

## DIVIDEND DETECTIVE HIGHLIGHTS

DIVIDENDDETECTIVE.COM

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### Welcome to the September 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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#### 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 2012 Commentary

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

#### So-So MONTH FOR DIVIDEND STOCKS

The market, at least as measured by the S&P 500, returned 2% in August. With 15 of our Industry & Specialty portfolios in positive territory, and 11 of them meeting or beating the S&P, August was an okay month, but nothing to write home about.

Alas, that was especially true for our Sample Portfolios. Growth & Income, up 2%, did the best. Our High/Yield/Speculative portfolio returned 1% and our Conservative picks lost 1%.

Getting back to our Industry & Specialty portfolios, Business Development Companies, up 8%, did the best, and Utilities, down 3% for the month, did the worst. Here's the complete list for August.

<u>Portfolio</u>	<u>Avg. Return%</u>
Business Development Corps. ....	8%
Partnerships: Ex-Energy .....	7%
Oil Industry .....	7%
Large Banks .....	4%
Regional Banks .....	4%
Partnerships: Energy .....	3%
Canada Stocks Ex-Energy .....	2%
Canada Energy .....	2%
Dividend Speculators .....	2%
Manufacturing & Services .....	2%
Insurance Industry .....	2%
Energy: General Partners .....	1%
Rural Telecom .....	1%
Preferred Stocks .....	1%
ETF Monthly Income .....	1%
Closed-End Funds .....	0%
Canada Real Estate Investment Trusts .....	-1%
US Real Estate Investment Trusts .....	-1%
Utilities .....	-3%

#### What Happened?

Nothing fundamentally bad happened to darken the outlook for utilities or real estate investment trusts. Rather, last month's price action reflects big money rotation into other sectors.

In fact, despite lingering issues including the recession in Europe, weak U.S. economic numbers, gridlock in Washington, slowing growth in China, Iran's nuclear ambitions, etc., the stock market was relatively quiet in August.

#### What's Next?

Any of the issues recited above could come alive and sink the market with short notice. Worse, U.S. election results could rile the market, regardless of who wins what. So, at the risk of boring you to tears, we continue to advise caution. Only add cash to the market that you won't need for at least 12 months so you won't get hurt by market downdrafts.

#### What's New?

We're adding four new picks to our Preferreds portfolio. Three with yields ranging from 5.5% to 7.1% are credit-rated investment grade. The fourth, which has not been credit rated, is yielding 8.4%. We're also selling two existing picks, but since they were already rated "do not add," we're still netting four new "buy" rated preferreds.

In our Sample Portfolios, we're replacing two Growth & Income stocks with new picks with stronger growth prospects. We're also replacing two High Yield/Speculative portfolio members with picks with higher yields and better capital appreciation prospects.

In Canadian Energy, we're advising adding to positions in two formerly "do not add" rated picks and selling another portfolio member with diminishing future prospects.

We're also selling one formerly fast growing Dividend Speculator that seems to be running out of gas.

One of our Closed-End Fund picks cut its dividend and we're advising against adding to positions while we explore better options in its sector. 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 (-1.0% return)

With only three stocks up and four down, our portfolio had a bad month. Alliance Bernstein Income (ACG), Aspen Insurance Preferreds (AHL-B) and H.J. Heinz (HNZ), all up 1%, were the winners. Closed-end fund John Hancock Premium Dividend (PDT), down 4%, and Philip Morris International (PM), down 2%, were the biggest losers.

Fundamentally, everything still looks good and we're not making any changes to the portfolio this month.

#### Growth & Income Portfolio (1.6% return)

SeaCube Container Leasing (BOX), up 9%, and Foot Locker

(FL), up 5%, did the best. Verizon Communications (VZ), down 5%, and Johnson & Johnson (JNJ), down 2%, were the losers.

We're adding two new picks to the portfolio. Telular (WRLS), a fast grower from our Speculator portfolio makes wireless communications equipment for security systems. Oil refiner Valero Energy (VLO) from our Oil Industry portfolio also has strong growth prospects.

To make room for the new picks, we're deleting Johnson & Johnson and McDonald's (MCD) from this portfolio only. We have different requirements for our Sample Portfolios than for our Specialty and Industry portfolios and both J&J and McDonald's are still "buy" rated in their home Manufacturing & Services portfolio.

#### High Yield/Speculative Portfolio (1.0% return)

Triangle Capital Resources (TCAP), up 7%, and Sallie Mae Preferreds (SLMAP), up 2%, were our best performers. Maiden Holdings Preferreds (MHNB), down 3%, and American Capital Agency (AGNC), down 1%, were our only losers.

We're also adding two new picks to this portfolio. Apollo Commercial (ARI-A), a new pick from our Preferreds portfolio is yielding 8.4%. SeaDrill (SDRL), a fast grower from our Oil Industry portfolio is yielding 8.2%.

