SEVENS REPORT *alpha*

April 4, 2023

In Today's Issue

- The eruption of the regional bank crisis has created a potentially binary outcome, whereby either the crisis fades and the extreme declines in banks and financials is an attractive buying opportunity, or the crisis gets worse and drags down the entire market. Today's Alpha issue will examine each scenario and identify ETFs that could either capitalize on a revival in financials if the crisis fades, or, reduce downside exposure should the crisis worsen and drag the entire market lower (a la '07/'08).
- **Investment Idea 1: Buy the Dip in High-Quality Bank Stocks. Invesco KBW Bank ETF (KBWB).** Large-cap bank stocks are the potential "winners" from this saga as money flows from small and regional banks to the money center banks. KBWB uses a modified market-cap weighting methodology and JPM, C, BAC, WFC, and USB make up nearly 50% of the ETF, which is down more than 30% YTD and now sports a 3.96% dividend yield.
- **Investment Idea 2: Broaden Your Exposure to U.S. Financial Services Stocks. iShares U.S. Financial Services ETF (IYG).** IYG provides targeted exposure to mega-cap banks, credit card companies, and financial market firms, groups that have been dragged down by regional bank stress but that don't have the same exposure. IYG fell just 17% during the recent regional bank turmoil.
- **Investment Idea 3: Make the Trend Your Risk Management Friend. Pacer Trendpilot US Large Cap ETF (PTLC).** PTLC is a smart-beta index fund that tracks a specialized trend-following strategy designed to protect capital in a down market. It follows the S&P 500 200 day moving average, and adjusts exposure depending on if, and for how long, the S&P 500 is above or below that moving average.

How to Position for Bank Volatility

The shocking collapse of Silicon Valley Bank and Signature Bank has rocked the financial markets more than any other period since the Great Financial Crisis (2007-2008).

Investors around the world have been following this saga with rapt attention alongside the concomitant spotlight on commercially shaky banking firms such as Credit Suisse and First Republic Bank.

The combined efforts of the United States Treasury, the Federal Reserve, and some of the largest banks in the world have acted to stem the tide of a complete financial meltdown thus far. Reassurances that depositors in these failed institutions will be made whole and that temporary lending facilities exist to support smaller firms have calmed the broader market waters significantly. That's a very good thing.

Let's face it, faith in the larger banking and financial system is one of the cornerstones of our commercially advanced society that must be preserved at virtually all costs.

A look at the chart on Page 2 of the SPDR S&P Regional Banking ETF (KRE) tells a woeful story when compared against the Vanguard Total Market ETF (VTI) on a year-to-date basis (through March 23). This basket of smaller, depositor-sensitive banks has borne the brunt of market declines last month and continues to demonstrate volatile daily trading patterns.

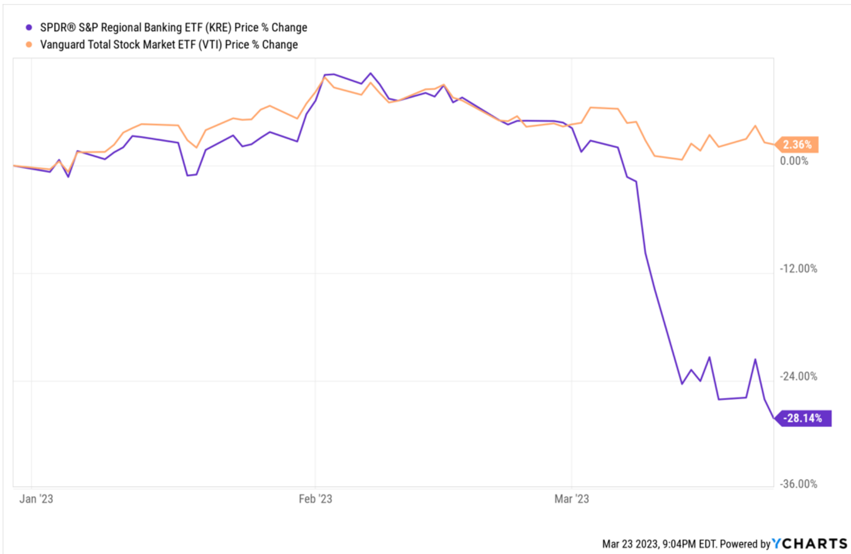
However, like any great crisis in American history, there are investors that are going to look at this situation and ask: Are these events just the beginning of a more pernicious downside? Or is this the buying opportunity of a lifetime in financial services firms that are unlikely to face substantial long-term negative consequences?

In the decades I have been following the markets, there are two axioms that I have always held dearly:

- **The market can remain irrational longer than you can remain solvent.** Meaning things can go from bad to worse and remain there far longer than most investors can tolerate before capitulation.

- **Markets have historically climbed a wall of worry.** Meaning the markets can rise even in the face of negative headlines and economic obstacles that seem insurmountable.

There is no rational way to explain either scenario. That's because there is a certain psychology to the markets that doesn't follow a logical track. As advisors, we want to be preparing for either outcome to guide our clients through these tumultuous periods with sensible strategies to compound their wealth.



Our goal with this report is to formulate active methods to capitalize on a revival in bank stocks should your base case indicate transitory volatility. That means identifying best-of-breed solutions at the apex of the financial services industry to serve as dependable investments during the heart of the recovery.

Alternatively, we want to prepare you with risk-off tools to utilize if the banking situation worsens and the entire market gets pulled lower. Taking a capital preservation approach may be more appropriate for those clients who want to shelter their portfolios from the worst of the market mayhem.

Each outcome calls for a different type of playbook and in the following pages we outline a calculated approach to overcoming what the market throws at us.

Investment Idea 1: Buy the Dip in High-Quality Bank Stocks

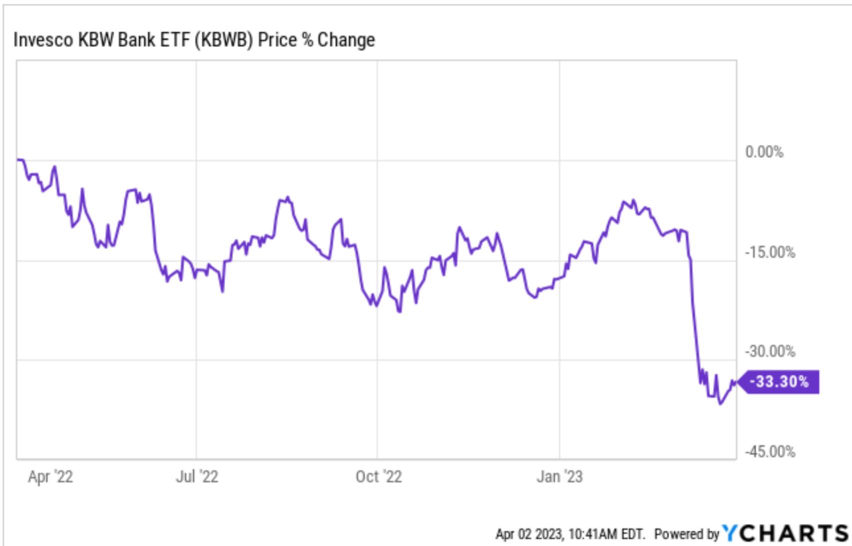
As an investor with an optimistic mindset, you must be pondering whether this bank predicament is the economic catalyst the Fed needs to waive the white flag on its quantitative tightening plans. It wasn't that long ago that the Fed was still indicating numerous additional rate hikes as their primary tool to stamp out inflation. However, their most-recent meeting minutes indicated a shift in language and positioning that many will interpret as being less hawkish.

