SEVENS REPORT *alpha*

February 23, 2021

In Today's Issue

- **Inflation Playbook**
- Inflation pressures are rising in a way we haven't seen in years, and suddenly accelerating inflation could be a game-changer for many investors and advisors. As such, we want to arm you with the best-in-class tools to combat inflationary effects in your portfolio.
- **Core Inflationary Plays: SGOL. (Aberdeen Physical Gold Trust), PDBC (Invesco Optimum Yield Diversified Commodity Strategy No K-1 ETF), GNR (SPDR S&P Global Natural Resources ETF), RLY (SPDR SSGA Multi-Asset Real Return ETF).** Core Inflation Hedges that are liquid and low fee.
- **U.S. Sector Opportunities: RTM (Invesco S&P 500 Equal Weight Materials ETF). RGI (Invesco S&P 500 Equal Weight Industrials ETF).** Small caps have provided important alpha to portfolios in previous periods of rising inflation, and these two sector ETFs' equal weighting provides more small/mid-cap exposure, and that's resulted in massive outperformance vs. their peers.
- **Income Opportunities. BKLN (Invesco Senior Loan ETF). JAAA (Janus Henderson AAA CLO ETF), STIP (iShares 0-5 Year TIPS Bond ETF).** We believe there are three strategies to combat inflation in fixed income portfolios: Shorten Duration, Floating Rates, and TIPS, and these ETFs provide exposure to each one.

Inflation Playbook

Inflation is a dynamic of the financial markets that many modern investors have yet to experience in a meaningful way. In fact, if you were to look at a chart of inflation by decade, it is readily apparent that the effects have been so moderate as to be barely discernible over the last two decades. That recency bias has many investors focused solely on asset price inflation (stocks and housing), which are mistakenly conflated as consumer price inflationary pressures.

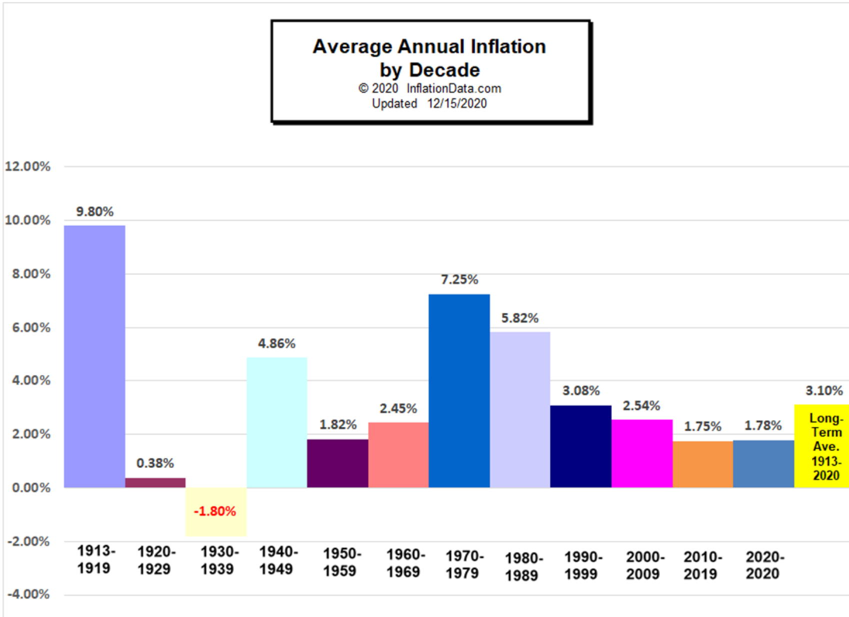
We haven't experienced a true consumer price inflationary environment in the United States since the 1970s and 1980s. That was a unique time period that demonstrated a significant shift in investor behavior as stocks traded roughly sideways for over a decade and the bond market was crushed. Conversely, hard assets such as gold and real estate compounded at high annualized rates of return.

Fast forward to 2021, and we are witnessing the intensions of a Federal Reserve more committed to inflation than any time in the last 20 years. The government has devoted trillions in fiscal stimulus as a result of COVID-19; has nailed the Fed funds rate to the floor, and has declared war on unemployment. In fact, it's projected that COVID-driven stimulus will be nearly five times that of the 2008-2009 financial crisis.

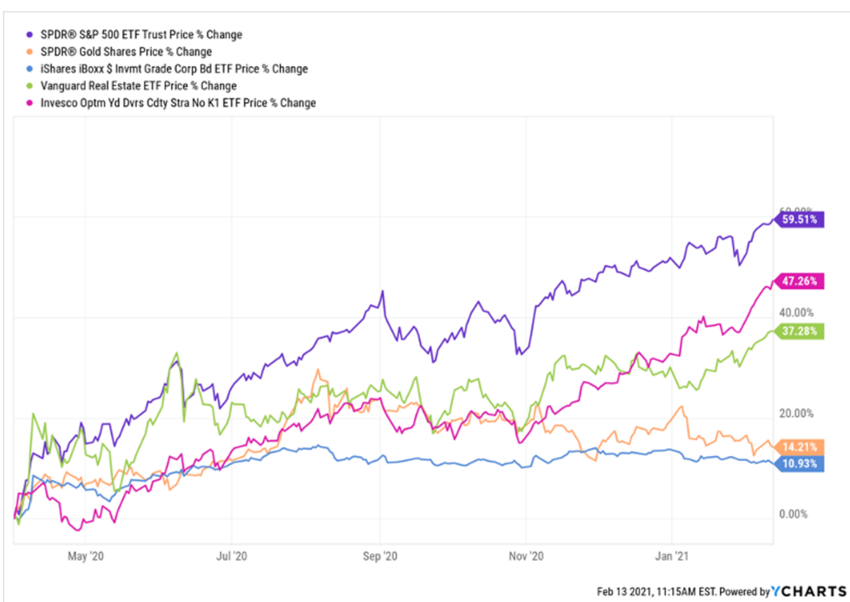
The actions to date have largely worked to propel asset price inflation and restore confidence in the financial markets. Stocks, bonds, commodities, real estate, and precious metals are all trading near all-time or multi-year highs. The biggest loser during this recent period has been cash, which has been a drag on portfolios while asset prices increase. Cash actually has a negative real return during periods of rapid capital appreciation. To put it in simple terms: the more stuff people own, the better, and the more hedged they are against asset price inflation.

The chart at the bottom of Page 2 demonstrates how well the Fed and government actions have propelled assets to new heights over the last nine months. It's likely that your portfolios have mirrored these returns through a sensible and diversified approach.

The blind spot for most investment portfolios, however, is consumer price inflation. The Consumer Price Index (CPI) and Core PCE Price Index should be key metrics for advisors to monitor as we continue to experience new and unprecedented outcomes from these stimulus measures. These indexes matter because they trigger actions such as Fed rate hikes and can lead to sizeable shifts in market sector momentum.



Both inflation indices are currently demonstrating subdued patterns based on the chart below and a rate hike is not even on the near horizon. However, we are starting to see some green shoots of budding inflationary pressures as a result of manufacturing, input, and shipping prices that may prompt a more robust launching platform for consumer price inflation down the road.



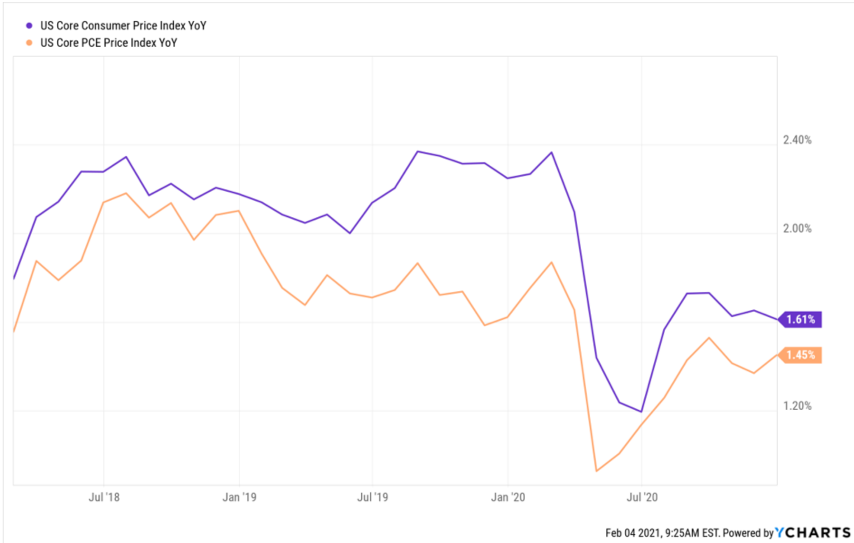
The wildcard is ultimately going to be the U.S. Dollar Index. The dollar's steady decline can ultimately create a tailwind for consumer prices as purchasing power is eroded, commodity prices climb, and global trade is realigned to compensate. Bottom line, we need to stay ahead of these trends and be prepared to shift towards more CPI inflationary hedged asset classes to drive future portfolio performance targets.

It's a fact that a decades-long inflationary environment will be a game-changer for many investors and advisors. As such, we want to arm you with the best-in-class tools to combat inflationary effects in your portfolio. Making reasonable and incremental changes towards these areas can help diversify your asset allocation, lower total portfolio volatility, and ultimately enhance long-term relative returns.

Investment Idea 1: Core Inflationary Plays

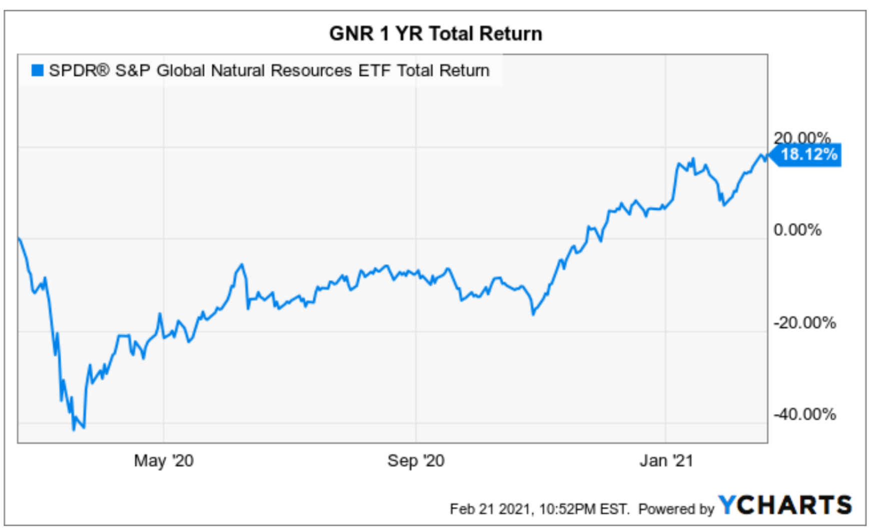
When inflationary metrics begin to break out, you are going to hear every expert in the financial world telling you to buy precious metals and commodities. Those are no-brainer inflation hedges that are appropriate for a small portion of the portfolio and will do well to combat rising input costs. They also tend to run inverse to the U.S. dollar as another counterbalance to your conventional asset allocation scheme.

