

MONEYLETTER

Hotline

Welcome to the Hotline for Wednesday, August 30, 2017

US stocks advanced for a fourth consecutive day, responding to an upward revision to 2nd Quarter GDP growth. Today's release showed that the US economy grew at a 3.0% rate in the April – June period, up from the previous report of 2.6%. That represents the fastest pace in two years. The Atlanta Fed projects a 3.5% 3rd Quarter, although that is somewhat above the consensus view.

There are some concerns. First, our thoughts are with the people of the Houston area. With the horrendous flooding in that region affecting refineries, gasoline prices are on the rise. European and Asian stocks gained today as investors' anxiety eased over the missile launch over Japan by the North Korean regime. Since the last Hotline on August 23rd the benchmark S&P 500 was up 0.6%; the Euro STOXX 50 lost 1.0%; and the Nikkei 225 gained 0.4%.

There are no changes to the asset allocation targets or model portfolios this week.

New Fund Changes – For domestic stock funds, there is one new Buy this week: Akre Focus Retail (ticker: AKREX). There are no new Holds. There is one new Sell this week: Baron Growth Retail (BGRFX).

For international stock funds, there is one new Buy this week: Matthews China Small Companies (MCSMX). There are two new Holds: Selected International S (SLSSX) and Hennessy Japan Small Cap Investor (HJPSX). There is one new Sell this week: Longleaf Partners International (LLINX).

Thank you for visiting the MONEYLETTER Hotline. Please have a safe and enjoyable Labor Day weekend. The next Hotline will be available on our website in the Member Area at 11pm (ET) on Wednesday, September 6th and it will be emailed on Thursday morning September 7th.