The new picks are replacing Maiden Holdings and Sallie Mae Preferreds, which are both still "buy" rated in their home Preferreds portfolio.

## PREFERRED STOCKS

Our preferreds averaged a 1% return. Ally Financial (ALLY-B), up 6% did the best and Commonwealth REIT (CWH-D), down 3%, did the worst. As usual for preferreds, there was no news to account for any particular preferreds price action.

We're adding four new picks to the portfolio. Three are rated "investment quality," and the fourth is not credit rated. Issuing firms must pay to have their preferreds credit rated. The fact that a firm did not choose to pay for a rating doesn't necessarily mean that its preferreds are not investment quality.

#### Investment Quality

**Endurance Specialty Holdings** offers specialty insurance products and reinsurance services. Its 7.50% Series B preferreds (ENH-B), credit-rated BBB- (lowest investment grade), recently traded at \$26.58, above their \$25.00 call price. The market yield (yield based on annual dividend and market price) is 7.1%.

**Kimco Realty**, a REIT, develops and operates neighborhood and community shopping centers. Its 5.50% Class J Preferreds (KIM-J), also credit-rated BBB-, recently traded at \$24.80, slightly below their \$25.00 call price. The market yield is 5.5%.

**Vornado Realty Trust**, a REIT, owns office, industrial and retail properties in New York City and in other large cities. Its 5.70% Series K Preferreds (VNO-K), also credit-rated BBB- are trading close to their call price. The market yield is 5.7%.

#### Not Credit Rated

**Apollo Commercial Finance**, a REIT, invests in mortgages

and other debt instruments secured by commercial real estate. Its 8.625% Series A Preferreds (ARI-A) recently traded at \$25.61, slightly above their \$25.00 call price. The market yield is 8.4%.

#### Sell Ashford Series D

Ashford Hospitality Series D (AHT-D) is trading 2% above their call price and can be called at any time. We'd rather be in Ashford's Series E (AHT-E), which can't be called until 2016.

#### Sell Public Storage

Public Storage 6.50% Series P (PSA-P) recently traded almost 12% above its call price. Even though it can't be called until October 2015, there's too much downside risk here.

#### Don't Add to Merrill Lynch

Merrill Lynch Capital Trust II 6.45% Preferreds (MER-M) are trading close to their call price and could be called at any time.

#### Still Don't Add to Citigroup (C-E) & KKR Financial (KFH)

Continuing "do not add" ratings from last month. We would like to see them come down in price before advising buying.

## CLOSED-END FUNDS

Our funds broke even, on average. First Trust/Aberdeen Emerging (FEO), up 5%, did the best. John Hancock Premium Dividend (PDT), down 4%, did the worst.

Delaware Enhanced Global Dividend (DEX) cut its monthly dividend, starting with its September payout, by 27% to \$0.075 per share. Delaware said that the "continued low-yield environment where it primarily invests had negatively impacted the fund's income.

#### Do Not Add to Delaware

We are advising against adding to positions in Delaware Enhanced Global to give us time to explore other options in Delaware's market sector.

## ETF MONTHLY INCOME (EXCHANGE-TRADED FUNDS)

Our portfolio averaged a 0.8% return in August. iShares Preferred (PFF), up 1.5%, did the best. iShares Investment Grade Corporate (LQD), down 0.1%, did the worst.

## CORPORATE BONDS

We've making one change in our Aggressive Portfolio.

**Goldman Sachs 5.250%** notes maturing 5/15/14 are not currently available, so we're replacing them with **HSBC Financial Corp. 4.800%** notes rated "A" by S&P that are yielding 3.7% to their 8/15/14 maturity.

## BUSINESS DEVELOPMENT CORPORATIONS (BDCs)

Our portfolio returned 8%. Main Street Capital (MAIN) gained 9% and Triangle Capital Resources (TCAP) returned 7%.

Triangle Capital increased its quarterly dividend by 4% to \$0.52 per share. Triangle had already hiked its payout by 6% in May.

Looking at June quarter numbers that matter most for evaluating BDCs, Triangle Capital reported strong per-share investment portfolio and book value growth, while Main Street Capital recorded figures above year-ago, but below the March quarter.

## ENERGY: GENERAL PARTNERS

Our portfolio dropped 1%. Targa Resources (TRGP) and Williams (WMB) both returned 3%. Kinder Morgan (KMI) broke even, but Crosstex Energy (XTXI) lost 8%.

Kinder Morgan reported strong June quarter growth. Targa Resources, Crosstex Energy and Williams reported mixed numbers. Williams raised its quarterly dividend by 4% and reiterated its 20% or so annual dividend growth forecasts.

## PARTNERSHIPS: ENERGY (MASTER LIMITED PARTNERSHIPS)

Our partnerships returned 3%. Calumet Specialty Partners (CLMT), up 14%, was the star. Crestwood Midstream Partners (CMLP), down 3%, was the biggest loser.

