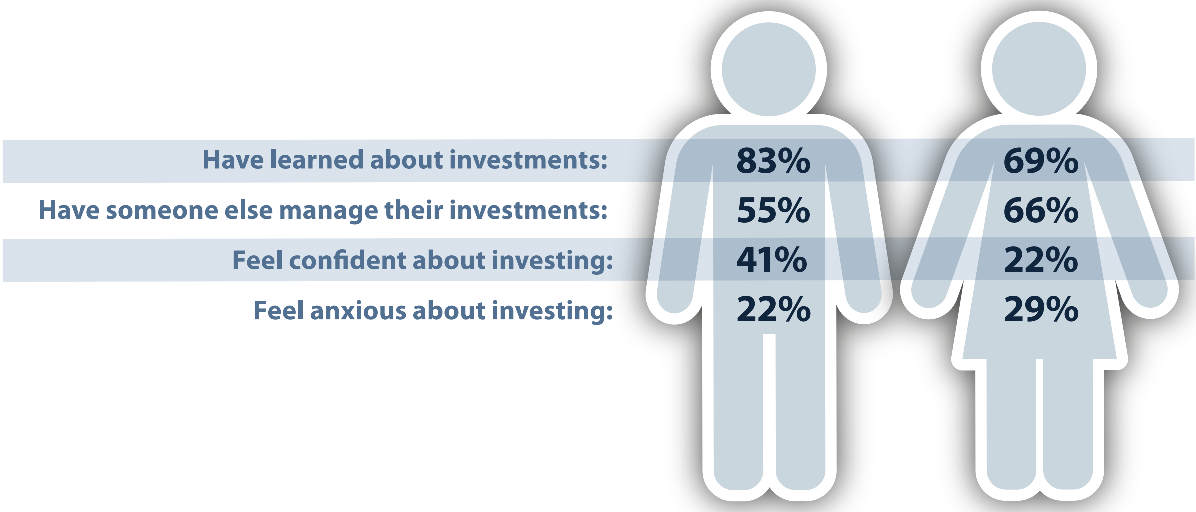
NARROWING INVESTING'S GENDER GAP WITH TACTICAL INVESTING

TECHNICAL TRADERS LTD.

TECHNICALLY PROVEN STRATEGIES

When traveling by rail in the UK, passengers are frequently told to "mind the gap." This reminder warns riders about the space that lies between the station platform and the railcar. A similar warning should be issued to women who are facing the prospect of investing their savings.

As in many areas of our society, there is a gender gap when it comes to investing, and it rarely favors women. According to a survey by NerdWallet, fewer women than men have learned about investing, invest their own savings, and feel secure about making investment decisions.[1] In fact, the prevalent emotion women feel when thinking about investing is anxiety.



Source: NerdWallet

Figure 1

Women are already facing a lifetime income gap of $80,000.[2] Worse, poverty rates for women are higher.[3] With all this working against women, isn't it time they found something that works ***for*** them? While over 50 percent of women handle their household finances today, they are still more likely to turn to an outside advisor to handle their investments.[4] Yet, finding the right advisor isn't simple; just ask the more than 80 percent of widows who leave the advisor their spouse worked with and find their own.[5]

> "For women,
> financial independence is a matter of necessity."
> —Carrie Schwab-Pomerantz

[1] https://www.nerdwallet.com/article/investing/survey-less-than-half-of-women-in-u-s-invest-in-the-stock-market

[2] https://financebuzz.com/women-and-investing-statistics

[3] https://www.americanprogress.org/article/basic-facts-women-poverty/

[4] https://www.marketwatch.com/story/women-are-calling-the-shots-when-it-comes-to-household-finances-2018-03-19-7885731

[5] https://www.kiplinger.com/personal-finance/602892/widows-move-forward-on-their-own-but-not-alone

Prioritizing What Women Want

Part of the reason many women leave financial advisors is due to feeling disrespected and having their unique investment needs ignored.[6,7] Thus, a priority for any advisor or investment research service helping women invest is to focus on what women want. While it's impossible to definitively state the top priorities for every person in any group, decades of research have shown that when it comes to finance, most women are concerned about these three things:[8]

