



Value & Dividend Stocks

Below are a variety of “Value” stocks. For our purposes, a value stock is one that is an on going concern, is expected to keep growing, albeit slowly, trades below the Morningstar Fair Value, and pays a dividend.

That definition should be the definition of the types of stocks most people would want to buy, especially those investors that want to live off the income their investments generate.

This is how Morningstar defines it: The Morningstar Fair Value Estimate tells investors what the long-term intrinsic value of a stock is, helping them see beyond the present market price.

The present market price can be volatile, but the Fair Value tends to move up and down and plateau. It can stay flat for a long time.

The stock price can go above or below the Fair Value. This is one of the factors we use in determining which stocks to buy or sell, where is the stock price in relation to its Fair Value? Stocks that are well below Fair Value may have good upside potential.

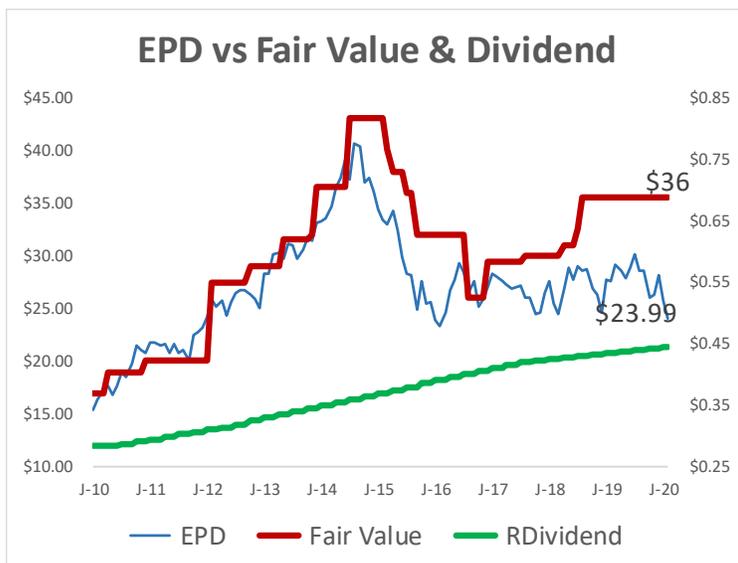
Dividends are paid based on the number of share an investor has. It has little to do with the share price. On the following pages, you will see a number of stocks whose share price declined, yet the dividend went up. Not all companies raise their dividend and not all companies raise their dividend at the same pace. You will see examples of some pretty quirky dividend patterns and some that are steadily rising.

Chart Key

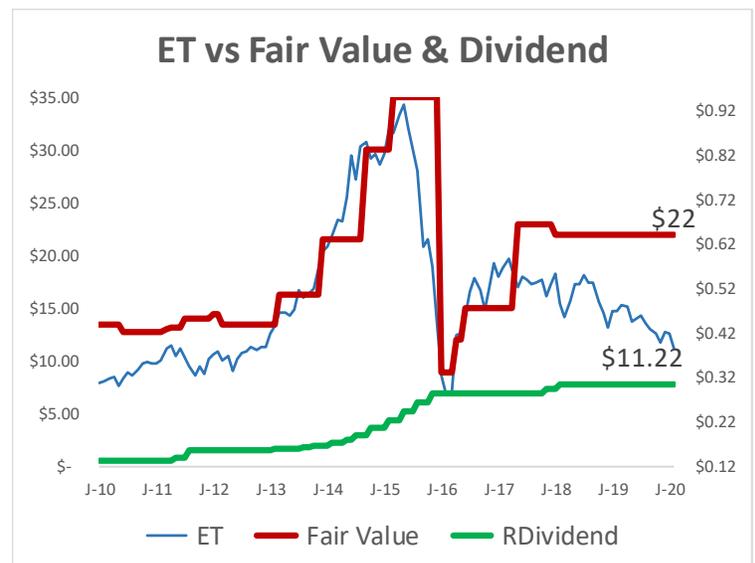
- Dark Red - Morningstar Fair Value
- Blue - Market price
- Green - Dividend

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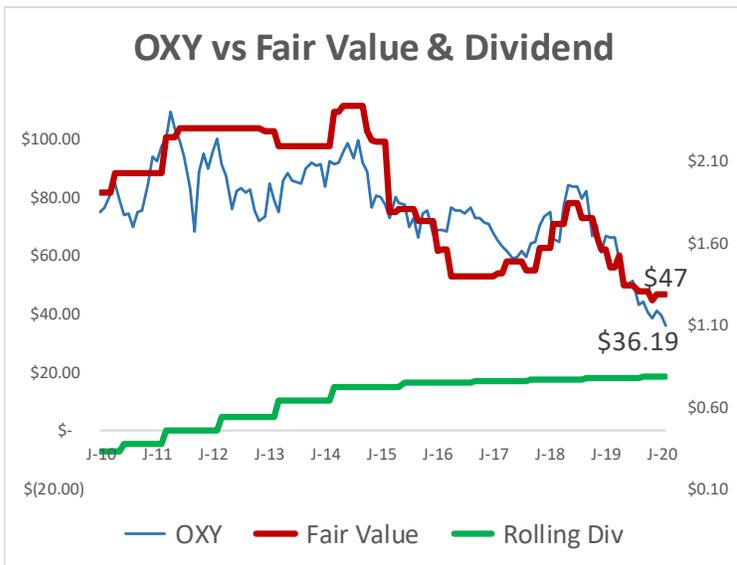
ENTERPRISE PRODUCTS



