

SEVENS REPORT *alpha*

November 28, 2023

In Today's Issue

- Today's Alpha issue takes a contrarian view and identifies one of the few sources of value in this market: **High dividend yield stocks**. The 100 highest yielding stocks in the S&P 500 (based on the start of the year) have declined nearly 8% YTD and as a result, yields on many of these well-known stocks are ranging anywhere between 6%-9%. This type of gap between growth and value styles is an extreme divergence that suggests a reversion to the mean is becoming more probable, especially if there's a "growth scare" coming in early 2024.
- Our goal with this issue is to help you seize this value opportunity by providing a "shopping list" of high dividend yield ETFs and individual stocks that are top-notch solutions for income-oriented portfolios.
- **Investment Idea 1: S&P 500 High Dividend Yields SPDR Portfolio S&P 500 High Dividend ETF (SPYD).** SPYD provides equal weight exposure to 80 S&P 500 stocks using a smart-beta methodology. The fund has \$6.2 billion in AUM, an aggregate 12.2X P/E ratio and a 3-day SEC yield of 5.10%.
- **Investment Idea 2: Super Sizing Your Dividends. Global X Super Dividend U.S. ETF (DIV).** DIV takes a maximal dividend approach and allocates to the 50 highest dividend paying stocks in the S&P 500 that meet the fund's criteria. DIV sports a 0.75 beta to the S&P 500 and a 30-day SEC yield of 7.05%!
- **Investment Idea 3: High Yield Dividend Achievers. Invesco High Yield Equity Dividend Achievers ETF (PEY).** PEY prioritizes both high yield and dividend growth in its security selection methodology by allocating to 50 stocks contained in the NASDAQ U.S. Broad Dividend Achievers Index. Stocks in PEY must have increased their dividend every year for the past 10 years! PEY sports a 5.1% dividend yield.

Exploring High Yield Stocks and ETFs

One of the driving forces behind the market rally in 2023 has been the resurgence in technology stocks with an emphasis on Artificial Intelligence (AI). Many of the share prices in names such as Nvidia, Microsoft, and Meta have rocketed to 52-week highs as expectations for AI growth ignite investor enthusiasm. Particularly as the Fed has slowed its rate hike agenda, inflation metrics have softened, and adjoining economic conditions have remained relatively steady. Those factors have contributed to a broader view that the economy may achieve the vaunted "soft landing."

While the market as measured by the S&P 500 Index has enjoyed gains of nearly 19% year to date (as of 11/24), there is one corner of the financial landscape that has languished

in mediocrity. High dividend yield stocks have been dreadfully left behind during this recent market surge. So much so that [Bespoke Invest](#) recently published this graphic (see Pg. 2) and supporting data on the X app (formerly Twitter) on Nov. 13.

Those investors with an absolute focus on growth are likely sneering at this disparity as they bask in the relative strength of the technology and consumer discretionary sectors. The trend right now is very much in their favor and should be ridden for all that it's worth.

Yet, those who are managing money conservatively, with a fundamental value tilt, or with an income focus should be taking note of this phenomenon. Primarily because there are extremely attractive dividends to be had throughout the equity arena as a complement to other income-generating sources in bonds and cash. Additionally, the gap between growth and value styles is once again showing an

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extreme divergence that suggests a reversion to the mean is becoming more probable.

In my conversations with advisors, I find that most of their top clients are older, more conservative, and love the prospect of attractive dividend yields.

These types of stocks are often found in “old world” sectors such as financial services, communications, consumer staples, utilities, and real estate. The current indicated yields on many of the well-known stocks in this genre are ranging anywhere between 6% -9% depending on the entity. That represents a meaningful premium to risk-free returns with the potential for additional capital appreciation over the next 12 months.

Furthermore, there are growing choruses for fiscal headwinds in 2024 that could shrink discretionary consumer spending and potentially tip the economy into a light recession. Under that scenario, consumers will likely delay their option to purchase new computers, cars, streaming media, or other luxury goods. However, they won't eliminate their cell phone bill, rent, insurance, or cigarette budget. There is a high probability that we see a flight to quality from momentum-driven growth stocks to many of these high yield dividend sectors under the auspices of an economic contraction.

The technical and fundamental factors are starting to stack up in favor of a regime change that can tip

the scales in favor of dividend-paying stocks. Those that have been patiently waiting for an entry point to put new money to work or are wary about buying into tech-heavy equity benchmarks near 52-week highs should be evaluating the efficacy of

these underappreciated holdings. Our goal with this issue is to shed light on several ETFs and individual stocks that are top-notch solutions for income-oriented portfolios.

Investment Idea 1: S&P 500 High Dividend Yields

Seeking out a core allocation to high dividend yielding stocks can be overwhelming when you start to comb through the available fund options in this cate-

gory. ETF sponsors have sliced this factor up into an exponential number of index permutations that makes it challenging to compare the nuances of each strategy. Furthermore, there are empirical factors to consider such as expense ratio, liquidity, tax efficiency, and ease of understanding the underlying index. You can easily fall down the rabbit hole of seeking out the most complex smart-beta solution when all you might really need is a solid and reliable core allocation.

