Sure Dividend

HIGH QUALITY DIVIDEND STOCKS, LONG-TERM PLAN

June 2015 Edition

By Ben Reynolds

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Opening Thoughts

There are no new additions to the top 10 this month – although the rankings of the Top 10 have changed. The purpose of the Sure Dividend newsletter is not to provide entertainment value. The purpose of the Sure Dividend newsletter is to simplify the process of building a high quality dividend growth portfolio.

Most newsletters, funds, and investment advisors operate by picking whatever stocks or asset allocations have the best feel at the time. The Sure Dividend newsletter is different in that it uses The 8 Rules of Dividend Investing to quantitatively identify and rank high quality dividend growth stocks.

The ranks are fairly stable over time, but do change. In the most volatile months, several stocks change in the Top 10. This month, there were no changes. Using a quantitative ranking system rather than 'shooting from the hip' removes stock picker biases. For example, I may be adverse to cigarette stocks and subconsciously devalue them in a qualitative analysis. Quantitative analysis sidesteps this issue.

Qualitative analysis does have an important role to play in investing. Numbers must always be 'common sense' tested. The rules of any ranking system should also rely on common sense principles, not data mining. Additionally, qualitative analysis helps long-term investors better understand the strong competitive advantages of the businesses we hold so that we are more likely to hold on during bear markets. This helps reduce the urge to sell at the worst possible time – at the bottom of bear markets.

On a separate note, Canadian Utilities is included in the international section this month. U.S. investors purchasing this security under the ticker CDUAF should be aware that it is thinly traded in the U.S. In Canada, the stock has large volume under the ticker CU.TO. Canadian Utilities dividend payments to stock holders who are not Canadian citizens may be reduced by 15% due to Canadian foreign dividend tax withholdings. If you feel comfortable investing in international stocks, Canadian Utilities is a high quality business with a strong competitive advantage. If you don't feel comfortable (and live in the U.S.), the Top 10 dividend stocks this month all make excellent long-term holdings.

Currently no past recommendations are ready to be sold based on The 8 Rules of Dividend Investing.

The Top 10 List

Ticker	Name	Score	Yield	Payout	Growth	Beta	Volatility
WMT	Wal-Mart Stores	1.00	2.68%	39.20%	7.27%	0.53	19.10%
CB	Chubb Corp.	0.95	2.39%	29.50%	7.18%	0.95	26.87%
MO	Altria Group Inc.	0.94	4.31%	79.09%	8.05%	0.56	19.48%
KO	Coca-Cola Company	0.93	3.29%	64.39%	9.47%	0.57	18.55%
PEP	PepsiCo Inc.	0.92	3.02%	60.69%	9.67%	0.52	17.32%
HP	Helmerich & Payne	0.92	3.73%	42.31%	12.54%	1.50	45.62%
AFL	AFLAC Inc.	0.91	2.52%	26.00%	14.66%	1.47	43.49%
K	Kellogg	0.90	3.19%	51.85%	4.59%	0.50	17.54%
ABT	Abbott Laboratories	0.90	1.98%	41.03%	10.00%	0.53	19.79%
DE	Deere & Co.	0.90	2.61%	32.83%	9.89%	1.22	35.06%

Wal-Mart continues to hold the top rank this month. The company is projecting flat growth this year as it raises employee wages and invests heavily in e-commerce growth. Wal-Mart is unloved, despite having 40+ years of consecutive dividend increases and sizeable long-term growth prospects. The market is severely discounting Wal-Mart's strong price & scale based competitive advantage.

The 'Score' column shows how close the composite rankings are between the top 10. The highest ranked stock will always have a score of 1. The closer the score is to 1, the better.

Changes in the top 10 occur with new financial news and stock price changes. <u>The stability of the top 10 list shows the ranking method is consistent, not based on rapid swings</u>. An equally weighted portfolio of the top 10 has the following characteristics:

	Top 10	**S&P500**
Dividend Yield:	3.0%	1.9%
Payout Ratio:	46.7%	39.9%
Growth Rate:	9.3%	7.4%
Volatility:	15.9%	20.4%
PE Ratio:	15.6	20.5

- P/E is calculated as the current price divided by trailing-twelve month earnings ; lower is better
- Dividend Yield is calculated as the most recent quarterly dividend x 4 divided by the current price; higher is better
- Payout ratio is the most recent quarterly dividend x 4 divided by trailing-twelve month earnings; lower is better
- Growth Rate is the lower of 10 year revenue per share or dividend per share compound growth; higher is better
- Volatility is the 10 year standard deviation of the dividend and split adjusted price series; lower is better

Analysis of Top 10 Stocks

Wal-Mart (WMT)

Overview & Current Events
Wal-Mart operates 11,489 stores in 27 countries. The company employs over 2.2 million people globally. Wal-Mart generates 62% of its revenue from U.S. Wal-Mart operations, 27% of revenue from International operations, and 12% of revenue from its Sam's Club operations.

Wal-Mart grew constant currency revenue 2.7% in its most recent quarter (5/19/15). Comparable store sales in the United States grew 1.1%. Constant currency operating income declined 6.1% due to employee pay raises and greater investments into e-commerce

Next Dividend Record Date: August 7th, 2015 **Next Earnings Release: August 18th, 2015**

Competitive Advantage & Recession Performance
Wal-Mart's competitive advantage comes from its scale and operating efficiency. Wal-Mart is the biggest retailer in the world. It commands the best prices from its suppliers. The company pressures suppliers to lower their prices and then passes savings on to consumers which results in a positive feedback loop.

The Great Recession of 2007 to 2009 did not impede operations. Wal-Mart grew revenue, earnings, and dividends each year through the recession. Wal-Mart is among the most 'recession-proof' publicly traded businesses. When the S&P 500 fell 38% in 2008, Wal-Mart gained 18%.

Growth Prospects, Valuation, & Catalyst
Wal-Mart is in transition. The company is raising employee pay and investing heavily in e-commerce. Both moves will impact short-term profits.

Pay raises will help to repair the stigma that Wal-Mart underpays its employees. Wal-Mart's investments in E-commerce will boost sales and create a better overall customer experience. E-commerce sales grew 17% in the company's latest quarter.

Wal-Mart is having success with its smaller Neighborhood Market stores. Neighborhood Market store sales grew 7.9% in the company's latest quarter. Wal-Mart plans to open around 210 new Neighborhood Market and Express stores this year.

Wal-Mart is currently trading at a P/E ratio of **14.6**. Wal-Mart is the industry leader in discount retail, yet has the lowest P/E ratio of its peers. The company appears significantly undervalued at this time.