Even a pause in the rate hike cycle, combined with more accommodative language to bolster domestic banking system stability, will be seen as a net positive to financial stocks that are trading with anxiety today. If your belief is that the bank issue is transient and not systemic, then it stands to reason that adding to some of the blue-chip names in this sector would be a sound practice to capitalize on the recovery phase.

Yet how you go about that process is paramount to your ultimate success. The reality is that the smaller regional bank names are too volatile and dislocated from the broader market to make for a viable choice. You could ultimately get the direction of the market right but fail to benefit when it comes to security selection practices. This is also why we would shy away from any financial sector funds that target small-cap stocks or that equal weight their underlying holdings.

A safer and more palatable way to play this recovery opportunity is by sticking with some of the larger and systemically important names within the banking sector. Many of these companies are required by the Fed and other global central banks to carry higher capital ratios after the hard lessons learned during the Great Financial Crisis. They are also going to be the firms that vacuum up the competition during any forced merger or acquisition activity that results from this industry shakeup. They are most likely to benefit over the long-term from purchasing distressed assets at fire sale prices and integrating their own management structure to reduce costs.

The result of this approach is to look for market-cap weighted funds with significantly higher exposure to larger institutions. That is the driving force behind the **Invesco KBW Bank ETF (KBWB)**, which has been trading for more than a decade as one of the premiere targeted ETFs in this industry. What sets KBWB apart is that its index is composed of large national U.S. money centers, banks, and thrift institutions using a modified market-cap weighting methodology.



Top holdings include bellwethers such as JPMorgan Chase & Co (JPM), Citigroup Inc (C), Bank of America (BAC), Wells Fargo & Co (WFC), and US Bancorp (USB). Those five stocks account for approximately 44% of the total portfolio as of the most recent fund company data. The capitalization breakdown of the fund is 60% large cap and 40% mid cap exposure for the two dozen companies that make up this unique basket.

The modest exposure to a subset of regional banks did act as an anchor to drag this fund lower throughout the month of March. That weight was then multiplied by investors dumping blue-chip banks to reduce exposure to the entire group. KBWB has fallen by as much as 33% from its February 2023 peak thus far as fears of broader contagion impact the entire swath of the bank industry.

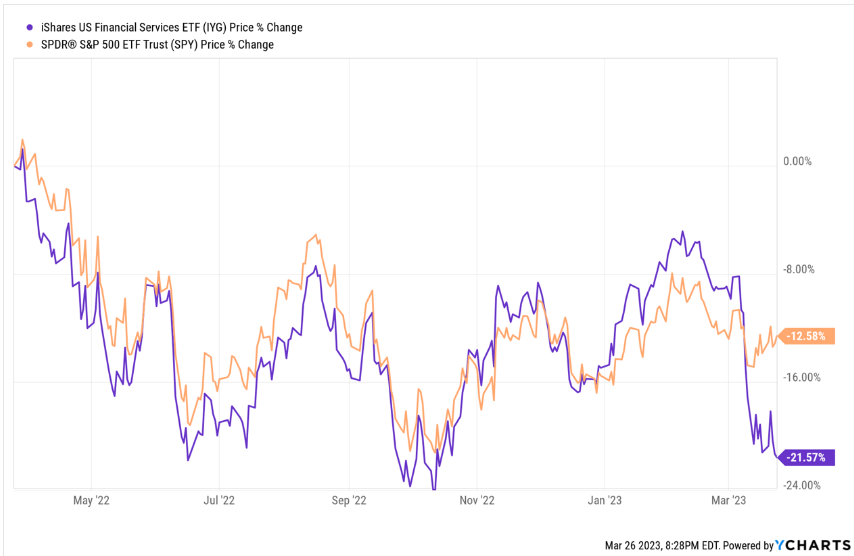
While that chart is downright terrifying for trend followers and momentum enthusiasts, it is subsequently looking more attractive for value-hungry investors that love buying when there is blood in the streets. KBWB represents a diversified, yet targeted way to access some of the largest U.S. banks through a single vehicle that trades millions of shares per day. The fund also boasts $1.3 billion in assets and a 0.35% expense ratio, which indicates structural characteristics that are attractive for advisors to utilize in client accounts.

It should also be mentioned that due in large part to the sell-off, the fund currently sports a healthy dividend yield of 3.96% with income paid quarterly to shareholders. That equity income component is another factor that dividend-oriented investors are likely to prioritize in this environment.

This fund would be most appropriate for investors that are looking to put money to work in beaten-down areas of the market they feel are likely to rebound with significant long-term capital appreciation potential. The intrinsic value characteristics of these bank stocks combined with a healthy shareholder yield and heavy discounts may be just the right combination for those with a moderate-to-aggressive risk tolerance. Starting out with small tactical allocations that you can add to over time given fluctuating market conditions would be a methodical trading strategy that will allow for greater flexibility in averaging your cost basis.

One final note on the large-cap bank segment is to acknowledge an extremely new fund that just began trading on March 21st. The **Roundhill Big Bank ETF (BIGB)** tracks a particularly narrow channel of global systematically important banks (or GSIBs) domiciled in the United States. At present that includes JPMorgan Chase, Citigroup, Morgan Stanley, Goldman Sachs, Wells Fargo, and Bank of America. Those six stocks are the entire underlying portfolio.

This fund takes a unique stance in targeting high-quality and highly liquid financial institutions. Although it remains to be seen if it garners enough asset size and trading volume to be viable for most investors. This may be one to watch as simply a gauge of investor sentiment within the industry or as another benchmark for performance tracking purposes. Its minuscule $700k assets under management and lack of trading history give us pause to recommend it presently.



Investment Idea 2: Broaden Your Exposure to U.S. Financial Services Stocks

Going all in on a basket of just 24 bank stocks may be too narrow of an approach for advisors that prefer to stick with a more diversified strategy in their portfolio construction technique. For some, the risk mitigation of broader indexes is more important than capitalizing on the whims of a specific industry group. Fortunately, there is an excellent investment tool that provides sector-level exposure to financial services stocks with an emphasis on banks and capital markets.

The **iShares U.S. Financial Services ETF (IYG)** is viewed by many to be a direct competitor with the venerable State Street branded XLF. Yet where this fund differentiates itself is in how it classifies financial services companies and the weightings of the stocks within its portfolio. IYG specifically excludes Berkshire Hathaway stock within its underlying basket, which is the number one holding in XLF. Additionally, IYG takes a varied approach by carrying minimal exposure to insurance companies and broadening its subset of capital markets stocks. The result is a group of more than 100 pure-play companies in the U.S. financial services sector with attractive fundamentals.

The distinctive characteristics of IYG include an emphasis on mega-cap banks, credit card companies, and financial market firms in its top holdings. It incorporates highly regarded companies such as JP Morgan Chase, Visa Inc, Mastercard Inc, Bank of America, Wells Fargo, Morgan Stanley, and Goldman Sachs. The market-cap-weighted nature of the stocks in the IYG portfolio means that the top 10 holdings account for nearly 60% of the total basket. This again emphasizes the most stalwart companies within the U.S. financial services system as cornerstones of the fund's total performance.

The diversification characteristics within IYG meaningfully added to the fund's relative performance on the downside during this recent bank sell-off. This ETF declined approximately 17% from its February highs through the worst of the March drop. That marked significantly less downside than bank-only competitor funds. Furthermore, IYG is tracking a nearly identical one-year performance track record as XLF.

It's worth noting that IYG has yet to break below its October 2022 low despite the ongoing financial sector volatility. That line in the sand will be one to watch on the chart as additional market trading patterns develop over the next several months.

IYG sports an asset base of $1.1 billion with an annual expense ratio of 0.39%. It also trades some hundreds of thousands of shares per day with deep liquidity spread throughout its underlying holdings.

Trading in size will not be an issue given its structural makeup.