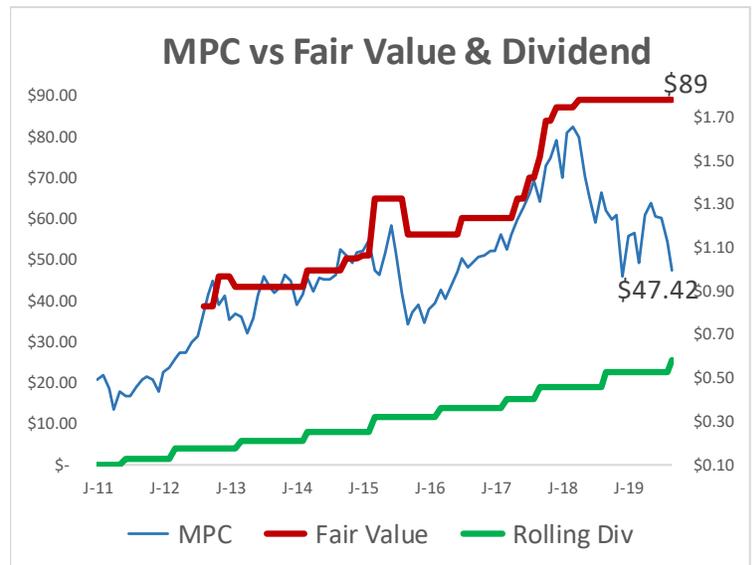
ENERGY TRANSFER



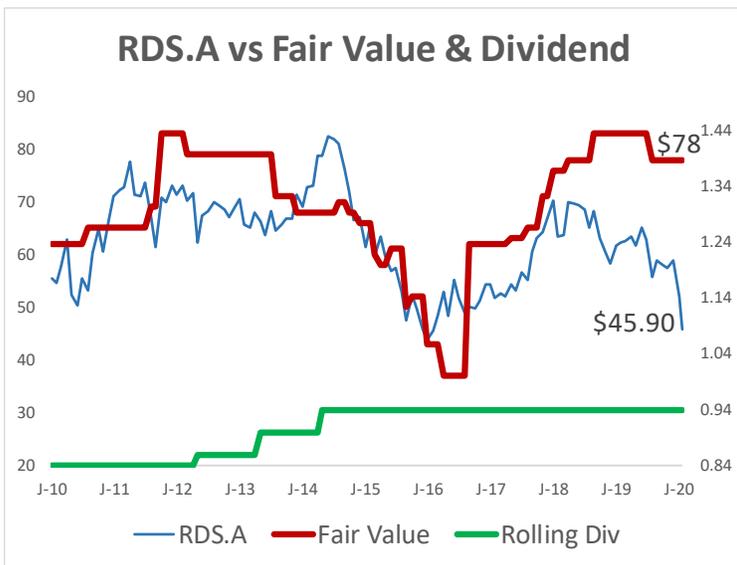
OCCIDENTAL PETROLEUM



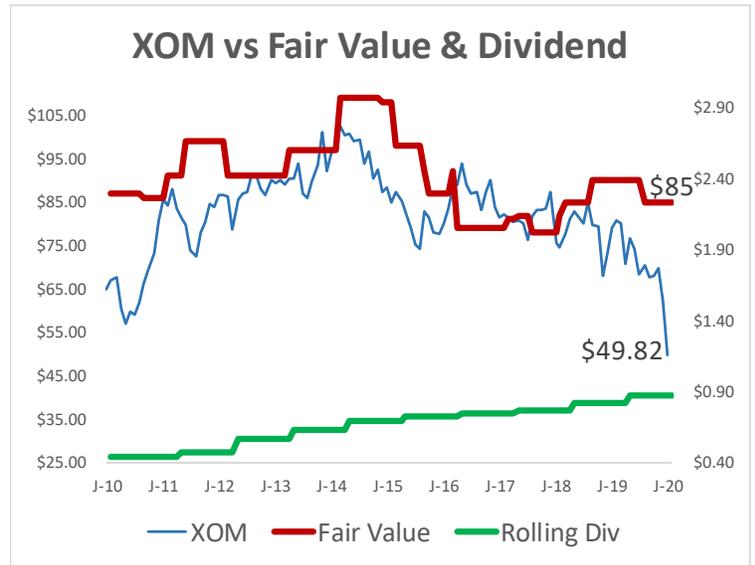
MARATHON PETROLEUM



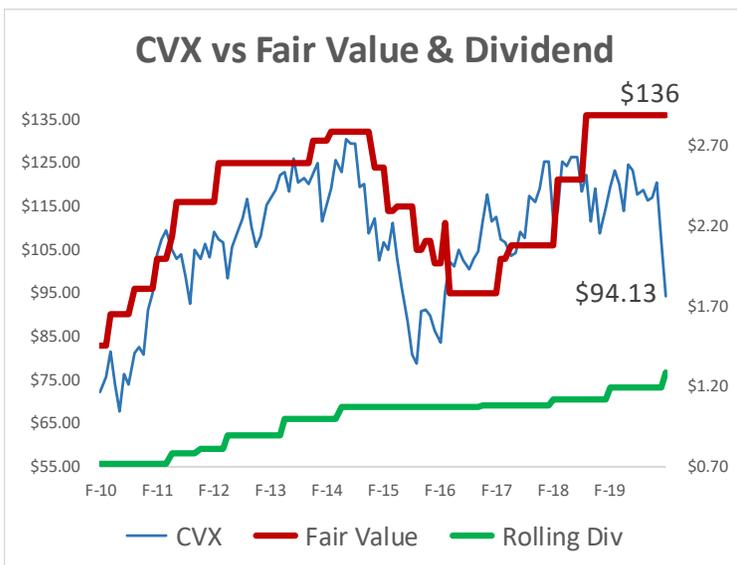
ROYAL DUTCH SHELL



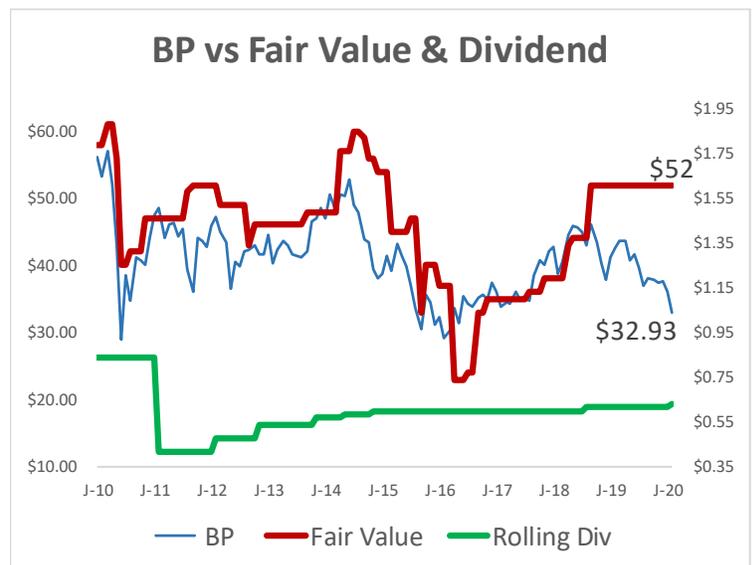
