



**PVG Asset Management Corporation**  
LOSS AVERSE INVESTING

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## TACTICAL CORE STRATEGY

### NOVEMBER UPDATE 2021

(GROSS PERFORMANCE)

The Tactical Core Strategy (TCS) continued its outperformance this month gaining 8.12% which increased the Year-To Date (YTD) return to 31.25%. For the month the TCS achieved 1.11% of Alpha over the S&P 500 which was up 7.01% for the month and 24.04% YTD. After a volatile September the market rallied back in October driving the strategy to new all-time highs. The TCS entered October 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, Tractor Supply Co. (TSCO) at 15%.

The market's weakness continued into October, and we reduced our exposure and selling our one satellite position TSCO and reduced our effective net exposure holding the SSO to underweight at 98%. We reentered the market after the first week of October as the market began to rebound. We added two satellite positions, a 20% holding in the Invesco QQQ Trust (QQQ) and a 5% position in SOFI Technologies Inc. (SOFI). This took the strategy back on the offensive with an effective net long of 123%. The two satellite trades were well placed, and we rode the market higher into month's end selling SOFI on the 28<sup>th</sup> booking an 11.14% gain. We maintained our core position in the SSO at 98% and our satellite position QQQ at 20% closing the month effective net long at 118%.

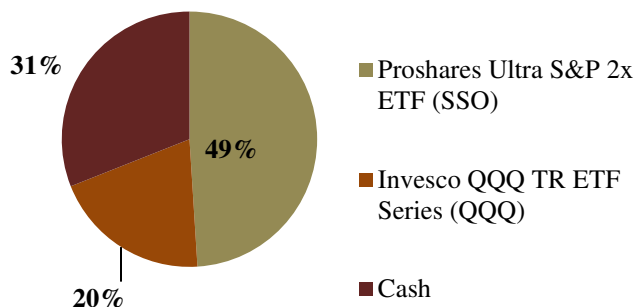
The inherent tactical nature and flexibility of the TCS was demonstrated once again this month. The strategy has consistently outperformed the S&P 500 since inception (11/28/2008) and achieved outsized returns for the past decade (see Annualized returns below). Thus far in 2021, we have achieved these gains even as we have maintained a slightly defensive stance in the Core position for a majority of the year. 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 10/31/2021

(GROSS OF FEES)

	TACTICAL CORE	S&P 500	+/-
YTD	31.25%	24.04%	+7.21
1 YEAR	51.42%	42.91%	+8.51
3 YEAR ANNUALIZED	28.68%	21.48%	+7.20
5 YEAR ANNUALIZED	23.81%	18.93%	+4.88
10 YEAR ANNUALIZED	18.27%	16.21%	+2.06
INCEPTION ANNUALIZED (11/28/08)	17.33%	15.85%	+1.48

## Current Allocation



Portfolio Allocation	Weight
ProShares Ultra S&P 500 (SSO)	97.56%
Equity Holdings	20.01%
Effective Hedge (Inverse ETF's)	0%
Cash	31.20%
Effective Net Long/Short	117.57%

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		
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.

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