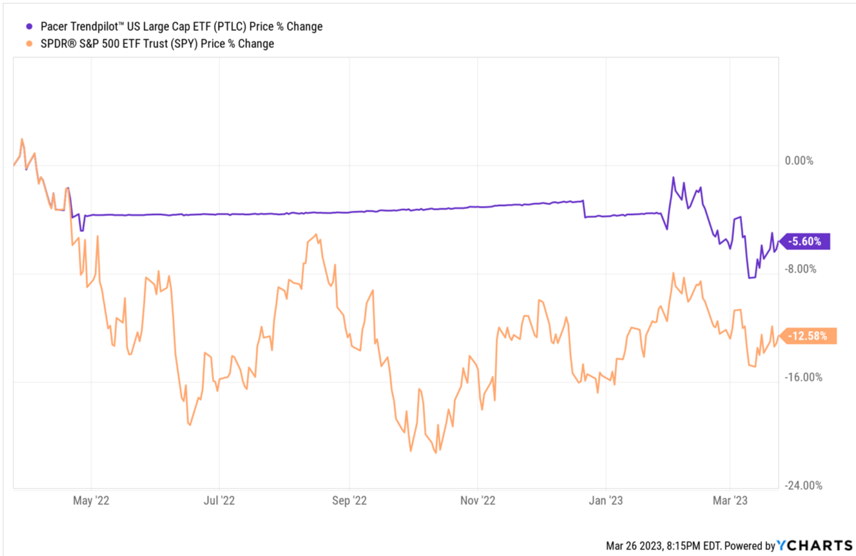
This ETF straddles the value and growth line quite admirably with a unique blend of high-quality commercial banks, well-known asset managers, and capital market contributors. It's a far wider blend of investment styles all working within the same industry providing an intriguing mix of discounted stocks that investors are likely to feel comfortable owning as the bank-induced stress subsides.

Investors who compare IYG and KBWB will find that the latter is less volatile, which may appeal to more conservative investors that want to participate in a sector-wide recovery phase. IYG is extensive enough to be considered a true U.S. sector type holding that would pair well alongside conventional total market ETFs to tilt a portion of the portfolio towards financial stocks.

Investment Idea 3: Make the Trend Your Risk Management Friend

Worries over the contagion spreading from the banking sector to all other areas of the economy and dragging down the stock market is the flip side of this fickle coin toss. We certainly saw widespread fallout during the last financial crisis that led to the S&P 500 Index losing nearly 40% of its value over an 18-month timeframe. Investors and advisors that are having flashbacks to those ugly days and are looking for risk mitigation strategies would be well served to consider how trend following can fill that gap.

We have highlighted a tool in this arena before and it will make sense why this period is favorable for these technically driven investment strategies. First, to refresh your memory, the **Pacer Trendpilot US Large Cap ETF (PTLC)** is a smart-beta index fund that tracks a specialized trend-following strategy designed to protect capital in a down market. The basic premise behind PTLC is to participate when the stock market is going up, and then to move to cash (or Treasury bills) when the market is trending down. The fund accomplishes this through a systemic, rules-based methodology that indicates when a positive or negative trend is established using the 200-day simple moving average.



In an uptrend, PTLC owns 100% stocks via the S&P 500 Index. The fund then moves to 50% stocks and 50% 3-month Treasury bills when the index falls below the trend line for five consecutive days. Then, the fund uses a final confirming indicator to move to 100% Treasury bills if the simple moving average falls lower than its prior reading for five days. The process starts over again once the index regains its 200-day moving average on the upside.

The obvious advantage of this strategy is that it is designed to keep your money safe during a prolonged bear market such as we experienced in 2008. Multiple months or even years of persistent selling pressure can be avoided by having your capital protected near the top quartile of a new down cycle. The goal here is also to get you back into the market at a much lower point, and with more starting capital than if you had held your way through on the downside.

The chart here on Page 5 shows a one-year overlay of how this trend-following strategy has worked since it moved to T-bills in mid-2022. Investors were spared a fair portion of the volatility that ensued and were even treated to some positive price action due to the rising income generated from short-term Treasuries. Just recently, the S&P 500 Index has moved back above its long-term trend line and PTLC has returned to following the broad market index. That means the fund will track the stock market index higher if this volatility truly recedes.

Nevertheless, we also want to review our potential risk management options at this stage as well. Because the S&P 500 is currently trading so close to its 200-day moving average, investors who own this fund will be stopped out and moved to T-bills relatively early if the banking crisis spreads. That means their capital will be sheltered from stock market volatility once the downside price action meets specific criteria to exit the market. Such an event would likely lead to a prolonged economic contraction with traditional broad-based equity ETFs facing significantly lower prices. Meanwhile, PTLC will be waiting on the sidelines until the dust settles.

PTLC currently has nearly $2 billion in total assets and enough consistent daily trading volume to be considered liquid for most advisors' purposes. The underlying holdings in both stocks and bonds are some of the most heavily traded assets in the world on any given day. The fund also charges an expense ratio of 0.60%, which is on the high side for a typical static index ETF, but reasonable for a quasi-active approach.

We consistently come back to this fund as one of the most targeted forms of risk management for advisors because of its size, longevity, and proven track record. There simply isn't another ETF available today (believe me, we have looked) with the tenure and success that this fund has to offer your clients outside of actively trading these trends yourself. The capability to have the investment model make these calculations and execute the methodology without any undue human influence is a tremendous advantage.

Some investors may be wary about using a trend-following strategy because it won't buy at the absolute bottom of the market. That's a fair concern, but one that also is accurate about any active purchases of stocks when the market is in turmoil. There is no way to determine exactly where the bottom will be and what the perfect timing mechanism is for buying or selling. Taking the guesswork out of the equation and shifting to a rules-based methodology is a sound strategy for eliminating this stress.

Conclusion

Standing on the precipice of a potential market bottom or further downside to come is never an easy position. You must have confidence to consider all the relevant information, analyze your current positioning, and make a deliberate decision on how you will tackle either scenario. That may include adding to new holdings such as those we have described above or sticking with existing investments demonstrating sound fundamentals.

No matter what you ultimately choose, it's important to proactively communicate with clients how you will move forward and offer them guidance on methods to enhance their portfolios during this volatile period. This is often a "one size fits one" approach that is custom tailored to each relationship based on their specific situation.

Our recommendation is to walk them through the potential benefits and risks of these options to make them comfortable with any changes that might ensue. That will strengthen their confidence level in being part of the process and allow them to buy into the relationship even further.

