respects. That said, Cincinnati with 259% year-over-year earnings growth, got the most attention. Plus, it was Cincinnati's second blowout quarter in a row.

LARGE BANKS

PORTFOLIO RETURNS: LAST MONTH 6.1%, YEAR TO DATE -1.8%

BEST: Canadian Imperial (CM) +7%.

WORST: Bank of Nova Scotia (BNS) +5%.

Sell Canadian Banks

During the financial crisis, the U.S. government forced U.S. banks to stop paying meaningful dividends and we replaced them with Canadian Banks that were mainly unaffected by the whole mess. Now, the U.S. economy is gaining strength, but the Canadian economy, hampered by lower oil and natural gas prices, is weakening. We're selling our Canadian banks, Bank of Nova Scotia and Canadian Imperial Bank, and replacing them with U.S. banks.

New Buys

We're adding JP Morgan Chase (JPM) and Wells Fargo (WFC) to the portfolio. JP Morgan, with \$2.5 trillion in assets, is a global bank with operations in 50 countries. Wells Fargo, although it has offices abroad, focuses mostly on the U.S. market. JP Morgan is paying a 2.7% yield and Wells Fargo is paying 2.8%. We're expecting strong dividend growth from both.

MANUFACTURING & SERVICES

PORTFOLIO RETURNS: LAST MONTH 2.8%, YEAR TO DATE 22.6%

BEST: DuPont (DD) +10%, Johnson & Johnson (JNJ) +9%.

WORST: TAL International (TAL) -8%, McDonald's (MCD) -1%, Verizon (VZ) -1%.

All of our picks, except Foot Locker, whose quarter ends with July, reported June quarter numbers. Here are some highlights. For a rundown on each report, see the Mfg. & Services portfolio on the D.D. Premium Members site.

B&G Foods (BGS) reported earnings only even with year-ago. Revenues rose 8%, but that growth came entirely from acquisitions. Worse, cash flow actually fell short of year-ago. Nevertheless, B&G hiked its quarterly dividend by a hefty 10%, so it must see an improving cash flow situation ahead. We're giving B&G another quarter or two to see how things go.

McDonald's reported lackluster June quarter numbers, especially in the U.S. where, despite a raft of new products, same store sales inched up only 1%, signaling a loss in market share.

Phillip Morris International (PM) recorded all-around disappointing numbers, but still expects to chalk up around 6% earnings growth for the year.

Sell McDonald's and Philip Morris

Powered by a string of successful new product introductions spanning several years, **McDonald's** enjoyed strong sales growth. Recently, however, McDonald's new products haven't done much for sales and growth has stalled.

Phillip Morris International markets cigarettes outside the U.S. In many of those areas, cigarette smoking is more acceptable than it is here. However that is changing and people around the world are getting more health conscious. Last year, Australia became the first country to require plain packaging of cigarettes, and Ireland will follow this year. Removing logos and graphics from cigarette packaging will hurt sales of name brands, including Phillip Morris products.

OIL INDUSTRY

PORTFOLIO RETURNS: LAST MONTH 5.9%, YEAR TO DATE 15.9%

BEST: HollyFrontier (HFC) +7%, Chevron (CVX) +6%.

WORST: SeaDrill (SDRL) +5%.

Chevron, our only pick to announce June quarter results, reported below year-ago numbers in all categories. Chevron blamed the lower numbers on "softer market conditions for crude oil and refined products."

PARTNERSHIPS: EX-ENERGY

PORTFOLIO RETURNS: LAST MONTH 7.1%, YEAR TO DATE 11.7%

BEST: Carlyle Group (CG) +9%, Rentech Nitrogen (RNF) +9%, Blackstone Group (BX) +8%

WORST: America First Tax Exempt (ATAX) +3%.

Blackstone reported blow out June quarter numbers. Distributable earnings, for example, rose 65% vs. year-ago. Blackstone also declared a \$0.23 June quarter distribution, down from its \$0.30 March quarter payout, but 130% above year-ago.

Rentech declared a \$0.85 per unit distribution, up 70% from its previous payout, but down from \$1.17 in the year-ago quarter.

