Sure Dividend

HIGH QUALITY DIVIDEND STOCKS, LONG-TERM PLAN

October 2015 Edition

By Ben Reynolds

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Opening Thoughts

The S&P 500 declined another 3% in September. Fears of slowing growth in the developing world and potentially higher interest rates are driving the declines.

When markets fall, individual investors tend to panic and sell. *Do not let this be you*. Selling when markets fall is one of the worst mistakes an investor can make.

People sell during stock price declines because they see the stock market as some sort of high tech casino where prices bounce up and down. This is the opposite of the intended purpose of the stock market.

The stock market is simply a place where investors go to buy fractional ownership in businesses. There's nothing mysterious about that.

You get to buy small pieces of the world's greatest businesses (or mediocre businesses, if you want)… *And benefit from their growth* in the form of dividend payments.

When you see stock prices falling, all that means is that the general public's perception of a business is changing. I don't care what the general public thinks – it doesn't matter. What matters is the health of the businesses in which you've invested.

The businesses recommended in the Sure Dividend newsletter all have 25 or more years of dividend payments without a reduction. They are businesses that have historically *managed to pay dividends* through the worst of times.

Don't look at stock prices, look at dividend payments. Stock price declines don't mean anything to the long-term investor. Dividend payments, however do. **No Sure Dividend recommendations have reduced their dividends** as of this date, and I don't expect any of them to in the near future.

Note about Rankings

The Sure Dividend system is meant to be a bias-free quantitative system which uses The 8 Rules of Dividend Investing to make dividend investment decisions.

This month AbbVie (ABBV) made the top 10 – number 10 to be exact. I have removed it from the Top 10 because it generates 60% of its revenue from one drug (Humira) that goes off patent at the end of 2016. Qualitatively, the company is too risky for me to recommend in good conscience.

AbbVie would be in the Top 10 if I had not removed it and replaced it with the 11th highest ranked stock – United Technologies.

The Top 10 List

Ticker	Name	Score	Yield	Payout	Growth	Beta	Volatility
WMT	Wal-Mart Stores	1.00	3.0%	40.2%	7.6%	0.5	19.1%
DE	Deere & Co.	0.95	3.3%	36.9%	12.7%	1.2	35.1%
BXLT	Baxalta	0.93	0.9%	13.0%	8.0%	0.3	21.7%
GIS	General Mills	0.93	3.1%	58.5%	8.4%	0.4	17.0%
KO	Coca-Cola Company	0.93	3.3%	58.9%	7.2%	0.6	18.6%
ABT	Abbott Laboratories	0.93	2.3%	41.4%	10.0%	0.5	19.8%
ETN	Eaton	0.92	4.3%	46.5%	6.3%	1.2	31.5%
GWW	W.W. Grainger Inc.	0.91	2.2%	37.6%	14.3%	0.9	25.9%
CAT	Caterpillar	0.91	4.7%	49.7%	9.0%	1.2	33.3%
UTX	United Technologies	0.89	2.9%	36.8%	9.4%	1.0	24.3%

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.

This month, Johnson & Johnson was replaced by General Mills in the Top 10. Changes in the top 10 occur with new financial news and stock price changes. The stability of the top 10 list shows the ranking method is consistent, not based on rapid swings. An equally weighted portfolio of the top 10 has the following characteristics:

	Top 10	**S&P500**
Dividend Yield:	3.0%	2.1%
Payout Ratio:	41.9%	43.0%
Growth Rate:	9.3%	7.4%
PE Ratio:	14.6	19.7

- 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 earnings per share or dividend per share compound growth; higher is better

Analysis of Top 10 Stocks

Wal-Mart (WMT)

Overview & Current Events
Wal-Mart is the global leader in discount retail. The scale of Wal-Mart's operations is enormous. The company generated over $485 billion in sales over the last year.

Wal-Mart grew constant-currency revenue 3.6% in its most recent quarter (8/18/15). Operating profits declined 7.2% on a constant currency basis due primarily to lower pharmacy reimbursements and higher wages paid to its workers. U.S. comparable store sales grew 1.5%. The company's recent investment in its employees, infrastructure, and e-commerce operations are reducing profits in the short-run. In the long-run, these initiatives will drive greater profits for Wal-Mart.

Next Dividend Record Date: December 4th, 2015 **Next Earnings Release:** Mid November, 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. Its size allows it to command the best prices from its suppliers. The company pressures suppliers to lower their prices and then passes savings on to consumers, resulting in a positive feedback loop.

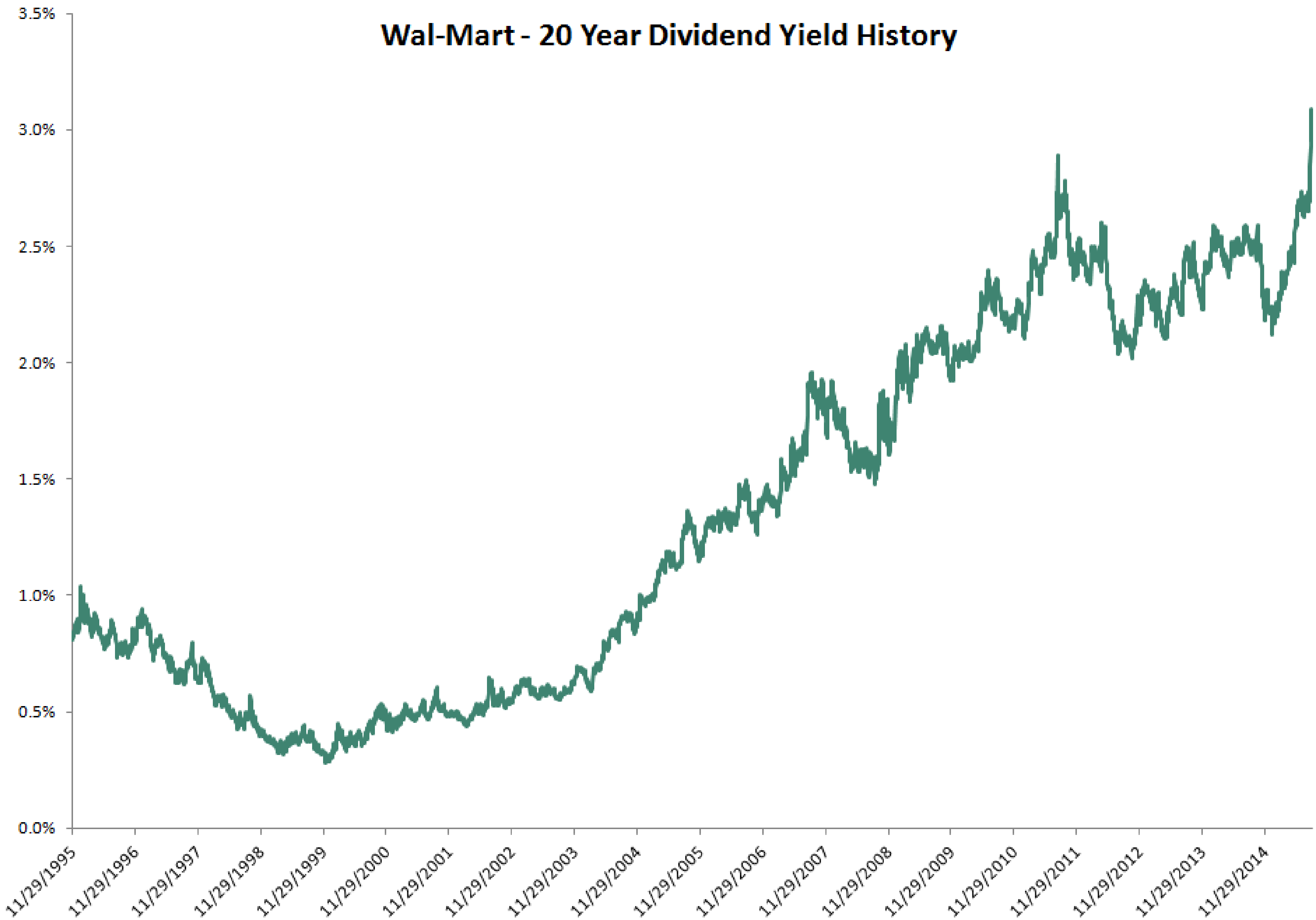
The Great Recession of 2007 to 2009 did not impede operations. Wal-Mart grew revenue, earnings, and dividends each year through the recession. Wal-Mart is among the most 'recession-proof' publicly traded businesses. When the S&P 500 fell 38% in 2008, Wal-Mart gained 18%.

Growth Prospects, Valuation, & Catalyst
Wal-Mart's growth will be sluggish in the short-term as the company invests heavily in the future. The company's long-term competitive advantage (scale-based low prices) will continue to differentiate Wal-Mart from its smaller competitors. Wal-Mart plans to return to growth by increasing employee wages (for better service), investing heavily in digital sales (to better serve customers), and by opening smaller layout stores (more convenient).

Wal-Mart is currently trading for an adjusted P/E ratio of just 13.3 and a share price of $64.98. The company's P/E ratio has averaged about 15.0 over the last decade. Wal-Mart shares should trade for *at least* $73 a share. Further, the company is trading around its highest dividend yield ever.

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

DRIP Available:	Yes, with fees
Dividend Yield:	3.0%
10 Year EPS Growth Rate:	7.6% per year
10 Year Dividend Growth Rate:	12.6% per year
Most Recent Dividend Increase:	2.1%
Dividend History:	42 Consecutive years of dividend increases


Wal-Mart - 20 Year Dividend Yield History
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Deere & Company (DE)

Overview & Current Events
Deere & Company is the world's largest farming equipment manufacturer. Deere & Company is a global business with large operations in the United States, Brazil, Russia, India, China, and Europe.

