SEVENS REPORT *alpha*

January 11, 2022

In Today's Issue

- **Will Crypto Goes Maintain in 2022?** Awareness of cryptocurrencies from investors has never been higher, and that likely means more demand for crypto exposure from clients.
- Our goal in this report is to highlight some of the best and most responsible strategies to provide clients with crypto exposure without taking an over-abundance of risk. Furthermore, we want to keep you up to speed on some of the latest developments in the crypto space so that you are prepared to discuss these trends with clients in the new year.
- **Grayscale Bitcoin Trust (GBTC)**. GBTC is the largest and most well known fund that provides quasi-direct exposure to Bitcoin in a regular investment account. It operates similar to a closed-end fund as a large pool of capital with a management team at the helm and the fund it owns Bitcoin. GBTC currently has more than $27 billion in AUM.
- **Amplify Transformational Data Sharing ETF (BLOK).** BLOK isn't a pure crypto play (it doesn't actually own cryptos) but instead tracks a basket of 45 technology and finance-related companies engaged in the cryptocurrency marketplace. BLOK has returned 180% over the past three years.
- **ProShares Bitcoin Strategy ETF (BITO)**. A first-of-its-kind ETF to track Bitcoin futures contracts through a liquid vehicle that retail and institutional investors can own in their conventional brokerage accounts. BITO very similar to how USO works for oil, in that the ETF owns Bitcoin futures (not actual Bitcoin) similarly to how USO owns oil futures. It has more than $1.4 billion in AUM.

Will 2022 See Crypto Go Mainstream?

Cryptocurrency may be one of the more divisive investment trends we have seen in recent memory as it continues to expand its presence globally. Any anecdotal poll among your peers will probably be split 50/50 among those who worship at the altar of Bitcoin and those that think the whole thing is a scam destined for wealth destruction. Yet no matter where you fall in that sentiment spectrum, there is continuing evidence that cryptocurrencies are here to stay.

One of the biggest declarations of this expanding digital ecosystem reaching the mainstream is the iconic downtown Los Angeles sports and concert venue changing its name from Staples Center to Crypto.com Arena. AEG Worldwide, which owns and operates this venue, entered into a multi-decade pact with the Singapore-based Crypto.com that is reportedly worth $700 million in naming rights. The agreement also makes Crypto.com an "official cryptocurrency platform partner" of the Los Angeles Lakers and the LA Kings.

That's quite a statement from two of the world's premier sports franchises and a storied hospitality operator run by some of the savviest business minds in the industry. The message is clear. Not only is Crypto.com a smart financial move for the sports venue, but it's also going to mean a big push in mainstream adoption of cryptocurrency in one of the largest entertainment markets in the country.

There is no doubt they will soon offer ticket sales, merchandise sales, venue concessions, and more to be transacted in cryptocurrency. Furthermore, it's going to be blasted across every media channel in the country as the Lakers and LA Kings host rival teams at their home arena.

The Los Angeles score isn't just a fluke for Crypto.com. This company and many other crypto-finance competitors are sponsoring everything from English Premier League teams to Formula 1 racing, the UFC, and more. You are going to start seeing these company logos and advertisements spring up everywhere in 2022 if you haven't already seen them steadily creep into your daily awareness.

What this means for advisors is that there will be growing competition from cryptocurrency influencers in how to save, invest, and store wealth using this non-traditional investment tool. You may have already faced some light interest among your client base in asking your opinion on the crypto craze so far. However, that is likely to escalate in the coming year as more pressure is exerted for investors to take their money to the digital realm.

In a now viral endorsement, Jack Dorsey, the former CEO of Twitter, and CEO of Block Inc. (ex-Square) recently said that Bitcoin will replace the U.S. dollar. While that notion may seem farfetched to many (including me), it's another influential voice that lends credibility to the notion that investors may want to have some of this alternative asset in their portfolios.

Our goal in this report is to highlight some of the best and most responsible strategies to accomplish this task without taking an overabundance of risk. Furthermore, we want to keep you up to speed on some of the latest developments in the crypto space so that you are prepared to discuss these trends with clients in the new year.

Cryptocurrency Year in Review

The crypto market briefly surpassed $3 trillion in combined market capitalization this year as the world was introduced to "non-fungible tokens" (or NFTs) as a new digital asset class. There was a fair amount of volatility across the board in 2021, but overall, we saw an aggregate upswing in crypto prices that continue to push the growth narrative.

For example, Bitcoin started the year near $29,290 and ultimately climbed to as high as $65,000 in the second quarter before being cut in half again by mid-year. The benchmark cryptocurrency is currently trading near $42,000. A calendar year jump of nearly 60% as compared to the 28% gain in the S&P 500 Index. That impressive run was amplified even more in Ethereum, the second-largest crypto by market cap. That asset rose by more than 400% in 2021 to a new all-time high.