Maximum Drawdown (starting in year 2000): -37% in October of 2000

DRIP Available:	Yes
Dividend Yield:	2.7%
10 Year Dividend Growth Rate:	12.6% per year
Most Recent Dividend Increase:	2.1%
Dividend History:	42 Consecutive years of dividend increases

Chubb Corporation (CB)

Overview & Current Events

Chubb's slogan is "never compromise integrity". The company has combined integrity with conservative underwriting to grow from a father-and-son business in 1882 to a large multinational property and casualty insurer with 10,200 employees.

Chubb grew operating income per share 4.7% in its most recent quarter (4/23/15). Chubb's premium revenue grew 4% in the United States and 6% on a constant-currency basis internationally. The company's combined ratio was just 93.9% in its most recent quarter. A combined ratio under 100% means claims and expenses were less than premiums.

Chubb is returning virtually all of its earnings to shareholders. The company currently has an earnings yield (the inverse of the P/E ratio) of 8.1%. The company has repurchased about 6% of shares outstanding over the last 12 months and has a dividend yield of ~2% for a total shareholder yield of 8%.

Next Dividend Record Date: Late June, 2015 Next Earnings Release: End of July, 2015

Competitive Advantage & Recession Performance

Chubb approaches insurance conservatively. Their combined expenses and claims (called the combined ratio) have been less than premium revenue every year since 2002; all investment income has gone straight to the bottom line for Chubb over the last 12 years. The company's conservative nature and focus on niche insurance markets give Chubb its competitive advantage.

Chubb was not significantly affected by the 2007 to 2009 recession. Book value per share dipped only slightly from $38.56 in 2007 to $38.13 in 2008. By 2009, book value per share had rebounded to $47.09. The company saw EPS fall by just 13% through the worst of the recession. Customers tend to pay for their insurance policies regardless of the overall economic climate.

Growth Prospects, Valuation, & Catalyst

Chubb has grown book value per share and dividends per share by 10% a year and 9.5% a year, respectively, over the last decade. The company's strong share repurchases and continued premium growth will likely give shareholders a 10% compound growth rate for the foreseeable future.

Chubb appears cheap at this time. The company has a P/E ratio of just 12.3. Chubb stands to gain from expected interest rate increases. Higher interest rates will allow Chubb to invest its insurance float into higher yielding securities, generating more earnings (and likely more share buybacks and dividends) for shareholders.

Maximum Drawdown (starting in year 2000): -50.4% in March of 2003

DRIP Available:	Yes
Dividend Yield:	2.4%
10 Year Dividend Growth Rate:	9.6%
Most Recent Dividend Increase:	14.0%
Dividend History:	33 consecutive years of dividend increases

Abbott Laboratories (ABT)

Overview & Current Events
Abbott Laboratories is a diversified health care company that manufactures and sells nutrition products, medical devices and diagnostic equipment, and pharmaceuticals. Abbott Laboratories owns the Similac, Pedialyte, and Ensure brands – making the company #1in adult nutrition globally and #1 in pediatric nutrition in the U.S.

Abbott Laboratories posted excellent 1st quarter 2015 results (4/22/15). Adjusted EPS grew 38.2% on a constant-currency basis versus the same quarter a year ago. The company is seeing strong top and bottom line growth from its generic pharmaceuticals division which now generates 100% of its sales in emerging markets. Adjusted EPS grew over 13% in fiscal 2014 as well.

Next Dividend Record Date: July 15th, 2015 Next Earnings Release: Late July, 2015

Competitive Advantage & Recession Performance
Abbott Laboratories has invested heavily in emerging markets. The company emphasizes manufacturing in the country where goods are sold. This reduces currency fluctuation risks and builds connections with the communities, companies, and governments the company serves.

Abbott Laboratories managed to grow revenue, earnings, and dividends each year through the Great Recession of 2007 to 2009. Consumers and governments typically do not cut back on health care expenditures regardless of the economic climate. Abbott Laboratories stock fell just 4.95% in 2008 while the S&P 500 declined 38%.

Growth Prospects, Valuation, & Catalyst
Abbott Laboratories' emerging market penetration gives it excellent long-term growth prospects. The combination of emerging market economic growth and aging populations provide a favorable macroeconomic environment for Abbott Laboratories. The company further increased its exposure to emerging markets with its recent acquisitions of CFR Pharmaceuticals and Veropharm.

Abbott Laboratories is trading at a P/E ratio of 20.7 (using its more accurate operating EPS, not GAAP EPS). The company is trading around the same P/E ratio as the S&P 500, despite having excellent growth prospects in emerging markets and a long history of rewarding shareholders with rising dividend payments.

Maximum Drawdown (starting in year 2000): -46% in July of 2002

DRIP Available:	Yes
Dividend Yield:	2.0%
10 Year Dividend Growth Rate:	N/A (due to ABBV spin-off)
Most Recent Dividend Increase:	9.1%
Dividend History:	43 consecutive years of dividend increases (excludes reductions from ABBV spin-off in 2012)

Coca-Cola (KO)

Overview & Current Events
Coca-Cola is the global leader in ready-to-drink beverages thanks to its portfolio of high quality brands. Notable Coca-Cola brands include: Simply, Coca-Cola, Fanta, Honest Tea, Vitamin Water, Fairlife, Powerade, and many others. In total the company has 20 beverage brands that generate $1 billion or more per year in sales.

Coca-Cola outlined its North American growth strategy during the Goldman Sachs Global Staples Forum (5/12/15). The company has found a growth opportunity in smaller beverage packaging. 100 calorie cans have a 25% higher purchase intent rate than normal cans. Margins on smaller packaging are also higher. Coca-Cola is ahead of schedule on refranchising its North American bottling operations. The move should boost sales in the long-run as bottlers help push the company's products.

Next Dividend Record Date: Mid June, 2015 Next Earnings Release: Late July, 2015

Competitive Advantage & Recession Performance
Coca-Cola's competitive advantage comes from its powerful brands. Coca-Cola supports its brands by spending over $3 billion per year on advertising. The company's dominance in the beverage industry gives it more advertising power than competitors, further reinforcing Coca-Cola's brand based competitive advantage.

Coca-Cola was only minimally effected by the Great Recession of 2007 to 2009. The company's earnings per share dipped 2.6% in 2009, but overall performance was not severely impacted. The company is resistant to recessions because it sells low cost consumer beverages which are not very sensitive to macroeconomic moves.

Growth Prospects, Valuation, & Catalyst
Coca-Cola is targeting 7% to 9% constant currency EPS growth over the next several years. Coca-Cola's growth will come from a variety of initiatives. Coca-Cola's greatest growth driver is its global distribution network which the company can leverage to rapidly scale popular brands. Efficiency gains from refranchising bottlers and a better focus on manufacturing will help margins. The company's growing portfolio of still brands will help offset negative trends in carbonated beverages.

