

Stock Shopping List
1/4/16, stock symbol and closing price in parentheses

3M (MMM 150.64) Diversified manufacturer with operations in more than 70 countries. For past 10 years, stock has traded with a dividend yield low of 2.2% and a high of 2.8%. At current rate of 2.7%, valuation is not stretched. 3M has raised its dividend for a consecutive 56 years and at an 8% growth rate for the past 10 years. A good alternative over a low yield bond.

Abbott Labs (ABT 44.91) Engages in the discovery, development, manufacture and sale of healthcare related products around the world. Profits and earnings have been strong despite headwinds of a strong US dollar. Approximately 70% of revenues are generated out of the US. Dividend yield of 2.2% appears secure and company has an excellent track record of annual dividend increases.

Automatic Data Processing (ADP 84.72) The nation's largest provider of business outsourcing solutions serving about 630,000 customers. Has a 40 year record of annual dividend increases and last 4 years the rate of increase was about 10%. In financial crisis years of 2008 and 2009, company still managed to come through with a token increase. Current dividend yield at 2.4%.

Boeing (BA 144.59) In addition to commercial aircraft, the company is a key provider of military equipment including jet fighters (F-15 and F/A 18), helicopters, guided weapons, satellites, space launch systems, and manages the Int'l Space Station. Current yield of 2.9% is higher than any year since 2009. Has not increased the dividend rate like several of the others, but no dividend cuts in 2008 and 2009.

Costco (COST 161.50) Has been one of my favorite stocks going back to 1990. Operates 480 stores in the US, 89 in Canada, 36 in Mexico, 27 in United Kingdom, 23 in Japan, 12 in Korea, 11 in Taiwan, 7 in Australia, 1 in Spain and, thankfully, none in Syria, Iraq or Iran. Buy these shares and commit to owning for a lifetime. Do not trade. Dividend yield at 1.0%.

Home Depot (HD 132.25) Operates a chain of 2273 retail warehouse stores across the US and Canada. Appears to be further removed from the Amazon threat than many of the traditional retailers (for now). The company has consistently raised its dividend each and every year with the exception of 2008 and 2009 when it remained steady. Current yield 1.7%

Intuit (INTU 96.50) Provides business and financial management solutions for small business, consumers, and accounting professionals. Products include QuickBooks, Turbo Tax and Mint. This stock meets the definition of a "ruler" stock as you can draw a straight line along its ascent beginning from the 2008 low. A dividend was initiated in 2012 and has been increased every year since. Current yield at 1.2%.

Johnson and Johnson (JNJ 102.72) Founded in 1886 and sets the gold standard for dividend stocks. JNJ is the Dividend King. Has raised the dividend payment for 53 consecutive years while also providing 31 consecutive years of continued bottom line earnings increases. At the current price, an investors earns 2.8% annually. An excellent alternative to an investment in CDs or bonds.

NextEra Energy (NEE 103.89) Primarily an electric utility formally known as Florida Power and Light now involved with nuclear, gas, and wind energy. Strong dividend track record with an increase in payout all recent years except 2010 when it was kept steady. Current dividend rate is an attractive 2.9%.

Nike (NKE 62.50) Just buy it. The Swoosh is recognized all over the world and is one of America's most powerful brand icons. Another stock to buy and own for a lifetime, not to be traded. Strong hikes in the dividend rate and current yield at 2.0%.

Northrup Grumman (NOC 188.81) A designer of electronic warfare items, makes space systems and provides advanced information systems. Was recently awarded a new contract for the Air Force's Long Range Strike Bomber for about \$95 billion. Expect government to spend more to beef up the military after years of sequester. Yield at 1.6%

Starbucks (SBUX 60.03) Like Amazon, this company is quietly and secretly trying to take over the world. Its product has addictive characteristics and a large percentage of the world's population starts their day with a quick visit to this chain. 8671 stores in the US and 3564 elsewhere and both figures are growing. Buy the stock and no trading allowed. Yield at 1.3%.

Closing prices as of 12/31/2015