Deere & Company saw net income fall 37% in its most recent quarter (8/21/15) versus the same quarter a year ago. The decline is due to continued weakness in the farming industry brought about by low crop prices.

Despite weakness in the industry, Deere & Company remains highly profitable. The company generates earnings of $512 million in its most recent quarter. The company pays out about $200 million a quarter in dividends.

Next Dividend Record Date: Late December, 2015 **Next Earnings Release:** November 25th, 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 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 during the depths of the Great Recession in 2009.

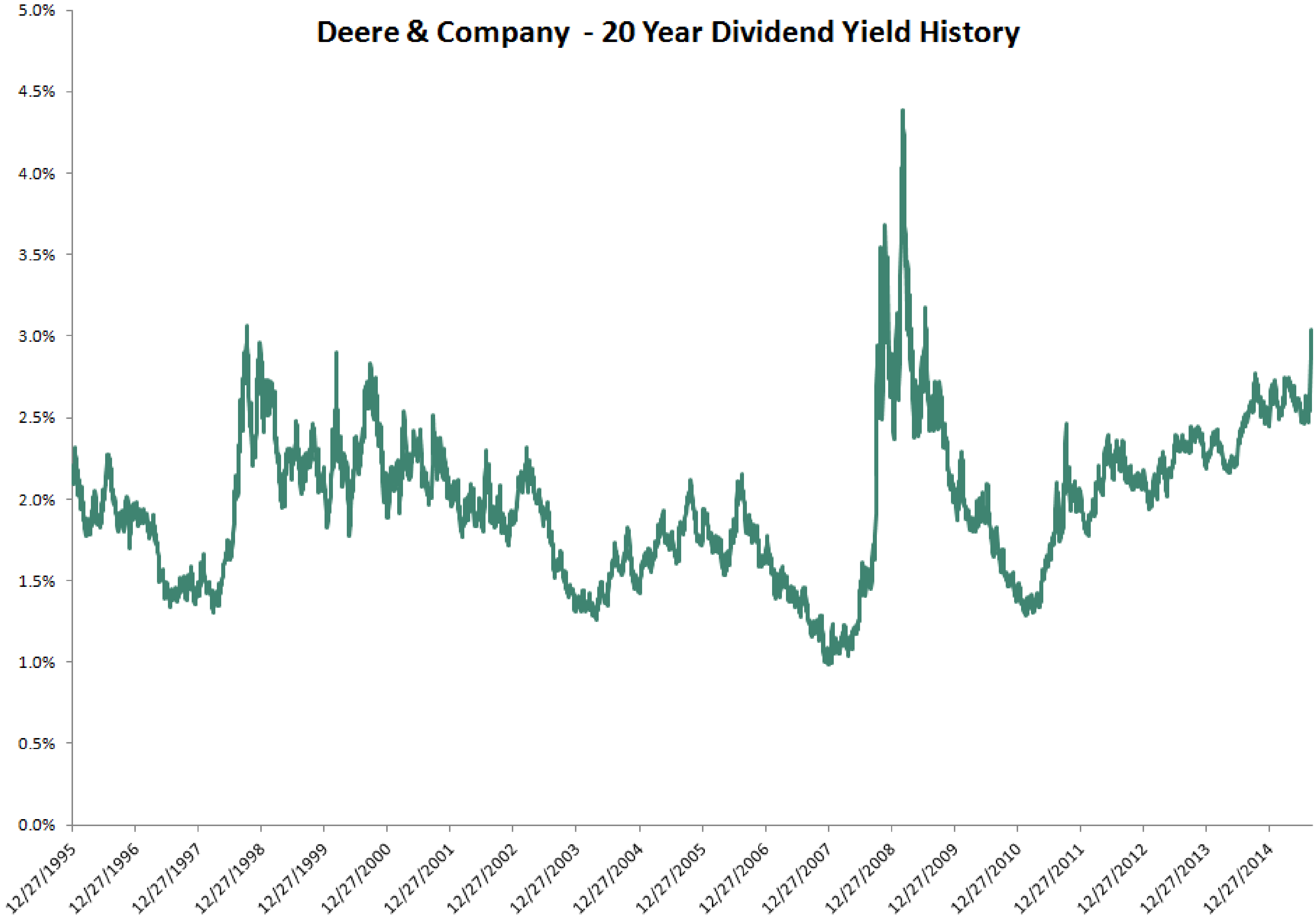
Deere & Company's earnings are cyclical and depend upon grain prices. Farmers hold off on large capital investments when their cash flows diminish due to low grain prices. With that said, Deere & Company has historically remained profitable through recessions. The company may see earnings fall, but has very little risk of dividend cuts.

Growth Prospects, Valuation, & Catalyst
Deere & Company has averaged earnings-per-share growth of 12.7% a year over the last decade. Analysts are expecting earnings-per-share of around $5.35 for fiscal 2015 versus earnings-per-share of $8.63 in 2014. The company is currently in a cyclical trough. When grain prices rise, Deere & Company will see its earnings surge. I expect the company to continue to deliver double-digit earnings-per-share growth over full economic cycles.

Deere & Company is deeply undervalued. The company's average dividend yield over the last decade is 2% (but does fluctuate significantly). Based on its average dividend yield, Deere & Company's fair value is between $98 and $147 per share (wide fluctuations make precise valuation more difficult). The stock is currently trading for $73.57 per share.

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

DRIP Available:	Yes, with fees
Dividend Yield:	3.3%
10 Year EPS Growth Rate:	12.7%
10 Year Dividend Growth Rate:	13.3%
Most Recent Dividend Increase:	15.5%
Dividend History:	27 consecutive years without a reduction



Deere & Company - 20 Year Dividend Yield History
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Baxalta (BXLT)

Overview & Current Events
Baxalta is a global biopharmaceutical company with annual revenues of approximately $6 billion and 16,000 employees. The company was spun-off from Baxter on July 1st, 2015. Around 50% of the company's sales are from the United States, and the other 50% are international.

Baxalta's management recently announced (7/28/15) the company's first dividend payment of $0.07, as well as a $1 billion share repurchase plan.

On August 4th, Shire Plc announced they offered to purchase Baxalta for $45.23 a share. Baxalta's management rejected the offer, considering it to be below fair value.

Over the last month, Baxalta stock has declined by 7.4%% on fears of a global growth slowdown. The company's stock is now trading around the level it was before the Shire Plc announcement.

Next Dividend Record Date: Early December, 2015 **Next Earnings Release:** October 29th, 2015

Competitive Advantage & Recession Performance
Baxalta's competitive advantage comes from its research and development department. Patents allow Baxalta to protect its discoveries and charge high prices for its pharmaceutical products. Baxalta is targeting annual research and development expenditures of around $600 million a year. The company has a robust product pipeline and is targeting 20 new product releases by 2020.

Baxalta shares became publicly available on July 1st, 2015. As a result, the company does not have any recession performance history. Pharmaceutical companies tend to do well during recessions. Life saving and life enhancing drugs simply cannot be substituted or cut back on during recessions.

Growth Prospects, Valuation, & Catalyst
Baxalta's expected annual total return is between 11% and 13% a year from revenue growth (6% to 8%), efficiency gains (~2%), share repurchases (~2%), and dividends (~1%).

Baxalta's high expected total returns and focus on high margin 'orphan drugs' (rare disease drugs) make it a compelling investment. Shire Plc believes the company is worth around $45.00 a share. Baxalta's fair value is *at least $45.00 a share*. The stock is currently significantly undervalued.

Maximum Drawdown (starting in year 2000): N/A (new company due to spin-off)

DRIP Available:	Not at this time
Dividend Yield:	0.8%
10 Year EPS Growth Rate:	N/A
10 Year Dividend Growth Rate:	N/A
Most Recent Dividend Increase:	N/A
Dividend History:	33 years of dividend payments without a reduction (counting parent company Baxter's dividend history)

Note: 20 year dividend yield history is not available due to the company's recent spin-off/creation.

General Mills (GIS)

Overview & Current Events
General Mills is the leading packaged foods company in the US. The company's brands include: Annie's, Yoplait, Nature Valley, Betty Crocker, Cheerios, Lucky Charms, and Pillsbury (among others). Over 70% of the company's operating profits come from US retail.

General Mills posted excellent 1st quarter results (9/22/15). Adjusted earnings-per-share grew 30% on a constant currency basis. Strong gains were due primarily to margin improvements. Adjusted net profit margin increased from 8.9% a year ago to 11.6% (a 30% increase). Margins are rising for General Mills thanks to its cost-cutting projects.

Next Dividend Record Date: Early January, 2016 **Next Earnings Release:** Late December, 2015

Competitive Advantage & Recession Performance
General Mills is able to sell its grocery products at premium prices because of its well established brands. The company is especially dominant in cereal, where it owns the Cheerios, Lucky Charms, Chex, Trix, and Wheaties brands. General Mills' large size gives it a scale advantage and the ability to acquire smaller brands and boost their margins with its efficient operations.

General Mills sells staple food products. Food is one of the few items people don't cut back on during recessions. General Mills increased revenue, earnings, and dividends each year from 2007 through 2009 during the Great Recession. The company is highly insulated from the effects of economic downturns.