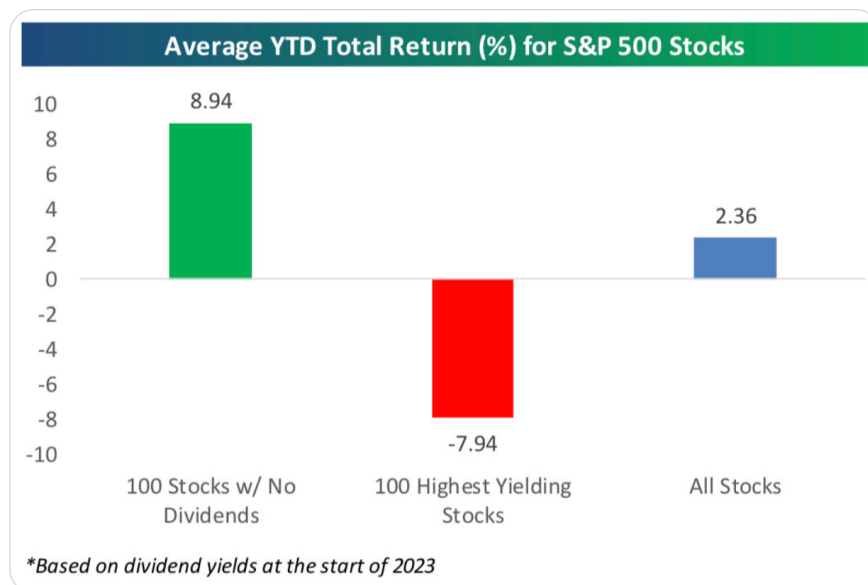
One of the best places to look in that instance is the **SPDR Portfolio S&P 500 High Dividend ETF (SPYD)**. As its name suggests, this fund starts with the universe of the S&P 500 Index and identifies the top 80 highest dividend paying stocks. Dividend payout is measured by taking the latest dividend (excluding special payments) and multiplying it by the frequen-



Bespoke
@bespokeinvest

Dividend stocks have been horrendous in 2023.

The 100 highest yielding stocks in the S&P had an average total return of -7.94% through last Friday compared to an average gain of 8.94% for the 100 (exactly) stocks in the index that pay no dividend.



1:11 PM · Nov 13, 2023 · 77.1K Views

cy of the payment. That annualized payout is then divided by the company's share price at the date of each rebalancing. This provides a fundamentally sound measuring stick to identify large-cap U.S. stocks with the strongest payout ratios to shareholders.

The group of 80 stocks is then equally weighted to produce a relatively even distribution of capital

among the underlying holdings. The result is a well-diversified basket of companies with attractive fundamental characteristics and above-average dividend yields. The aggregate price-to-earnings ratio of SPYD is a striking 12.23x and the fund currently domiciles over \$6.2 billion in total assets. Furthermore, because this ETF is part of the SPDR lineup of "portfolio" funds, it is extremely low cost with an all-in expense ratio of just 0.07%.

SPYD checks all the boxes of an extremely efficient investment vehicle with well-known holdings and minimal expenses that is easy to explain to clients. Its current list of top stocks includes Amgen Inc., International Business Machines, Verizon Communications, Phillips 66, and AT&T Inc. Additionally, the sector makeup of SPYD is well distributed over several economic segments. These include financials (22%), real estate (21%), utilities (16%), materials (8%), and energy (7%) in the top five brackets. Let me explain why that is such a key characteristic to understand.

One of the potential consequences of smart-beta screens for single characteristics such as dividends is that the portfolio herds towards one or two sectors. You often see many similar funds with 40% or more of their assets in a single sector or industry, which inherently degrades the diversification com-

ponent of the ETF methodology. We typically prefer funds that allow for a wider mix of investments across multiple economic silos to avoid that narrow bias. This dynamic also lends itself towards funds that are more suitable as long-term core holdings rather than smaller tactical positions.

Cash flow from SPYD is quite attractive as well. The fund is currently paying a 30-day SEC yield of 5.07%

with income paid quarterly to shareholders. That represents a 91% pickup in distributable income as compared to a benchmark value fund such as the Vanguard Value ETF (VTV) that currently yields 2.65%. Additionally, many massively owned and conventional "high dividend" ETFs such as VYM and SCHD

sport yields well below 4% in today's market. As such, the marginal income enhancement of SPYD is an attractive attribute for owning this ETF versus its competition.

Just how has this fund stacked up against the broad market this year? The answer (to be expected) is not well. The chart here denotes the vast underperformance of SPYD in total return versus SPY. Investors have shunned dividend-paying stocks in 2023 in favor of technology and other high growth sectors. The potential opportunity here is the rotation back into dividend equities should we see cracks start to form in the soft-landing thesis.

SPYD has several use cases for forward-thinking advisors that are looking to add dividend-paying equities to their portfolio. It would fit well as a core U.S. stock holding for income portfolios that are seeking to maximize their total net yield on capital invested. Some of the key attributes in SPYD that clients will appreciate is that it owns large, well-known hold-



ings with proven business models trading at reasonable fundamentals.

Additionally, it can be utilized strategically for those that are seeking to rotate out of growth stocks and into more defensive corners of the market. This fund is apt to be a safer haven than the broader market should volatility ramp up or tech stocks start to feel the pinch of momentum stalling out. If your thesis is that it's time to get more conservative with your equity allocation, this is a potential landing place for a portion of the portfolio with the benefit of paying income while you wait out the next correction. Bottom line: Either strategy will provide a cohesive method of staying invested in the stock market while generating yields in excess of risk-free returns.

