

MONEYLETTER *hotline*

Welcome to the *MONEYLETTER* Hotline for Wednesday, March 23, 2016

World equity markets have taken a breather over the last 12 days following a significant one month run-up through mid-March. A stronger dollar, new concerns about the Fed and a potential corporate profits squeeze has restrained the benchmark S&P 500 after a 10.6% recovery from February 11th to March 11th. The Euro STOXX 50 Index and the Vanguard FTSE Emerging Markets ETF (a proxy) were up 12.2% and 15.3%, respectively, for the same period.

The dollar strengthened for the fourth time in five days today after Chicago Fed President Charles Evans said he expects interest rates to rise more aggressively than the market currently thinks. Another positive new homes report supports his view. While we don't expect an increase at the Fed's April meeting, it is not out of the question due to the quick turnaround in perceptions.

There are no changes to your current asset allocations.

There are four trades to announce this week. Subscribers in the MONEYLETTER Venturesome model portfolio should Sell T. Rowe Price Blue Chip Growth (ticker: TRBCX); the replacement fund is Artisan Value Investor (ARTLX). Followers of all three Fidelity-only models should Sell Fidelity Growth Discovery (FDSVX) and Buy Fidelity Export & Multinational (FEXPX). Subscribers in the MONEYLETTER Moderate and Venturesome models should Sell TCW Select Equities N (TGCNX); the replacement fund is Needham Small Cap Growth (NESGX). Finally, followers of the

Fidelity Conservative model should Sell Fidelity Blue Chip Growth (FBGRX) and replace it with Fidelity Spartan 500 Index (FUSEX).

New Fund Changes – For domestic stock funds, there are two new Buys this week: Artisan Value Investor and WisdomTree SmallCap Dividend ETF (DES). There is one new Hold: T. Rowe Price Growth & Income (PRGIX). There are three new Sells this week: Fidelity Growth Discovery, TCW Select Equities N and Fidelity Blue Chip Growth.

For international stock funds, there are no new Buys this week. There is one new Hold: iShares MSCI China Small Cap (ECNS). There is one new Sell this week: iShares MSCI Japan (EWJ).

Thank you for calling the MONEYLETTER Hotline. The Hotline will next be updated on Wednesday, March 30th, 2016 at 7pm.