Coca-Cola trades at a P/E ratio of 19.6 which is around its 10 year historical average. The company is trading around the high end of fair value at this time. Total shareholder return should be around 10% over the long run from EPS growth (7%+) and dividends (~3%).

Maximum Drawdown (starting in year 2000): -42% in March of 2003

DRIP Available:	Yes
Dividend Yield:	3.3%
10 Year Dividend Growth Rate:	8.8% per year
Most Recent Dividend Increase:	8.2%
Dividend History:	53 consecutive years of dividend increases

Altria (MO)

Overview & Current Events
Altria is the leader in U.S. tobacco. The company's best performing tobacco brands are Marlboro, Copenhagen, and Skoal. Altria owns the Mark Ten and Green Smoke brands in the e-vapor category. Altria also has a presence in the alcohol industry thanks to its 27% ownership of beer giant SAB Miller and the company's St. Michelle's Winery brand.

Altria's shareholder meeting (5/20/15) showed continued success. Adjusted EPS grew 8% in fiscal 2014. The company is targeting 7% to 9% adjusted EPS growth in fiscal 2015, in line with recent growth. Altria is off to a strong start in 2015. The company's 1st quarter 2015 earnings (4/23/15) were strong as adjusted EPS grew 10.5%. Cigarette volume increased 1.6% versus the same quarter a year ago thanks to market share gains.

Next Dividend Record Date: June 15th, 2015 Next Earnings Release: Late July, 2015

Competitive Advantage & Recession Performance
Altria's competitive advantage comes from its strong brands. The Marlboro brand has 43.8% share of the U.S. Cigarette market; the next 10 largest brands combined have 42.6% market share. Altria's combination of strong brands and addictive product gives it pricing power. The company has managed to grow EPS through price increases despite all the negativity surrounding tobacco products.

Altria spun-off Philip Morris during the most recent recession. Because of this, the company does not have comparable financial data from the last recession. Tobacco businesses have traditionally performed well through recessions, as consumers tend to smoke the same amount (or more) of cigarettes during times of economic hardship.

Growth Prospects, Valuation, & Catalyst
Altria's management expects adjusted EPS to grow by 7% to 9% for full fiscal 2015. The company continues to see EPS growth despite operating in a declining industry thanks to market share gains in the premium category (from Marlboro), price increases, and significant share repurchases.

Altria investors can expect total returns between 11% and 13% a year from EPS growth (7% to 9%) and dividends (4%). The company currently trades at a P/E ratio of 18.3 which is just below the S&P 500's P/E ratio despite Altria having better EPS growth projections, selling a slow-changing product, having much higher margins, and a significantly higher dividend yield than the S&P 500.

Maximum Drawdown (starting in year 2000): 48.3% in April of 2003

DRIP Available:	Yes
Dividend Yield:	4.3%
10 Year Dividend Growth Rate:	9.04% per year for past 6.75 years, (10 year data not available)
Most Recent Dividend Increase:	8.33%
Dividend History:	45 consecutive years of dividend increases (excludes reductions from spin-offs in 2007 and 2008)

Deere & Company (DE)

Overview & Current Events

Deere & Company is the world's largest farming equipment manufacturer. The company's shares have been relatively flat since 2011 due to low grain prices. Warren Buffett bought into Deere & Company in 2015, taking advantage of Deere & Company's cyclicality.

Deere & Company realized EPS of $2.03 per share in its most recent quarter (5/22/15) versus EPS of $2.65 in the same quarter a year ago. EPS were expected to decline this quarter due to low grain prices. Deere & Company outperformed expectations and raised its fiscal 2015 earnings guidance to $1.9 billion.

Next Dividend Record Date: June 30th, 2015 Next Earnings Release: Late August, 2015

Competitive Advantage & Recession Performance

Deere & Company's competitive advantage comes from its brand recognition and reputation for quality in the farming machinery industry. Deere & Company's high quality equipment reduces downtime, which in turn increases farm production. Deere & Company's competitive advantage has given it a 60% market share of the farming equipment industry in the US and Canada.

Recessions and falling grain prices hamper Deere & Company's earnings. The company saw EPS fall from a high of $4.70 in 2008 to a low of $2.82 in 2009 at the height of the Great Recession. Deere & Company's earnings are cyclical and depend upon grain prices. Farmers hold off on large capital investments when their cash flows diminish due to low grain prices. With that said, Deere & Company has historically remained profitable through recessions. The company may see earnings fall, but is not at any bankruptcy risk or dividend cut risk.

Growth Prospects, Valuation, & Catalyst

Deere & Company is expected to be in a cyclical trough this year due to falling grain prices. As a result, analysts are expecting EPS of $5.35 this year versus EPS of $8.63 in 2014. Deere & Company averaged EPS growth of 12.7% a year over the last decade. The company will likely continue to grow EPS at a double-digit rate over full market cycles going forward. The company's growth drivers are increasing global population which increases demand for grains and farm equipment, share repurchases, and improved equipment from the company's research and development expenditures.

Deere & Company is currently trading at a P/E ratio of just 12.6; a bargain for a company with a 10%+ expected EPS growth rate over multi-year periods. The catalyst for the company is the recovery of grain prices, which will likely take place after 2015.

Maximum Drawdown (starting in year 2000): -73% in March of 2009

DRIP Available:	Yes
Dividend Yield:	2.6%
10 Year Dividend Growth Rate:	13.3%
Most Recent Dividend Increase:	15.5%
Dividend History:	27 consecutive years without a reduction

AFLAC Incorporated

Overview & Current Events
AFLAC was founded in 1955 in Georgia. The company has grown to become the global leader in cancer insurance. Despite its origins in the United States, the company generates 75% of premiums in Japan and just 25% in the United States. AFLAC sells life, health, and cancer insurance policies in the US & Japan.

AFLAC's latest results (4/28/15) showed premium income grow 1.5% on a constant currency basis. Book value per share grew 24.4% versus the same quarter a year ago. AFLAC repurchased approximately 4.5% of shares outstanding over the last year. AFLAC management continues to be committed to returning value to shareholders in the form of share repurchases and dividends.

Next Dividend Record Date: Mid August, 2015 Next Earnings Release: Late July, 2015

Competitive Advantage & Recession Performance
AFLAC's competitive advantage comes from a combination of its well recognized insurance brand and its disciplined approach to insurance. The highest the company's combined ratio has been over a full year since 2005 is 85.7%. The company has been exceptionally profitable over the last decade. AFLAC has also been a pioneer in finding alternative methods to sell its insurance policies. The company now sells insurance policies through banks and in Japanese post offices.

