



Traders' Academy Online Courses



Rebalance Portfolio Tool – Study Notes

Advisors can elect to have Trader Workstation automatically rebalance ALL accounts, a single subaccount, or a user-defined Account Group using the Rebalance Portfolio tool.

To access the Rebalance Portfolio tool using **Mosaic**:

- Click the blue New Window button, select Portfolio Tools > Rebalance Portfolio.

To access using the **TWS Classic** workspace:

- Open the Rebalance window by clicking the Rebalance icon on the trading toolbar.
- If you do not see the toolbar icons at the top of the page, access Global Configuration using the wrench icon or from the Edit menu. Click Display and then Toolbar.
- Uncheck Simplify menu and toolbar, select Show toolbar, view the icons to display and then click Apply and OK at the bottom of the panel.
- You can also add more toolbar icons by simply selecting the arrowhead on the far right.

TWS opens and closes positions to rebalance the selected accounts' portfolio based on the new target percentages you enter. You can add contracts and create orders just as you would from the main trading screen.

In the Select Account dropdown, you can select: All to rebalance All accounts; a specific sub-account, or an account group.

The Rebalance window shows **three** columns that are different from those on your trading screen:

Financial Instrument	Last	Change	Position	Market Value	Deliv Val	Actual %	Target %
Total				1,888,098	1,888,031	100.02%	100.02%
AAPL NASDAQ,NMS	194.14	-0.67	2,696	523,321	523,321	27.72%	
AMZN NASDAQ,NM	1856.99	-6.71	323	600,131	600,131	31.79%	
CABK BM CFD	2.586	-0.044	1,000	2,919	2,923	0.15%	
CABK BM	2.586	-0.044	500	1,459	1,461	0.08%	
COST NASDAQ,NM	257.23	+0.12	1,106	284,496	284,507	15.07%	
CSCO NASDAQ,NM	55.71	-1.40	5,056	282,378	282,378	14.96%	
DBK IBIS	6.099	-0.091	500	3,447	3,449	0.18%	
DIS NYSE	135.72	+0.64	989	134,227	134,217	7.11%	
FB NASDAQ,NMS	174.85	-3.25	714	124,879	124,871	6.62%	
IBKR IEX	53.26	-1.23	568	30,252	30,239	1.60%	
IBM NYSE	134.87	-1.08	50	6,744	6,738	0.36%	
MRK NYSE	83.45	83.81	83.82	17,244	17,265	0.91%	
MSFT NASDAQ,NMS	131.49	131.67	131.40	842	110,715	5.87%	
TGT NYSE	86.37	88.32	87.85	194	17,122	0.91%	
WMT NYSE	108.27	108.95	108.80	271	29,512	1.56%	
TOTAL CASH				-280,818	-280,822	-14.88%	

- Deliverable Value – For stocks, this is the value of the stock. For options and futures, it is the value of the underlying asset.
- Actual % - This is the deliverable value as a percent of Net Liquidation.
- Target % - Enter the new desired deliverable value as a percentage of Net Liquidation.

Enter Target Percentages

- In the Target % field, enter the new percent of the Net Liquidation Value that you want the position to have.
- Click the Create Rebalance Orders button to instruct the application to automatically create the orders to achieve the percent change.
- Notice how TWS automatically calculates the **quantities** in the order panel.

The screenshot displays the 'Rebalance Portfolio (Simulated Trading)' application. At the top, there's a menu bar with 'File', 'Edit', 'Configure', and 'Help'. Below it, a status bar shows 'SIMULATED TRADING'. The main interface is divided into several sections:

- Account:** Select Account: DU213738, Net Liquidity: 1,887,661.
- Financial Instruments:** A table with columns: Fnncl Instrmnt, Bid, Ask, Last, Change, Position, Market Value, Deliv Val, Actual %, and Target %.
- Buttons:** Import, Export, **Create Rebalance Orders** (highlighted), Rebalance to Max, Rebalance to Target, Cancel All Orders, Transmit All.
- Trading:** Orders, Log, Trades. A table with columns: Financial Instrument, Allocation, Action, Quantity, Time in Force, Type, Lmt Price, Aux. Price, Destination, Status.

A green arrow points to the 'Quantity' column in the 'Orders' table, specifically to the value '3,366' for CSCO NASDAQ,NMS.

- Adjust the order parameters as you would on the trading page and transmit the order.
- Use the Transmit All button to send all orders or click "Transmit" on an order line to transmit a single order.
- If you select "ALL" accounts or an account group, enter target percentages. The target percentage for the instrument will be applied to all of your sub accounts' portfolios.
- Create rebalance orders and you will see "Custom" in the allocation column.
- Hover over "Custom" to view the share break down per account.

To Open a **new** position in the Rebalance tool:

- Simply enter an underlying symbol into a blank row on the Rebalance screen as you would on the main trading window.
- Enter a target percentage and then click the Create Rebalance Orders button, followed by transmit.

There are several buttons in the Rebalance Portfolio tool to streamline the process:

In the Financial Instruments panel:

- Set Targets from Current – this resets the Target % based on the actual percentage values.
- Clear Targets – this clears all values in the Target % column and all saved targets as well.

In the Buttons panel:

- Import – import a .csv file with contracts, exchanges and target percentages.
- Export – export contracts to a .csv file. The export file will be stored in your TWS Jts folder.
- Rebalance to Max – Creates Rebalance orders based on Max Percentages.
- Rebalance to Target – Create rebalance orders to align the model's Actual % with the desired Target %.
- Cancel All Orders – Cancel submitted orders and discard untransmitted orders.
- Transmit All – transmit all the orders shown in the trading section.

Select the Armed check box to transmit orders instantaneously with a single mouse click. You will be asked to read and accept all the warnings when selecting the Armed feature.

The screenshot displays the 'Rebalance Portfolio (Simulated Trading)' window. The main table lists various stocks and their current market data. The 'Buttons' panel at the bottom contains several action buttons, including 'Armed', which is highlighted with a yellow box and a yellow arrow. The 'Trading' section at the bottom shows a table of active orders, including 'COST NASDAQ,NMS' and 'CSCO NASDAQ,NMS'.

Frncl Instrmnt	Bid	Ask	Last	Change	Position	Market Value	Deliv Val	Actual %	Target %
Total						1,888,027	1,888,034	100.02%	79.99%
AAPL NASDAQ,NMS	193.91	194.15	194.14	-0.67	2,696	523,321	523,321	27.72%	
AMZN NASDAQ,NMS	1856.00	1858.00	1858.00	-5.70	323	600,131	600,131	31.79%	
CABK BM CFD				2.586	1,000	2,919	2,923	0.15%	
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Click the wrench icon to insert additional buttons.

In the Trading section:

- Click on the tabs to view Orders, a Log and Trades.

At the top of the tool – select the filter icon to filter portfolio rows by symbol, select or deselect to view zero position rows or currency rows.