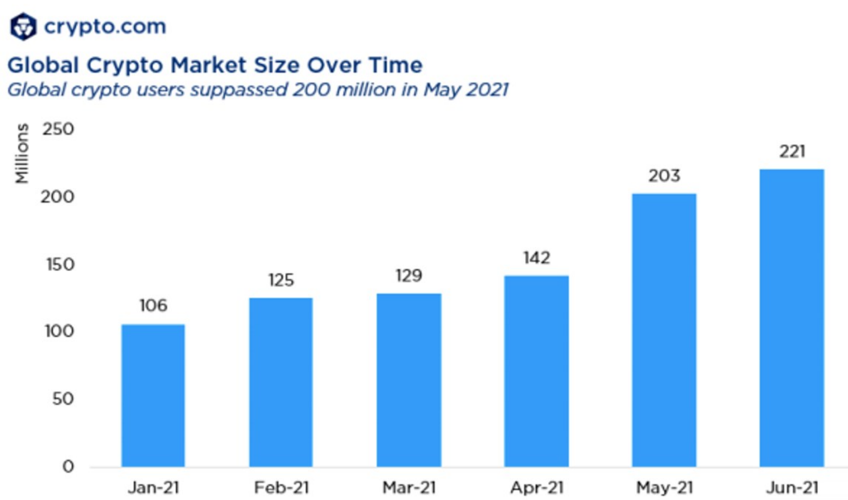
Crypto trading volume has swelled this year. The average daily trading volume for just Bitcoin often surpassed $5 billion with many other digital currencies accounting for tens of billions more. The 24-hour access to trading is a large part of why this continual price movement and liquidity is perpetuated. However, that sword cuts both ways, as the non-stop trading can often lead to bouts of extended volatility that create sharp moves in both directions.

Crypto.com released a research study mid-year that demonstrated an extremely high rate of expansion in cryptocurrency users. Their analysis concluded that the first six months of 2021 saw global users more than double to over 220 million worldwide. That pace of adoption is almost unheard of in any historical context and can be attributed to the cutting-edge technology available today.

That rapid pace of implementation is only expected to swell further in 2022 as more real-world applications of spending, trading, and storing crypto becomes available. This adoption rate by new users also is an often-cited catalyst for further upside in Bitcoin and other highly regarded cryptocurrencies.

New Investment Vehicles

One of the key characteristics of the cryptocurrency space is that it's constantly changing. There are new digital tokens being created almost daily and technical upgrades are being introduced to the mature bellwethers such as Bitcoin and Ethereum. That rapid speed of evolution flows through to secondary investment markets and trading vehicles as well.



The first evolution of tradeable cryptocurrencies in traditional brokerage accounts was through investment trusts such as the **Grayscale Bitcoin Trust (GBTC)**. This allowed investors to buy a quasi-fund trading on a major stock exchange that owns the actual underlying asset of Bitcoin. GBTC is similar to a closed-end fund in how it operates as a large pool of capital with a management team at the helm. This means that the market share price can trade at a premium or discount to the underlying net asset value of the pool. While the fund is convenient for many investors, it also doesn't perfectly track the daily spot price fluctuations in Bitcoin due to its structural characteristics.

The second evolution in this genre was the debut of a conventional exchange-traded fund (ETF) that owns cryptocurrency and blockchain-related stocks. In December 2020, we highlighted the **Amplify Transformational Data Sharing ETF (BLOK)** as one of the foremost leaders in this category and it continues to dominate today. BLOK has swelled to over $1.1 billion in total assets tracking a basket of 45 technology and finance-related companies engaged in the cryptocurrency marketplace. This includes major players such as Coinbase Global, PayPal, Nvidia Corp, and Voyager Digital. BLOK falls into the category of a "picks and shovels" play on the continued growth of companies that support the cryptocurrency ecosystem.

The third evolution is one that just debuted in Q4 2021 and has already garnered a great deal of attention in investment circles. The **ProShares Bitcoin Strategy ETF (BITO)** is a first-of-its-kind ETF to track Bitcoin futures contracts through a liquid vehicle that retail and institutional investors can own in their conventional brokerage accounts.

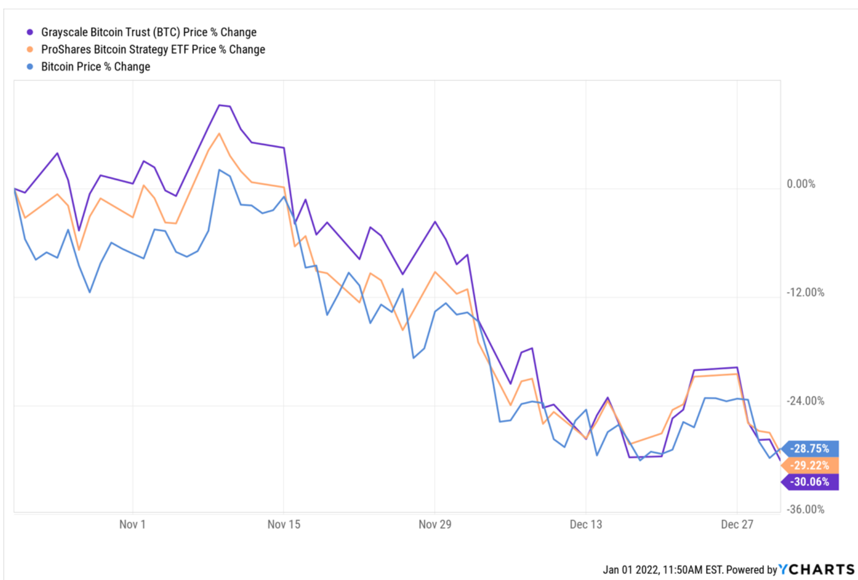
The fund debuted to massive demand by gobbling up more than $1.1 billion in assets in its first two trading days. That broke an 18-year record for the speed at which a fund surpasses $1 billion in assets. The former recordholder, GLD, accumulated that hefty sum in three days back in 2004 (back when a billion dollars was a big deal!). BITO solves some of the inherent deficiencies of a publicly traded trust such as GBTC, while also introducing different dynamics investors should be aware of.