Two of our favorite funds for this task are the **Aberdeen Physical Gold Trust (SGOL)** and **Invesco Optimum Yield Diversified Commodity Strategy No K-1 ETF (PDBC)**. Both funds are highly liquid, lower cost than their peer group, and offer unique features that set them apart from the pack. It goes without saying that a reasonable allocation to one or both of these ETFs would be a natural starting point for core inflationary hedges. However, we also aren't going to spill more digital ink extolling their virtues when we have the larger picture to consider.



The bulk of your portfolio is going to be positioned in stocks, bonds, and cash that require more nuanced investment dynamics to navigate. An account with 60-80% stock exposure is where the largest percentage of your returns are going to come from and where your primary focus should reside.

Fortunately, there are several excellent fund options to consider for abundant inflationary tailwinds in equities. One of our favorites is a vehicle introduced in our dedicated commodity report back in 2018. It remains today one of the best ways to gain exposure to natural resource stocks.



The **SPDR S&P Global Natural Resources ETF (GNR)** is an exchange-traded fund that contains truly global exposure to a group of 90 large- and mid-cap companies within the three subcategories of agriculture, energy, and metals/mining. The index GNR caps the allocation to each subgroup at 1/3 to create an even exposure profile across the natural resource landscape.

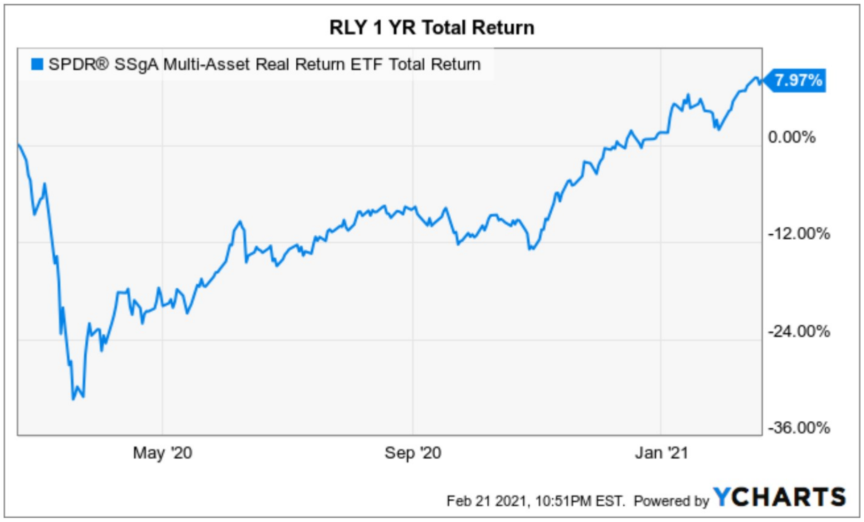
Top holdings include well-known names such as BHP Group Ltd (BHP), Nutrien LTD (NTR), Exxon Mobil (XOM), and Royal Dutch Shell (RDSA). In terms of country exposure, the fund is highly spread out with the United States at 32%, the United Kingdom at 13%, Canada at 12%, Australia at 10%, and another 20 domicile countries rounding out the remaining stocks. Foreign exposure is complemented by both developed and emerging market stocks within the GNR wrapper.

From a structural standpoint, the fund charges an expense ratio of 0.40%, has $1.6 billion in total assets and trades more than 150,000 shares on average every day. Those statistics give us confidence that this type of ETF can handle the liquidity and cost-conscious factors that are so important in today's marketplace.

On the performance front, GNR has been in recovery mode since the COVID-induced selloff and just recently hit new 52-week highs. Not surprising given the level of strength in the value stocks that make up this fund as well as the downtrend in the U.S. dollar as a certain tailwind. It's made a particularly strong advance over the last three months as energy and materials stocks have surged.

Slotting GNR into a diversified portfolio makes sense on several levels. It brings transparent, low cost, and highly liquid exposure to some of the best stocks in the inflation-linked environment. It works well as a sector-specific fund to tilt your equity portfolio towards materials and energy sectors, while also broadening globally to include foreign stock exposure.

Another option to consider is broadening your portfolio mix even further to include additional inflation-linked assets. If you are looking for a single investment vehicle for an all-encompassing inflation hedge, then the **SPDR SSGA Multi-Asset Real Return ETF (RLY)** should be at the top of your list.



This ETF is based on the tried and true "fund of funds" structure whereby it owns other ETFs to meet its investment guidelines. According to the fund company website, those assets include: exposure to inflation-protected securities issued domestically and internationally, domestic and international real estate securities, commodities, and publicly traded companies in natural resources and/or commodity businesses.

RLY doesn't follow a strict index, rather it is quantitatively managed by a group of portfolio advisers that help direct its security selection and asset positioning. Right now, that positioning lines up quite well with our preferred inflation-fighting vehicles.

GNR and PDBC account for nearly 50% of the total allocation in RLY. Those two standouts are followed by a 12% allocation to the SPDR S&P Global Infrastructure ETF (GII), 11% allocation to the SPDR Portfolio TIPS ETF (SPIP), and 6% allocation in SPDR Dow Jones International Real Estate ETF (RWX). The remaining basket is a mix of small positions in energy, agriculture, and resources stocks.

RLY charges a gross expense ratio of 0.40% and has $62 million in assets under management. The fund has rebounded strongly from the March selloff last year but has yet to show its true value proposition under a perfect storm of inflationary markers. This fund is likely to gain a great deal of momentum as CPI and Core CPE begin to turn higher.

The upside of using a fund such as RLY is that you own virtually all inflation-linked assets in a single fund. This enhanced diversification will create smoother performance over long cycles as the varying components offset each other. The downside is that a pure-play in just commodities or TIPS may show stronger performance over short periods of time as momentum for each asset class takes hold.

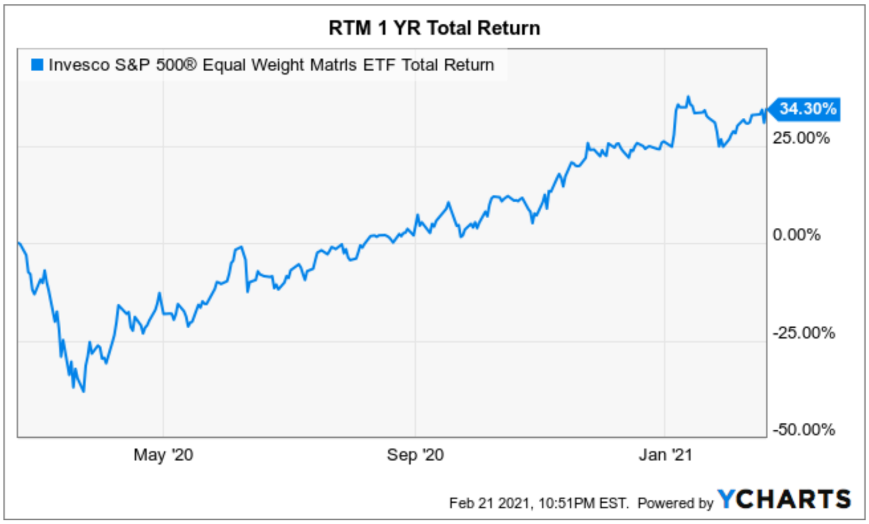
RLY may be more appropriate for conservative investors with longer time horizons. It may also be beneficial for smaller accounts that demand fewer positions to reduce trading costs.

Investment Idea 2: U.S. Sector Opportunities

Fine tuning your equity exposure towards inflation opportunities demands additional options so as to find the best fit within your unique asset mix. Many investors may be more comfortable with a stringent U.S. sector focus that emphasizes quality stocks they are familiar with.

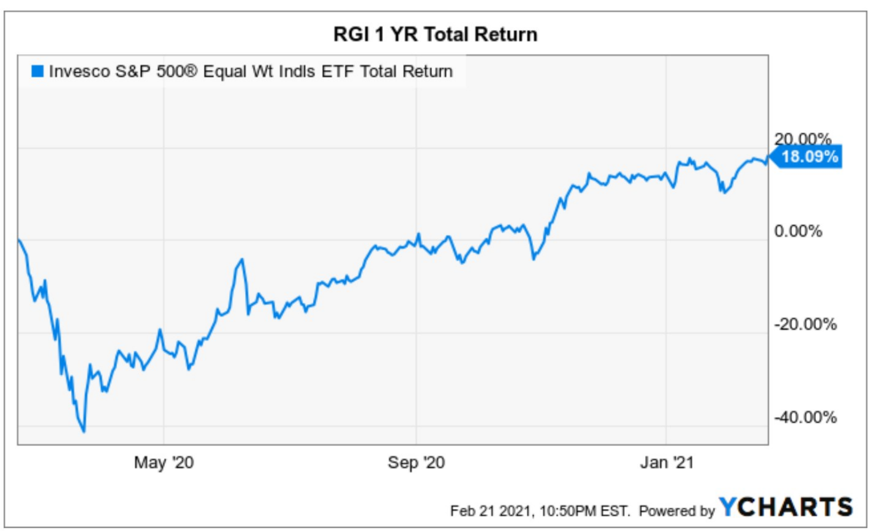
As part of our research, we looked at the last two recent periods of pickup in the Consumer Price Index. Those time frames were 2011 and 2016-2017. Technology did well under both regimes, which is not surprising given the unrelenting growth these companies have demonstrated year after year. The other two standouts were cyclical names in Industrials and Materials.

Our research uncovered an interesting phenomenon in both of these sectors that emphasized smaller stocks as a key driver of alpha. Thus, taking an equal-weighted approach makes sense to spread capital across a wider array of companies that are able to meaningfully contribute to total return.



The **Invesco S&P 500 Equal Weight Materials ETF (RTM)** is an example of this index weighting strategy. RTM takes the same 30 large- and mid-cap stocks in the materials sector of the S&P 500 Index and gives them an equal share of the asset allocation. Just over 3% is divided among each company at its quarterly rebalancing schedule.

Its holdings include well-known names such as The Mosaic Co (MOS), Freeport-McMoRan (FCX), Albemarle Corp (ALB), and Vulcan Materials Co (VMC). Stocks engaged in chemical refinement, agriculture products, rare earth minerals, and other manufacturing components. The benefit to owning stocks like this in an inflationary environment is that they are able to ride the wave of rising commodity prices to grow both their top and bottom lines.

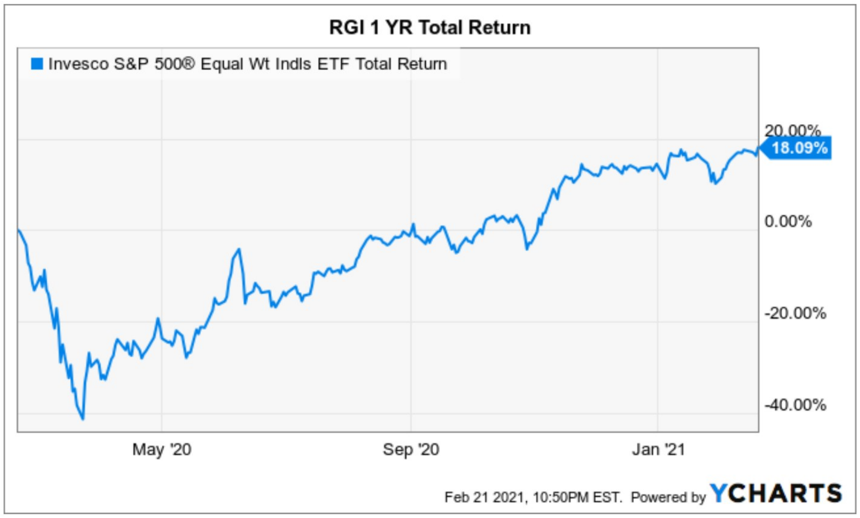


RTM carries an expense ratio of just 0.40% and has nearly a half billion dollars in assets under management. **Its common-sense index strategy has helped contribute to more than 25% of relative performance beyond the traditional XLB over the last five years.** It's also notable that the stocks in this fund tend to lean towards the mid-cap end of the spectrum rather than the mega-cap leadership of the conventional S&P indexes.

