



Carla Pasternak's

Dividend Opportunities

STREETAUTHORITY

[About Us](#)

[DividendOpportunities.com](#)

[Issue Archives](#)

[Premium Content](#)

[Research Reports](#)

[Subscribe](#)

Wednesday, August 27, 2008

[Printer-Friendly](#) | [PDF Version](#) | [Whitelist Us](#) | [Trouble viewing images?](#)

Investing Genius: Harvard has Invested \$837 Million in These International Hot Spots

Harvard Management Co., which oversees \$3.3 billion for the nation's most respected university, has invested \$837 million in ETFs focusing on Taiwan, China, South Africa and Brazil.

Harvard grew its portfolio by +23% last year, and its long-term results are easily in the top 5% of all institutional funds. It didn't lock in these market-crushing gains by investing in U.S. companies and index funds. It couldn't have -- the S&P rose only +4.3% last year.

Harvard's latest SEC filing showed it increased its stake in countries like Brazil (up +573.5% in five years), Mexico (+245.1%) and South Africa (+156.2%). It added a \$100 million stake in Taiwan. In this issue, we'll reveal the university's portfolio and show you how to add a rich income stream by investing in Harvard's high-growth hot spots. For example, we've found a telecom in Brazil with a 12.4% yield. *(Full Story Below)*

Also in Today's Issue...

Capture 14% Yields and Total Returns up to +185.6%

On the last trading day of 2009, 94% of the picks in this high-yielding portfolio were up. Most of them have returned more than +10%, and several have returned +100% or more. But the best part is that these picks carry stable yields of up to 14.3%!

[Go here to see for yourself.](#)

Turn a \$200 investment into \$1 Million

There's a reason penny stocks have been Wall Street's favorite hidden investment for years now: they give the best shot at winning it big.

[Click Here to get in on these Hidden Investments!](#)

Investing Genius: Harvard Just Poured \$100 Million into this International Fund

Harvard Management Co. is the steward of the esteemed university's endowment fund, which, at about \$35 billion, is one of the largest in the country.

It's safe to assume that Harvard Management is run by remarkably intelligent and capable people. Not only is Harvard one of the world's leading academic institutions, but \$35 billion qualifies as the big leagues of big money, which tends to attract the best and brightest.

Given that, you won't be too surprised to learn that Harvard Management is

Income Notes

It's a myth that international bonds are only for very aggressive investors. Adding international bonds to a portfolio of domestic securities offers U.S. investors greater diversification and the potential for reduced volatility. Adding just a 10% allocation of international bonds to a domestic stock portfolio would have reduced its risk by 9.78%, while achieving 97.01% of the return of the stock portfolio over the 20-year period ended December 31, 2007.

-- Franklin Templeton

There are over 45 stocks on the S&P that are currently yielding 5% or more. Financials represent 8 of the top 10 yielding stocks. Utilities make up 17% of the highest yielders and are often seen as a defensive play because of their reliable cash flows. Ameren (NYSE: SEE) leads the sector with a 6.0% yield.

-- CNBC

One Stock a Month is All You'll Ever Need

For the entire 2009 calendar year 100% of Amy Calistri's *Stock of the Month* picks have been winners. ALL of her picks are up -- as

indeed a savvy investor. It generated a +23% return last year, almost six times the S&P's tepid performance. Every undergrad at the Harvard Business School who knows the "Rule of 72" knows that a +23% rate of return will double an investment in just over three years.

You might think you'd have to be on the dean's list to see Harvard's portfolio, or at least be a member of the exclusive Porcellian Club. Not so. Harvard reports the details of about \$3.3 billion of its endowment to the SEC. Our research staff crunched the numbers from those filings. The facts they uncovered won't just put information in your head, they can put dollars in your pocket.

So what is this prestigious university doing to generate such remarkable returns?

First, let's look at what the brain trust at Harvard has sold:

It got out of Oracle, Starbucks and Valero. It sold blue-chips like Wal-Mart, DuPont, Home Depot and Exxon Mobil. Warren Buffett's Berkshire Hathaway may own shares of M&T Bank, Johnson & Johnson, American Express, Coca-Cola and Norfolk Southern -- but Harvard sold its entire stake in all of those companies.

What does Harvard own?

Harvard owns 209 securities. On the surface, that's about the same as other funds its size, give or take. But looking a little closer we notice that Harvard's top ten holdings account for almost 65% of its portfolio.

