



**PVG ASSET MANAGEMENT**

LOSS AVERSE INVESTING

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**DYNAMIC CORE STRATEGY**

# DYNAMIC CORE OVERVIEW

## CREATED FROM TECHNICAL ANALYSIS

- **Technical analysis is one of the tools our firm utilizes**
- **Positive Returns in 2001, 2002 and 2008 for Loss Averse Equity Income (REAL \$)**
- **Dynamic Core model more geared toward growth using index moving averages**

## DYNAMIC CORE BENEFITS

- **S&P 500 exposure using world's largest ETFs (Vanguard, SPDR, iShares)**
- **Extremely Low Cost**
- **Ability to avoid major bear markets using hedging (Inverse ETF – “SH”)**
- **Tax Efficient**
- ***Minimum Investment: \$25,000 (UMA Sleeve)***
- ***Minimum Investment: \$100,000 (SMA)***

\*See page 12 for more detail.

# PVG DYNAMIC CORE

## HOW DOES DYNAMIC CORE WORK?



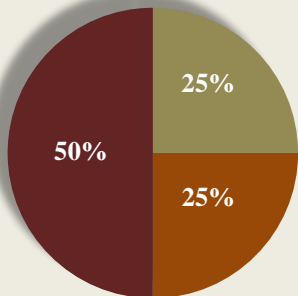
- The strategy follows the 200, 50 and 20 Day moving averages of the S&P 500 Index.
- When the market falls below the 200 Day Moving Average we move to a hedged or "Risk Off" position. If there is a bear market, PVG uses the 20-day moving average and 50-day moving average to try and find a market bottom. Otherwise it will move back to a long "Risk On" position when the market breaks back above the 200-day moving average.
- *Above is an example of a buy and sell signal using the 200-day moving average. The algorithm is a bit more complex; this is just a sample illustration.*

# DYNAMIC CORE

- PVG's Dynamic Core Strategy seeks to capture S&P 500 like returns and avoid significant market losses.
- The investments include 3 S&P 500 ETF's which will be equally weighted to an aggregate of 100% of the portfolio.
- The strategy employs technical indicators to generate trading signals which will attempt to create significant downside risk prevention.

## Long Portfolio

### DYNAMIC CORE LONG

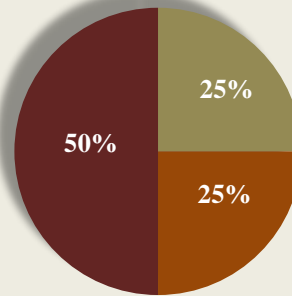


- Vanguard S&P 500 ETF (VOO)
- iShares S&P 500 ETF (IVV)
- SPDR S&P 500 ETF (SPY)

\*1% invested into cash/cash equivalent

## Neutral Portfolio

### DYNAMIC CORE NEUTRAL



- Vanguard S&P 500 ETF (VOO)
- iShares S&P 500 ETF (IVV)
- ProShares 1X Inverse S&P 500 ETF (SH)

\*1% invested into cash/cash equivalent

- When the trade signals are triggered the strategy moves to a neutral position.
- The equally weighted S&P 500 ETF's will reduce down to half (49.5%) of the portfolio and we shall purchase half (49.5%) of the portfolio into the ProShares Inverse S&P500 ETF 1X (SH).
- 1 % will remain invested in cash.