BITO owns front-month Bitcoin futures contracts that trade on the CME Group exchange. The benefit of using futures is the active managers that administer BITO have a deep pool of liquidity from which to ensure proper daily tracking of the NAV and market price for investors. The Bitcoin futures market often trades more daily volume than the actual spot price of Bitcoin itself. That's a benefit in ensuring tight bid/ask spreads and execution for those who trade larger quantities.

Furthermore, BITO charges a relatively cheap expense ratio of 0.95% that is palatable for most portfolio types. That compares to an expense ratio of 2.00% for GBTC, which has long been a source of contention for cost-conscious investors who have become accustomed to sub-1% fees.

Detractors of BITO will point out that the fund doesn't track the spot price of Bitcoin in the same way that an ETF such as GLD tracks the gold market. Owning a futures contract allows an investor to buy or sell an asset at a predetermined price on a predetermined date. That means the market price of BITO (which shareholders own) is likely to experience periods where it tracks Bitcoin quite well and other periods where it falls short of this objective.

One of the best comparisons to this strategy is the long-standing **United States Oil Fund (USO)**, which is designed to track the price of WTI Crude Oil futures contracts. There are several factors that affect the daily price fluctuations in USO over long periods. These include the roll of the front-month contract each period, the drag of futures trading costs, and complex spreads in the futures markets. Each of these variations can add up over time to gently dislodge the futures ETF pricing from the spot price. Fortunately, the short period of trading activity thus far seems to indicate that BITO is tracking the price of Bitcoin quite well.



The chart here courtesy of YCharts shows a narrow tolerance of daily fluctuations from the benchmark in the price action of BITO.

Another dynamic to remember is that the spot price of Bitcoin is effectively trading 24/7/365, while any fund that trades on the traditional stock exchange is only pricing during normal market hours. This means that the price of BITO will have to "catch up" to the change in market prices during the next session. It's a delicate dance that will be a factor in long-term returns and must be fixed into investor expectations before purchasing any of these funds.

Owning a fund such as BITO or GBTC gives advisors the flexibility to strategically allocate to Bitcoin and other desirable cryptocurrencies using a tool that clients are familiar with. These types of vehicles should be classified as alternative investments along similar lines as commodity-linked funds and implemented similarly.

That means taking a tactical approach with smaller position sizing to mitigate the inherent risks of owning an asset class with high volatility characteristics. The responsible way to introduce cryptocurrencies to clients is that these digital assets are gaining a great deal of global attention but are still relatively new in their investment applications. Taking a small position size allows you to further diversify your portfolio and participate in the attractive performance dynamics that this segment has to offer. However, if the sector turns out to be overly risky or the trading strategy ill-timed, you haven't committed significant capital to detract from a steadfast investment methodology.

Those that choose to use automatic stop losses with these funds should logically give them a wider margin than a traditional diversified stock fund. There are often instances where cryptocurrencies can experience swings of 10% or more in a single day, which means you could quickly find yourself sitting on the sidelines if you set a tight exit point. Widening the risk parameters or simply navigating your risk-off strategy manually is likely to produce a more satisfactory outcome for those that want to be more active.

While BITO was the first mover in this space and the recipient of tremendous pent-up demand, there are a number of Bitcoin futures-based ETF competitors that just won SEC approval for launch in Q4 2021. Some examples that are already trading include the **Valkyrie Bitcoin Strategy ETF (BTF)** and **VanEck Bitcoin Strategy ETF (XBTF)**. Both funds have minimal asset size and trading volume to date. However, this competitive landscape is a positive development for ETF diehards as it typically leads to lower aggregate fees and improved structural elements across the board. We expect to see even more of these funds launch in 2022.