- Security
- Lifestyle maintenance
- Poor market performance

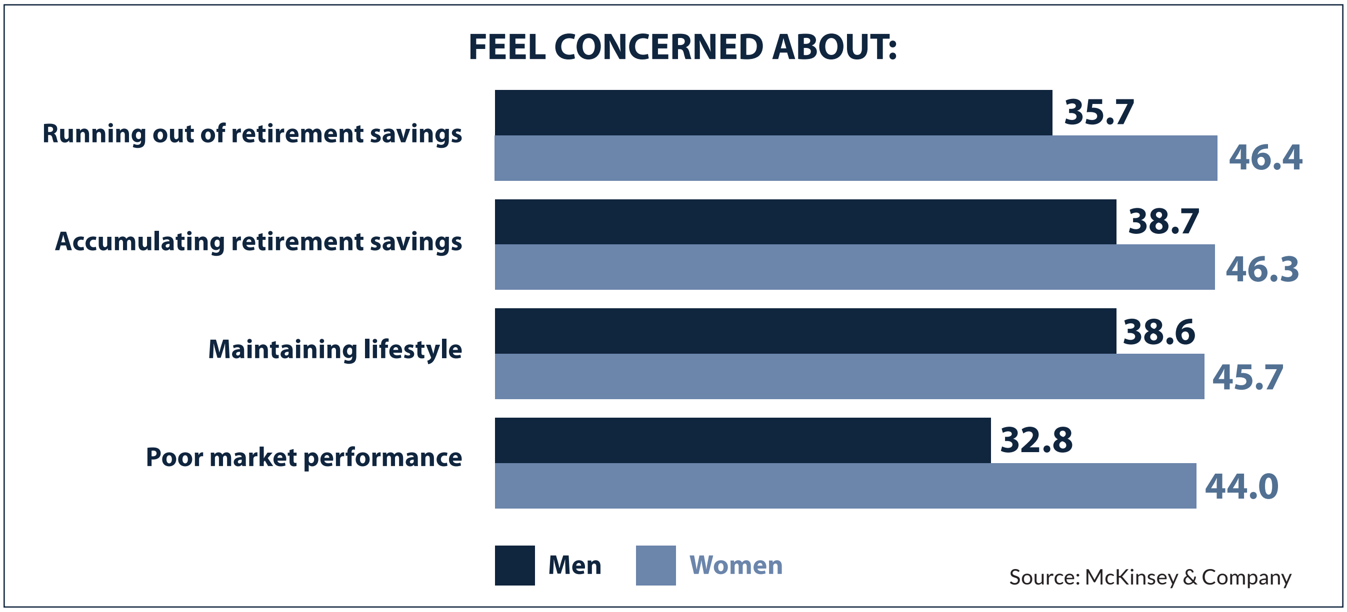


Figure 2

Leaning Into Capital Preservation

Many financial advisors ignore a client's preference for focusing on preservation. At The Technical Traders, we believe that the primary goal of every investor should be to preserve capital. You cannot prioritize a short-term battle over the long-term war. Without your capital, you have no means to access the upside potential that is offered by tactical investing. To preserve their capital, investors must:

- Cut losses and not hold on to positions falling in value.
- Own fewer positions to reduce costs and generate market-beating returns.
- Wait for quality trends and positions to present themselves.
- Use cash as one of the most powerful positions during specific market conditions (extreme volatility, mixed bull/bear markets).

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[6]https://www.strategymarketing.ca/wp-content/uploads/Why-women-leave-their-financial-advisors-and-how-to-prevent-it.pdf
[7]https://www.forbes.com/sites/rjshook/2020/08/07/woman-feel-ignored-by-advisors-study-says/?sh=67d2b2637817
[8]https://www.mckinsey.com/industries/financial-services/our-insights/women-as-the-next-wave-of-growth-in-us-wealth-management

Our Consistent Growth Strategy (CGS) is a proven system, tested and refined over the past twenty-five-plus years. We built this strategy for our capital and have our money invested in it. Our focus is to grow our accounts while controlling downside risk consistently, and with the success we have experienced, helping others achieve similar results just feels right.

