

MONEYLETTER *hotline*

Welcome to the *MONEYLETTER* Hotline for Wednesday, March 9, 2016

US stocks posted modest gains today, continuing the rally which began February 11th. The Euro STOXX 50 also gained 0.5%, as Europeans wait for additional stimulus from Mario Draghi and the European Central Bank. Today is the 7th anniversary of the current bull market; over the period the Dow Jones Industrials have climbed from about 6,550 to 17,000.

The market has recovered almost 9% since mid-February and is within 3% of its January 1st level. Stronger employment and manufacturing reports – combined with higher energy prices and what now looks like a more accommodating Fed in 2016 – have pushed equity prices higher. There are no changes to your current asset allocations.

There is a trade in all three Vanguard-only model portfolios. Vanguard investors should Sell Vanguard U.S. Growth (ticker: VWUSX). With the proceeds, Buy Vanguard Equity-Income (VEIPX).

New Fund Changes – For domestic stock funds, there is one new Buy this week: Needham Small Cap Growth (NESGX). There are two new Holds: Value Line Mid Cap Focused (VLIFX) and Fidelity Strategic Dividend & Income (FSDIX). There are two new Sells this week: Vanguard U.S. Growth Investor and T. Rowe Price Blue Chip Growth (TRBCX).

For international stock funds, there are two new Buys this week: iShares MSCI China Small Cap (ECNS) and Matthews China Dividend Investor (MCDFX). There are

eight new Holds: Wasatch International Growth (the fund is closed, WAIGX), Fidelity International Small Cap Opportunity (FSCOX), Matthews Asian Growth & Income Investor (MACSX), Wintergreen Investor (WGRNX), William Blair International Small Cap Growth N (closed, WISNX), Artisan International Small Cap (closed, ARTJX), Fidelity Global Balanced (FGBLX) and Matthews Emerging Asia Investor (MEASX). There is one new Sell this week: Fidelity Overseas (FOSFX).

Thank you for calling the MONEYLETTER Hotline. The Hotline will next be updated on Wednesday, March 16th, 2016 at 7pm.