Ticker	Name	Structure	Owns	Exp Ratio	AUM ($mil)
GBTC	Grayscale Bitcoin Trust	Trust	Bitcoin Tokens	2%	$ 30,000
ETHE	Grayscale Ethereum Trust	Trust	Ethereum Tokens	2.50%	$ 11,900
BLOK	Amplify Transformational Data Sharing ETF	ETF	Crypto Stocks	0.71%	$ 1,157
BITO	ProShares Bitcoin Strategy ETF	ETF	Bitcoin Futures	0.95%	$ 1,410
ARKW	ARK Next Generation Internet ETF	ETF	Crypto Stocks	0.79%	$ 4,740
BITS	Global X Blockchain & Bitcoin Strategy ETF	ETF	Futures/Stocks	0.65%	$ 9

There is one additional new fund that caught our eye by taking a distinctive approach to their portfolio construction methodology. Leave it to the brains at Global X to come up with an original twist on the crypto market rather than following in the footsteps of others. The **Global X Blockchain & Bitcoin Strategy ETF (BITS)** is an actively managed fund that combines the world of Bitcoin futures contracts and innovative blockchain companies in a single vehicle.

Approximately 50% of the BITS portfolio is invested in near-term Bitcoin futures contracts. This currently includes a diversified spread among the January, February, and March obligations. The added diversification in the futures sleeve means that the fund can better control its tracking to the market and potentially reduce roll costs. In the real world, BITS managers won't have to move the entire fund from one contract month to the next, which can cause a significant market impact.

The remaining 50% is invested in a basket of blockchain services companies via the **Global X Blockchain ETF (BKCH)**. It's effectively a "fund of fund" strategy that provides instant diversification without the hassle of managing individual companies. Top holdings in BKCH include well-known names in the crypto space such as Coinbase Global, Riot Blockchain, Marathon Digital, and Voyager Digital.

Eric Balchunas, a Senior ETF Analyst for Bloomberg Intelligence, had this to say about the launch of BITS. "Global X is attempting to serve up the best of both worlds with a new ETF that could address advisers' concerns by evenly dividing allocations between Bitcoin-related equities and Bitcoin futures in the middle of the curve. This eliminates any significant roll-cost issues while providing much more correlation to spot Bitcoin than blockchain ETFs." (source)

BITS charges a net expense ratio of 0.65% to manage its unique portfolio. However, it's worth noting that the underlying costs of the blockchain ETF and trading futures contracts will technically drive that number higher for long-term shareholders. With the fund just launching in mid-November, it has yet to add significant assets or trading volume. It's also difficult to interpret any meaningful performance data with such a short history. That means anyone who does opt to purchase BITS should do so with the understanding that daily liquidity will be spotty in the near term and limit orders are a must. Our preference is that this new crypto ETF build up a steadier pattern before we give the full go-ahead for portfolio allocations.

Still, the sheer simplicity of being able to own both Bitcoin futures and blockchain companies in a single vehicle is an attractive characteristic that can't be dismissed. It may appeal to smaller accounts that require fewer trading positions and want to be involved in the cryptocurrency markets right away. BITS should be on your radar as we navigate the continued efficacy of crypto investing in 2022.

Alternative Strategy for Hands-On Clients

The first instinct of any advisor is to control as many aspects of our client's wealth as possible. This allows us to gain a clear picture of their comprehensive financial plan and offer time-tested advice on how best to allocate capital to achieve their goals. However, there are going to be instances where a client just wants to be more involved in this type of novel investment class.

Maybe they view crypto as a closer parallel to gambling rather than investing. Maybe they just want to brag to their friends about the trades they made at 3 a.m. in Dogecoin. Or maybe they simply want to keep their digital assets "off the grid" as compared to their IRAs and trust accounts. Whatever the case may be, you are likely to run across a client who asks your advice on a DIY strategy for crypto.

An advisor friend recently told me about how he designed a thoughtful approach for just this type of situation. He had a client that contacted him about wanting to trade crypto but wasn't enthralled with owning it via a fund in his brokerage account. Rather than turning his nose up and potentially alienating the client for future business, the advisor opted to build a deeper partnership even though it meant losing a small amount of assets.

He first educated the client about the pros and cons of crypto and how these assets are still in the ultra-high-risk category. Then he proposed that the client take 1% or less of his liquid investment net worth to trade it on his own. For instance, if the client had $500,000 in his combined retirement accounts, he would take up to $5,000 as a maximum ceiling for his solo crypto adventure. The client swiftly agreed that this would be a prudent course of action.

The advisor then researched and offered suggestions on some of the top crypto trading platforms to assist his client in opening an account. Some of his recommendations included Coinbase, Crypto.com, and Binance. He also helped fund it via distribution from the taxable brokerage account, which the client felt was an extremely helpful customer service step. Lastly, he offered suggestions on how his client could start small and diversify his holdings among a broad spectrum of crypto assets.

The results were impressive. Not in the sense that the client made a ton of money. He's probably underwater initially as his timing was unfavorable. However, it brought the client/advisor relationship to a whole new level. The client felt that his advisor truly had his best interests in mind and went out of his way to offer services above and beyond his expectations.

Furthermore, the client gained a greater understanding of just how difficult it is to execute a well-balanced portfolio successfully. He is having to juggle thoughts such as asset selection, trade timing, position size, trading costs, and other risk/reward factors. It's produced a greater appreciation for the stress and decisions that are made by investment professionals every day.