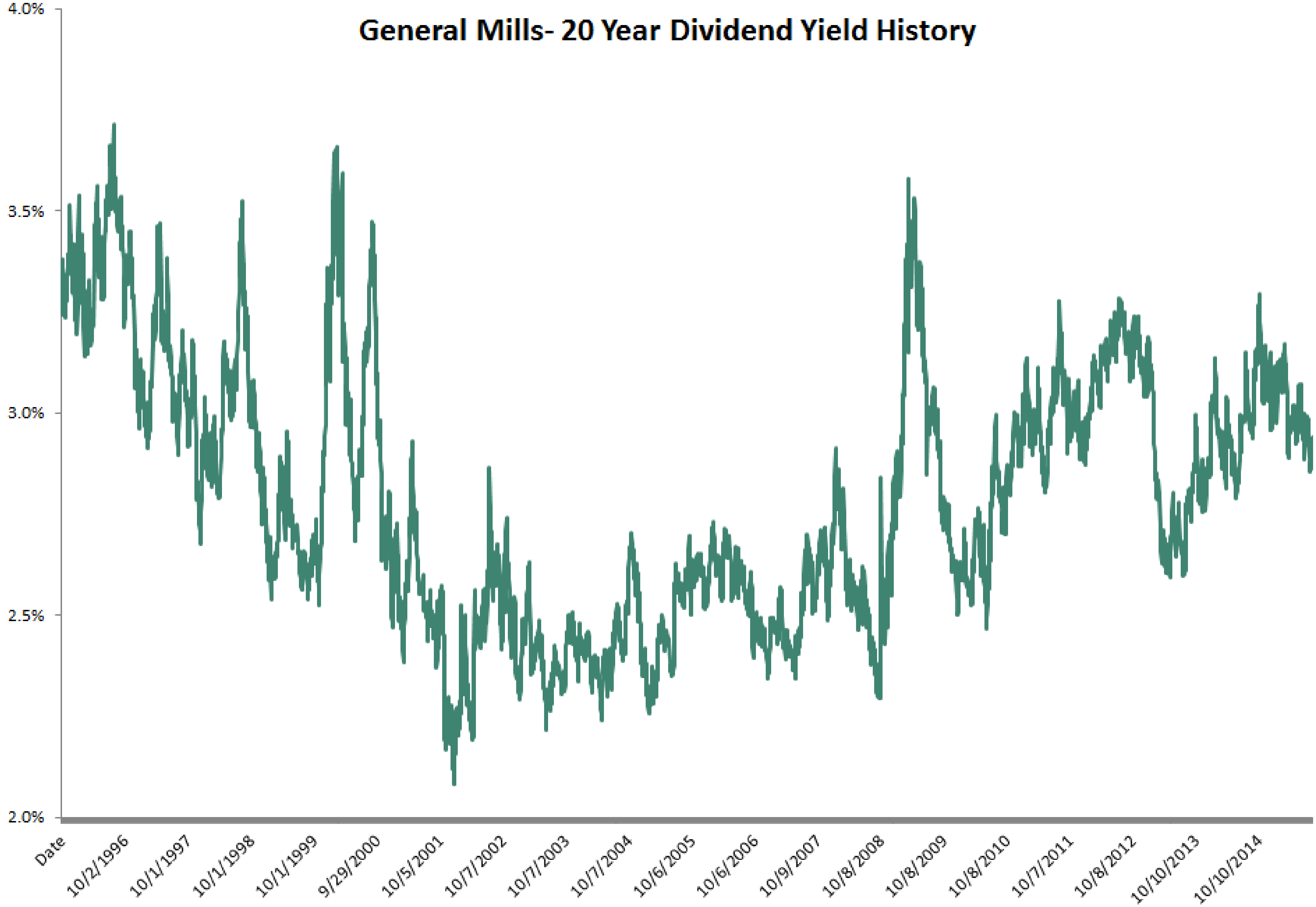
Growth Prospects, Valuation, & Catalyst
General Mills has grown earnings-per-share at 8.4% a year over the last decade. Going forward, General Mills plans to grow revenue domestically through a focus on health benefits and natural/organic food products.

The company is committed to growing earnings through improving margins with its 3 margin improvement programs: Project Century, Project Catalyst, and Project Compass. Between these 3 programs, General Mills is improving its North American supply chain, and eliminating approximately 1,500 jobs.

General Mills has a P/E ratio of 18.8 and a dividend yield of 3.1%. Over the last decade, General Mills' dividend yield has averaged 2.8%. Based on its historical dividend yield, the fair value for General Mills stock is between $58 and $68. The stock is currently trading at $56.62 a share.

Maximum Drawdown (starting in year 2000): -32% in March of 2009

DRIP Available:	Yes
Dividend Yield:	3.1%
10 Year EPS Growth Rate:	8.4% per year
10 Year Dividend Growth Rate:	10.8% per year
Most Recent Dividend Increase:	7.3%
Dividend History:	117 consecutive years without a reduction


General Mills- 20 Year Dividend Yield History
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Coca-Cola (KO)

Overview & Current Events

Coca-Cola owns 20 brands that each generate more than $1 billion a year in sales. 14 of these 20 brands are non-carbonated. The company is the global leader in non-alcoholic ready-to-drink beverages.

The company recently announced (9/24/15) its plans for a new bottling system in the United States. Coca-Cola plans to divest 9 company-owned production facilities to outside bottlers. The company's 3 largest bottlers all intend to work together for better economies of scale – which will reduce Coca-Cola's costs.

Coca-Cola saw constant-currency adjusted earnings-per-share grow 10.3% in its most recent quarter (7/24/15). Coca-Cola's sparkling volume increased 1%, and still volume gained 5%.

Next Dividend Record Date: Mid December, 2015 **Next Earnings Release:** October 21st, 2015

Competitive Advantage & Recession Performance

Coca-Cola's competitive advantage comes from its powerful brands and global distribution network. Coca-Cola supports its brands by spending over $3 billion per year on advertising. Coca-Cola can quickly scale successful brands by leveraging its global reach. As an example, the Fuze Tea brand reached $1 billion in global sales in just 2 years.

The Great Recession of 2007 to 2009 minimally affected Coca-Cola. The company's earnings per share dipped just 2.6% in 2009. The company is resistant to recessions because it sells low cost consumer beverages, which are not very sensitive to macroeconomic moves.

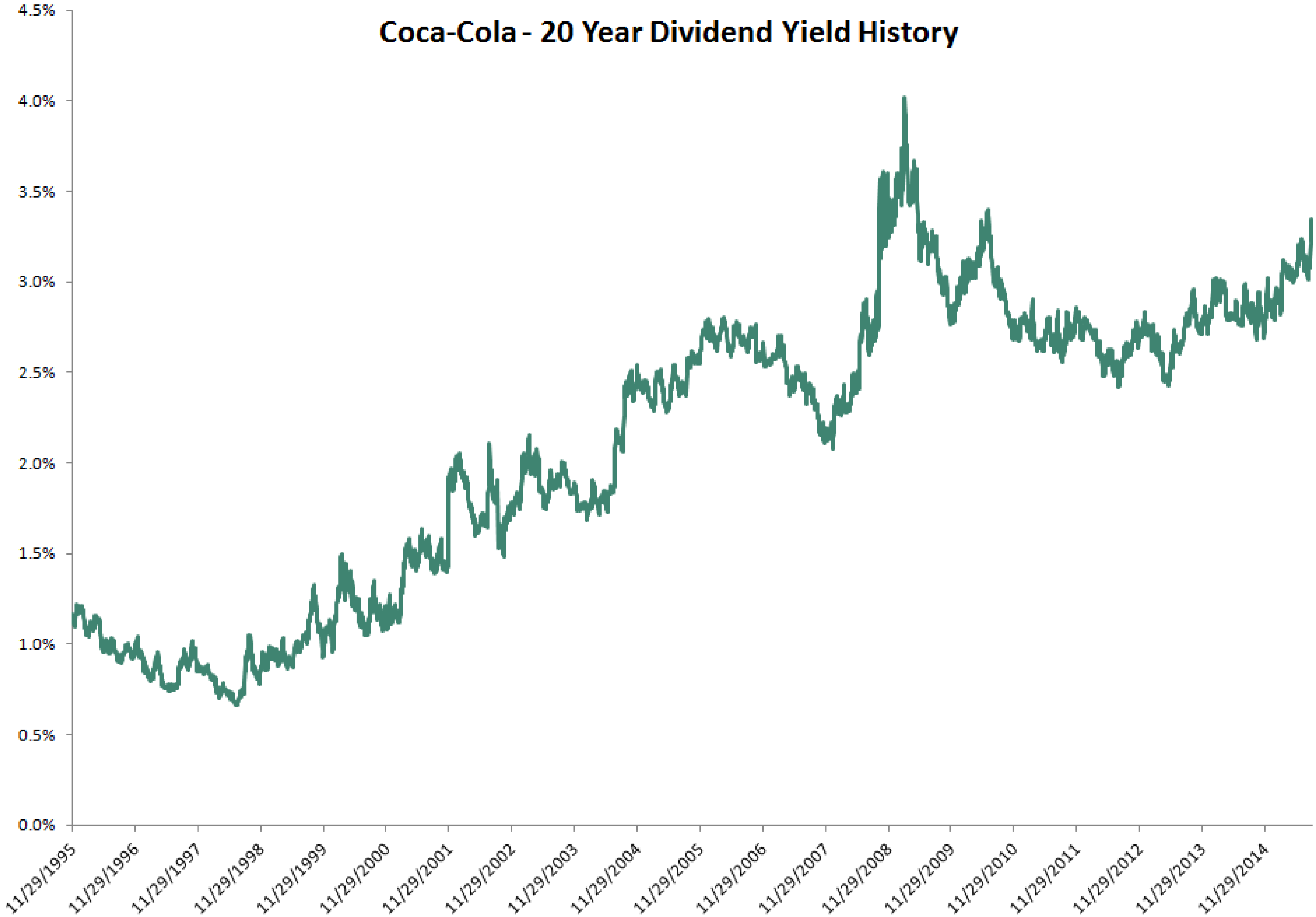
Growth Prospects, Valuation, & Catalyst

Coca-Cola shareholders should expect total returns of 10% to 12% a year going forward from dividends (3%) and earnings-per-share growth (7% to 9%). The company's growth will come from share repurchases, growth in still beverages, and continued global expansion.