That level of concentration is very rare. More typical: The Thrivent Large Cap Stock Fund, which has roughly the same asset base as the portfolio Harvard reports, has allocated only 19.7% of its portfolio to its top ten holdings. And no single security comprises more than 3% of the total. That sort of diversification, for better or worse, is the way most large funds operate.

So Harvard is clearly far more confident of its picks' ability to generate immense gains. It isn't spreading its money around. It isn't hedging its bets. It has made its selections and is counting on them to deliver huge results. Harvard's top holding makes up 12.8% of its portfolio -- four times the size of most funds' largest stakes.

What's more, Harvard's portfolio has an obvious international theme. Of its top ten equities, eight are exchange-traded funds, and seven of those are focused on international markets. In fact, roughly \$1.4 billion of Harvard's assets -- about 45% of its portfolio -- is invested in international ETFs. Its foreign equities have returned an annualized +19.8% for the past five years -- a rate of growth that turns \$1 billion into \$2.5 billion in five years.

Here's a closer look at Harvard Management top ten portfolio holdings:

Harvard's Top Ten Holdings	Ticker	Allocation	Value
iShares Russell 2000 Index	IWM	12.8%	\$417,174,000
iShares MSCI Brazil	EWZ	12.2%	\$395,778,000
iShares MSCI Emerging Mkts Index	EEM	9.0%	\$293,247,000
iShares FTSE/Xinhua China 25	FXI	6.1%	\$199,322,000
Weyerhaeuser	WY	5.7%	\$185,917,000
iShares MSCI South Korea	EWY	4.7%	\$153,627,000
iShares MSCI Mexico	EWX	4.7%	\$152,974,000
iShares MSCI South Africa Index	EZA	4.3%	\$140,119,000

much as +58.4% in just a few months. And her subscribers are making money hand over fist alongside her. One has made \$10,272... another is up \$46,002.

[Click here to get her latest pick.](#)

Recent Articles

[The Billionaire Watch](#)

By Nick Lanyi
June 25, 2008

A billion dollars may not be what it used to be, but it's still a serious pile of cash. So why are more and more of the world's most eye-popping fortunes being made in foreign countries? Because that's where the growth is.

[Read On...](#)

[The Best of Both World: A 10.1% Yield and Exposure to Foreign Markets](#)

By Nathan Slaughter
July 30, 2008

With the average yield of the S&P 500 hovering at 2.4% and the U.S. one-year Treasury Bill offering a paltry 2.36%, investors need to travel farther afield to find steady double-digit yields.

Find out how exchange-traded funds can let you search the far reaches of the globe for the best yielding opportunities.

[Read On...](#)

[High Yields from the](#)

iShares MSCI Taiwan	EWT	3.2%	\$102,563,000
Clear Channel Communications	CCU	1.4%	\$45,760,000
	TOTAL	64.1%	\$2,086,481,000

We've been telling our readers about the importance of international investments for years. In fact, Harvard's No. 2 holding, the iShares MSCI Brazil Fund (EWZ), is a recommendation we started giving to investors -- in 2004. This pick has returned an amazing +573.5% in the past five years. That's exactly the type of return you need if you want to propel a \$3.3 billion portfolio forward at a +23% annual clip. Today, more than 12% of Harvard's portfolio hinges on Brazil's continued success.

On Aug. 18, Harvard disclosed its holdings for the second quarter. These filings showed it had bought 7.2 million shares of EWT, the iShares MSCI Taiwan Fund -- a \$100 million purchase. We call Taiwan a "Harvard Hot Spot."

Readers of our premium *High-Yield International* newsletter had already heard the Taiwan story. Editor Nick Lanyi had presented his findings on Taiwan's promise earlier in the month. His report didn't stop with an insightful analysis of the country's promise. Nick went on to spotlight a high-tech manufacturer whose shares not only offer the same kind of growth potential that Harvard is betting on, but that are also paying a robust 9.2% dividend.

Harvard's filing showed three more "Hot Spots" where it increased its holdings.

The university is undoubtedly wise to pursue a growth strategy in these countries. And while businesses in those nations are expanding at a robust clip, these countries are also home to mature industries that pay steady dividends.

To that end, *High-Yield International* has sought -- and found -- a host of compelling income opportunities in the same countries Harvard is betting hundreds of millions of dollars on.

Here are Harvard's other Hot Spots, where Nick also found high yields:

[Harvard Hot Spot No. 2: South Africa.](#) Harvard has invested \$140 million in South Africa. Nick was hard at work studying South Africa this spring and unveiled his findings to *High-Yield International* subscribers in May. He introduced his readers to a telecom stock there with a 9.3% yield.

