SEVENS REPORT *alpha*

July 27, 2021

In Today's Issue

- Today's issue is designed to you solve the problem of having too many varied holdings spread across smaller, lower margin accounts. <u>We identify foundational "own everything" ETFs you can use across account sizes to simplify smaller account administration and reduce variety among core ETF holdings, thereby making you more efficient.</u>
- **Investment Idea 1: Global Domination. VT: Vanguard Total World Stock ETF**. A single ETF that tracks more than 9,000 global stocks in a market-cap weighted index allocation strategy. It is a one-stop shop for portfolios that want to buy and hold the entire public investment universe.
- **Investment Idea 2: Developed vs. Emerging Markets. ACWI: iShares MSCI ACWI ETF**. The ACWI acronym stands for "All Country World Index" and promises to access the entire global stock market in a single fund. **URTH: iShares MSCI World ETF.** URTH starts with the MSCI ACWI Index but removes all the emerging market country exposure leaving you a diversified basket of high-quality large-cap stocks from developed nations around the globe.
- **Investment Idea 3: Low Volatility. ACWV: iShares MSCI Global Min Vol Factor ETF** is a smart-beta index fund that selects 400 stocks from the broader All Country World Index that have demonstrated recent histories of lower price volatility.
- **Investment Idea 4: Reducing Your Carbon Footprint. CRBN: iShares MSCI ACWI Low Carbon Target ETF**. This fund starts with the All Country World Index of developed and emerging market nations and eliminates high carbon-producing stocks.

<u>Accessing the Best All World Funds</u>

Today's Alpha issue is designed to make your life as an advisor a bit easier.

As we all know, building portfolios can be a complex process that is not always easy to translate to every level of your book. There are factors to consider like account size, trading commissions, multiple brokerage platforms, and a plethora of other hindrances that push back against a one-size-fits-all approach.

From speaking with advisor subscribers consistently, I know it is an extremely common scenario where you have a wealthy client with a seven-figure trust account that is also pushing you to manage his 22-year-old nephew's Roth IRA with $12,000 in it. It is important to take those smaller accounts from the standpoint of strengthening the client relationship and providing value to the next generation of wealth accumulators.

However, that tiny Roth doesn't lend itself well to strategic account management with 8-12 holdings and a true alpha-generating focus. The reality is that it creates a nightmare in trading, rebalancing, tracking, expenses, and reporting. Those types of accounts can reasonably only own a small number of positions until they reach an acceptable asset size that lends itself to more flexibility.

So how do you bridge the gap between that seven-figure trust and the tiny Roth IRA?

You start by syncing up some of the foundational core holdings that make up the bulk of your asset allocation.

That way you are able to translate your largest equity positions to virtually any account size with the confidence that low costs and overall efficiency are the foremost selection criteria.

To start on that journey today we need to make some commonly held assumptions. Let us start with the base case that the tailwind in equities is likely to remain consistent for the foreseeable future (i.e. the "Four Pillars" remain intact). That includes an accommodative Federal Reserve, manageable inflation trends, consistent tax policy, expanding corporate profits, and continued economic reopening post-COVID. Under the auspices of this supportive stock market environment, we can reasonably predict that the rising tide is going to float all ships. Maybe not all perfectly at the same pace and the same time, but the net effect is going to be higher equity prices, especially for accounts with long-term time horizons.

Under that scenario, our portfolio strategy should get functionally simpler not more complex. It stands to reason that a highly diversified global stock market fund is going to capture most of the move in both foreign and domestic capital markets. **These types of low-cost, "own everything in a single vehicle" funds are one of the easiest ways to gain exposure to appreciating assets for a large swath of your managed portfolios. They are designed to act as central holdings that provide correlation to the market and act as the foundational building blocks for an alpha-generating strategy.**

Global stock market funds also have two very important criteria we have been writing about often over the last year:

- The addition of foreign stock exposure gives you appreciating power if the trend of a lower U.S. dollar continues to dominate.
- The relative value of foreign stocks versus domestic stocks should prove to be a fundamental driver of attractive returns over a longer time horizon.

The goal therefore should be to identify top-tier funds that can complement most of your intricate portfolio strategy and will benefit from the aggregate rising tide of asset appreciation. The following research takes that step to the next level by allowing you to create alpha with fewer positions and full confidence that they will succeed in any account size.

And, in identifying these "Own Everything" ETFs we hope you can become more efficient and effective by cutting the time spent on smaller, lower margin accounts, and take that time to enjoy for yourself, or to focus on strengthening the relationship (and AUM) of your largest and best clients.