On a more recent time frame, RTM has surpassed its prior 2020 highs by a wide margin and continues to demonstrate a high degree of relative momentum. **Over the last 12 months, the fund has jumped 34.3% compared to 15.8% in the S&P 500 Index.** A fund of this nature can be utilized as a tactical sector component to tilt a portion of your portfolio towards smaller, cyclical stocks in the S&P 500 that are able to benefit from rising raw materials prices.

Another excellent opportunity in this realm is the **Invesco S&P 500 Equal Weight Industrials ETF (RGI)**. This exchange-traded fund utilizes the same equal weight index methodology to evenly spread capital over 75 industrial stocks from the S&P 500 Index. That includes industries such as machinery, aerospace, building products, railroads, airlines, electrical equipment, and construction. Think companies such as Deer & Co (DE), Johnson Controls International (JCI), Caterpillar Inc (CAT), and Cummins Inc (CMI).

Generally speaking, these stocks are highly sensitive to cyclical economic effects and were proven to be very strong performers during the last two recent inflationary periods. These companies benefit from expansionary growth factors where they can control pricing power and ultimately grow their bottom lines as inflation takes hold.



Like its materials sibling, **RGI has demonstrated positive alpha of more than 25% over the last five years as compared to the benchmark XLI.** The shorter-term chart also shows a high degree of absolute momentum as this exchange-traded fund just recently hit new all-time highs.

This strategy dovetails well with the backdrop of a global reopening trade that benefits from large equipment purchases, a pickup in global travel, and an overall higher level of business manufacturing activity. RGI can fit right into a portfolio that is lacking this exposure or is overly committed to non-cyclical sectors.

One final advantage of both materials and industrials is that they are generally not sensitive to low interest rate environments like real estate, utilities, or consumer staples. In fact, they would likely thrive as inflationary targets trigger the Fed to begin raising rates again as a signal of strong economic activity.

Investment Idea 3: Income Opportunities

One area of the portfolio that is definitely going to be shaken up by the rising cost of goods and services is your income-producing holdings. Namely, any allocations to high-quality fixed-income, preferred stocks, mortgage REITs, and other interest rate-sensitive sectors.

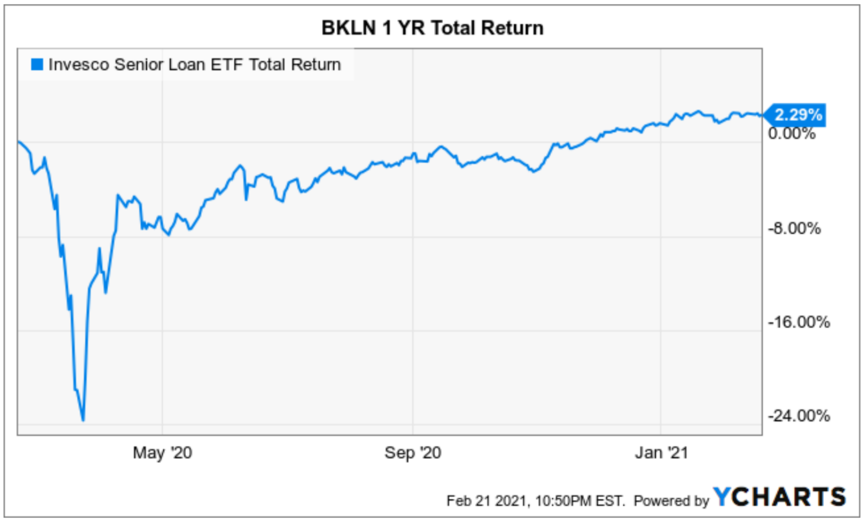
You have a couple of options when considering what to do with this playbook:

1. **Lower duration**. Shifting a portion of your holdings towards the short end of the curve will ultimately lower your sensitivity to Treasury yields.
2. **Floating rates notes**. This is a broad term that encapsulates bank loans, senior loans, collateralized loan obligations, and other financing tied to a floating target such as LIBOR. These investments typically have done much better than fixed-income during periods of rising rates.
3. **TIPS**. Treasury Inflation-Protected Securities have a built-in inflation component that adjusts according to the Consumer Price Index.

Lowering the duration of your bond sleeve is a strategy we have advocated in several recent *Sevens Report Alpha* issues. The tradeoff is that you receive less income in the short-term as a consequence of protecting capital. Furthermore, the current low-interest rate and high credit confidence environment make for an attractive time to make this switch. It will allow you to capitalize on higher yields in the future while taking a risk-management approach with bond prices trading at lofty heights.

Shifting to a more inflation-focused opportunity in floating-rate notes also is an attractive strategy. One of the advantages of floating rate securities is that coupon floors exist, so as rates fall, investors still receive a respectable income stream. However, as interest rates rise, the commensurate coupon rate also can rise, which can increase the mark-to-market value of the security. The effective duration is typically tied to the security's reset rate, which is typically no longer than 60-90 days.

One viable option with enhanced yield characteristics is the **Invesco Senior Loan ETF (BKLN)**. BKLN is a $6 billion juggernaut comprised of 140 senior loans or bank loans of below-investment grade corporations. Think companies such as Charter Communications, Burger King, CenturyLink, and Dell International. Most of the credit exposure in BKLN is in the BBB to B-rating categories based on the Standard & Poor's scale.



This index fund has been in existence since 2011 and charges an expense ratio of 0.65% annually. BKLN has a weighted average maturity of 4.86 years with an average day to reset of 28.50. The combination of lower credit quality and longer duration coalesce to generate an SEC yield of 2.13% at current prices with income paid monthly to shareholders.

This type of fund should be more aptly classified in the short-term, high-yield category when comparing against various bond market alternatives. It has meaningfully greater credit risk than investment-grade securities with significantly less interest rate risk than traditional fixed-coupon bonds.

Admittedly, BKLN isn't demonstrating all that large of a yield in today's marketplace because interest rates are so low, and credit has been squeezed to frothy levels. However, it is reasonable to assume that as consumer prices rise that we will start to see an uptick in Treasury yields to compensate. That shift would benefit bank loans as interest rate indexes reset and income swells in kind.

Another option to consider is a relatively new fund with a strong sponsor pedigree. The **Janus Henderson AAA CLO ETF (JAAA)** seeks capital preservation and current income by seeking to deliver floating-rate exposure to high-quality AAA-rated collateralized loan obligations (CLOs).
JAAA is an actively managed ETF that seeks to own bank loans on the higher end of the credit quality spectrum. This reduced credit risk manifests itself in a lower yield of 1.23% at today's prices, but similarly helps insulate the portfolio from capital volatility as well.

A fund such as JAAA would be more appropriate for conservative income clients that want to participate in a floating rate fund without as much downside risk as BKLN. Additionally, the active management component of this ETF is an advantage as the portfolio overseers can hedge their holdings, adjust cash levels, or shift sector allocations as needed.

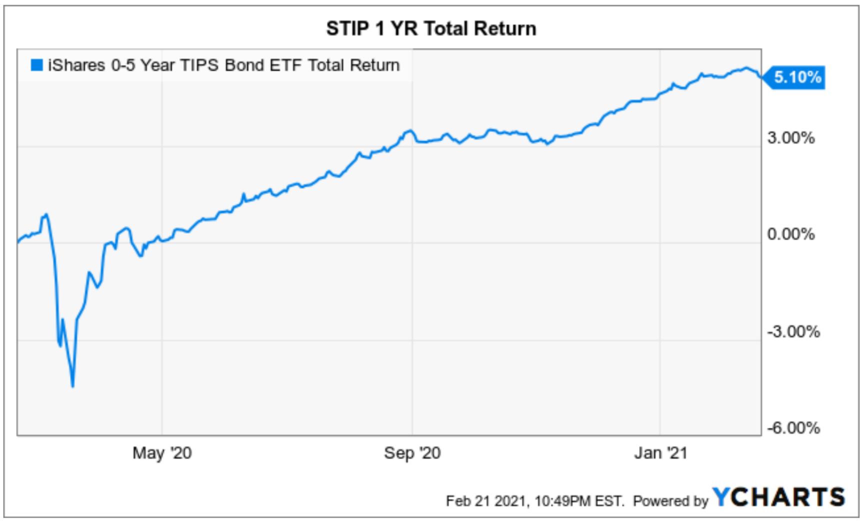
JAAA debuted in October of 2020 so there is just a short trading history to-date. However, the fund has already amassed over $120 million in assets under management and charges an extremely reasonable expense ratio of 0.25%. That low management cost is almost unheard of in the actively managed bond world. These factors all contribute to a fund with a number of appealing features that should be high on your inflation playbook watch list.

Lastly, TIPS are an intriguing proposition that are often used as an inflation-fighting tool in your bond workshop. TIPS are issued by the U.S. Treasury with a fixed coupon and face amount that fluctuates in accordance with changes in the rate of inflation. The most common and widely accepted inflation indicator is the Consumer Price Index.

When the Consumer Price Index is rising, the Treasury pays interest on the adjusted higher face value of the bond which creates a gradually rising stream of interest payments. This increase in coupon payments allows you to protect your purchasing power by receiving additional income when the price of goods and services is increasing.

The largest and most widely held ETF in this space is the iShares TIPS ETF (TIP), which has more than $27 billion in assets under management. However, if there is a flaw in this behemoth fund, it's an effective duration of 7.59 years. That makes its interest rate sensitivity closer to that of a 10-Year Treasury Note.

A more appropriate fund for jumping into the TIP sector at ultra-low rates (our current environment) would be the **iShares 0-5 Year TIPS Bond ETF (STIP)**. This ETF carries an effective duration of 2.75 years and will be far less volatile if we do start to see interest rates return to more conventional levels.



STIP has an indicated 12-month trailing yield of 1.33%, but investors should be wary that income from TIPS can be lumpy and thus there are months where no dividends are paid out. This can create misleading statistical data on the fund sponsor websites. Fortunately, the fund has a strong base of $3.5 billion in investment capital and charges a minuscule expense ratio of 0.05%.

To be clear, TIPS are not an effective tool at fighting rising Treasury bond yields in an environment of low inflation. Instead, they can be used as a directional bet on falling interest rates or as a potential income accelerator when the Consumer Price Index is trending higher. With relatively tepid CPI statistics over the last decade, TIPS have yet to show their true colors during a period of deteriorating purchasing power. We expect that trend to change dramatically when consumer prices accelerate to the upside.