Best,

Tom

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Defined Outcome and Buffered ETFs Innovator S&P 500 Power Buffer ETF - April (PAPR). Innovator Growth-100 Power Buffer ETF - October (NOCT) or FT Cboe Vest Nasdaq-100® Buffer ETF - September (QSPT). Innovator U.S. Equity Ultra Buffer ETF - June (UJUN) or FT Cboe Vest U.S. Equity Deep Buffer ETF - June (DJUN).	This Alpha issue focuses on Defined Outcome Funds, or "Buffered ETFs," which are fairly new and certainly unique investment products designed to capture upside in an underlying index (like the S&P 500) while limiting losses through the use of options strategies. Given recent bank failures and rising recession fears, these strategies should see increased demand this year.	**3/21/2023**	**PAPR:** **0.46%** **NOCT:** **1.44%** **QSPT:** **1.56%** **UJUN:** **1.47%** **DJUN:** **1.80%**	**SPY:** **2.59%**
Artificial Intelligence Primer Global X Artificial Intelligence & Technology ETF (AIQ). First Trust Cloud Computing ETF (SKYY). Defiance Quantum ETF (QTUM).	This Alpha issue provides an important overview of the AI space and these ETFs will allow investors to get exposure to the entire AI value chain, so they can benefit as the technology evolves and implementation grows.	**3/7/2023**	**AIQ:** **8.18%** **SKYY:** **4.17%** **QTUM:** **6.24%**	**SPY:** **3.19%**
Three Strategies to Re-Allocate to Growth (and Tech) iShares Morningstar Mid-Cap Growth ETF (IMCG). iShares Expanded Tech Sector ETF (IGM). VanEck Vectors Semiconductor ETF (SMH).	I dedicated this Alpha issue to growth ETFs that I think are good candidates for allocations if an advisor does want to add growth exposure. Specifically, **I have detailed three strategies and ETFs that I think can help advisors add broad growth exposure, specific tech sector exposure, and targeted tech industry exposure, so advisors can select the strategy that best fits their client's needs.**	**2/22/2023**	**IMCG:** **-0.28%** **IGM:** **9.71%** **SMH:** **12.36%**	**SPY:** **3.12%**
An Opportunity in International Stocks Vanguard Europe ETF (VGK). iShares Core MSCI Emerging Markets ETF (IEMG). Schwab Fundamental International Small Company Index ETF (FNDC).	This issue will focus on the global markets, specifically international stock ETFs that we believe would be good core holdings for adding (or increasing) international exposure in client accounts because, for the first time in a long time, **the case can be made that international markets can sustainably outperform U.S. markets.**	**2/07/2023**	**VGK:** **0.75%** **IEMG:** **-2.19%** **FNDC:** **-0.87%**	**SPY:** **-1.02%**
Opportunity in Long Bonds SPDR Portfolio Long Term Treasury ETF (SPTL). PIMCO Long-Term Credit Bond Fund (PTCIX). VanEck Long Muni ETF (MLN).	This issue focuses on opportunities in the long end of the yield curve, which suffered historic losses in 2022 but is potentially poised to stage a big rebound in 2023 and beyond.	**1/24/2023**	**SPTL:** **0.00%** **PTCIX:** **-2.85%** **MLN:** **-1.40%**	**SPY:** **-2.17%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Three Contrarian Ideas to Start 2023 ARK Next Generation Internet ETF (ARKW). Vanguard Communication Services ETF (VOX). iShares J.P. Morgan USD Emerging Markets Bond ETF (EMB).	This issue is our annual "contrarian" issue, where we present three contrarian strategies that we think can outperform in 2023 if consensus expectations for the economy, Fed policy, and inflation are proven false.	1/10/2023	**ARKW: 26.46%** **VOX: 10.27%** **EMB: 0.96%**	**SPY: 5.16%**
Three Strategies that Outperformed in 2022 and Should Outperform Again in 2023. Cambria Shareholder Yield ETF (SYLD). Invesco S&P 500 Pure Value ETF (RPV). PIMCO Enhanced Short Maturity Active ETF (MINT). JP Morgan Ultra-Short Income ETF (JPST) First Trust Consumer Staples AlphaDEX Fund (FXG). First Trust Natural Gas ETF (FCG).	This Alpha issue is our annual "Look Back" issue, where we take time to identify the ideas and themes that worked in 2022, identify some that did not, and address whether we think these performance trends will continue in 2023. Given expectations of economic and earnings recessions along with continued elevated geopolitical risks, we wanted to highlight three strategies that outperformed in 2022 and that we believe are poised to do so again in 2023.	12/28/2022	**SYLD: 1.95%** **RPV: -0.43%** **MINT: 0.94%** **JPST: 0.80%** **FXG: 0.07%** **FCG: -0.37%**	**SPY: 9.06%**
Navigating Crypto's 'Lehman Moment'	In this Alpha issue we are trying to cut through the noise and explain **1) The state of the industry post-FTX and 2) Identify ETFs we think are still legitimate options for exposure, so you have quality talking points and viable options for any crypto-related discussions with clients or prospects.**	12/13/2022	**N/A**	**N/A**
Small Cap Stocks iShares Core S&P Small Cap ETF (IJR). Invesco S&P SmallCap 600 Revenue ETF (RWJ). Pacer U.S. Small Cap Cash Cows 100 ETF (CALF).	**Very quietly, small-cap stocks have outperformed the S&P 500 by 300 bps and the Nasdaq by 800 bps over the past five months.** And, due to multiple factors, small caps may now be poised to provide growth to portfolios over the medium and longer term.	11/29/2022	**IJR: -3.30%** **RWJ: -2.02%** **CALF: -1.42%**	**SPY: 3.53%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
MOAT Stocks VanEck Morningstar Wide Moat ETF (MOAT). Morningstar ESG Wide Moat ETF (MOTE). VanEck Morningstar SMID Moat ETF (SMOT).	**This Alpha issue is focused on specific stocks that we think can best withstand the coming economic slowdown, and in doing so help clients outperform.** Specifically, as we approach this economic contraction, analysts are rightly advocating for stocks that are less sensitive to economic growth, have strong cash flows, and have low debt ratios, as they should relatively outperform in a slow growth/no growth environment.	11/1/2022	MOAT: 16.59% MOTE: 10.22% SMOT: 6.57%	SPY: 7.33%
Opportunities in Municipal Bonds. JPMorgan Ultra-Short Municipal Income ETF (JMST). SPDR Nuveen Bloomberg High Yield Municipal Bond ETF (HYMB). IQ MacKay Municipal Intermediate ETF (MMIT).	Municipal bonds have been an unloved asset class for the past several years due to very low yields that sent investors to other corners of the fixed income markets. **But that has changed during the 2022 bond market rout and yields on munis now are at multi-year highs**. With federal funding still in place for pandemic programs, strong tax receipts, and a still-solid U.S. economy, **the credit outlook for municipal bonds is stronger than the muni bond price action would imply, and we think that creates a potential opportunity.**	10/18/2022	JMST: 1.65% HYMB: 5.36% MMIT: 5.53%	SPY: 11.19%
Protection in a Deeper Bear Market. ProShares Short S&P 500 ETF (SH). ProShares Short QQQ (PSQ). Pacer Trendpilot US Large Cap ETF (PTLC). iShares 0-3 Month Treasury Bond ETF (SGOV).	Specifically, we identify three strategies to protect client portfolios if the lows are materially broken, and we are looking at another 10%-20% decline in the S&P 500. Our goal with these strategies is clear: *Minimize the losses and be able to "survive" to take advantage of the ultimate longer-term buying opportunity.*	10/4/2022	SHO: -2.65% PSQ: -11.84% PTLC: 2.55% SGOV: 1.63%	SPY: 9.17%
Opportunities in the Nuclear Energy Revival Uranium Mining Stocks. Global X Uranium ETF (URA). Nuclear Utility Stocks. VanEck Uranium + Nuclear Energy ETF (NLR). A Cutting Edge Approach. NuScale Power Corp (SMR).	The Russia/Ukraine war has upset the global energy industry and as the EU and Britain scramble to find enough natural gas to satisfy their needs, **nuclear energy emerged as a potential solution not just to the current global energy shortage, but also to satisfy the increased future demand as reliance on fossil fuels declines.** More specifically, the Russia/Ukraine war has exposed a significant vulnerability in the EU's energy situation and reduced natural gas flows from Russia have resulted in European countries embracing alternative forms of energy production, including nuclear.	9/20/2022	URA: -7.59% NLR: 0.92% SMR: -32.47%	SPY: 7.50%