Calumet Specialty Products and Exterran Partners reported strong June quarter growth numbers. PAA Natural Gas and MarkWest reported mixed results and Crestwood Midstream Partners reported below year-ago numbers. .

## INSURANCE INDUSTRY

Our portfolio returned 2%. Cincinnati Financial (CINF) and OneBeacon Insurance (OB) both returned 2% and Arthur J. Gallagher (AJG) rose 1%.

Gallagher and Cincinnati Financial both announced relatively strong June quarter growth numbers (for insurance companies), but OneBeacon recorded mixed results.

On the dividend front, Cincinnati Financial raised its quarterly payout by 1% to \$0.4075 per share.

## LARGE BANKS

Our portfolio returned 4%. Canadian Imperial Bank (CM) gained 6% and Bank of Nova Scotia (BNS) rose 2%.

Bank of Nova Scotia reported strong July quarter growth numbers in all categories. Canadian Imperial reported more muted growth, but still overall good numbers.

Scotia and Canadian Imperial both raised their quarterly payouts by 4%.

Scotia bought ING Bank of Canada, which operates as an online-only bank. Scotia is also buying a 51% stake in Colombia's fourth largest pension fund company.

Canadian Imperial bought a private wealth business, which manages \$1.4 billion in assets for high-net-worth individuals, endowments and foundations. CIBC also bought a Houston-based energy advisory firm specializing in acquisitions and divestitures in the exploration and production sector.

## MANUFACTURING & SERVICES

Our portfolio returned 2%. SeaCube (BOX), up 9%, and B&G Foods (BGS), Foot Locker (FL), and Microchip Technology (MCHP), all up 5%, did the best. Verizon (VZ), down 5%, and Johnson & Johnson (JNJ) and Philip Morris International (PM), both down 2%, did the worst.

SeaCube Container Leasing reported very strong year-over-year June quarter growth numbers. Genuine Parts (GP), Philip

Morris International and Verizon Communications reported more modest, but still solid growth numbers. B&G Foods recorded mixed results. Computer Programs & Systems (CPSI), DuPont (DD), Johnson & Johnson and McDonald's (MCD) announced weak, but not terrible numbers. Dow Chemical (DOW) and Microchip Technology reported disappointing results.

Moving on to July quarter reports, Foot Locker recorded strong year-over-year growth in all categories, and H.J. Heinz reported mixed, but mostly weak numbers.

SeaCube raised its quarterly payout by 4% to \$0.29 per share.

DuPont sold its performance coatings unit, which was a slow grower. DuPont had been shopping the unit for some time.

## OIL INDUSTRY

Our Oil Industry picks were all in the positive column and our portfolio averaged a 7% return. Valero Energy (VLO), up 14%, did the best. Chevron (CVX), up 3%, was the laggard.

SeaDrill (SDRL) reported good, but not spectacular year-over-year revenue and cash flow growth numbers. Earlier (July), Valero Energy had reported strong June quarter growth numbers. Chevron and Royal Dutch Shell (RDS.B) reported mixed results, however Shells production levels for the quarter rose 2% while Chevron's average daily production dropped 3% vs. year-ago.

SeaDrill raised its quarterly payout by 2% to \$0.84 per share, which was 12% above its year-ago dividend.

## PARTNERSHIPS: EX-ENERGY

Our partnerships returned 7%. Rentech Nitrogen (RNF), up 16%, did the best. America First Tax Exempt (ATAX) gained 7% and Blackstone Group (BX) lost 2%.

Rentech Nitrogen Partners reported June quarter distributable cash flow equal to the amount actually distributed. However, Rentech forecasts \$3.30/unit calendar 2012 distributable cash flow, a 29% cushion vs. the \$2.56/unit annual distribution forecast by analysts.

Blackstone reported mixed, but generally okay numbers and America First reported results even with year-ago numbers.

## REAL ESTATE INVESTMENT TRUSTS (REITs)

Our REITs lost 1%. Inland Real Estate (IRC), up 3%, and Entertainment Properties (EPR), up 1%, did the best. Digital Realty Trust (DLR), down 5%, and Home Properties (HME), down 2%, did the worst.

Entertainment Properties, Home Properties and Omega Healthcare (OHI) reported strong June quarter growth. Hospitality Properties (HPT) reported mixed, but mostly good numbers. American Capital Agency (AGNC), Digital Realty, and Inland Real Estate reported lackluster June quarter results.

## REGIONAL BANKS

Our small bank portfolio averaged a 4% return. In fact, both New York Community (NYB) and Valley National (VLY) gained 4%.

We're still advising against adding to our small banks until market conditions improve.

**RURAL TELECOMS**

Our portfolio returned 1%. Consolidated Communications (CNSL), up 3%, and CenturyLink (CTL), up 2%, did the best. Hickory Tech (HTCO) and Windstream (WIN), both down 1%, were the losers.