Coca-Cola trades at a P/E ratio of 17.7 (using adjusted EPS). A high quality business with an above-average dividend yield and solid growth prospects should trade for a P/E ratio of 20 or more. Fair value for the stock should be around $45. Coca-Cola stock is currently trading at $40.39.

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

DRIP Available:	Yes, with fees
Dividend Yield:	3.3%
10 Year EPS Growth Rate:	7.2% per year
10 Year Dividend Growth Rate:	8.8% per year
Most Recent Dividend Increase:	8.2%
Dividend History:	53 consecutive years of dividend increases


Coca-Cola - 20 Year Dividend Yield History
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Abbott Laboratories (ABT)

Overview & Current Events
Abbott Laboratories is a diversified health care company that manufactures and sells nutrition products, medical devices, diagnostic equipment, and pharmaceuticals. Abbott Laboratories is the global leader in adult nutrition United States leader in pediatric nutrition.

Abbott Laboratories posted solid results in its most recent quarter (7/22/15). The company saw constant-currency sales rise 10.8% versus the same quarter a year ago. Emerging market sales grew 20.6% due primarily to gains in branded generic pharmaceuticals.

Over the last quarter, Abbott Laboratories' stock is down 16.4% due to fears over the company's performance as emerging market growth slows. Abbott Laboratories' long-term growth prospects remain bright, however.

Next Dividend Record Date: October 15th, 2015 Next Earnings Release: October 21st, 2015

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

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' generates 70% of its revenue in international markets. The company has large operations in several key emerging markets. This international exposure gives Abbott excellent long-term growth prospects as it benefits from faster emerging market growth and global aging populations.

In the short-run, however, Abbott Laboratories may see earnings fall as emerging market growth slows.

Abbott Laboratories is trading at a P/E ratio of 17.8 (using its more accurate operating EPS). Abbott Laboratories should be trading for a P/E ratio of 20 based on its low risk and solid growth prospects. Fair value for the company's stock is around $40 to $52; the stock is currently at $41.38.

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

DRIP Available:	Yes, no fee but must already be a shareholder
Dividend Yield:	2.3%
10 Year EPS Growth Rate:	N/A (due to ABBV spin-off)
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)

Note: 20 year dividend yield history not shown due to 2012 spin-off of AbbVie.

Eaton Corporation (ETN)

Overview & Current Events

Eaton is a diversified manufacturer of equipment for the following industries: electrical/power management, hydraulic, vehicle, and aerospace equipment. The company was founded in 1911and generates about 50% if its sales internationally.

Eaton grew constant currency adjusted earnings-per-share 10% in its most recent quarter (7/29/15). The company is currently undergoing a restructuring process to reduce its costs. The restructuring process will cost $125 million through this year and realize $45 million in savings in 2015, and $125 million in savings in 2016.

Next Dividend Record Date: October 30th, 2015 **Next Earnings Release:** Late October, 2015

Competitive Advantage & Recession Performance

Eaton's competitive advantage comes from its broad product reach in its power management/electrical segment. The company provides products for the full spectrum of power management. In addition, the company has a reputation for being able to commercialize new technologies to reduce costs for its customers.

Eaton saw earnings-per-share decline from a high of $3.42 to just $1.30 in 2009 during the worst of the Great Recession. The company's customers tend to significantly scale back purchases during recessions, resulting in reduced profits and revenues. Despite this, the company remained profitable throughout the Great Recession.

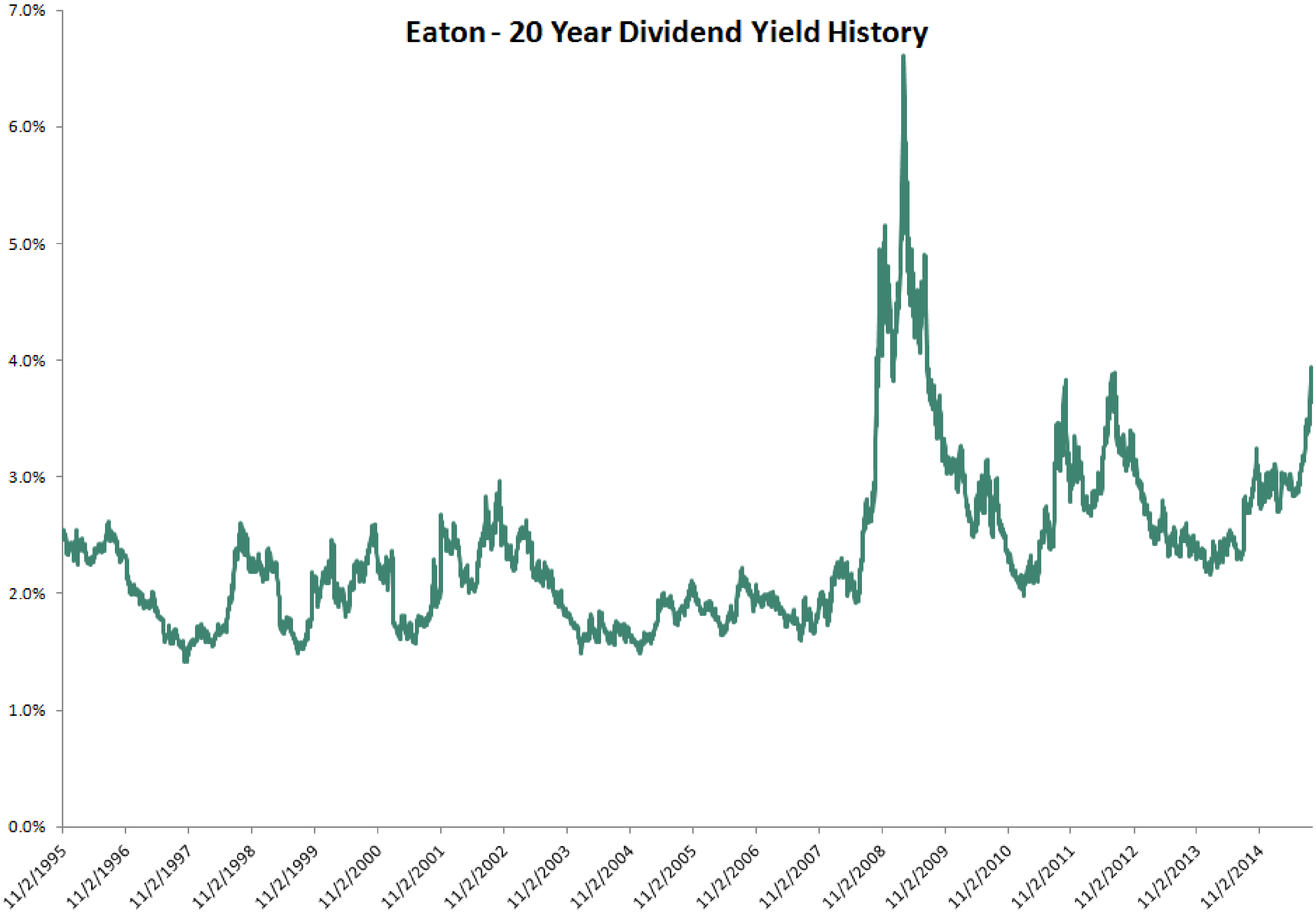
Growth Prospects, Valuation, & Catalyst

Eaton has grown earnings-per-share at 6.3% a year over the last decade. Going forward, Eaton plans to return around 50% of its cash flows to investors in the form of dividends and share repurchases. Shareholders should expect total returns of 10%+ from Eaton over a full economic cycle from dividends (4.3%) and earnings-per-share growth (6%+).

Over the last 12 months, Eaton has adjusted earnings-per-share of $4.73. The company's 5-year historical average price-to-earnings ratio is 13.8. The fair value range for the company's shares based on its price-to-earnings ratio is between $58 and $73 per share. Eaton is currently trading for $51.40.

Maximum Drawdown (starting in year 2000): -69% in March of 2009

DRIP Available:	Yes, no fee but must already be a shareholder
Dividend Yield:	4.3%
10 Year EPS Growth Rate:	6.3% per year
10 Year Dividend Growth Rate:	13.6% per year
Most Recent Dividend Increase:	12.2%
Dividend History:	32 years without a reduction


Eaton - 20 Year Dividend Yield History
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W.W. Grainger (GWW)

Overview & Current Events

W.W Grainger is the market leader in the United States maintenance, repair, and operations (abbreviated MRO) supply industry. The company was founded in 1927 and now generates revenues of more than $10 billion a year.

W.W. Grainger recently (9/1/15) completed its acquisition of British MRO business Cromwell for $482 million. Cromwell is expected to generate $440 million in sales in 2015. The Cromwell acquisition gives W.W. Grainger an opportunity to expand its e-commerce MRO operations in Britain.

Next Dividend Record Date: Mid November, 2015 **Next Earnings Release:** Mid October, 2015

Competitive Advantage & Recession Performance

W.W. Grainger's competitive advantage comes from its excellent supply chain. The company is the largest MRO player in North America. As a result, it is able to realize economies of scale in its operations – a distinct advantage W.W. Grainger has over its smaller competitors.

W.W Grainger performed well during the Great Recession of 2007 to 2009. The company's EPS fell 14% in 2009 during the worst of the recession, but quickly recovered to new all-time highs the following year.