What To Avoid As Inflation Picks Up

Maybe just as important as what to buy is what you should jettison from your portfolio or avoid outright when we do start to see those inflationary measures break out.

- **Traditional fixed-income**. Long duration, high credit quality holdings such as conventional Treasuries, mortgages, or investment-grade bonds are going to underperform significantly. Rising rates will naturally erode bond prices at the fundamental level. Look to step out of any holdings that would fall into these categories.

- **Diversified public REITs**. Real estate did alright during the 1970s and 1980s as an individual asset class, but higher carrying costs offset the capital appreciation along the way. This drag on net returns may not be the best inflation hedge if you own a fund such as VNQ or IYR. It's better for clients to own private real estate or identify specific quality stocks in the real estate field that are able to capitalize on rising prices as a part of their business model.

- **Consumer staples companies**. These non-cyclical stocks are likely to see their margins squeezed by rising input costs. Plus, consumers are price sensitive to downstream adjustments. These stocks are apt to underperform as CPI increases.

- **Utility stocks**. These are not the best inflation hedge. These heavily regulated companies are not always able to control pricing power on-demand for consumers. They will also be negatively impacted if interest rates rise in kind.

Conclusion

Our recommendation is to keep a close eye on the market-based drivers of inflation, including the dollar (which remains subdued) and inflation expectations (which are at multi-year highs).
Both point to a potentially sustainable acceleration of CPI/Core PCE sometime later this year, and having a plan in place to allocate to assets that do well during periods of rising inflation remains a prudent move for investors and advisors right now.

Best,

Tom

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Index Rebal KWEB (KraneShares CSI China Internet ETF)	*KWEB is an index rebalance play based on major Chinese internet and ecommerce companies (China N-shares) being added to FTSE Emerging Market Indices between Sep 2017 and June 2018. KWEB is our conduit to front-run huge index funds that will be forced to buy its underlying holdings.* ***What to do now: We closed KWEB on June 15th (last leg of rebal). It's still viable as a long-term holding.***	Issue 1: 8/17/17 8/24/17	KWEB: 21.46% (closed)	ACWX: 6.93% (through KWEB close date)
Smart Beta Pioneer RSP (Invesco S&P 500 Equal Weight ETF)	*From an index standpoint, S&P 500 Equal Weight has massively outperformed S&P 500 (cap weight) over the long term (392% vs. 158% over the last 18 years). RSP has lagged recently due to tech sector outperformance. That presents a short-term dislocation and opportunity to buy RSP at a discount to SPY.* ***What to do now: Buy.***	Issue 2: 9/7/17	RSP: 50.40%	SPY: 63.89%
Self-Driving Car Basket SNSR (Global X Internet of Things ETF) ROBO (ROBO Global Robotics & Automation Index ETF) AMBA (Ambarella) QCOM (Qualcomm)	*Massive changes to the auto industry, including self-driving technology, are closer to the mainstream than most investors think. The foundational changes to the auto industry could be the next "Megatrend" in investing to provide outperformance for years to come.* *There is no pure play "self-driving" ETF yet, but SNSR and ROBO offer exposure to many tech companies that are best-positioned in the space. AMBA and QCOM are two of the better stocks with unique exposure to the growing self-driving car industry.* ***What to do now: Buy the ETFs. We closed QCOM a month and a half after the Broadcom takeover announcement for a quick, sizable gain.***	Issue 3: 9/21/17	SNSR: 88.98% ROBO: 76.14% AMBA: 161.80% QCOM: 23.20% (closed)	SPY: 64.15% SPY: 19.93% (through QCOM close date)
Electric Car Battery Plays LIT (Global X Lithium & Battery Tech ETF) ALB (Albemarle)	*The trend towards the widespread adoption of electric cars is accelerating, with U.S. auto companies planning massive roll outs and several countries putting end dates on the internal combustion engine.* *From an investment angle, the key here is better technology, specifically lithium. LIT is a lithium ETF. ALB is one of the leading lithium plays in the market.* ***What to do now: Long-term investors can buy now. But, as we said in the issue, LIT and ALB ran up big following China's electric car decision. Both have sold off since. The growth opportunity is years, if not decades, ahead.***	Issue 3: 9/21/17	LIT: 80.03% ALB: 18.10%	SPY: 64.15%
Dividend Growth DIVY (Reality Shares DIVS ETF) REGL (ProShares S&P MidCap 400 Dividend Aristocrats ETF) SMDV (ProShares Russell 2000 Dividend Growers ETF)	*Historically, dividends are responsible for half of the market's total return. They are an essential component of long-term outperformance. While most investors choose high-yielding dividend stocks, our research shows dividend growth stocks can generate better long-term returns.* *DIVY is the only ETF that isolates pure dividend growth. This ETF is a fixed income alternative that should provide steady single-digit returns with low volatility and true diversification. REGL and SMDV are ETFs that provide exposure to the "Dividend Aristocrats" of tomorrow.* ***What to do now: Buy.***	Issue 4: 10/4/17	REGL: 34.97% SMDV: 17.46%	AGG: 14.54% MDY: 45.99% IWM: 54.29%
Merger Arbitrage GABCX (Gabelli ABC Fund) MNA (IQ Merger Arbitrage ETF)	*Merger arbitrage is a time-tested hedge fund strategy. It seeks to profit from the timely completion of mergers, takeovers and corporate re-orgs. The strategy has produced solid absolute returns with low correlations to stocks and bonds.* *GABCX and MNA are the two best-performing—and cheapest—options to invest in this space.* ***What to do now: Buy.***	Issue 5: 10/17/17	GABCX: 10.59% MNA: 9.92%	AGG: 14.31%

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Special Dividends **List of 24 stocks**	*Screened 17,070 stocks to arrive at 24 stocks that have consistently paid large special dividends. Investors can't see the true yields on these stocks because they're missing from financial websites. Our elite list has yields ranging from 50% to 600% higher than the S&P 500's yield.* ***What to do now: Buy (multiple ways to implement in issue).***	**Issue 6:** **10/31/17**	**Basket of stocks (avg.):** **7.37%**	**50% SPY/50% AGG:** **3.77%**
Global Value **GVAL (Cambria Global Value ETF)**	*A fundamentally-focused deep value strategy that uses a cyclically-adjusted valuation composite to evaluate 45 global countries for investment. GVAL captures the cheapest countries and the cheapest stocks in those specific countries, too.* ***What to do now: Buy.***	**Issue 9:** **12/12/17**	**GVAL:** **-1.43%**	**ACWX:** **23.85%**
"Backdoor" Hedge Fund Investing **List of 10 stocks**	*It's almost impossible for investors to access the world's best hedge fund managers. Either their funds are closed, the minimums are too steep (in the millions), or the fees are outrageously high ('2 & 20'). We found 10 little-known ways to access ace managers who have produced Buffett-like returns.* ***What to do now: Buy (multiple ways to implement in issue).***	**Issue 10:** **12/27/17**	**Basket of stocks (avg.):** **-5.09%**	**50% SPY/50% AGG:** **1.30%**
EM & FM Bonds **EMB (iShares JPM USD Emerging Markets Bond ETF)** **EMLC (VanEck JPM EM Local Currency Bond ETF)** **EBND (SPDR Bloomberg Barclays Emerging Markets Local Bond ETF)** **AGEYX (American Beacon Global Evolution Frontier Markets Income Fund)**	*Most investors have no allocation to fixed income outside the U.S., but we think it's worth serious consideration. Emerging and frontier debt funds have yields 2X, 3X, and 4X the yields of traditional fixed income investments... low correlations to major asset classes... and healthier fundamentals (lower debt-to-GDP ratios, faster-growing economies, and better demographics) from a country perspective.* *EMB (emerging market debt hard currency), EMLC/EBND (emerging market debt local currency), and AGEYX (actively-managed frontier market debt) are all attractive options.* ***What to do now: Buy.***	**Issue 11:** **1/9/18**	**EMB:** **10.73%** **EMLC:** **0.78%** **EBND:** **4.06%** **AGEYX:** **13.13%**	**AGG:** **14.84%**
"Blockchain" Investing **BLOK (Amplify Transformational Data Sharing ETF)** **BLCN (Reality Shares Nasdaq NexGen Economy ETF)**	*Blockchain, the technology behind cryptos, has the potential to change many industries. Having the right exposure to companies using or pioneering the use of blockchain, offers substantial long-term growth opportunities. Not only did we break the story on the first two blockchain ETFs (BLOK and BLCN) ahead of every financial media outlet, we also provided a sneak peek at their top holdings and a blockchain primer.* ***What to do now: Buy (multiple ways to implement in issue).***	**Issue 12:** **1/16/18**	**BLOK:** **178.90%** **BLCN:** **105.00%**	**SPY:** **47.04%**
"Active" Bond ETFs **BOND (PIMCO Active Bond ETF)** **TOTL (SPDR DoubleLine Total Return Tactical ETF)** **FTSL (First Trust Senior Loan Fund)**	*Studies show actively-managed fixed income funds have been much more successful at beating benchmarks than actively-managed equity funds.* *In addition, the "Agg" has changed for the worse over time: higher duration, lower yield, and less diversification. These three active bond ETFs—with better statistics and all-star portfolio management teams—stand a good chance at beating the Agg going forward.* ***What to do now: Buy.***	**Issue 14:** **2/20/18**	**BOND:** **17.72%** **TOTL:** **12.34%** **FTSL:** **112.71%**	**AGG:** **16.75%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Cash Alpha **FPNIX (FPA New Income)**	*FPNIX has generated positive returns for 33 straight years. No other non-government bond fund can boast of an equivalent track record. We also featured "MaxMyInterest," which produces 140 to 150 basis points of alpha versus traditional cash vehicles (MMAs, MMFs, and CDs). Max also increases FDIC insurance and can give advisors visibility to held-away cash.* ***What to do now: Buy (Max is also an excellent cash management solution).***	**Issue 15:** **3/6/18**	**FPNIX:** **9.02%**	**BIL:** **3.97%**
Index Rebal **KBA (KraneShares Bosera MSCI China A Share ETF)**	*KBA is an index rebalance play based on the inclusion of Mainland Chinese equities (A-shares) into MSCI Global Standard Indexes. The first two steps will take place on June 1st and September 1st. KBA is our gateway to front-run massive index funds that will be forced to buy its underlying holdings.* ***What to do now: Buy.***	**Issue 16:** **3/20/18**	**KBA:** **47.07%**	**ACWX:** **20.90%**
Anti-Trade War **QABA (First Trust Nasdaq ABA Community Bank Index Fund)**	*QABA is a play to protect against trade war ramifications (97% of its sales are U.S.-sourced). Additionally, it should also be a beneficiary of U.S. tax reform, in that, smaller U.S. companies should capture most of the 35% to 21% corporate tax cut. We also featured three more ETFs (AMCA, AIRR, KRE) and two exclusive stock screens—run through Cap IQ—for advisors to share with clients who have trade war concerns.* ***What to do now: Buy.***	**Issue 18:** **4/17/18**	**QABA:** **7.18%**	**SPY:** **50.11%**
Foreign Small Caps **VSS (Vanguard FTSE All-World ex-US Small-Cap ETF)** **DLS (WisdomTree International Small-Cap Dividend Fund)**	*Most advisors don't allocate to international small caps. But, we think they should reconsider. This hidden asset class holds several advantages over its U.S. equivalents: cheaper valuations, less volatility, lower correlations, higher dividend yields, and past outperformance. We highlight multiple individual ETFs, ETF combinations, and actively-managed mutual funds that do the trick.* ***What to do now: Buy.***	**Issue 19:** **5/1/18**	**VSS:** **16.60%** **DLS:** **3.01%**	**EFA:** **17.67%**
Disruptive Innovation **ARKK (ARK Innovation ETF)**	*Investing in the "cornerstone themes of disruptive innovation" has resulted in huge profits over time (think Amazon, Apple, and Netflix). ARK sees current investment opportunities in innovation platforms, such as automation, energy storage, DNA sequencing, next generation internet, blockchain technology, etc. ARK's top innovation-based themes are all represented in ARKK. In 2017, ARKK was the #1 performing ETF (excluding leveraged and inverse ETFs) with a return of 87%!* ***What to do now: Buy.***	**Issue 20:** **5/15/18**	**ARKK:** **238.60%**	**SPY:** **49.60%**
Buybacks **PKW (Invesco BuyBack Achievers ETF)**	*Companies with meaningful share count reduction have outperformed over the long term with lower volatility. Currently, U.S. companies are flush with cash due to tax cuts and repatriation. In turn, share repurchases broke a new record in Q1 2018 and they're on pace to set a new record for 2018. PKW is the premier ETF to profit from buybacks (largest asset base and longest history). We also featured four alternative ETFs (SPYB, TTFS, DIVB, SYLD) and some individual stock lists.* ***What to do now: Buy.***	**Issue 21:** **5/29/18**	**PKW:** **47.11%**	**SPY:** **50.83%**
"FANG and Friends" of Emerging Markets **EMQQ (Emerging Markets Internet & Ecommerce ETF)**	*"By 2025, annual consumption in emerging markets will reach $30 trillion—the biggest growth opportunity in the history of capitalism."—McKinsey & Company. The combination of four major forces in emerging markets make this a great investment setup: favorable demographics, increasing smartphone availability, surging wireless broadband and Wifi access, and the globalization of the capital formation process. EMQQ is the best ETF to invest in this great confluence. We also featured three alternative ETFs (ECON, KWEB, KEMQ).*	**Issue 23:** **6/26/18**	**EMQQ:** **104.30%**	**EEM:** **36.55%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Micro Caps IWC (I-Shares Micro-Cap ETF)	*Small caps outperformed until this most recent pullback, but while allocations to that sector of the market are rising, micro-caps, a sub-set of small caps, remain generally overlooked.* *Micro caps remain an overlooked, under-researched, and under-allocated part of the small cap universe that can offer diversification and outperformance (micro caps are perennial takeover candidates).*	7/10/18	IWC: 41.50%	IWM: 35.77%
The Future of Consumer Spending IBUY (Amplify Online Retail ETF) FINX (Global X FinTech ETF) IPAY (ETFMG Prime Mobile Payments ETF)	*The way U.S. consumers purchase goods is changing—rapidly. And, getting "pure play" exposure to the rise to online retailers and to the growth of mobile payments could be similar to investing in credit cards back in the mid-80's. There are few other established corners of the market that offer this type of growth potential.*	7/24/18	IBUY: 157.20% FINX: 83.25% IPAY: 72.31%	SPY: 43.47%
Floating Rate Funds FLOT (I-Shares Floating Rate Bond ETF USFR (Wisdom Tree Floating Rate Treasury Fund) SRLN (SPDR Blackstone / GSO Senior Loan ETF EFR (Eaton Vance Floating Rate Trust)	*Despite stubbornly high bonds/low yields, bonds are still now in a longer term bear market, and there exist few non-inverse bond alternatives that can produce absolute gains in a falling bond environment.* *Floating rate ETFs rise as bond yields fall and offer absolute return potential in bond portfolios, and are an important tool in constructing client bond portfolios in a rising rate environment.*	8/6/18	FLOT: 5.15% USFR: 3.40% SRLN: 11.41% EFR: 13.03%	AGG: 15.88%
Content Is King PBS (Invesco Dynamic Media ETF) IEME (Ishares Evolved U.S. Media & Entertainment ETF) XLC (Communications services SPDR) DIS (Disney)	*How generational changes in the cable TV industry are presenting massive long-term growth potential (think NFLX's 4000% return since 2012).* *Industry Primer: How the cable industry is changing from a service-based business, to a content-based business.*	8/20/18	PBS: 72.19% IEME: 55.87% XLC: 51.74% DIS: 75.30%	SPY: 41.43%
Momentum & Value PSCH (PowerShares S&P SmallCap Health Care Portfolio) SBIO (ALPS Medical Breakthroughs ETF) FXG (First Trust Consumer Staples AlphaDex ETF)	*In our first of a recurring series, each quarter we'll profile some of the best ETFs from a momentum and value standpoint.* *Most investors and prospects can be grouped into those two investing styles, and we want to provide consistent, value-add idea generation for each type of investor, so you're always armed with compelling ideas and stories for clients and prospects, regardless of their investment style.*	9/4/18	PSCH: 29.46% SBIO: 52.60% FXG: 17.46%	SPY: 39.41%