Sell Rentech

The price outlook for nitrogen fertilizers has weakened recently and there's risk that Rentech will cut its earnings and distribution projections when it reports June quarter numbers on August 5.

New Pick

Suffering from an oversupply of ships, the overseas shipping business has been in the tank. Now, with global economies on the upswing, it looks like that oversupply could morph into a shortage. We're adding shipowner **Capital Product Partners (CPLP)**, which is paying a 9.8% yield, to the portfolio. Although an MLP, Capital has elected to be treated as a corporation for U.S. tax purposes, thus allowing unit holders to file 1099 tax forms instead of K-1 forms.

REAL ESTATE INVESTMENT TRUSTS (REITs)

PORTFOLIO RETURNS: LAST MONTH 2.3%, YEAR TO DATE 17.0%

BEST: Hospitality Properties (HPT) +10%,

WORST: Amer. Cap. Agency (AGNC) -2%, Home Prop. (HME) -2%.

Hospitality Properties which gained 10% in July on no news, had suffered a 10% price drop in June, also on no news. So, I guess what goes around does come around.

Mortgage REIT American Capital reported mixed, but better than expected June quarter numbers.

Looking at June quarter reports, Omega Healthcare Investors (OHI) was the star, reporting exceptionally strong year-over-year growth numbers (revenues up 22% and cash flow up 17%), and also raising its dividend by 2%. That small hike, on top of other recent hikes, makes its current payout 12% over the year-ago figure. Home Properties (HME) also reported strong growth and EPR Properties (EPR) reported more modest, but still solid growth numbers.

Don't Add to American Capital Agency

The outlook for mortgage REITs remains murky. Some analysts expect AGNC to maintain its current \$1.05/share dividend indefinitely, while others forecast a cut. We're advising against adding to positions until American Capital's outlook clarifies.

REGIONAL BANKS

PORTFOLIO RETURNS: LAST MONTH 8.8%, YEAR TO DATE 17.7%

BEST: Valley National (VLY) +9%.

WORST: New York Community (NYCB) +8%

Both of our banks announced uninspiring June quarter numbers. First, the good news; the percentage of non-performing (delinquent) loans dropped compared to year-ago. In fact, bad loans are no longer an issue. On the downside, net interest margins (profit margins on loans) dropped vs. year-ago.

Okay to Buy Small Banks

With the real estate market taking off, and the economy in general doing better, small banks should do well.

RURAL TELECOMS

PORTFOLIO RETURNS: LAST MONTH 9.7%, YEAR TO DATE 23.2%

BEST: nTelos (NTLS) +14%.

WORST: Hickory Tech (HTCO) +6%.

nTelos reported strong June quarter results, for instance, a 65% year-over-year EPS increase and 94% cash flow growth. Also, in July, nTelos was added to the Russell Microcap Index.

UTILITIES

PORTFOLIO RETURNS: LAST MONTH 8.2%, YEAR TO DATE 21.8%

BEST: Oneok (OKE) +28%, Avista (AVA) +7%.

WORST: Southern Company (SO) +2%.

Oneok scored that 28% gain after it said that it plans to spin-off its utility business into a separate publicly traded company; ONE Gas. Existing Oneok shareholders will receive a yet-to-be specified number of ONE Gas shares. The existing company, Oneok, will continue life as the general partner of its natural gas pipeline MLP, Oneok Partners.

NextEra Energy and Oneok both recorded strong June quarter growth numbers, but CenterPoint Energy (CNP) and Southern Company announced lackluster results. Oneok also increased its quarterly dividend by 6%.

New Pick

We're adding Allete (ALE), a growth-oriented utility serving Minnesota and Wisconsin to the portfolio. Allete, which pays a 3.5% yield, plans to grow earnings at least 5% annually, which qualifies as fast growth for a utility.

Don't Add to Oneok

Oneok hasn't said how many ONE Gas shares existing Oneok shareholders will receive in the spin-off, or the dividends to be paid by Oneok and by ONE Gas. We are advising against adding to positions pending further information.