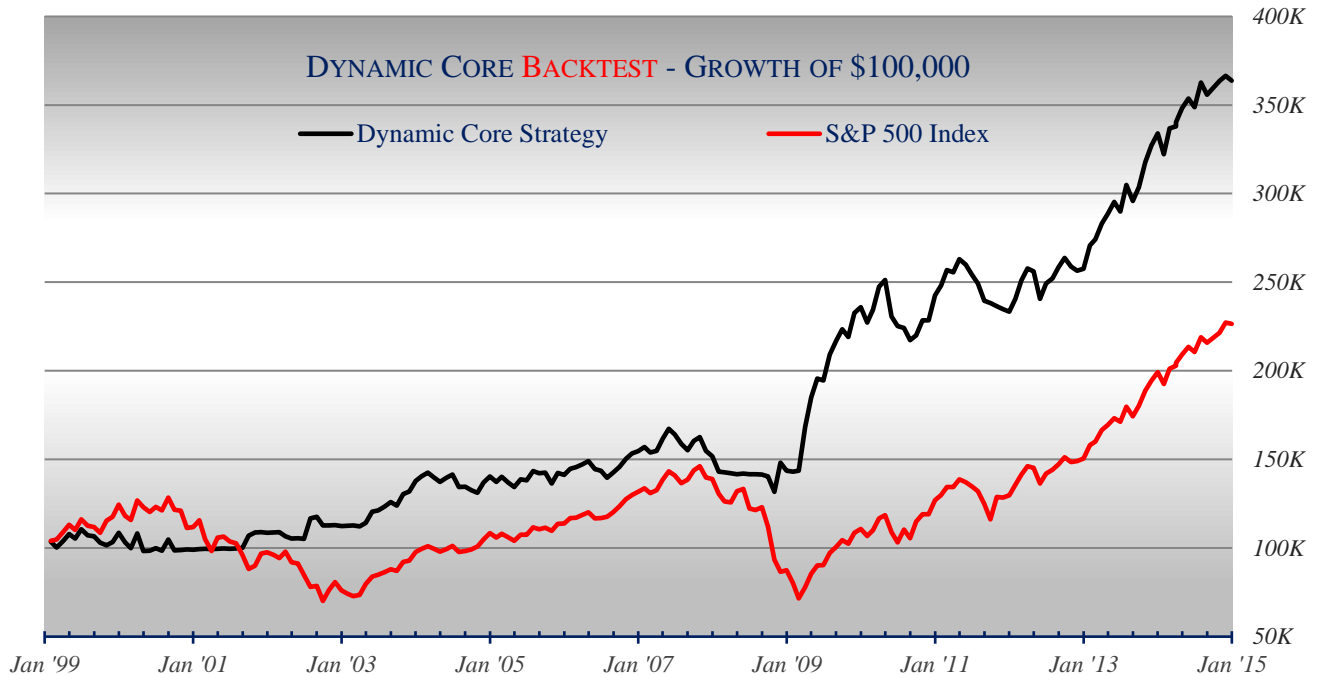
# DYNAMIC CORE COMPOSITE RETURNS

	Qtr 1		Qtr 2		Qtr 3		Qtr4		Annual		S&P 500
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	
<b>2021</b>	3.51	3.22							<b>3.51</b>	<b>3.22</b>	5.77
<b>2020</b>	-7.93	-8.21	3.83	3.52	7.16	6.87	5.54	5.24	<b>8.11</b>	<b>6.88</b>	18.40
<b>2019</b>	1.44	1.13	3.59	3.28	1.19	0.87	7.92	7.57	<b>14.74</b>	<b>13.33</b>	28.88
<b>2018</b>	-0.9	-1.16	3.1	2.78	7.48	7.17	-10.24	-10.53	<b>-1.44</b>	<b>-2.59</b>	17.79
<b>2017</b>	5.75	5.51	2.98	2.75	4.31	4.02	6.31	6.02	<b>20.75</b>	<b>19.56</b>	19.42
<b>2016</b>	0.58	0.33	2.3	2.05	3.7	3.46	1.83	1.81	<b>10.78</b>	<b>9.73</b>	9.53
<b>2015</b>	1.01	0.63	0.23	-0.09	-2.43	-2.73	-5.38	-5.59	<b>-6.53</b>	<b>-7.67</b>	-0.73
<b>***Below is the Previous Track Record before change in strategy (See backtest on next page for Algorithm Results - 1999-2014)***</b>											
<b>2014</b>	1.58	1.18	2.74	2.31	-1.65	-2.05	3.49	3.11	<b>6.22</b>	<b>4.55</b>	11.38
<b>2013</b>	4.02	3.56	-0.42	-0.88	2.44	1.98	3.53	3.09	<b>9.86</b>	<b>7.92</b>	29.61
<b>2012</b>	8.35	7.94	-2.27	-2.65	4.21	3.77	1.58	1.15	<b>12.1</b>	<b>10.28</b>	13.40