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Commodities PDBC (Invesco Optimum Yield Diversified Commodity Strategy No K-1) GNR (SPDR S&P Global Natural Resources ETF) RLY (SPDR SSGA Multi-Asset Real Return ETF)	*Commodities have typically outperformed during late expansion and early recession phases of the economic cycle. Many economic indicators imply we are entering (or are already in) the late expansion phase of the economic cycle. As such, commodities have outperformed so far this year, and we expect that to continue.*	9/18/18	PDBC: -0.73% GNR: 11.63% RLY: 9.18%	DBC: 0.90%
Short Duration Bond ETFs MEAR (IShares Short Maturity Municipal Bond ETF) LDUR (PIMCO Enhanced Low Duration Active ETF) MINT (PIMCO Enhanced Short Maturity Active ETF)	*The downtrend in bonds accelerated in September and October of 2018, and it was a reminder that advisors face challenges in the fixed income markets over the coming years.* *One of the best ways to protect investors in a bond bear market is by shortening duration of bond holdings, so we presented three short duration bond ETFs that have yields that are close to the 10 year Treasury, but that have much shorter average maturities.*	10/16/18	MEAR: 5.27% LDUR: 9.45% MINT: 3.54%	BIL: 2.89%
Bear Market Strategies USMV (I-Shares Edge MSCI Minimum Volatility USA ETF) PTLC (Pacer Trendpilot US Large Cap ETF)	*The October 2018 equity market decline sparked fears of an end to the multi-year bull market. So, we wanted to provide some suggestions on practical "bear market" strategies for advisors that wouldn't involve market timing or deviating from keeping clients in the markets over the longer term.*	10/30/18	USMV: 28.03% PTLC: 20.54%	SH: -40.13%
Special Dividends List of 19 stocks	*Screened 17,070 stocks to arrive at 19 stocks that have consistently paid large special dividends. Investors can't see the true yields on these stocks because they're missing from financial websites. Our elite list has yields ranging from 50% to 600% higher than the S&P 500's yield.* *What to do now: Buy (multiple ways to implement in issue).*	11/6/18		
Momentum & Value 4th Quarter Edition WTMF (Wisdom Tree Managed Futures ETF) MLPA (Global X MLP ETF) DCP (DCP Midstream LP) SHLX (Shell Midstream Partners LP)	*In our Q4 installment of our Momentum and Value series we focused on strategies for the volatile and difficult market.* *Our momentum strategies were focused on non-correlated ETFs to provide diversification.* *Our value strategy focused on the MLP space, which had compelling yields in an environment where the oil price should stabilize.*	12/4/18	WTMF: 5.20% MLPA: -24.17% DCP: -18.25% SHLX: -20.42%	SPY: 48.84% AMLP: -25.20%

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Growth into Value Rotation **RPV (Invesco S&P 500 Pure Value ETF)** **DVP (Deep Value ETF)**	*Recognizing the switch in outperformance from value to growth in 2014 was one of the easiest ways to help clients outperform.* *Now, there are signs markets might be switching back, to an era where value outperforms growth. The ETFs included in this report serve as a "one stop shop" to add quality value exposure to client portfolios.*	12/18/18	RPV: 28.20%	VTV: 34.49%
Contrarian Ideas to Start 2019 **IEMG/EEMV (Emerging Market ETFs)** **ITB/VNQ (Homebuilders/Real Estate ETFs)** **DFE (WisdomTree Europe SmallCap Dividend Fund)**	*The start of a new year means new money needs to be put to work, so we wanted to provide some unique and interesting contrarian ideas that can outperform in 2019.*	1/2/19	IEMG/EEMV: 49.17%/20.49% ITB/VNQ: 103.2%/32.70% DFE: 39.08%	SPY: 59.86%
Identifying High Quality Stocks **COWZ (Pacer U.S. Cash Cows 100 ETF)**	*Free Cash Flow Yield (FCFY) and Return On Equity (ROE) are two factors that produce long term outperformance.* *We complied a list of nearly two dozen large cap stocks that have a FCFY over 8%, along with another list of the top 10% companies with highest Return on Equity. We think the stocks on these lists present opportunities to buy quality names on market dips.* *We also identified an ETF that screens based on FCFY, and it provides outperformance with lower drawdowns.*	1/15/19	COWZ: 34.48%	SPY: 50.98%
Preferred Stock ETFs **PGF (Invesco Financial Preferred ETF)** **VRP (Invesco Variable Rate Preferred ETF)** **PFXF (VanEck Vectors Preferred Securities ex Financials ETF)**	*Preferred stocks have massively outperformed the S&P 500 during the October—December correction and barely lagged bonds. With yields of 5% and higher we think preferred stock ETFs present a unique long term opportunity to generate income and reduce volatility in portfolios, while keeping upside exposure.*	1/29/19	PGF: 14.53% VRP: 19.18% PFXF: 20.90%	PFF: 16.82%
Utilities For Income **VPU (Vanguard Utilities ETF)** **NRG (NRG Energy)** **CNP (CenterPoint Energy)**	*We continued our focus on safety and income as we show why "boring" utilities can offer substantial outperformance in a volatile market.* *Utilities outperformed during the Oct-Dec correction, and owning utilities hasn't meant giving up long term performance as XLU has the same five year total return as the S&P 500.* *If you think the markets will stay volatile, utilities are a good place for capital to weather the storm and keep upside exposure.*	2/12/19	VPU: 13.67% NRG: -8.94% CNP: -27.31%	XLU: 15.85%