The benefit to this cooperative method is that it allows the client to get involved in the process and still feel connected to their advisor as a resource. The client feels exuberant if they double or triple their money with a little speculative trading on the side. However, if they turn $5,000 into $1,000, it's not going to derail their long-term financial plan. It's ultimately a win-win for both parties.

Conclusion

Many advisors are going to view cryptocurrencies as a threat and actively discourage their clients from exploring them. In our opinion, that path of resistance is only going to disrupt your relationships and potentially lose business down the road. It's better to take a proactive approach to education and explore common ground for each client objective to determine if adding exposure is appropriate.

Your clients will appreciate you acknowledging the benefits and potential pitfalls of this new investment type. It's not the type of asset that is going to be suitable for everyone. However, it can be appropriate in small doses for those that understand and embrace this new generation of technology.

Best,

Tom

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: 24.50% GNR: 26.85% RLY: 25.29%	DBC: 25.47%
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: 3.59% LDUR: 8.53% MINT: 4.98%	BIL: 2.79%
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: 51.72% PTLC: 43.84%	SH: -51.81%
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: 5.17% MLPA: -1.10% DCP: 13.02% SHLX: -6.97%	SPY: 81.31% AMLP: -2.53%

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:** **6.36%**	**ACWX:** **25.32%**
"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:** **9.52%** **EMLC:** **-6.85%** **EBND:** **-4.52%** **AGEYX:** **19.49%**	**AGG:** **13.55%**
"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:** **115.60%** **BLCN:** **74.95%**	**SPY:** **78.81%**
"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:** **16.95%** **TOTL:** **10.97%** **FTSL:** **15.38%**	**AGG:** **15.45%**

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:** **9.32%**	**BIL:** **3.87%**
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:** **33.67%**	**ACWX:** **22.30%**
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:** **27.48%**	**SPY:** **82.52%**
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:** **21.63%** **DLS:** **8.00%**	**EFA:** **24.70%**
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:** **108.20%**	**SPY:** **81.96%**
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:** **78.67%**	**SPY:** **83.36%**
"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:** **11.86%**	**EEM:** **22.44%**

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: 28.98%	IWM: 32.63%
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: 57.15% FINX: 38.08% IPAY: 36.99%	SPY: 74.74%
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: 5.28% USFR: 3.41% SRLN: 15.08% EFR: 34.89%	AGG: 14.58%
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: 56.54% IEME: 33.86% XLC: 59.75% DIS: 42.09%	SPY: 71.86%
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: 14.63% SBIO: 1.04% FXG: 40.35%	SPY: 69.84%

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: 24.50% GNR: 26.85% RLY: 25.29%	DBC: 25.47%
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: 3.59% LDUR: 8.53% MINT: 4.98%	BIL: 2.79%
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: 51.72% PTLC: 43.84%	SH: -51.81%
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: 5.17% MLPA: -1.10% DCP: 13.02% SHLX: -6.97%	SPY: 81.31% AMLP: -2.53%

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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: 48.98%	VTV: 55.88%
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: 37.22%/21.12% ITB/VNQ: 149.7%/67.49% DFE: 51.21%	SPY: 94.12%
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: 84.46%	SPY: 86.81%
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: 20.37% VRP: 23.90% PFXF: 32.00%	PFF: 25.38%
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: 35.12% NRG: 1.87% CNP: -0.70%	XLU: 38.32%

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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: 48.58% CIBR: 79.86% FTNT: 264.90% CYBR: 43.15%	QQQ: 120.70%
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: -66.67% ACB: -94.08% CGC: -81.67%	SPY: 73.88%
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: 79.72%	SPY: 72.68%
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: 44.73% CCOR: 19.58% JHEQX: 38.51%	SPY: 68.75%

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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: 95.17% ARKG: 65.85% XITK: 57.58%	QQQ: 101.1%
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: 68.01% XBI: 20.08% IHF: 66.54%	XLV: 59.64%
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: 36.87% SPLV: 31.62% EEMV: 19.40% EFAV: 13.24%	SPY: 69.28%
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: 20.19% OHI: 6.06% SCI: 54.02%	SPY: 72.39%

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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: 26.08% SGOL: 26.85% GDX: 18.98% KL: -6.31% FN: 54.11%	
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 42.24% SPMO: 51.35% FDMO: 42.41%	SPY: 54.57%

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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:** **53.89%** **GIGE:** **28.70%**	**SPY:** **54.05%**
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:** **20.77%** **VNQI:** **-6.87%** **REZ:** **21.65%** **REM:** **-16.52%**	**SPY:** **60.41%**
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:** **-2.58%** **PPA:** **10.74%** **UFO:** **6.84%**	**SPY:** **61.54%**

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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: 11.86% VYM: 39.45% PDI: 3.69%**	**SPY: 61.83%**
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: 139.20% FAN: 53.38% ICLN: 82.62% PBW: 132.30%**	**SPY: 66.33%**
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: 55.05% FIW: 56.51%**	**SPY: 60.77%**

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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:** **49.06%** **HTD:** **10.32%** **PDI:** **-1.69%** **NZF:** **13.30%** **FFC:** **15.24%** **RQI:** **34.52%**	**SPY:** **54.81%**
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:** **4.38%**	**BIL:** **0.36%**

