



# The Volatility Watch

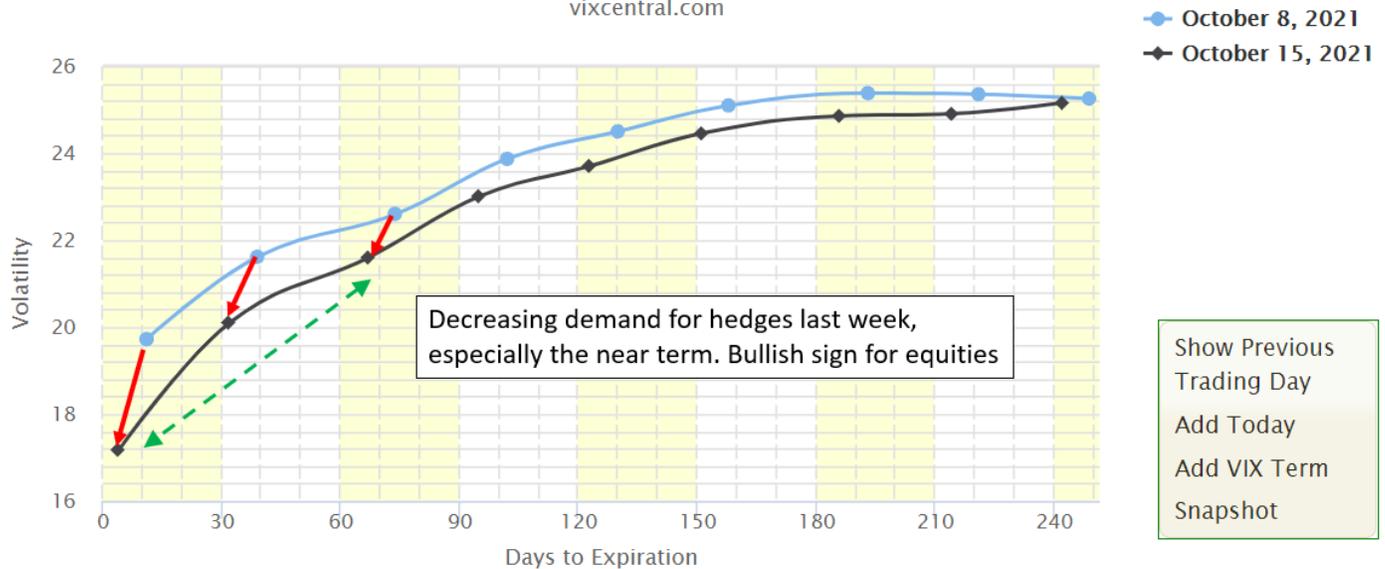
A Weekly Commentary On The Volatility Marketplace  
Free weekly delivery

For Week Ending 10/15/2021:

After weak days on Monday and Tuesday, the S&P reversed course and rallied back over the widely-watched 50-day moving average last week and as of Friday 10/11, just 1.5% below the all-time high set 30 days ago on 9/2. Over the same span, Proshares VIX Short-Term Futures ETF (VIXY) is -6.5%, suggesting indifference from hedging markets. The VIX is currently testing the bullish (lower) side of the 18-20 transition zone and the VIX futures curve is in a bullish configuration, albeit with slightly elevated levels across the board. This setup implies bullish (long beta) positions, though likely tentative until we see a more consistent (lower volatility) U.S. market.

