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Holly Hooper-Fournier

The Mutual Fund Strategist

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Holly Hooper-Fournier's father, Charlie, planted the seed for *The Mutual Fund Strategist* as a serviceman in the US Air Force where he developed and experimented with market timing strategies as a hobby. Like most entrepreneurs, Charlie's hobby became a business and he began publishing *The Mutual Fund Strategist* newsletter in 1982 on a Royal electric typewriter on his dining room table. Today, *The Mutual Fund Strategist* has been continuously published for over 37 years, and Charlie is widely-considered one of the pioneers in the mutual fund newsletter business.

From its very first issue, the newsletter was well-received and in 1986, after numerous requests from subscribers, Charlie decided to establish a managed account program. That's when Holly came on board. Together this father-daughter team launched a service for investors who valued the strategy, but didn't have the time, discipline or inclination to manage their own money by following the newsletter's recommendations. In the late 1990s Holly stepped into the role of co-editor of *The Mutual Fund Strategist* before assuming sole responsibility for its publication when Charlie retired in 2006. Over the past decade Holly expanded the newsletter's slate of timing strategies and model portfolios while successfully navigating the 2007-2009 bear market.

In calendar 2018, *The Mutual Fund Strategist* ranked #7 in the Long Term category and #2 in the Gold category. *The Mutual Fund Strategist* also ranked #2 in the Bond category for performance over the 5-Year period ending December 31, 2018.

Holly has previously been featured on the cover of *Timer Digest* in 2015, 2011, and 2009, as was her father in 1984, 1992 and 2006.

"The history of *The Mutual Fund Strategist's* track record has been one of avoiding getting shot through the heart during market declines," according to Holly. "That's the real

benefit of a market timing approach—reducing risk," Holly continued. "Obviously, no one will complain if market timing succeeds in beating the market; but market timing isn't necessarily a failure if it doesn't. So long as the market timing reduces risk by more than it may reduce return," Holly said, "then the strategy has been successful."

The Mutual Fund Strategist's approach to investing is mechanical—Holly takes the emotion and subjective judgment out of the decision-making process. She believes that the key to success is designing a model that works over time and then sticking with it. All of Holly's timing models are intermediate-trend based, that is, they focus on market action over the past several weeks, giving more weight to recent price activity. This intermediate-term approach doesn't require an excessive amount of switching on the part of subscribers: On average, the newsletter's timing models trade only 1.5 round-trips per year without exposing subscribers to the huge price swings that are associated with major trend following systems such as a 200-day moving average. "Retired folks or those approaching their golden years just cannot stomach that level of volatility," said Holly.

Holly's approach employs a 50-day exponential moving average to define the trend and a confirming indicator to validate entry and exit points. A confirming indicator is important to use in any trading system to gauge the strength of the trend and to help filter out potential losing trades and minimize whipsaws. *The Mutual Fund Strategist's* confirming indicator is based on momentum—it's her own proprietary formula that measures returns over various time periods, weights them and puts emphasis on more recent price activity.

When it comes to her model portfolios, Holly believes that several elements must harmonize to produce optimal investment results. First is the

selection of an investment vehicle. Mutual funds and ETFs suit her style best because they limit investment risk by diversifying among many companies. Specific fund selection is also an important ingredient to a successful investment program, said Holly. For the individual funds recommended in *The Mutual Fund Strategist's* model portfolios, Holly relies on intermediate-term performance characteristics on a relative strength basis to ferret out the most favorable momentum patterns. However, the single most important factor, Holly maintains, is a sensible approach to market timing.

The Mutual Fund Strategist is a weekly publication that offers model portfolios for aggressive, moderate and conservative investors, as well as both intermediate-trend and long-term trend timing models for the Dow, S&P 500, S&P 400, Nasdaq, Nasdaq 100, NYSE, Russell 2000, Wilshire 5000, Gold, Asia, Japan, Europe, Latin America, US Bonds, US Stocks, US High Yield Bonds, International Stocks and International Bonds. Each newsletter lists top monitored funds based on relative strength in fund categories corresponding to their timing models—including rankings for ProFunds, Rydex, Fidelity, Vanguard and Direxion fund families.

Timer Digest has been following *The Mutual Fund Strategist* since 1984.

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