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Repositioning for Another Rollover Invesco S&P 500 Equal Weight Utilities ETF (RYU). Invesco S&P 500 High Dividend Low Volatility ETF (SPHD). The Best-Performing S&P 500 Stocks YTD (Excluding Energy). WisdomTree Floating Rate Treasury Fund (USFR).	We must acknowledge the possibility that the S&P 500 takes out new lows later this year, and the July/August rally was nothing more than a bear market bounce. **Given this possibility, we wanted to investigate the sectors, strategies, stocks, and ETFs that outperformed during the first six months of 2022.** We hope the analysis in this issue will serve as a potential blueprint for how to outperform if the last four months of 2022 look like the first six months of 2022.	9/7/2022	RYU: -8.00% SPHD: -2.50% USFR: 2.35%	SPY: 4.17%
Sustainable Investing Revisited Invesco MSCI Sustainable Future ETF (ERTH). iShares Self-Driving EV and Tech ETF (IDRV). SPDR S&P Kensho Clean Power ETF (CNRG).	The funding provided by the Inflation Reduction Act, combined with the higher gas prices and the energy security situation in Europe, has reinforced that the sustainable energy industry isn't just here to stay, **but that it'll continue to actively grow in the coming years.** In past market downturns, the renewable energy sector usually performed very poorly. However, during this market decline, select renewable energy ETFs have handily outperformed the S&P 500 and we think that outperformance underscores the fact that this is becoming a more mature industry.	8/23/2022	ERTH: -14.38% IDRV: -4.87% CNRG: -11.66%	SPY: -0.77%
The State of the Crypto Market Grayscale Bitcoin Trust (GBTC). Grayscale Ethereum Trust (ETHE). ProShares Bitcoin Strategy ETF (BITO). Amplify Transformational Data Sharing ETF (BLOK).	The cryptocurrency industry and markets have witnessed extreme turmoil so far in 2022, but the longer-term story and investor appeal of cryptocurrencies and blockchain technologies remain generally intact. So, we wanted to **provide an update on the state of the crypto markets and identify quality, actionable investments that have relatively weathered the storm should clients be interested in this segment.**	8/9/2022	GBTC: 11.15% ETHE: -33.92% BITO: 17.29% BLOK: -17.05%	SPY: -0.59%
Strategies for a Peak in Bond Yields First Trust NASDAQ Technology Dividend Index Fund (TDIV). Vanguard REIT ETF (VNQ). Pacer Benchmark Industrial Real Estate SCTR ETF (INDS). Pacer US Cash Cows 100 ETF (COWZ).	Yes, the Fed is set to hike the Fed Funds rate by another 100 – 200 basis points, but the long end of the yield curve is driven by inflation expectations and growth estimates, not directly by Fed rate hikes. So, if inflation is peaking and economic growth is rolling over (which is what the stock bulls are betting on) then longer dated bond yields will also peak, regardless of Fed Funds hikes.	7/26/2022	TDIV: 6.07% VNQ: -10.23% INDS: -1.49% COWZ: 9.14%	SPY: 5.93%

