



Portfolio Trade Alert - January 19, 2023

Trade Alert For Equity & ETF Models

This morning we are executing a few trades to start rebalancing the portfolio for what we see as a more challenging market this year. As noted last year, as the Fed hikes rates, they will "*break something*," leading to a policy reversal at some point.

Therefore, we are starting to shift our bond portfolio to a bit longer bond duration, which will take advantage of falling rates as the recession sets in later this year.

This morning we added 2% MO to the equity model and 2% of SHY to both models. We also increased TLT in onboarding portfolios from 5% to 7.5%.

Our game plan is to replace some of our current equity holdings with value/dividend plays. We are buying Altria (MO) today and will likely ultimately sell Goldman Sachs (GS) or something else in its place.

SHY is just an initial position to capture higher yields and adds a little duration. We will continue adding to our bond holdings on pullbacks to support across durations of 3-20 years.

Equity Model

- *Sell 2% of the Floating Rate Treasury ETF (TFLO).*
- *Buy 2% of the 1-3 Year T-Bill ETF (SHY)*
- *Buy 2% of the portfolio into Altria Group (MO).*

ETF Model

- *Sell 2% of the Floating Rate Treasury ETF (TFLO).*
- *Buy 2% of the 1-3 Year T-Bill ETF (SHY)*