

Portfolio Trade Alert - October 5, 2026

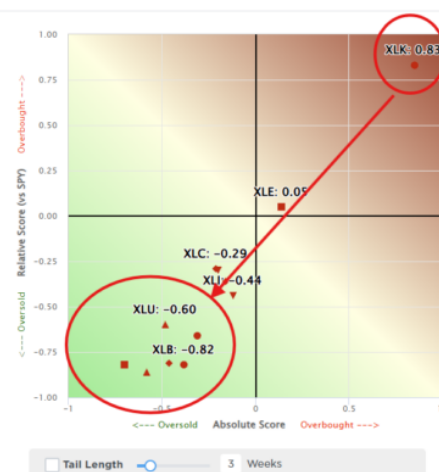
Portfolio Trade Alert: Equity, ETF, and Dividend Growth Models

As we discussed recently, our SECTOR ROTATION model flipped from growth to value. Furthermore, when we look at the stark drawdowns in breadth, equal-weight indices, and interest-rate-sensitive sectors, the potential for a rotation into these more distressed areas is compelling. We also see this divergence in the sector rotation analysis.

Sectors Analysis - Absolute and Relative Score (vs SPY)

Symbol Name	Top 10 Holdings	Absolute Score	Relative Score (vs SPY)	Chart
XLFF	Financial	-0.58	-0.86	✓
XLBB	Materials	-0.38	-0.82	✓
XLRE	Real Estate	-0.70	-0.82	✓
XLPP	Consumer Staples	-0.46	-0.81	✓
XLDD	Consumer Discretionary	-0.31	-0.66	✓
XLUU	Utilities	-0.48	-0.60	✓
XLII	Industrials	-0.12	-0.44	✓
XLTT	Transportation	-0.16	-0.36	✓
XLHC	Health Care	-0.20	-0.30	✓
XLCS	Communication Services	-0.21	-0.29	✓
XLNE	Energy	0.14	0.05	✓
XLTK	Technology	0.85	0.83	✓

How it works



With that analysis, and as we head into the seasonally strong period of the year, we are rebalancing all three models.

In the equity model, we are taking profits in the growth factors and adding to the value sectors in the portfolio. We are also tax-loss harvesting in the bond sleeve and rebalancing the entire fixed-income sleeve back to target weights.

In the ETF Model, we are increasing the factor-rotation sleeve to 20% of the portfolio and rebalancing the remaining sector holdings to target weights relative to the S&P 500 Index. We are also doing the same rebalancing to the fixed-income sleeve.

In the Dividend Growth Model, we performed a quarterly rebalance to realign all positions to their target weights.

Equity Model Trades

- See the *TRANSACTIONS TAB* in the [PORTFOLIO SECTION](#)

ETF Model Trades

- See the *TRANSACTIONS TAB* in the [PORTFOLIO SECTION](#)

Dividend Growth Model Trades

- See the *TRANSACTIONS TAB* in the [PORTFOLIO SECTION](#)
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