Investment Idea

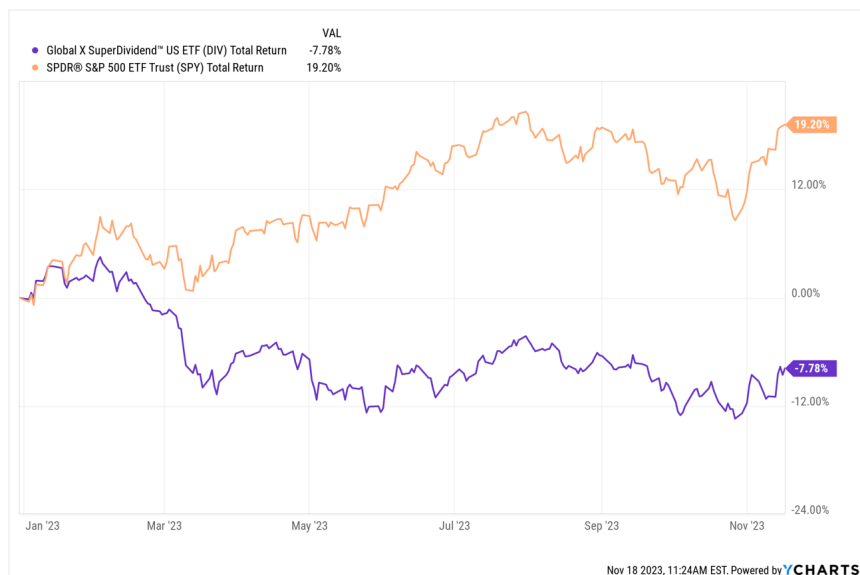
2: Super Sizing Your Dividends

Many of you are managing portfolios for clients seeking to maximize their income sources in tax-deferred accounts. They may need this spendable income to survive in retirement or simply believe in the compounding effects that dividends can provide over time in the context of a diversified portfolio. This singular objective allows you to get more creative with your equity allocation in seeking out investments with a strategic focus on the highest dividend payouts.

This maximal income strategy is the foundation behind the **Global X Super Dividend U.S. ETF (DIV)**. In the simplest terms, this fund seeks to own the 50 highest dividend-paying stocks trading in the U.S. market. That index criteria includes traditional dividend common stocks as well as real estate investment trusts (REITs) and master limited partnerships (MLPs).

To be eligible for inclusion in the DIV portfolio, these publicly traded entities must have paid dividends consistently for two years or more. Additionally, the index filters for securities it determines to have lower relative volatility than the broad market benchmark S&P 500 Index. The 50 underlying holdings that comprise this index are also equally weighted to allow for a level distribution of capital over the entire basket.

The result of this unique smart-beta criteria is an assortment of stocks that include IBM, Altria, Kinder Morgan, Global Net Lease Inc., Duke Energy, Philip Morris, and AT&T to name a few. These holdings currently generate a whopping 30-day SEC yield of 7.14% with income paid monthly to shareholders. For the sake of comparison, that's a 40% higher yield than the healthy income derived from SPYD.



The monthly income component is a distinctive facet of this dividend-equity ETF and has a competitive advantage in the marketplace. Most equity funds pay income quarterly, which is less desirable for clients that love the steady stream of payouts in bond or preferred stock funds. DIV re-

cently celebrated its 10th anniversary and has consistently paid a monthly dividend over that entire lifespan.

Digging deeper into some of the underlying fundamentals of this strategy provides additional perspective on its character and disposition. Top sector weights include energy (21%), industrials (13%), consumer staples (13%), financials (12%), and real estate (9%). The outsized energy exposure is driven primarily by the inclusion of MLPs as a top income generating asset class. However, the overall sector makeup is not excessively heavy handed towards a single corner of the market.

The combined price-to-earnings ratio of the current portfolio is a reasonable 9.71x with a weighted average market cap of \$28.5 billion. The fund also currently sports a beta to the S&P 500 of 0.75, which demonstrates its lower volatility screening characteristics in action. Total assets in DIV stand at a healthy \$615 million and the fund charges a reasonable 0.45% expense ratio.

The chart here provides a similar pattern and net returns on a year-to-date basis as SPYD. This high yield ETF has meaningfully underperformed the broader market this year as investors have shunned dividend equities. Nevertheless, recent history is not going to be a primary motivator for purchasing this fund. Its principal value-add is the delivery of maximum yield to income-hungry portfolios with the capability of delivering capital appreciation should market momentum swing from growth to value style holdings.

Clients who will have the most success with DIV are going to be comfortable owning a focused smart-beta index fund seeking to meaningfully enhance total portfolio yield. Those that have owned or are bullish on MLPs are also suitable investors for this style of fund.

Integrating DIV into a well-diversified equity portfolio may look somewhat different than a core allocation to SPYD. Its distinctive and narrower group of stocks tilts towards a complementary position size rather than a foundational portfolio building block. Nonetheless, this fund has the capability to super-size your income characteristics through a targeted approach that is distinctive in the marketplace. This style of holding is one that can produce meaningful alpha under favorable conditions.

Investment Idea 3: High Yield Dividend Achievers

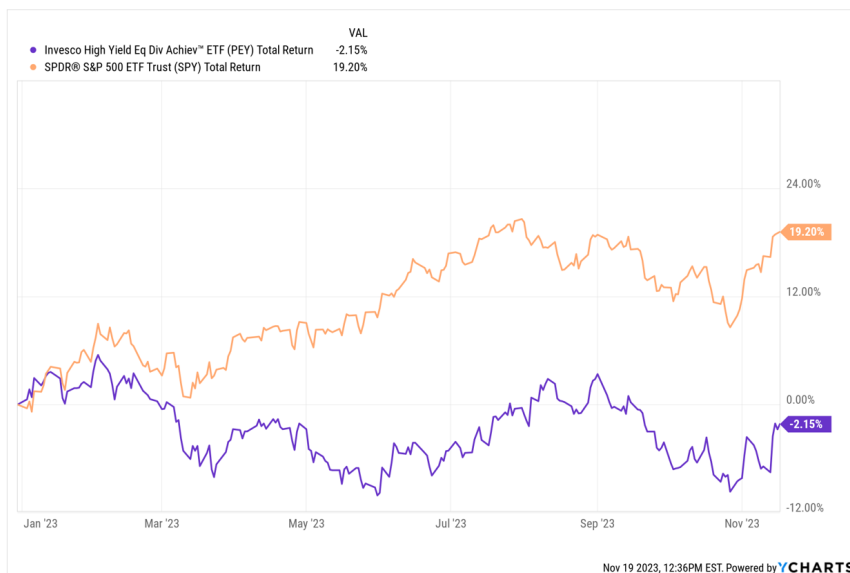
One of the pitfalls that dividend investors can fall susceptible to is a symptom I like to call the “dividend at any cost” fallacy. This can lead you down the path of prioritizing utmost yield as a pri-