EXXON



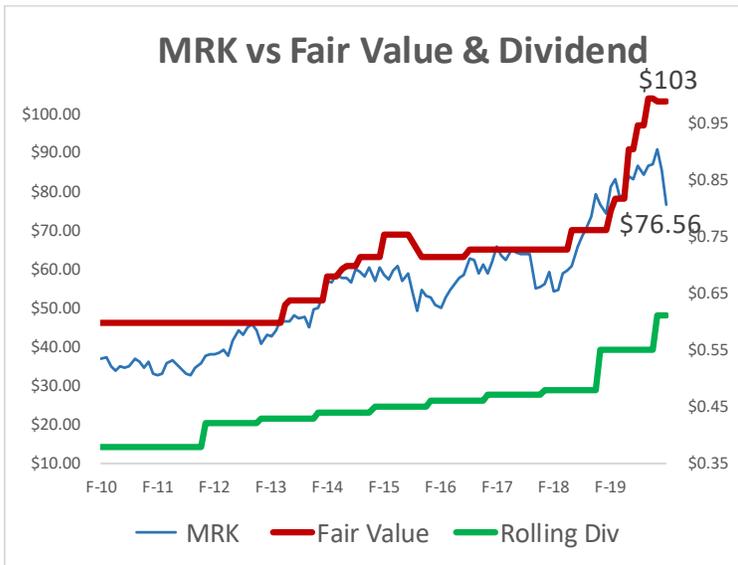
CHEVRON



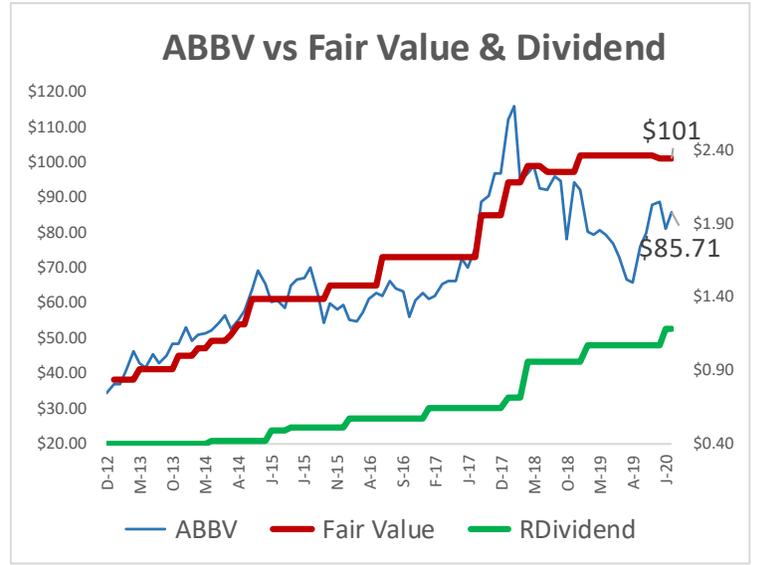
BP



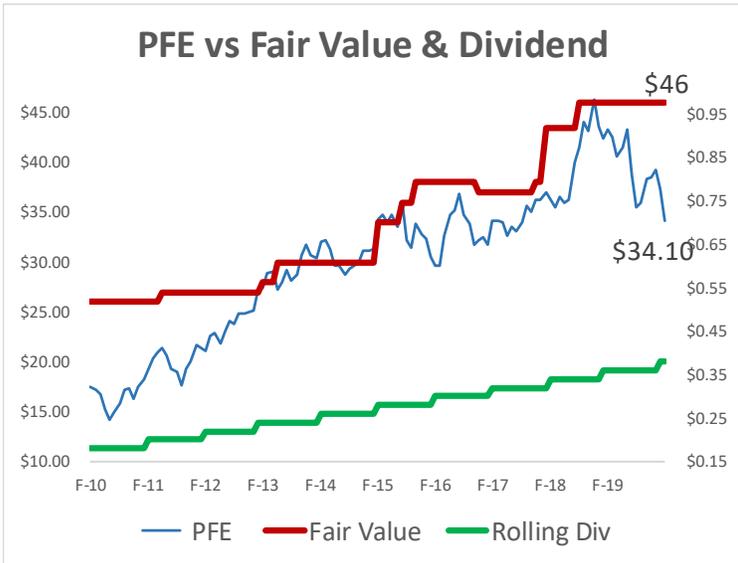
MERCK



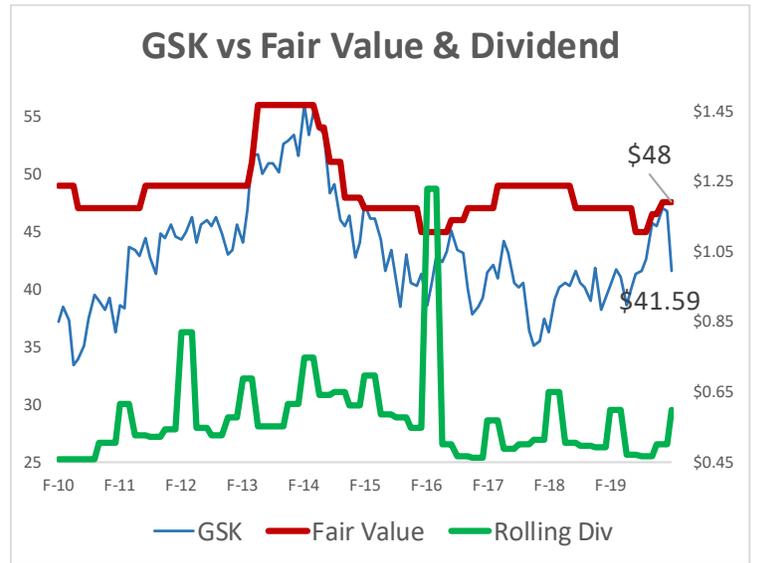
ABBVIE



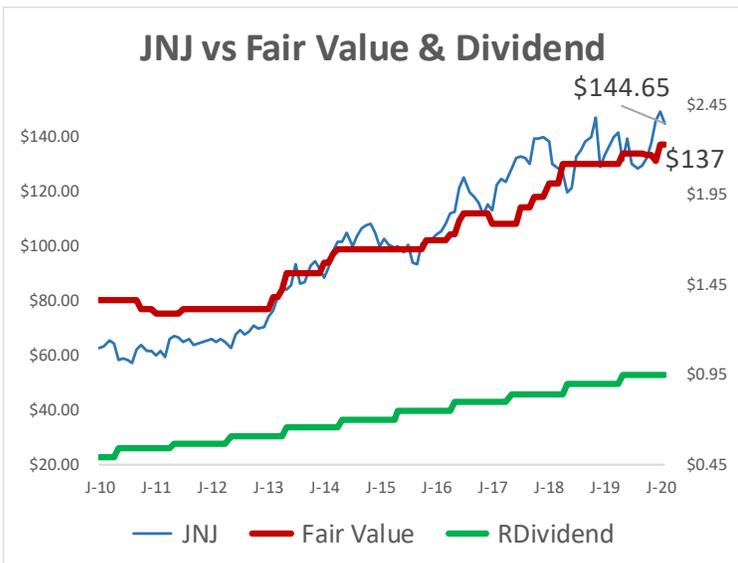
PFIZER



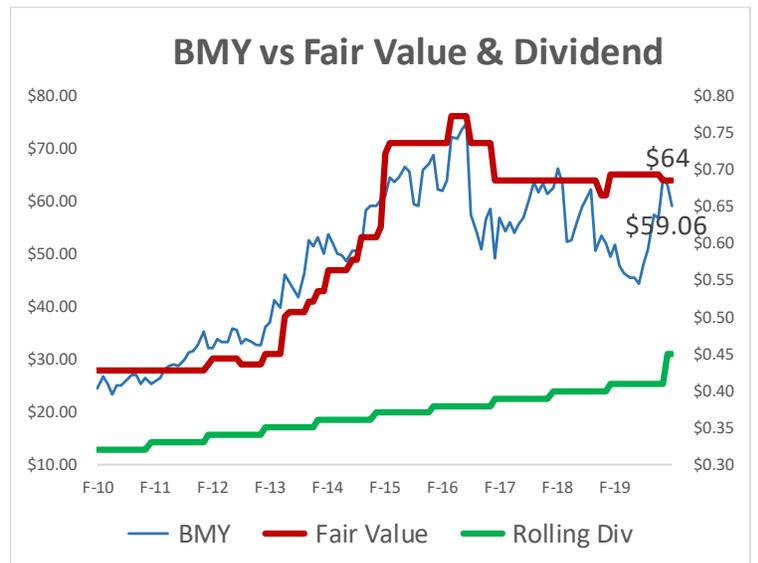