Investment Idea 1: Global Domination

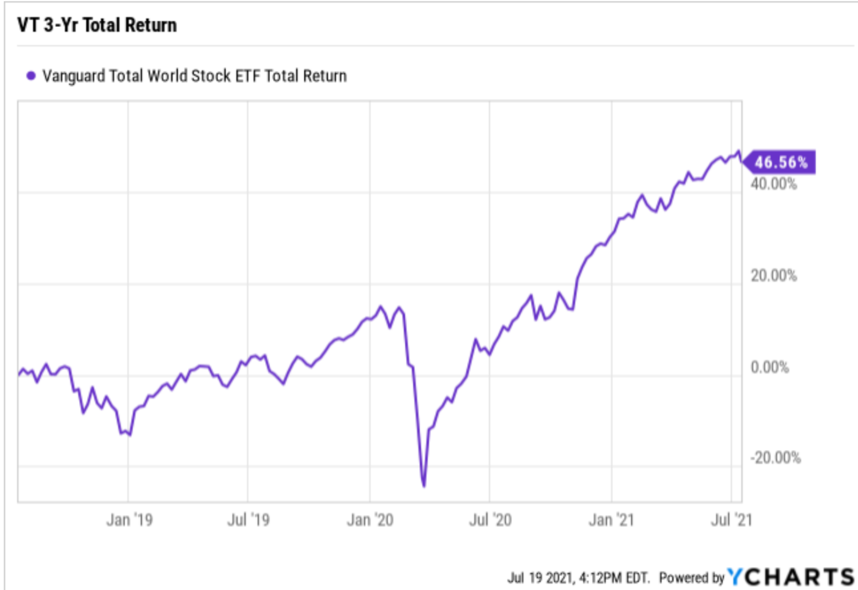
When you review the available universe of investment vehicles, there is a plethora that utilizes the terms "global" or "world" in their nomenclature. This language often just relays the fact that the fund will own a subset of both foreign and domestic stocks throughout the underlying basket. Though they may still be selective in the geographical regions or factors that make up the companies in the portfolio. Yet there are numerous scenarios when you want to own the complete subset of publicly traded stocks throughout the world. In that instance, it is best to turn to one of the most trusted fund managers of all time.

The **Vanguard Total World Stock ETF (VT)** is exactly what it sounds like. A single vehicle that tracks more than 9,000 global stocks in a market-cap weighted index allocation strategy. It is a one-stop shop for portfolios that want to buy and hold the entire public investment universe. That includes the complete landscape of the United States as well as both developed and emerging international markets. For those that are casual Vanguard spectators, owning VT is like combining the Vanguard Total Stock Market ETF (VTI) and the Vanguard Total International Stock Market ETF (VXUS) into a single entity.

Furthermore, because this ETF is a Vanguard product, you know it is going to be inexpensive as well. Owning VT costs just 8 basis points a year, or $80 for every $100,000 invested. You cannot get much cheaper than that for an extremely liquid, highly diverse, and tax-efficient investment vehicle that is tailor-made for a single core portfolio holding.

The market-cap weighted nature of the VT portfolio ensures that U.S. names still dominate the top holdings. Benchmark stocks such as Apple, Microsoft, Amazon, and Alphabet are naturally the largest single positions just like in the S&P 500 Index. The largest foreign holding in this fund is Taiwan Semiconductor, which currently ranks sixth overall.

What is attractive about VT is that the aggregate geographical disbursement is quite balanced even with the top 10 holdings being mostly U.S. mega-cap names. The United States makes up 58% of the total portfolio with the remaining 42% spread throughout foreign nations. Japan, China, the United Kingdom, and Canada round out the top five country allocations.



The fund is perfectly positioned for those advisors that want to boost their total international stock holdings to capitalize on the trend of a falling U.S. dollar. It is also an opportunity to own a larger slice of the foreign investment market as a relative value play versus higher priced U.S. equity indexes. Both arguments are attractive from a fundamental standpoint and are likely to offer stronger long-term returns than pure exposure to just the United States.

Vanguard Total World Stock ETF (VT)	
Inception Date:	6/24/2008
Assets:	$22.9B
Avg Daily Volume:	2.31M
Expense Ratio:	0.08%
# of Holdings:	9084
YTD Return:	12.18%
3-Yr Return:	46.56%
Mstar Rating:	4 Star

Comparing the returns of VT versus popular U.S. benchmarks such as the S&P 500 or Russell 3000 Index will show lagging returns over three- and five-year periods. This is due to the excess relative gains in U.S. stocks creating a performance gap in recent years. Nevertheless, buying this truly world-encompassing fund is all about future performance and sound portfolio construction methodologies rather than looking in the rearview mirror.

Investors that will have the most success with VT recognize it as a pure core holding that is constructed to be the centerpiece of a diversified equity portfolio. Its defining characteristic is the ability to own virtually all available publicly traded stocks with negligible expense drag and maximum liquidity. It would be suitable for all portfolio types and account sizes that require this type of all-encompassing coverage. It is also a perfect holding for clients that simply love the Vanguard ethos and want to hold their investment within a storied investment platform.

Investment Idea 2: Developed vs. Emerging Markets

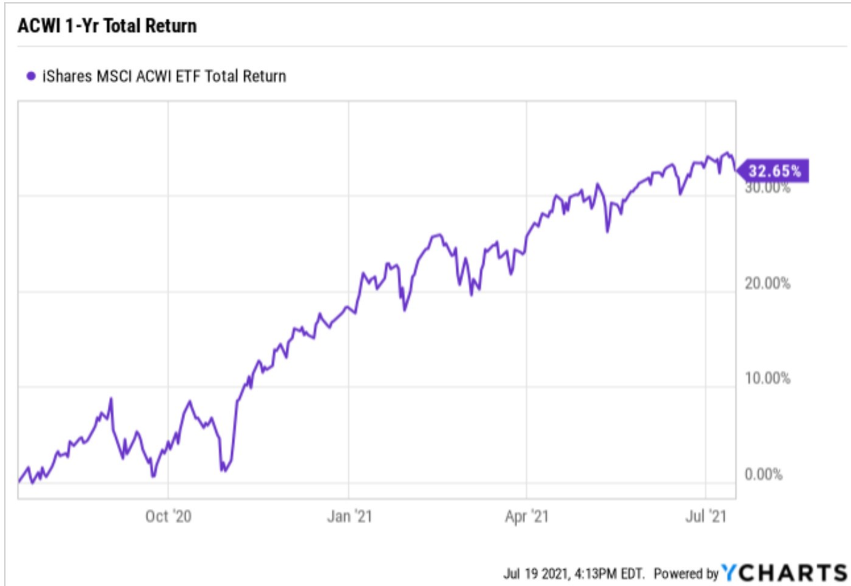
If Vanguard has a successful global stock fund, you can rest assured that the world's largest fund manager, BlackRock, is going to be right on its heels—albeit with some slight variations in their index construction methodologies that may have appealing characteristics for many investors.