mary security selection method. In most mega-cap and large-cap indexes this isn’t all that threatening as the business models have generally proven sound over long periods of time. Typically, any changes to underlying fundamentals that would affect the dividend payouts are telegraphed well in ad-

vance for these larger companies.

However, as you start to move down the size spectrum, there are instances where serious business flaws have created outsized dividend yields in mid- or small-cap companies. This could be due to sharp selloffs in common share prices or the company’s board prioritizing legacy dividend payouts at the expense of reasonable profits. That could lead to serious consequences whereby the dividend is cut after you enter the position or the company is forced to raise capital and thereby dilute shareholder equity.

Simple index screens that filter for the highest dividend payout ratios might not be able to identify these problematic issues without a deeper dive into the underlying financials. Fortunately, there is an intriguing ETF that has created an additional layer of scrutiny by prioritizing both high yield and dividend growth in its security selection methodology.



The **Invesco High Yield Equity Dividend Achievers ETF (PEY)** is a smart-beta index fund that selects 50 of the highest yielding dividend stocks from the NASDAQ U.S. Broad Dividend Achievers Index. To be eligible for inclusion in the ETF, each company must have increased its annual regular cash dividend payments for the last 10 consecutive calendar or fiscal years. Additionally, companies must meet a minimum market capitalization of \$1 billion to be eligible for inclusion in the basket. The index is reconstituted annually and rebalanced quarterly on a rigorous schedule.

This additional filter ensures that not only is the index seeking high yield stocks, but also those that have managed to consistently increase their payouts to shareholders over a decent time frame. That secondary filter helps reduce the risk of a stock sneaking into the basket that has poor underlying financial performance. Furthermore, the PEY selection criteria allows for a broader inclusion of holdings across the size spectrum. There is a healthy mix of large-cap (25%), mid-cap (33%), and small-cap (42%) companies in its mix. Morningstar classifies this fund in its mid-cap value category with a 4-Star rating at the time of this report.

Top holdings in the PEY portfolio include familiar names such as Altria Group, Verizon Communications, Universal Corp, KeyCorp, Scotts Miracle Grow, and Walgreen Boots Alliance. The 10 largest stocks in this ETF represent less than 30% of the total portfolio basket. Additionally, no single holding makes up more than 4% of the total portfolio with the weighting methodology tracking similar to the original parent index. Financials, utilities, consumer staples, and materials sectors represent the lion's share of this ETF in its present form.

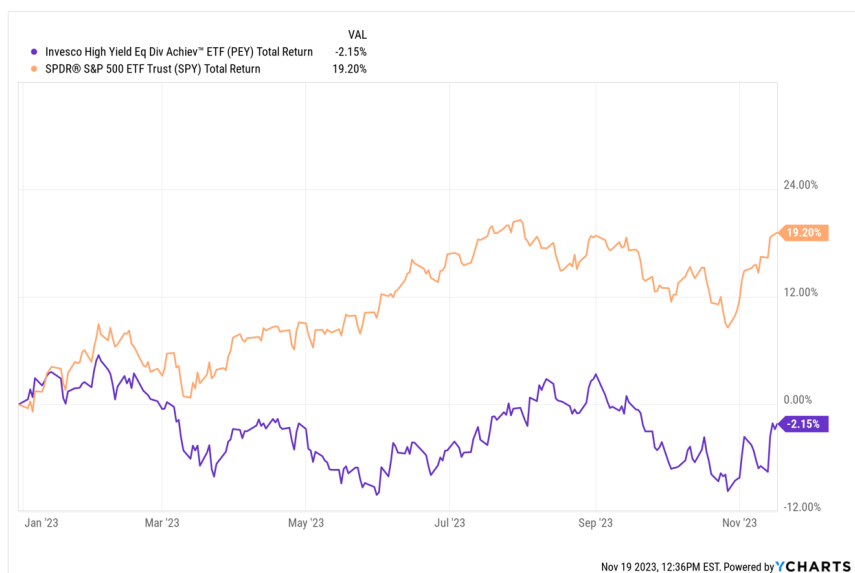
The combination of these factors produces a solid 30-day SEC yield of 5.12% with income paid monthly to shareholders. The fund currently houses \$1.26 billion in total assets and charges an expense ratio of 0.52%. It also regularly trades more than 400,000 shares per day on average making it a highly liquid investment vehicle for advisors to utilize.

The fundamental stock selection criteria of this ETF have produced one of the more striking track records in the high yield dividend space on a year-to-date basis. Its total return is nearing the flatline in 2023, which is due to its differentiated approach of including healthy doses of small- and mid-cap stocks in its portfolio.

Investors that will have the most success with this ETF are those that prioritize both dividend growth and high yield as equal contributors to long-term investment success. Furthermore, it is important to remember that this fund will skew towards smaller

companies and may be best suited to pair alongside a conventional large-cap dividend fund such as SPYD.

The combination of both strategies will provide broad-spectrum coverage of the U.S. dividend stock landscape by enhancing your overall diversification profile. Income investors will also love the steady monthly dividends this ETF produces and its nearly two decades of trading history lend to a consistent track record of achieving this objective.



