PVG Asset Management
LOSS AVERSE INVESTING

Market in a Minute

July 28, 2026

Index Performance: As of July 24, 2026			
Index	**Price**	**Last Week**	**YTD**
S&P 500	7,411.98	-0.61%	8.28%
Dow Jones	51,947.25	-0.38%	8.08%
NASDAQ	24,975.82	-2.13%	7.46%
Russell 2000	16,160.76	-1.08%	18.79%
Russell 2000 Growth	13,992.96	-1.72%	14.24%
Russell 2000 Value	24,355.40	-0.43%	21.87%
Russell 1000 Growth Total Return	4,930.87	-1.48%	-0.93%
SPDR Gold Shares	371.9	0.95%	-6.16%
Powershares US $ Index	28.58	0.88%	5.73%
Ishares EAFE Index	103.41	0.08%	7.69%
Barclays Aggregate Bond Index	97.46	-0.75%	-2.42%
iShares Barclays 20+ Yr Treasury Bond	83.25	-1.50%	-4.49%
Utilities Select Sector ETF	46.29	2.48%	8.43%
Vanguard REIT ETF	100.81	0.79%	13.92%
iShares Mortgage Real Estate	21.57	-3.23%	-2.75%
Alerian MLP ETF	54.99	1.78%	16.95%
iShares Global Telecom	111.99	-3.91%	-7.61%
ETFMG Alternative Harvest ETF	22.76	-4.25%	-23.60%
Grayscale Bitcoin Trust	49.72	0.02%	-27.27%
Shanghai SE Index	3,814.20	1.33%	-3.90%

A Word on the Market

By: Patrick Adams, CFA

Market Update:

- **Oil prices are one of the top concerns of the market due to how it impacts inflation/interest rates. Oil on Monday has pulled back to the low $80s, low $70s would be very constructive. If you take the war out, oil is probably naturally around $50-$60 per barrel.**
- **Likely as time passes oil drops in price.**
- **If oil does pull back as we expect, yields in the bond market are likely to have peaked. The 10-Year Treasury got up to 4.7% and has now moved to about 4.63%.**
- **How we view the yield on the 10-Year is it should be around nominal GDP, which is the sustainable real GDP, plus the long-term level of inflation, or around 4%-5%, unless it is being manipulated by the Fed or the economy enters a recession.**
- **Bottomline is the bond market has likely priced in some of the negatives, and it could help the stock market greatly. If oil prices drop into the $70s, from a real deal with Iran, we believe we could see a significant move for the stock market.**
- **The other major issue is the concentration of technology weighing in the market, and the leverage or margin debt in the ownership of investors. Even with the recent pullback, technology and related is still over 50%.**
- **GOOG's earnings report was disappointing for market as the free cash flow has turned negative - $5.9 billion for the second quarter. GOOG also guided to $205 billion in capital spending for 2026,**

Source: Bloomberg & Yahoo.com, Returns are appreciation only.

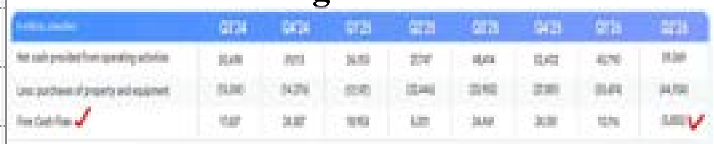
S&P Sector Performance: As of July 24, 2026			
Index	**Price**	**Last Week**	**YTD**
Information Technology	6,561.82	0.43%	15.44%
Consumer Disc.	1,774.97	-6.10%	-7.96%
Consumer Staples	930.3	-1.37%	7.56%
Health Care	1,893.80	0.83%	4.87%
Financials	936.97	0.13%	2.78%
Industrials	182.66	1.81%	17.75%
Energy	914.32	3.75%	33.02%
Communications Services	433.35	-6.15%	-4.21%
Utilities	470.08	2.48%	8.36%
Materials	638.19	1.24%	11.10%
Real Estate	293.1	1.35%	14.93%

Source: Bloomberg website, Returns are appreciation only

PVG Strategies			
Tactical Strategies	**QTD**	**YTD**	**Average Annual Return as of 6/30/26**
Tactical Total Return	-3.18%	1.54%	9.53%
Dynamic Core	-1.02%	6.41%	9.87%
Tactical Growth	-3.58%	-5.28%	19.33%
Absolute Balanced	-5.87%	15.15%	8.41%
Loss Averse			
Loss Averse Equity Income	-1.11%	7.91%	4.51%
Specialty			
Emerging Healthcare	-5.43%	-18.14%	64.91%
Focus			
High Income Focus 10	-0.96%	1.19%	7.22%
Growth Focus 10	-5.04%	-2.89%	13.78%

or $125 billion total over the next two quarters and for 2027 "up significantly", which means more many more quarter of negative cash flow. GOOG has about $126 billion in cash, which could be used up in 4-8 quarter based on "up significantly".

