



PVG Asset Management Corporation
LOSS AVERSE INVESTING

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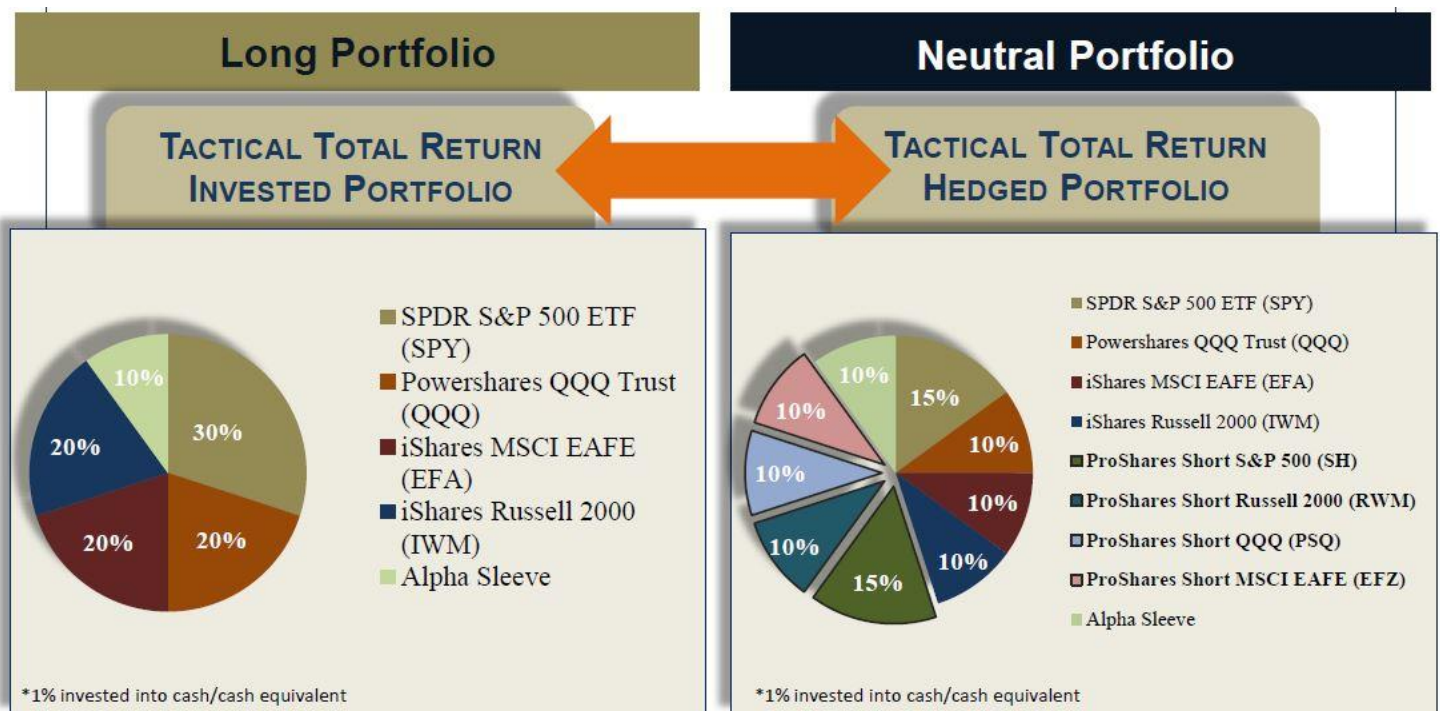
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TACTICAL TOTAL RETURN STRATEGY

MONTHLY UPDATE AUGUST 2017

We would like to update you on the PVG Tactical Total Return strategy, which 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 four indices that PVG tracks in an ETF format are the S&P 500 Index (SPY), the EAFE Index (EFA), the Nasdaq Index (QQQ), and the Russell 2000 Index (IWM). The strategy will maintain a fully invested posture in each Index ETF if the market trend is rising. In periods where an index trend is broken, the strategy will trade to a market neutral position. (See the graphic below)



The Tactical Total Return index approach is very simply based on the technical moving average of each index, rather than any fundamental input. Both fundamentals and technical analysis are utilized for the “Alpha Sleeve” where we are generating our best ideas into the portfolio. The “Alpha Sleeve” is currently positioned into Gold (GLD). The “Alpha Sleeve” can invest in individual securities as well.

Our technical model remains positive on all indices, but keep in mind, the last two times the lower channel was broken, the markets fell roughly 19% from high to low in 2011, and 15% from high to low in 2015/2016. Until the trend of the market changes, the strategy will remain fully invested. The strategy targets the upside of the market until the market starts to correct and then the strategy gets defensive.

We believe this strategy is very timely, and over the next 12 to 18 months, the market is likely to deteriorate or perhaps turn into a bear trend like in 2008/2009, or 2000 through 2002, where serious capital was destroyed. If such an event were to occur, then the strategy is designed to become defensive and preserve capital.

