



PVG ASSET MANAGEMENT

LOSS AVERSE INVESTING

WWW.PVGASSETMANAGEMENT.COM



TACTICAL CORE STRATEGY

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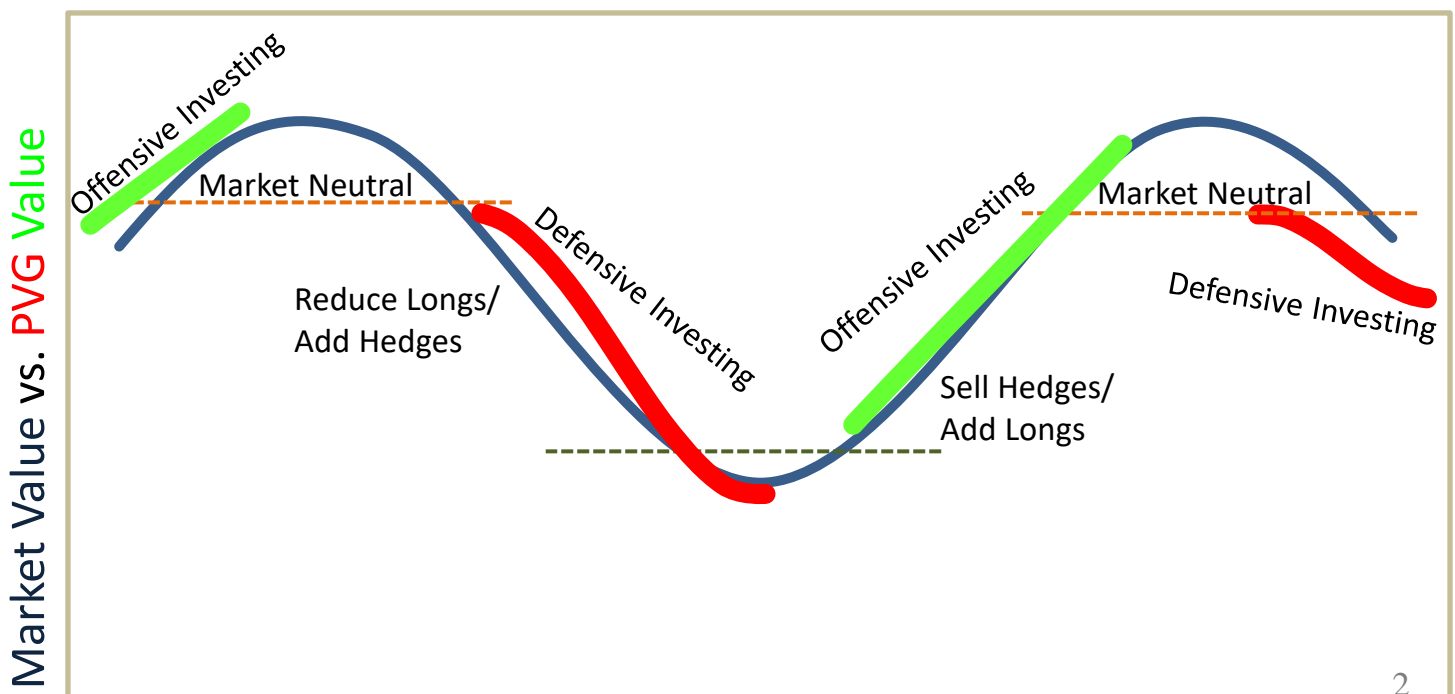
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INVESTMENT STRATEGY

PVG's Asset Management principles of **Protection, Value & Growth** are embedded in the Tactical Core Strategy. The strategy is highly flexible and will position to quickly take advantage of changing market conditions. In negative markets the strategy will **Protect Value** by decreasing the Core position, selling any satellite positions and it may add hedges to mitigate risk. We at PVG have coined the phrase, "Loss Averse Investing" to best describe the approach of **Protecting Value** during negative markets. Our belief is that by capturing the least amount of downside helps apply an investment strategy that operates with far less overall risk. As markets turn positive the strategy will sell hedges, increase the core position and add satellite positions with the goal of obtaining outsized **Growth** during positive market. The strategy increases risk during market rebounds thereby adding additional **Value** and **Growth** opportunities.