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Cybersecurity: Threats & Opportunities HACK (ETFMG Primce Cyber Security ETF) CIBR (First Trust NASDAQ Cybersecurity ETF) FTNT (Fortinet) CYBR (CyberArk)	*Cyber security and privacy on-line are two clearly defined growth areas of tech, as tech adoption progresses towards consumer demanding security and convenience.*	2/26/2019	HACK: 50.67% CIBR: 58.14% FTNT: 93.15% CYBR: 48.39%	QQQ: 85.31%
Cannabis Industry Investment. MJ (ETFMG Alternative Harvest ETF) ACB (Aurora Cannabis) CGC (Canopy Growth Corporation) APHA (Aphria)	*Through March of 2019, the cannabis sector was the best performing sector in the market, as that performance reflected the growing adoption of medical cannabis, as well as the unrivaled growth potential.* *Investors and clients are asking about this industry, so we wanted to present a "Cannabis Primer" along with three different investment strategies to get responsible exposure to this market segment.*	3/12/19	MJ: -30.14% ACB: -88.58% CGC: -25.15% APHA: 83.73%	SPY: 43.07%
Socially Responsible Investing ESGV (Vanguard ESG US Stock ETF)	*Studies and AUM trends have shown that while clients still care about the bottom line (returns) there is growing popularity among investors to not only generate a solid return, but also for their investments to reflect their core beliefs and values.* *So, we've updated our research to focus on a few core ESG areas that have seen AUM explode over the past two years. These stylistic ETFs can not only outperform, but also help strengthen the client/advisor bond, via directing some investments to issues important to your client.*	3/26/19	ESGV: 51.51%	SPY: 41.62%
Hedged Equity ETFs DMRL (DeltaShares S&P 500 Managed Risk ETF) CCOR (Cambria Core Equity ETF) JHEQX (JP Morgan Hedged Equity Fund Class)	*Stocks have started 2019 with a bang, rising sharply in Q1. But, major macro risks remain present and there is undeniable proof the economy is late cycle.* *Hedged equity ETFs can help advisors and investors maintain long exposure while also providing protection from another 2018 style correction.*	4/9/19	DMRL: 20.75% CCOR: 5.96% JHEQX: 25.82%	SPY: 38.55%

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Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
ARK Invest Family of ETFs ARKW (ARK Next Generation Internet ETF) ARKG (ARK Genomic Revolution ETF) XITK (SPDR Fact Set Innovative Tech ETF)	*We are re-introducing the ARK Family of ETFs. Alpha recommendation ARKK is up 26% YTD and it's outperformed the S&P 500 since our recommendation.* *ARK ETFs offer "one-stop shopping" exposure to the disruptive technologies of tomorrow—technologies that can not only produce outsized long-term returns, but that also are compelling stories for clients and prospects.*	4/23/19	ARKW: 211.1% ARKG: 204.1% XITK: 125.3%	QQQ: 68.87%
The Alpha Opportunity in Healthcare IHI (iShares Medical Device ETF) XBI/SBIO/ARKG (The Quality Bio-tech ETFs) IHF (iShares U.S. Healthcare Providers ETF)	*The healthcare sector has badly lagged the S&P 500 thanks to political concerns (Medicare for all). But, future political risks aside, fundamentals for the healthcare industry are compelling.* *We covered this broadly in the Sevens Report two weeks ago, but in today's Alpha issue we wanted to do a "deep dive" into the space and provide a broader healthcare sector primer, as opportunities to invest in healthcare at the relative value to the market don't come along very often.*	5/7/19	IHI: 50.83% XBI: 80.71% IHF: 46.32%	XLV: 32.72%
Minimum Volatility ETFs USMV (iShares Total Return MSCI USA Minimum Volatility ETF) SPLV (S&P 500 Low Volatility Index ETF) EEMV (iShares MSCI Minimum Volatility Emerging Markets ETF) EFAV (iShares Edge MSCI Minimum Volatility EAFE ETF)	*Minimum volatility ETFs have proven effective alternatives for core market holdings over both the short and long term, and will help ensure investors don't give back YTD gains in the event of a correction while still maintaining upside exposure.*	5/21/19	USMV: 15.27% SPLV: 7.61% EEMV: 18.79% EFAV: 8.31%	SPY: 38.94%
Ageing of America Primer WELL (Welltower Inc) OHI (Omega Healthcare Investors) SCI (Service Corp International)	*There is a coming massive demographic shift in the U.S. as within the next 20 years one in every five Americans will reach retirement age, and that aging of Americans will have profound impacts on different market sectors.*	6/4/19	WELL: -5.77% OHI: 21.98% SCI: 14.22%	SPY: 41.90%

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Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Rate Cut Playbook We wanted to provide both an asset class and stock market sector "playbook" so advisors will know what outperformed, and what underperformed during the last two rate cut cycles. The important part of our research is that we let the numbers, not our assumptions, do the talking and the results were surprising!	*Inside the issue you'll find:* • *Return tables that show the performance of the major S&P 500 sectors over the last two rate cut cycles. (Returns 12 months following the first cut, and Returns from the first cut to the last cut).* • *Return tables for the major bond market segments over the last two rate cut cycles.* • *We identify the sectors and bond segments that lagged in both cutting cycles (again, the results were surprising) and the sectors that outright outperformed and that relatively outperformed.* • *Finally, we also identified the sectors and segments that were the biggest "losers" during the last two rate cut cycles.*	6/18/19		
How to Responsibly Allocate to Gold GLD (SPDR Gold Trust) SGOL (Aberdeen Standard Physical Gold ETF) GDX (VanEck Vectors Gold Miners ETF) KL (Kirkland Lake) FNV (Franco Nevada Corp)	*Gold was one of the top performers in our "Rate Cut Playbook" and it recently just hit a six year high.* *So, in this issue, we wanted to focus on how advisors can responsibly allocate to gold, because again If this trend continues, gold will continue to outperform the S&P 500, and undoubtedly you will field questions from clients about owning gold.* *Beyond servicing clients, from an alpha standpoint, gold trends incredibly well, and if we are at the start of a multi-year uptrend, the returns can be substantial (gold returned more than 800% from 2001-2011 and outperformed stocks during the last two rate cutting cycles).*	7/2/19	GLD: 27.11% SGOL: 27.66% GDX: 32.88% KL: -14.68% FNV: 36.84%	
Momentum Factor Investing MTUM (IShares Edge MSCI USA Momentum Factor ETF) SPMO (Invesco S&P 500 Momentum ETF) FDMO (Fidelity Momentum Factor ETF)	*Factor investing has proven to be an effective strategy for medium and long term investors. One of the strategic factors that consistently rises to the upper half of the performance matrix is "momentum" as a driver of outsized returns.* *Momentum factor ETFs have provided positive excess returns in seven of the last 11 years.*	7/16/19	MTUM 28.39% SPMO: 35.03% FDMO: 28.25%	SPY: 26.02%

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Profit from the Sharing Economy **MILN (The Global X Funds/Millennials Thematic ETF)** **GIGE (The SoFi Gig Economy ETF)**	*Inspiration for the issue came from this comment, which I believe is a profound statement on the next evolution of the economy.* *"Uber, the world's largest taxi company, owns no vehicles. Facebook, the world's most popular media owner, creates no content. Alibaba, the most valuable retailer, has no inventory. And Airbnb, the world's largest accommodation provider, owns no real estate. Something interesting is happening." Tim Goodwin The Batter Is For The Consumer Interface.* *Each of those companies are part of the new "sharing economy."* *In addition to profiling two ETFs, we also created our own "Watch List" of sharing economy companies that describes 1) What they do and 2) How they make money, so you have a clear view of the entire "Sharing Economy" universe.*	**7/30/19**	**MILN:** **57.47%** **GIGE:** **106.80%**	**SPY:** **27.96%**
The Case for REITS **VNQ (Vanguard Real Estate ETF)** **VNQI (Vanguard Global ex-U.S. Real Estate ETF)** **REZ (iShares Residential Real Estate ETF)** **REM (Ishares Mortgage Real Estate ETF)**	*Over the past month, only one sector SPDR had a positive return, **and it was Real Estate (XLRE) as it rose 1.75%.** And, that underscores what has been a great year for the sector, as XLRE has gained more than 22% YTD and only trails tech (XLK) on a YTD performance basis.* *This strong performance shouldn't come as a surprise.* *The current environment is very positive for REITs, given we're likely looking at 1) More Fed rate cuts and 2) A potentially slowing economy.* *More directly, with greater than 3% yields, positive correlation to rising inflation, and a very solid historical track record through growth slowdowns (with one glaring exception), REITs remain an attractive destination for capital in the current environment.*	**8/16/19**	**VNQ:** **-1.73%** **VNQI:** **-4.32%** **REZ:** **-7.86%** **REM:** **-18.91%**	**SPY:** **33.23%**
Seizing Opportunity in the Defense Industry **ITA (IShares U.S. Aerospace & Defense ETF)** **PPA (Invesco Aerospace & Defense ETF)** **UFO (The Procure Space ETF)**	*The defense sector has been one of the best performing market sectors for over a decade. Consider **Over the past 10 years the defense stock sector has posted an 18.57% annualized return and a 446% cumulative return** That compares to a 12.96% annualized return for the S&P 500 and a cumulative return of 238%.* *That's significant outperformance that should impress any client.* *But, right now, we think there's even more opportunity in this sector due to the presence of a potentially major growth catalyst—the space industry.*	**8/27/19**	**ITA:** **-13.49%** **PPA:** **2.31%** **UFO:** **6.55%**	**SPY:** **32.01%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Japanization Playbook **PTCIX (PIMCO Long Term Credit Bond Fund)** **VYM (Vanguard High Dividend Yield ETF)** **PDI (PIMCO Dynamic Income Fund)**	Given the slowing of the global economy, we are now at a fork in the road, where global economic stimulus will either work, like it did in 2016 and spur a big rally, or it will not, like what happened in Japan in the 1990s. We spent an entire *Alpha* issue detailing a what will outperform and underperform in that scenario, so that if it happens, we know what to do.	9/10/19	PTCIX: 9.78% VYM: 14.70% PDI: -2.27%	SPY: 32.75%
Reflation Playbook **Reflation Strategy 1: A better tech ETF.** **Reflation Strategy 2: Momentum Factor.** **Reflation Strategy 3: The Consumer.** **Reflation Strategy 4: Emerging Markets.** **Reflation Strategy 5: Floating Rate Funds.**	This issue is the final piece of our four-part series on the longer-term outcome for this market: **Japanization or Reflation?** Reflation issue goes **deeper into the sectors and assets that will** outperform if we get another successfully engineered economic reflation – driven in part by a weaker dollar – like we did in 2016-2018.	9/24/19	Various ETFs listed in the Issue	
Investing in Green Energy **TAN (Invesco Solar ETF)** **FAN (First Trust Global Wind Energy ETF)** **ICLN (IShares Global Clean Energy ETF)** **PBW (Invesco Wilderhill Clean Energy ETF)**	Advisors today need to know funds and ETFs that can help clients invest for a greener future, **as doing so will align client investments with their interests and build more trust between the advisor and client.** In this *Alpha* issue, we cover some of the best ETFs for direct alternative energy exposure, and the results may surprise you as some of the best alternative energy ETFs share a lot of characteristics with tech ETFs and multi-national industrial ETFs.	10/8/19	TAN: 229.20% FAN: 75.89% ICLN: 135.20% PBW: 272.60%	SPY: 36.53%
Investing in the Water Industry **PHO (Invesco Water Resources ETF)** **FIW (First Trust Water ETF)** **TBLU (Tortoise Global Water ESG Fund)**	We are continuing the theme from the last issue of 1) Making money (generating alpha) and 2) Doing good (appealing to clients focused on the environment), and we're doing it by taking a deep dive into the water industry. The water industry remains a quasi-niche, but it shouldn't, as water industry investment can: Generate alpha as major water industry ETFs have outperformed the S&P 500 over the past several years and It can strengthen client relationships as water investment is closely tied to ESG investing, and water demand is a concept that clients can easily relate to.	10/22/19	PHO: 32.48% FIW: 35.06%	SPY: 31.75%