GLAXO SMITH-KLINE



JOHNSON & JOHNSON

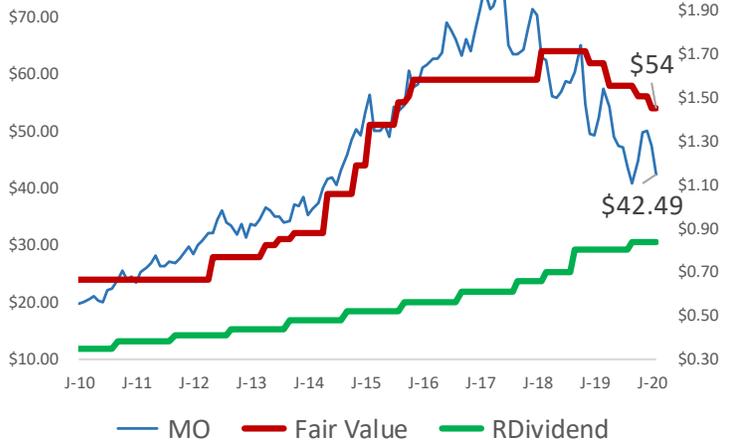


BRISTOL MYERS



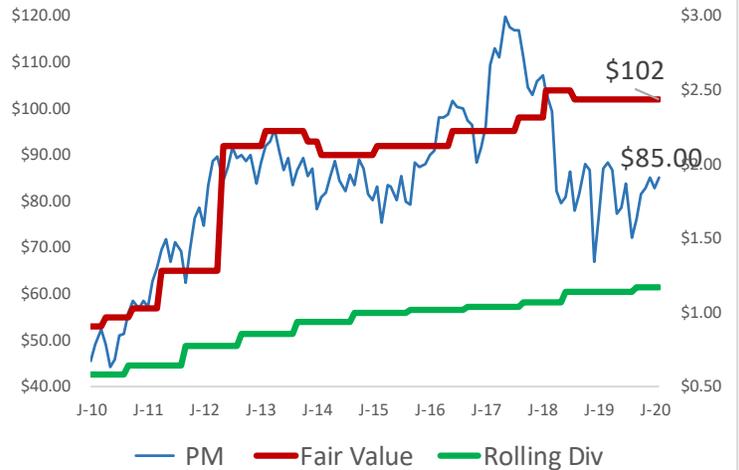
ALTRIA

MO vs Fair Value & Dividend



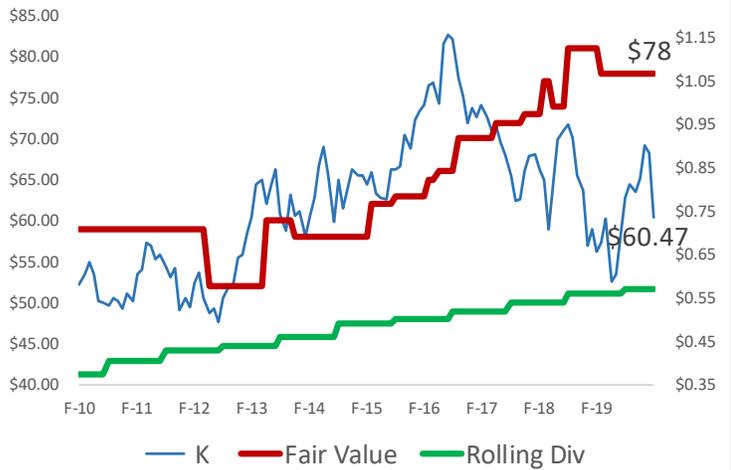
PHILIP MORRIS

PM vs Fair Value & Dividend