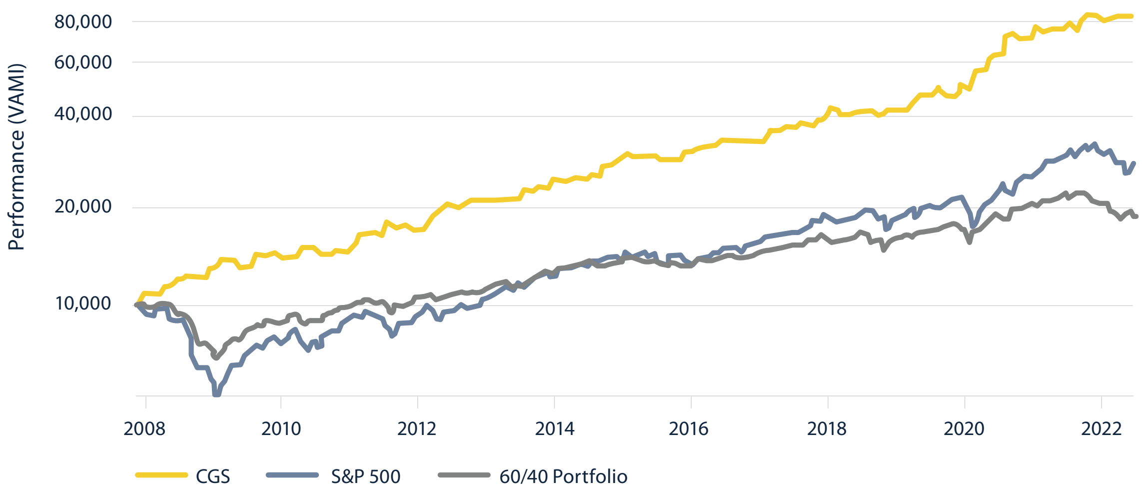
We do not believe that holding assets falling in value is an investment. Instead, we see this as a risk. With our system of active, tactical investing, your holdings will be cycled in and out of positions based on signals that the markets are sending. It is only through following proven research, trend analysis, and position management that today's investors can generate consistent growth during all market stages.

Our system provides a clear signal for each trade prior to entering and exiting, essentially putting the odds in your favor for each trade made. We include information on setting protective stop orders and guide you to taking partial profits on the first sizable surge in your favor.

In Figure 3, see how our tactical investing strategies help increase the potential growth of $10,000 versus the typical 60/40 portfolio and the basic buy-and-hold strategy.

More importantly, take notice of the Max DD (Daily) values on the table. The maximum drawdown level of only -5.95 percent for tactical investing is dramatically less than the tired and discredited buy-and-hold strategies of the past, illustrated by the 60/40 and S&P 500 models.

GROWTH OF $10,000 USD SINCE INCEPTION



The graph represents the cumulative performance of a hypothetical $10,000 investment compounded. Performance is compounded. Returns do not reflect dividend income, or the payment of any brokerage commissions, brokerage costs incurred as a result of buying or selling shares, the subscription fee, and does not reflect the deduction of taxes.

STRATEGY PERFOMANCE

	3M	YTD	1 Yr	3 Yrs	5 Yrs	Since Inception	Max DD (Daily)
CGS	**-0.56%**	**-0.16%**	**10.76%**	**80.00%**	**129.70%**	**735.24%**	**-5.95%**
S&P 500	**-0.03%**	**-13.34%**	**-6.04%**	**38.57%**	**67.19%**	**181.27%**	**-53.00%**
60/40 Portfolio	**3.06%**	**-15.58%**	**-12.51%**	**10.32%**	**23.23%**	**87.92%**	**-38.52%**

Past performance does not guarantee future results. Performance data quoted represents past performance and current returns may be lower or higher. Performance is compounded.

Figure 3

Understanding What Women Need

Recent research has shown us that women need less stress. Women routinely take on more of the housework and childcare duties in a family, even spending more of their leisure time providing care to children while relaxing or engaging in their hobbies.[9]

When it comes to investing their savings, many women simply don't have the time or emotional energy to constantly monitor the performance of their portfolio and make ongoing tactical decisions to move holdings around.

This often leads to a tendency to buy and hold positions. In fact, Vanguard recently found that women are 50 percent less likely to trade actively. Sadly, this does nothing to minimize investing's gender gap.

Investing in positions over the long term and avoiding active management of your portfolio to allow the market to "do its thing" can work, especially during a bull market. But with increasing volatility and more frequent market downturns, buy-and-hold is, at best, inefficient and, at worst, a great way to run out of money early.