<b>2011</b>	3.18	2.75	-0.31	-0.7	-11.02	-11.38	6.4	5.98	<b>-2.62</b>	<b>-4.18</b>	2.11
<b>2010</b>	-1.9	-2.21	-3.57	-3.88	5.8	5.42	2.84	2.47	<b>2.92</b>	<b>1.53</b>	15.06
<b>2009</b>	-4.32	-4.57	11.95	11.69	-0.9	-1.12	0.43	0.15	<b>6.6</b>	<b>5.54</b>	26.46
<b>2008</b>	-0.81	-1.07	0.51	0.25	-0.57	-0.85	-4.32	-4.57	<b>-5.16</b>	<b>-6.16</b>	-37
<b>2007</b>	1.65	1.35	1.37	1.08	0.96	0.69	-1.48	-1.74	<b>2.48</b>	<b>1.35</b>	5.49
<b>2006</b>	2.18	1.85	-0.04	-0.33	7.41	7.06	4.82	4.5	<b>14.99</b>	<b>13.58</b>	15.79
<b>2005</b>	-4.09	-4.4	2.02	1.7	5.03	4.71	2.66	2.32	<b>5.5</b>	<b>4.17</b>	4.91
<b>2004</b>	2.81	2.45	-0.91	-1.27	-2.87	-3.21	8.78	8.41	<b>7.63</b>	<b>6.14</b>	10.88
<b>2003</b>	-2.4	-2.76	15.09	14.65	4.06	3.67	9.27	8.86	<b>27.72</b>	<b>25.81</b>	28.68
<b>2002</b>	-3.44	-3.83	-15.09	-15.41	-14.49	-14.82	8.19	7.78	<b>-24.15</b>	<b>-25.32</b>	-22.1
<b>2001</b>	-	-	-	-	-	-	20.16	19.66	<b>20.16</b>	<b>19.66</b>	-11.89

# DYNAMIC CORE BACKTEST RESULTS

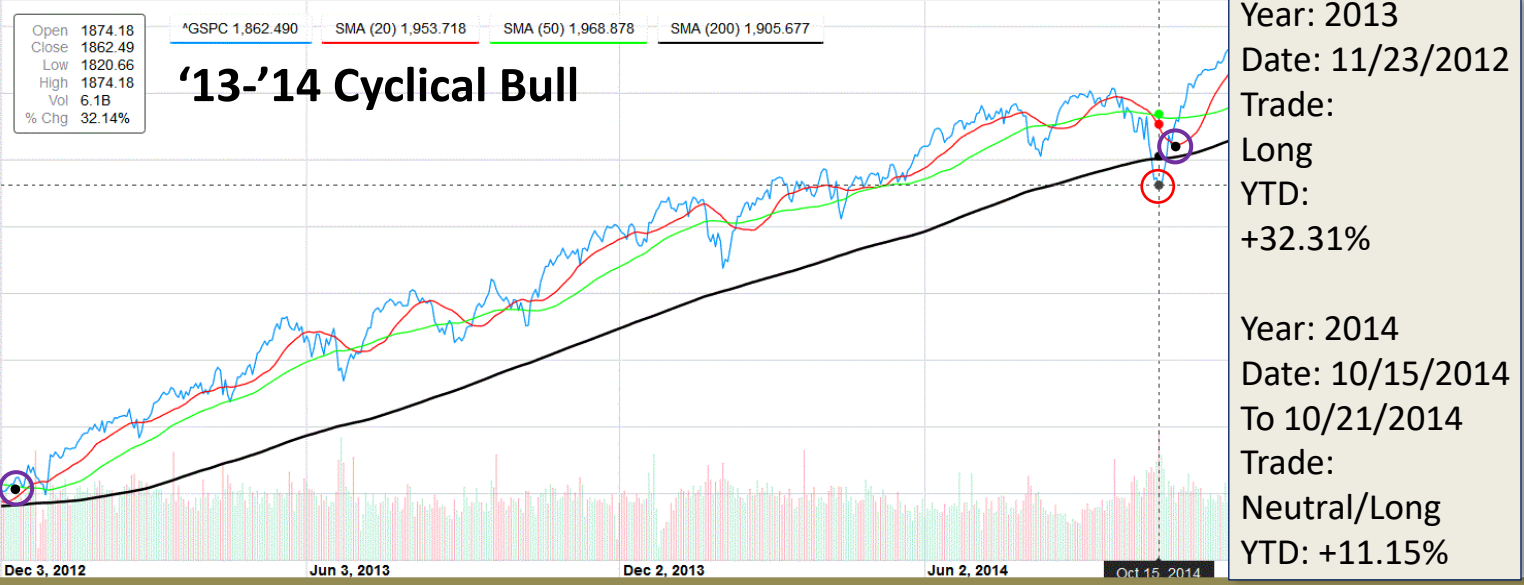
## BACKTEST AVERAGE ANNUAL RETURNS (NET OF FEES) DECEMBER 31, 1999 - DECEMBER 31, 2014