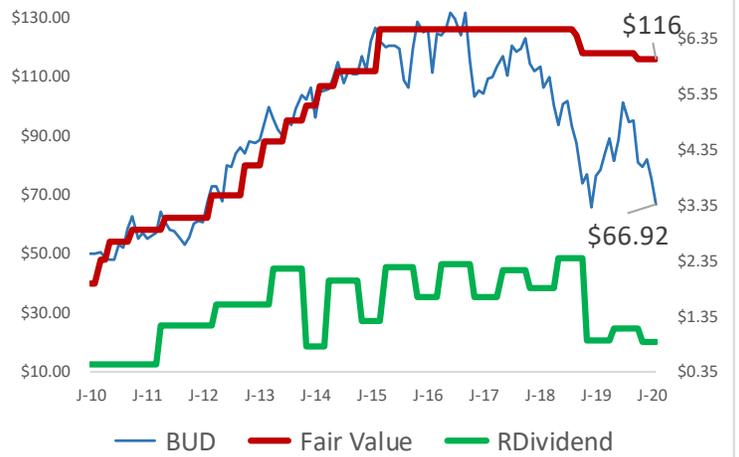
KELLOGG'S

K vs Fair Value & Dividend



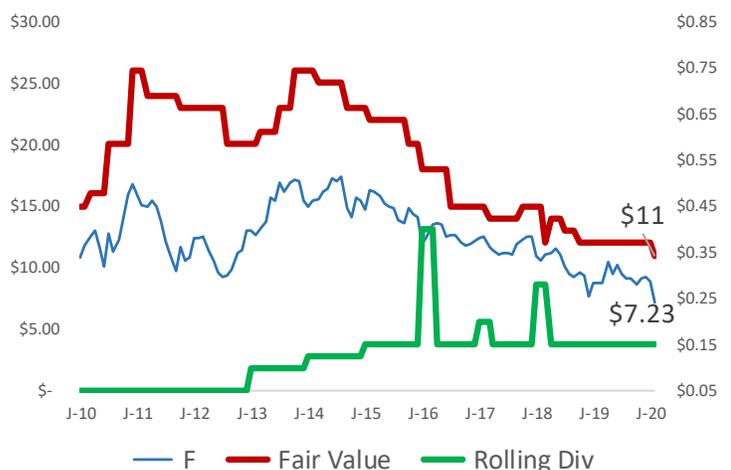
ANHEUSER-BUSCH

BUD vs Fair Value & Dividend



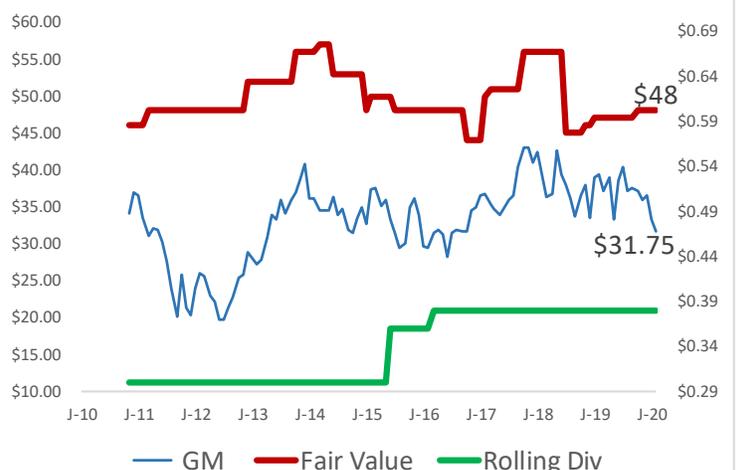
FORD

F vs Fair Value & Dividend

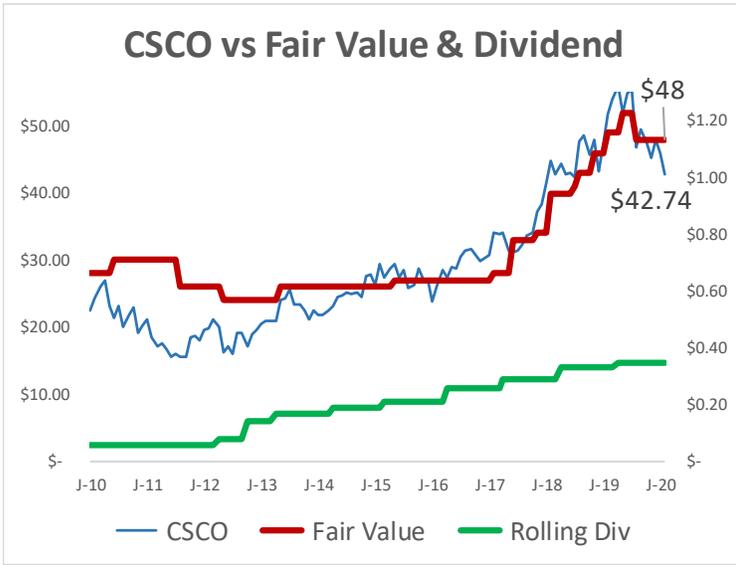