Our Telecoms all reported below year-ago June quarter numbers, but in all cases, cash flow exceeded dividends paid by a wide margin.

**UTILITIES**

Our utilities lost 3%. Oneok (OKE), up 1%, was the only winner. Avista (AVA), down 7%, and Southern Company (SO) and Westar Energy (WR), both down 5%, were the biggest losers.

Except for Westar Energy, all of our utilities reported below year-ago June quarter results. Westar recorded good growth, but isn't expected to repeat that performance in future quarters.

**DIVIDEND SPECULATORS**

Speculators rose 2%. Douglas Dynamics (PLOW), up 5%, did the best. Sun Communities (SUI), down 2%, was our only loser.

Golar LNG (GLNG) and Sun Communities reported strong June quarter growth. Telular (WRLS) recorded strong revenue growth, but fell short of year-ago in terms of earnings. Douglas Dynamics reported below year-ago results. Collectors Universe (CLCT) reported lower revenues vs. year-ago.

Golar raised its quarterly dividend by 14% to \$0.40 per share.

**Sell Collectors Universe**

Collectors derives most of its revenues from grading coins and the balance from grading trading cards. In our view, both of those segments have peaked and Collectors Universe is no longer a growth story. We expect disappointing future results.

**CANADA STOCKS: ENERGY**

Our portfolio gained 2%. Baytex Energy (BTE), up 9%, and Crescent Point Energy (CPG.TO), up 3%, were the winners. Bonterra Energy (BNE.TO) dropped 6%.

Crescent Point reported strong June quarter production growth, but only moderate cash flow (FFO) growth. Baytex also reported production growth, but at a more moderate pace than Crescent Point. Baytex reported below year-ago FFO. Bonterra Energy reported lower production and below year-ago FFO.

**Okay to Add to Baytex & Crescent Point**

The markets for crude oil and for natural gas have stabilized. Further, for Baytex and Crescent Point, crude oil now accounts for at least 85% of production. We're again advising adding to positions in Baytex Energy and Crescent Point Energy.

**Sell Bonterra**

Bonterra Energy's production continues to drop and crude oil accounts for only 62% of total production. Consequently, a dividend cut is likely. We're selling Bonterra so we can focus on mostly oil plays with better dividend growth prospects.

**CANADA STOCKS: EXCLUDING ENERGY**

Our portfolio returned 2%. Student Transportation (STB), up 4%, and Colabor Group (GCL.TO), up 3%, did the best. Morneau Shepell (MSI.TO), up 1%, and Liquor Stores (LIQ.TO) at breakeven, were the laggards.

Colabor Group reported modest June quarter year-over-year growth numbers. Liquor Stores reported mixed, but mostly good June numbers, and Morneau Shepell announced lackluster results. Student Transportation probably won't report its June quarter and fiscal year numbers until mid-September.

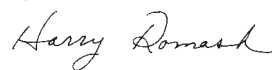
Liquor Stores' CEO resigned on August 31. No information available yet about the reason.

**CANADA REAL ESTATE INVESTMENT TRUSTS**

Our portfolio averaged a 1% loss. Calloway REIT (CWT.UN) broke even and Artis REIT (AX.UN) dropped 1%.

Fundamentals didn't trigger the weak showing. Both REITs reported relatively strong (for REITs) June quarter year-over-year revenue and cash flow (FFO) growth numbers.

Thanks for subscribing.



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Sector	12-Mo	YTD	1-Mo
	% Rtrn	% Rtrn	% Rtrn
Canada: Energy Refining & Mktg. ....	32	49	16
Canada Energy E&P .....	-26	-26	15
Canada: Insurance .....	-10	21	12
Medical Device & Testing .....	23	13	9
Energy Partners: Misc .....	38	30	8
Chemicals .....	19	20	7
Energy Partnerships: Coal .....	-8	-9	7
Technology: IT Software & Systems .....	-5	-4	6
Energy Ptrn.: Exploration & Prod. ....	7	5	6
Canada Banks .....	4	11	6
Energy: Services .....	39	22	6
Insurance .....	34	20	6
Technology: Components .....	6	-3	6
Real Estate Investment Tr.: Lodging ....	39	16	5
Technology: Semiconductors .....	6	-2	5
Media & Advertising .....	22	5	5
Banks: Regional .....	10	-1	5
Business Development Companies .....	27	23	5
Leisure & Recreation .....	11	16	5
Restaurants .....	19	13	4
Technology: Semiconductor Equip. ....	28	10	4
Energy Patr. Natural Gas Storage .....	12	30	4
Food Processing .....	21	8	4
Retail .....	27	8	4
Energy Ptrn.: Propane/Heating Oil .....	-5	-3	4
Energy: Exploration & Production .....	14	8	4
Canada: Telecom .....	10	9	4
Real Estate Invest. Tr.: Lumber & Paper ..	18	15	4
Canada: Restaurants .....	36	28	3
Real Estate Investment Tr.: Mortgage ...	28	25	3
MLP General Partners .....	33	13	3
Aerospace .....	31	16	3
Partnerships - Excluding Energy .....	7	10	3