As seen during recent market declines asset allocation strategies have not protected **Value** from systemic/market risk. Managers who limited themselves to traditional investment strategies have seen a significant loss of **Value** when all asset classes declined in tandem. By reducing or eliminating systemic risk we as tactical managers specialize in **Protecting** capital not only for the end client but the managers **AUM** as well.

The hypothetical chart below demonstrates how PVG tactically employs its techniques in changing market conditions to **Protect Value** and provide **Growth**.



WHERE DOES TACTICAL CORE INVESTING FIT?

Traditional asset class models are typically set up between stocks and bonds. A moderate investor may use a 60/40 blend - 60% stocks and 40% bonds.

MODERN PORTFOLIO THEORY

This theory suggests that it's possible to create an optimal portfolio along the efficient frontier which will offer the maximum expected return for a given level of risk. Traditional strategies have implemented a partial stock and bond strategy in applying this theory.

MODERN PORTFOLIO THEORY 60% STOCKS/40% BONDS



PVG ALLOCATION STRATEGY 33% TACTICAL/33% GR/VAL/33% BONDS



TACTICAL CORE STRATEGY

This strategy offers a unique opportunity to achieve outsized gains in any market, with the goal of achieving positive annual returns for clients. The Tactical Core Strategy is an Aggressive strategy but with a long-term Beta of 1.06%. The strategy may employ leverage to the upside (160%) or hedge to the downside (-60%) based on market direction.

Why Allocate Capital to PVG Tactical Core Strategy?

- Proven and consistent track record with high returns
- 1-3-5yr annualized Alpha over the S&P 500 at 5.23%, 4.77%, 3.75% respectively
- Long term Beta of 1.06 vs S&P 500
- Highly rated by MorningStar
- Markets are at all time highs and clients are looking for protection against systemic risk

PERFORMANCE

ANNUAL RETURNS (NET OF FEES)

JUNE 30, 2021

STATISTICS

	1 YEAR	3 YEAR	5 YEAR	10 YEAR	INCEPTION
TACTICAL CORE	46.02%	23.44%	21.40%	13.31%	15.6%
S&P 500 TR	40.79%	18.67%	17.65%	14.84%	15.6%

