

MONEYLETTER *hotline*

Welcome to the *MONEYLETTER* Hotline for Wednesday, February 10, 2016

A modest rally in US stocks faded today despite Federal Reserve Chairperson Janet Yellen's dovish testimony to the House Financial Services Committee. Ms. Yellen confirmed to lawmakers that the pace of further interest rate hikes will be gradual and will be affected by concerns over the outlook for global growth. The benchmark S&P 500 had declined the previous three days – and Europe for seven – as low oil prices and worries about the credit worthiness of European banks pressured equity markets.

Our recommended reduction in equity exposure appears to be on the mark. However, with the markets trending down and as volatile as they are now, it's not much consolation. There is no change to your new and current allocations.

New Fund Changes – With the recent market volatility, it is no surprise there are many fund changes. For domestic stock funds, there are six new Buys this week: AMG Yacktman Focus Service (the fund is closed, ticker: YAFFX), AMG Yactman Fund Service (YACKX), iShares Morningstar Large Cap Value (JKF), Vanguard Dividend Appreciation Index Investor (VDAIX), Vanguard Dividend Appreciation ETF (VIG) and WisdomTree LargeCap Dividend ETF (DLN). There are 10 new Holds: iShares S&P 500 Growth (IVW), SPDR S&P 500 Growth ETF (SPYG), Janus Twenty T (closed, JAVLX), PowerShares Dynamic Large Cap Growth ETF (PWB), USAA Growth (USAAX), GAMCO Growth AAA (GABGX), Fidelity Contrafund (FCNTX), PowerShares QQQ ETF (QQQ), American Century Select Investor (TWCIX) and Dreyfus Research Growth Z (closed, DREQX). There are seven new Sells this week: Janus Research T (JAMRX), Clipper

Fund (CFIMX), American Century Ultra Investor (TWCUX), PRIMECAP Odyssey Growth (POGRX), Harbor Capital Appreciation (HCAIX), Value Line Larger Companies (VALLX) and Fidelity OTC Portfolio (FOCPX).

For international stock funds, there is one new Buy this week: Wintergreen Investors (WGRNX). There are three new Holds: Fidelity Japan (FJPNX), iShares MSCI Japan (EWJ) and PowerShares Golden Dragon China ETF (PGJ).

Thank you for calling the MONEYLETTER Hotline. The Hotline will next be updated on Wednesday, February 17th, 2016 at 7pm.