Growth Prospects, Valuation, & Catalyst

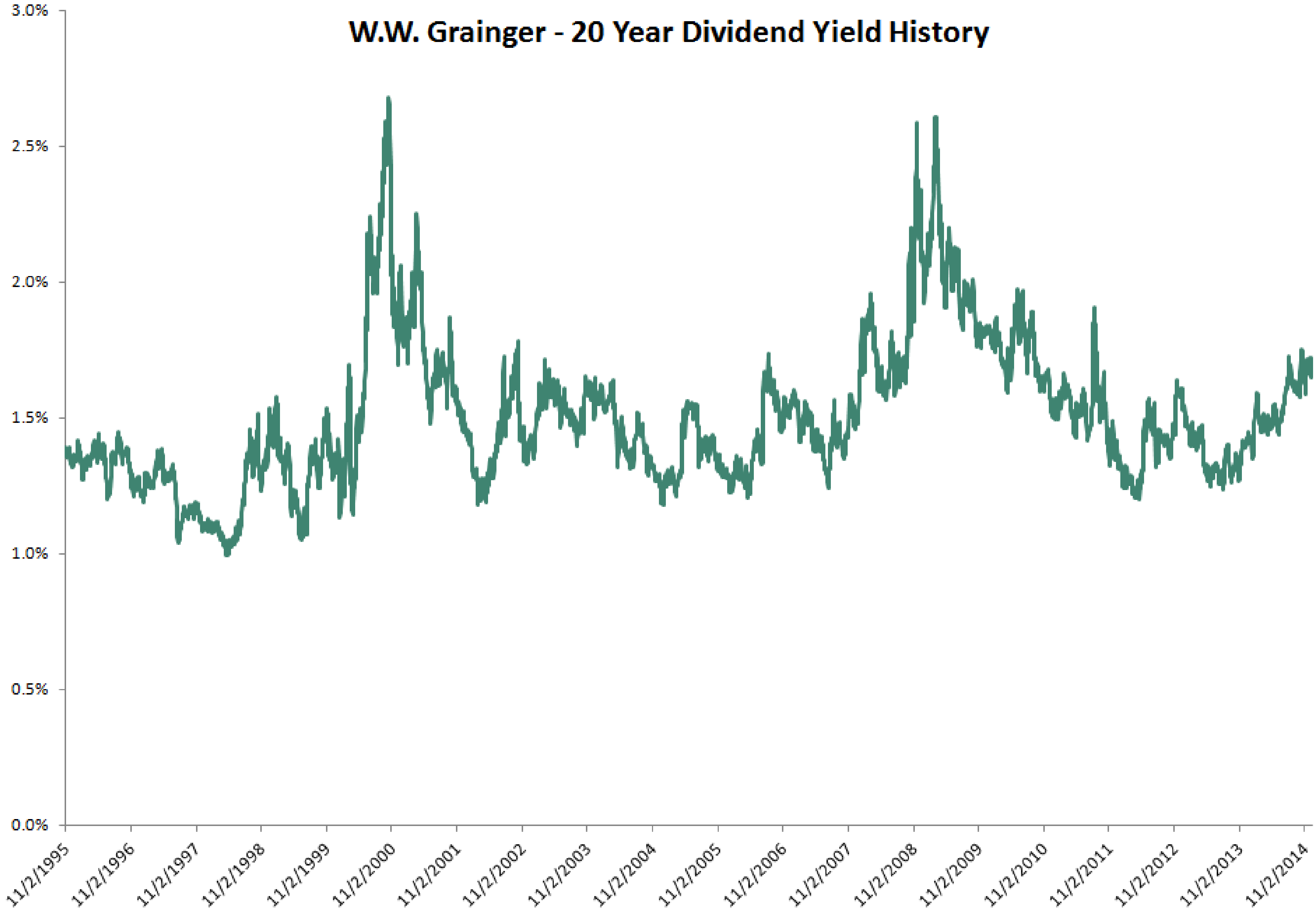
W.W. Grainger has compounded EPS at 15% a year over the last decade. Shareholders should expect excellent total returns going forward of 15% to 20% a year over the next 3 years.

The company will accomplish these returns by quickly growing e-commerce operations in Japan, Western Europe, North America, and Great Britain. W.W. Grainger is expecting 7% to 12% revenue growth over the next 5 years. The company also plans to repurchase $3 billion in shares over the next 3 years – which comes to 6% share count reductions a year. In addition, the company has a dividend yield of just over 2%.

From 2012 through 2014, W.W. Grainger had an average price-to-earnings ratio above 20. The company currently has an adjusted price-to-earnings ratio of just 17.3. Given its excellent growth potential and shareholder friendly management, the company should have a price-to-earnings ratio of at least 20. This implies a fair value of $249 or more. W.W. Grainger stock is currently trading for $215.15 a share.

Maximum Drawdown (starting in year 2000): -56% in October of 2000

DRIP Available:	Not at this time
Dividend Yield:	2.2%
10 Year EPS Growth Rate:	14.3% per year
10 Year Dividend Growth Rate:	18.3% per year
Most Recent Dividend Increase:	8.3%
Dividend History:	44 consecutive years of dividend increases


W.W. Grainger - 20 Year Dividend Yield History
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Caterpillar (CAT)

Overview & Current Events
Caterpillar is the global construction-equipment industry leader. The company was founded in 1925 and now has sales of over $50 billion a year.

Caterpillar released its 2nd quarter 2015 results on July 23rd. Construction slow-downs in Brazil and China, coupled with steep declines in mining and oil & gas due to low oil and mineral prices have dampened Caterpillar's profits in the short-term. The company realized adjusted earnings-per-share of $1.27 in the quarter versus $1.69 in the previous quarter.

Caterpillar is taking advantage of the downturn by implementing cost reductions which will save the company $1.5 billion a year annually when completed (announced 9/24/15). Up to 10,000 positions will be eliminated, and up to 20 manufacturing facilities will be consolidated.

Next Dividend Record Date: October 20th, 2015 **Next Earnings Release:** Late October, 2015

Competitive Advantage & Recession Performance
Caterpillar's competitive advantage comes from its industry leading size and brand name. The Caterpillar name is synonymous with heavy equipment in the construction industry. Caterpillar's competitive advantage is a combination of its size, brand, and manufacturing expertise.

Caterpillar's earnings fall during recessions, construction slow-downs, and declines in metal prices. With that said, *the company remains profitable during down cycles*. During the Great Recession of 2007 to 2009, Caterpillar's earnings-per-share declined from a high of $5.32 in 2007 to $1.43 in 2009 before quickly recovering to new highs in 2011.

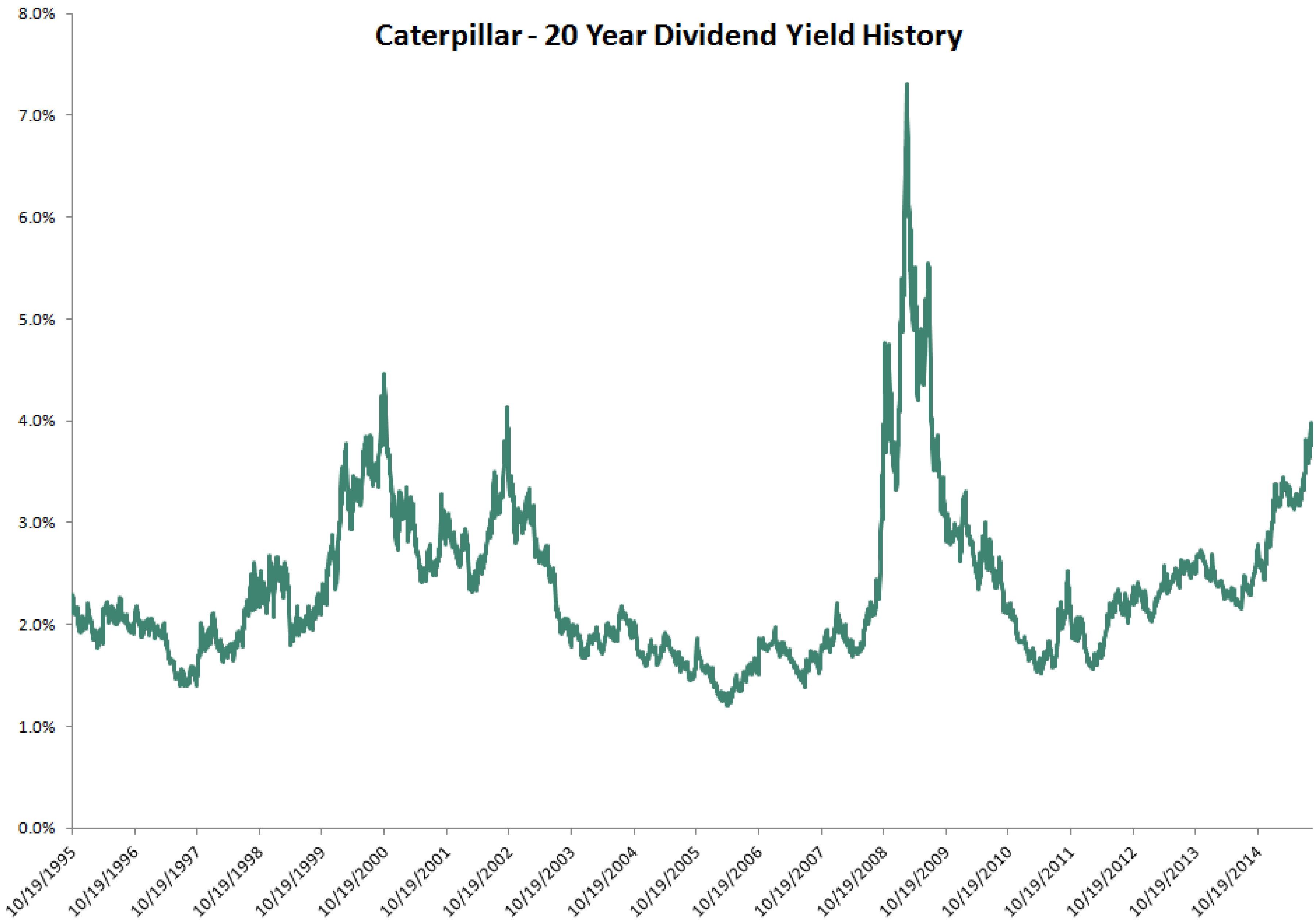
Growth Prospects, Valuation, & Catalyst
Caterpillar's management is doing exactly what it should. When the company's share price falls due to the cyclicality in its industry, management is repurchasing shares. The company will repurchase $1.5 billion in stock through October.