GENERAL MOTORS

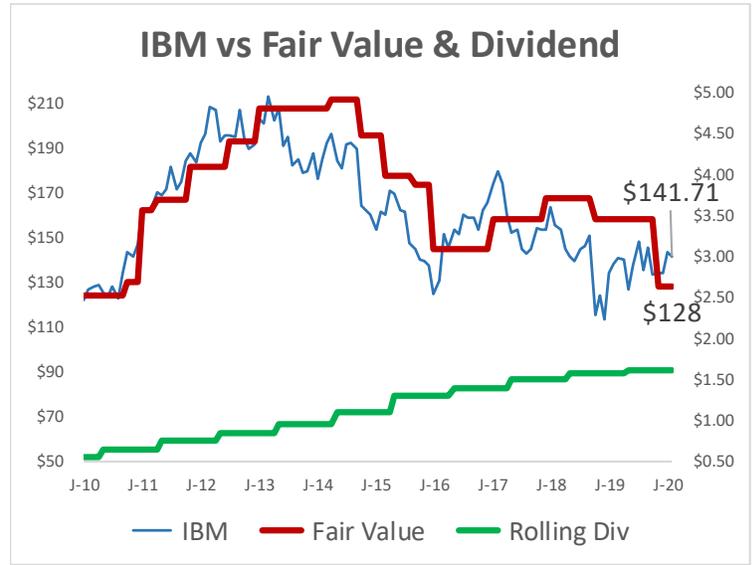
GM vs Fair Value & Dividend



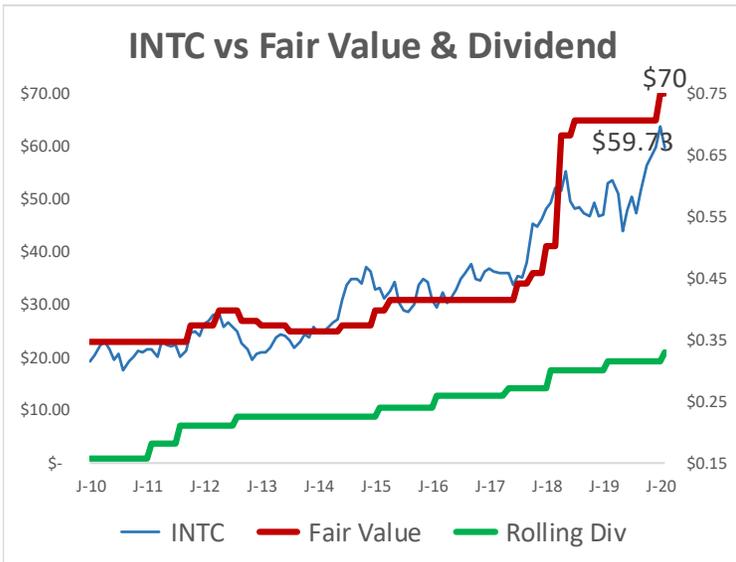
CISCO



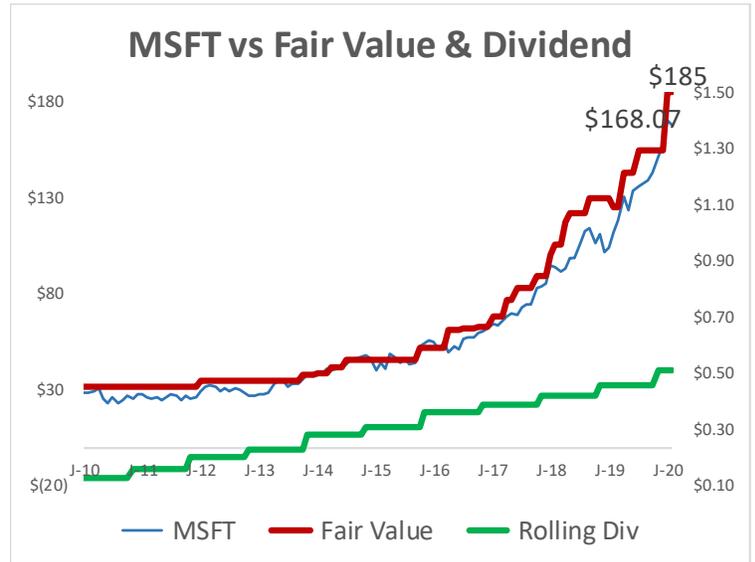
IBM



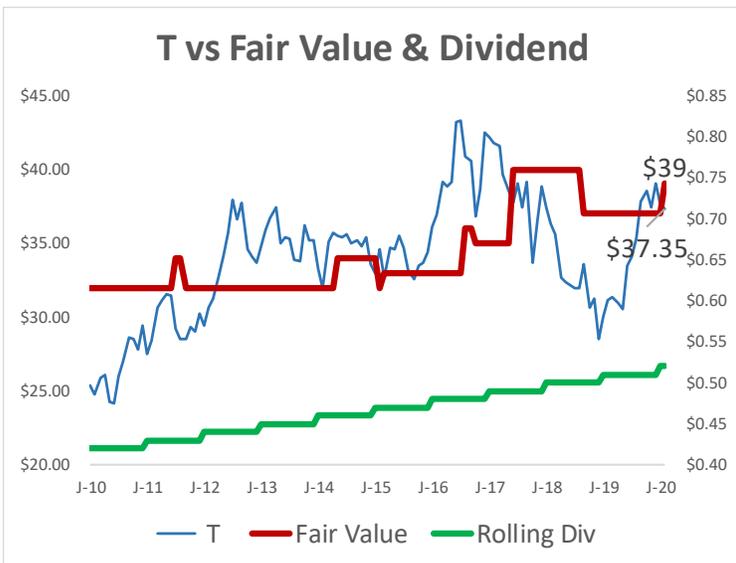
INTEL



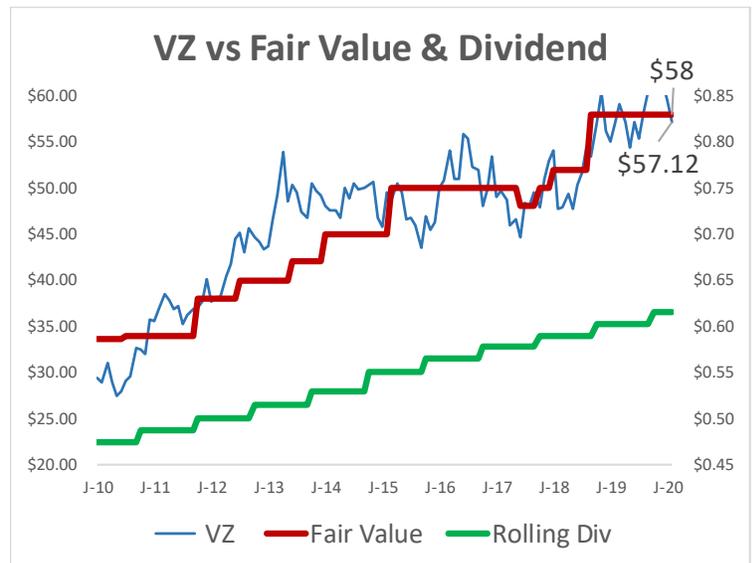
MICROSOFT



AT&T