Just look at how a December 2020 investment in subsector ETFs such as HAIL, TAN, and ARKW, as part of the Best Asset Now (BAN) strategy, far outperformed the NASDAQ and S&P 500. These are the moves you can make when you know where to put your money during even the most turbulent times.

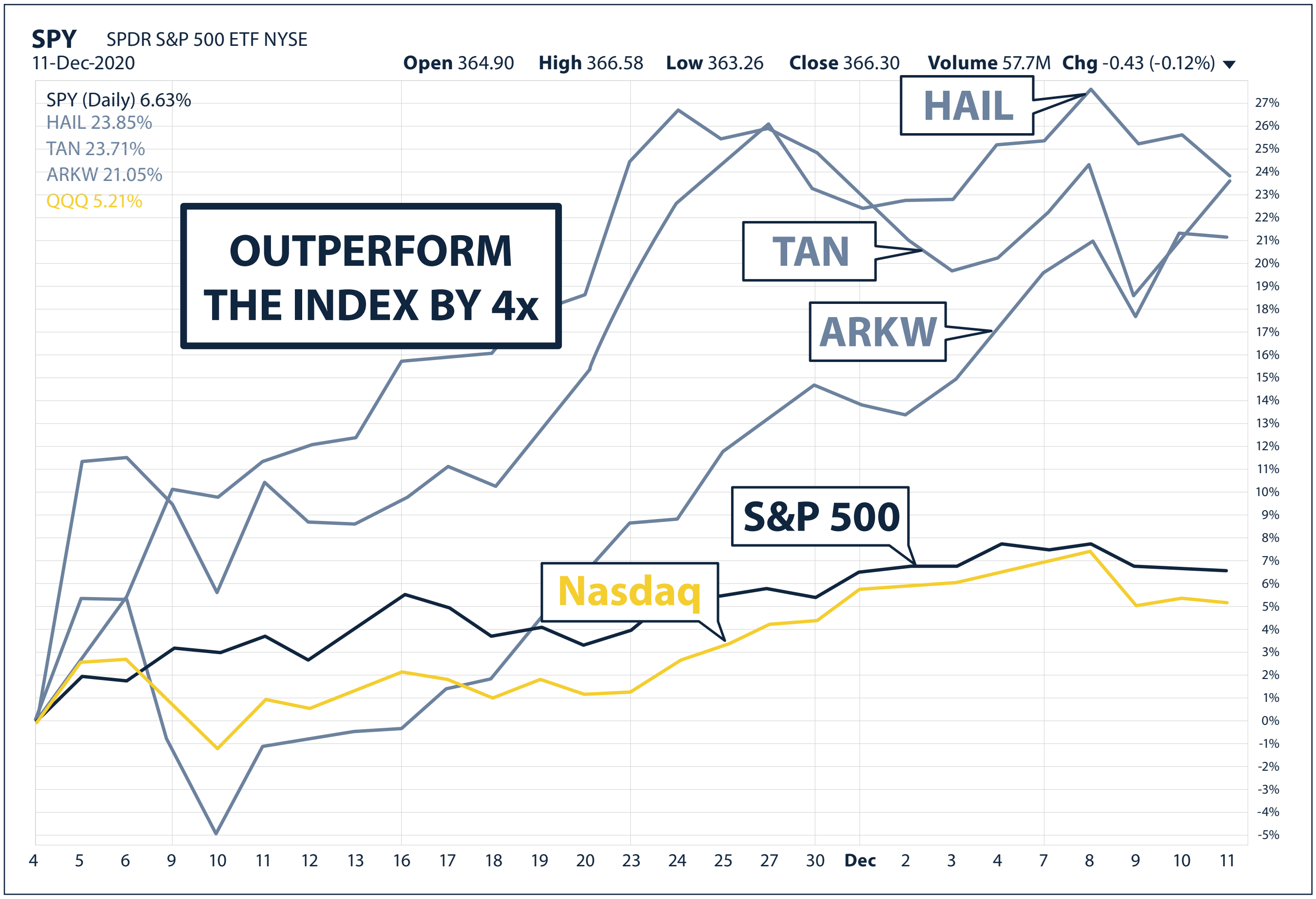


Figure 4

[9] https://www.americanprogress.org/article/unequal-division-labor/

If you have traditionally used a buy-and-hold strategy, then the way you approach asset allocation has to change. Instead of becoming attached to your positions and allowing an emotional investment to form, consider them simply rented out. Then, you will be in a better mental space to take advantage of rising market trends while avoiding declining markets through tactical investing.

