



Portfolio Trade Alert - May 19, 2026

Trade Alert - Equity & ETF Models

With the market very elevated after 7 consecutive weeks of gains, a short-term pullback/rotation out of the high-flyer names towards value is becoming more likely. As such, we are starting the process of reducing risk and raising cash levels. We will do this incrementally over the next two weeks, aiming to reduce equity exposure by 5-10% and modestly increase long-duration bond exposure.

Today, we are starting with rebalancing stocks back to target weightings. The next step will be to underweight certain stocks as the process continues. However, for now, momentum remains very strong, so we are mindful of becoming too conservative too quickly.

Equity Model

- *Reducing NVDA and MSFT to 4% of the portfolio each.*
- *Reduce APLD, AVGO, and VRT back to 1% of the portfolio each. These are starter positions, and we are waiting for a decent correction to bring each to 2.5% of the portfolio.*

ETF Model

- *Reduce XLK to 12% of the portfolio.*

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