



PVG Asset Management Corporation
LOSS AVERSE INVESTING

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LOSS AVERSE PORTFOLIOS

Loss Averse Portfolios Protection-Value-Growth (PVG) First Quarter Performance Update

We are big proponents of tactical management, especially in this phase of the market. We are currently in a bear market, investors should be braced for more downside risk, but at some point, the markets will bottom and move back into a bull market. This phase of the market may last a while or could change quickly. Our tactical strategies can move back into the markets quickly or move back out quickly. In general, the tactical sector is outperforming the market and we have included some other managers below in the performance table.

The PVG Tactical Total Return and Dynamic Core strategies both significantly outperformed the Morningstar Tactical Category and the S&P 500 Index during the first quarter. Currently, as we write this, Tactical Total Return is roughly 15% net long and Dynamic Core is 12.5% net long, so defensively positioned.

We would also highlight the big winner for PVG during the first quarter was Emerging Healthcare with a positive 9.28% return (yes positive).

The PVG Loss Averse Equity Income strategy underperformed the S&P 500, even with a significant hedge, as many of the higher dividend paying stocks had very unusual negative performance. The strategy has a very high dividend yield.

We would strongly encourage investors to use tactical or loss averse strategies as the best way to weather this market and, also be positioned when the market does turn up again into a new bull market.

PVG has been managing tactical portfolios since 2001 and have delivered great long-term records in both rising and especially during bear markets. Our tactical strategies are quick to exit and are quick to re-enter the markets; thus, can have significant outperformance during difficult markets. These strategies are timely given the uncertain markets. PVG has a full suite of Tactical or Loss Averse strategies that can be used for a complete diversified portfolio, suitable for either conservative investors or aggressive investors.

Below, please see a snapshot of first quarter performance and remind investors to thoroughly do your due diligence over all relevant time periods.

Tactical Managers	3/31/2020
S&P500 Index	-20.96%
Morningstar Tactical	-18.63%
Astor Dynamic Allocation (ASTIX)	-13.18%
Catalyst Millburn Hedge (MBXIX)	-23.75%
Swan Defined Risk (SDRAX)	-13.09%
Meeder Muirfield (FLMFX)	-18.20%
PVG Tactical Total Return	-7.54%
PVG Dynamic Core	-8.70%
Other Notable PVG Strategies	
PVG Emerging Healthcare	9.28%
PVG Growth	-7.69%
PVG Navigator Growth	-10.35%
PVG Loss Averse Equity Income	-25.16%

Please call us at 303 874 7478 or email us aadams@pvgasset.com to schedule an introductory call regarding our strategies.

The **Dynamic Core** strategy is a tactical portfolio that is designed to mirror the S&P 500 Index in rising markets, yet in bear markets maintain a defensive posture and preserve capital. It uses only technical input based around the moving averages of the S&P 500 Index.

The **Tactical Total Return** strategy is a tactical portfolio that is designed to mirror four indices in rising markets, yet in bear markets maintain a defensive posture and preserve capital. The strategy also has a very unique, “Alpha Sleeve” which allows us to utilize the best ideas of the firm in a 10% sleeve of the portfolio. The “Alpha Sleeve” can invest in individual securities or ETF’s.

The **Loss Averse Equity Income** strategy is a portfolio of high-quality dividend paying stocks, with a very attractive dividend yield, inflation protection, and protection against falling or bear markets when we think it is appropriate with inverse ETFs on the market indices. This portfolio has a low correlation with the major stock and bond indices and has very attractive returns over a full market cycle, adding both return and diversification to an overall portfolio.

The **Emerging Healthcare** strategy seeks to outperform the Nasdaq Healthcare Index, with the primary focus on investing in emerging companies that may not yet have revenues and may be funding clinical trials in anticipation of developing new drugs or device.

The **PVG Growth** strategy is focused on outperforming the Nasdaq and may hedge as needed.

The **Navigator Growth** is focused primarily on quality blue chip companies and may hedge as needed. This strategy is focused on outperforming the S&P 500 with significantly less volatility.

Please see disclosures and risks on our website or ADV Part 2A. This email is intended only for financial advisors.