

MONEYLETTER

Hotline

Welcome to the Hotline for Wednesday, August 16, 2017

US stocks have regained much of last Thursday's decline as fears over relations with North Korea diminished. Retail sales for July were strong, with online activity outstripping brick-and-mortar sales. The Fed released minutes from their July meeting, and many participants were concerned that inflation would remain below target longer than expected.

Since the last Hotline on August 9th the benchmark S&P 500 was off by 0.2%; the Euro STOXX 50 gained 0.5%; and the Nikkei 225 was flat.

As we expected, cooler heads are prevailing with regard to North Korea, at least for now. Global stock markets will likely see increased volatility, but we do not see a significant and/or sustained decline.

There are no changes to the asset allocation targets or model portfolios this week. There was one model change last week: Fidelity Venturesome investors were instructed to Sell Fidelity EMEA (FEMEX). The replacement fund is Fidelity China Region (FHKCX).

New Fund Changes – For domestic stock funds, there are two new Buys this week: Kinetics Paradigm No Load (ticker: WWNPX) and Marsico Growth (MGRIX). There are four new Holds: PowerShares Russell MidCap Pure Growth ETF (PXMG), Westcore Small-Cap Growth II Institutional (WTSLX), Baron Asset Retail (BARAX), and Needham Small Cap Growth Retail (NESGX). There are three new Sells this week: Wells Fargo

Discovery A (WFDAX), PowerShares Russell 2000 Pure Growth ETF (PXSG), and Royce Opportunity Investor (RYPNX).

For international stock funds, there is one new Buy this week: Oakmark International Investor (OAKIX). There are two new Holds: Guinness Atkinson China & Hong Kong (ICHKX) and WisdomTree India Earnings ETF (EPI). 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 (ET) on Wednesday, August 23rd and it will be emailed on Thursday morning August 24th.