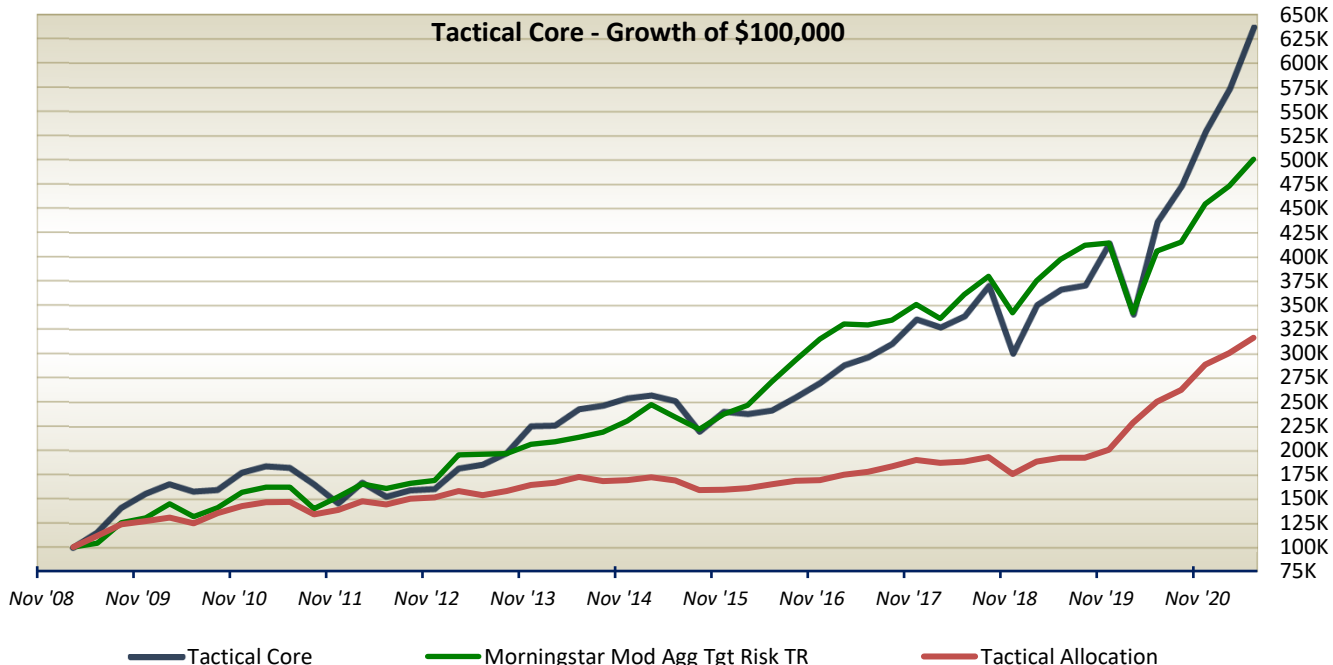
	S&P 500
BETA	1.06
R ²	0.72
UPSIDE CAPTURE	116.40
DOWNSIDE CAPTURE	110.13
MAX DRAWDOWN (QUARTERLY)	-18.93%
MAX RUN UP (QUARTERLY)	28.13%

INVESTMENT OBJECTIVE

This strategy seeks to profit from changes in broad securities markets, interest rates, exchange rates and prices of commodities. The strategy may employ a leveraged long and/or short position(s) with the primary objective of providing a positive annual return while controlling downside risk. The strategy invests primarily in equities which include passive and actively traded Exchange Traded Funds (ETFs) as well as public stocks of a wide variety of companies. The strategy is extremely flexible, with no mandates on holdings.



Tactical Core - Growth of \$100,000



TACTICAL CORE COMPOSITE RETURNS

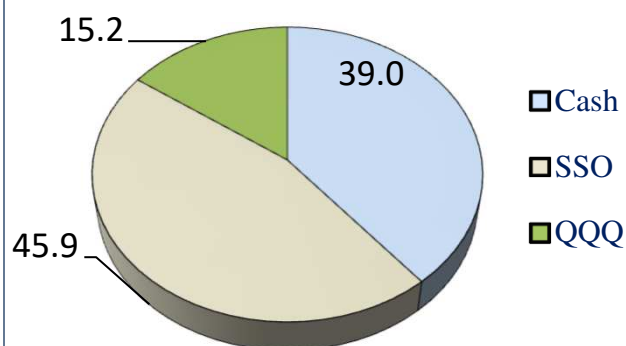
	QTR 1		QTR 2		QTR 3		QTR4		ANNUAL		S&P 500
	GROSS	NET	GROSS	NET	GROSS	NET	GROSS	NET	GROSS	NET	
2021	8.66	8.36	11.33	11.02					20.98	20.30	15.25
2020	-17.49	-17.73	28.50	28.13	8.81	8.50	12.21	11.87	29.47	27.95	18.40
2019	17.11	16.75	4.85	4.54	1.51	1.21	11.97	11.64	39.57	37.91	31.49
2018	-2.14	-2.43	3.79	3.48	9.63	9.29	-18.68	-18.93	-9.46	-10.55	-4.38
2017	7.06	6.72	3.22	2.91	5.00	4.68	8.35	8.02	25.72	24.18	21.83
2016	-0.73	-1.05	1.87	1.54	6.04	5.71	6.12	5.79	13.79	12.37	11.98
2015	1.50	1.25	-1.98	-2.29	-12.28	-12.55	9.74	9.37	-4.23	-5.37	1.38
2014	0.61	0.28	7.93	7.57	1.78	1.45	3.38	3.04	14.27	12.77	13.70
2013	13.69	13.30	2.42	2.07	6.73	6.37	14.45	14.06	42.25	40.33	32.44
2012	15.22	14.85	-8.37	-8.68	4.57	4.22	1.20	0.85	11.74	10.24	16.00
2011	4.12	3.72	-0.46	-0.80	-8.96	-9.26	-11.81	-12.08	-16.78	-17.92	2.11
2010	6.61	6.20	-4.20	-4.52	1.41	1.08	11.45	11.06	15.43	13.85	15.06
2009	-9.95	-10.29	15.93	15.53	22.59	22.17	10.78	10.42	41.78	39.82	26.46