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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:** **-31.49%** **XOP:** **14.11%** **LQDH:** **3.30%**	**SPY:** **47.97%**
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:** **22.69%** **VIGI:** **22.87%** **GSIE:** **19.19%**	**ACWX:** **16.50%**
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:** **39.34%** **VBK:** **29.95%** **XSLV:** **6..03%**	**IWM:** **33.00%**
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:** **14.23%** **SBIO:** **-11.65%** **XBI:** **4.65%**	**SPY:** **37.83%**

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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: 36.49%** **CCOR: 10.40%** **JHEQX: 32.20%**	**SPY: 60.52%**
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: 59.80%** **IBUY: 89.01%** **JHCS: 51.25%** **XITK: 73.04%**	**SPY: 74.58%**
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: 65.14%** **SHOP: 88.89%** **GDDY: 16.71%** **IPAY: 44.08%**	**SPY: 69.07%**

Sevens Report Alpha Fund & Stock Ideas

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:** **3.07%** **DG:** **35.64%** **DLTR:** **77.73%** **MCD:** **47.61%** **RHS:** **31.26%**	**SPY:** **62.05%**
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:** **0.13%** **FTSD:** **-1.81%** **IGSB:** **-0.58%**	**SHY:** **-1.63%**
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:** **43.11%** **DGRO:** **45.22%** **TDIV:** **52.14%**	**SPY:** **50.46%**

Sevens Report Alpha Fund & Stock Ideas

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: 98.05%** **MRVL: 119.80%** **QRVO: 35.83%** **FIVG: 48.30%**	**SPY: 52.89%**
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	**7/14/2020**	**VGK: 34.81%** **FEZ: 29.66%**	**VTV: 51.32%**
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: 24.74%** **GERM: 1.41%**	**SPY: 46.86%**

Sevens Report Alpha Fund & Stock Ideas

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: 12.62%** **FXE: -4.77%** **GDX: -20.56%**	**SPY: 41.99%**
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 again be good businesses after the vaccine.**	**8/25/2020**	**JETS: 25.63%** **PEJ: 47.39%** **KBE: 89.15%** **REZ: 58.15%**	**SPY: 37.60%**
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 EV market.	**9/9/2020**	**ALB: 1.82%** **SQM: 7.91%** **LIT: 10.21%**	**SPY: 0.43%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
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:** **-69.34%** **LULU:** **4.77%** **BRBR:** **21.43%** **BFIT:** **19.74%** **MILN:** **26.81%**	**SPY:** **40.80%**
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**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
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:** **42.59%** **VTV:** **39.95%** **RPV:** **60.32%**	**SPY:** **37.46%**
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:** **26.79%** **BLOK:** **19.32%** **ARKW:** **-22.80%**	**SPY:** **26.24%**

Sevens Report Alpha Fund & Stock Ideas

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:** **-27.48%** **XITK:** **-17.84%** **IPAY:** **-13.39%** **FIVG:** **20.06%** **LIT:** **40.98%**	**SPY:** **25.24%**
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:** **15.52%** **NEE:** **10.48%**	**SPY:** **24.71%**