AFLAC remained profitable throughout the Great Recession of 2007 to 2009. The company saw EPS dip from $3.27 in 2007 to $2.62 in 2008 before recovering to a new high of $3.91 in 2009. The company's stable premium revenue provides stability during times of economic trouble.

Growth Prospects, Valuation, & Catalyst
AFLAC's EPS growth over the next several years will come from organic growth, share repurchases, and interest rate increases. If interest rates rise as they are expected to in either 2015 or 2016, AFLAC will benefit. The company will invest its insurance float into higher yielding securities which will boost earnings.

AFLAC currently trades for a P/B ratio of 1.5 and a price-to-operating-earnings ratio of just 10.3. The company's stock regularly traded for well over 2x book value up to 2010. AFLAC appears significantly undervalued compared to its historical averages at current prices.

Maximum Drawdown (starting in year 2000): -82.71% in March of 2009

DRIP Available:	Yes
Dividend Yield:	2.5%
10 Year Dividend Growth Rate:	13.0% per year
Most Recent Dividend Increase:	5.4%
Dividend History:	32 consecutive years of dividend increases

PepsiCo (PEP)

Overview & Current Events

PepsiCo and Frito-Lay merged in 1965. From 1965 to today, a $100 invested in PepsiCo (with dividends reinvested) would be worth over $40,000 for a CAGR of 12.7% over 50 years. PepsiCo is a global business with over 50% of revenue coming from outside the United States. The company's products are enjoyed more than one billion times *every day*.

PepsiCo is off to an excellent start in fiscal 2015. The company's most recent earnings release (4/23/15) showed 12% constant-currency EPS growth. Growth in the first quarter was driven by efficiency gains and double-digit constant-currency growth in emerging markets. PepsiCo's efficiency program will continue through 2019 and is expected to generate another $1 billion in savings by 2019.

Next Dividend Record Date: Early September, 2015 Next Earnings Release: Late July, 2015

Competitive Advantage & Recession Performance

PepsiCo's competitive advantage comes from its powerful brands. It reinforces brand awareness through advertising spending. PepsiCo spends around $4 billion annually on advertising to support its brands. In total, the company has 22 brands that generate more than $1 billion a year in sales. PepsiCo's Frito-Lay brands in particular dominate their industry.

PepsiCo's branding and low priced consumer food and beverage products protect it from large earnings losses during recessions. When the S&P 500 fell 38% in 2008, PepsiCo fell about 28%; a relative 10% outperformance. The company's EPS fell just 3.9% in 2008 illustrating the company's resistance to recessions.

Growth Prospects, Valuation, & Catalyst

PepsiCo grew constant-currency EPS 9% in fiscal 2014. The company is targeting 7% constant currency EPS growth in fiscal 2015. PepsiCo grew EPS at 5.3% a year over the last decade. The company's growth has accelerated in recent years. Over the next decade, I expect PepsiCo to generate 7% to 9% EPS and dividend growth. This growth combined with the company's current 3% dividend yield gives investors an expected total return of 10% to 12% a year over the long run. Future growth will come from efficiency gains, share repurchases, and continued solid growth in emerging markets.

PepsiCo's current P/E ratio of 20.1 is near its historical average and reflects the company's solid growth prospects and high quality brands. The company is trading at a P/E ratio about in line with the S&P 500 despite having better growth prospects, extremely stable earnings, and a higher dividend yield than the S&P 500.

Maximum Drawdown (starting in year 2000): -40% in March of 2009

DRIP Available:	Yes
Dividend Yield:	3.0%
10 Year Dividend Growth Rate:	9.9 % per year
Most Recent Dividend Increase:	7.3%
Dividend History:	43 Consecutive years of dividend increases

Kellogg (K)

Overview & Current Events
Kellogg was founded in 1906 in Michigan. The company has grown to reach a market cap of nearly $22 billion and generate 35% of sales internationally. Kellogg is now the global leader in cereal.

Kellogg grew constant-currency earnings-per-share 3% in its most recent quarter (5/5/15). Kellogg is doing well internationally, but continues to struggle in the United States. The company saw North American sales decline 8% versus the same quarter a year ago. New health-focused breakfast cereal packaging and products will likely turn around North American sales over the next several years. Kellogg is expecting flat or slightly declining EPS for fiscal 2015 as a result of weakness in the company's United States operations.

Next Dividend Record Date: Early September, 2015   Next Earnings Release: Early August, 2015

Competitive Advantage & Recession Performance
Kellogg's competitive advantage comes from its strong brands. The company is focusing on the health benefits of its brands (especially cereal) to appeal to changing consumer tastes. Examples include high protein cereals, gluten free cereals, and whole grain options. The company supports its brands with large advertising spending. Kellogg has spent over $1 billion on advertising in each of the last 5 years.

Kellogg increased its EPS each year through the Great Recession of 2007 to 2009. The company's low priced consumer food products are minimally impacted by recessions. Consumers will buy low-cost chips and cereal regardless of the overall economic climate.

Growth Prospects, Valuation, & Catalyst
Kellogg's growth has stagnated due to weakness in the United States. The company will likely see flat growth in fiscal 2015 before returning to growth in 2016. Over the long-run, management expects 7% to 9% EPS growth. These numbers appear overly optimistic. Over the last decade, Kellogg compounded EPS at 5.6% a year. EPS growth in the range of 5% to 7% a year is more likely. This growth combined with the company's current ~3% dividend yield gives investors expected total returns of 8% to 10% a year from Kellogg. The company's future EPS growth will be fueled by efficiency gains from its cost-reduction program, share repurchases, growth in the Kashi and Bear Naked brands in the health category, and international growth.

Kellogg is currently trading at a P/E ratio of just 16.3. The company has historically traded in line with the S&P 500's P/E ratio which is currently over 20. Kellogg appears to be undervalued relative to the market at current prices. Kellogg will likely see its P/E ratio revise upward when its US cereal division returns to growth.

Maximum Drawdown (starting in year 2000): -36.49% in March of 2009

DRIP Available:	Yes
Dividend Yield:	3.2%
10 Year Dividend Growth Rate:	6.7%
Most Recent Dividend Increase:	6.5%
Dividend History:	55 consecutive years without a reduction

Helmerich & Payne (HP)

Overview & Current Events
Helmerich & Payne provides drilling rigs and services primarily to U.S. based oil and gas producers. The company operates a fleet of 374 rigs, including 329 of its best-in-class AC Flex Rigs. Helmerich & Payne is the industry leader in U.S. contract drilling services, with 17% market share versus 11% market share for its next largest competitor.

Helmerich & Payne's stock price has declined 38% since highs set in July of 2014. The decline is due to falling oil prices. Falling oil prices will impair earnings in the short-run. When oil prices recover, Helmerich & Payne will return to growth. Helmerich & Payne announced at the UBS Oil & Gas Conference (5/15/15) they currently have 161 active rigs, down from a high of 297. Helmerich & Payne has collected $96 million in the last 2 quarters from early cancellation fees.