[Harvard Hot Spot No. 3: China.](#) Harvard has \$200 million in China. In July, Nick took his readers there and showed them a leading electric utility with a 6.7% yield. This utility's price appreciation potential is significant: the Chinese government just allowed it to raise rates +5.7% effective Aug. 20. Best of all, this stock trades as an ADR, so it's every bit as easy to own as one of Harvard's ETFs.

[Harvard Hot Spot No. 4: Brazil.](#) Harvard's stake in Brazil is \$400 million. Nick manages two portfolios for *High-Yield International* subscribers, "Reliable Income" and "Ultra High-Yield." His Reliable Income portfolio contains a Brazilian telecommunications company that's currently yielding 12.4%. Nick published his analysis about Brazil in his April issue.

Harvard's investment strategy is devised by the best minds in the business. They don't earn +23% a year being lucky -- they earn it by being smart. But if you're looking for gains like these PLUS a rich income stream, you're not going to find it in Harvard's portfolio.

[Land of the New Gold Rush](#)

By Nick Lanyi
May 28, 2008

South Africa, the world's largest producer of gold and platinum, has delivered gains of +310% over the past few years, and it's up +11.8% already in 2008. But huge capital gains are just a small part of the story.

[Read On...](#)

We're Finding Stocks Paying \$26,500 a Year in Dividends

Now is a great time to invest. Every dollar we're investing is giving us two, three, four even five times as much income as it did just a year ago -- it's as if a giant "multiply your money" certificate has dropped into our laps.

[Click here to learn more.](#)

Reader Favorites

[Escape the U.S. Financial Turmoil](#)

By Andy Obermueller

[How to Add a Margin of Safety to Your Stock Portfolio in a Tumultuous Market](#)

By Andy Obermueller

Special Offers

[The Next Way the Government Will Make Investors Rich](#)

Only *High-Yield International* will provide you with hefty yields of 9.2%, 9.3%, 6.7%, and 12.4% in these "Harvard Hot Spots." And high yields like these are just the beginning -- every monthly issue of *High-Yield International* will be chock full of high-yielding investment ideas.

[Learn how to get the names](#) of all four of these high-yielders right now.

-- Research Staff
Global Dividend Opportunities
GlobalDividends.com
839-K Quince Orchard Blvd.
Gaithersburg, MD 20878-1614

P.S. -- Don't miss a single issue! Add our address, Editors@GlobalDividends.com, to your Address Book or Safe List. For instructions, [go here](#).

The *StreetAuthority Investor Update* is a free weekly newsletter designed to help you track down the market's most profitable stocks, funds, and ETFs. Sign up today and you'll also receive a free in-depth research report -- *The Next Way the Government Will Make Investors Rich*.

[Home](#) | [Issue Archives](#) | [About Us](#) | [Meet the Staff](#) | [Subscribe](#)
[Premium Content](#) | [Research Reports](#) | [Media Coverage](#) | [Testimonials](#)

We sincerely hope that you benefit from your subscription to this newsletter, and we're willing to do whatever it takes to keep you as a satisfied customer. However, if at any time you wish to discontinue your complimentary subscription, you can do so by simply [visiting this link](#) and confirming your request, or by calling (301) 216-2005.

Please note that StreetAuthority, LLC is not a registered investment firm or broker/dealer. Readers are advised that the material contained herein should be used solely for informational purposes. StreetAuthority does not purport to tell or suggest which investment securities members or readers should buy or sell for themselves. Site users should always conduct their own research and due diligence and obtain professional advice before making any investment decision. StreetAuthority will not be liable for any loss or damage caused by a reader's reliance on information obtained in this newsletter or on our web site. Our readers are solely responsible for their own investment decisions.

The information contained herein does not constitute a representation by the publisher or a solicitation for the purchase or sale of securities. Our opinions and analyses are based on sources believed to be reliable and are written in good faith, but no representation or warranty, expressed or implied, is made as to their accuracy or completeness. All information contained in this report should be independently verified with the companies mentioned. The editor and publisher are not responsible for errors or omissions. StreetAuthority receives no compensation of any kind from any companies that may be mentioned in our newsletters or on our web site. Any opinions expressed are subject to change without notice. Owners, employees and writers may hold positions in the securities discussed in this report or on our web site.

(C) Copyright 2001-2010. StreetAuthority LLC All Rights Reserved.
Unauthorized Reproduction or Distribution is Strictly Prohibited.