TACTICAL TOTAL RETURN STRATEGY

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MONTHLY UPDATE
FEBRUARY 14, 2014
TIME FOR INCREASED TACTICAL MANAGEMENT

We are up in a down market (PVG Tactical Total Return +0.59%; S&P 500 -0.24%*), as the market fell in January and the first part of February we protected the portfolio with inverse ETFs and then took the hedges off and allowed the portfolio to rally when the market bounced. We have recently started to protect assets again. This year is likely going to be increasingly volatile and this portfolio has the ability to quickly move when necessary on a daily basis if needed.

Our three year view of the market is for a flattening of returns, the P/E multiple will likely decline from the current levels as the Federal Reserve tapers, to likely no QE by year end. We expect the current trend of flat to modest earnings growth and revenue growth for the S&P 500 to continue. We believe both the bond and stock markets are overvalued and cash offers no return.

We believe the Fed's policy has pulled forward much of the appreciation of future years and the market will have to work the excessive appreciation off. With marginal upside potential, the market has volatility issues from these levels. Markets do not move evenly. Historically, one in three years has been down for the S&P 500, and the recent standard deviation is around 18%.

Tactical Total Return is designed to move between U.S growth ETFs, International ETFs, and income oriented securities to achieve a high risk adjusted return. The strategy will raise a significant amount of cash to be defensive, or implement inverse ETF positions to protect against excessive risk in the financial markets. Protection of capital is an important feature of the strategy, but tracking the global market’s returns is also an important goal of the strategy.

We assess risk on a daily basis and if it makes sense to protect the portfolio or be more aggressive we can do so quickly.

Most bull markets rarely last more than 5 years and we are entering our sixth year. After a market has collapsed like in 2008 and early 2009, tactical money management is less important as the markets begin to recover, but as markets become over valued and vulnerable to a bear market we believe all investors regardless of risk tolerance should be using tactical managers. Additionally, not all tactical managers are created equal. It is important in this part of the stock and bond market cycle to use a manager that managed through 2008 well.

We have a white paper on Tactical Asset Allocation and how to build these types of portfolios, please contact us if there is interest in a free copy.

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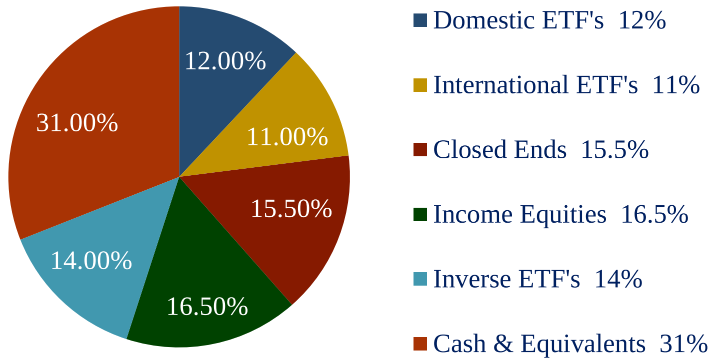
* SEE REVERSE SIDE FOR DISCLOSURES

PERFORMANCE* FEBRUARY 14, 2014	
	TACTICAL TOTAL RETURN (NET)
JANUARY 2014	-1.17%
QTR-TO-DATE	0.59%
YEAR-TO-DATE	0.59%

ASSET ALLOCATION



Performance results are presented in U.S. dollars and are net-of-actual-management fees and trading expenses and reflect the reinvestment of dividends and capital gains. The applicable management fee schedule is 1.0%. Actual fees may vary based on, among other factors, account size and custodial relationship. 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. Portfolios in the composite utilize levered index products. Leveraged ETFs are considered risky. The use of leverage 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. Most leveraged 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 S&P500 Total Return Index is the total return version of the S&P 500 Index which includes the effects of reinvested dividends. The S&P 500 Index is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The investment strategy and types of securities held by the comparison indices may be substantially different from the investment strategy and the types of securities held by the PVG Equity Income strategy. PVG Asset Management ("PVG") is registered as an investment advisor with the United States Securities Exchange Commission (the "SEC"). SEC registration does not constitute an endorsement of the firm by the Commission nor does it indicate that the advisor has attained a particular level of skill or ability. Inception for the Equity Income strategy is 10/1/2010; prior performance represents the Income portion of the Balanced Strategy Composite, which PVG believes was managed with the same investment goals. Composite performance represents the results of the PVG management team, which has changed over time due to retirements and new staff. Additional information is available upon request