

# **MONEYLETTER** *hotline*

## **Welcome to the *MONEYLETTER* Hotline for Wednesday, January 13, 2016**

The US stock market slumped badly this afternoon, as there is very little appetite for buying stocks at this time. There was no specific news that served as a catalyst, but concerns over slow global growth and the plunge in energy prices continue to haunt world equities. The day started off OK as the US and most overseas markets – with the notable exception of China – were in positive territory. But after Europe’s close, the flight-to-safety resumed here.

Not everything is bad news; for example, the Fed’s Beige Book was released which showed modest growth in most districts from late November to early January. But that was not enough to influence a US market that is in a bearish mood. And we don’t expect that condition to lift overnight.

We are taking a close look at our medium-term strategy for 2016. But today is not the day to flee the market. Patience is recommended, as difficult as that may seem. It is wise to remember that markets tend to overdo. In addition, Conservative and Moderate investors are partially protected by their 30-40% holdings in money funds and bond funds.

There is no change to your current asset allocations and no new trades for the model portfolios this week. There was a trade announced last week in the MONEYLETTER Venturesome model portfolio: Sell Wasatch Core Growth (ticker: WGROX); the replacement fund is T. Rowe Price Blue Chip Growth (TRBCX).

**New Fund Changes** – For domestic stock funds, there are no new Buys this week. There are two new Holds: Fidelity NASDAQ Composite Index (FNCMX) and Fidelity NASDAQ Composite Index Tracking (ONEQ). There are no Sells this week.

For international stock funds, there are no new Buys this week. There is one new Hold: Wasatch Global Opportunities (WAGOX). There are no new Sells this week.

Thank you for calling the MONEYLETTER Hotline. The Hotline will next be updated on Wednesday, January 20<sup>th</sup>, 2016 at 7pm.