The flagship in this lineup is the $17 billion **iShares MSCI ACWI ETF (ACWI)**. The ACWI acronym stands for "All Country World Index" and promises to access the entire global stock market in a single fund. The MSCI All Country World Index is one of the oldest and most respected benchmarks in this category. Looking deep into its makeup uncovers some distinct similarities and differences from the competition at Vanguard.

The leading difference between ACWI and VT is that the former only has 2,309 holdings that are dominated by large-cap stocks. One would think that a variance of more than 6,700 stocks between the two funds would lead to a large performance differential. However, real-world results show an exceedingly small performance gap. This is because the market-cap weighted nature of the holdings ensures that almost all the returns are being driven by large-cap stocks anyways.

The biggest similarity between the two funds is that both include a wide swath of the domestic U.S. markets as well as both developed and emerging market foreign stocks. The top country allocations between the two funds are similar with the United States making up 59% of the portfolio and international markets rounding out the remaining 41%. That means investors are going to be accessing a comprehensive global growth theme that aligns with their capital appreciation objectives.

The chart above demonstrates just how smoothly this fund has appreciated over the last year. The price of ACWI has been steadily following the 50-day moving average higher and recently notched new all-time highs in July. This ETF has gained 32.7% over the last 12 months and continues to demonstrate solid momentum characteristics that correlate with our equity tailwind base case.

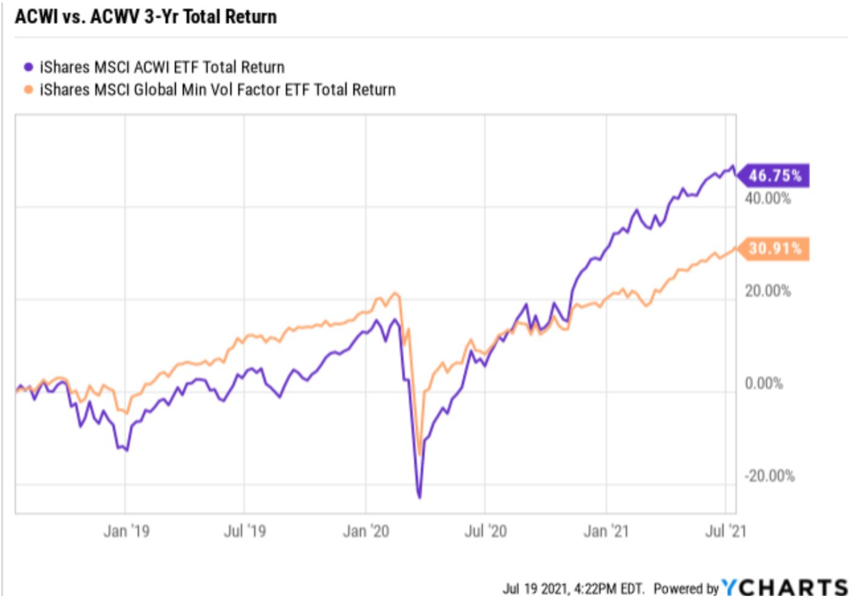


iShares MSCI ACWI ETF (ACWI)	
Inception Date:	3/26/2008
Assets:	$16.8B
Avg Daily Volume:	2.88M
Expense Ratio:	0.32%
# of Holdings:	2351
YTD Return:	12.10%
3-Yr Return:	46.75%
Mstar Rating:	4 Star

Owning the entire globe is an attractive proposition for many clients, but there are also situations where you may find some clients uncomfortable with emerging market exposure. They may not like the additional volatility that stocks from countries such as Brazil, India, China, and South Korea could introduce. That unique viewpoint is what the **iShares MSCI World ETF (URTH)** was designed to capitalize on.

URTH starts with the MSCI ACWI Index and simply removes all the emerging market country exposure. What you are left with is a diversified basket of high-quality large-cap stocks from developed nations around the globe. The removal of emerging markets creates larger allocations to the United States, Western Europe, Canada, Australia, and Japan. The U.S. exposure is boosted to a healthy 67% with the remaining 33% spread among those advanced countries.

This unique global ETF has over $1.3 billion in total assets and charges an expense ratio of 0.24%. Its most suitable use case is in portfolios that want to own the largest and most stable stocks in the largest and most stable countries. That is likely to be for clients that are on the moderate to conservative end of the risk scale. Those with more aggressive risk tolerances or time horizons are apt to gravitate towards a fund with emerging market exposure to maximize diversification and growth opportunities.



