

# **MONEYLETTER** *hotline*

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## **Welcome to the *MONEYLETTER* Hotline for Wednesday, June 29, 2016**

Over the last two days world markets restored a good chunk of the equity value that was shed after the result of the Brexit referendum was announced last Thursday. This market rebound and the stabilization of the British pound are positive indications that global financial markets are “calming down” after this major uncertainty shock. Through today’s trading, the S&P 500 had gained back more than 60% of the loss it sustained on Friday and Monday.

No one knows the political path that lies ahead for England, the UK and the European Union. It is very likely that heightened volatility will be with us as things are sorted out over the next few months. However, as a relatively small trading partner for the US, the effects of Britain’s struggles for direction on economic growth here at home should be muted.

Since the last Hotline, the S&P 500 trimmed 0.7%, the Nikkei 225 dropped 3.3%, and the EuroSTOXX 50 is off by 4.9%.

There is no change to your asset allocations.

**New Fund Changes** – For domestic stock funds, there are two new Buys this week: Appleseed Fund (ticker: APPLX) and Needham Small Cap Growth (NESGX). There are no new Holds. There is one new Sell this week: Clipper Fund (CFIMX).

For international stock funds, there is one new Buy this week: Fidelity Latin America (FLATX). This is only for Venturesome investors. There are two new Holds:

Fidelity International Small Cap (FISMX) and Royce International Premier Service (RYIPX). There are no new Sells this week.

Thank you for calling the MONEYLETTER Hotline. The Hotline will next be updated on Wednesday, July 6<sup>th</sup>, 2016 at 7pm. Please have a Happy Independence Day.