



Portfolio Trade Alert - September 18, 2023

Trade Alert - Equity & ETF Models

As we have discussed over the last several weeks, we continue using this corrective period in the market to rebalance portfolios for a potentially stronger year-end run. (See today's blog, [October Weakness Before The Year-End Run?](#) for reasons why we think this may be the case.)

With that premise in place, we continue consolidating our holdings and moving our weightings more in line with the benchmark index.

We are exiting LEN and ITB. Homebuilder sentiment is turning over, and the trade is not working out as we expected. This also reduces our small and mid-cap holdings, which are lagging in performance.

Energy prices are very extended, as is the energy sector. We are rebalancing XOM and XLE back to model weights. This entails selling about 0.25% of each position for most accounts.

CMCSA has been consolidating for a while and sitting on a strong support uptrend. Further, the technical backdrop is getting ready to turn upward as well. We have been chomping at the bit to buy more and are taking advantage of the situation today.

Equity Model

- *Sell 100% of Lennar Homebuilders (LEN)*
- *Reduce Exxon Mobil (XOM) to a target portfolio weight of 2%.*
- *Add 1% of the portfolio to Comcast Communication (CMCSA) to increase its weighting to 2.5%.*

ETF Model

- *Sell 100% of the Homebuilder ETF (ITB)*
- *Reduce the iShares Energy Sector ETF (XLE) down to a target portfolio weight of 2%*
- *Add 1% of the portfolio to the iShares Communication Sector ETF (XLC), increasing weight to 7.5%*

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