**Virtual Trading Game: Repositioning Paper**

I didn’t buy any new ETFS; however, I decided to simply sell some of one ETF that I was holding and buy a little bit more of another ETF that I was holding. The ETF that I sold some shares of was TIP, which is the inflation-protected US Treasury Bond ETF, and the ETF that I bought some more shares of was ‘LQDH, which is the interest rate hedged corporate bond ETF.

I decided to sell 60 shares of TIP, which had a value at the time of the trade of about $7,377, because it was the worst performing ETF in my portfolio by a very wide margin. From the time I bought it, the total value lost was slightly over $900, or about 3.6%. The next closest poor performing ETF in my portfolio was only down by about 2.5%. Additionally, TIP was also the largest holding that I had in any ETF by about $5,000 as well, and how after the trade it is the third largest holding that I have in my portfolio. The second part of my rebalancing trade was buying 41 shares, or about $3,859 at the time, of LQDH. I decided to buy more of this ETF because at the time of the trade, it was by far the best performing ETF in my portfolio. It was the only positive performing ETF at the time of the trade (PFF is now positive as well at the time of writing this paper) at about 1.57% increase in value or about $241.

The final part of the rebalancing trades, as you can see from the total values of the two trades, is that my total money invested went down by about $4,000. I am still over the 90% invested requirement, but I decided to invest less and take some cash/borrowing power back because the market and my overall portfolio have seemed to be performing poorly since the simulation game has started. My portfolio has been negative since the very beginning, so I wanted to invest slightly less so less of the “money” would be losing value, and hopefully the market and my portfolio turn around soon due to external factors and due to these rebalancing trade decisions.