Investment Idea 4: Build Your Own High Yield Stock Portfolio

Exchange-traded funds have become an invaluable resource for advisors to build out highly diversified, tax efficient, and low-cost portfolios in today's efficient market. Yet there are certain situations where you may find it favorable to build your own allocation in a particular corner of the market. High yield dividend stocks are no exception, which is why we sourced a table of value-added data from ycharts.com to assist in your research efforts.

The process for building the Excel table attached to this report started with the universe of the Russell 1000 Index and narrowed to all stocks yielding 5% or more. That currently represents a group of 67 companies as of Nov. 17. We included key metrics such as market cap, PE ratio, PS ratio, free cash flow, as well as one-, three-, five-, and 10-year performance history.

The table is delivered in alphabetical order by company name but can easily be re-sorted according to any columns you feel are most relevant to your analytical process.

We always recommend that additional due diligence be taken by verifying this information with independent sources prior to initiating any new trades on behalf of clients. Additionally, our mantra has consistently been to prioritize diversification when selecting individual stocks to mitigate single business risk.

Conclusion

The search for high dividend yields can often lead down the path of having to rely on alternative asset classes in closed-end funds, junk bonds, preferred stocks, MLPs, or even option-income strategies. These assets became hugely popular when the Fed's zero interest rate policy forced income portfolios to generate satisfactory yields.

Today's vastly altered interest rate environment has tipped the scales back in favor of common dividend

stocks with the capability to provide correlation to the broader market. These ETFs can provide that stable core equity foundation in addition to generating attractive income streams.

We also want to emphasize that it's important to communicate with clients that they have multiple options for how these dividends are received. Those who want to treat them as spendable income may opt for settlement in cash that is summarily distributed to them on a regular basis.

Others who are still in the growth or accumulation phase of their nest egg may want to reinvest these proceeds in additional shares to promote compounded returns. Choosing which strategy to implement should come down to the client's investment and cash flow goals on an individualized basis.

Best,

Tom

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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>Bitcoin 2023 Rally</u> Greyscale Bitcoin ETF (GBTC) ProShares Bitcoin Strategy (BITO) Amplify Transformational Data Sharing ETF (BLOK) ARK Next Generation Internet ETF (ARKW)	The goal of this Alpha issue is to provide you with a solid understanding of the evolving trading environment and boost your background knowledge to share with clients and colleagues alike, particularly those that have been waiting for a constructive regulatory breakthrough in this unique alternative asset class.	11/14/2023	GBTC: 9.23% BITO: 4.45% BLOK: 6.06% ARKW: 7.20%	SPY: 1.41%
<u>Fixed Income Based ETFs</u> VanEck BDC Income ETF (BIZD) Putnam BDC Income ETF (PBDC) Business Development Company Database	Our goal with this issue is to shine a light on the available investment opportunities in this market so that you are aware of the most advantageous vehicles.	10/31/2023	BIZD: 7.06% PBDC: 6.54%	SPY: 8.81%
<u>SAFER Cannabis Exposure</u> AdvisorShares Pure US Cannabis ETF (MSOS) ETFMG Alternative Harvest ETF (MJ) Constellation Brands (STZ) Phillips Morris Intl (PM) Scotts Miracle-Gro (SMG)	The inspiration for this Alpha issue topic came from current events, specifically that the progress of the SAFER Banking Act through the Senate has increased the possibility that cannabis companies may soon get banking access, potentially removing a major impediment to growth.	10/17/2023	MSOS: -8.14% MJ: -8.75% STZ: 0.42% PM: 0.56% SMG: 11.75%	SPY: 4.36%
<u>Nuclear Energy Stocks</u> Sprott Uranium Miners ETF (URNM) Sprott Junior Uranium Miners ETF (URNJ) VanEck Uranium+Nuclear Energy ETF (NLR)	In this issue, we refreshed our research, included two new nuclear energy/uranium ETFs, and revisited our thesis on an ETF we profiled in last year's issue	10/03/2023	URNM: 33.37% URNJ: 24.20% NLR: 28.63%	SPY: 10.47%
<u>What Outperforms in the Fourth Quarter?</u> Pacer CFRA-Stovall Equal Weight Seasonal Rotation ETF (SZNE) Global X Millennials Thematic ETF (MILN) Global X U.S. Infrastructure Development ETF (PAVE)	We go in-depth on market seasonality and cover Q4 and the entire year so that you clearly know which periods of the year are the best and worst for broad market returns.	9/19/2023	SZNE: 0.16% MILN: 3.82% PAVE: 1.29%	SPY: 2.80%
<u>Sustainable Commodity Outperformance</u> Invesco Optimum Yield Diversified Commodity Strategy No K-1 ETF (PDBC) abrdn Physical Precious Metals Basket Shares ETF (GLTR) ProShares K-1 Free Crude Oil Strategy ETF (OILK) VanEck Rare Earth/Strategic Metals ETF (REMX)	We've broken this Alpha down into three strategies: First, our favorite broad commodity ETF, second, our preferred ETF for tactical allocations to the most popular investment commodities (gold and oil) and, finally, a focus on the "growth" part of the commodities complex via rare Earth minerals.	9/06/2023	PDBC: -4.66% GLTR: 3.43% OILK: -7.18% REMX: -21.61%	DBC: -4.67%