Investment Idea 3: Low Volatility

Many advisors have devised unique portfolios with enhanced index ETFs to control specific risks or overweight a particular theme. One of the most popular among those factors is lowering portfolio volatility for clients that tend to be more risk-averse. That may be due to advancing age or just a psychological propensity to always want to sell when the market is moving lower.

A fund designed to select stocks with histories of minimal peaks and valleys relative to their peer group can help these clients stay in the market when they need to most. It also creates a smoother path of price appreciation to the upside when trends are moving in a favorable direction. In either situation, you may find yourself searching for a fund that gives you the best of both worlds and there is a global option that should be at the top of your list.

The **iShares MSCI Global Min Vol Factor ETF (ACWV)** is a smart-beta index fund that selects 400 stocks from the broader All Country World Index that have demonstrated recent histories of lower price volatility. The goal of the low-volatility selection process is to keep a relatively close approximation of country and sector allocations, while weighting stocks higher in the basket that have moderated price swings.

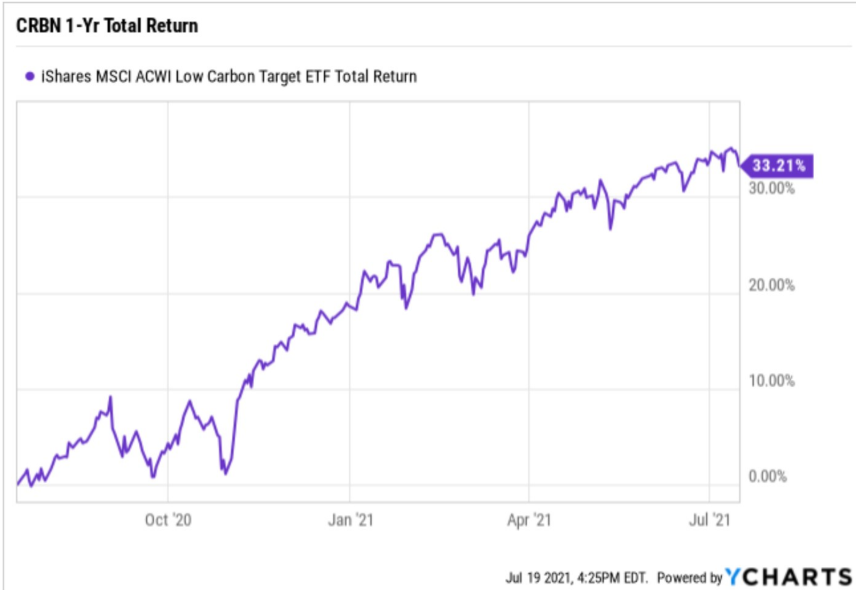
The fund company website notes that ACWV has achieved a 3-year beta comparison to the S&P 500 Index of just 0.63. Meaning the fund only realizes about 60% of the price volatility when gauged against the popular large-cap domestic stock benchmark.

This unique stock selection process creates other unintended characteristics as well. It favors companies with higher yields and quality balance sheet metrics than the broader parent index. That should come as no surprise given that lower volatility stocks tend to be more value oriented in their makeup.

iShares Global Min Vol ETF (ACWV)	
Inception Date:	10/18/2001
Assets:	$5.19B
Avg Daily Volume:	166K
Expense Ratio:	0.20%
# of Holdings:	434
YTD Return:	8.56%
3-Yr Return:	30.91%
Mstar Rating:	2 Star

The result is that the top holdings in ACWV are a completely different mix of stocks than the parent index. Companies such as Apple, Microsoft, and Amazon have been supplanted with Roche Holdings, Waste Management, Verizon Communications, and Nestle SA. Other globally diverse household names such as PepsiCo, Eli Lily, and Visa also are prominently featured in the ACWV portfolio.

All the talk about lowering volatility is just that if it does not translate to real world results. Fortunately, the two corrections over the last three years have proven the fund lives up to its namesake. The chart on the previous page demonstrates that ACWV had shallower valleys and more consistent stability along its price channel. While that did not translate to better results over this time frame, it would have likely been of comfort to those clients who are not chasing top returns as much as safer investments.



BlackRock has clearly intended for this fund to be utilized as a core holding by limiting the expense ratio to a miserly 0.20%. The combination of minimal price swings, low cost, and a global portfolio makeup have attracted more than $5 billion to this unique ETF. It certainly offers appealing characteristics to conservative investors or those with an income-seeking focus that want a globally diverse foundation to build from.

Investment Idea 4: Reducing Your Carbon Footprint

Socially conscious investing is becoming an increasingly important factor for clients in how they direct their portfolios. They want to feel like they are making a difference in supporting companies that are focused on environmental, social, and governance concerns from the inside out. The other side of that coin is to avoid stocks that are overly pollutant or conduct business in industries that may not align with a personal moral code.

The ETF community has noted this trend and has been quick to build products based on socially conscious indexes. One that directly aligns with our global equity strategy is the **iShares MSCI ACWI Low Carbon Target ETF (CRBN)**.

