



**PVG Asset Management Corporation**  
LOSS AVERSE INVESTING

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## TACTICAL CORE STRATEGY

### DECEMBER UPDATE 2021

(NET PERFORMANCE)

The Tactical Core Strategy (TCS) continued to outperform the S&P 500 this month gaining 0.79% of Alpha over the index. The S&P was down 0.69% for the month and the TCS was positive on the month up 0.10%. This increased the Year-To Date (YTD) return of the TCS to 29.92% outperforming the S&P 500 by 6.74% this year.

The market came off its October lows in early November rebounding to new highs before selling off hard at the end of the month over Omicron variant and Fed Chair Powell's taper testimony on Capitol Hill. The TCS entered November in an offensive stance with the effective net long at 125%. The core position (SSO, two times leveraged SP 500) was at 110% and one satellite position, (Invesco QQQ, TR ETF at 20%).

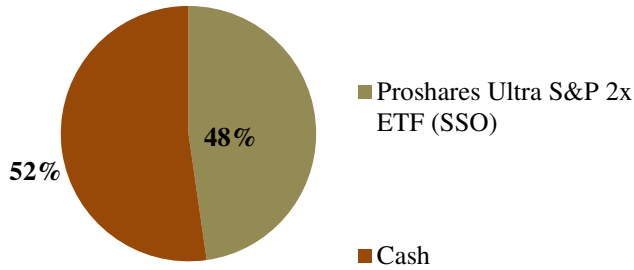
The S&P 500 was range bound for the majority of November before breaking down on the 26<sup>th</sup> over the new variant strain out of South Africa. Four days prior, we reduced our market exposure to underweight, selling the one satellite position (QQQ) on the 22<sup>nd</sup>. The market looked to be topping and the price range movement on the 22<sup>nd</sup> provided a sell indicator to reduce exposure. We held QQQ for just over six weeks and booked a 13.01% return on the trade. The satellite sell reduced our effective net long exposure to underweight from 117% to 95%. We will look at reentering the market in December as we expect the variant news to improve and the reaction to the Fed's more hawkish stance is absorbed by the market.

The inherent tactical nature and flexibility of the TCS was demonstrated once again this month. The strategy has consistently outperformed the S&P 500 since inception (11/28/2008) and achieved outsized returns for the past decade (see Annualized returns below). The TCS offers the ability to diversify away from traditional asset allocations models and obtain an actively managed strategy designed for volatile markets. The TCS is an aggressive yet extremely flexible strategy and can react quickly to market movements by maintaining a defensive or offensive Core position, initiating Satellite trades as well as Hedging. Our goal is to achieve positive annual returns and mitigate risk thereby adding Protection, Value and Growth for our clients.

#### PERFORMANCE AS OF 11/30/2021 (NET OF FEES)

	TACTICAL CORE	S&P 500	+/-
YTD	29.92%	23.18%	+6.74
1 YEAR	33.82%	27.91%	+5.91
3 YEAR ANNUALIZED	26.37%	20.38%	+5.99
5 YEAR ANNUALIZED	21.64%	17.90%	+3.74
10 YEAR ANNUALIZED	16.93%	16.16%	+0.77
INCEPTION ANNUALIZED (11/28/08)	15.74%	15.68%	+0.06

## Current Allocation



Portfolio Allocation	Weight
ProShares Ultra S&P 500 (SSO)	95.44%
Equity Holdings	0%
Effective Hedge (Inverse ETF's)	0%
Cash	52.28%
Effective Net Long/Short	95.44%

YTD Trades Security Symbol	Buy Date	Sell Date	Gain/Loss
Etsy Inc. (ETSY)	01/28/21	02/08/21	+13.16%
Square Inc. (SQ)	01/28/21	02/09/21	+16.58%
iShares ETF Russell 2000 (IWM)	02/22/21	03/16/21	+2.84%
Sector SPDR Financial (XLF)	02/22/21	03/16/21	+4.65%
Deere & Co. (DE)	03/05/21	03/23/21	+6.04%
Nucor Corp. (NUE)	04/30/21	05/20/21	+20.79%
Caterpillar Inc. (CAT)	04/30/21	05/20/21	+2.44%
Invesco QQQ TR ETF (QQQ)	05/19/21	05/19/21	+0.31%
Invesco QQQ TR ETF (QQQ)	06/18/21	09/09/21	+11.10%
Proshares Ultra S&P 500 ETF 2x (SSO)	09/22/21	10/01/21	-3.85%
Tractor Supply Company (TSCO)	09/10/21	10/04/21	-5.29%
Invesco QQQ TR ETF (QQQ)	10/06/21	11/22/2021	13.01%
Sofi Technologies Inc. (SOFI)	10/11/21	10/26/21	+11.14%

### Risk Considerations:

#### Past performance is not a guarantee of future results.

Performance results except as noted below are a "composite" of all Tactical Core Strategy accounts managed by PVG and are presented before the deduction of management fees but reflect the reinvestment of dividends and capital gains. Management fees may vary based on, among other factors, account size and custodial relationship. Annual returns are compounded over the specified period and are GIPs compliant. The "composite" was created 10/31/2016 and was previously known as the Global Macro portfolio strategy prior to 06/30/2020. Additional information is available upon request.

Presented historical S&P performance results do not reflect the deduction of transaction and/or custodial charges or an investment management fee, the incurrence of which would reduce historical S&P results.

No current or prospective client should assume future performance of any investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Contributions or withdrawals and other factors may cause the performance results of an individual portfolio to differ materially from reported composite performance. Different types of investments involve varying degrees of risk, and we make no claim that this investment strategy will either be suitable or profitable for a client's investment portfolio. Economic factors, market conditions, will affect the performance of any portfolio and we make no claim that this strategy will match or outperform any particular benchmark or index. This portfolio strategy will have materially different volatility than the presented index. The Tactical Core Strategy utilizes inverse and leveraged index products. Inverse and leveraged ETFs are considered risky. The use of inverse strategies in a portfolio magnifies gains or losses of the portfolio, but also increases risk. 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 this reset and compounding, inverse fund performance over longer periods of time can differ significantly from the performance of their underlying index or benchmark during the same period of time.