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>Value and Opportunity in Emerging Markets (Excluding China)</u> Columbia EM Core Ex-China ETF (XCEM) WisdomTree India Earnings ETF (EPI) iShares MSCI Emerging Markets Small-Cap ETF (EEMS)	This Alpha issue will focus on a part of the market where we think there's medium-and-longer term opportunity: Emerging markets ex-China.	8/22/2023	XCEM: 1.97% EPI: 5.57% EEMS: 3.91%	SPY: 4.23%
<u>Bond Market Roadmap</u> iShares Broad USD High Yield Corporate Bond ETF (USHY) Principal Active High Yield ETF (YLD) SPDR Blackstone Senior Loan ETF (SRLN) Franklin Senior Loan ETF (FLBL) SPDR Portfolio Long Term Treasury ETF (SPTL) Vanguard Long-Term Bond ETF (BLV) iShares 0-3 Month Treasury Bond ETF (SGOV) SPDR Bloomberg 1-3 Month T-Bill ETF (BIL) Invesco Treasury Collateral ETF (CLTL)	We see three possible paths for the economy over the coming months: Soft landing: No recession, job growth, consumer strength, credit is sound, inflation recedes. Hard landing: Recession, job shrinkage, consumer contraction, credit crunch, inflation resumes. Unknown landing: No strong opinion about how the economy will shake out. In this issue, we identify nine ETFs that should outperform in each scenario, so you have a "roadmap" to help you successfully navigate the bond market, regardless of what happens to the economy.	8/08/2023	USHY/YLD: 1.89%/2.46% SRLN/FLBL: 2.76%/3.27% SPTL/BLV: -5.02%/-2.77% SGOV: 1.65% BIL: 1.61% CLTL: -0.24% (Closed)	SPY: 1.75%
<u>No Landing Scenario</u> JPMorgan Active Value ETF (JAVA) Avantis U.S. Small Cap Value ETF (AVUV) iShares Broad USD High Yield Corporate Bond ETF (USHY)	In this Alpha report I want to go deeper and identify specific ETFs that we think can be the best performers should cyclical continue to outperform. So, our goal in this issue is simple: Provide you with a shopping list of cyclical ETFs that should outperform if there is No Landing, so you can easily add cyclical sector and factor exposure to client portfolios.	7/25/2023	JAVA: -4.22% AVUV: -2.53% USHY: 2.17%	SPY: 0.27%
<u>Home Builders & Housing</u> iShares US Home Construction ETF (ITB) Invesco Dynamic Building & Construction ETF (PKB) The Hoya Capital Housing ETF (HOMZ)	In this Alpha issue, we highlight best-of-breed strategies to own homebuilder and home improvement stocks to capitalize on this secular opportunity.	7/11/2023	ITB: 2.21% PKB: 2.19% HOMZ: -5.30%	SPY: 3.20%
<u>AI Tools for Advisors</u> Chatbots and Virtual Assistants. Sales and Marketing Tools. Copywriting and Illustrations.	This Alpha report serves as a "Part Three" of our series on Artificial Intelligence (AI) and focuses on specific AI platforms that you can begin using today that can make your practice more efficient and reduce costs. This is basically the "business alpha" issue that explains how AI can help you better run the business side of your practice!	6/27/2023	N/A	N/A

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>Artificial Intelligence Primer Part Two</u> Global X Artificial Intelligence & Technology ETF (AIQ) First Trust Cloud Computing ETF (SKYY) Defiance Quantum ETF (QTUM) TrueShares Technology, AI, and Deep Learning ETF (LRNZ) WisdomTree Artificial Intelligence and Innovation Fund (WTAI)	<p>This second AI Alpha issue will focus more on what this technology can actually do (and how it can be used) and updates the universe of AI-focused ETFs and stocks.</p> <p>Specifically, we cut through some of the noise of the biggest AI predictions (it'll replace entire industries, potentially replace people, etc.) and instead focus on practical applications and how that could impact corporate profitability and the markets, and in doing so arm you with practical insight and knowledge on AI for client and prospect discussions.</p>	6/13/2023	AIQ: 6.32% SKYY: 4.95% QTUM: -1.15% LRNZ: -0.10% WTAI: -5.98%	SPY: 4.93%
<u>Utilizing High Returns on Cash</u> iShares 0-3 Month Treasury Bond ETF (SGOV) SPDR Bloomberg 1-3 Month T-Bill ETF (BIL) Invesco Treasury Collateral ETF (CLTL) SPDR Bloomberg 3-12 Month T-Bill ETF (BILS) PGIM Ultra Short Bond ETF (PULS)	<p>This issue will help you address and overcome those client concerns and provide a list of high quality, high yielding cash alternative ETFs, so clients can feel comfortable allocating to money market funds and other cash alternatives to enjoy decades high yields on cash and little to no principle risk!</p>	5/31/2023	SGOV: 2.67% BIL: 2.60% CLTL: 1.34% (Closed) BILS: 2.60% PULS: 3.06%	SPY: 9.65%
<u>Uncorrelated Investing Opportunities</u> IQ Merger Arbitrage ETF (MNA) iMGP DBi Managed Futures Strategy ETF (DBMF) Core Alternative ETF (CCOR)	<p>We wanted to focus this Alpha issue on uncorrelated strategies and ETFs that can provide income and alpha along with true diversification for a market that's likely to become increasingly volatile in the coming months.</p>	5/16/2023	MNA: -0.54% DBMF: 3.42% CCOR: -3.13%	SPY: 11.69%
<u>Contrarian Opportunity - Identifying Quality Commercial Real Estate ETFs</u> SPDR Dow Jones REIT ETF (RWR) Fundamental Income Net Lease Real Estate ETF (NETL) A Dedicated List of Office REITs.	<p>This Alpha issue speaks to our contrarian leanings, as we are going to look for potential contrarian opportunities in the commercial real estate ETF space.</p>	5/02/2023	RWR: 0.46% NETL: -3.68%	VNQ: 0.65%
<u>Is Gold in a New Bull Market?</u> abrdn Physical Gold Shares ETF (SGOL) SPDR Gold MiniShares Trust, (GLDM) VanEck Vectors Gold Miners ETF (GDX) abrdn Physical Silver Shares ETF (SIVR) iShares MSCI Global Silver and Metals Miners ETF (SLVP) abrdn Physical Precious Metals Basket Shares ETF (GLTR)	<p>This issue will focus on the best ways to gain exposure to precious metals and miners, because gold has quietly traded to within striking distance of its all-time high, and with global unrest, a falling U.S. dollar, and a potential dovish pivot from the Fed, the outlook for a gold bull market is as good as it's been in years.</p> <p>We focused on examining what parts of the gold and precious metals space performed best during previous gold bull markets and identified our preferred ETFs to gain exposure to gold, other precious metals, and precious metals miners.</p>	4/18/2023	SGOL: 0.03% GLDM: 0.10% GDX: -14.36% SIVR: -2.44% SLVP: -16.08% GLTR: -4.82%	SPY: 10.62%