Next Dividend Record Date: Mid August, 2015 Next Earnings Release: Late July, 2015

Competitive Advantage & Recession Performance
Helmerich & Payne's competitive advantage comes from its best-in-class AC Flex Rigs. These rigs have higher utilization rates, better safety records, and higher margins per day than competitor rigs. Helmerich & Payne is an industry leader and also has a higher ROIC than its peers.

Helmerich & Payne is partially insulated from recessions and low oil prices thanks to well-managed contracts with its customers. The company generally uses 3 year contracts with early termination payment clauses to help offset declining earnings from falling oil prices. This strategy worked during the Great Recession; the company's EPS declined only 26% through the Great Recession, better than many oil & gas giants (including ExxonMobil). Helmerich & Payne expects to generate $220 in total from early cancellation fees in the current low oil price scare.

Growth Prospects, Valuation, & Catalyst
Helmerich & Payne grew EPS at 22% a year over the last decade. The company has a P/E ratio of just 11.3. Helmerich & Payne is deeply undervalued due to short-term thinking brought about by declining oil prices. The company will see earnings surge higher when oil prices rise. Now is an excellent time to build a position in this fast-growing industry leader.

Maximum Drawdown (starting in year 2000): -76% in March of 2009
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DRIP Available:	Yes
Dividend Yield:	3.70%
10 Year Dividend Growth Rate:	36.6% per year
Most Recent Dividend Increase:	10.1%
Dividend History:	No dividend reductions since 1987

Analysis of International Stocks

There is one international stock that currently ranks in the top 10 using The 8 Rules of Dividend Investing. International stocks are removed from the top 10 list above to simplify investing for U.S. based investors. There can be negative tax consequences and potentially higher brokerage fees associated with international stocks. Nevertheless, Canadian investors and other investors not subject to dividend tax withholdings from Canada should consider the company Canadian Utilities.

Canadian Utilities

Ticker: CDUAF (Pink Sheets – thinly traded), CU.TO (Toronto Stock Exchange)

If Canadian Utilities were in the top 10, it would rank 2nd. Canadian Utilities is a diversified utilities and construction business. The company employs over 6,800 people and has around $17 billion in assets. Canadian Utilities has grown its dividend payments for 43 consecutive years. The company's primary operations are in Canada, Mexico, and Australia.

Canadian Utilities has compounded book value at 7.3% a year and dividends at 7.9% a year over the last 9 years. The company's growth comes from building and operating energy and gas infrastructure and utility projects in Canada, Mexico, and Australia. Canadian Utilities has spent over $2 billion a year in each of the last 3 years on capital expenditures. The company has plans to spend more than $5 billion over the next 3 years on utility projects alone. Canadian Utilities has much room for growth in all of its primary markets. The company will likely continue growing at around 7% a year. This growth combined with the company's current 3% dividend yield gives investors expected total returns of 10% a year.

Total returns of around 10% a year are a rarity for utility stocks. Canadian Utilities combines solid returns with stability thanks to operating in the highly regulated utilities industry. Canadian Utilities performed well over the Great Recession. From the start of 2008 through March of 2009, the S&P 500 fell over 48% while Canadian Utilities stock fell just 16.5%.

Dividend Yield:	3.3%	**Book Value Growth Rate:**	7.9%
Stock Price Standard Deviation	22.0%	**Payout Ratio:**	60.0%

List of Stocks by Sector

Each of the 166 stocks with 25 or more years of dividend payments without a reduction is sorted by sector below. Stocks are listed in order based on The 8 Rules of Dividend Investing, with the highest ranked first. Dividend yield is included next to each stock's ticker symbol.

Basic Materials

1. Helmerich & Payne Inc. (HP) - 3.73%
2. ExxonMobil Corp. (XOM) - 3.46%
3. Valspar Corp. (VAL) - 1.45%
4. Phillips 66 (PSX) - 2.87%
5. BHP Billiton (BHP) - 5.78%
6. ConocoPhillips (COP) - 4.63%
7. Enbridge, Inc. (ENB) - 3.3%
8. Chevron Corp. (CVX) - 4.21%
9. Sherwin-Williams Co. (SHW) - 0.96%
10. Imperial Oil (IMO) - 1.05%
11. H.B. Fuller Company (FUL) - 1.26%
12. Phillips 66 Partners LP (PSXP) - 2.05%
13. Sigma-Aldrich Corp. (SIAL) - 0.67%
14. Air Liquide (AIQUY) - 2.71%
15. PPG Industries Inc. (PPG) - 1.26%
16. NACCO Industries (NC) - 1.77%
17. RPM International Inc. (RPM) - 2.08%
18. National Fuel Gas (NFG) - 2.47%
19. Air Products & Chem. (APD) - 2.23%
20. Nucor Corp. (NUE) - 3.05%
21. Energen Corp. (EGN) - 0.11%
22. Murphy Oil (MUR) - 3.31%

Technology

1. Computer Services Inc. (CSVI) - 2.06%
2. Verizon Wireless (VZ) - 4.66%
3. BCE, Inc. (BCE) - 4.74%
4. AT&T Inc. (T) - 5.44%
5. Automatic Data Proc. (ADP) - 2.33%
6. Brady Corp. (BRC) - 3.25%
7. Diebold Inc. (DBD) - 3.23%
8. Telephone & Data Sys. (TDS) - 1.87%

Financial

1. Chubb Corp. (CB) - 2.39%
2. AFLAC Inc. (AFL) - 2.52%
3. Eagle Financial Services (EFSI) - 3.12%
4. Harleysville Savings (HARL) - 4.34%
5. Munich Re (MURGY) - 4.72%
6. Tompkins Financial Corp. (TMP) - 3.21%
7. T. Rowe Price Group (TROW) - 2.63%
8. American Express (AXP) - 1.46%
9. Franklin Resources (BEN) - 1.19%
10. HCP Inc. (HCP) - 6.05%
11. Community Trust Banc. (CTBI) - 3.55%
12. Commerce Bancshares (CBSH) - 1.96%
13. Eaton Vance Corp. (EV) - 2.49%
14. Realty Income (O) - 5.02%
15. First Financial Bankshares (FFIN) - 2.02%
16. Old Republic International (ORI) - 4.89%
17. Cincinnati Financial (CINF) - 3.64%
18. RLI Corp. (RLI) - 1.55%
19. 1st Source Corp. (SRCE) - 2.19%
20. Universal Health Realty (UHT) - 5.45%
21. McGraw Hill Financial Inc. (MHFI) - 1.29%
22. First Financial Corp. (THFF) - 2.81%
23. M&T Bank Corporation (MTB) - 2.26%
24. Northern Trust (NTRS) - 1.91%
25. Arthur J Gallagher (AJG) - 3.09%
26. Federal Realty Inv. Trust (FRT) - 2.67%
27. United Bankshares Inc. (UBSI) - 3.3%
28. Mercury General Corp. (MCY) - 4.4%