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Sectors that Outperformed During Recent Recessions Vanguard Health Care ETF (VHT) IShares U.S. Healthcare Providers ETF (IHF) Vanguard Consumer staples ETF (VDC) Invesco Dynamic Food and Beverage ETF (PBJ)	In this Alpha issue we examined sector performance during recent recessions to determine: • If defensive sectors really do outperform during economic contractions and • Which defensive sectors have the best track record of performance leading up to, during, and after recessions. And, our research for this issue revealed a clear conclusion: **Namely, that defensive sectors broadly and specifically the consumer staples and health care sectors demonstrated consistent patterns of outperformance leading up to, during, and following recessions.**	7/12/2022	**VHT: 2.33%** **IHF: -3.15%** **VDC: 6.24%** **PBJ: 7.42%**	**SPY: 8.73%**
Five Strategies for a Low Return Environment Strategy One: Effective Client Communication Strategy Two: Dividends Strategy Three: Short Term High Yield Debt Strategy Four: Cash is King Strategy Five: Precious Metals	The average annual return for the S&P 500 has been 15.5% over the past 12 years, far above the longer-term average of just over 9%, **so we think it's prudent for advisors to ensure they have strategies to generate Alpha should annual returns lag the longer-term average for the next few years.** So, in this issue we focused on 1) Techniques to help set the right expectations for clients for a potentially low return environment over the coming years and 2) Specific ETFs that we think can provide solid returns over the coming years amidst increased market volatility.	6/28/2022	**NOBL: 7.89%** **SHYG: 6.30%** **SGOL: 8.97%**	**SPY: 8.81%**
Bottom Fishing with ARK Fund's Favorite Stocks Zoom (ZM) Tesla Inc. (TSLA) Roku Inc. (ROKU) Block Inc. (SQ) Exact Sciences Group (EXAS)	Today's issue continues with the "Bottom Fishing" theme from our previous Alpha issue, and we're going to cover what is arguably one of the most followed ETFs and fund families in the markets: **ARKK and the ARK Funds.** The inspiration for this issue came from the research we performed for the previous Alpha issue. We learned that ARKK had not only fallen nearly 80% from the early 2021 highs but that ARKK was now trading *at or below* levels from before the pandemic even started. And, if we step back, it's hard to argue that the outlook for many of the biggest holdings in ARKK and across the ARK family of funds have worse business outlooks than before the pandemic even started.	6/14/2022	**ZM: -31.69%** **TSLA: -12.84%** **ROKU: -13.38%** **SQ: 10.05%** **EXAS: 77.41%**	**SPY: 11.26%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Bottom Fishing in Beaten Down Stocks Netflix (NFLX) PayPal (PYPL) Ford (F) General Motors (GM) Etsy (ETSY) Penn National Gaming (PENN)	This issue is focused on identifying some of the most beaten-down stocks and sectors in the market today, because we know that while sentiment is very negative at the moment, there are contrarian clients who are looking for opportunities and we want to make sure you're prepared with a well-research list of individual stocks and ETFs. Additionally, we included an interactive table of 61 S&P 500 stocks that are trading below 10X earnings, and we also included other metrics such as Market Cap, Dividend Yield, and YTD Total Return.	**6/1/2022**	**NFLX:** **78.97%** **PYPL:** **-9.23%** **F:** **0.08%** **GM:** **-5.08%** **ETSY:** **32.27%** **PENN:** **-9.32%**	**SPY:** **1.55%**
Assisting Clients Through a Potential Bear Market Bear Market Statistics Bear Market Psychology Specific Tips for a Bear Market	Recently I've had a clear increase in the number of friends and acquaintances asking if we're entering a bear market and if they should get out of the market. I told them this: History is very clear - Abandoning a long-term investment plan even in bear markets is not the right long-term decision. **So, we wanted to arm you with independent and unique research, talking points, and historical analysis that reinforces that staying the course through volatility is the right solution for long-term outperformance.**	**5/17/2022**	**No recommendations given.**	
Contrarian Bond Strategy Vanguard Intermediate Term Bond ETF (BIV) iShare iBoxx Investment Grade Corporate Bond ETF (LQD) iShares Preferred and Income Securities (PFF)	This Alpha issue is one of the most contrarian issues we've produced since I started Alpha because we examine long opportunities in bond ETFs. The "bearish bond" thesis is well founded and widely adopted given high inflation and looming rate hikes. But there is another outcome that's possible where the economy slows quickly, inflation peaks and recedes, the Fed doesn't hike as much as expected, and today's bond yields become attractive over the medium and longer term.	**5/3/2022**	**BIV:** **-1.54%** **LQD:** **-2.41%** **PFF:** **-7.59%**	**AGG:** **-2.60%**
Staying Long With Lower Volatility ETFs. USMC (Principal U.S. Mega Cap ETF). SPHD (Invesco S&P 500 High Dividend Low Volatility ETF) XYLD (Global X S&P 500 Covered Call ETF)	I've made it no secret that I'm concerned about the longevity of the rally given the looming Fed tightening, yield curve inversions, high inflation, etc. But, history has shown us clearly that markets can rally, on average, 15% after a yield curve inversion, and that rally can last more than a year. Minimum volatility ETFs can provide general long exposure while also reducing the pain of sudden pullbacks, like we experienced several times in the first quarter.	**4/19/2022**	**USMC:** **-6.27%** **SPHD:** **-13.64%** **XYLD:** **-17.70%**	**SPY:** **-8.10%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Finding Opportunities in the New Energy Reality FCG (First Trust Natural Gas ETF) URA (Global X Uranium ETF) BOAT (Sonic Shares Global Shipping ETF) LNG (Cheniere Energy) FLNG (Flex LNG Ltd)	The Russia/Ukraine war has fundamentally altered the flow of energy around the world, as European countries wean themselves off Russian energy imports. This transition will take time and create opportunities across the energy sector, so today's Alpha issue is focused on identifying the strategies, sectors, and stocks that stand to benefit from this seminal shift.	**4/5/2022**	**FCG:** **0.02%** **URA:** **-21.43%** **BOAT:** **-0.45%** **LNG:** **12.38%** **FLNG:** **26.84%**	**SPY:** **-7.77%**
Russia/Ukraine Ceasefire Playbook EMB (iShares J.P. Morgan USD Emerging Markets Bond ETF) HYEM (VanEck Emerging Markets High Yield Bond ETF) EUFN (iShares MSCI Europe Financials ETF) JETS (U.S. Global Jets ETF) FXE (CurrencyShares Euro Trust)	What happens to markets if there's peace in Russia/ Ukraine? That was a question that was emailed to me this morning by a subscriber, and it was incredibly well timed because today's Alpha issue is **focused on identifying potential opportunities in the market for when there is a ceasefire declared in the Russia/ Ukraine war.** More broadly, the Russia/Ukraine war is devolving into a stalemate and at some point, there will be a ceasefire. And, given the intense market reactions to the conflict from certain sectors and regions, we think that a ceasefire announcement, whenever it comes, will create potentially substantial medium-and longer-term opportunities in some of the most beat down sectors of the market.	**3/22/2022**	**EMB:** **-5.49%** **HYEM:** **0.21%** **EUFN:** **1.94%** **JETS:** **-10.58%** **FXE:** **-1.74%**	**SPY:** **-7.48%**
Bear Market Playbook (What Worked Last Time) MINT (PIMCO Enhanced Short Term Maturity Active ETF) SGOL (Aberdeen Physical Swiss Gold Shares ETF) VNQ (Vanguard REIT ETF) FXG (First Trust Consumer Staples AlphaDEX Fund)	In today's Alpha issue, **we are going to examine what assets and sectors outperformed the last time we had a sustained, multi-year bear market (in the early 2000s).** Now, to be clear, we do not think a bear market is the most likely outcome for this market. If we thought that, we'd be advocating for much more defensive positioning in the Sevens Report. But, at the same time, the current bull market is facing formidable headwinds, and the path for the Fed to successfully remove accommodation without harming the recovery is becoming increasingly narrower.	**3/8/2022**	**MINT:** **-1.89%** **SGOL:** **-3.48%** **VNQ:** **-19.92%** **FXG:** **2.92%**	**SPY:** **-1.72%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
What Would Outperform If Markets Turn Around? 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: ***What if everything works out alright?*** 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:** **-18.89%** **VCR:** **-11.31%** **USHY:** **-9.69%** **SRLN:** **-8.66%**	**SPY:** **-3.05%**
Finding Value and Opportunity in International ETFs 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:** **-3.68%** **IQLT:** **-2.98%** **VYMI:** **-6.36%**	**SPY:** **-7.46%**
Weathering Market Volatility with "Quality" ETFs. 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:** **-15.71%** **QVAL:** **0.71%** **SYLD:** **-2.31%** **RPV:** **-4.20%**	**SPY:** **-3.95%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Practical Crypto Strategies for Clients 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 this 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:** **-48.80%** **BLOK:** **-49.84%** **BITO:** **-38.10%**	**SPY:** **-12.92%**
Annual Contrarian Issue KraneShares CSI China Internet ETF (KWEB) WisdomTree China ex-State-Owned Enterprises Fund (CXSE). VanEck Vectors Gold Miners ETF (GDX) Global X Silver Miners ETF (SIL). Utilities Select Sector SPDR (XLU) PowerShares S&P 500 Low Volatility ETF (SPLV).	This 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:** **-18.31%** **CXSE:** **-29.06%** **GDX:** **5.85%** **SIL:** **-15.57%** **XLU:** **-4.65%** **SPLV:** **-8.04%**	**SPY:** **-14.21%**
Best Performing COVID Strategies Strategy One: Mega-Cap Tech. XLK/VGT/FDN. Strategy Two: Online Spending. SHOP/IBUY. Strategy Three: Blockchain. BLOK (Amplify Transformational Data Sharing ETF). Strategy Four: Smart-Beta Industrials. PAVE (Global X U.S. Infrastructure Development ETF).	This 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:** **-10.49%** **VGT:** **-13.24%** **FDN:** **-34.41%** **SHOP:** **-65.27%** **IBUY:** **-49.74%** **BLOK:** **-53.01%** **PAVE:** **1.70%**	**SPY:** **-9.62%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
REITS As An Inflation Hedge Vanguard REIT ETF (VNQ) Pacer Benchmark Data and Infrastructure Real Estate SCTR ETF (SRVR) Pacer Benchmark Industrial Real Estate SCTR ETF (INDS) iShares Residential and Multisector Real Estate ETF (REZ)	According to a study we cited in today's issue, from 1972-2020, during periods considered moderate to high inflation, REITs actually outperformed the S&P 500! And, we're seeing that proved out so far this year, as VNQ, the largest and most diverse REIT ETF, is outperforming the S&P 500 (VNQ is up 26.6% YTD, while the S&P 500 is up 23% YTD). More specialized REITs have performed even better so far in 2021, and that's why, in addition to VNQ, in today's issue we focused on what we consider "REITs for the 21st Century."	**11/30/2021**	**VNQ:** **-18.52%** **SRVR:** **-25.18%** **INDS:** **-17.42%** **REZ:** **-18.47%**	**SPY:** **-8.07%**
Metaverse Primer Meta Platforms Inc (FB) Roblox Corp (RBLX) NVIDIA Corp (NVDA) Amazon (AMZN) Microsoft (MSFT) Roundhill Ball Metaverse ETF (META)	Many analysts believe the "Metaverse" is the next evolution of the internet, and if that's true the long-term return potential is significant. So, we want to make sure you have the information you need to 1) Discuss the metaverse with any clients or prospects and 2) Identify the stocks and ETFs that stand to benefit from the continued growth of the Metaverse	**11/16/2021**	**Meta:** **-38.62%** **RBLX:** **-61.04%** **NVDA:** **-9.01%** **AMZN:** **-42.54%** **MSFT:** **-15.03%** **METV:** **-44.44%**	**SPY:** **-10.74%**