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>Two Strategies for the Regional Banking Crisis</u> Invesco KBW Bank ETF (KBWB) iShares U.S. Financial Services ETF (IYG) Pacer Trendpilot US Large Cap ETF (PTLC)	<p>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.</p> <p>This Alpha issue examines each scenario and identifies strategies that will help us navigate either outcome.</p>	4/04/2023	KBWB: 5.41% IYG: 11.01% PTLC: 9.98%	SPY: 12.12%
<u>Defined Outcome and Buffered ETFs</u> 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)	<p>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.</p>	3/21/2023	PAPR: 9.01% NOCT: 15.59% QSPT: 22.33% UJUN: 8.26% DJUN: 9.98%	SPY: 14.87%
<u>Artificial Intelligence Primer</u> Global X Artificial Intelligence & Technology ETF (AIQ) First Trust Cloud Computing ETF (SKYY) Defiance Quantum ETF (QTUM)	<p>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.</p>	3/7/2023	AIQ: 30.41% SKYY: 25.54% QTUM: 15.15%	SPY: 15.49%
<u>Three Strategies to Re-Allocate to Growth (and Tech)</u> iShares Morningstar Mid-Cap Growth ETF (IMCG) iShares Expanded Tech Sector ETF (IGM) VanEck Vectors Semiconductor ETF (SMH)	<p>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.</p>	2/22/2023	IMCG: 3.32% IGM: 37.13% SMH: 38.36%	SPY: 15.40%
<u>An Opportunity in International Stocks</u> Vanguard Europe ETF (VGK) iShares Core MSCI Emerging Markets ETF (IEMG) Schwab Fundamental International Small Company Index ETF (FNDC)	<p>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.</p>	2/07/2023	VGK: 3.61% IEMG: -0.09% FNDC: 0.32%	SPY: 10.78%

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>Opportunity in Long Bonds</u> 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: -12.03% PTCIX: -6.22% MLN: -1.46%	SPY: 14.93%
<u>Three Contrarian Ideas to Start 2023</u> 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: 58.17% VOX: 30.63% EMB: 3.01%	SPY: 17.73%
<u>Three Strategies that Outperformed in 2022 and Should Outperform Again in 2023.</u> 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, <u>we wanted to highlight three strategies that outperformed in 2022 and that we believe are poised to do so again in 2023.</u>	12/28/2022	SYLD: 8.68% RPV: -0.24% MINT: 5.67% JPST: 4.33% FXG: -2.37% FCG: 5.90%	SPY: 22.09%
<u>Navigating Crypto's 'Lehman Moment'</u>	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
<u>Small Cap Stocks</u> 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: -1.80% RWJ: -2.08% CALF: 12.99%	SPY: 16.91%

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>MOAT Stocks</u> VanEck Morningstar Wide Moat ETF (MOAT) Morningstar ESG Wide Moat ETF (MOTE) VanEck Morningstar SMID Moat ETF (SMOT)	<p>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.</p> <p>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.</p>	11/1/2022	MOAT: 24.51% MOTE: 12.53% SMOT: 8.19%	SPY: 20.16%
<u>Opportunities in Municipal Bonds.</u> JPMorgan Ultra-Short Municipal Income ETF (JMST) SPDR Nuveen Bloomberg High Yield Municipal Bond ETF (HYMB) IQ MacKay Municipal Intermediate ETF (MMIT)	<p>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.</p> <p>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.</p>	10/18/2022	JMST: 3.82% HYMB: 6.08% MMIT: 5.82%	SPY: 24.48%
<u>Protection in a Deeper Bear Market.</u> 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)	<p>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: <u>Minimize the losses and be able to "survive" to take advantage of the ultimate longer-term buying opportunity.</u></p>	10/4/2022	SHO: 1.53% PSQ: -25.66% PTLC: 12.19% SGOV: 5.51%	SPY: 22.19%
<u>Opportunities in the Nuclear Energy Revival</u> 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)	<p>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.</p>	9/20/2022	URA: 34.15% NLR: 36.49% SMR: -78.64%	SPY: 20.29%
<u>Repositioning for Another Rollover</u> Invesco S&P 500 Equal Weight Utilities ETF (RSPU) 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)	<p>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.</p>	9/7/2022	RSPU: -11.53% SPHD: -4.76% USFR: 6.01%	SPY: 16.62%