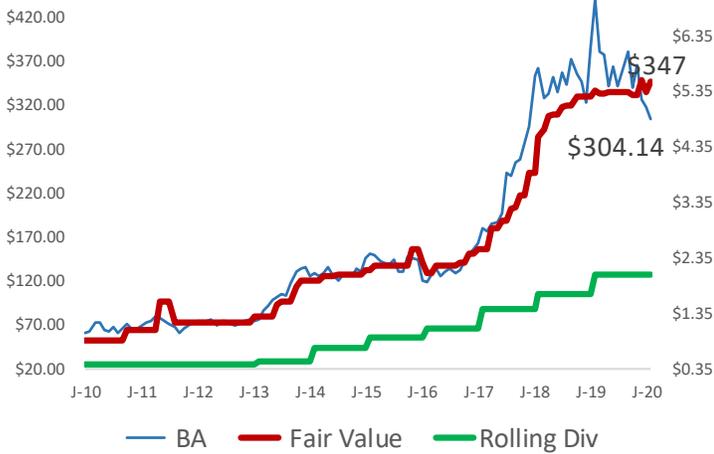


VERIZON



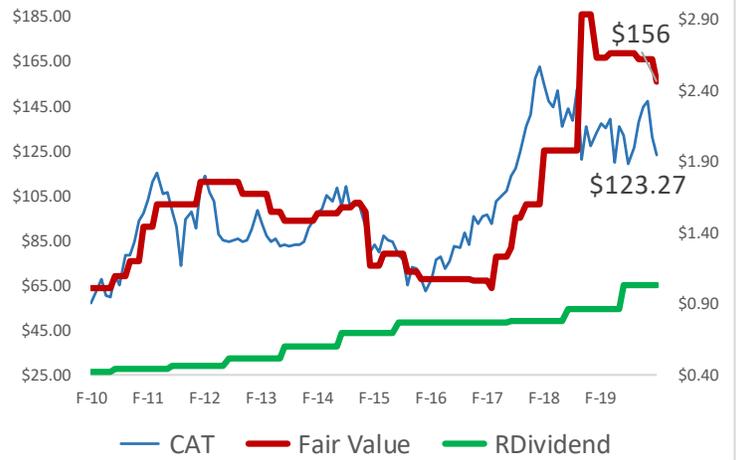
BOEING

BA vs Fair Value & Dividend



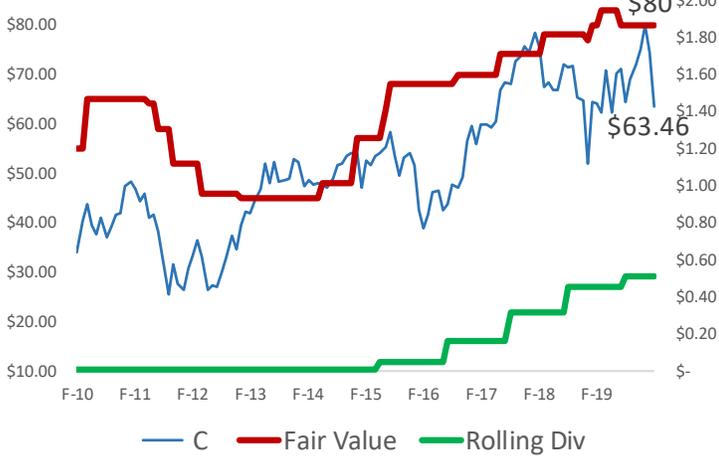
CATERPILLAR

CAT vs Fair Value & Dividend



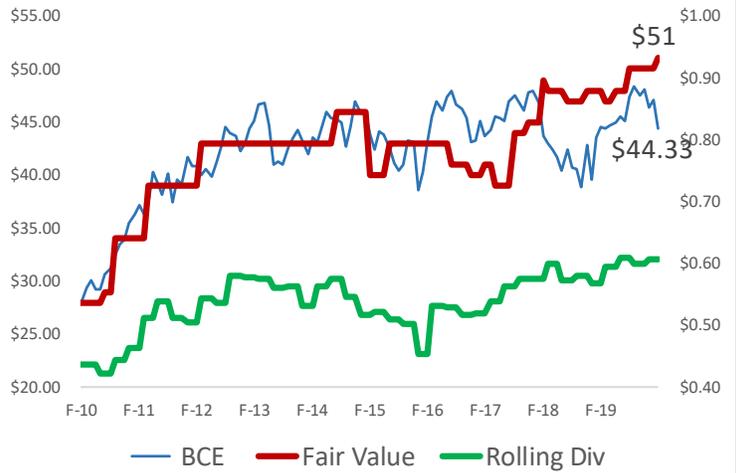
CITICORP

C vs Fair Value & Dividend