Capitalizing on A New Era of Energy Investment SPDR S&P Oil & Gas Exploration and Production ETF (XOP) Invesco S&P Small Cap Energy ETF (PSCE) First Trust Natural Gas ETF (FCG) Global X MLP ETF (MLPA)	Today's Alpha issue is essentially a "follow up" to our recent Alpha webinar, where we focused on the energy industry and explained, in part because of environmental concerns, that energy prices could be sustainably higher for the foreseeable future. So, in this issue, we profile several energy ETFs that we believe have the most targeted exposure and stand to outperform in this new era of energy, one where a lack of increased production should keep prices high, and where Natural Gas sees sustained increases in demand due to the desire to burn the most "clean" fossil fuel while the world moves further towards renewables.	**11/2/2021**	**XOP:** **27.78%** **PSCE:** **22.99%** **MLPA:** **25.48%**	**SPY:** **-9.31%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Tapping the Wisdom of Financial Celebrity DoubleLine Total Return Fund (DBLTX) DoubleLine Shiller Enhanced CAPE (DSEEX) Guggenheim Total Return Bond Fund Institutional Class (GIBIX). Guggenheim Strategic Opportunities Fund (GOF) WisdomTree U.S. Quality Dividend Growth Fund (DGRW), WisdomTree Emerging Markets es State-Owned Enterprises Fund (XSOE). O'Shares U.S. Quality Dividend ETF (OUSA) O'Shares Global Internet Giants ETF (OGIG)	The dual goal of Sevens Report Alpha is to 1) Furnish you with interesting investment ideas and strategies you can share with clients and prospects and 2) Identify funds and ETFs that can outperform, so with that dual goal in mind we analyzed the fund offerings of some of the most well-known "Market Mavens" that appear in the financial media so that you can turn any mention of these celebrities into an opportunity to impress clients with your knowledge, and possibly find an actionable investment idea. After a thorough search, we found four of these "Mavens" that had funds or ETFs that: 1, Could be attractive to clients and 2. Consistently beat the market.	10/19/2021	**DBLTX:** **-9.48%** **DSEEX:** **-14.46%** **GIBIX:** **-11.88%** **GOF:** **-4.16%** **DGRW:** **4.85%** **XSOE:** **-27.10%** **OUSA:** **0.40%** **OGIG:** **-50.51%**	**SPY:** **-7.09%**
Buying Opportunities in "New Tech" Idea 1: Winning Streaming Wars (ROKU/SPOT) Idea 2: Next Evolution in Genetics (NVTA/CRSP) Idea 3: Future of Money (Z/COIN) Idea 4: Work from Anywhere (ZM)	Tech companies in the fields of robotics, fintech, biotech, clean tech, electric vehicles, cryptocurrencies, etc. have seen steep declines from the highs this year. With some of these stocks down more than 55% from the highs, they are now trading at far more attractive valuations than they have in years (and this is even more true following the weakness in the tech sector over the past week!) As such, we wanted to produce an Alpha issue that identifies potential opportunities in this "New Tech" space, as given the declines and the growth potential of some of these firms, the risk is now worth the reward for longer-term focused investors:	10/05/2021	**ROKU:** **-78.83%** **SPOT:** **-40.31%** **NVTA:** **-95.03%** **CRSP:** **-56.08%** **Z:** **-48.69%** **COIN:** **-73.73%** **ZM:** **-71.59%**	**SPY:** **-3.28%**
Hydrogen—The Next Stage of the Green Energy Revolution Plug Power (PLUG) Cummings (CMI) Defiance Next Gen Hydrogen ETF (HDRO)	Hydrogen has long been touted as a source of cleaner fuel for transportation and commercial uses. But it has always seemed like the decades-long play that just needs a little more technology or a breakthrough process to truly realize its untapped potential. But, over the past several months I've been digging into this space, and it started to make more sense from an investment perspective. I quickly realized just how much opportunity is at stake and why this moment in time is pivotal to the hydrogen development cycle.	9/21/2021	**PLUG:** **-57.86%** **CMI:** **12.61%** **HDRO:** **-50.41%**	**SPY:** **-3.45%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Learning to Live with COVID Vaccine Markers (Multiple Stocks & ETFs) Global X Telemedicine & Digital Health ETF (EDOC). Amplify Online Retail ETF (IBUY). VanEck Vectors Morning Star Durable Dividend ETF (DURA).	In this Alpha issue, we examine the strategies and sectors that will benefit from society learning to "live" with COVID over the medium and longer-term, and the inspiration for this issue came from real life. We believe that reality will cause more permanent adoption of some "temporary" pandemic era behaviors, and we believe that should lead to some attractive investment opportunities.	9/8/2021	**MRNA: -63.68%** **BBH: -24.86%** **EDOC: -37.73%** **IBUY: -61.42%** **DURA: 2.45%**	**SPY: -6.74%**
Stagflation Playbook First Trust Dow Jones Internet Index Fund (FDN). Invesco S&P 500 Equal Weight Consumer Staples ETF (RHS). VanECk Vectors Investment Grade Floating Rate ETF (FLTR). Aberdeen Standard Bloomberg All Commodities Strategy K-1 Free ETF (BCI).	This Alpha issue is focused on something we sincerely hope never happens: Stagflation. That's because a stagflationary environment is a very difficult one to successfully invest in as, broadly speaking, it's negative for most stocks, most bonds, and idle cash (purchasing power is eroded through inflation). Positively, stagflation is not the most likely macroeconomic scenario going forward (a stock positive reflation scenario is the most likely future macro setup). But, stagflation risks are still at multi-decade highs, so the risks can't be totally ignored, either.	8/24/2021	**FDN: -40.31%** **RHS: 11.68%** **FLTR: 1.58%** **BCI: 15.29%**	**SPY: -6.22%**
Five ETFs That Can Make Your Life As An Advisor Easier Vanguard Total World Stock ETF (VT). iShares MSCI ACWI ETF (ACWI). iShares MSCI Global Min Vol Factor ETF (ACWV). iShares MSCI ACWI Low Carbon Target ETF (CRBN).	So how do you bridge the gap between an seven-figure trust and that clients nephew's tiny Roth IRA? Both are important to the overall relationship. You start by syncing up some of the foundational core holdings that make up the bulk of your asset allocation. Specifically, we identify foundational "own everything" ETFs you can use across account sizes to simplify smaller account administration and reduce variety among core ETF holdings, thereby making you more efficient:	7/27/2021	**VT: -7.98%** **ACWI: -7.73%** **ACWV: -4.01%** **CRBN: -8.91%**	**SPY: -4.31%**
Capitalizing on mRNA and Other Medical Tech ARK Genomic Revolution ETF (ARKG) Global X Telemedicine & Digital Health ETF (EDOC) ROBO Global Healthcare Technology & Innovation ETF (HTEC) Genomic Revolution Global X Genomics & Biotech ETF (GNOM)	Because of the success of mRNA in producing an effective COVID-19 vaccine at a record pace, along with the demonstrated effectiveness of anti-viral treatments like Remdesivir, we're likely to see a major acceleration in funding, research, and adoption of other cutting edge medical technologies and that means potentially substantial returns for companies with the right exposure.	7/13/2021	**ARKG: -65.49%** **EDOC: -37.27%** **HTEC: -36.88%** **GNOM: -47.41%**	**SPY: -3.54%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Cybersecurity ETFMG Prime Cyber Security ETF and the CIBR: First Trust NASDAQ Cybersecurity ETF (HACK) Global X Cybersecurity ETF (BUG) First Trust Cloud Computing ETF (SKYY)	This issue is focused on Cybersecurity. First, we want to give you an updated primer on the cybersecurity sector, and make sure you know the best ETFs to gain exposure to the likely explosive growth cyber security companies will experience over the coming quarters. Second, we wanted to identify strategies that you, the advisor, can use to minimize the chances your business is attacked and provide solutions if an attack does occur, so you know what to do, and what not to do.	**6/29/2021**	**HACK:** **-22.65%** **CIBR:** **-10.62%** **BUG:** **-21.47%** **SKYY:** **-38.71%**	**SPY:** **-4.33%**
Equity Playbook in Today's Environment Strategy 1: "One-Stop Shop" Inflation Hedge. Horizon Kinetics Inflation Beneficiaries ETF (INFL). Strategy 2: Focus on Dividend Growth. Proshares S&P 500 Dividend Aristocrats ETF (NOBL). iShares Core Dividend Growth ETF (DGRO). Strategy 3: Commodities and Natural Resources. Global X MLP ETF (MLPA). SPDR SSGA Multi-Asset Real Return ETF (RLY).	Today's Alpha issue is **part two of our two-part series on how elderly clients can achieve safety and modest real returns in an environment where yields and inflation are rising and most real bond returns over the coming years will be negative.** Today's issue provides ETF solutions for the equity portion of elderly clients' portfolios – ideas that are designed to provide income and ensure positive correlation to rising inflation	**6/15/2021**	**INFL:** **2.69%** **NOBL:** **-1.08%** **DGRO:** **-0.63%** **MLPA:** **2.77%** **RLY:** **-5.30%**	**SPY:** **-3.61%**
Fixed Income Playbook in Today's Environment Strategy 1: Inflation Protection. Quadratic Interest Rate Volatility and Inflation Hedge ETF. (IVOL). Strategy 2: Variable Rate Preferreds (VRP). Strategy 3: Floating Rate Notes (Two ETFs). Strategy 4: Shorten Duration (Four ETFs).	How do clients, especially elderly clients, achieve safety and modest real returns in an environment where yields and inflation are rising and most real bond returns over the coming years will be negative? We want to tackle this problem and provide ETF solutions that can help clients achieve the dual goals of 1) Safety and 2) Real returns over the coming years.	**6/2/2021**	**IVOL:** **-20.38%** **VRP:** **-15.47%**	**SPY:** **-2.66%**
The Crypto Craze Updated Grayscale Bitcoin Trust (GBTC) Grayscale Ethereum Trust (ETHE) Coinbase Global (COIN) Voyager Digital (VYGVF)	If you are like me, you have seen interest in the entire crypto space increase over the past several months. So, we wanted to take this Alpha issue **to provide an updated primer on the crypto industry and ensure you have got the advisor-focused research you need to turn any crypto-related client or prospect conversations into opportunities to grow your business.**	**5/18/2021**	**GBTC:** **-53.61%** **ETHE:** **-74.82%** **COIN:** **-73.57%** **VYGVF:** **-98.53%** **(Closed)**	**SPY:** **2.34%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Four Small Cap ETFs for the Economic Recovery Invesco S&P Small Cap Consumer Discretionary ETF (PSCD) First Trust Consumer Staples AlphaDex Fund (FXG) Invesco S&P SmallCap 600 Revenue ETF (RWJ) iShares Morningstar Small-Cap Value ETF (ISCV)	Much of the "economic reopening trade" has been focused on large travel and leisure companies, and many of those names have seen huge gains over the past year. But they are now saddled with massive debts and ballooning capital structures that could be headwinds on investor returns going forward. **Many smaller stocks, however, were able to utilize government programs (PPP and others) to recapitalize healthily over the past year and those that have survived to this point are now in an extremely favorable position to capture future opportunities as the economy reopens.** So, we want to make sure you know which ETFs can give you exposure to quality small-cap companies that are 1) Financially sound, 2) Exited the pandemic with their business intact, 3) Stand to benefit from an acceleration in the economy, and 4) Could see earnings surge as the economic reopening continues.	**4/20/2021**	**PSCD:** **-17.83%** **FXG:** **9.85%** **RWJ:** **1.61%** **ISCV:** **-3.40%**	**IWM:** **-16.23%**
Sector Winners and Losers from the Democratic Policy Agenda Global X Millennials Thematic ETF (MILN) Vanguard Tax-Exempt Bond ETF (VTEB) Global X U.S. Infrastructure Development ETF (PAVE) First Trust NASDAQ Clean Edge Green Energy Index Fund (QCLN)	Throughout most of the first quarter, markets embraced Democrat control of the government because it meant massive stimulus, and that expectation has been met. However, now the focus is turning to less growth-friendly policies, including potentially higher taxes and increased regulation. While these policies will impact the markets broadly, they'll also impact specific sectors even more than the broad markets. So, we want to arm you with the tools for identifying and deploying to areas of the market that should experience positive effects during this political environment, and know which sectors stand to get hurt given potential policies from Washington.	**4/6/2021**	**MILN:** **-28.11%** **VTEB:** **-4.08%** **PAVE:** **12.76%** **QCLN:** **-25.94%**	**SPY:** **3.83%**
What Should I Buy on This Tech Decline? Invesco S&P 500 Equal Weight Technology ETF (RYT). VanEck Vectors Semiconductor ETF (SMH). First Trust NASDAQ Technology Dividend Index Fund (TDIV).	If a client comes to you and asks, "What Should I Buy on this Tech Decline?" we want to make sure you have a set of ETFs that provide exposure to **solid, proven tech companies that aren't trading at sky-high valuations** because for the last several decades buying core, large cap tech stocks on any sustained underperformance has been a very profitable long-term strategy.	**3/23/2021**	**RYT:** **6.10%** **SMH:** **12.98%** **TDIV:** **5.94%**	**SPY:** **8.26%**

