Welcome to the Hotline for Wednesday, September 7, 2016

Domestic stocks continued to trade in a tight range as investors attempt to get a grip on Fed policy and mixed economic data. The benchmark S&P 500 has inched forward about one percent since mid-July. Good consumer spending numbers have been counterbalanced by weak manufacturing and business investment reports.

Overseas, many markets are extending their summer rally. European stocks and emerging markets stocks have been climbing since the Brexit vote. We are keeping a close eye on international equity opportunities.

Major overseas markets enjoyed a good week since the last Hotline. From August 31st through today, the Euro STOXX 50 returned a solid 2.3%; the Nikkei 225 was up 0.9%, and the S&P 500 gained 0.7%.

It is becoming increasingly unlikely that the Fed will raise interest rates this month. There are no changes recommended to your asset allocation targets, and there are no model portfolio trades for this week.

New Fund Changes – For domestic stock funds, there are two new Buys this week: Third Avenue Small Cap Value Investor (ticker: TVSVX) and Vanguard Extended Market ETF (VXF). There are five new Holds: Guggenheim S&P Midcap 400 Pure Value ETF (RFV), iShares Morningstar Small Cap Growth (JKK), Baron Partners Retail (BPTRX), Guggenheim S&P Small Cap 600 Pure Value ETF (RZV), and PRIMECAP Odyssey Aggressive Growth (the fund is closed, POAGX). There are no new Sells this week.

For international stock funds, there are three new Buys this week: Guinness Atkinson Asia Focus (IASMX), WisdomTree India Earnings ETF (EPI), and Matthews Emerging Asia Investor (MEASX). There are three new Holds: WisdomTree Australia Dividend ETF (AUSE), Fidelity EMEA (FEMEX), and SPDR S&P Emerging Middle East & Africa ETF (GAF). There is one new Sell this week: VanEck Vectors Africa ETF (AFK).

Thank you for calling the MONEYLETTER Hotline. The Hotline will next be updated on Wednesday, September 14th at 7pm (EDT).