Consumer Goods

1. Altria Group Inc. (MO) - 4.31%
2. Coca-Cola Company (KO) - 3.29%
3. PepsiCo Inc. (PEP) - 3.02%
4. Kellogg (K) - 3.19%
5. General Mills (GIS) - 3.23%
6. Kimberly-Clark Corp. (KMB) - 3.33%
7. The J.M. Smucker Co. (SJM) - 2.3%
8. Philip Morris (PM) - 5.02%
9. Kerry Group (KRYAY) - 1.02%
10. Archer Daniels Midland (ADM) - 2.2%
11. Hormel Foods Corp. (HRL) - 1.78%
12. Mondelez (MDLZ) - 1.5%
13. McCormick & Co. (MKC) - 2.09%
14. Ecolab, Inc. (ECL) - 1.16%
15. Hershey (HSY) - 2.36%
16. Nestle (NSRGY) - 3.04%
17. Flowers Foods (FLO) - 2.43%
18. VF Corp. (VFC) - 1.82%
19. Procter & Gamble Co. (PG) - 3.42%
20. Sonoco Products Co. (SON) - 3.16%
21. Colgate-Palmolive Co. (CL) - 2.32%
22. Church & Dwight (CHD) - 1.62%
23. Nike (NKE) - 1.1%
24. Universal Corp. (UVV) - 3.97%
25. Polaris Industries (PII) - 1.47%
26. Bemis Company (BMS) - 2.47%
27. Weyco Group Inc. (WEYS) - 2.81%
28. Kraft Company (KRFT) - 2.64%
29. Clorox Company (CLX) - 2.91%
30. Brown-Forman Class B (BF-B) - 1.44%
31. L'Oreal (LRLCY) - 1.97%
32. Stepan Company (SCL) - 1.38%
33. Henkel (HENKY) - 1.41%
34. Tootsie Roll Industries (TR) - 0.96%
35. Carlisle Companies (CSL) - 0.99%
36. Lancaster Colony Corp. (LANC) - 2.08%
37. Johnson Controls (JCI) - 1.99%
38. Leggett & Platt Inc. (LEG) - 2.58%
39. HNI Corp (HNI) - 2.13%

Utilities

1. Canadian Utilities (CDUAF) - 3.34%
2. Fortis (FRTSF) - 3.65%
3. Southern Company (SO) - 5.09%
4. SCANA Corp. (SCG) - 4.3%
5. Consolidated Edison (ED) - 4.44%
6. SJW Corp. (SJW) - 2.6%
7. Atmos Energy (ATO) - 3.03%
8. UGI Corp. (UGI) - 2.53%
9. Vectren Corp. (VVC) - 3.78%
10. Black Hills Corp. (BKH) - 3.59%
11. Northwest Natural Gas (NWN) - 4.35%
12. Piedmont Natural Gas (PNY) - 3.66%
13. WGL Holdings Inc. (WGL) - 3.35%
14. MGEE Energy (MGEE) - 3.03%
15. Questar Corp. (STR) - 3.97%
16. Conn. Water Service (CTWS) - 2.93%
17. California Water Service (CWT) - 2.81%
18. American States Water (AWR) - 2.3%
19. Middlesex Water Co. (MSEX) - 3.49%
20. Integrys Energy Group (TEG) - 3.94%
21. Otter Tail (OTTR) - 4.64%

Industrial Goods

1. Deere & Co. (DE) - 2.61%
2. Caterpillar (CAT) - 3.25%
3. Pentair Ltd. (PNR) - 2.05%
4. Cummins (CMI) - 2.29%
5. Parker-Hannifin Corp. (PH) - 2.1%
6. 3M Company (MMM) - 2.61%
7. United Technologies (UTX) - 2.19%
8. Dover Corp. (DOV) - 2.17%
9. Emerson Electric (EMR) - 3.18%
10. Nordson Corp. (NDSN) - 1.07%
11. Illinois Tool Works (ITW) - 2.08%
12. Stanley Black & Decker (SWK) - 2.01%
13. Clarcor Inc. (CLC) - 1.29%
14. Donaldson Company (DCI) - 1.84%
15. Raven Industries (RAVN) - 2.66%
16. Gorman-Rupp Company (GRC) - 1.38%
17. Tennant Company (TNC) - 1.24%

Services

1. Wal-Mart Stores Inc. (WMT) - 2.68%
2. W.W. Grainger Inc. (GWW) - 1.94%
3. McDonald's Corp. (MCD) - 3.56%
4. Genuine Parts Co. (GPC) - 2.69%
5. Empire Co. (EMLAF) - 1.19%
6. Cintas Corp. (CTAS) - 0.99%
7. Sysco Corp. (SYY) - 3.24%
8. Walgreen Company (WBA) - 1.61%
9. Family Dollar Stores (FDO) - 1.58%
10. United Parcel Service (UPS) - 2.91%
11. Lowe's Companies (LOW) - 1.33%
12. Target Corp. (TGT) - 2.63%
13. Disney (DIS) - 1.04%
14. Wolters Kluwer NV (WTKWY) - 2.41%
15. RR Donnelley (RRD) - 5.4%
16. ABM Industries Inc. (ABM) - 1.96%
17. Cardinal Health (CAH) - 1.76%
18. Bowl America (BWL.A) - 4.16%
19. Mine Safety Appliances (MSA) - 2.68%

Health Care

1. Abbott Laboratories (ABT) - 1.98%
2. Baxter International (BAX) - 3.2%
3. Becton Dickinson & Co. (BDX) - 1.71%
4. Medtronic Inc. (MDT) - 1.62%
5. Roche (RHHBY) - 2.88%
6. United Health Group (UNH) - 1.29%
7. Johnson & Johnson (JNJ) - 3.04%
8. C.R. Bard Inc. (BCR) - 0.52%
9. AbbVie (ABBV) - 3.03%
10. Novo Nordisk (NVO) - 1.28%
11. Merck & Co. (MRK) - 3.05%
12. Eli Lilly & Company (LLY) - 2.56%

List of Stocks by Rank

Each of the 166 stocks with 25 or more years of dividend payments without a reduction is listed below. Stocks are listed in order based on The 8 Rules of Dividend Investing, with the highest ranked first. Dividend yield is included next to each stock's ticker symbol.

