

# **MONEYLETTER** *Hotline*

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

US stocks fluctuated today – after a 10-day run-up – as investors took profits just before earnings season. It has been a good week performance-wise since the last Hotline as the threats of Brexit and related economic and political turmoil have been muted. The UK introduced its new prime minister – Theresa May – in a press event this afternoon in front of #10 Downing Street.

The Fed released its Beige Book for the period from mid-May through the end of June and it showed economic activity continuing to grow at a modest pace. Labor market conditions remained stable, and since the last report manufacturing was mixed and residential real estate continued to strengthen. Due to prevailing uncertainty, odds currently sit at only 5% for an interest rate increase at the Fed's next 2-day meeting, which concludes on July 27<sup>th</sup>.

Stocks prices around the globe have been generally higher. Since the last Hotline, the S&P 500 gained 2.5%, the Nikkei 225 gained 5.5%, and the EuroSTOXX 50 moved ahead by 6.0%.

You are in good position to take advantage. There is no change to your asset allocations and there are no changes to our model portfolios this week.

**New Fund Changes** – For domestic stock funds, there are no new Buys this week. There are two new Holds: ASTON/River Road Small Cap Value N (ticker: ARSVX) and Appleseed Fund (APPLX). There are no new Sells this week.

For international stock funds, there are three new Buys this week: WisdomTree Emerging Markets SmallCap Dividend ETF (DGS), T. Rowe Price Emerging Markets Stock (PRMSX), and Harding Loevner Emerging Markets Advisor (HLEMX). There is one new Hold: Hennessy Japan Investor (HJPNX). There are no new Sells this week.

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