This fund starts with the familiar All Country World Index of developed and emerging market nations and takes it a step further by eliminating high carbon producing stocks. The scoring and weighting of this environmental factor is based on the in-house research of MSCI data.

iShares MSCI ACWI Low Carbon Target ETF (CRBN)	
Inception Date:	12/8/2014
Assets:	$836.4M
Avg Daily Volume:	14.5K
Expense Ratio:	0.20%
# of Holdings:	1393
YTD Return:	12.28%
3-Yr Return:	49.30%
Mstar Rating:	4 Star

The result is still a highly diverse group of over 1,300 stocks from every corner of the globe that rank highest in their environmental influence. Furthermore, the country and sector weights of the original parent index are required to be largely preserved to within a 2% tolerance level. That means you are going to get a remarkably similar distribution of capital across the market as you would the original.

We tested the efficacy of this green investment strategy on one-year, three-year, and five-year timeframes to determine if it made a significant impact on the portfolio returns. The results

demonstrated that CRBN beat the benchmark index by a slight margin in all time frames. That performance data should be gratifying to clients that want to uphold their personal values in their portfolios and should not have to radically concede profits. They can have their cake and eat it, too.

BlackRock also designed CRBN with low cost and core holding in mind when it set the expense ratio of this fund at 0.20%. That minimal expense drag means clients can be comfortable holding this type of position indefinitely. The fund also has more than $800 million in assets and trades meaningful shares daily so advisors that want access to it do not have to worry about liquidity.

CRBN was designed with progressive environmental impact standards at the core of its stock selection process. Clients who advocate passionately for this factor are likely to be impressed with its index construction methodology, track record, and expense profile. They can integrate it seamlessly into their accounts to uphold their personal values and bolster their equity growth prospects in kind.

Conclusion

Buying a single ETF for exposure to the entire global stock market may feel like throwing in the towel on strategic investment selection and positioning. Yet nothing could be further from the truth.

Today's fund lineup offers an extremely attractive method of gaining access to a solid foundational position from which you can build off, in unique ways. These funds also are versatile enough to be a single starting holding in smaller accounts that are just embarking on their compounding journey.

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:** **75.56%**	**SPY:** **91.88%**
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:** **98.13%** **ROBO:** **70.72%** **AMBA:** **106.90%** **QCOM:** **23.20% (closed)**	**SPY:** **88.92%** **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:** **129.10%** **ALB:** **52.32%**	**SPY:** **88.92%**
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:** **46.70%** **SMDV:** **18.58%**	**AGG:** **16.13%** **MDY:** **54.91%** **IWM:** **53.58%**
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:** **12.15%** **MNA:** **10.78%**	**AGG:** **15.89%**

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:** **2.66%**	**ACWX:** **26.03%**
"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:** **13.78%** **EMLC:** **-1.05%** **EBND:** **1.15%** **AGEYX:** **18.09%**	**AGG:** **16.43%**
"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:** **176.50%** **BLCN:** **106.50%**	**SPY:** **60.40%**
"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:** **19.66%** **TOTL:** **13.06%** **FTSL:** **13.74%**	**AGG:** **18.38%**

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:** **9.37%**	**BIL:** **3.91%**
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:** **33.76%**	**ACWX:** **23.03%**
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:** **6.03%**	**SPY:** **72.78%**
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:** **24.78%** **DLS:** **10.72%**	**EFA:** **24.25%**
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:** **201.40%**	**SPY:** **72.18%**
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:** **68.74%**	**SPY:** **73.53%**
"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).* ***What to do now: Buy.***	**Issue 23:** **6/26/18**	**EMQQ:** **44.94%**	**EEM:** **26.97%**

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: 36.51%	IWM: 35.16%
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: 140.90% FINX: 72.63% IPAY: 76.37%	SPY: 65.02%
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: 5.26% USFR: 3.38% SRLN: 13.19% EFR: 21.32%	AGG: 17.48%
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: 73.20% IEME: 53.35% XLC: 76.20% DIS: 61.06%	SPY: 62.70%
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: 29.82% SBIO: 19.88% FXG: 24.53%	SPY: 60.41%

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: 13.63% GNR: 17.65% RLY: 18.17%	DBC: 13.90%
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: 3.77% LDUR: 9.35% MINT: 5.33%	BIL: 2.83%
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: 47.08% PTLC: 37.54%	SH: -48.53%
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: 9.39% MLPA: -7.76% DCP: 6.63% SHLX: -7.95%	SPY: 71.25% AMLP: -8.75%

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: 13.63% GNR: 17.65% RLY: 18.17%	DBC: 13.90%
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: 3.77% LDUR: 9.35% MINT: 5.33%	BIL: 2.83%
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: 47.08% PTLC: 37.54%	SH: -48.53%
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: 9.39% MLPA: -7.76% DCP: 6.63% SHLX: -7.95%	SPY: 71.25% AMLP: -8.75%

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: 62.03% CIBR: 80.29% FTNT: 214.90% CYBR: 37.34%	QQQ: 115.80%
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: -46.43% ACB: -92.54% CGC: -58.06%	SPY: 64.57%
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: 73.52%	SPY: 63.00%
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: 37.30% CCOR: 15.52% JHEQX: 35.88%	SPY: 59.41%

Sevens Report Alpha Fund & Stock Ideas

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: 178.70% ARKG: 163.40% XITK: 108.40%	QQQ: 96.66%
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: 68.12% XBI: 47.78% IHF: 64.14%	XLV: 53.57%
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: 32.46% SPLV: 22.50% EEMV: 16.09% EFAV: 15.18%	SPY: 59.88%
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: 17.95% OHI: 22.13% SCI: 34.28%	SPY: 63.26%