	1 YEAR	3 YEAR	5 YEAR	10 YEAR	INCEPTION
<b>DYNAMIC CORE</b>	8.94%	15.95%	9.05%	10.00%	8.54%
<b>S&amp;P 500 TR</b>	13.69%	20.41%	15.45%	7.67%	5.30%



Backtest Results	QTR 1		QTR 2		QTR 3		QTR4		ANNUAL		S&P 500
	GROSS	NET	GROSS	NET	GROSS	NET	GROSS	NET	GROSS	NET	
<b>2014</b>	1.70	1.19	5.16	4.63	1.13	0.63	2.76	2.25	11.15	8.94	13.70
<b>2013</b>	10.50	9.95	2.94	2.42	5.24	4.71	10.53	9.98	32.31	29.68	32.39
<b>2012</b>	11.02	10.46	-2.85	-3.33	6.35	5.82	-1.86	-2.35	12.57	10.34	16.00
<b>2011</b>	5.90	5.37	0.03	-0.47	-5.82	-6.29	-1.58	-2.08	-1.81	-3.76	2.11
<b>2010</b>	5.42	4.90	-8.48	-8.94	-1.84	-2.33	10.75	10.20	4.89	2.81	15.06
<b>2009</b>	17.63	17.04	16.28	15.70	15.38	14.81	6.11	5.58	67.47	64.14	26.46
<b>2008</b>	-5.91	-6.38	0.19	-0.31	-0.37	-0.87	2.84	2.33	-3.42	-5.33	-37.00
<b>2007</b>	0.66	0.16	6.39	5.86	-1.70	-2.19	-4.88	-5.35	0.15	-1.84	5.49
<b>2006</b>	4.69	4.17	-2.03	-2.52	2.07	1.56	6.61	6.08	11.62	9.40	15.79
<b>2005</b>	-2.02	-2.51	1.45	0.94	3.68	3.16	-0.35	-0.84	2.70	0.66	4.91
<b>2004</b>	1.98	1.47	1.64	1.13	-5.83	-6.30	6.46	5.93	3.92	1.85	10.88
<b>2003</b>	0.28	-0.22	8.50	7.96	2.77	2.25	11.86	11.30	25.08	22.60	28.68
<b>2002</b>	-1.26	-1.75	-0.89	-1.38	7.63	7.10	0.33	-0.18	5.68	3.59	-22.10
<b>2001</b>	0.79	0.29	0.74	0.23	7.99	7.45	1.99	1.48	11.82	9.60	-11.89
<b>2000</b>	0.18	-0.32	-7.20	-7.67	-0.89	-1.38	0.98	0.48	-6.95	-8.80	-9.10
<b>1999</b>	4.36	3.84	7.03	6.50	-6.43	-6.89	6.01	5.48	10.81	8.61	21.04

# DYNAMIC CORE **HYPOTHETICAL** TRADING SCENARIOS



○ = Long Signal      ○ = Neutral or Stop/Loss Signal



# Investing with an emphasis on Capital Preservation



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