*Performance disclosures for the Tactical Core strategy can be found on page 8.

TACTICAL CORE HOLDINGS

PORTFOLIO HOLDINGS AS OF QUARTER END – JUNE 30, 2021*

Portfolio Allocation



Portfolio Allocation	Weight
ProShares Ultra S&P 500 (SSO)	91.72%
Equity Holdings	15.15%
Effective Hedge (Inverse ETF's)	0%
Cash	38.99%
Effective Net Long/Short	106.87%

Quarterly Transactions

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		+3.39%

*Portfolio Holdings may not reflect the current holdings of the Tactical Core strategy.

PRESERVING VALUE AND REDUCING RISK

PVG reduces undiversifiable market volatility and risk by using hedging and stop losses. The strategy utilizes Inverse Exchange Traded Funds as well as stop losses to sell satellite positions. This typically increases the cash position in volatile markets in preparation to reinvest on market rebounds. This strategy reduces overall risk in volatile markets with the goal preserving capital by minimizing losses that occur in unfavorable cyclical or secular downturns.

Hedging Portfolios

Inverse ETF's
Broad Market and Sector ETF's
Strategy can be net short up to -60%

Stop Losses

Sell Satellite Positions at designated exit prices
Control Loss of Value

Goal

Lock in returns by taking profits on satellite positions
Preserve Value in underperforming markets
Increase cash and prepare for rebound

FACTORS THAT DRIVE PVG STRATEGY

PVG utilizes both fundamental analysis and technical indicators to drive the strategy. The main focus is derived from the valuation analysis of our universe of stocks as well as trend and chart analysis in the overall market. Our goal is to reduce systemic risk when the analysis and indicators provide us the signal.

Fundamental Analysis

Multifactor Macro Indicators

Market Cycle Analysis

Valuation Analysis

Technical Indicators

Sentiment Indicators

Trend Analysis

Chart Analysis

Goal

Overall portfolio beta and risk reduction



Investing with an emphasis on Capital Preservation



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*Performance results are presented in U.S. dollars and are net-of-actual-management fees and trading expenses of the composite and reflect the reinvestment of dividends and capital gains. Actual fees may vary based on, among other factors, account size and custodial relationship. *Annual returns are compounded over the specified period. The current dividend yield is calculated gross of fees as of quarter end date and is the expected forward yield. 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. PVG's Portfolio Risk Spectrum is based off a number of factors including portfolio structure, holdings, weighting and risk measures. It is not meant to define the client's risk profile or appetite when investing with PVG. The Portfolio Risk Spectrum may change from the current position at any time depending on the factors stated for measurement. 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. Tactical Core managers carry long and short positions in any of the world's major capital or derivative markets. These positions reflect their views on overall market direction as influenced by major economic trends and or events. The portfolios of these funds can include stocks, bonds, currencies, and commodities in the form of cash or derivatives instruments. Most funds invest globally in both developed and emerging markets. 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 Tactical Core strategy. PVG Asset Management ("PVG") is a registered 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 Tactical Core strategy is 11/28/2008. The strategy was previously called "Global Macro" prior to 06/30/2020. 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.*

Investment Products:

Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value
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