If you don't do this, not only do you miss out on tremendous accumulation opportunities to reinvest at the low end of the volatile bear market but you also risk having to liquidate assets when they've lost value. Whether that lost value is because of a market correction or a long-term bear market, liquidating assets when they are down creates a loss of principal you simply cannot recover from. This is called sequence of return risk and is explained well in our Creating a Bear-Proof Investment Strategy white paper.

Over the long run, active trading and investing strategies that enter and exit more frequently to avoid big losses and drawdowns generally outperform the stock index and the traditional stock/bond portfolio over a longer period.

Today's stock market is primed with opportunity, and that means the buy-and-hold approach is no longer suitable. Whether it's the Fed, algorithmic traders, or fund managers, the volatility brought about by modern trading trends creates an environment with price movement that is better suited to active, tactical investing.

In Figure 5, see how our CGS tactical investing strategy with a $10,000 starting investment performed from 2021 to late 2022, including during the COVID crash, compared to a traditional 60/40 portfolio of stocks and bonds and the S&P 500.

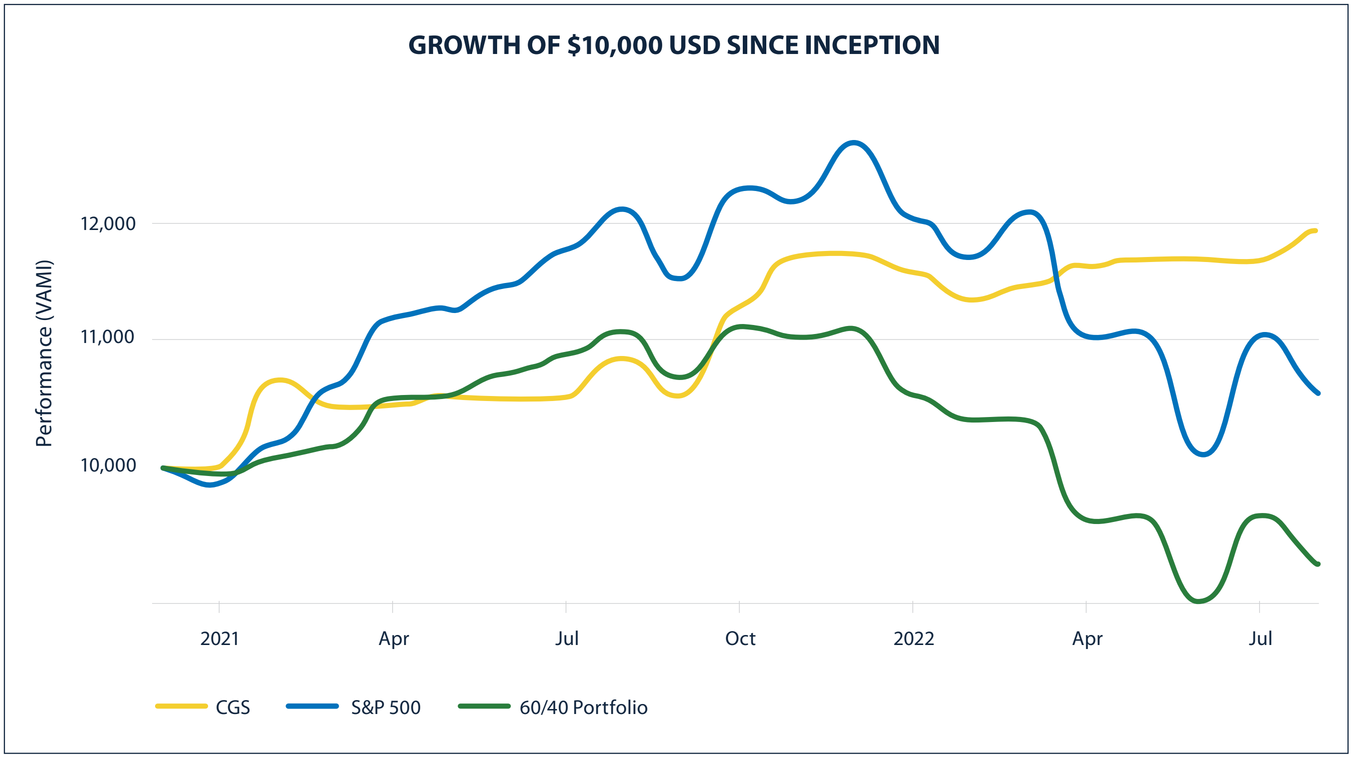


Figure 5

Meeting Women's Expectations

When it comes to investing, women often lack confidence. Only 33 percent of women surveyed by Fidelity in 2021 would even consider calling themselves investors, and just 35 percent are confident that their nonretirement savings are appropriately invested.[10] In fact, only 29 percent of women say they feel confident investing toward their short- or medium-term goals.

Financial literacy is definitely part of the problem, as only 14 percent of surveyed women say they have a large amount of knowledge around saving and investing. Increasing financial literacy is a great way to combat this—but how much money is being lost right now by women who are hesitant to start investing until they "catch up"?

Parking money in bonds might seem like a good idea while you brush up on your investing education, but when you look at the actual performance of bonds over the last fifteen years, you can see volatility increasing, with 10 to 20 percent swings becoming standard in recent years. The most recent 41 percent decline in bonds following the 2020 COVID crisis sent a shockwave to investors and advisors following the passive buy-and-hold strategy. While volatility can be good for returns, it can also gut a portfolio. Worse, the larger your losses, the higher future gains need to be to get you back on track.

Whether you're embracing the traditional stock/bond 60/40 portfolio approach, you go super conservative at 10/90, or you embrace a higher-risk approach with just 10 percent of your portfolio in bonds, you can expect your portfolio to underperform the S&P compared to prior years.

Look at Figure 6. Here, you can see how four portfolios performed—and it turns out whether they had just 10 percent in bonds or 90 percent in bonds, they all underperformed the S&P 500 while providing no significant downside protection during 2001, 2009, 2020, or today.