## 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 .....	5.8	2.79	MMLP .... Martin Midstream Partners .....	9.0	3.05
ARLP .... Alliance Resource Partners .....	6.9	4.25	MCY ..... Mercury General Corporation .....	6.4	2.44
APU ..... AmeriGas Partners .....	7.5	3.20	MDP ..... Meredith Corporation .....	4.7	1.53
T ..... AT&T .....	4.8	1.76	NHI ..... National Health Investors Inc .....	5.1	2.68
AVA ..... Avista Corp .....	4.6	1.16	NNN ..... National Retail Properties .....	5.1	1.58
BWP ..... Boardwalk Pipeline Partners .....	7.9	2.13	OHI ..... Omega Healthcare Investors Inc .....	7.0	1.68
BPL ..... Buckeye Partners .....	8.4	4.15	OKS ..... Oneok Partners .....	4.7	2.64
CTL ..... CenturyLink .....	6.9	2.90	PAA ..... Plains All American Pipeline .....	4.9	4.26
CLF ..... Cliffs Natural Resources .....	7.0	2.50	PVR ..... PVR Partners .....	8.7	2.12
CODI .... Compass Diversified Holdings .....	9.8	1.44	RGP ..... Regency Energy Partners .....	8.0	1.84
COP ..... ConocoPhillips .....	4.7	2.64	RAI ..... Reynolds American .....	5.1	2.36
OFC ..... Corporate Office Properties Trust .....	4.9	1.10	SAFT .... Safety Insurance Group .....	5.3	2.40
DPM ..... DCP Midstream Partners .....	6.2	2.68	SNH ..... Senior Housing Properties Trust .....	6.9	1.52
EEP ..... Enbridge Energy Partners .....	7.4	2.17	SPH ..... Suburban Propane Partners .....	8.8	3.41
ETR ..... Entergy Corporation .....	4.9	3.32	TAL ..... TAL International Group .....	6.8	2.32
EPD ..... Enterprise Products Partners .....	4.8	2.54	TCP ..... TC Pipelines .....	6.9	3.12
HHS ..... Harte-Hanks .....	4.9	0.34	TE ..... TECO Energy .....	5.1	0.88
HEP ..... Holly Energy Partners .....	5.4	3.64	TRI ..... Thomson Reuters Corporation .....	4.5	1.27
KMP ..... Kinder Morgan Energy Partners .....	5.9	4.92	TLP ..... TransMontaigne Partners .....	7.0	2.56
LGCY .... Legacy Reserves .....	8.0	2.24	UBA ..... Urstadt Biddle Properties .....	5.1	0.99
LINE ..... Linn Energy .....	7.3	2.90	VVC ..... Vectren Corporation .....	5.0	1.40
LTC ..... LTC Properties Inc .....	5.5	1.86	VZ ..... Verizon Communications .....	4.7	2.00
MMP ..... Magellan Midstream Partners .....	4.5	3.77	WR ..... Westar Energy .....	4.5	1.32
MWE ..... MarkWest Energy Partners .....	6.0	3.20	WPZ ..... Williams Partners .....	6.2	3.17

## 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	\$106.0	5.200	1.9
A+	94980VAE8	Wells Fargo Bank Natl Assn	5/16/16	\$113.9	5.750	1.9
AA+	36966RW93	GE Capital Internotes	4/15/19	\$113.2	5.125	2.9
<b>Aggressive</b>						
<b>A</b>	<b>40429XVW3</b>	<b>HSBC Financial Corp. <i>NEW PICK</i></b>	8/15/14	\$102.0	4.800	3.7
A-	59018YTZ4	Merrill Lynch Co.	7/15/14	\$106.2	5.450	2.0
A-	61744YAD0	Morgan Stanley	12/28/17	\$105.3	5.950	4.8
<b>Speculative</b>						
BBB-	76182KAH8	R.J. Reynolds	8/15/13	\$106.2	9.250	2.6
BBB+	29274FAB0	Enersis S.A.	12/1/16	\$117.0	7.400	3.1
BBB-	574599AR7	Masco Corp.	4/15/18	\$111.4	6.625	4.3
<b>Walk on the Wild Side</b>						
BB+	780097AN1	Royal Bank of Scotland	11/12/13	\$101.9	5.000	3.4
BB	780153AR3	Royal Caribbean Cruises	6/15/16	\$109.8	7.250	4.4
BBB-	75913MAB5	Regions Bank	5/15/18	\$111.3	7.500	5.2