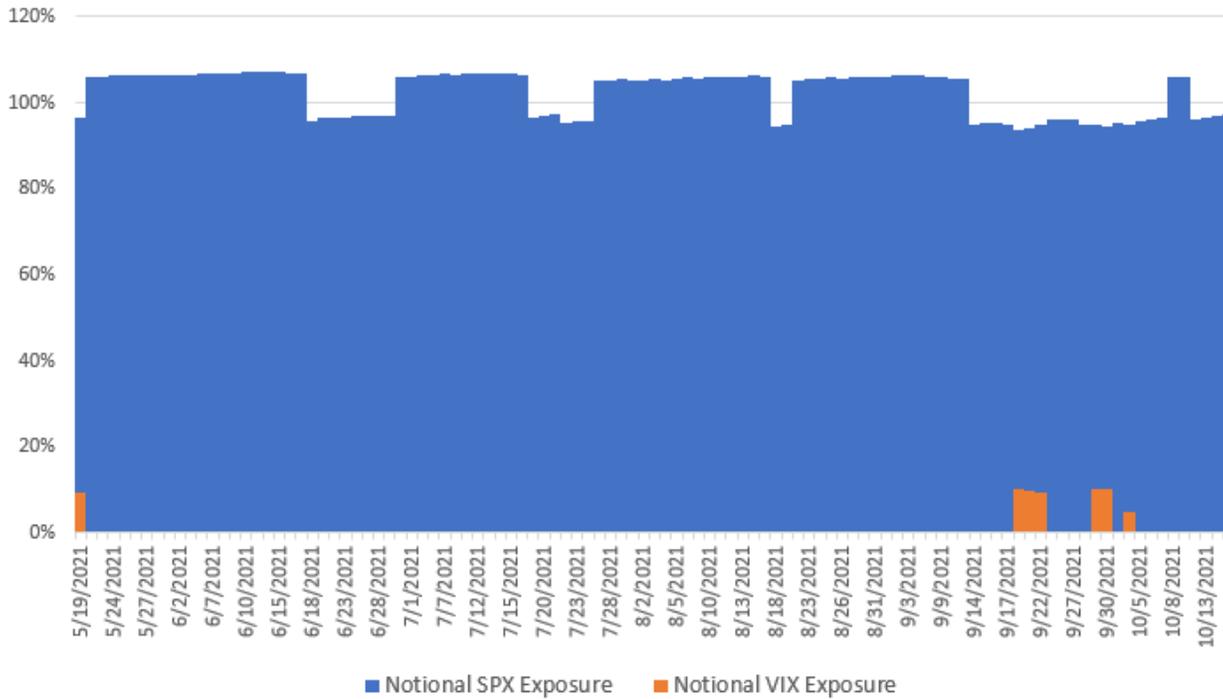
## VIX Futures Historical Prices

vixcentral.com



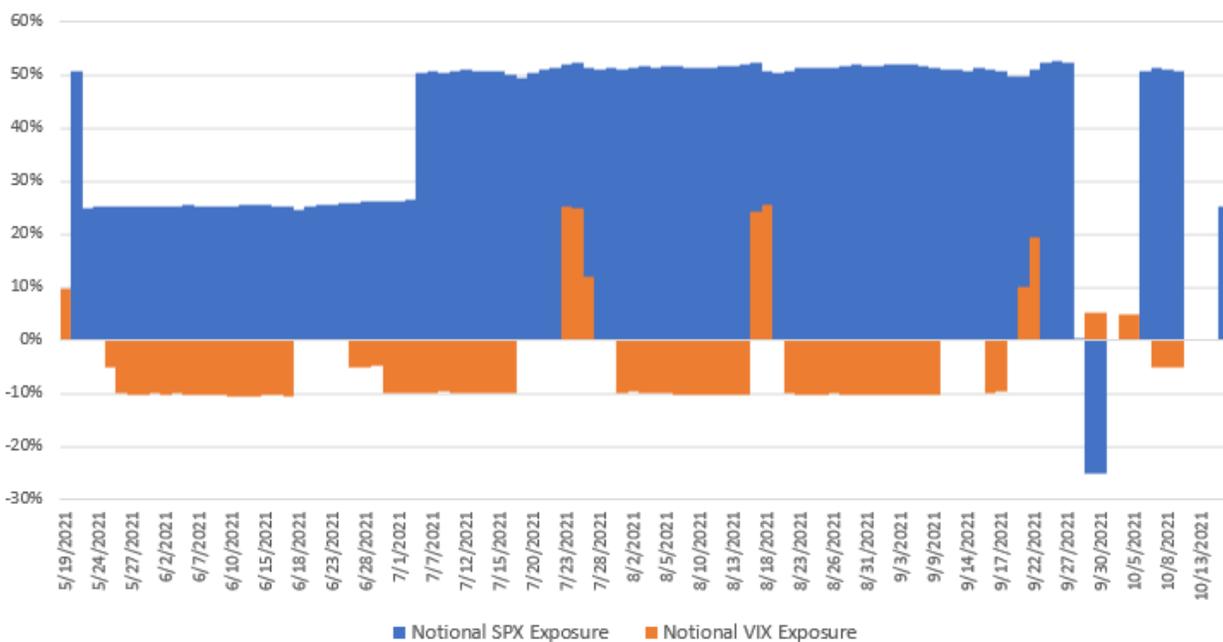
The Tactical Beta strategy is just under 100% long SPX.\* If the VIX setup persists, the strategy will likely add to long beta on any S&P weakness.

Tactical Beta Exposure  
 Sample Account, Trailing 100 Day as of 10/15/21



After early weakness shook the Alpha Seeker strategy out of long beta positions from the week prior, a smaller long beta position was added back later in the week.\*\* Assuming the VIX setup persists, the Alpha Seeker strategy will likely add to long beta on any S&P weakness.

Alpha Seeker Exposure  
 Sample Account Trailing 100 Day as of 10/15/21



## Disclosure

### ***Investing involves risk, including the possible loss of principal.***

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*\*The Sample Account for the Tactical Beta Strategy (f/k/a U.S. Equity Smart Index strategy) is for the longest tenured account managed by Mike and Matt Thompson from November 1, 2016 through October 15, 2021. \*\*The Sample Account for the Alpha Seeker Strategy consists of three accounts managed by Mike and Matt Thompson for portions of the time period between October 1, 2011 through October 15, 2021 to form one continuous Sample Account. Currently, at Thompson Capital Management LLC a majority-owned affiliate of LHA, the Thompsons manage a composite of separately managed accounts for each strategy which has used substantially the same investment objectives, policies, and principles as while the Thompsons were at prior investment management firms. Mike and Matt Thompson, as employees of LHA, will implement the strategies for LHA clients.*

*VIX is the ticker symbol for the Chicago Board Options Exchange (Cboe) Volatility Index, which shows the market's expectation of 30-day volatility. References to the S&P 500<sup>®</sup>, the S&P, and to the market generally are to the Standard & Poor's 500<sup>®</sup> Index (SPX) which is the market capitalization-weighted index of 500 leading companies in leading industries of the U.S. economy that does not include re-investment of dividends in the calculation of the index total return.*