

# **MONEYLETTER** *hotline*

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## **Welcome to the Hotline for Wednesday, August 10, 2016**

It's been a pretty good week since the last Hotline as a strong July jobs report – coupled with the belief that the Fed will proceed with caution – have held US stocks near all-time highs. World markets like what they see in the US and have been supported by talk of monetary stimulus.

Last week we advised Venturesome investors to increase domestic stock funds by 10%. The funds for this purchase should come from the Bond Fund allocation. See last week's Hotline for details.

There are two trades recommended this week. In the Vanguard model portfolios (Conservative, Moderate, and Venturesome), Sell Vanguard Dividend Growth (ticker: VDIGX); with the proceeds, Buy Vanguard Extended Market Index (VEXMX) in all three models. In the Fidelity portfolios, Sell Fidelity Export & Multinational (FEXPX); Buy Fidelity Mid Cap Stock (FMCSX).

**New Fund Changes** – For domestic stock funds, there are six new Buys this week: Fidelity OTC Portfolio (FOCPX), TETON Westwood Small Cap Equity AAA (WESCX), William Blair Small Cap Growth N (WBSNX), Meridian Growth Legacy (the fund is closed, MERDX), Vanguard Extended Market Index Investor, and Fidelity Mid Cap Stock. There are six new Holds: Longleaf Partners Smallcap (closed, LLSCX), iShares US Industrials (IYJ), iShares Select Dividend (DVY), iShares Morningstar Mid Cap Value (JKI), WisdomTree Equity Income ETF (DHS), and Parnassus Mid-Cap (PARMX) . There are five new Sells this week: Schwab US Large-Cap Value ETF

(SCHV), WisdomTree LargeCap Dividend ETF (DLN), iShares Morningstar Large Cap Value (JKF), Vanguard Dividend Growth Investor, and Fidelity Export & Multinational.

For international stock funds, there are no new Buys this week. There are two new Holds: iShares MSCI Canada (EWC) and Fidelity Canada (FICDX). There are no new Sells.

Thank you for calling the MONEYLETTER Hotline. The Hotline will next be updated on Wednesday, August 17<sup>th</sup> at 7pm (EDT).