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Outperforming in A Declining Dollar Environment **VGT (Vanguard Information Technology ETF)** **IHI (IShares U.S. Medical Devices ETF)** **EMLC (VanEck Vectors J.P. Morgan EM Local Currency Bond ETF)** **PDBC (Invesco Optimum Yield Diversified Commodity Strategy No K-1 ETF)**	If there's going to be a global reflation, then it will likely come with a weaker U.S. Dollar. From early 2017 through early 2018 the dollar declined from over 100 to below 90 (so more than 10%) and that had a significant impact on stocks: The 2017 decline in the dollar resulted in **a 31% gain for the S&P 500** from December 2016 through January 2018. But, the dollar decline also created opportunities for specific sectors and assets classes to handily outperform the S&P 500, and we want to identify those opportunities in three strategies: • Targeted sector exposure via a focus on U.S. Exporters • International ETF Exposure • Commodities Allocations.	**11/5/19**	**Various ETFs Listed in the Issue**	
Closed End Funds **ETG (EV Tax Adv. Global Dividend Inc)** **HTD (JH Tax-Advantaged Dividend Inc)** **PDI (PIMCO Dynamic Income)** **NZF (Nuveen Municipal Credit Income)** **FFC (Flaherty & Crumrine Preferred & Income Sec.)** **RQI (Cohen & Steers Quality Income)**	Closed End Funds (CEFs) are under-utilized compared to ETFs (we explain why in the issue) but CEFs have advantages over ETFs both on a yield and tactical basis – and we think that CEFs can be an effective tool, when integrated into a broader portfolio strategy, that can boost yield and create opportunities to generate alpha.	**12/3/19**	**ETG:** **14.79%** **HTD:** **-15.96%** **PDI:** **-9.60%** **NZF:** **4.37%** **FFC:** **9.98%** **RQI:** **-9.95%**	**SPY:** **25.24%**
Cash Management **FPNIX (FPA New Income Fund)** **MINT (PIMCO Enhanced Maturity Active ETF)** **BBBIX (BBH Limited Duration I)**	In this issue, we identify three funds that provide market-beating returns on cash with very low duration and good liquidity, and we rank them depending on preference: More aggressive (and higher yield), Conservative, and "In Between."	**12/17/19**	**BBBIX:** **3.38%**	**BIL:** **0.45%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Contrarian Ideas 2020 MJ (ETFMG Alternative Harvest ETF) XOP (SPDR S&P Oil & Gas Exploration and Production ETF) LQDH (iShares Interest Rate Hedged Corporate Bond ETF)	**Contrarian Idea: Cannabis Sector.** Cannabis stocks got crushed in 2019, but underlying demand for medical cannabis, along with public acceptance of the idea, continued to grow. **Contrarian Idea: Energy.** The energy sector lagged in 2019, but if there is a rebound in growth, combined with a protracted dollar decline, energy could handily outperform in 2020. **Contrarian Idea: Rising Rates.** Bonds surged in 2019 and the broad consensus is for perma-low rates. But the Fed is now targeting higher inflation, and if growth rebounds, rates could easily move higher.	12/31/19	MJ: 42.48% XOP: -12.25% LQDH: 2.16%	SPY: 21.80%
International Exposure IQLT - iShares Edge MSCI International Quality Factor ETF. VIGI - Vanguard International Dividend Appreciation ETF GSIE - Goldman Sachs ActiveBeta International Equity ETF	We all know that **proper diversification is essential to both risk management and long-term outperformance,** and while the outlook for the U.S. markets remains strong, proper diversification must be maintained for investors with long-term time horizons. So, we've done a deep dive into the very overpopulated world of international ETFs and selected the few ETFs that we believe offer a superior combination of 1) Exposure to quality international companies, 2) Focus on developed economies (so this isn't about emerging markets) and 3) Are trading at an attractive valuation.	1/14/2020	IQLT: 13.94% VIGI: 16.32% GSIE: 10.84%	ACWX: 15.17%
Opportunities in Small Caps IJR: iShares Core S&P Small-Cap ETF VBK: Vanguard Small-Cap Growth ETF XSLV: Invesco S&P SmallCap Low Volatility ETF	The stock market has become extremely "top-heavy" with a few mega-cap tech stocks like AAPL, AMZN, MSFT, GOOGL largely driving market performance and being the difference maker in annual performance. While that's been a good thing for the last several years for many investors, the reality is that now they are also not as diversified as they should be on a market-cap basis. Proper diversification across multiple criteria (including market cap) is essential to long term outperformance and portfolio optimization, so it's always something we need to be focused on. But, to get a bit more tactical, after years of underperformance, there's a credible macro set up where small-caps can outperform in 2020.	1/28/2020	IJR: 29.81% VBK: 39.85% XSLV: -8.92%	IWM: 34.36%
Finding Actionable Opportunities in the Biotech Sector IBB (iShares Biotechnology ETF) SBIO (ALPS Medical Breakthroughs ETF) XBI (SPDR S&P Biotech ETF)	What outperforms during a global health emergency like the Wuhan virus? Historically, the biotech sector does, **which rose 40% compared to 25% for the SPY following SARS in the early 2000s.** But, investing in biotech is tough for an advisor. So, our goal for this Alpha issue was clear: **Find the best biotech ETFs that today's advisors can actually allocate to.**	2/11/2020	IBB: 30.68% SBIO: 33.44% XBI: 57.19%	SPY: 14.78%

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Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Hedged Equity ETFs **DMRL: DeltaShares S&P 500 Managed Risk ETF.** **CCOR: Cambria Core Equity ETF.** **JHEQX: JPMorgan Hedged Equity Fund Class I.**	We want to highlight hedged ETF strategies that can help advisors protect gains if we are at the start of a 2018 style correction, or worse, our first bear market in over a decade, while at the same time maintaining long exposure if/when the correction ends. Hedged ETFs outperformed the S&P 500 in 2018, and if this current correction turns into a lengthy pullback, hedged ETFs will help preserve client gains.	**3/10/2020**	**DMRL: 20.75%** **CCOR: 5.96%** **JHEQX: 25.82%**	**SPY: 38.41%**
Sector Opportunities from the Coronavirus Decline **Tech Sector (Three ETFs)** **Financials (Three ETFs)** **Energy (Three ETFs)**	This will be the first part of a two-part series that addresses potential longer-term opportunities from this crisis. For today's issue, we selected three sectors: **Tech, Financials and Energy, and we provided three ETF options in each sector depending on whether you are looking for broad-based exposure (and diversification) or want a more targeted strategy (higher risk/higher return).**	**3/24/2020**	**Multiple ETFs selected for each sector depending on risk tolerance.**	
Longer Term Industry Opportunities from the Coronavirus **Health & Wellness (Three ETFs)** **Mobility As A Service (IBUY: Amplify Online Retail ETF)** **Cord Cutting (JHCS: John Hancock Multifactor Media and Communications ETF).** **Stay At Home (XITK: SPDR FactSet Innovative Technology ETF)**	In this issue, **we build on the theme of a return to optimism by identifying specific stocks, ETFs, and industries likely to experience long-term tailwinds from this historic coronavirus pandemic black swan.** This trend will shift the spending and habits of millions of Americans over the course of the next decade.	**4/7/2020**	**PTH: 103.0%** **IBUY: 207.50%** **JHCS: 66.06%** **XITK: 147.4%**	**SPY: 45.15%**
Three Industries That Will Benefit from Changes in Corporate Behavior **Cloud Computing (SKYY: First Trust Cloud Computing ETF)** **E-Commerce (SHOP: Shopify & GDDY (GoDaddy)** **Online Payment Processing (IPAY: ETFMG Prime Mobile Payments ETF)**	Each part of our "What To Buy" series have become more granular, and that trend is continuing today with the final installment of the series. Part One focused on broad sectors. Part Two identified larger industries that should benefit over the longer term from changes in consumer behavior from the coronavirus experience. **Now, Part Three will go even deeper and rely on our own anecdotal experiences to identify sub-indices that should benefit over the longer term from changes in business behavior in a post-coronavirus world.**	**4/21/2020**	**SKYY: 74.24%** **SHOP: 116.90%** **GDDY: 26.53%** **IPAY: 80.88%**	**SPY: 40.95%**

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Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Three Strategies for a "U" Shaped Recovery **Preferreds: PGF (Invesco Financial Preferred ETF)** **Dollar Stores/Fast Food: DG: (Dollar General), DLTR: (Dollar Tree), MCD: McDonalds** **Consumer Staples: RHS (Invesco S&P 500 Equal Weight Consumer Staples ETF).**	Markets are pricing in a pretty high chance of a "V-shaped" economic recovery, but we think it's prudent to have a playbook for a less optimistic, "U-shaped" economic recovery that has the U.S. economy mired in slow growth for some time. So, in this issue, we wanted to identify proven sectors and stocks that are likely to thrive if the economic recovery is more restrained, i.e. U-shaped. The following research achieves that goal by identifying areas that have proven resilient under previous recessions and periods of slow growth, and are likely to continue to thrive in that environment.	**5/5/2020**	**PGF:** **5.90%** **DG:** **11.21%** **DLTR:** **34.62%** **MCD:** **19.95%** **RHS:** **13.30%**	**SPY:** **40.95%**
Finding the Sweet Spot of Yield, Duration and Quality in Today's Bond Market **JPST (J.P. Morgan Ultra-Short Income ETF)** **FTSD (Franklin Liberty Short Duration U.S. Government ETF)** **IGSB (iShares Short-Term Corporate Bond ETF)**	Global bond yields have collapsed since the coronavirus crisis began in earnest in mid-February, and that leaves advisors with a difficult situation of **where to find adequate yield without taking on too much duration risk.** Case in point, the 10-year yield is yielding about 0.70%. A .70% annual coupon for locking up money for 10 years! Absolute yield levels are obviously historically low, but we've still got to do the best we can in this environment, and that means finding the best yield possible while limiting duration risk and credit quality risk.	**5/19/2020**	**JPST:** **0.77%** **FTSD:** **0.24%** **IGSB:** **2.04%**	**SHY:** **-0.35%**
Finding Sustainable Dividends In An Uncertain Environment **NOBL (ProShares S&P 500 Dividend Aristocrats ETF),** **DGRO (iShares Core Dividend Growth ETF).** **TDIV (First Trust NASDAQ Technology Dividend ETF).**	This issue is all about finding sustainable dividends that income investors can count on in all market conditions, because the simple reality is that most bond yields just aren't high enough to generate the required income for clients. That means identifying companies that have sound balance sheets, track records of methodical dividend growth, and business models that are likely to survive even the worst pandemic scenarios.	**6/2/2020**	**NOBL:** **20.31%** **DGRO:** **20.57%** **TDIV:** **27.08%**	**SPY:** **24.91%**