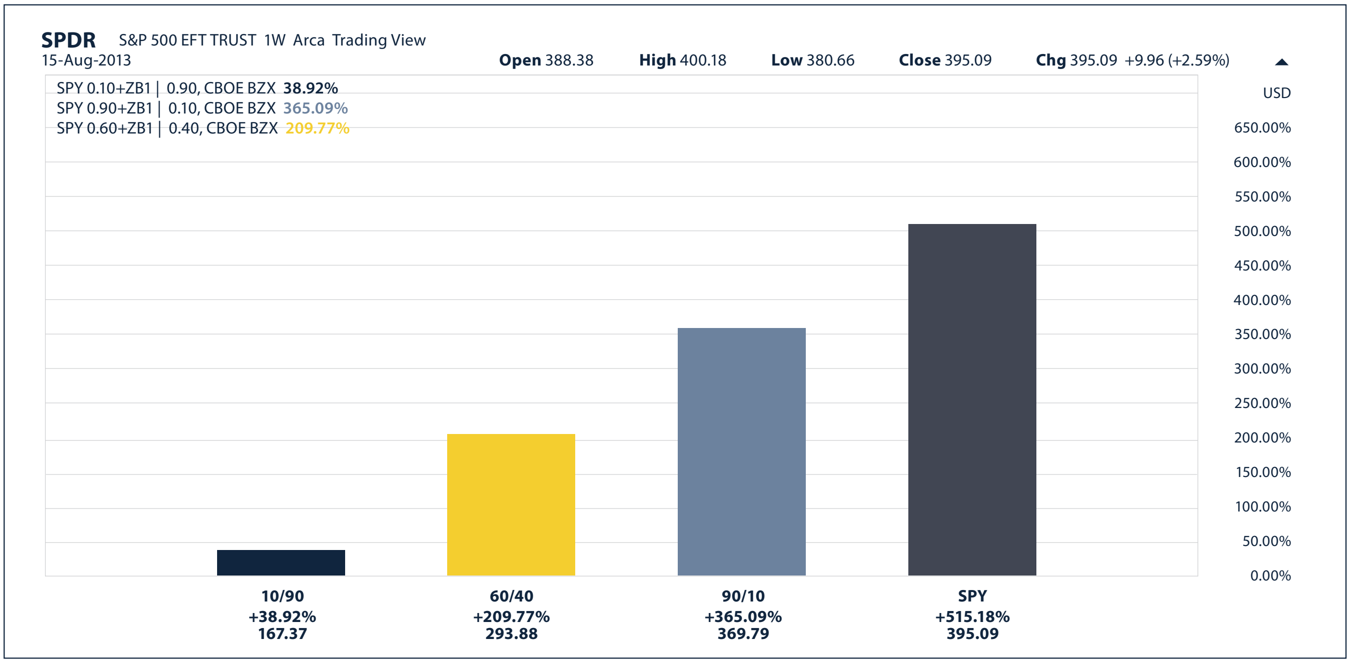


Figure 6

[10] https://www.fidelity.com/bin-public/060_www_fidelity_com/documents/about-fidelity/FidelityInvestmentsWomen&InvestingStudy2021.pdf?ccmedia=Facebook&ccchannel=social_organic&cccampaign=womens&ccdate=202112&cccreative=bau_womensstudy&ccformat=image&sf251615226=1

> "According to a study from McKinsey & Company by 2030, American women are expected to control much of the $30 trillion in financial assets that baby boomers will possess..."
>
> —McKinsey & Company

Choosing Technical Traders for Investment Research

We are an independent, client-centric, tactical ETF investment newsletter that provides trading and investing signals for you to follow. Our disciplined approach helps you achieve your long-term business, financial, and lifestyle goals through our unique portfolio growth and protection strategy.

Technical Traders is relied upon by individual investors, family offices, financial advisors, RIAs, brokers, investment clubs, and others in over 130 countries. Our efficient, strategic, consistent system is compatible with self-directed US equities trading account types, including:

- Individual and corporate trading accounts
- Partnership, joint tenants, trust, investment club
- IRA, Roth IRA, and 401(k)

Using our system, you let us do the hard work and provide qualified investment and risk management signals. You can manually follow each investment signal via email and APP alerts, or allow the autotrading system to trade in your client's self-directed account and free you from the stress, time, and difficulty of doing it yourself.

There's no interpretation or subjective judgment required from you, and best of all, it doesn't take much of your time, freeing you up to live the lifestyle you want. For advisors using CGS for tier clients, it allows you to concentrate on the core of your business: managing your existing clients and accumulating new ones.

CGS is an exciting pathway to experiencing a reliable strategy to grow your personal wealth. For advisors, CGS will help you stand out from others by offering clients a proprietary strategy focused on protecting account values from dropping, as it only holds assets that are rising in value. Our proven system can generate returns even while stock and bond prices are falling, boosting your value and systemizing a portion of your advisory business.