Sevens Report Alpha Fund & Stock Ideas

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: 26.16% SGOL: 26.78% GDX: 31.55% KL: -7.70% FNV: 79.06%	
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 43.46% SPMO: 47.16% FDMO: 37.25%	SPY: 46.94%

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:** **71.96%** **GIGE:** **81.33%**	**SPY:** **46.48%**
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:** **15.76%** **VNQI:** **2.05%** **REZ:** **14.22%** **REM:** **-13.83%**	**SPY:** **52.49%**
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:** **-0.76%** **PPA:** **13.00%** **UFO:** **22.29%**	**SPY:** **53.53%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
<u>Japanization Playbook</u> **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:** **15.95%** **VYM:** **26.35%** **PDI:** **6.78%**	**SPY:** **52.89%**
<u>Reflation Playbook</u> **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**	
<u>Investing in Green Energy</u> **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 <u>as some of the best alternative energy ETFs share a lot of characteristics with tech ETFs and multinational industrial ETFs.</u>	**10/8/19**	**TAN:** **180.10%** **FAN:** **66.13%** **ICLN:** **108.50%** **PBW:** **189.40%**	**SPY:** **57.25%**
<u>Investing in the Water Industry</u> **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:** **52.18%** **FIW:** **51.64%**	**SPY:** **51.77%**

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:** **35.09%** **HTD:** **3.75%** **PDI:** **1.22%** **NZF:** **15.52%** **FFC:** **19.48%** **RQI:** **22.17%**	**SPY:** **46.53%**
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:** **4.27%**	**BIL:** **0.39%**

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:** **9.80%** **XOP:** **-7.48%** **LQDH:** **3.10%**	**SPY:** **40.30%**
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:** **23.93%** **VIGI:** **21.80%** **GSIE:** **19.43%**	**ACWX:** **17.20%**
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:** **33.56%** **VBK:** **40.89%** **XSLV:** **-4.28%**	**IWM:** **35.48%**
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:** **33.91%** **SBIO:** **4.83%** **XBI:** **29.58%**	**SPY:** **31.31%**

Sevens Report Alpha Fund & Stock Ideas

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:** **30.16%** **CCOR:** **7.03%** **JHEQX:** **30.22%**	**SPY:** **52.66%**
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:** **99.99%** **IBUY:** **189.20%** **JHCS:** **71.89%** **XITK:** **128.80%**	**SPY:** **66.11%**
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:** **82.61%** **SHOP:** **173.80%** **GDDY:** **32.18%** **IPAY:** **85.14%**	**SPY:** **61.25%**

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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:** **6.03%** **DG:** **31.52%** **DLTR:** **31.44%** **MCD:** **36.07%** **RHS:** **21.98%**	**SPY:** **53.92**
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:** **0.61%** **FTSD:** **-0.53%** **IGSB:** **1.76%**	**SHY:** **-0.46%**
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:** **35.39%** **DGRO:** **35.11%** **TDIV:** **41.37%**	**SPY:** **42.99%**

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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: 59.64%** **MRVL: 68.66%** **QRVO: 73.26%** **FIVG: 38.77%**	**SPY: 44.91%**
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: 33.78%** **FEZ: 29.41%**	**VTV: 39.04%**
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: 18.42%** **GERM: 24.96%**	**SPY: 39.14%**

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<u>What Outperforms in a Declining Dollar Environment</u> **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:** **19.28%** **FXE:** **-0.28%** **GDX:** **-13.58%**	**SPY:** **34.26%**
<u>Ideas for When There's a COVID Vaccine Annoucement</u> **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 <u>outsized beneficiaries of a "return to normal"</u> that likely will follow a successful vaccine** • **That are <u>trading at historic discounts</u> due to COVID 19 fallout and** • **Were <u>good businesses before COVID 19</u>, and likely will**	**8/25/2020**	**JETS:** **32.89%** **PEJ:** **53.33%** **KBE:** **55.18%** **REZ:** **47.12%**	**SPY:** **29.89%**
<u>Opportunities in the Electric Vehicle Battery Industry</u> **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, <u>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.</u> 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 – <u>because battery capacity remains the key to the growth of the</u>	**9/9/2020**	**ALB:** **1.82%** **SQM:** **7.91%** **LIT:** **10.21%**	**SPY:** **0.43%**

