



2Q 2022 Rebalance – ETF Global® Dynamic Model Portfolios Tuesday, April 5, 2022

Last week, traders wrapped up what some consider to be the worst quarter in two years. For the first quarter of 2022, the Dow and S&P 500 closed 4.6% and 4.9% respectively with the Nasdaq losing 9%. For the three major averages, this was the worst period since the first quarter of 2020, which marked the start of the Covid pandemic in the U.S. and saw the S&P 500 tumble 20%. The start of rate hikes from the Federal Reserve, high inflation and Russia’s invasion of Ukraine all contributed to the struggles for equities this quarter.

While the first quarter was disappointing, the month of March proved bullish. The S&P 500 and Nasdaq rose more than 3% in March, while the Dow rose 2.2%.

Heading into Q2, here’s how our [ETF Global Dynamic Model Portfolios](#) changed after our quarterly rebalance –

Q1 2022 Equity Positions		Q2 2022 Equity Positions		
Equity		Equity		
Domestic		Domestic		
MDYG	SPDR S&P 400 Mid Cap Growth ETF	IJK	iShares S&P Mid-Cap 400 Growth ETF	
IJK	iShares S&P Mid-Cap 400 Growth ETF	IWR	iShares Russell Mid-Cap ETF	
IJS	iShares S&P Small-Cap 600 Value ETF	IJS	iShares S&P Small-Cap 600 Value ETF	
IJJ	iShares S&P Mid-Cap 400 Value ETF	IJJ	iShares S&P Mid-Cap 400 Value ETF	
Developed International		Developed International		
IMTM	iShares MSCI Intl Momentum Factor ETF	IQLT	iShares Edge MSCI Intl Quality Factor ETF	<div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; background-color: #00AEEF; margin-right: 5px;"></div> new etf </div> <div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; background-color: #FFD700; margin-right: 5px;"></div> repositioning </div> <div style="display: flex; align-items: center;"> <div style="width: 15px; height: 15px; background-color: #FF0000; margin-right: 5px;"></div> removed </div>
VYMI	Vanguard International High Dividend Yield ETF	IQDG	WisdomTree International Quality Dividend Growth Fund	
EWP	iShares MSCI Spain ETF	EWS	iShares MSCI Singapore ETF	
EWU	iShares MSCI United Kingdom ETF	EWP	iShares MSCI Spain ETF	
Emerging		Emerging		
ESGE	iShares ESG Aware MSCI EM ETF	ILF	iShares Latin America 40 ETF	
ILF	iShares Latin America 40 ETF	SPEM	SPDR Portfolio Emerging Markets ETF	
Alternatives		Alternatives		
DBV	Invesco DB G10 Currency Harvest Fund	DBV	Invesco DB G10 Currency Harvest Fund	
GCC	WisdomTree Enhanced Commodity Strategy Fund	GCC	WisdomTree Enhanced Commodity Strategy Fund	
FRI	First Trust S&P REIT Index Fund	SCHH	Schwab US REIT	

Equity

Selections within our domestic equity sleeve have been consistent. MDYG was the highest scoring domestic ETF in the first quarter but has been removed for the second quarter. IJK took its spot at number one while IWR, a newly selected ETF, followed its place at second. Our Model Portfolio continues to favor Mid and Small Cap ETFs with a tilt towards value and growth.

Most notable changes are shown in our developed international sleeve. This delta is due to several different dynamics including the war in Ukraine, high energy prices, rising food prices, and disrupted supply chains. IQLT, IQDG, and EWS are newly added selections replacing IMTM, VYMI, and EWU. EWP remained but was repositioned to the fourth spot.

Our top emerging market-rated ETF was removed while our 2nd position raised to number one. ILF captured the top spot and which was due to the success that is going on in Latin America. Latin American currencies have continued to outperform on monetary policy tightening cycles that began last year and of exposure to key commodities, plus relatively low baselines after the region's economy were decimated by the COVID-19 pandemic. SPEM came in at number two as a newly selected ETF.

Finishing up our model portfolio is the alternative sleeve. Only one change was made. FRI was removed and replaced with SCHH. REITs in 2022 appear well positioned to benefit from a sustained demand recovery, the inflation-hedging characteristics of real estate, and attractive relative valuations.

Thank you for following the ETF Global Dynamic Model Portfolios, you can find an overview and performance information at <http://www.etfg.com/about-model-portfolios>. To learn more about our ETFG Model Portfolio strategy, please email us at sales@etfg.com or call us at (212) 223-ETFG (3834).

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