Imagine if your clients avoided bear markets; what would they tell their friends and family? Our strategy can help turn chaos into opportunity, making you stand out from others and flood you with referrals of ideal clients.

Our investment service isn't for people who want to make a lot of money trading hot stocks. It's for people who already have plenty of money and don't want to lose any. It just so happens that our strategy has fewer portfolio positions, low volatility, and generates above-average returns.

At The Technical Traders, Ltd., we strive to provide a total solution investing model to guide you and investors with a more tactical approach to both asset accumulation and preservation in any market environment. Our CGS strategy helps investors and advisors outperform by solving the major investment issues of avoiding market corrections, reducing portfolio volatility, and replacing the role of bonds when they are not acting as a safe haven to provide growth.

It seeks to achieve this investment aim by investing alternatively using the S&P 500, Nasdaq 100, US Treasuries, US dollar, inverse ETFs, and holding cash relevant to Technical Traders Ltd. investment theme of protecting capital.

Our tactical asset allocation navigates market advances and declines by using a combination of dividend, growth, bonds, currency, and inverse exchange-traded funds. The CGS strategy can be followed via email and mobile app trader alerts, or autotraded and executed in a self-directed trading account. Under abnormal market circumstances, up to 100 percent of the portfolio can hold a cash position for protection of capital.

About Chief Investment Officer Chris Vermeulen

Chris Vermeulen has spent over twenty-five years as a technical analyst, equities trader, investment strategist, thought leader, and educator.

His extensive trading and investment background come from devoting his life to studying the financial markets, technical analysis, and risk management. Having traded and invested through multiple bull and bear market cycles, Chris understands the importance of capital preservation.

He is the author of *Technical Trading Mastery - 7 Steps to Win With Logic* and has been a guest on numerous financial sites and stations, including Sprott Money, Cheddar, YahooFinance, and KITCO.

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