GOOG Negative Cash Flow



Technicals:

- **The technicals of the S&P 500 are flashing a big caution sign. The S&P 500 is only down -2.5%, but it feels a lot worse. The issue is the momentum stocks have fallen significantly, MTUM is down -12.6% from the recent high. We see this as a little disturbing as the market is tripping some of the shorter-term moving averages.**
- **We think, to ultimately move the market higher, we need some of this momentum money to move elsewhere.**
- **The underlying market seems to be holding up, maybe anticipating lower oil prices, and starting to rotate out of technology. You can see this in RSP or Equal Weight S&P 500.**

S&P 500

Emerging Healthcare Focus 10	-3.56%	-23.86%	12.36%
Strategic			
Tactical Aggressive	-3.18%	-3.16%	15.15%
Tactical Moderate	-2.55%	1.40%	12.00%
Tactical Conservative	-0.92%	3.61%	8.88%
Tactical Income	-1.56%	2.38%	7.83%

Interest Rates			
Fed Fund	3.63 %	**5-Year**	4.46%
3-Month	3.95%	**10-Year**	4.71%
6-Month	4.09%	**30-Year**	5.17%
2-Year	4.37%		

Source: Bloomberg.com

Economic Events This Week

Date	Report	Forecast	Previous
Jul 28	S&P Case-Shiller Home Price Index	1.3%	1.1%
Jul 28	Consumer Confidence	92.1	91.2
Jul 29	FOMC Decision	3.50-3.75%	3.50-3.75%
Jul 30	GDP-Avd.	2.3%	2.1%
Jul 30	GDP Deflator-Adv.	3.7%	3.6%
Jul 30	Personal Income	0.3%	0.7%
Jul 30	Personal Spending	0.4%	0.7%
Jul 30	PCE Prices	-0.1%	0.4%
Jul 30	PCE Prices – Core	0.2%	0.3%

Momentum ETF

RSP Equal Weight S&P 500

Jul 31	Employment Cost Index	0.8%	0.9%
Jul 31	Chicago PMI	56.5	56.7
Jul 31	Univ. of Michigan Consumer Sentiment – Final	54.4	54.4

Economic Events Last Week	
July 20	U.S. leading economic indicators declined 0.2% for June
July 23	Initial Jobless claims fell to 187,000
July 24	S&P Global Flash U.S. Manufacturing PMI in at 53.8 slightly above expectations
July 24	New Home Sales for June rose to 628,000

AVXL Update:

- **We have been very frustrated with AVXL and the lack of reporting of quarterly earnings is really the straw that broke the camel's back. They are about to miss second quarterly earnings report due by August 15th.**
- **There is no excuse for missing reporting earnings on time! What would Trump do! What should the shareholder do for this massive value destruction! Down over -50% just from the high this year. The stock is approaching the cash on the balance sheet. This company has a real pipeline.**
- **The board is missing some critical deadlines.**
- **The board seriously risks having the stock delisted.**
- **After firing the CEO for cause on April 30th the CEO replacement does not have any prior experience as a CEO. There was no cause given for why the CEO was fired. It makes your imagination run wild…why would a company do this? This is something that could have been told to investors upon the firing. This company needs an experienced CEO in the worse way!**
- **Many of the very important players at the company were also fired.**
- **One important former employee called me to express his frustration with the board, relayed that the drug works, they need to perform a phase 3 trial taking out the flaws they discovered during the phase 2b/3 trial. More imaging of the brain to show the proof of less shrinking…etc.**
- **It appears the company may be moving in a different direction, but no update has been given.**
- **The drug as an oral Alzheimer's solution has massive potential.**
- **We filed with the SEC for our 6 candidates to replace the board on Friday and have received many positive calls thanking us for this. The group we have put together has vast experience.**
- **For our investors we want to see this important drug get this drug approved, but this company will not make it with this team.**

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