Over the long-run, Caterpillar has provided shareholders with solid growth. The company has grown earnings-per-share at 9.0% a year and dividends-per-share at 12.2% a year over the last decade. Caterpillar shareholders can expect total returns of 11% to 13% a year over a full economic cycle from Caterpillar. Returns will come from earnings-per-share growth (7% to 9%) and dividends (~4%).

Caterpillar is *deeply undervalued*. The company's average dividend yield over the last decade was 2.4%. Based on this, the company's fair value is between $100 and $175 a share. Caterpillar is currently trading at just $65.70 a share.

Maximum Drawdown (starting in year 2000): -73.4% in March of 2009

DRIP Available:	Yes, with fees
Dividend Yield:	4.7%
10 Year EPS Growth Rate:	9.0% per year
10 Year Dividend Growth Rate:	12.2% per year
Most Recent Dividend Increase:	10.0%
Dividend History:	33 years without a reduction


Caterpillar - 20 Year Dividend Yield History
8.0%
7.0%
6.0%
5.0%
4.0%
3.0%
2.0%
1.0%
0.0%
10/19/1995
10/19/1996
10/19/1997
10/19/1998
10/19/1999
10/19/2000
10/19/2001
10/19/2002
10/19/2003
10/19/2004
10/19/2005
10/19/2006
10/19/2007
10/19/2008
10/19/2009
10/19/2010
10/19/2011
10/19/2012
10/19/2013
10/19/2014

United Technologies (UTX)

Overview & Current Events

United Technologies is a large diversified manufacturer which owns the following companies: Otis elevators, Carrier air conditioning, Kidde smoke alarms, Pratt & Whitney aircraft propulsion, UTC Aerospace Systems (aircraft components), and Sikorsky helicopters.

United Technologies announced (7/20/15) it will sell its Sikorsky helicopters division to Lockheed Martin for $9 billion. The deal is expected to close in the first quarter of 2016. The company will use the proceeds of the divestiture to repurchase shares.

Next Dividend Record Date: Mid November, 2015 **Next Earnings Release:** Late October, 2015

Competitive Advantage & Recession Performance

United Technologies' competitive advantage comes from a mix of its size and scale combined with lean manufacturing, technological know-how, and existing contracts and relationships with large government customers. The company invests in its employees as well. United Technologies' employee scholarship program has allowed employees to earn nearly 37,000 degrees since 1996. The company provides a quality experience to all its stakeholders – employees, shareholders, and customers.

United Technologies performed well through the Great Recession of 2007 to 2009. The company saw earnings-per-share fall just 15.9% during the worst of the Great Recession. The company's long-term contracts with military and aerospace customers help to insulate it from recessions.

Growth Prospects, Valuation, & Catalyst

United Technologies has grown earnings-per-share at 9.4% a year over the last decade. Management is targeting 10%+ earnings-per-share growth through a mix of organic growth, share repurchases, margin expansion, and acquisitions.

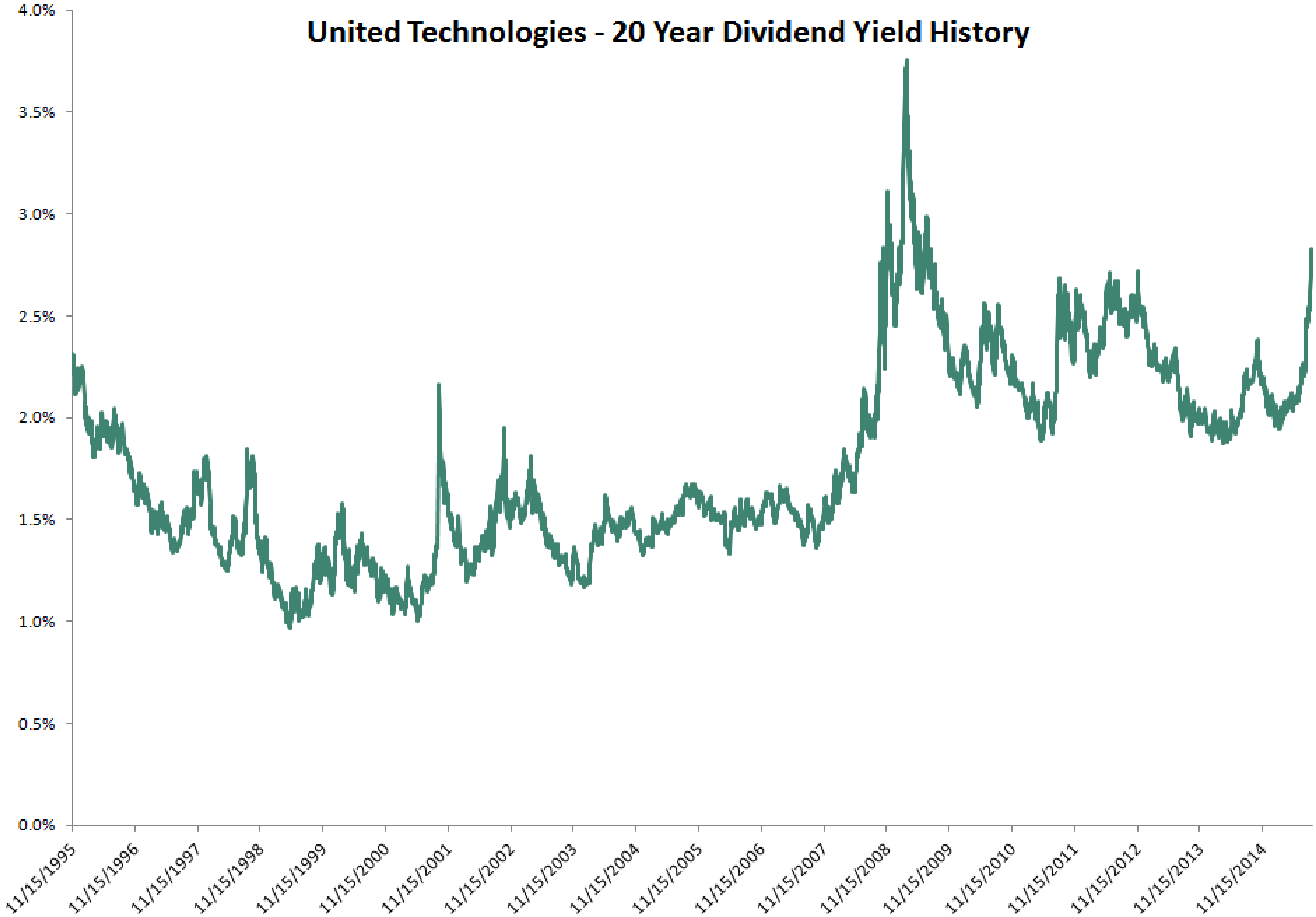
I expect earnings-per-share growth of 8% to 11% a year over the next several years. This growth, combined with the company's ~3% dividend yield gives investors expected total returns of 11% to 14% a year going forward.

The company's management should be applauded for using the proceeds of the Sikorsky divestiture for share repurchases – especially when the stock is undervalued.

Over the last decade (excluding the Great Recession period), United Technologies P/E ratio has averaged 15.9. Fair value for the company's stock is around $111. The company's stock is currently trading for $89.77 a share.

Maximum Drawdown (starting in year 2000): 52.7% in March of 2009

DRIP Available:	Yes, with fees
Dividend Yield:	2.9%
10 Year EPS Growth Rate:	9.4% per year
10 Year Dividend Growth Rate:	10.3% per year
Most Recent Dividend Increase:	8.5%
Dividend History:	45 years without a reduction


United Technologies - 20 Year Dividend Yield History
4.0%
3.5%
3.0%
2.5%
2.0%
1.5%
1.0%
0.5%
0.0%
11/15/1995
11/15/1996
11/15/1997
11/15/1998
11/15/1999
11/15/2000
11/15/2001
11/15/2002
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11/15/2004
11/15/2005
11/15/2006
11/15/2007
11/15/2008
11/15/2009
11/15/2010
11/15/2011
11/15/2012
11/15/2013
11/15/2014

Analysis of International Stocks

There are 2 international stocks that currently rank 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.

Both of the international stocks in the Top 10 are based in the United Kingdom. The United Kingdom *does not impose* a dividend withholding tax on U.S. investors.

Investors comfortable with investing in international stocks that are not publicly traded on the major U.S. stock exchanges should consider these 2 stocks.

Name	Ticker (Foreign)	Growth Rate	Dividend Yield	P/E Ratio	Rank (If in Top 10)
Weir Group	LON:WEIR	13.7%	3.0%	13.3	2 (after WMT, before DE)
Rotork	LON:ROR	12.5%	3.6%	10.9	3 (after DE, before BXLT)

Weir Group is an industrial equipment manufacturer serving the oil & gas, mineral, power, and industrial industries. The company has paid increasing dividends for 25 consecutive years. The company appears to be undervalued at current prices due to low oil prices.

Rotork is an industrial equipment manufacturer serving the oil & gas, waste water, marine, and mining industries. The company specializes in actuators and flow control equipment. Rotork has paid increasing dividends for 25 consecutive years. Like Weir Group, Rotork also appears undervalued at current prices.