1. Wal-Mart Stores (WMT) - 2.68%
2. Canadian Utilities (CDUAF) - 3.34%
3. Chubb Corp. (CB) - 2.39%
4. Altria Group Inc. (MO) - 4.31%
5. Coca-Cola Company (KO) - 3.29%
6. PepsiCo Inc. (PEP) - 3.02%
7. Helmerich & Payne (HP) - 3.73%
8. AFLAC Inc. (AFL) - 2.52%
9. Kellogg (K) - 3.19%
10. Abbott Laboratories (ABT) - 1.98%
11. Deere & Co. (DE) - 2.61%
12. Eagle Financial (EFSI) - 3.12%
13. Baxter International (BAX) - 3.2%
14. ExxonMobil Corp. (XOM) - 3.46%
15. General Mills (GIS) - 3.23%
16. Computer Services (CSVI) - 2.06%
17. Kimberly-Clark (KMB) - 3.33%
18. Fortis (FRTSF) - 3.65%
19. The J.M. Smucker Co. (SJM) - 2.3%
20. Philip Morris (PM) - 5.02%
21. Southern Company (SO) - 5.09%
22. Kerry Group (KRYAY) - 1.02%
23. Archer Daniels Mid. (ADM) - 2.2%
24. SCANA Corp. (SCG) - 4.3%
25. Becton Dickinson (BDX) - 1.71%
26. Verizon Wireless (VZ) - 4.66%
27. Valspar Corp. (VAL) - 1.45%
28. BCE, Inc. (BCE) - 4.74%
29. Medtronic Inc. (MDT) - 1.62%
30. Harleysville Savin. (HARL) - 4.34%
31. Munich Re (MURGY) - 4.72%
32. Roche (RHHBY) - 2.88%
33. W.W. Grainger Inc. (GWW) - 1.94%
34. McDonald's Corp. (MCD) - 3.56%
35. United Health Group (UNH) - 1.29%
36. AT&T Inc. (T) - 5.44%
37. Hormel Foods Corp. (HRL) - 1.78%
38. Johnson & Johnson (JNJ) - 3.04%
39. Caterpillar (CAT) - 3.25%
40. Phillips 66 (PSX) - 2.87%
41. C.R. Bard Inc. (BCR) - 0.52%
42. Pentair Ltd. (PNR) - 2.05%
43. Genuine Parts Co. (GPC) - 2.69%
44. BHP Billiton (BHP) - 5.78%
45. Consolidated Edison (ED) - 4.44%
46. Empire Co. (EMLAF) - 1.19%
47. Cummins (CMI) - 2.29%
48. Mondelez (MDLZ) - 1.5%
49. McCormick & Co. (MKC) - 2.09%
50. Ecolab, Inc. (ECL) - 1.16%
51. Parker-Hannifin Corp. (PH) - 2.1%
52. AbbVie (ABBV) - 3.03%
53. Tompkins Financial (TMP) - 3.21%
54. ConocoPhillips (COP) - 4.63%
55. Hershey (HSY) - 2.36%
56. Cintas Corp. (CTAS) - 0.99%
57. SJW Corp. (SJW) - 2.6%
58. T. Rowe Price (TROW) - 2.63%

59. Nestle (NSRGY) - 3.04%
60. Enbridge, Inc. (ENB) - 3.3%
61. Sysco Corp. (SYY) - 3.24%
62. Flowers Foods (FLO) - 2.43%
63. American Express (AXP) - 1.46%
64. VF Corp. (VFC) - 1.82%
65. 3M Company (MMM) - 2.61%
66. Franklin Resources (BEN) - 1.19%
67. Procter & Gamble Co. (PG) - 3.42%
68. Sonoco Products Co. (SON) - 3.16%
69. Atmos Energy (ATO) - 3.03%
70. Chevron Corp. (CVX) - 4.21%
71. Colgate-Palmolive Co. (CL) - 2.32%
72. Sherwin-Williams (SHW) - 0.96%
73. Church & Dwight (CHD) - 1.62%
74. Nike (NKE) - 1.1%
75. Universal Corp. (UVV) - 3.97%
76. United Technologies (UTX) - 2.19%
77. Polaris Industries (PII) - 1.47%
78. Walgreen Company (WBA) - 1.61%
79. Dover Corp. (DOV) - 2.17%
80. Family Dollar Stores (FDO) - 1.58%
81. United Parcel Service (UPS) - 2.91%
82. Emerson Electric (EMR) - 3.18%
83. Bemis Company (BMS) - 2.47%
84. UGI Corp. (UGI) - 2.53%
85. Vectren Corp. (VVC) - 3.78%
86. Novo Nordisk (NVO) - 1.28%
87. Weyco Group Inc. (WEYS) - 2.81%
88. Imperial Oil (IMO) - 1.05%
89. Kraft Company (KRFT) - 2.64%
90. Nordson Corp. (NDSN) - 1.07%
91. Lowe's Companies (LOW) - 1.33%
92. Target Corp. (TGT) - 2.63%
93. Black Hills Corp. (BKH) - 3.59%
94. Illinois Tool Works (ITW) - 2.08%
95. HCP Inc. (HCP) - 6.05%
96. Community Trust (CTBI) - 3.55%
97. Disney (DIS) - 1.04%
98. Commerce Bancsh. (CBSH) - 1.96%
99. Merck & Co. (MRK) - 3.05%
100. Northwest Nat. Gas (NWN) - 4.35%
101. Eaton Vance Corp. (EV) - 2.49%
102. Realty Income (O) - 5.02%
103. Stanley Black & De. (SWK) - 2.01%
104. Piedmont Nat. Gas (PNY) - 3.66%
105. H.B. Fuller Company (FUL) - 1.26%
106. Phillips 66 Prtnrs. (PSXP) - 2.05%
107. First Fin. Bankshares (FFIN) - 2.02%
108. Wolters Kluwer (WTKWY) - 2.41%
109. Clorox Company (CLX) - 2.91%
110. Automatic Data Proc. (ADP) - 2.33%
111. Sigma-Aldrich Corp. (SIAL) - 0.67%
112. Old Republic Int. (ORI) - 4.89%
113. Cincinnati Financial (CINF) - 3.64%
114. RLI Corp. (RLI) - 1.55%
115. Brown-Forman (BF-B) - 1.44%
116. Clarcor Inc. (CLC) - 1.29%
117. L'Oreal (LRLCY) - 1.97%
118. Donaldson Company (DCI) - 1.84%
119. 1st Source Corp. (SRCE) - 2.19%
120. WGL Holdings Inc. (WGL) - 3.35%
121. MGEE Energy (MGEE) - 3.03%
122. RR Donnelley (RRD) - 5.4%
123. Questar Corp. (STR) - 3.97%
124. ABM Industries Inc. (ABM) - 1.96%
125. Conn. Wtr. Service (CTWS) - 2.93%
126. Cal. Wtr. Service (CWT) - 2.81%