DIVIDEND SPECULATORS

PORTFOLIO RETURNS: LAST MONTH 4.1%, YEAR TO DATE 13.2%

BEST: Old Republic (ORI) +12%, Northern Tier (NTI) +5%.

WORST: Sun Communities (SUI) -3%, GEO Group (GEO) +2%.

Insurance company Old Republic reported strong June quarter earnings and revenue growth. Its Title Insurance segment grew revenues 27% compared to 6% for general insurance. With the housing market picking up steam, the title insurance business should continue growing for some time. On the other side of the coin, Sun Communities recorded only mixed June quarter results.

Northern Tier Energy reports on August 12. Everyone's on pins and needles waiting to see Northern's June quarter dividend. We need \$1 per unit (share) to support our 17.7% forecast yield.

CANADA STOCKS

PORTFOLIO RETURNS: LAST MONTH 1.5%, YEAR TO DATE 7.2%

BEST: Student Transportation (STB) +6%.

WORST: Liquor Stores (LIQ.TO) -2%, Morneau Shepell +1%.

Student Transportation said that revenues for the fiscal year ending June 2013 increased 15% vs. year-ago.

CANADA REAL ESTATE INVESTMENT TRUSTS

PORTFOLIO RETURNS: LAST MONTH -2.1%, YEAR TO DATE -6.5%

BEST: Calloway REIT (CWT.UN) -1%.

WORST: Artis REIT (AX.UN) -3%.

Artis raised \$75 million by selling three million preferred shares. It spent \$71 million of that take to buy a six-story office building in Denver, Colorado.

Calloway is raising \$150 million in a note sale. But it spent \$232 million on four Wal-Mart-anchored shopping centers; located in Ontario.

There is no fundamental reason why Canadian REITs should be underperforming U.S. REITs and just about everything else. We're still advising adding to positions.

Thanks for subscribing.



hdomash@dividenddetective.com

DIVIDEND HOTSHOTS

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

	Yld.	Ann. Div.		Yld.	Ann. Div.
AHGP Alliance Holdings GP	5.0	3.14	NCMI National CineMedia	4.6	0.88
ARLP Alliance Resource Partners	6.2	4.61	NHI National Health Investors	4.8	2.94
APU AmeriGas Partners	7.3	3.36	NNN National Retail Properties	4.7	1.62
T AT&T	5.0	1.80	NYMT New York Mortgage Trust	17.0	1.08
BWP Boardwalk Pipeline Partners	6.9	2.13	ORI Old Republic International	4.8	0.72
BBEP BreitBurn Energy Partners	10.5	1.92	OHI Omega Healthcare Investors	6.3	1.88
BPL Buckeye Partners	5.9	4.25	OLP One Liberty Properties	6.1	1.40
EPB El Paso Pipeline Partners	6.2	2.52	OKS Oneok Partners	5.6	2.88
EEP Enbridge Energy Partners	7.0	2.17	PPL PPL Corporation	4.6	1.47
EXLP Exterran Partners	6.8	2.09	O Realty Income	4.7	2.03
GLP Global Partners	6.2	2.35	RAI Reynolds American	5.0	2.52
HCP HCP, Inc.	4.9	2.10	SNH Senior Housing Properties	6.3	1.56
HCN Health Care REIT	4.8	3.06	SO Southern Company	4.6	2.03
HEP Holly Energy Partners	5.2	1.94	SEP Spectra Energy Partners	4.7	2.04
KED Kayne Anderson Energy Development	6.9	1.76	TAL TAL International Group	6.5	2.72
KMP Kinder Morgan Energy Partners	6.4	5.28	NGLS Targa Resources Partners	5.6	2.86
LGCY Legacy Reserves	8.5	2.32	TE TECO Energy	5.0	0.88
LTC LTC Properties	5.0	1.86	TLP TransMontaigne Partners	6.2	2.60
MAIN Main Street Capital	6.0	1.86	UBA Urstadt Biddle Properties	4.7	1.00
MWE MarkWest Energy Partners	4.8	3.36	VNR Vanguard Natural Resources	9.1	2.46
MCY Mercury General	5.5	2.45	WPZ Williams Partners	6.9	3.45