List of Stocks by Sector

Each of the 182 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. Valspar Corp. (VAL) - 1.6%
2. Phillips 66 (PSX) - 2.8%
3. Enbridge, Inc. (ENB) - 3.6%
4. Helmerich & Payne Inc. (HP) - 5.6%
5. BHP Billiton (BHP) - 7.5%
6. Chevron Corp. (CVX) - 5.2%
7. Sherwin-Williams Co. (SHW) - 1.1%
8. ExxonMobil Corp. (XOM) - 3.8%
9. Phillips 66 Partners LP (PSXP) - 3%
10. PPG Industries Inc. (PPG) - 1.6%
11. Imperial Oil (IMO) - 1%
12. RPM International Inc. (RPM) - 2.4%
13. Air Products & Chem. (APD) - 2.5%
14. NACCO Industries (NC) - 2.3%
15. H.B. Fuller Company (FUL) - 1.5%
16. ConocoPhillips (COP) - 5.8%
17. Air Liquide (AI.E) - 2.4%
18. National Fuel Gas (NFG) - 3.1%
19. Energen Corp. (EGN) - 0.1%
20. Nucor Corp. (NUE) - 3.9%
21. Murphy Oil (MUR) - 5.4%

Technology

1. Verizon Wireless (VZ) - 5.3%
2. Computer Services Inc. (CSVI) - 2.5%
3. BCE, Inc. (BCE) - 4%
4. AT&T Inc. (T) - 5.8%
5. Automatic Data Proc. (ADP) - 2.4%
6. Vodafone Group plc (VOD) - 7.5%
7. Brady Corp. (BRC) - 3.9%
8. Diebold Inc. (DBD) - 3.7%
9. Telephone & Data Sys. (TDS) - 2.2%

Financial

1. AFLAC Inc. (AFL) - 2.7%
2. Waddell & Reed (WDR) - 4.9%
3. Eagle Financial Services (EFSI) - 3.5%
4. Harleysville Savings (HARL) - 4.6%
5. Munich Re (MUV2.B) - 4.6%
6. T. Rowe Price Group (TROW) - 3%
7. Franklin Resources (BEN) - 1.6%
8. Eaton Vance Corp. (EV) - 3%
9. Farmers & Merchants Ban. (FMCB) - 2.4%
10. Tompkins Financial Corp. (TMP) - 3.2%
11. Torchmark Insurance (TMK) - 1%
12. American Express (AXP) - 1.6%
13. McGraw Hill Financial Inc. (MHFI) - 1.5%
14. Commerce Bancshares (CBSH) - 2%
15. HCP Inc. (HCP) - 6%
16. Community Trust Banc. (CTBI) - 3.5%
17. 1st Source Corp. (SRCE) - 2.2%
18. National Retail Properties (NNN) - 4.8%
19. First Financial Bankshares (FFIN) - 2.1%
20. Universal Health Realty Trust (UHT) - 5.5%
21. First Financial Corp. (THFF) - 3%
22. Realty Income (O) - 5%
23. M&T Bank Corporation (MTB) - 2.4%
24. RLI Corp. (RLI) - 1.4%
25. Arthur J Gallagher (AJG) - 3.5%
26. Cincinnati Financial (CINF) - 3.4%
27. Old Republic International (ORI) - 4.7%
28. Public Storage (PSA) - 3.1%
29. Northern Trust (NTRS) - 2.1%
30. Mercury General Corp. (MCY) - 5%
31. United Bankshares Inc. (UBSI) - 3.5%
32. Federal Realty Inv. Trust (FRT) - 2.7%

Consumer Goods

1. General Mills (GIS) - 3.1%
2. Coca-Cola Company (KO) - 3.3%
3. Altria Group Inc. (MO) - 4.1%
4. PZ Cussons plc (PZC.L) - 2.7%
5. Cranswick plc (CWK.L) - 2%
6. Hormel Foods Corp. (HRL) - 1.6%
7. Church & Dwight (CHD) - 1.6%
8. Kerry Group (KYGA.L) - 0.7%
9. McCormick & Co. (MKC) - 2%
10. The J.M. Smucker Co. (SJM) - 2.3%
11. Philip Morris (PM) - 5.1%
12. Kellogg (K) - 3%
13. Ecolab, Inc. (ECL) - 1.2%
14. Procter & Gamble Co. (PG) - 3.7%
15. Johnson Controls (JCI) - 2.5%
16. Polaris Industries (PII) - 1.8%
17. Diageo plc (DEO) - 4%
18. VF Corp. (VFC) - 1.8%
19. Nestle (NESN.V) - 3%
20. Stepan Company (SCL) - 1.7%
21. Universal Corp. (UVV) - 4.2%
22. Hershey (HSY) - 2.5%
23. Mondelez (MDLZ) - 1.6%
24. PepsiCo Inc. (PEP) - 3%
25. Kraft-Heinz Company (KHC) - 3.1%
26. Sonoco Products Co. (SON) - 3.6%
27. Bemis Company (BMS) - 2.8%
28. Nike (NKE) - 0.9%
29. Archer Daniels Midland (ADM) - 2.6%
30. Flowers Foods (FLO) - 2.3%
31. Young & Co's Brewery (YNGA.L) - 1.3%
32. Colgate-Palmolive Co. (CL) - 2.4%
33. Brown-Forman Class B (BF-B) - 1.4%
34. Kimberly-Clark Corp. (KMB) - 3.2%
35. Leggett & Platt Inc. (LEG) - 3%
36. Lancaster Colony Corp. (LANC) - 1.9%
37. Home Depot (HD) - 2%
38. Unilever (UL) - 3.1%
39. Carlisle Companies (CSL) - 1.3%
40. Henkel (HEN3.E) - 1.5%
41. Clorox Company (CLX) - 2.6%
42. L'Oreal (OR.E) - 1.7%
43. Weyco Group Inc. (WEYS) - 2.9%
44. Tootsie Roll Industries (TR) - 1.2%
45. Lowe's Companies (LOW) - 1.6%

Utilities

1. Fortis (FTS.TO) - 3.6%
2. Canadian Utilities (CU.TO) - 3.3%
3. Southern Company (SO) - 4.9%
4. SCANA Corp. (SCG) - 3.9%
5. Consolidated Edison (ED) - 3.9%
6. SJW Corp. (SJW) - 2.5%
7. Black Hills Corp. (BKH) - 3.8%
8. Vectren Corp. (VVC) - 3.6%
9. UGI Corp. (UGI) - 2.6%
10. Atmos Energy (ATO) - 2.6%
11. Northwest Natural Gas (NWN) - 4%
12. Questar Corp. (STR) - 4.2%
13. Conn. Water Service (CTWS) - 2.9%
14. WGL Holdings Inc. (WGL) - 3.1%
15. MGEE Energy (MGEE) - 2.9%
16. Piedmont Natural Gas (PNY) - 3.2%
17. American States Water (AWR) - 2.1%
18. California Water Service (CWT) - 3%
19. Middlesex Water Co. (MSEX) - 3.2%
20. Otter Tail (OTTR) - 4.7%

Industrial Goods

1. Rotork plc (ROR.L) - 3%
2. Deere & Co. (DE) - 3.3%
3. Weir Group plc (WEIR.L) - 3.6%
4. Eaton (ETN) - 4.3%
5. Caterpillar (CAT) - 4.7%
6. United Technologies (UTX) - 2.9%
7. Cummins (CMI) - 3.6%
8. Spectris Group plc (SXS.L) - 2.7%
9. Spirax-Sarco Engineering (SPX.L) - 2.3%
10. Dover Corp. (DOV) - 2.9%
11. Cobham plc (COB.L) - 3.6%
12. Parker-Hannifin Corp. (PH) - 2.6%
13. Emerson Electric (EMR) - 4.3%
14. Pentair Ltd. (PNR) - 2.5%
15. Donaldson Company (DCI) - 2.4%
16. Illinois Tool Works (ITW) - 2.7%
17. General Dynamics (GD) - 2%
18. Clarcor Inc. (CLC) - 1.7%
19. Nordson Corp. (NDSN) - 1.5%
20. 3M Company (MMM) - 2.9%
21. Stanley Black & Decker (SWK) - 2.3%
22. Tennant Company (TNC) - 1.4%
23. Gorman-Rupp Company (GRC) - 1.7%
24. Raven Industries (RAVN) - 3.1%

Services

1. Wal-Mart Stores Inc. (WMT) - 3%
2. W.W. Grainger Inc. (GWW) - 2.2%
3. Empire Co. (EMP.A.TO) - 4.4%
4. McDonald's Corp. (MCD) - 3.4%
5. Genuine Parts Co. (GPC) - 3%
6. Disney (DIS) - 1.3%
7. Cintas Corp. (CTAS) - 39.8%
8. United Parcel Service (UPS) - 2.9%
9. ABM Industries Inc. (ABM) - 2.3%
10. Wolters Kluwer NV (WKL.A) - 2.6%
11. Walgreen Company (WBA) - 1.7%
12. Sysco Corp. (SYY) - 3%
13. RR Donnelley (RRD) - 7.1%
14. Target Corp. (TGT) - 2.8%
15. Cardinal Health (CAH) - 2%
16. Mine Safety Appliances (MSA) - 3.1%
17. Bowl America (BWL.A) - 4.6%

Health Care

1. Baxalta (BXLT) - 0.9%
2. Abbott Laboratories (ABT) - 2.3%
3. AbbVie (ABBV) - 3.7%
4. Johnson & Johnson (JNJ) - 3.2%
5. Becton Dickinson & Co. (BDX) - 1.8%
6. Medtronic Inc. (MDT) - 2.1%
7. Baxter International (BAX) - 1.4%
8. United Health Group (UNH) - 1.7%
9. C.R. Bard Inc. (BCR) - 0.5%
10. Merck & Co. (MRK) - 3.6%
11. Novo Nordisk (NVO) - 1.3%
12. Roche (ROG.V) - 3.1%
13. Eli Lilly & Company (LLY) - 2.3%

