

MONEYLETTER *hotline*

Welcome to the Hotline for Wednesday, October 19, 2016

Bolstered by favorable earnings reports US Stocks have registered their first back-to-back daily gains in October. As we get deeper into the third-quarter earnings season Wall Street is keeping a close watch in hopes that profit growth will bring an end to the so-called earnings recession.

Oil prices have hit their highest level since July 2015 on larger-than-expected draw downs and optimism that OPEC will secure an output cut at its meeting next month.

The Fed's Beige Book report released this afternoon said, that with the exception of the area covered by the New York Fed, the economy continued to grow at a modest to moderate rate, expanding at a steady but unspectacular rate.

There are no changes to your asset allocation targets, and there are no trades for the model portfolios this week.

New Fund Changes – For domestic stock funds, there are no new Buys this week. There are three new Holds: Conestoga Small Cap Inv (CCASX), PowerShares Russell 2000 Pure Growth (PXSG) and Heartland Value (HRTVX). There is one new Sell this week: T. Rowe Price Small Cap Stock (the fund is closed, OTCFX).

For international stock funds, there are two new Buys this week: iShares Latin America 40 (ILF) and SPDR S&P Emerging Latin America ETF (GML). There is one new Hold this week: Matthews China Small Companies (MCSMX). There are no new Sells this week.

Thank you for calling the MONEYLETTER Hotline. The Hotline will next be updated on Wednesday, October 26th at 7pm (EDT). Don't forget to log in to the Hotline at our website. See page 11 of the October MONEYLETTER issue for more details.