Bolded: "Buy" rated in our Industry Portfolios

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

CORPORATE BONDS

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

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

KEY

Name shown in *italics*: New listing

NR = Not Rated

Rating in green = recent rating upgrade

Rating in red = recent rating downgrade

Rating	CUSIP	Company	Maturity Date	Recent Price	Coupon	Yield to Maturity
Conservative						
AA+	36966R2Z8	GE Capital Internotes	3/15/15	\$106.8	5.700	1.4
A+	94980VAE8	Wells Fargo Bank Natl Assn.	5/16/16	\$112.2	5.750	1.6
AA+	36966RW93	GE Capital Internotes	4/15/19	\$112.2	5.125	2.8
Aggressive						
A-	61747YCT0	Morgan Stanley	11/2/15	\$103.4	3.450	1.9
A-	073902PN2	Bear Stearns	1/22/17	\$111.1	5.550	2.2
A-	61744YAD0	Morgan Stanley	12/28/17	\$112.7	5.950	2.9
Speculative						
BBB-	459745GM1	International Lease Finance	4/1/15	\$103.2	4.875	2.9
BBB+	29274FAB0	Enersis S.A.	12/1/16	\$117.0	7.400	2.1
BBB-	50075NAV6	Kraft Foods	8/23/18	\$117.3	6.125	2.5
Walk on the Wild Side						
BB+	780097AL5	Royal Bank of Scotland	10/1/14	\$102.9	5.000	2.4
BB	780153AR3	Royal Caribbean Cruises	6/15/16	\$111.8	7.250	2.9
BBB-	75913MAB5	Regions Bank	5/15/18	\$116.0	7.500	3.8

DIVIDEND DETECTIVE SAMPLE (MODEL) PORTFOLIOS

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

- Conservative: minimizing risk is priority #1
- Growth & Income: high-dividend growth stocks
- High-Yield/Speculative: take a walk on the wild side for highest potential returns

Historical Sample Portfolio returns: link available here on Premium Members Site

How to Use these Portfolios

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

Key

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

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

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

Sells **look-like-this SELL**

Conservative

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

<u>Ticker</u>	<u>Name</u>	<u>Industry Portfolio</u>	<u>Recent Price</u>	<u>Forecast Div. Yield</u>
ACG	AllianceBernstein Income	Closed-End Fund (Government Debt)	7.2	5.8%
AHL-B	Aspen Insurance Delete (Sample Port Only)	Preferred (Reinsurance)	26.1	7.0%
CINF	Cincinnati Financial	Insurance (Property & Casualty)	49.0	3.3%
DD	DuPont New	Mfg/Services (Agric. & Chemical)	57.7	3.1%
FEO	First Trust/Aberdeen Emerging	Closed-End Fund (Emerging Mkt. Equity/ Debt)	19.0	7.4%
GPC	Genuine Parts	Mfg/Services (Industrial Distributor)	82.0	2.6%
JPM	JPMorgan Chase New	Large Banks	55.7	2.7%
NEE	NextEra Energy	Utility	86.6	3.0%
PL-C	Protective Life 6.25% Delete (Sample Port Only)	Preferred (Insurance)	24.2	6.5%

Growth & Income

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

<u>Ticker</u>	<u>Name</u>	<u>Industry Portfolio</u>	<u>Recent Price</u>	<u>Forecast Div. Yield</u>
FL	Foot Locker	Mfg/Services (Retail)	36.1	2.2%
HQL	H&Q Life Sciences	Closed-End Fund (Biotech & Pharma)	19.5	7.0%
JNJ	Johnson & Johnson	Mfg/Services (Pharma)	93.5	2.8%
STAG	STAG Industrial	REITs (Industrial Properties)	20.7	5.9%
STWD	Starwood Property Trust	REITs (Commercial Property Lender)	25.4	7.2%
TRGP	Targa Resources	Energy General Partners (Nat. Gas Pipelines)	68.2	3.1%
VZ	Verizon Communications	Mfg/Services (Telecom)	49.5	4.2%