List of Stocks by Rank

Each of the 182 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 Inc. (WMT) - 3%
2. Rotork plc (ROR.L) - 3%
3. Deere & Co. (DE) - 3.3%
4. Weir Group plc (WEIR.L) - 3.6%
5. General Mills (GIS) - 3.1%
6. Baxalta (BXLT) - 0.9%
7. Coca-Cola Company (KO) - 3.3%
8. Abbott Laboratories (ABT) - 2.3%
9. Eaton (ETN) - 4.3%
10. W.W. Grainger (GWW) - 2.2%
11. Caterpillar (CAT) - 4.7%
12. AbbVie (ABBV) - 3.7%
13. United Technologi. (UTX) - 2.9%
14. Cummins (CMI) - 3.6%
15. Johnson & Johnson (JNJ) - 3.2%
16. Fortis (FTS.TO) - 3.6%
17. Canadian Utilities (CU.TO) - 3.3%
18. AFLAC Inc. (AFL) - 2.7%
19. Waddell & Reed (WDR) - 4.9%
20. Verizon Wireless (VZ) - 5.3%
21. Altria Group Inc. (MO) - 4.1%
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27. PZ Cussons plc (PZC.L) - 2.7%
28. Eagle Financial Ser. (EFSI) - 3.5%
29. Dover Corp. (DOV) - 2.9%
30. Harleysville Savi. (HARL) - 4.6%
31. Cranswick plc (CWK.L) - 2%
32. Hormel Foods Corp. (HRL) - 1.6%
33. Church & Dwight (CHD) - 1.6%
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48. Medtronic Inc. (MDT) - 2.1%
49. BHP Billiton (BHP) - 7.5%
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51. Philip Morris (PM) - 5.1%
52. Genuine Parts Co. (GPC) - 3%
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61. Donaldson Company (DCI) - 2.4%
62. Chevron Corp. (CVX) - 5.2%
63. Sherwin-Williams (SHW) - 1.1%
64. Consolidated Edison (ED) - 3.9%
65. Johnson Controls (JCI) - 2.5%
66. Polaris Industries (PII) - 1.8%

67. Diageo plc (DEO) - 4%
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94. American Express (AXP) - 1.6%
95. Cintas Corp. (CTAS) - 39.8%
96. Nike (NKE) - 0.9%
97. Archer Daniels Mi. (ADM) - 2.6%
98. Flowers Foods (FLO) - 2.3%
99. Novo Nordisk (NVO) - 1.3%
100. Young & Co's (YNGA.L) - 1.3%
101. United Parcel Servi. (UPS) - 2.9%
102. Colgate-Palmolive (CL) - 2.4%
103. McGraw Hill Fina. (MHFI) - 1.5%
104. Black Hills Corp. (BKH) - 3.8%
105. Brown-Forman (BF-B) - 1.4%
106. Commerce Bancsha. (CBSH) - 2%
107. PPG Industries Inc. (PPG) - 1.6%
108. Stanley Black & D. (SWK) - 2.3%
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110. Kimberly-Clark (KMB) - 3.2%
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112. UGI Corp. (UGI) - 2.6%
113. Atmos Energy (ATO) - 2.6%
114. Northwest Natural G. (NWN) - 4%
115. Imperial Oil (IMO) - 1%
116. HCP Inc. (HCP) - 6%
117. ABM Industries (ABM) - 2.3%
118. Community Trust (CTBI) - 3.5%
119. Wolters Kluwer (WKL.A) - 2.6%
120. Walgreen Boots (WBA) - 1.7%
121. Questar Corp. (STR) - 4.2%
122. Conn. Water Ser. (CTWS) - 2.9%
123. Leggett & Platt Inc. (LEG) - 3%
124. Sysco Corp. (SYY) - 3%
125. 1st Source Corp. (SRCE) - 2.2%
126. Lancaster Colony (LANC) - 1.9%
127. RPM International (RPM) - 2.4%
128. WGL Holdings Inc. (WGL) - 3.1%
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137. Target Corp. (TGT) - 2.8%
138. First Financial Corp. (THFF) - 3%
139. Realty Income (O) - 5%
140. MGEE Energy (MGEE) - 2.9%
141. Unilever (UL) - 3.1%
142. Carlisle Companies (CSL) - 1.3%
143. M&T Bank Corp. (MTB) - 2.4%
144. Piedmont Natural (PNY) - 3.2%
145. Henkel (HEN3.E) - 1.5%
146. Automatic Data Pro. (ADP) - 2.4%
147. Cardinal Health (CAH) - 2%
148. American States (AWR) - 2.1%

149. Clorox Company (CLX) - 2.6%
150. ConocoPhillips (COP) - 5.8%
151. Vodafone Group (VOD) - 7.5%
152. California Water Ser. (CWT) - 3%
153. RLI Corp. (RLI) - 1.4%
154. L'Oreal (OR.E) - 1.7%
155. Arthur J Gallagher (AJG) - 3.5%
156. Mine Safety Appli. (MSA) - 3.1%
157. Brady Corp. (BRC) - 3.9%
158. Middlesex Water (MSEX) - 3.2%
159. Tennant Company (TNC) - 1.4%
160. Weyco Group Inc. (WEYS) - 2.9%
161. Otter Tail (OTTR) - 4.7%
162. Gorman-Rupp Co. (GRC) - 1.7%
163. Bowl America (BWL.A) - 4.6%
164. Tootsie Roll Industri. (TR) - 1.2%
165. Cincinnati Financi. (CINF) - 3.4%
166. Diebold Inc. (DBD) - 3.7%
167. Old Republic Intern. (ORI) - 4.7%
168. Public Storage (PSA) - 3.1%
169. Lowe's Companies (LOW) - 1.6%
170. Air Liquide (AI.E) - 2.4%
171. Eli Lilly & Co. (LLY) - 2.3%
172. Northern Trust (NTRS) - 2.1%
173. Mercury General (MCY) - 5%
174. National Fuel Gas (NFG) - 3.1%
175. Raven Industries (RAVN) - 3.1%
176. United Bankshares (UBSI) - 3.5%
177. Energen Corp. (EGN) - 0.1%
178. Federal Realty Inv. (FRT) - 2.7%
179. Nucor Corp. (NUE) - 3.9%
180. HNI Corp (HNI) - 2.4%
181. Murphy Oil (MUR) - 5.4%
182. Telephone & Data (TDS) - 2.2%

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
DE	Deere & Co.	$ -
GIS	General Mills	$ -
BXLT	Baxalta	$ -
KO	Coca-Cola Company	$ -
ABT	Abbott Laboratories	$ -
ETN	Eaton	$ -
GWW	W.W. Grainger Inc.	$ -
CAT	Caterpillar	$ -
UTX	United Technologies	$ -

Portfolio 2		
Ticker	**Name**	**Amount**
WMT	Wal-Mart Stores Inc.	$ 4,374
DE	Deere & Co.	$ 4,878
GIS	General Mills	$ 4,353
BXLT	Baxalta	$ 2,952
KO	Coca-Cola Company	$ 3,309
ABT	Abbott Laboratories	$ 4,864
ETN	Eaton	$ 6,660
GWW	W.W. Grainger Inc.	$ 2,367
CAT	Caterpillar	$ 2,818
UTX	United Technologies	$ 6,243

- If you had portfolio 1, you would buy Deere & Co., the top ranked stock you own least.
- If you had portfolio 2, you would buy GWW, 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	Current Rank	Status	1st Rec. Date	Sell Date
Clorox (CLX)	149	Hold	April 2014	N/A
Target (TGT)	137	Hold	April 2014	N/A
Kimb.-Clark (KMB)	110	Hold	April 2014	N/A
ExxonMobil (XOM)	84	Hold	April 2014	N/A
AFLAC (AFL)	18	Hold	April 2014	N/A
PepsiCo (PEP)	80	Hold	April 2014	N/A
McDonald's (MCD)	47	Hold	April 2014	N/A
Genuine Parts (GPC)	52	Hold	May 2014	N/A
3M (MMM)	90	Hold	May 2014	N/A
AT&T (T)	76	Hold	June 2014	N/A
Becton, Dickins. (BDX)	44	Hold	June 2014	N/A
Philip Morris (PM)	51	Hold	June 2014	N/A
J.M. Smucker (SJM)	46	Hold	August 2014	N/A
EcoLab (ECL)	56	Hold	October 2014	N/A
ConocoPhillips (COP)	150	Hold	December 2014	N/A
Kellogg (K)	53	Hold	December 2014	N/A
Helmerich & Payne (HP)	35	Hold	February 2015	N/A
Altria (MO)	21	Hold	April 2015	N/A
BCE, Inc. (BCE)	39	Hold	August 2015	N/A
Johnson & Johnson (JNJ)	15	Hold	September 2015	N/A
Chubb (CB)	N/A	Sold	April 2014	July 2015

Closing Thoughts

The Sure Dividend system finds high quality dividend growth stocks trading at fair or better prices.

The 8 Rules of Dividend Investing are used to quantitatively identify high quality dividend growth stocks.

The first rule is arguably the most important – only stocks with 25 or more years of dividend payments without a reduction are eligible for inclusion in the Sure Dividend database.

This one rule guarantees you will invest in businesses with a long history of rewarding shareholders with dividends. Businesses with such a long history of dividends have *proven* they can survive (or thrive) through a wide variety of economic conditions. They have also *proven* that dividend payments are very important to these businesses.

From there, businesses are ranked using a mix of stability (low standard deviation), growth, high dividend payments, and room for higher future dividend payments (low payout ratio).

The end result is the Top 10 businesses shown each month in this newsletter. They are businesses with long dividend histories and favorable characteristics that are suitable for long-term investors.

Thanks for reading the October 2015 edition of the Sure Dividend newsletter.

Thanks again,

Ben Reynolds
Sure Dividend

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