

MONEYLETTER

Hotline

Welcome to the Hotline for Wednesday, July 26, 2017

US stocks are at record highs for the second consecutive week amid higher crude prices and strong earnings reports. After a two-day meeting, the Fed edged a little closer to beginning the process of normalizing its balance sheet. European stocks posted gains for the third straight day.

More than 80% of S&P 500 companies reporting so far this season have released bottom-line results that were above expectations. This has served to solidify economic optimism. Despite stubbornly low inflation, the Fed said today that it is prepared to begin unwinding its bloated balance sheet "relatively soon," which could be as early as September.

Since the last Hotline on July 19th the benchmark S&P 500 is up 0.2%; the Euro STOXX 50 lost 0.3%; and the Nikkei 225 was 0.1% higher.

Enjoy the gains as we approach month-end. There are no changes to your asset allocations or the model portfolios this week.

New Fund Changes – For domestic stock funds, there are two new Buys this week: Needham Small Cap Growth Retail (NESGX) and Oberweis Emerging Growth (OBEGX). There is one new Hold: Marsico 21st Century (MXXIX). There are no new Sells this week.

For international stock funds, there is one new Buy this week: American Century Emerging Markets Investor (TWMIX). There is one new Hold: T. Rowe Price

New Asia (PRASX). There is one new Sell this week: Deutsche CROCI International S (SCINX).

Thank you for visiting the MONEYLETTER Hotline. The next Hotline will be available on our website in the Member Area at 11pm (ET) on Wednesday, August 2nd and it will be emailed on Thursday morning August 3rd.