High Yield/Speculative

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

<u>Ticker</u>	<u>Name</u>	<u>Industry Portfolio</u>	<u>Recent Price</u>	<u>Forecast Div. Yield</u>
ARI-A	Apollo Commercial Delete (Sample Port Only)	Preferred (Commercial Finance)	25.8	8.4%
CPLP	Capital Products Partners New	Partnerships Ex-Energy (Shipping)	9.6	9.8%
GOF	Guggenheim Strategic	Closed-End Fund (Corp. & Gov. Debt)	21.6	10.1%
NTLS	nTelos	Rural Telecom (Wireless Services)	18.7	9.0%
JDD	Nuveen Diversified Div. & Inc.	Closed-End Fund (Global Stocks & Debt)	11.8	8.4%
SDRL	SeaDrill	Oil Industry (Deepwater Drilling))	42.7	8.2%
SIX	Six Flags Entertainment	Mfg/Services (Amusement Park)	*36.8	4.9%
TCAP	Triangle Capital Resources	Business Development Corp.	29.0	7.4%

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

DIVIDEND MONSTERS

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

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

Ticker		Estimated Annual Dividend \$	Estimated Annual Yield %	Freq.
JMI	Javelin Mortgage Investment	2.760	20.8	M
ARR	ARMOUR Residential REIT	0.840	19.3	M
WHZ	Whiting USA Trust II	2.528	19.1	Q
NTI	Northern Tier Energy	4.450	18.6	Q
AGNC	American Capital Agency	4.200	18.6	Q
MITT	AG Mortgage Investment Trust	3.200	18.4	Q
AMTG	Apollo Residential Mortgage	2.800	17.9	Q
SDR	SandRidge Mississippian Trust II	2.732	17.8	Q
ECT	Eca Marcellus Trust I	1.772	17.4	Q
NYMT	New York Mortgage Trust	1.080	17.0	Q
IVR	Invesco Mortgage Capital	2.600	16.4	Q
MTGE	American Capital Mortgage Investment	3.200	16.1	Q
CHKR	Chesapeake Granite Wash Trust	3.200	16.1	Q
CVRR	CVR Refining	4.450	15.4	Q
OAKS	Five Oaks Investment	1.920	14.8	M
PER	SandRidge Permian Trust	2.325	14.8	Q
DCIX	Diana Containerships	0.600	14.7	Q
HTS	Hatteras Financial	2.800	14.2	Q
AI	Arlington Asset Investment	3.500	13.9	Q
EFC	Ellington Financial	3.080	13.7	Q
NLY	Annaly Capital Management	1.600	13.6	Q
RNO	Rhino Resource Partners	1.780	13.6	Q
DX	Dynex Capital	1.160	13.2	Q
LRE	LRR Energy	1.940	12.9	Q
ANH	Anworth Mortgage Asset	0.600	12.5	Q
TWO	Two Harbors Investment	1.240	12.4	Q
RSO	Resource Capital	0.800	12.2	Q
PSEC	Prospect Capital	1.322	12.1	M
PDH	PetroLogistics	1.460	12.0	Q
NMM	Navios Maritime Partners	1.770	11.7	Q
WIN	Windstream	1.000	11.6	Q
TEU	Box Ships	0.480	11.6	Q
NCT	Newcastle Investment	0.680	11.6	Q
TICC	TICC Capital	1.160	11.5	Q
FULL	Full Circle Capital	0.924	11.5	M
EMES	Emerge Energy Services	2.800	11.5	Q
QRE	QR Energy	1.950	11.4	Q
EROC	Eagle Rock Energy Partners	0.880	11.4	Q
NRP	Natural Resource Partners	2.200	11.3	Q