## 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 **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)	8.6	5.6%
AHL-B	Aspen Insurance 7.25%	Preferred (Reinsurance)	26.7	6.8%
D	Dominion Resources	Utility	52.5	4.0%
HNZ	H.J. Heinz	Mfg/Services (Food Products)	55.7	3.7%
PDT	John Hancock Premium Dividend	Closed-End Fund (Utilities/Preferreds)	14.4	6.3%
PM	Philip Morris Intl.	Mfg/Services (Tobacco Products)	89.3	3.4%
PL-C	Protective Life 6.25%	Preferred (Insurance)	25.7	6.1%

### 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)	34.6	2.1%
<del>JNJ</del>	<del>Johnson &amp; Johnson Delete (Sample Port Only)</del>	Mfg/Services (Healthcare)	67.4	3.6%
<del>MCD</del>	<del>McDonald's Delete (Sample Port Only)</del>	Mfg/Services (Restaurants)	89.5	3.1%
OKE	Oneok	Utility (Utility & Pipelines)	44.5	3.0%
BOX	SeaCube Container Leasing	Mfg/Services (Shipping Containers)	19.1	6.1%
TRGP	Targa Resources	Energy General Partners (Nat. Gas Pipelines)	45.3	3.5%
<b>WRLS</b>	<b>Telular New</b>	Speculator (Security Communications)	9.6	4.6%
<b>VLO</b>	<b>Valero Energy New</b>	Oil Industry (Refineries)	31.3	2.2%
VZ	Verizon Communications	Mfg/Services (Telecom)	42.9	4.7%

### High Yield/Speculative

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

<u>Ticker</u>	<u>Name</u>	<u>Industry Portfolio</u>	<u>Recent Price</u>	<u>Forecast Div. Yield</u>
AWF	AB Global High Income	Closed-End Fund (Emerging Gov. Debt)	15.7	7.6%
AGNC	American Capital Agency	REITs (Gov. Insured Mortgages)	37.8	14.4%
<b>ARI-A</b>	<b>Apollo Commercial New</b>	Preferred (Commercial Finance)	25.6	8.4%
AHT-E	Ashford Hospitality Series E	Preferred (Hotel Properties)	27.1	8.3%
GOF	Guggenheim Strategic	Closed-End Fund (Corp. & Gov. Debt)	21.4	8.7%
<del>MHNB</del>	<del>Maiden Holdings Delete (Sample Port Only)</del>	Preferred (Reinsurance)	26.0	7.7%
<del>SLMAP</del>	<del>Sallie Mae Series A Delete (Sample Port Only)</del>	Preferred (Student Loan Mgr)	48.0	7.3%
<b>SDRL</b>	<b>SeaDrill New</b>	Oil Industry (Offshore Drilling)	41.2	8.2%
TCAP	Triangle Capital Resources	Business Development Corp.	24.6	7.1%