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>Sustainable Investing Revisited</u> 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.	8/23/2022	ERTH: -25.30% IDRV: -16.18% CNRG: -34.60%	SPY: 10.26%
<u>The State of the Crypto Market</u> Grayscale Bitcoin Trust (GBTC) Grayscale Ethereum Trust (ETHE) ProShares Bitcoin Strategy ETF (BITO) Amplify Transformational Data Sharing ETF (BLOK)	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: 109.10% ETHE: 33.88% BITO: 29.94% BLOK: 0.84%	SPY: 10.53%
<u>Strategies for a Peak in Bond Yields</u> 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)	<p>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.</p> <p>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.</p>	7/26/2022	TDIV: 20.81% VNQ: -10.62% INDS: -10.36% COWZ: 15.28%	SPY: 18.67%
<u>Sectors that Outperformed During Recent Recessions</u> Vanguard Health Care ETF (VHT) iShares U.S. Healthcare Providers ETF (IHF) Vanguard Consumer staples ETF (VDC) Invesco Dynamic Food and Beverage ETF (PBJ)	<p>In this Alpha issue we examined sector performance during recent recessions to determine:</p> <ul style="list-style-type: none"> 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. 	7/12/2022	VHT: 1.54% IHF: -1.35% VDC: 3.04% PBJ: 2.32%	SPY: 21.81%
<u>Five Strategies for a Low Return Environment</u> Strategy One: Effective Client Communication Strategy Two: Dividends Strategy Three: Short Term High Yield Debt Strategy Four: Cash is King Strategy Five: Precious Metals	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: 8.16% SHYG: 11.56% SGOL: 10.06%	SPY: 21.91%

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>Bottom Fishing with ARK Fund's Favorite Stocks</u> Zoom (ZM) Tesla Inc. (TSLA) Roku Inc. (ROKU) Block Inc. (SQ) Exact Sciences Group (EXAS)	This 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.	6/14/2022	ZM: -38.92% TSLA: 6.32% ROKU: 37.41% SQ: -0.13% EXAS: 76.93%	SPY: 24.61%
<u>Bottom Fishing in Beaten Down Stocks</u> 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: 148.60% PYPL: -31.38% F: -13.65% GM: -24.98% ETSY: -7.15% PENN: -18.60%	SPY: 13.75%
<u>Assisting Clients Through a Potential Bear Market</u> Bear Market Statistics Bear Market Psychology Specific Tips for a Bear Market	In this Alpha issue 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.	
<u>Contrarian Bond Strategy</u> 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.	5/3/2022	BIV: -5.81% LQD: -6.48% PFF: -9.95%	AGG: -6.77%
<u>Staying Long With Lower Volatility ETFs.</u> 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: 6.93% SPHD: -18.28% XYLD: -20.91%	SPY: 2.23%

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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>Finding Opportunities in the New Energy Reality</u> 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: 6.27% URA: 13.66% BOAT: 8.28% LNG: 28.65% FLNG: 21.02%	SPY: 3.30%
<u>Russia/Ukraine Ceasefire Playbook</u> 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.	3/22/2022	EMB: -3.53% HYEM: 2.68% EUFN: 12.86% JETS: -19.05% FXE: 0.01%	SPY: 3.64%
<u>Bear Market Playbook (What Worked Last Time)</u> 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 this 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). <u>Now, to be clear, we do not think a bear market is the most likely outcome for this market.</u> If we thought that, we'd be advocating for much more defensive positioning in the Sevens Report.	3/8/2022	MINT: -0.66% SGOL: -2.44% VNQ: -21.96% FXG: -0.21%	SPY: 9.28%
<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)	This 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.	2/23/2022	XITK: -11.00% VCR: 0.89% USHY: -9.48% SRLN: -7.33%	SPY: 7.81%
<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: 1.63% IQLT: -0.63% VYMI: -1.45%	SPY: 3.64%

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>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)	<p>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.</p> <p>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.</p>	1/25/2022	FXO: -8.98% QVAL: 11.07% SYLD: 3.93% RPV: -4.12%	SPY: 7.57%
<u>Practical Crypto Strategies for Clients</u> Greyscale Bitcoin Trust (GBTC) Amplify Transformational Data Sharing ETF (BLOK) ProShares Bitcoin Strategy ETF (BITO)	<p>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.</p>	1/11/2022	GBTC: -3.85% BLOK: -39.24% BITO: -31.62%	SPY: -3.17%
<u>Annual Contrarian Issue</u> 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)	<p>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.</p>	12/28/2021	KWEB: -26.01% CXSE: -40.65% GDX: -5.08% SIL: -28.47% XLU: -11.25% SPLV: -10.27%	SPY: -4.63%
<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)	<p>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.</p>	12/14/2021	XLK: 10.93% VGT: 4.77% FDN: -23.93% SHOP: -45.90% IBUY: -44.99% BLOK: -43.08% PAVE: 13.18%	SPY: 1.21%

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>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 Multisector Real Estate ETF (REZ)	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 21 st Century."	11/30/2021	VNQ: -18.98% SRVR: -26.50% INDS: -24.86% REZ: -21.56%	SPY: 2.92%
<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	Meta: -1.23% RBLX: -66.72% NVDA: 59.09% AMZN: -16.26% MSFT: 13.43% METV: -36.68%	SPY: -0.09%
<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)	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: 33.74% PSCE: 32.08% MLPA: 42.92%	SPY: 1.49%
<u>Tapping the Wisdom of Financial Celebrity</u> 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)	<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>	10/19/2021	DBLTX: -12.30% DSEEX: -6.05% GIBIX: -13.47% GOF: -16.87% DGRW: 13.97% XSOE: -26.55% OUSA: 6.75% OGIG: -41.32%	SPY: 4.03%

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>Older Alpha Fund & Stock Ideas and Performances</u>	Please click here to view the full list of Alpha ideas and performance back to the start of the service in 2017.			