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Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Three Strategies to Gain Exposure to 5G **Strategy 1: The Chipmakers. QCOM (Qualcomm), MRVL (Marvel Technologies).** **Strategy 2: Radio Frequency Providers. QRVO (Qorvo).** **Strategy 3: The 5G ETF. FIVG (Defiance Next Gen Connectivity ETF).**	The focus of today's issue came from a subscriber request: **5G.** 5G is one of the biggest secular growth trends in the market, and by that, I mean trends that will continue in a positive direction regardless of what happens in the economy in the near term. Additionally, 5G is one of the most popular investing topics among regular investors, so we thought now would be a good time to do a "deep dive" in 5G and detail:	**6/30/2020**	**QCOM: 51.04%** **MRVL: 39.15%** **QRVO: 52.90%** **FIVG: 26.67%**	**SPY: 25.83%**
Finding Value in European Equities **VGK (Vanguard Europe ETF).** **FEZ (SPDR Euro STOXX 50 ETF)**	Coronavirus has finally caused the Europeans to aggressively stimulate the economies, and as long as that continues, that should provide a needed spark to help European equities outperform. Because of that positive change, we think European ETFs offer more attractive risk/reward than U.S. sectors that are considered "values," specifically financials, energy, and industrials. That's especially true given U.S. value styles have underperformed growth by as much as 66% over the past five years! We think a better choice is to look to Europe to fulfill the value component of a portfolio.	**7/14/2020**	**VGK: 20.92%** **FEZ: 18.12%**	**VTV: 25.20%**
Actionable Strategies to Own COVID 19 Vaccine Producers **PPH: The VanEck Pharmaceutical ETF.** **GERM: The ETFMG Treatments Testing and Advancements ETF.**	In today's Alpha issue, we are **going to go in-depth on actionable investment strategies to gain exposure to the companies that are leading the COVID-19 vaccine race.** Specifically, in today's issue we take the broad research we covered in Thursday's webinar, enhance it, and get much more tactical (looking at investment strategies to get exposure to vaccine players). Specifically, we cover two actionable strategies that we think are appropriate for advisors and their clients: Strategy 1: Owning the Pharma Companies Leading the Vaccine Race. Strategy 2: Diversified Exposure via ETFs.	**7/28/2020**	**PPH: 8.86%** **GERM: 25.26%**	**SPY: 20.81%**

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Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
What Outperforms in a Declining Dollar Environment **Falling Dollar Strategy 1: International Stocks. XSOE (WisdomTree Emerging Markets ex-State-Owned Enterprises Fund).** **Falling Dollar Strategy 2: Currencies. FXE. (CurrencyShares Euro Trust).** **Falling Dollar Strategy 3: Gold Miners. GDX (VanEck Vectors Gold Miners ETF).**	A sustained period of dollar weakness doesn't come along often (it last occurred in 2017) but when it does, it can create substantial outperformance in certain sectors and indices. We want to make sure you have a comprehensive "falling dollar" playbook for both general and tactical asset allocations, because the fundamentals for a sustained period of dollar weakness are as strong as they've been in years (surging U.S. debt/deficits and rebounding growth overseas).	**8/11/2020**	**XSOE: 31.53%** **FXE: 2.99%** **GDX: -12.66%**	**SPY: 16.59%**
Ideas for When There's a COVID Vaccine Annoucement **JETS (U.S. Global JETS ETF)** **PEJ (Invesco Dynamic Leisure and Entertainment ETF)** **KBE (SPDR S&P Bank ETF)** **REZ (iShares Residential REITS ETF)**	I believe today's issue demonstrates why Alpha is the perfect complement to the daily Sevens Report, because early last week in the regular Sevens Report, we discussed broad sectors that would benefit and outperform if there is a positive announcement on a COVID-19 vaccine. **But, in today's Alpha issue, we follow up on that research and go much more in-depth to identify specific ETFs and stocks that:** • **Are outsized beneficiaries of a "return to normal" that likely will follow a successful vaccine** • **That are trading at historic discounts due to COVID 19 fallout and** • **Were good businesses before COVID 19, and likely will**	**8/25/2020**	**JETS: 48.64%** **PEJ: 47.22%** **KBE: 58.99%** **REZ: 17.29%**	**SPY: 12.75%**
Opportunities in the Electric Vehicle Battery Industry **ALB (Albemarle)** **SQM (Sociedad Quimica y Minera De Chile S.A. ADR)** **LIT (Global X Lithium & Battery Tech ETF)**	So, given this event, the anticipated media coverage of it, and the recent focus on TSLA, Nikola (the EV truck company), and other EV companies, we wanted to revisit the EV space and specifically the battery market, because it is undeniable the growth potential here is still very, very substantial. We explored the EV market three years ago when we first launched Alpha but much has changed in the industry since then, and with Battery Day looming, we wanted to revisit the industry, again with a specific focus on battery technology and the companies and ETFs associated with battery advancement – because battery capacity remains the key to the growth of the	**9/9/2020**	**ALB: 1.82%** **SQM: 7.91%** **LIT: 10.21%**	**SPY: 0.43%**

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Cyclical Rotation to Value **RSP (Invesco S&P 500 Equal Weight ETF)** **VTV (Vanguard Value ETF)** **RPV (Invesco S&P 500 Pure Value ETF)**	We scoured the universe of value ETFs and mutual funds to identify those that we think are "best of breed" and represent a cost-effective, alpha generating solution for any advisors who wants to rotate to value after the election. And, we were surprised by our findings – namely that higher fee, actively managed ETFs and mutual funds lagged the more traditional, passive value ETFs – and that keeping it simple in the value space yielded the best returns over the past several years.	**11/3/2020**	**RSP:** **20.99%** **VTV:** **18.55%** **RPV:** **33.99%**	**SPY:** **14.57%**
Four Post Election Tactical Strategies **Idea #1: Electric Vehicles & Clean Energy (LIT/ICLN/ESGV)** **Idea #2: Industrials & Infrastructure Spending (VIS/PAVE)** **Idea #3: Healthcare & Marijuana (VHT/MJ)** **Idea #4: Emerging Markets & China (XSOE)**	*What Specific Sectors and ETFs Can Outperform in a Biden Presidency/Divided U.S. Government?* That question was the inspiration for today's *Alpha* issue, because while election results have not been certified yet (that will start to happen in states later this week) the likelihood is that we will have a Biden Presidency and divided government in 2021 (with Republicans holding a small majority in the Senate). Reflecting that fact, I've been asked multiple times over the past week what would outperform in this political environment, so I imagine this topic has been coming up in client conversations – **and I want to make sure that you have the strategies and talking points you need to turn those conversations into opportunities to strengthen relationships.**	**11/17/2020**	**Eight Different ETFs Listed.**	
Bitcoin **GBTC (Greyscale Bitcoin Trust)** **BLOK (Amplify Transformational Data Sharing ETF)** **ARKW (ARK Next Generation ETF)**	This Alpha issue is focused on a suddenly popular topic: **Bitcoin.** Our goal with this issue isn't to sway you one way or the other to invest in Bitcoin. Instead, we want to help you guide responsible conversations about: 1. What it is and 2. Who it's for, and 3. How you can potentially own it within a conventional portfolio. Put more frankly, many of us "know" about bitcoin – but are we prepared to really discuss the inner workings of the cryptocurrency and thoroughly list and explain the responsible ways clients can gain exposure to it? **The point of this Alpha issue is to make sure we are all ready to do just that, so you can turn any bitcoin conversation into an opportunity to strengthen client relationships and grow your business.**	**12/1/2020**	**GBTC:** **125.40%** **BLOK:** **75.09%** **ARKW:** **23.02%**	**SPY:** **5.18%**

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Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Four Strategies That Outperformed in 2020 and Can Do It Again in 2021 **Long Term Pandemic Tech Opportunities (IBUY/XITK)** **New Wave of Online Payments/E-Commerce (IPAY)** **5G Revolution (FIVG)** **EV Batteries (LIT)**	2020 has created fantastic growth in certain sectors and industries, and stocks and ETFs linked to them have produced huge YTD returns. But, while looking back on what worked is helpful, especially at year-end, we wanted to identify those sectors that not only have outperformed, but that can continue to outperform in 2021. So, in this Alpha issue, **we highlight four Alpha strategies that have massively outperformed, but that we believe have long-term staying power and can continue to outperform in 2021 and beyond.**	**12/15/2020**	**IBUY:** **6.71%** **XITK:** **6.20%** **IPAY:** **1.93%** **FIVG:** **4.31%** **LIT:** **26.17%**	**SPY:** **2.60%**
Two Playbooks for 2021	As our focus now turns from 2020 and towards 2021, I believe we always must be prepared for two outcomes – the expected, and the unexpected. So, in this Alpha issue, we wanted to provide two ETF playbooks: **The expected "Return to Normal" trade, and the Contrarian Scenario.** Playbook 1. What's Expected: The "Return To Normal" Trade. The perfect storm being high economic confidence, vaccines rolling out to vulnerable groups, low-interest rates, and further government stimulus in the first quarter. That paints the perfect picture for capitalizing on beaten-down areas of the economy that are ripe for further expansion. Playbook 2: The Unexpected: A Contrarian Scenario. A scenario where things just don't work as planned. Perhaps inflation exceeds all norms, Treasury yields shoot up unexpectedly, geopolitical disruption intercedes, or the economic recovery just simply falls short of expectations.	**12/29/2020**	**Multiple ETFs across both strategies**	
Energy Transmission (The Picks and Shovels of the EV Gold Rush) **First Trust NASDAQ Clean Edge Smart Grind Infrastructure Index Fund (GRID)** **NextEra Energy (NEE)** **EV Charging Basket: Tesla (TSLA), ABB Ltd (ABB), Eaton Corp (ETN), Blink Charging (BLNK)**	Energy (and the transmission of energy) are the proverbial "picks and shovels" of this modern-day EV gold rush. Electricity demand is likely going to skyrocket for households that will be transitioning to electric and hybrid vehicles in the next decade. More advanced battery systems constantly needing to be plugged in and recharged are going to tax the current electric utility network capacity while growth in EV sales will also propel a nationwide surge in charging stations, similar to the rollout of gas stations in the early 20th century.	**1/12/2021**	**GRID:** **5.83%** **NEE:** **-1.87%**	**SPY:** **2.18%**

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Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
How the "Old Economy" Can Help Us Outperform **Invescro Dow Jones Industrial Average Dividend ETF (DJD)** **First Trust Morningstar Dividend Leaders Index Fund (FDL)** **Invesco S&P 500 Pure Value ETF (RPV)**	Looking for value in "Old Economy" stocks is a strategy that prioritizes stocks that are still well off their all-time highs, have proven and sustainable business models, and many of which pay hefty dividends. Additionally, these industries are as familiar and comfortable as a warm blanket to your mature, high net worth client base and these investment ideas are perfect for the tech skeptics that prioritize value charac-	**1/26/2021**	**DJD:** **4.20%** **FDL:** **3.18%** **RPV:** **7.55%**	**SPY:** **0.84%**
Market Myth Busting	• **Investment Myth 1: Investing and Politics Go Hand in Hand.** • **Investment Myth 2: Modern Monetary Theory Is A Reason to Get Out Now.** • **Investment Myth 3: Getting Out Because the Market is in a Bubble.** • **Investment Myth 4: Rising Rates Are Going to Wreck My Portfolio.** • **Investment Myth 5: The Falling U.S. Dollar Is**	**2/23/2021**		