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

# DIVIDEND 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.

Ticker		Estimated Annual Dividend \$	Estimated Annual Yield %	Freq.
DCIX	Diana Containerships .....	1.200	22.4	Q
OXF	Oxford Resource Partners .....	1.750	19.3	Q
DHT	DHT Holdings .....	0.960	17.4	Q
TEU	Box Ships .....	1.040	17.1	Q
ARR	ARMOUR Residential REIT .....	1.200	16.1	M
NYMT	New York Mortgage Trust .....	1.080	15.7	Q
AI	Arlington Asset Investment .....	3.500	15.3	Q
BGCP	BGC Partners .....	0.680	15.1	Q
AMTG	Apollo Residential Mortgage .....	3.000	14.7	Q
MTGE	American Capital Mortgage Investment .....	3.600	14.6	Q
AGNC	American Capital Agency .....	5.000	14.4	Q
PDH	PetroLogistics .....	1.800	14.1	Q
CYS	CYS Investments .....	2.000	13.9	Q
TWO	Two Harbors Investment .....	1.600	13.8	Q
IVR	Invesco Mortgage Capital .....	2.750	13.4	Q
RSO	Resource Capital .....	0.800	13.4	Q
TNK	Teekay Tankers .....	0.530	13.3	Q
NLY	Annaly Capital Management .....	2.200	12.7	Q
EFC	Ellington Financial .....	2.800	12.7	Q
HTS	Hatteras Financial .....	3.600	12.4	Q
RNDY	Roundy's .....	0.920	12.3	Q
NMM	Navios Maritime Partners .....	1.770	12.2	Q
CHKR	Chesapeake Granite Wash Trust .....	2.576	12.2	Q
ECT	Eca Marcellus Trust I .....	2.400	12.1	Q
CPLP	Capital Product Partners .....	0.930	12.1	Q
MCGC	MCG Capital .....	0.560	12.0	Q
MITT	AG Mortgage Investment Trust .....	2.800	11.9	Q
SDT	Sandridge Mississippian Trust I .....	2.911	11.6	Q
RNO	Rhino Resource Partners .....	1.780	11.5	Q
FULL	Full Circle Capital .....	0.924	11.4	M
MFA	MFA Financial .....	0.920	11.2	Q
PBI	Pitney Bowes .....	1.500	11.2	Q
CMO	Capstead Mortgage .....	1.600	11.2	Q
TICC	TICC Capital .....	1.160	11.2	Q
TNP	Tsakos Energy Navigation .....	0.600	11.2	Q
KCAP	KCAP Financial .....	0.960	11.1	Q
DX	Dynex Capital .....	1.160	11.1	Q
MVO	MV Oil Trust .....	3.725	11.1	Q
MCC	Medley Capital .....	1.440	11.0	Q
FSC	Fifth Street Finance .....	1.150	11.0	M
VLCCF	Knightsbridge Tankers Limited .....	0.700	10.9	Q
QRE	QR Energy .....	1.950	10.9	Q
MEMP	Memorial Production Partners .....	1.920	10.8	Q
PSEC	Prospect Capital .....	1.219	10.7	M
NRP	Natural Resource Partners .....	2.200	10.6	Q
LRE	LRR Energy .....	1.900	10.5	Q
NCT	Newcastle Investment .....	0.800	10.5	Q
BKCC	Blackrock Kelso Capital .....	1.040	10.5	Q
CXS	CreXus Investment .....	1.080	10.5	Q
ANH	Anworth Mortgage Asset .....	0.720	10.5	Q
MSB	Mesabi Trust .....	2.585	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.
<b>PREFERRED STOCKS</b>				<b>MANUFACTURING &amp; SERVICES</b>			
Ally Financial 8.5% Series A	ALLY-B	8.7%	BUY	B&G Foods	BGS	3.7%	BUY
Annaly Capital Mgmt. 7.625% C	NLY-C	7.4%	BUY	Computer Programs & Systems	CPSI	3.6%	BUY
<b>Apollo Commercial 8.625% A</b>	<b>ARI-A</b>	8.4%	<b>BUY</b>	Dow Chemical	DOW	4.4%	BUY
Ashford Hospitality Trust 8.45% D	AHT-D	8.3%	SELL	E.I. du Pont Nemours	DD	3.5%	BUY
Ashford Hospitality Trust 9.00% E	AHT-E	8.3%	BUY	Foot Locker	FL	2.1%	BUY
Aspen Insurance 7.25% Perpet.	AHL-B	6.8%	BUY	Genuine Parts	GPC	3.1%	BUY
Citigroup Capital XVII 6.35%	C-E	6.2%	DNA	H.J. Heinz	HNZ	3.7%	BUY
CommonWealth REIT 6.50% D	CWH-D	7.0%	BUY	Johnson & Johnson	JNJ	3.6%	BUY
<b>Endurance Specialty 7.50% B</b>	<b>ENH-B</b>	7.1%	<b>BUY</b>	McDonald's	MCD	3.1%	BUY
Goldman Sachs 6.125% Notes	GSF	5.8%	BUY	Microchip Technology	MCHP	4.0%	BUY
Hersha Hospitality Trust 8.00% B	HT-B	7.6%	BUY	Philip Morris International	PM	3.4%	BUY
<b>Kimco Realty 5.50% J</b>	<b>KIM-J</b>	5.5%	<b>BUY</b>	SeaCube	BOX	+6.1%	BUY
KKR Financial 8.375%	KFH	7.6%	DNA	Verizon Communications	VZ	4.7%	BUY
Lexington Realty Trust 6.50% Series C	LXP-C	6.9%	BUY	<b>REGIONAL BANKS</b>			
