

# **MONEYLETTER** *hotline*

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## **Welcome to the Hotline for Wednesday, August 17, 2016**

The last week has been pretty quiet for global equities. Today, the Fed released the minutes from its July meeting, and the record shows a tug-of-war between members. Several want inflation to pick up before the next hike; others see near-full employment and support an increase, perhaps as soon as next month. Chair Janet Yellen may provide additional hints when she speaks at the annual Jackson Hole, Wyoming symposium on August 26<sup>th</sup>.

Since the last Hotline, the S&P 500 gained 0.3%, the Nikkei 225 is up 0.1%, and the Euro STOXX 50 lost 1.3%.

There are no changes to our asset allocation advice and there are no model portfolio trades for this week.

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

**New Fund Changes** – For domestic stock funds, there are six new Buys this week: Artisan Small Cap Investor (the fund is closed, ticker: ARTSX), Baron Partners Retail (BPTRX), iShares Morningstar Small Cap Growth (JJK), PRIMECAP Odyssey Aggressive Growth (closed, POAGX), Royce Opportunity Investor (RYPNX), and PowerShares Russell 2000 Pure Value ETF (PXSX). There is one new Hold: iShares

S&P MidCap 400 Value Index (IJJ). There are five new Sells this week: Schwab U.S. Dividend Equity ETF (SCHD), American Century Equity-Income Investor (TWEIX), Vanguard High Dividend Yield ETF (VYM), Vanguard High Dividend Yield Index Investor (VHDYX), and iShares Core High Dividend (HDV).

For international stock funds, there are no new Buys this week. There is one new Hold: Matthews Emerging Asia Investor (MEASX). There are no new Sells this week.

Thank you for calling the MONEYLETTER Hotline. The Hotline will next be updated on Wednesday, August 24<sup>th</sup> at 7pm (EDT).