



PVG Asset Management Corporation
LOSS AVERSE INVESTING

PORTFOLIO MANAGERS:
PAUL M. MacNAMARA

PHONE:
210-858-8384

EMAIL:
MAC@PVGASSET.COM

WEBSITE:
WWW.PVGASSETMANAGEMENT.COM

ADDRESS:
6898 S. UNIVERSITY BLVD. SUITE 100
CENTENNIAL, CO 80122

TACTICAL CORE STRATEGY

UPDATE AUGUST 2021

(NET PERFORMANCE)

The Tactical Core Strategy (TCS) continued its outperformance this month gaining 3.43%. The S&P 500 was up 3.04%. Volatility spiked mid-month (a reoccurring theme this year) and the S&P 500 dropped 1.62% before rebounding into months end. The TCS entered August in a slightly offensive stance maintaining its core position and one satellite position from July. For the month, the TCS was up 3.43% beating the S&P 500 by 0.39% which was up 3.04%. August's gain increased our Year-To-Date performance to 27.3% producing 5.72% of **Alpha** over the S&P 500. The inherent tactical nature and flexibility of the TCS was demonstrated once again this month.

The Core position SSO, (a leveraged long ETF that is two times the S&P 500) maintained its slightly defensive stance for the month at 48% taking it to 96% of market value. Our satellite position QQQ (at 15%) took us from slightly defensive to a slightly offensive at 111% of market value. We maintained this slightly offensive stance into the month's end.

With the market hitting new all-time highs this year we have maintained a slightly defensive stance in the Core position between 90% to 96% of market value this entire year. By maintaining a slightly defensive Core position we used tactical satellite trades on market pullbacks to extend our significant and consistent outperformance over the S&P 500. The strategy's provided consistent outperformance not only YTD but for the past 1-3-5-year time periods (see annualized Net returns below). Year to date it has also **outperformed all three major indices**, the S&P 500 by 5.72%, Nasdaq by 8.38%, and the DOW by 10.26%. Every satellite trade executed over the past 11 months running has produced positive returns (see YTD trades on page 2).

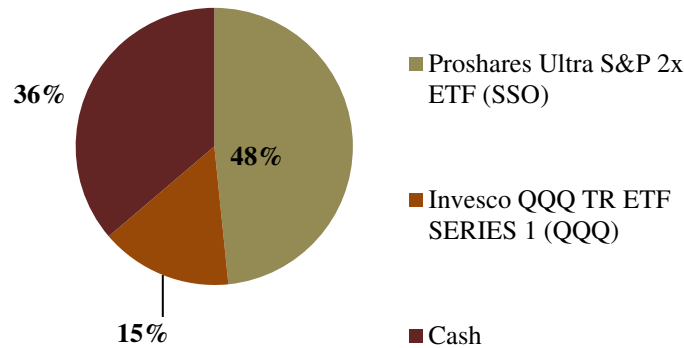
The TCS offers the ability to diversify away from traditional asset allocations models and obtain an actively managed strategy designed for volatile markets. The TCS is an aggressive yet extremely flexible strategy and can react quickly to market movements by maintaining a defensive or offensive Core 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 08/31/2021

(NET OF FEES)

| | TACTICAL CORE | S&P 500 | +/- |
|------------------------------------|---------------|---------|-------|
| YTD | 27.30% | 21.58% | +5.72 |
| 1 YEAR | 34.14% | 31.17% | +2.97 |
| 3 YEAR ANNUALIZED | 22.34% | 18.07% | +4.27 |
| 5 YEAR ANNUALIZED | 21.41% | 18.02% | +3.39 |
| INCEPTION ANNUALIZED (11/28/08) | 15.89% | 15.89% | +0.00 |

Current Allocation



| 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 | | +6.35% |

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.