

MONEYLETTER *Hotline*

Welcome to the Hotline for Wednesday, January 11, 2017

US stock gains have stalled over the last month after rallying strongly in the wake of the November 8th elections. President-elect Trump's first press conference since July added precious little detail regarding his administration's economic stimulus plans. Investors are expecting new tax policy, trade agreements, and infrastructure spending to fuel stronger growth rates in 2017 and beyond.

The few economic reports that have come in so far this year have been mixed. Last week, non-farm payrolls and factory orders came in a little below expectations. The Third Quarter revision for GDP represented the strongest pace in two years. Consumer confidence and housing data continue to trend positively.

Since the last Hotline on January 4th, the Euro STOXX 50 is off by 0.3%; the Nikkei 225 is down 1.2%; and the S&P 500 is 0.2% higher. The US stock benchmark finished ahead by 9.5% in 2016.

There are no changes in our asset allocation advice and no trades in the model portfolios this week. See the January 2017 issue of MONEYLETTER for our latest model portfolio details.

New Fund Changes – For domestic stock funds, there is one new Buy this week: Champlain Small Company Advisor Class (the fund is closed, ticker: CIPSX). There are no new Holds or Sells this week.

For international stock funds, there is one new Buy this week: Dodge & Cox International Stock (closed, DODFX). There is one new Hold: Matthews Emerging Asia Investor (MEASX). There are no new Sells this week.

Thank you for visiting the MONEYLETTER Hotline. The next Hotline will be available on our website in the Member Area at 11pm (EST) on Wednesday, January 18th and it will be emailed on Thursday morning January 19th.