127. Univ. Health Realty(UHT) - 5.45%
128. Air Liquide (AIQUY) - 2.71%
129. Stepan Company (SCL) - 1.38%
130. American Stts. Water (AWR) - 2.3%
131. McGraw Hill Fin. (MHFI) - 1.29%
132. First Fin. Corp. (THFF) - 2.81%
133. Cardinal Health (CAH) - 1.76%
134. PPG Industries Inc. (PPG) - 1.26%
135. Middlesex Water (MSEX) - 3.49%
136. M&T Bank Corp. (MTB) - 2.26%
137. Henkel (HENKY) - 1.41%
138. Raven Industries (RAVN) - 2.66%
139. Tootsie Roll Industries (TR) - 0.96%
140. Integrys Energy (TEG) - 3.94%
141. NACCO Industries (NC) - 1.77%
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147. Northern Trust (NTRS) - 1.91%
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149. Arthur J Gallagher (AJG) - 3.09%
150. Otter Tail (OTTR) - 4.64%
151. National Fuel Gas (NFG) - 2.47%
152. Mine Safety App. (MSA) - 2.68%
153. Lancaster Colony (LANC) - 2.08%
154. Federal Realty Trust (FRT) - 2.67%
155. Tennant Company (TNC) - 1.24%
156. United Bankshares (UBSI) - 3.3%
157. Air Prdcts. & Chem. (APD) - 2.23%
158. Mercury General (MCY) - 4.4%
159. Diebold Inc. (DBD) - 3.23%
160. Nucor Corp. (NUE) - 3.05%
161. Johnson Controls (JCI) - 1.99%
162. Energen Corp. (EGN) - 0.11%
163. Leggett & Platt Inc. (LEG) - 2.58%
164. Murphy Oil (MUR) - 3.31%
165. Teleph. & Data Sys. (TDS) - 1.87%
166. HNI Corp (HNI) - 2.13%

Portfolio Building Guide

The process of building a high quality dividend growth portfolio is not complicated: Each month invest in the top ranked stock in which you own the smallest dollar amount. Over time, you will build a well-diversified portfolio of great businesses purchased at attractive prices.

Examples

Portfolio 1		
Ticker	**Name**	**Amount**
WMT	Wal-Mart Stores Inc.	$ 1,002
CB	Chubb Corp.	$ -
MO	Altria Group Inc.	$ -
KO	Coca-Cola Company	$ -
PEP	PepsiCo Inc.	$ -
HP	Helmerich & Payne Inc.	$ -
AFL	AFLAC Inc.	$ -
K	Kellogg	$ -
ABT	Abbott Laboratories	$ -
DE	Deere & Company	$ -

Portfolio 2		
Ticker	**Name**	**Amount**
WMT	Wal-Mart Stores Inc.	$ 4,374
CB	Chubb Corp.	$ 4,878
MO	Altria Group Inc.	$ 4,353
KO	Coca-Cola Company	$ 2,952
PEP	PepsiCo Inc.	$ 3,309
HP	Helmerich & Payne Inc.	$ 4,864
AFL	AFLAC Inc.	$ 6,660
K	Kellogg	$ 2,367
ABT	Abbott Laboratories	$ 2,818
DE	Deere & Company	$ 6,243

- If you had portfolio 1, you would buy Chubb Corp., the top ranked stock you own least.
- If you had portfolio 2, you would buy Kellogg, the top ranked stock you own least.

If you have an existing portfolio or a large lump sum to invest, switch over to the Sure Dividend strategy over a period of 20 months. Each month, take 1/20 of your initial portfolio value, and buy the top ranked stock you own the least (as per the examples above).

When you sell a stock, use the proceeds to purchase the top ranked stock you own the least. Reinvest dividends in the same manner.

This simple investing process will build a diversified portfolio of high quality dividend stocks over a period of less than 2 years. Further, higher ranked stocks will receive proportionately more investment dollars as they will stay on the rankings longer. You will build up large positions in the highest quality stocks over your investing career.

Alternatively, the top 10 list is also useful as an idea generation tool for those with a different portfolio allocation plan.

List of Past Recommendations

The stocks below are all of the previous recommendations of Sure Dividend that are no longer in the top 10 using The 8 Rules of Dividend Investing. The date each stock was first recommended is also shown below.

Name	Ticker	Current Rank	Status	1st Rec. Date
McDonald's	MCD	34	Hold	April 2014
Clorox	CLX	109	Hold	April 2014
Target	TGT	92	Hold	April 2014
Kimberly-Clark	KMB	17	Hold	April 2014
ExxonMobil	XOM	14	Hold	April 2014
Genuine Parts Co.	GPC	43	Hold	May 2014
3M	MMM	65	Hold	May 2014
AT&T	T	36	Hold	June 2014
Becton, Dickinson	BDX	25	Hold	June 2014
General Mills	GIS	15	Hold	June 2014
Phillip Morris	PM	20	Hold	June 2014
J.M. Smucker	SJM	19	Hold	August 2014
EcoLab	ECL	50	Hold	October 2014
ConocoPhillips	COP	54	Hold	December 2014
Munich Re	MURGY	31	Hold	April 2015

When a stock comes up as a sell, it will be highlighted here as well as in the opening thoughts segment of the newsletter. So far, no stock recommendations have come up as a sell using The 8 Rules of Dividend Investing.

Closing Thoughts

Warren Buffett has only 2 rules for successful investing:

"Rule #1: never lose money. Rule #2, never forget rule number 1."

The stock market will always fluctuate. It is impossible to buy and have 100% of your positions be up 100% of the time. Warren Buffett's '2 rules' are a reminder for investors to not get caught up in speculative investments. Instead, look for investments with little downside but significant upside.

If you examines Warren Buffett's portfolio, you will notice it is filled with high quality dividend growth stocks like Coca-Cola, Wal-Mart, and Deere & Company. These businesses all have strong competitive advantages in relatively slow changing industries. These are 'low risk' investments that still offer total returns of around 10% a year over the long-run.

Businesses with long dividend histories have proven they can grow under a variety of competitive environments. Dividend growth investors can invest in these businesses and watch them compound wealth over time as they grow.

Dividend growth investing may not be as exciting as looking for the next hot biopharmaceutical or social media stock, but it has historically been much more rewarding in the long-run. Investing should be profitable, not entertaining. As Warren Buffett's mentor Benjamin Graham said:

"Investing is most intelligent when it is most businesslike"

Thanks,

Ben Reynolds
Sure Dividend

If you have any questions or comments, please email me at ben@suredividend.com