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Election Preview **Trump Wins** **Biden Wins** **No Clear Winner** **(Multiple ETFs Listed)**	We had long planned to release our Alpha Election Preview issue this week, as we knew that with the first debate a week away, investors focus would turn towards politics and we wanted to ensure you had a post-election roadmap, along with specific ETF ideas, for any election-related discussions with clients. But, that interest in the election will now be turbocharged with the surprise passing of Supreme Court Justice Ruth Bader Ginsberg. So, with six weeks to go until the election, we wanted to explore the three possible scenarios **(Trump wins/ Biden wins/No one wins right away)** and provide a tactical roadmap and identify ETFs that should outperform in each scenario.	**9/22/2020**	**N/A**	**N/A**
Finding Sustainable Growth in the Wellness Sector **PTON (Peloton)** **LULU (Lululemon)** **BRBR (BellRing Brands)** **BFIT (Global X Health & Wellness Thematic ETF)** **MILN (Global X Millenials Thematic ETF)**	Today's issue explores one of the sectors that we think will benefit from long-term changes in behavior from the pandemic: **The wellness sector.** Hopefully (and the data and history back this up) we are now closer to the end of the COVID-19 pandemic than we are the beginning, and once the pandemic ends, we believe life will return mostly to a pre-coronavirus normal. And we think that return to normal will disappoint very optimistic projections on some of the sectors that have outperformed due to COVID, like telemedicine, videoconferencing, widespread delivery, etc. But one sector we think can continue to see growth long after the world return to normal is the wellness sector, because this sector was experiencing substantial growth before the pandemic hit. And, the pandemic has just turbocharged that growth.	**10/6/2020**	**PTON: 10.57%** **LULU: 20.47%** **BRBR: 52.47%** **BFIT: 32.26%** **MILN: 41.48%**	**SPY: 32.93%**
SPACS **PSTH (Pershing Square Tontine Holdings)** **CCIV (Churchill Capital IV)** **SPAQ (Spartain Energy Acquisition Corp)** **SPAK (Defiance NextGen SPAC ETF)**	This issue was partially driven by client demand, **as we've started to field an increasing number of questions about SPACs from friends and colleagues (who are all clients of advisors), and given that, we believe that soon you may be asked by your clients about how to invest in a SPACs.**	**11/3/2020**	**N/A**	**N/A**

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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:** **35.31%** **VTV:** **30.21%** **RPV:** **43.08%**	**SPY:** **31.05%**
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:** **38.37%** **BLOK:** **51.56%** **ARKW:** **10.26%**	**SPY:** **20.27%**

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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:** **11.15%** **XITK:** **8.66%** **IPAY:** **11.52%** **FIVG:** **12.77%** **LIT:** **42.42%**	**SPY:** **19.11%**
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:** **8.98%** **NEE:** **-2.17%**	**SPY:** **16.92%**

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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 characteristics, low leverage, and high dividends.	**1/26/2021**	**DJD: 13.82%** **FDL: 12.35%** **RPV: 15.18%**	**SPY: 15.39%**
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 Eroding My Purchasing Power.**	**2/9/2021**		
Inflation Playbook **Core Inflation Plays (SGOL/PDBC/GNR/RLY)** **U.S. Sector Opportunities (RTM/RGI)** **Income Opportunities (BKLN/JAAA/STIP)**	Today's issue is focused on inflation because suddenly accelerating inflation could be a game-changer for many investors and advisors, **and we want to arm you with the best-in-class tools to combat inflationary effects in your portfolios.** Point being, higher inflation is almost certainly coming in the future, and **I wanted to take this Alpha issue to provide a clear, decisive "Inflation Playbook" that we can keep and reference for when statistical inflation starts to accelerate.**	**2/23/2021**	**PDBC: 1.53%** **GNR: 1.41%** **RTM: 2.54%** **JAAA: 0.03%**	**SPY: -0.50%**
ARK Invest ETFs **ARKK (ARK Innovation ETF)** **ARKG (ARK Genomic Revolution ETF)** **ARKW (ARK Next Generation Internet)** **ARKF (ARK Fintech Innovation ETF)** **ARKQ (ARK Autonomous Technology & Robotics ETF).**	I wanted this Alpha issue to provide an updated "deep dive' into the ARK Invest ETF offerings, because even considering their huge returns over the past few years, I still believe now what I believed when we first recommended them: **That these ETFs are "one-stop shopping" for investors get targeted exposure to the leading edge of the technology growth curve, and that investors should have exposure to the technologies in which ARK ETFs invest because the long term return potential is extreme.**	**3/9/2021**	**ARKK: 2.47%** **ARKG: 5.01%** **ARKW: 2.13%** **ARKF: 2.91%** **ARKQ: 2.98%**	**QQQ: 2.44%**

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What Should I Buy on This Tech Decline? **Invesco S&P 500 Equal Weight Technology ETF (RYT).** **VanEck Vectors Semiconductor ETF (SMH).** **First Trust NASDAQ Technology Dividend Index Fund (TDIV).**	If a client comes to you and asks, "What Should I Buy on this Tech Decline?" we want to make sure you have a set of ETFs that provide exposure to **solid, proven tech companies that aren't trading at sky-high valuations** because for the last several decades buying core, large cap tech stocks on any sustained underperformance has been a very profitable long-term strategy.	3/23/2021	RYT: 5.55% SMH: 8.79% TDIV: 4.16%	SPY: 2.84%
Sector Winners and Losers from the Democratic Policy Agenda **Global X Millennials Thematic ETF (MILN)** **Vanguard Tax-Exempt Bond ETF (VTEB)** **Global X U.S. Infrastructure Development ETF (PAVE)** **First Trust NASDAQ Clean Edge Green Energy Index Fund (QCLN)**	Throughout most of the first quarter, markets embraced Democrat control of the government because it meant massive stimulus, and that expectation has been met. However, now the focus is turning to less growth-friendly policies, including potentially higher taxes and increased regulation. While these policies will impact the markets broadly, they'll also impact specific sectors even more than the broad markets. So, we want to arm you with the tools for identifying and deploying to areas of the market that should experience positive effects during this political environment, and know which sectors stand to get hurt given potential policies from Washington.	4/6/2021	MILN: 1.08% VTEB: 0.77% PAVE: 0.67% QCLN: -6.88%	SPY: 2.08%
Four Small Cap ETFs for the Economic Recovery **Invesco S&P Small Cap Consumer Discretionary ETF (PSCD)** **First Trust Consumer Staples AlphaDex Fund (FXG)** **Invesco S&P SmallCap 600 Revenue ETF (RWJ)** **iShares Morningstar Small-Cap Value ETF (ISCV)**	Much of the "economic reopening trade" has been focused on large travel and leisure companies, and many of those names have seen huge gains over the past year. But they are now saddled with massive debts and ballooning capital structures that could be headwinds on investor returns going forward. **Many smaller stocks, however, were able to utilize government programs (PPP and others) to recapitalize healthily over the past year and those that have survived to this point are now in an extremely favorable position to capture future opportunities as the economy reopens.** So, we want to make sure you know which ETFs can give you exposure to quality small-cap companies that are 1) Financially sound, 2) Exited the pandemic with their business intact, 3) Stand to benefit from an acceleration in the economy, and 4) Could see earnings surge as the economic reopening continues.	4/20/2021	PSCD: 6.43% FXG: -0.23% RWJ: 6.18% ISCV: 5.29%	IWM: 3.44%