Sevens Report Alpha Fund & Stock Ideas

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 characteristics, low leverage, and high dividends.	**1/26/2021**	**DJD:** **21.71%** **FDL:** **25.68%** **RPV:** **32.52%**	**SPY:** **23.08%**
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%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
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%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
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:** **-12.45%** **ETHE:** **-22.29%** **COIN:** **-7.29%** **VYGVF:** **-46.37%**	**SPY:** **13.26%**
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:** **-8.13%** **VRP:** **-1.57%**	**SPY:** **10.06%**
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:** **-0.52%** **NOBL:** **5.40%** **DGRO:** **9.70%** **MLPA:** **-9.05%** **RLY:** **-7.60%**	**SPY:** **8.91%**
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:** **-6.39%** **CIBR:** **3.33%** **BUG:** **-0.34%** **SKYY:** **-10.01%**	**SPY:** **8.00%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
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%**
Five ETFs That Can Make Your Life As An Advisor Easier Vanguard Total World Stock ETF (VT). iShares MSCI ACWI ETF (ACWI). iShares MSCI Global Min Vol Factor ETF (ACWV). iShares MSCI ACWI Low Carbon Target ETF (CRBN).	So how do you bridge the gap between an seven-figure trust and that clients nephew's tiny Roth IRA? Both are important to the overall relationship. You start by syncing up some of the foundational core holdings that make up the bulk of your asset allocation. Specifically, 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:	7/27/2021	**VT:** **2.14%** **ACWI:** **1.32%** **ACWV:** **0.52%** **CRBN:** **1.18%**	**SPY:** **0.72%**
Stagflation Playbook First Trust Dow Jones Internet Index Fund (FDN). Invesco S&P 500 Equal Weight Consumer Staples ETF (RHS). VanECk Vectors Investment Grade Floating Rate ETF (FLTR). Aberdeen Standard Bloomberg All Commodities Strategy K-1 Free ETF (BCI).	This Alpha issue is focused on something we sincerely hope never happens: Stagflation. That's because a stagflationary environment is a very difficult one to successfully invest in as, broadly speaking, it's negative for most stocks, most bonds, and idle cash (purchasing power is eroded through inflation). Positively, stagflation is not the most likely macroeconomic scenario going forward (a stock positive reflation scenario is the most likely future macro set-up). But, stagflation risks are still at multi-decade highs, so the risks can't be totally ignored, either.	8/24/2021	**FDN:** **-14.05%** **RHS:** **9.13%** **FLTR:** **-0.07%** **BCI:** **6.87%**	**SPY:** **4.17%**
Learning to Live with COVID Vaccine Markers (Multiple Stocks & ETFs) Global X Telemedicine & Digital Health ETF (EDOC). Amplify Online Retail ETF (IBUY). VanEck Vectors Morning Star Durable Dividend ETF (DURA).	In this Alpha issue, we examine the strategies and sectors that will benefit from society learning to "live" with COVID over the medium and longer-term, and the inspiration for this issue came from real life. We believe that reality will cause more permanent adoption of some "temporary" pandemic era behaviors, and we believe that should lead to some attractive investment opportunities.	9/8/2021	**MRNA:** **-49.43%** **BBH:** **-19.52%** **EDOC:** **-19.87%** **IBUY:** **-27.80%** **DURA:** **3.35%**	**SPY:** **4.07%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Hydrogen—The Next Stage of the Green Energy Revolution Plug Power (PLUG) Cummings (CMI) Defiance Next Gen Hydrogen ETF (HDRO)	Hydrogen has long been touted as a source of cleaner fuel for transportation and commercial uses. But it has always seemed like the decades-long play that just needs a little more technology or a breakthrough process to truly realize its untapped potential. But, over the past several months I've been digging into this space, and it started to make more sense from an investment perspective. I quickly realized just how much opportunity is at stake and why this moment in time is pivotal to the hydrogen development cycle.	9/21/2021	**PLUG:** **-6.94%** **CMI:** **5.87%** **HDRO:** **-12.36%**	**SPY:** **7.13%**
Buying Opportunities in "New Tech" Idea 1: Winning Streaming Wars (ROKU/SPOT) Idea 2: Next Evolution in Genetics (NVTA/CRSP) Idea 3: Future of Money (Z/COIN) Idea 4: Work from Anywhere (ZM)	Tech companies in the fields of robotics, fintech, biotech, clean tech, electric vehicles, cryptocurrencies, etc. have seen steep declines from the highs this year. With some of these stocks down more than 55% from the highs, they are now trading at far more attractive valuations than they have in years (and this is even more true following the weakness in the tech sector over the past week!) As such, we wanted to produce an Alpha issue that identifies potential opportunities in this "New Tech" space, as given the declines and the growth potential of some of these firms, the risk is now worth the reward for longer-term focused investors:	10/05/2021	**ROKU:** **-40.44%** **SPOT:** **-1.47%** **NVTA:** **-53.52%** **CRSP:** **-33.94%** **Z:** **-34.64%** **COIN:** **-7.11%** **ZM:** **-33.41%**	**SPY:** **7.34%**
Tapping the Wisdom of Financial Celebrity DoubleLine Total Return Fund (DBLTX) DoubleLine Shiller Enhanced CAPE (DSEEX) Guggenheim Total Return Bond Fund Institutional Class (GIBIX). Guggenheim Strategic Opportunities Fund (GOF) WisdomTree U.S. Quality Dividend Growth Fund (DGRW), WisdomTree Emerging Markets es State-Owned Enterprises Fund (XSOE). O'Shares U.S. Quality Dividend ETF (OUSA) O'Shares Global Internet Giants ETF (OGIG)	The dual goal of Sevens Report Alpha is to 1) Furnish you with interesting investment ideas and strategies you can share with clients and prospects and 2) Identify funds and ETFs that can outperform, so with that dual goal in mind we analyzed the fund offerings of some of the most well-known "Market Mavens" that appear in the financial media so that you can turn any mention of these celebrities into an opportunity to impress clients with your knowledge, and possibly find an actionable investment idea. After a thorough search, we found four of these "Mavens" that had funds or ETFs that: 1, Could be attractive to clients and 2. Consistently beat the market. The four "Mavens" we profiled were: Jeffrey Gundlach (Doubleline Capital), Scott Minerd (Guggenheim Investments), Jeremy Siegel (WisdomTree), and Kevin O'Leary (O'Shares). In today's issue, profile two funds from each "Maven."	10/19/2021	**DBLTX:** **-0.86%** **DSEEX:** **1.36%** **GIBIX:** **-0.69%** **GOF:** **-4.32%** **DGRW:** **6.23%** **XSOE:** **-6.25%** **OUSA:** **5.25%** **OGIG:** **-23.32%**	**SPY:** **3.15%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Capitalizing on A New Era of Energy Investment SPDR S&P Oil & Gas Exploration and Production ETF (XOP) Invesco S&P Small Cap Energy ETF (PSCE) First Trust Natural Gas ETF (FCG) Global X MLP ETF (MLPA)	Today's Alpha issue is essentially a "follow up" to our recent Alpha webinar, where we focused on the energy industry and explained, in part because of environmental concerns, that energy prices could be sustainably higher for the foreseeable future. So, in this issue, we profile several energy ETFs that we believe have the most targeted exposure and stand to outperform in this new era of energy, one where a lack of increased production should keep prices high, and where Natural Gas sees sustained increases in demand due to the desire to burn the most "clean" fossil fuel while the world moves further towards renewables.	11/2/2021	**XOP:** **-0.25%** **PSCE:** **0.24%** **MLPA:** **-1.41%**	**SPY:** **1.20%**
Metaverse Primer Meta Platforms Inc (FB) Roblox Corp (RBLX) NVIDIA Corp (NVDA) Amazon (AMZN) Microsoft (MSFT) Roundhill Ball Metaverse ETF (META)	Many analysts believe the "Metaverse" is the next evolution of the internet, and if that's true the long-term return potential is significant. So, we want to make sure you have the information you need to 1) Discuss the metaverse with any clients or prospects and 2) Identify the stocks and ETFs that stand to benefit from the continued growth of the Metaverse	11/16/2021	**FB:** **-4.68%** **RBLX:** **-26.73%** **NVDA:** **-11.21%** **AMZN:** **-9.34%** **MSFT:** **-7.96%** **META:** **-16.70%**	**SPY:** **-0.98%**
REITS As An Inflation Hedge Vanguard REIT ETF (VNQ) Pacer Benchmark Data and Infrastructure Real Estate SCTR ETF (SRVR) Pacer Benchmark Industrial Real Estate SCTR ETF (INDS) iShares Residential and Multisector Real Estate ETF (REZ)	According to a study we cited in today's issue, from 1972-2020, during periods considered moderate to high inflation, REITs actually outperformed the S&P 500! And, we're seeing that proved out so far this year, as VNQ, the largest and most diverse REIT ETF, is outperforming the S&P 500 (VNQ is up 26.6% YTD, while the S&P 500 is up 23% YTD). More specialized REITs have performed even better so far in 2021, and that's why, in addition to VNQ, in today's issue we focused on what we consider "REITs for the 21st Century." Here's what I mean: Because of uncertainty regarding future mall traffic and office demand (due to the ongoing pandemic) we are focused today's Alpha issue on REITs that have exposure to infrastructure and technology including data centers, communication hubs, industrial warehouse distribution centers, and medical-related industries:	11/30/2021	**VNQ:** **4.74%** **SRVR:** **2.72%** **INDS:** **5.08%** **REZ:** **5.12%**	**SPY:** **2.42%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Best Performing COVID Strategies Strategy One: Mega-Cap Tech. XLK/VGT/FDN. Strategy Two: Online Spending. SHOP/IBUY. Strategy Three: Blockchain. BLOK (Amplify Transformational Data Sharing ETF). Strategy Four: Smart-Beta Industrials. PAVE (Global X U.S. Infrastructure Development ETF).	Today's issue focuses on strategies that have outperformed since the pandemic started in March of 2020 and should continue to outperform as the market realizes it's got to "live" with COVID. More specifically, the Omicron variant has again reminded people and markets that COVID is not going away and that we will have flare-ups from variants for the foreseeable future.	12/14/2021	XLK: -2.57% VGT: -2.94% FDN: -5.47% SHOP: -17.11% IBUY: -6.55% BLOK: -9.81% PAVE: -0.05%	SPY: 0.37%
Annual Contrarian Issue Contrarian Investment Idea 1: The China Growth Story Re-Emerges. KraneShares CSI China Internet ETF (KWEB) and WisdomTree China ex-State-Owned Enterprises Fund (CXSE). Contrarian Investment Idea 2: Gold & Silver Miners Dig Up Profits. VanEck Vectors Gold Miners ETF (GDX) and Global X Silver Miners ETF (SIL). Contrarian Investment Idea 3: Investors Flock To Low Volatility Sectors. Utilities Select Sector SPDR (XLU) and PowerShares S&P 500 Low Volatility ETF (SPLV).	Today's Alpha is our annual Contrarian Issue, where we identified some of the worst-performing sectors and factors for 2021 and analyzed them to identify three sectors that we think could be poised for a big turnaround in 2022. We have produced this annual Contrarian Issue for the last several years to serve two primary functions. First, I'm a contrarian investor at heart, and I always enjoy scouring what "didn't" work during an investment year to determine whether these relatively cheap sectors or factors present an attractive opportunity, as contrarian investing can lead to outperformance. Second, we like to provide these contrarian ideas so that if a client asks you "What's cheap right now?" or "Are there any opportunities from last year?" you have interesting, well-founded ideas that can impress clients and prospects.	12/28/2021	KWEB: -0.82% CXSE: -1.06% GDX: -1.87% SIL: -6.71% XLU: -1.95% SPLV: -2.38%	SPY: -2.93%