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
ARK Invest ETFs ARKK (ARK Innovation ETF) ARKG (ARK Genomic Revolution ETF) ARKW (ARK Next Generation Internet) ARKF (ARK Fintech Innovation ETF) ARKQ (ARK Autonomous Technology & Robotics ETF).	I wanted this Alpha issue to provide an updated "deep dive' into the ARK Invest ETF offerings, because even considering their huge returns over the past few years, I still believe now what I believed when we first recommended them: **That these ETFs are "one-stop shopping" for investors get targeted exposure to the leading edge of the technology growth curve, and that investors should have exposure to the technologies in which ARK ETFs invest because the long term return potential is extreme.**	3/9/2021	ARKK: -67.58% ARKG: -66.12% ARKW: -64.52% ARKF: -64.59% ARKQ: -39.57%	QQQ: 3.36%
Inflation Playbook Core Inflation Plays (SGOL/PDBC/GNR/RLY) U.S. Sector Opportunities (RTM/RGI) Income Opportunities (BKLN/JAAA/STIP)	Today's issue is focused on inflation because suddenly accelerating inflation could be a game-changer for many investors and advisors, **and we want to arm you with the best-in-class tools to combat inflationary effects in your portfolios.** **I wanted to take this Alpha issue to provide a clear, decisive "Inflation Playbook" that we can keep and reference for when statistical inflation starts to accelerate.**	2/23/2021	PDBC: 43.10% GNR: 24.00% RTM: 14.26% JAAA: 2.49%	SPY: 9.17%
Market Myth Busting	• **Investment Myth 1: Investing and Politics Go Hand in Hand.** • **Investment Myth 2: Modern Monetary Theory Is A Reason to Get Out Now.** • **Investment Myth 3: Getting Out Because the Market is in a Bubble.** • **Investment Myth 4: Rising Rates Are Going to Wreck My Portfolio.** • **Investment Myth 5: The Falling U.S. Dollar Is Eroding My Purchasing Power.**	2/9/2021		
How the "Old Economy" Can Help Us Outperform Invescro Dow Jones Industrial Average Dividend ETF (DJD) First Trust Morningstar Dividend Leaders Index Fund (FDL) Invesco S&P 500 Pure Value ETF (RPV)	Looking for value in "Old Economy" stocks is a strategy that prioritizes stocks that are still well off their all-time highs, have proven and sustainable business models, and many of which pay hefty dividends. Additionally, these industries are as familiar and comfortable as a warm blanket to your mature, high net worth client base and these investment ideas are perfect for the tech skeptics that prioritize value characteristics, low leverage, and high dividends.	1/26/2021	DJD: 16.99% FDL: 28.00% RPV: 22.23%	SPY: 10.29%

Sevens Report Alpha Fund & Stock Ideas

Fund/Stock	Strategy	Date	Total Return	Benchmark Performance Since Issue Date
Older Alpha Fund & Stock Ideas and Performances	Please **click here** to view the full list of Alpha ideas and performance back to the start of the service in 2017.			