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The Crypto Craze Updated **Grayscale Bitcoin Trust (GBTC)** **Grayscale Ethereum Trust (ETHE)** **Coinbase Global (COIN)** **Voyager Digital (VYGVF)**	If you are like me, you have seen interest in the entire crypto space increase over the past several months. So, we wanted to take this Alpha issue **to provide an updated primer on the crypto industry and ensure you have got the advisor-focused research you need to turn any crypto-related client or prospect conversations into opportunities to grow your business.**	5/18/2021	**GBTC:** **-4.45%** **ETHE:** **-34.08%** **COIN:** **2.27%** **VYGVF:** **-19.16%**	**SPY:** **7.24%**
Fixed Income Playbook in Today's Environment Strategy 1: Inflation Protection. Quadratic Interest Rate Volatility and Inflation Hedge ETF. (IVOL). Strategy 2: Variable Rate Preferreds (VRP). Strategy 3: Floating Rate Notes (Two ETFs). Strategy 4: Shorten Duration (Four ETFs).	How do clients, especially elderly clients, achieve safety and modest real returns in an environment where yields and inflation are rising and most real bond returns over the coming years will be negative? We want to tackle this problem and provide ETF solutions that can help clients achieve the dual goals of 1) Safety and 2) Real returns over the coming years. To do that, we've divided this Alpha issue into two parts. Part One (today's issue) is focused solely on solutions in the fixed income markets.	6/2/2021	**IVOL:** **-1.88%** **VRP:** **0.61%**	**SPY:** **4.75%**
Equity Playbook in Today's Environment Strategy 1: "One-Stop Shop" Inflation Hedge. Horizon Kinetics Inflation Beneficiaries ETF (INFL). Strategy 2: Focus on Dividend Growth. Proshares S&P 500 Dividend Aristocrats ETF (NOBL). iShares Core Dividend Growth ETF (DGRO). Strategy 3: Commodities and Natural Resources. Global X MLP ETF (MLPA). SPDR SSGA Multi-Asset Real Return ETF (RLY).	Today's Alpha issue is **part two of our two-part series on how elderly clients can achieve safety and modest real returns in an environment where yields and inflation are rising and most real bond returns over the coming years will be negative.** Today's issue provides ETF solutions for the equity portion of elderly clients' portfolios – ideas that are designed to provide income and ensure positive correlation to rising inflation	6/15/2021	**INFL:** **-2.13%** **NOBL:** **-0.25%** **DGRO:** **2.08%** **MLPA:** **-11.78%** **RLY:** **-3.09%**	**SPY:** **3.71%**
Cybersecurity ETFMG Prime Cyber Security ETF and the CIBR: First Trust NASDAQ Cybersecurity ETF (HACK) Global X Cybersecurity ETF (BUG) First Trust Cloud Computing ETF (SKYY)	This issue is focused on Cybersecurity. First, we want to give you an updated primer on the cybersecurity sector, and make sure you know the best ETFs to gain exposure to the likely explosive growth cyber security companies will experience over the coming quarters. Second, we wanted to identify strategies that you, the advisor, can use to minimize the chances your business is attacked and provide solutions if an attack does occur, so you know what to do, and what not to do.	6/29/2021	**HACK:** **2.31%** **CIBR:** **4.14%** **BUG:** **3.13%** **SKYY:** **-0.60%**	**SPY:** **2.96%**

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Capitalizing on mRNA and Other Medical Tech ARK Genomic Revolution ETF (ARKG) Global X Telemedicine & Digital Health ETF (EDOC) ROBO Global Healthcare Technology & Innovation ETF (HTEC) Genomic Revolution Global X Genomics & Biotech ETF (GNOM)	Because of the success of mRNA in producing an effective COVID-19 vaccine at a record pace, along with the demonstrated effectiveness of anti-viral treatments like Remdesivir, we're likely to see a major acceleration in funding, research, and adoption of other cutting edge medical technologies and that means potentially substantial returns for companies with the right exposure.	7/13/2021	**ARKG:** **-5.33%** **EDOC:** **-5.08%** **HTEC:** **-2.29%** **GNOM:** **-6.17%**	**SPY:** **0.82%**