We believe the Tactical Total Return strategy is ideal to replace the equity position of a portfolio for an investor concerned about the potential for volatility in the markets, and to avoid the negative market performance that may be ahead of us. If such an event were to not occur, then Tactical Total Return is designed to get the positive returns of the market.

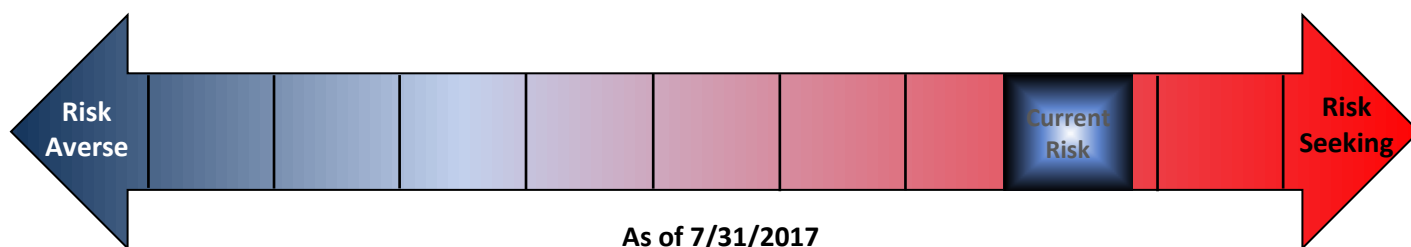
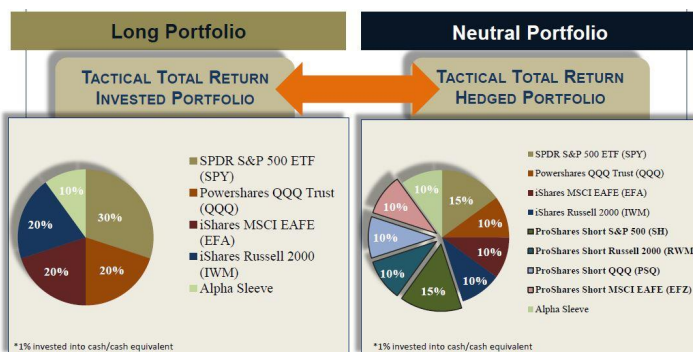
Additionally, PVG [has a full set of products](#) that are designed to protect the principle of an entire portfolio in a bear market, yet still achieve very attractive returns. As an example, an investor with a balanced approach could invest 25% of their portfolio with Tactical Total Return, 25% into Dynamic Core for diversified index exposure, 30% in the PVG Loss Averse Equity Income strategy as a substitute for fixed income and value stocks, and 20% in the PVG US Corporate Flexible Bond strategy, a tactical bond portfolio that uses individual bonds and protects the downside.

Tactical Total Return is a good core strategy that will help investors get similar returns of the stock market when the trend is up and help avoid bear markets when the trend is down.

If you would like to more information please call, 1.800.777.0818.

PERFORMANCE, ALLOCATION AND RISK SCALE

PERFORMANCE* JULY 31, 2017	
	TACTICAL TOTAL RETURN
MTD	2.16%
	S&P 500
MTD	2.06%



Risk Considerations:

Past performance is not a guarantee of future results.

Performance results are presented in U.S. dollars and are Net of any actual fees and reflect the reinvestment of dividends and capital gains. Actual fees may vary based on, among other factors, account size and custodial relationship. Model results are before the deduction of advisory fees, brokerage or other commissions, and any other expenses that a client would have paid or actually paid. *Annual returns are compounded over the specified period. No current or prospective client should assume future performance of any specific investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Changes in investment strategies, contributions or withdrawals may cause the performance results of your portfolio to differ materially from the reported composite performance. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client's investment portfolio. Historical performance results for market indices generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment-management fee, the incurrence of which would have the effect of decreasing historical performance results. Economic factors, market conditions, and investment strategies will affect the performance of any portfolio and there are no assurances that it will match or outperform any particular benchmark or index. The model portfolio will have materially different volatility than the given index. Portfolios in the composite utilize inverse index products. Inverse ETFs are considered risky. The use of inverse strategies by a fund increases the risk to the fund and magnifies gains or losses on the investment. You could incur significant losses even if the long-term performance of the underlying index showed a gain or loss. Most inverse ETFs "reset" daily. Due to the effect of compounding, their performance over longer periods of time can differ significantly from the performance of their underlying index or benchmark during the same period of time. Exchange traded funds (ETFs) are offered by prospectus only. Investors should consider a fund's investment objective, risks, charges, and expenses carefully before investing. The prospectus, which contains this and other important information, is available from your Financial Advisor and should be read carefully before investing. The investment return and principal value of an investment will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. ETFs trade like stocks and may trade for less than their net asset value. The composite was created 9/30/2001. Additional information is available upon request.