Maiden Holdings 8.00% Notes	MHNB	7.7%	BUY	New York Community Bank	NYB	7.5%	DNA
Merrill Lynch Cap Trust II 6.45%	MER-M	6.5%	DNA	Valley National Bancorp	VLY	7.1%	DNA
Montpelier Re Holdings 8.875% A	MRH-A	8.3%	BUY	<b>LARGE BANKS</b>			
Pennsylvania REIT 8.25% A	PEI-A	7.8%	BUY	Bank of Nova Scotia	BNS	+4.3%	BUY
Protective Life 6.25% Debentures	PL-C	6.1%	BUY	Canadian Imperial Bank of Commerce	CM	+4.9%	BUY
Public Storage Series P 6.50%	PSA-P	5.8%	SELL	<b>REAL ESTATE INVESTMENT TRUSTS</b>			
Qwest Corp. 7.50%	CTW	6.8%	BUY	American Capital Agency	AGNC	14.4%	BUY
Raymond James Fin. 6.90% Senior	RJD	6.3%	BUY	Digital Realty Trust	DLR	3.9%	BUY
SLM (Sallie Mae) Series A 6.97%	SLMAP	7.3%	BUY	Entertainment Properties Trust	EPR	6.6%	BUY
<b>Vornado Realty 5.70% K</b>	<b>VNO-K</b>	5.7%	<b>BUY</b>	Home Properties	HME	4.1%	BUY
<b>CLOSED-END FUNDS</b>				Hospitality Properties Trust	HPT	7.5%	BUY
AllianceBernstein Glb. High Income	AWF	7.6%	BUY	Inland Real Estate	IRC	7.0%	BUY
Alliance Bernstein Income Fund	ACG	5.6%	BUY	Omega Healthcare investors	OHI	7.0%	BUY
BlackRock Long-Term Muni Advant.	BTA	6.0%	BUY	<b>ENERGY: GENERAL PARTNERS</b>			
BlackRock Muni Holdings	MUH	5.9%	BUY	Crosstex Energy Inc.	XTXI	3.9%	BUY
Delaware Enhanced Global	DEX	-7.4%	DNA	Kinder Morgan, Inc.	KMI	3.9%	BUY
Dreyfus High Yield Strategies	DHF	9.9%	BUY	Targa Resources Corp.	TRGP	3.5%	BUY
First Trust/Aberdeen Emerging Opp	FEO	6.7%	BUY	Williams	WMB	3.9%	BUY
Guggenheim Strategic Opp	GOF	8.7%	BUY	<b>ENERGY PARTNERSHIPS</b>			
J.H. Patriot Premium Dividend	PDT	6.3%	BUY	Calumet Specialty Products	CLMT	8.3%	BUY
Kayne Anderson Energy	KYE	7.2%	BUY	Crestwood Midstream	CMLP	8.1%	BUY
<b>CANADA STOCKS: ENERGY</b>				Exterran Partners	EXLP	9.4%	BUY
Baytex Energy Trust	BTE.TO/BTE	5.9%	BUY	MarkWest Energy Partners	MWE	6.0%	BUY
Bonterra Energy	BNE.TO	6.0%	SELL	PAA Natural Gas Storage	PNG	7.6%	BUY
Crescent Point Energy	CPG.TO	6.7%	BUY	<b>PARTNERSHIPS EX-ENERGY</b>			
<b>CANADA Stocks: EXCLUDING ENERGY</b>				America First Tax Exempt	ATAX	8.6%	BUY
Colabor Group	GCL.TO	8.5%	BUY	Blackstone Group	BX	5.5%	BUY
Liquor Stores	LIQ.TO	5.5%	BUY	Rentech Nitrogen	RNF	7.5%	BUY
Morneau Shepell	MSI.TO	6.3%	BUY	<b>UTILITIES</b>			
Student Transportation	STB.TO/STB	8.5%	BUY	Avista	AVA	4.6%	BUY
<b>CANADA REAL ESTATE INVESTMENT TRUSTS</b>				CenterPoint Energy	CNP	4.0%	BUY
Artis REIT	AX.UN	6.5%	BUY	Dominion Resources	D	4.0%	BUY
Calloway REIT	CWT.UN	5.3%	BUY	Oneok	OKE	3.0%	BUY
<b>DIVIDEND SPECULATORS</b>				Pepco Holdings	POM	5.6%	BUY
Collectors Universe	CLCT	8.9%	SELL	Southern Company	SO	4.3%	BUY
Douglas Dynamics	PLOW	5.8%	BUY	Unitil	UTL	5.2%	BUY
Golar LNG Limited	GLNG	+3.6%	BUY	Westar Energy	WR	4.5%	BUY
Sun Communities	SUI	5.5%	BUY	<b>INSURANCE</b>			
Telular	WRLS	4.6%	BUY	Arthur J. Gallagher	AJG	3.8%	BUY
<b>ETF MONTHLY INCOME</b>				Cincinnati Financial	CINF	+4.2%	BUY
iShares High Yield Corporate	HYG	6.8%	BUY	OneBeacon Insurance Group	OB	6.5%	BUY
iShares Invest. Grade Corporate	LQD	3.9%	BUY	<b>OIL</b>			
iShares JPM Emerging Mkts.	EMB	4.4%	BUY	Chevron	CVX	3.2%	BUY
iShares S&P U.S. Preferred	PFF	5.7%	BUY	Royal Dutch Shell	RDS.B	4.9%	DNA
Vanguard Total Bond Index	BND	2.9%	BUY	SeaDrill	SDRL	+8.2%	BUY
<b>RURAL TELECOMS</b>				Valero Energy	VLO	2.2%	BUY
CenturyLink	CTL	6.9%	BUY	<b>BUSINESS DEVELOPMENT CORPS</b>			
Consolidated Communications	CNSL	9.5%	BUY	Main Street Capital	MAIN	6.8%	BUY
Hickory Tech	HTCO	5.3%	BUY	Triangle Capital Resources	TCAP	+8.5%	BUY
Windstream	WIN	10.1%	BUY				

**Bold:** New pick or changed recommendation • DNA: Do Not Add  
+x.x% = dividend hike, -x.x% = dividend cut