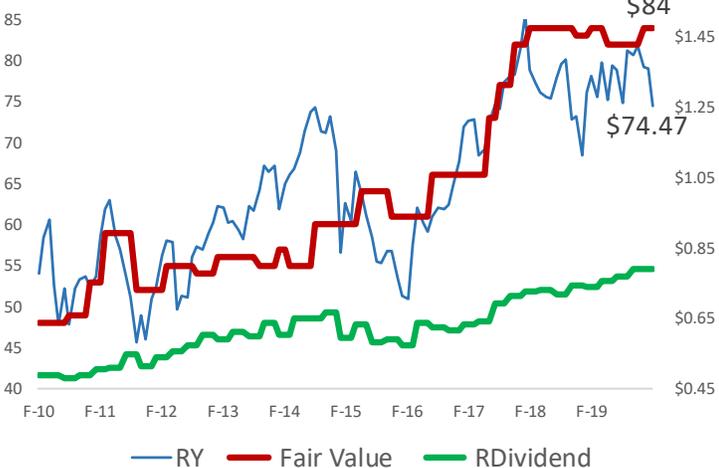
BCE

BCE vs Fair Value & Dividend



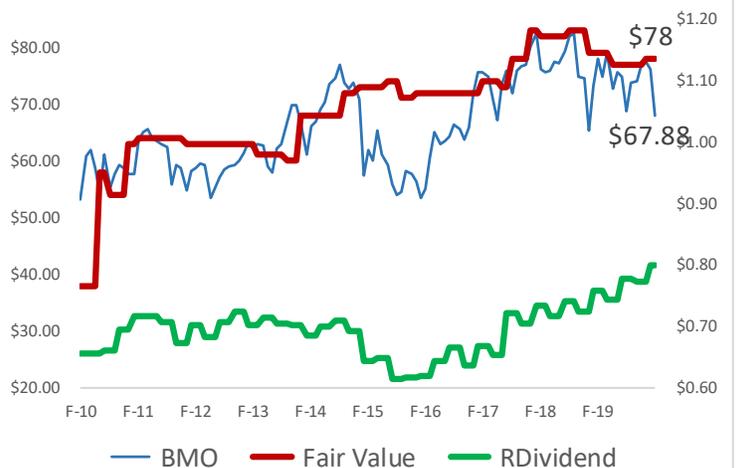
ROYAL BANK OF CANADA

RY vs Fair Value & Dividend



BANK OF MONTREAL

BMO vs Fair Value & Dividend



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