

# Volume Factor Dividend Tree (VFDT)

Q1 | 2025 Commentary

The first quarter of 2025 presented a complex and evolving landscape for investors, shaped by shifting economic policies and heightened geopolitical tensions that significantly influenced market dynamics. As central banks continued to navigate the delicate balance between controlling inflation and supporting economic growth, dividend-paying stocks remained a key focus for investors seeking both stability and income in an increasingly unpredictable environment.

Geopolitical developments played a central role in shaping market sentiment throughout the quarter. Persistent global trade tensions fueled volatility across sectors, with potential ripple effects on global supply chains, corporate earnings, and potentially the dividend policies of multinational companies. In addition, shifting trade relationships introduced new layers of complexity to global markets, while regulatory changes and proposed tax reforms offered both challenges and potential opportunities for investors. These policy shifts have triggered a realignment of economic alliances contributing to growing uncertainty across international markets. As the global economy adjusts to these new realities, the long-term implications for trade and growth remain uncertain.

Such interplays have contributed to an erosion of trust in the global economic system. As nations pursue their own interests and seek to gain advantage over their rivals, the once seemingly stable foundations of international trade and cooperation are being shaken. The breakdown of long-standing partnerships, such as the Chimerica and Eurussia alliances, is a direct result of this struggle for control and the competing visions for the future of the global economy. In their place, new alliances are emerging, as nations seek to secure their access to critical resources and protect their strategic interests.

Within this backdrop, dividend-paying stocks, although sometimes overlooked in favor of growth-oriented strategies, may demonstrate appeal. Companies with strong balance sheets and a track record of consistent dividend growth may attract investor interest, particularly in sectors less vulnerable to economic cycles. However, first quarter performance varied across industries and regions, reflecting the diverse effects of macroeconomic forces and sector specific dynamics. As we explore the Volume Factor Dividend Tree (VFDT) strategy in more detail, it becomes clear how these broader market conditions influenced investment decisions and portfolio positioning in the pursuit of sustainable dividend growth.

The Volume Factor Risk Overlay approach continued to play a crucial role in the strategy's risk management framework. By analyzing capital-weighted volume trends across the market, the strategy identified early signs of institutional capital outflows. This data-driven approach enables the VFDT strategy to maintain its focus on companies we believe are attracting strong investor interest while attempting to avoid those showing signs of deteriorating market sentiment. During the first quarter, both VFDT's volume indicators broke beneath trend. However, liquidity, as measured by the Advance-Divide line, still hung on to a positive trend. As a result, the Volume Factor Dividend Tree portfolio remained fully invested throughout the quarter.



## Lead Portfolio Manager

**Buff Dormeier, CMT®**

*Chief Technical Analyst*

Buff Pelz Dormeier, CMT®, is a foremost expert in the field of volume analysis and founder of VolumeAnalysis.com. He has over 25 years' experience dynamically managing private investment portfolios for affluent individuals, institutions, trusts, endowments and financial advisors.

An Award winning industry innovator, Dormeier is the developer of Volume Weighted Moving Averages (VWMAs), the VW-MACD, the Volume Price Confirmation Indicator (VPCI), VPCI Stochastics, the Anti-Volume Stop Loss (AVSL), the Trend Thrust Indicator (TTI), Capital Weighted Volume Indexes, as well as a host of capital weighted volume based breadth indicators.

Buff's work with market indicators and trading system design has been published and/or referenced in Barron's, Stock's & Commodities, C-NBC, The Financial Times, and Active Trader magazines, as well as the IFTA & MTA Journals.

Furthermore, the strategy's risk overlay mechanism, which utilizes multiple Volume Factor indicators, remained vigilant in monitoring broader market risks. While the overlay did not trigger any significant defensive actions during the quarter, its presence provided an additional layer of risk management, ready to respond to potential market downturns. This balanced approach to risk management, combining bottom-up stock selection with top-down market analysis, reinforced the strategy's commitment to preserving capital while pursuing long-term dividend growth opportunities.

During 2025 first quarter, the VFDT portfolio remained fully allocated to equities. Volume Factor Dividend Tree's top five stock holdings by weight at the end of the first quarter were Molson Coors Beverage Company (**TAP**), Zurn Elkay Water Solutions (**ZWS**), Bristol-Myers Squibb Company (**BMJ**), eBay Inc (**EBAY**), and Tecnoglass Inc (**TGLS**).

As the market landscape continues to evolve, the Dividend Tree strategy remains committed to its core principles of quality, dividend growth, and risk-aware investing. By maintaining a flexible approach guided by the Volume Factor methodology, the strategy aims to adapt to changing market conditions while staying true to its long-term objectives of providing stable income and capital appreciation for investors. Risk management is often the path less taken but the steady course leading towards successful long-term financial outcomes.

---

**Kingsview Wealth Management ("KWM")** is an investment adviser registered with the Securities and Exchange Commission ("SEC"). Information presented is for educational purposes only and does not intend to make an offer or solicitation for the sale or purchase of any specific securities, investments, or investment strategies. Investments involve risk and unless otherwise stated, are not guaranteed.

**Kingsview Investment Management ("KIM")** is the internal portfolio management group of KWM. KIM asset management services are offered to KWM clients through KWM IARs. KIM asset management services are also offered to non KWM clients and unaffiliated advisors through model leases, solicitor agreements and model trading agreements. KWM clients utilizing asset management services provided by KIM will incur charges in addition to the KWM advisory fee.

This material has been prepared by Kingsview Wealth Management, LLC. It is not, and should not, be regarded as investment advice or as a recommendation regarding any particular security or course of action. Opinions expressed herein are current opinions as of the date appearing in this material only. All investments entail risks. There is no guarantee that investment strategies will achieve the desired results under all market conditions and each investor should evaluate their ability to invest for the long term. This information does not address individual situations and should not be construed or viewed as any type of individual or group recommendation. Be sure to first consult with a qualified financial adviser, tax professional, and/or legal counsel before implementing any securities, investments, or investment strategies discussed. Any performance shown since inception is based upon composite results of the stated portfolio. Portfolio performance is the result of the application of the KIM Volume Factor Global Unconstrained investment process. It does not reflect any investor's actual experience with owning, trading or managing an actual investment account.

The firm claims compliance with GIPS®. For a complete list and description of the firm's composites and / or a presentation that adheres to the GIPS standards, contact [gips@kingsview.com](mailto:gips@kingsview.com). For purposes of compliance with the Global Investment Performance Standards (GIPS®), the "firm" refers to only Kingsview Investment Management.

For the purpose of complying with the Global Investment Performance Standards (GIPS) standards, Kingsview Wealth Management "KWM" and Kingsview Investment Management "KIM, the firm" are separate and distinct entities. Kingsview Wealth Management is an independent investment advisor registered under the Investment Advisors Act of 1940. KWM manages assets across a wide scope with many independent advisors and does not claim compliance with the GIPS Standards. Kingsview Investment Management "KIM" is a subset of Kingsview Wealth Management where KIM retains the sole investment decision making ability on accounts it is managing under KIM, and all composites and models under KIM are maintained consistent with the GIPS Standards, and KIM does wish to claim compliance with the GIPS Standards. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

**PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS**