

SEVENS REPORT

alpha

March 8, 2022

In Today's Issue

- **Bear Market Playbook.** We don't expect a long-term bear market to form, but this market is facing material headwinds and it's prudent to review what strategies worked during the last multi-year bear market so that if it occurs, we are prepared to protect portfolios.
- **Investment Idea 1: Cash is King. PIMCO Enhanced Short Maturity Active ETF (MINT).** This short-term debt ETF has \$14 billion in total assets, offers a 30-day SEC yield of 0.85%, and charges an expense ratio of just 0.35%. Additionally, it has an average duration of 0.95 years.
- **Investment Idea 2: Golden Opportunity. Aberdeen Standard Physical Swiss Gold Shares ETF (SGOL). VanEck Vectors Gold Miners ETF (GDX).** The yellow metal was one of the only asset classes to achieve net positive results in both the 2000 tech wreck and the 2008 financial crisis.
- **Investment Idea 3: Real Estate Dividends. Vanguard REIT ETF (VNQ).** During the 2000-2002 bear market, one of the singular publicly traded sectors that outperformed all others was real estate. VNQ has \$46 bln in AUM, has outperformed the S&P 500 over the past 12 months, and has a yield of 2.82%.
- **Investment Idea 4: Consumer Staples. First Trust Consumer Staples AlphaDEX Fund (FXG).** Consumer staples was one of the best performing major S&P sectors during the 2000-2002 bear market. FXG has more exposure to food and beverage producers and groceries than XLP and FXG has a P/E of 17X and a yield of 1.8%.

Long-Term Bear Market Survival Kit

One of the scenarios that every advisor dreads is a long-term bear market. That singular outlier event that stretches out through a prolonged valley of depreciation and tests the patience of even the most seasoned investor. It's a landscape that we don't think about often but can be devastating for your clients' wealth—if considerations aren't made for tactical solutions.

When we think back to some of the more recent corrections and bear markets, they were relatively short-lived. The pandemic-induced downfall of 2020 was over in a matter of months and quickly recovered to surpass prior all-time highs. We survived a textbook bear market dip in the latter half of 2018 as fears of a slowing economy and geopolitical tensions roiled markets. That precarious event also was over in a matter of months. Additionally, the market volatility of late 2015 to early 2016 was a modest speedbump on the highway to further gains.

I don't think it's going out on a limb to say that the last real test of investor perspicacity was the 2008-2009 financial crisis, which had true rippling effects across social, economic, and political realms. That event introduced the markets to modern quantitative easing and the effects that central banks could create with advanced monetary policy decisions. Every hiccup in the markets since that timeframe has included a similar guarantee by the Fed to calm fears through interest rate adjustments and asset purchases.

Yet looking back on it from a pure analytical standpoint, you only had one bad year of returns in 2008 before the market turned around and regained its footing in 2009. Investors have been fortunate that stock market gains since the beginning of this century have been so consistent on a year-over-year basis. We haven't had so much as two consecutive down years since the 2000-2002 "tech wreck." That multi-year grind nearly cut the S&P 500 Index in half and felled technology-heavy baskets such as the Nasdaq 100 by more than 80% from high to

low. It was truly a worst-case scenario from a portfolio management standpoint.

The real destruction in a multi-year bear market isn't necessarily the drop in portfolio valuations. It's the confidence that is lost among investors in the capability to weather the storm and come out stronger on the other side. History has shown that the market always recovers and eventually surpasses these valleys. However, it's the psychological damage that can be far more devastating and impact your business and client relationships.

Having a game plan to protect your clients from these extraordinary events will preserve capital and mitigate angst, both of which will be key to survival among your peers. It would be naïve to think that you are going to completely avoid any downturns along the way, but what you can do is take prudent steps to create meaningful alpha and be that much further ahead to prosper on the other side.

In preparing this issue, we took a hard look at some of the best-performing assets of the last multi-year bear market. We then used this data to screen for the best possible investment vehicles to use in today's market to combat a similar situation should it unfold. Two decades ago, there were almost no ETFs to speak of. Today, we have a wealth of opportunity at our fingertips to weather these storms and emerge with the bulk of our assets intact.

Investment Idea 1: Cash Is King

One of the first steps in your long-term bear market game plan is going to be to reduce your allocations to volatile stocks and add to your cash holdings. This will give you the clarity to assess the market from the sidelines and deploy into new assets opportunistically as conditions develop. So, what do you do with that capital once it's in the core cash account earning next to nothing?

It's unlikely that you are going to heavily allocate back to traditional intermediate- or long-duration bonds at this juncture, especially given the auspices

of an already-low interest rate world and the commitment of the Fed to fight inflationary forces. There just isn't any juice left to squeeze out of that asset class right now and the risks are overwhelmingly tilted toward higher interest rates (i.e. lower bond prices).

Therefore, the circumstances point to a high likelihood of larger cash allocations as a viable strategy for those that have the flexibility to stay conservatively focused. Cash or stable value investments are going to be extremely attractive from a risk vs. reward standpoint when other asset classes such as stocks, bonds, and commodities are experiencing above-average volatility.

If you foresee that you are likely to carry heavy cash allocations for six to 12 months or more, it's also a great idea to consider an ultra-short-duration bond fund as an income generating alternate. One of our favorite vehicles for this is the **PIMCO Enhanced Short Maturity Active ETF (MINT)**.

This flagship fund is one of the first ETFs that the bond juggernaut introduced back in 2009. Over the last decade, it has quietly and efficiently become one of the best ultra-short bond ETFs in its category. The combination of active management, reasonable fees, and risk aversion has catapulted this fund into our top pick in this class.

The underlying portfolio is primarily composed of short- and ultra-short duration bonds of investment grade companies and mortgage securities. MINT has grown to \$14 billion in total assets, offers a 30-day SEC yield of 0.85%, and charges an expense ratio of just 0.35%.

Currently, its effective duration is just 0.95 years, which from an interest rate risk standpoint is modestly above that of a true money market fund. Because this fund is active, its portfolio manager can

Year	S&P TR
2000	-9.03%
2001	-11.85%
2002	-21.97%
2003	28.36%
2004	10.74%
2005	4.83%
2006	15.61%
2007	5.48%
2008	-36.55%
2009	25.94%
2010	14.82%
2011	2.10%
2012	15.89%
2013	32.15%
2014	13.52%
2015	1.38%
2016	11.77%
2017	21.61%
2018	-4.23%
2019	31.21%
2020	18.02%
2021	28.47%

modify the underlying holdings to the current market and adjust duration or sector exposure as appropriate.

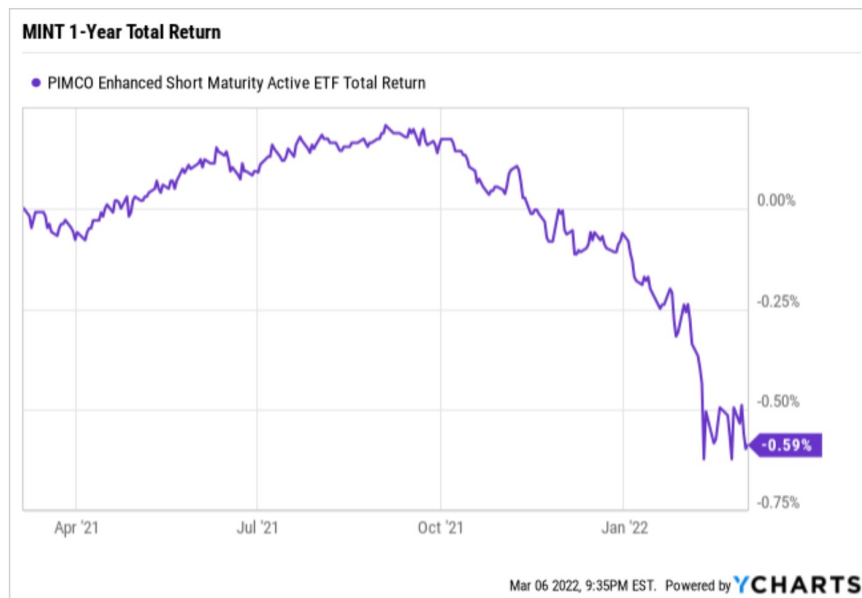
This ETF has put up some impressive numbers for its category over the last several years that hold up in both relative and absolute terms. MINT also has had much less realized volatility and a similar total return profile when compared against short-term target duration index funds that are popular among income enthusiasts. The largest price shock for this ETF occurred during the pandemic sell-off as investors threw out the proverbial baby with the bathwater. MINT has since recovered quickly and is back to generating steady monthly income and low volatility.

Although MINT's recent price action doesn't look appealing, the recent rollover in the price is largely due to investor expectations of

rising interest rates, as there's been a knee-jerk reaction to sell bonds as a strategy to preserve capital. However, what many forget is that the bonds held in these ultra-short-duration vehicles are constantly being replaced by similar maturities with higher dividend streams. This means that they will rapidly adjust to volatility in interest rates, and by holding them over intermediate to long periods, you are able to reap the benefits of additional income and capital appreciation.

The bonus to using MINT is that you get the opportunity for incremental income above that of conventional money market funds and the capability to achieve some bonus capital appreciation as well. It's a great way to have a position in the portfolio outside of cash if you aren't seeing any opportunities in stocks or bonds due to timing or valuation concerns.

Another option to consider or benchmark MINT against is the **JP Morgan Ultra-Short Income ETF (JPST)**. This ETF is an actively managed exchange-traded fund with a target duration of less than one year. It owns a highly diverse mix of more than 600 short-term debt securities in the AA-B investment grade categories. Currently, JPST contains 60% exposure to investment grade corporate bonds, 12% in cash or equivalent securities, and the remainder in asset-backed securities. That portfolio combines to generate a modest yield of 0.74% with a duration of just 0.37 years.



What makes this fund intriguing is how the managers control their credit and interest rate risks. They are one of the few ETF management teams to own ultra-high-quality assets such as certificates of deposits and money market assets when conditions become less favorable to

upside gains. They also are able to short the market by using interest rate futures and swap contracts to hedge their interest rate risk. The fund currently is short one-year to 5-Year Treasury futures notes to achieve that goal.

The benefit of these hedges and active portfolio strategy worked successfully to safeguard investment assets during the pandemic swoon as JPST experienced less relative drawdown than virtually every other fund in its category. It also swiftly recovered from those lows as the pressure of the downside selling and fear receded. This is the type of price action we look for as a potential replacement for a traditional passive index. Furthermore, with over \$18 billion in assets and an expense ratio of just 0.18%, it's large enough to trade in and out at will and cheap enough to hold indefinitely as a core holding.

The strategic implications of JPST are that it can easily be swapped for any larger cash or short-term bond allocations as a reliable income generating replacement. The strategy has proven to be adept at risk management while continuing to generate a modest yield in this current environment.

Investment Idea 2: A Golden Opportunity

Gold has always been touted as a safe haven during periods of volatility in the stock market and the last two major recessions have proven that designation accurate. The yellow metal was one of the only asset classes to achieve net positive results in both the 2000 tech wreck and the 2008 financial crisis. As such, it would likely experience similar tailwind effects in another long-term bear market as investors seek to diversify into physical assets.

Spot Gold Returns by Year:

2000: -6.06%

2001: +1.41%

2002: +23.96%

2003: +21.74%

2007: +31.59%

2008: +3.97%

2009: +25.04%

[\(source\)](#)

One of our favorite ways to own the yellow metal is through the **Aberdeen Standard Physical Swiss Gold Shares ETF (SGOL)**. This ETF has \$2.7 billion allocated to physical gold bars stored in a vault in Zurich, Switzerland. The vault is audited twice per year and its holdings are posted daily to the fund sponsor's website. The legal structure of this ETF is a grantor trust, so you don't have to worry about any K-1 or other tax headaches. Furthermore, it charges a miserly 0.17% expense ratio that is the lowest of any fund in this category.

SGOL benefits from having a much lower expense ratio than the commonly owned GLD or IAU alongside a full decade of trading history that demonstrates deep liquidity for trading purposes. As you can see on the chart on Page 5, its price already started to perk up under the auspices of inflation-

ary expectations and geopolitical conflict to kick off 2022.

Owning an allocation to the physical precious metals fund is always our first recommended step when looking at commodities as an asset class. Clients will immediately understand the logic and they tend to be less volatile than stocks associated with production. However, if you want to truly capture a wider swath of this sector, it behooves you to look at pairing a fund such as SGOL with gold miners as a correlated investment opportunity.

The largest and most well-known fund in this class is the **VanEck Vectors Gold Miners ETF (GDX)** with nearly \$14 billion in assets. It owns 60 large- and mid-cap stocks around the globe that must derive at least 50% of its revenue from gold mining or production to be included in the index. Top holdings include names such as Newmont Gold Corp, Barrick Gold Corp, and Franco-Nevada Corp.

Its geographical makeup is quite diverse as well. The United States only makes up 21% of the country allocation within GDX, with Canada leading the way at 43% of the total stock exposure. Australia, Brazil, and South Africa round out the remaining countries in the top five. The fund charges a modest 0.51% expense ratio and sports a 30-day SEC yield of 1.30%.

The overall trend of GDX will be heavily influenced by spot gold prices. And it has been picking up momentum in the early part of this year. The fund has regained its long-term moving average and is poised to make a run at its 52-week high if we see continued strength throughout the precious metals asset class.

There are numerous ways to integrate GDX into your client portfolios. The first is to make a tactical allocation as a replacement for a traditional industrial or materials sector ETF. This allows you to favor a unique subset of stocks linked to the precious metals space, while still staying true to a conventional large-cap sector allocation. We typically see total portfolio allocation decisions in the 5-10% range using this technique.

The second method is to pair gold miners with a physical gold-backed ETF such as SGOL to increase your overall exposure profile. The latter strategy will offer enhanced diversification benefits and sets up an alternative asset strategy that is likely to reduce overall portfolio volatility. It may be an attractive idea for clients who are more risk averse or that want to weigh even more of their portfolio towards gold as a strategic asset class.

Keep in mind that many clients, especially those in the baby boomer generation, may own physical gold in their household as well. It would be a prudent step to touch bases with your key relationships to ensure that any portfolio allocations you establish won't overly saturate their total wealth plan towards this unique asset class.

Investment Idea 3: Real Estate Dividends

During the 2000-2002 bear market, one of the singular publicly traded sectors that outperformed all others was real estate. There was no exchange-traded fund at that time to measure progress like we have today. Nevertheless, examining a mutual fund equivalent such as the Nuveen Real Estate Securities Fund (FREAX) confirmed that owning REITs was an excellent diversification strategy that bolstered returns. The combination of consistent dividends, falling interest rates, and a non-traditional asset class worked in favor of this sector.

FREAX Calendar Year Returns:

2000: +32.23%
 2001: +9.82%
 2002: +7.37%
 2003: +37.58%

Now realistically we must reset our expectations for the REIT sector in today's market to a moderated standard. The Fed doesn't have the option to cut rates from 5% to 1% as it did 20 years ago. Nor are they expected to unleash another round of massive

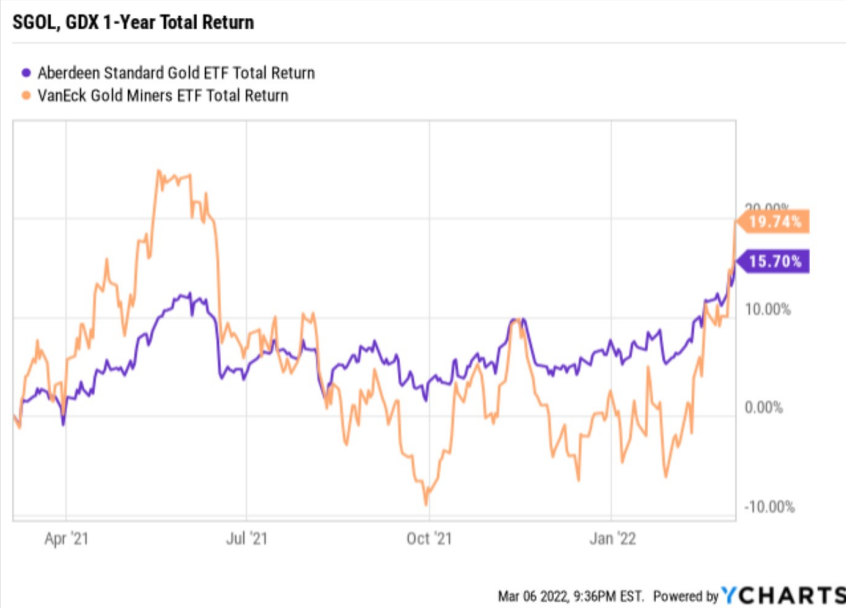
quantitative easing as they try to rein in inflation. There is also the very real scenario that we see market-driven interest rates on Treasury yields continue to tilt to the upside. Those factors have traditionally worked against the case for real estate growth expectations.

Nevertheless, our argument is that

there is still attractive marginal utility in owning real estate as a method of dividend generation, diversification, and moderated volatility. Given the heightened demand and generational dynamics in play, we are unlikely to see a crash in real estate prices overall. Any price corrections will probably be modest and transient in nature.

Furthermore, we are still in a landscape of extremely attractive interest rates (based on historic norms). For investors hungry for a return on capital, this circumstance lends itself much better to the real estate sector compared to fixed income. Those factors combine to enhance the appeal of this sector if we find ourselves trudging through a difficult multi-year period of stock market depreciation.

In the world of publicly traded real estate investment companies, there is no easier way to gain correlation and diversification than the **Vanguard REIT ETF (VNQ)**. This nearly \$46 billion behemoth is comprised of 172 holdings in all things real estate related. It is constructed using a market-cap weighting methodology, charges a minuscule 12 basis points, and trades millions of shares per day. Top holdings



include Prologis Inc, American Tower Corp, Crown Castle Intl, Equinix Inc, and Public Storage.

tivity to commercial properties (office space) and retail operators (malls).

This ETF has undergone a modest correction to start the year in tandem with the broader market. However, it's still outpacing the S&P 500 Index on a 52-week basis by a fair margin. VNQ also sports a 12-month trailing distribution yield of 2.82% with income paid quarterly to shareholders. That income component is a key argument for why this fund will be attractively sought after during a long-term market correction.

REZ has been in existence since 2007 and has accumulated more than \$1.35 billion in assets under management. The fund charges a modest expense ratio of 0.48% and offers a current yield of 1.78% with income paid quarterly to shareholders. Top holdings include well-known names such as Public Storage, Welltower Inc, Avalon Bay Communities, Equity Residential, and Extra Space Storage.

The Vanguard Real Estate ETF is doing exactly what it was designed to do. Work as a highly liquid and low-cost solution for tracking the broader price pattern in REITs. It's an extremely capable vehicle to act as a cornerstone of any inflation strategy. It also allows you to add strategic real estate allocations in areas likely to weather the storm better than conventional stock indexes.

Another real estate fund we heavily favor under this worst-case scenario is the **iShares Residential and Multisector Real Estate ETF (REZ)**.

Think about this fund as the "consumer staples of real estate." It's heavily weighted towards residential and healthcare REITs as the broadest makeup within its basket. That means less economic sensi-

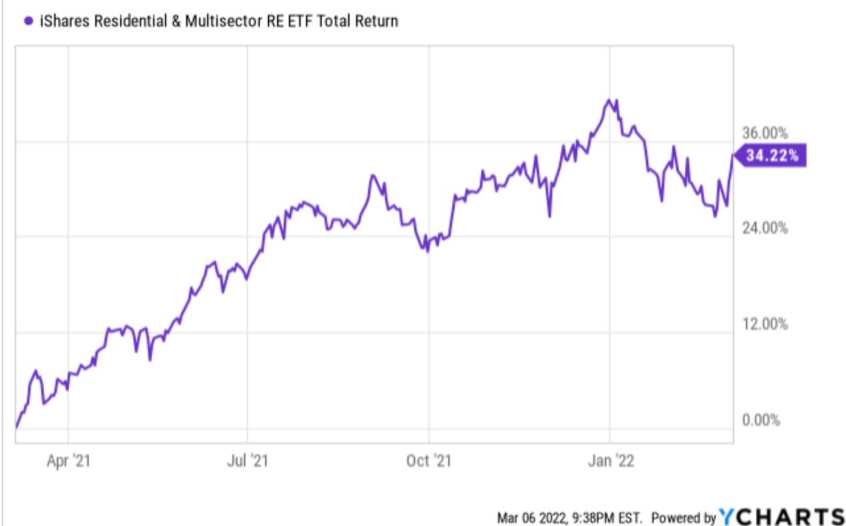
We highlighted REZ back in 2019 as one of the top performers in our screening of real estate funds and it continues to overachieve versus its benchmark today. The fund is currently outperforming VNQ on one, three, and five-year time frames. Furthermore, it continues to demonstrate a high degree of relative momentum by hitting new 52-week highs to start the year.

The broader multi-sector approach means that REZ can act as a potential core holding in place of VNQ for those that want to shape their asset allocation towards these standalone real estate industry groups. Its steady trading volume and diverse underlying portfolio structure give us confi-

VNQ 1-Year Total Return



REZ 1-Year Total Return



dence that this fund will act as a robust tool to generate income and capital appreciation.

In terms of implementation, many strategic accounts look to allocate between 5-15% of their total portfolio in these types of real estate funds. A smaller allocation would likely only require the selection of one fund while stepping up to larger scales would benefit from additional diversification into multiple vehicles. It's also advisable to use a multi-step approach by increasing your exposure over time if you don't already have a position in place. This allows you to take advantage of any market selloffs to lower your cost basis and increase your allocation.

Investment Idea 4: Consumer Staples

Constructing a portfolio to outperform under difficult circumstances often leads you down the path of trying to integrate unconventional assets that don't conform to the tranquil days of steady uptrends. If you aren't careful, you may end up collecting a basket of wonky investments that stray too far from a correlated and sensible strategy. That's why you want to ensure a cohesive plan by layering in traditional sectors to ensure performance is not adversely affected.

It should come as no surprise that one of the best performing major S&P sectors during the 2000-2002 bear market was consumer staples. These companies benefit from an inelastic consumer demand profile and often outperform their peers during the worst of economic circumstances. Personal consumption of food, beverages, alcohol,

paper goods, and prescription medicines aren't going to meaningfully fall off regardless of financial circumstances. Furthermore, this is not a sector that is considered highly correlated with interest rates, which is another positive factor in this instance. Consumer staples stocks are a great place to look for steady market correlation with

low volatility and we have just the right vehicle for this task.

The **First Trust Consumer Staples AlphaDEX Fund (FXG)** is a quantitatively constructed portfolio of high-quality stocks selected from the broad Russell 1000



Index. The AlphaDex screening criteria ranks stocks according to a combination of growth and value characteristics that scores each eligible company. Those scores are then used to select the 40 best-of-breed companies within the sector group for inclusion in the portfolio basket.

The result is a highly intelligent and active share approach to the consumer staples theme that emphasizes a much different subset of stocks as compared to traditional market-cap weighted benchmarks such as XLP or VDC. The underlying holdings in FXG tend to lean far more towards food and beverage producers in the small- and mid-cap realms rather than the mega-cap consumer goods companies such as Proctor & Gamble and Coca-Cola. In fact, the current breakdown of industry exposure in FXG is: Food Producers (61%), Personal Care/Grocery Stores (29%), Beverages (8%), and Tobacco (1.80%).

Some of those top food and beverage producers include companies such as Archer-Daniels Mid-

land, Bunge Limited, Corteva Inc, and Tyson Foods Inc. There also is exposure to Kraft Heinz, CVS Health Corp, and Pepsi Co. Furthermore, there are caps on individual security and classification weights so that the portfolio doesn't become overly biased towards larger stocks. FXG currently has \$330 million in total assets and charges a net expense ratio of 0.64%.

It's notable that even during this most recent correction in the broad market benchmarks that FXG has barely budged from its prior highs. When you correlate that with a reasonable price-to-earnings ratio of 17x, you get the picture of a fund with solid fundamentals that is apt to be one of the top performing sectors of the next major bear market.

This fund can be utilized as a replacement for conventional benchmarks such as XLP and VDC or to gain new exposure to the consumer staples theme with an emphasis on fundamental criteria as a screening factor. The consumer staples theme also may be a better fit for more conservative clients that are skittish about equity exposure in general. They may feel encouraged by the historically lower volatility of this sector and the financial resilience of the underlying holdings. FXG also sports a 30-day SEC yield of 1.43% with income paid quarterly to shareholders, an attractive feature for income-hungry portfolios.

Conclusion

No one likes to think about how they are going to navigate through the next catastrophe in the stock market. It's much easier to have a "buy the dips" mentality because that's been the successful playbook for the last two decades. However, there will come a time when that well-intentioned strategy falls flat, and new resources will be needed to ensure wealth protection.

The tools in this report can provide that needed stability during the worst of times and generate relative alpha your clients will be thankful for when most other advisors are flailing. Having

these conversations in advance, even if they aren't ever utilized, also will reassure your clients that you have their absolute best interest in mind.

Best,

Tom

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Sevens Report Alpha Fund & Stock Ideas

<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Re-turn</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Index Rebal</u> KWEB (KraneShares CSI China Internet ETF)	<p>KWEB is an index rebalance play based on major Chinese internet and ecommerce companies (China N-shares) being added to FTSE Emerging Market Indices between Sep 2017 and June 2018. KWEB is our conduit to front-run huge index funds that will be forced to buy its underlying holdings.</p> <p>What to do now: We closed KWEB on June 15th (last leg of rebal). It's still viable as a long-term holding.</p>	<p>Issue 1: 8/17/17 8/24/17</p>	<p>KWEB: 21.46% (closed)</p>	<p>ACWX: 6.93% (through KWEB close date)</p>
<u>Smart Beta Pioneer</u> RSP (Invesco S&P 500 Equal Weight ETF)	<p>From an index standpoint, S&P 500 Equal Weight has massively outperformed S&P 500 (cap weight) over the long term (392% vs. 158% over the last 18 years). RSP has lagged recently due to tech sector outperformance. That presents a short-term dislocation and opportunity to buy RSP at a discount to SPY.</p> <p>What to do now: Buy.</p>	<p>Issue 2: 9/7/17</p>	<p>RSP: 74.67%</p>	<p>SPY: 85.22%</p>
<u>Self-Driving Car Basket</u> SNSR (Global X Internet of Things ETF) ROBO (ROBO Global Robotics & Automation Index ETF) AMBA (Ambarella) QCOM (Qualcomm)	<p>Massive changes to the auto industry, including self-driving technology, are closer to the mainstream than most investors think. The foundational changes to the auto industry could be the next "Megatrend" in investing to provide outperformance for years to come.</p> <p>There is no pure play "self-driving" ETF yet, but SNSR and ROBO offer exposure to many tech companies that are best-positioned in the space. AMBA and QCOM are two of the better stocks with unique exposure to the growing self-driving car industry.</p> <p>What to do now: Buy the ETFs. We closed QCOM a month and a half after the Broadcom takeover announcement for a quick, sizable gain.</p>	<p>Issue 3: 9/21/17</p>	<p>SNSR: 69.25% ROBO: 44.45% AMBA: 92.12% QCOM: 23.20% (closed)</p>	<p>SPY: 82.69% SPY: 19.93% (through QCOM close date)</p>
<u>Electric Car Battery Plays</u> LIT (Global X Lithium & Battery Tech ETF) ALB (Albemarle)	<p>The trend towards the widespread adoption of electric cars is accelerating, with U.S. auto companies planning massive roll outs and several countries putting end dates on the internal combustion engine.</p> <p>From an investment angle, the key here is better technology, specifically lithium. LIT is a lithium ETF. ALB is one of the leading lithium plays in the market.</p> <p>What to do now: Long-term investors can buy now. But, as we said in the issue, LIT and ALB ran up big following China's electric car decision. Both have sold off since. The growth opportunity is years, if not decades, ahead.</p>	<p>Issue 3: 9/21/17</p>	<p>LIT: 96.76% ALB: 38.51%</p>	<p>SPY: 82.69%</p>
<u>Dividend Growth</u> DIVY (Reality Shares DIVS ETF) REGL (ProShares S&P MidCap 400 Dividend Aristocrats ETF) SMDV (ProShares Russell 2000 Dividend Growers ETF)	<p>Historically, dividends are responsible for half of the market's total return. They are an essential component of long-term outperformance. While most investors choose high-yielding dividend stocks, our research shows dividend growth stocks can generate better long-term returns.</p> <p>DIVY is the only ETF that isolates pure dividend growth. This ETF is a fixed income alternative that should provide steady single-digit returns with low volatility and true diversification. REGL and SMDV are ETFs that provide exposure to the "Dividend Aristocrats" of tomorrow.</p> <p>What to do now: Buy.</p>	<p>Issue 4: 10/4/17</p>	<p>REGL: 46.67% SMDV: 23.90%</p>	<p>AGG: 11.23% MDY: 48.77% IWM: 37.78%</p>
<u>Merger Arbitrage</u> GABCX (Gabelli ABC Fund) MNA (IQ Merger Arbitrage ETF)	<p>Merger arbitrage is a time-tested hedge fund strategy. It seeks to profit from the timely completion of mergers, takeovers and corporate re-orgs. The strategy has produced solid absolute returns with low correlations to stocks and bonds.</p> <p>GABCX and MNA are the two best-performing—and cheapest—options to invest in this space.</p> <p>What to do now: Buy.</p>	<p>Issue 5: 10/17/17</p>	<p>GABCX: 11.53% MNA: 5.07%</p>	<p>AGG: 10.97%</p>

Sevens Report Alpha Fund & Stock Ideas

<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Re- turn</u>	<u>Benchmark Perfor- mance Since Issue Date</u>
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: -13.75%	ACWX: 10.24%
"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: -2.13% EMLC: -13.72% EBND: -12.05% AGEYX: 9.86%	AGG: 11.52%
"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: 79.36% BLCN: 48.30%	SPY: 63.56%
"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: 14.42% TOTL: 9.32% FTSL: 14.18%	AGG: 13.38%

Sevens Report Alpha Fund & Stock Ideas

<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Cash Alpha</u> 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: 8.53%	BIL: 3.88%
<u>Index Rebal</u> KBA (KraneShares Bowers 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: 21.06%	ACWX: 7.73%
<u>Anti-Trade War</u> 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: 16.44%	SPY: 66.98%
<u>Foreign Small Caps</u> 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: 8.10% DLS: -4.05%	EFA: 7.28%
<u>Disruptive Innovation</u> 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: 49.46%	SPY: 66.37%
<u>Buybacks</u> PKW (Invesco Buy-Back 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: 63.10%	SPY: 67.72%
<u>"FANG and Friends" of Emerging Markets</u> EMQQ (Emerging Markets Internet & Ecommerce ETF)	"By 2025, annual consumption in emerging markets will reach \$30 trillion—the biggest growth opportunity in the history of capitalism."—McKinsey & Company. The combination of four major forces in emerging markets make this a great investment setup: favorable demographics, increasing smartphone availability, surging wireless broadband and Wifi access, and the globalization of the capital formation process. EMQQ is the best ETF to invest in this great confluence. We also featured three alternative ETFs (ECON, KWEB, KEMQ). What to do now: Buy.	Issue 23: 6/26/18	EMQQ: -12.84%	EEM: 8.60%

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Micro Caps</u> <u>IWC (I-Shares Micro-Cap ETF)</u>	<p><i>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.</i></p> <p><i>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).</i></p>	7/10/18	IWC: 20.55%	IWM: 21.30%
<u>The Future of Consumer Spending</u> <u>IBUY (Amplify Online Retail ETF)</u> <u>FINX (Global X FinTech ETF)</u> <u>IPAY (ETFMG Prime Mobile Payments ETF)</u>	<p><i>The way U.S. consumers purchase goods is changing—rapidly. And, getting “pure play” exposure to the rise to on-line 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.</i></p>	7/24/18	IBUY: 18.52% FINX: 9.70% IPAY: 10.60%	SPY: 59.53%
<u>Floating Rate Funds</u> <u>FLOT (I-Shares Floating Rate Bond ETF)</u> <u>USFR (Wisdom Tree Floating Rate Treasury Fund)</u> <u>SRLN (SPDR Blackstone / GSO Senior Loan ETF)</u> <u>EFR (Eaton Vance Floating Rate Trust)</u>	<p><i>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.</i></p> <p><i>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.</i></p>	8/6/18	FLOT: 5.10% USFR: 3.53% SRLN: 13.32% EFR: 26.62%	AGG: 12.54%
<u>Content Is King</u> <u>PBS (Invesco Dynamic Media ETF)</u> <u>IEME (Ishares Evolved U.S. Media & Entertainment ETF)</u> <u>XLC (Communications services SPDR)</u> <u>DIS (Disney)</u>	<p><i>How generational changes in the cable TV industry are presenting massive long-term growth potential (think NFLX’s 4000% return since 2012).</i></p> <p><i>Industry Primer: How the cable industry is changing from a service-based business, to a content-based business.</i></p>	8/20/18	PBS: 40.55% IEME: 27.62% XLC: 37.39% DIS: 23.04%	SPY: 57.32%
<u>Momentum & Value</u> <u>PSCH (PowerShares S&P SmallCap Health Care Portfolio)</u> <u>SBIO (ALPS Medical Breakthroughs ETF)</u> <u>FXG (First Trust Consumer Staples AlphaDex ETF)</u>	<p><i>In our first of a recurring series, each quarter we’ll profile some of the best ETFs from a momentum and value standpoint.</i></p> <p><i>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.</i></p>	9/4/18	PSCH: 8.77% SBIO: -16.01% FXG: 42.00%	SPY: 55.10%

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Commodities</u> 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)	<i>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.</i>	9/18/18	PDBC: 61.57% GNR: 35.53% RLY: 39.65%	DBC: 62.69%
<u>Short Duration Bond ETFs</u> MEAR (iShares Short Maturity Municipal Bond ETF) LDUR (PIMCO Enhanced Low Duration Active ETF) MINT (PIMCO Enhanced Short Maturity Active ETF)	<i>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.</i> <i>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.</i>	10/16/18	MEAR: 3.26% LDUR: 6.97% MINT: 4.53%	BIL: 2.80%
<u>Bear Market Strategies</u> USMV (iShares Edge MSCI Minimum Volatility USA ETF) PTLC (Pacer Trendpilot US Large Cap ETF)	<i>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.</i>	10/30/18	USMV: 44.56% PTLC: 35.15%	SH: -47.74%
<u>Special Dividends</u> List of 19 stocks	<i>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.</i> <i>What to do now: Buy (multiple ways to implement in issue).</i>	11/6/18		
<u>Momentum & Value 4th Quarter Edition</u> WTMF (Wisdom Tree Managed Futures ETF) MLPA (Global X MLP ETF) DCP (DCP Midstream LP) SHLX (Shell Mid-	<i>In our Q4 installment of our Momentum and Value series we focused on strategies for the volatile and difficult market.</i> <i>Our momentum strategies were focused on non-correlated ETFs to provide diversification.</i> <i>Our value strategy focused on the MLP space, which had compelling yields in an environment where the oil price should stabilize.</i>	12/4/18	WTMF: 14.60% MLPA: 7.52% DCP: 32.06% SHLX: 5.99%	SPY: 65.54% AMLP: 8.08%

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Growth into Value Rotation</u> RPV (Invesco S&P 500 Pure Value ETF) DVP (Deep Value ETF)	<p><i>Recognizing the switch in outperformance from value to growth in 2014 was one of the easiest ways to help clients outperform.</i></p> <p><i>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.</i></p>	12/18/18	RPV: 48.98%	VTV: 55.88%
<u>Contrarian Ideas to Start 2019</u> IEMG/EEMV (Emerging Market ETFs) ITB/VNQ (Homebuilders/Real Estate ETFs) DFE (WisdomTree Europe SmallCap Dividend Fund)	<p><i>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.</i></p>	1/2/19	IEMG/EEMV: 22.36%/14.97% ITB/VNQ: 112.6%/58.20% DFE: 21.54%	SPY: 77.79%
<u>Identifying High Quality Stocks</u> COWZ (Pacer U.S. Cash Cows 100 ETF)	<p><i>Free Cash Flow Yield (FCFY) and Return On Equity (ROE) are two factors that produce long term outperformance.</i></p> <p><i>We compiled 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.</i></p> <p><i>We also identified an ETF that screens based on FCFY, and it provides outperformance with lower drawdowns.</i></p>	1/15/19	COWZ: 85.82%	SPY: 70.84%
<u>Preferred Stock ETFs</u> PGF (Invesco Financial Preferred ETF) VRP (Invesco Variable Rate Preferred ETF) PFXF (VanEck Vectors Preferred Securities ex Financials ETF)	<p><i>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.</i></p>	1/29/19	PGF: 20.37% VRP: 23.90% PFXF: 32.00%	PFF: 25.38%
<u>Utilities For Income</u> VPU (Vanguard Utilities ETF) NRG (NRG Energy) CNP (CenterPoint Energy)	<p><i>We continued our focus on safety and income as we show why “boring” utilities can offer substantial outperformance in a volatile market.</i></p> <p><i>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.</i></p> <p><i>If you think the markets will stay volatile, utilities are a good place for capital to weather the storm and keep upside exposure.</i></p>	2/12/19	VPU: 37.47% NRG: -2.18% CNP: -2.93%	XLU: 41.44%

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Cybersecurity: Threats & Opportunities</u> HACK (ETFMG Primce Cyber Security ETF) CIBR (First Trust NASDAQ Cybersecurity ETF) FTNT (Fortinet) CYBR (CyberArk)	<i>Cyber security and privacy on-line are two clearly defined growth areas of tech, as tech adoption progresses towards consumer demanding security and convenience.</i>	2/26/2019	HACK: 44.16% CIBR: 79.31% FTNT: 247.40% CYBR: 45.50%	QQQ: 93.87%
<u>Cannabis Industry Investment.</u> MJ (ETFMG Alternative Harvest ETF) ACB (Aurora Cannabis) CGC (Canopy Growth Corporation) APHA (Aphria)	<i>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.</i> <i>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.</i>	3/12/19	MJ: -73.65% ACB: -96.66% CGC: -86.76%	SPY: 59.07%
<u>Socially Responsible Investing</u> ESGV (Vanguard ESG US Stock ETF)	<i>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.</i> <i>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.</i>	3/26/19	ESGV: 60.09%	SPY: 57.28%
<u>Hedged Equity ETFs</u> DMRL (DeltaShares S&P 500 Managed Risk ETF) CCOR (Cambria Core Equity ETF) JHEQX (JP Morgan Hedged Equity Fund Class)	<i>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.</i> <i>Hedged equity ETFs can help advisors and investors maintain long exposure while also providing protection from another 2018 style correction.</i>	4/9/19	DMRL: 36.05% CCOR: 15.29% JHEQX: 33.32%	SPY: 54.58%

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>ARK Invest Family of ETFs</u> ARKW (ARK Next Generation Internet ETF) ARKG (ARK Genomic Revolution ETF) XITK (SPDR Fact Set Innovative Tech ETF)	<i>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.</i> <i>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.</i>	4/23/19	ARKW: 44.79% ARKG: 33.35% XITK: 32.40%	QQQ: 76.28%
<u>The Alpha Opportunity in Healthcare</u> IHI (iShares Medical Device ETF) XBI/SBIO/ARKG (The Quality Bio-tech ETFs) IHF (iShares U.S. Healthcare Providers ETF)	<i>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.</i> <i>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.</i>	5/7/19	IHI: 58.07% XBI: 0.45% IHF: 68.48%	XLV: 54.54%
<u>Minimum Volatility ETFs</u> 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)	<i>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.</i>	5/21/19	USMV: 30.32% SPLV: 27.61% EEMV: 13.39% EFAV: 3.93%	SPY: 54.59%
<u>Ageing of America Primer</u> WELL (Welltower Inc) OHI (Omega Healthcare Investors) SCI (Service Corp International)	<i>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.</i>	6/4/19	WELL: 21.16% OHI: -2.30% SCI: 41.08%	SPY: 57.76%

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<p><u>Rate Cut Playbook</u></p> <p>We wanted to provide both an asset class and stock market “playbook” so advisors will know what outperformed, and what underperformed during the last two rate cut cycles.</p> <p>The important part of our research is that we let the numbers, not our assumptions, do the talking and the results were surprising!</p>	<p><u>Inside the issue you’ll find:</u></p> <ul style="list-style-type: none"> • 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		
<p><u>How to Responsibly Allocate to Gold</u></p> <p>GLD (SPDR Gold Trust)</p> <p>SGOL (Aberdeen Standard Physical Gold ETF)</p> <p>GDX (VanEck Vectors Gold Miners ETF)</p> <p>KL (Kirkland Lake)</p> <p>FNV (Franco Nevada Corp)</p>	<p>Gold was one of the top performers in our “Rate Cut Playbook” and it recently just hit a six year high.</p> <p>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.</p> <p>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).</p>	7/2/19	<p>GLD: 38.86%</p> <p>SGOL: 39.70%</p> <p>GDX: 48.10%</p> <p>KL: -9.74%</p> <p>FNV: 90.10%</p>	
<p><u>Momentum Factor Investing</u></p> <p>MTUM (iShares Edge MSCI USA Momentum Factor ETF)</p> <p>SPMO (Invesco S&P 500 Momentum ETF)</p> <p>FDMO (Fidelity Momentum Factor ETF)</p>	<p>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 out-sized returns.</p> <p>Momentum factor ETFs have provided positive excess returns in seven of the last 11 years.</p>	7/16/19	<p>MTUM 24.92%</p> <p>SPMO: 34.60%</p> <p>FDMO: 28.66%</p>	<p>SPY: 41.09%</p>

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Profit from the Sharing Economy</u> MILN (The Global X Funds/Millennials Thematic ETF) GIGE (The SoFi Gig Economy ETF)	<p><i>Inspiration for the issue came from this comment, which I believe is a profound statement on the next evolution of the economy.</i></p> <p><i>“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.</i></p> <p><i>Each of those companies are part of the new “sharing economy.”</i></p> <p><i>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.</i></p>	7/30/19	MILN: 29.82% GIGE: -3.16%	SPY: 40.45%
<u>The Case for REITS</u> 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)	<p><i>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.</i></p> <p><i>This strong performance shouldn’t come as a surprise.</i></p> <p><i>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.</i></p> <p><i>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.</i></p>	8/16/19	VNQ: 13.70% VNQI: -14.24% REZ: 19.36% REM: -24.46%	SPY: 46.27%
<u>Seizing Opportunity in the Defense Industry</u> ITA (iShares U.S. Aerospace & Defense ETF) PPA (Invesco Aerospace & Defense ETF) UFO (The Procure Space ETF)	<p><i>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%.</i></p> <p><i>That’s significant outperformance that should impress any client.</i></p> <p><i>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.</i></p>	8/27/19	ITA: 0.75% PPA: 17.12% UFO: -1.21%	SPY: 47.33%

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Japanization Playbook</u> PTCIX (PIMCO Long Term Credit Bond Fund) VYM (Vanguard High Dividend Yield ETF) PDI (PIMCO Dynamic Income Fund)	<p>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.</p> <p>We spent an entire <i>Alpha</i> issue detailing a what will outperform and underperform in that scenario, so that if it happens, we know what to do.</p>	9/10/19	PTCIX: 4.60% VYM: 33.45% PDI: -3.39%	SPY: 48.24%
<u>Reflation Playbook</u> Reflation Strategy 1: A better tech ETF. Reflation Strategy 2: Momentum Factor. Reflation Strategy 3: The Consumer. Reflation Strategy 4: Emerging Markets. Reflation Strategy 5: Floating Rate Funds.	<p>This issue is the final piece of our four-part series on the longer-term outcome for this market: Japanization or Reflation?</p> <p>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.</p>	9/24/19	Various ETFs listed in the Issue	
<u>Investing in Green Energy</u> TAN (Invesco Solar ETF) FAN (First Trust Global Wind Energy ETF) ICLN (iShares Global Clean Energy ETF) PBW (Invesco Wilderhill Clean Energy ETF)	<p>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.</p> <p>In this <i>Alpha</i> issue, we cover some of the best ETFs for direct alternative energy exposure, and the results may surprise you <u>as some of the best alternative energy ETFs share a lot of characteristics with tech ETFs and multi-national industrial ETFs.</u></p>	10/8/19	TAN: 143.30% FAN: 50.13% ICLN: 88.49% PBW: 108.30%	SPY: 52.46%
<u>Investing in the Water Industry</u> PHO (Invesco Water Resources ETF) FIW (First Trust Water ETF) TBLU (Tortoise Global Water ESG Fund)	<p>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.</p> <p>The water industry remains a quasi-niche, but it shouldn't, as water industry investment can:</p> <p>Generate alpha as major water industry ETFs have outperformed the S&P 500 over the past several years and</p> <p>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.</p>	10/22/19	PHO: 38.75% FIW: 41.75%	SPY: 46.66%

Sevens Report Alpha Fund & Stock Ideas

<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Outperforming in A Declining Dollar Environment</u> 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)	<p>If there's going to be a global deflation, 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:</p> <p>The 2017 decline in the dollar resulted in a 31% gain for the S&P 500 from December 2016 through January 2018.</p> <p>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:</p> <ul style="list-style-type: none"> Targeted sector exposure via a focus on U.S. Exporters International ETF Exposure Commodities Allocations. 	11/5/19	Various ETFs Listed in the Issue	
<u>Closed End Funds</u> 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)	<p>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.</p>	12/3/19	ETG: 26.91% HTD: 7.54% PDI: -8.61% NZF: 5.72% FFC: 2.96% RQI: 25.47%	SPY: 41.52%
<u>Cash Management</u> FPNIX (FPA New Income Fund) MINT (PIMCO Enhanced Maturity Active ETF) BBBIX (BBH Limited Duration I)	<p>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.”</p>	12/17/19	BBBIX: 3.69%	BIL: 0.37%

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Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
<u>Contrarian Ideas 2020</u> MJ (ETFMG Alternative Harvest ETF) XOP (SPDR S&P Oil & Gas Exploration and Production ETF) LQDH (iShares Interest Rate Hedged Corporate Bond ETF)	<p>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.</p> <p>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.</p> <p>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.</p>	12/31/19	MJ: -45.83% XOP: 38.86% LQDH: -1.12%	SPY: 35.89%
<u>International Exposure</u> IQLT - iShares Edge MSCI International Quality Factor ETF. VIGI - Vanguard International Dividend Appreciation ETF GSIE - Goldman Sachs ActiveBeta International Equity ETF	<p>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.</p> <p>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.</p>	1/14/2020	IQLT: 8.28% VIGI: 10.59% GSIE: 4.22%	ACWX: 2.63%
<u>Opportunities in Small Caps</u> IJR: iShares Core S&P Small-Cap ETF VBK: Vanguard Small-Cap Growth ETF XSLV: Invesco S&P SmallCap Low Volatility ETF	<p>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.</p> <p>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.</p> <p>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.</p>	1/28/2020	IJR: 29.72% VBK: 14.93% XSLV: 0.22%	IWM: 21.19%
<u>Finding Actionable Opportunities in the Biotech Sector</u> IBB (iShares Biotechnology ETF) SBIO (ALPS Medical Breakthroughs ETF) XBI (SPDR S&P Biotech ETF)	<p>What outperforms during a global health emergency like the Wuhan virus?</p> <p>Historically, the biotech sector does, which rose 40% compared to 25% for the SPY following SARS in the early 2000s.</p> <p>But, investing in biotech is tough for an advisor.</p> <p>So, our goal for this Alpha issue was clear: Find the best biotech ETFs that today's advisors can actually allocate to.</p>	2/11/2020	IBB: -1.08% SBIO: -26.55% XBI: -13.01%	SPY: 26.09%

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Hedged Equity ETFs</u> DMRL: Del-taShares S&P 500 Managed Risk ETF. CCOR: Cambria Core Equity ETF. JHEQX: JPMorgan Hedged Equity Fund Class I.	<p>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.</p> <p>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.</p>	3/10/2020	DMRL: 28.29% CCOR: 6.44% JHEQX: 27.25%	SPY: 46.88%
<u>Sector Opportunities from the Corona-virus Decline</u> Tech Sector (Three ETFs) Financials (Three ETFs) Energy (Three ETFs)	<p>This will be the first part of a two-part series that addresses potential longer-term opportunities from this crisis.</p> <p>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).</p>	3/24/2020	Multiple ETFs selected for each sector depending on risk tolerance.	
<u>Longer Term Industry Opportunities from the Corona-virus</u> 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)	<p>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.</p> <p>This trend will shift the spending and habits of millions of Americans over the course of the next decade.</p>	4/7/2020	PTH: 54.29% IBUY: 41.15% JHCS: 35.44% XITK: 45.38%	SPY: 59.87%
<u>Three Industries That Will Benefit from Changes in Corporate Behavior</u> Cloud Computing (SKYY: First Trust Cloud Computing ETF) E-Commerce (SHOP: Shopify & GDDY (GoDaddy)) Online Payment Processing (IPAY: ETFMG Prime Mobile Payments ETF)	<p>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.</p> <p>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.</p> <p>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.</p>	4/21/2020	SKYY: 38.86% SHOP: -3.25% GDDY: 22.09% IPAY: 16.28%	SPY: 54.99%

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Three Strategies for a "U" Shaped Recovery</u> 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).	<p>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.</p> <p>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 envi-</p>	5/5/2020	PGF: -5.58% DG: 17.68% DLTR: 85.63% MCD: 25.86% RHS: 29.29%	SPY: 47.74%
<u>Finding the Sweet Spot of Yield, Duration and Quality in Today's Bond Market</u> JPST (J.P. Morgan Ultra-Short Income ETF) FTSD (Franklin Liberty Short Duration U.S. Government ETF) IGSB (iShares Short-Term Corporate Bond ETF)	<p>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.</p> <p>Case in point, the 10-year yield is yielding about 0.70%. A .70% annual coupon for locking up money for 10 years!</p> <p>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.</p>	5/19/2020	JPST: -0.21% FTSD: -2.72% IGSB: -2.73%	SHY: -2.51%
<u>Finding Sustainable Dividends In An Uncertain Environment</u> NOBL (ProShares S&P 500 Dividend Aristocrats ETF), DGRO (iShares Core Dividend Growth ETF). TDIV (First Trust NASDAQ Technology Dividend ETF).	<p>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.</p> <p>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</p>	6/2/2020	NOBL: 34.65% DGRO: 34.92% TDIV: 38.92%	SPY: 37.17%

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<p><u>Three Strategies to Gain Exposure to 5G</u></p> <p>Strategy 1: The Chip-makers. QCOM (Qualcomm), MRVL (Marvel Technologies).</p> <p>Strategy 2: Radio Frequency Providers. QRVO (Qorvo).</p> <p>Strategy 3: The 5G ETF. FIVG (Defiance Next Gen Connectivity ETF).</p>	<p>The focus of today's issue came from a subscriber request: 5G.</p> <p>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.</p> <p>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:</p>	6/30/2020	<p>QCOM: 74.11%</p> <p>MRVL: 77.28%</p> <p>QRVO: 14.66%</p> <p>FIVG: 34.06%</p>	<p>SPY: 40.03%</p>
<p><u>Finding Value in European Equities</u></p> <p>VGK (Vanguard Europe ETF).</p> <p>FEZ (SPDR Euro STOXX 50 ETF)</p>	<p>Coronavirus has finally <u>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.</u></p> <p>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!</p> <p>We think a better choice is to look to Europe to fulfill the</p>	7/14/2020	<p>VGK: 11.33%</p> <p>FEZ: 1.59%</p>	<p>VTV: 44.76%</p>
<p><u>Actionable Strategies to Own COVID-19 Vaccine Producers</u></p> <p>PPH: The VanEck Pharmaceutical ETF.</p> <p>GERM: The ETFMG Treatments Testing and Advancements ETF.</p>	<p>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.</p> <p>Specifically, in today's issue we take the broad research we covered in Thursday's webinar, enhance it, <u>and get much more tactical (looking at investment strategies to get exposure to vaccine players).</u></p> <p>Specifically, we cover two actionable strategies that we think are appropriate for advisors and their clients:</p> <p>Strategy 1: Owning the Pharma Companies Leading the Vaccine Race.</p> <p>Strategy 2: Diversified Exposure via ETFs.</p>	7/28/2020	<p>PPH: 20.47%</p> <p>GERM: -19.66%</p>	<p>SPY: 34.64%</p>

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Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
<p><u>What Outperforms in a Declining Dollar Environment</u></p> <p>Falling Dollar Strategy 1: International Stocks. XSOE (WisdomTree Emerging Markets ex-State-Owned Enterprises Fund).</p> <p>Falling Dollar Strategy 2: Currencies. FXE. (CurrencyShares Euro Trust).</p> <p>Falling Dollar Strategy 3: Gold Miners. GDx (VanEck Vectors Gold Miners ETF).</p>	<p>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.</p> <p>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).</p>	8/11/2020	<p>XSOE: -3.66%</p> <p>FXE: -8.66%</p> <p>GDx: -1.41%</p>	SPY: 29.96%
<p><u>Ideas for When There's a COVID Vaccine Announcement</u></p> <p>JETS (U.S. Global JETS ETF)</p> <p>PEJ (Invesco Dynamic Leisure and Entertainment ETF)</p> <p>KBE (SPDR S&P Bank ETF)</p> <p>REZ (iShares Residential REITS ETF)</p>	<p>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:</p> <ul style="list-style-type: none"> • Are <u>outsized beneficiaries of a "return to normal"</u> that likely will follow a successful vaccine • That are <u>trading at historic discounts</u> due to COVID 19 fallout and • Were <u>good businesses before COVID 19</u>, and likely will 	8/25/2020	<p>JETS: 0.14%</p> <p>PEJ: 34.59%</p> <p>KBE: 67.10%</p> <p>REZ: 55.17%</p>	SPY: 25.39%
<p><u>Opportunities in the Electric Vehicle Battery Industry</u></p> <p>ALB (Albemarle)</p> <p>SQM (Sociedad Quimica y Minera De Chile S.A. ADR)</p> <p>LIT (Global X Lithium & Battery Tech ETF)</p>	<p>So, given this event, the anticipated media coverage of it, and the recent focus on TSLA, Nikola (the EV truck company), and other EV companies, <u>we wanted to revisit the EV space and specifically the battery market, because it is undeniable the growth potential here is still very, very substantial.</u></p> <p>We explored the EV market three years ago when we first launched Alpha but much has changed in the industry since then, and with Battery Day looming, we wanted to revisit the industry, again with a specific focus on battery technology and the companies and ETFs associated with battery advancement – <u>because battery capacity remains the key to the growth of the</u></p>	9/9/2020	<p>ALB: 1.82%</p> <p>SQM: 7.91%</p> <p>LIT: 10.21%</p>	SPY: 0.43%

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Election Preview</u> Trump Wins Biden Wins No Clear Winner (Multiple ETFs Listed)	<p>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.</p> <p>But, that interest in the election will now be turbo-charged with the surprise passing of Supreme Court Justice Ruth Bader Ginsberg.</p> <p>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 <u>provide a tactical roadmap and identify ETFs that should outperform in each scenario.</u></p>	9/22/2020	N/A	N/A
<u>Finding Sustainable Growth in the Wellness Sector</u> PTON (Peloton) LULU (Lululemon) BRBR (BellRing Brands) BFIT (Global X Health & Wellness Thematic ETF) MILN (Global X Millennials Thematic ETF)	<p>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.</p> <p>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, wide-spread delivery, etc.</p> <p>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.</p>	10/6/2020	PTON: -79.24% LULU: -7.84% BRBR: 31.86% BFIT: 2.04% MILN: 6.97%	SPY: 28.45%
<u>SPACS</u> PSTH (Pershing Square Tontine Holdings) CCIV (Churchill Capital IV) SPAQ (Spartan Energy Acquisition Corp) SPAK (Defiance NextGen SPAC ETF)	<p>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.</p>	11/3/2020	N/A	N/A

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Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
<u>Cyclical Rotation to Value</u> 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 – <u>and that keeping it simple in the value space yielded the best returns over the past several years.</u>	11/3/2020	RSP: 34.32% VTV: 34.10% RPV: 55.02%	SPY: 26.10%
<u>Four Post Election Tactical Strategies</u> 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)	<i>What Specific Sectors and ETFs Can Outperform in a Biden Presidency/Divided U.S. Government?</i> That question was the inspiration for today’s <i>Alpha</i> 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.	
<u>Bitcoin</u> 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: 8.21% BLOK: -0.79% ARKW: -44.27%	SPY: 15.49%

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<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>Four Strategies That Outperformed in 2020 and Can Do It Again in 2021</u> Long Term Pandemic Tech Opportunities (IBUY/XITK) New Wave of Online Payments/E-Commerce (IPAY) 5G Revolution (FIVG) EV Batteries (LIT)	<p>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, <u>but that can continue to outperform in 2021.</u></p> <p>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.</p>	12/15/2020	IBUY: -45.31% XITK: -30.97% IPAY: -29.96% FIVG: 8.43% LIT: 32.00%	SPY: 14.46%
<u>Two Playbooks for 2021</u>	<p>As our focus now turns from 2020 and towards 2021, I believe we <u>always</u> must be prepared for two outcomes – the expected, and the unexpected.</p> <p>So, in this Alpha issue, we wanted to provide two ETF playbooks: The expected “Return to Normal” trade, and the Contrarian Scenario.</p> <p><u>Playbook 1. What’s Expected: The “Return To Normal” Trade.</u> 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.</p> <p><u>Playbook 2: The Unexpected: A Contrarian Scenario.</u> 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.</p>	12/29/2020	Multiple ETFs across both strategies	
<u>Energy Transmission (The Picks and Shovels of the EV Gold Rush)</u> First Trust NASDAQ Clean Edge Smart Grid Infrastructure Index Fund (GRID) NextEra Energy (NEE) EV Charging Basket: Tesla (TSLA), ABB Ltd (ABB), Eaton Corp (ETN), Blink Charging (BLNK)	<p>Energy (and the transmission of energy) are the proverbial “picks and shovels” of this modern-day EV gold rush.</p> <p>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.</p>	1/12/2021	GRID: -0.82% NEE: 3.11%	SPY: 15.63%

Sevens Report Alpha Fund & Stock Ideas

<u>Fund/Stock</u>	<u>Strategy</u>	<u>Date</u>	<u>Total Return</u>	<u>Benchmark Performance Since Issue Date</u>
<u>How the “Old Economy” Can Help Us Outperform</u> Invesco Dow Jones Industrial Average Dividend ETF (DJD) First Trust Morningstar Dividend Leaders Index Fund (FDL) Invesco S&P 500 Pure Value ETF (RPV)	<p>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.</p> <p>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.</p>	1/26/2021	DJD: 19.12% FDL: 27.41% RPV: 29.47%	SPY: 14.12%
<u>Market Myth Busting</u>	<ul style="list-style-type: none"> 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		
<u>Inflation Playbook</u> Core Inflation Plays (SGOL/PDBC/GNR/RLY) U.S. Sector Opportunities (RTM/RGI) Income Opportunities (BKLN/JAAA/STIP)	<p>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.</p> <p>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</p>	2/23/2021	PDBC: 1.53% GNR: 1.41% RTM: 2.54% JAAA: 0.03%	SPY: -0.50%
<u>ARK Invest ETFs</u> 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).	<p>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:</p> <p>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.</p>	3/9/2021	ARKK: 2.47% ARKG: 5.01% ARKW: 2.13% ARKF: 2.91% ARKQ: 2.98%	QQQ: 2.44%

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<u>What Should I Buy on This Tech Decline?</u> 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%
<u>Sector Winners and Losers from the Democratic Policy Agenda</u> 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%
<u>Four Small Cap ETFs for the Economic Recovery</u> Invesco S&P Small Cap Consumer Discretionary ETF (PSCD) First Trust Consumer Staples AlphaDex Fund (FXG) Invesco S&P SmallCap 600 Revenue ETF (RWJ) iShares Morningstar Small-Cap Value ETF (ISCV)	Much of the "economic reopening trade" has been focused on large travel and leisure companies, and many of those names have seen huge gains over the past year. But they are now saddled with massive debts and ballooning capital structures that could be headwinds on investor returns going forward. Many smaller stocks, however, were able to utilize government programs (PPP and others) to recapitalize healthily over the past year and those that have survived to this point are now in an extremely favorable position to capture future opportunities as the economy reopens. So, we want to make sure you know which ETFs can give you exposure to quality small-cap companies that are 1) Financially sound, 2) Exited the pandemic with their business intact, 3) Stand to benefit from an acceleration in the economy, and 4) Could see earnings surge as the economic reopening continues.	4/20/2021	PSCD: 6.43% FXG: -0.23% RWJ: 6.18% ISCV: 5.29%	IWM: 3.44%

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<u>The Crypto Craze Updated</u> Grayscale Bitcoin Trust (GBTC) Grayscale Ethereum Trust (ETHE) Coinbase Global (COIN) Voyager Digital (VYGVF)	<p>If you are like me, you have seen interest in the entire crypto space increase over the past several months.</p> <p>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.</p>	5/18/2021	GBTC: -24.00% ETHE: -39.16% COIN: -30.45% VYGVF: -63.43%	SPY: 3.72%
<u>Fixed Income Playbook in Today's Environment</u> 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).	<p>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?</p> <p>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.</p> <p>To do that, we've divided this Alpha issue into two parts.</p> <p>Part One (today's issue) is focused solely on solutions in the fixed income markets.</p>	6/2/2021	IVOL: -5.43% VRP: -6.88%	SPY: 0.61%
<u>Equity Playbook in Today's Environment</u> 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).	<p>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.</p> <p>Today's issue provides ETF solutions for the <u>equity portion of elderly clients' portfolios – ideas that are designed to provide income and ensure positive correlation to rising inflation</u></p>	6/15/2021	INFL: 5.72% NOBL: -0.67% DGRO: 2.04% MLPA: -3.36% RLY: 2.99%	SPY: -0.28%
<u>Cybersecurity</u> 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)	<p>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.</p> <p>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.</p>	6/29/2021	HACK: -9.01% CIBR: -3.25% BUG: 0.68% SKYY: -24.22%	SPY: -1.14%

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<u>Capitalizing on mRNA and Other Medical Tech</u> 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%
<u>Five ETFs That Can Make Your Life As An Advisor Easier</u> 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%
<u>Stagflation Playbook</u> 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 macro-economic 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: -30.47% RHS: 7.47% FLTR: -0.52% BCI: 39.89%	SPY: -5.03%
<u>Learning to Live with COVID</u> 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: -67.73% BBH: -29.56% EDOC: -26.30% IBUY: -45.87% DURA: 1.22%	SPY: -3.50%

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<p>Hydrogen—The Next Stage of the Green Energy Revolution</p> <p>Plug Power (PLUG)</p> <p>Cummings (CMI)</p> <p>Defiance Next Gen Hydrogen ETF (HDRO)</p>	<p>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.</p> <p>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.</p>	9/21/2021	<p>PLUG: -7.59%</p> <p>CMI: -11.34%</p> <p>HDRO: -23.18%</p>	SPY: -1.86%
<p>Buying Opportunities in "New Tech"</p> <p>Idea 1: Winning Streaming Wars (ROKU/SPOT)</p> <p>Idea 2: Next Evolution in Genetics (NVTA/CRSP)</p> <p>Idea 3: Future of Money (Z/COIN)</p> <p>Idea 4: Work from Anywhere (ZM)</p>	<p>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!)</p> <p>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:</p>	10/05/2021	<p>ROKU: -61.77%</p> <p>SPOT: -41.65%</p> <p>NVTA: -69.21%</p> <p>CRSP: -45.19%</p> <p>Z: -41.77%</p> <p>COIN: -30.52%</p> <p>ZM: -56.80%</p>	SPY: -1.99%
<p>Tapping the Wisdom of Financial Celebrity</p> <p>DoubleLine Total Return Fund (DBLTX)</p> <p>DoubleLine Shiller Enhanced CAPE (DSEEX)</p> <p>Guggenheim Total Return Bond Fund Institutional Class (GIBIX)</p> <p>Guggenheim Strategic Opportunities Fund (GOF)</p> <p>WisdomTree U.S. Quality Dividend Growth Fund (DGRW)</p> <p>WisdomTree Emerging Markets State-Owned Enterprises Fund (XSOE)</p> <p>O'Shares U.S. Quality Dividend ETF (OUSA)</p> <p>O'Shares Global Internet Giants ETF (OGIG)</p>	<p>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.</p> <p>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.</p> <p>The four "Mavens" we profiled were: Jeffrey Gundlach (Doubleline Capital), Scott Miner (Guggenheim Investments), Jeremy Siegel (WisdomTree), and Kevin O'Leary (O'Shares).</p> <p>In today's issue, profile two funds from each "Maven."</p>	10/19/2021	<p>DBLTX: -1.72%</p> <p>DSEEX: -4.33%</p> <p>GIBIX: -3.20%</p> <p>GOF: -4.41%</p> <p>DGRW: 0.49%</p> <p>XSOE: -19.93%</p> <p>OUSA: -0.94%</p> <p>OGIG: -39.69%</p>	SPY: -5.60%

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<u>Capitalizing on A New Era of Energy Investment</u> 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)	<p>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.</p> <p>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.</p>	11/2/2021	XOP: -0.25% PSCE: 0.24% MLPA: -1.41%	SPY: 1.20%
<u>Metaverse Primer</u> Meta Platforms Inc (FB) Roblox Corp (RBLX) NVIDIA Corp (NVDA) Amazon (AMZN) Microsoft (MSFT) Roundhill Ball Metaverse ETF (META)	<p>Many analysts believe the "Metaverse" is the next evolution of the internet, and if that's true the long-term return potential is significant.</p> <p>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</p>	11/16/2021	FB: -44.45% RBLX: -63.43% NVDA: -27.29% AMZN: -21.33% MSFT: -16.52% METV: -35.00%	SPY: -9.51%
<u>REITS As An Inflation Hedge</u> 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 Multi-sector Real Estate ETF (REZ)	<p>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!</p> <p>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).</p> <p>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."</p> <p>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:</p>	11/30/2021	VNQ: 4.74% SRVR: 2.72% INDS: 5.08% REZ: 5.12%	SPY: 2.42%

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<u>Best Performing COVID Strategies</u> 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: -13.63% VGT: -14.60% FDN: -23.48% SHOP: -58.32% IBUY: -30.15% BLOK: -25.80% PAVE: -5.05%	SPY: -8.47%
<u>Annual Contrarian Issue</u> 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: -24.11% CXSE: -16.56% GDX: 21.68% SIL: -0.84% XLU: 0.69% SPLV: -4.83%	SPY: -11.36%
<u>Practical Crypto Strategies for Clients</u> Greyscale Bitcoin Trust (GBTC) Amplify Transformational Data Sharing ETF (BLOK) ProShares Bitcoin Strategy ETF (BITO)	The push of cryptos into the cultural mainstream in 2022, along with substantial investment gains over the past several years, has resulted in a surge in interest in crypto exposure from investors. And, while there remains a lot of risks associated with crypto trading, the bottom line is that an advisor can only dissuade a client from cryptos for so long before it hurts the relationship. Given that, our goal in today's Alpha issue is to highlight some of the best and most responsible strategies to provide clients with crypto exposure without taking an overabundance of risk.	1/11/2022	GBTC: -16.95% BLOK: -20.80% BITO: -11.48%	SPY: -10.06%

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<u>Weathering Market Volatility with "Quality" ETFs.</u> Quality Idea 1: Financials. First Trust Financials AlphaDex Fund (FXO). Quality Idea 2: Qualitative Value. ValueShares U.S. Quantitative Value ETF (QVAL). Quality Idea 3: Shareholder Yield. Cambria Shareholder Yield ETF (SYLD). Quality Idea 4: Core Value. Invesco S&P 500 Pure Value ETF (RPV).	This Alpha issue is an important complement to what we've been discussing in the regular Sevens Report, namely that we believe the best way to weather this increased volatility in markets is by allocating to "Quality" stocks, sectors, and ETFs. For us, "quality" means those stocks and ETFs with lower relative price-to-earnings (P/E) and price-to-book (P/B) ratios, strong free cash flow, and solid shareholder yield. We believe these stocks and sectors will be the most insulated from the effects of interest rate hikes, possibly slowing growth and other headwinds, and find themselves as high-quality landing spots for investment capital.	1/25/2022	FXO: 4.28% QVAL: 0.66% SYLD: 1.25% RPV: 3.52%	SPY: 2.73%
<u>Finding Value and Opportunity in International ETFs</u> Schwab Fundamental International Large Company Index ETF (FNDF). iShares Edge MSCI Intl Quality Factor ETF (IQLT). Vanguard International High Dividend Yield ETF (VYMI).	We've been talking a lot in the Sevens Report about wanting to allocate towards lower P/E sectors, and the fact is that quality international stocks in developed markets are currently trading at heavy discounts to the S&P 500. We think the combination of low valuations and less-aggressive central banks makes international exposure an important part of a diversified investment strategy going forward.	2/8/2022	FNDF: -2.29% IQLT: -3.06% VYMI: -1.92%	SPY: -4.74%
<u>What Would Outperform If Markets Turn Around?</u> SPDR FactSet Innovative Technology ETF (XITK) Vanguard Consumer Discretionary ETF (VCR) iShares Broad USD High Yield Corporate Bond ETF (USHY) SPDR Blackstone Senior Loan ETF (SRLN)	Today's issue was inspired by this thought: <i>What if everything works out alright?</i> Many analysts (including me) are concerned about numerous headwinds hitting the U.S. markets and a potentially volatile trading year. That opinion has been correct so far in 2022, and it's well-reasoned. But it's also a very popular view on the Street right now. So, in today's issue, we identify a playbook to outperform if, simply speaking, everything works out great!	2/23/2022	XITK: -3.34% VCR: -4.41% USHY: -0.72% SRLN: -1.29%	SPY: -0.33%