VOC	VOC Energy Trust	1.640	11.1	Q
SRV	Cushing MLP Total Return Fund	0.900	11.1	Q
NSLP	New Source Energy Partners	2.200	10.8	Q
LINE	Linn Energy	2.899	10.8	M
ALTV	Alteva	1.080	10.8	Q
SAN	Banco Santander, S.A.	0.789	10.7	Q
KCAP	KCAP Financial	1.120	10.7	Q
ZFC	ZAIS Financial	1.800	10.7	Q
FSC	Fifth Street Finance	1.150	10.6	M
BBEP	BreitBurn Energy Partners	1.920	10.5	Q
OAK	Oaktree Capital Group	5.640	10.5	Q
PMT	PennyMac Mortgage Investment Trust	2.280	10.4	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.
PREFERRED STOCKS				MANUFACTURING & SERVICES			
Ally Financial 8.5% Series A	ALLY-B	8.1%	BUY	B&G Foods	BGS	+3.7%	BUY
American Financial 6.375% Senior	AFW	6.3%	BUY	E.I. du Pont Nemours	DD	3.1%	BUY
Annaly Capital Mgmt. 7.625% C	NLY-C	7.7%	BUY	Foot Locker	FL	2.2%	BUY
Apollo Commercial 8.625% A	ARI-A	8.4%	BUY	Genuine Parts	GPC	2.6%	BUY
Armour Residential 8.25% A	ARR-A	8.4%	BUY	Johnson & Johnson	JNJ	2.8%	BUY
Ashford Hospitality Trust 9.00% E	AHT-E	8.6%	BUY	McDonald's	MCD	3.1%	SELL
Aspen Insurance 7.25% Perpet.	AHL-B	7.0%	BUY	Philip Morris International	PM	3.8%	SELL
Endurance Specialty 7.50% B	ENH-B	7.1%	BUY	Six Flags Entertainment	SIX	4.9%	BUY
General Electric 4.875% Notes	GEB	5.4%	BUY	TAL International	TAL	+6.8%	BUY
Goldman Sachs 6.125% Notes	GSF	6.1%	BUY	Verizon Communications	VZ	4.2%	BUY
Goodrich Petroleum 10.0% Series C	GDP-C	9.2%	BUY	REGIONAL BANKS			
Hersha Hospitality Trust 8.00% B	HT-B	7.8%	BUY	New York Community Bank	NYCB	6.6%	BUY
Kimco Realty 5.50% J	KIM-J	6.1%	BUY	Valley National Bancorp	VLY	6.7%	BUY
Lexington Realty Trust 6.50% Series C	LXP-C	6.7%	BUY	LARGE BANKS			
Maiden Holdings 8.00% Notes	MHNB	7.7%	BUY	Bank of Nova Scotia	BNS	4.3%	SELL
NorthStar Realty 8.875% Series C	NRF-C	8.7%	BUY	Canadian Imperial Bank of Commerce	CM	5.1%	SELL
PartnerRe 5.875% Series F	PRE-F	6.5%	BUY	JPMorgan Chase	JPM	2.7%	BUY
Pennsylvania REIT 8.25% A	PEI-A	7.8%	BUY	Wells Fargo	WFC	2.8%	BUY
Protective Life 6.25% Debentures	PL-C	6.5%	BUY	REAL ESTATE INVESTMENT TRUSTS			
Qwest Corp. 7.50%	CTW	7.3%	BUY	American Capital Agency	AGNC	18.6%	DNA
Raymond James Fin. 6.90% Senior	RJD	6.7%	BUY	EPR Properties (Entertainment Properties Tr.)	EPR	6.3%	BUY
SLM (Sallie Mae) Series A 6.97%	SLMAP	7.1%	DNA	Home Properties	HME	4.4%	BUY
Summit Hotel 7.875% Series B	INN-B	7.7%	BUY	Hospitality Properties Trust	HPT	6.6%	BUY
Teekay Offshore Partners 7.25% A	TOO-A	7.2%	BUY	Inland Real Estate	IRC	5.5%	BUY
Travel Centers of America 8.25%	TANN	8.0%	BUY	Omega Healthcare investors	OHI	+5.9%	BUY
Vornado Realty 5.70% K	VNO-K	6.2%	BUY	STAG Industrial	STAG	5.8%	BUY
