



## The Volatility Watch

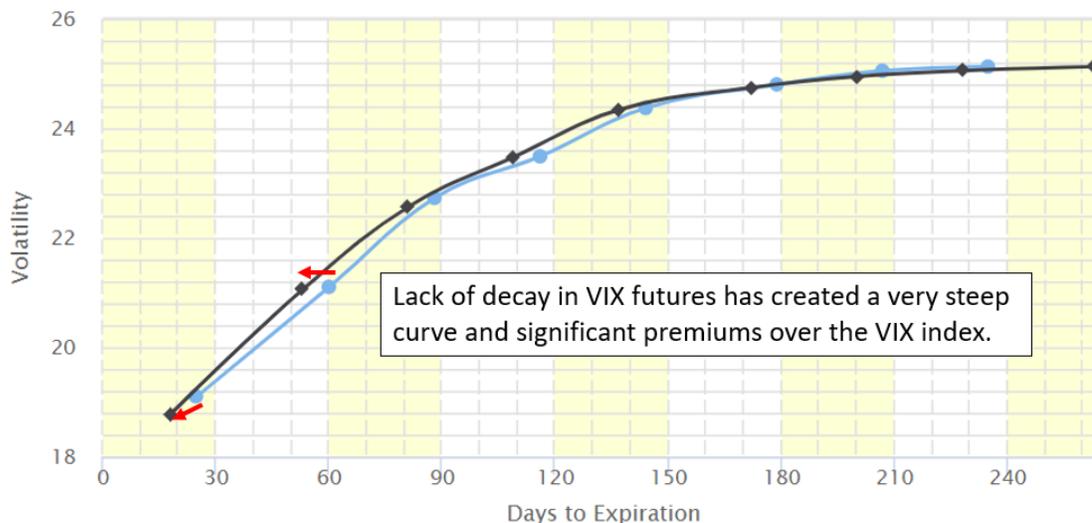
A Weekly Commentary On The Volatility Marketplace  
Free weekly delivery

For Week Ending 10/29/2021:

VIX futures refused to fall even as the S&P 500 continued to grind higher last week. This suggests an underlying bid for protection and has resulted in massive premiums in VIX futures which currently trade between 11% and 49% higher than the VIX index where each contract must eventually settle. This large gap will eventually be narrowed by a higher VIX index (i.e., a lower S&P 500) or lower VIX futures prices (i.e., a higher S&P 500). Neither side is surrendering for now, but a break could come Wednesday when the Fed is widely expected to announce the tapering of its bond purchases. Stay tuned

### VIX Futures Historical Prices

vixcentral.com



October 22, 2021  
October 29, 2021

Show Previous Trading Day  
Add Today  
Add VIX Term Snapshot

Due to a system delay, exposure charts for the Tactical Beta and the Alpha Seeker strategies will not be available this week.

The Tactical Beta strategy remains near 106% long S&P.

The Alpha Seeker strategy is taking a small negative beta position ahead of Wednesday's Fed meeting. (25% short S&P)

## **Disclosure**

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

*This information is provided for informational purposes only and does not involve the rendering of investment advice. This is not an offer to sell or a solicitation of an offer to buy an interest in any investment fund, instrument or financial product, or for the provision of any investment management or advisory services. Recipients should not rely on this material in making any future investment decision. This Commentary should not be regarded as a complete analysis of the subjects discussed. Little Harbor Advisors, LLC (LHA) makes no representation that any strategy would be appropriate for any particular investor. All expressions of opinion reflect the current view of LHA as of the date of the original use of this information and are subject to change. While LHA uses reasonable efforts to obtain information from reliable sources, it makes no representation or warranty as to the accuracy, reliability, or completeness of any information prepared by another party. There can be no assurance that either strategy will continue to hold the same positions or percentage of instruments described herein and each strategy may change any position at any time.*

*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.*