MONTHLY-PAYING CLOSED-END FUNDS				Starwood Property Trust	STWD	7.2%	BUY
AllianceBernstein Glb. High Income	AWF	8.2%	BUY	ENERGY: GENERAL PARTNERS			
Alliance Bernstein Income Fund	ACG	-5.8%	BUY	Crosstex Energy Inc.	XTXI	2.4%	BUY
BlackRock Muni Assets	MUA	6.2%	BUY	Kinder Morgan, Inc.	KMI	+4.2%	BUY
BlackRock Muni Holdings	MUH	7.1%	BUY	Spectra Energy	SE	3.4%	BUY
CBRE Clarion Global Real Estate	IGR	6.2%	BUY	Targa Resources Corp.	TRGP	+3.1%	BUY
Dreyfus High Yield Strategies	DHF	-9.3%	BUY	Williams	WMB	4.1%	BUY
F&C/Claymore Preferred	FLC	8.3%	BUY	ENERGY PARTNERSHIPS			
Guggenheim Strategic Opp	GOF	10.1%	BUY	Calumet Specialty Products	CLMT	+8.3%	BUY
Invesco Dynamic Credit Opp	VTA	6.9%	BUY	Exterran Partners	EXLP	+6.8%	BUY
Reeves Utility Income	UTG	6.1%	BUY	Global Partners	GLP	+6.1%	BUY
CEF GROWTH OPPORTUNITIES				MarkWest Energy Partners	MWE	+4.8%	BUY
First Trust/Aberdeen Emerging Opp	FEO	7.4%	BUY	PAA Natural Gas Storage	PNG	6.8%	BUY
H&Q Life Sciences	HQL	7.0%	BUY	PARTNERSHIPS EX-ENERGY			
Nuveen Diversified Dividend & Inc.	JDD	8.4%	BUY	America First Tax Exempt	ATAX	7.2%	BUY
CANADA Stocks				Blackstone Group	BX	5.5%	BUY
Liquor Stores	LIQ.TO	6.2%	BUY	Capital Product Partners	CPLP	9.8%	BUY
Morneau Shepell	MSI.TO	5.6%	BUY	Carlyle Group	CG	7.3%	BUY
Student Transportation	STB.TO/STB	8.2%	BUY	Rentech Nitrogen	RNF	8.1%	SELL
CANADA REAL ESTATE INVESTMENT TRUSTS				UTILITIES			
Artis REIT	AX.UN	7.4%	BUY	Allite	ALE	3.5%	BUY
Calloway REIT	CWT.UN	6.1%	BUY	Avista	AVA	4.2%	BUY
DIVIDEND SPECULATORS				CenterPoint Energy	CNP	3.3%	BUY
GEO Group	GEO	5.8%	BUY	Dominion Resources	D	3.8%	BUY
Northern Tier Energy	NTI	17.7%	BUY	NextEra Energy	NEE	3.0%	BUY
Old Republic International	ORI	5.0%	BUY	Oneok	OKE	+2.9%	DNA
Sun Communities	SUI	5.2%	BUY	Southern Company	SO	4.5%	BUY
ETF MONTHLY INCOME				Westar Energy	WR	4.0%	BUY
iShares High Yield Corporate	HYG	6.4%	BUY	OIL			
iShares Invest. Grade Corporate	LQD	3.9%	BUY	Chevron	CVX	3.2%	BUY
iShares JPM Emerging Mkts.	EMB	4.6%	BUY	HollyFrontier	HFC	7.0%	BUY
iShares S&P U.S. Preferred	PFF	5.8%	BUY	SeaDrill	SDRL	8.2%	BUY
PShares Senior Loan Portfolio	BKLN	4.6%	BUY	BUSINESS DEVELOPMENT CORPS			
RURAL TELECOMS				Hercules Technology Growth	HTGC	+7.7%	BUY
Hickory Tech	HTCO	5.2%	BUY	KCAP Financial	KCAP	10.7%	BUY
NTELOS	NTLS	9.0%	BUY	Triangle Capital Resources	TCAP	7.4%	BUY
INSURANCE							
Arthur J. Gallagher	AJG	3.2%	BUY				
Cincinnati Financial	CINF	3.3%	BUY				

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

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